



2010 Manufacturing Survey Results

BACKGROUND

Lane Workforce Partnership has administered an online manufacturing workforce survey since 2007. The 2010 survey is the fourth survey and was conducted in late December 2010. Results are available in two formats: 2008 data only and a 2007-2010 data comparison. The same questions are asked every year in order to be able to track trends over time. Two questions have been added over the last two years specifically regarding the recent recession.

Thirty-three Lane County manufacturers responded to the 2010 survey, representing all significant manufacturing sub-sectors in Lane County, including wood products, transportation, metals, computer/electronics, machinery, food processing, chemicals, and plastics. Respondents also represented a balance of small and larger business sizes.

DISCUSSION

The recession has had a dire effect on local manufacturers. Seventy-eight percent of respondents reported laying off workers during 2010, an increase from 71% in 2009. Forty-seven percent reduced benefits (an increase from 38% in 2009), and 41% reduced wages compared to 44% in 2009. Forty-four percent reduced training activities in 2010, compared to 29% in 2009.

A new question was asked this year about signs of an economic recovery. A surprising 57% reported an increase in sales and 47% report they are beginning to bring workers back up to full time. Forty-seven percent also say they intend to hire in the next 6 months. These are hopeful signs.

Not surprisingly, the number of manufacturers reporting difficulty in finding qualified applicants has dropped from the 2007 high of 65% to 46%. Specific positions reported to be difficult to fill include Assemblers/Production Workers (31%) and Scientists and Engineers (25%). Overall, 65% predict a shortage of *skilled production workers* over the next three years, down from a high of 87% in 2008.

Improving organizational culture (56%) and *healthcare benefits* (50%) were ranked highest as especially helpful in recruiting and retaining a qualified workforce. Providing *flexible work arrangements* jumped to 28% this year from a low of 13% in 2007. *Efforts to change attitudes about manufacturing jobs* ranked highest (58%) among recruitment and retention strategies companies would like to utilize in the future. A *lean/high performance workforce* (69%) and *new product innovation* (53%) were cited as the most important to their company's success over the next three years.

Regulatory issues were ranked as the most significant barrier to business expansion by 48% of respondents, up from a low of 29% in 2009. This was followed by *high tax burden*, cited by 41%, up from a low of 10% in 2007. Thirty-one percent cited *low access to a skilled workforce*, down from a high of 58% in 2007. Direct economic impacts cited as a result of skill shortages are almost all lower than prior years. *Lower overall productivity* (reported by 46%, down from a high of 58% in 2009), and *reduced production output/sales* (reported by 27%, down from a high of 63% in 2009).

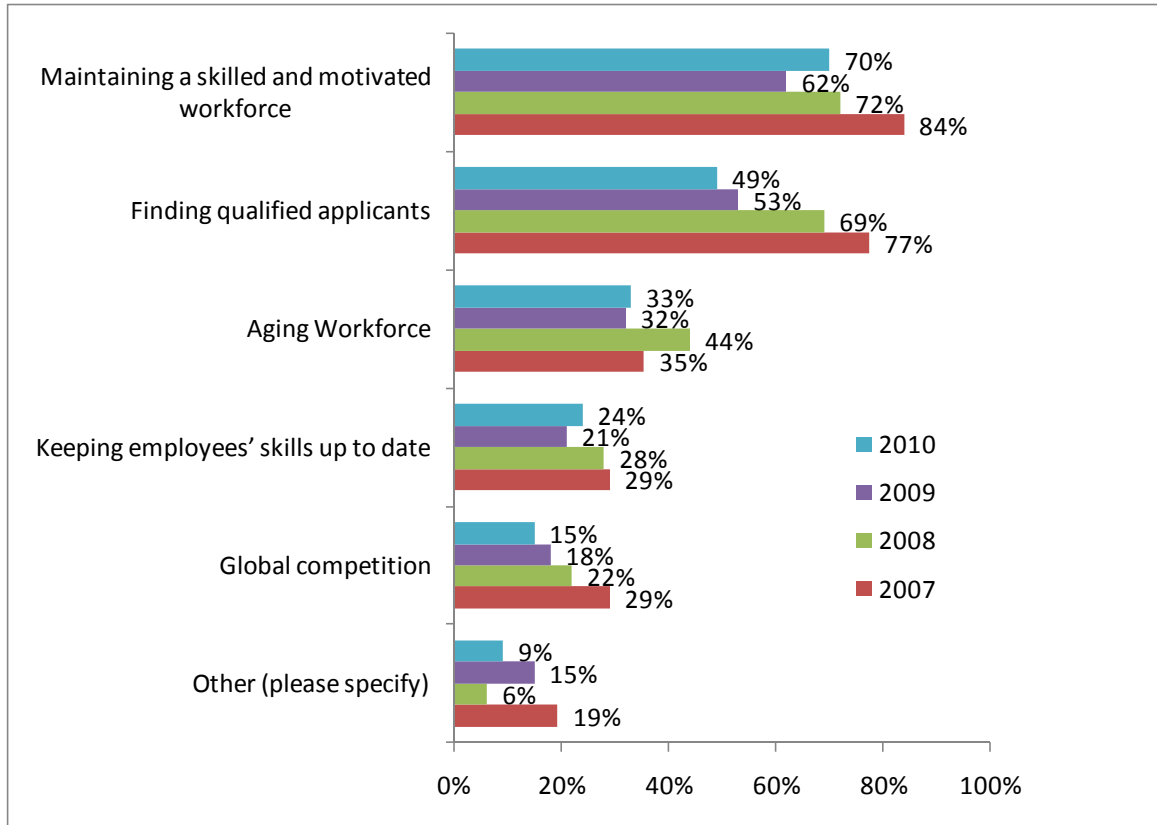
Thirty-two percent of respondents (eleven companies) indicated an interest in joining with other area manufacturers to discuss issues raised in the survey. A meeting will be held in March 2011 to bring interested companies together to further discuss their workforce issues.



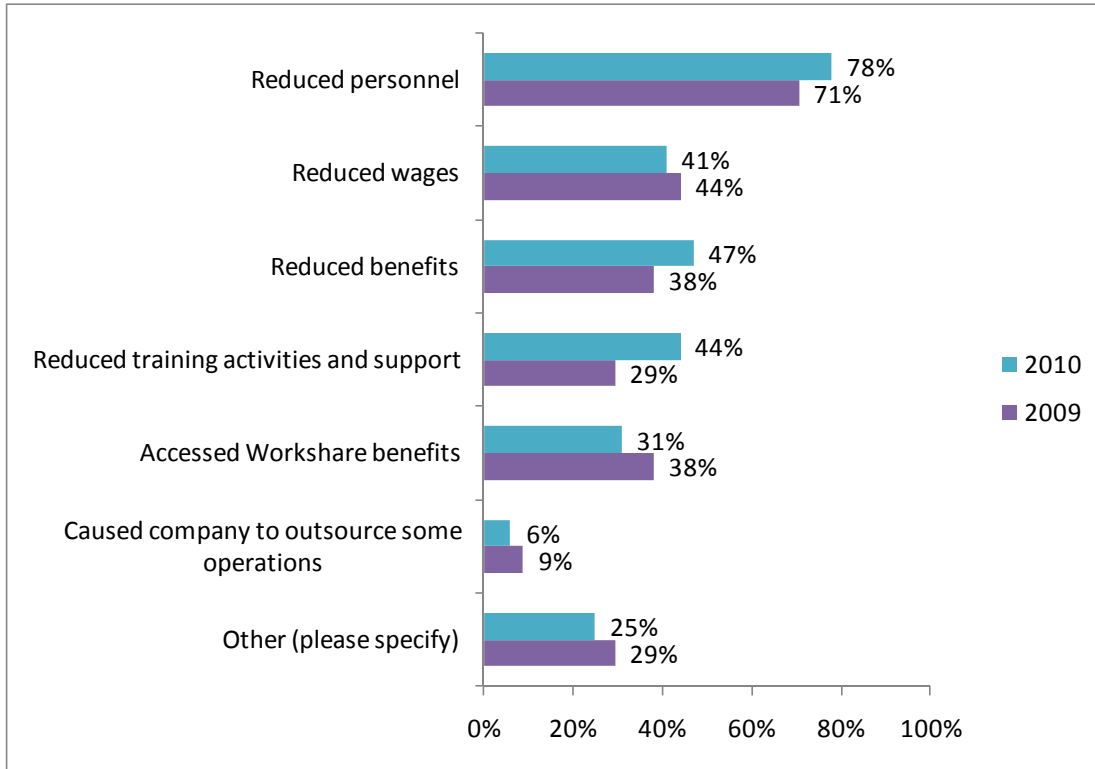
Manufacturing Survey Results Comparison 2007-2010

SURVEY RESULTS

1. What workforce issues are of most concern to you as you look toward the future?

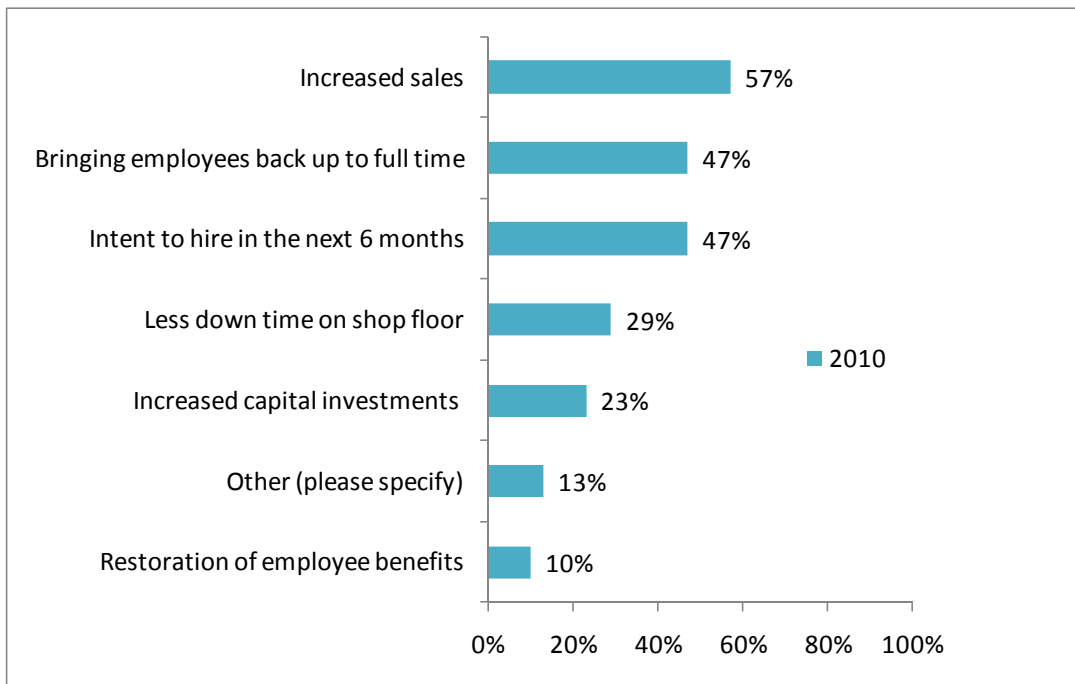


2. What impact has the economic downturn had on your business? (Check all that apply)



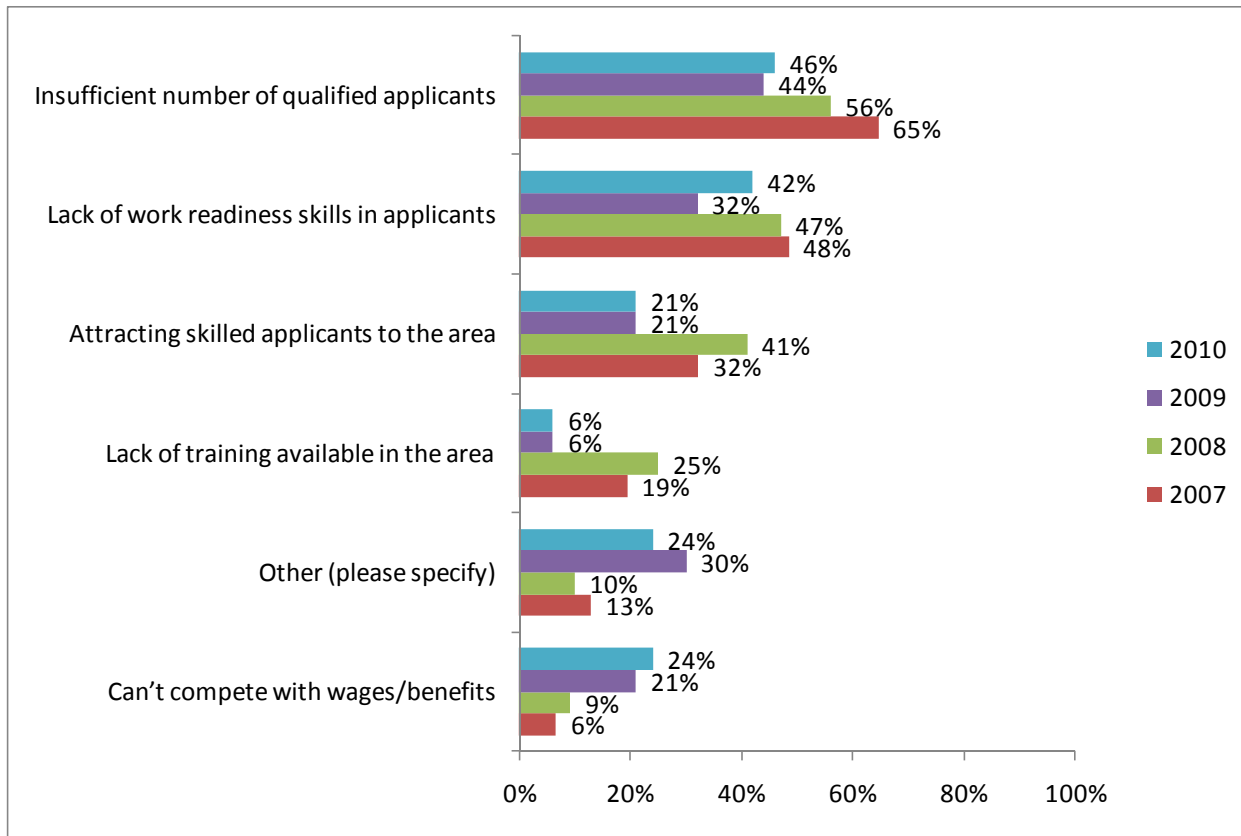
***This question was added in 2009**

3. Are you seeing signs of an economic recovery in your business? (Check all that apply)

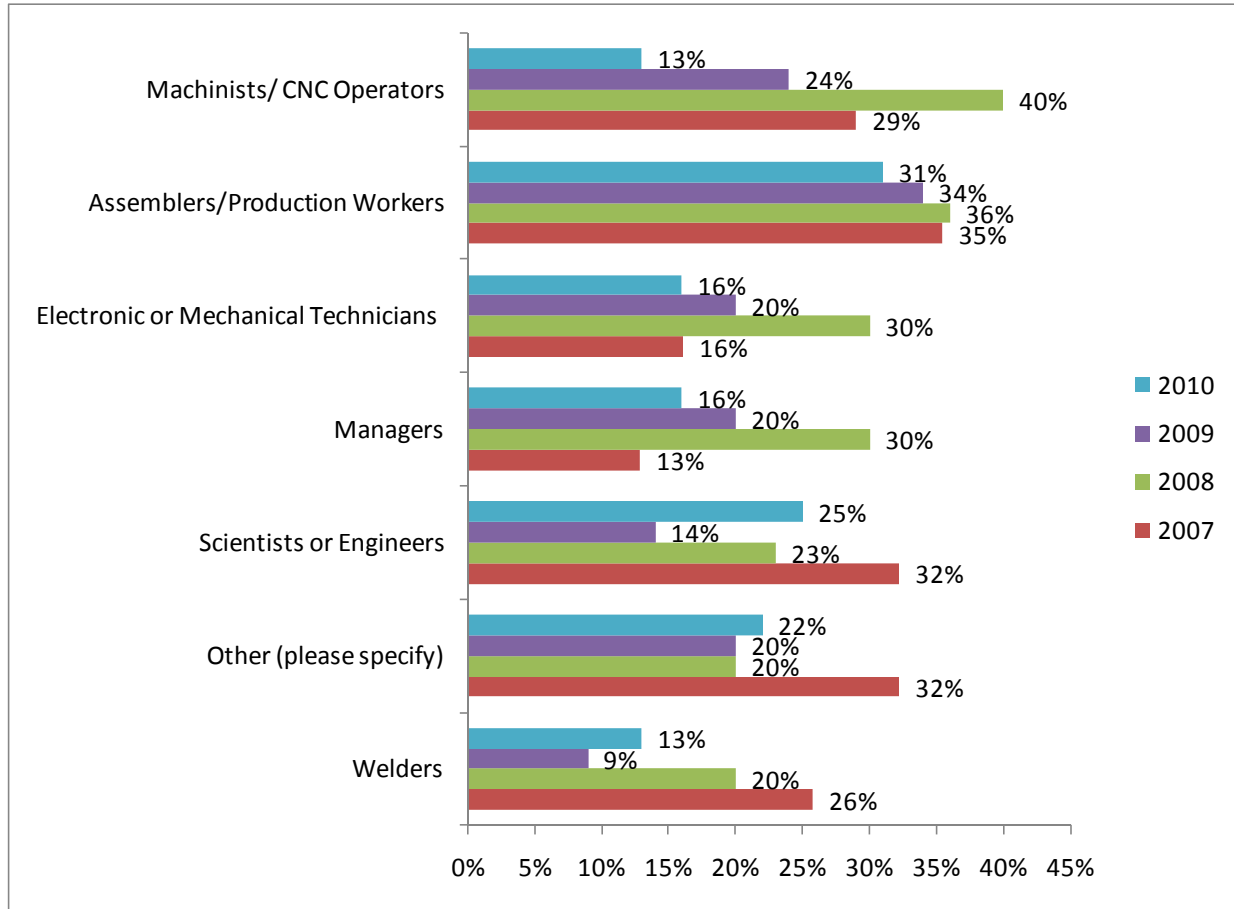


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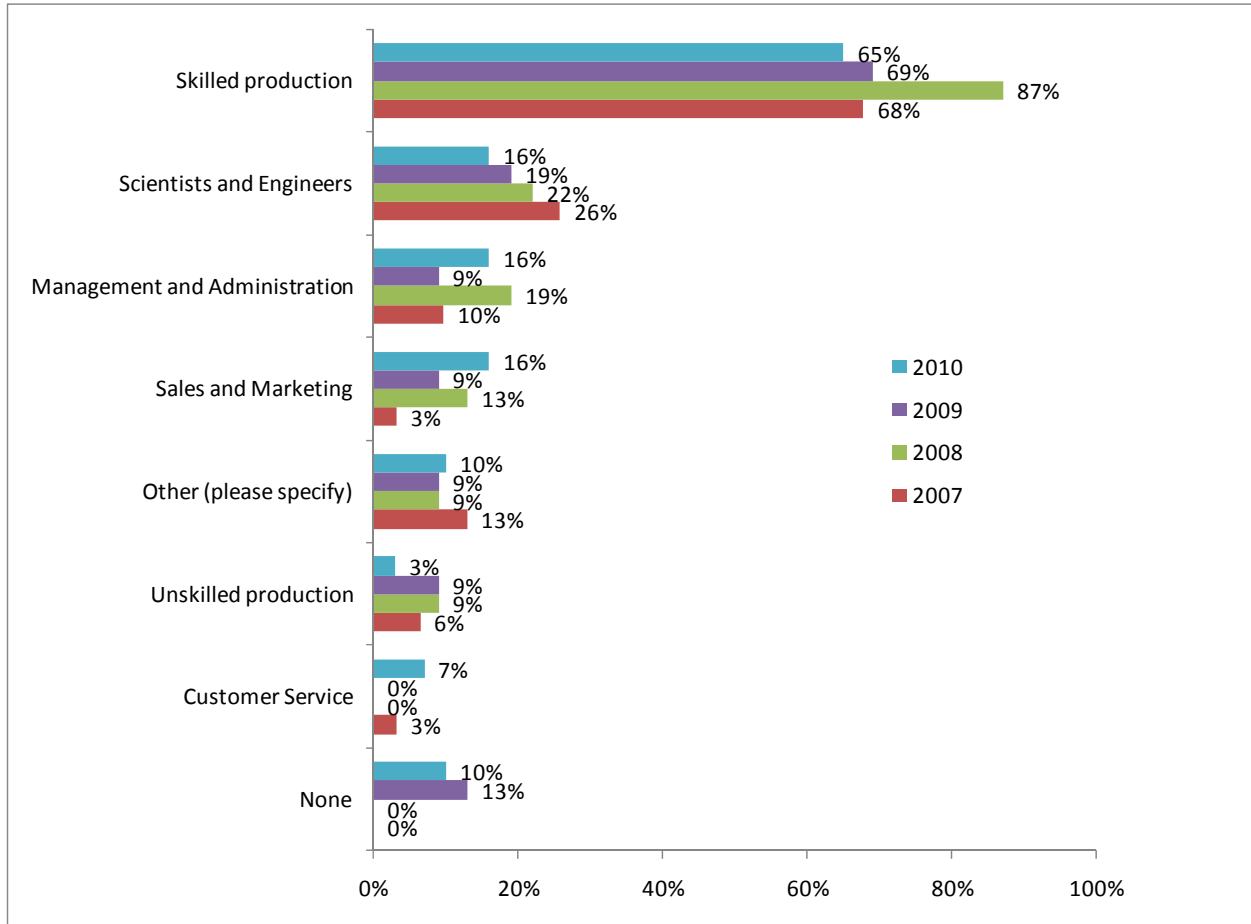
4. What are the most difficult challenges you face in hiring a qualified and motivated workforce?



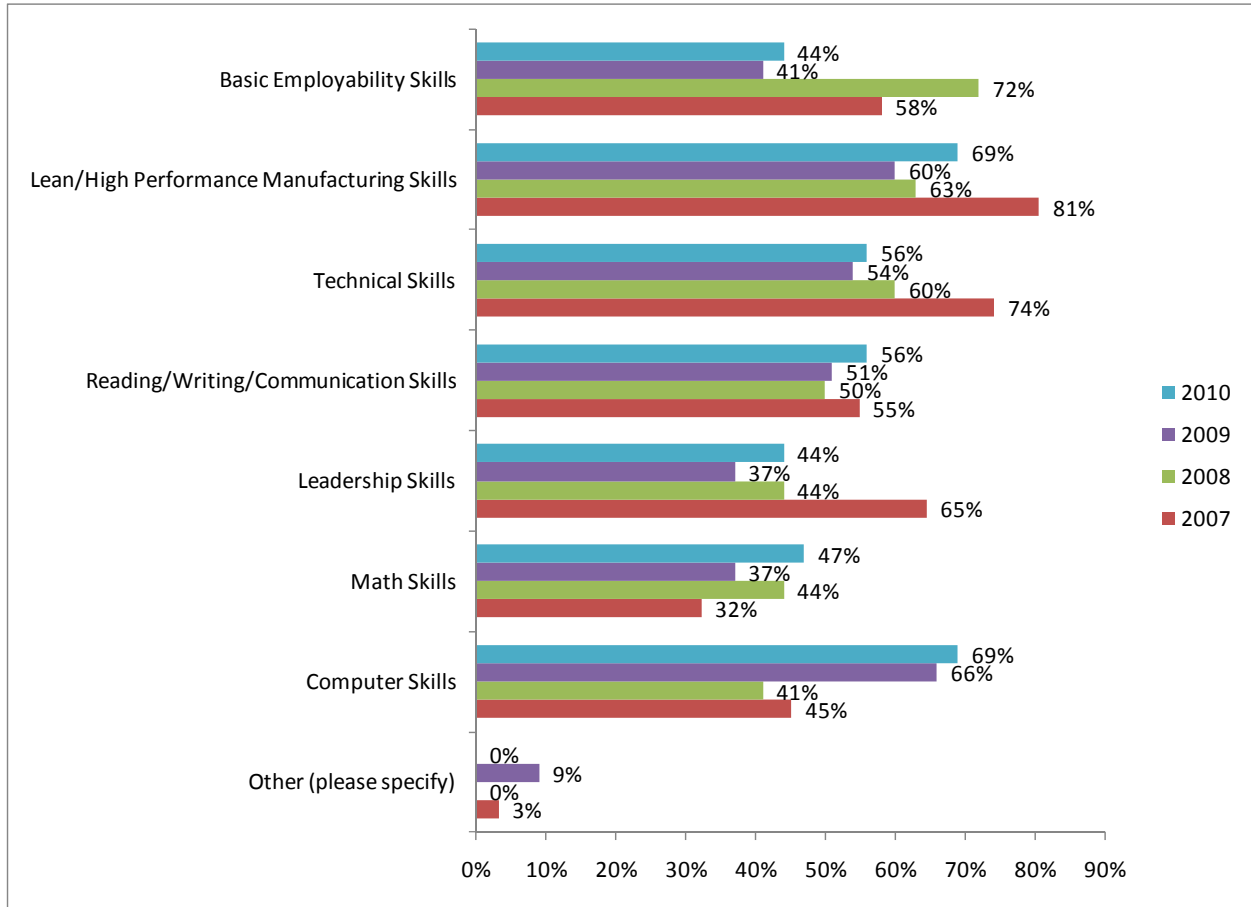
5. What types of positions do you find most difficult to fill?



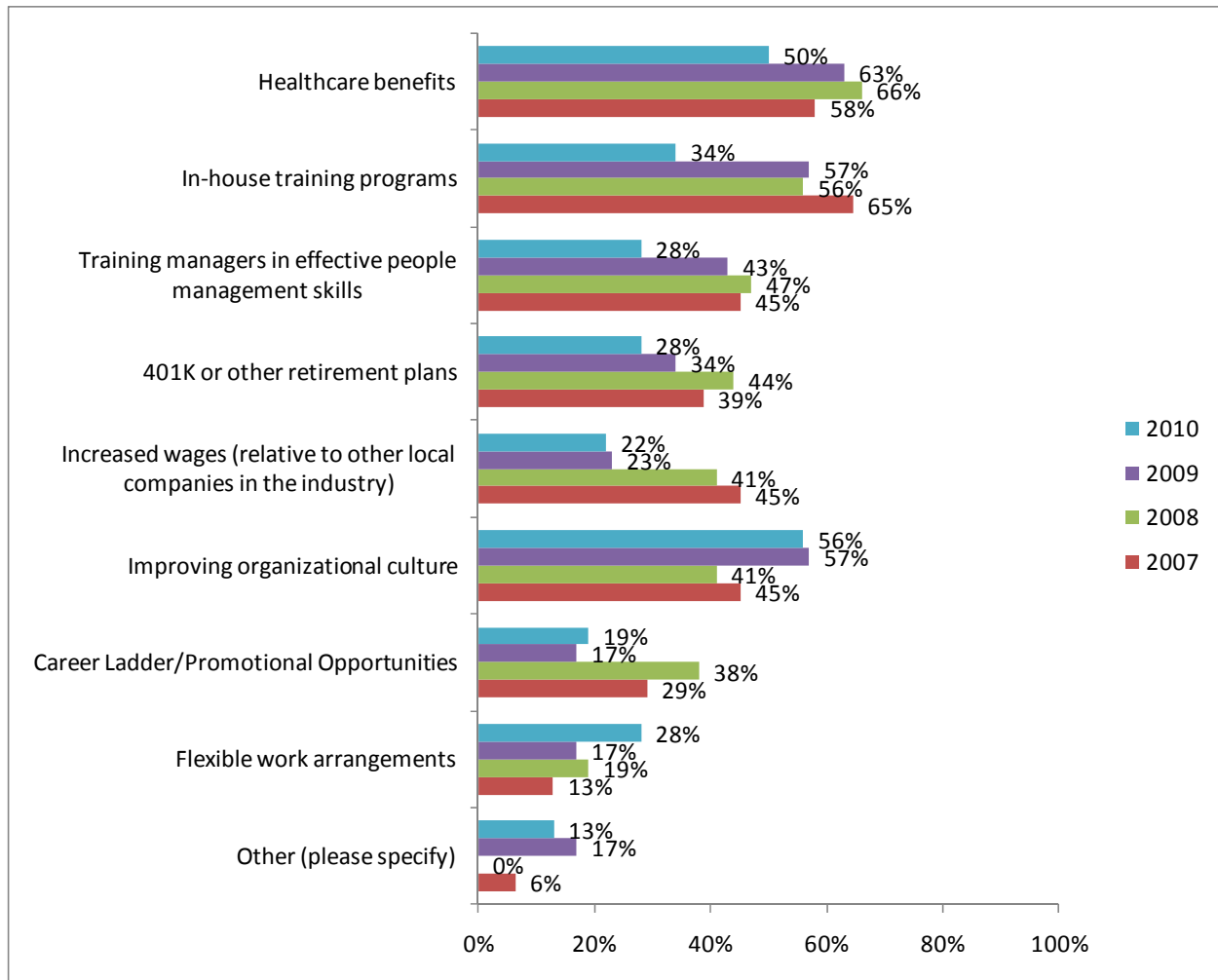
6. What types of employees are expected to be in short supply over the next 3 years?



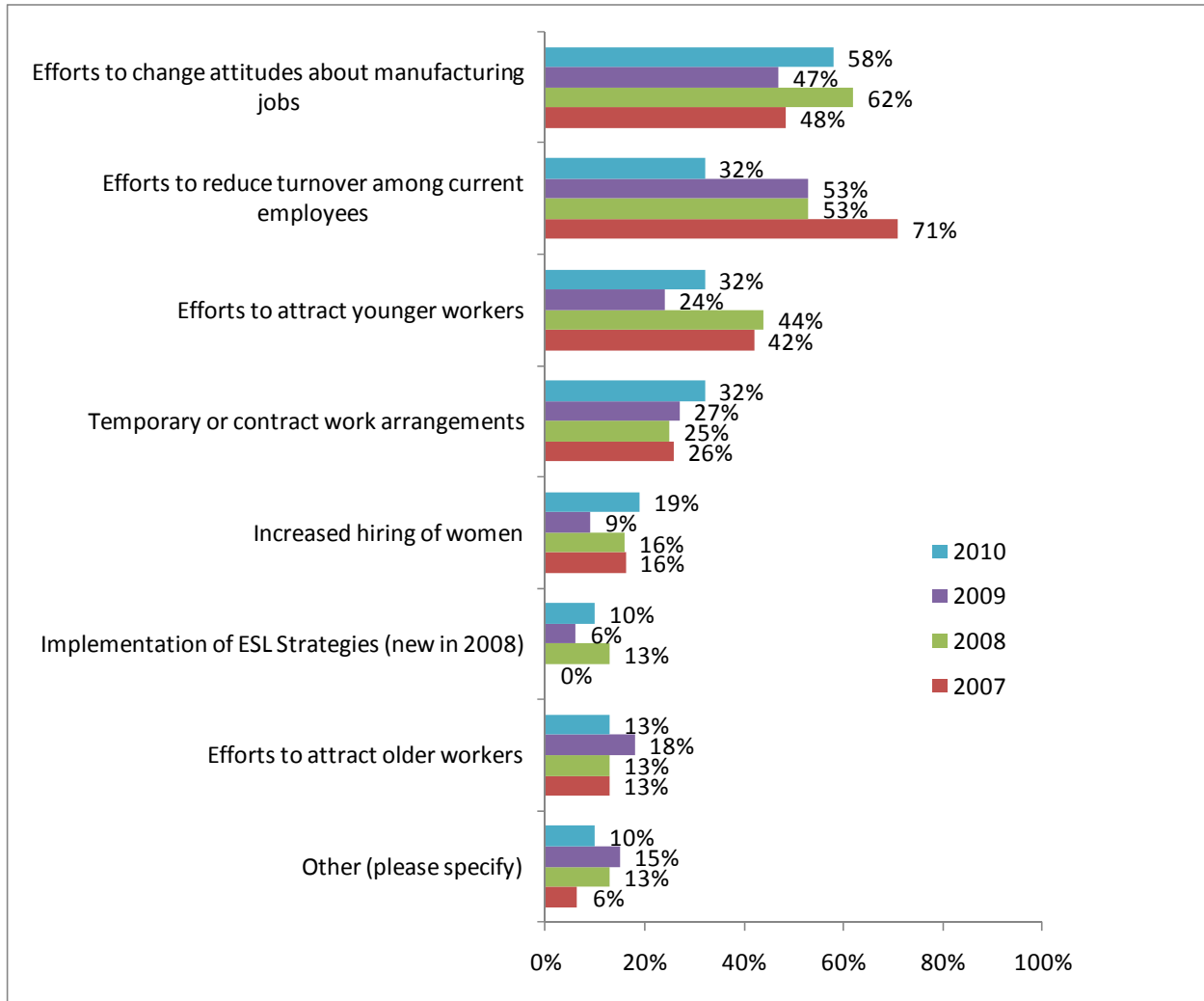
7. What skills will employees need more of over the next 3 years?



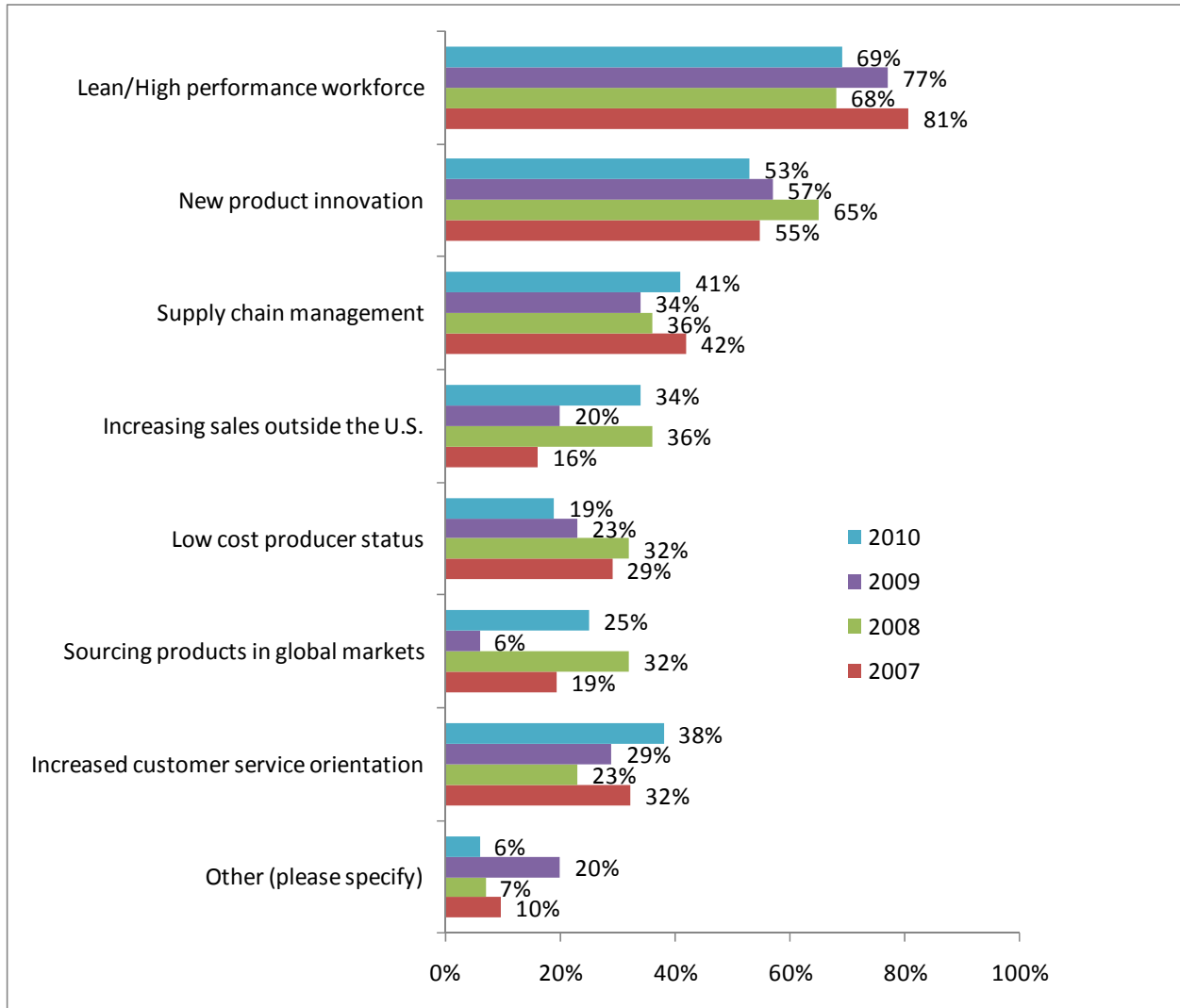
8. What methods or ideas have you found especially useful in hiring and maintaining a qualified workforce?



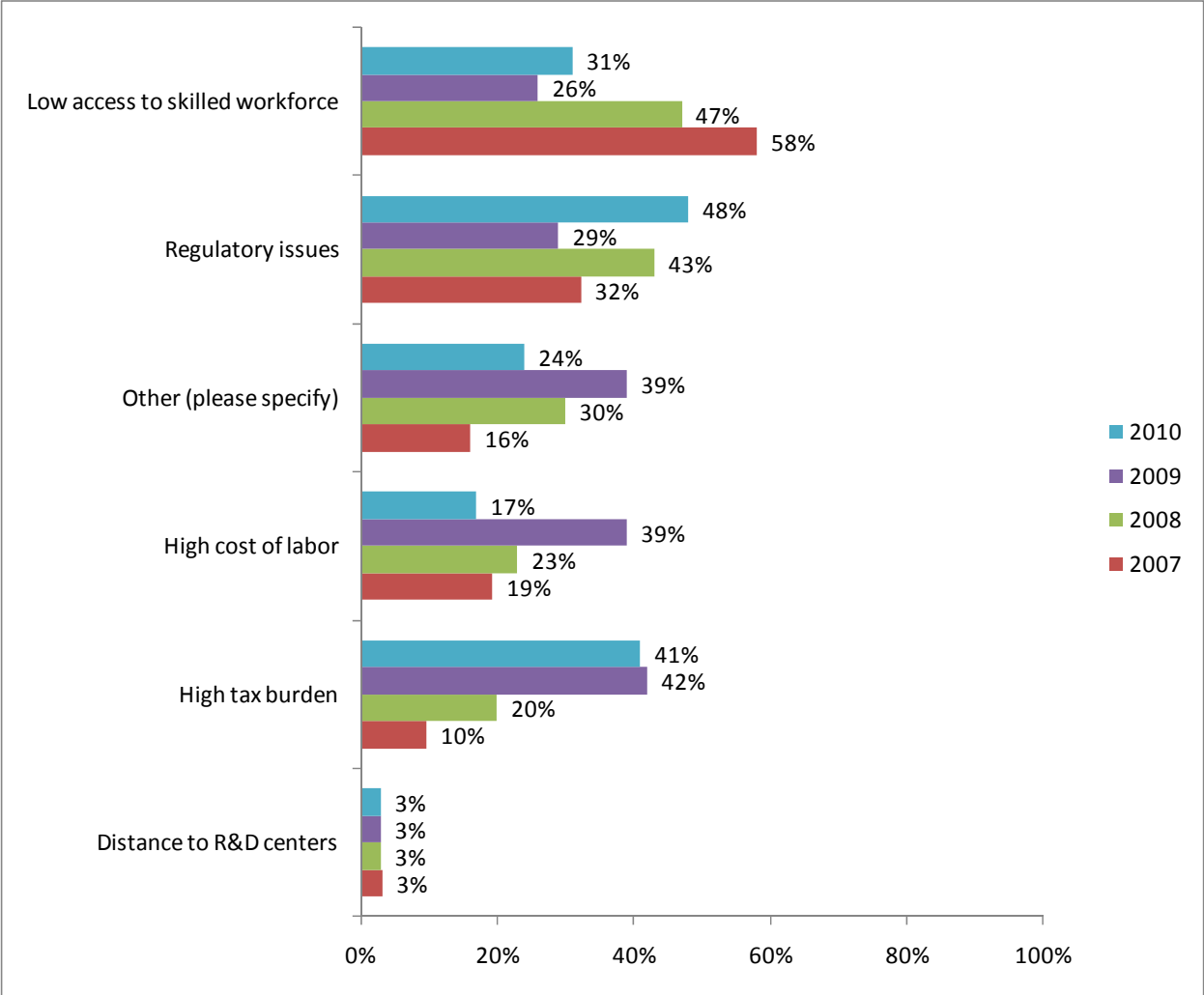
9. Considering the challenges of attracting and retaining employees, which of the following strategies might you utilize over the next 3 years?



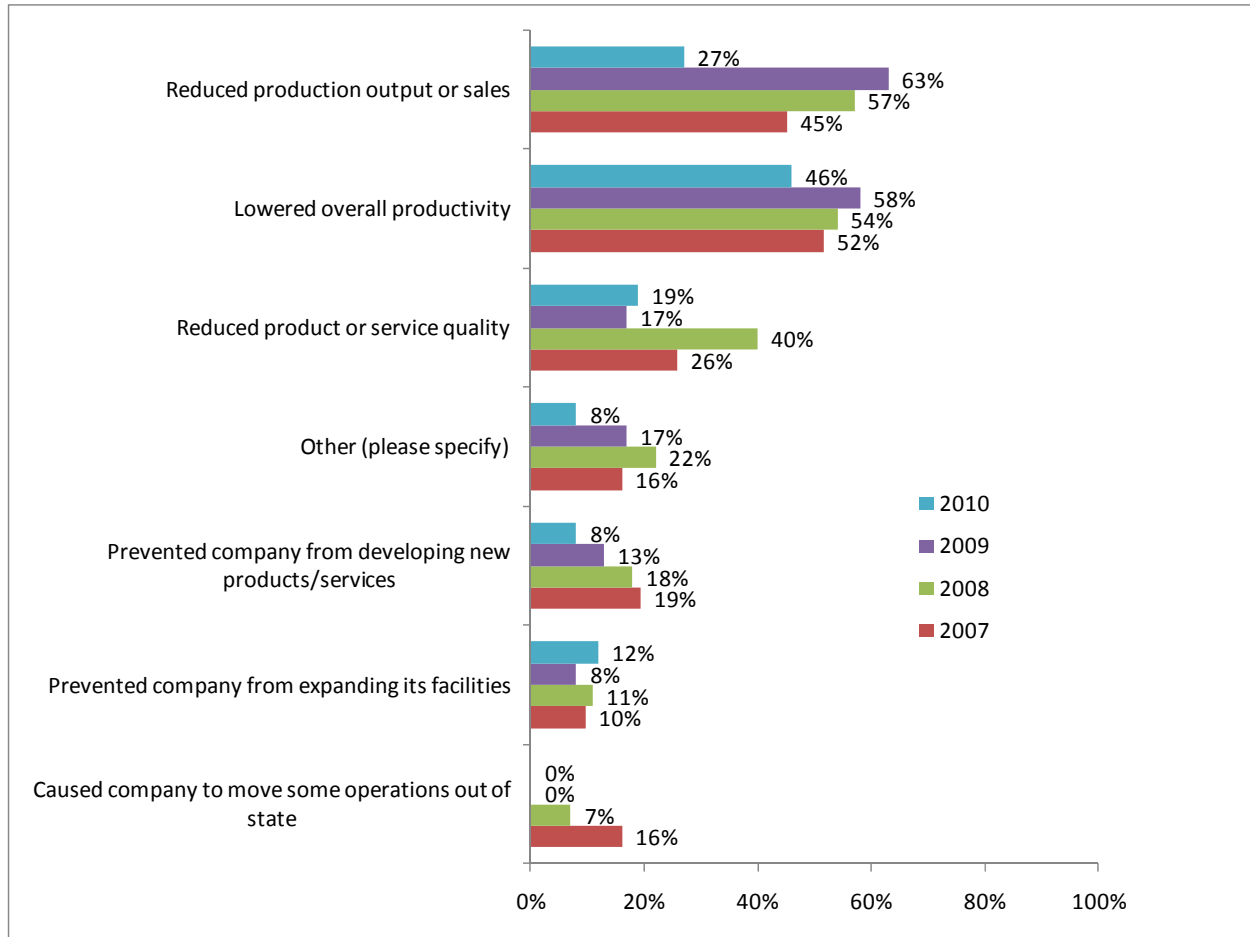
10. Given changes in the economy and business environment, which of the following will be most important to your company's success over the next 3 years?



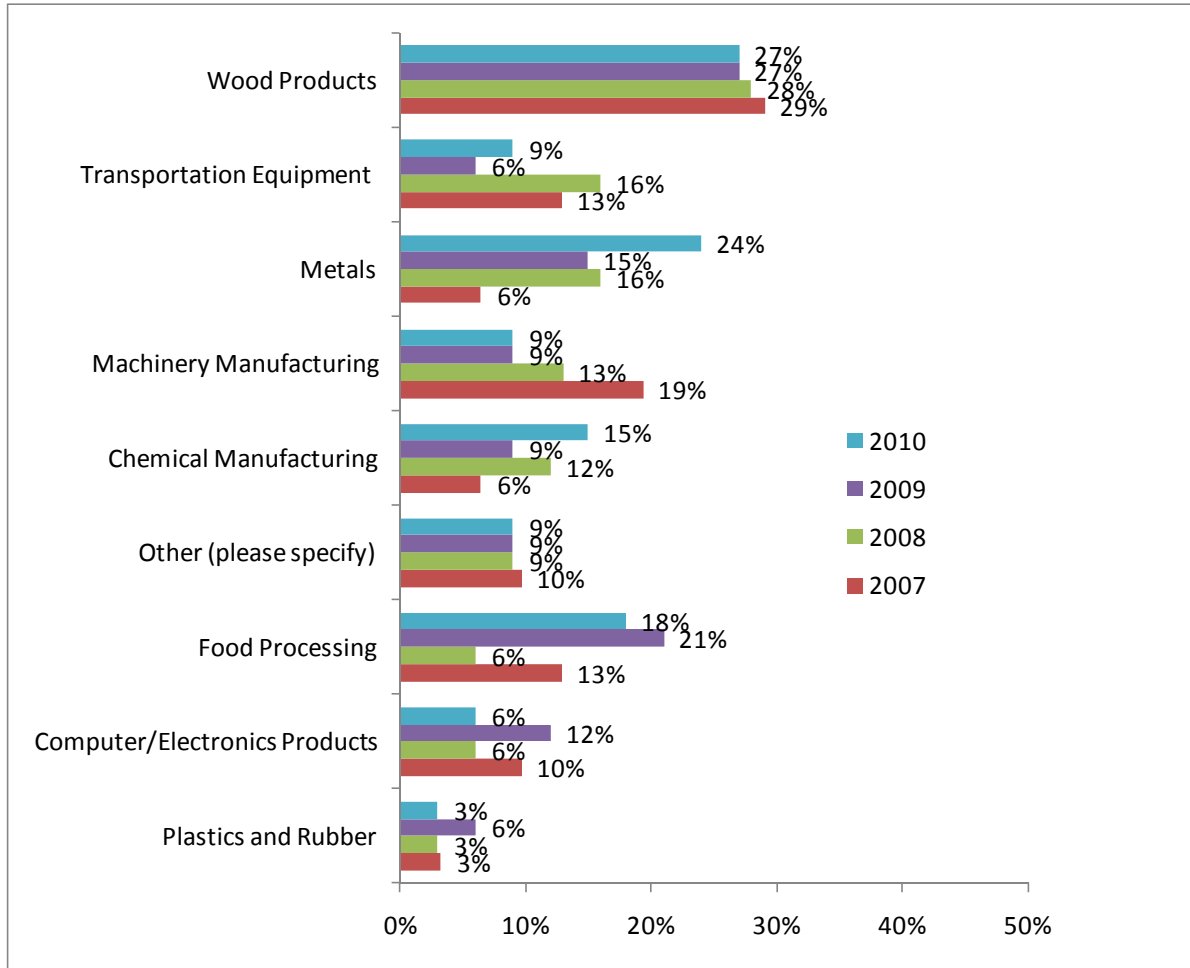
11. Over the next five years, what do you see as the most significant barriers to your company's expansion within the region?



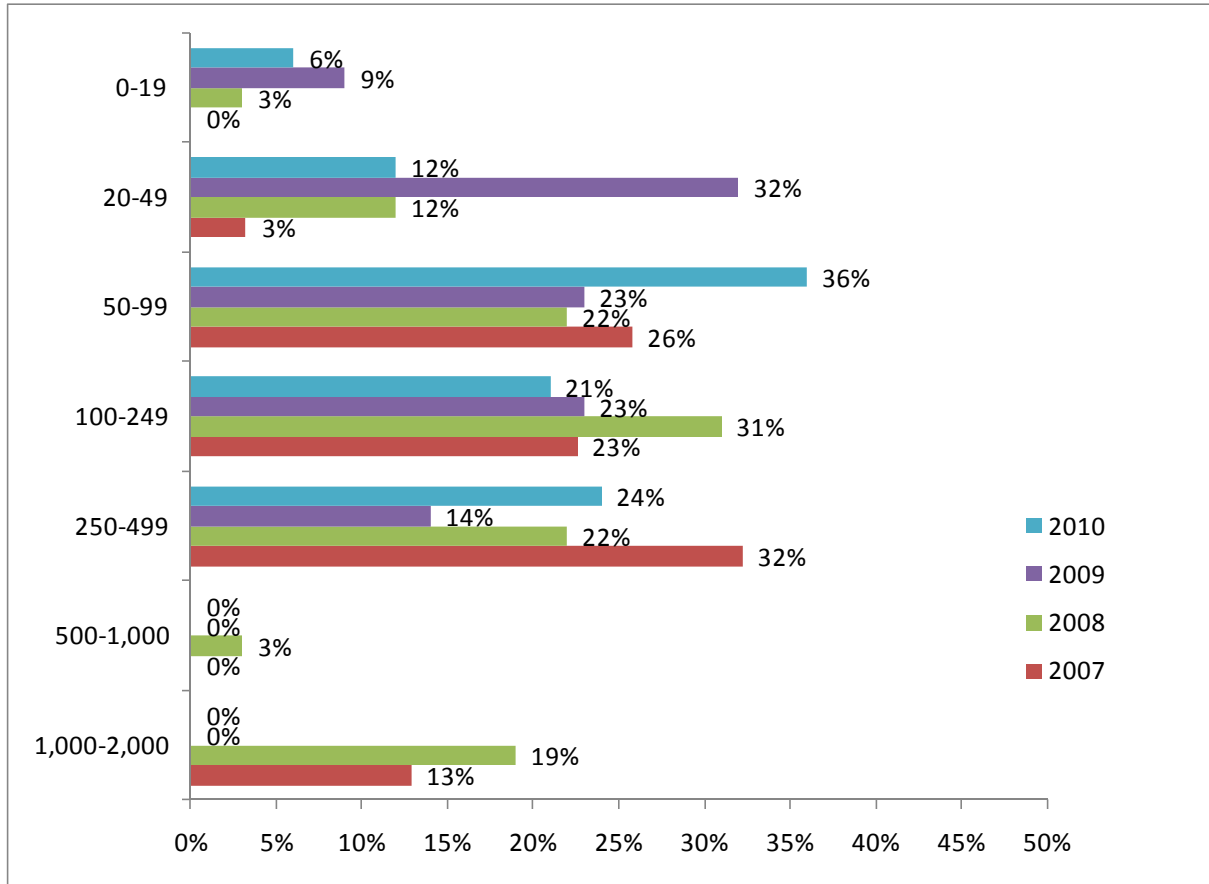
12. If your company is currently facing skill shortages in the workforce, what are some of the economic impacts of those shortages?



13. What type of manufacturing business are you in?



14. How many employees does your company have in Lane County?



15. Would you be interested in participating in a round-table discussion about workforce issues with other area manufacturers?

