



**RESEARCH
INSIGHTS**
in Recruitment:
Manufacturing Sector





RESEARCH INSIGHTS IN RECRUITMENT: MANUFACTURING SECTOR

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INDUSTRY OVERVIEW

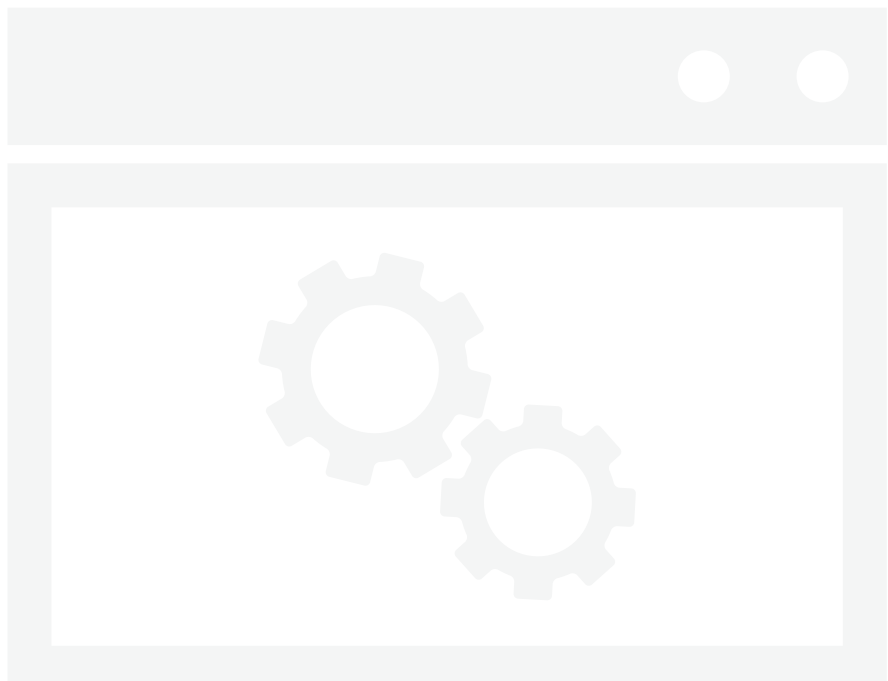
The manufacturing industry accounts for more than 12% of the gross domestic product in the UK and produces well over half of her exports. The sector also employs about 2.5 million people who work in a diversity of production roles throughout the UK.

The East Midlands, however, is the region currently employing the highest percentage of manufacturing professionals in the UK, with Leicester being a particular hub for the industry. Other popular areas for Manufacture are scattered throughout the country and include Birmingham and Swindon.

Survey results from Make UK showed a quarter of companies plan to make redundancies within the next six months, and a quarter of those could cut up to half their staff, while only a third of all manufacturing firms have ruled redundancies out. The concern now is whether the furlough scheme can be wound down in a way that averts rather than postpones mass job losses.

The employment balance came in at -22% this quarter, indicating that manufacturers have opted to lay off workers despite having access to the government's job retention scheme. It is expected that there will be further redundancies within the next three months.

(Agency Central, "Manufacturing / Production Recruitment Agencies Directory")
(Make UK/BDO Manufacturing Survey / Outlook 2020 Q2)



2 | RECRUITMENT

Recruitment agencies regularly list opportunities for Production Operators, CNC Machinists, Production Assemblers, and Quality Inspectors, and there are many positions offered for jobseekers with all levels of experience and expertise.

Apprenticeships are a popular way to gain entry into the field, as many positions require extensive on-the-job training. Academic degrees and special qualifications are rarely necessary for most junior positions. Employers look for well-organised, efficient professionals who work well in teams. Skills in basic mathematics and an aptitude for working with mechanical instruments are also beneficial.

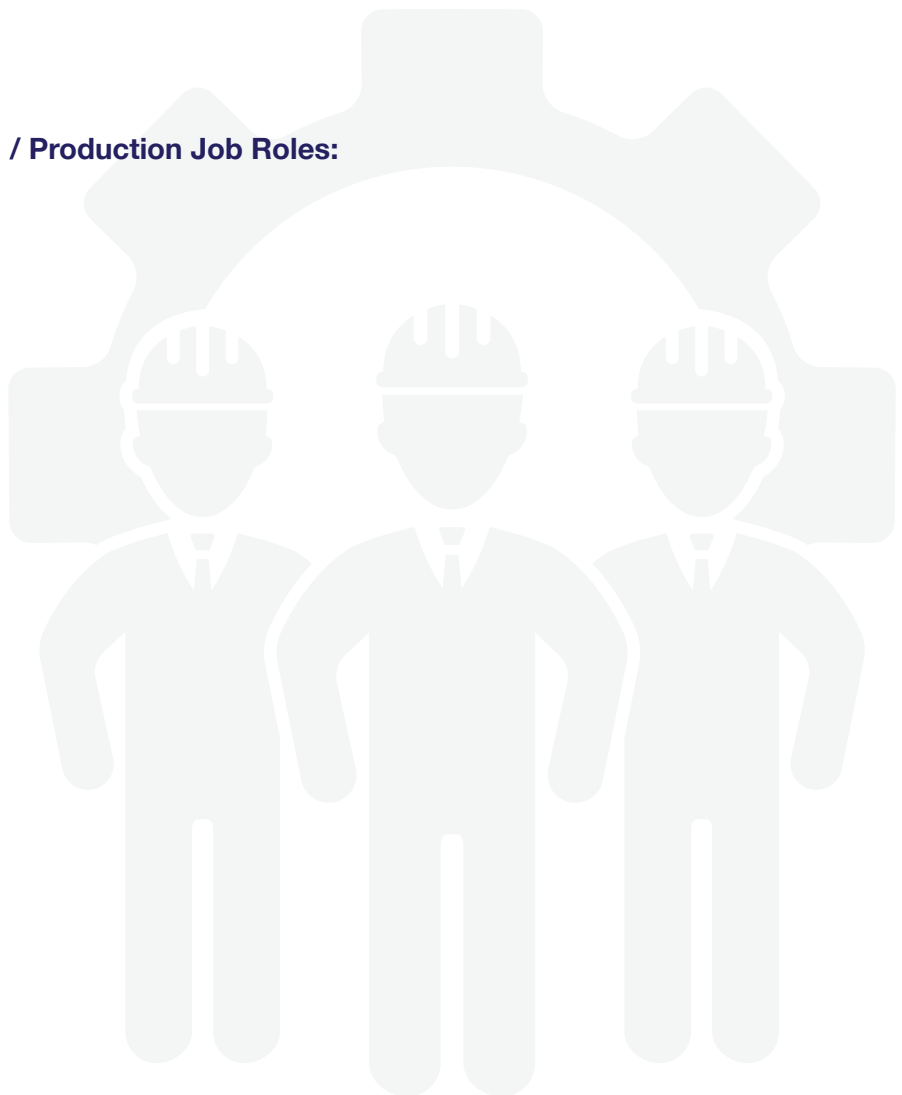
Findings by CV-Library data suggest that the manufacturing industry is experiencing a 12.1% drop in job adverts (first quarter of 2020).

Areas showing an increase in manufacturing employment: (Based on Make UK Manufacturing Survey 2020 Q2)

- North East
- East Midlands
- North West

Most Popular Manufacturing / Production Job Roles:

- CNC Machinist
- Industrial Engineer
- Maintenance Electrician
- Maintenance Fitter
- Maintenance Planner
- Manufacturing Director
- Manufacturing Engineering
- Packaging Engineer
- Packaging Manager
- Production Director
- Production Operator
- Sewing Machinist
- Thin Film Engineer
- Toolmaker



Most Popular Locations for Manufacturing / Production:

1. England

- Avon
- Bedfordshire
- Berkshire
- Buckinghamshire
- Cambridgeshire
- Cheshire
- Cumbria
- Derbyshire
- Dorset
- Essex
- Hampshire
- Hertfordshire
- Kent
- Lancashire
- Leicestershire
- London
- Merseyside
- Middlesex
- Norfolk
- Nottinghamshire
- Oxfordshire
- Shropshire
- Somerset
- Staffordshire
- Suffolk
- Surrey
- Tyne And Wear
- Warwickshire
- West Midlands
- Yorkshire

2. Scotland

- Lothian
- Strathclyde

3. Wales

- Flintshire

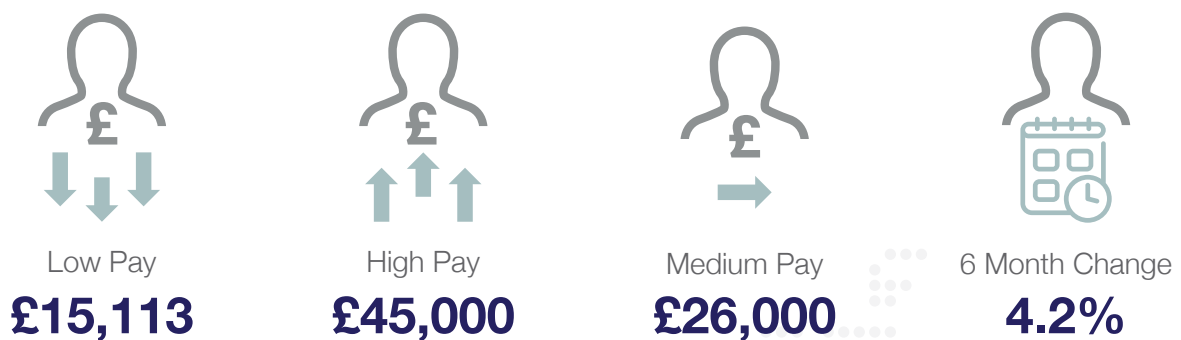
(Agency Central, "Manufacturing / Production Recruitment Agencies Directory")
(CV Library, "Recruitment insight / UK job market slows down in Q1 2020")
(Make UK/BDO Manufacturing Survey / Outlook 2020 Q2)



3 | SALARIES

Entry-level positions in the industry pay about £16-20K annually, but industry steadily increase as workers acquire skills and competence.

The top 10% of earners make upwards of £45,000. Overall, average salaries throughout most parts of the UK range from about £25 to 30K, while those working in London average nearly £43K annually.



Salaries by Region:

- Scotland £27k
- North East £26k
- Yorkshire & Humbershire £27k
- Midlands £28k
- East Anglia £27k
- London £40k
- South East £30k
- Home Counties £31k
- South West £27k
- Welsh Borders £26k
- Wales £26k
- North West £28k
- Northern Ireland £31k

(Agency Central, "Manufacturing / Production Recruitment Agencies Directory")

4

INDUSTRY CHALLENGES

The biggest recruiting challenge for manufacturing companies is finding candidates with the right technical skills. In the manufacturing sector, hiring difficulties vary widely by occupation.

Hiring difficulties also depend on prospect employees' experience of specific materials - for example, metal products, food, printing, and textile products manufacturing positions are more difficult to fill.

Employee retention and onboarding are also among the most significant challenges within the manufacturing industry.

According to the Crowe's Manufacturing Outlook Report 2020, recruiting and retaining appropriately skilled staff is the main barrier to businesses growth, mostly due to stagnant recruiting budgets and lack of emphasis in college recruitment.

Changes to UK immigration and border control and the potential introduction of a points-based system will likely welcome skilled workers to the UK, increasing the talent pool for the manufacturing industry, but could limit access to unskilled labour.

The effectiveness of the apprenticeship levy system has been severely criticised. Based on a survey by Crowe (Crowe's Manufacturing Outlook Report 2020), only 6% of respondents rate the scheme as 'very effective' and 60% rate it as 'not so' or 'not at all' effective.

Difficulty in recruiting skilled people (81%) due to lack of available skills, positivity for employing foreign nationals (85%) and an ambivalence towards the minimum wage (60% said that it does not affect their business), are a clear indicator of pressures on the availability of people.

It is evident that skills are seen as the largest barrier to achieving growth over the next year or so, and there is a need for this to be better addressed by the government.

(Crowe, "Manufacturing Outlook Report 2020")



5 | SOURCES

- **Agency Central - Manufacturing / Production Recruitment Agencies Directory**
<https://www.agencycentral.co.uk/agencysearch/manufacture/agencysearch.htm>
- **CV-Library – Recruitment insight / UK job market slows down in Q1 2020**
<https://www.cv-library.co.uk/recruitment-insight/uk-job-market-slows-q1-2020/>
- **Crowe - Manufacturing Outlook Report 2020**
<https://www.crowe.com/uk/croweuk/industries/manufacturing/manufacturing-outlook-report-2020>
- **Make UK/BDO Manufacturing Survey / Outlook 2020 Q2**
<https://www.makeuk.org/-/media/files/insights/reports/manufacturing-outlook-2020-q2-make-uk-bdo.pdf>



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