To Meet Employee Needs, Industrial Manufacturers Need to Shift

Unlock the power of human-led problem solving—not just to survive, but thrive
The industrial manufacturing industry is in a state of transformation, with many companies forced to become more resilient in response to dramatic external disruption.

The pandemic has had a profound impact on labor management, adding to an already problematic skills gap. Likewise, the volatile nature of state-driven policy decisions and geopolitical unrest are making it increasingly hard to ensure business continuity.

And that's before we consider the risk of traditional manufacturers being increasingly outpaced by leaner, more flexible competitors.

In response, an industrywide reassessment of traditional supply chain philosophies is underway, driven by the need for digital transformation and improved operational flexibility. But as your factories evolve, so, too, must your workforce.
The average age of a highly skilled manufacturing worker is 56, and nearly a quarter will retire in the next 10 years. And with younger generations expressing little interest in the industry, the pressure is on HR to step up and:

- **Re-skill and hire to avoid talent shortfalls**, including an estimated 2.4 million manufacturing jobs going unfilled by 2028. HR must modernize the recruitment process to identify, target, and attract a new generation of talent—futureproofing production and meeting customer demand.

- **Bridge the widening skills gap** to accelerate growth as manufacturers increasingly require adaptive skills that work across multiple technologies and processes. HR will need to identify talent with both digital and traditional manufacturing skills and reskill employees from older disciplines into new production lines.

- **Drive employee engagement** by removing silos and connecting employees. As offices and facilities spread out geographically, teams often lack the connected tools and insights they need to stay collaborative and productive. Deskless workers require mobile tech access, and wearable health monitors can help meet union safety requirements.

- **Foster cultural change** to address the industry’s outdated reputation. The Bureau of Labor projects that by 2029, the number of millennials in the labor force will increase by nearly 4.5 million, yet manufacturing is consistently ranked among the industries they are least interested in working in. HR must help drive a younger, more progressive industry identity through digital engagement and diverse, proactive recruitment.

- **Job applications submitted via mobile devices are rising.** According to an Appcast analysis of almost 7 million applications, approximately 61% of all applications made were submitted from a mobile device. Manufacturing organizations must create mobile-friendly career sites to capitalize on this trend.

- **Approximately 52.7% of open manufacturing jobs will be unfulfilled by 2028,** reducing production output by an estimated $454 billion in the US.

- **HR must foster a workplace that blends a multigenerational workforce by attracting younger, tech-savvy employees and reskilling older workers.**
Your factories face aggressive digital disruption and tough competition for talent, intensified by waning interest among younger generations. That’s why it’s time to optimize your people strategy to meet employees’ changing needs—and give them what they need to drive growth and engagement:

**Skills:** Employees want to understand how they can improve, develop their current skills, and promote themselves for new growth opportunities.

**Health, wellbeing, and safety:** It’s human nature for people to work best in a safe environment that nurtures physical and mental wellbeing. This includes a healthy work/life balance that incorporates flexible and remote working.

**Inclusion, equity, and diversity:** People want to be their authentic selves at work, receive equal opportunities and pay, and feel like they belong in a community.

**Flexible work:** Everyone wants to choose where, when, and how they work, regardless of their role. This is no longer nice to have but nonnegotiable. HR must give workers the technology they need to stay productive in the office, at home, or on the go.

**Tailored employee experiences:** Employees want personalized, mobile experiences, on-demand access to contextual insights, and automated tools that make work easier and more efficient.

You can help move manufacturing HR forward and lay a foundation for people-led growth and innovation by meeting these five needs.
How organizations like yours are making the shift

Other manufacturers are already embracing the shift—and the results speak for themselves.

Here are a few examples to help inspire a more diverse, fulfilled, and productive workforce:

**Upskilling for continuous improvement and retention**

In 2020, nearly 70% of manufacturers said they are creating or expanding training programs for their workforce. To help attract and retain new and existing talent, some manufacturers nurture a culture of continuous improvement through upskilling and training, ensuring new career paths and opportunities for personal growth are always available.

By pursuing these kinds of continuous training programs, you can help close skill gaps in the business and encourage employee longevity among new and existing hires.

**Having health and wellbeing strategies to encourage wellness**

Health and wellbeing are fast becoming critical concerns at many manufacturers, driven by raised social awareness and an aging workforce. While employees naturally expect to work in a safe environment, prevailing attitudes among older workers around seeking help can become a barrier to employee wellbeing.

In response, some manufacturers have combined HR with health and safety to create a holistic wellness strategy. One award-winning example provides 10-minute screenings for 15 different health markers on the shop floor, enabling a more accessible and personalized experience. The result is a healthier, more active workforce willing to engage in continuous environmental, occupational, social, and health initiatives.

You can foster a healthier, more engaged workforce by helping remove the stigma around seeking help, and putting health and wellbeing initiatives front and center.
Creating a diverse and inclusive workforce that people love

The manufacturing industry has an identity problem. Having lacked appropriate representation in the past, manufacturers are taking significant steps to be more diverse, equitable, and inclusive, creating a fair community where people can be their authentic selves. For example, some manufacturing companies have created dedicated groups to address employee needs. Such groups include support for LGBT, disabled, and minority employees and social and financial resources for employee families.

Offering inclusive and equitable initiatives is vital to attracting younger, more diverse talent and creating a happier workforce driven by a shared sense of community and respect.

Provide flexible working to suit flexible employees

In response to social distancing rules throughout the COVID-19 pandemic, organizations in all industries adapted to remote and flexible working. But even before the pandemic, forms of flexible working were fast becoming a desirable perk.

Accelerated by COVID-19, manufacturers increasingly see flexible working as beneficial to business, learning that a one-size-fits-all model is impractical. Instead, they’ve introduced the solutions and flexibility employees need to do their best work—when and where it suits them. For example, employees with young children may work best from home, while others perform best when working early or late shifts.

By offering flexible core hours and adaptable shift patterns, you can help drive employee productivity, wellbeing, and loyalty; improve candidate attraction; and even reduce absenteeism.

Tailoring the connected employee experience

With the emergence of Industry 4.0, traditional manufacturing companies are under pressure to digitally transform and become more agile, automated, and efficient.

The smart factory is the result of that transformation: a manufacturing company that uses digital technologies to optimize the supply chain, perform predictive analytics, and drive operational efficiency. Moreover, manufacturing companies are applying the same tools to help connect and enhance the employee experience.

This means using the likes of AI-powered chatbots to provide real-time employee support; smart wearables to help enhance training, assembly, and production; and connected mobile tools to enhance data visibility and team collaboration.

Providing the connected experiences your employees expect will not only drive employee satisfaction but customer satisfaction too—as productivity soars, and service needs are met faster with greater accuracy.
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Challenges

It’s time to shift manufacturing HR

How organizations like yours are making the shift

What are analysts saying about shift?

How can you make a shift in your organization?

Conclusion

Are you ready to shift?

What are analysts saying about shift?

Deloitte identifies a need for firms to deliver a more human approach to HR and shift from “survive to thrive.”

Gartner found that employers that support employees with their life experience see a tangible increase (more than 20%) in the number of employees reporting better mental and physical health.

Jeanne Meister believes that: “We will see more companies make a public commitment to invest in employee wellbeing and mental health and use this as an advantage in recruiting and retaining talent.”

Josh Bersin says: “90% of the companies we talk with need a refresh or new operating model for HR. Why? Because HR has become a center of innovation.”

PwC says: “The COVID-19 pandemic has only underscored the need for digital transformation and upskilling initiatives aimed at improving both internal processes and customer engagement.”
How can you make a shift in your own organization?

It’s time for industrial manufacturers to reassess the role of HR in addressing critical business challenges. But how can you empower HR to attract, retain, and nurture new and existing talent—and secure your organization’s future?

Eliminate HR silos with a unified, connected solution

The average manufacturing employee will interact with dozens of different processes on any one day. But without a single, connected view, managing employee productivity, wellbeing, and success becomes a frustrating game of disparate micromanagement.

And without businesswide visibility of candidate and skillset needs, it’s harder to make informed decisions around hiring, training, and upskilling.

By eliminating data silos and connecting your recruitment, talent management, core HR, supply chain, and payroll systems, you can create new efficiencies and better inform business processes.

Deliver personalized recruitment experiences

The pressure is on HR to avoid talent shortfalls by attracting multiskilled workers and younger, more diverse job seekers—such as college graduates. But many manufacturing HR teams still rely on traditional recruitment methods that fail to appeal to the desired talent.

By updating your recruitment platforms with a smart connected solution, you make it easy for recruiters to identify and attract potential job candidates from existing employee profiles and past applicants. They can also use connected insights to create personalized career sites and marketing campaigns that stand out in an increasingly competitive market.

Add AI into the mix, and recruiters can find best-fit candidates and predict future hiring needs while engaging applicants with highly personalized interactions.
Identify, empower, and upskill strategically

As industrial manufacturers shift away from machine and product-specific skills to adaptive skills that cover multiple functions, HR must upskill and reskill existing employees to bridge a widening skills gap.

By taking advantage of AI-powered matching technologies, you can unlock better talent outcomes through learning recommendations for the development of adjacent skills, career development, and succession planning.

And with an accessible cloud-based talent system, you can roll out intuitive, easy-to-follow onboarding and training initiatives to new and existing staff at scale.

Moreover, these changes diversify skillsets and attract a younger, more connected generation of workers.

Empower employees to engage and foster cultural change

Customer expectations are rising due to normalized access to on-demand information and connected digital experiences, but what about your employees’ expectations? They’re no different.

While people thrive off human connection, digital tools can enhance the human experience, helping employees stay engaged and productive. For example, mobile access to contextual insights and conversational interfaces can help connect employees quickly to each other and to the answers they need to do their best work.

AI-powered analytics can also help identify risk patterns and alert managers to potential safety risks that need mitigating. And with help from automation tools, employees can streamline repetitive tasks, freeing up time better spent on skills development and value-adding tasks.

Similarly, AI-powered candidate recommendations can help remove human bias from decision-making and predict future hiring outcomes.

And integrated recruitment and HR systems ensure managers know what skills are coming into the business—and where to deploy those skills across branches and business units to deliver maximum impact.
Are you ready to shift?

To unlock the power of human-led problem solving in industrial manufacturing, you need to elevate and empower HR with a platform fit for employee-driven success.

With the right platform, you can reduce HR complexity and optimize the employee experience, bridging skills gaps and attracting younger, more diverse talent.

By connecting HR with wider business functions to unlock a single source of truth, you can simplify talent management, which helps you monitor and analyze skill requirements across the business. What’s more, you can empower teams with the latest automation and AI tools to make faster, more meaningful decisions that benefit everyone.

As employee needs change, it’s up to HR to shift and ensure employees have the support they need to drive growth and be their best selves.

To learn more about how making the shift helps industrial manufacturers solve their most pressing HR and business challenges, speak to one of our HR experts today.

Speak to our HCM experts