



# National Small Business Poll

NFIB National

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# Small Business Poll

*Job Openings*

# NFIB National Small Business Poll

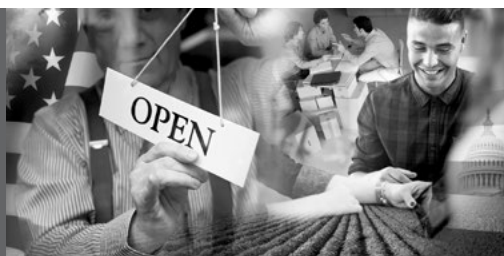
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The **National Small Poll** is a series of regularly published survey reports based on data collected from national samples of small business employers. The initial volume was published in 2001. The **Poll** is designed to address small business oriented topics about which little is known but interest is high. Each survey report looks into a different subject matter.

The survey reports in this series generally contain three sections. The first section is a brief Executive Summary outlining a small number of themes or salient points from the survey. The second is a longer, generally descriptive, exposition of the results. This section is not intended to be a thorough analysis of the data collected nor to explore a group of formal hypotheses. Rather, it is intended to textually describe that which appears subsequently in tabular form. The third section consists of a single series of tables. The tables display each question posed in the survey broken out by employee size of firm.

Individual reports are publicly accessible on the NFIB web site [www.411sbfacts.com](http://www.411sbfacts.com). The 411 site also allows the user to search the entire data base. It searches all the questions in all of the individual **Polls** with a user-friendly key word, topic, or **Poll** sort facility.

NFIB National  
Small Business  
Poll



# *Job Openings*

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# National Small Business Poll



## *Job Openings*

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# Executive Summary

- One-quarter of small employers have an open position they are currently trying to fill (Q#1).
- The majority of small employers without a current open position had a job vacancy within the last 12 months, 48 percent within the last six months (Q#2).
- Just over half (56 percent) of the job openings were full-time positions while 44 percent were part-time (Q#3).
- About one-quarter of current and recently filled open positions were seasonal in nature; 71 percent were not (Q#4). Smaller firms were far more likely to have seasonal job vacancies than larger firms (29% compared to 11%).
- About half of the vacant jobs were filled within two weeks and another 20 percent within two to four weeks (Q#5). Some open positions though took longer with 12 percent taking 1 to 3 months to fill and 10 percent took more than three months.
- While most small business owners pay all of their employees above the federal minimum wage, about 44 percent of small employers have an employee with a salary less than \$12.00.
- The majority (57 percent) of small employers keep their employees' I-9 forms for more than two years, another 9 percent retain copies for less than two years (Q#21).
- About one-quarter (26 percent) of small employers found the lack of job-specific or occupational skills a typical problem among applicants, and it was an occasional problem for another 40 percent of owners (Q#16A).
- A lack of social or people skills was a typical applicant problem for 14 percent of small employers, and an occasional problem for 45 percent of them (Q#16C).
- About half (47 percent) of small employers said that a two-year phased-in federal minimum wage increase to \$15.00 would negatively impact their business (Q#26).
- Of those small employers reporting that a \$15.00 minimum wage would negatively impact their business, 85 percent anticipate that they would have to increase the price of their goods and/or services, passing on some of that cost to the consumer. And 74 percent reported that they would absorb wage increases through lower earnings.
- Fifty-eight percent anticipated an increased use of less expensive or part-time workers in response to a higher minimum wage, 69 percent would not fill an open position, 63 percent would reduce employees' hours, and 62 percent would reduce the number of employees working for them.
- Eighteen percent of small employers reporting that they would be negatively affected said that they would have to raise wages of those earning just above \$15.00 and another 6 percent said they would have to raise wages for most of their employees. Eleven percent anticipated having to raise wages for all of their employees.





# Job Openings

In the ten years since publishing NFIB's *2007 Job Vacancies* survey, the U.S. experienced its worst recession in recent history followed by its longest recorded recovery. The economic recovery continues at a slow, measured pace, with uninspiring quarterly GDP growth. However, the U.S. labor market has gradually tightened over the last few years, and become increasingly limiting for small employers trying to fill open positions. The long, drawn out economic recovery kept the unemployment rate at elevated levels for years. But recently, businesses have become increasingly interested in hiring additional employees. Owners are finding it difficult to attract qualified applicants and are increasing compensation to retain current workers. NFIB's *Small Business Economic Trends* survey shows near record high levels of small business owners with job openings and those who hire or try to hire report few or no qualified applicants for their open positions. Because of this labor market shift, this issue of the *National Small Business Poll* focuses on Job Openings and the related problems small business owners face in filling job vacancies.

With one-quarter of small employers with a current job opening (Q#1), filling these positions is increasingly difficult given the current low unemployment rate. The tighter labor market is especially frustrating for larger small businesses as 38 percent of them have an open position compared to 23 percent of smaller firms. Ten years ago, about 16 percent of small employers had an open position with larger businesses far more interested in hiring than smaller firms. In 2007, 13 percent of the smallest employer firms had an open position compared to 42 percent of those with more than 20 employees.

Of those with an open position, 63 percent have one opening and 18 percent have two open positions (Q#1a). Eight percent have three job openings and 10 percent have four or more. The number of job openings is heavily influenced by size of firm with larger, small firms having more open positions they are trying to fill. In fact, 25 percent of larger, small firms have four or more open positions.

The majority of small employers without a current open position had a job vacancy within the last 12 months, 46 percent within the last

six months (Q#2). Employers of larger, small businesses were much more likely to have a job opening in the prior six months than employers of smaller firms (82% compared to 43%).

## The Jobs

Just over half (56 percent) of the job openings were full-time positions while 44 percent were part-time (Q#3). Compared to the 2007 survey, more firms are hiring for part-time positions now than 10 years ago when 34 percent of small employers said their more recent job vacancy was part time. This shift follows the national trend of a higher percentage of part-time positions compared to 10 years ago. Costly employer mandates for full-time employees, higher minimum wage laws and economic uncertainty likely play a role in this shift. About one-quarter of current and recently filled open positions were seasonal in nature; 71 percent were not (Q#4). Smaller firms were far more likely to have seasonal job vacancies than larger firms (29% compared to 11%). The structure and profitability of larger firms can generally accommodate more year-round positions. About half of the vacant

jobs were filled within two weeks and another 20 percent within two to four weeks (Q#5). Some open positions, though, took longer with 12 percent taking 1 to 3 months to fill and 10 percent took more than three months. Open positions are generally in response to an immediate need with quick hiring turnaround when possible.

Most of the job vacancies (59 percent) were to fill an existing position while about 40 percent were new positions (Q#6). The proportion of new and replacement openings is virtually the same as in the 2007 Job Vacancies survey. Of those filling and existing position, high turnover was a problem for 22 percent of them (Q#7). High turnover can be a problem for owners on many fronts including the time and energy devoted to continually seeking new applicants, training new hires and lost productivity.

The starting hourly or annual salary for open positions varies widely among small businesses. About one-third of small employers had a job opening paying between \$10.00 and \$15.00 per hour (Q#8). Another 20 percent had the starting salary between \$15.00 and \$25.00 per hour. For the outliers, 9 percent had the starting salary at \$25.00 or more and 8 percent below \$7.50 per hour.

About 35 percent of these job openings included tips, bonuses or compensation above the basic wage or salary (Q#9). Additional income above wages was more frequent for lower hourly paid positions. Over half (57 percent) of open positions earning \$7.50 or less also included additional compensation opportunities compared to 33 percent at in the \$15.00 to \$25.00 range.

Most small employers considered the starting salary for their open position “average” among their industry peers. Twenty-two percent thought that the starting salary was “above average” and 6 percent though it was “below average” (Q#10).

Fifty-two percent provided for the possibility of a promotion, an important consideration in accepting a job offer. Forty-six percent did not. In general, the larger the employer, the higher the percentage of firms offering advancement opportunities (Q#11).

Small employers generally expect new hires to have some amount of prior work experience. Over one-third of small employers required experience for the open position while 42 percent preferred it (Q#12). Twenty-two

percent of owners did not require any experience for their open position.

## Recruiting

Small business owners advertise open positions in a variety of ways to attract applicants. The most common approach, used by 80 percent of small employers, was word of mouth (Q#13B). The next most common recruitment tool was through employee referrals (67 percent) (Q#13I). Thirty percent of small employers placed an ad in a newspaper and 22 percent contacted a school for recruitment help (Q#13A). Another 15 percent placed an ad in a trade publication or newsletter (Q#13F) and 16 percent used an employment agency (Q#13D). Fourteen percent put a sign in the window (Q#13C) and just 5 percent used a government job placement service (Q#13H). The biggest shift from 10 years ago is the increased number of small employers using the Internet to help recruit candidates (Q#13E). Forty-three percent of small employers placed a job listing on an Internet job placement site, up from 20 percent in 2007.

For most small employers, recruitment efforts to fill open positions resulted in few or no qualified applicants. Just under half (48 percent) received a few qualified applicants but another 11 percent received none. About one-quarter (27 percent) experienced better results with some or lots of qualified applicants for their open position. Eighteen percent had some qualified applicants and 9 percent received a lot. Larger small firms fared better with 14 percent receiving a lot of qualified applicants compared to just 8 percent of the smallest firms.

## Applicant Qualifications

Many small employers continue to have unfilled job vacancies, frustrated by applicant’s lack of general and job specific experience. About one-third (34 percent) of small employers found a general lack of experience the biggest disqualification for most applicants. The most important reason that applicants were not qualified for another 18 percent of owners was a lack of job-specific or occupational skills. Less frequently selected reasons included 8 percent of owners each citing scheduling conflicts and poor attitude/appearance. Six percent of owners found poor job or work history the biggest problem. Lack

of social or people skills was most problematic for 3 percent of owners and 2 percent each cited legal issues and lack of basic English and communication skills. Combined, about 16 percent of small employers found the lack of “soft skills” as most problematic in applicant recruitment efforts.

While experience is the major applicant problem for most employers, many employers face these individual applicant problems in varying degrees. About one-quarter (26 percent) of small employers found the lack of job-specific or occupational skills a typical problem among applicants, and it was an occasional problem for another 40 percent of owners. A lack of social or people skills was a typical applicant problem for 14 percent of small employers, and an occasional problem for 45 percent of them (Q#16C). A poor job or work history presented itself as a typical applicant problem for 16 percent of small employers and an occasional one for 44 percent. About 25 percent of small employers reported immigrant status verification a typical or occasional problem with applicants (Q#16D). The vast majority of small employers (83 percent) are not affected by this issue. Inflated wage and or benefit expectations was a typical or occasional applicant problem for half of small employers with larger firms facing this problem more frequently than small ones (63% compared to 49%). About 12 percent of small employers claimed applicants’ poor attitude is a typical problem, and over half (52 percent) found it an occasional problem (Q#16G). About 8 percent of small employers said applicants’ inappropriate appearance was a typical problem and 44 percent find it an occasional one. The problem of drug use (failed drug tests) was a typical candidate problem for one-in-ten small employers, and one-quarter reported it an occasional problem in filling vacant positions. About the same percent of small employers found it a typical problem in 2007; however, more are finding it an occasional problem now than 10 years ago (25% compared to 13%).

## Verification of References and Records

For the most part, small employers check out job references for people they plan to hire. About half (51 percent) reported always checking references and another 16 percent usually check (Q#17). While small employers generally check references, fewer conduct

more extensive background check (criminal or credit) of those they plan to hire. About 28 percent of small employers always conduct background checks, 9 percent usually do (Q#18). While only 11 percent never check out applicant references, 43 percent never conduct background checks.

The Social Security Administration verifies social security numbers and names to make sure they match to verify the legal status of workers. If the information provided by the employee does not match, the SSA will send the employer a “does-not-match” letter. The vast majority (92 percent) of small employers have never received a “does-not-match” letter (Q#19). Just 3 percent have received a letter for an employee and 2 percent of small employers have received more than one letter in the past.

Even though not required by law, about two-thirds (63 percent) of small employers make a photocopy of the identification used to verify work eligibility of all new hires (Q#20). Almost one-quarter of small employers do not.

But while a copy of employees’ identification is not required, employers are required to retain copies of their completed I-9 forms. The majority (57 percent) of small employers keep their employees’ I-9 forms for more than two years, another 9 percent retain copies for less than two years (Q#21). About 3 percent discard the forms once the employee leaves. On occasion employers are asked to produce I-9 forms to government officials but this appears to be a rare occurrence with about 5 percent of small employers having been asked in the past for the form (Q#21a).

The minimum wage debate has accelerated in recent years with more and more cities and states passing minimum wage increases. The minimum wage varies greatly by location with the federal minimum at \$7.25 on one end and areas including Seattle increasing to \$15.00 per hour. About 85 percent of small employers pay all of their full-time employees more than their required minimum wage (Q#22). About 13 percent of small employers have at least one full-time employee who earns the minimum wage or less. About 18 percent of small employers paid at least one part-time employee the minimum wage or less.

About 44 percent of small employers have an employee with a salary less than \$12.00. About 40 percent of employers pay at least one employee between \$12.00 and \$15.00 per hour.

Minimum wage advocates now commonly support a phase-in of \$15.00 per hour. About half (47 percent) of small employers said that a two-year phased-in federal minimum wage increase to \$15.00 would negatively impact their business (Q#26). Of those who would be negatively impacted, the most frequently cited action response to a minimum wage increase was raising prices. About 85 percent of those potentially affected would increase the price of their good and/or services, passing on some of the cost to consumers. The second most frequent response was 74 percent reporting that they would absorb wage increases through lower earning. Other responses included 58 percent of affected owners increasing the use of less expensive or part-time workers, 69 percent not filling an open position, 63 percent reducing employees' hours, and 62 percent reducing the number of employees.

But not only would a higher minimum wage affect those employees earning less than the new minimum, for many employers, it would also affect salaries for those earning just above it. Eighteen percent of negatively impacted employers said that they would have to raise wages of employees earning just above \$15.00 and another 6 percent said they would have to raise wages for most of their employees (Q#28). Eleven percent anticipated having to raise wages for all of their employees. Forty-six percent said they expect no impact to the higher income employees.

## Final Comments

The tighter labor market is creating significant consternation for many small business owners trying to recruit qualified applicants for open positions. No doubt the inability to match millions of openings with eligible applicants is a drag on job creation and GDP growth. Skill shortages are indeed a particular problem in construction and manufacturing. Geographic mismatches between job openings and available labor supply slow the adjustment of labor supply and demand, millions of home owners are still trapped in their homes with mortgages they can't refinance. The lack of needed skills is still the top reason for an applicant being "unqualified" for an open position. However, very large numbers of applicants are disqualified by appearance, lack of social skills, unreasonable wage expectations, and attitudes. These deficiencies are correctable without engaging in additional schooling or training.

Apparently, these individuals are able to make an acceptable living without a regular job and some may apply for jobs to maintain eligibility for state or federal support programs. As baby boomers retire, skilled workers of all types are being lost to the labor force and it will be necessary to find ways to replace and enhance the new entrants.

# Job Openings

(Please review notes at the table's end.)

## Employee Size of Firm

1-9 emp    10-19 emp    20-249 emp    All Firms

### 1. Do you have a current job opening that you are trying to fill?

1. Yes	22.5%	32.9%	37.5%	25.0%
2. No	77.2	65.8	56.9	74.0
3. (DK/Refuse)	0.3	1.3	5.6	0.9

Total	100.0%	100.0%	100.0%	100.0%
N	325	200	225	750

### 1a. Do you have just one job opening or more than one? About how many?

1. Just one	70.1%	56.0%	35.7%	63.1%
2. Two	16.4	28.0	17.9	18.2
3. Three	6.7	8.0	14.3	8.0
4. Four or more	6.7	8.0	25.0	9.6
5. (DK/Refuse)	0.0	0.0	7.1	1.1

Total	100.0%	100.0%	100.0%	100.0%
N	73	65	85	223

### 2. When was the last time you had a job opening?

1. Last six months	43.3%	64.2%	81.8%	48.3%
2. 6 months to 1 year ago	30.2	26.4	18.2	28.9
3. 1 to 2 years ago	26.5	9.4	—	22.8

Total	100.0%	100.0%	100.0%	100.0%
N	252	135	140	527

### Thinking about the opening you have or most recently filled:

### 3. Is/Was this a full-time or part-time job?

1. Full-time	52.9%	65.8%	66.7%	55.6%
2. Part-time	46.4	32.9	31.9	43.6
3. (DK/Refuse)	0.7	1.3	1.4	0.8

Total	100.0%	100.0%	100.0%	100.0%
N	325	200	225	750

**4. Is/Was the job seasonal or temporary?**

1. Yes	28.6%	20.3%	11.0%	26.0%
2. No	68.1	79.7	87.7	71.2
3. (DK/Refuse)	3.3	—	1.4	2.8
<hr/>				
Total	100.0%	100.0%	100.0%	100.0%
N	325	200	225	750

**5. How long has/was this job (been) open (before you filled it)?**

1. One week or less	23.0%	24.1%	25.4%	23.4%
2. One to two weeks	20.4	27.8	22.5	21.4
3. Two weeks to one month	19.4	21.5	21.1	19.8
4. One to three months	12.0	8.9	9.9	11.5
5. More than three months	11.4	8.9	4.2	10.4
6. (DK/Refuse)	13.9	8.9	16.9	13.6
<hr/>				
Total	100.0%	100.0%	100.0%	100.0%
N	325	200	225	750

**6. Are/Were you trying to replace someone or is/was it a new position?**

1. New position	40.0%	38.0%	34.2%	39.2%
2. Replaced someone	57.5	60.8	64.4	58.5
3. (DK/Refuse)	2.5	1.3	1.4	2.3
<hr/>				
Total	100.0%	100.0%	100.0%	100.0%
N	325	200	225	750

**7. Has turnover in this job been a problem?**

1. Yes	22.9%	18.8%	19.1%	22.0%
2. No	75.4	81.3	80.9	76.6
3. (DK/Refuse)	1.8	—	—	1.4
<hr/>				
Total	100.0%	100.0%	100.0%	100.0%
N	187	122	146	455

**8. What is/was the starting hourly wage or annual salary?**

1. Less than \$7.50/hour	7.0%	10.3%	8.3%	7.5%
2. \$7.50 - \$9.99/hour	13.5	20.5	15.3	14.4
3. \$10.00 - \$14.99/hour	33.9	28.2	38.9	33.8
4. \$15.00 - \$24.99/hour	19.0	16.7	12.5	18.2
5. \$25.00/hour or more	8.3	11.5	6.9	8.5
6. (DK/Refuse)	18.2	12.8	18.1	17.6
<hr/>				
Total	100.0%	100.0%	100.0%	100.0%
N	350	200	200	750

**Employee Size of Firm**  
**1-9 emp    10-19 emp    20-249 emp    All Firms**

**9. Will/Did this person also receive tips, bonuses, or commissions above the wage or salary?**

1. Yes	35.4%	36.7%	30.6%	35.1%
2. No	63.1	60.8	68.1	63.3
3. (DK/Refuse)	1.5	2.5	1.4	1.6
<hr/>				
Total	100.0%	100.0%	100.0%	100.0%
N	325	200	225	750

**10. Will/was total compensation (be) above average for your work force, below average or about average?**

1. Above average	21.5%	22.8%	23.9%	21.9%
2. Below average	6.2	6.3	8.5	6.4
3. Average	65.3	64.6	60.6	64.8
4. (DK/Refuse)	7.0	6.3	7.0	6.9
<hr/>				
Total	100.0%	100.0%	100.0%	100.0%
N	325	200	225	750

**11. Does/Did this job have promotion possibilities?**

1. Yes	48.7%	58.2%	76.4%	52.3%
2. No	50.2	39.2	22.2	46.3
3. (DK/Refuse)	1.2	2.5	1.4	1.3
<hr/>				
Total	100.0%	100.0%	100.0%	100.0%
N	325	200	225	750

**12. Does/Did this job require experience? Is/Was experience preferred or is/was no experience needed?**

1. Experience required	37.8%	31.6%	27.4%	36.2%
2. Experience preferred	41.5	41.8	41.1	41.5
3. Experience not needed	20.3	25.3	30.1	21.8
4. (DK/Refuse)	0.3	1.3	1.4	0.5
<hr/>				
Total	100.0%	100.0%	100.0%	100.0%
N	325	200	225	750

**13. How are/did you recruit(ing) to fill the job? Are/did you?**

**A. Placing/Placed an ad(s) in a newspaper**

1. Yes	30.4%	23.1%	34.7%	30.0%
2. No	68.9	76.9	63.9	69.3
3. (DK/Refuse)	0.7	—	1.4	0.7
<hr/>				
Total	100.0%	100.0%	100.0%	100.0%
N	325	200	225	750

**B. Spreading/Spread the opening by word-of-mouth**

1. Yes	82.5%	81.0%	81.9%	82.3%
2. No	17.2	19.0	18.1	17.5
3. (DK/Refuse)	0.3	—	—	0.3
Total	100.0%	100.0%	100.0%	100.0%
N	325	200	225	750

**C. Putting/Put a sign in the window**

1. Yes	13.9%	14.1%	18.1 %	14.3%
2. No	86.1	85.9	81.9	85.7
Total	100.0%	100.0%	100.0%	100.0%
N	325	200	225	750

**D. Using/Use a private employment agency**

1. Yes	14.7%	16.5%	23.6%	15.7%
2. No	85.3	83.5	76.4	84.3
Total	100.0%	100.0%	100.0%	100.0%
N	325	200	225	750

**E. Placing/Placed a listing on an Internet job placement site**

1. Yes	40.9%	49.4%	55.6%	43.2%
2. No	57.9	50.6	44.4	55.9
3. (DK/Refuse)	1.2	—	—	0.9
Total	100.0%	100.0%	100.0%	100.0%
N	325	200	225	750

**F. Placing/Placed an ad(s) in a trade publication or newsletter**

1. Yes	13.9%	13.9%	20.8%	14.5%
2. No	86.1	86.1	77.8	85.3
3. (DK/Refuse)	—	—	1.4	0.1
Total	100.0%	100.0%	100.0%	100.0%
N	325	200	225	750

**G. Contacting/Contacted a school about the opening**

1. Yes	21.9%	21.8%	19.4%	21.6%
2. No	78.1	78.2	77.8	78.1
3. (DK/Refuse)	—	—	2.8	0.3
Total	100.0%	100.0%	100.0%	100.0%
N	325	200	225	750



**Employee Size of Firm**  
**1-9 emp    10-19 emp    20-249 emp    All Firms**

**H. Using/Used a government job placement service**

1. Yes	4.7%	5.1%	9.7%	5.2%
2. No	94.7	94.9	90.3	94.3
3. (DK/Refuse)	0.7	—	—	0.5
Total	100.0%	100.0%	100.0%	100.0%
N	325	200	225	750

**I. Asking/Asked current employees to help find someone**

1. Yes	64.6%	70.9%	78.1%	66.6%
2. No	35.1	29.1	21.9	33.2
3. (DK/Refuse)	0.3	—	—	0.3
Total	100.0%	100.0%	100.0%	100.0%
N	325	200	225	750

**14. How many qualified applicants are/were there for the job? Are/were there lots of qualified applicants, some qualified applicants, few qualified applicants, or no qualified applicants?**

1. Lots	8.0%	14.1%	13.9%	9.2%
2. Some	16.7	16.7	26.4	17.6
3. Few	48.2	53.8	41.7	48.1
4. None	12.7	6.4	2.8	11.1
5. Too early to tell	6.2	3.8	6.9	6.0
6. (DK/Refuse)	8.3	5.1	8.3	8.0
Total	100.0%	100.0%	100.0%	100.0%
N	325	200	225	750

**15. What is/was the most important reason applicants are/were not qualified?**

1. Lack of experience	34.7%	32.1%	31.9%	34.2%
2. Lack of job-specific or occupational skills	18.5	15.4	13.9	17.8
3. Poor job and/or work history	4.8	12.5	8.3	6.0
4. Lack of social or people skills	2.8	2.6	1.4	2.7
5. Lack of basic English, communications, and/or math skills	1.8	2.6	2.8	2.0
6. Poor attitude or appearance	7.7	7.7	8.3	7.7
7. Legal issues	1.8	2.6	4.2	2.1
8. Scheduling conflicts/availability/transportation	7.7	10.3	9.7	8.1
9. Haven't started to look	3.3	1.3	4.2	3.2
10. (Combination/Other)	6.2	3.8	4.2	5.7
11. (DK/Refuse)	10.5	8.8	11.1	10.4
<hr/>				
Total	100.0%	100.0%	100.0%	100.0%
N	325	200	225	750

**Evaluate the pool of applicants that you have had over the last three years for all the jobs you have had open.**

**16. Would you say that \_\_\_\_\_ has been a typical problem, an occasional problem, or not a problem?**

**A. Lack of job-specific or occupational skills**

1. Typical problem	27.7%	21.4%	16.7%	26.2%
2. Occasional problem	39.3	35.4	52.8	40.2
3. Not a problem	31.3	40.5	30.6	32.2
4. (DK/Refuse)	1.7	—	—	1.3
<hr/>				
Total	100.0%	100.0%	100.0%	100.0%
N	325	200	225	750

**B. Poor job and/or work history**

1. Typical problem	16.0%	16.5%	17.8%	16.2%
2. Occasional problem	42.7	41.8	53.4	43.7
3. Not a problem	40.2	41.8	27.4	39.1
4. (DK/Refuse)	1.0	—	1.4	0.9
<hr/>				
Total	100.0%	100.0%	100.0%	100.0%
N	325	200	225	750

	Employee Size of Firm			
	1-9 emp	10-19 emp	20-249 emp	All Firms

**C. Lack of social or people skills**

1. Typical problem	15.0%	11.4%	12.7%	14.4%
2. Occasional problem	43.7	48.1	56.3	45.4
3. Not a problem	39.1	39.2	31.0	38.3
4. (DK/Refuse)	2.2	1.3	—	1.8
Total	100.0%	100.0%	100.0%	100.0%
N	325	200	225	750

**D. Ensuring applicants are not illegal immigrants**

1. Typical problem	5.8%	3.8%	4.2%	5.5%
2. Occasional problem	9.5	11.5	12.5	10.0
3. Not a problem	82.7	84.6	81.9	82.8
4. (DK/Refuse)	2.0	—	1.4	1.7
Total	100.0%	100.0%	100.0%	100.0%
N	325	200	225	750

**E. Inflated wage and/or benefit expectations**

1. Typical problem	13.9%	15.2%	13.7%	14.0%
2. Occasional problem	35.1	31.6	49.3	36.1
3. Not a problem	49.2	53.2	35.6	48.3
4. (DK/Refuse)	1.9	—	1.4	1.6
Total	100.0%	100.0%	100.0%	100.0%
N	325	200	225	750

**F. Lack of basic English, communication, and/or math skills**

1. Typical problem	10.2%	11.4%	8.3%	10.1%
2. Occasional problem	29.5	29.1	38.9	30.4
3. Not a problem	59.0	59.5	51.4	58.3
4. (DK/Refuse)	1.4	—	1.4	1.2
Total	100.0%	100.0%	100.0%	100.0%
N	325	200	225	750

**G. Poor attitude**

1. Typical problem	11.4%	10.3%	13.9%	11.5%
2. Occasional problem	51.9	51.3	55.6	52.2
3. Not a problem	35.1	38.5	30.6	35.0
4. (DK/Refuse)	1.7	—	—	1.3
Total	100.0%	100.0%	100.0%	100.0%
N	325	200	225	750

**H. Inappropriate appearance**

1. Typical problem	7.3%	10.1%	11.1%	8.0%
2. Occasional problem	43.7	40.5	48.6	43.8
3. Not a problem	47.0	49.4	40.3	46.6
4. (DK/Refuse)	2.0	—	—	1.6
Total	100.0%	100.0%	100.0%	100.0%
N	325	200	225	750

**I. Drug use, including failed drug tests**

1. Typical problem	10.5%	6.3%	8.2%	9.9%
2. Occasional problem	24.9	22.8	28.8	25.0
3. Not a problem	61.8	68.4	60.3	62.3
4. (DK/Refuse)	2.9	2.5	2.7	2.3
Total	100.0%	100.0%	100.0%	100.0%
N	325	200	225	750

**17. Do you ask for, and check out, job references for people you plan to hire?**

1. Always	50.4%	53.8%	53.4%	51.1%
2. Usually	15.0	16.3	20.5	15.7
3. Sometimes	15.4	21.3	16.4	16.1
4. Not often	5.8	3.8	4.1	5.5
5. Never	12.4	5.0	4.1	10.8
6. (DK/Refuse)	1.0	—	1.4	1.0
Total	100.0%	100.0%	100.0%	100.0%
N	325	200	225	750

**18. Do you conduct background checks, criminal or credit, on people you plan to hire?**

1. Always	25.5%	36.7%	42.5%	28.4%
2. Usually	8.7	6.3	9.6	8.5
3. Sometimes	8.8	11.4	8.2	9.1
4. Not often	11.4	7.6	8.2	10.1
5. Never	44.6	38.0	30.1	42.5
6. (DK/Refuse)	1.0	—	1.4	1.0
Total	100.0%	100.0%	100.0%	100.0%
N	325	200	225	750

**Employee Size of Firm**  
**1-9 emp    10-19 emp    20-249 emp    All Firms**

**19. In the last three years have you received a “does-not-match” letter from the Social Security Administration saying that the Social Security name and/or number of one of your employees does not match its Social Security records? Has this happened \_\_\_\_\_ ?**

1. Never	93.3%	89.9%	79.5%	91.6%
2. Once	3.0	3.8	5.5	3.3
3. More than once	1.5	1.3	2.7	1.6
4. Don’t remember	1.8	5.1	11.0	3.1
5. (Refuse)	0.3	—	1.4	0.4
<b>Total</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>
<b>N</b>	<b>325</b>	<b>200</b>	<b>225</b>	<b>750</b>

**20. Though the law does not require it, do you always, usually, sometimes or never make a photocopy of the ID that new employees present to show who they are and that they are eligible to work?**

1. Always	59.3%	73.8%	83.6%	63.2%
2. Usually	7.7	7.5	1.4	7.0
3. Sometimes	4.3	5.0	1.4	4.1
4. Never	26.2	12.5	9.6	23.1
5. (DK/Refuse)	2.5	1.3	4.1	2.6
<b>Total</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>
<b>N</b>	<b>325</b>	<b>200</b>	<b>225</b>	<b>750</b>

**21. How long do you usually retain an employee’s completed I-9 form after the employee has stopped working for you?**

1. Dispose of I-9s when employee leaves	3.3%	1.3%	—%	2.8%
2. Retain I-9s two years or less after the employee leaves	8.7	11.4	9.7	9.1
3. Retain I-9s more than two years after the employee leaves	55.4	62.0	65.3	57.1
4. Not familiar with the I-9 form	5.2	3.8	1.4	4.7
5. (DK/Refuse)	27.4	21.5	23.6	26.4
<b>Total</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>
<b>N</b>	<b>325</b>	<b>200</b>	<b>225</b>	<b>750</b>

**21a. In the last three years, has a government official asked to see one or more of your employee's I-9s?**

1. Yes	4.7%	5.1%	9.7%	5.2%
2. No	94.7	94.9	90.3	94.3
3. (DK/Refuse)	0.7	—	—	0.5
Total	100.0%	100.0%	100.0%	100.0%
N	325	200	225	750

**22. How many full-time employees, including tipped employees, do you currently pay the minimum wage or less?**

1. None	86.7%	82.3%	73.6%	85.0%
2. One	4.3	1.3	—	3.6
3. Two	2.2	2.5	4.2	2.4
4. Three	1.8	2.5	1.4	1.9
5. Four or more	3.0	8.9	18.1	5.1
6. (DK/Refuse)	2.0	2.5	2.8	2.1
Total	100.0%	100.0%	100.0%	100.0%
N	325	200	225	750

**23. How many part-time employees, including tipped employees, do you currently pay the minimum wage or less?**

1. None	82.6%	75.6%	65.3%	80.2%
2. One	5.9	2.6	2.8	5.2
3. Two	3.3	3.8	2.8	3.3
4. Three	1.2	1.3	1.4	1.2
5. Four or more	4.8	14.1	25.0	7.8
6. (DK/Refuse)	2.2	2.6	2.8	2.2
Total	100.0%	100.0%	100.0%	100.0%
N	325	200	225	750

**24. Do you currently pay any of your employees less than \$12 per hour?**

1. Yes	39.4%	53.8%	70.8%	43.9%
2. No	57.9	44.9	23.6	53.3
3. (DK/Refuse)	2.7	1.3	5.6	2.8
Total	100.0%	100.0%	100.0%	100.0%
N	325	200	225	750

**Employee Size of Firm**  
**1-9 emp    10-19 emp    20-249 emp    All Firms**

**25. Do you currently pay any of your employees less than \$15 per hour?**

1. Yes	36.1%	42.9%	64.7%	37.9%
2. No	61.3	57.1	35.3	59.8
3. (DK/Refuse)	2.6	—	—	2.3
Total	100.0%	100.0%	100.0%	100.0%
N	188	90	53	331

**26. Would a minimum wage increase to \$15 phased in over the next 3 years have a negative impact, positive impact or no impact on your business?**

1. Negative impact	44.2%	58.2%	59.7%	47.2%
2. Positive impact	5.5	3.8	2.8	5.1
3. No impact	42.2	29.1	19.4	38.7
4. (DK/Refuse)	8.0	8.9	18.1	9.1
Total	100.0%	100.0%	100.0%	100.0%
N	325	200	225	750

**27. How would a phased in \$15 federal minimum wage increase affect your business? Would it \_\_\_\_?**

**A. Lower earnings**

1. Yes	75.6%	68.9%	66.7%	73.7%
2. No	18.0	24.4	23.8	19.5
3. (DK/Refuse)	5.4	6.7	9.5	6.8
Total	100.0%	100.0%	100.0%	100.0%
N	144	116	133	393

**B. Decrease the number of employees**

1. Yes	62.4%	60.9%	60.5%	62.0%
2. No	32.7	32.6	32.6	32.7
3. (DK/Refuse)	3.4	6.5	7.0	5.3
Total	100.0%	100.0%	100.0%	100.0%
N	144	116	133	393

**C. Reduce employees' hours**

1. Yes	62.4%	66.7%	62.8%	63.0%
2. No	31.2	31.1	30.2	31.1
3. (DK/Refuse)	6.4	2.2	7.0	5.9
Total	100.0%	100.0%	100.0%	100.0%
N	144	116	133	393

**D. Prevent filling an open position**

1. Yes	69.2%	67.4%	69.8%	69.0%
2. No	22.9	28.3	23.3	23.7
3. (DK/Refuse)	7.9	4.3	7.0	7.3
<hr/>				
Total	100.0%	100.0%	100.0%	100.0%
N	144	116	133	393

**E. Raise prices**

1. Yes	84.2%	89.1%	88.4%	85.3%
2. No	11.7	8.7	7.0	10.7
3. (DK/Refuse)	4.2	2.2	4.7	4.0
<hr/>				
Total	100.0%	100.0%	100.0%	100.0%
N	144	116	133	393

**F. Increase wages**

1. Yes	67.3%	80.4%	81.4%	70.7%
2. No	25.6	17.4	16.3	23.4
3. (DK/Refuse)	7.1	2.2	2.3	5.9
<hr/>				
Total	100.0%	100.0%	100.0%	100.0%
N	144	116	133	393

**G. Increase the use of less expensive or part-time workers**

1. Yes	57.0%	57.8%	61.9%	57.7%
2. No	34.7	33.3	28.6	33.8
3. (DK/Refuse)	8.3	8.9	9.5	8.6
<hr/>				
Total	100.0%	100.0%	100.0%	100.0%
N	144	116	133	393

**28. How would a \$15 minimum wage affect the wages of your workers earning above \$15?**

1. No impact	48.5%	44.4%	32.6%	46.0%
2. Would have to raise wages of those earning just above \$15	15.4	24.4	27.9	18.1
3. Would have to raise wages for most of my workers	5.6	4.4	11.6	6.2
4. Would have to raise wages for all workers	10.9	15.6	9.3	11.3
5. (DK/Refuse)	19.5	11.1	18.6	18.3
<hr/>				
Total	100.0%	100.0%	100.0%	100.0%
N	144	116	133	393



# Job Openings Demographics

## Employee Size of Firm

	1-9 emp	10-19 emp	20-249 emp	All Firms
<b>D1. What title best describes your position in the business?</b>				
1. Owner and Manager	74.6%	59.5%	33.3%	69.0%
2. Owner, but not a Manager	4.8	3.8	2.8	4.5
3. Manager, but not an Owner	20.6	36.7	63.9	26.4
Total	100.0%	100.0%	100.0%	100.0%
N	325	200	225	750
<b>D2. What is your age?</b>				
1. Less than 25 years old	1.8%	5.1%	5.6%	2.5%
2. 25 – 34 years old	11.0	12.7	16.7	11.7
3. 35 – 44 years old	15.7	13.9	23.6	16.3
4. 45 – 54 years old	17.2	20.3	18.1	17.6
5. 55 – 64 years old	30.3	27.8	19.4	29.0
6. 65 years or older	20.6	17.7	12.5	19.5
7. (DK/Refuse)	3.3	2.5	4.2	3.3
Total	100.0%	100.0%	100.0%	100.0%
N	325	200	225	750
<b>D3. What is your highest level of formal education?</b>				
1. Did not complete high school	2.8%	1.3%	—%	2.4%
2. High school diploma/GED	19.4	19.2	15.5	19.0
3. Some college or an associate's degree	25.2	21.8	22.5	24.6
4. Vocational or technical school degree	4.0	3.8	1.4	3.7
5. College diploma	32.4	35.9	43.7	33.8
6. Advanced or professional degree	12.9	14.1	12.7	13.0
7. (DK/Refuse)	3.3	3.8	4.2	3.5
Total	100.0%	100.0%	100.0%	100.0%
N	325	200	225	750

**D4. How long have you owned, operated or been employed by this business?**

1. 1 – 2 years	7.4%	11.3%	11.0%	8.1%
2. 3 – 5 years	12.0	13.8	23.3	13.3
3. 6 – 10 years	16.9	15.0	19.2	16.9
4. 11 – 20 years	23.4	16.3	16.4	22.0
5. 21 – 30 years	19.1	18.8	12.3	18.4
6. 31 or more years	17.6	21.3	12.3	17.4
7. (DK/Refuse)	3.7	3.8	5.5	3.9
Total	100.0%	100.0%	100.0%	100.0%
N	325	200	225	750

**D5. Is this business operated primarily from the home, including any associated structures such as a garage or a barn?**

1. Yes	25.5%	9.0%	4.2%	21.8%
2. No	71.5	89.7	94.4	75.6
3. (DK/Refuse)	3.0	1.3	1.4	2.7
Total	100.0%	100.0%	100.0%	100.0%
N	325	200	225	750

**D6. Zip Code**

1. Northeast (zips 010 - 219)	13.5%	12.8%	12.3%	13.3%
2. Southeast (zips 220 - 427)	20.4	11.5	15.1	18.9
3. Mid-West (zips 430 - 567, 600 - 658)	17.5	17.9	15.1	17.3
4. Central (zips 570 - 599, 660 - 898)	19.4	25.6	24.7	20.5
5. West (zips 900 - 998)	25.9	28.2	30.1	26.5
6. Don't know	3.3	3.8	2.7	3.3
Total	100.0%	100.0%	100.0%	100.0%
N	325	200	225	750

**D7. Would you describe the primary or majority of your business locations as in areas that are:?**

1. Downtown/Major city	16.3%	24.1%	21.9%	17.7%
2. Urban	12.8	16.5	15.1	13.4
3. Inner suburban	11.7	16.5	13.7	12.4
4. Outer suburban	9.2	8.9	12.3	9.4
5. Small town	30.2	21.5	20.5	28.3
6. Rural	16.0	10.1	11.0	14.9
7. (DK/Refuse)	3.8	2.6	5.4	3.9
Total	100.0%	100.0%	100.0%	100.0%
N	325	200	225	750

**Employee Size of Firm**  
**1-9 emp    10-19 emp    20-249 emp    All Firms**

**D8. What was the total income of the business for the 2016 calendar year, including any salary, dividends, or profit taken out:?**

1. Less than \$25,000	2.2%	1.3%	1.4%	2.0%
2. \$25,000 - \$49,999	6.2	3.8	2.8	5.6
3. \$50,000 - \$99,999	9.8	2.6	2.8	8.4
4. \$100,000 - \$149,000	4.7	5.1	2.8	4.5
5. \$150,000 - \$199,000	4.8	2.6	1.4	4.3
6. \$200,000 - \$249,999	4.8	2.6	—	4.1
7. \$250,000 - \$499,999	10.5	6.4	1.4	9.2
8. More than \$500,000	16.0	33.3	36.1	19.7
9. (DK/Refuse)	41.0	41.3	50.4	42.2
<b>Total</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>
<b>N</b>	<b>325</b>	<b>200</b>	<b>225</b>	<b>750</b>

**D9. Over the last two years, how have your real volume sales changed?**

1. Increased by 30 percent or more	3.7%	2.5%	4.2%	3.6%
2. Increased by 20-29 percent	8.8	7.5	8.3	8.7
3. Increased by 10-19 percent	17.2	20.0	22.2	18.0
4. Increased by less than 10 percent	10.5	13.8	15.3	11.3
5. Decreased by less than 10 percent	11.0	7.5	9.7	10.5
6. Decreased by 10 percent or more	17.2	8.8	5.6	12.0
7. Stayed about the same	24.4	23.8	11.1	23.0
8. (DK/Refuse)	11.2	16.3	23.6	12.9
<b>Total</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>
<b>N</b>	<b>325</b>	<b>200</b>	<b>225</b>	<b>750</b>

**D10. Is your total personal income from all sources for the year likely to be:?**

1. Less than \$25,000	7.3%	8.9%	4.1%	7.2%
2. \$25,000 - \$49,999	22.2	21.5	23.0	22.2
3. \$50,000 - \$99,999	21.9	12.7	13.5	20.1
4. \$100,000 - \$149,000	6.2	8.9	8.1	6.6
5. \$150,000 - \$199,000	2.5	2.5	2.7	2.5
6. \$200,000 - \$249,999	1.5	2.5	1.4	1.6
7. \$250,000 - \$499,999	0.7	3.8	2.7	1.2
8. More than \$500,000	1.2	2.5	5.4	1.7
9. (DK/Refuse)	36.5	36.7	39.2	26.8
<b>Total</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>
<b>N</b>	<b>325</b>	<b>200</b>	<b>225</b>	<b>750</b>

**D11. What is your primary business activity or function?**

	1-9 emp	10-19 emp	20-249 emp	All Firms
1. Administrative and Support	0.3%	1.3%	1.4%	0.5%
2. Agriculture, Forestry, Fishing and Hunting	8.0	5.1	2.7	7.2
3. Arts, Entertainment, and Recreation	2.8	3.8	5.5	3.2
4. Construction	10.5	11.4	8.2	10.4
5. Educational Services	1.2	6.3	2.7	1.9
6. Finance and Insurance	2.5	1.3	—	2.1
7. Food Services and Accommodation	8.7	21.5	34.2	12.5
8. Health Care and Social Assistance	5.5	7.6	8.2	6.0
9. Information	0.3	—	—	0.3
10. Management of Companies and Enterprises	—	1.3	—	0.1
11. Manufacturing	5.8	7.6	9.6	6.4
12. Mining	0.3	—	—	0.3
13. Professional, Scientific, and Technical Services	7.0	3.8	4.1	6.4
14. Real Estate Rental and Leasing	4.0	1.3	1.4	3.5
15. Retail Trade	16.3	11.4	5.5	14.7
16. Transportation and Warehousing	1.8	1.3	1.4	1.7
17. Utilities	0.5	—	—	0.4
18. Waste Management and Remediation Services	1.0	1.3	—	0.9
19. Wholesale Trade	1.2	1.3	1.4	1.2
20. Other Services	19.6	11.4	11.0	17.9
21. (DK/Refuse)	2.8	1.3	2.7	2.7
Total	100.0%	100.0%	100.0%	100.0%
N	325	200	225	750

**Table Notes**

1. All percentages appearing are based on **weighted** data.
2. All “Ns” appearing are based on **unweighted** data.
3. Data are not presented where there are fewer than 50 unweighted cases.
4. ( )s around an answer indicate a volunteered response.

**WARNING** – When reviewing the table, care should be taken to distinguish between the percentage of the population and the percentage of those asked a particular question. Not every respondent was asked every question. All percentages appearing on the table use the number asked the question as the denominator.

# Data Collection Methods

The data for this survey report were collected for the NFIB Research Foundation by Susquehanna Polling and Research. The interviews for this edition of the Poll were conducted between January – February 2017 from a sample of small employers. “Small employer” was defined for purposes of this survey as a business owner employing no fewer than one individual in addition to the owner(s) and no more than 249.

The sampling frame used for the survey was drawn at the Foundation’s direction from the files of the Dun & Bradstreet Corporation, an imperfect file but the best currently available for public use. A random stratified sample design was employed to compensate for the

highly skewed distribution of small-business owners by employee size of firm (Table A1). Almost 60 percent of employers in the United States employ just one to four people meaning that a random sample would yield comparatively few larger small employers to interview. Since size within the small business population is often an important differentiating variable, it is important that an adequate number of interviews be conducted among those employing more than 10 people. The interview quotas established to achieve these added interviews from larger, small-business owners were arbitrary but adequate to allow independent examination of the 10-19 and 20-249 employee size classes as well as the 1-9 employee size group.

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**TABLE A1**  
SAMPLE COMPOSITION UNDER VARYING SCENARIOS

<b>Employee Size of Firm</b>	<b>Expected from random sample</b>			<b>Completed interviews</b>
1-9	599	79.9%	350	46.7%
10-19	79	10.5%	200	26.7%
20-249	72	9.6%	200	26.7%

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\* Sample universe developed from the U.S. Small Business Administration’s Office of Advocacy data on Statistics of U.S. Businesses.



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