

2024 495/MetroWest Employers Survey

December 2024



MetroWest Economic Research Center
FRAMINGHAM STATE UNIVERSITY



178
Employers Responded

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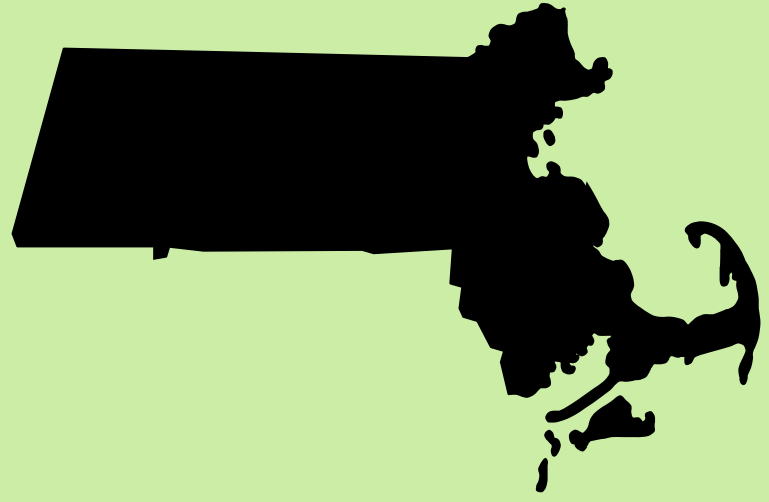


This report provides a summary of some of the major findings from the 11th Annual 495/MetroWest Employers Survey which was conducted during April-May 2024. The results of the survey show that most businesses in the area felt the local economy was stable and will remain so next year. Housing costs and labor costs were thought to be the most important challenges last year. Most employers encountered hiring difficulties such as lack of labor availability, high labor costs, and a prevailing skill mismatch.

Employer Demographics

Among 178 employers who responded to our survey,
58% are privately held companies, and 23% are not-for-profit institutions.

60% of organizations surveyed are located in:
Westborough (26%), Marlborough (19%), Northborough (15%).



Around **13%** (18) of employers are from the **Finance and Insurance** industry, and **12%** (16) are from **Other Services** (e.g., pet training or animal welfare, health, wellness etc.)

40% of organizations employ 1-19 workers.

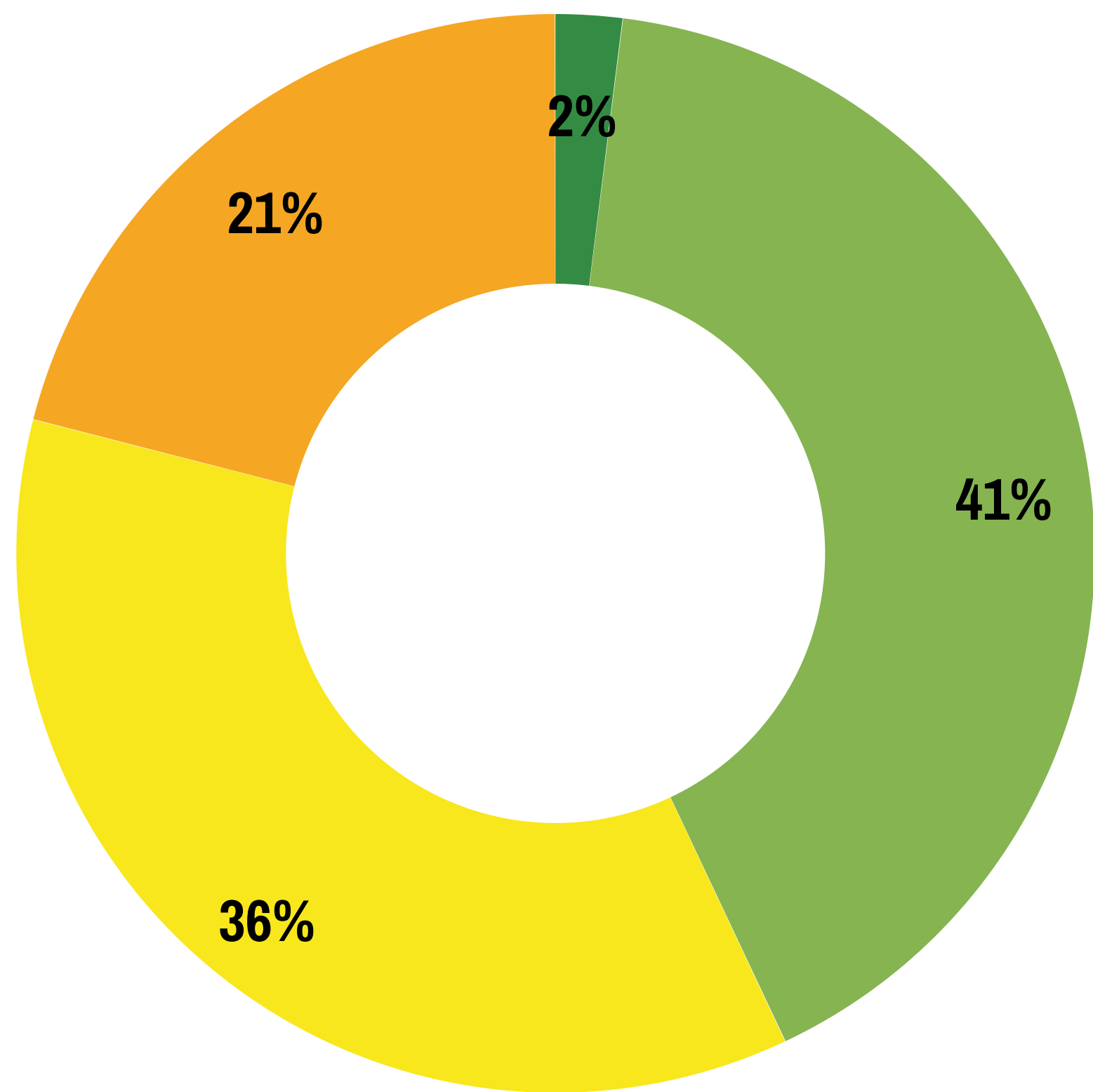
Over one-third of organizations employed **less than 10** workers.



NOTE: All percentages reported on this page are based on the number of respondents for each particular question, not the total number of respondents of the survey.

Economic Conditions

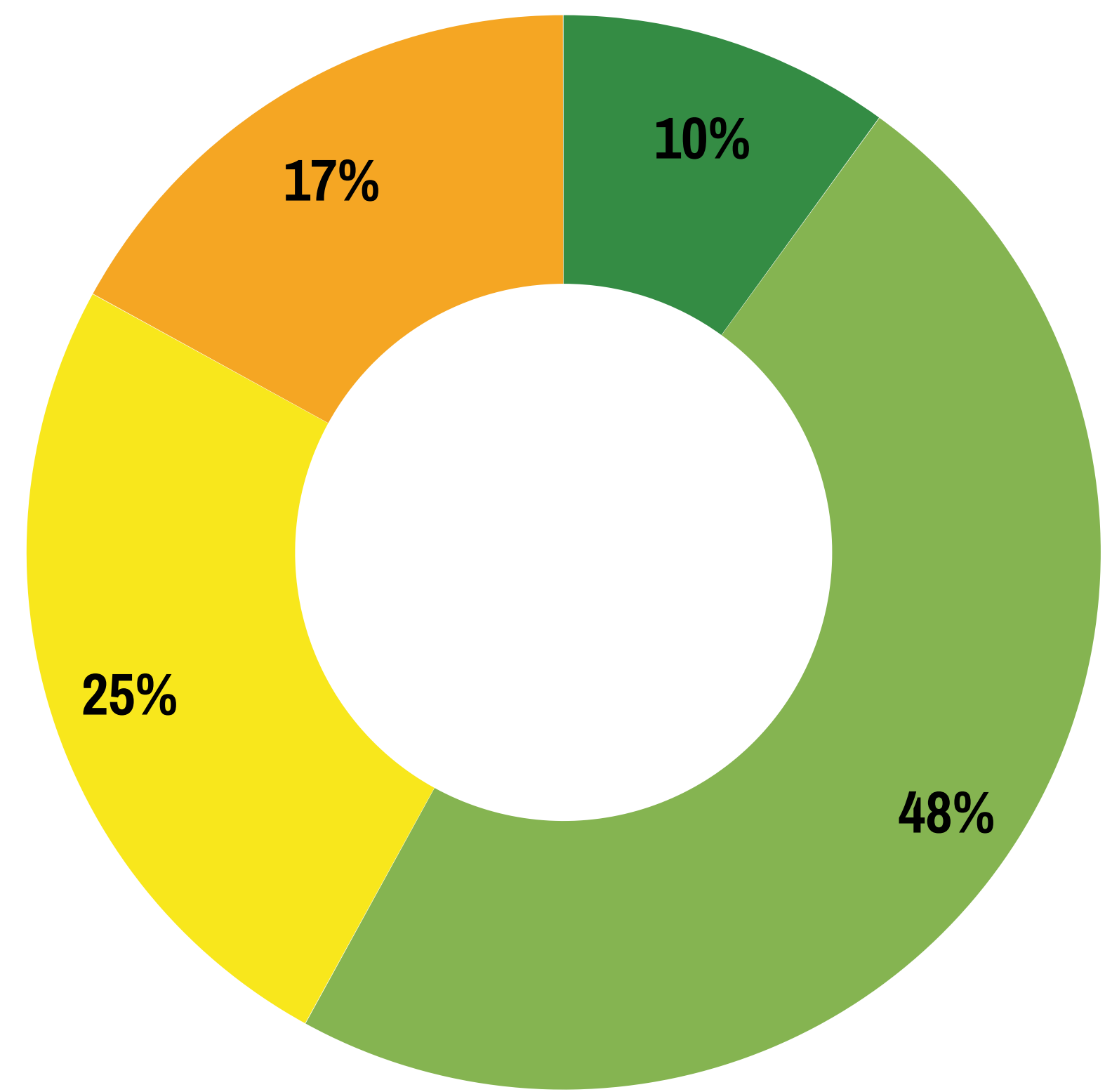
Over the course of the coming year, how do you expect the **economy** in the 495/MetroWest region to perform?



■ Improve significantly
 ■ Improve slightly
 ■ Decline slightly
 ■ Remain the same

43% of organizations expected the economy in the 495/MetroWest region to improve either slightly or significantly.

Compared to the previous year, what are your expectations for your organization's **revenue** performance this year?

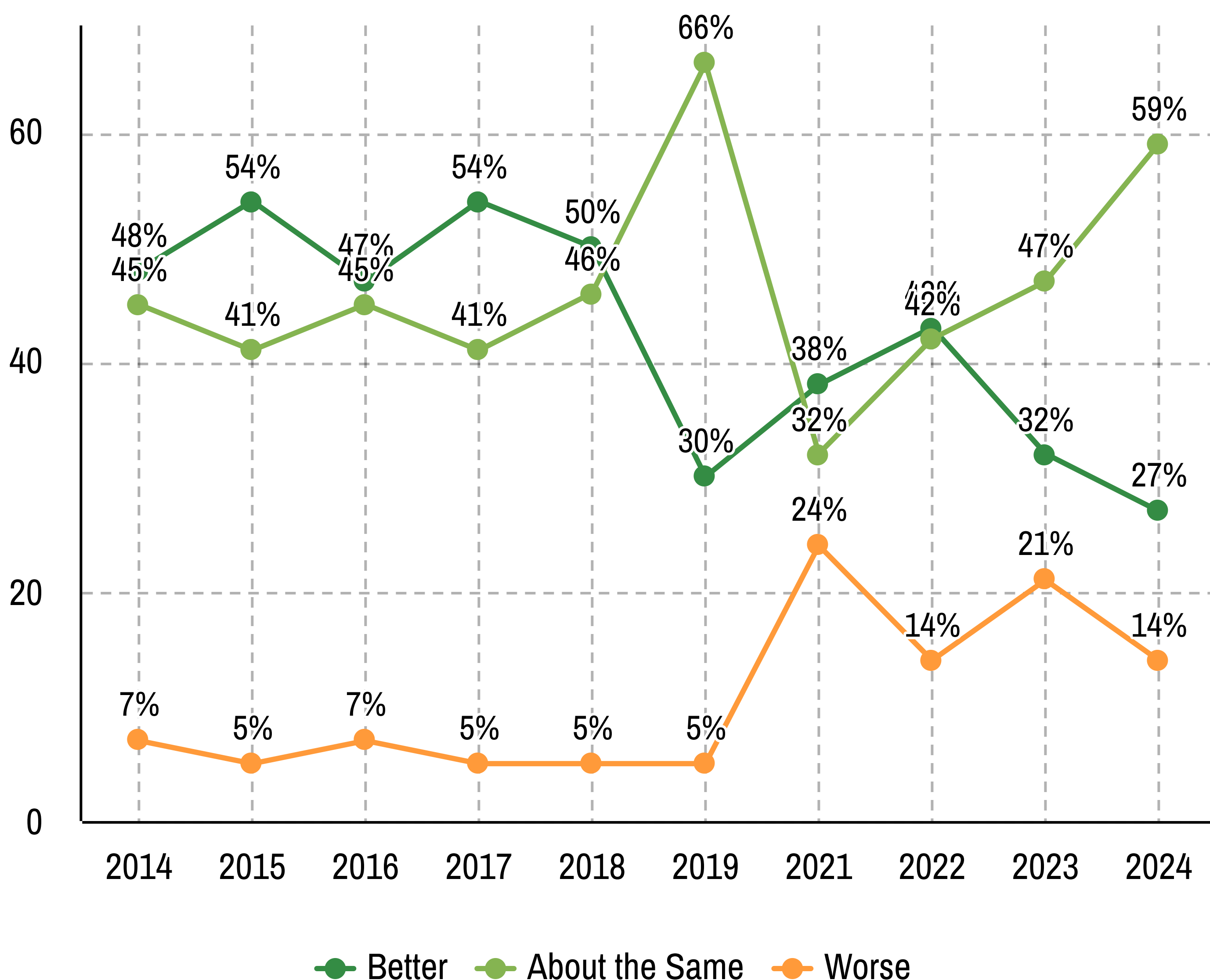


■ Improve significantly
 ■ Improve slightly
 ■ Decline slightly
 ■ Remain the same

60% of businesses expected their revenue performance to improve this year.

Business Conditions 2014-2024

Would you say the current business conditions in the 495/MetroWest region are better or worse than they were a year ago?



59% of employers thought business conditions were the **same** as last year.

27% of employers thought business conditions were **better** than last year.

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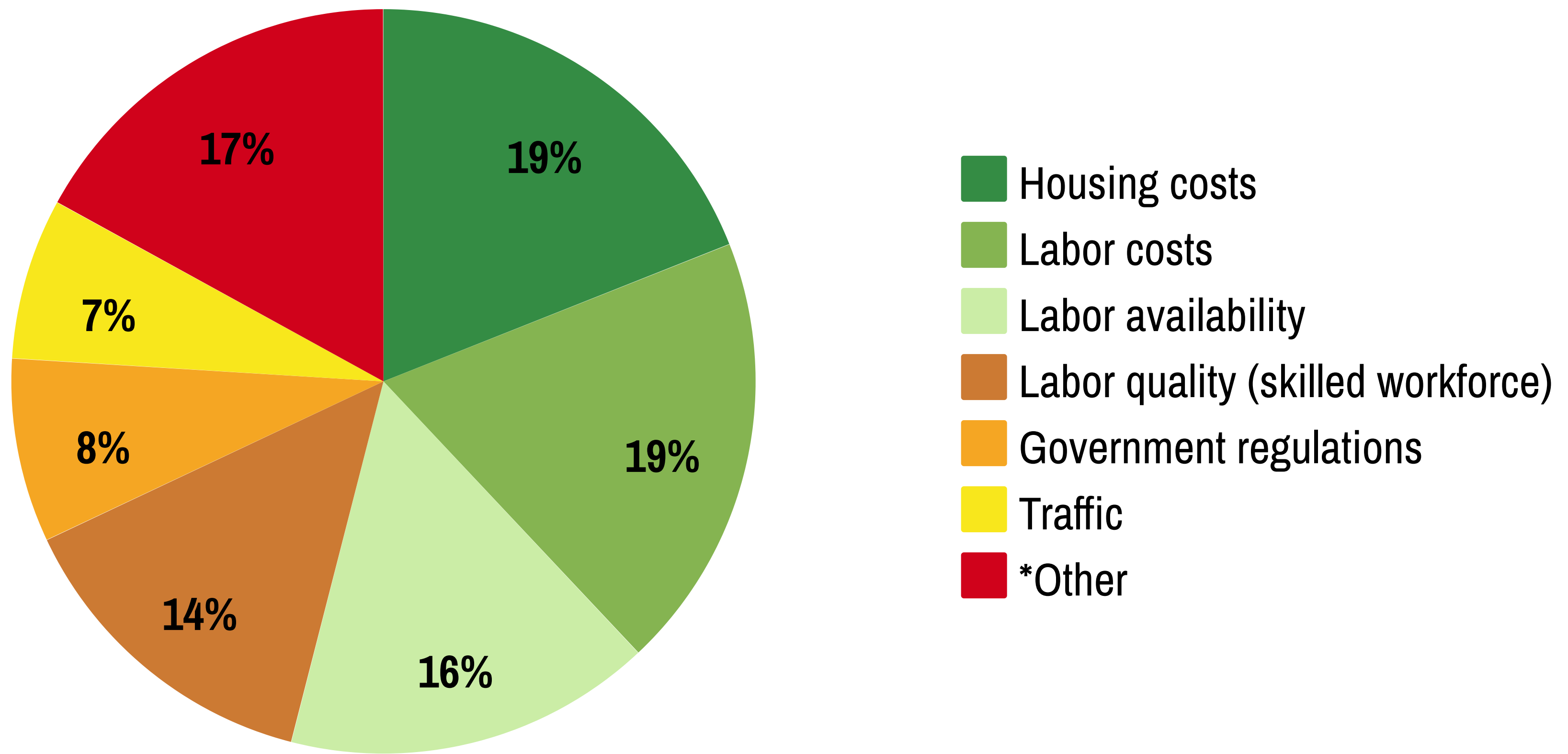
Economic Challenges

What is the single most important challenge in the 495/MetroWest region facing your organization today?

Housing costs and **labor costs** topped the list of most important challenges for employers in 495/MetroWest.

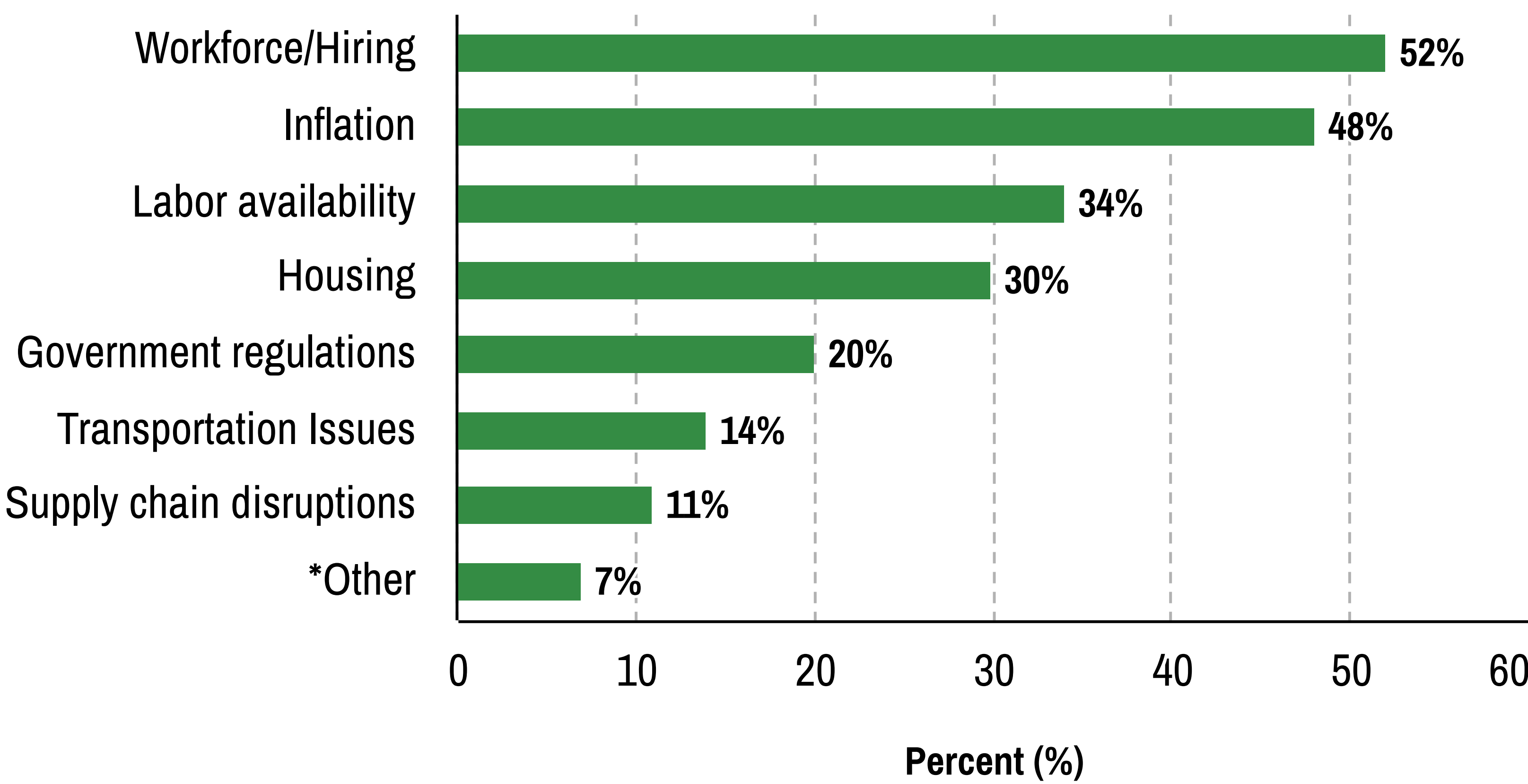


Almost **half** of employers found the most important challenges in 495/MetroWest are related to **labor**.



*Other includes insurance costs, public transportation, taxes, energy costs, and health care costs.

What are your biggest concerns looking at the coming year?



52% employers felt workforce/hiring was the biggest concern in the coming year.

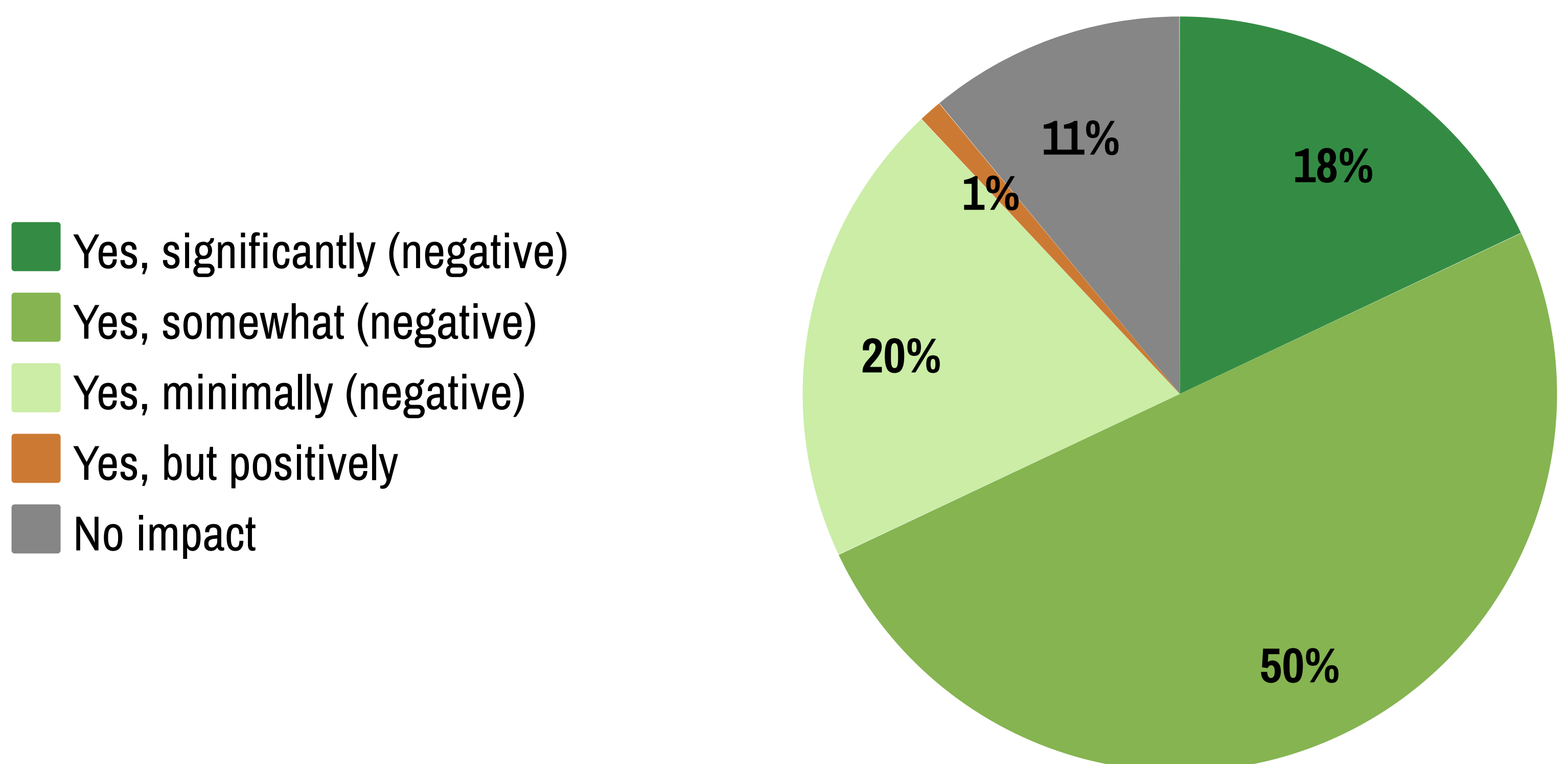
Inflation was ranked as the second biggest concern for local employers.

*Other includes concerns about availability of skilled labor, affordable childcare, revenue, and the economic environment.

Have inflationary pressures impacted the profitability of your business?

88% of employers thought **inflation** had negatively impacted the profitability of their business.

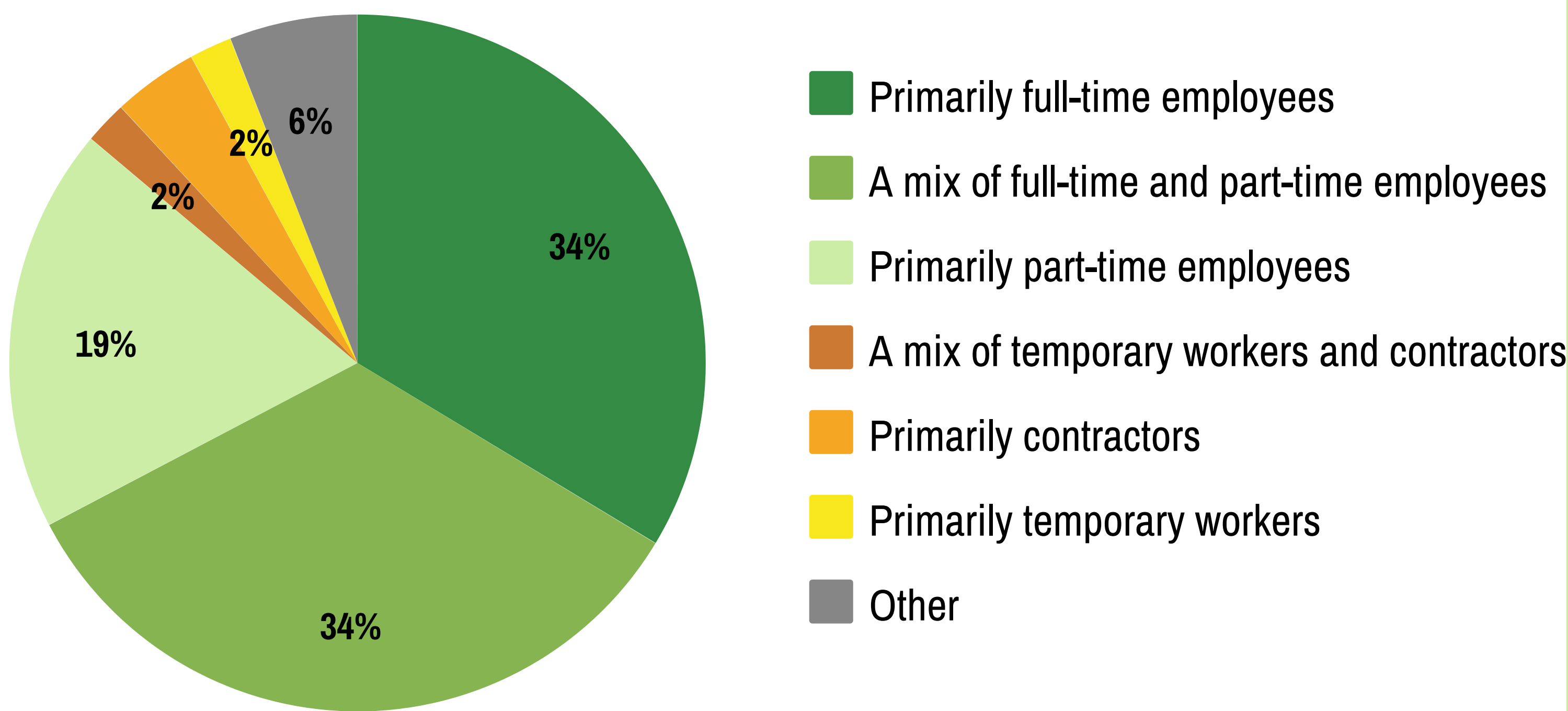
Only a little over 10% employers thought inflation had positive or no impact on their profitability.



Labor Force Issues

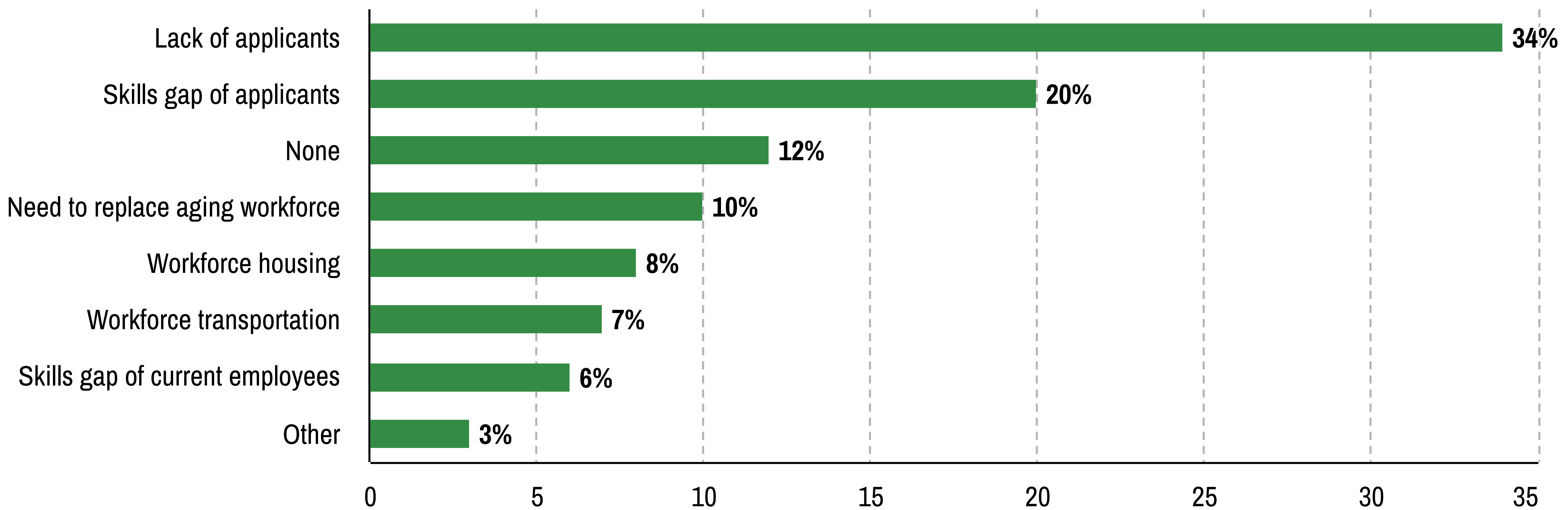
46% of Employers **planned to grow** their workforce in the 495/MetroWest Region over the coming year. This represents a **5 percentage point increase** from 2023.

What type of additional workers do you expect to hire over the coming year in the 495/MetroWest region?



- Of those who planned to grow their workforce in the coming year, **over one-third** of businesses expected to hire primarily full-time employees next year. This is a **13 percentage point decrease** from the previous year.
- Of those businesses, **over one-third** expected to hire a mix of full-time and part-time employees. This is a **4 percentage point increase** from the previous year.

What workforce (hiring) need concerns you the most?



More than half of businesses **encountered difficulties** in hiring qualified staff this year.

These difficulties included:

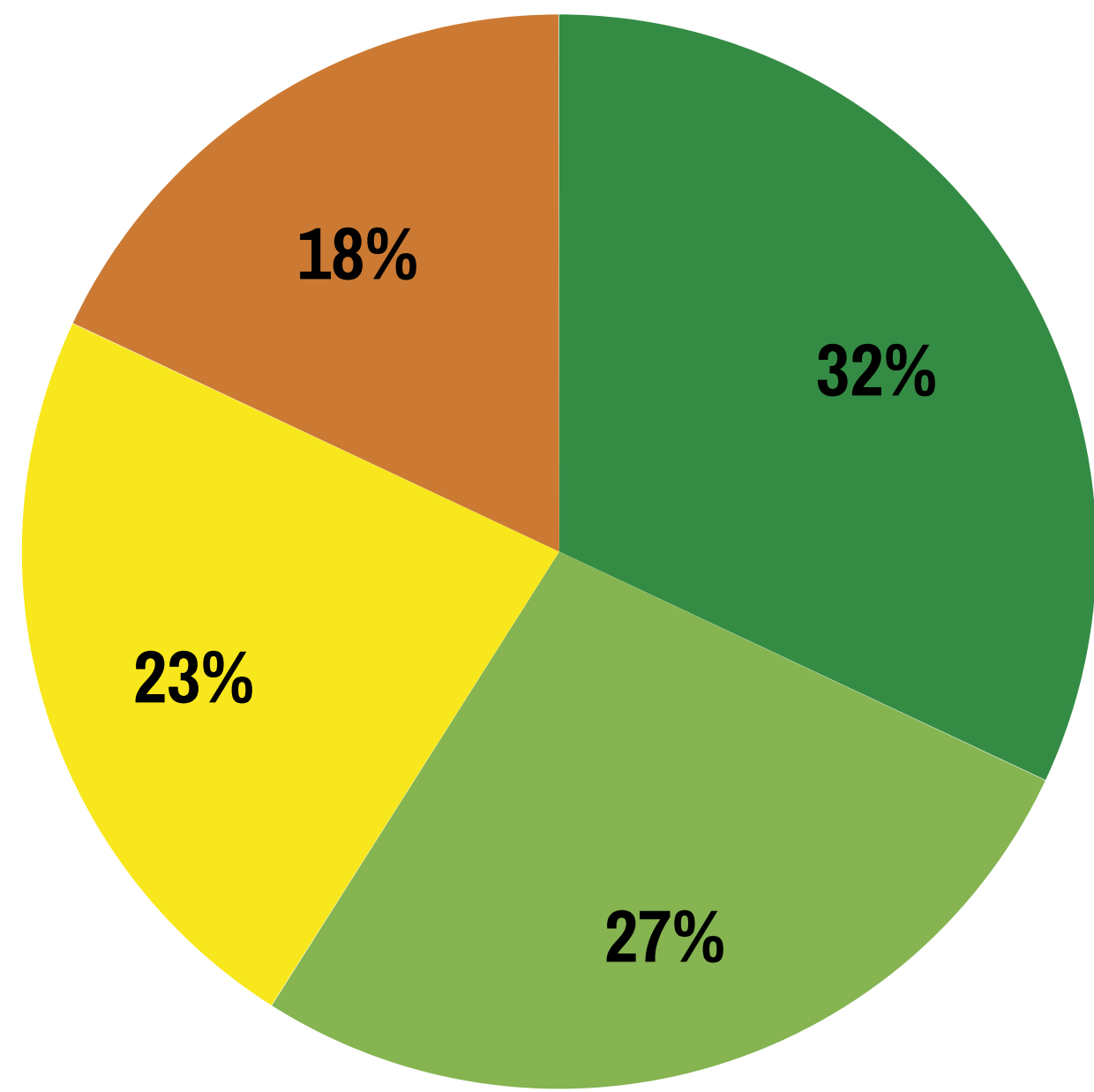
- More than **one third** of businesses were concerned about the lack of applicants.
- **20%** of businesses were concerned about the skills gap of applicants.
- Only a little more than **10%** of businesses had no concern at all.

Skill sets employers desired the most included:

- customer service experience
- interpersonal communication/soft skills
- project management skills
- sales skills
- work ethic



Which of the following would be most helpful in hiring new staff?



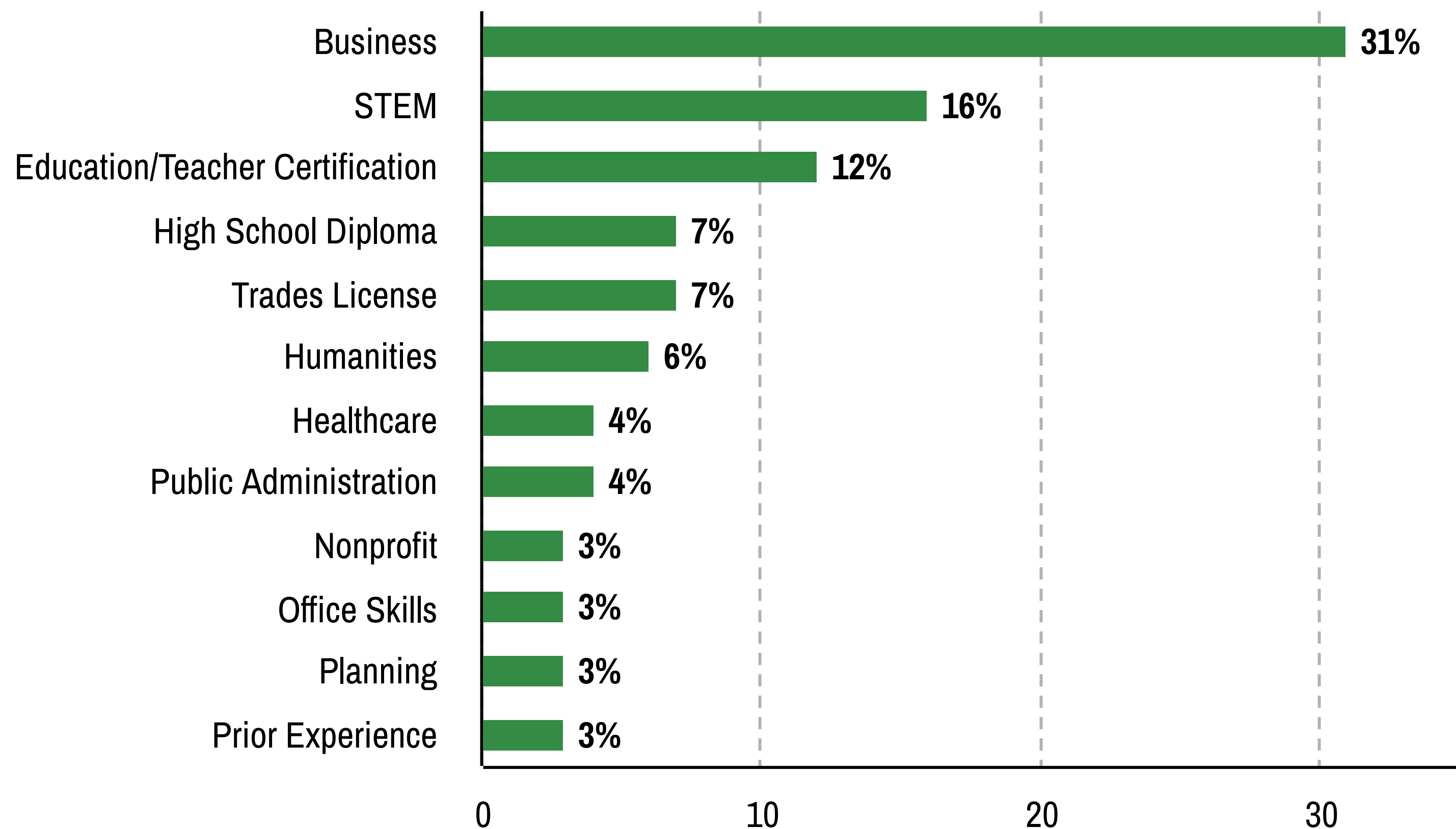
- More candidates with a particular degree or credential
- Assistance identifying prospective candidates
- Training programs tailored to my business or industry
- Financial incentives to train or retrain workers

- Over **30%** of employers thought they need more candidates with a particular degree or credential.
- **27%** of employers needed assistance in identifying prospective candidates while hiring.
- Over **20%** of employers would benefit from training programs tailored to their business or industry.

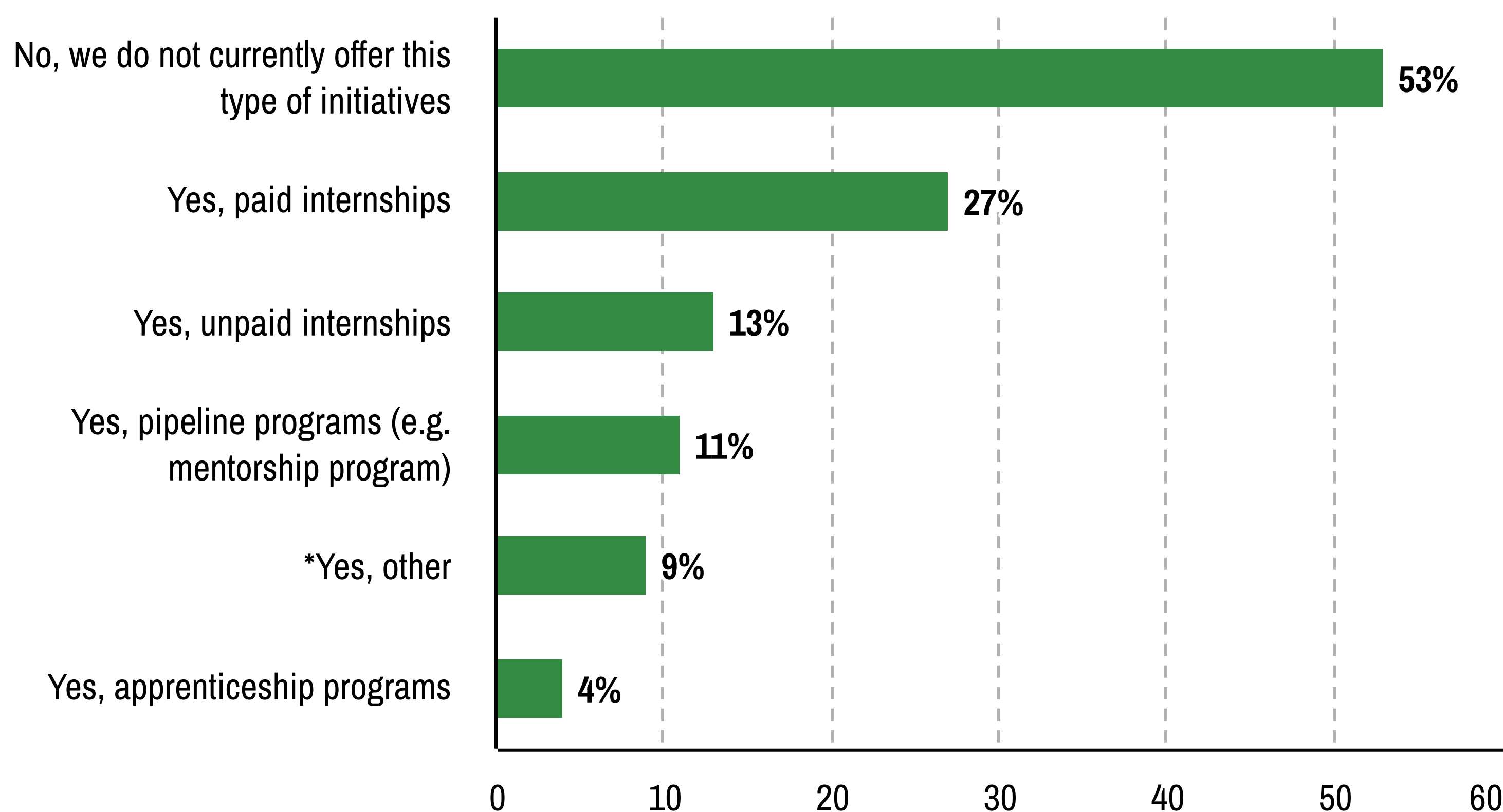
Which academic majors or professional credentials would you like your applicants to possess?

The **top three** academic majors or professional credentials/experience wanted by responding employers include:

- 1. Business** (e.g. Accounting, Economics, Finance, Marketing, Sales, Hospitality, and Project Management)
- 2. STEM** (e.g. Civil Engineering, Computer Science, Artificial Intelligence, etc.)
- 3. Education/Teacher Certificate.**



Does your organization have any pre-existing workforce related collaboration with colleges/universities?



Nearly half of all employers **did not** have workforce related collaboration with colleges and/or universities.

The rest of employers had either paid-internships (27%), or unpaid internships (13%), or pipeline programs (11%), or other collaborations (e.g. guest speaking in college, in-class learning using their facilities etc, 9%).

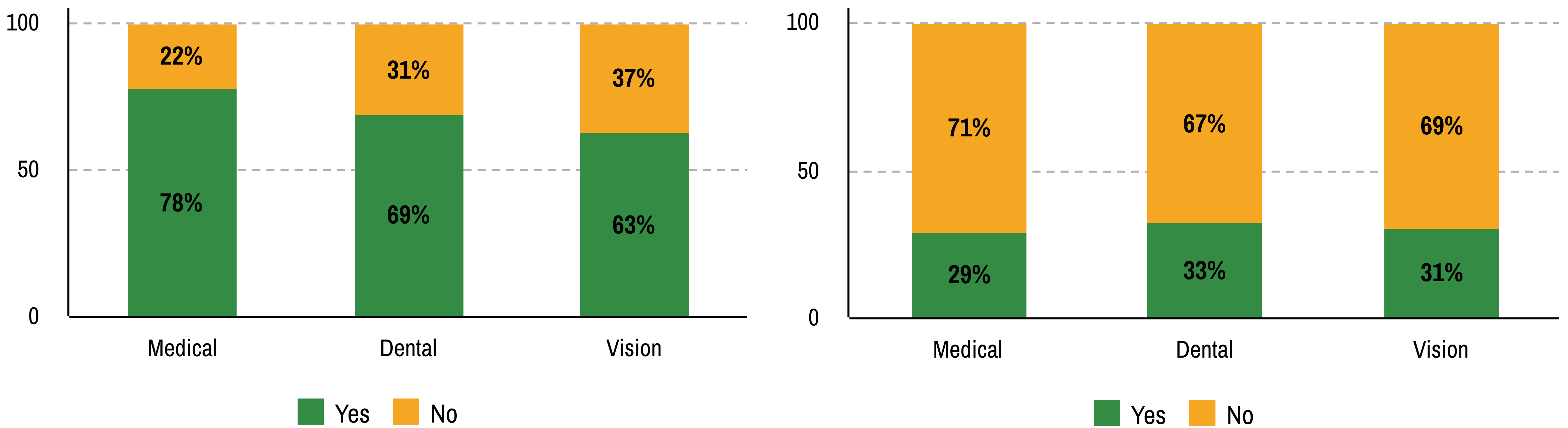
*Other includes supporting university facilities, and collaborations in the process of being developed.

Employee Benefits

Do you offer health insurance to your employees?

Full-Time Employee

Part-Time Employee

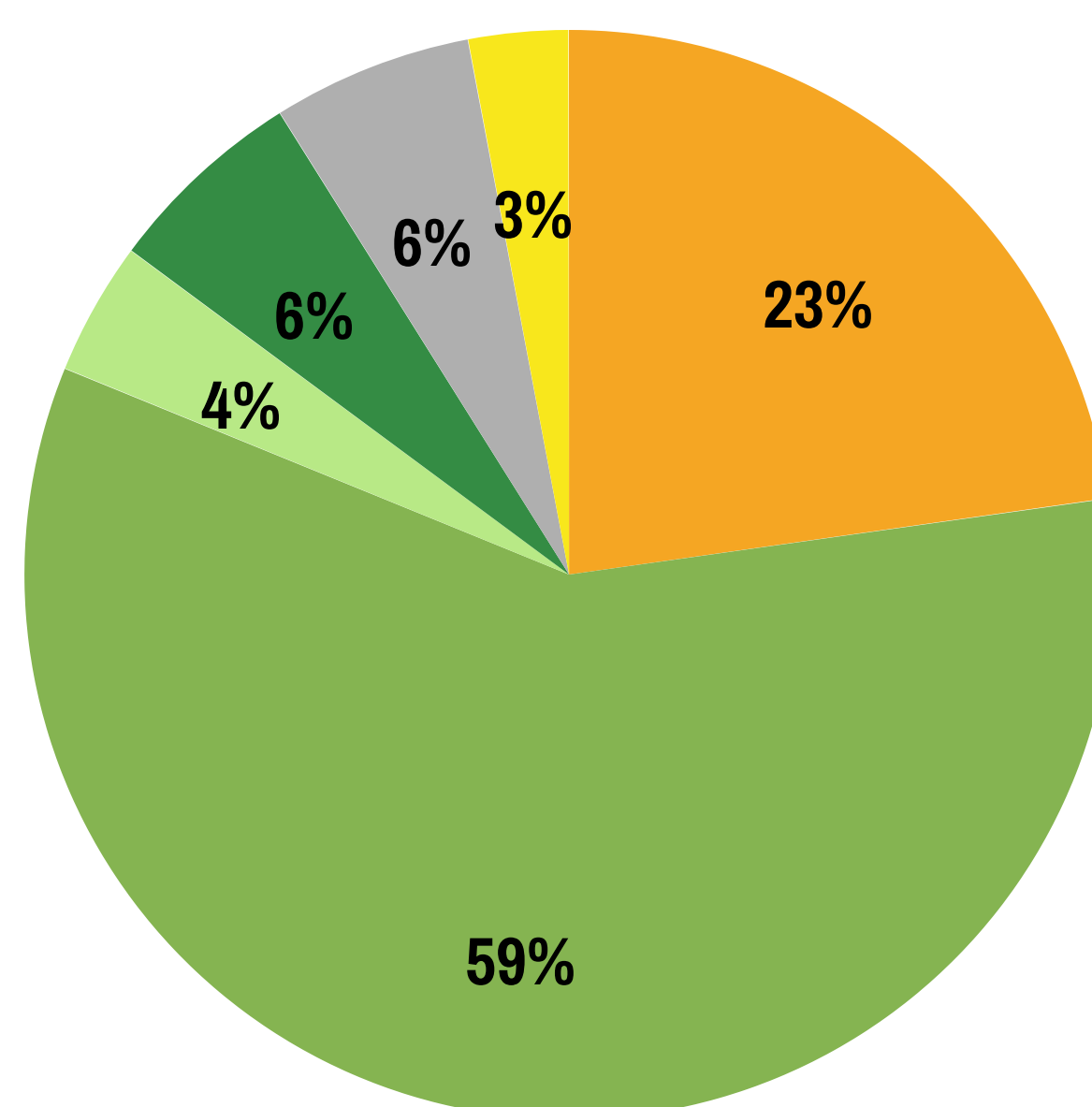


A significant majority of employers provided medical, dental, and vision insurance for **full-time** employees. In contrast, **less than one-third** of employers provided all three insurance types to **part-time** employees.

What types of retirement benefits do you offer to your employees?

Nearly **60%** employers provided a defined contribution plan.

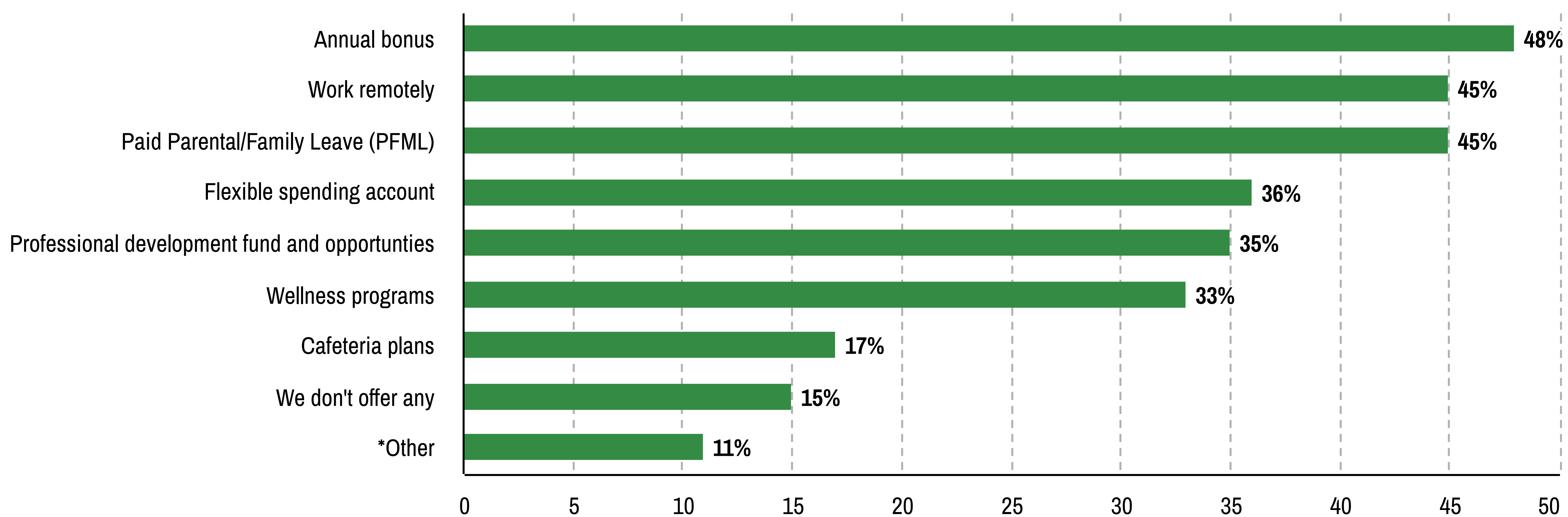
23% employers did not offer any retirement benefits.



- We do not offer any retirement benefits
- Defined contribution plan
- Defined benefit plan
- Simple IRA
- Both defined contribution and benefit plans
- *Other

*Other: Includes undecided plans and ESOP.

What types of additional benefits or work perks do you offer to your employees?



*Other: The most common example was discounts on services like childcare, wellness facilities, hotel rooms, and club memberships.

The most prevalent benefits or work perks offered by responding employers were **annual bonus, remote work option, and Paid Parental/Family Leave (PFML)**.



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