



A Bureau of Business Research Report
From the UNL College of Business Administration

Scottsbluff Area Skills Gap Report

Final Report

Prepared for the Nebraska Department of Labor

Prepared by
Dr. Eric Thompson,
Associate Professor of Economics and
Director, Bureau of Business Research

May 4, 2016
Bureau of Business Research
Department of Economics
College of Business Administration
University of Nebraska—Lincoln
Dr. Eric Thompson, Director
www.bbr.unl.edu

Executive Summary

In the summer and fall of 2015, the Nebraska Departments of Labor and Economic Development led efforts to conduct two surveys regarding the skills of workers and skill needs of employers in the Scottsbluff area: the *Panhandle Labor Availability Survey* and the *Scottsbluff Survey of Hiring and Training Needs*. The surveys also asked about training requirements and needs.

The current study utilizes the results of both surveys as well as secondary data about the Scottsbluff area economy to summarize information about job skills and whether a skills gap is found within the region. A skills gap is present if it is difficult for a large share of employers to hire in a particular occupation and there is also a persistent gap between the demand for new workers and the number of individuals entering that occupation. Key questions include: In what part of the labor force, if any, is a skills gap present? And, is the skills gap the result of a lack of education and training opportunities, or are other factors at work? For the analysis, the Scottsbluff area is defined to include significant portions of the Nebraska Panhandle including Banner, Box Butte, Cheyenne, Dawes, Kimball, Morrill, Scotts Bluff, Sheridan and Sioux counties.

Results of the study suggest that the aggregate annual flow of individuals into the workforce in the Scottsbluff area is less than the projected annual needs of businesses due to net job growth and turnover (i.e., exits from the workforce). These annual deficits of workers are found for select white collar occupations such as business and financial operations workers, and are more widespread in skilled blue collar occupations. Annual deficits are most severe in service occupations, especially office and administrative workers, health support occupations, personal care and service workers, sales and related workers and food preparation and services workers. These annual deficits are further magnified because a significant share workers in service and skilled blue collar occupations are difficult to hire due to a “poor work history” (which typically means frequent job changes) or an inability to pass a background check.

For the more highly skilled occupations with a deficit of workers, potential employees can be prepared through enhanced training, education, internship and (in some cases) apprenticeship opportunities developed through collaboration between employers, training entities and other education institutions. These enhanced learning opportunities should be combined with additional efforts to inform secondary school students, and their parents, about the earnings and other opportunities afforded by these occupations. The specific occupations are listed below, along with the standard occupation code from the U.S. Bureau of Labor Statistics:

- Management Analysts (SOC Code 13-1111)
- Accountants and Auditors (SOC Code 13-2011)
- Loan Officers (SOC Code 13-2072)
- Computer Systems Analysts (SOC CODE 15-1121)
- Computer Programmers and Software Developers (SOC Code 15-1131, 15-1132, 15-1133)
- Network and Computer Systems Administrators (SOC Code 15-1142)
- Computer User Support Specialists (SOC CODES 15-1151)
- Registered Nurses (SOC Code 29-1141)
- Licensed Practical Nurses (SOC Code 29-2061)

Industrial Machinery Mechanics (SOC Code 49-9041)
Maintenance and Repair Workers, General (SOC Code 49-9071)

Results of the research also support another potential initiative. In particular, many employers indicate that a poor work history or elements of worker's personal history are a factor in hiring. This is particularly true of workers in healthcare support occupations. There appears to be a large group of applicants in these occupations who have some or all of the relevant occupation-specific skills, but who are still not appealing to employers due to work history or an inability to pass a background check. This raises two key questions: is there a subset of workers in these occupations with potential to change, that is, to become more committed to and a better team member at work? And, how would workers who are able to change be identified and separated from the others? To answer these questions, there should be extensive discussion with human resources representatives and direct supervisors of workers regarding what practical steps workers can take, if any, over time to change a poor work history into an adequate work history.

Finally, this research does not find that the level of wages in the Scottsbluff area is a significant challenge or hiring. Specifically, in nearly all occupations the wage requirements of individuals seeking work: 1) represent only a moderate increase over their current wage and 2) are within the prevailing wages found within the Scottsbluff area job market. The notable exceptions are the installation, maintenance and repair workers (SOC 49) and the personal care and services workers (SOC 39). It is very difficult to find workers in these occupations and worker wage aspirations are well outside of the prevailing wages in the Scottsbluff area.

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1. Introduction

During the summer and fall of 2015, the Nebraska Departments of Labor and Economic Development led efforts to survey both households and businesses in the Scottsbluff, Nebraska area. Surveys were designed to examine the skills and work preferences of regional residents and the skill needs and training practices of local employers. These surveys were the *Panhandle Labor Availability Survey* and the *Scottsbluff Survey of Hiring and Training Needs*. The surveyed area included significant portions of the Nebraska Panhandle including Banner, Box Butte, Cheyenne, Dawes, Kimball, Morrill, Scotts Bluff, Sheridan and Sioux counties.

Survey results yield detailed information about the skills of the local workforce and the hiring and training activities of area businesses. These results provide significant insight into whether there are skills gaps present in individual occupations within the Scottsbluff area labor market. Such skills gaps are present if a high share of employers find that it is difficult to hire workers for an occupation and there is a persistent gap between the demand for workers and the number of workers entering that occupation.

Survey results also indicate that skills gaps have potential to limit growth of the Scottsbluff area economy. In particular, 54.1 percent of respondents to the *Scottsbluff Survey of Hiring and Training Needs* indicate that labor availability would be an issue if they were asked to consider an expansion in the Scottsbluff area while another 27.9 percent indicate labor availability might be an issue. Among these respondents, 47.3 percent report that labor availability would limit their ability to make a major expansion.

Measuring the skills gap is challenging. After all, both businesses and workers are likely to cite difficulties in the labor market with some frequency. For employers, finding and maintaining a productive work force is one of the key challenges of running a business. Likewise, finding and keep meaningful employment is one of the key career challenges faced by workers. Sure enough, survey results show that these were key concerns. For example, results from the *Panhandle Labor Availability Survey* indicate that 77.6 percent of potential job seekers report that a lack of job opportunities in the local area is an obstacle to finding new employment. At the same time, 73.8 percent of employers responding to the *Scottsbluff Survey of Hiring and Training Needs* indicate that it is difficult to hire workers.

Do these survey responses mean that a broad-based skills gap is present in the Scottsbluff area economy? Not necessarily. After all, as noted above, we would anticipate a certain level of concern by businesses and people given the rigor of the labor market. A more interesting question is: for which occupations is it most difficult to find a worker, or to find a job? Further, to identify a skills gap in a particular occupation, we also must identify factors which are causing a lingering shortfall in the number of qualified and employable workers available to employers.

There are many potential reasons why a skills gap could develop within an occupation.

Structural change – Structural change refers to changes in technology, customer demand, or international competition which expand the demand for workers in select occupations (and reduce the demand in others). Time may be required for workers to prepare for these emerging occupations, either

through retraining for existing workers or by providing appropriate degree and certificate programs for college, community college and high school students.

Education and Training Programs – Appropriate degree and certificate programs are needed to help workers build skills required in the economy. Local education institutions, many of which are part of the public sector, may struggle to identify needed programs or change program offerings to meet the needs of students and employers. Degree and certificate programs also must be sufficiently rigorous to prepare students to meet employer needs.

Appeal of Occupations – Even when adequate degree and training programs are available, occupations may fail to attract workers at prevailing wages. The combination of wages, benefits and working conditions at a particular occupation may fail to attract workers relative to other work options available within the economy. Such conditions can arise or grow worse as the economy evolves and can also occur because potential workers have inadequate information about the benefits of a particular occupation, or are steered away from occupations by family members, mentors, or public perception. At the same time, competitive conditions may prevent local employers from raising pay and benefits in order to enhance the appeal of a particular occupation.

Taxes on Middle Class Workers – At prevailing wages, taxes may discourage workers from making investments in their skills through education and training programs. Such monetary investments may not be appealing if too large a share of incremental earnings go to federal, state and local government (either directly through income taxes or indirectly through sales and property taxes). In other words, if the tax burden is too high, workers may not choose to enter skilled occupations where work opportunities are abundant, even when local education and training opportunities are adequate.

Career Destruction – A portion of workers at all skill levels may engage in behavior which reduces their employment potential. These workers may have adequate skill and experience for an occupation, but still not appeal to employers. For example, worker may have a criminal record, or fail to pass a drug test or may have a poor work history, as evidenced by frequent job changes or other indicators of an inability to fit into the workplace. In these cases, a skill gap can arise because worker skills cannot or will not be utilized by employers, rather than a lack of skill.

Social Safety Net – Public benefits such as Medicaid, TANF or Social Security Disability Income may create a significant disincentive for some workers, particularly lower skills workers, to fully participate in the workforce. This may make it very challenging for employers in some occupations to find an adequate workforce.

Net Outmigration – While workers are constantly moving in and out of cities, some cities develop a pattern of sustained net outmigration of workers (the difference between in-migrants and out-migrants) in a wide variety of occupations. Net outmigration may be especially severe in those skilled occupations which are typically filled with younger workers (for example, computer and mathematical occupations), given that younger, educated workers are also the most mobile.

These phenomena can limit the local supply of workers in selected skill groups, leaving employers to note a lack of adequately trained workers, or workers who have a poor work history or wage demands which are too high. This report will utilize data from a variety of sources to identify where a skills gap may be present, including data from the *Panhandle Labor Availability Survey*, the *Scottsbluff Survey of Hiring and Training*, and data on projected job openings, the flow of graduates and prevailing wages. We

began by comparing the annual job openings generated in each occupation, due to retirements and other exits and net job growth, with the potential annual supply of new workers to the occupation, due to local graduates, local residents who are not currently working, and net migration.

We also consider the share of existing employed workers who are open to or pursuing a change in jobs, and compare their wage requirements with prevailing market wages. Such “churn” in the labor market is important to provide employers with the best match of experienced, skilled workers. Lastly, the study evaluates the post-hire training practices of employers and the willingness of workers to participate in training.

2. Supply and Demand for Workers in the Scottsbluff Area by Occupation

The most basic measure of the balance between supply and demand in an occupation is whether there is a gap of between the number of workers being prepared each year for the occupation and the annual need for new workers to enter that occupation. Over time, the annual flow into and out of the occupation will influence how scarce, and difficult to find, workers become. This chapter compares the number of individuals joining an occupation each year after leaving school (either as a graduate or a non-graduate) or through net immigration with the number of net openings in an occupation each year due to net job growth or individuals exiting the occupation. This chapter further examines the potential for individuals who are not working to reenter the labor force. This provides an additional source of potential new workers for Scottsbluff area employers.

Lastly, the level of “churn” among the existing workers within each occupation is examined. Churn is the rate at which workers in an occupation move between jobs. It is critical since jobs within a single occupation can differ in terms of requirements for skill and experience. An abundance of new graduates can help fill entry level positions but existing, more experienced workers (i.e. former entry level workers) also are needed to fill some openings. We estimate the percent and number of experienced workers within each occupation who are searching for employment, and what factors influence the probability of active job search by employed workers.

A. Supply versus Demand for Workers by Occupation

The first step is to compare the annual net openings and new entrants to each major occupation group within the Scottsbluff area. Net openings in an occupation is a function of net job growth in that occupation and openings created by individuals leaving the occupation. In most occupations, individuals primarily leave because of retirement but other causes include death, disability or changing occupations. Changing occupations is a large share of exits in the case of a handful of lower wage occupations including food preparation and serving related occupations and sales and related occupations.

New entrants to an occupation come from local individuals who are leaving schooling and net migration to the Scottsbluff area. Individuals who leave schooling include both graduates and non-graduates. Graduates are high school graduates (and GED completers), community college graduates or college graduates each year. Non-graduates include individuals who drop out of high school, college, or community college. College and community college graduates are assigned to occupations based on their major field of study. High school graduates and non-graduates are assigned to occupations which do not require a college degree based on the number of annual openings. Analysis also adjusts for the share of graduates and non-graduates who are likely to be active participants in the labor force in any given year. This provides the best estimate of how many “workers” are being added in the area economy each year.

Net openings in the Scottsbluff area labor market are based on projections developed by the Office of Labor Market Information (LMI) of the Nebraska Department of Labor. Specifically, the Nebraska LMI generates projections of the demand for additional workers in an occupation based on net job growth and replacement openings, as part of its *Nebraska 2012-2022 Long-Term Occupational & Industry Projections* publication. In that publication, replacement openings refer to individuals permanently leaving an occupation due to retirements as well as death, disability or changing occupations.

Projections are cumulative for 10 years. Annual openings are estimated by taking one-tenth of the 10 year projection. This estimate of the annual growth in demand is shown in Table 2.1 below.

Table 2.1 also contains estimates of the number of local individuals finishing college or community college in a given year with a potential match to each occupation. Individuals completing a degree at a post-secondary institution in the Scottsbluff area are assigned to a particular occupation based on the match between their degree program and the occupation. The number of graduates by degree program for Western Community College and Chadron State College was obtained from the IPEDS data base (the *College Navigator* web portal) maintained by the U.S. Department of Education. There were approximately 780 graduates in 2014-15, the most recent year for which data is available through IPEDS.

Most of these college or community college graduates are expected to participate in the labor force in any given year while they are in the prime working age of 25 to 64. In particular, data from the National Center for Education Statistics found that, in 2014, 72.6 percent of 25 to 64 year olds who completed an Associate's Degree were in the formal labor market.¹ This compares to 87.0 percent of 25 to 64 year olds who completed a Bachelor's degree. This participation rate for college and community college graduates was combined with the approximately 780 graduates to estimate that 640 graduates would be available to participate in the labor force during a given year.

The next question is how many non-graduates leave school each year and how many of them participate in the labor force in a given year- based on their labor force participation rates. These non-graduates entering the labor force are divided into three distinct categories: individuals leaving college before graduating, those finishing high school and those dropping out of high school. The annual number of each type of school leaver is estimated for the Scottsbluff area, as described below.

High School Graduates. The number of high school graduates in the Scottsbluff area (Banner, Box Butte, Cheyenne, Dawes, Kimball, Morrill, Scotts Bluff, Sheridan and Sioux Counties) is estimated based on the annual number of high school graduates in Nebraska (22,350) reported in the *2014 Nebraska High Education Progress Report* from the Nebraska's Coordinating Commission on Postsecondary Education, and the share of Nebraska's 14- to 17-year olds who live in these nine counties (4.3%), based on data from the United States Census. This age range was used in order to produce a multiyear average; 18 year-olds already excluded since some are already attending college. The estimated annual number of high school graduates in the Scottsbluff area is approximately 950. How many of those individuals decided not to attend college or community college? According to the Commission report 65.1 percent of those students attended a degree-granting institution (either in-state or out-of-state) within one-year of completing high school. Therefore, the annual flow of individuals who potentially enter the job market as high school graduates is approximately 34.9 percent of 950, or 330. A portion of these individuals will participate in the labor force in a given year. The National Center for Education Statistics found that 72.0% of 25 to 64 year olds those who completed high school but did not participate in post-secondary education were in the labor market in 2014. This is 72 percent is applied to 330 to yield 240 in additional labor force participants with a high school degree only.

High School Dropouts. The *Nebraska Higher Education Progress Report* from the Nebraska's Coordinating Commission on Postsecondary Education Commission indicated that Nebraska has a four-

¹ Institute for Education Sciences, 2015. "Employment Rates and Unemployment Rates by Educational Attainment," National Center for Education Statistics, U.S. Department of Education (May). Accessed at nces.ed.gov/programs/coe/indicator_cbc.asp

year high school graduation rate of 90 percent. This graduation rate implies that there is one non-completer for each nine high school graduates. This yields an estimate of approximately 105 dropouts potentially joining the Scottsbluff area labor market in any particular year (although some of these individuals will ultimately obtain a GED). The National Center for Education Statistics report found that 59.9 percent of those who did not complete high school were participating in the labor market in 2014. Applying this rate to the population of 105 indicates that high school dropouts contribute 65 additional labor force participants each year.

Table 2.1: Annual Net Openings and School Leavers by Occupation Group

Occupation	Annual Net Openings NDOL	Annual School Leavers		
		College and Community College Graduates	Others	Total
Management	56	39	0	39
Business and Financial Operations	48	48	0	48
Computer and Mathematical	11	12	0	12
Architecture and Engineering	7	1	0	1
Life, Physical and Social Sciences	10	175	0	175
Community and Social Service	19	14	0	14
Legal	3	0	0	0
Education, Training and Library	91	116	0	116
Arts, Design, Entertainment, Sports, and Media	17	19	0	19
Healthcare Practitioners and Technical Workers	83	58	0	58
Healthcare Support	27	4	13	17
Protective Services	21	60	11	70
Food Preparation and Serving Related	140	0	69	69
Building and Grounds Cleaning and Maintenance	35	0	17	17
Personal Care and Services	37	12	18	31
Sales and Related	180	0	89	89
Office and Administrative Support	188	29	93	123
Farming, Fishing, and Forestry	99	0	49	49
Construction and Extraction	60	0	30	30
Installation, Maintenance and Repair	91	33	45	78
Production	65	19	32	51
Transportation and Material Movers	159	0	79	79

Sources: Nebraska Department of Labor for job openings and IPEDS, U.S. Department of Education for graduates, and BBR calculations

Notes: 1) Others includes high school dropouts, high school graduates (GED completers) or college or community college non-completers. 2) college or community college graduates and others may not sum to total leavers due to rounding

College and Community College Non-Completers. The *Nebraska Higher Education Progress Report* indicates that overall graduation rate from post-secondary institutions in Nebraska is approximately 50% in a typical year. Applying this rate to the 65.1 percent of 950 high school graduates who attend college yields an estimate that 310 individuals will potentially enter the local labor market each year without a completing a post-secondary degree. The National Center for Education Statistics report indicates that 77.6 percent of these will enter the labor force, implying 240 additional labor force participants each year.²

Altogether, approximately 545 high school only completers, high school dropouts, and college dropouts enter the labor market in the Scottsbluff area each year. These individuals do not have specific community college or college degree to match with any particular occupation, so the individuals are distributed among the occupations which do not **require** a college or community college degree (although workers may have a degree) including: healthcare support; protective services; food preparing and serving; building and grounds; personal care and services; sales, office and administrative support; farming, fishing and forestry; construction and extraction; installation, maintenance and repair; production; and transportation and material moving occupations. The 545 individuals are allocated to these occupations based on the share of annual openings in each occupation.

Results in Table 2.1 show that there is a deficit of school leavers relative to annual net openings in select white collar occupations and most service occupations and skilled blue collar occupations. Occupations with a significant deficit include food preparation and serving related, office and administrative, sales and related, construction and extraction and transportation and material movers. Across all occupations there are an estimated 260 fewer school leavers than projected openings each year.

Table 2.1., however, does not represent the final assessment of the flow of workers into and out of the economy each year. In particular, the Scottsbluff area loses several hundred **workers** each year due to net immigration to other communities. Estimates of entrants and net openings after net migration are provided in Table 2.2. Estimates for migration are based on U.S. Bureau of Census data for total population. Estimates of total population are converted to estimates of migration by workers utilizing employment to population ratios. Estimates of net out-migration by workers (210 each year) are allocated to 5 civilian major occupation categories and for military personnel: 1) management, business, science, arts, 2) service occupations, 3) sales and office occupations, 4) natural resources, construction, and maintenance, 5) production, transportation and material moving and 6) military specific occupations. The Bureau of Census also has data on the frequency of migration within these occupation categories.

Net out-migration exacerbates the gap between annual job openings and annual entrants to the workforce in the Scottsbluff area. A gap emerges for additional white collar occupations, such as business and financial operations workers. The gap also grows for occupations such as office and administrative support, construction and extraction, food preparation and serving related, sales and related, and transportation and material movers. After factoring in net outmigration, across all occupations there are an estimated 470 fewer school leavers than projected openings each year.

² This estimate assumes that individuals who fail to complete a college or community college degree at a Scottsbluff area institution will return to the community where they completed high school. Similarly, Scottsbluff area high school graduates who attend post-secondary education in another city would return to the area.

Table 2.2: Annual Net Openings and Entrants by Occupation Group, Including Migrants

Occupation	Annual Net Openings NDOL	Annual Entrants		
		Total School Leavers	Net Migration	Total
Management	56	39	-15	25
Business and Financial Operations	48	48	-13	35
Computer and Mathematical	11	12	-3	10
Architecture and Engineering	7	1	-2	-1
Life, Physical and Social Sciences	10	175	-3	172
Community and Social Service	19	14	-5	9
Legal	3	0	-1	-1
Education, Training and Library	91	116	-23	93
Arts, Design, Entertainment, Sports, and Media	17	19	-4	14
Healthcare Practitioners and Technical Workers	83	58	-10	48
Healthcare Support	27	17	-3	14
Protective Services	21	70	-2	68
Food Preparation and Serving Related	140	69	-16	53
Building and Grounds Cleaning and Maintenance	35	17	-4	13
Personal Care and Services	37	31	-4	26
Sales and Related	180	89	-28	61
Office and Administrative Support	188	123	-30	93
Farming, Fishing, and Forestry	99	49	-15	34
Construction and Extraction	60	30	-9	21
Installation, Maintenance and Repair	91	78	-13	64
Production	65	51	-2	48
Transportation and Material Movers	159	79	-5	73

Sources: Nebraska Department of Labor for job openings and IPEDS, U.S. Department of Education for graduates, and BBR calculations

Notes: 1) Others includes high school dropouts, high school graduates (GED completers) or college or community college non-completers. 2) college or community college graduates and others may not sum to total leavers due to rounding

Beyond these figures, there is further reason to be concerned about the rate of entrants among skilled workers. In particular, an assumption throughout the analysis so far has been that skilled workers entering the labor market would remain viable to work in those occupations over their lifetime. Yet, in some cases, workers with appropriate training will diminish their ability to utilize those skills by developing a poor work history or personal issues which discourage employers from hiring them. Table 2.3 show the potential size of this problem. The table lists the percentage of business respondents to the *Scottsbluff Survey of Hiring and Training Needs* who indicated it was difficult to hire workers in part due to: 1) poor work history and 2) failure to pass background checks. These percentages are significant, especially given the existing gap between net openings and annual entrants.

Table 2.3: Total Annual Net Openings and Entrants and Problems with Work History

	Balance And Problems
Annual Net Openings	1,447
Annual Entrants	973
Share of Applicants with	
Poor Work History	41.4%
Failed Background Check	22.5%

Sources: IPEDS, U.S. Department of Education for graduates and *Scottsbluff Labor Availability Survey* and BBR calculations

Potential Supply from Area Residents Who Are Not Currently Employed

While Tables 2.1 through 2.3 addressed the long-term balance between annual net openings and entrants in each occupation, it should be noted that there is another potential source to source to bring new workers into the Scottsbluff area economy over the next few years. That sources is area residents who are not currently employed. These individuals can be drawn back into the work force by: 1) providing job opportunities to unemployed workers; and 2) drawing back individuals who are currently out of the labor force, such as retirees or homemakers.

Table 2.4 provides information on the population of Scottsbluff area residents who are not currently employed but are actively seeking work. Data in the table is assembled using responses of individuals in the *Panhandle Labor Availability Survey*. That survey included a significant number of responses from individuals who indicated that they were unemployed, retired, or were currently homemakers. Respondents provided information both about their previous occupation when they worked in the past and whether they are actively seeking a job at the moment. Approximately 8.7 percent indicated that they were “actively searching for a job.” This percentage is obviously higher than might be expected given the 2% to 3% unemployment rates that prevail in the Nebraska Panhandle. However, the difference makes sense given that the criteria for being classified as unemployed are not as strict in the *Panhandle Labor Availability Survey*. In particular, persons do not need to demonstrate that they have been actively searching beyond a minimum level in recent weeks.

This broader 8.7 percent of individuals who are reporting some active steps to search for work implies a chance to add a significant number of new workers to the labor force. In particular, there are approximately 24,000 adults age 16 and above in the Scottsbluff area (the 9 county region) who are classified as out of the labor force or unemployed. The 8.7 percent figure indicates that there are potentially up to 2,100 additional workers for the Scottsbluff area economy. Table 2.4 shows the occupations for which these potential workers might be available, based on the previous occupation.

As seen in Table 2.4, a significant share of these workers are in key blue collar occupations, including installation, maintenance and repair workers, production workers, and transportation and material moving workers. There also are nearly 90 former business and financial operations workers and a similar number of architects and engineers. These are two of the white collar occupations where annual openings exceed annual entrants. The largest number of active searchers, however, are in sales and related, office and administrative support, and food preparation and serving related occupations. These are the occupations with the largest gap between annual opening and entrants. Results therefore show the potential over the next few years to plug some of the annual gap between openings and entrants through drawing the unemployed, retired workers and homemakers back into the workforce.

Table 2.4: Number of Jobless Individuals Actively Searching for a Job by Previous Occupation

Occupation	Number
Management	75
Business and Financial Operations	86
Computer and Mathematical	0
Architecture and Engineering	86
Life, Physical and Social Sciences	0
Community and Social Service	0
Legal	0
Education, Training and Library	130
Arts, Design, Entertainment, Sports, and Media	0
Healthcare Practitioners and Technical Workers	0
Healthcare Support	0
Protective Services	0
Food Preparation and Serving Related	238
Building and Grounds Cleaning and Maintenance	80
Personal Care and Services	28
Sales and Related	591
Office and Administrative Support	250
Farming, Fishing, and Forestry	0
Construction and Extraction	38
Installation, Maintenance and Repair	121
Production	179
Transportation and Material Movers	173

Source: *Panhandle Labor Availability Survey*

B. Job Search among the Currently Employed

Beyond the overall balance of net openings and entrants in an occupation, employers have a need for hiring experienced workers. Such positions are often filled by workers who are currently employed. While this can be frustrating for employers who lose workers, this “churn” of workers can be beneficial. In particular, job search by the employed helps experienced workers find the best match between their job and their skills and experience. Finally, workers who are hired away, in turn, leave open positions which create an opportunity, and potentially a better job match, for another worker.

The *Panhandle Labor Availability Survey* asked employed workers whether they were actively searching for work, along with questions about their experience and occupation. Survey results indicate that 12.2 percent of currently employed workers are actively searching for a job. This implies that approximately 5,800 employed workers are actively searching at a moment in time. Survey results also can be used to generate statistics about the share and number of employed workers in each occupation who are actively searching for a job. These shares are presented in Table 2.5.

Results in Table 2.5 show great variation in the share of employed workers who are actively seeking a new job. The highest shares are found for select white collar and service workers. The highest shares, by far, were legal workers and building and grounds cleaning and maintenance workers. Higher shares also

are found for protective service workers (22.7%), arts, design, entertainment, sports and media workers (22.4%) and business and financial operations workers (20.4%). There also are higher shares for skilled blue collar occupations including construction and extraction workers (17.8%), installation, maintenance and repair workers (16.7%) and production workers (13.4%).

The largest number of employed workers who are actively seeking a new job are found in service occupations. There were an estimated 1,052 office and administration support workers who are actively seeking a new job. There are an estimated 676 building and grounds cleaning and maintenance workers and 598 food preparation and serving related workers.

Table 2.5: Percent and Number of Employed Individuals Who Report Actively Searching for a Job By Occupation

Occupation	% Actively Search For A Job	# Actively Search For A Job
Management	7.2%	182
Business and Financial Operations	20.4%	293
Computer and Mathematical	0.0%	0
Architecture and Engineering	9.9%	20
Life, Physical and Social Sciences	10.5%	29
Community and Social Service	19.6%	107
Legal	48.3%	67
Education, Training and Library	6.4%	194
Arts, Design, Entertainment, Sports, and Media	22.4%	121
Healthcare Practitioners and Technical Workers	15.2%	403
Healthcare Support	10.5%	139
Protective Services	22.7%	134
Food Preparation and Serving Related	16.4%	598
Building and Grounds Cleaning and Maintenance	44.9%	676
Personal Care and Services	5.7%	56
Sales and Related	3.8%	182
Office and Administrative Support	15.0%	1,052
Farming, Fishing, and Forestry	4.9%	158
Construction and Extraction	17.8%	291
Installation, Maintenance and Repair	16.7%	464
Production	13.4%	268
Transportation and Material Movers	9.4%	395

Source: *Panhandle Labor Availability Survey*

As is evident from Table 2.5, there is a significant number of employed workers actively seeking new employment at any moment in time. In fact, the number of employed workers actively searching for a job typically dwarfs the number of annual entrants to each occupation. Table 2.6 compares the estimated number of employed workers actively searching for a work at a given moment (Table 2.5) with the estimated number of annual of entrants, by occupation (Table 2.2). For most occupations, there are more experienced workers actively searching for work than new entrants. This highlights the critical role that job search by experienced workers plays in operation of the Scottsbluff area labor market.

Table 2.6: Relative Abundance of Currently Employed Job-Seekers by Occupation

Occupation	School Finishers and Net Migrants	Employed But Actively Searching For Work
Management	25	182
Business and Financial Operations	35	293
Computer and Mathematical	10	0
Architecture and Engineering	-1	20
Life, Physical and Social Sciences	172	29
Community and Social Service	9	107
Legal	-1	67
Education, Training and Library	93	194
Arts, Design, Entertainment, Sports, and Media	14	121
Healthcare Practitioners and Technical Workers	48	403
Healthcare Support	14	139
Protective Services	68	134
Food Preparation and Serving Related	53	598
Building and Grounds Cleaning and Maintenance	13	676
Personal Care and Services	26	56
Sales and Related	61	182
Office and Administrative Support	93	1,052
Farming, Fishing, and Forestry	34	158
Construction and Extraction	21	291
Installation, Maintenance and Repair	64	464
Production	48	268
Transportation and Material Movers	73	395

Sources: IPEDS, U.S. Department of Education for graduates and *Panhandle Labor Availability Survey* and BBR calculations

3. Barriers to Employment and the Local Labor Market

The preceding chapter found that there are a significant group of currently employed workers who are actively looking for new work. In many occupations, there are also workers who are not currently working who are actively seeking looking for new work. These workers represent an important skill resource for employers in the Scottsbluff area. Two questions about these workers come to mind. First, what challenges or barriers do these workers foresee in seeking new employment? Second, do these challenges appear to represent a skills gap? These two questions are discussed below.

Survey results reported in the *Panhandle Labor Availability Report* show the types of barriers perceived by potential job seekers. The various criteria fall into categories including working conditions, suitability for employment, work schedule, and compensation.

More than three in four potential job seekers (77.6%) cite a lack of job opportunities in the area. This result is perhaps surprising given that projected openings exceed new entrants in the Scottsbluff area, as reported in Chapter 2. However, the result may simply mean that potential job seekers perceive a lack of appropriate job opportunities, that is, job opportunities which match their skills and their ambitions. This perspective is bolstered by the finding that just over one in four job seekers (28.3%) report facing a barrier to finding new employment because they are “overqualified.” Other common obstacles perceived by potential job seekers relate to compensation and work hours available from local employers. More than two in three (70.8%) cite “inadequate pay offered by local employers” as an obstacle. Inadequate benefits are cited by 61.5 percent of potential job seekers. Inadequate hours are cited by 49.5 percent.

Potential seekers also perceive that their own background may limit their potential to find employment. Just over one in four (27.6%) cite a lack of training while 25.9 percent cite a lack of education. Besides skill, workers also are concerned about elements of their work history or personal history which create a perceived barrier. Poor credit history is noted by 12.2 percent of workers. Credit history is sometimes used as a screen by potential employers. A criminal record is cited as a barrier by 3.0 percent of workers.

Results also showed that family considerations create a barrier for some workers. In particular, a lack of childcare is noted by 15.2 percent of potential job seekers and family commitments are noted by 32.0 percent. Currently employed workers may have found a position which can accommodate their family commitments, a feature which binds them to that position. For others, family commitments may keep them out of the workforce.

Do these obstacles suggest the presence of a skills gap in the Scottsbluff area? Potentially so, if potential job seekers perceive they have inadequate education or training, or have a life history such as a criminal record which will dissuade employers from utilizing their skills, or if employers offer inadequate wages to attract potential job seekers into the new jobs where their skills are needed.

However, these issues need to be examined further, and on an occupation-by-occupation basis. Below we examine this evidence of a skills gap in more detail, by comparing worker assessments with those of employers, and comparing wage expectations with market wages in the Scottsbluff area. In Chapter 4, the skills gap is examined for the specific occupations which employers report it is most difficult to hire.

Table 3.1 compares employer perceptions of worker skill with the perceptions of potential job seekers. Employer perceptions come from the report *Survey of Scottsbluff Area Businesses about Skill and Training Requirements*. In particular, employers were asked whether a series of factors, including occupation skills, make it difficult to hire workers in particular occupations. Employer perceptions of a lack of occupations specific skills from whatever source (a lack of education, lack of training) is higher than the perceptions of potential job seekers. However, this is hardly surprising. The key point is both potential job seekers and employers perceive a significant problem. The question is in which specific types of occupations is this lack of skill most severe. This issue is addressed for specific occupations in Chapter 4.

Table 3.1: Employer and Potential Worker Perceptions of Skill and Training

Issue	Potential Job Seekers	Employers Hiring for Specific Occupations
Percent Indicating a Lack of Training is an Obstacle to Employment	27.6%	
Percent Indicating a Lack of Education is an Obstacle to Employment	25.9%	
Percent Indicating that Lack of Occupation Specific Skills Makes It Difficult to Hire		43.8%
Percent Indicating that Lack of Required Licenses/Certificates Makes It Difficult to Hire		13.2%

Sources: *Survey of Scottsbluff Area Businesses about Skill and Training Requirements* and *Panhandle Labor Availability Report*

Table 3.2 looks at other workforce issues which influence employability; in particular, facts or tendencies in the background of workers which may reduce or prohibit employability even if workers have the necessary skills for an occupation. The table shows that employers indicate 25.5 percent of the time that failed background checks make it difficult to hire. A background check can include a variety of factors including criminal record, substance abuse, or evidence of credit problems, among other issues. Results from the *Panhandle Labor Availability Report* indicate that some potential job seekers also see difficulties with their background which could be a barrier to employment.

Table 3.2: Employer and Potential Worker Perceptions of Worker Background and History

Issue	Potential Job Seekers	Employers Hiring for Specific Occupations
Percent Indicating Criminal Record is an Obstacle to Employment	3.0%	
Percent Indicating Poor Credit History is an Obstacle to Employment	12.2%	
Percent Indicating Failed Background Check Makes It Difficult to Hire		25.5%
Percent Indicating that Poor Work History Makes It Difficult to Hire		44.2%

Sources: *Survey of Scottsbluff Area Businesses about Skill and Training Requirements* and *Panhandle Labor Availability Report*

Table 3.2 also shows that 44.2 percent of employers indicate that a poor work history makes it difficult to hire, as reported in the *Survey of Scottsbluff Area Businesses about Skill and Training Requirements*. Follow-up discussions with employers suggests that poor work history refers to evidence of frequent “job-hopping,” or other indicators that workers do not fit in well at their workplace. Such problems can certainly discourage hiring, even when workers have the required skills. Note that there is no analogous question on work history in the *Panhandle Labor Availability Survey*. It would be difficult for workers to self-report on this topic since they may have a very different perception of their own work history.

The final issue pertains to the wages and benefits of potential jobs. This is an area where workers and employers have very different perceptions. As was noted above, a majority of potential job seekers see wages and benefits available from local employers as an obstacle to finding a new job. But, just one-quarter of employers (26.0%) saw wage demands from workers which were “too high” as a cause of difficulty in hiring, according to the results in the report *Survey of Scottsbluff Area Businesses about Skill and Training Requirements*. Taken together, potential employees were unsatisfied with available compensation but employers in most cases did not see employee wage demands as a difficulty.

This issue is worthy of further study. Fortunately, a wealth of information is available about local wages, including detailed information about the wage desires of workers from the *Panhandle Labor Availability Survey* and information about the average wages by occupation in the Scottsbluff area from the U.S. Bureau of Labor Statistics. The information can be used to assess whether job seekers have realistic expectations regarding wages in potential new jobs; with realistic expectations suggesting that differences in wage expectations among employees and employers do not rise to the level of being a source of a skills gap in the local economy. In particular, the question is whether job seekers expect to see a very large increase in wages compared to their current job in the case of employed workers, or compared to a past job in the case of workers who are unemployed, retired, or are homemakers. A related question is whether the desired wages are high relative to the average wages of workers in that occupation in the Scottsbluff area. While the *Panhandle Labor Availability Survey* found that potential job seekers desired flexibility and other beneficial job characteristics in new employment, some increase in wages would be expected in order to draw workers to a new job or back into the labor force.

Results in Table 3.3 show current (past) wages and desired wages for all potential job seekers by education attainment category.³ This is a comparison between the current (past) wage reported by respondents to the *Panhandle Labor Availability Survey* and the minimum wage which would be required for respondents to improve their job situation, assuming a new position met their other most important job condition requirements. Results are presented for potential job seekers who report hourly wages or report annual wages and work at least 35 hours per week. Results show that most potential job seekers hope for a position which pays \$1 to \$4 per hour more than their current position. Among potential job seekers without a high school degree, the desired wage increase is large in percentage terms (33.3%). However, desired wage increases are relatively modest among workers in other education attainment categories. Potential job seekers with a graduate or professional degree seek a 15.7 percent wage increase, on average. Potential job seekers with an Associate’s degree seek an 11.8 percent wage increase while those with a high school degree (or equivalent) seek an 11.5 percent increase. Potential job seekers with a vocation or technical degree (5.6%) or a Bachelor’s degree (6.8%) seek only small wage increases. These differences between current (past) and desired wages of 5 to 20 percent are significant but perhaps manageable, that is, in-line with the opening ask of a worker who is being recruited to change positions.

³ Similar results are obtained when comparing the current (past) and desired wages of active job seekers.

Table 3.3: Current and Desired Wages of All Potential Job Seekers by Educational Attainment

Highest Level of Education	Weighted N	Average Current (Past) Wages (\$)	Average Desired Wages (\$)	Average Wage Differential (\$)	Percent Wage Differential
Less than high school	14	9.43	12.61	3.17	33.6%
High School graduate or GED	164	14.80	16.50	1.70	11.5%
Vocational or Technical	24	19.60	20.70	1.10	5.6%
Associate's Degree	46	16.77	18.74	1.98	11.8%
Bachelor's Degree	102	21.68	23.16	1.48	6.8%
Master's Degree or Higher	41	25.66	29.70	4.04	15.7%

Source: Panhandle Labor Availability Survey

Additional insights can be generated by comparing the current (past) and desired wages of potential job seekers by occupation. This is done in Table 3.4. Results in Table 3.4 show wide variety in desired wage increases. Average desired wages are below current (past) wages for production (SOC 51) and transportation and material moving (SOC 53) workers. The gap, however, is positive for other skilled blue collar occupations. The average desired wage is \$1.71 per hour higher (8.5%) for construction and extraction workers (SOC 47). The biggest difference is for installation, maintenance and repair workers (SOC 49). Average desired wages are \$3.97 per hour higher (21.3%) for these workers.

The gap between desired and current (past) hourly wages is often larger for service occupations. Desired wages are \$4.67 per hour higher (53.6%) for personal care and service workers (SOC 39), \$3.69 per hour higher (27.4%) for office and administrative support occupations (SOC 43), and \$2.38 higher (27.6%) for food preparation and serving related workers (SOC 35). Smaller increases are desired for other service occupations, such as sales and related workers (SOC 41) or health care support workers (SOC 31).

The gap between desired and current (past) wages is more modest for white collar workers. The gap is just \$0.40 per hour (1.8%) for managers (SOC 11), \$0.68 per hour (3.8%) for teaching, training and library workers (SOC 25), \$1.17 per hour (4.8%) for business and financial operations workers (SOC 13) and \$2.13 per hour (9.1%) for health care practitioners (SOC 29). The gap is larger in percent terms for life, physical and social science workers (SOC 19), and community and social service workers (SOC 21), although sample sizes are small for those occupations.

Overall, the gap between desired and current (past) wages is lower in percentage terms for white collar workers than service workers and skilled blue collar workers. Further, there are select service and skilled blue collar occupations where there is a larger wage gap; in particular, personal care and services workers (SOC 39), office and administrative support workers (SOC 43), food preparation and service related workers (SOC 35), and installation, maintenance and repair workers (SOC 49).

Table 3.4: Current and Desired Wages of All Potential Job Seekers by Occupation Group

SOC Job Code	Weighted N	Average Current (Past) Wages (\$)	Average Desired Wages (\$)	Average Wage Differential (\$)	Percent Wage Differential
11 – Management	38	22.55	22.95	0.40	1.8%
13 – Business & Financial	26	24.06	25.22	1.17	4.8%
15 – Computer and Math	4	32.22	30.09	-2.12	-6.6%
17 – Engineering	6	26.78	28.78	2.00	7.5%
19 – Sciences	8	18.97	21.69	2.72	14.3%
21 – Social Service	8	20.78	24.57	3.79	18.2%
23 – Legal	4	21.43	31.28	9.85	46.0%
25 – Education	19	17.93	18.61	0.68	3.8%
27 – Arts and Design	2	21.78	29.29	7.51	34.5%
29 – Health Practitioners	40	23.57	25.70	2.13	9.1%
31 – Health Support	8	11.17	12.48	1.31	11.7%
33 – Protective	12	16.08	17.69	1.60	10.0%
35 – Food Preparation	13	8.60	10.97	2.38	27.7%
37 – Building & Grounds	6	12.76	13.23	0.46	3.6%
39 – Personal Care	12	8.71	13.39	4.67	53.6%
41 – Sales & Related	32	14.82	17.49	2.68	18.1%
43 – Office & Admin	53	13.48	17.17	3.69	27.4%
45 – Farming	8	9.49	11.64	2.15	22.6%
47 – Construction	11	20.01	21.72	1.71	8.5%
49 – Installation	27	18.65	22.62	3.97	21.3%
51 – Production	17	15.64	15.38	-0.26	-1.7%
53 – Transportation	42	20.19	19.38	-0.81	-4.0%

Source: Panhandle Labor Availability Survey

Large desired increases in select occupations suggest that wage expectations could be a source of mismatch in the labor market. Before reaching this interpretation, however, it is worthwhile to examine how desired wages compare with the actual wages found in various occupation groups within the Scottsbluff area labor market. The difference between the desired wages in each occupation group and the average hourly wage in that occupation in the Northwest Nebraska area, according to U.S. Bureau of Labor Statistics, can be observed in Table 3.5. The Northwest Nebraska area includes the 9 counties in the Scottsbluff area, the remaining 2 counties in the Nebraska Panhandle and 7 sparsely populated counties in the Sandhills region of Nebraska. The region, while not an exact match, is an effective comparison area.

Table 3.5: Average Desired and Actual Wages of All Potential Job Seekers by Occupation Group

SOC Job Code	Weighted N	Average Current (Past) Wages (\$)	Average Desired Wages (\$)	Average Wage Differential (\$)	Northwest Nebraska Average Wage (\$) (May 2015)
11 – Management	38	22.55	22.95	0.40	41.80
13 – Business & Financial	26	24.06	25.22	1.17	27.03
15 – Computer and Math	4	32.22	30.09	-2.12	23.89
17 – Engineering	6	26.78	28.78	2.00	28.44
19 – Science	8	18.97	21.69	2.72	25.08
21 – Social Service	8	20.78	24.57	3.79	18.05
23 – Legal	4	21.43	31.28	9.85	37.67
25 – Education	19	17.93	18.61	0.68	22.32
27 – Arts and Design	2	21.78	29.29	7.51	16.86
29 – Health Practitioners	40	23.57	25.70	2.13	30.60
31 – Health Support	8	11.17	12.48	1.31	12.72
33 – Protective	12	16.08	17.69	1.60	18.46
35 – Food Preparation	13	8.60	10.97	2.38	9.83
37 – Building & Grounds	6	12.76	13.23	0.46	12.21
39 – Personal Care	12	8.71	13.39	4.67	12.06
41 – Sales & Related	32	14.82	17.49	2.68	14.11
43 – Office & Admin	53	13.48	17.17	3.69	13.95
45 – Farming	8	9.49	11.64	2.15	14.49
47 – Construction	11	20.01	21.72	1.71	17.41
49 – Installation	27	18.65	22.62	3.97	20.96
51 – Production	17	15.64	15.38	-0.26	15.57
53 – Transportation	42	20.19	19.38	-0.81	15.30

Source: Nebraska Metro Area Labor Availability Survey and U.S. Bureau of Labor Statistics

Desired wages are often well below the average hourly wage in the Northwest Nebraska Area in occupations which typically require a college degree (SOC 11-29). This may occur because potential job seekers are on average younger, and therefore, have not yet gained sufficient experience to command the average wage in their occupation. However, the results still suggest that the desired wage increases of college education potential job seekers are modest and manageable.

In most cases, the same can be said of occupations which do not typically require a college degree (SOC 31-53). For many such occupations, the gap between desired and current (past) wages are quite small or even negative. Key examples include production workers (SOC 51), transportation and material moving workers (SOC 53), construction and extraction (SOC 47), health care support workers (SOC 31) and protective services workers (SOC 33). For these workers, the gap between desired and current (past) wages is consistent with the raise that workers might request, at least initially, when negotiating a move to a new job.

Five remaining occupations are of note. For these occupations, potential job seekers desire significant wage increases, hoping for hourly wages which exceed the local average for workers in their occupation. These occupations include food preparation and serving related (SOC 35) and personal care and service (SOC 39) workers. In some cases, the current (past) wages of workers are already near occupation averages, but a significant wage increase is still desired. These occupations include office and administrative support (SOC 43) workers, sales and related workers (SOC 41), and installation, maintenance and repair workers (SOC 49).

The gap between desired and actual wages in these occupations may make it especially difficult for employers to find needed workers.⁴ But, are employers having difficulty? In other words, are these the occupations where employers note that it is most difficult to find workers? This question is addressed in Table 3.6. For each of the 5 occupations, results are presented regarding the percentage of employers who found that it is difficult to hire workers for each occupation and the percentage of employers who felt that wage demands are “too high.” Employers reported that it was less difficult than average (73.8%) to find workers in the food preparation and serving related (SOC 35) and office and administrative support (SOC 43) occupations. Employers also reported that a small share of applicants (11%) in the sales and related occupation make wage requests which are “too high.” By contrast, 83.3 percent of employers report that it is difficult to hire workers in personal care and service occupations (nearly 10% above the all occupation average), and 47 percent of employers (21% above the average) reported that wage demands are “too high.” There are similar figures for installation, maintenance and repair occupations. Personal care and service (SOC 39) and installation maintenance and repair (SOC 49) appear to be the occupations where a gap between desired wages and prevailing wages is creating significant difficulty in hiring.

Table 3.6: Share of Business Respondents in the Survey of Scottsbluff Area Businesses about Skill and Training Requirements Reporting It Was Difficult to Find Workers, By Selected Occupation

SOC Job Code	SOC Title	Percent of Employers Indicating Wage Demands for Occupation Were “Too High” (Average = 26.0%)	Percent of Employers Indicate It is “Difficult” To Find Workers in Occupation (Average=73.8%)
35	Food Preparation and Serving Related	26%	54.8%
39	Personal Care and Service	47%	83.3%
41	Sales and Related	11%	78.6%
43	Office and Administrative Support	24%	66.0%
49	Installation, Maintenance and Repair	19%	88.1%

Source: *Survey of Scottsbluff Area Businesses about Skill and Training Requirements*

In summary, both employers and potential employees perceive some common sources of difficulty in hiring. Both perceive that some potential employees lack occupation-specific skills (lack of education, lack of training). Both groups also perceive that a significant number of potential employees have factors

⁴ Recall from Chapter 2 that these also were some of the same occupations where the annual flow of new high school graduates for the occupation was less than anticipated annual net openings. Unmet demand could be met with college graduates unable to find work in their field of study, but again this would suggest dissatisfaction with current wages.

in their background which can make hiring difficult even when workers have appropriate skills for a job. In particular, a significant share of employers report that workers have a “poor work history” or would have a difficult time passing a background check. At the same time, there is only limited evidence that the desire for higher wages is a significant source of the skills gap in the Scottsbluff area. There are only two occupations, personal care and service workers (SOC 39) and installation, maintenance and repair workers (SOC 49), where wage demands which are “too high” are making it especially difficult for employers to find workers.

This last finding also reinforces that the challenges for finding workers vary on an occupation-by-occupation basis. Therefore, there is a need to look at the specific supply, demand and training conditions in each occupation group. This is done in Chapter 4, for those occupation groups which employers indicated it was most difficult to find workers.

4. Detailed Evaluation of Select Occupation Groups

This section compares information from the employer and household surveys and secondary data from government sources to develop a profile of skill supply and demand in specific occupation groups.

Analysis should reveal the nature of the skills gap, if any, found in different occupations. Further, given this focus on the skills gap, a detailed analysis is provided only for those occupations where employers report that it was most difficult to find workers, in particular:

- Healthcare Practitioners and Technical Occupations (SOC CODE 29)

- Installation, Maintenance and Repair Occupations (SOC CODE 49)

- Computer and Mathematical Occupations (SOC CODE 15)

- Personal Care and Service Occupations (SOC CODE 39)

- Business and Financial Operations Occupations (SOC CODE 13)

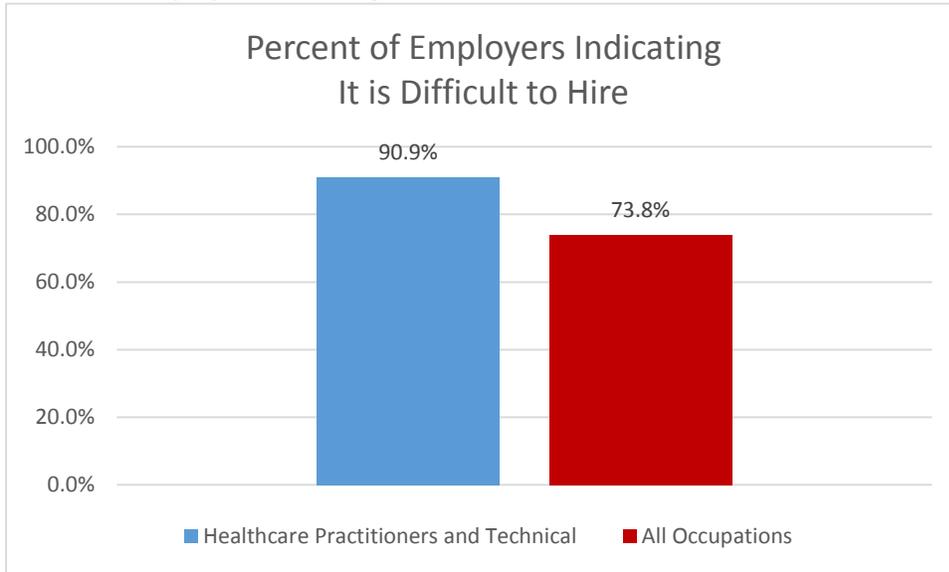
- Healthcare Support Occupations (SOC CODE 31)

A. Healthcare Practitioners and Technical Occupations (SOC CODE 29)

This occupation contains workers who are involved in evaluating patients or their medical records as well as diagnosing and treating patients. This is the occupation which employers report it is most difficult to hire. As seen in Figure 4A.1 below, over nine in ten employers indicate that it is difficult to hire workers in this occupation, compared to 73.8% for all occupations.

Figure 4A.1

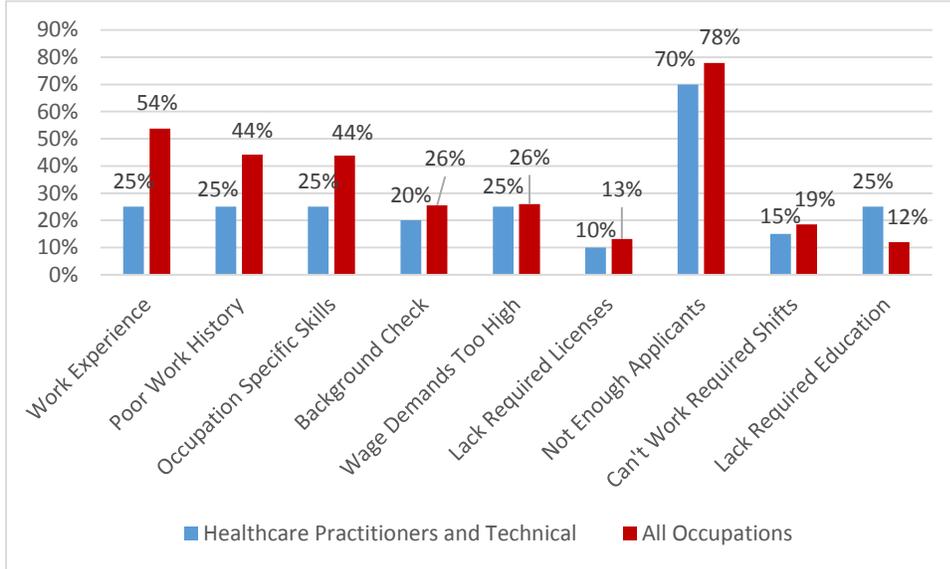
Percent of Employers Indicating It is Difficult to Hire, Healthcare Practitioners and Technical Occupations



Source: *Survey of Scottsbluff Area Businesses about Skill and Training Requirements*

Employers report a variety of reasons why it is difficult to hire. A lack of applicants is an issue for employers who hire healthcare practitioners and technical workers. This is a concern for 70 percent of employers while 15 percent of employers a lack of applicants who can work required shifts. These results appear to reflect the ongoing challenges of attracting medical professionals to micropolitan and rural communities.

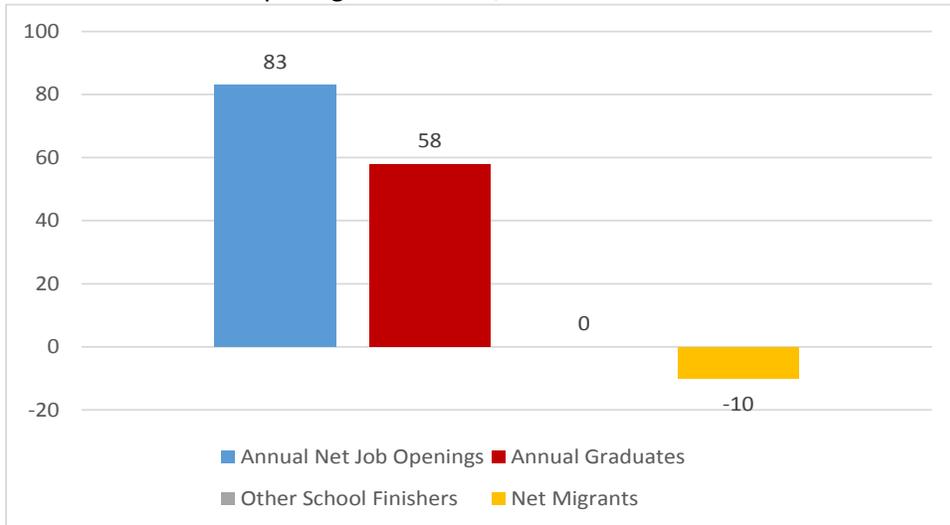
Figure 4A.2
Reasons Why It Was Difficult to Hire, Healthcare Practitioners and Technical Occupations



Source: Survey of Scottsbluff Area Businesses about Skill and Training Requirements

Figure 4A.3 examines the fundamental balance between net job openings and new entrants on an annual basis. Data on annual net job openings are based on estimates prepared by Labor Market Information of the Nebraska Department of Labor. Data on annual graduates from local community colleges and colleges are from the U.S. Department of Education, and summarized in the Department's IPEDS data base. Net migration figures are from the Bureau of Census. Results show annual net job openings exceed graduates.

Figure 4A.3
Ratio of Annual Net Openings to Entrants, Healthcare Practitioners and Technical Occupations

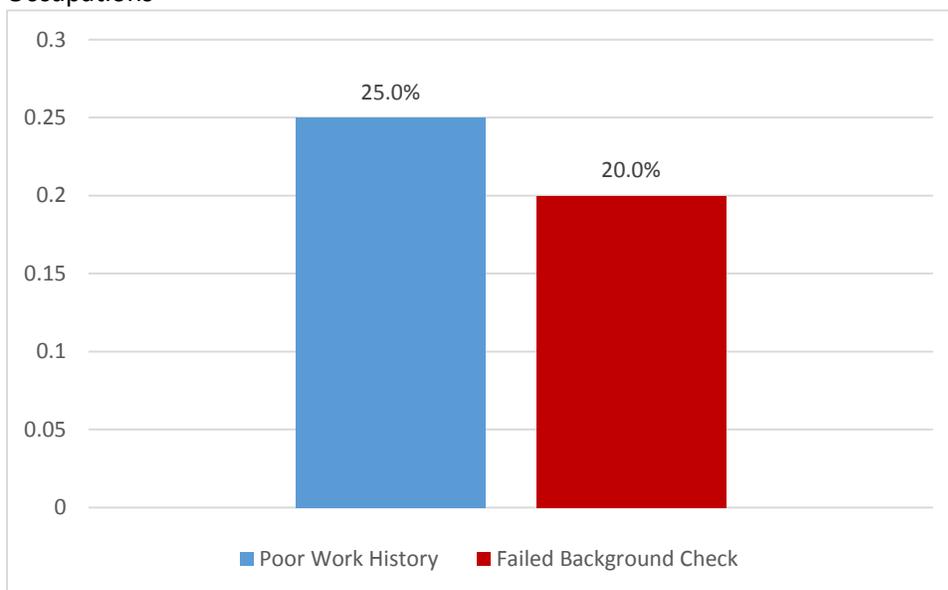


Source: Labor Market Information, Nebraska Department of Labor and IPEDS, U.S. Department of Education, and U.S. Bureau of Census

Comparing openings with graduates is just the first step in the underlying worker supply and demand analysis for an occupation. After all, young workers in particular are mobile and some young graduates are likely to move away. At the same time, some healthcare practitioners will move to the Scottsbluff area. As seen in Figure 4A.3, net migration is estimated to lead to an annual loss of 10 healthcare practitioners and technical workers.

Overall, annual openings for healthcare practitioners and technical workers exceed the annual supply of new workers. Employers will need to work around these gaps, perhaps curtailing aggregate job growth. The challenge may grow further if some healthcare workers have issues in their background, such as a poor work history, which make them difficult to hire. Such issues are examined in Figure 4A.4.

Figure 4A.4
Applicants with Background Factors That May Influence Hiring, Healthcare Practitioners and Technical Occupations



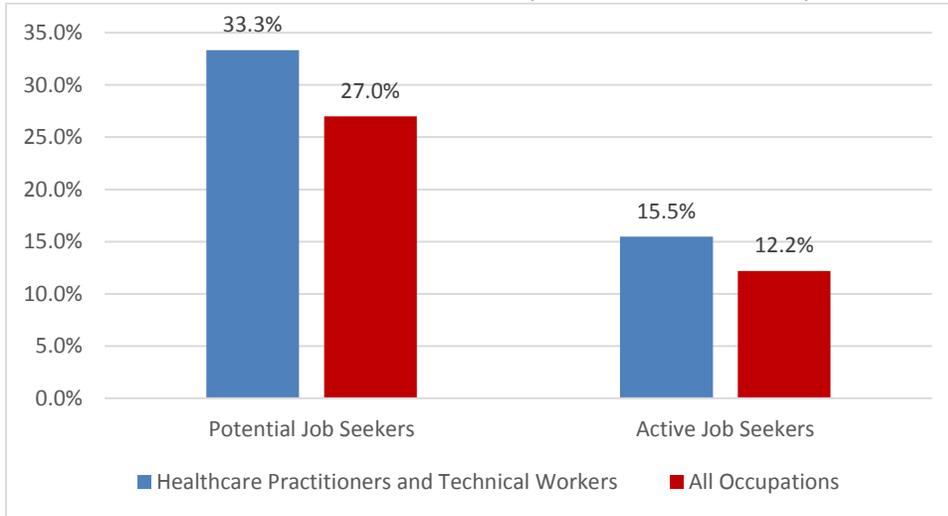
Source: *Survey of Scottsbluff Area Businesses about Skill and Training Requirements*

Figure 4A.4 shows the percentage of employers who indicate that issues in the background of applicants are a factor in making it difficult to hire healthcare practitioners and technical workers. These issues imply that some of the annual new workers in Table 4A.3 may not be strong candidates for employment over the long-run due to background issues such as poor work history. Background issues may make it difficult for workers to remain viable for the occupation throughout their career. One implication is that the number of viable workers entering this occupation each year may be less than the 48 reported in Table 4A.3. In particular, 25 percent of employers indicate that a poor work history makes it difficult to hire healthcare practitioners and technical workers, while 20 percent cite a failed background check. One caution, however, should be considered when evaluating this data. These shares of 25 percent and 20 percent apply to job applicants rather than job holders. The share of workers with a poor work history is likely lower among workers who remain with same employer for a long period.

Figure 4A.5 below looks at the extent to which employed healthcare practitioners and technical workers are willing to consider a change in employers, or are even actively seeking work. Such “churn” of workers is important for employers who need to fill positions with experienced employees who are a

good match for a business' specific needs. Results show that healthcare practitioners and technical workers are more likely to consider a new position and also are more likely to be actively seeking work.

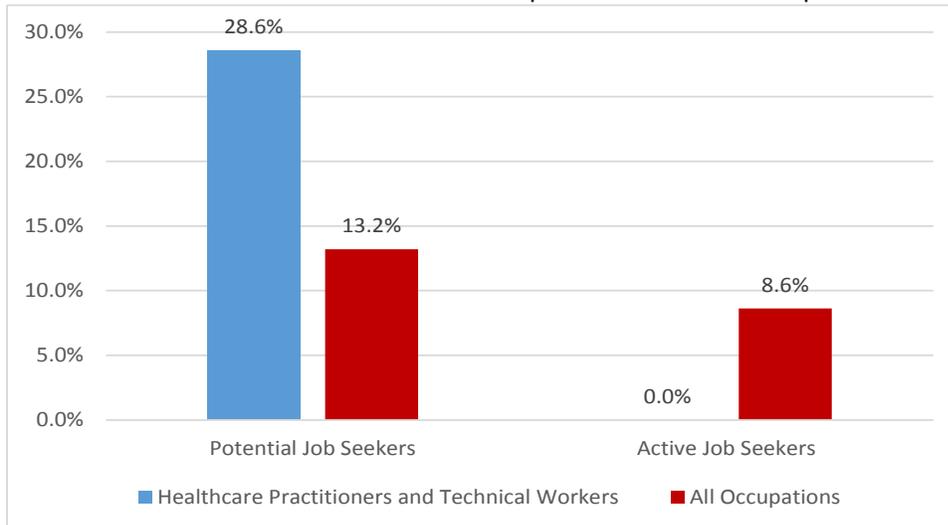
Figure 4A.5
Share of Employed Workers with Potential to Take or Actively Search For a New Job
Healthcare Practitioners and Technical Occupations versus All Occupations



Source: *Panhandle Labor Availability Survey*

Figure 4A.6 shows information for survey respondents who are not currently employed. This includes workers who are unemployed or voluntarily out of the labor force, such as homemakers or retirees. More than one quarter of workers who previously held a job in a healthcare practitioner and technical occupation would consider new employment. However, none of those surveyed were actively seeking new work.

Figure 4A.6
Share of Workers Not Currently Employed with Potential to Take or Actively Search For a New Job
Healthcare Practitioners and Technical Occupations versus All Occupations

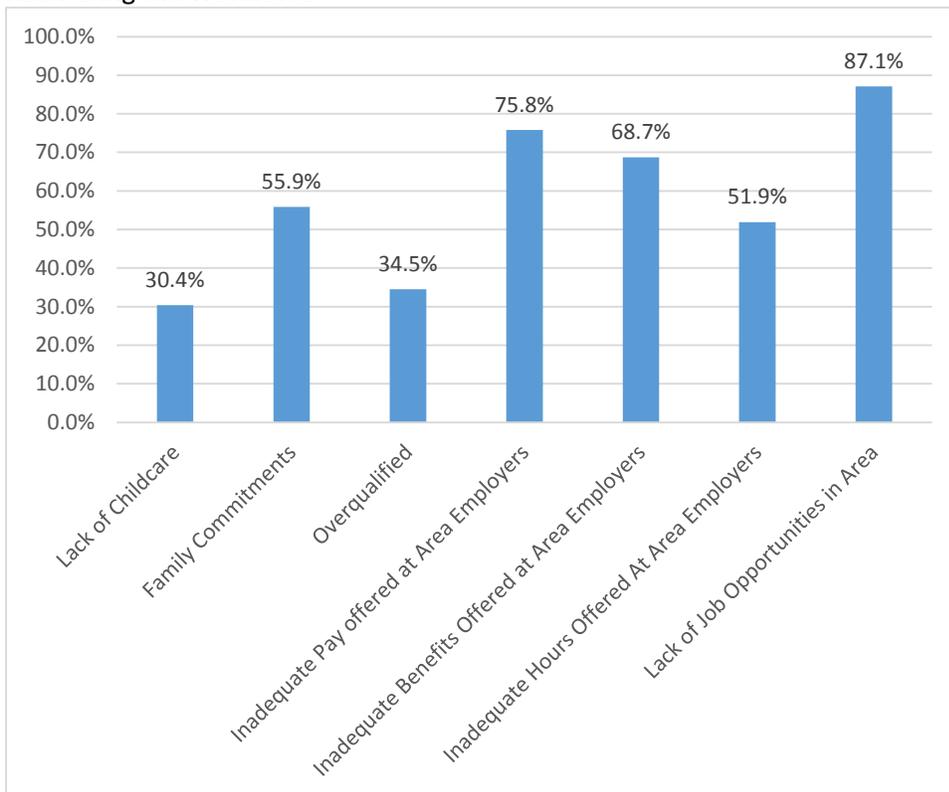


Source: *Panhandle Labor Availability Survey*

These results raise the question of what healthcare practitioners and technical workers are looking for in new employment. This information is presented in Figure 4A.7, which shows the most common obstacles mentioned by healthcare practitioners and technical workers when considering a change in job or whether to re-enter the workforce. The figure only lists those obstacles which are mentioned more than 20 percent of the time. Approximately 30 percent of workers mention a lack of childcare as an obstacle while 55.9 percent note family commitments. These findings indicate that family responsibilities are limiting the job mobility of some healthcare practitioners.

The quantity and quality of local employment opportunities also seems to be an issue. Just over 87 percent of healthcare practitioners indicate that a lack of job opportunities is an obstacle to changing jobs or reentering the labor force. In terms of the quality of jobs, 34.5 percent indicated that they are overqualified for available opportunities. Three-quarters of respondents report inadequate pay at local employers while 68.7 percent cite inadequate benefits. Just over half of healthcare practitioners indicated that local employers offer inadequate hours. While inadequate wages, benefits and hours are a concern, recall that evidence presented in Chapter 3 indicated that the wage expectations of healthcare practitioners and technical workers are below regional average hourly wages.

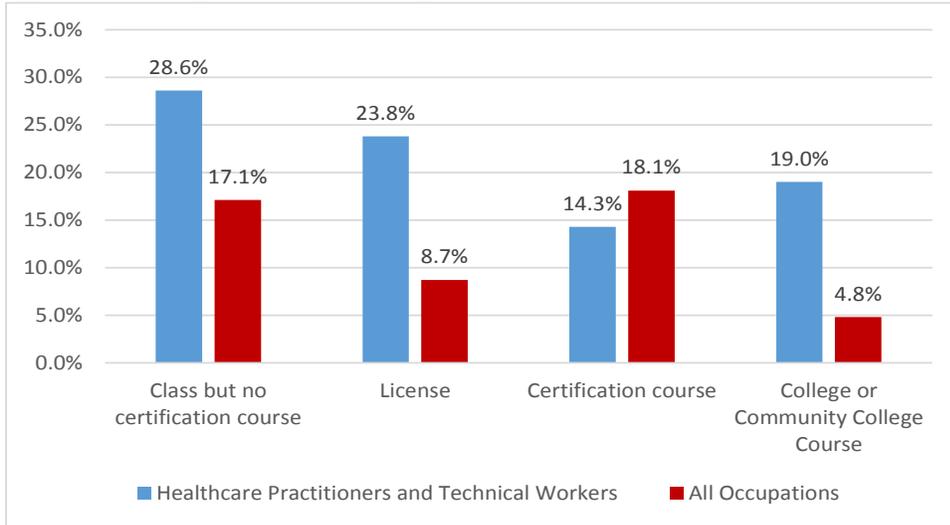
Figure 4A.7
Share of Healthcare Practitioners and Technical Workers Citing an Obstacle to Changing Jobs or Reentering the Workforce



Source: *Panhandle Labor Availability Survey*

As seen in Figure 4A.8, employers are willing to provide post-hire training to healthcare practitioners and technical workers, providing a higher share of classes and a much higher share of training for licenses and full college or community college courses. Employers therefore appear to provide the training and education that most potential job switchers seek.

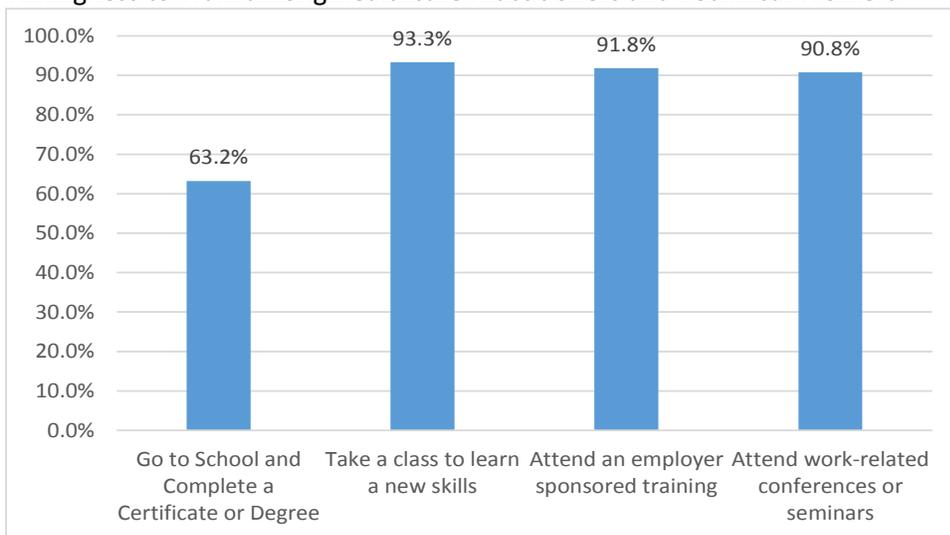
Figure 4A.8
Types of Training Provided to Newly Hired Healthcare Practitioners and Technical Workers



Source: *Survey of Scottsbluff Area Businesses about Skill and Training Requirements*

Nearly all healthcare practitioners and technical workers are willing to take steps to improve their employment situation, as seen in Figure 4A.9. Sixty-three percent indicate a willingness to go to school and complete a certificate or degree. Over 90 percent would take an individual class to learn new skills, attend an employer sponsored training or attend a work related conference or seminar.

Figure 4A.9
Willingness to Train among Healthcare Practitioners and Technical Workers



Source: *Panhandle Labor Availability Survey*

The overall picture is that there is an insufficient flow of new entrants into the healthcare practitioners and technical occupation. Outmigration compounds the problem. Further, family commitments, a lack of childcare options and inadequate wages and benefits also limited the mobility of workers and the ability to draw appropriate skilled individuals back into the workforce.

Like most micropolitan areas, the Scottsbluff area will face ongoing challenges in attracting and retaining physicians and other similar health care professionals. The Scottsbluff area, however, does have the potential to train and educate more students in health care fields which are offered at colleges, community colleges and other training facilities in the region. This leads to a set of recommendations:

- 1) There should be enhanced efforts to attract students into degree and certificate programs for healthcare practitioner and technical occupations. Local healthcare businesses can help with these efforts by expanding internship opportunities and other pathways to post-graduation employment.
- 2) Scottsbluff area healthcare businesses should expand efforts to target students studying in healthcare fields who have decided to attend college outside of the region.

These efforts should be concentrated in the two specific occupations with the most projected openings, according to the Nebraska Department of Labor. These occupations are:

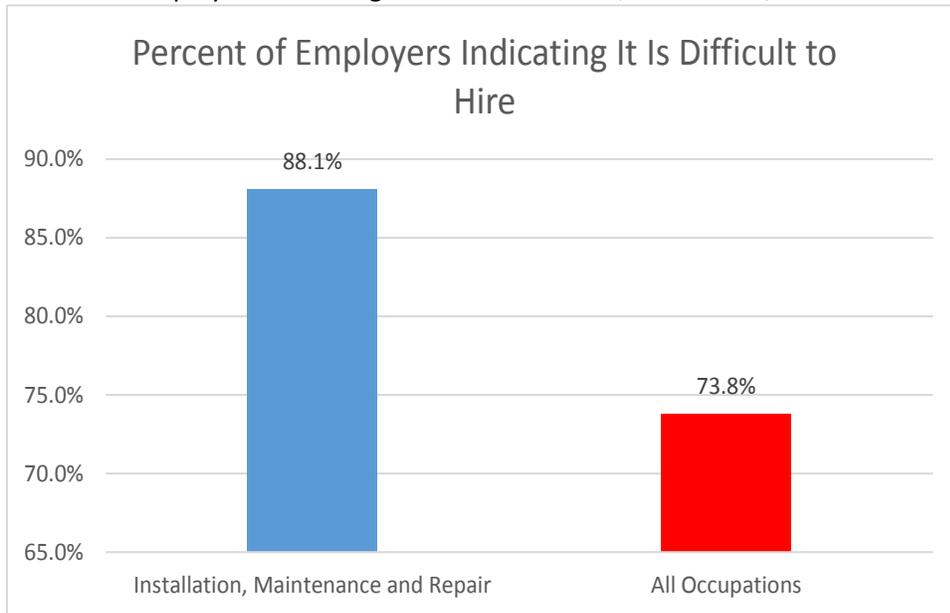
- 1) Registered Nurses (SOC Code 29-1141) – Provide and coordinate patient care, educate patients about health conditions and provide advice and emotional support to patients and their family members (U.S. Bureau of Labor Statistics)
- 2) Licensed Practical Nurses (SOC Code 29-2061) – Care for sick, injured, convalescent and disabled patients under the supervision of an registered nurse or a physician (U.S. Bureau of Labor Statistics)

B. Installation, Maintenance and Repair Occupations (SOC CODE 49)

This occupation contains workers in manufacturing, construction and services involved in the installation, maintenance, and repair of machines and equipment used in factories, buildings, and the home. Scottsbluff area employers were second most likely to report that it is difficult to hire workers in this occupation. As seen in Figure 4B.1 below, nearly nine in ten employers indicate that it is difficult to hire installation, maintenance and repair workers, compared to 73.8 percent for all occupations.

Figure 4B.1

Percent of Employers Indicating It is Difficult to Hire, Installation, Maintenance and Repair Occupations

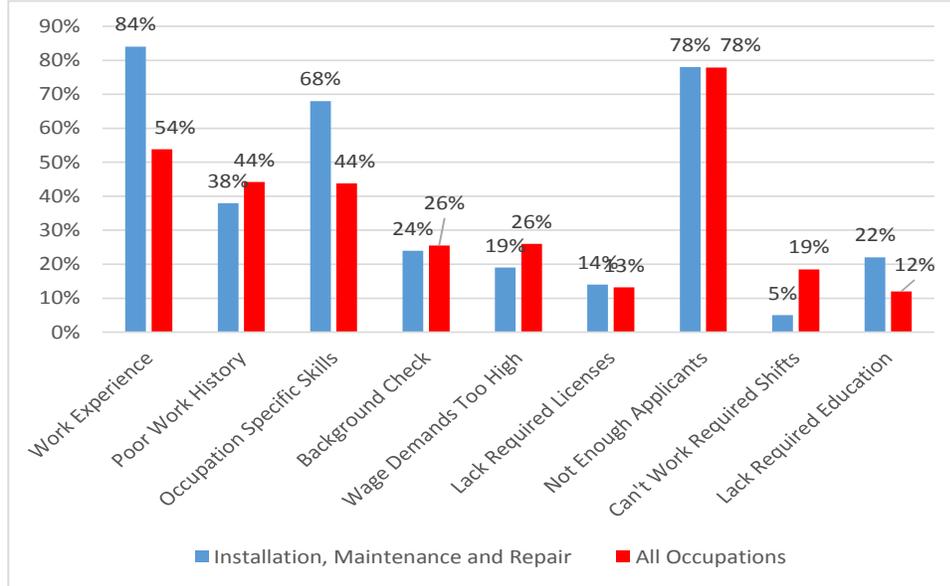


Source: *Survey of Scottsbluff Area Businesses about Skill and Training Requirements*

A lack of applicants, work experience, education and occupation specific skills are the primary reasons it is difficult to hire installation, maintenance and repair workers. Eighty-four percent of employers cite a lack of work experience, which is 30 percentage points above the average across all occupations. Similarly, sixty-eight percent of employers note that it is difficult to hire due to applicants lacking occupation-specific skills. This figure is 24 percentage points above the all occupation average. Twenty-two percent of employers cite a lack of education. Finally, as with most occupations, three of four employers note that it is difficult to hire simply due to a lack of applicants.

Some employers also note that it is difficult to hire due to applicants who have a poor work history or problems passing a background check. The percent of employers choosing these answers, however, is similar to the average across all occupations. These are a concern for employers hiring installation, maintenance and repair workers, but not an outsized concern.

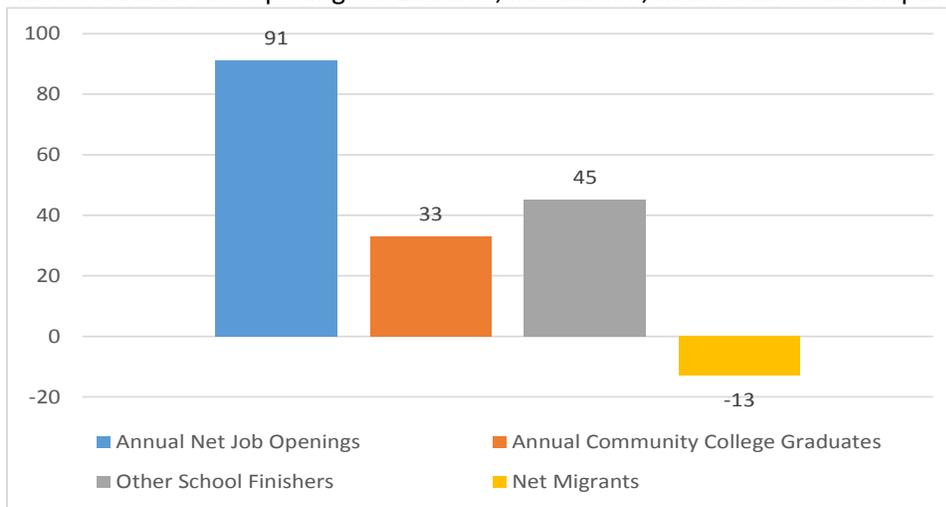
Figure 4B.2
Reasons Why It Was Difficult to Hire, Installation, Maintenance and Repair Occupations



Source: Survey of Scottsbluff Area Businesses about Skill and Training Requirements

Figure 4B.3 examines the fundamental balance between net job openings and entrants each year for installation, maintenance and repair workers. Data on annual net job openings are based on estimates prepared by Labor Market Information of the Nebraska Department of Labor. Data on annual college and community college graduates from the region are from the 2013-14 IPEDS data base of the U.S. Department of Education. Data on net migration by occupation are from the U.S. Census. Results show that the number of annual entrants to the occupation, after adjusting for net outmigration, is approximately 25 less than annual net openings.

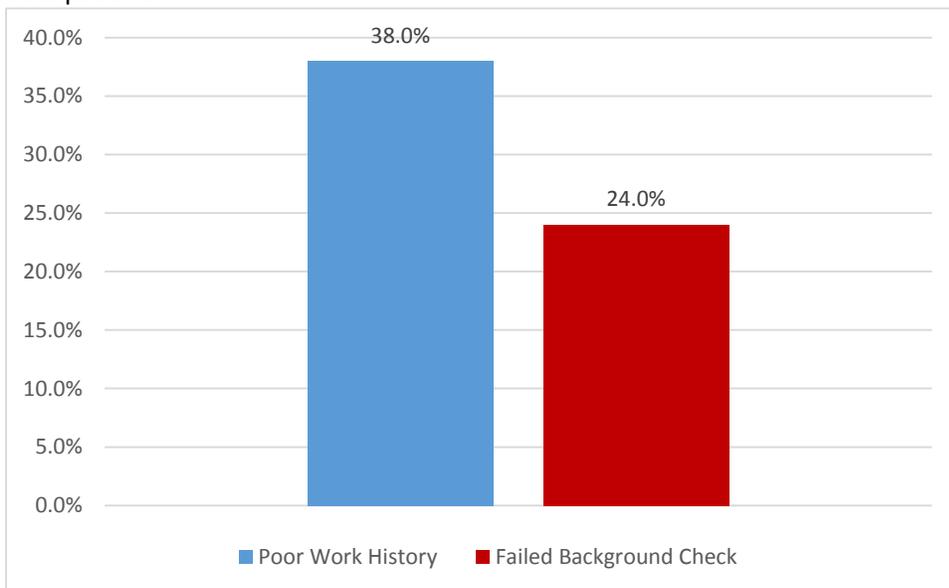
Figure 4B.3
Ratio of Annual Net Openings to Entrants, Installation, Maintenance and Repair Occupations



Source: Labor Market Information, Nebraska Department of Labor and IPEDS, U.S. Department of Education, and U.S. Bureau of Census

Concerns about the underlying supply and demand relationship are heightened after reviewing Figure 4B.4. The figure shows the percentage of employers who indicate that issues in the background of applicants are a factor in making it difficult to hire installation, maintenance and repair workers. In particular, 38 percent of employers indicate that applicants with a poor work history make it difficult to hire workers in the occupation, while 24 percent cite applicants who cannot pass a background check. These concerns imply that the number of viable workers entering this occupation each year is less than the figures reported in Table 4B.3. However, one caution should be considered when evaluating this data. These shares of 38 and 24 percent apply to job applicants rather than job holders. The share of workers with a poor work history is likely lower among workers who remain with same employer for an extended period.

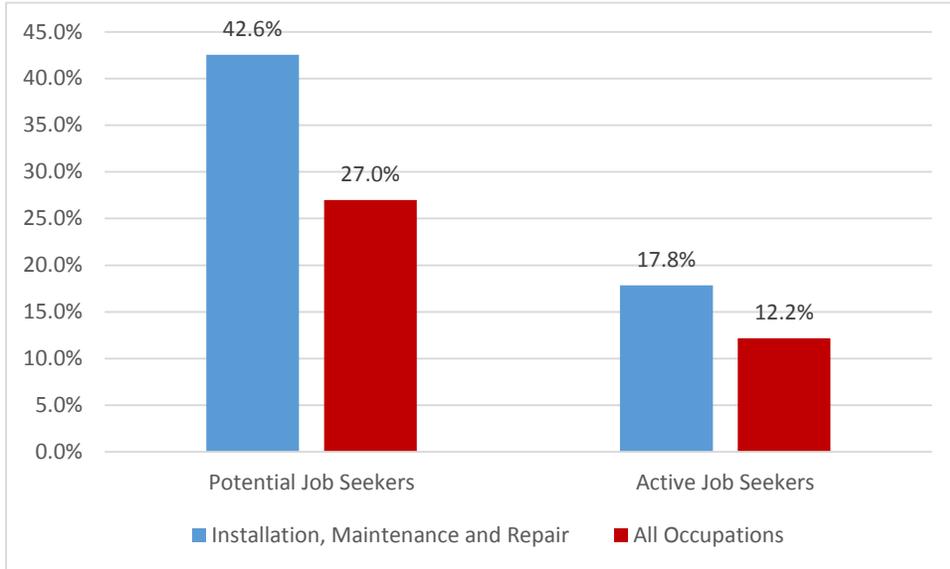
Figure 4B.4
Applicants with Background Factors That May Influence Hiring, Installation, Maintenance and Repair Occupations



Source: *Survey of Scottsbluff Area Businesses about Skill and Training Requirements*

Figure 4C.5 looks at the extent to which employed workers in installation, maintenance and repair occupations are willing to consider a change in employers, or are actively seeking work. The figure also compares these shares with the average for all occupations. Employed workers in installation, maintenance and repair occupations are much more likely to be actively seeking new work. Such “churn” of workers is helpful for the labor market. Employers who need to fill positions with experienced employees are more likely to find a good match for a business’ specific needs. Experienced employees are more likely to find a job which fully utilizes their skills.

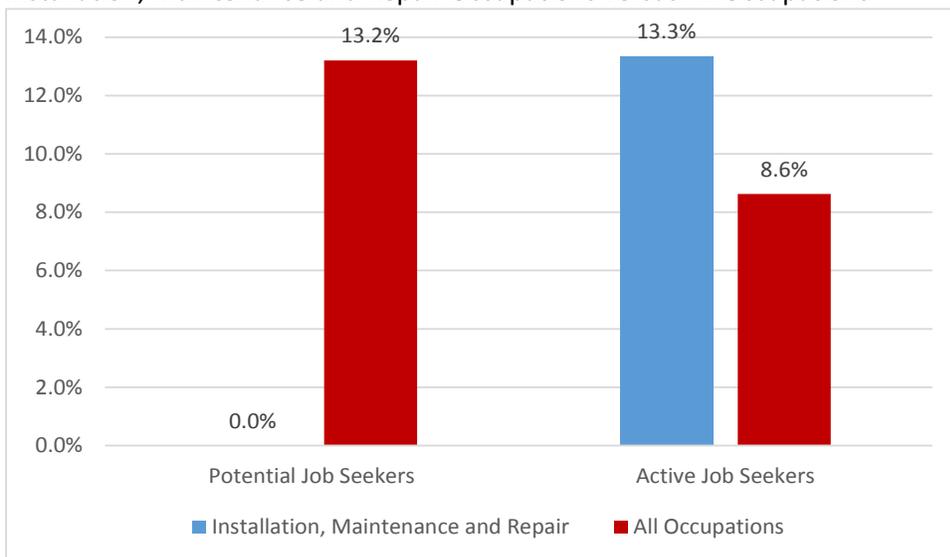
Figure 4B.5
Share of Employed Workers with Potential to Take or Actively Search For a New Job
Installation, Maintenance and Repair Occupations versus All Occupations



Source: *Panhandle Labor Availability Survey*

Figure 4B.6 shows information for survey respondents who are not currently employed. This includes whether they are unemployed or voluntarily out of the labor force, such as homemakers or retirees. Approximately thirteen percent of these individuals are actively seeking to return to the labor force. However, others plan to remain out of the workforce, even if a suitable job was presented to them. This latter results shows there is only limited potential to draw installation, maintenance and repair workers back into the labor force.

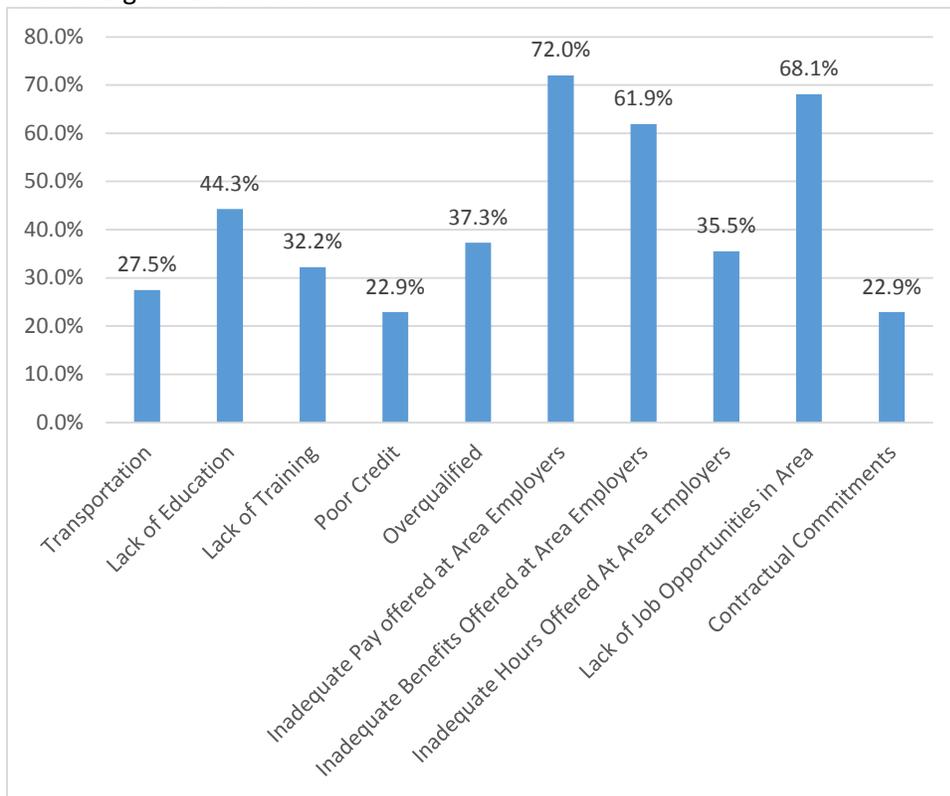
Figure 4B.6
Share of Workers Not Currently Employed with Potential to Take or Actively Search For a New Job
Installation, Maintenance and Repair Occupations versus All Occupations



Source: *Panhandle Labor Availability Survey*

What is keeping these individuals out of the workforce, or keeping these workers in the same job? Some insights are presented in Figure 4B.7, which shows the most common obstacles to seeking a new job mentioned by installation, maintenance and repair workers. The figure only lists those obstacles which are mentioned more than 20 percent of the time. Approximately 44 percent of workers mention a lack of education as an obstacle while 32.2 percent mention a lack of training. Transportation is an obstacle for 27.5 percent of workers while contractual commitments hamper 22.9 percent of workers and 22.9 percent mention a poor credit history. But, the most common obstacle is a lack of job opportunities. Nearly 70 percent of workers indicate there is a lack of job opportunities in the area. There also are concerns about the quality of jobs, with 37.3 percent reporting that they are overqualified for available positions. Seventy-two percent report inadequate benefits at available jobs and 61.9 percent inadequate benefits. Just over a third of workers report that jobs provide inadequate hours.

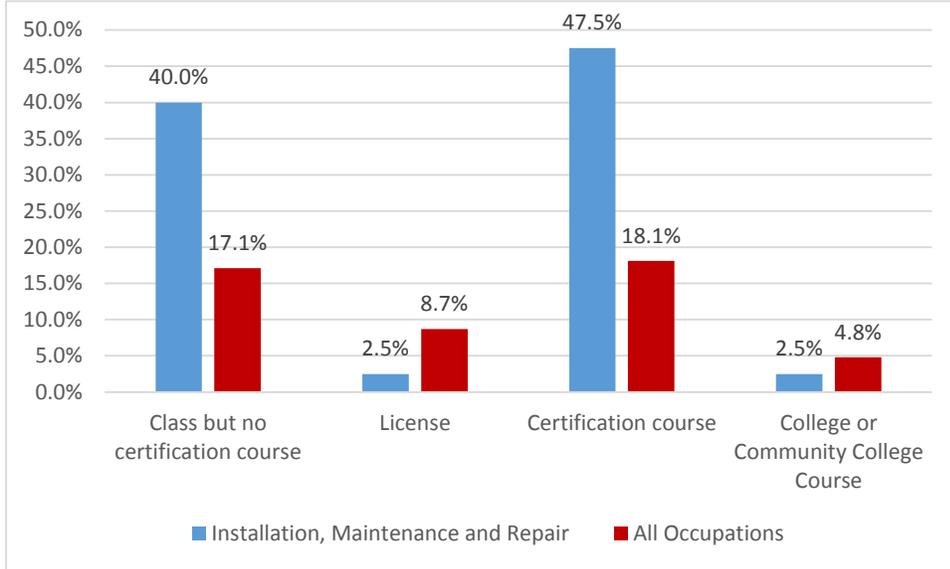
Figure 4B.7
Share of Installation, Maintenance and Repair Workers Citing an Obstacle to Changing Jobs or Reentering the Workforce



Source: *Panhandle Labor Availability Survey*

As seen in Figure 4B.8, employers are willing to provide training to installation, maintenance and repair workers. A high share of employers are willing to provide individual classes or certification programs. Employers, therefore, appear to provide the post-hire training and education that most potential job switchers seek.

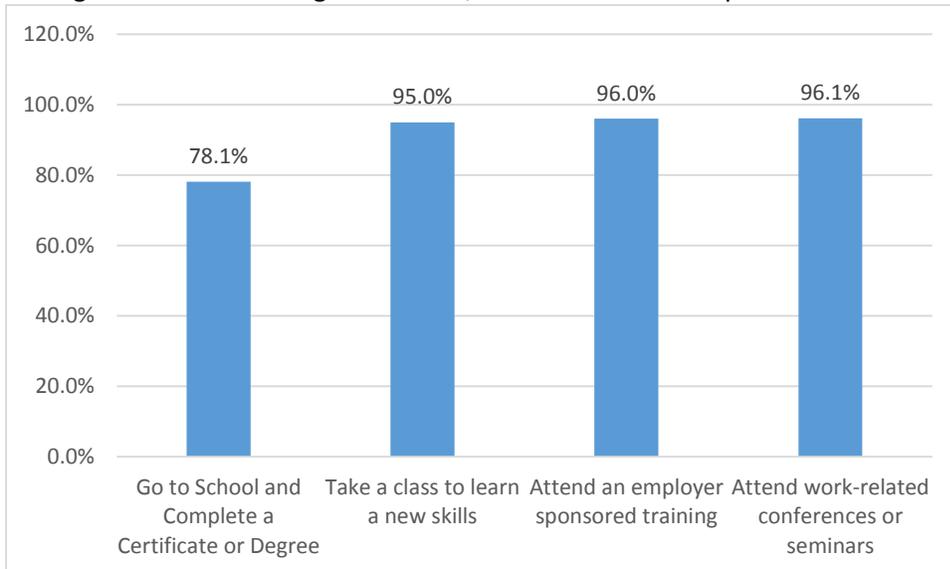
Figure 4B.8
Types of Training Provided to Newly Hired Installation, Maintenance and Repair Workers



Source: *Survey of Scottsbluff Area Businesses about Skill and Training Requirements*

Nearly all potential job switchers in the installation, maintenance and repair occupations also are willing to take a class to learn new skills, to participate in employer-sponsored training or attend a work-related conference or seminar, as seen in Figure 4B.9. Seventy-eight percent even indicate a willingness to go to school to complete a certificate or degree program. Installation, maintenance and repair workers are enthusiastic about education and training opportunities.

Figure 4B.9
Willingness to Train among Installation, Maintenance and Repair Workers



Source: *Panhandle Labor Availability Survey*

The overall picture is that there is a net deficit of new workers entering the installation, maintenance and repair occupations each year. Further, while there is a strong “churn” of experienced workers into new job opportunities, there is also only limited potential to draw individuals with experience back into the workforce. Further, installation, maintenance and repair is one of just two occupations where a gap between desired and actual wages is contributing to the skills gap. This wage gap will be difficult to close without an adjustment in the expectations of employers, workers or both.

Regardless of trends in wages, there is a need to fill the annual gap between openings and entrants into the installation, maintenance and repair occupation. There are four specific recommendations:

- 1) There should be a selected expansion of certificate and degree programs for installation, maintenance and repair workers, in the most in-demand specific occupations (see below)
- 2) There should be expanded internship programs and incentives for firms to hire new workers in these in-demand occupations, in order to address firms concerns with inexperienced workers
- 3) Firms should provide training programs to identify experienced, existing workers they are willing to train for in-demand installation, maintenance, and repair occupations.
- 4) There should be ongoing and enhanced efforts in the secondary education setting to inform students about career opportunities in installation, maintenance and repair occupations, coordinating directly with employers when feasible.

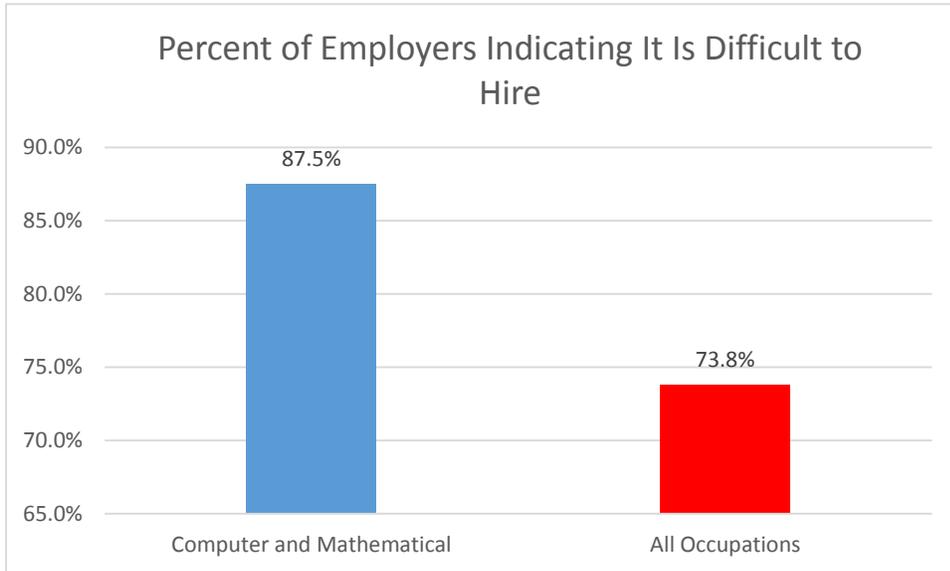
Training programs should be concentrated in the two specific occupations with a need for certificate and degree programs and the most projected openings, according to the Nebraska Department of Labor. These occupations are:

- 1) Industrial Machinery Mechanics (SOC Code 49-9041) - Repair, install, adjust, or maintain industrial production and processing machinery (U.S. Bureau of Labor Statistics)
- 2) Maintenance and Repair Workers, General (SOC Code 49-9071) - Perform work involving the skills of two or more maintenance or craft occupations to keep machines, mechanical equipment, or the structure of an establishment working (U.S. Bureau of Labor Statistics)

C. Computer and Mathematical Workers (SOC CODE 15)

This occupation group contains computer and information research scientists and information analysts, software developers and programmers, data base and systems administrators, and network architects as well as actuaries, mathematicians and statisticians. Scottsbluff area employers were third most likely to say it is difficult to hire workers in this occupation. As seen in Figure 4BC1 below, nearly nine in ten employers indicate that it is difficult to hire workers in this occupation, compared to 73.8 percent for all occupations.

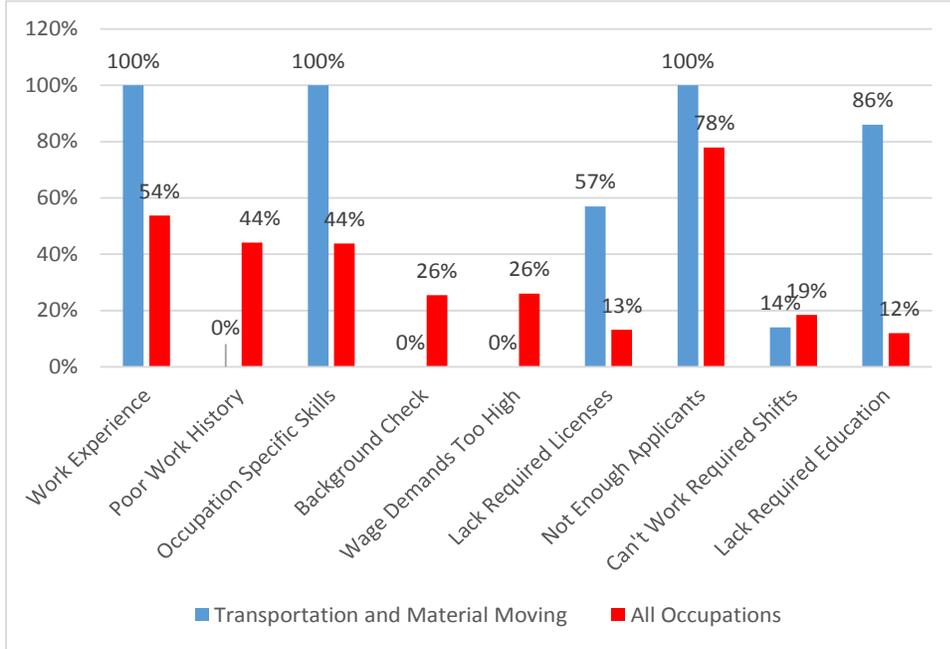
Figure 4C.1
Percent of Employers Indicating it is Difficult to Hire, Computer and Mathematical Occupations



Source: *Survey of Scottsbluff Area Businesses about Skill and Training Requirements*

Table 4C.2 displays responses by Scottsbluff employers on why it was difficult to hire computer and mathematical workers. The issues appear to be skill, experience and a general lack of applicants. All employers report that there is a lack of applicants with another 14 percent indicating that applicants cannot work required shifts. One hundred percent of employers report that applicants lacked work experience. All employers also indicate that applicants lacked occupation specific skill with 86 percent adding that applicants lack the required education. All of these percentages are well above the average across all occupations. At the same time, there are no issues with worker background. No employers reported that applicants for computer and mathematical jobs have a poor worker history or difficulty passing a background check. Wage demands also are not an issue.

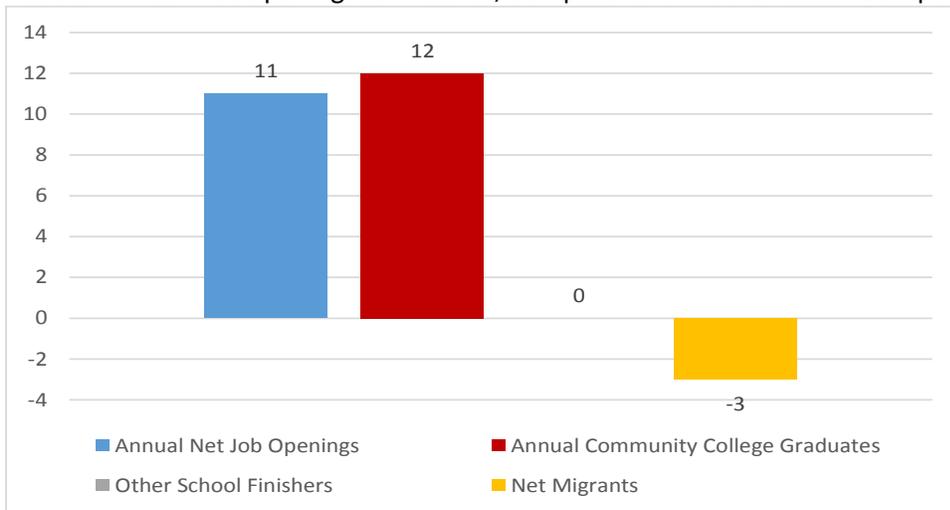
Figure 4C.2
Reasons Why It Was Difficult to Hire, Computer and Mathematical Occupations



Source: Survey of Scottsbluff Area Businesses about Skill and Training Requirements

Figure 4C.3 examines the fundamental balance between annual net job openings and new entrants into computer and mathematical occupations. Data on annual job openings are based on estimates prepared by Labor Market Information of the Nebraska Department of Labor. Data on annual college and community college graduates are from the 2013-14 IPEDS database of the U.S. Department of Education. Data on net migration are from the U.S. Bureau of Census.

Figure 4C.3
Ratio of Annual Net Openings to Entrants, Computer and Mathematical Occupations



Source: Labor Market Information, Nebraska Department of Labor and IPEDS, U.S. Department of Education, and U.S. Bureau of Census

Results show that annual entrants to this occupation are roughly equal to annual openings. The number of college and community college graduates, in fact, is sufficient to meet annual openings. A small annual deficit is generated due to outmigration.

Another positive is that graduates in this occupation do not appear to develop problems with poor work history or background checks. This is seen in Figure 4C.4, no employers report either issue. This implies that graduates in the field will be able to remain in computer and mathematical work throughout their career. This is more evidence that the annual flows into and out of the occupation are roughly in balance in the Scottsbluff area, with only a small annual deficit of 2 workers.

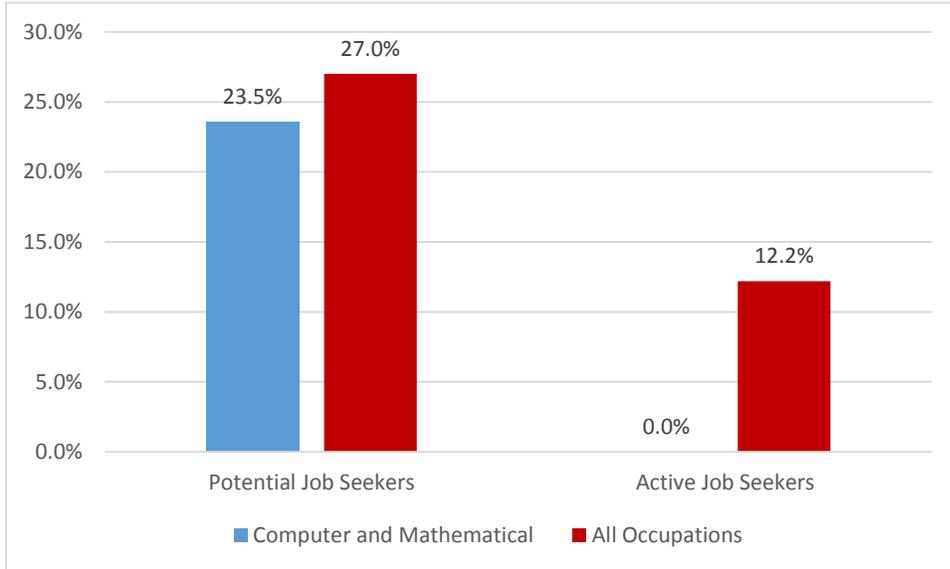
Figure 4C.4
Applicants with Background Factors That May Influence Hiring, Computer and Mathematical Occupations



Source: *Survey of Scottsbluff Area Businesses about Skill and Training Requirements*

Comparing openings with graduates is just the first step in the underlying supply-demand analysis for an occupation. There is also a need to consider the supply of experienced workers. Figure 4C.5 below looks at the extent to which employed workers in computer and mathematical occupations are willing to consider a change in employers, or are even actively seek new work. The figure also compares these shares of workers with the average for all occupations. Employed workers in the computer and mathematical occupation are less will to consider a new job if one were available and no workers reported that they were actively seeking work. There is therefore limited “churn” among experienced workers in computer and mathematical occupations. This makes it difficult for employers to find experienced workers.

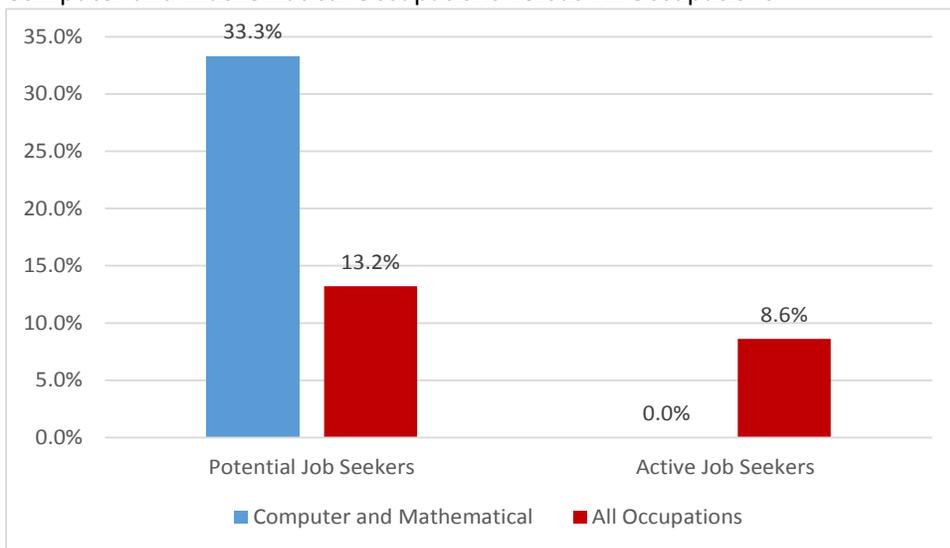
Figure 4C.5
Share of Employed Workers with Potential to Take or Actively Search For a New Job
Computer and Mathematical Occupations versus All Occupations



Source: *Panhandle Labor Availability Survey*

Figure 4C.6 shows information for survey respondents who are not currently employed. This includes whether they are unemployed or voluntarily out of the labor force, such as homemakers or retirees. There are no active job seekers among the surveyed households, although there are unemployed, retired or homemakers in this occupation who would consider a position if it were available. With no individuals actively seeking work, it appears that there is limited opportunity to draw additional computer and mathematical workers into the labor force in the Scottsbluff area.

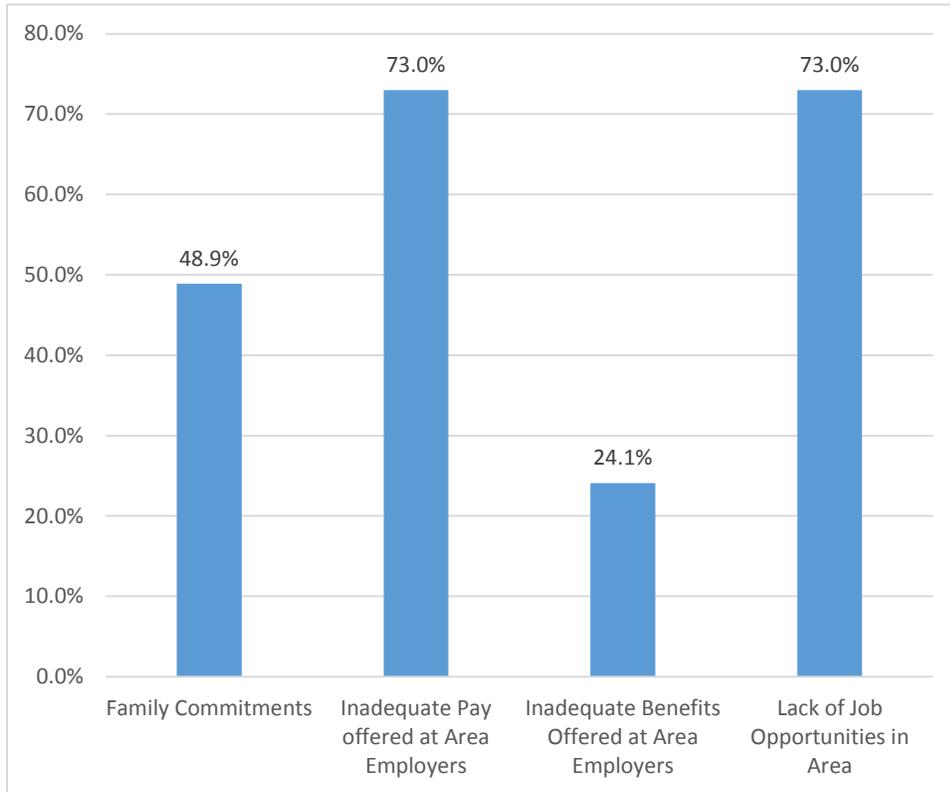
Figure 4C.6
Share of Workers Note Currently Employed with Potential to Take or Actively Search for a New Job
Computer and Mathematical Occupations versus All Occupations



Source: *Panhandle Labor Availability Survey*

More generally, this raises the question of what computer and mathematical workers are looking for in new employment. This information is presented in Figure 4C.7, which shows the most common obstacles mentioned by computer and mathematical workers when considering a change in job or reentering the workforce.

Figure 4C.7
Share of Computer and Mathematical Workers Citing an Obstacle to Changing Jobs or Reentering the Workforce

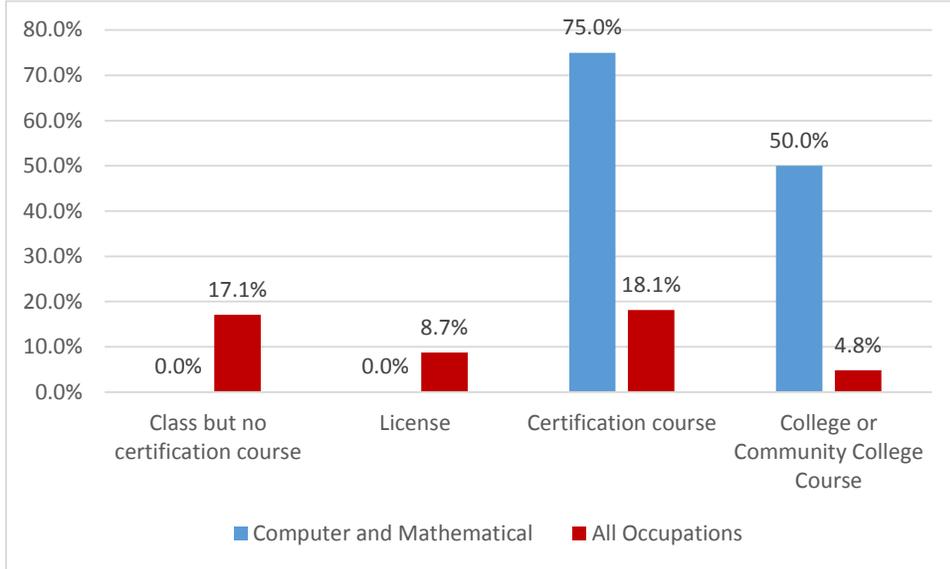


Source: *Panhandle Labor Availability Survey*

The figure only lists those obstacles which are mentioned more than 20 percent of the time. The primary issues are family commitments and a lack of adequate job opportunities. Nearly one-half of workers indicate that family commitments are an obstacle to seeking new employment. This may reflect an inability to change work hours or an inability to move. Nearly three in four workers cite a lack of job opportunities in the Scottsbluff area. A similar percentage note inadequate pay among the positions which are available although only one in four are concerned about inadequate benefits. Interestingly, individuals in computer and mathematical occupations do not perceive the issues of a lack of skill or education which are mentioned by employers.

Employers prefer to provide more extensive training opportunities to new workers in computer and mathematical occupations, as seen in Figure 4C.8. Employers do not provide individual classes and training to obtain a license. However, three quarters of employers provide full certification courses for new employees and 50 percent provide opportunities to take complete college or community college courses.

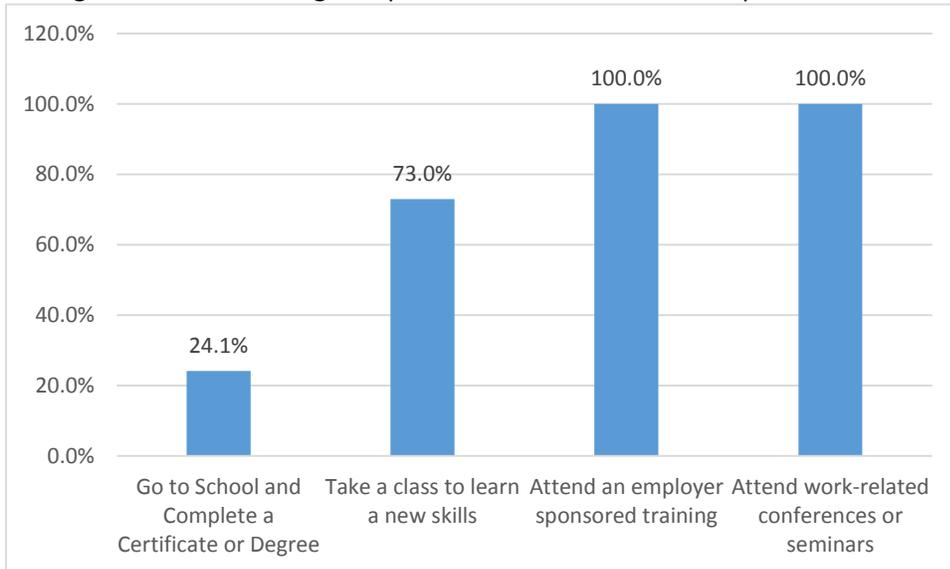
Figure 4C.8
Types of Training Provided to Newly Hired Computer and Mathematical Workers



Source: *Survey of Scottsbluff Area Businesses about Skill and Training Requirements*

Computer and mathematical workers also show an interest in education and training to improve their job situation. While only one-quarter are interested in schooling to complete a certificate or degree, nearly three-quarters are willing to take a class to learn a new skill. This is consistent with employer preferences for training new workers, as reported in Figure 4B.8. All computer and mathematical workers reported a willingness to attend employer sponsored training or to attend work-related conferences or seminars.

Figure 4B.9
Willingness to Train among Computer and Mathematical Occupations



Source: *Panhandle Labor Availability Survey*

The overall picture is that there is only a modest deficit of new workers entering the computer and mathematical occupation each year due to net outmigration. Employers also report that workers have a good work history and no difficulties with background checks. Nonetheless, a large share of Scottsbluff area employers still report that it is difficult to hire computer and mathematical workers. This may be because workers are being trained in skills which are not a good match for local employers. Recall that employers reported that applicants often lack experience, education, and occupation-specific skills. Employers also may be having trouble finding experienced workers. Results of the household survey indicated that there is weak “churn” of experienced computer and mathematical workers into new job opportunities.

To begin to address this situation, there is a need to modestly expand the number of students who are preparing for computer and mathematical occupations at regional colleges and community colleges. After all, it is better to have a modest surplus of annual entrants to the field than an annual deficit, especially given net outmigration from the region. There is also a need to better match student learning with the needs of employers.

This leads to specific recommendations:

- 1) There should be an expanded business internship program for students in computer and mathematical fields, in order to improve the match between student learning and employer skill needs.
- 2) There should be a continued push to encourage students to pursue a career in computer and mathematical occupations. There should be additional efforts to inform primary and secondary school students about career opportunities in computer and mathematical occupations, and if necessary, and expansion of courses and degree programs at the secondary and post-secondary level.
- 3) There should be an effort to attract or retain more graduates in the computer and mathematical operations occupation through the use of business internship programs for college or community college students, such as the Intern Nebraska program.

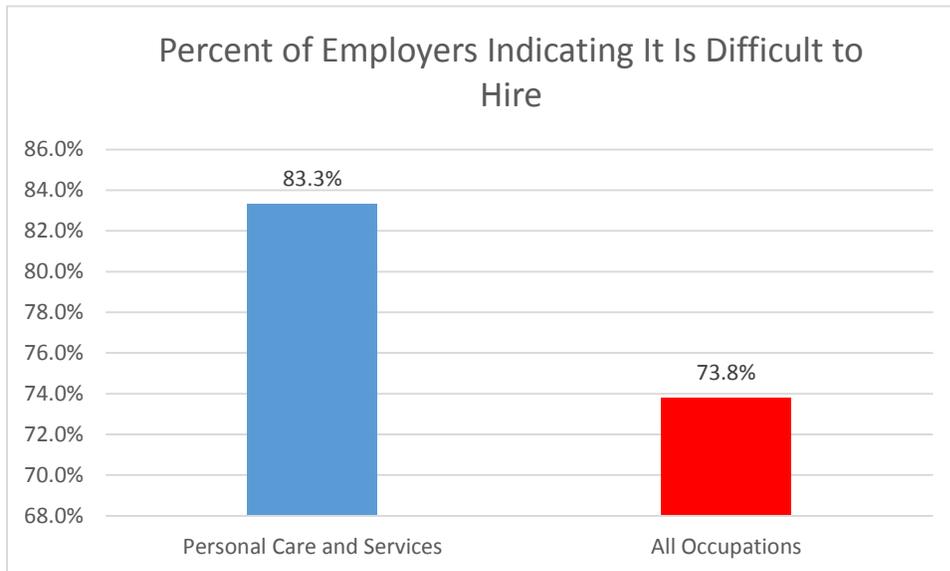
Programs and training should be expanded across the broad group of specific computer occupations. The specific occupations, and an accompanying description of their duties, are:

- 1) Computer Systems Analysts (SOC CODE 15-1121) - study an organization’s current computer systems and procedures and design information systems solutions to help the organization operate more efficiently and effectively (U.S. Bureau of Labor Statistics)
- 2) Computer Programmers and Software Developers (SOC Code 15-1131, 15-1132, 15-1133) - develop the applications that allow people to do specific tasks on a computer or other devices and write the code to implement the software design. (U.S. Bureau of Labor Statistics)
- 3) Network and Computer Systems Administrators (SOC Code 15-1142) – work with the physical computer networks of organizations with responsibility for the day-to-day operation of these networks (U.S. Bureau of Labor Statistics)
- 4) Computer User Support Specialists (SOC CODES 15-1151) - provide help and advice to people and organizations using computer software or equipment (U.S. Bureau of Labor Statistics)

D. Personal Care and Services (SOC CODE 39)

This occupation contains workers who provide services to individuals including at nursing home and day care facilities. Scottsbluff employers were fourth most likely to say that it is difficult to hire workers in this occupation. As seen in Figure 4D.1 below, eighty-three percent of employers indicate that it is difficult to hire workers in the personal care and services occupation, compared to 73.8 percent for all occupations.

Figure 4D.1
Percent of Employers Indicating it is Difficult to Hire, Personal Care and Services Occupations

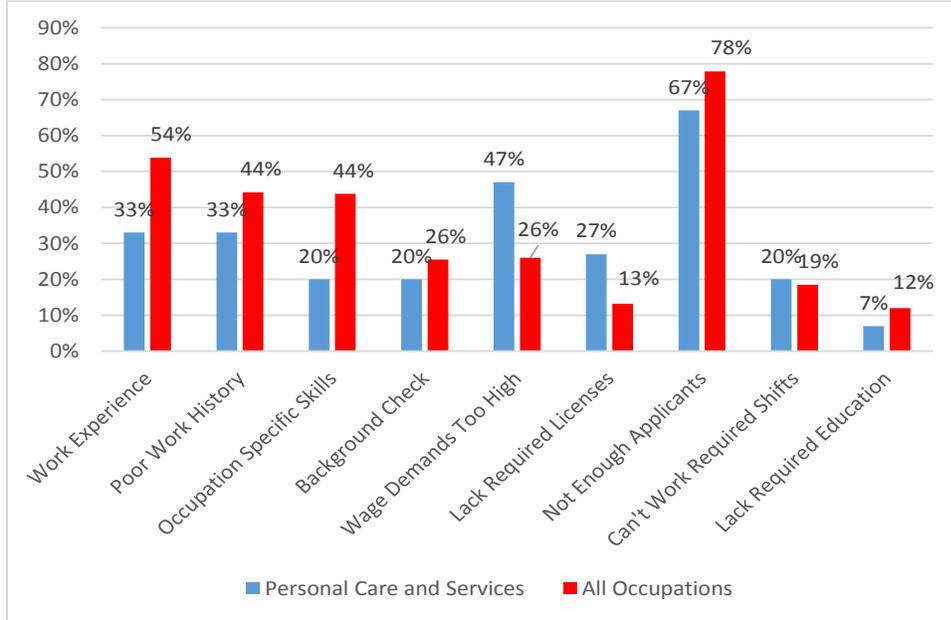


Source: *Survey of Scottsbluff Area Businesses about Skill and Training Requirements*

Table 4D.2 displays responses by Scottsbluff employers on why it is difficult to hire personal care and services workers. Generally speaking, there are relatively few specific barriers to hiring workers in these occupations. Compared to all occupations, relatively few employers report that a lack of experience or occupation-specific skills make it difficult to hire personal care and services workers. Similarly, a smaller share of employers report that applicants have a poor work history or difficulty passing a background check. Two-thirds of employers did report that there are not enough applicants for personal care and services jobs, but this is below the average for all occupations.

The primary problem appears to be the wage demands of applicants. Forty-seven percent of employers report that applicants have wage demands which are “too high.” This result is 21 percentage points higher than the average across all occupations. Further, this finding is supported by analysis in Chapter 3, which found that the desired wages of personal care and services workers exceed prevailing wages for the occupation in the region. Another issues making it more difficult to hire is that some applicants do not have required licenses. This challenge is reported by 27 percent of employers hiring personal care and services workers versus 13 percent across all occupations.

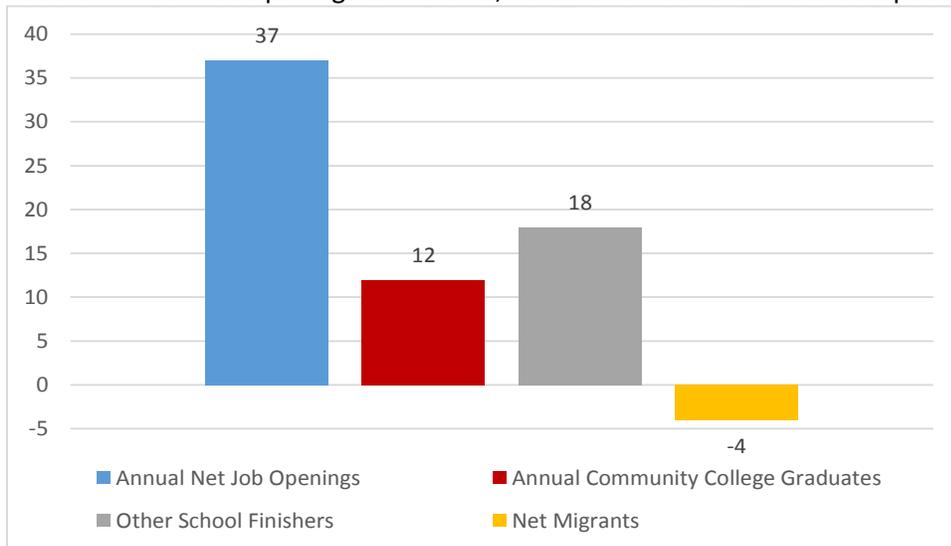
Figure 4D.2
Reasons Why It Was Difficult to Hire, Personal Care and Services Occupations



Source: Survey of Scottsbluff Area Businesses about Skill and Training Requirements

Figure 4D.3 examines the fundamental balance between annual net job openings and entrants for personal care and services workers. Data on annual net job openings are based on estimates prepared by Labor Market Information of the Nebraska Department of Labor. Data on annual graduates from area colleges and community colleges are from 2013-14 IPEDS reports from the U.S. Department of Education. Results show that annual entrants are about two-third of annual openings, after adjusting for net outmigration.

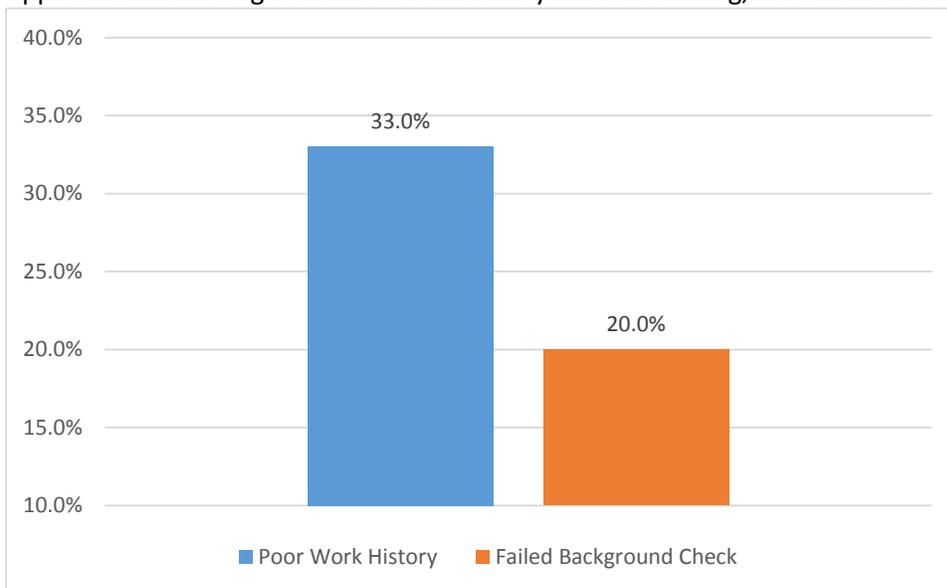
Figure 4D.3
Ratio of Annual Net Openings to Entrants, Personal Care and Services Occupations



Source: Labor Market Information, Nebraska Department of Labor and IPEDS, U.S. Department of Education, and U.S. Bureau of Census

Further, concern about the underlying supply and demand relationship is somewhat heightened after reviewing Figure 4D.4. Figure 4D.4 shows the percentage of employers who indicate that the background of applicants is a factor in making it difficult to hire. One-third of employers report applicants with a poor work history make it difficult to hire while one-fifth report that applicants have difficulty passing a background check. While these percentages are lower than for occupations overall, results do suggest that a portion of annual entrants in the personal care and services occupation may develop a work history or other issues which make them difficult to employ. As a result, the deficit between annual openings and entrants may be a bit larger than presented in Figure 4D.3, although it is important to remember that the shares in Figure 4D.4 refer to applicants rather than job holders. The share of workers with a poor work history is likely lower among workers who remain with same employer for an extended period.

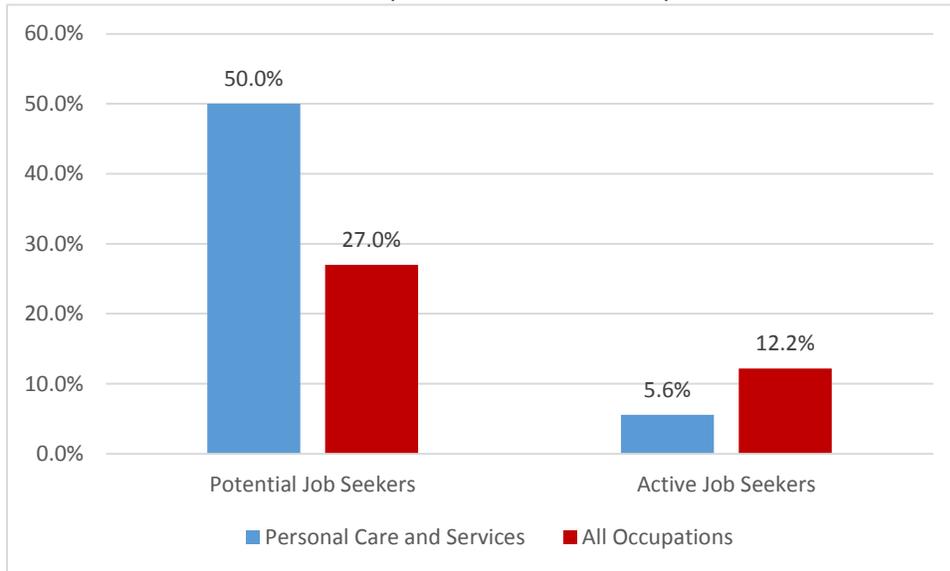
Figure 4D.4
Applicants with Background Factors That May Influence Hiring, Personal Care and Services Occupations



Source: *Survey of Scottsbluff Area Businesses about Skill and Training Requirements*

Comparing openings with graduates is just the first step in the underlying supply-demand analysis for an occupation. There is also a need to consider the supply and demand for experienced workers, as noted by employers. Figure 4D.5 looks at the extent to which employed workers in personal care and services occupations are willing to consider a change in employers, or are even actively seeking work. The figure also compares these shares of workers with the average for all occupations. Employed workers in the personal care and services occupation are only half as likely to actively seeking new work as workers across all occupations. A larger share of personal care and services workers, however, have a potential interest in a new position if they became aware of the opportunity. Overall, results in Figure 4D.5 suggest that there is only moderate “churn” occurring among experienced workers in the occupation.

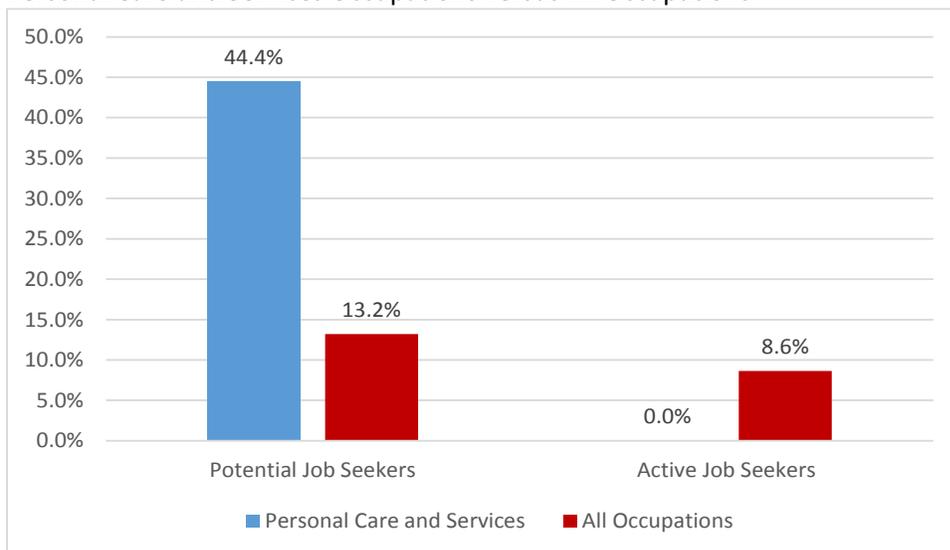
Figure 4D.5
Share of Employed Workers with Potential to Take or Actively Search For a New Job
Personal Care and Services Occupations versus All Occupations



Source: *Panhandle Labor Availability Survey*

Figure 4D.6 shows information for survey respondents who are not currently employed. This includes whether they are unemployed or voluntarily out of the labor force, such as homemakers or retirees. No workers who previously held a job in the personal care and services occupation are actively seeking new employment. However, once again, a significant share of potential workers would have an interest in a new job of a suitable position became available. Overall, there appears to be modest potential to draw former personal care and services workers back into the labor force.

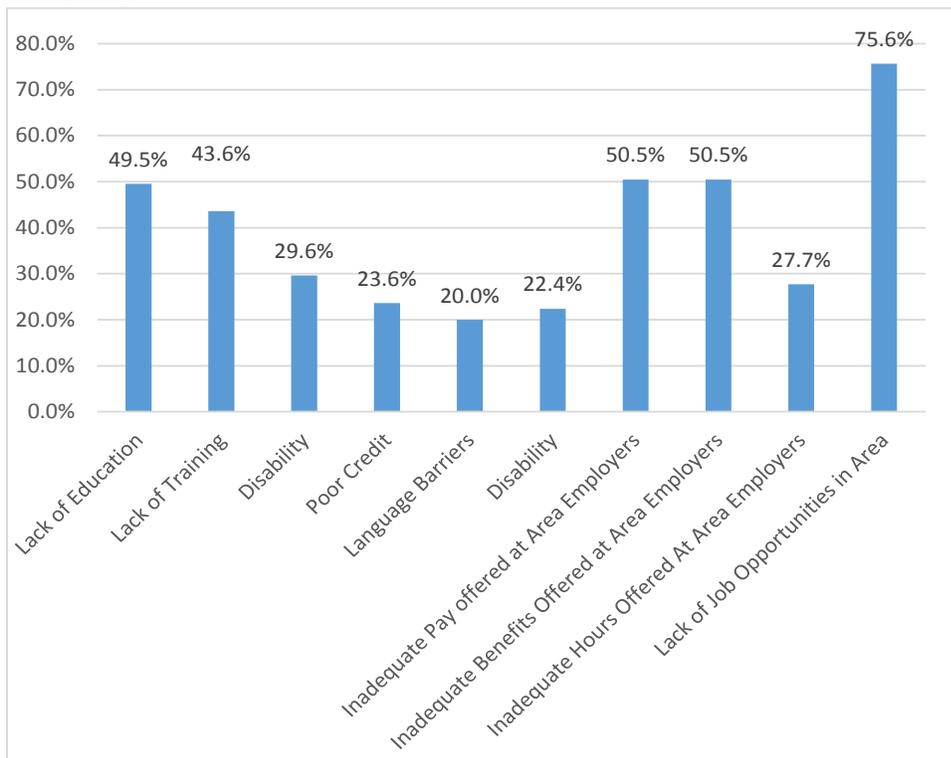
Figure 4D.6
Share of Workers Note Currently Employed with Potential to Take or Actively Search for a New Job
Personal Care and Services Occupations versus All Occupations



Source: *Panhandle Labor Availability Survey*

More generally, this raises the question of what personal care and services workers are looking for in new employment. This information is presented in Figure 4D.7, which shows the most common obstacles mentioned by personal care and service workers when considering a change in job or reentering the workforce. The figure only lists those obstacles which are mentioned more than 20 percent of the time. Nearly 50 percent of workers mention a lack of education as an obstacle to finding work in this occupation while 43.6 percent a lack of training. Beyond these measures of skill, job seekers in this occupation face a variety of other obstacles including a disability (29.6%), poor credit (23.6%) and language barriers (20.0%).

Figure 4D.7
Share of Personal Care and Services Workers Citing an Obstacle to Changing Jobs or Reentering the Workforce

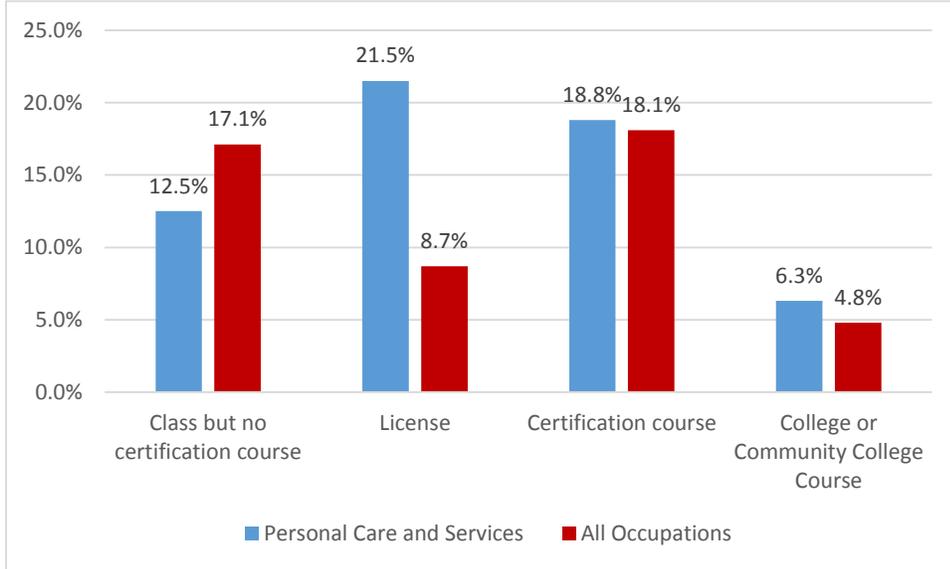


Source: *Panhandle Labor Availability Survey*

The availability and quality of jobs for personal care and services workers also is an issue. More than three-quarters of potential job seekers cite a lack of job opportunities in the area as an obstacle to employment. Just over 50 percent note that inadequate pay and benefits at area employers is an obstacle. Twenty-eight percent of workers argue that Scottsbluff area employers offered inadequate hours.

Employers, however, are willing to provide training opportunities to personal care and services workers, as seen in Figure 4D.8. Around one in five newly hired workers are offered training for a license or a certification course. One in eight are offered an individual course while 6.3 percent are provided with an opportunity to take a college or community college course.

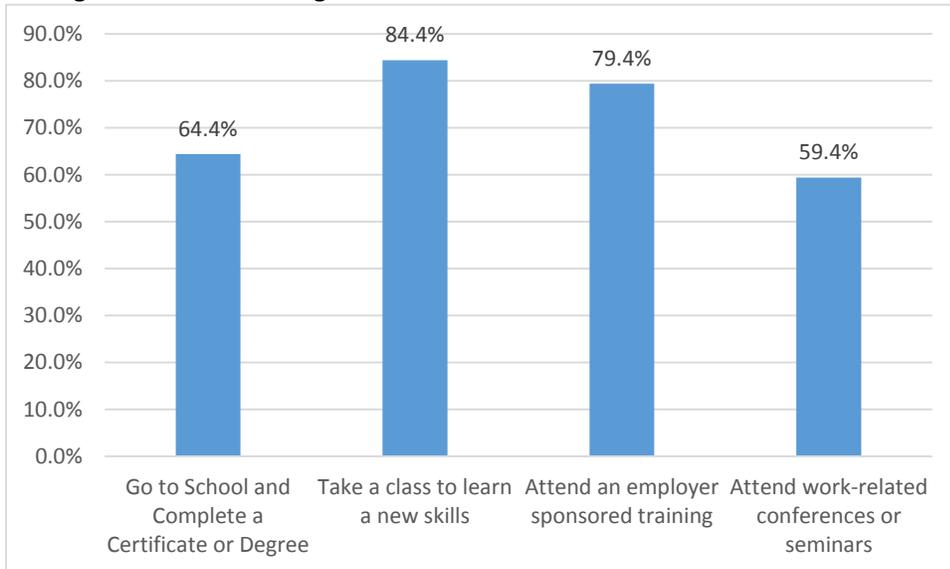
Figure 4D.8
Types of Training Provided to Newly Hired Personal Care and Services Workers



Source: *Survey of Scottsbluff Area Businesses about Skill and Training Requirements*

A majority of potential job seekers in the personal care and services occupation are willing to participate in training to improve their employment prospects, as seen in Figure 4D.9. Nearly 65 percent are willing to attend school and earn a certificate or degree while 84.4 percent are willing to take a class to learn a new skill. Nearly 8 in 10 are willing to attend an employer sponsored training while 59.4 percent are willing to attend work-related conferences and seminar.

Figure 4D.9
Willingness to Train among Personal Care and Services Workers



Source: *Panhandle Labor Availability Survey*

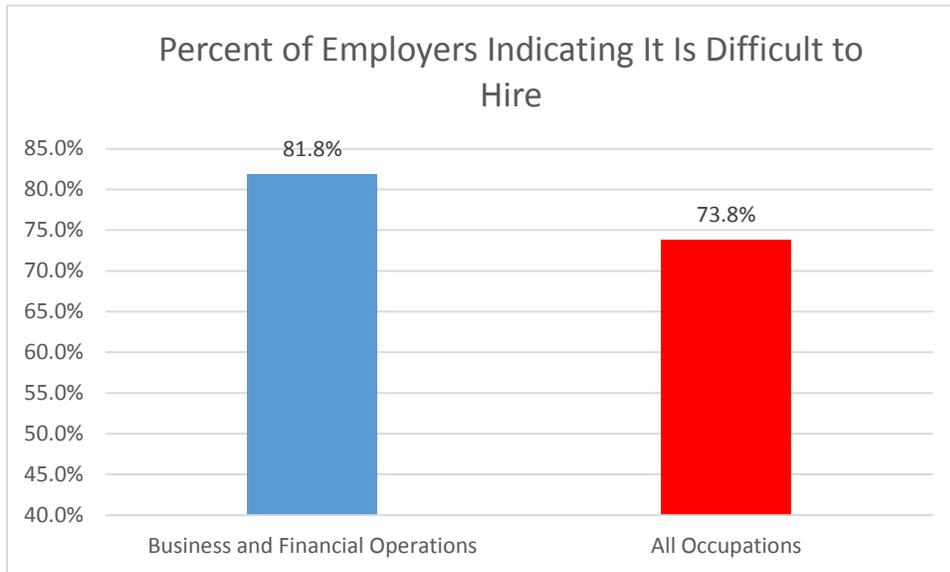
The overall picture is that there is a net deficit of new workers entering the personal care and services occupation each year. There also is limited potential to draw individuals with experience in this occupation back into the labor force. The obstacles to employment include disabilities, language barriers and poor credit among applicants. There is also evidence that the difference between desired and actual wages paid in this occupation contributes to a skills gap between potential employers and workers. Finally, there is only modest “churn” among experienced workers in this occupation. This implies that it will be difficult for employers to find experienced workers and for experienced workers to find a good job match.

The gap between annual job openings and new entrants is likely to persist for the personal care and services occupation, suppressing employment growth. Options to improve the supply of personal care and services workers are limited. One option is for employers to improve opportunities for disabled workers or workers with language barriers to work in the occupation. Another, more general option is to improve net migration into the Scottsbluff area, although this has been an ongoing challenge.

E. Business and Financial Operations (SOC CODE 13)

This occupation group contains workers who are engaged in financial and non-financial evaluation of business performance either as an internal employee or as part of a business service provider. Scottsbluff area employers were fifth most likely to say it is difficult to hire business and financial operations workers. As seen in Figure 4E.1 below, just over eight in ten employers indicate that it is difficult to hire workers in this occupation, compared to 73.8 percent for all occupations.

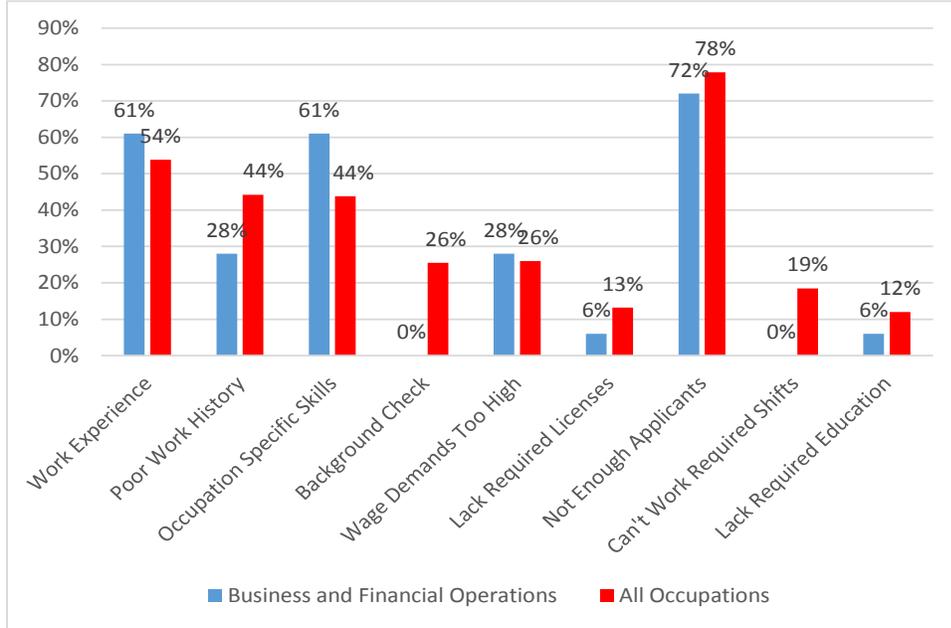
Figure 4E.1
Percent of Employers Indicating it is Difficult to Hire, Business and Financial Operations Occupations



Source: *Survey of Scottsbluff Area Businesses about Skill and Training Requirements*

Table 4E.2 displays responses by Scottsbluff area employers on why it is difficult to hire business and financial operations workers. Seventy-two percent of employers report it is difficult to hire these workers because there are not enough applicants. Sixty-one percent of employers indicate that applicants with a lack of work experience and a lack of occupation-specific skills make it difficult to hire. These are the principal issues for employers hiring business and financial operations workers.

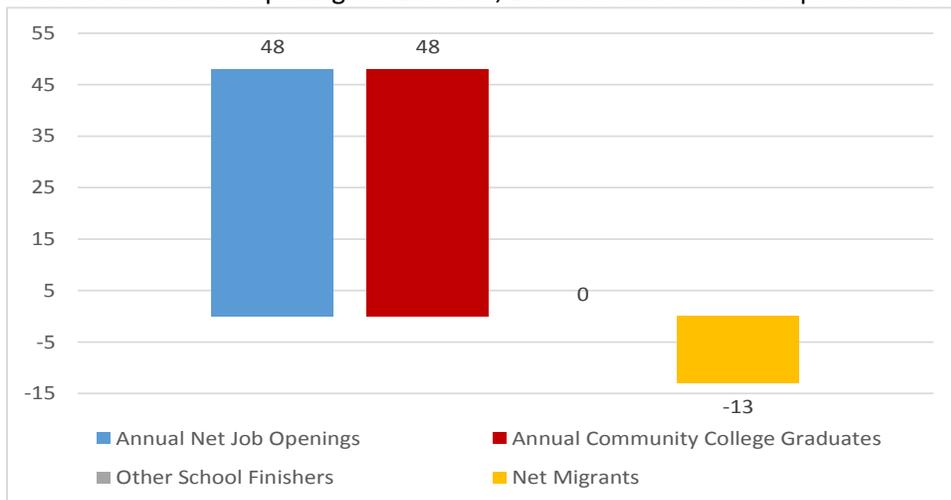
Figure 4E.2
Reasons Why It Was Difficult to Hire, Business and Financial Operations Occupations



Source: Survey of Scottsbluff Area Businesses about Skill and Training Requirements

Figure 4E.3 examines the fundamental balance between net job openings and entrants into the business and financial operations occupation, on an annual basis. Data on annual job openings are based on estimates prepared by Labor Market Information of the Nebraska Department of Labor. Data on annual college and community college graduates are based on the 2013-14 IPEDS database from the U.S. Department of Education. Net migration data are from the U.S. Census Bureau. Results show that annual net job openings and labor market entrants are the same. However, there is an annual deficit of 13 workers in the business and financial operation occupations due to net outmigration.

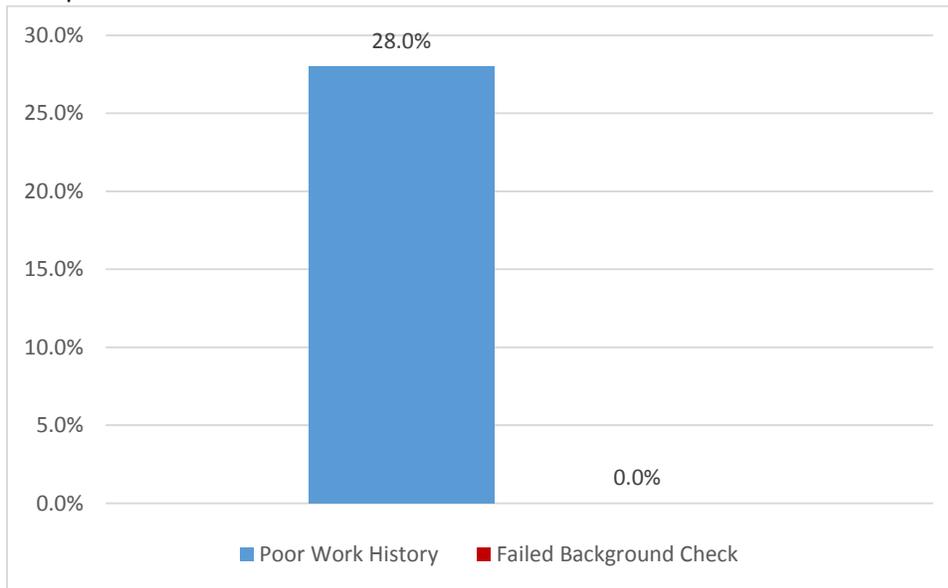
Figure 4E.3
Ratio of Annual Net Openings to Entrants, Business and Financial Operations Occupations



Source: Labor Market Information, Nebraska Department of Labor and IPEDS, U.S. Department of Education, and U.S. Bureau of Census

Figure 4E.4 shows the percentage of employers who indicate applicants for business and financial operations positions have a poor work history or have difficulty passing a background check. No employers reported difficulties with passing a background check, but 28 percent report that it is difficult to hire due to applicants with a poor work history. These results suggest that some business and financial operations workers may have difficulty remaining in the occupation over time if they develop a poor work history. This creates further concerns about whether there are enough new entrants into the occupation each year.

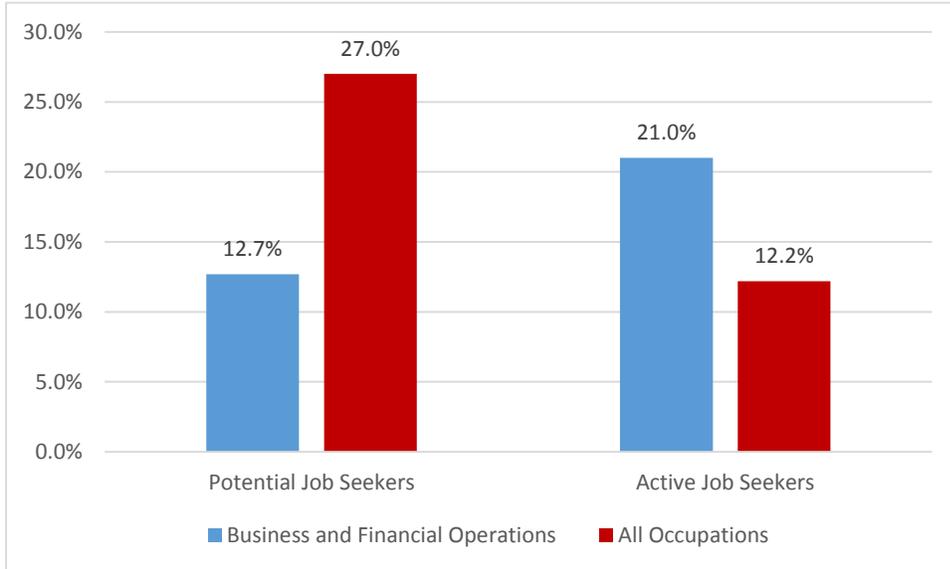
Figure 4E.4
Applicants with Background Factors That May Influence Hiring, Business and Financial Operations Occupations



Source: *Survey of Scottsbluff Area Businesses about Skill and Training Requirements*

Comparing annual net job openings with entrants is just the first step in the underlying supply-demand analysis for an occupation. Figure 4E.5 looks at the extent to which employed workers in the business and financial operations occupation are willing to consider a change in employers, or are even actively seeking work. The figure also compares these shares with the average for all occupations. Employed workers in business and the financial operations occupation are much more likely to be actively seeking new work than workers in all occupations. This suggests that there is substantial “churn” among employed workers which should help ensure a match between the needs of employers and the needs of experienced workers.

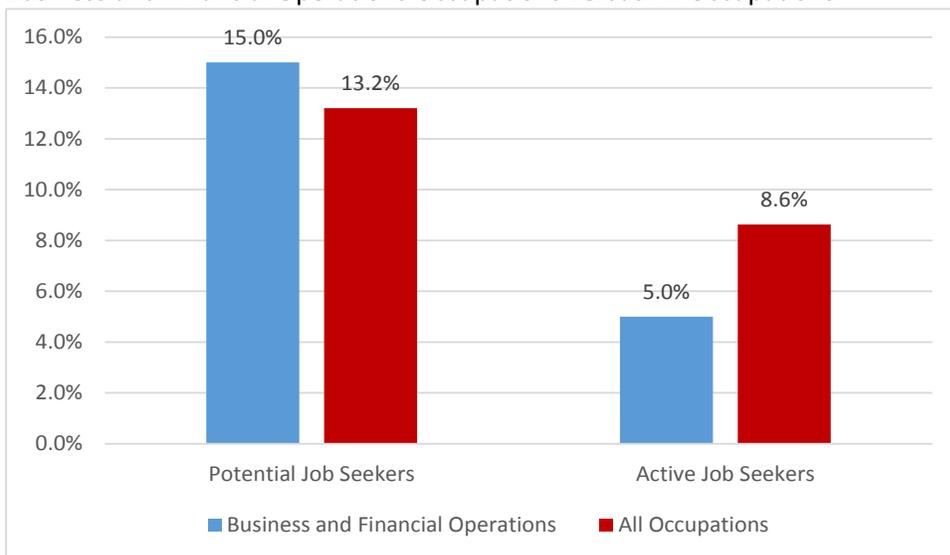
Figure 4E.5
Share of Employed Workers with Potential to Take or Actively Search For a New Job
Business and Financial Operations Occupations versus All Occupations



Source: *Panhandle Labor Availability Survey*

Figure 4E.6 shows information for survey respondents who are not currently employed. It includes whether respondents are unemployed or voluntarily out of the labor force, such as homemakers or retirees. Just 5.0 percent of individuals who had worked previously in the business and financial operations were actively seeking new work while 15 percent are potential job seekers. These shares suggest there is limited potential to draw individuals from the business and financial operations occupation back into the labor force.

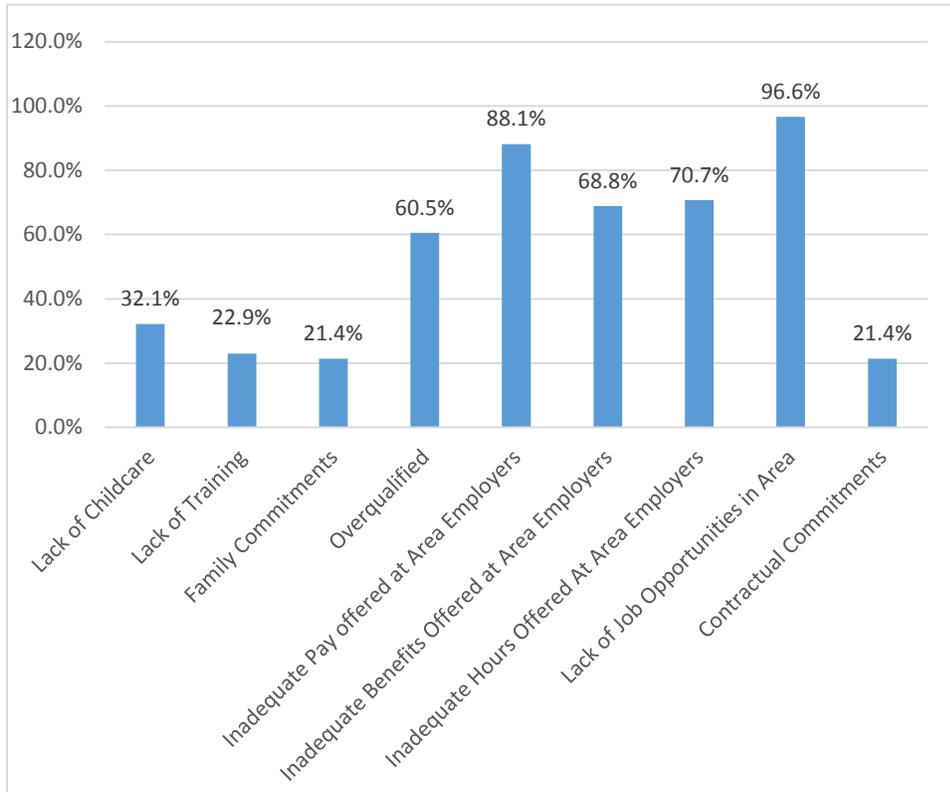
Figure 4E.6
Share of Workers Not Currently Employed with Potential to Take or Actively Search for a New Job
Business and Financial Operations Occupations versus All Occupations



Source: *Panhandle Labor Availability Survey*

What barriers do business and financial operations workers face in looking for new employment? This information is presented in Figure 4E.7, which shows the most common obstacles mentioned when considering a change in job or reentering the workforce.

Figure 4E.7
Share of Business and Financial Operations Workers Citing an Obstacle to Changing Jobs or Reentering the Workforce



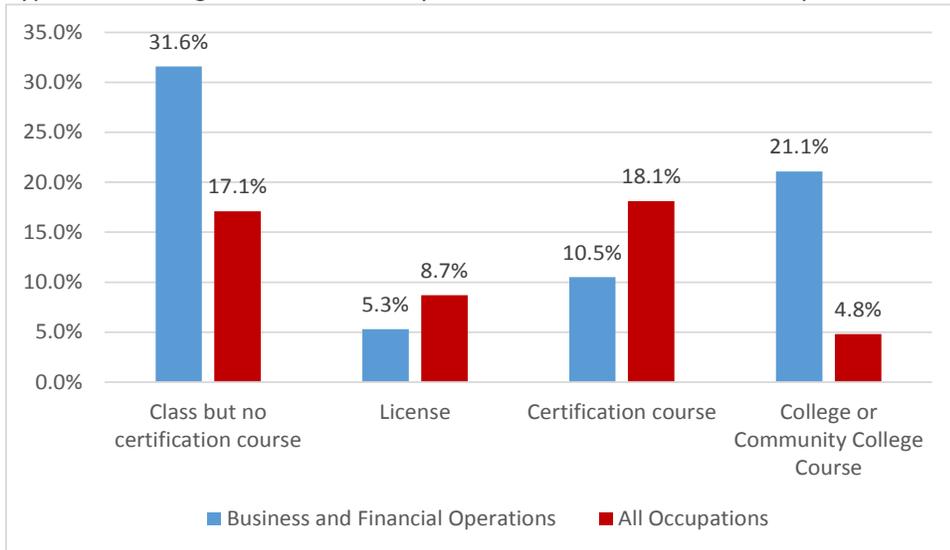
Source: *Panhandle Labor Availability Survey*

The figure only lists those obstacles which are mentioned more than 20 percent of the time. The primary obstacles are related to commitments that may limit job mobility, a lack of job opportunities and the quality of job opportunities. A lack of childcare is an obstacle mentioned by 32.1 percent of business and financial operations workers while 21.4 percent note family commitments in general. These factors could limit both geographic mobility and the ability to change to a new job with different requirements for work hours. Interestingly, 21.4 percent also mention contractual commitments that are an obstacle to changing jobs. A lack of training also is mentioned as an obstacle by 22.9 percent of business and financial operations workers.

A lack of job opportunities is mentioned as an obstacle by 96.6 percent of workers. There are also significant concerns about the quality of employment opportunities for business and financial operations workers. Just over 60 percent of workers report that they are overqualified for available positions. Eighty-eight percent report that inadequate pay is an obstacle to seeking new employment or reentering the labor force, with 68.8 indicate that inadequate benefits is an obstacle. Area employers also offer inadequate hours, according to 70.7 percent of business and financial operations workers.

As seen in Figure 4E.8, employers are willing to provide training to business and financial operations workers. Employers in general provide more opportunities for individual classes or college and community college courses than training for licenses or certification courses. This makes sense given that the initial education to prepare business and financial operations occurs at colleges or community colleges.

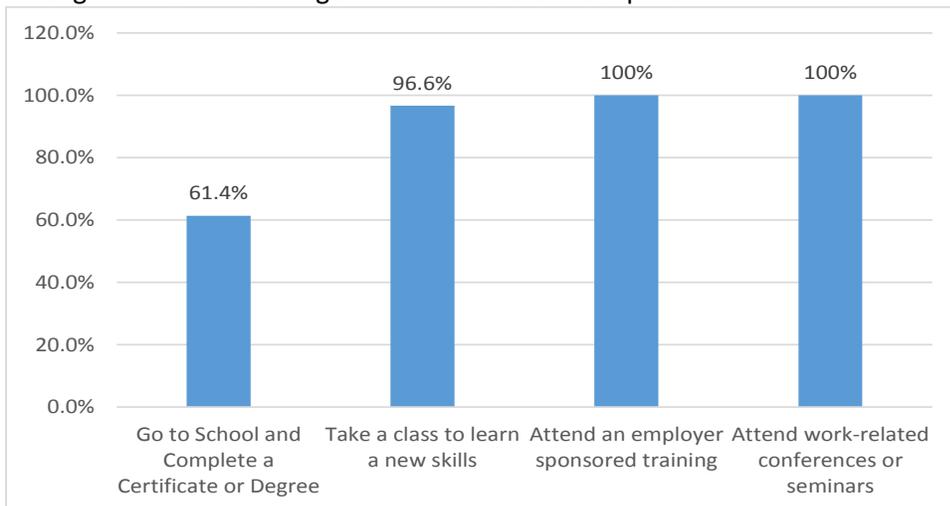
Figure 4E.8
Types of Training Provided to Newly Hired Business and Financial Operations Workers



Source: *Survey of Scottsbluff Area Businesses about Skill and Training Requirements*

Workers in business and financial operations occupations are willing to participate in a variety of training opportunities to improve their employment situation. Sixty-one percent are willing to complete a certificate or degree program, while nearly all are willing to take a class to learn new skills. All workers would attend an employer sponsored training or a work-related conference or seminar.

Figure 4E.9
Willingness to Train Among Business and Financial Operations Workers



Source: *Panhandle Labor Availability Survey*

The overall picture is that there is an annual deficit of entrants into the business and financial operations occupation relative to net job openings. This deficit is due to outmigration from the region. The number of graduates from community colleges or colleges is barely sufficient to match annual openings. There is also substantial “churn” between jobs among employed workers. Such churn should promote an improved match in the region between the needs of employers and the needs of experienced business and financial operations workers.

In addition to the number of workers available, employers also report that a lack of experience and occupation-specific skills make it difficult to hire for business and financial operations workers. This suggests a need for workers to improve their skill level. Workers, for their part, report that jobs available in the region often have inadequate pay, hours and benefits, and that they often feel overqualified for available business and financial operations positions.

These conditions suggest three steps to upgrade the number and skill level of Scottsbluff area workers in the business and financial operations occupation:

- 1) There should be an effort to attract or retain more graduates in the business and financial operations occupation through the use of business internship programs for college or community college students, such as the Intern Nebraska program.
- 2) There should be ongoing and enhanced efforts in the secondary education setting to inform students about career opportunities in business and financial operations occupations, coordinating directly with employers when feasible.
- 3) There should be an expansion of continuing education courses for business and financial operations workers.

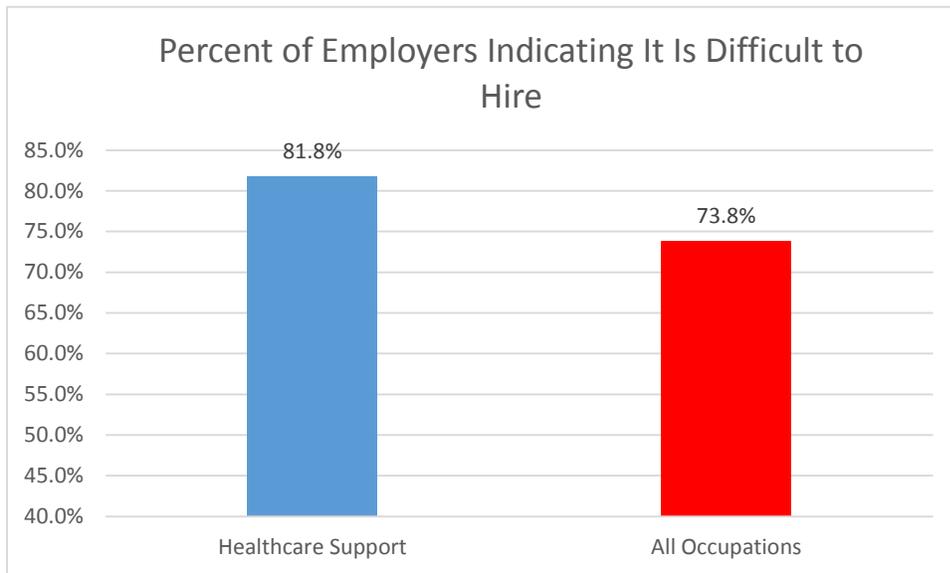
Internships and continuing education courses should be concentrated in the three specific occupations with the most projected openings, according to the Nebraska Department of Labor. These occupations are:

- 1) Management Analysts (SOC Code 13-1111) – propose ways to improve an organization’s efficiency through reduced costs and increased revenues (U.S. Bureau of Labor Statistics)
- 2) Accountants and Auditors (SOC Code 13-2011) – prepare and examine financial records to ensure those records are accurate and that taxes are paid properly and on time (U.S. Bureau of Labor Statistics)
- 3) Loan Officers (SOC Code 13-2072) – evaluate, authorize and recommend approval of loan applications for businesses and people.

F. Healthcare Support Occupations (SOC CODE 31)

Workers in this occupation assist health care practitioners and technicians. Scottsbluff area employers were sixth most likely to say it is difficult to hire healthcare support workers. As seen in Figure 4F.1 below, 81.8 percent employers indicate that it is difficult to hire workers in this occupation, compared to 73.8 percent for all occupations.

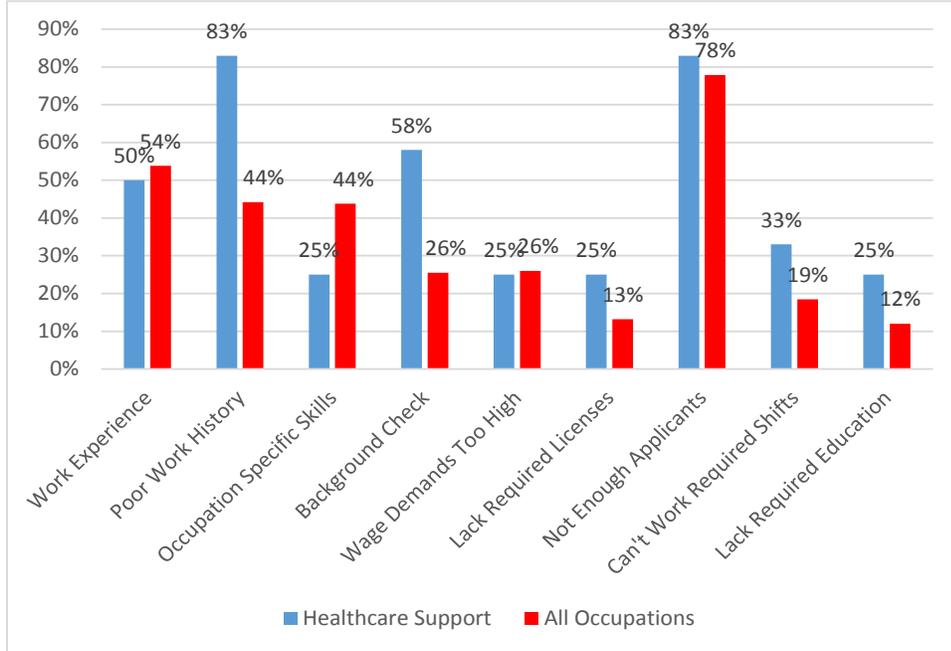
Figure 4F.1
Percent of Employers Indicating It is Difficult to Hire, Healthcare Support Occupation



Source: *Survey of Scottsbluff Area Businesses about Skill and Training Requirements*

Table 4F.2 displays responses by Scottsbluff area employers on why it is difficult to hire healthcare support workers. By far, the primary difficulties are the availability and quality of workers. Eighty-three percent of employers report that it is difficult to hire because there are not enough applicants while 33 percent report that applicants cannot work the required shifts. There also is a high level of concern about the quality of applicants, apart from experience and occupation-specific skill. Eighty-three percent of employers report that it is difficult to hire because applicants have a poor work history. Fifty-eight percent of employers report that it is difficult to hire because applicants cannot pass a background check. Both percentages are far above averages across all occupations.

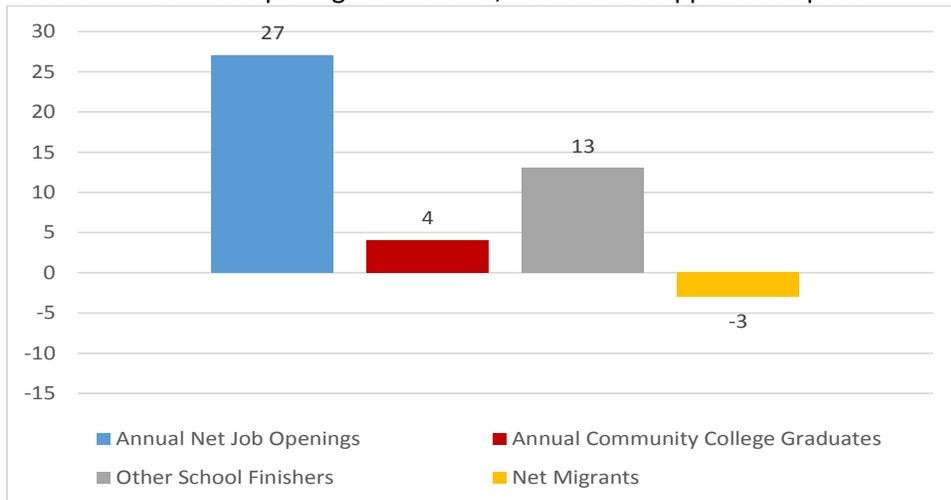
Figure 4F.2
Reasons Why It Was Difficult to Hire, Healthcare Support Occupation



Source: Survey of Scottsbluff Area Businesses about Skill and Training Requirements

Figure 4F.3 examines the fundamental balance between net job openings and entrants in the healthcare support occupation, on an annual basis. Data on annual job openings are based on estimates prepared by Labor Market Information of the Nebraska Department of Labor. Data on annual college and community college graduates are from the 2013-14 IPEDS database of the U.S. Department of Education. Net migration data are from the U.S. Census Bureau. Results suggest a significant gap between annual openings and entrants. Annual entrants are half of annual openings.

Figure 4F.3
Ratio of Annual Net Openings to Entrants, Healthcare Support Occupation



Source: Labor Market Information, Nebraska Department of Labor and IPEDS, U.S. Department of Education, and U.S. Bureau of Census

As was noted earlier, the work history and personal history of workers are a significant concern for this occupation. This is seen again in Figure 4F.4. These results imply that the shortage of workers for this occupation may be even greater than what was reported in Figure 4F.3. Some employers may be unwilling to hire applicants with a poor work history or an inability to pass a background check.

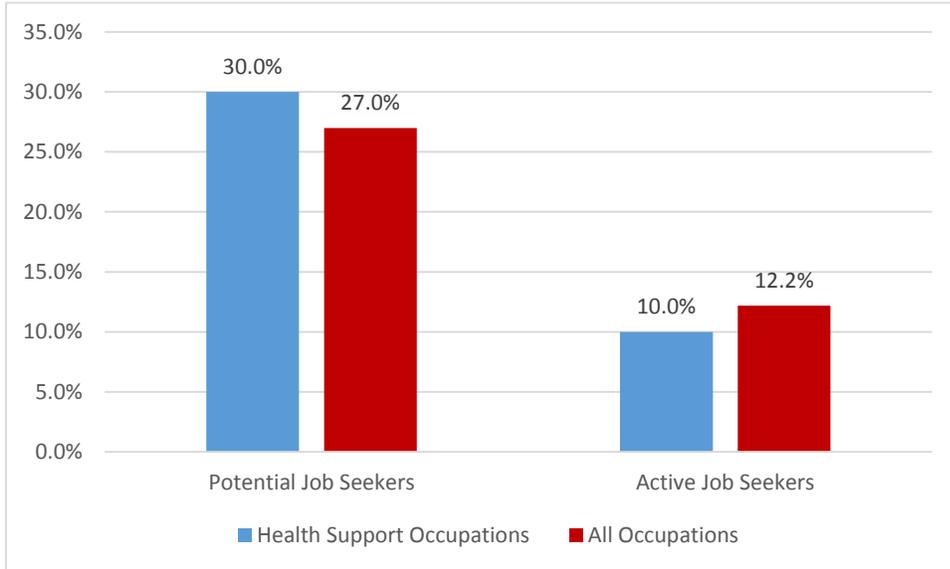
Figure 4F.4
Applicants with Background Factors That May Influence Hiring, Health Care Support Occupation



Source: *Survey of Scottsbluff Area Businesses about Skill and Training Requirements*

Figure 4F.5 below looks at the extent to which employed workers in the healthcare support occupation are willing to consider a change in employers, or are even actively seeking work. Results for the healthcare support occupation overall are quite similar to the all occupation average. This suggests that there is significant “churn” among employed workers in this occupation. Such churn should help ensure a good match between employers and experienced workers.

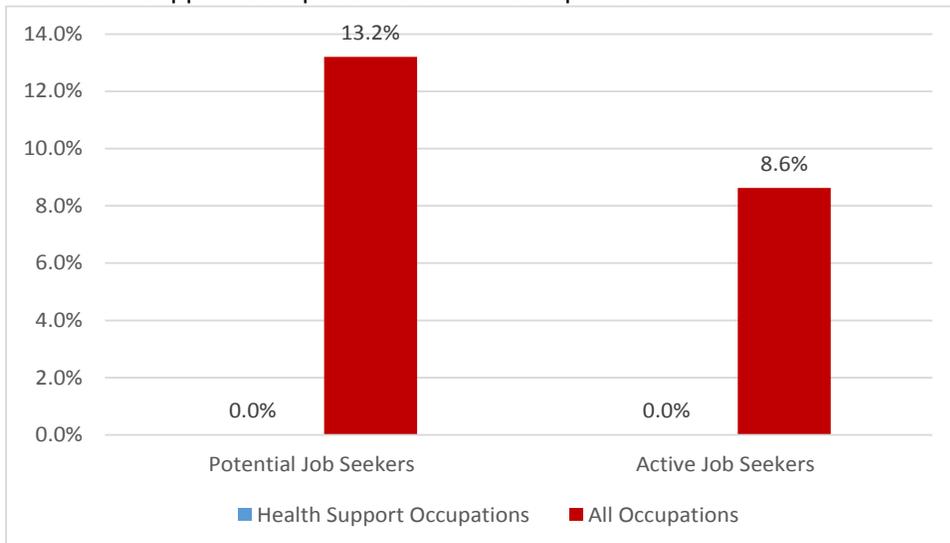
Figure 4F.5
Share of Employed Workers with Potential to Take or Actively Search For a New Job
Healthcare Support Occupation versus All Occupations



Source: *Panhandle Labor Availability Survey*

Figure 4F.6 shows information for survey respondents who are not currently employed, whether they are unemployed or voluntarily out of the labor force, such as homemakers or retirees. None of the surveyed individuals would consider or were actively seeking to return to the workforce. This suggests that there is limited opportunity to close the deficit of workers in the healthcare support occupation by drawing more individuals back into the labor force.

Figure 4F.6
Share of Workers Note Currently Employed with Potential to Take or Actively Search for a New Job
Healthcare Support Occupation versus All Occupations

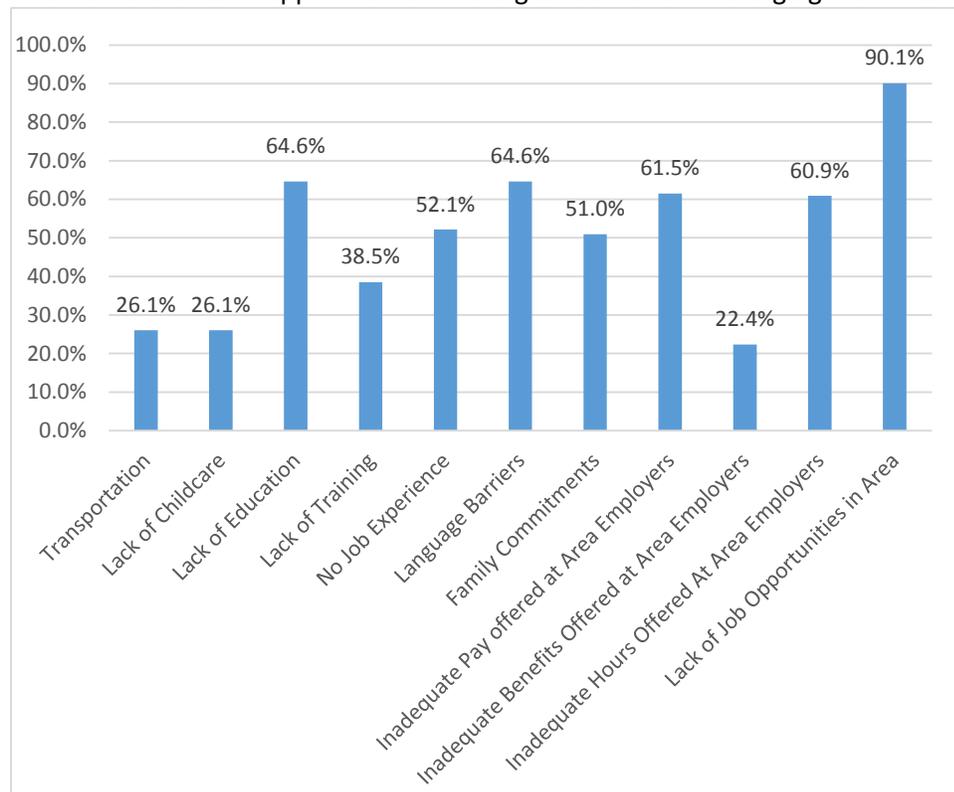


Source: *Panhandle Labor Availability Survey*

What barriers do healthcare support workers face in looking for new employment? This information is presented in Figure 4F.7, which shows the most common obstacles mentioned by healthcare support workers when considering a change in job or reentering the workforce. The figure only lists those obstacles which are mentioned more than 20 percent of the time.

Results show a variety of obstacles related to education and training, opportunity to participate in the labor force, and the number and quality of job opportunities available in the Scottsbluff area. Sixty-five percent of healthcare support workers cite a lack of education and language barriers as obstacles to finding a new job or reentering the workforce while 52.1 percent cite a lack of job experience. Fifty-one percent of healthcare support workers indicate that family commitments limit their ability to take a new job or reenter the labor force. More specifically, a lack of childcare is an obstacle for 26.1 percent of workers. The same percentage cite a lack of transportation as an obstacle. Just over 90 percent of healthcare support workers cite a lack of employment opportunities in the area. This is surprising due to the surplus of job openings for this occupation and may just reflect worker’s perception. The quality of employment opportunities is also an issue. Just over 60 percent of workers cite inadequate pay offered at area employers while 22.4 percent note inadequate benefits. More than 60 percent of workers also mention inadequate hours offered by area employers.

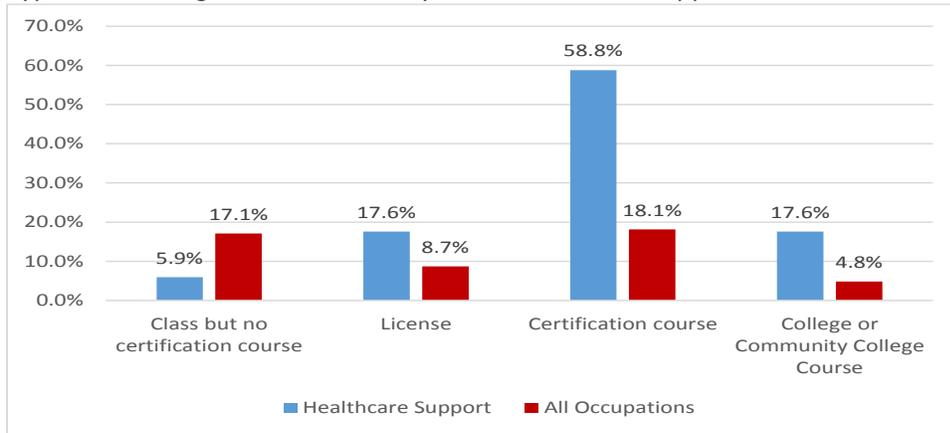
Figure 4F.7
Share of Healthcare Support Workers Citing an Obstacle to Changing Jobs or Reentering the Workforce



Source: *Panhandle Labor Availability Survey*

As seen in Figure 4F.8, employer provide a variety of training to healthcare support workers. Certification courses are provided to 58.8 percent of workers while training for a license is provided to 17.6 percent. This training appears targeted at addressing the problem of new workers who did not have required licenses (see Table 4F.2). There is also some emphasis on coursework with 17.6 percent of employers providing opportunities to take community college or college courses.

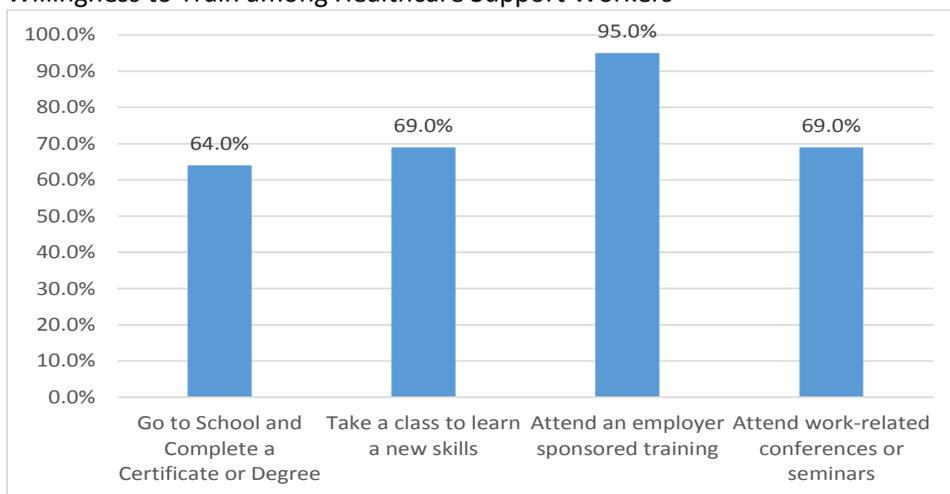
Figure 4F.8
Types of Training Provided to Newly Hired Healthcare Support Workers



Source: *Survey of Scottsbluff Area Businesses about Skill and Training Requirements*

Most healthcare support workers are willing to take steps to improve their employment situation. Sixty-four percent are will to attend school to complete certificate or degree, while 69 percent are willing to take a class to learn new skills. In terms of employer sponsored training, 95 percent are willing to attend an employer sponsored training while 69 percent are willing to attend a work related conference or seminar. This latter result is lower than for most other occupations and may reflect the importance of family commitments for healthcare support workers.

Figure 4F.9
Willingness to Train among Healthcare Support Workers



Source: *Panhandle Labor Availability Survey*

The overall picture is that there is a deficit of annual entrants into healthcare support occupations relative to net annual job openings. There is also limited potential to draw individuals with a background in healthcare support occupations back into the labor force. The obstacles to seeking a new job or reentering the labor force include family commitments, a lack of childcare and language barriers. From the perspective of employers, another barrier to employment is applicants for healthcare support jobs with a poor work history or difficulty passing a background check.

On the positive side, there is significant “churn” among experienced workers in this occupation. This implies opportunity for a good match between employers and experienced workers.

Unless there is a significant improvement in net migration for the Scottsbluff area, the annual deficit of new workers entering the healthcare support occupation is likely curtail future job growth. One step employers might take to improve the availability of workers is to help potential employees improve their work history. As discussed in the executive summary, there should be extensive discussion with Human resource representatives and direct supervisors of healthcare support workers regarding what practical steps workers can take, if any, over time, to change a poor work history into an adequate work history.