

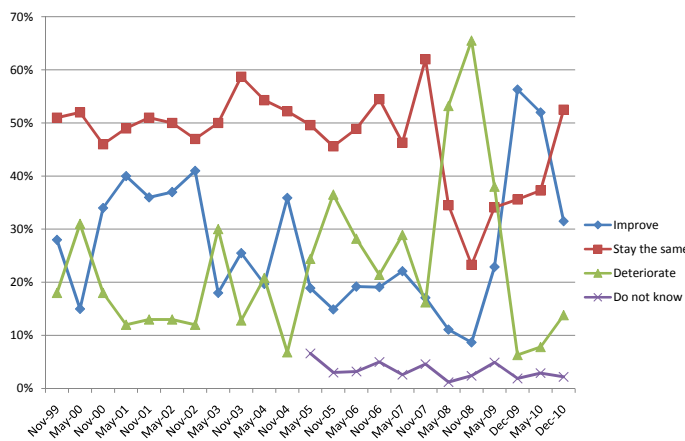
Taranaki Business Survey

- Monitors economic confidence by Taranaki businesses and their views on key business issues.
- Survey undertaken by Venture Taranaki 6-monthly for over 10 years.
- Survey sent to 1000 Taranaki businesses – a cross section of industry type, location and business size.
- Standard questions and special topics:
 - Taranaki's economic outlook
 - Changes to government employment policy
 - Perceptions and experiences around recruitment

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Venture
TARANAKI
Te Puna Umanga

NZ-wide economic conditions next 12 months



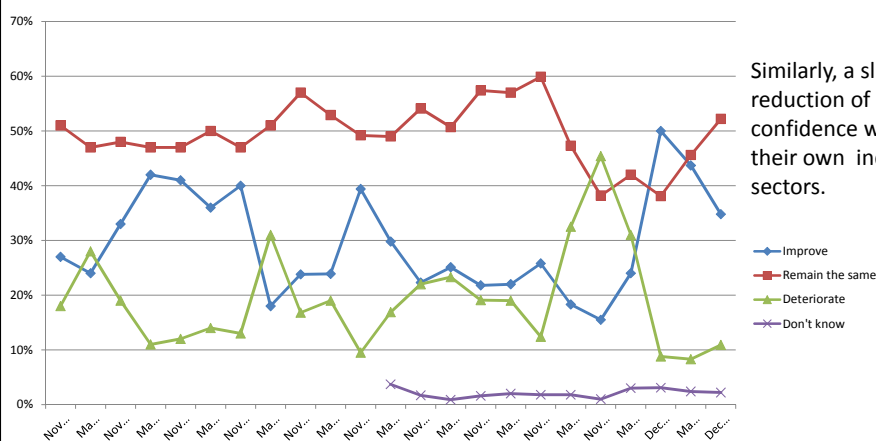
Taranaki businesses anticipate a plateau of economic conditions nationally.

- Fewer predict and improvement (32% down from 52%)
- Most anticipate more of the same (53% up from 37%)
- More predict deteriorating economic conditions (14% up from 8%)

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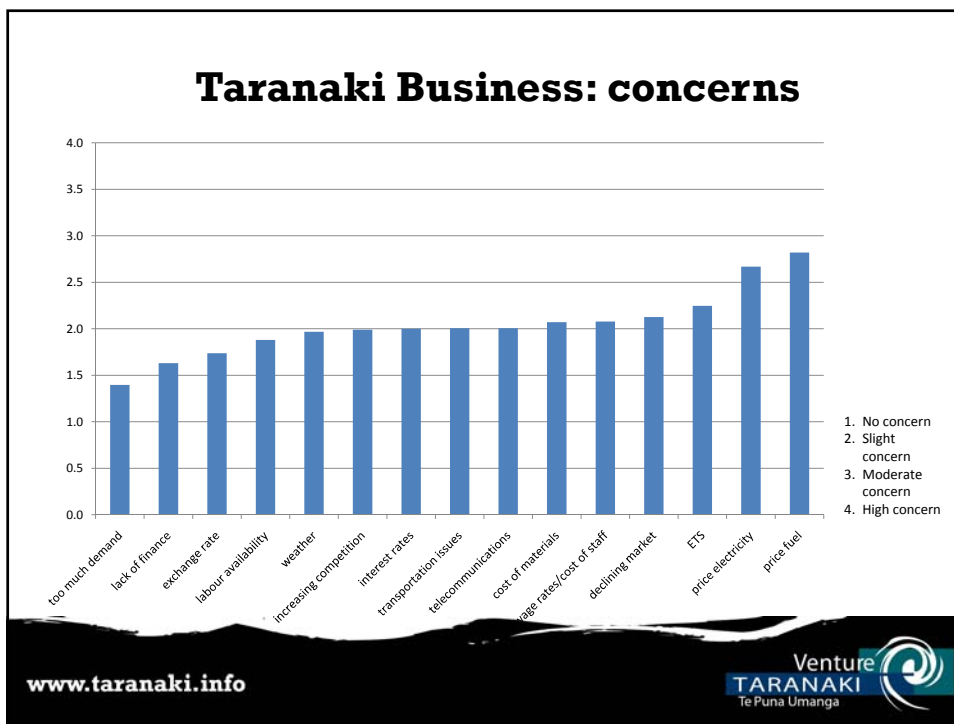
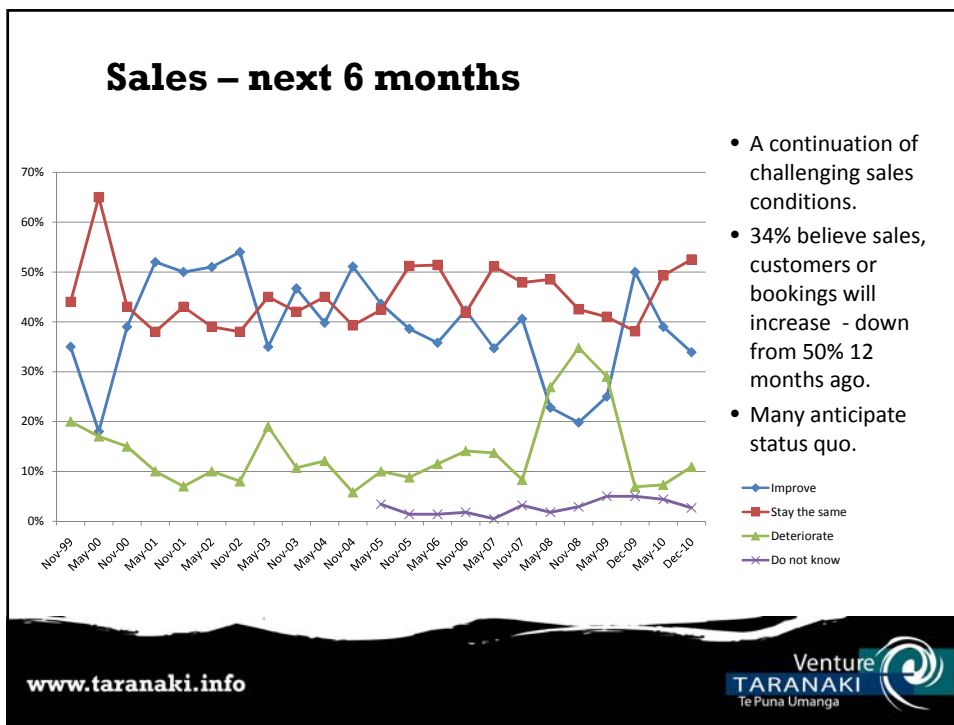
Industry conditions: next 12 months

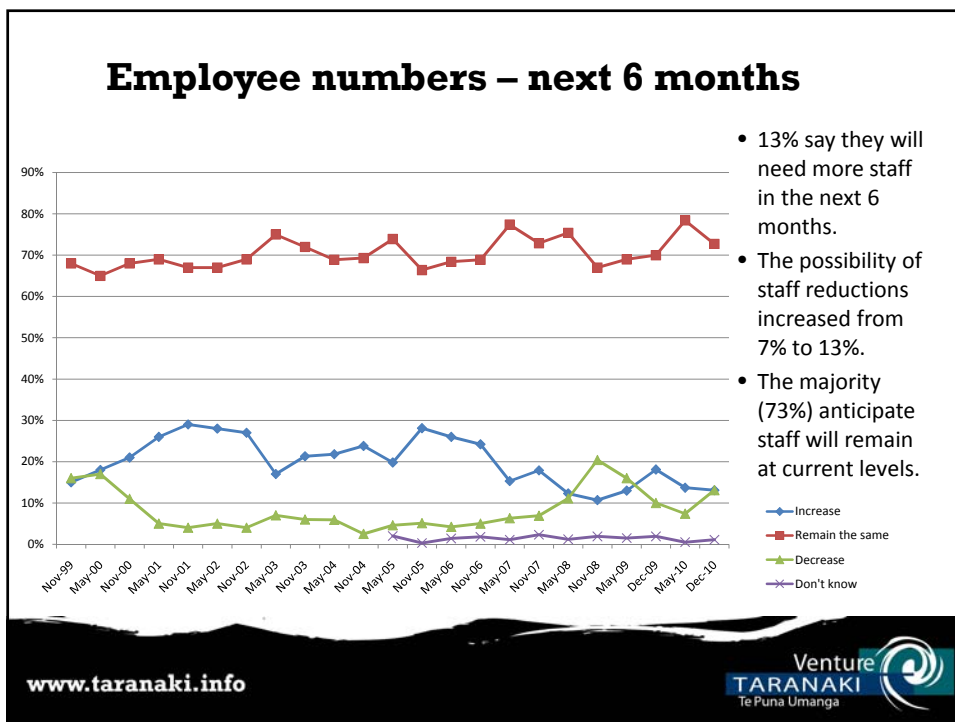
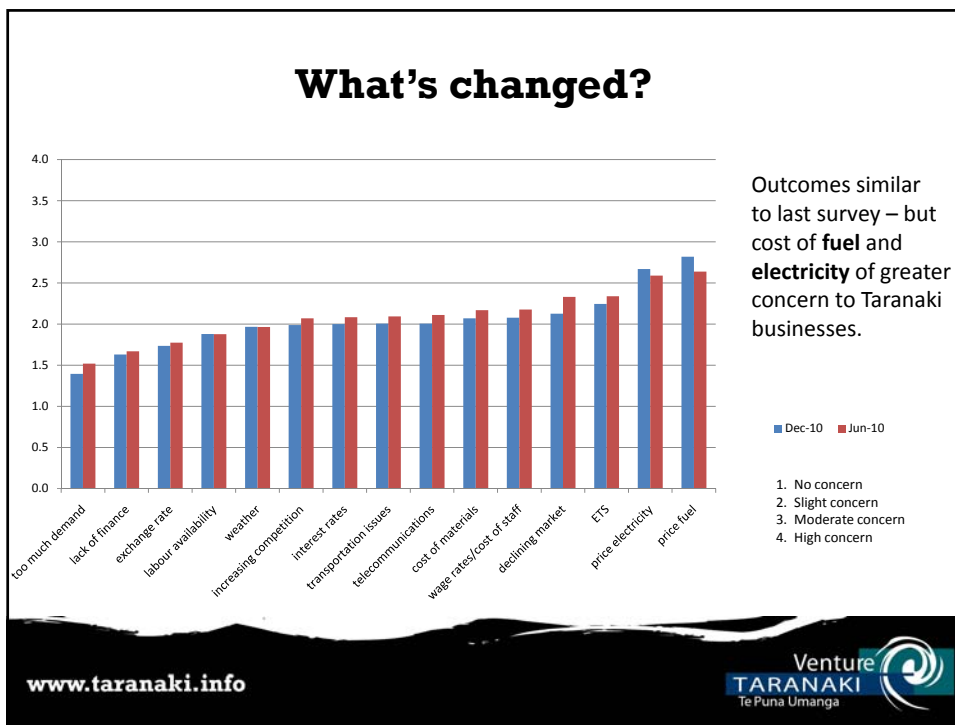


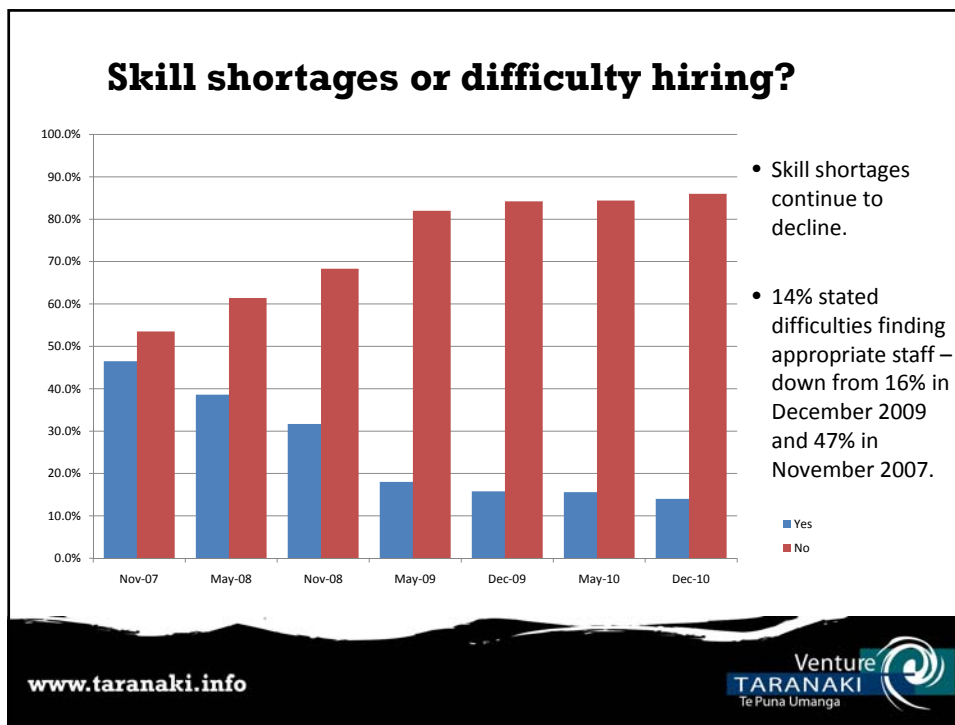
Similarly, a slight reduction of confidence within their own industry sectors.

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Skill Shortages

Specific skills sought:

- Vets
- Those with specific qualifications e.g. Taxi drivers licences
- Qualified trades people

And a repeated call for:

- Trained, skilled people with good base knowledge, experience, and a good work ethic

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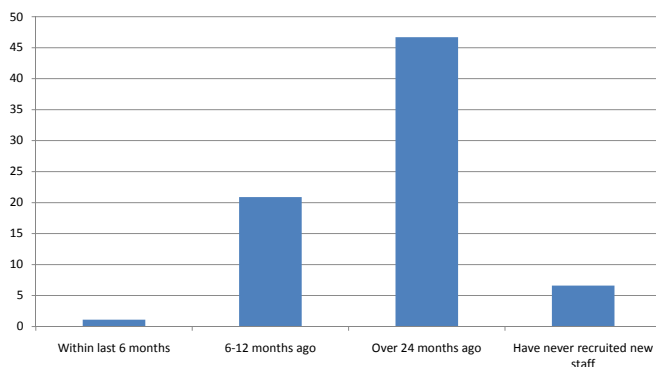
Special topic: **Employment**

Employers were asked:

- Whether they had recruited recently
- Their preferred recruitment channels
- What attributes they look for in applicants
- Their strategies to short-list written applications
- Perceptions regarding hiring unemployed people
- Awareness of employer assistance from Work and Income
- Support for recent changes to employment legislation

Recruitment activity

When did you last recruit a new staff member?



Most respondents had experience recruiting new staff.

46.4% had not employed a new staff member in over 24 months

20.9% had employed someone between 6 and 12 months ago.

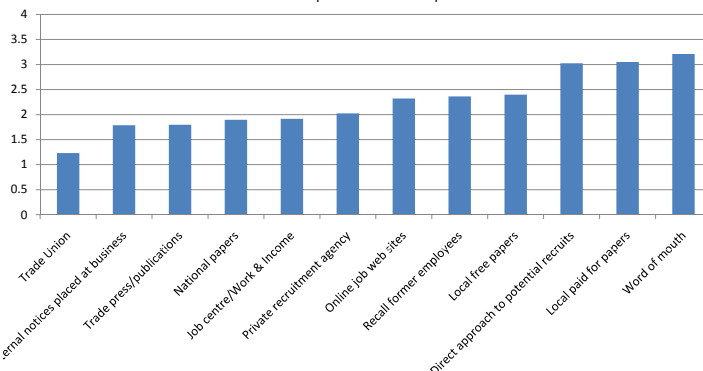
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Recruitment channels

When recruiting staff what is the likelihood you would use the following recruitment channels?

5 = most important 1 = not important



Would use:

- Word of mouth
- Local papers
- Direct – shoulder tap potential applicants

Less likely:

- Trade union help
- Work notices

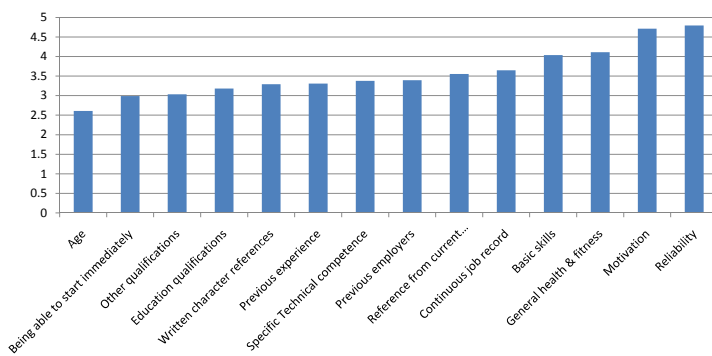
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Recruitment selection influencers

When recruiting new staff, how do you rank the relative importance of the selection criteria below?

5 = most important 1 = not important



Important:

- Reliability
- Motivation
- General health
- Basic skills

Less important:

- Applicant Age
- Ability to start immediately

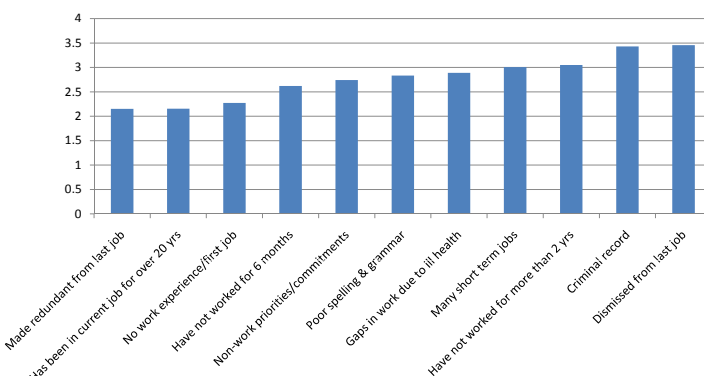
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Recruitment – short-list filters

What factors would be used to filter short-list applicants based on their written application?

4= extremely likely to use 1 = very unlikely to use



Most likely filters:

- Recent dismissal
- Criminal record
- Had not worked in over 2 years.

Least likely:

- Made redundant
- Been in current job long time
- First job

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Perceived **advantages** of hiring people currently unemployed

- Person can be keen to get back into work:
 - Eager to perform well
 - Excited about the job
 - Motivated to put in extra effort
- Subsidies available – especially to upskill
- Can train the person the way you want
- Feeling of making a difference in someone's life and helping them regain work, self-respect, self confidence.

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Further comments

“It's an individual thing. It depends on why they are out of work. Many redundant people have been very good employees”

“They can be grateful to work. Being keener and open to learn”

“If reasons for unemployment are genuine, then you can end up with a very loyal employee.”

“Every person is different. I was once given a chance at a job when I had been in trouble with the police. I try to help other people the same way. Sometimes it pays off, sometimes it doesn't”.

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Perceived **disadvantages** of hiring people currently unemployed

- Loss of work ethic and ability to sustain the 8-hour day:
 - Reliability can be lacking
 - Not used to the commitment of work
 - Lack of motivation to turn up on time and towards work
 - Lack of discipline - peer pressure from unemployed friends.
- Loss of confidence. They frequently require more training, reassurance and supervision.
- Loss of skills. Not up to date with latest practice, especially technology.

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Further comments

“Uncertainty rises with time out of work. I’m less likely to take the risk if other applicants with a steadier work history are available”

“Some prefer to be unemployed and can have an attitude about having to work for a living”

“Loss of skills, routine, self esteem and energy. Little advantage”

“They have gotten out of the habit and routine of working”

“Poor time keeping and commitment but depends on the individual”

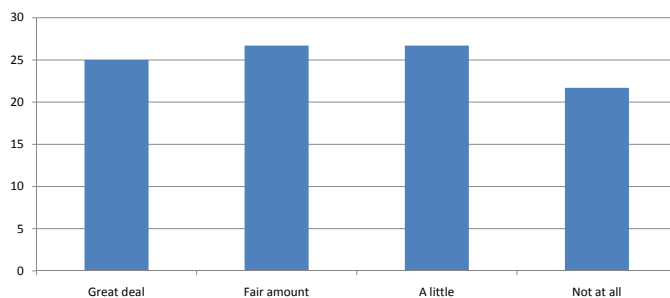
“You have to question why are they out of work? Question their laziness? If out of work for a while, I would look for evidence of community work”

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Financial Incentives – do they make a difference?

To what extent would the provision of financial aids (such as wage subsidies or training assistance) incentivise employment of someone out of work for 6 months or more?



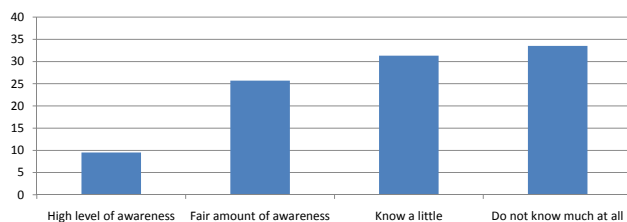
- Results divided BUT overall financial aids are welcomed by employers
- 25% stated they help a great deal when employing long-term unemployed.
- 26.7% stated they help a fair amount.
- Only 21.7% reported they did little to incentivise.

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Awareness of Work & Income Financial Aids for Employers

How would you rank your awareness of the programmes/financial assistance available to employers from Work & Income relating to recruitment?



- Awareness could be enhanced of WINZ Programmes available to employers.
- Less than 10% reported a high level of awareness
- Over one-third of respondents stated they did not know much at all.
- Remainder (57%) knew a little or fair amount.

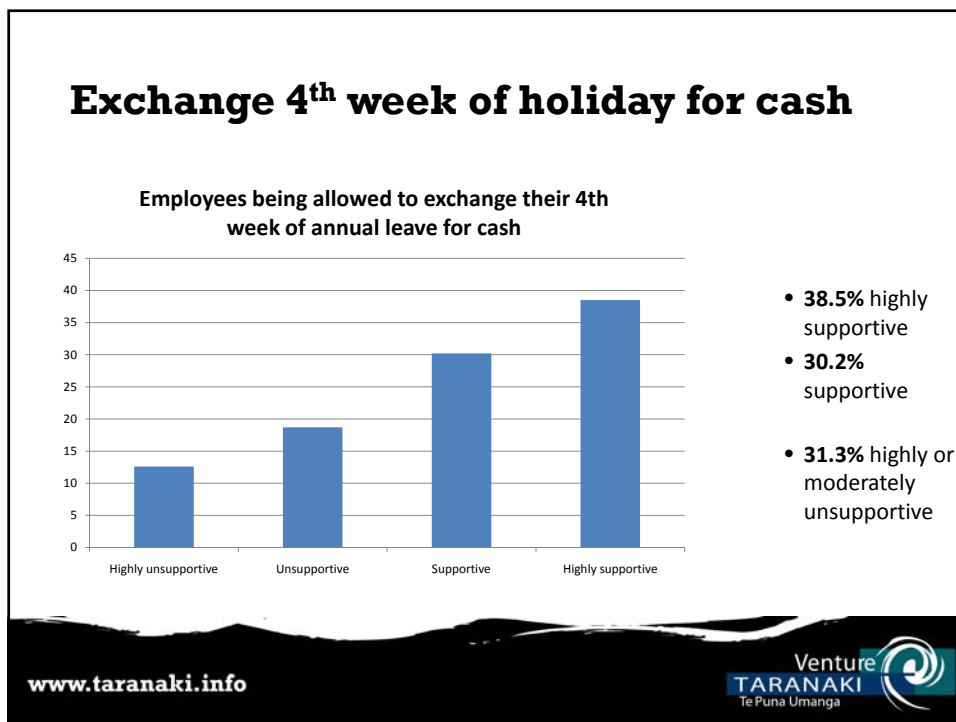
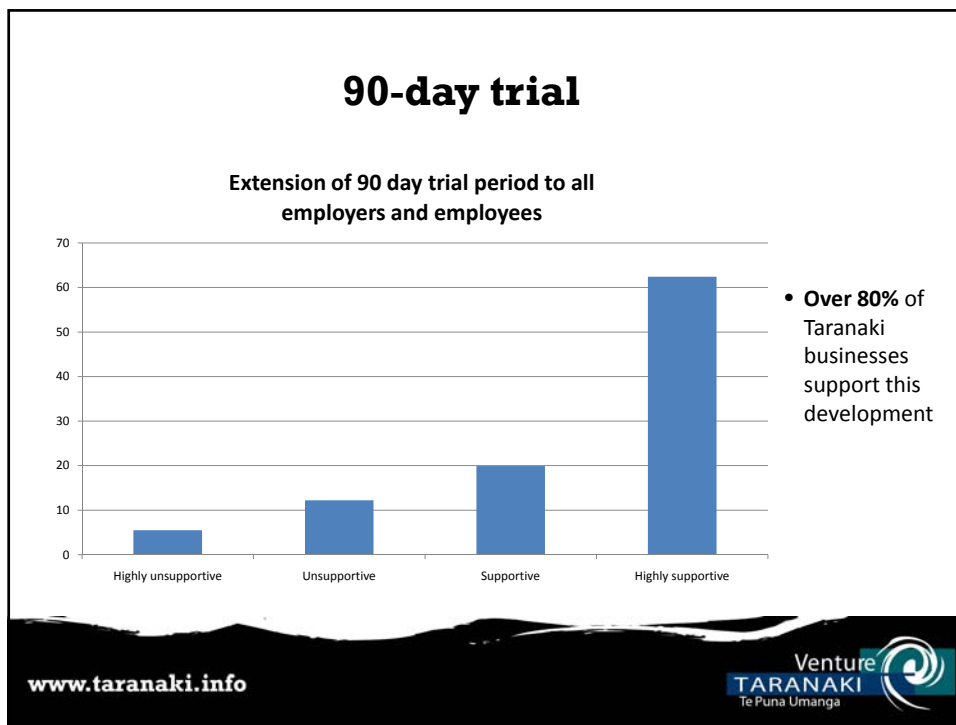
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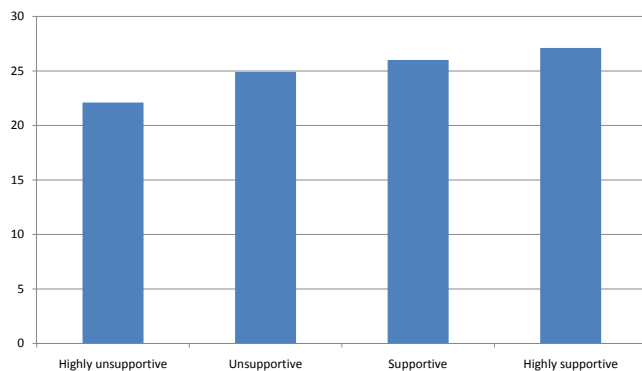
Recent employment policy changes

- Extension of the 90 day trial for all employers and employees
- Employees being allowed to exchange their 4th week of annual leave for cash
- Employees being allowed to transfer the observance of a public holiday to another day
- Work testing for DPB recipients' with a youngest child aged six and over
- Unemployed beneficiaries being required to re-apply for benefits after one year



Transfer public holiday to another day

Employees being allowed to transfer the observance of a public holiday to another day



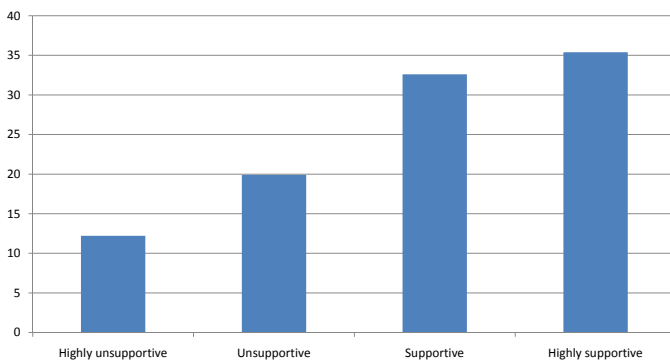
- Results divided:**
- 53% supportive
 - 47% unsupportive

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Work test of DPB recipients

Work testing for DPB recipients' with a youngest child aged six and over



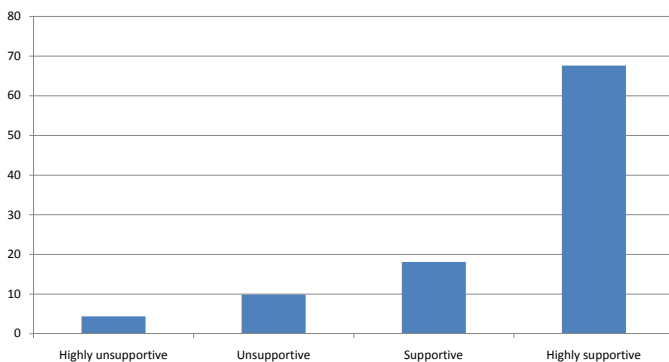
- 68% supportive of work test requirement
- 32% unsupportive of this development

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Beneficiaries having to reapply

Unemployed beneficiaries being required to re-apply for benefits after one year



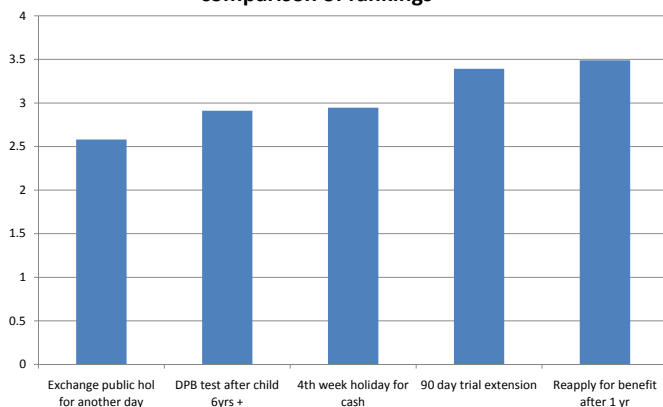
- Significant support for change
- **Over two-thirds highly supportive .**
- 85% supportive or highly supportive.

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Government policies - Support

Govt Policy changes in employment - overall comparison of rankings



Most support:

- Reapply for benefits
- 90-day trial

Least support:

- Exchange of public holiday for another day

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In Summary

- **2011: Economic challenges anticipated to remain.**
We're not out of the woods yet in terms of the recession.
- **Recent changes to employment legislation generally considered positive.** Particularly:
 - Requirement to reapply for unemployment benefit after one-year
 - Extension of 90-day trial to all employers and employees.

In Summary

- **Staff levels to remain constant.**
 - Word of mouth, local newspapers and 'shoulder tapping' are favoured methods of finding staff.
 - Positive personal attributes (motivation, reliability), good basic skills, and being current with practices and technologies are important to getting short-listed.
- **Unemployed programmes** available to employers could be promoted more.
- **Unemployed people** should promote their availability through multiple channels, maintain skills and industry involvement, and demonstrate work ethic through community involvement.