A survey of 379 Elkhart County, Indiana, employers was conducted to determine the local labor force situation. Replies received from 141 employers were analyzed, with the following findings reported: (1) more than 520 job openings existed for unskilled, entry-level jobs, but employers were having trouble filling them because candidates were poorly prepared or had bad attitudes, and because the jobs paid poorly and were on late shifts; (2) employers anticipated an annual shortage of 435 skilled personnel due to an inadequate supply of qualified applicants and low pay levels; (3) employers said that hindrances to hiring or retaining skilled or unskilled personnel were attendance problems, poor work record and unreliability, unwillingness and/or inability to learn, drug or alcohol problems, disciplinary problems, inability to get along with others, and low academic and job-skill levels; (4) employers reported high levels of unmet training needs; and (5) employers suggested that schools try harder to teach students basic skills and work attitudes and that colleges teach more supervisory skills to higher-level workers. (In addition to the survey results, this report includes data for Elkhart County showing that (1) the lack of low to moderately priced housing may be affecting some new potential employers from moving into Elkhart County and (2) the number of students in grades 7-12 has been declining and will continue to decline, while more high school graduates are pursuing higher education, making them less available for immediate employment.) (Attachments and appendixes include the survey, written and summary responses, data tables, and several articles targeted to employers.) (KC)
SELECTED HIGHLIGHTS

I. Replies were received from 141 Elkhart County employers to a mailed questionnaire designed to determine the local labor-force situation. The major highlights include the following:

- Employers reported a current shortage (job vacancies) of more than 520 qualified persons to fill unskilled entry-level jobs. They anticipate even greater shortages during the next three years: a total of 1,280 or 428 per year. Problems identified for hiring personnel included poor educational background or preparation, previous work records, and attitudes, as well as an inadequate supply of qualified applicants to select from. As one employer put it, "those who really want to work, already are." Job problems included low pay, part-time work, second and third-shift work, discipline, lack of enthusiasm, very high turnover rates and need to improve training and supervision.

- There was a reported shortage for nearly 400 skilled personnel. Employers anticipate greater shortages during the next three years (1,300 total or 435 per year). Problems include an inadequate supply of qualified applicants with needed knowledge and skills and enough experience, and some workers with personal problems. Job-related problems included low pay levels, need to improve training and supervision, employees' lack of enthusiasm, loyalty and desire to learn.

- Almost all of the participating employers rated hindrances to hiring or retaining skilled and unskilled personnel. These included in rank-order (1) attendance problems, (2) poor work record and work unreliability, (3) unwillingness and/or inability to learn, (4) drug or alcohol problems, (5) disciplinary problems and inability to get along with others, and (6) low academic and job-skill levels.

- Although many employees (approximately 490) were engaged in some form of training or formal education (either internal or external to the firm), the majority of firms identified significant current unmet needs, which were expected to worsen in the near future: 968 needed additional training now and nearly 220 more each year for the next three years.

- Hundreds of comments were written in by employers describing policies and actions they were taking to prevent or to handle personnel problems, as well as some suggestions to improve undesirable situations. These comments ranged from the necessity to emphasize students achieving proficiency in the basic academic skills in school (the three "R"s) and improving their attitudes, to university-level education of supervisors in order to improve their ability to direct and instruct employees. Comments ranged from recognizing and promoting good employees to firing those who are unsatisfactory.

II. In addition to the survey results, this report includes data for Elkhart County which show the following:

- The lack of low to moderately-priced residential housing (rental and sales) may be affecting some new potential employees from moving into Elkhart County.

- The median pay of persons in many occupations in Elkhart County are lower than the median wages Statewide.

- The number of students in grades 7 through 12 have been and will continue to decline slowly during the next four years while a redistribution of students is occurring among the school corporations. Moreover, more high-school graduates are pursuing higher education, making them less available for immediate employment.

III. Finally, appended to this report are articles which reveal that the shortage of skilled personnel is of growing National concern.

All in all, the authors are of the view that Elkhart County does have both quantitative and qualitative labor force problems. It is hoped that the data and ideas reported will convince and stimulate persons to re-examine present policies, plans, and actions with a view toward improving joint and cooperative efforts to keep Elkhart moving forward.
This report concerns the subject of shortages in the labor force, (quantitatively and qualitatively) in Elkhart specifically and in the U.S. in general. The specific data relative to the (in)adequacy of the labor force in Elkhart address the following questions:

Are there shortages of qualified unskilled and/or skilled persons looking for work? Are more internal and/or external training programs needed now; what about future needs? What, if any, hindrances are there to hiring and retaining qualified personnel? And finally, are there constructive suggestions or comments which can be shared with other employers to improve the workforce situation?

Answers to these questions were received from 141 representative firms in a mailed survey. It is believed that the conclusions to be drawn from these replies and a careful review of employers' comments can be very helpful to employers throughout this area.

In addition to the Elkhart survey data, a review is presented of the expected numbers of 7-12th grade students in Elkhart County -- projected to 1990, as well as the number and plans of high-school graduates in Elkhart County and a comparison of wages for selected occupations in Elkhart, versus State-wide medians.

Information pertaining to hiring, training, and other labor force matters pertinent to the U.S. in general are appended to the report.

ACKNOWLEDGMENTS

Appreciation is expressed to members of the following organizations which supported this study:

- The Greater Elkhart Chamber of Commerce, Inc.,
- The (Elkhart) Industrial Development Committee,
- The (Elkhart) Established Industries Committee,
- The Elkhart Branch Office of the Indiana Employment and Training Service Division,
- The 141 firms who completed and returned questionnaires,
- The Multiple Listing Service of Elkhart County, Inc.,
- Michiana Real Estate Rentals, Inc., and

for financial support of the survey by

The General Telephone Company of Indiana, Inc.
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            by Type and Level
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...AND SOME SEPARATE, SPECIAL EMPLOYER'S NOTES

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ELKHART LABOR-FORCE STUDY

INTRODUCTION

The Greater Elkhart Chamber of Commerce, together with two committees, The Industrial Development Committee and the Established Industries Committee, asked the Office of Manpower Studies to look into the labor-force situation in Elkhart on 27 August, 1987. This request was prompted by a number of events which included (1) a newspaper article and study reporting that wages paid in Elkhart were low (the term "slave labor" was mentioned), (2) a preliminary, small, Elkhart Chamber survey, and (3) committee discussions centering around a series of questions, which included:

1. Are there current and/or projected shortages of qualified workers in Elkhart?
   a. If so, are those shortages of unskilled persons (neither specially trained nor experienced), and/or
   b. Are there shortages for skilled (specially qualified) persons?

2. What are the current and projected situations concerning the adequacy of and need for education/training (by type and level)?

3. Are any employees currently enrolled in educational/training courses or programs? What are they and where?

4. Are there hindrances to hiring and retaining personnel? If so, what are they, and how severe are the problems?

5. What related comments, suggestions and recommendations do employers have?

6. What additional information can be helpful in understanding the nature and extent of these problems and in suggesting possible actions?

It was decided that the best approach was to sample representative groups of firms by mail. Elkhart County firms, that were selected, reflected appropriate types of business/industry and size of firms. The questionnaire was specifically designed to obtain answers to the questions posed above (see Attachment I). This was done as described next.

SAMPLING METHODOLOGY

There are approximately 3,765 firms in Elkhart County (see Table 1). These firms were grouped according to their Standard Industrial Classification (SIC: 01 through 99) and their size of employment: small (S: 1-49), medium (M: 50-249) and large (L: > 250). In general, one firm was selected to represent every ten firms (by size) included in a SIC. In addition, alternate firms were selected by size and SIC to substitute for firms which turned out to be inappropriate for the study. Moreover, any non sampled firm which was interested in the study was allowed to participate.

Each firm was mailed a four-page survey (see Attachment I). Responses were mailed back directly to the Office of Manpower Studies. Occupations designated on the survey by respondents were coded according to the U.S. Census survey occupational matrix.

Units of Measurement

In general, the unit of measurement is the responding firm (n). However, for those parts of items which are directly tied to a specified occupation or educational course or program, the unit of measurement is the specified occupation (h). This occupation unit is utilized in Questions 1 through 4.
RESULTS

Characteristics of Survey Respondents

Essentially, Table 1 presents the total number of firms in Elkhart by general industrial category, the numbers of questionnaires mailed out by size, the number of questionnaire returns by size from each category, the response rate for each category, and the percent representation of each SIC within the total sample of responses. An overall response rate of 37 percent was realized. Accordingly, the needs data reported by the respondents represent a lower parameter of true needs -- no attempt to expand or extrapolate the returns to the universe of all firms is made in this report. [As can be seen in the actual returns, however, the needs for personnel and training, as well as the related problems, are indeed significant.] Because some firms participating did not respond to all questions, the base number of response units (n or k) are not the same for each question.

A total of 141 firms participated in the survey study. These 141 firms included 31 percent small, 43 percent medium, and 26 percent large firms. [For the 92 firms which reported their total employment, the average (median) total firm employment was 100 workers.]

The 141 responding firms were distributed as follows among various Elkhart County cities or towns:

- 72% Elkhart
- 12% Goshen
- 5% Bristol
- 3% Middlebury
- 1% New Paris
- 2% Wakarusa
- 1% South Bend
- 2% Nappanee
- 1% Milford

Finally, 72 percent of the responding firms were members of the Greater Elkhart Chamber of Commerce (28% were from non-member firms).

<p>| TABLE 1 |</p>
<table>
<thead>
<tr>
<th>CHARACTERISTICS OF ELKHART COUNTY SURVEY RESPONDENTS</th>
</tr>
</thead>
<tbody>
<tr>
<td>GENERAL INDUSTRY GROUP</td>
</tr>
<tr>
<td>---</td>
</tr>
<tr>
<td>TOTAL</td>
</tr>
<tr>
<td>Agriculture</td>
</tr>
<tr>
<td>Mining</td>
</tr>
<tr>
<td>Construction</td>
</tr>
<tr>
<td>Durable-Goods Manufactur</td>
</tr>
<tr>
<td>Nondurable-Goods Manufactur</td>
</tr>
<tr>
<td>Transportation</td>
</tr>
<tr>
<td>Communicat &amp; Utilities</td>
</tr>
<tr>
<td>Wholesale Trade</td>
</tr>
<tr>
<td>Retail Trade</td>
</tr>
<tr>
<td>Finance</td>
</tr>
<tr>
<td>Services</td>
</tr>
<tr>
<td>Public Administration</td>
</tr>
</tbody>
</table>

* Two (2) additional surveys were returned with their identification removed, which brings the total response rate to 37%.
A summary of survey responses to current and projected employment needs for both unskilled and skilled workers is presented in Attachment III.

**QUESTION:** Are there current and/or projected shortages of unskilled or skilled workers in Elkhart who are qualified for employment?

Most respondents of the survey (101 out of 141 or 72%) indicated that serious shortages do exist for unskilled or skilled workers who are qualified for employment. More than 520 unfilled positions were reported for unskilled jobs and nearly 400 unfilled positions for skilled/specialized personnel (see Table 2). Major difficulties are now being experienced in trying to fill these needs, vacancies, and to meet needs for skilled personnel.

Respondents are anticipating even greater shortages and problems during the next three years. Specifically, more than 1,280 additional openings for unskilled and more than 1,300 openings for skilled personnel are expected. Thusly, an annual average of nearly 865 such new openings is projected (in addition to the current shortages already reported).

Many employers reported that, although they were getting some job applicants, many of these were not qualified for employment for a variety of reasons.

**SPECIAL NOTE:** The reported current and anticipated shortages indicate special actions are needed to recruit, select, train, and retain all current qualified employees possible. Comments and ideas reported in this report can assist employers in necessary policy formulation, planning, and actions which may help prevent and/or overcome some problems. Education and training matters as well as hindrances to employment and retention are covered later in this study.

Unfilled positions for unskilled workers were especially prevalent within the hand-assembler occupational cluster. However, there were also significant unfilled positions for sales workers, health-service workers (e.g., nursing aids), food-service workers, and general helpers and laborers. Significant needs were also identified for the next three years for hand-assemblers especially, as well as for general helpers and laborers and for sales workers.

Unfilled positions for skilled workers, needed in large numbers, included those for mechanics, installers and repairers, for health-diagnosis and treatment workers (registered nurses and pharmacists), and for health-support technicians (licensed practical nurses and medical technologists).

Anticipated skilled-worker needs were even more prevalent than current, unmet needs. Skilled-worker openings were anticipated for hand-assemblers, non-office administrative-support workers (tellers), precision metal workers, construction-trades workers, office-support workers (secretaries), as well as the current-needs groups: mechanics, installers and repairers; health-diagnosis and treatment workers; and health-support technicians. Therefore, although current needs exist for some selected skilled workers, significant needs are anticipated for additional ones during the next three years.
## Current and Expected Future Unfilled Job Positions in Elkhart County by Occupational Cluster and Needed Skill/Education Level: 1987

(From 101 of 141 Participating Firms)

**Table 2**

<table>
<thead>
<tr>
<th>OCCUPATIONAL CLUSTER*</th>
<th>OCCUPATIONAL CODE</th>
<th>CURRENTLY UNFILLED POSITIONS</th>
<th>OPENING NEXT 3 YEARS</th>
<th>AVERAGE</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>Exp</td>
<td>Crs</td>
<td>V12</td>
</tr>
<tr>
<td>TOTAL</td>
<td></td>
<td>523</td>
<td>99</td>
<td>75</td>
</tr>
<tr>
<td>Managers &amp; Mgmt-Support</td>
<td>10</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Managers, Executive Admin</td>
<td>(11)</td>
<td>(-)</td>
<td>(-)</td>
<td>(-)</td>
</tr>
<tr>
<td>Night-Support (Account-Personnel)</td>
<td>(21)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Engineers</td>
<td>22</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Engr &amp; Sci Tech</td>
<td>23</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Natural Scientists</td>
<td>24</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Progr, Sys Anl, CNC Prgr</td>
<td>25</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Social Scientists (Psych)</td>
<td>27</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Legal Assistants</td>
<td>29</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Educators &amp; Educ-Related</td>
<td>31</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Health Treatement (RN, Pharm)</td>
<td>32</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Hlth-Support Techn (LPN, RDT)</td>
<td>33</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>All Other Professional/Techn</td>
<td>39</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Sales Workers</td>
<td>43</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Administrative Support</td>
<td>50</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Office Support (Secretary)</td>
<td>(55)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Non-Off Support (Tellers)</td>
<td>(59)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cleaning Service</td>
<td>61</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Food Service</td>
<td>65</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Health Service (Nursing Aids)</td>
<td>66</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Other Service</td>
<td>69</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Supervisors</td>
<td>81</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Inspectors</td>
<td>83</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Mechanics, Install, Repairers</td>
<td>85</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Construction Trades</td>
<td>87</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Precision Matal Workers</td>
<td>89</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Machine Set-up &amp; Operatn</td>
<td>91</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Hand-Assemblers</td>
<td>93</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Transport Equip Operator</td>
<td>97</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>General Helpers &amp; Laborers</td>
<td>98</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

* Selected examples are in parentheses.

**Special Note:** Due to the shortage of qualified applicants to meet current and growing needs for employees with more knowledge and skills, it is essential that current employees be encouraged and assisted in participating in training and development programs. There now exists a need for employers and educators to improve their communications networks and engage in more effective cooperative planning and actions.
The employers' responses indicate much is being done and still needs to be done in this regard. There was a total of 968 employees reported as currently in need of training. The types and levels of training needed, by occupational cluster, are identified in Table 3.

Respondents are anticipating considerable continuing training needs during the next three years. Specifically, nearly 650 persons (just among respondents) will need additional training (an average of nearly 220 per year). The types and levels of training needed, by occupational clusters, are again identified in Table 3.

Only a slight majority of responding firms (51%) possess current needs for employee upgrade training or retraining. Moreover, occupational needs that were identified favor the lower levels of training or education (see Table 3):

- 31% Courses only
- 13% Vocat/Technical 2-yr
- 16% Univ. 4-yr
- 13% Certificate
- 20% University 2-yr
- 7% Grad. studies

Most employers would reimburse employees participating in such courses or programs for tuition expenses (72%), but most would not reimburse for book expenses (52%). Employers would prefer that courses be taken during the evening (76%) or during either the evening or daytime (24%).

The greatest needs identified are for courses for hand-assemblers, both currently and during the next three years, and for supervisors and management-related workers. Other current and anticipated needs exist for precision metal workers, for mechanics, installers and repairers, for machine set-up and operation workers, for engineering and science-technology personnel, and for office-support personnel (secretaries). In addition, anticipated needs exist for non-office administrative-support workers (e.g., teacher aids).

NOTE: No relief from shortage of new job applicants can be expected from graduating high-school seniors. Data show that numbers of grade 7 through 12 students have been declining, and are projected to continue to decline. See Attachment VII.
### QUESTION:

Are any of your employees currently enrolled in educational/training courses or programs?

Awareness of the reported needs for training and the fact that employers and employees are now participating in related programs are evidence that they realize the necessity to address the problems of an inadequate supply of qualified job applicants and current numbers of skilled personnel. Employer respondents reported that over 500 employees were currently enrolled.

More than 150 were participating in courses only; more than 110, in certificate programs; nearly 50, in vocational/technical 2-year programs; and more than 190 were advancing their formal university-level education in 2-year, 4-year or graduate-level studies. A comparison of reported education and training needs versus current enrollments, however, shows that more needs to be done to lessen the gap.
Although only about half the employers (51%) identified training needs for current employees, less than half (44%) said that at least some of the occupational groups identified had employees currently enrolled in courses or programs. More than one-third of such courses or programs were located at Indiana University at South Bend (39%), although sizable percentages were also a part of Purdue Statewide Technology (18%) or at the Elkhart Career Center (13%). Such enrollment was distributed across educational/training levels as follows:

- 24% Courses only
- 10% Vocat/Technical 2-yr
- 22% University 4-yr
- 10% Certificate
- 25% University 2-yr
- 10% Grad. studies

Course/program enrollment tended to be in management, management-support, or supervision (see Table 4).

SPECIAL NOTE: Efforts to close the gap between requirements and current status of employee proficiency must become a priority goal for the Elkhart community. Most of the educational/training needs reported by employers are at the lower levels of education or training. However, it appears that more action is taking place trying to meet the higher-level needs. Much has to be done to expand education and training at all levels.

TABLE 4

NUMBER OF CURRENT EMPLOYEES PRESENTLY ENROLLED IN COURSES/PROGRAMS BY TYPE AND LEVEL OF COURSE/PROGRAM: 1987

(338 Courses/Programs Designated for 60 Firms)

<table>
<thead>
<tr>
<th>COURSE/PROGRAM</th>
<th>OCCP CODE</th>
<th>EMPLOYEES CURRENTLY ENROLLED</th>
<th>Crs</th>
<th>Crt</th>
<th>VT2</th>
<th>Un2</th>
<th>Un4</th>
<th>GrS</th>
<th>Total</th>
</tr>
</thead>
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<td>General.........</td>
<td>01</td>
<td>--</td>
<td>--</td>
<td>--</td>
<td>5</td>
<td>7</td>
<td>63</td>
<td>83</td>
<td>508</td>
</tr>
<tr>
<td>Management &amp; Mgmt-Support...</td>
<td>10</td>
<td>56</td>
<td>65</td>
<td>--</td>
<td>31</td>
<td>48</td>
<td>24</td>
<td>224</td>
<td></td>
</tr>
<tr>
<td>Management &amp; Administration...</td>
<td>(11)</td>
<td>(--)</td>
<td>(--)</td>
<td>(--)</td>
<td>(37)</td>
<td>(24)</td>
<td>(61)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Mgmt-Support (acct, persnl)...</td>
<td>(21)</td>
<td>(7)</td>
<td>(25)</td>
<td>(--)</td>
<td>(27)</td>
<td>(3)</td>
<td>(62)</td>
<td></td>
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<tr>
<td>Engineering......</td>
<td>22</td>
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<td>--</td>
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<tr>
<td>Engr &amp; Science Technology....</td>
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<td>35</td>
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<td>Natural Science....</td>
<td>24</td>
<td>--</td>
<td>--</td>
<td>--</td>
<td>--</td>
<td>26</td>
<td>--</td>
<td>--</td>
<td>26</td>
</tr>
<tr>
<td>Progr, Systm Anal, CNC Progr.,...</td>
<td>25</td>
<td>1</td>
<td>--</td>
<td>--</td>
<td>--</td>
<td>--</td>
<td>--</td>
<td>--</td>
<td>1</td>
</tr>
<tr>
<td>Social Science (Psychology)...</td>
<td>27</td>
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<td>--</td>
<td>--</td>
<td>--</td>
</tr>
<tr>
<td>Education &amp; Educ-Related......</td>
<td>31</td>
<td>--</td>
<td>--</td>
<td>--</td>
<td>--</td>
<td>--</td>
<td>--</td>
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<tr>
<td>Health Treatment (RN, Pharmcy)...</td>
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<td>Hith-Support Techn (LPN, MdT)...</td>
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<td>All Other Professional/Techncl...</td>
<td>39</td>
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<td>Sales..............</td>
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<td>Administrative-Support....</td>
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<td>Office-Support (Secretarial)...</td>
<td>(55)</td>
<td>(5)</td>
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<td>Non-Off Support (Tchng Aid)...</td>
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<td>(--)</td>
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<td>Cleaning Service...</td>
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<td>Food Service......</td>
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<td>--</td>
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<tr>
<td>Health Service (Nursing Aid)...</td>
<td>66</td>
<td>--</td>
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<td>--</td>
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<td>--</td>
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<td>Other Service....</td>
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<td>Supervision......</td>
<td>81</td>
<td>61</td>
<td>42</td>
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<td>7</td>
<td>5</td>
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<td>Inspection.......</td>
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<td>Mechanics, Install, Repair....</td>
<td>85</td>
<td>11</td>
<td>19</td>
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<tr>
<td>Construction Trades...</td>
<td>87</td>
<td>2</td>
<td>--</td>
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<td>--</td>
<td>--</td>
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<td>--</td>
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</tr>
<tr>
<td>Precision Metal Working...</td>
<td>89</td>
<td>4</td>
<td>3</td>
<td>4</td>
<td>--</td>
<td>--</td>
<td>--</td>
<td>--</td>
<td>11</td>
</tr>
<tr>
<td>Machine Set-up &amp; Operation...</td>
<td>91</td>
<td>1</td>
<td>--</td>
<td>1</td>
<td>--</td>
<td>--</td>
<td>--</td>
<td>--</td>
<td>2</td>
</tr>
<tr>
<td>Hand-Assembly...</td>
<td>93</td>
<td>--</td>
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<td>--</td>
<td>--</td>
<td>--</td>
<td>--</td>
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<tr>
<td>Transport Equipment Operation...</td>
<td>97</td>
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<td>--</td>
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<td>--</td>
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<tr>
<td>General Help &amp; Labor...</td>
<td>98</td>
<td>--</td>
<td>--</td>
<td>--</td>
<td>--</td>
<td>--</td>
<td>--</td>
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</tr>
</tbody>
</table>

Cat: Courses only  VT2: Vocat/Technical 2-yr  Ut4: University 4-yr
Cat: Certificate  Ut2: University 2-yr  Gs: Graduate Studies
**TABLE 5**

**HINDRANCE LEVELS OF VARIOUS WORKER ISSUES IN HIRING AND RETAINING QUALIFIED UNSKILLED PERSONNEL: 1987**

<table>
<thead>
<tr>
<th>Worker Issue</th>
<th>HIRING PERSONNEL</th>
<th>RETAINING PERSONNEL</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Firm</td>
<td>Resp</td>
</tr>
<tr>
<td><strong>Hindrance Level</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>None</td>
<td>/NA*</td>
</tr>
<tr>
<td>Attendance problems</td>
<td>119</td>
<td>22%</td>
</tr>
<tr>
<td>Poor work record</td>
<td>119</td>
<td>22%</td>
</tr>
<tr>
<td>Work unreliability</td>
<td>119</td>
<td>22%</td>
</tr>
<tr>
<td>Unwillingness to learn</td>
<td>119</td>
<td>22%</td>
</tr>
<tr>
<td>Inability to learn</td>
<td>119</td>
<td>22%</td>
</tr>
<tr>
<td>Drug/alcohol problems</td>
<td>119</td>
<td>22%</td>
</tr>
<tr>
<td>Disciplinary problems</td>
<td>119</td>
<td>22%</td>
</tr>
<tr>
<td>Inability to get along w/others</td>
<td>119</td>
<td>22%</td>
</tr>
<tr>
<td>Low basic job-skill levels</td>
<td>119</td>
<td>22%</td>
</tr>
<tr>
<td>Low basic academic-skill levels</td>
<td>119</td>
<td>22%</td>
</tr>
<tr>
<td>Physical condition</td>
<td>119</td>
<td>22%</td>
</tr>
<tr>
<td><strong>White-ins</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Job-hopping</td>
<td>4</td>
<td>22%</td>
</tr>
<tr>
<td>Pay scale, wage or salary</td>
<td>8</td>
<td>22%</td>
</tr>
<tr>
<td>Unwillingness to work hard</td>
<td>6</td>
<td>22%</td>
</tr>
<tr>
<td>Lack of enthusiasm</td>
<td>1</td>
<td>22%</td>
</tr>
<tr>
<td>Personal hygiene &amp; appearance</td>
<td>1</td>
<td>22%</td>
</tr>
<tr>
<td>Peer pressure not to excel</td>
<td>1</td>
<td>22%</td>
</tr>
<tr>
<td>Theft</td>
<td>1</td>
<td>22%</td>
</tr>
</tbody>
</table>

* NA: Not Applicable
In general, the worker issues were less hindering in hiring and retaining qualified skilled personnel than qualified unskilled workers. Nonetheless, only physical condition was again greatly non-hindering for employers in hiring qualified skilled personnel, basic job-skill levels, and basic academic-skill levels, for retaining such personnel. A poor work record was slightly more hindering than the other issues, but almost comparable hindrance came from attendance problems, low basic job-skill levels, inability to learn, low basic academic-skill levels, unwillingness to learn, and work unreliability. A write-in issue of noteworthy hindrance was again the pay scale or salary. (See Attachment IV for comparison of median wages for Elkhart vs. Statewide.) Other write-in issues greatly hindering both hiring and retaining of qualified skilled personnel, for examples, were peer pressure to not excel in work and unwillingness to work hard.

### Table 6

<table>
<thead>
<tr>
<th>Worker Issue</th>
<th>HIRING PERSONNEL</th>
<th>RETAINING PERSONNEL</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>No. of Respondents</td>
<td>Hindrance Level</td>
</tr>
<tr>
<td>Poor work record</td>
<td>110</td>
<td>None</td>
</tr>
<tr>
<td></td>
<td></td>
<td>NA*</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Some Great</td>
</tr>
<tr>
<td></td>
<td></td>
<td>40%</td>
</tr>
<tr>
<td></td>
<td></td>
<td>35%</td>
</tr>
<tr>
<td></td>
<td></td>
<td>25%</td>
</tr>
<tr>
<td>Attendance problems</td>
<td>110</td>
<td>44%</td>
</tr>
<tr>
<td></td>
<td></td>
<td>32%</td>
</tr>
<tr>
<td></td>
<td></td>
<td>24%</td>
</tr>
<tr>
<td>Low basic job-skill levels</td>
<td>110</td>
<td>47%</td>
</tr>
<tr>
<td></td>
<td></td>
<td>31%</td>
</tr>
<tr>
<td></td>
<td></td>
<td>22%</td>
</tr>
<tr>
<td>Inability to learn</td>
<td>110</td>
<td>50%</td>
</tr>
<tr>
<td></td>
<td></td>
<td>30%</td>
</tr>
<tr>
<td></td>
<td></td>
<td>20%</td>
</tr>
<tr>
<td>Low basic academic-skill levels</td>
<td>110</td>
<td>48%</td>
</tr>
<tr>
<td></td>
<td></td>
<td>33%</td>
</tr>
<tr>
<td></td>
<td></td>
<td>19%</td>
</tr>
<tr>
<td>Unwillingness to learn</td>
<td>110</td>
<td>54%</td>
</tr>
<tr>
<td></td>
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<td>27%</td>
</tr>
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<td>19%</td>
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<td>Work unreliability</td>
<td>110</td>
<td>44%</td>
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<td></td>
<td></td>
<td>39%</td>
</tr>
<tr>
<td></td>
<td></td>
<td>17%</td>
</tr>
<tr>
<td>Disciplinary problems</td>
<td>110</td>
<td>50%</td>
</tr>
<tr>
<td></td>
<td></td>
<td>35%</td>
</tr>
<tr>
<td></td>
<td></td>
<td>15%</td>
</tr>
<tr>
<td>Drug/alcohol problems</td>
<td>110</td>
<td>52%</td>
</tr>
<tr>
<td></td>
<td></td>
<td>32%</td>
</tr>
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<td></td>
<td></td>
<td>16%</td>
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<td>Inability to get along with others</td>
<td>110</td>
<td>47%</td>
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<tr>
<td></td>
<td></td>
<td>41%</td>
</tr>
<tr>
<td></td>
<td></td>
<td>12%</td>
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<tr>
<td>Physical condition</td>
<td>110</td>
<td>70%</td>
</tr>
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<td></td>
<td></td>
<td>26%</td>
</tr>
<tr>
<td></td>
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<td>4%</td>
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<tr>
<td>Write-ins</td>
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<tr>
<td>Pay scale or salary</td>
<td>11</td>
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</tr>
<tr>
<td></td>
<td></td>
<td>27%</td>
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<tr>
<td></td>
<td></td>
<td>73%</td>
</tr>
<tr>
<td>Unwillingness to work hard</td>
<td>2</td>
<td>--</td>
</tr>
<tr>
<td></td>
<td></td>
<td>50%</td>
</tr>
<tr>
<td></td>
<td></td>
<td>50%</td>
</tr>
<tr>
<td>Job-hopping</td>
<td></td>
<td>--</td>
</tr>
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<td></td>
<td></td>
<td>--</td>
</tr>
<tr>
<td></td>
<td></td>
<td>--</td>
</tr>
<tr>
<td>Peer pressure to not excel</td>
<td>1</td>
<td>--</td>
</tr>
<tr>
<td></td>
<td></td>
<td>100%</td>
</tr>
<tr>
<td>Lack of enthusiasm</td>
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<td></td>
<td></td>
<td>100%</td>
</tr>
<tr>
<td>Accepting responsibility</td>
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<tr>
<td></td>
<td></td>
<td>100%</td>
</tr>
<tr>
<td>Willingness to work overtime</td>
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</tr>
<tr>
<td></td>
<td></td>
<td>100%</td>
</tr>
</tbody>
</table>

* NA: Not Applicable

**Note:** Some comments have been made to the effect that a shortage of low to moderate priced residences for sale, or rent, are affecting the labor supply in Elkhart. This is difficult to assess. See Attachment VI for related information.
SYNOPSES OF COMMENTS AND SUGGESTIONS WRITTEN IN
BY SURVEY RESPONDENTS
(See Attachment II for detailed -- and helpful -- comments and suggestions.)

QUESTION: Are you now experiencing major difficulties in hiring qualified new
employees who are not required to have special job skills or training?

Twenty-six separate respondents wrote in individual comments describing one
or more major difficulties that they were experiencing; only two stated there
were no difficulties. The most common complaints centered around the following
points: there was a shortage of new applicants who had the needed "basic educa-
tion" (e.g., high-school graduation), some stated applicants did not have proper
work attitudes, others stated that too many had left after a number of very
short previous employment experiences; they lacked commitment and loyalty. Also
comments were made to the effect that anybody in Elkhart qualified to begin
working was already working. (See Attachment II.)

QUESTION: Are you experiencing major difficulties in hiring skilled new employ-
ees (i.e., those requiring specialized skills or training)? Do you foresee
major difficulties ahead?

This question evoked more than fifty written statements, all but two of
which enumerated numerous difficulties being experienced now -- and more pro-
blems were expected in the future in hiring new skilled personnel. Generalizing
these comments, many expressed the view that both low quality, as well as a
limited quantity, of skilled applicants existed now, and the situation would
probably worsen in the future as demands would further outstrip the supply;
there was frequent mention of the lack of a good work attitude and trainability;
some small firms' (mostly service) replies indicated they could not provide
full-time jobs and sufficient pay to compete with larger firms (some mentioned
that large manufacturing firms' competition for qualified people drained the
pool). Some mentioned growing drug and alcohol problems. Further specific
related comments are presented in Attachment II.

QUESTION: Do you have any suggestions or comments to help alleviate the diffi-
culties in finding and hiring qualified skilled employees?

Many employers' statements received could be very helpful to others. More
than 30 ideas to improve finding, hiring and lessening problems are listed in
Attachment II. Again, these comments center around both job expertise and per-
sonal traits and characteristics.

SPECIAL NOTE: A recently published book on how to find and hire the
best people, increase number of qualified applicants, efficiently
narrow the field, improve interviewing, get useful reference mater-
ials, etc. is: Robert Half on Hiring: A Plum Book; New American
Library, P. O Box 999, Bergenfield, NJ 07621. ($8.95 paperback,
plus $1.50 for postage and handling.) See Appendix VIII.

QUESTION: Do you have needs for external local training programs or assistance
for upgrading or retraining current employees?

Forty respondents wrote in comments which agreed that further external
assistance was needed; only two wrote that this was not necessary. A common
thread emerged which stated that a good basic education was needed on which to
build. Schools were mentioned as needing to put more emphasis on math, English,
basic sciences and personal attributes. The need is for employee familiarization
with computers and word processing are growing steadily according to a number of
employers.

These comments (and others) clearly reflect the need for viable and cooper-
ative relationships between employers, employees, education and training
teachers, administrators, parents and students, community leaders and pertinent private and public sector organizations.

**QUESTION:** What are the hindrances to hiring or retaining qualified personnel? What can be done to improve undesirable situations? [These questions were asked separately for unskilled and for skilled/specialized personnel.]

Regarding overcoming hiring and retention of personnel not requiring specialized skills, (twelve employers wrote in work issues not listed on the questionnaire). These included matters of pay, peer pressure, willingness to work and theft. One of the valuable results of this study is the listing of more than 100 policies and procedures designed to help alleviate or overcome hindrances to hiring or retaining qualified personnel. (See Attachment II and Appendix II.)

Among the many good suggestions were: the necessity for very careful recruitment and screening actions before hiring, the necessity for a progressive discipline system, and procedures to fire problem employees not meeting standards after careful documentation and review. A few other points concerned counseling, personal assistance, motivation, training, promotion, probation periods, performance evaluation and planning for job advances. Again, comments were made as to the inadequacy of current public school programs to provide graduates capable in the academic basics and possessing positive attitudes.

Answers and comments regarding skilled personnel concerning hindrances to hiring and retaining skilled personnel included the following problems: too few qualified job applicants, lack of good supervision (e.g., foremen who can lead, instruct, motivate, discipline and gain respect), lack of skills, not wanting to work or enter training programs, lack of enthusiasm and loyalty.

Answers and comments as to procedures used to address the hindrances were written in by more than 50 employers. These are well worth reviewing by all employers for ideas (see Attachment II). Included were mention of: providing incentives of various kinds, established and announced procedures for promotion, discipline, pay and other critical personal matters. Again, there was mention of the growing importance of job advertising, careful recruitment and hiring practices, and checking of applicant background and experiences.

More than 25 suggestions were received to improve hiring and retention related to skilled/specialized personnel. These included: recognition and compensation for the additional skills and training acquired, careful screening for promotion of only the best, paying more for those deserving (must be competitive in pay scales), good supervisors who can prevent some problems and better handle those which do occur. A number of comments were made as to the necessity for more and better training for nearly all personnel.

**AND SOME SEPARATE, SPECIAL EMPLOYER'S NOTES:**

In addition to specific comments written in on the questionnaires pertinent to a particular question, some employers wrote more extensively on their hiring and retention experiences. Three of these are included at the end of Attachment II. Consistent with the data and comments throughout this study, these employers wrote they have considerable problems hiring and keeping new employees, especially for jobs paying lower wages.

**AND MORE:**

A number of relevant articles concerning workforce shortages and problems Nation-wide are appended to this report.

Finally, a new book on hiring which can provide many useful suggestions to employers is attached as Appendix VIII.
September 4, 1987

There have been reports and some data which indicate there is a current and/or projected shortage of workers in Elkhart County. Some contend the shortage is of trainable employees requiring no specialized experience or training. Others believe there are sufficient numbers of job seekers; however, they do not have the essential attributes, special skills or training needed on the job. Still others believe the most serious need is to upgrade or to retrain current employees.

This survey, designed to look into the matter, is being conducted in cooperation with Purdue University's Office of Manpower Studies. If there are no serious labor force problems, well and good. If there are, hopefully the severity and nature of these problems will be identified, suggestions received, and actions taken to increase the quantity or raise the quality of workers as needed.

Please help us in our efforts to help you. Your individual responses will be kept confidential. We would appreciate if you would complete this questionnaire by September 22nd.

A summary of the results of this study will be made available to all respondents.

Don Heiden, Chairman
Established Industries Committee

John Harman, Chairman
Industrial Development Committee

Please return completed questionnaire to:

Dr. J. P. Lisack
Office of Manpower Studies
Knoy Hall, Purdue University
West Lafayette, Indiana 47906
1. Are you now experiencing major difficulties in hiring new employees who are not required to have special skills or training as a condition of employment?

- NO (Skip to Ques. 2)
- YES (Please complete table)

<table>
<thead>
<tr>
<th>Name of Position/Occupation</th>
<th>Currently Unfilled</th>
<th>Opening Next 3 Yrs</th>
<th>Special Requirements</th>
</tr>
</thead>
<tbody>
<tr>
<td>a.</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>b.</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>c.</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>d.</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>e.</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

(Use additional sheet(s) as needed)

Suggestions or comments:

2. Are you experiencing major difficulties in hiring "qualified" new employees, i.e., those who do require specialized skills, training, or education?

- NO (Skip to Ques. 3)
- YES (Please complete table)

<table>
<thead>
<tr>
<th>Name of Position/Occupation</th>
<th>Currently Unfilled</th>
<th>Opening Next 3 Yrs</th>
<th>No. of Yrs Experience Required</th>
<th>Educational or Training Level Required</th>
</tr>
</thead>
<tbody>
<tr>
<td>a.</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>b.</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>c.</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>d.</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>e.</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

(Use additional sheet(s) as needed)

Do you foresee major difficulties ahead in the next three to five years in hiring such new employees?  

- NO
- YES: describe

Suggestions or comments:

Level of education/training:

1. Courses only
2. Certificate
3. Vocational/Technical 2-Year
4. University 2-Year
5. University 4-Year
6. Graduate studies
3. Do you have needs for external local programs or assistance for upgrading or retraining your current employees?

- NO (Skip to Ques. 4)
- YES (Please complete table)

<table>
<thead>
<tr>
<th>Name of Position/Occupation</th>
<th>Number of Employees Concerned</th>
<th>Educational or Training Level</th>
</tr>
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<tbody>
<tr>
<td></td>
<td>Now</td>
<td>Required @</td>
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<td></td>
<td>Next 3 Yrs</td>
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<td>b.</td>
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<td>j.</td>
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</tbody>
</table>

(Use additional sheet(s) as needed)

Would (do) you reimburse employees who participate in such programs?

- NO,  __ YES: tuition,  __ YES: books,  __ YES: Other __________

During which of the following would you prefer your employees take classes?

- Daytime  __ Evening  __ Either

Do you foresee future or changing needs for employee training?

- NO  __ YES (describe) __________________________________________

Suggestions or comments: _________________________________________

4. Are any of your employees currently enrolled in educational/training courses or programs?

- NO (Skip to Ques. 5)
- YES (Please complete table)

<table>
<thead>
<tr>
<th>Course or Program</th>
<th>Campus</th>
<th>Number of Employees</th>
<th>Educational or Training Level</th>
</tr>
</thead>
<tbody>
<tr>
<td>a.</td>
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</tbody>
</table>

(Use additional sheet(s) as needed)

© Level of education/training:

1. Courses only  3. Vocational/Technical 2-Year  5. University 4-Year
5. For your employment needs which do not require special skills or training, please check the level of hindrance each of the following worker issues is in hiring qualified personnel and in retaining qualified personnel:

<table>
<thead>
<tr>
<th>Worker Issue</th>
<th>HIRING PERSONNEL</th>
<th>RETAINING PERSONNEL</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Not Applicable</td>
<td>Hindrance Level</td>
</tr>
<tr>
<td>Low basic job-skill levels ..........</td>
<td>--</td>
<td>None</td>
</tr>
<tr>
<td>Low basic academic-skill levels</td>
<td>--</td>
<td>Some</td>
</tr>
<tr>
<td>Inability to learn</td>
<td>--</td>
<td>Great</td>
</tr>
<tr>
<td>Unwillingness to learn</td>
<td>--</td>
<td></td>
</tr>
<tr>
<td>Poor work record</td>
<td>--</td>
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<tr>
<td>Drug/alcohol problems</td>
<td>--</td>
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<tr>
<td>Attendance problems</td>
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<td></td>
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<tr>
<td>Physical condition</td>
<td>--</td>
<td></td>
</tr>
<tr>
<td>Work unreliability</td>
<td>--</td>
<td></td>
</tr>
<tr>
<td>Inability to get along w. others</td>
<td>--</td>
<td></td>
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<tr>
<td>Disciplinary problems</td>
<td>--</td>
<td></td>
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<tr>
<td>Other work issues</td>
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<td></td>
</tr>
</tbody>
</table>

Current procedures for overcoming problems: ____________________________________________

Comments and ideas for improving the situation: __________________________________________

6. For your employment needs which do require special skills or training, please check the level of hindrance each of the following worker issues is (a) in hiring qualified personnel and (b) in retaining qualified personnel:

<table>
<thead>
<tr>
<th>Worker Issue</th>
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</tr>
</tbody>
</table>

Current procedures for overcoming problems: ____________________________________________

Comments and ideas for improving the situation: __________________________________________

Thank you for participating!
ATTACHMENT II

WRITTEN COMMENTS FROM ELKHART LABOR SURVEYS

1. Are you now experiencing major difficulties in hiring qualified new employees who are not required to have special skills or training as a condition of employment?

   a. Volunteered and Written Suggestions or Comments by Respondents:

   Comments stating difficulties are being encountered: Yes 24.
   No difficulties ____2.

- Hiring at times is not as difficult as keeping them coming to work.
- Definitely require high school graduates with abilities to communicate, read, write and add well.
- Need more people qualified for work in the area: Attractive marketing needed to ensure their relocation to this area, and make positive points about the county.
- During the past few years we have had an increased turnover in all departments due to lack of quality work and lack of dependable, motivated employees. Workers lack the ability to think through problems to get solutions. They often take shortcuts and attain poor work.
- Even increasing hourly rate does not motivate people to apply or do an adequate job while clocked in. Need more qualified people who are seeking work.
- The major difficulty is finding employees who are reliable and motivated. The specific needed skills can be taught in on the job training.
- There are plenty of untrained people who apply. Very few have high school educations. The only skills we require are the basic reading, writing and mathematics skills. However, there are a shortage of people who have these skills.
- We need people with proper attitudes and willingness to commit themselves.
- Most applicants can't pass a simple math exam. 80% have not graduated from high school. Many have poor attitudes about work.
- Since this restaurant has opened on July 6, 1987, we have attempted to catch up but as of October 10, 1987 we still do not have a full staff. We will train but most people don't even show up for their interview.
- We have a pool of workers available through the sheet metal union.
- 25 to 30 percent of employees are very undependable and do not want to work. We are having problems with false workmen's compensation cases.
- If we encourage the people from other states, without many restrictions, and don't make it difficult for the Hospitality Industry I think we can get good results. We need to do more.
- Carpet layers and dry-wall finishers are almost non-existent.
- Unemployment so low cannot keep help. Turnover high, employees can go anywhere in Elkhart and get a job. A really serious problem for us.
- It is hard to say how many openings we will have in the three years. There aren't a set number of positions in each area. We try to have enough people to cover every hour we are open.
- People in this area who do not have jobs are "professionally" unemployed.
- Anyone who wants to work does. We need more people who are reliable.
- The people that are hired usually quit in a day or two because, they say, the work is too hard and/or you can make more on welfare or at a factory.
- Not hiring at this time.
- Better basic education in the high schools. Also education people that some manual labor will always be with us and speed and diversity are just as much a skill as operating a computer. Teach them to read a ruler. Teach them basic math. Teach them that absenteeism is not acceptable in the work place. Teach them they must be hard-working and loyal.
- During 1987 we have hired 150 people to maintain an employment level of approximately 450. (A one-third turnover rate. People quit after short periods of work.) People who really want to work are all already employed.
Question #1 - Continued

- We are currently in a slow down period but have had large turnover in 1987.
- Many lack the personal skills, such as constructive and cooperative attitude and willingness to work and to be trained.
- Major problem, is people are not willing to learn. They show no attempt to learn on their own or any interest in taking the training which is offered.
- Yes, we can hire new employees but we are having great difficulty hiring good dependable employees.

2. Are you experiencing major difficulties in hiring skilled new employees, i.e., those who do require specialized skills, training, or education?

a. Do you foresee major difficulties ahead in the next three to five years in hiring such new employees? (Describe)

N's = Yes 54, No 2.

- Yes. Today's generation aren't as well rounded, haven't as much drive, and are not as well educated.
- Yes. Candidates from IUSB are hard to attract, therefore, we search beyond the local area.
- Yes. Poor work ethic in this area.
- Yes. Unfortunately these problems have existed since the start of this business due to major usage of drugs and because of this generation not caring about whether they keep a job or not.
- Yes. Number of applicants entering into the nursing profession and competition with hospitals in wages.
- Yes. Fewer college graduates in these local areas.
- Yes. This area has a high mobile home industry and we cannot compete with their pay scale.
- Yes. Experience needed in the future will be more technical. We will reach the level needed in big cities but customers will pay less. The service industry around Elkhart is very cutthroat and few quality services exist.
- Yes. There is a need for some employees to be more constructive and cooperative, more reliable and willing to work and study.
- Yes. We hire lead teachers who must have (to meet our requirements, not the state's) a minimum of a 2 year degree in early childhood education.
- Yes. Lack of teenagers and low unemployment. Improvement in desirable personal characteristics is needed by some.
- Yes. Job market leans heavily to factory or R.V. industry: sets the pace.
- Yes. Applicants are usually from service type jobs. No specialized training.
- Yes. Shortage of Medical Technologists and Medical Laboratory Technicians.
- Yes. For experienced RV line employees the low unemployment rate in this area is a problem. For workers and secretarial the younger applicants don't have good basics (Spelling, English, etc.).
- Yes. [There is a] general tightening of the Elkhart labor market.
- Yes. Heating and air conditioning/engineering skills needed.
- Yes. People do not stay at one job long enough to get proper experience.
- Yes. No motivation from the government nor encouragement to pursue such career.
- Yes. There seems to be a greater than usual shortage of qualified people.
Question 2.a. - Continued

- Yes. There is a shortage of skilled applicants: some have poor previous work records, some are alcoholics.
- Yes. Currently there is a nation-wide shortage of Registered Nurses.
- Yes. Problem exists because of low salary offered.
- Yes. Area business demands on labor market are increasing.
- Yes. There is a definite shortage of Registered Nurses, Licensed Practical Nurses, QM Aids and Nurses' Aids.
- Yes. Continued shortage skilled areas. Must go outside local community. Some employees not readily trainable, not willing to put in effort and time.
- Yes. Labor market cannot provide employees. We advertise in Michigan.
- Yes. This is an on-going problem. More good people -- more training needed than available. Situation is deteriorating.
- Yes. Relatively new field and not many qualified/experienced people in labor market in this area.
- Yes. More restaurants and businesses are coming into the area; need people.
- Yes. The availability of qualified, experienced workers decreases yearly in the Elkhart area due to the low unemployment percentage.
- Yes. Attitude seems to be very negative. Many applicants, but they are not really wanting to work, (many are not qualified, some have poor prior work records).
- Yes. Too many people just don't want to work.
- Yes. If unemployment stays down because we work according to minimum wage.
- Yes. Low unemployment level in Elkhart County makes getting qualified and experienced help hard.
- Yes. Shortage of qualified, stable employees.
- Yes. Our turnover this year [is high], (i.e., hired 300 -- retained 70).
- Yes. We have had to resort to in-house training because a trained/experienced work force was not available, except at highest pay levels.
- No. Not any more than at present time.
- Yes. Demand will exceed supply of qualified people.
- Yes. Serious shortages in the industry. Situation will probably worsen.
- Yes. Area labor market used up. Yet more business is presently planned for Elkhart Area by several companies.
- Yes. Very difficult to find experienced personnel.
- Yes. Can't compete with factory industry. (i.e., full-time positions and pay).
- Yes. Nursing schools have reduced enrollments. Wages are not competitive with other industries.
- Yes. Greatest problem is meeting compensation package offered by large companies.
- Yes. Not enough graduating to fill the needs of an aging society in a more technological era.
- Yes. Depends on economic conditions in my industry.
- Yes. Historically, a shortage of secretaries with legal skills and shorthand.
- Yes. Applicants do not want to work. Many have alcohol or drug problems.
- Yes. Lack of skills to qualify for job. Insufficient training. Poor work attitude.
- No. We have a pool of workers available through the sheet metal union.
- Yes. Not enough nurses available.
- Yes. Demand is too great, not enough training is being provided, (environmental concerns).
- Yes. As the work force increases in this area, we do not have enough qualified help to fill our needs.
b. Suggestions or Comments: (regarding difficulties in hiring skilled qualified employees, e.g. having special skills or training).

N’s = Ideas to improve situation 33. No difficulties 2

- Stronger course study needed in Industrial Supervision, Materials Management.
- Encourage young adults to choose a career in Nursing over other professions. Assist with financial responsibilities.
- We have excellent benefits but some just look at pay check.
- Scholarships needed to encourage persons to enter the field. We need to increase funding to day care centers so wages can be competitive.
- Crack down on independent cleaners who are paid under the table.
- Potential and actual employees are reluctant to work weekends or nights. Job market is ripe for Monday - Friday days in factory or manufacturing position.
- Most positions coming available are entry level production work. We believe in training employees to advance rather than hiring on outside people with skills.
- Local program with on OJT training funds be set up for splicing school and installing school 10 weeks per course and then job placement.
- We have tried all aspects, we now need your help to get qualified employees.
- Post "help needed" signs on mall billboards and mall entrances.
- It is difficult to foresee economic trends that would affect our hiring. Advance planning, hiring and training are difficult, but must be done.
- Increase enrollment through more flexible class hours. Industry will raise wages to attract new graduates.
- Push Pharmacy School to high school juniors and seniors (as a career choice).
- We have run ads in the local paper for eight days with no one applying.
- (Provide) in-house training or state grants to companies to train employees.
- Schools should put more emphasis on basic education in 3 areas: reading, writing and arithmetic. Also, help students develop good work attitudes.
- Must screen for good attitudes and traits by careful screening and checking references.
- I'm considering advertising in other areas (i.e., Indianapolis, Kalamazoo, etc.) and perhaps subsidize moving expenses.
- Give a grant to the people who are interested in this business and want to make a career out of it rather than to fill in their spare time.
- More intensive training programs needed. One and possibly 2 years of education and training are needed for a well rounded employee.
- Medical Terminology is very important in our field; lacking.
- There is little training available for our specific work but we are able to attract applicants from people with related knowledge (i.e., banks, real estate agencies, etc.).
- Offer local nursing (education) program. We must educate to meet our needs.
- It will cost even more time and money to train people and keep them abreast; screen carefully and hire those with necessary potential.
- We have seen a steady decrease in the number of qualified applicants -- lacking basics such as math, spelling, grammar. However, more are needed.
- Nationwide retailer problems. Must provide better basic education and some specialized training to all. Proper attitudes are essential.
- Those who meet minimum qualifications are already working. No new ones available.
- Area educational facilities need to include basic education in vocational and apprenticeship programs.
- The vast majority of our employees bid from within the work group. The average years of service of our employees is in the range of 15 years or more so we don't have much turnover, yet.
- Unless the population grows along with the business there is going to be a severe shortage. There is already a shortage because there are less teenagers.
3. Do you have needs for external local training programs or assistance for upgrading or retraining current employees?

a. Do you foresee future or changing needs for employee training? (describe)

N's = Yes 26; No 1; Unknown 1.

- Yes. I would only consider seminars in order to retrain supervisors in how to deal with problems in turn-over and employee relationships that will continue long into the future. As you can see, I'm very frustrated with the types of people we have to wade through in order to get the right ones for our business. (We are short of qualified, trainable people.)
- Yes. More specialized training in Vocational/Certificate training is needed.
- Yes. We need to train young inexperienced workers in good child care techniques.
- A solid basic education is needed as a foundation; critical now, even more later.
- Yes. Schools not really "educating" graduates. Many apply who cannot read, write or compute simple math. Situation has become worse these past few years.
- Somehow, we need to improve employees' attitudes and reliability.
- Higher level of skill training needed in clerical functions.
- We may need technical training for upgrading and computerized metal fabrication.
- Need to master fundamentals of communications, computation, reasoning and interpersonal skills.
- Probably in the areas of computer data processing.
- Yes. Computer oriented skills.
- Yes. Must have good computer skills, good abilities, and commitment.
- Yes. Always changes in training requirements and techniques.
- Yes. Increasing state and federal licensure (requirements/standards) will decrease the number of staff and increase the demand.
- Our growth has been so rapid our needs could change - unknown at this time.
- Yes. Upgrading present knowledge, new methods and/or machinery.
- Yes. Computer skills.
- Yes. I feel that as certain jobs become more computerized, people will need more knowledge of computers.
- Yes. High technology (keeping abreast). Requires solid academic foundation.
- Yes. We are becoming more sophisticated each year with new equipment and process.
- Yes. More emphasis on basic English and math skills.
- Yes. Continued emphasis on basic reading, writing and arithmetic.
- Yes. Serious, hard working, desire and dependability in an employee.
- Yes. Basic machine practice, CNS, quality and use of gages.
- No. Not in our industry -- perhaps service industries such as fast food.
- Yes. Technological obsolescence will be a continual problem in the electronics industry.
- Yes. Technical, drafting (CAD), and supervisory training will be necessary.
- Yes. More electronics and mechanical needs.
Question #3.a. - Continued

b. Comments or Suggestions: (regarding needs for external local training programs or assistance for upgrading or retraining current employees).

N's = Needs exist 12, None needed 1.

- If diploma issued, assure certain criteria be met or else student cannot graduate.
- Training in typing, 10-key calculator, word processing, and data entry needed.
- Can people be educated to want to work, want to learn? Must be done.
- We do some in-house training for supervisors to teach them motivational and other supervisory skills; need more.
- We provide in-house training on our word processing system.
- For the above questions, I think the Government should provide the facilities for these people to get the education needed in this business which would help the Hospitality Industry to advance.
- We are conducting an area bank-wide comprehensive training needs assessment, and will know more when the data has been analyzed. We need some training.
- Need help in making employees and candidates familiar with computers and word processors.
- Lack of work ethic, poor attitudes.-Emphasize in school to be serious, hard working, and dependable.
- Need training in RV systems (i.e., electrical, heating/cooling, LP).
- The training we seek externally is for employees who want to complete high school, seek higher education credits, etc. (e.g., formal education)
- South Bend is too far to travel -- we need a significant expansion of varieties of courses offered in Elkhart area. Serious need for Technical (Engineering) graduate level courses, as well as university associate and bachelors degrees.

5. What are the hindrances for hiring or retaining employees who do not require special skills or training?

a. "Identify other work issues": (These were added to worker hindrance issues that were listed on questionnaire.)

N's = 12.

- Some even threaten to control us with law-suits.
- Theft.
- Peer pressure not to excel. Hard work not appreciated by other workers.
- Pay scale.
- Only part-time work, or second/third shift jobs.
- Basic math capability and other basic skills.
- Personal hygiene and appearance.
- Unwilling to work hard. Not motivated.
- Lack enthusiasm.
- Better wages, salaries and benefits.
- Want higher wages.
- Poor supervisors.

b. Current policies and procedures for overcoming hindrances to hiring or retaining qualified personnel not requiring special skills or training.

N = 75

- (Current procedures) Hire everyone and hope some will stay. (Not good enough.)
- Patience!
- Communicate with all employees.
- Be extremely selective in hiring. Check all background information.
Question #5.b. - Continued

- Hire additional people to uncover hindrance at all levels.
- Train employees to be flexible to prevent boredom and increase productivity.
- Look for people with proper attitudes, those who are interested, motivated.
- Management/employee discussions and group meetings. Warnings: verbal and written.
- (Use) expensive lawyers (when in trouble); conduct seminars.
- Apply chain of command procedures/corrective action. Special situations reviewed.
- We have employee appraisal system plus written disciplinary action system.
- Employee assistance program provides counseling to bring people back into the productive workforce.
- Warning, then fire.
- Evaluate and try to motivate employees. If this doesn’t work, fire them.
- Dismissal following reprimand. Document carefully.
- Warning system for poor work habits. Rotate among crews to better match personalities.
- We coach and keep only those employees acceptable (meet our standards).
- Replacement (of unsatisfactory workers).
- Warnings, action. Keep good records.
- After period of time if employee is unable to learn and perform at expected rate they are dismissed.
- We have a written warning system to inform employees of their [lack of] progress, if not up to par.
- Trying to upgrade wages so we can attract and keep competent workers.
- Participate with high schools in DECA programs.
- Patience: working hand in hand to train; praise when goals are met; monetary goals set and awarded if skills acquired.
- On Job Training: incentive based attendance policy; corrective counseling procedure
- Trying to check work records more closely, training supervisors to be better motivators and teachers.
- Better communications (up and down). Listen to complaints and ideas.
- Employee assistance program.
- We don’t hire many without specific skills ... hard to find good ones.
- Because we are a young company we are presently writing procedures.
- Counseling, incentive programs.
- Constant counseling, training etc.
- Do not hire incompetent people.
- Active recruiting techniques (i.e., advertising, high school recruiting).
- Drug/alcohol screen for potential employees.
- One-on-one conferences plus monthly employee meetings for general discussion.
- Train and retrain those you have. Screen. Keep advertising for help.
- Explain what is expected before they are hired.
- Counsel, retrain and educate.
- Continue interviewing and hiring even if position is not presently available. It probably will be available in the near future.
- Trying to hire and keep higher level personnel.
- Consistency of procedures. Upgrading employees thru training.
- Good screening and reference checking. Constructive coaching and discipline.
- More of the same and and supervisory training.
- Comprehensive background checks: Possible drugs and alcohol testing.
- Very low turnover with stable planned growth.
- In-house training - explaining what, how and why on regular basis.
- Employee/management discussions. Wage incentives.
- Provide assistance & ways to get the right people first [selective hiring practices].
- Progressive discipline and one-on-one conferences with Supervisor.
- We have a positive disciplinary program to deal with problem issues as well as in-service and on-the-job training. We also have an Employee Assistance Program.
Question #5.b. - Continued

- We follow defined steps for particular occurrences, and use our employee assistance program when possible.
- Better screening procedures, a good disciplinary system in place.
- Promote from within.
- Establish policy of high school or GED requirement for employment. Established in-house training program. Established strong attendance requirements.
- Make thorough background search. Check references carefully.
- Counseling, discipline has no effect; (often need stronger steps).
- Counseling, Employee Assistance Program.
- Progressive discipline, Employee Assistance Program and counseling.
- Performance reviews during probation, progressive discipline.
- (Use an) internal training center; hiring freeze since August 1982.
- Counseling with employees on a one-to-one basis.
- On-the-job education for those with the right attitude about work.
- Performance evaluations, corrective interviews, lighter supervision, increase training.
- 90 day probation period. Established company policies and possible manufacture outside Elkhart County (if too many employee problems).
- All these job hindrance issues would prevent our hiring such applicants. No employees (are continued) on staff who don't possess high skills, integrity and professional office manners.
- Selective hiring, contacting references, testing and screening.
- Better job of training new personnel. Better supervision.
- Use temporary service workers rather than hire those who do not meet minimum criteria -- do not fill positions (with people not fully qualified for job).
- We try to eliminate problems at pre-employment screening or during probationary period.
- Company policies and production compensation program relating to needs listed above.
- We have an Employee Assistance Program.
- Provide training seminars & conference, incentive bonuses for good performance.

c. Comments and ideas for improving the hindrance situations in hiring or retaining relatively unskilled personnel.

N = 40

- Schools should be stricter. All students should meet established standards.
- Basic education in the schools, plus development of a good value system.
- Government funded programs to enable current employees to advance their skills and/or a government funded program to encourage relocation in the Elkhart area and participate in training programs.
- Improved training to develop strong first line supervisors.
- Better preparation in school system for those who aren't going to become attorneys, doctors, or teachers.
- A better understanding, by graduating high school seniors, of skills and professionalism that is needed by all in the work place.
- We can and do train. But first we must hire and retain basically qualified people.
- Provide classes and professional people to educate the employees.
- Better job readiness programs in high school.
- Upgrading of basic high school education.
- Programs that promote workers with positive record. Education.
Question #5.b. - Continued

- Get back to basics in our elementary grades -- teach special skills in technical schools.
- Problems begin in family setting (including poor socialization). Education in public school requires an overhaul with better qualified educators.
- Closer screening, training programs.
- Minimum Math knowledge before graduation from high school; test all students.
- Retrain displaced homemakers/those out of workforce for number of years. Provide non-college bound people with relevant work related skills. Provide career counseling for post-high school people. Provide counseling and training for appropriate job standards and values for all out-of-work or who want to improve.
- Competitive wages and benefits, training, simplify jobs, good working conditions.
- Further training. Screen those qualified to continue in skills improvement: encourage and help.
- Set examples by showing employees we won't put up with their poor attitudes and terminate after written warning.
- Be consistent and fair. Document in details all specifics concerning violation.
- Recognize good performance and attitude; develop loyalty.
- Grants for employees working with illiterate or unskilled labor - compensate for training and teaching basics.
- A state or county-wide system is needed for tracking employee work records and establishing consistency on reference-check information.
- Since I am presently becoming aware of these problems I cannot recommend anything (at this time).
- Explain what is expected before they are hired.
- Don't have any constructive ideas at this time. Big problem; need suggestions.
- Use temporaries ... hire for normal loads, get outside help for peak loads.
- Do not try to take on or capture all the work that comes your way. Requires wild swings in gross revenue with corresponding problems in training and capital needs.
- Set exams by showing employees we won't put up with their poor attitudes and terminate after written warning.
- Be consistent and fair. Document in details all specifics concerning violation.
- Recognize good performance and attitude; develop loyalty.
- Grants for employees working with illiterate or unskilled labor - compensate for training and teaching basics.
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- Explain what is expected before they are hired.
- Don't have any constructive ideas at this time. Big problem; need suggestions.
- Use temporaries ... hire for normal loads, get outside help for peak loads.
- Do not try to take on or capture all the work that comes your way. Requires wild swings in gross revenue with corresponding problems in training and capital needs.
- Get schools to stress basic skills and proper attitudes and commitment.
- Change assistance programs so it wouldn't be so easy for people to get a free ride. Get Welfare recipients who can work trained, and direct them into a work setting.
- Better applicant pool and quality of applicants, commitment.
- Need to recruit outside area. Local area qualified worker pool is depleted.
- Try and get people to realize they have to work for what they get. It is not given to them. Nothing is "owed" to them.
- Better interviewing and screening techniques. Stronge supervisors.
- Having more and more difficulty in screening and hiring capable people.
- The layer of unemployed available workers is of a very poor grade and I don't have good answers...
- Create file of available workers with satisfactory performance/attendance records through DETS computer system who will relocate from high unemployment areas.
- Our needs for employees at this level are extremely small and do not require a special effort.
- Better training for supervisors.
- The unemployment rate is so low that there just are not good, dependable people who want to work [in Elkhart].
- Screen all who are getting AJC, Welfare, Food stamps and other public assistance, refer them to jobs they can do (many available in fast food etc.) train those who are trainable and refer to employer.
6. What is the level of hindrance for hiring or retaining skilled employees who do
require special skills training or knowledge.

a. Other work issues: (added to worker hindrance issues listed on questionnaire.)

N = 12

- Main issue is Supervisors think they know it all, fight cooperation and advice.
- Structured format for corrective action/special situation reviewed.
- Peer pressure not to do their best.
- Pay Scale low/questioned.
- Do not want to work overtime. Lack of loyalty.
- Finding the people who are qualified.
- Lack enthusiasm. Complain excessively.
- Salaries and weak demands.
- Pay rate. We cannot all pay competitive wages.
- Lack of experience. Not willing to put out extra effort to learn.
- Supervisors do not lead, motivate, discipline; often do not earn respect of
  workers.
- Only need part-time persons unless willing to be licensed or do telephoning
  appointments.

b. Current procedures for overcoming hindrances to hiring or retaining skilled
personnel.

N = 54

- Management/employee discussions and group meetings. Warnings: verbal and written.
- Incentive bonus, prid insurance and excellent salaries.
- Be consistent and fair. Document in; detail all specifics concerning violations.
- Greater (better) recruiting, very careful selection -- if there are enough
  applicants.
- Schedule for employee to work at own pace by themselves.
- Five week supervisory skills seminar, out-of-house courses and one-on-one train-
  ing. Need improved supervision of employees, particularly on the working floor
  level. Supervision gets harder as quality of new employees goes down.
- We are co-sponsoring a two year MLT program in conjunction with Ivy Tech.
- On-job training, increasing awareness of employee benefits, better supervision.
- I don't know -- We can't use anyone with these types of problems. We need people
  who can assume the highest degree of responsibilities (professionals).
- Reviews, personnel meetings, concentrated training.
- Constant counseling, training etc.
- We pay for schooling to aid personnel to better learn their job, but no one seems
  to be patient enough to work and to wait for growth.
- Consistency of procedures. Upgrading employee training.
- Establish high school or GED requirements for employment. Established in-house
  training program. Established strong attendance program requirements.
- These skilled or experienced employees are above minimum or they would have been
  terminated.
- Careful screening of applicants, hiring and working with those demonstrating a
  need for money - willing to learn.
- Weekly evaluation by Supervisors.
- One-on-one association with department supervisors.
- Work with people on an individual basis or refer them to other appropriate agen-
  cies for help as needed.
- Warnings, corrective action (carefully documented).
- Good screening and reference checking. Constructive coaching and discipline.
Question #6.b. - Continued

- Progressive discipline.
- Our foremen's skills need improvement in leadership and control, and how to train.
- We have a positive disciplinary program to deal with such issues as well as in-service and on-the-job training. We also have an Employee Assistance Program.
- Train first line supervisors to do a better job.
- We follow defined steps for particular (problem) occurrences, and use our employee assistance program when possible.
- Performance reviews during probation, progressive discipline.
- Drug and alcohol abuse program utilized. Attendance policy - points system.
- Disciplinary procedures. Surveillance procedures.
- Reference checks, several interviews, close monitoring and evaluation of work at test periods.
- Incentive programs. Public recognition.
- Structured and announced policies and practices regarding pay, promotion, grievances and work rules.
- Advertising.
- High turn-over. Turning work down do to personal chores and handle personal problems.
- Work with the employee. (Help to identify and handle problems.)
- Comprehensive background checks. Possible drugs and alcohol testing. Watch for abusers.
- Training and explaining why and how employee fits in the whole company system.
- Provide assistance and treat the business seriously.
- We have a very good wage and fringe benefit program. We have not lacked for qualified applicants for several years.
- Promote all positions from current staff who are qualified.
- Dismissal following reprimand.
- Rigid structured selection process will be maintained.
- Counseling, Employee Assistance Program.
- New hires are strictly short term employees; wage scale provides for good selection.
- Modify their attitudes through on-the-job training.
- Applicants must not have problems listed above or they would not be considered.
- Weekly critique by department heads, of each employee: acknowledge good and bad.
- Selective hiring, contacting references, testing and screening.
- Widening search for employees; in-house training of under qualified; try not to fill positions with those not qualified. Growing problem.
- We try to eliminate problem at pre-employment screening or during probationary period.
- Position is currently unfilled. Last employee was sent to training to get to minimum job-skill levels needed; once trained she quit for full-time employment elsewhere.
- Company policies and production compensation program relating to problem areas.
- Setting up basic fundamentals of our business - explaining procedures to everyone.
- We have an Employee Assistance Program.
- Unless an employee demonstrates well in all areas, we would have to terminate them. We would work with these employees for a while but if we find no improvement in their performance, ability, or standards, our firm would lose business.
c. Comments and ideas for improving the hindrance to hiring or retaining skilled personnel.

N = 28

- Those employees with good training generally do not have hindrance problems at serious levels. They have good attitude, drive and ambition.
- Further training. Recognize and pay those completing key programs.
- High schools, adult education or technical schools need to provide early childhood education courses for little or no money! Must be subsidized!
- Most child care workers work for minimum wage or just a bit above minimum wage. Better workers must be paid more ... tough problem. Industry should help.
- Higher standard of education level. Bonus for employers and employees who work together (example: $100 if retrained for year on schedule). Grants to allow employees to spend more to educate and yet be able to meet payroll costs.
- We plan to train employers and supervisors in how to deal more effectively with workers (behavioral type training).
- If supervisors were trained professionally, many problems could be prevented ... and problems which do occur could be handled better.
- Closer screening, training programs.
- Programs that promote workers with positive record. Education.
- Offer more in technical training for high school graduates. Develop self-discipline.
- Improve training to develop strong first line supervisors.
- A better understanding, by graduating high school seniors, of skills and professionalism that is needed in the work place. A good work attitude is needed.
- Intensify educational opportunities to employees and employers.
- Government funded programs to enable current employees to advance their skills and/or a government funded program to encourage relocation in the Elkhart area and participate in training programs.
- Teach them that it is not a crime to work for a living.
- In-house training needed. Also work closer with external education/training.
- Higher pay. Hiring more self-motivated employees.
- Schools and families need to do a better job of teaching people how to live in the real world.
- Increase size of Pharmacy Schools and improve related counseling, preparation, and recruitment in high schools.
- More of the same and and supervisory training.
- Find the keys to proper motivation; incentives for reaching goals; participation in decision making process. Recognition necessary publicy done.
- Provide assistance and treat the business seriously. Work priority -- loyalty.
- Strong performance evaluations will correct most of these problems in this type of an employee (skilled workers).
- The layer of unemployed available workers is of a very poor grade and I don't have a good answer. We are short of high grade workers.
- Create file of available workers with satisfactory performance/attendance records through DOTS computer system who will relocate from high unemployment areas.
- Our needs for (skilled) employees at this level are extremely small and do not require a special effort.
- Hire older women with skills needed (worked better in past) plus would help in easing labor demand.
- Better training for supervisors.
The following unsolicited comments were attached to individual's survey:

This firm currently has a direct labor workforce of 226, out of approximately 465. Of the 226, 33% are what we call entry level, specifically press operators, packers, assemblers, and spot welders.

Our company policy includes training and promoting of any employee, entry level and above, to any open position. By promoting entry level employees, this naturally opens an entry level position to be filled from the outside. Our continued difficulty has been in securing the entry level employee with a good work reference, and keeping that employee past the probation period. A large portion of our turnover occurs within the first 30-60 days.

Dr. J. P. Lisach:

I recently took part in your survey. I am new in the job as personnel manager and I never realized the many problems in finding people to work. We have an over-abundance of applicants; however we only hire part-time and we start at minimum wage. Most people are looking for full time employment and won't even consider part time. There seems to be a lot of people wanting to work, however, that part time usually makes them say no to us. I think if the government would be willing to raise the minimum wage, then people may consider a part-time job.

I would like to offer some information about our situation since we have been in Elkhart and have some of my own points and ideas to offer.

(1) Since we started hiring for this restaurant on June 1, 1987, we have hired about 180 people to achieve a present staff of 55. We have never been "full staffed" since we opened on July 6, 1987.

(2) Close to half the employees that left us did not last a week and many of these never showed up for the first day of work.

(3) When we set up interviews, at least half of the people never show up to be interviewed.

(4) In many cases I had to "take what I could get" instead of being able to choose the right person for the job.

(5) Before coming to Elkhart, I was the Unit Manager of Restaurant in Terre Haute, Indiana. I do realize that Terre Haute has a very depressed economy and high unemployment but I am having to increase my starting wage anywhere from $.75 to $1.50 more per hour here than in Terre Haute.

(6) With jobs so plentiful in the area, the first time something happens that an employee does not agree with (whether it's a company policy or not) that employee will quit and more than likely be hired down the street the same day.

(7) I have been told that this problem does not just involve the service industry but all industry in this area where little or no job skills are needed.

Unfortunately, with so much demand for employees, businesses spend too much time competing for the employee. In the long run, this hurts the customers who do not get the service that they deserve.

Unfortunately, I have no solutions to the problems. I hope that the information I have provided will help in some way. From what short time that I have lived here, I think Elkhart is a good town. I'm afraid that the future growth of Elkhart may be hurt by this labor situation. Why would someone spend the money to build a plant, restaurant, hotel, retail store, etc., if there is no one to work there?

Unit Manager
ATTACHMENT III

SUMMARY EXAMINATION OF CURRENT AND FUTURE EMPLOYMENT NEEDS
FOR NEW UNSKILLED AND SKILLED WORKERS AND
FOR TRAINING OF CURRENT EMPLOYEES
(SURVEY RESULTS)

[Are you new experiencing major difficulties in hiring unskilled or skilled new employees? (n=140) 27% NO 73% YES]

1. Are you now experiencing major difficulties in hiring new employees who are not required to have special skills or training as a condition of employment? (n=140) 55% NO 41% YES Currently unfilled: 523 Opening next 3 yrs: 1284

[Do you foresee major difficulties ahead in the next three to five years in hiring such new employees?] (n=40) 22% NO 78% YES

2. Are you experiencing major difficulties in hiring "qualified" new employees, i.e., those who do require specialized skills, training, or education? (n=140) 44% NO 56% YES Currently unfilled: 393 Opening next 3 yrs: 1282

Median no. of yrs. experience required: 2.0 (k=115)
Educational or training level required: (k=150) 23% Experience only
  19% Courses only 19% Vocat/Technical 2-yr 15% Univ. 4-yr
  13% Certificate 7% University 2-yr 3% Grad. studies

Do you foresee major difficulties ahead in the next three to five year in hiring such new employees? (n=85) 24% NO 76% YES

3. Do you have needs for external local programs or assistance for upgrading or retraining your current employees? (n=139) 49% NO 51% YES

No. of employee needing training ... now: 967 ... next 3 yrs: 648
Educational or training level required: (k=180)
  31% Courses only 13% Vocat/Technical 2-yr 16% Univ. 4-yr
  13% Certificate 20% University 2-yr 7% Grad. studies

Would (do) you reimburse employees who participate in such programs?
Tuition: 28% NO Books: 52% NO Other: 54% NO (n=54) 72% YES (n=52) 48% YES (n=13) 46% YES

During which of the following would you prefer your employees take classes?
(n=50) 0% Daytime 76% Evening 24% Either

Do you Foresee future or changing needs for employee training? (n=49) 41% NO 59% YES

4. Are any of your employees currently enrolled in educational/training courses or programs? (n=135) 56% NO 44% YES

Campus:
  39% Indiana Univ. South Bend 2% Goshen College
  (k=115) 18% Purdue Statewide Tech. 2% Indiana Univ. Elkhart
  13% Elkhart Career Center 1% IUPU Fort Wayne
  4% IVY Tech. Elkhart 1% Davenport College
  4% Amer. Instit. of Banking 1% In-house
  3% IVY Tech. South Bend 1% Purdue West Lafayette
  3% Notre Dame 9% "Other" (e.g., in Michigan)

Number of employees enrolled: 507
Educational or training level of enrollment: (k=125)
  24% Courses only 10% Vocat/Technical 2-yr 22% Univ. 4-yr
  10% Certificate 25% University 2-yr 10% Grad. studies

n: number of firms responding  k: number of occupations/programs designated
Median wages paid by manufacturing employers in Elkhart County have been below Statewide averages for almost all occupational groups. Exceptions are typists, hand bookkeepers, key entry operators, computer programmers, machinists, and compression/injection-mold machine operators.

<table>
<thead>
<tr>
<th>MEDIAN WAGES</th>
</tr>
</thead>
<tbody>
<tr>
<td>ELKHART COUNTY</td>
</tr>
<tr>
<td>OFFICE WORKERS/wk</td>
</tr>
<tr>
<td>CLERK, GENERAL</td>
</tr>
<tr>
<td>TYPIST</td>
</tr>
<tr>
<td>SECRETARY</td>
</tr>
<tr>
<td>STOCK CLERK</td>
</tr>
<tr>
<td>SHIPPING - RECEIVING CLERK</td>
</tr>
<tr>
<td>ACCOUNTING CLERK</td>
</tr>
<tr>
<td>BOOKKEEPER, HAND</td>
</tr>
<tr>
<td>TECHNICAL AND DATA PROCESSING WORKERS/wk</td>
</tr>
<tr>
<td>DRAFTER</td>
</tr>
<tr>
<td>ELECTRICAL OR ELECTRONIC TECHNICIANS</td>
</tr>
<tr>
<td>KEY ENTRY OPERATOR</td>
</tr>
<tr>
<td>COMPUTER OPERATOR</td>
</tr>
<tr>
<td>COMPUTER PROGRAMMER</td>
</tr>
<tr>
<td>COMPUTER SYSTEMS ANALYST</td>
</tr>
<tr>
<td>SELECTED SKILLED WORKERS/hr</td>
</tr>
<tr>
<td>TOOL AND DIE MAKER</td>
</tr>
<tr>
<td>MACHINIST</td>
</tr>
<tr>
<td>JOB-SITTER</td>
</tr>
<tr>
<td>PIPE FITTER, PLUMBER</td>
</tr>
<tr>
<td>ELECTRICAL REPAIR WORKER</td>
</tr>
<tr>
<td>MILLWRIGHT</td>
</tr>
<tr>
<td>MECHANIC</td>
</tr>
<tr>
<td>WELDER, FLAME CUTTER</td>
</tr>
<tr>
<td>SELECTED PRODUCTION WORKERS/hr</td>
</tr>
<tr>
<td>DRILL PRESS/BORING MACHINE OPERATOR</td>
</tr>
<tr>
<td>GRINDING/ABRADING MACHINE OPERATOR</td>
</tr>
<tr>
<td>LATHE/TURNING MACHINE OPERATOR</td>
</tr>
<tr>
<td>PUNCH PRESS OPERATOR</td>
</tr>
<tr>
<td>MACHINE TOOL OPERATOR, COMBINATION</td>
</tr>
<tr>
<td>COMPRESSION/INJ. MOLD. MACHINE OPERATOR</td>
</tr>
<tr>
<td>INDUSTRIAL TRUCK OPERATOR</td>
</tr>
<tr>
<td>HOURLY WORKERS, N.E.C.*/hr</td>
</tr>
<tr>
<td>SKILLED WORKERS</td>
</tr>
<tr>
<td>SEMISKILLED WORKERS</td>
</tr>
<tr>
<td>UNSKILLED WORKERS</td>
</tr>
</tbody>
</table>

Most skilled and semiskilled workers are included in the Selected Skilled and Selected Production categories. These categories should be taken into consideration in order to obtain the most accurate overview of wage scales for skilled and semi-skilled workers.
EDS is a private, not-for-profit organization whose primary activities involve the administration and provision of employment and training services as authorized under the Job Training Partnership Act (JTPA). EDS serves as the official grant recipient/administrative entity for the Northern Indiana Job Alliance Private Industry Council, and manages the financial resources and administrates employment and training programs funded through the Indiana Department of Employment and Training Services (IDETS). Currently, private industry councils are expanding their policy guidance and oversight roles to include DETS programs. As this integration of JTPA and DETS programs evolves, close liaison is needed with local firms' to understand local labor market information; thusly enabling EDS to better serve the community.

The Northern Indiana Job Alliance exists to complement training, human resource, and economic development needs of area businesses. Through its local facilities, the Alliance offers to industry, commerce and the community at large the following services:

- Employee recruitment, pre-screening and skills assessment
- Vocational classroom training or on-the-job training
- Financial assistance to offset training costs, either through reimbursement of wages or through federal tax credits
- On-site customized employee-training programs
- Comprehensive personnel assistance to your organization

These and other useful benefits are available to you by contacting one of the following locations selected by the Northern Indiana Job Alliance to meet your employment needs:

Employment and Developmental Systems, INC.
P. O. Box 85
1202 South Jackson Street
Frankfort, IN 46041
(317) 659-4763
Contact: Philip M. Hoff

Employment and Developmental Systems, INC.
P. O. Box 585
109 Clinton St., Suite 10
Goshen, IN 46526
(219) 533-3920
Contact: Bruce P. Benson
ATTACHMENT VI
ELKHART AREA HOUSING SITUATION

It is difficult to say outright that the residential housing situation in Elkhart is related to the reported shortage of new employees. However, there are sales and rental data which suggest that availability of housing in the lower to moderate ranges may be a problem. Conclusions are left to the reader.

Residential Sales Activity in the Elkhart Area 1/

Houses Sold: The average listing price of houses sold this year (Jan. '87 - Sept. '87) was $61,077; this is $3,349 more than for the same period in 1986: the Average selling price was $58,480 in '87, which compares to last year's selling price of $54,215 (a 7.9% increase which is much higher than the cost of living increase). In contrast, the average listing price of houses not sold went up to $67,067 in 1987 from $65,075 in 1986, a 3.1 percent increase.

ELKHART MLS 1/
This Year = January 1987-September 1987  Last Year = January 1986-September 1986

Residential Properties Only

<table>
<thead>
<tr>
<th>HOUSES SOLD</th>
<th>Average Listing Price</th>
<th>Average Selling Price</th>
<th>Units Sold</th>
<th>Average Listing Price</th>
</tr>
</thead>
<tbody>
<tr>
<td>This Year</td>
<td>$61,077</td>
<td>$58,480</td>
<td>1,678</td>
<td>$67,067</td>
</tr>
<tr>
<td>Last Year</td>
<td>$56,728</td>
<td>$54,215</td>
<td>1,328</td>
<td>$65,075</td>
</tr>
<tr>
<td>% Change</td>
<td>+ 7.7%</td>
<td>+ 7.9%</td>
<td>42.6%</td>
<td>+ 3.1%</td>
</tr>
</tbody>
</table>

Number of Homes Listed in MLS Reports Priced Under $40,000.

Another indication of the availability and trends of low to moderately priced residences in Elkhart County is to compare the numbers of homes listed under $40,000 for two like periods of time.

- In Issue 45-46 November 5-18, 1987 the number of homes so listed was 163.
- In Issue 45-46 November 5-18, 1986 the number of homes so listed was 218.

1/ Source: Multiple Listings Service, Inc. of Elkhart County, 113 West Marion St., Elkhart, Indiana 46515.

Rental Housing Situation in Elkhart 2/

"We can, however, comment on availability of rental housing. We own about thirty rental units (single family, duplex, and multi-family apartments). If a unit becomes empty, it does not stay that way more than three or four days. We receive fifteen to twenty calls per week from people looking for housing. Quite a few inquire about Section Eight Housing. At least ten percent of the callers indicate they are moving in from out of town and need housing badly. We have plans to build more low cost housing in 1988."

2/ Source: Mr. Ed Bennett, Michiana Real Estate Rentals, Inc., 2336 Primrose Ave., Elkhart, Indiana 46515.
ATTACHMENT VII

ELKHART COUNTY EDUCATIONAL ATTAINMENT AND ENROLLMENT

Adult Educational Levels

The educational levels attained by adults in Elkhart County compare favorably with Indiana State averages. However, the post-secondary (i.e., college) attainments for both Indiana and Elkhart County are below the National averages. The higher proportion of adults who have completed high school, but have not continued their studies, represent a good reservoir of potential students for college-level work. Unfortunately, evidence indicates that lower educational levels are related to lower wages or salaries, higher unemployment, and slower career progression.

EDUCATIONAL ATTAINMENT COMPARISONS (% DISTRIBUTION)
THE U.S., INDIANA, AND ELKHART COUNTY FOR: 1980
ADULTS 25 YEARS AND OLDER

<table>
<thead>
<tr>
<th>Highest Educational Level Attained</th>
<th>Elementary</th>
<th>High School</th>
<th>College</th>
<th>Totals</th>
<th>Adult Population</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>0-8</td>
<td>1-3</td>
<td>4</td>
<td>1-3</td>
<td>24</td>
</tr>
<tr>
<td>United States</td>
<td>18.4%</td>
<td>15.3%</td>
<td>34.4%</td>
<td>15.7%</td>
<td>16.3%</td>
</tr>
<tr>
<td>Indiana</td>
<td>16.6%</td>
<td>17.1%</td>
<td>41.7%</td>
<td>12.1%</td>
<td>12.5%</td>
</tr>
<tr>
<td>Elkhart Co.</td>
<td>16.4%</td>
<td>18.0%</td>
<td>41.1%</td>
<td>12.2%</td>
<td>12.3%</td>
</tr>
</tbody>
</table>

Adult Educational Enrollment

Adult school enrollment in Elkhart County is well below that in Indiana in general and in the U.S., which probably reflects lack of adequate local higher-education opportunities. However, a greater emphasis may be needed upon high-school education as well, and upon educational opportunities for high-school dropouts.

PERCENT OF ADULTS ENROLLED IN SCHOOL BY AGE GROUP: 1980

<table>
<thead>
<tr>
<th>AGE:</th>
<th>16-17</th>
<th>18-19</th>
<th>20-21</th>
<th>22-24</th>
<th>25-34</th>
</tr>
</thead>
<tbody>
<tr>
<td>United States</td>
<td>88.4%</td>
<td>52.3%</td>
<td>32.4%</td>
<td>17.3%</td>
<td>8.8%</td>
</tr>
<tr>
<td>Indiana</td>
<td>87.1%</td>
<td>51.3%</td>
<td>31.0%</td>
<td>15.1%</td>
<td>6.9%</td>
</tr>
<tr>
<td>Elkhart Co.</td>
<td>83.8%</td>
<td>43.1%</td>
<td>15.8%</td>
<td>9.8%</td>
<td>4.4%</td>
</tr>
</tbody>
</table>
Between 1985 and 1986, the number of Elkhart County high-school graduates declined by 12 percent from 1,763 to 1,553. The number planning to enroll in higher education increased, however, especially in 4-year institution programs, from 715 to 891 (an increase of 25%). This increase, together with a slight increase in military enlistment, resulted in a major decrease in the number immediately available for full-time employment from 992 to 596 (-40%).

ELKHART COUNTY HIGH-SCHOOL GRADUATES' PLANS FOR AFTER HIGH-SCHOOL GRADUATION: 1984-85 & 1985-86

<table>
<thead>
<tr>
<th>School Year</th>
<th>Total Graduates</th>
<th>% of Graduates</th>
<th>Total Higher Education Graduates</th>
<th>% of Graduates</th>
<th>Military Enlistment</th>
<th>Available for Employment</th>
</tr>
</thead>
<tbody>
<tr>
<td>1984-85</td>
<td>1,763</td>
<td>94.0%</td>
<td>715</td>
<td>40.6%</td>
<td>526</td>
<td>19</td>
</tr>
<tr>
<td>1985-86</td>
<td>1,553</td>
<td>89.5%</td>
<td>891</td>
<td>57.4%</td>
<td>670</td>
<td>22</td>
</tr>
</tbody>
</table>

1/ Regular and (mid-term) Special Graduates, excluding GED graduates. May also include early, non-12th grade graders.
2/ Excluding military enlistment.
3/ Relative to total graduates.
4/ Immediate Full-Time Employment

Secondary School Enrollment

An examination of Elkhart County public-school enrollments in grades 7 through 12 indicates that there has been since 1982, and there is projected to be, a continuing decline in the numbers of secondary-school students. A drop of more than 500 students is indicated between 1982-83 and 1990-91. In addition, there is a redistribution between school corporations: Elkhart and Bango Community have the largest percentage losses, while Wa-Ne, Middlebury and Goshen Community have gains.

ELKHART COUNTY PUBLIC-SCHOOL ACTUAL AND PROJECTED ENROLLMENT: 1982-1990
(Grades 7-12 by School Corporation)

<table>
<thead>
<tr>
<th>Corporation</th>
<th>P.O.</th>
<th>Actual 82-83</th>
<th>Projected 82-86</th>
<th>Percent Change Actual 82-86</th>
<th>Percent Change Projected 82-86</th>
</tr>
</thead>
<tbody>
<tr>
<td>Elkhart</td>
<td>Goshen</td>
<td>581 598 616 602 559 552 535 522 533</td>
<td>626 616 588 570 581 587 596 620</td>
<td>- 3.8% - 4.7%</td>
<td>- 9.2% + 8.8%</td>
</tr>
<tr>
<td>Elkhart</td>
<td>Elkhart</td>
<td>1,694 1,756 1,768 1,699 1,718 1,720 1,665 1,666 1,669</td>
<td>1,195 1,205 1,199 1,200 1,200 1,206 1,206 1,206 1,206</td>
<td>+ 1.4% - 2.9%</td>
<td>+ 5.5% + 1.7%</td>
</tr>
<tr>
<td>Elkhart</td>
<td>Elkhart</td>
<td>5,441 5,453 5,388 5,196 5,088 4,899 4,771 4,665 4,601</td>
<td>4,286 4,296 4,288 4,288 4,288 4,288 4,288 4,288 4,288</td>
<td>- 6.0% - 9.6%</td>
<td>+ 0.3% + 4.7%</td>
</tr>
<tr>
<td>Goshen</td>
<td>Elkhart</td>
<td>628 614 589 570 581 587 596 620</td>
<td>581 587 593 599</td>
<td>+ 2.3% - 2.0%</td>
<td>- 9.2% + 8.8%</td>
</tr>
<tr>
<td>Goshen</td>
<td>Goshen</td>
<td>1,749 1,760 1,762 1,738 1,750 1,782 1,760 1,689 1,826</td>
<td>1,286 1,296 1,298 1,300 1,306 1,310 1,298 1,306 1,310</td>
<td>+ 2.3% - 2.0%</td>
<td>+ 0.3% + 4.7%</td>
</tr>
<tr>
<td>Goshen</td>
<td>Goshen</td>
<td>1,182 1,191 1,199 1,199 1,199 1,199</td>
<td>1,199 1,200 1,200 1,200 1,200</td>
<td>+ 5.5% + 1.7%</td>
<td>+ 0.3% + 4.7%</td>
</tr>
<tr>
<td>Middlebury</td>
<td>Middlebury</td>
<td>1,066 1,078 1,078 1,078 1,158 1,205 1,243 1,265 1,289</td>
<td>1,066 1,078 1,078 1,078</td>
<td>+ 8.6% + 11.3%</td>
<td>+ 0.3% + 4.7%</td>
</tr>
</tbody>
</table>

TOTAL ELKHART COUNTY ...... | 12,211 12,234 12,250 11,997 12,024 | 12,211 12,234 12,250 11,997 12,024 | 11,880 11,875 11,630 11,698 | + 1.5% - 2.7% |

Source: Indiana Department of Education, Division of Educational Information & Research.
## ATTACHMENT VIII

### ANNUAL RECURRING REQUIREMENTS FOR TRAINED PERSONNEL FOR ELKHART COUNTY

(Calculated by Purdue's Office of Manpower Studies)

<table>
<thead>
<tr>
<th>Occupation</th>
<th>Annual Recurring Training Needs&lt;sup&gt;2&lt;/sup&gt;</th>
<th>Employment&lt;sup&gt;1&lt;/sup&gt;</th>
<th>New or Promoted Personnel Exp- Repl. Turnover&lt;sup&gt;3,4&lt;/sup&gt;</th>
<th>Total</th>
<th>Up-grading&lt;sup&gt;5&lt;/sup&gt;</th>
</tr>
</thead>
<tbody>
<tr>
<td>ENGINES AND TECHNOLOGISTS:</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Chemical</td>
<td></td>
<td>43 56</td>
<td>1 3</td>
<td>4</td>
<td>6</td>
</tr>
<tr>
<td>Civil</td>
<td></td>
<td>42 53</td>
<td>2 4</td>
<td>6</td>
<td>3</td>
</tr>
<tr>
<td>Electrical</td>
<td></td>
<td>132 152</td>
<td>4 10</td>
<td>14</td>
<td>17</td>
</tr>
<tr>
<td>Industrial</td>
<td></td>
<td>271 334</td>
<td>13 22</td>
<td>35</td>
<td>17</td>
</tr>
<tr>
<td>Mechanical</td>
<td></td>
<td>383 473</td>
<td>19 31</td>
<td>50</td>
<td>52</td>
</tr>
<tr>
<td>COMPUTER SPECIALISTS:</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Systems Analysts</td>
<td></td>
<td>162 250</td>
<td>18 12</td>
<td>30</td>
<td>23</td>
</tr>
<tr>
<td>Computer Programmer</td>
<td></td>
<td>149 174</td>
<td>5 14</td>
<td>19</td>
<td>20</td>
</tr>
<tr>
<td>ENGINEERING TECHNICIANS:</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Electrical/Electronic</td>
<td></td>
<td>237 245</td>
<td>2 17</td>
<td>19</td>
<td>31</td>
</tr>
<tr>
<td>Industrial</td>
<td></td>
<td>45 53</td>
<td>2 4</td>
<td>6</td>
<td>3</td>
</tr>
<tr>
<td>Mechanical</td>
<td></td>
<td>152 179</td>
<td>6 14</td>
<td>20</td>
<td>20</td>
</tr>
<tr>
<td>&quot;Other&quot;</td>
<td></td>
<td>139 160</td>
<td>4 11</td>
<td>15</td>
<td>8</td>
</tr>
<tr>
<td>Computer-Integrated Mfg&lt;sup&gt;7&lt;/sup&gt;</td>
<td></td>
<td>150 186</td>
<td>8 13</td>
<td>21</td>
<td>20</td>
</tr>
<tr>
<td>OTHER TECHNICIANS:</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Draftsmen</td>
<td></td>
<td>334 413</td>
<td>17 26</td>
<td>43</td>
<td>20</td>
</tr>
<tr>
<td>Machine Tool Controller&lt;sup&gt;8&lt;/sup&gt;</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(NC, CNC, DNC, PC)</td>
<td></td>
<td>33 55</td>
<td>5 3</td>
<td>8</td>
<td>5</td>
</tr>
<tr>
<td>Science ( excl. Health)&lt;sup&gt;9&lt;/sup&gt;</td>
<td></td>
<td>294 342</td>
<td>10 25</td>
<td>35</td>
<td>18</td>
</tr>
<tr>
<td>SCIENTISTS:</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Biological</td>
<td></td>
<td>50 57</td>
<td>1 4</td>
<td>5</td>
<td>3</td>
</tr>
<tr>
<td>Chemical</td>
<td></td>
<td>193 242</td>
<td>10 16</td>
<td>26</td>
<td>12</td>
</tr>
<tr>
<td>Statistical</td>
<td></td>
<td>48 55</td>
<td>1 4</td>
<td>5</td>
<td>3</td>
</tr>
<tr>
<td>HEALTH SERVICE PERSONNEL:</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Professional Nurses</td>
<td></td>
<td>723 708</td>
<td>- 3</td>
<td>70</td>
<td>67</td>
</tr>
<tr>
<td>Licensed Pract. Nurses</td>
<td></td>
<td>252 249</td>
<td>- 1</td>
<td>26</td>
<td>25</td>
</tr>
<tr>
<td>Pharmacal</td>
<td></td>
<td>74 74</td>
<td>-</td>
<td>8</td>
<td>4</td>
</tr>
<tr>
<td>Therapist</td>
<td></td>
<td>82 92</td>
<td>2 8</td>
<td>10</td>
<td>5</td>
</tr>
<tr>
<td>Clinical Lab Tech</td>
<td></td>
<td>104 98</td>
<td>- 1</td>
<td>9</td>
<td>6</td>
</tr>
<tr>
<td>Radiological</td>
<td></td>
<td>66 62</td>
<td>- 1</td>
<td>6</td>
<td>4</td>
</tr>
<tr>
<td>BUSINESS PERSONNEL:</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Personnl/Labor Relations</td>
<td></td>
<td>171 200</td>
<td>6 15</td>
<td>21</td>
<td>10</td>
</tr>
<tr>
<td>Accounting &amp; Auditing</td>
<td></td>
<td>511 616</td>
<td>22 50</td>
<td>72</td>
<td>31</td>
</tr>
<tr>
<td>Sales Management</td>
<td></td>
<td>199 209</td>
<td>2 13</td>
<td>15</td>
<td>12</td>
</tr>
<tr>
<td>Store Management</td>
<td></td>
<td>538 581</td>
<td>9 41</td>
<td>50</td>
<td>32</td>
</tr>
<tr>
<td>Food Service Managers</td>
<td></td>
<td>307 330</td>
<td>5 22</td>
<td>27</td>
<td>18</td>
</tr>
<tr>
<td>Other Managers</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Contr. &amp; Mfg Industr.</td>
<td></td>
<td>2815 3065</td>
<td>53 216</td>
<td>269</td>
<td>167</td>
</tr>
<tr>
<td>All Other Industries</td>
<td></td>
<td>1676 1875</td>
<td>42 129</td>
<td>171</td>
<td>100</td>
</tr>
<tr>
<td>Supervisors, All Industries</td>
<td></td>
<td>2231 2348</td>
<td>25 136</td>
<td>161</td>
<td>131</td>
</tr>
</tbody>
</table>

**NOTE:** Replacement, turnover and upgrade training needs are often met by training and promoting employees to higher job levels. Some personnel may already possess many of the required skills and qualifications; they may desire to enroll only in selected courses, and not be degree candidates. (Applies to columns 4, 5 and 6.)

1/ Indiana Department of Employment and Training Services (IDETS) data.
2/ Data expanded to the universe (coef. of expansion = 1.053); IDETS data represents only 95% of total employment data.
4/ Retirements and deaths (generally 3-5).
5/ Based on estimated 5% (5.53% compounded) loss annually of total employment (3% for managers and supervisors).
6/ Based on estimated 10% (12.21% compounded) annual need for updating and retraining for Chemical, Electrical and Mechanical Engineering and Technologists, Electrical/Electronic and Mechanical Engineering Technicians, Tool Programmers, System Analysts & Computer Programmers, and 5% (5.53% with compounding) annual need for all other updating & retraining.
7/ Holders of an associate degree in drafting and those trained in the use of computer-aided drafting systems and electronic drafting equipment have the best career prospects. There will be a decreasing demand for conventional draftsmen, such as tracer and junior drafters.
8/ Includes numerical (NC), computer-numerical (CNC), and direct-numerical (DNC) control and programmable controllers (PC).
9/ Primarily numerical (NC), computer-numerical (CNC), and direct-numerical (DNC) control and programmable controllers (PC).
10/ Primarily numerical (NC), computer-numerical (CNC), and direct-numerical (DNC) control and programmable controllers (PC).
ATTACHMENT IX
TO ATTRACT AND TO KEEP GOOD EMPLOYEES

CONSIDER THESE THINGS TO DO:

1. **Within the Plant (internal matters)**

   1. In order that employees can become more aware of the company’s goals and anticipated changes, and in order that employees can better prepare themselves for needed future skill and knowledge requirements, provide briefings, not less than every six months (or other appropriate time interval). Include schedules of introduction of changes, identify areas of skill impacts, and any intended in-plant training programs -- or recommended external programs. Additional subjects (such as recognition and awards, introduction of new staff members, etc.) can be included. Changes discussed should include reductions or deletions where appropriate.

   2. Have an employee advisory committee for the Director of Personnel (or Human Resources), made up of elected representatives from organization entities who review management’s suggested new policies or procedures, providing an objective and constructive “feed-back” mechanism and provide suggestions or recommendations for improvement. [and/or] ...

   3. Establish an in-plant joint training advisory committee, composed of three "company" representative (e.g., managers/supervisors) and three "operational workforce" employees ... (can be sub-committee of employee advisory committee described above).

      This group can address recommended training programs for initial training of new employees, upgrading or retraining of current employees, and "aid-off employees who desire to become qualified for existing or planned jobs.

   4. Provide opportunities for employees to progress in their jobs/careers by making available short-range and special training programs in-plant.

   5. Establish and implement a policy of encouragement and provision of information, resources, and support of employees for appropriate external training and education activities pertinent to employer development.

   6. Functional illiteracy does exist to some degree in many workplaces. Usually, the best observer of these instances is the first-line supervisor (e.g., the foreman or office manager). A confidential procedure should be in place to verify such cases and encourage and assist such workers to become literate. Normally, there are a number of community rational settings available which can be used, in addition to the company’s efforts.

   7. First-line supervisors are at the cutting edge of the interface between management and line workers. Productivity, quality and safety; people, materials, machines, equipment, processes; schedules, reports, changes -- these and more are on the supervisor’s mind and shoulders. Management can often profit by the recognition and special training of these key people, to as are their proficiency. The need for good supervisors becomes even more critical when a labor shortage exists, quantitatively and/or qualitatively.

   8. Provide good communications up and down the line: (a) Regular short meetings with all employees for reports and discussion, (b) A Newsletter where both employer and employees have input, (c) "One-on-one" meetings for special situations/circumstances, and (d) a suggestion system with awards.
9. Establish an in-house employee personal-assistance program, providing confidential advice and reference services. Purpose is to get troubled and less productive persons back on track (e.g., alcoholism/drug problem, wife-husband-children abuse situation, financial or legal problems, serious stress/mental/physical problem, etc.). Prepare managers and supervisors with instructions to assure proper actions are taken to assure assistance is provided — and problems are avoided where possible. (e.g., see "Substance-Abusers: A Supervisors Action Guide" -- Appendix II.)

10. Design, announce, and implement a performance appraisal system based on sound equal-employment-opportunity principles that apply not only to hiring, but also pay, promotion, and conditions of employment. (See "EEO and Performance Appraisals" in Appendix II.)

11. Design, announce, and implement a system concerning discipline and discharge which can avoid potential financial liabilities and problems, (e.g., apply the "Ten Commandments of Discipline and Discharge". (See Appendix II)

12. Have an open and up-dated occupational/job classification system that describes job functions, qualifications, wages and related matters.

13. Give fair/competitive wages and fringe benefits. Avoid giving absolute minimum wages in order to gain an edge over competitors; this may result in more qualified job applicants, thusly providing some selectivity and, potentially, better productivity.

14. Promote (move up to "better" Jobs) from within whenever possible. Review current employees' applications and credentials before advertising "outside". Let employees know they come first.

15. Offer on-site (or otherwise support external) day-care, flextime, job sharing and/or part-time work wherever needed and feasible.

16. Have employee recognition awards and/or pay bonuses for workers helping company (e.g., productivity, quality, suggestions, etc.). Take advantage of positive PR opportunities these provide. Work to project a positive image of the company throughout the community.

17. Provide relocation assistance wherever critical personnel situations exist.

18. Provide housing assistance if needed.

II. Outside the Plant (external or community matters)

1. Cooperate and communicate with local educational administrators and teachers concerning basic educational/training needs of high-school graduates. Stress the need for mastery of the basic academic skills (3-R’s) plus development of a constructive attitude and work ethic.

2. Participate in high-school activities, particularly those concerning career planning, job counseling, and preparation. Encourage employees who have children or grandchildren to become active in parental involvement activities in their schools, to assist their children in their school work and to assist teachers and administrators.

3. Provide co-op and work-study opportunities for local students in high-school and post-secondary programs wherever possible.

4. Provide information, opportunities, financial assistance, and active encouragement to all employees for local/external post-secondary training/education courses and programs relevant to firm's needs. Publicly recognize employee's achievements, record same in personnel records, and where possible, add responsibilities, pay and/or job title.
5. Sponsor and/or assist in community activities and projects. Include:
   a. Fund drives -- provide leadership persons and contributions,
   b. Sponsor/assist in academic competition and recognition, and in sports and arts programs/teams (particularly those which can be identified with the company),
   c. Recognize deserving employees for community or company service.
6. Provide leadership, ideas and resources for new and worthwhile continuing community improvement endeavors.
7. Establish (or participate in) a business/industry-sponsored community endowment or grants fund for such things as teacher fellowships and professional development, student dropout and illegitimacy prevention measures, and innovative school programs.
8. Establish and maintain a good relationship with communications media, (e.g., newspapers, radio and TV).
9. Become familiar with, use and support all local agencies and organizations which can assist you in finding qualified new employees and in helping to train and retain current employees. These may include the local public school system, JTPA, the Northern Indiana Job Alliance (see Attachment V), Elkhart Branch of the Indiana Department of Employment and Training Service, the various providers of education and training courses and programs, the Elkhart Multiple Listing Service, and the Michiana Rentals Inc. for housing, etc.

III. Where to Look for New Employees:
1. From recent high-school graduates and/or graduates from appropriate post-secondary vocational, technical-institute or college programs (particularly those who might have been previous co-op or work-study students or from other types of school/industry activity). Maintain close working relationships with such institutions.
2. From those recently retired (e.g., "early" retirees from business, industry, military or civil service) and from self-employed or temporary workers.
3. Women who wish to enter or re-enter the workforce (e.g., displaced homemakers, recently widowed and desirous of income, second family bread-earner, etc.). This may take special out-reach efforts, counseling, support and training.
4. From other companies/agencies which are closing, having a reduction in workforce, personnel changes, or other reason.
5. From the local branch office of the Indiana Department of Employment and Training Service and other employment referral organizations.
6. General advertisements: newspaper, radio, billboards, posters, pamphlets, etc. and
7. Targeted advertisements/recruitment in areas with workforce surpluses (I.e., displaced workers -- such as from steel or transportation firms -- high unemployment rate communities, etc.).

43 38
A changing labor market nationwide has forced a rethinking of public assistance programs and their relationship to manpower and training programs. Labor market analysts and economists agree that by the year 2000, demand for workers will exceed supply if the work force does not receive a shot in the arm.

The effect of this nationwide shortage of workers is already showing in our [Lafayette] area. Employers in the retail and service industries search frantically for workers to replace those who have moved into other sectors of the economy. "Help wanted" signs are a predominant feature in our business and shopping districts today. Employment classified advertisements (recently relegated to a corner of one page) now spill over onto multiple pages. All are signs of the growth in the demand for workers.

One answer to the problem of low worker supply is to increase labor force participation rates. Labor force participation rates among recipients of food stamps and Aid to Families with Dependent Children (AFDC) are much below average. In order to increase that rate, we are helping to administer the Indiana Manpower Placement and Comprehensive Training (IMPACT) program.

IMPACT is based on the idea that many of the recipients of public assistance are able to work and have either chosen not to participate in work or have encountered severe barriers in obtaining employment. IMPACT recognizes that these people represent a possible solution to our labor market shortage and represents an investment to allow them to overcome the barriers that have previously precluded their participation in the labor force.

More than merely "work-fare" (a system whereby assistance recipients work off awards through public work projects), IMPACT provides the means by which people make transition into full-time, productive private-sector employment.

Already underway locally, IMPACT will serve over 300 individuals between October 1987 and June 1988 with services ranging among classroom vocational training, on-the-job training, self-help workshops and seminars, basic education and job placement assistance.

Food stamp and AFDC recipients are referred to Career Development by Department of Public Welfare case workers. Career Development staff then work with clients to develop and implement a step-by-step plan to reach the clients' employment goals. Constant contact between Career Development staff, special IMPACT staff and clients combined with stringent program outcomes ensure a useful and cost-effective program which yields quality results.

Career Development's goal in working with the IMPACT program is two-fold. First, we have an obligation to the individuals who receive public assistance to help them overcome the extraordinary barriers that they face in breaking out of poverty and becoming working partners in our local economy. Second, we seek to fill the increasing gap between the supply of and the demand for workers.

Source: Career Developer, Winter 1987/88, published by the Department of Career Development, 639 South Earl Avenue, Lafayette, IN 47904.
APPENDIX II

IMA JOURNAL SUPPLEMENT - HIGHLIGHTS

INDIANA MANUFACTURERS ASSOCIATION

EEO and Performance Appraisals

When performance appraisals are carefully structured and administered, they can provide a safeguard against discrimination claims, according to Barbara Brown, of the Washington, D.C., law firm of Paul, Hastings, Janofsky & Walker. As the focus of equal employment opportunity litigation shifts from hiring to pay, promotion, and conditions of employment, Brown points out, managers need to reevaluate their performance appraisal systems and make sure that they don't leave the organization open to discrimination charges.

According to Brown, various principles concerning the design of appraisal systems have emerged from court decisions. These principles, if adhered to, "will make an appraisal system far less susceptible to challenge." When structuring an appraisal system, therefore, Brown advises managers to:

- Devise job descriptions or analyses for every particular job or group of jobs -- An analysis of the central job duties involved will provide the factors on which an employee's performance is judged and guards against charges of discrimination on race, sex, or age.

- Review job duties with employees at the beginning of the appraisal period -- This removes the "surprise" element and lets employees know both what is expected of them and on what criteria they will be appraised.

- Phrase appraisal criteria in the most objective manner possible -- In the past, courts have disapproved the use of all subjects, or trait-oriented, appraisal criteria. Recently, however, there has been some loosening of this rule in recognition that such factors as appearance, aggressiveness, initiative, and resourcefulness are essential in professional and managerial jobs. Therefore, Brown advises, if you use such subjective criteria, be ready and able to defend them with "concrete examples of the application and the results achieved."

- Involve employees in the appraisal process early -- A preevaluation interview, during which employees may discuss their reactions to the appraisal, provides the workers with an occasion to communicate with the supervisor and can encourage receptivity to the appraisal results.

- Have appraisals reviewed by upper management before giving them to employees -- This can promote consistency in appraisals and prevent any tendency to rate one group more highly than another.

Wrongful Discharge Rules: Management Maxims

By following the "Ten Commandments" of discipline and discharge, employers can avoid the potentially huge financial liability created by repeated court reviews of employee terminations, according to Lloyd Loomis, senior counsel for employee relations at Atlantic Richfield Company. Loomis points out that the juries that review wrongful discharge cases often are composed of workers or former workers who tend to sympathize with complaining employees and award them large sums in damages.

The "Ten Commandments" of discipline and discharge are:

- Review all written company policies and documents that discuss termination or lay off to ensure that they are up to date and do not convey any impression of guaranteed long-term or permanent employment.

- Define the organization's standards of employee conduct and make sure that they are reasonable and attainable. Standards that deal with termination should avoid any inference that discharge will be for "just cause" only.

- Generate "favorable documents" at key encounters, such as hiring and exit interview, disciplinary actions, and benefit explanation sessions. Management should have employees sign forms stating they have received and understand the information.

Handle performance evaluation carefully. Few supervisors who complete such forms are completely candid in their appraisals. Frequently, the result is the employee's use of a "wrongful evaluation" charge as the basis for a wrongful discharge suit.

Develop a written progressive discipline policy covering nonunion workers. The existence of such a policy will help demonstrate the employer's fairness in the event of a wrongful discharge suit.

Appoint a "czar of discharge" within the firm who is responsible for objectively reviewing all the factors relating to a firing.

Review all the factors in a case before making a discharge decision. These include the employee's age, the strength of the employer's evidence, the consistency of the employer's application of its policies, and whether the worker was given the opportunity to present the "other side of the story."

Be sure that the discharge notice candidly states the reasons for the dismissal. Management should, however, carefully avoid statements that might be viewed as defamatory.

Ensure that the discharge is properly conducted. Management should be mindful of an employee's dignity and confidentiality concerns throughout the termination process.

Consider whether litigation can be avoided by agreeing to "a deal" with the discharged employee. Examples include agreements to submit the termination issue to arbitration or extend benefits for a specified period.

Substance-Abusers: A Supervisor's Action Guide

Often, employees with substance-abuse problems refuse to recognize the harm their dependencies cause until they are confronted with evidence of their poor performance and warned that they are in danger of losing their jobs. Because of their close daily contact with employees, first-line supervisors are in a particularly good position to identify workers with possible substance-abuse problems. According to Fair Oaks Hospital in Summit, N.J., supervisors can spot possible substance-abusers by watching for performance problems, attendance problems, deteriorating attitude or appearance, and health or safety problems. [underline added]

Supervisors who suspect that any employee has a dependency problem should keep several do's and don'ts in mind, the hospital advises. The do's include:

Document -- Confronted with consistent, factual documentation of work-related deficiencies, an employee cannot easily dispute the existence of a problem.

Intervene -- Early intervention is important because problems will not improve or disappear on their own.

Stick to the facts -- Don't rely on your memory when confronting a worker with evidence of the problem. Have your documentation in front of you.

Remain objective -- Getting subjectively involved may impair your ability to identify the problem and help the worker come to grips with it.

Have a treatment option available -- Be aware of the available agencies, treatment facilities, and consultants to which the employee can be referred for help. Be ready to help the worker contact an appropriate source of aid and stress the confidential nature of the assistance and treatment efforts.

Supervisors also should be mindful of the following don'ts:

Don't lecture or become angry -- Avoid meaningless threats of disciplinary action.

Don't try to act as a diagnostican or a counselor -- Leave diagnosis to the professionals. Don't give employees the false impression that by speaking to you, they are getting all the help they need.

Don't refer to off-the-job behavior -- Any references to off-the-job problems will alienate the employee and most likely will be viewed as an infringement on the worker's privacy.
... [T]he U.S. has a labor shortage, something it hasn’t experienced in at least two decades. It results from several convergent trends: nearly five years of steady economic growth; the arrival of a "baby-bust" generation with fewer work-force entrants; a chronic problem with "unemployables"; and effects of the recently passed Immigration Reform and Control Act.

If the shortage continues to spread, it could have economic consequences, raising the potential for inflation and reducing the potential for further economic growth....

The nation’s current 6% unemployment rate, while down sharply from the 10%-plus peaks of the 1982-83 recession, still sounds high by historical measures. But given geographical disparities in job availability, the economic cushions available to nonworkers and "unemployables," some economists think the U.S. is about as close as it can get to "full employment" today.

While demand for labor has increased, the supply has not expanded accordingly. The supply of 16-to-24 year olds (the baby-bust generation) has diminished as a result of the declining birthrate in the early 1970s. That age cohort made up nearly a quarter of the work force in 1980, but now makes up only a fifth. Within 10 years, its share will decrease even more.

Yet another sad truth is that a certain segment of the population is chronically unemployed. We are referring to the inner city poor, most of whom are black or Hispanic. The problem is complex. Many of the chronically unemployed are simply unemployable; they are often illiterate, sometimes have antisocial pathologies (such as drug abuse) or lack the interpersonal skills and deportment necessary to secure and maintain even a low-skill entry-level job.

No matter how low the unemployment rate drops, or how many jobs are created, the unemployable will remain outside the work force. Much of this can be blamed on two and a half decades of well-meaning but misguided social policies that damaged inner city schools, fostered dependency among the poor and subsidized unproductivity.

... [T]he converging trends we cited have not nearly peaked yet: The baby bust will not bottom out until 1995, the explosive labor demand will continue with potential for some nine million new jobs over the next decade, according to the Bureau of Labor Statistics, and the problem of the unemployables show no sign of abating.

Congress has the power to ease the pinch. It can modify the immigration act, for example, to allow more imported labor. It can expedite welfare reform with a view toward creating greater incentives for work. It can re-examine unemployment compensation laws to reduce the incentives for idleness. Most of all, it can recognize that it is faced not with recession but the consequences of something that should be welcomed and sustained, national economic growth.

APPENDIX IV

WORKERS WANTED:

A GROWING SHORTAGE OF SKILLED CRAFTSMEN TROUBLES SOME FIRMS

(HIGHLIGHTS)*

Treat to Efficiency

In the past year, much attention has been focused on the growing scarcity of service workers for restaurants, hotels and stores. But a far more serious labor shortage is emerging for skilled blue-collar craftsmen ranging from machinists and electricians to shipbuilders and bricklayers. That shortfall, at aerospace companies, defense contractors and construction concerns, could damage American industry's efficiency and could encourage more manufacturers to move operations to foreign nations where workers are plentiful. And because skilled blue-collar craftsmen are considered crucial to the nation's defense industry, more and more executives worry that the U.S. couldn't respond quickly to an international crisis.

... In ... parts of the country, companies are enforcing mandatory overtime to meet production schedules and taking on workers with fewer-than-desired skills -- trends that some economists say could reduce productivity.

Wage Gains Modest

But, surprisingly, the labor shortage has sparked only modest wage gains so far. Although desperate for certain key skills, some employers would rather "limp along without a full work force" than raise wages high enough to attract needed workers....

"What we're seeing is the legacy of the last economic recession and the ongoing pressure of foreign competition. Many companies have chosen to ignore issues of supply and demand for fear that higher labor costs will make it more difficult to compete.... The threat of foreign competition is a real factor, but it is quickly becoming an excuse for not raising wages. Companies obsession with labor costs could be creating an even more severe shortage for the 1990s."...

In addition, unions are making job security, not higher pay, their top bargaining issue. ... As the shortage worsens, however, wage pressures may slowly build up.

Work-Force Cutbacks

The existence of any sort of labor shortage seems hard to fathom while many corporations, including auto companies and steelmakers, continue to restructure their operations. They have cut the manufacturing work force by 6% to 19.2 million last month from 20.4 million in August 1981....

But aggregate employment numbers aren't broken down into specific figures for skilled blue-collar workers, who hold one of every four factory jobs. Moreover, some of the shortages are concentrated in New England and the mid-Atlantic states. There, joblessness in some cities has slipped below 4%, the level that some economists now consider 'full employment' after allowing for such frictional unemployment as people voluntarily moving from one job to another.

An unemployment rate that dips below that level indicates more jobs available than qualified workers to fill them. According to government statistics, one of five major metropolitan areas had jobless rates below 4% in June.

... "In the eyes of most people, heavy manufacturing is unexciting. ... We've got to convince them that they can build interesting careers here."...

That won't be easy because the highly cyclical defense industry often hires and fires employees according to shifts in government spending. ... "It's hard to get people enthusiastic about working in an industry where there is little security."....

Construction Industry

... in the Washington area, where the unemployment rate is only 3.4%, and acute shortage of construction workers is forcing builders "to use a lot of Yankee ingenuity" to avoid backlogs and costly cancellations....

Architects in Washington sometimes alter construction designs because of shortages of bricklayers, roofers, carpenters, steam fitters and sheet-metal workers....

Others cope by relocating the high unemployment areas....

Behind the shortage are several economic and demographic forces, including the shrinking numbers of young people entering the labor market and the fading appeal of blue-collar work. But employers themselves are at least partly to blame, economists argue.

Hoping that shortages will prove temporary, many companies have "wanted to keep wages low and also refuse to offer training to potential workers." ... At the beginning of 1987, average hourly wage rates for machinist jobs ranged from $14 to $16, about the same as in 1982. In the past four years, bricklayers' wages have remained unchanged at $14 to $17 an hour, and the average $15 an hour for tool-and-die makers hasn't risen, either. Allowing for inflation, real wages are down.

Meanwhile, many apprenticeship programs have dwindled, sharply limiting the pool of potential employees. The cutbacks are partly due to corporate cost cutting and partly because of some unions' attempts to preserve the jobs of existing members by reducing the numbers of trainees. The Machinists union estimates that apprenticeship spots have dwindled 45%, to 12,000, in the past five years. Government figures show that, since 1979, the number of people in apprenticeship programs for pipe fitters fell 30% to 11,200, and those in bricklayer programs plunged 53% to 4,000.

Changed Times

Yet manufacturing companies can no longer depend on older workers to train younger replacements, as they once did when craft jobs were passed from father to son. Although the shortage of skilled blue-collar workers is greatest in white-collar cities such as Stamford, Conn., and Boston ... young people are shunning factory jobs even in traditionally blue-collar cities such as Pittsburgh, St. Louis and Detroit....

"There's a feeling among younger workers that factory jobs are dirty and boring....

Companies, in turn, complain of a growing mismatch between the jobs they are trying to fill and workers' skills. They say many job applicants can't pass reading and math tests to qualify for apprentice positions. In the past, poor academic skills didn't automatically ruin an applicant's chances, but as manufacturing becomes more sophisticated, workers are running numerically controlled computer equipment requiring an understanding of math....

Some Wage Increases

Desperate for workers, a growing number of companies are pushing mandatory overtime and, as a last resort, are even beginning to raise wages....

Some small companies ... have to raise wages to keep workers from defecting to larger companies with better pay and benefits...

Economists and personnel managers agree that wage pressures are building. ... Wages have nowhere else to go but up."
Management

Survey Sees Skills Lack

By JUNE ALTMAN

NEW YORK—Lack of skilled personnel is limiting the implementation of available manufacturing technology such as computer-integrated manufacturing (CIM), a survey of more than 300 senior manufacturing executives at Fortune 500 industrial companies indicates.

In the survey, conducted by Coopers & Lybrand, 30 percent of responding executives cited lack of skilled personnel as "a major obstacle to technology implementation."

Conducted from February through May of this year, the survey included interviews with 301 senior manufacturing executives and 351 industrial engineers from the Fortune 500 companies.

Although 78 percent of executives and 85 percent of industrial engineers surveyed said they believed CIM offers "enormous long-run cost advantages," roughly one-half of those surveyed said they didn't expect "very extensive use of available technology—including CIM—" MRPII (materials resource planning) and just-in-time (JIT) systems—within the next five years.

Cost Also Cited

In addition to lack of skilled personnel, both groups cited cost as one of the major obstacles to technology implementation. According to Coopers & Lybrand's manufacturing industry practice, said equipment expenditure is not the factor limiting the ability of U.S. manufacturers to compete internationally.

"Manufacturers in this country spend about $17 billion per year on automation, and the market for industrial automation products and services is growing at 10 percent per year."

"The question really is. Are manufacturers applying the available technology efficiently and how can they spend that $17 billion more effectively?"

Johansson continued: "One must ask not only what new technology can do for the company, but also what cultural change needs to happen in the workplace to make that technology effective. Without the proper attention to training and cultural adjustments, all the equipment in the world won't make any difference," he said.

Management Must Wake Up

Irvin Krause, national director of CIM at Coopers & Lybrand, said he finds that management views technology as the solution and "pays little attention to the major disruption it can cause in the way a factory operates."

"But for the system to be put into operation successfully, companies must address workers needs for training and education to accommodate change, roadblocks in the organizational structure and lack of information about the relationship between the new technology and the old manufacturing process."

Furthermore, a large number of manufacturing executives are not aware of the specific benefits of specific technologies, Johansson said.

"When asked about their use of specific approaches—MRP vs JIT vs CIM, for example—they said that they used them in roughly equal proportions. But we know from other research that the use of different techniques has reached differing levels of maturity and acceptance."

"Manufacturing executives need a better vision of the role of technology, in addition to better understanding of the roles of individual technologies and manufacturing applications," Johansson concluded.

The survey also questioned the executives and industrial engineers about America's competitive position in the international marketplace. About one-half of each group said they viewed the reestablishment of a competitive position in the international marketplace as a "very serious" problem.

A majority of executives believes that the U.S. could regain a global competitive edge in automobiles, steel and machine tools. However, only 10 percent said the government action would be to "significantly upgrade education and training in technical fields in secondary and higher education."

Asked if they favored any type of government intervention, 72 percent of the executives surveyed said a "very effective" government action would be to "significantly upgrade education and training in technical fields in secondary and higher education."

In addition, 49 percent of the executives said they would like to have the Investment Tax Credit restored. However, only 10 percent said import restrictions would be a "very effective" way of restoring their competitive position.
APPENDIX VI

CHANGES: A LOOK BACK, AND A LOOK AHEAD

The editorial comment below, written nearly ten years ago, illustrates the changes taking place in manufacturing. These, and coming changes drastically affect the numbers and qualifications of the workforce. Significant changes are also taking place in other industries and all types of businesses. There is little question that a large portion of the workforce will need continual retraining and upgrade training and that new employees will need a sound educational base in order to adapt and grow in the changing environments.

AN EDITORIAL COMMENT ON MANUFACTURING ENGINEERING

THE SPEED OF CHANGE
The most startling aspect of Manufacturing Engineering is the speed with which it has changed. Yesterday’s expert in die fitup is now watching the traveling wire finish mating components to previously undreamed-of levels of accuracy. He is watching robots perform welding, riveting and assembly operations. He sees computers performing millions of calculations to machine contours which couldn’t be handled yesterday.

THE LOOK OF TOMORROW
Looking ahead, changes of even greater significance in the Manufacturing Engineer’s responsibility loom on the horizon. Today’s robot expert is watching the birth of Artificial Intelligence in the laboratories of Stanford and MIT. He sees the amazing progress of computer-aided design and manufacturing. And he notes—perhaps with petulance, perhaps with glee—that the traditional boundaries separating the engineering functions are gradually dissolving. For instance, he now sees the designer with a lightpen putting his visions on a cathode ray tube—and simultaneously programming a computer that will machine the resulting part. Thus Product Engineering merges with Manufacturing Engineering in systems of even greater efficiency.

THE BREAKDOWN OF BARRIERS
Similarly, the Quality Control function—formerly divorced from Manufacturing Engineering—is now a computer function in automated machining lines. The objective is to obtain quality parts—and to control the tool tip position. Thus another barrier between disciplines gives way before advancing technology. Yesterday’s tooling expert, still among us and still active, now represents the time of the chrysalis—the day of the very beginning in what may well be the world’s most dynamic profession.

Daniel B. Dallas
June, 1978

Society of Manufacturing Engineers • One SME Drive, P.O. Box 930 • Dearborn, Michigan 48128

The present and future capabilities of workers depend on acceptance of appropriate lifelong educational and training activities as integral components of their work.

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APPENDIX VII

A SHALLOW LABOR POOL SPURS BUSINESSES TO ACT TO BOLSTER EDUCATION (HIGHLIGHTS)*

... The labor pool of younger workers who historically fill entry-level jobs is declining in both numbers and quality, for reasons ranging from the demographic to the social, while the jobs waiting for them require ever more knowledge and skill.

Alarmed by this double whammy -- and by the cost of screening applicants and providing special training -- business is trying to get more involved in improving basic general education....

Methods of Attack

Some businesses are reacting by jumping into politics and twisting arms to win educational reform and bigger school budgets. Others are financing teacher and student scholarships, research and school-budget supplements. Still others are fighting high dropout rates and enticing students to read more. (Separately, companies are getting more involved in internal educational programs to help employees advance their careers....)

The early returns from the companies' educational efforts are promising, but the problem isn't amenable to a quick fix....

Though only a relatively small percentage of Americans have trouble reading or writing a simple passage and counting out bus fare, a distressing number can't do much more than that. The Federal Education Department estimates that the U.S. has 17 million to 21 million functional illiterates, people whose meager skills aren't up to the demands that life and work place upon them.

Expensive Mistakes

They commit many costly blunders ... $2,200 on a $22 settlement ... misordered $1 million in parts ... misread a label and killed a pen of cattle. ... To forestall such problems, one of every three major U.S. corporations now provides some form of basic skills training for employees.... [P]roductivity losses caused by poorly educated workers, together with the price of remedial training, costs business about $25 billion a year.

That is bad enough. But business is even more concerned as jobs requiring more than the most basic reading, writing and computational skills become the fastest growing sector of the labor market.

Fundamental Flaws

... [T]he total number of young people in the labor pool will constrict sharply as the generation of the baby boom gives way to that of the baby bust. Second, a rising proportion of those people in the pool will be minority-group members -- the very group that schools have had the least success in educating.

Also, more people who once went into entry-level jobs after high school now go to college, meaning that those left for employers to choose from are generally the less accomplished and less ambitious members of their classes....

The explosion of new opportunities for women has contributed mightily to that. ... While all this is happening, entry-level jobs are growing more complex and demanding....

Think Small...

In a number of cases, employers are concentrating on specific aspects of the educational problem ... the nature of the learning process itself ... the dropout rate ... poor attendance and grades ... reading ... teaching. ... [I]n recent years business has been instrumental in forcing costly reforms through reluctant legislatures....

Boston Compact

It is too early to say with any certainty whether the corporate efforts to improve education will add up to a markedly improved work force in years to come. But the so-called Boston Compact provides an encouraging sign. Five years ago 200 Boston-area companies challenged local schools to register 5% annual improvements in school attendance, the high-school dropout rate, and college and job placements. In turn, the companies promised to expand part-time and summer jobs for high-schoolers, and to hire more graduates full time.

Several major concerns have since set up endowments for teacher fellowships, dropout prevention measures and experimental programs schools couldn't afford. The Compact now offers financial aid to any Boston public high-school graduate who wants to continue his education.

The experiment has been deemed ... successful.... Meanwhile, the Compact has build up ... [*] good-faith money that shows we want this to continue in perpetuity. ... One of the things we've learned is that change doesn't come over night.
APPENDIX VIII

ROBERT HALF ON HIRING -- A Basic Synopsis

Having seen and learned from thousands of hiring mistakes made by executives, Robert Half takes you step by step through the entire hiring process and shares with you the shrewd new techniques he has developed:

-- How to increase the number of qualified applicants through effective recruiting procedures
-- How to narrow the field without eliminating candidates who merit consideration
-- The best ways to conduct an interview: what questions to ask and what interpretations to draw from the answers
-- How to go about getting useful reference information
-- Specific steps to take after you've made the decision to make sure you land the candidate of your choice

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