



HOW YOUNG PROFESSIONALS PERCEIVE WORKING IN THE MANUFACTURING SECTOR

jmjphillip
Executive Search



JMJ Phillip is a Global Executive Search Firm specializing in the Manufacturing, Supply Chain and Technology sectors.

www.jmjphillip.com
(877) 500-7762

KEY IDEAS:

1. Manufacturing needs to forward invest in becoming an industry capable of attracting younger workers – 63.6% of respondents aged 18-44 would not take a job in manufacturing in 2022.
2. Interestingly, 58.6% of respondents felt there were good jobs in manufacturing, which asks the question: “Why aren’t more young workers going into manufacturing?”
3. 50.6% of respondents indicated that the reason they didn’t want to pursue a career in manufacturing was because “it doesn’t fit my passion / love”

Source: JMJ Phillip Executive Search 2022 Manufacturing Sentiment Survey

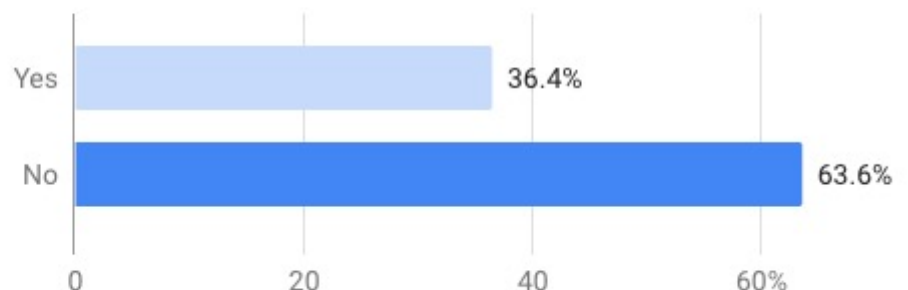


Manufacturing is facing a labor crisis, and it's not just driven by the pandemic-induced shortage. Younger workers, Millennials, Gen Z, and Gen X are not attracted to working in an industry stereotyped as declining and on its last legs. The reality is that this misperception, however, couldn't be farther from the truth.

With an aging workforce and an inability to attract a younger demographic of workers, the manufacturing sector's future balances, in the short-term, on its ability to keep hold of its current crop of workers. The long-term, however, is far less certain – and hinges on the industry's ability to become an attractive arena for younger workers to achieve both financial security and tap into the career growth often perceived as only being available in exciting industries such as technology.

Data collected as part of our 2022 Manufacturing Sentiment Survey highlights insights from professionals aged between 18-44 and sampled from all 50 states in the United States – a large swatch of the work force that skews Millennial, Gen Z and Gen X.

Would you take a job in the manufacturing industry in 2022?



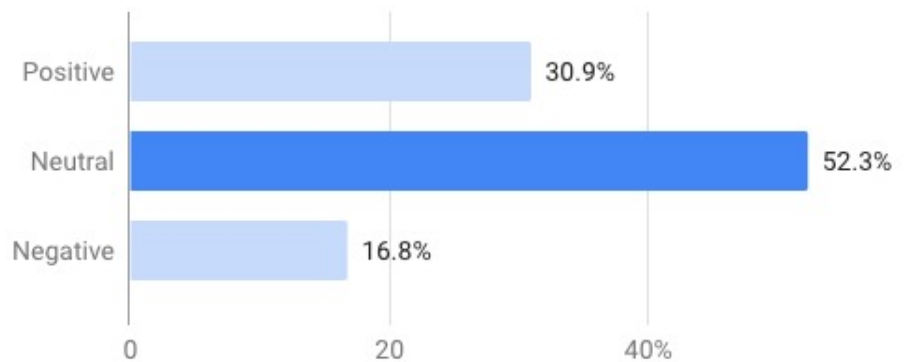


As the economy looks towards the end of the coronavirus pandemic, and we try to collectively climb out of the externalities triggered by the Great Resignation, the majority of younger workers skew towards not wanting to take a job in the manufacturing industry in 2022, with 63.6% of respondents indicating as such.

Why is this? Most likely perception about the industry as a whole. For the last 18 months, not only has the labor shortage garnered much media coverage, but so has supply chain issues, manufacturing bottlenecks (much of which has been catalyzed by semiconductor shortages), and logistics issues across the value chain.

This negative publicity has a net negative effect on the perception of manufacturing as a great industry to work in – especially for younger workers whose priorities can be broken down into a few buckets: compensation, growth opportunities, benefits / flexibility, and passion.

What is your outlook on the US manufacturing sector for the next 5 years?



While attracting younger workers to the industry looks challenging in the short-term, there is a silver lining for the manufacturing sector in the data. When asked about their outlook for US manufacturing over the next 5 years, the sentiment skewed more neutral-to-positive than negative, indicating that with the right strategic execution, manufacturing as an industry can enhance its employer perception and begin to generate interest from younger talent.

How can manufacturing lean into improving its perception?

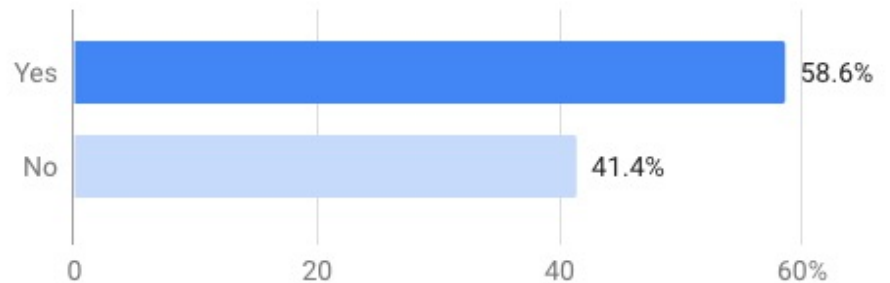
By leaning into the companies, brands, and public figures driving innovation and growth in the space. Tesla and Elon Musk, for example, provide excitement to the younger generations. Electric vehicle companies such as Rivian and Nio are pushing the perception of manufacturing, both onshore and offshore, to new heights. Semiconductor chip manufacturing could be on the verge of returning to Ohio, continuing the US narrative of reshoring key manufacturing functions – all in the quest to protect domestic supply chains and invest in assets that can potentially strengthen the US’s geopolitical standing.

There is a reason why, historically, war and conflict is used to rally the nation’s sentiment around a collective goal. The same strategy can be used by manufacturing to drive positive sentiment around the industry into the future. By leaning into the exciting aspects of the industry, and how it is a crucial cog in the domestic growth equation, could unlock opportunities to attract younger talent to the sector.

The data speaks to this possibility, too.

Despite the short-term negativity attached to the industry, 58.6% of respondents indicated that they do believe there are good jobs in manufacturing. Traditionally, the perception of good jobs is one of the hardest hurdles an industry could face with regards to attracting workers. Manufacturing doesn't seem to have this problem on aggregate, opening opportunities to push the innovation and growth agenda.

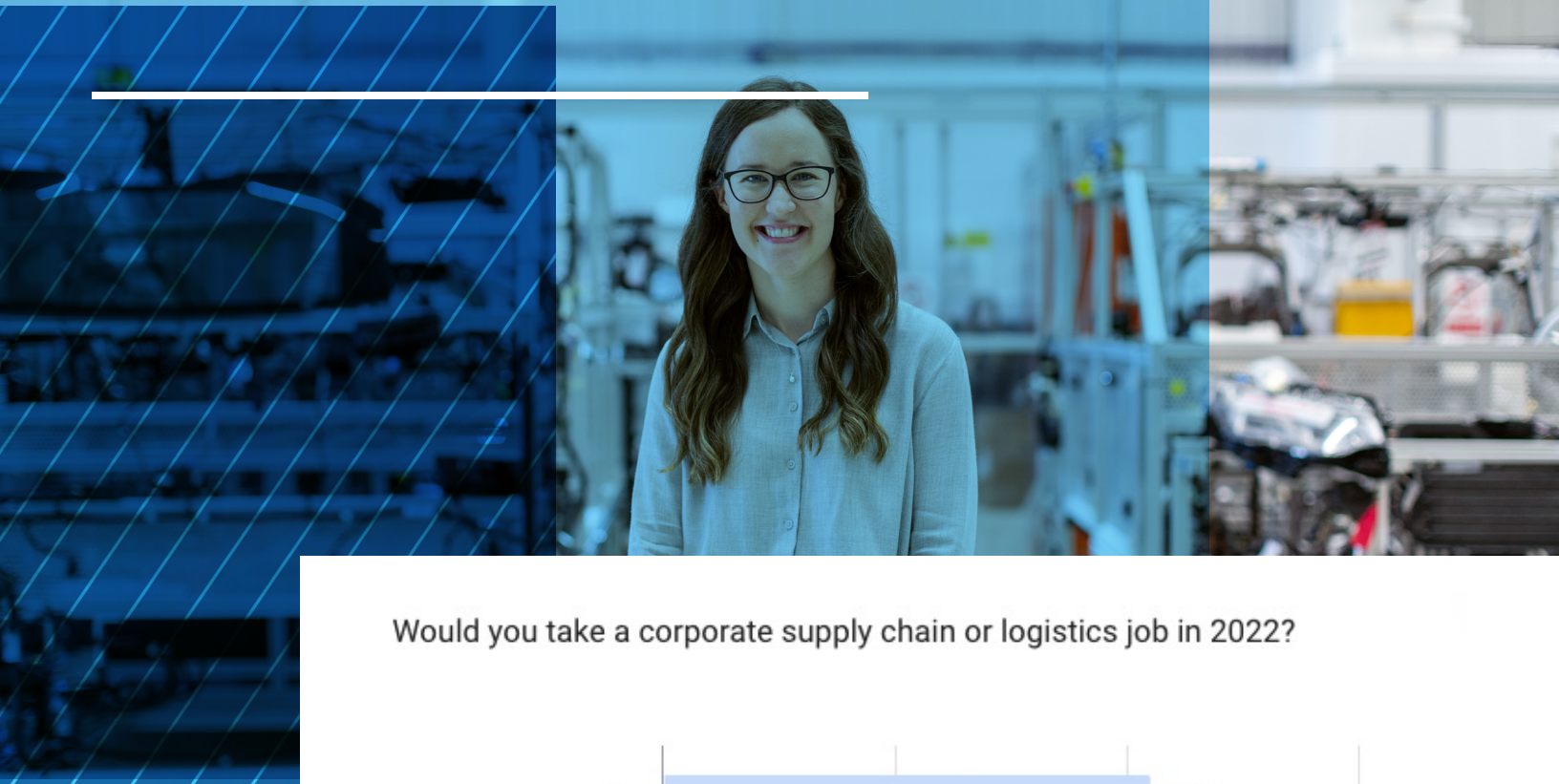
Do you think there are good jobs in manufacturing in 2022?



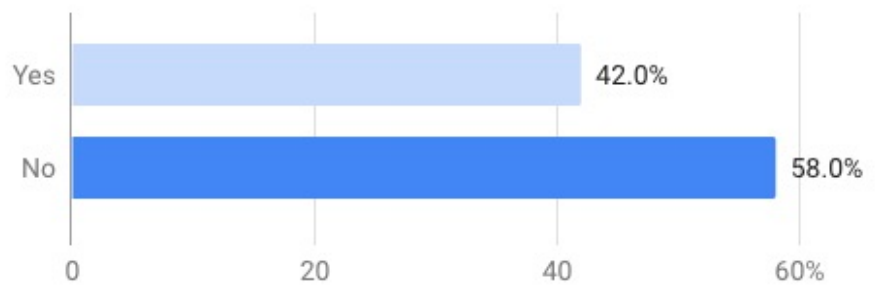
Encouragingly for manufacturing is that peripheral industries are not any more attractive to work in for younger workers – presenting an opportunity for branding and perception improvement synergies across industries.

Despite manufacturing's perception issues, neither supply chain or logistics, even at the corporate level fared any better with respondents – some 58% of respondents indicating that they would not take a corporate supply chain or logistics job in 2022.





Would you take a corporate supply chain or logistics job in 2022?



These challenges are not surprising, however, given the context of the last 18 months, the shift to work-from-home and greater flexibility, and the changing mindset around work with the younger generations. Remember, younger workers today value flexibility and the opportunity to do something that fits their passion over compensation. Younger workers today would rather earn less money in exchange for flexibility of scheduling and where they work.

Industries that are attractive to younger workers today deliver on excitement, opportunities for career development and personal growth, and innovation. Technology, unsurprisingly, over-indexes on its ability to attract younger workers precisely for the above reasons.

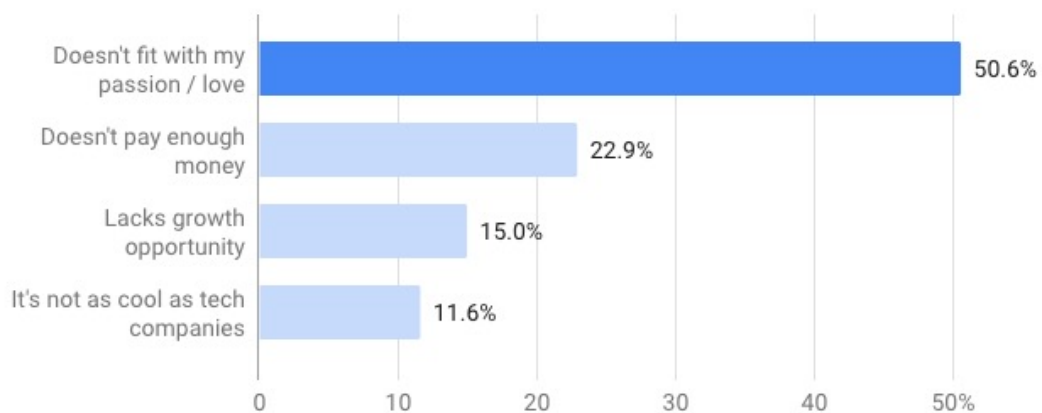
Manufacturing firm balance sheets, however, can close this gap. The misconception that manufacturing jobs are low-wage, low-skill work must be overcome over the next few years if the industry, as a whole, is to recover its image and attract new workers.

How important is this, though?

Pivotal, and our data points to just how crucial it is for manufacturing firms to begin to trade in traditional perceptions for contemporary images of excitement, passion, and growth opportunities for younger workers.

According to our survey, an overwhelming majority (50.6%) of respondents indicated that the reason they wouldn't take a role within the manufacturing sector was because the industry didn't fit with their passion or love.

Why wouldn't you take a job within the manufacturing sector?



Compensation came in second with 22.9% of respondents indicating that the industry didn't pay enough to attract them to it.

These insights are so important to absorb as the manufacturing industry iterates its value proposition over the next few years. Younger workers are changing in their demands and expectations of workplaces – and the manufacturing sector must keep up.

There are positives, however. Manufacturing's rich history of driving growth and innovation in the US is a flame that can be rekindled. Steps are already in place for firms to re-shore key manufacturing jobs as the US looks to strengthen its supply chain. Exciting companies are being born every day, capable of changing entire industries (see: Tesla) and will need manufacturing expertise to power their products. If manufacturing is to revamp its reputation and begin, again, to be the industry of choice for younger workers, it's time for a collective push to lean into the great narratives and companies driving change in the sector.