

SURVEY

Sikich Manufacturing Industry Pulse

2026 H1 Manufacturing Industry Pulse Survey

The Sikich Manufacturing Industry Pulse surveys U.S. manufacturing and distribution executives across sectors and geographies throughout the year. They share their perspectives on top industry and macroeconomic trends – opening a real-time window into where the industry’s headed. The manufacturing sector represents the backbone of the U.S. economy, an indicator of overall economic health and innovation. See the results from our most recent survey below.

85%

of manufacturers expect revenue growth in 2026

73%

of manufacturers plan to increase headcount in 2026

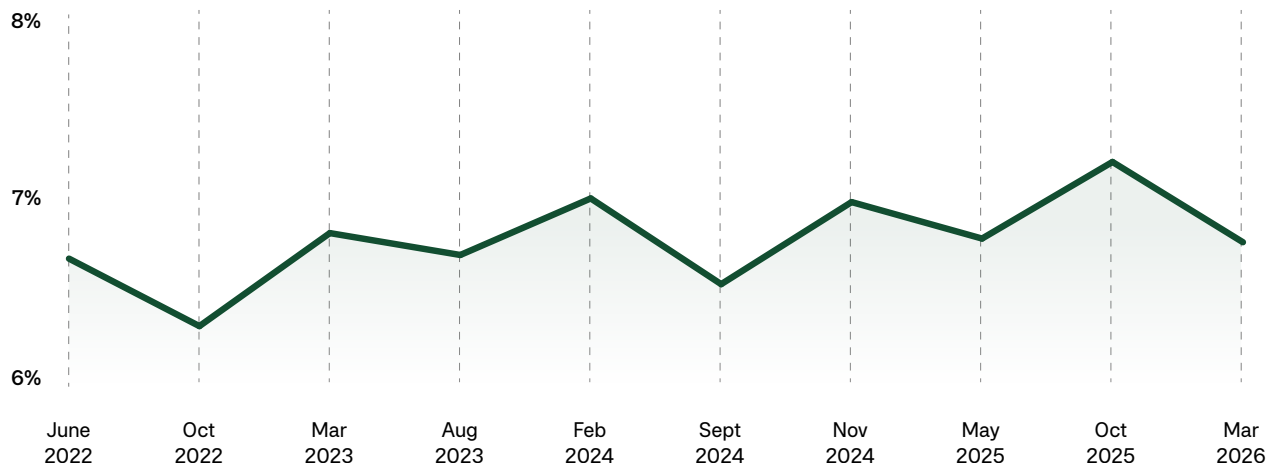
92%

of manufacturers are exploring AI

Steady confidence amid persistent pressure

Our results show executives remain cautiously optimistic and disciplined, balancing ongoing uncertainty with targeted investments in efficiency, technology, and growth. For more perspective on the economic forces influencing these results, catch up on our 2026 Global Economic Outlook webinar [here](#).

Executive optimism trends



Source: Sikich 2026 H1 Manufacturing Industry Pulse Survey

We're seeing a manufacturing sector that's staying disciplined but not standing still. Leaders are investing where it counts in automation, talent, and data, while keeping a close eye on costs and external risks. The companies that continue to act with focus and intent, even in uncertainty, are the ones best positioned to outperform in the months ahead.

Jerry Murphy, CPA, CMA, CGMA

Principal and Manufacturing Services Leader

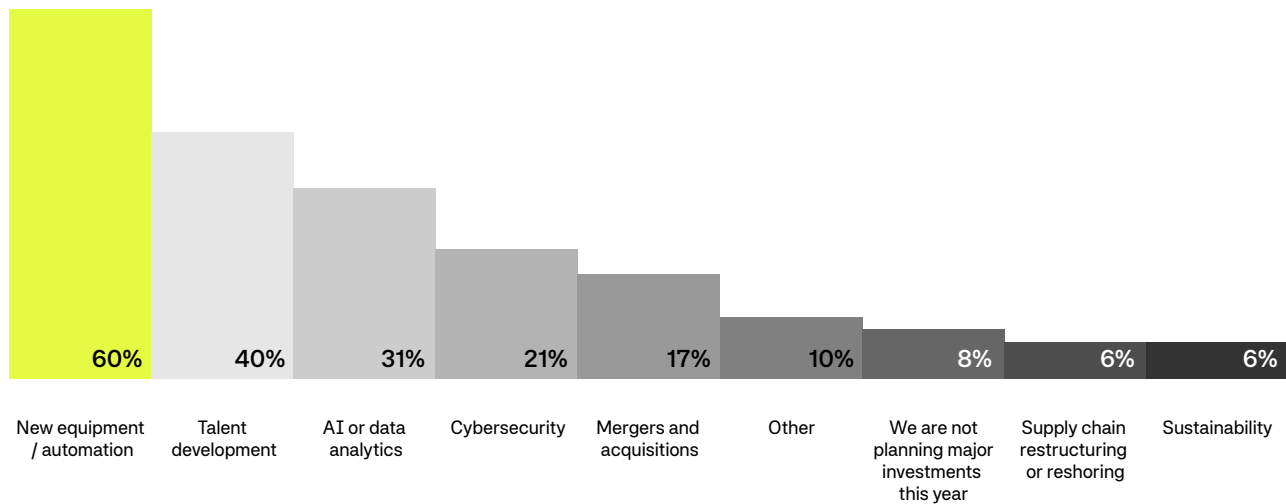
Industry Outlook

The survey results reflect a sector that remains resilient. Executive sentiment continues to hold steady, with an average optimism score of 6.83 out of 10, nearly identical to the recorded score in spring 2025. While uncertainty still clouds the macroeconomic environment, most leaders are maintaining a measured, forward-looking outlook on full-year business performance.

Customer demand continues to primarily drive executives' confidence, cited by nearly nine out of 10 respondents. Meanwhile, familiar pressures such as tariffs, geopolitical instability, labor challenges, and material costs are tempering their outlooks. These competing forces highlight a sector balancing opportunity with ongoing volatility.

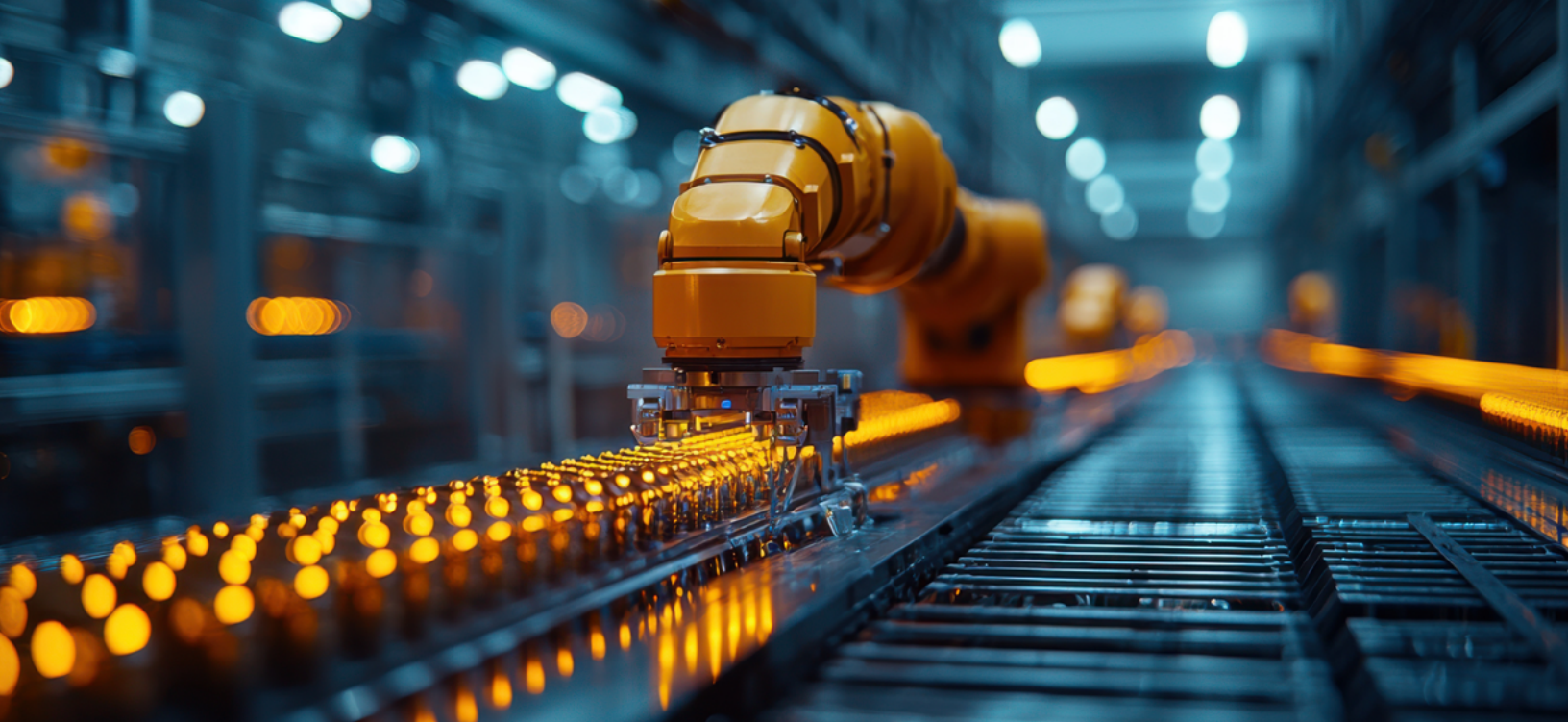
Encouragingly, growth expectations remain strong. Eighty-five percent of executives anticipate revenue increases in 2026, with one-third projecting double-digit gains. Only a small minority expect flat or declining performance, reinforcing the industry's underlying strength.

Where manufacturers are investing next



Operational focus remains center stage

Manufacturers' top strategic priority is operational efficiency due to continued margin pressure and macro uncertainty, similar to our 2025 Volume Two survey. This reflects a shift toward capital investments, optimizing processes and protecting profitability. Growth-oriented strategies such as entering new markets and product innovation remain important, but are secondary to near-term execution and performance improvements.

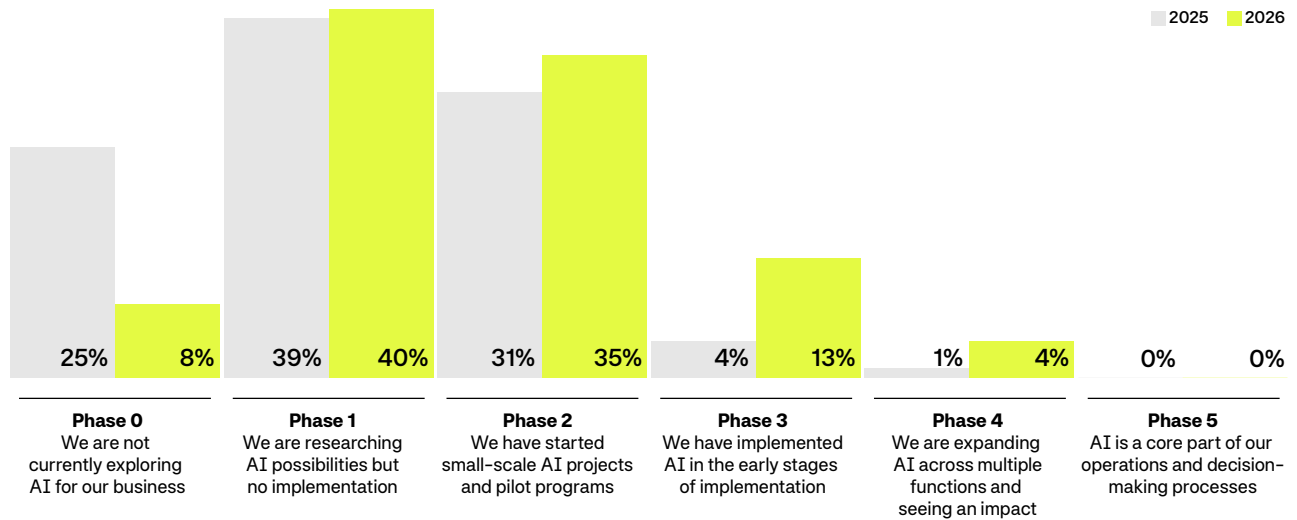


This pragmatic mindset is also evident in investment plans. Capital is primarily flowing to tangible, near-term impact areas, with 60% of respondents planning investments in new equipment and automation. Talent development and AI/data analytics also rank high, signaling a dual focus on workforce readiness and digital capability.

AI interest grows, but adoption remains early-stage

Artificial intelligence (AI) continues to generate significant interest across the manufacturing landscape, though adoption remains in its early stages. Three-quarters of respondents are researching AI or piloting small-scale initiatives, while only a small fraction have implemented solutions at scale. Encouragingly, momentum is building. Far fewer respondents have reported no AI exploration and more are moving into early-stage implementation. This shift signals steady progress from interest to action.

AI adoption journey: 2025 vs. 2026 progression



Source: Sikich 2026 H1 Manufacturing Industry Pulse Survey

It's encouraging to see manufacturers progressing from research and pilots into early implementation, but accelerating that move into phases three and four, really expanding AI use, will be critical to staying competitive. The companies seeing the greatest impact are approaching AI with an "outcome" mindset, focusing on real operational use cases that can be tied to quantifiable business improvements, such as productivity gains through workforce enablement and scaling automations.

Rick Young

Senior Director, Data & AI

A strategic approach to hiring and expansion

Workforce strategies reflect a thoughtful but forward-moving approach to growth. While many organizations remain selective in their hiring, nearly three-quarters of manufacturers plan to increase headcount. This signals confidence in future demand and a commitment to building the right teams. Rather than broad expansion, companies are aligning talent investments with strategic priorities, positioning themselves for sustainable, long-term growth.

Positioned for progress

Overall, the 2026 H1 survey results reinforce a consistent theme: cautious optimism paired with disciplined execution. Manufacturers are not standing still. Instead, they are investing, refining and preparing for what's next. While uncertainty persists, the industry's focus on operational strength, targeted growth and emerging technologies positions it well to adapt and compete this year.

We're committed to helping you not only adapt to industry change, but also lead it.

Continue the conversation

Want to talk through our findings? Or discuss how our Manufacturing experts can help support your business?

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