

AN ANALYSIS OF THE LABOR FORCE OF THE DURANT, OKLAHOMA LABOR MARKET

A SUMMARY REPORT PRESENTED TO

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Durant Area Chamber of Commerce
Durant Local Workforce Development Council
Johnston County Industrial Authority
Murray State College
OG&E Electric Services
Oklahoma Natural Gas
Rural Enterprises of Oklahoma, Inc.
Southeastern Oklahoma State University

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Introduction

Sponsored by the City of Durant, Durant Area Chamber of Commerce, Durant Local Workforce Development Council, Johnston County Industrial Authority, Murray State College, OG&E Electric Services, Oklahoma Natural Gas, Rural Enterprises of Oklahoma, Inc., Southeastern Oklahoma State University, 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 Bryan County, Johnston County, Marshall County, and Atoka County in south central Oklahoma, and Grayson County across the Red River in Texas (map). These counties comprise the 'Durant Area' and 'labor market area' referred to in this report.

The data contained in this report was collected by telephone from randomly selected adults in the summer of 2001. The results are based on 1,466 interviews of persons 18 years old or older who reside in

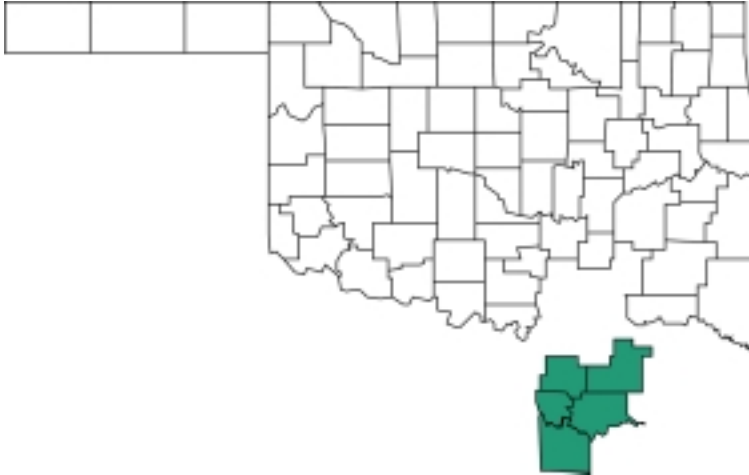
areas served by the telephone prefixes for localities in the counties listed above. The number of interviews completed by county is shown in the Appendix. Results are subject

REPORT HIGHLIGHTS

- A total of 18,974 workers are either actively looking for other work or are willing to change jobs for the right opportunity. These workers are currently available for other jobs.
- Of these workers, 9,011 workers are underemployed, including 3,949 in Oklahoma.
- In addition to the underemployed, 9,963 workers have looked for other work during the previous three months.
- The underemployed exhibit a variety of occupations and skills.
- About 26.4 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%.

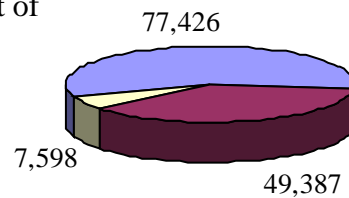
to a sampling error of +/- 2.5 percentage points with a confidence level of 95 percent.

Counties in the Durant Study Area



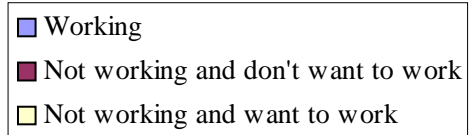
Approximately 77,426 of the 134,411 adults who reside in the Durant area are employed, amounting to 57.6 percent of the population 18 years old or more. Approximately 40 percent live in Oklahoma, while 60 percent live a few miles across the Red River in Texas.

Adult Population



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 56,985 adults in the Durant area are presently not working. Most (49,387) do not desire to work citing as

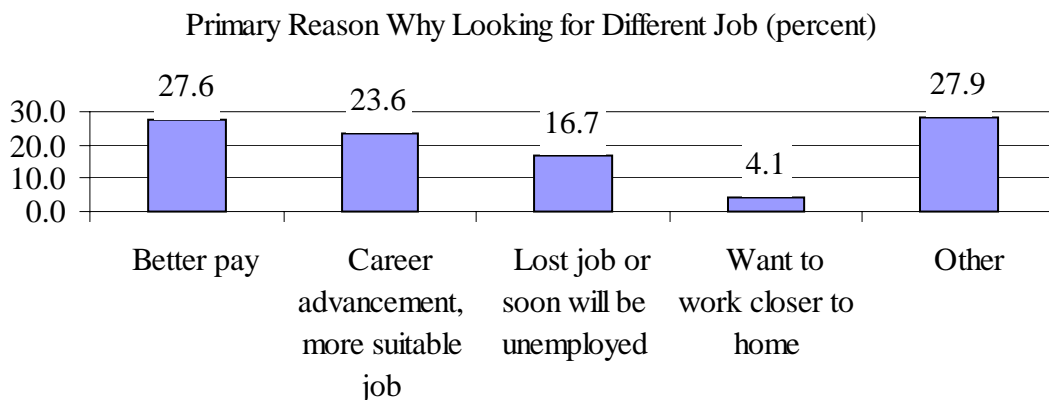


Persons Not Working			
<u>Reason Not Working</u>	<u>Want to Work</u>	<u>Don't Want to Work</u>	<u>Total</u>
Retired	1,663	30,636	32,300
Disabled or unable to work	52	8,658	8,711
Don't work outside the home	1,355	7,242	8,597
Student	0	1,092	1,092
Family responsibilities	1,429	888	2,318
Just moved into area	32	0	32
Laid off, lost job	2,836	0	2,836
Other	229	746	975
Refused	0	125	125
Total	7,598	49,387	56,985

reasons retirement, inability to work, or a preference not to work outside the home (table). A much smaller number of adults (7,598) want to work; this group 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 3.3 percent of the labor force in the Durant area were *unemployed* on average during 2000, according to the U.S. Bureau of Labor Statistics. The unemployment rate was 2.7 percent in the Oklahoma portion of the labor market area and 3.7 percent in Grayson County, Texas.

Actively Looking for a Different Job

More than 14,000 workers, 18.5 percent of those working, took actions in the previous three months to find a new job. Surprisingly, better pay was not the primary reason for looking for a different job for most workers; only 27.6 percent responded this way.



Career advancement and the desire to secure a more suitable job was nearly as important as better pay. Other reasons for job search include the desire to find other work before being laid off and the desire to work closer to home.

Education

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

Highest Level of Education of Working Persons 18 Years Old or Older (percent)		
<u>Level of Education</u>	<u>Durant Area</u>	<u>State</u>
Less than high school	4.3	10.8
High school	35.2	37.0
Some college	28.1	20.1
Associate degree	7.4	6.5
Bachelors degree	16.8	16.2
Postgraduate degree	8.1	9.4
Bachelors degree or higher	24.9	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, 42.7 percent lived in a different house or apartment five years ago, 21.8 percent did not live in the same county five years ago, and 12.4 percent did not live in the same state five years ago. Not surprisingly, Job Shifters are the most mobile of households: 55.2 percent did not live in the same county five years ago, compared with 22.6 percent for the Underemployed and 17.1 percent for Job Keepers.

Commuting Patterns

Approximately 3,033 workers commute from Oklahoma to jobs in Texas. However, the majority of workers are employed in their counties of residence, ranging from 69.2 percent for Marshall County to 87.5 percent for Grayson County.

Commuting Patterns for Residents of the Durant Area					
	<u>Resides in (county):</u>				
<u>Employed in:</u>	Atoka	Bryan	Johnston	Marshall	Grayson
(county)					
Atoka	4,219	112		22	
Bryan	401	13,059	129	206	
Johnston	221	332	3,724	301	144
Marshall		278	263	3,657	
Grayson (Texas)	36	2,381	12	120	38,468
Other Oklahoma	396	404	716	578	98
Other Texas	43	348	93		4,173
Various (travels)	47	248	66	377	5
Unknown	217	452		22	1,057
Total	5,580	17,615	5,003	5,283	43,945
Live in Oklahoma,					
Work in Texas	78	2,729	106	120	
Employed in Home County					
Number	4,219	13,059	3,724	3,657	38,468
Percent	75.6%	74.1%	74.4%	69.2%	87.5%

Type of Employment

Eighty-three percent of workers have full-time, permanent jobs. A significant proportion of workers have part-time jobs, about one of every seven. Most part-time workers do not work full-time by choice: just 11.8 percent of part-time workers would like to work full-time. Slack businesses conditions, family obligations, and lack of full-time work are given as reasons why some are working part-time and not full-time (table).

Type of Employment	
Full-time	
Permanent	64,543
Temporary	2,024
Unknown	93
Part-time	
Permanent	9,805
Temporary	515
Unknown	445
Total	77,426

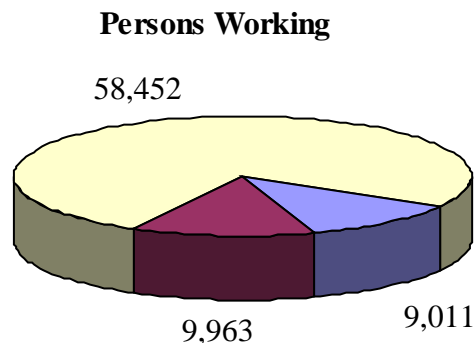
Reasons for Working Part-Time Instead of Full-Time (percent of part-time workers who desire full-time work)	
Slack work / business conditions	23.5
Other family / personal obligations	19.6
Could only find part-time work	15.6
Child care problems	6.5
School / training	4.1
Full-time workweek is less than 35 hrs.	1.5
Health / medical limitations	1.4

Availability of Labor

This study identified 18,974 workers who are readily available for other work. This figures includes 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*).

Job Shifters

Approximately 9,963 workers in the labor market area looked for other work during



■ Underemployed ■ Looking for other work ■ Rest of employed

the previous three months. Most engaged in what the U.S. Bureau of Labor Statistics refers to as *active* jobsearch 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	<u>Workers</u>	<u>Percent</u>
<i>Active Jobsearch Methods</i>		
Contacted employer directly / interview	4,157	41.7
Contacted public employment agency	173	1.7
Contacted private employment agency	867	8.7
Contacted friends or relatives	2,257	22.7
Contacted school / university employment center	42	0.4
Sent out resumé / filled out applications	1,944	19.5
Checked union / professional registers	-	0.0
Placed or answered ads	442	4.4
<i>Passive Jobsearch Methods</i>		
Looked at want ads	2,583	25.9
Attended job training programs / courses	128	1.3
At least one <i>active</i> jobsearch method	7,309	75.0
Note: more than one jobsearch method is possible.		

Underemployed

This study estimates that 9,963 workers in the labor market area are underemployed, 11.6 percent of all workers. In order to be classified as underemployed in this study, all three of the following conditions must be satisfied.

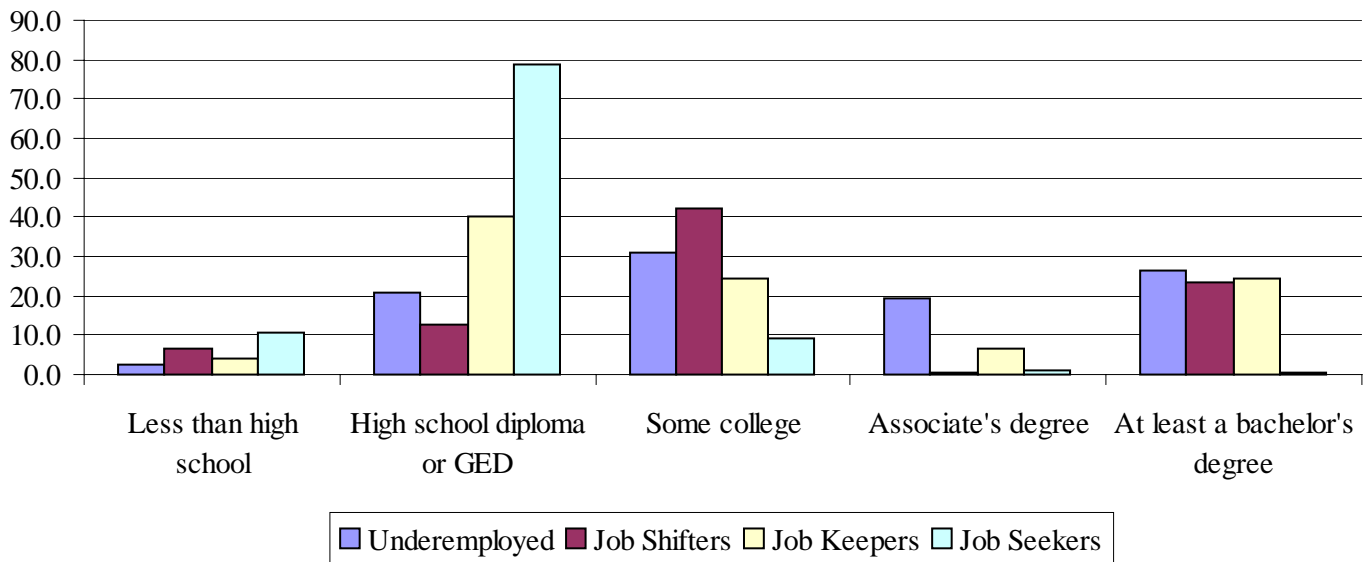
The worker must:

- 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.

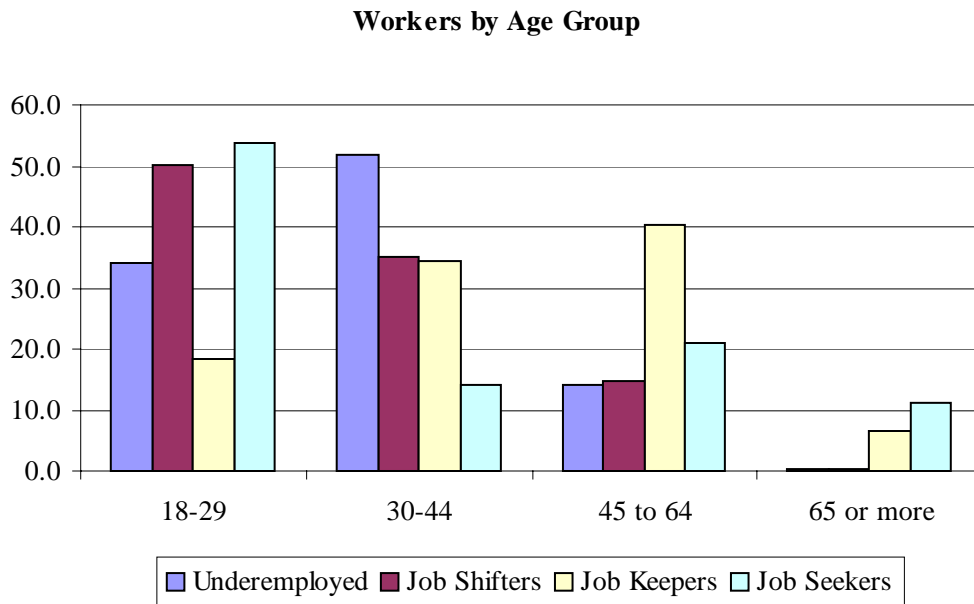
Characteristics of Workers

Job Keepers, the underemployed, and Job Shifters have similar numbers with a Bachelor's degree or better, about 24% to 26%. Job Seekers have the lowest numbers of college graduates.

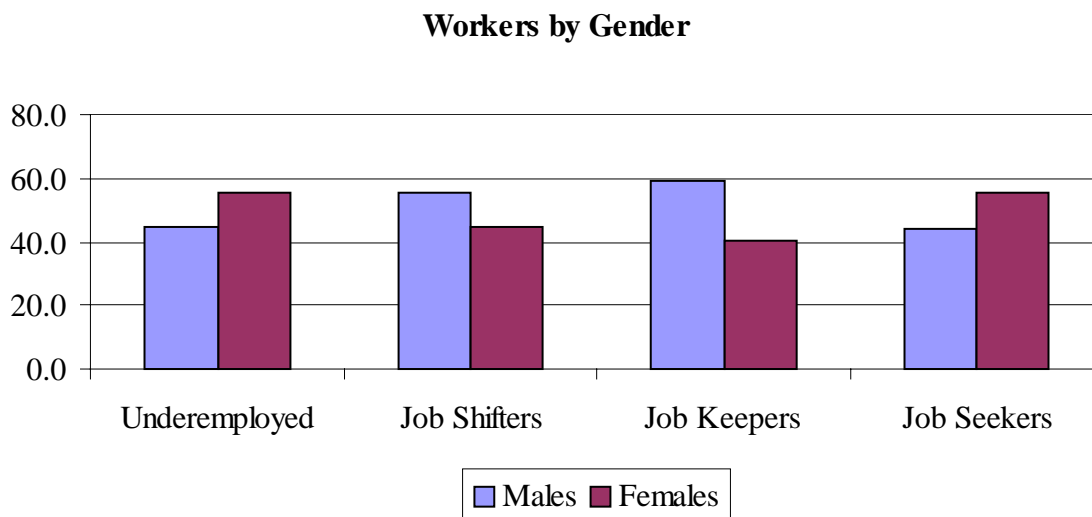
Workers by Level of Education



Job Shifters and Job Seekers tend to be young, with 50 percent no more than 29 years old (graph). Most of the underemployed are between 30 and 44 years old, while the largest portion of Job Keepers are in the 45 to 64 year age bracket.

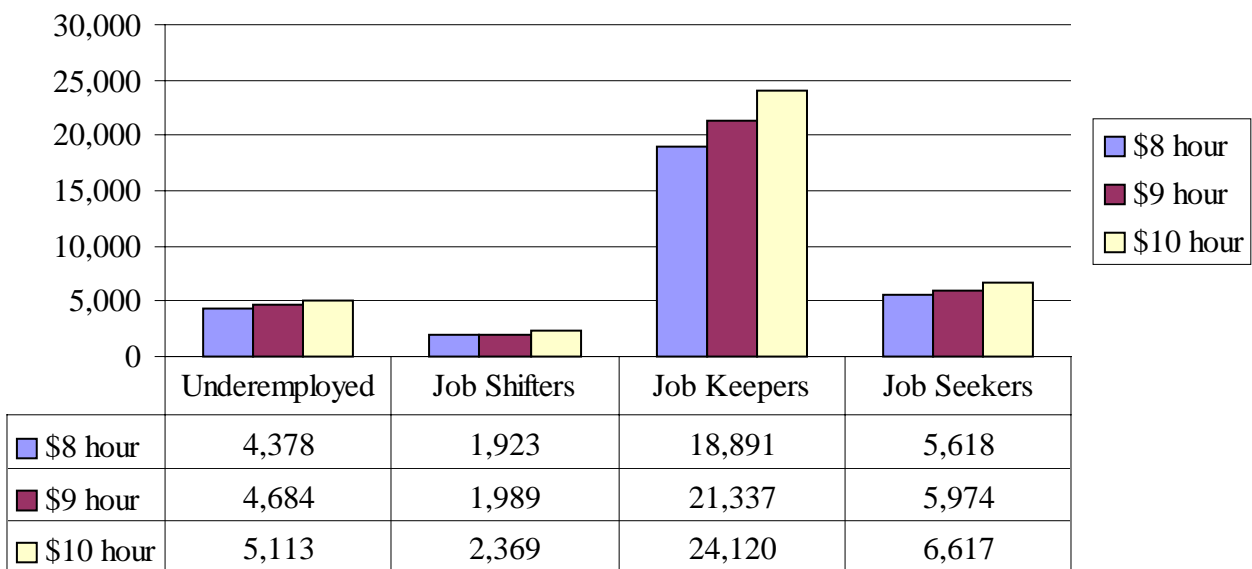


Females outnumber males among Job Seekers and the underemployed, while the majority of Job Shifters and Job Keepers are males.



About one in three workers finds a wage of \$8 per hour attractive, including 4,378 underemployed, 1,923 Job Shifters, 18,891 Job Keepers, as well as 5,618 Job Seekers. For a wage offer of \$9 per hour the number of available workers increases by about 11 percent, and rises another 13 percent if the wage is \$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 15.2 percent of workers with Bachelor's degrees find \$8 per hour attractive compared with 37.6 percent of those with two years of college or Associate's degrees and 39.2 percent of those with only a High School diploma (see Table 2 in the Appendix).

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 service occupations (1,537), precision production, craft, and repair (1,484), professional specialty (1,359), and executive, administrative and managerial (1,187).

	Job		<u>Total</u>
	<u>Underemployed</u>	<u>Shifters</u>	
Executive, Administrative, and Managerial	750	437	1,187
Professional Specialty	521	838	1,359
Technicians and Related Support	370	21	391
Sales	384	422	807
Administrative Support, Including Clerical	488	485	973
Service Occupations	942	595	1,537
Farming, Forestry, and Fishing	138	130	268
Precision Production, Craft, and Repair	883	601	1,484
Machine Operators, Assemblers, and Inspectors	481	333	813
Transportation and Material Moving	119	810	929
	5,076	4,672	9,747

Workers with workplace skills that are not being used offer potential recruits for employment opportunities that better use their skills. This study found that 20.9 percent of those with skills not presently in use had computer skills of one type or the other (see Table 5 in the Appendix). Knowledge of word processing was most often mentioned, followed by network maintenance and spreadsheet analysis (table).

Workers with Computer Skills (among workers with skills not in use)			
<u>Strongest Computer Skill (percent)</u>	<u>Underemployed</u>	<u>Job Shifters</u>	<u>Total</u>
Word processing (MS-Word)	2,155	727	2,882
Spreadsheet analysis (Excel, Lotus)	85	769	854
Bookkeeping (Quicken)	41	21	62
Computer assisted design (CAD)	1	32	33
Web site development	26	0	26
Work on machines, troubleshooting	225	0	225
Maintains a computer network	469	1,102	1,571
Computer programming (C, SAS, SPSS)	50	21	71

About 60 percent of the underemployed are willing to change jobs for an increase in pay of 15 percent or less (table), 46 percent for Job Shifters. Potential employers could hire

9,985 workers among the underemployed and Job Shifters for a pay increase of 15 percent or less. The median Job Keeper, however, would require a raise of 15 percent to 20

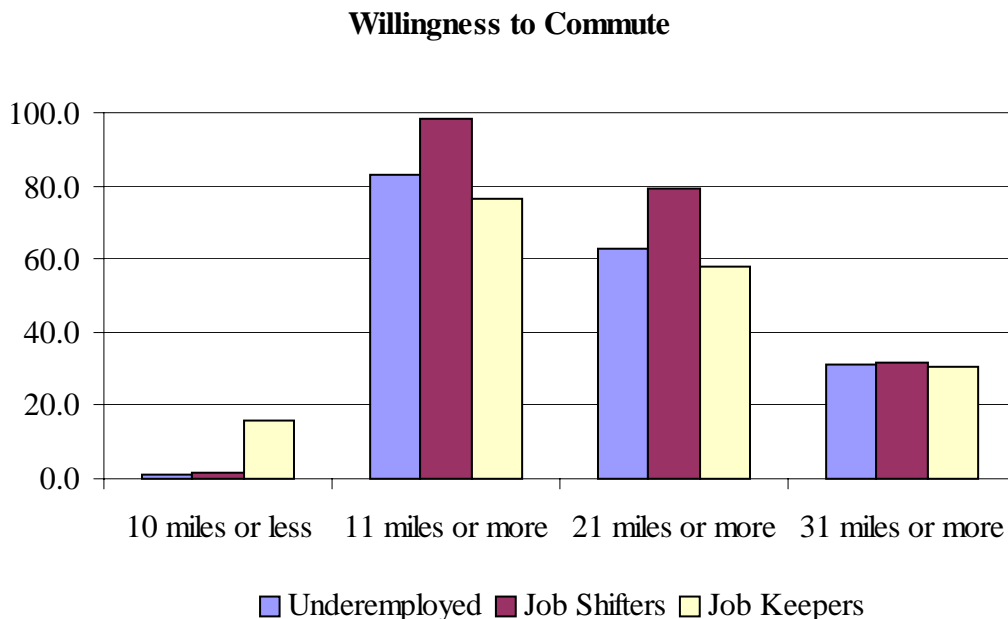
Workers Willing to Change Jobs by Percent Pay Raise			
<u>Desired raise in pay</u>	<u>Underemployed</u>	<u>Job Shifters</u>	<u>Job Keepers</u>
Less than 5%	1,358	1,198	7,390
Between 5% and 10%	2,756	3,019	6,420
Between 10% and 15%	1,259	395	9,952
Between 15% and 20%	556	203	4,826
More than 20%	1,170	2,121	15,084
Not interested	340	1,631	11,283
Don't know	47	176	2,348
Refused	32	28	204
Other	1,492	1,193	946
Total	9,011	9,963	58,452

percent to change jobs. Interestingly, 19.3 percent of Job Keepers are not interested in changing jobs regardless of the increase in pay.

About 61 percent of all workers drive at least 21 miles to work. Job Keepers commute longer distances than do other employees (table).

Distance Travelled to Place of Employment				
	<u>All Workers</u>	<u>Underemployed</u>	<u>Job Shifters</u>	<u>Job Keepers</u>
0 - 5 miles	4.2	3.8	0.5	0.4
6 - 10 miles	8.0	9.1	0.8	1.2
11 - 20 miles	18.8	26.4	20.4	19.0
21 - 30 miles	30.6	31.3	32.0	47.3
30 - 50 miles	17.5	13.9	22.9	15.9
More than 50 miles	13.1	5.7	8.1	16.0

A large proportion (60 percent) of the underemployed and 79 percent of Job Shifters are willing to commute 21 miles or more to a job. About 30 percent are willing to commute 31 miles or more (graph).



Conclusions

- A significant pool of available labor exists in the Durant area among the *underemployed (9,011 workers)* and among workers looking for other jobs, or *Job Shifters (9,963 workers)*.
- Most of the underemployed and Job Shifters are willing to commute at least 21 miles for a pay increase of 15% to 20%.
- 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>Oklahoma</u>	<u>Interviews</u>
Atoka County	378
Bryan County	488
Johnston County	201
Marshall County	200
<u>Texas</u>	
Grayson County	199
Total	1,466

More than 6,000 randomly generated phone numbers were called in order to complete the 1,466 interviews. Approximately 1,741 numbers were not in service. Another 1,074 numbers were not eligible for the study (language barrier, hard of hearing, children's telephone, business or fax). In addition, 994 households refused to be interviewed and 1,037 numbers were never answered after five and six attempts. Of the eligible numbers that were answered, a response rate of 52 percent was achieved.

Completions for each county were weighted by age group, gender, and county population for the data analysis.