

# **Stutsman County and Surrounding Area Labor Availability Study**

A collaboration of:

North Dakota Department of Commerce  
University of North Dakota – Social Science Research Institute  
Job Service North Dakota

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## Major Findings

### Summary of Findings

Site developers, economic planners, and others will often refer to the unemployment rate to determine if there is an available labor force. While a consistent measure across the country, it is incomplete. Being unemployed is defined as not working but actively seeking work. However, some individuals who are working would be interested in changing jobs or occupations, others would want additional hours, and some are planning to find work within the year. These individuals are not normally counted as part of the available labor pool in an area. In 2002, the state of North Dakota, in cooperation with local partners, funded a study to measure the available labor pool.

In the area including and surrounding Stutsman County, there exists a potential labor force of 10,010 individuals, or approximately 30 percent of the adult population. The majority of these individuals are currently working, but would be willing to consider alternative jobs. The labor force (those employed and unemployed) is estimated to be 57.5 percent of the adult population, or 18,660 individuals.

### Characteristics of the Potential Job Seekers

	<u>Number*</u>	<u>Percentage</u>
<b>Potential Job Seekers**</b>	<b>10,010</b>	<b>30.9</b>
<b>Actively Seeking Work</b>	<b>1,200</b>	<b>3.7</b>
<b>Planning to Look Within the Year</b>	<b>780</b>	<b>2.4</b>
<b>Interested in Changing Jobs</b>	<b>6,510</b>	<b>19.1</b>
<b>Interested in Additional Jobs</b>	<b>2,950</b>	<b>8.9</b>
<b>Those Discouraged From Looking</b>	<b>780</b>	<b>2.4</b>

\*Rounded to the nearest 10.

\*\*The numbers will not total to the Potential Job Seekers, as duplication is possible.

# Stutsman County and Surrounding Area Labor Availability

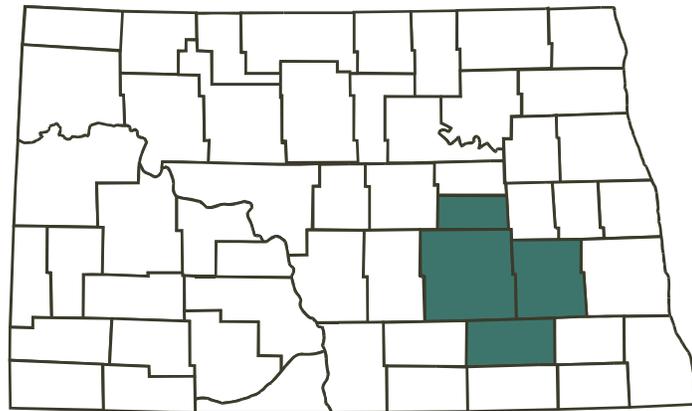
## Introduction

### Scope of the Study:

During the spring of 2002, the state of North Dakota sponsored a study to identify the available labor force in those communities and counties that provided matching funds to conduct a labor availability survey. This was done in collaboration with the Workforce Development Division of the North Dakota Department of Commerce, Job Service North Dakota, and the Social Research Institute (SSRI) at the University of North Dakota.

The purpose of the survey was to explore the potential labor force in and around Stutsman County, located in the central portion of the state. A questionnaire was designed to identify the characteristics and the size of the potential labor force in that area. A telephone survey was conducted by the SSRI, who contacted 1,040 respondents.

The core area for this survey included respondents from Stutsman, Barnes, LaMoure, and Foster Counties. These areas were included because of established commuting patterns to and from Stutsman County. The area highlighted in the adjacent map indicates the geographic area included in this report.



Area Studied

## Potential Job Seekers

### Definitions of Potential Job Seekers:

At the time of the study, Job Service North Dakota reported the unemployment rate for Stutsman County was around 3.0 percent. The study focused only on adults 18 years and older. That focus is different from the defined labor force used by the U.S. Department of Labor and the Census Bureau, which use 16 years and older. In order to be considered unemployed, one has to be not working and actively seeking work. However, the potential labor pool includes not only those who are actively seeking work, but also those who are working and may be interested in working for another firm. In this survey, the identified Potential Job Seekers (PJSs) were divided into five categories:

1. The unemployed.

Those who are 18 and older, unemployed and actively seeking work.

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### 2. Individuals who plan to seek a job within the next year.

Those who are not working, not seeking work, but plan to be looking for work within the year would be included in this category.

### 3. People who are working, but would be willing to change jobs.

Using Bureau of Labor Statistics definitions, these people would be classified as employed. This group includes those individuals who are presently working who may or may not be actively seeking work, but would consider changing employers.

### 4. People who are currently working and are willing to take an additional job.

Like the previous group, these individuals would be defined as employed. However, they would be willing to work an additional job and, as such, are part of the possible labor pool for different businesses.

### 5. Individuals who are discouraged and do not look for work.

For the purpose of this study, the discouraged worker is defined as someone who is not working, is not actively seeking work nor planning to find a job within the next year, but would accept a job, if it met their minimum acceptable wage requirements.

## **Population Characteristics**

### General Population Characteristics:

Based on the 2000 Census, Stutsman County had slightly more females (52.3 percent) than males (47.7 percent). The adult population 25 and older is highly trained, with 81.1 percent of the population having completed high school, which is slightly higher than the national average (80.4). Compared to the nation, the population of Stutsman County is less mobile, with 41.4 percent of the population residing in a different residence than the one where they lived in 1995. Nationally, 46 percent of the population moved from their 1995 residence and lived elsewhere in 2000. The median age for the general population in Stutsman County is 39.6 years of age.

According to the Stutsman County Economic Development Corporation, the labor market area for Stutsman County extends beyond its borders. Using the area identified, the Census reported 32,391 individuals 18 years or older who lived in the area.

### Sample Population Characteristics:

The sample gathered for the Stutsman County labor area closely mirrors the general population characteristics. The sample reported more female respondents than males, 50.9 to 49.1 percent. This is within the acceptable range of plus or minus 5 percent. In addition, the unemployment rate, defined as those who are not working and actively seeking work reported by the study, was 3.7 percent, which is slightly higher than the reported unemployment rate for the area. The median age for the respondents was 50 years of age.

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### Employment Status:

According to the survey, about 53.8 percent of the adult population, or approximately 17,460 individuals, are currently working for wages in the Stutsman County labor market area.

### Active Labor Force:

The active labor force includes those who are working, 17,460 individuals, and the 1,200 who are actively seeking work, or a labor force of 18,660.

### Inactive Labor Force:

The inactive labor force includes those who are planning to look for work within the next year (780 individuals) as well as those who are discouraged from seeking work (780 individuals). These individuals are not included in the unemployment rate, as they are not working or actively seeking work.

## Characteristics of the Employed Labor Force

### Employed Workers:

The 17,460 employed in the Stutsman County labor market area work an average of 41.0 hours a week. Those involved in farming and agricultural production were most likely to work longer hours than any other group. Those involved in the service occupations (those who perform tasks in and around private households, or similar work in institutions or private businesses and those involved in protective services) worked the fewest average hours, 32.6 hours per week. This is an indication of the larger percentage of part-time jobs in those occupations. The following table reports the average hours worked by occupational group.

<b>Average Hours Worked by Occupations</b>	
<b><u>Occupational Group</u></b>	<b><u>Average Hours Worked</u></b>
<b>Professional, Technical, and Managerial</b>	<b>40.8</b>
<b>Clerical and Sales</b>	<b>35.0</b>
<b>Service</b>	<b>32.6</b>
<b>Farming and Agricultural Production</b>	<b>57.9</b>
<b>Processing</b>	<b>43.6</b>
<b>Machine Trades</b>	<b>49.5</b>
<b>Benchwork</b>	<b>40.1</b>
<b>Structural Work</b>	<b>48.8</b>
<b>Miscellaneous</b>	<b>43.3</b>

### Age Distribution:

The median age for those who are working is 43 years of age. The youngest occupational group is comprised of those involved in processing with a median age of 36. Processing occupations involve refining, mixing heating or treating materials and products, typically in an industrial setting. The oldest group, with a median age of 49, was those who

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working in benchwork occupations. Benchwork occupations usually involve fabrication and demand high skills with moderate to long-term on-the-job training.

### Median Age of Occupations

<u>Occupational Group</u>	<u>Median Age</u>
Professional, Technical, and Managerial	44
Clerical and Sales	43
Service	39
Farming and Agricultural Production	43
Processing	36
Machine Trades	41
Benchwork	49
Structural Work	40
Miscellaneous	45

### Educational Attainment:

The level of education of those currently working is impressive. The typical worker has at least some college, but this varies as some occupations have differing levels of required education/training. Those in the occupational group of professionals, technicians, and managers have obtained the highest level of education. Typically, these individuals have a college degree. A lower level of formal training is found in two groups: service occupations and benchwork occupations. Individuals who are working in these occupations typically have a high school education.

### Current Occupation:

The largest occupational group for the Stutsman County labor area consists of professional, technical, and managerial workers. The following table shows the number of employed by occupational group.

### Occupations of Those Employed

<u>Occupational Group</u>	<u>Number*</u>	<u>Percentage*</u>
Professional, Technical, and Managerial	7,160	41.0
Clerical and Sales	3,390	19.4
Service	2,150	12.3
Farming and Agricultural Production	1,340	7.7
Processing	470	2.7
Machine Trades	510	2.9
Benchwork	390	2.2
Structural Work	1,120	6.4
Miscellaneous	930	5.3
<b>Total</b>	<b>17,460</b>	<b>99.9</b>

\* Rounded data

## Stutsman County and Surrounding Area Labor Availability

### Trained in Another Occupation:

Of those currently working, 38 percent are working in an occupation different from the one in which they received training. Fifty-five percent of those who are working in clerical and sales were trained as professionals, technicians, and managers. In addition, 34 percent of the professional, technicians, and managers were working in occupations other than the one in which they were trained.

### Longevity with Current Employer:

As a group, the benchmark workers have the longest tenure with their current employer, with a median of 16 years. Those involved in service occupations have been working for their employer for 4 years.

### Current Wage:

Overall, the typical wage for this area is \$10.50 per hour. As an occupational group, the highest median (typical) wage is found among structural worker (often found in construction) with a wage of \$15.00 per hour. The lowest paid occupational group was involved with service occupations (\$7.00 per hour). The structural workers, as a group, had the widest range of income.

### Wages of Those Employed

<u>Occupational Group</u>	<u>Average/Mean</u>	<u>Typical/Median</u>
Professional, Technical, and Managerial	\$13.65	\$12.00
Clerical and Sales	9.30	8.50
Service	7.63	7.00
Farming and Agricultural Production	9.54	10.00
Processing	10.96	11.05
Machine Trades	14.13	11.00
Benchmark	13.59	14.00
Structural Work	16.10	15.00
Miscellaneous	<u>12.92</u>	<u>11.00</u>
Total	\$11.76	\$10.50

Job Service North Dakota conducts other surveys that collect information on wages. The Stutsman County labor market area would be considered part of the east central portion of the state. When comparing wages, the wages reported in the labor availability survey are consistent with the wage information gathered from employers.

### Current Commute Distance:

The occupational group likely to commute the furthest distance is those people involved in the processing occupations with an average commute of 33 miles. The group that makes the shortest commute was made up of those who work in machine trades with a commute of 10 miles. The furthest distance reported to travel to work was over 100 miles.

# Stutsman County and Surrounding Area Labor Availability

## Characteristics of the Available Labor Force

### Available Workers:

Those individuals looking for work, planning to seek work, or would consider a different or alternative job were defined as being part of the available labor force. According to the survey, there were 10,010 individuals available for work in the Stutsman County labor area.

### Work Status:

The majority of the available labor force is currently employed. Of the available labor force, 73 percent, or 7,500 individuals, are currently working. The majority of the available labor force (77 percent) is interested in working at jobs on a year-round basis. About 580 people, or 47 percent of those who are working part-time (defined as less than 30 hours), would like to work on a full-time basis.

### Additional Employment:

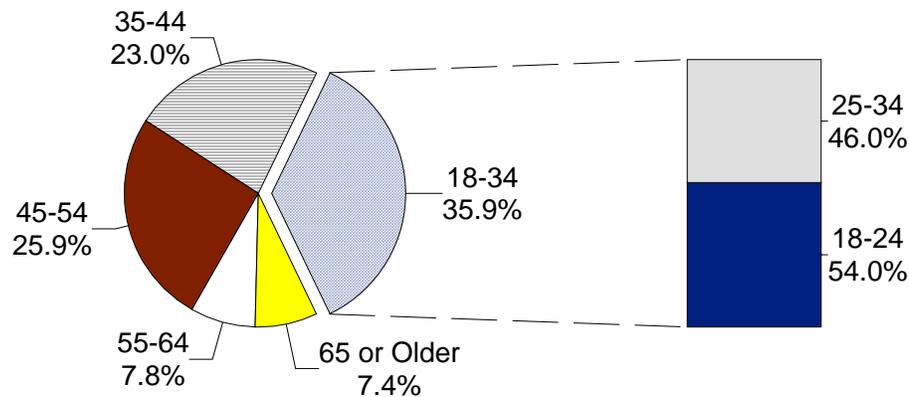
According to the survey, about 2,880 individuals are willing to take on an additional job. Some of these would also be willing to consider a different employer, depending on wages, benefits and working conditions.

### Available for Work in the Next Year:

Approximately 780 individuals reported that they plan to seek work within the next 12 months.

### Age Distribution:

Of the available labor force, over 3,590 individuals, or 36 percent are under the age of 35.



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### Educational Attainment:

Over 25 percent of the available labor force are graduates of a post-secondary program of study.

#### Educational Attainment of the Available Labor Force

<u>Educational Attainment</u>	<u>Number*</u>	<u>Percentage*</u>
Below HS Diploma or GED	1,080	10.8
HS Diploma or GED	3,590	35.9
Some College/Vo-Tech	2,770	27.7
Vo-Tech Graduate	540	5.4
College Degree	1,650	16.5
Advanced Degree	380	3.8
<b>Total</b>	<b>10,010</b>	<b>100.0</b>

\*Rounded Data

### Last Held Occupation:

The following table shows the estimated number of individuals who reported their current job classification.

#### Current Occupation of the Available Labor Force

<u>Occupational Group</u>	<u>Number*</u>	<u>Percentage*</u>
Professional, Technical, and Managerial	2,620	34.8
Clerical and Sales	1,550	20.6
Service	1,070	14.2
Farming and Agricultural Production	390	5.2
Processing	350	4.7
Machine Trades	230	3.1
Benchwork	230	3.1
Structural Work	590	7.8
Miscellaneous	490	6.5
<b>Total</b>	<b>7,520</b>	<b>100.0</b>

\* Rounded data

### Occupations Trained In:

Almost 4,390 people were trained in an occupation other than the one they are, or have been, working in. Approximately 520 of these individuals were trained in fields requiring specialized training, including health and medicine, education, clerical, managerial, and repair and mechanical technicians.

## Stutsman County and Surrounding Area Labor Availability

Minimum Acceptable Wage:

### Lowest Acceptable Hourly Wage of Those Currently Working

<u>Occupation</u>	<u>Minimum Acceptable Average Wage</u>
Professional, Technical, and Managerial	\$10.86
Clerical and Sales	8.26
Service	6.82
Farming and Agricultural Production	9.57
Processing	11.68
Machine Trades	10.57
Benchwork	12.43
Structural Work	12.56
Miscellaneous	8.82

The median minimum acceptable wage for the available labor force was \$8.00 per hour.

Maximum Distance Willing to Commute:

Those involved in professional, technical and managerial occupations, service occupations, and farming and agricultural production occupations are willing to commute the furthest distance, with a median of 30 miles. The typical distance for the available labor force was around 30 miles or 30 minutes.

Benefits Desired:

The most desired benefit for potential workers was health insurance, followed by a retirement plan, and then paid vacations. This pattern was consistent for all occupational groups.

Main Factor Influencing Decision to Change Jobs:

The single most important factor to entice someone to work at a different job other than his or her current occupation was pay, with 50 percent citing that factor.

Work Schedule Preference:

The majority of the available labor force would like to have some ability to have a flexible schedule at work. They would prefer to work 40 hours a week and to work during the daytime.

Education and Training Willingness by Age Distribution:

The available labor force is well trained, with 40 percent receiving training within the last three years. The type of training included: basic skills, product or sales information, interpersonal skills, how to be better organized, quality improvement, technical skills, and safety.

The available labor force is willing to be trained, if needed, for a different job. However, they would prefer to have on-the-job training, in part to take care of their existing financial responsibilities. Generally speaking, the longer the training, the fewer people who would consider that training. The most popular form of training desired is on-the-job training, with over 59 percent of the available labor force opting for that method.

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Type of Company Desired by the Available Labor Force:

The majority of the available labor force would like to work for a business involved in computer technology and information processing. The least desired firms are those involved in engineering. The following table reports the desirability of different types of companies.

### Industry That is of Interest to the Available Labor Force

<u>Industry</u>	<u>Percentage of Available Labor</u>
Information Computer Technology	74.0
Health Services	50.9
Engineering	35.5
Manufacturing	48.3
Business Services Operation	65.4
Machine Trades or Construction	40.7

The desirability of a particular firm is dependent on the skill sets of the available labor force. For example, of those who have a college degree or higher, about 73 percent would like to work for an information technology firm. This same group would be the least willing to work for a firm involved in engineering.

### Interest for Specific Industries by Educational Attainment of Available Labor (Percent)

<u>Industry</u>	<u>No HS Diploma</u>	<u>HS Graduate or (GED)</u>	<u>Some Schooling Post HS</u>	<u>Vo-Tech Graduate</u>	<u>4 Yr College Degree or Higher</u>
Information/Computer Technology	52.9	70.8	79.3	64.7	73.4
Health Services	50.0	51.3	52.9	58.8	42.9
Engineering	52.9	30.1	34.5	52.9	23.4
Manufacturing	50.0	46.0	56.3	47.1	40.6
Business Services Operation	61.8	58.4	70.1	58.8	56.3
Machine Trades or Construction	50.0	40.7	44.8	47.1	26.6

Technical Skills of the Available Labor Force:

The available labor force has a variety of skills it can bring to the workplace. The typical manager had over six years of experience.

About half of the available labor force, 51 percent, reported having experience with office suite software.

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### Self-Reported Proficiency of Various Computer/IT Skills (Percentage)

<u>Technical Skill</u>	<u>Not Skilled</u>	<u>Some Skills</u>	<u>Average</u>	<u>Above Average</u>	<u>Very Skilled</u>	<u>No Answer</u>
Word Processing	3.1	6.2	15.6	12.5	13.1	49.5
Using Spreadsheets	7.8	10.6	18.4	6.2	7.5	49.5
Using Databases	10.0	10.6	15.0	8.1	6.9	49.5
Using Desktop Publishing	11.2	11.8	15.3	6.5	5.3	49.5
Computer Programming	4.7	2.8	2.8	1.2	0.6	87.9
HTML Programming	4.4	1.9	4.0	0.6	1.2	87.9
Installing Computer Hardware	1.2	3.1	3.1	2.2	2.5	87.9

### Characteristics of the Discouraged Workforce

#### Characteristics of the Discouraged:

According to the survey, about 780 people would be defined as discouraged workers. A discouraged worker is someone who does not have a job, is not looking for a job, and is not planning to look for a job, but knows what pay would encourage them to become a part of the labor force.

The median age of the discouraged workers is 52, which is slightly higher than those who are currently working. The most common barrier for these people to seek work is working on a family farm and/or being self-employed. The lack of child care was not considered a barrier.

The discouraged workers, as a group, have similar levels of education when compared to other members of the available labor force. Approximately 16 percent of the discouraged have a college degree or higher. If required, 45 percent would like on-the-job training.

This group does not have a great deal of experience as employees, with almost 68 percent have not worked for an employer within the past two years.

The minimum acceptable wage for the discouraged is \$11.35 per hour. The discouraged workers were more likely to want to work year-round. The average distance the discouraged worker is willing travel to work is 30 miles.

#### Benefits Desired:

Discouraged workers desire health insurance, followed by retirement contributions and paid vacations. Flexible scheduling was also highly desired.

The industry that appealed to the discouraged workers was information technology, which is similar to that of the rest of the available labor force. However, the engineering industry was less desired by members of the discouraged work force.

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### Percentage of Discouraged Workers Interested by Industry

<u>Industry</u>	<u>Percentage</u>
Information/Computer Technology	48.0
Health Services	24.0
Engineering	20.0
Manufacturing	44.0
Business Services Operation	28.0
Machine Trades or Construction	32.0

### How the Study Was Done

A workgroup which consisted of members from the Economic Development Association of North Dakota, local economic development professionals, Job Service North Dakota, the North Dakota Department of Commerce and the North Dakota Workforce Development Council developed and approved a research instrument that was standardized for statewide use, to measure the availability of labor and underemployment. This instrument measured the adult population in and around Stutsman County. The telephone survey included Stutsman, Barnes, LaMoure, and Foster Counties.

The study is able to report with 90% confidence, at a level of plus or minus 5%, the characteristics of the available labor for the area around Stutsman County.

To obtain a representative sample for the Stutsman County labor area, a random selection of respondents within households were used during the data collection process. The survey of adults (18 or older) performed by the SSRI was conducted by telephone. A random sample of 10-digit telephone numbers was generated by SSRI for the primary and secondary labor market areas utilizing Genesys Sampling Systems Random Digit Dialing (RDD) in-house software. The list from which the numbers were drawn included only actual North Dakota area codes and telephone bands (that is, blocks of 1,000 consecutive numbers within North Dakota) that had contained a threshold of active residential phone numbers.

Overall, SSRI called 3,458 numbers in the Stutsman County labor area to determine whether it was a working number in contrast to a nonworking number, a commercial/business line, a cell phone, data or fax line, or a non-primary household telephone. SSRI staff classified 1,871 of these numbers as working residential numbers eligible for interview and successfully interviewed 1,040 of those households. Throughout the study, completed interviews were monitored to determine whether the samples matched population estimates in terms of gender and the age distribution of North Dakota residents age 18 and older.

All interviews were conducted at the SSRI facilities by trained interviewers with supervision and random monitoring for technique and adherence to established procedures. Interviews were conducted afternoons and evenings on weekdays and weekends.

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The most conservative approach of calculating a response rate for telephone surveys is the method adopted by the Council of American Survey Research Organizations (CASRO). The CASRO method uses the known status of portions of the sample that are contacted to impute characteristics of portions of the sample that were not reached. The CASRO method of calculating the response rates for primary labor market (Stutsman County labor area) yields a completion rate of 60.3 percent.