

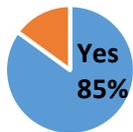


# NORTHEAST WISCONSIN MANUFACTURING ALLIANCE 2017 RETIRED WORKER SURVEY

The NEW Manufacturing Alliance surveyed its members in March and April 2017 to understand the impact of the aging workforce in northeast Wisconsin. The survey explored manufacturers' concerns about the impact of the retiring workforce; average age and tenure of its production and engineering workforce; ages in key occupational fields; and best practices to address the issue of knowledge loss. Fifty-five companies completed the survey; they employ 30,431 people or 28 percent of the entire manufacturing workforce in the region. The findings highlight their concern and demonstrate the need to develop a strategy to address this issue. An Alliance taskforce is currently dedicated to finding and sharing best practices, and communicating about the key occupations that will be in high demand due to significant retirements.

## COMPANIES CONCERNED ABOUT RETIREMENTS & EMPLOYERS PRO-ACTIVELY ADDRESSING ISSUE

### Concerned



■ Yes ■ No

### Addressing Issue



■ Yes ■ No

- The survey respondents were overwhelmingly concerned with losing skills/knowledge due to retirements.
- Although 85% are concerned, only 35% had any programs in place to address knowledge loss due to retirements.

## AVERAGE TENURE & AGE FOR NE WI PRODUCTION & ENGINEERING EMPLOYEES



### Production

Average Age: 43  
Average Tenure: 11 years



### Engineering

Average Age: 40  
Average Tenure: 9.5 years

- The production workforce of Alliance members is slightly younger than the national average of 44.7 years of age<sup>1</sup>.
- The tenure for production workers is 11 years, higher than the national average of 4.2 years. In addition, the Alliance engineering workforce's tenure, 9.5 years, is higher than the national average (5.5 years).<sup>2</sup>
  - Production and engineering employees in the region value their employers and view their career as long-term.

## PRODUCTION OCCUPATIONS WITH THE LARGEST PERCENTAGE OF EMPLOYEES 56 YEARS OF AGE OR OLDER

1. Maintenance Mechanics & Millwrights – 37%
2. Electricians – 35%
3. Service Technicians – 33%
4. Machinists – 33%
5. Electro-Mechs – 33%

### Talent Leaving the Workforce:

- Most positions require more than a high school education.
- Other positions with more than 30% of employees 56 years of age or older are Sales Reps (34%) and Production Supervisors (29%).
- Degrees that will be in high demand include Electro-Mech Associate Degrees, CNC Machinist Associate Degree, Industrial Maintenance Mechanic technical diploma, Business Management Bachelor of Science degree and Registered Apprenticeships.

## ENGINEERING OCCUPATIONS WITH THE LARGEST PERCENTAGE OF EMPLOYEES 56 YEARS OF AGE OR OLDER

1. Research & Development Engineers – 38%
2. Electrical Engineers – 32%
3. Mechanical Engineer Techs – 32%
4. Electrical Engineers Techs – 31%
5. Manufacturing Engineers – 29%

### Talent Leaving the Workforce:

- A significant number of engineers are 56 years of age or older.
- It is critical to promote both engineering and engineering technology degrees as opportunities for youth to fill the expected shortage due to retirements.
- Northeast Wisconsin two- and four-year colleges are addressing this need with new engineering and engineering technology degree programs that have been formed over the last few years.

<sup>1</sup> 2012 data from The Manufacturing Institute, "Median Age of the Manufacturing Workforce,"

<http://www.themanufacturinginstitute.org/Research/Facts-About-Manufacturing/Workforce-and-Compensation/Median-Age/Median-Age.aspx>

<sup>2</sup> 2016 U.S. Dept. of Labor, Bureau of Labor Statistics, "Employee Tenure in 2016," <https://www.bls.gov/news.release/pdf/tenure.pdf>

## BEST PRACTICES & NEXT STEPS

The survey demonstrates the significant impact that the aging workforce will have in northeast Wisconsin. Manufacturers are concerned, but do not have programs in place to address this issue. Even companies that stated they had a program in place added (in a follow-up conversation) that they still have a long way to go to solve the retired worker knowledge loss at their companies.

Best practices at these companies to address knowledge loss and find replacements to fill the roles of retirees include:

- Part-time/flexible schedule for older employees to stay on the job
- Cross-training
- Documentation & Standard Operating Procedures
- Internships/Co-ops/Youth Apprenticeships
- Registered Apprenticeship
- Succession Planning

### Next Steps

The NEW Manufacturing Alliance's newly-formed Retired Worker Taskforce will be working on researching best practices throughout the state and the nation. From this research, the group will develop programming for a spring 2018 Retired Worker Symposium.

The NEW Manufacturing Alliance is just one part of the solution, providing a unified voice to advocate for the region's manufacturing needs and widely communicating that the industry offers many rewarding and lucrative career opportunities.

The study findings will also be used to communicate with K-12 and higher education about the upcoming demand in key occupations, due to the large number of retirements in northeast Wisconsin. Clearly, these careers are rewarding, demonstrated by the average tenure being more than nine years. To meet the workforce demands in the New North, it is critical that the public understands the variety of high-wage and high-demand occupations that are available.

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The NEW Manufacturing Alliance is a partnership of more than 210 manufacturers, educational institutions, workforce development boards, chambers of commerce, and economic development organizations in the 18-county New North region. For more information: [www.newmfgalliance.org](http://www.newmfgalliance.org) or contact Ann Franz at [ann.franz@nwtc.edu](mailto:ann.franz@nwtc.edu) or 920-498-5587