



# Manufacturing Employee Engagement Survey

—  
2023-2024





## Summary

In 2022, The Manufacturer's Association applied to the PA Department of Labor and Industry for a regional Industry Partnership (IP) grant. The grant awarded for the calendar year 2023 provided for multiple efforts to attract, train, and retain a skilled workforce across South Central PA. One such effort was a research study on the best practices and barriers to retaining and attracting new employees, titled "Barriers to Retention." This survey was commissioned as part of that research effort with the goal of evaluating employee engagement among participating companies. The survey's engagement data is intended to provide benchmark data on job satisfaction for the region's manufacturers.

In October 2023, The Manufacturer's Association received a \$6.1 million grant from the United States Department of Defense and the PA Department of Community and Economic Development. These funds will help the Association invest in training skilled manufacturing employees in the U.S. Navy supply chain as well as efforts to engage and maintain future defense industrial base workforce. As part of these efforts, participation in the "Barriers to Retention" survey was offered to manufacturers that are participating in the T.I.D.E. project.

## Methodology

Five member organizations of the Manufacturer's Association agreed to participate in this project. The survey was conducted online, and participants were provided with a survey link which was then administered to employee groups during the survey dates. Select questions were benchmarked against a dataset of manufacturing employers that is maintained by Survey Monkey. Additional benchmarks were publicly sourced from the employee survey firm Perceptyx.

The survey consisted of 43 questions using LIKERT response to measure key topics of employee engagement, one ranked-choice question, one text-response question, and a Net Promoter Score question. Additionally, four demographic questions collected data on employer, position type, tenure, and age. Responses to these demographic questions are managed by the Association and have been kept confidential from our partner organizations. Because the sample is based on manufacturers that agreed to participate in the project and whose employees agreed to take the survey, results do not necessarily reflect a representative sample of the regional manufacturing sector.

## Highlights

### Training & Development

Most employees believe they are able to both improve their skills and meet career goals at their company, but 30% of front-line production employees are dissatisfied with their present career advancement opportunities.

### Workplace Culture

Employees report strong levels of respect and helpfulness in their teams, as well as highly respectful relationships with their supervisors. However, front-line employees trust supervisors 26% more frequently than they do senior leadership.

### Employee Engagement

Employees reported lower levels of excitement about work than compared to the benchmark data, while at the same time reporting high levels of pride in their company (79% agree) and the products their company makes (86% agree). Survey responses also indicated that employees felt marginally less empowered in the workplace than Survey Monkey's benchmark in the manufacturing industry.

### Compensation and Benefits

Survey respondents reported higher levels of satisfaction with compensation and benefits in comparison to Survey Monkey's manufacturing industry benchmark.

### Flexible Workforce

Employees ranked seven flexible workforce options by order of preference. The top three options were: adjusted shifts, flexible start hours, and compressed workweeks.

### Employee Net Promoter Score

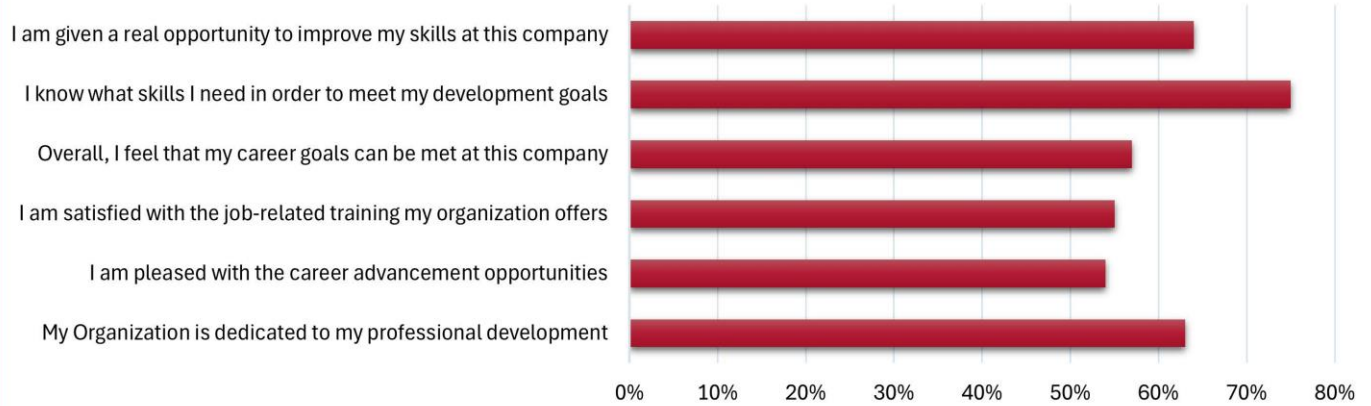
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## Survey Analysis

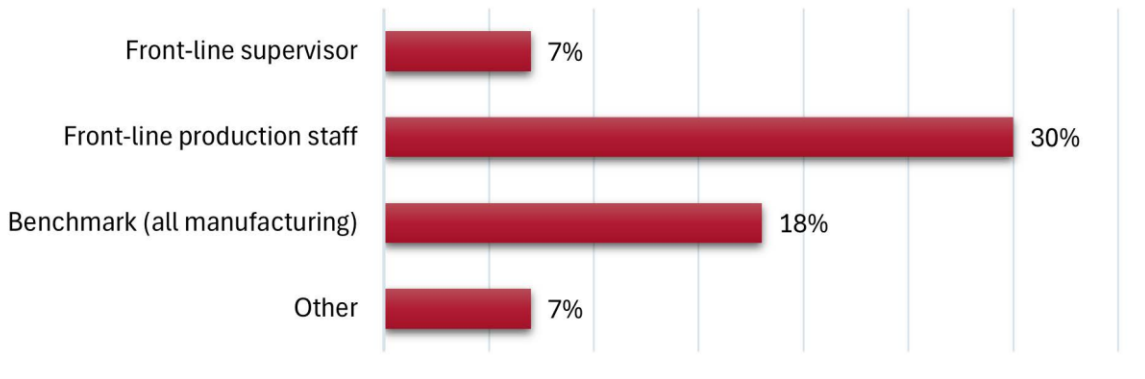
### Training and Development

- Just over half of employees believe they are able to improve their skills and meet career goals at their company.
- But 30% of front-line, non-supervisory employees are dissatisfied with the career advancement options available to them.
- Additionally, only 63% of respondents agreed that their organization is "dedicated" to their professional development. Employees who perceive that their organization intentionally supports them are likely to perform their roles better and report higher levels of job satisfaction, which is a key driver of long-term employee engagement.

### Training and Development (% Strongly Agree/Agree) Responses



### Satisfaction With Career Advancement Opportunities (% Disagree/Strongly Disagree)



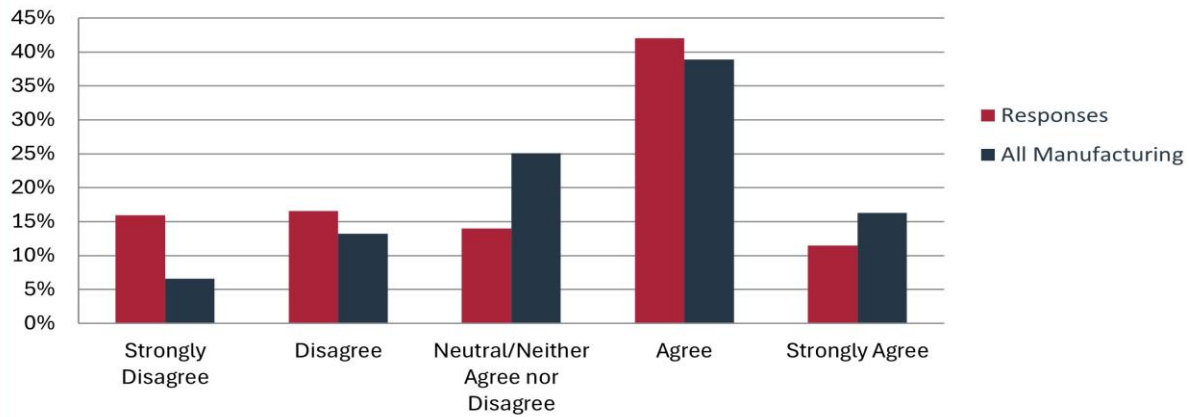
### Workplace Culture

- Employees reported high levels of helpfulness (86%) and respect (72%) in their teams. Furthermore, employees claimed high levels of respect from their supervisors (86%) and strong confidence in their supervisor/manager’s decisions (74%).
- Employers will need to focus on front-line supervisors as the key to employee retention strategies. Providing these supervisors with the appropriate tools and training will pay dividends in retention rates based on the high trust that employees have in these individuals. These supervisor employees can be considered the “heartbeat leaders” of an organization and one of the key factors driving retention outcomes in any environment.
- Respondents reported lower levels of trust between senior management and front-line employees than available benchmark data provided (Survey 48%, Benchmark 55%).
- In a workforce that is shrinking yet growing in diversity, it’s important that employees value the experiences and knowledge of colleagues. 78% of respondents reported that this is the case in their teams.

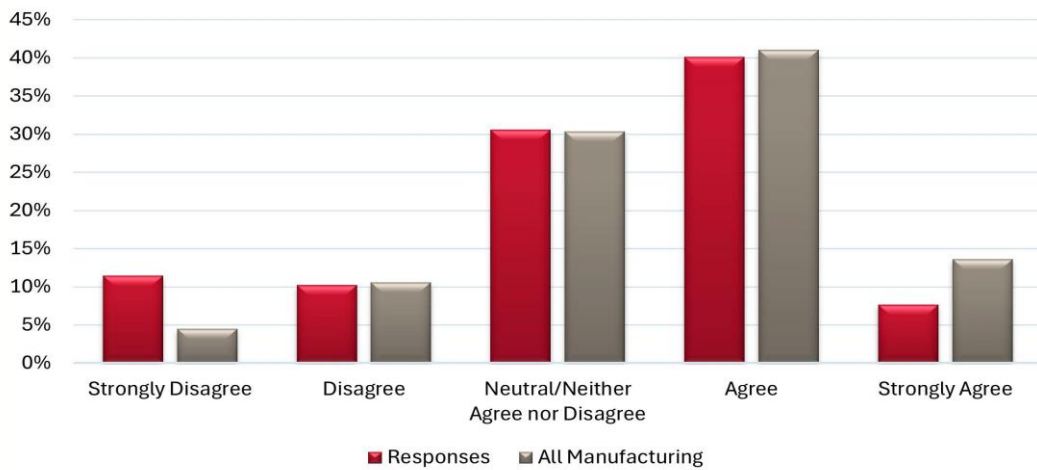
### Workplace Culture (% Agree/ Strongly Agree)



### Communication between senior leaders and employees is good in my organization



### Senior management and employees trust each other



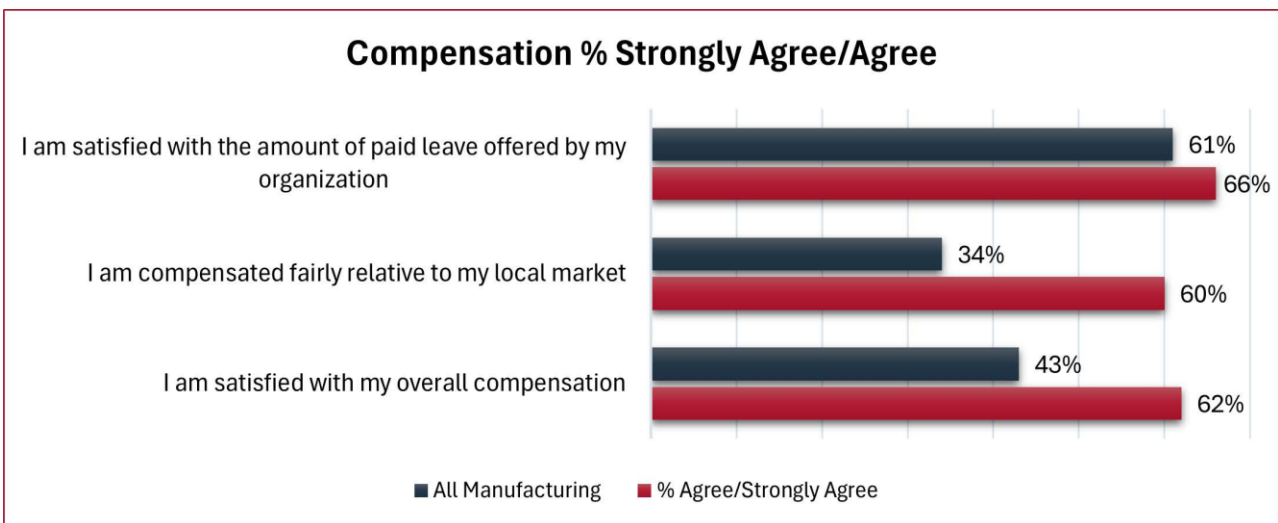
## Workplace Safety

- Across the board, our responses reported higher confidence in their workplace’s safety compared to the industry benchmark!
- Employee sentiment in the realm of safety culture and empowerment is also extremely encouraging, although 9% of respondents disagree that workplace safety procedures are followed at their locations.



## Compensation & Benefits

- A majority of employees report satisfaction with overall compensation and believe that they are compensated fairly relative to the local market.
- In comparison with Survey Monkey’s industry benchmarked data, survey respondents were 19% more satisfied with overall compensation, 5% more satisfied with PTO, and 26% more satisfied with compensation relative to their local market.
- While compensation is usually a stated reason for low retention rates, in many cases the supervisory relationship and working environment are more significant factors. Since our survey found nationally competitive satisfaction with compensation, employers in the region may discover improved retention by assuming that pay or benefits are not the universal or primary driver of retention trends within their organization.



## Flexible Workforce

- While remote work is utilized and leveraged by office and professional employees in manufacturing, strategies to provide this flexibility to the production labor force are lacking. The survey asked employees to rank seven flexible workforce options according to their preferences.
- The following table shows the weighted average preference of production employees and supervisors. A higher score indicates greater preference.

Flexible Workforce Options - Production Employees & Supervisors	Weighted Average
Adjusted shifts (i.e. 6:30am-4pm or 9:30am-7pm)	4.75
Flex Hours (Option to select start time between 6am-8am/3pm-5pm, etc.)	4.50
Compressed work week (4–10-hour shifts per week, regular schedule with every other Friday off, etc.)	4.44
Split shifts	4.33
Volunteering for overtime shifts	4.14
Shift swapping	3.9
Job sharing (Using two part-time employees to do work equal to one full-time employee)	1.93

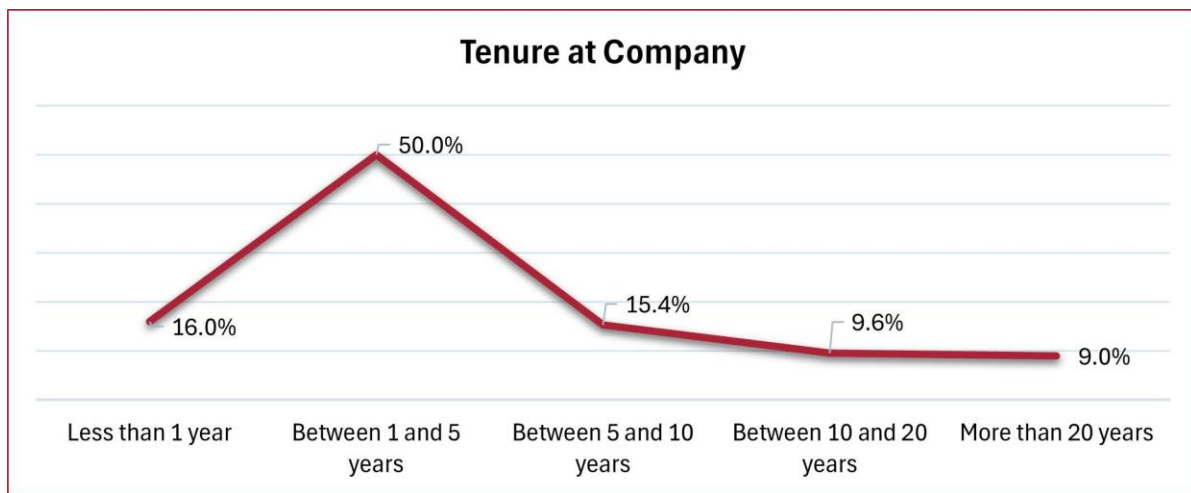
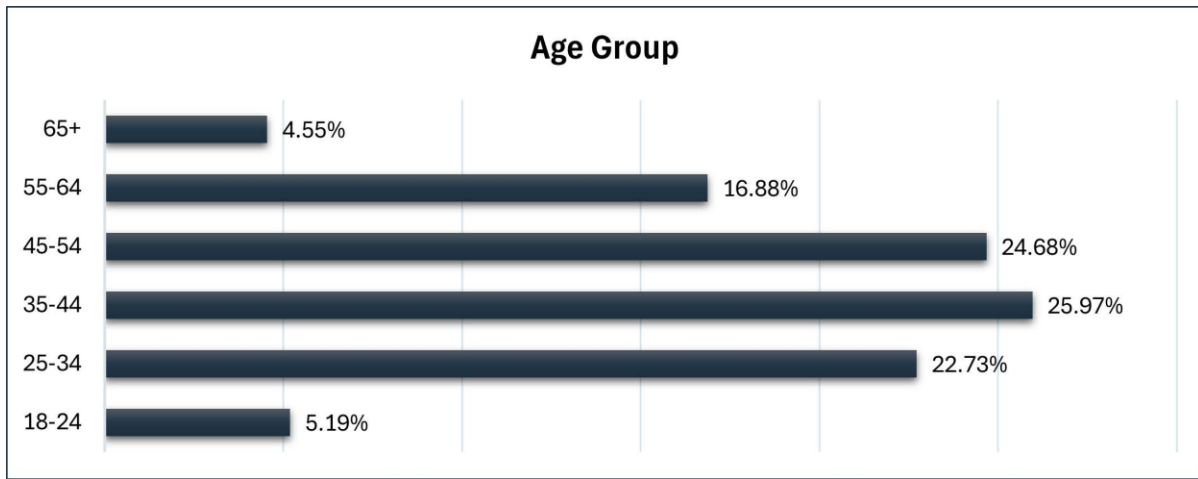
## Employee Net Promoter Score

- Employee Net Promoter Score (eNPS) is a measure of employee advocacy descended from the customer facing NPS metric. It summarizes the overall level of advocacy that employees express based on the question: “How likely is it that you would recommend this company to a friend or colleague?” A global benchmark maintained by the firm [Perceptyx](#) reported an eNPS in the manufacturing industry of 9. The “Barriers to Retention” survey returned an eNPS of **11**, which falls in the “generally considered good” category according to HR software company O.C. Tanner.
- While this survey returned a higher eNPS than one industry benchmark, when combined with the employee engagement metrics reported above, the total picture is of a workforce that expresses roughly average engagement and excitement compared to work, in relation to national benchmarks.

## Survey Demographics

158 Employees from five companies participated in the survey. The graphics below show the breakdown by position type, age group, and tenure.

Front-line Employee/Production Staff	53.8%	85
Front-line Supervisor/Manager/Lead	17.09%	27
Other (Office Staff/Upper Management/etc.)	29.11%	46



## The Manufacturers' Association

The Manufacturers' Association exists to ensure that critical knowledge is preserved, expanded, and shared with the manufacturing professionals of tomorrow.

Our goal is that the information from this survey helps focus the efforts of the Industry Partnership and T.I.D.E. program. This survey contributes to the resources available to our member organizations and grant partners so that the manufacturing workforce of tomorrow receives the best possible training, preparation, and leadership.

The Association offers other valuable surveys that focus specifically on the regions manufacturing employers based on employer survey engagement. The following surveys are currently posted on the MA website:

- 2023 Wage and Salary Survey
- 2024 Benefits and Employment Practices Survey

Please visit <https://mascpa.org/hr-surveys/> for more information



## **Barrier to Retention Study: Addendum**

The manufacturing workforce in South Central PA faces multiple challenges. Workforces are ageing, with 26% of employers in the region expecting more than 20% of their workforce to be at retirement age in the next five years (Manufacturers' Association Wage & Salary Survey 2023). Looking at workforce supply, regional high schools are graduating only about half the students required to fill the regional skill gap, according to a recent study by the Lancaster Center for Regional Analysis. The same study forecasts that the "Greater Berks region," which includes portions of South Central PA, will face a net shortage of at least 6,000 advanced manufacturing workers by 2029.

This is not a concern that exists only in economic forecasts. Per the Manufacturers' Association's 2023 Wage & Salary Survey, 84% of manufacturing employers reporting difficulty in hiring for open positions. Additionally, this is not a localized concern. The Manufacturing Institute projects that up to 2.1 million advanced manufacturing positions in the US could stand unfilled in 2030 due to a lack of skilled workers.

Retention is a key factor in developing a robust workforce. The landscape of factors which affect employee retention continues to be charted by trade organizations, academics, consulting firms, and government entities. During the Fall of 2023, the South Central PA Manufacturing Industry Partnership conducted a retention survey as part of an effort by the consortia of manufacturing employers to benchmark local retention and culture with national peers and was funded by the PA Department of Labor and Industry. This paper will provide an overview of current research on retention factors in the manufacturing workforce, how employers are shaping retention efforts, and what the takeaways from these efforts can mean for manufacturing employers in South Central PA.

### **Nationwide retention research in manufacturing**

Much research has been conducted on the efforts of manufacturers to retain and strengthen their skilled manufacturing workforce. A 2023 survey by UKG discovered that 80% of employers admitted to having a front-line culture that was different from the culture in other areas of the workplace. This can hinder employer efforts to understand their unique workforce. A 2020 survey from the national Manufacturing Institute discovered that senior leadership were significantly more satisfied with a company's employee involvement (29% more satisfied), training & development opportunities (28% more satisfied), and overall job satisfaction (20%) than front line employees at the same firms.

Looking at leadership and supervisors, drawing on Gallup's *State of the Global Workplace: 2023 Report* suggested that direct managers (supervisors) are responsible for 70% of their team's workplace engagement. This parallels the 2019 *Frontline Leader Project* report from leadership development firm DDI, which found that 57% of more than 13,000 global respondents had quit a job "because of their manager." In every edition of Gallup's *State of the American Workplace* report (last published in 2017), "manager or management" was a top five factor in voluntary separations across all industries surveyed.

The Manufacturing Institute's study also found that when employees younger than 35 are given a career advancement plan, their job satisfaction and intent to stay with their employer significantly increase. The next most impactful factor for employees' retention was involvement in job-related decision making. Put another way, the younger a front-line employee is, the more likely they are to stay with their current employer if they are given a formal career advancement plan and given involvement in decision making, problem solving, and goal setting.

Regarding compensation, the local workforce development board finds that manufacturing employees in South Central PA are compensated about 20% above the regional average of all industry occupations. When compared to the national average for earnings per job, south central PA is 20% below that average (total earnings/number of jobs). In other regions, a business research firm in Texas found that manufacturing employees who plan to leave their current employer actively seek more PTO in their next position.

### **How does our survey shed light on regional retention?**

Manufacturing employees in the region are less satisfied with their involvement opportunities, training and development, and communication from leadership than production employees in other regions of the US. Additionally, production employees across the region expressed a desire to have more flexible scheduling opportunities made available to them, including adjusting shift start times and working compressed workweeks.

Applying the Manufacturing Institute's research on retention factors, just 62% of under-35 employees surveyed by the Manufacturers' Association agreed that their organization is dedicated to their professional development. This is a problem that presents an opportunity for employers in PA to invest strongly in the long-term development of their younger workforce. Furthermore, employee responses across all age groups lag Survey Monkey's national benchmark data by 10% when assessing agreement with the statement "I am pleased with the career advancement opportunities presented to me." This data suggests that employees in South Central PA are given fewer opportunities for professional development and career advancement when compared to national averages.

Additionally, the Association's survey found that 26% of employees who answered a request for input on retention efforts gave suggestions about PTO and benefits, while a further 24% referenced bonuses, pay for seniority, and other salary concerns. One quarter of all employees surveyed voiced retention concerns regarding PTO, benefits, and other non-salary compensation.

### **How can South Central PA manufacturers address retention?**

Based on the available research and the Manufacturing Industry Partnership's own survey efforts, organizations looking to optimize their retention are faced with a multivariate puzzle. Various research suggests that any given workforce is losing engagement over concerns with leadership, career advancement, development opportunities, compensation, and scheduling. Any organization that aims to build or maintain a competitive advantage through their workforce must first seek to understand which of these factors are most important to their employees and teams.

One persistent need for workforce is the improvement of employee involvement and empowerment. Decision-making processes on the production floor can be evaluated through the lens of employee involvement; improving the feedback and input cycles for front-line employees' regular tasks, responsibilities, and autonomy is highly likely to improve satisfaction and retention.

Secondly, addressing stated desires for career development planning is also likely to yield more engaged employees. Presenting employees with formal career advancement programs and involving individuals in setting development/advancement goals is an effort that presents a significant and competitive retention opportunity for any employer in the region.

We also find that production employees in the region express preferences for more flexible scheduling opportunities than are currently provided. Compressed work weeks, adjusted shift times, and flexible start times were all strongly preferred schedule alternatives according to our local survey. Many Human Resource Information System platforms contain the infrastructure for shifts to be offered on a volunteer or on a "gig economy" basis (i.e., Amazon), and companies are encouraged to explore and utilize this capability if it is available. External workforce solutions exist through local organizations such as Gig and Take, which offers consultancy and gig-based staffing solutions for manufacturing firms across the country.

Perhaps the most important yet least describable avenue to improve retention is in improving leadership quality in the workplace. The relationship between an employee and their direct supervisor influences engagement more than any other single factor. Companies would do well to implement a framework that identifies candidates for leadership and invest in growing them into effective supervisors. By supplying leadership training to emerging supervisors and integrating ongoing training for experienced leaders, organizations can positively affect their own long-term retention. Developing high-value leaders on the

production floor is not a one-time process but the result of sustained investment by all levels of management at a facility.

When it comes to pay, employees in the region are, on the whole, compensated competitively by the industry. However, production employees continue to express a desire for PTO, benefits options, and bonus incentives. While compensation is rarely a primary driver of employee turnover, it can be a compounding factor in long-term employee sentiment. In a competitive labor market, it is crucial that employers are aware of how they compare to current trends in compensation and rewards. Regional benchmarks are available through various advisory firms, local chambers of commerce, the US Department of Labor statistics and local sources like the Manufacturers' Association which offers an industry specific annual wage and salary survey, all of which are resources for firms to utilize. Additionally, seeking employees input when planning compensation packages allows employers to build both trust with workforces and competitive compensation strategies in the region.

The South Central PA Manufacturing industry Partnership will continue to work with regional industry leaders to drive common solutions to critical competitive issues of the regional manufacturing industry. The Barriers to Retention Study is one example of the Partnerships effort to provide resources to support the continued growth of the manufacturing industry of South Central PA. For more information on the Manufacturing Industry Partnership please visit: [www.mascpa.org/education-training/next-gen-partnership/](http://www.mascpa.org/education-training/next-gen-partnership/)

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