



**A COLLABORATION BETWEEN THE
CNMI STATE WORKFORCE DEVELOPMENT BOARD (SWDB)
AND THE CNMI DEPARTMENT OF LABOR (DOL)
WORKFORCE INVESTMENT AGENCY (WIA) DIVISION**

CNMI

COMMONWEALTH OF THE NORTHERN MARIANA ISLANDS

2021 BUSINESS NEEDS ASSESSMENT

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Executive Summary

Over the last five (5) years, the Commonwealth of the Northern Mariana Islands (CNMI) has experienced several external shocks impacting the economies of Saipan, Tinian, and Rota. Since Super Typhoon Soudelor in 2015, followed by the rise and decline of the Gaming Industry, Typhoon Mangkhut and Super Typhoon Yutu in 2018, to now the current response to the COVID-19 pandemic, the public and private sectors have been forced to adapt to survive and maintain their operations.

The CNMI workforce has experienced unanticipated waves of opportunities and calamities due to the external shocks, and for this reason, the CNMI State Workforce Development Board (SWDB) and the CNMI Department of Labor (DOL) Workforce Investment Agency (WIA) Division administered the 2021 Business Needs Assessment (BNA) to determine the current and future needs of the CNMI private sector.

Despite the many external impacts, the 2021 BNA responses reflected the general expectations of the SWDB and DOL WIA. Employers continued to report that reliability, work ethics, and motivation to work were the most essential qualities in an employee, ranking higher than educational or work experiences. With COVID-19, staffing reductions, and the availability of a local workforce, most employers reported at least 80% of their workforce are CNMI-based workers. Employers expressed that their entities needed training, varying from soft skills to technical skills. Employers who responded are planning for expansion over the next five years, with their rate of growth dependent on the resumption of tourism operations.

Despite the economic uncertainty in the CNMI, there are concrete recommendations that would allow the SWDB and DOL WIA to continue to respond to the private sector training needs. These training needs include prioritizing soft skills training at all ages and education levels; in-house training opportunities; management training; and technical and trades education. Employers are optimistic in their future plans, and the SWDB and DOL WIA are equipped to meet their needs through the continuation and investment in core WIOA-funded partners, local educational institutions, and specialized training affiliates.

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Introduction

The CNMI Department of Labor Workforce Investment Agency (DOL WIA) and the CNMI State Workforce Development Board (SWDB) worked with Max Impacts: Maxine Laszlo Consulting (Max Impacts) to seek input from the CNMI private sector through the 2021 Business Needs Assessment (BNA). The purpose of the BNA was to better understand businesses and nonprofits' current and projected needs so that WIA and the SWDB can support the training, employment, and retention of employees in the CNMI.

Methodology

The CNMI DOL WIA and the SWDB worked with Max Impacts to share their vision and goals for the 2021 BNA. Max Impacts then drafted a survey for review by the CNMI DOL WIA and SWDB, and after the survey questions were approved, the survey was made into a paper and online version. Links to the online were distributed individually to over 100 business contacts, through listservs within the Saipan Chamber of Commerce and Society for Human Resources (SHRM), and through the Marianas Variety and Saipan Tribune. In total, the survey received 109 individual responses.

Findings

All questions and the summary of their responses can be found in Appendix A (see Page 13).

Demographics of Company Respondents of Survey

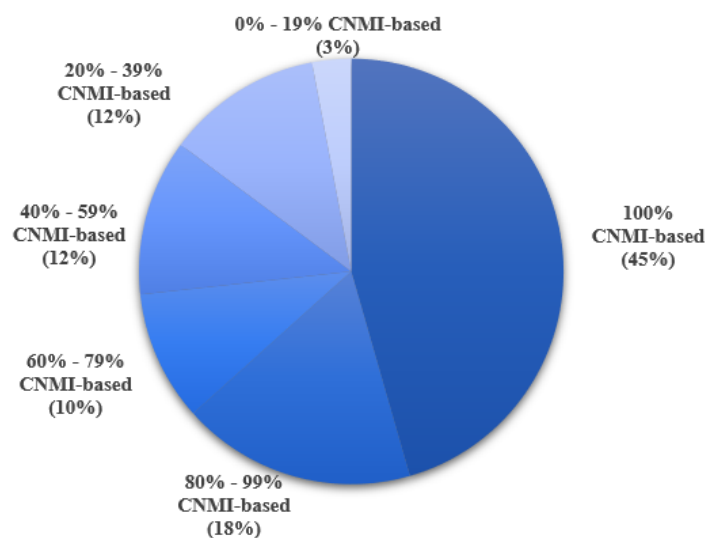
One-hundred and nine (109) survey respondents represented seventeen (17) different industries, with **top industries including Other Services (except public administration) (17%); Accommodation and Food Services (13%); Retail Trade (11%); Construction (11%); and Professional, Scientific, and Technical Services (9%).**

Seventy-six percent (76%) of respondents had less than 30 employees (CNMI-based and indirect hires). Only eleven percent (11%) reported employing over five (5) indirect hires or those contracted through manpower agencies.

When asked where employers primarily employed individuals, ninety percent (90%) of respondents stated **Saipan**, seven percent (7%) said **Tinian**, and three percent (3%) stated **Rota**.

Lastly, respondents were asked to consider how many CNMI-based Workers they employed as compared to non-CNMI-based Workers. The survey identified a "CNMI-based Worker" as a person who was 1) a U.S. qualified worker (e.g., U.S. Citizen, Green Card Holder), and 2) when the employer was conducting the hiring process, the person was living in the CNMI. One hundred and one (101) respondents answered the question, and of the respondents, forty-five percent (45%) reported they **only employed CNMI-based workers**. Seventy-three percent (73%) of respondents stated that that **at least sixty percent (60%) of their staff were CNMI-based**, and only three percent (3%) reported that **over eighty percent (80%) of their staff were non-CNMI-based**.

FIGURE 1: PERCENTAGE OF EMPLOYEES WHO ARE "CNMI-BASED" WORKERS (N=101)



Findings Regarding Companies' Impact from COVID-19

Respondents were asked to identify how their operations and staffing had changed between August 2019 and August 2021.

- In terms of their overall operations, **responses were split nearly between “No Reduction” (32%), “Minimal Reduction” (33%), and “Large Reduction” (30%).** Only five percent (5%) of respondents were “Temporarily Closed,” and no respondents of the survey identified as being “Permanently Closed.”
- In terms of staffing, **forty-four percent (44%) had “No Staffing Reduction,” and thirty-two percent (32%) had reduced staff by a quarter or less (1% - 25%).** Of all respondents, seven percent (7%) reduced their staffing by over seventy-five percent (75%).

Respondents were also asked to name their top three (3) concerns regarding their recovery from COVID-19. Top-ranking concerns included **“Future COVID-19 Outbreaks” (53%), “Date to Resume Tourism Operations (42%), “Local Recession” (39%), and “Rehiring, Replacing, and Retaining Workforce” (32%).**

FIGURE 2: TOP EMPLOYERS CONCERNS REGARDING THEIR RECOVER FROM COVID-19 (N=109)

Top Employer Concerns Regarding Recovery from COVID-19	Percentage of Respondents
Future COVID-19 Outbreaks	53%
Date to resume tourism operations	42%
Local recession	39%
Rehiring, replacing, and retaining workforce	32%
Access to capital to bridge financial loss	23%
Global recession	23%
Decreased consumer confidence and buying power	20%
Domestic or international supply-chain changes	20%
An exodus of the CNMI-based workforce	19%
Going out of business	11%
International trade or political unrest	4%
Other: USCIS-related and number of qualified U.S. Workers	2%
Other: Economic Uncertainty	1%
Other: Delayed payments from clients	1%
Other: None listed	1%

Findings Regarding Companies' Current Employment Landscape

Employers were asked to consider their current employment landscape between March 2020 through August 2021. During that period, forty-seven percent (47%) of respondents had hired a **CNMI-based worker(s)**, six percent (6%) had hired a **non-CNMI based worker(s)**, and eight percent (8%) had hired **both CNMI-based and non-CNMI-based workers**. Another ten percent (10%) had tried to hire staff and were unsuccessful.

When asked about their top three (3) challenges in hiring new CNMI-based workers, employers' highest reported responses indicated that **applicants lacked work experience (45%), lacked employable skills (39%), and lacked technical skills (31%)**. Additional reasons included a **low number of applicants (22%), applicants lacking soft skills (15%), and unemployment benefits (15%)**.

Employers were asked to consider the top three (3) character trainings or skills they value in an employee. An overwhelming majority identified **“reliability” as their top character trait (69%)**. Following top traits included other soft skills such as **“work ethics” (49%), “motivation to work” (42%), and “professionalism” (28%)**, then followed by hard skills such as **“work experience” (27%) and “technical or specific occupational skills” (26%)**.

Respondents were asked questions on the percent of CNMI-based applicants for jobs at their company. In considering qualities employers either “agreed” or “strongly agreed” to, they identified the following:

- Eighty percent (80%) believed they had the **proper U.S. immigration status** for the open position,
- Seventy-four percent (74%) believed CNMI-based workers possessed the **basic skills** for the job in which they were applying for,
- Sixty-eight percent (68%) believed they had the necessary **occupational or technical skills**,
- Sixty-five percent (65%) believed they had the necessary **soft skills**, and
- Sixty-four percent (64%) believed they possessed **all requirements** for the job.

The results showed that over one-third (1/3) of employers identified that they were “Neutral,” “Disagreed,” or “Strongly disagreed” that applicants had the soft skills or all of the requirements needed to perform the position in which they were applying.

FIGURE 3: EMPLOYERS PERCEPTIONS OF CNMI-BASED APPLICANTS “READINESS” WHEN APPLYING FOR JOBS (N VARIES)

Perception on CNMI Worker Applicants	Strongly Agree	Agree	Neutral	Disagree	Strongly Disagree	Number of respondents
Applicants possess all requirements for the job	18%	46%	22%	12%	2%	106
Applicants possess the basic skills required for the job	28%	46%	19%	7%	0%	107
Applicants possess the soft skills required for the job	15%	50%	23%	11%	1%	105
Applicants possess the occupational/technical skills required for the job	22%	46%	15%	12%	5%	105
Applicants possess the proper U.S. immigration status for the job	41%	39%	17%	4%	0%	106

When asked about **how employers recruit** employees, the majority stated **either via CNMI DOL Job Vacancy Announcement (JVA) listings (64%) or word of mouth (63%)**. Other top ways included social media (32%), local newspapers (24%), or the company website (22%).

Employers were asked to identify what, in their opinion, was the **most effective way to address CNMI-based Workers' skill gaps within their entity**. Responses were varied and included in-house training (35%), specialized training providers (24%), trade school (16%), college (10%), seminars/workshops (8%), or self-study or online training (6%).

Lastly, employers were asked to identify their **top three (3) current workforce challenges**. The majority of respondents identified the following reasons: **“Quality employees looking to move off-island for other opportunities” (65%)**, **“Needing to revise pay scales and benefits to retain workers” (60%)**; and **“Needing to increase training due to decreased skillsets” (52%)**.

Findings Regarding Companies' Current Vacancies

All employers were asked to identify their current vacancies in August 2021. Of the one-hundred and nine (109) respondents, there were 280 current vacancies. Vacancies were then compared to the respondents' business industry. **Industries with the most vacancies included Accommodation and Food Services (42%); Construction (15%); Other Services (except public administration) (13%); Retail Trade (9%); and Professional, Scientific, and Technical Services (5%)**. Industries with the lowest number of private sector vacancies with less than 1% of vacancies included Health Care and Social Assistance; Mining, Quarrying, and Oil and Gas Extraction; Arts Entertainment and Recreation; Educational Services; and Transportation and Warehouse.

FIGURE 4: TOP FIVE (5) INDUSTRIES WITH VACANCIES IN AUGUST 2021

Respondent Industry	Number of Vacancies	Percentage of Vacancies
Accommodation and Food Services	118	42%
Construction	41	15%
Other Services (Except Public Administration)	37	13%
Retail Trade	24	9%
Professional, Scientific, and Technical Services	14	5%

FIGURE 5: BOTTOM FIVE (5) INDUSTRIES WITH VACANCIES IN AUGUST 2021

Respondent Industry	Number of Vacancies	Percentage of Vacancies
Health Care and Social Assistance	1	0%
Mining, Quarrying, and Oil and Gas Extraction	1	0%
Arts Entertainment, and Recreation	0	0%
Educational Services	0	0%
Transportation and Warehouse	0	0%

Employers were then asked to identify, across career categories, what vacancies they had open in August of 2021. Top career categories included Hospitality and Tourism (35%); Architecture and Construction (21%); Agriculture, Food, & Natural Resources (14%); Business Management and Administration (9%); and Finance (7%).

FIGURE 6: CURRENT VACANCIES IN AUGUST 2021 BY CAREER CATEGORIES (N=319)

Career Categories	Percentage of current vacancies
Hospitality and Tourism	35%
Architecture and Construction	21%
Agriculture, Food, & Natural Resources	14%
Business Management and Administration	9%
Finance	7%
Arts, Audio/Video Technology, and Communication	3%
Law, Public Safety, Corrections, & Security	3%
Manufacturing	3%
Science, Technology, Engineering, & Mathematics	1%
Transportation, Distribution, & Logistics	1%
Human Services	1%
Information Technology	1%
Education and Training	1%
Health Services	0%

When asked where the current vacancies were located, eighty-nine percent (89%) of vacancies were on Saipan, ten percent (10%) were on Tinian, and one percent (1%) were on Rota.

Employers were asked to state why they had a vacancy for the position they were trying to hire. Top reasons included “rehiring for a position that was downsized due to COVID-19 (43%), permanent business growth/expansion (23%), replacing a worker who had left but had not retired (19%), or replacing a worker who did not renew U.S. immigration status (9%).

For most vacant positions, only a high school education or GED was required (63%). Another ten percent (10%) had no specific education requirement. This means that only approximately one-fourth of all positions required post-high school education, including vocational or technical education (14%), Associates Degree (4%), Undergraduate Degree (7%), or Postgraduate Degree (2%). In terms of experience, eighty-six percent (86%) of all open vacancies required two years of experience or less, and very few required more than five years of experience (7%).

Findings Regarding Companies' Current Training Needs

Employers were asked to identify their most critical training needs. The top five categories of trainings included customer service (45%), management (28%), trades (28%), sales (25%), and accounting (16%). When asked what factors most impacted employees' participation in training programs, the majority shared their reasons: The cost to participate (52%) or the time away from work (52%).

Respondents were asked if they had previously participated in services administered by the CNMI DOL Workforce Investment Agency (WIA) Division. These services are also formally known as Workforce Innovation and Opportunity Act (WIOA) programs; however, the term "WIA services" was used in the survey for respondent familiarity. Only twenty percent (20%) of the respondents had previously used WIA's services (n=21). Of those that had used WIA services, their ratings of the WIA's programming varied: Excellent (11%), Satisfactory (32%), Fair (37%), and Poor (21%). Programs respondents had previously participated in included Cooperative Training (31%), Work-based Training (28%), On-the-Job Training (21%), Internships (15%), and Registered Apprenticeship Sponsor (5%). When asked if they were likely to use WIA's services again, eighty-one percent (81%) said "yes," fourteen percent (14%) said they were unsure, and one respondent said "no."

All employers were asked if they would like to participate in WIA's services. Fifty-three (53) either responded "yes" or that they were already a current participant, while forty-two (42) said "no." Of the interested respondents, the majority wanted to participate in Work-based training (59%), On-the-Job Training (57%), or Cooperative Training (55%).

FIGURE 7: WIA PROGRAMS RESPONDENTS MOST WANTED TO PARTICIPATE IN (N=51)

Employers Responses When Asked if Which DOL WIA Programs They'd Participate In	Number of Respondents	Percentage of Respondents
Work-Based Training	30	59%
On-the-Job Training	29	57%
Cooperative Training	28	55%
Internships	24	47%
Registered Apprenticeship Sponsor	15	29%

Findings Regarding Companies' Current Projected Needs Over the Next Five (5) Years

Respondents were asked to consider their potential plans for expansion or reduction over the next five years. Of the respondents that identified whether or not they had expansion plans, thirty-four percent (34%) said they would expand in the next 12 months, forty-two percent (42%) in the next 1-2 years, thirty-nine percent (39%) in the next 2-3 years, and thirty-eight percent (38%) in the next 3-5 years. Respondents said the level of expansion would depend on the economy's state, and those who answered said they would expand anywhere between one percent (1%) to five hundred percent (500%).

FIGURE 8: RESPONDENTS PLANS FOR EXPANSION OVER THE NEXT FIVE (5) YEARS

Respondents Who Were Planning an Expansion....	Percentage that answered "No"	Percentage that answered "Yes"
In the next 12 months? (n=92)	66%	34%
In the next 1 – 2 years? (n=89)	58%	42%
In the next 2 – 3 years? (n=82)	61%	39%
In the next 3 – 5 years? (n=79)	63%	38%

Those planning an expansion believed an additional 546 new jobs would be created over fourteen (14) different career categories. Top career categories included Agriculture, Food, & Natural Resources (20%), Architecture and Construction (20%), Manufacturing (20%), Hospitality and Tourism (13%), and Business Management and Administration (8%).

For employers planning to expand, the top five reasons included the following: "Responding to future market demands" (77%), "Increasing existing market shares" (51%), "Responding to current market demands" (42%), "Reducing employee overtime" 23%; or "Entering a new market" (20%). When asked what their most significant barriers were to their workforce expansion, they identified "additional labor costs" (56%), "lack of available skilled workers" (56%), "uncertainty in current market demands" (41%), "competition in existing markets" (31%), and "additional benefit costs (21%).

When asked about planning a workforce reduction over the next five (5) years, only three percent (3%) said they would reduce their workforce in the next 12 months, and only one to two percent (1% - 2%) planned to reduce their workforce over the next one to five years. When asked about reduction plans, fifty-three percent (53%) said they were not considering a reduction, twenty percent (20%) would consider reducing due to economic uncertainty, and ten percent (10%) due to a decrease in current markets.

FIGURE 9: CAREER CATEGORIES EMPLOYERS WILL PRIORITIZE DURING THEIR EXPANSION OVER THE NEXT FIVE (5) YEARS

Career Categories	Number of new positions	Number of new positions
Agriculture, Food, & Natural Resources	109	20%
Architecture and Construction	109	20%
Manufacturing	109	20%
Hospitality and Tourism	70	13%
Business Management and Administration	43	8%
Finance	23	4%
Science, Technology, Engineering, & Mathematics	17	3%
Arts, Audio/Video Technology, and Communication	16	3%
Transportation, Distribution, & Logistics	13	2%
Information Technology	11	2%
Law, Public Safety, Corrections, & Security	9	2%
Health Services	7	1%
Education and Training	5	1%
Human Services	5	1%
Total number of new positions created	546	

Recommendations

Below are a series of recommendations based on data from the survey, as proposed by Max Impacts: Maxine Laszlo Consulting in collaboration and consultation with the CNMI SWDB and DOL WIA:

- ⊙ **The SWDB could consider compensating employers for hours spent during in-house training.** When asked how employers thought the skills gap could be best addressed in their entity, their top response was in-house training (35%). Additionally, when asked the most significant barriers to have employees participate in trainings, the majority shared it was the “cost to participate” (52%) or the “time away from work” (52%). SWDB could invest in compensating employers for set periods of time for in-house training for newly hired and retained employees to address these concerns. Alternatively, SWDB could invest more resources in the WIOA “On-the-Job” Training programs or hire more specialized training providers to do in-house training with employers.
- ⊙ **The SWDB could consider more specialized training for soft skills, including customer service and workplace responsibility.** When asked what types of trainings were most needed, the top response was customer service (45%) followed by management (28%). Additionally, the top three traits employers looked for more in employees included “reliability,” “work ethics,” and “motivation to work.” More specialized trainings in these areas may lead to higher job retention and better aligning new applicants with the right job opportunities. This soft skill training emphasis also includes continuing partnerships with the core WIOA-funded programs in the CNMI to emphasize soft-skills training amongst their respective client bases.
- ⊙ **The SWDB could prioritize collaboration with the CNMI Public School System (PSS) to increase soft-skills programming interjected in primary education.** After reviewing the report’s findings, members of the SWDB noted that a workforce with insufficient soft skills (i.e., reliability, work ethics, motivation), were pervasive across the CNMI population. The SWDB acknowledged that the community could not solely rely on training post-high school graduation to fill this need, especially as sixty-three percent (63%) of all current vacancies only required a high school degree or GED. Therefore, SWDB wants to further explore current and future programming with PSS to emphasize soft skills and job-readiness training in primary education.
- ⊙ **The SWDB could consider an emphasis on specialized management training.** “Management” was the second-highest requested training (28%) by employers. When also considering the employers’ needs for employee reliability and ethics, an argument can be made for better management training to address employee satisfaction—especially during economic and workforce instability. By emphasizing leadership and management training for supervisors, employers may see improvement in other employee performance gaps.
- ⊙ **There is a growing need for trades training.** When looking at job vacancies, the second-highest number of current (21%) and future (20%) job vacancies were related to Construction or Architecture. As the second-highest identified training program type was also trades, there is a trend that this industry may need more attention in coming years.

⦿ **The SWDB could advocate for resources to fund additional staff for WIOA-funded programs.**

When debriefing the findings of the 2021 BNA, the SWDB identified that another reason employers may be less favorable to using WIOA-funded services was the lengthy onboarding process involved in bringing on an employee. When employers request a WIOA-funded training participant, they often need that person within the next few weeks. However, the onboarding process can sometimes take months due to limited staffing, procurement processing, and training participants' personal issues. At that point, the employer no longer needs the WIOA-funded training participant. While all matters regarding the lengthy onboarding process are uncontrollable, one way to internally address part of the issue would be for WIOA-funded programs to have additional staff to process employer requests, match potential applicants, and file the necessary paperwork. There has been a decrease in local funding for these positions over the last few years; WIOA-funded programs and their supporters should continue to advocate for more resources for staffing to resolve employers' concerns and create more job opportunities for those entering the workforce.

Conclusion

Overall, the 2021 Business Needs Assessment findings mirrored the SWDB and DOL WIA's expectations of the current private sector needs. Arguably, the most surprising finding was that employers were still planning for expansion and would have increased workforce needs in the coming years over the next five (5) years. With this affirmation of the private sector's needs for soft skills, in-house, management, and technical training, the SWDB and DOL WIA are equipped to support, collaborate, and encourage the training programs requested by CNMI employers.

Appendix A: Responses to Survey

Section 1: Company Background

1. What is your entity's primary industry or line of business?

Industries	Number of Responses	Percentage of Responses
Other Services (Except Public Administration)	19	17%
Accommodation and Food Services	14	13%
Retail Trade	12	11%
Construction	11	10%
Professional, Scientific, and Technical Services	10	9%
Real Estate, Rental, and Leasing	9	8%
Finance and Insurance	7	6%
Wholesale Trade	6	6%
Health Care and Social Assistance	5	5%
Manufacturing	3	3%
Administration and Support Services	2	2%
Agriculture, Forestry, Fishing, Hunting	2	2%
Information	2	2%
Mining, Quarrying, and Oil and Gas Extraction	2	2%
Transportation and Warehouse	2	2%
Arts Entertainment, and Recreation	1	1%
Educational Services	1	1%
Management of Companies and Enterprise	1	1%
Grand Total	109	100%

2. At this time, approximately how many people do you employ as direct hires (i.e., you would claim them as your employee on your 941-SS)?

Number of Direct Hire Employees	Number of Responses	Percentage of Responses
1 - 5	39	36%
6 - 15	34	31%
16 - 25	13	12%
26 - 50	10	9%
51 - 100	8	7%
101 - 200	3	3%
200 or more	2	2%
Grand Total	109	100%

3. At this time, approximately **how many people do you contract with** through manpower agencies or other means **as non-direct hires**?

Number of Non-Direct Hire Employees	Number of Responses	Percentage of Responses
1 - 5	61	84%
6 - 15	8	11%
16 - 25	3	4%
101 – 200	1	1%
Grand Total	73	100%

4. Are your **employees primarily located** on Saipan, Tinian, or Rota?

Primary Location	Number of Responses	Percentage of Responses
Saipan	98	90%
Tinian	8	7%
Rota	3	3%
Grand Total	109	100%

5. At this time, **what percent of your direct hires are CNMI-based Workers** as compared to non-CNMI-based workers.

Percentage of CNMI-Based Workers	Number of Responses	Percentage of Responses
100%	46	46%
80% - 99%	18	18%
60% - 79%	10	10%
40% - 59%	12	12%
20% - 39%	12	12%
0% - 19%	3	3%
Grand Total	101	100%

Section 2: Impacts from COVID-19

6. As of 8/9/2021, **have you reduced your total operations as compared to August 2019**?

Impact on Operations	Number of Responses	Percentage of Responses
1 - No Reduction	35	32%
2 - Minimal Reduction	36	33%
3 - Large Reduction	33	30%
4 - Temporarily Closed	5	5%
5 - Permanently Closed	0	0%
Grand Total	109	100%

7. As of 8/9/2021, **have you reduced your staffing as compared to August 2019?**

Impact on Staffing	Number of Responses	Percentage of Responses
0% - No Change	48	44%
1% - 25% Reduction	35	32%
26% - 50% Reduction	13	12%
51%-75% Reduction	6	6%
76%-99% Reduction	5	5%
100% - I am closed	2	2%
Grand Total	109	100%

8. Please select up to three (3) of **your entities' top concerns** regarding your recovery from COVID-19.

Top Employer Concerns Regarding Recovery from COVID-19	Number of Responses	Percentage of Responses
Future COVID-19 Outbreaks	58	53%
Date to resuming tourism operations	46	42%
Local recession	42	39%
Rehiring, replacing, and retaining workforce	35	32%
Access to capital to bridge financial loss	25	23%
Global recession	25	23%
Decreased consumer confidence and buying power	22	20%
Domestic or international supply-chain changes	22	20%
An exodus of the CNMI-based workforce	21	19%
Going out of business	12	11%
International trade or political unrest	4	4%
Other: USCIS-related and number of qualified U.S. Workers	2	2%
Other: Economic Uncertainty	1	1%
Other: Delayed payments from clients	1	1%
Other: None listed	1	1%
Number of Total Respondents	109	

Section 3: Current Employment Landscape

9. Since March 2020, **have you hired any new employees?**

Response to "have you hired any new employees"	Number of Responses	Percentage of Responses
Yes, a CNMI- based worker(s)	51	47%
Yes, a non-CNMI- based worker(s)	7	6%
Yes, a CNMI- based worker(s) and a non-CNMI- based worker(s)	9	8%
No, but I tried to hire	11	10%
No, but I did not try to hire	31	28%
Grand Total	109	100%

10. In 2021, what are the **top three (3) challenges** you have had in **hiring new CNMI- based Workers?**

Top Employer Challenges in hiring new CNMI-based Workers	Number of Respondents	Percentage of Respondents
Lacks Work Experience	48	45%
Lacks Employable Skills	41	39%
Lacks Technical Skills	33	31%
Low Number of Applicants	23	22%
Lacks Soft Skills	16	15%
Unemployment Benefits	16	15%
Not needed to hire new workers due to a reduction in the workforce.	10	9%
Lacks Educational Credentials	9	8%
Low Wages	7	7%
Failed Drug Test	5	5%
Criminal Record	3	3%
Not needed to hire new workers due to a reduction in the workforce	18	17%
I have not needed to hire new workers for other reasons	25	24%
Total respondents	106	

11. What are the **top three (3) character traits or skills** do you **value in an employee?**

Top Traits or Skills Employers Value in an Employee	Number of Respondents	Percentage of Respondents
Reliability	74	69%
Work Ethics	52	49%
Motivation to Work	45	42%
Professionalism	30	28%
Work Experience	29	27%
Technical or Specific Occupational Skills	28	26%
Teamwork	26	24%
Critical Thinking	16	15%
Communication	15	14%
Loyalty	15	14%
Creativity	6	6%
Total Respondents	107	

12. When considering **CNMI Workers applying for open positions with your company**, please indicate, **in general, your perceptions** on the following:

Perception on CNMI Worker Applicants	Strongly Agree	Agree	Neutral	Disagree	Strongly Disagree	Number of respondents
Applicants possess all requirements for the job	18%	46%	22%	12%	2%	106
Applicants possess the basic skills required for the job	28%	46%	19%	7%	0%	107
Applicants possess the soft skills required for the job	15%	50%	23%	11%	1%	105
Applicants possess the occupational/technical skills required for the job	22%	46%	15%	12%	5%	105
Applicants possess the proper U.S. immigration status for the job	41%	39%	17%	4%	0%	106

13. Which of the following **resources does your business utilize for recruitment?** Select all that apply.

Resources businesses use for recruitment	Number of Respondents	Percentage of Respondents
CNMI DOL JVA listings	68	64%
Word of Mouth	67	63%
Social Media	34	32%
Local Newspapers	25	24%
Company's Website	23	22%
Online Job Boards	13	12%
Membership organizations	11	10%
Recruiting Agencies	10	9%
Other	9	8%
DOL WIA	6	6%
Referrals	3	3%
Radio	2	2%
Grand Total	106	

14. What would be the **most effective way to address CNMI-based Workers' skill gaps** in your entity?

Employers' opinion on most effective way to address skills gaps	Number of Responses	Percentage of Respondents
In-house training	38	35%
Specialized training provider	26	24%
Trade school	17	16%
College	11	10%
Seminars/Workshops	9	8%
Self-study or Online Training	7	6%
No training needed	1	1%
Grand Total	109	

15. In 2021, **what are the top three (3) workforce challenges** currently impacting your operations.

Employers Perception of Top Workforce Challenges	Number of Responses	Percentage of Respondents
Quality employees looking to move off-island for other opportunities	67	65%
Needing to revise pay scales and benefits to retain workers	62	60%
Needing to increase training due to decreased skillsets	54	52%
Needing to lower job requirements to fill open positions	26	25%
Operations becoming more automated/Employees becoming irrelevant	8	8%
Other: Finding quality applicants with relevant skillset and education level	5	5%
Other: Inconsistent or lack of employee reliability or work ethics	4	4%
Other: Low sales or economic uncertainty impacting employee retention	2	2%
Other: Unemployment benefits-related	2	2%
Other: Applicants expecting higher pay than skillset or education justifies	1	1%
Other: Applicants unwilling to relocate within the CNMI	1	1%
Other: Competing with government jobs	1	1%
Other: Demanding work environment not attractive to applicants/employees	1	1%
Other: Employee morale during economic downturn	1	1%
Other	1	1%
No challenges	6	6%
Total Respondents	103	

Section 4: Current Vacancies

16. Please list the number of vacancies you currently have across your entire company.

Respondent Industry	Number of Vacancies	Percentage of Vacancies
Accommodation and Food Services	118	42%
Construction	41	15%
Other Services (Except Public Administration)	37	13%
Retail Trade	24	9%
Professional, Scientific, and Technical Services	14	5%
Manufacturing	13	5%
Management of Companies and Enterprise	10	4%
Real Estate, Rental, and Leasing	5	2%
Wholesale Trade	5	2%
Finance and Insurance	4	1%
Administration and Support Services	3	1%
Agriculture, Forestry, Fishing, Hunting	2	1%
Information	2	1%
Health Care and Social Assistance	1	0%
Mining, Quarrying, and Oil and Gas Extraction	1	0%
Arts Entertainment, and Recreation	0	0%
Educational Services	0	0%
Transportation and Warehouse	0	0%
Grand Total Number of Vacancies	280	

17. For each career category, please list the number of vacancies your entity has in August 2021

Career Categories	Number of current vacancies	Percentage of current vacancies
Hospitality and Tourism	112	35%
Architecture and Construction	67	21%
Agriculture, Food, & Natural Resources	46	14%
Business Management and Administration	29	9%
Finance	21	7%
Arts, Audio/Video Technology, and Communication	10	3%
Law, Public Safety, Corrections, & Security	9	3%
Manufacturing	9	3%
Science, Technology, Engineering, & Mathematics	4	1%
Transportation, Distribution, & Logistics	4	1%
Human Services	3	1%
Information Technology	3	1%
Education and Training	2	1%
Health Services	0	0%
Total number of current vacancies	319	100%

18. Of your current vacancies, **how many are located in each island jurisdiction** (total number should equal that reported in Q16):

Island in which vacancy is located	Number of current vacancies	Percentage of current vacancies
Saipan	248	89%
Tinian	28	10%
Rota	4	1%
Total number of current vacancies	280	

19. Of your current vacancies, how many fall into each category for **the main reason for the vacancy** (total number should equal that reported in Q16):

Reason for Vacancy	Number of current vacancies	Percentage of current vacancies
Rehiring for a position that was downsized due to COVID-19	119	43%
Permanent business growth/expansion	65	23%
Replacing worker who has left (not retired)	53	19%
Replacing workers who did not renew U.S. immigration status	24	9%
Seasonal business growth/expansion	15	5%
Replacing retired employee	1	0%
Total number of current vacancies	277	

20. Of your current vacancies, what is the current educational level required for the vacancy (total number should equal that reported in Q16):

Current Level of Education Required	Number of current vacancies	Percentage of current vacancies
High school education/GED	188	63%
Vocational or technical education	41	14%
No specific educational requirement	29	10%
Undergraduate degree	22	7%
Associate degree	13	4%
Postgraduate Degree	7	2%
Total number of current vacancies	300	

21. Of your current vacancies, what experience level is required for the vacancy (total number should equal that reported in Q16):

Current Level of Education Required	Number of current vacancies	Percentage of current vacancies
No experience required	25	8%
Less than 1 year	115	35%
1 – 2 years	143	43%
3 – 5 years	26	8%
6 – 8 years	13	4%
8 + years	11	3%
Total number of current vacancies	333	

Section 5: Current Training Needs

22. **What types of training program(s) are most needed** by your business at this time (please select no more than two (2))?

Employers perceptions on what types of training programs are most needed by their business	Number of responses	Percentage of responses
Customer Service	47	45%
Management	29	28%
Trades	29	28%
Sales	26	25%
Accounting	17	16%
Hospitality	15	14%
Other: Trades	3	3%
Other: Hospitality	2	2%
Other: Writing	2	2%
Other: Advocacy	1	1%
Other: Animal Handling	1	1%
Other: Apprenticeship	1	1%
Other: Childcare Training	1	1%
Other: Graphic Arts	1	1%
Other: HR	1	1%
Other: Insurance	1	1%
Other: Interior Design	1	1%
Other: Operations	1	1%
Other: Safety	1	1%
Other: Security	1	1%
Other: Soft skills	1	1%
Other: Taxes	1	1%
Tota responses	104	

23. What factors are affecting your employees' participation in a training program?

Factors most impacting employees' participation in training programs	Number of responses	Percentage of responses
Cost to participate	50	52%
Time away from work	50	52%
Length of training	33	34%
Language barriers	12	12%
Transportation	9	9%
None/no need for trainings	7	7%
Other: No trainings available for specific needs	4	4%
Other: Employee attitude	2	2%
Other	2	2%
Number of Respondents	97	

24. Has your company participated in a training program administered by the DOL Workforce Investment Agency (WIA) Division?

Response to having participated in DOL WIA programs	Number of respondents	Percentage of respondents
No	83	80%
Yes	21	20%
Number of Respondents	104	

25. If you answered "yes" to Q24, please rate your experience with participating in a program administered by the DOL WIA division.

Rating of DOL WIA Division Programming	Number of respondents	Percentage of respondents
Excellent (4)	2	11%
Satisfactory (3)	6	32%
Fair (2)	7	37%
Poor (1)	4	21%
Number of Respondents	19	

26. If you answered "yes" to Q24, please select the programs you participated in:

DOL WIA Programs Respondents have Previously Participated In	Number of Respondents	Percentage of Respondents
Cooperative Training	12	31%
Work-Based Training	11	28%
On-the-Job Training	8	21%
Internships	6	15%
Registered Apprenticeship Sponsor	2	5%
Number of Respondents	21	

27. If you answered “yes” to Q24, are you likely to use WIA Services again?

If Respondent Would Use DOL WIA Programs Again	Number of Respondents	Percentage of Respondents
Yes	17	81%
Unsure	3	14%
No	1	5%
Grand Total	21	

28. Is your company interested in participating in a program administered by the DOL WIA Division (examples listed in question 26)?

Employers Responses When Asked if They’d Like to Participate in DOL WIA Programs	Number of Respondents	Percentage of Respondents
Yes	50	53%
No	42	44%
Current Participant	3	3%
Grand Total	95	

29. If you answered “yes” to Q28, please select the programs you are interested in:

Employers Responses When Asked if Which DOL WIA Programs They’d Participate In	Number of Respondents	Percentage of Respondents
Work-Based Training	30	59%
On-the-Job Training	29	57%
Cooperative Training	28	55%
Internships	24	47%
Registered Apprenticeship Sponsor	15	29%
Total Number of Responses	51	

Section 6: Projected Needs Within the Next Five (5) Years

30. Please consider your plans to expand your current workforce over the next five (5) years:

Respondents planning an Expansion....	Percentage that answered “No”	Percentage that answered “Yes”	If yes, what percent increase as compared to your current workforce?
In the next 12 months? (n=92)	66%	34%	Between 1% - 500% (n=31)
In the next 1 – 2 years? (n=89)	58%	42%	Between 2% - 120% (n=37)
In the next 2 – 3 years? (n=82)	61%	39%	Between 3% -120% (n=32)
In the next 3 – 5 years? (n=79)	63%	38%	Between 3% - 120% (n=30)

31. If you plan to expand your entities' workforce, **what career categories will you prioritize over**

Career Categories	Number of new positions	Number of new positions
Agriculture, Food, & Natural Resources	109	20%
Architecture and Construction	109	20%
Manufacturing	109	20%
Hospitality and Tourism	70	13%
Business Management and Administration	43	8%
Finance	23	4%
Science, Technology, Engineering, & Mathematics	17	3%
Arts, Audio/Video Technology, and Communication	16	3%
Transportation, Distribution, & Logistics	13	2%
Information Technology	11	2%
Law, Public Safety, Corrections, & Security	9	2%
Health Services	7	1%
Education and Training	5	1%
Human Services	5	1%
Total number of new positions created	546	

the next five (5) years?

32. If you plan to expand your entities' workforce in the next five (5) years, **what are the top three (3) reasons you are planning an expansion?**

Reasons Employers are Planning an Expansion	Number of Responses	Percentage of Responses
Respond to future market demands	50	77%
Increase existing market share	33	51%
Respond to current market demands	27	42%
Reduce employee overtime	15	23%
Entering a new market	13	20%
Opening a new location	9	14%
Insourcing contracted operations	7	11%
Changes in tax or regulatory incentives	4	6%
Planned merger or acquisition	1	2%
Total Responses	65	

33. If you plan to expand your entities' workforce in the next five (5) years, **what are the top three (3) most significant barriers to your workforce expansion?**

Barriers Hindering Employers from Workforce Expansion	Number of Responses	Percentage of Responses
Additional labor costs	38	56%
Lack of available skilled workers	38	56%
Uncertainty in current market demands	28	41%
Competition in the existing market	21	31%
Additional benefits costs	14	21%
Limited access to capital financing	12	18%
Lack of physical space	7	10%
Not planning an expansion	5	7%
Unsure how to expand operations	5	7%
Tax or regulatory matters	4	6%
Barriers to entering new markets	3	4%
No desire to expand	3	4%
Barriers to adequate supply chain	2	3%
Total Responses	68	

34. Please consider your plans to **decrease** your current workforce over the next five (5) years:

Respondents planning a Reduction....	Percentage that answered "No"	Percentage that answered "Yes"	If yes, what percent decrease as compared to your current workforce?
In the next 12 months? (n=99)	97%	3%	10% - 50% (n=3)
In the next 1 – 2 years? (n=89)	99%	1%	3% (n=1)
In the next 2 – 3 years? (n=87)	98%	2%	10% (n=2)
In the next 3 – 5 years? (n=87)	98%	2%	10% - 100% (n=2)

35. If you plan to decrease your entities’ workforce, **what career categories will you eliminate over the next five (5) years?**

Career Categories	Number of new positions	Number of new positions
Architecture and Construction	22	79%
Health Services	3	11%
Business Management and Administration	1	4%
Finance	1	4%
Science, Technology, Engineering, & Mathematics	1	4%
Agriculture, Food, & Natural Resources	0	0%
Arts, Audio/Video Technology, and Communication	0	0%
Education and Training	0	0%
Hospitality and Tourism	0	0%
Human Services	0	0%
Information Technology	0	0%
Law, Public Safety, Corrections, & Security	0	0%
Manufacturing	0	0%
Transportation, Distribution, & Logistics	0	0%
Total number of positions eliminated	28	

36. If you plan to decrease your entities’ workforce in the next five (5) years, what are the top three (3) reasons you are planning a reduction?

Reasons Employers Would Need to Plan a Reduction	Number of Responses	Percentage of Responses
Not planning a reduction	26	53%
Economic uncertainty	10	20%
Reduction in future market demands	5	10%
Reduced profits from current operations	3	6%
Business sale or closure	2	4%
Replacing workforce with technology or streamlined processes	2	4%
Reduction in current market demands	1	2%
Total Number of Respondents	49	