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# About the MI

- **The MI** is the 501(c) workforce development and education affiliate of the National Association of Manufacturers.
- **The Center for Manufacturing Research** is the leading source of research and insights on manufacturing workforce issues. Our initiatives include research studies, custom research and data analysis and a monthly newsletter among others.

# About Cognizant



- **Cognizant** engineers modern businesses to improve everyday life, discovering new ways of operating so organizations can anticipate and act, as if on intuition.
- As an industry leader that transforms experiences, reimagines processes, and modernizes technology, Cognizant is a proud supporter of the manufacturing industry.

# Agenda

- Introductions
- Key Insights
- Panel Discussion
- Q&A

# HOW FIRMS WOULD INVEST A MARGINAL DOLLAR WITH THEIR COMPANY



**Chad Moutray**  
Director, Center for  
Manufacturing Research  
The Manufacturing Institute



**Nishanth Vallabhu**  
Industrial and Process  
Manufacturing Industry Leader  
Cognizant



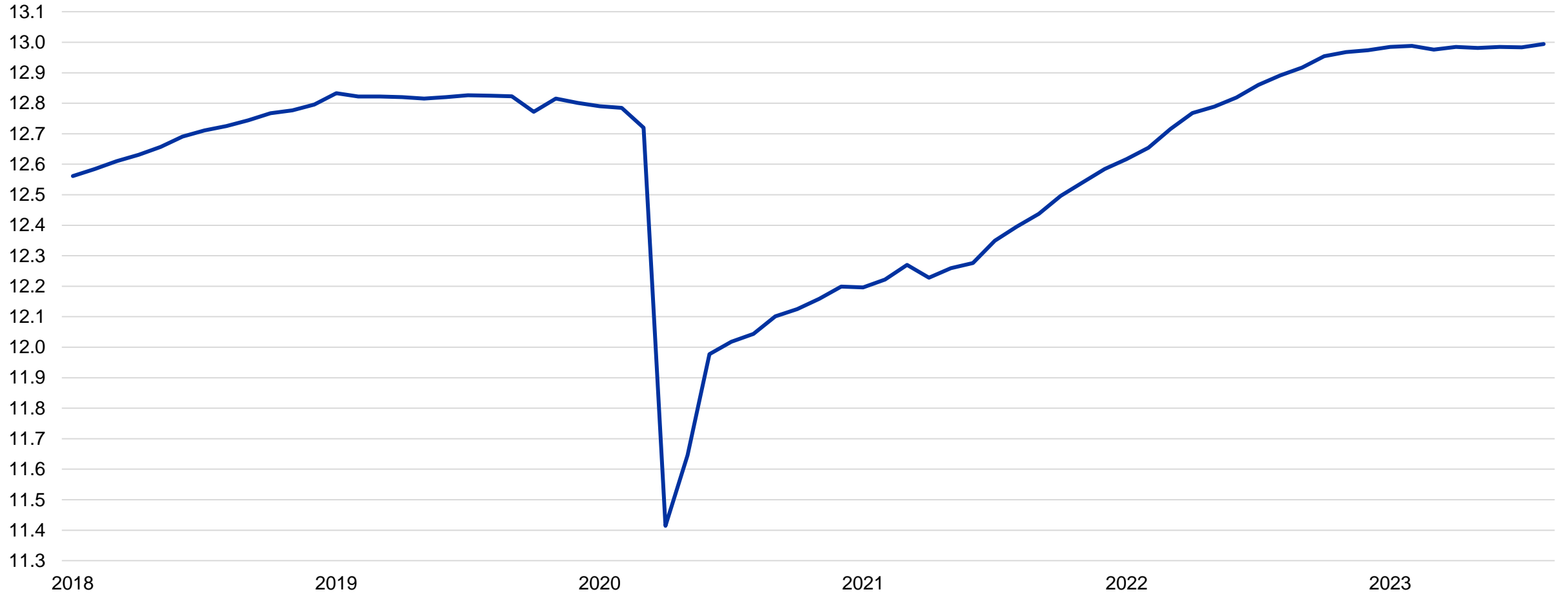
**Daniel Kennel**  
Director,  
Corporate Strategy and Ventures  
BorgWarner



**Elisabeth Smith**  
President and CEO  
Acotec Precision Aerospace

# Manufacturing Employment, January 2018 – September 2023

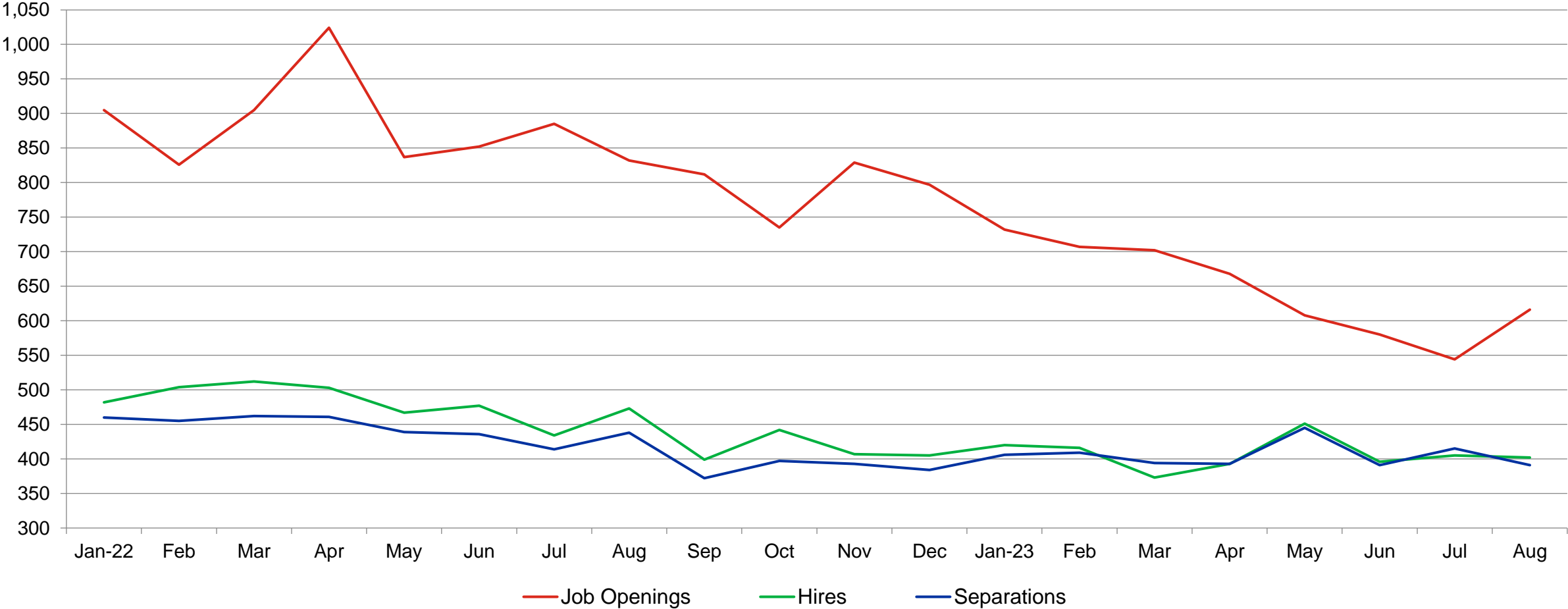
(in Millions of Workers)



Source: Bureau of Labor Statistics

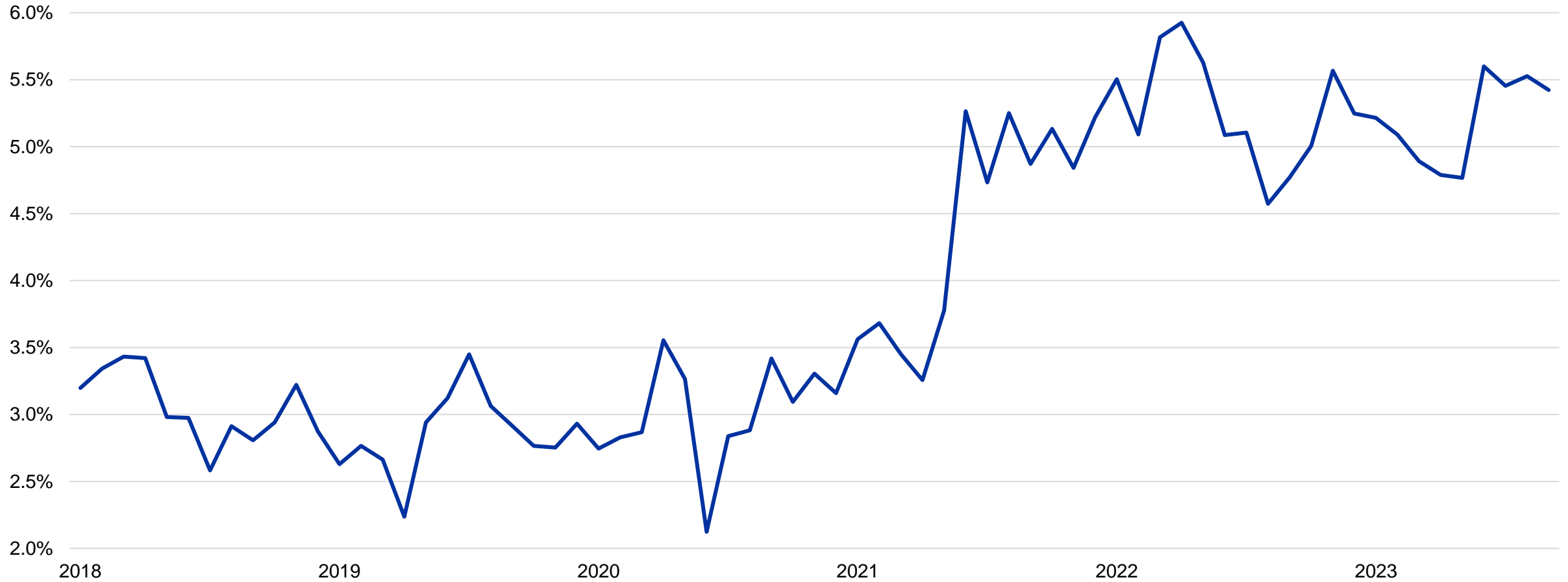
# Manufacturing Job Openings, Hires and Separations

(January 2022 – August 2023, in Thousands of Workers)



Source: Bureau of Labor Statistics

# Manufacturing Average Hourly Earnings, Production and Nonsupervisory Workers, January 2018 – September 2023, Year-Over-Year Percentage Growth by Month



Source: Bureau of Labor Statistics



# Study Overview

- Conducted from June to August 2023
- Online survey + in-depth interviews
  - 118 manufacturing leaders across a variety of sectors, sizes, locations
  - 9 in-depth interviews with manufacturing leaders, primarily in c-suite

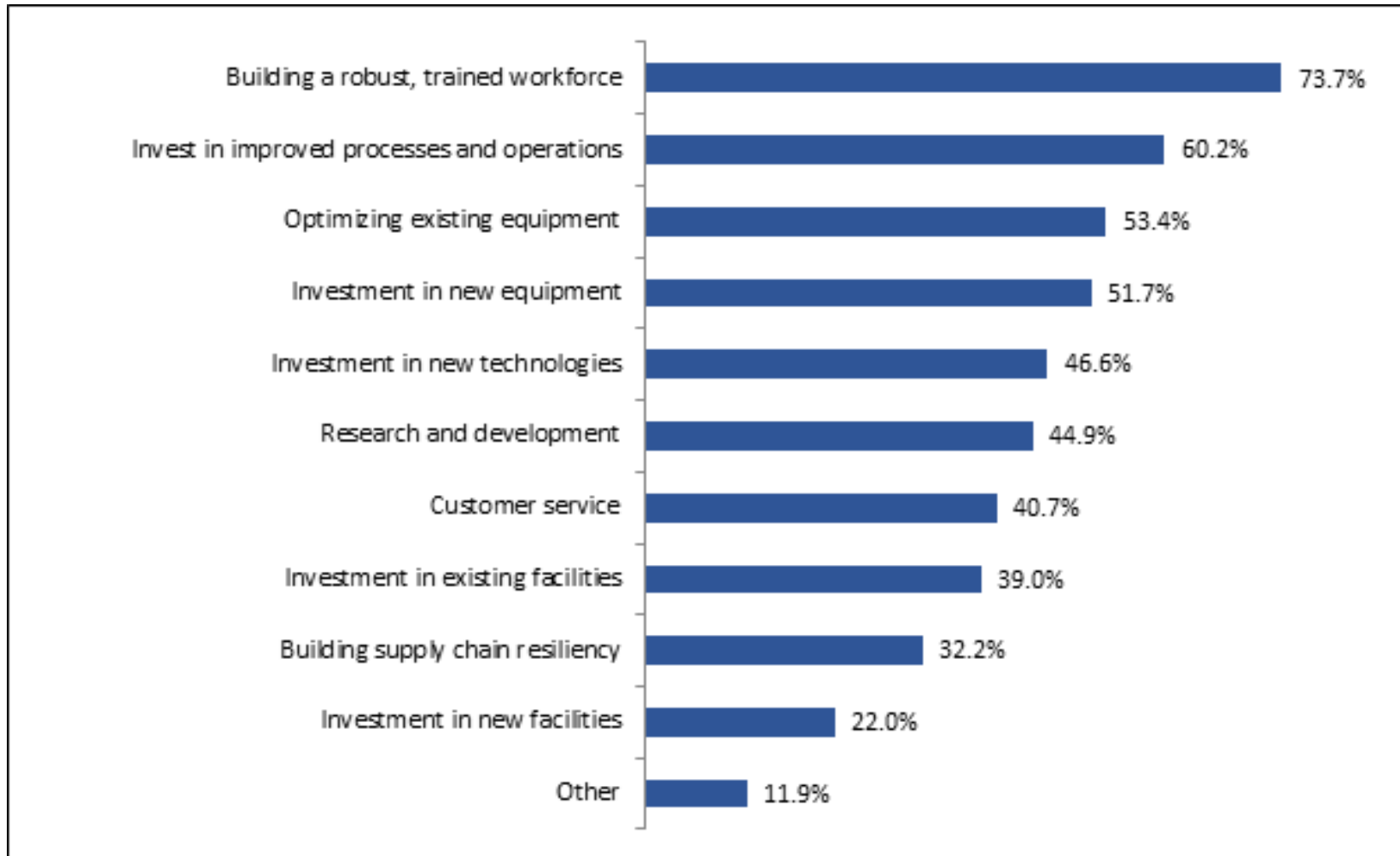
# Key Insights

- 3 investment priorities
  - Increasing throughput and lowering costs
  - Creating new opportunities for growth
  - Building a stronger, more resilient workforce
- To have a cutting edge against your competitors, think of these priorities as **interdependent**, not competing.

# Key Insights

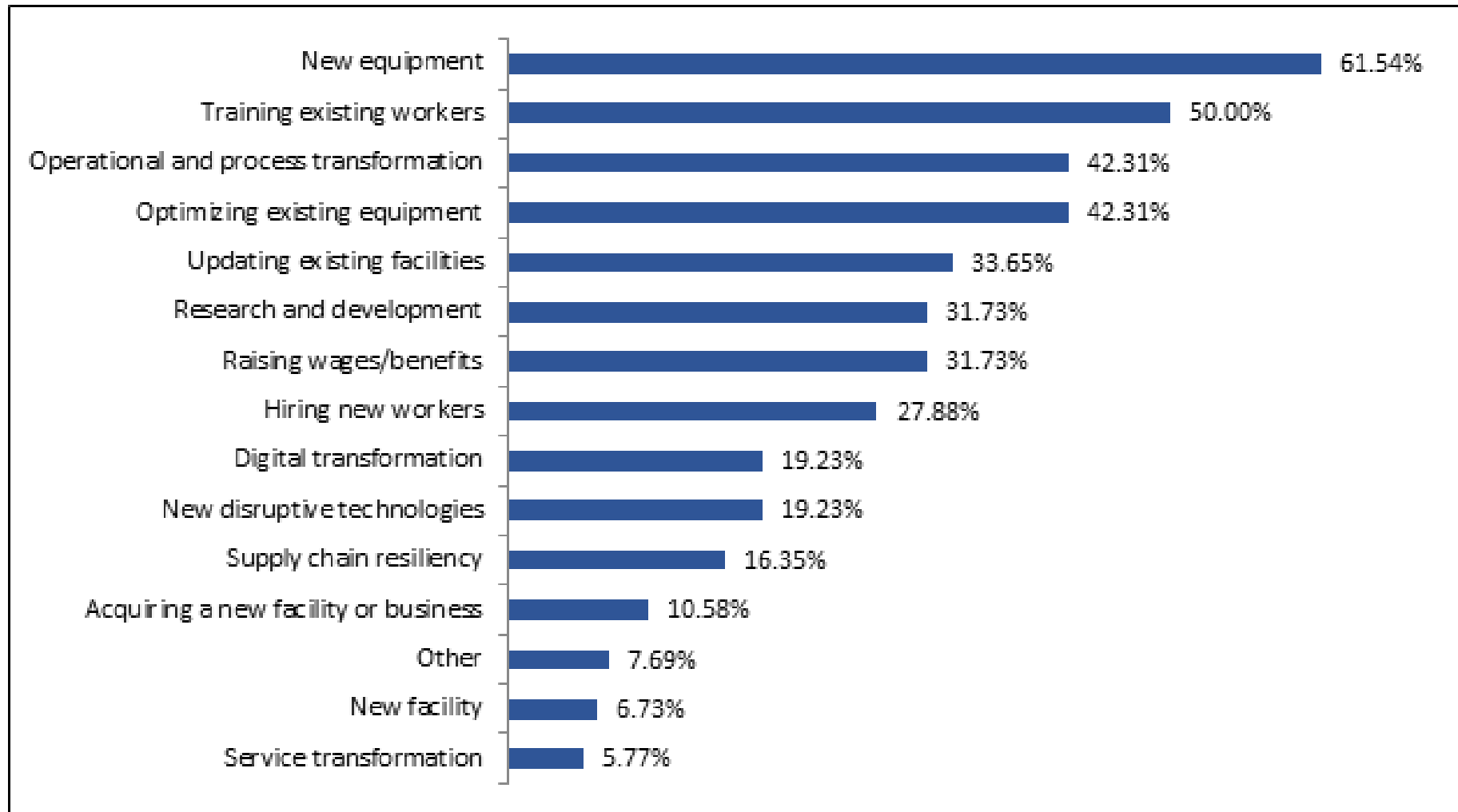
- Top investment priority with current dollars?
  - 74% of manufacturers say it's a **robust and trained workforce**
- Investment priority with marginal dollars?
  - 62% said they would invest in **new equipment**
  - Other key areas include improved processes and operations, optimizing existing equipment, investing in new technologies, and research & development

## Top Investment Priorities of Current Dollars



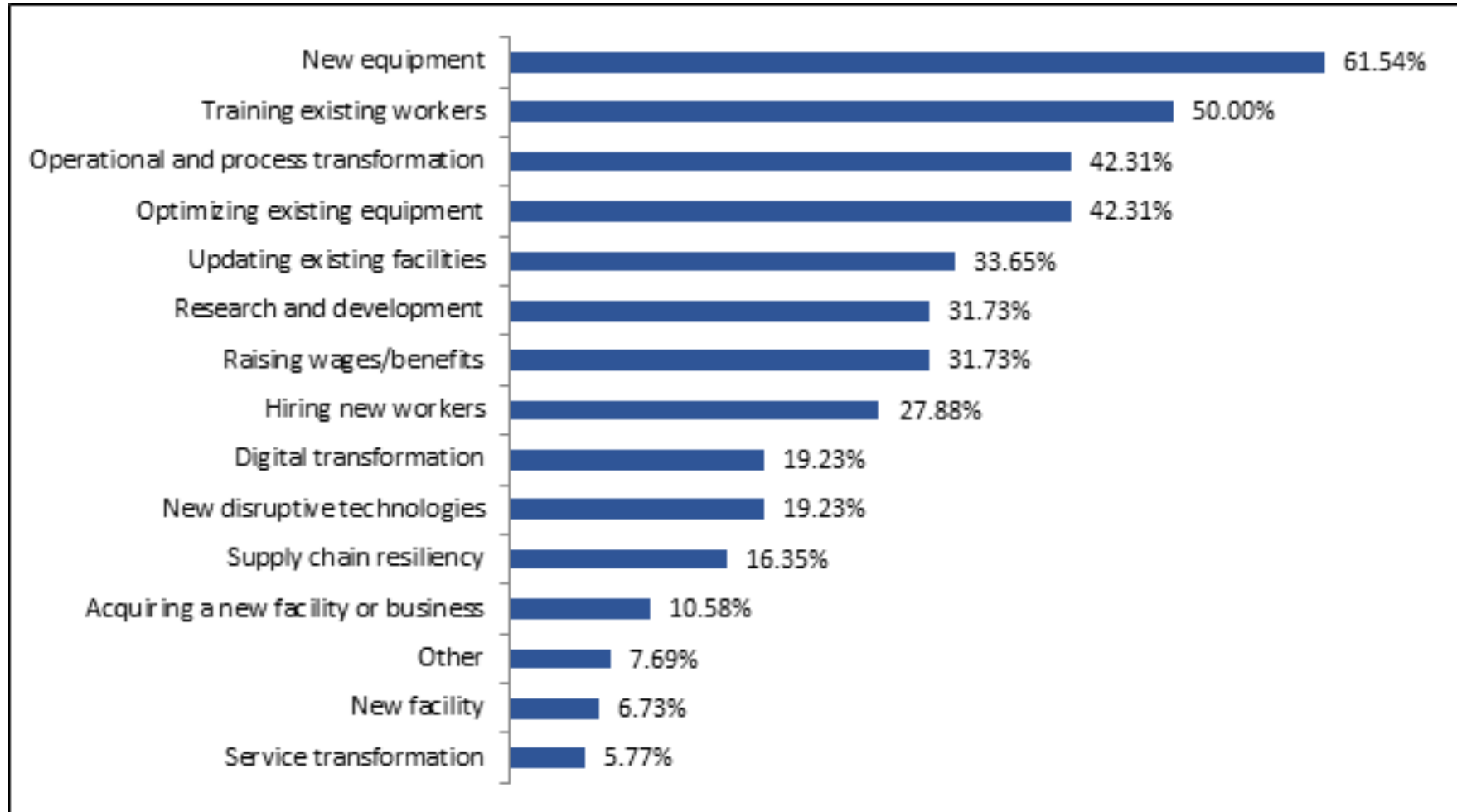
*Note: Respondents were able to check more than one response; therefore, responses exceeded 100%.*

## How Manufacturers Have Addressed the Skills Shortage



*Note: Respondents were able to check more than one response; therefore, responses exceeded 100%.*

## Top Investment Priorities for Marginal Dollars – What Would You Do with \$1 Million?



*Note: Respondents were able to check more than one response; therefore, responses exceeded 100%.*

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## Workforce in Focus August 2023

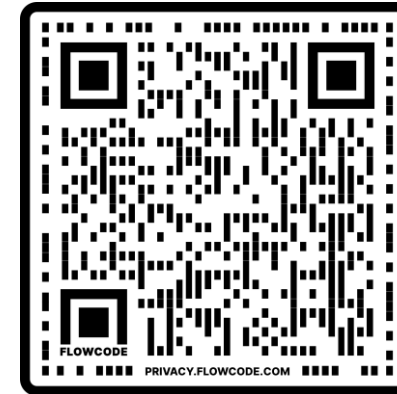
By Chad Moutray and Anjana Radhakrishnan

### 1. Labor Market by the Numbers

**The big number:** Nearly 5.5 million Americans are unable to work because they are caring for children, according to estimates in the most recent [Household Pulse Survey](#) from the U.S. Census Bureau.

- The shortage of [childcare](#) continues to be a challenge for many workers, either keeping them out of the workforce entirely or reducing the number of hours that they can work. Though [manufacturers](#) are responding with [creative solutions](#), childcare is something that companies continue to cite as a hurdle in efforts to attract and retain workers in the sector.
- At the same time, **78,000** workers said that they were forced to be [absent from work](#) in July due to a lack of childcare options, the most since October 2022, according to the latest labor market data. This figure remains above pre-pandemic levels.

**Manufacturing:** Manufacturing employment edged down by **2,000** in July, declining for the third time so far this year. The sector has added just **11,000** workers year to



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