

2026 495/MetroWest
Employers Survey

June 2026



MetroWest Economic
Research Center
FRAMINGHAM STATE UNIVERSITY



264
Employers
Responded

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In collaboration with:



MERC conducted its 13th Annual 495/MetroWest Employers Survey in April–May 2026. Employers across the 495/MetroWest Region reported mixed economic expectations, with rising costs, workforce challenges, and uncertainty surrounding federal policies shaping the business outlook. While many employers anticipate revenue growth and plan to expand their workforce, concerns about labor quality and availability persist. Artificial intelligence is also gaining traction, with a majority of employers permitting its use for work-related tasks, particularly writing, communication, and research.

Employer Demographics

Among the 264 employers who responded to the survey:

70% represent privately held companies.

13% represent nonprofit organizations.



Employers who participated in this survey were located throughout the 495/MetroWest Region.

25% reported a physical presence in Westborough (10%), Framingham (8%), or Marlborough (7%).



The most represented industries included:

- **Finance and Insurance:** 15% (38 employers)
- **Professional, Scientific, and Technical Services:** 10% (25 employers)
- **Health Care and Social Assistance:** 8% (19 employers)

40% of organizations employ fewer than 10 workers.

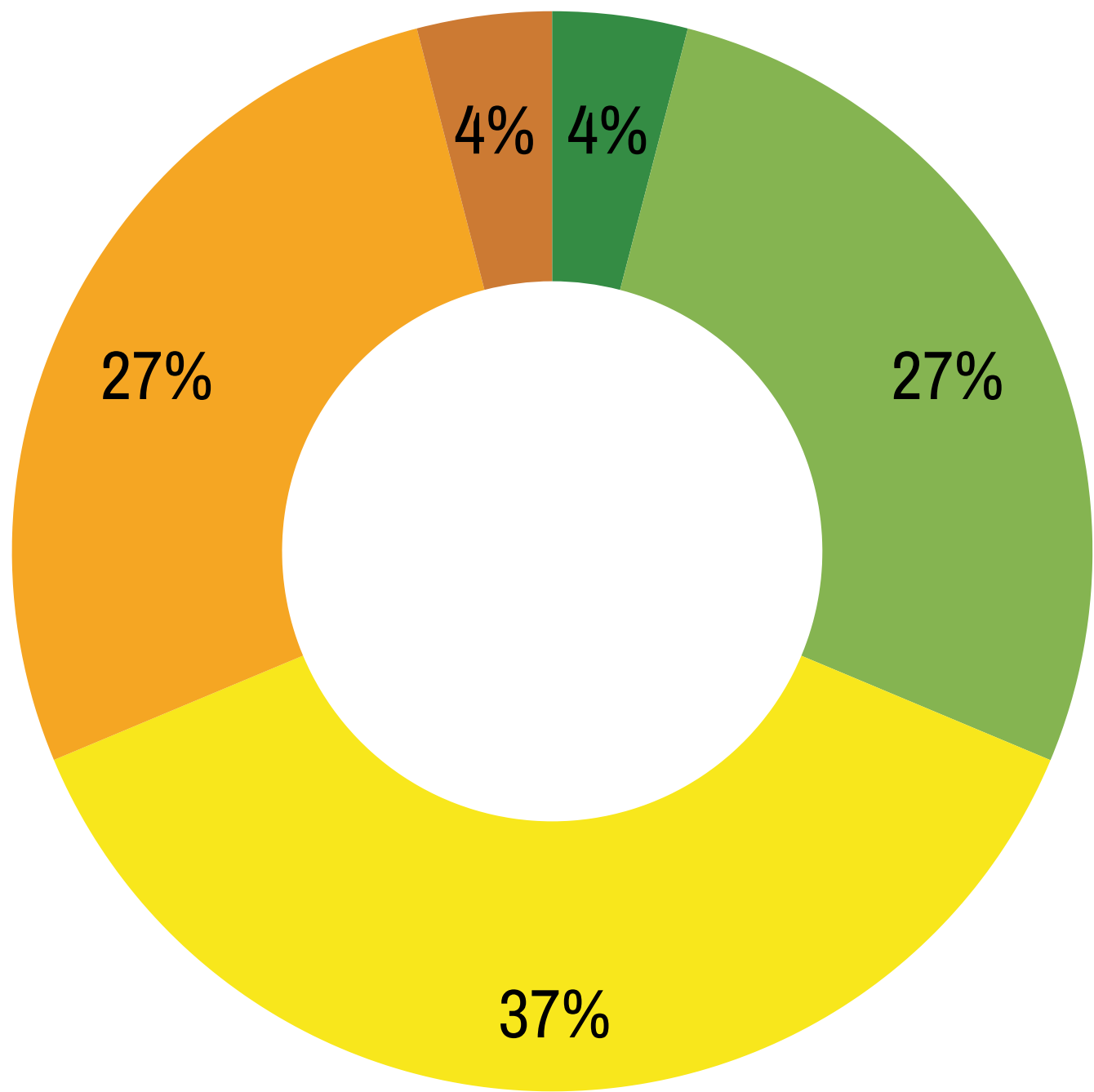
Only 9% employ more than 500 workers.



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Economic Conditions

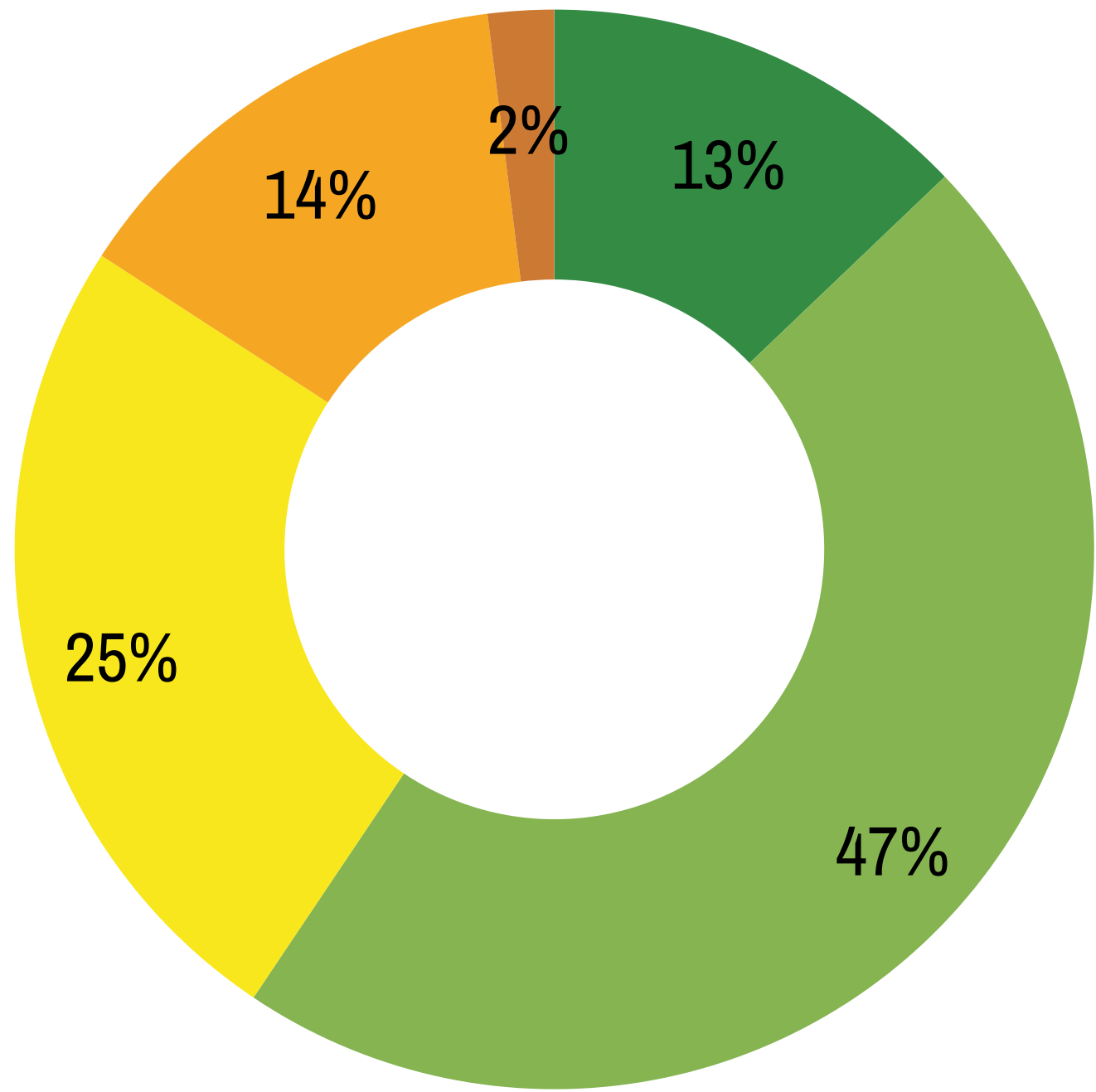
Over the course of the coming year, how do you expect the **economy** in the 495/MetroWest region to perform?



Improve significantly Improve slightly Remain the same
Decline slightly Decline significantly

Economic expectations are mixed, with 31% of employers anticipating improvement and 31% expecting a decline. The largest share (37%) expects conditions to remain unchanged.

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

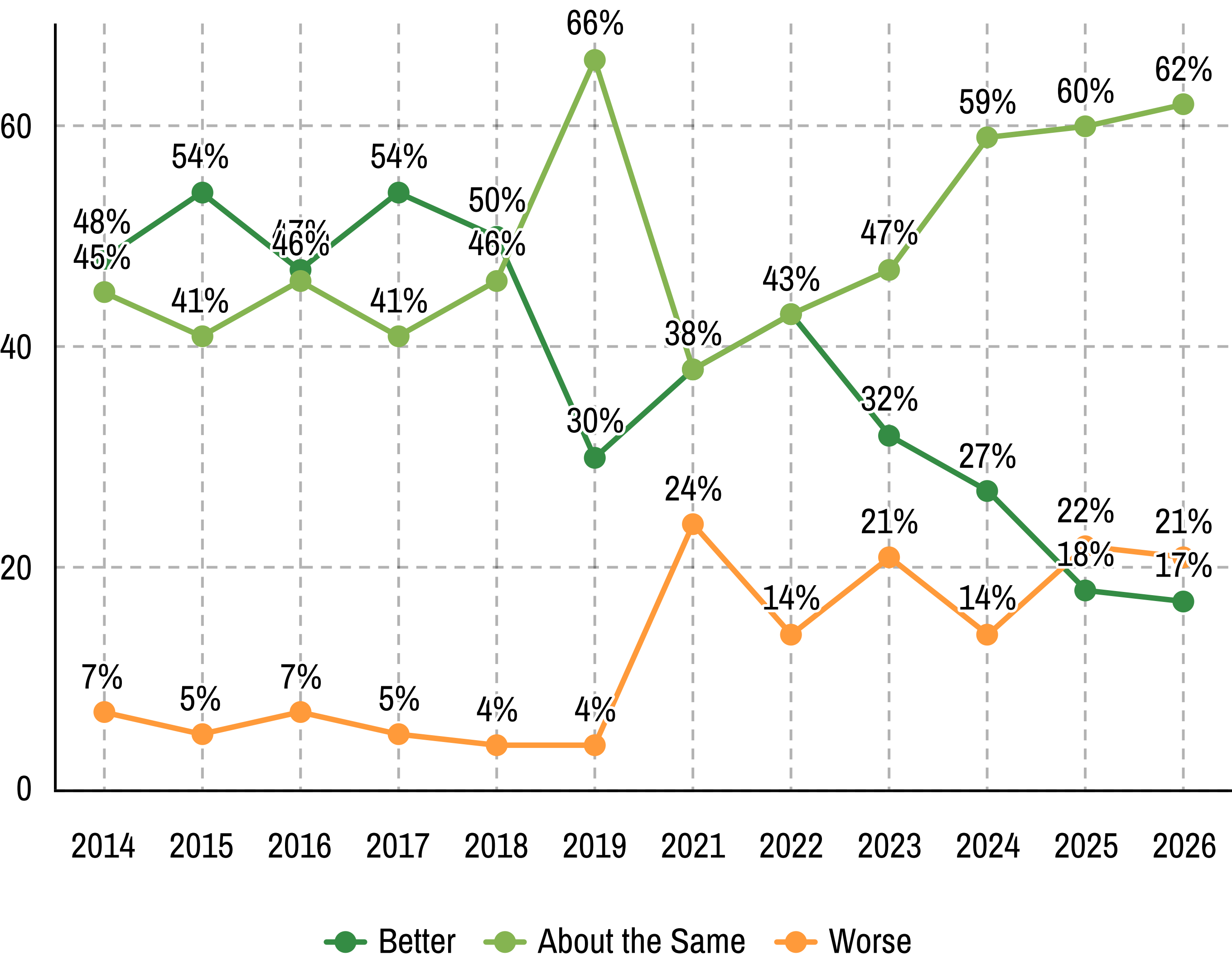


Improve significantly Improve slightly Remain the same
Decline slightly Decline significantly

Most employers (60%) anticipate revenue growth this year. Another 25% expect revenue to remain unchanged.

Business Conditions 2014-2026

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



62%
of employers reported that business conditions remained about the same as the previous year, the second-highest level recorded since 2014.

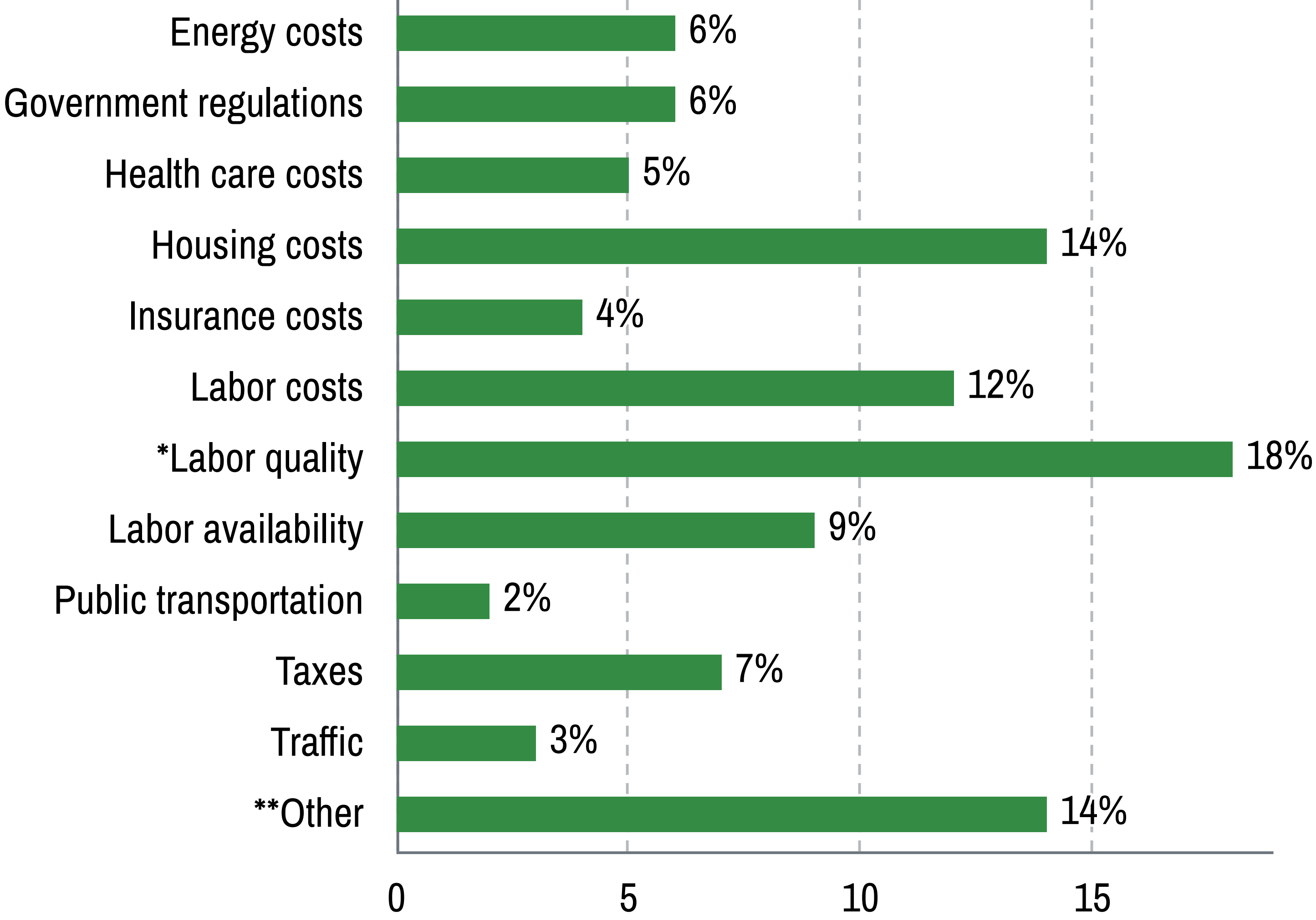
For the second consecutive year, more employers rated business conditions as “Worse” than “Better.”

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Economic Challenges

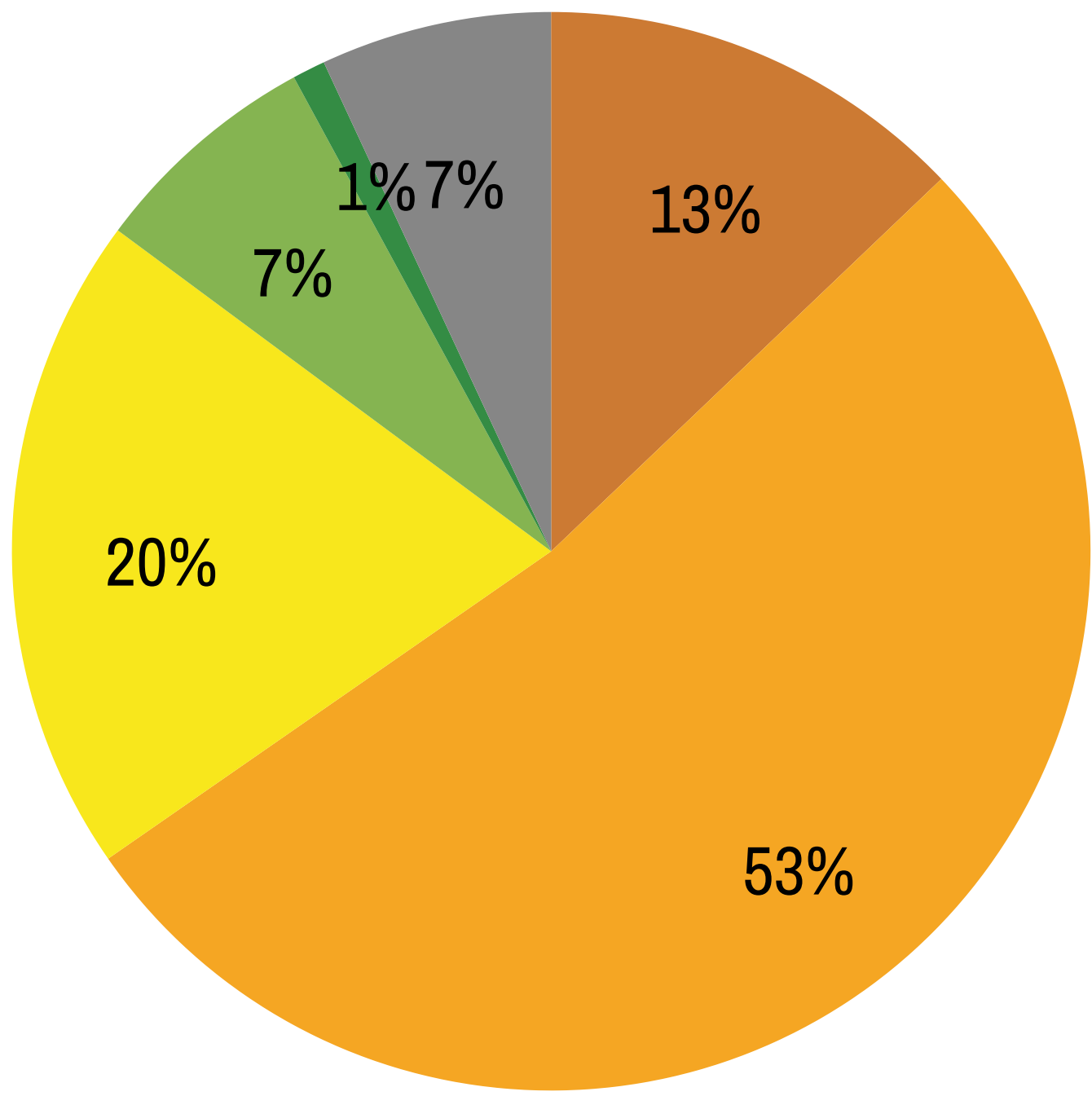
What is the single most **important challenge** in the 495/MetroWest region facing your organization today?

- **Labor and housing-related challenges** were the primary concerns for employers, accounting for more than half of all responses.
- **Labor quality (18%)** was the most frequently cited challenge, followed by housing costs (14%) and labor costs (12%).
- **Labor availability (9%)** was another notable concern among employers.



**Labor quality refers to finding a skilled workforce.*
***Other primarily includes rising operational costs, and lack of consumer demand.*

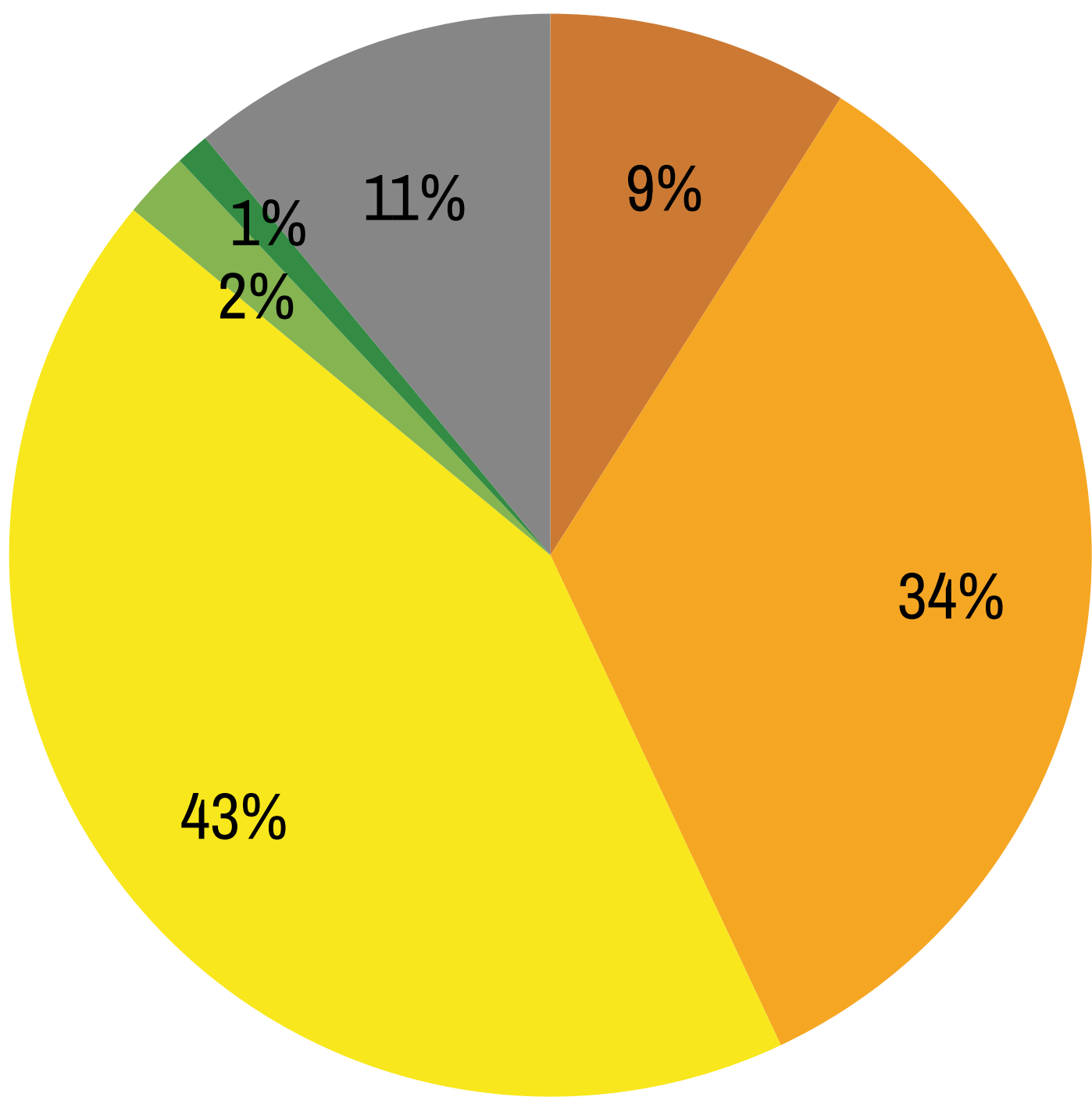
Have inflationary pressures impacted the profitability of your business?



Negative (significantly) Negatively (slightly) Not affected
Positive (slightly) Positive (significantly) Not sure

Two-thirds (66%) of employers reported that inflation negatively affected their profitability, including 13% who experienced a significant negative impact. Meanwhile, 20% reported no impact on profitability.

Have tariffs affected the profitability of your business?

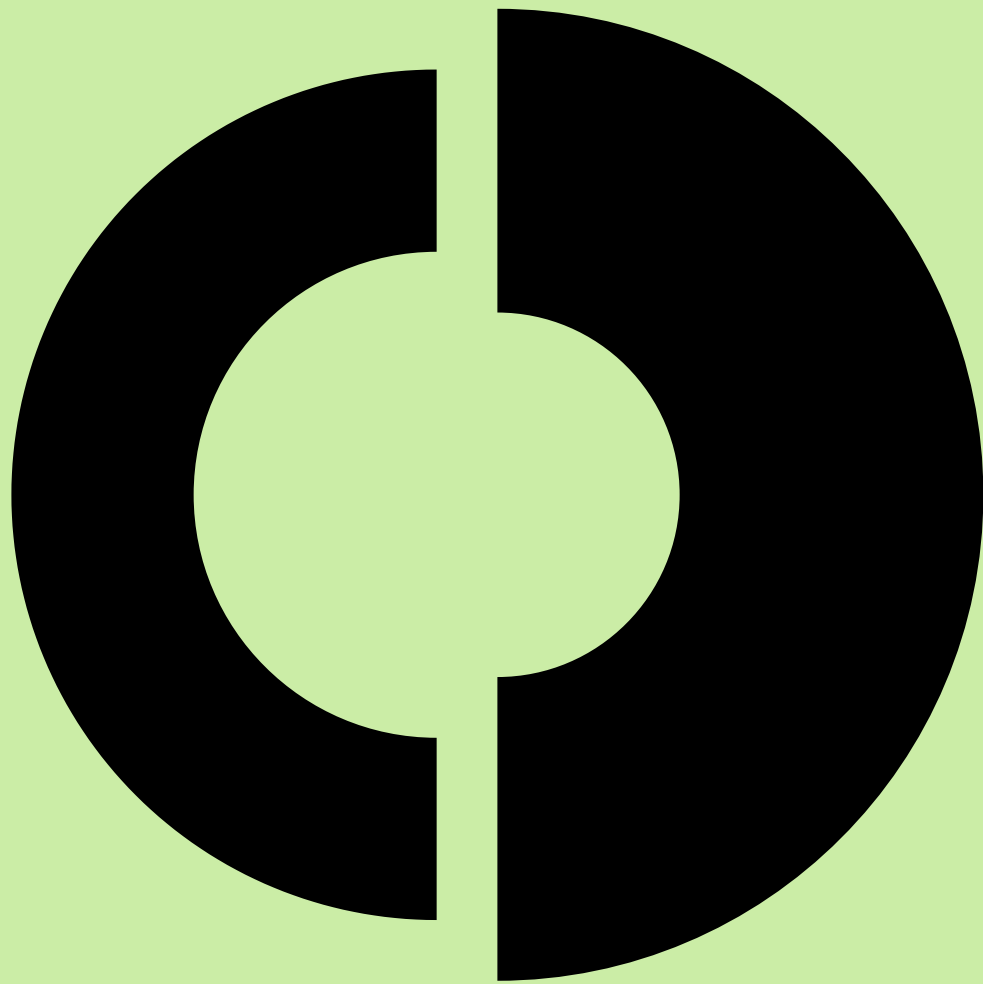


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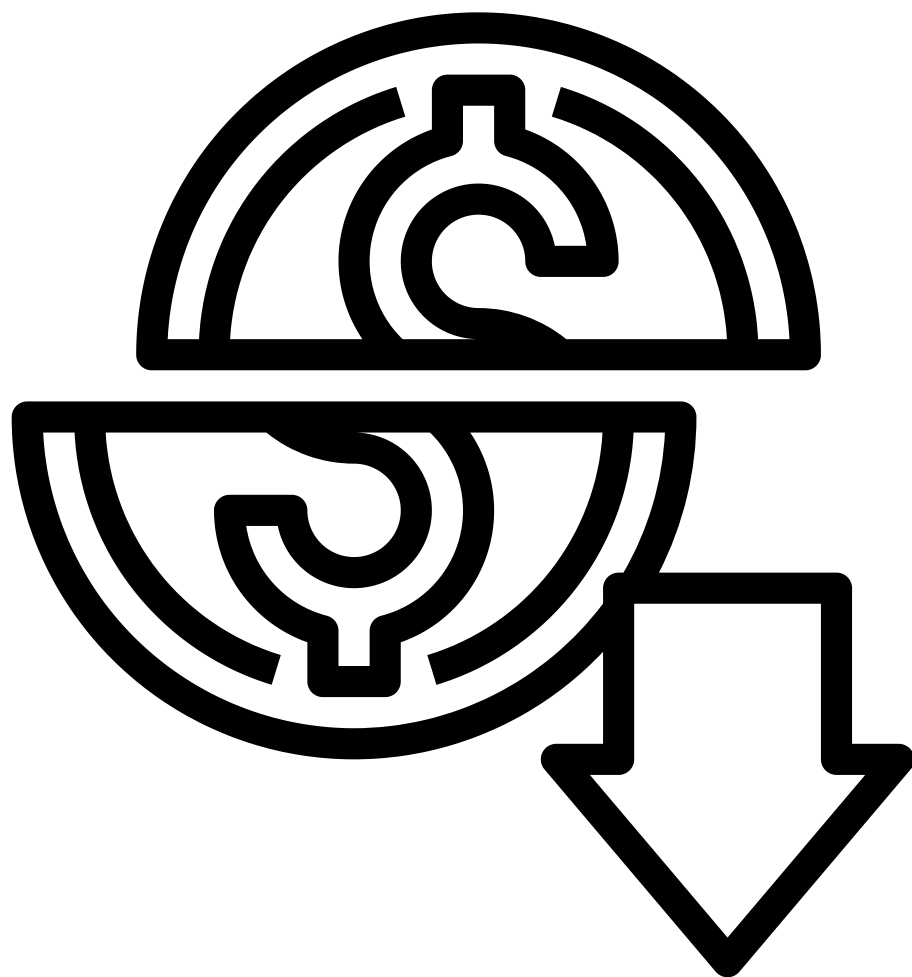
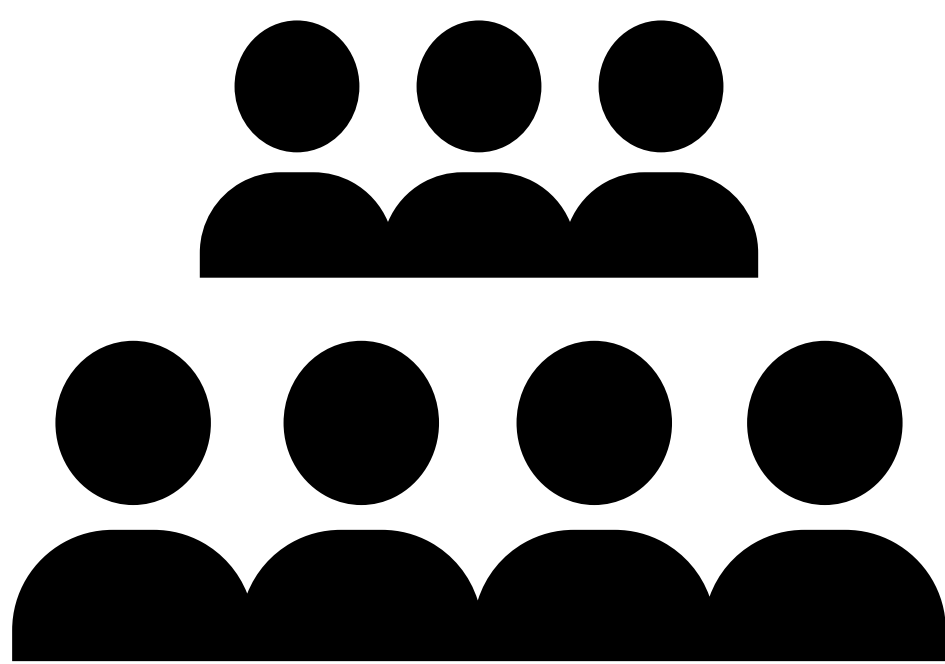
Employers reported mixed experiences with tariffs, with 43% indicating a negative impact on profitability, including 9% who experienced a significant negative impact. Meanwhile, another 43% reported no impact on profitability.

Have other federal policy changes impacted your business?

42% of employers reported that federal policy changes have impacted their businesses.



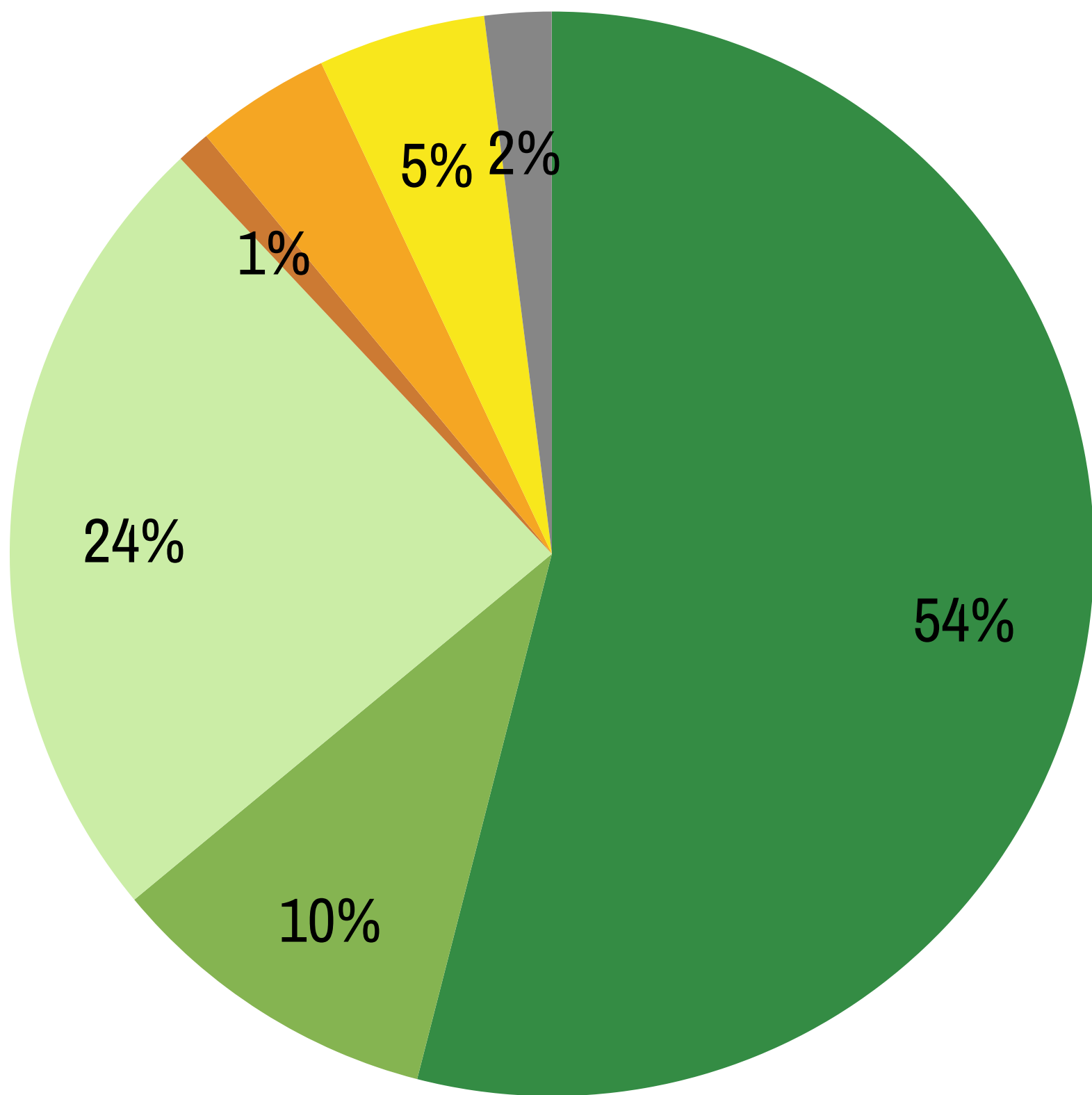
- The three most commonly reported impacts were:
- **Increased operating costs**, particularly fuel costs, associated with tariffs and trade disruptions.
 - **Immigration policy changes and ICE enforcement**, affecting the availability of workers and the number of customers and tourists.
 - **Reduced federal funding**, particularly for grants and healthcare programs.



Labor Force Issues

42% of employers **plan to expand** their workforce in the 495/MetroWest Region over the coming year, a **4-percentage-point increase** from 2025.

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



- Primarily full-time employees
- Primarily part-time employees
- A mix of full-time and part-time employees
- Primarily temporary workers
- Primarily contractors
- A mix of temporary workers and contractors
- Other

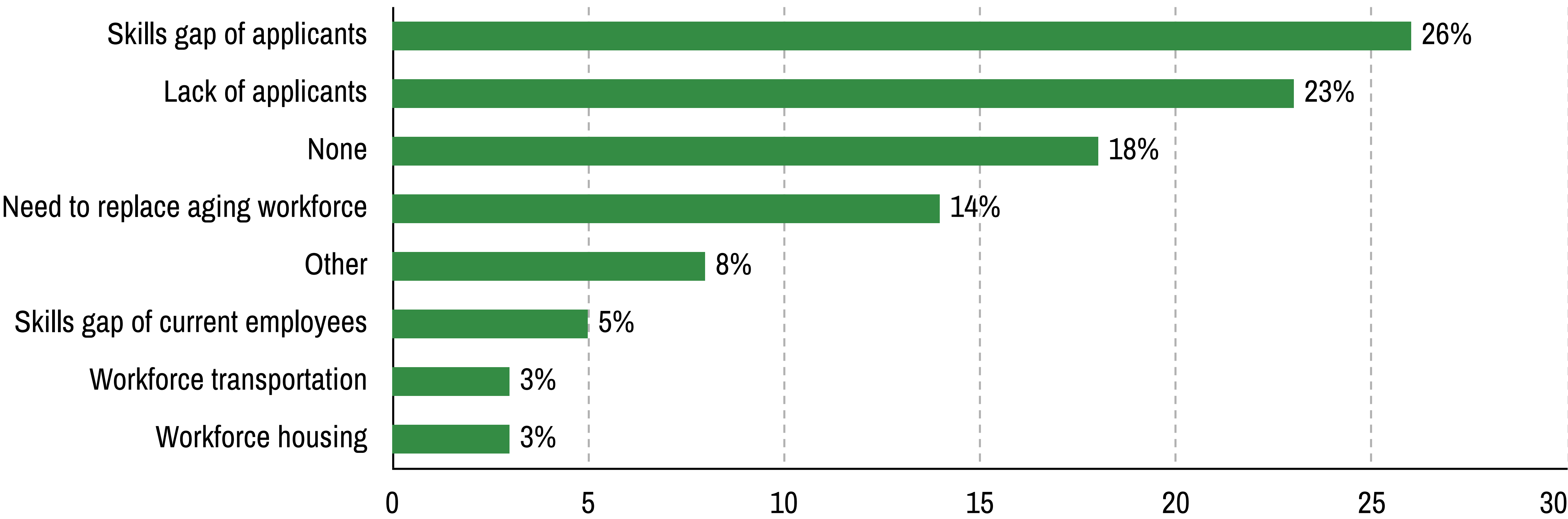
Among employers planning to expand their workforce, **54%** expect to hire primarily **full-time** employees, a **9-percentage-point increase** from 2025.

Another **24%** of employers plan to hire a **mix of full-time and part-time** employees, while **10%** expect to hire primarily **part-time** workers.

Overall, employers planning to expand their workforce show a **strong preference for full-time hiring over part-time or temporary positions.**

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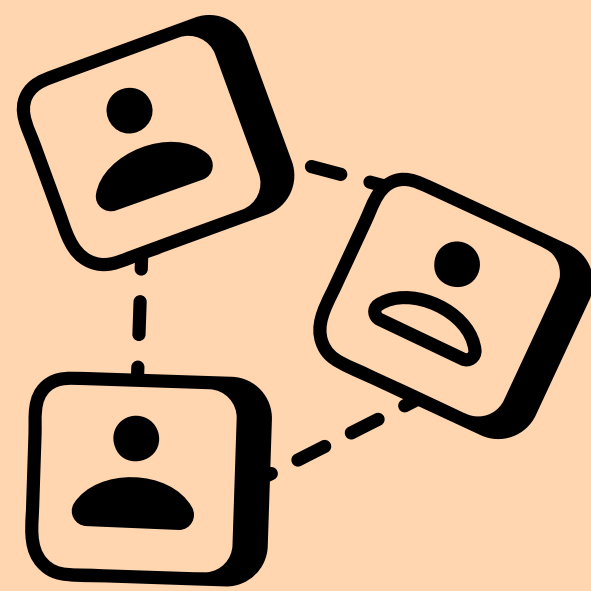
What workforce (hiring) need concerns you the most?



- **26%** of businesses identified applicants' **skill gaps** as their primary hiring concern.
- **23%** identified a **shortage of applicants** as their primary hiring concern.
- **18%** reported **no hiring concerns**.
- **14%** identified the **need to replace an aging workforce** as their primary hiring concern.

Most Common Skill Gaps Among Job Applicants:

1. Work ethic (e.g. reliability, self-motivation, drive, showing up on time)
2. Specific skilled trades relevant to work
3. Finance or financial management skills



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



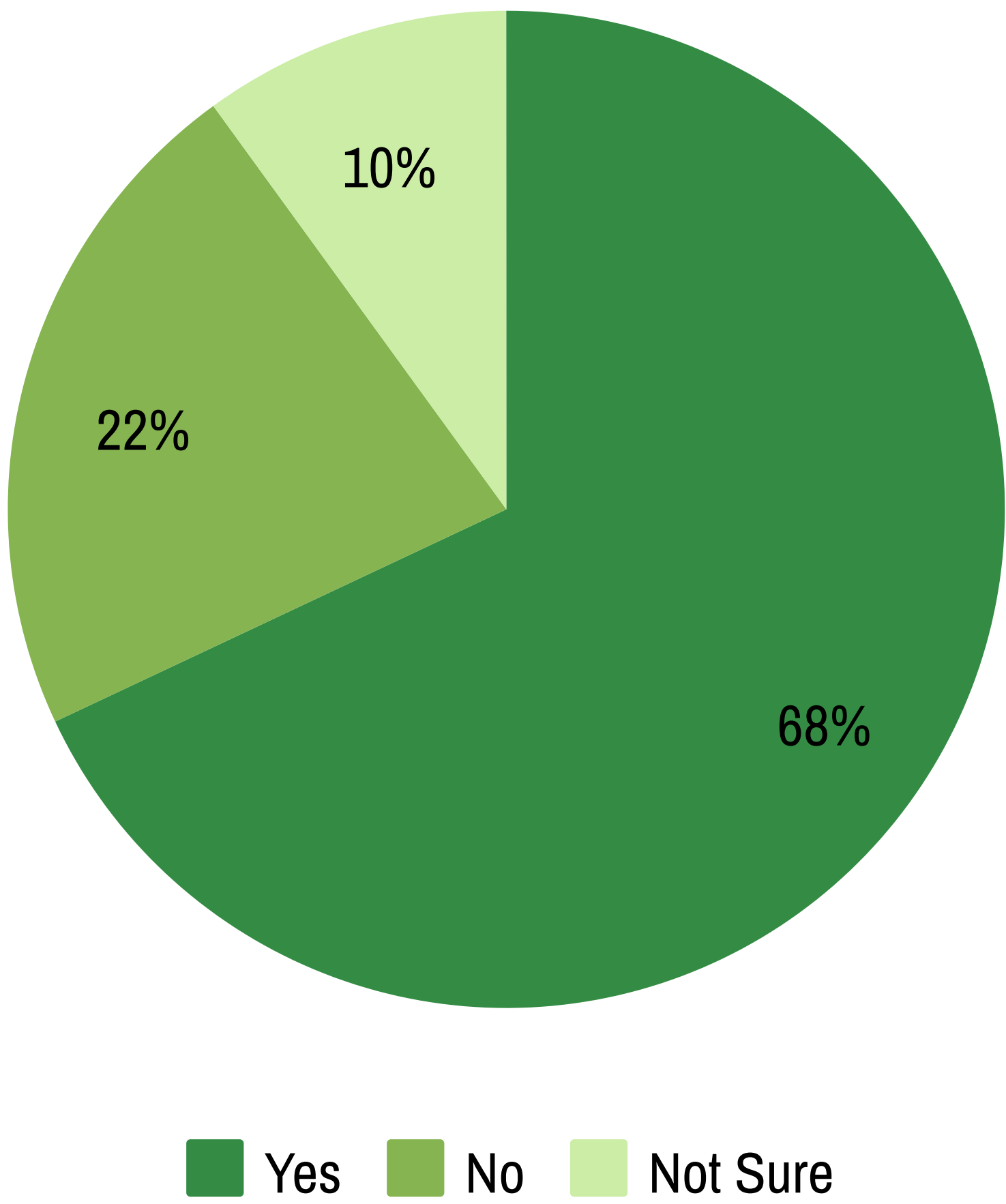
- **25%** of employers identified industry-specific training programs as the most helpful resource for hiring new staff.
- **23%** identified assistance with finding prospective candidates as most helpful.
- **Another 23%** indicated that having more candidates with relevant degrees or credentials would be most helpful.

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AI Usage and Expectations

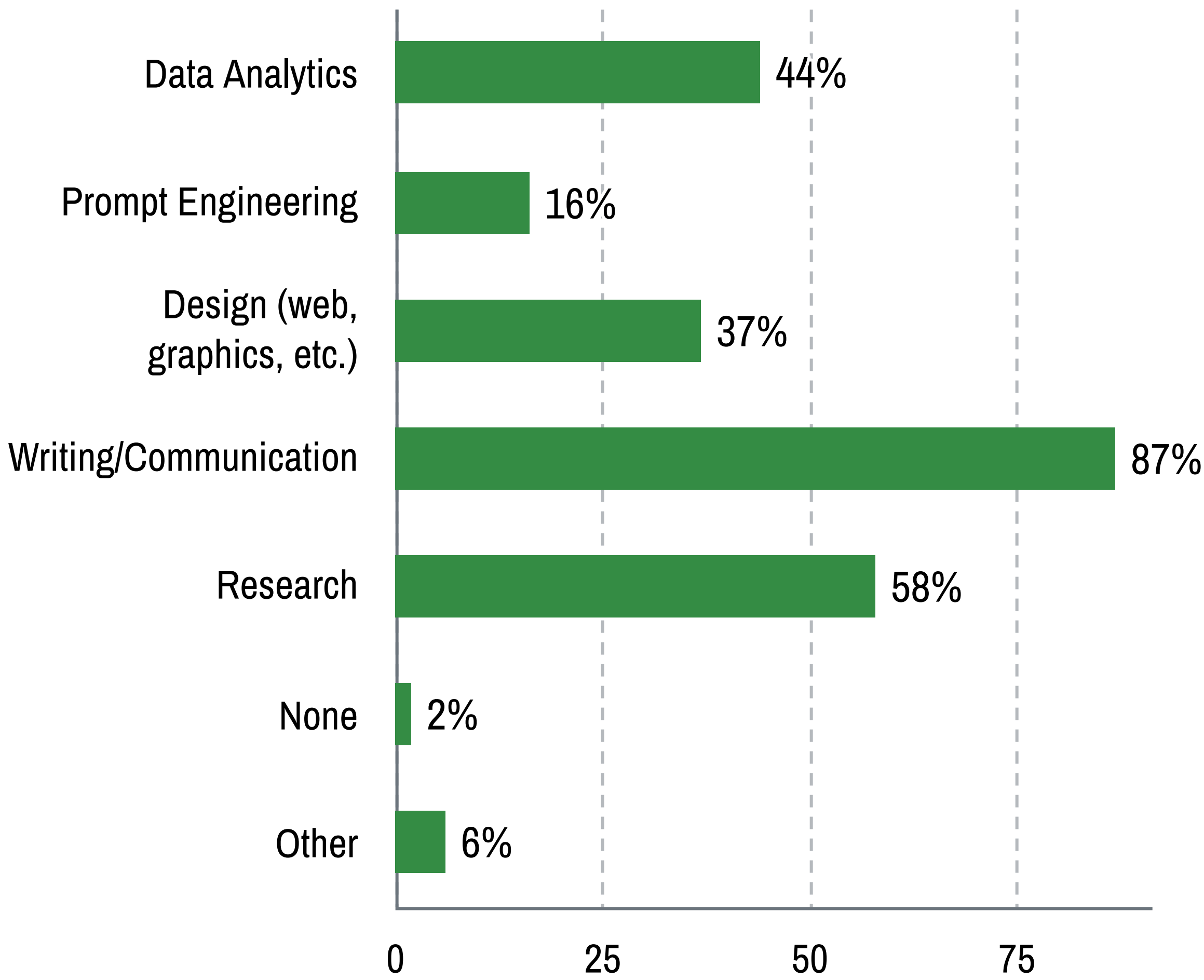
Acknowledgements: MetroWest Economic Research Center (MERC) at Framingham State University would like to acknowledge the contributions of the Academic Affairs AI Strategic Planning Task Force at Framingham State University for its contributions to the drafting of questions in this section.

Does your company permit the use of AI for work and work-related tasks?



Strong AI adoption rate: 68% of employers surveyed in the 495/MetroWest Region permit the use of AI for work-related tasks.

What types of AI usage are required or encouraged at your company?



AI use centers on productivity: Writing and communication (87%) are the most commonly encouraged applications, followed by research (58%) and data analytics (44%).

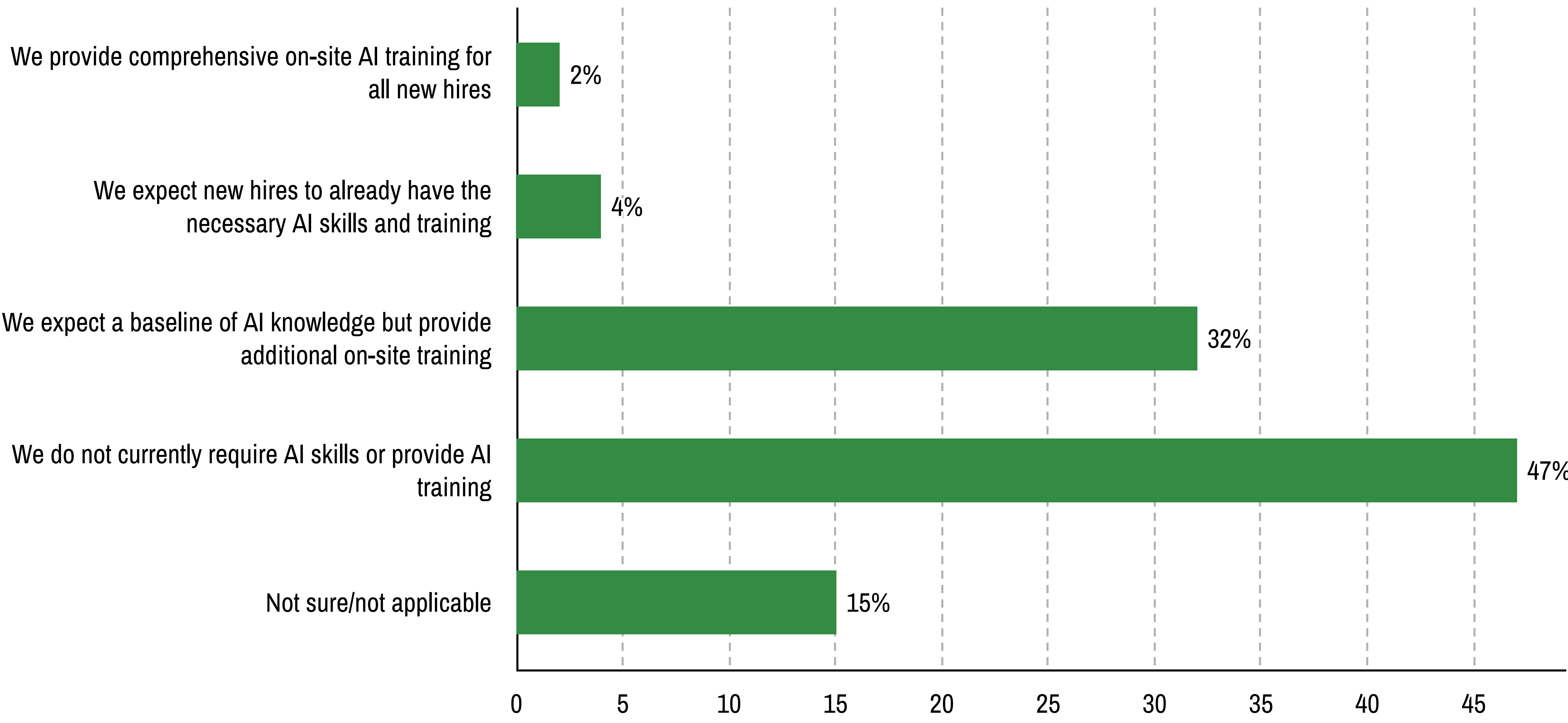
Methodological Note:
Of the 264 employers surveyed, 204 responded to the question about whether AI use is permitted in their workplace. Of those respondents, 139 (68%) confirmed that AI use was permitted.

Only these 139 employers were included in the follow-up question about which types of AI usage were required or encouraged at their organizations. Percentages for this question are based on these 139 respondents, who could select multiple options.

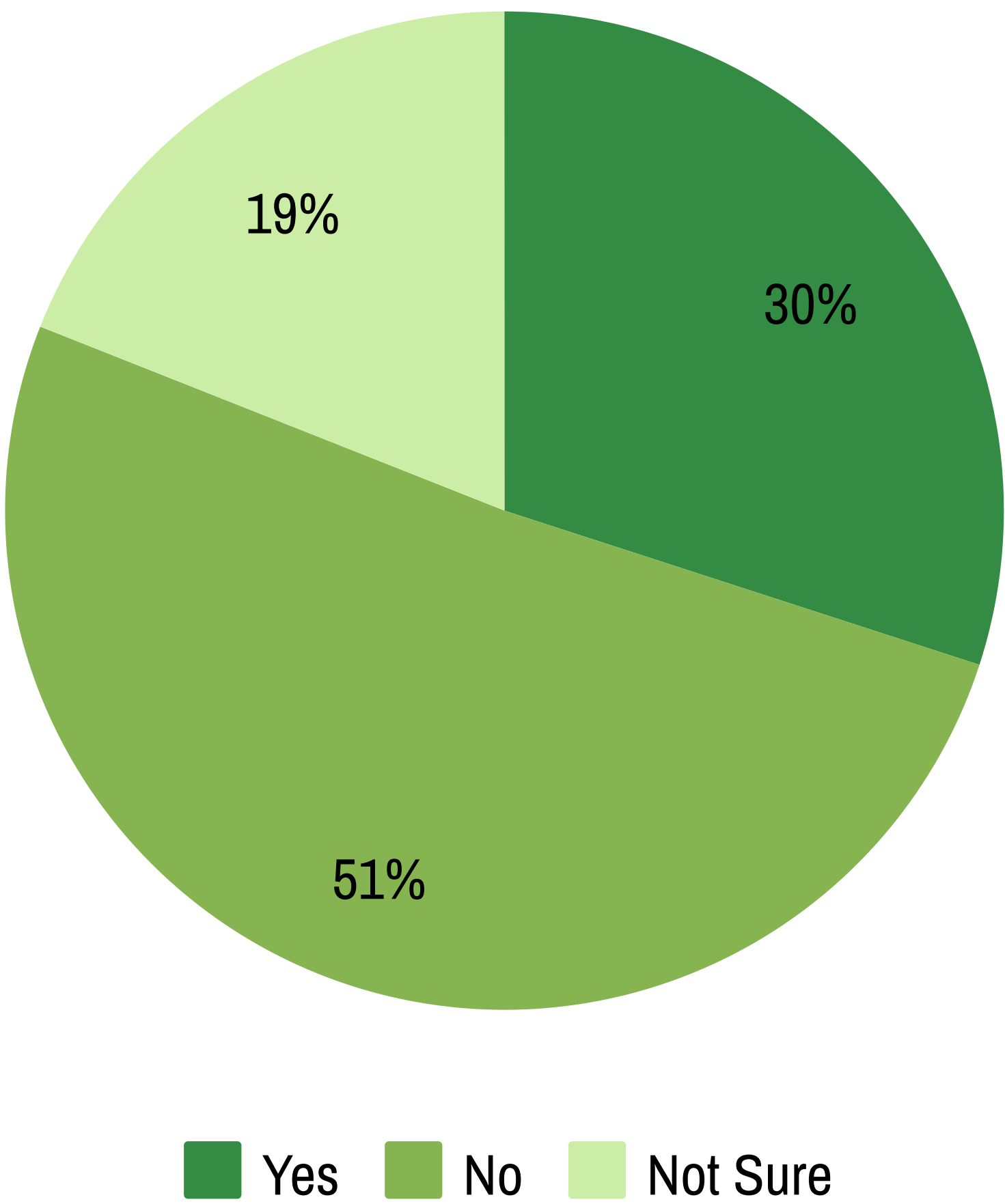
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Employers, AI, and New Hires

Which of the following best describes your company's approach to AI skills for new hires?

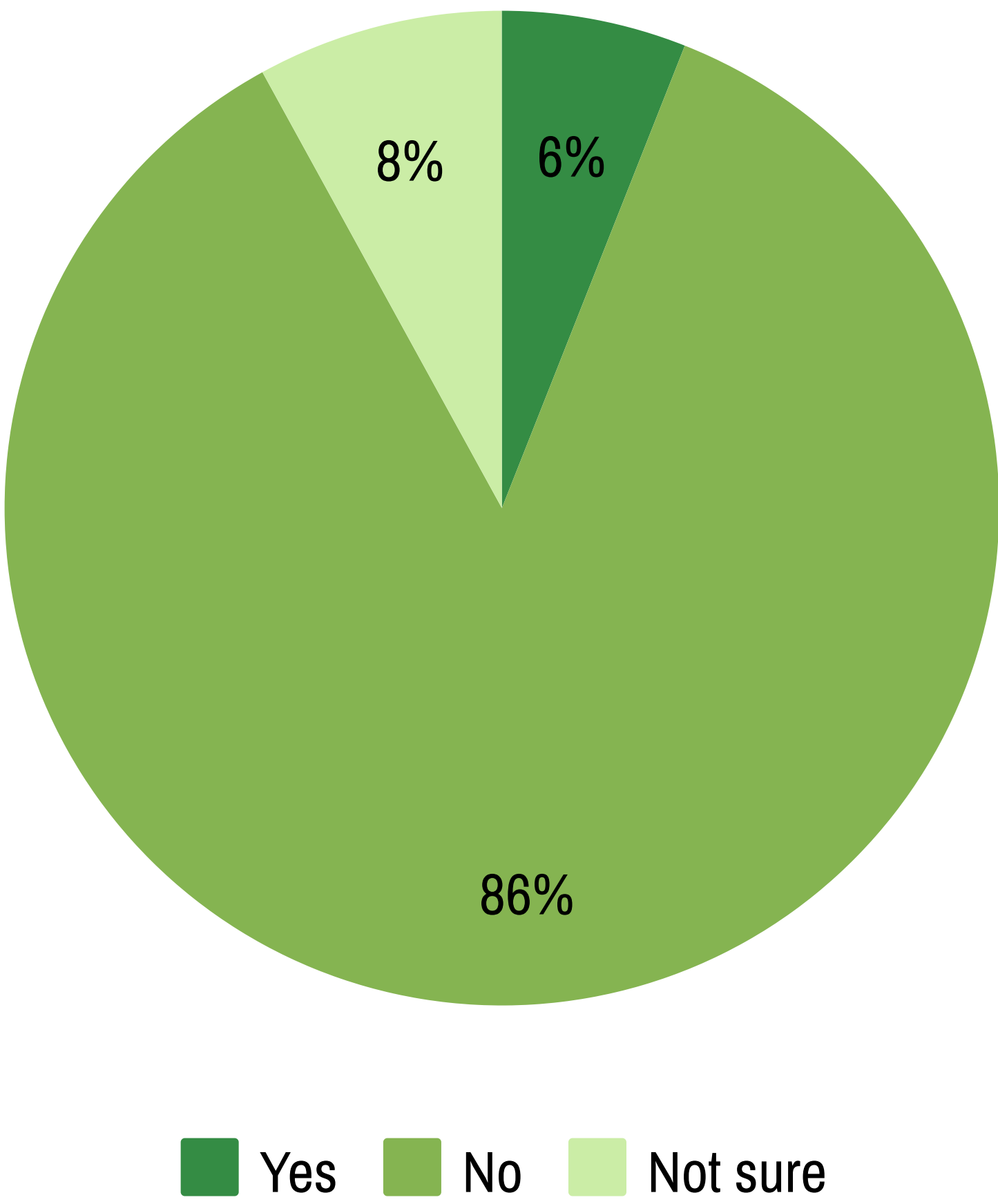


Does your company expect new hires to use AI on a regular or semi-regular basis?



Mixed expectations for AI use: While 51% of employers do not expect new hires to use AI regularly, 30% anticipate regular or semi-regular AI use, and 19% remain unsure.

Does your company intend to, or is your company considering replacing staff positions with AI or automated processes?



Limited plans for AI-driven staff replacement: A substantial majority (86%) of employers are not considering replacing staff positions with AI or automated processes, while only 6% are exploring this possibility.

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