

## INTRODUCTION

On June 12, 2002 the Merced County Workforce Investment Board held its second strategic planning retreat. The outcome of the retreat was to create and develop a clear understanding of the vision and strategic direction of the WIB over the next two years.

Merced County and the Merced County WIB have commissioned numerous studies that look at the changing demographics and economic needs of the community. Some of the most recent include a survey of employers, an analysis of economic trends, an opportunities analysis, and surveys of welfare and professional human services providers in the county.<sup>1</sup>

Several key findings from these reports helped to inform the WIBs strategic direction for the next two years, including:

### *Demographics*

- ❑ Over the last thirty years, Merced County's resident population has nearly doubled, to 207,000 with an average annual growth rate of 2.4%.
- ❑ Merced County has the youngest population in the state
- ❑ Merced County has become more racially diverse at a faster rate than the state as a whole.

### *Labor Market*

- ❑ High unemployment rates continue to persist in the County.
- ❑ The economic structure is defined by agriculture and related processing industries.
- ❑ Employment growth is slow, particularly in non-farm service producing jobs.
- ❑ In 1999, even given some growth in other sectors, agriculture and government claimed almost two-fifths of all jobs
- ❑ The proportion of high school students planning to attend four-year colleges and universities is lower in Merced County than surrounding areas and test results are also lower.
- ❑ Employers report:
  - Most industry sectors anticipated growth of 10% or less over the next five years
  - The sectors with the most optimistic projections were construction, business services, and retail/wholesale trade
  - The top five problems most frequently encountered by employers when hiring were: lack of experience, lack of technical skills, poor work ethic, limited education and poor English skills

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<sup>1</sup> Employers Speak: [Assessing the Merced County Economy and Workforce](#); [Roots of Performance: An Examination of Merced County's Economic Base](#); [Strategic Choices: Creating Opportunity in Merced County](#); and [Welfare and Work in Merced County: Perspectives and Assessments](#). All studies were conducted by the Center for Public Policy Studies at California State University, Stanislaus.

- The top five challenges faced by employers were: upgrading the skills of the workforce, government regulations, improving the workforce's work ethic, adapting to changing technology, and finding employees with more job experience.

## **CONCLUSION**

The area's future depends on increasing the educational and skill levels of all workers across the board, as well as broadening the County's economic base. The WIB has developed strategic initiatives that we believe will assist in this endeavor. Our key areas of focus will be to impact education to become more responsive to business needs for a skilled workforce while helping to keep young people in school and promoting student graduation. We will work with specific industry sectors to assist with increasing their productivity and competitiveness. And we will position the workforce development system to become part of the economic development initiatives for the County.