



Original Equipment Suppliers Association

NEWS RELEASE

For Immediate Release

Contact: Jeff Laskowski, 248.430.5951, jlaskowski@oesa.org
April Buford, 248.430.5964, abuford@oesa.org

4Q 2019 OESA Supplier Barometer: Protracted Uncertainty Weighs on Supplier Sentiment

SOUTHFIELD, Mich. (Nov. 19, 2019) – According to the **Q4 2019 OESA Automotive Supplier Barometer Index (SBI)** – a gauge to measure the sentiments of North American automotive supplier executives – supplier pessimism continues to weigh upon the automotive supply base. Results posted a negative reading of 37; 13 points below a neutral reading of 50. This marks the sixth straight quarter of net pessimism and is two points lower than a year ago.

The high degree of pessimism is attributed to ongoing trade tensions, volume declines and the United Auto Workers (UAW) strike at General Motors. Survey sampling was conducted in late October while the UAW strike at General Motors was happening. Pessimism was shared across suppliers of all revenue size, but larger, more globally-exposed suppliers were more pessimistic in comparison.

The **Q4 2019 OESA Supplier Barometer**, sponsored by **RSM US LLP**, focused on Human Resources and Talent. The results indicate:

- Regional voluntary turnover rates are extremely high throughout North America, and the availability of skilled workers remains scarce.
- The industry is striving to attract younger workers with greater emphasis on schedule and workplace flexibility.
- Organizational leadership, communication and empowerment are the top HR priorities heading into 2020. Suppliers are focusing on developing future leaders internally through mentorship and cross-functional job rotation programs to cope with staffing issues.
- Trade policy remains the greatest industry threat to automotive suppliers, however there were substantial increases in volume risk and weakness in the U.S. economy

"Despite uncertainty, leading suppliers recognize the need to proactively engage employees and communities, to attract, retain and develop workplace talent. This is equally true for college educated employees and for skilled trade team members on the shop floor in today's tight talent market. Executive teams are promoting dialogue and embracing feedback to demonstrate flexibility, align company culture and reskill where appropriate to enhance competitiveness," said Mike Jackson, executive director, strategy and research, OESA. Leading organizations of all sizes are expanding efforts to foster skill development and strengthen career planning to maximize their human capital.

The Q4 SBI chart and a full copy of the Supplier Barometer results are available on the OESA website [HERE](#).

[CLICK HERE](#) to view the RSM US LLP commentary on the Q4 2019 OESA Supplier Barometer results.



Original Equipment Suppliers Association

NEWS RELEASE

About the OESA Automotive Supplier Barometer:

The OESA Automotive Supplier Barometer captures the pulse and analyzes the twelve-month business sentiments of top executives in the supplier industry. It is a quarterly survey on commercial issues, the business environment and strategies that influence the supplier industry. This Barometer is distributed to vehicle manufacturers, financial institutions, governmental officials and the media to provide an on-going profile of supplier industry trends.

About OESA

The [Original Equipment Suppliers Association](http://www.oesa.org)'s mission is to champion the business interests of automotive original equipment (OE) suppliers. Since 1998, the Association has been addressing issues of common concern and advocating on behalf of the supplier community throughout the supply chain and in Washington, D.C.

OESA is one of four divisions of the Motor & Equipment Manufacturers Association (MEMA). All divisions are represented by MEMA's advocacy and emerging technology expertise. For additional information, visit <http://www.oesa.org>.

About RSM US LLP

RSM US LLP is the leading provider of audit, tax and consulting services focused on the middle market, with nearly 10,000 professionals nationwide. It is a licensed CPA firm and the U.S. member of RSM International, a global network of independent audit, tax and consulting firms with more than 41,000 people in 116 countries. RSM uses its deep understanding of the needs and aspirations of clients to help them succeed.

###