



Global Insights

Industrials World of Work 2024 Outlook

77%

OF INDUSTRIAL EMPLOYERS ARE
STRUGGLING TO FIND SKILLED TALENT

59%

BELIEVE AI AND FUTURE TECH WILL
POSITIVELY IMPACT HEADCOUNT

74%

OF INDUSTRIAL EMPLOYERS CURRENTLY
RECRUITING FOR GREEN JOBS

Contents

Forward Looking Statements

This report contains forward-looking statements, including statements regarding labor demand in the technology industry and use of emerging technologies. Actual events or results may differ materially from those contained in the forward-looking statements due to risks, uncertainties, and assumptions. These factors include those found in the Company's reports filed with the SEC, including the information under the heading "Risk Factors" in its Annual Report on Form 10-K for the year ended December 31, 2022, which information is incorporated herein by reference. ManpowerGroup disclaims any obligation to update any forward-looking or other statements in this report, except as required by law.



The global industrials sector* includes manufacturers and distributors of capital goods for aerospace & defense, building products, electrical equipment, machinery, as well as construction and engineering services. It is a sector that leverages significant capital investment, cutting-edge innovation, and complex global supply chains to literally build the foundations of the modern global economy.

Although this industry is accustomed to change, the pace has significantly accelerated since 2020. In recent years, industrials sector leaders have already overcome a global pandemic, supply chain bottlenecks, historic inflation, the largest war in Europe since WWII, manufacturing localization pressures, growing demands to reduce carbon footprint, and increasingly persistent talent scarcity. **This ManpowerGroup Global Insights report analyzes the top seven trends impacting the consumer goods industry and its workforce today.**

*As defined by the [S&P Global Industry Classification Standard \(GICS®\)](#)



Tooling Up Tech and Talent

The growing costs of raw material and labor around the world are converging with rapid advancements in industrial technologies. This combination of necessity and invention could be the beginning of a brighter future for industrials sector employers and workers. The more digitally connected and automated factory floor of the future will deliver greater efficiency, cost savings, and safer skilled trades opportunities for workers.

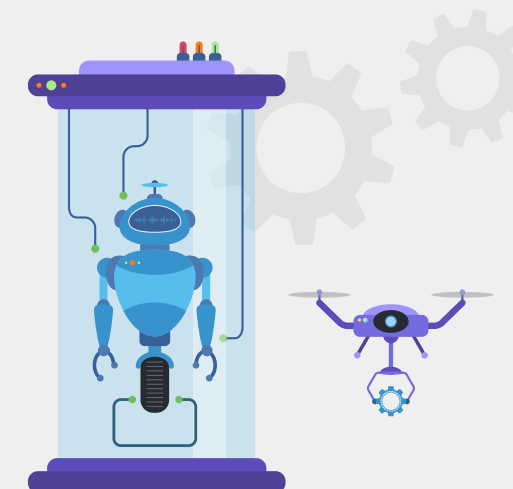


- **Robots Rock:** Global cost pressures are accelerating the adoption of robotics including collaborative robots (cobots) which work closely with facility team members, particularly for dangerous or physically demanding tasks. Most manufacturing leaders (62%) say robotics and automation will be their top investment priority to increase operational efficiencies in the next 12 months.¹
- **Meet Your Digital Twin:** The use of digital twins—a virtual representation of an object or system—is rapidly growing in the industrials sector and the results are promising. Early implementers have realized sustainable inventory reductions of up to 5% and capital expenditure savings of up to 10%.²
- **AI and VR on the Factory Floor:** Will rapidly advancing technologies such as Artificial Intelligence (AI), Machine Learning (ML) and Virtual Reality (VR) have a negative impact on the future manufacturing workforce? Industrials sector hiring managers don't think so. In fact, 59% believe these technologies will have a positive impact on their headcount in the next two years.³

1. [Deloitte](#) 2. [Boston Consulting Group](#) 3. [ManpowerGroup Employment Outlook Survey, 2023](#)

Workforce Implications:

- High demand for specialized digital transformation talent will continue and industrials will need to compete with multiple sectors for workers
- Continuous upskilling and reskilling will be key to train workers to utilize increasingly sophisticated automation tools
- Sustained sector demand for manufacturing workers despite growing automation will make building an adequate talent pipelines and increasing retention a critical business priority



59% OF INDUSTRIAL EMPLOYERS BELIEVE **EMERGING TECHNOLOGIES** WILL HAVE A **POSITIVE IMPACT** ON THEIR HEADCOUNT



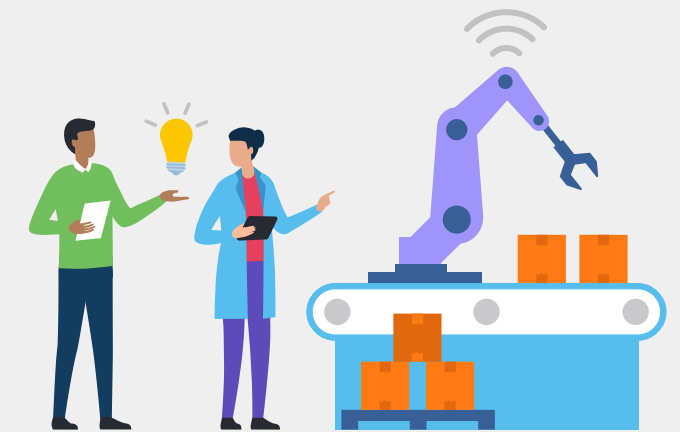
Industrial Business Transformers Unite

In response to the seismic changes in the global economy, business transformation is a key priority for senior leaders across the industrials sector. This includes completely new business models, new materials and a renewed focus on the customer experience. As industrials leaders reinvent their business, the coming years could be the most exciting times since the dawn of lean production or the assembly line.

- **The New 2023 Models:** The Production-as-a-Service (Paas) model has not yet proliferated in industrial settings, although small-scale offerings related to the use of specific equipment have appeared. PaaS expands this approach to the scope of an entire factory. More than two-thirds of manufacturing leaders (85%) are considering it, and investment is forecast to grow to \$100 billion in 2023.¹
- **Now in 3D:** Additive manufacturing and 3D printing using new advanced materials continue to be at the forefront of Industry 4.0. There will be 2.8 million 3D printing devices globally by 2030 while the size of the 3D printing market is expected to grow to \$37 billion by 2026.²
- **A Prime Challenge:** The high bar that B2C giants have set for personal, customized customer experience increasingly extends to B2B industrial companies. Today, more than half of B2B buyers (60%) say they would prefer to buy online instead of traditional sales channels. Organizations that can build a more digital, customer-centric sales experience faster will operate at a competitive advantage.³

Workforce Implications:

- Contingent workforce optimization strategy will be key for PaaS operations with multiple customers and fluctuating demand
- Upskilling and reskilling efforts must keep up with the rapidly evolving technologies such as additive manufacturing and rapid prototyping
- Major players in the industrials sector will need to compete with other industries for in-demand customer experience (CX) and user experience (UX) development expertise



85% OF MANUFACTURERS
WOULD CONSIDER
PRODUCTION-AS-A-SERVICE
IN THE FUTURE (PAAS)

1. [Boston Consulting Group](#) 2. [Statista](#) 3. [McKinsey](#)



Rolling Out More Resilience

Recent years of significant supply chain disruption have created increased urgency to build more resilience, redundancy, and risk mitigation into global manufacturing operations. This is particularly

true when critical elements of a supply chain could be exposed to increasing geopolitical tensions, wage inflation or raw material shortages. The need for supply chain transparency will also grow to achieve ESG targets and government regulations.

- **A Vertical Horizon of Integration:** Vertical integration is becoming increasingly popular as manufacturers seek to build resilience and replicate recently successful models such as Tesla's gigafactories for battery production.¹ Industry analysts predict it will also gain traction within the aerospace industry as new mobility and electrification begin to scale and OEMs seek more control over related supply chains.²
- **More and More Reshore:** In response to growing geopolitical tensions, nearshoring and reshoring of supply chains is accelerating. In fact, 70% of manufacturers in the US and Europe say they currently have projects to reshore or nearshore a portion of their operations.³
- **Getting Less Sly about Supply:** Increasing supply chain transparency is a difficult challenge in the industrials sector, particularly when an average aerospace company could have 12,000+ Tier 2 suppliers.⁴ Today, 70% of global business leaders describe their supply chains as "very" or "extremely" complex and are prioritizing greater transparency to ensure resilience, ESG alignment, and regulatory compliance.⁵

1. [Barron's](#) 2. [McKinsey](#) 3. [Industry Week](#) 4. [Deloitte](#) 5. [KPMG](#)

70% OF US AND EU MANUFACTURERS
ARE PLANNING TO RESHORE
OR NEARSHORE OPERATIONS



Workforce Implications:

- **Vertical integration of functions previously handled by specialized suppliers (in many cases on different continents) will require a highly skilled workforce in an era of global talent scarcity**
- **As manufacturers across sectors attempt to reshore more of their operations at the same time, competition for talent in skilled trades will grow**
- **The aging of workforce in the most developed markets will create a shortage of the most skilled manufacturing talent at the same time more local production is coming online**

The New Collar of Industry is Green

The industrials sector will be among the most exciting and innovative as global green business transformations accelerate. As investment in green tech expands around the world, the race to find the skilled talent needed to sustain green innovation is heating up. Competition between industries and the reality of an aging workforce will necessitate an ongoing focus on employer value propositions to recruit and retain top talent.

- **Green Help Wanted:** The competition for green talent in the industrials sector has already begun. Today, 74% of industrials sector employers globally say they are currently or planning to actively recruit for green jobs or skills.¹
- **A Greener Factory Floor:** Industrials sector employers are the most interested in recruiting for green roles/skills within skilled technical functions such as Manufacturing & Production (44%), Engineering (37%), Operations & Logistics (30%), Sales & Marketing (22%), and IT & Data (22%).¹
- **A Green Gold Rush:** Increased urgency to fight climate change has spurred unprecedented government incentives. The 2022 US Inflation Reduction Act included \$370 billion² and the European Green Deal added €225 billion (\$245 billion)³ in green incentives. Globally, green investment grew to a record \$1.1 trillion in 2022 and equaled the fossil fuels total for the first time.⁴



74% ARE ACTIVELY RECRUITING OR PLANNING TO RECRUIT GREEN JOBS



Workforce Implications:

- Competition will heat up as a majority of hiring managers in similar sectors such as Energy & Utilities (81%) and Transport, Logistics & Automotive (73%) say they are also actively recruiting for green jobs¹
- Skilled technical talent scarcity will increase the importance of scaling upskilling & reskilling efforts
- Strategic workforce planning including thorough location strategy analysis will be key to ensure new green facilities or existing facility expansions have an adequate supply of local skilled talent

1. [ManpowerGroup Employment Outlook Survey, Q3 2023](#) 2. [World Economic Forum](#) 3. [Reuters](#) 4. [Bloomberg](#)



Working for a Living

The combination of an aging workforce, declining birth rates, unfavorable perceptions about manufacturing work, and competition from other industries will make finding and retaining a skilled workforce a persistent challenge for the industrials sector. However, as manufacturers of some of the most complex products on earth, this industry is no stranger to global challenges and innovative approaches to overcome them.

- **Dirty Jobs:** Manufacturing suffers from an image problem among many workers who still perceive it as too dirty, dangerous, and physically demanding even as automation is making it safer than ever before. The problem is particularly acute with women. Although they make up 47% of the non-farm workforce, they are only 30% of the manufacturing workforce today.¹
- **Gray to Green:** In the aerospace and defense industry alone, one-third of the workforce is over 55 and expected to retire in the coming years. As they retire the need to train a younger and “greener” workforce will grow.²
- **The Struggle is Real:** Despite slowing economic growth, a large majority of industrial employers globally (77%) say they are still struggling to find the skilled talent they need.³

1. [Deloitte](#) 2. [McKinsey](#) 3. [ManpowerGroup Employment Outlook Survey, Q2 2023](#)

Workforce Implications:

- Employers in this sector must develop more uniquely differentiated employer value propositions and recruitment marketing to dispel misconceptions and outcompete other industries
- Building a culture of Diversity, Equity, Inclusion and Belonging (DEIB) should remain a top priority to close the significant gender gap and grow the pipeline of new talent to replace older workers
- A focus on retaining more senior workers to train and mentor the younger workforce will play a key role in the success of upskilling efforts



77% OF INDUSTRIAL EMPLOYERS ARE STRUGGLING TO FIND THE SKILLED TALENT THEY NEED

In Conclusion

The industrials sector has emerged from the recent challenging years with a greater focus on resilience and future innovation. Although there are still significant headwinds, the acceleration of industrial automation technology and an increasing focus on sustainability offer hope for a bright future. As a new generation of talent enters the workforce, the most significant challenge will be dispelling misconceptions based on the past. Those that understand this industry know it will be at the cutting edge of green transformation, digital transformation, and human innovation. Employers who can effectively communicate this compelling story will gain a competitive advantage.



Global Workforce Solutions for Consumer Goods



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& Analytics



Workforce
Management



Talent
Resourcing



Career
Management



Career
Transition



Top Talent
Attraction



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