



GAM
GEORGIA
ASSOCIATION of
MANUFACTURERS

2023

**Georgia Manufacturing
Workforce Needs.**

Together We Make *Workforce.*



The Georgia Association of Manufacturers (GAM) is the only trade group in the state exclusively dedicated to manufacturers. Formed in 1900 by industry, for industry, we are Georgia manufacturing's association of record, its advocate, and its voice.

Put simply: We work for you.

Our mission is to be "visible, vocal, and vital." That means we are driven to be seen and heard advocating on the issues that matter most to our members.

From iconic corporations to emerging companies, from industrial giants to the most specialized makers, we represent a diverse group of manufacturers, big, medium, and small.

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A Message from the Director

Stephanie Scarce, Director of Workforce Development

I'm happy to share the Association's inaugural workforce needs report for manufacturers. For the first time, our state has an analytic report solely dedicated to manufacturing in Georgia, specifically regarding workforce development. This is critical, and here's why.

It's no secret that our state has experienced unprecedented growth and success. In August 2023, Governor Kemp and the Georgia Department of Economic Development announced another record-breaking fiscal year, in which 38,400 new jobs were created and \$24 billion in capital was invested¹. We are fortunate to live and work in such a prosperous state, and the Association applauds our leaders for ensuring Georgia remains the number one state in which to do business.

However, indicators point to a growing problem that requires immediate attention: **a chronic lack of workforce.**

With the steady decline of available workers, our state is struggling to meet the current employment demands of the manufacturing industry. Couple that with stagnant growth in labor force participation and declining birth rates², and Georgia could become a victim of its success in economic development. This is why GAM is rolling up its sleeves and getting involved.

GAM has developed a workforce strategy encompassing a two-level approach. One approach focuses on developing fast-track solutions to address immediate workforce needs, while the other focuses on long-term initiatives to improve the perception of manufacturing and its careers. Ultimately, the goal is to foster a net increase in the availability of workers with manufacturing skills, both immediate and long-term.

GAM's workforce needs assessment and report are the first milestones in developing fast-track solutions addressing manufacturers' immediate and collective needs. The purpose is to thoroughly assess, inventory, and document the industry's occupational needs across the state, the skills and credentials required, the timeframe in which these needs must be met, and the untapped populations they're willing to consider for hire. The following pages offer direct responses from manufacturers who participated in our workforce needs assessment, telling us what they need to sustain and grow operations in Georgia.

Workforce, and the development thereof, is no small feat. It is a complex endeavor requiring a unified team. That's what we intend to accomplish at GAM: establish a unified approach to alleviating our members' workforce needs now and well into the future. I invite you to join us on this journey. As we say at GAM, "Together We Make," and together we'll make workforce.

1. "Gov. Kemp: Georgia Breaks Economic Development Records for Third Year in a Row," Office of the Governor, August 8, 2023, <https://gov.georgia.gov/press-releases/2023-08-08/gov-kemp-georgia-breaks-economic-development-records-third-year-row>.

2. Centers for Disease Control and Prevention, National Center for Health Statistics, Vital Statistics Rapid Release Reports 2016-2022.

Georgia Manufacturing Snapshot

It's More Than a Job: It's a Career

Table 1 indicates the top occupations that makeup manufacturing in Georgia and their associated earnings. As represented, manufacturing offers attractive pay at the entry-level and managerial levels, along with meaningful career progression.

Table 1: Manufacturing Staffing Patterns in Georgia.³

Occupation	Median Hourly Earnings	% of Total Jobs in Industry
Production	\$17.87	52.1
Transportation and Material Handling	\$17.54	12.5
Office and Administrative Support	\$18.56	7.6
Installation, Maintenance, and Repair	\$23.26	5.7
Management	\$49.41	5.0

Keeping Existing Jobs Filled⁴

In 2022, 11,838 manufacturing establishments⁵ in Georgia employed 412,099 individuals, resulting in an 8% net growth compared to 2020. During 2022, the industry facilitated 276,121 hires and 252,197 separations, resulting in a 61% turnover rate⁶. Why is this significant? As indicated in Table 2, Georgia's manufacturing industry has experienced a 55% increase in hires, offset by a 32% increase in separations since 2020. This indicates volatility in keeping existing jobs filled.

Table 2: Growth in Jobs, Hires, and Separations in Georgia.

	2020	2021	2022
Employment	382,938	391,941	412,099
Hires	178,066	237,647	276,121
Separations	191,279	225,171	252,187
Establishments	10,646	11,141	11,838

3. Lightcast™.(2022). Staffing Patterns: Manufacturing in Georgia. Retrieved from https://analyst.lightcast.io/analyst/?t=4QP6v#h=rYND2&page=staffing_patterns&vertical=edo&nation=us

4. Lightcast™.(2022). Industry Map: Manufacturing in Georgia, https://analyst.lightcast.io/analyst/?t=4PgZD#h=rLGhv&page=industry_map&vertical=edo&nation=us

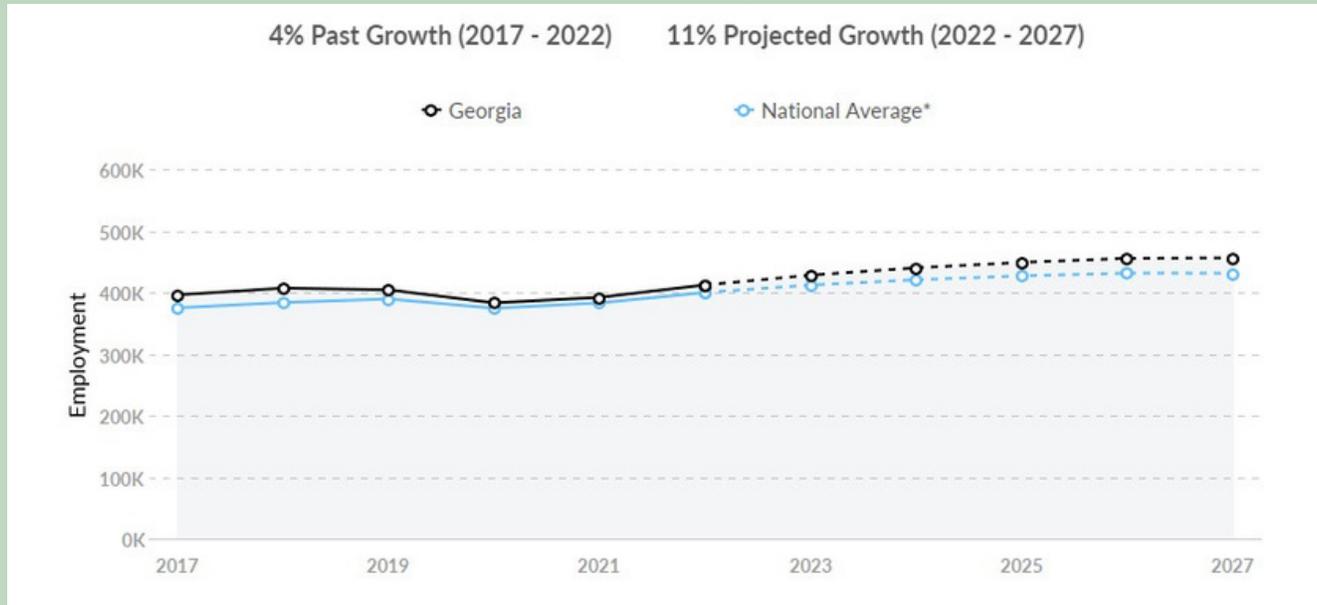
5. A single company may have multiple establishments. As an example, a single company with its corporate office in Dalton, a paper manufacturing plant in Rome, and fifteen warehouses in various Georgia cities would comprise a total of seventeen establishments.

6. Turnover rate is calculated by comparing total separations to total jobs (separations divided into jobs/employment).

Georgia's Manufacturing Growth⁷

As indicated in Figure 1, from 2017 to 2022, Georgia's manufacturing industry experienced growth of 4% and is expected to experience an additional growth of 11% through the year 2027.

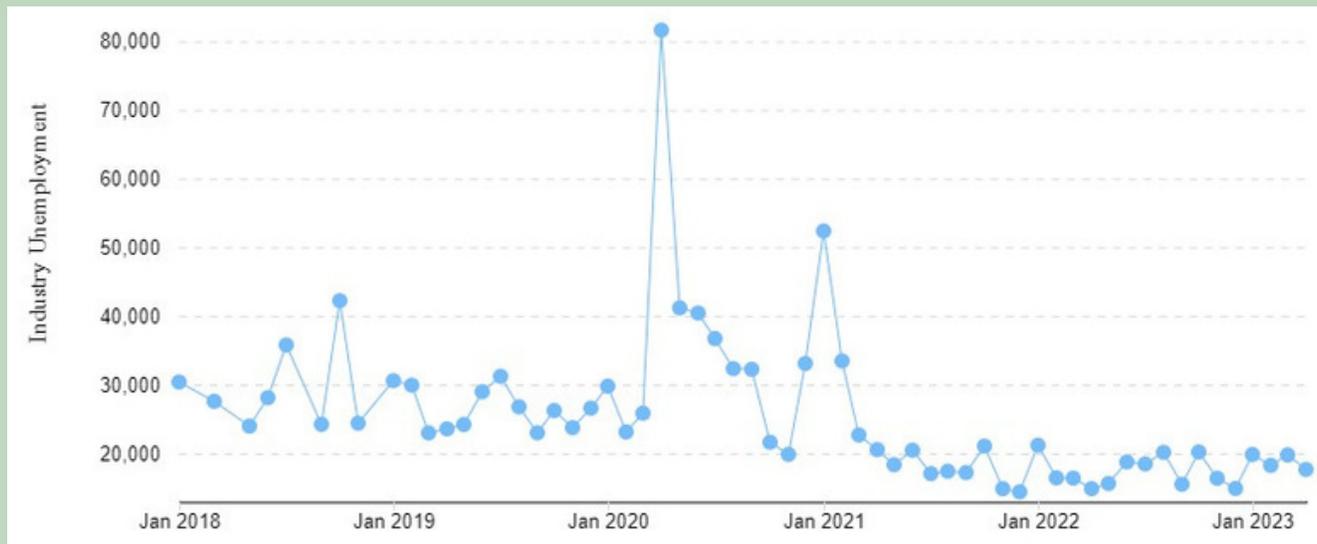
Figure 1: Manufacturing Jobs in Georgia.



Availability of Manufacturing Workers⁸

As indicated in Figure 2, the availability of unemployed manufacturing workers (supply) has decreased by 42% since January 2018⁹. With manufacturing jobs expected to grow annually by 1.8% through 2027, current unemployment trends for manufacturing workers indicate we do not have adequate labor supply to meet current demand, and most likely, will not for future demand.

Figure 2: Unemployment Rate Trends for Manufacturing in Georgia.



7. Lightcast™.(2022). Industry Snapshot Report: Manufacturing in Georgia. Retrieved from https://analyst.lightcast.io/analyst/?t=4QMHm#h=rWth8&page=edo_industry_snapshot&vertical=edo&nation=us

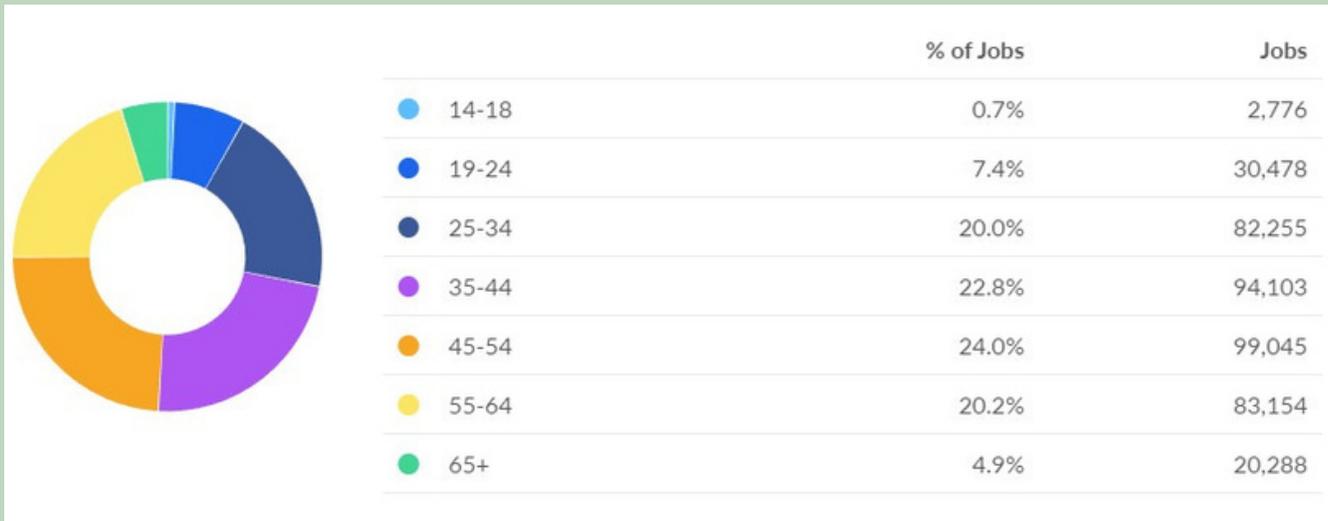
8. Lightcast™.(2022). Industry Snapshot Report: Manufacturing in Georgia. Retrieved from https://analyst.lightcast.io/analyst/?t=4QMHm#h=rWth8&page=edo_industry_snapshot&vertical=edo&nation=us

9. 30,371 manufacturing workers were unemployed in January 2018. In April 2023, 17,638 manufacturing workers were unemployed, resulting in a 42% decline.

Looming Attrition ¹⁰

As indicated in Figure 3, approximately 103,442 manufacturing workers aged 55 and older are positioned to retire soon, further compounding the state's workforce challenge.

Figure 3: Industry Age Breakdown in Georgia.



Executive Summary

The Georgia Association of Manufacturers' inaugural Workforce Needs Assessment was designed exclusively for manufacturers. The assessment aimed to identify the required and preferred skills and credentials for workforce needs and the timeframe in which manufacturers must address them. Furthermore, the assessment equipped GAM to identify manufacturers willing to consider hiring untapped populations to facilitate a net increase in the manufacturing workforce. Ultimately, the assessment will enable GAM to regionalize manufacturers based on workforce challenges, allowing our members to optimize resources and deliver immediate, impactful local solutions.

In alliance with Georgia Power Company and local and state partners, GAM administered the needs assessment to members and non-members on May 8, 2023. The assessment closed June 9. A total of 155 manufacturers were assessed, with 90 manufacturers submitting responses, achieving a 58% completion rate. Additionally, the 90 submissions represent 70 individual manufacturers, totaling 79,251 existing jobs. Of the 79,251 existing jobs represented, 4,118 were unfilled as of April 2023. Of the 70 manufacturers, 42 are GAM members, and 28 are non-members.

The top three occupations identified by respondents as immediate needs were (1) entry-level production, (2) multi-craft maintenance technicians, and (3) industrial mechanical technicians. Furthermore, manufacturers indicated the need to fill these positions within three months. As a result, 80% of respondents “definitely or probably would” utilize fast-track, customized training to address their immediate needs. Moreover, most respondents would use such training to enroll existing and new employees to develop the skills necessary for their immediate needs.

To facilitate a net increase in labor, 84% of manufacturing respondents “definitely or probably would” be willing to hire new employees with no experience and enroll them in fast-tracking training solutions to address immediate needs. When asked if they were open to second-chance hiring¹¹, 40% of manufacturing respondents said they were “extremely or very interested.” Additionally, 61% of respondents indicated an interest in hiring adults, ages 18 and older, without a high school diploma.

Lastly, manufacturers were asked to rank perceived impediments to workforce recruitment and retention efforts. Seventy-one percent of respondents ranked Transportation as the main impediment, followed by childcare (61%) and available and affordable housing (49%).

As indicated by the needs assessment results, the livelihood of Georgia’s manufacturing industry depends on an available, skilled, and stable workforce. As the state continues to experience growth and success in locating new manufacturers, GAM will take the initiative to inform stakeholders of the practices and policies that should be prioritized to facilitate net growth in labor participation to better support existing manufacturers with job retention.



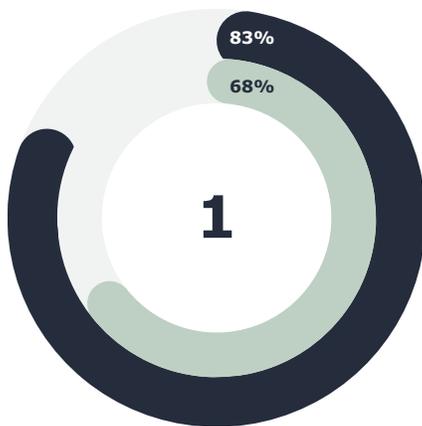
GAM’s Workforce Needs Assessment captured a sample size of 90 responses representing 70 individual manufacturers totaling almost 80,000 existing jobs. Of those existing jobs, over 4,100 remained unfilled as of April 2023.

¹¹. Second-chance hiring is the practice of giving individuals with criminal records a fair and equal opportunity at employment (SHRM, 2023).

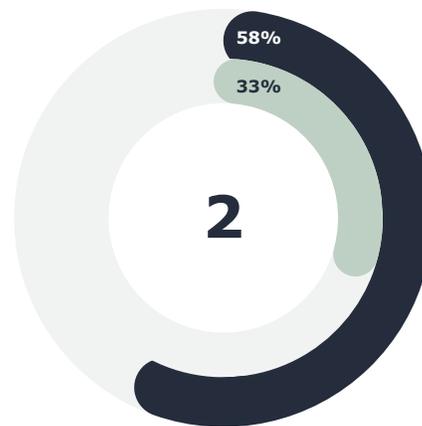
Identifying & Documenting the Need

TOP OCCUPATIONS OF FOCUS

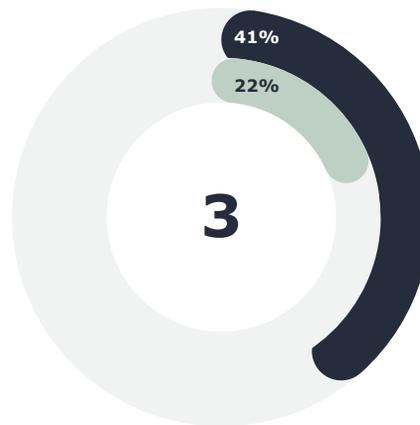
Manufacturers were asked to identify the occupations they must focus on and foresee a critical need for the next 3-5 years. The average responses:



83% of respondents indicated **entry-level production** as an occupation of focus. Of that percentage, **68%** indicated it as **the main focus**.



58% of respondents indicated **multi-craft maintenance technician** as an occupation of focus. Of that percentage, **33%** indicated it as **the main focus**.



41% of respondents indicated **industrial mechanical technician** as an occupation of focus. Of that percentage, **22%** indicated it as **the main focus**.

CREDENTIALS & SKILLS FOR OCCUPATIONS OF FOCUS

Manufacturers were asked to identify the specific credentials or certifications required or preferred to fill their top occupations of focus. The average responses:

Entry-Level Production

Required

- Forklift operator training
- English and numbers comprehension
- Basic knowledge, understanding, and skills with Word, Excel, PowerPoint, and Access
- Ability to read blueprints
- Basic knowledge, understanding, and skills with hand tools and measurements

Preferred

- High school diploma or equivalent

Multi-Craft Maintenance Technician

Required

- High school diploma or equivalent
- Proficient in basic math/geometry (angles)
- Basic knowledge, understanding, and skills with Word, Excel, PowerPoint, and Access
- Ability to read blueprints
- Basic knowledge, understanding, and skills with hand tools and measurements
- Basic knowledge, understanding, and skills with (electro) pneumatic and hydraulic systems

Preferred

- OSHA 10/30 General Industry training
- Forklift operator training
- Basic knowledge and understanding of Six Sigma
- Basic knowledge, understanding, and skills with welding
- Basic knowledge, understanding, and skills with Programmable Logic Controllers
- Basic knowledge, understanding, and skills with overhead crane operation
- Electrical certification

Industrial Mechanical Technician

Required

- High school diploma or equivalent
- Proficient in basic math/geometry (angles)
- Basic knowledge, understanding, and skills with Word, Excel, PowerPoint, and Access
- Ability to read blueprints
- Basic knowledge, understanding, and skills with hand tools and measurements
- Basic knowledge and understanding of fabrication
- Basic knowledge, understanding, and skills with hydraulic systems

Preferred

- OSHA 10/30 General Industry training
- Forklift operator training
- Weld certification

TIME FRAME TO FILL OCCUPATIONS OF FOCUS

Manufacturers were asked to identify the timeframe desired to fill their top occupations of focus. The average responses:

1. Hourly, Entry-Level Production: 0 - 3 months
2. Multi-Craft Maintenance Technician: 0 - 3 months
3. Industrial Mechanical Technician: 0 - 3 months

TURNOVER RATES FOR OCCUPATIONS OF FOCUS

Manufacturers were asked to indicate turnover rates for the occupations they must focus on and foresee a critical need for the next 3-5 years. The average responses:

1. Hourly, Entry-Level Production: 35%
2. Multi-Craft Maintenance Technician: 15%
3. Industrial Mechanical Technician: 13%

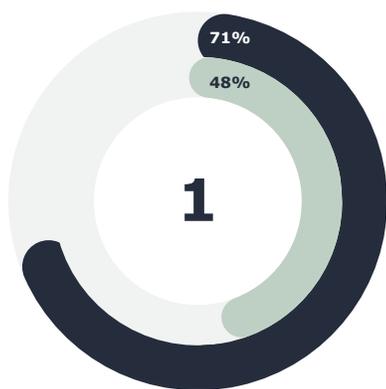




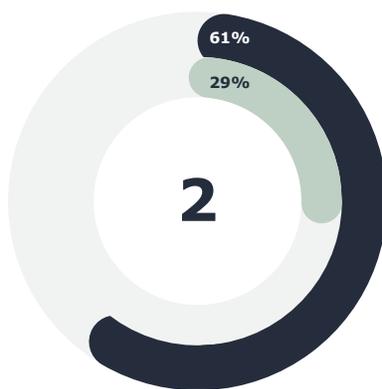
Identifying Workforce Barriers

IMPEDIMENTS TO RECRUITMENT & RETENTION

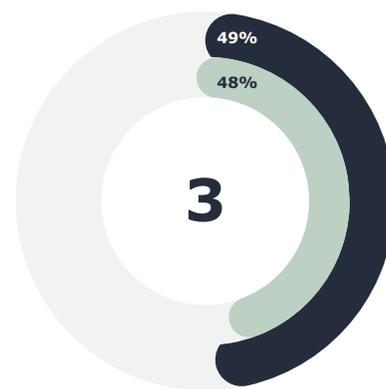
Manufacturers were asked to rank challenges, in order of importance, they consider impediments to filling positions in the industry. The average responses:



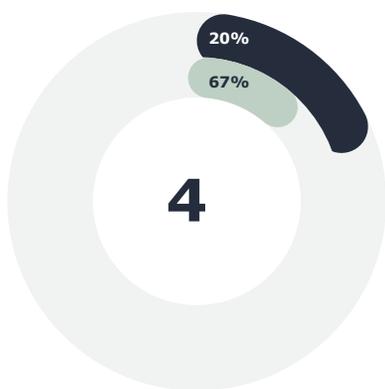
71% of respondents ranked **Transportation** as an impediment to workforce efforts. Of that percentage, **48%** ranked it as **the main impediment**.



61% of respondents ranked **Childcare** as an impediment to workforce efforts. Of that percentage, **29%** ranked it as **the main impediment**.



49% of respondents ranked **Available and Affordable Housing** as an impediment to workforce efforts. Of that percentage, **48%** ranked it as **the main impediment**.



20% of respondents ranked **Government Subsidies** as an impediment to workforce efforts. Of that percentage, **67%** ranked it as **the main impediment**.



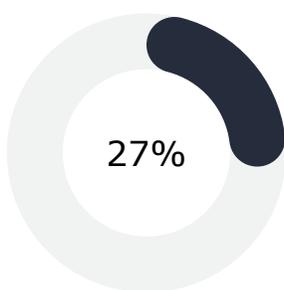
17% of respondents ranked **Immigration** as an impediment to workforce efforts. Of that percentage, **47%** ranked it as **the main impediment**.



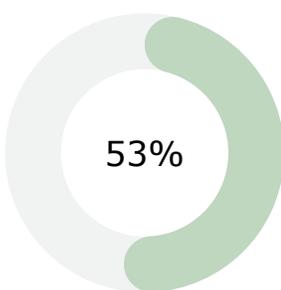
Identifying Solutions

CONSIDERING FAST-TRACK TRAINING SOLUTIONS

Manufacturers were asked if they would pay for non-credit (fast-track) training¹⁵ solutions to address their required and preferred credentials/certifications. The average responses:



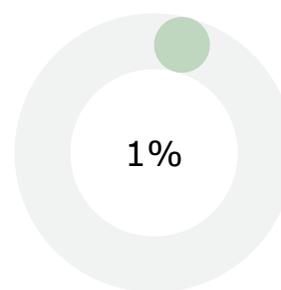
27% of respondents "...definitely would."



53% of respondents "...probably would."



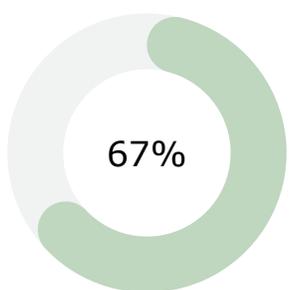
19% of respondents "...probably would not."



1% of respondents "...definitely would not."

USE OF FAST-TRACK TRAINING SOLUTIONS

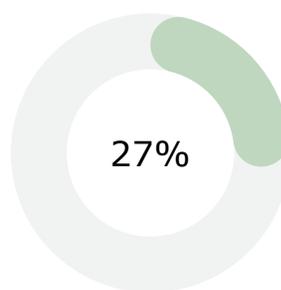
If effective non-credit training solutions are offered, Manufacturers were asked to indicate how they would most likely use them. The average responses: *(Respondents were allowed to select multiple answers.)*



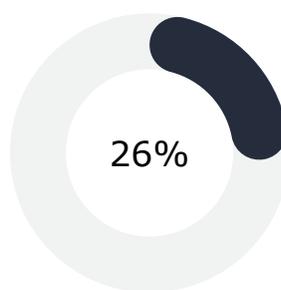
67% will enroll existing and new employees to develop the necessary skills.



33% will enroll existing employees to develop their skills further.



27% will guarantee jobs to trainees contingent upon completing their hiring process.



26% will enroll new hires to develop the necessary skills.

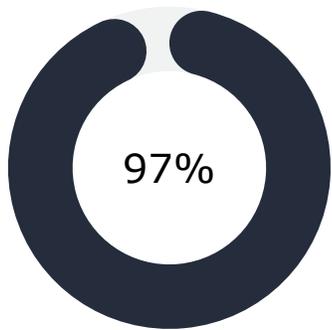
15. "Non-credit" is defined as flexible, fast-track training solutions delivered by education institutions. Upon completing a non-credit training program, the student does not receive a degree award (credit) but a Certificate of Completion and, in some cases, obtains an industry-recognized credential. Non-credit also means specific federal and state financial aid programs, such as HOPE and Pell Grant, are not applicable.



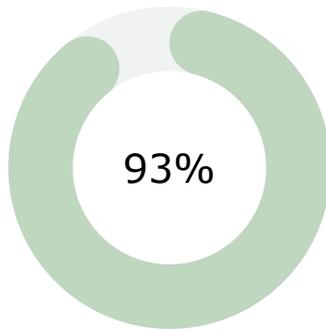
Identifying Untapped Populations

Populations of Interest

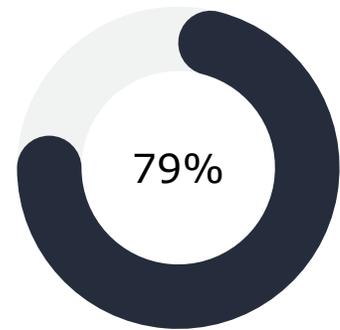
Manufacturers were asked to select the populations they were interested in hiring. The average responses: *(Respondents were allowed to select multiple answers.)*



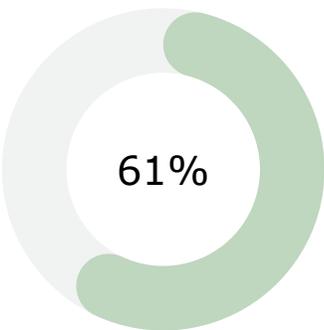
97% have an interest in hiring high school seniors with no post-secondary plans.



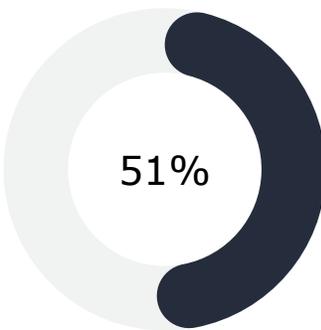
93% have an interest in hiring veterans.



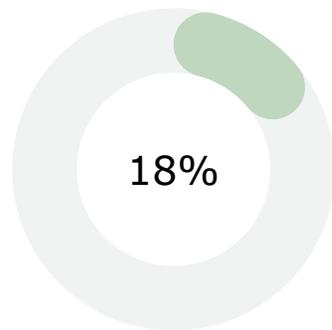
79% have an interest in hiring Adult Education students (individuals pursuing their GED)



61% have an interest in hiring adults, aged 18 and older, without a high school diploma.



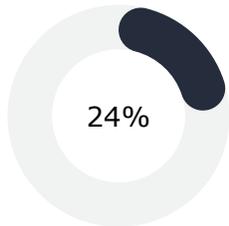
51% have an interest in hiring individuals in foster care or aging out.



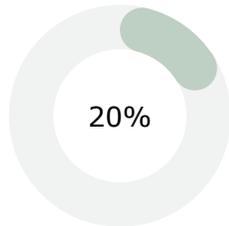
18% have an interest in hiring sponsored employees from other countries (visa).

WORKING WITH YOUTH

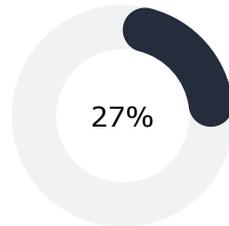
Manufacturers were asked to indicate how likely they were to work with 16-year-olds in manufacturing operations (i.e., youth apprenticeships and work-based learning opportunities). The average responses:



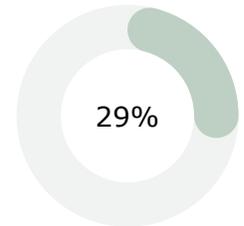
24% of respondents said, "Very likely."



20% of respondents said, "Likely."



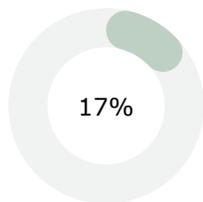
27% of respondents said, "Unlikely."



29% of respondents said, "Very Unlikely."

SECOND-CHANCE HIRING

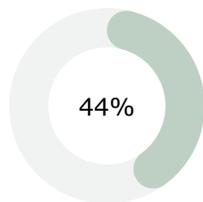
Manufacturers were asked if they are open to second-chance hiring, i.e., working with non-violent, first-time offenders or parolees and people experiencing homelessness. The average responses:



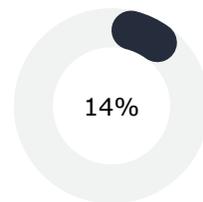
17% of respondents are "extremely interested."



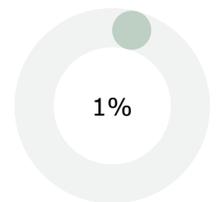
23% of respondents are "very interested."



44% of respondents are "somewhat interested."



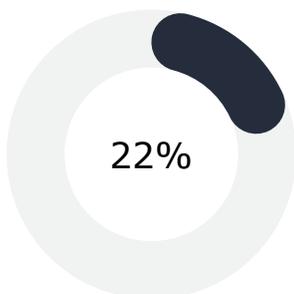
14% of respondents are "not so interested."



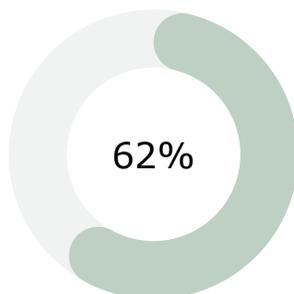
1% of respondents are "not at all interested."

HIRING EMPLOYEES WITH NO EXPERIENCE

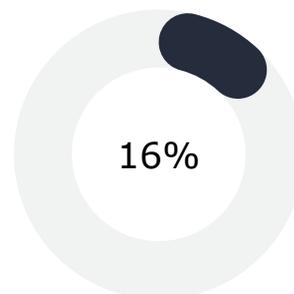
Manufacturers were asked if they would be willing to hire new employees with no experience and enroll them in fast-track training solutions identified to teach the fundamental skills needed for top-focus occupations. The average responses:



22% of respondents "definitely would."



62% of respondents "probably would."



16% of respondents "probably would not."

Regionalizing Manufacturers' Needs

GAM's inaugural workforce needs assessment has provided insight into how best to form the most efficient and effective regions, enabling manufacturing members to optimize resources and deliver immediate, impactful local solutions. Regionalized data includes each region's top occupations of focus and state post-secondary institutions¹⁶ that assist existing manufacturers with workforce development needs. GAM has regionalized its members into nine areas based on location and participation in the workforce needs assessment. As a result, GAM's regions include:



- Region 1: Northwest Georgia
- Region 2: Northeast Georgia
- Region 3: Atlanta Metro
- Region 4: West Georgia
- Region 5: East Georgia
- Region 6: Central Georgia
- Region 7: Southwest Georgia
- Region 8: Southeast Georgia
- Region 9: Coastal Georgia

An organization or affiliate must be a member of GAM to access regionalized data. To request regionalized data, please contact Stephanie Scarce, Director of Workforce Development, at sscarce@gamfg.org or 706-633-7619.

16. Regional post-secondary institutions were identified using the Technical College System of Georgia's Service Delivery Map and the University System of Georgia's online interactive map.

Next Steps

As the timeline below indicates, GAM's next steps are to develop member-endorsed solutions addressing the specific workforce needs of each region. Following this, GAM will engage appropriate stakeholders to implement such solutions while fostering new labor participation by accessing untapped populations. By April 2024, GAM plans to initiate its member-endorsed solutions for select pilot regions. In less than a year, GAM intends to have made meaningful progress in mitigating members' collective workforce.





About the Association

We Represent Georgia's Manufacturers

The Georgia Association of Manufacturers (GAM) is the only trade group in the state exclusively dedicated to manufacturers. We were formed in 1900 by industry, for industry. We are manufacturing's association of record, its advocate, its voice. Our mission is to be "visible, vocal, and vital." Put another way, we are driven to be seen and heard on the issues that matter most to our members.

GAM represents all of Georgia's manufacturing businesses in legislative, energy, regulatory, workforce, and public affairs matters. GAM also provides seminars, services, and guidance to manufacturers on a wide range of issues, including but not limited to human resources, workforce development, public utility rates and energy, safety and health, employee benefits, environmental quality, and taxation.

Today, GAM numbers over 150 companies, suppliers, and professional service firms. And we are growing. GAM companies include some of the smallest and largest in the state, giving us strength through diversity. Our membership employs close to half of the state's manufacturing workforce.

Membership in GAM is offered on two levels: (1) Manufacturing Membership and (2) Associate Membership. Manufacturing Membership is for Georgia businesses engaged in manufacturing directly, while Associate Membership is available to companies providing products and services to Georgia manufacturers. Are you interested in joining? **Please email us at Inquiries@gamfg.org.**



GEORGIA
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MANUFACTURERS

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2023

**Georgia Manufacturing
Workforce Needs.**

Together We Make *Workforce.*