

Voice of The Essential Manufacturing Worker



EPICOR



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The manufacturing industry is the foundation upon which products are built, and provides us with our world's infrastructure and the goods we use every day, from computers to cars to beverages.

It's also an industry undergoing incredible change. Manufacturers face challenges from all angles, like import regulations, supply chain disruptions, workforce shortages, increased consumer demand, and more. These changes have a profound impact on operations, forcing manufacturing leaders to investigate new and innovative ways to successfully run their companies.

More importantly, these changes — and how manufacturing leaders negotiate them — can have a profound impact on manufacturing workers and their satisfaction with the jobs they do each day.

Our recent analysis of 600 manufacturing factory workers revealed key areas that impact their morale and job satisfaction, including how modern their workplace is, how much their company invests in technology, how sustainable their organization is, and how well management listens to their employees. These findings outlined below can help manufacturing leaders create a more satisfying work environment for their workers.

What follows is not just a synopsis of data, but ideas that business leaders can use to harness such change for the better. We hope you use this report as an opportunity to further understand your teams across all levels, and to help you create initiatives that ensure their growth, engagement, and satisfaction.

Our respondents gave us the following insights into the state of workers in manufacturing today and what manufacturing leaders can do to improve it.

Engagement in the Workplace

- 52% say morale at their current company is high. They attribute their high morale to having flexible work schedules, more paid time off, and receiving bonuses or higher pay.
- Creating a better workplace includes more paid time off. They also say management can create a better workplace by offering flexible work schedules, non-monetary perks, listening to staff, and providing better tools and technology.

More Technology and the Skills to Use Them

- Six out of ten say they would take a pay cut to go work for a more technology-driven factory — indicating that they're looking for technology-forward work environments.
- 80% say their company is making upskilling a priority. Top upskilling initiatives include giving workers on-site and on-the-job training, giving access to an online training platform, covering tuition for courses and training, and getting paid time off to take training courses.

Sustainability at the Factory

- Six out of ten say they would take a pay cut to go work for a more sustainable factory.
- Only 49% say their organization is making sustainability a high priority.

Turnover, Challenges, and Other Takeaways

- 56% plan to leave their job in the next year. They want to seek out a new employer where there's more paid time off, flexible work schedules, and management that listens to staff.
- The increased cost of raw materials is their biggest challenge. They're also challenged by supply chain shortages, workload, bad supervisors, and slow delivery.

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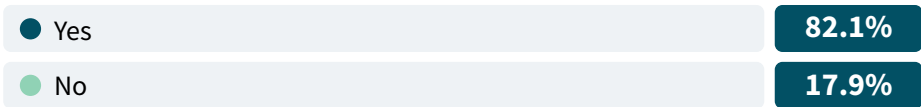
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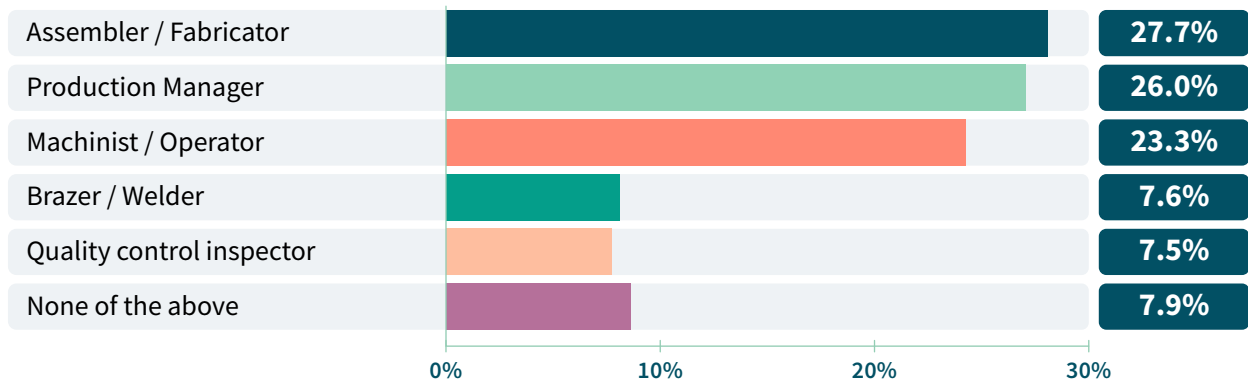
In order to provide greater context around these findings, here are more details on who we surveyed and the methodology used. Starting on September 6, 2022, we surveyed 600 individuals from companies around the world who sell their products online. The survey was conducted online via Pollfish using organic sampling. Learn more about the Pollfish methodology [here](#).



Are you a manager/do people report to you?



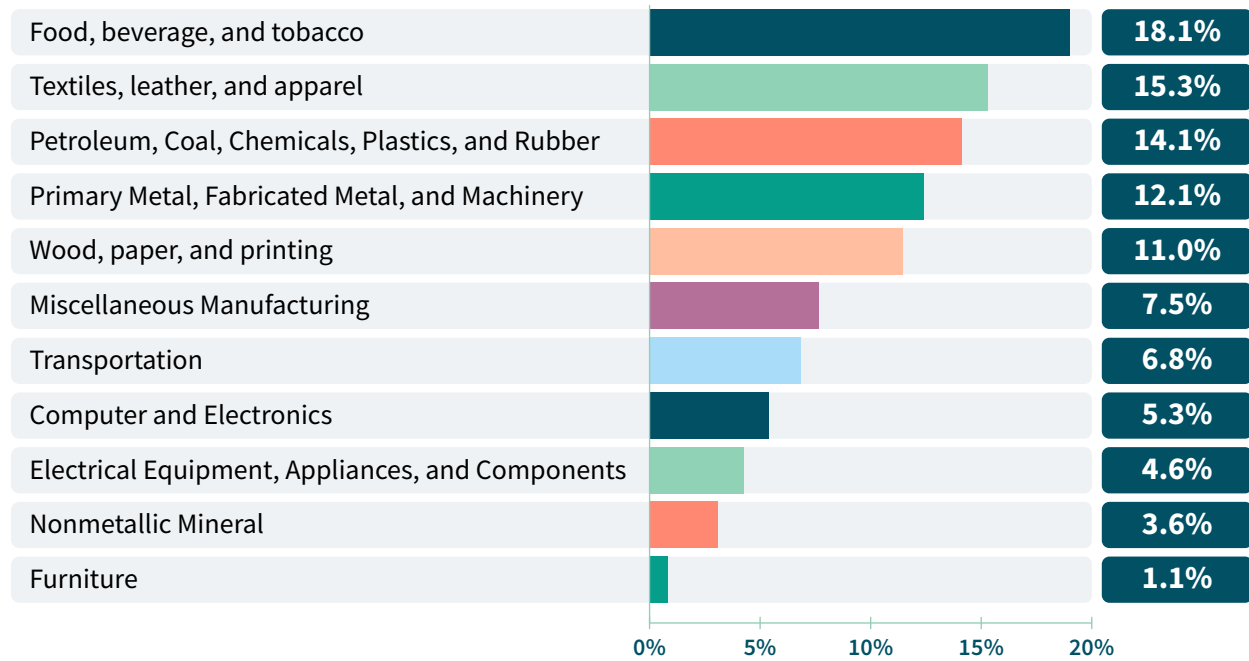
What best describes your job title?



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



What best describes the goods you primarily manufacture where you work?



How long have you been at your current company?



Part #1

Day-to-Day Work

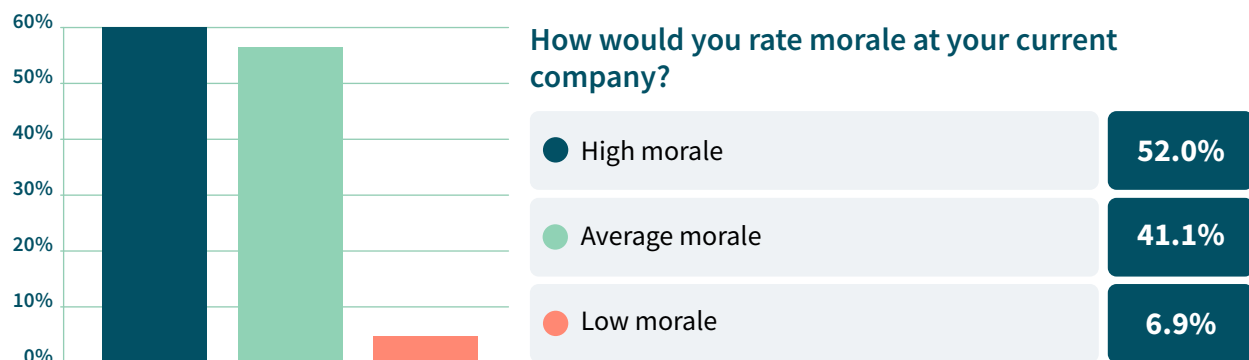
Creating a workplace where workers feel engaged and productive is key to ensuring your manufacturing company's current success and future longevity.

Yet leadership can't make changes unless they know what their workforce says creates a good work environment, what boosts their morale, and what challenges they face everyday.

What is life like for frontline factory workers?

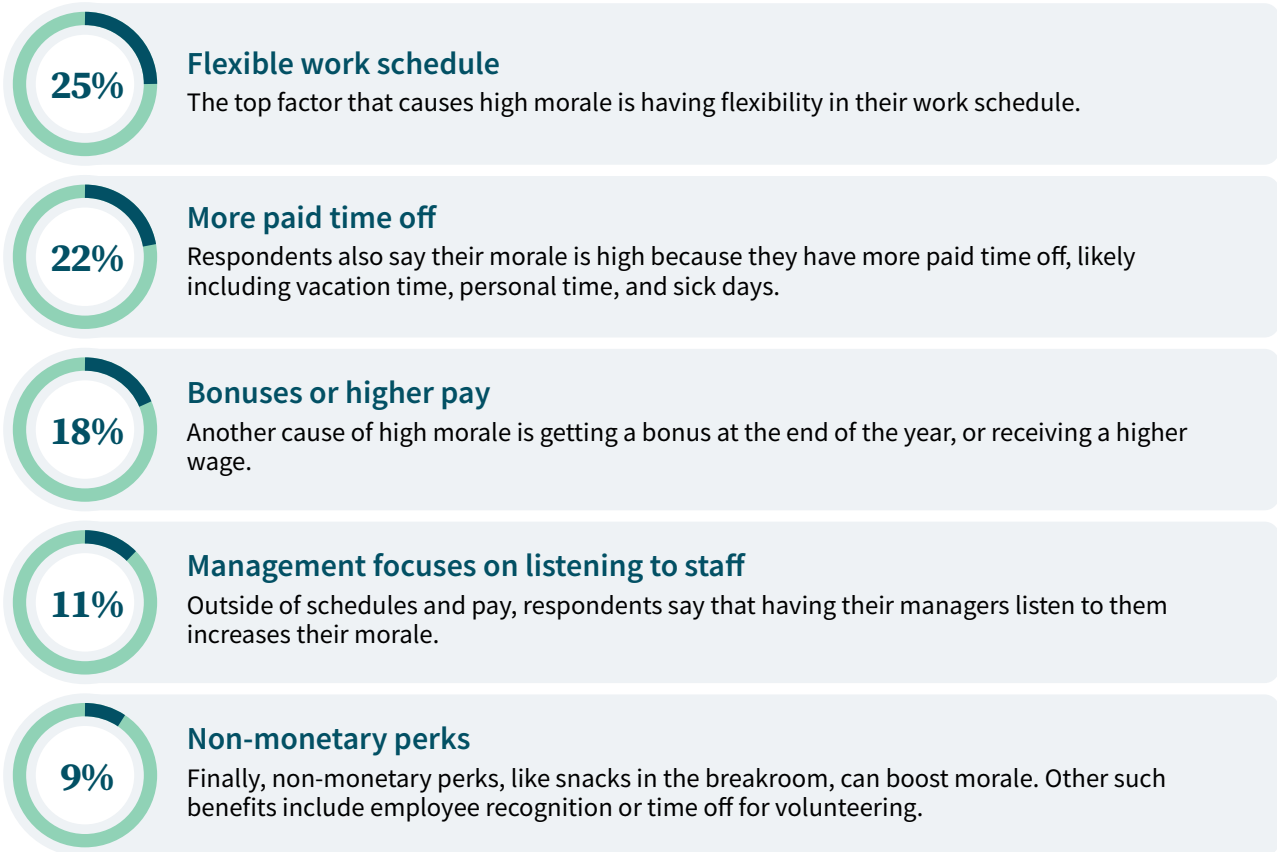
52% say morale at their current company is high

When rating morale, 52% say it's high at their company. 41% say the morale is average at their company, while 7% say it's low.



Top Five Reasons for High Morale

For those who said that morale is high at their company, here's what they say creates it:



They also attribute high morale to being provided better tools and technology (6%), employee recognition or opportunities for growth (4%), addressing issues in the workplace as they arise (3%), investing in better or more training (1%), and supporting employee-led initiatives (1%).

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



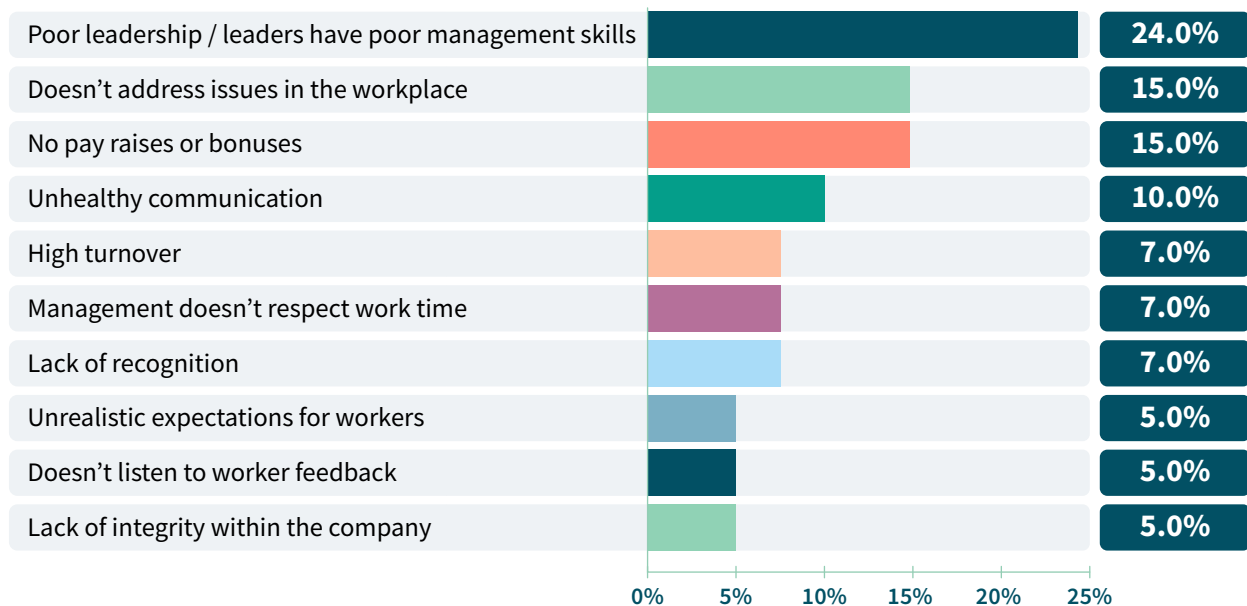
Top Reasons for Low Morale

Here are some of the drivers of low morale for those who are experiencing it at work.



They also attribute low morale to high turnover (7%), lack of recognition (7%), management that doesn't respect work time (7%), unrealistic expectations for workers (5%), management that doesn't listen to worker feedback (5%), and lack of integrity within the company (5%).

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



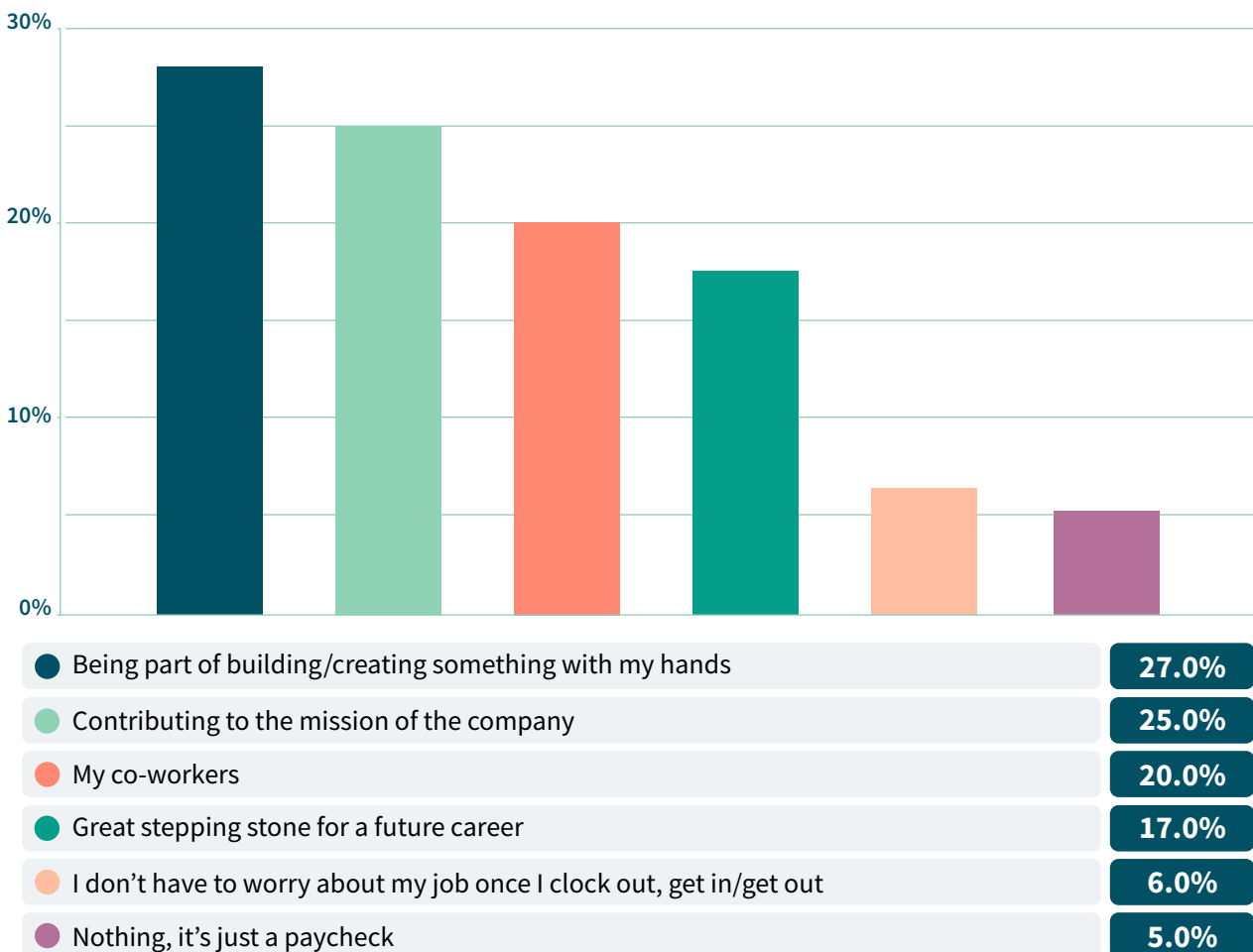
Top Three Most Enjoyable Aspects of Work

When asked what they enjoy most about their work, those surveyed said the following:



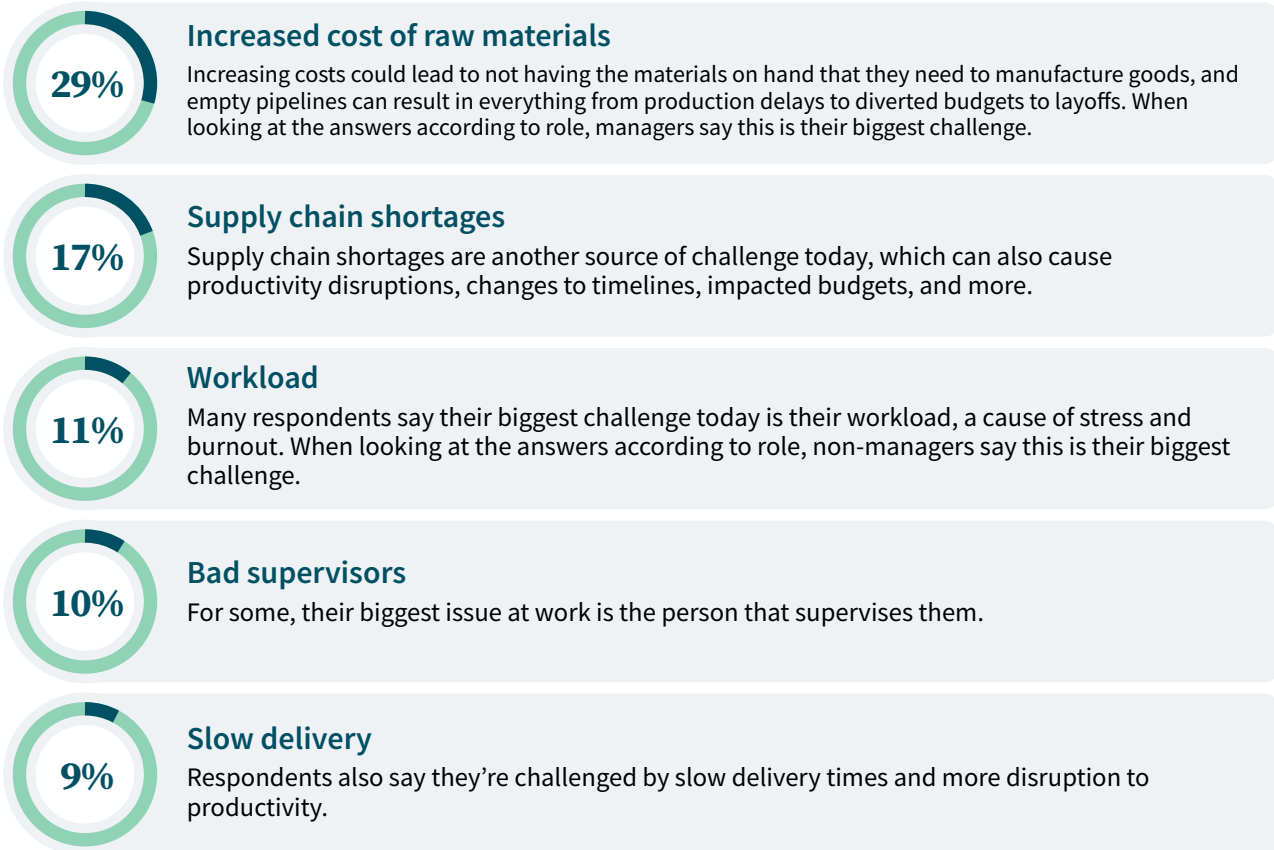
They also like that it’s a great stepping stone for a future career (17%), they don’t have to worry about their job once they clock out (6%), and some like nothing about it — it’s just a paycheck (5%).

What do you enjoy the most about your work?



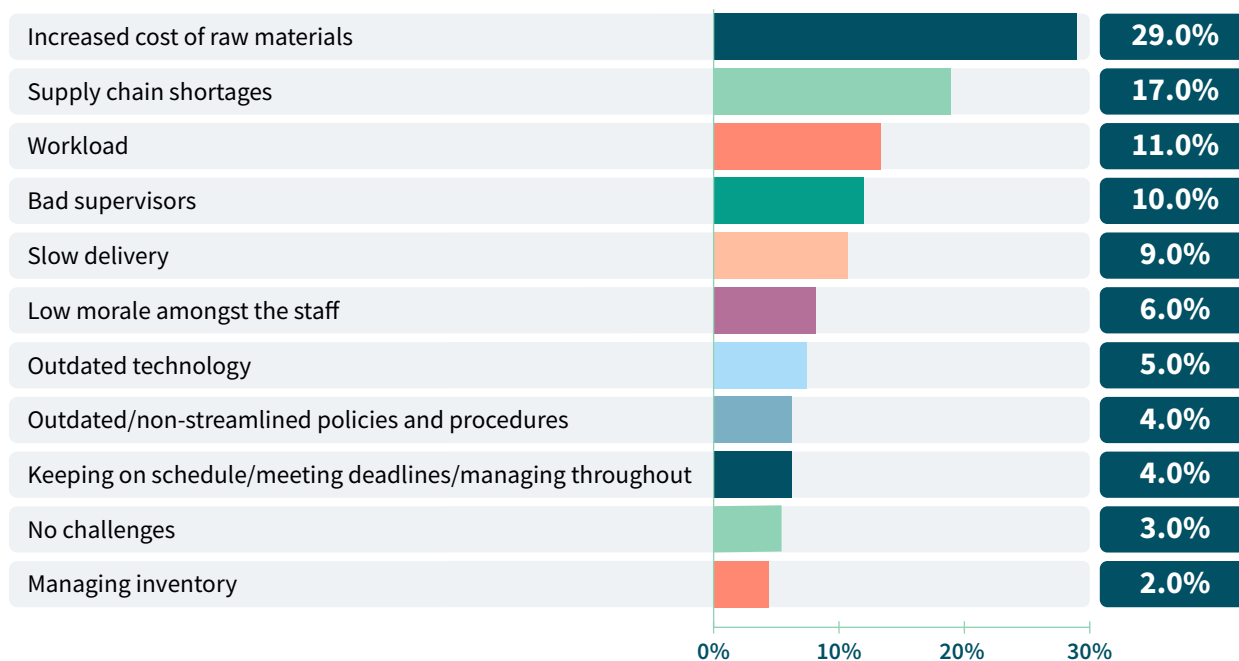
Top Five Work Challenges

What are our respondents' greatest challenges at work? They said the following:



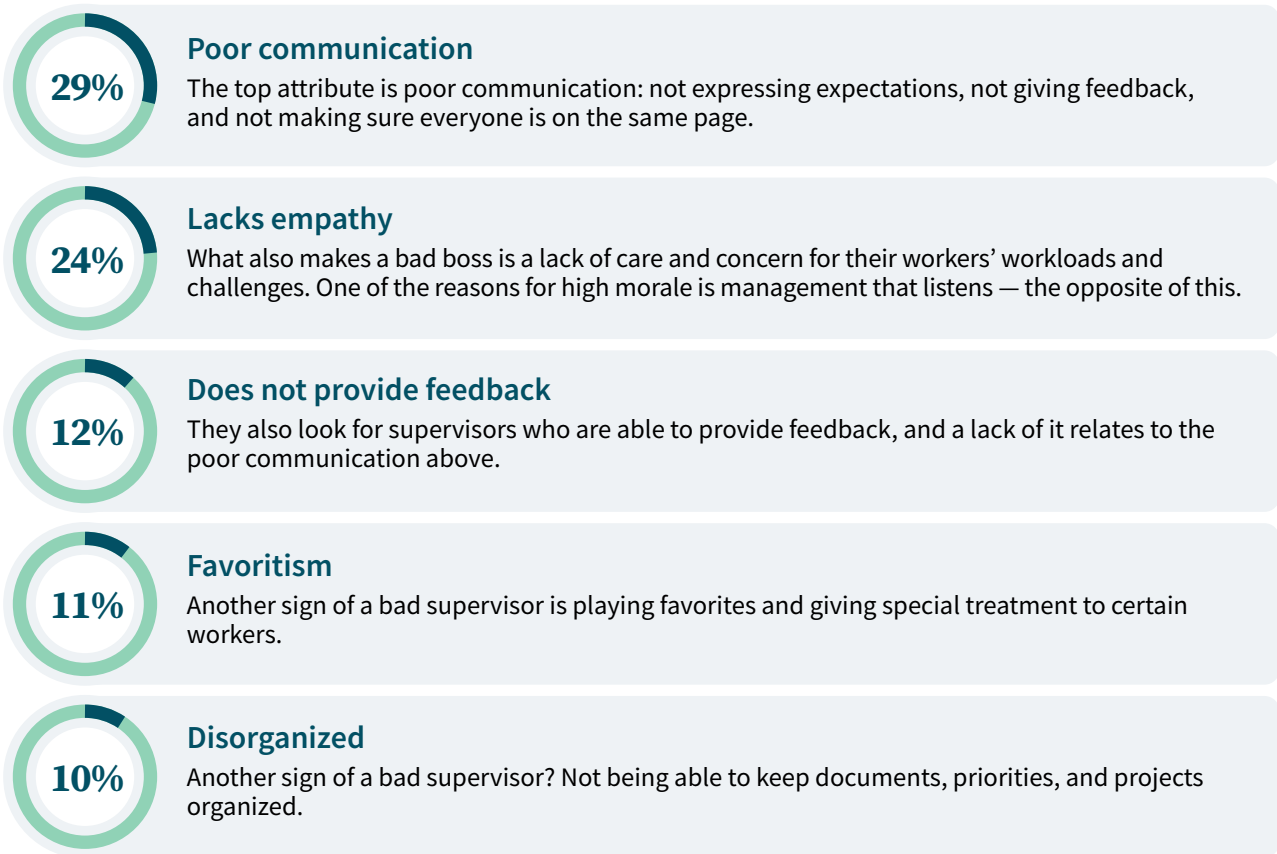
They also said they're challenged by low morale amongst the staff (6%), outdated technology (5%), outdated or non-streamlined policies and procedures (4%), keeping on schedule, meeting deadlines, and managing throughput (4%), No challenges (3%) and managing inventory (2%).

What is your greatest challenge at work?



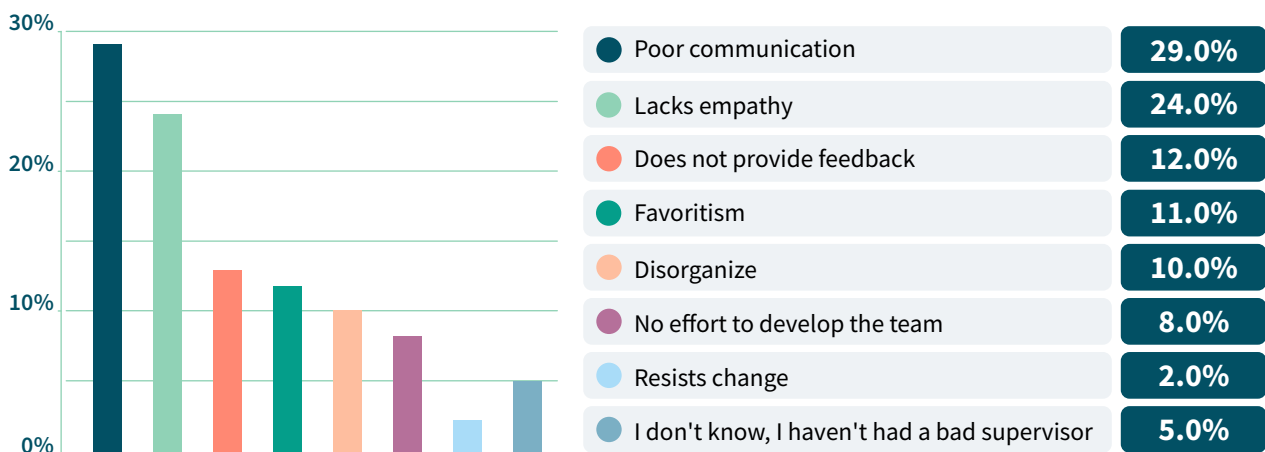
Top Five Attributes of a Bad Supervisor

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



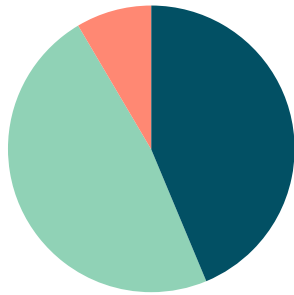
They also say their bad supervisor puts no effort into developing the team (8%) and resists change (2%). Finally, only 5% say they haven’t had a bad supervisor.

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



45% say there has been more turnover than ever at their company

When it comes to turnover, 47% say they're seeing about the same level of turnover as the past year. However, 45% are seeing more turnover than ever. Only 8% are seeing less turnover than ever.



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

More turnover than ever	45.0%
About the same level of turnover as the past year	47.3%
Less turnover than ever	7.6%

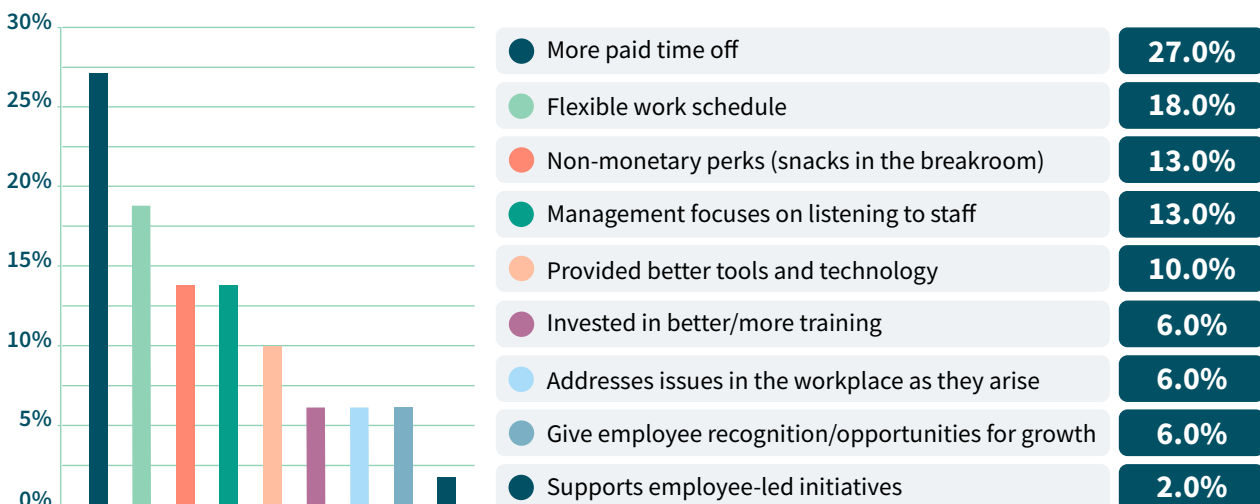
Top Five Initiatives to Create a Better Work Environment

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



They also say their employer should invest in better training or offer more training (6%), address issues in the workplace as they arise (6%), give employees recognition or provide opportunities for growth (6%), and support employee-led initiatives (2%).

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

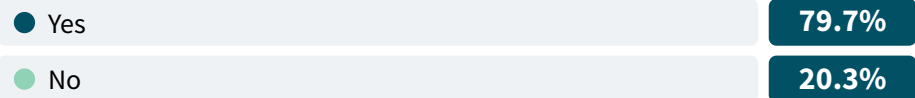


80% would be surprised to learn their organization had a security breach

Would respondents be surprised that their organization wasn't as secure as it should be, and there was a data breach? 80% said they would be surprised, while 20% said they wouldn't be surprised an incident happened.

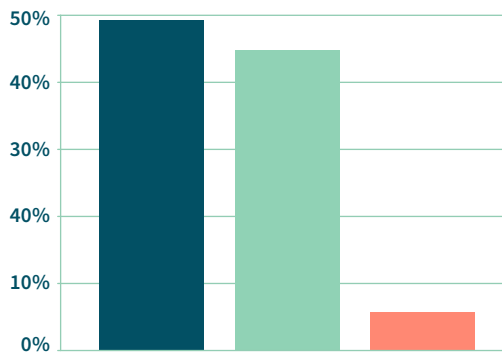


Would you be surprised if you learned your organization had been involved in a security breach/hack?

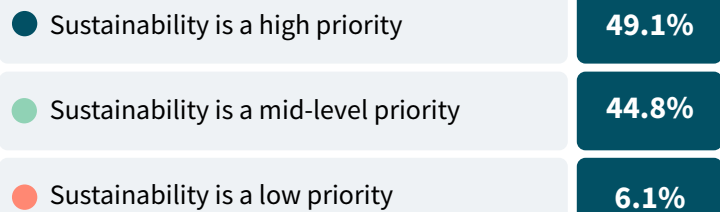


Nearly 50% say their organization is making sustainability a high priority

When it comes to sustainability in their operations, about half (49%) of our respondents say that their organization makes sustainability a high priority. For 45%, sustainability is a mid-level priority, while for 6%, sustainability is a low priority.



How is your organization doing at making sustainability a priority?

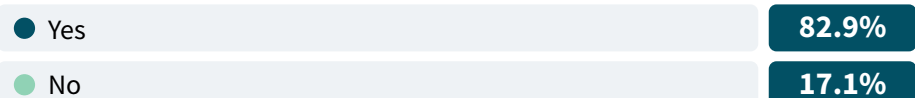


83% feel adequately compensated for the work they do

Do you feel adequately compensated for the work you do? 83% said they do feel adequately compensated, while 17% don't.



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



Section Summary

The responses above tell us that the state of factory workers today is that many are engaged in the work they do — have high morale, feel adequately compensated, and feel connected to what they do — yet there are areas of improvement needed to increase morale and decrease turnover.

About half say their morale is high, and they attribute that high morale to having a flexible work schedule, more paid time off, and bonuses or higher pay. When asked what management could do to create a better work environment, the answers were similar: More paid time off, offering flexible work schedules, non-monetary perks, and management focusing more on listening to staff.

However, there are those who don't feel engaged in their work, with half saying they have average or low morale they attribute to poor leadership, unaddressed issues in the workplace, and the lack of pay raises or bonuses. What, to them, creates poor leadership? It's poor communication, a lack of empathy, and a lack of feedback to workers.

What can also help alleviate the challenges factory workers face on a daily basis? Modern technology can help with communication, organization, and automation by creating efficiencies that would allow supervisors more time to be people-centric.

The biggest challenges they're faced with daily include the strain produced by the increased cost of raw materials and supply chain shortages, and their overall workload in general. However, they're rising above challenges and connecting with their work because they like being part of building or creating something with their hands, like contributing to the mission of the company, and enjoy working with their co-workers.

Part #2

Upskilling & New Skill Sets

If a manufacturing company is committed to evolving its processes and adopting new technology, then they need to ensure that workers are keeping up learning new technologies and tools. This is why manufacturing companies need to commit to upskilling their workers, or increasing a worker's skillset to help them improve in their current role. But are workers getting the training they need?

80% say their company is making upskilling a priority

80% say their organization prioritizes upskilling their workers by providing tools, resources, and training to increase their skillset. 20% say it's not a priority.



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

80.0%

● No

20.0%

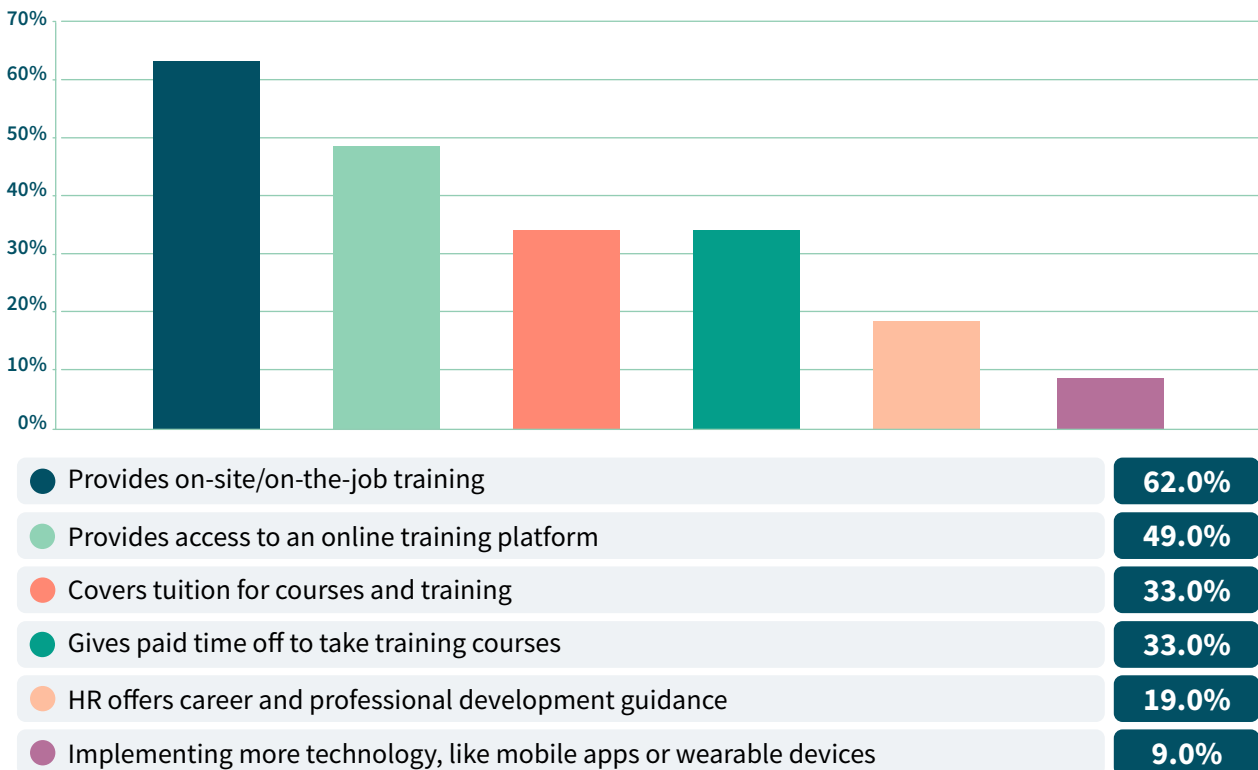
Top Upskilling Initiatives

Here are the top three initiatives that organizations are taking to upskill their workers (and we asked them to choose all that apply):



They also say that their organization’s HR offers career and professional development guidance (19%), and that their organization is implementing more technology, like mobile apps or wearable devices (9%).

What are they doing to help you upskill?



Section Summary

From these responses, the manufacturing industry is focused on ensuring factory workers continue to learn new skills and improve their knowledge of tools and processes, as 80% say their company is making upskilling a priority. Companies are providing for their workers by giving them on-site and on-the-job training, giving access to an online training platform, covering tuition for courses and training, and giving them paid time off to take those courses. One of the biggest investments a company can make is into their workers, and in the next section we'll see the kinds of investments companies are making into technology and modernization.

Part #3

Technology & Modernization

Modern manufacturing plants keep up with trends in the industry, integrate new technology into their processes, and continue to iterate on their efficiency. This may include big initiatives like implementing robotics or analytics, or smaller initiatives like phasing out paper documents for digital. Our respondents tell us how their companies are doing at modernizing.

49% say their company has kept their investment in technology the same

When asked about their organization's investment in new technology, 49% said they're investing about the same as they have before. 45% said they're investing in new technology more than ever, while only 6% say they are investing in new technology less than ever.

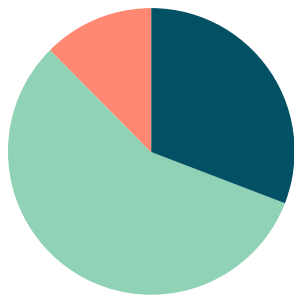


How has investment in new technology changed at your company over the past 12 months?

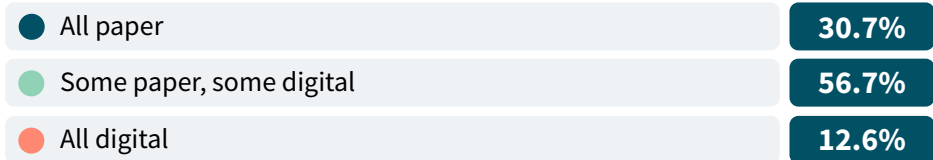
- We are investing in new technology more than ever **44.6%**
- We are investing in new technology about the same as we have before **49.3%**
- We are investing in new technology less than ever **6.1%**

Only 13% say the documents they work with on a daily basis are all digital

When it comes to the documents our respondents work with on a daily basis, their organizations are split on older and newer technologies. 57% are using a combination of some paper and some digital, while 31% are using all paper. Only 13% are using all digital documents.

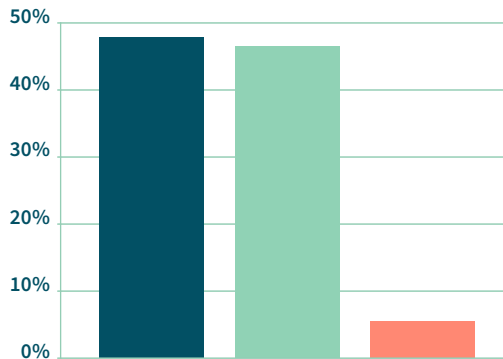


Are the forms, lists, schedules, and other documents you work with on a daily basis paper or digital?

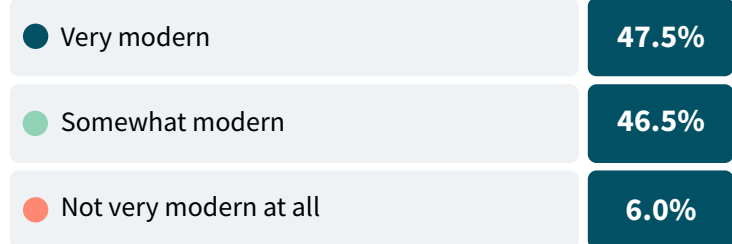


48% say their company is “very modern”

When it comes to considering whether their organization is modern, 48% say it’s “very modern” while 47% say it’s “somewhat modern.” Only 6% say it’s “not very modern at all.”

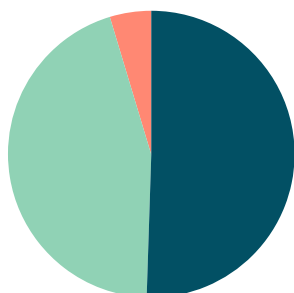


Compared to other companies in your industry, how “modern” would you say your operation is?

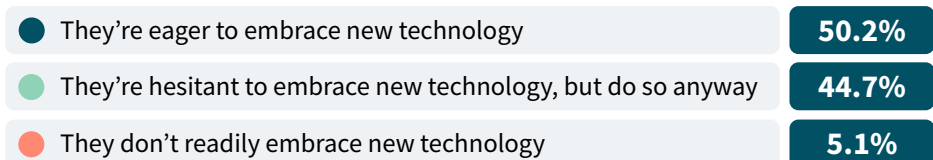


50% say their company is eager to embrace new tech

Organizations may be moving to digital and becoming more modern, but how are organizations doing at embracing new technology? 50% say their organization is eager to embrace new technology. 45% 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. Only 5% say their organization doesn’t readily embrace new technology.

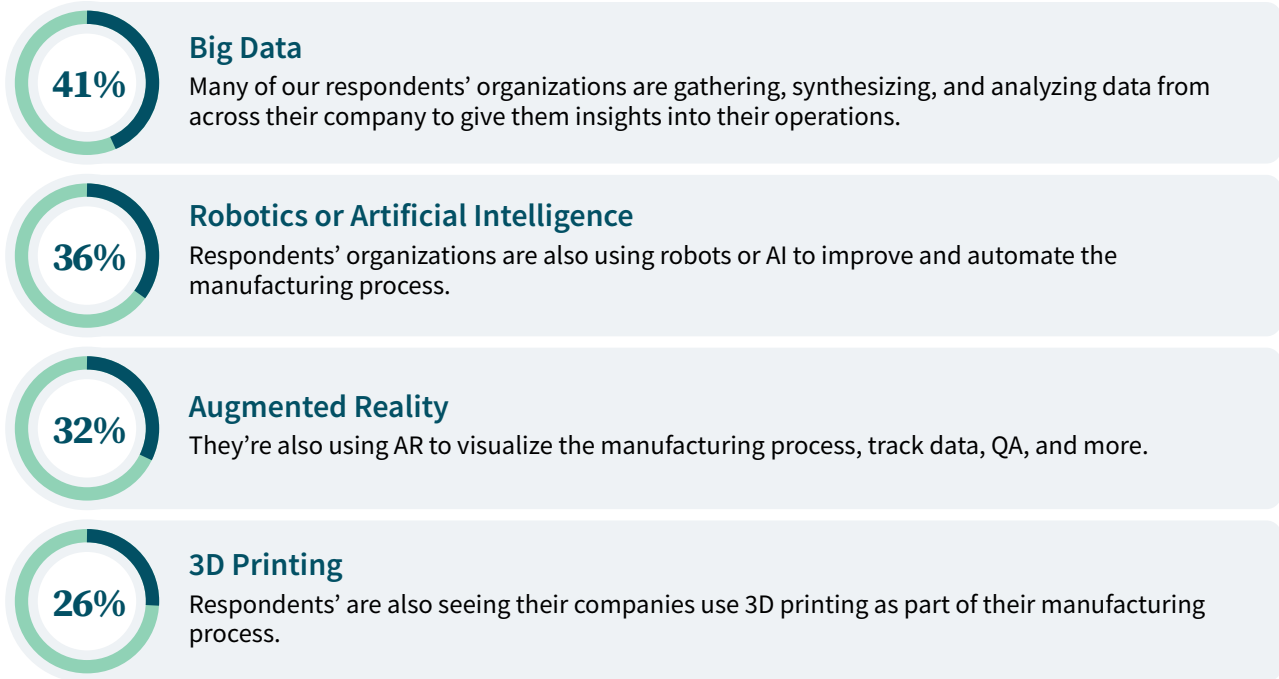


How would you say your employer has done at embracing new technology?



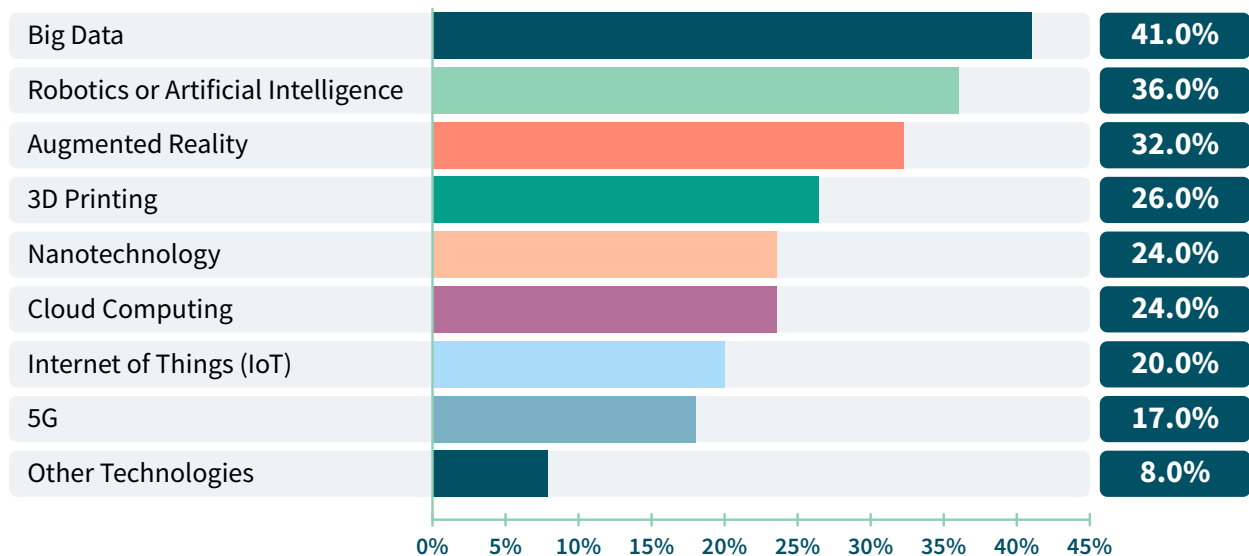
Top Four Technologies

Our respondents said that their organization uses the following technologies (and we asked them to choose all that apply):



Their organizations also use Nanotechnology (24%), Cloud Computing (24%), the Internet of Things (IoT) (20%), 5G (17%), and other technologies (8%).

What technologies is your factory/plant currently using?



Section Summary

When it comes to investing in new technology, respondents' organizations are at somewhat different levels. 49% say their company has kept their investment in technology the same while a nearly equal amount (45%) said they're investing in new technology more than ever.

The shift to all-digital workplaces is slowly happening as well, as 57% use a combination of some paper and some digital documents, and 13% use all digital documents. 31% are still using all paper.

Those who say that their company is "very modern" are more likely to say that their company is eager to embrace new technology, while those who say their company isn't very modern are more likely to say that their company is hesitant to embrace technology, or they don't readily embrace technology.

Additionally, in looking closer at the findings, there's a correlation between morale and modernity. Workers who say they have high morale are more likely to call their workplace "very modern," while those with low morale call their workplace "somewhat modern" or "not very modern at all."

What technologies are these companies adopting? According to respondents, it's Big Data, robotics or Artificial Intelligence, Augmented Reality, and 3D printing.

Part #4

Outlook of Manufacturing Work

What's the future of manufacturing? More importantly, what's the future of the manufacturing worker? Are they connected to their current workplace, or will they be looking for a new workplace soon? Are they embracing automation in their factory or resistant to it? Do they believe their company has a bright future or a dim one?

56% plan to leave their job in the next 12 months

Over half (56%) of respondents plan to leave their current job in the next year. 44% plan to stay.



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

● Yes

56.3%

● No

43.7%

Top Five Attributes of a New Employer

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

24%

More paid time off

Again, one of the top things respondents are looking for is a company that will offer them more vacation, personal, and sick time off — and possibly other options, like taking time off for classes and training as well.

23%

Flexible work schedule

Respondents are also looking for a company that can offer a flexible work arrangement, which they say also contributes to high morale.

14%

Management focuses on listening to staff

Respondents again say that they want to work in a place where management listens to their feedback and concerns.

13%

Non-monetary perks

They're also looking for more non-monetary perks, like snacks in the breakroom.

11%

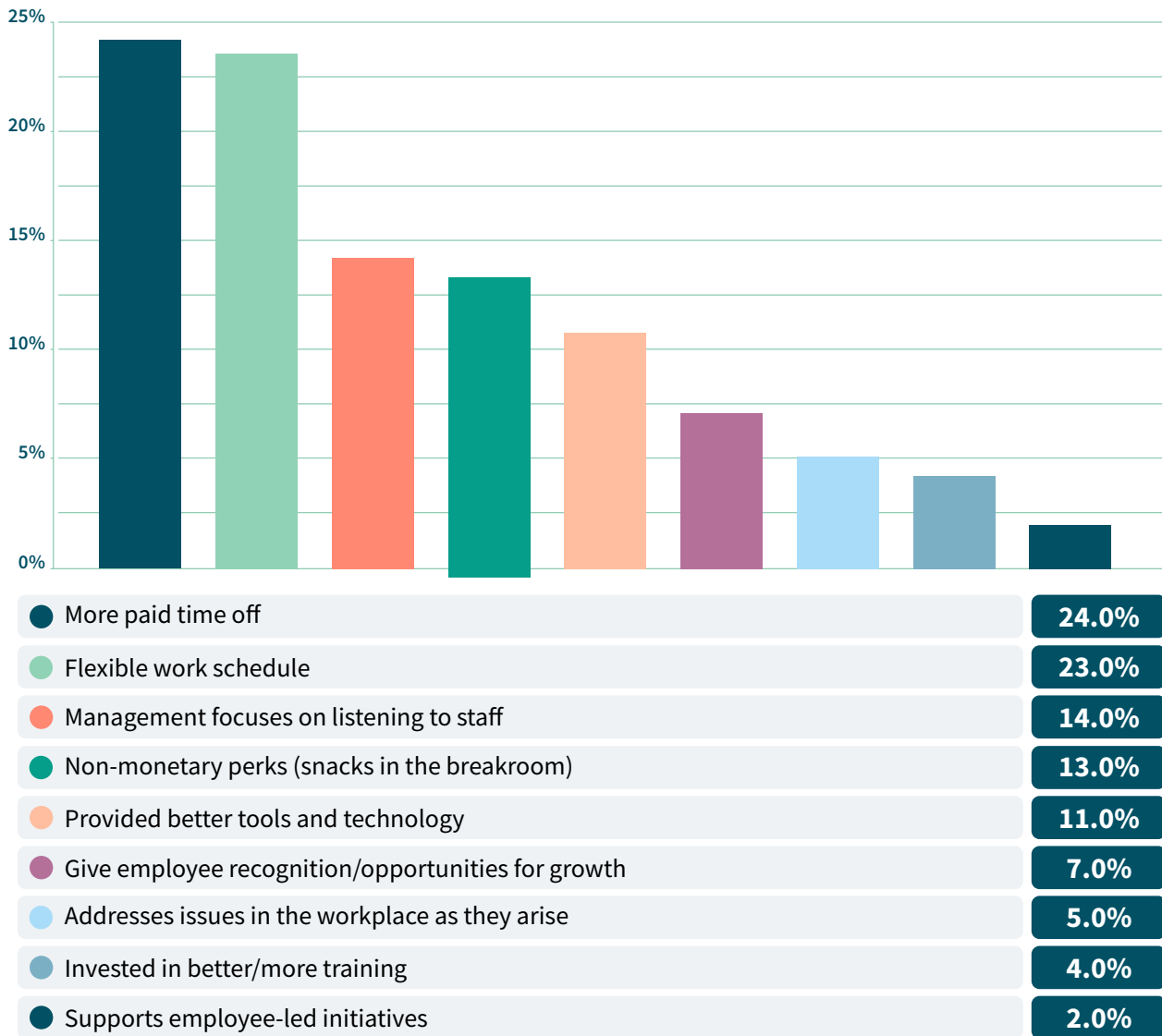
Provided better tools and technology

Finally, they'd look for an organization that can provide better tools and technology so they can do their jobs more efficiently.

They'd also look for an organization that gives employee recognition and opportunities for growth (7%), addresses issues in the workplace as they arise (5%), invests in better training or more training (4%), and supports employee-led initiatives (2%)

Once again, these responses map exactly to the responses above about suggestions for a better work environment, which map to the factors contributing to high morale. Respondents are saying “This is what engages me in a workplace,” and if they're not getting it where they currently are, they'll look for it elsewhere.

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

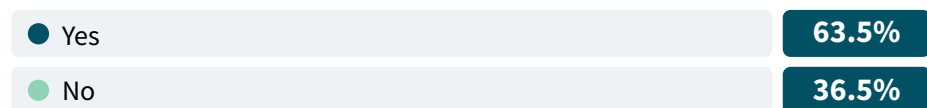


Two-thirds believe their job will be replaced by automation

Do our respondents believe that automation may take over their job? 64% believe it will, while 36% don't. Of those who believe their job will be replaced by automation, 56% say their company is "very modern" and 50% say their company is "eager to embrace new technology." 90% also say that their company is investing in upskilling.



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

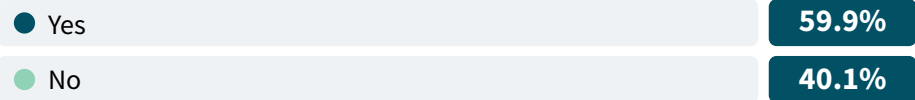


60% would take a pay cut to leave their current company for a more technology-driven factory

How much does working in a technology-forward organization matter to our respondents? 60% said that they would take a 10% pay cut to go work in a more technology-driven factory. 40% would stay put.



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

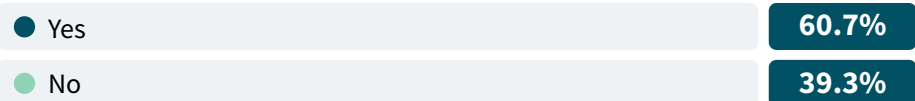


61% would take a pay cut to leave their current company for a more sustainable factory

How much does working in a sustainable organization matter to our respondents? 61% said that they would take a 10% pay cut to go work in a factory that took a more sustainable approach to manufacturing. 39% would stay put.



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?

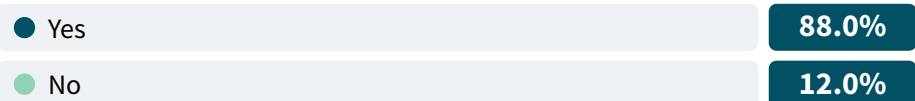


88% believe their company will stay in business

88% of our respondents believe their company will still be in business five years from now. However, 12% do not think it will.

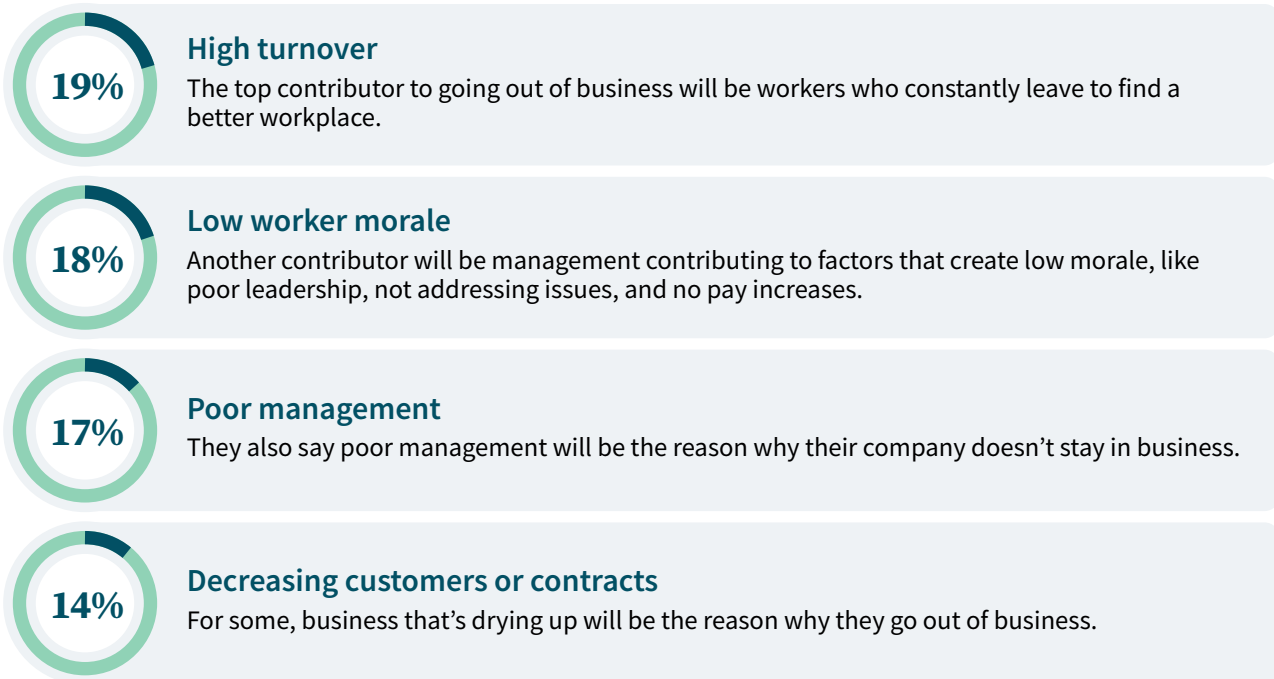


Do you believe your employer will be in business 5 years from now?



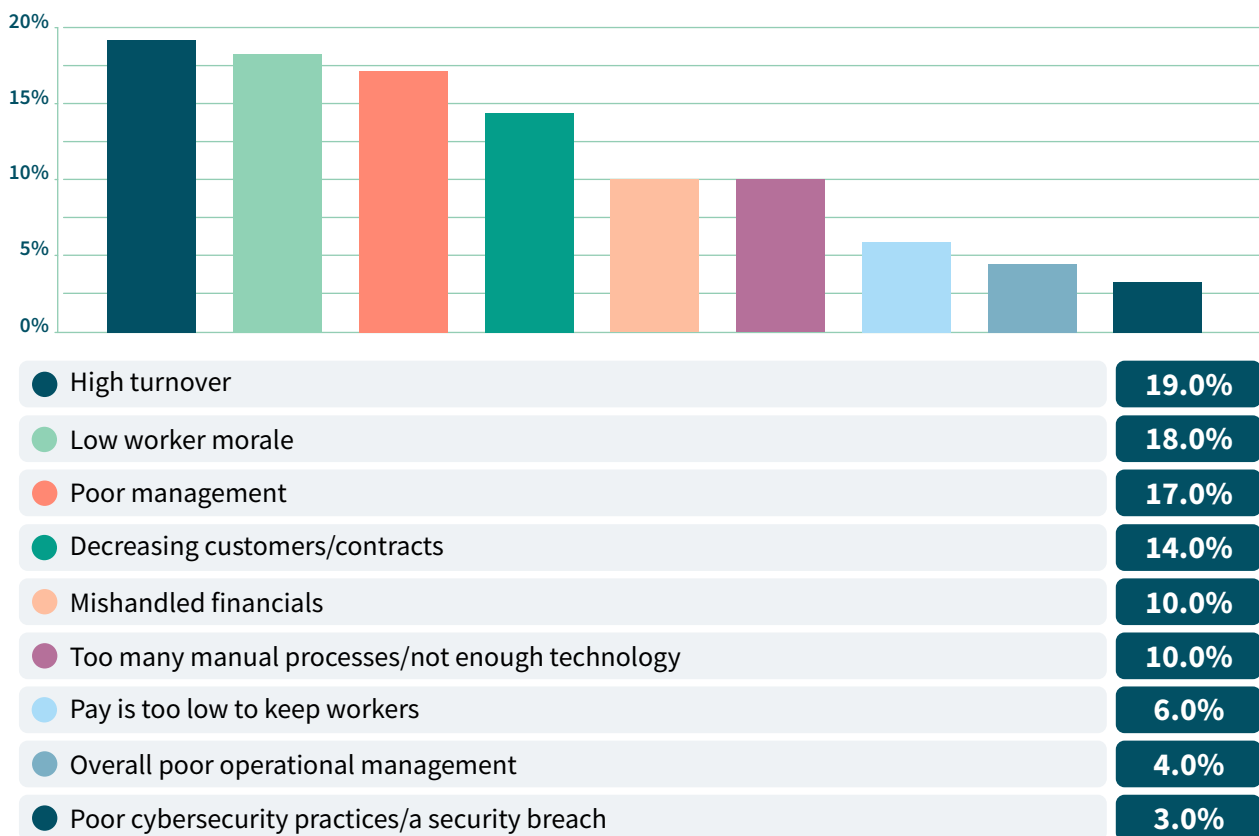
Top Four Reasons for Going Out of Business

Of the 12% that don't think their company will still be in business, here are the reasons why:



They also cite factors such as mishandled financials (10%), too many manual processes or not enough technology (10%), pay is too low to keep workers (6%), overall poor operational management (4%), and poor cybersecurity practices or a security breach (3%).

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



Section Summary

Despite high morale and feeling adequately compensated, 56% of respondents plan to leave their job in the next year. What are they looking for in a new employer? They want more paid time off, flexible work schedules, and management that listens to staff. They're also looking for more tech-forward and sustainability-focused companies to work in, as nearly two-thirds said they would take a pay cut to work in a factory that focused on either of those things. Another reason to leave? Two-thirds fear that they'll be replaced by automation soon.

Those who don't believe their company will stay in business (and reasons why they might be looking for a new job) see factors like high turnover, lower morale, and poor management being the end of their company.

Part #5

Actionable Takeaways For Manufacturing Leadership

Frontline factory workers are an essential part of ensuring your manufacturing company continues to run efficiently. But manufacturing leaders need to continue to improve their workers' experiences in order to increase engagement and keep teams productive. Here are some takeaways learned from the answers above.

- **Make technology and sustainability a priority**

Six out of ten respondents to our survey said they would take a pay cut to go work for a more technology-driven factory or a more sustainable factory. Embracing new technology that's sustainable is important to factory workers, and it should be important to leadership as well.

Manufacturers have always focused on quality and customer service, and historically, hiring more workers was the go-to solution to make improvements. However, this can be an expensive, cumbersome solution. With software and digital applications, you can improve experience and quality while reducing costs by going digital, and enabling automation to assist workers with a different skillset.

- **Provide flexible work schedules and paid time off**

Over and over again, respondents said they desire flexible work schedules. It's what contributes to lifting their morale, it's what they say can create a more engaging work environment, and it's what they'll look for in a new employer if (or when) they leave their current job. They also cite wanting to have more paid time off, like vacation time, personal time, or sick time — another contributor to high morale and what they believe can make a more enjoyable workplace.

It's easy to see how having a more flexible schedule and more paid time off can help ease burnout, as one of the biggest challenges they face today is workload. But as the influences of the pandemic reset how everyone thinks about "traditional" ways of working versus new ways of working, offering flexible work schedules and more paid time off will demonstrate to your workers that management is listening — something they want more.

If manufacturing leaders are looking for ways to facilitate more flexible work arrangements, modern technology platforms can enable work-from-home models, create automation, and empower workers with the information they need to be more efficient, collaborate, and communicate.

- **Continue to invest in upskilling**

80% say their company is making upskilling a priority — which is absolutely necessary as companies continue to expand their adoption of technology. If manufacturing companies are going to look to solutions like Big Data, robotics, AI, AR, and 3D printing, they need to make sure that their factory workers know how to operate those technologies and maximize their usage of them.

Upskilling opportunities can be offered in a number of different ways. Respondents here said that their companies offer mostly on-site and on-the-job training. Yet many have access to online learning platforms where they can take courses and gain certifications anywhere they are. Many say their company is covering their costs for training programs and courses as well — we see this most among workers who say that they believe automation will replace their jobs in the next year. Ultimately, offering these benefits will not only create more skilled workers, but more engaged workers as well.

Conclusion

The manufacturing industry is facing challenges from all angles today, but you can ensure that your factory workers are staying engaged and productive by providing them with new technologies and the training to use them, listen to their requests for things like flexible time off, and continue to modernize so that productivity remains high.

Voice of The Essential Manufacturing Worker

About Epicor

We're here for the hard-working businesses that keep the world turning. They're the companies who make, deliver, and sell the things we all need. They trust Epicor to help them do business better. Their industries are our industries, and we understand them better than anyone. By working hand-in-hand with our customers, we get to know their business almost as well as they do. Our innovative solution sets are carefully curated to fit their needs, and built to respond flexibly to their fast-changing reality. We accelerate every customer's ambitions, whether to grow and transform, or simply become more productive and effective. That's what makes us the essential partner to the world's most essential businesses.

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