

# 2008 Employer Survey

## Shortage of skilled workers hurts Washington's economy

### Survey illustrates ongoing worker skill gap

Through good and bad economic times, employers must search to find and hire qualified workers. Over the 10 years the Workforce Training and Education Coordinating Board has conducted an Employer Survey, employers have consistently had difficulty finding qualified workers to fill existing jobs.

The ongoing shortage slows productivity and puts Washington businesses in the difficult position of hiring less qualified candidates—or no one at all.

### Middle-skilled workers hardest to find

An estimated 85,000 Washington employers in 2007 had difficulty hiring workers with occupation-specific skills, particularly in high-demand areas like health care, manufacturing and construction.

While the current recession may have made it less difficult for employers to find qualified workers, previous surveys indicate that Washington employers routinely struggle to find workers with the needed skills and education.

Washington employers told the Workforce Board they had:

- **Difficulty hiring qualified employees**— Half of employers (or an estimated 104,000 firms) had difficulty hiring in 2007.
- **Productivity declines**—One in three employers (or an estimated 63,000) said productivity went down as a result of not finding enough skilled workers.
- **Less qualified candidates fill jobs**—One out of four firms (or an estimated 50,000) hired employees who lacked full qualifications for the job.
- **Jobs go unfilled**—One out of five employers (or an estimated 37,000) did not fill some positions because they couldn't find qualified applicants.

The most sought after credential that employers had trouble finding in job applicants was a vocational certificate or degree.

The Workforce Board's 2008 Gap Analysis shows some improvement in the number of Washington workers obtaining these skills, but employer demand is projected to outpace supply by 2012 without a more substantial investment in workforce programs and vocational courses taught at the state's community and technical colleges.



### Workforce Board prescribes High Skills, High Wages

The Workforce Board recently adopted the state's comprehensive plan for Washington's workforce development system, which included strategic steps recommended in *High Skills, High Wages 2008-2018: Washington's Strategic Plan for Workforce Development*.

- Expand the availability of career pathways to chart a clear course from classroom to workplace.
- Increase programs that blend basic skills and English language instruction with job preparation—a highly successful formula for creating job-ready workers.
- Increase slots at community and technical colleges that focus on vocational certificates and associate's degrees by 9,400 annually.
- Expand apprenticeship training opportunities that provide workers with advanced skills in fields such as construction.

## Employer Survey goes directly to the source

Every two years, the Workforce Board invites business and industry across Washington state to participate in a survey that features detailed questions about everything from hiring challenges to employee skill gaps to company training practices. It's the only comprehensive statewide survey of its kind, and shines a light on common workforce issues across a wide range of industries.

By listening closely to local companies, the Workforce Board is able to advocate for workforce education and training programs that meet the needs of business and industry in every corner of the state.

Roughly 2,100 employers responded to this mailed survey (21 percent response rate), providing a 2.1 percent margin of error at the 95 percent confidence level. Conducted in collaboration with the Association of Washington Business, this survey is available at: <http://www.wtb.wa.gov>.

## Technology top reason for employee training

Over 40 percent of Washington's employers say worker skills had to increase in the last three years to keep pace with industry demands.

So it's not surprising that an increasing number of Washington employers are investing in their existing staff by paying for additional training.

The 2008 Employer Survey estimates over 47,000 employers increased the percentage of employees who received additional training while working for them.

## Three factors stand out

The top reasons cited by employers who increased their training efforts:

- Technology changes—89 percent.
- Promote employee personal or career development—85 percent.
- Develop a more flexible or versatile workforce—77 percent.

## Entry-level workers lack basic skills

Many Washington employers continued to struggle hiring and working with entry-level workers who lacked basic skills—from academic gaps in math and reading to problems in thinking critically, taking the initiative and listening actively.

## New hires fall short in basic skill areas

Even when employers were able to hire workers, they reported problems with entry-level employees who could not:

- Solve problems and make decisions—63 percent.
- Take responsibility for learning—62 percent.
- Resolve conflict and negotiate—58 percent.
- Observe critically—55 percent.

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