

Survey reports many openings, sagging outlook

By NATE DOUGHERTY

Roughly 26,000 jobs in the Finger Lakes region remain chronically hard to fill, a survey from Monroe Community College found.

The biannual Rochester Area Skill Needs Assessment and Business Climate Survey used the input of 400 companies of varying sizes.

The survey found that fewer respondents expressed optimism about the re-

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MCC SURVEY

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gion and that businesses plan to maintain the status quo in hiring.

The survey is administered by MCC's Economic Development and Innovative Workforce Services Division, intended to produce a deeper understanding of the local labor market. The data collected is used for training programs and to address workforce deficits, with a goal of putting displaced workers back into jobs.

The partners for the survey were Monroe Community College, the Center for Governmental Research Inc. and the Rochester Business Journal.

MCC first administered the survey in March 2013, with results released in September. Businesses were surveyed again in December, answering questions about workforce skills needs as well as general questions about the business climate.

The survey found a continuing difficulty in filling what are known as middle-skill positions, those that require more than a high school diploma but less than a four-year college degree. Respondents estimated that a pay increase of 20 percent or less would be enough of an incentive to fill most of those positions.

"This was an interesting finding on the skill gap and showed that maybe with an increased ability to pay, perhaps that skill gap would be less pronounced," said Todd Oldham, vice president of economic development and innovative workforce services at MCC.

The 20 percent figure is seen as an encouraging sign, said Kent Gardner, the project director and CGR's chief economist.

"We found that even though firms were having a tough time filling those jobs, they didn't have to pay that much more," Gardner said. "It shows that we have to help those firms be more competitive and make sure the workers we're training are more productive, about 20 percent more productive."

MCC has put a major focus on filling these middle-skill jobs, and the report noted that these jobs will continue to increase. The report cited a Harvard Business Review article that estimated nearly half of job openings from 2010 to 2020 will be in mid-



The MCC Accelerated Precision Tooling Certificate Program was created in response to a skills shortage in the advanced manufacturing industry in the Finger Lakes region.

Photo courtesy of Monroe Community College

dle-skill fields such as computer technology, nursing and high-skill manufacturing.

There also will be growth in the Finger Lakes region, the report notes. Within the

next 10 years the number of middle-skill jobs is expected to grow 6 percent, and the average middle-skill job will have an annual salary of \$43,000.

The survey found a mood of uncertainty about the local economy.

The latest survey found fewer respondents viewing the current conditions optimistically than in the previous survey. It also found that fewer employers are looking to hire now than in the previous survey, though the number of employers looking to reduce the size of their workforce also decreased.

When asked to rate the Rochester region as a place for their business to succeed, 33 percent were positive versus 45 percent in the previous study. The share of respondents with negative responses climbed from 12 percent in the previous study to 33 percent.

Overall, 35 percent of respondents expected the Rochester business climate to improve, down from 44 percent in the previous study. The number of respondents who believe the business climate will de-

cline increased to 30 percent from 20 percent in the last survey.

The health care industry, which local economic experts see as the cornerstone of the region, was even less optimistic. A total of 13 percent of respondents in health care were positive about current conditions.

On employment, the study found that few big changes are expected.

"The region's employment outlook could be summed up as maintaining the status quo," the report notes. "Most respondent firms intend to maintain current levels of employment, with more intending to increase rather than decrease their workforce in the future."

For MCC officials, the results themselves are not the only important aspect of the latest survey. The college envisions the survey becoming an important tool for detecting economic trends, and the latest survey elicited a response from more companies.

"We had about an 18 percent increase in participants, and the more we get, the more diversity we have in the industries represented," Oldham said. "That gives us a more accurate view of the economy."

Picking up more health care companies was especially valuable, Oldham said.

"We didn't get much of a health care response the first time around, and without that we knew we were missing out on quite a bit," he said.

MCC already is putting the data to use, Oldham noted. It has used the information in applying for grants and plans to share it with groups in the community.

The college also plans more in-depth studies using its database of more than 3,400 area businesses.

"We recently did a survey with a more clustered focus, drilling down on one specific industry," Oldham said. "We could start branching out and doing one or two of those surveys that are very targeted, using between 60 and 80 people and getting really great, useful information."

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Hard to fill

Half of survey respondents said middle-skill jobs are difficult to fill.

