

WORKFORCE ATTRACTION AND RECRUITMENT

MARCH 2024

EXPERIENCES OF MAINE EMPLOYERS



MAINE.

ECONOMIC & COMMUNITY
DEVELOPMENT

PREPARED FOR

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contents

EXECUTIVE SUMMARY	4
SUMMARY OF FINDINGS	5
RECOMMENDATIONS.....	5
BACKGROUND	8
DEMOGRAPHIC AND WORKFORCE TRENDS IN MAINE	8
REPORT SCOPE.....	8
METHODS	9
SURVEY OF MAINE EMPLOYERS	9
THE DISTRIBUTION OF FIRMS AND EMPLOYMENT IN MAINE BY CLASS SIZE	9
SUMMARY OF FINDINGS BY QUESTION	11
ANNUAL OPENINGS BY SIZE AND INDUSTRY	11
DEDICATED HR RESOURCES FOR ATTRACTION AND RECRUITMENT	12
OUT-OF-STATE RECRUITMENT AND ATTRACTION.....	14
REASONS EMPLOYERS DO NOT RECRUIT OUT-OF-STATE.....	17
WHAT WOULD ENABLE EMPLOYERS TO ACTIVELY RECRUIT OUT-OF-STATE.....	18
SHARE OF NEW HIRES FROM OUT-OF-STATE	19
SHARE OF NEW HIRES THAT WORK REMOTELY.....	21
TARGET OCCUPATIONAL SKILL-LEVELS OF OUT-OF-STATE RECRUITMENT	22
EFFECTIVENESS OF MARKETING CHANNELS AND ACTIVITIES.....	23
FACTORS INFLUENCING JOB CANDIDATE DECISIONS TO MOVE TO MAINE	24
WHAT ARE ORGANIZATIONS DOING?.....	25
SUPPORTS THAT WOULD BE HELPFUL TO EMPLOYERS	25
CONCLUSION	26
APPENDIX.....	28
MAINE WORKFORCE ATTRACTION EMPLOYER SURVEY	28





executive summary

Maine's population demographics are such that any source of labor force growth and replacement relies almost entirely on the influx of migrants from out-of-state. Without the contribution from positive in-migration the state's population and labor force will decline over the next 10-15 years as older populations exit the labor force through retirement and a smaller number enter the labor force to replace them - leading to a continued state of extremely tight labor market conditions. The continuation of these trends will limit the economy's capacity for economic growth and competitiveness, and conditions will put added pressures on state and local governments as tax revenues stagnate and costs continue to escalate.

Employers have consistently cited a skilled workforce as the most important factor, yet biggest challenge, to economic growth in the state. Leading state organizations and businesses have called for policy initiatives to grow Maine's population and workforce by targeted recruitment and attraction strategies that bring people to live and work in the state. The state's ten-year economic development strategy specifically calls for addressing these issues head on, including the Governor's Welcome Home initiative. To be sure, cultivating the in-state workforce is equally critical, but ultimately the demographics are such that without attracting new workers and populations from out-of-state, the labor force and population will decline precipitating a host of economic and fiscal challenges for Maine's communities.

In response, the Maine Migration Project aims to provide a foundational baseline assessment of migration patterns and characteristics of migrants in Maine that can inform interested stakeholders in their attraction and recruitment efforts, including hiring and recruitment activities by employment communities and universities, attraction campaigns by local and regional agencies, and a state-wide targeted marketing campaign.

As one component of the large MMP, this report summarizes the experiences and attitudes of Maine's employment community in their efforts regarding out-of-state workforce attraction and recruitment. The analysis is based on an electronic survey of more than 40,000 Maine employers conducted in the summer of 2023. A total of 720 responses were received representing employers large and small, from all regions of the state, and representing the core sectors that employs Maine's workforce. The analysis is also supported by data from the Maine Department of Labor Center for Workforce Research and Information on the distribution of organizations by employment size. The results of this survey provide key information that, in conjunction with the other research components of the MMP, will help inform the broader workforce attraction efforts across the state

SUMMARY OF FINDINGS

Employment is concentrated in a relatively small share of employers. Based on CWRI data, organizations with 500 or more employees make up just .2 percent of all employers but account for roughly 27 percent of all employment in the Maine. At the other end of the spectrum, employers with less than 20 employees make up 92% of all firms while accounting for approximately the same amount of employment at 27%.

One-half (50%) of Maine employers reported actively recruiting out-of-state candidates.

Approximately 50 percent of Maine employers reported actively engaging in recruitment of job candidates that live outside of Maine in order to attract them to live and work in the state, while the remaining 50 percent reported not actively recruiting out-of-state candidates. The most frequently cited reasons for not actively recruiting out-of-state include having sufficient numbers of in-state applicants, lack of HR staff and resources, lack of knowledge and know-how, and more limited financial resources – out-of-state recruitment is generally more costly. Respondents also frequently cited challenges with respect to state specific licensing requirements for some occupations and difficulty attracting for entry-level or low-wage occupations. These challenges are typically specific to certain industries, such as healthcare and tourism, among others.

In general, smaller employers are less likely to focus on out-of-state recruitment and maintain resources to engage in out-of-state recruitment and attraction activities, whereas larger organizations are able to leverage economies of scale in the recruitment process, and they also recruit a much higher share of workers from out-of-state. Smaller employers typically hire fewer employees each year, and in some cases may not make a hire at all. Smaller firms, unsurprisingly, do not maintain dedicated human resource staff to engage in out-of-state recruitment activities while that vast majority of larger firms are. However, there is no direct correlation between size and active out-of-state recruitment activities.

Out-of-state recruitment largely depends on the types of jobs and skill requirements, including licensure, for the occupations employers are seeking to fill. Employers reported jobs that are typically lower wages, entry level, or seasonal and much more challenging for recruitment of workers from outside the state. Alternatively, out-of-state recruitment is more focused on jobs with higher skill requirements or specializations. Populations with higher educational requirement are typically more likely to migrate greater distances than workers with lower levels of skill requirements. This will be analyzed in a following analysis of recent migrants to Maine.

A small number of employers are utilizing remote work arrangements to hire out-of-state workers.

Approximately 25 percent of share of employers recruiting out-of-state have recently hired remote workers, with the vast majority of employers having not done so. For those organizations that hired remote workers, they accounted for between 1 and 20 percent of all new hires, with larger firms hiring a larger share of new employees remotely.

Availability and affordability of housing is the number one issue

employers cited that makes recruitment of out-of-state candidates a challenge. This is closely intertwined with compensation levels employers are able to pay as well as costs associated with relocation. Daycare availability is also cited as a critical challenge for families in recruitment efforts.

Online presence on job boards and organizations websites and internal networks are important channels for recruitment out-of-state.

The most effective marketing channels and activities reported by organizations actively recruiting out-of-state were online job boards followed by internal referrals, both reported with a relatively high share as very effective. A majority of organizations find career fairs and other events not as effective for recruitment for out-of-state.



Compensation and benefits are important internal organizational recruitment tools, but housing and quality of life factors are also important. The most important factors expressed by job candidates that influence their decision to move to Maine, as reported by employers that are actively recruiting out-of-state, are compensation package and the availability and affordability of housing. To a lesser extent benefits package and accommodating a greater work-life balance are both noted as important to candidates. Employer respondents also indicated other quality of life factors, such as proximity to family, low crime rates and small-town feel, and greater flexibility offered to employees are important factors expressed by job candidates when making a decision to move to live and work in Maine.

Organizations are primarily focused on increasing pay, benefits, and overall compensation and engaging in more aggressive recruitment and networking. This is in-part because of the relatively lower wage profile of jobs in Maine relative to other large employment centers and regions of the U.S. that pay higher wages. Employers are also improving workplace flexibility for employees including options to work remotely. Employers are becoming more aggressive in their recruitment efforts by increasing the number of staff dedicated to those activities and hiring outside recruiters. At the same time, organizations also indicated that

they are relying more on intentional networking that includes leveraging their current employees' networks to help recruit and identify potential candidates. A number of respondents are focusing on building their brand *as an employer* and great place to work.

Employers expressed a variety of State supports, including a broad marketing campaign to promote Maine as an attractive destination. This includes leveraging existing private sector efforts such as Live and Work in Maine, as well as other regional or industry specific initiatives. In addition, employers suggesting assistance with relocation expenses for candidates or other financial incentives to assist with recruiting out-of-state candidates would be supportive. Providing assistance to offset training costs for new recruits, as well as address license reciprocity for occupations requiring a Maine specific license which can be utilized as a recruitment carrot to job candidates. Likewise, greater support for visa programs, to the extent possible, would assist industries such as tourism, that rely on short-term seasonal workers. There were also several calls to lower tax rates in the state, which a number view as an inhibiting characteristic for getting people to move to the state. Addressing the housing challenges across the state as well as supporting expansion of daycare services were both frequently identified by respondents. Respondents emphasized a focus on all regions of the state.

RECOMMENDATIONS

Based on the findings of this survey analysis, a selection of lessons and recommendations are offered for consideration.

Supports should not need to be one-size fits all or applicable to every organization. Supporting infrastructure provided by any large initiative at the state and regional levels will need to accommodate the diversity of needs based on employer size and internal resources, as well as industry sector specific needs. This may include different resources for smaller employers who hire more infrequently than larger firms and that do not maintain the capacity and resources to focus on out-of-state recruitment. Whereas larger firms that are continually marketing out-of-state could use support delivering on the quality-of-life attributes that might attract workers to the state.

Address broader community challenges, such as housing availability and affordability. A broad coordinated effort addressing these challenges is currently under way, but the success in alleviating housing pressures will have an impact on workforce attraction and recruitment.

Consider a broad, more intentional informational campaign to Maine employers about the potential of looking for out-of-state workers as a means to fill workforce demands. This can and should be **coupled with educational tools and methods** for



reaching out-of-state candidates developed and provided to employers with a focus on smaller organizations that lack resources. Educational materials should be specific and direct.

A general marketing campaign can be used as a piggy-back for employers by coordinating and leveraging recruiting efforts with materials that showcase Maine's assets to job candidates.

Consider financial costs to out of state recruitment. Recruitment (and training) is a significant financial commitment and investment for most employers. It costs relatively more money to interview out-of-state candidates, on average, as a result of costs interviewing out-of-state candidates and candidates seeking relocation assistance as a condition of employment. Programs to help with these costs could be beneficial to employers on the margin.

Industries, organizations, and the state could address occupational licensure requirements and reciprocity to help reduce barriers for critical occupations that influence an organization's ability to recruit people from out-of-state.





DEMOGRAPHIC AND WORKFORCE TRENDS IN MAINE

Maine is the oldest state in the U.S. by median age. One of the implications of this is a population imbalance in which there are now more deaths than births in the state – the natural population growth is in negative. Without the contribution from positive in-migration into the state the population and labor force will decline over the next 10-15 years as older populations exit the labor force through retirement and a smaller number or younger workers enter the labor force. This will create sustained tight labor market conditions compared to previous decades in which demand for workers will be met with more limited supply of the skills and labor needed by Maine employers.

The effects of tight labor market constraints will limit the economy's capacity for economic growth and competitiveness, and places added pressures on state and local government budgets as tax revenues stagnate while costs continue to escalate. This

is particularly challenging in more rural communities of the state where declining populations reduce the tax base and demands in social services shift towards supporting older residents and a reduction in services that might attract younger populations. In the short to medium term, any source of new workers and population growth relies almost entirely on the influx of new people to the state.

Employers have consistently cited the workforce as the most important factor, yet biggest challenge, to economic growth in the state. Leading state organizations and businesses have called for policy initiatives to grow Maine's population and workforce by targeted recruitment and attraction strategies that bring people to live and work in the state. The state's ten-year economic development strategy specifically calls for addressing these issues head on, including the Governor's Welcome Home initiative.

REPORT SCOPE

The Maine Migration Project (MMP) is generating essential data and information intended to help support private and public sector efforts focused on recruitment and attraction of out-of-state workers and job candidates and to support the goals of the state's 10-year economic development strategy. Research under the MMP is led by Wallace Economic Advisers, LLC (WEA) in collaboration with the Maine Department of Economic and Community Development (DECD) and other partners, including the Department of Labor (DOL). The report that follows is one component of the MMP research areas designed to understand the specific challenges Maine-located organizations experience attracting and recruiting job applicants and candidates that reside outside of Maine. It is based on data collected from a recent survey of Maine employers.

methods

SURVEY OF MAINE EMPLOYERS

An electronic survey¹ was administered during the summer of 2023 to approximately 40,000 employers through the Maine Department of Labor's (DOL) Maine Job Link (MJL). The MJL is an online labor market information system connecting employers with qualified job seekers and is a free public resource. It is assumed that participating employers of the MJL are representative of the broader pool of Maine employers. The survey was also distributed through various industry groups and network lists throughout the state to reach as wide of an audience as possible.

Approximately 720 useable responses were obtained after data cleaning. Respondents covered all major industry sectors and geographies of the state. Steps to maintain confidentiality of responses were taken including limiting reporting for some questions by firmographic variables. In addition, several questions had insufficient final sample sizes making cross-sectional analysis with firmographic characteristics incompatible and therefore only the base distribution is referenced.

THE DISTRIBUTION OF FIRMS AND EMPLOYMENT IN MAINE BY CLASS SIZE

It is important to understand the actual distribution of employment by employer size, especially when considering resources and policies to support workforce recruitment and attraction. Figure 1 shows the share of the total number of firms (orange bars) in Maine by size class shown on the left axis, while the navy bars show the share of total employment accounted for by firm size. It utilizes data from the Quarterly Census of Employment and Wages (QCEW) file from the Maine Department of Labor's (DOL) Center for Workforce Research and Information (CWRI) which accounts for the vast majority of employers and employment in the state.

¹ The survey can be found in the Appendix of this report.

AS OF 2022, NEARLY
60,000
PRIVATE & GOVERNMENT
ORGANIZATIONS EMPLOYED
620,000
WORKERS IN MAINE

JUST OVER
59,000
Identify as private-sector
(for- and not-for-profit)
ACCOUNTING FOR
530,000
OF TOTAL WORKERS

Maine's employment base is dominated by smaller employers, while a significantly smaller share of large employers employs a similar number of workers.

92%
PRIVATE SECTOR
ORGANIZATIONS EMPLOY
FEWER THAN
20 PEOPLE

NEARLY **75%**
of employers have fewer
than five employees

0.2% OF PRIVATE SECTOR
FIRMS EMPLOY
500+ PEOPLE
ACCOUNTING FOR OVER 25% OF
TOTAL EMPLOYMENT

SHARE OF TOTAL EMPLOYMENT AND TOTAL FIRMS BY FIRM SIZE

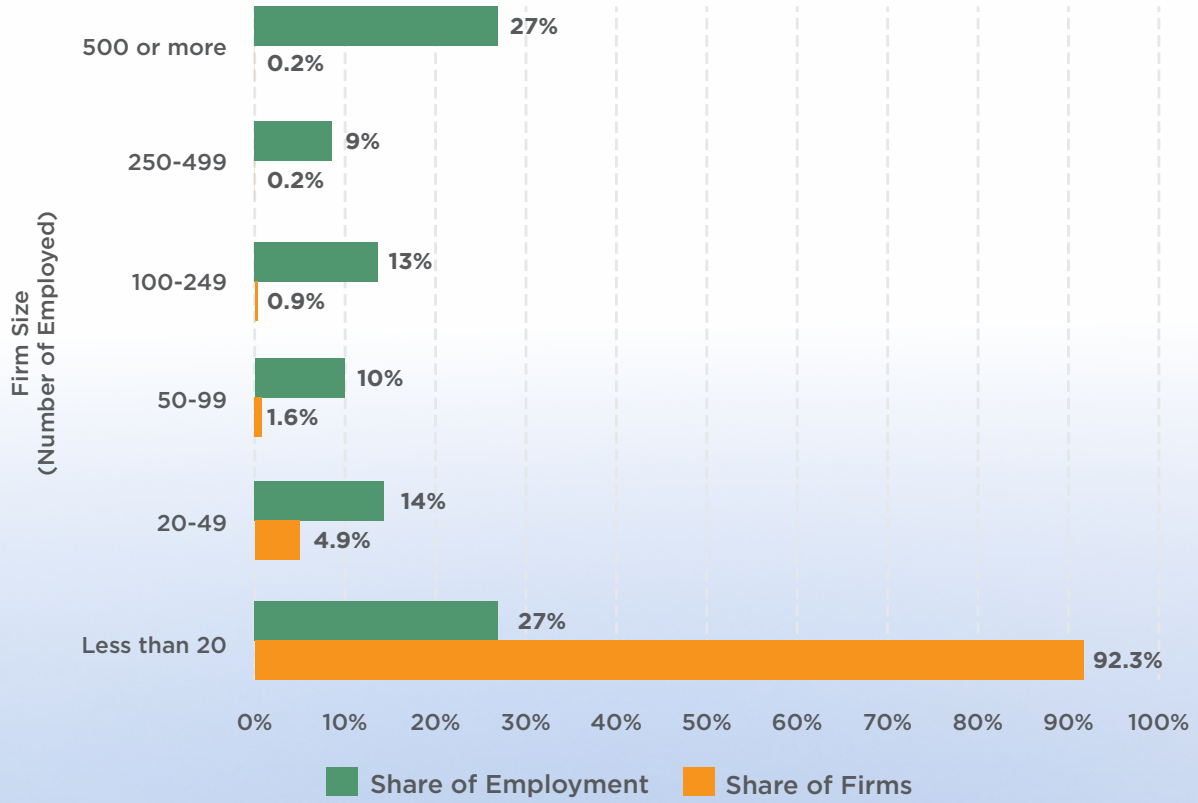


Figure 1: Share of Total Employment and Number of Firms by Private-Sector Firm Size.
Source: Maine Department of Labor Center for Workforce Research and Information.



summary of survey findings by question

ANNUAL OPENINGS BY SIZE AND INDUSTRY

Approximately how many job openings did your organization attempt to fill last year?

Figure 2 reports the average number of annual job postings by respondents by size of employer. About 60 percent of employers reported an average number of annual postings of less than 10, while 6 percent of employers reported more than 100 postings annually. As might be expected, the number of postings corresponds to the size of the employer with larger employers reporting significantly larger numbers of annual postings compared to smaller firms (Figure 3).

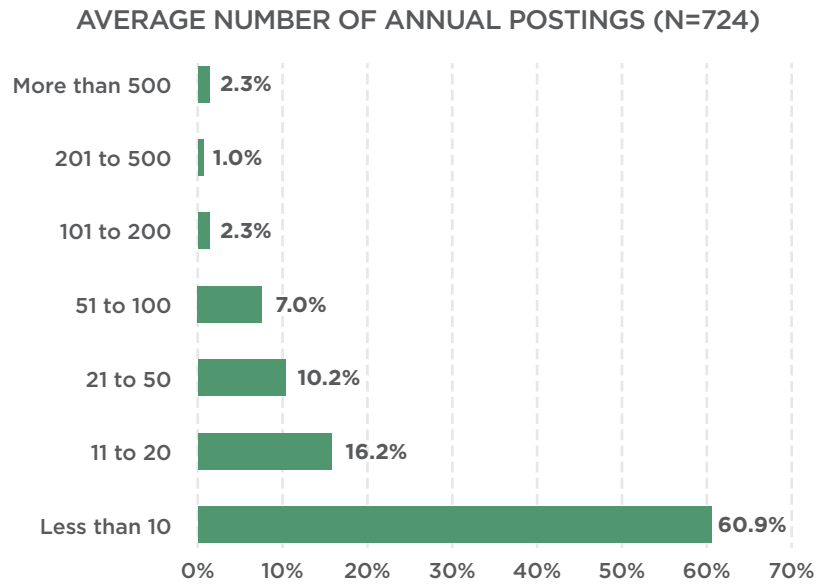


Figure 2: Average Number of Annual Job Postings

AVERAGE ANNUAL POSTINGS BY EMPLOYER SIZE (N=722)

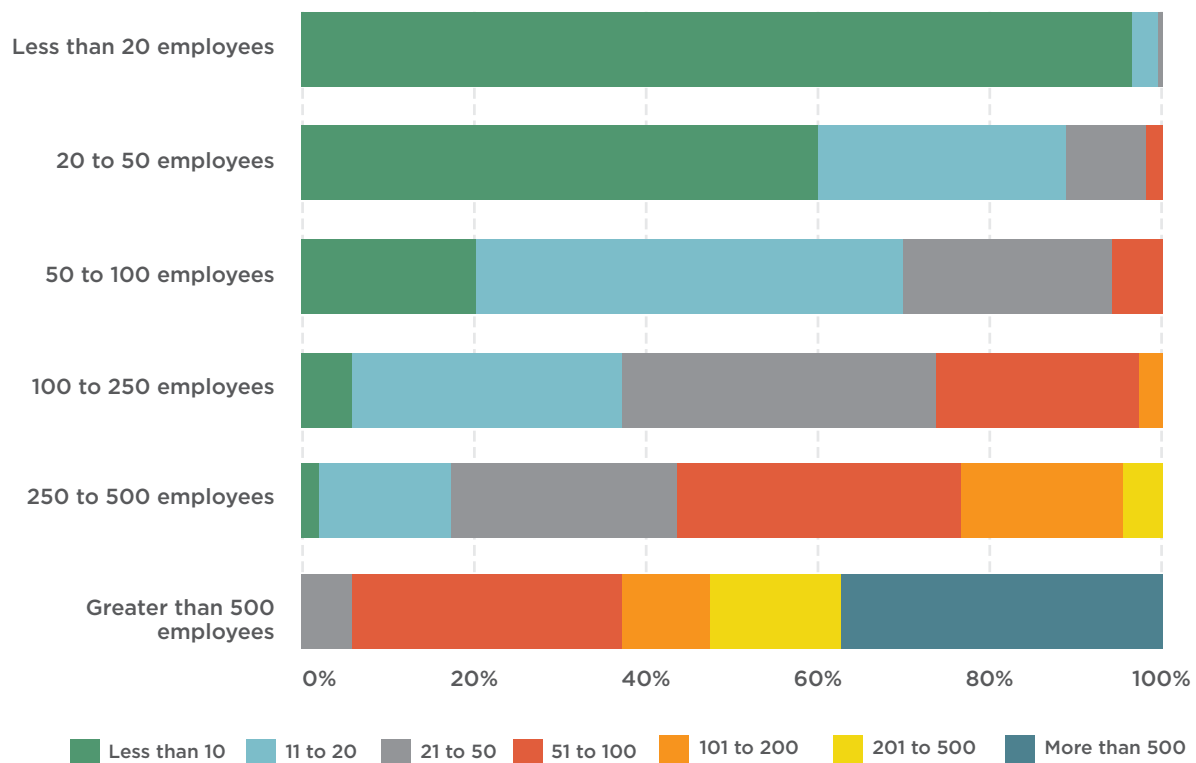


Figure 3: Average Number of Annual Job Postings by Employer Size

DEDICATED HR RESOURCES FOR ATTRACTION AND RECRUITMENT

Does your organization have a dedicated human resource staff, team, or department to recruit and attract job candidates and new employees?

Smaller employers are much less likely to have dedicated human resource (HR) staff to focus on attraction and recruitment efforts (Figure 4). Of the employers with less than 20 employees, just 12 percent have dedicated staff. The vast majority of larger employers (9 out of 10) with over 100 employees, have dedicated HR staff for recruitment and attraction of candidates. All firms with greater than 500 employees have dedicated HR staff that target out-of-state attraction and recruitment.

There are some sizeable differences across industry sectors (Figure 5). At least half of all employers in Public Administration, Finance Activities, Health Care and Social Assistance, Manufacturing, and Education Services have some level of HR staff dedicated to attraction and recruitment of job candidates, while between 24 and 31 percent of other sector firms reported having dedicated staff.

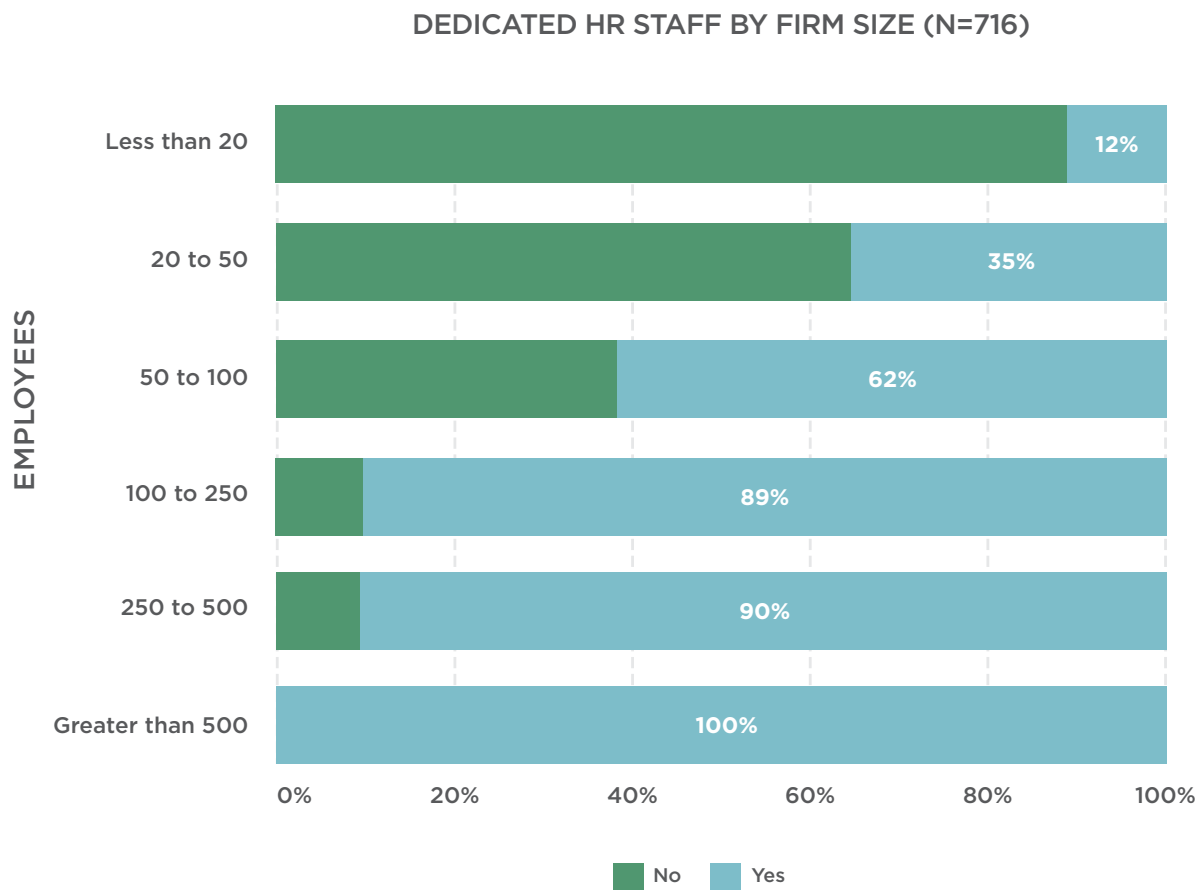


Figure 4: Employers with Dedicated HR Staff by Employer Size

“We’re fighting pay scales of other states and larger companies. As a small company in an industry where there is a demand for labor, we can’t compete financially.”

—SURVEY RESPONDENT

DEDICATED HR STAFF BY SECTOR (N=717)

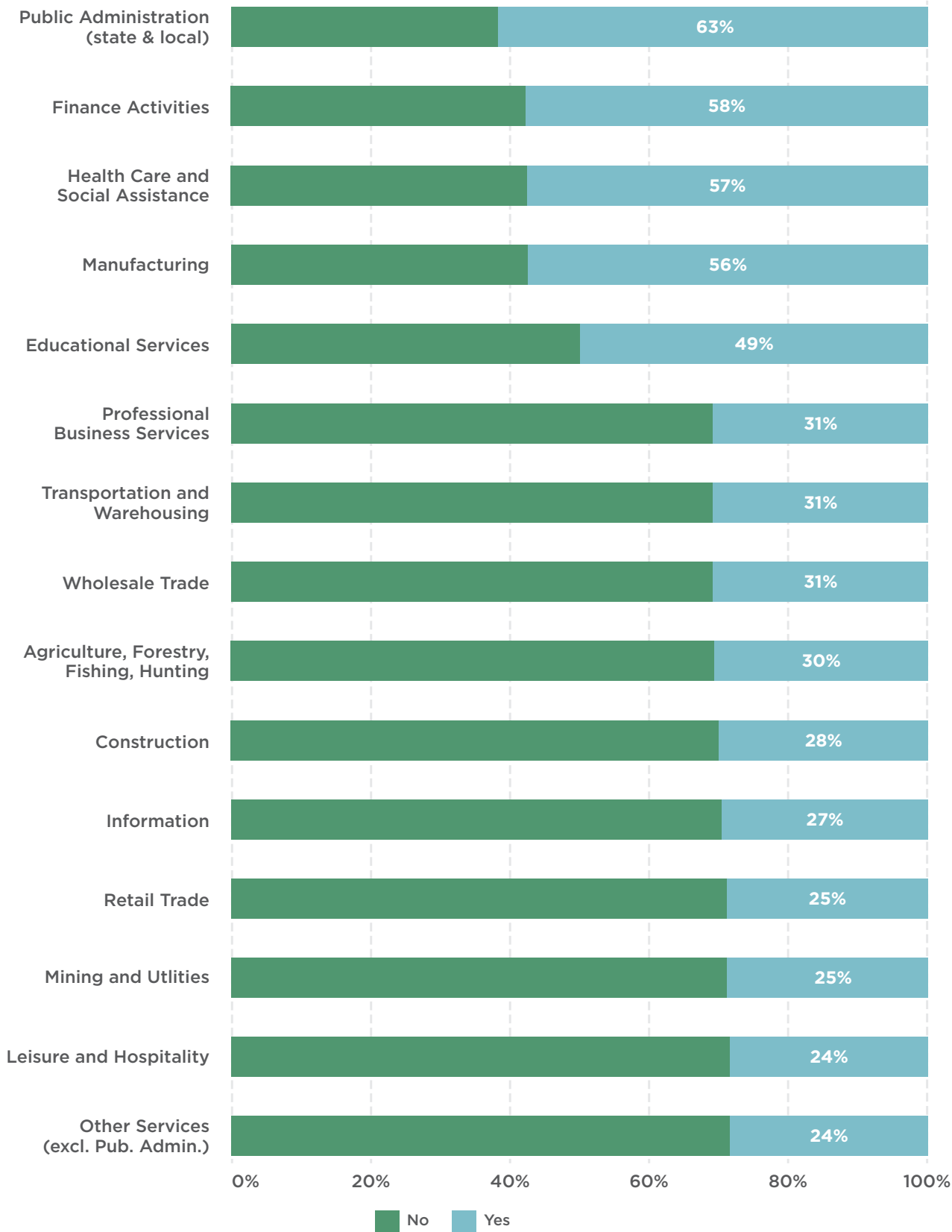


Figure 5: Employers with Dedicated HR Staff by Sector

OUT-OF-STATE RECRUITMENT AND ATTRACTION

Which of the following best indicates whether your organization actively targets or recruits out-of-state job applicants to work for your organization either on-site or remotely?

One-half of all employers do not actively recruit out-of-state candidates. Figure 6 shows the share of employers by size and whether they are actively recruiting workers from out-of-state, including for both on-site and remote work. Similar to whether an employer has dedicated HR staff, there is a clear pattern that large firms are more likely to recruit out-of-state candidates. Over 90 percent of employers with greater than 500 employees are actively recruiting out-of-state job candidates and applicants, while roughly 60 percent of small employers (less than 20 employees) are not actively recruiting out-of-state workers.

Industries that are more place dependent or require physical presence are more likely to not recruit out-of-state, such as Construction (Figure 7), but also industry sectors that generally pay lower relative wages, such as Retail Trade and Agriculture, Forestry, Fishing, Hunting (natural resource industries) are less likely to recruit out-of-state. There is no significant correlation between whether an organization reported having dedicated HR staff and whether they actively recruited out-of-state.

Aside from hiring workers for on-site employment, employers are also utilizing remote work arrangements when targeting out-of-state labor recruitment. Twenty percent of all respondents reported recruiting remote workers from out-of-state (though just three percent are only recruiting remote workers, while 17 percent reporting recruiting out-of-state workers for both remote and on-site work. This is especially true with large employers, where at least half reporting hiring remote workers as well as on-site (Figure 6). Across industry sectors, employers more likely to utilize remote work arrangements typically have occupations more amenable to remote work, such as Information and Professional Business Services (Figure 7).



OVER 90%
of employers with greater than
500 EMPLOYEES
are actively recruiting
out-of-state candidates

ABOUT 60%
of small employers
(fewer than 20 employees)
are not actively recruiting
out-of-state workers

**DOES THE FIRM ACTIVELY RECRUIT OUT-OF-STATE?
BY CLASS SIZE (N=722)**

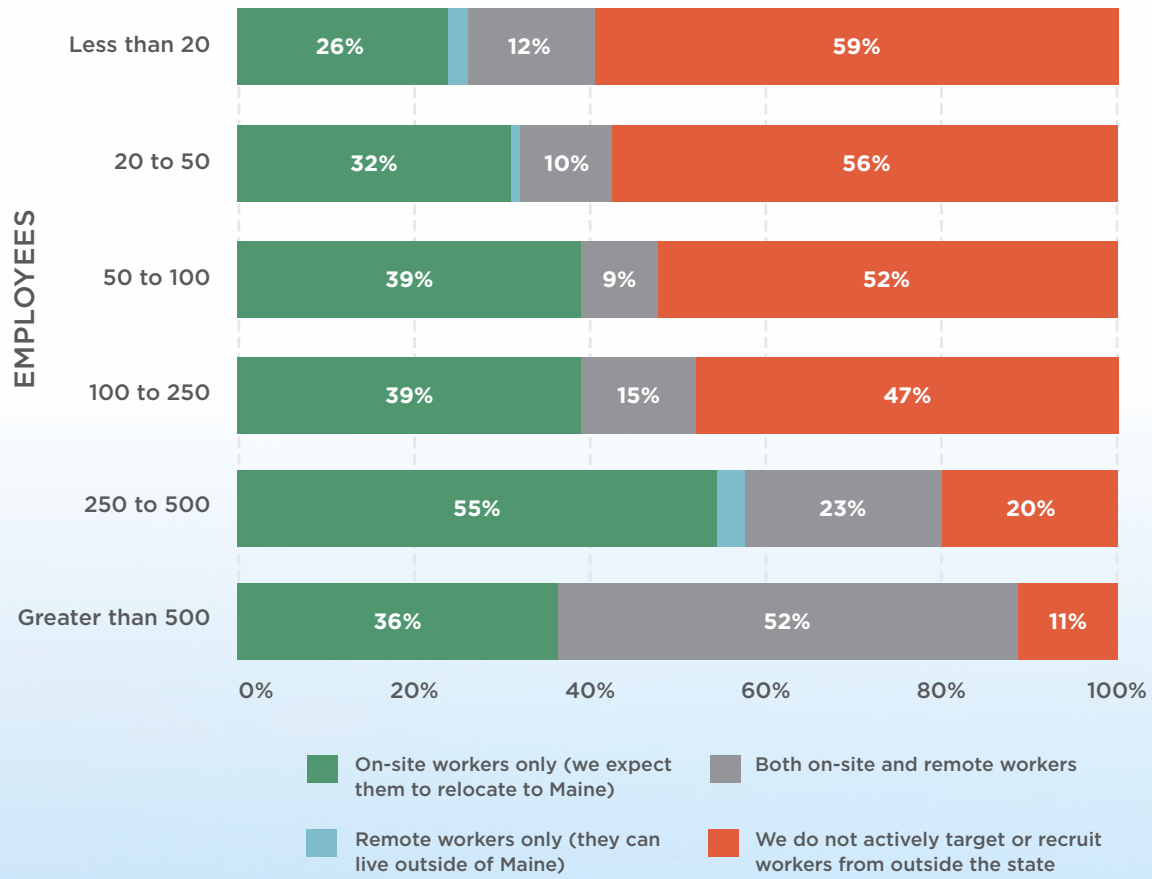


Figure 6: Out-of-State Recruitment by Employer Size



DOES THE FIRM ACTIVELY RECRUIT OUT-OF-STATE?
BY SECTOR (N=720)

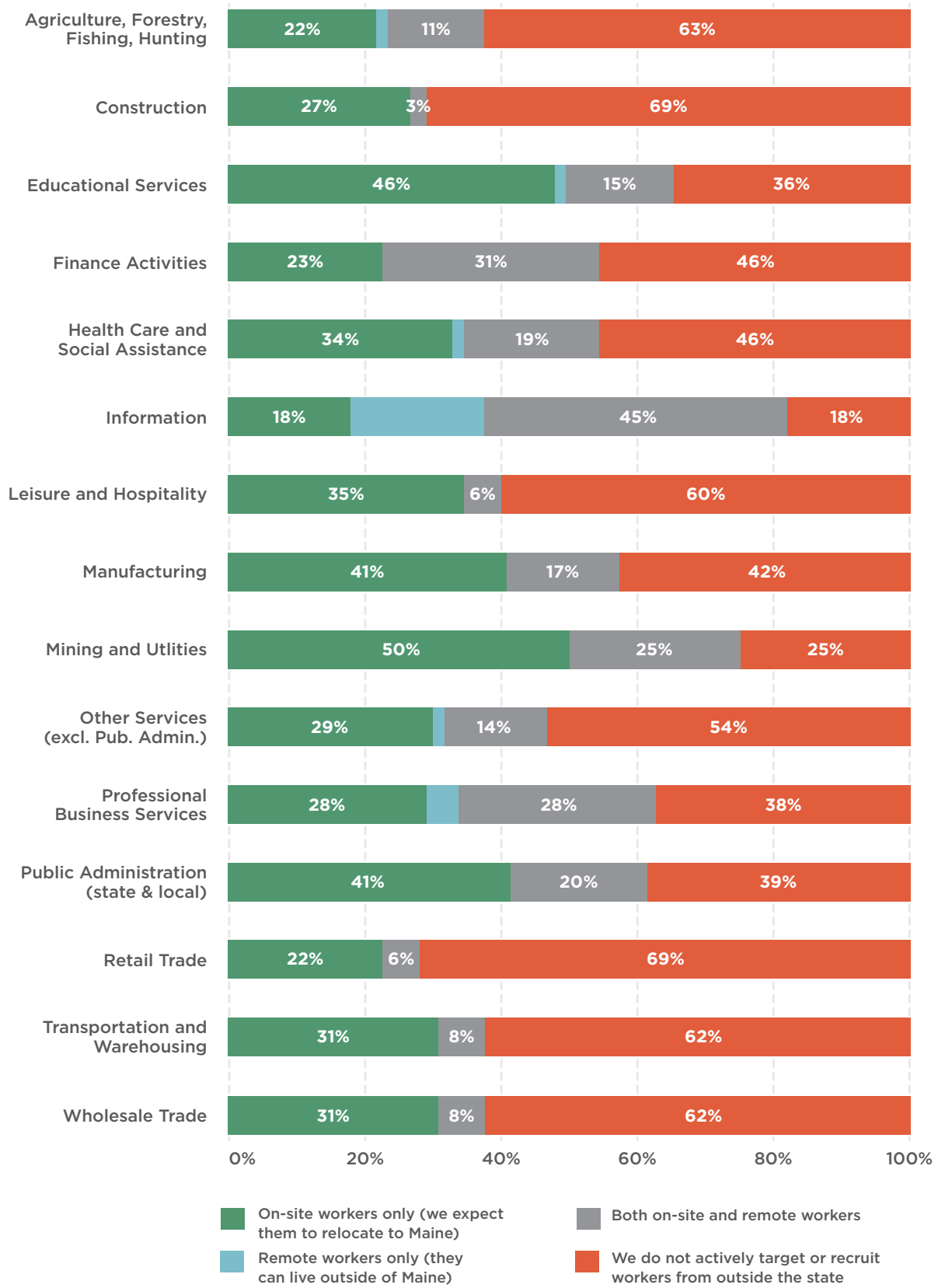


Figure 7: Out-of-State Recruitment by Sector

REASONS EMPLOYERS DO NOT RECRUIT OUT-OF-STATE

If your organization does not actively target or recruit out-of-state workers, please indicate why not. Select all that apply.

For the half of employers not actively recruiting out-of-state candidates, reasons include having sufficient numbers of in-state applicants, lack of HR staff, lack of knowledge and know-how, and limited financial resources (Figure 8). Forty percent of these respondents also reported other reasons for not recruiting out-of-state. The most frequently cited reasons include state specific licensing requirements and difficulty attracting for entry-level or low-wage occupations, as well as additional costs to bring in and interview out-of-state candidates. A number of employers also referenced housing availability is a challenge bringing people to the state and retaining, while other employers expressed a preference for hiring in-state workers only or skepticism whether investments in out-of-state recruitment would pay-off. Differences across class size and sector are not significant.

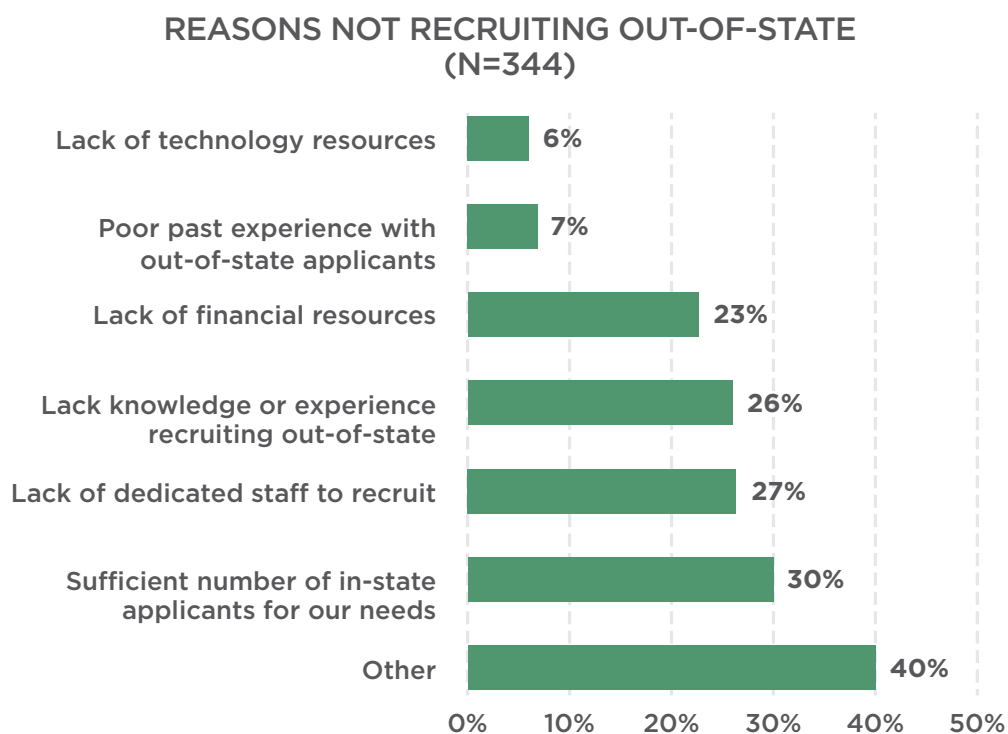


Figure 8: Reasons Not Recruiting Out-of-State

“We can not afford to offer a relocation package nor do most of our openings pay higher enough to incentivize someone to relocate given the high cost of living in Maine.”

—SURVEY RESPONDENT

WHAT WOULD ENABLE EMPLOYERS TO ACTIVELY RECRUIT OUT-OF-STATE?

What recommendations or resources, if any, would help enable or make it possible for your organization to consider out-of-state recruitment as an option? Please describe.

When given an opportunity to suggest recommendations or resources that would be helpful for an organization to consider out-of-state recruitment, organizations cited a number of key themes, several of which are representative of the general sentiment of responses overall:

- Address the housing challenges in the state
- Assistance with costs for recruitment and relocation
- Educational materials and resources for finding candidates and how to target
- Address high tax rates and other labor regulations
- Resources for assisting new hires in getting necessary state licensure, primarily cited as a challenge for organizations in health care and social assistance and the construction trades



SHARE OF NEW HIRES FROM OUT-OF-STATE²

Approximately, what percentage of your organization's total hires in the last 12 months were out-of-state job candidates, if any?

Of the organizations reporting actively recruiting out-of-state workers, three out of five organizations reported actually hiring out-of-state workers in the last year (Figure 9). For a majority of these organizations (43 percent), out-of-state candidates made up 20 percent or less of total new hires. Larger organizations were more likely to have out-of-state recruits in their recent new hire pools. Virtually all organizations with greater than 100 employees hired candidates from outside-the-state to some degree, most commonly accounting for 20 percent or less of total new hires (Figure 10). Smaller organizations were more likely to have out-of-state candidates comprise a larger share of total new hires - likely a result of smaller numbers of new hires compared to larger firms.

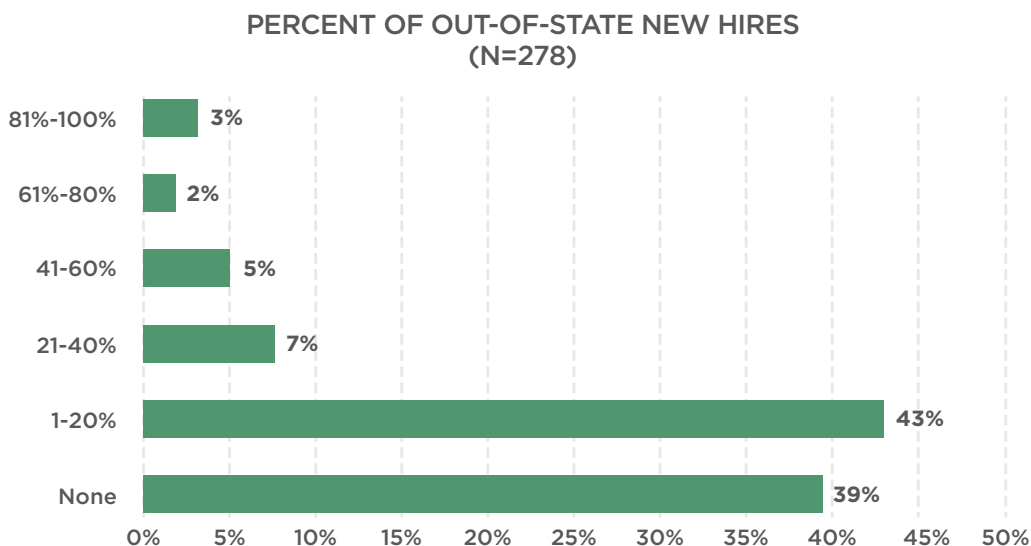


Figure 9: Percent of New Hires from Out-of-State of Orgs Recruiting Out-of-State

We had an incredible out-of-state recruitment effort and brought in thousands of new employees/tax payers. Most were not able to attain housing, let alone affordable housing, and had to leave the state. Despite the need, we no longer are actively seeking out-of-staters as it is not worth upheaving their lives, or our investment if they are not going to stay.

—SURVEY RESPONDENT

² The following questions sections are based on an analysis of organizations reporting actively recruitment out-of-state candidates, which comprise approximately 50% of all respondent organizations.

**AVERAGE ANNUAL POSTINGS BY EMPLOYER SIZE
(N=722)**

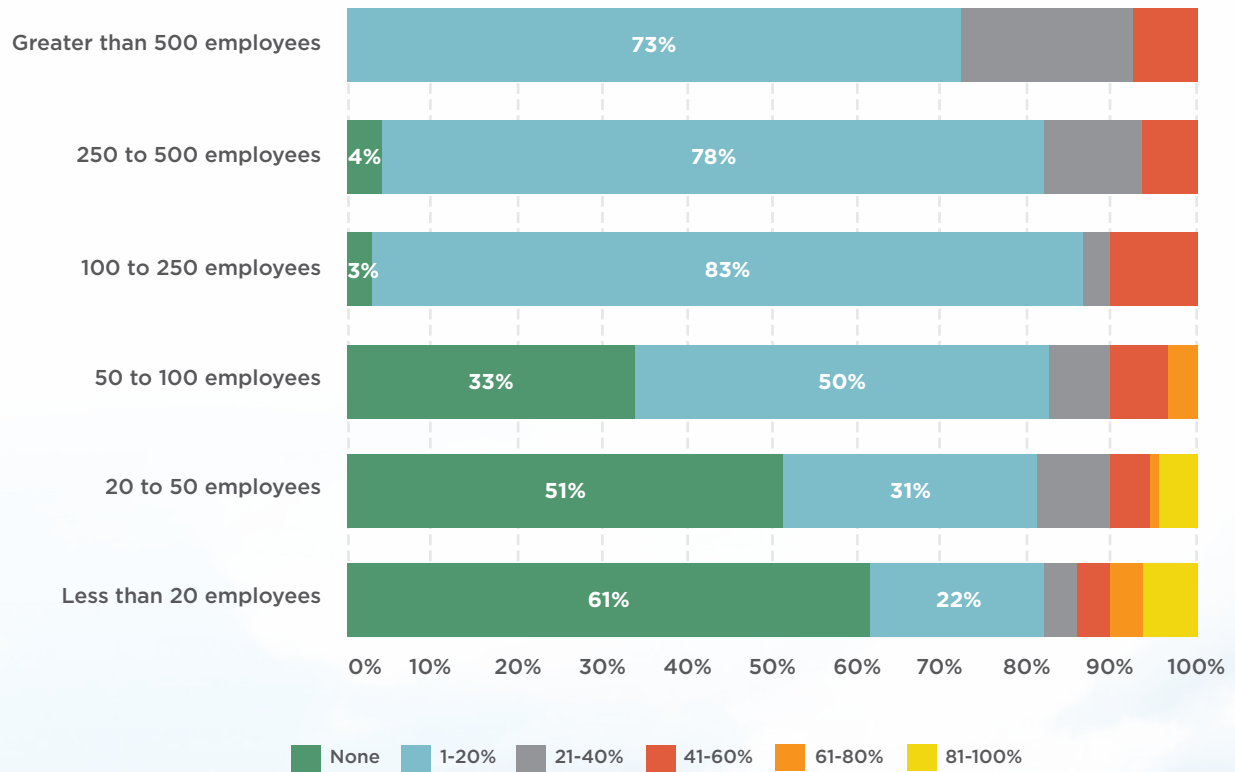


Figure 10: Percent of New Hires from Out-of-State of Orgs Recruiting Out-of-State by Employer Size



SHARE OF NEW HIRES THAT WORK REMOTELY

Approximately, what percentage of your organization's new hires in the last 12 months were employees that work remotely out-of-state, if any?

The majority of organizations actively recruiting out-of-state have not recently hired for remote work arrangements – roughly three-quarters of organizations. For those organizations that hired remote workers, they accounted for between 1 and 20 percent of all new hires (Figure 12). Nearly 60 percent of organizations with 500 or more employees reported between 1 and 20 percent of new hires were remote. The organizations hiring 60 percent or more of new hires remote, are largely smaller firms – less than 50 employees – and may ultimately make up just a smaller total number of workers.

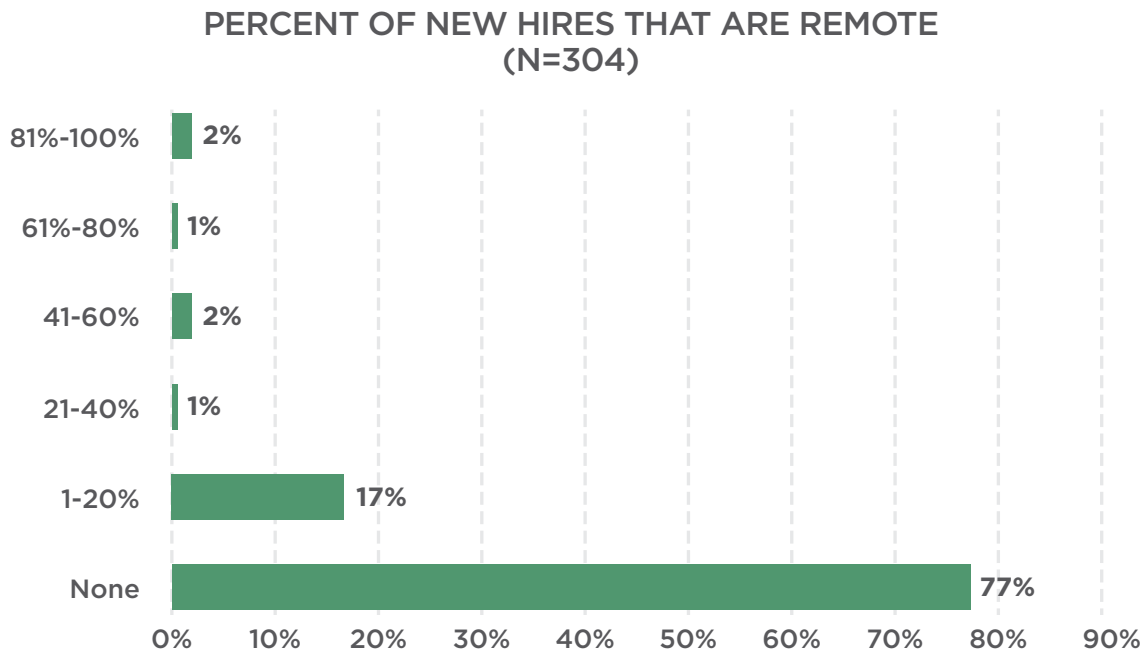


Figure 11: Percent of New Out-of-State Hires of Orgs Recruiting Out-of-State that are Remote

“All of our positions require a state license to practice. So reciprocity with neighboring states or within New England would be great.”

—SURVEY RESPONDENT

TARGET OCCUPATIONAL SKILL-LEVELS OF OUT-OF-STATE RECRUITMENT

When targeting out-of-state workers for recruitment, what level of positions does your organization primarily focus on based on educational attainment? Please select the most applicable option. Note: If your organization focuses on multiple levels of positions based on educational attainment, please select the option that represents the majority of your recruitment efforts.

One-quarter (27 percent) of organizations actively recruiting out-of-state reported indifference to specific skill levels when recruiting out-of-state, while nearly one-third (34 percent) reported focusing on occupations requiring a bachelor's degree or higher (Figure 13). Several respondents indicated their focus was on specific licensing requirements or based on experience rather than education level, as a measure of skill. Generally, organizations were less likely to target out-of-state recruitment for lower-skill requirement occupations.

Are there specific jobs / occupations that are relatively more difficult for your organization to recruit out-of-state workers for? If so, please specify.

When asked to identify specific occupations that are more difficult to recruit out-of-state for, the most frequently cited occupations or groupings focused on licensed professionals, whether for healthcare, engineering, or CDL, education related, construction and trades, and manufacturing machinists. Others noted general laborers, entry-level, seasonal, and low-wage jobs more generally are difficult to recruit from outside the state.

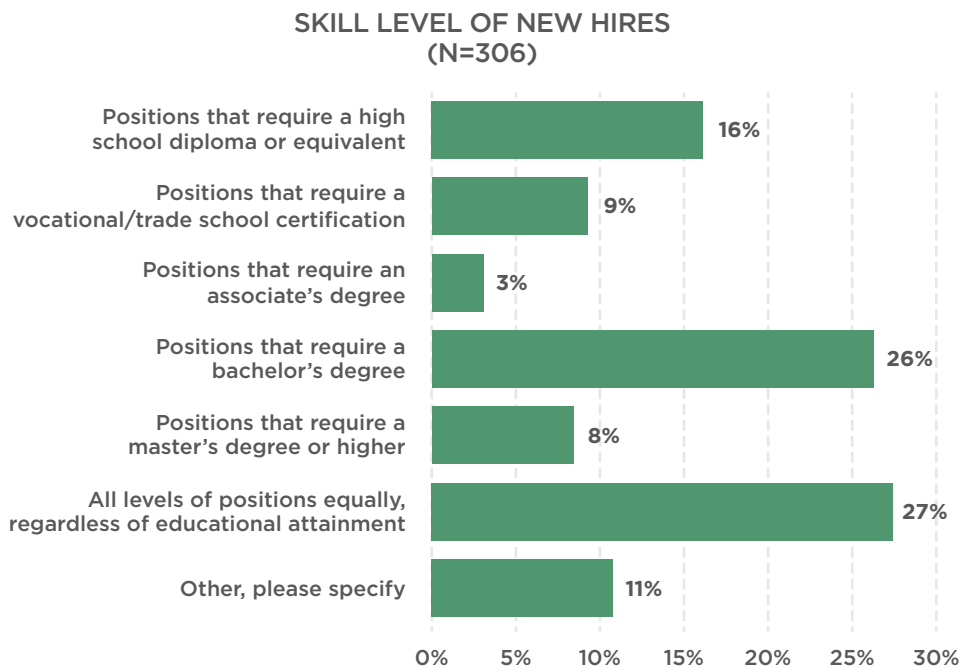


Figure 12: Skill Level of Out-of-State Recruitment Occupations for Out-of-State Recruiting Orgs

EFFECTIVENESS OF MARKETING CHANNELS AND ACTIVITIES

How effective are the following channels when soliciting applications from out-of-state? Please rate on a scale from 1 to 3.

The most effective marketing channels and activities reported by organizations actively recruiting out-of-state were online job boards followed by internal referrals, both reported with a relatively high share as very effective (Figure 14). A majority of organizations find career fairs and other events not effective for recruitment for out-of-state. A large share of organizations finds social media, the company (or organization’s) website, as well as online job boards as moderately effective in targeting out-of-state candidates.

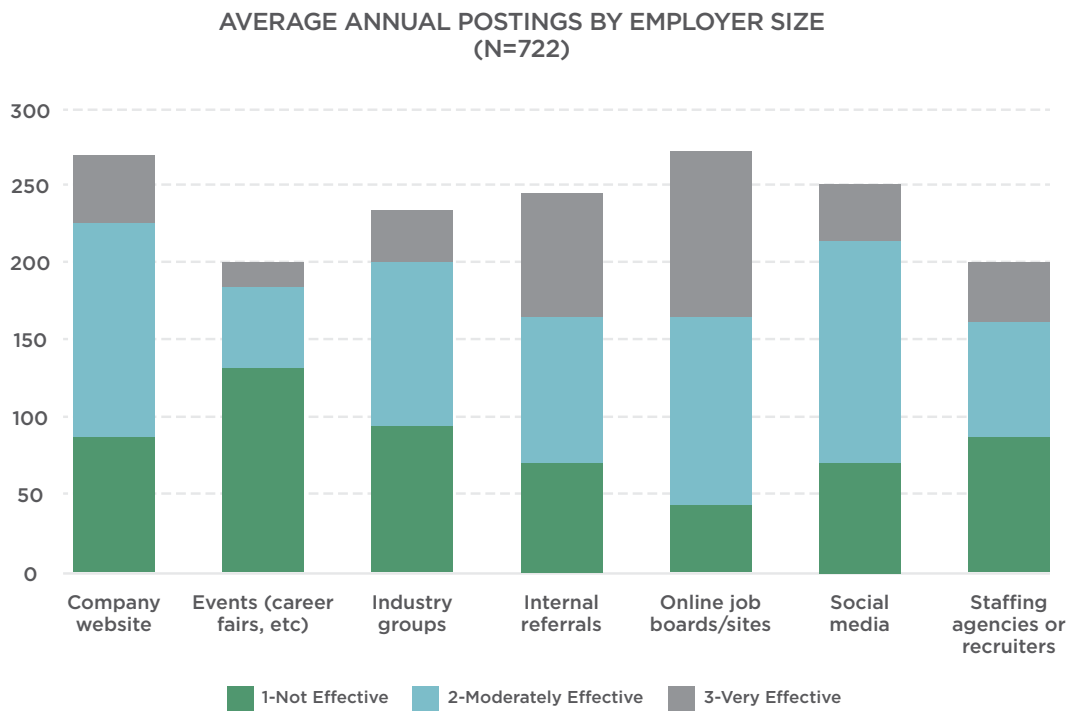


Figure 13: Effectiveness of Marketing Channels and Activities for Out-of-State Recruiting Orgs

“We can not afford to offer a relocation package nor do most of our openings pay higher enough to incentivize someone to relocate given the high cost of living in Maine.”

—SURVEY RESPONDENT

FACTORS INFLUENCING JOB CANDIDATE DECISIONS TO MOVE TO MAINE

From your organization's experience, which of the following factors expressed by job candidates are most important when deciding to move to live and work in Maine? Please rate on a scale from 1 to 3.

The most important factors expressed by job candidates that influence their decision to move to Maine, as reported by employers actively recruiting out-of-state, are compensation package and the availability and affordability of housing (Figure 15). To a lesser extent benefits package and accommodating a greater work-life balance are both noted as important to candidates.

Employer respondents also indicated other quality of life factors, such as proximity to family, low crime rates and small-town feel, and greater flexibility offered to employees are important factors expressed by job candidates when making a decision to move to live and work in Maine.

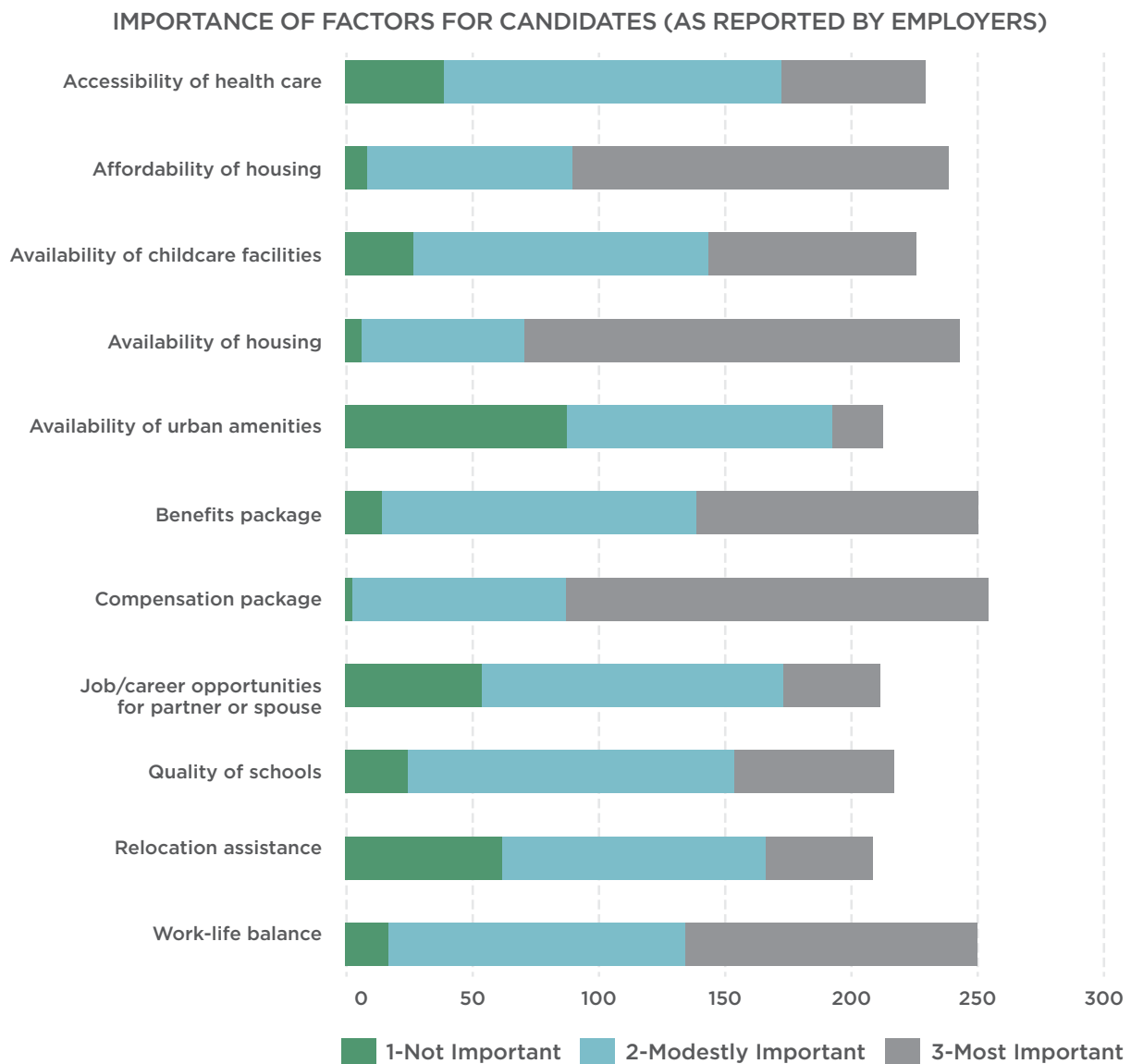


Figure 14: Factors Influencing Job Candidate Decisions to Move to Maine



WHAT ARE ORGANIZATIONS DOING?

What steps is your organization taking to address the challenges you face in recruiting and retaining talent from out-of-state?

Organizations actively recruiting out-of-state are primarily focused on increasing pay, benefits, and overall compensation to help with recruiting out-of-state candidates. This is in-part because of the relatively lower wage profile of jobs in Maine relative to other large employment centers and regions of the U.S. that pay higher wages. Employers are also improving workplace flexibility for employees including options to work remotely.

Employers are becoming more aggressive in their recruitment efforts by increasing the number of staff dedicated to those activities and hiring outside recruiters. At the same time, organizations also indicated that they are relying more on intentional networking that includes leveraging their current employees' networks to help recruit and identify potential candidates. A number of respondents are focusing on building their brand as an employer and great place to work.

It would be great to have a workforce attraction campaign. We spend state money to attract tourists, but very little if any to attract workers/families to live and work in Maine. We should support organizations like Live and Work in Maine and Boots2Roots who are doing some of this work already. Also, work to improve immigration reform, and temporary work visas.

—SURVEY RESPONDENT

SUPPORTS THAT WOULD BE HELPFUL TO EMPLOYERS

What type of State generated supports would be most helpful for your organization in addressing out-of-state recruitment challenges or to increase the intensity of those activities? Please provide any additional thoughts, suggestions, or insights from your organization.

The most frequently cited state generated supports by respondents focused on a broad marketing and advertising campaign to promote Maine as an attractive destination. This includes leveraging existing private sector efforts such as Live and Work in Maine, as well as other regional or industry specific initiatives. In addition, employers suggesting assistance with relocation expenses for candidates or other financial incentives to assist with recruiting out-of-state candidates.

Providing assistance to offset training costs for new recruits, as well as address license reciprocity for occupations requiring a Maine specific license which can be utilized as a recruitment carrot to job candidates. Likewise, greater support for visa programs, to the extent possible, would assist industries such as tourism, that rely on short-term seasonal workers. There were also several calls to lower tax rates in the state, which a number of employers perceive as an inhibiting characteristic for getting people to move to the state.

Addressing the housing challenges across the state as well as supporting expansion of daycare services were both frequently identified by respondents and emphasize the importance of these issues in recruitment expressed elsewhere in their responses. Respondents emphasized a focus on all regions of the state.

conclusion

Taking collectively the information provided by employers of this survey suggest a Number of implications for developing initiatives that support out of state recruitment and attraction. First, not all firms are the same and there are distinct differences between large firms that maintain the capacity and resources to actively and effectively recruit out-of-state candidates and smaller firms which comprise the bulk of employers in the state but make up a comparatively smaller share of total employment. Smaller firms typically lack the resources of larger firms. May also lack the knowledge and know how as well as tools to effectively recruit out of state workers when necessary. It is also apparent that recruiting out of state is more effective for certain occupations and industries than others. When developing initiatives and programming, stakeholders should consider coordination across specific industries and in-demand skill sets, as well as leverage existing private-sector efforts already underway. Finally, without addressing the broader community challenges facing all regions of the state, in particular housing affordability and availability, population and workforce attraction will continue to be a challenge.



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ABOUT THE MAINE MIGRATION RESEARCH PROJECT

The Maine Migration Project (MMP) is a research program generating essential data and information intended to help support private and public sector efforts focused on recruitment and attraction of out-of-state workers and job candidates and support the goals of the state's 10-year economic development strategy. The MMP is comprised of several core elements recent migration trends, migration decisions of households, recruitment and attraction activities of employers, and other relevant information that can help inform workforce attraction and recruitment activities.

ABOUT WALLACE ECONOMIC ADVISERS, LLC

Wallace Economic Advisors, LLC (WEA) provides economic research and consulting services to leading public and private sector organizations to support economic and workforce development. WEA works with clients in three niche practice areas: workforce and labor market dynamics, macro-economic benefits of energy infrastructure, and government and public relations support. Additionally, WEA serves as the in-house economist for small and mid-sized organizations providing data analytics and forecasting. Centered in Maine, WEA draws upon deep expertise and experience to help and inspire strategic pivots. The principal investigator of this research was Ryan Wallace, PhD.

appendix

MAINE WORKFORCE ATTRACTION EMPLOYER SURVEY

Q1 This voluntary survey will take no more than 5 to 10 minutes to complete and attempts to understand the specific challenges organizations experience attracting and recruiting job applicants and candidates that reside outside of Maine. This survey is being administered by Wallace Economic Advisers, LLC in partnership with the Maine Department of Economic and Community Development and Department of Labor as part of a larger project aimed at supporting Maine's Economic Development Plan goal of attracting 75,000 workers to Maine's talent pool by 2030. Your insights are important.

The core content of this survey is about recruitment, specifically recruitment of out-of-state workers and job candidates. We are seeking one unique response per business or employing organization. Therefore, the ideal person responding to these questions within your organization should have sufficient knowledge regarding your organization's practices on hiring and recruitment. All responses are maintained confidentially and reported in aggregate. Please answer questions to the best of your knowledge. We value your time and assistance in addressing Maine's workforce challenges.

Q2 Please select the size of your organization by number of employees.

- Less than 20 employees (1)
- Greater than 500 employees (6)

Q3 Please select the industry sector that best corresponds to your organization's core operations.

- Agriculture
- Forestry
- Fishing
- Hunting (NAICS 11) (1)
- Public Administration (state and local government) (NAICS 92) (15)

Q4 Please provide the zip code of your central office location. If unknown, please indicate the city or town.

Zip Code (1)

City or Town, if Zip unknown (2)

Q5 Does your organization have a dedicated human resource staff, team, or department to recruit and attract job candidates and new employees?

- Yes (1)
- No (2)

Q6 Approximately how many job openings did your organization attempt to fill last year?

- Less than 10 (1)
- More than 500 (7)

Q7 Which of the following best indicates whether your organization actively targets or recruits out-of-state job applicants to work for your organization either on-site or remotely?

- On-site workers only (we expect them to relocate to Maine) (1)
- Remote workers only (they can live outside of Maine) (2)
- Both on-site and remote workers (3)
- We do not actively target or recruit workers from outside of the state (4)

Display This Question:

If Q7 = We do not actively target or recruit workers from outside of the state

Q8 If your organization does not actively target or recruit out-of-state workers, please indicate why not. Select all that apply.

- Sufficient number of in-state applicants for our needs (1)
- Poor past experience(s) with out-of-state applicants (2)
- Lack knowledge or experience recruiting out-of-state (3)
- Lack of dedicated staff to recruit (4)
- Lack of financial resources (5)
- Lack of technology resources (6)
- Other, please specify: (7)

Display This Question:

If Q7 = We do not actively target or recruit workers from outside of the state

Q9 What recommendations or resources, if any, would help enable or make it possible for your organization to consider out-of-state recruitment as an option? Please describe.

Skip To: Q18 If Condition:

What recommendations or res... Is Not Empty.

Skip To: Contact info.

Q10 Approximately, what percentage of your organization's total hires in the last 12 months were out-of-state job candidates, if any?

None (1) ... 81%-100% (6)

Q11 When targeting out-of-state workers for recruitment, what level of positions does your organization primarily focus on based on educational attainment? Please select the most applicable option. Note: If your organization focuses on multiple levels of positions based on educational attainment, please select the option that represents the majority of your recruitment efforts.

- Positions that require a high school diploma or equivalent (1)
- Positions that require a vocational/ trade school certification (10)
- Positions that require an associate's degree (11)
- Positions that require a bachelor's degree (12)
- Positions that require a master's degree or higher (13)
- All levels of positions equally, regardless of educational attainment (14)
- Other, please specify: (15)

Q12 Are there specific jobs / occupations that are relatively more difficult for your organization to recruit out-of-state workers for? If so, please specify.

Q13 Approximately, what percentage of your organization's new hires in the last 12 months were employees that work remotely out-of-state, if any?

None (1) ... 81%-100% (6)

Q14 How effective are the following channels when soliciting applications from out-of-state?
Please rate on a scale from 1 to 3.

	1 NOT EFFECTIVE	2 MODERATELY EFFECTIVE	3 VERY EFFECTIVE	N/A
Internal referrals				
Company website				
Industry groups				
Online job boards/sites				
Social media				
Staffing agencies or recruiters				
Events (career fairs, etc)				
Other (please specify)				

Q15 From your organization's experience, which of the following factors expressed by job candidates are most important when deciding to move to live and work in Maine?
Please rate on a scale from 1 to 3.

	1 NOT IMPORTANT	2 MODESTLY IMPORTANT	3 MOST IMPORTANT	N/A
Compensation package				
Benefits package				
Relocation assistance				
Work-life balance				
Job / career opportunities for partner or spouse				
Availability of urban amenities				
Accessibility of health care				
Affordability of housing				
Availability of housing				
Availability of childcare facilities				
Quality of schools				
Other, please specify:				

Q16 What steps is your organization taking to address the challenges you face in recruiting and retaining talent from out-of-state?

Q17 What type of State generated supports would be most helpful for your organization in addressing out-of-state recruitment challenges or to increase the intensity of those activities? Please provide any additional thoughts, suggestions, or insights from your organization.

Q18 Thank you for taking this survey. Please provide the name of your organization and email address to validate your response. As a reminder, all personal and firm information will be maintained confidentially.

Organization Name

Respondent email address



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