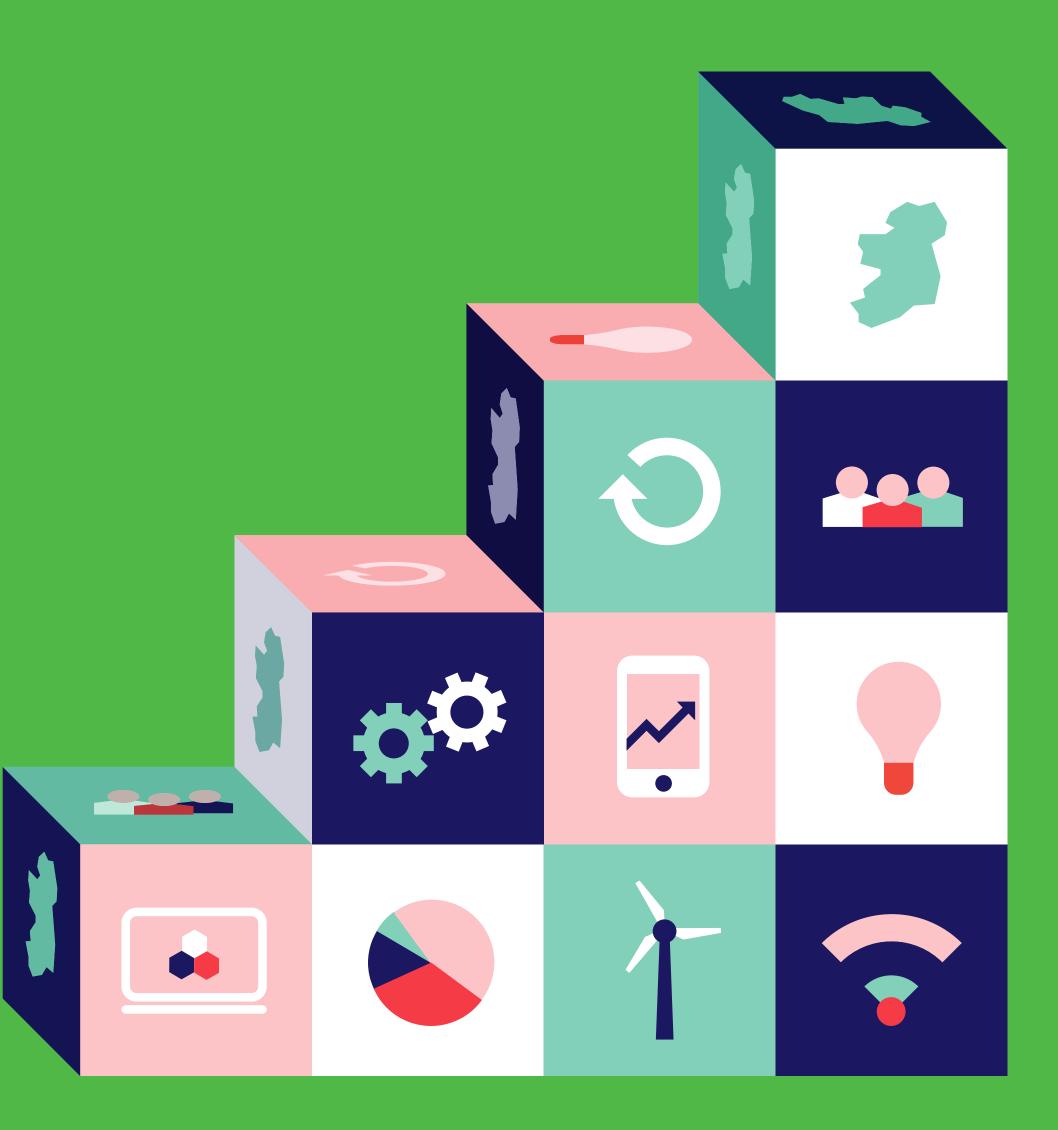
Ibec Manufacturing Survey 2021

Geraldine Anderson Head of Research





Survey background



Conducted in October 2021

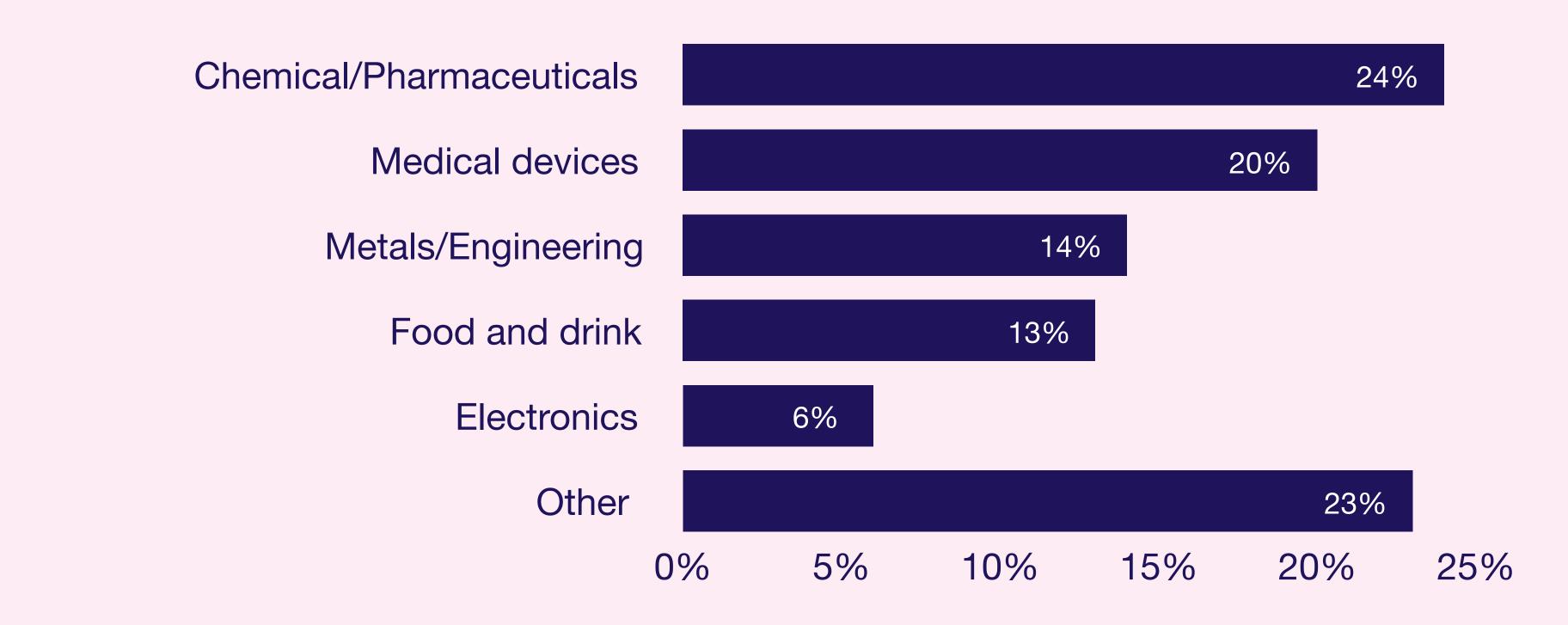


Ibec members engaged in manufacturing invited to participate

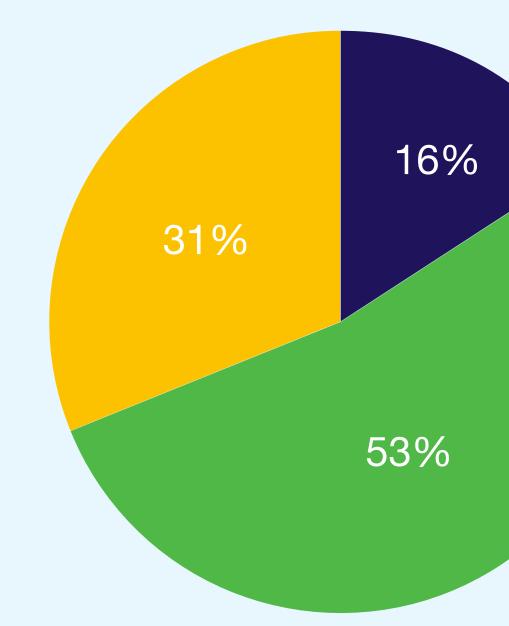


Total of 108 responses

Respondents by manufacturing activity



Respondents by company size



Over 250 employees



50 - 250 employees

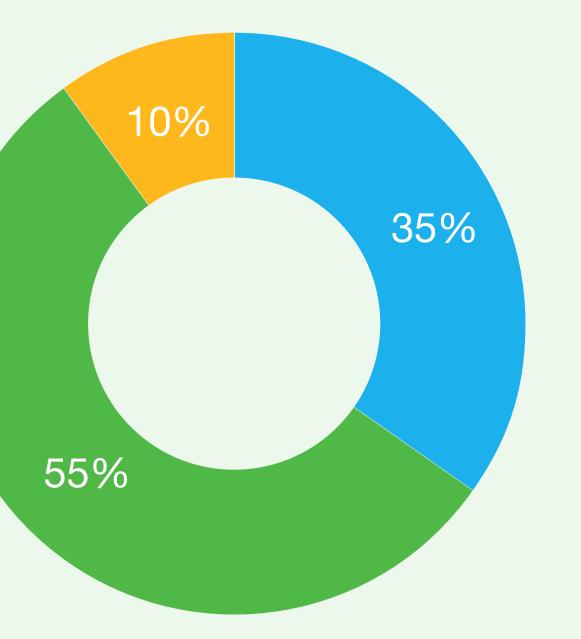


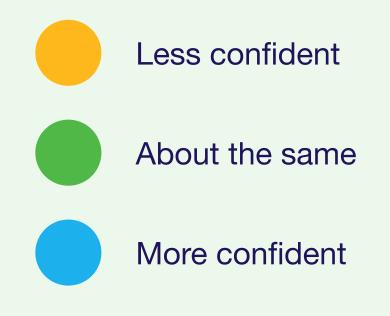
Less than 50 employees

Business confidence

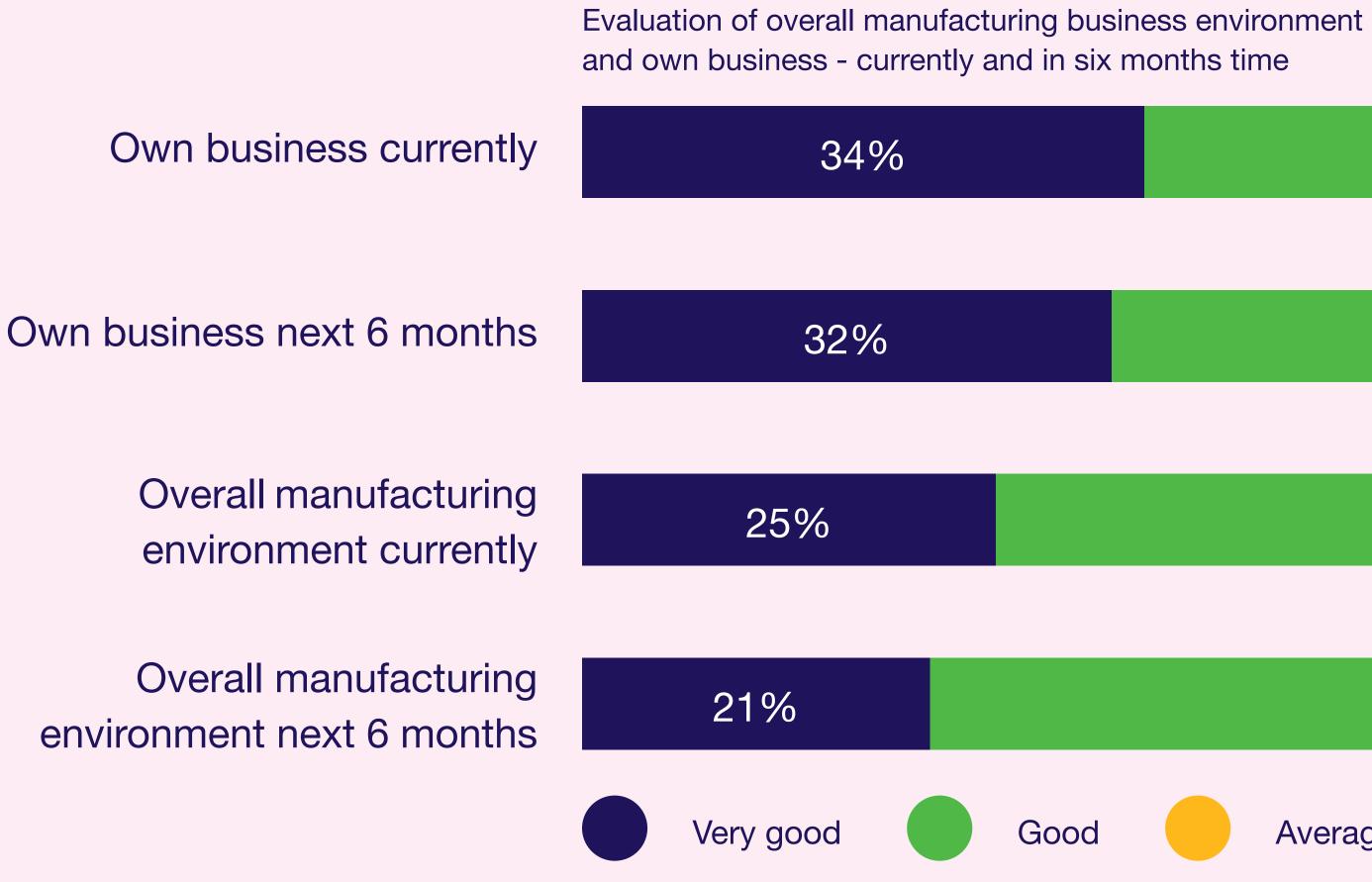
Compared to six months ago, around a third of manufacturing organisations were more confident about their business.

One in ten (10%) were less confident now compared with six months prior to the survey.





Respondents were more confident about their own business than the overall manufacturing environment both currently and in six months time.



54%	9%	3
53%	12%	3
64%	9%	2
66%	12%	
aood Average Poor		



Expected changes in next six months

Key findings

- six months.
- to increase.
- **Three out of five (59%) expect** • investment in environmental months.

Over nine out of ten respondents expect increases in cost of transport (95%) and cost of raw materials (93%) in the next

Around a third (33%) expect profitability

sustainability to increase in the next six

Excluding seasonal factors, please indicate whether you expect the following to increase, decrease or stay the same for your own organisation in the next six months?

Cost of transport

Cost of raw materials

Wage growth

Export sales

Investment in environmental sustainability

Total sales

Capital investment

Investment in digitalisation/advanced manufacturing

Productivity

Employee numbers

Profitability

Domestic sales

R&D expenditure



	95%		5%
	93%		6%
	83%		17%
60%		26%	9% 5%
59%		37%	4%
58%		29%	11% 2
53%		41%	6%
51%		44%	5%
48%		49%	3
44%		48%	8%
33%	32%	34%	
29%	45%	6%	20%
23%	61%	2	14%



Challenges for organisations in next six months

Key findings

- workforce (63%).
- six months.
- next six months (76%)

Major challenges are expected for organisations around cost of energy (70%), transportation and logistics (64%) and attracting and retaining a quality

Cost and availability of raw materials will also create major challenges for manufacturing organisations in the next

Covid related issues are expected to remain a challenges for over three quarters of the respondents over the

Over the next six months, do you expect any of the following to be a challenge for your organisation?

Cost of energy Major challenge Transportation and logistics costs Not a challenge Attracting and retaining a quality workforce Minor challenge Availability of raw materials Cost of raw materials Don't know/Not applicable Cost of labour Availability of energy Trade uncertainties Cyber security Management of carbon emissions Regulatory environment Implementation of sustainability measures Irish planning regulations Increased digitalisation of manufacturing processes/supply chain Covid-related issues Cost of acquiring land/plant in Ireland Returning employees to working onsite Weaker global growth Remote/hybrid working Availability/access to EU or Government funding supports Taxation environment Access to capital or other forms of finance Other

		70%			24%	6	6%
64%		30%			6%		
63%		31%			6%		
	62%				32%		6%
	57%			38	3%		5%
	45%			46%			8%
28	3%		50%			20%	2
22%			54%			22%	2
20%			62%			16%	2
20%		49%			27	%	4%
18%		45%			34%		3
17%		53%			25	%	5%
15%	21%		43%			21%	
15%		51%			30%		4%
12%		64%				20%	4%
11%	16%		45%			28%	
10%	41%			46%			3
8%	ξ	53%		3	1%		8%
7%	40%			46%			7%
6%	29%		48%			179	6
4%	42%			50%			4%
4%	30%		55%				11%
6% 8%	21%			65%			

Manufacturing priorities 2022

Key findings

- •

Improving profitability (25%), managing supply chains (19%) and increasing profitability (18%) are the top priorities for manufacturing organisations for next year.

Access to labour is a top three priority for over a third of respondents (38%)

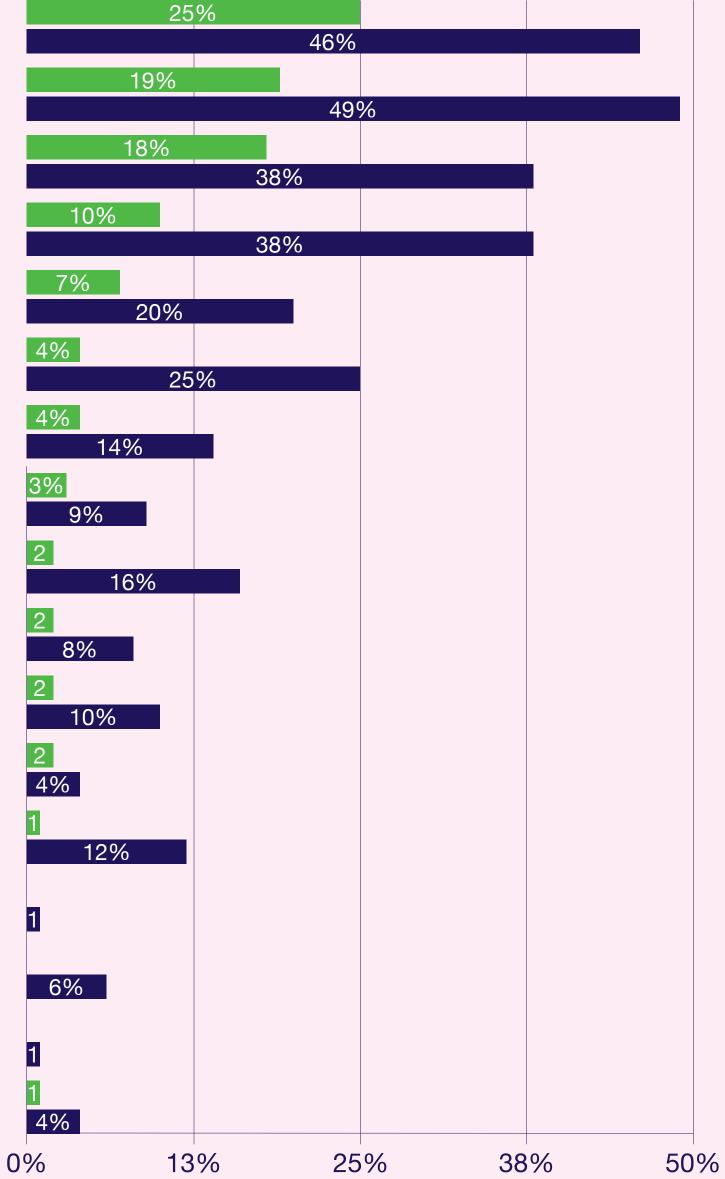
Business confidence

Improving profitability Increasing production Access to labour Business expansion in Ireland Energy costs Developing new markets/trade Cost of labour Downsizing Managing cyber risk Diversity and inclusion Other

Managing supply chains/suppliers Introducing digitalisation/advanced manufacturing initiatives Remote working/return to onsite working Introducing/increasing R&D activity Financing routine business operations

Introducing/embedding sustainability initiatives in the business





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