The Impact of AI & Innovation on Industrial Manufacturing

Corning Data™

A Sentiment Report

Spring 2026

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01

Executive Summary

Innovation is crucial in industrial manufacturing. It simply looks different now than it did before because of today's constantly evolving environment.

Technology, innovation and artificial intelligence (AI), all supported by Big Data, have never been more important to industrial manufacturers and their processes. Innovation can change landscapes virtually overnight, regardless of what firms produce and where they operate.

According to the 2026 Corning Data Sentiment Report, more than 43% of industrial manufacturers participating in an online survey characterized Industrial AI as a transformational growth lever capable of reshaping business models.

The increasing magnitude of AI and innovation's role in industrial manufacturing is underscored by perspectives highlighted in industry studies. Two years ago, for example, 10% of National Association of Manufacturer's (NAM) members recognized the potential impact of AI as credible. Today, as manufacturers embrace the value of AI and move into production-based deployment, nearly 40% believe in its potential.

Speaking on a NAM webinar earlier this year, Daniel O'Neill, Principal, U.S. Industrial Products Sector Leader, PwC, substantiated the future potential of AI innovation:

"Executives expect nearly half of manufacturing operations to be fully modular by 2030–up from only 6% today. That's a massive shift in a short period of time."

That sentiment is further supported by spending. Industrial manufacturing firms–including industrial equipment, food and beverage, and electronics sector-specific manufacturers–are projected to invest $153.9 billion in AI and Innovation by 2030, according to Deloitte, the global consulting firm.

Market differentiation, a competitive advantage, and greater market share are the goals of manufacturing firms. Concurrently, they strive for agility and flexibility to quickly pivot as the global economy and customer needs dictate.

2/3

Of respondents *(or 66%)*
rated improved efficiency as the most compelling rationale for additional investment.

Survey respondents ranked efficiency and revenue as being among the primary motivators for investment in innovative new manufacturing-focused service models and Industrial AI tools.

Additional Sentiment Report findings include:

Costs, funding prioritization, and the willingness to change operating models represent the issues and challenges identified as most likely to stand in the way of progress. They are also potential constraints to long-term success.

Transformation doesn't occur overnight, but more than **55% said the time horizon for determining effectiveness is six months or less**.

Approximately 80% say initiatives are making progress; but half characterized the pace of progress as slow but steady.

More than 80% of manufacturers say they **budget from 1-2.49% of sales revenue for innovation**.

Negative supply chain impact and speed of decision making were rated the highest of seven potential warning signs of extinction, but all seven were rated a a moderate risk.

Experts conclude that AI and automation are no longer viewed simply as operational tools. They now have a role shaping organizational culture, leadership structures, and strategy. As such, industrial AI and innovation aren't side projects. Instead, they are drivers of competitiveness and a component of firms' strategic planning.

02

Motivations

The greatest motivations for investment in innovation are clear: efficiency and productivity, closely followed by decision-making speed and quality.

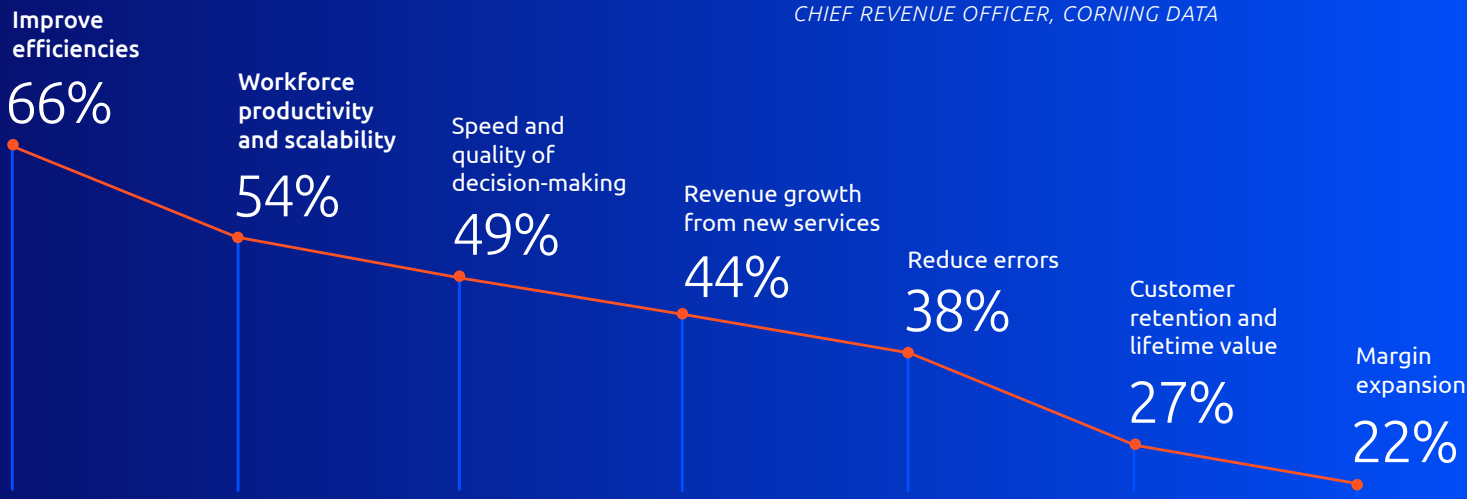
Asked to select two motivating factors, two of three picked efficiency. Hovering at +/-50% were workforce productivity/scalability and making quality decisions quickly.

The greatest motivations for investment in innovation have to do with efficiencies, productivity and scale, with nearly 2/3 motivated to improve efficiencies and more than half looking at productivity. The speed and quality of decision-making was a close 3rd. While efficiency and productivity can be conduits to producing revenue growth and margin expansion, those motivations alone lagged behind.

Which outcomes most strongly motivate (or have motivated) your organization's investment in new manufacturing-focused service models and Industrial AI tools?

"Companies in the marketplace today, regardless their size, scope, or products manufactured are looking at innovative ways to harness the potential of industrial AI and technology. They're investing in partnerships designed to make them more efficient and create opportunities."

RICK SCEARBO
CHIEF REVENUE OFFICER, CORNING DATA



With this flight to efficiency and productivity, manufacturers are finally moving beyond pilot projects and into the execution phase, Penny Brown, Senior Content Director at the Manufacturing Leadership Council, said. "They're focused on scaling, integrating, and operating digital technologies throughout their production footprint."

Industry professionals say that as these advancements occur, manufacturers are better equipped to more quickly make decisions and respond to market forces, whether the result of issues and trends in their segment or broader economic forces that may be a cause for uncertainty and volatility.

Improving efficiencies are almost universally held motivators, regardless of the role participants play in an organization. It ranked first for those in operational, IT and financial roles. It ranked second for leadership roles, behind workforce productivity and scalability.

Efficiency is clearly viewed as a growth engine. In fact, efficiency is the path to revenue.

"The ultimate goal of our tailored innovation efforts is to make housing more attainable by creating a competitive advantage through genuine cost savings rather than relying on commoditized and homogenized products. The efficiencies we create can trickle down, making home ownership more attainable."

NATHAN PETERSON
FOUNDER AND PRESIDENT OF VEDERRA MODULAR

At the same time, financially driven motivating factors ranked fourth and seventh. This, according to experts, is not to say that efficiency is prioritized over profit. In fact, efficiency is the path to revenue. By doing more with the same headcount, firms can scale from mid-market to upper-mid-market more rapidly. In the process, improvements ultimately will lead to improved financial productivity.

For Vederra Modular, Colorado's largest modular factory in Denver, Colo., innovation and resizing the capital stack were the basis for company's launch. Those in the modular sector may invest $30 to $100 million for highly customized manufacturing facilities that can be enhanced and improved to eliminate jobs and save on labor costs. That level of spend may work for an established, well-capitalized firm, but not for a start-up and disruptor, the cost is steep.

Nathan Peterson, founder and president of Vederra Modular, believed he could be more effective by leasing space and leveraging technology to create a powerful, AI-driven labor management system to improve efficiencies.

His team developed custom software using AI coding tools to solve "variability," what he defined as the primary enemy of assembly lines. The software performs real-time labor balancing, moving workers between stations (e.g., from wall-building to cabinets) based on the specific requirements of the modular box currently on the line.

The software has already doubled factory efficiency. Further, the firm estimates that it could, theoretically, increase labor utilization efficiency by up to 45%.

For many manufacturers, successful integration and execution in one area can lead to additional concepts to harness the power of innovation. Vederra has applied to patent a "checkerboard" stacking method it calls “Alt-Mod” for modular housing units that reduces the number of boxes needed to create a building by half, early projects have shown a 32% reduction of modular costs and total project savings close to 17%.

Among other examples of ways manufacturing firms are looking to be more efficient and enhance their financial position include eliminating "invisible waste," such as resources tied up in excess inventory or inefficiencies during machine changeovers and overcoming primary bottlenecks caused by configuration complexity and quoting delays.

Which statement best reflects how Industrial AI is currently viewed within your organization?

43%

A transformational growth lever that will reshape our business model.

29%

An important capability, but not a primary growth driver.

15%

A defensive necessity to avoid falling behind.

9%

Largely experimental or unclear in value.

4%

A distraction from more immediate priorities.

According to overall findings:

7 in10 View Industrial AI, at the very least, as an important capability.

03

What Innovation Looks Like

Innovation has been a cornerstone of manufacturing for centuries as companies looked to increase productivity, gain market share, and be as efficient as possible.

At the same time, the cost of new systems and the resources required for workforce training often make avoiding change easier than embracing it.

According to overall findings:

4 in10 View Industrial AI as Transformational

"I'm in the 40% camp. There are no two ways about it. It's transformational. You can't be in manufacturing and be oblivious to what's going on at Tesla or the innovation taking place in other parts of the world, especially in Europe and the Far East."

DOUG HAYDEN
ARTHROTO INDUSTRIES

Who are the champions?

Drilling down further, survey results make it clear that the view of industrial AI's importance varies according to job functions and roles.

- Presidents and CEOs have a greater belief in its value with more than 54% calling it transformational.
- That point is shared by 54% with IT roles and 50% in leadership.
- Lagging behind were those in operations, 37.1%, and finance, 23.1%.
- Further to the skepticism of finance professionals, 30.8% labeled industrial AI as a defensive strategy necessary to avoid failing.

"AI only delivers value when it's embedded in how a business actually runs, not bolted on as a sidecar. If it's disconnected from your data and workflows, it stays experimental. Pilot programs are common, but a lot of organizations struggle to move from pilot to scale. When AI is embedded, it reduces friction, scales faster, and drives real outcomes, from better decisions to faster execution and measurable efficiency gains. That's the difference between real progress and just noise."

KEVIN MILLER
CHIEF TECHNOLOGY OFFICER, IFS AMERICAS

One industry consultant played the role of devil's advocate and asked, "With almost 60% not considering industrial AI vital to their business, the biggest questions may be who are the industry thought leaders– those ignoring the distraction of AI or those running towards it?"

A recurring theme is that AI projects are more likely to fail when they are treated strictly as IT initiatives. While IT plays an essential role, at the end of the day it is not theirs to own.

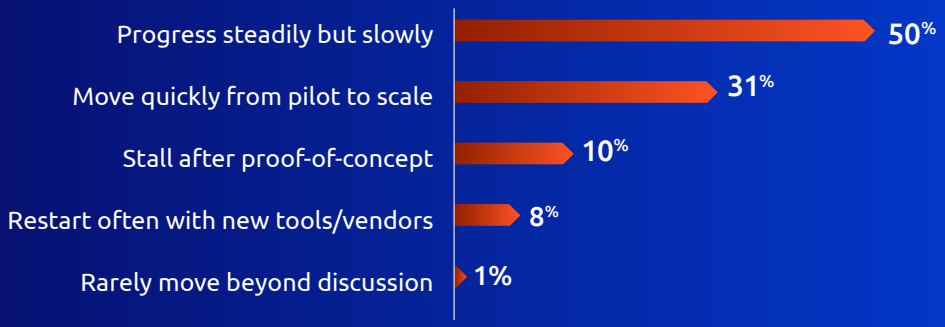
"Companies should never put themselves in the situation where production people say, 'You didn't consider my workflow when you guys told me how to use it," said Paige Ricci, Senior Manager, Baker Newman Noyes, an east coast consulting firm with a Business and Technology Advisory Practice.

True governance requires a cross-functional "middle-in" approach involving the C-suite, business owners, and, crucially, the end users whose workflows are actually being affected.

"I am a huge proponent of pulling in the end users, the people on the floor, to sit at the table versus just having the C-suite or IT people mandating innovation improvements," Ricci said.

Progress of Innovation

Which statement best describes how innovation initiatives typically progress in your organization?



Approximately 80% say initiatives make steady, but perhaps slow progress.

Of that amount less than one third say innovation moves at a fast pace; half say progress is slow and steady. Still another 10% said progress stalls after proof-of-concept.

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SPRING 2026

What Does it Cost?

Spending on innovation, including AI, is generally calculated as a percentage of revenue. According to the results of the survey, 71% of the participants spend from 1 to 2.49% of revenue on innovating systems and processes.

This falls within historical industry standards that show mature manufacturing firms typically budget from 1-3% of revenue toward innovation; for this survey, 84% spend at least 1%.

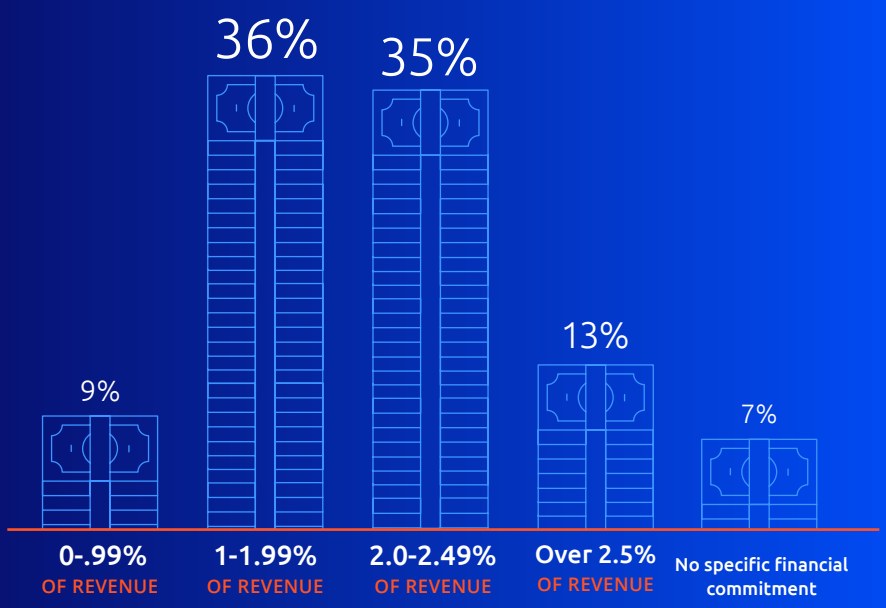
That represents a substantial sum for the largest firms, some perspective is necessary. As innovation becomes more advanced and commonplace, and as AI tools evolve, the relative software development costs today are a fraction of what they would have been five years ago. There is no telling how those costs will change by the next decade. Peterson shared that Vederra put their software together using a lot of AI coding tools tied together with real programming engineering. He said his costs to create the software was at or about $200,000.

"Five years ago, that software would have cost me $3 million to put together with a team of 30 coders," he said. "I decided to invest $200,000 and solve how to focuse efficiency gains to manufacturing's human contribution versus spending $30 million for an advanced manufacturing facility that would replace the human contribution."

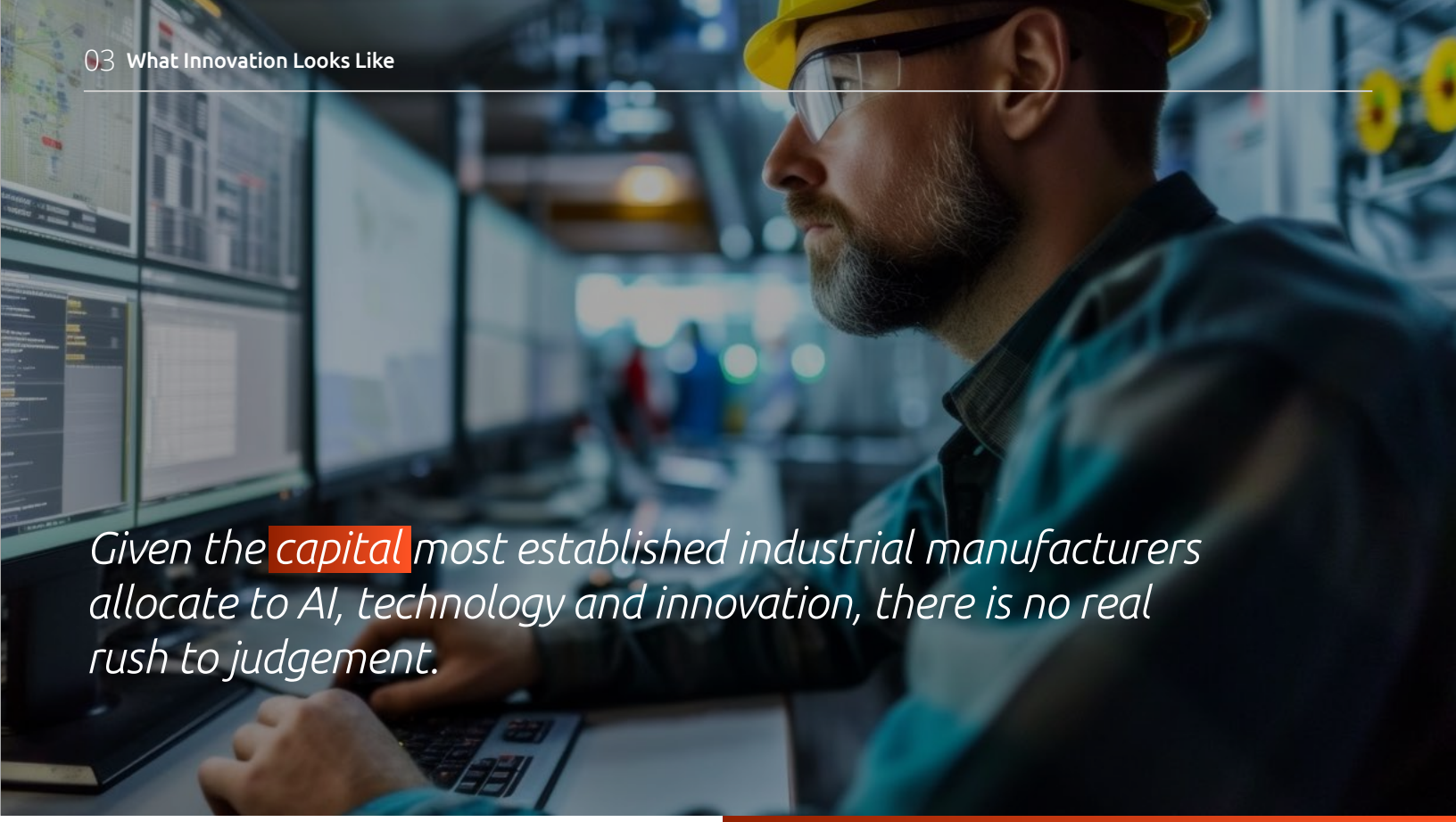
NATHAN PETERSON
VEDERA MODULAR

Level of Investment

What is your company's level of financial investment to Industrial AI (and other significant innovation initiatives)?
(Mature industrial firms typically spend 1-3% of revenue on innovation.)



According all roles in the company, over 70% said their companies spend from 1-2.49% on innovation. When broken down by roles, 82% at the C-Suite level said they spend at that level.



Given the capital most established industrial manufacturers allocate to AI, technology and innovation, there is no real rush to judgement.

How Long Does it Take?

Effectiveness isn't expected to be immediate (happening within the first 30 days).

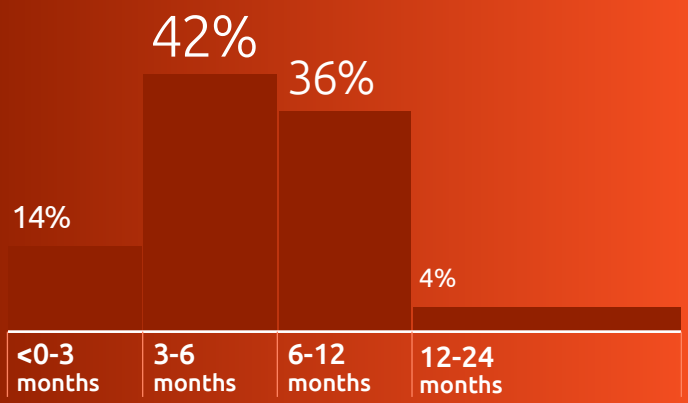
Nearly 8 in 10 *(78%)* have a time horizon that ranges between 3 and 12 months, with a significant number determining effectiveness within 3-6 months. However, smaller companies have a greater sense of urgency.

To a large degree, the time it takes to gauge successful implementation and the amount of capital spent–total dollars or as a percentage of revenue–are nuanced and relative to the size and age of the manufacturer.

Large manufacturers with local, regional, national and global operations will have more money available and likely a greater time horizon because of the sheer magnitude of their footprint. Conversely, small industrial manufacturing firms, including start-ups, are more likely to have more narrow timelines and financial constraints to prove their business/innovation plan.

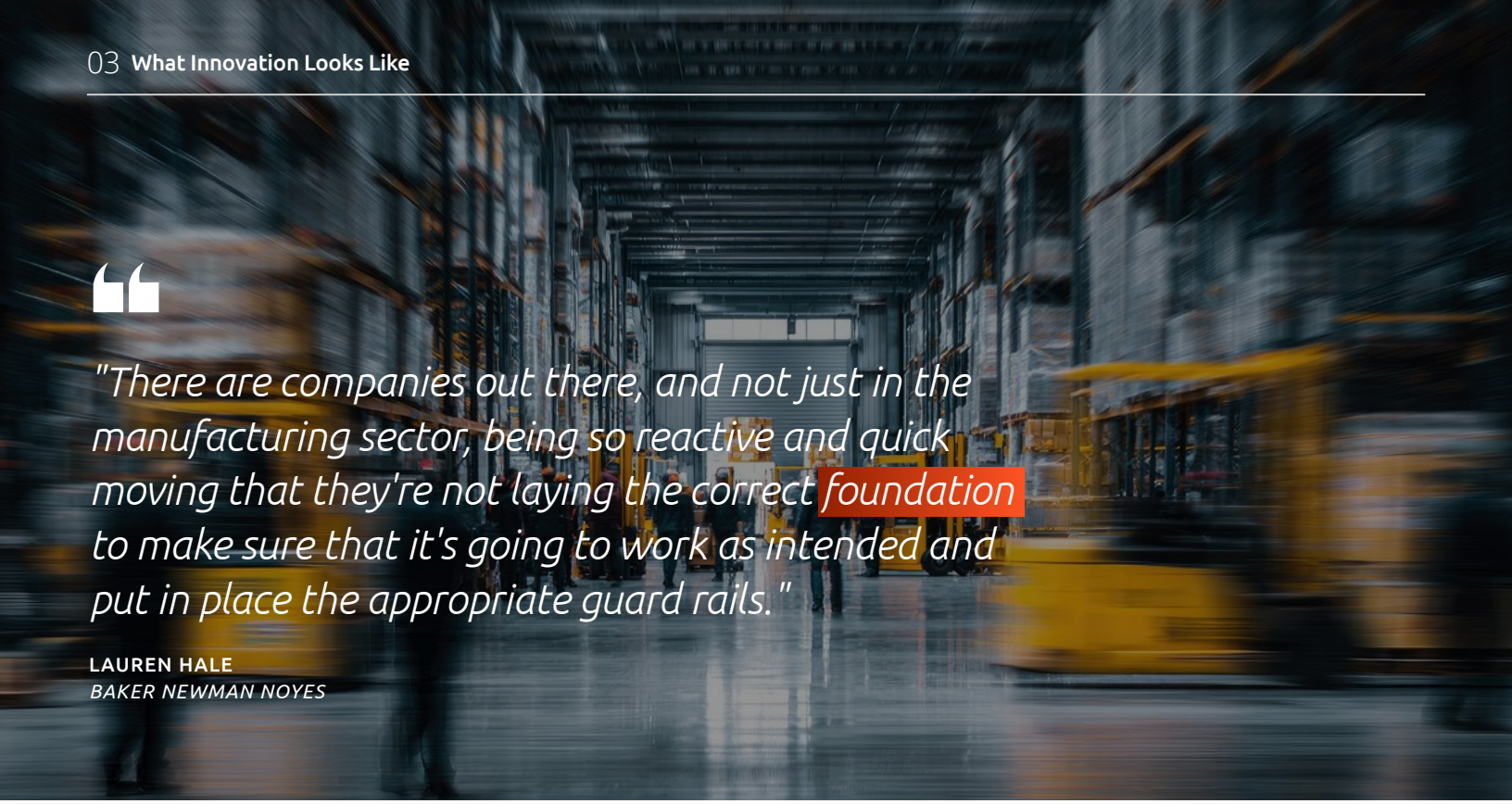
Time Horizon

When investing in transformative innovative tools to benefit manufacturing, what is your time horizon for determining effectiveness?



4% **Depends on early leading indicators, not ROI**

Half of survey participants said progress occurs steadily, but slowly. When combined with a question about the length of time to gauge effectiveness, "slow and steady" looks to be within a year's time.



"There are companies out there, and not just in the manufacturing sector, being so reactive and quick moving that they're not laying the correct foundation to make sure that it's going to work as intended and put in place the appropriate guard rails."

LAUREN HALE
BAKER NEWMAN NOYES

The Execution

The growing use of AI in the industrial manufacturing process is impressive.

Yet as increasing numbers of manufacturers look to improve efficiency and productivity, and are enthusiastic about the transformational opportunities, the proof is in the execution and how initiatives progress within an organization.

Regardless of the size of a manufacturer and the skillsets and experience of its workforce, adapting to change is more challenging at the tactical level than it is in the planning or theoretical stages.

That may, in part, explain the results of the question that asked how innovation initiatives typically progress in an organization. Half of the survey participants said progress is slow but steady. Just over 30% said it moves quickly from pilot to scale–an impressive number that had some experts asking what those firms are doing right that others either aren't doing at all or aren't doing successfully.

Experts highlight a significant disconnect between the perceived "magic" of AI and the operational reality required to make it work.

"When they work as intended, innovation and technology drive solutions, solve problems and create opportunities in business. But it doesn't happen magically overnight. Finding solutions require planning, commitment, patience, and flexibility."

JOHN WALCZAK
CHIEF ARCHITECT, CORNING DATA

AI is often viewed as a "massive undertaking," and many companies report a sense of urgency to adopt it to avoid falling behind. Additionally, some operate under the premise that AI is a plug and play solution and that it alone will be a transformational tool.

However, consultants advise it is most effective when implemented through incremental "baby steps". Further, they urge that the most successful companies are those that take a "foundation first" approach, prioritizing process stability and data hygiene over speed of implementation.

04

Warning Signs of Extinction

Clearly, manufacturing firms of all sizes and in all specialty categories are drawn to explore how innovation and tools like AI can help them further establish their position in the marketplace and build a competitive advantage.

Many fear that without a competitive advantage and a distinct value proposition, their product becomes a commodity where price becomes the determining factor. Perhaps the consequences are more severe: extinction.

Warning Signs Ranked

The sentiment survey identified seven potential threats or warning signs of extinction and asked participants to rank using a scale of 1 *(low)* to 3 *(moderate)* to 5 *(high)*. **All were ranked moderate risks.**

The greatest risks were the impact of the supply chain and the ability to get materials needed for production.

There are three potential warning signs that overall were rated in the middle of the pack but still cannot be overlooked: ecosystem participation *(i.e., integrating with other partners and platforms)*, a 3.33 rating; talent *(i.e., inability to hire digital talent)*, a 3.31 rating; and customer relevance *(e.g. avoiding commoditization and/or irrelevance)*, a 3.31 rating.

"Sometimes the real advantage of innovation in manufacturing is the opposite of mass production, cookie-cutter commoditization. It's offering something that customers don't have and can't get from a competitor. It creates a competitive advantage for Vederra"."

NATHAN PETERSON
VEDERRA MODULAR

KEY METRIC

Sales Pipeline

Consultants to manufacturing firms around the country suggest that one of the most critical metrics to follow–or ignore at your own peril–is the sales pipeline, including most notably repeat orders from existing customers. While the sales forces of any manufacturer are always looking to break through and establish accounts with new clients, companies can't overlook the patterns in sales activities of existing clients.

"They will likely tell you more about your product–its capabilities, pricing, and effectiveness, than winning over a prospective new client," said Jonathan Gross, Managing Director, Pemeco, a Canadian-based consulting firm.

A deep analysis of the sales pipeline, across product lines, customers, and geographies, can be telling and predictive. Pinpointing variances in consumption and demand patterns, and determining why they are occurring, is critical and can help businesses intensify a focus that asks either, "Am I serving my customers?" or "How can I serve my customers better?"

KEY METRIC

Margin on Sales

Another key metric is margin on sales–the breakdown of the costs of production and the price being charged for the product. A picture that goes above and beyond the numbers also requires understanding the forces impacting costs and sales prices.

Gross said the Important questions to ask and answer include, "What's forcing the change? Is it something that can be controlled, or am I just throwing more resources–people, time and money–at the problem?"

In the aggregate, these and other comparable analyses can help a manufacturer determine operational friction points within the organization. It may provide impetus change by defining where within the organization change needs to occur. Yet Gross emphasized that change can't be a siloed focus, saying impactful change needs to be "a cross functional process."

While business extinction can be slow and painful, especially when leaders fail to see the writing on the wall, it can also be swift and without warning. Regardless, there is always a need to pivot.

Steve Sukup, Chairman, Sukup Manufacturing, a global manufacturer of grain heaters and elevators based in north central Iowa, spoke of a manufacturing company contemporary whose original business was the production of vending machines for cigarette purchases. When age restrictions made it illegal to buy cigarettes that way, a pivot was essential. To stave off extinction, the manufacturer initiated a product design that create machines that could dispense other products, including items that may be needed on the manufacturing floor.

05

Future constraints

Nearly half of the survey participants say that cost and funding prioritization are the single greatest factors limiting a company's ability to appropriately scale innovation initiatives.

Limitations

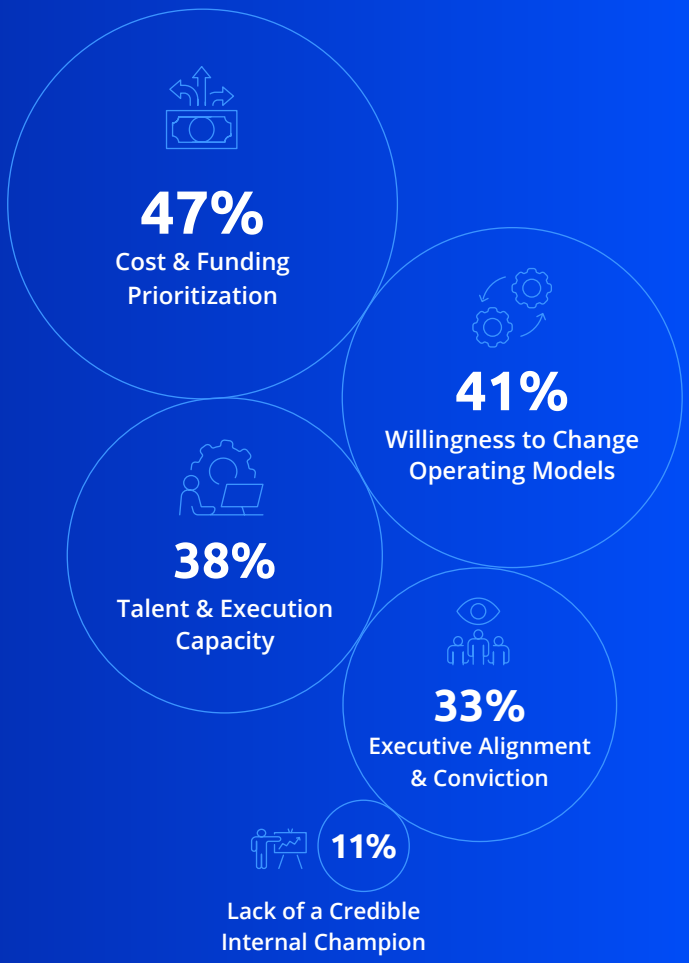
Particiapnts were asked what most limits your organization's ability to scale Industrial AI initiatives today?

Selecting up to two limitations, nearly half of the survey participants say that cost and funding prioritization are the single greatest factors limiting a company's ability to appropriately scale innovation initiatives.

This is despite the fact that 71% of companies spend 1-2.5% of revenues on those initiatives. Approximately half of them spend between 2-2.5%.

Nearly half of the survey participants say that cost and funding prioritization are the single greatest factors limiting a company's ability to appropriately scale innovation initiatives. This is despite the fact that 71% of company's spend 1-2.5% of revenues on those initiatives, and approximately half spend between 2-2.5%.

That may be attributable to the sentiment that budgeting and spending are very different. Further, it may also reinforce the broader level of uncertainty being faced by manufacturers today.

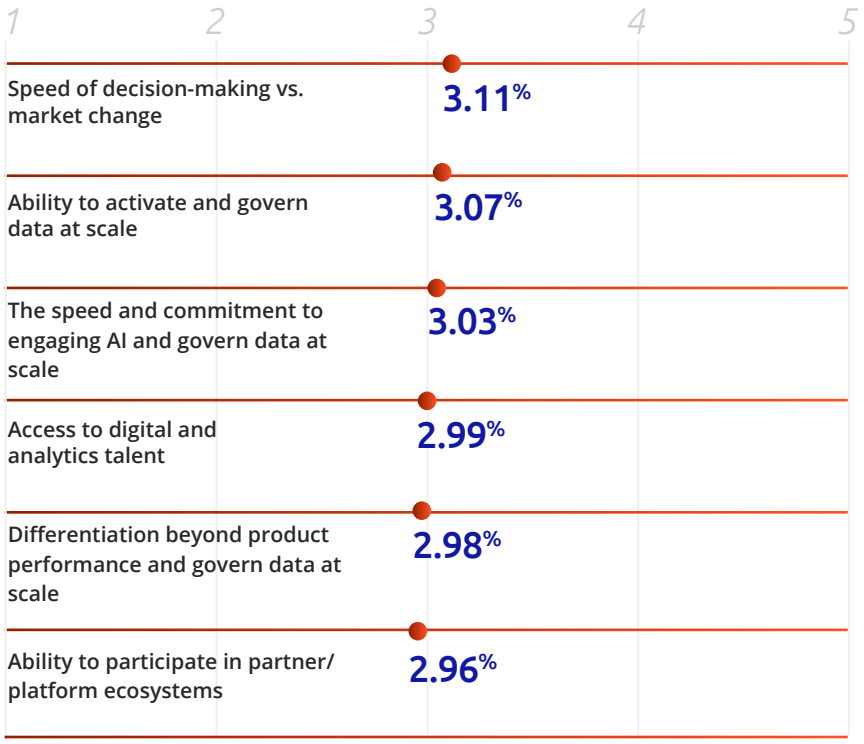


Constraints

Participants were asked to what extent six different factors constrain a company's ability be be competitive over the next 24-36 months using a scale of 1 *(not constraining)* to 5 *(severely contraining)*.

Interestingly, the factors constraining manufacturers' ability to compete in the future were evenly matched. The greatest constraint was the speed of decision-making and scored 3.11 out of 5. The lowest constraint was the ability to participate in partner/platform ecosystems which scored 2.96, just .16 behind.

1 = Not constraining, 5 = Severely constraining



A widely held view is that constraints to the speed of decision making can be mitigated with good information in real time. Lauren Hale, focusing on the structural requirements of technology, emphasized that AI is only as good as the logic and data feeding it.

Proactive market monitoring, with an understanding of key business metrics, can further ease these constraints.

"The magic happens when you combine work-force readiness with high quality data. That blend is what allows manufacturers to become truly intelligent organizations."

DAN O'NEILL
PWC

"If the data and information being fed into a system or platform isn't clean and accurate, then you're going to be making decisions based on garbage data and ultimately putting yourself at a tremendous disadvantage".

LAUREN HALE
BAKER NEWMAN NOYES

Others agreed, raising the point that the biggest barrier to meaningful AI deployment is the data foundation. Sixty five percent of manufacturers lack the right data, and 62% say their data is unstructured or poorly formatted.

As a future risk or constraint, access to digital and analytics talent was in the middle of the pack, similar to its position when participants were asked to rank the greatest threats to/warning signs of extinction. The difference, however, was that as a threat to extinction it scored a 3.31 while as a future constraint the rating was 2.99.

When analyzing the potential concerns about talent, those that hold IT roles are more focused on talent than other company roles.

The degree to which talent could be a future constraint was 3.24 for IT roles, but significantly less at a rating of +/- 2.6 for leadership, finance and executive roles.

Jonathan Gross, Managing Director, Pemeco, a consulting firm based in Toronto, offered a potential explanation for why the concern for acquiring talent over the next 24-36 months was a non-issue.

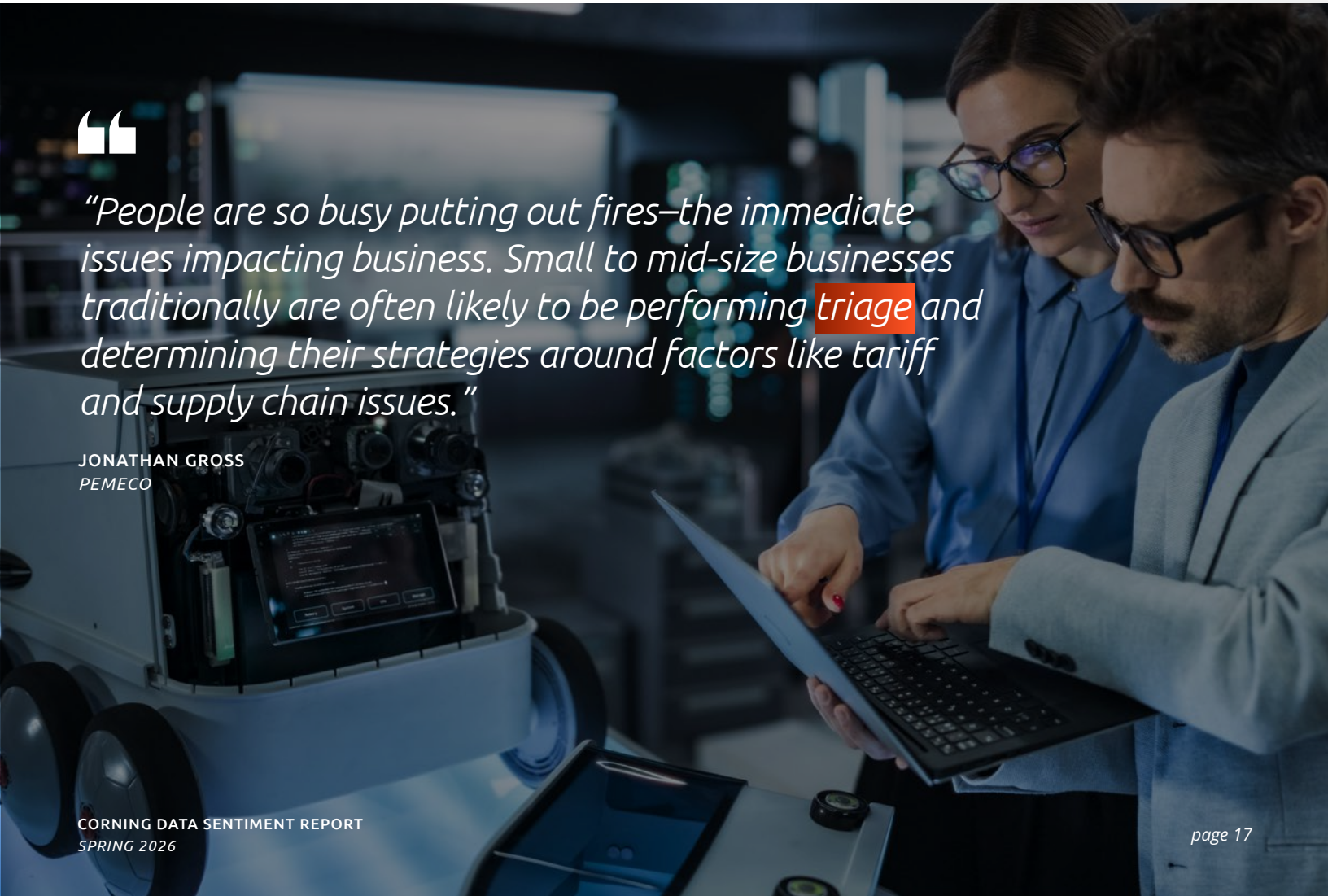
On Data Foundation:

65%

of manufacturers say **they lack the right data.**

62%

of manufacturers say **their data is unstructured or poorly formatted.**



"People are so busy putting out fires–the immediate issues impacting business. Small to mid-size businesses traditionally are often likely to be performing triage and determining their strategies around factors like tariff and supply chain issues."

JONATHAN GROSS
PEMECO

"You always hear that robots are going to take jobs away. That hasn't been the case for us. Contrary to common fears, our workforce has actually tripled in that time. Technology, robotics, and other systems, have made us more efficient and created more opportunities."

STEVE SUKUP
SUKUP MANUFACTURING

Are robotics replacing jobs?

At Sukup Manufacturing, finding talent or reducing employment levels haven't been an issue. He shared that the firm has integrated approximately 20 robotic systems and 20 laser systems over the course of 30 years.

Gross added to Sukup's discussion on robotics, a tool that is being mastered at higher levels across the globe.

"To compete in the global community, from a production and cost basis, North American manufacturers need to look to the transformative opportunities available through AI and innovation, like robotics" Gross said.

According to International Federation of Robotics (IFR) data, one measure of positioning in the competitive global marketplace can be tracked by the number of installed pieces of robotic equipment per 10,000 employees.

Worldwide, the average is 162 units per 10,000 employees. However, there is a large worldwide discrepancy. South Korea has global domination at 1,220 units. The U.S. ranks eighth with 307 units.

"I don't think people really get what's going on over in the Far East. In four or five years, they're going to have robots that are very fluid. In 2030 there's going to be more robots in the streets," said Doug Hayden.

Peterson noted that variability, today and in the future, is the enemy of assembly and manufacturing. A higher level of process and software specializations is required when variability is the differentiator or disruptor. "We ended up diving deep into developing our software to make it where each box that comes online now has characteristics that we can use to drive worker efficiency," he said.

Gross noted positioning in the global marketplace and global supply chain issues, including the cost impact, are among the greatest pressures that will be experienced by manufacturing firms in the next 24-36 months.

Top 10 Countries by Robot Density

(Robots per 10,000 Employees)

1	South Korea	*1,012*
2	Singapore	*730*
3	Germany	*415*
4	Japan	*397*
5	China	*392*
6	Sweden	*343*
7	Switzerland	*296*
8	United States	*285*
9	Italy	*219*
10	Canada	*198*

Source: International Federation of Robotics

06

The Outsider's Inside View

Smart, efficient manufacturing that leverages all of the tools available doesn't take place in a vanilla box, on an old concrete production slab.

"It's no longer just for large corporations," said Karl Heitman, Founder and CEI, Heitman Architects. "Small and mid-size manufacturers are already using digitally integrated technologies to drive efficiency and foster innovation. This is resulting in lower cost of goods to customers while increasing profit margins."

Today, architects like Heitman, engineers and developers, among others are working harmoniously to design and build a Smart Factory–a production environment where people, machines, automation and software work together seamlessly.

This "digital transformation" is trending toward greater product customization, with increasing complexity and decreasing batch sizes. This trend is leading corporations to deploy Manufacturing On Demand-'MOD' into their supply chain. Additive manufacturing technologies, like 3D Printing, are reshaping industries worldwide.

Common Mistakes

Geoffrey Kasselman, CEO of Evoke Partners, a real estate developer and technology consulting firm, says there are common mistakes the average manufacturer makes when looking to upgrade and/or expand the use of innovation and AI in the manufacturing process, including:

- Under-allocating resources, including capital
- Not having an AI-centric coding-capable project manager
- Miscalculating ROI expectations
- Failing to ensure interoperability and portability

Kasselman also noted that achieving lofty corporate software standards such as SOC 2 compliance and maintaining ever-changing cybersecurity protections shouldn't be overlooked. He said constant feedback from customers, advisors and capital sources is germane for any business, especially those at the forefront of change and innovation.

"Essential feedback will come from those who will tell you what you need to hear, not simply what you want to hear."

GEOFFREY KASSELMAN
EVOKE PARTNERS

He also recommends creating and monitoring a custom daily dashboard of dynamic data streams. Quarterly SWOT analyses that track competitors and risks also should be part of the equation.

"If issues and problems aren't recognized and addressed early, you will be out of business far faster than you ever considered possible. It is existential," he said.

Christopher Migliaccio is a founder of Warren and Migliaccio, a law firm that has advised manufacturing firms in mergers, acquisitions and financial transactions. His perspective is that capital budgets currently reflect more about margin pressure than ambition.

"Capital expenditures must be tied directly to throughput increases, waste reduction, savings through predictive maintenance or increased labor efficiency," Migliaccio said. "This places considerable pressure on CFOs looking for a 12–24-month payback period for their funding requests."

Migliaccio identified three critical guideposts for manufacturers when building an AI strategy:

- ✓ Choose to target a single, high-friction process to start.
- ✓ Establish clean data governance practices before scaling a solution.
- ✓ Secure early buy-in from frontline supervisors.

07

The Final Word(s)

Participants in the report, those who took the survey and those who were interviewed, along with industry experts shared additional perspectives on topics of concern and how to navigate through the exciting but sometimes arduous task of harnessing the tools of innovation and artificial intelligence.

On discipline and approach...

Among the primary themes for the advice consultants would give small to mid-size manufacturing firms is to remain focused and on being well-disciplined in approach and execution.

"How do you get where you want to be? Through a tightly coordinated approach that is process focused versus managing a list of tasks," Gross said. "That may require changing many things, like hiring and training."

A solid foundation in technology, process, and data is also imperative. "A company looking to embrace technology and artificial intelligence, needs the proper systems architecture to maximize the impact of its managed data," Gross added.

"How do you get where you want to be? Through a tightly coordinated approach that is process focused versus managing a list of tasks."

LAUREN HALE
BAKER NEWMAN NOYES

On startups and risk...

"When you're a startup, or young company, the extinction event is funding. Getting a bad project is also an extinction level event. In some cases, the best way to mitigate that risk is partnerships –the right partnerships."

DOUG HAYDEN
ARTHROTO INDUSTRIES

On organizational psychology and culture...

"Take the pressure off; remove the stressor of thinking of this as this massive technology initiative. Look at it more from a perspective of how to use and leverage your business model to support AI."

PAIGE RICCI
BAKER NEWMAN NOYES

The mindset of the organization may be the most significant hurdle in identifying and adopting innovative tools and systems–not the technology itself. The transition often is more about changing culture from reactive to proactive behavior than it is about new technology. At the same time, "workforce readiness" and "AI literacy" are essential through structured upskilling or the initiative is destined to fail.

On measurable economic impacts...

There are many ways manufacturing firms can demonstrate the measurable economic impacts that justify the innovative initiatives, including:

Predictive Maintenance
Can produce a 40% reduction in maintenance costs, according to Deloitte, and a reduction of 30-50% in equipment downtime, according to McKinsey.

Labor Productivity
Smart factory initiatives can improve labor productivity by 10-20%.

Billing & Reporting
Digital can increase billing speed and efficiency, sometimes in as little as 90 days.

On labor and the changing workforce...

"Just because you're embracing automation, robotics, and AI doesn't mean you won't need labor. It means you'll need a changing labor force with people who understand the new model. You're still going to need humans to place things, to manage the cranes, and other aspects of the process, or orders aren't going to show up on time."

DOUG HAYDEN
ARTHROTO INDUSTRIES

On global competition and robotics...

"Creativity and collaboration are the uniquely human skills AI can't replace. The future workforce must be taught to think laterally, not just technically."

LEE GREEN
INNOVATION RESEARCH INTERCHANGE (IRI)

"Leadership buy in is no longer the obstacle it once was. The C suite is beginning to see the value of digital technology, and cultural resistance is easing."

PENNY BROWN
MANUFACTURERS LEADERSHIP COUNCIL

"Resistance isn't to the technology–it's to uncertainty. Leaders must clearly define what's changing and how each employee fits into the new picture."

EMILY RICKEY
CITROEN COOPERMAN

"Small and medium sized manufacturers often have the agility to adopt automation faster than larger competitors, who are burdened by legacy systems and massive footprints."

DAN O'NEILL
PWC

"Learning can't be an after hours activity anymore. It has to be built into the company's operational model and led by example."

EMILY RICKEY
CITROEN COOPERMAN

"Having champions within teams is key. When employees see peers using AI successfully, it removes fear and builds trust from the bottom up."

EMILY RICKEY
CITROEN COOPERMAN

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DAN O'NEILL
PWC

EMILY RICKEY
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Rauch Marketing was engaged by Corning Data to support the development of this sentiment report.

Contact ryan@rauchmarketing.com to discuss how we can assist you with your next report.

Corning Data™

For more than four decades, Corning Data has been helping enterprise organizations solve complex ERP challenges with confidence. Founded in 1980, our mission is to provide businesses with the senior-level expertise, proven methodologies, and industry insights they need to run smarter, faster, and stronger.

Over the years we have partnered with world-class technology providers including IFS, Oracle JD Edwards, and DSI, to deliver ERP solutions that are built to last. Our focus is clear: guide organizations to realize the full potential of their ERP investment through expert implementation, upgrades, and managed services. Every consultant on our team brings an average of 18+ years of ERP experience, along with ongoing training to stay ahead of evolving technologies.

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To assist companies trying to learn more, we've developed the Vision Tour, an in-depth, on-site review of your operations and ERP environment. This collaborative process uncovers opportunities to improve processes, strengthen performance, and unlock new ROI from your system. It's how we help you manage by exception and get more from your current technology without unnecessary disruption.

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