

2024 Brookings Area Business Survey Report

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Overview

The purpose of this report is to highlight information received through Brookings Economic Development Corporation's 2024 Brookings Area Business Survey and to provide insights into future areas of development. 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 to allow them to succeed by taking advantage of the area's unique and progressive business environment. Contact BEDC at (605) 697-8103 or email bedc@brookingsedc.com for more information.

The total employee count represented in this survey is 10,341 employees or 52% of the total employed Brookings County labor force (19,880 total employed labor force as of April 2024 according to the South Dakota Department of Labor).

Next Steps

The Brookings Economic Development Corporation intends to find new avenues for workforce development and to provide labor market information and business data for Business Retention and Expansion efforts for the City of Brookings and Brookings County.

Businesses looking to understand labor market data for information on wages, available workforce, skill transferability, and more, please visit <https://www.brookingsedc.com/news-resource-center/request-a-report> to fill out a request for information.

Business Retention & Expansion Program

What is Business Retention & Expansion (BR&E)?

The Business Retention & Expansion program within the Brookings Economic Development Corporation aims to promote business success and a healthy business climate in the community and county. Through business visits, engagement in events like roundtables and industry clusters, as well as data collection, BR&E program works with businesses to gather information and trends to help drive business development initiatives, resources, and growth.

Why is BR&E Important to the Brookings Community?

Fostering a healthy business climate not only benefits local business owners but the entire community. A thriving economy has benefits that range from quality of life to access to goods. The Brookings Economic Development Corporation is able to gain crucial information through the BR&E program that allows the organization to work with the Brookings Economic Ecosystem partners to remove barriers, provide access to business resources, and understand the business climate to allow for growth and prosperity.

Need more information? Contact the BEDC team:

Matty Kerr | Business Development Specialist

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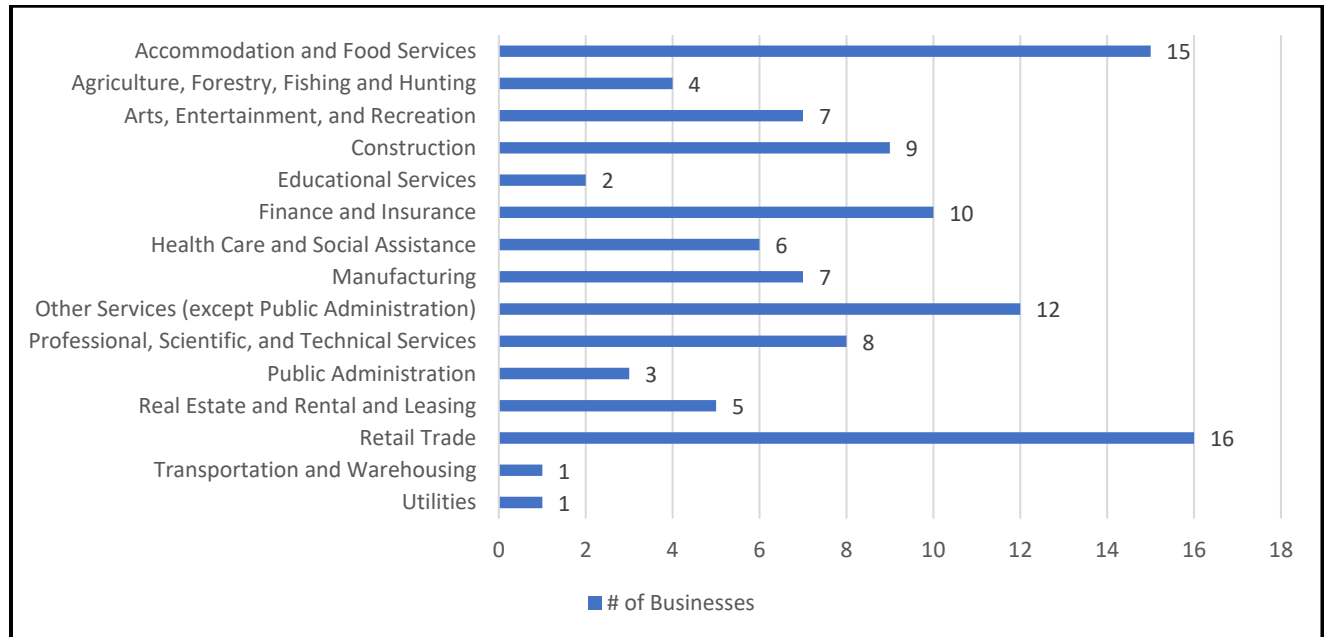
Stephanie Mason | VP of Economic Development & Operations

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Respondent Demographics

Industry

A variety of industries completed the survey with the greatest representation from Retail Trade (15%), Accommodation and Food Services (14%), and Other Services (except Public Administration) (11%).

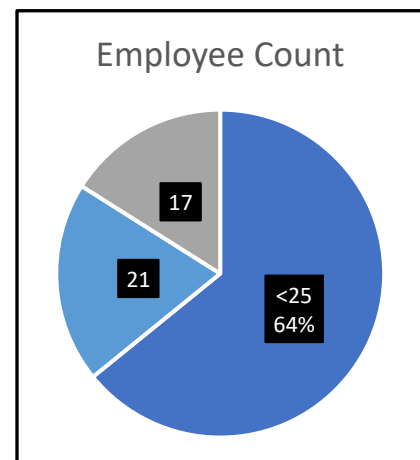


Company Breakdowns

The majority of employers participating in the survey were small sized employers, with 64% of businesses having less than 25 employees.

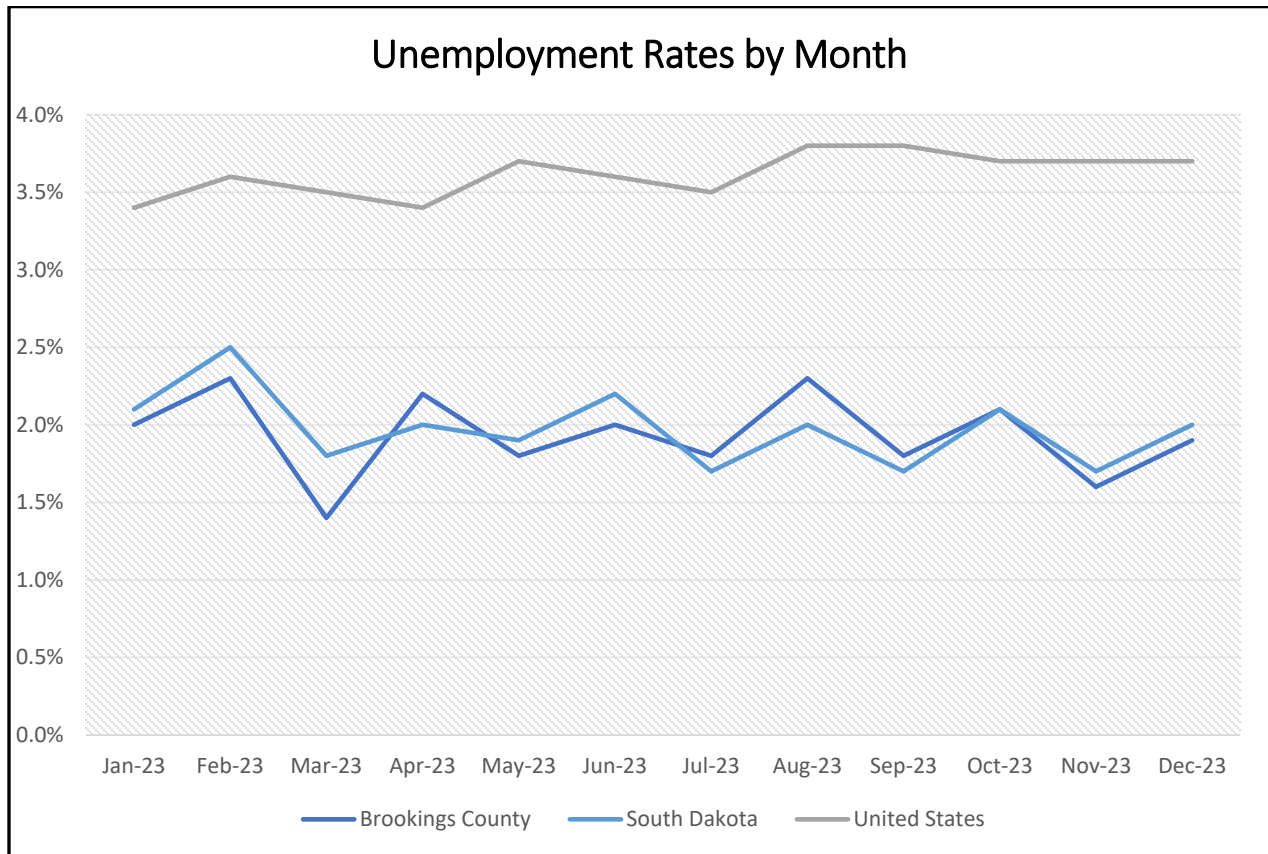
- (68) Small (1-24 employees)
- (21) Medium (25-99 employees)
- (17) Large (100+ employees)

Survey respondents were comprised of 10% minority owned businesses and 30% women owned businesses.



Unemployment

Unemployment numbers in Brookings County average over 1.5% lower than the United States Unemployment Rate. In 2023, Brookings County had an unemployment rate of 2% and the state of South Dakota had an unemployment rate of 1.98%.



Source: South Dakota Department of Labor and Regulation, Bureau of Labor Statistics

Workforce Information and Needs

Workforce is the key driver in the business community and economic development. This section focuses on the employees that are represented by survey participants. BEDC gained insight through the survey that will help lead future initiatives and spark conversations with key players to shape policies that attract and retain skilled talent, fostering a thriving and competitive business community.

TOTAL LABOR FORCE REPRESENTED IN 2024 SURVEY		
Industry	# Businesses	Total Current Employees
Agriculture, Forestry, Fishing and Hunting	4	188
Utilities	1	11
Construction	9	295
Manufacturing	7	2032
Transportation and Warehousing	1	8
Retail Trade	16	494
Finance and Insurance	10	981
Real Estate and Rental and Leasing	5	107
Professional, Scientific, and Technical Services	8	289
Educational Services	2	3998
Health Care and Social Assistance	6	635
Arts, Entertainment, and Recreation	7	240
Accommodation and Food Services	15	416
Other Services (except Public Administration)	12	331
Public Administration	3	316
Grand Total	106	10,341

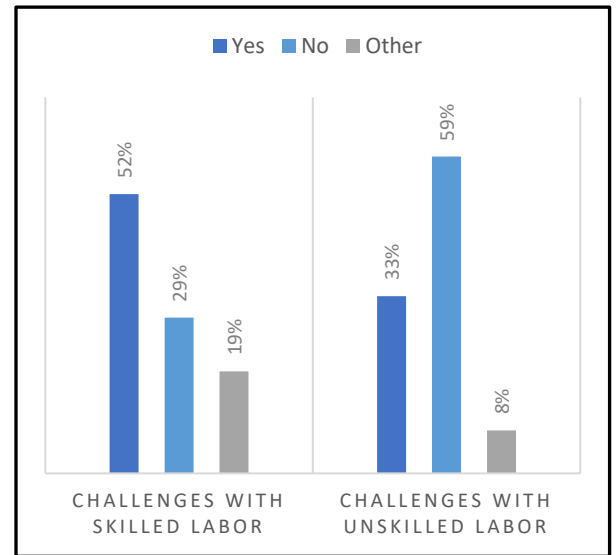
Brookings County averages a Year-Over-Year increase of 2.19% of total employed people (SD Dept. of Labor). As of April 2024, the employed population was 19,490 employees. This projects there to be 19,917 employees by April 2025, an increase of 427. The Brookings Business Survey showed 47% of businesses are increasing in employment numbers. Although Brookings has a strong annual growth, available workforce paired with a low unemployment rate can cause stress on businesses. Brookings has taken the initiative to increase new residents through the *Live in Brookings* campaign. For more information on how Brookings is expanding the community, visit LiveinBrookings.org

Skilled vs. Unskilled Labor

Skilled labor: a position that requires specialized training or education to complete the role.

Unskilled labor: a position that does not require a specialized set of skills or formal education to complete the role.

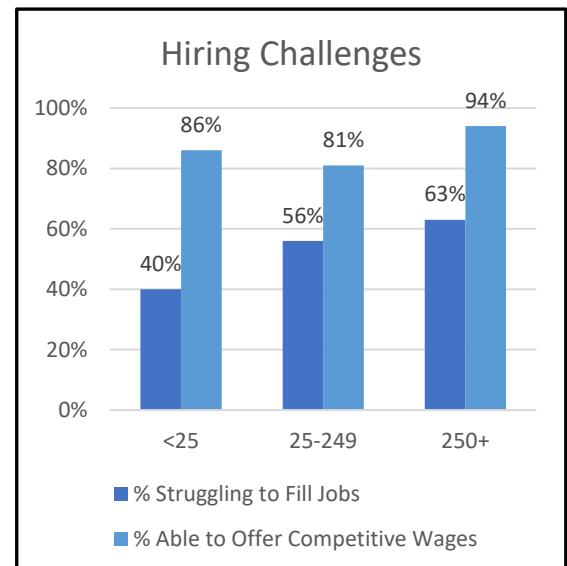
Survey respondents follow national trends seen with hiring challenges. **52%** stated challenges hiring skilled labor and **33%** with unskilled labor. As Brookings continues to capitalize on the accessibility of South Dakota State University, retention of graduating students to staying in Brookings is a priority to address challenges with skilled labor.



Hiring and Training

We asked employers what their greatest hiring challenges were. Out of the 101 responses received, **87%** of employers stated they are able to offer competitive wage rates, while **43%** of those businesses also responded that they had open positions available that they are struggling to fill.

86% of businesses have access to training programs for employees.



Business Logistics

Business Logistics focuses on examining the significant insights contributed by survey participants on subjects relating to transportation, infrastructure, and accessibility to inform strategies aimed at optimizing logistics and improving the overall business environment in the Brookings Area.

Respondents were asked to rate the overall business climate in Brookings and in South Dakota. Brookings was rated **7.8 out of 10** and South Dakota was rated **7.6 out of 10**.

South Dakota provides business tax advantages along with a fostering business community. Brookings takes this to another level while creating an area to start, grow and expand businesses with healthy competition and resources to help. Visit <https://www.brookingsedc.com/site-selection/location-advantages> for more information.

Public Works & Services

Respondents were asked to rate satisfaction levels with key public works and services. Respondents had the option to mark Non-Applicable to each individual question if they believed they were not able to accurately respond.

Business Satisfaction Levels					
	Very Satisfied	Satisfied	Somewhat Satisfied	Not Satisfied	Total
Street Maintenance	28%	44%	19%	5%	95%
Storm Water Drainage	22%	50%	17%	3%	91%
Access to Water	44%	41%	7%	1%	92%
Sewer Services	38%	44%	9%	3%	93%
Solid Waste Disposal	41%	45%	5%	3%	93%
Recycling Services	33%	46%	9%	5%	92%
Cost of Electricity	16%	52%	18%	8%	94%
Cost of Natural Gas	17%	54%	15%	4%	90%
Police Protection	49%	38%	6%	1%	93%
Fire Protection	54%	41%	1%	0%	96%
Emergency Medical Services	52%	42%	1%	0%	95%

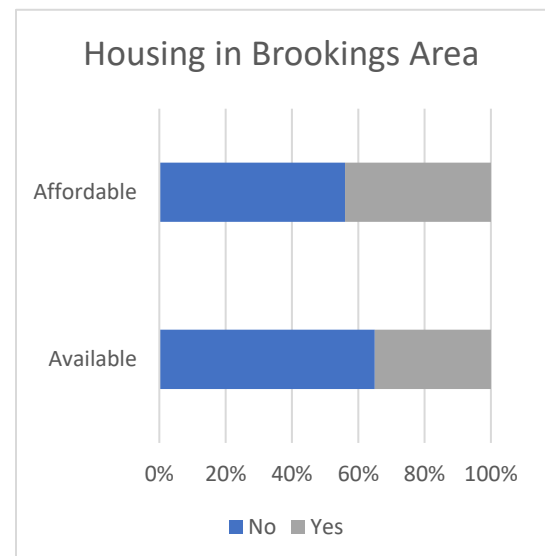
Community Programs and Vitality

The 2024 Brookings Area Business Survey put a spotlight on the integral that community programs and vitality have on enhancing the overall quality of businesses and employees. The feedback from businesses serves as a valuable insight to create a positive environment outside of the walls of the businesses that run the Brookings Area economy. **Over 90%** of respondents stated that the Brookings Area is a safe community with low crime rates.

Brookings has highly rated public and private schools. In 2023-24, Medary Elementary School (74,000 sf addition and 14,000 sf renovation) and the new Hillcrest Elementary School building were two large projects that show the continued improvement of the Brookings School District. The Brookings Area Business Survey strengthened these ratings with **86% of respondents** stating that there are quality schools to choose from in the Brookings Area.

Housing

65% of respondents claimed that there is not available housing in the Brookings area, while **56%** claimed that housing is not affordable for employees.



Childcare

Out of the 79 respondents to the question, “Is there a sufficient availability of childcare services?”, **82%** stated that there is not. **14%** of these respondents offered a type of childcare benefit for their employees.

Insufficient childcare greatly affects the available workforce. BEDC is working in collaboration with the Brookings School District and the Boys and Girls Club to form the Brookings Child Care Collaborative. To learn more about how this collaborative aims to increase the availability of childcare in Brookings, visit <https://www.brookings.k12.sd.us/article/1552785>.

Methodology and Source Notes

Methodology

The 2024 Brookings Area Business Survey provides a detailed overview of the current business landscape of Brookings County. The primary data source for this report was the direct responses from a diverse group of businesses, non-profits, and public agencies using an online survey. Data was collected from January 19th, 2024, to June 16th, 2024, utilizing Jotform. While this survey provides good information executed in a rigorous way, it cannot be considered narrowly scientific. The survey was sent by e-mail to a list of businesses in the Brookings area and by word of mouth through the Brookings Economic Development Ecosystem Partners.

Business information is often held close and to ensure confidentiality, individual responses will not be shared and select questions have been left out of this report.

For inquiries on the Brookings Area Business Survey, such as requests for copies of the survey, further breakdowns, and revisions for future years, please contact the BEDC at bedc@brookingsedc.com.

Additional Sources

- South Dakota Department of Labor & Regulation
- U.S. Bureau of Labor Statistics