

African-American Chamber Survey: 40 Percent of Black Businesses Have Difficulty Finding Trained Staff; 81.8 Percent of Black Firm Employees are African-American

PHILADELPHIA, Jan. 12 /PRNewswire/ -- In a recent survey of its member-businesses, the Philadelphia-area African-American Chamber of Commerce (AACC) found that 40 percent are experiencing difficulty in finding appropriately trained employees to work in their companies and that targeted training programs would allow them to hire more people, with greater confidence.

Among the impediments to finding suitable employees, the businesses said, was "technical skills deficiency," "insufficient training," "lack of expertise in the business's specialty," "lack of education," a "lack of a clean background" and a "lack of work ethic, professionalism and punctuality."

The firms, each of which was African-American owned, said that being able to hire qualified African-Americans is a high priority for their businesses. On a scale of "1" to "5," with "1" being "most important," 60 percent of the respondents rated the issue a "1" or a "2." Twenty-five percent were evenly divided on the issue and only two firms rated hiring black employees a "4" or "5" (least important).

In fact, the responding firms said that their current employee base is 81.8 percent African-American and none of the businesses reported having fewer than 50 percent African-American employment. Forty-five percent of the responding black-owned firms reported having White, Hispanic or Asian employees as part of their staffs. Of those firms with multi-ethnic staffs, 77.7 percent reported having white employees (ranging from 5% to 40% of their staffs); 55.5 percent reported having Hispanic employees (ranging from 5% to 22%) and 44.4 percent reported having Asian staff members (ranging from 10% to 35%) of all employees.

Among the most important qualities black business owners seek in new hires are: strong work ethic ("responsibility," "integrity," "willingness to work hard," "dependability," "reliability," "loyalty," "honesty," "punctuality," "dedication," "attitude," "commitment to mission") skill levels and communication skills. In fact, of the 21 qualities mentioned by the business owner-respondents, work ethic-related qualities were cited 61.9 percent of the time, while skill level was cited in 28.6 percent of the responses and communications ability (including people skills) was mentioned in just 9.5 percent of the responses.

Clearly, the shortage of productive workforce development assistance is not unique to black-owned firms, but because such firms tend to be smaller and to have lesser capital resources, the impact on them is greater, says the African-American Chamber.

Speaking of the need for more effective training throughout the overall economy, Edward Lawler, a professor at the University of Southern California's Marshall School of Business, said recently, "Today, gaps and deficiencies in skills and competencies translate into poor performances and an inability to compete effectively."

"In the course of our conversation with member businesses, we've had black-owned firms tell us that they were reluctant to seek new contracts because they were afraid they couldn't easily find new staff members with the skill sets they needed," said A. Bruce Crawley, chairman of the AACC. "It appears that there is a very tangible need for workforce development training for the staffs and potential staffs of small and minority firms in the Philadelphia area. The combination of discrimination in public and private sector contracting, and the lack of well-trained workforces makes for a very unsettling business climate for black-owned firms."

"While there is abundant information that indicates that small and minority businesses are the largest national contributors to net job growth," Crawley added, "traditional workforce development programs have been designed primarily to benefit large corporate employers. That has to be modified if we are ever going to realize the full benefit of minority/entrepreneurial business growth and job growth in our area."

Apparently, in response to their experience with employee recruitment, 61.9 percent of the African-American businesses responding to the survey, despite their relatively small size, said they have made a budgetary commitment to employee training. Nearly 43 percent of the respondents said they invest two percent or less of their budgets on such training. Another

26.3 percent report investing between 10 percent and 40 percent on training, with one respondent citing a training cost of \$1500 per year, per employee.

It appears that workforce development efforts would also increase hiring by black firms from among ex-offenders. Given the City's challenges in trying to implement effective re-entry programs for ex-offenders, 35 percent of the responding black business owners said they currently make a practice of hiring those who have been incarcerated. When the business owners were asked if they would be willing to hire ex-offenders "who have been screened and received training," those interested in hiring from that population jumped to 70 percent.

Seventy percent of the responding businesses were located in Philadelphia. The balance was based throughout the Delaware Valley, in places such as Berwyn, Ft. Washington, Wilmington, Delaware and southern New Jersey.

While the businesses were, on average, 15.5 years old, the range was from one to 58 years; the average number of employees was 12.8 persons. Industry sectors for the respondents included behavioral health, employee benefits, construction, optician, finance, real estate, education and training, home healthcare and mystery shopping.

Founded as the African-American Chamber of Commerce of Philadelphia in 1994, the African-American Chamber of Commerce of Pennsylvania, New Jersey and Delaware is the leading private sector advocate for black-owned businesses and African-American economic development in the tri-state area. Headquartered at 1735 Market Street in Center City Philadelphia, the Chamber represents the interests of such businesses in both public and private sector forums. The organization also offers management and technical assistance programs to improve the effectiveness of black-owned businesses in the region. According to the Census Bureau, there are 16,010 African-American-owned businesses in southeast Pennsylvania, southern New Jersey and northern Delaware.

SOURCE African-American Chamber of Commerce of Pennsylvania, Delaware and New

[back to top](#)

POWERED BY  [Blogs Discussing This News Release](#)

Industry & Market Focus

Choose links below to browse the latest Industry News and related resources from PR Newswire.

[Auto & Transportation News](#)
[Banking & Financial Services News](#)
[Business Services & Consultancy News](#)
[Energy News](#)
[Entertainment & Media News](#)
[Government & Policy News](#)
[Health News](#)
[Heavy Industry News](#)
[Retail News](#)
[Sports News](#)
[Technology News](#)
[Travel News](#)

[International News](#)
[Multicultural News](#)
[News For Investors](#)
[Trade Shows](#)

[Add your news release](#)

[PR Toolkit for Communicators](#)

[Submit Feedback](#)

Roll over the links at left to see what's included on each page, then click the link to get there.

Auto & Transportation includes:

- Aerospace & Defense
- Airlines & Aviation
- Automotive
- Maritime & Shipping
- Retail & Automotive Sales Reports
- Transportation
- Travel News

