



# Montana Business Recruiting Experiences and Worker Preparation

Presented to

**Montana Board of Regents**

by

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# Purpose

- Examine recruiting experiences in certain occupations reported by Montana businesses.
- Report businesses' opinions of new hires' skills.
- Report businesses' opinions of 2-year institutions.

# Project Time Line

- **December 2004.** Montana businesses report recruiting difficulties and dissatisfaction of worker skills at public meetings.
- **January-March 2005.** BBER prepares survey research work plan.
- **April 2005.** Project authorized to begin.
- **April-June 2005.** Questionnaire designed and approved.
- **July-August 2005.** Interviews conducted.
- **September 22, 2005.** Report to Board of Regents.

# Questionnaire Design and Review Participants

- UM Office of the President
- Office of the Commissioner of Higher Education
- CEOs of two-year institutions
- Montana Department of Labor and Industry
- Montana Contractors Association
- Montana Hospital Association

# Research Plan

- **Stratified Random Sampling.** Telephone interviews of respondents. 1060 completed interviews.
- **Survey Population.** All non-government, non-hospital businesses with at least one employee. Study also uses data gathered by MHA.
- **Stratified Random Sampling**
  - Interview major firms in state.
  - Random sample of smaller firms. Strata defined in terms of number of employees.
  - Weighted responses to provide unbiased estimates for all 33,000 Montana businesses.
- **Margin of Sampling Error =  $\pm 5.4\%$**

# Response Rate

- AAPOR #3 = 70.8%  $1,060/1,496 = .708$

1,060 completions

132 refusals

282 unresolved appointments

23 estimated valid businesses among “bad” phone numbers

1,496 Total Sample

- This response rate exceeds those currently obtained by BBER for household surveys (now 50 to 60 percent). This indicates solid support by Montana firms and increases statistical confidence.

# Did Montana Businesses Have a Shortage of Workers in the Last Year?

**21.6%** of all businesses said they had a shortage

- No statistically significant regional difference within the state.
- Businesses with more employees were more likely to report a shortage.
- Expanding businesses were more likely to report a shortage.
- Industries more likely to report a shortage were:
  - Construction
  - Health Services
  - Leisure and Hospitality
  - Manufacturing
  - Transportation
  - Wholesale and Retail Trade



# Critical Occupations with Vacancies

- **Occupations were labeled critical because:**
  - ten or more businesses reported vacancies in those occupations.
  - the occupations had relatively higher wages.
  - the Montana University System might be able to provide a training program for that occupation.
  - Montana University System/DLI previously identified occupations as critical.

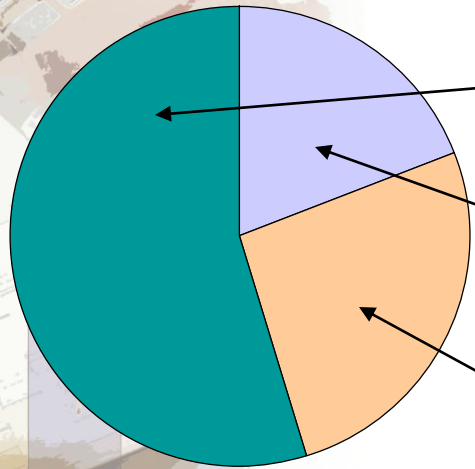
# Current Critical Occupations with Vacancies

Occupation	Very Hard to Recruit Workers	Major Problem Retaining Workers
Carpenters	75%*	25%
Registered Nurses	57%	13%
Licensed Practical Nurses	53%	0%
Truck Drivers, Heavy and Tractor-Trailer	80%*	40%*
Automotive Service Technicians and Mechanics	89%*	22%
Electricians	50%	0%
Cement Masons and Concrete Finishers	50%	50%*
Telecommunications Line Installers and Repairers	50%	0%
Radiologic Technologists and Technicians	80%*	20%
Home Health Aides	64%*	82%*
Supervisors and Managers - Service Workers	60%	40%*
Cooks	52%	32%
Professional Financial Specialists	50%	13%
Nursing Assistants	48%	40%*
Other Health Services (Rehabilitation Aides, others)	41%	14%
Helpers, All Other Construction Trades	40%	27%
Child Care Workers	31%	13%
Preschool Teachers	30%	30%
Secretaries except Medical and Legal	20%	0%
Human Service Workers	0%	9%
Operating Engineers and Other Construction Equipment Operators	@	@

# Future Vacancies by Occupation – Anticipated Needs of Expanding Businesses

Do you anticipate increasing the number of positions for certain jobs in the next five years? What are the job titles?	Businesses (N out of 1060)
First-Line Supervisors and Managers in Sales and Related Workers	57
Human Services Workers	29
LPNs	27
Professional Financial Specialists	27
Helpers, all Other Construction Trades	21
Assemblers and Fabricators, Except Machine, Electrical, Electronic, and Precision	21
Computer Support Specialists	19
Nursing Aides	19
Bookkeeping, Accounting, and Auditing Clerks	17
Personal Care Attendants	16
Welders and Cutters	15
Social Workers, Medical and Psychiatric	14
Machinists	14
Physical Therapists	14
Medical Records Technicians	13
Cabinetmakers and Bench Carpenters	13
Other Health Services (Rehab Aides)	12
Teacher Aides, Paraprofessional	11
Automotive Mechanics	10
All Other Therapists	10

# How Well Prepared Were New Hires Over the Last Year?



54.7% of businesses said they were prepared

19.2% of businesses said they were unprepared

26.1% of businesses said they were not sure

- No statistically significant regional difference within the state.
- Businesses with more employees were more likely to report that their new hires were unprepared.
- Expanding businesses were more likely to report that their new hires were unprepared.
- No statistically significant difference by industry.

# Skill Preparation of New Hires over the Last Year

Skill	% Businesses Say New Hires Unprepared	% Businesses Might Use MUS Program
Overall	19.2%	NA
Management Skills	41.5%	41.6%
Job-Specific Skills	23.3%	48.4%
Work Ethic/ Personal Responsibility	21.1%	40.1%
Computer Skills	21.0%	45.3%
Math Skills	20.8%	30.5%
Written Communication	16.6%	38.2%
Social Skills (appearance, working as a team)	12.7%	37.7%
Verbal Communication	9.8%	45.0%

# How Likely are Businesses to Use a Customized, Non-Degree Training Program?

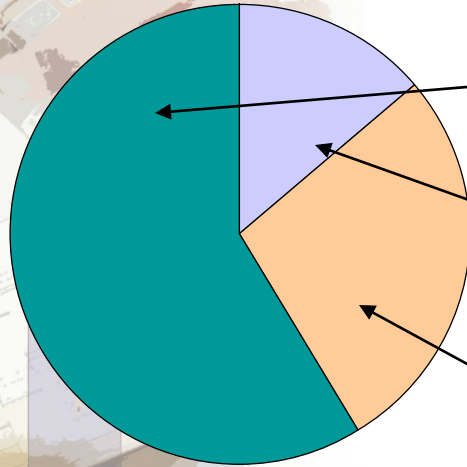
4.5% of all businesses (between 1,000 and 2,000 businesses statewide) said they are very likely to use such a program:

- No statistically significant regional difference within the state.
- Businesses with more employees were more likely to report that they would use a customized training program.
- Expanding businesses were more likely to report that they would use a customized training program.
- No statistically significant difference by industry.

# What Are Businesses' Perceptions about Montana's 2-Year Colleges?

- **Contact with Their 2-Year College:**
  - 33.5% said they had some or a great deal of contact with the 2-year college in their area.
  - Larger businesses reported more contact with their 2-year college.
  - Eastern Montana and Western-Northwestern Montana businesses reported more contact with their 2-year college.
  - Of those businesses that said they had a 2-year college in their area.

# Overall Rating of 2-Year Colleges



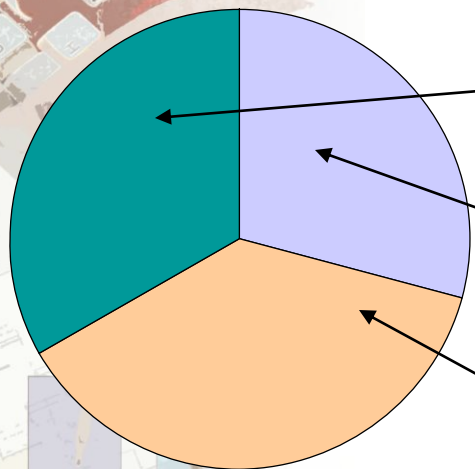
58.6% said the 2-year college in their community was doing a good or excellent job

13.9% said the 2-year college in their community was doing a fair or poor job

27.5% said they were not sure

- There were no significant differences among business demographic groups
  - Of those businesses that said they had a 2-year college in their area

# Responsiveness of 2-Year Colleges to Businesses' Requirements



33.3% said the 2-year college in their community was responsive

29.3% said the 2-year college in their community was not responsive

37.4% said they were not sure

- No statistically significant regional or business size differences.
- Expanding businesses were more likely to report that their local 2-year college was not responsive.
- Industries more likely to report that their local 2-year college was not responsive were:
  - Construction,
  - Health Services,
  - Manufacturing,
  - Transportation,
  - Wholesale and Retail Trade



# Questions?