

The 495/MetroWest Partnership 2017 Employer Survey & Forecast

Presented by
Dr. Michael J. Harrison
Framingham State University

In collaboration with the 495/MetroWest Partnership, The
MetroWest Daily News, The Milford Daily News &
Framingham State University

Agenda

- Overall Findings
- 2017 Select Survey Results
- Reasons for locating in the region
- Challenges facing businesses in the region

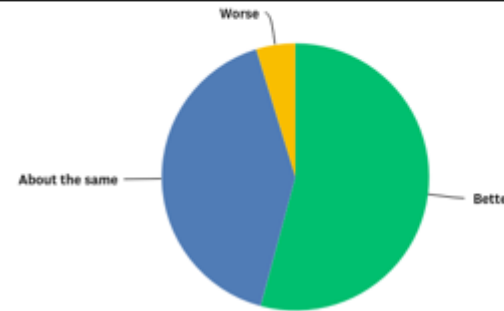
2017 Overall Findings

- Sentiment is more optimistic and less pessimistic compared to 2016
- Majority expects the regional economy to be better this coming year
- More hiring is expected compared to last year
- Slightly higher revenue expectations
- Global uncertainty is impacting the region
- Most important challenges in the region similar to last year

2017 Results Indicate More Optimism

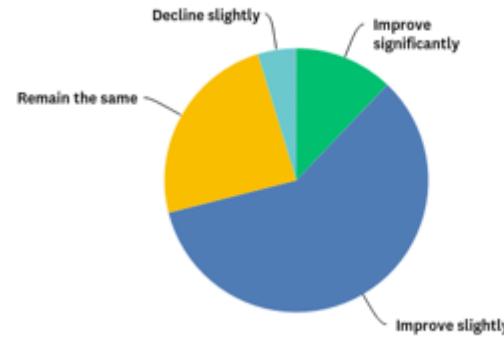
Business conditions in the 495/MetroWest region - better or worse than they were a year ago?

- 54% say Better (up 2.5% from 2016)
- 41% say the Same as last year
- 4.7% say worse than last year (down from 7.5% in 2016)

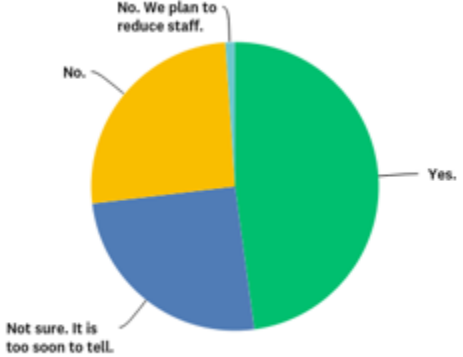
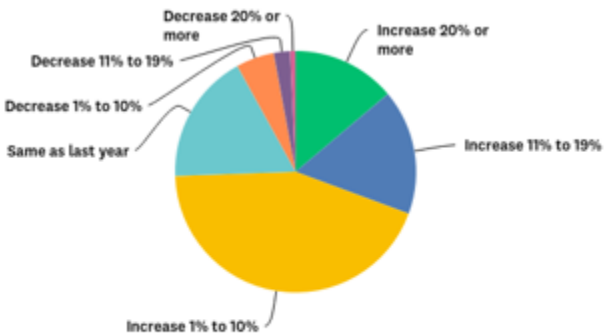


Over the course of the coming year how will the economy in the 495/MetroWest region do?

- Improve significantly- almost doubled from last year (to 12%) & more than doubled from 2015
- Less than 5% say Decline slightly
- Zero responses for Decline significantly



2017 Results Indicate More Optimism

| | |
|---|--|
| <p>Over the course of the coming year do you expect to hire additional staff in the 495/MetroWest region?</p> <ul style="list-style-type: none"> • Yes- 48% • Up from 41% in 2016 • Up from 32% in 2014 • Up from 29% in 2013 |  |
| <p>Compared to the previous year what are your expectations for your organization's revenue performance this year?</p> <p>Slightly higher expectations compared to 2016</p> <ul style="list-style-type: none"> • 74% expect revenue increases • 13% expect increases of 20% or more • 17% expect increases of 11%-19% • 44% expect increases of 1%-10% • 8% expect revenues to decrease |  |

What best describes the reason for locating your business in the 495/MetroWest region?

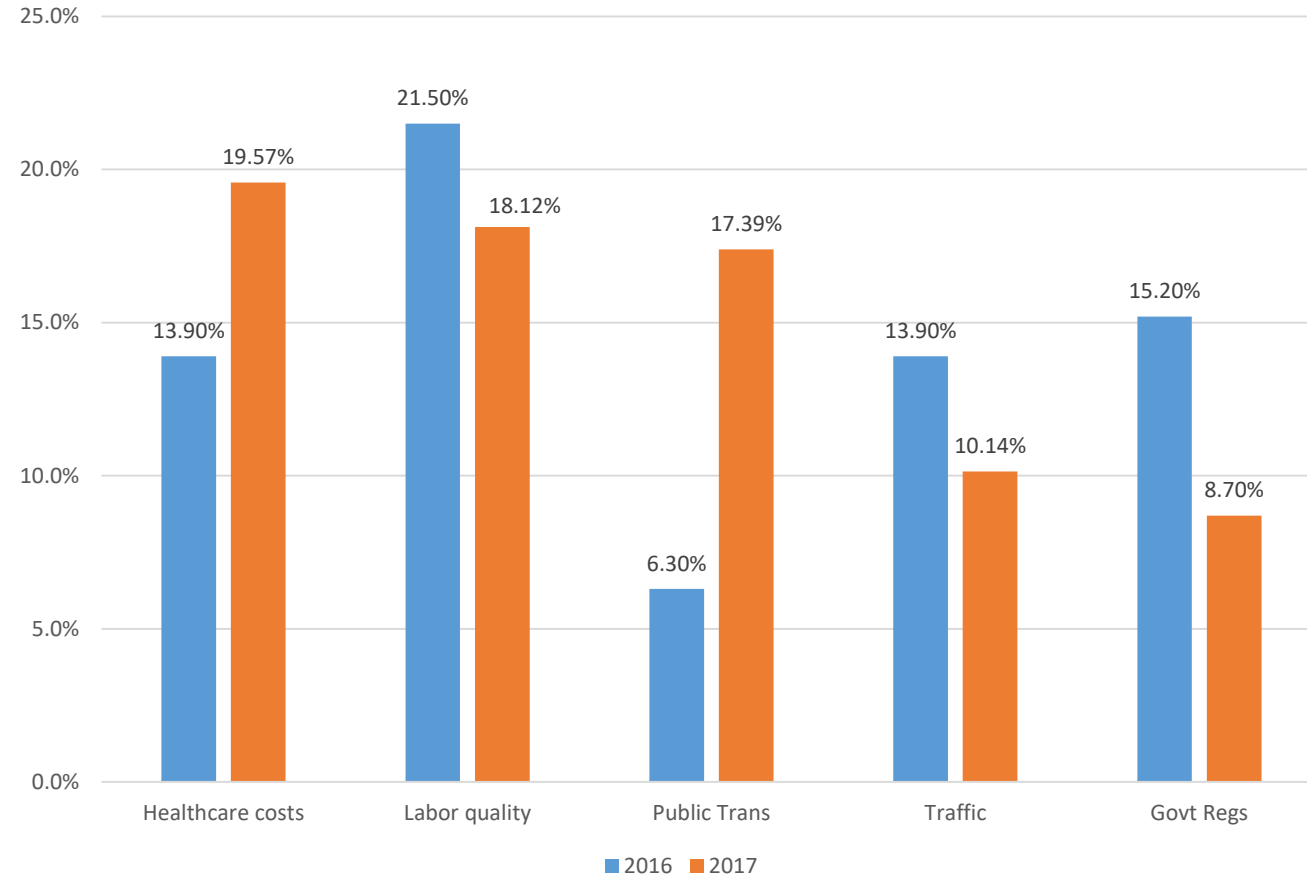
| | |
|---|--|
| <p>How do you plan on expanding your facilities in the 495/MetroWest region? <i>Results similar to 2016</i></p> | <ul style="list-style-type: none"> • 15% of Employers plan to expand (14% in 2016) • Office space cited most frequently • Service space second • Followed by R&D & Manufacturing |
| <p>How important is each of following for attracting employees for your 495/MetroWest office(s)? <i>New Question in 2017</i></p> | <p>Highlighting the organization's</p> <ul style="list-style-type: none"> • Benefits package • Socially responsible programs |
| <p>What best describes the reason for locating your business in the 495/MetroWest region? <i>Top 3 same as 2016</i></p> | <ul style="list-style-type: none"> • Proximity to clients • Labor quality • Affordability of real estate |

New Question in 2017

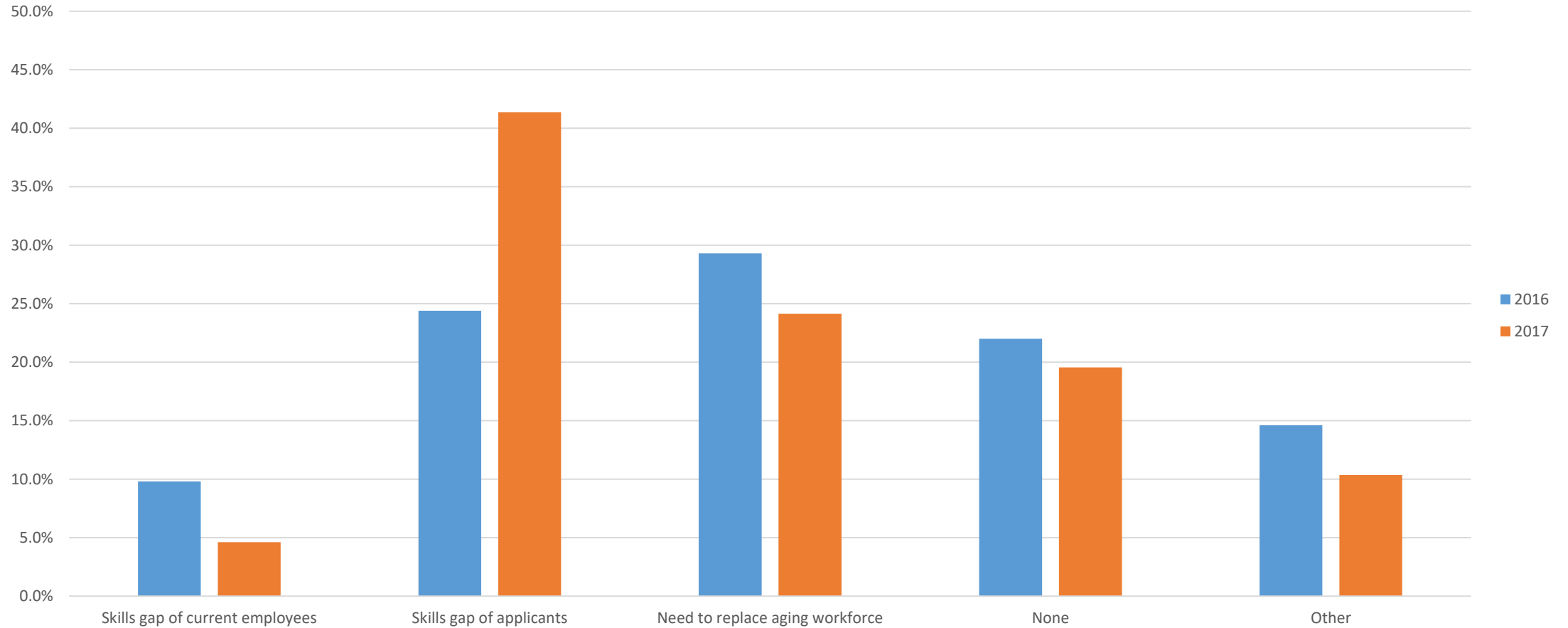
Q4 Please complete the following sentence: In order for your organization to expand in the 495/MetroWest region you need:

Land Skilled Workforce Affordable Housing Office Space
Access Larger Improve Economic Growth Plans
Public Workers Transportation Market
Business Real Estate Employees
Development Local Exposure Traffic Entry Level Staff
Transit Options Funding Regulation Support Municipalities

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



What workforce need keeps you most awake at night?



Summary

- Majority (69%) see regional economy improving
 - 57%-slightly 12% significantly
- 48% looking to hire (last year 41%)
- Most important challenges (HC moved to top-Gov't Regs dropped to 5th)
 - Healthcare costs
 - Labor quality - skills gap of applicants
 - Transportation
- Reasons for locating in the region remain consistent
 - Proximity to clients
 - Affordability of real estate
 - Labor quality

Summary

- Overall the survey results indicate the region has a strong pulse
- The “health” of the region could benefit from unclogging arteries (transportation/traffic congestion)
- Addressing the skills gap of applicants
- Healthcare costs

Thank you!

Contact information:

Dr. Michael J. Harrison

Email: mharrison2@framingham.edu

Office phone: 508-626-4667

Mailing address:

Framingham State University

Business Department

100 State St

Framingham, MA 01701