

## Opinion Poll

### Small Businesses Need—And Support—Employees With Additional Training and Credentialing

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**Small Business Majority**

1101 14<sup>th</sup> Street, NW, Suite 950

Washington, DC 20005

(202) 828-8357

[www.smallbusinessmajority.org](http://www.smallbusinessmajority.org)

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## Executive Summary

It's no secret that big businesses struggle to find skilled and credentialed employees. But this issue also impacts our nation's job creators: small businesses. New scientific polling shows small businesses around the country believe lack of education, experience and training is one of biggest challenges they face when it comes to hiring and employment, and they're willing to act to ensure they have the skilled workers they need to run their businesses.

A national scientific opinion poll conducted for Small Business Majority by Greenberg Quinlan Rosner Research found that small businesses identify the lack of education and training as a leading problem they face when it comes to hiring or retaining employees. Nearly three in 10 (29%) say their employees do not have the education, experience or training needed to promote them, and those employees then lose motivation and interest. When asked about hiring new employees, more than one in three (34%) identify finding candidates with the right education, skills or training as a difficulty.

And small businesses are willing to act to address this problem. The poll found nearly four in 10 (39%) already provide specific opportunities for employees to receive additional education, advanced training, certification or credentials outside their business. Fifty-six percent of small businesses with more than 10 employees and 44% of small businesses outside of retail and food services provide these opportunities. An additional 43% provide specific opportunities to their employees to receive additional education, advanced training, certification or credentials inside their business.

Despite the fact that many small businesses operate on tight profit margins, a vast majority is willing to take additional steps to provide their employees more opportunities for training and credentialing, up to and including subsidizing these efforts directly. In fact, more than seven in 10 (71%) are willing to offer a flexible work schedule so their employees can access additional training. A majority of small businesses (54%) are willing to subsidize these trainings themselves. Additionally, more than two-thirds (67%) say they're willing to commit to financially rewarding employees who have received additional education, training or certification with pay-raises and promotions.

The readiness to address this problem squarely reflects small business owners' belief that having a quality, credentialed workforce is good for their bottom line. In fact, among small business owners who provide these opportunities, a vast 81% say it's good for their business, with nearly half (45%) who strongly believe this.

Lastly, small businesses overwhelmingly support solutions that would make it easier for them to address the job skills gap, such as providing tax credits for small businesses that offer these opportunities (80%), and banding with other small businesses to help share the cost of additional training (69%). Nearly eight in 10 (78%) also believe it would be effective to join with local universities, colleges or community colleges to offer additional training or credentialing programs.

As these results make clear, having access to employees with the right training and credentialing is important to small employers, and they're willing to devote resources to address this problem. Small business owners make it a priority to invest in their employees because it's important to the success of their business.

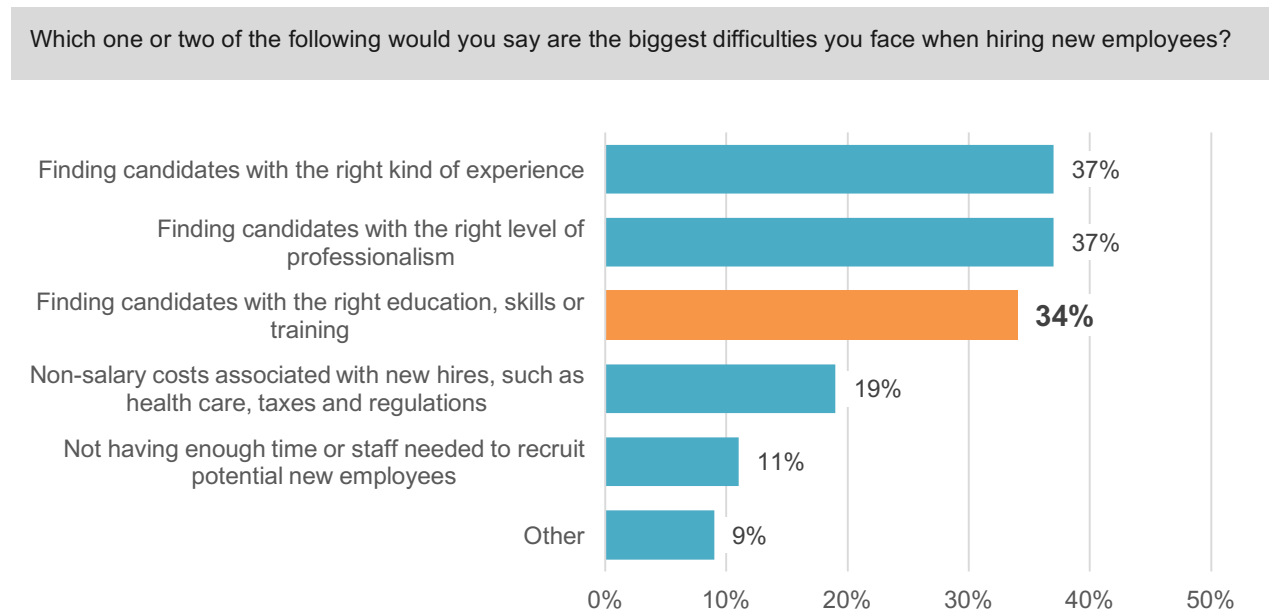
## Main Findings

- **Small businesses identify lack of education and training as a leading problem they face when it comes to hiring or retaining employees:** Nearly three in 10 (29%) say their employees do not have the education, experience or training to promote and lose motivation and interest. When asked about hiring new employees, more than one in three (34%) identify finding candidates with the right education, skills or training as a difficulty.
- **Many small businesses are already addressing this problem inside and outside of their business:** Nearly four in 10 (39%) already provide specific opportunities for employees to receive additional education, advanced training, certification or credentials outside their business. Fifty-six percent of small businesses with more than 10 employees and 44% of small businesses outside of retail and food services provide these opportunities. An additional 43% provide specific opportunities to their employees to receive additional education, advanced training, certification or credentials inside their business.
- **Vast majority are willing to allocate resources to offer their employees more training and credentialing:** More than seven in 10 (71%) are willing to offer a flexible work schedule so their employees can get additional training. A majority of small businesses (54%) are willing to subsidize these trainings themselves. And more than two-thirds (67%) are willing to commit to financially rewarding employees who have received additional education, training or certification with pay-raises and promotions.
- **Small businesses make it a priority to address this issue because they believe it's good for their bottom line:** Among business owners who provide these professional opportunities, a vast 81% say it's good for their business, with nearly half (45%) who strongly believe this.
- **Small businesses support solutions to increase training and credentialing opportunities:** Small business overwhelmingly support solutions that would make it easier for them to address the jobs skills gap, such as providing tax credits for small businesses that offer these opportunities (80%), and banding with other small businesses to help share the cost of additional training (69%). Nearly eight in 10 (78%) also believe it would be effective to join with local universities, colleges or community colleges to offer additional training or credentialing programs.

## Small Businesses Need and Support Training for Employees

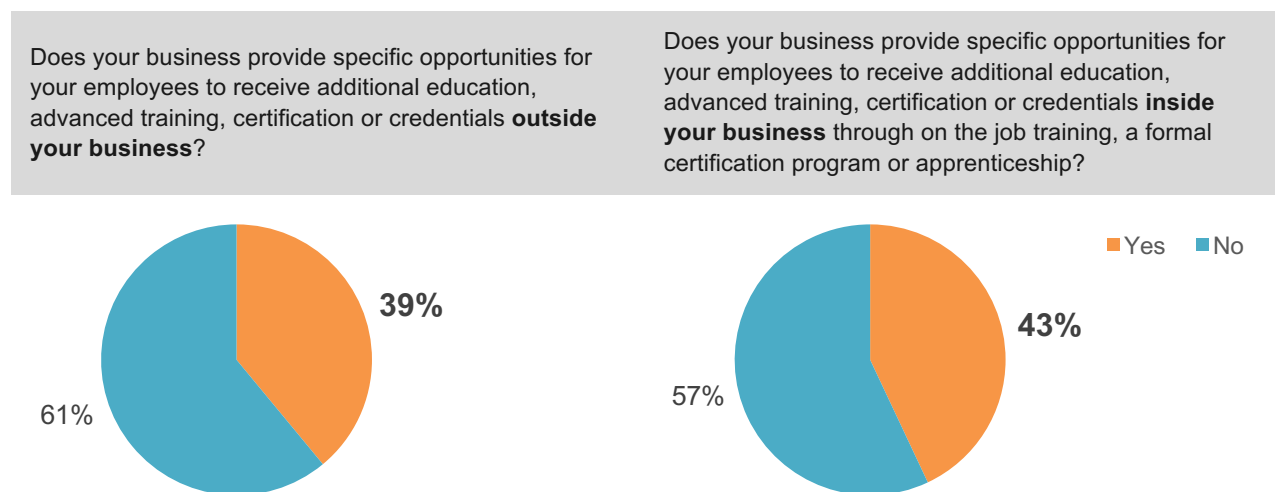
Small businesses believe lack of education, experience and training is one of the biggest challenges they face when it comes to hiring and employment. Nearly three in 10 (29%) say their employees do not have the education, experience or training needed to promote them, and these employees then lose motivation and interest. When asked about hiring new employees, more than one in three (34%) identify finding candidates with the right education, skills or training as a difficulty.

**Figure 1: Small businesses identify lack of education and training as a leading problem they face when it comes to hiring or retaining employees**



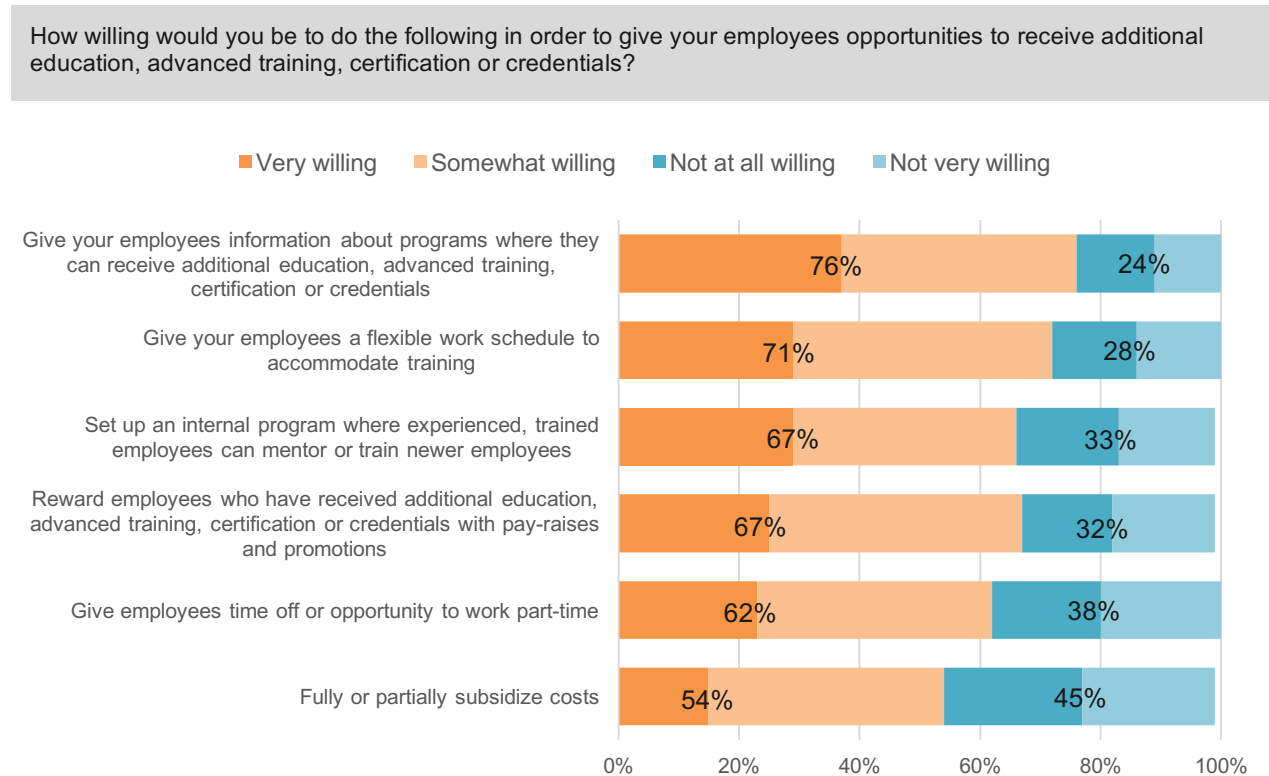
Small businesses are already acting to address this problem. In fact, nearly four in 10 (39%) already provide specific opportunities for employees to receive additional education, advanced training, certification or credentials outside their business. Fifty-six percent of small businesses with more than 10 employees and 44% of small businesses outside of retail and food services provide these opportunities. An additional 43% provide specific opportunities to their employees to receive additional education, advanced training, certification or credentials inside their business.

**Figure 2: Many small businesses already offer training opportunities inside and outside their business**



Despite the fact that many small businesses operate on tight profit margins, a vast majority is willing to allocate resources to provide their employees more opportunities for training and credentialing. In fact, more than seven in 10 (71%) are willing to offer a flexible work schedule so their employees can access additional training. A majority of small businesses (54%) are willing to subsidize these trainings themselves. Additionally, more than two-thirds (67%) are willing to financially reward employees who have received additional education, training or certification with pay-raises and promotions.

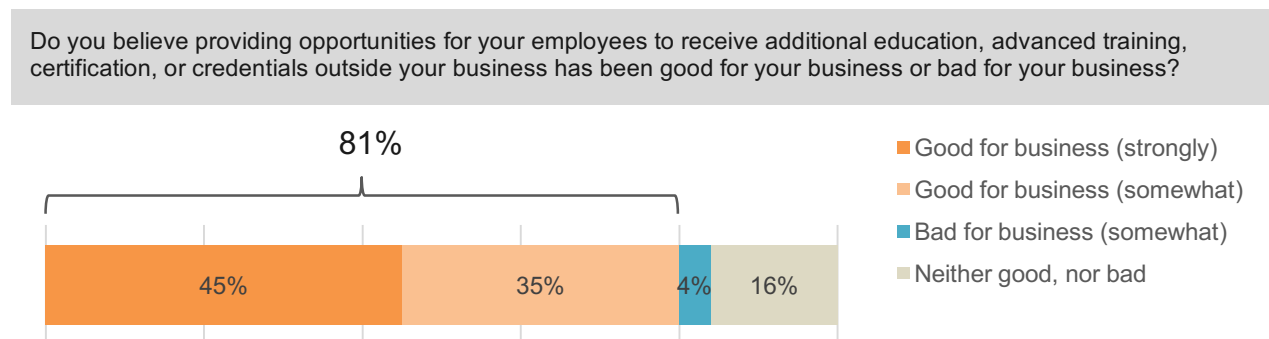
**Figure 3: Small businesses willing take steps to close the credentialing gap**



## Small Businesses Believe Trained Employees Are Good for their Bottom Line

Small businesses make it a priority to provide opportunities for their employees to receive training and credentialing because they believe it's good for their bottom line. Among small business owners who provide these professional opportunities, a vast 81% say it's good for their business, with nearly half (45%) who strongly believe this.

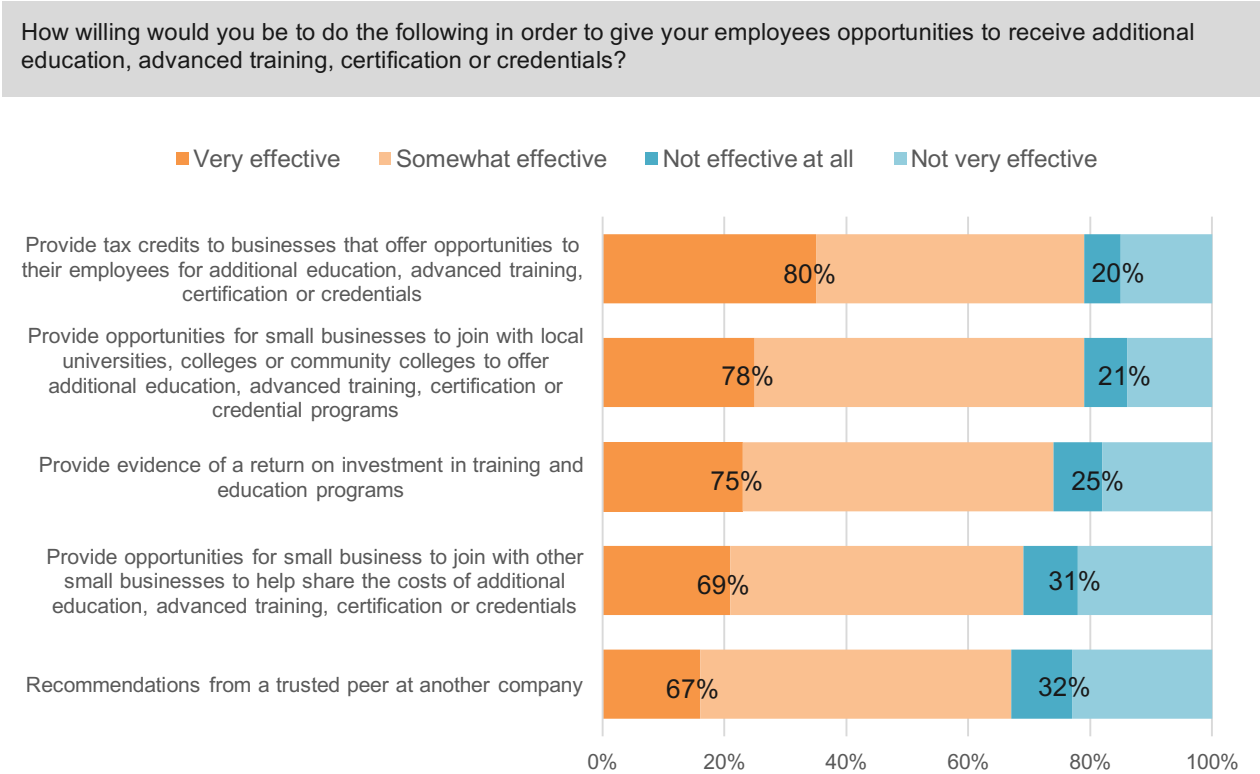
■ **Figure 4: Credentialing employees is good for their bottom line**



# Small Businesses Support Solutions to Increase Credentialing Opportunities

While many small businesses are taking steps to finance training and credentialing opportunities for their employees, they need help to address the jobs skills gap. They overwhelmingly support solutions that would make it easier for small businesses to offer their employees opportunities for education, training and credentialing, such as tax credits for small businesses that offer these opportunities, and banding with other small businesses to help share the cost of additional training. They also believe it would be effective to join with local universities, colleges or community colleges to offer additional training or credentialing programs.

**Figure 5: Small businesses support solutions to increase training and credentialing opportunities**



## Conclusion

Small business owners struggle to find and retain qualified employees. Many of these small business owners are actively participating in programs to address this problem and support a variety of solutions, up to and including subsidizing the costs of additional training for their employees. These solutions are attractive to small employers because they understand that a qualified, well-trained and credentialed workforce is crucial to the success of their business.

## Methodology

This poll reflects a national online survey of 500 small business owners with at least one employee. The poll was conducted by Greenberg Quinlan Rosner Research for Small Business Majority with a margin of error of +/-4.38%. The survey was conducted from October 14-23, 2016.

## Poll Toplines

Small Business Majority  
Employee Credentialing Poll  
500 Small Business Owners Nationwide

Q.1 Do you own or co-own your own business?

	<b>Total</b>
Yes .....	100
No .....	-
Not sure.....	-

Q.2 How many people are directly employed by your business or company, including yourself?

	<b>Total</b>
1 .....	-
2-5 .....	62
6-10 .....	20
11-25 .....	11
26-50 .....	4
51-100.....	2
More than 100.....	-

Q.3 Which ONE of the following categories best describes your business?

	<b>Total</b>
Retail .....	11
Service industry .....	10
Construction .....	9
Real estate .....	8
Finance and insurance.....	7
Arts, entertainment and recreation.....	6
Retail services .....	6
Information technology.....	5
Administrative support and accounting.....	4
Manufacturing .....	4
Scientific and technical services .....	4
Wholesale trade .....	4
Consulting .....	3
Medical or dental .....	3
Restaurant.....	3
Agriculture .....	2
Transportation .....	2
Legal .....	1
Other .....	8
Prefer not to say .....	-



Q.4 Which of the following best describes how your own business is doing?

	<b>Total</b>
Doing very well .....	15
Doing well .....	51
Just OK.....	29
Not doing well.....	3
Not doing well at all .....	2
Not sure.....	-
<b>Total Well .....</b>	<b>66</b>
<b>Total Not Well.....</b>	<b>6</b>
 <b>Well - Not Well.....</b>	 <b>60</b>

Q.5 Which one or two of the following would you say are the biggest difficulties you face when it comes to retaining your current employees?

	<b>Total</b>
Employees find other jobs with more opportunities for advancement .....	32
Employees do not have the education, experience or training to promote and lose motivation and interest .....	29
Employees become too expensive to keep over time.....	27
Do not have time to both train employees to do something new and run your business .....	23
No Issues/Only Principle Employees.....	7
Other .....	10
Not sure.....	-

Q.6 Which one or two of the following would you say are the biggest difficulties you face when hiring new employees?

	<b>Total</b>
Finding candidates with the right kind of experience.....	37
Finding candidates with the right level of professionalism. ....	37
Finding candidates with the right education, skills or training. ....	34
Non-salary costs associated with new hires, such as health care, taxes and regulations. ....	19
Not having enough time or staff needed to recruit potential new employees.....	11
Other .....	9
Not sure.....	-

Q.7 Does your business provide specific opportunities for your employees to receive additional education, advanced training, certification or credentials outside your business?

	<b>Total</b>
Yes .....	39
No .....	61
Not sure.....	-

Q.8 As far as you know, do other similar businesses in your area that might compete with you provide specific opportunities for their employees to receive additional education, advanced training, certification or credentials outside your business?

	<b>Total</b>
Yes .....	33
No .....	67
Not sure.....	0

Q.9 Does your business provide specific opportunities for your employees to receive additional education, advanced training, certification or credentials inside your business through on the job training, a formal certification program or apprenticeship?

	<b>Total</b>
Yes .....	43
No .....	57
Not sure.....	-

[253 Respondents]

Q.10 (If yes on Q7 or Q9) Do you believe providing opportunities for your employees to receive additional education, advanced training, certification, or credentials outside your business has been good for your business or bad for your business?

	<b>Total</b>
Good for your business, feel that way strongly .....	45
Good for your business, feel that way somewhat.....	35
Bad for your business, feel that way somewhat .....	4
Bad for your business, feel that way strongly.....	-
Neither good, nor bad.....	16
Not sure.....	-
<b>Total Good .....</b>	<b>81</b>
<b>Total Bad.....</b>	<b>4</b>
<b>Good - Bad .....</b>	<b>77</b>

[253 Respondents]

Q.11 (If yes on Q7 or Q9) Does your business take advantage of any existing employee credentialing systems or resources in your industry, such as community college training programs, union training programs or programs within your industry?

	<b>Total</b>
Yes .....	56
No .....	44
Not sure.....	-

[343 Respondents]

Q.12 (If no on Q7 or Q9) How interested would you be in providing opportunities for your employees to receive additional education, advanced training, certification or credentials?

	<b>Total</b>
Very interested .....	10
Somewhat interested .....	36
Somewhat uninterested .....	29
Very uninterested .....	25
Not sure.....	-
<b>Total Interested .....</b>	<b>46</b>
<b>Total Uninterested .....</b>	<b>54</b>
<b>Interested - Uninterested .....</b>	<b>-8</b>

[343 Respondents]

Q.13 (If no on Q7 or Q9) Which one or two of the following reasons best describes why your business might not provide opportunities for your employees to additional education, advanced training, certification or credentials?

	<b>Total</b>
Too expensive .....	47
My business does not require or need employees with additional education, advanced training or certification .....	45
Not able to give employees time off and keep business running smoothly .....	26
Too many administrative hassles .....	13
Other .....	6
Not sure.....	-

Q.14 How willing would you be to do the following in order to give your employees opportunities to receive additional education, advanced training, certification or credentials?

	<b>Very Willg</b>	<b>Smwt Willg</b>	<b>Not Very Willg</b>	<b>Not at all Willg</b>	<b>Not Sure</b>	<b>Total Willg</b>	<b>Total Not Willg</b>	<b>Willg - Not</b>
Give your employees information about programs where they can receive additional education, advanced training, certification or credentials. ....	37	39	11	13	0	<b>76</b>	<b>24</b>	<b>52</b>
Give your employees a flexible work schedule to accommodate training. ....	29	43	14	14	0	<b>71</b>	<b>28</b>	<b>43</b>
Set up an internal program where experienced, trained employees can mentor or train newer employees. ....	29	37	16	17	0	<b>67</b>	<b>33</b>	<b>34</b>
Reward employees who have received additional education, advanced training, certification or credentials with pay-raises and promotions. ....	25	42	17	15	1	<b>67</b>	<b>32</b>	<b>35</b>
Give employees time off or opportunity to work part-time. ....	23	39	20	18	0	<b>62</b>	<b>38</b>	<b>24</b>
Fully or partially subsidize costs. ....	15	39	22	23	1	<b>54</b>	<b>45</b>	<b>8</b>

Q.15 Which of the following would you be most willing to do as part of a program to increase job training opportunities for small businesses and their employees in your industry? You can select up to two responses.

	<b>Total</b>
Join with other small business employers to form a training consortium .....	37
Help develop curriculum for a job training initiative .....	31
Sign a petition to policymakers encouraging them to make policy changes that help businesses offer training. ....	28
Volunteer to teach at a job training initiative. ....	26
None .....	3
Not sure .....	1

Q.16 Please indicate whether you believe the following statements are true or untrue when it comes to your specific business.

	<b>Mostly True</b>	<b>Smwt True</b>	<b>Smwt Untru</b>	<b>Mostly Untru</b>	<b>Not Sure</b>	<b>Total True</b>	<b>Total Untru</b>	<b>True - Untru</b>
Having more employees with additional education, advanced training, certification or credentials will improve interactions with customers.....	30	43	15	12	-	<b>73</b>	<b>27</b>	<b>47</b>
The ability of big businesses and corporations to provide their employees with opportunities for additional education, advanced training, certification or credentials gives them a huge competitive advantage over small businesses like mine. ....	27	41	20	12	0	<b>68</b>	<b>32</b>	<b>37</b>
Providing opportunities for my employees to receive additional education, advanced training, certification and credentials will improve employee morale.....	26	46	17	12	-	<b>71</b>	<b>29</b>	<b>42</b>
Having more employees with additional education, advanced training, certification and credentials will improve the bottom line of my business. ....	25	42	20	13	-	<b>68</b>	<b>32</b>	<b>35</b>
Providing opportunities for my employees to receive additional education, advanced training, certification or credentials will make it easier to attract and retain quality employees. ....	23	48	16	13	-	<b>71</b>	<b>29</b>	<b>42</b>
Having more employees with additional education, advanced training, certification or credentials will give me the ability to delegate more and spend more time away from work. ....	22	44	18	15	-	<b>66</b>	<b>34</b>	<b>32</b>

Q.17 Please read the following list of suggestions. For each one, indicate how effective you believe this would be in an effort to increase the number of small businesses who provide opportunities to their employees for additional education, advanced training, certification or credentials.

	<b>Very Effet</b>	<b>Smwt Effet</b>	<b>Not Very Effet</b>	<b>No Effet at all</b>	<b>Not Sure</b>	<b>Total Effet</b>	<b>Total Not Effet</b>	<b>Effet - Not</b>
Provide tax credits to businesses that offer opportunities to their employees for additional education, advanced training, certification or credentials. ....	35	44	15	6	-	<b>80</b>	<b>20</b>	<b>59</b>
Provide opportunities for small businesses to join with local universities, colleges or community colleges to offer additional education, advanced training, certification or credential programs. ....	25	54	14	7	0	<b>78</b>	<b>21</b>	<b>57</b>
Provide evidence of a return on investment in training and education programs. ....	23	51	18	8	0	<b>75</b>	<b>25</b>	<b>49</b>
Provide opportunities for small business to join with other small businesses to help share the costs of additional education, advanced training, certification or credentials. ....	21	47	22	9	0	<b>69</b>	<b>31</b>	<b>38</b>
Recommendations from a trusted peer at another company. ....	16	51	23	10	0	<b>67</b>	<b>32</b>	<b>35</b>

Q.18 In what year were you born?

	<b>Total</b>
18 - 24.....	1
25 - 29 .....	5
30 - 34 .....	8
35 - 39 .....	12
40 - 44.....	11
45 - 49 .....	10
50 - 54 .....	9
55 - 59.....	14
60 - 64 .....	17
65 and over.....	13
(No answer).....	-

Q.19 Generally speaking, do you think of yourself as a Republican, a Democrat, an Independent, or something else?

	<b>Total</b>
Strong Democrat.....	18
Weak Democrat .....	5
Independent-lean Democrat .....	13
Independent.....	17
Independent-lean Republican .....	13
Weak Republican .....	14
Strong Republican .....	21
(Don't know/Refused) .....	-

Q.20 For statistical purposes only, which of these categories best describes the gross revenue of your business in 2015?

	<b>Total</b>
Less than \$100,000 .....	26
\$100,000 to under \$250,000 .....	18
\$250,000 to under \$500,000 .....	16
\$500,000 to under \$1 million.....	16
\$1 million to under \$2 million.....	8
\$2 million or under \$5 million .....	7
\$5 million or more .....	3
Don't know.....	1
Prefer not to say .....	6

Q.21 What is your race?

	<b>Total</b>
White.....	72
African American or Black.....	6
Hispanic or Latino .....	8
Asian or Pacific Islander.....	8
American Indian or Native American .....	2
Other .....	1
Biracial or multiracial .....	1
Prefer not to say .....	2

Q.22 Before you begin, please answer a few questions about yourself to ensure that the survey has a representative sample. What is your gender?

	<b>Total</b>
Male.....	60
Female.....	40