



Labor Market Study for the  
Job Creation Investment  
Fund

**Executive Summary**

Prepared for:

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July 31, 2000

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**Job Creation Investment Fund  
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## Executive Summary

The Job Creation Investment Fund (JCIF) was created by The California Trade and Commerce Agency to facilitate the transition of welfare clients to self-sufficiency. In San Mateo County, the JCIF has been used to study job matching, job retention, and job advancement among welfare clients. This report presents the results of interviews with over 30 San Mateo County employers on topics including entry-level job requirements, benefits, hiring plans, hiring policy, job retention, job advancement, and experience with and attitudes regarding welfare recipient hires.

Interviews with the San Mateo County employers revealed many common themes regarding entry-level employees. Employers found entry-level workers to have low levels of basic skills and life/work place skills. Employers are willing to hire applicants with deficits in the former, but will not hire those with deficits in the latter. Many suggested that the County could perform a service by preparing job applicants in both basic and life/work skills.

The majority of entry-level occupations we discussed with employers pay between \$8 and \$10 an hour in starting wages. Jobs paying \$12 an hour or more are quite rare, and most of these require some additional skill. Even when the unemployment rate hovers between one and two percent, few welfare clients will be able to find jobs paying more than \$10 an hour when they first enter or re-enter the labor market. As a consequence, the report suggests an early emphasis on career planning and career matching for welfare clients. Below are the three suggested strategies for planning a career matched to clients' abilities and interests:

- 1) **Advancement on the job:** Remain with one employer where there is a clear path to advancement. This requires a moderate level of initiative, and is a strategy best suited to a client who does not have the ability or interest in continuing education or changing employers.
- 2) **Advancement by changing employers:** Change employers after getting experience on the job. This strategy requires more initiative than the first, but does not require additional education, and is suited for clients who would be able to manage a job search while working.
- 3) **Advancement by pursuing education:** Obtain additional education and advance with current employer or change employers. This strategy requires a great deal of initiative on the part of the client, and should be recommended for those who express interest in continuing classroom education.

The report details jobs and career paths falling into each of these strategies, and discusses important aspects of the application process, common pitfalls leading to job termination, and employer experience and knowledge about welfare-to-work employees.