

The State of the Manufacturing Workforce in 2024 and Beyond

Managing an Engaged and Connected Workforce
Amid Ongoing Industry Disruption



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The Current State of Manufacturing

How this Critical Industry Is Adapting to Digital Transformation and Evolving Workforce Demands

Manufacturing has been the driving force behind global development, progress, and modernization for countless generations. The late-18th-century Industrial Revolution, in particular, significantly boosted manufacturing, transforming economic and societal landscapes indefinitely.

Today, centuries later, the Fourth Industrial Revolution, or Industry 4.0, is facilitating unprecedented innovation and change. Harnessing smart tools and technology has allowed manufacturers to achieve productivity gains of around 15% to 30% and reduce machine downtime by up to 50%.¹

However, economic uncertainty, changing demographics, an ever-expanding skills gap, compliance obstacles, and supply chain issues are all creating the perfect storm for manufacturers—one that the workforce management sector will be keeping an eye on.

What does this mean for manufacturing workers? To gain insights into the requirements of the modern manufacturing workforce, we ran a combination of 1:1 interviews and surveyed 188 experts and thought leaders globally in the manufacturing sector (see “Our Methodology” on page 21).

Their experiences underscore the industry’s evolution and emphasizes the role of workforce management technology investments in enhancing deskless workforce engagement for effective management and reaching desired business outcomes. This represents a shift to modern workforce management, a discipline focused on optimizing business performance while treating workers as a valuable resource.

In 2023, the makeup of the manufacturing workforce was highly varied, with 57% of our survey respondents reporting that more than half of their workforce was comprised of shift or hourly workers. Balancing the needs of workers while improving performance is a major consideration for manufacturing companies, who need the right tools, technologies, and strategies to effectively manage, engage with, and communicate with their dynamic workforce.

Discover valuable insights in the report as the manufacturing industry undergoes continuous evolution to meet the demands of an ever-changing workforce.

Manufacturing in the Past Two Years

81.4%

Significant to moderate growth

6.4%

No growth

7.4%

Minor Decline in growth

5%

Significant decline resulting in loss of staff

Key Insights

Top Five Workforce Management Challenges Facing the Manufacturing Industry

We uncovered the challenges and opportunities manufacturing leaders face and identified the steps needed to cultivate an environment to drive improved performance. Here are five key insights gleaned from our leader interviews:

✔ **Dealing with Different Workforce Demographics**

With the growing worldwide generational disparity, the manufacturing industry must learn to adapt to changing employee dynamics with senior workers leaving and younger workers joining the workforce. This divide is most keenly felt in technology adoption and usage. Despite the importance of new technologies and digital workforce management solutions, companies must ensure workers across demographics perform their best and maintain their well-being.

✔ **Training, Retaining, and Managing Workers**

Change management, employee training, and employee retention are three key areas that manufacturing leaders must address. For successful change management to occur, there must be a cohesive strategy that enables buy-in from both top leadership and on-the-ground workers. Additionally, leaders need to identify ways to provide a positive employee experience along with ample learning and development opportunities when and where people work. These go together in creating a conducive working environment that improves employee retention and satisfaction, leading to improved productivity and outcomes.

✔ **Engaging and Communicating with Workers Well**

Manufacturing leaders can achieve effective workforce communications by streamlining and simplifying the way they communicate with their workers. This is done by using unified, digital, in the moment communication tools that allow openness and transparency, as it can lead to increased operational efficiency, optimized productivity, and improved engagement levels across diverse employees and demographics.

✔ **Improving Scheduling Flexibility and Worker Time Management**

Providing workers with improved employee experience starts with increased scheduling flexibility and autonomous scheduling capabilities. This will not only help workers feel more in control of their work-life balance, but can contribute to benefits and savings ranging from \$1.4 million for companies with five thousand employees to \$27.1 million for companies with one hundred thousand employees.*²

✔ **Simplifying the Regulatory Compliance Process**

Meeting regulatory compliance in manufacturing can be challenging and tedious due to the various and constantly changing industry regulations and standards that differ across sub-sectors and geographies. That's why a majority of our survey respondents understand the need for compliance and adoption of relevant technological solutions to help them stay compliant.

*Estimated values are based on the aggregated results of hundreds of value studies WorkForce Software has done with customers across a range of industries, deployments, and organizational maturities.

Decreasing the Demographic Divide

All industries worldwide face a growing generational disparity, and manufacturing is no different. Not only does the industry need to contend with experienced workers exiting the workforce, but it also must adapt to the changing needs of the younger workers replacing them.

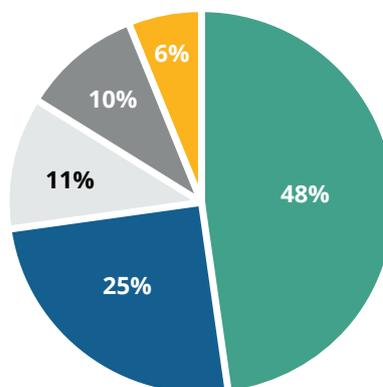
According to the data from companies surveyed, Baby Boomers and Gen X workers only comprise 16% of the current manufacturing deskless workforce, while Millennials and Gen Z workers make up 59%.

One of the areas where this divide is felt most is in technology adoption and usage. To modernize, organizations must not forget that older workers will need to adapt to technological changes and newer ways of working—which is less of a consideration for younger, more tech-savvy workers. Ensuring that older workers get the appropriate support when it comes to technology adoption therefore becomes one of the goals of workforce management.

Most leaders we surveyed are aware of this and are taking action—85% said they understand the importance of investing in new workforce management technology to aid the learning and development of their deskless workforce in the next one to two years.

In addition, leaders must ensure they provide the scheduling flexibility their workers demand. Younger workers want more flexibility and the ability to control their schedules, and it's an employee retention imperative given they will make up the bulk of the workforce in the future.

Manufacturing workforce age demographics



- Predominantly Generation Z (1997-2010)
- Predominantly Millennials (1981-1996)
- Predominantly Generation X (1965-1980)
- Predominantly Baby Boomers (1946-1964)
- A Mix of All Generations

Figure 1: Millennial workers constitute majority in companies surveyed.



The biggest challenge manufacturing is facing now and in the future: engaging those generations [Gen X and Y]. If they're not engaged and we're not giving them the communication they need, they won't feel like they belong and will not stay with us.

— Kurt Taratuta,
Human Resources Information
System Analyst, Haworth



Exclusive Interview

We spoke with **Kurt Taratuta**, Human Resources Information System Analyst at Haworth, about increased flexibility in the workplace, the changes in employee engagement that new technologies have introduced, and the importance of having immediate communication to improve operational efficiencies and how leaders connect with workers.

WHAT INDUSTRY CHANGES HAVE OCCURRED THAT CHANGED HOW YOU ENGAGE WITH EMPLOYEES?

Since the COVID-19 pandemic, our supervisors have to manage many members in the manufacturing environment, and they have a greater need for time and attendance to be real-time.

Right now, they're trying to make sure things are going well at the beginning of the shift, and they don't have a good grasp on who is present. There may be situations where manufacturing lines haven't been checked yet, and the supervisors need to know if they're short on members and if their work is impacted.

This situation is not new, but challenging to us, and we need tools to manage this.

WHAT KEY DRIVERS WILL SHAPE HOW YOUR EMPLOYEES WORK IN THE FUTURE?

We recognize that the workforce is changing, and I think we must be more open to part-time positions, flexible schedules, and shorter pay cycles. Now, with the changes we face across the board, the newer generations want flexibility, to have higher pay and to be paid quickly.

I also think that the days of companies being able to dictate work schedules are over. We face the challenge of meeting flexible schedules, and the supervisors now don't have the right tools to provide this visibility.

Those will be the challenges for us and the whole industry—flexible schedules and work/life balance, and enticing workers to want to be a part of your team.

WHERE DO YOU SEE YOUR FUTURE TECHNOLOGY SPEND IN THE NEXT FEW YEARS?

We're trying to be able to pull more real-time data to our managers in manufacturing and not only to our HR department. They can then look at it and get real-time data on our productivity, hours, and absenteeism.

I think getting that data flow and information—whether it's REST APIs or a flat file—to leaders on time is going to lead to better planning solutions for us. Having this data and a clean look at upcoming time off or other kinds of schedules can help with forecasting and give us a better grasp on our labor planning for the week or the month.

Those are the big things that we will be looking for to take that next step: data flow, planning, and forecasting.

HOW CAN COMMUNICATION BE IMPROVED TO REDUCE OPERATIONAL EFFICIENCIES?

I'd like to look at getting "the hub" to communicate seamlessly. Managers can get those messages right away, and we can see where we have attendance issues to fix. We're not utilizing it yet, but those are the things that I feel are the biggest challenges.

The communication I'm talking about is more of immediate communication regarding attendance and shift visibility. We do not have good visibility of that. We have supervisors in the manufacturing environment in our plants, and they might have 40 or 50 people reporting to them. But too many people are too spread out for them to know everything that's going on.

For example, if a critical worker like a machine operator or material handler does not show up for his work assignment today, he must first get noticed by the team leader. The team leader then needs to communicate it to the supervisor, and that's not a real quick flow.

It might take an hour or more for that manager to find out that this key person is missing, and then they've got to make other plans and have a backup in place. This means losing some valuable time without having that instantaneous information, and we need a better method to get that flow to the people that need to know.

Exclusive Interview *continued*

WHAT ADVICE DO YOU HAVE FOR OTHER LEADERS ON WORKFORCE MANAGEMENT?

You must identify ways to keep the Gen X and the Gen Y members engaged; you can't keep the old-school way of thinking. This means having increased levels of communication.

These generations have grown up on mobile phones, social media, and constant communication, so we've got to make sure that we're seen in front of them with communication, giving them timely feedback and a feeling of belonging.

That is the biggest challenge manufacturing is facing now and in the future—engaging those generations. If they're not engaged and we're not giving them the communication they need, they won't feel like they belong and will not stay with us. The question is, how do you keep that 20-something-year-old member that's working on a machine or an assembly line engaged? That's the biggest thing we must address as a company and across the board.



The days of companies being able to just dictate work schedules are over. We face the challenge of meeting flexible schedules, and the supervisors now don't have the right tools to provide this visibility.

— Kurt Taratuta,
Human Resources Information
System Analyst, Haworth

Balancing Change Management, Training, and Talent Retention

CHANGE MANAGEMENT

When systems and processes have been operating well, organizations may need a stronger impetus to change. This movement will come from the younger deskless workforce. As they demand newer consumer-grade technology and solutions to perform their tasks more effectively, manufacturers must keep up and ensure that they transform or risk losing their skilled workers.

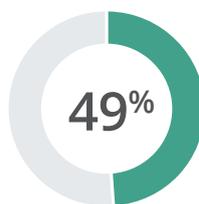
This is where a two-pronged approach—getting buy-in from top leadership and from the ground up with shift workers—is essential for successful change management. Research has found that 72% of business transformation efforts are unsuccessful largely due to workforce resistance and lack of leadership support.³

EMPLOYEE TRAINING AND DEVELOPMENT

Employees must have access to the right skills and leadership training to develop the technical and soft skills needed for better operational management. Getting these training opportunities has been found to improve employee engagement, motivation, retention, and productivity.⁴ Existing leaders must also undergo training and skill development to better manage a diverse and modern workforce and cultivate a healthier and more inclusive workplace environment.

Adequate training and development also results in higher productivity. According to a World Economic Forum and PwC report, countries that upskill their workforce by 2028 can expect to see an increase in productivity of 10 percentage points by 2030.⁵ Despite this benefit, 65% of companies in our survey are not investing in modern workforce management technology, resulting in 20% lower productivity on average.

It's important to ensure that deskless workers do not miss out on training opportunities that other workers may receive. Leveraging mobile technology is an effective way of making training convenient and accessible. Seventy-six percent of survey respondents stated there has been a significant increase in demand for mobile technology.



stated that optimized productivity was within the top three benefits of implementing such a strategy.

Figure 2: The importance of optimized productivity when enhancing employee experience.

Recognizing the Importance of an Employee Experience Strategy

68%
already have an employee experience strategy in place

21%
are working to implement an employee experience strategy

Balancing Change Management, Training, and Talent Retention *continued*

EMPLOYEE RETENTION

In today's competitive labor market, the quality of employee experience can be a differentiating factor in attracting and retaining skilled workers. Fifty-one percent of our survey respondents stated that improved employee retention was one of the most important factors for developing effective employee experience strategies.

Increasingly, the advanced technologies that have enabled efficient, powerful, and sustainable manufacturing processes have also introduced digital solutions that promote greater flexibility, leading to a better employee experience.

Companies that invest in modern workforce management technology often experience lower employee turnover rates, which translates into significant recruitment, training, and onboarding cost savings. For example, a company with 100 employees could save up to \$2.6 million annually,⁶ based on industry averages.

Top three rated benefits of implementing an employee experience strategy

- 1 Improved process efficiencies
- 2 Better employee experience and retention
- 3 Optimized productivity



For us, providing continuous upskilling, learning, and training opportunities is an ongoing and important process for us to maintain our quality and meet changing statutory standards.

— Sudeep Dev,
Sr. Vice President & Chief Human Resources Officer, Volvo Eicher Commercial Vehicles Limited



Exclusive Interview

We spoke with **Sudeep Dev**, Senior Vice President & Chief Human Resources Officer at Volvo Eicher Commercial Vehicles Limited, about the role change management plays in improving workplace culture, embracing new technologies for streamlining processes, and the importance of workforce diversity and skills.

WHAT INDUSTRY CHANGES HAVE OCCURRED THAT CHANGED HOW YOU MANAGE EMPLOYEES?

In India, we set up a state-of-the-art plant during COVID-19 with a capacity of more than 100,000 trucks. The biggest thing we learned when we designed and implemented Industry 4.0 and Internet of Things (IoT) solutions in the factory was the importance of flexibility and correctly assessing the skill level of the workers that run the shopfloor, so we could assign them to the right shifts.

With advanced workforce management and IoT-enabled systems and applications, we could have a broad overview of plants and shifts and identify areas to deploy workers with suitable skills. That flexibility was invaluable in helping us address unforeseen absenteeism and achieve a completely error-free vehicle production line with zero quality issues.

HOW IMPORTANT ARE UPSKILLING OPPORTUNITIES FOR KEEPING WORKERS ENGAGED?

Technology is changing very fast today in our industry, with new emission standards that must be adhered to and new types of fuel—ranging from compressed natural gas (CNG) to hydrogen—that we must be familiar with.

It's essential that my operators have the knowledge to work on the components for different engines on the shop floor, which is why we require a lot of upskilling and mandatory continuous learning. Providing continuous upskilling, education, and training opportunities is an ongoing and important process for us to maintain our quality and meet changing statutory standards.

HOW DO YOU EFFECTIVELY ENGAGE WITH WORKERS ACROSS DIFFERENT DEMOGRAPHICS?

Today's workforce is very tech-savvy, especially the younger generation. Many people in India use smartphones and are very comfortable using mobile applications daily.

Understandably, there are challenges with some Gen X and older generations who are not used to new tech-driven solutions, as they are more familiar with offline and traditional solutions. It's a significant change management process they have to undergo. Fortunately, they have gradually accepted this digital transformation with the help of reverse mentoring, where younger employees teach older employees.

WHERE DO YOU SEE YOUR FUTURE TECHNOLOGY SPEND IN THE NEXT FEW YEARS?

We focus on creating a better employee experience through new digital solutions. For instance, how to resolve employee grievances quickly and effectively.

However, our objective is not to track our employees for the sake of tracking. Our objective is to develop trust in our workers and empower them with the ability to improve their productivity and efficiency through these digital solutions. And this is our main goal—to drive higher levels of productivity and customer satisfaction.

Exclusive Interview *continued*

WHAT ARE SOME STRATEGIES THAT HAVE HELPED WITH WORKFORCE DIVERSITY?

We identified a few technical institutes and supported them in their candidate selection process, while mandating that at least 30% to 40% of the candidates must be female. We also assured these institutes that we would recruit at least 70% to 80% of their students based on performance and commitment levels. We designed a curriculum with them that is industry-oriented and based on current technology requirements.

We also sent our managers to these institutes to deliver lectures as part of their curriculum. This helped the students better understand current industry needs and build competence around real-world industry requirements. This way, we form an academic partnership and support them right from the training phase to the recruitment stage.

WHAT ADVICE DO YOU HAVE FOR OTHER LEADERS ON WORKFORCE MANAGEMENT?

As leaders, we should provide a conducive and positive workplace environment so that workers are able to perform their best. This also means encouraging and empowering them to be more involved in decision-making processes.

Senior members of the team should embrace this and engage with workers meaningfully, providing all the support that workers need for greater professional growth. This means finding ways to connect with workers regularly to ensure that their physical and mental well-being are taken care of and that they can perform their tasks well.



Our objective is to develop trust in our workers and empower them with the ability to improve their productivity and efficiency through these digital solutions.

— Sudeep Dev,
Senior Vice President & Chief
Human Resources Officer,
Volvo Eicher Commercial
Vehicles Limited



Communicating and Collaborating Effectively

Aligning a single business unit's communications can be challenging, much less the entire organization. This is apparent in manufacturing as the industry comprises departments across multiple sites, geographies, and complex processes, making effective communication and collaboration essential for productivity.

To communicate well, manufacturing leaders must avoid using varied communication mediums and streamline communications to maximize engagement levels across diverse employees and demographics.

Using modern communications technologies in line with the needs of the deskless workforce has helped companies and leaders improve the way they connect with employees and streamline the communications process for enhanced employee experience, leading to better operational efficiency and optimized productivity.

Open and transparent communication also creates avenues for receiving employee feedback that is essential for improving working environments. Many leaders are already recognizing the importance of new communication and collaboration tools, with 48% of survey respondents currently using these solutions, while 74% plan to invest in new communication and collaboration tools in the next three years.

Better communication and collaboration are not the only solutions for improving workforce productivity. Using advanced workforce management systems with features like automated task management and performance analytics can boost employee productivity by up to 20%.⁷ Based on this projection, a company with an average revenue of \$150,000 per employee could see a potential productivity gain of \$30 million annually for a workforce of 1,000 employees.⁷

Investing in future communication and collaboration tools

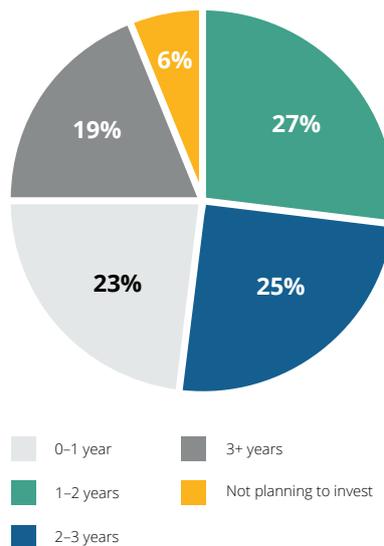


Figure 3: How soon manufacturers intend to invest in communication and collaboration tools.



The most important thing is to make sure the people that you're making decisions for have input into those decisions. If you're not getting direct feedback from the people, you're just making assumptions.

— Jake Smith,
People Analytics Manager, Xylem



Exclusive Interview

We spoke with **Jake Smith**, People Analytics Manager at Xylem, about how effective people management has been changed by technological solutions, how work/life balance demands are being managed, and what can be done to ensure top-down and bottom-up acceptance of new workforce management.

WHAT INDUSTRY CHANGES HAVE CHANGED HOW YOU ENGAGE WITH EMPLOYEES?

The evolution of the mobile atmosphere has played a big part. We're approaching this from an HR perspective. After speaking with some of our HR leaders out in the field who directly work with these employees, we're starting to utilize things like QR codes, mobile applications, and other new technologies.

We're trying to push the organization to be more accessible to employees that are more "non-wired" in nature. As phones get more advanced in the sophistication of their technologies, we're seeing more enhancements to different existing features. This gives the employees more flexibility, especially those in the manufacturing environments, to access things that the more wired folks would get to access more flexibly.

WHAT HAS BEEN DONE TO ADDRESS YOUR WORKERS' WORK/LIFE BALANCE AND GROWTH DEMANDS?

Work/life balance and growth and development are two of the key points that employees are focused on. There's a lot more of a need for some flexibility and balance in how these employees work, how we fill shifts, what overtime looks like, and giving autonomy back to the employees as they approach their workday.

Employees want to be able to grow in their careers and develop more, so being able to utilize our technologies to help facilitate learning opportunities, whether it's through courses or on-demand webinars, is something we're trying to steer toward.

HOW DO YOU MANAGE EMPLOYEE EXPECTATIONS WITH THE USE OF NEW TECHNOLOGIES?

There has been a mixed bag of reactions toward the increasing use of new technologies. Some of the challenges we're facing are possibly related to internal processes and different internal barriers as we change and shift the way we work.

With some of the younger generations that grew up with and are more accustomed to using technology, having more streamlined and efficient workforce technologies and mobile applications is a positive thing. However, the older demographics in our workforce face many challenges as they may need to become more technologically savvy. It takes a little bit more time and training from a change management perspective to get them to embrace that.

Today, we still have some pushback, and some extra effort is needed on our side of things to get these new solutions accepted. It just takes a little more time to ensure that everyone in our workforce is accounted for and can use the technology.

WHAT ARE SOME CHANGE MANAGEMENT STRATEGIES THAT HAVE BEEN EFFECTIVE?

Due to the technological learning curve, employees who need extra support should have access to someone with all the skills necessary to help and guide them through what they're using.

That means investing in training our managers—it's about putting the stress on manager accountability and giving the managers the tools they need to help cross-train with the individuals using the technologies more frequently.

We have also put together built-in user guides in some of the different systems we use, and our software has tools like clickable walkthroughs on things you navigate through. This provides a more interactive approach that encourages self-learning, and those have been positively received.

Ultimately, it's about equipping the employees and managers with sufficient guidance and accessibility, so they feel supported.

Exclusive Interview *continued*

HOW DO YOU BALANCE CHANGE MANAGEMENT FROM LEADERSHIP AGAINST WORKER PERSPECTIVES?

Leaders at the top levels of companies tend to work in their silos, and it's hard to get them to step back and understand the importance and impact of some of these things they don't see daily. That's where employee communication comes into play.

As I work in analytics on the HR side of things, I can use feedback and data to show leaders how we drive certain business functions and the effectiveness of our operations. This helps them understand things from a different perspective.

On the other hand, it's also challenging to manage our employees' diversity and demographic spread, especially when you're talking about technology and change. Workers are in a job for many different reasons—from wanting to develop their careers to simply supporting their families. It's therefore important to have options for those employees to approach work in the way they want to feel supported. That way, there can be buy-in from both the top and bottom when it comes to change.

WHAT ADVICE DO YOU HAVE FOR OTHER LEADERS ON WORKFORCE MANAGEMENT?

The most important thing is to ensure the people you're making decisions for have input in those decisions. If you're not getting direct feedback from the people, you're just making assumptions.

Getting your managers on board—the people who oversee these different manufacturing functions—upskilling them, and ensuring they're comfortable and supported in their roles is also important. They are the first people employees go to with questions, so we want to ensure that employees are supported and that we're also supporting them through the managers. This means focusing on manager training, accountability, transparency, and allowing that support stream to be there when needed.



Employees want to be able to grow in their careers and develop more, so being able to utilize our technologies to help facilitate learning opportunities, whether it's through courses or on-demand webinars, is something we're trying to steer toward.

— Jake Smith,
People Analytics Manager,
Xylem

Enabling Flexible Scheduling and Independent Time Management

A fundamental part of any modern workforce management strategy should be allowing deskless workers more control over their working schedule as they seek a better work/life balance. This means better time and attendance control for the worker.

Offering this flexibility is foundational for successful workforce management in practice and one that delivers a strong digital transformation ROI.

That's why many HR and operational leaders are exploring new scheduling options—like modern, robust, and cloud-based time and attendance solutions—to effectively plan their resources and offer employees flexibility. Gains are noteworthy: for example, manufacturing organizations who have implemented scheduling and forecasting solutions have seen benefits and savings ranging up to \$27.1 million for companies with one hundred thousand employees.*²

Further, providing workers with independence, convenience, and control over their schedules goes a long way in effectively managing and engaging with them. Things such as self-service portals and mobile accessibility, so that employees can access schedules and request time off from their smartphones and tablets, is an imperative. The HR leaders we spoke with know scheduling flexibility functionality is being reflected.

Modern Workforce Management Tech Investment Priorities for Time Management

69% currently use a time management solution

72% are going to roll out a new time management technology in the next 3 years

Time Management Top-Rated Benefits

- 1 Reduce administrative overhead with self-service and full automation of attendance and pay rules
- 2 Reduce payroll leakage with accurate time capture and automated gross payroll calculations
- 3 Give employees visibility into time and gross pay calculations before payroll processing

Modern Workforce Management Tech Investment Priorities for Scheduling

44% currently use a scheduling solution

82% plan to invest in new scheduling technology in the next 3 years

Scheduling Top-Rated Benefits

- 1 Create shift schedules that define the jobs that need to be performed in each shift and the headcount for each job
- 2 Provide options for employees to manage their availability and plan time off
- 3 Monitor planned schedules against updated labor forecasts to ensure planned coverage meets business demand

*Estimated values are based on the aggregated results of hundreds of value studies WorkForce Software has done with customers across a range of industries, deployments, and organizational maturities.



Exclusive Interview

We spoke with **Dimitri Ruiz**, Functional Expert Payroll at Mars Global Services, about how new technologies can be a double-edged sword in workforce engagement, the right way to communicate change to employees to simplify processes, and the importance of data analytics capabilities to enable businesses to improve workforce management.

WHAT INDUSTRY CHANGES HAVE CHANGED HOW YOU ENGAGE WITH EMPLOYEES?

Many new technologies have been introduced to empower people to independently perform their activities well, from associates to managers. The key elements are how the technology enables employees to have these self-service processes, so they don't have to depend on others.

The major challenge presented by these new technological solutions is usability. How user-friendly or intuitive are these applications? How can we provide enough information on the screens so that people can understand what they need to do?

It's a big challenge currently because we are not there yet in terms of user-friendliness. It's not a generational problem per se, but more about the technological challenge—while older people may find it more challenging, if the technology is easy to access and manipulate, then it will be beneficial for the industry overall.

WHAT NEW TECHNOLOGIES ARE YOU USING TO ADDRESS CHANGING WORKFORCE DEMANDS?

New desktop and mobile applications have been introduced to help workers gain more visibility and control over their work schedules, like submitting requests for time off through these platforms. This has made it easier for workers to manage their own time and shifts.

As a part of the payroll team, we have also conducted tests and pilots to better understand how we can deploy new features and applications to the workforce to streamline processes. Our mobile application was unsurprisingly well received by the younger generation, but it's also been well received by most people in general thanks to the flexibility it provides. Workers don't have to be tied to a single location or desktop to perform tasks or submit requests.

WHAT STRATEGIES THAT HAVE WORKED FOR MANUFACTURING SHOULD OTHER SECTORS CONSIDER?

The manufacturing workforce population is very dynamic. With such a huge and diverse population, the challenge is, how can we manage this dynamic and diverse workforce more easily and adapt to their needs more quickly?

With global issues like the pandemic and geopolitical conflict, we are facing growing challenges and need faster adaptation. While it is not so simple to change things in systems or applications in such large industries and organizations, our focus on technology has enabled us to make progress. The key is identifying how technology can help with adaptation and implementing it successfully. That's the biggest challenge.

WHERE DO YOU SEE YOUR FUTURE TECHNOLOGY SPEND IN THE NEXT FEW YEARS?

We are looking at easier ways to extract and analyze data. Not all businesses have reached the same level of technological maturity, and I see a lot of managers struggle to extract existing data from systems. This is an issue as our managers need the ability to analyze this data easily and effectively so we can look into improving our operational processes more efficiently.

The question is, how can we provide new solutions, platforms, and dashboards for the organizations so that managers have improved data analysis and management capabilities? We also need to identify new opportunities for automation through new technologies and need to revisit our processes. Although we have some of the technology currently, we need to find new ways to optimize and transform our manual processes for greater efficiency.

Exclusive Interview *continued*

WHAT ADVICE DO YOU HAVE FOR OTHER LEADERS ON WORKFORCE MANAGEMENT?

Balancing technology and users can be tricky, especially if you have a very complex ecosystem of applications and tools.

With everything driven by technology, it's important to maintain a goal of developing better communication and engagement by streamlining these technologies.

When there is only one front-end platform and one screen for users to access information and perform tasks, it becomes easier for workers to stay informed and engaged. What has worked for us is having an ecosystem that's less complex, so our workers can remain connected and focused through fewer applications. Platforms like SuccessFactors have helped us maintain this simplicity through easy payroll integrations and applications.



When there is only one front-end platform and one screen for users to access information and perform tasks, it becomes easier for workers to stay informed and engaged.

— Dimitri Ruiz,
Functional Expert Payroll,
Mars Global Services



Seamlessly Managing and Meeting Regulatory Compliance

Compliance is crucial in manufacturing. It includes following relevant laws, regulations, and standards to ensure legal standing, maintain safety and quality, build trust, and protect the organization's reputation.

Effective compliance management in manufacturing extends beyond merely avoiding fines. It involves a comprehensive understanding of the rapidly evolving regulatory landscape, especially in areas like environmental sustainability, labor laws, and product safety. Systems that manage and automate compliance are not only cost-effective but also play a crucial role in enabling real-time monitoring and reporting. This capability is essential for adapting to changes in regulations and maintaining continuous compliance. Furthermore, data-driven insights that come from these systems can inform strategic decisions, enhancing operational efficiency and reinforcing a culture of compliance within the organization.

In an industry where fines can average \$50,000 per violation, automating compliance can prevent potential fines that could run into hundreds of thousands or even millions of dollars.⁸

The importance of modern workforce management technology in compliance

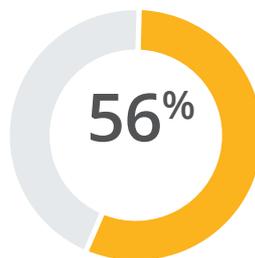
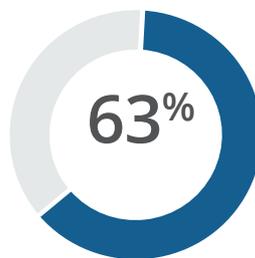
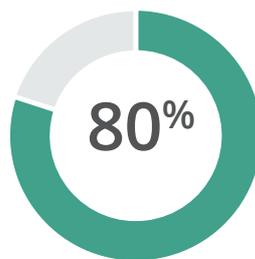


Figure 4: Most survey respondents understand the role modern workforce management technology plays in compliance.

Navigating the Future of Manufacturing Workforce Management

Recent technological advancements have led to tremendous progress in manufacturing. This wave of Industry 4.0 technologies opens new doors to enhanced, autonomous, and intelligent operational processes designed to improve output and sustainability.

The results of our study show that many manufacturing leaders recognize that continued technology investments will drive business function improvements and increase operational effectiveness. However, successful implementation of these digital technologies hinges on how well an organization is equipped to engage their workforce and prepare them to make full use of these advanced capabilities.

A prime example of this is the use of technology to automate compliance steps when monitoring relevant aspects of workforce management, such as accurately tracking time and attendance, scheduling in accordance with labor laws, managing certifications and training, and ensuring proper recordkeeping. These solutions manage workforce needs more efficiently, making it easier to stay compliant by limiting the chance for manual errors, reducing the risk of costly legal violations, and providing streamlined documentation if compliance is ever questioned.

Further, our survey shows that HR and Operations leadership understand that time management technology serves as a foundation for building better employee experience and are prioritizing this over other investments. Perhaps even more than novel hardware and software technologies, advanced capabilities depend on the people who make up the manufacturing workforce, particularly deskless and shift-based workers.

To equip these employees for success, organizations should invest in and implement improved workforce management solutions that can serve as the foundation for further innovations.

Advanced, operationally focused communication tools help large organizations break down barriers between diverse demographics within the workforce. As manufacturing leaders streamline communication, they unlock operational efficiency, optimize productivity, and nurture higher engagement levels.

The worldwide generational shift in workforce demographics necessitates a proactive approach that goes beyond simple acknowledgment. Manufacturing organizations will need to prioritize strategies to attract new talent and embrace the diversity of technological preferences and work styles. Training, retaining, and effectively managing the workforce are vital for cultivating a resilient manufacturing ecosystem.

Navigating the Future of Manufacturing Workforce Management *continued*

Adopting systems that allow for scheduling flexibility and autonomous time management is not just about meeting employee demands but about acknowledging the changing dynamics of the modern workforce. Giving workers control over their schedules not only enhances their work/life balance but also delivers a tangible reduction in labor costs, showcasing a win-win scenario for both employees and the organization.

Modern workforce management solutions that offer advanced scheduling, time management, and employee experience features can enable companies to optimize their labor costs and reduce overheads. This, coupled with a commitment to providing a positive employee experience through continuous learning and development, sets the stage for heightened satisfaction and productivity.

Manufacturing organizations who have implemented these solutions have seen cost benefits ranging from \$7.9 million for 5,000-employee companies up to \$157.5 million for 100,000-employee companies.*² These investments not only lead to optimal business and employee outcomes, but serve as a natural first step in an ongoing transformation journey. Industry leaders who take action to improve their workforce management practices will be positioned to realize tangible value that can fuel future transformations.



*Estimated values are based on the aggregated results of hundreds of value studies WorkForce Software has done with customers across a range of industries, deployments, and organizational maturities.

Our Methodology

WorkForce Software's "The State of the Manufacturing Workforce in 2024 and Beyond" report was created through consultation with international manufacturing leaders, to assess the manufacturing industry's preparedness and capability in managing and engaging the workforce of today.

This report draws on virtual interviews and anonymous surveys.

Our research is based on qualitative methods via one-on-one virtual interviews with a range of leading manufacturing and human resources executives at several companies across the sector. The interviews were conducted over virtual video chat so that we could gain a personal view and detect underlying motivations, beliefs, attitudes and feelings on a range of areas and subjects. The surveys were conducted anonymously to ensure that fair and objective data was gathered.

WE ASKED THE FOLLOWING QUESTIONS

- ✔ What are some of the significant changes and trends you have seen in the manufacturing and resources industry that have changed the way you engage, communicate with, and manage your employees?
- ✔ What do you think are the key drivers that will shape the way your employees work in the future?

- ✔ In your opinion, how has the manufacturing industry adapted to improve its employee value proposition?
- ✔ How have the needs of your employees, especially field workers, changed over the last few years (e.g. work/life balance, visibility, communication)?
- ✔ What technologies have you used to address these challenges and meet the changing needs of today's diverse employee demographics (e.g. Gen X, Gen Y)?
- ✔ Where do you see your future technology spend being focused over the next few years?
- ✔ Much has been discussed about technology and its positive impact on the manufacturing industry. Can you share more specific examples?
- ✔ With these new technologies, what skills will manufacturing workers of the next generation require?
- ✔ What new workforce management strategies have you observed in the manufacturing industry that other industry leaders should consider?

- ✔ As a leader within manufacturing, what is your best advice for other industry leaders when it comes to engaging, communicating with, and managing your employees/field workers?

Learn how WorkForce Software's modern workforce management solution can help you improve operational performance and deliver a breakthrough employee experience.

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As the recipient of numerous awards, including Top 10 Marketing Consultancies in Asia 2023 by Asia Business Outlook, we are proud of the quality of work and service we have provided for the past 15 years.

