

2025 Waukesha County Business Survey



ABOUT THE SURVEY

The Waukesha County Business Alliance is proud to present the 2025 Waukesha County Business Survey, conducted in partnership with Carroll University, Waukesha County, the Waukesha County Center for Growth, and WOW Works. This annual survey collected responses from businesses in 35 of the county's 37 municipalities, offering a comprehensive view of the county's business environment. The results offer insight into local economic conditions, workforce dynamics, and evolving business priorities.

WORKFORCE & WAGES

Q: DO YOU PLAN TO EXPAND YOUR WORKFORCE IN WAUKESHA COUNTY IN THE NEXT TWO YEARS?

- Yes – 71%
- No – 29%

The number of businesses planning to expand their workforce dropped 9 percent from 2023 survey data, although workforce remains a top concern for businesses. Among those aiming to grow their teams but struggling to do so, more than half cited a shortage of skilled labor as the primary barrier—a challenge that is especially high in the manufacturing sector, where over 73 percent identified a skilled labor shortage as the top challenge to workforce growth.

Among companies not planning to expand their workforce, 44 percent attributed this decision to “no significant anticipated growth”—a decrease from 54 percent in 2023. In a sign of the increase in automation and technology changes, 16 percent said that “investment in automation, AI and other plant efficiencies” would be the reason for not expanding workforce (up from 12 percent in 2023) and 9 percent were not planning to expand workforce because they anticipate a recessionary economy (up from 8 percent in 2023).

Attracting new employees remains a consistent challenge, reported by 59 percent of businesses (up from 58 percent in 2021 and is contributing to rising wages. Looking ahead, 39 percent of employers expect to increase hourly wages by 2–3 percent, 31 percent anticipate a 3–4 percent increase, and 12 percent plan to raise wages by 4–5 percent.

The survey also explored top talent needs and the skills organizations are prioritizing for internal development.

TOP TALENT NEEDS

- Industry-Specific Skilled Labor – 53%
- Marketing/Sales – 32%
- Administrative – 30%
- Engineering – 26%
- Finance/Legal/HR – 13%

TOP SKILLS ORGANIZATIONS ARE LOOKING TO DEVELOP IN MID-LEVEL AND SENIOR EMPLOYEES

- Project Management – 61%
- Strategic Management – 51%
- Data Analytics – 35%
- Innovation Management – 26%

SPACE & PHYSICAL CAPACITY

In addition to labor trends, the survey looked at employers' physical building space and potential room for expansion.

Q: WHAT PERCENT OF YOUR FACILITY'S SQUARE FOOTAGE ARE YOU CURRENTLY USING?

- 100% of square footage – 44%
- 90-99% of square footage – 19%
- 76-89% of square footage – 17%
- 51-75% of square footage – 10%
- 0-50% of square footage – 10%

Q: DO YOU OWN OR LEASE YOUR CURRENT BUSINESS LOCATION?

- Own – 45%
- Lease – 41%
- Both – 14%

Waukesha County employers continue to operate at, or close to, maximum capacity. Numbers this year are similar to prior years in that more than half of businesses are operating in 90 percent or more of their existing square footage. With an already tight industrial market, this will be an ongoing challenge for Waukesha County employers looking to expand.

TRADE & TARIFFS

This year, we asked a series of questions relating to trade, as we have seen a significant change in U.S. trade policy with the implementation of tariffs. Approximately one third of the manufacturing companies surveyed export their products around the world and 28 percent import materials, products, or services from abroad. The Milwaukee-Waukesha Metropolitan Area is a significant export hub – in 2023, with \$9.4 billion in goods exported, the area represented a major share of Wisconsin's total \$27.5 billion in exports. ¹The top three exports by value are Industrial Machinery (\$7.8 billion), Electrical Machinery (\$3.1 billion), and Medical & Scientific Instruments (\$2.2 billion). ²Waukesha County companies are well represented in each of those categories.

Q: WHERE DO YOU IMPORT FROM?

- Asia – 58%
- North America – 36%
- Europe – 36%
- South/Central America – 6%

Q: WHERE DO YOU EXPORT TO?

- North America – 56%
- Europe – 44%
- Asia – 39%
- South America – 31%

Waukesha County generally aligns with statewide trends in terms of export destinations, though there are a few notable differences. Businesses in Waukesha tend to rely more heavily on Europe and South America as export markets compared to the rest of Wisconsin. During the survey, some businesses shared that even when sourcing products domestically they still experience challenges related to tariffs. This is often due to increased competition for American-made products, which can drive up costs and limit availability.

BUSINESS CLIMATE

The percentage of businesses planning to expand over the next 1–2 years has declined in 2025. This marks the lowest level of anticipated expansion since 2017.

Q: DO YOU PLAN TO EXPAND YOUR BUSINESS OVER THE NEXT 1-2 YEARS?

- Yes – 69%
- No – 44%

When assessing the overall climate and desirability of doing business in Waukesha County, respondents cited a mix of national, state, and local factors influencing their views. Key considerations included economic uncertainty, workforce availability, and tax and regulatory policies. Workforce challenges, in particular, continue to be a significant factor shaping perceptions of the business climate. Additionally, tariff and trade-related issues emerged as a top concern among manufacturers.

In terms of satisfaction with the local business climate in Waukesha County, 14 percent of respondents indicated they were “very satisfied” and 69 percent reported being “satisfied.” In addition, 95 percent of respondents consider the county a desirable place to do business.

When asked about the factors influencing their satisfaction with the local business climate, businesses cited:

- Opportunity for growth – 83%
- Workforce availability – 74%
- Tax policies – 39%
- Regulatory environment – 34%

¹ Office of the United States Trade Representative

² WEDC WI Export Data

For communities looking to attract or retain businesses there are a few key areas to consider.

Q: IF YOU WERE GOING TO RELOCATE YOUR BUSINESS, RATE THE FOLLOWING FACTORS:

	Very Important	Important	Neutral	Unimportant	Very Unimportant
Workforce Availability	86	31	6	0	1
Location	76	40	6	1	0
Crime	64	49	11	0	0
Infrastructure	60	57	6	0	0
Taxes/Reg. Environment	53	50	16	5	0
Education	47	54	23	0	0

TECHNOLOGY

As AI technologies continue to emerge, businesses are taking proactive steps to adapt. More than half (55 percent) are upgrading their technology infrastructure, while 51 percent are implementing or enhancing AI-driven tools and technologies.

Q: HOW IS YOUR COMPANY PREPARING FOR ADVANCEMENTS IN EMERGING TECHNOLOGIES AND SECTORS?

- Upgrading technology infrastructure – 55%
- Implementing or upgrading AI-driven tools and technologies – 51%
- Developing or enhancing cybersecurity or AI strategy – 48%
- Recruiting or upskilling employees with skills in AI/cyber – 48%
- Piloting or adopting automation – 37%

CONCLUSION

The 2025 Waukesha County Business Survey reveals both opportunities and challenges for the year ahead. While a majority of businesses remain optimistic—anticipating growth in workforce and sales—they continue to face significant headwinds. Ongoing concerns include labor shortages, space constraints, and broader economic uncertainty. These insights should help guide local policy decisions, workforce initiatives, and economic development strategies moving forward.

STRENGTHS & OPPORTUNITIES

Strengths

- Businesses creatively recruiting talent
- Businesses still in expansion mode
- Business friendly environment and local partnerships

Opportunities

- Skilled labor shortages persist
- Economic uncertainty
- Land/industrial space constraints