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talent shortage in US manufacturing, and this gap will be exacerbated by more than 2.7 million professionals exiting the manufacturing workforce through retirement over ...

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The U.S. is projected to need about 3.5 million manufacturing jobs over the next decade, but as many as two million of those jobs are likely to go unfilled due to the

skills gap, according to new research from [Deloitte](#) and [The Manufacturing Institute](#).

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talent shortage in US manufacturing, and this gap will be exacerbated by more than 2.7 million professionals exiting the manufacturing workforce through retirement over the next ten years,” said Craig Giffi, vice chairman, Deloitte LLP, and US automotive sector leader. “Our research estimates that the cumulative skills gap—or the positions that likely won’t be filled due to a lack of skilled workers—will grow to 2 million between 2015 and 2025.”

Roughly 8 in 10 manufacturing executives (82 percent) responding feel that workforce shortages or skills deficiencies in production roles have a significant impact on their ability to meet customer demand and 78 percent indicate it impacts their ability to implement new technologies and increase productivity.

Manufacturing executives responding to the skills gap survey indicated that 6 of every 10 skilled production openings they have are unfilled today due to the talent shortage.

While 80 percent of executives report they are willing to pay higher salaries than the market rates in workforce areas reeling under the talent crisis, the industry appears to suffer from an inability to fill positions expeditiously. Manufacturing executives surveyed report that it takes more than 90 days to recruit highly-skilled workers, such as engineers and scientists, and an average of 70 days to recruit skilled production workers. According to Benjamin Dollar, principal, Deloitte Consulting LLP, and co-author of the studies, “Traditional, past practices and methods used for recruiting and developing workers needed for the future of manufacturing are simply not going to be adequate.”

“The skills shortage pervades all stages of manufacturing—from engineering to skilled production,” said Jennifer McNelly, president, The Manufacturing Institute. “This challenge will only grow as the demographics of our workforce evolve with retirements, new technological advances requiring a higher level of training and certification, and our K-12 education system which continues to lack the necessary

focus on STEM education.” Added Gardner Carrick, vice president, The

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manufacturing today.

However, it appears Americans see disparity in the level of action being taken by policy makers compared to the relative importance of manufacturing. If given the opportunity to add 1,000 new jobs in their community, Americans ranked the manufacturing industry as their first choice relative to all other industries. While 77 percent of Americans surveyed believe a strong manufacturing base should be a national priority, 83 percent indicate the US needs a more strategic approach to developing a manufacturing base and 82 percent believe the US should further invest in the manufacturing industry. Nearly two-thirds (64 percent) of the American public do not believe federal government leadership or corporate tax policies are an advantage for US competitiveness relative to other countries. And over half (57 percent) feel neither US trade policies nor environmental regulations are providing US companies with an advantage relative to competitors in other countries. Manufacturers appear to agree, as 86 percent of executives surveyed feel government policies have a negative impact on job growth.

“The public understands that manufacturing must be as much a part of America’s future as it was in our past,” said Jay Timmons, president and chief executive officer of the National Association of Manufacturers. “Americans know that manufacturing strengthens not just an economy, but also communities, peoples’ lives and our country. It’s time Washington listened to the people, and adopted a comprehensive manufacturing strategy to secure world-leading manufacturing in the United States and American Exceptionalism long into the future.”

Despite this apparent support for manufacturing from the American public, respondents show a much different attitude toward manufacturing as a career path. While over half of the respondents (53 percent) believe the manufacturing industry provides careers that are interesting and rewarding, and a similar percentage (52



percent) believe a career in the manufacturing industry provides a good income

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industry as their top career choice, given they believe manufacturing jobs are the first to move to other countries and our policy makers are not providing the leadership to help create an advantage for US manufacturers relative to other countries,” added Giffi. “Overall, executives and the general public agree, manufacturing is vital to America. Now is the time to address the talent issue and policy changes necessary to ensure future US competitiveness—before it’s too late.”

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