

HOW TO CLOSE THE SKILL GAP IN YOUR MANUFACTURING BUSINESS

WHY IS THE SKILL GAP GROWING?

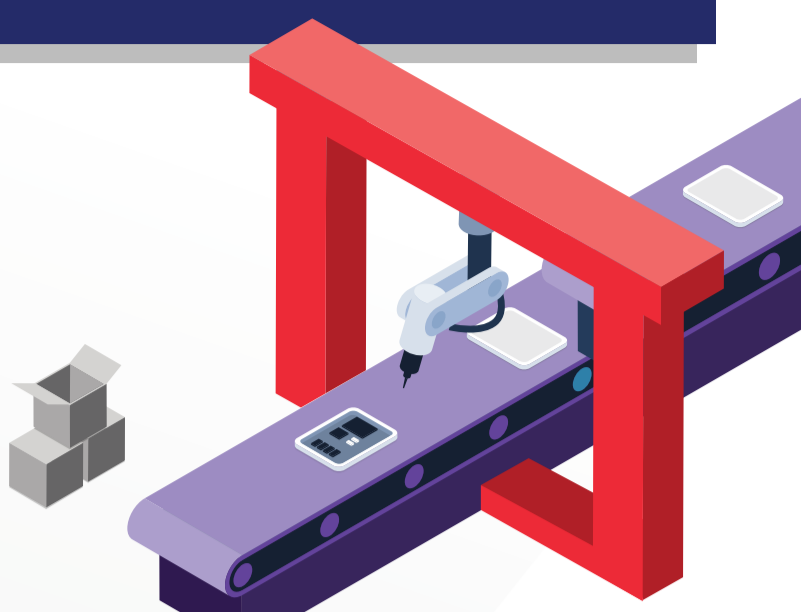
More than **2.6 million** baby boomers are expected to retire over the next decade.¹

Artificial intelligence, advanced robotics, automation, analytics, and the internet of things are changing the manufacturing landscape.

Younger generations are **uninterested** in manufacturing jobs.

700k new jobs will be created due to organic growth.

Job openings have been growing at double-digit rates, nearing historical peak recorded in 2001.²



CONSEQUENCES OF A GROWING SKILLS GAP

More than **2.4 million open jobs could remain unfilled between 2018 and 2028**,³ with a potential economic impact of \$2.5 trillion.

89% of manufacturing executives agree there is a talent shortage in the US manufacturing sector, 5% higher than 2015 results.³

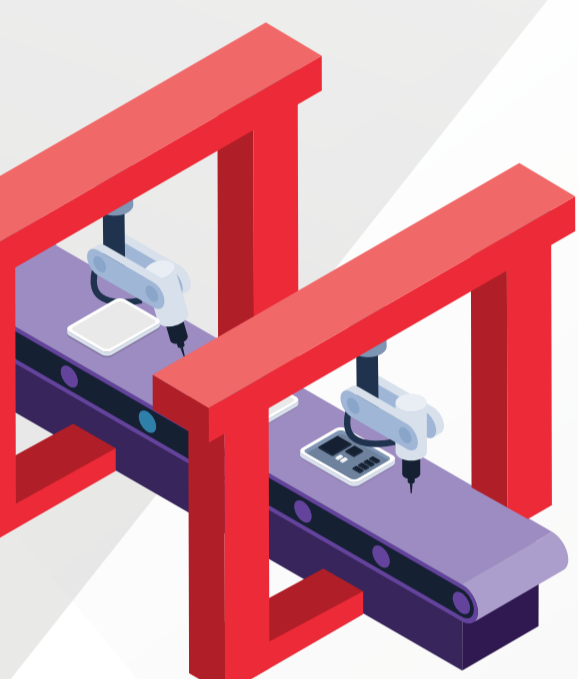
60% of the job gaps will be directly tied to skills mismatch, or talent shortage.

Positions relating to **digital talent, skilled production and operational managers** may be **3x** more times as difficult to fill in the next three years.

Manufacturing businesses are unable to increase production levels and satisfy growing customer demands.

There's a risk of losing **\$454 billion** in additional manufacturing value by 2028 in the industry is unable to full anticipated open jobs.⁴

84% of organizations are unprepared for disruptions.



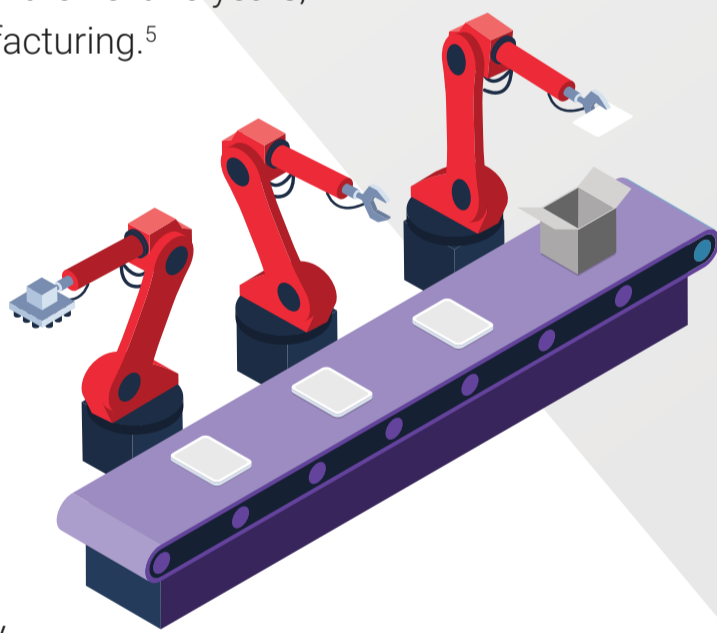
HOW TO BUILD A PATH FORWARD

Manufacturers must fill current jobs and prepare for future, tech-driven workforce.

47% of today's jobs might be gone in the next 10 years, including **20%** of assembler jobs in manufacturing.⁵

The most in-demand skills will include **technology/computer skills, digital skills, programming skills for robots/automation, working with tools and technology, and critical thinking skills.**

Early smart factory adopters reports an average increase of **12% in labor productivity, 11% increase** in factory capacity utilization and a **10% increase** in total production output.



TIPS TO MOVE FORWARD

Taking advantage of the emerging workforce ecosystem.

Use youth education programs related to Science, Technology, Engineering & Math (STEM) and share news about innovation in manufacturing to support recruitment and retention of young workers in the smart manufacturing sector.

Expand digital and "soft" skills, and make sure that all departments — including IT, HR, quality assurance, operations, training and safety — are onboard and engaged toward improving smart manufacturing.

Turn toward automation to supplement unfulfilled human jobs that are going unfilled.

Develop in-house training that engages a multigeneration workforce.

Create public-private partnerships.

Bolster apprenticeship programs.



THE FUTURE IS GOING TO LOOK DIFFERENT. MAKE SURE YOU'RE PREPARED WITH THE RIGHT TOOLS.

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¹ <https://news.gallup.com/poll/234302/snapshot-americans-project-average-retirement-age.aspx>

² <https://www.bls.gov/jlt/>

³ <https://www2.deloitte.com/us/en/pages/industry/articles/future-of-manufacturing-skills-gap-study.html>

⁴ <https://www2.deloitte.com/us/en/insights/industry/manufacturing/manufacturing-skills-gap-study.html>

⁵ <https://pdf4pro.com/view/future-of-work-deloitte-5b044.html>