

**Valley County & Area
Labor Availability Survey
October, 2002**

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Executive Summary

- The available labor force in Valley County and the surrounding area is estimated at 600 potential employees; over 400 of these potential applicants are willing to work for \$12 or less per hour and more than 175 are only willing to work for more than \$12 per hour
- Many in this labor force consider themselves as skilled, professional, or semiskilled workers; agriculture is the predominant labor sector
- A quarter of the workers feel they are underemployed, a fifth are looking for different jobs, close to a third of these workers also have second jobs, and more than half of this applicant pool works 50 or more hours per week
- Workers are most likely to have been employed in their present jobs for five or fewer years or more than 20 years
- Over 60% of the labor pool is already commuting to their workplace; the area loses a substantial number of commuting workers
- The largest number of workers live in Ord (130) or work in Ord (188)
- Over 60% of the available labor force reported management skills and more than half have word processing and Internet skills; many others have sales, machine operator, spreadsheet, welding, forklift operator, and data base skills
- 44% of this work force earns less than \$30,000 per year, with a quarter earning less than \$20,000
- More than 100 applicants might apply for jobs in these industries at the following wage rates:
 - Telemarketing: \$9 to \$11
 - Manufacturing: \$10 to \$11
 - Greenhouse horticulture: \$10
- A quarter of this labor pool is willing to drive up to 30 miles for a better paying job
- The work pool tends to be middle aged and is fairly well educated
- The majority are two wage earner families and have more than two persons living in the household
- Close to half of the work force willing to work for wages of \$12 or less meet the guidelines for low-to moderate-income households

Introduction

Ms. Bethanne Kunz, Director for Valley County Economic Development Board (Board), contacted Kay Payne, Director of the Center for Rural Research & Development (CRRD) at the University of Nebraska at Kearney in August, 2001 about their interest in having the CRRD conduct a labor availability survey for Valley County and the surrounding area. The CRRD provided cost estimates and a template questionnaire for the study. The Board and CRRD discussed project parameters at a September 6, 2001 meeting; plans were put on hold until June 2002 when the CRRD again met with the Board and discussed specific questions to include on the survey.

Objectives

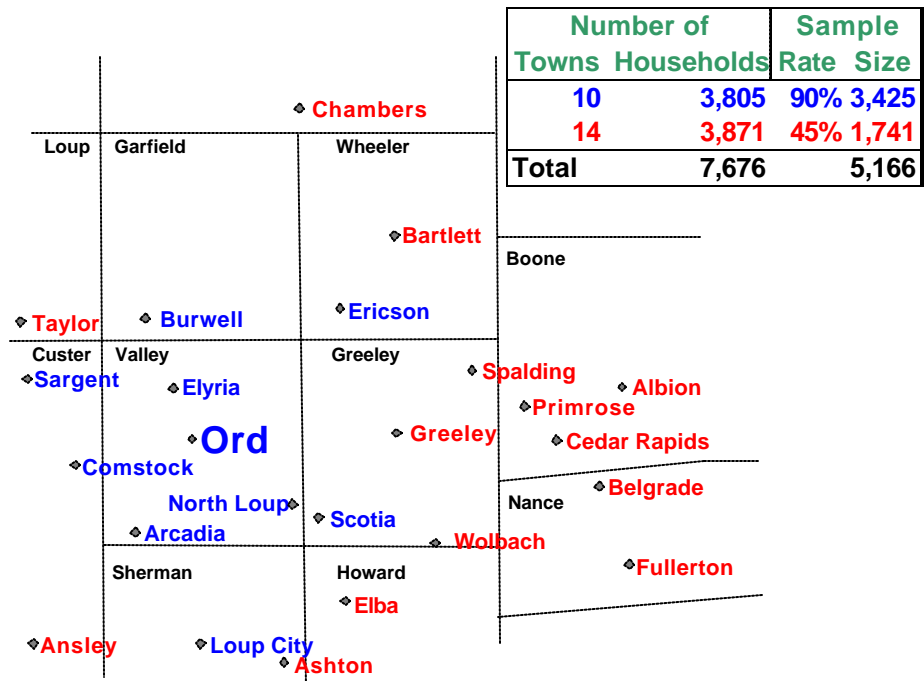
Objectives for the survey were as follows:

- **To determine the labor availability of the Valley County Area Labor Basin, including:**
 - **Present employment**
 - **Prospective new employment**
 - **Demographic characteristics**

Methodology

The Board approved a customized survey instrument (see Appendix A) and a survey distribution plan which included ten communities close to Ord with a total of 3,805 households and 14 more distant towns with 3,871 households. Out of these 7,676 household zip code addressees, a list broker drew a random sample of 5,166 households. This

sampling was stratified; ninety percent of the household zip codes close to Ord (shown in blue) were sampled while the towns more distant (shown in red) were sampled at a 45% rate. Additionally, the list excluded households with occupants older than age 75. The number of households chosen per zip code may be found in Appendix B.



A total of 773 questionnaires were returned. The questionnaires revealed a weakness in the list broker's addresses, since several surveys were returned by householders older than 75 who said they were retired. Returns from those who were not seeking employment and whose questionnaires were blank were excluded; a total of 595 usable questionnaires remained. These 595 returns comprised 289 respondents willing to work for \$7 to \$12 per hour and 133 who were only willing to work for more than \$12 per hour. Another 173 respondents did not answer any wage rate questions and were excluded from this analysis.

Results

- ↳ **Objective: To determine the labor availability of the Valley County Area Labor Basin, including:**
 - ↳ **Present employment**

The 422 usable questionnaires were sorted by zip code into either the 90% or 45% sampling. The total number of households for each was then divided by the sample size to arrive at a multiplier for each of the two sampling categories. The projected number of possible applicants totaled 598. To simplify projections for all other figures, a multiplier of 1.4 was used ($598/422 = 1.42$). The projected number of persons willing to work for \$12 or less was 417 with another 181 willing to work for more than \$12 per hour. **The total labor availability for Valley County and the surrounding area is estimated at almost 600 workers.** Respondents not willing to work for these wage rates were eliminated.

Survey Respondents

	n=	Projected
Willing to work @ \$7-\$12/hr	289	417
Willing to work @ >\$12/hr	133	181
Total	422	598
No response to wage rates	173	

Are you presently employed?

Projected Results

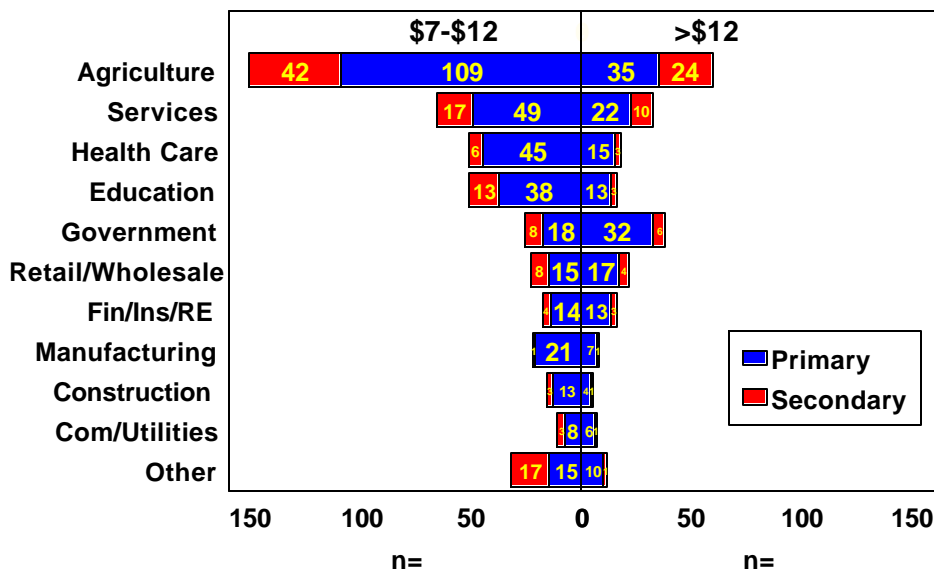
	\$7-\$12	>\$12	Total	Percent
Full-time	304	168	472	80%
Part-time	64	17	81	14%
Looking for work	37	1	38	6%
Total	405	186	591	100%
Had Secondary Job	122	57	179	30%

Four of every five prospective job applicants worked full-time; this equaled 472 people. Another 14% worked part-time, but very few were unemployed and looking for work. Thirty percent also had secondary employment.

Since many workers have more than one source of income, respondents were asked to list their primary employment, (the job they held that paid the most wages or most hours worked) as well as secondary employment. More respondents reported their primary employment as agriculture than any other occupation. One hundred nine agricultural based respondents were willing to work for wages between \$7 and \$12 per hour. Another 35 were willing to work for more than \$12 per hour. Sixty-six projected respondents held secondary jobs in agriculture; 42 were willing to work for \$12 or less and 24 would only work for wages higher than \$12. Other occupations included services, health care, education, government, etc. A list of other occupations may be found in Appendix C.

In what industry are you employed?

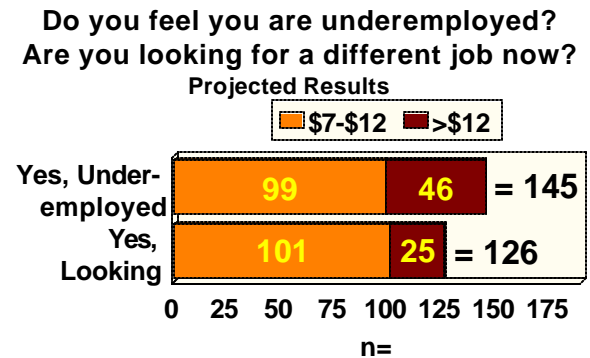
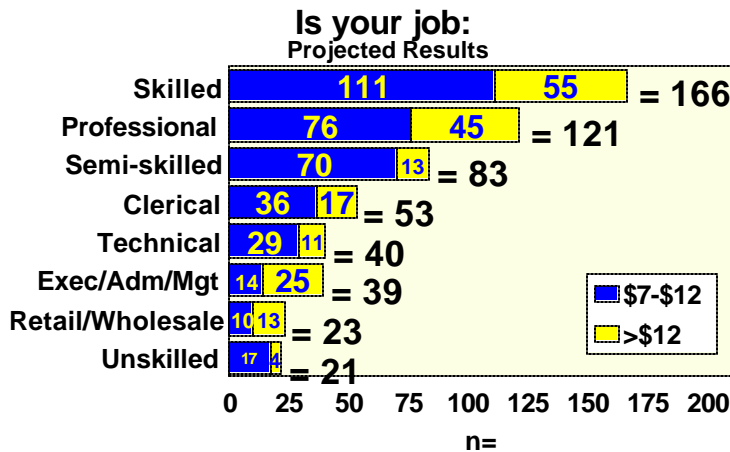
Projected Results



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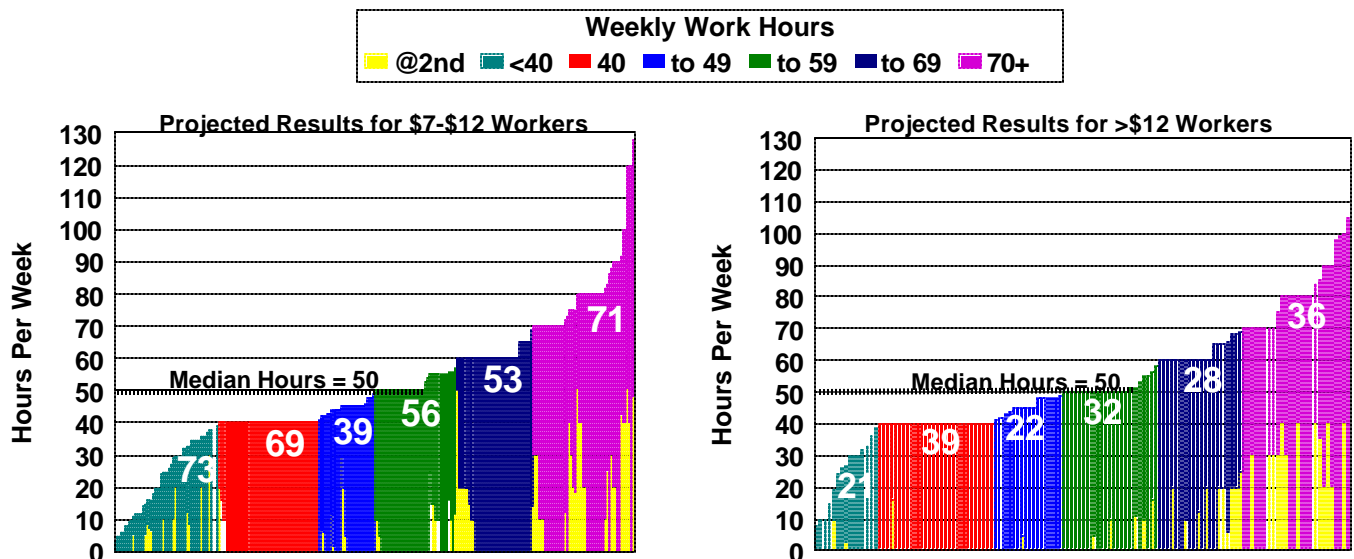
A total of 166 projected respondents believed their job was skilled; 111 were willing to work for \$12 or less and the remaining 55 would only work at more than \$12 per hour. One hundred twenty-one said their jobs were professional. Very few worked in retail/wholesale or were unskilled.

Almost a quarter of the projected respondents (145/598) felt they were underemployed. Those looking for better jobs totaled 126, over 21% of all respondents.

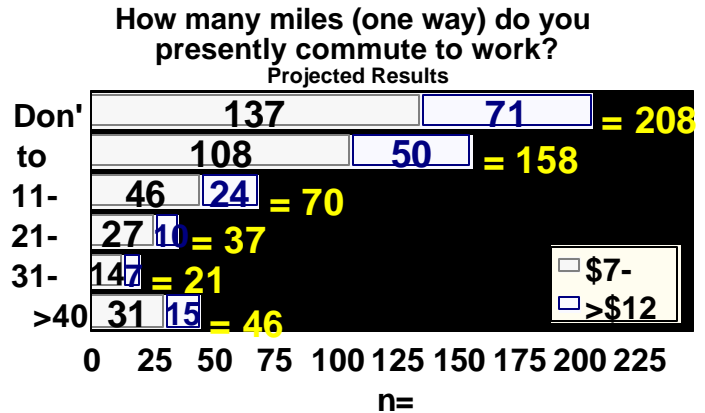
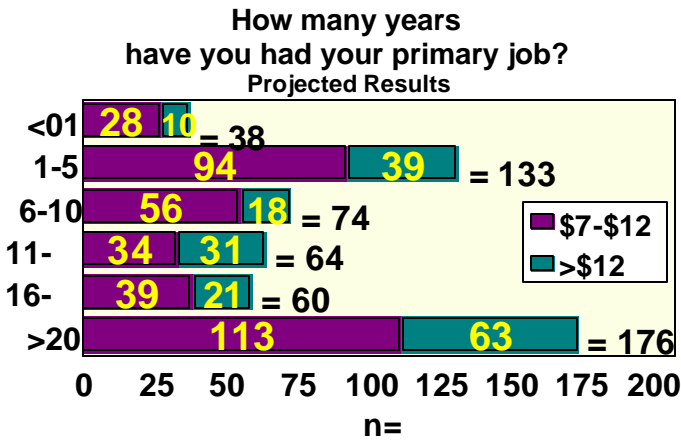


The typical respondent worked a 50 hour work week. Only 73 workers willing to take employment for between \$7 and \$12 per hour presently worked less than a 40 hour work week. Another 69 worked 40 hours per week and 39 worked between 41 and 49 hours weekly. More than half of the projected labor force willing to work at this wage rate worked 50 hours or more per week. Potential applicants willing to work for more than \$12 per hour worked similar hours as those willing to work for less salary. Several workers in each of the two salary categories also had secondary employment.

Fill in the number of hours you typically work per week at your primary/secondary job



While job longevity was spread among all the year categories, potential applicants tended to either have their jobs for a short amount of time (five years or less) or for more than 20 years. Over 60% (332/540) of the projected respondents who answered this question commuted, though only a third commuted more than ten miles to arrive at work.



The blue areas in the maps below were considered within easy driving distance to Ord. A total of 340 prospective job applicants lived in this blue area, but only 264 also worked in the blue area. The red area had 258 potential job applicants, but only 136 also worked within the red area.

The blue area pulled an estimated 36 employees from the red area but lost 9 to the red area and another 36 left the labor basin area for work. The net migration from the blue area was a negative nine jobs. The red area pulled nine prospective employees from the blue area but lost 36 to the blue area and 53 from the entire labor basin, for a net migration of a negative 80 jobs. A complete matrix of where respondents live and work may be found in Appendix D.

Labor Area Leakage

Projected Results

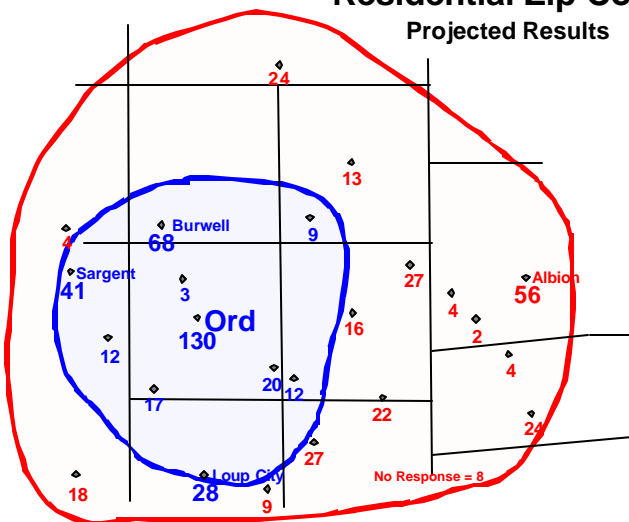
		Live In		
		Blue	Red	Total
W o r k I n	Blue	264	36	300
	Red	9	136	145
	Elsewhere	36	53	89
	Unknown	31	33	64
Total		340	258	598

Net Migration Projected

Blue	Projected	Red	Projected
+ from Red	36	+ from Blue	9
- to Red	9	- to Blue	36
- to Outside	36	- to Outside	53
Net Migration	-9	Net Migration	-80
Unknown	31	Unknown	33

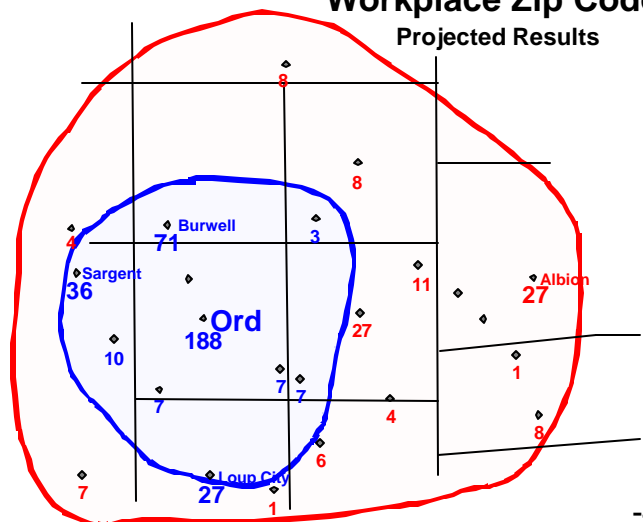
Residential Zip Code

Projected Results



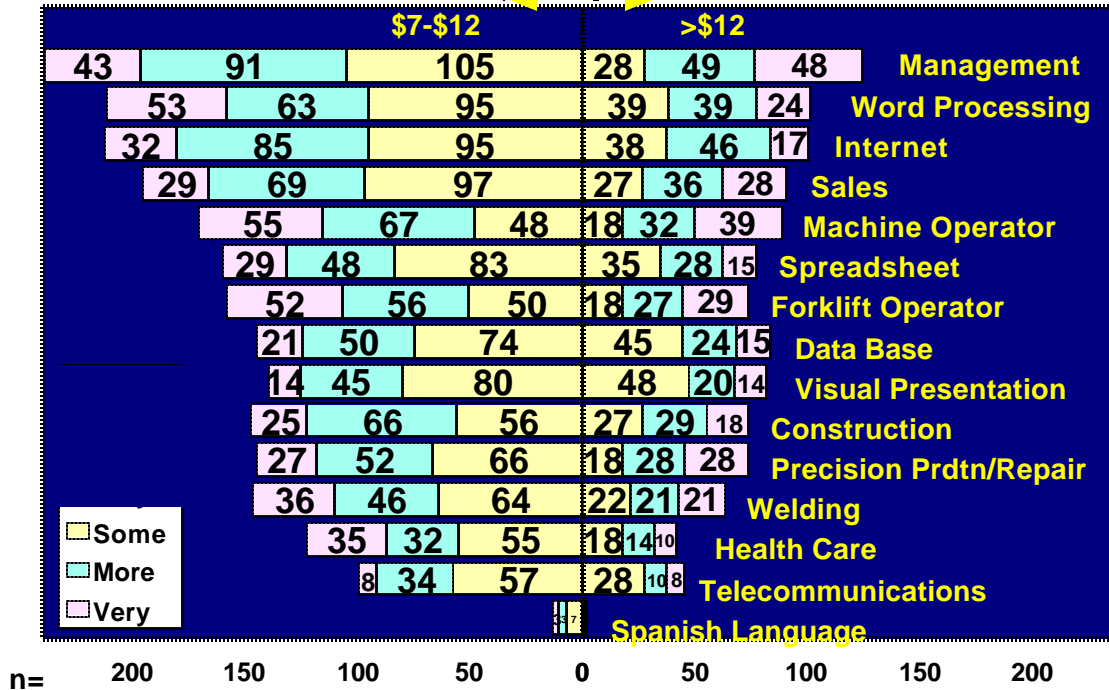
Workplace Zip Code

Projected Results



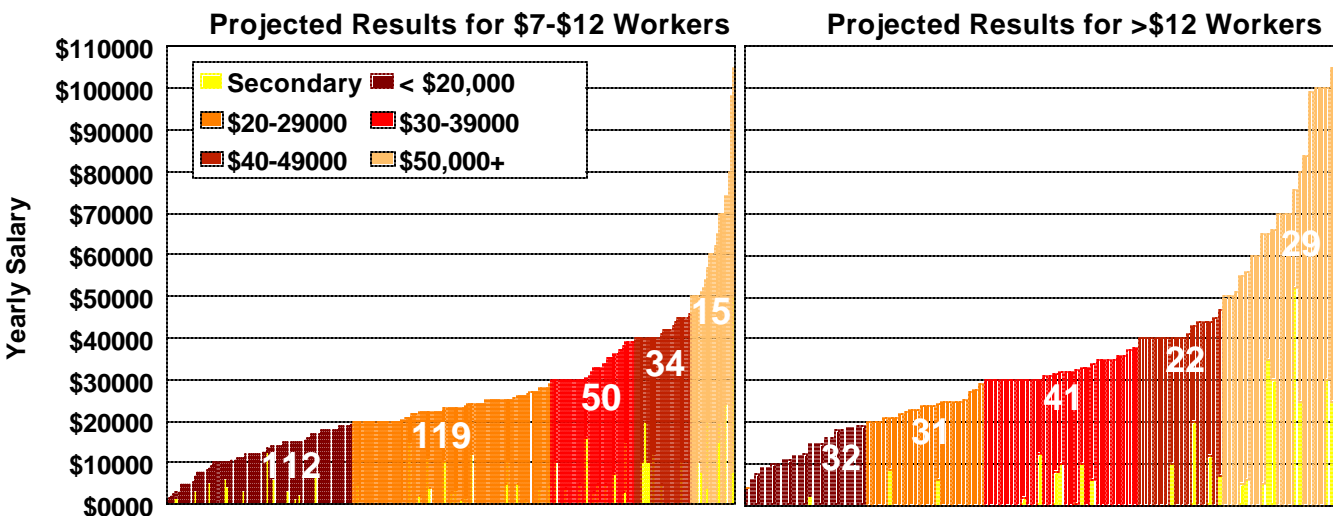
Respondents were asked the level of specific skills they could bring to new jobs. The questionnaire used a five point scale, from none = 1 to 5 = very skilled. Those answering a 3, 4, or 5 were included in this skill set graphic. The available labor force reported a wide variety of skills. Sixty percent [(43+91+105+28+49+48)/598] said they had at least some management skills; many were willing to work for \$12 or less per hour. In fact, 43 workers indicated they were very skilled in management and were willing to work for modest wages; another 48 with those skills would only work for more than \$12 per hour. Many available workers also had word processing, Internet, or sales skills. Other job classifications with several very skilled potential employees included machine and forklift operators. The only skill that very few possessed was the ability to speak or understand Spanish. A list of other skills is in Appendix E.

Skill Level, Projected Results



For workers available at \$12 or less per hour, a projected total of 112 presently made less than \$20,000 per year; another 32 making less than \$20,000 were only willing to take a job at more than \$12 per hour. One hundred nineteen workers at \$12 or less and another 31 at more than \$12 had salaries between \$20,000 and \$29,000 per year.

What is your present yearly salary?



Objective: To determine the labor availability of the Valley County Area Labor Basin, including:

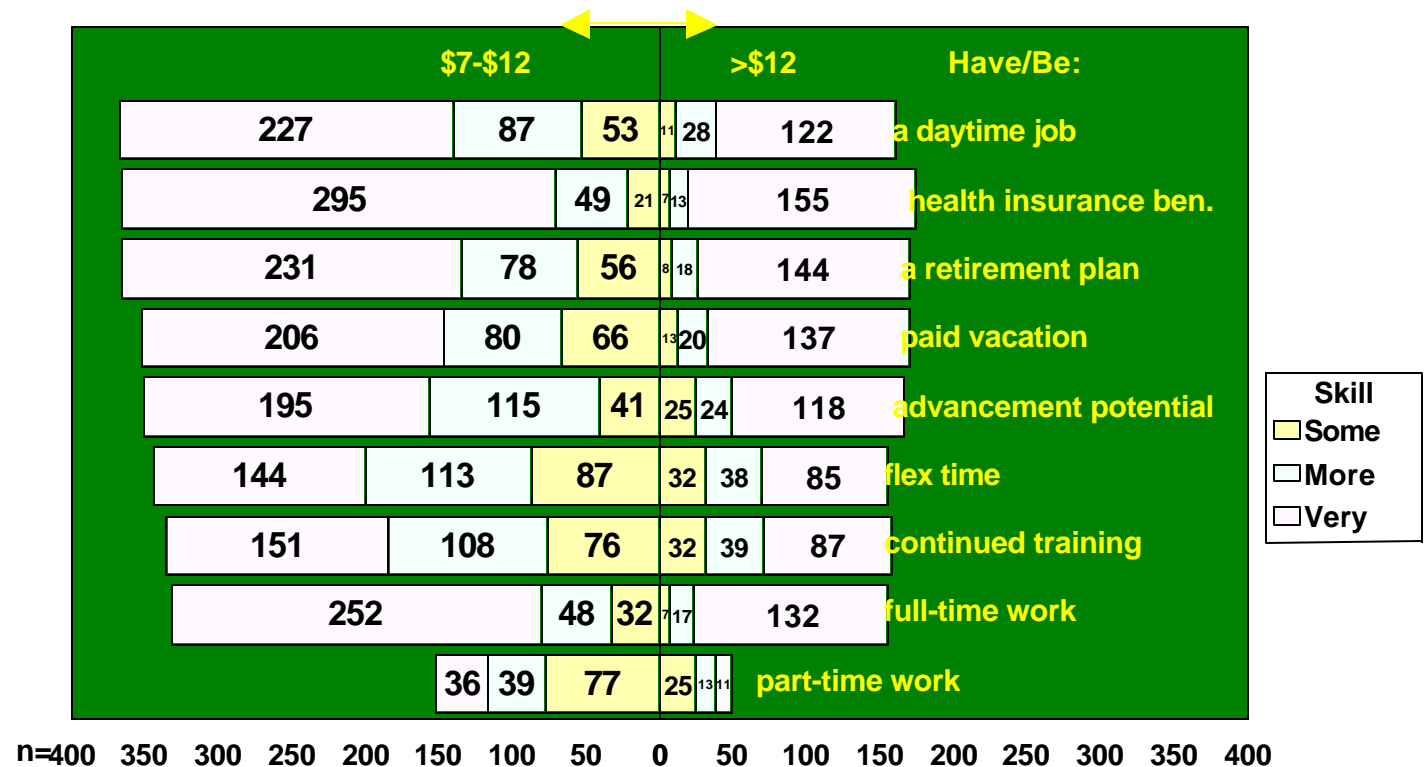
Prospective new employment

What benefits would a new job need to have to attract a pool of workers? Respondents again used a five point scale ranging from 1 = not at all to 5 = very important for their answers. The following graphic reported respondents answering a 3, 4, or 5 on the scale. While having a day time job was mentioned most often, the most critical benefit employees needed was health insurance. A projected total of 295 prospective employees (at \$7-\$12) said that health care coverage would be very important for new employment. Health care coverage was even more critical than having full-time work (n = 252) for these respondents. Health insurance was also of paramount important to the more than \$12 per hour workers; 155 said it was very important, and again more important than the job being full-time work (n = 132).

Many workers also preferred working a day job, having a retirement plan, a paid vacation, advancement potential, flex time, and continued training. Several applicants would also accept part-time employment.

A list of all other job necessities may be found in Appendix F.

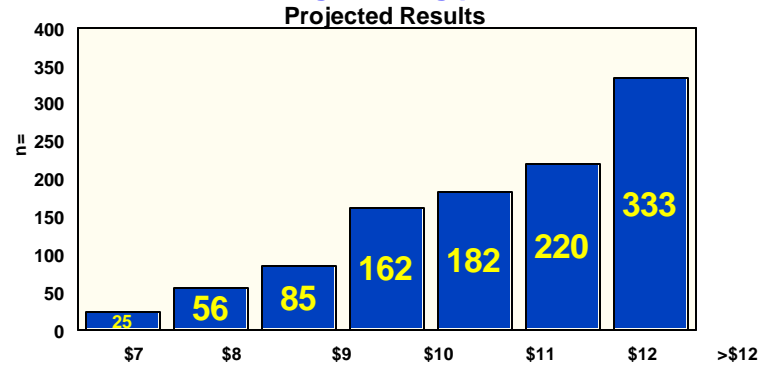
For you to take a new job,
how important is it for the job to:
Projected Results



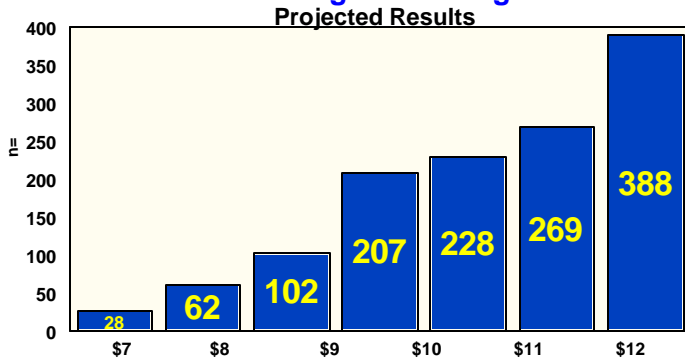
To determine what wages might be necessary to attract an ample work force for specific jobs, respondents were asked for what beginning hourly wage they would work. In telemarketing, making phone calls would only attract a possible 25 applicants at \$7 per hour but doubled to 56 at \$8 per hour. If \$10 per hour were paid, as many as 162 applicants might be available.

More people were interested in answering than originating phone calls. If an employer paid \$10 per hour, as many as 207 workers might apply to answer calls. Fewer people were interested in taking supervisory jobs unless the wage rate was higher, but even at \$10 per hour, as many as 80 might apply.

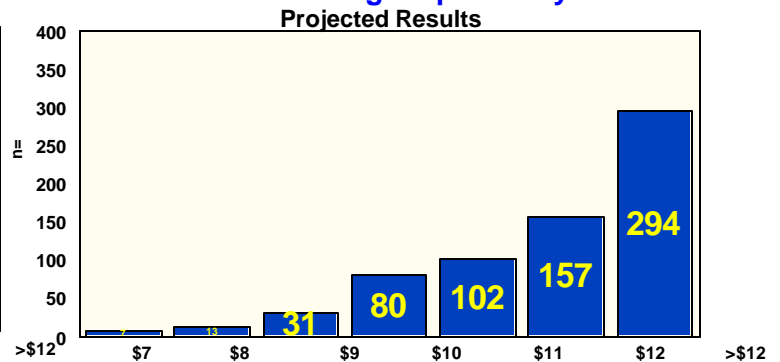
For what beginning hourly wage would you be willing to take a new job in telemarketing: making phone calls



telemarketing: answering calls

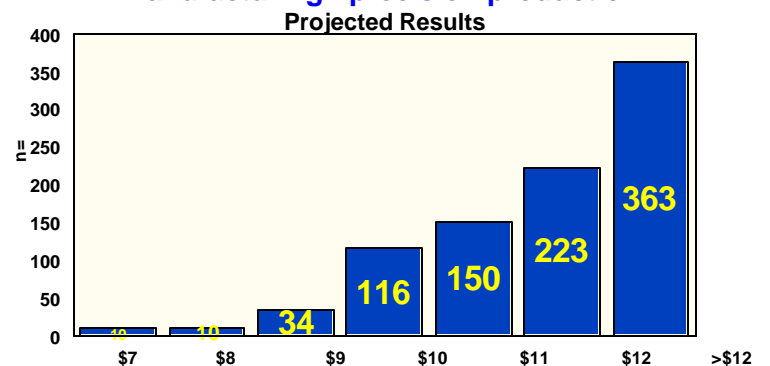


telemarketing: supervisory

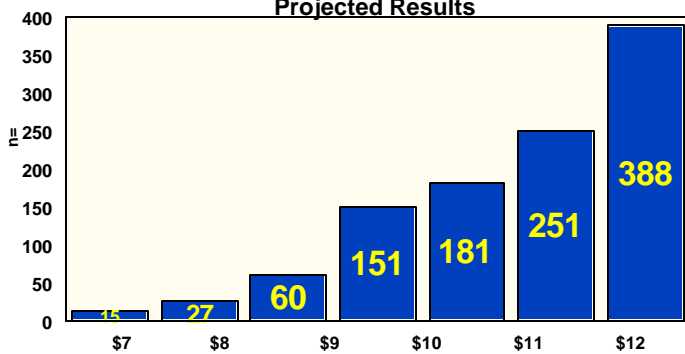


For what beginning hourly wage would you be willing to take a new job in manufacturing: precision production

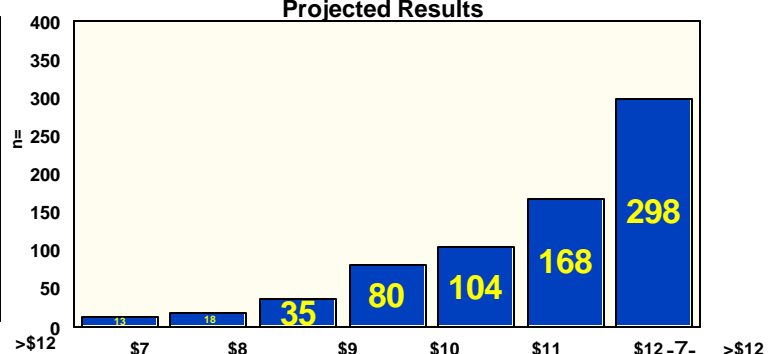
Manufacturing jobs required higher wages than telemarketing, whether in precision production, labor, or welding. Not many were willing to do this type of work for less than \$10 per hour.



manufacturing: labor



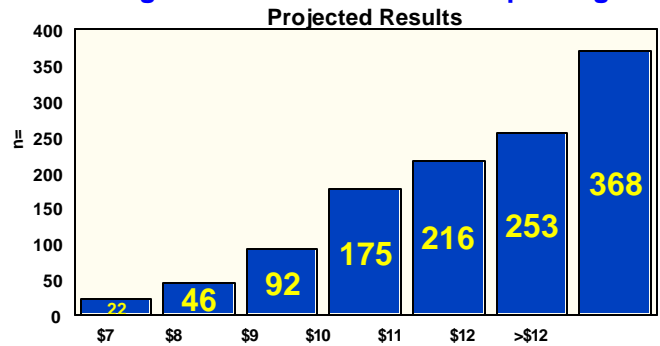
manufacturing: welding



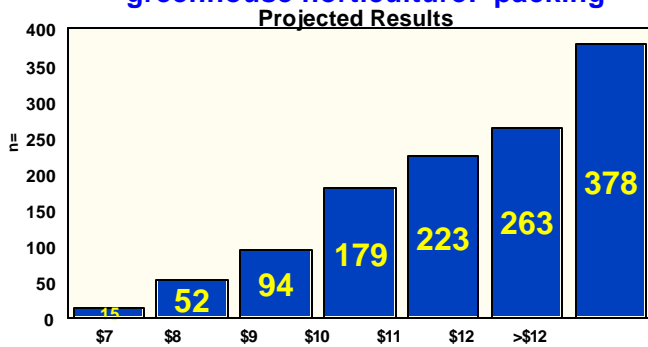
For greenhouse horticulture picking and packing, a wage of \$10 per hour might attract around 175 applicants. Fewer were interested in forklift operation, but at \$10 per hour, as many as 120 might apply.

A complete demographic profile of workers for each of these nine labor availability areas may be found in Appendix G.

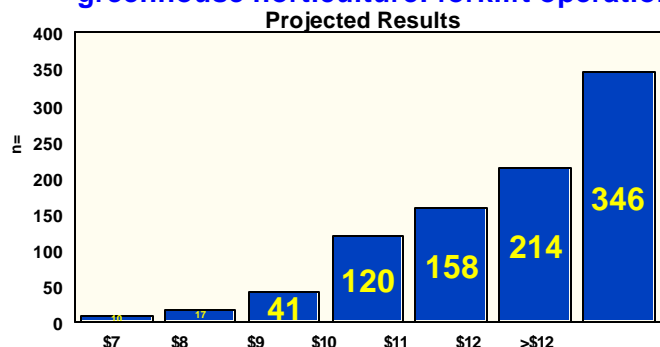
For what beginning hourly wage would you be willing to take a new job in greenhouse horticulture: picking



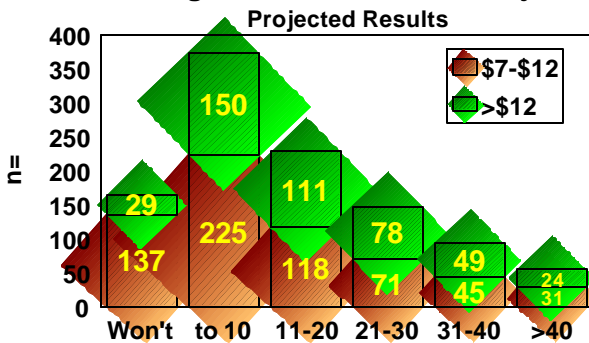
greenhouse horticulture: packing



greenhouse horticulture: forklift operation



How many miles would you be willing to commute for a new job?

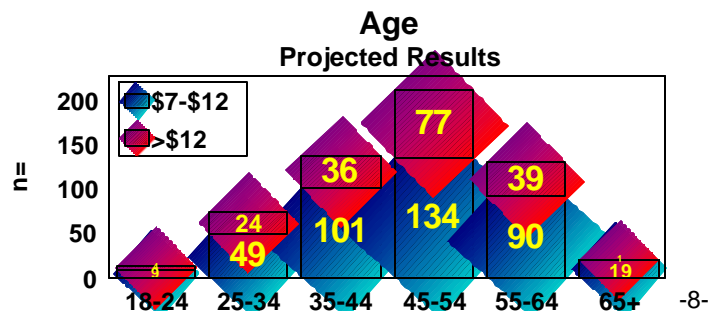


While some applicants would not be willing to travel, 375 were willing to drive up to 10 miles for a new job; 225 were willing to work for wages of \$12 or less and 150 were only willing to work for more than \$12 per hour. As the mileage increased, the labor pool receded; but 149 were still willing to drive up to 30 miles to reach their job. This was more than a quarter of those answering this question.

Objective: To determine the labor availability of the Valley County Area Labor Basin, including:

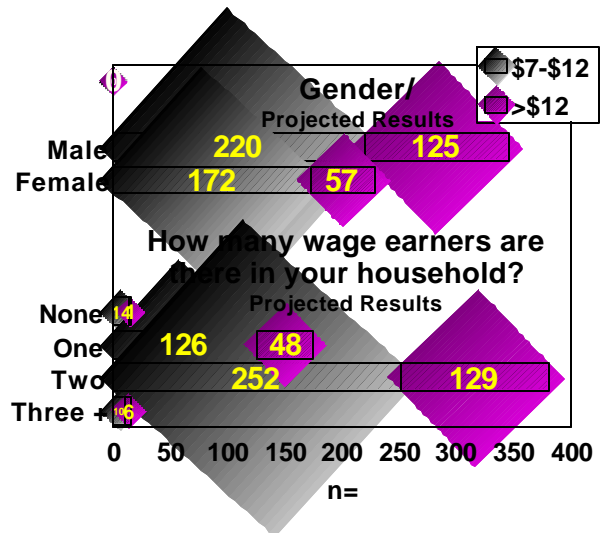
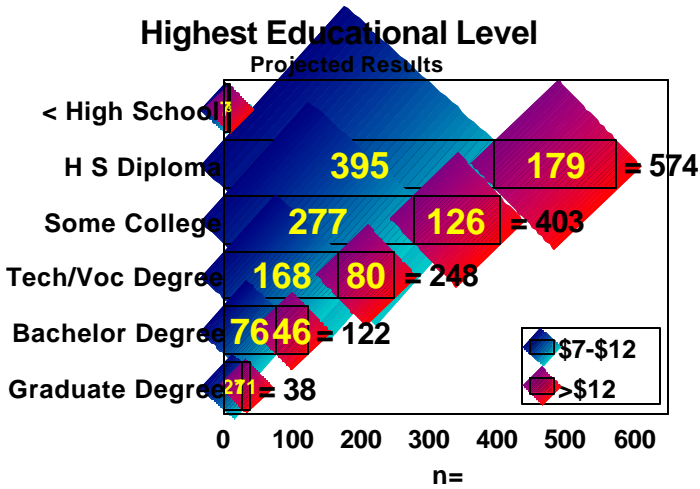
Demographic characteristics

The graph of respondents' ages resembled a bell curve, peaking with the 45 to 54 age group at 211 (77+134) and falling off sharply with the very young and those of retirement age.



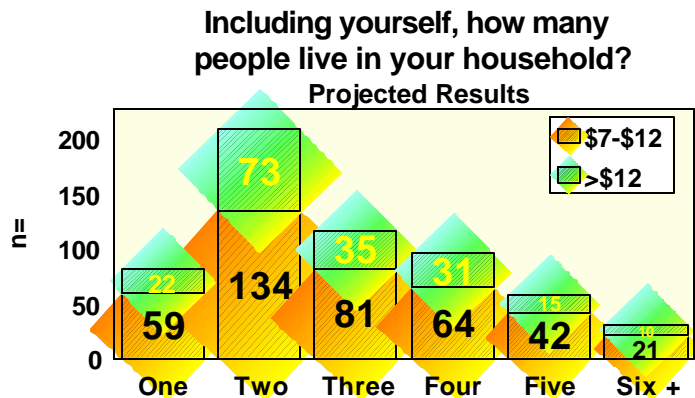
The work pool was fairly well educated, and almost all potential applicants held a high school diploma, many had some college experience and more than a quarter had at least a four year college education. Thirty-eight had obtained graduate degrees.

More men than women responded, but a larger proportion of women were willing to work at lower wages than men. The majority of households had two wage earners in the family.



Over 200 possible applicants lived in two-person households. Almost 300 were households of three or more which would most likely consist of families with children.

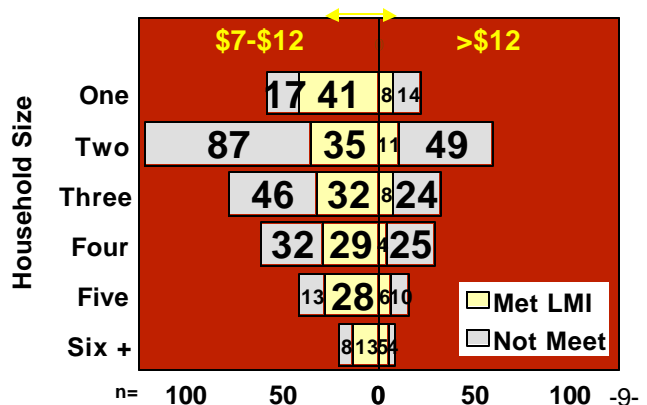
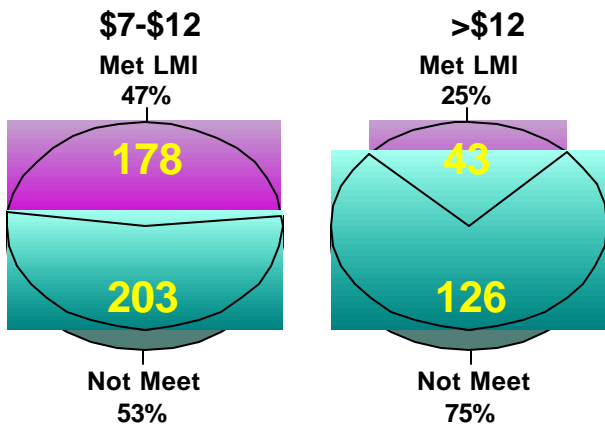
One hundred seventy-eight of the workers in the \$7 to \$12 salary range met the low- to moderate-income (LMI) guidelines as established in the Community Development Block Grant. This was almost half of this labor force. Workers only willing to work for more than \$12 per hour were much less likely to meet the LMI guidelines; only 25% of this work force meet them.



The larger the household, the more likely the applicant was to meet the LMI guidelines.

Your household's total gross family income last year was less than:

Projected Results



Limitations

- This study documents the available labor market at a particular point in time. Over time, the size of this labor force will fluctuate in response to economic conditions.
- The brokered mailing list was not up-to-date; therefore the available labor force may be larger than projected.

Conclusions

Present Employment

- The available labor force in Valley County and the surrounding area is conservatively estimated at 600 potential employees
 - Over 400 of this labor force is willing to work for \$12 or less per hour
 - Over 175 possible applicants are only willing to work for more than \$12 per hour
- Agriculture is the predominant labor sector for this pool of workers; other significant sectors include services, health care, education, and government
- Many in this labor force consider themselves skilled, professional or semiskilled workers
- A quarter of the workers feel they are under employed and a fifth are looking for different jobs
- Close to a third of these workers also have second jobs
- More than half of this applicant pool works 50 or more hours per week
- Workers are most likely to have been employed in their present jobs for five or fewer years or more than 20 years
- Over 60% of the labor pool is already commuting to their workplace
 - Ord loses a few more available labor pool workers than it attracts, for a small negative migration
 - Locales more distant from Ord have a much larger loss of workers to areas outside the labor basin
- The largest number of workers live in Ord (130) or work in Ord (188)
- Over 60% of the available labor force reported 'some' to 'very good' management skills
- More than half of these workers have word processing and Internet skills
- Many others have sales, machine operator, spreadsheet, welding, forklift operator, and data base skills
- 44% of this work force earns less than \$30,000 per year, with a quarter earning less than \$20,000

Prospective New Employment

- The most critical benefits for new jobs, in order of importance, are:
 - health insurance benefits
 - full-time work
 - retirement plan
 - day time work
 - paid vacation
 - training/continuing education
 - advancement potential

Conclusions

Prospective New Employment, continued

- More than 50, 100, and 200 applicants, respectively, might apply for jobs at these wage rates:
 - Telemarketing:
 - making phone calls: \$9, \$10, \$12
 - answering calls: \$8, \$9, \$10
 - supervisory: \$10, \$11, >\$12
 - Manufacturing:
 - precision production: \$10, \$10, \$12
 - labor: \$9, \$10, \$12
 - welding: \$10, \$11, >\$12
 - Greenhouse horticulture:
 - picking: \$9, \$10, \$11
 - packing: \$8, \$10, \$11
 - forklift operation: \$10, \$10, \$12
- At least a quarter of this labor pool is willing to drive up to 30 miles for a better paying job

Demographic Characteristics

- This work force tends to be middle aged, with few younger than 25 or older than 65
- The work pool is fairly well educated, almost all have high school diplomas and more than a quarter have at least a four year college education
- The majority are two wage earner families and have more than two persons living in the household
- Close to half of the work force willing to work for wages of \$12 or less meet the guidelines for low-to moderate-income households; the larger the family size, the more likely the household is to meet the guidelines

Appendices

Appendix B					
Town	Total Hhds	Sample at 90%	Town	Total Hhds	Sample at 45%
Arcadia	222	200	Albion	1,152	518
Burwell	904	814	Ansley	345	155
Comstock	125	113	Ashton	147	66
Elyria	45	41	Bartlett	112	50
Ericson	153	138	Belgrade	97	44
Loup City	396	356	Cedar Rapids	220	99
North Loup	168	151	Chambers	218	98
Ord	1,189	1,070	Elba	202	91
Sargent	376	338	Fullerton	472	212
Scotia	227	204	Greeley	246	111
			Primrose	51	23
			Spalding	272	122
			Taylor	162	73
			Wolbach	175	79
Subtotal	3,805	3,425		3,871	1,742
Total Sample Drawn					5,166

Appendix C	
List of Other Occupations	
-Free lance writing	-Bookkeeper
-Custodial	-Electrical generator repair
-Ag machinery technology	-Transportation
-Railroad (3 mentions)	-Paper route
-Security officer	-MNIS, B+B
-Volunteer tourism	-Department of roads
-Mill operator, grain	-Management, trucking company
-Truck driver (9 mentions)	-Farm interest also
-Self-employed; young farming couple, both of us work for farm	-Laborer (2 mentions)
-Restaurant (2 mentions)	-Babysit
-Courier	-Housekeeping, maid
-Windshield repair	-School employee

Appendix E
List of Other Skills

- | | |
|------------------------------------|---|
| -Sign language | -Avionics, electrician |
| -Worked as clerk in retail | -Autobody tech |
| -Delivery, driving | -Some computer entry |
| -General janitorial duties | -Hog closeout manager |
| -Archaeologist | -Driver |
| -Medical assistant | -Teachable + tractor mechanic |
| -Trade stocks, bonds, futures | -Mechanic |
| -Livestock management | -Truck driving, fly airplanes |
| -Farming (2 mentions) | -Entertainment |
| -Trucking | -Heavy equipment operator, mechanic |
| -Good worker | -Mechanical, autobody repair |
| -Animal husbandry, animal vet care | -Public relations, leadership |
| -Education, teaching | -Teacher's aide, uncertified |
| -Drafting, AutoCAD | -Draftsman |
| -Proofreading | -Art, music |
| -Farm, ranch skills | -Cashier |
| -I can do about anything | -Welding, mechanic |
| -Teacher's aide | -Social work |
| -Law enforcement | -Taxes, bookkeeping |
| -Religion teacher | -Read estate license, office experience |
| -Housekeeping, maid | |
| -Typing, telephone switchboard | |
| -Child Care | |

Appendix F
List of Other Employment Necessities

- | | |
|--|---|
| -Job security | -Family is priority for those with young children and older |
| -Good salary (3 mentions) | |
| -Location | -Dental |
| -Not 100% indoor | -Good, clean, safe work environment |
| -Paid holidays | -No commute |
| -Something for partially disabled | -Flexible |
| -Close drive | |
| -Time for softball games and husker football | |
| -Day care available in area (2 mentions) | |
| -Paid sick and personal days | |
| -Handicap with wheelchair accessibility | |

Appendix A Only available as Pagemaker file

See Excel file for Appendices D and G