Intersection of Talent and Technology

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> "Workforce challenges cannot be solved without building and maintaining a culture of innovation and technology within your organization. Talent and technology are fundamentally linked together in the success of future supply chains."
>
> George Prest, CEO of Material Handling Institute (MHI)

This quote encompasses how workers and technology go hand-in-hand in promoting company success rather than one serving as a replacement for the other. Companies are more rapidly embracing technology and digital innovation, but quality talent is crucial for leveraging the benefit that comes from these innovations.

As companies advance towards a digital supply chain model, they have experienced some worker shortages and skills gaps. A 2020 survey by MHI of manufacturing and supply chain professionals reveals the top challenges companies face in the figure below. The biggest challenge was hiring and retaining qualified workers, which 56% of respondents rated it as extremely or very challenging. This is because there is high competition for talent among organizations. Additionally, these organization need to offer adequate compensation and work-life balance through flexibility.

COMPANY CHALLENGES
The top 6 company challenges - rated extremely or very challenging

56%
Hiring and retaining qualified workers

51%
Customer demands for lower costs

48%
Customer demands on response times

47%
Rising customer service expectations

46%
Forecasting

41%
Customer demands for customization

TARGETING TALENT
Top 3 ranked challenges faced to attract targeted talent

78% High competition for talent

63% Access to targeted talent groups

48% Ability to offer work/life balance and PTO

RETAINING TALENT
Top 3 ranked challenges faced in retaining targeted talent

57% High competition for talent

45% Leadership vision and organization direction

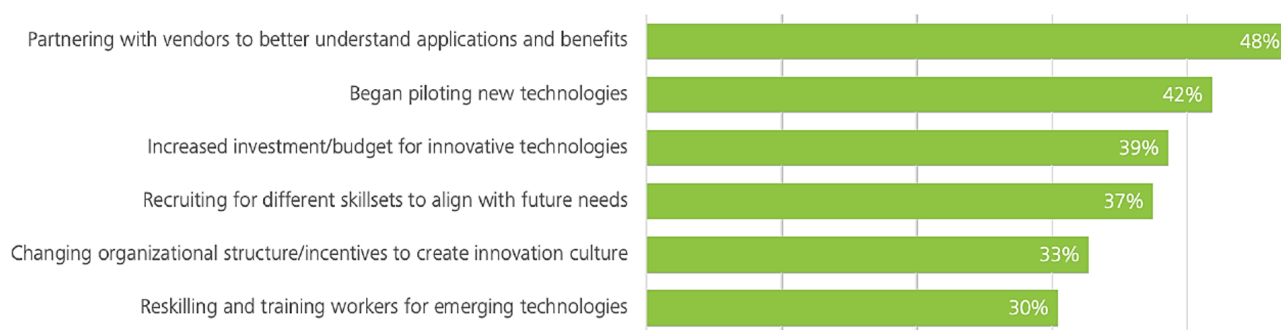**43%** Lack of an adequate employee compensation package

In regard to technology, manufacturing and supply chains are experiencing significant growth in this area. This increased adoption of technology allows for an influx of data – which is highly valuable. The data companies gather gives them further insight into core operations and workforce efficiency which they can then analyze to determine means for improvement. Examples include identifying how costs can be reduced, analyzing indicators of high performing workers, and using real-time data to make actionable

decisions. Some key technology and digital trends which enable this and are in-use today as well as projected to grow considerably over the next five years are shown in the following chart.

	In-Use Today	Projected 5 Year Adoption Rate
Cloud Computing & Storage	59%	90%
Artificial Intelligence	12%	60%
Predictive Analytics	28%	82%
Internet of Things	26%	75%

Companies recognize the importance of digitizing, but they must also plan steps towards taking advantage of what these innovations have to offer. The gure below highlights some of the actions companies are taking to embrace technology as part of their core business.

ACTIONS TAKEN IN PREPARATION FOR THE CHANGES IN THE NEXT TEN YEARS

To see how talent and technology have been successfully combined in a workforce management platform check out https://myworkchoice.com/blog/digital-age-of-workforce-management/.

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