

MHEDA's Executive Committee developed the top 14 business trends impacting the material handling industry for 2024. We encourage you to use these trends to discuss these topics with your MHEDA-NET Group. We have provided you with questions to help guide the discussions. Please reach out to MHEDA if we can provide any additional resources.

Economy

The current economic uncertainty is driven by a combination of global supply chain disruptions, inflationary pressures, and geopolitical tensions, leading to heightened market volatility and cautious consumer behavior. Members should monitor key performance indicators and proceed accordingly.

1. What are the predictive indicators you use to stay ahead of any shifts in the economy?
2. What are the predictive indicators you use to stay ahead of any shifts in the industry?
3. What are the predictive indicators you use to stay ahead of any shifts in your business?

Technology

Technology is profoundly impacting the material handling industry including artificial intelligence (AI), digital automation, data-driven decision-making, and the integration of advanced systems that optimize efficiency, productivity, and safety. Members must have a clear understanding of emerging technologies.

1. How do you stay current in emerging technologies?
2. How does your business stay current?
3. How do you educate others in your business, for example in AI?
4. What is the most important piece of technology to your company and how is it evolving?
5. What policies does your business have about how to use, and not use, technology or AI?

Cyber Security

Companies need to take cybersecurity risks seriously to safeguard sensitive data, protect customer trust, maintain business continuity, and mitigate the potential financial and reputational damages resulting from cyberattacks. This issue must be prioritized, and steps must be taken to enlist both internal and external partners to protect against this threat.

1. What is your company doing today to protect against cyber security incidents?
2. What are you doing to protect your company from cyber incidents?
3. Has your company had a cyber incident and if so, what have you learned that could help others?

Wages

Labor shortages across all job classifications continue, resulting in ongoing wage pressure.

1. How do you benchmark the wages at your business?
2. Does your business offer any extraordinary items in employee's compensation packages?
3. Do you use MHEDA's wage study? Why or why not?

Fraud

Fraudulent activities are on the rise in business due to the increasing reliance on digital technologies, sophisticated cyber threats, and evolving scams, posing significant risks to organizations' financial health and reputation.

1. How are you staying current with your business' insurance coverage?
2. How are you protecting your business reputation regarding fraud?

Worker Fatigue

It is essential for leaders to be mindful of workforce challenges including worker fatigue, lack of engagement, mental health challenges and low morale. Enhancing organizational culture and offering support when needed is critical.

1. Do you know the key reasons your people work for your organization and if so, what are they?
2. How do you measure employee engagement at your company?
3. Do you have any out of the ordinary benefits that you offer?
4. In today's current competitive environment, what does your organization do to set themselves apart?

ESG

Members need to be cognizant of environmental, social, and corporate governance (ESG) and potential customer and supplier demands for ESG compliance.

1. What are your customers and/or suppliers asking you regarding ESG compliance?
2. What are you working on for ESG (regardless of compliance) and what department in your business is driving those initiatives?
3. Are there any obstacles to implementing your ESG initiatives? What are they and what strategies did you develop to overcome those obstacles?

Procurement

Larger end-users are modifying their procurement processes and demanding terms, rebates, and complimentary services. This impacts cash flow and poses a risk to the member organization.

1. What additional services are your customers asking for?
2. How are you monetizing customer demands for added services?

Inventory

There is a correlation occurring as it relates to forklift inventory. Orders are declining, used equipment pricing and rental utilization are decreasing and there are increased requirements to order new equipment. This is placing pressure on the forklift distributor and cash flow.

1. What is the current customer order volume in your region (increasing, decreasing or flat)?
2. If your business currently has excess inventory, what are you doing to move/manage that inventory?
3. How are you managing your aging accounts receivable and working in process balances to minimize your controllable interest expense?

Permitting

Requirements continue to increase for permitting, contracts, contractor licensing and safety. Members must have a clear understanding of these requirements and recognize both the risks and opportunities.

1. What resources are you using to assure you are in compliance with customer and/or project requirements?
2. What are the opportunities that these requirements have generated for your business and how have you leveraged those opportunities?

E-Commerce

Due to shifts in buying dynamics, distributors and manufacturers must recognize the opportunities and be collaborative as it relates to e-commerce and on-line purchasing.

1. What is your company's current online presence?
2. Are you working with another company/manufacturer/supplier on your online presence?
3. How are you staying ahead of best practices online?
4. What is an unusual service that your business offers online?

Diversify Revenue Streams

As the trend toward electrification continues, members should explore diversification options to protect aftermarket profitability.

1. What is your company doing to diversify revenue streams?
 - a. Diversifying your supplier base?
 - b. Diversifying industries in which you serve?
 - c. Diversifying products you offer?
 - d. Diversifying services you offer?
 - e. Combination of the above?

Automation

To capitalize on the demand for automation, the member must understand the engineering complexities and the in-house or outsourced expertise required. Servicing of these operations is becoming increasingly important and an opportunity for members.

1. What is your company doing to stay current in automation solutions?
2. Has your company decided to get involved in automation?