

AN ANALYSIS OF THE MUSKOGEE AREA LABOR FORCE

A SUMMARY REPORT PRESENTED TO:

Muskogee Development Corporation
and
Oklahoma Department of Commerce

David A. Penn
Associate Director, CEMR

Robert C. Dauffenbach
Director, CEMR

John G. McCraw
Manager of Information
Systems, CEMR

Center for Economic and Management Research
Michael F. Price College of Business
The University of Oklahoma
Norman, Oklahoma

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Introduction

Sponsored by the Muskogee Development Corporation and the Oklahoma Department of Commerce, this report is a part of a series of local labor force studies in Oklahoma. The report examines the availability of labor in the Muskogee area consisting of Muskogee County, McIntosh County, and Wagoner County in Oklahoma.

The data contained in this report were collected by telephone from randomly selected adults in March and April of 2000. The results are based on 942 interviews of persons 18 years old or older who reside in Muskogee County, McIntosh County, or Wagoner County. Results are subject to a sampling error of +/- 3.2 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 (underemployed).

An estimated 6,753 workers are underemployed and are willing to change jobs.

An additional 6,824 workers have looked for other work during the previous three months.

The underemployed exhibit a variety of occupations and skills.

About 17 percent of underemployed workers hold at least a bachelor's degree.

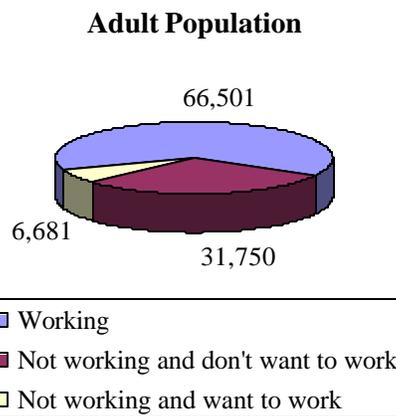
71 percent of the underemployed are willing to commute 20 miles or more for an increase in pay of 15% to 20%

A job that pays \$10 hour is viewed as desirable by 3,451 underemployed and 3,039 workers looking for other work.

The working age population of any area can be divided into those who are working and those who are not. In the Muskogee workforce area 66,500 of the 104,900 adults who live in the area are employed, 63.3 percent of the population 18 years old or more. Nearly half (49 percent) of the employed live in Muskogee County (32,777) and 39 percent live in Wagoner County (26,014), while the remaining 12 percent live in McIntosh County (7,710).

Approximately 38,400 adults in the workforce area are not working; most (31,750) do not desire to work, citing as reasons retirement, inability to work, or a preference not to work

outside the home (table). A much smaller number of adults (6,681) want to work; this group consists primarily of retired persons who want to go back to work, homemakers who are looking for work outside the home, and persons who have recently lost their jobs. It should be noted that only a small portion of this group would meet



the technical requirements of being *unemployed*. According to the U.S. Department of Labor, a person is counted as unemployed if he or she is without work and engages

actively in job-searching activities. Using this definition, an estimated 3,451 adults are technically *unemployed*, consisting of 5 percent of the labor force in the three county area.

Persons Not Working			
<u>Reason Not Working</u>	<u>Want to Work</u>	<u>Don't Want to Work</u>	<u>Total</u>
Retired	1,249	19,859	21,108
Disabled or unable to work	534	5,615	6,150
Don't work outside the home	1,498	3,837	5,335
Student	584	710	1,294
Family responsibilities	0	509	509
Just moved into area	217	151	369
Laid off, lost job	1,486	227	1,713
Don't have reliable transportation	301	0	301
Other	810	551	1,361
Refused	0	291	291
Total	6,681	31,750	38,431

Education

Compared with state averages, the Muskogee Area has proportionally more workers with some college and with high school diplomas. However, somewhat fewer workers in the work force area have a bachelor's degree or higher (table). Muskogee County has the largest proportion of workers with at least a Bachelor's Degree (26.0 percent), followed by Wagoner County (24.4 percent) and McIntosh County (20.8 percent).

Highest Level of Education of Working Persons 18 Years Old or Older (percent)					
	McIntosh	Muskogee	Wagoner	Muskogee	
<u>Level of Education</u>	<u>County</u>	<u>County</u>	<u>County</u>	<u>Area</u>	<u>State</u>
Less than high school	5.5	5.9	3.5	4.9	10.8
High school	31.7	32.4	35.5	33.5	37.0
Some college	37.6	25.8	31.2	29.3	20.1
Associate degree	4.4	9.9	5.5	7.5	6.5
Bachelors degree	13.3	18.8	18.4	18.0	16.2
Postgraduate degree	7.6	7.2	5.9	6.7	9.4
Bachelors degree or higher	20.8	26.0	24.4	24.7	25.7

Note: State averages are compiled from the Current Population Survey conducted in March 1999 by the U.S. Census Bureau.

Commuting Patterns

Thirty-eight percent of the employed commute to jobs located outside their county of residence. As shown in the table, a substantial number of workers commute to jobs located outside the area, ranging from 13.2 percent for Muskogee County to 56.3 percent for Wagoner County.

Interestingly, 48 percent of employed persons who reside in Wagoner County commute to jobs in Tulsa County. In all, more than 14,000 workers commute from the area to Tulsa County.

Commuting also occurs, to a much smaller extent, within the work force area: 2,800 workers commute to Muskogee County, while 1,065 workers commute to jobs in Wagoner County from the other two counties.

Employed in:	Resides in:		
	McIntosh	Muskogee	Wagoner
McIntosh	5,249	371	-
Muskogee	796	27,027	1,992
Cherokee	-	176	669
Okmulgee	338	-	105
Pittsburg	206	-	-
Sequoyah	-	270	-
Tulsa	196	1,895	12,596
Wagoner	-	1,065	9,379
Various	559	936	458
Other	366	1,035	815
Total	7,710	32,775	26,014

Employment Participation Rates

The Muskogee area has a higher percentage of young males who choose to work, but a lower percentage of females compared with state averages.

The percent of young

	Employment Participation (employed as percent of adult population)					
	Muskogee Work Force Area			State		
	<u>Males</u>	<u>Females</u>	<u>Total</u>	<u>Males</u>	<u>Females</u>	<u>Total</u>
Less than 30	91.3	69.9	80.5	80.1	73.9	77.1
30 to 44	90.0	74.6	82.1	88.3	81.6	84.8
45 to 64	68.0	62.7	65.3	73.1	61.9	67.3
65 or more	17.6	10.0	13.3	18.0	12.8	14.9
Total	70.7	56.7	63.4	70.8	59.7	65.0

males choosing to work is 91.3 percent, compared with the state average of 80.1 percent. As for females, the employment participation rate is three percentage points lower in the Muskogee area relative to the state average. In total, 63.4 percent of adults in the Muskogee area choose to work, compared with 65.0 percent statewide.

Type of Employment

Seventy-nine percent of the employed have full-time, permanent jobs. A significant proportion work part-time jobs, about one of every seven employees. Most part-time workers do not seek full-time work, citing family and child care obligations, school, and retirement.

Type of Employment

Full-time	
Permanent	52,795
Temporary	2,126
Unknown	2,407
Part-time	
Permanent	7,775
Temporary	444
Unknown	954
Total	66,501

Availability of Labor

This study demonstrates that a pool of labor exists in the Muskogee area that could be induced to change jobs. These workers are found in two categories: 1) workers who have looked for other work during the past three months (*looking for other work*), and 2) workers who are *underemployed*. The combined total of these two types of workers is 20.4 percent of all workers in the three-county area.

Looking for other work

This study estimates that approximately 6,824 workers in the three-county area looked for other work during the previous three months. Most, about 84 percent, were engaged in what the U.S. Bureau of Labor Statistics refers to as *active* jobsearch methods such as 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	1,699	18.7
Contacted public employment agency	991	10.9
Contacted private employment agency	350	3.9
Contacted friends or relatives	2,721	29.9
Contacted school / university employment center	136	1.5
Sent out resumés / filled out applications	3,431	37.8
Checked union / professional registers	-	0.0
Placed or answered ads	1,986	21.9
<i>Passive Jobsearch Methods</i>		
Looked at want ads	1,687	18.6
Attended job training programs / courses	245	2.7
At least one <i>active</i> jobsearch method	7,364	84.4
Note: more than one jobsearch method is possible.		

Underemployed

The study also estimates that 6,753 employees could be categorized as underemployed, 10.2 percent of persons with jobs. In order to be classified as underemployed in this study, workers must meet the following three conditions:

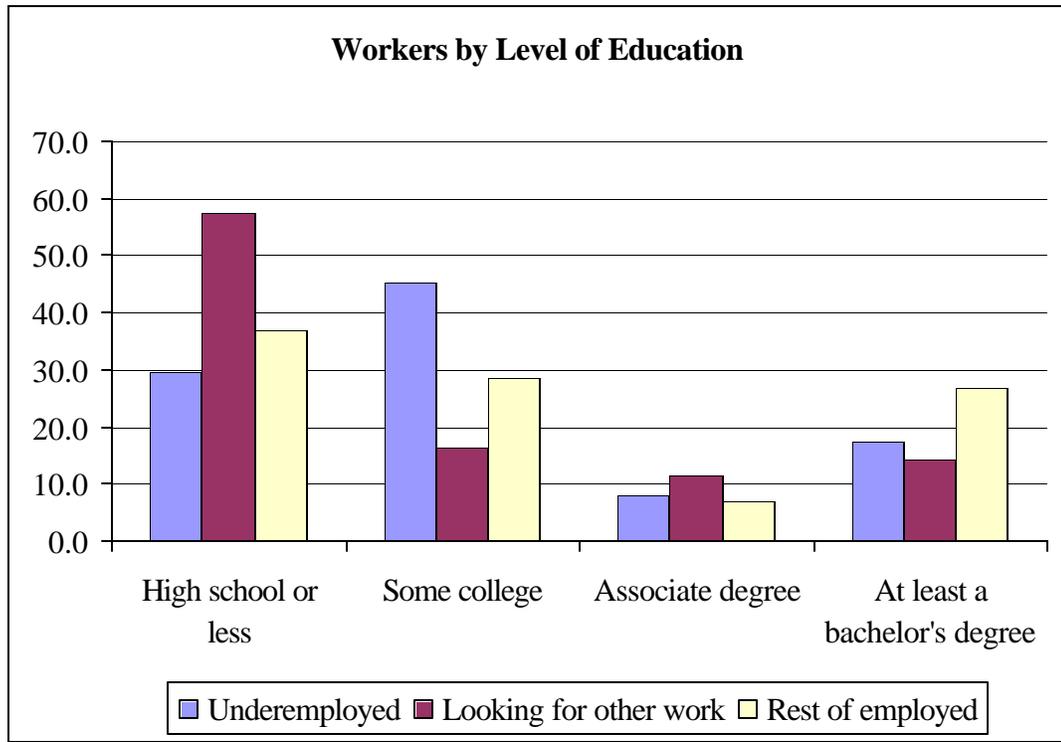
- they must feel they are underutilized in their present employment,
- they must possess training or education that is not required by their current job, and
- they must be willing to change jobs in order to better utilize their skills and education.

Most of the underemployed have permanent full-time jobs. A smaller number of the underemployed (15 percent) consist either of part-time workers who seek full-time jobs or temporary workers who desire permanent employment.

Job Characteristics of the Underemployed	
Part-time, desires full-time job	422
Temporary job, desires permanent job	478
Both temporary and part-time	103
Full-time, permanent job	5,750
Total	6,752

Characteristics of Available Workers

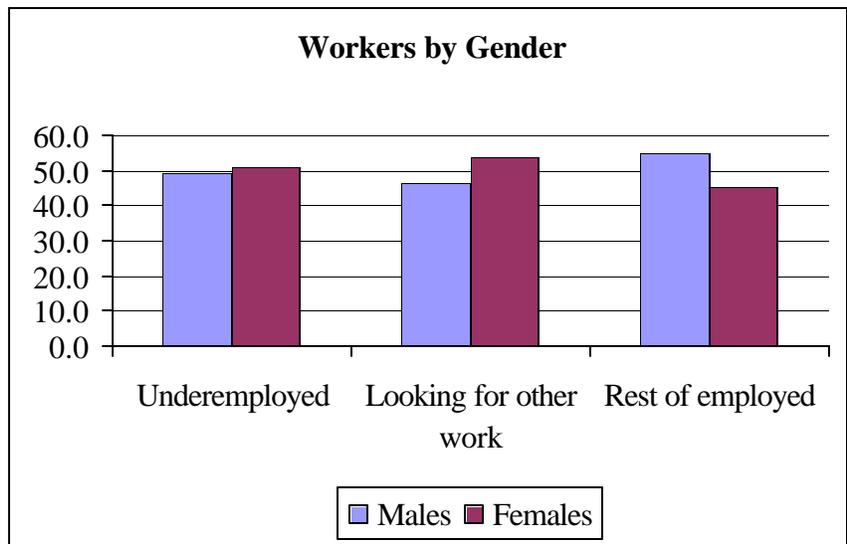
Few underemployed workers and workers looking for other work have Bachelor's degrees compared with the rest of the employed in the area. The underemployed have more college experience than do workers looking for other work.



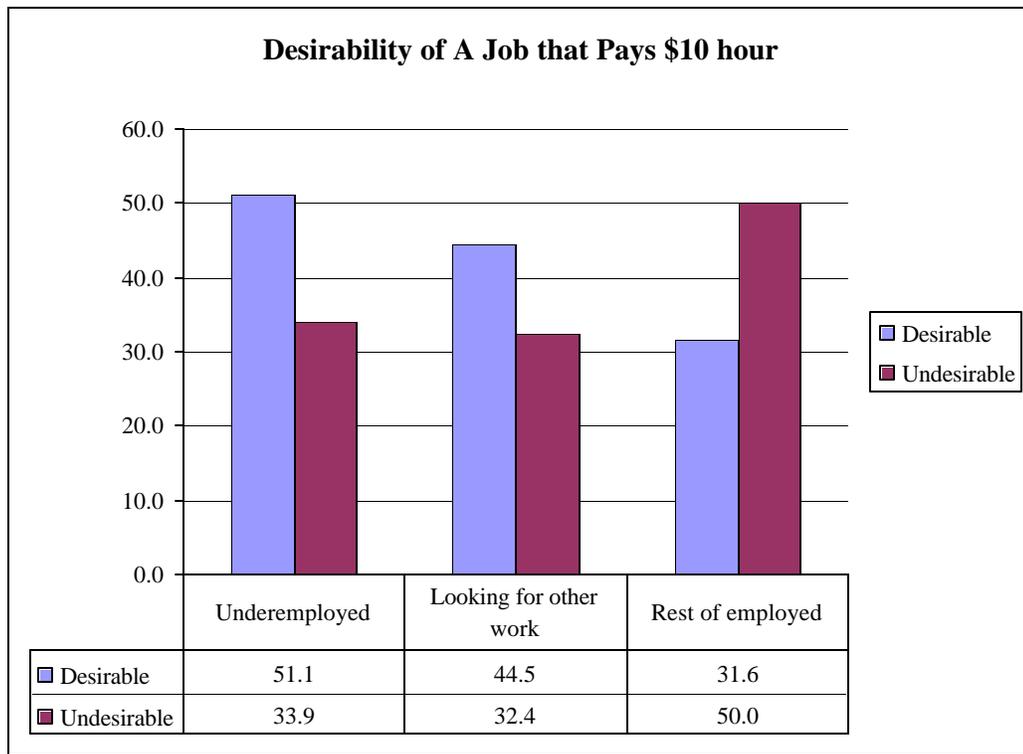
Workers looking for other work and the underemployed tend to be relatively young: twice as many are 18 to 30 years old compared with the rest of employed.

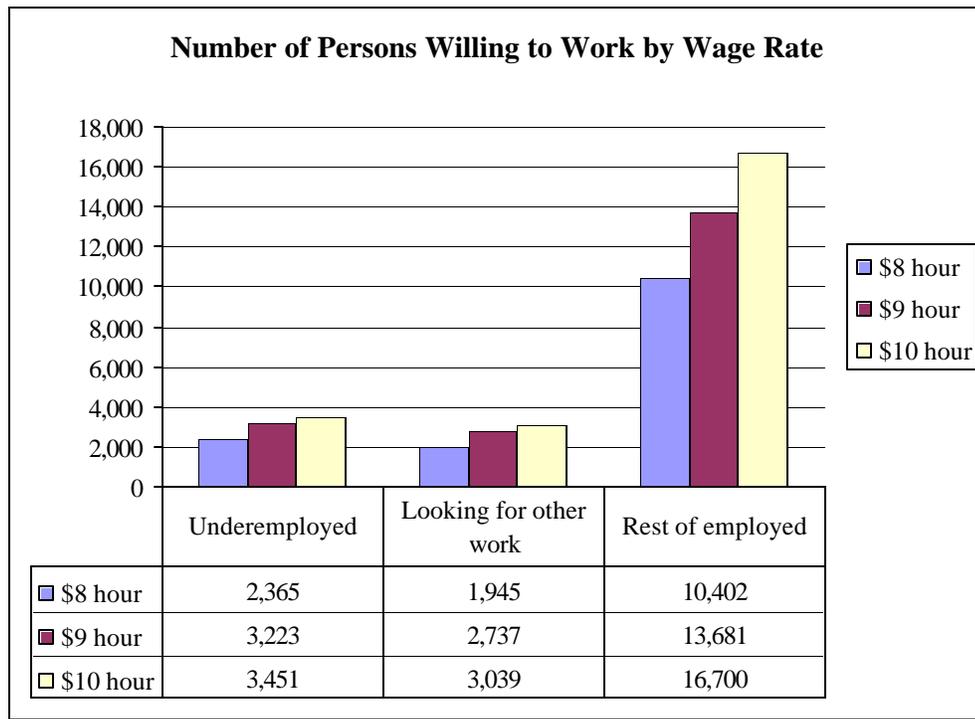


Females are a majority among workers looking for other work, while there is an equal proportion of male and female underemployed workers. A majority of the rest of employed is male.



An employment opportunity that pays \$10 per hour is viewed as desirable by 51.1 percent of the underemployed and 44.5 percent of workers looking for other work. Only 31.6 percent of the rest of employed believe this wage rate is desirable. Approximately 4,310 workers among the readily available workforce would be willing to work for \$8 hour, including 2,365 underemployed and 1,945 workers looking for other work. The number of readily available workers increases by 38 percent when wage rates are raised to \$9 hour, rising to 5,960 workers. Offering \$10 hour would garner an additional 530 workers from the readily available pool, rising to 6,490 workers. Many workers among the rest of employed are willing to work for these wage rates, but may not be as willing to look for other employment or to change jobs. Considering all three groups, approximately 14,712 would be willing to work for \$8 hour, 19,641 would work for \$9 hour, and 23,190 would work for \$10 hour.





The underemployed and workers look for other work have a variety of occupations and skills, from executives and other professionals to craftsmen and clerks. The largest occupations include executive, administrative and managerial (2,317), administrative

Number of Persons by Occupation

	<u>Underemployed</u>	<u>Looking for other work</u>	<u>Total</u>
Executive, Administrative, and Managerial	1,043	1,274	2,317
Professional Specialty	985	551	1,536
Technicians and Related Support	253	142	395
Sales	457	1,209	1,666
Administrative Support, Including Clerical	474	1,367	1,841
Service Occupations	1,041	588	1,629
Farming, Forestry, and Fishing	119	129	248
Precision Production, Craft, and Repair	792	1,034	1,826
Machine Operators, Assemblers, and Inspectors	1,447	183	1,630
Transportation and Material Moving	142	346	488
	6,753	6,823	13,576

support, including clerical (1,841), and precision production, craft, and repair (1,826).

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 26.5 percent of those with skills not presently in use had computer skills of one type or the other. Knowledge of word processing was most often mentioned, followed by bookkeeping software, and spreadsheet software.

Persons with Computer Skills (among persons with skills not in use)			
<u>Strongest Computer Skill (percent)</u>	<u>Underemployed</u>	<u>Looking for other work</u>	<u>Total</u>
Word processing (MS-Word)	1,862	4,931	6,793
Spreadsheet analysis (Excel, Lotus)	444	1,013	1,457
Bookkeeping (Quicken)	2,008	600	2,609
Computer network maintenance	590	-	590
Other computer skill	1,079	-	1,079

The majority of underemployed workers and workers looking for other work are willing to change jobs for an increase in pay of no more than 15 percent (table). Potential employers could hire as many as 8,308 workers among the underemployed and looking for other work for a pay increase of 15 percent or less. In addition, more than 17,000 of the rest of employed would be willing to change jobs

Workers Willing to Change Jobs by Percent Pay Raise			
	<u>Underemployed</u>	<u>Looking for other work</u>	<u>Rest of employed</u>
10% or less	2,019	3,105	7,615
15% or less	3,438	4,870	17,861
20% or less	4,872	5,680	24,127
Not interested	418	110	15,507

for this percent pay increase. This information could also be used by employers to retain valued workers: the results suggest that a pay increase of no more than 15 percent will enable employers to retain at least 35 percent of their workforces.

A large proportion (42 percent) of the underemployed and workers looking for other work are willing to commute 31 miles or more to a job. About 72 percent are willing to commute 21 to 30 miles, while 90 percent will drive 11 to 20 miles to work.

Willingness to Commute

