

AN ANALYSIS OF THE LABOR FORCE OF ALFALFA
COUNTY, MAJOR COUNTY, AND WOODS COUNTY
IN NORTHWESTERN OKLAHOMA

A SUMMARY REPORT PRESENTED TO

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Farmers' Exchange Bank,
Major County Economic Development Corporation,
Woods County Economic Development Corporation,

and

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Introduction

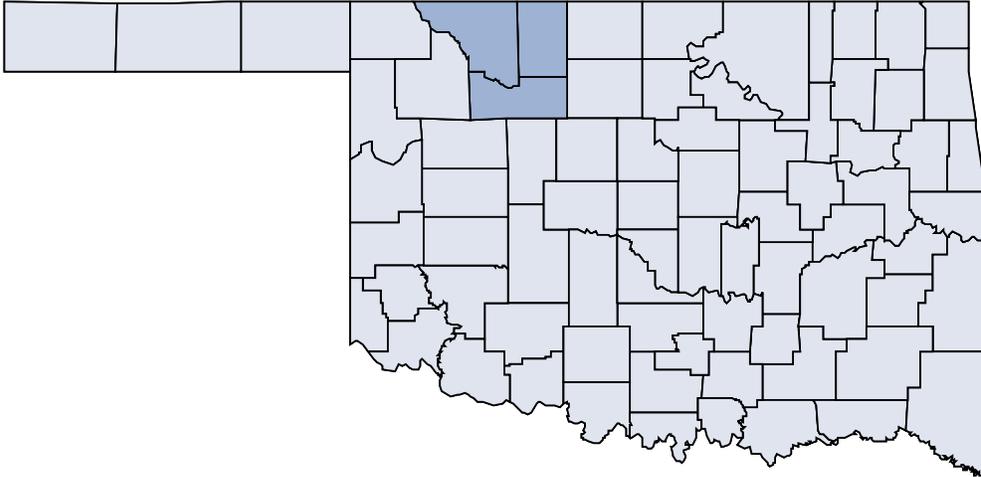
Sponsored by the Alfalfa Electric Cooperative, Farmers' Exchange Bank, Major County Economic Development Corporation, Woods County Economic Development Corporation and the Oklahoma Department of Commerce, this report is the latest in a series of local labor force studies in Oklahoma. The report examines the availability of labor in Alfalfa County, Major County, and Woods County in northwestern Oklahoma. These counties comprise the 'labor market area' referred to in this report.

The data contained in this report were collected by telephone from randomly selected adults in the winter of 2002. The results are based on 998 interviews of persons 18 years old or older who reside in areas served by the telephone prefixes for localities in the areas listed above. The number of interviews completed by county is shown in the Appendix. Results are subject to a sampling error of +/- 3.1 percentage points with a confidence level of 95 percent.

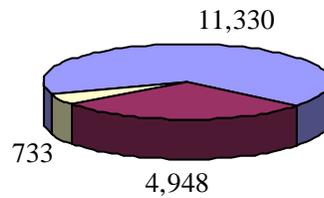
REPORT HIGHLIGHTS

- A total of 1,857 workers are either actively looking for other work or willing to change jobs for the right opportunity.
- An estimated 1,253 are Underemployed.
- In addition to the Underemployed, 603 workers have looked for other work during the previous three months.
- The Underemployed exhibit a variety of occupations and skills.
- About 19.0 percent of Underemployed workers hold at least a bachelor's degree.
- The typical Underemployed worker is willing to change jobs for an increase in pay of 10% to 15%.
- A job that pays \$10 an hour is viewed as desirable by 829 Underemployed and 295 workers looking for other work.

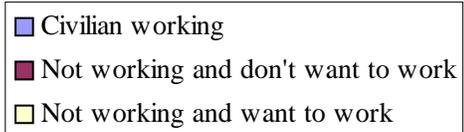
Labor Market Area



Of the 16,368¹ adults who reside in the labor market area 10,687 are employed. Approximately 24 percent live in Alfalfa County, 35 percent in Major County, and 41 percent in Woods County.



As is the case in any labor market area, a significant number of adults do not work outside the home including retirees, students, homemakers, the disabled, and the unemployed. Approximately 5,681 adults are presently not working. Most (4,800) do not



desire to work citing as reasons retirement, inability to work, or a preference not to work outside the home (table). A smaller number of adults (733) want to work; this group

Persons Not Working			
<u>Reason Not Working</u>	<u>Want to Work</u>	<u>Don't Want to Work</u>	<u>Total</u>
Retired	124	3,468	3,591
Disabled or unable to work	124	435	559
Don't work outside the home	141	595	735
Student	97	106	203
Family responsibilities	0	41	41
Just moved into area	0	0	0
Laid off, lost job	198	61	259
Don't have reliable transportation	50	0	50
Other	0	94	94
Total	733	4,800	5,533

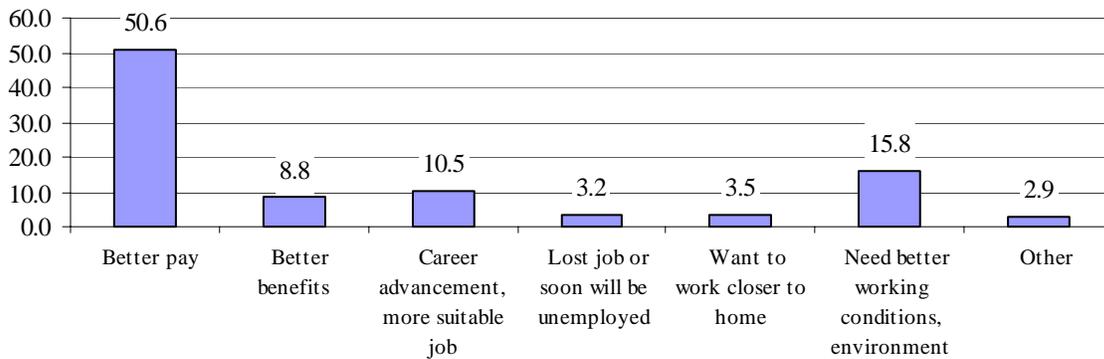
¹ Excludes institutionalized population.

consists primarily of persons who have recently lost their jobs, students, persons who want to go back to work, and homemakers who are looking for work outside the home. Only a small portion of those who want to work could be classified as unemployed. Using the U.S. Department of Labor definition, a person is unemployed if he or she is without work and engages actively in job-searching activities. Using this definition, approximately 1.9 percent of the labor force in the labor market area was unemployed on average during the twelve months ending January 2002, according to figures obtained from the U.S. Bureau of Labor Statistics.

Actively Looking for a Different Job

Approximately 603 workers, 5.6 percent of those working in civilian jobs, took actions in the previous three months to find a new job. Better pay was the primary reason for looking for a different job for most workers while probable unemployment and better benefits were mentioned next most often.

Primary Reason Why Looking for Different Job (percent)



Education

The percentage of workers with at least a Bachelor's degree is somewhat above the Oklahoma state average (table). More workers in the labor market area have completed at least some college, compared with state averages.

Highest Level of Education of Working Persons 18 Years Old or Older (percent)		
	Labor Market	
<u>Level of Education</u>	<u>Area</u>	<u>State</u>
Less than high school	4.6	10.8
High school	30.9	37.0
Some college	33.7	20.1
Associate degree	3.1	6.5
Bachelors degree	20.2	16.2
Postgraduate degree	6.2	9.4
Bachelors degree or higher	26.4	25.7
Note: State averages are compiled from the Current Population Survey conducted in March 1999 by the U.S. Census Bureau		

Household Mobility

Many households are very mobile, moving from one residence to another after a stay of only a few years. Among households in this study, 12.2 percent lived in a different residence in the same county, 13.2 percent lived in a different county in Oklahoma, and 5.6 percent lived in a different state. In all, 31.1 percent lived in a different house or apartment five years ago. Not surprisingly, the Underemployed are the most mobile of households: 35.5 percent lived in a different county or different state five years ago compared with 29.2 percent for the Job Shifters and 17.9 percent for Job Keepers.

Commuting Patterns

Twenty-three percent of workers who live in Alfalfa County and twenty-nine percent of workers who live in Major County commute to jobs in other counties including Garfield County (667 commuters) and Dewey County (134 commuters). By contrast, nine of ten workers who live in Woods County also work in Woods County (table).

Commuting Patterns for Residents of the Labor Force Area			
<u>Employed in:</u> (county)	Resides in (county):		
	<u>Alfalfa</u>	<u>Major</u>	<u>Woods</u>
Alfalfa	2,070	90	105
Blaine	16	51	
Custer		20	
Dewey		134	
Ellis		24	
Garfield	239	395	33
Harper			19
Kay			16
Major	63	2,652	
Woods	174	13	3,902
Woodward		45	15
Various	62	216	82
Other	21	112	31
Kansas (state)	33	15	42
Unknown			
Total	2,678	3,766	4,244
Employed in Home County			
Number	2,070	2,652	3,902
Percent	77.3%	70.4%	91.9%

Type of Employment

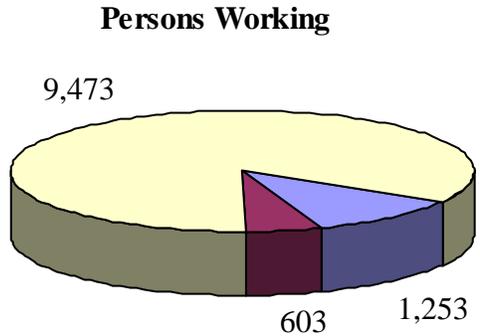
Seventy-eight percent of civilian workers have full-time, permanent jobs. A significant proportion of civilian workers have part-time jobs, about one of five. About 21 percent of part-time workers would like to work full-time. Lack of full-time work, health problems, retirement, child care obligations, and school are given as reasons why some are working part-time and not full-time (table).

Type of Employment	
Full-time	
Permanent	8,308
Temporary	189
Unknown	75
Part-time	
Permanent	1,844
Temporary	221
Unknown	49
Total	10,687

Reasons for Working Part-time (percent)	
Could only find part-time work	1.3
Retired / Social Security limit on earnings	9.9
Child care obligations /problems	10.8
Other family / personal obligations	10.9
School / training	7.1
Health / medical limitations	23.9
Slack work / business conditions	21.5
Other	0.6

Availability of Labor

This study identified 1,856 workers who are readily available for other work, including workers who have looked for other work during the past three months (Job Shifters), and workers who are Underemployed. In addition to these two types of workers, the study identified workers who are neither Underemployed nor looking for other work (Job Keepers), and persons who are not working but want to work (Job Seekers).



■ Underemployed ■ Looking for other work ■ Rest of employed

Job Shifters

Approximately 603 workers in the labor market area looked for other work during the previous three months. Most engaged in what the U.S. Bureau of Labor Statistics refers to as active job-search methods, including contacting employers and employment agencies, sending out resumes and completing employment applications, and answering help wanted ads (table).

Jobsearch Methods Used by Workers Looking for Other Work	Number of	
	<u>Workers</u>	<u>Percent</u>
<i>Active Jobsearch Methods</i>		
Contacted employer directly / interview	150	24.9
Contacted public employment agency	27	4.5
Contacted private employment agency	0	0.0
Contacted friends or relatives	82	13.6
Contacted school / university employment center	0	0.0
Sent out resumés / filled out applications	202	33.4
Checked union / professional registers	0	0.0
Placed or answered ads	216	35.8
<i>Passive Jobsearch Methods</i>		
Looked at want ads	265	44.0
Attended job training programs / courses	0	0.0
At least one <i>active</i> jobsearch method	411	68.0
Note: more than one jobsearch method is possible.		

Underemployed

This study estimates that 1,253 workers in the labor market are Underemployed, 11.7 percent of all workers. In order to be classified as Underemployed in this study, all three of the following conditions must be satisfied.

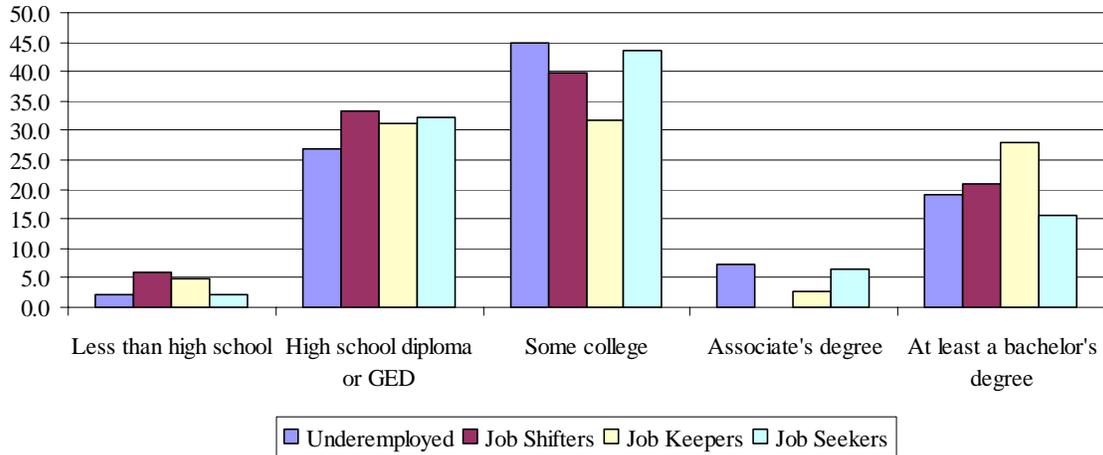
The worker must:

- feel underutilized in present employment,
- possess training or education that is not required by his or her current job, and
- be willing to change jobs in order to better utilize his or her skills and education.

Characteristics of Workers

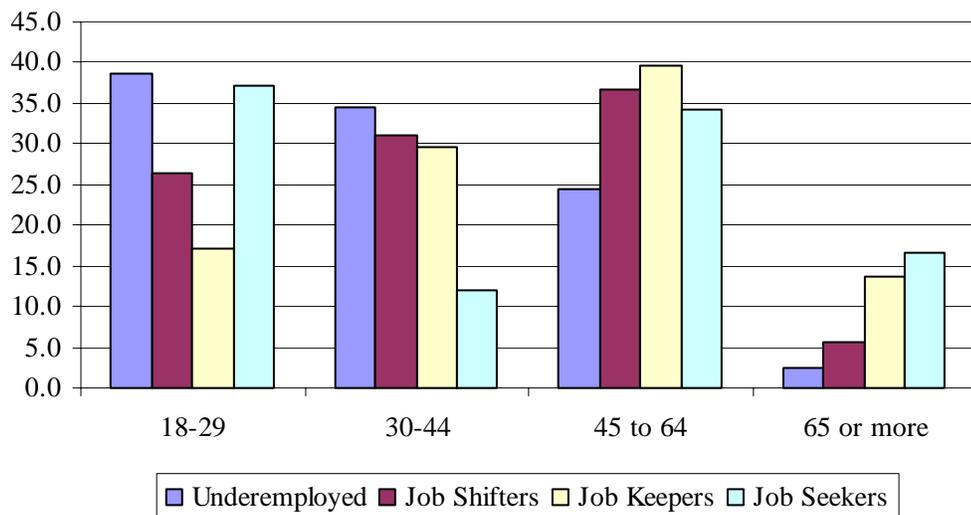
Job Keepers have the highest percentage of college graduates, about 28 percent, followed by Job Shifters (20.8 percent) and the Underemployed (19.0 percent). Job Seekers have the lowest percentage of college graduates.

Civilian Workers by Level of Education



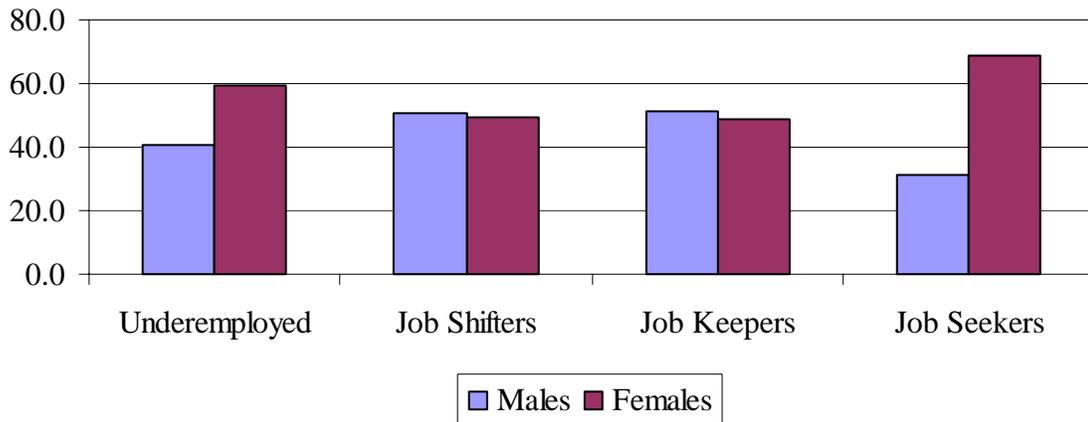
The Underemployed are the youngest while Job Seekers are the oldest group. Job Keepers have the largest percentage in the 45 to 64 age group.

Civilian Workers by Age Group



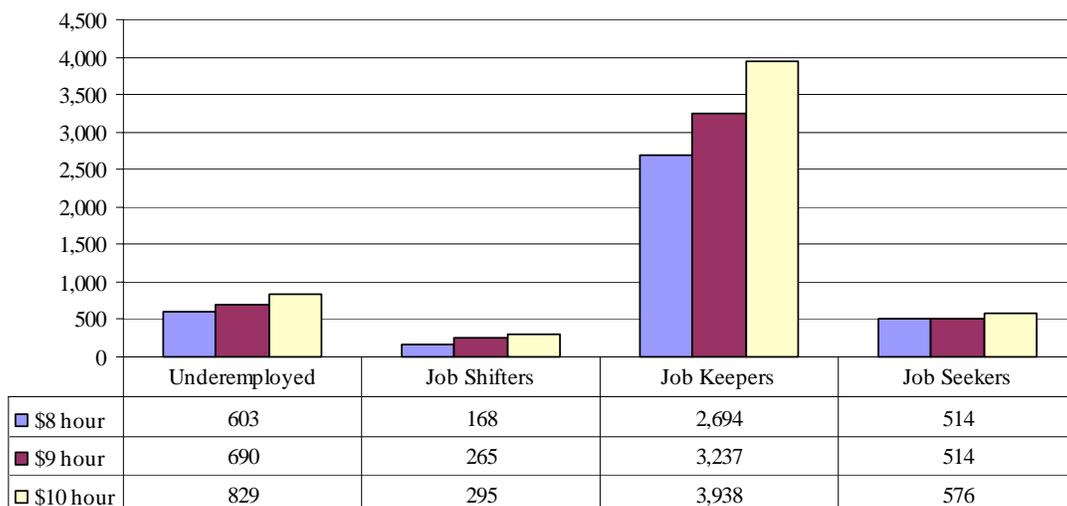
The Underemployed and Job Seekers are predominantly female, while Job Keepers and Job Shifters are split evenly between males and females.

Workers by Gender



About one in three workers finds a wage of \$8 per hour attractive, including 603 Underemployed, 168 Job Shifters, and 2,694 Job Keepers, as well as 514 Job Seekers. For a wage offer of \$9 per hour the number of available workers increases by about 21 percent, rising another 21 percent for a wage of \$10 per hour.

Number of Persons Willing to Work by Wage Rate



The attractiveness of a particular wage rate varies greatly with the worker's level of education. For example, only 18.2 percent of workers with Bachelor's degrees find \$8 per hour attractive compared with 35.0 percent of those with two years of college or Associate's degrees and 37.8 percent of those with only a High School diploma (see Table 2 in the Appendix).

Underemployed and Job Shifters by Occupation			
	<u>Underemployed</u>	<u>Job Shifters</u>	<u>Total</u>
Executive, Administrative, and Managerial	156	33	189
Professional Specialty	34	43	77
Technicians and Related Support	31	15	46
Sales	135	0	135
Administrative Support, including Clerical	282	127	410
Service Occupations	194	156	350
Farming, Forestry, and Fishing	109	62	171
Precision Production, Craft, and Repair	183	136	318
Machine Operators, Assemblers, and Inspectors	38	0	38
Transportation and Material Moving	92	12	104
Other	0	20	20
	1,253	603	1,857

The Underemployed and Job Shifters display a variety of occupations and skills, from executives and other professionals to craftsmen and clerks. The largest occupations are Administrative Support, including Clerical (410), Service occupations (350), Precision Production, Craft, and Repair (318), and Executive, Administrative and Managerial (189).

Workers with workplace skills that are not being used offer potential recruits for employment opportunities that better use their skills. This study found that 12.7 percent of those with skills not presently in use have computer skills of one type or the other (see Table 5 in the Appendix). Knowledge of word processing was most often mentioned, followed by work on machines and bookkeeping (table).

Workers with Computer Skills (among workers with skills not in use)			
		Job	
<u>Strongest Computer Skill (percent)</u>	<u>Underemployed</u>	<u>Shifters</u>	<u>Total</u>
Word processing (MS-Word)	120	28	148
Spreadsheet analysis (Excel, Lotus)	17	26	43
Bookkeeping (Quicken)	42	25	67
Computer programming (C, SAS, SPSS)	0	19	19

About 57 percent of the Underemployed and 62 percent of Job Shifters are willing to change jobs for an increase in pay of 15 percent or less (table), a potential pool of workers of numbering 1,091. The median Job Keeper, however, would require a raise of more than 20 percent to change jobs. In addition, 36.4 percent of Job Keepers are not interested in changing jobs regardless of the increase in pay.

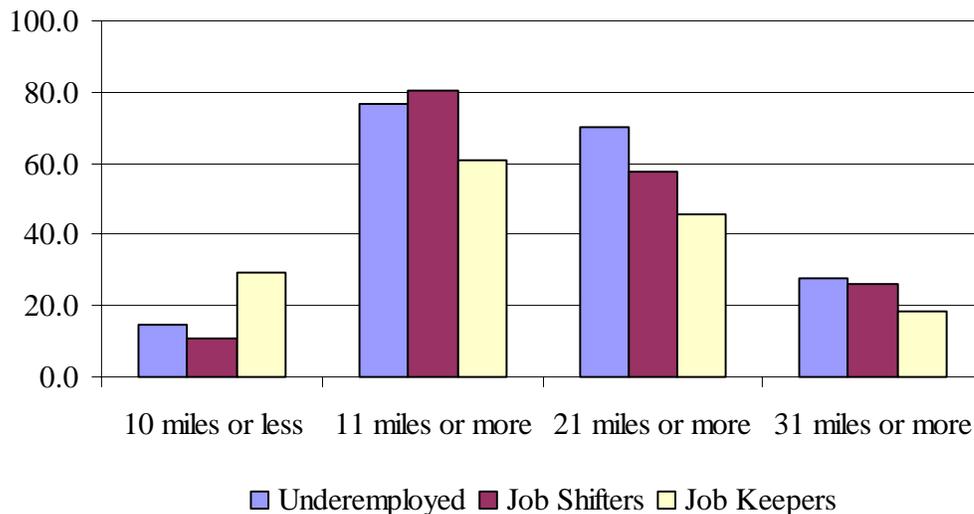
Workers Willing to Change Jobs by Percent Pay Raise			
		Job	Job
<u>Desired raise in pay</u>	<u>Underemployed</u>	<u>Shifters</u>	<u>Keepers</u>
Less than 5%	211	104	335
Between 5% and 10%	296	143	961
Between 10% and 15%	210	127	1,295
Between 15% and 20%	147	28	773
More than 20%	169	56	1,350
Not interested	100	78	3,199
Don't know	120	41	753
Refused	0	12	34
Other	0	15	96
Total	1,253	603	8,797

Only 39 percent of all workers drive at least 6 miles to work. Commuting distances for the Underemployed, Job Shifters, and Job Keepers are similar (table).

Distance Travelled to Place of Employment (percent of workers)				
	<u>All Workers</u>	<u>Underemployed</u>	<u>Job Shifters</u>	<u>Job Keepers</u>
0 - 5 miles	60.7	61.3	61.4	62.9
6 - 10 miles	8.1	7.5	5.5	6.6
11 - 20 miles	12.2	11.8	9.7	11.9
21 - 30 miles	7.5	8.0	8.6	9.3
30 - 50 miles	5.9	5.7	8.6	3.5
More than 50 miles	4.9	5.0	6.3	4.9

A significant proportion of the Underemployed (27.9 percent) and Job Shifters (26.2 percent) are willing to commute 31 miles or more to a job. About 49 percent of all workers are willing to commute 21 miles or more (graph).

Willingness to Commute



Conclusions

- A significant pool of available labor exists in the labor market area among the Underemployed (1,253 workers) and among workers looking for other jobs, or Job Shifters (603 workers).
- Most of the Underemployed and Job Shifters are willing to commute at least 21 miles for a pay increase of 10% to 15%.
- A smaller pool of labor exists among those not working who desire work (Job Seekers). Job Seekers typically are less skilled and not as well educated as most workers.

Appendix: Distribution of Interviews by County

<u>Area</u>	<u>Interviews</u>
Alfalfa County	333
Major County	333
Woods County	328
Total	998

Approximately 5,282 randomly generated phone numbers were called in order to complete the 998 interviews. Of these phone numbers 2,378 were not in service and 836 numbers were not eligible for the study (language barrier, hard of hearing, children's telephone, business or fax). In addition, 828 households refused to be interviewed and 280 numbers were never answered after five and six attempts. A response rate of 55.8 percent was achieved among the eligible numbers that were answered. Completions for each county were weighted by age group, gender, and county population.