

# Workforce Review

*A monthly review of labor market information for Northern Santa Clara County*

## February 2011

*Did you know?*

### Bay Area business execs plan more hiring

Nearly one-third of Bay Area businesses plan to hire more workers in 2011 -- the best such employment forecast in more than three years, a survey released Thursday shows.

An estimated 31 percent of employers in the nine-county region intend to increase their work force over the coming 12 months, according to the quarterly Business Confidence Survey by the Bay Area Council.

The last time a percentage for planning to hire was that high was in July 2007, almost four years ago, the survey determined. The results were derived from a poll conducted from mid-February to early March of 485 chief executive officers and other executives at companies in the Bay Area.

"We're seeing optimism and confidence in all private industry sectors," said Jim Wunderman, president of the Bay Area Council.

About 14 percent of the employers who were surveyed intend to slash their employment levels over the next six months, the report found.

The overall Business Confidence Index reached a mark of 61. A mark above 50 indicates positive business conditions, the council said.

"Small and medium-sized businesses are finally showing signs that they might be expanding their work forces over the next few months."

The inclination toward hiring varied widely depending on the geography of the respondents.

The most robust hiring plans over the coming six months were in the San Francisco area and the South Bay, the survey found: In San Francisco, 45 percent of the businesses intend to hire employees, and 4 percent plan to decrease staffing levels. In Santa Clara County, 38 percent of employers plan to add workers, and 9 percent intend to reduce workers.

"We are seeing some increase in demand among small business customers," said Jim Foley, Wells Fargo's community banking president of the East Bay. "As we see demand increasing, we are looking externally to hire more talent in the small business segment."

Wells Fargo said that many of the businesses the bank serves are not ready to gallop back into an expansion mode. Yet the companies also have an improved attitude about their future fortunes.

"Most business owners are still fairly cautious," Foley said. "But a year ago, none of them were willing to even look at the possibility of expansion. Confidence is a little bit stronger among the business owners we are talking to."

**Source:** *San Jose Mercury News* (03/24/11)

[http://www.mercurynews.com/business-headlines/ci\\_17684357](http://www.mercurynews.com/business-headlines/ci_17684357)

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WORKFORCE  
DEVELOPMENT

**Labor Force Statistics** (San José–Sunnyvale–Santa Clara MSA)

Unemployment Rate	February 2010	January 2011	February 2011	Percentage Point Change	
				Monthly	Annual
San José–Sunnyvale MSA	11.9%	10.8%	10.6%	- 0.2	- 1.3
California	12.8%	12.7%	12.3%	- 0.4	- 0.5
United States	10.4%	9.8%	9.5%	- 0.3	- 0.9

  

Labor Force	February 2010	January 2011	February 2011	Percentage Change	
				Monthly	Annual
San José–Sunnyvale MSA	901,700	898,000	896,700	- 0.1%	- 0.6%
Civilian Employed	794,200	801,000	801,900	+ 0.1%	+ 1.0%
Civilian Unemployed	107,500	96,900	94,800	- 2.2%	- 11.8%

**Industry Statistics** (San José–Sunnyvale–Santa Clara MSA)

Change in Employment	February 2010	January 2011	February 2011	Percentage Change	
				Monthly	Annual
<b>Total Nonfarm</b>	<b>840,300</b>	<b>853,100</b>	<b>857,600</b>	<b>+ 0.5%</b>	<b>+ 2.1%</b>
Construction	30,800	30,800	31,300	+ 1.6%	+ 1.6%
Retail Trade	77,100	77,800	76,900	- 1.2%	- 0.3%
Employment Services	15,800	17,400	17,500	+ 0.6%	+ 10.8%
Health Care & Social Assist.	76,500	79,200	79,500	+ 0.4%	+ 3.9%
Government: State & Local	86,100	82,000	81,800	- 0.2%	- 5.0%

NOTE: San José–Sunnyvale–Santa Clara MSA (Metropolitan Statistical Area) = Santa Clara and San Benito Counties

Source: California Employment Development Department, LMID

**Labor Force by Metropolitan Statistical Area** (U.S. High-Tech Regions)

	Labor Force			Employed			Unemployment		
	February 2010	February 2011	Annual Change	February 2010	February 2011	Annual Change	February 2010	February 2011	Annual Change
<b>United States</b>	<b>153,194,000</b>	<b>152,635,000</b>	<b>- 0.4%</b>	<b>137,203,000</b>	<b>138,093,000</b>	<b>+ 0.6%</b>	<b>15,991,000</b>	<b>14,542,000</b>	<b>- 9.1%</b>
<b>California</b>	<b>18,187,800</b>	<b>18,049,300</b>	<b>- 0.8%</b>	<b>15,860,800</b>	<b>15,835,700</b>	<b>- 0.2%</b>	<b>2,327,000</b>	<b>2,213,600</b>	<b>- 4.9%</b>
Austin, TX	900,300	906,716	+ 0.7%	834,234	844,035	+ 1.2%	66,066	62,681	- 5.1%
Boston, MA	2,532,177	2,535,676	+ 0.1%	2,320,733	2,344,940	+ 1.0%	211,444	190,736	- 9.8%
Portland, OR	1,185,622	1,189,160	+ 0.3%	1,048,002	1,070,715	+ 2.2%	137,620	118,445	- 13.9%
San Diego	1,556,000	1,553,600	- 0.2%	1,390,300	1,396,900	+ 0.5%	165,700	156,700	- 5.4%
San Francisco	960,500	949,200	- 1.2%	870,400	867,600	- 0.3%	90,100	81,500	- 9.5%
Seattle, WA	1,491,970	1,490,910	- 0.1%	1,346,680	1,356,750	+ 0.7%	145,300	134,160	- 7.7%
<b>San José–Sunnyvale</b>	<b>901,700</b>	<b>896,700</b>	<b>- 0.6%</b>	<b>794,200</b>	<b>801,900</b>	<b>+ 1.0%</b>	<b>107,500</b>	<b>94,800</b>	<b>- 11.8%</b>

NOTE: Totals may not add correctly due to rounding

Source: California Employment Development Department, LMID

**Regional Layoff Activity**

Company	WARN *	City	Affected	Cause
BAE (formerly United Defense)	No	Santa Clara	15	RIF
Goodmail Systems	No	Mountain View	Unknown	Closure
Stiefel Laboratories	Yes	Palo Alto	51	Closure
Yahoo!	Yes	Sunnyvale	265	RIF
Company confidential	No	Sunnyvale	20	RIF
Company confidential	No	Mountain View	100	RIF
Company confidential	No	Mountain View	45	RIF
Company confidential	No	Sunnyvale	4	Closure
			<b>496</b>	

**WARN Summary**

Individuals Affected YTD †:	<b>1,861 †</b>
Events Current YTD †:	<b>56</b>
Events Previous YTD †:	<b>98</b>

\* **WARN: Worker Adjustment and Retraining Notification** (notice of mass layoff or closure)

† **YTD: Year to Date** (Program year: July 1–June 30)

\* **Summary Total** may not equal sum of monthly numbers due to internal adjustments

NOTE: Layoff data are preliminary and should be considered an estimate of monthly regional activity

Source: NOVA's internal Rapid Response database