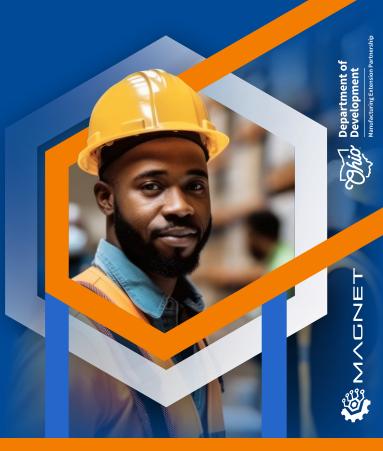
TALENT INSIGHTS

Region makes gains in jobs, equity and pay, but open positions remain a threat to long-term success.



MAGNET's 2023 survey of Northeast Ohio manufacturers tells an exciting story of growth and change, and highlights persistent challenges, as our region strives to execute the <u>Blueprint for Manufacturing in Northeast Ohio</u>. This is a summary of key findings on the manufacturing workforce – how talent is both powering our future and holding us back.

10,000 new jobs

Manufacturing is growing rapidly.

That's a third of the way to our 10-year goal for the region in just two years! The industry is growing overall and the need for new talent in new positions continues to expand.

Source: Team NEO

Starting salaries are getting much more competitive.

per hour for entry-level low-skill jobs, an average increase of 16% in two years.

per hour for entry-level mid-skill jobs, an average increase of 21% in two years.

This is great news for workers and makes manufacturing more competitive with talent, but it is straining companies. 40% of manufacturers say rising wages are hampering their growth.

Companies are catching up with the realities of the tight talent market and it's changing the industry for the better.

→ 2,000+ people of color have entered manufacturing in the past two years. MAGNET alone has helped more than 750 women and people of color start manufacturing careers since 2021.

DIVERSITY TRAINING FLEXIBILITY BENEFITS

- → 65% more companies are increasing their formal apprenticeship or on-the-job training programs.
- → 58% of manufacturers are looking for ways to increase flexibility for workers through hours and shift permutations, cross-training of roles, or more frequent pay to attract *new* employees (87% of companies already do this to retain employees).
- → Almost 70% more manufacturing companies are on the region's best places to work lists than in 2021 – signaling renewed efforts to help attract and keep the best talent through positive workplace cultures.
- → Half of all companies offer tuition reimbursement and almost all companies offer healthcare for all people.
- 25% more companies are recruiting from high schools since 2019.

10%

open entry-level positions

Demand for skilled workers is still sky-high, but the talent gap has closed slightly over the past two years.

The number of unfilled entry-level lowand mid-skill jobs has dropped from 23,000 to 20,000 in Northeast Ohio in the past two years. While this slight drop is promising, with almost 10% of all manufacturing jobs in Northeast Ohio sitting empty, this is still a massive problem that's about to get worse due to spiking retirements.



Retirements

Retirements are a key reason for job vacancies and many more are coming.

After five years of tracking this data, a record high number of companies report a wave of imminent retirements. 20% of manufacturing companies say that at least 16% of their workforce will likely retire in the next three years. In total, we can expect to see 16,000-34,000 people retire – that's 6-13% of the manufacturing workforce – in the next several years. Historically, companies have underestimated retirements, and they now seem to be finally bracing for the silver tsunami.

Methodology: MAGNET's 2023 Manufacturing Survey was conducted from June 13 to August 11, 2023, and received 217 responses from manufacturers across Northeast Ohio. The survey reviewed historical data and examined trends year over year to reduce margins of error. Past surveys have included 200-500 respondents. Individual responses are confidential and data is reported in the aggregate. Unless noted, percent changes are calculated based on MAGNET's 2021 Manufacturing Survey.