

# AN ANALYSIS OF THE LABOR FORCE OF THE OKMULGEE AREA IN NORTHEAST OKLAHOMA

A SUMMARY REPORT PRESENTED TO

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and

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## Introduction

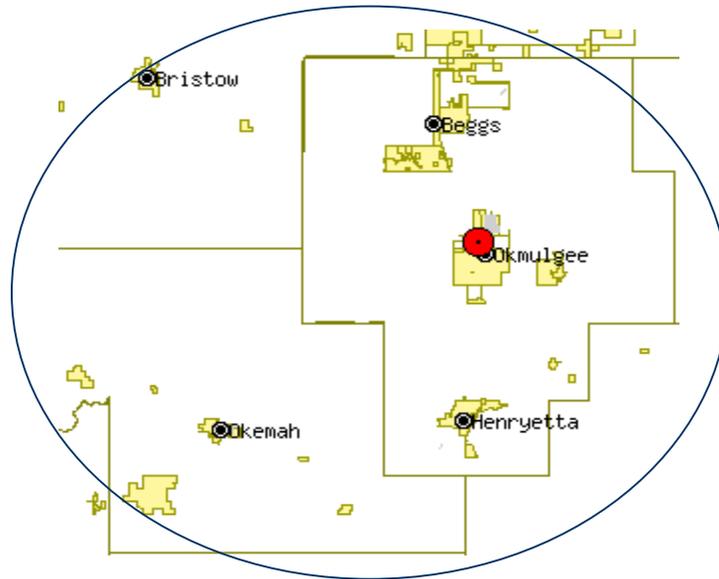
Sponsored by the Okmulgee Area Development Corporation and the Oklahoma Department of Commerce, this report is the latest in a series of local labor force studies in Oklahoma. The report examines the availability of labor in the Okmulgee area of northeast Oklahoma, including all of Okmulgee County and Okfuskee County and parts of Creek County, Pawnee County, and Hughes County. These areas comprise the 'labor market area' referred to in this report.

The data contained in this report were collected by telephone from randomly selected adults in the spring of 2002. The results are based on 1,008 interviews of persons 18 years old or older who reside in areas served by the telephone prefixes for localities in the areas listed above. The number of interviews completed by county is shown in the Appendix. Results are subject to a sampling error of +/- 3.1 percentage points with a confidence level of 95 percent.

### REPORT HIGHLIGHTS

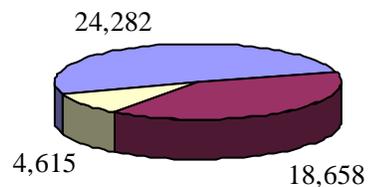
- A total of 4,421 workers are either actively looking for other work or willing to change jobs for the right opportunity.
- An estimated 2,229 workers are Underemployed.
- In addition to the Underemployed, 2,192 workers have looked for other work during the previous three months.
- The Underemployed 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 10% to 15%.
- A job that pays \$10 an hour is viewed as attractive by 1,235 Underemployed and 1,518 workers looking for other work.

## Labor Market Area

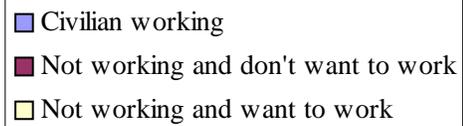


Of the 47,556<sup>1</sup> adults who reside in the labor market area 24,282 are employed. Approximately 59 percent live in Okmulgee County, 16 percent in Okfuskee County, 15 percent in Creek County, and 5 percent each in Hughes County and McIntosh County.

### 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 23,273 adults in the study area are presently not working. Most

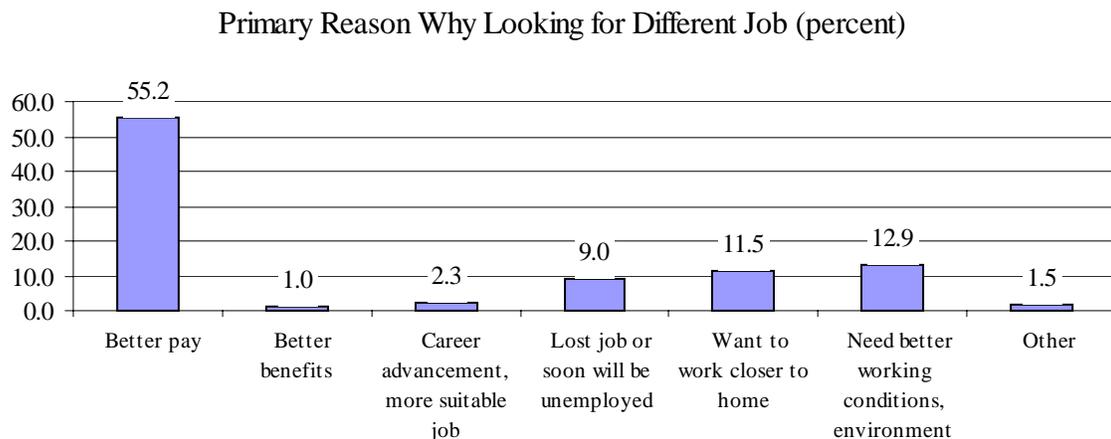
<b>Persons Not Working</b>			
<u>Reason Not Working</u>	<u>Want to Work</u>	<u>Don't Want to Work</u>	<u>Total</u>
Retired	1,076	10,848	11,924
Disabled or unable to work	452	3,204	3,657
Don't work outside the home	748	2,165	2,914
Student	197	772	970
Family responsibilities	202	242	444
Just moved into area	0	0	0
Laid off, lost job	1,853	936	2,789
Don't have reliable transportation	0	104	104
Other	87	386	472
<b>Total</b>	<b>4,615</b>	<b>18,658</b>	<b>23,273</b>

<sup>1</sup> Excludes institutionalized population.

(18,658) 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 (4,615) 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 6.0 percent of the labor force in the labor market area was unemployed on average during the first three months of 2002, according to figures obtained from the U.S. Bureau of Labor Statistics.

### Actively Looking for a Different Job

Approximately 3,035 workers, 12.5 percent of those working in civilian jobs, took actions in the previous three months to find a new job. Better pay was the primary reason for looking for a different job for most workers while better working conditions and working closer to home were mentioned next most often.



## Education

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

<b>Highest Level of Education of Working Persons 18 Years Old or Older (percent)</b>		
	Labor Market	
<u>Level of Education</u>	<u>Area</u>	<u>State</u>
Less than high school	5.7	10.8
High school	37.1	37.0
Some college	27.4	20.1
Associate degree	9.5	6.5
Bachelors degree	16.1	16.2
Postgraduate degree	3.5	9.4
Bachelors degree or higher	19.6	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. Compared with five years ago, 18.3 percent of households lived in a different residence in the same county, 9.1 percent lived in a different county in Oklahoma, and 5.2 percent lived in a different state. In all, 32.8 percent of households lived in a different house or apartment five years ago. Not surprisingly, the Underemployed are the most mobile of households: 50.1 percent lived in a different county or different state five years ago compared with 48.3 percent for the Job Shifters and 35.1 percent for Job Keepers.

## Commuting Patterns

Workers from McIntosh County are much more likely to commute to jobs outside the county of residence: 53.1% commute to jobs not in McIntosh County. By contrast, just 26 percent to 29 percent of workers who live in Okmulgee County, Okfuskee County, Creek County, or Hughes County commute to jobs in other counties (table).

<b>Commuting Patterns for Residents of the Labor Force Area</b>					
<u>Employed in:</u>	<u>Resides in (county):</u>				
(county)	<u>Creek</u>	<u>Hughes</u>	<u>McIntosh</u>	<u>Okfuskee</u>	<u>Okmulgee</u>
Creek	2,997	93		229	474
Hughes		866		51	
Lincoln				137	
McIntosh		32	621		118
Muskogee			60		43
Okfuskee		52		3,596	151
Oklahoma				153	42
Okmulgee		42	388	364	12,170
Osage					42
Other	160	20	59	84	152
Seminole		41		83	
Tulsa	734	20	51	208	3,407
Unknown				39	185
Various	156	42	146	145	281
<b>Total</b>	<b>4,047</b>	<b>1,207</b>	<b>1,324</b>	<b>5,090</b>	<b>17,066</b>
<b>Employed in Home County</b>					
Number	2,997	866	621	3,596	12,170
Percent	74.0%	71.7%	46.9%	70.7%	71.3%

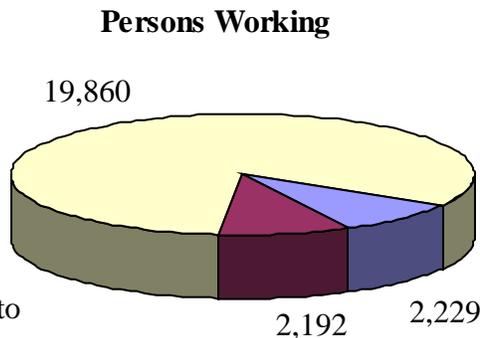
### Type of Employment

Eighty-one percent of civilian workers have full-time, permanent jobs. A significant proportion of civilian workers have part-time jobs, about one in six. About 19.5 percent of part-time workers would like to work full-time. Health and medical limitations, lack of full-time work, and family considerations are given as reasons why some are working part-time and not full-time (table).

Type of Employment		Reasons for Working Part-time (percent)	
<b>Full-time</b>		Could only find part-time work	2.4
Permanent	19,796	Retired / Social Security limit on earnings	9.5
Temporary	735	Child care obligations /problems	15.3
Unknown	51	Other family / personal obligations	10.7
<b>Part-time</b>		School / training	2.7
Permanent	3,046	Health / medical limitations	26.8
Temporary	518	Slack work / business conditions	15.2
Unknown	137	Other	0.0
<b>Total</b>	<b>24,282</b>		

### Availability of Labor

This study identified 4,421 workers who are readily available for other work, including 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).



■ Underemployed ■ Looking for other work ■ Rest of employed

### *Job Shifters*

Approximately 2,192 workers in the labor market 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 job-search methods, including contacting employers and employment agencies, sending out resumes and completing employment applications, and answering help wanted ads (table).

<b>Jobsearch Methods Used by Workers Looking for Other Work</b>	<b>Number of</b>	
	<u>Workers</u>	<u>Percent</u>
<i>Active Jobsearch Methods</i>		
Contacted employer directly / interview	1,017	46.4
Contacted public employment agency	51	2.3
Contacted private employment agency	26	1.2
Contacted friends or relatives	407	18.5
Contacted school / university employment center	0	0.0
Sent out resumés / filled out applications	813	37.1
Checked union / professional registers	0	0.0
Placed or answered ads	355	16.2
<i>Passive Jobsearch Methods</i>		
Looked at want ads	654	29.8
Attended job training programs / courses	27	1.2
At least one <i>active</i> jobsearch method	1,764	80.5
Note: more than one jobsearch method is possible.		

### *Underemployed*

This study estimates that 2,229 workers in the labor market are Underemployed, 9.2 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:

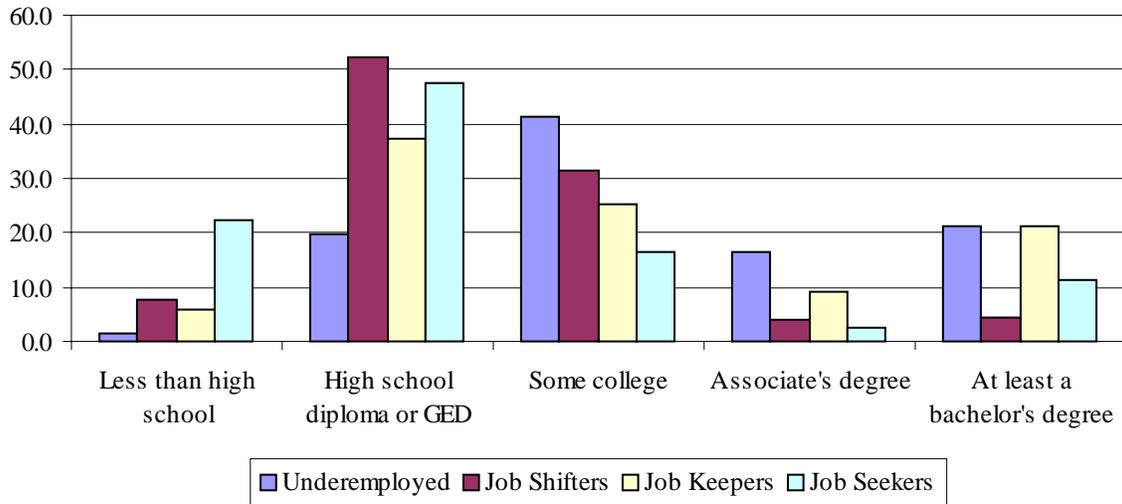
- feel underutilized in present employment,
- possess training or education that is not required by his or her current job, and

- be willing to change jobs in order to better utilize his or her skills and education.

### Characteristics of Workers

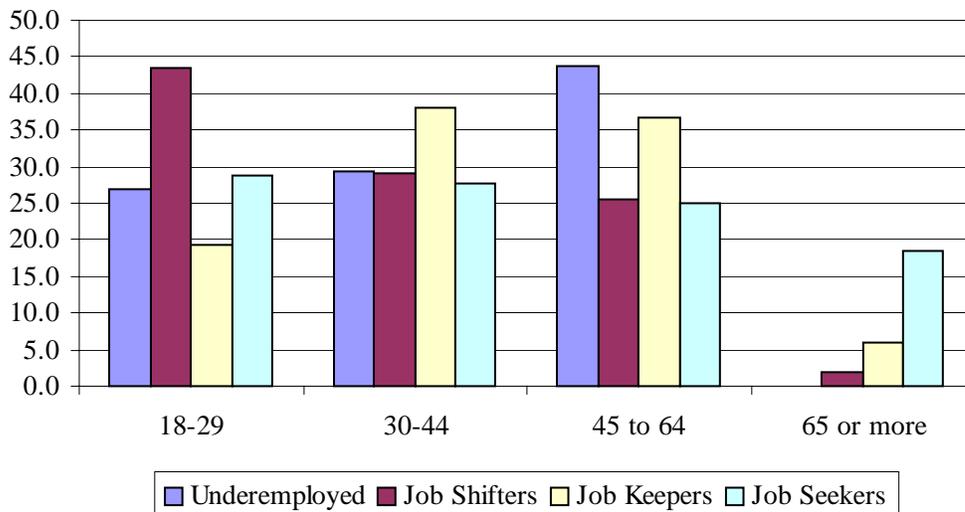
The Underemployed have the highest percentage of college graduates, about 21.3 percent, followed by Job Keepers (21.1 percent), Job Seeker (11.2 percent) and Job Shifters (4.2 percent).

**Civilian Workers by Level of Education**



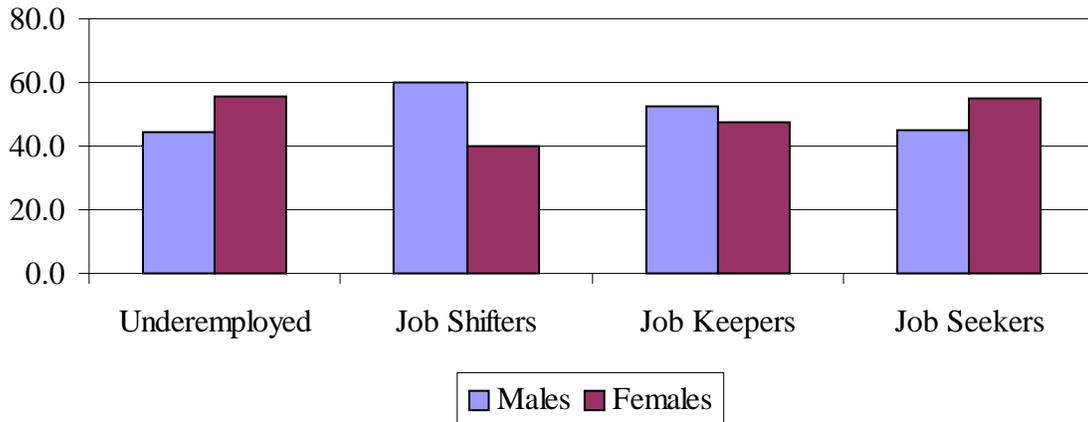
Job Shifters are the youngest while Job Seekers are the oldest group. The Underemployed have the largest percentage in the 45 to 64 age group.

**Civilian Workers by Age Group**



The Underemployed and Job Seekers are predominantly female, while Job Keepers and Job Shifters are mostly males.

### Workers by Gender



About one in three workers finds a wage of \$8 per hour desirable, including 858 Underemployed, 1,188 Job Shifters, and 5,140 Job Keepers, as well as 3,265 Job Seekers. For a wage offer of \$9 per hour the number of available workers increases by about 17 percent, rising another 26 percent for a wage of \$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 6.7 percent of workers with Bachelor's degrees find \$8 per hour attractive compared with 24.7 percent of those with two years of college or Associate's degrees and 42.8 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 (1,114), Precision Production, Craft, and Repair (626), Machine Operators, Assemblers, and Inspectors (622), and Executive, Administrative and Managerial (421).

<b>Underemployed and Job Shifters by Occupation</b>			
	<u>Underemployed</u>	<u>Job Shifters</u>	<u>Total</u>
Executive, Administrative, and Managerial	220	202	421
Professional Specialty	228	75	303
Technicians and Related Support	139	151	290
Sales	232	86	318
Administrative Support, including Clerical	305	99	404
Service Occupations	544	570	1,114
Farming, Forestry, and Fishing	69	49	117
Precision Production, Craft, and Repair	244	382	626
Machine Operators, Assemblers, and Inspectors	170	452	622
Transportation and Material Moving	78	128	206
Other	0	0	0
	2,229	2,192	4,421

Workers with workplace skills that are not being used offer potential recruits for employment opportunities that better use their skills. This study found that 11.0 percent of those with skills not presently in use have computer skills of one type or the other (see Table 5 in the Appendix). Knowledge of word processing was most often mentioned, followed by work on machines and bookkeeping (table).

<b>Workers with Computer Skills (among workers with skills not in use)</b>			
		Job	
<u>Strongest Computer Skill (percent)</u>	<u>Underemployed</u>	<u>Shifters</u>	<u>Total</u>
Word processing (MS-Word)	112	76	188
Spreadsheet analysis (Excel, Lotus)	116	0	116
Bookkeeping (Quicken)	37	140	177
Computer programming (C, SAS, SPSS)	0	0	0

About 64 percent of the Underemployed and 62 percent of Job Shifters are willing to change jobs for an increase in pay of 15 percent or less (table), a potential pool of workers of numbering 2,789. The median Job Keeper, however, would require a raise of more than 20 percent to change jobs. In addition, 34 percent of Job Keepers are not interested in changing jobs regardless of the increase in pay.

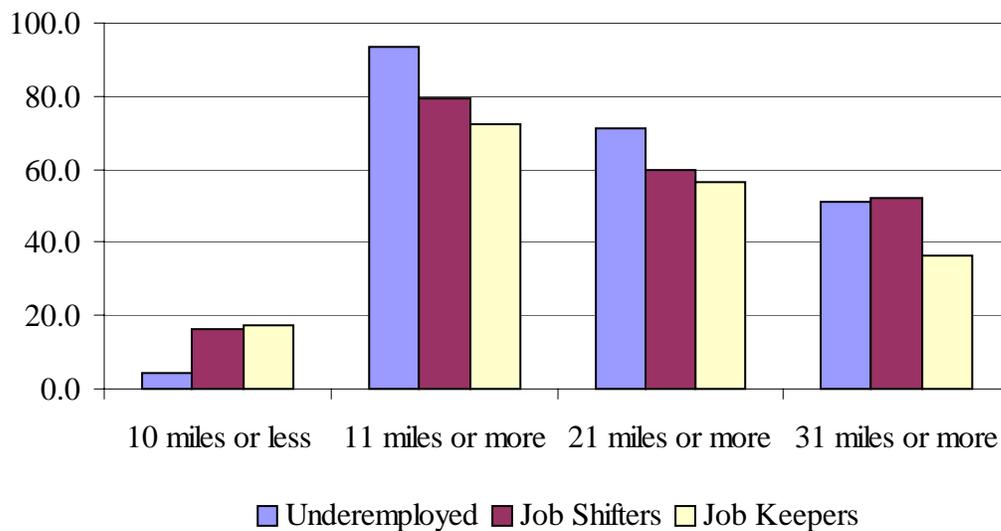
<b>Workers Willing to Change Jobs by Percent Pay Raise</b>			
		Job	Job
<u>Desired raise in pay</u>	<u>Underemployed</u>	<u>Shifters</u>	<u>Keepers</u>
Less than 5%	340	301	1,486
Between 5% and 10%	447	390	2,900
Between 10% and 15%	644	668	2,990
Between 15% and 20%	181	105	1,269
More than 20%	337	486	2,633
Not interested	90	58	6,783
Don't know	155	184	1,136
Refused	0	0	52
Other	36	0	538
Total	2,229	2,192	19,786

Fifty-seven percent of all workers drive at least 6 miles to work, and 43 percent drive at least 11 miles. Commuting distances for the Underemployed, Job Shifters, and Job Keepers are similar (table).

<b>Distance Travelled to Place of Employment (percent of workers)</b>				
	<u>All Workers</u>	<u>Underemployed</u>	<u>Job Shifters</u>	<u>Job Keepers</u>
0 - 5 miles	43.4	43.8	51.3	37.7
6 - 10 miles	14.0	15.6	9.3	14.9
11 - 20 miles	12.7	12.7	13.6	11.7
21 - 30 miles	6.8	6.5	8.0	7.5
30 - 50 miles	14.7	14.0	13.3	16.2
More than 50 miles	7.6	6.6	4.0	11.4

A significant proportion of the Underemployed (51 percent) and Job Shifters (52 percent) are willing to commute 31 miles or more to a job. About 58.1 percent of all workers are willing to commute 21 miles or more (graph).

**Willingness to Commute**



## **Conclusions**

- A significant pool of available labor exists in the labor market area among the Underemployed (2,229 workers) and among workers looking for other jobs, or Job Shifters (2,192 workers).
- Most of the Underemployed and Job Shifters are willing to commute at least 31 miles for a pay increase of 10% to 15%.
- 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>Area</u>	<u>Interviews</u>
Creek County	131
Hughes County	51
McIntosh County	31
Okmulgee County	648
Okfuskee County	147
Total	1,008

Approximately 5,271 randomly generated phone numbers were called in order to complete the 1,008 interviews. Of these phone numbers 2,027 were not in service and 586 numbers were not eligible for the study (language barrier, hard of hearing, children's telephone, business or fax). In addition, 864 households refused to be interviewed and 684 numbers were never answered after five and six attempts. A response rate of 51.0 percent was achieved among the eligible numbers that were answered. Completions for each county were weighted by age group, gender, and county population.