

# Employer Perspectives on Employment of Young Adults



# Introduction

This report was developed to provide data to inform services provided by the City of Albany Poverty Reduction Initiative (CAPRI). CAPRI's goals include assisting the approximately 1,000 Albany youth between the ages of 16 and 24 who are neither in school nor employed to enter the workforce.

Young adults who are neither employed nor attending school are vulnerable to long-term negative effects on their futures. Without the chance to gain skills, credentials, social capital, and self-confidence that connection to school and work can provide, these youth are at risk in the long term for lower lifetime wages, higher incarceration rates, and lower rates of marriage<sup>1,2,3</sup>.

The societal impacts of young adults disconnected from work or school are also significant. Focusing solely on Medicaid, public assistance payments, Supplemental Security, and incarceration costs, each unemployed youth costs taxpayers just under \$14,000 per year4; if indirect costs are factored in, such as lost wages and crime victims' losses, the total social burden is over \$37,000 per year<sup>5</sup>.

# **Data Sources and Methods**

Information on the local employment landscape was obtained from government sources including the New York State Department of Labor and the U.S. Bureau of Labor Statistics. These data provide a broad view of the number of jobs available in different fields.

While employment statistics are important for understanding how to prepare youth and young adults for jobs, more detailed information from local employers is imperative to understand which specific services are most helpful in preparing workers for successful employment. Learning what the people who make hiring decisions want to see in their potential employees enables workforce development programs to focus resources efficiently and develop training that best meets local needs.

Therefore, a survey of employers in the city of Albany and Colonie was conducted in August and September of 2017. The survey asked about challenges with hiring entry level workers and experiences with young adult employees specifically. A link to the survey was e-mailed to the contact lists of the Central Avenue, Lark Street, and Downtown Albany Business Improvement Districts; and Albany and Colonie members of the Capital Region Chamber. CAPRI also included the link on its website and encouraged Steering Committee members to complete and distribute it. Sixty-three surveys were completed online.

To broaden outreach to employers who are not affiliated with these organizations or who do not use e-mail, a team of five survey collectors went door-to-door to businesses throughout Albany and Eastern Guilderland and Colonie. The team reached hundreds of businesses and collected 62 surveys in person, and left behind about 300 paper surveys with business reply envelopes. Seventeen of these surveys were mailed in.

<sup>1</sup> Belfield, C.R.; Levin, H.M.; Rosen, R. (2012). The Economic Value of Opportunity Youth. Washington, D.C.: Corporation for National and Community

<sup>2</sup> Lewis, K. and Burd-Sharps, S. (2015). Zeroing in on Place and Race: Youth Disconnection in American Cities. Retrieved from Measure of American http://www.measureofamerica.org/youth-disconnection-2015/

<sup>3</sup> Bridgeland, John M. and Jessica A. Milano (2012). Opportunity Road: The Promise and Challenges of America's Forgotten Youth. Washington, DC: Civic Enterprises and America's Promise Alliance.

<sup>4</sup> Sims, P. Reconnecting Opportunity Youth: Data Reference Guide (2015). Retrieved from http://www.coweninstitute.com/wp-content/uploads/2015/03/Cowen OY Data Guide 2015.pdf

<sup>5</sup> Belfield, C.R.; Levin, H.M.; Rosen, R. (2012). The Economic Value of Opportunity Youth. Washington, D.C.: Corporation for National and Community Service.

The survey was intended to offer employers an opportunity to provide suggestions and feedback. It was not designed as a representative sample of Albany businesses; thus its results should not be interpreted to describe the experiences of all employers. However, its findings help provide insight into the qualities that local employers find important in hiring and employer interest in participating in workforce development programs.

# **Findings**

### Published Data on the Local Employment Landscape

As displayed in Figure 1, the unemployment rate in the Albany area is 4.3% (slightly lower than the national average of 4.6%). State and local governments are the largest employers. Education and health services are a close second, and this is the sector in which the state has seen the largest growth in the past year.

Figure	1. Alba	anv area	emplo	yment by	v sector.	July	/ 20176
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Sector	Number of jobs	
Government	98,200	
Education and health services	89,800	
Trade, transportation, and utilities	75,700	
Professional and business services	54,500	
Leisure and hospitality	44,700	
Financial activities	26,400	
Manufacturing	26,400	
Mining, logging, and construction	21,300	
Other services	18,900	
Information	8,700	
Total nonfarm	464,600	

Middle skill jobs, which require some training beyond high school but not a four-year degree, are often appropriate careers for young adults. In the Capital Region, middle skill jobs with the greatest number of expected openings each year are teacher assistants; bookkeeping, accounting, and auditing clerks; Licensed Practical Nurses (LPNs); and truck drivers (see Figure 2).

**Figure 2.** Middle Skill Job Titles with Most Total Annual Openings Capital Region, 2012- estimated 2022<sup>7</sup>

Job Title	Total Annual Openings	Annual Openings Due to Growth
Teacher Assistants	220	60
Bookkeeping, Accounting and Auditing Clerks	ng, 190	110
Licensed Practical Nurse	es 180	80
Heavy and Tractor-Traile Truck Drivers	r 120	50

<sup>6</sup> U.S. Bureau of Labor Statistics (August 2017). Albany, NY, Area Economic Summary. Retrieved September 18, 2017, from https://www.bls.gov/regions/new-york-new-jersey/summary/blssummary\_albany.pdf

<sup>7</sup> New York State Department of Labor (2016). Middle Skill Jobs in New York State: A Regional Analysis. Retrieved July 5, 2017, from https://www.labor.ny.gov/stats/PDFs/Middle-Skill-Jobs-in-NYS.pdf

# Survey

### **Overview of Sample**

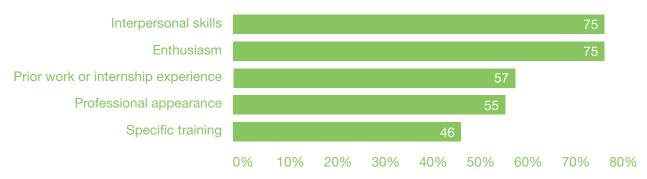
A total of 142 employers were surveyed. A large proportion (84%) had at least one job opening per year that did not require a college degree. More than half (54%) had at least one job opening per year that did not require a high school diploma, and an additional 30% had at least one opening that required a high school diploma or GED but not a college degree. This demonstrates that the survey reached employers with the potential to provide entry-level jobs.

### Attributes of successful job applicants

When asked which attributes made them more likely to hire job applicants under the age of 25, three-quarters of employers looked for interpersonal skills and enthusiasm (see Figure 3). More than half were interested in prior work or internship experience and a professional appearance.

Nearly half of employers were more likely to hire applicants if they had training related to the job. The most common specific skills they preferred were Microsoft Office/ Excel, a driver's license or Commercial Driver's License (CDL), and food safety training.





Survey participants were also asked which attributes made them LESS likely to hire applicants under the age of 25. Three-fourths were unlikely to hire someone with an unprofessional demeanor, and nearly two-thirds were unlikely to hire someone with an unprofessional appearance or who had an undemonstrated work ethic (see Figure 4).

Scheduling or time conflicts and transportation issues made about half of employers hesitant to hire someone, and approximately 40% were unlikely to hire someone with poor math, reading, or spoken English skills.

Nearly half preferred not to hire someone with "red flags" on a background check, and over one-third were unlikely to hire someone who was unable to pass a drug test or who had an arrest record.

One-fourth or fewer of employers were concerned about work restrictions for minors, significant training needs, or lack of a high school diploma or GED.

Unprofessional demeanor Unprofessional appearance Undemonstrated work ethic Scheduling/time conflicts Red flags on background check Transportation issues Poor math or reading skills Poor spoken English skills Unable to pass drug test Arrest record Work restrictions for minors Significant training needs No high school diploma or GED 0% 10% 20% 30% 40% 70% 80% 50%

**Figure 4.** Think about job applicant under the age of 25. Which attributes have often made you LESS likely to hire someone in the past?

There were few significant differences between employers who hire ten or more people per year and those who hire nine or fewer. Businesses with fewer job openings were more likely to reject applicants with poor math, reading, or spoken English skills (47% vs. 28%-30%), perhaps because these businesses expect their employees to be more flexible in their roles than a larger employer that can hire more specialized employees.

### Interest in workforce development

Nearly all employers provide at least some training for new employees (see Figure 5). This training takes a month or more for over one-fourth of employers, between a week and a month for about half of employers, and one week or less for another quarter of employers.

One-fifth of respondents had specific school or job training programs they trusted to provide them with good employees. Most of these were specialized to the employer or industry, such as Dunkin' Donuts' online training, gemology training courses, Modern Welding School, and CDL training schools. Six listed BOCES or local commu-

Figure 5. How long does new employee training take, on average?

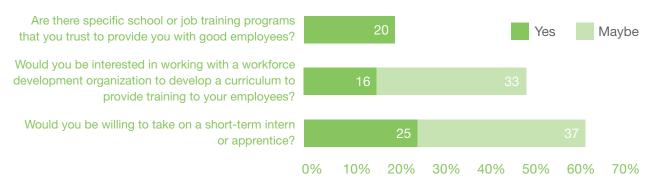
Length of training	Percent
One day or less	12%
One week or less	17%
Between one and two weeks	20%
Between two weeks and a month	24%
A month or more	27%

nity colleges, and the City of Albany Summer Youth Employment Program and the Capital District Women's Employment and Resource Center were also mentioned. Half were potentially interested in working with a workforce development organization to provide employee training (see Figure 6).

A quarter of employers would be willing to take on a short-term intern or apprentice, and another 37% might be willing depending on the program. Of those who listed program features that would make it easier for them to do so, about one-fifth said that they would be more likely to hire an intern as part of a program that offered

mentoring and coaching. Another fifth preferred to work with local two- or four- year colleges. A few were concerned about the legal, insurance, and tax implications of providing internships.

Figure 6. Training and workforce development



# **Summary of Findings and Recommendations**

Survey results and regional employment data provide insight into how Albany youth employment programs can focus attention on areas that would have the greatest impacts on both job seekers and employers searching for good employees. These should be read in tandem with the Center for Human Resource's prior report, Best Practices to Enhance the Employability of Opportunity Youth: A Synthesis of the Available Literature<sup>8</sup>.

#### Soft Skills

The responses to the questions about desirable and undesirable attributes of job applicants highlight the importance of "soft skills" such as professionalism, positive attitude, interpersonal skills, courtesy, and communication skills. While some people pick up these skills naturally, many young people need assistance in understanding the importance of these soft skills and recognizing their strengths and weaknesses in these areas. Programs that include identification and reinforcement of soft skills would be helpful in preparing young adults for employment. Since professional appearance was cited as important by half to two-thirds of employers, assistance in selecting and purchasing interview-appropriate clothing would also be helpful to some job seekers<sup>9</sup>.

# Recommendations for Workforce Development Programs

- Soft skills training
- · Basic skills training
- Short-term placements if long-term placements are not available
- Focus on jobs needed locally
- Comprehensive services
- Additional assistance for job seekers with criminal records

#### **Basic Skills**

While some employers hope for applicants with very specific skillsets related to their professions, most have more basic expectations such as proficiency in Microsoft Office including Excel, customer service skills, and proficiency in handling cash. Programs that include assessment of these skills and trainings for those with deficiencies can be a more efficient way to prepare participants for employment than enrollment in more focused long-term trainings, especially if the youth does not yet have specific career goals.

<sup>8</sup> Center for Human Services Research (2017). Best Practices to Enhance the Employability of Opportunity Youth: A Synthesis of the Available Literature. http://www.albany.edu/chsr/CAPRI.shtml

<sup>9</sup> For more information about soft skills, see Best Practice #4 in Center for Human Services Research (2017). Best Practices to Enhance the Employability of Opportunity Youth: A Synthesis of the Available Literature.

#### Workforce Experience

Interest in prior work experience and a demonstrated work ethic suggests that short-term internships or temporary employment would be helpful to young adults who have never had a job before, in order to show their ability to maintain regular attendance, follow directions, and perform their duties. If programs are not able to place participants in permanent jobs, temporary positions can be helpful in establishing a young adult's ability to maintain employment. Fortunately, 62 percent of respondents said they would potentially be interested in working with short-term interns or apprentices, suggesting that there are possibilities for partnerships in this

#### Local Employment Landscape Focus

Awareness of the employment sectors with the greatest number of jobs locally is useful to ensure that young adults are positioning themselves for a successful job search. Entry-level jobs in the education and health sectors (such as teaching assistants and home health aides) or in the transportation industry (such as truck drivers for those over 18) may be good options to assist young adults to seek training in. Those who are able to pursue more intensive training may be directed toward associate's degrees in fields such as accounting or toward Licensed Practical Nurse training.

#### **Comprehensive Services**

Scheduling or time conflicts and transportation issues made about half of employers hesitant to hire someone, and approximately 40% were unlikely to hire someone with poor math, reading, or spoken English skills. This points toward the importance of providing comprehensive services to job seekers. Some may require assistance with child care, transportation, mental health care, or remedial education in order to work. Remembering that factors outside of those directly related to job preparation are relevant to many unemployed youth is an integral part of employment programs<sup>10</sup>.

#### **Applicants With Criminal Backgrounds**

Finally, between 35% and 48% of respondents preferred not to hire an applicant who had red flags on a background check, who was unable to pass a drug test, or who had an arrest record. Job seekers with these difficulties will need additional help finding placements. Some youth offenders may be able to receive assistance to expunge their records, and others might qualify to obtain Certificates of Rehabilitation which some employers may find reassuring. But the primary strategy for helping these program participants find work will be to convince employers to give them a chance. Developing relationships with and providing support to business owners who hire people with imperfect records will be important. In addition, employers can be educated about New York's nondiscrimination laws that prohibit employment discrimination based solely on a criminal record, and the lack of research correlating drug testing with increased safety or productivity.

This report was prepared by Sarah Rain at the Center for Human Services Research. Any questions about this report or research and evaluation of the City of Albany Poverty Reduction Initiative can be sent to srain@albany.edu.

#### **About the Center for Human Services Research**

The Center for Human Services Research (CHSR) is a research department within the School of Social Welfare at the University at Albany. CHSR has over 20 years of experience conducting evaluation research, designing information systems and informing program and policy development for a broad range of agencies serving vulnerable populations. Rigorous research and evaluation methods, strong relationships with project partners, and timely, accurate and objective information are hallmarks of CHSR's work. For more information about CHSR please visit www.albany.edu/chsr.



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