EPICOR en>compass

# Voice of the Essential Worker: Manufacturing 2024

MANUFACTURING

As we analyze the results from our 2024 report, we reflect on last year's inaugural "Voice of the Essential Worker" survey to better understand the successes and challenges manufacturing workers encounter each day.

We learned a lot. 600 respondents told us about their morale and job satisfaction, how much their company invests in technology, how sustainable their organization is, and how well management listens to them. Ultimately, we wanted the insights we gained to help manufacturing leaders create a more satisfying work environment for their workers.

But while point-in-time data is useful, the manufacturing world is in constant change — and so are the experiences of those essential workers.

Once again, we surveyed another 600 manufacturing workers and asked them the same questions we did last year. But our second annual "Voice of the Essential Worker" doesn't just gauge where workers are at today, but measures them against last year to see what's changed.

And a lot has changed in the past year.

We hope you use this report to better understand your factory workers and those across the manufacturing industry — as well as the trends impacting those workers — to create initiatives that can ensure their growth and engagement.

**Kerrie Jordan**

Group Vice President,
Product Management at Epicor Software

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# Key Findings

Our respondents gave us the following insights into the state of workers in manufacturing today.

## Engagement in the Workplace

- 45% say morale at their current company is high. They attribute their high morale to bonuses or higher pay, flexible work schedules, and management that listens to staff.
- Creating a better workplace starts by listening to staff. They also say management can create a better workplace by offering more paid time off, flexible work schedules, and by providing better tools and technology.

## More Technology and the Skills to Use Them

- 56% say they would take a pay cut to go work for a more technology-driven factory.
- 70% say their company is making upskilling a priority. Top upskilling initiatives include giving workers on-site and on-the-job training, giving access to online training platforms, and covering tuition for courses and training.

## Sustainability at the Factory

- 55% say they would take a pay cut to go work for a more sustainable factory.
- Only 45% say their organization is making sustainability a high priority.

## Turnover, Challenges, and Other Takeaways

- 43% plan to leave their job in the next year. They want to seek out a new employer that prioritizes more paid time off, flexible work schedules, and listening to staff.
- The increased cost of raw materials is their biggest challenge. They're also challenged by bad supervisors, workload, and outdated technology.

## Notable Comparisons from 2023's Report

- High morale has dropped from 52% last year to 45% this year.
- However, turnover has dropped as well, from 45% seeing more turnover than ever to 39%. More plan to stay at their jobs in the next year as well, from 44% to 57%.
- Those who believe their job will be replaced by automation dropped from 64% to 52%.
- There's less priority on upskilling (80% to 70%) and sustainability (49% to 45%).
- Those investing in new technology "more than ever" rose from 45% to 49%.
- The thing they most enjoy about their work remains the same: Being part of building or creating something with their hands.
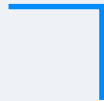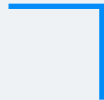
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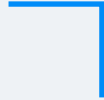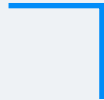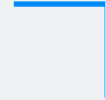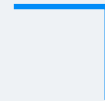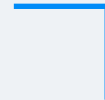
# Profile of Who We Surveyed:

## Methodology and Participant Demographics

In order to provide greater context around these findings, here are more details on who we surveyed and the methodology used. Starting on September 5, 2023, we surveyed 600 factory or plant workers in the US. The survey was conducted online via Pollfish using organic sampling. Learn more about the Pollfish methodology **here**.

### What best describes where you work?
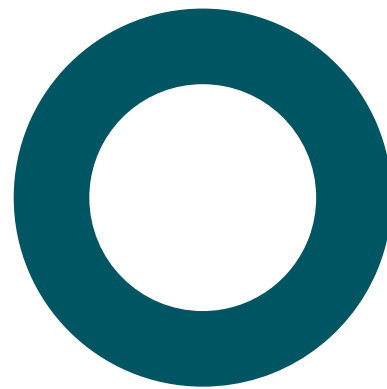
| | |
|---|---|
| ● I work in a factory/plant | **100%** |
| ● I work in a restaurant | 0% |
| ● I work in an office | 0% |
| ● I work in a retail store | 0% |
| ● I work from home | 0% |
| ● I work from home and an office (hybrid) | 0% |
| ● None of the above | 0% |

## What best describes your job title?

| Job Title | Value |
|---|---|
| Assembler / fabricator | 126 |
| Brazer / welder | 32 |
| Machinist / operator | 116 |
| Production planner / scheduler | 75 |
| Quality control inspector | 61 |
| Engineer | 59 |
| Supply chain analyst | 55 |
| Clerk | 29 |
| Operator | 47 |
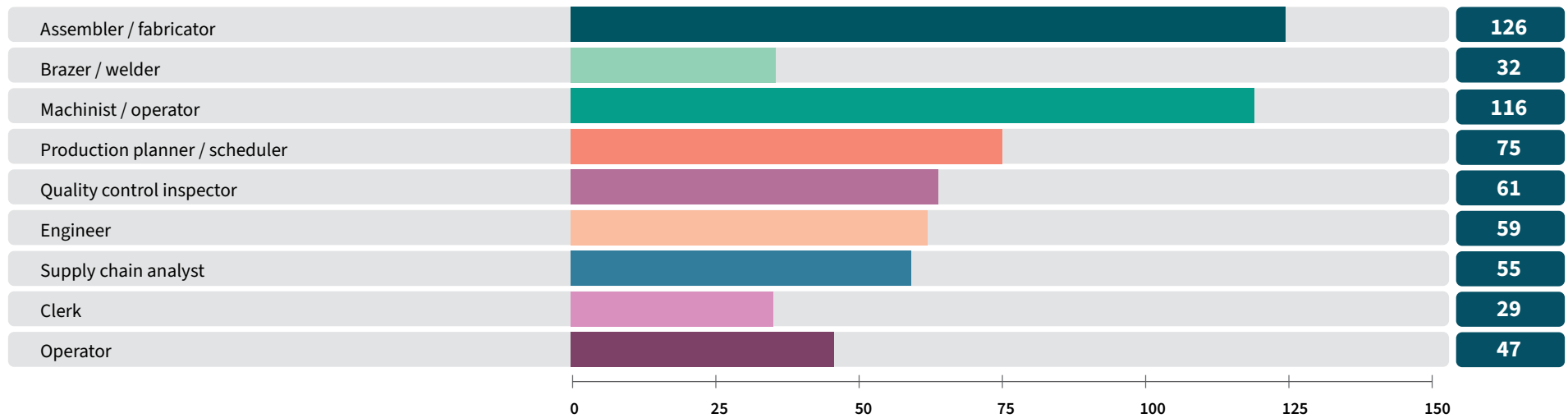
## What best describes the goods you primarily manufacture where you work?

| Goods | Value |
|---|---|
| Food, beverage, and tobacco | 43 |
| Textiles, leather, and apparel | 61 |
| Wood, paper, and printing | 50 |
| Petroleum, Coal, Chemicals, Plastics, and Rubber | 61 |
| Nonmetallic Mineral | 31 |
| Primary Metal, Fabricated Metal, and Machinery | 146 |
| Computer and Electronics | 53 |
| Electrical Equipment, Appliances, and Components | 47 |
| Transportation | 40 |
| Furniture | 26 |
| Miscellaneous Manufacturing | 42 |

## How long have you been at your current company?

| | |
|---|---|
| ● Less than 6 months | **13.33%** |
| ● 6 months - 1 year | **18.67%** |
| ● 1-5 years | **48.83%** |
| ● 5+ years | **24.17%** |

## How long have you worked in manufacturing across all jobs, including your current job?

| | |
|---|---|
| Less than 6 months | **30** |
| 6 months - 1 year | **55** |
| 1-5 years | **198** |
| 5-10 years | **170** |
| 10+ years | **0** |
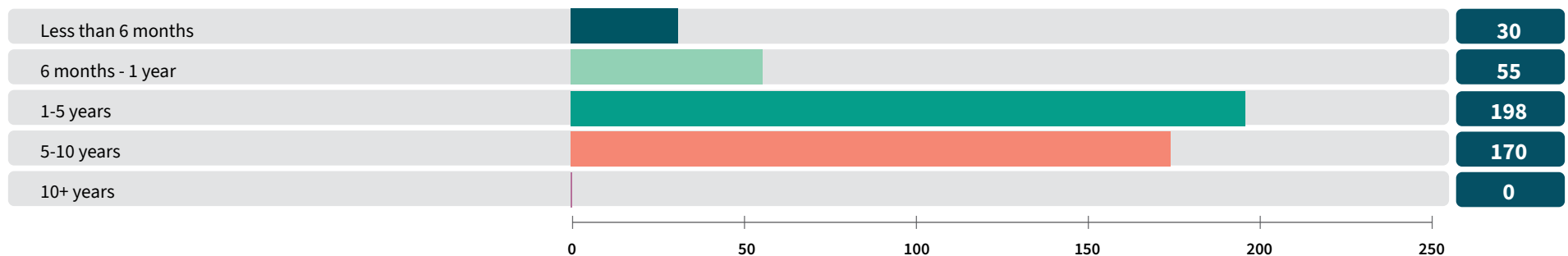
## Filters Applied

**Time Range**

04:48　　08:48　　12:48　　16:48

| Gender | | |
|---|---|---|
| Male | 307 | **51.17%** |
| Female | 293 | **48.83%** |

| Age | | |
|---|---|---|
| 18-24 | 80 | **13.33%** |
| 25-34 | 183 | **30.50%** |
| 45-54 | 100 | **16.67%** |
| >54 | 50 | **8.33%** |
| 35-44 | 187 | **31.17%** |

| Country | | |
|---|---|---|
| United States | 600 | **100%** |

| Employment States | | |
|---|---|---|
| Employment for wages | 600 | **100%** |

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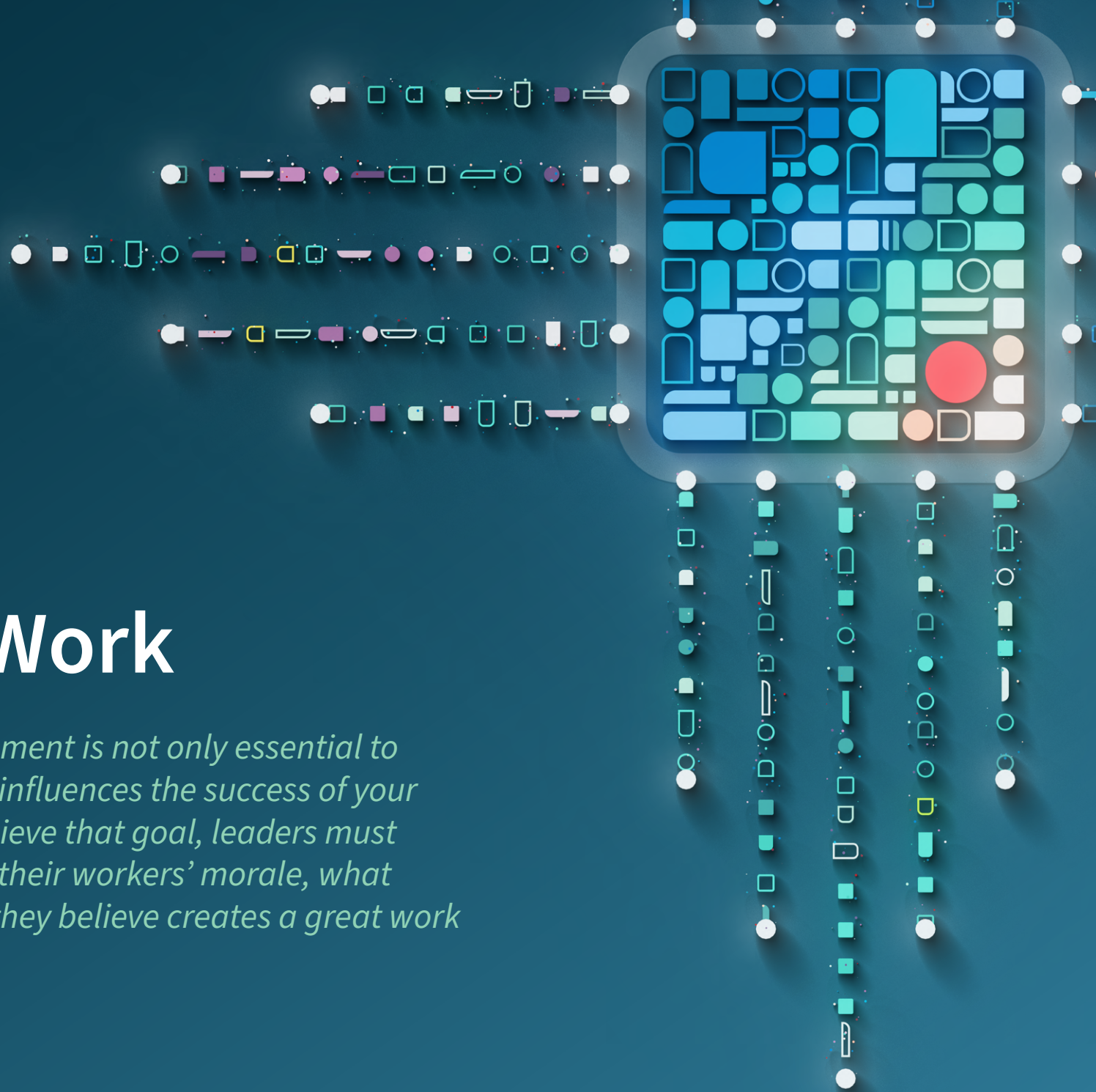
**Part 1:**

# Day-to-Day Work

*Creating a positive work environment is not only essential to employee engagement but also influences the success of your manufacturing company. To achieve that goal, leaders must understand what contributes to their workers' morale, what challenges they face, and what they believe creates a great work environment.*

# 45% have high morale

When rating morale, 45% say morale is high, while 39% say morale is average. 16% say morale is low.

## 2023 Report

When compared to last year's report, high morale has dropped from 52% to 45%. Low morale increased from 7% to 16%.

## Segments

High morale for **women** dropped from 52% last year to 43% this year, and **men** dropped from 52% last year to 47% this year. However, the biggest drop was in **younger respondents ages 18 to 34**, going from 50% last year to just 39% this year.

**How would you rate morale at your current company?**

| | |
|---|---|
| ● High morale | **44.83%** |
| ● Average morale | **39.33%** |
| ● Low morale | **15.83%** |

# Top Five Reasons for High Morale

Those who said that morale is high at their company attribute it to the following:

1. **Bonuses or higher pay** (24%)
2. **Flexible work schedule** (15%)
3. **Management focuses on listening to staff** (14%)
4. **More paid time off** (12%)
5. **Non-monetary perks** (8%)

They also attribute high morale to management supporting employee-led initiatives (7% tie), providing better tools and technology (7% tie), giving employees recognition or opportunities for growth (6%), investing in better or more training (5%), and addressing issues in the workplace as they arise (3%).

## 2023 Report

2023 saw the same reasons, only in a different order: bonuses or higher pay is first this year, but was third last year. Flexible work schedule is second this year, but was first last year. More paid time off is fourth this year, but second last year.

## Segments

This year, **younger respondents ages 18 to 34** say their top reason is bonuses or higher pay, whereas last year, it was more paid time off. This year, **women** say their top reason is bonuses or higher pay, whereas last year, it was a flexible work schedule. This year, **men** say their top reason is bonuses or higher pay, whereas last year, it was more paid time off.

**[If high morale] What's the #1 thing your company has done to create high morale at your company?**

| Category | Value |
|---|---|
| Flexible work schedule | 25 |
| More paid time off | 29 |
| Bonuses/higher pay | 56 |
| Non-monetary perks (snacks in the breakroom) | 19 |
| Management focuses on listening to staff | 33 |
| Provided better tools and technology | 15 |
| Invested in better/more training | 9 |
| Addresses issues in the workplace as they arise | 7 |
| Supports employee-led initiatives | 14 |
| Give employee recognition/opportunities for growth | 10 |

# Top Five Reasons for Low Morale

Those who said that morale is low at their company attribute it to the following:

1. **No pay raises or bonuses** (14%)

2. **Management doesn't respect work time** (13%)

3. **High turnover** (12% tie)

4. **Unrealistic expectations for workers** (12% tie)

5. **Doesn't listen to worker feedback** (12% tie)

They also attribute low morale to their company not keeping tools and technology up-to-date (9%), poor leadership or leaders having poor management skills (8%), not addressing issues in the workplace (7%), lack of integrity within the company (5%), lack of recognition (4% tie), and unhealthy communication (4% tie).
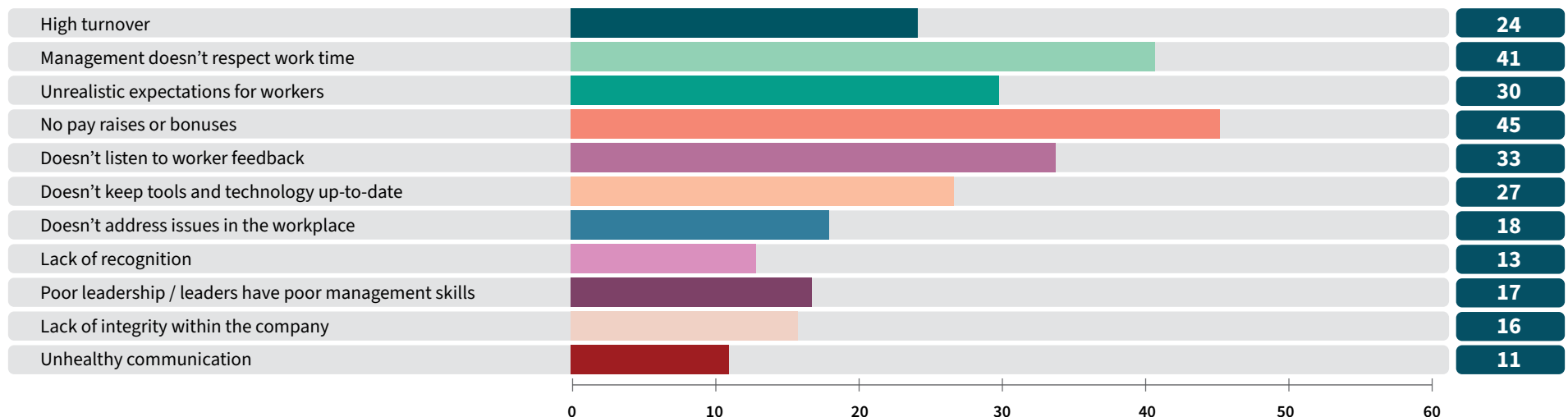
## 2023 Report

While "no pay raises or bonuses" remained in the top choices (third last year, first this year), the rest jumped from lower positions last year. Management doesn't respect work time, went from 7% to 13%; high turnover went from 7% to 12%; unrealistic expectations for workers went from 5% to 12%; and didn't listen to worker feedback went from 5% to 12%.

Poor leadership dropped from 24% last year to 8% this year, doesn't address issues in the workplace dropped from 15% to 7%, and unhealthy communication dropped from 10% to 4%.

## Segments

This year, **younger respondents ages 18 to 34** say their top reason is unrealistic expectations for workers, whereas last year it was poor leadership or leaders having poor management skills. This year, **women** say their top reason is no pay raises or bonuses, whereas last year, it was poor leadership or leaders who have poor management skills.

### [If low morale] What's the #1 thing your company has done to create low morale at your company?

| Reason | Value |
|---|---|
| High turnover | 24 |
| Management doesn't respect work time | 41 |
| Unrealistic expectations for workers | 30 |
| No pay raises or bonuses | 45 |
| Doesn't listen to worker feedback | 33 |
| Doesn't keep tools and technology up-to-date | 27 |
| Doesn't address issues in the workplace | 18 |
| Lack of recognition | 13 |
| Poor leadership / leaders have poor management skills | 17 |
| Lack of integrity within the company | 16 |
| Unhealthy communication | 11 |

# Top Three Most Enjoyable Aspects of Work

When asked what they enjoy most about their work, they replied:

**1. Being part of building or creating something with my hands** (29%)
**2. Contributing to the mission of the company** (25%)
**3. Great stepping stone for a future career** (19%)

They also enjoy their co-workers (11%), that they don't have to worry about their job once they clock out (9%), and some like nothing about it — it's just a paycheck (7%).

## 2023 Report

2023 saw the same reasons, except co-workers dropped from 20% to 11%, and a great stepping stone increased from 17% to 19%.

## Segments

Every siloed demographic had the same answer: being a part of building or creating something.

## What do you enjoy the most about your work?

| | |
|---|---|
| Being part of building/creating something with my hands | 143 |
| My co-workers | 45 |
| Contributing to the mission of the company | 106 |
| Great stepping stone for a future career | 91 |
| I don't have to worry about my job once I clock out, get in/get out | 34 |
| Nothing, it's just a paycheck | 34 |
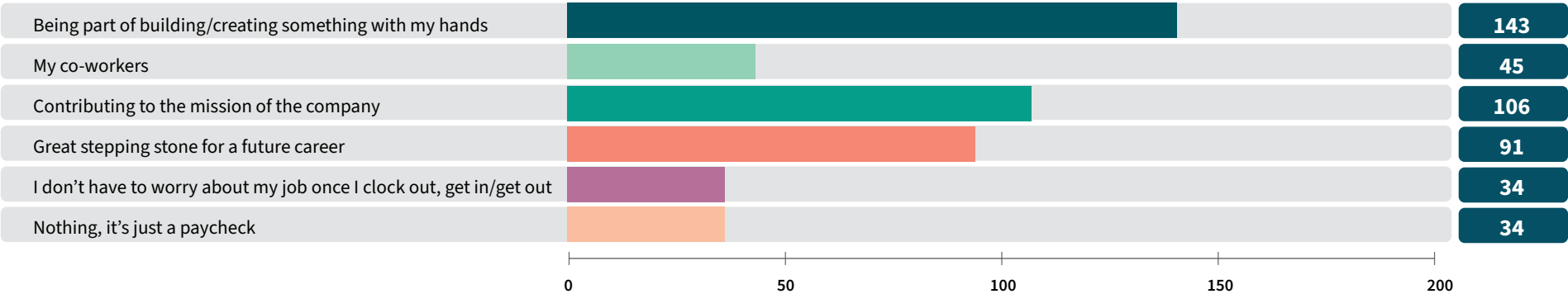
# Top Five Work Challenges

The greatest challenges they face at work each day are:

1. **Increased cost of raw materials** (15%)
2. **Bad supervisors** (14% tie)
3. **Workload** (14% tie)
4. **Outdated technology** (11%)
5. **Supply chain shortages** (9%)

They also said they're challenged by slow delivery (8% tie), low morale amongst the staff (8% tie), keeping on schedule/meeting deadlines/managing throughout (7%), outdated or non-streamlined policies and procedures (5%), and managing inventory (4%). Finally, 5% say they have no challenges.

## 2023 Report

While the increased cost of raw materials stayed first, it dropped from 29% last year to 15% this year. So did supply chain shortages, dropping from 17% to 9%.
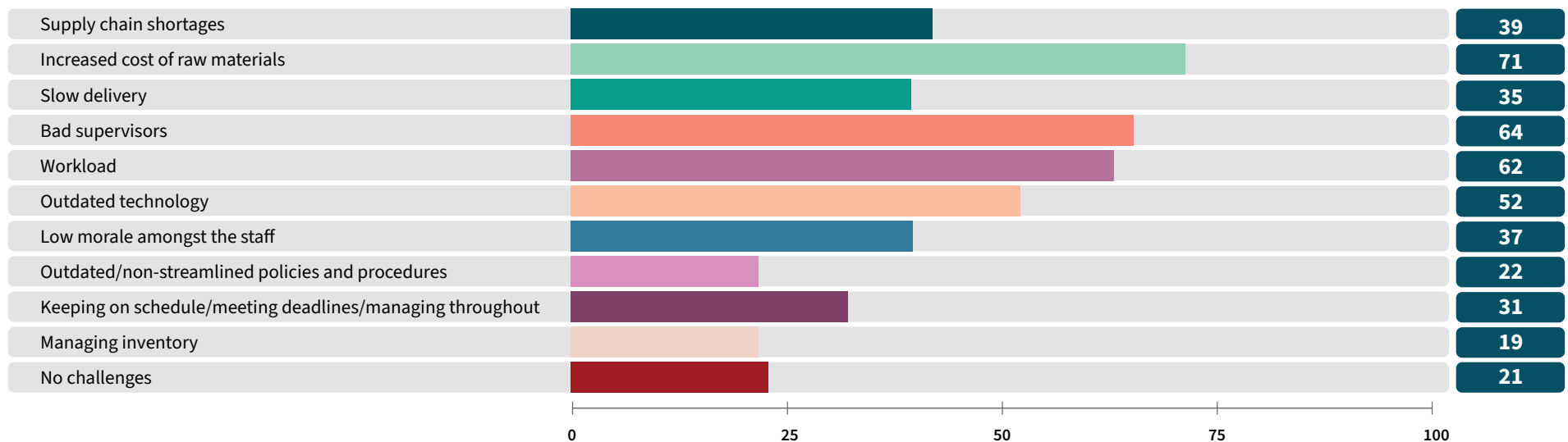
Bad supervisors moved up the list from 10% to 14%. Workload remained relatively the same, from 11% to 14%. However, outdated technology jumped from 5% to 11%, making the top five this year.

## Segments

This year, **younger respondents ages 18 to 34** say their top challenge is bad supervisors, whereas last year it was the increased cost of raw materials. This year, **women** say their top challenge is bad supervisors, whereas last year it was supply chain shortages.

For both this year and last, **respondents from smaller companies** (<500 employees) say their top challenge is the increased cost of raw materials. This year, **respondents from larger companies** (500< employees) say their top challenge is a tie with the increased cost of raw materials, bad supervisors, and keeping on schedule/meeting deadlines/managing throughout, whereas last year it was supply chain shortages.

## What is your greatest challenge at work?

| Challenge | Value |
|---|---|
| Supply chain shortages | 39 |
| Increased cost of raw materials | 71 |
| Slow delivery | 35 |
| Bad supervisors | 64 |
| Workload | 62 |
| Outdated technology | 52 |
| Low morale amongst the staff | 37 |
| Outdated/non-streamlined policies and procedures | 22 |
| Keeping on schedule/meeting deadlines/managing throughout | 31 |
| Managing inventory | 19 |
| No challenges | 21 |

# 54% say the increased cost of raw materials impacts access to resources and job insecurity

For those who said their biggest challenge is raw materials, the increased costs of raw materials directly impact their work in the following ways (they chose all that applied):

1. **It leads to tighter budgets, affecting my ability to access resources needed for my job** (54%)
2. **There is increased stress due to the potential for job insecurity if the company can't sustain the costs** (48%)
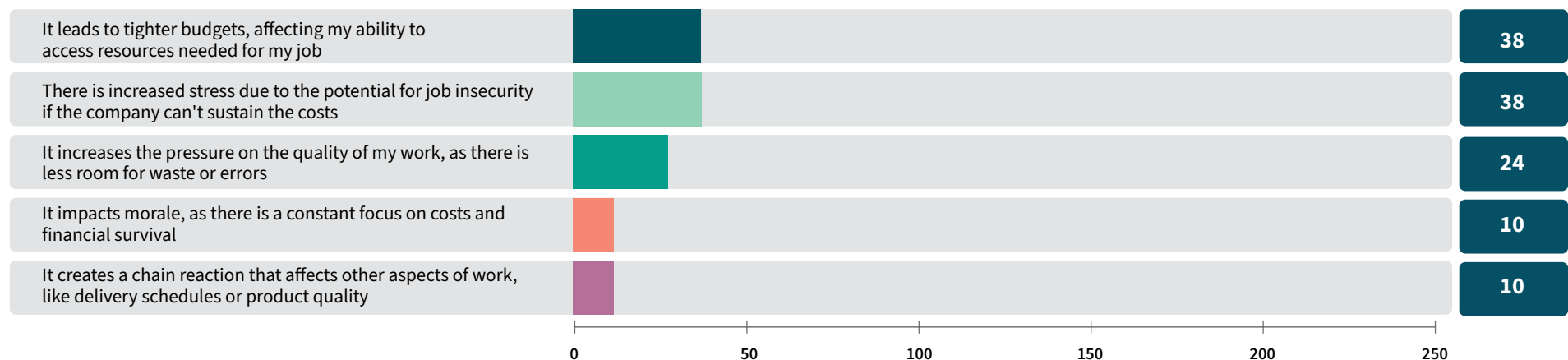
They also said that it increases the pressure on the quality of their work, as there is less room for waste or errors (27% tie), it impacts morale, as there is a constant focus on costs and financial survival (27% tie), and it creates a chain reaction that affects other aspects of work, like delivery schedules or product quality (22%).

## Segments
This year, **women** say the biggest impact is increased stress due to the potential for job insecurity if the company can't sustain the costs (49%), whereas **men** say it's tighter budgets, affecting their ability to access resources needed for their job (61%).

**[If Increased cost of raw materials] How do the increased costs of raw materials directly impact your work? (Select all that apply)**

| Response | Value |
|---|---|
| It leads to tighter budgets, affecting my ability to access resources needed for my job | 38 |
| There is increased stress due to the potential for job insecurity if the company can't sustain the costs | 38 |
| It increases the pressure on the quality of my work, as there is less room for waste or errors | 24 |
| It impacts morale, as there is a constant focus on costs and financial survival | 10 |
| It creates a chain reaction that affects other aspects of work, like delivery schedules or product quality | 10 |

0    50    100    150    200    250

# Top Three Attributes of a Bad Supervisor

As seen above, poor management can drive down morale and engagement. For those surveyed, what do they think makes a "bad supervisor"?

**1. Poor communication** (54%)
**2. Favoritism** (13%)
**3. Lacks empathy** (12%)

They also say their bad supervisor is disorganized (10%), does not provide feedback (5%), gives no effort to develop the team (4% tie), and resists change (4% tie).
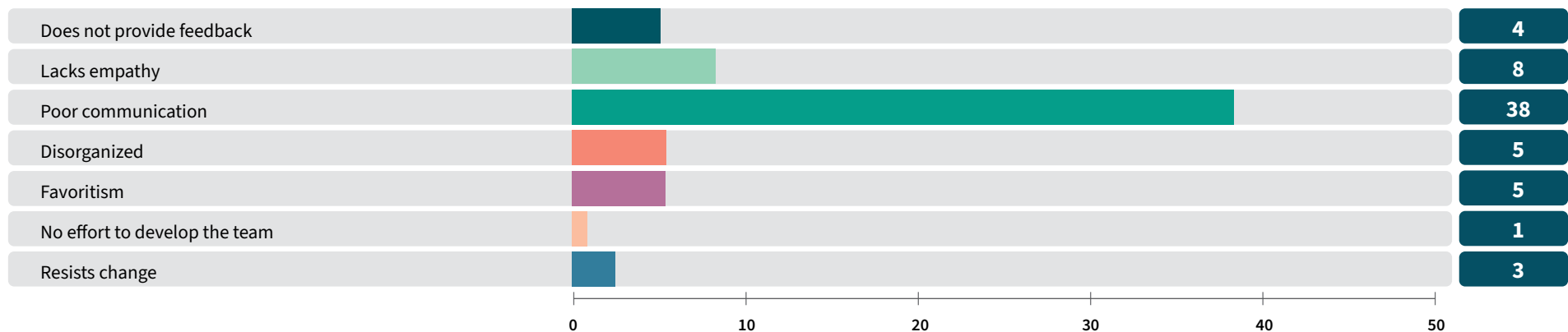
## 2023 Report

Poor communication remained first, but increased from 29% to 54%, out-scoping everything else. Favoritism increased from 11% to 13%. Lacks empathy dropped from 24% to 12%, as did does not provide feedback, from 12% to 5%.

## Segments

For both this year and last, **younger respondents ages 18 to 34** say the top attributes are poor communication and favoritism. For both this year and last, **women** say the top attributes are poor communication and lack of empathy. For this year, **men** say the top attributes are poor communication and favoritism, whereas last year they said poor communication and lack of empathy.

**[If bad supervisor] What would you say is the number one thing that makes them a bad supervisor?**

| Attribute | Value |
|---|---|
| Does not provide feedback | 4 |
| Lacks empathy | 8 |
| Poor communication | 38 |
| Disorganized | 5 |
| Favoritism | 5 |
| No effort to develop the team | 1 |
| Resists change | 3 |

# 39% say there has been more turnover than ever at their company

When it comes to workers quitting, being furloughed, or getting fired, 39% are seeing more turnover than ever. 42% say they're seeing about the same level of turnover as the past year. 19% are seeing less turnover than ever.

## 2023 Report

Compared to last year, turnover is decreasing, from 45% seeing more turnover than ever to 39%, and from 8% seeing less turnover than ever to 19%.

## Segments

The number of **respondents from smaller companies** who say they're seeing more turnover than ever dropped from 41% last year to 39% this year. The number of **respondents from larger companies** who say they're seeing more turnover than ever dropped from 54% last year to 42% this year.

## How would you describe turnover (people quitting, furloughed, or getting fired) at your company?

- More turnover than ever — **39.33%**
- About the same level of turnover as the past year — **42.17%**
- Less turnover than ever — **18.50%**

# Top Four Initiatives to Create a Better Work Environment

Outside of simply increasing pay, respondents say that their employer can do the following to create a better work environment:

1. **Focus on listening to staff** (18%)
2. **More paid time off** (17%)
3. **Flexible work schedule** (14%)
4. **Provide better tools and technology** (13%)

They also say their employer should invest in non-monetary perks (e.g., snacks in the breakroom) (9% tie), give employee recognition or opportunities for growth (9% tie), invest in better or more training (8%), address issues in the workplace as they arise (7%), and support employee-led initiatives (5%).
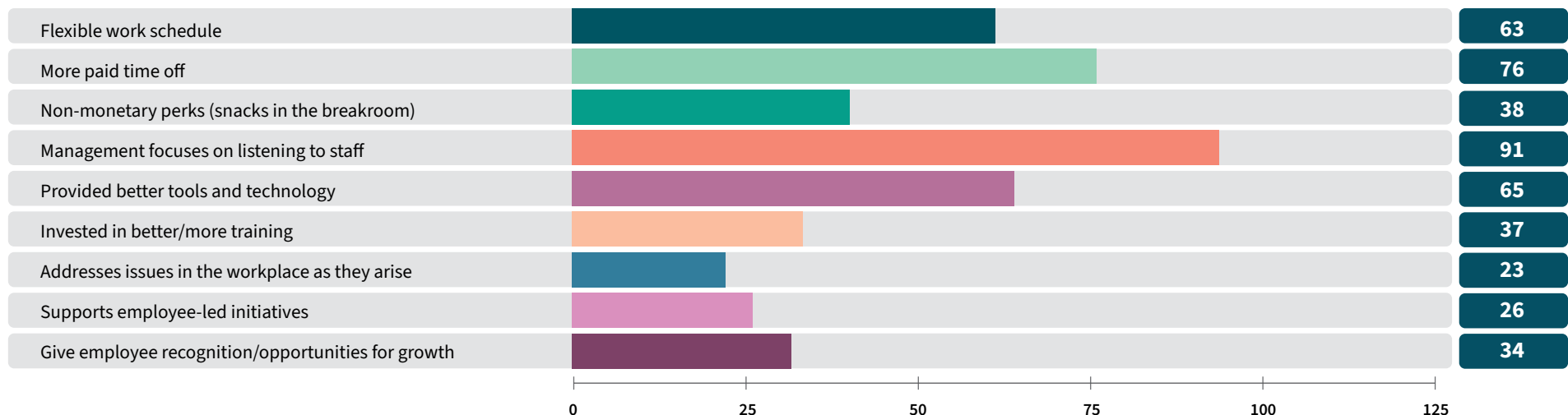
## 2023 Report

Management focuses on listening to staff rose from fourth last year (13%) to first (18%). There was also a slight increase in providing better tools and technology, from 10% to 13%. Last year's first, more paid time off, dropped from 27% to 17%, as did flexible work schedules, from 18% to 14%.

## Segments

This year, **women** say the top initiative is for management to focus on listening to staff, whereas last year it was more paid time off. For both this year and last year, **men** say the top initiative is more paid time off.

### Outside of increasing your pay, what's the #1 thing your employer could do to create a better work environment?

| Initiative | Value |
|---|---|
| Flexible work schedule | 63 |
| More paid time off | 76 |
| Non-monetary perks (snacks in the breakroom) | 38 |
| Management focuses on listening to staff | 91 |
| Provided better tools and technology | 65 |
| Invested in better/more training | 37 |
| Addresses issues in the workplace as they arise | 23 |
| Supports employee-led initiatives | 26 |
| Give employee recognition/opportunities for growth | 34 |

# 48% want their flexible schedule to have flexible start and end times

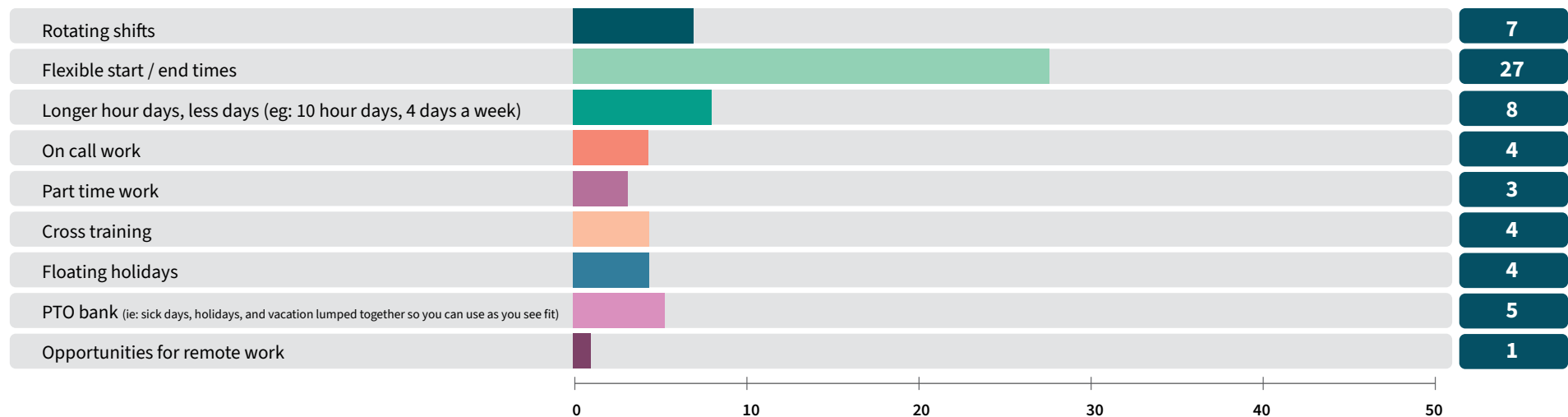Here's what their manager could put into place to increase flexibility in their schedule:

1. **Flexible start and end times** (48%)
2. **Longer hour days, fewer days (e.g., 10-hour days, 4 days a week)** (14%)
3. **Rotating shifts** (10%)

They also want to bank PTO days (6% tie), on-call work (6% tie), cross-training (5% tie), floating holidays (5% tie), part-time work (3% tie), and opportunities for remote work (3% tie).

## Segments

This year, the top preferences for **women** are flexible start and end times and a tie of longer hour days/fewer days and rotating shifts. For **men**, the top preferences are flexible start and end times and longer hour days/fewer days.

**[If flexible work schedule] What would be the #1 thing your manager could put into place to increase flexibility in your schedule?**

| Category | Value |
|---|---|
| Rotating shifts | 7 |
| Flexible start / end times | 27 |
| Longer hour days, less days (eg: 10 hour days, 4 days a week) | 8 |
| On call work | 4 |
| Part time work | 3 |
| Cross training | 4 |
| Floating holidays | 4 |
| PTO bank (ie: sick days, holidays, and vacation lumped together so you can use as you see fit) | 5 |
| Opportunities for remote work | 1 |

# 45% say their organization is making sustainability a high priority

When it comes to sustainability in their operations, 45% of our respondents say that their organization makes sustainability a high priority. For 40%, sustainability is a mid-level priority, while for 15%, sustainability is a low priority.
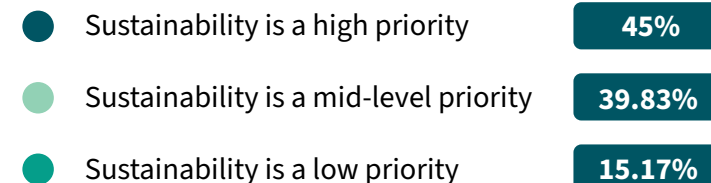
### 2023 Report

These numbers don't show growth from last year, dropping slightly from 49% saying it's a high priority to 45%. Those with sustainability as a low priority went from 6% to 15%.

### Segments

The number of **younger respondents ages 18 to 34** who see their organization making sustainability a high priority dropped from 47% last year to 41% this year. The number of **women** who see their organization making sustainability a high priority dropped from 54% last year to 42% this year. The number of **men** who see their organization making sustainability a high priority increased slightly from 46% last year to 48% this year.

The number of **respondents from smaller companies** who see their organization making sustainability a high priority increased slightly from 45% last year to 46% this year. The number of **respondents from larger companies** who see their organization making sustainability a high priority dropped from 58% last year to 43% this year.

**Is your organization making sustainability a priority?**



● Sustainability is a high priority    **45%**

● Sustainability is a mid-level priority    **39.83%**

● Sustainability is a low priority    **15.17%**

# 69% feel adequately compensated for the work they do

69% said they do feel adequately compensated, while 31% don't.

**2023 Report**
This is a significant drop from last year, from 83% feeling adequately compensated to 69%.

**Segments**
The number of **younger respondents ages 18 to 34** who say they are adequately compensated dropped from 80% last year to 67% this year. The number of **women** who say they are adequately compensated dropped from 82% last year to 72% this year.

## Do you feel you are fairly compensated for the work you do?



- Yes — **69.33%**
- No — **30.67%**
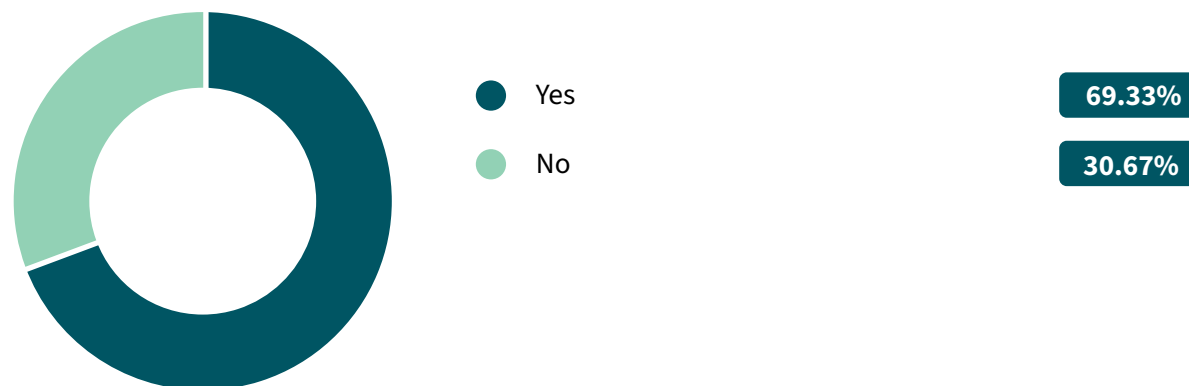
# Summary

The day-to-day life of a manufacturing worker isn't overly negative, but neither is it overly positive. Only 45% say their morale is high, which is caused by bonuses or higher pay, flexible work schedules, and management listening to staff. However, 16% say their morale is low, citing reasons that include no pay raises or bonuses and that management doesn't respect work time. Only 69% feel adequately compensated for the work they do.

The biggest challenges they face each day include the increased cost of raw materials, bad supervisors, and workload. However, it's not necessarily the increased cost of raw materials that impacts accessing resources or creates the potential for job insecurity. Those are byproducts of the fear that their company won't be able to properly manage the increased costs of raw materials.

How can their leaders improve the work environment? Through listening to staff, more paid time off, flexible work schedules — most just want flexible start and end times — and by providing better tools and technology.

At the end of the day, most still enjoy being part of building or creating something with their hands.

## Year-to-Year Comparison

When comparing this year's responses to last year's report, here's what stands out:

- High morale is dropping — from 52% last year to 45% this year — yet the factors that create high morale remain the same (bonuses/higher pay, flexible schedule, and feeling listened to).
- New reasons for low morale have surfaced this year, including feeling like management doesn't respect work time and being subjected to unrealistic expectations. This may be a byproduct of being short-staffed: the expectations for longer hours and a heavier workload to compensate.
- Poor communication from bad supervisors is a perennial issue across segments — and can be addressed with training and better technology.
- Turnover is decreasing — from 45% seeing more turnover than ever to 39% — despite dropping morale and fewer feeling adequately compensated for their work.

# EPICOR

# Upskilling and New Skill Sets

*Upskilling, or increasing a worker's skillset to help them improve in their current role, isn't just a strategy for today, it's a way to prepare for the future. In this section, respondents give insights into how much of a priority their companies are putting on upskilling and how they're doing it.*

# 70% say their company is making upskilling a priority

70% say their organization prioritizes upskilling their workers by providing tools, resources, and training to expand their skill set. 30% say it's not a priority.

## 2023 Report
These numbers dropped as well, from 80% last year to 70% this year.

## Segments
The number of **respondents from small companies** who say their company is making upskilling a priority dropped from 83% last year to 72% this year. The number of **respondents from larger companies** who say their company is making upskilling a priority dropped from 76% last year to 60% this year.

### Is your company making upskilling a priority for workers like yourself?
[Upskilling: increasing a worker´s skillset to help them improve in their current roles, while reskilling involves teaching workers skills to transition to new roles.]

- Yes     **69.67%**
- No     **30.33%**
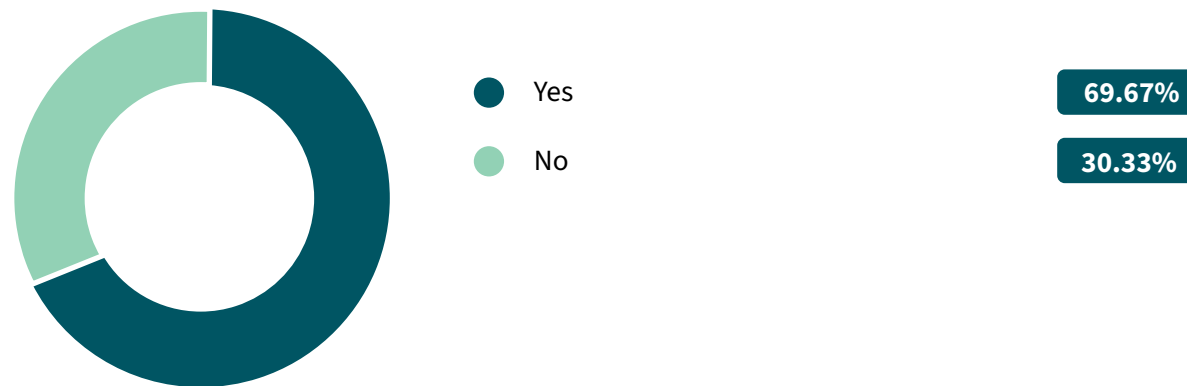
# Top Three Upskilling Initiatives

Here are the top three initiatives that organizations are taking to upskill their workers (they chose all that applied):

1. **Provides on-site or on-the-job training** (54%)
2. **Provides access to an online training platform** (46%)
3. **Covers tuition for courses and training** (41%)

They also say that their organization gives paid time off to take training courses (40%), HR offers career and professional development guidance (35%), and they implement more technology, like mobile apps or wearable devices (26%).

**[If yes] What is your organization doing to help you upskill? (Select all that apply)**

| | |
|---|---|
| Covers tuition for courses and training | 138 |
| Provides on-site/on-the-job training | 169 |
| Provides access to an online training platform | 151 |
| Gives paid time off to take training courses | 131 |
| HR offers career and professional development guidance | 109 |
| Implementing more technology, like mobile apps or wearable devices | 74 |
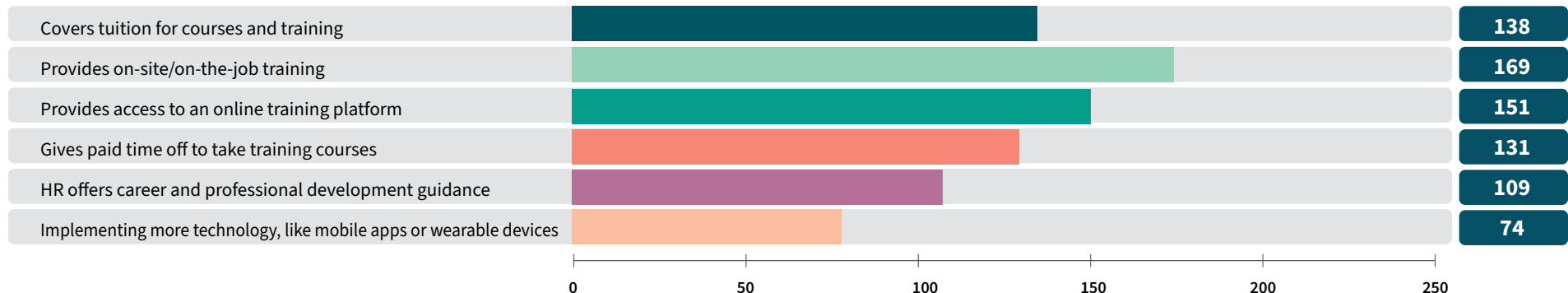
# Summary

The majority of respondents say that their organization is making upskilling a priority, and they say that the top way they're doing so is through on-site or on-the-job training. Yet that number dropped 10% from last year, and for those who worked in larger companies, it dropped 16% from last year. There are many reasons why this could be, likely because of tighter budgets.

However, there is a darker possibility that many companies may be foregoing upskilling expenses because they anticipate replacing workers with automation. However, organizations will still need upskilled workers to lead and manage increased automation, AI, and other technologies — so investing in upskilling is still a priority.

# EPICOR
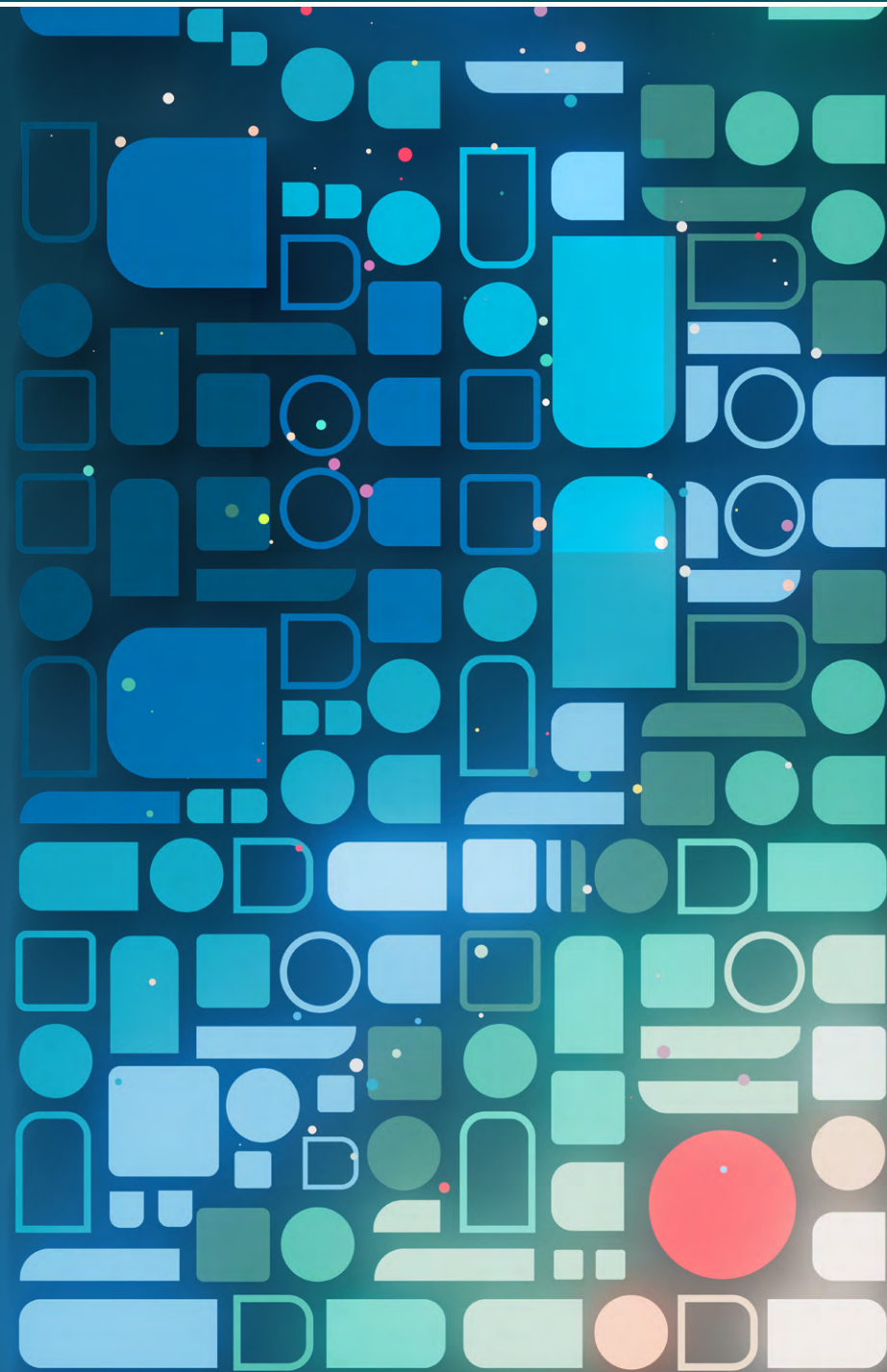
# Technology and Modernization

*Upskilling, or increasing a worker's skillset to help them improve in their current role, isn't just a strategy for today, it's a way to prepare for the future. In this section, respondents give insights into how much of a priority their companies are putting on upskilling and how they're doing it.*

# 49% say their company is investing in new technology more than ever

49% said they're investing in new technology more than ever. 35% said they're investing about the same as they have before, while only 16% say they are investing in new technology less than ever.

## 2023 Report

There's a slight uptick in tech investment, with those investing in new technology more than ever rising from 45% to 49%. However, there's also a higher decrease in investment, with those investing in new technology less than ever rising from 6% to 16%.

## Segments

The number of **respondents from small companies** who say their company is investing in new technology more than ever increased from 40% last year to 50% this year. However, the number of **respondents from large companies** who say their company is investing in new technology more than ever dropped from 54% last year to 46% this year.

## How has investment in new technology changed at your company over the past 12 months?



- We are investing in new technology more than ever — **49.17%**
- We are inveting in new technology about the same as we have before — **34.50%**
- We are investing in new technology less than ever — **16.33%**

# Only 13% say the documents they work with daily are all digital

When it comes to the documents our respondents work with daily, their organizations are split between older and newer technologies. 58% are using a combination of some paper and some digital, while 26% are still using all paper. Only 17% are using all digital documents.
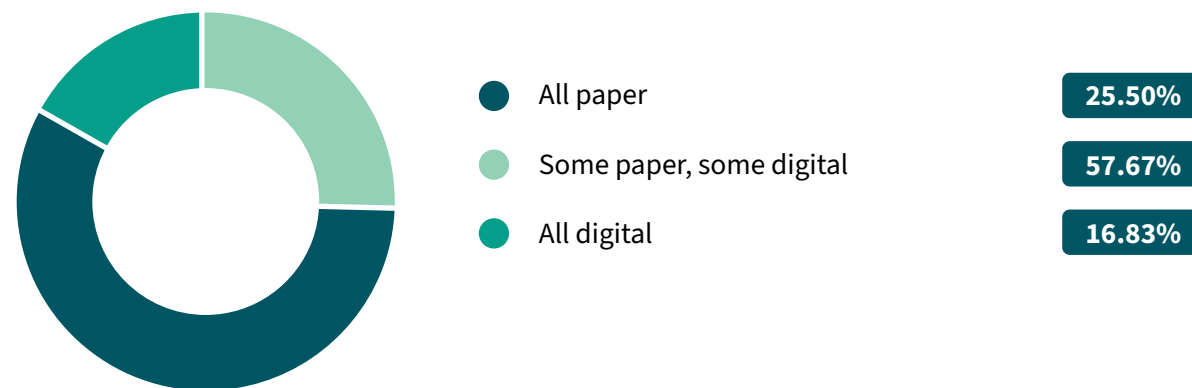
## 2023 Report
Only slightly more are all digital, from 13% to 17%, and slightly fewer are using all paper, from 31% to 26%.

## Segments
The number of **respondents from smaller companies** who say their company is using all digital increased from 10% last year to 15% this year. The number of **respondents from larger companies** who say their company is using all digital increased from 18% last year to 23% this year.

**Are the forms, lists, schedules, and other documents you work with on a daily basis paper or digital?**



| | |
|---|---|
| ● All paper | **25.50%** |
| ● Some paper, some digital | **57.67%** |
| ● All digital | **16.83%** |

# Only 39% say their company is "very modern"

When it comes to considering whether their organization is modern, 39% say it's "very modern" while 43% say it's "somewhat modern." 18% say it's "not very modern at all."

## 2023 Report
These numbers don't show growth from last year, with those considering their workplace "very modern" decreasing from 48% to 39%. Those who say it's "not very modern at all" increased from 6% to 18%.

## Segments
The number of **respondents from smaller companies** who say their company is "very modern" dropped from 45% last year to 39% this year. The number of **respondents from larger companies** who say their company is "very modern" dropped from 53% last year to 36% this year. The number of younger respondents ages 18 to 34 who say their company is "very modern" dropped from 51% last year to 37% this year.

**Compared to other companies in your industry, how "modern" would you say your operation is?**

| | |
|---|---|
| ● Very modern | **38.67%** |
| ● Somewhat modern | **43.33%** |
| ● Not very modern at all | **18.00%** |
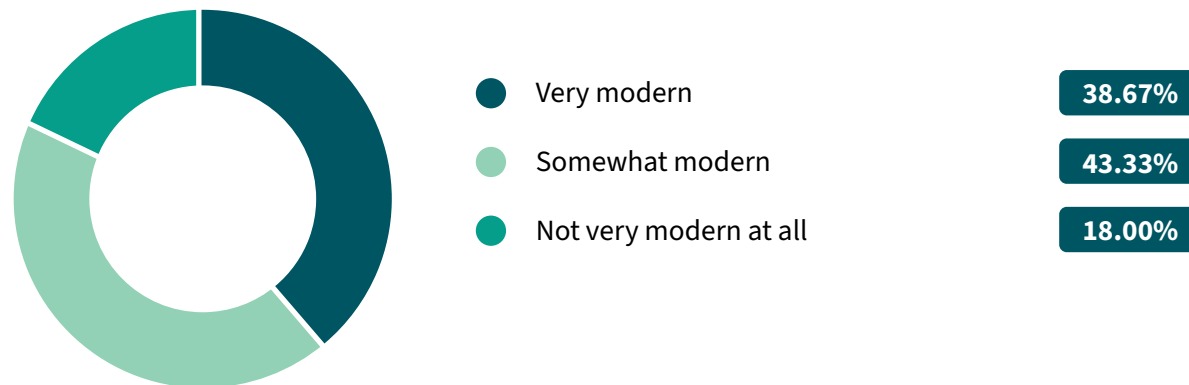
# 48% say their company is eager to embrace new tech

48% say their organization is eager to embrace new technology. 35% say the organization is hesitant to embrace new technology, but does so anyway — meaning that they may not want to, but know that ultimately it will benefit their company. 17% say their organization doesn't readily embrace new technology.
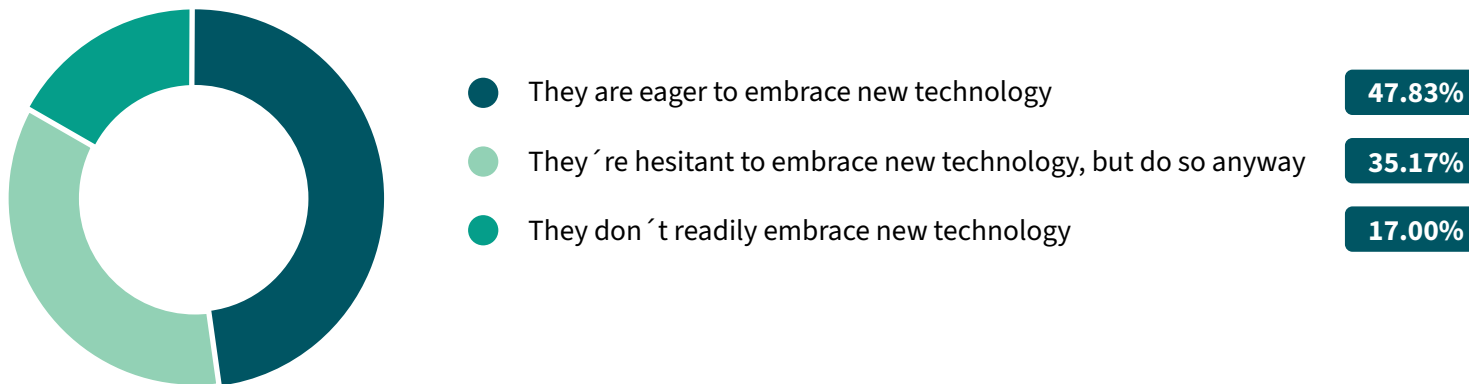
## 2023 Report
These numbers remain about the same, as those eager to embrace technology went from 50% to 48%. However, more say their organization doesn't readily embrace new technology, going from 5% to 17%.

## Segments
The number of respondents from smaller companies who say their company is eager to embrace technology increased from 44% last year to 48% this year. The number of respondents from larger companies who say their company is eager to embrace technology dropped from 63% last year to 44% this year. The number of younger respondents ages 18 to 34 who say their company is eager to embrace technology dropped from 46% last year to 43% this year.

## How would you say your employer has done at embracing new technology?

- They are eager to embrace new technology — **47.83%**
- They´re hesitant to embrace new technology, but do so anyway — **35.17%**
- They don´t readily embrace new technology — **17.00%**

# Top Four Technologies

These are the primary technologies that our respondents' factories or plants are using (they chose all that applied):

1. **Big Data** (41%)
2. **3D Printing** (39%)
3. **Robotics or Artificial Intelligence** (37%)
4. **Augmented Reality** (36%)

Their organizations also use Nanotechnology (34% tie), Cloud Computing (34% tie), Internet of Things (IoT) (25%), and 5G (24%).
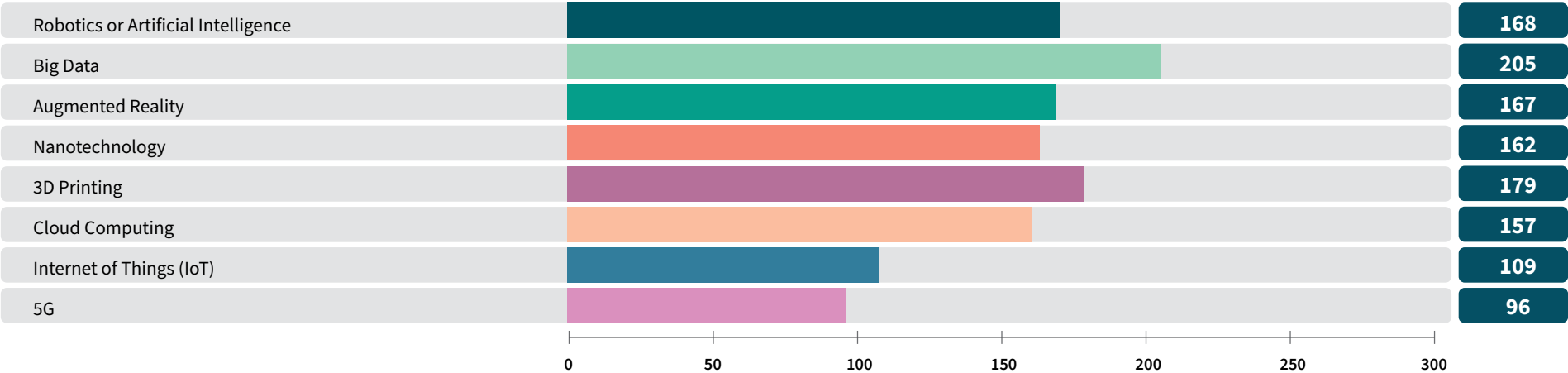
## 2023 Report

Big data topped last year as well, but 3D printing rose from fourth to second, increasing from 26% to 39%.

## Segments

For companies that are "very modern," their top tech is big data, 3D printing, and robotics or AI. For companies that are "not very modern at all," their top tech is augmented reality, 3D printing, and nanotechnology.

**What technologies is your factory/plant currently using? [select all that apply]**

| Technology | Count |
| --- | --- |
| Robotics or Artificial Intelligence | 168 |
| Big Data | 205 |
| Augmented Reality | 167 |
| Nanotechnology | 162 |
| 3D Printing | 179 |
| Cloud Computing | 157 |
| Internet of Things (IoT) | 109 |
| 5G | 96 |

# 70% have used new technology in the past year

70% have had the opportunity to use new tools or technologies in their role in the past year. 30% have not.

## Segments

72% of **respondents from smaller companies** say they've used new technology, whereas 64% of **respondents from larger companies** have.

### Have you had the opportunity to use any new tools or technologies in your role in the past year?

- Yes — 70%
- No — 30%
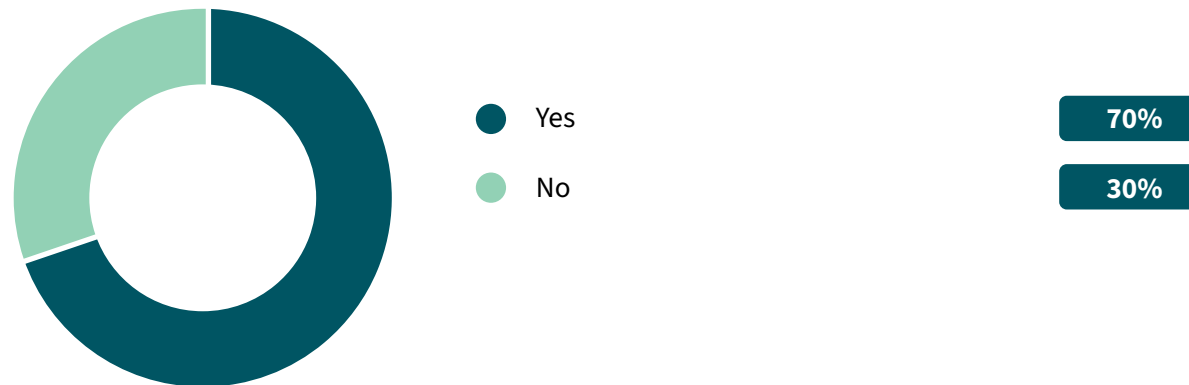
# 83% are more efficient with those new tools

Of those who have used new tools, 83% say those new tools or technologies help them perform their work more efficiently. 17% say they didn't.

## Segments

83% of **respondents from smaller companies** say their efficiency has improved, and 80% of **respondents from larger companies** say it has.

**[If Yes] Did these new tools or technologies help your perform your work more efficiently?**

- Yes — 16.90%
- No — 83.10%
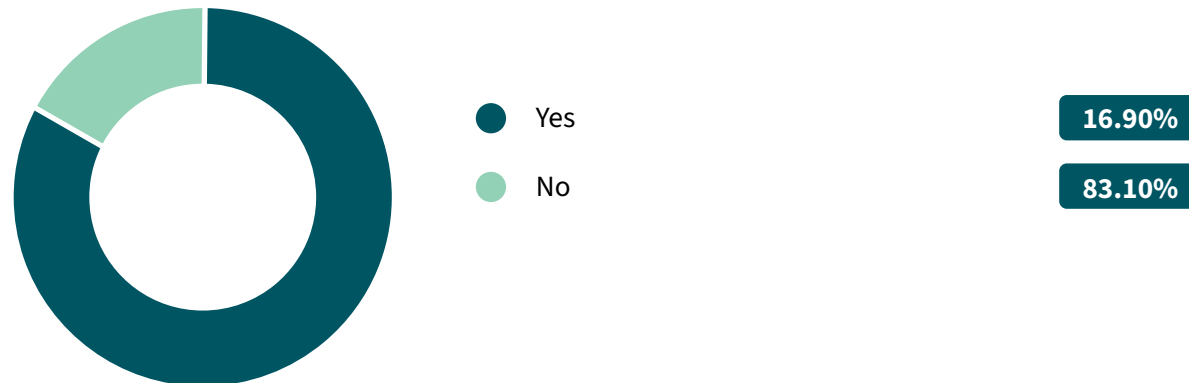
# Summary

In this section, we see a somewhat middle-of-the-road approach to technology in manufacturing. Only half (49%) say their company is investing in new technology more than ever. 39% say their company is "very modern," and half (48%) say their company is eager to embrace new technology.

While 58% are using a combination of some paper and some digital, only 17% are using all digital documents. And while 70% used new technology this past year, 30% did not — meaning that their company did not bring in new technology in 2023.

Ultimately, this shows that while there are many companies embracing technology, eager to use it, and staying at the forefront of emerging technology, there are many who are significantly lagging.

## Year-to-Year Comparison

When comparing this year's responses to last year's report, here's what stands out:

- Those investing in new technology "more than ever" rose from 45% to 49%.
- The eagerness to embrace new technology remains similar, around 50%.
- Companies are slowly going all digital, but it's taking time.
- Companies considered "very modern" are dropping – from 48% to 39%. This could be a reflection of stagnated tech investment or greater expectations from workers around "staying modern" by keeping up with fast-emerging tech.
- Big data continues to be the top technology in manufacturing.

# EPICOR
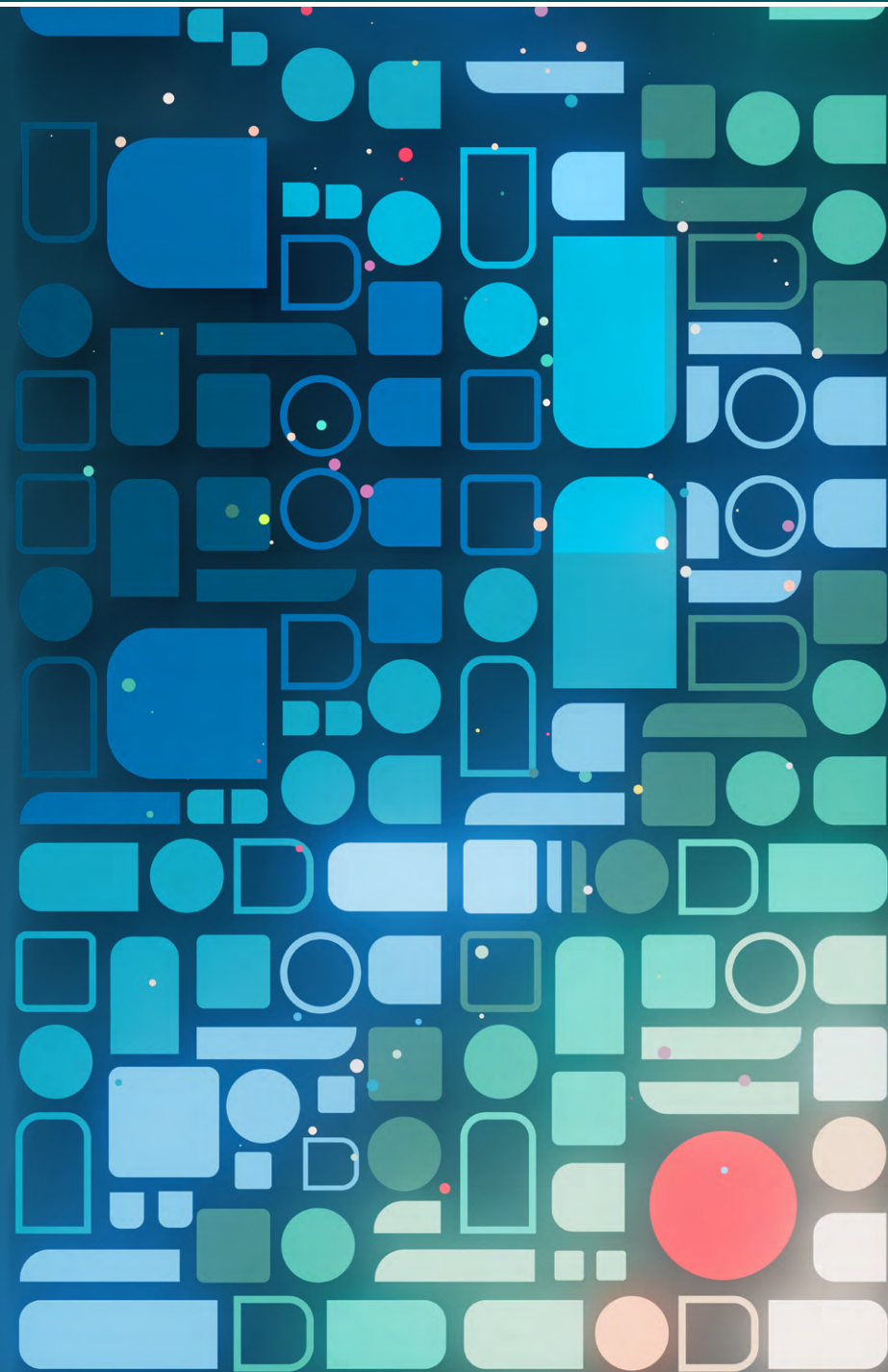
**Part 4:**

# Outlook of Manufacturing Work

*What does the future hold for manufacturing workers? Will they thrive in their careers with new skills and technology at their disposal? Or do they feel like they'll be left behind? In this section, respondents articulate their outlook on the future of manufacturing and their role in it.how they're doing it.*

# 43% plan to leave their job in the next 12 months

57% plan to stay at their current job for the next year. However, 43% plan to leave.

## 2023 Report
The number of those planning to leave has dropped from last year, going from 56% to 43%.

## Segments
The number of **younger respondents ages 18 to 34** who say they plan to leave their job dropped from 54% last year to 43% this year. The number of **women** who say they plan to leave their job stayed the same this year from last year (48%).

The number of **respondents from smaller companies** who say they plan to leave their job dropped from 59% last year to 43% this year. The number of **respondents from larger companies** who say they plan to leave their job dropped from 53% last year to 43% this year.

## Do you plan to leave your job in the next 12 months?



- Yes    **42.83%**
- No    **57.17%**
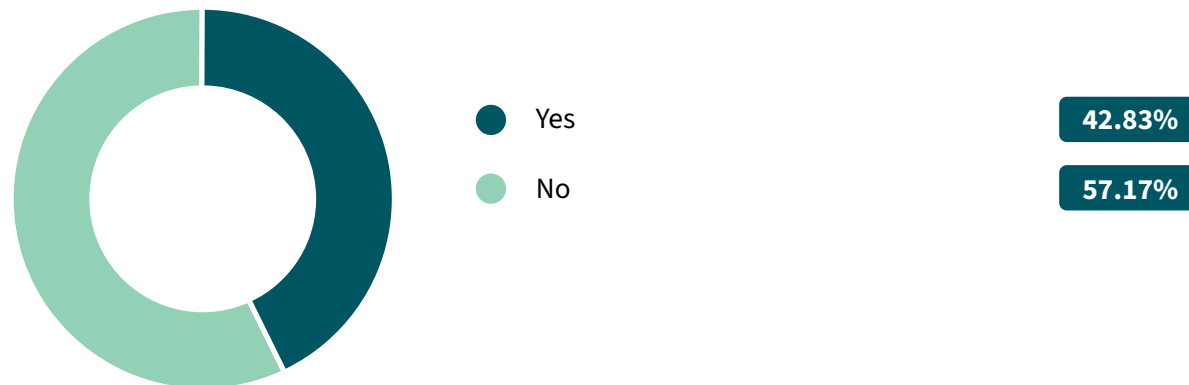
# Top Five Attributes of a New Employer

If our respondents were to look for another job (and, as we found above, many plan to), what would be the top factors they'd want in a new employer?

1. **More paid time off** (16% tie)
2. **Flexible work schedule** (16% tie)
3. **Management focuses on listening to staff** (16% tie)
4. **Provided better tools and technology** (13%)
5. **Give employee recognition/opportunities for growth** (11%)

They'd also look for an organization that invests in better or more training (9%), addresses issues in the workplace as they arise (7%), offers non-monetary perks (e.g., snacks in the breakroom) (6%), and supports employee-led initiatives (5%).
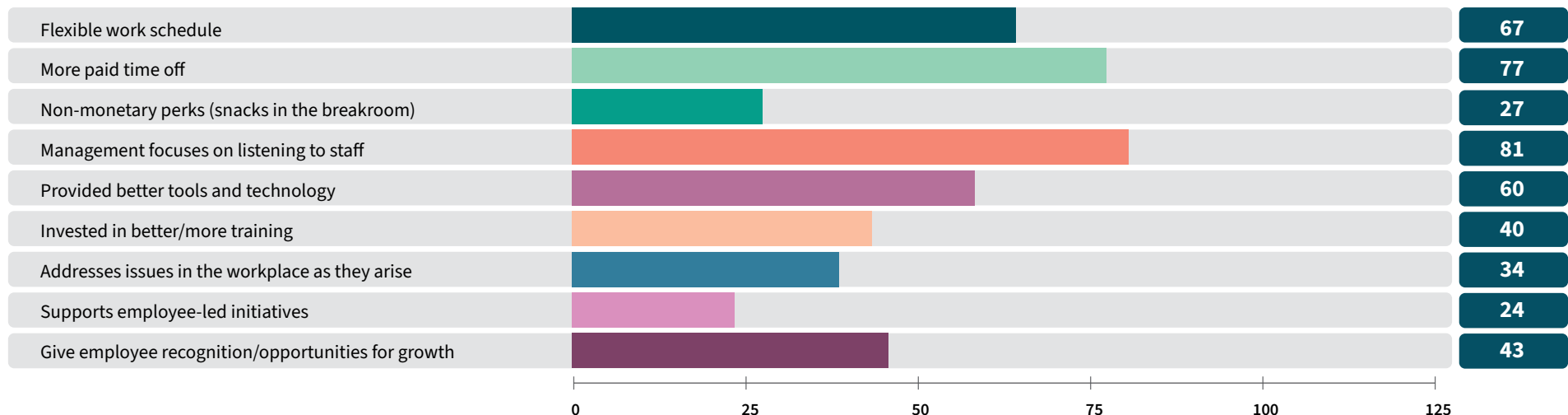
## 2023 Report

Give employees recognition or opportunities for growth increased slightly from 7% to 11%, making the top five, and non-monetary perks decreased from 13% to 6%. Otherwise, these attributes stayed relatively the same.

## Segments

For this year, **younger respondents ages 18 to 34** say the top attribute is management that listens to staff, whereas last year they said more paid time off. For this year, **women** say the top attribute is management that listens to staff, whereas last year they said flexible work schedule. For both this year and last year, **men** say the top attribute is more paid time off.

## If you were to look for a new job, what would be the most important thing to you?

| Attribute | Value |
|---|---|
| Flexible work schedule | 67 |
| More paid time off | 77 |
| Non-monetary perks (snacks in the breakroom) | 27 |
| Management focuses on listening to staff | 81 |
| Provided better tools and technology | 60 |
| Invested in better/more training | 40 |
| Addresses issues in the workplace as they arise | 34 |
| Supports employee-led initiatives | 24 |
| Give employee recognition/opportunities for growth | 43 |

# Top Three Reasons Why Better Tools and Technology Are Important

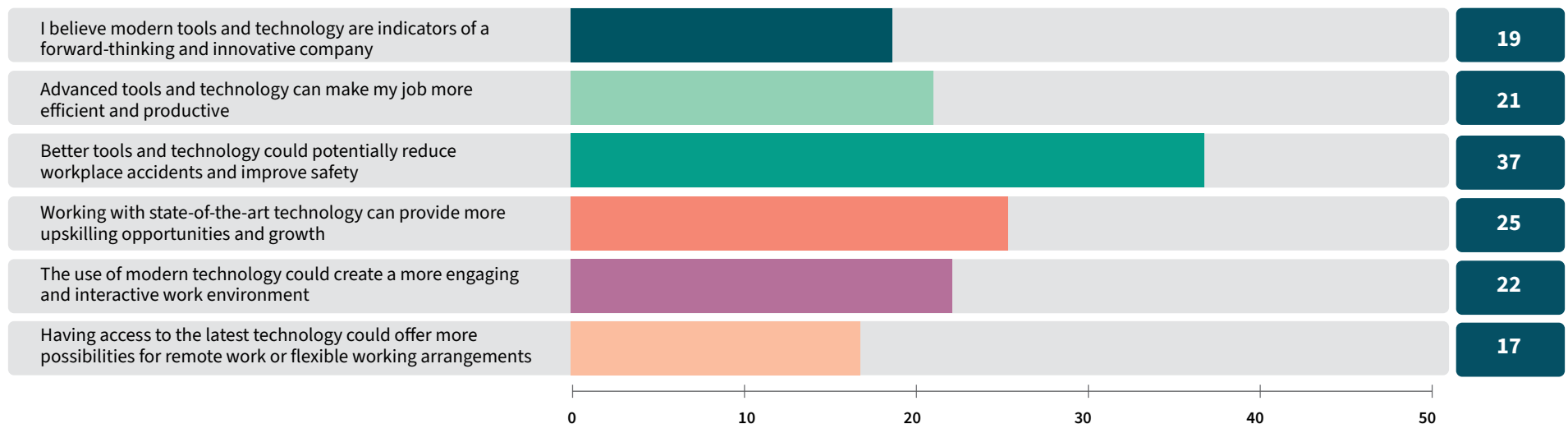For those who would look for a new employer who provides better tools and technology, why would that be important?

1. **Better tools and technology could potentially reduce workplace accidents and improve safety** (60%)
2. **Working with state-of-the-art technology can provide more upskilling opportunities and growth** (43%)
3. **Advanced tools and technology can make my job more efficient and productive** (39%)

Other reasons include that the use of modern technology could create a more engaging and interactive work environment (35%), they believe modern tools and technology are indicators of a forward-thinking and innovative company (33%), and having access to the latest technology could offer more possibilities for remote work or flexible working arrangements (28%).

## Segments

Most segments had the same top choice — to reduce workplace accidents — except **respondents from larger companies**, who chose other reasons.

### [If Increased cost of raw materials] How do the increased costs of raw materials directly impact your work? (Select all that apply)

| Response | Value |
|---|---|
| I believe modern tools and technology are indicators of a forward-thinking and innovative company | 19 |
| Advanced tools and technology can make my job more efficient and productive | 21 |
| Better tools and technology could potentially reduce workplace accidents and improve safety | 37 |
| Working with state-of-the-art technology can provide more upskilling opportunities and growth | 25 |
| The use of modern technology could create a more engaging and interactive work environment | 22 |
| Having access to the latest technology could offer more possibilities for remote work or flexible working arrangements | 17 |

# 52% believe their job will be replaced by automation

Half (52%) anticipate that their job will be replaced by automation or a robot in the next five years. 48% do not believe it will.

## 2023 Report
This sentiment decreased from last year, with those believing their job will be replaced falling from 64% to 52%.

## Segments
The number of **younger respondents ages 18 to 34** who believe their job will be replaced by automation increased from 54% last year to 59% this year. The number of **women** who believe their job will be replaced by automation increased from 54% last year to 58% this year. The number of **men** who believe their job will be replaced by automation dropped from 70% last year to 47% this year.

The number of **respondents from smaller companies** who believe their job will be replaced by automation dropped from 65% last year to 54% this year. The number of **respondents from larger companies** who believe their job will be replaced by automation dropped from 62% last year to 50% this year.

## Do you believe your current job will be replaced by automation/robots in the next 5 years?



- Yes — **52.50%**
- No — **47.50%**
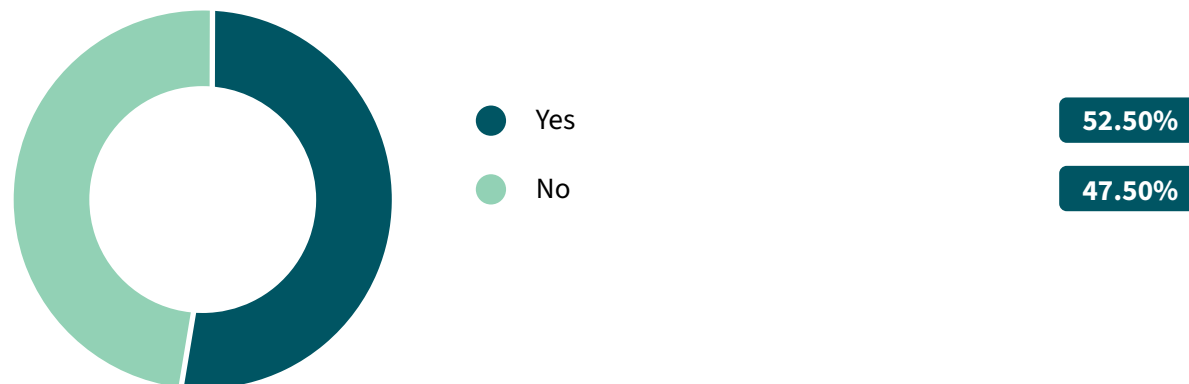
# 56% would take a pay cut to leave their current company for a more technology-driven factory

How much does working in a technology-forward organization matter to our respondents? 56% said that they would take a 10% pay cut to go work in a more technology-driven factory. 44% would stay put.
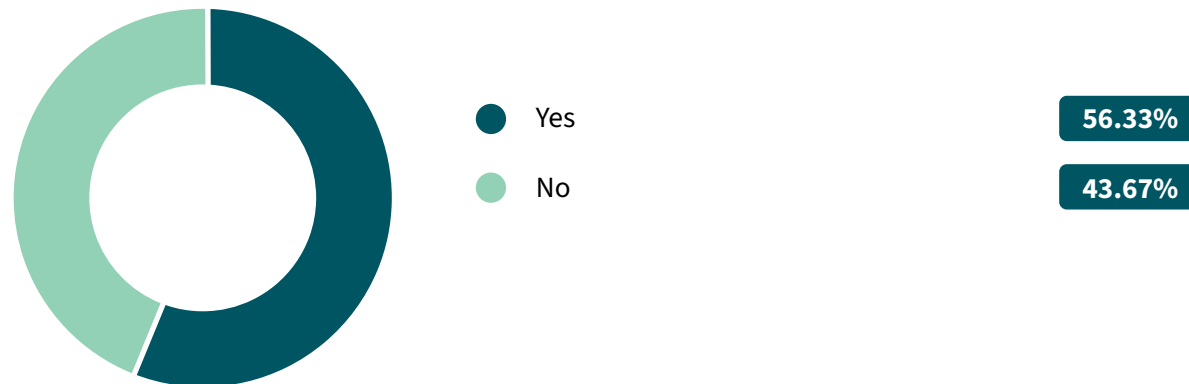
## 2023 Report
This number decreased slightly, from 60% to 56%.

## Segments
The number of younger respondents ages 18 to 34 who would leave increased from 53% last year to 59% this year. The number of women who would leave increased from 51% last year to 63% this year. The number of men who would leave dropped from 66% last year to 50% this year.

The number of respondents from smaller companies who would leave dropped slightly from 61% last year to 60% this year. The number of respondents from larger companies who would leave dropped from 59% last year to 44% this year.

### Would you quit your job today to go work in a more technology-driven factory if it paid 10% less?



- Yes — **56.33%**
- No — **43.67%**

# 55% would take a pay cut to leave their current company for a more sustainable factory

How much does working in a sustainable organization matter to our respondents? 55% said that they would take a 10% pay cut to go work in a factory that took a more sustainable approach to manufacturing. 45% would stay put.

## 2023 Report
This number decreased slightly, from 61% to 55%.

## Segments
The number of younger respondents ages 18 to 34 who would leave dropped from 59% last year to 52% this year. The number of women who would leave increased from 53% last year to 60% this year. The number of men who would leave dropped from 66% last year to 50% this year.

The number of respondents from smaller companies who would leave dropped from 63% last year to 59% this year. The number of respondents from larger companies who would leave dropped from 58% last year to 43% this year.

**Would you quit your job today to go work in a factory that took a more sustainable approach to manufacturing if it paid 10% less?**



- Yes     **55%**
- No     **45%**

43
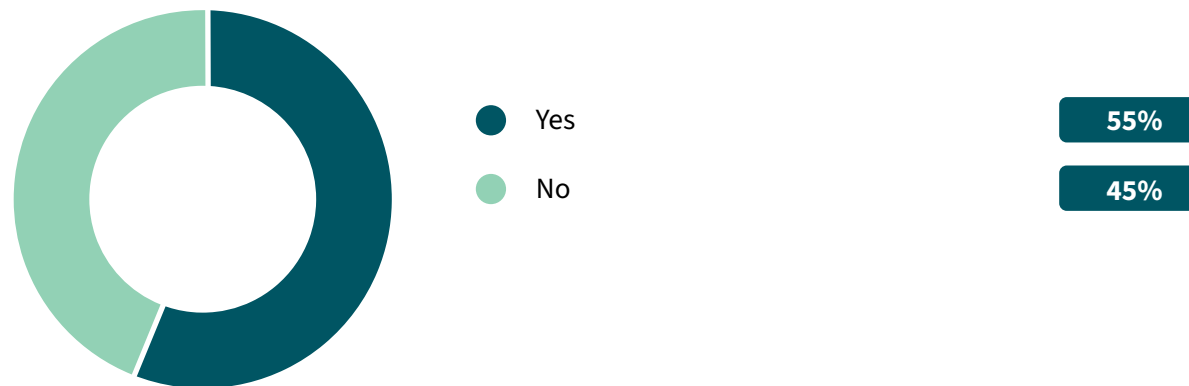
# 66% would trade their current job for one that offered more upskilling, but longer hours

How much do upskilling opportunities matter to our respondents? 66% said that they would trade their current job for a role that provided extensive upskilling opportunities, but had longer work hours. 34% would stay put.

## Segments

Most segments generally come up with similar percentages, except 63% of **respondents from larger companies** say they would make the switch.

**If you had a chance to trade your current job for a role that provided extensive upskilling opportunities but had longer work hours, would you make the switch?**

- Yes — 66.50%
- No — 33.50%
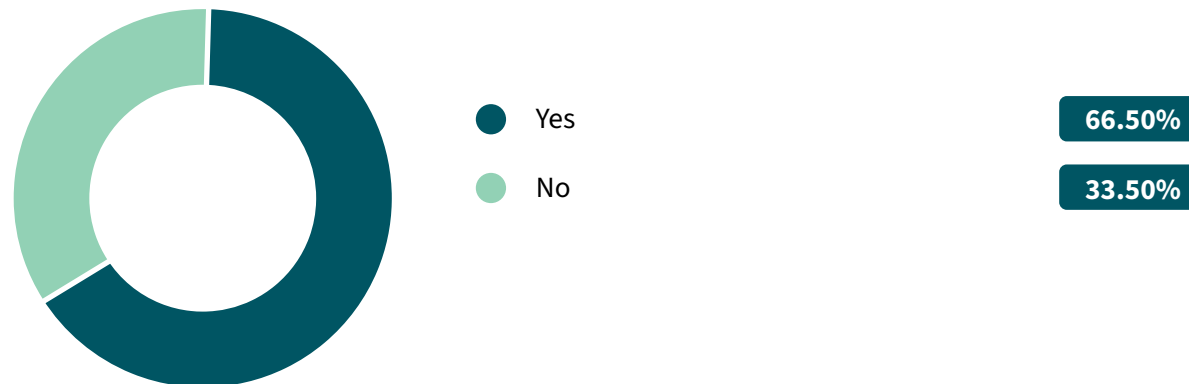
# 72% would upskill to move to a higher level, even if half the company was replaced with automation

How much does upskilling into a higher level matter to our respondents? 72% said that they would stay at their organization if offered an upskilling program to move into a higher level, tech-based role, even though half of the workforce would be replaced with automation. 28% would not stay in that situation.

**Segments**
69% of **women** say they would move to a higher level at an automated company, while 75% of **men** say they would.

**If your organization decided to replace half of the workforce with automation but offered you an upskilling program to move into a higher level, tech-based role, would you stay?**

● Yes

● No

72%

28%
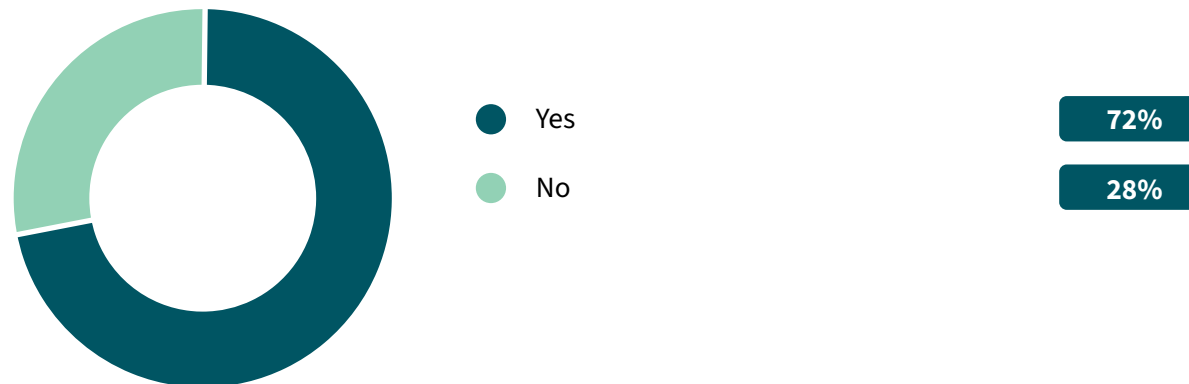
# Summary

The future of workers depends on what leaders do today. 43% of respondents plan to leave their job in the next year, and when they do, they'll seek out a company that prioritizes more paid time off, flexible work schedules, and listening to staff — which are what they said creates high morale in Part 1.

They also want to work for a place that values technology, sustainability, and upskilling by the fact that they would take a pay cut or work longer hours to have access to all three. As they see more automation coming down the road, they want the skills to be able to lead or manage that automation and other new technologies — not just have their job taken by it.

We also get a glimpse into why they value having better tools and technology. They want them to reduce workplace accidents and increase safety first, followed by their ability to provide more upskilling opportunities and growth and to make their job more efficient and productive.

## Year-to-Year Comparison

When comparing this year's responses to last year's report, here's what stands out:

- Those planning to leave their job is dropping, going from 56% to 43%.
- Those who believe their job will be replaced by automation has gone down, from 64% to 52%, with men dropping from 70% to 47%. This could be because last year, certain technologies were overhyped that they would replace workers, while this year that reality hasn't borne out.

**EPICOR**

# Actionable Takeaways for Manufacturing Leadership

*There are always ways to not just improve manufacturing operations but also improve worker satisfaction, safety, and engagement. Now that you've seen what workers want from their careers and day-to-day experience, here are six actionable takeaways you can start implementing today.*

# 1. Prioritize upskilling, especially with the rise of AI and automation

Manufacturing workers are looking for upskilling opportunities. 66% would trade their current job for one that required longer hours but offered more upskilling opportunities. 72% say that as they anticipate new waves of automation, they want the skills to supervise or lead that automation. However, companies prioritizing upskilling are dropping — from 80% last year to 70% this year.

Investing in upskilling is always a good idea. It empowers your workforce and gives them opportunities for advancement. It helps them learn new technologies that are rolled out across the company. It can help turn bad supervisors into efficient, encouraging leaders. And it will prepare your workforce to be leaders in an automated and AI-driven future.

# 2. Address dropping morale today

Manufacturing workers are slowly losing morale. High morale has dropped from 52% to 45%, and low morale increased from 7% to 16%, which can lead to all types of engagement issues: not being fully present at work, absenteeism, low productivity, safety issues, high turnover, and burnout.

To have a healthy, productive workforce that continues to be passionate about building something with their hands each day, take steps to improve morale. Respondents were clear on how to do this:

- **Improve pay or bonus structure:** This request is cited the most, as many feel inadequately compensated for their work.
- **Offer flexible work schedules:** Respondents simply want flexible start or end times — not radically altered schedules.
- **Listen to employees and take action on their concerns:** Employees want to feel that their voice is being heard and that their concerns and needs are being taken seriously.
- **Address bad supervisor behavior:** Invest in leadership training to turn bad supervisors into encouraging leaders.
- **Invest in upskilling, technology, and sustainability:** Empower employees with new skills and technology to help them perform their jobs more effectively. Considering that over half would take a pay cut to work for a more sustainable factory, prioritize sustainability efforts as well.

# 3. Don't just invest in new technology — keep up with the times on technology

Respondents said that their companies are slowing down on their tech investment, those who consider their workplace "very modern" decreased from 48% to 39%, and only 17% are using all digital documents. Are manufacturing companies just outdated, or are worker perceptions and expectations around modern technology changing?

2023 was a very tech-forward year, and workers see that. There was a sharp rise in public adoption of a number of different AI apps, especially ChatGPT, which workers probably experimented with in their free time. They read all about how new technologies are changing industry — likely on screens that fit in their pockets. Many probably keep their personal information and documents in a cloud. Maybe they get products or food delivered by robots. Then they come to a workplace that's still using paper documents and outdated technology.

Manufacturing companies may be readily investing in technology, but is it the technology that workers will see rising up around them in 2024? How can manufacturing leaders stay at the forefront of tech so that when employees come to work each day they're not stepping back in time?

- **Move to the cloud:** Manufacturing companies that move to the cloud find great versatility, security, and scale with their systems.
- **Digitize your documents:** Moving to all digital documents not only reduces paper waste, but anyone who needs access can get it — even if they work remotely.
- **Invest in tech that's easy to adopt:** Look for technology that has similar interfaces as tech workers use every day — like smartphones — to reduce the learning curve and increase adoption.
- **Invest in tech that increases safety:** Before productivity, respondents said that technology helps keep them safer at work. Let that use case guide your investments.
- **Invest in tech that improves communication:** A perennial attribute of bad supervisors is poor communication, which can be helped through technology that keeps workers in-the-know.
- **Find use cases for emerging technology:** Companies who want to be around in ten years must embrace emerging technologies and find relevant, application use cases for them.

# 4. Listen to employees and take action on their concerns

Several worker concerns surfaced in this report. They feel like their time is not being respected, and they feel the pressure of unrealistic expectations put on them. Many don't have the communication or information they need to do their work, and many fear layoffs due to budget constraints from the increased costs of raw materials.

One of the biggest impacts to morale is how well or poorly management does at listening to staff. This can be improved through more frequent check-ins, setting up a physical or virtual suggestion box, ramping up an open-door policy, and genuinely being empathic to worker struggles. But listening isn't enough: To build employee trust, take action on feedback and suggestions as well. Consider leveraging a data platform to track suggestions and resolutions, too.
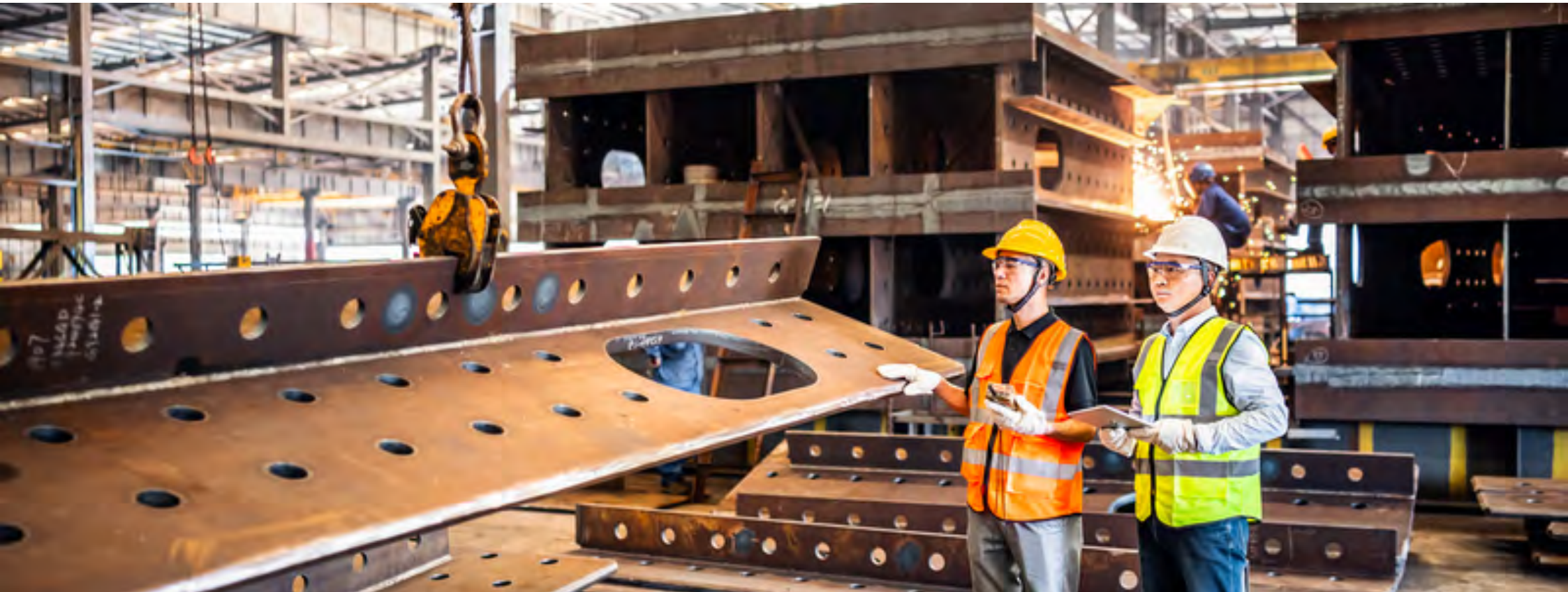
# Conclusion

Manufacturing leaders today are invested in not only building successful and productive operations that will bring them to the forefront of their industry, they're invested in building a happy, engaged, and skilled workforce as well. By continuing to keep up with new technologies, improving morale, and prioritizing upskilling, manufacturing leaders can expect a bright future regardless of economic or industry challenges.

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