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# LABORSHED ANALYSIS

The purpose of this Laborshed analysis is to measure the availability and characteristics of workers within the region by developing and conducting a telephone survey based on geographic principles. The Laborshed data generated will aid local development officials in their facilitation of industry expansion and recruitment and their service to existing industry in the area. All such entities require detailed data describing the characteristics of the available labor force including current/desired wage rates and benefits, job qualifications and skills, age cohorts, residence/work location, employment requirements/obstacles, and the distances individuals are willing to travel for employment.

The first step in determining the potential available labor supply requires an understanding of the Laborshed. Such an understanding will assist local development efforts by delineating the actual geographic boundaries from which communities are able to attract their workers. Determining the area's Laborshed also builds the foundation for collecting valuable survey data and making estimates concerning the characteristics of the area's potential labor force.

In order to determine the boundaries of the Laborshed area, Iowa Workforce Development (IWD) worked closely with the Johnston Economic Development Corporation to identify where current employees reside. Employees were then aggregated into ZIP codes and placed into a geographic display for analysis (see **Commuter Concentration per ZIP Code** map).

Applying the mapping function of ArcView Geographic Information System (GIS) software produces the geographic display. This GIS program has been utilized to overlay the ZIP code data set, the county data set and transportation routes. IWD's database of ZIP code data sets allows for numerous analyses and comparisons of the potential labor force, such as examining the complete demographic data for a ZIP code's age cohorts (age groupings). Another benefit of applying GIS's mapping function is the ability to identify visually where the workers are located, concentrations of labor and transportation routes that they use to travel to work. This representation is a valuable tool in understanding the distribution of the labor force within the region.

The GIS analysis of the Laborshed area illustrates that segments of the Johnston Laborshed area are located within a 50-mile radius of the Ames (IA) Metropolitan Statistical Area (MSA), as well as a 30-mile radii of the Creston (IA), Marshalltown (IA), Osceola (IA) and Pella (IA) labor market areas (see **Labor Market Areas in Region** map). These labor centers will have an impact on the size of the area's labor force and on the attraction of workers from within the Laborshed area. The Laborshed complements existing sources of labor data, such as the U.S. Department of Labor's Bureau of Labor Statistics (BLS) and the Employment Statistics (ES) and Labor Market Information (LMI) Bureaus of IWD that concentrate on geographic areas based generally on a county or groups of counties.

The following sections of this report summarize the results of the Laborshed survey. Due to the magnitude of the survey results, it is not practical to review each set of variables. Instead, IWD has focused on the factors that we have found to be the most valuable to existing and future businesses. However, IWD will certainly conduct additional analyses if the development corporations and/or local businesses desire further review of specific variable(s) or sets of responses.

# ESTIMATING THE TOTAL LABOR FORCE POTENTIAL

The fundamental goal of any Laborshed analysis is to estimate the potential availability of workers and determine how well the surrounding geographical areas are able to provide a stable supply of workers to the central Laborshed node (see **Table 1**).

Prior to applying the survey results for the Johnston Laborshed area, it was necessary to estimate the size of the potential labor force between the ages of 18 and 64 by ZIP code and survey zone. A variety of U.S. Census Bureau, Bureau of Labor Statistics (BLS), Iowa Workforce Development (IWD), and private vendor publications and data sets are used to estimate the size and demographic details of the potential labor force of the Johnston Laborshed area.

A number of adjustments are made to the Johnston Laborshed area. The first adjustment is to account for differences in the labor participation rates within each of the zones. These adjusted rates are achieved by dividing the labor force cohort between the ages of 18 and 64 by the population cohort between the ages of 18 and 64 (LFC/PC). The labor force cohort includes both employed and non-employed persons that are looking for work. This ratio is similar to the BLS labor force participation rate (LFPR), except that the LFPR includes the total civilian non-institutionalized population age 16 and above. Since most employers are more concerned with the population between the ages of 18 and 64, cohort groups below age 18 and above age 64 are removed.

Employment demographic variables such as employment status, age, education level and miles driven to work are taken into consideration when estimating the availability of workers. Of particular interest is the ordinal variable that rates a person's desire to change employment on a 1-4 scale (1=very likely to change; 4=very unlikely to change).

Factors are explored at both the micro (individual) level and at the macro (zip code or Laborshed) level. The estimated total potential labor force is developed using a logistic regression with polytomous response model based on the above covariates drawn from survey data that estimates the theoretical probability of persons accepting or changing employment.

**Table 1  
Estimated Total Potential Labor Force  
Johnston Laborshed Area**

<b>Weighted Labor Force</b>				
		<b>Total Population 18 to 64</b>	<b>Total Adjusted Labor Force</b>	<b>Total Willing to Change/Accept Employment*</b>
<b>Zone 1</b>				
JOHNSTON, IA	50131	5354	5,124	2,598
<b>Total Zone 1</b>		<b>5,354</b>	<b>5,124</b>	<b>2,598</b>
<b>Zone 2</b>				
ALTOONA, IA	50009	7,375	7,058	3,137
ANKENY, IA	50021	20,043	19,181	8,530
BONDURANT, IA	50035	1,894	1,813	801
CUMMING, IA	50061	790	739	326
DALLAS CENTER, IA	50063	1,482	1,481	666
GRANGER, IA	50109	1,072	1,071	491
GRIMES, IA	50111	3,540	3,388	1,613
MADRID, IA	50156	2,418	2,215	971
POLK CITY, IA	50226	2,133	2,041	923
WAUKEE, IA	50263	4,050	4,047	1,831
WEST DES MOINES, IA	50265	19,684	18,838	8,448
WEST DES MOINES, IA	50266	11,022	10,548	4,818
WOODWARD, IA	50276	1,700	1,699	750
DES MOINES, IA	50309	3,300	3,158	1,416
DES MOINES, IA	50310	19,459	18,622	8,851
DES MOINES, IA	50311	13,365	12,790	5,980
DES MOINES, IA	50312	10,113	9,678	4,316
DES MOINES, IA	50313	10,284	9,842	4,602
DES MOINES, IA	50314	7,186	6,877	3,139
DES MOINES, IA	50315	22,349	21,388	9,276
DES MOINES, IA	50316	10,045	9,613	4,400
DES MOINES, IA	50317	25,215	24,131	10,831
DES MOINES, IA	50320	9,713	9,295	4,105
URBANDALE, IA	50322	20,640	19,752	9,479
URBANDALE, IA	50323	597	571	266
CLIVE, IA	50325	8,464	8,100	3,792
<b>Total Zone 2</b>		<b>237,933</b>	<b>227,937</b>	<b>103,758</b>
<b>Zone 3</b>				
ACKWORTH, IA	50001	446	417	18
ADEL, IA	50003	3,514	3,511	300
ALLEMAN, IA	50007	273	261	19
AMES, IA	50010	17,011	14,602	620
AMES, IA	50014	25,093	21,540	806
<b>Zone 3 Continued</b>				

\*Total willing to Change/Accept Employment references those who would be willing to commute into Zone 1 from their home ZIP Code for an employment opportunity.

Some ZIP codes may not be identified above due to lack of information from the U.S. Census Bureau.

**Table 1 (Cont'd)**  
**Estimated Total Potential Labor Force**  
**Johnston Laborshed Area**

<b>Weighted Labor Force</b>				
		<b>Total Population 18 to 64</b>	<b>Total Adjusted Labor Force</b>	<b>Total Willing to Change/Accept Employment*</b>
<b>Zone 3 Continued</b>				
BAXTER, IA	50028	893	649	29
BEVINGTON, IA	50033	36	33	2
BOONE, IA	50036	9,546	8,745	413
BOUTON, IA	50039	219	219	17
CAMBRIDGE, IA	50046	806	692	42
CARLISLE, IA	50047	3,062	2,865	187
COLFAX, IA	50054	2,142	1,557	102
DE SOTO, IA	50069	614	614	48
DEXTER, IA	50070	869	868	40
EARLHAM, IA	50072	1,499	1,375	76
ELKHART, IA	50073	468	448	37
HARTFORD, IA	50118	581	544	29
HUXLEY, IA	50124	1,791	1,537	96
INDIANOLA, IA	50125	10,602	9,921	435
KELLEY, IA	50134	463	397	19
KELLOGG, IA	50135	993	722	22
KNOXVILLE, IA	50138	6,780	5,739	165
LINDEN, IA	50146	293	293	16
LUTHER, IA	50152	13	12	1
MILO, IA	50166	866	810	26
MINBURN, IA	50167	537	537	42
MINGO, IA	50168	447	325	15
MITCHELLVILLE, IA	50169	1,911	1,829	149
NEVADA, IA	50201	4,875	4,185	156
NEWTON, IA	50208	12,466	9,064	372
NEW VIRGINIA, IA	50210	889	832	33
NORWALK, IA	50211	5,536	5,181	443
OGDEN, IA	50212	1,812	1,660	68
OSCEOLA, IA	50213	3,748	3,459	104
PANORA, IA	50216	1,544	1,256	53
PATTERSON, IA	50218	102	94	5
PERRY, IA	50220	5,051	5,047	303
PLEASANTVILLE, IA	50225	1,527	1,293	50
PRAIRIE CITY, IA	50228	1,193	867	44
PROLE, IA	50229	524	490	32
REDFIELD, IA	50233	870	869	37
<b>Zone 3 Continued</b>				

\*Total willing to Change/Accept Employment references those who would be willing to commute into Zone 1 from their home ZIP Code for an employment opportunity.

Some ZIP codes may not be identified above due to lack of information from the U.S. Census Bureau.

**Table 1 (Cont'd)  
Estimated Total Potential Labor Force  
Johnston Laborshed Area**

<b>Weighted Labor Force</b>				
		<b>Total Population 18 to 64</b>	<b>Total Adjusted Labor Force</b>	<b>Total Willing to Change/Accept Employment*</b>
<b>Zone 3 Continued</b>				
RUNNELLS, IA	50237	1,581	1,513	99
SAINT CHARLES, IA	50240	1,330	1,220	65
SAINT MARYS, IA	50241	0	0	0
SLATER, IA	50244	1,002	860	47
STORY CITY, IA	50248	2,251	1,932	61
STUART, IA	50250	1,293	1,052	43
SWAN, IA	50252	193	163	6
TRURO, IA	50257	494	453	19
VAN METER, IA	50261	1,002	1,001	82
WINTERSET, IA	50273	4,167	3,824	174
DES MOINES, IA	50321	5,127	4,907	419
<b>Total Zone 3</b>		<b>150,345</b>	<b>132,288</b>	<b>6,486</b>
<b>Grand Total</b>		<b>393,632</b>	<b>365,349</b>	<b>112,842</b>

*\*Total willing to Change/Accept Employment references those who would be willing to commute into Zone 1 from their home ZIP Code for an employment opportunity.*

*Some ZIP codes may not be identified above due to lack of information from the U.S. Census Bureau.*

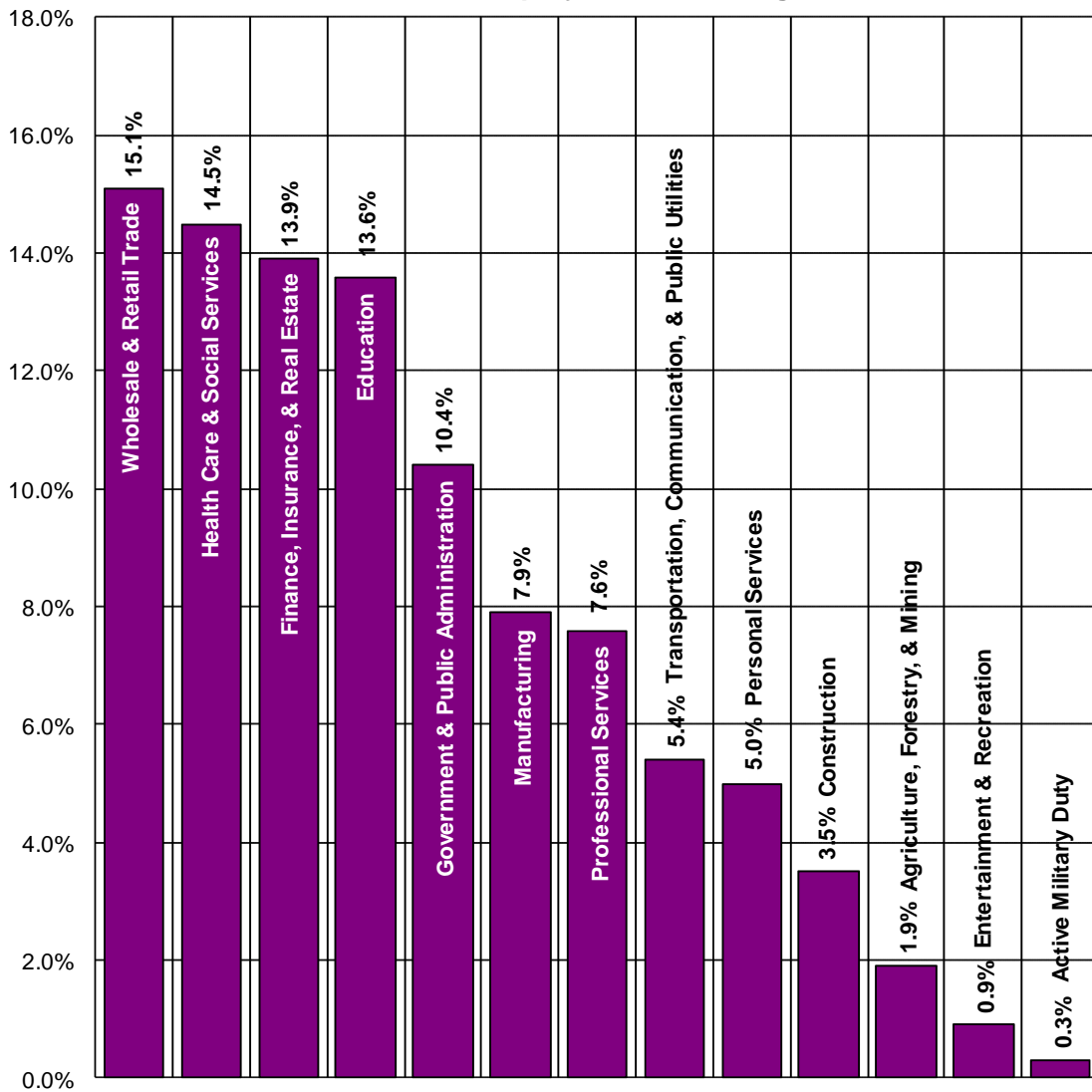
# PRIMARY INDUSTRIES OF THE LABORSHED

## INDUSTRIES IN THE JOHNSTON LABORSHED AREA - EMPLOYED

In order to provide consistency with other labor market information, the industrial categories identified in this Laborshed analysis will follow a similar format of the Standard Industrial Classification Manual (1987).

Survey respondents from the Johnston Laborshed area were asked to identify the industry they are currently working. The following information is based on the responses from those Laborshed respondents who are currently employed (**Chart 1**).

**Chart 1**  
**Where the Employed are Working**



# WORKFORCE STATISTICS

Essentially, when everything else is stripped away, it is the people that are the key to a business' success (*Expansion Management*, January 2003) and in nearly all site location studies, labor constitutes one of the most – if not the most – important criterion of the study (*AreaDevelopment*, April/May 2006). Profiling the characteristics of a community's Laborshed reveals a very dynamic and diverse collection of skills, abilities, work experience and preferences among residents. It is important to analyze each grouping of respondents to identify and respect their uniqueness and contributions to the Laborshed. The employed individuals who are "very likely" or "somewhat likely" to change jobs within their company, or accept a position with a different employer represent the primary pool of available labor. Many factors must be taken into account when evaluating these workers, such as employment experiences, unused skills, education, wages and benefits desired and the distance individuals are willing to travel to work. Current literature does not suggest standards by which to compare this Laborshed data, however, results from previous Laborshed studies conducted by Iowa Workforce Development (IWD) and the University of Northern Iowa's Institute for Decision Making (IDM) form a base of comparison for the study.

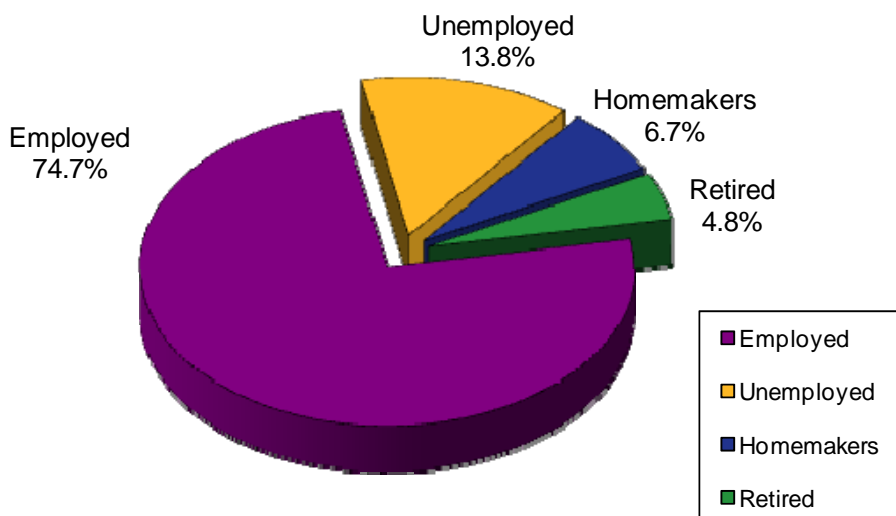
## DEMOGRAPHICS OF THE EMPLOYED

The gender breakdown of those respondents, who are employed, is 52.9 percent female and 47.1 percent male. The average age of the employed is 45 years old. A small portion (11.8%) of the employed respondents speaks more than one language in their household. Of those respondents, 52.2 percent speak Spanish.

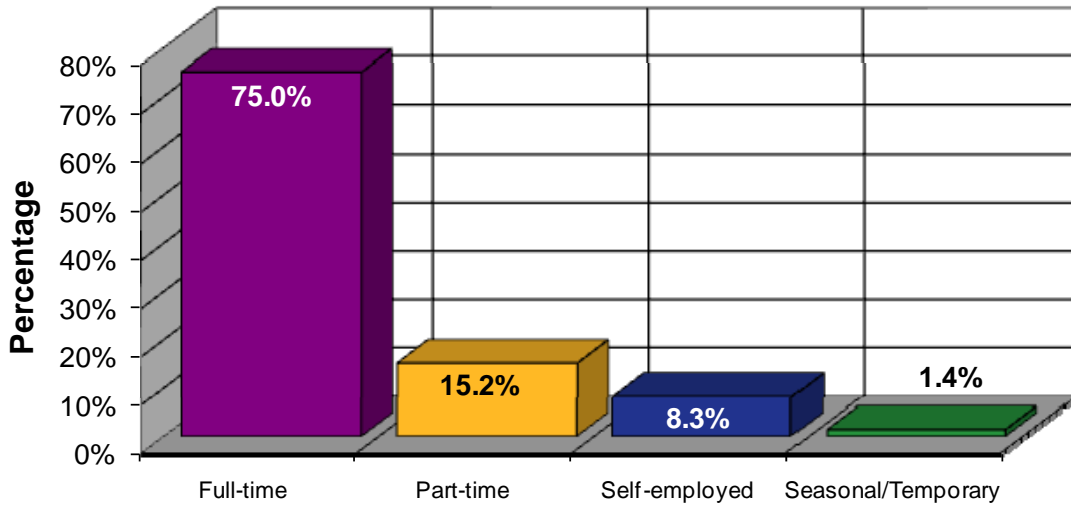
## EMPLOYMENT STATUS

The results of this Laborshed survey show that 74.7 percent of *all* the respondents identified themselves as being employed at the time they were contacted (**Chart 2**). The majority (75.0%) of the employed are working in positions that are considered full-time (see **Chart 3** on the next page).

**Chart 2**  
**Employment Status of Survey Respondents**



**Chart 3  
Type of Employment**



Nearly one-tenth (8.3%) of the employed respondents are self-employed. The types of businesses they are operating include personal service (16.2%), construction/handyman (13.5%), professional services (13.5%), retail (13.5%), artist/writing/music/photography (10.8%), consulting (10.8%), farming (10.8%), child care (2.7%), healthcare/social services (2.7%), lawn care/snow removal (2.7%), and restaurant (2.7%). The self-employed have been operating their businesses for an average of 15 years, ranging from three to 38 years.

**EDUCATION & TRAINING**

Over four-fifths (82.8%) of the employed residents in the Laborshed area have some level of education/training beyond high school, 5.4 percent are trade certified, 2.5 percent have completed vocational training, 12.1 percent have an associate degree, 30.6 percent have an undergraduate degree, and 16.1 percent have a postgraduate/professional degree.

**Table 2** provides an overview of the educational fields of study of those who are currently employed in the Laborshed area.

**Table 2  
Educational Fields of Study**

Fields of Study	% of Laborshed
Social Sciences	25.2%
Business, Public Administration, & Marketing	19.9%
Business Administrative Support	11.6%
Health Care/Medical Studies	11.3%
Education	8.3%
General Studies/Liberal Arts	5.4%
Math & Science	5.4%
Computer Applications/Programming/Technology	3.9%
Vocational Trades	3.0%
Agricultural Studies	3.0%
Engineering & Architecture	3.0%

**OCCUPATIONS & EXPERIENCES**

IWD recodes the respondents' actual occupations into one of the seven Occupational Employment Statistics (OES) categories. The occupational categories represent a variety of specific occupations held by the respondents (see OES Category Structure - **Exhibit D**). Classifying the employed by occupational group, **Table 3** shows that the largest concentration of the workforce are employed within the professional, paraprofessional, & technical occupational category. The agricultural occupational category represents the smallest sector of workers who are currently employed. The totals are based on the Total Adjusted Labor Force estimates found in **Table 1** and the percentage of employed in the Laborshed area.

**Table 3  
Estimated Workforce by Occupation**

Occupational Category	% of Respondents	Potential Total in Laborshed
Professional, Paraprofessional, & Technical	37.8%	103,162
Managerial/Administrative	19.0%	51,854
Clerical/Administrative Support	15.8%	43,121
Production, Construction, Operating, Maintenance, & Material Handling	13.6%	37,117
Service	7.7%	21,015
Sales	5.0%	13,646
Agriculture	1.1%	3,002
<b>Total</b>	<b>100%</b>	<b>272,917</b>

*Totals may vary due to rounding methods.*

**Table 4** provides a comparison of the gender distribution within each occupational category.

**Table 4  
Occupational Categories by Gender**

Occupational Category	Male	Female
Managerial/Administrative	55.0%	45.0%
Professional, Paraprofessional, & Technical	32.4%	67.6%
Sales	50.0%	50.0%
Clerical/Administrative Support	25.8%	74.2%
Service	33.9%	66.1%
Agriculture	60.0%	40.0%
Production, Construction, Operating, Maintenance, & Material Handling	81.6%	18.4%

**Table 5**, on the next page, illustrates the percentage of respondents within each occupational category by zone of residence. The table shows that occupational experiences are generally spread across the survey zones. Although Zone 1 is the primary node in the Laborshed area, the table illustrates the impact of the other zones on the extent of available labor. Within most of the occupational categories, the largest percentage of workers may often reside in outlying zones.

**Table 5  
Occupational Categories Across the Zones**

Occupational Category	Zone 1 % of Zone	Zone 2 % of Zone	Zone 3 % of Zone
Managerial/Administrative	48.0%	24.0%	28.0%
Professional, Paraprofessional, & Technical	40.2%	30.4%	29.4%
Sales	41.7%	27.7%	30.6%
Clerical/Administrative Support	29.8%	35.1%	35.1%
Service	15.3%	49.1%	35.6%
Agriculture	0.0%	20.0%	80.0%
Production, Construction, Operating, Maintenance, & Material Handling	16.1%	37.9%	46.0%

*Equals 100% across the zones*

### **WAGE REQUIREMENTS**

Respondents are surveyed on either an hourly or salaried basis; hourly wages are not converted to annual salaries. The Johnston Laborshed area has a higher concentration of respondents who are currently receiving an hourly wage (48.0%) versus those who are receiving an annual salary (45.8%). The current median wage of those who are employed is \$14.65 per hour and the median salary is \$54,000 per year.

**Table 6** provides the current median wages and salaries by industry of the respondents in the Laborshed area. This wage information is an overview of all employed within the Laborshed area without regard to occupational categories or willingness to change employment. If businesses are in need of wage rates within a defined Laborshed area, the survey data can be queried by various attributes to provide additional analysis of the available labor supply. The actual wage levels required by prospective workers will vary between individuals, occupational categories, industries, and economic cycles.

**Table 6  
Median Wages & Salaries by Industry**

Industry	Median Wage and Salary	
	Non Salary (per hour)	Salary (per year)
Agriculture	*	*
Construction	\$ 20.00	*
Manufacturing	\$ 14.00	\$ 52,000
Transportation, Communication, & Utilities	\$ 18.00	\$ 60,000
Wholesale & Retail Trade	\$ 10.00	\$ 46,500
Finance, Insurance, & Real Estate	\$ 14.00	\$ 70,000
Professional Services	*	\$ 46,000
Health Care & Social Services	\$ 21.00	\$ 57,500
Entertainment, Recreation, & Personal Services	\$ 10.15	\$ 24,000
Government & Public Administration	\$ 22.00	\$ 85,000
Education	\$ 10.45	\$ 47,500

*\* Insufficient survey data/refused*

**Table 7** illustrates current wage rates of those who are currently employed within each defined occupational category.

**Table 7  
Median Wages & Salaries by Occupational Category**

Occupational Category	Median Wage and Salary	
	Non Salary (per hour)	Salary (per year)
Managerial/Administrative	*	\$ 80,000
Professional, Paraprofessional, & Technical	\$ 16.50	\$ 53,000
Sales	\$ 8.75	\$ 47,500
Clerical/Administrative Support	\$ 14.33	\$ 42,000
Service	\$ 10.58	\$ 37,500
Agriculture	*	*
Production, Construction, Operating, Maintenance, & Material Handling	\$ 14.25	\$ 52,000

*\* Insufficient survey data/refused*

Wages by gender differ in the Johnston Laborshed area. The current median hourly wage of employed females in the Laborshed area is \$14.50 per hour and the current median hourly wage of employed males is \$14.65 per hour. This \$0.15 per hour wage difference has females in the Johnston Laborshed area receiving an hourly wage of 1.0 percent less than males. Females who are receiving an annual salary also are faced with gender wage disparity (\$11,000 per year). Currently females are making a median annual salary of \$48,000 per year while males are making a median salary of \$59,000 a year. This results in an 18.6 percent difference in annual salaries.

### **EMPLOYMENT BENEFITS**

There are a variety of benefit packages being offered to employees within the Johnston Laborshed area in addition to wages. Current benefits include health/medical insurance (95.2%), pension/retirement options (75.3%), dental coverage (67.3%), paid vacation (53.7%), vision coverage (49.4%), life insurance (45.5%), disability insurance (33.8%), prescription drug coverage (31.5%), paid holidays (25.0%), paid sick leave (24.4%), paid time off (21.3%), incentive reward programs (4.5%), flextime (2.3%), tuition assistance/reimbursement (1.7%), stock options (1.1%), child care (0.9%), shift differential pay (0.6%), health club/fitness memberships (0.3%), and hiring bonuses (0.3%). Over three-fourths (75.7%) of the respondents in the Laborshed area state they are currently sharing the premium costs of health/medical insurance with their employer, 18.5 percent indicate their employer covers the entire cost of insurance premiums while 5.2 percent indicate they have made other arrangements.

### **COMMUTING**

Commuting data collected by the Laborshed survey assists developers and employers in understanding how employed residents can/could commute within/out of the area. Overall, individuals are commuting an average of 10 miles one way for employment opportunities. Those who live in Zone 1 are commuting an average of 9 miles one way, while residents in Zone 2 are commuting an average of 10 miles one way, and Zone 3 residents are commuting an average of 11 miles one way for employment. Keep in mind that for those residing in Zones 2 and 3 commuting distances of less than 20 miles one way may or may not get them into the nodal community (Johnston).

# ANALYSIS OF THOSE EMPLOYED WILLING TO CHANGE EMPLOYMENT

Analyzing the employed based on their willingness to change employment creates a profile of individuals interested in changing from their current position. The data shows that 22.5 percent of those who are currently employed within the Laborshed area indicated they are either “very likely” or “somewhat likely” to change employers or employment if presented with the right job opportunity. Job satisfaction is the primary reason that those who are currently employed are *not* willing to consider changing employment. A good working relationship with current employer, age near retirement, self-employed, job security, benefits, flextime, wages, lack of job opportunities, seniority, employment location close to home, family reasons, a good working relationship with coworkers, recently started new job, currently in school/training, health reasons, and hours/shifts are other reasons mentioned but not as frequently.

**Table 8** shows the employed willing to change employment residing throughout the survey zones. Respondents willing to change employment by zone are calculated using a logistic regression model weighted by multiple variables such as education level, gender, age, miles willing to travel, and wages. This model provides an estimate for the total number of individuals “willing to change” by zone. The totals are based on the Total Adjusted Labor Force estimates found in **Table 1**.

**Table 8  
Totals by Zone**

	Total Adjusted Laborforce by Zone	Estimated Total Willing to Change/Accept by Zone*	Estimated Number of Employed Willing to Change by Zone*
<b>Zone 1</b>	5,124	2,598	2,167
<b>Zone 2</b>	227,937	103,758	87,333
<b>Zone 3</b>	132,288	6,486	5,080
<b>Total</b>	<b>365,349</b>	<b>112,842</b>	<b>94,580</b>

*\*Total Willing to Change/Accept Employment references those who would be willing to commute into Zone 1 from their home ZIP code for an employment opportunity.*

Over one-tenth (11.9%) of those who are employed, willing to change employment are working two or more jobs. This group would prefer to work full-time hours for one employer versus working for multiple employers to accomplish full-time employment. Those who are employed willing to change are currently working an average of 40 hours per week. Over one-fourth (27.7%) would consider employment offers that require them to work more hours. Further analysis finds that 83.3 percent would prefer to work full-time positions (35+ hrs./week), while 16.7 percent prefer positions with less than full-time hours. Temporary and seasonal employment opportunities do not appeal to the majority of those who are currently employed and willing to change employment. Seasonal employment would interest 28.7 percent, while 24.8 percent would consider temporary employment.

When asked about their interest in entrepreneurship opportunities, 36.6 percent of the employed, that are willing to change employment, expressed an interest in starting a business. The types of businesses they are primarily interested in starting include restaurant (14.3%), artist/writing/music/photography (11.4%), auto repair/service (11.4%), consulting (11.4%), retail (11.4%), personal services (8.6%), child care (5.7%), lawn care/snow removal (5.7%), professional services (5.7%), computer based business (2.9%), construction/handyman (2.9%),

farming (2.9%), and health care (2.9%). However, the majority find access to capital/start-up funds is the primary impediment of operating their own business venture followed by the development of a business plan, concern about the economy, insurance issues, marketing expertise, risk involved, and tax/regulatory laws.

### **AGE AND GENDER OF THE EMPLOYED**

The gender breakdown of those willing to change employment is distributed 54.5 percent female and 45.5 percent male. **Table 9** compares the gender distribution among the employed respondents willing to change employment in each zone. These calculations are based on the Estimated Number of Employed Willing to Change of 94,580 projections found in **Table 8**.

**Table 9**  
**Estimated Totals by Zone & Gender**

	Zone 1		Zone 2		Zone 3	
	Female	Male	Female	Male	Female	Male
% of Zone	48.5%	51.5%	58.1%	41.9%	56.8%	43.2%
Estimated Total by Zone	1,051	1,116	50,740	36,593	2,885	2,195

The average age of those willing to change employment is 42 years of age. **Table 10** provides a breakdown by age category of the employed respondents who are willing to change employment. These calculations are based on the Estimated Number of Employed Willing to Change of 94,580 projections found in **Table 8**.

**Table 10**  
**Age Range Distribution**

Age Range	% of Respondents	Potential Total in Laborshed
18 to 24	7.9%	7,472
25 to 34	17.8%	16,835
35 to 44	29.7%	28,090
45 to 54	29.7%	28,090
55 to 64	14.9%	14,092
<b>Total</b>	<b>100%</b>	<b>94,579</b>

*Totals may vary due to rounding methods.*

### **EDUCATION & TRAINING**

The survey results show that 83.2 percent of the respondents willing to change employment have some level of education/training beyond high school, 3.0 percent are trade certified, 2.0 percent have completed vocational training, 13.9 percent have obtained an associate degree, 32.7 percent have an undergraduate degree, and 14.9 percent have a postgraduate/professional degree. As with other segments of the Laborshed study, education levels vary by industrial and occupational categories, gender and age groups. Additional data can be provided for specific inquiries regarding education and training by contacting the Johnston Economic Development Corporation.

**Table 11** provides an overview of the educational fields of study for those who are employed and willing to change employment.

**Table 11  
Educational Fields of Study**

Fields of Study	% of Laborshed
Social Sciences	26.8%
Business, Public Administration, & Marketing	15.9%
Education	14.6%
Health Care/Medical Studies	12.2%
Business Administrative Support	11.0%
General Studies/Liberal Arts	6.1%
Computer Applications/Programming/Technology	4.9%
Vocational Trades	3.7%
Agricultural Studies	3.7%
Math & Science	1.1%
Engineering & Architecture	*

\* Insufficient survey/data refused

Education and training are the keys to successful careers and employment opportunities. Nearly two-fifths (39.6%) of the employed, willing to change employment, realize to make a successful transition to new employment or be promoted within their current organization, they will need additional education/training. Those respondents desire to start/finish college degree (45.1%), attend computer courses (15.7%), participate in on-the-job training (9.8%), obtain continuing education units "CEU's" (7.8%), participate in vocational training (3.9%), and complete trade certification (2.0%). The primary areas of computer training which they want to take are general computer operations (keyboarding, etc.) (42.9%), software classes (Office, Word, etc.) (28.6%), and programming (COBOL, JAVA, network administration, etc.) (14.3%).

Over one-third (34.7%) are likely to seek additional training/education in their specified areas of study within the next year. Disability issues and financial reasons are the primary obstacles to obtaining their educational/training needs.

Community and economic developers, college/university professionals, and human resource professionals may use this information as a guide for determining and enhancing their workforce education and training programs. Additional issues influencing education/training programs may include class time, cost, and location.

### **OCCUPATIONS & EXPERIENCES**

IWD recodes the respondents' actual occupations into one of the seven Occupational Employment Statistics (OES) categories. The occupational categories represent a variety of specific occupations held by the respondents (see OES Category Structure - **Exhibit D**). Classifying the employed by current occupations and likeliness to change, **Table 12** (on next page) shows that the largest concentration of potential available labor is employed within the professional, paraprofessional, and technical occupational category. The agricultural occupational category represents the smallest sector of workers willing to change employment. The calculations for potential available labor are based on the Estimated Number of Employed Willing to Change of 94,580 projections found in **Table 8**.

**Table 12**  
**Estimated Workforce by Occupation**

Occupational Category	% of Respondents	Potential Total in Laborshed
Professional, Paraprofessional, & Technical	42.0%	39,724
Clerical/Administrative Support	16.0%	15,133
Production, Construction, Operating, Maintenance, & Material Handling	15.0%	14,187
Managerial/Administrative	9.0%	8,512
Service	9.0%	8,512
Sales	8.0%	7,566
Agriculture	1.0%	946
<b>Total</b>	<b>100%</b>	<b>94,580</b>

**Table 13** provides a comparison of those willing to change employment by gender. The Johnston Laborshed area has a higher percentage of females who are employed willing to change than males (54.5% and 45.5% respectively). Employers within the Laborshed area looking to fill positions can utilize this information to more efficiently focus their recruitment efforts in the occupational categories from which they plan to hire.

**Table 13**  
**Occupational Categories by Gender**

Occupational Category	Male	Female
Managerial/Administrative	44.4%	55.6%
Professional, Paraprofessional, & Technical	31.0%	69.0%
Sales	75.0%	25.0%
Clerical/Administrative Support	31.3%	68.7%
Service	55.6%	44.4%
Agriculture	0.0%	100%
Production, Construction, Operating, Maintenance, & Material Handling	80.0%	20.0%

The occupational categories encompass a wide variety of individual occupations in which workers in the Laborshed area are employed. In some cases, workers willing to change positions may be employed in jobs that do not maximize all of their available skills and work experiences. Employees may possess talents that go unutilized or unrecognized by their current employer. Employers tapping into this resource may be effective in attracting employees to different positions or increasing their value to the company. For a list of current or previous occupational titles and experiences in the Johnston Laborshed area, contact the Johnston Economic Development Corporation.

Employers may be aided in their recruiting efforts by being able to identify the respondents by their occupation and area of residence. **Table 14**, on the next page, illustrates the percentage of respondents in each occupational category within each Laborshed zone. The table shows that the occupational experiences are generally spread across the survey zones, but the outlying zones have a substantial effect on a community's in-commute, thus affecting many economic factors. For the most part, employers looking to fill positions within these occupational categories may want to expand their recruitment efforts to include communities surrounding Johnston.

**Table 14**  
**Occupational Categories Across the Zones**

Occupational Category	Zone 1 % of Zone	Zone 2 % of Zone	Zone 3 % of Zone
Managerial/Administrative	44.4%	22.3%	33.3%
Professional, Paraprofessional, &	31.0%	38.0%	31.0%
Sales	37.5%	25.0%	37.5%
Clerical/Administrative Support	37.5%	25.0%	37.5%
Service	33.3%	33.4%	33.3%
Agriculture	0.0%	0.0%	100%
Production, Construction, Operating, Maintenance, & Material Handling	20.0%	26.7%	53.3%

*Equals 100% across the zones*

**Table 15** details the occupational categories the residents would consider seeking employment by survey zone of residence. This information can provide businesses, community developers, and leaders a “snapshot” for future community growth.

**Table 15**  
**Desired Occupational Categories Within the Zones**

Desired Occupational Category	Zone 1 % of Zone	Zone 2 % of Zone	Zone 3 % of Zone
Managerial/Administrative	17.2%	9.5%	4.0%
Professional, Paraprofessional, & Technical	48.3%	57.1%	36.0%
Sales	17.2%	0.0%	8.0%
Clerical/Administrative Support	10.4%	14.3%	16.0%
Service	6.9%	14.3%	20.0%
Agriculture	*	*	*
Production, Construction, Operating, Maintenance, & Material Handling	0.0%	4.8%	16.0%

*Equals 100% within the zone*

*\* Insufficient survey data/refused*

As **Table 15** notes, those who are employed within the Johnston Laborshed area who are willing to change employment are looking for a wide variety of employment opportunities. However, the majority of those who reside in Zone 1 (Johnston), as well as the majority residing in Zone 2, and Zone 3 are looking for positions within the professional, paraprofessional, & technical occupational category (approximately 1,047 people in Zone 1; 49,867 people in Zone 2; and 1,829 people in Zone 3). Projections are based on zone totals obtained from **Table 8**.

## WAGE REQUIREMENTS

**Table 16** provides data concerning the employed respondents' current median wages and salaries, by their likeliness to change employment. Additional data from the survey can be analyzed to provide businesses a benchmark for determining wage rates in the Laborshed area. The actual wage levels required by prospective workers will vary between individuals, occupational categories, industries, and economic cycles. Nearly three-fifths (59.4%) are hourly wage earners.

**Table 16**  
**Comparison of Current Wage Data**

	All Employed	Those Likely to Change	Those Unlikely to Change
<b>Current Wage:</b>			
<b>Median (hourly)</b>	\$14.65	\$13.47	\$15.00
<b>Current Salary:</b>			
<b>Median (yearly)</b>	\$54,000	\$50,000	\$55,000

As **Table 16** shows there is a disparity between the median hourly wages and median annual salaries of respondents likely to change employment and those content with their current position (\$1.53/hr or \$5,000/yr). Those who changed jobs in the past year cited employer layoff/relocation (28.2%), better wages (17.9%), respondent moved (12.8%), better benefits (7.7%), family reasons (7.7%), personality conflicts with previous employer/co-workers (7.7%), career change (5.1%), health reasons (5.1%), respondent was fired from previous employment (5.1%), disability issues (2.6%), better hours (2.6%), retired (2.6%), temporary/seasonal employment (2.6%), and work schedule conflicts (2.6%) as the primary reasons for change.

The wage threshold of employed residents who are “very likely” or “somewhat likely” to change employment is estimated to be \$15.00 to \$16.27 per hour regardless of industry. Salaried employees willing to change employment have a threshold of \$58,700 to \$67,500 per year.

**Table 17** reflects those who are currently employed willing to change and the estimated wage range required to attract 66 percent to 75 percent of the most qualified hourly wage applicants by industry.

**Table 17**  
**Wage Threshold by Industry**

Industry	Wage Threshold
	Non Salary (per hour)
Agriculture	*
Construction	*
Manufacturing	\$16.17 - \$17.63
Transportation, Communication, & Utilities	*
Wholesale & Retail Trade	\$10.84 - \$13.00
Finance, Insurance, Real Estate, & Professional Services	\$16.72 - \$17.25
Health Care & Social Services	\$15.00 - \$20.00
Entertainment, Recreation, & Personal Services	*
Government & Public Administration	\$17.60 - \$18.50
Education	\$13.92 - \$14.50

*\*Insufficient data collected to provide thresholds due to the limited number of hourly wage earners likely to change employment in those industries.*

Another comparison to consider is the employed respondents' lowest wages considered based on gender. **Table 18** provides the lowest wages considered between the genders.

**Table 18**  
**Comparison of Lowest Wages Considered by Gender**

	Male	Female
<b>Lowest Wage Considered:</b>		
<b>Median (hourly)</b>	\$14.00	\$14.00
<b>Lowest Salary Considered:</b>		
<b>Median (yearly)</b>	\$55,000	\$32,000

In many Laborshed areas, there is a discrepancy between the lowest wages considered of males and females. This falls true in the Johnston Laborshed area when looking at annual salaries of those who are willing to change employment without regard to specific industry. The median salary females would consider is 41.8 percent less than that of males. Some of the disparity may be explained by the differences in the occupational and industrial categories of the respondents, nevertheless discrepancies still exist.

### **EMPLOYMENT BENEFITS**

The survey provides the respondents an opportunity to identify employment benefits that would influence their decision to change employment. Desired benefits include health/medical insurance (89.7%), pension/retirement options (61.9%), dental coverage (59.8%), paid vacation (51.5%), vision coverage (39.2%), life insurance (36.1%), paid sick leave (28.9%), disability insurance (26.8%), prescription drug coverage (26.8%), paid holidays (21.6%), paid time off (11.3%), flextime (2.1%), incentive reward programs (2.1%), and shift differential pay (1.0%). For some respondents, benefits offered in lieu of higher wages can be the driving force to change employment. Some respondents assume that particular benefits, such as health/medical insurance, would be incorporated into most standard employment packages; therefore, they did not select health/medical as an influential benefit option.

When contemplating a change in employment, nearly one-fourth (24.4%) of those surveyed would prefer to look for offers where the employer covers all the premium costs of health/medical insurance while the majority (68.3%) would be willing to cost share the premium for health/medical insurance with their employer. Nearly four-fifths (78.5%) of those who are employed willing to change state they are currently sharing the premium costs of health/medical insurance with their employer and 10.1 percent indicate their employer is covering the entire cost of health/medical insurance. When it comes to considering influential benefit options to employment offers, there is a difference between those who currently share in the costs of medical insurance premiums to that of those who desire cost sharing of medical insurance premiums. This leads to the belief that cost sharing versus employer paid would influence the employed to change positions or companies.

### **FLEXIBILITY & ADAPTABILITY IN THE WORKPLACE**

The Laborshed area residents are very receptive to various work environments. Most respondents (76.2%) would prefer to work in an environment that offers team environments, groups of individuals coming together to accomplish a common goal; 71.3 percent are willing to work in cross-training opportunities, training to do more than one job; and nearly one-third (31.0%) would consider job sharing work arrangements, involving two or more individuals splitting one full-time job. As such arrangements become more common in the workplace; more and more employees are expressing greater interest. Employment opportunities that require a

variety of work schedules (combinations of 2<sup>nd</sup>, 3<sup>rd</sup> or split shifts) would pique the interest of 23.8 percent of the employed that are willing to change employment.

## **JOB SEARCH TECHNIQUES**

Employers who have a clear understanding of the job search resources used by workers will improve their ability to maximize their effectiveness and efficiency in attracting qualified applicants. Residents living in the Johnston Laborshed area are undoubtedly exposed to numerous sources by which employers communicate job openings and new hiring. It is important to understand what sources potential workers rely on when looking for jobs. The most frequently identified job search resources are the internet (81.0%), local newspapers (30.0%), networking (20.0%), local Iowa Workforce Development Centers (17.0%), and regional newspapers (15.0%). Walk-in (door-to-door) solicitation, private employment services, bulletin boards, college/university career centers, trade publications, and radio were also mentioned but less frequently as utilized sources for employment opportunities.

Those utilizing the local newspaper tend to seek employment opportunities by searching in their hometown news publication. The most popular local/regional newspaper source is *The Des Moines Register*. The internet is host to many sources for employment opportunities, the most commonly used sites to look for employment opportunities in the Johnston Laborshed are [www.careerbuilder.com](http://www.careerbuilder.com), [www.desmoineshelpwanted.com](http://www.desmoineshelpwanted.com), and [www.monster.com](http://www.monster.com). The type of industry the individual is seeking to be employed may determine the sources used. Businesses wanting more detailed advertising sources may contact the Johnston Economic Development Corporation. Understanding and utilizing traditional and non-traditional advertising media will provide employers a more focused and effective recruitment tool.

## **COMMUTING**

Commuting data collected by the Laborshed survey assists developers and employers in understanding how employed residents that are willing to change employment can/could commute within/out of the area. Overall, the employed willing to change would commute an average of 23 miles one way for employment opportunities. Those who live in Zone 1 are willing to commute an average of 22 miles one way, while residents in Zone 2 are willing to commute an average of 18 miles one way and Zone 3 residents are willing to commute an average of 27 miles one way for the right employment opportunity. To provide a comparison, those employed willing to change are currently commuting 11 miles one way, and those currently employed but *not* willing to change, commute an average of 9 miles one way to work.

Where individuals live within the Laborshed will influence their desire to commute to the node community. The node community may be the largest economic center for many of the smaller communities in the area. Individuals from the surrounding communities seeking job opportunities and competitive wages/benefits may be resigned to the fact that they will have to commute some distance to a new employer. In these cases, the willingness of the Zone 2 and 3 respondents to commute a substantial distance increases the likelihood that they may be interested in commuting (or interested in continuing to commute) to the node community. However, the willingness of Zone 1 residents to commute represents a potential out commute from the node community. This point illustrates the influence of surrounding labor on the individual Laborsheds - potentially drawing workers out of the node (see **Labor Market Areas in Region** map).

## OUT COMMUTERS

The out commute of a community represents the percentage of residents living in the node community (Johnston), but working for employers located in other communities. The out commute for Johnston is estimated at 73.9 percent – approximately 2,973 people living in Johnston who work in other communities. Most of those who are out commuting are working in Des Moines, West Des Moines, or Urbandale. Of those who are commuting to other communities for employment opportunities, 25.0 percent are willing to change employment (approximately 743 people) if presented with the right employment offer. The calculations for potential available labor are based on adjusted labor force zone totals obtained from **Table 8**.

As a group, they are primarily employed within the professional, paraprofessional, & technical; managerial; or clerical occupational categories. They are primarily working within the finance, insurance & real estate; health care & social services; public administration & government; wholesale & retail trade; and professional services industries.

For those who out commute, 88.8 percent have education/technical training beyond high school, 3.4 percent are trade certified, 3.4 percent have completed vocational training, 12.9 percent have an associate degree, 38.8 percent have an undergraduate degree, and 21.6 percent have a postgraduate/professional degree. Areas of emphasis include business/public administration, marketing, social sciences, and business administrative support.

Nearly three-fifths (57.8%) of those who are commuting out of Johnston for employment are salaried employees whose current median income is \$75,000 per year. Hourly wage employees (37.9%) have a median wage of \$16.64 per hour.

Out commuters are currently commuting an average of 11 miles one way to work, and are willing to commute an average of 14 miles for a “new opportunity”. The gender breakdown of those who are considered to be out commuters is evenly distributed. The average age of out commuters is 45 with nearly one-third (30.2%) between the ages of 45 and 54.

# ESTIMATED UNDEREMPLOYED

Underemployment is a recent point of interest in popular literature, but has actually been an issue studied and addressed by economists for nearly 20 years. While there is no one widely accepted definition of underemployment for the purpose of this Laborshed study, underemployment is defined in the following three ways:

1. Inadequate hours worked -- individuals working less than 35 hours per week and desiring more hours.
2. Mismatch of skills -- workers are denoted as “mismatched” if their completed years of education are above the number needed for their current occupational group, they have significant technical skills beyond those currently being utilized, or if they have held previous jobs with a higher wage or salary.
3. Low income -- individuals working full-time but at wages insufficient enough to keep them above the poverty level.

Each of these categories of underemployment can be very difficult to estimate; however, it appears as though elements of each of these categories exist in this Laborshed area.

## ***UNDEREMPLOYED DUE TO INADEQUATE HOURS WORKED***

In order to assess the impact of underemployment by inadequate hours worked in the Laborshed area, we refer to tabulations of the employed willing to change employment working 34 hours or less from the survey responses. The survey data shows that underemployment due to inadequate hours is estimated to be 2.2 percent within the Laborshed area (**Table 19**).

**Table 19**  
**Underemployed Due to Inadequate Hours Worked**

Percent Underemployed Low Hours	Estimated Underemployed Desiring More Hours
2.2%	2,081

The calculation for estimated underemployed desiring more hours is based on the Estimated Number of Employed Willing to Change 94,580 projections found in **Table 8**.

Nearly three-fourths (69.2%) of those who are considered to be underemployed due to low hours in the Johnston Laborshed are female. Those who are underemployed due to inadequate hours have an average age of 37 years old.

Additionally, those who are underemployed due to inadequate hours are currently employed within the production, construction, & material handling; clerical; professional, paraprofessional & technical; sales; or service occupational categories and are currently seeking employment opportunities within the professional, paraprofessional & technical; service; or clerical occupational categories. This group is willing to commute an average of 19 miles one way for the right employment opportunity. Over two-thirds (69.2%) of the respondents who are underemployed due to inadequate hours have an education beyond high school. Businesses may want to look inside their own organizations for potential candidates when looking to fill openings requiring full-time employment status.

**UNDEREMPLOYED DUE TO MISMATCH OF SKILLS**

Underemployment may also be calculated by examining individuals that are employed in positions that do not maximize their previous experience, skills and education, or that do not adequately compensate them based on their qualifications. IWD’s Laborshed survey of the region attempts to provide the best estimate of this “mismatch” of skills by asking respondents if they believe that they are underemployed and if so, why. Respondents first answered the question, “Are you qualified for a better job?” Individuals answering “yes” are then asked to classify why they are qualified based on categories relating to previously held jobs that required more skill and education, acquiring additional job training and education at their current job, current job does not require their level of training or education and greater pay at a previous job. Respondents selected all descriptors that applied to their situation.

The choices provided on the survey are not an exhaustive list of explanations of why the respondent is overqualified, but a collection of the most likely responses based on prior surveys and research. The respondents’ results are then applied to the entire Laborshed area to analyze why underemployment by mismatch of skills exists. IWD then conducts a second method of validating whether or not underemployment by mismatch of skills actually exists. Each time a respondent lists a reason for why he or she is qualified for a better job, other survey questions are analyzed to estimate whether the person is truly underemployed, or simply overstating their skills and education or underestimating the requirements of the labor market. For example, if a respondent states that they are underemployed because they previously held a job that required more skill and education, IWD evaluates the person’s current employer type, occupation type, skills unused at their current position, age, employment status, education, years in current position, and the type of job they would consider to see if they are consistent with the person’s underemployment.

**Table 20** shows that 2.2 percent are underemployed due to mismatch of skills. If a respondent is determined to be underemployed due to mismatch of skills for more than one of the four reasons, that individual is only counted once for the *Estimated Underemployed* and for the *Potential Total* figures. The calculation for *Potential Total in Laborshed* figure is based on the Estimated Number of Employed Willing to Change of 94,580 projections found in **Table 8**. Additionally, all employed respondents are filtered to include only those that identified that they are “very or somewhat likely” to accept employment when calculating underemployment. This filtering reflects the belief that a respondent is not accurately representing himself or herself as underemployed when they are unwilling to accept new employment opportunities that could improve their status.

**Table 20**  
**Underemployed Due to Mismatch of Skills**

Estimated Underemployed due to Mismatch of Skills	Potential Total in Laborshed
2.2%	2,081

Zone 1 contains 30.8 percent of those who are underemployed due to mismatch of skills, Zone 2 contains 30.8 percent, and Zone 3 contains 38.4 percent in the Johnston Laborshed area. In many rural areas, mismatch of skills tends to be higher because of the desire to maintain a certain level of quality of life issues. Over three-fifths (61.5%) of those who are considered to be underemployed due to mismatch of skills in the Johnston Laborshed are female. The education level obtained compared to occupation previously held provides the greatest discrepancy when looking at mismatch of skills. Over four-fifths (84.6%) have some education beyond high school, 7.7 percent are trade certified, 7.7 percent have completed

vocational training, 38.5 percent have obtained an undergraduate degree, and 7.7 percent have a postgraduate/professional degree. They are willing to commute an average of 19 miles one way for employment opportunities within the professional, paraprofessional, & technical; managerial; service; and sales occupational categories.

### **UNDEREMPLOYED DUE TO LOW INCOME**

Measuring underemployment by low income is accomplished by determining how many households in the Laborshed area fall below the poverty level. A total of 1.3 percent of the respondents answering the household income question fall below the 2009 federal poverty thresholds based on their household income and number of members living in the household (i.e., based on a family of four, the annual household income guideline is \$22,050). **Table 21** provides an overview of the survey respondents who fall below the 2009 federal poverty level and the potential number affected in the Laborshed area that are underemployed due to low income.

**Table 21**  
**Underemployed Due to Low Income**

Percent Underemployed Due to Low Income	Potential Underemployed Due to Low Income
1.3%	1,230

The calculation for potential underemployment due to low income is based on the Estimated Number of Employed Willing to Change of 94,580 employment projections found in **Table 8**.

### **TOTAL ESTIMATED UNDEREMPLOYED**

All three measures of underemployment result in an estimated total underemployment rate of 4.7 percent in the Laborshed area (**Table 22**). It is important to emphasize that these underemployment percentages are only estimates; however, IWD has filtered the data to eliminate double counting of respondents within and between the three categories. A person underemployed due to inadequate hours and mismatch of skills is only counted once.

**Table 22**  
**Total Estimated Underemployed**

Percent Underemployed by Inadequate Hours	Percent Underemployed by Mismatched Skills	Percent Underemployed by Low Income	Percent Total Estimated Underemployment
2.2%	2.2%	1.3%	4.7%

The wage threshold for the underemployed is \$12.84 to \$13.50 per hour with a lowest median considered wage of \$11.00 per hour. When looking for employment opportunities the underemployed use the internet (67.9%); local newspapers (32.1%); networking through friends, family, and/or acquaintances (17.9%); regional newspapers (17.9%); local Iowa Workforce Development Centers (14.3%); walk-in (door-to-door) solicitation (10.7%); bulletin boards (7.1%); college/university career fair (3.6%); or private employment services (3.6%) as the preferred job search media.

## WILLINGNESS OF THOSE NOT CURRENTLY EMPLOYED TO ACCEPT EMPLOYMENT

The BLS defines unemployed persons as individuals who are currently not employed but that are actively seeking employment. Using only this definition overlooks sources of potential labor, specifically homemakers who are not employed and retirees who, though currently not employed, would consider entering or re-entering the workforce if the right opportunity arose. IWD uses an alternative definition “not employed” for its Laborshed studies which includes the unemployed, homemakers/not employed, and retirees as subsets of the category. The survey asks the respondents to identify whether they are unemployed, a homemaker/not employed or retired. It is useful to look at the specific characteristics of each of these subsets of “not employed” persons.

The inclusion of these subset groups into the analysis provides a more accurate assessment of the potential labor force in the Laborshed area. Of the respondents surveyed, 25.3 percent reported that they are “not employed”. By questioning these respondents about their willingness to re-enter or accept a job offer, the survey identified 48.0 percent who stated they are “very likely” or “somewhat likely” to accept employment. Aggregated totals for the “not employed” may be achieved by combining the data from any or all of **Tables 23, 24, and 25**.

Each of the “not employed” subsets has their own unique characteristics that define their contribution to the Laborshed area. Recognizing and understanding these factors will aid in efforts to target and tap into this often unrecognized and underutilized labor resource. The following sections provide a profile of the unemployed, not employed homemakers, and retired respondents.

# UNEMPLOYED

Of those who responded to being unemployed, 58.0 percent are “very likely” or “somewhat likely” to accept employment if the right opportunity arose. **Table 23** shows that the unemployed reside across all three zones of the Laborshed area. Respondents willing to accept employment by zone are calculated using a logistic regression model weighted by multiple variables such as education level, gender, age, miles willing to travel, and wages. This model provides an estimate for the total number of individuals “willing to change” by zone. The totals are based on the Total Adjusted Labor Force estimates found in **Table 1** (approximately 5,188 unemployed persons).

**Table 23**  
**Unemployed - Willing to Accept Employment**

	Total Adjusted Laborforce by Zone	Estimated Total Willing to Change/Accept by Zone*	Estimated Number of Unemployed Willing to Accept by Zone*
<b>Zone 1</b>	5,124	2,598	144
<b>Zone 2</b>	227,937	103,758	4,600
<b>Zone 3</b>	132,288	6,486	444
<b>Total</b>	<b>365,349</b>	<b>112,842</b>	<b>5,188</b>

*\*Total Willing to Change/Accept Employment references those who would be willing to commute into Zone 1 from their home ZIP code for an employment opportunity.*

The current methods to determine the unemployment rate exclude those who have been unemployed longer than six months, those who did not register with the unemployment office and students who are seeking employment. The Laborshed unemployed percent includes anyone who stated they were unemployed then incorporates all counties within the Laborshed area, where as the unemployment rate only takes into consideration individual counties.

## DEMOGRAPHICS OF THE UNEMPLOYED

The average age of this group is 46 years old. The unemployed respondents are distributed amongst all of the age range groups, 18 to 24 (8.5%), 25 to 34 (14.9%), 35 to 44 (17.0%), 45 to 54 (25.5%), and 55 to 64 (34.0%). The gender breakdown of those unemployed is 51.1 percent female and 48.9 percent male.

## EDUCATION & TRAINING

Nearly three-fourths (74.5%) of the unemployed respondents in the Johnston Laborshed area have some post high school education, 2.1 percent are trade certified, 2.1 percent have an associate degree, 23.4 percent have an undergraduate degree and 10.6 percent have a postgraduate/ professional degree.

Over one-fifth (21.3%) of those who are unemployed and willing to re-enter the workforce feel they need additional training/education in order to make a successful transition back into the workforce. They would like to start/complete college degree (30.8%), attend computer training (23.1%), start/complete trade certification (7.7%), and participate in on-the-job training (7.7%).

## **WORK EXPERIENCE & ENVIRONMENT**

Nearly two-thirds (66.0%) of the respondents became unemployed within the last year with the majority (87.2%) of those having held full-time positions, while 8.6 percent held part-time positions in their previous employment, and 4.2 percent were temporarily/seasonally employed. These individuals have diverse work experiences; the majority held positions within the production, construction, & material handling; professional, paraprofessional, & technical; clerical; managerial; sales; or service occupational categories.

A variety of explanations were given as to why the respondents are unemployed at this time. The most frequently mentioned responses include employer layoff/relocation (59.6%), disability issues (12.8%), health issues (10.6%), lack of employment opportunities (8.5%), to continue/further education (8.5%), respondent moved (4.3%), respondent quit prior employment (4.3%), family reasons (2.1%), or personality conflicts with employer/coworkers (2.1%). Over three-fifths (61.7%) of the respondents who are unemployed are seeking/have sought services to gain employment. Of those, over four-fifths (84.0%) are utilizing the local Iowa Workforce Development Centers to assist in seeking qualified offers and plan to seek jobs within the professional, paraprofessional, & technical; production, construction, & material handling; clerical; managerial; service; and sales occupational categories.

The unemployed respondents can accommodate a variety of work environments. The majority (89.4%) of the respondents would prefer employment opportunities that provide job team work environments, 83.0 percent of the respondents expressed an interest in cross-training, and 63.8 percent would be interested in job sharing positions - two people sharing one full-time position. Nearly three-fifths (55.3%) of the unemployed expressed an interest in working a variety of work schedules (combinations of 2<sup>nd</sup>, 3<sup>rd</sup> or split shifts). Temporary employment opportunities would interest 68.1 percent of those who are unemployed, while seasonal employment would be a consideration for 66.0 percent of the unemployed looking to re-enter the workforce.

Over one-fourth (25.3%) of those who are unemployed, willing to re-enter, would consider starting their own business. The businesses they are primarily interested in starting include personal services (23.1%), professional services (19.2%), restaurant (19.2%), retail (11.5%), consulting (7.7%), auto repair/service (3.8%), computer based business (3.8%), construction/handyman (3.8%), health care/social services (3.8%), and transportation/logistics (3.8%). Access to start-up funds is the primary obstacle preventing them from pursuing their entrepreneurial venture. Keep in mind that not all of those who stated they had an interest will actually pursue an entrepreneurial venture. What this does show is that a certain level of entrepreneurial ambition is present in the area that can be captured in the workplace environment.

## **WAGES & BENEFITS**

Wage levels, hours available, and employee benefits are important factors for unemployed individuals. The estimated wage threshold for the unemployed willing to re-enter employment is \$12.00 to \$14.00 per hour. This threshold should serve as a base recommendation for obtaining the most qualified applicants for hiring. The median of the lowest hourly wage that unemployed respondents are willing to accept is \$10.00 per hour. At their prior employment, the unemployed received a median hourly wage of \$13.00 per hour.

In addition to salary/wages and hours, some of the unemployed would be influenced by the following benefits when considering an employment offer: health/medical insurance (92.9%), pension/retirement options (57.1%), dental coverage (47.6%), paid vacation (31.0%), vision coverage (31.0%), life insurance (26.2%), disability insurance (14.3%), prescription drug

coverage (14.3%), paid sick leave (4.8%), paid time off (4.8%), flextime (2.4%), and stock options (2.4%). In some situations, benefits offered will play a deciding factor in whether the unemployed accept a position. One such example would be companies that offer cost sharing of medical insurance benefits. Over two-thirds (69.2%) of those seeking to return to the workforce would prefer employment offers that include medical insurance where the employer and employee share the cost of the premiums.

### **JOB SEARCH TECHNIQUES**

When looking for employment opportunities, unemployed persons generally rely on common and easily accessible sources of information; however, non-traditional methods are also being utilized in order to locate the “right opportunity”. The most frequently identified job search media are the internet (76.1%); local Iowa Workforce Development Centers (32.6%); local newspapers (32.6%); networking through family, friends, and acquaintances (28.3%); private employment services (15.2%); walk-in (door-to-door) solicitation (13.0%); regional newspapers (4.3%); trade publications (4.3%); and television (2.2%).

To provide businesses and community leaders with a more in-depth focus on advertising sources currently being used by the unemployed willing to re-enter the workforce, *The Des Moines Register* is the primary print source, while [www.careerbuilder.com](http://www.careerbuilder.com), [www.monster.com](http://www.monster.com), and [www.desmoineshelpwanted.com](http://www.desmoineshelpwanted.com) are the primary internet sources viewed by those seeking employment in the Johnston Laborshed area.

### **COMMUTING**

The average number of miles that unemployed respondents are willing to travel one way to work is 21 miles. Zone 1 respondents are willing to commute an average of 20 miles one way to work, Zone 2 & Zone 3 respondents are willing to commute an average of 21 miles one way to work. Since some Zone 1 unemployed residents are willing to commute great distances, once employed, they could become part of the out commuting of the nodal community. The unemployed in the Laborshed area is an excellent pool of available labor that is interested in returning to work. They offer a variety of past work experiences to apply to new employment opportunities.

# HOMEMAKERS

Of those who responded as not employed homemakers, 42.5 percent are “very or somewhat likely” to accept employment if the right opportunity is presented. **Table 24** shows that the Johnston Laborshed area is estimated to contain 8,982 homemakers who are willing to work if presented with the right opportunity. This group may represent a quality source of potential available labor in the Laborshed area for certain industries/businesses looking to fill non-traditional work arrangements.

**Table 24**  
**Homemakers - Willing to Accept Employment**

	Total Adjusted Laborforce by Zone	Estimated Total Willing to Change/Accept by Zone*	Estimated Number of Homemakers Willing to Accept by Zone*
<b>Zone 1</b>	5,124	2,598	182
<b>Zone 2</b>	227,937	103,758	8,211
<b>Zone 3</b>	132,288	6,486	589
<b>Total</b>	<b>365,349</b>	<b>112,842</b>	<b>8,982</b>

*\*Total Willing to Change/Accept Employment references those who would be willing to commute into Zone 1 from their home ZIP code for an employment opportunity.*

Respondents willing to accept employment by zone are calculated using a regression model weighted by multiple variables such as education level, gender, age, miles willing to travel, and wages. This model provides an estimate for the total number of individuals “willing to change” by zone. The totals are based on the Total Adjusted Labor Force estimates found in **Table 1**.

For more information regarding homemakers, please contact the Johnston Economic Development Corporation.

# RETIRED PERSONS

Retired individuals (18-64 years of age) represent an underutilized and knowledgeable pool of workers in some Laborshed areas. In the Johnston Laborshed area, 27.6 percent of those who are retired are willing to re-enter the workforce at some capacity. **Table 25** illustrates that those who are retired and willing to re-enter the workforce reside throughout the survey zones (approximately 4,092).

**Table 25**  
**Retired (18 to 64) - Willing to Accept Employment**

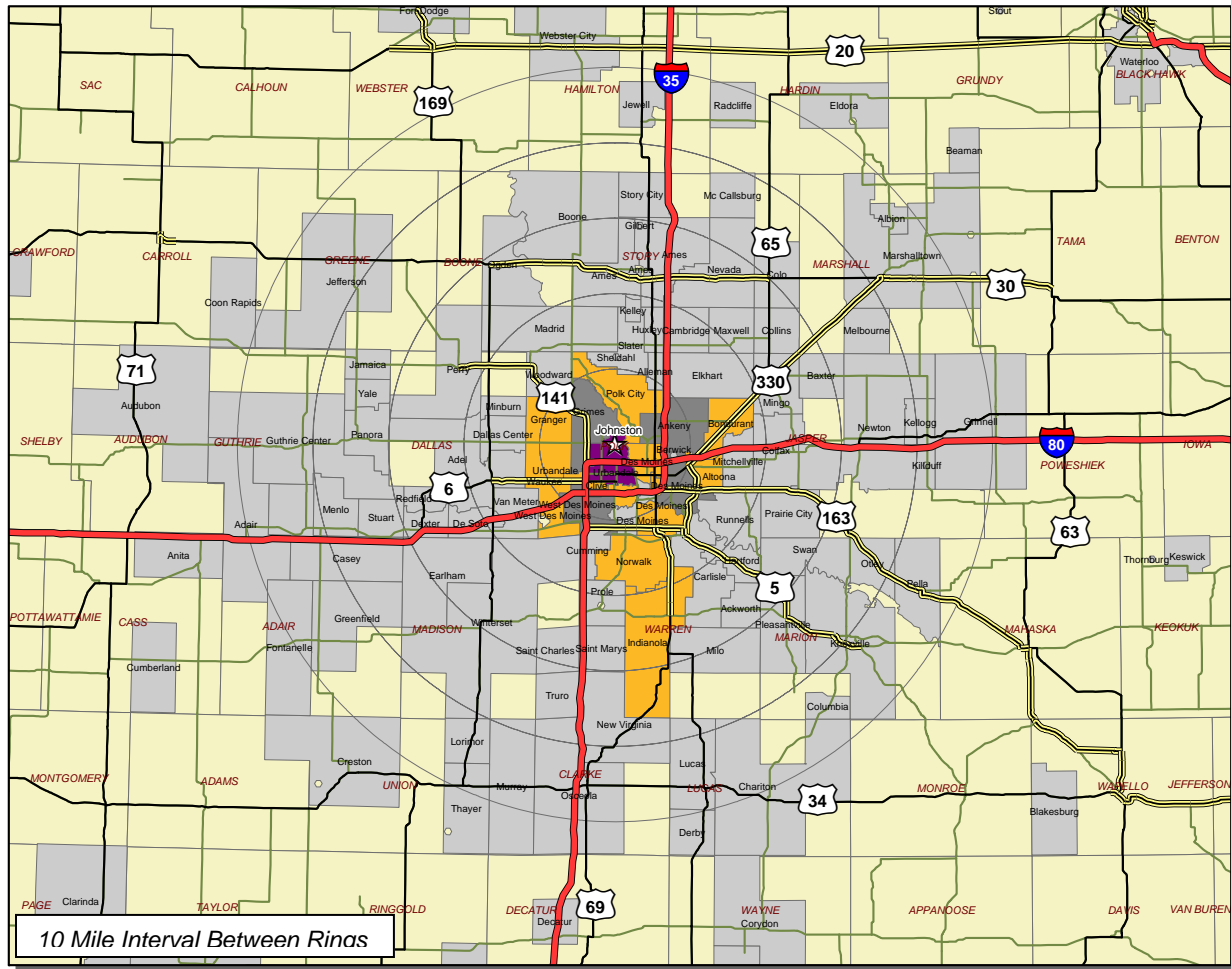
	Total Adjusted Laborforce by Zone	Estimated Total Willing to Change/Accept by Zone*	Estimated Number of Retirees Willing to Accept by Zone*
<b>Zone 1</b>	5,124	2,598	105
<b>Zone 2</b>	227,937	103,758	3,614
<b>Zone 3</b>	132,288	6,486	373
<b>Total</b>	<b>365,349</b>	<b>112,842</b>	<b>4,092</b>

*\*Total Willing to Change/Accept Employment references those who would be willing to commute into Zone 1 from their home ZIP code for an employment opportunity.*

Respondents willing to accept employment by zone are calculated using a regression model weighted by multiple variables such as education level, gender, age, miles willing to travel, and wages. This model provides an estimate for the total number of individuals “willing to change” by zone. The totals are based on the Total Adjusted Labor Force estimates found in **Table 1**.

For more information regarding retirees, please contact the Johnston Economic Development Corporation.

# Commuter Concentration by Place of Residence into Johnston



0 10 20 40 60 80 Miles



## Legend

- ☆ Johnston
- Interstate
- 4-Lane Highway
- US Highway
- State Highway
- Iowa County

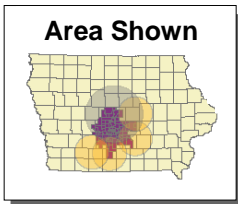
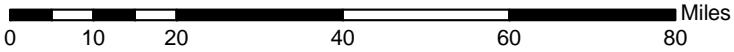
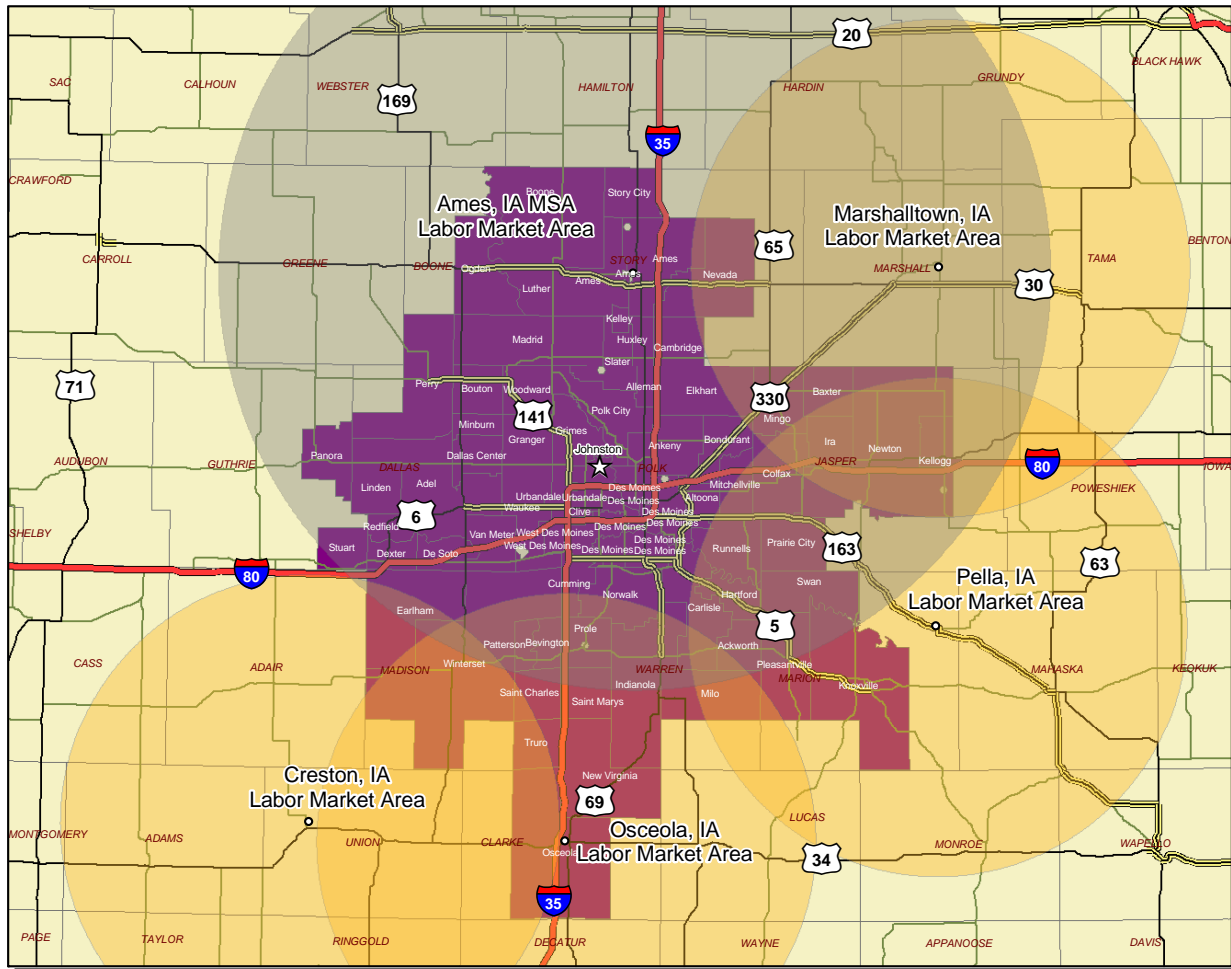
## Commuter Concentration

### by Place of Residence (per ZIP Code)

- 1 - 29
- 30 - 110
- 111 - 197
- 198 - 719



# Labor Market Areas in Region Johnston Laborshed Area

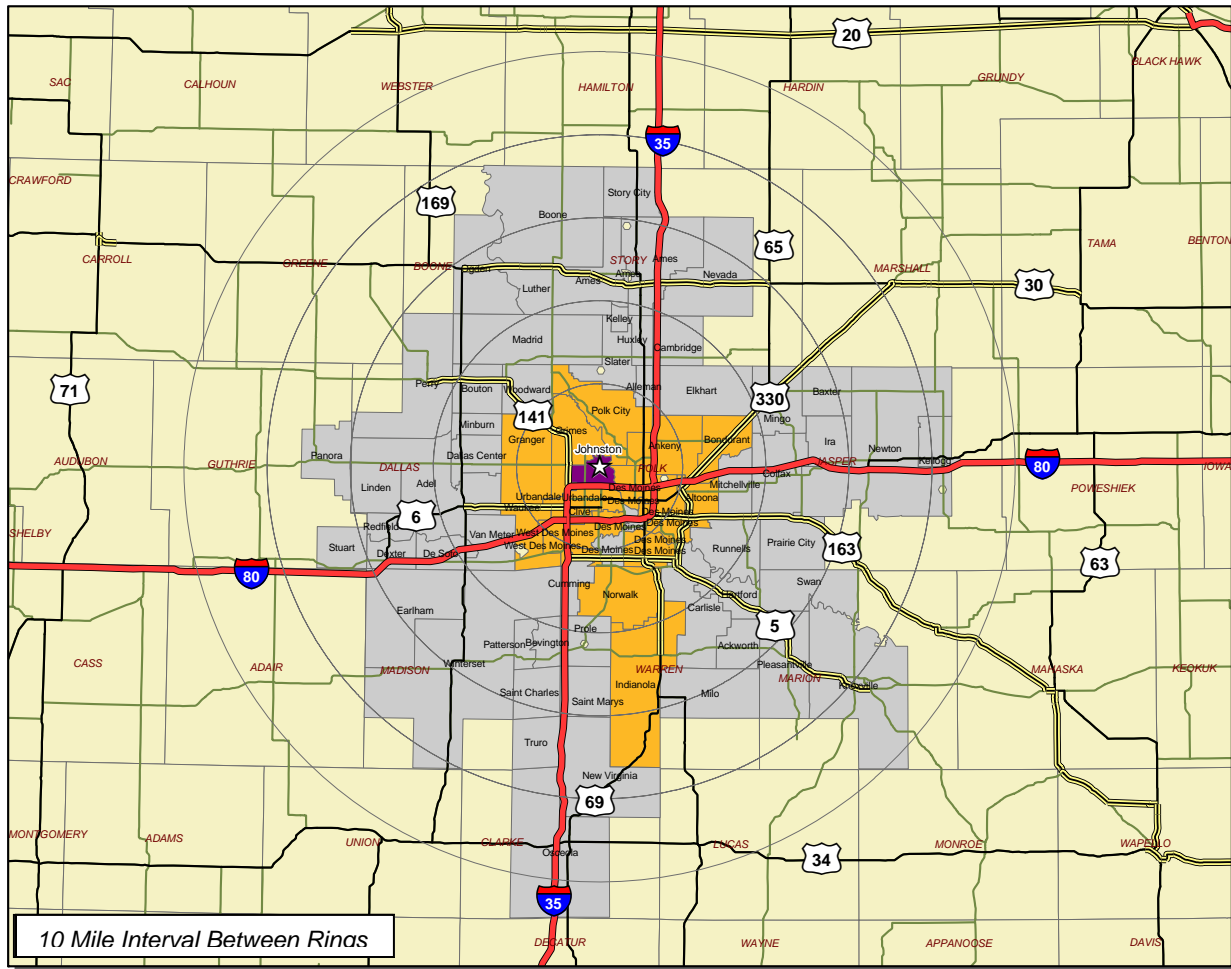


### Legend

- ☆ Johnston
- Johnston Laborshed Area
- Large Labor Market Area (50 Mile Radius)
- Small Labor Market Area (30 Mile Radius)
- Interstate
- 4-Lane Highway
- US Highway
- State Highway
- Iowa County



# Survey Zones by ZIP Code Johnston Laborshed Area



10 Mile Interval Between Rings  
0 10 20 40 60 80 Miles



Area Shown

### Legend

- ☆ Johnston
- Interstate
- 4-Lane Highway
- US Highway
- State Highway
- Iowa County

### Commuter Concentration

by Place of Residence (per ZIP Code)

- 1 - 36
- 37 - 485
- 486 - 719



# ***EXHIBITS***



## BACKGROUND INFORMATION

In early 1998, the Institute for Decision Making (IDM) at the University of Northern Iowa (UNI) completed the first pilot Laborshed study. The Laborshed approach and methodology was developed to meet the specific needs of economic development groups trying to understand and detail the unique characteristics of their area labor force. From 1998 to June, 2001, IDM completed 24 Laborshed studies for Iowa communities and gained national attention for its innovative approach. Beginning in 1999, Laborshed studies were completed in partnership with the Iowa Department of Economic Development (IDED) and Iowa Workforce Development (IWD) for communities that met specific criteria and for “immediate opportunities” (expansion projects or prospects).

During the 2000 legislative session, the General Assembly mandated that as of July 1, 2001, IWD assume the responsibilities for conducting Laborshed studies for Iowa communities. IDM staff worked with members of IWD to train them in IDM’s Laborshed process and methodology. Beginning in July, 2001, IWD assumed all responsibilities for scheduling and conducting all future Laborshed projects in Iowa.

The availability of a well-trained and educated labor force is among the top three important location factors for businesses considering expansions or relocations (*Area Development*, December 2000). Previously faced with historically low unemployment rates, local economic development officials throughout Iowa needed access to obtain timely and tailored data to help define their available labor force and its characteristics. Iowa’s low rates of unemployment often lead to the incorrect assumption that economic growth cannot occur within the state. It was presumed that employers will be unable to attract employees from Iowa communities because the areas have reached full employment. Even in today’s economy, employers desire a higher skilled and/or educated worker. Employers also do not have the excess resources to blanket an area for employment opportunity recruitment. The Laborshed study addresses both of these issues and more to assist employers and communities with expansion efforts.

Contrary to these assumptions, many companies currently expanding or locating in Iowa are receiving between five and ten applicants for each new position that they have open. The discrepancy between the assumptions and the reality of these measurements indicates that a problem exists in the way unemployment data is defined, measured, reported and used. When unemployment statistics are utilized as the sole method for determining labor availability, they appear to lead to inaccurate conclusions regarding the potential available labor supply within a “Laborshed” or sub-labor market area (sub-LMA). A Laborshed is defined as the actual area or nodal region from which an area draws its commuting workers. This region has been found to extend beyond the confines of county and state boundaries typically used to delineate labor information. The limitations of current labor data have significant implications for local economic development officials as they strive to create additional jobs and enhance wealth within their region.

## SURVEY METHODOLOGY AND DATA

Understanding what Iowa employment and unemployment figures represent requires a familiarity with how estimates are calculated and how data differs at the national, state and sub-state levels. The U.S. Department of Labor's Bureau of Labor Statistics (BLS) calculates employment statistics for the nation, while state-level data is computed independently by each state. Unfortunately, the methodology used by the BLS is such that the data cannot be directly translated into comparable state data. **Exhibit C** reviews the methodology currently in place.

In order to obtain current and accurate labor force information for the Laborshed area, NCS Pearson administered a random household telephone survey to individuals residing within the Laborshed boundaries during March 2010. The survey was designed by IDM with assistance from the Center for Social and Behavioral Research at UNI. The overall goal of the process, to collect a minimum of 600 valid phone surveys completed by respondents 18 to 64 years of age, was achieved. Validity of survey results is estimated at a confidence of +/- 5 percent of the 600 responses analyzed in this report.

To ensure that an even distribution of respondents is achieved, an equal number of calls are completed to three separate survey zones (see **Survey Zones by ZIP Code – Johnston Laborshed area** map). The three zones created are classified as Zone 1) Johnston, Zone 2) ZIP codes adjacent or near Zone 1 that have a moderate number of residents working in Johnston and Zone 3) the ZIP codes in outlying areas with a low concentration of residents working in Johnston. This distribution of surveys is an attempt to avoid a clustering of respondents in Johnston or in the surrounding rural areas. Utilizing this survey distribution method also provides the basis for comparisons among the zones and offers a more valid means of applying the survey results within each individual zone.

Survey administrators posed questions to determine the respondents' gender, age, education level, place of residence and current employment status. Employed respondents also identified the location of their employer, employer type, occupation, years of employment in their occupation, employment status, current salary or wage, additional education/skills possessed, number of jobs currently held, distance traveled to work and the hours worked per week. Employed respondents were then asked how likely they were to change employers or employment, how far they would be willing to travel for employment, the wage required for them to change employment and the benefits desired for new employment. Underemployment was estimated by examining those employees desiring more hours of work than offered in their current position, those who stated they possessed additional education/skills that they do not utilize in their current position and wages insufficient enough to keep them above the poverty level.

Respondents in the 18-64 year age range self-identifying themselves as unemployed, homemakers/not employed or retired were asked a series of questions to determine what job characteristics and benefits were most important to them when considering employment, the reasons for unemployment, obstacles to employment and how far they would be willing to travel to accept employment. Information on previous employers and skills was also gathered for these sectors.

Once completed, the results of the survey were compiled and cross-tabulated to determine the relationship between the variables in each zone and the entire survey sample. Documenting and analyzing the Laborshed survey results by zone and by characteristics, provides new insight into the labor force that is currently unavailable in any other form.

## CURRENT METHODS OF ESTIMATING EMPLOYMENT AND UNEMPLOYMENT

The federal government and the state of Iowa estimate an area's labor force by drawing from the portion of the civilian population that is non-institutionalized, 16 years of age or older and currently employed or unemployed (*BLS Handbook*, Chapter 1, p. 5). The BLS defines employed persons in the following two ways:

1. Did any work as paid employees, for their own business, profession, on their own farm, or worked 15 hours or more as unpaid workers in a family-operated enterprise (*BLS Handbook*, Chapter 1, p. 5).
2. Did not work but had jobs or businesses from which they were temporarily absent due to illness, bad weather, vacation, child-care problems, labor dispute, maternity or paternity leave, or other family or personal obligations -- whether or not they were paid by their employers for the time off and whether or not they are seeking other jobs. Individuals volunteering or engaged in housework, painting and home repair around their own residence are not considered employed (*BLS Handbook*, Chapter 1, p. 5).

Unemployed persons are defined as those individuals that were not employed on a given reference week prior to questioning and who made an effort to find work by contacting prospective employers. These individuals identified that they are ready to work with the exception of inability due to a temporary illness. Individuals are also classified as unemployed if they have been laid off and are awaiting recall back to their positions (*BLS Handbook*, Chapter 1, p. 5). The unemployed are grouped into job losers (both temporarily and permanently laid off), quit/terminated and looking for work, re-entrants to the job market after an extended absence and new entrants that have never worked (*BLS Handbook*, Chapter 1, p. 5).

Those individuals that are not classified as employed or unemployed are not considered to be part of the labor force by BLS. The non-working designation may be due to a variety of reasons; however, the underlying factor is that the individuals have not sought employment within the past four weeks (*BLS Handbook*, Chapter 1, p. 6).

Because the BLS utilizes a multiple step process to estimate employment and underemployment statistics on a monthly basis, this process cannot be described in only a few paragraphs. A complete summary of the process used to generate national estimates and an outline of the process used to generate state and sub-state projections is available through IWD.

## **METHODS FOR ESTIMATING EMPLOYMENT**

The BLS uses the employed and unemployed persons to calculate the civilian labor force, the unemployment rate and labor force participation rate.

The labor force is:

**employed + unemployed = labor force**

The labor force participation rate is:

**labor force / non-institutionalized citizens 16+ years of age = LFPR**

The unemployment rate is the percentage of the civilian labor force that is unemployed:

**unemployed / total labor force = unemployment rate** (*BLS Handbook*, Chapter 1, p. 5)

A proper interpretation of the unemployment **rate** requires an understanding of the processes used to generate the data on which the calculations are based. The BLS uses the monthly Current Population Survey (CPS) to collect data from a sample of 59,000 households, taken from 754 sample areas located throughout the country. The purpose of the survey is to collect information on earnings, employment, hours of work, occupation, demographics, industry and socio-economic class. The data is obtained through personal and telephone interviews. Of the 59,000 households, only about 50,000 are generally available for testing due to absence and illness. The 50,000 households generate information on 94,000 individuals (*BLS Handbook*, Chapter 1, p. 8). Each household is interviewed for two, four-month periods, with an eight-month break between the periods. The pool of respondents is divided into 8 panels, with a new panel being rotated each month (*BLS Handbook*, Chapter 1, p. 10).

The 754 sample areas from which the households are selected represent 3,141 counties and cities broken into 2,007 population sample units (PSU's). A PSU can consist of a combination of counties, urban and rural areas, or entire metropolitan areas that are contained within a single state. The PSU's for each state are categorized into the 754 sample groups of similar population, households, average wages and industry. The 754 sample areas consist of 428 PSU's that are large and diverse enough to be considered an independent PSU and 326 groupings of PSU's (*BLS Handbook*, Chapter 1, p. 9).

The sample calculates an unemployment estimate with a 1.9 percent coefficient of co-variation. This is the standard error of the estimate divided by the estimate, expressed as a percentage. This translates into a .2-percent change in unemployment being significant at the 90 percent confidence level. The respondent's information is weighted to represent the group's population, age, race, sex and the state from which it originates. Using a composite estimation procedure minimizes the standard of error for the estimate. This estimate is based on the two-stage rotation estimate on data obtained from the entire sample for the current month and the composite estimate for the previous month, adjusted by an estimate of the month-to-month change based on the six rotation groups common to both months (*BLS Handbook*, Chapter 1, p. 8). The estimates are also seasonally adjusted to minimize the influence of trends in seasonal employment.

## **IOWA & SUB-STATE UNEMPLOYMENT RATES**

The CPS produces reliable national unemployment estimates; however these do not translate into estimates for all state and sub-state areas. Only 11 of the most populous states and the LMA's of Los Angeles and New York City are large enough to be calculated by the CPS. The unemployment estimates for the 39 other states, 5600 geographic areas, LMA's, counties and cities, are calculated using BLS guidelines established by each state's employment agency.

The state of Iowa's counties are each considered small LMA's, with the exception of micropolitan and metropolitan statistical areas. For further definition of counties included in micropolitan statistical areas, visit [www.iowaworkforce.org/lmi/pressrelease/iowamicro.pdf](http://www.iowaworkforce.org/lmi/pressrelease/iowamicro.pdf) and for counties included in metropolitan statistical areas, visit [www.iowaworkforce.org/lmi/pressrelease/iowamsa.pdf](http://www.iowaworkforce.org/lmi/pressrelease/iowamsa.pdf).

A time series model is used to estimate state labor force statistics and a Handbook method is used for sub-state projections. The state unemployment estimates are based on a time series to reduce the high variability found in the CPU estimates caused by small sample size. The time series combines historical relationships in the monthly CPS estimates along with Unemployment Insurance and Current Employment Statistics (CES) data. Each State has two models designed for it that measure the employment to work ratio and the unemployment rate (*BLS Handbook*, Chapter 4, p. 37).

The CES is a monthly survey of employers conducted by the BLS and state employment agencies. Employment, hours/overtime and earning information for 400,000 workers are obtained from employer payroll records. Annually, the monthly unemployment estimates are benchmarked to the CPS estimate so that the annual average of the final benchmarked series equals the annual average and to preserve the pattern of the model series (*BLS Handbook*, Chapter 4, p. 38).

The sub-state unemployment estimates are calculated by using the *BLS Handbook* Method. The *Handbook* Method accounts for the previous status of the unemployed worker and divides the workers into two categories: those who were last employed in industries covered by State Unemployment Insurance (UI) laws and workers who either entered the labor force for the first time or reentered after a period of separation (*BLS Handbook*, Chapter 4, p. 38).

Individuals considered covered by UI are those currently collecting UI benefits and those that have exhausted their benefits. The data for those that are insured is collected from State UI, Federal and Railroad programs. The estimate for those who have exhausted their funds is based on the number who stopped receiving benefits at that time and an estimate of the individuals who remain unemployed (*BLS Handbook*, Chapter 4, p. 39).

New entrants and reentrants into the labor force are estimated based on the national historical relationship of entrants to the experienced unemployed and the experienced labor force. The Department of Labor states that the Handbook estimate of entrants into the labor force is a function of (1) the month of the year, (2) the level of the experienced unemployed, (3) the level of the experienced labor force and (4) the proportion of the working age population (*BLS Handbook*, Chapter 4, p. 39). The total entrants are estimated by:

$$ENT = A(X+E)+BX$$

where:

ENT = total entrant unemployment

E = total employment

X = total experienced unemployment

A,B = synthetic factors incorporating both seasonal variations and the assumed relationship between the proportion of youth in the working-age population and the historical relationship of entrants, either the experienced unemployed or the experienced labor force (*BLS Handbook*, Chapter 4, p. 39).

Total employment (E) estimates represent the total number of paid employees in non-farm industries. The estimates are based on various sources, including the CES survey and state designed surveys of establishments. These figures are combined with a weighted factor accounting for historic employment relationships found in the Census. The resulting estimate is combined with standard estimates for agricultural workers, non-farm self-employed and unpaid family workers and private household workers to compute the total Handbook employment (*BLS Handbook*, Chapter 4, p. 39).

Total unemployment for the sub-state/LMA is estimated by the formula:

$$U_a(t) = U_s(t) * UHB_a(t)$$

where:

U = total unemployment  
 UHB = Handbook unemployment  
 a = area  
 s = State  
 t = time

As with the state data, the sub-state/LMA estimates are benchmarked annually so that they sum to the revised state estimates of employment and unemployment (*BLS Handbook*, Chapter 4, p. 39).

Unemployment estimates for portions of the LMAs are calculated by one of two methods, (1) the population-claims method, or (2) the Census-share method. The population-claims method is the preferred method according to the BLS. Where available, resident based UI claims data for the sub-LMA area are used to find the ratio of the claims to the total number of UI claims within the LMA. This figure is used to analyze the estimate of experienced unemployed in the area. The number of unemployed entrants is based on the Census distribution of adult and teenage population groups. The employment is estimated using current population distributions prepared by the Census Bureau and weighted by each area's Census relative share of employment to population. The Census-share method is used if UI claims data for the sub-LMA area is unavailable. Instead, the decennial Census data from the county in which the area is located is divided into a portion consistent with the size of the area. The Census-share method is less accurate than the population-claims method (*BLS Handbook*, Chapter 4, p. 40).

### **LIMITATIONS**

Since the State, LMA & sub-LMA data are not directly obtained from a survey; the estimates calculated are subject to a level of error. These errors can occur due to improper estimations and insufficient data sources. Unfortunately, a universal level of error cannot be easily computed because of the wide variety of sources and methods used. The CPS information used to calculate the national estimates and to benchmark the state figures is subject to sampling and non-sampling error. Non-sampling errors in the CPS, such as those due to respondent bias and question interpretation, are minimized through re-interviewing respondents and rotating the panels of respondents. Sampling errors in the CPS over time show that 68 percent of the intervals are within 1 standard deviation, 90 percent are within 1.6 standard deviations and 95 percent of the intervals are within 2 standard deviations of the mean (*BLS Handbook*, Chapter 1, p. 14).

# ***OCCUPATIONAL EMPLOYMENT STATISTICS (OES)***

## **CATEGORY STRUCTURE**

### **Managerial/Administrative Occupations**

### **Professional, Paraprofessional, & Technical Occupations**

- Engineers
- Natural Scientists
- Computer, Mathematical, and Operations Research
- Social Scientists
- Teachers
- Health Practitioners
- Writers, Artists, Entertainers, and Athletes

### **Sales Occupations**

### **Clerical/Administrative Support Occupations**

- Secretarial
- Electronic Data Processing

### **Service Occupations**

- Protective Service
- Food and Beverage
- Health Service
- Cleaning and Building Service
- Personal Service

### **Agricultural Occupations**

### **Production, Construction, Operating, Maintenance, & Material Handling Occupations**

- Construction Trades and Extraction
- Precision Production
- Machine Setters, Set-Up Operators, Operators, and Tenders
- Hand Working Occupations
- Plant and System
- Transportation and Material Moving
- Helpers, Laborers, and Material Movers, Hand

## **LABOR MARKET INFORMATION (EMPLOYER-BASED) WEB RESOURCES:**

Iowa Wage Survey

<http://www.iowaworkforce.org/lmi/occupations/wages/index.htm>

Affirmative Action

<http://www.iowaworkforce.org/lmi/publications/affirm/>

Condition of Employment

<http://www.iowaworkforce.org/lmi/condempl.pdf>

Covered Employment & Wages by Counties

<http://www.iowaworkforce.org/lmi/empstat/coveredemp.html>

Iowa Job Outlook Statewide

<http://www.iowaworkforce.org/lmi/outlook/index.html>

Iowa Licensed Occupations

<http://www.iowaworkforce.org/lmi/publications/licocc/>

Iowa Workforce Development Trends

<http://www.iowaworkforce.org/trends>

Iowa Works – Iowa Workforce Development’s Portal for Iowa Businesses

<http://www.iowaworks.org>

Labor Force Summaries

<http://www.iowaworkforce.org/lmi/laborforce/index.html>

Labor Market Information Directory

<http://www.iowaworkforce.org/lmi/lmidirectory>

Occupational Projections & Job Outlooks

<http://www.iowaworkforce.org/lmi/occupations/index.html>

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