This report analyzed responses to a survey of 592 private firms and public agencies in Stanislaus County in late 1997. The survey was part of a broader study of the Stanislaus County economy undertaken by the Center for Public Policy Studies funded by the Stanislaus County Board of Supervisors. The objectives of the survey were to elicit information about employment trends, projected job openings, and employee benefits. The survey also sought to tap employer perceptions about employee skills, work attitudes, and obstacles to hiring and retention of workers.

Employers in Stanislaus County were cautiously optimistic about the state of the economy as expressed in their expectations of modest employment growth over the short- to medium-term. Medium to medium-large firms were the most likely to see employee growth, especially in nonfood manufacturing, retail, construction, health services, and public and other services. Most firms over the past two years experienced either growth or stability in the size of their workforce.

This was the good news. Assuming no sudden downturn in the nation’s economy, we can look forward to at least modest job growth in the county. But what stood out more in the survey was the bad news regarding employer’s experience in hiring and retaining good workers.

Almost 40% of the employers in this sample rated the County’s workforce poor in the basic skill areas of reading, writing, math and listening. Over 50% of employers in nonfood manufacturing and utilities and transportation believed the workforce was poorly trained in basic skills.

More than one-third of the respondents said the workforce was poor in thinking and decision-making skills. A majority of business services and 49% of nonfood manufacturers believed this to be true.

When asked how frequently they have experienced certain problems in hiring and retaining workers, almost 80% cited inadequate experience and over 70% cited poor work ethic as major problems.

A 1997 National Association of Manufacturers’ report concluded with the admonition that “[e]ither we reform our workforce preparedness, training and skill development efforts...” or we lose out to other economies. We concluded this report with a similar admonition. Efforts to attract new industries which offer good wages and benefits likely will depend on a workforce that is better trained than our current workforce. This was the most compelling theme of the survey results. Given that so many employers in the county expressed problems with hiring and retaining top quality workers, it would appear that only a broad and coordinated program addressing workforce preparation could effectively address the problem. The “bottom-line” of the report was that business, government, schools, and nonprofit service providers ought to work together to make workforce preparedness a high priority challenge.