

In partnership with:

**CERIDIAN**

**MAKE**uk  
The Manufacturers' Organisation



# LABOUR TURNOVER 2021

## **MAKE**uk **INSIGHT:**

This year's Labour Turnover reveals some of the highest churn rates we have seen in the manufacturing sector since undertaking this work. This is unsurprising given the level of redundancies we have seen in the manufacturing sector since the start of the pandemic. When excluding redundancies, we have a churn rate that is lower than in previous years, with employees less likely to be wanting to move from their current jobs in a bid to retain stability and certainty.

With higher turnover levels, many manufacturers are taking this opportunity to review their recruitment processes to ensure they attract the right candidates for longer retention.

To cement employee engagement and therefore employee retention, it is also worth manufacturing employers undertaking a longer-term skills gap analysis to map out succession planning and build employee growth and development opportunities. Due to changing markets or different working arrangements following COVID-19, succession plans within manufacturing businesses ideally need to change, yet many businesses forget to review their future requirements and just replace 'like for like'. This will not only support employee retention, but may also reduce unnecessary costs of recruitment, which can then be put back into the business to focus on employee development, which will ultimately benefit the business.

Make UK offers tailored support with recruitment, employee engagement, succession planning and setting out longer term organisational strategies. Make UK also offers support with psychometric testing and training line managers on effective recruitment and selection to ensure that these opportunities are maximised.

With support from:



## CERIDIAN INSIGHT:

The global pandemic brought unprecedented challenges for the manufacturing sector – lockdown, furlough, remote and new ways of working, supply chain issues and much more. Top it all off with the Brexit transition and it has been the most volatile year in living memory.

As we emerge as an industry into the new reality, the ability to attract, retain and reskill your workers will put your organisation on the path to optimal success. Before COVID-19, manufacturers were already investing billions annually on digital transformation. Now you need a people management platform to transform your workforce, ready for the future.

In 2020 our Human Capital Management (HCM) technology, Dayforce, was named a Leader in the Gartner Magic Quadrant for Cloud HCM Suites for 1,000 Employee Enterprises.

With award-winning, intuitive solutions that manage the whole people management process including; talent acquisition, onboarding, compensation and benefits, learning, workforce management and payroll, we engineer innovative technology that organisations around the world use to manage compliance, make better decisions, build great teams, and drive engagement with their employees.

Find out more. Visit [www.ceridian.com/uk](http://www.ceridian.com/uk)



## METHODOLOGY

This is based on a survey undertaken between 1 February 2021 and 20 February 2021 with 169 manufacturers responding.

**Labour Turnover:** all leavers are included in our calculations, including voluntary resignations, redundancies, retirement, and dismissals.

$$\text{The calculation: Turnover} = \frac{\text{Total number of leavers}}{\text{Average number employed}} \times 100$$

**Turnover excluding redundancies:** all leavers are included in our calculations apart from redundancies; therefore, this measure includes voluntary resignations, retirement, and dismissals.

$$\text{The calculation: Turnover excl redundancies} = \frac{\text{Total number of leavers - redundancies}}{\text{Average number employed}} \times 100$$

# IN 2020:



**OVERALL  
LABOUR  
TURNOVER  
WAS  
17.6%**



**EXCLUDING  
REDUNDANCIES,  
THE CHURN FOR  
ALL EMPLOYEES  
WAS  
8.1%**

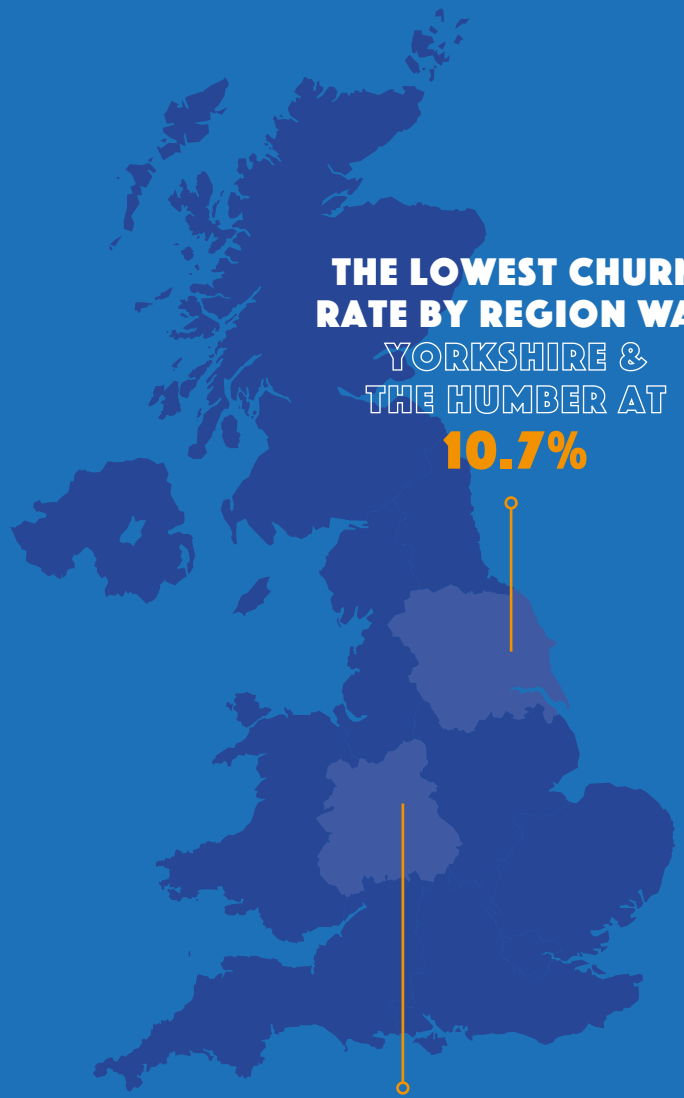


**MOTOR  
VEHICLES  
HAD THE  
HIGHEST  
CHURN  
RATE AT  
30.3%**



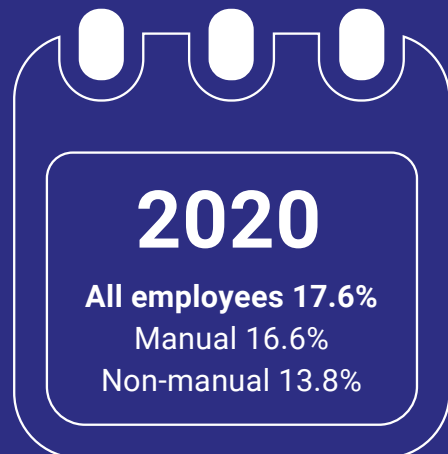
**BASIC  
METALS  
HAD THE  
LOWEST CHURN  
RATE AT  
7.3%**

**THE LOWEST CHURN  
RATE BY REGION WAS  
YORKSHIRE &  
THE HUMBER AT  
10.7%**

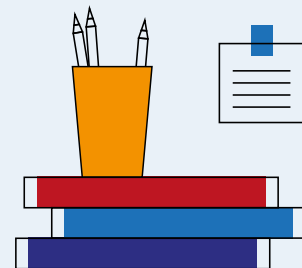
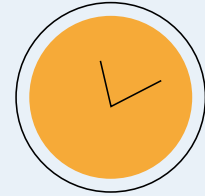
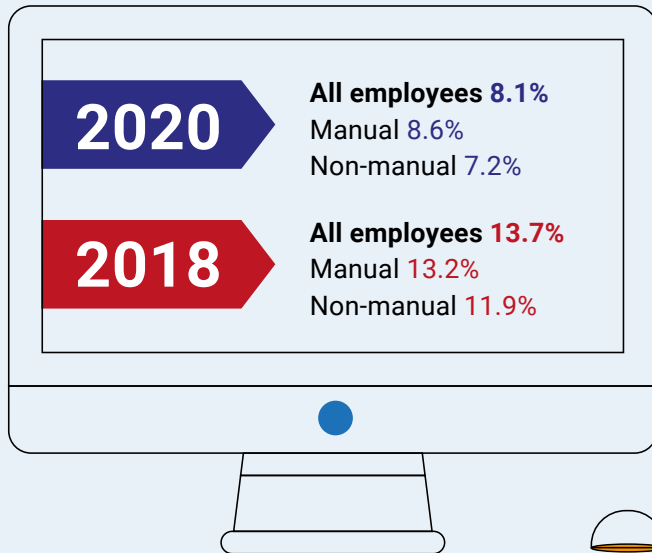


**THE WEST MIDLANDS  
HAD THE HIGHEST  
TURNOVER RATE AT  
23.8%**

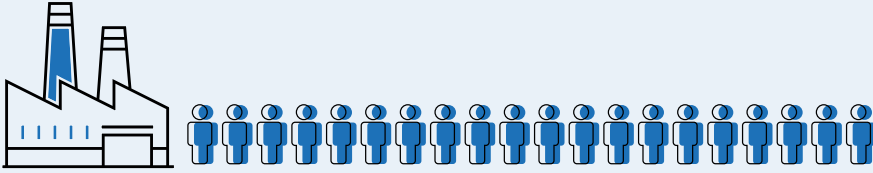
## MANUFACTURING LABOUR TURNOVER BY EMPLOYEE TYPE:



# MANUFACTURING LABOUR TURNOVER BY EMPLOYEE TYPE (EXCLUDING REDUNDANCIES)

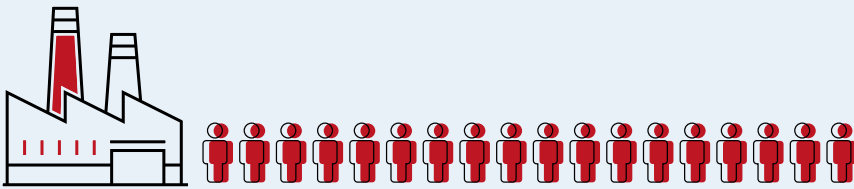


# MANUFACTURING LABOUR TURNOVER BY SIZE OF COMPANY (BY EMPLOYEE NUMBER)



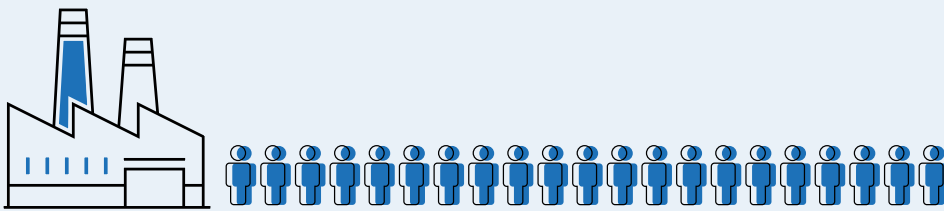
**All employees 19.9%**  
Manual 11.9%  
Non-manual 19.9%

**1-9 EMPLOYEES**



**All employees 17.7%**  
Manual 17.4%  
Non-manual 13.9%

**10-249 EMPLOYEES**



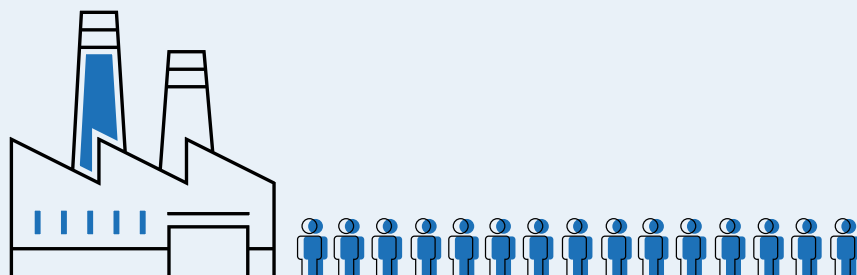
**All employees 20.1%**  
Manual 15.6%  
Non-manual 12.8%

**250-499 EMPLOYEES**



**All employees 14.7%**  
Manual 15%  
Non-manual 10.6%

**500-999 EMPLOYEES**



**All employees 14.5%**  
Manual 18%  
Non-manual 14.3%

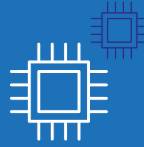
**1000+ EMPLOYEES**

# MANUFACTURING LABOUR TURNOVER BY SECTOR



## BASIC METALS

All employees 7.3%  
Manual 8.5%  
Non-manual 5%



## ELECTRONICS

All employees 10.6%  
Manual 15%  
Non-manual 11.5%



## ELECTRICAL EQUIPMENT

All employees 14.3%  
Manual 7.6%  
Non-manual 12.5%



## RUBBER & PLASTICS

All employees 14.3%  
Manual 12.5%  
Non-manual 17.2%



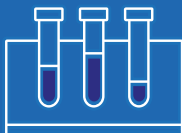
## TEXTILES

All employees 14.4%  
Manual 16.3%  
Non-manual 12.8%



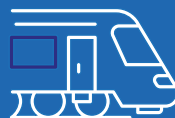
## OTHER MANUFACTURING

All employees 14.7%  
Manual 14.2%  
Non-manual 13.2%



## CHEMICALS

All employees 16.5%  
Manual 15.2%  
Non-manual 27.8%



## OTHER TRANSPORT

All employees 19.4%  
Manual 8.2%  
Non-manual 6.6%



## MECHANICAL EQUIPMENT

All employees 20.6%  
Manual 17%  
Non-manual 11.3%



## METAL PRODUCTS

All employees 23.2%  
Manual 26.1%  
Non-manual 15.9%



## FOOD AND DRINK

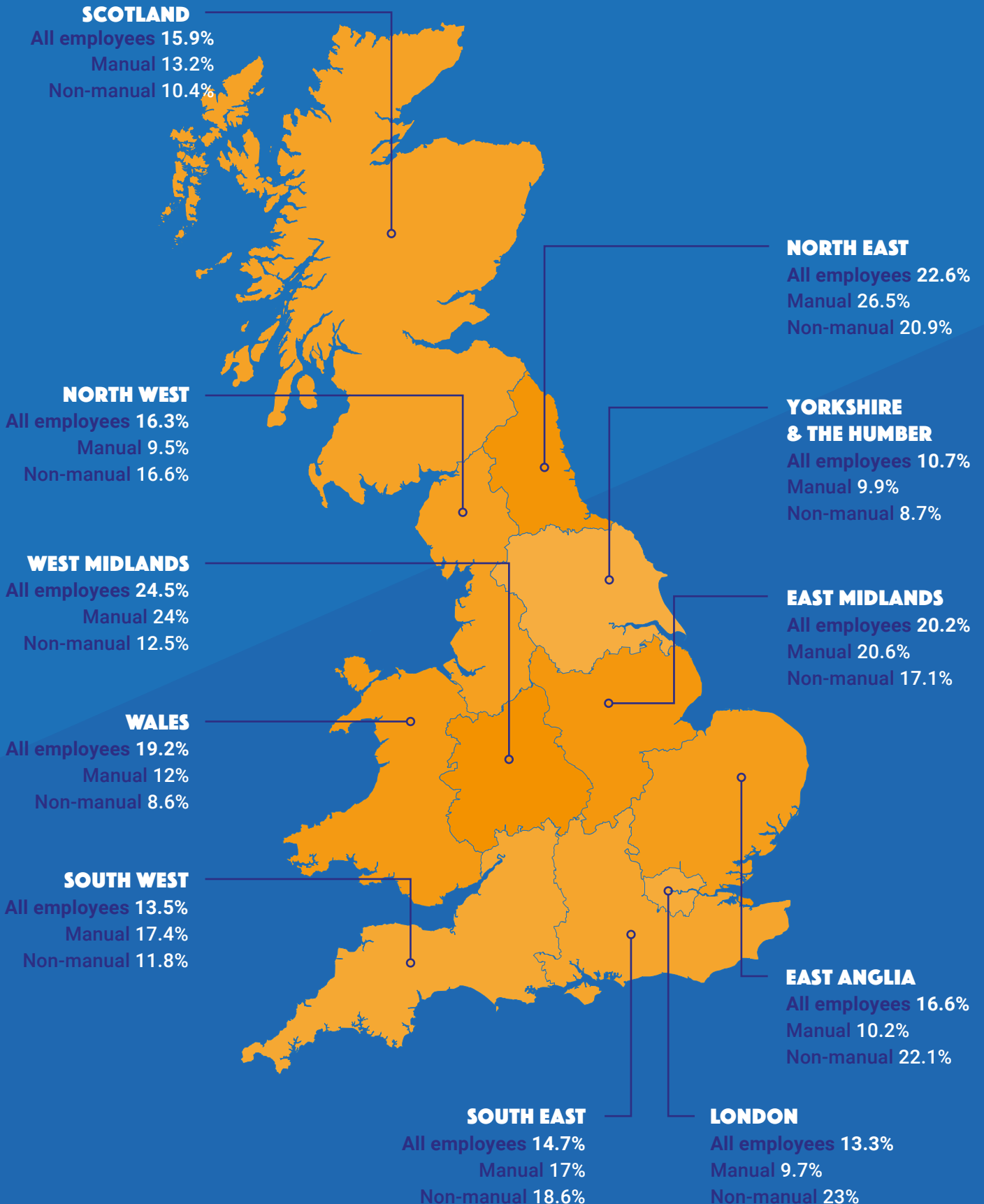
All employees 25.5%  
Manual 22.6%  
Non-manual 17.8%



## MOTOR VEHICLES

All employees 30.3%  
Manual 26.8%  
Non-manual 31%

# MANUFACTURING LABOUR TURNOVER BY REGION





Make UK is a powerful voice at local, national and international level for all companies from small to large in the manufacturing and engineering sector.

We create the most supportive environment for UK manufacturing growth and success, and we represent the issues that are most important to our members, working hard to ensure UK manufacturing remains in the government and media spotlight.

Our services help manufacturers increase efficiency, productivity, and capability across areas such as HR & legal support; health, safety & sustainability; compliance; and training & skills.

Our HR experts are on hand to support you through the entire employment cycle, from challenges around recruitment, retention and employee engagement to broader strategic issues involving your workforce.

**MakeUK.org**


## CERIDIAN

At Ceridian, we create innovative technology that manufacturers around the world use to attract, develop, manage, and pay their people. Our award-winning Dayforce solution helps our customers manage compliance, make better decisions, build great teams, and drive engagement with their employees. Ceridian has solutions for manufacturers of all sizes.

Ceridian. Makes Work Life Better™

**[www.ceridian.com/uk](http://www.ceridian.com/uk)**


To find out how we can support you, speak to one of our HR consultants by calling **0808 168 5874** or email **[HRenquiries@MakeUK.org](mailto:HRenquiries@MakeUK.org)**


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