



For Immediate Release
June 18, 2024
Contact: JD Chesloff, 617-728-0881

**MASSACHUSETTS BUSINESS ROUNDTABLE RELEASES FINDINGS FROM
ITS 4TH ANNUAL SURVEY OF LARGE EMPLOYERS ON TRENDS AROUND
TALENT AND MASSACHUSETTS' COMPETITIVENESS**

*Survey of employers highlights impact of high cost of living on hiring and location
decisions*

The Massachusetts Business Roundtable, a statewide public policy organization comprised of Chief Executive Officers and Senior Executives from some of the state's largest employers, today released the survey results of its 2024 Talent and Competitiveness Survey, a survey the Roundtable has conducted in partnership with McKinsey & Company over the past four years. The survey found that Massachusetts is an attractive home for business with talent continuing to be the top reason employers are here. However, the rising costs of living and doing business have emerged as dominant factors influencing employers' hiring decisions and whether to remain and/or grow outside of the Commonwealth. The survey also includes solutions to address the state's challenges and positively impact its position as a global leader.

"What struck me most about the survey results was the acceleration of the impact of the state's cost of living on employer's hiring and growth decisions," said JD Chesloff, President & CEO of the Roundtable. "Employers still love being in Massachusetts for all it has to offer, however the cost of living and fundamental changes in mobility have given employers alternatives that they are exploring."

The survey found that Massachusetts continues to be a hub for education and technological innovation. However, macroeconomic headwinds outweigh tailwinds as factors influencing where employers are growing their workforce and footprint. The rising cost of living, led by the cost of housing, is the dominant factor influencing organizations' decisions to remain in Massachusetts. This is impacting hiring, as it is becoming increasingly difficult to recruit talent to Massachusetts and more employers are planning to grow their presence outside of the state.

Of those employers surveyed, 83% cited the cost of living - driven by the cost of housing - as critical to their decision to remain in Massachusetts, up 2.5x from 2022



and more than 50% indicated the largest hurdle to recruiting is candidates' unwillingness to move to Massachusetts. This has resulted in 40% of respondents planning to grow their workforce outside of the state, doubling since 2023 and almost 6x from 2022.

Other findings show that hybrid work and real estate decisions are normalizing post-pandemic, while economic and increasingly federal issues are top of mind for employers. The survey found that 73% of organizations rate economic risks such as inflation, interest rates, and recession as their top concern impacting their business.

"Massachusetts is a very attractive place to do business, but recruiting talent remains a challenge for local companies due to the high cost of living," said Lisa Murray, Citizens Massachusetts President and Chair of the Massachusetts Business Roundtable. "To remain competitive, more investments in housing and workforce development are needed to make the Commonwealth a more affordable place to live and work."

The survey identified a series of solutions to address the talent challenge. For example, business leaders overwhelmingly support housing investments, with 91% indicating that increased housing production will improve the state's competitiveness. Additionally, larger companies with more than \$1B in revenue have implemented artificial intelligence (AI) across functions to augment recruiting and human resource processes, as well as for generative AI and to enhance sales and marketing. Many employers are engaging in recruiting partnerships and offering upskilling opportunities to retrain and retain talent. Finally, the majority of organizations believe the state's proposed commitment to building an AI hub (64%), reauthorizing life sciences investments (63%), and launching a climatetech initiative (53%) would benefit the state's talent competitiveness.

"When we've conducted this survey in the past the red warning light from MA employers was certainly flashing; now it's solidly red," said Lucy Perez, the Senior Partner at McKinsey & Company who led the research. "As a long-term resident of Massachusetts, this year's study hit home for me - it underscores both the incredible strengths we have here in terms of talent, innovation and education, but also the serious challenges employers told us they're facing around cost of doing business as well as attracting talent due to affordability challenges around housing, childcare and transportation. All of these problems are solvable, but now is the time for action."



These findings are based on a combination of surveying almost 60 Roundtable members, plus interviews with CEOs, Senior Executives, and HR business partners within the membership. [Read the full report here.](#)

About The Massachusetts Business Roundtable

The Massachusetts Business Roundtable is a public policy organization comprised of Chief Executive Officers and Senior Executives from some of the state's largest employers representing over 250,000 Massachusetts employees. The mission of the Roundtable is to make Massachusetts the most desirable place to live, work and do business by engaging private sector executives and public leaders to ensure access to a robust, diverse, and talented workforce that enhances the Commonwealth's competitiveness in a global economy. For more information about the Roundtable, visit maroundtable.com. For the latest updates and news on the Roundtable, follow on Twitter @MABizRoundtable.

###