

AN ANALYSIS OF THE LABOR FORCE OF THE MIAMI OKLAHOMA AREA

A SUMMARY REPORT PRESENTED TO:

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and
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Introduction

Sponsored by the Miami Area Economic Development Service and the Oklahoma Department of Commerce, this report is one in a series of local labor force studies in Oklahoma. The report examines the availability of labor in a five county area consisting of Craig County, Delaware County, and Ottawa County in Oklahoma; Cherokee County in Kansas; and Jasper County in Missouri.

The data contained in this report were collected by telephone from randomly selected adults in spring of 2000. The results are based on 1,212 interviews of persons 18 years old or older who reside in one of the five counties. Results are subject to a sampling error of +/- 2.8 percentage points with a confidence level of 95 percent.

REPORT HIGHLIGHTS

A number of workers are either looking for other work or are willing to change jobs in order to better utilize their skills and abilities.

An estimated 11,510 workers in the area are underemployed.

An additional 10,037 workers (not underemployed) have looked for other work during the previous three months.

The underemployed exhibit a variety of occupations and skills.

About 19.8 percent of underemployed workers hold at least a bachelor's degree.

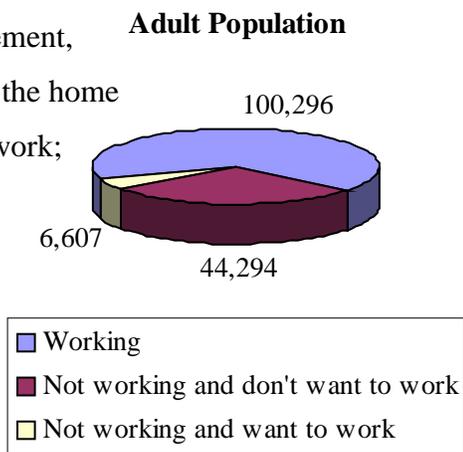
9.1 percent of the underemployed are willing to commute 20 miles or more for an increase in pay of 10% to 15%

A job that pays \$10 hour is viewed as desirable by 3,467 underemployed and 3,118 workers looking for other work.

An estimated 100,296 of the 151,197 adult residents of the five county area are employed, 66.3 percent of the population 18 years old or more. About 54 percent of the employed live in Jasper County (53,847), 17.2 percent in Delaware County (17,240), 12.6 percent in Ottawa County (12,670) , and 6.4 percent in Craig County (6,460).

As is the case in any labor market area, a significant percentage of adults are not working. Those not working include retirees, students, homemakers, the disabled, in addition to the unemployed. In five county area approximately 50,901 adults are not working; most (44,294) 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 (6,607) want to work; this group consists of retired persons who want to go back to work, homemakers who are looking for work outside the home, persons who have recently lost their jobs, and disabled persons who want to work. 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, 3.4 percent of the labor force in the five

Persons Not Working			
<u>Reason Not Working</u>	<u>Want to Work</u>	<u>Don't Want to Work</u>	<u>Total</u>
Retired	2,335	27,463	29,797
Disabled or unable to work	597	8,560	9,157
Don't work outside the home	1,783	5,783	7,567
Student	0	593	593
Family responsibilities	49	662	711
Just moved into area	0	0	0
Laid off, lost job	265	49	314
Don't have reliable transportation	0	0	0
Other	1,578	1,114	2,693
Refused	0	0	0
Total	6,607	44,225	50,833

county area are *unemployed* according to the U.S. Bureau of Labor Statistics.

Education

Compared with state averages, slightly fewer workers in the five county area have a Bachelor's degree or higher: 24.2 percent of workers have a Bachelor's degree or higher, compared with the state average of 25.7 percent. A higher percentage of workers have a high school diploma, however: 94.6 percent have a high school diploma, compared with 89.2 percent for the state.

Highest Level of Education of Working Persons 18 Years Old or Older (percent)		
	Five County	
<u>Level of Education</u>	<u>Area</u>	<u>State</u>
Less than high school	6.4	10.8
High school	37.6	37.0
Some college	25.1	20.1
Associate degree	6.7	6.5
Bachelors degree	16.0	16.2
Postgraduate degree	8.2	9.4
Bachelors degree or higher	24.2	25.7
Note: State averages are compiled from the Current Population Survey conducted in March 1999 by the U.S. Census Bureau		

Commuting Patterns

Nineteen percent of workers commute to jobs located outside their county of residence. Thirty-one percent of workers who live in Cherokee County, Kansas, drive to jobs in other counties, as do 30 percent of workers in Delaware County, 25 percent in Ottawa County, and 23 percent in Craig County.

Commuting Patterns for Residents of the Five County Area, by County					
<u>County of Employment</u>	<u>County of Residence</u>				
	Craig	Delaware	Ottawa	Cherokee	Jasper
Adair		295		157	
Other Arkansas		846			
Cherokee, KS			300	6,879	759
Craig	4,996	736	396		
Delaware	124	12,024	498	148	
Jasper, MO	81	220	343	1,683	47,762
Kansas			198	148	
Mayes	304	423			
Other Missouri		904	1,025	305	3,035
Nowata	81				
Other	304	295	170	759	1,921
Ottawa	266	573	9,542		
Rogers			39		
Tulsa	143	295			
Unknown					371
Various	161	441	159		
Total*	6,460	17,055	12,670	10,079	53,847
Employed in Home County:					
Number	4,996	12,024	9,542	6,879	47,762
Percent	77.3%	70.5%	75.3%	68.3%	88.7%
Not Employed in Home County:					
Number	1,464	5,031	3,128	3,200	6,085
Percent	22.7%	29.5%	24.7%	31.7%	11.3%
*Total employment by place of residence					
Source: Center for Economic and Management Research, Michael F. Price College of Business, The University of Oklahoma					

Type of Employment

Eighty-five percent of the employed in the five county area have full-time, permanent jobs. A smaller proportion of workers have part-time jobs, about one of every seven workers. Sixteen percent of part-time workers want to secure a full-time job but cannot find full-time work or cannot work full-time due to family obligations, or are full-time students. Most part-time workers do not seek full-time employment citing family and childcare obligations, school, and retirement.

Type of Employment	
Full-time	
Permanent	84,841
Temporary	1,744
Unknown	225
Part-time	
Permanent	11,992
Temporary	1,454
Unknown	39
Total	100,296

Availability of Labor

This study identified four potential sources of workers for new or expanding employers: 1) workers who have looked for other work during the past three months (*Job Shifters*), and 2) workers who are *underemployed*, 3) workers who are neither underemployed nor looking for other work (*Job Keepers*), and 4) persons who are not working but want to work (*Job Seekers*).

Job Shifters

Approximately 10,037 workers in the five-county 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* 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	3,371	33.6
Contacted public employment agency	1,537	15.3
Contacted private employment agency	1,337	13.3
Contacted friends or relatives	1,451	14.5
Contacted school / university employment center	110	1.1
Sent out resumés / filled out applications	5,262	52.4
Checked union / professional registers	53	0.5
Placed or answered ads	2,196	21.9
<i>Passive Jobsearch Methods</i>		
Looked at want ads	2,915	29.0
Attended job training programs / courses	-	0.0
At least one <i>active</i> jobsearch method	8,956	89.7
Note: more than one jobsearch method is possible.		

Underemployed

This study estimates that 11,510 employees meet the definition of underemployed, 11.5 percent of persons with jobs. In order to be classified as underemployed in this study, all three of the following conditions must be satisfied.

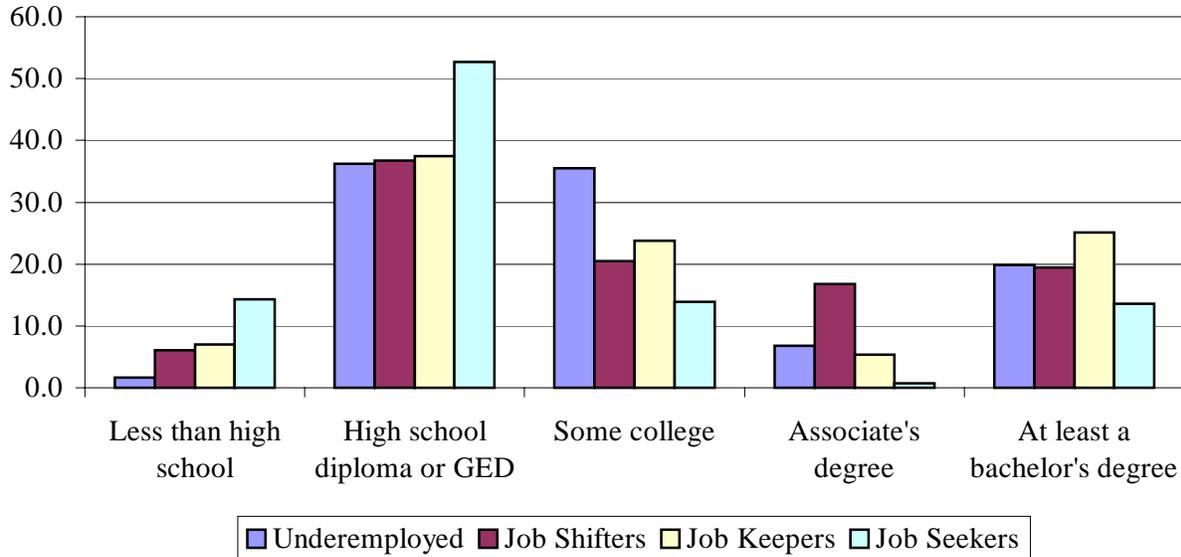
The worker must:

- 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

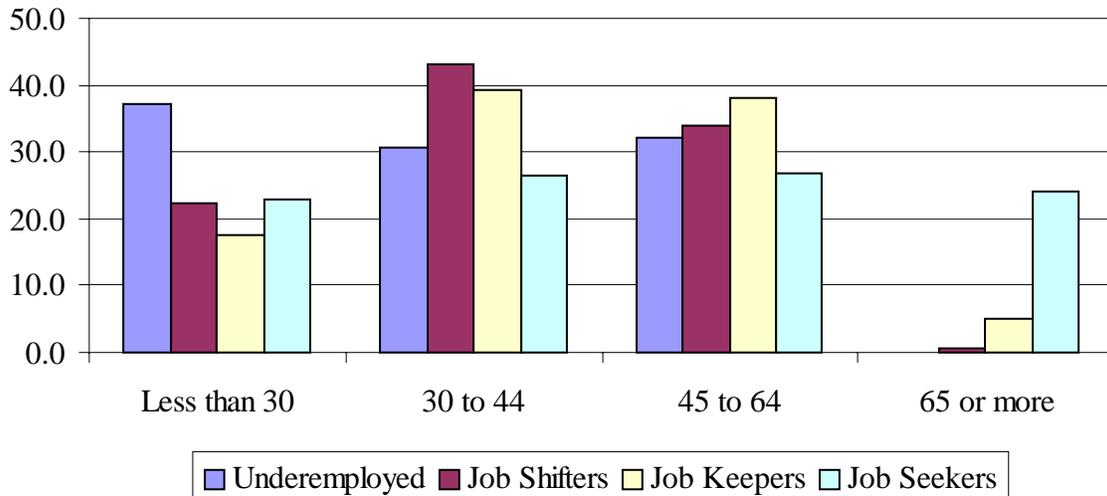
Somewhat fewer underemployed workers and Job Shifters have Bachelor's degrees compared with Job Keepers. Job Seekers have very little college experience.

Workers by Level of Education



Job Shifters and the underemployed are substantially younger than Job Keepers and Job Seekers, with at least 30 percent in the 18-30 age group. Job Seekers tend to be much older than the other groups.

Workers by Age Group



Females outnumber males among Job Seekers and Job Shifters.



About 20 percent of workers find \$8 hour an attractive wage including 3,467 underemployed, 3,118 Job Shifters, and 13,712 Job Keepers. In addition, 3,846 Job Seekers find \$8 per hour attractive. The number of Job Keepers who find \$8 hour an attractive wage should not be taken to suggest that they necessarily would change jobs for an offer of \$8 per hour, since many Job Keepers indicated that they simply are not interested in changing jobs. Consequently, the pool of what may be termed *readily available* consists of the underemployed, Job Shifters, and Job Seekers. Among the readily available, a total of 10,431 adults find \$8 an attractive wage. If the wage offer is \$9 per hour the number of readily available increases to 13,553, rising to 17,360 adults if the offer is \$10 per hour.

The attractiveness of an \$8 per hour wage rate varies greatly with the worker's level of education. For example, only 7.3 percent of workers with Bachelor's degrees find \$8 per hour attractive compared with 18.3 percent of those with two years of college or Associate's degrees and 27.4 percent of those with only a High School diploma.

The underemployed and Job Shifters display a variety of occupations and skills, from executives and other professionals to craftsmen and clerks. The largest occupations include transportation and material moving, administrative support including clerical, service occupations, and sales.

	Underemployed and Job Shifters by Occupation	
	<u>Underemployed</u>	<u>Job Shifters</u>
Executive, Administrative, and Managerial	913	348
Professional Specialty	669	1,480
Technicians and Related Support	440	410
Sales	1,148	1,639
Administrative Support, Including Clerical	1,562	1,572
Service Occupations	1,661	1,461
Farming, Forestry, and Fishing	191	110
Precision Production, Craft, and Repair	1,519	1,355
Machine Operators, Assemblers, and Inspectors	1,093	412
Transportation and Material Moving	2,314	1,040
	11,510	9,827

Workers with workplace skills that are not being used in the present job offer potential recruits for employment opportunities that better use their skills. This study found that 20.1 percent of those with skills not presently in use had computer skills of one type or the other. Knowledge of word processing was the most often mentioned computer skill, followed by spreadsheet analysis, computer programming, and troubleshooting.

<u>Strongest Computer Skill (percent)</u>	Workers with Computer Skills (among workers with skills not in use)		
	<u>Underemployed</u>	<u>Looking for other work</u>	<u>Total</u>
Word processing (MS-Word)	433	1210	1644
Spreadsheet analysis (Excel, Lotus)	875	0	875
Bookkeeping (Quicken)	0	0	0
Computer programming	424	53	477
Work on machines, troubleshooting	477	0	477

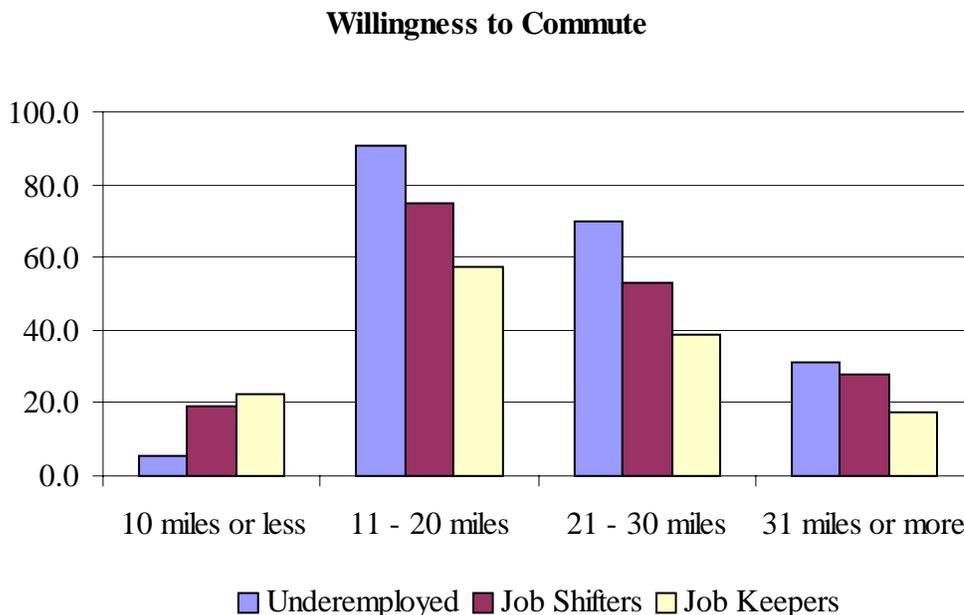
About half of underemployed workers and Job Shifters are willing to change jobs for an increase in pay of no more than 15 percent (table). Potential employers could hire as many as 10,690 workers among the underemployed and Job Shifters for a pay increase of 15 percent or less. In addition, more than 21,415 Job Keepers would be willing to change jobs for this pay increase. However, 32 percent of Job Keepers are not interested in changing jobs, regardless of the amount of pay increase.

<u>Desired raise in pay</u>	<u>Underemployed</u>	<u>Job Shifters</u>	<u>Job Keepers</u>
Less than 5%	1,150	1,220	4,475
Between 5% and 10%	3,597	1,936	8,924
Between 10% and 15%	1,081	1,706	8,016
Between 15% and 20%	1,589	1,505	6,131
More than 20%	2,766	2,766	14,089
Not interested	413	134	25,420
Don't know	836	625	10,506
Refused	39	-	280
Other	39	146	908
Total	11,510	10,037	78,748

About 65 percent of workers in the five county area reside within 10 miles of their place of employment. The underemployed commute longer distances than do other employees, with 44 percent driving 11 miles or more.

Distance Travelled to Place of Employment				
	<u>All Workers</u>	<u>Underemployed</u>	<u>Job Shifters</u>	<u>Job Keepers</u>
0 - 5 miles	46.4	40.0	52.8	46.5
6 - 10 miles	19.4	14.8	22.7	19.6
11 - 20 miles	21.0	36.1	12.8	19.8
21 - 30 miles	6.0	4.5	7.4	6.0
30 - 50 miles	2.8	4.6	3.6	2.4
More than 50 miles	3.2	0.0	0.6	4.0
Don't Know	1.3	0.0	0.0	1.7
Refused	0.0	0.0	0.0	0.0

A large proportion of the underemployed (31 percent) and Job Shifters (28 percent) are willing to commute 31 miles or more.



Conclusions

- A significant pool of labor exists in the five county area among the *underemployed* (11,510 workers) and among workers looking for other jobs, or *Job Shifters* (10,037 workers).
- Most of the underemployed and Job Shifters are willing to commute 30 miles or more to a job for a pay increase of no more than 15 percent.
- 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 are the employed.