

# Trained Workforce

*Small businesses need regulatory restraint to ensure their ability to hire the best workforce*

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## **Problem:**

A small business that makes good hiring decisions tends to have higher productivity and lower turnover, which positively affects the bottom line. Hiring the wrong people can have a negative impact on employee morale and management time and can waste valuable training and development dollars.

- Smaller employers place a premium on their employees: nearly all small businesses provide opportunities for on-the-job learning. The majority of small-business owners say employees stay with their business four or more years, with 37 percent reporting employees remain on average eight years or more.
- According to NSBA's 2017 Small Business Workforce and Labor Survey, the majority of small-business owners use conditional job offers in combination of conducting some kind of background check on prospective employees.
- Seventy-one percent of small-business owners ask potential employees about any past criminal convictions at some point during the hiring process, and just under one-in-five small firms require credit checks and/or physicals.
- Concerns over liability is the number one reason small-business owners conduct criminal, background or health checks on prospective employees.
- When it comes to workforce preparedness, nearly one-quarter of small-business owners believe the quality of high-school educated workers has gotten worse in the last five years.
- Consequently, nearly one-quarter of small firms seek employees with a masters or higher degree.
- Therefore, it is no surprise that one-third of small businesses pay for off-site training for employees and one-fourth provide money toward employees' continuing education, underscoring the real-world cost of the skills gap many employers face.

## **Solution:**

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 are willing to act to ensure they have the skilled workers they need to run their businesses.

- NSBA urges all policymakers to ensure small business hiring is not hampered by unnecessary and unfair regulations that interfere with the regular hiring process, or other state-level requirements.

**Learn More:** [Download NSBA's 2017 Workforce & Labor Survey](#)