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Survey of NC Employers Supports NC Job Ready Initiative to Match Worker Skills to Employer Need

NCWorks Commission releases results of Employer Needs Survey of 2,000 NC businesses

Raleigh, N.C. – Half of North Carolina employers are having difficulty filling open positions, according to the results of a new survey of business hiring needs from late 2016 to early 2018. The 2018 Employer Needs Survey is published by the NCWorks Commission and conducted on its behalf by the North Carolina Department of Commerce's Labor & Economic Analysis Division (LEAD).

"These results reflect what I hear from business leaders time and again: they often have jobs but can't find workers with the right skills to fill them," said Governor Roy Cooper. "We must get people who are looking for jobs together with businesses who want them. Getting North Carolina job ready means listening to what businesses need so we can prepare North Carolinians for the jobs of today and tomorrow."

NC Job Ready, Governor Cooper's workforce development initiative, is built on three core principles: skills and education attainment so North Carolinians are ready for the jobs of today and tomorrow, employer leadership to remain relevant to evolving industry needs, and local innovation to take great ideas and apply them statewide. To train and expand North Carolina's workforce, Governor Cooper has called for NC GROW to offer financial aid for high-demand fields; Finish Line Grants to help students overcome financial challenges to complete their degrees; and an Employer Training Fund to help employers address workforce training needs and employee skill gaps.

The 2018 Employer Needs Survey, an update to similar surveys released in 2014 and in 2016, asked more than 2,000 North Carolina businesses about their hiring practices with an emphasis on hiring difficulties and workforce needs. In addition to an overall sample of all industries, researchers surveyed a sample of manufacturers and a set of Science, Technology, Engineering and Mathematics (STEM)-related industries.

Among the findings of the survey were:

- 50% of employers who tried to hire in the past year had difficulty filling at least one position, up from about 40% in 2016;
- Manufacturers and STEM-related businesses found it more challenging to fill positions than employers as a whole, with nearly 60% reporting difficulty hiring;
- Employers in the state's two largest metropolitan areas (Charlotte and the Research Triangle) had less difficulty hiring (40%) than businesses overall, while employers in the state's medium-sized metro areas had more difficulty (61%);

- The top two reasons employers gave for their hiring difficulties were "employability" issues (such as a lack of a strong work ethic, professionalism or reliability) and a low number of applicants;
- 70% of rural employers cited a low number of applicants as the top reason for difficulty, a significantly higher percentage than that of employers as a whole (55%);
- 88% of all employers said that they attempted to fill at least one position in the past year;
- Prospects for job growth remain strong, with 43.3% of employers expecting the size of their own workforce to increase this year, and only 2.3% of employers expecting it to decrease.

"This year's survey provides vital data about the extent to which North Carolina businesses are experiencing hiring difficulties and identifies the top reasons, recognizing that different challenges exist for different industry segments, different business sizes and different regions," NCWorks Commission Chair Kevin Trapani wrote in a letter accompanying the report on the survey results. "The conclusions drawn from the report will assist the workforce development ecosystem to develop or move to scale data-informed policies and programs that equip job seekers with the skills and experience required by businesses."

In particular, he cited the need for younger North Carolinians to participate in apprenticeships, internships and other work-based learning programs that will help them develop employability skills. Trapani also said that the survey pointed to opportunities for the state's workforce system to more fully engage with employers and promote greater awareness of available resources.

"The findings in the report support the key elements of Governor Roy Cooper's NC Job Ready initiative and his priorities for workforce development, to which we are fully committed," Trapani added. "Our continued, collaborative progress on NCWorks Certified Career Pathways, business engagement strategies, and NCWorks Career Centers will support NC Job Ready by preparing North Carolinians for the jobs of today and tomorrow."

"The Employer Needs Survey is a valuable source of data and insights for North Carolina's workforce development and education partners," said NCWorks Commission Executive Director Catherine Moga Bryant. "Hiring in a tight labor market presents different challenges than those experienced during a downturn, and this report provides policymakers and business leaders with information on what those challenges are and how to meet them."

The NCWorks Commission, which is designated as the state's Workforce Development Board under the federal Workforce Innovation and Opportunity Act, recommends policies and strategies to enable the state's workforce and businesses to compete in the global economy. Led by a private sector chair, the 33-member Commission includes representatives from the business community, heads of state workforce agencies, educators and community leaders.

Assisting the Commission with the Employer Needs Survey were the Center for Urban Affairs and Community Services at NC State University and the Division of Workforce Solutions at the NC Department of Commerce. Grant funding from the U.S. Department of Labor's Employment and Training Administration supported the project.

The report is available online: 2018 Employer Needs Survey.

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