



NEW
Manufacturing
Alliance

Make it in [NorthEast Wisconsin](#)

2021 MANUFACTURING VITALITY INDEX

TABLE OF CONTENTS

2 FINANCIAL
HEALTH

3 BUSINESS
GROWTH

4 EXPANSION & PLANT
MODERNIZATION

5 WORKFORCE
RECRUITMENT

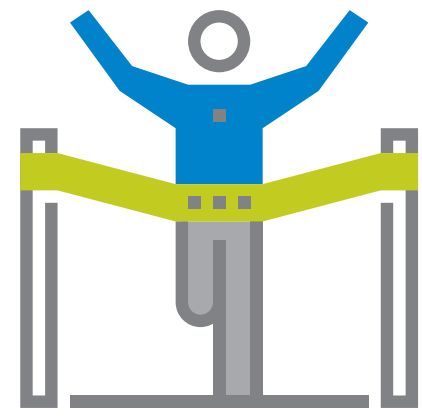
6 SKILLS
SHORTAGE

11 RECOMMENDATIONS



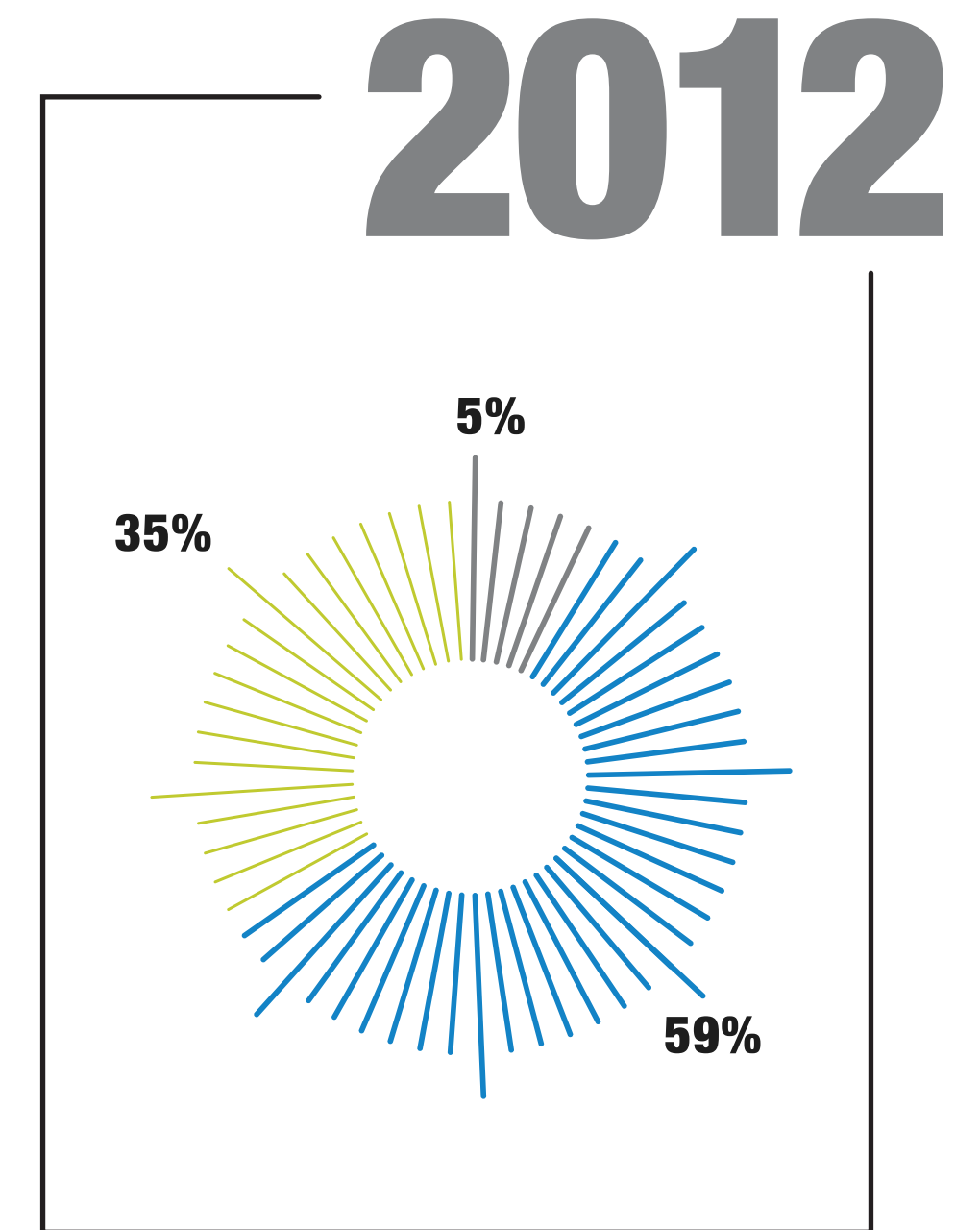
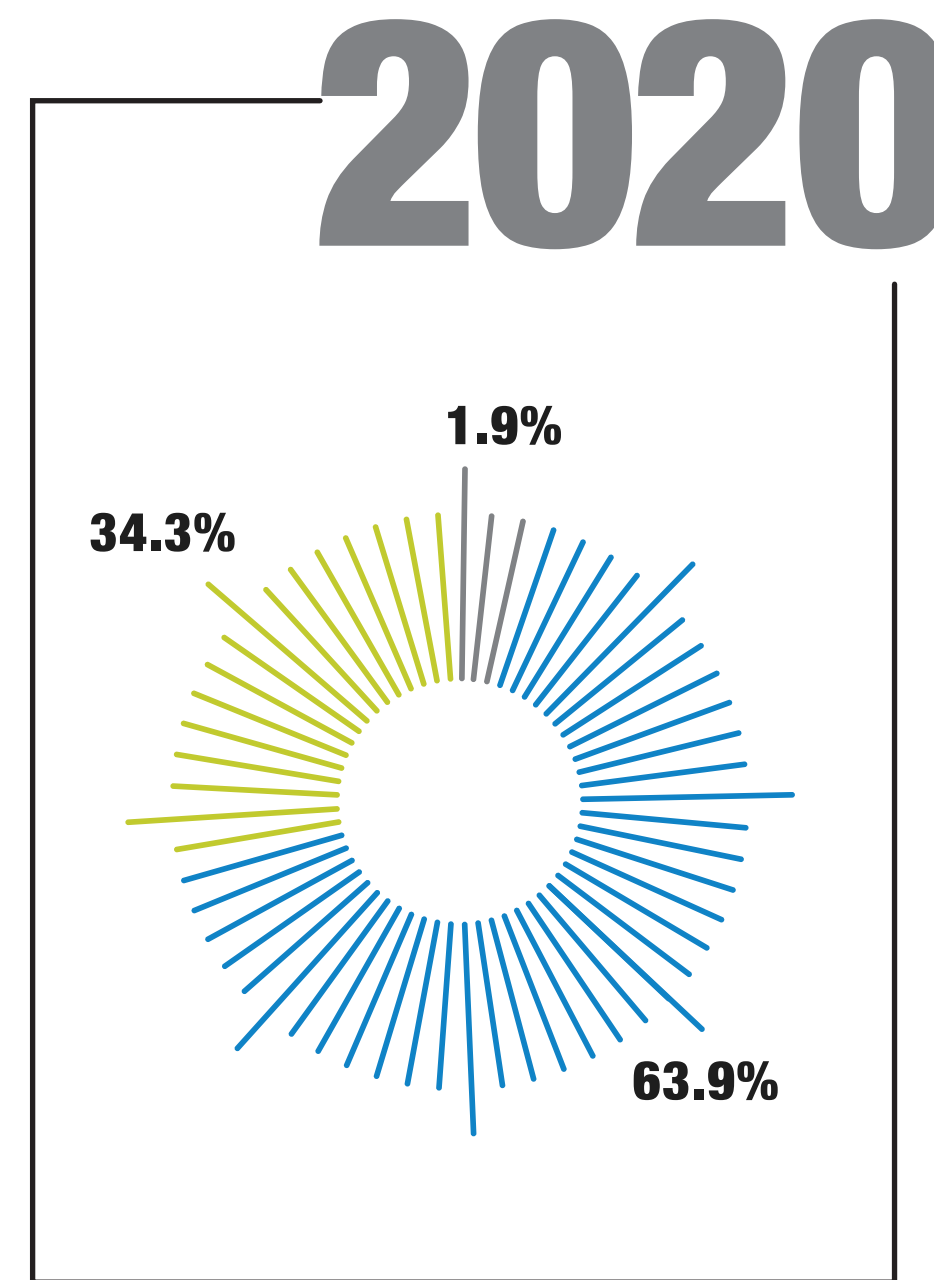
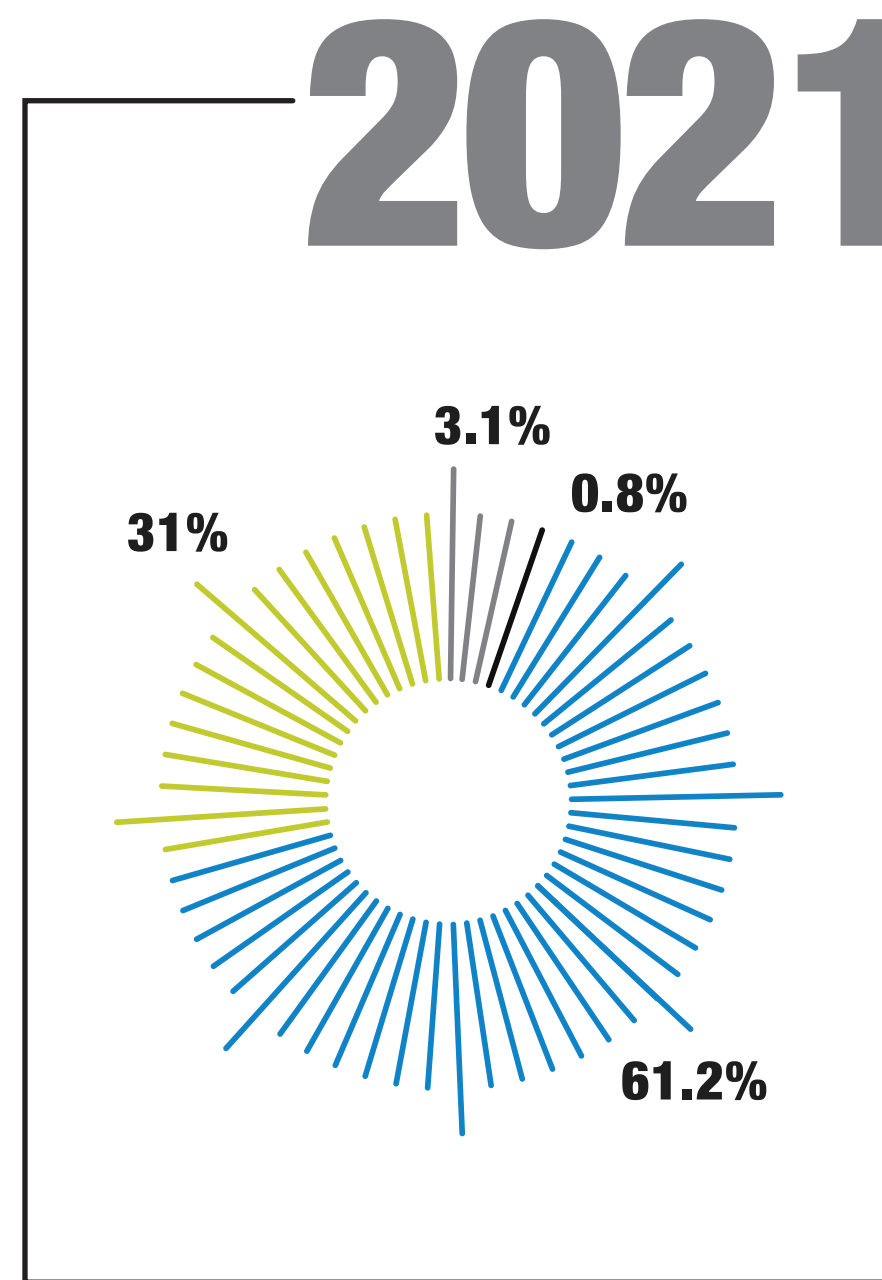
The Alliance's **11th Annual** Northeast Wisconsin Manufacturing Vitality Index found the manufacturing sector (23% of the region's employment base) remained strong over the past year. The survey was administered in October and November 2020 by the University of Wisconsin-Oshkosh's Center for Customized Research Services.

- Survey sample drawn from **601** manufacturers in NE Wisconsin (**\$33 million** or more in annual revenue and 25+ employees).
- **128 companies** completed either a telephone or online survey (27 percent response rate).
- Responses are at a **95%** confidence level.



FINANCIAL HEALTH

- Manufacturers' plans in 2021 for sales growth and capital investments remain strong, positive indicators of the vitality of manufacturing in the NEW North.
- **92%** of respondents said they expect their company's financial health in the next 6-12 months to be healthy or quite healthy.



■ Healthy ■ Quite Healthy ■ Unhealthy ■ Very Unhealthy

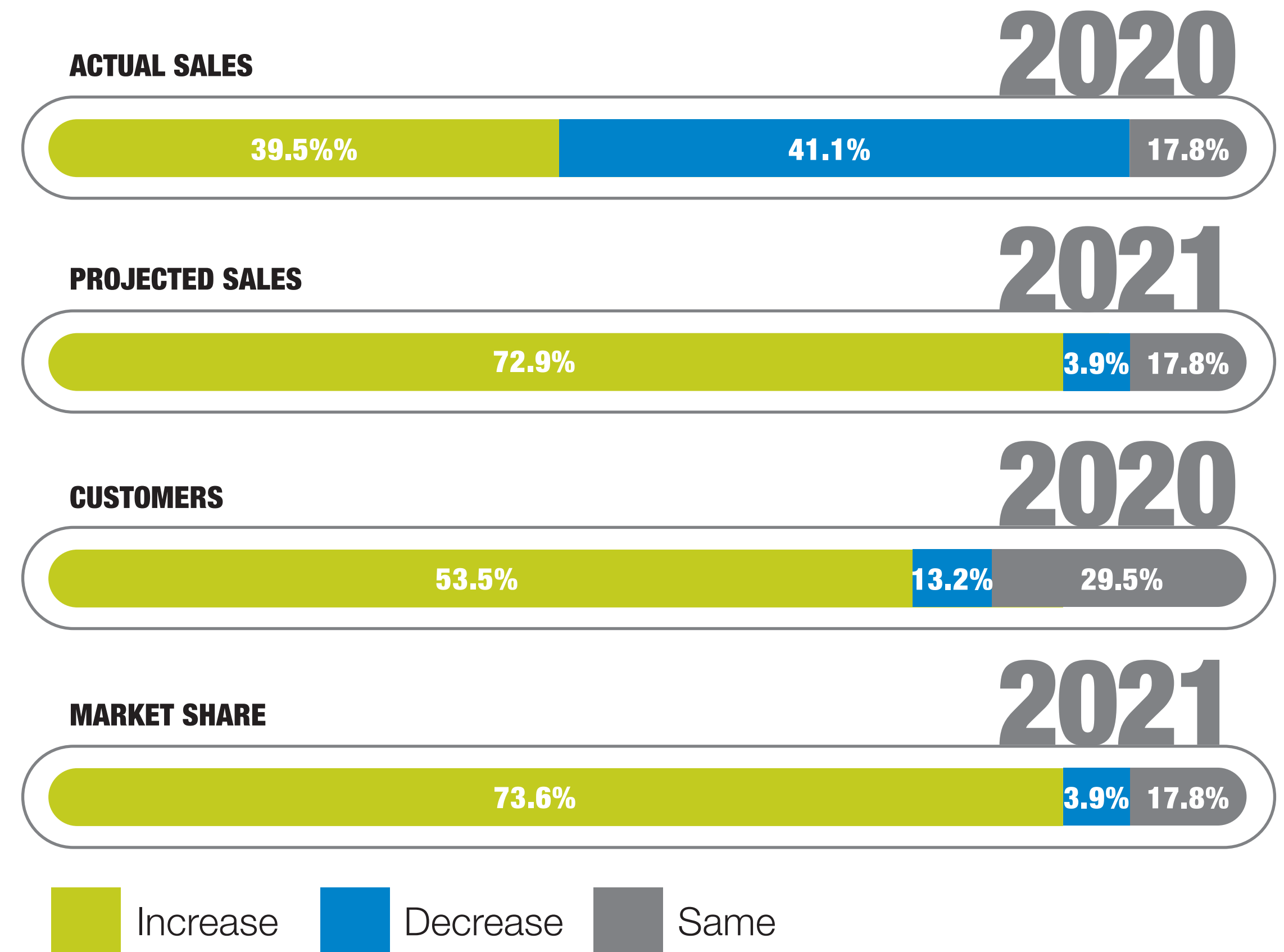


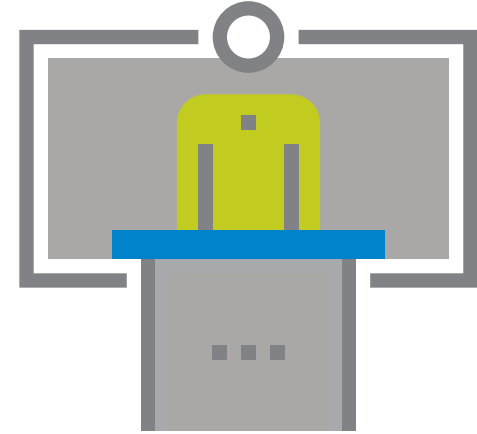
BUSINESS GROWTH

- The pandemic had an impact on sales in 2020. There were **41%** of respondents reporting a decrease; however, **40%** also reported an increase in sales.
- Over **73%** of manufacturers expect increased sales in 2021.
- **54%** expect to add customers in 2021. They also foresee increases in quotes or requests for their products or services.

COVID

- There were **24%** of manufacturers reported that they made new or modified products because of COVID-19.
- In addition, **25%** reported that they have been forced to find new suppliers due to COVID-19.

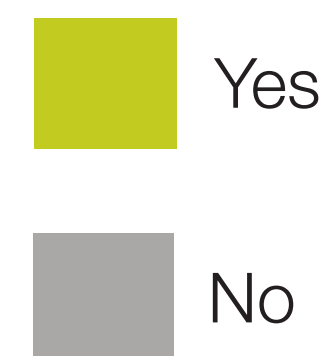




EXPANSION & PLANT MODERNIZATION

- Over the past **11 years** of the study, expansions and modernization plans have significantly increased.

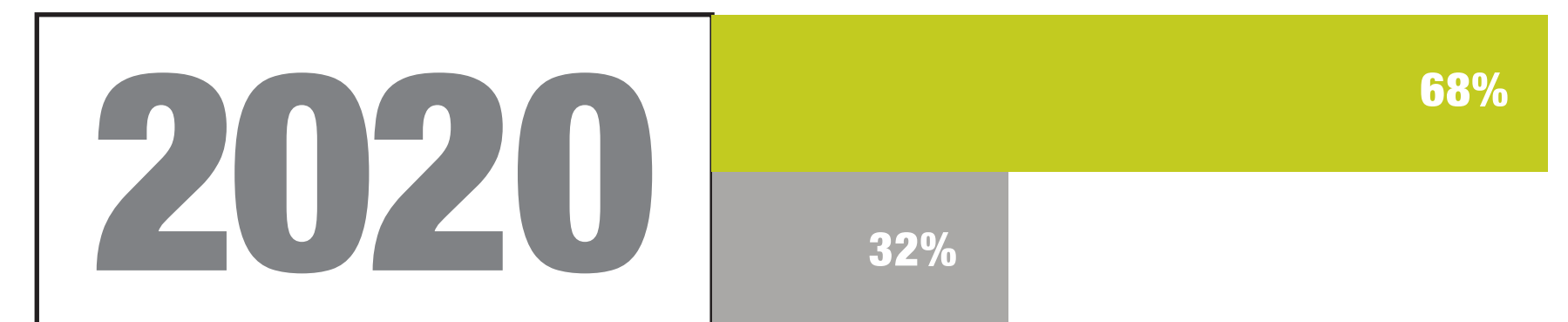
Plant Expansion & Modernization Planned in 12-24 mos.

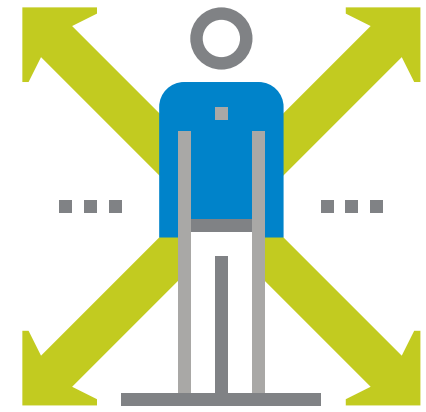


EXPANSION



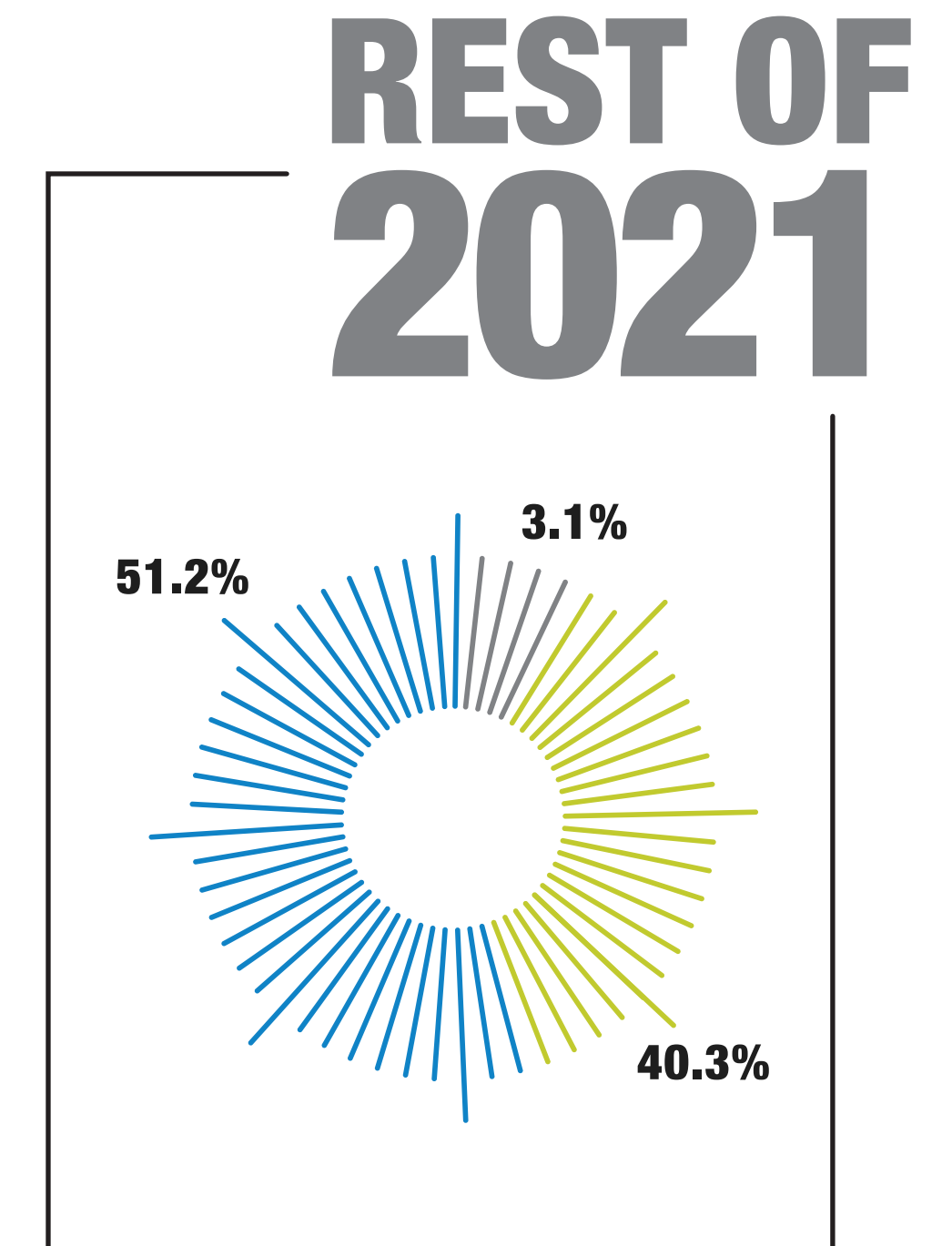
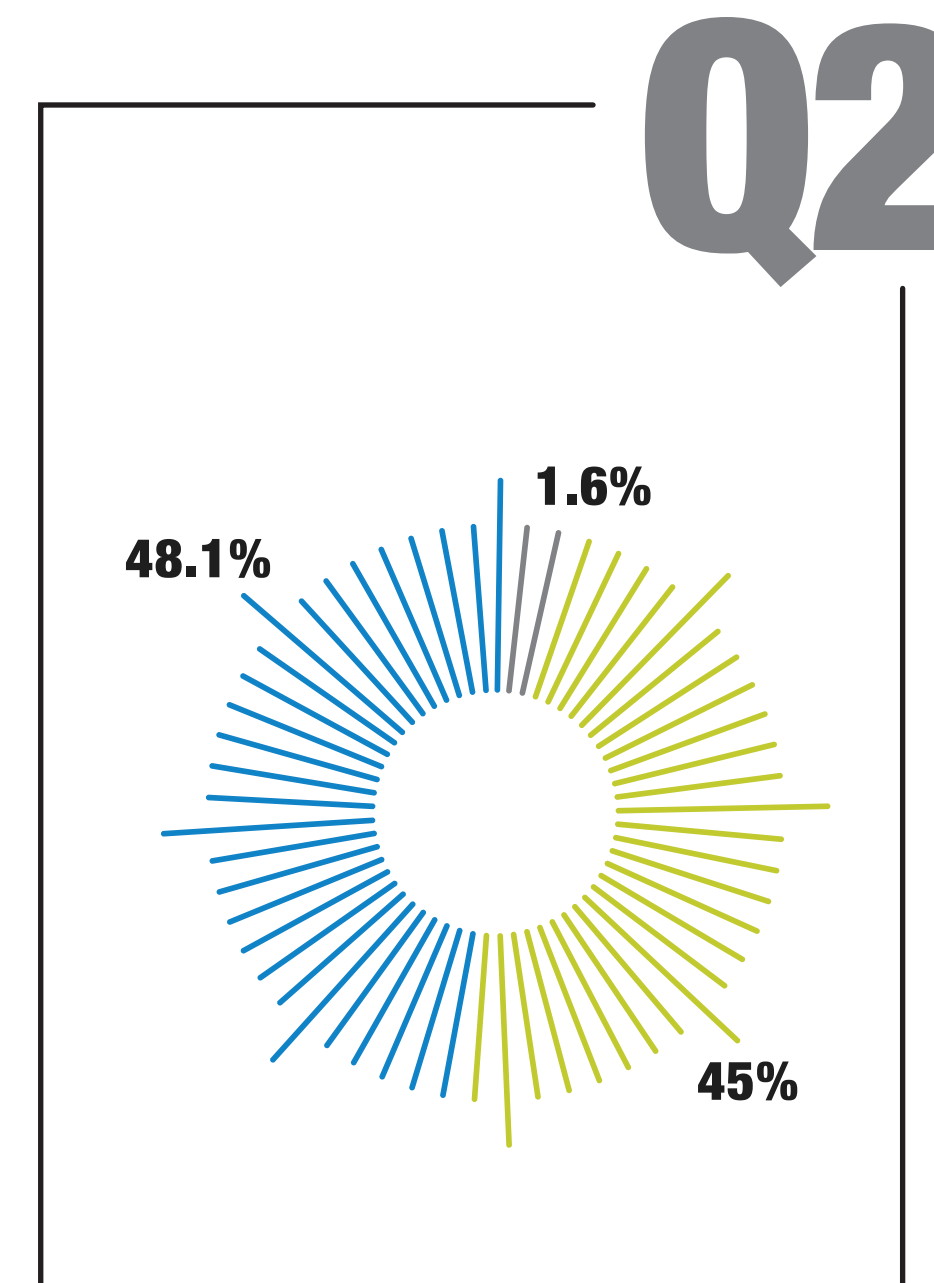
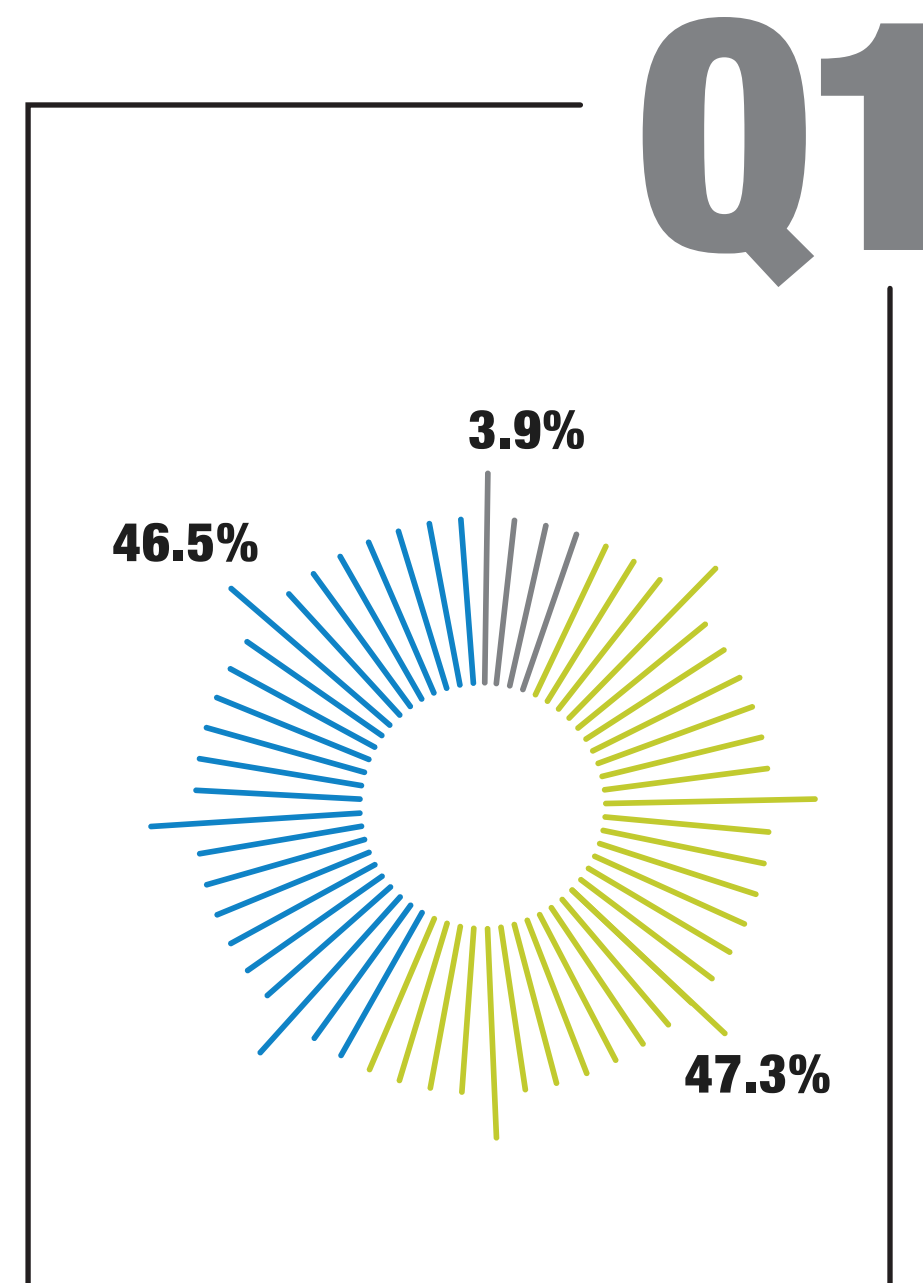
MODERNIZATION





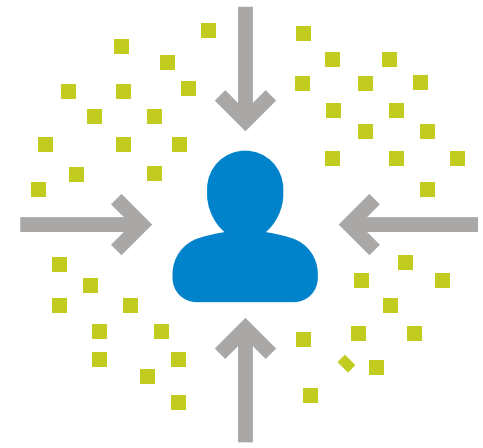
WORKFORCE RECRUITMENT

- **47%** of respondents anticipate hiring new personnel in the first quarter of 2021.
- There are over **40%** of manufacturers planning to hire in each quarter throughout the year.
- The trend for 2021 of hiring should continue throughout the year.



Increase Decrease Same

Manufacturing Workforce Hiring Needs (Data for 2021 Quarters)



SKILLS SHORTAGE

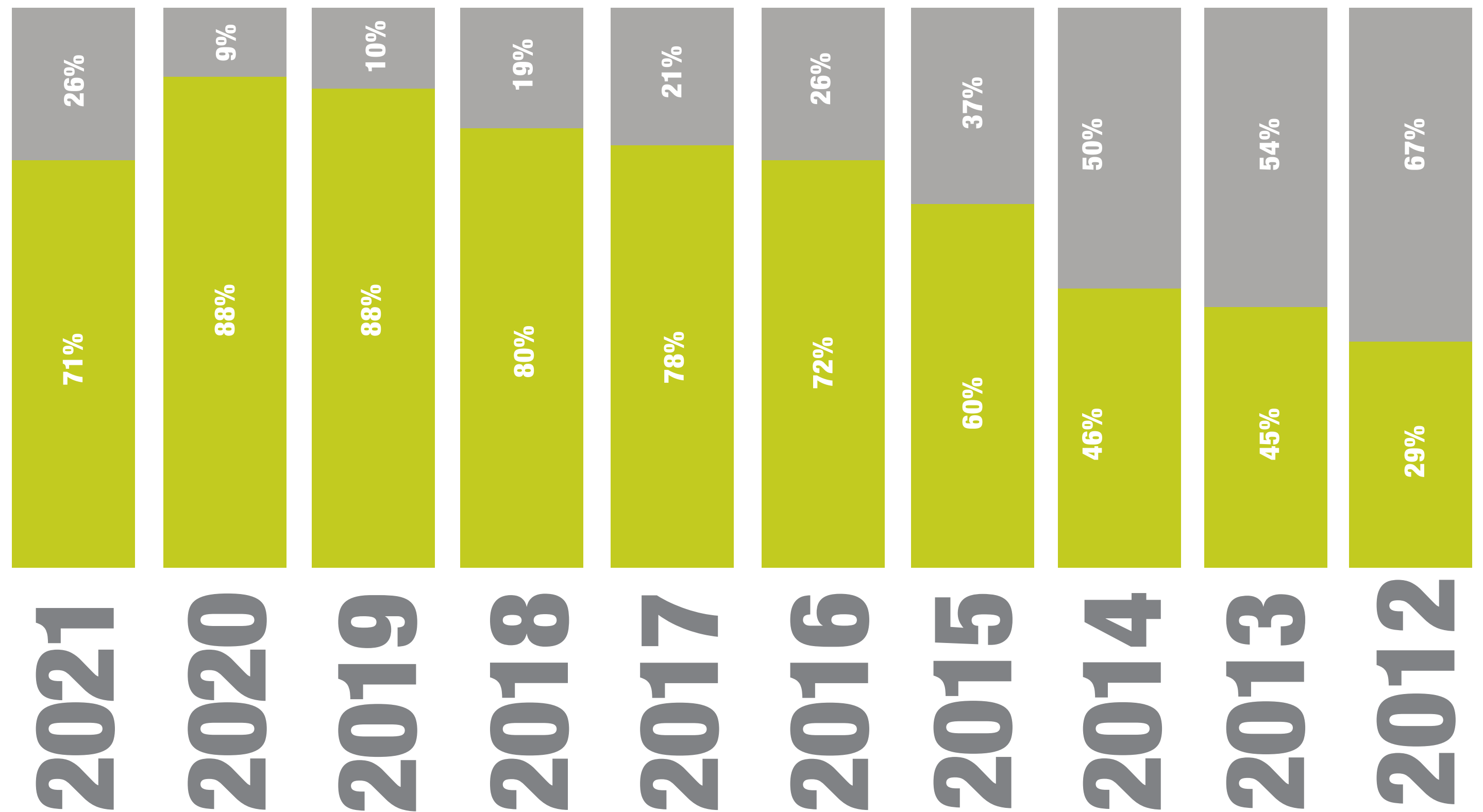
DIFFICULTY FINDING TALENT

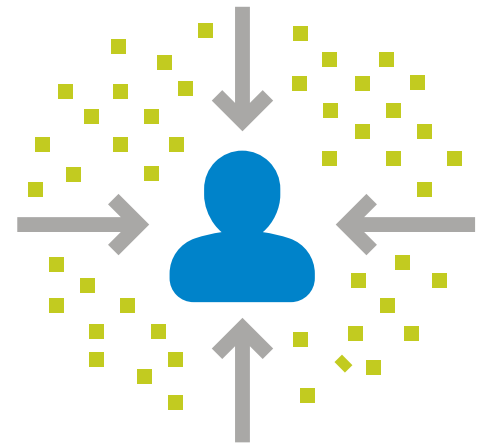
- Over 70% of companies are experiencing difficulty finding talent.

WHAT HAS BEEN YOUR MOST SUCCESSFUL TALENT RECRUITMENT TACTIC OVER THE PAST YEAR?

- Employee Referrals
- External Job Sites Like Indeed

Yes No



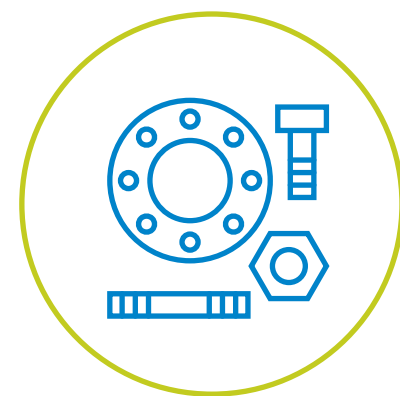


SKILLS SHORTAGE

MOST DIFFICULT-TO-FILL OCCUPATIONS

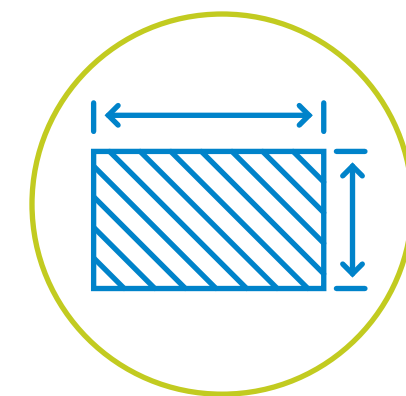
- Companies are having difficulty finding Machinists and CNC Machinists, which has been among the most difficult-to-fill position every year the study asked this question.
- Most of the occupations going unfilled require post-secondary education, although most do not require a four-year degree.

Machinist



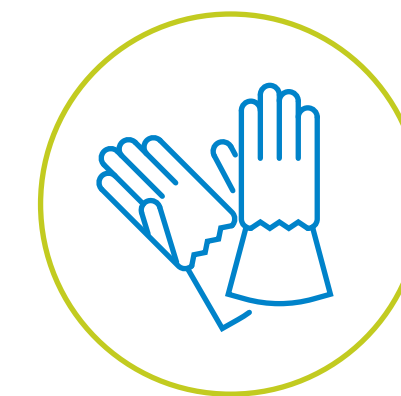
\$22.24

Engineers



\$37.71

Machine Operators



\$17.51

Production Workers



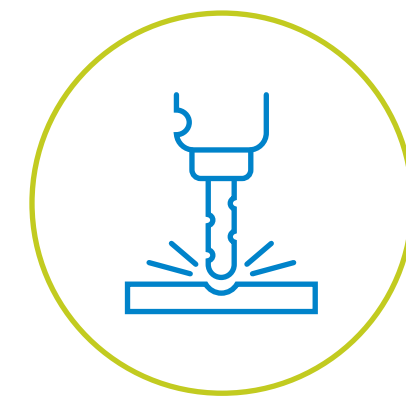
\$19.10

Welders



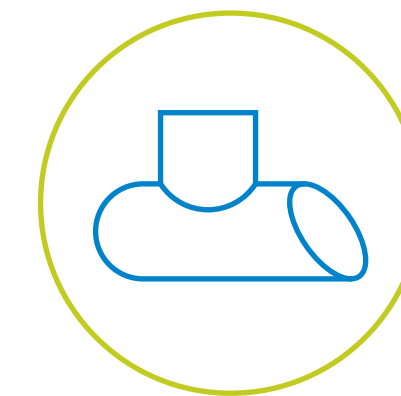
\$21.10

Industrial Maintenance



\$24.54

Assemblers

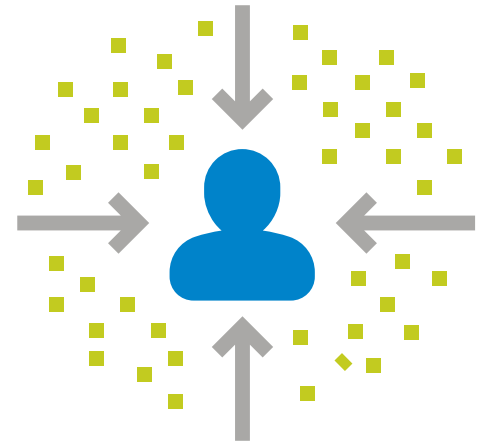


\$16.91

Skilled Trades



\$25.28



SKILLS SHORTAGE

SKILLS HIGHEST IN DEMAND

- Many employers are finding the workforce deficient in “soft skills” – non-technical skills.
- Communication skills and attendance accounted for over half of the responses.



Communication



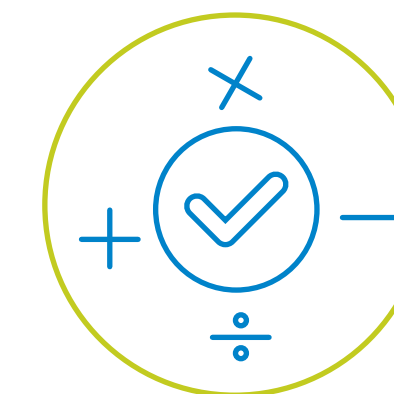
Attendance



Motivartion/Goal Setting



Team Work



Math Skills

RECOMMENDATIONS

For the **eleventh year** in a row, companies responding to the survey verify the strength of the manufacturing sector in Northeast Wisconsin. **More than half** the manufacturers surveyed said they are investing in facilities. However, this financial optimism is tempered by another recurring finding – skilled workers are in high demand, but there are not enough qualified candidates to fill numerous job openings.

The Alliance is one part of the solution, providing a unified voice to advocate for the region's manufacturing needs and communicating that the industry offers many lucrative careers. However, individual manufacturers can and must contribute to creating and retaining a dynamic, skilled workforce that will sustain and grow the region's manufacturing base, today and into the future.

Jeffrey Sachse, Director of Research produced the report. The NEW Manufacturing Alliance is a partnership of over 300 manufacturers, educational institutions, workforce development, chambers of commerce, and economic development in the 18-county New North region. For more information, see www.newmfgalliance.org and/or contact Ann Franz at (920) 498-5587 or ann.franz@nwtc.edu.



