

MAY 2014

NEBRASKA
LABOR
AVAILABILITY
STUDY

SOUTH SIOUX CITY

CREDITS

Director, Nebraska Department of Economic Development
Commissioner, Nebraska Department of Labor
Catherine D. Lang

Labor Market Information Administrator
Phil Baker

Research Supervisor
Scott Hunzeker

Research Analyst
Ed Jaros

Research Analyst
Kermit Spade

Editor
Grace Johnson

Editor
Dave Dearmont

Editor
Melissa Trueblood

Graphic Designer
Taylor Colt


NEBRASKA
DEPARTMENT OF LABOR



Updated December 2014



INTRODUCTION

“Labor availability” describes how many people within a given area are available and willing to take on a new job. Labor availability has two components, geographical and human. In most cases, the availability of people for work depends upon how many people are in proximity to the workplace and their ability to travel to the workplace. The human component of labor availability depends upon the characteristics of the potential workforce in the area. People take, keep, and change jobs for a variety of reasons. Compensation—salary and benefits—are important, but other factors, including convenience, security, family obligations, personal fulfillment, age, sex, education, and training, contribute to workers’ employment decisions. These motivations and demographic characteristics within a region determine labor availability.

In the fall of 2013, the Nebraska Departments of Economic Development and Labor collaborated in a pilot project designed to measure labor availability in

selected regions of Nebraska. The first round of surveys and data collection focused on six communities: Columbus, Fremont, Norfolk, South Sioux City, West Point, and Wayne. The Nebraska Department of Labor Office of Labor Market Information (NDOL LMI) collects many types of data about Nebraska workers for the US Bureau of Labor Statistics (BLS). The BLS measures how many people work in different industries and occupations. BLS also measures how many people work or do not work. While the BLS and NDOL LMI produce a rich data catalog, neither agency measures the reasons why workers choose to work where they do, or choose not to work. This study aims to supplement BLS data with information about those motivations. Understanding why people take a job helps us understand how an employer might attract new workers. In addition, understanding the characteristics of the current labor force and the incentives required for residents to change jobs could shed light on how communities might improve the local labor force.



2 EXECUTIVE SUMMARY

A survey of the commuting area around South Sioux City, Nebraska, discovered an estimated 46,433 potential job seekers in the region. The majority of these people are employed; others may be out of work or seeking to reenter the workforce from time spent in retirement or homemaking.

These potential job seekers indicated that they would be willing to take new work in the next year if a suitable job were to present itself. The median wage sought by this group was a minimum of \$35,360 annually, or \$17 an hour for full-time year-round work. Four out of five potential job seekers are willing to commute 15 minutes or more each way for suitable work. The median tenure of employed potential job seekers at their current job

is over 6.9 years. More than half of these people have an associate's degree or higher education. In general, those who were less likely to reenter the workforce or change jobs earned more and had been with their employers longer if they were employed.

Potential job seekers identified salary, use of skills they already possessed, and a schedule that fit their needs as the most important factors in improving their employment situation. They named lack of job opportunities in the area, inadequate pay offered by area employers, and inadequate benefits offered by area employers as the most common barriers to improving their employment situation.



3 THE METHODOLOGY

For each community chosen by the Department of Economic Development (DED) for the study, a central ZIP code was chosen, and Local Employment Dynamic (LED) data for each ZIP code was obtained from the US Census Bureau (Census). The LED data contained the number of commuters from each ZIP code in the US. The selected central ZIP code for each community was matched with ZIP codes representing most of the employers for the community. Additional ZIP codes were added to make the selected areas contiguous, ensuring that the study area for each community captured likely commuting patterns. Once each community's study area was defined, the individual areas were combined into one large survey area, and further ZIP codes were added or deleted to ensure a contiguous survey area. The resulting area represents an area from which each community draws the majority of its workforce. The survey area was then sampled as a whole. Note also that the survey area contains areas in Iowa and South Dakota, as some of the communities drew commuters from outside Nebraska.

DED and NDOL LMI contracted with the University of Nebraska's Bureau of Sociological Research (BOSR) to assist in designing the survey questionnaire, drawing the survey sample, and administering the survey. BOSR

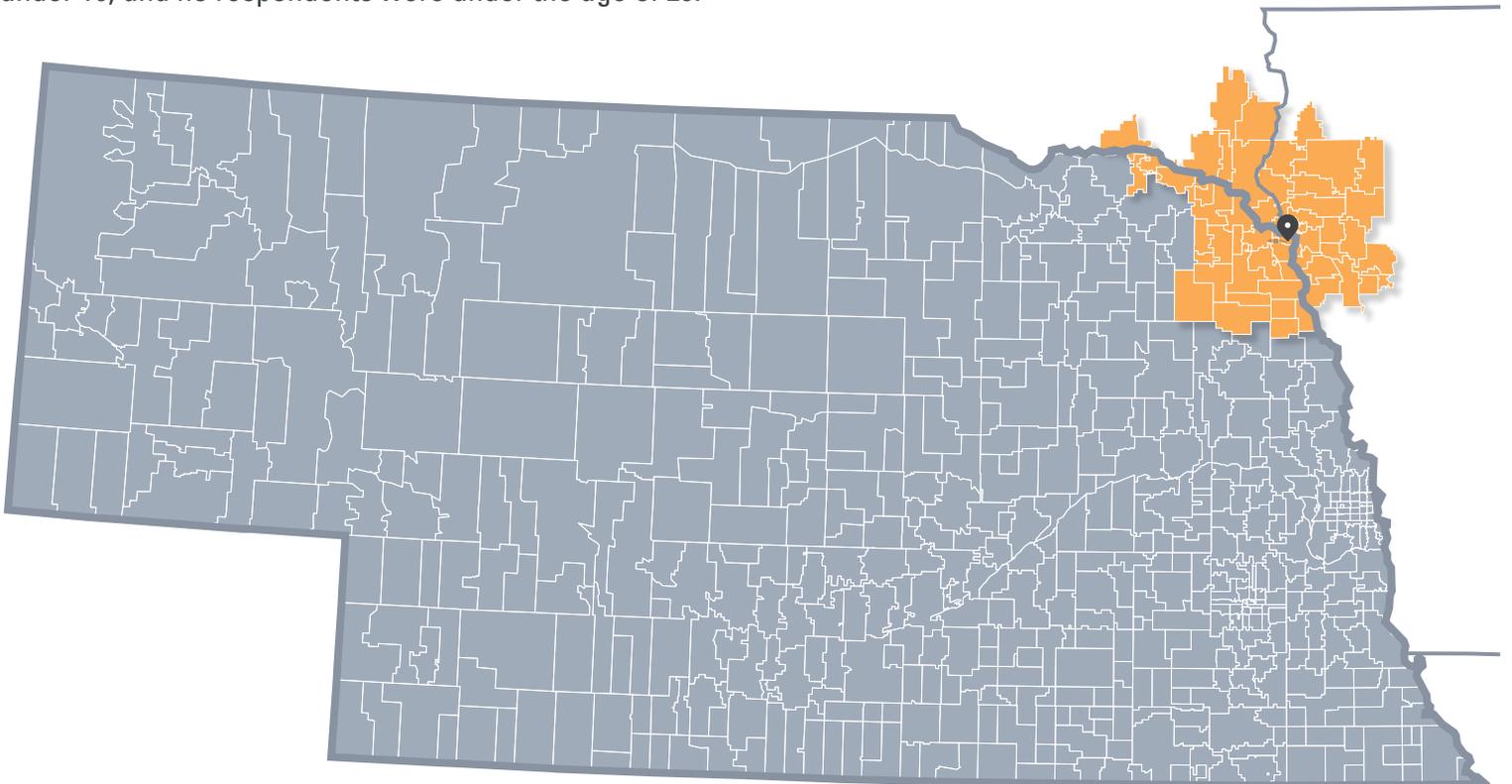
mailed surveys to 12,000 households in the study area. Before BOSR mailed the questionnaire, they mailed a letter to each household in the sample about the survey. The survey requested a response from the person 19 or older living at the address. If there was more than one person 19 or over living at the address, the person who had the next birthday was asked to complete the survey. The first surveys were mailed in October 2013. The last results came back in January 2014. In that time there were three additional mailings to those who had not returned the survey.

Of the 12,000 households sampled, 3,164 completed the survey. BOSR staff entered the survey responses electronically and provided the initial data cleaning, fixing obvious respondent errors, and creating weights for the collected survey data. BOSR sent the survey data to NDOL LMI in February 2014. During February and March 2014, NDOL LMI further cleaned and examined the survey data. Using the weights developed by BOSR, NDOL LMI combined survey data with information from the US Census Bureau to adjust for differences between respondents and the actual population in the survey area. Finally, NDOL LMI used BLS data combined with the weighted population data to create this report.

4 AREA OVERVIEW

An estimated 213,766 people live in the area sampled for South Sioux City, Nebraska, the shaded area in the map below. While only 13,124 people live in South Sioux City, it was important to sample an area from which South Sioux City draws most of its labor availability. It is important to note the South Sioux City, Nebraska is part of the Sioux City Iowa Metropolitan Statistical Area. Many people commute, and other people would be willing to commute for the right job. Estimates for South Sioux City labor availability come from 1027 surveys completed by people living in this area.

Of the people living in the sample area, an estimated 151,978 are over the age of 18. It is not uncommon for people younger than 18 to work, and this is especially true in non-metropolitan Nebraska. This survey did not sample people under 19, and no respondents were under the age of 20.



POPULATION BY GENDER

Female



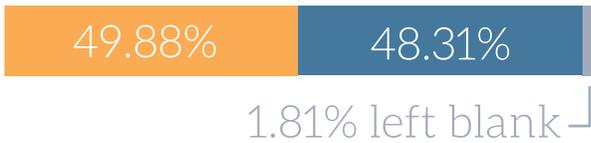
Male



Census Estimates



Survey Responses

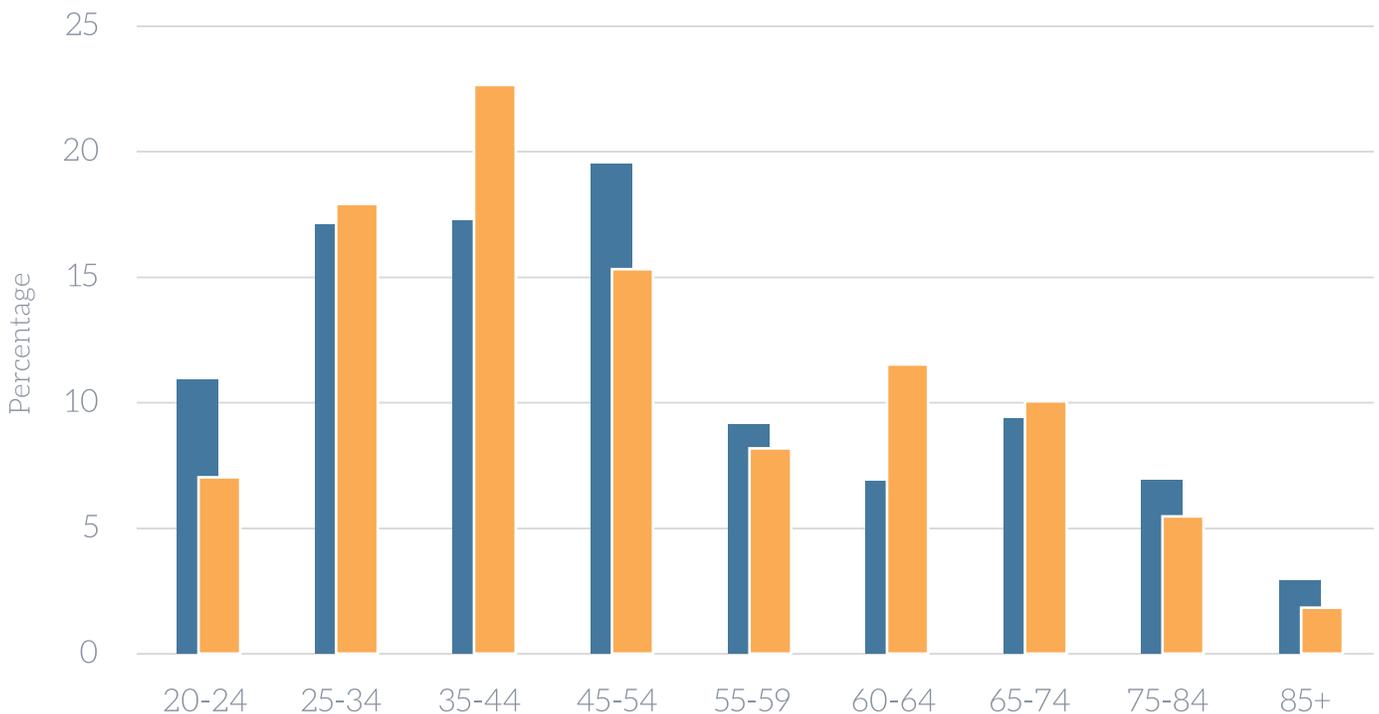


The Census Bureau estimates that 94.8% of the civilian labor force in the sampled area is employed and 5.2% is unemployed. These figures include people 16 and older. The Census estimate is useful but limited, as the Census counts as unemployed only those people who are looking for work and applying for jobs. This study took a more expansive approach. Respondents were asked to classify themselves as employed, unemployed, retired, or a home-maker. Anyone not identified as employed answered a survey question about how likely they were to return to employment if a suitable job was available. This method allowed the researchers to describe the untapped labor force for South Sioux City.

The demographic qualities of respondents for the most part matched Census estimates. This is encouraging, as it means the sample shares many properties with the target population. The authors of this report have taken pains to ensure that disparities between survey findings and Census estimates are made clear where they may be influencing other results.

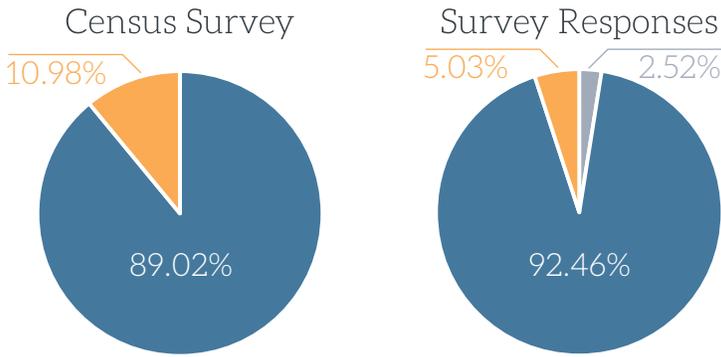
POPULATION BY AGE RANGE AS A PERCENTAGE OF TOTAL POPULATION 20 & OLDER

Census Estimates Survey Responses



POPULATION BY ETHNICITY

Hispanic Non-Hispanic BLANK



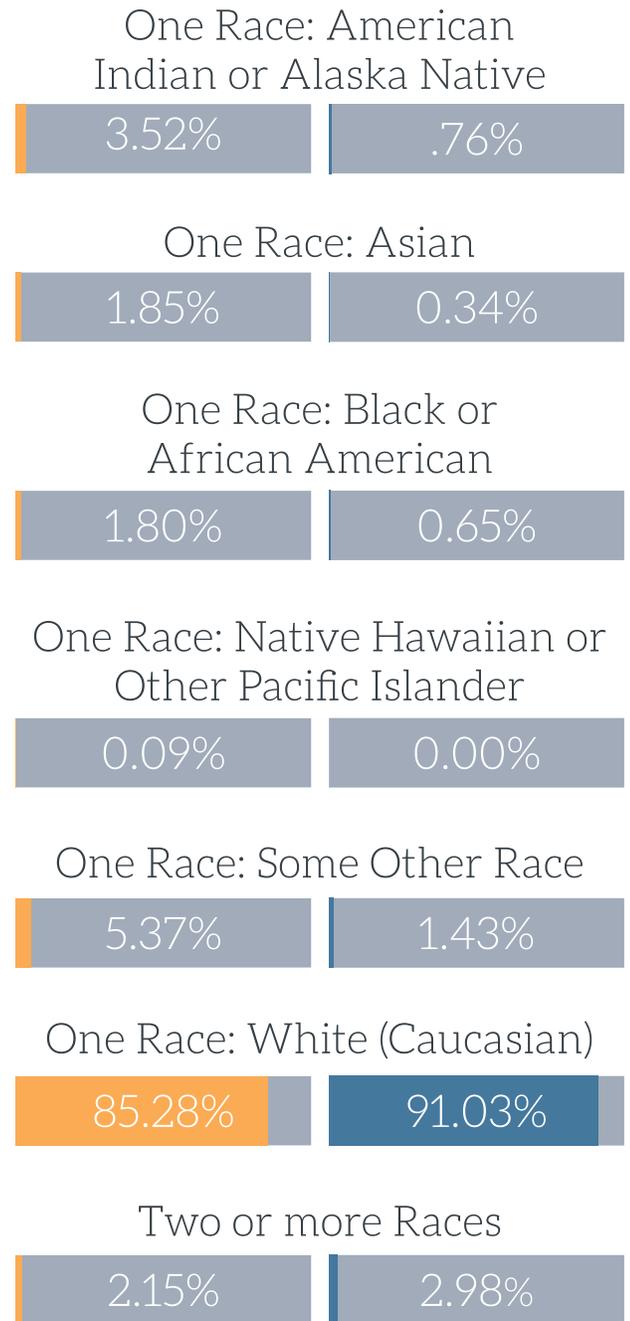
POPULATION BY EDUCATION

Highest Level of Education	Census Estimates	Survey Results
Less than 9th grade	6.77%	-
9th to 12th grade, no diploma	6.84%	-
High school graduate (includes equivalency)	34.32%	26.35%
Some college, no degree	21.72%	13.33%
Technical or vocational degree	-	6.28%
Associate's degree	8.61%	17.22%
Bachelor's degree	14.25%	26.08%
Graduate or professional degree	7.49%	17.15%
BLANK	-	-

- Indicates data not recorded by Census/survey

POPULATION BY RACE

Census Estimates Survey Responses



2.82% of Survey responses left blank

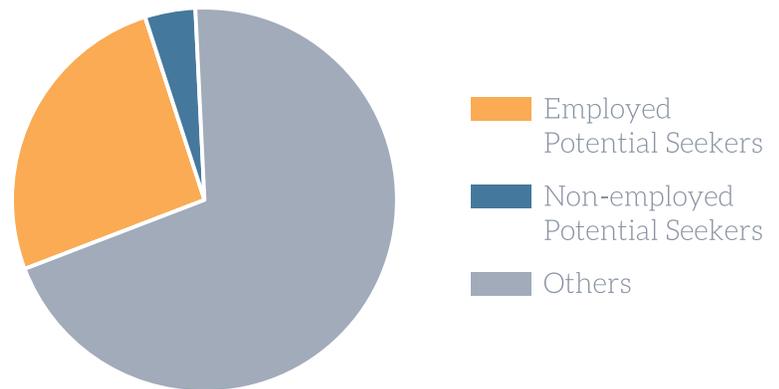
The estimates for gender derived from the survey results were within 1% of Census figures, with just under 2% not responding to the question. The estimates for age did vary from Census estimates in some places. Most notably, there were fewer respondents between 45 and 54, and more between 25 and 34 and between 60 and 64 than there were in the Census estimates.

The survey respondents racially identified as white at a rate about six percentage points higher than census estimates, and were less likely to self-identify any other individual racial group. Respondents identified themselves as Hispanic at a rate about five percentage points lower than census estimates. While the survey did not employ the same education categories as the Census, most of the distribution was similar.

5 POTENTIAL JOB SEEKERS

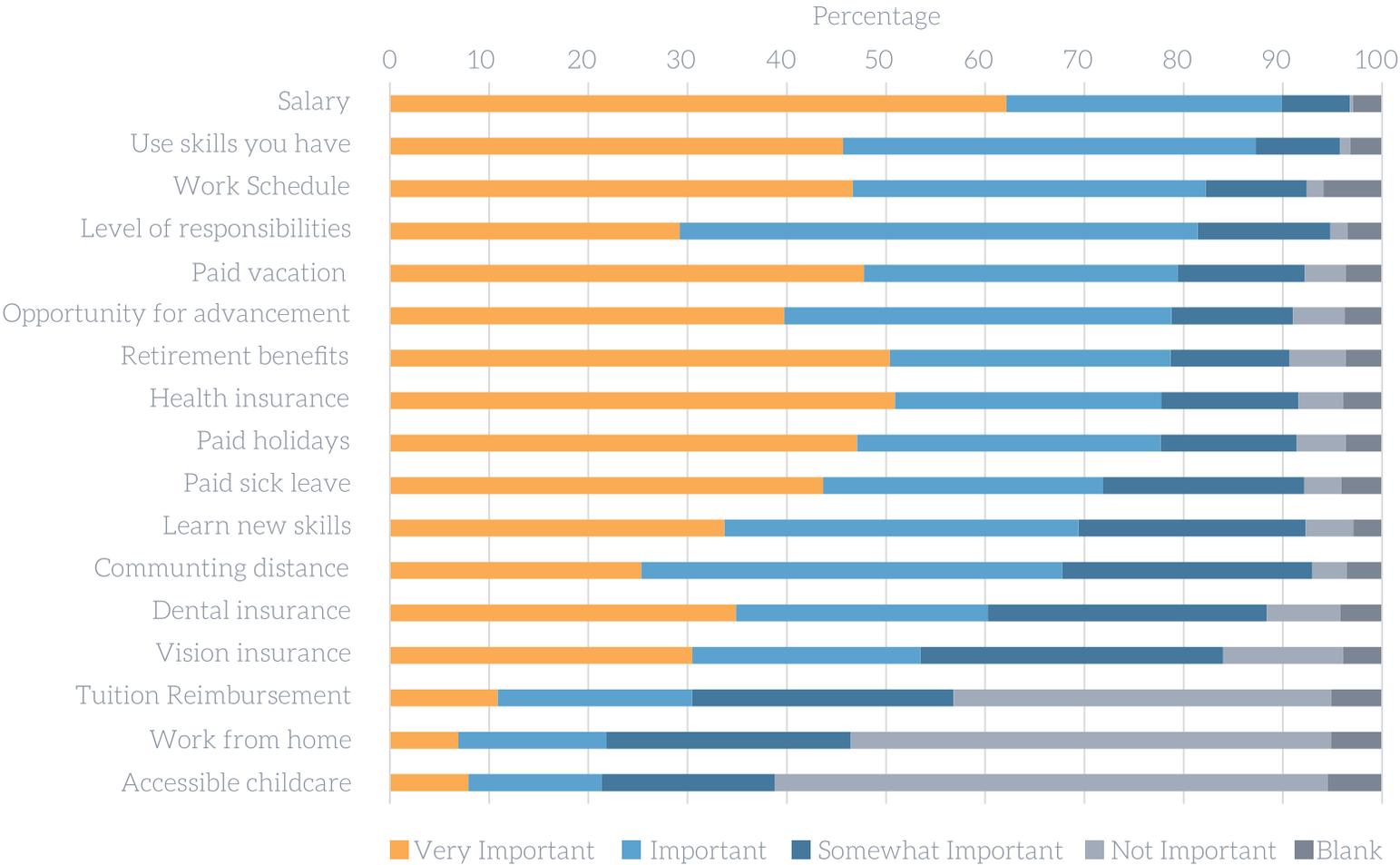
SOUTH SIOUX CITY SAMPLED AREA 18 AND OVER POPULATION BY SEEKER STATUS

There are an estimated 46,433 adults in the South Sioux City area who reported that they are likely or very likely to change jobs or reenter the workforce in the next year if a suitable job is available. For the sake of brevity, we will call these people “potential job seekers.” About 35,183 of these seekers are currently employed, and about 11,250 are not employed. Exactly what qualifies as a suitable job varies from person to person, but data from the survey allow us to make some generalizations.



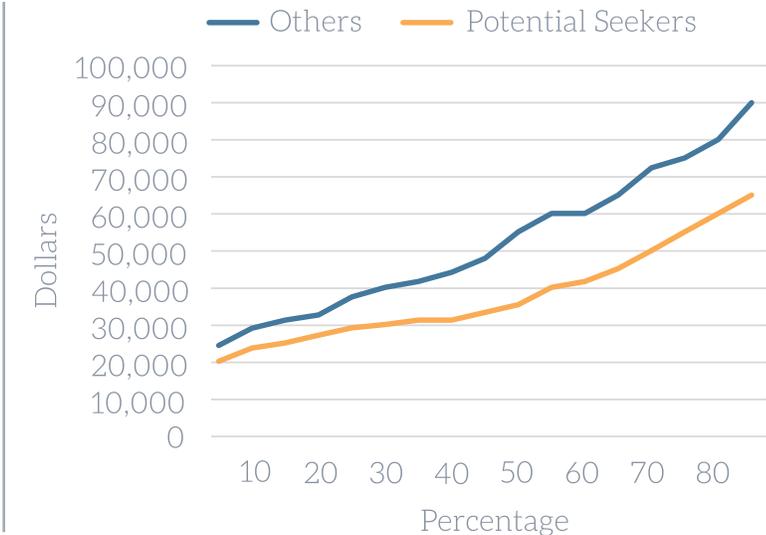
The most important factor to people likely or very likely to change jobs or reenter the workforce was salary, with about 90% marking it as important or very important. Use of skills the respondent already had, work schedule, and level of responsibilities also ranked high on the list. The factors that were most often rated very important were salary, health insurance, and retirement benefits. More than half of respondents who were likely or very likely to change jobs or reenter the workforce listed these three factors as very important. Three of the top five factors ranked by percentage of potential job seekers designating them important are non-compensatory: they represent factors that are not a form of payment. These factors (skills, schedule, and responsibilities) were all more likely to be identified as important than retirement benefits and health insurance. Of the 17 factors presented, more than half of potential job seekers ranked 14 as important or very important. South Sioux City respondents were more likely to indicate that paid vacation was important or very important to them than any other area studied.

FACTORS IMPORTANT TO POTENTIAL JOB SEEKERS

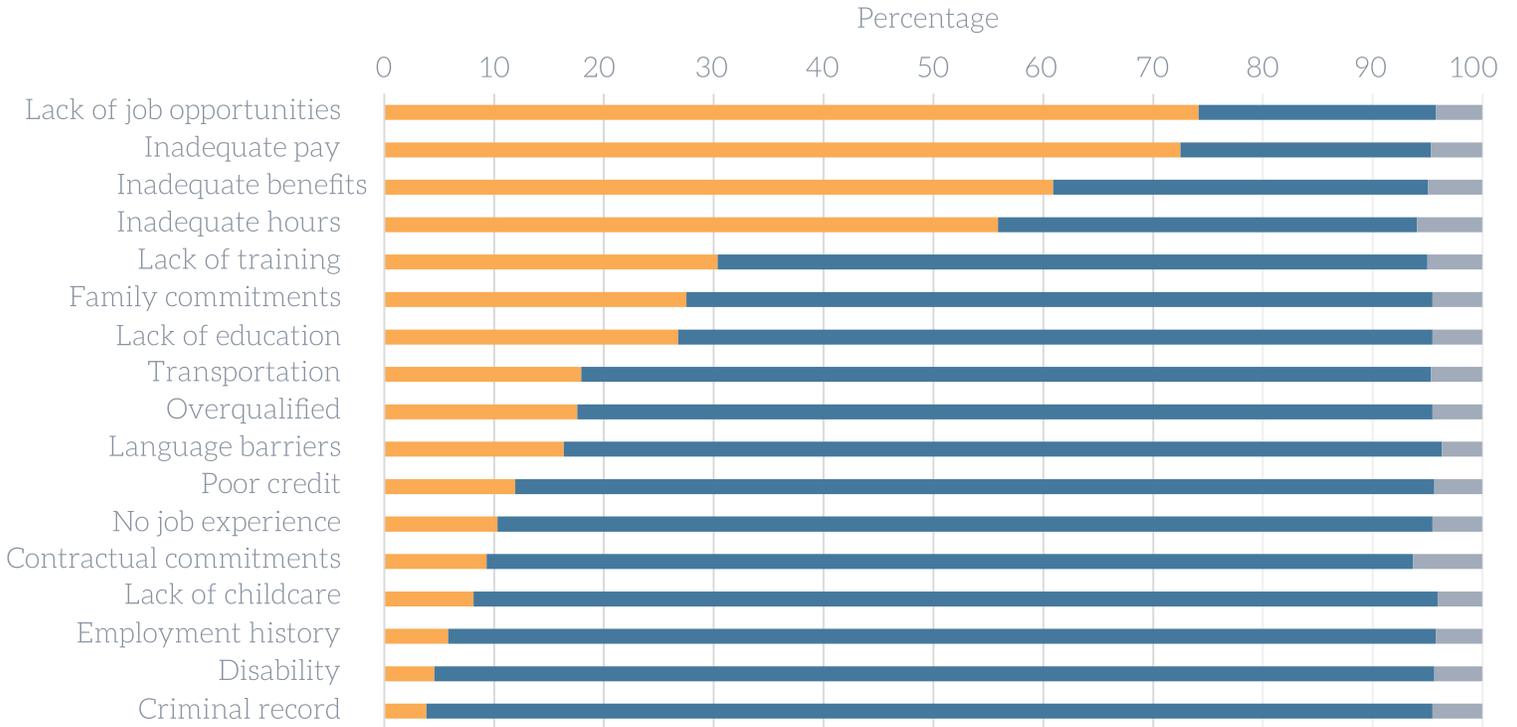


PERCENTAGE OF POPULATION WILLING TO IMPROVE EMPLOYMENT SITUATION BY ANNUAL WAGE

The median minimum wage sought by seekers in South Sioux City to improve their employment situation is estimated at **\$35,360** annually. For full-time, year-round work, this means a wage of about **\$17** per hour. Those who were less likely to change jobs or reenter the workforce generally reported that they would require higher wages to do so. The median minimum wage required to improve the employment situation for that group was **\$55,000** annually. Those who reported that they were likely or very likely to change jobs or reenter the workforce required lower wages to do so than those who did not.



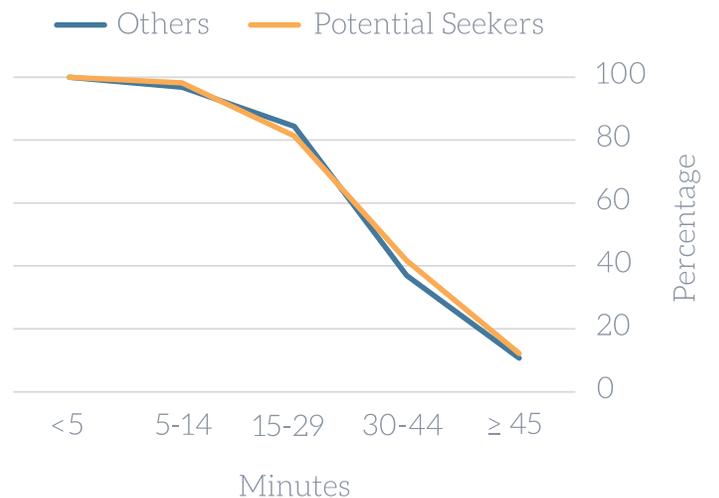
BARRIERS ENCOUNTERED BY POTENTIAL JOB SEEKERS



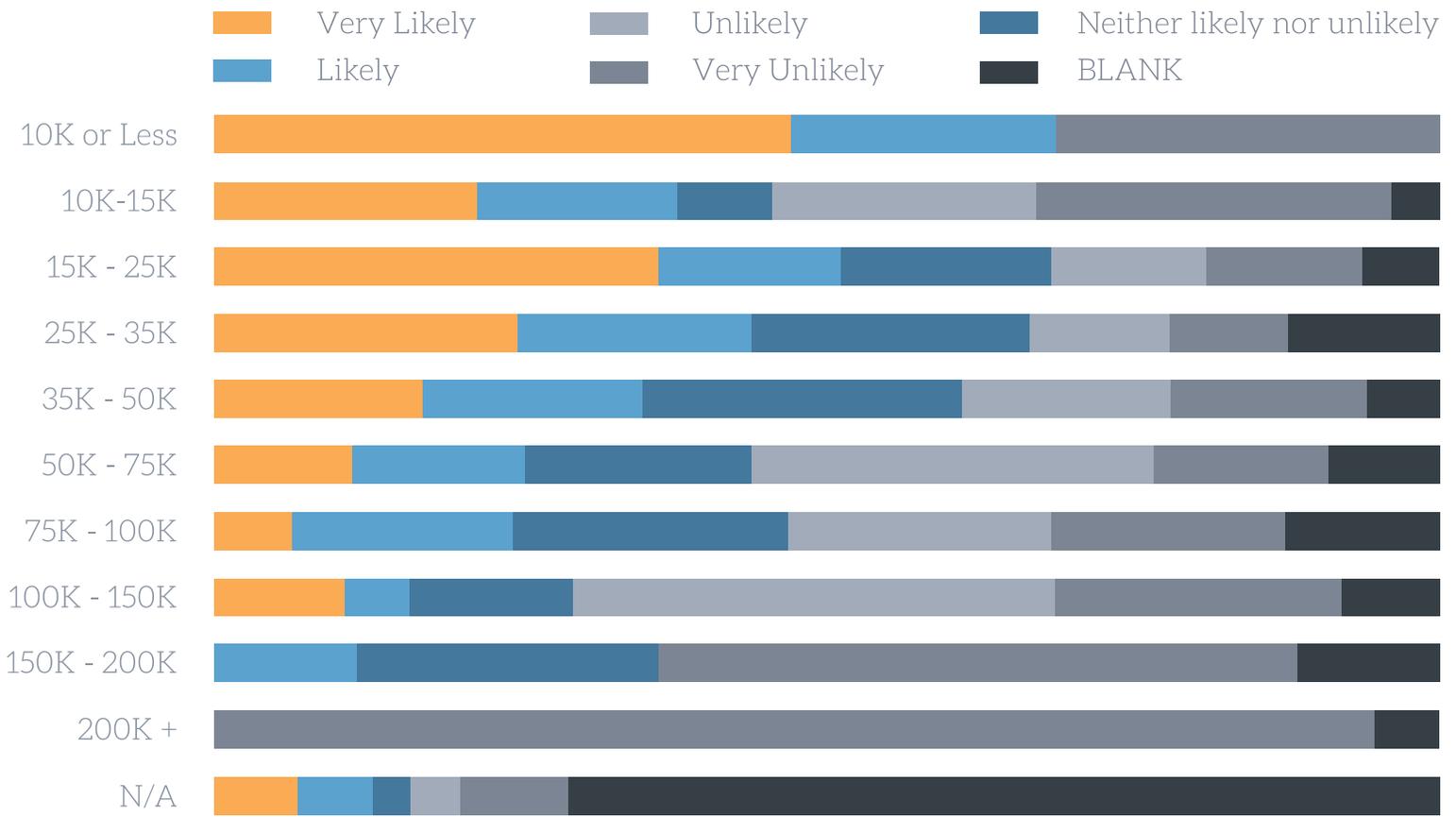
The top barrier to improvement reported by potential job seekers was lack of available opportunities. None of the top four barriers reported were related to qualities of the potential seekers themselves. These top four, lack of job opportunities, inadequate pay, inadequate hours and inadequate benefits, were the only barriers identified by a majority of potential seekers. Lack of training and family commitments were the next two most commonly reported barriers.

SHARE OF POPULATION WILLING TO COMMUTE A GIVEN TIME TO IMPROVE EMPLOYMENT SITUATION

Most of the potential job seekers indicated willingness to commute to improve their employment situation. Four in five seekers reported that they would commute up to 29 minutes away for work, and two in five said that they would be willing to commute up to 44 minutes. The figures on commute-time willingness for non-seekers were very similar to those for seekers. This is likely because commuting is simply a fact of life for workers living in a rural area like the one sampled.



LIKELIHOOD TO CHANGE JOBS BY INCOME LEVEL

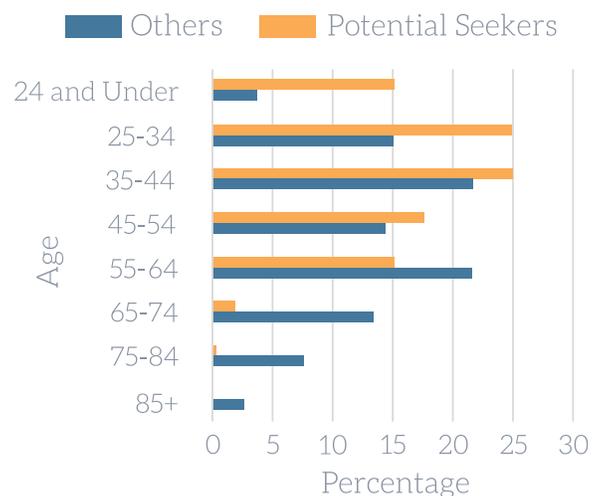


*Each bar represents 100% of that income level

Survey questions allowed respondents to communicate explicitly the conditions under which they would seek or not seek improvement in their employment situation, while others allowed researchers to examine implicit factors in their motivations. Identifying causation is always difficult, but for some qualities of potential job seekers, clear patterns emerge. One of the clearest patterns was related to income. In general, the more people earned, the less likely they were to be potential job seekers. However, South Sioux City was the only region in which those earning less than \$10,000 annually were the most likely to change jobs or reenter the workforce.

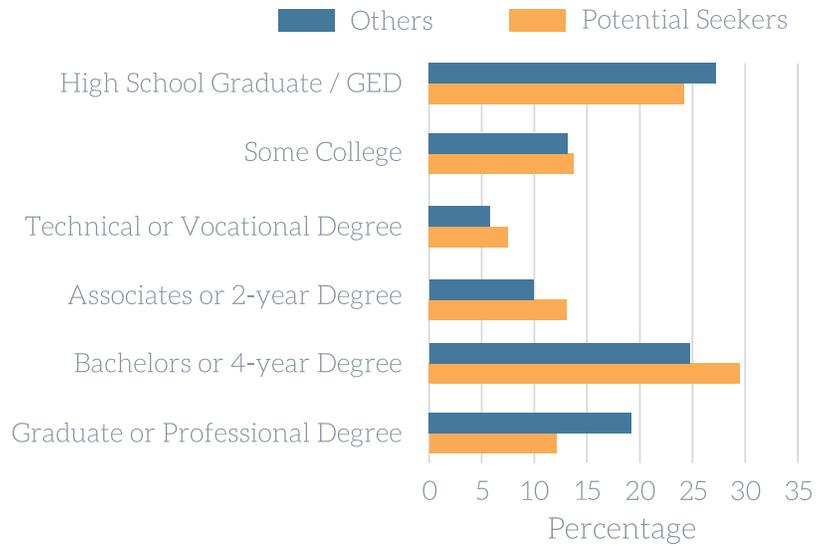
AGE DISTRIBUTION BY SEEKER STATUS

Those people who reported themselves likely or very likely to change jobs or reenter the workforce were in general younger than those who did not. People between 75 and 84 were much more likely to identify as retired, and retired people identified as much less likely to change jobs or reenter the workforce.

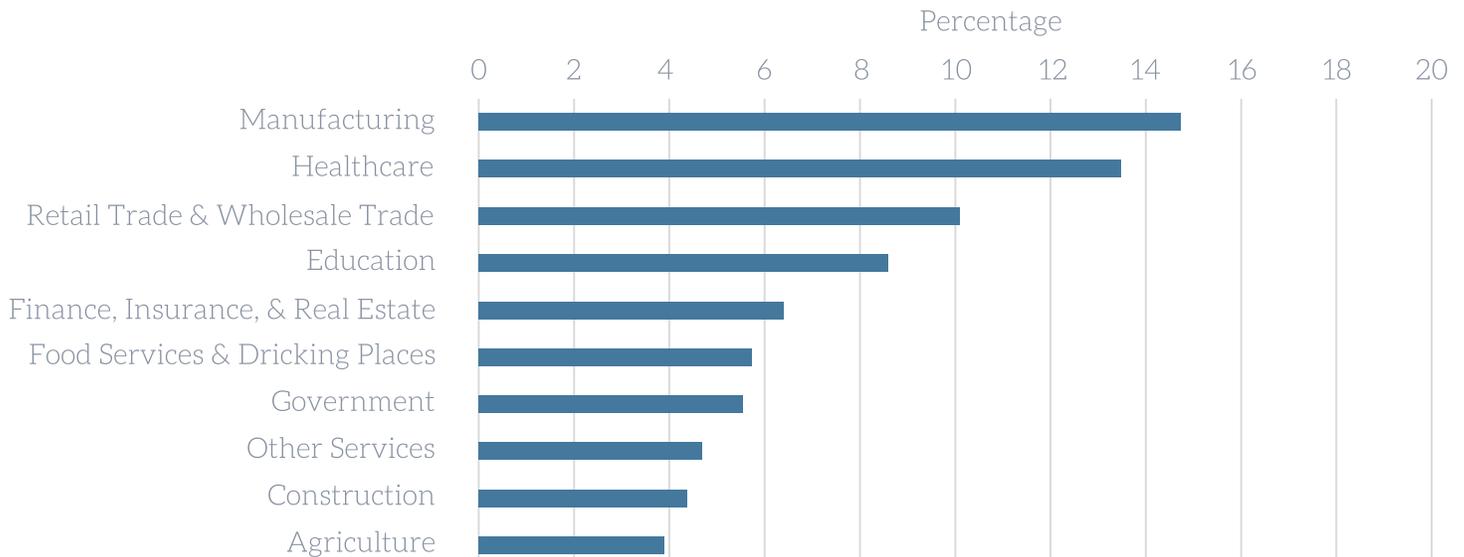


HIGHEST COMPLETED LEVEL OF EDUCATION

The population willing to change jobs or reenter the workforce reported different levels of education than those who were less likely to change. The potential job seekers were concentrated in the middle of the spectrum the survey employed; the majority of potential job seekers reported having between “some college” and a bachelor’s degree. Conversely, non-potential job seekers were more concentrated on the ends of the spectrum, with higher percentages in both “high school graduate/GED” and “graduate or professional degree.”



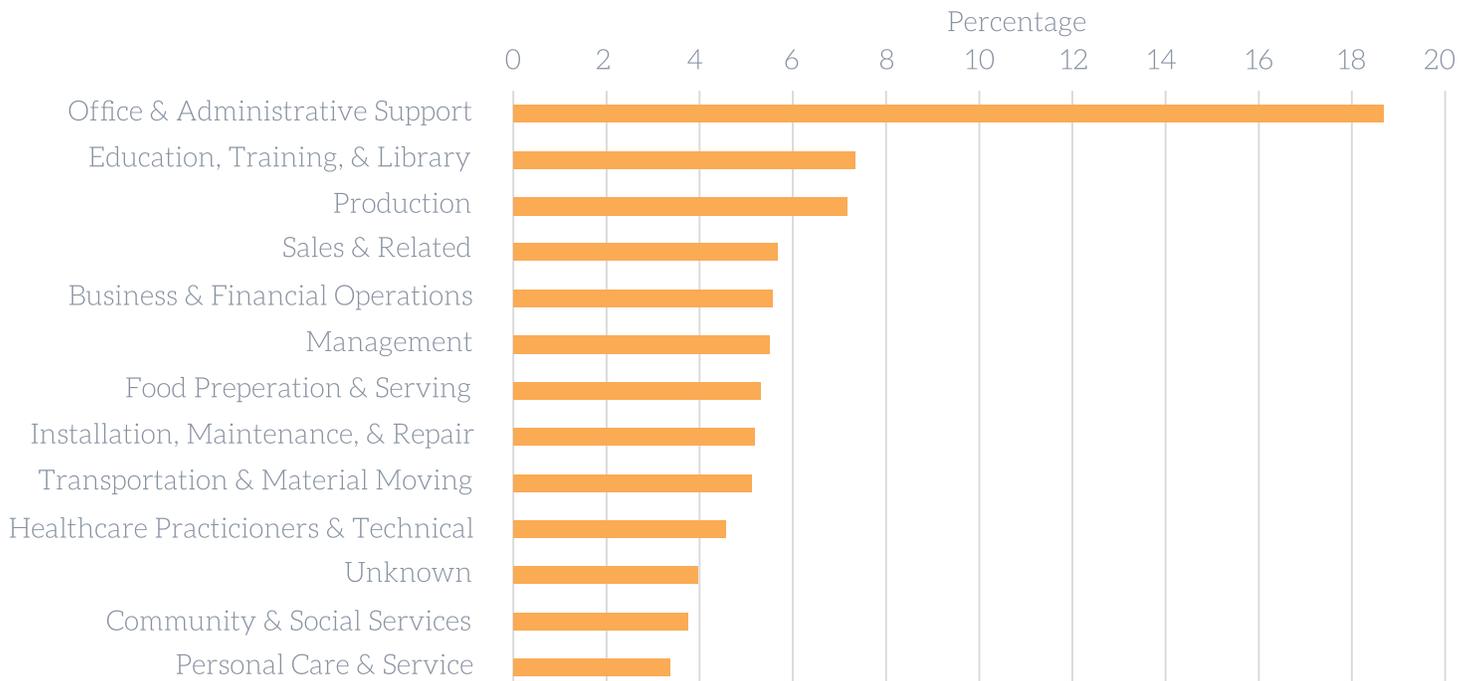
LIKELIHOOD TO CHANGE JOBS BY INDUSTRY



Potential job seekers were most highly concentrated in the manufacturing industry; manufacturing workers were more likely to be potential job seekers as those in other all other industries. Because this measure is based on industry of employment the conclusions that can be drawn about workers are limited. A top executive and a janitor working for the same employer share an industry, but are likely to have very different incomes, levels of education, and priorities. It is worth noting that the industries which saw the highest proportion of their workers self-identify as potential job seekers were among the largest industries by employment in the South Sioux City area.

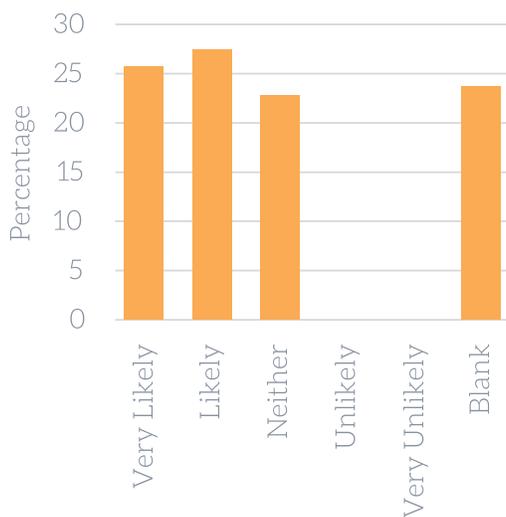
Most potential job seekers identified themselves as working in an office and administrative support occupation. Other common occupations for potential job seekers were education, production and sales occupations. While the reasons that potential job seekers tended to concentrate in these occupations were not measured by the survey, the factors important to potential job seekers, as well as their income and education levels, may yield some clues.

LIKELIHOOD TO CHANGE JOBS BY OCCUPATION

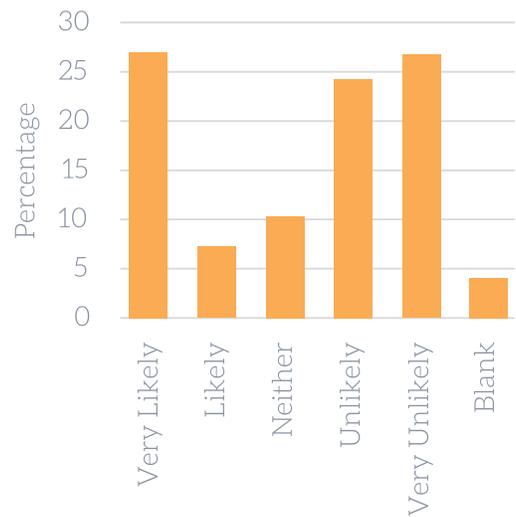


Most employed survey respondents who were seasonal employees (34.3%) indicated they were likely or very likely to change jobs. Similarly, 53.3% of survey respondents who were temporary employees indicated they were likely or very likely to change jobs. This compares to only 37.0% of employed survey respondents who were permanent employees and likely or very likely to change jobs.

TEMPORARY EMPLOYEES LIKELIHOOD TO CHANGE JOBS

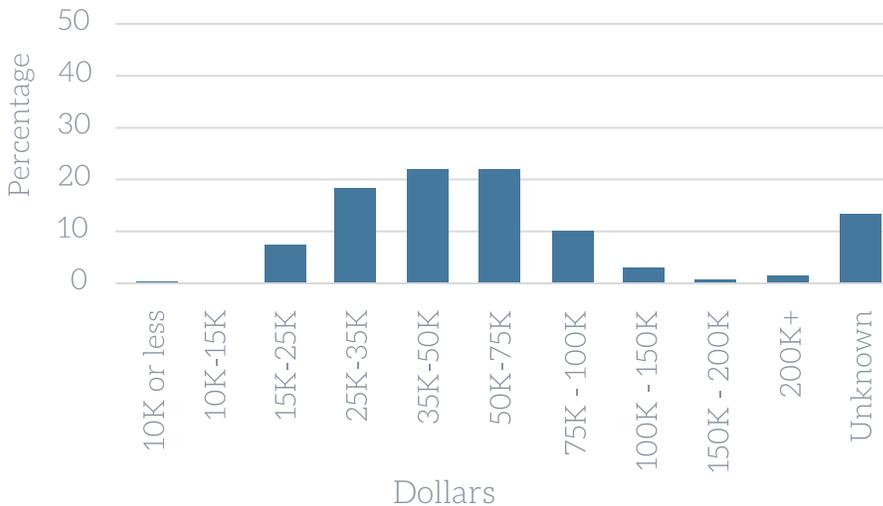


SEASONAL EMPLOYEES LIKELIHOOD TO CHANGE JOBS

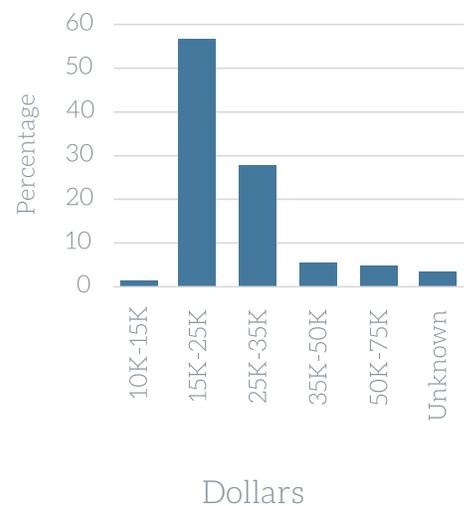


6 OTHER FINDINGS

MINIMUM DESIRED PAY TO CHANGE JOBS FOR CURRENTLY EMPLOYED



DESIRED WAGE OF THOSE NOT CURRENTLY EMPLOYED SEEKING WORK



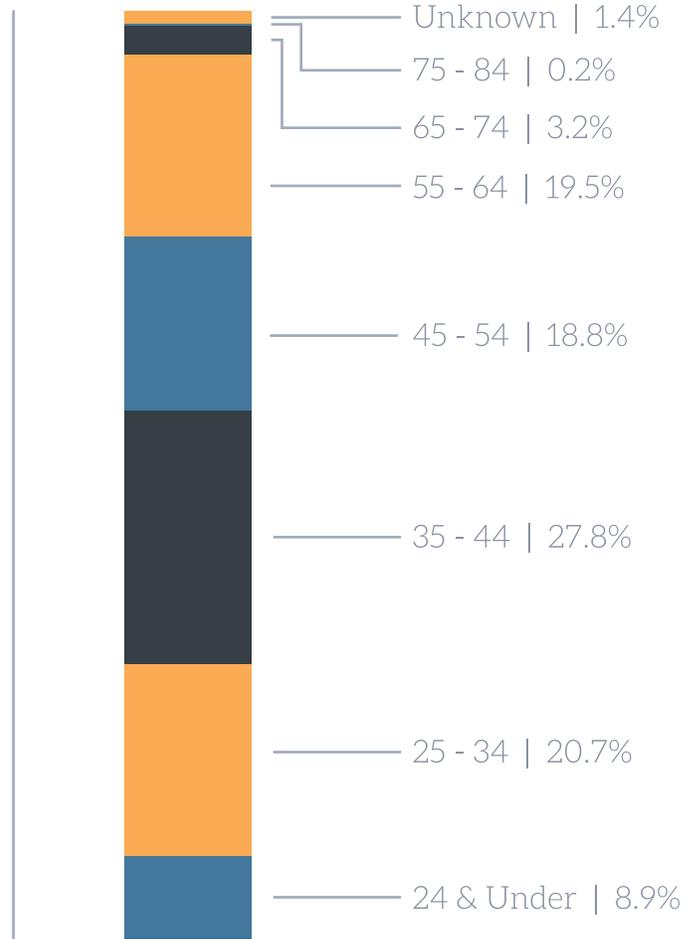
More than half (56.8%) of those not currently employed, but seeking work, desired a wage between \$15,000 and \$25,000 a year. This equates to between minimum wage and about \$12 per hour for full time employment.

Of those currently employed, most desire a slightly higher wage of between \$50,000 and \$75,000 a year. This equates to between \$24.04 and \$36.06 per hour.

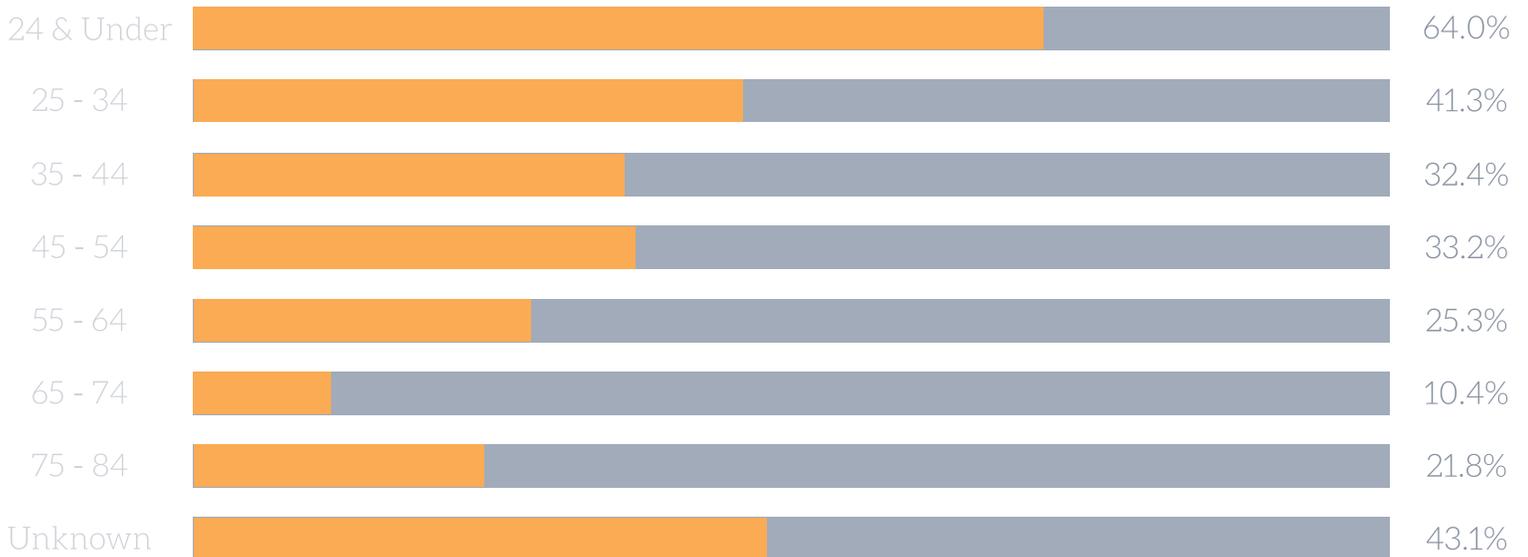
AGE DISTRIBUTION OF THE EMPLOYED

Among survey respondents employed in the South Sioux City area, most were between the age of 25 and 64, with survey respondents fairly evenly distributed across each of the four ten-year age groups. Approximately 3.4% of the employed respondents were age 65 and over, while 8.9% of the respondents were between 20 and 24 years of age.

The reported likelihood of changing jobs differed greatly by age group. Likelihood to be a potential job seeker decreased with age until after traditional retirement age, after which it grew again.

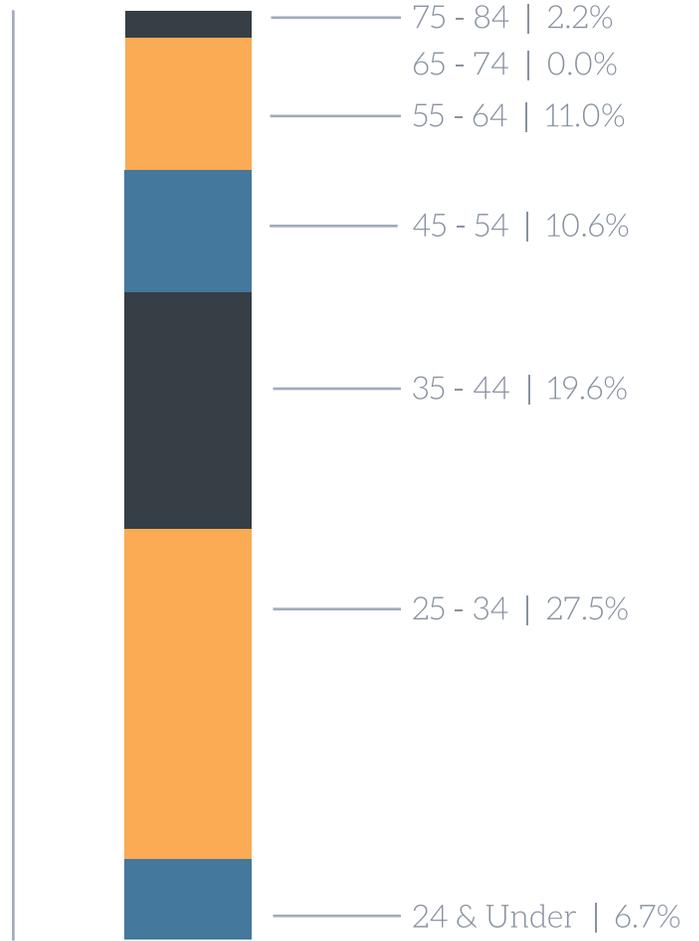


EMPLOYED & LIKELY OR VERY LIKELY TO CHANGE JOBS

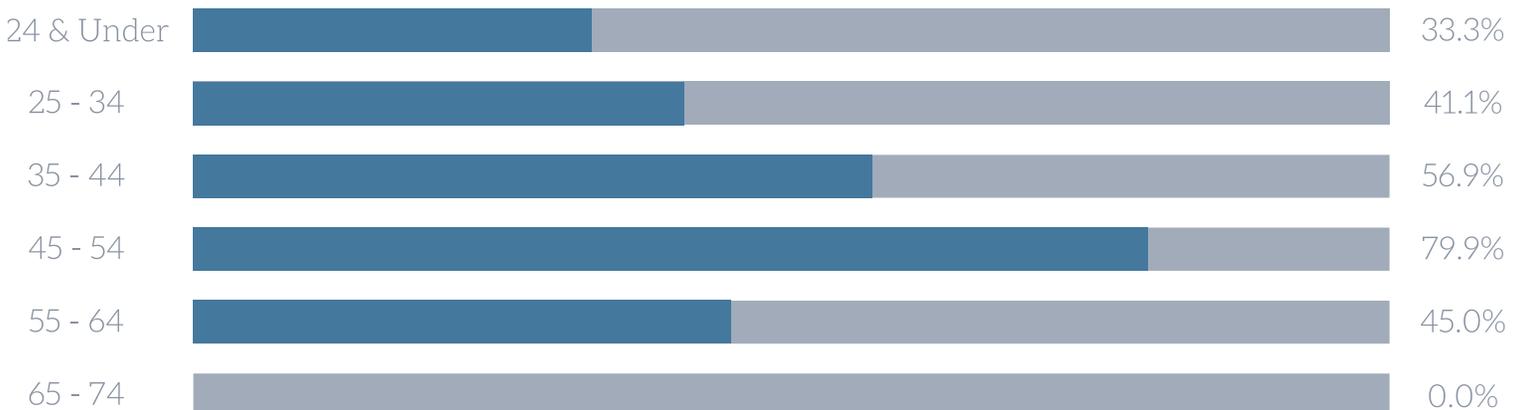


AGE DISTRIBUTION OF THE UNEMPLOYED

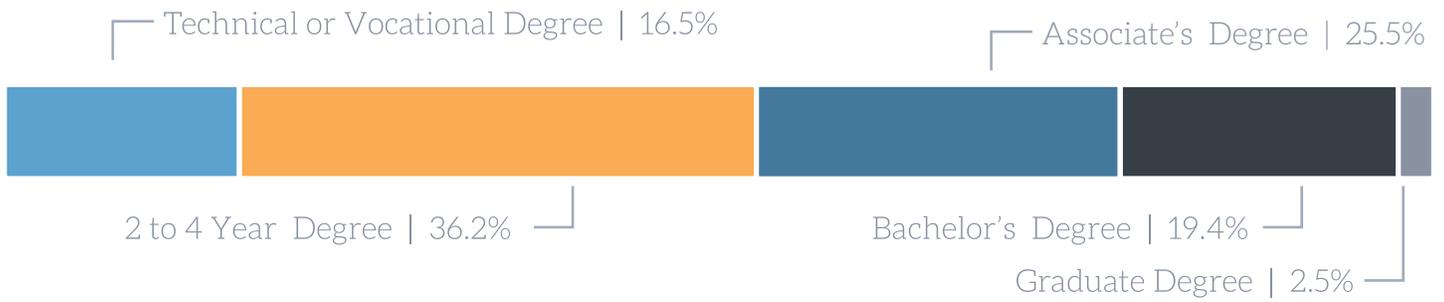
Among survey respondents who were unemployed in the South Sioux City area, most were between the ages of 24 and 44. Their likelihood of changing jobs differs greatly by age group, however. As shown by the following chart, likelihood to change jobs or reenter the workforce actually increased with age for unemployed respondents in South Sioux City. While continuing education may explain the low rate for those 24 and under, the pattern in the first age categories was not seen in other communities.



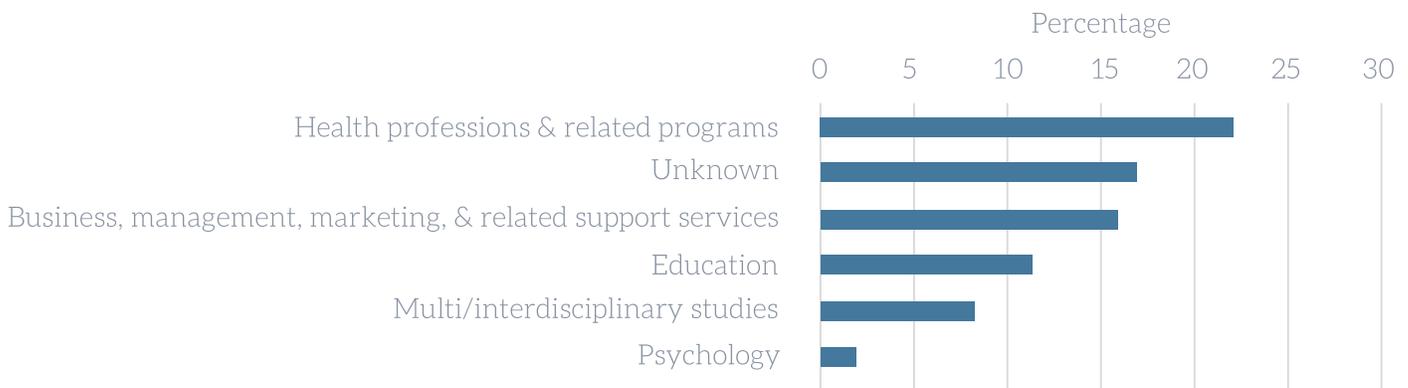
UNEMPLOYED & LIKELY OR VERY LIKELY TO CHANGE JOBS



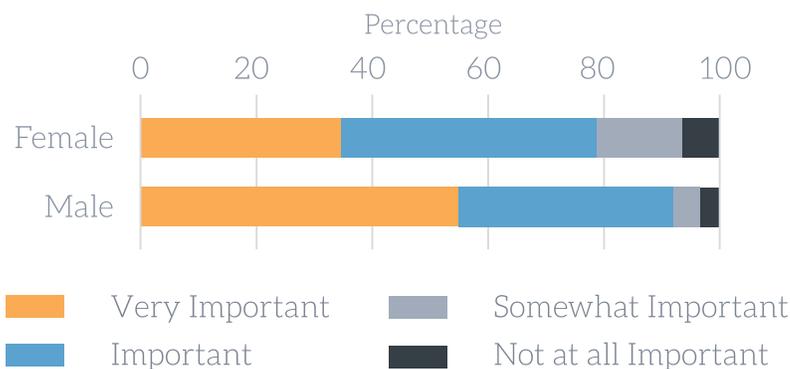
PERCENTAGE UNEMPLOYED BY EDUCATION LEVEL



PERCENTAGE UNEMPLOYED BY DEGREE PROGRAM

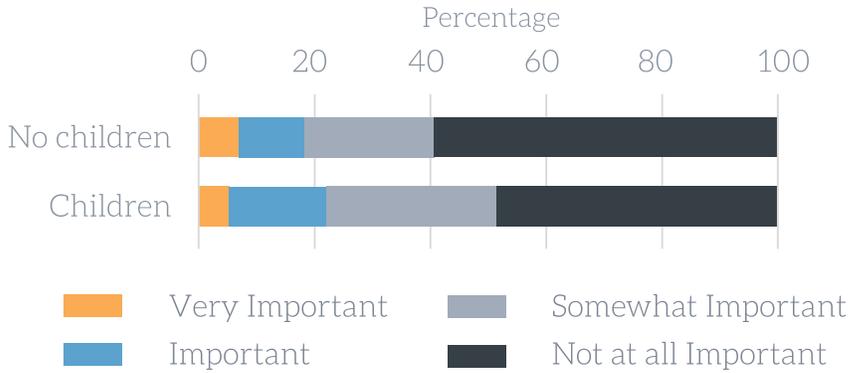


IMPORTANCE OF WORK SCHEDULE



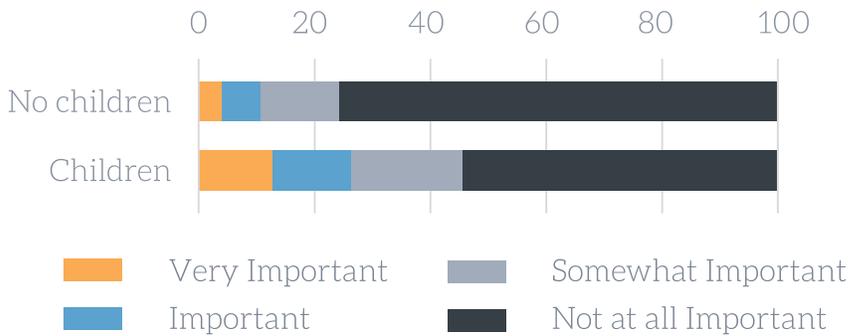
A work schedule that fits an employee's needs was listed as very important by males more often than females. Overall, most respondents marked work schedule as either important or very important.

IMPORTANCE OF WORKING FROM HOME



The importance of working from home was only slightly more important to those with children than to those without children.

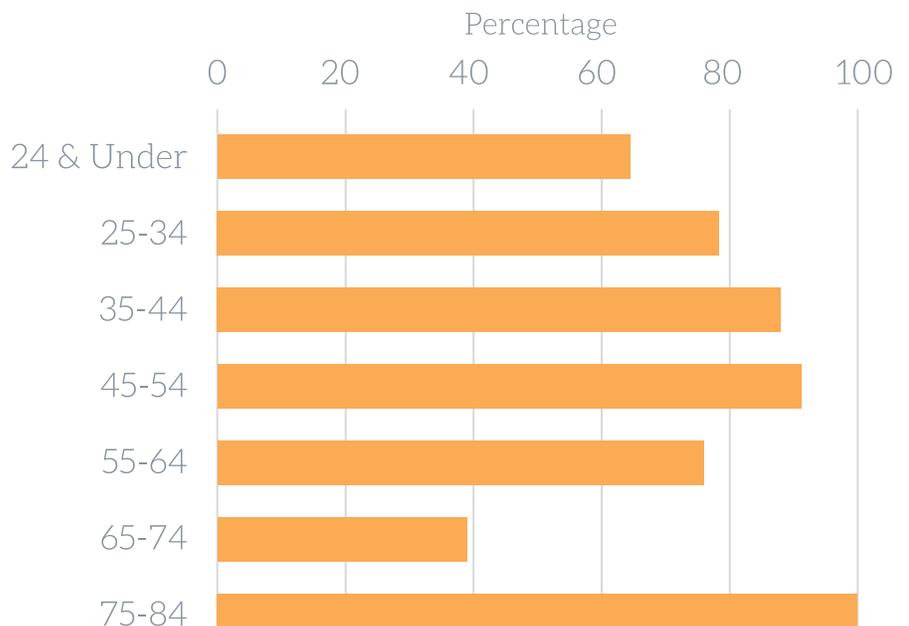
IMPORTANCE OF ACCESSIBLE CHILDCARE



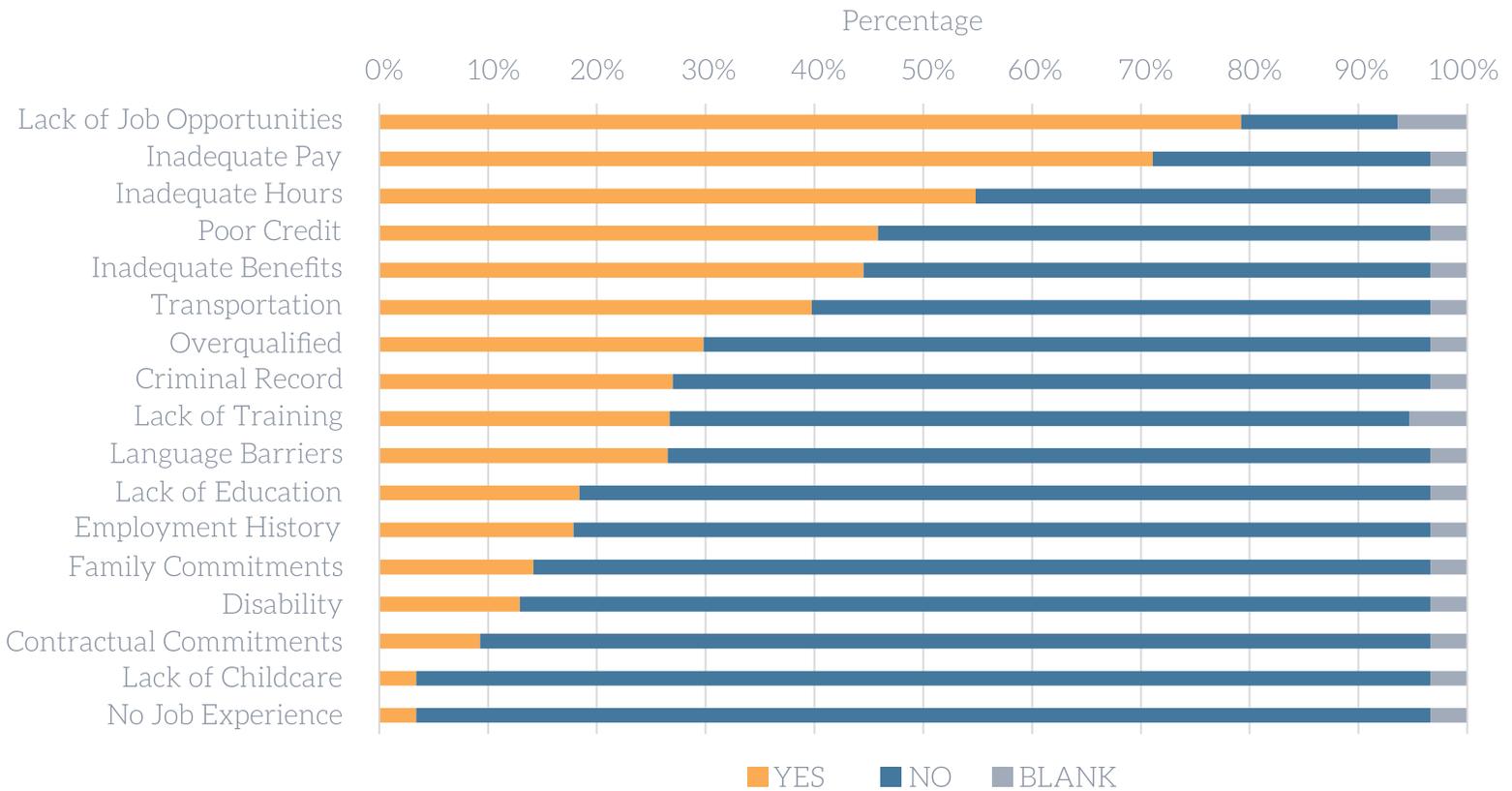
Nearly three times as many respondents with children indicated that accessible childcare was important, compared to those without children.

IMPORTANCE OF RETIREMENT BENEFITS

A majority of respondents in each age category except 65-74 identified retirement benefits as an important consideration when taking a job. It is possible that the 65-74 category is retiring or on the cusp of retirement and was not as concerned with saving more because they didn't anticipate working for enough additional time to accumulate significant additional retirement funds.

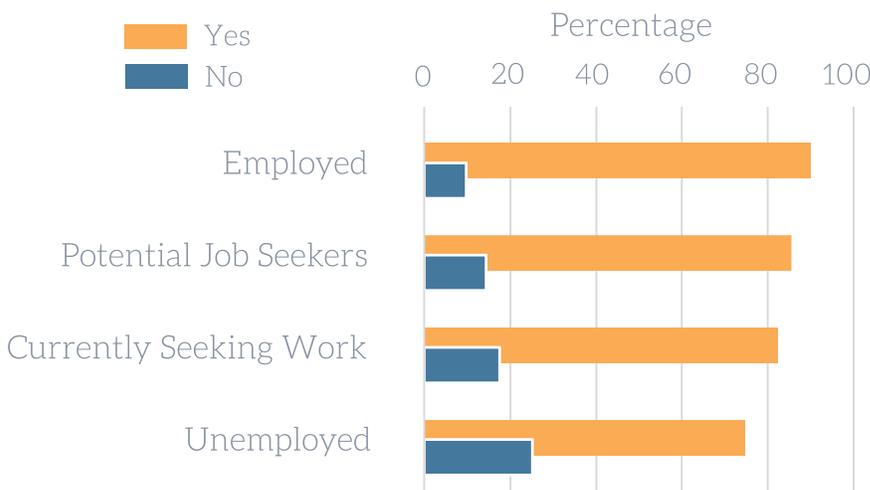


OBSTACLES TO REENTERING THE WORKFORCE, NOT CURRENTLY EMPLOYED, SEEKING WORK



Of those not currently employed, but seeking work, several obstacles to reentering the workforce were identified. The most common obstacle noted was lack of job opportunities. Other obstacles identified were inadequate pay, inadequate hours, and poor credit.

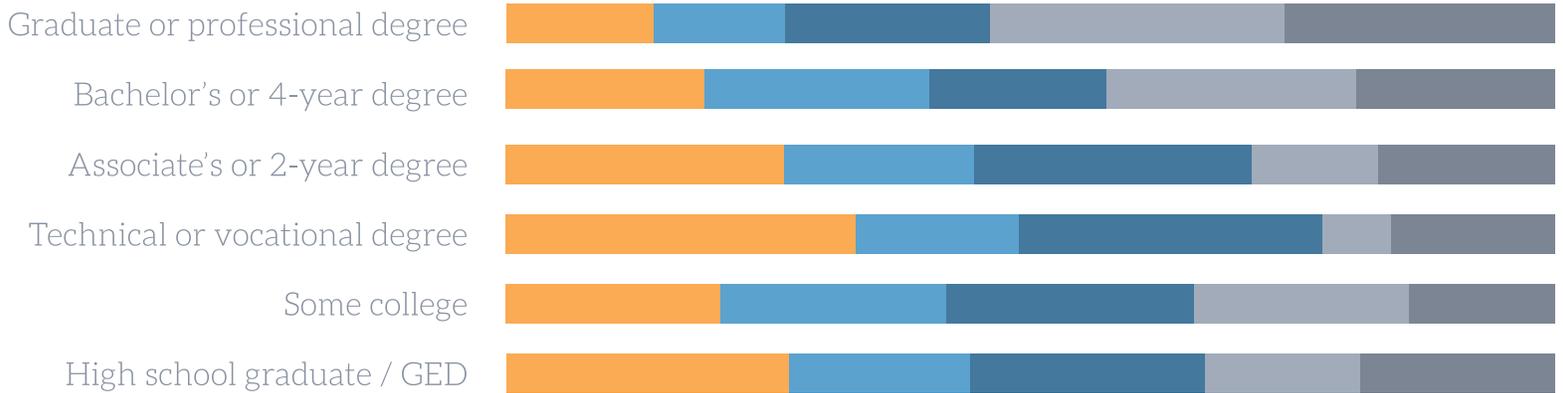
WILLINGNESS TO RETRAIN



When asked if people would be willing to retrain or learn new skills that may improve their employment situation, the response was an overwhelming yes. Most employed persons (90.2%) indicated that they would be willing to retrain or learn skills to improve their employment situation, while 85.6% of respondents who were potential job seekers who were not currently employed also indicated they would be willing to retrain or learn skills to improve their employment situation.

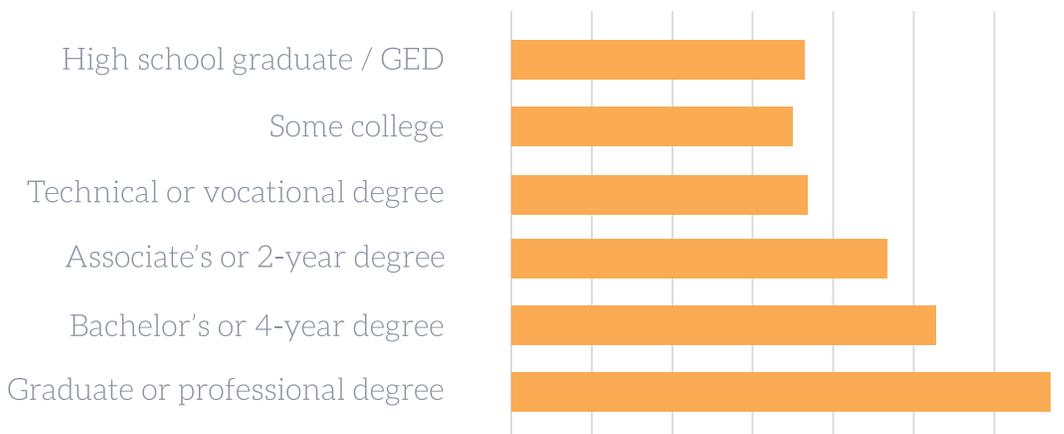
Similarly, 82.4% of respondents who indicated they were currently seeking work also indicated that they would be willing to retrain or learn skills to improve their employment situation. Of those that were unemployed, 74.8% indicated they would be willing to retrain or learn skills to improve their employment situation.

LIKELIHOOD TO CHANGE JOBS BY EDUCATION LEVEL



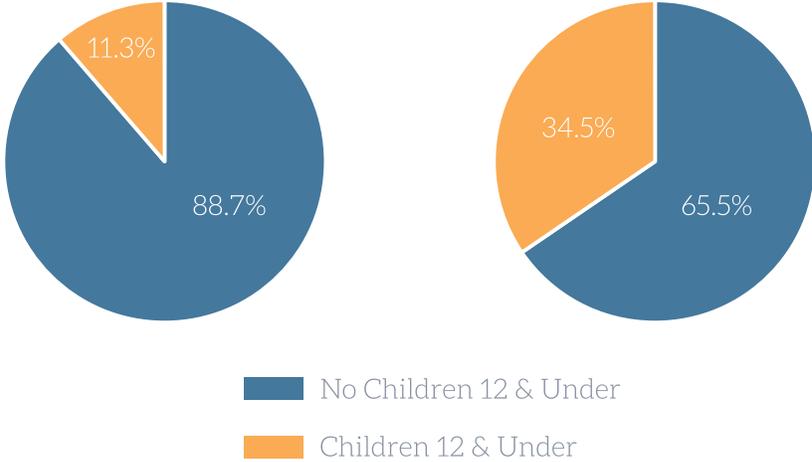
In general, past high school level, respondents with higher levels of education were less likely than others to be potential job seekers. Those who reported technical/vocational school as their highest completed level of education were the most likely to take new work or reenter the workforce. The technical/vocational school respondents were among the least likely to be potential job seekers in other areas studied.

MEDIAN WAGE BY EDUCATION LEVEL



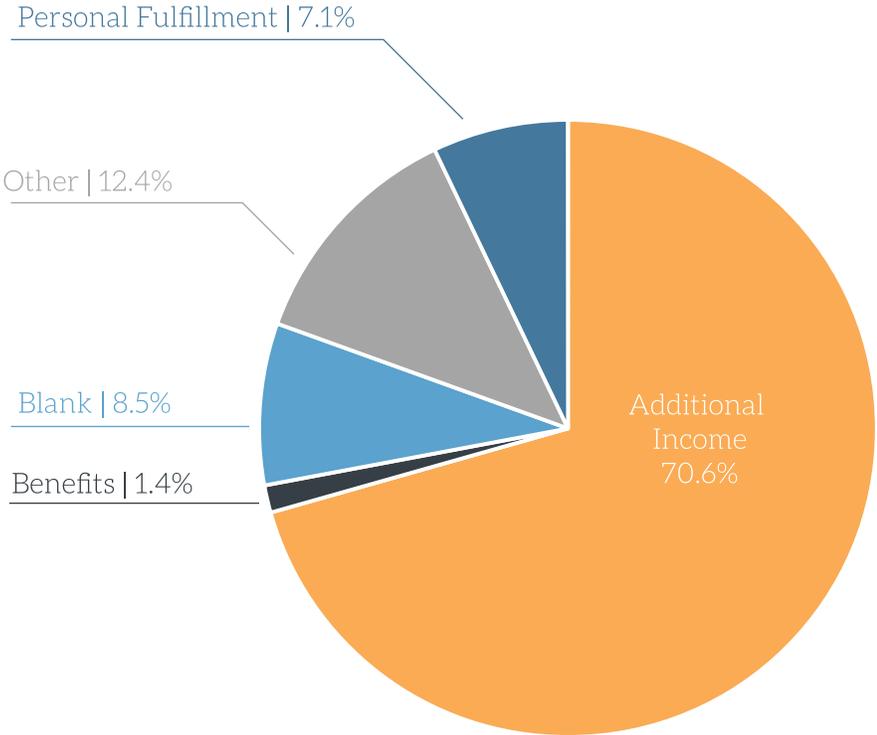
Respondents with higher levels of education also saw higher median earnings. Those who earned bachelor's degrees saw a median income of about \$15,000 more annually than those who completed high school. Graduate degree holders earned about twice what high school graduates did on the median.

SEEKERS VS. NON-SEEKERS & CHILDREN



Of those not currently employed, and not seeking work, 11.3% had one or more children under 12 living in their household. Of those seeking work, 34.5% had one or more children under 12 living in their household.

REASONS FOR WORKING MULTIPLE JOBS



Some survey respondents who were employed indicated that they worked multiple jobs. The most common reason given for working multiple jobs was additional income (70.6%).

APPENDIX / GLOSSARY

TERMS & DEFINITIONS

Potential Job Seeker

A person who answered either 'Likely' or 'Very Likely' to the following question: "How likely or unlikely are you to change jobs or reenter the workforce in the next year if a suitable job is available?" Note that people not currently employed were asked separately if they were actively seeking work, while the employed were not.

Industry

A group of businesses categorized by the goods or services they produce. Industries are typically organized by the North American Industrial Classification System (NAICS). This survey used a modified version of NAICS categories in an attempt to make the categories easier to understand. More information on NAICS can be found at <https://www.census.gov/eos/www/naics/>.

Occupation

A group of jobs categorized by duties. Occupations are typically organized by Standard Occupational Classification (SOC) system. This survey used a modified version of SOC categories in an attempt to make the categories easier to understand. More information on SOC can be found at <http://www.bls.gov/soc/>.

Wages

In each instance where wages were addressed in this survey, respondents were given the option to report annual or hourly wages. When analyzing these wages, the responses were all assumed to represent full-time employment at 40 hours per week, to allow comparison.

Unemployed

While the US Bureau of Labor Statistics has a detailed, stratified, and technical set of definitions for unemployment, this survey simply allowed respondents to select 'unemployed' as one of four choices describing their employment status.

Not Employed

'Not Employed' differs from unemployed in this document. 'Not Employed' includes all respondents who indicated they were unemployed, retired, or homemakers.

SOUTH SIOUX CITY AREA ZIP CODES SAMPLED

This table shows the ZIP codes sampled to create survey estimates for the South Sioux City labor availability area.

County	State	Zip Code	Responses Received
Plymouth County	IA	51001	11
Woodbury County	IA	51004	8
Woodbury County	IA	51007	1
Plymouth County	IA	51008	2
Plymouth County	IA	51024	17
Woodbury County	IA	51026	9
Plymouth County	IA	51028	7
Woodbury County	IA	51030	8
Plymouth County	IA	51031	60
Plymouth County	IA	51038	7
Woodbury County	IA	51039	11
Plymouth County	IA	51050	11
Woodbury County	IA	51052	7
Woodbury County	IA	51054	21
Woodbury County	IA	51055	4
Woodbury County	IA	51056	2
Plymouth County	IA	51062	3
Woodbury County	IA	51101	4
Woodbury County	IA	51103	60
Woodbury County	IA	51104	85
Woodbury County	IA	51105	18
Woodbury County	IA	51106	131
Woodbury County	IA	51108	26
Woodbury County	IA	51109	15
Union County	SD	57001	3
Union County	SD	57004	18
Clay County	SD	57010	3
Union County	SD	57025	11
Union County	SD	57038	10
Union County	SD	57049	39
Clay County	SD	57069	50
Yankton County	SD	57078	130

County	State	Zip Code	Responses Received
Dakota County	NE	68030	6
Thurston County	NE	68047	12
Thurston County	NE	68055	2
Thurston County	NE	68062	1
Thurston County	NE	68067	1
Thurston County	NE	68071	4
Dixon County	NE	68710	6
Dixon County	NE	68728	1
Dakota County	NE	68731	9
Dixon County	NE	68732	1
Dakota County	NE	68733	11
Cedar County	NE	68736	1
Dakota County	NE	68741	4
Dakota County	NE	68743	3
Dixon County	NE	68751	1
Dixon County	NE	68757	4
Dixon County	NE	68770	13
Cedar County	NE	68774	3
Dakota County	NE	68776	69
Dixon County	NE	68784	17
Dixon County	NE	68785	2
Wayne County	NE	68787	61
Cedar County	NE	68792	3

Total Responses : 1,027

