



NEW  
Manufacturing  
Alliance

Make it in **NorthEast Wisconsin**

2023  
**MANUFACTURING  
VITALITY INDEX**



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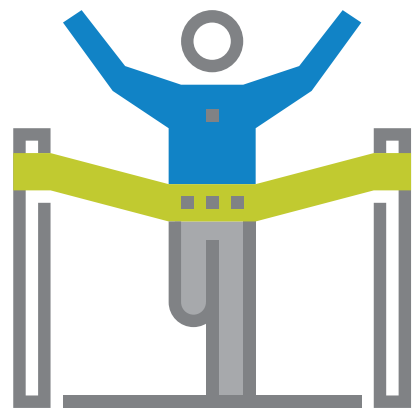
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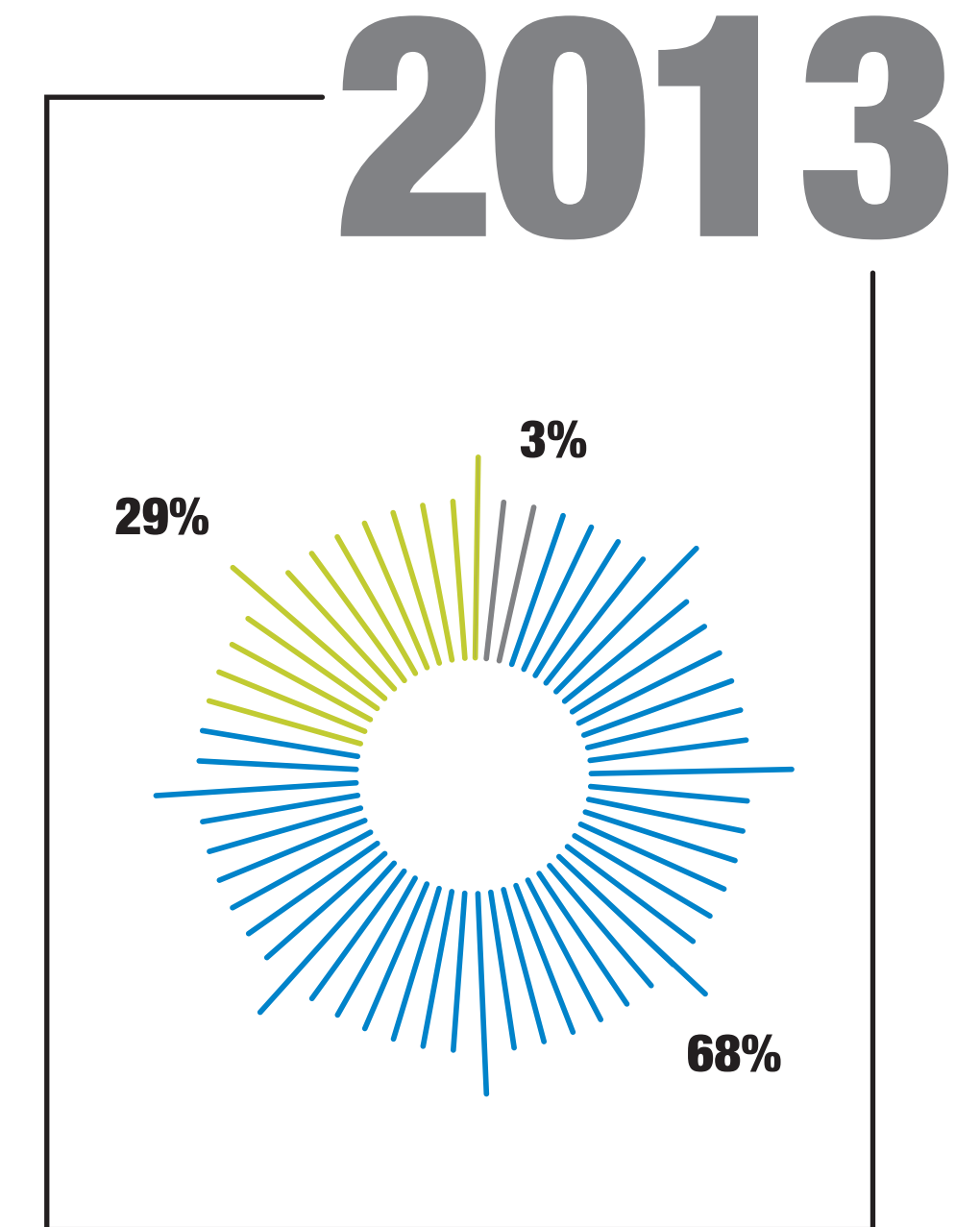
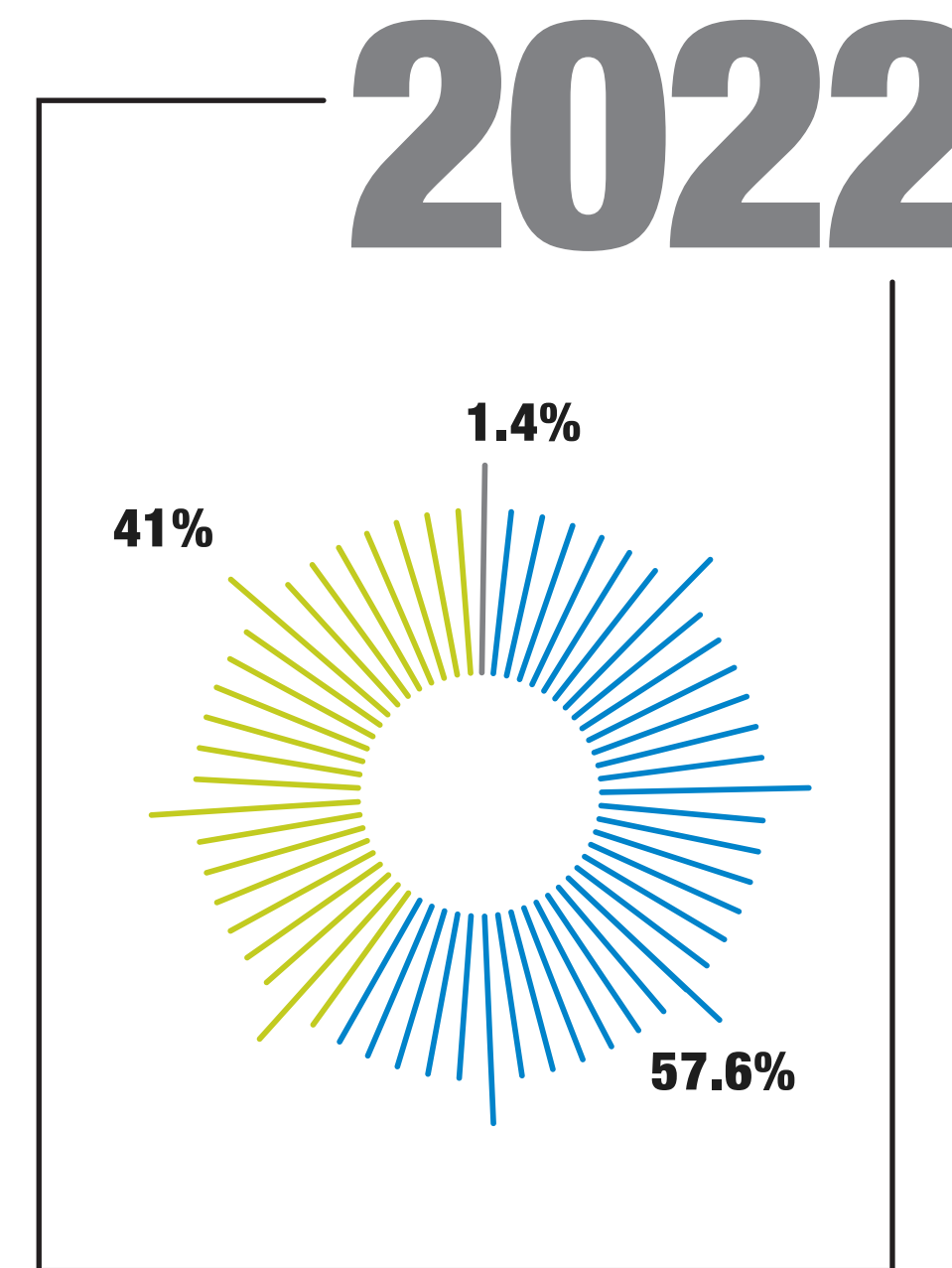
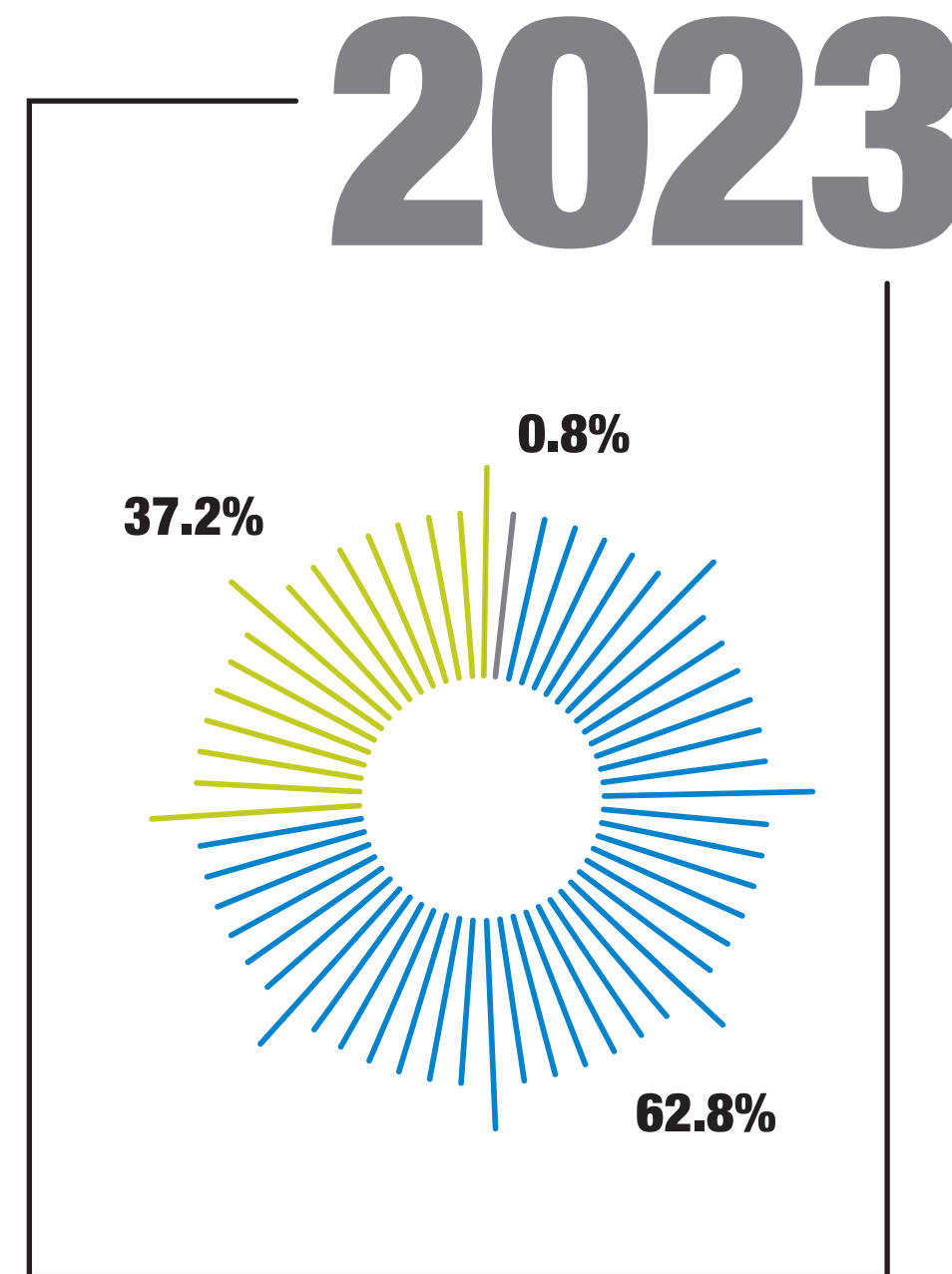
The Alliance's **13th Annual** Northeast Wisconsin Manufacturing Vitality Index found the manufacturing sector (23% of the region's employment base) remained strong over the past year. The survey was administered in October and November 2022 by the University of Wisconsin-Oshkosh's Center for Customized Research Services.

- Survey sample drawn from **601** manufacturers in NE Wisconsin ( **\$3 million** or more in annual revenue and 25+ employees).
- **122 companies** completed either a telephone or online survey (24 percent response rate).
- Responses are at a **95%** confidence level.



# FINANCIAL HEALTH

- Manufacturers' plans in 2023 for sales growth and capital investments remain strong, positive indicators of the vitality of manufacturing in the New North.
- **99%** 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



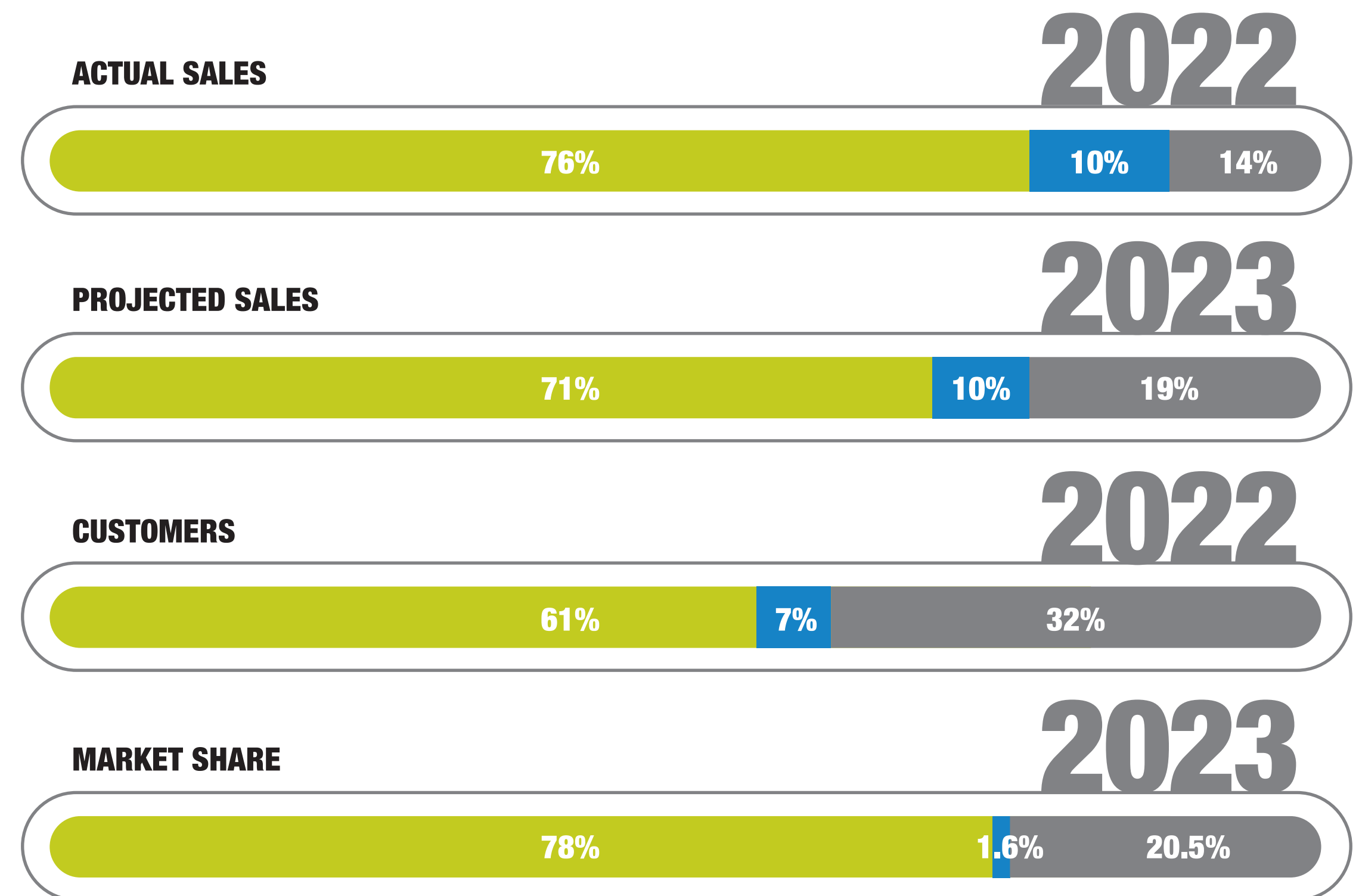
# BUSINESS GROWTH

- Companies sales are recovering from the pandemic with almost **76%** of companies reporting increased sales in 2022 compared to only **40%** had increased sales in 2022.
- **71%** of manufacturers expect increased sales in 2023.
- Overall a majority of companies recovered from the loss of sales in 2020 and have a bullish perspective of sales in 2023.

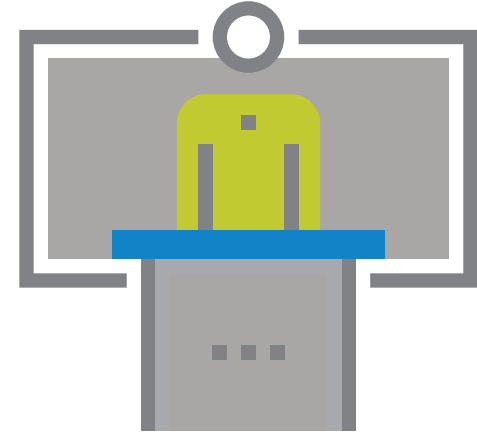
## SUPPLY CHAIN CONSTRAINTS

- Over **98%** of respondents reported that their supply chain was impacted in 2022.

Increase
  Decrease
  Same



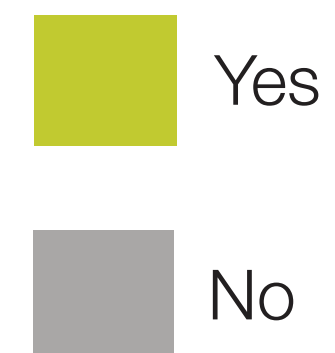




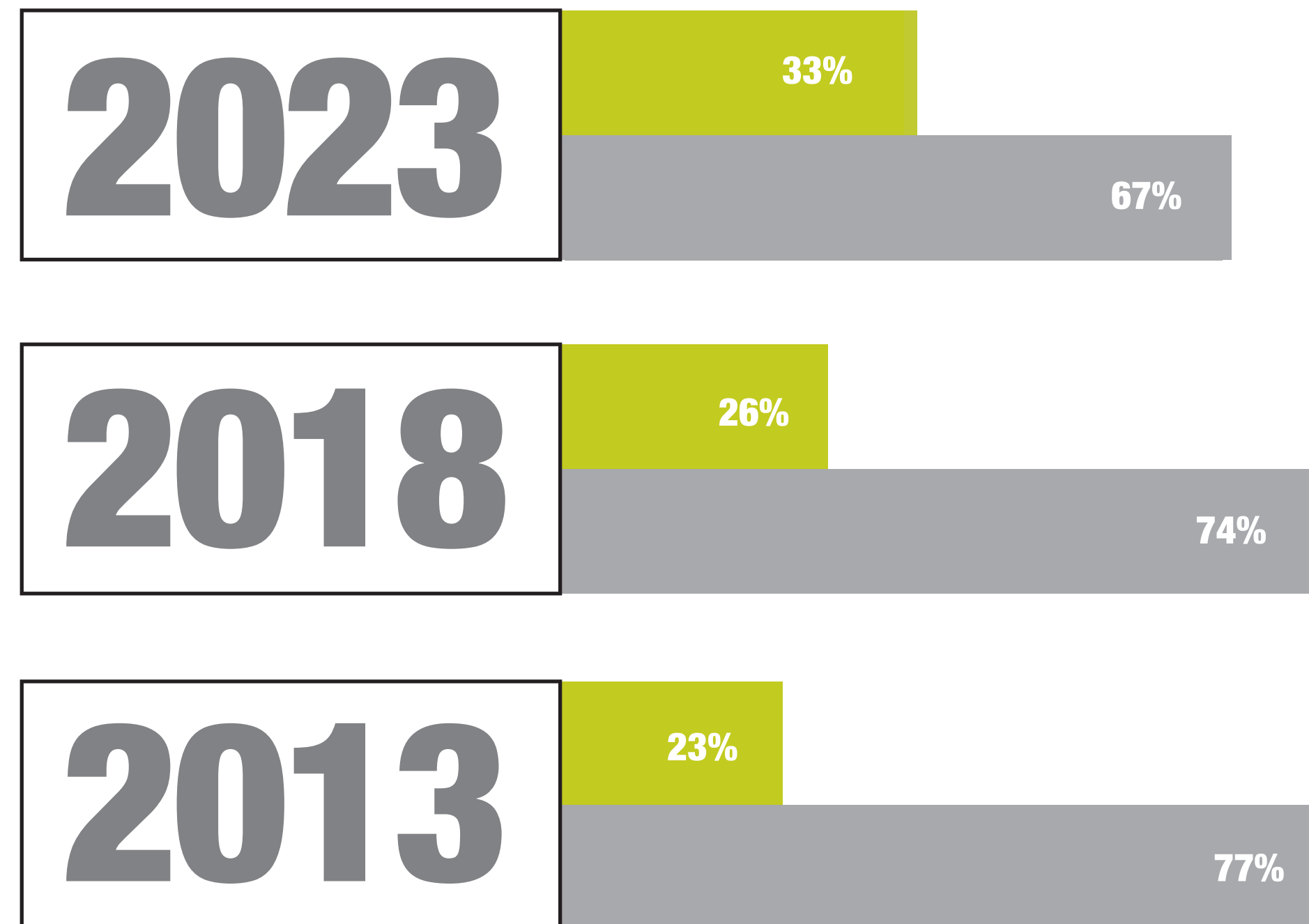
# EXPANSION & PLANT MODERNIZATION

- Over the past **12 years** of the study, a greater percentage plan on investing in expansion and modernization.

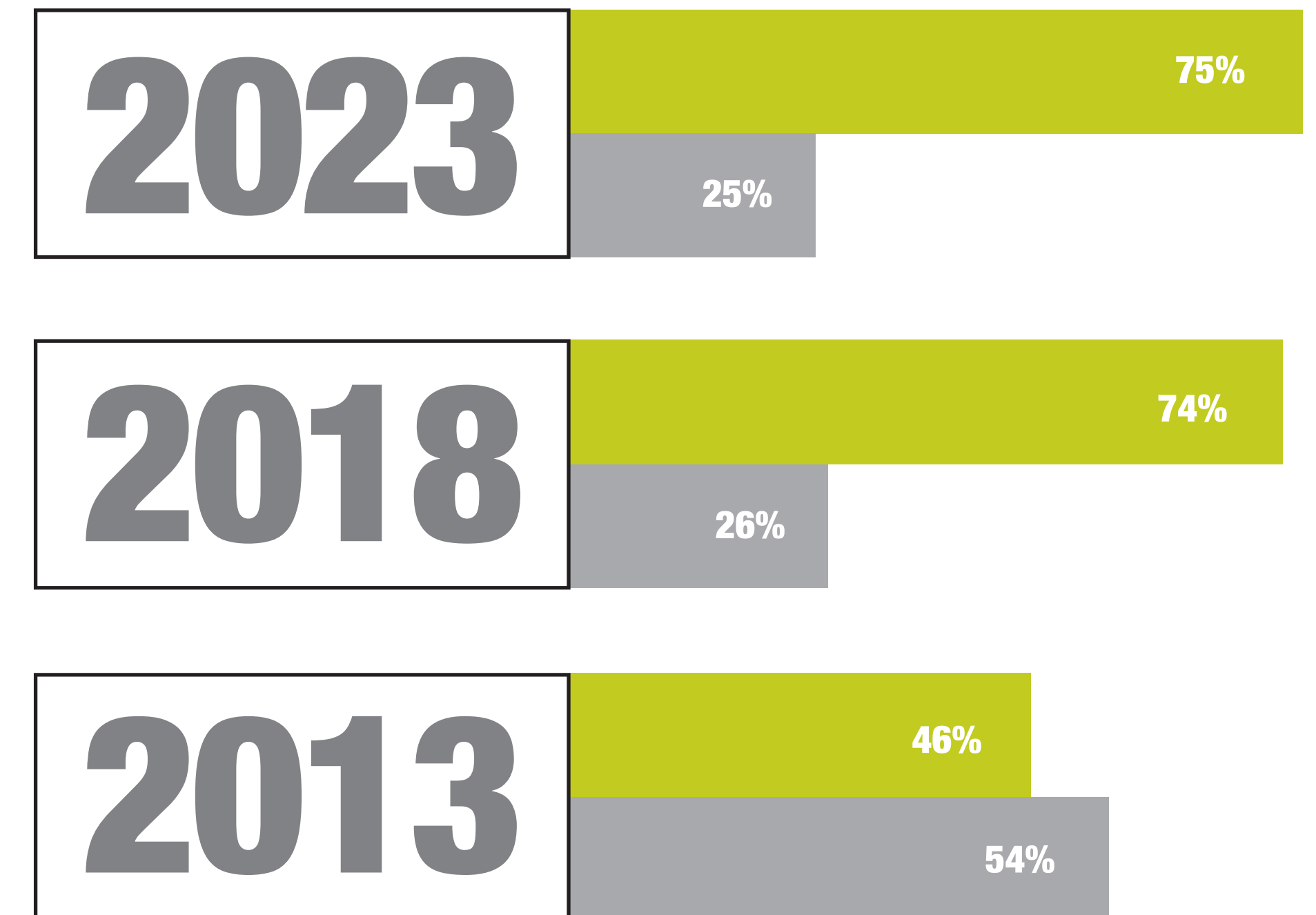
Plant Expansion & Modernization  
Planned in 12-24 mos.

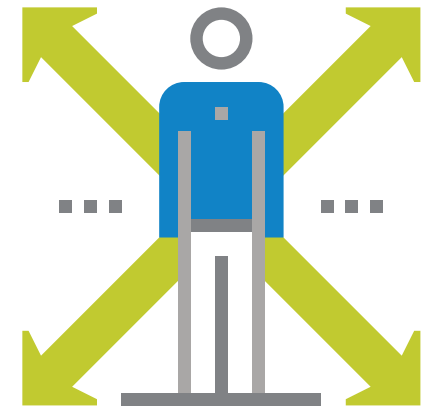


## EXPANSION



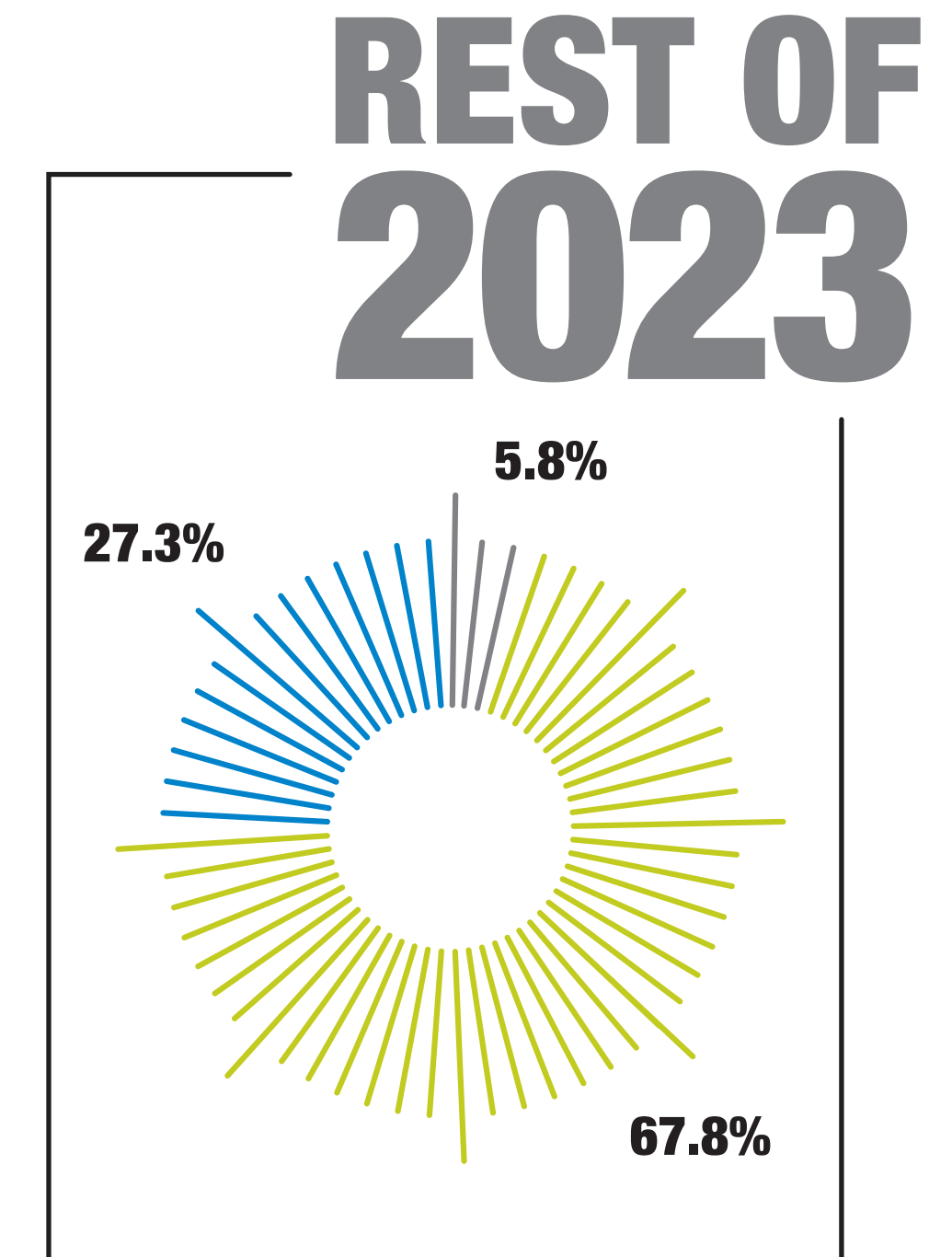
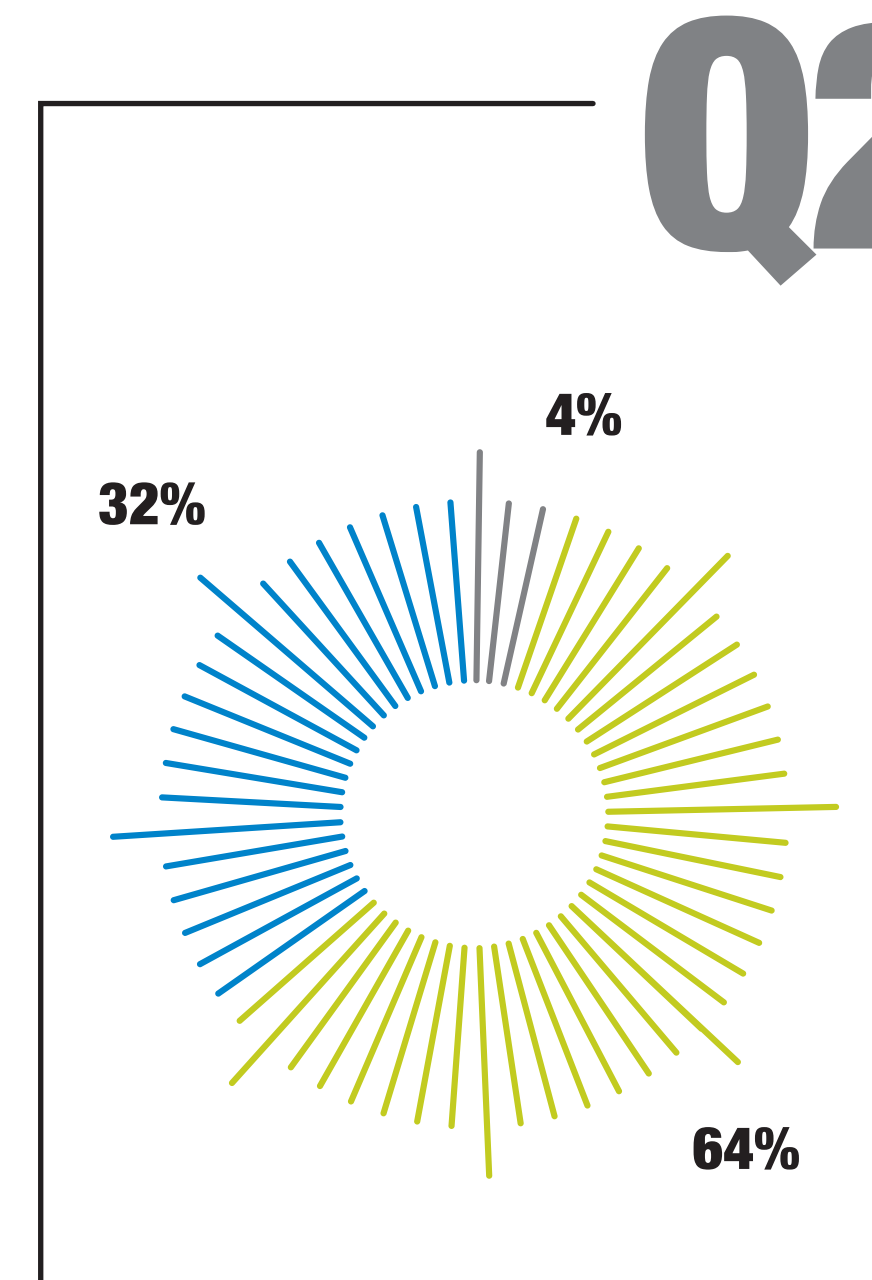
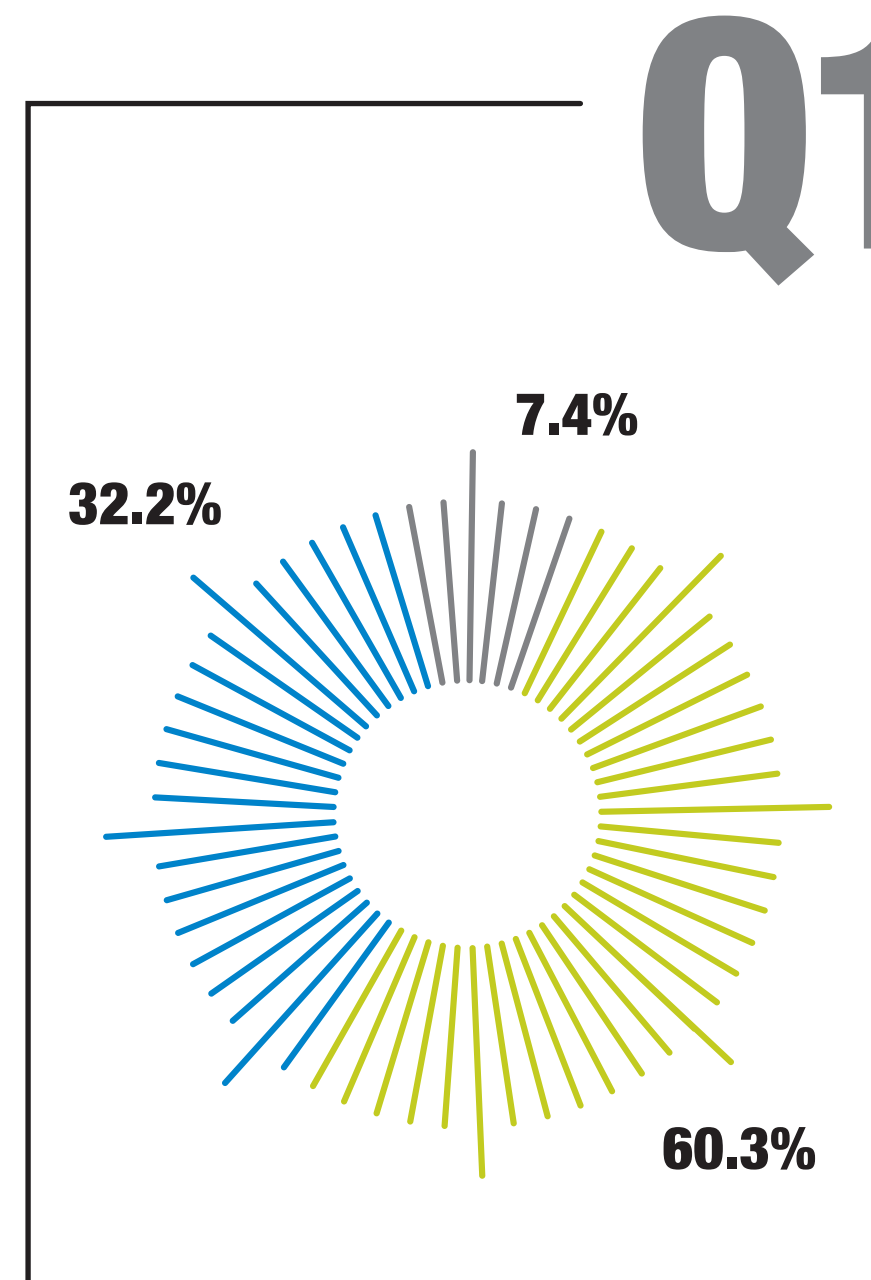
## MODERNIZATION





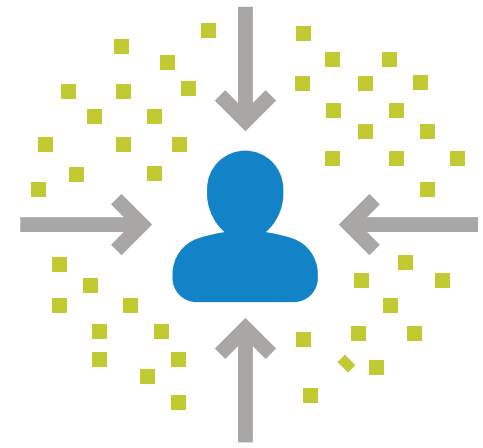
# WORKFORCE RECRUITMENT

- Over 60% of respondents anticipate hiring new personnel in the first quarter of 2023.
- Hiring remains strong after quarter 1 with over half of the respondents expressing the need to hire.
- The trend in hiring will increase throughout the year with **68%** expressing the need to hire at the end of the year.



Increase   Decrease   Same

Manufacturing Workforce Hiring Needs (Data for 2022 Quarters)



# SKILLS SHORTAGE

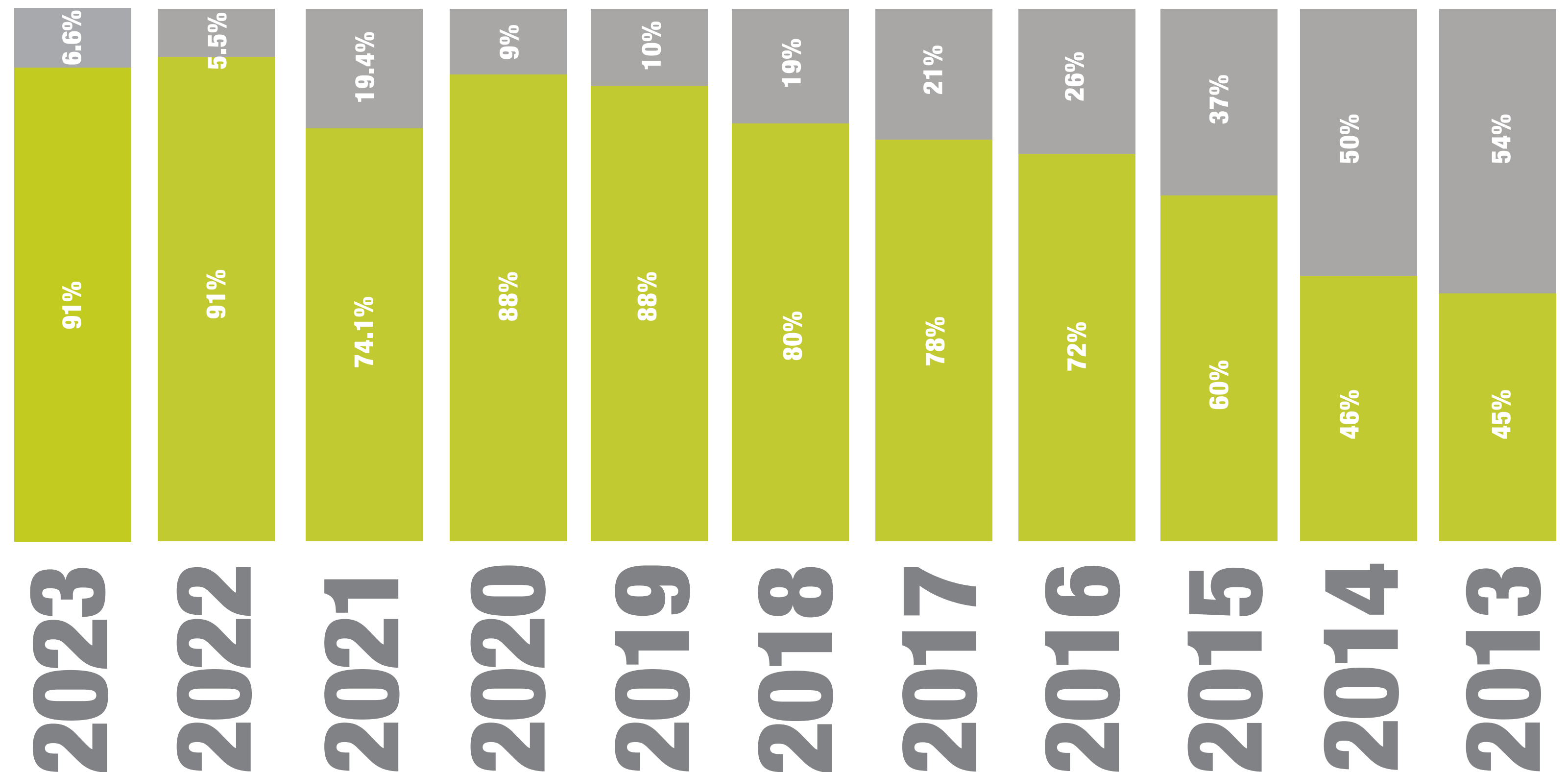
## DIFFICULTY FINDING TALENT

- **91%** of companies are anticipating difficulty locating and acquiring talent.
- This is the highest percentage of respondents having a concern in finding talent in all of the years of the study.

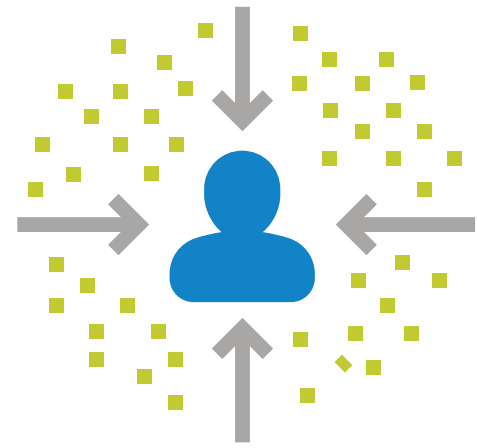
WHAT HAS BEEN YOUR MOST SUCCESSFUL TALENT RECRUITMENT TACTIC OVER THE PAST YEAR?

- **Employee Referrals**
- **External Job Sites Like Indeed**

■ Yes ■ No







# SKILLS SHORTAGE

## MOST DIFFICULT-TO-FILL OCCUPATIONS

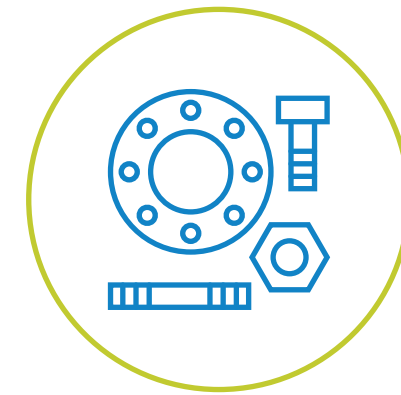
- Companies are having difficulty finding Machinists and CNC Machinists, which has been among the most difficult-to-fill position every year the study asked this question.
- Most of the occupations going unfilled require post-secondary education, although most do not require a four-year degree.
- There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

**Machinist**



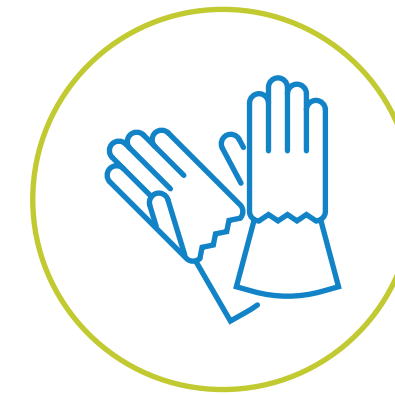
**\$23.13**

**General Labor**



**\$17.82**

**Machine Operator**



**\$23.05**

**Welder**



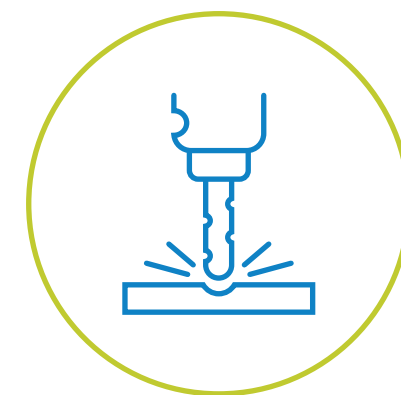
**\$23.05**

**Assembly**



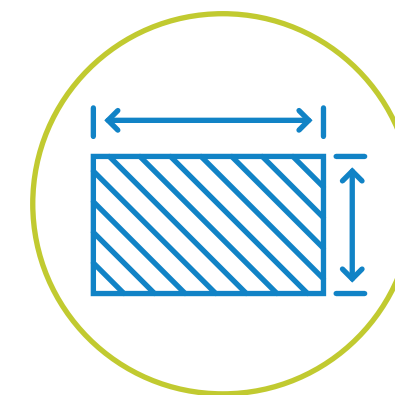
**\$18.15**

**Industrial Maintenance**



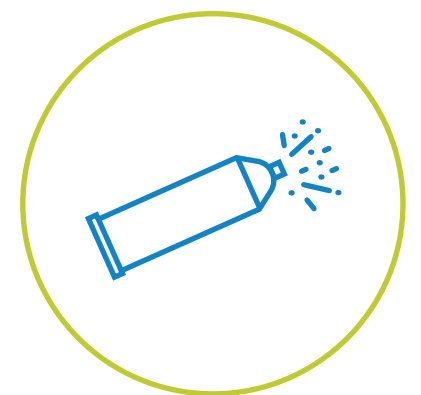
**\$28.73**

**Engineer**

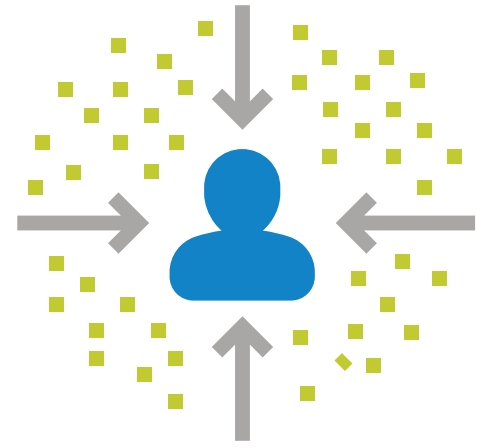


**\$38.12**

**Spray Painters**



**\$18.62**



# 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.



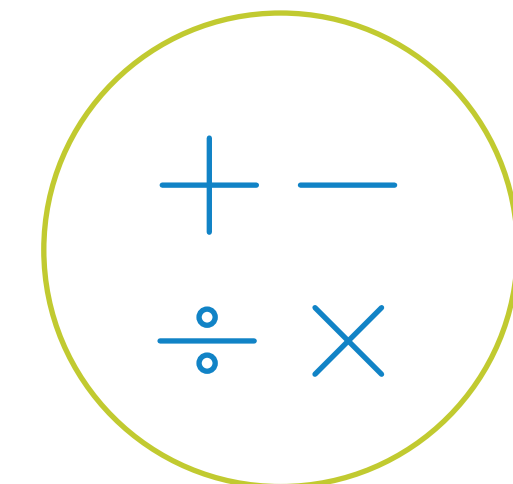
**Attendance**



**Communication**



**Dependability**



**Basic Math**



# RECOMMENDATIONS

For the **thirteenth year** in a row, companies responding to the survey verify the strength of the manufacturing sector in Northeast Wisconsin. **Seven out of 10** 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](http://www.newmfgalliance.org) and/or contact Ann Franz at (920) 498-5587 or [ann.franz@nwtc.edu](mailto:ann.franz@nwtc.edu).



