



18<sup>th</sup> Annual  
EMS Summit  
European Manufacturing  
Strategies

European Manufacturing Strategies Summit

## Real ways manufacturers can adapt to compete amidst the labour shortage and the war for talent

07 November 2022

Remi Malenfant  
*Director of HR innovation, UKG*

© UKG Inc. All rights reserved.



# Welcome



**Rémi Malenfant**

Director, HR innovation

**@UKG**



UKG delivers an **unmatched suite** of solutions and services, backed by people who care about you and your people.



A photograph of four people in a factory or industrial setting. On the left, a man in a teal polo shirt is seen from the back. Next to him, a man with glasses and a grey polo shirt is gesturing with his hand. In the center, a man with a beard and a white button-down shirt is looking towards the right. On the right, a woman with long dark hair in a dark blue polo shirt is looking towards the center. The background shows industrial equipment and a brick wall.

# Agenda

Manufacturing  
Workforce Landscape

Insights into Workforce  
Preferences

Addressing Workforce  
Needs

Using Technology for  
Better Employee  
Experience

# Actions to Take Now

1

Focus on the most meaningful currencies

---

2

Diversify candidate pools



3

Strengthen the talent pipeline

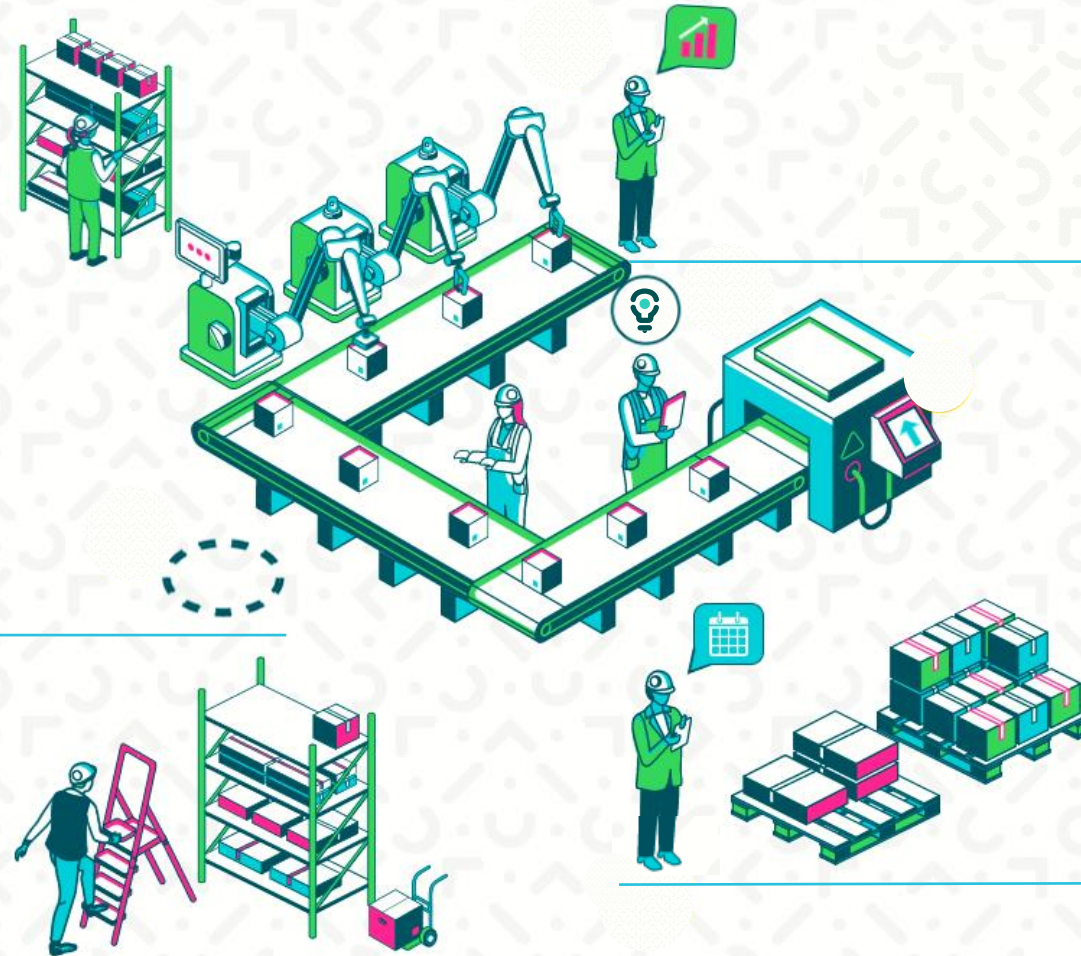
---

4

Maximize workforce performance with Technology

# Driving Value in a Talent Crisis

**77%** of highly skilled manufacturing workforce will have retired by **2030**



**71 %** of the value created by the operation comes from human interactions

**72%** of factory tasks are performed by humans



## Manufacturing's People Problem

# Driving Value in a Talent Crisis

euronews.next BIZTECH NEWS MONEY WORK MOBILITY HEALTH HOME OPINION SE

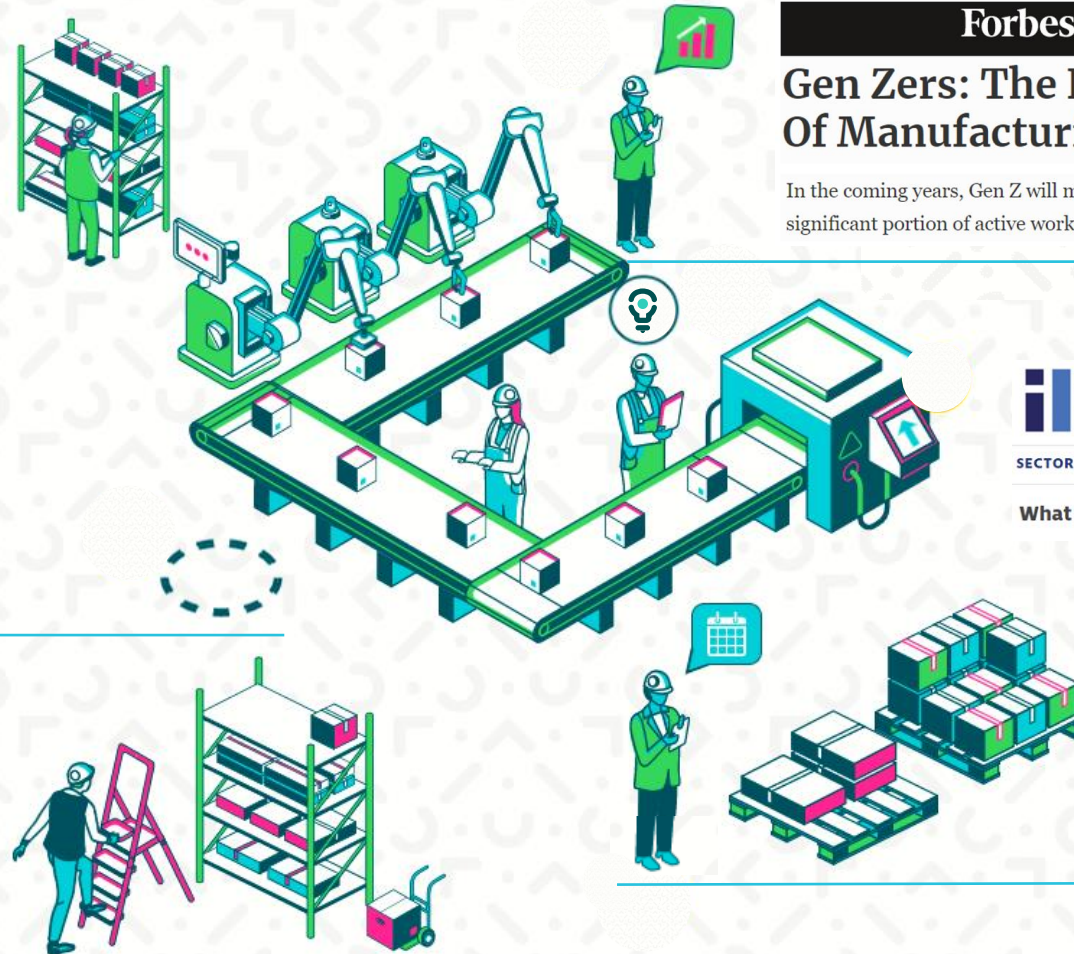
WORK

No end in sight for the 'Great Resignation' as inflation pushes workers to seek better-paid jobs

77% of highly skilled manufacturing workforce will have retired by 2030

CNN BUSINESS

The Great Resignation is taking root around the world



Forbes

### Gen Zers: The Future Of Manufacturing

In the coming years, Gen Z will make up the most significant portion of active workers in the market.

71 % of the value created by the operation comes from human interactions

INDUSTRY EUROPE

Covering the latest trends in European & Global Industry

SECTORS MULTIMEDIA LIMELIGHT ADVERTISE ABOUT E-MAGAZINE SUBMIT YOUR NEWS

What threat does the skills gap have on the manufacturing industry?

72% of factory tasks are performed by humans

# The Talent Struggle is Real: Recruiting

**“We are struggling to fill critical labor gaps”**



Source: The Workforce Institute at UKG: Surveying the Future State of Manufacturing, 2022

# The Talent Struggle is Real: Voluntary Turnover

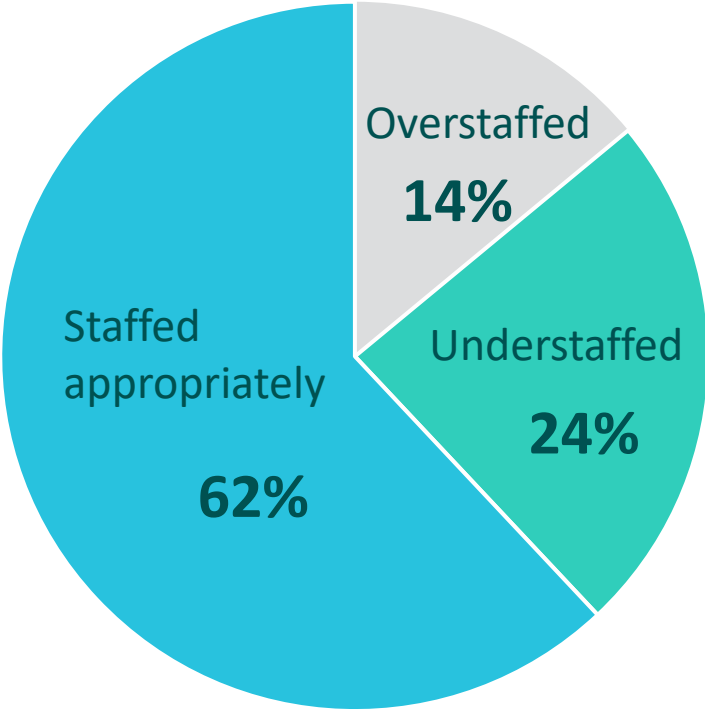
Frequency	Frontline Managers	Hourly Employees
Daily	12%	10%
Multiple times per week	13%	19%
Once per week	14%	18%
Once every two weeks	40%	25%
Infrequently, or not at all	20%	28%

Source: The Workforce Institute at UKG: Surveying the Future State of Manufacturing, 2022

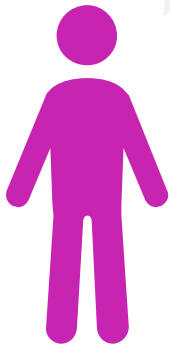


# The Talent Struggle is Real: Production Staffing

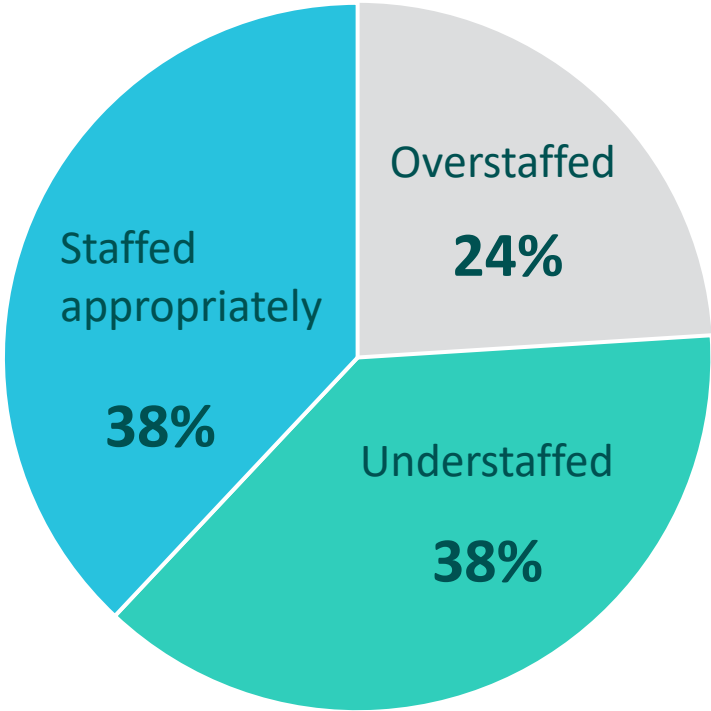
March 2021



81%  
of employees feel  
at risk of burnout



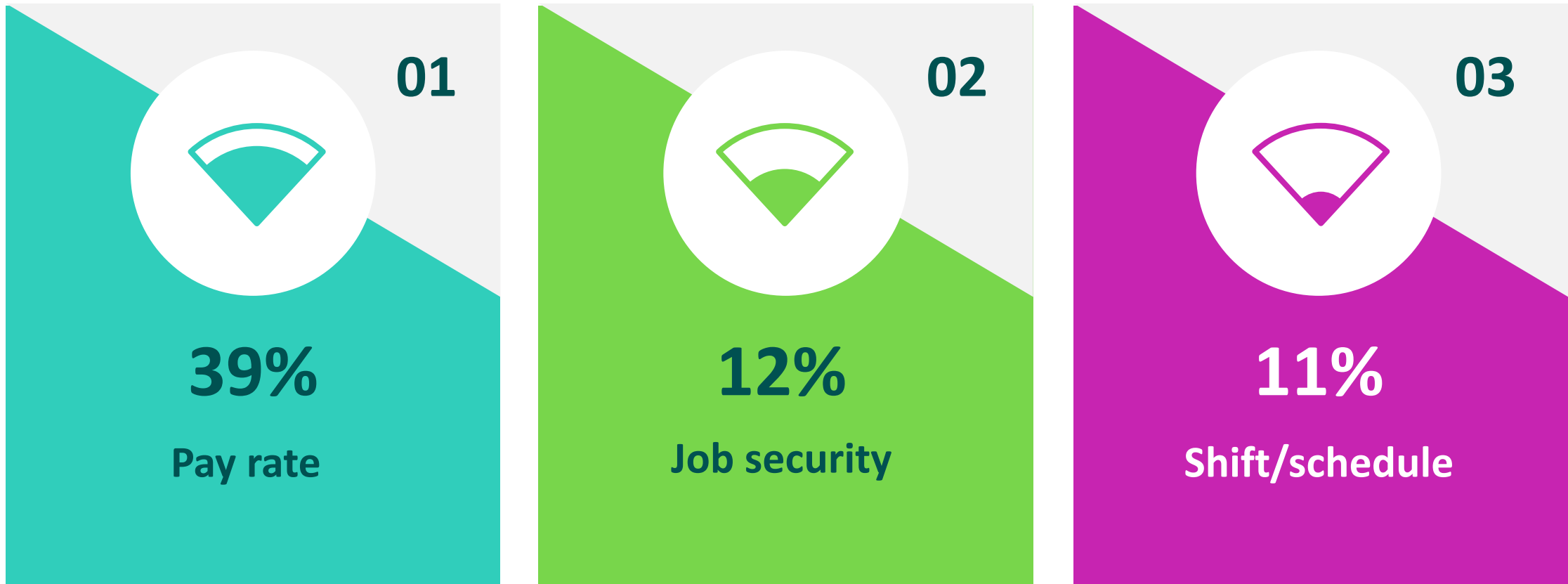
April 2022



Source: The Workforce Institute at UKG: Surveying the Future State of Manufacturing, 2022; Mercer Global Talent Trends 2022

# Top Priorities of the Job Seeker

What are hourly manufacturing candidates looking for in a job?



Source: Employbridge 2022 Voice of the Blue-Collar Worker Survey

# Top Motivations, Leaving a Job

## Generation Z

- 1 More time off
- 2 Higher pay
- 3 More flexible schedule options
- 4 More opportunities for career growth, or to learn new skills
- 5 Better healthcare benefits

## HR Executives, Retention Strategies

- 1 Actively build employee development programs for current employees
- 2 Offering flexible job schedules (i.e. alternative shift schedules, flexibility to swap shifts when needed)
- 3 Offering mentorship programs to allow younger employees to expand their knowledge
- 4 Providing competitive wages for your local market (geographically speaking)
- 5 Cross-training current employees so they learn multiple skills / perform a broader set of skills (i.e. multitasking)



# Manufacturers Need to Adapt Now

# Actions to Take Now

1

Focus on the most meaningful currencies

2

Diversify candidate pools



3

Strengthen the talent pipeline

4

Maximize workforce performance with Technology

1

# Focus on Meaningful Currencies: Benefits Beyond Pay are Top of Mind

Would you rather...



1 week  
of paid  
time off  
with  
same  
pay

\$1 per  
hour  
raise  
with no  
paid  
time off



Source: Employbridge 2022 Voice of the Blue-Collar Worker Survey

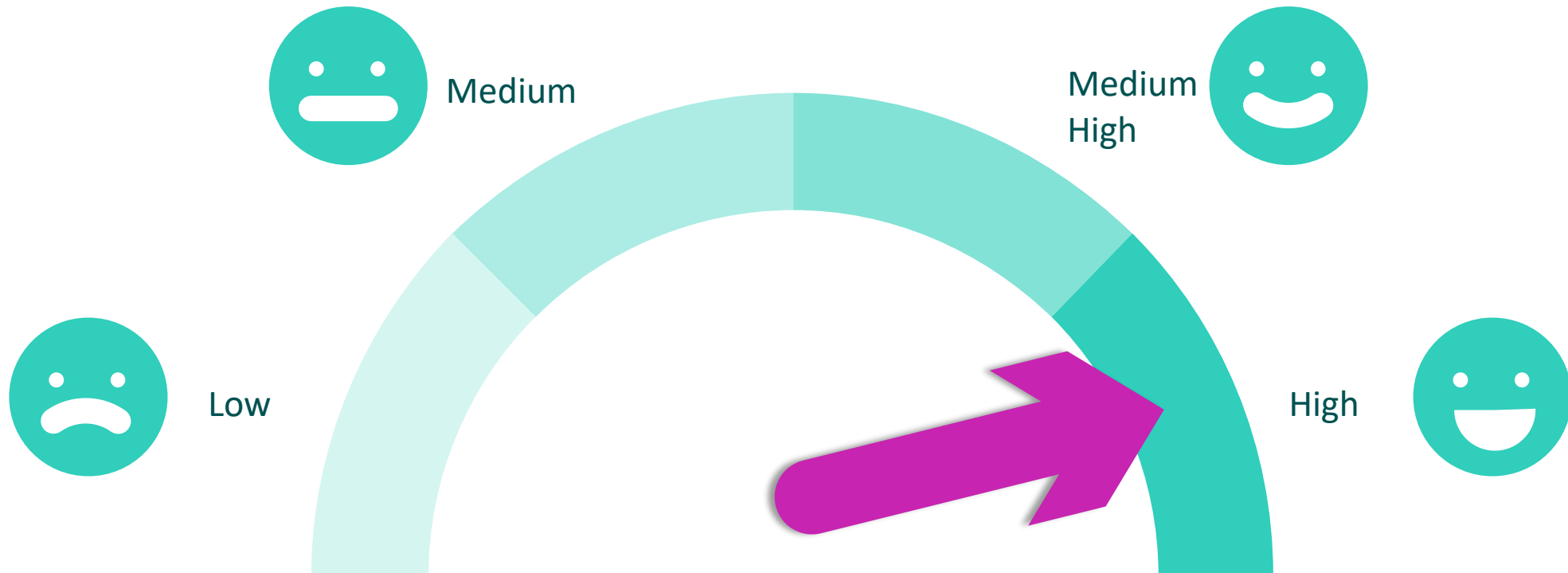


1

# Focus on Meaningful Currencies: Retention Factors

## SCHEDULE

#1 factor when deciding to stay at a job



# Actions to Take Now

1

Focus on the most meaningful currencies

---

2

Diversify candidate pools



3

Strengthen the talent pipeline


---

4

Maximize workforce performance with Technology

## 2

# Diversify Candidate Pools: Manufacturers Found New Talent This Year



**48%** "Boomerang employees" — i.e., former employees

**48%** Individuals reentering the workforce after a career break

**38%** Individuals with no manufacturing experience

**29%** People with disabilities

**28%** Retirees

**27%** People with conviction histories

Source: The Workforce Institute at UKG: Surveying the Future State of Manufacturing, 2022



# Actions to Take Now

1

Focus on the most meaningful currencies

---

2

Diversify candidate pools



3

Strengthen the talent pipeline

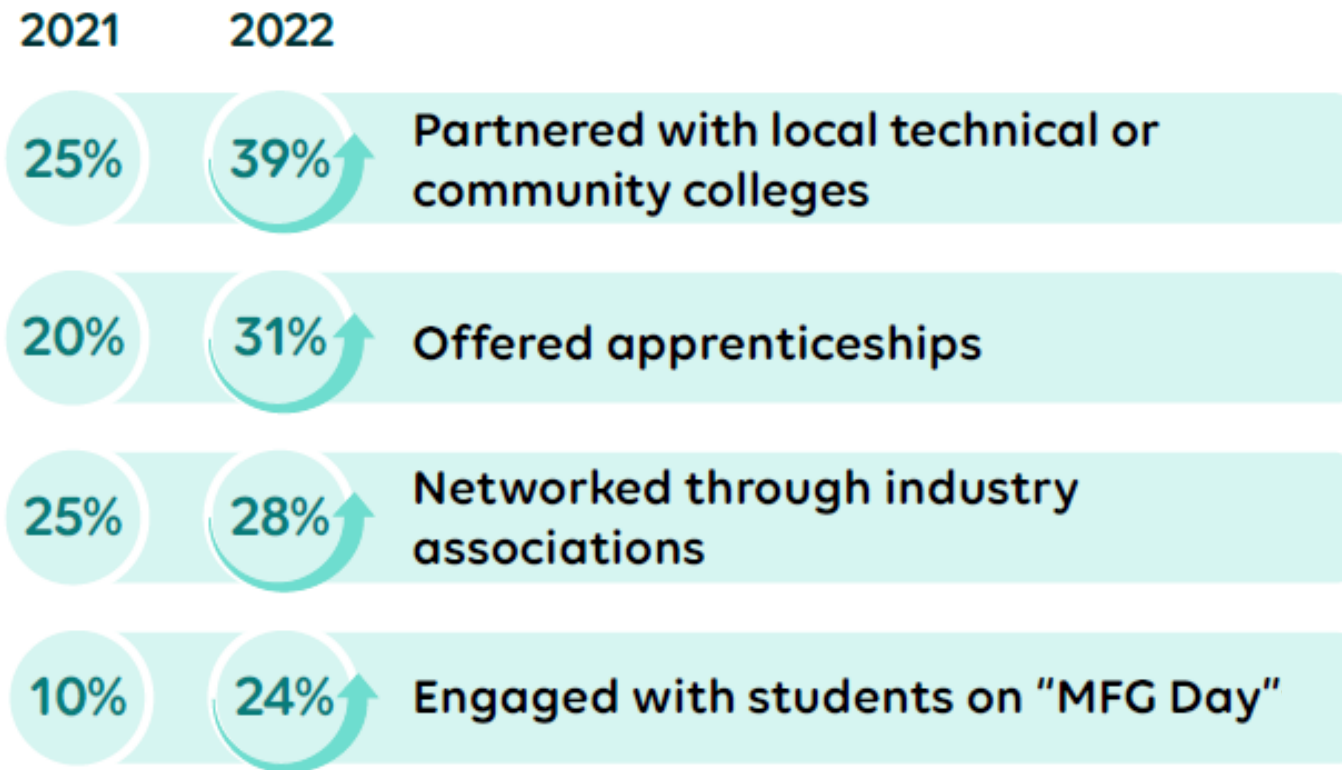
---

4

Maximize workforce performance with Technology

## 3

# Strengthen the Talent Pipeline: Ramp Up Community Engagement



Source: The Workforce Institute at UKG: Surveying the Future State of Manufacturing, 2022

# Actions to Take Now

1

Focus on the most meaningful currencies

---

2

Diversify candidate pools



3

Strengthen the talent pipeline

---

4

Maximize workforce performance with Technology



## 4

# Maximize Workforce Performance: Technology → Efficiency + Agility

Improve labor utilization

Gain real-time visibility to  
drive decision making

Manage employee performance to  
identify coaching, upskilling, or  
cross-training opportunities

Align the right team members  
with production demand



There's a disconnect between  
**operational challenges and  
meeting employee needs**



**Operations pays the price**  
when there aren't resources  
ready to do the work



GOALS

People



Operations



You don't  
have to choose

between **operational  
excellence** and being  
a **great place to work**



The **100** top-ranked  
**companies** by Great Places  
to Work have outperformed  
the market by **3.23X**  
in the last 20 years\*

COMPANY

\*FTSE Russell analysis

UKG

# UKG Technology helps Essity to reduce labour costs



- ☑ Gains real-time visibility into labor data to decrease overtime hours and better allocate staffing, lowering the cost of labor while increasing production
- ☑ Identifies employees' most productive working hours by analyzing labor data, informing staffing and scheduling adjustments that have resulted in higher productivity
- ☑ Supports informed decision making with real-time data easily available in reports, data-views, and dashboard tiles



# Unilever France Provides Unified HR Support to a Diverse Workforce

Unilever

- ✓ More time for the important things
- ✓ Improved HR and employee experience
- ✓ Consistent HR support for all employees

“The high adoption rate from the first month pleasantly surprised us; 70% of the population in the factory and 95% at headquarters were already using UKG to find their personal documents, like their employment contract and payslip.” - Guerrier, HR operations and project manager at Unilever

“I had Flu recently. I used to have to go to the post office when I needed to take sick leave. Now I just have to take a picture of my doctor’s note and send it in a few clicks through the platform.” - Frédéric Parizot, Supply chain operator at Unilever



# INTRODUCING PEOPLE OPERATIONS.

Want to know more?

Visit us at booth 11

UKG Roundtable Discussion:

Tomorrow, 8<sup>th</sup> Nov 2022 at 12:35 PM in Exhibitor Area

“Managing labour compliance while boosting productivity”



# Thank you!

Stay Connected:

[www.ukg.com/manufacturing](http://www.ukg.com/manufacturing) | [remi.malenfant@ukg.com](mailto:remi.malenfant@ukg.com)