

**WASHINGTON STATE
WORKFORCE TRAINING AND EDUCATION COORDINATING BOARD
MEETING NO. 169
MARCH 14, 2013**

**EMPLOYER SURVEY OF WORKFORCE NEEDS AND PRACTICES
AND GAP ANALYSIS OF SUPPLY AND DEMAND**

The Workforce Board has completed the biennial survey of Washington employers. Over 2,800 employers provided information about their workforce needs, their current worker training practices, and their satisfaction with recent hires from the state's workforce system. Dave Pavelchek will present the initial tabulations of statewide needs and practices responses.

Board Action Required: For discussion only.

The Workforce Board's annual assessment of the overall or aggregate supply and demand balance for workers with "mid-level" skills has been completed. The mid-level skills category covers occupations requiring less than a bachelor's degree, but at least one year of postsecondary education or training.

Board Action Required: For discussion only.

2012 Employer Survey

Dave Pavelchek

Research Manager

Workforce Training and
Education Coordinating Board



Biennial Employer Survey

- Statutory responsibility of the WTB.
- Phone survey of over 2800 private and public employers in Washington.
- Calls made in September-December 2012.
- Respondents who have hired recently are also asked satisfaction questions that provide the State Core Employer Satisfaction measure for Workforce Training Results.

Biennial Employer Survey

- Results are expressed as estimated overall percentages and numbers of employers - not percentage of jobs across those employers, so large employers do not dominate results.
- Most questions about training for existing workers are only asked of those firms with five or more employees.
- Changes in methods and data limit direct comparisons with data from prior surveys.

Firms that hired new employees in the last 12 months

Q1	# of Employers (est.)	Percent
Yes	60,314	51%
No	58,620	49%
Total	118,934	100%

Did firms have any difficulty finding qualified applicants?

Among those who hired

Q2	# of Employers (est.)	Percent
Yes	12,686	21%
No	47,622	79%
Total	60,307	100%

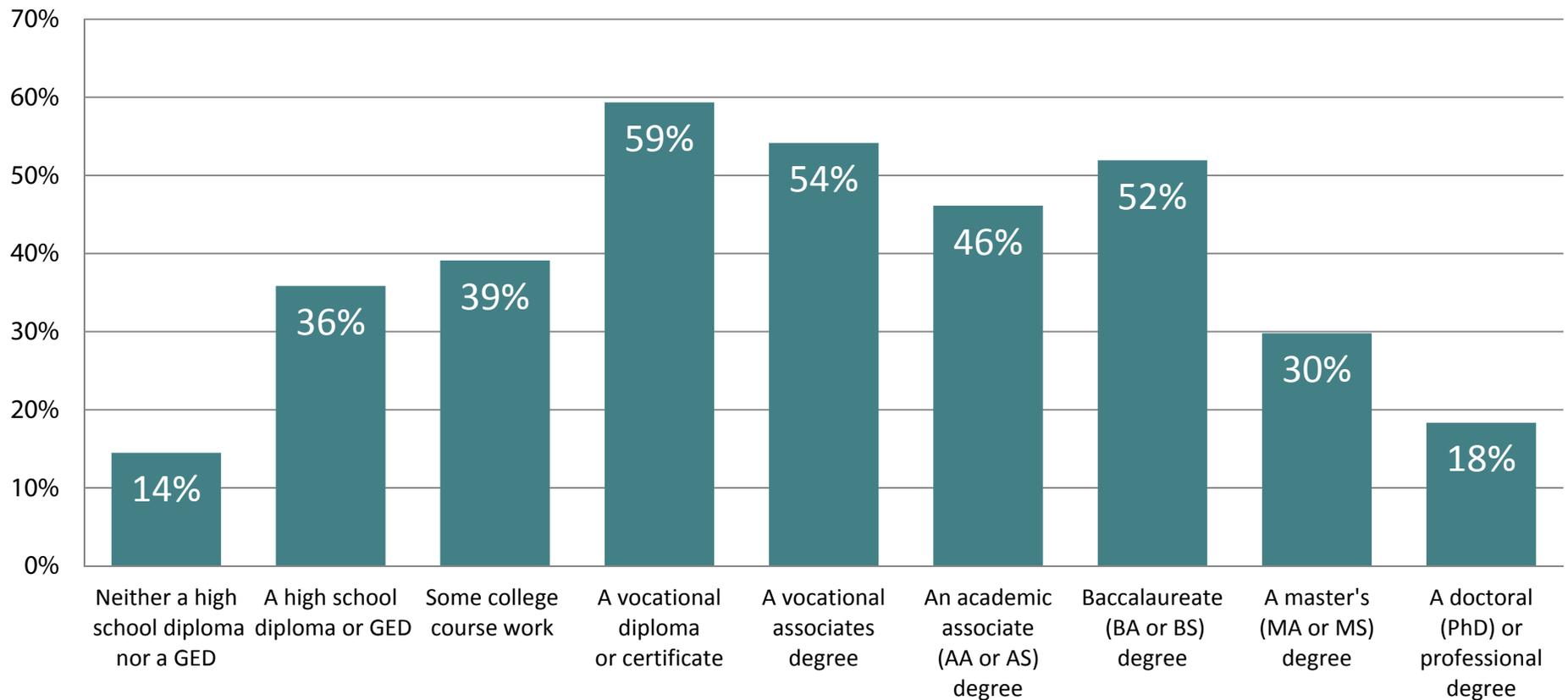
Firms response to difficulty finding qualified applicants

Among those with difficulty hiring

Increased recruiting efforts	65%
Hired a less qualified applicant	44%
Increased overtime hours for current workers	43%
Did not fill the job opening	37%
Increased wages to attract more applicants	15%
Outsourced work or purchased services from another firm	11%

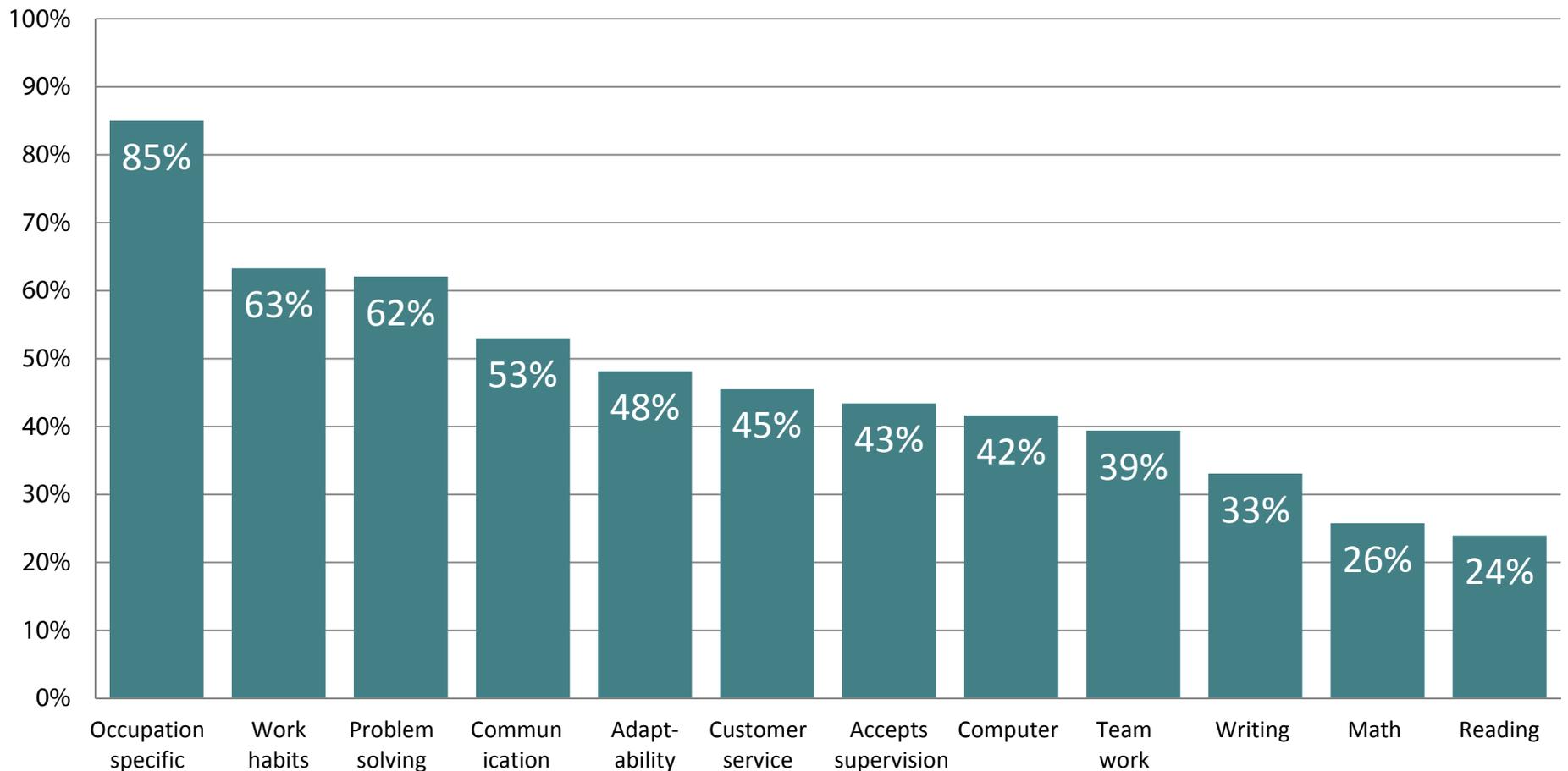
Firms reporting difficulty finding qualified applicants in the last 12 months, by education level

Among those with difficulty hiring



Firms with difficulty finding employees with specific skills

Among those with difficulty hiring



Consequences of firm's difficulty finding qualified applicants

Among those with difficulty hiring

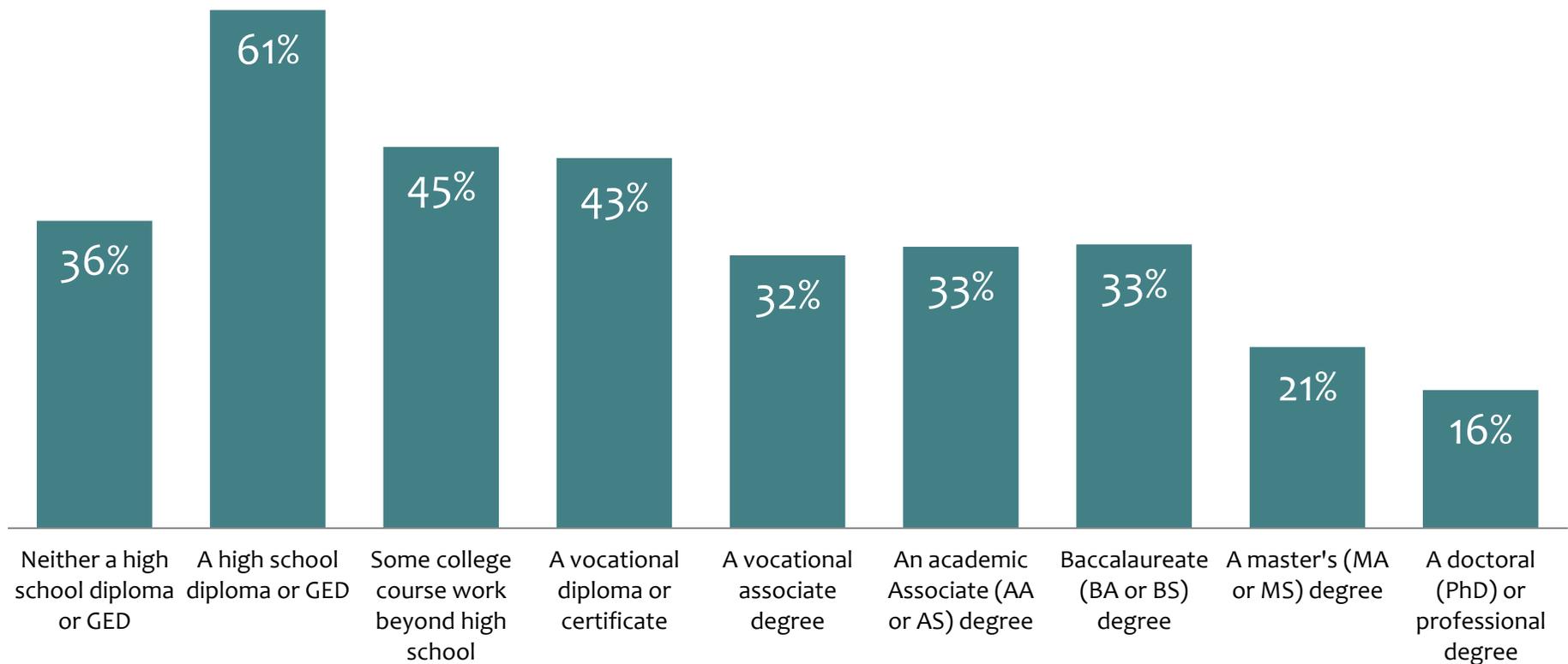
Reduced product or service quality	36%
Reduced production output or sales	33%
Lowered overall productivity	32%
Prevented your firm from expanding its facilities	26%
Prevented your firm from developing new products or services	13%
Caused your firm to move some operations out of Washington	3%

Relative difficulty firms experienced with entry-level workers' skills in the last 6 months

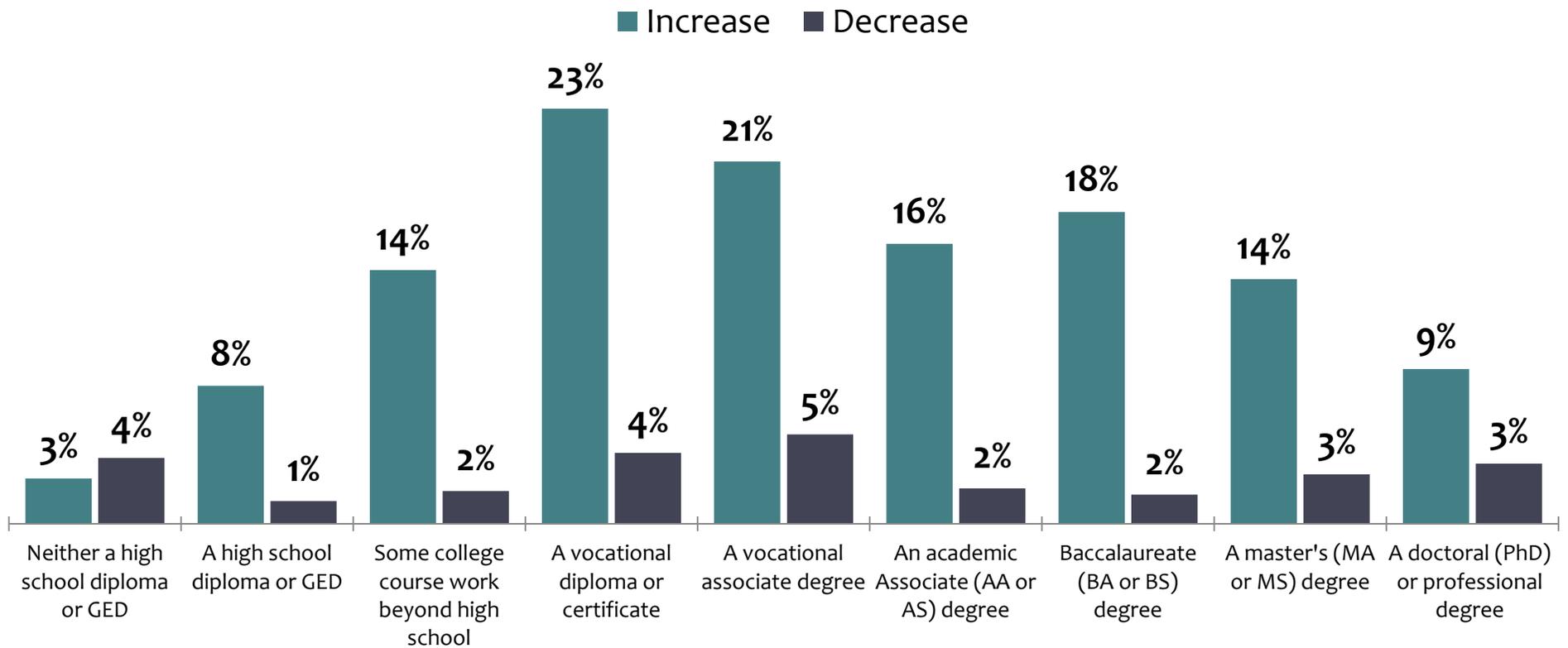
Among those with difficulty hiring

Solve problems and make decisions	50%
Take responsibility for learning	43%
Listen actively	40%
Observe critically	38%
Resolve conflict and negotiate	38%
Use information and communications technology	35%
Cooperate with others	33%
Read with understanding	32%
Use math to solve problems and communicate	31%
Speak so others can understand	29%
Interact well with customers	28%

Firms expected to need employees at each education level in the next 5 years



Expected change in need for employees with different education levels over the next 5 years



Of those firms who needed employees at each education level

Change in required to adequately perform production or support jobs in the last 3 years

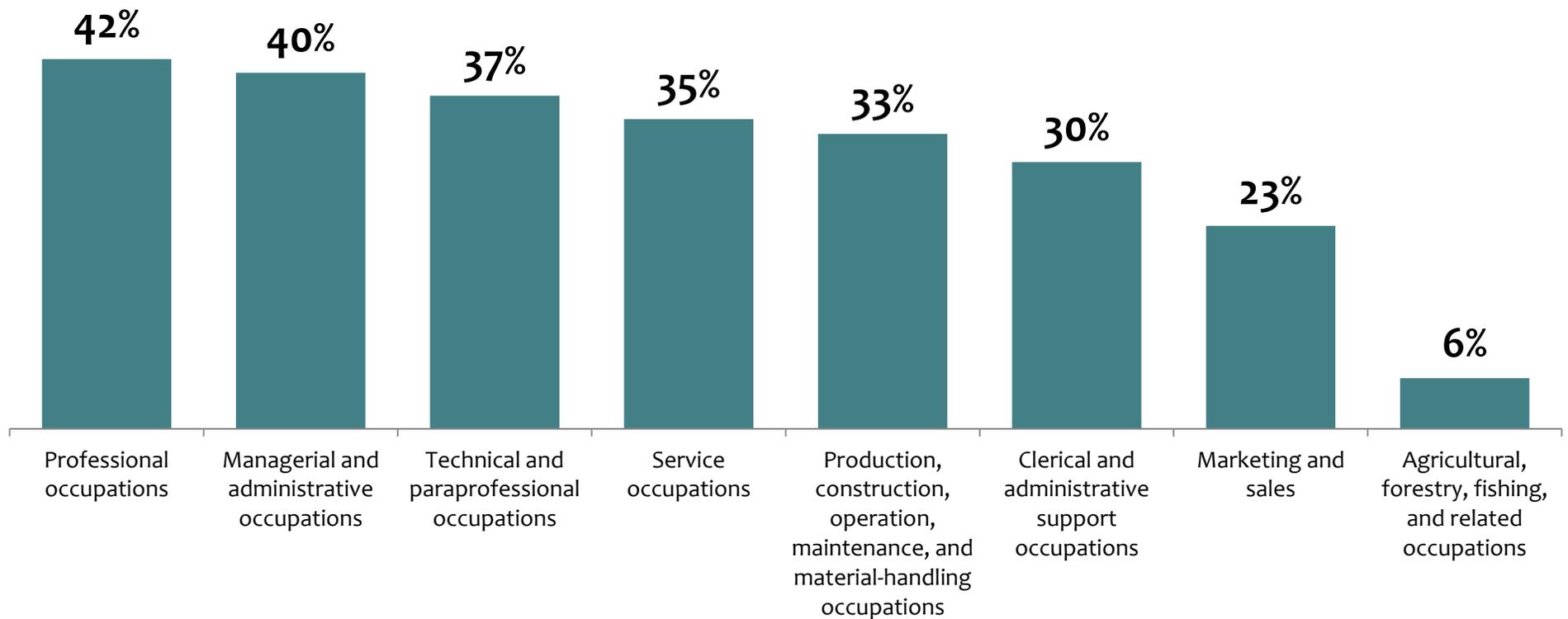
Q10	# of Employers (est.)	Percent
Increased	26,048	22%
Decreased	3,915	3%

Did your firm provide or pay for any classroom training, workshops, or seminars (lasting at least 4 hours) for any employees in the last 12 months?

Q11	# of Employers (est.)	Percent
Yes	44,351	38%
No	73,529	62%

Based on this question, the following questions (Q12-21) were asked only of employers with 5 or more employees, who had provided training for any employees in the past year.

For each type of employee, percentage receiving classroom training, workshops, or seminars in the last 12 months



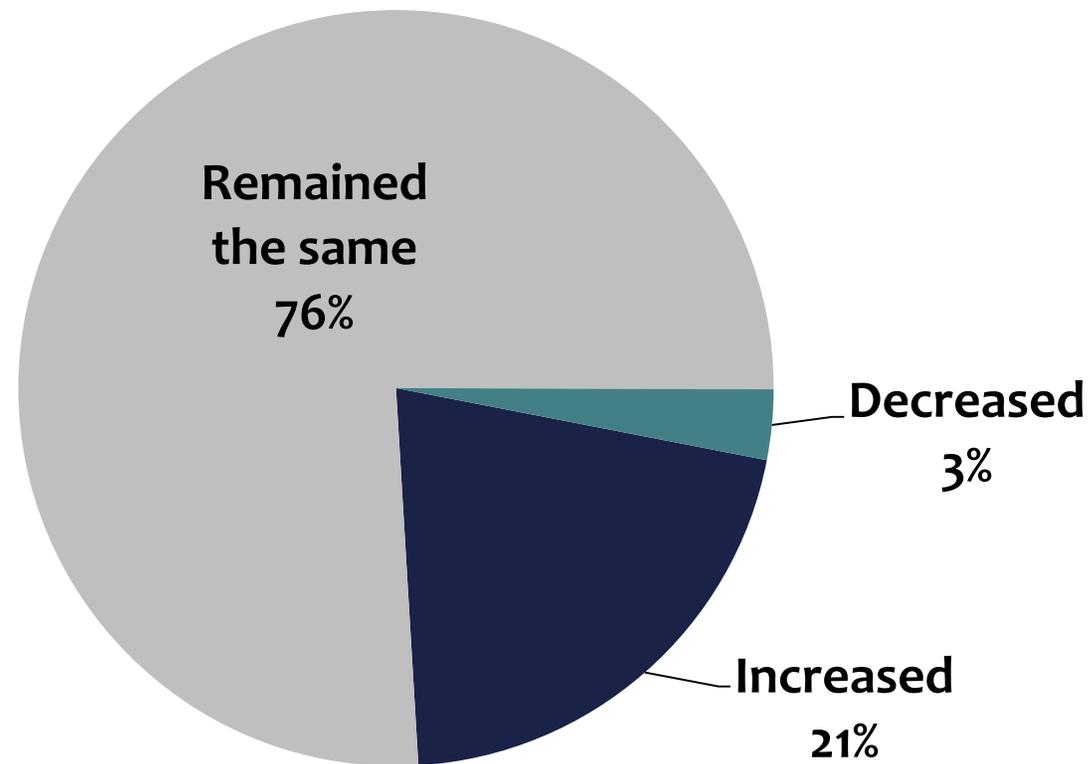
Among firms with more than 5 employees who provide or pay for training

Percent of current employees needing further college level training in order to reach needed level of productivity and competence

Among firms with more than 5 employees who provide or pay for training

Community and technical colleges	Four-year colleges and universities
7%	2%

How percentage of employees who receive classroom training, workshops, or seminars changed in the last 3 years



Among firms with more than 5 employees who provide or pay for training

Reasons firms increased training

Among those who increased training in the last three years

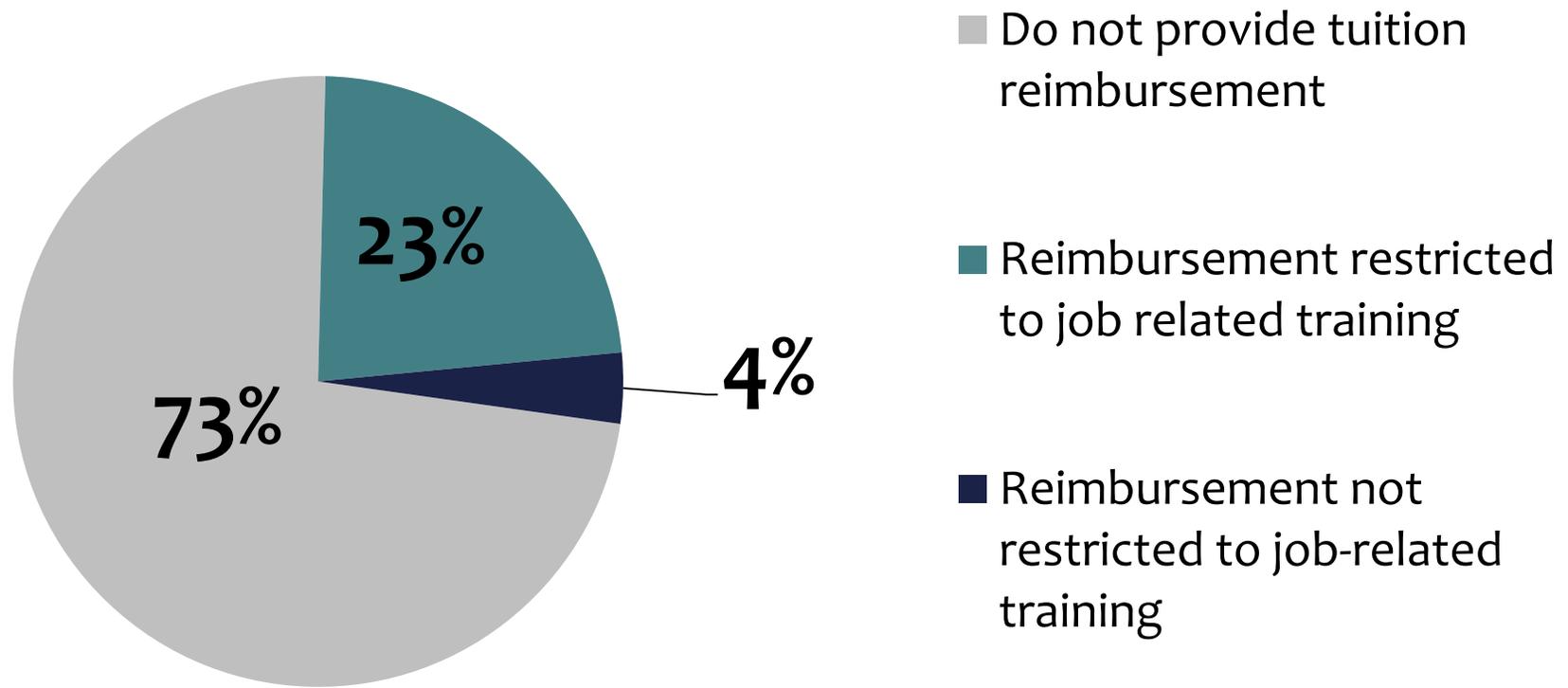
To promote the personal or career development of employees	85%
Need to improve the quality of output	73%
To develop a more flexible and versatile workforce	71%
Changes in technology	64%
Need to improve worker productivity	61%
Changes in the organization of work	60%
To improve the morale of employees	55%
Changes in products or services you provide	55%
To keep up with competitors at home	54%
Legal requirements forced us to increase training	46%
To help employees develop more positive attitudes and work habits	40%
New hires did not have necessary skills	39%
To keep up with competition from foreign countries	5%

Satisfaction with training at community or technical colleges

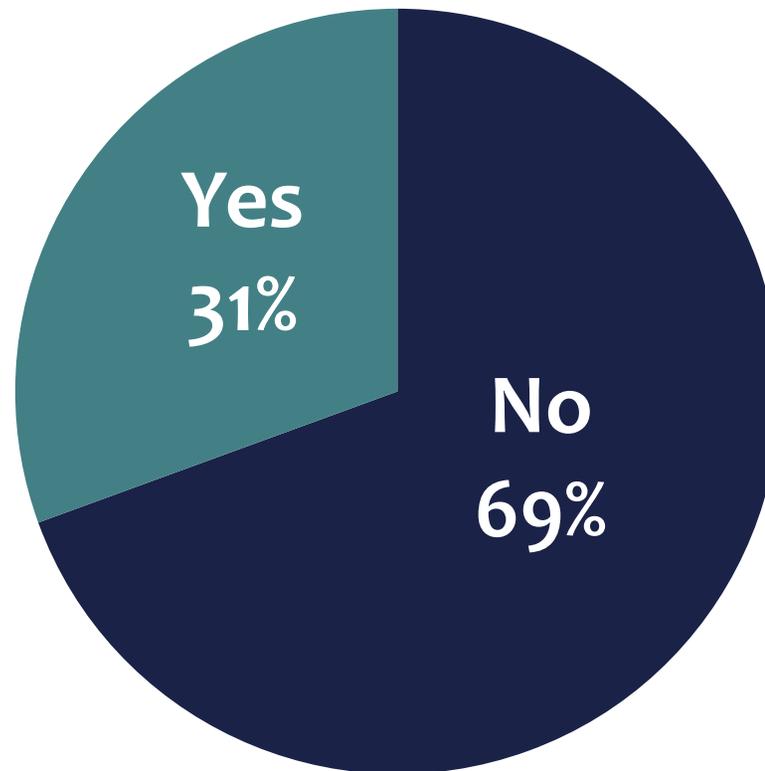
93%

of those employers who arranged with a community or technical college to provide education and training services to their employees were satisfied with the training.

Did your firm have a tuition reimbursement program for any employee during the last 12 months?



Did your firm provide at least 4 hours of On-the-Job Training under a written plan for any employees in the last 12 months?



2012 Gap Analysis of Supply & Demand for Mid-Level Workers

Dave Pavelchek

Research Manager

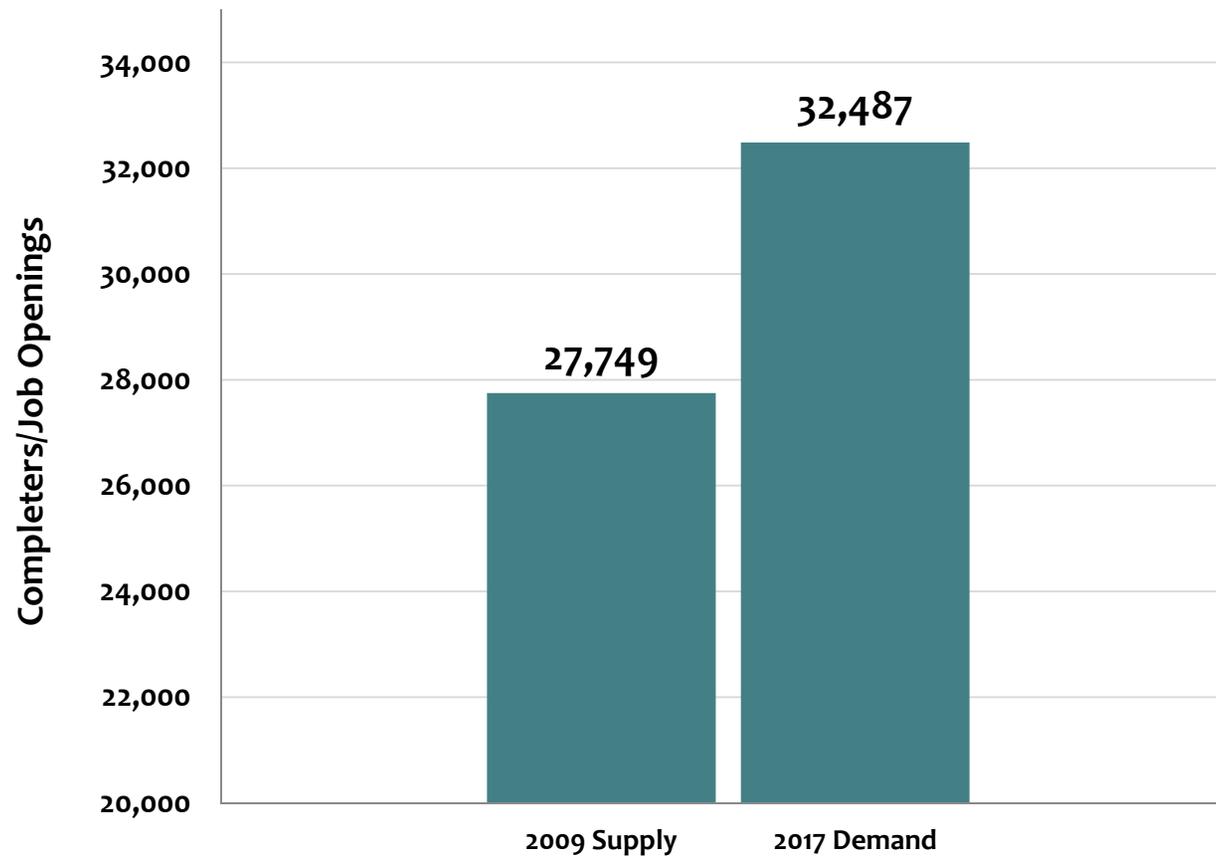
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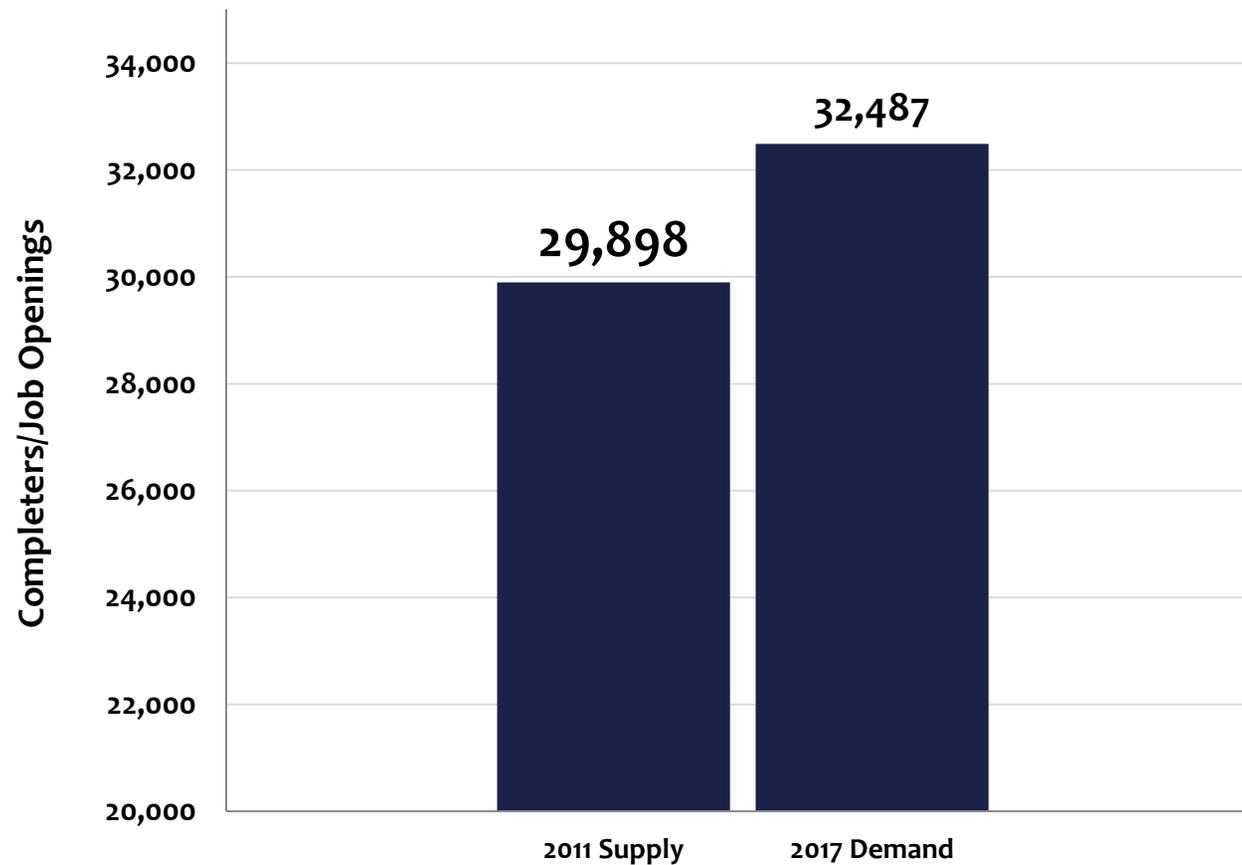
Annual Update Comparing Supply and Projected Demand

- Mid-level defined as less than BA and more than one year of postsecondary training.
- Compares recent supply with projected demand for 2017.
- Supply from community/technical colleges, private career schools, apprenticeship.
- Supply of completers discounted 10% to adjust for some completers not in labor force.
- Demand is net openings due to both growth & retirement.

2009 Supply is 85% of 2017 Projected Demand



2011 Supply is 92% of 2017 Projected Demand



Why the Gap Analysis based on 2009 supply is likely to be more accurate

Normally, our method is based on a six-year lag between supply and demand, however:

- Extraordinary levels of financial support were available to community/technical colleges during the recession: 2010-11 ~ \$17.5 million (~3,800 FTE)
- With recovery, fewer unemployed workers will seek training: higher opportunity cost to attend, more drop out to take jobs.
- As the baby boom echo fades, high participation age group is shrinking.
- Evidence? Enrollment is currently in decline – Fall 2012 down 8% -10% from peak Fall level in 2010

Abrupt Peak and Decline in CTC Enrollment During Recession

CTC FTE Enrollment

