

The 1st Annual

B BRISTOL
ASSOCIATES

**FOOD & BEVERAGE
MANUFACTURING
SURVEY *Results***



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WELCOME TO THE RESULTS OF THE 2020 SURVEY

The 1st Annual

Food & Beverage Manufacturing Survey, produced by Bristol Associates, Inc., is designed to help the food and beverage manufacturing industry attract, retain and motivate its talent. We aim to provide insight on professionals' attitudes and preferences towards their workplace and the industry at large.

Questions included in the Survey relate to work satisfaction, career priorities, hiring challenges and concerns in the industry.

The authors of this report are David Alford, Erika Castro and Jessa Farber of Bristol Associates, Inc.

METHODOLOGY & DEMOGRAPHICS

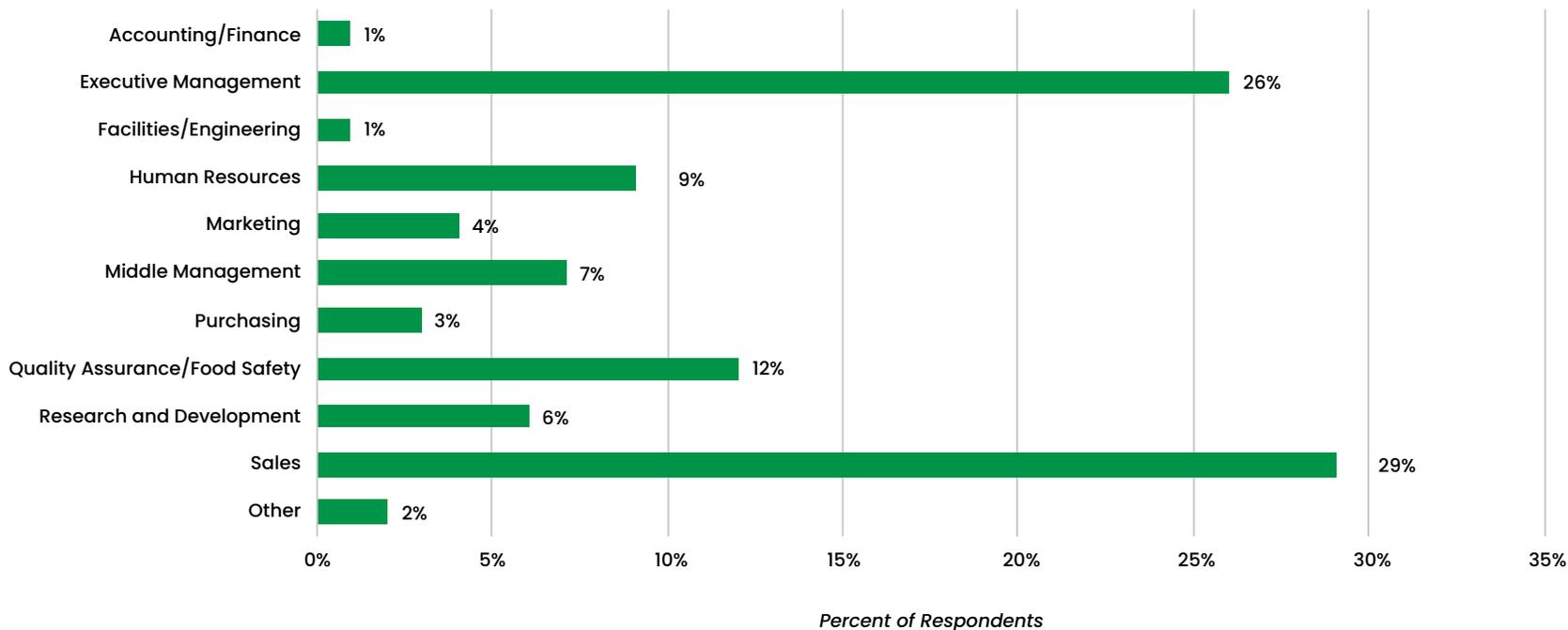
The 1st Annual Food & Beverage Manufacturing Survey was open from October 1, 2020 through November 16, 2020.

The Survey consisted of 13 multiple choice questions, four sets of 5-point Likert scale questions, two open-ended questions, one numbered scale and one ranking question. The Survey took respondents an average of 8 minutes to complete. Survey participation was publicized through the following methods: proprietary databases, lead generation software, Bristol Newsletter and social media including LinkedIn, Facebook and Twitter.

The Survey represents a sampling of food and beverage manufacturing industry professionals. The respondents are diverse in geography, responsibilities and years of experience. The Survey design ensured that the individuals who participated had current or prior experience working in the food and beverage manufacturing industry within the past five years, and that no duplicates were recorded.

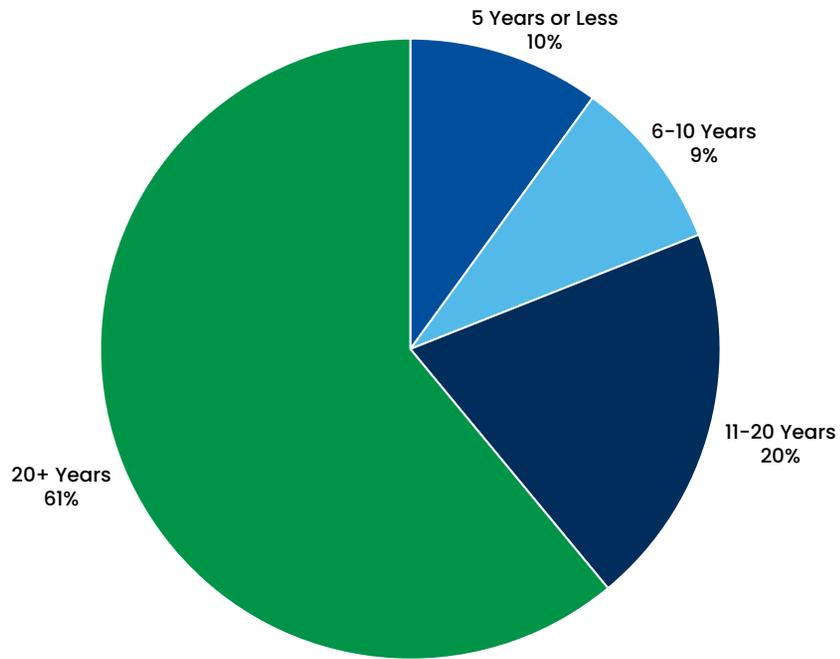
The Survey is not scientific and simply measures the views of those who elected to respond.

DEPARTMENTS OF RESPONDENTS

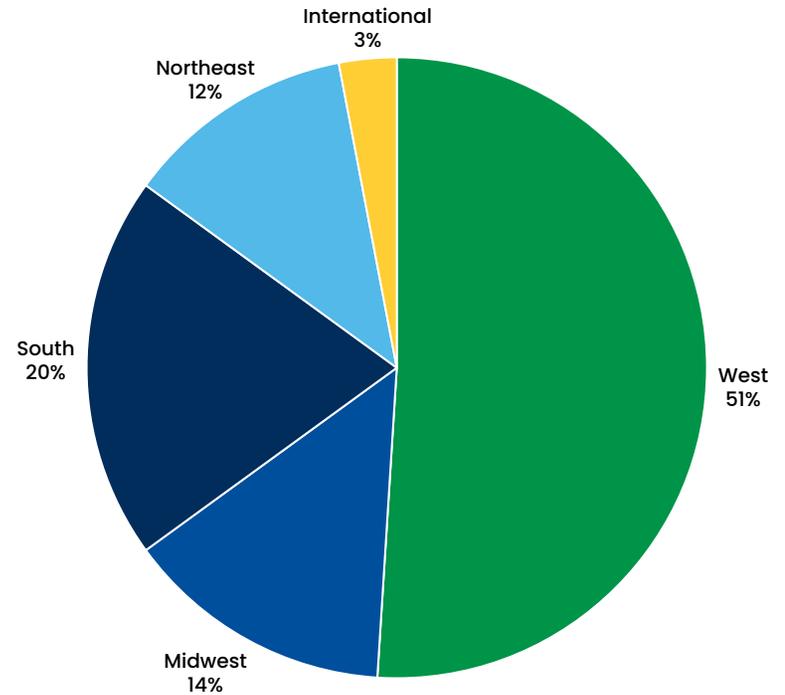


Survey Respondent Demographics

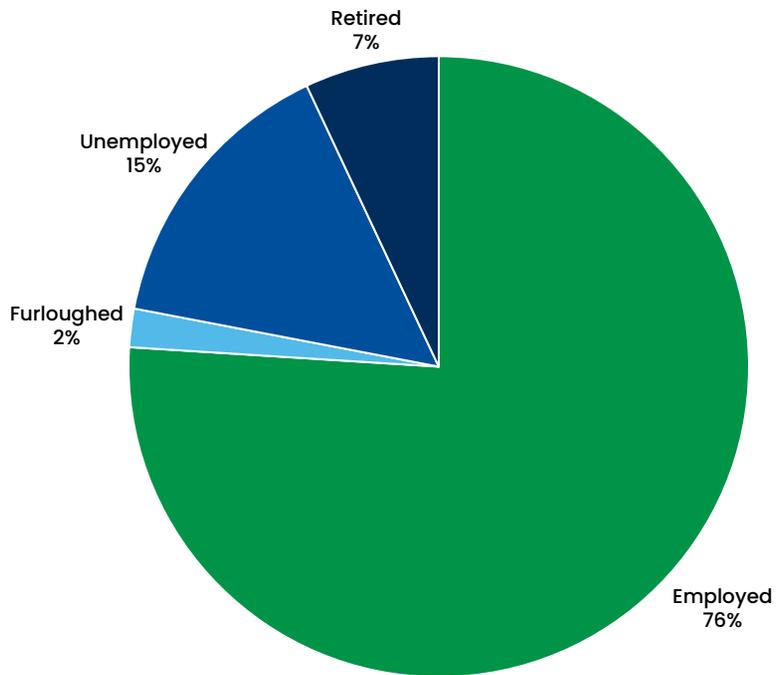
YEARS OF EXPERIENCE



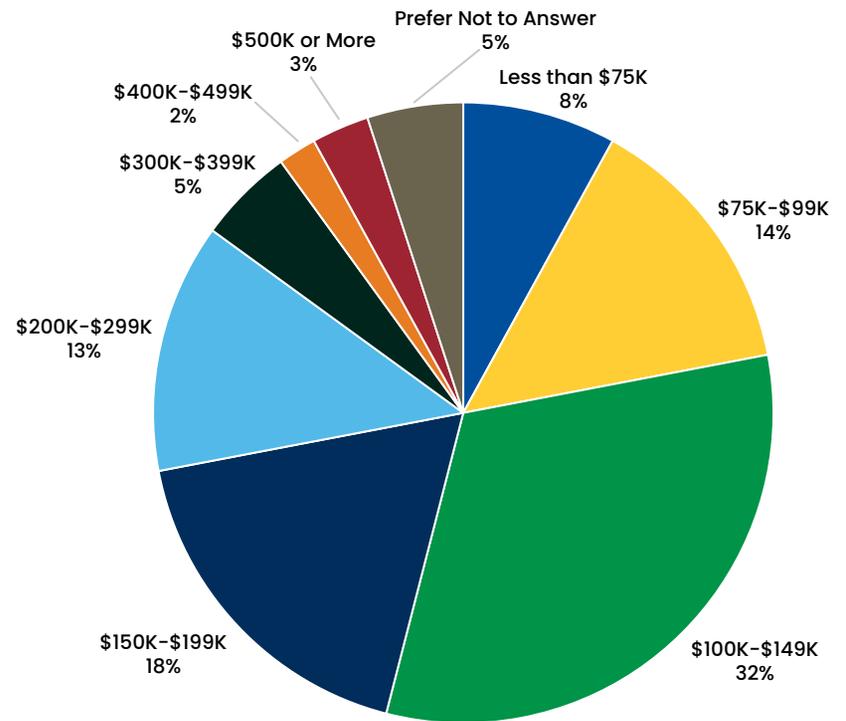
REGIONS



EMPLOYMENT STATUS*



SALARIES



*At the time the Survey was open

EMPLOYEE SATISFACTION

Professionals answered a series of questions related to employee satisfaction. Despite the difficulties in 2020 resulting from the pandemic, 72% of professionals are optimistic about the future of their careers. Around half of respondents agree that their company is working hard to keep its staff and management employees satisfied. However, only 39% agree that their company is working hard to keep them satisfied.

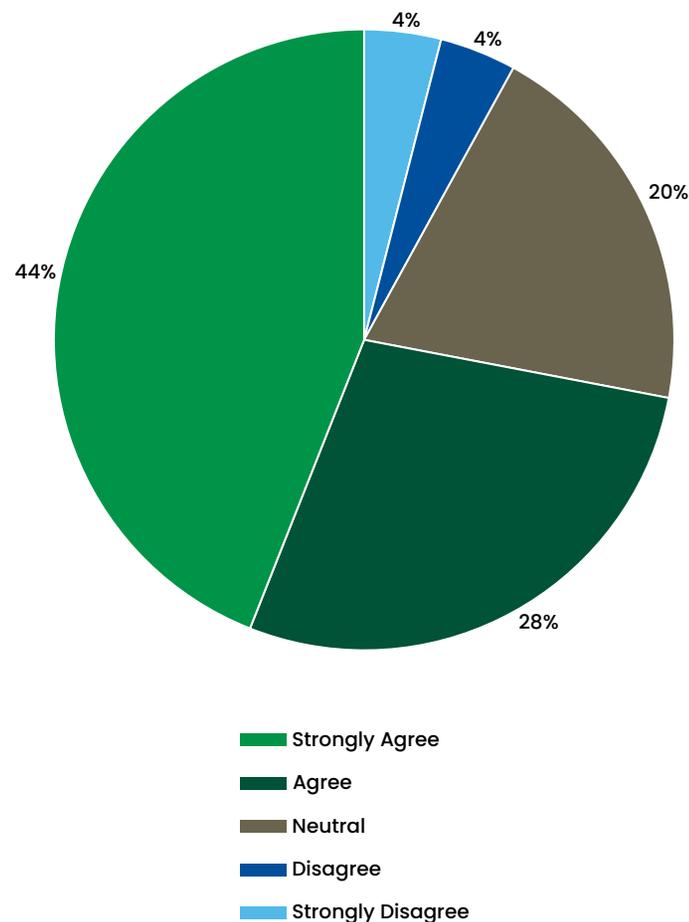
Nearly 70% of all respondents are neutral or disagree that their company is adequately staffed. Also telling is that only 37% of people agree that their team is properly staffed.

Over half of all respondents are satisfied with the amount of communication they have with their bosses or management team, and respondents who have worked in the industry for five years or less are the most satisfied among all experience levels.



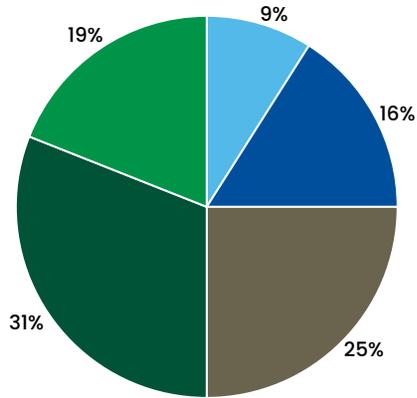
Optimism

"I am optimistic about the future of my career"

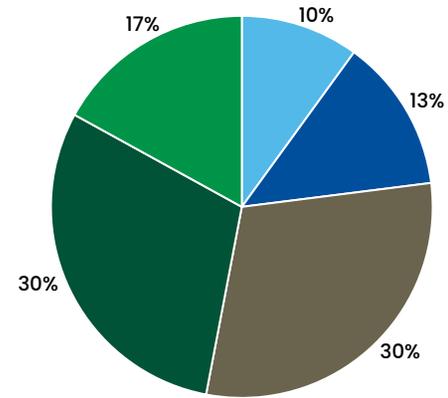


SATISFACTION REGARDING RESPONDENTS AND THEIR COMPANIES

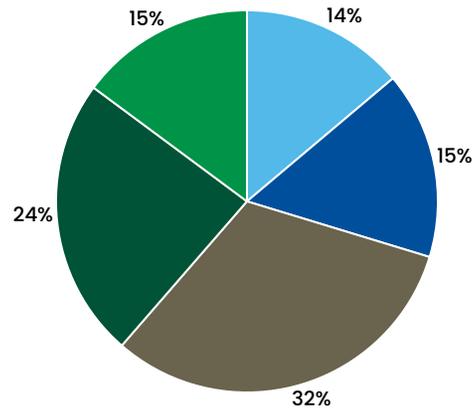
"My company is working hard to keep its staff employees satisfied"



"My company is working hard to keep its management employees satisfied"



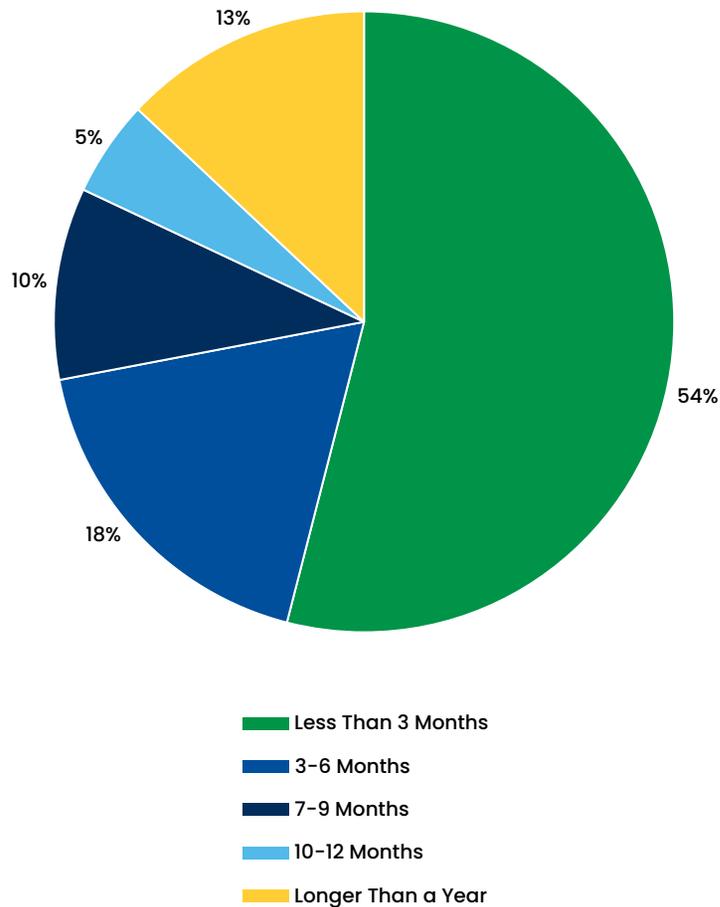
"My company is working hard to keep me satisfied"



Strongly Agree Agree Neutral Disagree Strongly Disagree

Job Search

*"How long have you been looking for work?"**



*Those who are actively searching, from the time the Survey was open

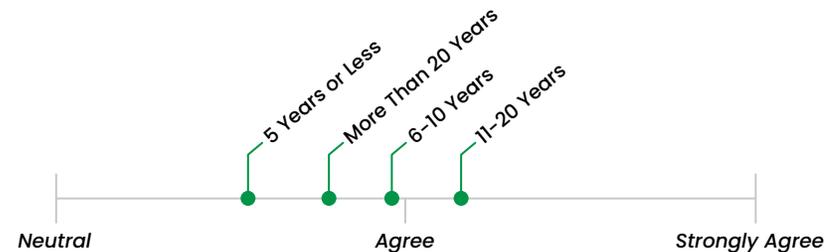
Overall, professionals have worked for an average of 2.08 employers within the last five years. Just over a quarter of total respondents have worked for three or more employers during this time frame.

Even though 65% of all respondents would seriously consider a reasonable offer of new employment, only 49% are confident that they can find a better job elsewhere. Over half of those who are actively searching began looking for a new opportunity within three months of taking the Survey, so within the last half of 2020.

Employed professionals were also asked if they prefer to remain at their current employer. While 42% of the employed respondents are looking for a new position, seven out of ten actually prefer to stay at their current company.

Nearly 10% of those that are unemployed are not currently looking for work. Among retired respondents, 41% are looking for a job opportunity.

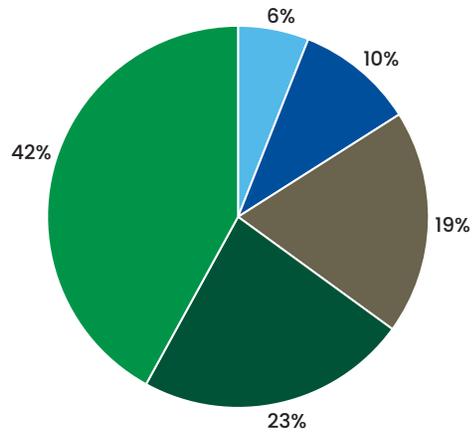
Respondents who have worked in the industry for 11-20 years are the most willing to consider a reasonable employment offer. It is worth noting that professionals with five years or less experience are neutral in their interest in leaving their current employer, while those with six or more years of experience show some interest in moving on from their job within the next couple of years.



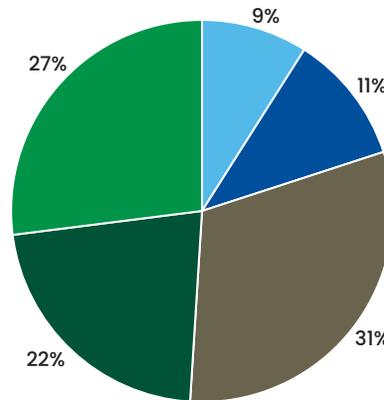
"I would seriously consider a reasonable offer of new employment" by years of experience

SATISFACTION REGARDING CAREERS

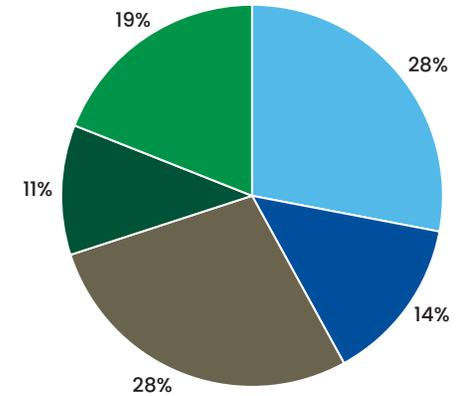
"I would seriously consider a reasonable offer of new employment"



"I am confident that I can find a better job somewhere else"



"I have no interest in leaving my present employer within the next couple of years"



■ Strongly Agree
 ■ Agree
 ■ Neutral
 ■ Disagree
 ■ Strongly Disagree

Out of all respondents, how many are looking for a new career opportunity?

51% *Are Looking* **49%** *Are Not Looking*

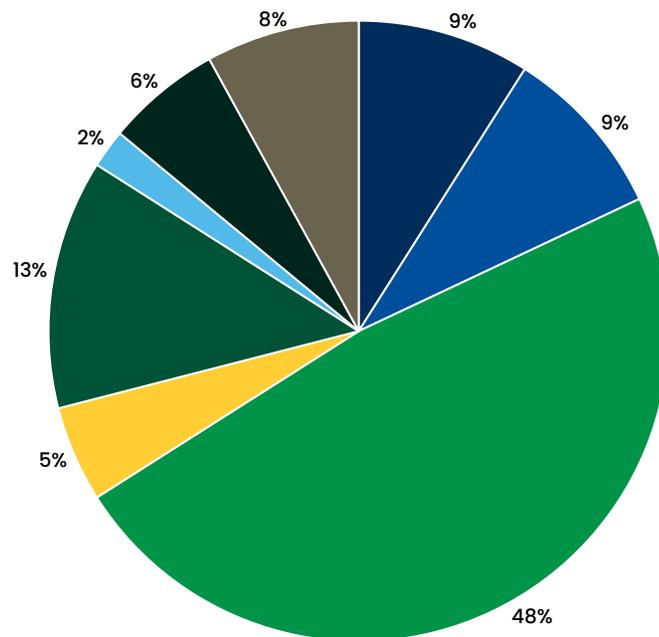
HIRING CHALLENGES

Professionals were asked if their company needs to increase staffing in the next year. Based on responses, 51% of professionals feel that staffing for their company should increase. Respondents report the topmost hiring challenge for their company is “finding qualified people.” This is the biggest challenge by a large margin, attracting 48% of all votes. “Increasing pay rates” follows with 13% of votes. The results are similar when analyzing the top challenges only from hiring authorities. Based on responses from those in Executive Management and Human Resources departments, 46% believe that “finding qualified people” is the biggest challenge, followed by “increasing pay rates” (16%) and “finding people willing to work second and third shifts” (15%).

When breaking down hiring challenges by region, the South has the most difficulty finding candidates in their area and having to relocate people. The West and Northeast regions experience more issues with increasing pay rates than the Midwest and South. The Northeast also has the most difficulty hiring enough people.

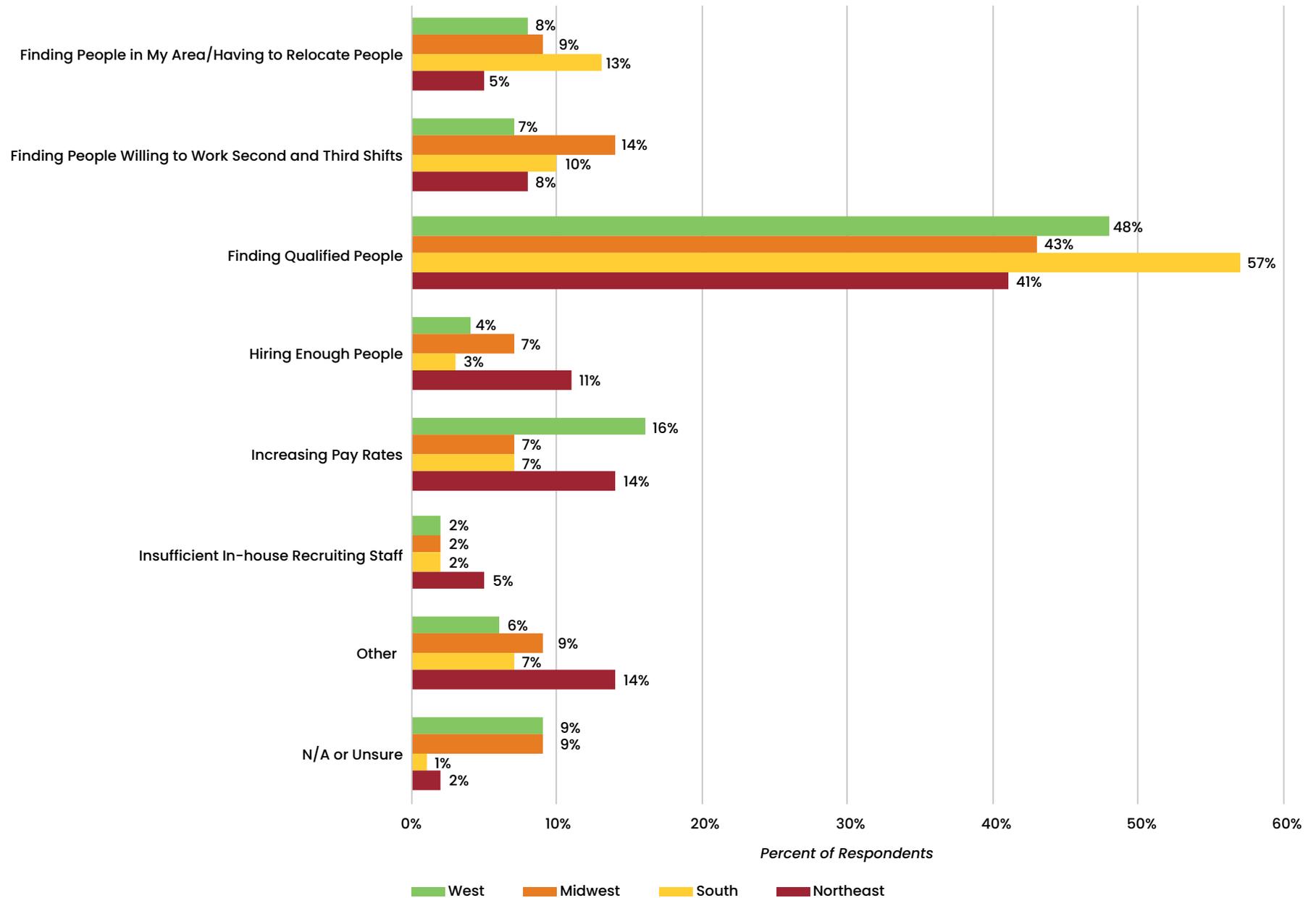
Comparing the need for increased staffing for food and beverage manufacturing companies by department, Sales teams have the highest percentage (63%) of respondents predicting their company does not need to increase staff in the next year. In turn, a little more than half of Executive Management and nearly three quarters of Human Resources respondents believe staffing will need to increase at their companies. Other departments that strongly foresee their company needing to increase staff include Middle Management (62%) and Research and Development (61%).

“What is your company’s biggest challenge regarding hiring new staff?”



- Finding People in My Area/Having to Relocate People
- Finding People Willing to Work Second and Third Shifts
- Finding Qualified People
- Hiring Enough People
- Increasing Pay Rates
- Insufficient In-house Recruiting Staff
- Other
- N/A or Unsure

BIGGEST HIRING CHALLENGE BY REGION



INDUSTRY CONCERNS

Respondents were prompted to choose and rank their top three concerns related to food manufacturing among 14 options. For respondent's first concern, "Availability of labor" is highest with 22% of votes, "Coronavirus" follows right behind at 20% while at 17% "Food safety" is third. Top second concern has "Coronavirus" and "Food safety" tied. Top third concern is a three-way tie between "Availability of labor," "Changing consumer demands" and "Wage increases."

When first, second and third concern votes are combined, the overall order has "Availability of labor" tied with "Coronavirus" at 43%, followed by "Food safety" at 40% and 31% for "Changing consumer demands."

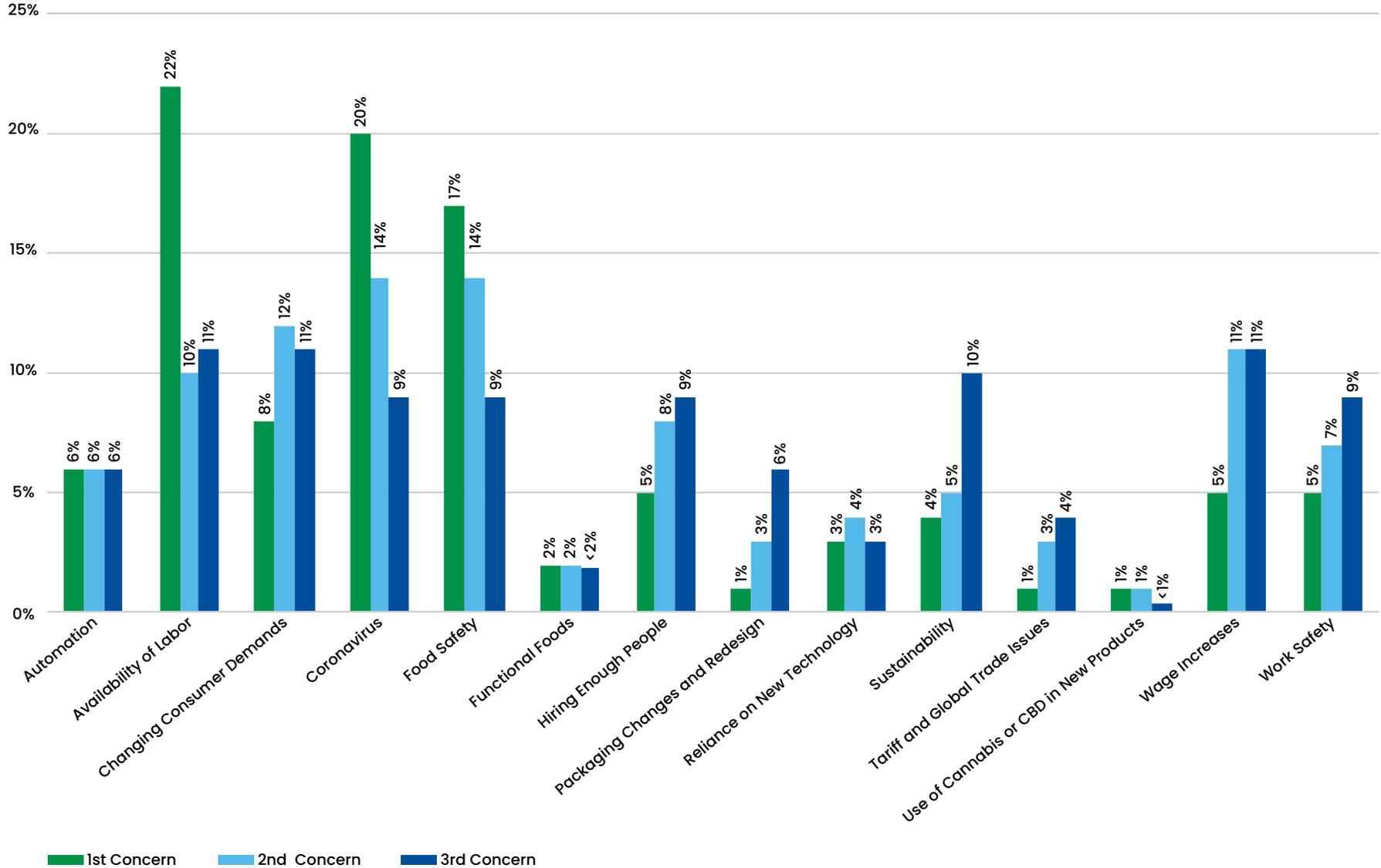
The report also investigates industry concerns within food and beverage departments. The three departments with the highest number of Survey

respondents are Sales, Executive Management and Quality Assurance/ Food Safety. For respondents in Sales departments, "Coronavirus" is the top concern, "Changing consumer demands" is the second concern and "Availability of labor" and "Food safety" tie for third overall concern. While 86% of Executive Management respondents rank "Availability of labor" as one of their top three concerns, there are a good number of responses across the other listed concerns, except for "Use of cannabis or CBD in new products;" none of the respondents in this department have it among their top three concerns. "Coronavirus" (37%) and "Food safety" (35%) came in second and third. Naturally, "Food safety" is by far the main concern for professionals in Quality Assurance/ Food Safety departments; 72% rank it in their top three, and for 64% it is in their top two concerns. "Availability of labor" is the second-highest concern for them (39%), followed closely by "Coronavirus" (36%).



TOP 3 FOOD MANUFACTURING CONCERNS

"What are your top 3 concerns related to manufacturing?"



LOCATION

Professionals were asked if they are willing to relocate for a career opportunity. Six out of ten respondents are open to some form of relocation (anywhere, within their region and/or within their state). One-quarter of respondents are willing to relocate anywhere within the United States.

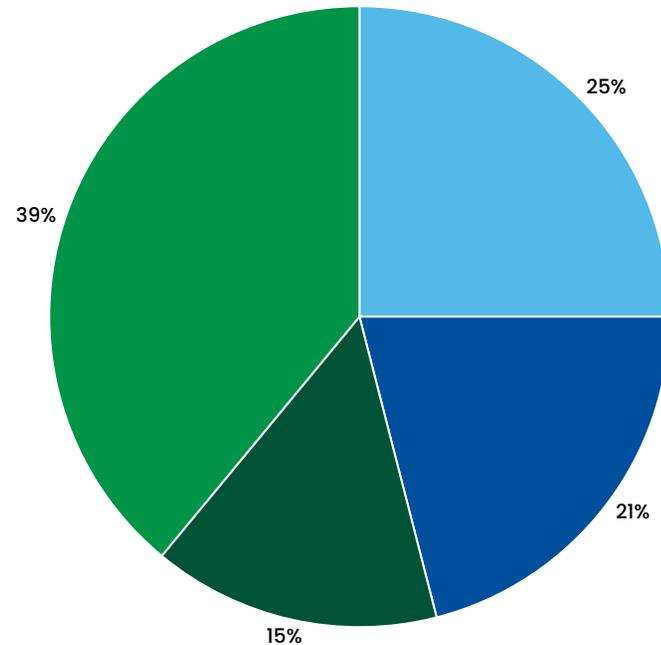
Respondents in the Northeast and Midwest are less likely to relocate for a career opportunity than respondents in the West and South regions. Professionals in the South are most willing to relocate, with a third being open to relocating anywhere within the United States.

According to respondents looking for a new career opportunity, 69% are willing to relocate anywhere, within their region or within their current state. Over half of professionals who are not currently looking for a new job are still willing to relocate for a new opportunity.



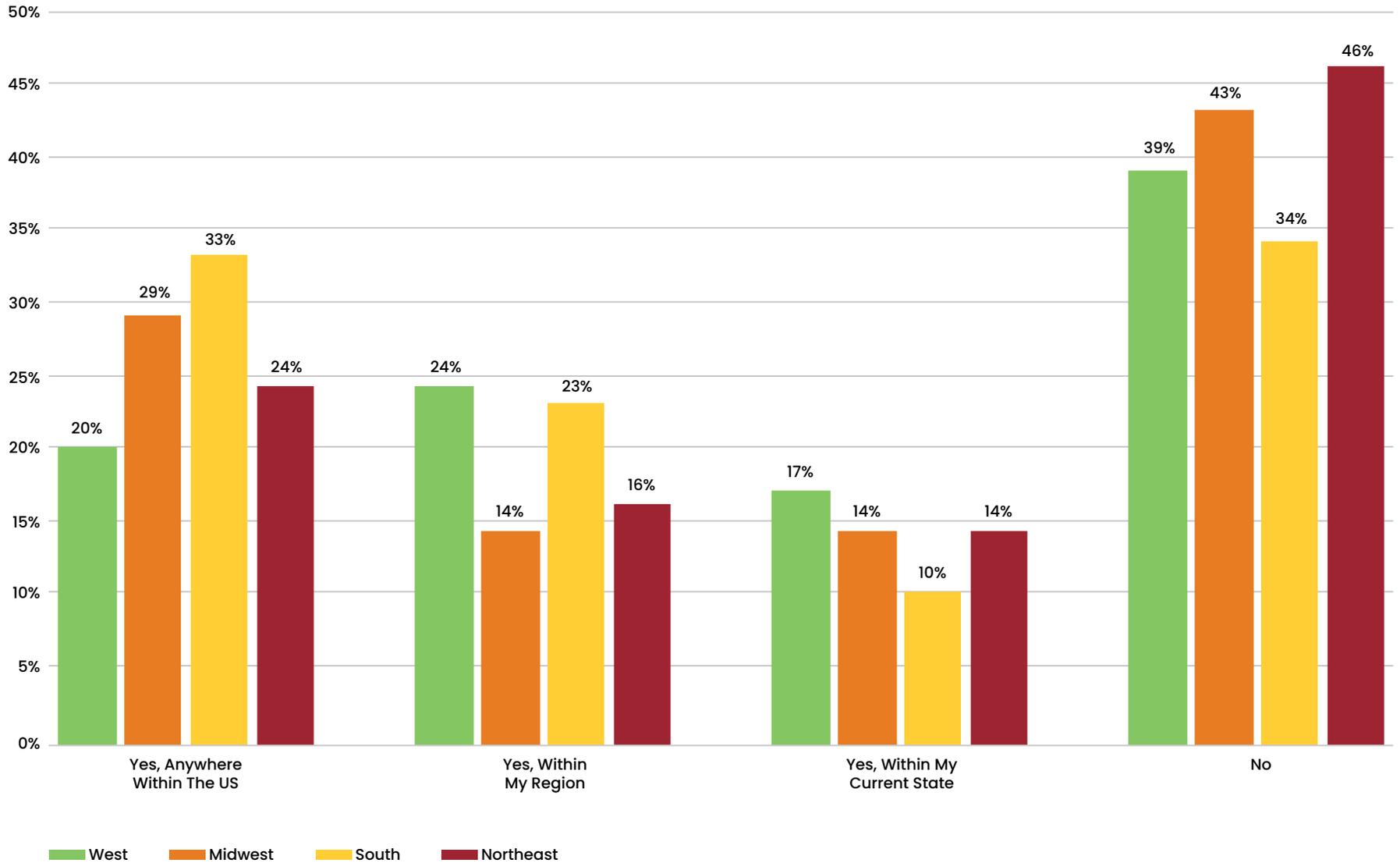
Relocation

“Are you willing to relocate for a career opportunity?”



- Yes, Anywhere Within the US
- Yes, Within My Region (e.g. West Coast, Midwest)
- Yes, Within My Current State
- No

PERCENT OF RESPONDENTS WILLING TO RELOCATE BY REGION



PRIORITIES

Professionals ranked eight potential career priorities when choosing an employer. Results reveal that 22% of professionals rank “Compensation” as their top priority.

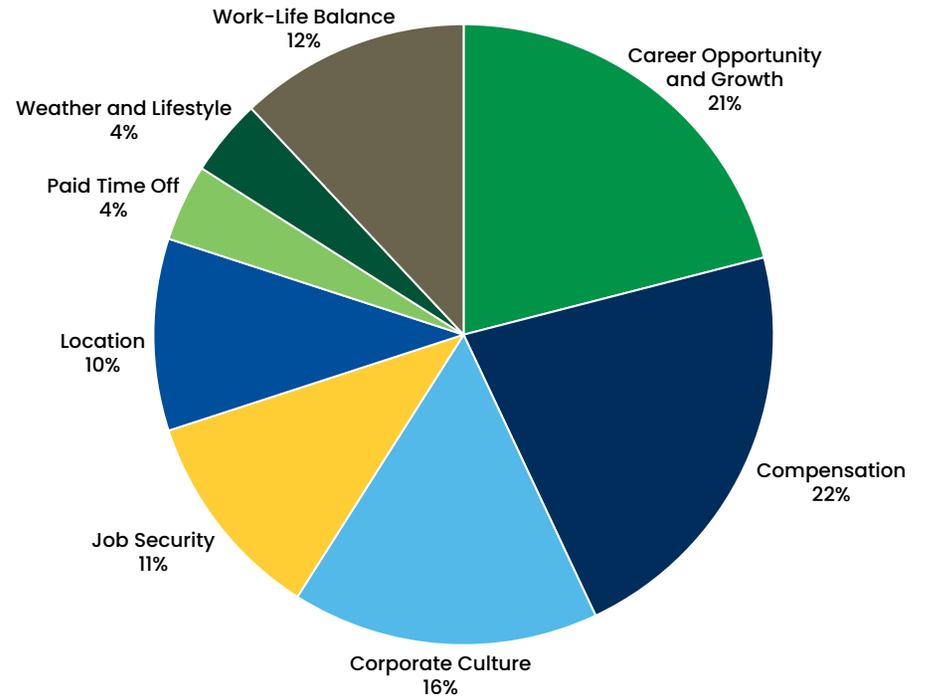
Data from respondents that are currently looking for work differ slightly

from the collective results. “Career opportunity and growth” is ranked as their top priority among the eight choices, getting 25% of votes. “Compensation” is their second priority (30%) and “Corporate culture” is their third priority (23%).

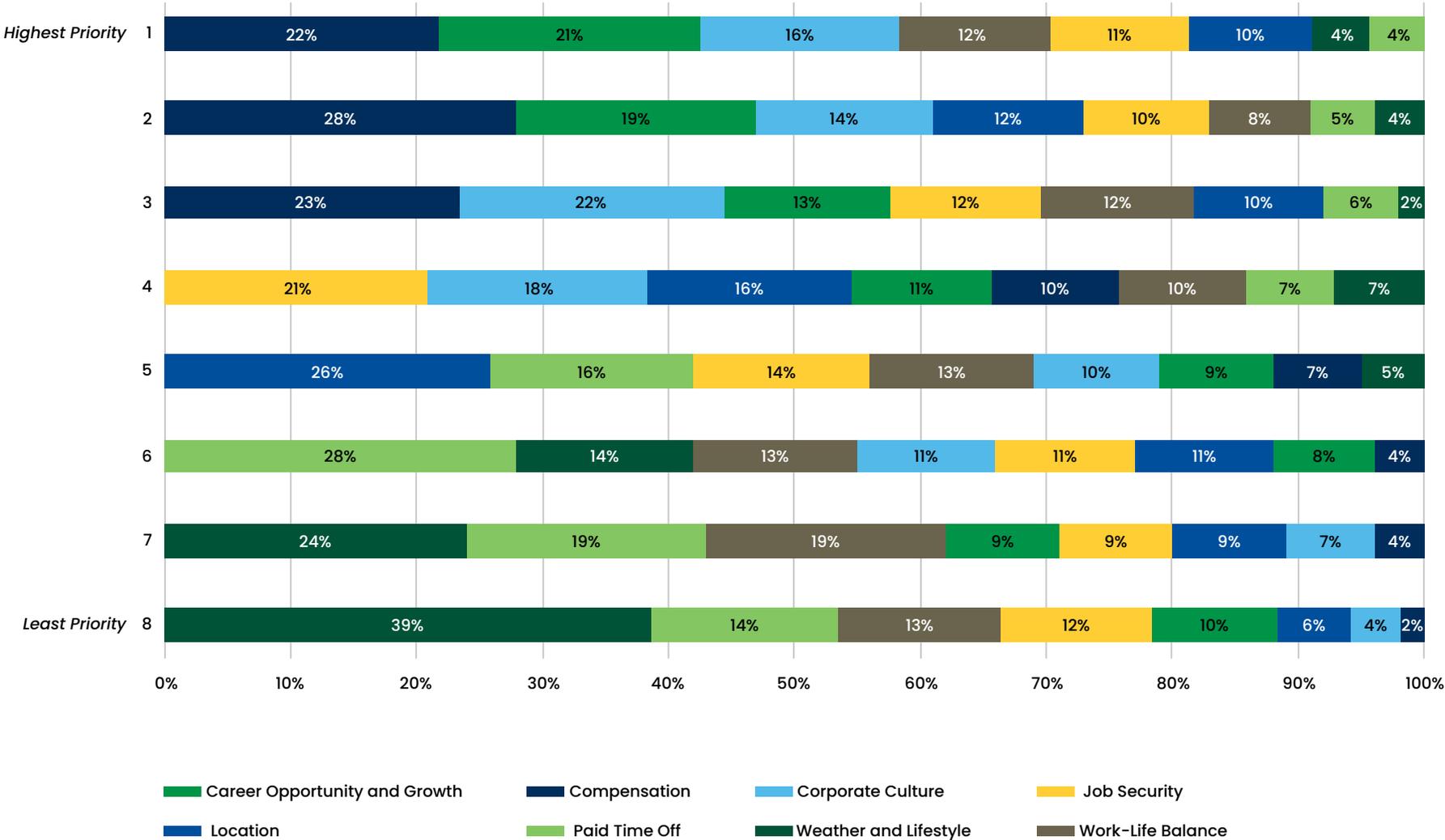
Rank of Career Priorities:

1. Compensation
2. Career Opportunity and Growth
3. Corporate Culture
4. Job Security
5. Location
6. Paid Time Off
7. Work-life Balance
8. Weather and Lifestyle

HIGHEST CAREER PRIORITY



ALL CAREER PRIORITY VOTES



WORK-LIFE BALANCE

Food and beverage manufacturing professionals were also asked a series of questions related to work-life balance. Well over half, 65%, can work from home as needed, and 58% can work flexible hours. 35% of respondents report experiencing employee burnout within the past year. The Survey question regarding burnout was not intended to distinguish perceived burnout from a medical diagnosis.

Only 6% completely unplug
while on vacation



VACATION

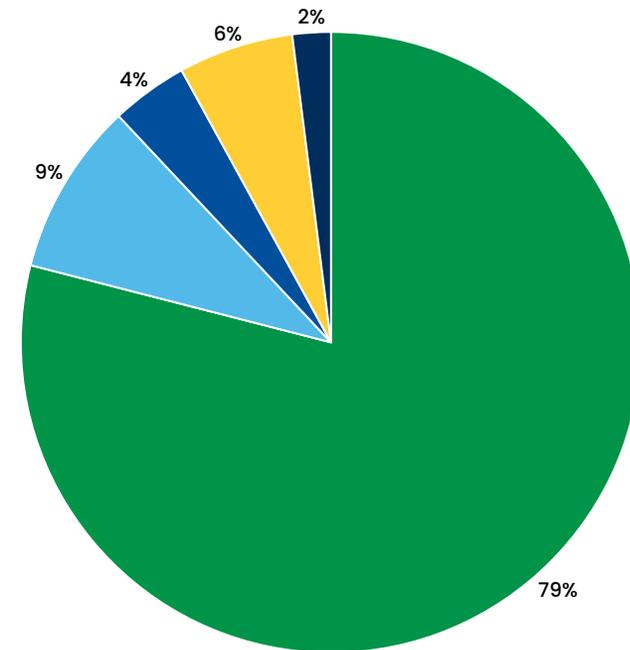
Of all Survey respondents, 8 out of 10 report checking their work email and/or voicemail every day while on vacation. Only 6% completely unplug and never check work email or voicemail while away. While over a third of respondents believe they are encouraged to work while on vacation, nearly two thirds agree that they do so voluntarily. Examples the Survey gave for working on vacation were checking emails, checking voicemails and answering work related calls.

Of those that are currently employed, half have taken a vacation (measured as 5+ consecutive days of PTO) within the past year, and 40% have not taken PTO for over a year (from the time of the survey). Of all respondents, 7% have never taken five or more consecutive days of PTO. Those who report taking a vacation less than one month ago had the strongest disagreement to experiencing burnout within the past year.

Respondents who have worked in the industry for 11 years or more believe they are encouraged to work while on vacation more than those who have worked in the industry for 10 years or less. Also, the results show that the longer a respondent has been in the industry, the more likely they are to voluntarily work while on vacation; those who have worked in the industry for more than 20 years are the most likely to voluntarily work while on PTO.

Check on Work

“How often do you check your work voicemail and/or email while on vacation?”



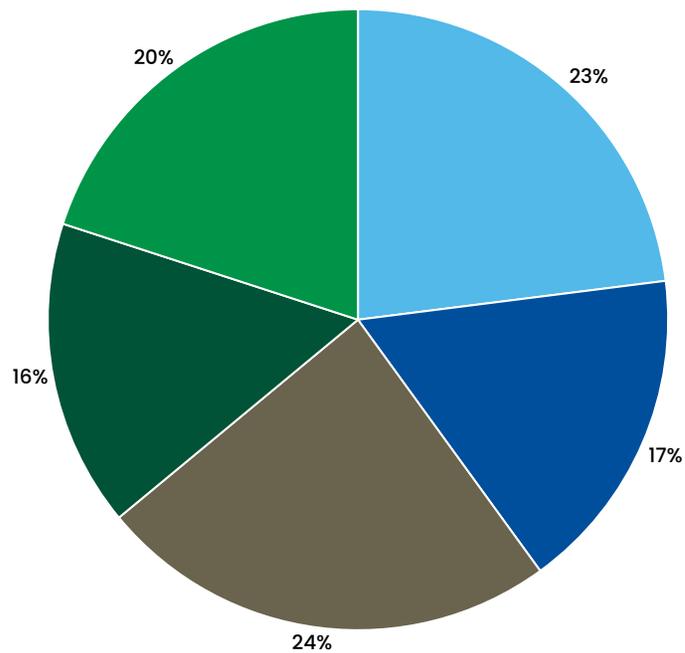
- Every Day
- Twice a Week
- Once a Week
- Never
- Other

62% *voluntarily work*
while on vacation

ENCOURAGED TO WORK

"I am encouraged to work while I am on vacation"

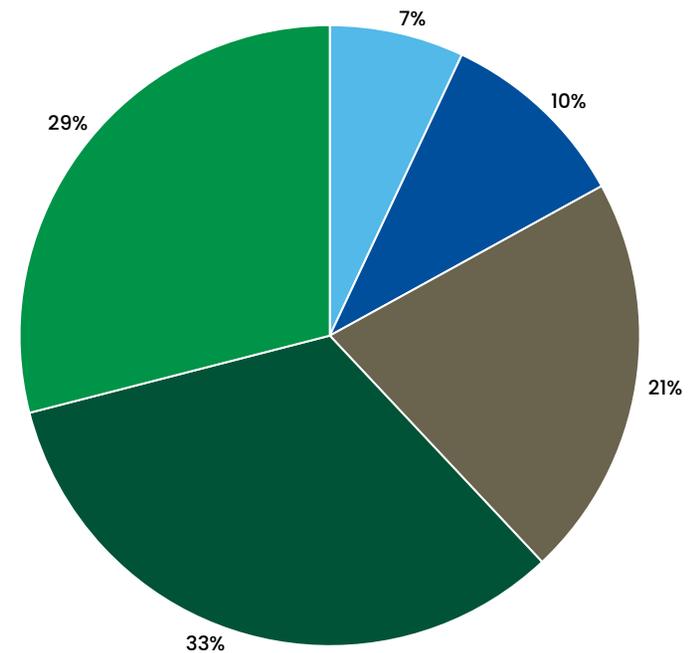
(e.g. check emails and voicemails, answer work related calls)



VOLUNTARILY WORK

"I voluntarily work while I am on vacation"

(e.g. check emails and voicemails, answer work related calls)



Strongly Agree Agree Neutral Disagree Strongly Disagree

PAID TIME OFF

When professionals voice their opinions regarding paid time off, 2 out of 10 respondents believe they are more likely to advance in their career if they use fewer PTO days. Also, 7% agree that their decision to take time off has been affected because they have been denied multiple PTO requests within the last year. The highest-rated reason that affects respondents' decisions to take time off is the amount of work they would need to make up upon their return (39%). This is followed by leaving their coworkers to handle their responsibilities (30%), and their employer's

reaction to their absence (23%).

Respondents who have worked in food manufacturing for five years or less have the highest level of agreement (out of all experience levels) with the statement, "My decision to take time off is affected due to the amount of work I would need to make up on my return," and the longer a respondent has been in the industry, the more likely they are to disagree with this statement.



CONCLUSION

Overall, employee satisfaction is relatively high for food and beverage manufacturing professionals amid the pandemic. With most respondents having an optimistic outlook regarding the future of their career, it is no wonder their opinions are generally positive across the board.

Despite half of respondents believing that they should be increasing staff within the next year, "Finding qualified people" and "Availability of labor" are the top hiring challenge and industry concern, respectively. Management should consider alternative solutions (i.e. recruitment services, re-evaluating job qualifications, dedicating more time and resources to a search, etc.) to find the right people for their company.

Candidates in the industry are open to new opportunities; about 60% are willing to relocate for the right position, with "Compensation," "Career opportunity and growth" and "Corporate culture" being the top priorities when considering an employer.

With 92% of professionals checking on work at least once a week while on vacation, as well as 62% actually voluntarily working while on vacation, it is essential for management to remind their workers to "unplug" while away from work to avoid possible burnout.

Food and beverage manufacturing management are encouraged to apply the findings from this Survey in determining best practices to ensure their employees are satisfied.

Vice President David Alford says, "This is the first of what will be an annual survey that we hope will provide valuable insight into the ever-changing food and beverage manufacturing industry. Generally, food manufacturing professionals are optimistic regarding 2021 and most are planning to increase production and hiring within the year.

The general consensus is that the on-going COVID-19 pandemic will be less disruptive as 2021 progresses and will eventually be in our collective rear-view mirror, hopefully by the end of the year.

The coronavirus, along with food safety and the ability to find qualified workers, are the main industry concerns among our respondents. Work-life balance remains a key issue for many employees, as is evidenced by large numbers of people not taking their earned PTO and working when they do. This has been an issue among American companies for years. Many of our clients have created corporate initiatives to encourage employees to use their PTO and to delegate their work to colleagues when on vacation.

We thank you for your participation in our 2020 Food & Beverage Manufacturing Survey and look forward to your involvement in our 2021 survey."



ABOUT BRISTOL ASSOCIATES, INC.



Founded in 1967, Bristol Associates, Inc. is an executive search firm specializing in Food and Beverage Manufacturing. They also have well-established, successful recruitment practices in Casino Gaming; CBD; Facilities and Concessions; Hospital and Healthcare; Hotels and Resorts; Nonprofit; Restaurant; and Travel, Tourism and Attractions.

Bristol is known for offering highly focused personal service, depth of experience and professional knowledge of the industries in which they work. The firm has been established with a focus on responsiveness, honesty, integrity and strict adherence to ethical standards. Bristol maintains the largest proprietary database of executive talent in the industry.

Typical searches in the Food and Beverage Manufacturing industry include key executive-level positions within CBD, engineering, executive, finance, food technology and product development, marketing, production and operations, quality assurance, sales and supply chain and purchasing. Current searches and examples of completed searches can be found on Bristol's website at www.bristolassoc.com/food-manufacturing. The Food and Beverage Manufacturing executive recruitment efforts are led directly by Vice President David Alford.

For more information visit www.bristolassoc.com.





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