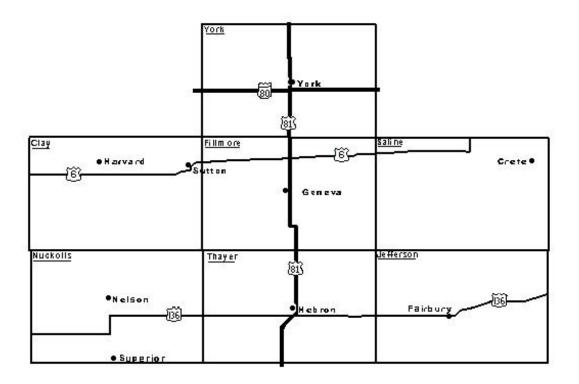
# **Geneva Labor Basin**

## **Labor Availability Analysis**

Clay | Fillmore | Jefferson | Nuckolls | Saline | Thayer | York



Conducted For

**Fillmore County Development Corp** 

By

The Docking Institute of Public Affairs

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## Geneva Labor Basin Labor Availability Analysis

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## Geneva Labor Basin Labor Availability Analysis Executive Summary

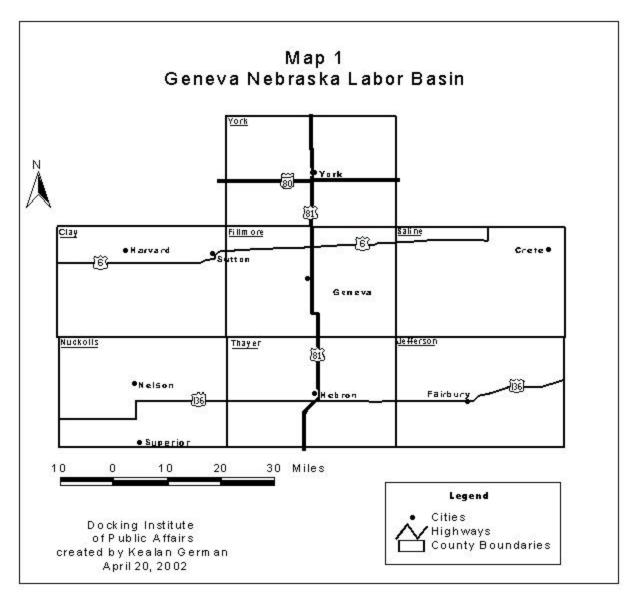
The Geneva labor basin encompasses portions of seven counties in southern Nebraska. The purpose of this report is to assess the "Available Labor Pool" in this labor basin. The "Available Labor Pool" represents those who indicate that they are looking for employment or would consider changing their jobs for the right employment opportunity.

The Docking Institute of Public Affairs' independent analysis of this labor basin shows that:

- There is an Available Labor Pool in the Geneva labor basin of 13,654. It is
  estimated that 464 unemployed and 1,856 employed workers are seeking new
  employment, while 11,334 would consider changing employment for the right
  opportunities.
- 61.7% of the Available Labor Pool has at least some college education, while
   97.3% have at least a high school diploma.
- 25%, or an estimated 3,462 workers in the Available Labor Pool, are underemployed.
- About 7,750 people (56.8% of the available labor) would be interested in a job if offered \$14.00. About 6,444 people, or 47.2% of the available labor, would be interested in a job at \$12.00. Almost 3,946 people, or 29% of the Available Labor Pool, would be interested in new employment at \$10.00 an hour. About 1,840 people (or 13.5% of the available labor) indicated interest in a new employment opportunity with a wage of \$8.00 an hour.
- The available labor for a manufacturing employer offering \$14.00 an hour is about 835 workers, at \$12.00 an hour the available labor is about 735 workers, at \$10.00 an hour the available labor is 463, and at \$8.00 about 182 people available. For a service sector employer offering \$14.00 an hour, the available labor is almost 846, at \$12.00 there are 747 workers available, at \$10.00 an hour there are 462, and at \$8.00 about 183 people available.
- Workers in this area are willing to commute to take advantage of employment opportunities. About 12,080 (or 88.5% of the available labor) would commute more than 20 miles, one way, for employment. In addition, 7,607 (55.7% of the available labor) are willing to travel more than 30 miles, one way, for an employment opportunity. However, only 624 (4.6%) will commute more than 60 miles.

### Geneva Labor Basin Labor Availability Analysis

The Geneva labor basin encompasses portions of seven counties in southern Nebraska. The criterion used to include a county in this labor basin is whether it has a significant border adjacent to Fillmore County in which Geneva is located, or whether the county is sufficiently rural and isolated to suggest its residents would commute to Geneva for an employment opportunity (e.g., Nuckolls and Jefferson counties). The Geneva labor basin has a total population of approximately 61,559. It has a civilian labor force of about 31,569. There is an unemployment rate of 2.4%, but there is also an ample supply of available labor to support a major new employer. The Docking Institute's independent analysis of this labor basin shows that, of the civilian labor force, there are 1,856 workers (5.9%) who are actively seeking new employment and 11,334 (35.9%) who would consider new employment for the right opportunity.



#### Civilian Labor Force

Traditional methods of assessing the dynamics of the labor force have concentrated on what the Bureau of Labor Statistics (BLS) calls the Civilian Labor Force (CLF). The CLF represents "all civilians 16 years of age and over classified as employed or unemployed," with unemployed civilians defined as civilians available for work and who had "made specific efforts to find employment" in the previous four weeks. The CLF for the Geneva Labor Basin is 31,569 workers.

While a review of CLF statistics represents the starting point for understanding the labor force in and around Geneva, Nebraska, there are some limitations associated with these statistics. These limitations occur because the CLF excludes individuals who may be willing and able to be gainfully employed but have not made specific efforts to find employment in the last four weeks. These individuals may include full-time students who do not work, homemakers, the unemployed who are no longer seeking employment, military personnel who may be leaving military employment in the near future, and retired individuals who may be willing to work but have not been looking for work recently.

In addition, most new employers draw their workforce from those who are presently employed, not those who are unemployed. As such, census-based data (such as the CLF) does not address the possibility of workers moving from one industry to another in search of other/better employment opportunities. Relying solely upon CLF-type statistics can lead communities to be stereotyped as providing only certain types of workers to potential employers. For example, a labor basin might be classified as able to provide manufacturing employment only, while, in reality, the quantity and quality of workers might be sufficient to support the needs of service sector/information-based employer. In sum, aggregate CLF-type data simply cannot reveal detailed aspects of a labor pool that might be available for new employment opportunities.

#### **Available Labor Pool**

An alternative to the CLF is the "Available Labor Pool<sup>1</sup>." The Available Labor Pool is composed of workers categorized as either 1) currently employed (full- or part-time) and seeking other full-time employment, 2) currently retired and/or unemployed in any manner and seeking full-time employment, or 3) currently employed and not seeking a new job but willing to consider different employment for the "right opportunity."

<sup>&</sup>lt;sup>1</sup> The Available Labor Pool includes potential workers excluded from the CLF (such as full-time students willing to take a job, homemakers who have not yet sought employment, military personnel who may be leaving military employment in the near future, and retired individuals who may be willing and able to be gainfully employed).

There are two key differences between the Civilian Labor Force and the Available Labor Pool. First, the Available Labor Pool methodology expands the pool of potential workers by including workers excluded from the CLF<sup>2</sup>. Secondly, the numbers of potential workers is then restricted to those workers who indicate they are available for new employment. The advantage of this methodology is that it allows researchers to ask questions of those members of the labor pool that have a propensity to consider a job opportunity given their employment expectations and a realistic potential to take a new job. Even with these restrictions, it should be noted that in practice, not all members of the Available Labor Pool would apply for a new job opportunity. However, the Available Labor Pool figure for a labor basin represents to planners and potential employers a much more solid number than civilian labor force data and unemployment statistics upon which to base analyses. The Available Labor Pool for the Geneva Labor basin is 13,654 workers.

#### The Geneva Labor Basin's Available Labor Pool

This section assesses the characteristics of the Available Labor Pool in the Geneva labor basin by answering the following questions: 1) What proportion of the labor force—employed, unemployed, homemaker, military, student, and retired—would seriously consider applying for a new employment opportunity? 2) What types of considerations (pay, benefits, commuting distance) shape their decision-making? and 3) What is the quality of those who would seriously consider a new employment opportunity?

The percent of the study area population in the Available Labor Pool is derived from a random digit telephone survey of 687 employed, unemployed, and retired adults living in the Geneva labor basin. When all 687 respondents are included in the analysis, the survey findings have a margin of error of +/- 3.7%. The margin of error for subgroups is higher. Most of these analyses are based on a subgroup of 207 respondents who are members of the Available Labor Pool (see definition above). For these 207 respondents, the survey has a margin of error of +/- 6.8%. Please see the Methods section of this report for more details about the survey methodology used in this study.

Figure 1 (next page) shows that there is an Available Labor Pool in the Geneva labor basin of 13,654. It is estimated that 464 unemployed<sup>3</sup> and 1,856 employed

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<sup>&</sup>lt;sup>2</sup> The number that is added to the Civilian Labor Force is derived by taking from the survey the total number of full-time students, homemakers, military, retirees, and long-term unemployed, who state that they are seeking employment and are within a reasonable commute distance to the center of the labor basin, and dividing this number by the total number of respondents. This quotient is then multiplied by the total number of people in the labor basin whom are 18 to and 65 years old.

<sup>&</sup>lt;sup>3</sup> "Unemployed" refers not only to official unemployed members of the civilian labor force. "Unemployed" also includes any non-working full-time students, homemakers, and retirees that indicate that they are presently seeking employment.

workers are seeking new employment, while 11,334 would consider changing employment for the right opportunities.

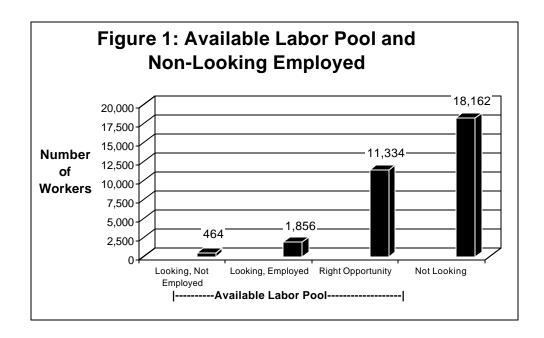


Table 1 shows the various occupations of these 13,654 potential employees. Traditional blue-collar jobs represent 40.9% of the Available Labor Pool. Included in this blue-collar category are more than 1,400 farmers and agricultural workers (10.5% of the total Available Labor Pool). Traditional white-collar, service-related occupations represent 28.7% of the Available Labor Pool, while professional occupations comprise another 27.0%. Finally, students, the unemployed, homemakers and retired represent 3.4% of the Available Labor Pool.

**Table 1: Occupation** 

	Number	Percent	
Mechanic, Welder	765	5.6	
Factory Worker, Meat Packer	601	4.4	
Agricultural Worker, Farmer	1,434	10.5	
General Labor	2,785	20.4	
Governmental, Business, and other Professional	2,471	18.1	
Clerical	710	5.2	
Educator or Professor	1,215	8.9	
Other White Collar	546	4.0	
Social Service (e.g.health,babysitting)	1,365	10.0	
Sales, Hotel, Restaurant, Food Service	1,297	9.5	
Homemakers and Retirees	109	0.8	
Full or Part Time Student	68	0.5	
Unemployed	287	2.1	
Total	13654	100.0	

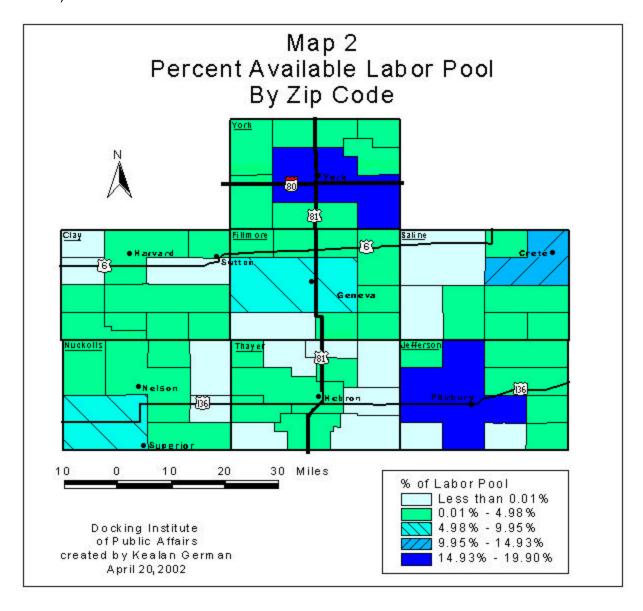
Table 2 shows the gender, age statistics, and educational levels of these 13,654 workers. Approximately 54% are men, and the average year born is about 1958. The educational levels of the Available Labor Pool are very high. Almost 62% of the available workers have at least some college education, and a total of 97.3% have at least a high school diploma.

Table 2: Age, Gender, and Education Level

Age			
	Year Born		
Average	1958		
Median	1958		
Gender			
	Number	Percent	
Female	6,232	45.6	
Male	7,422	54.4	
Total	13,654	100.0	
Highest Level of Education Achieved			
	Number	Percent	Cum. Percen
Doctoral Degree	271	2.0	2.0
		4.5	6.5
Masters Degree	612	4.5	0.0
_	612 1,828	4.5 13.4	19.9
Bachelors Degree			
Bachelors Degree Associates Degree	1,828	13.4	19.9 34.8
Bachelors Degree Associates Degree Some College	1,828 2,036	13.4 14.9	19.9 34.8 61.7
Masters Degree Bachelors Degree Associates Degree Some College High School Diploma Less HS Diploma	1,828 2,036 3,677	13.4 14.9 26.9	19.9

Zip codes of respondents were used to map the available labor. Map 2 shows how each zip code in the basin compares to all other zip codes in terms of percent of total available labor for a job in the Geneva labor basin. Each zip code is grouped into one of five categories specified in the key.

As can be seen from the map, many workers are available from rural areas of the labor basin. It is interesting to note that more than 50% of the available labor pool is willing to travel more than 30 miles to work (see Table 5) and more than 85% of the available labor pool is willing to take a job outside of their primary field of employment (see Table 4).



Underemployment—individuals possessing skills and/or training that exceeds the responsibilities of their current job—is a significant issue in many communities. To assess the level of underemployment, the survey asked respondents if their skills, education, or talents are underutilized in their current job. Figure 2 shows that about 25%, an estimated 3,462 workers *in the Available Labor Pool*, consider themselves underemployed.

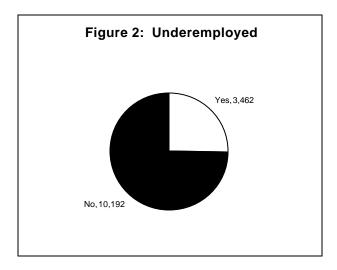
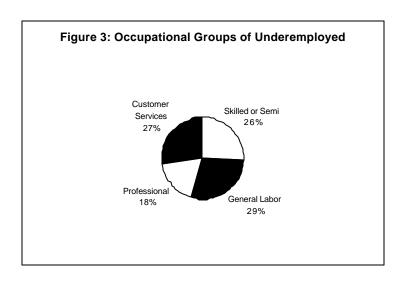


Table 3 shows the education levels of these *underemployed workers in the Available Labor Pool*, with about 70.0% having at least some college education. About 93% have a high school diploma.

Table 3: Highest Level of Education Achieved By Underemployed

	Number	Percent	Cum. Percent
Doctoral Degree	86	2.5	2.5
Masters Degree	0	0.0	2.5
Bachelors Degree	367	10.6	13.1
Associates Degree	711	20.5	33.6
Some College	1,265	36.5	70.2
High School Diploma	795	23.0	93.1
Less HS Diploma	238	6.9	100.0
Total	3,462	100	

The underemployed workers also tend to be currently employed in areas of strong demand. Figure 3 (next page) illustrates that 27% (949 people) are in customer service related occupations, 29% (1003 people) are employed as general laborers, 26% (893 people) are in skilled or semi-skilled blue-collar occupations, and 18% (617 people) are in professional positions.



Some workers may be available for a new employment opportunity, but are unwilling to switch from their current job to a different type of position. If there are a large percentage of those unwilling to change their job descriptions, it limits the type of employers who can enter the labor basin. However, this is not the case in the Geneva labor basin. Table 4 indicates that almost 87% of the Available Labor Pool, or 11,858 workers, would be willing to accept a position outside of their primary field of employment (for example, manufacturing employment to service sector employment).

Table 4: Willing to Take Job Outside of Primary Field

	Number	Percent	
Yes	11,858	86.8	
No	1,796	13.2	
Total	13,654	100.0	

Figure 4 (next page) shows the wage demands of the Available Labor Pool. Almost 57% of the Available Labor Pool, or 7,752 people, would be interested in an employment opportunity with a wage of \$14.00 an hour. At \$12.00 an hour, about 6,447 people (47.2% of the available labor) would be interested, while almost 29% of the Available Labor Pool, or 3,957 people, would be interested in an employment opportunity with a wage of \$10.00 an hour. About 1,840 people (or 13.5% of the available labor) indicated interest in a new employment opportunity with a wage of \$8.00 an hour.

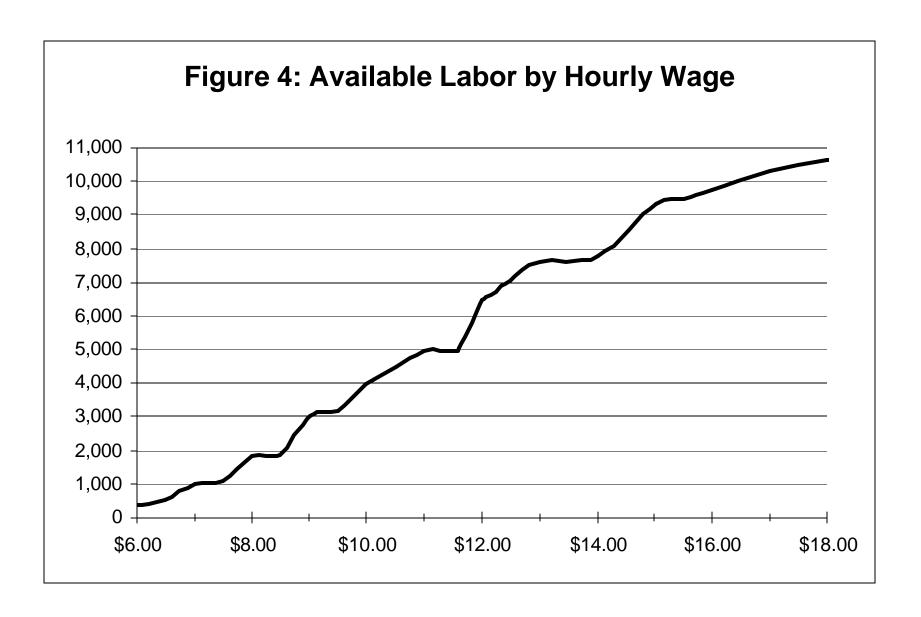


Table 5 indicates that the Available Labor Pool in the Geneva labor basin is open to commuting. The table shows that about 12,080, (or 88.5% of the available labor) would commute more than 20 miles, one way, for employment. The table also shows that 7,607 (55.7% of the available labor) are willing to travel more than 30 miles, one way, for an employment opportunity. However, only 625 (4.6%) will commute more than 60 miles.

**Table 5: Distance Available Labor Will Commute** 

	Cumulative	
	Number	Percent
60 Miles or More	625	4.6
50 Miles or More	1,108	8.1
40 Miles or More	2,771	20.3
30 Miles or More	7,607	55.7
20 Miles or More	12,080	88.5

Table 6 shows that the most important benefit affecting workers' decisions to leave their present job is higher pay (95.2%), followed by improved retirement benefits (81.9%), improved health benefits (61.1%), educational opportunities (51.1%), and a different community (33.8%).

**Table 6: Benefit Very Important In Decision to Change Employment** 

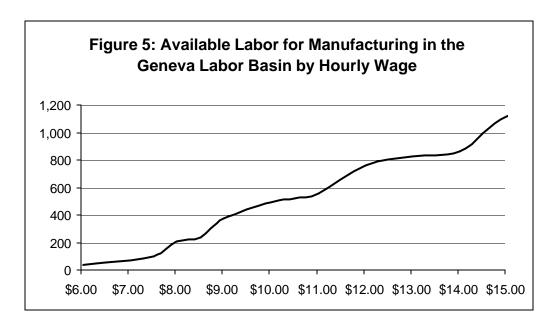
	Percent Responding "Yes"
Salary	95.2
Retirement	81.9
Health Benefits	61.1
Educational Opportunities	51.1
Different Community	33.8

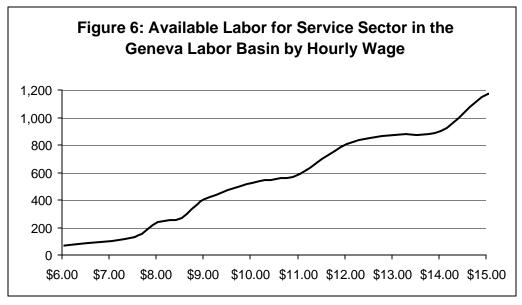
### Manufacturing and Service Sector Scenarios

To obtain a clearer perspective of the percentage of the labor force that would seriously consider a new employment opportunity (the Available Labor Pool) the analysis builds two scenarios. The first scenario is for a manufacturing employer, while the second is for a service sector employer. For both scenarios, the analysis controls for:

- 1) Whether the individual is unwilling to drive the necessary miles from his/her community to the location of the hypothetical employer.
- 2) Whether the respondent's expected wage is above \$15.00 an hour.
- 3) Whether the respondent is unwilling to change his/her primary field of employment (for example: service sector to manufacturing).

Figures 5 and 6 show the Available Labor Pool for the Geneva labor basin for each type of employer. The available labor for a manufacturing employer offering up to \$14 an hour is about 835 workers, at \$12 an hour 735 workers, at \$10 an hour almost 463 workers, and at \$8.00 about 182 people available. For a service sector employer offering \$14 an hour, the available labor is almost 846 workers. At \$12 an hour, a service sector employer can expect to find about 747 available workers, at \$10 an hour about 462 workers, and at \$8.00 about 183 people available.





#### Methods

The findings from this study are based on a random digit telephone sample of 687 adults living in seven counties in southern Nebraska. A survey of adults in York County was conducted from January 8, 2002 to January 15, 2002. A survey of adults in Fillmore, Clay, and Saline counties was conducted from December 5, 2001 to December 18, 2001. A survey of adults in Thayer, Nuckolls, and Jefferson counties was conducted from March 5, 2001 to March 9, 2001. All three surveys used a Computer Assisted Telephone Interviewing (CATI) system. A total of 1451 households were successfully contacted during the three surveys, and in 1149 of these households, an adult who is working, unemployed, or retired agreed to do the interview. This represents a response rate of 79%.

The study sponsors and Docking personnel agreed upon the survey items used, with the former identifying the study objectives and the latter developing items that were valid, reliable, and unbiased. Question wording and design of the survey instrument are the property of the Docking Institute. It is available upon request. A detailed summary of the method of analysis used in this report can be found in Joseph A. Aistrup and Mark Bannister, "Assessing the Available Labor Pool: A Survey of the Northeast Kansas Labor Force." *Kansas Business Review*, Spring 1998, 21, 3: 1-10.