



Brookings Area Workforce Study

2019 Survey Results



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Introduction

The 2019 Brookings Area Workforce Survey was conducted by the Brookings Economic Development Corporation (BEDC). BEDC's mission is to build the economy by leading collaborative efforts that support a prosperous place to live, learn, work and play. The 2019 Brookings Area Workforce Study is a tool intended to further align area workforce development efforts with employer needs. This report summarizes findings obtained from the responses of 71 Brookings County employers. The total employee count represented in this survey is 12,939 or 68% of the total employed Brookings County labor force (18,744 total employed labor force as of April 2019 according to the South Dakota Department of Labor).

Past workforce surveys were conducted in 2012 and 2016. In 2012, 33 companies responded to the survey representing 10,642 employees. In 2016, 94 companies completed the survey representing 13,383 employees.

Key Findings

- Data from the South Dakota Department of Labor indicates Brookings County's unemployment rate is currently at 2.8% (April 2019) with only 536 unemployed workers in a labor pool of 19,280. When compared to the 1,216 current vacancies identified in the 2019 Workforce Survey, it's clear there is a deficit of workers.
- Projections for Brookings County workforce demand remain strong, with companies planning to either retain their current labor force or to expand it. There will be additional labor demand within three years with an estimated 716 additional openings.
- This past year, Brookings employers hired 163 new graduates from colleges/universities and/or technical institutes. The findings revealed that employers are relying on higher education outside of Brookings to fill needs; new hires were nearly split between SDSU (80 graduates) and other educational institutions (83 graduates).
- Training needs will continue to be a priority in that 53% of organizations surveyed will be adding new processes or technologies that will require training; 44% of respondents indicate they do not utilize external training; and only 12% of companies surveyed have implemented a formal apprenticeship program.
- Knowledge/utilization is low for local and state-wide workforce programs despite the challenging labor market.
- Companies are interested in compiling area wage and benefit information. Survey results show that only 18% of respondents are opposed to providing this information.

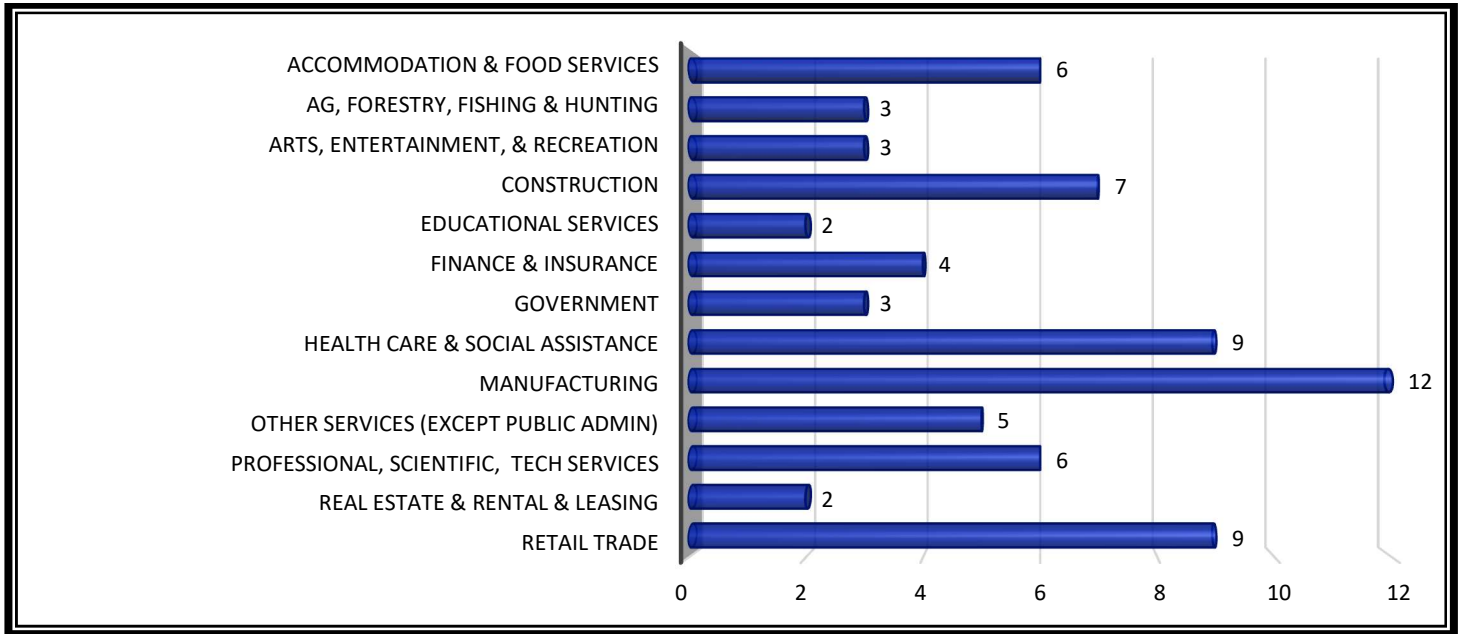
Next Steps

- BEDC will conduct follow up interviews with specific employers and hold focused group discussions for the purposes of:
 - Seeking further information regarding significant workforce change;
 - Setting a baseline of employer issues;
 - Providing BEDC with a greater knowledge of the labor market than what is available from statistics alone;
 - Providing employers with additional information on workforce services and resources available to them.
- BEDC will present findings to the Brookings Area Workforce Alliance (BAWA) for review of workforce opportunities and/or challenges and potential development of workforce initiatives. Some background on BAWA:
 - BAWA formed in 2018 and is a coalition of industry, education and civic leaders. BAWA is a BEDC committee focusing on the creation of a talent pipeline that will allow the Brookings region to grow while addressing current and future workforce challenges.

Profile of Respondents

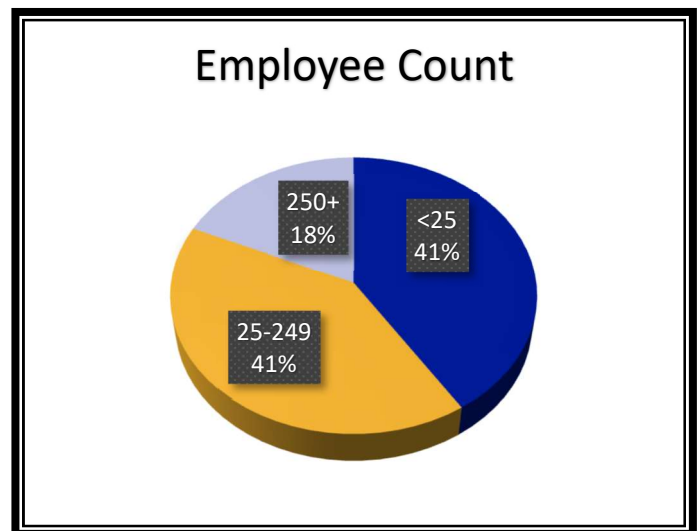
Industry

A variety of industries completed the survey with the greatest representation from Manufacturing (16.9%), Health Care and Social Assistance (12.68%) and Retail Trade (12.68%).



Company Size

The majority of employers participating in the survey were small to medium sized employers, with just 18% of businesses having 250 or more employees.



Current and Future Workforce Outlook

TOTAL LABOR FORCE REPRESENTED IN 2019 SURVEY						
<i>Industry</i>	<i># Companies</i>	<i>Total Current Employees</i>	<i>Total Current Openings</i>	<i>Total New Demand within 3 Yrs</i>	<i>Grand Total</i>	<i>% Change</i>
<i>Agriculture, Forestry, Fishing and Hunting</i>	3	168	19	65	252	50%
<i>Construction</i>	7	119	19	27	165	39%
<i>Manufacturing</i>	12	4,070	310	508	4,888	20%
<i>Retail Trade</i>	9	726	28	5	759	5%
<i>Finance and Insurance</i>	4	380	18	2	400	5%
<i>Real Estate and Rental and Leasing</i>	2	156	31	64	251	61%
<i>Professional, Scientific, and Technical Services</i>	6	75	3	5	83	11%
<i>Educational Services</i>	2	4,465	295	0	4,760	7%
<i>Health Care and Social Assistance</i>	9	1,015	76	7	1,098	8%
<i>Arts, Entertainment, and Recreation</i>	3	433	206	0	639	48%
<i>Accommodation and Food Services</i>	6	584	86	22	692	18%
<i>Other Services (except Public Administration)</i>	5	146	7	11	164	12%
<i>Government</i>	3	602	118	0	720	20%
Grand Total	71	12,939	1,216	716	14,871	15%
Total Brookings Labor Force (April 19)		19,280	67%	Representation		
Total Employed Brookings Labor Force (April 19)		18,744	69%	Representation		

The above chart represents current employee counts, current vacancies and changes anticipated within the next three years. All employee types are represented in the above numbers. Data regarding full-time employees, part-time employees, students and interns and temporary/seasonal employees is compiled on the following pages.

Summary of Current and Future Demand

CURRENT VACANCIES								
Industry	FT Professional	FT Skilled	FT General Labor	PT	Temp	Student	Intern	Total
Agriculture, Forestry, Fishing and Hunting	2	8	2	0	7	0	0	19
Construction	3	9	7	0	0	0	0	19
Manufacturing	24	68	62	7	65	68	16	310
Retail Trade	0	1	0	12	15	0	0	28
Finance and Insurance	8	6	0	2	0	0	2	18
Real Estate and Rental and Leasing	0	3	6	10	12	0	0	31
Professional, Scientific, and Technical Services	1	2	0	0	0	0	0	3
Educational Services	194	74	11	2	14	0	0	295
Health Care and Social Assistance	8	11	9	48	0	0	0	76
Arts, Entertainment, and Recreation	2	1	0	2	201	0	0	206
Accommodation and Food Services	1	18	9	22	0	36	0	86
Other Services (except Public Administration)	3	0	0	4	0	0	0	7
Government	2	3	1	58	54	0	0	118
Grand Total	248	204	107	167	368	104	18	1,216

It should be noted that current vacancies for students, interns, temporary and seasonal employees may be higher than normal due to the timing of this survey with summer hiring.

ADDITIONAL DEMAND THROUGH 2022						
Industry*	FT	PT	Temp	Student	Intern	Total
Agriculture, Forestry, Fishing and Hunting	20	0	40	5	0	65
Construction	16	0	8	0	3	27
Manufacturing	412	52	30	0	14	508
Retail Trade	3	1	1	0	0	5
Finance and Insurance	2	0	0	0	0	2
Real Estate and Rental and Leasing	14	20	30	0	0	64
Professional, Scientific, and Technical Services	5	0	0	0	0	5
Health Care and Social Assistance	5	2	0	0	0	7
Accommodation and Food Services	10	12	0	0	0	22
Other Services (except Public Administration)	11	0	0	0	0	11
Grand Total	498	87	109	5	17	716

* Educational Services and Arts, Entertainment, and Recreation are not represented above as respondents within those industries indicate the size of their workforce will remain stable.

Full-time Employees

Employers reported 559 full-time vacancies, with the largest demand in Educational Services at 279 and Manufacturing at 154. The majority of professional and skilled openings exist in Educational Services at 194 and 74 respectively, followed by Manufacturing at 24 and 68. The majority of current full-time general labor needs exist in Manufacturing with 62 openings. Future needs were not broken out by position type; however, Manufacturing is projecting the largest growth with 412 full-time additions within the next three years.

TOTAL FULL-TIME LABOR FORCE REPRESENTED IN 2019 SURVEY	
<i>Current Full-time</i>	7,858
<i>Current Vacancies - Professional</i>	248
<i>Current Vacancies - Skilled</i>	204
<i>Current Vacancies - General Labor</i>	107
<i>Additions w/in 3 Yrs</i>	498
Grand Total	8,915
% Change/Growth	13%

Part-time Employees

Existing part-time vacancies are primarily in Government with 58 openings and in Health Care and Social Assistance with 48. The Manufacturing industry projects the largest growth with 52 part-time additions within the next three years.

TOTAL PART-TIME LABOR FORCE REPRESENTED IN 2019 SURVEY	
<i>Current Part-time</i>	1,427
<i>Current Vacancies</i>	167
<i>Additions w/in 3 Yrs</i>	87
Grand Total	1,681
% Change/Growth	18%

Students

Educational Services hires the most students with a current count of 1,765, followed by Accommodation and Food Services at 302. Manufacturing has 68 current vacancies and Accommodation and Food Services has 36 openings. Employers are projecting student employee count to remain nearly flat throughout the next three years.

TOTAL STUDENT LABOR FORCE REPRESENTED IN 2019 SURVEY	
<i>Current Student</i>	2,672
<i>Current Vacancies</i>	104
<i>Additions w/in 3 Yrs</i>	5
Grand Total	2,781
% Change/Growth	4%

Interns

There are currently only 39 interns represented in this survey; however, projections indicate an increase within three years of 90%, bringing the total to 74.

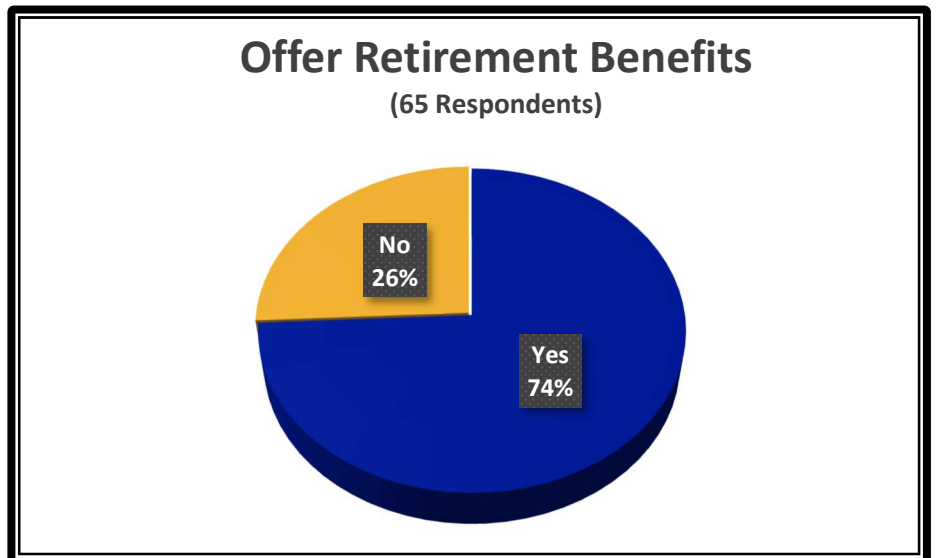
Temporary & Seasonal Employees

Educational Services currently employs the most temporary/seasonal employees with a count of 445, followed by Arts, Entertainment, and Recreation at 352. Arts, Entertainment, and Recreation has the most openings at 201, Manufacturing follows with 65 current vacancies.

TOTAL TEMP/SEASONAL LABOR FORCE REPRESENTED IN 2019 SURVEY	
<i>Current Temp/Seasonal</i>	943
<i>Current Vacancies</i>	368
<i>Additions w/in 3 Yrs</i>	109
Grand Total	1,420
% Change/Growth	51%

Retirees

Results show that 49% of companies (29 of 59 respondents) indicate they have potential retirees by 2021, estimating 487 employees may leave the workforce for retirement. Retirement benefits are provided by 74% of companies with 401k being cited as the primary benefit offered.



Hiring and Retention

In 2019, 70% of employers indicated current vacancies. Of those companies currently hiring, 62% have openings for 1-10 employees; 16% have openings for 11-25 employees; and 22% have openings for 26+ employees.

Looking out three years, 38% of companies plan to expand their Brookings County based workforce while 54% plan to remain stable. Results also show 7% of companies are unsure of what the next three years will bring.

Employers state the most in demand occupations include business managers, engineers, technicians and production. The 2016 survey gleaned similar results, citing the most in demand positions to be “managers, sales, maintenance, technicians and part-time positions in customer service”.

Hiring Challenges

Employers indicated Brookings-based professional and/or skilled applicants are generally meeting the requirements for the position (3.75/5 rating). They are meeting the basic skills (3.9/5) and the “soft” or interpersonal skills necessary for the job (3.7/5). Applicants for general labor positions are also generally meeting the requirements for the job; however, there was less satisfaction with “soft” or interpersonal skills as 12% of employers indicated applicants did not fulfill those requirements.

While employers are generally satisfied with the quality of applicants, it is evident there is a lack of supply. Data from the South Dakota Department of Labor indicates Brookings County’s unemployment rate is at 2.8% (April 2019) with only 536 unemployed workers in a labor pool of 19,280. Compare that to the 1,216 current vacancies identified in the 2019 Workforce Study and it’s clear there is a deficit of workers.

“We need more skilled labor workers and applicants with stronger communication and interpersonal skills along with stronger work ethic.”

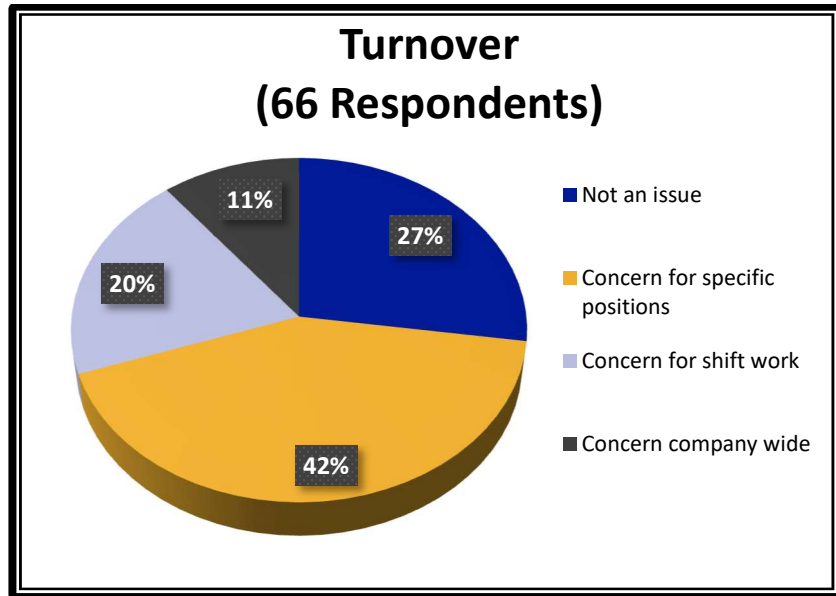
Survey Participant

Employers surveyed state the most challenging positions to fill are technical or professional positions. Jobs that are most difficult to fill include maintenance technicians, general supervisory or management positions and engineering positions requiring experience. Employers also indicate it is challenging to hire for shift work including nights and overnights in the areas of production and health care/social assistance.

The majority (59%) of employers respond to hiring difficulties by working overtime to compensate for shortages in staffing.

Retention

Retention is a priority within organizations with 73% of respondents indicate turnover affects their organization, making retention a priority within organizations.



Top retention efforts within companies are increasing wages (77%), ensuring effective supervision (76%), employee involvement strategies (67%) and offering training opportunities (69%). Similar results were gleaned from the 2016 survey which states, “The top three ways companies are retaining employees are increasing wages (77%), improving company culture (72%), followed by providing education/training opportunities for advancement (58%)”.

Companies are also implementing strategies to retain potential retirees. As employees consider retirement, respondents indicate their top strategies to retain retirees are to offer flexible work schedules (50%) or to change duties or responsibilities (30%).

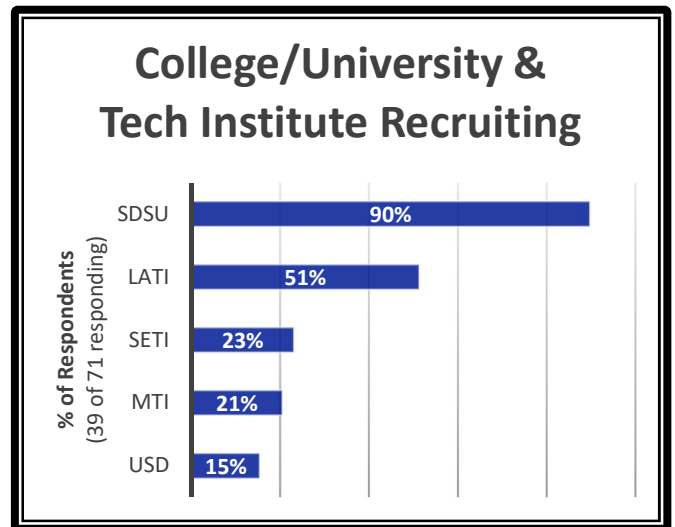
Recruitment

The majority of employers are recruiting to fill current staffing needs. While “word of mouth” and referrals tend to garner applicant activity for most employers, there is a trend towards online recruitment. The most effective online recruiting methods stated are: use of online job boards, such as Indeed; social media; and company websites.

College/Universities and Technical Institute Recruitment

Thirty-nine companies indicate they recruit at colleges/universities or technical schools. Brookings, SD is home to South Dakota State University (SDSU) with enrollment at 12,107 during the Fall 2018 semester. Ninety percent of respondents consider the university to be a potential talent pipeline for their organizations as they recruit candidates from various programs within the school. The next greatest level of activity takes place at state technical institutes.

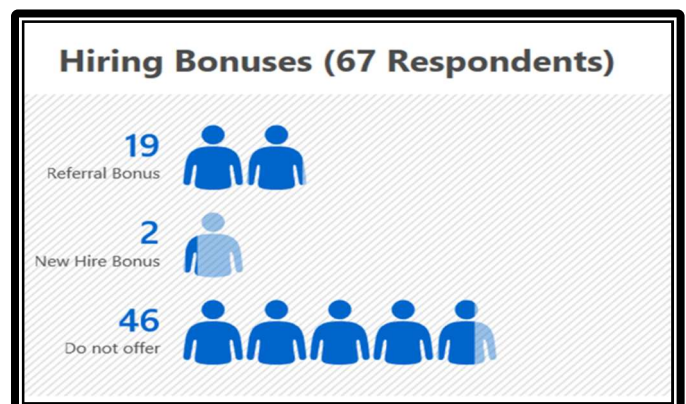
Thirty-five companies indicate over the past year they’ve filled full-time positions with graduates of colleges and universities or tech schools. Reported hiring for respondents indicates the onboarding of 80 SDSU graduates and 83 graduates from other educational institutions. A deeper look at these results reveals that Educational Services led all other industries in the hiring of the non-SDSU recruits. These findings reveal that employers rely on educational institutions outside of Brookings to fill their hiring needs.



Hiring Bonuses and Relocation Benefits

While the majority (67%) of employers surveyed do not offer hiring bonuses to aid with recruitment, the remaining employers are offering existing employees upwards of \$1,500 for referring applicants to their companies.

Thirty-four percent of respondents indicate they offer relocation benefits to select candidates to secure an acceptance of a job offer.



Training

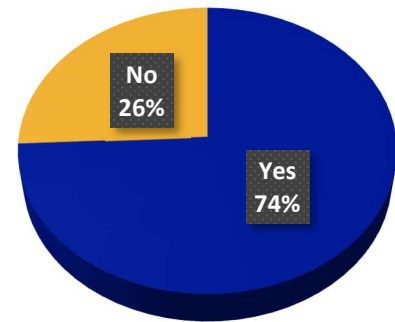
Company Training Methods

Most (49) companies have developed formal in-house training programs.

“New Employee Orientation, Becoming the Expert, Culture Camp Enhanced Customer Experience, Personal & Professional Development, Leadership, Team-Building, Career Empowerment, Mentoring”

Survey Participant Cites Formal In-House Training Programs

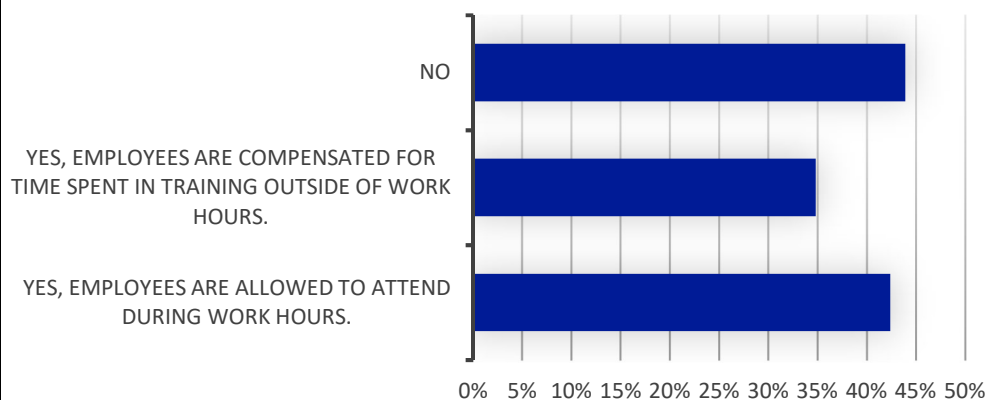
Offer In-House Training
(66 Respondents)



Local and/or regional training providers/programs are utilized by 37 of the companies surveyed. Brookings Area Chamber of Commerce, with programs such as Leadership Brookings, and the Brookings Area Human Resources Association were the most frequently noted providers of training.

Utilize Local/Regional Training

(66 Respondents)



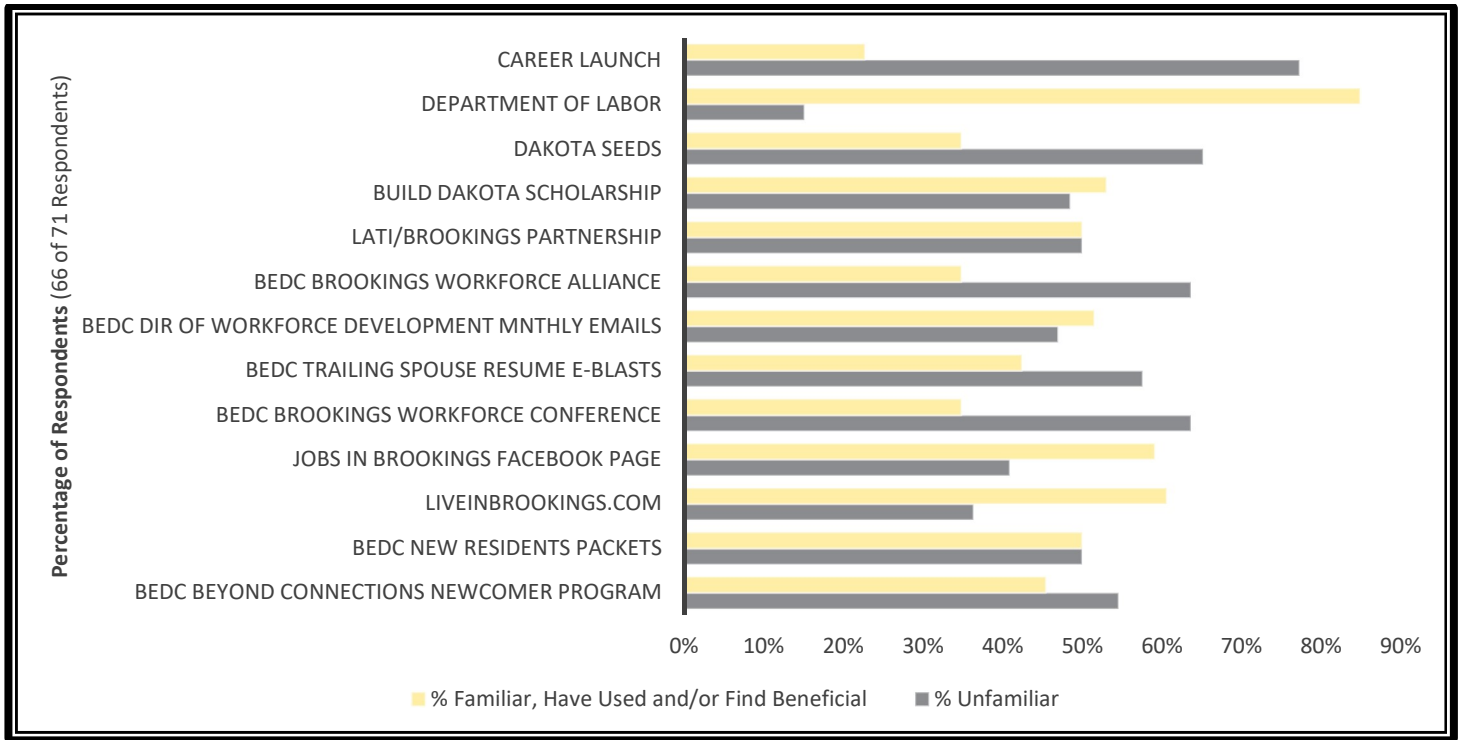
Another form of workforce training takes place in the form of apprenticeships. Apprentices receive formal career training which prepares them for employment through hands on experiences within the workplace. Currently, 12% of respondents (8 of 66 respondents) offer an apprenticeship program.

Workforce training will continue to be a priority in the foreseeable future as 53% of businesses (34 of 64 respondents) will require employee training on new processes or technologies implemented within their organizations. When asked what types of training is needed, new or updated software was the most common response. As previously mentioned, training is also utilized as a retention tool for employers.

Workforce Programs/Services

Existing Workforce Programs and/or Services

Despite the challenging labor market, overall knowledge and/or utilization of local and state-wide workforce programs appears to be low. Employers surveyed find the most beneficial BEDC programs and/or tools to be LiveInBrookings.com and the Jobs in Brookings Facebook page.



“Additional apprentice options for high school graduates, job shadowing for high school students and a partnership with Southeast Tech.”

Survey Participant Suggestion for Additional Workforce Programs and/or Services

Methodology, Sources and Notes

Data and Methodology

The 2019 Workforce Study provides a detailed overview of current and future needs of Brookings County Employers. The primary data source for this report was the direct responses from a diverse group of businesses, non-profits and public agencies through the use of an online survey. Data was collected from March 17, 2019 to April 24, 2019 utilizing Survey Monkey. While this survey provides good information executed in a rigorous way, it cannot be considered narrowly scientific.

Additional Sources

- 2012 Workforce Development Survey Results, Published November, 2012
- 2016 Workforce Survey Results, Published July, 2016
- South Dakota Department of Labor <https://dlr.sd.gov>
- South Dakota Board of Regents. (September 20, 2018).
Board of Regents Release Fall Enrollment for 2018. Retrieved from
<https://www.sdbor.edu/mediapubs/New%20Press%20Releases/092018Enrollment.pdf>

BEDC Workforce Development

BEDC workforce development programs are designed to create awareness of career opportunities and implement retention and recruitment strategies.

BEDC was responsible for the preparation and development of the survey, along with the statistical analysis and finalization of this report.

Readers are encouraged to direct all inquiries or suggestions to BEDC by calling (605) 697-8103 or emailing Stacy Aesoph, Director of Workforce Development, stacy@brookingsedc.com or Dawn Petterson, Workforce Analyst, dawn@brookingsedc.com.

BEDC is the primary engine for promoting economic growth in Brookings, South Dakota and the surrounding area. BEDC serves as an advocate for the business community by building relationships with companies that allow them to succeed by taking advantage of the area's unique and progressive business environment. Call BEDC at (605) 697-8103 or email bedc@brookingsedc.com for more information.



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