

Patrick County Economic Summit

FINAL REPORT SUMMARY



Elli Travis
March 21, 2024



OUTREACH & INTERNATIONAL AFFAIRS
CENTER FOR ECONOMIC AND
COMMUNITY ENGAGEMENT
VIRGINIA TECH.

Project Overview and Agenda

The Patrick County Economic Summit was held on February 28, 2024, hosted by the Patrick County Chamber of Commerce and Reynolds Homestead. The Virginia Tech Center for Economic and Community Engagement was contracted to provide facilitation and surveying services to gain a better understanding of local business needs and challenges. This event hosted businesses with 25 or more employees.



Pre-Survey and County Economic Profile

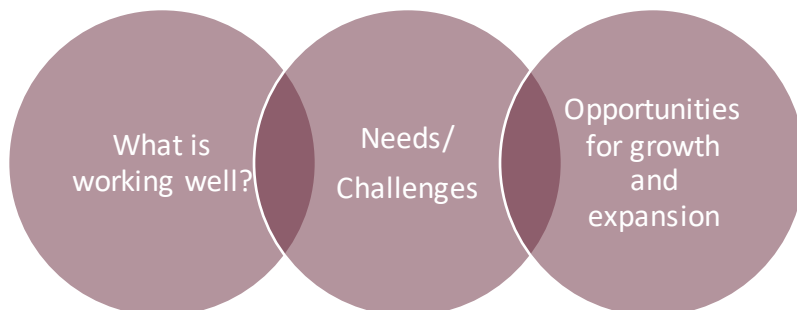
The CECE team developed a brief pre-survey for attending businesses and support organizations as well as a two-page economic profile which was distributed at the beginning of the summit. Both the profile and a summary of the pre-survey results are included in the following pages of this report.

Facilitation

Senior Economic Development Specialist Elli Travis facilitated a roughly two-hour workshop developed with Reynolds Homestead and Patrick County Economic Development. The following topics were covered:

- Review of success and progress since a town hall meeting in 2016
- Recent business successes: What is working well in your business?
- Needs and challenges: What is needed, and how can the support organizations assist?
- What are some areas of growth or expansion?
- What are some areas of future collaboration and alignment?
- What additional resources and support is needed?

Facilitated work sessions were conducted among small groups before all attendees ultimately shared ideas and responses. The summit concluded with a networking lunch and one-on-one meetings with service providers.



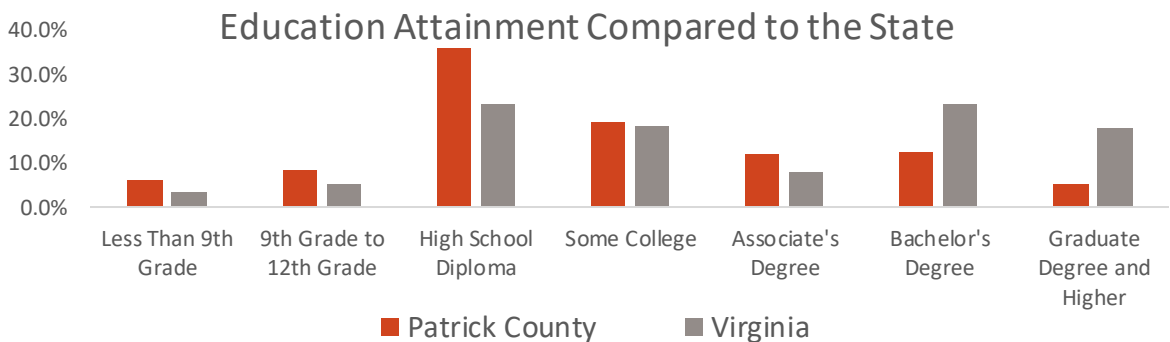
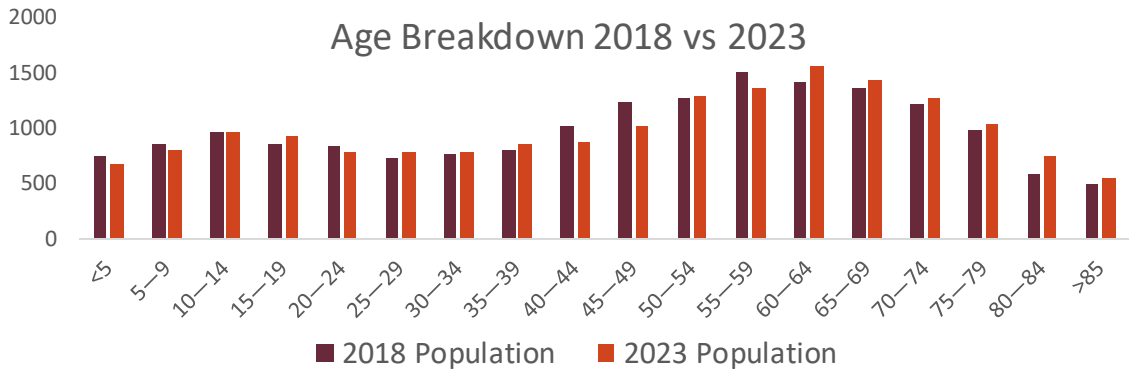
Post-Survey

A post-survey was also administered to better understand participant experiences during the summit and surface additional needs that were not brought up during the day. The results of this survey are included in the last page of this report.

Demographic Summary

Patrick County has a total population of 17,584. In 2023, The population has risen by nearly 100 individuals in the past five years, and it is expected to grow by another 280 over the next five. Despite the overall population rising, the number of late-career individuals has decreased due primarily to an increase in the number of retired individuals (60+ years).

Patrick County exceeds the Commonwealth of Virginia in high school diploma and associate degree attainment. This may indicate a skilled workforce capable of fulfilling technical roles and contributing to increased productivity and innovation in industries requiring specialized knowledge and training. Bachelor's and master's degrees are less common in Patrick County, suggesting challenges when hiring for specialized roles and leadership positions



Economic First Look

Median Yearly Earnings

\$37,830

Patrick County's median individual yearly earnings (\$37,830) are below that of the state (\$47,141). Average wages are also lower (\$24.01/hr vs \$32.63/hr).

The county has a GRP, or gross regional product, of \$554M. GRP is the total value of all goods and services produced within Patrick County. The county's imports exceed its exports. This highlights a valuable opportunity for the county to increase exports or begin manufacturing goods which are currently imported.

To the right, it can be observed that most businesses in the county are small: 82.4% of businesses employ less than 20 people.

G.R.P.

\$554M

Imports

\$1.02B

Exports

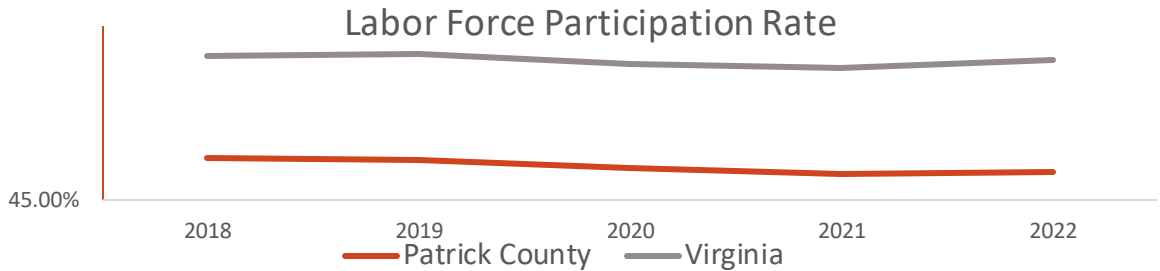
\$660M

Business Sizes in Patrick County

Employee Count	Percentage	Business Count
1 to 4	31.7%	149
5 to 9	33.0%	155
10 to 19	17.7%	83
20 to 49	13.4%	63
50 to 99	2.8%	13
100 to 249	1.1%	5
250 to 499	0.4%	2

Labor Force

As of 2023, Patrick County's labor force comprises 7,280 individuals, with 7,014 currently employed. The county yields an unemployment rate of 3.65%, which is slightly higher compared to the state (3%). However, the labor force participation rate in Patrick County has consistently remained below 50% since 2018, while the state rate is 65%. This discrepancy may stem from limited job opportunities, lack of access to childcare, an aging population, migration of younger individuals, or the presence of disability and health issues.



The table to the right highlights the top skills that are sought after in Patrick County. Merchandising, nursing, and selling techniques are in especially high demand compared to national averages. Below are the top occupations in the county, with a weighted average wage of \$16.20.

Top Specialized Skills:

	Unique Postings	National Average
Merchandising	134	68
Nursing	122	82
Selling Techniques	101	44
Construction	91	25
Housekeeping	63	34

Top Occupations:

Occupation	2023 Jobs	% Change in Jobs	2022 Median Hourly Earnings	Automation Index
Production	652	(10%)	\$16.15	113.6
Office and Administrative Support	488	(9%)	\$15.60	98.5
Transportation and Material Moving	477	2%	\$15.38	111.1
Sales and Related	445	(11%)	\$13.89	94.7
Educational Instruction and Library	359	26%	\$21.04	85.9

Industries

Below are a series of tables which highlight the top five industries according to various metrics. Occurring frequently in the top five industries are Government and Retail Trade.

Industry	2023 Earnings Per Worker
Real Estate and Rental and Leasing	\$72,319
Finance and Insurance	\$67,743
Wholesale Trade	\$56,813
Transportation and Warehousing	\$56,362
Professional, Scientific, and Technical Services	\$55,751

Industry	2023 Employment Concentration
Agriculture, Forestry, Fishing and Hunting	3.56
Manufacturing	2.74
Government	1.34
Retail Trade	1.30
Other Services (except Public Administration)	1.17

Industry	2022 GRP
Manufacturing	\$107,341,592
Wholesale Trade	\$100,140,503
Government	\$52,256,222
Retail Trade	\$49,698,630
Accommodation and Food Services	\$29,120,998

Industry	% Change in Jobs (2018-2023)
Government	14%
Accommodation and Food Services	20%
Retail Trade	5%
Arts, Entertainment, and Recreation	102%
Construction	9%

Pre-Survey Results

The Patrick County Economic Summit Pre-Survey received 11 completed responses. Industry and business sectors of respondents varied widely. These included, but were not limited to:

- Machining
- Resort/Lodging
- Manufacturing
- Fuel Services
- Wholesale Produce
- Construction
- Senior Care
- Education

A majority of survey respondents have been in business for several decades, with two identifying as serving the community for nearly a century. Business size also varied significantly, with the number of employees ranging between 20 and 400. When asked to describe the local business community, many respondents mentioned the difficulties that come with operating smaller, localized businesses. However, many also mentioned opportunities for growth and employment. Patrick County was characterized as a small, family-friendly community with an aging population.



Challenges for Businesses

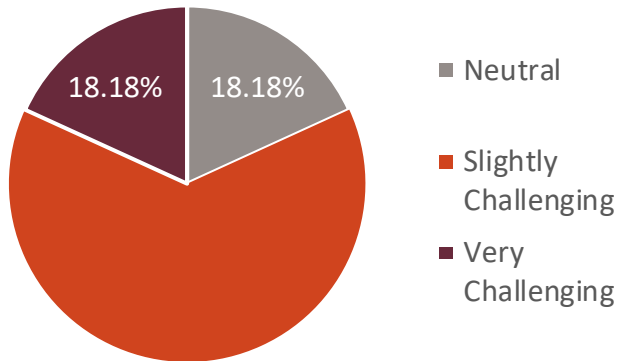
The survey asked businesses about a variety of possible challenges related to employees. These included employee retention, childcare, health and wellness, skills training (hard and soft skills), transportation, and finding new hires.

Challenge	Very Challenging	Slightly Challenging	Neutral	Easy	Very Easy
Retention – keeping existing employees	45.45%	27.27%	9.09%	9.09%	9.09%
Childcare	72.73%	0%	27.27%	0%	0%
Employee health and wellness	18.18%	54.55%	27.27%	0%	0%
Skills training – hard skills	36.36%	45.45%	18.18%	0%	0%
Skills training – soft skills	18.18%	63.64%	18.18%	0%	0%
Transportation	18.18%	18.18%	63.64%	0%	0%
Finding new hires	72.73%	27.27%	0%	0%	0%

Employee retention, childcare, and finding new hires were identified as “Very Challenging” obstacles for a majority of respondents. Employee health and wellness and both hard and soft skills training were commonly categorized as “Slightly Challenging.”

Employment

Soft Skills Training



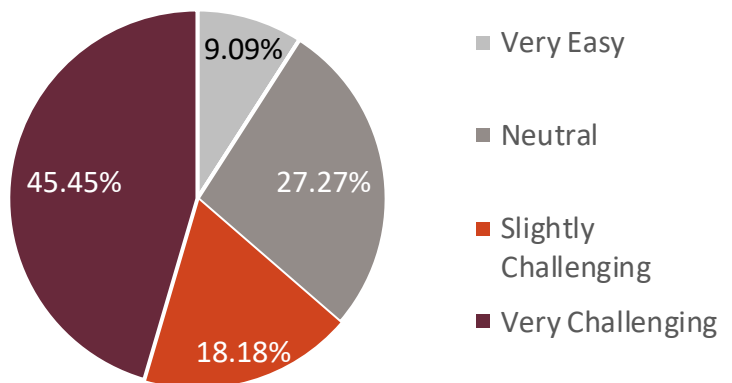
Several respondents left comments highlighting other challenges related to employees. One respondent cited a lack of affordable housing in the area as a major barrier in attracting new hires. Another brought up a general shortage of qualified candidates. Respondents also mentioned difficulty with affording minimum employee wages and competing with larger businesses. Illness amongst employees and children/dependents was identified as another ongoing challenge.

Infrastructure

Respondents were also asked to identify business-related infrastructure challenges in the areas of utilities (water and sewer), broadband/internet, and the transportation of goods. Broadband/internet was identified as “Very Challenging” and the transportation of goods as “Slightly Challenging” for nearly half of respondents. Utilities were primarily identified as “Neutral,” “Easy,” or “Very Easy.”

Respondents also mentioned the overall lack of infrastructure in the county as well as a need for long term infrastructure project planning. One respondent commented on the need for road improvements.

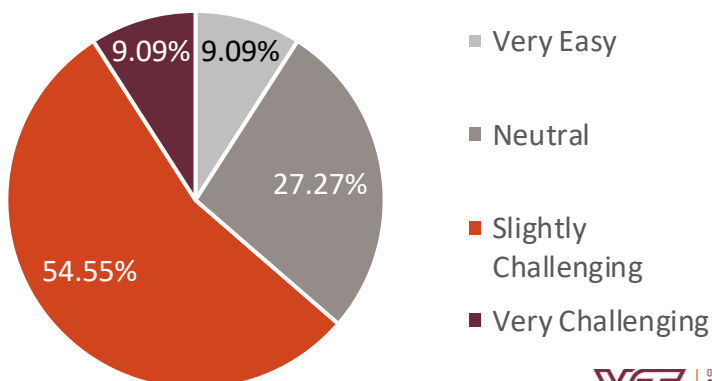
Broadband/Internet



Business Support Services

Lastly, respondents were asked about challenges relating to business support services. These included meeting technology needs (cybersecurity, networking, etc.), access to financing and capital, access to services assisting with markets and profitability, and finding quality legal, marketing, and financial services.

Marketing Services



While most of these challenges were identified as “Neutral” for a majority of respondents, finding quality marketing services stood out as “Very Challenging” for half of businesses. Meeting technology needs and access to services assisting with markets and profitability were “Very Challenging” for a quarter of respondents.

Workshop Summary

Workshop attendees were split into seven different groups to discuss what is currently working well, pressing needs, and possible opportunities within their businesses and the region overall. Group members noted their responses on sticky notes which were showcased and discussed with the entire group to conclude the session.

290 total responses were collected during the workshop. The amount of responses to the needs question outnumbered responses to topics of currently working and possible opportunities, highlighting areas for improvement and collaboration with support organizations.

Successes



- Appreciation for staff and new hires
- **Positive relationships and partnerships** with other businesses and clients
- Staff and student training programs
- Strong **sense of community** and support systems

Needs



- Hiring and retaining staff
- Lack of services including **transportation, childcare, affordable housing**
- Shortage of occupations including physicians, teachers, HVAC technicians
- Difficulty affording increasing wages and **lack of funding**

Opportunities



- Development of incentives and pull factors to attract new, young talent to the area such as **tourism, art and music, restaurants, and downtown revitalization**
- Development of **anchor institutions** like healthcare facilities to both serve current needs and create new jobs and opportunities

Some additional responses that stood out included successful efforts to increase diversity, equity, and inclusion and higher participation rates for surveys and events. Other challenges included the COVID-19 pandemic, long commutes, and keeping youth and prospective employees in the region.

Lastly, respondents cited growth and expansion opportunities including apprenticeship and internship programs, becoming better employers, and improved marketing.

Post-Survey Results

Attendees were surveyed following the summit to obtain general feedback on the event as well as to provide an opportunity to submit additional responses that were not brought up during the workshop. Seven respondents submitted partially or fully completed surveys.

When asked “What was one thing that surprised you or that you didn’t know before?” respondents cited the offering of new classes in local high schools, relevant agency contact information, and county efforts to invest in economic growth.

Summit attendees were also asked to list the county’s top strengths and weaknesses in regard to economic and business development:

Strengths

- Leadership
- Low cost of living
- Dedicated employees
- Educational programs

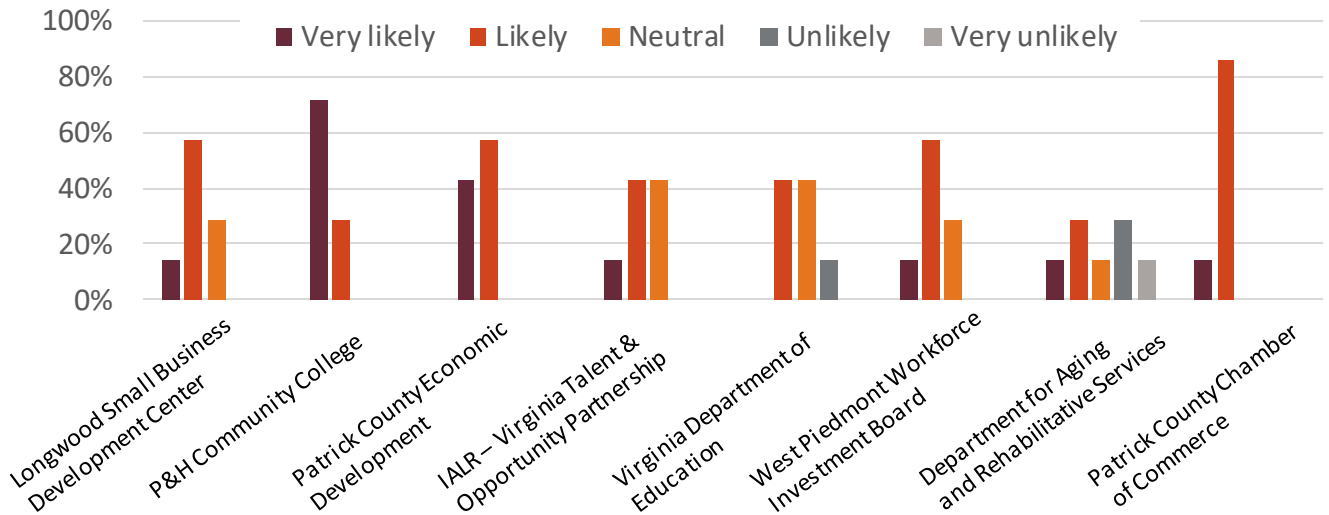
Weaknesses

- Aging workforce
- Healthcare
- Housing
- Rising costs

Resources

When asked how likely they were to contact local resource providers, most respondents favored Patrick & Henry Community College, Patrick County Economic Development, and Patrick County Chamber of Commerce.

Likelihood of Contacting Resource Providers



Lastly, respondents were asked what additional resources are needed to successfully run their business and thrive in the community. Funding, accounting services, skilled labor, and more regular updates from the board of supervisors, administrators, and/or economic directors were all mentioned.

Final comments and suggestions for future economic and business summits included appreciation for providing a space where local business leaders can connect as well as recommendations for all speakers to identify themselves and for workshop groups to rotate members to allow for further networking opportunities.