

2021 STATE OF THE ST. LOUIS

# WORKFORCE

**Equitable** recovery. opportunity. growth.



St. Louis Community College

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# FOREWORD

St. Louis Community College's mission is built on three basic pillars: lifelong education for our community, preparing students for transfer to four-year colleges and universities, and educating students to directly enter the workforce in a wide variety of industries. The importance of this last pillar led STLCC to initiate this annual regional employer survey and report, now in its thirteenth year.

For well over a decade, the College and its research partners have surveyed St. Louis' employers from the Great Recession through the ten-year economic recovery to the generational disruption we are facing with the COVID-19 pandemic. This year, the College surveyed more than 500 employers across 16 employer categories to understand the business climate, hiring trends, occupational skills and demands from businesses throughout the St. Louis region. We are very pleased to present this 2021 *State of the St. Louis Workforce* report to our community.

Understanding which skills employers will need most after 18 months of a global pandemic is a unique challenge, made more complex by the fact that many experts expect our economy to be significantly altered in the years to come as companies adjust to a post-COVID workplace. The rapid return of the national unemployment rate from 14.8%—the highest rate observed since data collection began in 1948—to a reasonable 5.9% is a good sign that the strong pre-COVID economy will continue. But with very few examples of similar rapid and widespread economic disruptions to evaluate, we are in somewhat uncharted waters. We hope that hearing directly from regional employers about their opportunities, plans and challenges will help civic leaders navigate the trials ahead.

Our *State of the St. Louis Workforce* report has normally alternated each year between a look at a composite of the region's employers and a focus on particular sectors or disciplines the next year. However, due to the massive economic shock caused by the COVID-19 pandemic, we made the decision to skip our deep sector dive last year and instead conduct an all-industry composite survey to better understand the magnitude of the changes the pandemic created for St. Louis employers. This year's survey is again an all-industry composite, allowing us to make direct comparisons between what employers were planning and doing before, during and—we sincerely hope—near the end of the COVID-19 disruption.

As a community, we are well aware that the COVID-19 pandemic has affected different communities and demographics in different ways. Women and people of color were more likely to lose their jobs early in the disruption and have higher unemployment rates than whites, and they still lag behind in returning to the workforce. Minority- and women-owned businesses were disproportionately affected early in the pandemic, with the Federal Reserve Bank of St. Louis citing a study that showed a 41% decrease in



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business activity for African American-owned businesses and a 25% decrease for women-owned enterprises.

Last year, we worried whether the recovery would be “K-shaped,” with some groups recovering quickly and others—usually the most vulnerable populations with the least education—left behind once again. As we plan for the end of the pandemic, we in the St. Louis region must commit ourselves to ensuring that the recovery is equitable—that those who have historically and systematically been made vulnerable get the support they need to thrive and grow in a post-COVID economy.

Just as it did last year, the pandemic made it more difficult to complete surveys. The contact and incidence rates continued to be very low due to business closures, both temporary and permanent. Multiple calls were required to reach the correct contact persons, many of whom were job-sharing or working from home, thus unreachable via the normal business telephone numbers used by our survey partner. Despite these challenges, our partner was able to produce a cross-industry and statistically valid result.

This 2021 *State of the St. Louis Workforce* report is the work of many and is supported through the partnership of our region’s top economic and workforce institutions. Along with the data from our decade-long partners at the Missouri Economic Research and Information Center (MERIC), we appreciate the collaboration with our other long-time partners including the Federal Reserve Bank of St. Louis, Nine PBS, and the *St. Louis Business Journal*. We also want to thank our workforce development collaborators including the Regional Business Council and the Missouri Chamber of Commerce and Industry for their involvement with this report.

The information in this report includes labor market information from public sources such as the Bureau of Labor Statistics and the Census Bureau. We also used advanced analytical tools such as Burning Glass Labor Insight, Chmura JobsEQ, and others to further understand trends and potential future challenges. We would like to thank and acknowledge our employers, our research partners, and our media partners, without whom we would not be able to bring this informative workforce report to the region. We hope you will find this report valuable and use its findings for the benefit of your organization and our community.

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# Executive Summary



When St. Louis Community College first created the *State of the St. Louis Workforce* report in 2009 we expected that—if the project lasted long enough—we would be able to observe and analyze a full economic cycle: from recession to growth and back again. However, we certainly did not foresee the rapid and broad economic disruption caused by a once-in-a-generation global pandemic. Last year, we were somewhat surprised to observe the high level of optimism employers retained a few months into the massive COVID-19 economic disruption. Our report this year shows that this result was not a fluke and that employers are even more bullish about a strong recovery.

At the same time, we are well aware of how many individuals, many of whom are our students, suffered because of the pandemic. People of color and women—and the businesses they run—were impacted at a higher rate than the general population. In this, our 13th *State of the St. Louis Workforce* report, we seek to understand how employers view the regional workforce and, more importantly, to investigate what St. Louis needs to do to ensure that the next economic cycle leaves fewer of our friends and neighbors behind.

As in years past, the report is divided into three sections. The *St. Louis Economy* compiles publicly available labor market information as well as data gathered through proprietary analytical tools. The *Employer Survey* is based on a telephone survey of 516 employers across 16 employer categories representing a composite of the region's economy. Finally, our narrative section *Equitable Recovery, Equitable Opportunity, Equitable Growth* takes a look at how we can ensure that those most affected by the COVID-19 pandemic—many of the same individuals and groups who did not benefit from the pre-COVID economic boom—can share in the recovery with quality jobs and increased opportunity.

The St. Louis Metropolitan Statistical Area (MSA) consists of a diverse economy with a labor force of over 1.3 million. At 16% of total employment, health care and social assistance is one of the largest and most crucial industry sectors, with over 20% growth in the number of employees from 2010 to 2020. This sector is followed closely by wholesale and retail trade, which makes up 15% of total employment. The St. Louis economy added over 95,000 employees in the last 10 years, amounting to roughly 8% growth.

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Due to the effects of COVID-19, national unemployment rates peaked at levels unseen since data collection began in 1948; St. Louis was no exception. Our regional peak of unemployment was 11.6% in April and May 2020, but this dropped significantly to 4.7% in April 2021. This is lower than the 6.1% national rate but higher than the Missouri

rate of 4.1%, consistent with the trend over the past few years.

Unemployment rates vary greatly with age and sex. Younger workers, particularly men under age 22, had 2019 unemployment rates at or above 10% in the St. Louis MSA. Men in the 16-19 age range had the highest rate at 11.5%. While there is a large disparity in unemployment rates between males and females in younger age groups, rates were similar in the 35-54 age groups. Interestingly, men over age 75 had the lowest unemployment rate of all groups at 0.7%, while women over the age of 75 had a rate of 6.8%.

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Jobholders ages 35-44 represented the slight majority at 21.6% of the workforce, with the 25-34 age group immediately following at 21.5%. Workers aged 14-21 made up only 7.4% of the workforce. From 2009 to 2019, the share of St. Louis workers aged 45-54 has declined 5% while those 55-64 have increased 4%.

Forty-eight percent of the population 25 and older have a high school diploma but no post-secondary degree, lower than the state rate of

53% and slightly higher than the national rate (47%). Forty-five percent have an associate degree or greater, higher than both the state rate (38%) and the national rate (42%).

The massive, pandemic-fueled reduction in workforce we saw last year continued in 2021, with 31% of companies cutting employees during the last 12 months. Decreases were more than double the pre-pandemic rate and were slightly higher than results reported last year (29%). Just as we saw in 2020, some companies continued to hire during this timeframe and a greater percentage (7.4%) increased employment significantly when compared to last year (6.5%). Unsurprisingly, nearly two-thirds of employers (65%) that reported significant changes in employment levels attributed them to COVID-19, down slightly from the 2020 results.



Companies were even more optimistic than last year about their plans to increase staffing over the next 12 months, with nearly two-thirds (63%) stating they would increase employment levels. Continuing a trend seen last year, traditional risk mitigation strategies such as hiring temporary workers or contractors were out of favor, with fewer than 15% of employers indicating they would hire in this manner. Instead, an astounding 80% of employers—the highest level we have recorded—said they would hire new full-time employees, while 65% reported they would hire part-time workers.

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A headwind to the future hiring optimism, employers reported a shortage of workers with knowledge or skills as the most common barrier to expanding employment, a position it has held since 2015. The labor market appears even more constrained than last year, with 58% of employers reporting this as a barrier, an increase of 17% from the 2020 report. Both economic conditions (40%) and government policies or regulations (36%) increased drastically compared to the 2020 results. While last year a shortage of workers was cited as the most important barrier, in 2021 employers were most concerned with government policies or regulations. This makes sense given the potential for future public health mandates or other COVID-related regulations. Shortage of workers with knowledge or skills was rated second-most important, with economic conditions following in third.

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We once again asked employers about the possible shortcomings they were seeing in applicants for available jobs. Leading the list as the most frequent response, as it has been since 2013, was poor work habits (65%). This was followed by lack of general business or industry knowledge (57%), lack of critical thinking and problem solving (56%), and lack of communication and interpersonal skills (53%). Perhaps surprisingly, given the focus on preparing young people for STEAM careers, less than half (45%) of employers cited lack of technical skills specific to the job, although this was a slight increase over previous years.

Skilled trades was once again the most in-demand business function of the seven categories we survey, with nearly three-quarters of those firms who employ skilled trades reporting a shortage of applicants. Patient care (67%) followed in second place. As with skilled trades and patient care, we saw sharp increases in applicant shortages

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Results last year that indicated fewer jobs for those with no experience or those with short-term training appear to have been a COVID-related blip, as these responses both returned to historical norms. More than half of employers reported having at least some jobs requiring no experience, while over three-fourths (78%) said they had positions available for those with short-term training, the highest percentage recorded.

Barriers to employment for justice-involved individuals remain. The vast majority of employers said their willingness to hire a justice-involved individual depends on the felony (50%) or they would hire such candidates only for some jobs (17%). Slightly less than one-fifth of employers (18%) said they would not consider an applicant convicted of a felony offense at all. This tracks with the results from 2020 and 2015. However, 16% of employers said they would consider the applicant for any job they were qualified for, which is the highest level reported since we began asking this question in 2015.

We asked employers to rate the importance of future business concerns using a five-point scale. While last year the COVID-19 pandemic was top of mind for most of the employers surveyed, this year concerns about COVID ranked eighth, a strong sign that

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most employers believe they have figured out how to navigate the COVID economy. Employers are much more concerned about normal business cycle issues such as attracting or retaining talent (averaging 3.95 on a 1 to 5 scale), financial impacts on operations (3.73), and supply chain disruptions (3.71).

Just as we saw last year, St. Louis employers are not sold on remote work. While last year 61.3% of employers had people working remotely, only 22.9% reported this in 2021. This reduction occurred even though fewer employers reported challenges working remotely than they did last year. This trend away from remote work looks set to continue: 41% of employers with currently remote employees plan to reduce the

this year for manufacturing/maintenance (55%), customer service (45%), business management (27%), and information technology (27%). While the shortages in information technology applicants were reported at a higher rate than 2020, this result still appears significantly lower than the anecdotal narrative around the shortage of IT workers in St. Louis.

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most employers believe they have figured out how to navigate the COVID economy. Employers are much more concerned about normal business cycle issues such as attracting or retaining talent (averaging 3.95 on a 1 to 5 scale), financial impacts on operations (3.73), and supply chain disruptions (3.71).

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number of those workers during the next 12 months, and only 10.3% indicated that they will increase remote workers.

Finally, a move towards increased workforce resiliency and a focus on employee well-being seem to have broadened after surfacing last year. When asked which workforce policy changes employers were considering, a full 72% of employers stated they are considering cross-training and knowledge transfer, up from 42% last year. Nearly two-thirds (65%) reported reskilling or upskilling employees to new ways of working, while 70% reported increased employee care and engagement, and over half (54%) said they were considering flexible working conditions. Only one initiative lost favor compared to 2020—remote working—which tracks with the results previously noted.

COVID-19 shut down restaurants, travel and hotels—industries in which women and people of color hold a larger share of the jobs. And while recessions historically impact economically disadvantaged groups in disproportionate ways, the COVID-19 disruption was in many ways worse than the Great Recession. New research from Washington University in St. Louis’ Olin Business School found that Black women lost 42% more job-months than white workers while Hispanic women fared even worse, with a 60% loss.

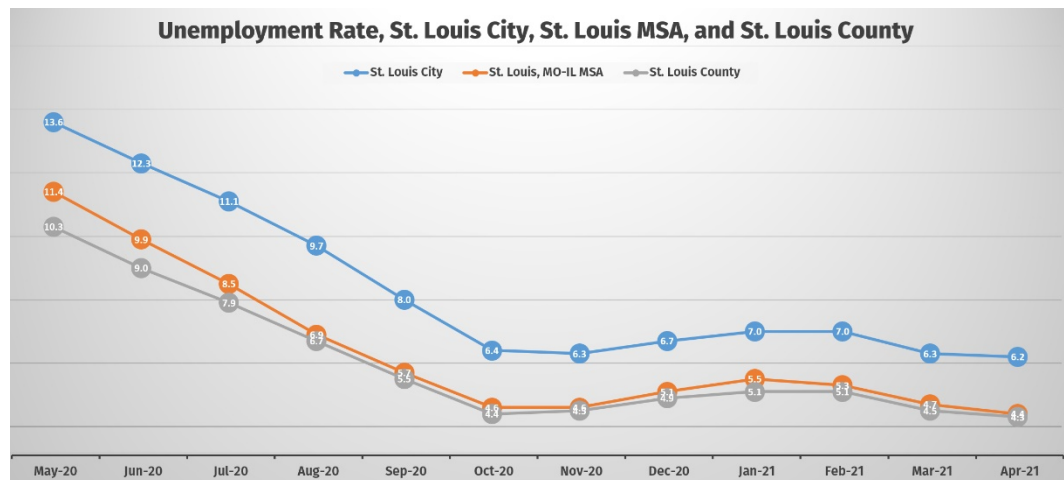
Our narrative section, entitled *Equitable Recovery, Equitable Opportunity, Equitable Growth*, looks at ways that St. Louis can ensure that those historically left out of the job market—and those who have been most affected by the pandemic—get back into the workforce in better shape than they were before COVID-19. We study aspects of the recently released *STL 2030 Jobs Plan* with two of its authors, Greater St. Louis, Inc. Chief Diversity, Equity and Inclusion Officer Valerie Patton, and author and New Localism Associates Co-Founder Bruce Katz. Our conversation explores a number of challenging and timely issues such as the definition of a “quality job,” how employers and civic leaders can build the pipeline to equitable opportunity, and the role employers, institutions and individuals can play in helping our region become a talent engine and magnet for workers living in St. Louis.

## 2021 A Closer Look: St. Louis MSA Unemployment Rate

### Unemployment Rate, St. Louis Metropolitan Area and Its Component Counties, Not Seasonally Adjusted

	May 2020	Jun 2020	Jul 2020	Aug 2020	Sep 2020	Oct 2020	Nov 2020	Dec 2020	Jan 2021	Feb 2021	Mar 2021	Apr 2021
Bond (IL)	12.7	11.0	9.2	7.0	5.8	4.7	4.4	5.1	6.0	5.3	4.9	4.4
Calhoun (IL)	14.2	12.3	9.3	6.7	5.4	4.3	4.3	6.0	6.5	6.1	5.2	5.0
Clinton (IL)	11.4	8.8	7.3	5.3	4.4	3.5	3.6	4.2	4.6	4.2	3.7	3.3
Jersey (IL)	13.3	11.7	9.6	7.0	6.1	4.9	4.7	5.9	6.0	5.1	4.7	4.5
Macoupin (IL)	11.9	10.6	9.0	6.7	5.6	4.5	4.3	5.6	6.2	5.3	5.0	4.7
Madison (IL)	13.8	12.6	10.9	8.1	6.8	5.5	5.1	6.0	6.3	5.3	5.3	5.1
Monroe (IL)	10.3	9.1	7.5	5.3	4.5	3.5	3.3	3.9	4.2	3.7	3.3	3.2
St. Clair (IL)	15.6	14.5	12.9	9.9	8.6	6.9	6.4	6.9	7.6	6.6	6.7	6.5
Crawford (MO)	9.3	8.4	7.7	6.2	4.8	4.1	4.5	4.9	5.8	6.4	5.3	4.2
Franklin (MO)	10.8	8.5	7.3	5.7	4.4	3.8	4.1	4.4	5.0	5.4	4.2	3.5
Jefferson (MO)	10.1	8.4	7.1	5.9	4.7	3.9	4.0	4.6	5.1	5.3	4.4	3.7
Lincoln (MO)	11.1	7.9	6.7	5.3	4.3	3.6	3.8	4.2	4.9	5.6	4.3	3.6
St. Charles (MO)	9.3	7.4	6.0	4.8	3.8	3.2	3.3	3.7	4.0	3.9	3.4	3.0
St. Louis (MO)	10.3	9.0	7.9	6.7	5.5	4.4	4.5	4.9	5.1	5.1	4.5	4.3
Warren (MO)	9.7	7.4	6.6	5.5	4.2	3.5	3.8	4.2	4.6	5.1	4.0	3.4
St. Louis City (MO)	13.6	12.3	11.1	9.7	8.0	6.4	6.3	6.7	7.0	7.0	6.3	6.2
<b>St. Louis MSA</b>	<b>11.4</b>	<b>9.9</b>	<b>8.5</b>	<b>6.9</b>	<b>5.7</b>	<b>4.6</b>	<b>4.6</b>	<b>5.1</b>	<b>5.5</b>	<b>5.3</b>	<b>4.7</b>	<b>4.4</b>

Source: Bureau of Labor Statistics. Current Employment Statistics, St. Louis, Mo.-ILL, Metropolitan Area Data Tables.



Source: Bureau of Labor Statistics. Current Employment Statistics, St. Louis, Mo.-ILL, Metropolitan Area Data Tables.

# Methodology



The 2021 *State of the St. Louis Workforce* report follows the format of previous editions by including three distinct sections: the *St. Louis Economy*, a compilation of labor market information using public and proprietary sources and tools; the *Employer Survey*; and a narrative section, which challenges regional thought leaders to consider how the St. Louis region could bring about an equitable recovery and engage those marginalized and left behind during the previous decade's prosperity.

## ***St. Louis Economy***

This section includes an analysis of available data from public sources, such as the Bureau of Labor Statistics and the United States Census Bureau, which describes the characteristics of the labor force and correlates unemployment with various labor force demographics. Also included is an analysis of real-time labor market demand aggregated through the proprietary Burning Glass Labor Insight tool, which searches web-based job boards to discern the level of demand for certain occupations and the skills and certifications that employers are requesting.

## ***Employer Survey***

The *State of the St. Louis Workforce* report relies heavily on first-person telephonic interviews of regional employers. Each of the 2021 survey interviews averaged slightly under 23 minutes to complete. As shown in the table on the following page, 516 local companies in 16 industry categories were surveyed between May 7 and June 14, 2021, encompassing the 23 two-digit NAICS (North American Industry Classification System) codes that represent a composite picture of the St. Louis regional economy. This year, for the first time, a pre-notification email was sent to announce and validate the survey prior to its start to all employers for whom email records were available.

Survey respondents were asked a series of 16 questions, some with multiple parts, related to hiring trends, skill needs, and COVID-19 impacts. Companies interviewed for the survey were selected from a categorized list of the 38,377 St. Louis Metropolitan Statistical Area (MSA) business establishments listed with five or more employees from the *Reference USA* employer database provided by the Missouri Economic Research and Information Center (MERIC). The survey instrument is provided as *Appendix I*.

## *Equitable Recovery, Equitable Opportunity, Equitable Growth*

This year’s narrative section studies aspects of the recently released *STL 2030 Jobs Plan* with two of its authors, Greater St. Louis, Inc. Chief Diversity, Equity and Inclusion Officer Valerie Patton, and author and New Localism Associates Co-Founder Bruce Katz. Our conversation explores:

- The definition of “quality jobs,”
- Building the pipeline to equitable opportunity,
- The workforce of the future, and
- The role employers, institutions and individuals can play in helping our region become a talent engine and magnet for workers living in St. Louis.

### **2021 State of the St. Louis Workforce Employer Survey**

NAICS	Category Description	Businesses Surveyed	Percent
NAICS 23	Construction	39	7.6%
NAICS 31-33	Manufacturing	32	6.2%
NAICS 42	Wholesale trade	20	3.9%
NAICS 44-45	Retail trade	75	14.5%
NAICS 48-49	Transportation and warehousing	12	2.3%
NAICS 51	Information	12	2.3%
NAICS 52	Finance and insurance	30	5.8%
NAICS 53	Real estate and rental and leasing	16	3.1%
NAICS 54	Professional and technical services	36	7.0%
NAICS 56	Administrative and waste services	13	2.5%
NAICS 61	Educational services	8	1.6%
NAICS 62	Health care and social assistance	103	20.0%
NAICS 71	Arts, entertainment, and recreation	13	2.5%
NAICS 72	Accommodation and food services	54	10.5%
NAICS 81	Other services	46	8.9%
	Other small sectors and Unclassified*	7	1.3%
	<b>Total</b>	<b>516</b>	<b>100.0%</b>

(\*) Other small sectors with Less than 1% of STL MSA Establishments:  
 NAICS 11 Agriculture, forestry, fishing and hunting  
 NAICS 21 Mining, quarrying, and oil and gas extraction  
 NAICS 22 Utilities  
 NAICS 55 Management of companies and enterprises

# St. Louis Economy



The bi-state St. Louis Missouri-Illinois Metropolitan Statistical Area (MSA) includes St. Louis City and County and the surrounding 14 counties that straddle the Mississippi River. The St. Louis MSA has an estimated population of over 2.8 million. According to the U.S. Bureau of Economic Analysis, the area had a Gross Domestic Product (GDP) of nearly \$173 billion in 2019. The industry with the highest GDP was finance, insurance, real estate, rental & leasing, with \$34 billion. Private sector business accounted for 90% of the region's output, while government accounted for the remaining 10%.

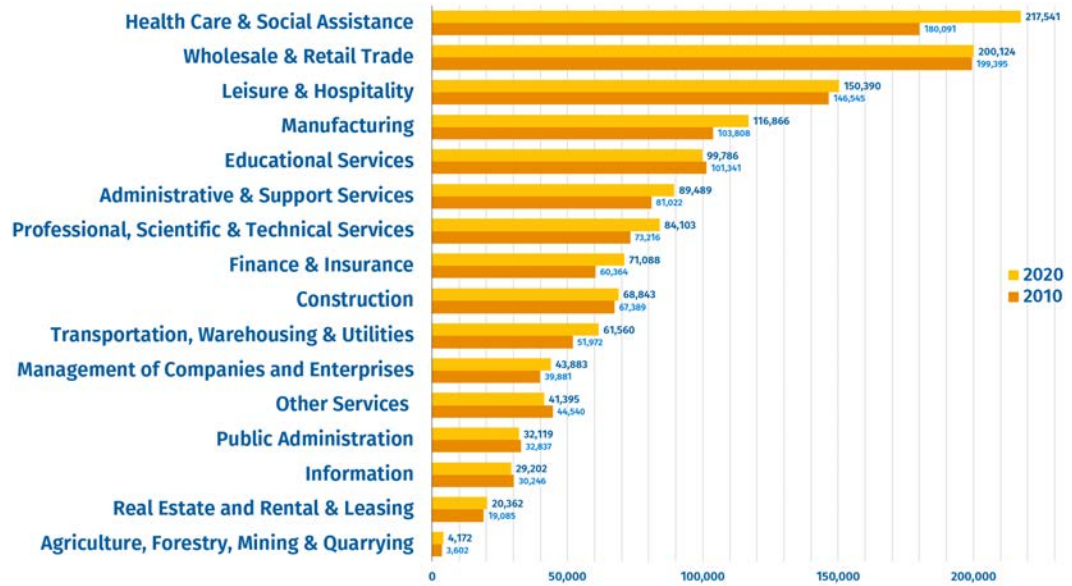


## Employment

The St. Louis MSA has a diverse economy with a labor force of over 1.3 million that work in a wide range of industries. Health care and social assistance make up 16% of total employment, followed closely by wholesale and retail trade, which makes up 15% of total employment. Health care and social assistance has increased 20% over the last 10 years, going from 180,091 employees in 2010 to over 217,000 in 2020. The other services sector had the largest decrease, with employment declining by over 3,000, or 7%. Overall, the St. Louis economy increased by over 95,000 employees, about 8%, in the last 10 years.

St. Louis is home to eight Fortune 500 companies: Centene (24), Emerson Electric (181), Reinsurance Group of America (207), Edward Jones (295), Graybar Electric (399), Ameren (469), Olin (472), and Post Holdings (474).

## St. Louis Industry Employment



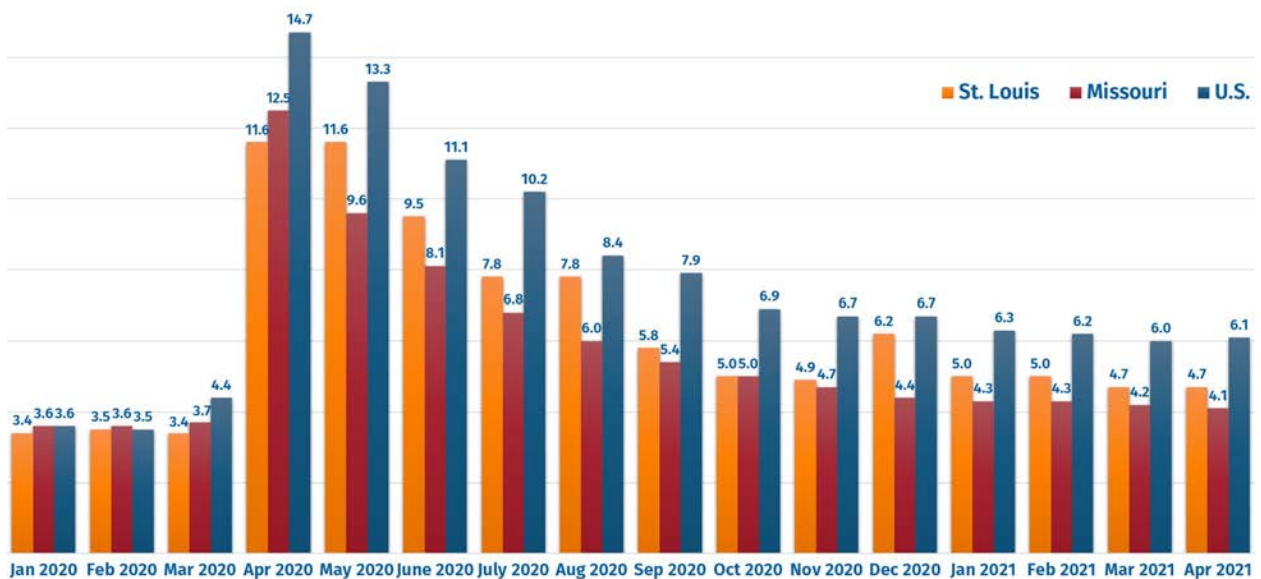
Source: Quarterly Workforce Indicators, U.S. Census Bureau, Annual Averages.

## Unemployment

Unemployment rates in the St. Louis MSA peaked at 11.6% in April and May 2020 due to the effects of COVID-19. Current estimates from the Bureau of Labor Statistics show the St. Louis MSA seasonally adjusted unemployment rate was 4.7% in April 2021. This is lower than the national rate of 6.1% and higher than the state rate of 4.1%.

Unemployment rates in the St. Louis MSA have consistently been below national rates.

## Seasonally Adjusted Unemployment Rate



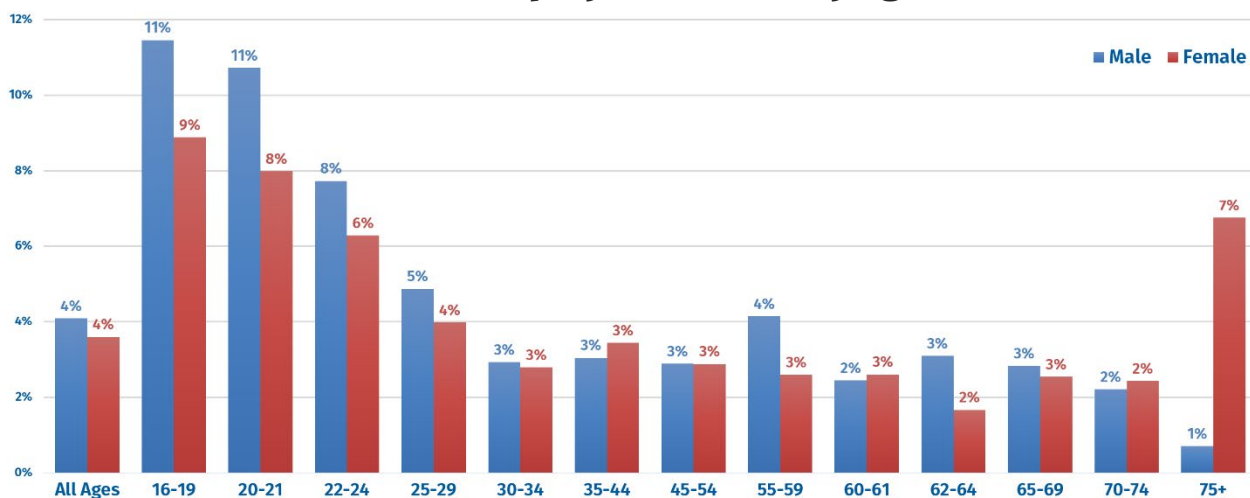
Source: Local Area Unemployment Statistics, U.S. Bureau of Labor Statistics.



## Unemployment Demographics

Unemployment rates vary greatly with age and sex. Younger workers, particularly men under age 22, had unemployment rates at or above 10.7% in the St. Louis MSA during 2019. Men in the 16-19 age range had the highest rate at 11.5%. Unemployment rates between males and females were similar in the 35-54 age groups; however, disparities existed in both the younger and the oldest age groups. Most notably, males over age 75 had the lowest unemployment rate of all groups at 0.7%, while females over the age of 75 had a rate of 6.8%. St. Louis mirrors the state and national trend of higher unemployment rates in workers less than 22 years of age. Nationally, the unemployment rates for all ages was 4.6% for males and 4.4% for females. This is higher than the St. Louis rate of 4.1% for males and 3.6% for females. Missouri unemployment rates for all ages was the same in both males and females at 3.8%.

### St. Louis MSA Unemployment Rates by Age and Sex



Source: 2019 American Community Survey, U.S. Census Bureau.

The old saying “education pays” holds true as it relates to income and risk of unemployment. St. Louis MSA data for 2019 shows that having some college or an associate degree, versus a high school diploma, reduces the unemployment rate by 1.6 points and provides \$7,825 annually in average extra earnings. A bachelor’s degree or higher further reduces the unemployment rate by 1.7 points and increases earnings.

### St. Louis MSA Unemployment Rates and Earnings by Education, Population 25 Years and Older

Unemployment Rates	Educational Attainment	Median Earnings
9.7%	Less than high school graduate	\$25,146
4.9%	High school graduate or GED	\$31,736
3.3%	Some college or associate degree	\$39,561
1.6%	Bachelor’s degree or higher	\$64,794*

\* Bachelor’s (\$57,452) and graduate (\$72,136) degree medians.

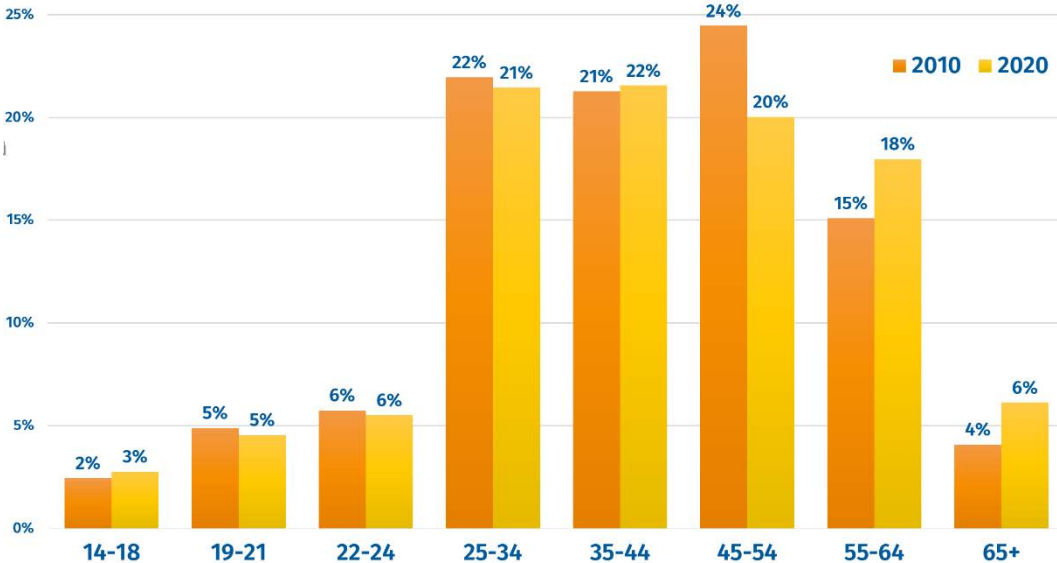
Source: 2019 American Community Survey, U.S. Census Bureau.

The highest unemployment rates and lowest wages belong to those workers with less than a high school education. Unemployment rates for workers who do not have a high school diploma or GED are nearly double those of high school graduates, and more than six times greater than workers with a bachelor’s degree or higher. Missouri shows similar trends, with workers who do not have a high school education having an unemployment rate of 7.2% versus a rate of 4.0% for high school graduates. Young and/or less educated job seekers have a more difficult time finding employment.

### *Workforce Characteristics*

In 2020, the largest jobholder age group was ages 35-44, representing 22% of the workforce. The 25-34 age group closely followed, representing 21% of the workforce. Workers age 14-21 made up only 7% of the workforce. The St. Louis age profile has changed over time with the 55+ age groups having increased as a share of the workforce, while the 45-54 age group has decreased. The 55+ age groups have grown from 19% in 2010 to 24% in 2020. With nearly one-fourth of the workforce in the 55+ age groups, St. Louis mirrors the national trend of an aging workforce.

#### **St. Louis MSA Age of the Workforce**

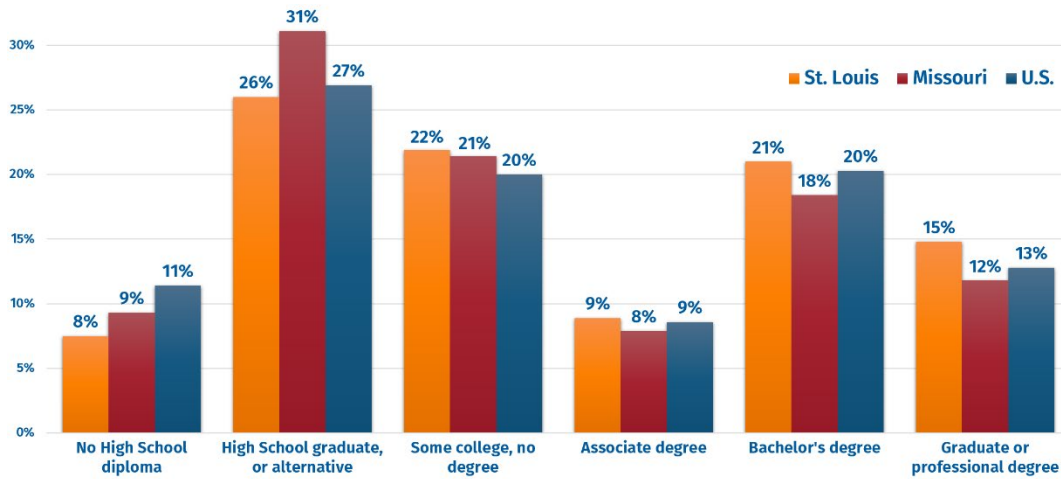


Source: Quarterly Workforce Indicators, U.S. Census Bureau.

### *Education Attainment*

Nearly one-half (48%) of the region’s 25 years and older population have a high school diploma but no post-secondary degree. This is similar to the national rate of 47% and lower than the state rate of 52%. Thirty-six percent of the St. Louis population has a bachelor’s degree or greater, which is higher than both the state (30%) and national (33%) rates.

## Educational Attainment of the Population



Source: 2019 American Community Survey, U.S. Census Bureau. Population age 25 and over.

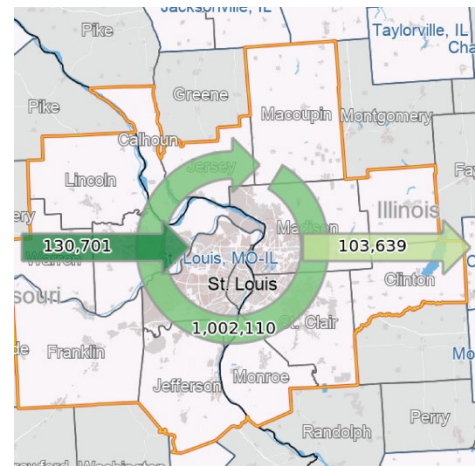
## Labor Shed

2018 estimates from the Census Bureau showed that St. Louis MSA employed over 1.1 million people. Most workers lived in the area, but 130,701 commuted into the MSA for jobs, while 103,639 of the residents commuted outside of the St. Louis MSA for work.

### Commuting Distance St. Louis MSA Workforce

Distance	% of Workforce
Less than 10 miles	42%
10 to 24 miles	36%
25 to 50 miles	11%
Greater than 50 miles	10%

Source: U.S. Census Bureau, OnTheMap Application, Primary Jobs 2018.



Forty-two percent of the workforce commuted less than 10 miles to work, while 10% traveled more than 50 miles.

## Current Job Demand

Through new job growth or companies needing to fill vacant positions, there are always job openings. One way to measure current employment demand is to track job postings. Over the past year, there were over 375,000 online job postings in the St. Louis MSA. The table on the next page lists jobs, grouped by typical education or training needed and identified with their Standard Occupational Classification (SOC) code, with the most online advertisements from June 1, 2020 through May 31, 2021 in the St. Louis MSA.

The top posted job overall was registered nurses (21,599) followed by retail salespersons (10,949), and heavy and tractor-trailer truck drivers (10,373).

Several occupations, such as registered nurses, sales representatives, and customer service representatives, were among the top long-term growth jobs and in the top job advertisements over the past year. This indicates those occupations are in demand now and will be in demand in the future.

## Top St. Louis MSA Job Advertisements in the Past Year

High School or Less and/or Short-Term Training		Online Job Ads
41-2031	Retail Salespersons	10,949
43-4051	Customer Service Representatives	10,176
53-7062	Laborers and Freight, Stock, and Material Movers	7,897
35-3021	Combined Food Preparation and Serving Workers	5,493
37-2011	Janitors and Cleaners	4,936
43-5081	Stock Clerks and Order Fillers	4,720
33-9032	Security Guards	3,702
37-2012	Maids and Housekeeping Cleaners	3,119
35-3031	Waiters and Waitresses	3,032
53-3031	Driver/Sales Workers	2,946
Moderate/Long-Term Training to Associate Degree		Online Job Ads
29-1141	Registered Nurses	21,599
53-3032	Heavy and Tractor-Trailer Truck Drivers	10,373
41-4012	Sales Representatives, Wholesale and Manufacturing	9,653
41-1011	First-Line Supervisors of Retail Sales Workers	6,513
49-9071	Maintenance and Repair Workers, General	4,677
31-1014	Nursing Assistants	4,279
11-9051	Food Service Managers	3,689
43-6014	Secretaries and Administrative Assistants	3,511
31-9092	Medical Assistants	3,308
29-2061	Licensed Practical and Licensed Vocational Nurses	3,270
51-9199	Production Workers, All Other	2,947
Bachelor's Degree or Higher		Online Job Ads
15-1132	Software Developers, Applications	10,067
15-1199	Computer Occupations, All Other	9,451
11-9199	Managers, All Other	7,333
11-9111	Medical and Health Services Managers	4,594
11-1021	General and Operations Managers	3,382
11-2022	Sales Managers	2,963
13-2011	Accountants and Auditors	2,796
13-1071	Human Resources Specialists	2,643
13-1111	Management Analysts	2,611

Source: Online Job Ads from June 1, 2020 through May 31, 2021. Burning Glass Technologies.

## Skills and Certificates

Basic skills are requested in the majority of job advertisements, with communication skills being the top demand of employers, requested in nearly one-third (31%) of total job postings. The number one specialized skill was customer service, followed by scheduling, and sales. Microsoft Office and its component products Word, Excel, PowerPoint, and Access are the most requested software skills across all occupations and industries. Other top requested software and programming skills included SQL, software development, and Java.

Top Basic Skills	Online Job Ads	Top Specialized Skills	Online Job Ads
Communication	120,302	Customer Service	63,613
Teamwork / Collaboration	62,333	Scheduling	46,933
Physical Abilities	56,882	Sales	38,718
Organizational Skills	52,740	Cleaning	37,728
Detail-oriented	49,536	Patient Care	24,084
Problem-solving	44,808	Customer Contact	23,783
Microsoft Excel	38,108	Budgeting	22,914
Planning	37,606	Repair	22,910
Microsoft Office	35,290	Retail Industry Knowledge	21,955
Computer Literacy	34,278	Data Entry	21,107

Source: Online Job Ads from June 1, 2020 through May 31, 2021. Burning Glass Technologies.

The top requested certificate was a valid driver's license, followed by registered nurse and commercial driver's license. One-half of the top requested certificates were healthcare related. Several of the top certificates are available through short-term training or through courses offered at a community college.

Top Certificates	Online Job Ads	Top Software and Programming Skills	Online Job Ads
Driver's License	46,092	SQL	9,962
Registered Nurse	18,672	Software Development	8,513
Commercial Driver's License	10,063	Java	8,466
First Aid CPR AED	6,999	Python	6,489
Security Clearance	6,324	Oracle	6,020
Basic Life Saving (BLS)	5,171	SAP	5,793
Advanced Cardiac Life Support	4,202	Software Engineering	5,211
Licensed Practical Nurse (LPN)	3,975	JavaScript	5,095
Basic Cardiac Life Support	3,868	Linux	4,546
American Heart Association Cert.	3,501	Salesforce	4,379

Source: Online Job Ads from June 1, 2020 through May 31, 2021. Burning Glass Technologies.

## Hard-to-fill Jobs

Hard-to-fill jobs are those that are in high demand based on number of job postings relative to total job postings in the St. Louis MSA. These are jobs that are in high or very high demand in the St. Louis MSA with the longest time to fill, grouped by typical education or training needed. Heavy and tractor-trailer drivers had the longest time to fill at 50 days. Management and information technology occupations are most common in the top hard-to-fill occupations.

### St. Louis MSA Top Hard-to-fill Jobs

O*NET Occupation	STL MSA Average Annual Wage	Average Time to Fill
<b>High School Education or Less and/or Short-Term Training</b>		
Waiters and Waitresses	\$24,520	47 days
Home Health Aides	\$26,780	46 days
Landscaping and Groundskeeping Workers	\$32,720	44 days
Construction Laborers	\$57,750	42 days
Combined Food Preparation and Serving Workers, Incl. Fast Food	\$24,310	40 days
Janitors and Cleaners	\$31,340	40 days
Maids and Housekeeping Cleaners	\$24,840	37 days
Personal Care Aides	\$26,780	37 days
Light Truck or Delivery Services Drivers	\$43,390	36 days
Retail Salespersons	\$33,020	31 days
<b>Moderate/Long-Term Training to Associate Degree</b>		
Heavy and Tractor-Trailer Truck Drivers	\$50,700	50 days
Insurance Sales Agents	\$70,650	44 days
Web Developers	\$70,990	43 days
Food Service Managers	\$58,950	42 days
Preschool Teachers, Except Special Education	\$35,060	42 days
Sales Representatives, Wholesale and Manufacturing	\$77,840	41 days
Cooks, Restaurant	\$46,060	39 days
Maintenance and Repair Workers, General	\$54,750	36 days
Licensed Practical and Licensed Vocational Nurses	\$48,120	37 days
Automotive Specialty Technicians	\$48,310	37 days
<b>Bachelor's Degree or Higher</b>		
Loan Officers	\$88,330	46 days
Sales Agents, Financial Services	\$89,250	44 days
Software Developers, Applications	\$100,450	43 days
Marketing Managers	\$141,200	41 days
Financial Managers, Branch or Department	\$144,970	41 days
Market Research Analysts and Marketing Specialists	\$70,370	41 days
Database Administrators	\$88,260	41 days
Information Security Analysts	\$94,450	40 days
Sales Managers	\$149,410	38 days
Accountants	\$76,500	38 days

Sources: St. Louis MSA Hard-to-fill Jobs from June 1, 2020 through May 31, 2021. Burning Glass Technologies. Wages from U.S. Bureau of Labor Statistics Occupational Employment Statistics.

## Projected Job Demand

It is important to look into what jobs will be in demand in the future to ensure the workforce is prepared. Employment projections through the year 2028, developed by the Missouri Economic Research and Information Center (MERIC) in partnership with the U.S. Department of Labor, estimate the jobs expected to be in greatest demand over

### Jobs by 2028 with the Most Projected Openings

High School or Less and/or Short-Term Training	Annual Openings
Combined Food Preparation and Serving Workers	6,022
Personal Care Aides	5,384
Cashiers	4,198
Retail Salespersons	4,045
Waiters and Waitresses	3,580
Customer Service Representatives	2,837
Laborers and Freight, Stock, and Material Movers	2,764
Janitors and Cleaners	2,223
Office Clerks, General	1,872
Stock Clerks and Order Fillers	1,706
Moderate/Long-Term Training to Associate Degree	Annual Openings
Registered Nurses	2,502
Secretaries and Administrative Assistants	2,474
Cooks, Restaurant	1,895
Nursing Assistants	1,855
Heavy and Tractor-Trailer Truck Drivers	1,659
Bookkeeping, Accounting, and Auditing Clerks	1,376
Sales Representatives, Services, All Other	1,265
Sales Representatives, Wholesale and Manufacturing	1,212
First-Line Supervisors of Food Preparation and Serving Workers	1,169
Medical Secretaries	1,029
Fitness Trainers and Aerobics Instructors	980
Bachelor's Degree or Higher	Annual Openings
General and Operations Managers	1,764
Accountants and Auditors	1,203
Business Operations Specialists, All Other	743
Software Developers, Applications	711
Market Research Analysts and Marketing Specialists	661
Elementary School Teachers, Except Special Education	621
Secondary School Teachers, Exc. Special & Career/Technical Education	612
Human Resources Specialists	579
Computer Systems Analysts	579

Source: Long-Term Occupational Projections 2018-2028, St. Louis Workforce Development Area, MERIC.

a ten-year period. The table shows the occupations, by typical education or training needed, with top job openings by the year 2028 for the St. Louis Workforce Development Area.

Occupations with the most openings are determined by looking at openings created by new job (net) growth, as well as those created through the need for replacement workers. Replacement openings occur due to retirement, turnover, or transferring to another occupation. The top long-term jobs with the most projected openings are combined food preparation and serving workers, personal care aides, and cashiers. Six of the top 10 occupations in each of these training and education categories are clerical occupations, while food service, sales, and business and financial each have four occupations in the top 10.



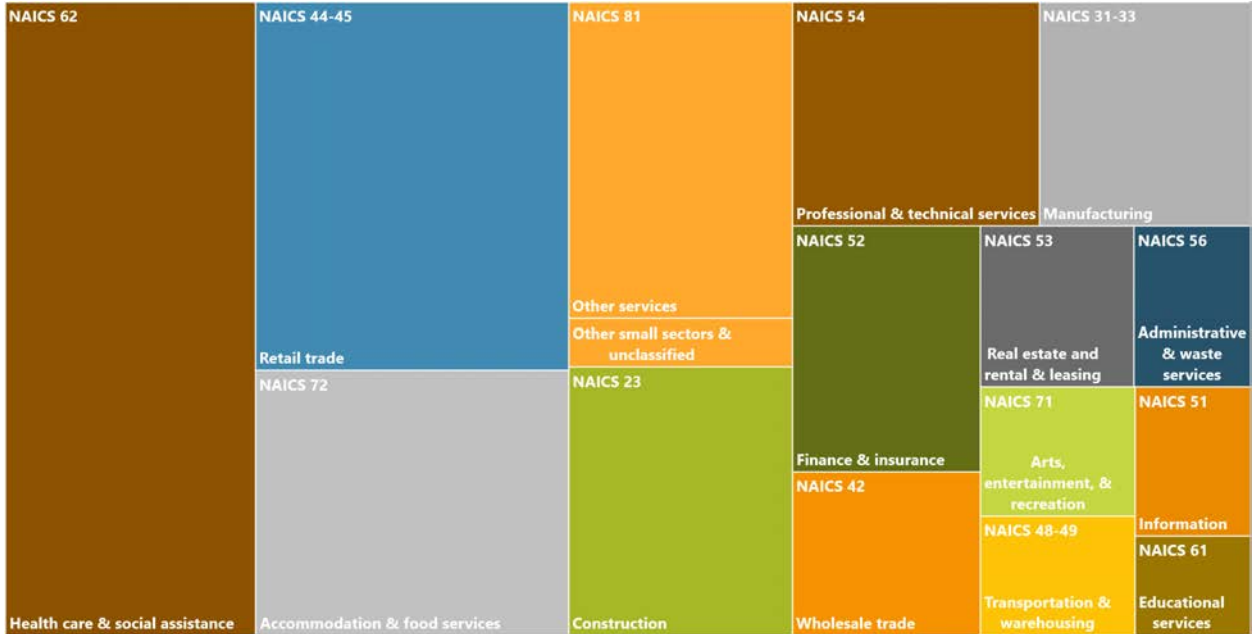


This 2021 employer survey marks our 13th annual telephone survey of companies throughout the St. Louis metropolitan area. As in past years, our goal is to understand the business climate, hiring trends, occupational skills, and demands from businesses across the St. Louis region. This year’s survey targeted 516 employers in 16 employer categories across 23 industry segments as defined by the North American Industry Classification System (NAICS). These industries were selected because they represent a composite picture of the regional economy.

A statistically significant sample was surveyed from each of the industry categories in the ratio to that industry’s proportional representation in the St. Louis Metropolitan Statistical Area (MSA). Geographically, the firms interviewed also represented the entire St. Louis MSA. The number of employers surveyed in each industry category are listed in the *Methodology* section.

Although the companies interviewed reflect a wide range of sizes as measured by number of employees, most respondents for this year’s survey consisted of small- and mid-sized businesses with fewer than 50 employees. This is in line with the

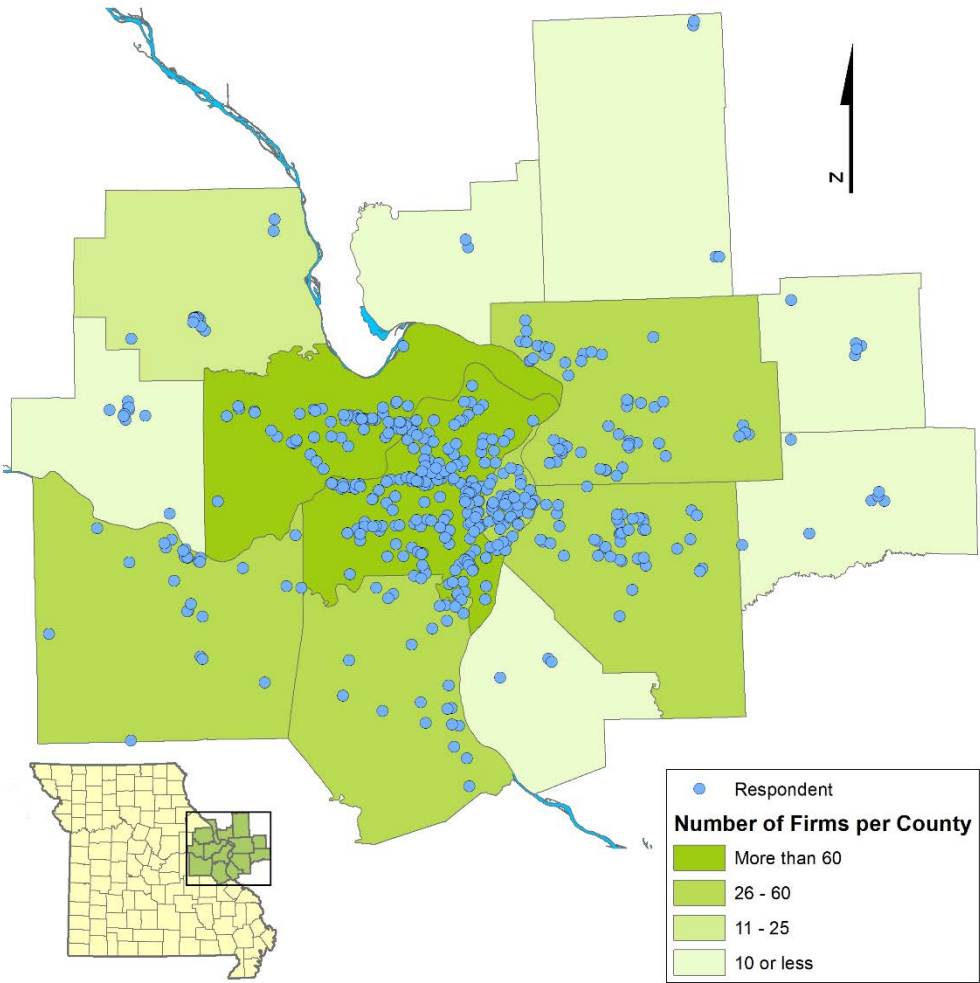
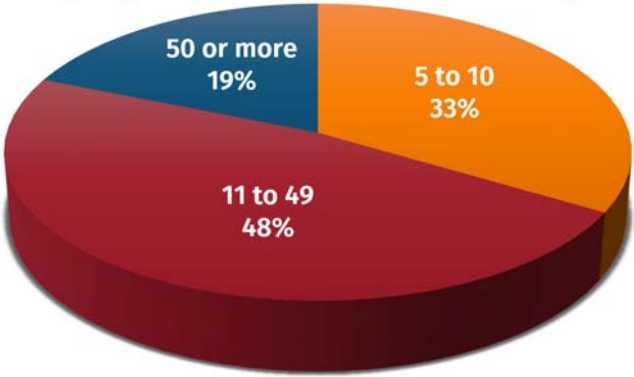
### 2021 Employer Survey Categories



respondents in past years. Companies employing fewer than five employees were not selected for interview.

Each employer was asked a series of 16 questions, several with multiple parts, to understand their hiring outlooks and challenges, as well as practices that either created barriers to or opportunities for employment and advancement. This is a reduction in the total number of questions from the 2020 survey, where we added a number of questions specifically about the immediate impact of the COVID-19 pandemic on employers' hiring and workforce decisions, but is still an increase from the number of questions asked in surveys before the pandemic. New questions surrounding remote work, types of background checks performed, significant employment level changes due to COVID-19, workforce initiatives, and concerns for the future were retained in this year's survey.

**Employment Size of Firms Surveyed**



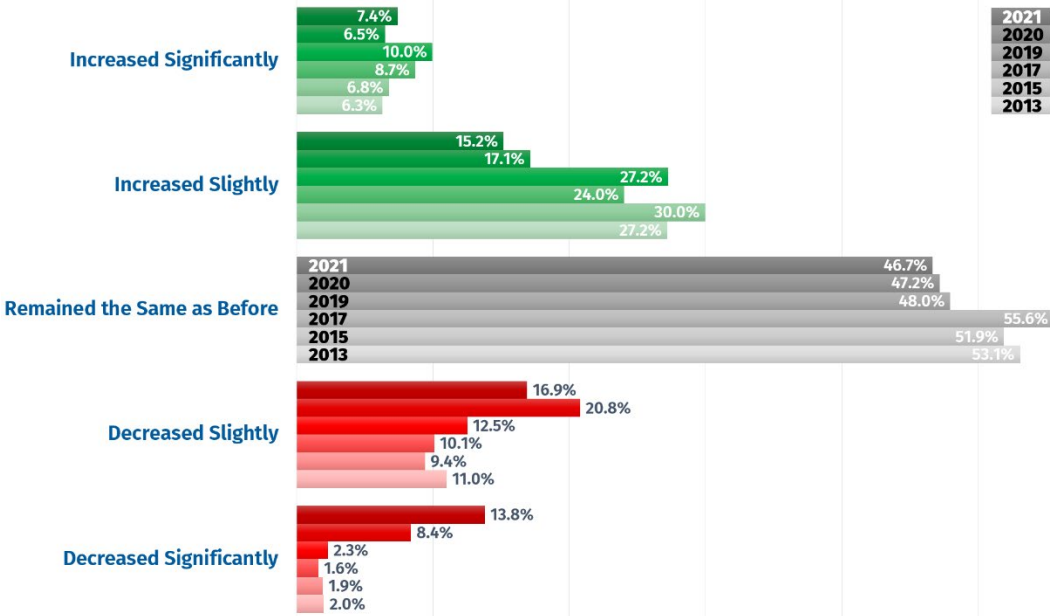
# Hiring Trends

It is no surprise that employers continued to cut back hiring sharply during the past 12 months compared to pre-pandemic years.

## The Past Year

Only 23% of companies reported increased employment in 2021, a percentage point lower than 2020 and significantly less than the 37% return in 2019. The number of employers reporting unchanged employment levels during the past 12 months stayed roughly consistent with the two previous years at 47%, but was lower in comparison with past all-industry surveys where this response ranged 52% to 56%.

### Change in Employment Levels over the Last 12 Months



A much larger percentage of employers (14%) reported significant staffing decreases during the last year compared with any year since 2013. This response was considerably higher than the 2020 results (8%), which is logical since last year’s survey included both pandemic and pre-pandemic hiring in the 12-month look back. Decreases overall (31%) were more than double the pre-pandemic rate and were higher than the 2020 results (29%).

However, just as we saw in 2020, some companies continued to hire into the pandemic, with employers reporting significantly increased employment levels at a higher rate (7.4%) than last year (6.5%). This was higher than the 2013 and 2015 results (6 and 7% respectively), but lower than the 2019 rate (10%). Sixty-five percent of employers that reported significant changes in employment levels attributed them to COVID-19, down slightly from the 2020 results (69%).

Our first hiring look back that encompassed a full 12 months of the COVID-19 pandemic was expected to show a negative trend, and the results confirm this has been the case

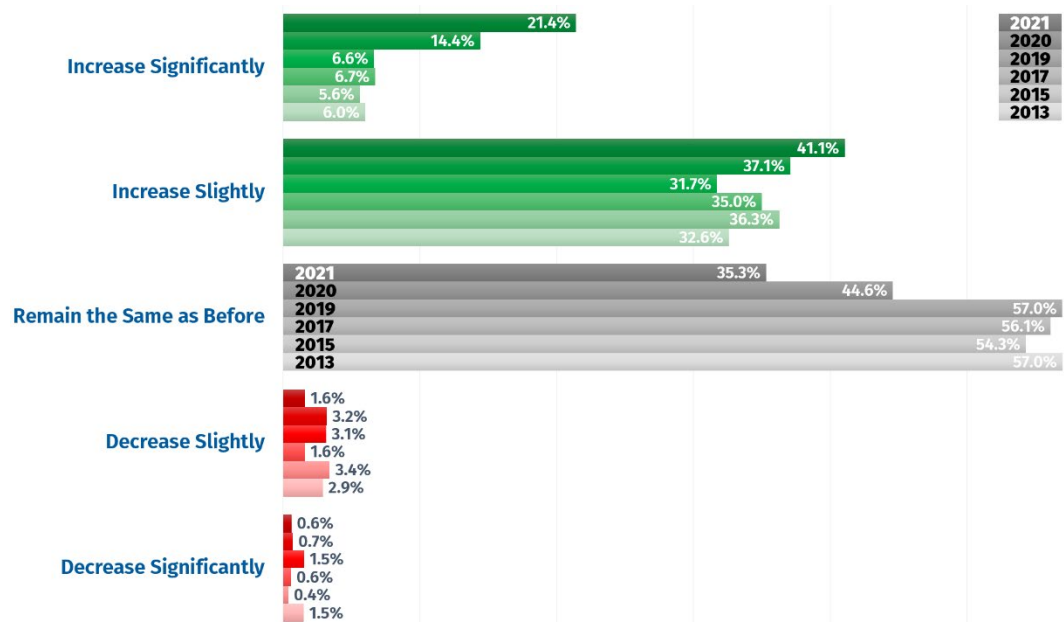
for the majority of regional employers. Just as they did last year, some companies continued to add workers despite pandemic conditions, and as shown in the next section, optimism about future economic conditions is high.

### Looking Ahead

Last year, more than half (51%) of employers indicated that they expected to increase staffing during the next 12 months. Optimism for 2021 is even greater, with nearly 63% of employers reporting they plan to increase employment levels—the highest level reported since our survey began. Twenty-one percent said they will increase employment significantly, which is 7% greater than in 2020 and more than triple the level reported in each of the four prior surveys. Continuing the trend seen last year, considerably less than half of employers (35%) indicated that they expected hiring levels to remain the same, once again indicating that most do not expect to be facing the current economic conditions for long.

2021 survey responses indicated only half as many employers anticipated slightly decreasing employment compared to 2020 (1.6% to 3.2%), while less than one percent (0.6%) believe they will significantly decrease staffing levels.

### Future Plans to Change Employment Levels in the Next 12 Months



Optimism is typical when employers are asked about planned changes to employment levels, and this year’s survey results are no exception. But it appears that the uncertainty around the pandemic had an outsized impact. When last year’s projection is contrasted with the 2021 survey’s 12-month look back, it seems employers did not expect the pandemic to last as long as it has. For example, in 2020, 14% of employers expected to increase hiring significantly, while only 7% actually did so. Thirty-seven percent stated they planned to increase slightly, while only 15% did. And in 2020 only

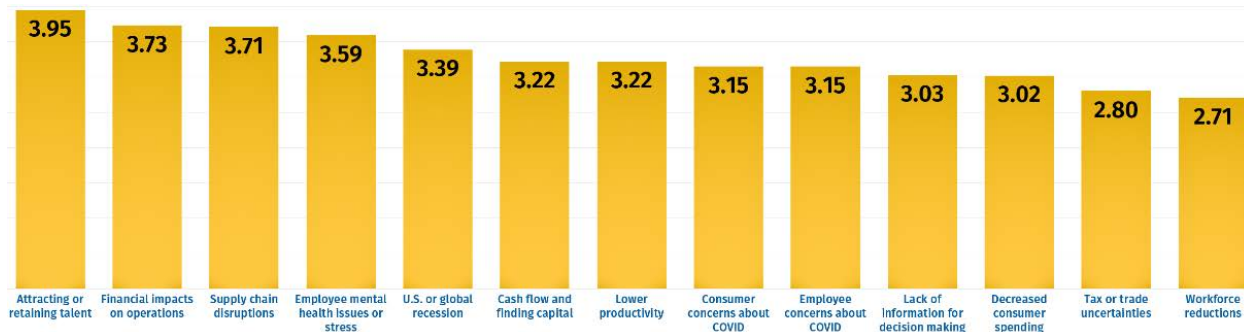
4% of employers said they expected to be decreasing employment over the next 12 months, while a massive 31% actually cut jobs.

### **Future Business Concerns**

Starting last year, we asked employers to rate the importance of future business concerns. Using a five-point scale—with 1 indicating no concern and 5 indicating very concerned—we calculated the average importance of a variety of potential challenges in the year to come.

While last year the COVID-19 pandemic was top of mind for most of the employers surveyed, this year concerns about COVID ranked eighth. Employers are much more concerned about normal business cycle issues such as attracting or retaining talent (3.95), financial impacts on operations (3.73), and supply chain disruptions (3.71). Employers reported being less concerned about workforce reductions (2.71) and tax or trade uncertainties (2.8), although the importance of these issues was higher than in the previous year. Of the 13 possible concerns, only two (consumer concerns about COVID and employee concerns about COVID) were reported as less important than in 2020, while attracting or retaining talent, lack of information for decision making, and lower productivity jumped more than an entire point in importance. It is worth noting that the average level of importance for all these business concerns shifted significantly higher from 2.66 in 2020 to 3.28 in 2021.

#### **Employer’s Top Concerns for the Future**



### **Expanding Employment**

The *State of the St. Louis Workforce* survey asked employers about perceived barriers to expanding employment.

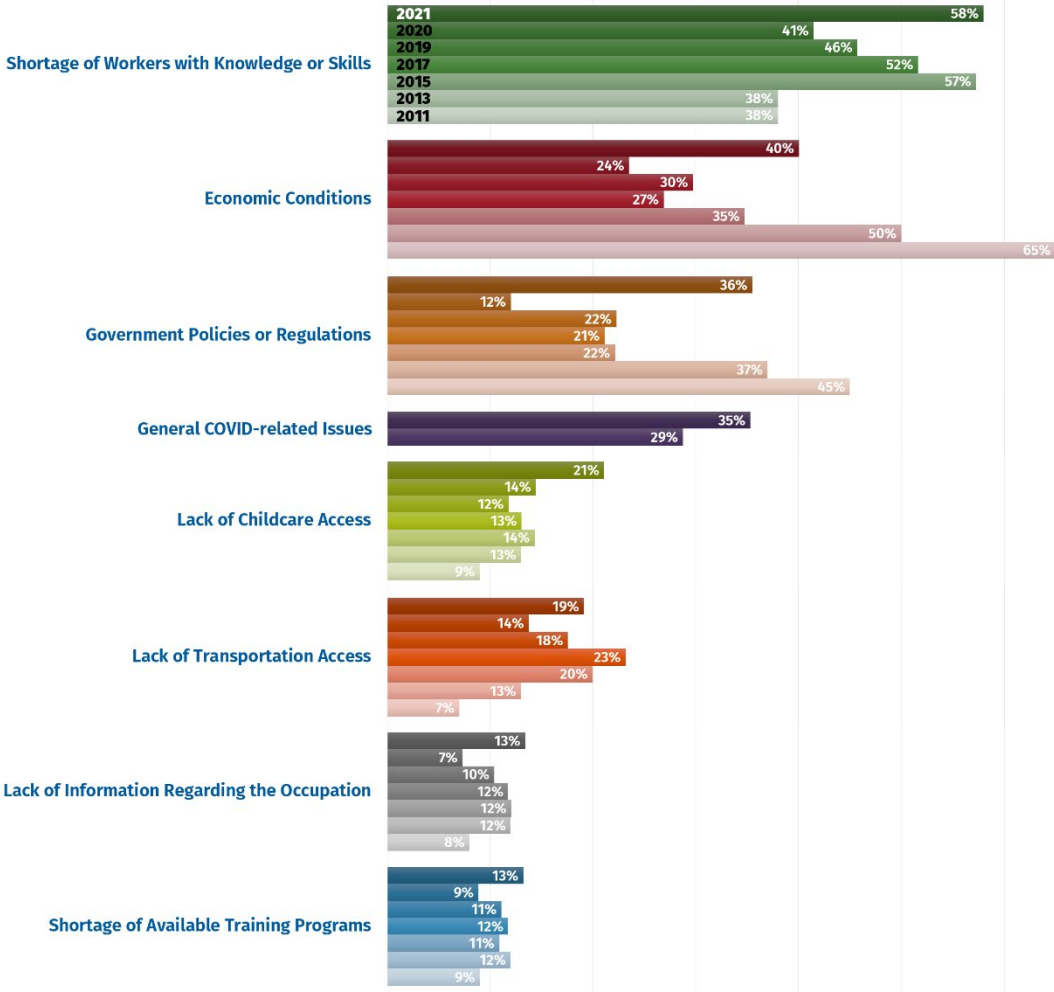
#### **Skills Gaps**

Since 2015, a shortage of workers with knowledge or skills has been the most common response and 2021 was no exception, with nearly six in ten employers (58%) citing this as a barrier. This represented a 17% increase compared to the 2020 response and was the highest level reported since the survey was started.

Barriers such as economic conditions (40%) and government policies or regulations (36%) increased drastically compared to the 2020 results (24% and 12% respectively), with the former approaching the post-Great Recession levels it had in 2012 and 2013. The tripling of government policies or regulations may be due to concerns about future public health mandates or other COVID-related regulations.

More employers this year (35%) cited a new category added in 2020, general COVID-related issues, although this was the fourth most common response after economic conditions and government policies or regulations. In general, more employers cited barriers in all categories in 2021 compared to the past year.

### Potential Barriers to Expanding Employment



### Employer Optimism

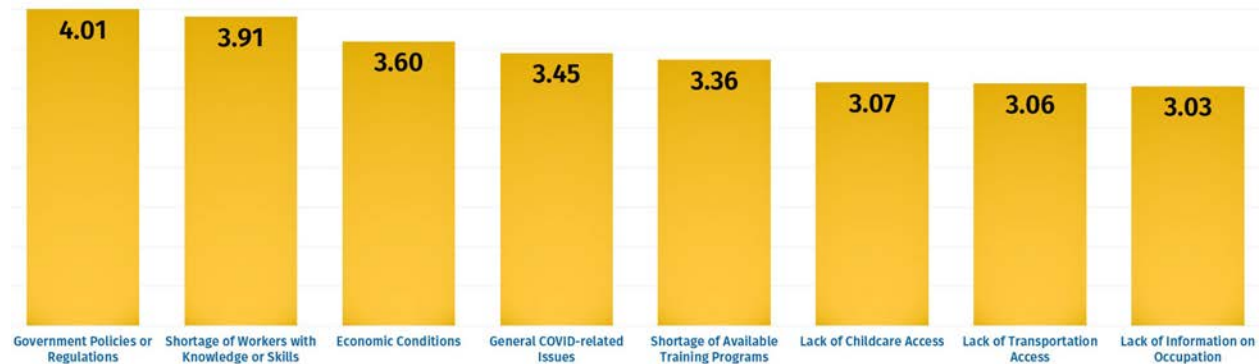
As previously noted, optimism for growth among employers is high, and the number of businesses not looking to expand dropped from 8% in 2020, which was the first time the question was asked, to only 4% this year. As a barrier to hiring, lack of childcare access (21%) increased to its highest level since the survey began, which was unsurprising based on the pandemic’s impact on K-12 schools, preschools and daycare

facilities. The percentage of firms reporting no barrier to hiring (12%) decreased five percentage points from last year and was in line with the surveys in 2017 and 2019. For those employers offering other barriers, a statistically significant number (4.1%) cited a combination of few applicants or applicants not showing up for interviews while 2% reported that unemployment made it more attractive for potential employees to stay home rather than work.

### Importance of Barriers to Expanding Employment

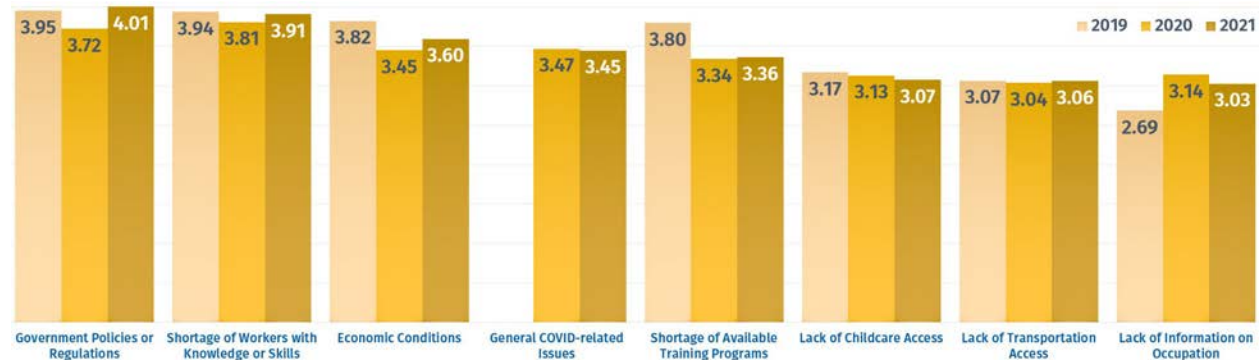
The survey also asked employers to rate the importance of barriers they have experienced using a five-point scale with five being the most critical. The highest weighted average response for any barrier cited (excluding an “all other” category) was 4.01 for government policies or regulations, a change from last year when shortage of workers with knowledge or skills topped the list. This is a bit of a return to the norm, since this category had been rated most important for the five years prior.

### Importance of Barriers to Expanding Employment



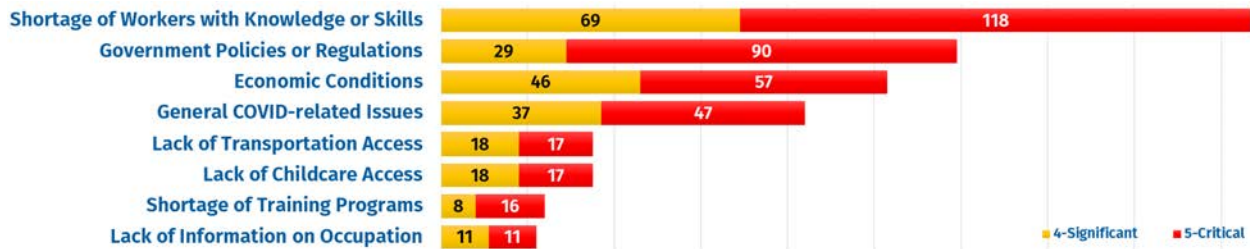
Shortage of workers with knowledge or skills was rated second-most important at 3.91, with economic conditions following at 3.60. General COVID-related issues, which was added as a new category last year, received nearly the same response (3.45) in 2021 as it did in 2020 (3.47). Shortage of available training programs (3.36) held fifth place, the same spot as last year, continuing a downward trend compared to 3.80 in 2019.

### Barriers to Expanding Employment (Importance by Year)



Employers who experienced barriers were asked, “How large is each employment barrier to your business?” Shortage of workers with knowledge or skills, government policies or regulations, and economic conditions received the greatest number of significant (ranked 4 out of 5) and critical (5 out of 5) responses, with 187 employers identifying the shortage of workers with knowledge or skills as highest in criticality.

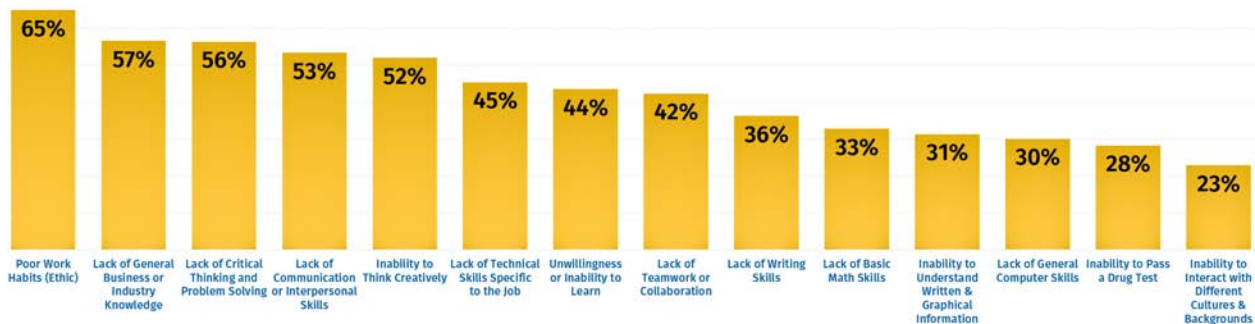
## Criticality of Barriers to Expanding Employment Experienced



## Shortcomings of Job Applicants

For the 2021 report, we asked employers about the possible shortcomings they were seeing in applicants for their available jobs. Leading the list as the most frequent response, as it has been since 2013, was poor work habits (65%), which includes the characteristics of attendance, punctuality, and attention to job. This was followed by lack of general business or industry knowledge (57%), lack of critical thinking and problem solving (56%), and lack of communication and interpersonal skills (53%). The last two responses give additional credibility to the importance of so-called “soft skills” or “power skills” for employers. Perhaps surprisingly, given the national and regional focus on preparing young people for STEAM careers, only 45% of employers cited lack of technical skills specific to the job as a shortcoming. This was a slight increase over the 2019 (39%) and 2017 (41%) results.

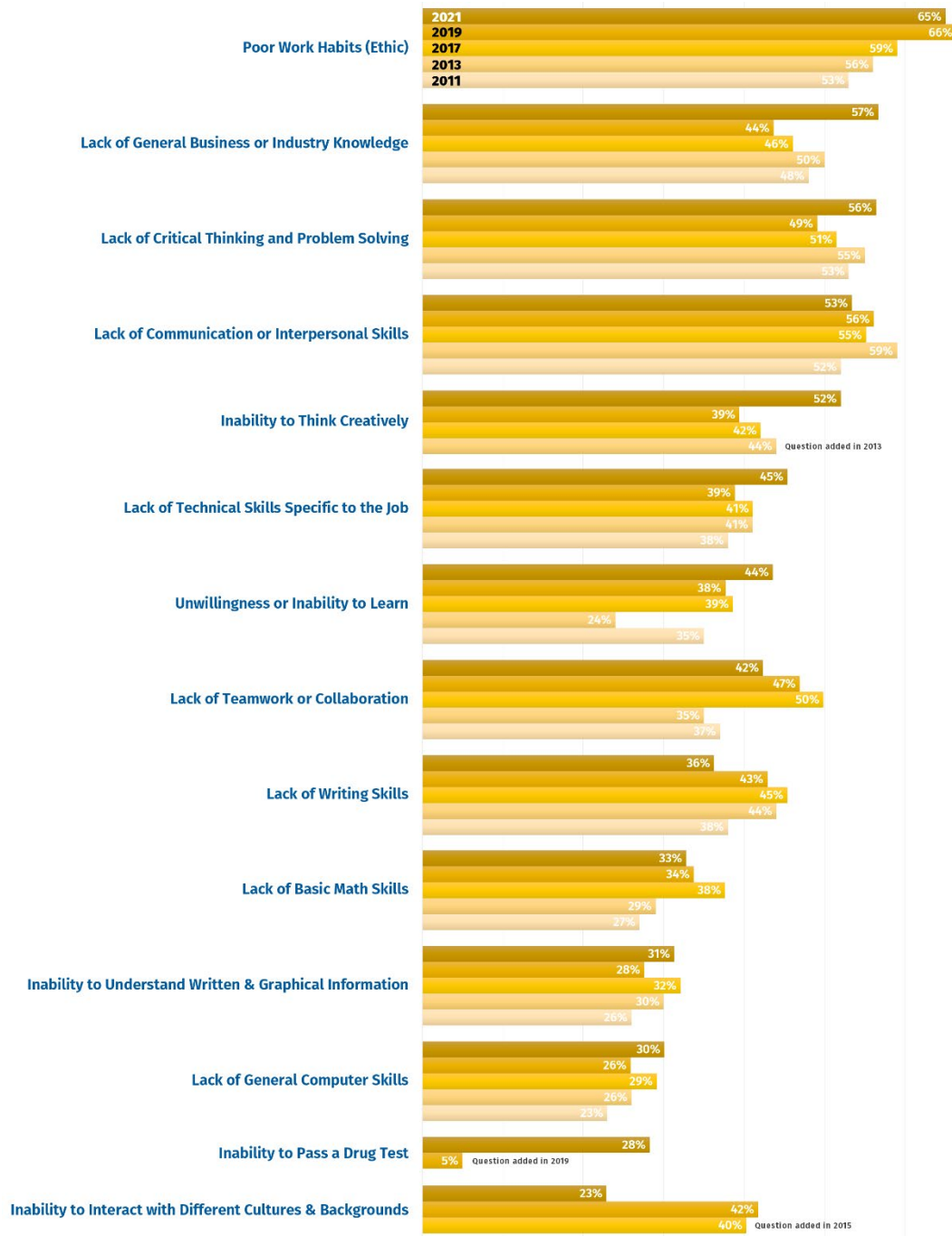
## Shortcomings Seen in Job Applicants in the Past 12 Months



Compared to the last time this question was asked in 2019, we saw significant changes in an inability to interact with different cultures or socio-economic backgrounds (declined from 42% to 23% this year), inability to think creatively (increased from 39% to 52%), and lack of general business or industry knowledge (increased from 44% to 57%). The percentage of employers reporting a lack of writing skills in applicants declined from 43% in 2019 to only 36% this year.



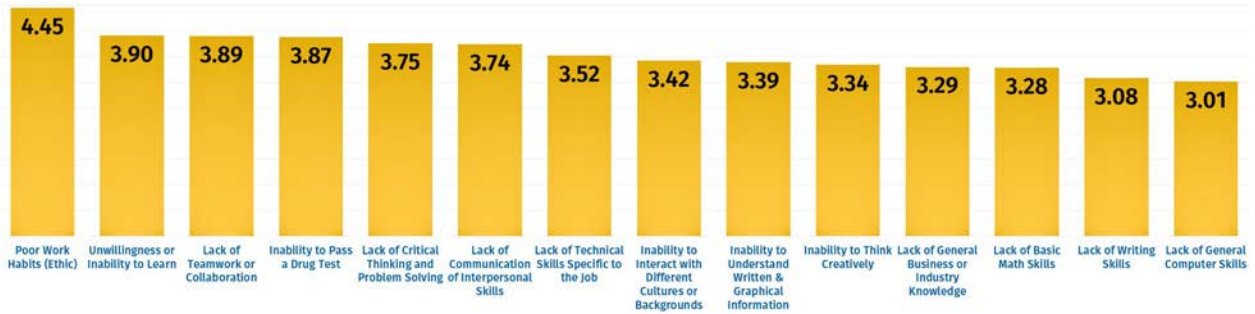
## Shortcomings Seen in Job Applicants



### Importance of Applicant Shortcomings

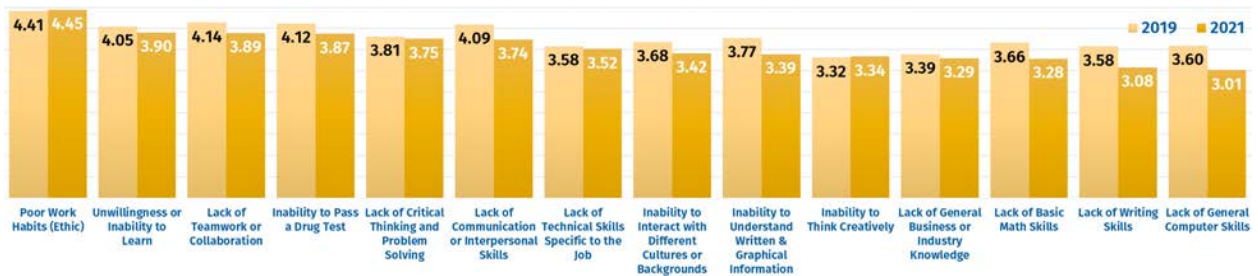
We also asked employers how important each of these shortcomings were, using the same five-point scale. Unsurprisingly, poor work habits (ethic) retained the top position held since 2015 with a rating of 4.45. Unwillingness or inability to learn (3.90) was rated second-most important followed very closely by lack of teamwork or collaboration (3.89), and inability to pass a drug test (3.87). Employers rated lack of general computer skills (3.01) and lack of writing skills (3.08) as less important.

## Importance of Shortcomings Seen in Job Applicants



The importance of both lack of computer skills (3.01 from 3.60) and lack of writing skills (3.08 from 3.58) dropped significantly from the 2019 results. Only two categories—poor work habits and inability to think creatively—increased in importance since 2019, and only very slightly (0.03 and 0.06 respectively).

## Shortcomings Seen in Job Applicants (Importance by Year)



Of the 516 employers who participated in our survey, 420 responded that poor work habits is the most significant (ranked 4 out of 5) and critical (5 out of 5) shortcoming they encounter. Unwillingness or inability to learn (353), lack of teamwork or

## Criticality of Shortcomings Seen in Job Applicants

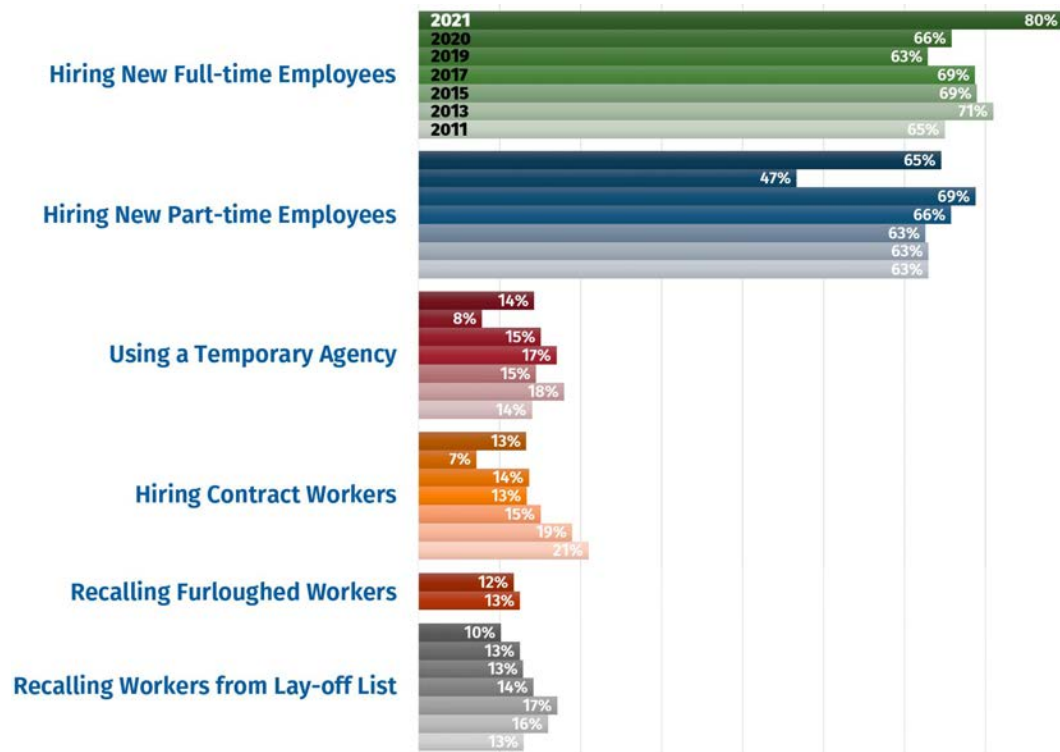


collaboration (352), and inability to pass a drug test (344) were the next most significant and critical shortcomings.

## Adding Employees

In 2021, an astounding 80% of employers indicated that, if they added workers, they would hire new full-time employees during the next 12 months. This is the highest level reported since the survey began and is significantly higher than both the 2020 and 2019 results (66% and 63% respectively).

### Methods to Add Workers



The number of employers indicating they would hire new part-time workers increased nearly twenty percentage points to 65%, rebounding to the middle of the normal range seen since 2011 (63 to 69%). Similarly, other methods to add new workers, including contract workers (13%) and using temporary agencies (14%), returned to historical levels after significant drops in 2020.

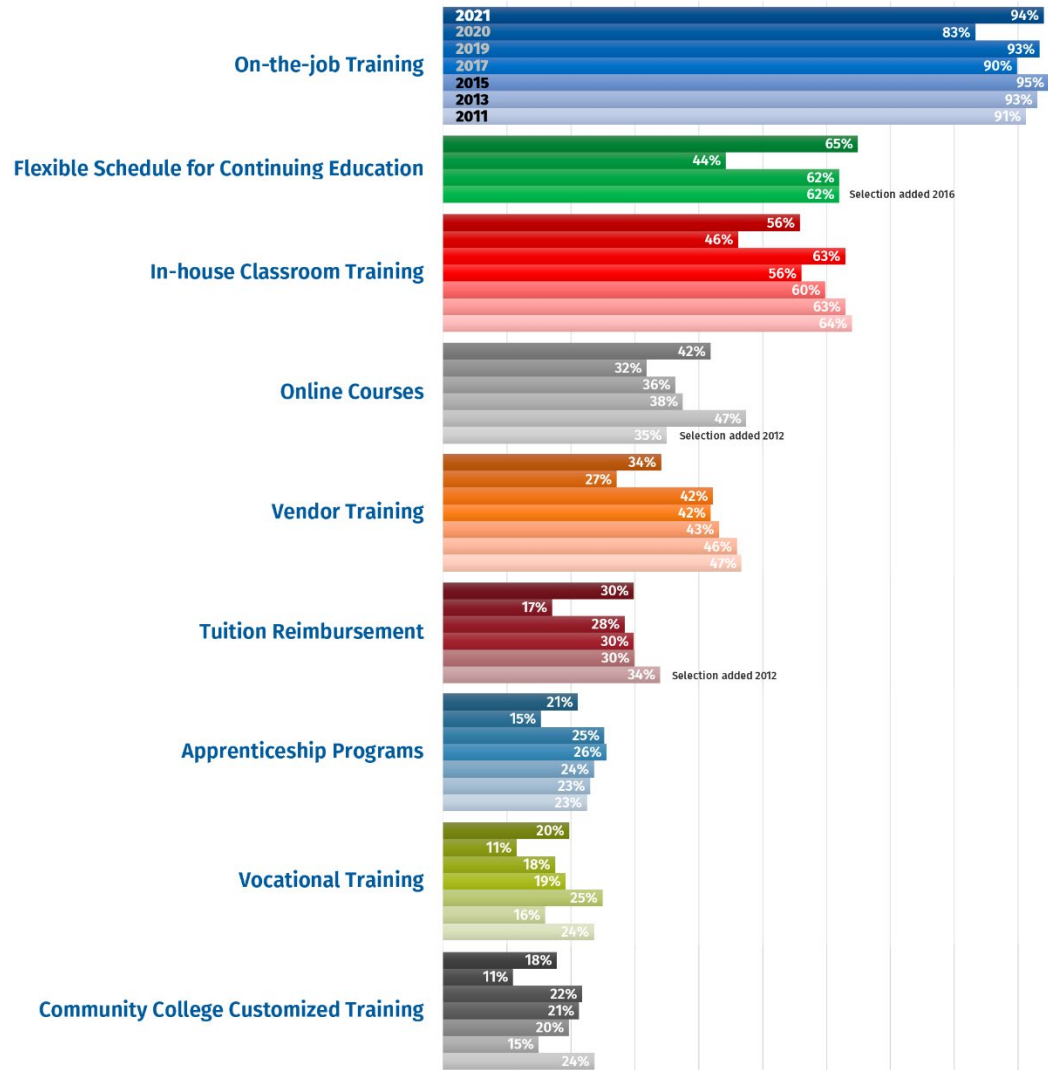
Recalling furloughed workers (12%), a new response option added last year, was roughly consistent with the 2020 responses, while recalling workers from a lay-off list was down slightly (10%) from last year's report (13%).

In 2020, companies reported little interest in using traditional risk mitigation techniques for staffing, such as contractors or temporary workers, and this trend seems to have continued. Confidence in a rebounding economy seems high as historical percentages of employers are looking to full-time staff, while other hiring methods appear to have returned to pre-pandemic norms.

## Methods of Skill Acquisition

Even with the pandemic creating challenges, on-the-job training remained the most common method to assist workers in obtaining new or increased skills, with 94% of employers citing this method. Flexible schedule for continuing education (65%) jumped sharply from the 2020 results (44%) to return to pre-pandemic levels.

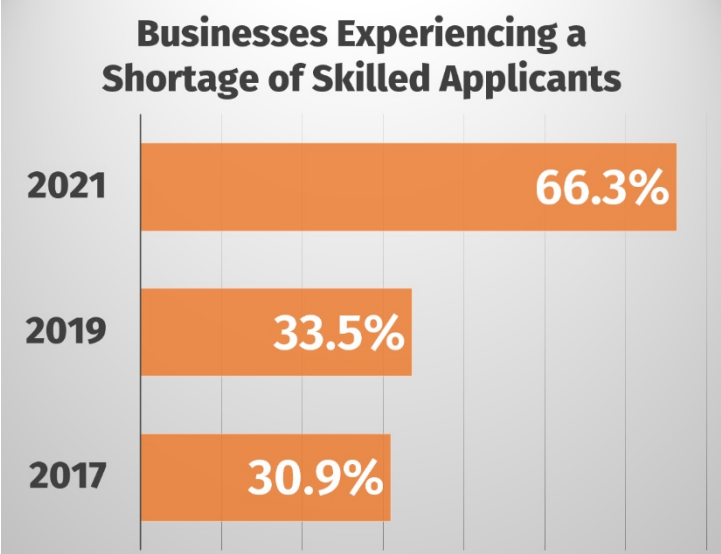
### Methods for New or Increased Skill Acquisition



While last year's responses to this question were down in every single category, employers indicated a return to pre-pandemic methods in most cases. Fewer companies reported using vendor training or in-house classroom training than in 2019 (34% vs. 42% and 56% vs. 63% respectively), which may indicate hesitancy to return to in-person group training sessions. Supporting this argument, the use of online courses (42%) increased a full 10 percentage points from the 2020 responses and is higher than the 2019 level (36%). This year, more than a quarter of respondents (28%) volunteered that they used other methods, such as internship programs, to assist current workers in obtaining new or increased skills.

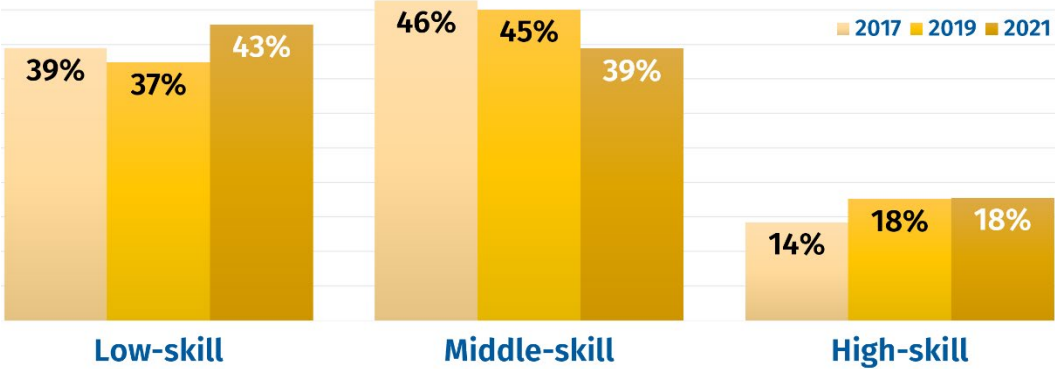
**Shortage of Applicants**

Despite the fact that by the end of 2019 we were facing a 3.3% unemployment rate and were hearing regularly from employers about the difficulty they faced in finding candidates, this year’s survey indicates an even tighter labor market. A full two-thirds of employers (66.3%) this year reported that they were experiencing a shortage of skilled applicants, an increase of nearly 33% since the 2019 survey.



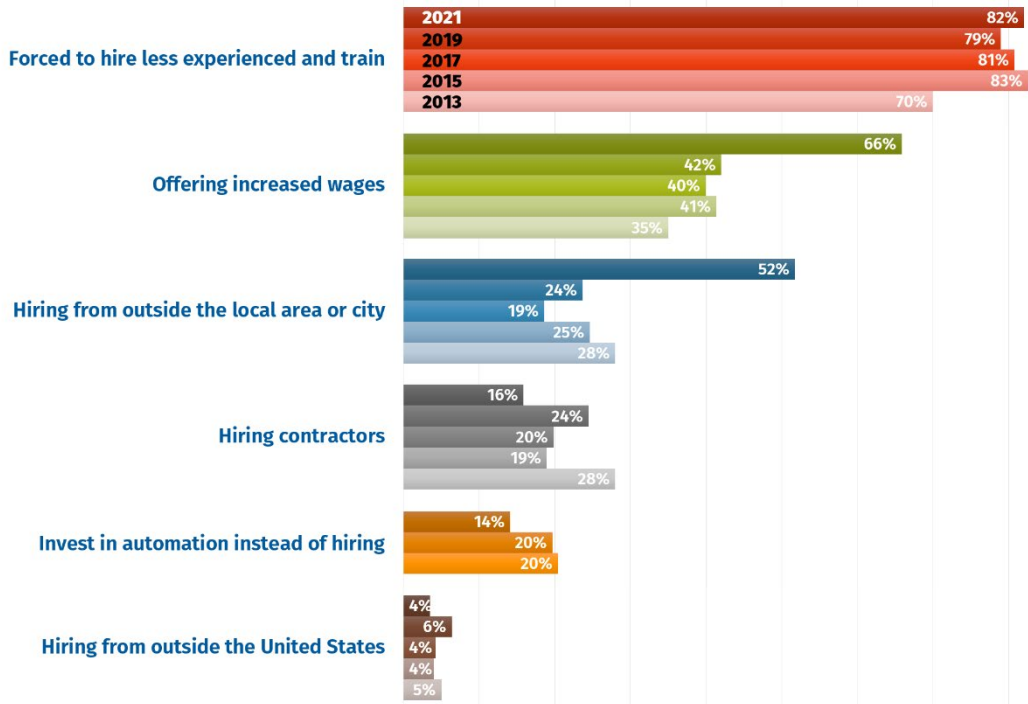
We then asked employers which average skill levels were required to meet their skill shortages, given a choice of high-skill (requiring a four-year degree or higher), middle-skill (requiring training or education beyond high school but less than a four-year degree), or low-skill (requiring a high school diploma or less.) For the first time since we started asking this question, middle-skill applicants (39.4%) were not the top choice; the answer trended toward low-skill applicants (42.9%). This was a decline of nearly 6% compared to both the 2019 (45%) and 2017 (46.4%) results. High-skill applicants (17.8%) remained nearly the same as the 2019 response (17.6%).

**Average Skill Level Required to Meet Skill Shortages**



When asked what measures they were taking to meet applicants’ skill shortages, more than eight in ten employers (82%) reported they were forced to hire less experienced workers and train them, which has consistently been the most common response. The second most common response continued to be offering increased wages (66%), though it is worth noting that this increased massively since the 2019 survey (42%). Hiring from outside the local area or city (52%) had the greatest change since 2019, when this response was indicated by only 24% of employers. The greatest decline was in hiring contractors (16%), down from the 2019 report (24%) and at its lowest level ever recorded in our survey.

## Measures Taken to Meet the Skill Shortages of Applicants



## Skills Shortages in Functional Areas

Since 2017, our survey has asked employers about their workforce in seven key functional business areas: accounting/finance, business management, customer service, information technology, manufacturing/maintenance, patient care, and skilled trades. We asked if employers employ workers in these areas and whether they are having challenges finding skilled applicants for these positions. More employers reported shortages this year in every single category compared to 2020, with five of the seven categories reporting the highest levels since we began asking this question.

## Percentage of Firms that Employ Specific Business Functions



The highest employer shortage response was in the skilled trades functional area, with nearly three-quarters (74%) of those companies employing skilled tradespeople seeing a shortage of skilled applicants—a 14% increase over the 2020 response.

Unsurprisingly, during an 18-month-long pandemic, patient care was the second-highest response at 67%, up 14% since the last year.

Manufacturing/maintenance was the third most common response, with 55% of employers reporting shortages for this function, a 15% increase from 2020 and an increase from prior years. A shortage in customer service functions held the fourth-most common response at 45%, another large increase from the 2020 result (32%).

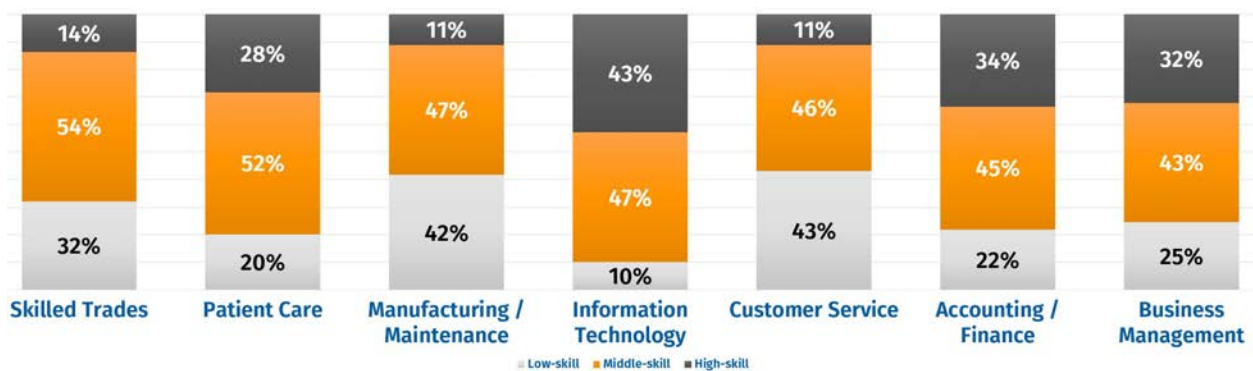
### Firms Reporting Applicant Shortages in Functional Areas



Once again, despite the buzz around technology boot camps and the significant numbers of open jobs in information technology roles, only 27% of our respondents indicated a shortage of applicants. This represented a 12% increase from the puzzling 2020 response and nearly matched the 2019 level (28%). Some of this may be explained by the size of the companies surveyed—81% of the respondents have less than fifty employees; thus, they may not be large enough for specialized information technology positions. Shortages of applicants in business management were reported at the same level (27%), an increase of 6% from the 2020 report.

In order to gauge the skill level required to meet the shortages in each of the seven functional areas, employers were given a choice of high-skill, middle-skill, or low-skill (as previously described in the *Shortage of Applicants* section).

### Applicant Skill Levels Sought

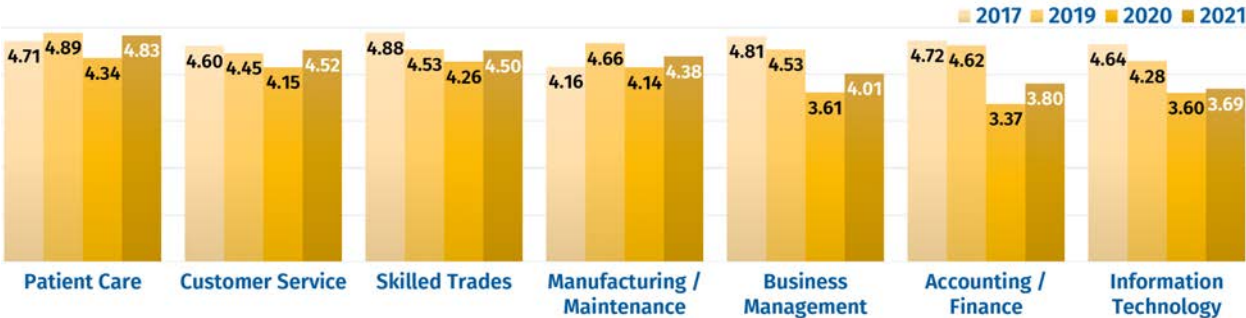


For the first time since the report was initiated, middle-skill (requiring training or education beyond high school but less than a four-year degree) was the most cited skill level for all seven functional areas. The response was highest for skilled trades (54%), followed closely by patient care (52%) which had the highest rate in the 2020 survey. The demand for middle-skill customer service jobs (47%) increased significantly from

last year (38%) while accounting/finance moved in the opposite direction with employers saying only 45% of their open jobs in this category were middle-skill in 2021 compared to 54% in 2020.

Interestingly, it appears the shift in applicant skill levels sought was from middle-skill to low-skill jobs, with employers reporting 22% of available accounting/finance jobs in the low-skill category in 2021 compared to only 12% in 2020. This was the only category where low-skill jobs saw an increase year-to-year, with other categories seeing fewer openings for low-skill workers ranging from 3% less in skilled trades (32% in 2021 vs. 35% in 2020) to a surprising 11% less in patient care (20% in 2021 vs. 31% in 2020).

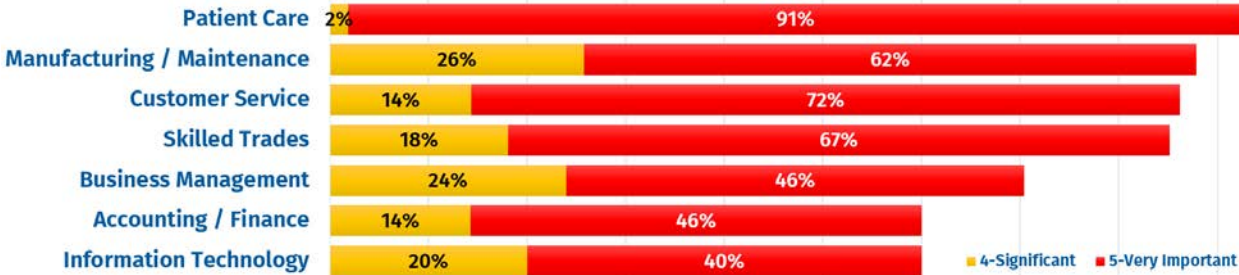
### Functional Skill Shortages (Valued by Importance)



Employers were once again asked to rate the importance of shortages to their business. The rating was on a five-point scale, with 5 as most important. Unsurprisingly during a global pandemic, patient care (4.83) retained the top spot in importance by job function and increased in importance from the 2020 results (4.34). Customer service continued its climb in importance to hold the second spot (4.52), up from third place in 2020 and fifth place in 2019. Skilled trades closely followed at 4.50, with the results rounded out by manufacturing/maintenance (4.38), business management (4.01), accounting/finance (3.80), and information technology (3.69). This last result is once again a puzzling response considering the high level of anecdotal concern from employers and in the business press placed on the number of open information technology jobs in the St. Louis region.

For employers experiencing a shortage of skilled applicants in functional areas, most indicate that shortage is significant or very important. For patient care employers

### Criticality of Functional Skill Shortages





experiencing applicant shortages, 91% report their shortage as very important. Significantly over half of manufacturing/maintenance (62%), customer service (72%), and skilled trades (67%) employers identified their shortage as very important (5 of 5).

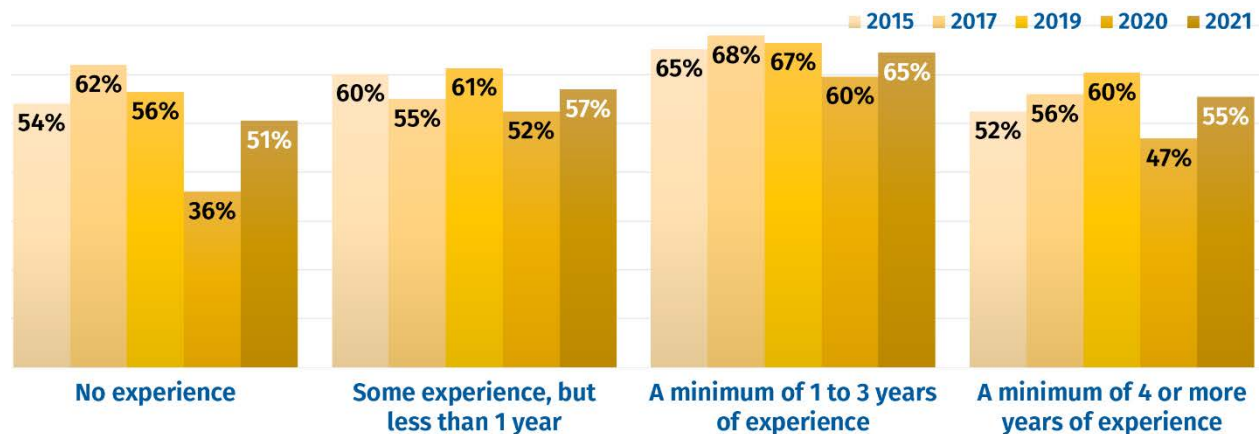
## Experience and Education

In order to understand potential barriers to entry into the workforce, we ask employers each year about the percentage of positions that require certain levels of experience and education. Last year’s report contained potentially concerning responses that seemed to indicate far fewer positions open to those with no experience or to graduates of short-term training programs. But this appears to be a pandemic-related blip as the responses this year reverted towards the historical norms.

### Experience Requirements

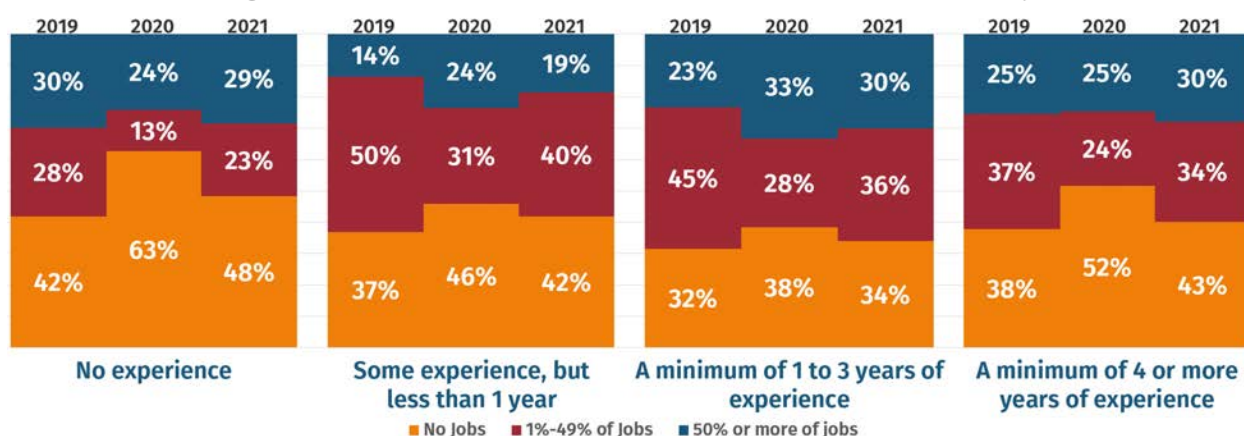
In 2021, 55% of employers reported having positions requiring four or more years of experience, up considerably from the 47% last year but down from the 60% reported in 2019. 65% of employers reported having positions that required a minimum of one to three years of experience, up 5% from last year, while the percentage of employers reporting that they had positions requiring some experience but less than one year grew from 52% to 57%. Last year’s concerning response—employers indicating they had at least some jobs requiring no experience—rebounded from 36% to 51% this year.

### Employers with Jobs at Specified Experience Levels



Looking at the details of these responses, it is also interesting to see the shifts in the percentage of jobs each employer has at the various experience levels. For example, in 2020, 63% of employers stated they had no jobs for those without any experience while in 2021 only 48% of employers said this. This year, 19% of employers responded that three-quarters of all of their jobs were open to those with no experience, which matches the high reported back in 2015. At the other end of the scale, 43% of employers in 2021 reported having no jobs requiring a minimum of four or more years of experience while last year 52% of employers said the same.

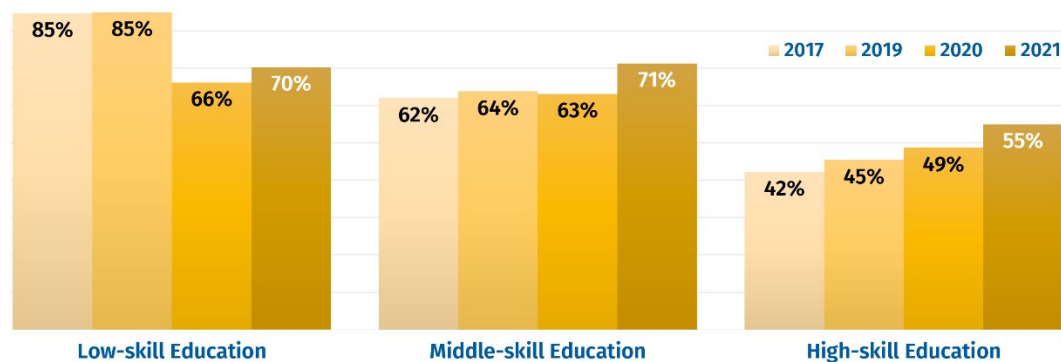
## Percentage of Positions Available for the Indicated Level of Experience



## Education Requirements

We asked employers about the education requirements for their positions at each of the skill levels as previously described in our model of skills by low, middle, and high. Once again, these levels are defined as high-skill (requiring a four-year degree or higher), middle-skill (requiring training or education beyond a high school diploma but less than a four-year degree), or low-skill (requiring a high school diploma or less).

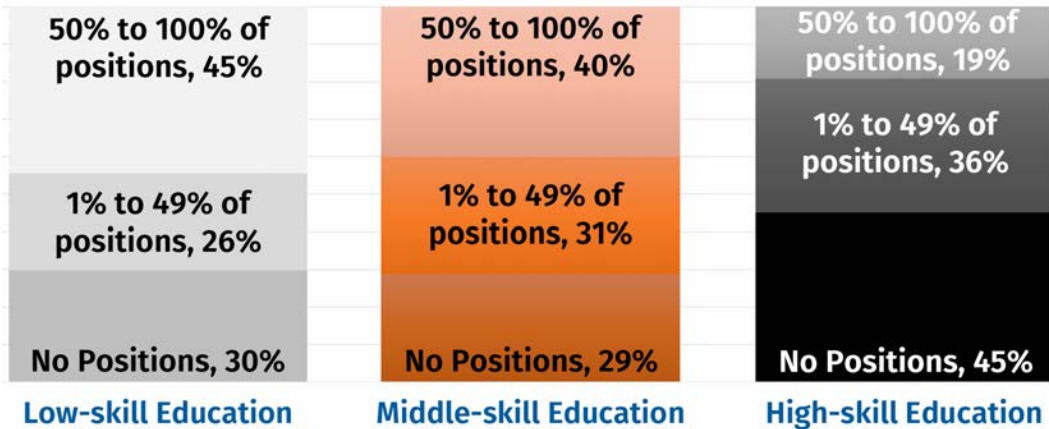
## Employers with Jobs at Specified Education Levels



While more than two-thirds (70%) of employers said they had positions requiring a low-skill education—an increase of 5% from 2020—this is still a large decrease from the more than 80% of employers reporting these same education requirements in 2017 and 2019. The middle-skill education results (71%) increased just less than 10% compared with each of the last three reports dating from 2017. As has been the case during that timeframe, the fewest number of employers reported having high-skill education level, with 55% indicating availability of these positions in their organizations. This percentage has climbed steadily each report from the 42% indicated in 2017.

Employers were also asked about the percentage of positions they had at each of these levels, with the biggest changes noted in the high- and middle-skill responses. In 2020,

## Positions by Specified Education Levels

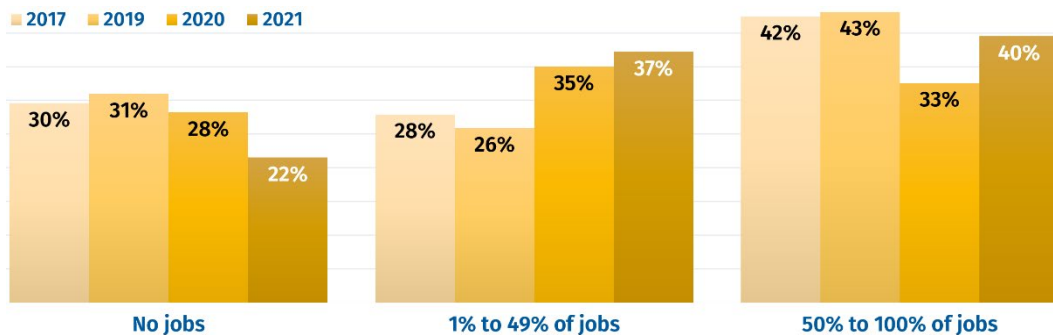


37% of employers stated they had no middle-skill jobs; this fell to 29% this year. The reduction led to gains across all the other options, but the largest gain was in the category of employers reporting 50% to 74% of their jobs required middle-skill education (20% vs. 13% in 2020). For high-skill education levels, the biggest change was in the percentage of employers reporting 1% to 24% of their jobs requiring this education. In 2020 only 16% of employers reported this level, while in 2021 the number stood at 23%.

### *Opportunity and Advancement*

Since 2015, we have asked employers about the percentage of jobs in their organizations that would be available to applicants who had completed short-term training, defined as training relevant to their industry and taking six months or fewer after finishing a high school diploma to complete. The percentage of companies reporting jobs available to these individuals has been remarkably consistent—between 69% to 72% during the past seven years. In 2021, the highest number of employers ever (78%) stated they had positions available for those with short-term training, and 37% of employers reported having fewer than half of the jobs in their business available, while 40% reported more than half.

## Jobs Available with Short-Term Training



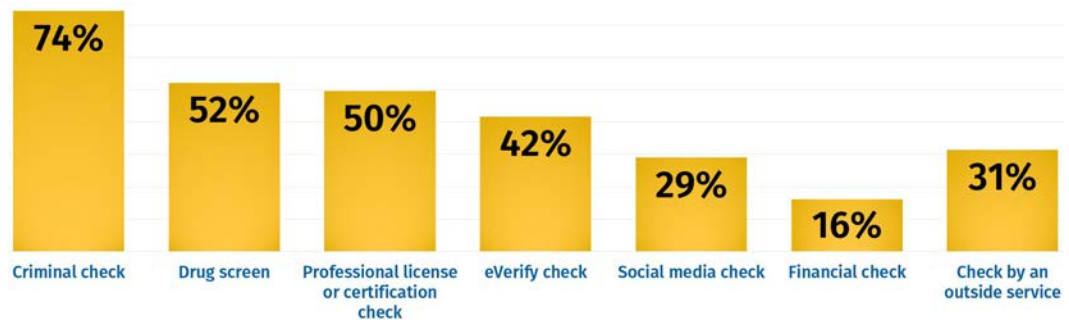
## Employment Barriers

Our 2019 report examined barriers that have historically prevented some individuals from joining the labor force, such as criminal convictions or background checks. We were interested in seeing if these barriers changed at all during the COVID-19 pandemic. For this year's report, we asked employers about the percentage of jobs in their company requiring certain background checks prior to hiring.

### Pre-employment Screening Checks

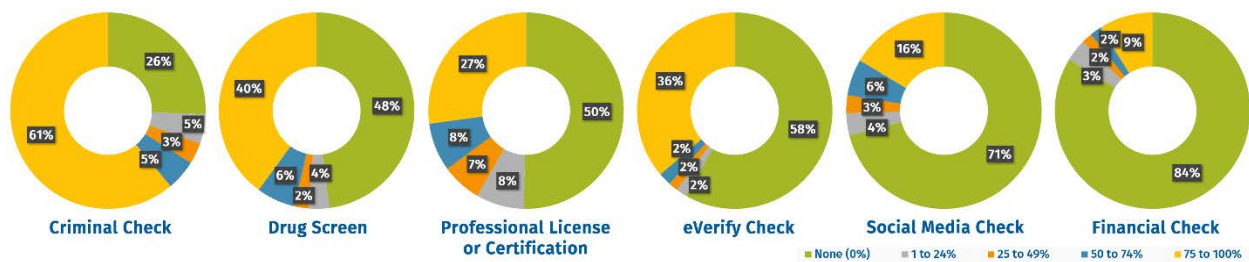
As we had seen in years past, many of the various pre-employment screening checks are an “all or nothing” affair. For example, 61% of companies require criminal checks on at least three-quarters of their jobs, while 26% of companies do not require these checks for any position. Only 13% of companies were somewhere in the middle. Drug screening was more of an even split, with 46% of employers requiring this for half or more of their jobs, and 48% not requiring it at all.

### Companies Requiring Pre-employment Screening Checks



Only 9% required financial checks for most (74-100%) of their jobs, while 84% do not require this sort of screening for any job, with only 8% somewhere in between. Social media checks, a relatively new phenomenon, most closely resembled financial screenings, with only 22% requiring it for more than half their jobs while 71% did not require it for any. A professional license or certification check, perhaps understandably, was more of a mixed result, with half of employers (50%) not requiring it at all, 27% requiring it for at least three-quarters of jobs, and 23% somewhere in between.

### Percentage of Jobs Requiring Screening Checks



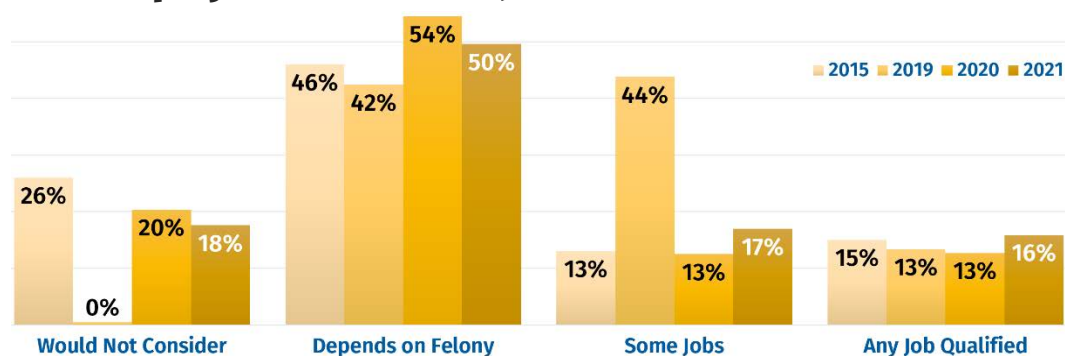
In 2019, a tiny 1% of respondents said they do not require a background check for any of their positions. The 2021 results are more in line with the first time we asked this

question in 2015, when 26% reported not requiring a background check for any job. At this point, it is unclear if the 2019 result was an anomaly; with the ongoing efforts to “Ban the Box,” we believe this will continue to be a category to watch in coming surveys.

### *Justice-Involved Individuals*

As we seek to understand barriers to employment, we once again asked employers if they would hire an applicant convicted of a felony offense who had completed their sentence. In 2021, only 18% of employers said they would not consider such an applicant, down 2% from the 2020 result. While this is a significant increase from the 2019 result, when less than 1% of employers were in this category, the responses this year more closely resembled those from 2020 and 2015, indicating that the 2019 response may have been an outlier.

#### **Employer Positions for Justice-involved Individuals**

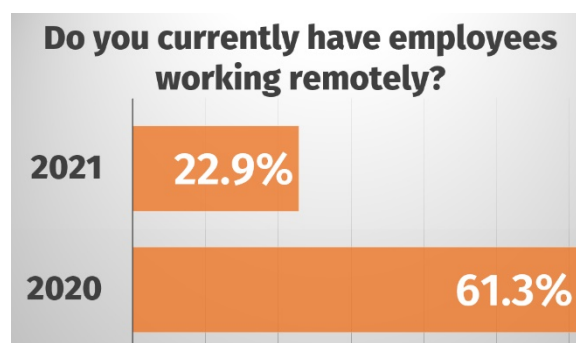


A full 50% of employers said their willingness to hire a justice-involved applicant depends on the felony (down from 54% in 2020), while 17% said they would consider such an applicant for some jobs and 16% said they would consider the applicant for any job they were qualified for. This is an increase of 3% from the 2020 response and is the highest level reported since we began asking this question in 2015.

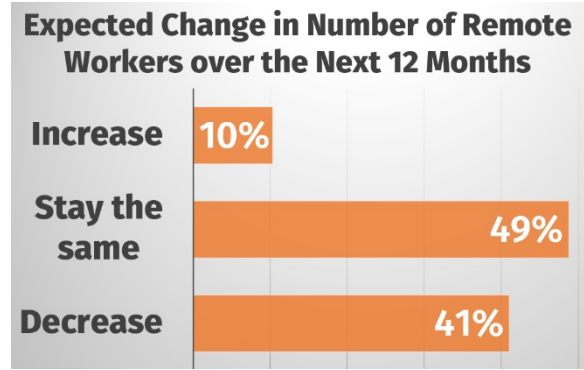
### *Remote Work*

Last year we noted that St. Louis regional employers did not seem sold on remote work—even in the midst of the pandemic. Much of this is likely due to the high percentage of companies we survey being small- to mid-sized businesses, thus possibly less able to be physically distanced from their customers or lacking the often-significant amount of information technology infrastructure needed. However, the return to the physical workplace was more rapid and widespread than we had expected.

During our 2020 survey, just less than two-thirds of employers (61.3%) identified employees working remotely—this percentage dropped drastically in 2021 to 22.9%. This reduction took place even though



fewer employers (45%) reported challenges working remotely than they did last year (57%). This trend looks set to continue: 41% of employers with currently remote employees plan to reduce the number of those workers during the next 12 months, and only 10% indicated that they will increase remote workers. Just less than half (49%) of employers currently employing remote workers responded that they will stay the same for the coming year.



### Workforce Initiatives

Finally, a question added last year sought to understand changes employers were considering regarding the business climate with particular focus on their workforce. We saw some general themes regarding a focus on new ways to serve customers as well as increasing workforce resilience, both themes which appear to have continued in 2021 even more strongly.

### Workforce Initiatives Being Considered for Next Year



A full two-thirds of employers (66%) are considering new ways to serve customers, up from 48% last year. And increasing numbers are looking to increase agility in product and service offerings (55% vs. 39% in 2020) and invest in technology (55% vs. 36%). The theme of workforce resilience gained even more momentum, with 72% of employers—the highest response for any category—stating that they are considering cross-training and knowledge transfer, up from 42% last year. Of our respondents, 65% reported considering reskilling or upskilling employees to new ways of working, a 29% increase, while 53% of employers indicated they were considering succession planning, a 24% increase from 2020.

An increased focus on employee well-being is also clear, with 70% of employers reporting considering increased employee care and engagement, up 32% from the 2020 survey. Fifty-four percent said they were considering flexible working, an increase of 21% from last year, while 56% reported new learning and skill training delivery methods (30% in 2020). Only one initiative slightly lost favor compared to last year—remote working (21%)—while reduction in workforce grew only slightly from 8% to 11% in 2021.

## *Sharing in the Recovery*

We are all acutely aware of the breadth of the COVID-19 economic disruption. Few companies and individuals have managed to navigate the past 18 months unscathed. But we know that, just as the Great Recession impacted economically disadvantaged groups in disproportionate ways, COVID-19 has hit our most vulnerable neighbors hardest. In our next section, *Equitable Recovery, Equitable Opportunity, Equitable Growth*, a joint effort of the Federal Reserve Bank of St. Louis and St. Louis Community College, we will look at how St. Louis' employers, educators and civic institutions can help those most affected by the COVID-19 pandemic share in the recovery with quality jobs and increased opportunity.



In the next ten years, Metro St. Louis can transform itself into a truly 21st-century metro that is powered by strong industry clusters, skilled workers, inclusive workplaces and a healthy urban core. The bi-state metro has the prerequisites for inclusive growth—now is the time to act.

The vision for the St. Louis metro is no less ambitious—to be nationally recognized by 2030 as a leader on inclusive growth. Regularly tracking progress on the following five core priorities will inform implementation and keep the metro focused on this objective:



A quality job is defined as those that pay 80% or more of the national median wage (i.e., \$40,000 or more in 2020)

These priorities are grounded in our definition of inclusive growth, which calls for substantially increasing the number of quality jobs while reducing racial and spatial disparities in income, health and wealth.

Find out more at: <https://www.greaterstlinc.com/jobsplan/>



# Equal recovery, opportunity, growth.



When you think of the St. Louis region’s workforce, many images may come to mind. You may think of the more than 145,000 employed in the technology-intensive services sector, or the construction workers heading to a work site during your morning commute, or the frontline health care workers.

But the workforce is also a web of actors including employers, workers, workforce development boards, training providers and community partners working together to align resources to not only build the skills and qualifications of workers, but ensure good jobs that benefit both worker and employer.

With the rollout of vaccines and businesses reopening, many employers are looking to increase staffing levels. As the region pivots toward recovery, creating an economy that is equitable—whereby all can participate and derive benefit from the economy—is key.

However, inequities persist for Black and Brown people, low-wage workers and women. For example, in Missouri alone the unemployment rate for Black workers in the third quarter of 2020 was twice the rate for whites.<sup>1</sup> While wage growth remains in line with the pre-COVID trends, employment rates among low-wage workers remain significantly lower compared to high-wage workers.<sup>2</sup> And the drop in the average labor force participation rate for mothers during the first quarter of 2021 compared to the first quarter of 2020 is about double that of fathers.<sup>3</sup> During 2020 alone, racial gaps in wages and employment for working-age people cost the region more than \$17 billion in lost gross domestic product.<sup>4</sup> Disparities in the system are felt by the whole region, but Black and Brown workers bear the greatest burden.

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**As the region pivots toward recovery, creating an economy that is equitable—whereby all can participate and derive benefit—is key.**

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These inequities, coupled with additional workforce challenges such as transportation, health care and child care, impact both employers and workers. Many employers are working diligently with workforce development providers to alleviate these types of challenges and provide additional support, but barriers remain.

That’s why St. Louis Community College has partnered with the newly formed Institute for Economic Equity at the Federal Reserve Bank of St. Louis. Through research,

community-based analysis and engagement with critical stakeholders, the Institute works to understand systemic barriers that may prevent all from deriving benefit from and in the economy, and endeavors to offer more-effective guidance toward creating greater awareness and opportunities for individuals and marginalized populations who encounter these unique challenges.

### ***About the Institute for Economic Equity***

Before discussing the Institute for Economic Equity (IEE), it is important to mention its predecessor: the Center for Household Financial Stability. Among its many contributions, the Center researched the widening wealth gap between white and Black families. According to The Demographics of Wealth report, various factors predict wealth, including an individual's race and ethnicity, birth year, education level and parents' education level. These factors also intersect with one another. For example, although education plays an important role in determining wealth, white families with college degrees saw increases, while the wealth of Black families with college degrees decreased between 1992 and 2013. This suggests deeper structural challenges that create barriers for Black families and other marginalized communities to achieve economic prosperity.

Based on these and other findings, the IEE was launched with a premise that the economy should work for all citizens, regardless of their race or ethnicity, gender or where they live. To ensure the economy works for everyone, the IEE has three primary goals:

- examine how low- to moderate-income (LMI), low-wealth or systemically disenfranchised individuals and communities interact with the economy;
- identify structural and institutional disparities that suppress the ability of historically marginalized communities to participate in and derive benefit from the economy; and
- advance evidence-based ideas and policy analysis to foster a more equitable economy.

### ***The Time for Equitable Recovery, Opportunity and Growth***

Why focus on equitable recovery, equitable opportunity and equitable growth now?

COVID-19 and its economic fallout have exposed these disparities and accelerated the urgency of creating an equitable economic recovery plan to address inequities in job and income loss.

The *STL 2030 Jobs Plan* sets out to answer these questions and eliminate the racial and spatial gaps that limit access to economic mobility.

Valerie Patton and Bruce Katz were two of the many architects involved in creating the *STL 2030 Jobs Plan*. In speaking with these leaders—each of whom brings perspective from a national and/or regional level—we hoped to gain a deeper perspective on:

- the definition of “quality jobs,”
- building the pipeline to equitable opportunity,
- the workforce of the future, and
- the role employers, institutions and individuals can play in helping our region become a talent engine and magnet for workers living in St. Louis.



Valerie E. Patton has spent the last two decades building, leading and designing diversity and inclusion strategies. She is a connector, innovative catalyst, teacher and proven thought leader. Currently, Patton serves as chief diversity, equity and inclusion officer and president of the Greater St. Louis Foundation at Greater St. Louis, Inc., the recently formed organization that merged five private-sector economic development groups. Her work focuses on the organization’s Inclusive Business Solutions Initiative. This includes, but is not limited to, developing multicultural and racially diverse business leaders and entrepreneurs, supporting workforce and talent development and championing diversity, equity and inclusion. For her diversity work, Patton has been featured in *Black Enterprise* and *DiversityInc* magazines, along with several other national, regional and local publications. Patton holds degrees from the Brown School at Washington University in St. Louis (Master of Social Work), Webster University (Master of Arts) and Howard University (Bachelor of Business Administration) and has done postgraduate studies in business management. Patton holds an Honorary Doctor of Humane Letters degree from Harris-Stowe State University. Patton is currently enrolled at Eden Theological Seminary.

## *Creating Opportunity for All: Valerie Patton*

The *STL 2030 Jobs Plan* is rooted in the principles of inclusive growth, which, according to Valerie Patton, ensures “all stakeholders in the St. Louis metropolitan area—the residents, the workers, the entrepreneurs, the companies, the organizations, the communities—[are able to] realize their fullest potential.” Importantly, the plan’s definition of “inclusive growth” aspires to address the systemic racism, racial segregation and disinvestment within the region that have economically devastated Black communities and communities of color. “Inclusive growth will be aimed at producing more prosperity alongside greater equity in our opportunities and outcomes,” Patton highlights.

The *STL 2030 Jobs Plan* identifies five core priorities, with equity at the center, to guide implementation and evaluation of inclusive growth. “As we look at the next decade,” Patton describes, “we’re looking at growing the number of quality jobs in the metro; strengthening employers’ commitments to buy, hire and invest locally, specifically with an equitable, economically inclusive lens; boosting our employment density in and rejuvenating the urban core; increasing the number of Black workers with quality jobs; and expanding our Black and Brown entrepreneurship opportunities.”

### *Raising the Floor—“Quality Jobs” Defined*

“Quality jobs,” as called out in the plan, are those that provide a livable wage with benefits and offer the most direct path to economic mobility and broadly shared prosperity. The *STL 2030 Jobs Plan* specifically defines quality jobs as paying 80% or more of the national median salary—approximately \$40,000 today. Given that timely data on employer-sponsored health insurance are not readily available, the definition sets this amount as a floor (both because higher-wage work is more likely to have

employer-sponsored health insurance and other benefits, and because those earning at least 80% of the median are in a better position to purchase health insurance if not provided by their employers).<sup>5</sup> It identifies several strategies for promoting quality job growth with the cooperation of advanced industries, anchor institutions, small businesses and community members.

Specifically, the plan calls for investing in

small-business growth, restoring cultural and commercial centers, and devoting development resources to existing and emerging advanced tech industries in the St. Louis metro area.

The extreme racial and spatial health and financial disparities in St. Louis illustrate the impact of centuries of destruction and neglect against Black individuals and communities in the region. “These are years and years of disinvestment. This [shows] years and years and years of systems being built that were built not to be inclusive,”

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**The *STL 2030 Jobs Plan* specifically defines quality jobs as paying 80% or more of the national median salary—approximately \$40,000 today.**

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Patton explains. “[We] know that the interstate highway system in St. Louis, just like in many communities across the nation, did destroy Black communities that were prosperous. In St. Louis, it was Mill Creek [Valley] and the Ville.” To truly produce inclusive growth and address systemic, historical and present-day economic exclusion, the *STL 2030 Jobs Plan* states its commitment to increase the number of Black workers with quality jobs.

Growing both the number of quality jobs and the number of Black workers with quality jobs is foundational to the plan’s efforts to generate “more prosperity alongside greater equity.”

“Though this is a jobs plan,” continues Patton, “there are several ‘intersectionality issues’ we don’t have the ownership of, including public safety, education and health. But, if we can create the opportunity through the job, through the improvement of the neighborhood, and [through] transportation, then all of those things should come together.”

Patton highlights the importance of strategic development projects in efforts to promote job growth and community well-being. “Main Street, USA, has to come back. We’re going to have to identify corridors—maybe it’s Martin Luther King Boulevard, maybe it is Natural Bridge. Where are those centers of influence and existing communities? —and build upon them.” Patton reflects, “It’s so unfortunate that we live in neighborhoods that have been disinvested in, that are food swamps and food deserts. Why can’t we create things that are healthier to begin to eliminate health disparities and education disparities in these communities? The Main Street part of the plan is also going to be very key as we talk about reinvestment.”

### ***The Pipeline to Equitable Opportunity: The Talent Is Here***

“I was talking to a dear friend and colleague this week who is trying to fill a vacancy,” shares Patton, “and she was saying, ‘I don’t have any people of color applying for this job.’ And I said, ‘You know why? Because your potential person is sitting north of Delmar, and she/he/they haven’t been cultivated or exposed to the possibility or to the opportunity.’”

“The talent is right here,” states Patton.

“Experience and exposure are everything. If I don’t know better, I don’t do better.”

According to Patton and the plan’s other designers, equitable education will bring the talent to the opportunity pipeline. “We’re going to be the headquarters for the National Geospatial[-Intelligence] Agency for the

West,” Patton continues. “How do we get students today interested in location sciences, location services and mapping? Some of that is going to be a refresh of our education systems and curriculums.”

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everything. If I don’t know  
better, I don’t do better.”**

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Racial and spatial disparities exist both in access to in-school science, technology, engineering and math (STEM) classes, as well as in access to extracurricular STEM programs. Children of color in St. Louis are less likely to learn about STEM career options and less likely to receive quality STEM education. The plan proposes a coordinated, equity-minded STEM education ecosystem to nurture homegrown talent and prepare students for quality jobs in various tech-based industries.

According to Patton, it's also essential to be creative about how we approach education: "Every kid in America is playing Fortnite. ... So, do we build opportunity into those systems? 'You like Fortnite so much? Don't you want to build your own Fortnite?' That's the education. That's the exposure. We've got to be intentional. We've got to look outside

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**“At the root of all this, when it comes to building the pipeline to equitable opportunities, we’re talking about system change.”**

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of the natural bias. You can't teach kids like you taught me. I grew up in the education system of memorization and rote. Kids don't learn like that anymore. They don't. We're going to have to leverage technology as the key tool in learning.

“And those workers who have already graduated high school need access to STEM education as well in order to acquire the new quality jobs in the region,” notes Patton.

“Organizations like NPower Missouri, which provides tech fundamentals training to young workers from marginalized communities, can be leveraged to further develop existing talent in the region. At the root of all this, when it comes to building the pipeline to equitable opportunities, we're talking about system change.”

### ***The Workforce of the Future Is Inclusive***

“People of color built this country—let everybody be clear about that,” states Patton. “Now, how do we take that same skill and talent that built the country to build our communities? To make this happen, the community will have to be involved. We cannot continue these systems of ‘we’ll tell you what you can do, how you can do it, when you can do it.’ Those systems have to be dismantled.” With the help of community input and feedback, the *STL 2030 Jobs Plan* identifies the workforce of the future as one that is inclusive.

Between December 2020 and March 2021, after the release of the first draft of the plan on Dec. 3, 2020, Patton and plan organizers interviewed more than 50 organizations and more than 1,000 individuals to solicit community feedback on what is St. Louis' first jobs plan in more than a decade. Patton describes the community input as “one of the big ‘ahas’” in the plan. “You don't generally have that much feedback with a jobs plan,” continues Patton. “But we wanted to hear what our community had to say about moving forward.”

The plan envisions the future St. Louis metro economy and workforce built around advanced industries, those with high innovation and high value. It names five existing

advanced industry clusters to continue to develop: advanced business services; biomedical and health services; advanced manufacturing and production; aerospace, automotive and defensive; and transportation and logistics. The plan also identifies three emerging “next generation” sectors: financial technology, geospatial and agricultural technology.

Important to the vision, the growth of small businesses—particularly Black- and Brown-owned—must accompany the growth of these sectors. The plan names small businesses as core to a community’s strength and civic life, and as core to increased economic mobility.

For quality job creation, sector development and STEM education enhancement to truly promote equity, however, these efforts must be paired with increased accessibility initiatives. “How are we going to get jobs over there? Are we going to boost the transportation system so we can get [residents] to the jobs?” Patton asks as she emphasizes the importance of transportation in the job-growth conversation. Similar questions should be posed around child care and affordable housing when considering the accessibility of new quality jobs.

Patton has a vision for the future of St. Louis’ workforce: “I want to see this [region] being a center for Black and Brown businesses, both startup and mid-tier. I want to see more professionals of color in the C-suites of the local companies here. I want to see this as a place where people feel that they are safe, psychologically safe. And I want them to feel that this is a welcoming place, and they have a sense of belonging here.”

### ***Collaborative Roles for Employers, Institutions and Individuals***

Patton calls for the “grasstops” (leadership-trained policy advocates) and the grassroots individuals and organizations to work together, and identifies this as one role that employers, institutions and individuals can play in helping our region become a talent engine and magnet for workers living in St. Louis.

“We have opportunity. We have aptitude. How do we get the [grasstops and grassroots] together?” asks Patton. The answer: “We’re going to have to build industry-led workforce collaboratives.”

According to Patton, for St. Louis to actualize any of the strategies outlined in the *STL 2030 Jobs Plan*, employers, government officials and community members will have to

collaborate. “We have to work with the grasstops and the grassroots. We can no longer have those groups separated. They have to come together to help develop the solutions that will be best for all. Are we going to have some missteps? Yes. Are we going to make some people not so happy? Yes. Is everybody going to get what they want? No. But, at

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**“We’re going to have to build industry-led workforce collaboratives.”**

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the end of the day, what I have seen in models that work is that once you put the grasstops and the grassroots together, you begin to see some change.”

Industry-led and -funded workforce collaboratives gather local private businesses, public agencies, P-12 and higher education institutions and community nonprofits to align employer skill needs with workforce training efforts and, ultimately, promote community economic well-being. A lead organization propels the collaborative forward, but it is the input and coordinated effort from a variety of stakeholders that result in successful workforce-employer alignment.

St. Louis employers are frequently seeking skilled workers, such as software developers, lab technicians and nurses. Meanwhile, St. Louis residents, particularly Black residents who have been historically abused, excluded and disinvested in, are seeking quality jobs. Yet, barriers exist within this supply-and-demand relationship, including insufficient communication, inaccessible appropriate training and non-inclusive work environments. Industry-led workforce collaboratives aim to address this misalignment by increasing targeted education and training opportunities for potential and existing talent.

Patton highlights the need for workforce collaboratives to connect existing workforce training organizations with interested participants, in addition to employer needs. “We’ve got a whole bunch of people doing a whole bunch of things. We [need to] bring them all together. We have Claim Academy; they train software developers. NPower teaches tech fundamentals. LaunchCode teaches coding. [Each is] needed, but how do we get them all to one place and create a ‘greater good’ rather than competing?” To Patton, the answer is found in workforce collaboratives.

## ***Building Capacity and Capital: Bruce Katz***

To become a talent engine and magnet, co-founder of New Localism Advisors, Bruce Katz, suggests starting local. As public, private and regional city leaders work together to implement innovative solutions to equitable growth, Katz states, “There is no substitute for capacity and capital.” Most of the other U.S. cities and regions about which Katz has written have institutions that serve as intermediaries and have “capacity, capital and community standing.” For example, he cites the philanthropic agility of Pittsburgh and the corporate leadership created through the Central Indiana Corporate Partnership as just two examples from which the St. Louis region can draw as it looks to change its narrative.

In building toward equitable growth, Katz states, “St. Louis has a more coherent narrative and a sense of what to do with various assets and clusters, as well as some good practitioners and strong practitioners. If [St. Louis Community College] and the [region’s] colleges in particular—[backed by] federal investment [similar to] 10 years ago—are prepared with three or four very specific business-university collaborations, I think that could go quite well for St. Louis.”



As employers in the region continue to compete in a much larger, globally connected world, strong strategic partnerships between industry and the education sectors will be needed to align equitable opportunities with employers' and job seekers' needs. Katz believes, "Greater St. Louis, Inc., could be built up. And then, think about [these organizations as] supportive intermediaries—whether it's around clusters like BioSTL or LaunchCode, other workforce providers, Black-led organizations [focused on] entrepreneurial growth. You need that constellation."

### ***Talent Pipeline Support***

Creating a constellation of support organizations is "doable," states Katz. "I think you just have a lot of bits of this that have to be pulled together." Another example that Katz shares and includes in the *STL 2030 Jobs Plan* highlights the findings from his work in Rhode Island—a state that was able to transition from several dispersed small partnerships to cluster-led, company-led partnerships. This helped create a robust blue



Bruce Katz is the founding director of the Nowak Metro Finance Lab at Drexel University in Philadelphia. Previously he served as an inaugural Centennial Scholar at Brookings Institution and as vice president and director of Brookings' Metropolitan Policy Program for 20 years. He is a Visiting Professor in Practice at London School of Economics and Political Science, and previously served as chief of staff to the secretary of the Department of Housing and Urban Development and staff director of the Senate Subcommittee on Housing and Urban Affairs. Katz co-led the Obama administration's housing and urban transition team. He is coauthor of *The Metropolitan Revolution: How Cities and Metros Are Fixing Our Broken Politics and Fragile Economy* and *The New Localism: How Cities Can Thrive in the Age of Populism*, editor or co-editor of several books on urban and metropolitan issues, and a frequent media commentator.

economy, which tends to center around coastal manufacturing and the naval sector. Katz sees similarities between Rhode Island and the St. Louis region's ability to create industry clusters. "As one of the top financial services metros in the United States, you are awash in financial services," Katz states. "If you want to attract talent, I think there's this interplay of companies and talent, frankly, because these companies are making choices about where to be in the U.S. right now. And, they need to be in places where their talent needs can be serviced. And, frankly, outside of manufacturing and health care, I don't think it's happening; that's not where a very large portion of jobs are. I think the system-building is the real piece of this."

While the *STL 2030 Jobs Plan* calls on anchor institutions to use their purchasing power to drive growth and job creation, Katz sees these institutions playing a much larger role in leading and coproducing opportunities to boost the creation of quality jobs and improve the region's talent pipeline. "I would include the anchor hospitals and universities. You can't substitute for them leading—or, in many instances, coproducing—the curriculum, the placement, the apprenticeships, the wraparound tuition subsidies or subsidies for child care. Some of that already exists," Katz notes. "There're a lot of bespoke partnerships in St. Louis. The place does not lack for one corporation with one university having a partnership; but what it lacks is more of a system."

In addition to supporting anchor institutions, Katz proposes investing in Black-led organizations and businesses to build up enough capacity to deliver real outcomes. "St. Louis has a lot of ingredients. You have a lot of practitioners. You have the will. But to get the volume of growth [required], you need Black-owned businesses and Black

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**“The St. Louis metro has to bet on a couple intermediaries and on the people leading them, and they need to go full in.”**

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workers with more quality jobs. Right now, it's more of a one-off than a full system dedicated to this." Katz goes on to reveal that some emerging Black-led organizations in St. Louis need to be "fully embraced." Similarly to Valerie Patton, Katz highlights the interconnectedness of workforce challenges. "We tend to sort of compartmentalize worker diversity from community redevelopment

from supplier diversity. They're all interconnected. The St. Louis metro has to bet on a couple intermediaries and on the people leading them, and they need to go full in. And I'm not talking about a grant here that expires in a year or grant there that expires in two years. I'm talking about a runway—a substantial amount of investment, patient money. You can't expect to get [short-term] market return on it; you expect to get social return, and then market return ultimately."

As the pace of technological innovation accelerates in every sector, Katz affirms what employers reported in this year's survey: difficulty hiring skilled workers. As job openings trend toward pre-pandemic levels, Katz recommends looking within the metro and building a "system, so companies can turn to providers or colleges and feel like [the

educators] understand what they need. [The schools and organizations] are going to prepare workers with the skills and credentials to fit in and plug in.” As Katz reveals, “Then, there’s no question about job placement.”

Only 6% of African Americans who are in two-year colleges are graduating in three years. Katz notes that this statistic is not deficit-driven; rather, it illustrates the importance of investing in and creating equitable opportunities for the region’s Black-owned businesses in sectors of the economy that pay good wages and are growing. As Katz puts it, “You’re leaving a lot off the table.” Katz goes on to state, “[Black residents] have the talent. They just have all these other burdens, financial burdens, they have to carry, and it’s pushing them out of the workforce.” Because St. Louis’ underlying demographics indicate a large minority presence, it makes sense to increase investments to improve economic mobility of the region’s Black residents. Katz notes, “It’s not a level playing field at the starting point. You’ve really got to provide a level of business coaching or quality capital for the business side, and then financial mentoring and other support on the worker side.”

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“Prepare workers with the skills and credentials to fit in and plug in. Then, there’s no question about job placement.”

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To catalyze opportunity in areas experiencing uneven prosperity, it comes back to capacity and capital. For example, Katz highlights the need to build up intermediaries at scale to succeed with the region’s growth and to address the region’s challenges. As far as implementation and when the region can expect to see a return on its investments, Katz remains confident. “I think this really is like a three- to five-year ‘shock the market’ serious investment in intermediaries and institutions. You’ve got to bet on these new, Black-led organizations [like] WEPOWER on the entrepreneurial side. STEMSTL seems like it’s got some real promise. You’ve just got to back them. I don’t think there’s really any other choice. Frankly, every city and metro—I’m involved with a lot of them—they’re all at the precipice of doing this. And what I keep saying is ‘What are you waiting for?’ But this has got to be local investment that leads.”

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“You’ve really got to provide a level of business coaching or quality capital for the business side, and then financial mentoring and other support on the worker side.”

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## Conclusion

As the 20th largest U.S. metro, St. Louis is charting a new way forward and harnessing this economic recovery to improve equitable workforce outcomes for all—particularly for those who have been sidelined—including youth, Black and Brown people, immigrants, and the currently and formerly incarcerated.

Employers continue to cite a shortage of workers and economic conditions as the most significant barriers to expanding employment. Workforce experts acknowledge that the talent exists in our region but remains untapped. Connecting workers to employers through opportunity requires a real and prolonged investment in strengthening and consolidating strategic partnerships throughout the region. Those partnerships must address labor market concerns, support the development of skilled industry talent, and connect dislocated and disconnected workers to the workforce and good jobs.

Equitable recovery, equitable opportunity and equitable growth are the path to our region’s achieving the success that has eluded us in the past. By focusing on quality jobs and equitable employment opportunities, and ensuring investments in Black-led organizations and anchor institutions, the region will be poised to create a talent pipeline well-prepared for in-demand jobs and ready to contribute to the region’s overall economic success.

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<sup>1</sup> Economic Policy Institute. “Economic Indicators: State Unemployment by Race and Ethnicity.” March 2021. See [epi.org/indicators/state-unemployment-race-ethnicity](https://epi.org/indicators/state-unemployment-race-ethnicity).

<sup>2</sup> Opportunity Insights. Economic Tracker, Missouri, May 2021. See [tracktherecovery.org](https://tracktherecovery.org).

<sup>3</sup> Senior Researcher Ana Kent based her calculations on the Integrated Public Use Microdata Series Current Population Survey (IPUMS CPS), comparing mothers and fathers aged 25-54 residing with their children. Data are not seasonally adjusted. Metro areas in Missouri include Columbia, Joplin, Kansas City, St. Louis and Springfield.

<sup>4</sup> National Equity Atlas. “Racial Equity in Income: Eliminating Racial Inequities in Income Would Strengthen Families, Communities, and Local Economies—St. Louis, MO-IL, 2010-2017.” Retrieved from <https://nationalequityatlas.org/indicators/Racial-equity-in-income#/?geo=03000000000041180>.

<sup>5</sup> *STL 2030 Jobs Plan: Driving a Decade of Inclusive Growth*. Retrieved May 5, 2021, from <https://www.greaterstlinc.com/wp-content/uploads/2021/05/2030-Jobs-Plan.pdf>.



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# APPENDIX I: STATE OF THE ST. LOUIS WORKFORCE EMPLOYER SURVEY 2021

The employer survey was conducted by phone interviews on weekdays starting May 7, 2021 and ending June 14, 2021. Only complete surveys are used in this report.

Initial Question Employees		Decrease slightly, by less than 15%	04
First, including yourself, how many employees does your company CURRENTLY employ in your area?		Decrease significantly, by 15% or more	05
Less than 5 (Thank & Terminate)	01	(Do not read) Refuse	97
5 to 10	02	(Do not read) Don't know/Not sure	98
11 to 49	03		
50 or more	04	3. If you were to add employees in the next 12 months, which of the following methods would you use?	
(Do not read) Refuse - Thank & Terminate	97	(Read list; enter code for each method would use; enter all that apply.)	
(Do not read) Don't know/Not sure - Thank & Terminate	98	Recalling furloughed workers	01
		Recalling workers from a lay-off list	02
1A. Over the past 12 months, would you say your employment levels have increased significantly (by 15% or more), increased slightly (by less than 15%), remained the same as before, decreased slightly (by less than 15%), or decreased significantly (by 15% or more)?		Hiring new full-time employees	03
Increased significantly, by 15% or more	01	Hiring new part-time employees	04
Increased slightly, by less than 15%	02	Hiring contract workers	05
Remained the same as before	03	Using a temporary agency	06
Decreased slightly, by less than 15%	04	(Do not read) Not applicable - Not wanting to add employees	95
Decreased significantly, by 15% or more	05	(Do not read) Would not use any listed method	96
(Do not read) Refuse	97	(Do not read) Refuse	97
(Do not read) Don't know/Not sure	98	(Do not read) Don't know/Not sure	98
		4A. Please tell me if you have encountered the following barriers to expanding your employment level. (Rotate barriers; ask "Any other barrier?" last)	
1B. (If there was a significant increase or decrease in 1A) Was your significant increase or decrease due to COVID?		Shortage of workers with knowledge or skills	01
Yes	01	Shortage of available training programs	02
No	02	Economic conditions	03
(Do not read) Not applicable	98	Government policies or regulations	04
		Lack of information regarding the occupation	05
2. Looking ahead over the next 12 months, how does your business PLAN to change your employment levels? Would you say your employment levels will increase significantly (by 15% or more), increase slightly (by less than 15%), remain the same as before, decrease slightly (by less than 15%), or decrease significantly (by 15% or more)		Lack of access to transportation to get to work	06
Increase significantly, by 15% or more	01	Lack of access to child care	07
Increase slightly, by less than 15%	02	General COVID-related issues	08
Remain the same as before	03	Any other barrier? (If "Yes" - Record)	09
		(Do not read) Have not encountered any barriers to expanding employment level	95
		(Do not read) Not applicable - Not expanding employment level	96
		(Do not read) Refuse	97
		(Do not read) Don't know/Not sure	98

4B. (Re: each barrier named on Q.4A)  
 Please tell me how large of a barrier each is to your business using a 1-to-5 scale where 1 is "insignificant" and 5 is a "critical barrier." You may also use any number between 1 and 5. And, if an item is not applicable to your business, please tell me so.

1 - Insignificant  
 2  
 3  
 4  
 5 - Critical barrier

96 - Not applicable  
 97 - Refuse  
 98 - Don't know/Not sure

Shortage of workers with knowledge or skills —  
 Shortage of available training programs —  
 Economic conditions —  
 Government policies or regulations —  
 Lack of information regarding the occupation —  
 Lack of access to transportation to get to work —  
 Lack of access to child care —  
 General COVID related issues —  
 Other barrier —

5. Next, I am going to read some possible shortcomings of job applicants and ask if you have or have not seen these characteristics in a significant number of applicants during the last 12 months. I would then like you to rank the importance of that shortcoming to your business on a 1 to 5 scale where 1 is "not at all important" and 5 is "very important."

5A-1. Please tell me if you have or have not noticed a significant number of applicants with "Poor work habits" (including attendance, punctuality, and attention to job).

Have seen this characteristic in job applicants 01  
 Have not seen this characteristic in job applicants 02  
 (Do not read) Refuse 97  
 (Do not read) Don't know/Not sure 98

5A-2. On the 1 to 5 scale, how important is this applicant shortcoming to your business?  
 (Do not read) 98 - Don't know/Not sure

Poor work habits —

5B-1. Please tell me if you have or have not noticed a significant number of applicants with a "Lack of general knowledge about business or industry."

Have seen this characteristic in job applicants 01  
 Have not seen this characteristic in job applicants 02  
 (Do not read) Refuse 97  
 (Do not read) Don't know/Not sure 98

5B-2. On the 1 to 5 scale, how important is this applicant shortcoming to your business?  
 (Do not read) 98 - Don't know/Not sure

Lack of general knowledge about business or industry —

5C-1. Please tell me if you have or have not noticed a significant number of applicants with a "Lack of ability to interact effectively with people of different cultures and socio-economic backgrounds."

Have seen this characteristic in job applicants 01  
 Have not seen this characteristic in job applicants 02  
 (Do not read) Refuse 97  
 (Do not read) Don't know/Not sure 98

5C-2. On the 1 to 5 scale, how important is this applicant shortcoming to your business?  
 (Do not read) 98 - Don't know/Not sure

Lack of ability to interact effectively with people of different cultures and socio-economic backgrounds —

5D-1. Please tell me if you have or have not noticed a significant number of applicants with a "Lack of communication or interpersonal skills."

Have seen this characteristic in job applicants 01  
 Have not seen this characteristic in job applicants 02  
 (Do not read) Refuse 97  
 (Do not read) Don't know/Not sure 98

5D-2. On the 1 to 5 scale, how important is this applicant shortcoming to your business?  
 (Do not read) 98 - Don't know/Not sure

Lack of communication or interpersonal skills —

5E-1. Please tell me if you have or have not noticed a significant number of applicants with a "Lack of willingness to learn or inability to learn."

Have seen this characteristic in job applicants 01  
 Have not seen this characteristic in job applicants 02  
 (Do not read) Refuse 97  
 (Do not read) Don't know/Not sure 98

5E-2. On the 1 to 5 scale, how important is this applicant shortcoming to your business?  
 (Do not read) 98 - Don't know/Not sure

Lack of willingness to learn or inability to learn —

5F-1. Please tell me if you have or have not noticed a significant number of applicants with a "Lack of teamwork or collaboration."

Have seen this characteristic in job applicants 01  
 Have not seen this characteristic in job applicants 02  
 (Do not read) Refuse 97  
 (Do not read) Don't know/Not sure 98

5F-2. On the 1 to 5 scale, how important is this applicant shortcoming to your business?  
 (Do not read) 98 - Don't know/Not sure

Lack of teamwork or collaboration —

5G-1. Please tell me if you have or have not noticed a significant number of applicants with a "Lack of general computer skills."		Have seen this characteristic in job applicants	01	Have seen this characteristic in job applicants	01
		Have not seen this characteristic in job applicants	02	Have not seen this characteristic in job applicants	02
		(Do not read) Refuse	97	(Do not read) Refuse	97
		(Do not read) Don't know/Not sure	98	(Do not read) Don't know/Not sure	98
5G-2. On the 1 to 5 scale, how important is this applicant shortcoming to your business?				5K-2. On the 1 to 5 scale, how important is this applicant shortcoming to your business?	
				(Do not read) 98 - Don't know/Not sure	
(Do not read) 98 - Don't know/Not sure				Lack of basic math skills	—
Lack of general computer skills	—			5L-1. Please tell me if you have or have not noticed a significant number of applicants with a "Lack of technical skills specific to the job."	
5H-1. Please tell me if you have or have not noticed a significant number of applicants with a "Lack of critical thinking and problem solving."		Have seen this characteristic in job applicants	01	Have seen this characteristic in job applicants	01
		Have not seen this characteristic in job applicants	02	Have not seen this characteristic in job applicants	02
		(Do not read) Refuse	97	(Do not read) Refuse	97
		(Do not read) Don't know/Not sure	98	(Do not read) Don't know/Not sure	98
5H-2. On the 1 to 5 scale, how important is this applicant shortcoming to your business?				5L-2. On the 1 to 5 scale, how important is this applicant shortcoming to your business?	
				(Do not read) 98 - Don't know/Not sure	
(Do not read) 98 - Don't know/Not sure				Lack of technical skills specific to the job	—
Lack of critical thinking and problem solving	—			5M-1. Please tell me if you have or have not noticed a significant number of applicants with an "Inability to understand written and graphical information."	
5I-1. Please tell me if you have or have not noticed a significant number of applicants with an "Inability to think creatively or 'out of the box'."		Have seen this characteristic in job applicants	01	Have seen this characteristic in job applicants	01
		Have not seen this characteristic in job applicants	02	Have not seen this characteristic in job applicants	02
		(Do not read) Refuse	97	(Do not read) Refuse	97
		(Do not read) Don't know/Not sure	98	(Do not read) Don't know/Not sure	98
5I-2. On the 1 to 5 scale, how important is this applicant shortcoming to your business?				5M-2. On the 1 to 5 scale, how important is this applicant shortcoming to your business?	
				(Do not read) 98 - Don't know/Not sure	
(Do not read) 98 - Don't know/Not sure				Inability to understand written and graphical information	—
Inability to think creatively or 'out of the box'	—			5N-1. Please tell me if you have or have not noticed a significant number of applicants with an "Inability to pass a drug test or has a substance abuse issue."	
5J-1. Please tell me if you have or have not noticed a significant number of applicants with a "Lack of writing skills."		Have seen this characteristic in job applicants	01	Have seen this characteristic in job applicants	01
		Have not seen this characteristic in job applicants	02	Have not seen this characteristic in job applicants	02
		(Do not read) Refuse	97	(Do not read) Refuse	97
		(Do not read) Don't know/Not sure	98	(Do not read) Don't know/Not sure	98
5J-2. On the 1 to 5 scale, how important is this applicant shortcoming to your business?				5N-2. On the 1 to 5 scale, how important is this applicant shortcoming to your business?	
				(Do not read) 98 - Don't know/Not sure	
(Do not read) 98 - Don't know/Not sure				Inability to pass a drug test or has a substance abuse issue	—
Lack of writing skills	—			6A. Are you experiencing a shortage of skilled applicants for your organization?	
5K-1. Please tell me if you have or have not noticed a significant number of applicants with a "Lack of basic math skills."		Yes	01	Yes	01
		No (if "no" skip to question 7)	02	No (if "no" skip to question 7)	02
		(Do not read) Refuse	97	(Do not read) Refuse	97
		(Do not read) Don't know/Not sure	98	(Do not read) Don't know/Not sure	98



6B. (If experiencing shortage of skilled applicants per Q.6A)

Please tell me the skill level required to meet your skill shortages. Approximately what percentage of the SHORTAGES you are experiencing require high-skill applicants (those with a 4-year degree or higher); middle-skill applicants (training or education beyond high school, but less than a 4-year degree); and low-skill applicants (high school or less).

What percent of positions require ...

Answers MUST total 100%

Refuse = 97

Don't know/Not sure = 98

- High-skill, requiring a 4-year degree or higher —
- Middle-skill, training or education beyond high school, but less than a 4-year degree —
- Low-skill, requiring high school or less —

6C. (If experiencing shortage of skilled applicants per Q.6A)

Please tell me if you are taking any of the following measures to meet the skill shortages of applicants.

(Rotate measures)

- Hiring from outside the local area or city 01
- Hiring from outside the United States 02
- Hiring contractors 03
- Forced to hire less experienced workers and then train them 04
- Invest in automation instead of hiring 05
- Offering increased wages due to shortage of experienced workers 06
- (Do not read) Not taking any of listed measures 96
- (Do not read) Refuse 97
- (Do not read) Don't know/Not sure 98

7. Which of the following workforce initiatives are being considered by your business for the next year?

(Read list; enter all that apply.)

- New ways to serve customers 01
- Increased agility in product and service offerings 02
- Leaner operations 03
- Remote working 04
- Flexible working 05
- Reskilling or upskilling employees to new ways of working 06
- Reorganization or restructuring 07
- Increased hiring to accommodate demand 08
- Reduction in workforce 09
- Cross-training and knowledge transfer 10
- Succession planning 11
- Job and task automation implementation 12
- Technology investments 13
- New learning and skill training delivery methods 14
- Increased employee care and engagement 15
- (Do not read) Not considering any of these 96
- (Do not read) Refuse 97
- (Do not read) Don't know/Not sure 98

8. Which of the following methods do you use to assist current workers to address your company's need for new or increased skills?

(Read list; enter all that apply.)

- In-house classroom training 01
- On-the-job training 02
- Vendor training 03
- Apprenticeship programs 04
- Internship programs 05
- Community college provided customized training or education 06
- Vocational training 07
- Tuition reimbursement 08
- Online courses 09
- Provide flexible schedule for outside continuing education 10
- (Do not read) Not applicable – Do not need new or increased skills 95
- (Do not read) Refuse 97
- (Do not read) Don't know/Not sure 98

9. Now we have some questions about your company's workforce by job function.

9a. Do you employ staff in the Accounting or Finance function?

- Yes 01
- No (if "no" skip to question 9b) 02
- (Do not read) Refuse 97
- (Do not read) Don't know/Not sure 98

9aa. (If employ staff in Accounting or Finance function per Q.9a)

Are you seeing a shortage of skilled applicants in the Accounting or Finance function?

- Yes 01
- No (if "no" skip to question 9b) 02
- (Do not read) Refuse 97
- (Do not read) Don't know/Not sure 98

9aaa. (If seeing shortage of skilled applicants in the Accounting or Finance function per Q.9aa)

Please tell me the skill level of applicants required to meet your Accounting or Finance skill shortages.

Approximately what percentage of the shortages you are experiencing require high-skill applicants (those with a 4-year degree or higher); middle-skill applicants (training or education beyond high school, but less than a 4-year degree); and low-skill applicants (high school or less).

What percent of positions require ...

Answers MUST total 100%

Refuse = 97

Don't know/Not sure = 98

- High-skill, requiring a 4-year degree or higher —

Middle-skill, training or education beyond high school, but less than a 4-year degree	—	On a scale of 1 to 5 where 1 means "not at all important" and 5 means "very important," how important to your business is the shortage of applicants in the Information Technology function?	
Low-skill, requiring high school or less	—		
9aaaa. (If seeing shortage of skilled applicants in the Accounting or Finance function per Q.9aa)		1 - Not at all important	01
On a scale of 1 to 5 where 1 means "not at all important" and 5 means "very important," how important to your business is the shortage of applicants in the Accounting or Finance function?		2	02
1 - Not at all important	01	3	03
2	02	4	04
3	03	5 - Very important	05
4	04	(Do not read) Refuse	97
5 - Very important	05	(Do not read) Don't know/Not sure	98
(Do not read) Refuse	97		
(Do not read) Don't know/Not sure	98	9c. Do you employ staff in the Customer Service function?	
		Yes	01
		No (if "no" skip to question 9d)	02
		(Do not read) Refuse	97
		(Do not read) Don't know/Not sure	98
9b. Do you employ staff in the Information Technology function?			
Yes	01		
No (if "no" skip to question 9c)	02	9cc. (If employ staff in Customer Service function per Q.9c)	
(Do not read) Refuse	97	Are you seeing a shortage of skilled applicants in the Customer Service function?	
(Do not read) Don't know/Not sure	98	Yes	01
		No (if "no" skip to question 9d)	02
		(Do not read) Refuse	97
		(Do not read) Don't know/Not sure	98
9bb. (If employ staff in Information Technology function per Q.9b)			
Are you seeing a shortage of skilled applicants in the Information Technology function?		9ccc. (If seeing shortage of skilled applicants in the Customer Service function per Q.9cc)	
Yes	01	Please tell me the skill level of applicants required to meet your Customer Service skill shortages.	
No (if "no" skip to question 9c)	02	Approximately what percentage of the shortages you are experiencing require high-skill applicants (those with a 4-year degree or higher); middle-skill applicants (training or education beyond high school, but less than a 4-year degree); and low-skill applicants (high school or less).	
(Do not read) Refuse	97	What percent of positions require ...	
(Do not read) Don't know/Not sure	98	Answers MUST total 100%	
		Refuse = 97	
		Don't know/Not sure = 98	
9bbb. (If seeing shortage of skilled applicants in the Information Technology function per Q.9bb)		High-skill, requiring a 4-year degree or higher	—
Please tell me the skill level of applicants required to meet your Information Technology skill shortages.		Middle-skill, training or education beyond high school, but less than a 4-year degree	—
Approximately what percentage of the shortages you are experiencing require high-skill applicants (those with a 4-year degree or higher); middle-skill applicants (training or education beyond high school, but less than a 4-year degree); and low-skill applicants (high school or less).		Low-skill, requiring high school or less	—
What percent of positions require ...			
Answers MUST total 100%		9cccc. (If seeing shortage of skilled applicants in the Customer Service function per Q.9cc)	
Refuse = 97		On a scale of 1 to 5 where 1 means "not at all important" and 5 means "very important," how important to your business is the shortage of applicants in the Customer Service function?	
Don't know/Not sure = 98		1 - Not at all important	01
High-skill, requiring a 4-year degree or higher	—	2	02
Middle-skill, training or education beyond high school, but less than a 4-year degree	—	3	03
Low-skill, requiring high school or less	—	4	04
9bbbb. (If seeing shortage of skilled applicants in the Information Technology function per Q.9bb)			

5 - Very important	05	(Do not read) Refuse	97
(Do not read) Refuse	97	(Do not read) Don't know/Not sure	98
(Do not read) Don't know/Not sure	98		
9d. Do you employ staff in the Business Management function?		9ee. (If employ staff in Skilled Trades function per Q.9e)	
Yes	01	Are you seeing a shortage of skilled applicants in the Skilled Trades function?	
No (if "no" skip to question 9e)	02	Yes	01
(Do not read) Refuse	97	No (if "no" skip to question 9f)	02
(Do not read) Don't know/Not sure	98	(Do not read) Refuse	97
		(Do not read) Don't know/Not sure	98
9dd. (If employ staff in Business Management function per Q.9d)		9eee. (If seeing shortage of skilled applicants in the Skilled Trades function per Q.9ee)	
Are you seeing a shortage of skilled applicants in the Business Management function?		Please tell me the skill level of applicants required to meet your Skilled Trades skill shortages.	
Yes	01	Approximately what percentage of the shortages you are experiencing require high-skill applicants (those with a 4-year degree or higher); middle-skill applicants (training or education beyond high school, but less than a 4-year degree); and low-skill applicants (high school or less).	
No (if "no" skip to question 9e)	02	What percent of positions require ...	
(Do not read) Refuse	97	Answers MUST total 100%	
(Do not read) Don't know/Not sure	98	Refuse = 97	
		Don't know/Not sure = 98	
9ddd. (If seeing shortage of skilled applicants in the Business Management function per Q.9dd)		High-skill, requiring a 4-year degree or higher	—
Please tell me the skill level of applicants required to meet your Business Management skill shortages.		Middle-skill, training or education beyond high school, but less than a 4-year degree	—
Approximately what percentage of the shortages you are experiencing require high-skill applicants (those with a 4-year degree or higher); middle-skill applicants (training or education beyond high school, but less than a 4-year degree); and low-skill applicants (high school or less).		Low-skill, requiring high school or less	—
What percent of positions require ...			
Answers MUST total 100%		9eeee. (If seeing shortage of skilled applicants in the Skilled Trades function per Q.9ee)	
Refuse = 97		On a scale of 1 to 5 where 1 means "not at all important" and 5 means "very important," how important to your business is the shortage of applicants in the Skilled Trades function?	
Don't know/Not sure = 98		1 - Not at all important	01
High-skill, requiring a 4-year degree or higher	—	2	02
Middle-skill, training or education beyond high school, but less than a 4-year degree	—	3	03
Low-skill, requiring high school or less	—	4	04
		5 - Very important	05
9dddd. (If seeing shortage of skilled applicants in the Business Management function per Q.9dd)		(Do not read) Refuse	97
On a scale of 1 to 5 where 1 means "not at all important" and 5 means "very important," how important to your business is the shortage of applicants in the Business Management function?		(Do not read) Don't know/Not sure	98
1 - Not at all important	01		
2	02	9f. Do you employ staff in the Manufacturing, Production & Maintenance function?	
3	03	Yes	01
4	04	No (if "no" skip to question 9g)	02
5 - Very important	05	(Do not read) Refuse	97
(Do not read) Refuse	97	(Do not read) Don't know/Not sure	98
(Do not read) Don't know/Not sure	98		
9e. Do you employ staff in the Skilled Trades function?		9ff. (If employ staff in Manufacturing, Production & Maintenance function per Q.9f)	
Yes	01	Are you seeing a shortage of skilled applicants in the Manufacturing, Production & Maintenance function?	
No (if "no" skip to question 9f)	02		

Yes	01	9ggg. (If seeing shortage of skilled applicants in the Patient Care function per Q.9gg)	
No (if "no" skip to question 9g)	02	Please tell me the skill level of applicants required to meet your Patient Care skill shortages. Approximately what percentage of the shortages you are experiencing require high-skill applicants (those with a 4-year degree or higher); middle-skill applicants (training or education beyond high school, but less than a 4-year degree); and low-skill applicants (high school or less). What percent of positions require ...	
(Do not read) Refuse	97	Answers MUST total 100%	
(Do not read) Don't know/Not sure	98	Refuse = 97	
		Don't know/Not sure = 98	
9fff. (If seeing shortage of skilled applicants in the Manufacturing, Production & Maintenance function per Q.8ff)		High-skill, requiring a 4-year degree or higher	___
Please tell me the skill level of applicants required to meet your Manufacturing, Production & Maintenance skill shortages. Approximately what percentage of the shortages you are experiencing require high-skill applicants (those with a 4-year degree or higher); middle-skill applicants (training or education beyond high school, but less than a 4-year degree); and low-skill applicants (high school or less). What percent of positions require ...		Middle-skill, training or education beyond high school, but less than a 4-year degree	___
Answers MUST total 100%		Low-skill, requiring high school or less	___
Refuse = 97			
Don't know/Not sure = 98			
High-skill, requiring a 4-year degree or higher	___	9gggg. (If seeing shortage of skilled applicants in the Patient Care function per Q.9gg)	
Middle-skill, training or education beyond high school, but less than a 4-year degree	___	On a scale of 1 to 5 where 1 means "not at all important" and 5 means "very important," how important to your business is the shortage of applicants in the Patient Care function?	
Low-skill, requiring high school or less	___	1 - Not at all important	01
		2	02
		3	03
		4	04
		5 - Very important	05
		(Do not read) Refuse	97
		(Do not read) Don't know/Not sure	98
9ffff. (If seeing shortage of skilled applicants in the Manufacturing, Production & Maintenance function per Q.8ff)			
On a scale of 1 to 5 where 1 means "not at all important" and 5 means "very important," how important to your business is the shortage applicants in the Manufacturing, Production & Maintenance function?		10. In your business, what percentage of your TOTAL positions requires each of the following levels of experience? What percent of positions require ...	
1 - Not at all important	01	Answers MUST total 100%	
2	02	Refuse = 97	
3	03	Don't know/Not sure = 98	
4	04	A minimum of 4 or more years of experience	___
5 - Very important	05	A minimum of 1 to 3 years of experience	___
(Do not read) Refuse	97	Some experience, but less than 1 year	___
(Do not read) Don't know/Not sure	98	No experience	___
9g. Do you employ staff in the Patient Care function?		11. In your business, what percentage of your TOTAL positions require each of the following levels of education as a minimum requirement? What percent of positions require...	
Yes	01	Answers MUST total 100%	
No (if "no" skip to question 10)	02	Refuse = 97	
(Do not read) Refuse	97	Don't know/Not sure = 98	
(Do not read) Don't know/Not sure	98	High-skill, requiring a 4-year degree or higher	___
		Middle-skill, training or education beyond high school, but less than a 4-year degree	___
		Low-skill, requiring high school or less	___
9gg. (If employ staff in Patient Care function per Q.8g)			
Are you seeing a shortage of skilled applicants in the Patient Care function?			
Yes	01		
No (if "no" skip to question 10)	02		
(Do not read) Refuse	97		
(Do not read) Don't know/Not sure	98		

12. What percentage of jobs in your business are available for individuals with industry relevant short-term training, meaning not more than 6 months past high school?		15B. Have you or your employees experienced challenges with working remotely?	
No jobs	01	Yes	01
1 to 49% of jobs	02	No	02
50 to 100% of jobs	03	(Do not read) Refuse	97
(Do not read) Refuse	97	(Do not read) Don't know/Not sure	98
(Do not read) Don't know/Not sure	98		
13. What percentage of jobs in your firm receives each of the following types of background checks prior to hire?		15C. Do you expect the number of your remote workers to increase, stay the same, or decrease over the next 12 months?	
Criminal check, percentage	—	Increase	01
Financial check, percentage	—	Stay the same	02
Drug screen, percentage	—	Decrease	03
eVerify check, percentage	—	(Do not read) Refuse	97
Social media check, percentage	—	(Do not read) Don't know/Not sure	98
Professional license or certification check, percentage	—		
Check by an outside service, percentage	—	16. Looking forward, please rate how great of a concern each of the following are to your business using a 1-to-5 scale where 1 is "not concerned," 3 is "somewhat concerned" and 5 is "very concerned." You may also use any number between 1 and 5. And, if an item is not applicable to your business, please tell me so.	
14. Which statement best describes your company's position on hiring an applicant convicted of a felony offense who has completed their sentence and/or probation? (Read list; single response only)		1 - Not concerned	
Would not consider applicant for any position	01	2	
Depends on the nature of the felony and the time since the offense	02	3 - Somewhat concerned	
Would consider for some jobs but not for others	03	4	
Would consider the applicant for any job for which they are qualified	04	5 - Very concerned	
(Do not read) Refuse	97	96 - Not applicable	
(Do not read) Don't know/Not sure	98	97 - Refuse	
15A. Do you currently have employees working remotely?		98 - Don't know/Not sure	
Yes	01	Decreased consumer spending	—
No (if "no" skip to question 16)	02	U.S. or global recession	—
(Do not read) Refuse	97	Supply chain disruptions	—
(Do not read) Don't know/Not sure	98	Attracting or retaining talent	—
		Workforce reductions	—
		Lower productivity	—
		Employee mental health issues or stress	—
		Lack of information for decision making	—
		Financial impacts on operations	—
		Cash flow and finding capital	—
		Tax or trade uncertainties	—
		Consumer concerns about COVID	—
		Employee concerns about COVID	—
		Other concern (If "Yes" - Record)	—

Researched and Developed by:



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