

AN ANALYSIS OF THE LABOR FORCE OF THE OKEMAH, PRAGUE, AND WEWOKA AREAS OF OKLAHOMA

A SUMMARY REPORT PRESENTED TO:

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Introduction

Sponsored by Terry Heilig 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 Okemah, Prague, and Wewoka in central Oklahoma.

The data contained in this report were collected by telephone from randomly selected adults in the winter of 2000. The results are based on 703 interviews of persons 18 years old or older who reside in areas served by the telephone prefixes for Okemah, Prague, and Wewoka. Results are subject to a sampling error of +/- 3.7 percentage points with a confidence level of 95 percent.

REPORT HIGHLIGHTS

Approximately 494 workers are underemployed in the area.

An additional 317 workers have looked for other work during the previous three months.

The underemployed exhibit a variety of occupations and skills.

About 21.3 percent of underemployed workers hold at least a bachelor's degree.

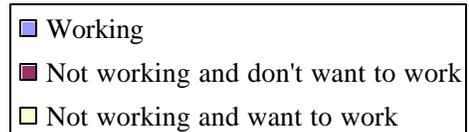
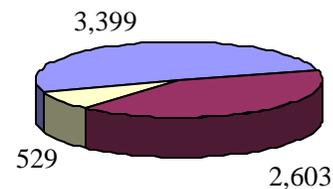
The typical underemployed worker is willing to change jobs for an increase in pay of 15% to 20%.

A job that pays \$10 hour is viewed as desirable by 322 underemployed and 183 workers looking for other work.

Approximately 3,325 of the 6,457 adults who reside in the three-city area are employed, amounting to 51.5 percent of the population 18 years old or more. Approximately 29 percent live in or near Okemah (1,926 workers), 26 percent in Prague (1,708 workers), and 44 percent in or near Wewoka (2,823 workers).

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 3,132 adults in the three-city area are presently not working. Most (2,603) do not desire to work citing as reasons retirement,

Adult Population



inability to work, or a preference not to work outside the home (table). A much smaller number of adults (529) 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

<u>Reason Not Working</u>	<u>Want to</u>		<u>Total</u>
	<u>Work</u>	<u>Don't Want to Work</u>	
Retired	226	1,402	1,627
Disabled or unable to work	43	736	779
Don't work outside the home	115	242	357
Student	45	48	93
Family responsibilities	22	61	82
Just moved into area	0	0	0
Laid off, lost job	66	10	76
Don't have reliable transportation	0	0	0
Have job, away from work	6	24	30
Other	7	70	77
Refused	0	11	11
Total	529	2,603	3,132

home, and persons who have recently lost their jobs. 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 ___ percent of the labor

force in the three-county area were *unemployed* during the second quarter of 2000, according to the Oklahoma Employment Security Commission.

Education

Compared with state averages, the three-city area has slightly fewer workers with a Bachelor's degree or higher. However, more workers have at least a high school diploma (94.4 percent) compared with 89.2 percent for the state.

Highest Level of Education of Working Persons 18 Years Old or Older (percent)

Level of Education	Okemah	Prague	Wewoka	Three-City Area	State
Less than high school	6.6	6.6	3.9	5.6	10.8
High school	35.6	37.3	34.8	36.2	37.0
Some college	25.0	23.4	29.8	26.7	20.1
Associate degree	5.8	9.6	6.8	7.4	6.5
Bachelors degree	21.5	16.5	16.5	18.2	16.2
Postgraduate degree	4.1	5.9	7.1	5.9	9.4
Bachelors degree or higher	25.7	22.3	23.6	24.1	25.7

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

Commuting Patterns

Only eight percent of workers commute to jobs located outside their county of residence. Eleven percent of workers who live in Latimer County drive to jobs in other counties, compared with 7 percent for Pittsburg County. Just 3.3 percent of workers (693) commute to jobs *outside* the two-county area.

Commuting Patterns for Residents of the Three-County Area			
	<u>Resides in: (county)</u>		
Employed in:			
(county)	Lincoln	Okfuskee	Seminole
Creek	25	59	0
Hughes	0	31	57
Lincoln	600	7	19
Okfuskee	51	704	14
Oklahoma	102	20	69
Okmulgee	0	63	0
Pottawatomie	121	12	105
Seminole	35	25	997
Other Oklahoma	45	42	51
Various (travels)	25	5	25
Unknown	10	7	0
Total	1013	976	1336
Employed in Home County			
Number	600	704	997
Percent	59.2%	72.2%	74.6%
Employed in the Three-County Area			
Number	687	737	1029
Percent	67.7%	75.5%	77.0%

Type of Employment

Eighty-eight percent of workers have full-time, permanent jobs. A small proportion of workers have part-time jobs, about one of every ten employees. About 14 percent of part-time workers indicated that they could not find full-time work. Most part-time workers do not seek full-time employment citing family and childcare obligations, school, and retirement.

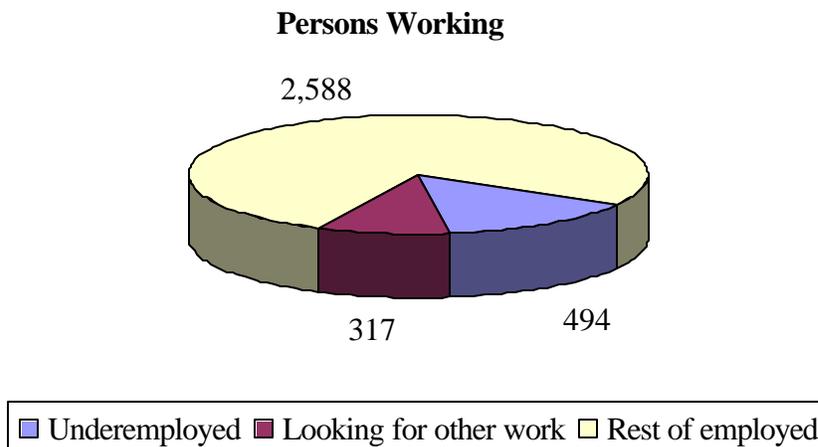
Type of Employment	
Full-time	
Permanent	2,779
Temporary	68
Unknown	32
Part-time	
Permanent	357
Temporary	72
Unknown	16
Total	3,325

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 2,575 workers in the two-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	123	38.9
Contacted public employment agency	23	7.2
Contacted private employment agency	21	6.7
Contacted friends or relatives	63	19.8
Contacted school / university employment center	-	0.0
Sent out resumés / filled out applications	110	34.5
Checked union / professional registers	7	2.3
Placed or answered ads	24	7.5
<i>Passive Jobsearch Methods</i>		
Looked at want ads	80	25.2
Attended job training programs / courses	9	2.9
At least one <i>active</i> jobsearch method	276	88.8
Note: more than one jobsearch method is possible.		

Underemployed

This study estimates that 1,903 employees are underemployed, 8.8 percent of all workers.

In order to be classified as underemployed in this study, all three of the following conditions must be satisfied.

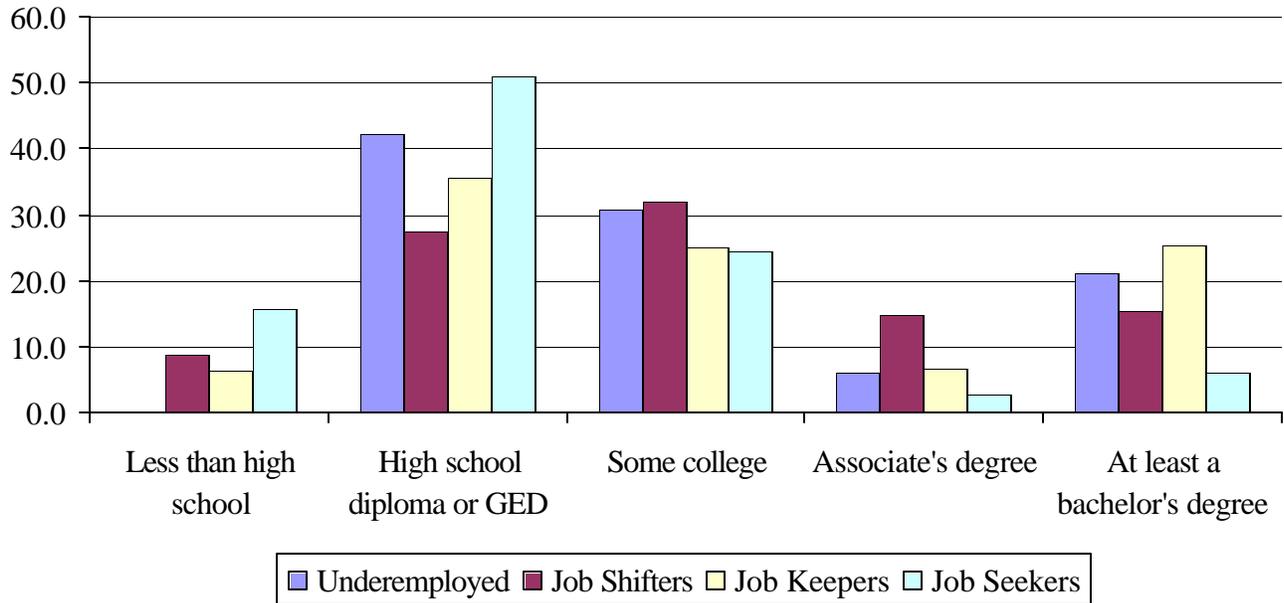
The worker must:

- ?? 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

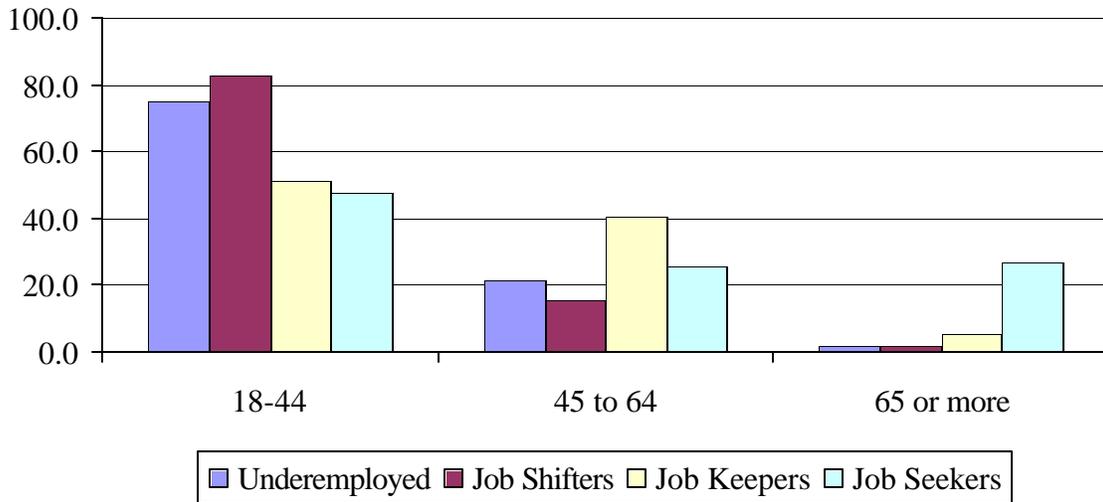
Underemployed workers tend to be better educated compared with Job Shifters and Job Keepers. Job Seekers have the lowest numbers of high school graduates.

Workers by Level of Education



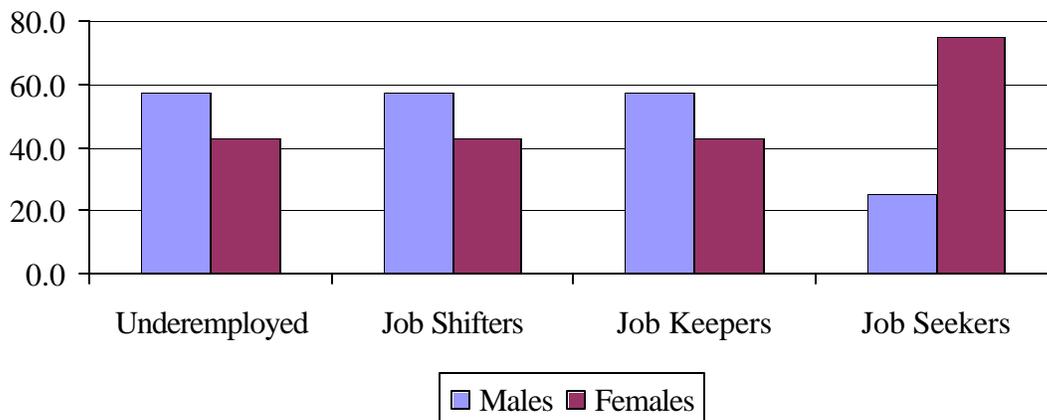
Job Shifters and the underemployed are substantially younger than Job Keepers and Job Seekers, with at least 30 percent in the 18-30 age group. Job Seekers tend to be much older than the other groups.

Workers by Age Group



Females outnumber males among the underemployed, Job Shifters, and Job Seekers.

Workers by Gender



About one in three workers find \$8 hour an attractive wage, including 725 underemployed, 1,062 Job Shifters, 4,510 Job Keepers, as well as 2,246 Job Seekers. For a wage offer of \$9 per hour the number of available workers increases by about 12 percent, and rises another 15 percent if the wage 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 11.6 percent of workers with Bachelor’s degrees find \$8 per hour attractive compared with 28.2 percent of those with two years of college or Associate’s degrees and 37.7 percent of those with only a High School diploma.

Number of Persons Willing to Work by Wage Rate



Approximately 52 percent of workers with a High School diploma as their highest level of education are willing to work for \$10 per hour, compared with 40 percent of those with an Associate’s Degree and just 12.5 percent of those with at least a Bachelor’s degree.

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 (130), precision production (121), executive, administrative and managerial (98), and administrative support, including clerical (90).

Underemployed and Job Shifters by Occupation			
	<u>Underemployed</u>	<u>Job Shifters</u>	<u>Total</u>
Executive, Administrative, and Managerial	30	69	98
Professional Specialty	47	15	63
Technicians and Related Support	7	-	7
Sales	35	-	35
Administrative Support, Including Clerical	58	32	90
Service Occupations	73	58	130
Farming, Forestry, and Fishing	40	16	56
Precision Production, Craft, and Repair	74	46	121
Machine Operators, Assemblers, and Inspectors	39	25	65
Transportation and Material Moving	39	24	63
	443	285	728

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 30.7 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 computer programming and work on machines.

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)	65	36	101
Spreadsheet analysis (Excel, Lotus)	16	7	22
Computer assisted design (CAD)	0	0	0
Computer programming	20	10	30

About half of the underemployed are willing to change jobs for an increase in pay of 20 percent or less (table), while the median Job Shifter would change jobs for an increase of no more than 15 percent. Potential employers could hire 2,094 workers among the underemployed and Job Shifters for a pay increase of 15 percent or less. A

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>
No more than 5%	32	27	99
No more than 10%	167	122	388
No more than 15%	270	150	771
No more than 20%	313	247	1,098
More than 20%	408	280	1,670
Not interested	46	12	667

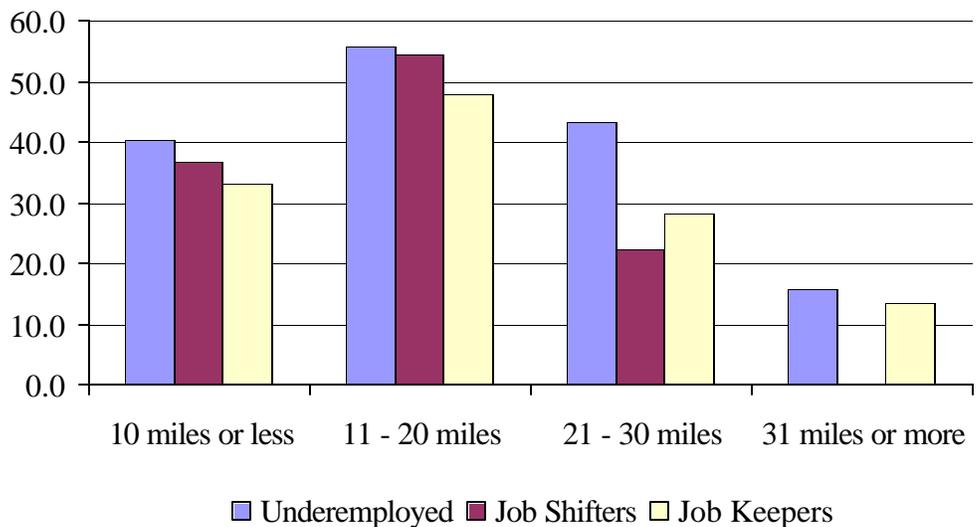
fifteen percent pay increase would attract about 5,500 Job Keepers to a different job. Interestingly, 26 percent of Job Keepers are not interested in changing jobs regardless of the amount of pay increase.

Most workers reside within 10 miles of their place of employment: 56.8 percent live within 10 miles of their job. Job Shifters commute longer distances than do other employees.

Distance Travelled to Place of Employment				
	All Workers	Underemployed	Job Shifters	Job Keepers
0 - 5 miles	0.0	0.0	0.0	0.0
6 - 10 miles	45.8	40.5	42.2	47.4
11 - 20 miles	11.3	10.7	18.3	10.4
21 - 30 miles	14.5	12.9	15.6	14.7
30 - 50 miles	7.8	9.1	9.8	7.3
More than 50 miles	11.2	13.4	12.4	10.7

A large proportion (40 percent) of the underemployed and Job Shifters are willing to commute 31 miles or more to a job. About 62 percent are willing to commute 21 to 30 miles, while 80 percent will drive 11 to 20 miles to work.

Willingness to Commute



Conclusions

- ?? A significant pool of labor exists in Okemah, Prague, and Wewoka among the *underemployed* (494 workers) and among workers looking for other jobs, or *Job Shifters* (317 workers).
- ?? Most of the underemployed and Job Shifters are willing to commute ___ miles or more to a job for a pay increase of no more than ___ 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 most workers.