

# **Madera County Youth Labor Market Study**

*Prepared for the:*

**Madera County Youth Advisory Council**

*Conducted by the:*

**ERISS Corporation  
Workforce Intelligence Online**

**October – November 2000**

## EXECUTIVE SUMMARY

### *Overview of Study*

The Madera County Youth Employment Project (2000) was sponsored by the Madera County Youth Advisory Council. The Council is a part of the Work Investment Board, which is comprised of a broad cross-section of leaders from business, government and community agencies. The sponsors are located in the cities of Ahwahnee, O'Neals, Oakhurst, Raymond, Bass Lake, Chowchilla, Coarsegold, North Fork and Madera.

The purpose of the survey was to provide information that will help guide the Madera County Youth Advisory Council in the development of strategies designed to provide a comprehensive set of workforce development services. These strategies will coordinate local schools, employers, family resource and youth service centers, juvenile justice centers, special needs organizations, one-stop career centers, and other relevant local/state resources to increase workforce opportunities for all youth.

The study was conducted by the ERISS Corporation, a private company specializing in workforce intelligence surveys. Survey operations spanned 10/18/2000 through 11/21/2000. Interviews were conducted with 543 employers in Madera County. From those 543 employers surveyed, 711 occupational surveys were completed covering 162 youth-hiring occupations. An overall response rate of 42.50 percent was achieved.

### Summary of Findings

#### *Overall Youth-Employment Trends*

- Over 75 percent of businesses surveyed indicated they hire young people (14 through 21 years of age) for at least some occupations.
- Small to medium size companies (5 to 99 employees) were slightly more likely to hire youth than large companies (100+ employees).
- There were no detectable differences in youth hiring patterns for the different cities within Madera County.
- Most businesses that hired youth reported a fairly high degree of employee support and opportunity in terms of on-the-job training and assistance with education or training programs.
- The most commonly given reason for not hiring youth was "lack of experience".
- For businesses not hiring youth workers, the greatest reported incentive to hire them in the future was providing a wage subsidy.
- Over 50 percent of businesses that do not hire youth reported there were NO incentives that would encourage them to do so in the future.

### *Industry Analyses*

- The industry most likely to hire youth was "Manufacturing" with over 90 percent of businesses in this category reporting they hire youth workers. Other strong youth-hiring businesses were "Retail Trade" and "Services."
- The industry cluster least likely to hire youth workers was "Transportation, Communications, Gas and Electric and Sanitation."
- The "Construction", "Retail" and "Public Administration" industry clusters were the most likely to hire youth workers aged 14 to 17.
- There were no detectable differences between industries in terms of reasons for not hiring youth or incentives for hiring youth in the future.
- The industry cluster with the highest average reported "high" salary for youth-hiring occupations was "Public Administration" (\$13.08/hr) followed by "Construction" and "Finance."
- The industry clusters that reported the greatest amount of in-house advancement or promotion for youth-hiring occupations were "Construction" and "Manufacturing."
- On average, 89 percent of all employers provide on-the-job training was.
- Between 40 and 60 percent of all industries supported continued education and/or training assistance programs for youth. The "Finance and Real Estate" industry provided far more support than any other in this area while the "Wholesale Trade" industry provided the least support.
- Regardless of industry, most employers do not participate in any local educational activities designed to assist youths into the career market.

### *Occupational Analyses*

- Over 32 percent of occupations for which youth were hired were considered full-time positions. Part-time positions accounted for over 34 percent and just over 10 percent were seasonal.
- Youths ranging in age from 18 to 21 years of age were considered to be the most employable with over 67 percent of employers that hire youths indicating they only hire within this age range.
- The greatest single occupational requirement reported by employers was, "physical ability" followed by "customer service skills."
- The single most important employee trait reported by employers was the ability to "work as a team member."

- The highest paying occupation for youth workers was "Payroll and Timekeeping Clerk" averaging \$9.86 per hour, followed by "Laborers, Landscaping and Groundskeeping" which averaged \$9.66 per hour.
- The lowest paying occupation for youth workers was "Waiter or Waitress" (\$5.85/hour), followed by "Fast Food Cooks" (\$5.88/hour).
- Most of the low-salary occupations were from service industries (such as food service).
- Over 41 percent of the highest salaried occupations for youth (those paying over \$8.09/hour) were considered to be full-time (versus seasonal) jobs.
- Just over 9 percent of the lowest salaried occupations (those paying less than \$6.37/hr).
- Over 60 percent of the highest salaried occupations for youth required up to 40 hours per week of work.
- Only 22 percent of the lowest salaried occupations for youth required up to 40 hours per week of work.
- For the highest salaried occupations, 80 percent of employers only hired youth aged 18 to 21.
- The youth-hiring occupational groups with the most current openings were: "Drivers/Sales Workers" (3.4 openings per employer) followed by "Nursing Aides, Orderlies and Attendants" and "Graders and Sorters of Agricultural products" (2.75 and 1.2 openings per employer respectively).
- The youth hiring occupation that fared best in terms of openings and salary was "Nursing Aides, Orderlies and Attendants" with an average salary of \$8.56 per hour and an average of between two and three openings per employer.

### *The Employability Card*

- Of employers surveyed, 35 percent had heard of the Employability Card.
- Of those employers that had heard of the card, 22 percent had used it.
- Of those employers surveyed that had *not* heard of the card, over 64 percent responded they would like more information about it.

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- It is apparent that employers who report a reluctance to hire youth report lack of experience as a concern. Where can aspiring youth workers go to obtain this experience? One solution is to take advantage of the survey data and the insight it provides concerning industries and occupations most likely to hire youth workers (such as manufacturing and retail trade), in order to build the experience needed for jobs in less youth-inclined industries.
  - It is clear from the survey data that certain industries are much more reluctant to hire youth workers than others, often citing lack of experience as a major reason. Strategies designed to guide youth-workers into occupations within these industries could target both worker and employer. The survey indicates that incentives, such as subsidized wages for youth workers, could go a long way towards making youth workers seem more attractive to employers. Some industries have specialized occupational needs that presently have few, if any, training programs either at the public school or vocational level. The identification of these occupational niches provides guidance for public schools and local colleges in terms of possible curriculum modifications, as well as providing business opportunities to local vocational institutions.
  - The Employability Card seems to be of great promise, suffering only from a lack of employer awareness about the program. The card itself is designed to ensure employers about the reliability and experience of the youth worker in question, which directly addresses some of the most common employer fears about youth workers. A program to broaden employer knowledge about the card could expand opportunities for youth workers by allaying these employer anxieties.
  - Survey data indicates a lack of employer participation in local career-oriented educational activities for youths is also an area to be addressed. In a subtle Catch- 22, the survey data indicates that most employers will support youth-oriented programs, but only after the youth has been hired by the company. Persuading employers to invest in youth programs that do not offer direct benefits to their company is a challenging task. Proving the cost-effectiveness of indirect benefits may help employers take a new look at these programs. For instance, when all companies share in programs that better prepare graduating High School seniors for the career market, the local economy should benefit from the addition of more capable and experienced youth work-force, even if only a small percentage of these workers end up at any particular company.