

BUSINESS FORECAST

Internships Not a Gold Standard Among Businesses

Many value internships, but don't offer them or plan to

SAN DIEGO (August 20, 2015) – Conventional wisdom tells us that internships are an essential and highly valuable opportunity for getting a job after college. However, San Diego County businesses are rather mixed when it comes to the value they see in the internship experience and whether they offer intern positions at all.

According to this month's Business Forecast, sponsored by Silvergate Bank, three-quarters of San Diego County businesses surveyed view internships favorably when evaluating an applicant's resume. Yet half of the county's businesses do not offer internships and are not interested in doing so at all. This leaves 30 percent of county businesses that have internships and another 21 percent that don't currently provide them, but are interested.

The companies that place the most value on internships are the larger and small businesses, whereas mid-size businesses don't see much value in the experience, the survey found.

"The students enrolled in San Diego's many colleges and universities represent our region's future workforce and the more opportunities businesses can create to train and develop their skills the better suited we all will be when hiring our next employees," said Dino D'Auria, Executive Vice President and Chief Banking Officer at Silvergate Bank.

As summer winds down, the county's Business Outlook Index (BOI) is showing a bit of a seasonal cool down. The BOI moved nominally lower to 22.5, down five points from June. This change, while statistically insignificant, is something to keep an eye on as it is the first time in 11 months the BOI has dipped out of the 24 to 28 range.

Workforce hours and governmental challenges are two elements contributing to the BOI's decline. One out of every six firms report their main challenge comes from government and that burden is dragging their BOI down. The BOI among

those companies is a very weak 7; among all other firms the BOI is a healthy 25. The Index's hours worked component has lost some steam with businesses projecting a slowdown in workforce hours as they move out of the summer months. Additionally, the tourism and maintenance industries show a cooling off with hospitality firms reporting a significant decrease in BOI from 36 the previous quarter to just 16 in July.

"The dip we see in this month's outlook, while not a cause for alarm, does remind us of the vulnerability of our business community," said Jerry Sanders, President and CEO of the San Diego Regional Chamber of Commerce. "Time and again the Forecast shows just how impactful governmental actions can be on business which underscores the import role we play as an advocate for our region's business community."

Silvergate Bank's San Diego County Business Forecast is a scientific look at where our region's economy is headed. The survey for this month's installment was fielded July 21 - 31, 2015 by Competitive Edge Research using responses from 200 randomly-selected members of the San Diego, East County, Alpine, Escondido, Lakeside, Vista, Santee, and National City Chambers of Commerce. To view this month's Forecast or previous San Diego County Business Forecasts, visit www.sdchamber.org/forecast.

About The San Diego County Business Forecast

*The San Diego County Business Forecast is a monthly report that compiles insights and analysis on survey responses from local business executives from the San Diego Regional, East County, Alpine, Escondido, Lakeside, Santee and Vista Chambers of Commerce. It is sponsored by **Silvergate Bank** and conducted by **Competitive Edge Research**. Non-profit organizations are excluded from the results and all members are invited to complete the survey either online or over the phone. The Business Outlook Index™ (BOI) is comprised of four self-reported assessments regarding the next three months: Will a respondent's business increase or decrease its number of employees, experience an increase or a decrease in revenue, increase or decrease the number of hours its employees work, and experience an improvement or a worsening of business conditions. For each assessment, definite and positive responses are scored 100, probable and positive responses are scored 50, neutral responses are scored 0, probable and negative responses are scored -50 and definite and negative responses are scored -100. The scores are summed and divided by 4 to get a range for the BOI of -100 to +100, with zero being a neutral outlook. Click here to see past Business Forecasts.*

About Silvergate Bank, Business Banking Redefined

For over 25 years, as a San Diego based community bank, Silvergate provides a rewarding banking experience where the client's needs always come first. Our business banking experts listen to needs and work to provide customized solutions to support your company's growth and profit objectives. Our bankers are committed to superior responsiveness, local decision making, and the agility that allows our clients to choose the way they want to bank with us. To learn more, visit www.silvergatebank.com or contact Dino D'Auria at ddauria@silvergatebank.com.

About The San Diego Regional Chamber

The San Diego Regional Chamber is the hub for connections and collaboration among the regional business community, and uses that clout to advocate for public policies and candidates that support economic growth and the creation of jobs for all businesses. As the largest Chamber on the West Coast, representing more than 3,000 businesses and 400,000 employees, the San Diego Regional Chamber is fighting to make San Diego the most business-friendly region in California. For more information, please visit SDChamber.org or call 619-544-1300.