Powering Up Your Wide-Format Workforce

Wide-format Impressions powered by NAPCO RESEARCH
EXECUTIVE SUMMARY

Today’s job market presents challenges for graphic arts organizations. The current unemployment rate is less than 4%, and with more job openings than job seekers, the visual communications industry—including wide-format providers—is competing with the highly-touted sectors of technology, finance, and health care.

The strong economy is not the only challenge the visual communications industry faces. The rise of digital technology and the internet put jobs in the “traditional” print industry, including wide-format, on the back burner for young people. The general public knows little about the industry. In many cases, the perception of the printing industry has been formed by television shows and motion pictures—past and present—showing newspapers running through a press. There is little understanding of the industry as a whole or consideration to how high-tech the industry is, and how much print and wide-format printed products are a part of our everyday lives.

It is against this backdrop that wide-format shop owners need to recruit qualified job seekers.

How to find the right staff in these difficult circumstances? The goal of this new research study from NAPCO Media, LLC (the parent company of Wide-Format Impressions) and commissioned by the Specialty Graphics Imaging Association (SGIA) is to identify the trends, challenges, and actions wide-format print providers are taking to attract and retain workers.

Key Findings

TRENDS, CHALLENGES, AND ACTIONS

• Competition is high for qualified production staff.

  • Eighty percent of survey respondents expect to hire additional or replacement staff within the next two years.

  • There is heavy demand for experienced personnel, with a hefty 72% of shops experiencing at least some difficulty with hiring. Only 8% of participating shops didn’t experience any difficulties.

  • One of the biggest challenges companies face is finding new, qualified production staff. Sales personnel are not in as much demand, with one-third of companies reporting they have no openings in sales.

• The primary reason organizations require additional staff is due to expansion, not because of retiring workers.

• Only one-third of survey respondents have a formal strategy in place to recruit and retain production employees.
• A sizeable majority of respondents are happy with their current staff, with 75% stating that their technical/production workforce currently has the knowledge, skills, and abilities for the company to be successful.

• A key challenge in finding the right person is the mismatch between the job’s requirements and applicants’ skills.

• Employee referrals are the top method used to recruit staff.

• The majority of organizations don’t have a formal training program for staff.

• Only 14% of production staff leave within two years of starting employment, and 22% stay for more than 10 years.

Other Findings:
• The job wide-format providers are having the most difficult time filling is that of an estimator.

• The most popular method used to recruit open positions is to bump up wages.

• Fewer than 20% of shops use internship programs to fill open positions.

INTRODUCTION

The need for the printing industry to facilitate a more positive perception among high school and college-bound students is nothing new. Career days at all the major industry trade shows is one of the ways companies are trying to mitigate the situation. However, the printing industry — indeed the word printing itself — is saddled with a reputation as being oh-so very 20th century. Just look at how the movie industry depicts the work environment of the finance industry. Even when not portrayed as ethical, it’s shown as exciting, glamorous, and even sexy. Ask a young job seeker which industry he or she is looking to gain entry to; there’s little doubt that printing or visual communications is not mentioned.

Ironically, new applications are invigorating the wide-format sector, but that excitement is experienced largely within the industry and not shared by the public at large. How much coverage is there in consumer media about wide-format applications? Young people are also not cognizant of the creativity involved in wide-format production or its use of the most advanced technology.

The inability to find experienced production hires has grown more acute. With many areas in the wide-format sector enjoying solid growth, a majority of shop owners are looking to hire more staff. That the sector is growing is good news, but there is also a growing need to expand the workforce. But along with the ongoing invisibility factor, the wide-format sector’s ability to attract new employees is dealing with another major roadblock; namely, the strong economy.

This situation, coupled with the other trends facing the wide-format industry, including millennials and genZers not flocking to join the printing industry, is creating a shortage of suitable production employees.

And when young people do opt to enter the wide-format area, another challenge pops up. Many employers find that younger people are not properly trained in the field and/or for the job for which they are hired.
It’s within this landscape that NAPCO Research (a unit of NAPCO Media, the parent company of *Wide-Format Impressions*) looked to identify the trends, challenges, and actions wide-format print providers are taking to attract and retain workers.

**RESEARCH METHODOLOGY**

*Wide-Format Impressions* conducted an online survey of wide-format print providers using its extensive subscriber database. The detailed survey was fielded by NAPCO Research in September 2019 and covered multiple focus areas.

The primary business of survey respondents is wide-format graphics/signage (44%), followed by screen printing (32%), industrial printing (19%), and textile printers (4%). Figure 1 provides a breakdown of survey respondents by market segment.

Respondents represented a variety of management positions, from CEOs to VPs of Operations and Finance, to General and Production Managers.

Those participating in the study span an array of shop sizes: 37% work for a shop with fewer than 10 employees; 30% for a shop with between 10-49 employees; 12% for a shop with 50-99 employees; 8% with between 100-249 employees, and 11% with 250 or more employees.
WHAT NAPCO RESEARCH CAN DO FOR YOU?

- **NAPCO Research CRAFTS** actionable data-centric solutions that leverage our highly engaged media audiences, industry subject matter experts and in-house research expertise.
- We partner with our clients to **IDENTIFY** their unique business challenges and create solutions that **ENABLE** deeply informed decision-making and **DELIVER** results.
- Gain access to NAPCO Media’s engaged audiences of industry executives across key industries.

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- Distribution of thought leadership for lead-generation

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- **INDUSTRY EXPERTISE**
- **RESEARCH EXPERTISE**
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- Radial
- Ricoh
- SGIA
- Social Solutions
- Synchrony Financial
- United States Postal Service
- Xeikon

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Barb Pellow  
Consultant to NAPCO Research
Annual revenues of participating shops also reflect the diversity of shop sizes, but the majority (61%) earn less than $5 million. Ten percent generate revenues between $5 million to $9.9 million, 17% between $10 million to $49.9 million, 3% earn $50 million to $99.9 million, 7% between $100 million to $499.9 million, and 3% earn $500 million or more.

Reflective of the industry at large, the majority of shops are experiencing some sales growth over the past 12 months, with only 8% of participants responding they were experiencing a decline in sales. Twenty-one point seven percent grew between 1% to 5%, 13.3% grew between 5% to 10%, 33.3% grew between 10% and 20%, and 15% grew an enviable 20% or more.

Production staff in demand

Companies are having a difficult time finding production staff that have the skills necessary to do the job. Only 20% of participants report that they can quickly and easily find individuals with the technical knowledge, skills, and abilities that they need; 56% report the biggest challenge their company faces is finding new production staff. The lack of initiative among wide-format businesses to remedy the situation is not good news for the industry’s ability to attract young people to the sector; only one-third of wide-format shops have a formal strategy in place to recruit and retain production employees.

The good news is that an overwhelming majority of wide-format shops are satisfied with their current staff, with 75% of survey participants reporting that their technical/production workforce currently has the knowledge, skills, and abilities for the shop to be successful.

Workforce Challenges

- **Our technical/production workforce currently has the knowledge, skills, and abilities for us to be successful**: 28% Strongly Agree, 47% Somewhat Agree, 18% Neutral, 7% Somewhat Disagree, 5% Strongly Disagree
- **The biggest challenge our company faces is finding new production staff**: 25% Strongly Agree, 32% Somewhat Agree, 22% Neutral, 5% Somewhat Disagree, 17% Strongly Disagree
- **We have a formal strategy in place to recruit and retain production employees**: 18% Strongly Agree, 15% Somewhat Agree, 37% Neutral, 17% Somewhat Disagree, 13% Strongly Disagree
- **Our company has a structured employee development program to help employees increase both their responsibilities and compensation**: 13% Strongly Agree, 32% Somewhat Agree, 25% Neutral, 15% Somewhat Disagree, 15% Strongly Disagree
- **Each employee has a documented professional development plan to help them improve their technical skills and product knowledge**: 12% Strongly Agree, 23% Somewhat Agree, 35% Neutral, 13% Somewhat Disagree, 17% Strongly Disagree
- **When we need to fill a production position, we can quickly and easily find individuals with the technical knowledge, skills, and abilities that we need**: 8% Strongly Agree, 12% Somewhat Agree, 25% Neutral, 32% Somewhat Disagree, 23% Strongly Disagree
- **Many of our print production staff will be retiring in the next few years and we aren’t sure how we will replace them**: 5% Strongly Agree, 22% Somewhat Agree, 27% Neutral, 23% Somewhat Disagree, 23% Strongly Disagree
- **One of the key challenges we face in hiring production staff is applicants failing drug tests**: 3% Strongly Agree, 7% Somewhat Agree, 30% Neutral, 22% Somewhat Disagree, 38% Strongly Disagree

*Figure 2
Q. Please indicate your level of agreement with the following statements. n=60*
Filling the gap

Given both the strength of the economy and the wide-format sector, it’s not a surprise that demand for staff is high, with 80% of survey respondents noting that they expect to hire additional or replacement staff in the next two years. The majority, at 58%, will require new employees due to expansion, while 22% will need to replace current staff. Only 20% of participating shops do not expect to need additional staff.

Production Staff Hiring

<table>
<thead>
<tr>
<th>Yes, for expansion</th>
<th>58%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yes, for replacement</td>
<td>22%</td>
</tr>
<tr>
<td>No</td>
<td>20%</td>
</tr>
</tbody>
</table>

Figure 3
Q. In the next 12-24 months, do you expect your operation will hire additional or replacement production staff?
n=60

It stands to follow that job seekers have the advantage in this type of environment. However, while companies are looking to hire more staff, many are facing a real challenge finding job seekers with experience. This is specifically true for production jobs. Asked to describe their current ability to fill production positions, 32% said they had a hard time filling all positions, while 40% occasionally had a hard time. That’s a hefty 72% of shops experiencing at least some difficulty. Only 8% had no difficulties.

Apprenticeship and internship programs, as well as affiliations with high schools, technical high schools, community colleges, and technical colleges could help fill that knowledge gap.

Production Staff Hiring Challenges

| Hard time filling some or all positions | 32% |
| Occasional difficulty in filling positions | 40% |
| No difficulty filling any positions | 8% |
| No openings for positions | 20% |

Figure 4
Q. How would you describe your current ability to fill production positions?
n=60
Factors impacting shops’ ability to staff operations

There are a variety of factors impacting a shop’s ability to staff its operations. While the aging workforce is often a topic discussed at industry conferences, the majority of shops participating in this survey don’t view this as a major concern. The top five conditions perceived as having the greatest impact on a shop’s hiring ability include:

- The strength of the general economy (78%);
- Current compensation/wages offered (67%);
- The mismatch between the job’s requirements and applicant’s skills (65%);
- Access to talent (65%);
- An increase in skilled positions; and
- Lack of interest in industry, tied at 57%.

While the state of the economy is beyond an organization’s control, the other conditions listed above should give pause to wide-format industry executives. Wage compensation is a fairly easy fix, especially if the profit margins are there. If you want your production staff to remain with the company, offering them a competitive wage and good benefits is a no-brainer.

The last four conditions listed above are particularly enlightening and should help in defining a clear path to improve recruiting efforts. Whether it’s a mismatch between the applicant’s skills and the job’s requirements, access to talent, an increase in skilled positions, or lack of interest in industry, it seems clear that apprenticeships and internships should be offered by every shop in the industry. This is a pipeline used by many industries, including finance, health care, and media, to identify and attract new hires for the near future.

Sponsoring high-school and community college programs is also a great option to develop awareness of the industry and the jobs available. Yet, that is not the case currently.
Asked to name the steps taken — or considered taking — to support job recruiting and fill open positions, fewer than one-quarter of survey participants are speaking at schools, and fewer than 40% offer internship/apprenticeship programs or engage with career building programs in high schools.

The top action taken is to increase pay rates (51%) or to consider increases in pay and/or benefits in near future (49%).

### Recruiting Strategies

<table>
<thead>
<tr>
<th>Action</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Increased base pay rates</td>
<td>51%</td>
</tr>
<tr>
<td>Considering increases in pay and/or benefits in the near future</td>
<td>49%</td>
</tr>
<tr>
<td>Used the service of a staffing firm</td>
<td>43%</td>
</tr>
<tr>
<td>Offering internship/apprenticeship programs</td>
<td>39%</td>
</tr>
<tr>
<td>Provided incentives/bonuses</td>
<td>37%</td>
</tr>
<tr>
<td>Engaged with career-building program (e.g., high school, college, career &amp; technical education)</td>
<td>33%</td>
</tr>
<tr>
<td>Provide career path opportunity</td>
<td>27%</td>
</tr>
<tr>
<td>Increased our portion of benefit contributions and/or improved employee benefits</td>
<td>24%</td>
</tr>
<tr>
<td>Speaking at school career days</td>
<td>22%</td>
</tr>
<tr>
<td>Engaged with government workforce development or unemployment agency</td>
<td>16%</td>
</tr>
<tr>
<td>No, have not taken or considered any of these actions</td>
<td>14%</td>
</tr>
</tbody>
</table>

**Effectiveness of the actions taken to attract workforce talent**

Wide-format providers use a variety of methods to attract new staff, to varying degrees of success. Referrals, whether from other employees, trade associations, or personal networks are the most effective methods cited by wide-format print providers. Classified ads are still in use, with 75% reporting they are somewhat effective. Seventy-five percent also find veteran hiring programs effective. Social media, other than LinkedIn, was also considered at least somewhat effective by 89% of survey participants. Of those who use internships, 90% consider them to be effective recruiting tools. LinkedIn was viewed as being effective by 54% of providers, while 46% find it not very effective.
Skills shortages persist

Wide-format organizations to a large extent (61%) are taking on the training of their production staff to address skill shortages. Job shadowing is also popular, with 45% using that method to share job knowledge. While there is discussion at industry events that many job candidates do not have the necessary skills for the modern wide-format operation, fewer than a quarter of organizations are involved with local schools and/or community colleges or launching internship/apprenticeship programs to mitigate the skill deficit. Only 16% have mentoring programs.

Considering the difficulty in finding job candidates with the necessary skill set, it might be worth partnering with local schools and community colleges to help design curricula or to participate in continuing education programs.
## Strategies to Address Worker, Skill Shortages

<table>
<thead>
<tr>
<th>Action</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Training and/or cross-training programs</td>
<td>61%</td>
</tr>
<tr>
<td>Initiated or increased in-house training</td>
<td>51%</td>
</tr>
<tr>
<td>Job shadowing</td>
<td>45%</td>
</tr>
<tr>
<td>Developed internal employee training and development programs</td>
<td>37%</td>
</tr>
<tr>
<td>Changed hiring standards (e.g., education, training, employment or arrest record)</td>
<td>29%</td>
</tr>
<tr>
<td>Involved with local schools and community colleges</td>
<td>22%</td>
</tr>
<tr>
<td>Invested in external training and certification programs</td>
<td>22%</td>
</tr>
<tr>
<td>Organizing multigenerational work teams</td>
<td>20%</td>
</tr>
<tr>
<td>Launched internship/apprenticeship program</td>
<td>20%</td>
</tr>
<tr>
<td>Development of skill transition plans to facilitate transfer of knowledge from older workers to younger workers</td>
<td>16%</td>
</tr>
<tr>
<td>Mentoring programs</td>
<td>16%</td>
</tr>
<tr>
<td>Have taken no actions to address worker or skills shortages</td>
<td>12%</td>
</tr>
<tr>
<td>Augmented/mixed/virtual reality training devices</td>
<td>4%</td>
</tr>
</tbody>
</table>

Figure 8
Q. Which of the following actions has your organization taken to address worker or skill shortages? Select all that apply

n=49

Production employees stick around

The good news for wide-format shops is that the majority of production employees stay with the company for at least several years. Only 14% leave within two years of starting employment, which considering the strength of the economy and young people’s reputation for job hopping, is a blessing. Another 31% stay between three and five years, 27% between six and 10 years, and 22% between 11 and 14 years. Six percent of reporting companies have bragging rights — the average tenure of their production staff is more than 20 years. The fact that employees don’t leave after several years of working for the same shop demonstrates a positive working environment, a circumstance which should be exploited by shops in the throes of recruiting.
Production Staff Tenure

Which positions are easy to fill?

Sales positions are easier to fill than production jobs, but 48% of wide-format companies are having at least some difficulty in filling sales positions. Eighteen percent are having no difficult whatsoever, and 33% have no openings for sales positions.

Interestingly, there aren’t any jobs that a majority of shops — or even a third — find easy to fill. Plus, the difficulty is across departments, from that of an estimator — reported as the hardest job to fill, with nearly 49% having difficulty filling that position — to prepress operators (45% have difficulty filling), sales reps (45%), graphic designers (37%), account executives (37%), and digital wide-format device operators (35%).

Sales Hiring

Q. What is the average tenure of production staff working at your company?

n=49

- 6% 22%
- 27%
- 31%
- 10%
- 4%
- 6%

Q. How would you describe your current situation in filling sales positions?

n=60

- No openings for positions 33%
- No difficulty filling any positions 18%
- Occasional difficulty in filling positions 18%
- Hard time filling some or all positions 30%
CONCLUSIONS

Every business owner knows that hiring the right staff is essential to a company’s success and growth. The strong economy, the expanding wide-format sector, and the lack of interest among young people to join the sector pose a threat to the health of the industry going forward.

A key objective of this study was to identify the trends, challenges, and actions embraced by wide-format printers to attract and retain workers. The majority of survey respondents are relying on employee referrals to recruit new hires and find this method fairly effective. Internships are also considered highly effective by those offering them, but only 20% of wide-format shops turn to this avenue to find their future staff.

There are also missed opportunities. Wide-format shops should consider partnering with high schools and community colleges to help educate the next generation about the industry and the opportunities that exist. Wide-format providers can also work with school administrators to help develop curricula to ensure that the skills being taught match the skills required. These types of programs do require more effort on the part of executives in the wide-format organization, as well as a champion in the C-suite.

Figure 11
Q. Of the following job categories, please indicate the level of difficulty of finding workers to fill those positions.

n=49
Internships and apprenticeships are also a cost-effective way of ensuring the job pipeline keeps flowing, with the added benefit of giving back to the local community. With the economy going strong and the range of wide-format applications continually growing, wide-format providers may want to consider looking at different methods to attract a new generation of employees.

Competition is strong for the experienced production worker, but the good news for wide-format shop owners is that these workers are loyal to the company once hired. Given the financial and time investment in recruiting and retaining staff, this bodes well for the industry. It also suggests that employees are happy with their job environment. The challenge for wide-format print providers is to get the word out among young people that this is a great industry with a lot of opportunity.
WHO WE ARE

NAPCO Research crafts custom data-centric solutions that leverage our highly engaged audiences across the markets in which we operate, our industry subject matter experts and in-house research expertise. We partner with our clients to identify their unique business problem and create solutions that enable deeply informed decision-making.

NAPCO Research can help with:
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- Opportunity discovery
- Market segmentation
- Landscape insight
- User needs and wants
- Product features and functionality
- Content marketing strategy
- Sales strategy and tactics
- Market conditions
- Benchmarking
- Industry trends
- Brand awareness

Contact research@napco.com to talk with our analysts to find out how we can help you with your research needs.
**SGIA — Supporting the Leaders of the Digital & Screen Printing Community**

Specialty Graphic Imaging Association (SGIA) is the trade association of choice for professionals in the industrial, graphic, garment, textile, electronics, packaging and commercial printing communities looking to grow their business into new market segments through the incorporation of the latest printing technologies. SGIA membership comprises these diverse segments, all of which are moving rapidly towards digital adoption. As long-time champions of digital technologies and techniques, SGIA is the community of peers you are looking for to help navigate the challenges of this process. Additionally, the SGIA Expo is the largest trade show for print technology in North America. “Whatever the medium, whatever the message, print is indispensable. Join the community — SGIA.”

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