

# **An Analysis of the El Reno Area Labor Force**

Summary Report

for the

El Reno Industrial Development Corporation

and

Oklahoma Department of Commerce

David A. Penn and Robert C. Dauffenbach  
Center for Economic and Management Research  
Michael F. Price College of Business  
The University of Oklahoma

August 1998

## **An Analysis of the El Reno Area Labor Force**

Sponsored by the El Reno Industrial Development Corporation and the Oklahoma Department of Commerce, this study examines the availability of labor in the El Reno, Oklahoma, area. Data were collected by telephone from randomly selected adults in June and July of 1998. The results presented in this report are based on 1,018 interviews targeted to residents of Canadian County and the Kingfisher, Hinton, and Minco areas. Residents of El Reno, Yukon, and the Oklahoma City portion of Canadian County constitute 67 percent of the sample.

Although the unemployment rate is just 2.3<sup>1</sup> percent in Canadian County, this study demonstrates that a pool of labor exists among workers who are employed but do not fully utilize their education and skills. We call these workers the *underemployed*. In this study, underemployed workers meet three conditions: 1) they feel they are underutilized in their present employment, 2) they have training or education that is not required by their current job, and 3) they would change jobs in order to better utilize their skills and education. Approximately 15.6 percent of workers in the area fit the underemployed criteria.

Many of the underemployed are searching for improved job situations. These workers exhibit a variety of occupations and skills. The results show that the median underemployed worker is willing to commute 20 miles or more for a job that pays 10 percent to 15 percent more than current wages.

A smaller pool of labor exists among those who are without work but who want to work. These persons include retirees who wish to return to work for a variety of reasons. In general, those who want to work are less skilled and have less education than does the average worker in the area.

The next section provides comparative survey details regarding the underemployed followed by comparisons of El Reno with the surrounding area.

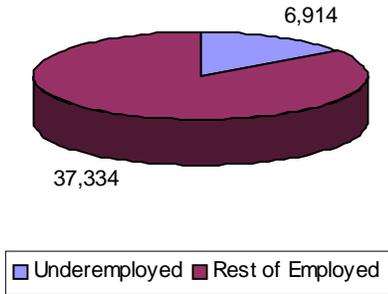
---

<sup>1</sup> Oklahoma Employment Security Commission estimate for May 1998.

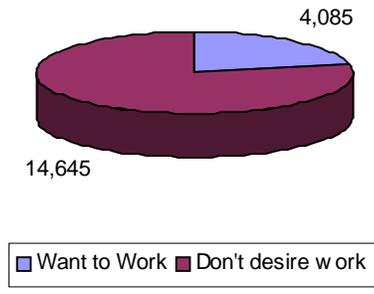
## Highlights Regarding the Underemployed

One out of eight workers in the target area, or approximately 6,914 persons, are looking for work that better utilizes their skills and education. Another 4,085 persons who are currently not working want to work.

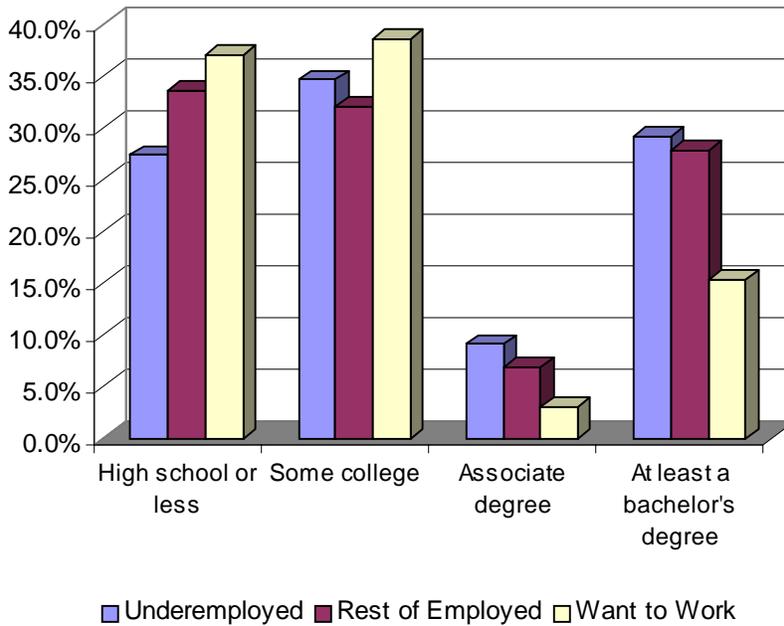
**Estimated Persons Who Are Working**



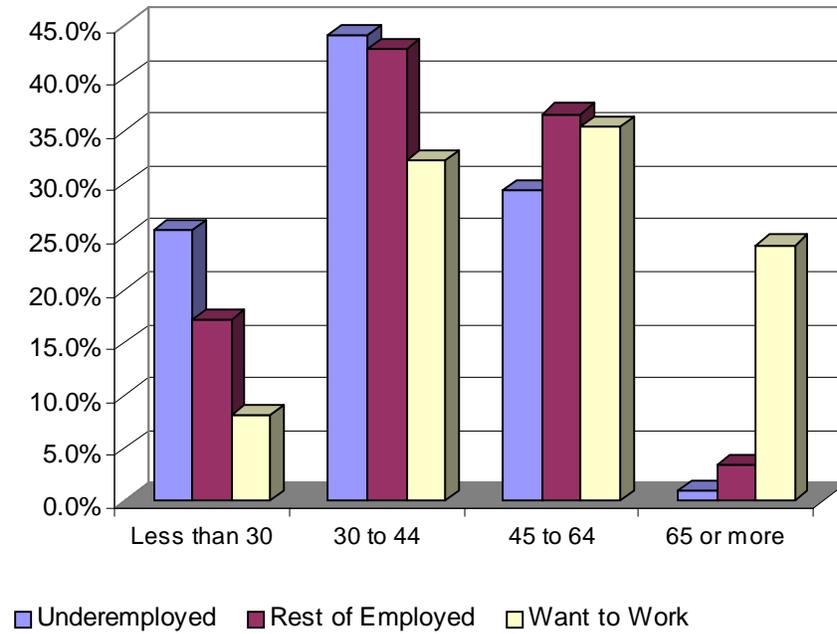
**Estimated Persons Who Are Not Working**



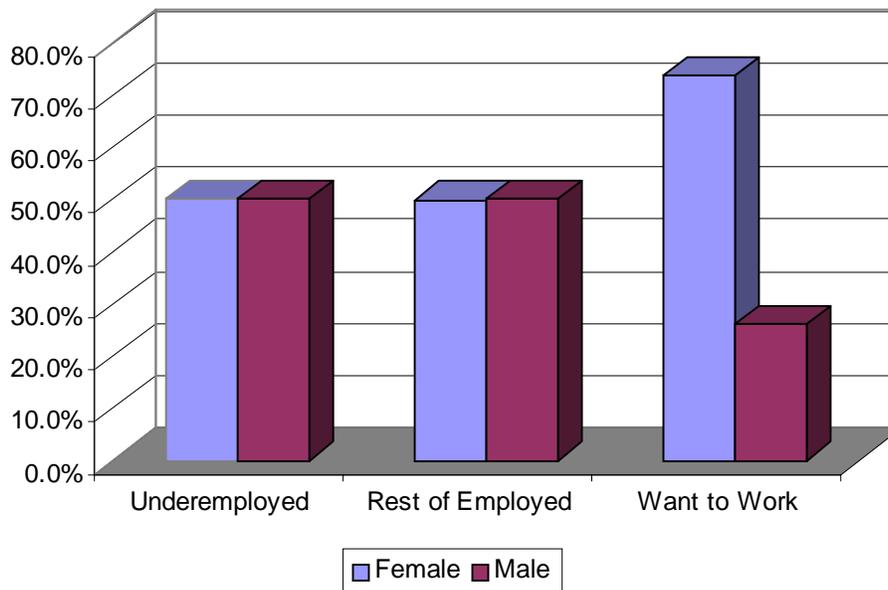
Slightly more underemployed workers have four-year degrees than do other workers. Persons who are not working and want to work have much less education.



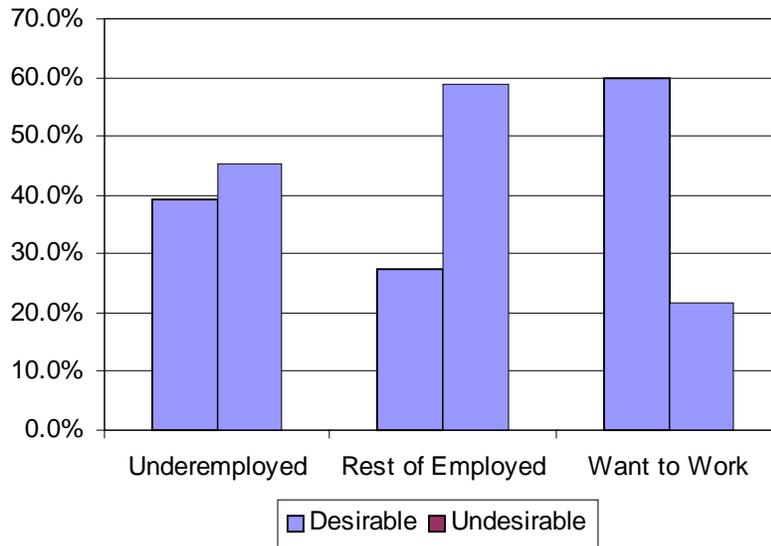
Underemployed workers are younger, but persons without a job but want to work are older.



About as many females as males constitute the underemployed. Those who are without work but want to work are overwhelmingly female.

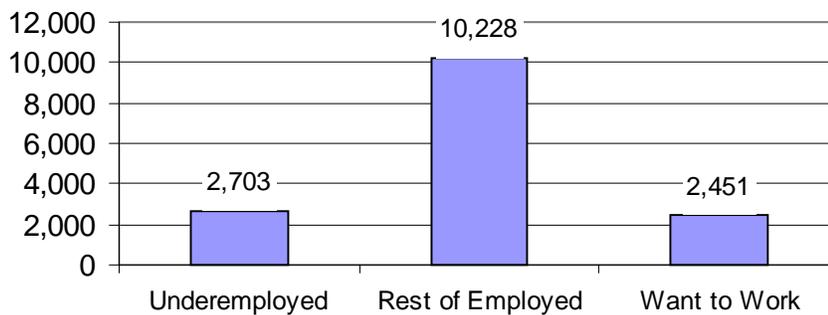


An employment opportunity that pays from \$8 per hour to \$10 per hour is viewed as desirable by 39 percent of the underemployed and by just 27 percent of the rest of employed. Approximately 60 percent of persons who are without work but want to work view such a job as desirable.



An estimated 15,381 persons living in the El Reno area are interested in a job that pays from \$8 hour to \$10 hour...

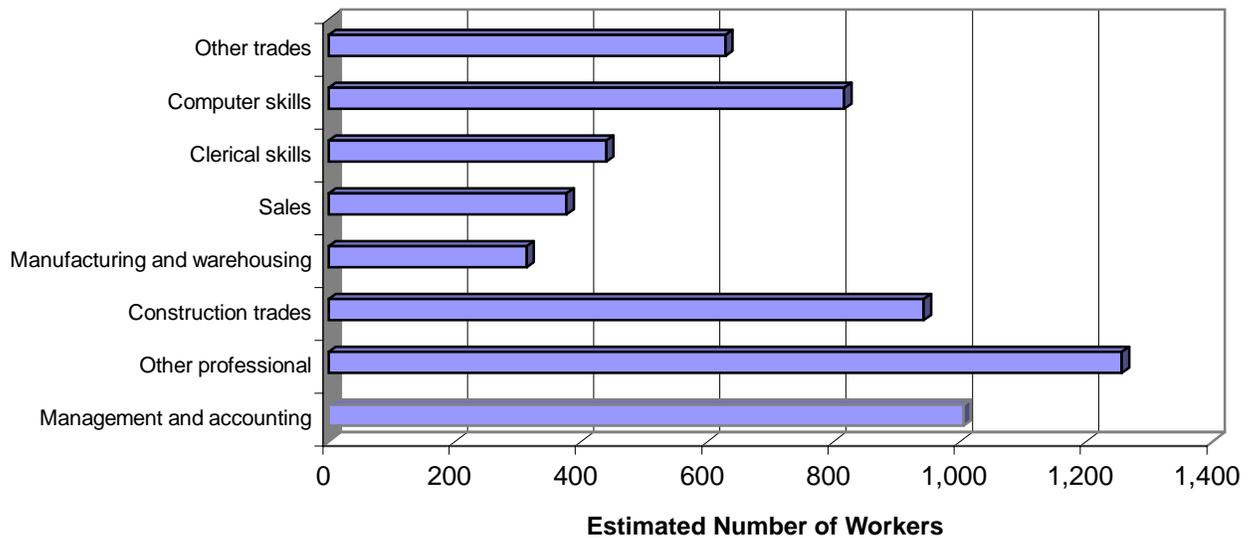
**Number of Persons Willing to Work for \$8-\$10 per Hour**



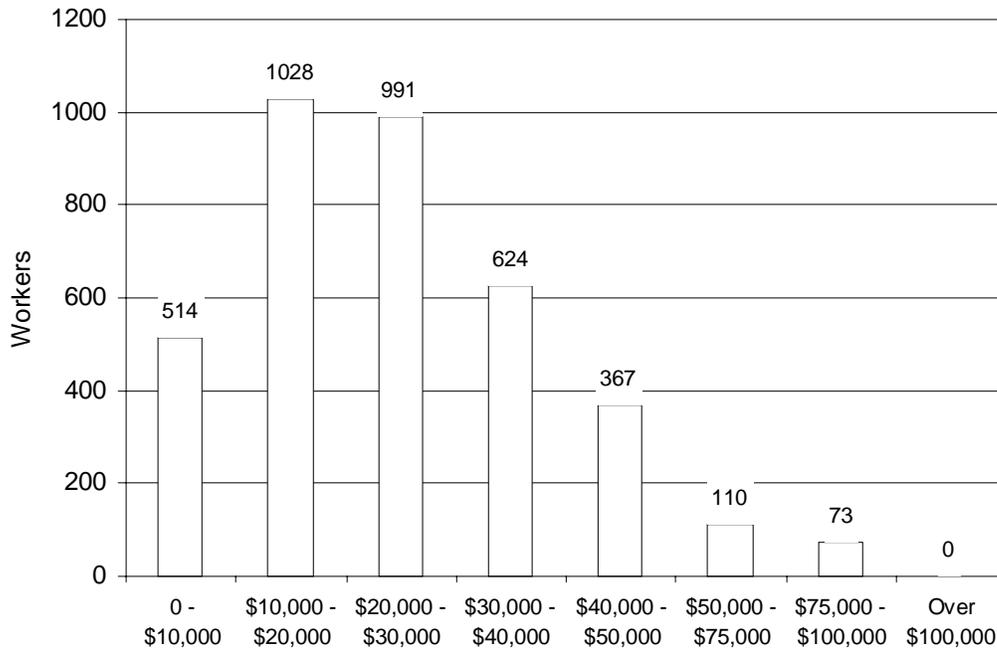
The underemployed work in a variety of occupations and skills, from executives and other professionals to craftsmen and clerks:

	<u>Estimated Workers</u>	<u>Percent</u>
Executive, Administrative, and Managerial	1,102	27.8
Professional Specialty	367	9.3
Technicians and Related Support	220	5.5
Sales	514	13.0
Administrative Support, Including Clerical	624	15.7
Service Occupations	330	8.3
Farming, Forestry, and Fishing	73	1.8
Precision Production, Craft, and Repair	441	11.1
Machine Operators, Assemblers, and Inspectors	110	2.8
Transportation and Material Moving	184	4.6

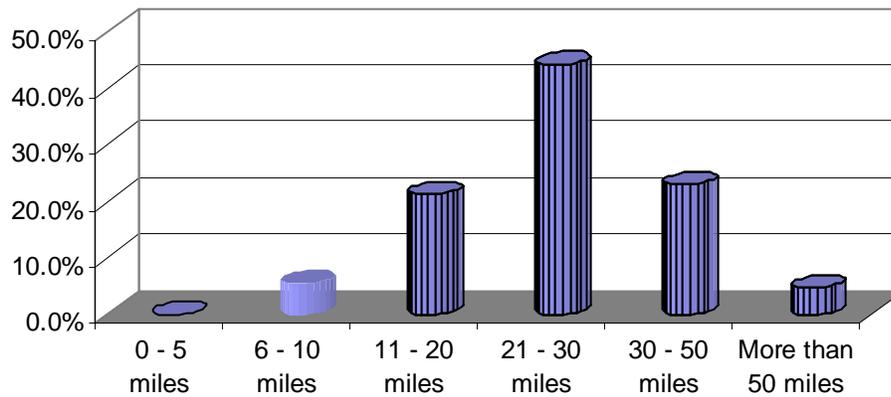
Most of the underemployed have skills they presently are not utilizing. These skills include...



The typical (median) underemployed worker earns between \$20,000 and \$30,000 a year and would change jobs for a pay increase of between 10 percent and 15 percent.



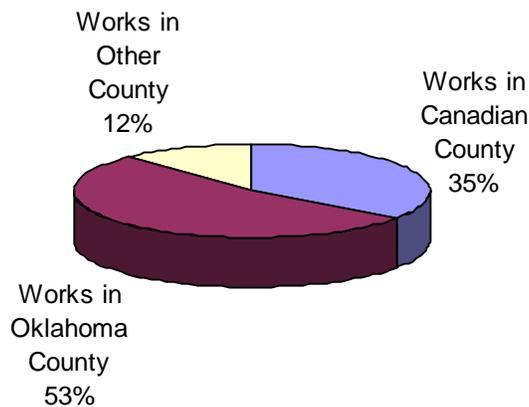
Approximately 72 percent of underemployed workers are willing to commute at least 21 miles to work...



## Contrasting Commuters with Canadian County Workers

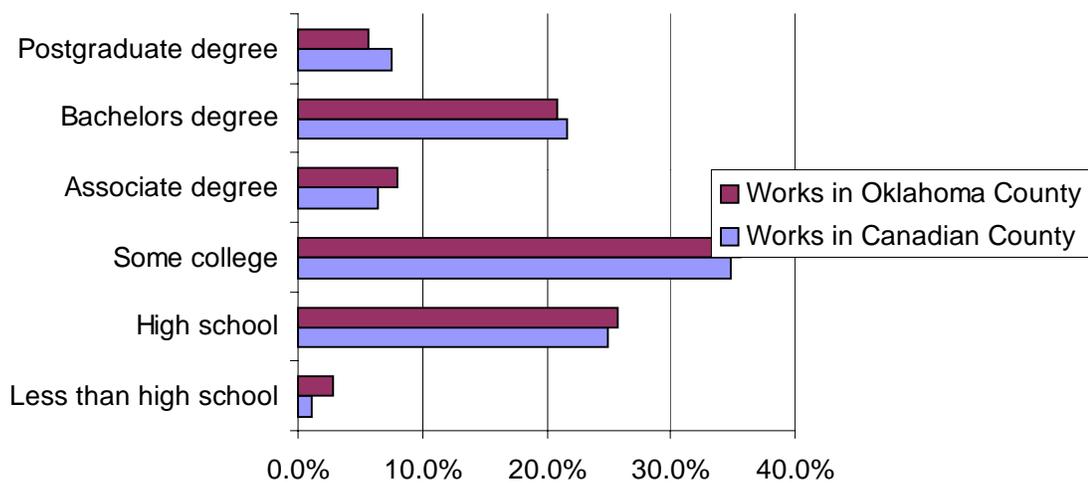
Fifty-three percent of workers who live in the El Reno area commute to jobs in Oklahoma County, approximately 23,500 workers.

**Place of Work for El Reno Area Residents**



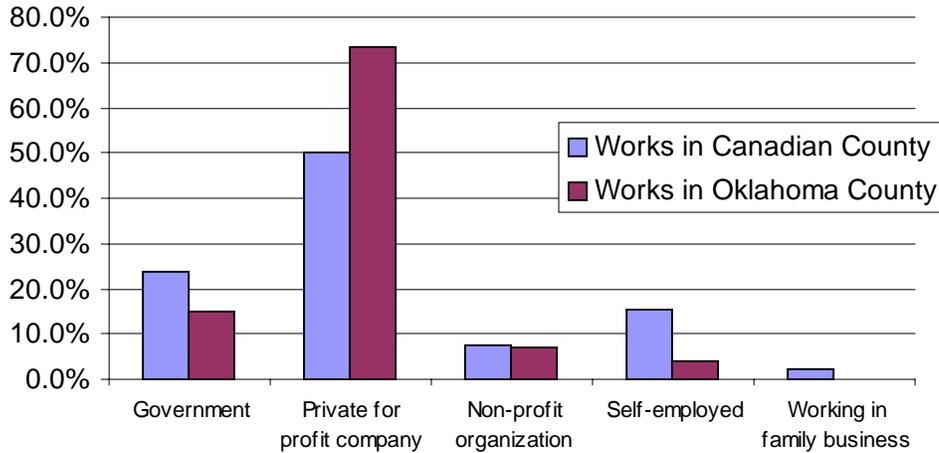
Both commuters and Canadian County workers exhibit high levels of education: 26 percent of commuters and 29 percent of Canadian County workers have completed at least a Bachelor's degree. Canadian County workers, however, have a slightly higher proportion of Postgraduate degrees.

**Level of Education by Place of Work**



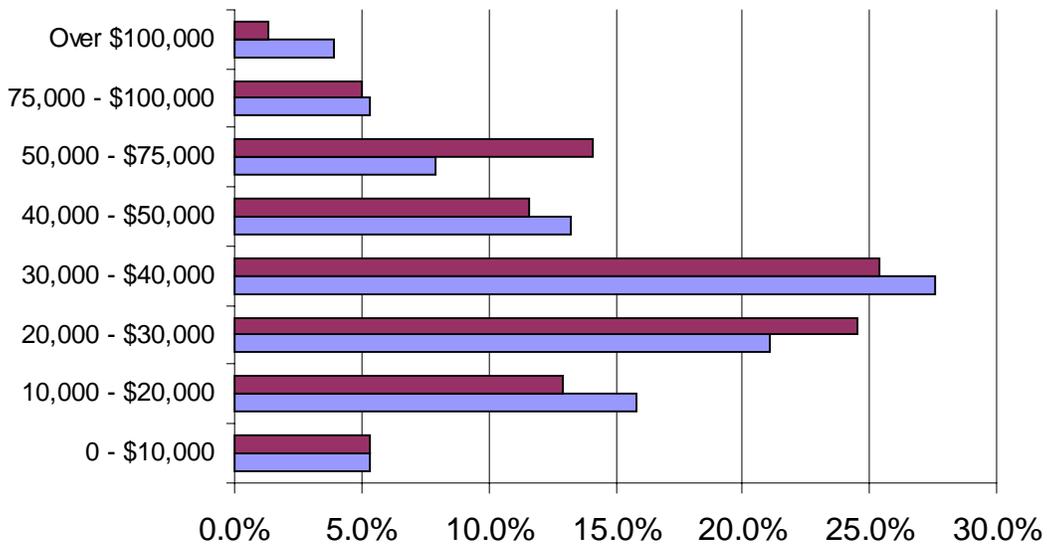
The vast majority of commuters work for private-sector companies in Oklahoma County. Workers in Canadian County tend more towards government and self-employment than do those who commute to Oklahoma County.

**Sector of Employment by Place of Work**



Commuters earn about the same as Canadian County workers, with median earnings for both between \$30,000 and \$40,000. A higher percentage of commuters earn \$50,000 to \$75,000 but a greater percentage of Canadian County workers earn Over \$100,000.

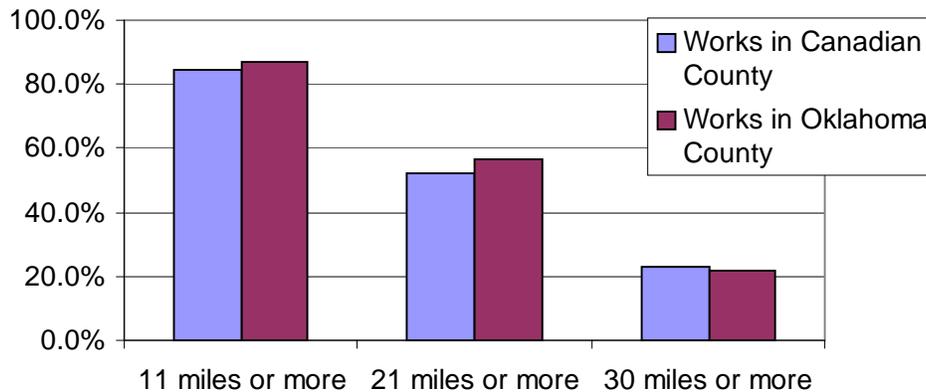
**Distribution of Earnings by Place of Work**



□ Works in Canadian County    ■ Works in Oklahoma County

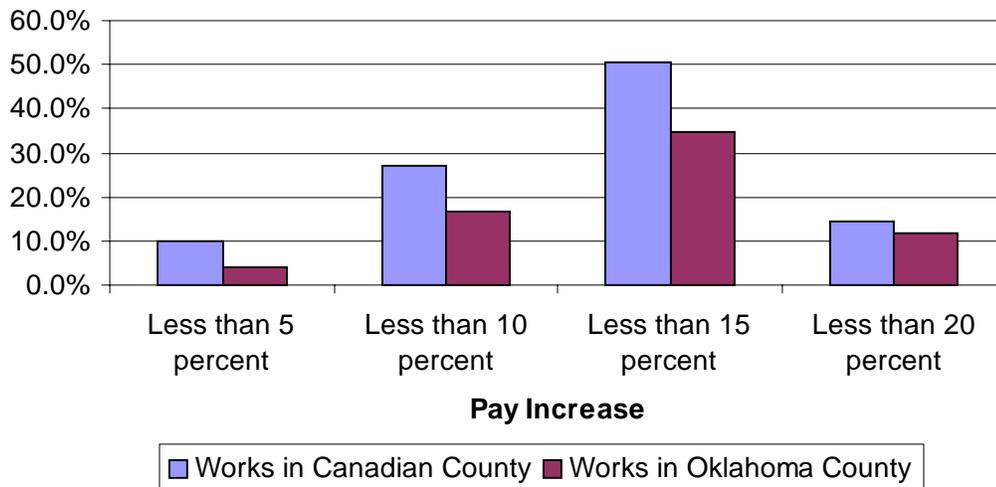
Little difference exists regarding willingness to commute. Canadian County workers are about as willing to commute as are workers who drive to jobs in Oklahoma County.

**Willingness to Commute by Place of Work**



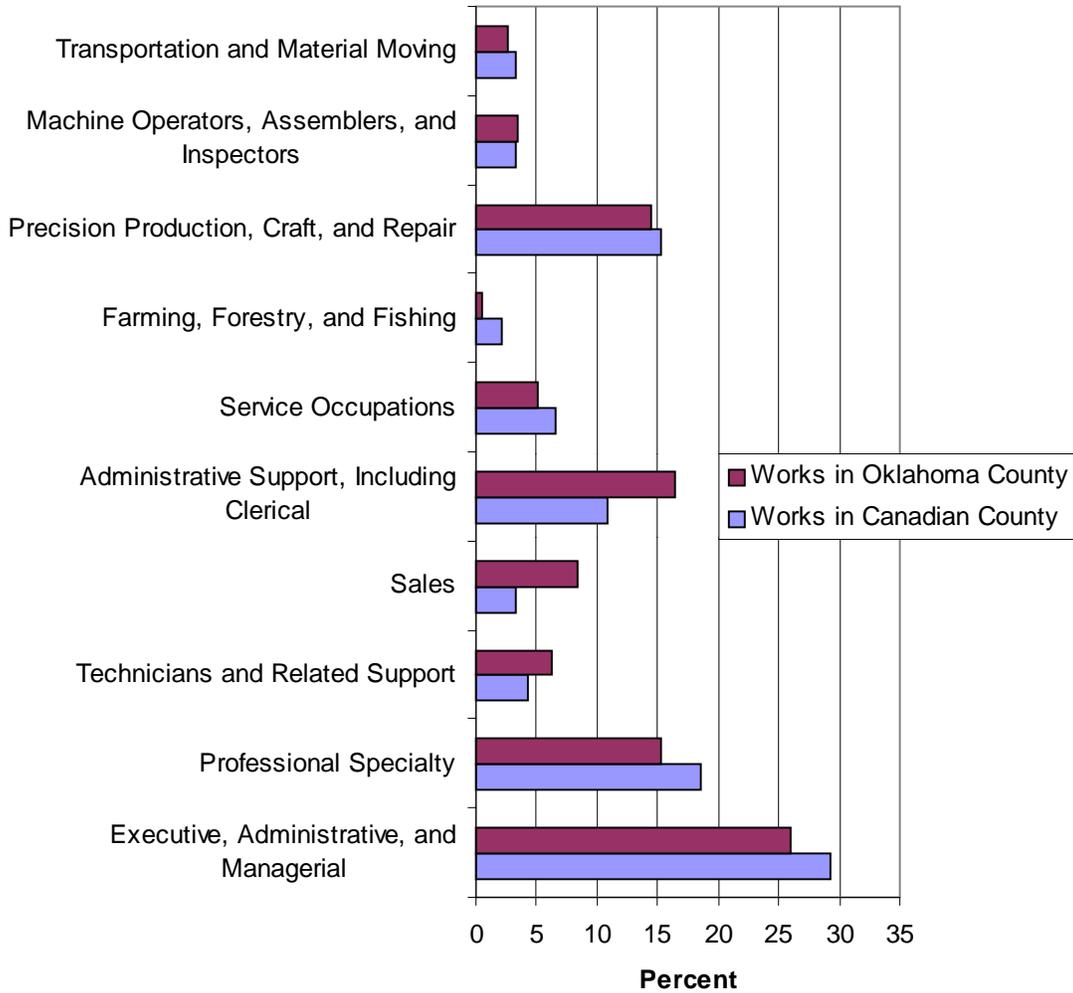
Commuters to Oklahoma County are somewhat more resistant to changing jobs: Just 35 percent of commuters would change jobs for a pay increase of 15 percent or less, compared with 51 percent for Canadian County workers. Also, 13 percent of Canadian County workers and 14 percent of commuters are not interested in changing jobs at any increase in pay.

**Percent of Workers Willing to Change Jobs by Percent Pay Increase Needed**

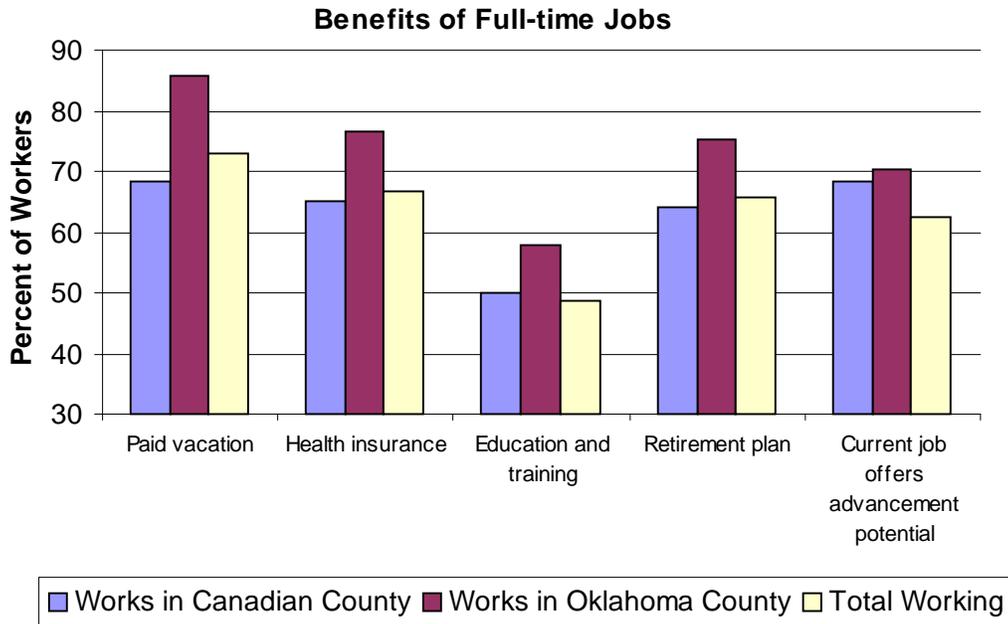


The distribution of occupations is very similar. However, commuters tend more towards administrative support jobs while Canadian County workers tend more towards executive, administrative, managerial, and professional jobs.

**Occupation by Place of Residence**



Compared with Canadian County Area workers, a higher proportion of commuters receive benefits with their jobs.



## Conclusions

### **Underemployed workers**

- A significant pool of labor exists among workers who are not fully utilizing their education and skills
- Many underemployed workers are searching for higher-paying jobs
- The underemployed exhibit a variety of occupations and skills
- Most are willing to commute 30 miles or more for an increase in pay of 10% to 15%
- A smaller pool of labor exists among those not working who desire work. These persons typically are less skilled and not as well educated

### **Commuters**

- More than 23,000 persons in the Canadian County area commute to jobs in Oklahoma County
- On average, earnings for commuters are about the same as for Canadian County workers
- Commuters are somewhat more resistant to changing jobs compared with Canadian County workers
- Occupational patterns are very similar, but commuters tend to be more concentrated in administrative support positions while Canadian County workers are more concentrated in professional specialties, and executive, administrative, and managerial positions
- More than 70% of commuters are employed in private sector positions. Canadian County shows higher proportions of self-employed and government positions.
- Compared with Canadian County workers, a higher proportion of commuters enjoy benefits with their full-time jobs

**Appendix: Distribution of the Sample**

<b>City/town</b>	<b>Interviews</b>	<b>Percent</b>
Amber	3	0.3%
Calumet	12	1.2%
Cashion	2	0.2%
El Reno	180	17.7%
Hinton	8	0.8%
Kingfisher	28	2.8%
Minco	18	1.8%
Mustang	131	12.9%
Okarche	5	0.5%
Oklahoma City	49	4.8%
Piedmont	68	6.7%
Pocasset	0	0.0%
Tuttle	36	3.5%
Union City	21	2.1%
Yukon	441	43.3%
Other	12	1.2%
Don't know	1	0.1%
Refused	3	0.3%
<b>Total</b>	<b>1018</b>	<b>100.0%</b>

<b>County</b>	<b>Interviews</b>	<b>Percent</b>
Caddo	14	1.4%
Canadian	911	89.5%
Grady	59	5.8%
Kingfisher	34	3.3%
<b>Total</b>	<b>1018</b>	<b>100.0%</b>