



2026 C-Suite Stress Index: Manufacturing

The external threats facing
manufacturing business leaders





On behalf of Sentry, Wakefield Research surveyed 1,250 U.S. executives at companies with a minimum of 10 employees—including 206 leaders at manufacturing businesses—with the goal of better understanding the factors impacting these leaders' outlooks entering 2026.

The results within the manufacturing industry reveal a group of executives balancing measured optimism with serious concern that their ability to grow this year is limited at best.

STRESS AND TEMPERED EXPECTATIONS

Compared to the total surveyed group, manufacturing executives are generally less stressed, with 52% reporting higher stress levels this year, compared to 60% of all respondents. That's not to say these executives' stress levels are dropping—indeed, just 18% of manufacturing leaders are less stressed than they were last year—but it's noteworthy when viewed alongside their confidence levels.

Less than half (48%) of manufacturing executives are confident their company will thrive this year. And startlingly, **nearly one-third (30%) anticipate their companies shrinking, or even going out of business, in 2026.**

So, what's contributing to these mixed feelings? The factors vary, but **the threat of external pressures on the manufacturing industry** is a common thread throughout.

PRIMARY THREATS TO MANUFACTURING BUSINESSES

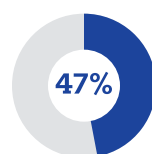
We asked executives to identify the biggest threats they expect their businesses to face in 2026, selecting up to five of the 10 listed options. As shown below, two risks—**economic pressures** and **supply chain or logistics challenges**—were identified at a significantly higher rate.

These twin threats reinforce just how vulnerable manufacturing businesses are to circumstances beyond their immediate control. As material and shipping costs rise and weak links in established processes are revealed, manufacturing executives are justifiably concerned about the ripple effects of these trends.

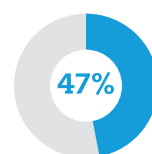
The impacts of severe weather

The unpredictability of the economy and supply chain isn't the only external factor keeping executives up at night. Given the industry's reliance on technology, production, and interconnected systems, it's unsurprising that **94% of manufacturing executives have had their companies impacted by severe weather in the past five years.**

- 74% have had facilities, equipment, or vehicles damaged
- 67% have experienced outages that left the company—including vendor and customer systems—unable to operate



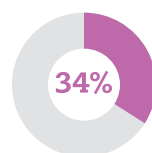
Supply chain or logistics challenges



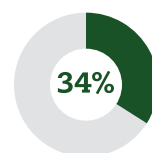
Economic pressures



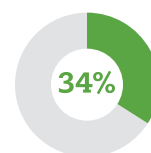
Cyberattacks



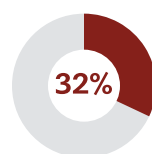
Rising cost of employee healthcare



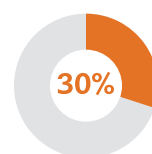
Labor shortages



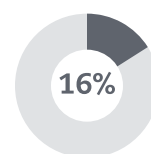
Natural catastrophes



Tariffs and trade uncertainty



AI-related deepfakes or misinformation

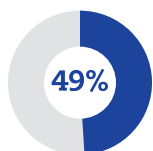


Lawsuits

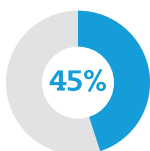


ASKING EMPLOYEES TO DO MORE WITH LESS

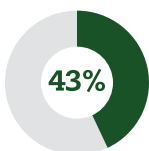
From working longer hours and taking fewer breaks to increasing outputs and performing tasks outside their roles or training levels, manufacturing executives are asking more from their employees in 2026.



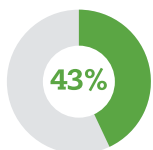
Work longer hours and/or take fewer breaks



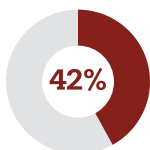
Increase output beyond current expectations



Perform tasks outside their current role



Perform tasks above their current job level



Shorten training cycles to get workers in operational roles quicker



Perform tasks they haven't been fully trained on

Leaders recognize that an increase in workplace injuries is a potential—even likely—result of the additional demands they're placing on their employees. But they're taking action to mitigate that risk.

Four out of five (83%) manufacturing executives intend to increase their investments in worker safety in 2026—

including 18% who plan on significant increases. The motivations behind these anticipated investments vary, with five goals each being cited by at least 40% of leaders:

- Increase operational output (50%)
- Increase retention rate (46%)
- Curb workers' compensation incidents (45%)
- Combat rising healthcare costs (43%)
- Easier recruitment for new employees (42%)

ADDITIONAL KEY FINDINGS

An aging population and shifting retirement age

Every manufacturing executive we surveyed has felt the impacts of this trend. 50% report employees are working until they're older, and more than half (52%) have experienced increased employee healthcare expenses.

Unskilled or under-skilled workers—and their impact on workers' compensation

One-fifth (20%) of manufacturing executives believe an influx of these workers has increased their workers' compensation losses. And nearly half (48%) are concerned they'll face those increased workers' compensation costs in the future, though it hasn't happened yet.

Recent increases in litigation

Two-thirds of manufacturing executives view increases in litigation and multimillion-dollar verdicts as a problem in the industry. And the vast majority (97%) have seen their companies impacted by litigation over the past five years, directly leading to:

- Increased costs for insurance coverage (50%)
- Increased legal costs (45%)
- Diverted managerial attention (44%)
- Hiring additional employees to handle lawsuits (39%)
- Reputational damage (36%)

CONCLUSION

Among the many solutions manufacturing executives are seeking in the face of these external pressures, nearly all (99%) intend to re-evaluate their business insurance policies this year. Some need to increase their coverage, while others plan to eliminate unnecessary coverage due to changes in their operations.

Regardless of the end result, these leaders' commitment to aligning their business insurance with their business needs is a strong indication that they're more than capable of weathering the unpredictable business landscape of 2026.

For more insights from U.S. executives, read the full 2026 C-Suite Stress Index on [sentry.com](https://www.sentry.com). To learn what we can do for you and your business, call us at 800-473-6879. Let's get the conversation started.

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