

EXPANDED UNEMPLOYMENT BENEFITS IDENTIFIED MOST OFTEN AS CHALLENGE FOR AREA EMPLOYERS; 28% OF RESPONDENTS CUT BACK ON EXPANSION

U.S. employers posted a record number of available jobs in March. An April survey by the National Federation of Independent Business found that 44% of small businesses had jobs they couldn't fill, also a record. To get a clearer picture of how extensive such challenges are locally, an informal survey was conducted in May 2021.

A 16-question, online survey was emailed to approximately 1,460 investors/members of the Greater St. Cloud Development Corporation and the Chambers of Commerce in St. Cloud, Cold Spring, Sartell, St. Joseph, Sauk Rapids and Waite Park. The survey was completed by 215 people.

Executive Summary

Responses came from a representative cross section of the area's business and industry, ranging in size from five or fewer employees (15%) to more than 200 (22%).

■ 57% said all their employees are based in Greater St. Cloud/Central Minnesota.

While 14% had no positions they were trying to fill, it's taken five or more weeks for 59% of respondents to fill open jobs in 2021.

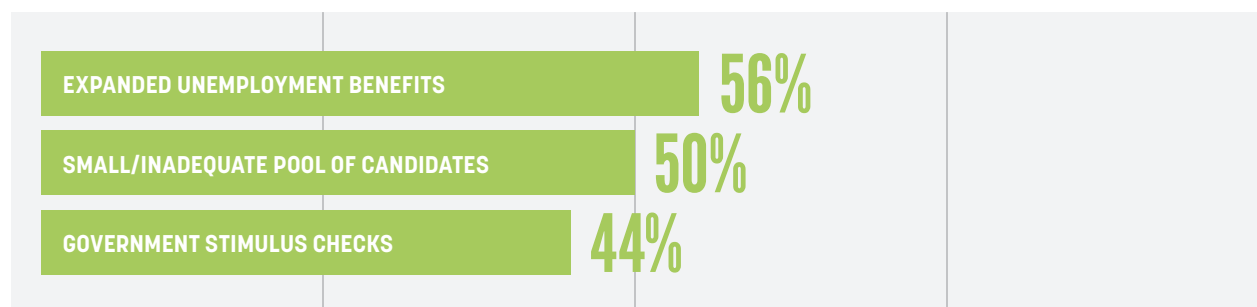
■ 53% had openings for up to 7 positions.

■ 23% sought to fill 14 or more openings.

Factors respondents believe contribute most to difficulty in filling positions

Respondents were asked to choose up to five, which is why total percentage exceeds 100.

Factors mentioned less often are on page 3 of this report.



The May 2021 survey was commissioned by the Greater St. Cloud Development Corporation (GSDC), which collaborated on development and distribution with the St. Cloud Area Chamber of Commerce and Greenfield Communications, which has conducted surveys for the City of Sartell and other Minnesota organizations.



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Jobs cited most often as hardest to fill:

- \$15.01-\$20.00 per hour, followed by jobs paying \$20.01-\$25.00 per hour.
- 19% of respondents were also having trouble filling salaried positions.
- 5% reported no challenges filling any positions.

The most-mentioned ways organizations have altered operations due to employee shortages:

- Increased overtime, indicated by half of respondents.
- Next four adjustments, in order: addressing employee burnout/turnover, limited services, cutting back on expansion plans, reducing production.
- 14 companies (7% of respondents) reported they have considered relocating to another community.

Many identified challenges in the hiring process:

- 43% of respondents said fewer than half of applicants invited for interviews followed through with them.
- 38% of respondents said fewer than half who were offered jobs accepted them.
- 10% said all job offers were accepted.
- Only 22% said all their newly hired employees were still on the job 30 days later.

What this Survey is *Not*

It's important to note that this was not formal research that used random sampling of area organizations to create a small margin of error. The information here reflects the answers of 215 GSDC and Chamber investors/members who responded to an emailed inquiry. No one should view the percentages or comments in this report as representative of all Greater St. Cloud/Central Minnesota employers.

Survey Responses

In the information that follows, not all respondents answered all questions. Due to rounding, some of the totals may exceed 100%. Percentages for "Not Applicable/Don't Know" are not listed. Verbatim responses are presented exactly as submitted, with no adjustments for grammar, punctuation, typographical errors or all-caps usage.

JOB OPENINGS

The % sign indicates the percentage of respondents who gave that answer.

NUMBER OF OPEN JOBS

No Openings	14%
1 to 3	37%
4 to 7	16%
8 to 13	9%
14 to 20	9%
21 or More	14%

OPEN JOBS THAT ARE FULLTIME

None of the jobs are fulltime	7%
1 to 25 percent	11%
26 to 50 percent	5%
51 to 75 percent	4%
76 to 99 percent	12%
All open jobs are fulltime	46%

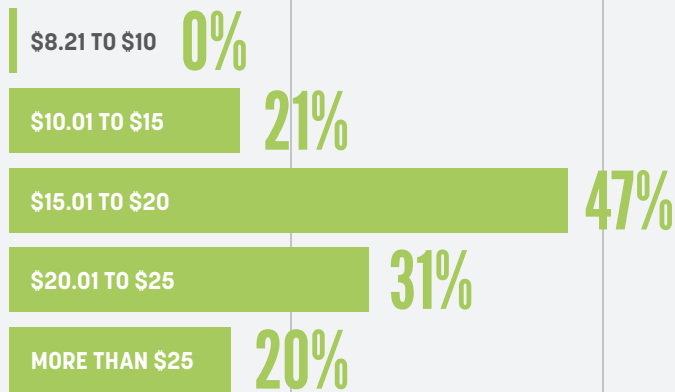
PERCENTAGE OF FULL EMPLOYMENT THE OPEN JOBS REPRESENT

25 percent or fewer	62%
26 to 50 percent	15%
51 to 75 percent	1%
76 percent or more	6%

AVERAGE TIME TO FILL JOBS IN 2021

Less than 1 week	0%
1-2 weeks	4%
3-4 weeks	17%
5-6 weeks	19%
Over 6 weeks	40%

Hourly Wages for Open Jobs



19% also had trouble hiring salaried employees. 5% reported having no trouble filling any positions.

"We have never had fewer applicants or more jobs to fill."

"WE HAVE TRIED FOUR DIFFERENT WAYS TO HIRE PART TIME EMPLOYEES FOR 2 MONTHS NOW. NO APPLICANTS YET."

FACTORS RESPONDENTS BELIEVE CONTRIBUTE MOST TO DIFFICULTY IN FILLING POSITIONS

Respondents were asked to choose up to five, which is why total percentage exceeds 100.

Expanded unemployment benefits	56%
Small/inadequate pool of candidates	50%
Government stimulus checks	44%
Applicants' skills/experience are not satisfactory	43%

Other factors identified: Wages are too low (16%), scheduling flexibility (15%), COVID-related health concerns (10%), employees don't want to live in this region (11%), prefer to work remotely (10%), childcare challenges (9%), limited benefits offered (8%), we're not having trouble filling positions (5%), seeking early retirement (2%), language barriers (1%), caring for other family members (0%).

"When unemployment benefits were halted the applications poured in. Since the reinstatement of benefits, limited applicants."

"It is heartbreaking and beyond belief how our current government has no regard for business. We have jobs!!!!"

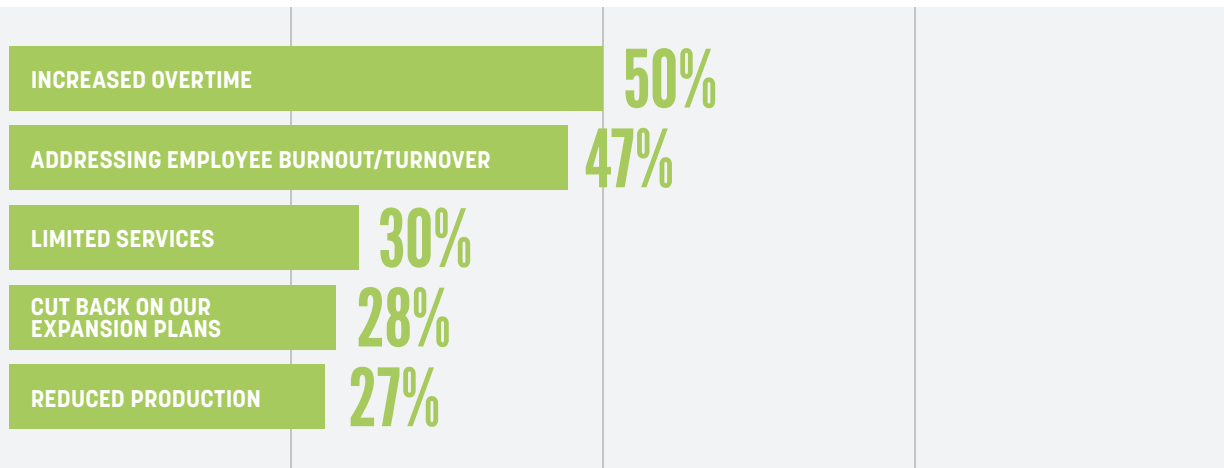
"Too many employees are taking advantage of Unemployment and stimulators check, rather than working additional hours! GRRRRR"

"Have the Government STOP paying unemployment benefits immediately! There are a lot of people sitting at home with NO desire to work because they are getting paid to sit at home!"

"Our biggest challenge is extended unemployment benefits and the fact that MN is allowing folks to get unemployment without looking for work. I've been told that all claims go through whether they are eligible or not."

Ways employee shortages have caused businesses to alter operations

Respondents were asked to note all that apply, which is why total percentage exceeds 100.



Additional effects identified: poorer customer service (26%), lower quality of output (19%), reduced hours of operation (16%), open fewer days (8%), considered relocating to another community (7%).

"We have increased the lead-times and told customers we are not able to meet their needs."

"I have increased wages of current employees to improve retention rates, to improve attitude and to reward them for the extra effort they give."

"WE COULD EXPAND OPERATIONS BUT WILL NOT BE. I BELIEVE THIS THE WORKERS ARE OUT THERE BUT CHOOSE NOT TO. STOP THE HANDOUTS."

QUALITY & WILLINGNESS OF APPLICANTS

% indicates the percentage of respondents who gave that answer.

QUALITY OF CANDIDATES NOW VS. PRE-COVID

Same as before.....	39%
Lower than before.....	42%
Higher than before	2%

HIRES WHO DON'T SHOW UP OR DEPART (VOLUNTARILY OR INVOLUNTARILY) WITHIN 30 DAYS

1 to 25 percent.....	24%
26 to 50 percent.....	15%
51 to 75 percent.....	8%
76 percent or more	5%
All have stayed at least 30 days.....	22%

APPLICANTS CONTACTED IN 2021 WHO FOLLOW THROUGH WITH INTERVIEWS

25 percent or fewer.....	25%
26 to 50 percent.....	18%
51 to 75 percent.....	12%
76 percent or more	23%

AVERAGE NUMBER OF APPLICANTS PER OPEN JOB

No applicants.....	3%
1 to 3.....	43%
4 to 7.....	20%
8 or more.....	15%

"Every one of my clients complains that people are being paid too much to stay home so they ghost interviews and don't really want jobs."

"We haven't experienced any change in desire or willingness to work from current or potential staff."

Acknowledgments

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Job offers accepted in 2021

% indicates the percentage of respondents who gave that answer.



"It's clear some of the applicants are on unemployment and are only applying to satisfy government unemployment regulations. It wouldn't matter how much we offered them to work here it wouldn't be enough for them to take the job."

"We have seen an increased amount of candidates that not really interested in going through the recruiting process. They don't accept our calls or decide they are not interested in the positions that they recently applied."

"Failed drug tests have been the biggest challenge right ahead of people disappearing before or right after the interview."

"Our biggest challenge is applicants who don't communicate back when you reach out to them for interviews."

WHO TOOK THE SURVEY

TYPE OF INDUSTRY

Retail Trade	12%
Finance/Banking	10%
Professional Services	10%
Construction	9%
Manufacturing	9%
Hospitality/Tourism	8%
Healthcare	6%
Education/Training	5%
Transportation/Warehousing	5%

Other industries: Human Services (3%), Agriculture/Food/Natural Resources (2%), Government/Public Administration (2%), Wholesale Trade (2%), Arts/Communications (1%), Information Technology (1%), Public Safety/Law/Security (1%),

NUMBER OF EMPLOYEES

1 to 5	15%
6 to 20	24%
21 to 50	18%
51 to 200	21%
201 to 500	9%
501 or more	13%

PERCENTAGE OF EMPLOYEES IN REGION

25 or fewer	13%
26 to 50	4%
51 to 75	9%
76 to 99	17%
All are in this region	57%

RESPONDENT IDEAS

“It would be helpful for MN to align with National regulations & allow 16/17 year olds on jobsites.”

“Colleges need to get students back on campus for recruiting.”

“Government-sponsored employment bonuses (bonuses paid to employees who are hired) would be a more effective use of resources at this stage in the pandemic/recovery.”

“Part of our issue is that people don’t believe in the trade industry at the education level; trades can’t be considered inferior work compared to traditional schooling and desk jobs. We need to blend traditional practices with education to create the future work-force.”

Additional Survey Information

The survey’s raw data, including 98 comments, were gathered using an online survey tool. Since participants’ responses were anonymous, there are no cross-tabulations of responses. A PDF of raw data is available by emailing a request to GSDC Talent Director Gail Cruikshank at gcruikshank@greaterstcloud.com.

Survey and report prepared by

