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The History and Future of Executive Leadership in Manufacturing

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There's growing pressure on manufacturing leaders, but the "dinosaur" leaders of old won't survive the change. Instead, soft skills and traits like trust, agility, and emotional intelligence are critical for thriving in the evolving manufacturing sector.

Despite the unparalleled strength of the manufacturing industry in the early 20th century, it's no secret that the beginnings of the modern manufacturing sector were mired in hazardous working conditions, limited worker rights, and authoritarian leadership. The latter, perhaps, was the root of it all. Henry Ford is [a classic example](#). Though he (sometimes) offered competitive wages and benefits, he ruled with a dictatorial leadership style, expecting his employees to follow orders without question and keeping tabs on them outside of work. Working conditions suffered, and so did innovation.

It's easy enough to reflect on examples like Henry Ford and state that the opposite is better for successful manufacturing leadership—but what does that actually look like in practice? Today's manufacturing industry is navigating emerging technologies, economic uncertainty, supply chain issues, and evolving employee expectations. What are the key traits and skills that will help executive manufacturing leaders successfully tackle these trends and challenges head-on?

The Evolving State of Manufacturing Leadership

"Dinosaur" leaders aren't entirely extinct. According to [one organization development consultant](#), some manufacturing executives still lead their companies with an iron fist, micromanaging their workforce with little trust and heavy judgment. Thankfully, these leaders are few and far between, and it's likely that those who are left will quickly be faced with soaring turnover and dwindling innovation.

It's no mystery what has changed. As we discussed in [a recent article](#), there is growing pressure on leaders in this sector to remake the industry and catch up with the shifts in technology, consumer expectations, and employee demands, in addition to responding nimbly to regional and global events.

The digital transformation of the manufacturing industry has made processes faster, more automated, and more visible. In many cases, it has allowed companies to focus their attention on more complex challenges and opportunities. With technology evolving at a breakneck

pace, leaders must be intimately aware of their organization's strengths and weaknesses in this area, aiming to stay competitive while mitigating risk.

Meanwhile, there has been an influx of millennials and generation Z into both the workforce and the customer base. These generations have grown up in a world that is changing rapidly. As a result, they demand transparency, integrity, flexibility, and a personalized experience—and they're not afraid to move onto other brands or employers if they sense things aren't measuring up.

Finally, the world has been inundated with crises and catastrophes like the pandemic, the Ukraine-Russia conflict, supply chain shortages, economic uncertainty, and inflation. These events have required manufacturing leaders to adapt, evolve, and reimagine their processes, procedures, and business models.

At the core of these changes is the renewed focus on the human element. In our hyperconnected world, it's no longer enough to produce an exceptional product. Technology and world events have changed what it looks like to manufacture that product in the first place, while customers and employees are looking beyond the product itself and are concerned about a company's ethics, commitments, and vision. The leaders of old—authoritarian and profit-obsessed—could not have measured up to these expectations.

Traits of Successful Manufacturing Leaders

The ideal career path of a manufacturing executive is arguable; there have been successful leaders with backgrounds in engineering *and* those who come from outside of manufacturing altogether. Both paths have value as long as those executives have the right combination of leadership traits to start with. So what skills are required of executives in today's manufacturing sector?

Big Picture Vision

At its core, manufacturing is a multilayered system with streamlined procedures that are measured against stringent regulations and impacted by myriad trends and events, not least of which is the crowded global marketplace in which an organization competes. Regardless of an executive's background and previous career path, today's manufacturing leaders must have a big picture understanding of every level in their business, meeting challenges and opportunities with a combination of operational expertise and strategic vision.

Agility

If we've learned anything from the last few years, it's that the ability to adapt and pivot is critical for long-term success. Staying in tune with market conditions, disruptions, and trends in order to respond effectively is a key trait for manufacturing leaders. These executives must have the ability to make proactive decisions, enact critical change, and advance organizational goals all while staying flexible and responsive to evolving conditions.

Trust

Customers, employees, board members, and other stakeholders all need and want a leader who is transparent, honest, and trustworthy. They must be someone who will act with integrity and work to break down bureaucratic barriers. Furthermore, a level of vulnerability—being able to admit to mistakes, weaknesses, or fears—is also a key component of trust. Trustworthy leaders are more likely to inspire a positive environment, consistent innovation, and loyalty.

Emotional Intelligence

With the manufacturing sector pivoting to a more human focus, emotional intelligence is a non-negotiable trait. Leaders must be empathetic to their workforce, peers, and customer base, inspiring passion, creating a supportive workplace, and building strong relationships. They must communicate calmly, listen closely, and mitigate stress in order to reinforce a positive corporate culture.

The scope of the manufacturing leader's role seems to be ever-growing. While Henry Ford-style leadership may once have reigned in a thriving manufacturing industry, today's world requires something very different from its leadership. Industry-specific expertise and experience are a given, but so are soft skills and personality traits that set the best leaders apart.

What skills and traits are you looking for in your next manufacturing executive hire?