

AN ANALYSIS OF THE LABOR FORCE OF THE PONCA CITY AREA IN NORTHEAST OKLAHOMA

A SUMMARY REPORT PRESENTED TO

Ponca City Economic Development Advisory Board

and

Oklahoma Department of Commerce

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Introduction

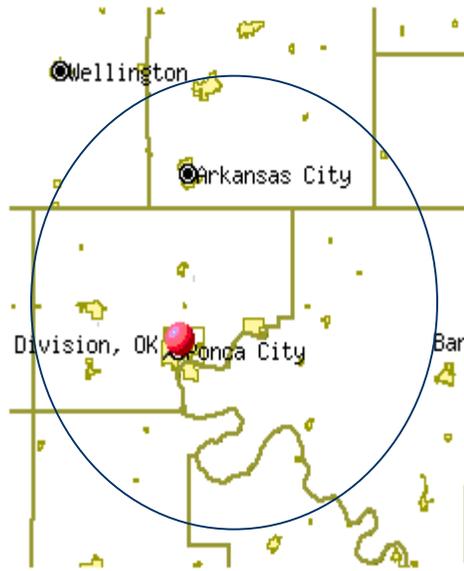
Sponsored by the Ponca City Economic Development Advisory Board and the Oklahoma Department of Commerce, this report is the latest in a series of local labor force studies in Oklahoma. The report examines the availability of labor in the Ponca City area of northeast Oklahoma, including all of Kay County and parts of Osage County, Pawnee County, and Cowley County, Kansas. 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 summer of 2002. The results are based on 1,246 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

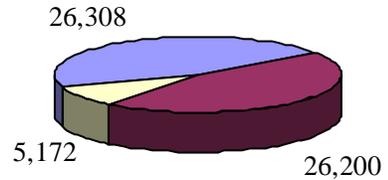
- A total of 5,625 workers are either actively looking for other work or willing to change jobs for the right opportunity.
- An estimated 2,922 workers are Underemployed.
- In addition to the Underemployed, 2,703 workers have looked for other work during the previous three months.
- The Underemployed exhibit a variety of occupations and skills.
- About 25.8 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 1,570 Underemployed and 3,912 workers looking for other work.

Labor Market Area

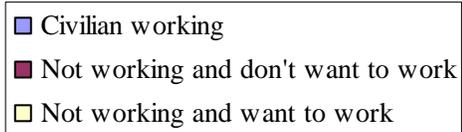


Of the 57,436¹ adults who reside in the labor market area 26,064 are employed. Approximately 59 percent live in Kay County, 19 percent in Cowley County Kansas, 15 percent in Osage County, and 7 percent in Pawnee County.

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 31,372 adults in the study area are presently not working. Most

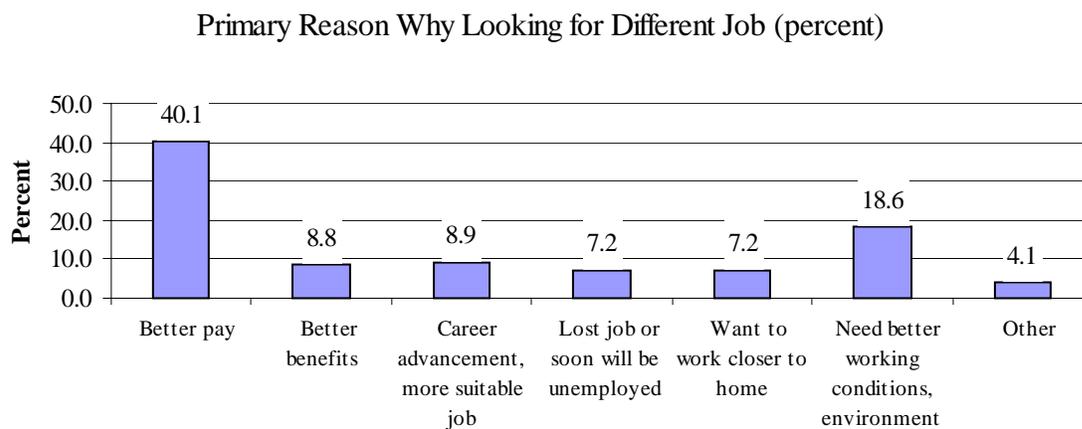
Persons Not Working			
<u>Reason Not Working</u>	<u>Want to Work</u>	<u>Don't Want to Work</u>	<u>Total</u>
Retired	1,074	15,460	16,534
Disabled or unable to work	367	3,811	4,177
Don't work outside the home	1,271	4,357	5,628
Student	0	558	558
Family responsibilities	226	77	303
Just moved into area	76	69	145
Laid off, lost job	2,080	1,258	3,338
Don't have reliable transportation	77	0	77
Other	0	611	611
Total	5,172	26,200	31,372

¹ Excludes institutionalized population.

(26,200) 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 (5,172) 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 5.5 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 3,913 workers, 15.1 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.

Highest Level of Education of Working Persons 18 Years Old or Older (percent)		
	Labor Market	
<u>Level of Education</u>	<u>Area</u>	<u>State</u>
Less than high school	4.1	10.8
High school	32.8	37.0
Some college	28.3	20.1
Associate degree	9.1	6.5
Bachelors degree	16.9	16.2
Postgraduate degree	6.7	9.4
Bachelors degree or higher	23.6	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, 17.7 percent of households lived in a different residence in the same county, 7.7 percent lived in a different county in Oklahoma, and 6.5 percent lived in a different state. In all, 32.4 percent of households lived in a different house or apartment five years ago. Not surprisingly, the Underemployed are the most mobile of households: 56.8 percent lived in a different residence in the same county, different county or different state five years ago compared with 55.7 percent for the Job Shifters and 36.9 percent for Job Keepers.

Type of Employment

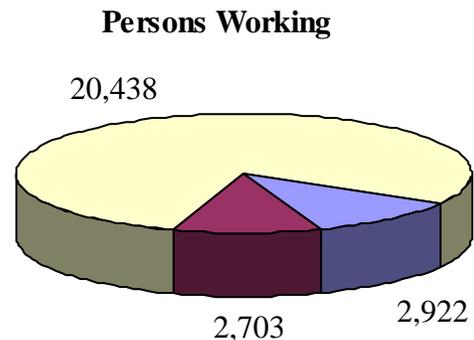
Eighty-three percent of civilian workers have full-time, permanent jobs. A significant proportion of civilian workers have part-time jobs, about one in six. About 27.6 percent of part-time workers would like to work full-time. Health and medical limitations, lack of full-time work, and family considerations are given as reasons why some are working part-time and not full-time (table).

Type of Employment	
Full-time	
Permanent	21,878
Temporary	255
Unknown	-
Part-time	
Permanent	3,365
Temporary	423
Unknown	388
Total	26,308

Reasons for Working Part-time (percent)	
Could only find part-time work	11.0
Retired / Social Security limit on earnings	4.8
Child care obligations /problems	11.4
Other family / personal obligations	10.7
School / training	1.5
Health / medical limitations	20.1
Slack work / business conditions	20.7
Other	0.0

Availability of Labor

This study identified 5,625 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 2,703 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).

Jobsearch Methods Used by Workers Looking for Other Work	Number of	
	<u>Workers</u>	<u>Percent</u>
<i>Active Jobsearch Methods</i>		
Contacted employer directly / interview	1,046	38.7
Contacted public employment agency	434	16.1
Contacted private employment agency	227	8.4
Contacted friends or relatives	513	19.0
Contacted school / university employment center	0	0.0
Sent out resumés / filled out applications	1,026	38.0
Checked union / professional registers	28	1.0
Placed or answered ads	504	18.7
<i>Passive Jobsearch Methods</i>		
Looked at want ads	1,227	45.4
Attended job training programs / courses	56	2.1
At least one <i>active</i> jobsearch method	2,292	84.8
Note: more than one jobsearch method is possible.		

Underemployed

This study estimates that 2,922 workers in the labor market are Underemployed, 11.1 percent of all workers. In order to be classified as Underemployed in this study, all three of the following conditions must be satisfied.

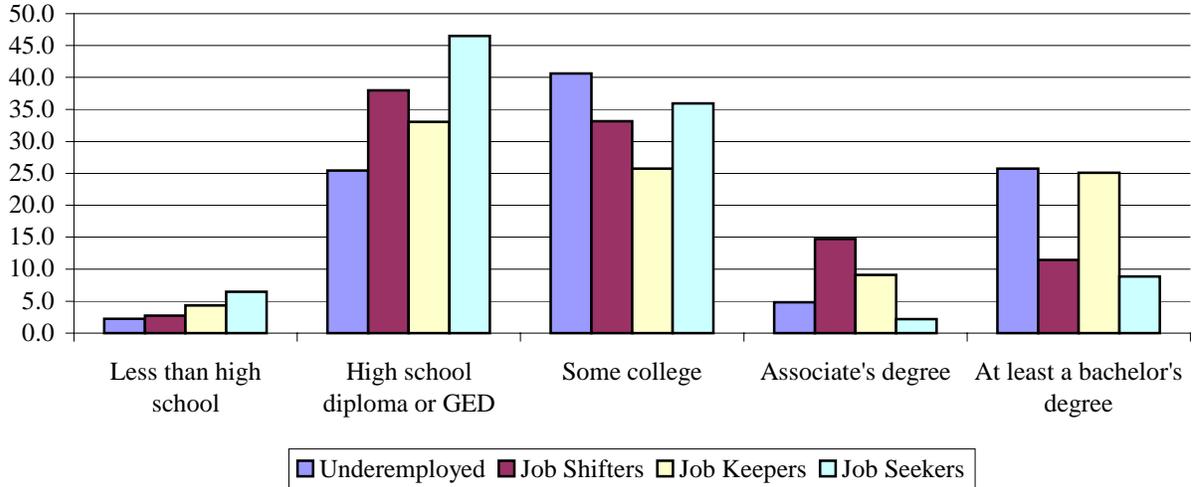
The worker must:

- 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

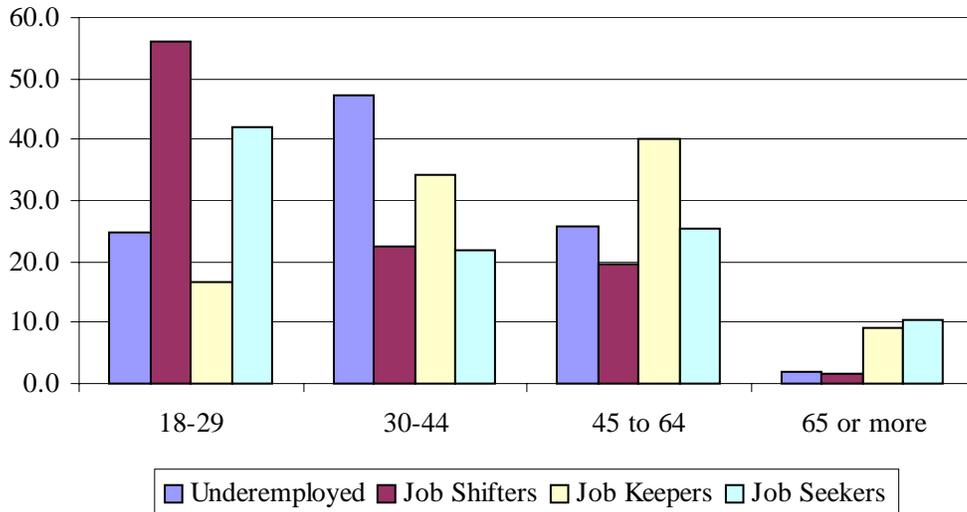
The Underemployed have the highest percentage of college graduates, about 26 percent, followed by Job Keepers (25.1 percent), Job Shifters (11.4 percent) and Job Seekers (8.9 percent).

Civilian Workers by Level of Education



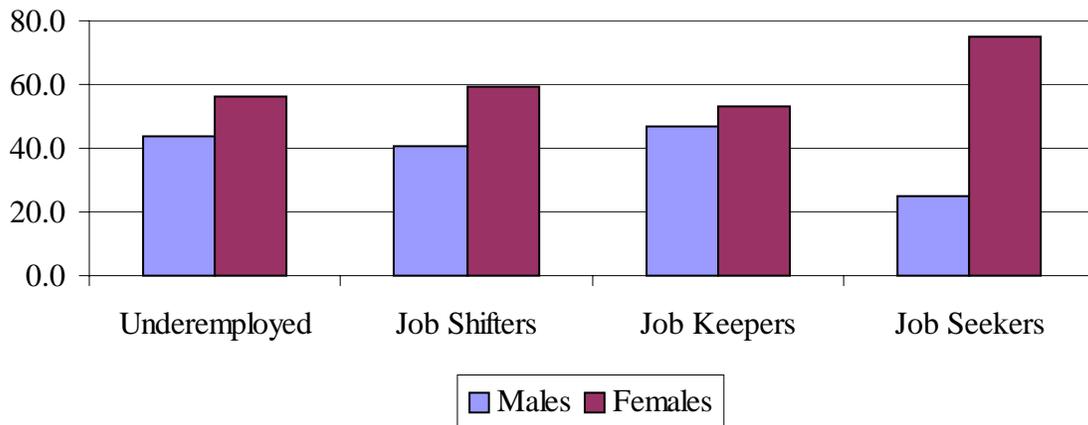
Job Shifters are the youngest while Job Seekers are the oldest group. The Job Keepers have the largest percentage in the 45 to 64 age group.

Civilian Workers by Age Group



The Underemployed, Job Seekers, Job Keepers and Job Shifters are all predominately female.

Workers by Gender



About one in four workers finds a wage of \$8 per hour desirable, including 1,011 Underemployed, 1,266 Job Shifters, and 4,586 Job Keepers, as well as 3,223 Job Seekers. For a wage offer of \$9 per hour the number of available workers increases by about 25 percent, rising another 27 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 10.4 percent of workers with Bachelor's degrees find \$8 per hour attractive compared with 26.1 percent of those with two years of college or Associate's degrees and 36.9 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 Administrative Support, including Clerical occupations (1,302), Service Occupations (1,105), Executive, Administrative and Managerial (471), and Machine Operators, Assemblers, and Inspectors (444).

	Underemployed and Job Shifters		Total
	Underemployed	Job Shifters	
Executive, Administrative, and Managerial	296	175	471
Professional Specialty	217	131	348
Technicians and Related Support	13	260	273
Sales	169	189	359
Administrative Support, including Clerical	698	604	1,302
Service Occupations	593	512	1,105
Farming, Forestry, and Fishing	82	0	82
Precision Production, Craft, and Repair	253	81	334
Machine Operators, Assemblers, and Inspectors	98	346	444
Transportation and Material Moving	198	205	403
Other	0	201	201
	2,618	2,703	5,321

Workers with workplace skills that are not being used offer potential recruits for employment opportunities that better use their skills. This study found that 16.4 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 spreadsheet analysis (table).

Workers with Computer Skills (among workers with skills not in use)			
		Job	
<u>Strongest Computer Skill (percent)</u>	<u>Underemployed</u>	<u>Shifters</u>	<u>Total</u>
Word processing (MS-Word)	254	140	393
Spreadsheet analysis (Excel, Lotus)	59	94	152
Bookkeeping (Quicken)	44	57	100
Computer programming (C, SAS, SPSS)	42	0	42

About 69 percent of the Underemployed and 68 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 3,869. The median Job Keeper, however, would require a raise of more than 20 percent to change jobs. In addition, 33 percent of Job Keepers are not interested in changing jobs regardless of the increase in pay.

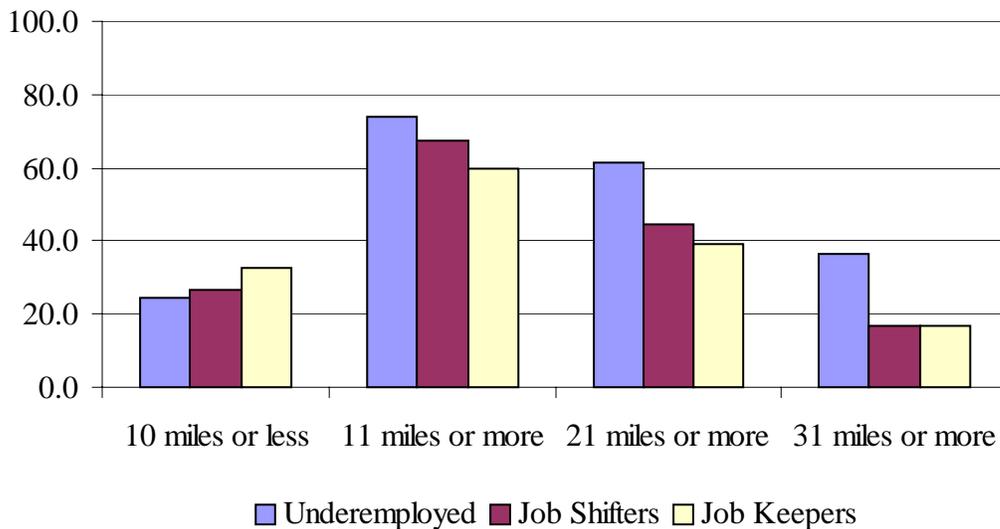
Workers Willing to Change Jobs by Percent Pay Raise			
		Job	Job
<u>Desired raise in pay</u>	<u>Underemployed</u>	<u>Shifters</u>	<u>Keepers</u>
Less than 5%	385	444	2,090
Between 5% and 10%	757	792	2,658
Between 10% and 15%	878	612	2,954
Between 15% and 20%	174	159	1,636
More than 20%	468	530	3,036
Not interested	45	10	6,795
Don't know	215	155	1,010
Refused	0	0	40
Other	0	0	124
Total	2,922	2,703	20,343

Seventy-four percent of all workers drive at least 6 miles to work, and about 25 percent drive at least 11 miles. Commuting distances for the Underemployed, Job Shifters, and Job Keepers are similar (table).

	<u>All Workers</u>	<u>Underemployed</u>	<u>Job Shifters</u>	<u>Job Keepers</u>
0 - 5 miles	61.8	64.7	61.3	62.5
6 - 10 miles	12.5	10.4	11.9	13.8
11 - 20 miles	14.4	14.0	16.5	11.2
21 - 30 miles	2.7	2.6	1.8	2.8
30 - 50 miles	5.6	5.2	7.0	5.8
More than 50 miles	2.2	2.1	1.3	3.2

A significant proportion of the Underemployed (36.4 percent) and a smaller proportion of Job Seekers (17.1 percent) and Job Shifters (16.3) are willing to commute 31 miles or more to a job.

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).
- About one third of the Underemployed and about one in six 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>
Kay County	637
Osage County	204
Pawnee County	217
Cowley County, KS	188
Total	1,246

Approximately 6,849 randomly generated phone numbers were called in order to complete the 1,246 interviews. Of these phone numbers 2,280 were not in service and 908 numbers were not eligible for the study (language barrier, hard of hearing, children's telephone, business or fax). In addition, 908 households refused to be interviewed and 761 numbers were never answered after five and six attempts. A response rate of 57.5 percent was achieved among the eligible numbers that were answered. Completions for each county were weighted by age group, gender, and county population.