

**THE
LINCOLN TRAIL EAST
AREA OF KENTUCKY
LABOR AVAILABILITY REPORT**

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**Compiled and Prepared by
THE PATHFINDERS**



Dallas, Texas

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INTRODUCTION

The Pathfinders has employed its experience in workforce assessments for corporate site-selection clients and civilian workforce assessments for the Department of Defense in locations that faced military base closures to produce this evaluation of the Lincoln Trail East Area of Kentucky workforce. The information presented in this report has been developed independently of the client, and the client has not influenced the findings.

The Pathfinders functions as a site-selection consultant to many of America's largest corporations, including companies such as AT&T, DuPont, Celanese, 3M Corporation, IMC Global, Singapore Aerospace, AIG, and Ciba-Geigy. The question which most often drives the search for a new business location is whether the candidate location has the workforce needed, and a workforce analysis has been a key component of the site searches conducted for these clients. Senior human resources executives from among corporate clients assisted in refining this methodology and report format. Companies making location decisions based upon these surveys have reported that when staffing actually began, the numbers reported by The Pathfinders proved to be accurate.

In a poll of its corporate clients, The Pathfinders found that those clients' experiences suggest that less than 10% of the new hires for new operations come from the ranks of the unemployed. Instead, these clients and other companies staff a new operation principally with individuals who are working but who desire better jobs and who appear to possess the skills, education, and experience to qualify them for those better jobs. By that definition, those individuals can be considered "underemployed" and are identified as such in this report. The type of quality employer that the Lincoln Trail East region is attempting to attract will typically hire people who come from this group. As a consequence, The Pathfinders was retained to quantify the extent to which underemployment exists in the area, as well as to document the cost, skills, experience, and education of that hidden workforce. This report represents the objective and professional view of The Pathfinders with regard to workforce availability, cost, skills, and quality that a new employer can expect in the Lincoln Trail East region.



SUMMARY OF FINDINGS

- The Lincoln Trail East area, referred to in this report as the “labor shed”, has a population of approximately 176,000.
- The labor shed has a civilian labor force of approximately 89,000.
- The labor shed has a pool of approximately 3,700 unemployed persons who are actively seeking work.
- A new employer will be able to attract employees from an additional pool of about 17,100 potentially available workers, referred to in this report as the “underemployed”, who have indicated an interest in changing jobs.
- These workers appear to possess the skills, experience, and education to qualify them for the pay rates at which they would take a new job.
- The desired pay rates of these underemployed workers are reasonable when compared to their existing pay rates.
- About 25% of the underemployed workers would take a new job for \$10.67 per hour or less. At the upper end, the 25% most qualified and experienced will command more than \$20.35 per hour.
- The median desired pay rate of the underemployed workers is \$13.94 per hour.
- Roughly 4,200 people, neither employed nor seeking work, might re-enter the workforce for the proper job.



METHODOLOGY

Published government statistics report wages and employment for the entire workforce of an area, even though most of that workforce has no interest in changing jobs. This report, prepared by The Pathfinders, includes data only on those people in the area who might change jobs and who would be potential candidate workers for a new employer. As opposed to average wages, this report quantifies the number of those workers available for an employer in various wage ranges.

The first step in assessing the workforce of the Lincoln Trail East area was to determine the boundaries of the area to be assessed. To accomplish this task, The Pathfinders applied the same reasoning that would be used during a site search for a corporate client considering the area as a potential location. The Lincoln Trail East survey area includes those locations from which workers might be drawn to a new employer and is referred to in this report as the “labor shed”. This labor shed consists of the core counties of Nelson, Washington and Marion plus portions of the counties adjoining them.

Once the labor shed was identified, a random sample of telephone numbers of qualified respondents in the labor shed was obtained for use in the Computer Assisted Telephone Interviewing or CATI system.

The Pathfinders then conducted telephone interviews with individuals throughout the Lincoln Trail East region. Those individuals were proportionally stratified across age, household income, and zip codes. The purpose of these interviews was to ascertain availability for work with a new employer; determine desired pay rates; and, collect information on such factors as age, education, commuting patterns, experience, and skills. The data obtained as a result of those interviews enabled The Pathfinders to apply and employ a proprietary methodology which accurately determined the existence of underemployment as defined in the introduction.



The Pathfinders applied a proprietary process to the analysis of the data to correct for invalid responses. For example, those persons indicating they would take a new job but also indicating the desire for increased or decreased pay that is unreasonable are not counted in the results.

This process considers that to be counted as underemployed, an individual must be currently employed and willing to take another job at a pay rate commensurate with personal skills, education, and experience.

Current pay alone is not the qualifying factor for underemployment status in this study. Individuals, for example, making \$7.50 per hour, possessing no high school degree or skills, and being in the workforce for less than one year may consider themselves to be underemployed but are not considered to be so in this report. On the other hand, education, skills, and experience may qualify the person making \$22.00 per hour as truly underemployed.

Sufficient interviews were completed with qualified individuals to produce results for that entire population group which vary by no more than plus or minus 5 percentage points. If the survey were repeated 100 times, 95 times out of 100 the results would be the same as those resulting from a survey of every individual in the entire population.

Irrespective of the fact that the methodology employed is scientifically proven to produce such results, it is perhaps even more important to note that companies making location decisions based upon these surveys have reported that when staffing actually began, the numbers reported by The Pathfinders proved to be accurate.



ASSESSMENT OF THE WORKFORCE

The Lincoln Trail East area labor shed has a population of approximately 176,000. The civilian labor force numbers approximately 89,000, and the labor shed contains approximately 3,700 unemployed people who are seeking work.

The results of this assessment determined that approximately 17,100 workers can be defined as underemployed: those individuals who are currently working but would take a better job if offered by a new or existing employer and who appear to possess the skills, education, and experience to qualify them to do so. Of these 17,100 underemployed workers, approximately 2,600 of them are currently working part-time and desire to change jobs and go to work full-time. Further, the results suggest that an additional 4,200 people who are not currently employed or actively seeking work would consider re-entering the workforce. In total, the Lincoln Trail East area has approximately 25,000 available workers for new or existing employers.

AVAILABLE WORKERS

Number of underemployed workers	17,100
Number of unemployed persons who are actively seeking work	3,700
Number of persons who are not working, but would consider re-entering the workforce	4,200
Total Number of Workers Available for Employers	25,000

The reader is cautioned that, while the number of underemployed workers identified in the region, as well as their skills, experience, education, and costs, is accurate, all of those individuals may not be acceptable candidates for an employer. Their previous work records, stability, integrity, intelligence, appearance, and other factors are not considered in this report.



These underemployed workers might also be termed upgraders. They desire to move into an upgraded job and appear to possess the skills, education, and experience to enable them to do so. The pay rates they expect to achieve range from under \$8.00 to over \$30.00 per hour.

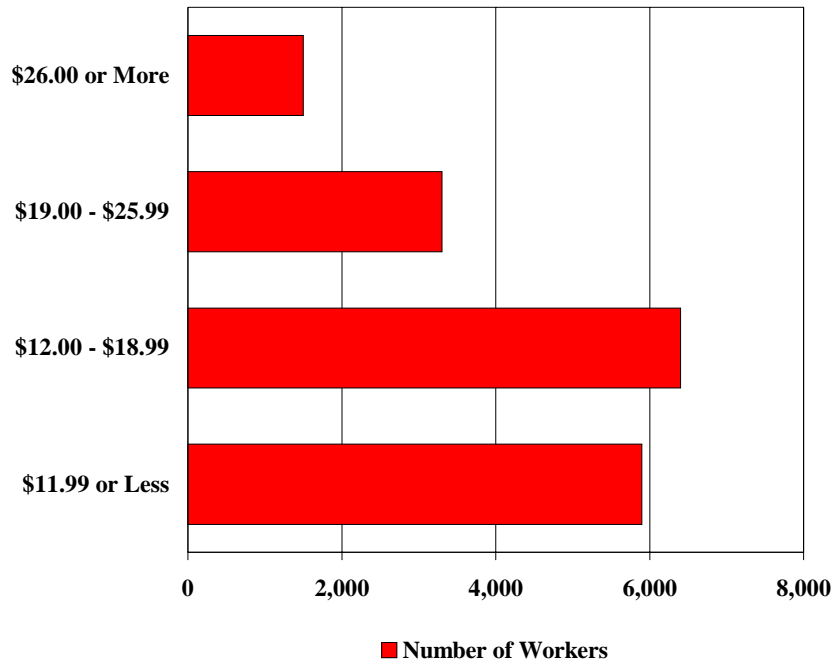
The following data represent the desired pay rates of the underemployed individuals in the labor shed. Many workers expressed their wage requirements in weekly, monthly, or annual terms, but all wage figures in this report are presented in hourly rates. Selected conversions may add perspective to the hourly rates. Figures presented below are rounded and based on a 40-hour work week.

CONVERSION CHART

Hourly	Weekly	Monthly	Annually
\$ 8.00	\$ 320.00	\$ 1,386.00	\$ 16,640.00
\$ 10.00	\$ 400.00	\$ 1,733.00	\$ 20,800.00
\$ 12.00	\$ 480.00	\$ 2,078.00	\$ 24,960.00
\$ 14.00	\$ 560.00	\$ 2,425.00	\$ 29,120.00
\$ 16.00	\$ 640.00	\$ 2,771.00	\$ 33,280.00
\$ 18.00	\$ 720.00	\$ 3,118.00	\$ 37,440.00
\$ 20.00	\$ 800.00	\$ 3,464.00	\$ 41,600.00
\$ 22.00	\$ 880.00	\$ 3,810.00	\$ 45,760.00
\$ 24.00	\$ 960.00	\$ 4,157.00	\$ 49,920.00
\$ 26.00	\$ 1,040.00	\$ 4,503.00	\$ 54,080.00
\$ 28.00	\$ 1,120.00	\$ 4,850.00	\$ 58,240.00
\$ 30.00	\$ 1,200.00	\$ 5,196.00	\$ 62,400.00



DESIRED WAGE RATES PER HOUR BY RANGE
17,100 Underemployed Workers



NUMBER OF UNDEREMPLOYED WORKERS AVAILABLE
AT SPECIFIC WAGE RATES PER HOUR (rounded)

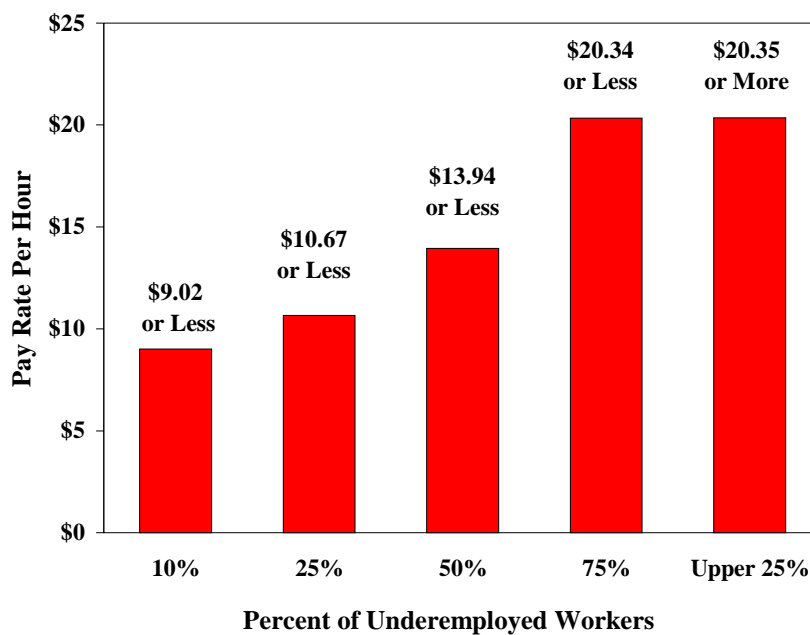
<u>\$7.99 or Less</u> 500	<u>\$8.00 - \$8.99</u> 1,200	<u>\$9.00 - \$9.99</u> 500	<u>\$10.00 - \$10.99</u> 3,100	<u>\$11.00 - \$11.99</u> 600
<u>\$12.00 - \$12.99</u> 1,800	<u>\$13.00 - \$13.99</u> 900	<u>\$14.00 - \$14.99</u> 1,000	<u>\$15.00 - \$15.99</u> 1,300	<u>\$16.00 - \$16.99</u> 300
<u>\$17.00 - \$17.99</u> 500	<u>\$18.00 - \$18.99</u> 600	<u>\$19.00 - \$19.99</u> 200	<u>\$20.00 - \$20.99</u> 950	<u>\$21.00 - \$21.99</u> 200
<u>\$22.00 - \$22.99</u> 50	<u>\$23.00 - \$23.99</u> 300	<u>\$24.00 - \$24.99</u> 700	<u>\$25.00 - \$25.99</u> 900	<u>\$26.00 - \$26.99</u> 500
<u>\$27.00 - \$27.99</u> 200	<u>\$28.00 - \$28.99</u> 50	<u>\$29.00 - \$29.99</u> 300	<u>\$30.00 - \$ 30.99</u> 50	<u>\$31.00 or More</u> 400



Utilizing the desired wage information as illustrated in the preceding charts, the following conclusions can be drawn concerning the underemployed workers in the Lincoln Trail East area:

- 10% of the underemployed workers will require \$9.02 per hour or less to change jobs.
- 25% of the underemployed workers will require \$10.67 per hour or less to change jobs.
- 50% of the underemployed workers will require \$13.94 per hour or less to change jobs.
- 75% of the underemployed workers will require \$20.34 per hour or less to change jobs.
- The upper 25% of the underemployed workers will require wages beginning at \$20.35 per hour and extending upward to over \$30.00 per hour. These are the most qualified and experienced workers.

DESIRED WAGE RATES BY PERCENT

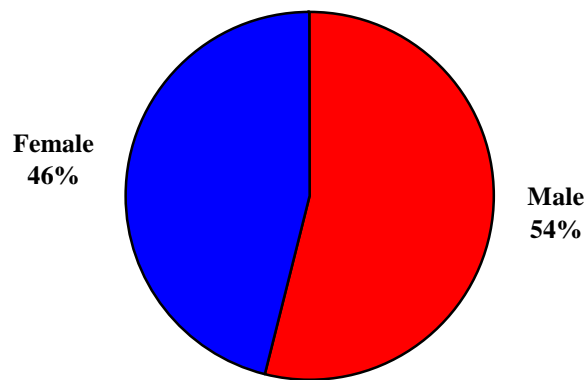


CHARACTERISTICS OF UNDEREMPLOYED WORKERS

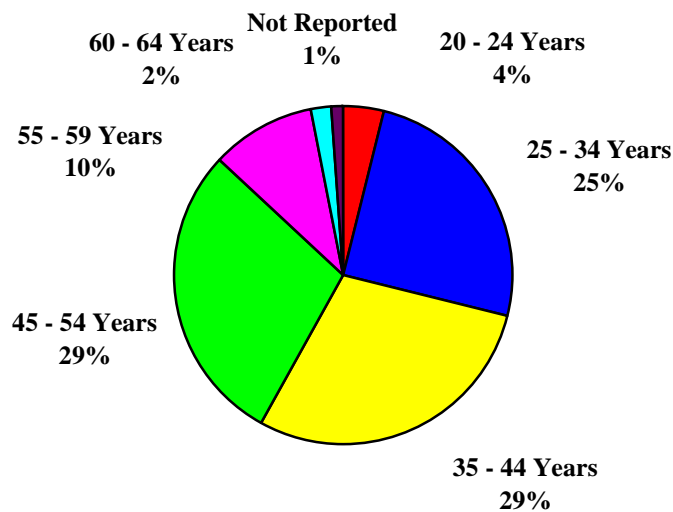
The Lincoln Trail East Area Labor Shed

The following charts provide information on various characteristics of the underemployed workers in the labor shed. As these data relate solely to those individuals in the labor shed who are underemployed, they will vary from data representative of the population as a whole.

UNDEREMPLOYED WORKERS - GENDER

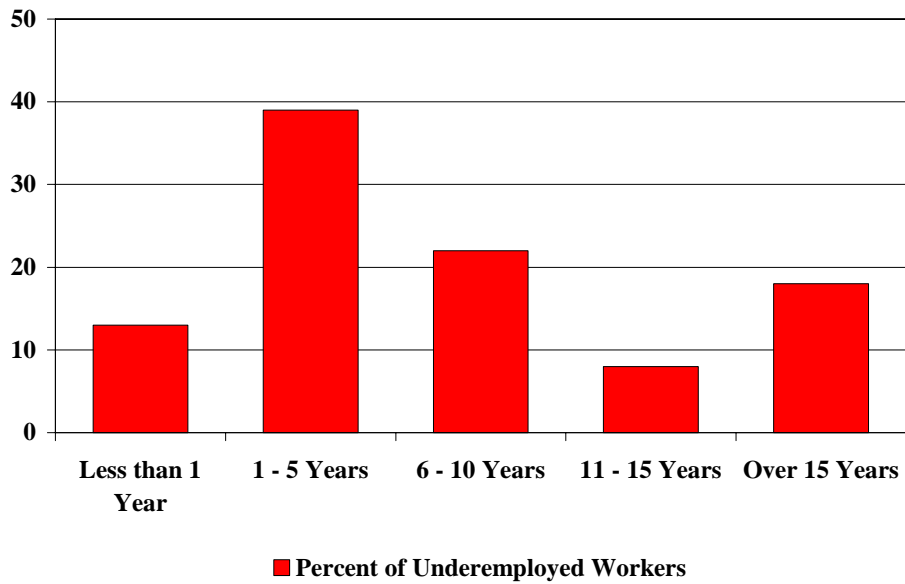


UNDEREMPLOYED WORKERS - AGE

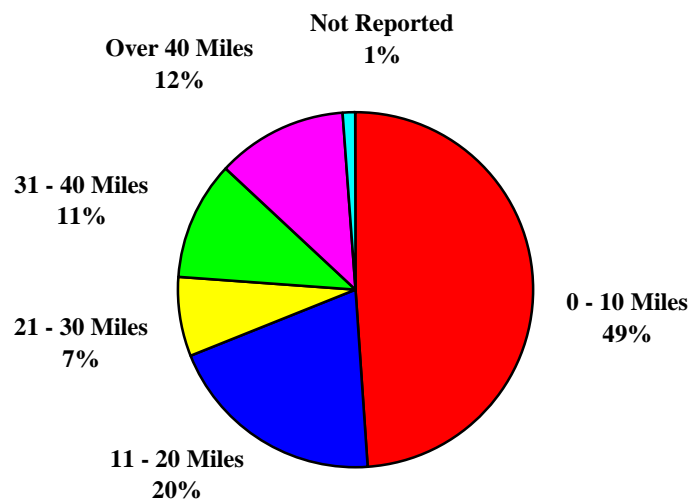


CHARACTERISTICS OF UNDEREMPLOYED WORKERS

LENGTH OF TIME IN CURRENT JOB

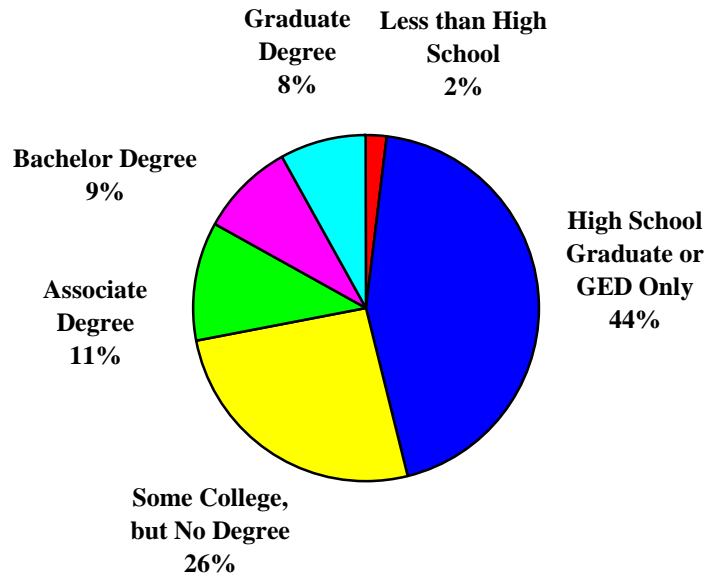


COMMUTING DISTANCES

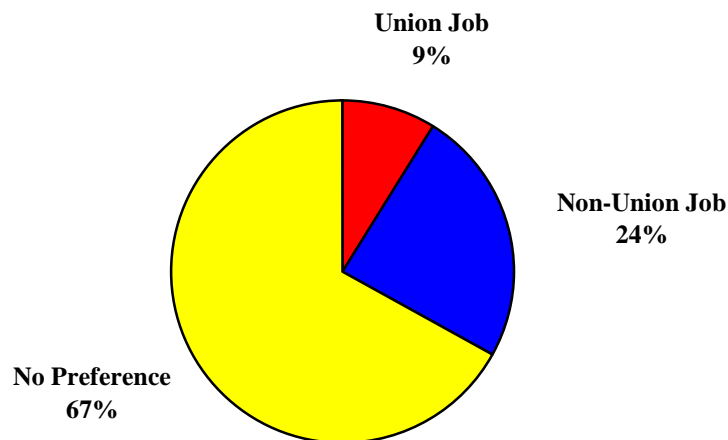


CHARACTERISTICS OF UNDEREMPLOYED WORKERS

EDUCATION

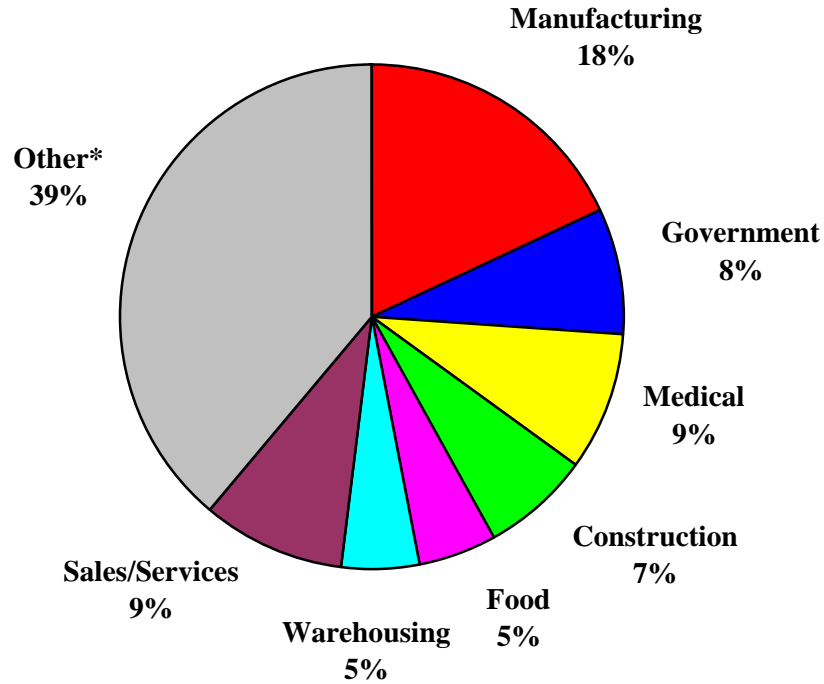


UNION PREFERENCE



CHARACTERISTICS OF UNDEREMPLOYED WORKERS

CURRENT SECTOR OF EMPLOYMENT



* The “Other” category of current employment for the underemployed workers in the Lincoln Trail East area includes those sectors with less than 5% representation. Those sectors are across a wide variety of categories, including, among others, agriculture, trades, education and office.



EXPERIENCE AND SKILLS – UNDEREMPLOYED WORKERS

The experience and skills categories used in this report are designed to provide accurate workforce data for employers which fall into one or more of the following four broad groups:

- manufacturing, assembly, fabrication or other industrial operations;
- back office, data processing, call centers, information technology, customer service or sales operations;
- distribution or transportation operations; and,
- biotechnology, pharmaceuticals or medical research operations.

The experience and skills categories are purposefully similar in order to present the most accurate worker availability for operations in one of those four groups.

An employee in the front office of a manufacturing operation will be considered to have “manufacturing” experience but may only have “office” skills. Someone with “manufacturing” experience may not have “manufacturing” skills, but could have “materials handling” skills if they work in shipping or receiving. “Sales and customer service” experience crosses many other experience and skills categories and ideally would be possessed by anyone with customer contact to any degree.

The similarities between the skills and experience categories are designed to ensure inclusiveness considering the multitude of tasks and job titles present in most business, government and institutional operations. Additionally, what may appear to some observers as redundancy is, in reality, a proven mechanism to cross-check the validity of responses and to identify the degree to which workplace and professional competencies are truly transferable to new positions and employers.



EMPLOYMENT EXPERIENCE OF UNDEREMPLOYED WORKERS

Experience*	Number of Persons	Percentage
Office/Data/Word Processing	7,900	46%
Warehouse/Distribution/Transportation	9,400	55%
Manufacturing/Assembly/Fabrication	11,600	68%
Biotechnology/Health Sciences	3,800	22%
Maintenance/Installation/Repair	6,300	37%
Call Center	2,700	16%
Information Technology/ Telecommunications/Computer	5,300	31%
Sales/Customer Service	7,500	44%

EMPLOYMENT SKILLS OF UNDEREMPLOYED WORKERS

Skills*	Number of Persons	Percentage
Office/Data/Word Processing	8,700	51%
Warehouse/Materials Handling	11,500	67%
Manufacturing/Assembly/Fabrication	11,100	65%
Biotechnology/Health Sciences	3,800	22%
Maintenance/Installation/Repair	6,500	38%
Technician/Quality Assurance	6,300	37%
Information Technology/ Telecommunications/Computer	5,300	31%
Electronics/Engineering	3,100	18%

* Individuals polled may have experience and/or skills in more than one job classification.



**MEDIAN PAY RATE AT WHICH UNDEREMPLOYED WORKERS
WITH VARIOUS SKILLS WILL CHANGE JOBS**

The Lincoln Trail East Area Labor Shed

Skills*	Desired Pay
Office/Data/Word Processing	\$14.50
Warehouse/Materials Handling	\$12.44
Manufacturing/Assembly/Fabrication	\$13.00
Biotechnology/Health Sciences	\$12.50
Maintenance/Installation/Repair	\$15.10
Technician/Quality Assurance	\$15.00
Information Technology/ Telecommunications/Computer	\$15.25
Electronics/Engineering	\$19.60

* Individuals polled may have skills in more than one job classification.



UNEMPLOYED WORKERS

The results of this survey indicate that 50% of the unemployed workers in the Lincoln Trail East area who are actively seeking work were laid off from their jobs. Further, 24% are unemployed because their job was eliminated, the company at which they were employed closed, or the company relocated to another city, county or country. Survey findings also indicate that 17% of the unemployed individuals who are actively seeking work are unemployed due to health or medical reasons and 8% are stay-at-home individuals. Published statistics document 3,700 unemployed workers in the labor shed, however, this figure could possibly be higher since some of these potential workers may not be counted on the rolls of the state unemployment agencies.

This survey indicates that 8% of the unemployed, actively seeking work individuals have two-year degrees or higher, and the average age of this group is 40. The median desired pay rate for these available workers is \$9.67 per hour, and they possess a wide range of experience and skills in multiple categories.

Furthermore, the survey results suggest that an additional 4,200 people, who are not currently employed or actively seeking work, would consider re-entering the workforce. About 65% of these additional individuals are female, and the group is seven years older on average than the underemployed. The education of this additional group roughly mirrors that of the underemployed members of the workforce, albeit with a somewhat higher concentration of “Less than High School”. This group exhibits competitive measures of experience and skills in the areas of maintenance, installation and repair. The wages required by this group to re-enter the workforce fall across a broad spectrum of pay rates, with \$10.11 per hour as the median. The lower quartile would take \$8.40 or less, and the upper quartile desires \$12.51 per hour or more.

The determinations for these segments of the workforce have a larger statistical variance than that for the underemployed.



EMPLOYERS' VIEWS OF THE THE LINCOLN TRAIL AREA TOTAL WORKFORCE

In developing a profile of existing workers in the Lincoln Trail region, The Pathfinders considered such factors as labor availability, productivity, unionization, attitudes, costs, and education. The analysis was based upon interviews conducted with senior management and human resources professionals from companies located in the labor shed. Each of these companies operated in the industrial, commercial, or service sectors. The interview sampling was sufficiently large to make valid workforce judgments.

As determined from the employer interviews, the following table reflects the various methods used to recruit workers in the Lincoln Trail region and the percent of employers utilizing that method. Many use more than one method, therefore, the percentages will not add up to 100%

Recruiting Method	% of Employers
Newspaper Ads	39%
Temporary Agency	39%
Internet	30%
Employment Agency	26%
Word of Mouth	13%
Walk-Ins	9%
Other	4%

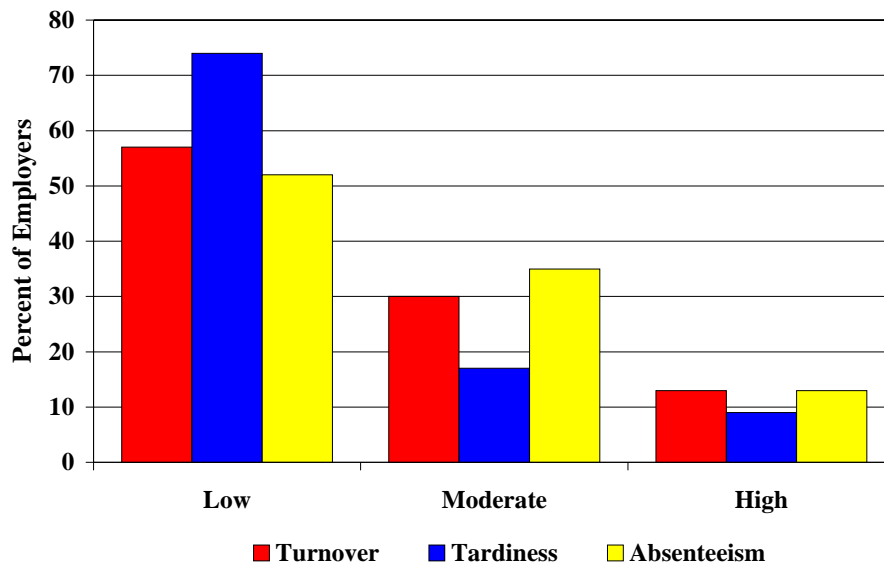
Employers interviewed were asked to provide subjective views of their workers, in addition to objective and quantitative measurements of labor productivity, availability, attitudes, and costs. Additionally, employers with operations in other regions of the United States were asked to compare their experiences in those other areas with their experiences in the Lincoln Trail region.



Most of the companies interviewed stated that their local operations were comparable to or better than the operations in other locations in terms of profitability and production. This is indicative not only of good management but also of a productive workforce.

Based upon the experience of The Pathfinders in evaluating labor forces in numerous locations, a definite correlation between productivity, absenteeism, tardiness, and turnover appears to exist. That correlation goes beyond the fact that an absent worker is obviously unproductive. Rather, those factors are indicative of an employee’s attitude toward the job. The chart below shows the percent of employers rating for turnover, tardiness and absenteeism in the Lincoln Trail region.

**PERCENT OF EMPLOYERS RATING
THE LINCOLN TRAIL AREA TOTAL WORKFORCE**



Also included in this correlation is the degree of substance abuse found in the workplace. In the Lincoln Trail region, 83% of the employers interviewed stated their companies tested for substance abuse, primarily pre-employment and post-accident. As a result, substance abuse within the individual companies' workforces was reported as very low.

In consideration of all factors, 78% of the employers in the Lincoln Trail area rated the productivity of the workforce as "Good" to "Excellent". Worker reliability and attitudes received high marks from 65% of the employers.

**PERCENT OF EMPLOYERS RATING
THE LINCOLN TRAIL AREA TOTAL WORKFORCE**

Category	Excellent	Good	Fair	Poor
Worker Productivity	22%	56%	21%	1%
Worker Reliability and Attitudes	13%	32%	34%	1%

The educational competencies of employees are additional factors used to evaluate an area's labor force. In general, the Lincoln Trail area employers rated the local educational providers as "Good" and gave the following ratings to their employees relative to competency in reading, writing, and calculations.

**PERCENT OF EMPLOYERS RATING
THE LINCOLN TRAIL AREA TOTAL WORKFORCE**

Category	Excellent	Good	Fair	Poor
Reading/Writing Competency	14%	52%	24%	10%
Calculations Competency	15%	45%	25%	15%



A common employer complaint relates to the shortage of skilled and technical workers. The availability of these workers in the Lincoln Trail region must be viewed from the perspective of comparative availability when other areas of the state and nation are considered. Skilled and technical workers are in great demand and difficult to find in the vast majority of locations. Of the companies in the labor shed interviewed, 57% considered skilled worker availability to be “Excellent” or “Good”, while 39% considered it to be “Fair”. The availability of technical workers in the labor shed was rated “Excellent” or “Good” by 50% of the interviewed companies and “Fair” by 40%.

The following table provides a composite portrait of employers’ experiences with and opinions of workers in the Lincoln Trail region. Taken in context with the data gathered and presented in the workforce survey, a balanced profile of the attributes of individuals available to fill the labor needs of new and expanding firms is provided.

**PERCENT OF EMPLOYERS RATING
THE LINCOLN TRAIL AREA TOTAL WORKFORCE**

Category	Excellent	Good	Fair	Poor
Availability of Skilled Workers	9%	48%	39%	4%
Availability of Unskilled Workers	31%	43%	26%	0%
Availability of Professional Workers	9%	41%	32%	18%
Availability of Technical Workers	5%	45%	40%	10%
Worker Productivity	22%	56%	21%	1%
Worker Reliability and Attitudes	13%	52%	34%	1%
Reading/Writing Competency	14%	52%	24%	10%
Calculations Competency	15%	45%	25%	15%
Entry Level Skills	10%	45%	45%	0%

COMPARISONS OF EMPLOYERS RATINGS TOTAL WORKFORCE

The Lincoln Trail Area Labor Shed / Locations Previously Surveyed

In the course of workforce surveys, local employers are asked to rate their workers on a number of factors. Those factors include: worker productivity; worker reliability and attitudes; reading/writing competency; calculations competency; availability of skilled workers; availability of unskilled workers; availability of technical workers; and, availability of professional workers. Local employers are asked to rate each factor either “Excellent”, “Good”, “Fair”, or “Poor”.

The purpose of these interviews and ratings is not only to determine how local employers rate their workers but also to provide a means for comparing local ratings to those of all locations surveyed during the past eighteen months. Such comparison will enable you to assess your employers’ ratings of their workers in contrast to the body of thousands of employer ratings recorded in that period.

The following charts present the comparative results for each factor. They compare the percentages of the Lincoln Trail area employers who rated their workers “Excellent”, “Good”, “Fair”, or “Poor” on each factor with the “Highest” rating of that factor in all areas surveyed in the last eighteen months and the “Median” rating for that factor in all areas surveyed during that time. As a result, the “Highest” and “Median” ratings do not add to 100%.

For example, 22% of the Lincoln Trail area employers rated “Worker Productivity” as “Excellent”. Of all the locations surveyed during the last eighteen months, the “Median” for that rating is 27%, and the “Highest” rating recorded in the “Excellent” category is 67%. The same comparison applies for each of the other factors.

In these charts, the Lincoln Trail area is shown as “Labor Shed”.



WORKER PRODUCTIVITY

Excellent		Good		Fair		Poor	
Highest	67%	Highest	83%	Highest	37%	Highest	10%
Labor Shed	22%	Labor Shed	56%	Labor Shed	21%	Labor Shed	1%
Median	27%	Median	58%	Median	12%	Median	5%

WORKER RELIABILITY AND ATTITUDES

Excellent		Good		Fair		Poor	
Highest	57%	Highest	83%	Highest	43%	Highest	15%
Labor Shed	13%	Labor Shed	52%	Labor Shed	34%	Labor Shed	1%
Median	21%	Median	56%	Median	19%	Median	6%

READING/WRITING COMPETENCY

Excellent		Good		Fair		Poor	
Highest	44%	Highest	87%	Highest	57%	Highest	21%
Labor Shed	14%	Labor Shed	52%	Labor Shed	24%	Labor Shed	10%
Median	13%	Median	53%	Median	28%	Median	8%

CALCULATIONS COMPETENCY

Excellent		Good		Fair		Poor	
Highest	38%	Highest	80%	Highest	64%	Highest	30%
Labor Shed	15%	Labor Shed	45%	Labor Shed	25%	Labor Shed	15%
Median	11%	Median	50%	Median	33%	Median	11%



AVAILABILITY OF SKILLED WORKERS

Excellent		Good		Fair		Poor	
Highest	50%	Highest	79%	Highest	53%	Highest	53%
Labor Shed	9%	Labor Shed	48%	Labor Shed	39%	Labor Shed	4%
Median	6%	Median	43%	Median	36%	Median	18%

AVAILABILITY OF UNSKILLED WORKERS

Excellent		Good		Fair		Poor	
Highest	66%	Highest	80%	Highest	50%	Highest	14%
Labor Shed	31%	Labor Shed	43%	Labor Shed	26%	Labor Shed	0%
Median	25%	Median	52%	Median	20%	Median	7%

AVAILABILITY OF PROFESSIONAL WORKERS

Excellent		Good		Fair		Poor	
Highest	33%	Highest	78%	Highest	61%	Highest	46%
Labor Shed	9%	Labor Shed	41%	Labor Shed	32%	Labor Shed	18%
Median	6%	Median	38%	Median	38%	Median	14%

AVAILABILITY OF TECHNICAL WORKERS

Excellent		Good		Fair		Poor	
Highest	33%	Highest	79%	Highest	62%	Highest	57%
Labor Shed	5%	Labor Shed	45%	Labor Shed	40%	Labor Shed	10%
Median	6%	Median	33%	Median	42%	Median	21%



NATIONAL COMPARATIVE OBSERVATIONS

As a matter of course in site-selection projects, The Pathfinders evaluates published government workforce statistics. Those statistics, however, depict the entire workforce while only a minority segment of those workers will be considered for or have an interest in new jobs with a company. The characteristics of the select, underemployed workforce group represented in this report may vary significantly from the workforce as a whole as reported in published government data.

Accordingly, the information presented in the workforce report for the Lincoln Trail East region covers those members of the workforce who are, by virtue of their underemployment, potential candidates for new jobs. Existing employers, or new employers recruited to the Lincoln Trail East region, typically will not depend heavily on the unemployed to staff a new operation or to fill vacancies in existing operations caused by turnover or expansions. Companies look to the ranks of people who are already employed but are seeking to better themselves. Those individuals in that category who appear to possess the education, skills, and experience to merit a better job are classified as underemployed.

The workforce report issued by The Pathfinders documents the availability of underemployed workers as well as the skills, experience, education, and costs of individuals in that hidden workforce in the Lincoln Trail East region. This section of the report provides a comparison of the characteristics of the labor shed's underemployed workforce with the underemployed workforces in other communities previously surveyed throughout the nation. A prospect company considering the Lincoln Trail East region as a location will judge its workforce on a comparative basis. This section of the report will allow local economic development professionals to view the region's workforce in relation to others across the country.

The comparative data for other locations used in the following charts and tables reflect information accumulated over the past eighteen months. The Pathfinders maintains a continuing database of over 600 surveyed counties and communities and more than 30 million workers.



Locations Used In Comparative Analysis

In the various charts which follow this page, this labor shed is compared with others for the purpose of making the data meaningful. In the charts, figures for this labor shed are shown alongside the “lowest”, “median” and “highest” figures from other workforce surveys conducted by The Pathfinders. The comparisons are with communities and counties representing both larger and smaller and those similar in size to this labor shed. They are also scattered throughout the nation, and a partial listing of locations from which the “low”, “median” and “high” data reported are derived includes:

Albany, NY	Cullman County, AL	LaSalle, IL	San Angelo, TX
Albuquerque, NM	Culpeper County, VA	Lea County, NM	San Marcus, TX
Allegany County, MD	Danville, IL	Lebanon, KY	Scranton, PA
Amarillo, TX	Daytona Beach, FL	Lee’s Summit, MO	Sequin, TX
Anderson, IN	Decatur, AL	Lexington, KY	Seneca County, NY
Ardmore, OK	Eastern Shore, MD	Long Island, NY	Shasta County, CA
Atascadero, CA	Elizabethtown, KY	Longview, TX	Shelby County, AL
Atlanta, GA	Evansville, IN	Louisville, KY	Shreveport, LA
Auburn, AL	Fairfield County, OH	McDowell County, NC	Sikeston, MO
Baldwin County, AL	Fargo, ND	Moberly, MO	Silver City, NM
Bay County, FL	Fauquier County, VA	Mobile, AL	Spartanburg, SC
Bedford, TX	Grant County, NM	Mohawk Valley, NY	Spokane, WA
Binghamton, NY	Grant County, WA	Monroe County, NY	Springfield, IL
Birmingham, AL	Grays Harbor, WA	Montgomery, AL	Sullivan County, NY
Boone County, IN	Greene County, NY	Moorhead, MN	Sumter County, SC
Bowie, TX	Grenada, MS	Muncie, IN	Syracuse, NY
Bryan/College Station, TX	Hazleton, PA	New Braunfels, TX	Tallahassee, FL
Buffalo, NY	Henderson, KY	New York City, NY	Taylor, TX
Bullitt County, KY	Hendricks County, IN	Ontario County, NY	Terre Haute, IN
Cambridge, MD	Hernando County, FL	Oswego County, NY	Tioga County, NY
Campbellsville, KY	Hudson Valley, NY	Owsley County, KY	Tipton County, IN
Cape Girardeau, MO	Huntsville, AL	Paducah, KY	Tomball, TX
Casper, WY	Hurst, TX	Pampa, TX	Tupelo, MS
Centralia, IL	Hutto, TX	Panama City, FL	Tuscaloosa, AL
Champaign County, IL	Independence, MO	Pensacola, FL	Ulster County, NY
Chattanooga, TN	Indianapolis, IN	Polk County, NC	Vermillion County, IN
Cheyenne, WY	Jackson, MS	Prescott Valley, AZ	Vineland, NJ
Cleveland County, NC	Jackson County, MO	Reno, NV	Warren County, VA
Clinton, SC	Jay County, IN	Rutherford County, NC	Watertown, SD
Conroe, TX	Lake Havasu, AZ	Rutherford County, TN	Wilkes-Barre, PA
Corpus Christi, TX	Laramie, WY	Salem, IL	Williamsport, PA



The workforce report documented the number of underemployed workers in the labor shed who would be available for an employer at various pay rates ranging from \$8.00 per hour or below to \$30.00 per hour or above and who appear to have the skills, experience, and education to justify the desired pay rates. The table below shows that 25% (lower quartile) of the underemployed workers in the labor shed would take a new job for \$10.67 per hour or less. In locations surveyed over the past eighteen months, the lowest desired pay rate in the lower quartile of underemployed workers was \$8.94 per hour or less, the median \$10.54 or less, and the highest desired pay rate was \$14.75 per hour or less.

**DESIRED WAGES (per hour) – LOWER QUARTILE
UNDEREMPLOYED WORKERS**

Desired Wage Labor Shed	Lowest Desired Wage Locations Surveyed Past 18 Months	Median Desired Wage Locations Surveyed Past 18 Months	Highest Desired Wage Locations Surveyed Past 18 Months
\$10.67 or Less	\$8.94 or Less	\$10.54 or Less	\$14.75 or Less

Those underemployed workers in the upper quartile have more education, better skills, and greater experience. Yet based on current pay rates, they are considered to be underemployed. In the labor shed, the underemployed individuals in the upper 25% desire \$20.35 per hour or more. In locations surveyed over the past eighteen months, the lowest desired pay rate in the upper quartile of underemployed workers was \$15.75 or more, the median \$19.80 or more, and the highest was \$25.07 per hour or more.

**DESIRED WAGES (per hour) – UPPER QUARTILE
UNDEREMPLOYED WORKERS**

Desired Wage Labor Shed	Lowest Desired Wage Locations Surveyed Past 18 Months	Median Desired Wage Locations Surveyed Past 18 Months	Highest Desired Wage Locations Surveyed Past 18 Months
\$20.35 or More	\$15.75 or More	\$19.80 or More	\$25.07 or More



The following charts compare the percentages of underemployed workers in the Lincoln Trail East region who have experience in various fields of employment with the percentages of underemployed workers in locations surveyed over the past eighteen months who have the same type of experience. In the charts, the Lincoln Trail East region is referred to as “labor shed”.

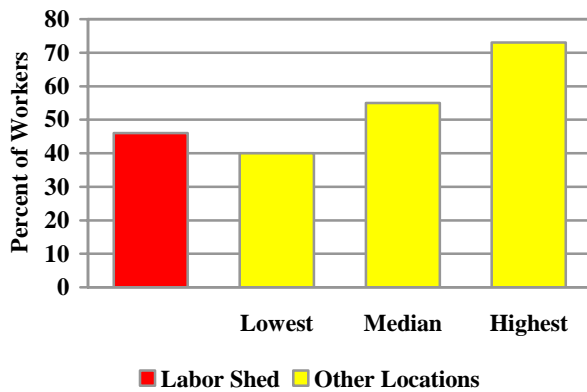
The experience charts are followed by skills charts, which compare the percentages of underemployed workers in the Lincoln Trail East region who possess various types of employment skills with the percentages of underemployed workers in locations surveyed over the past eighteen months who possess the same skills. In the charts, the Lincoln Trail East region is referred to as “labor shed”.



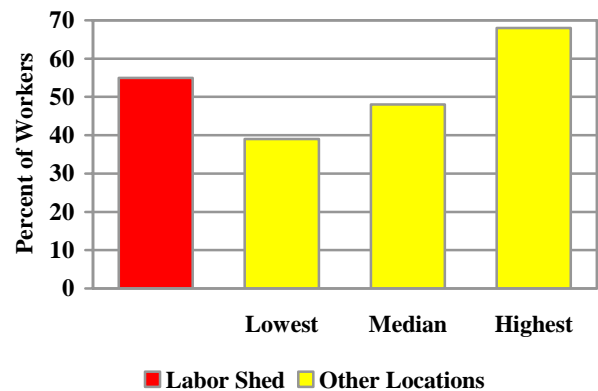
COMPARISON OF EXPERIENCE UNDEREMPLOYED WORKERS

The Lincoln Trail East Area / Locations Surveyed Over the Past 18 Months

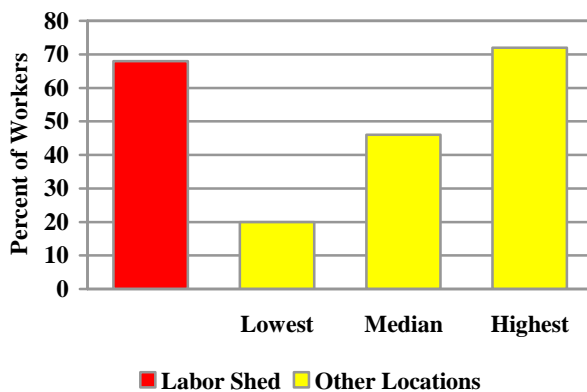
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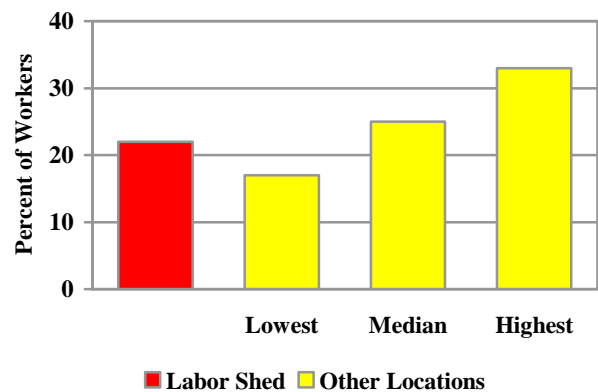
WAREHOUSE / DISTRIBUTION / TRANSPORTATION



MANUFACTURING / ASSEMBLY / FABRICATION



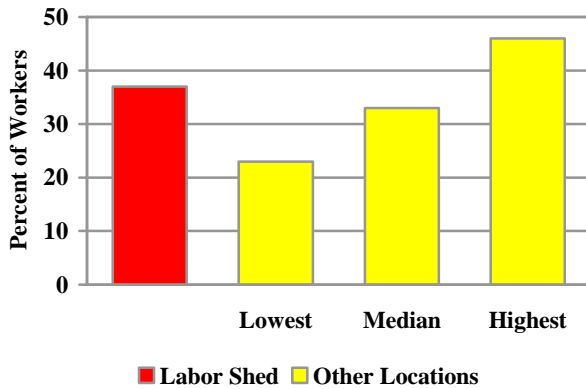
BIOTECHNOLOGY / HEALTH SCIENCES



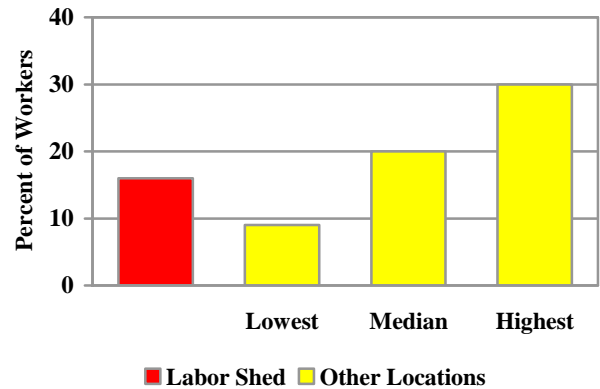
COMPARISON OF EXPERIENCE UNDEREMPLOYED WORKERS

**The Lincoln Trail East Area /
Locations Surveyed Over the Past 18 Months**

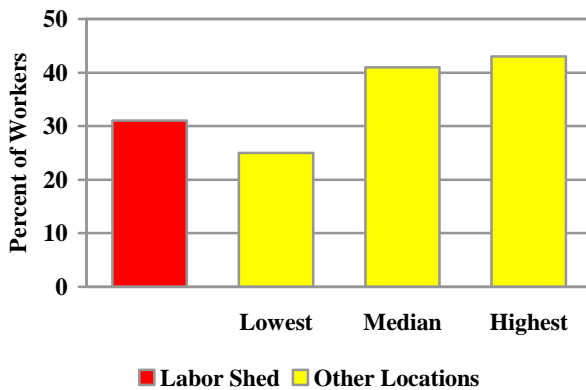
**MAINTENANCE /
INSTALLATION / REPAIR**



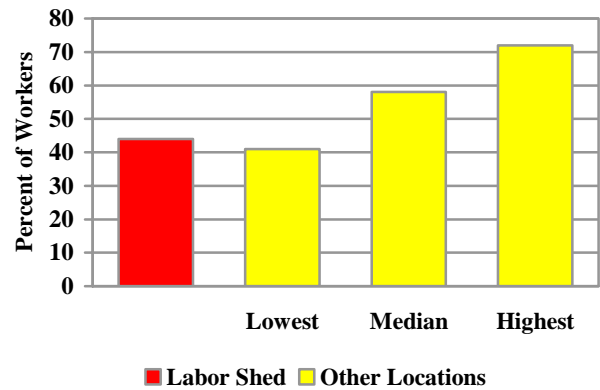
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**INFORMATION TECHNOLOGY /
TELECOMMUNICATIONS /
COMPUTER**

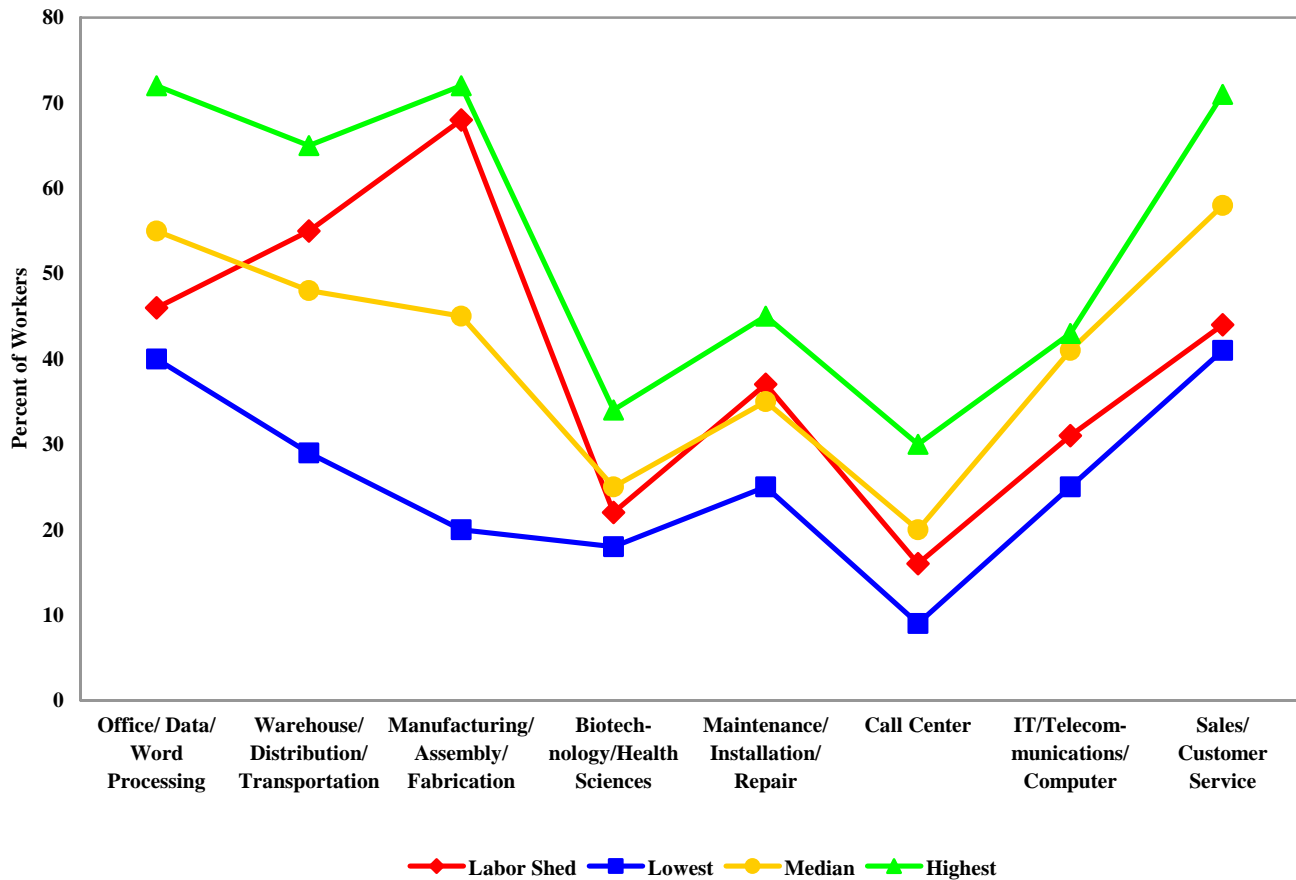


**SALES /
CUSTOMER SERVICE**



**SUMMARY COMPARISON OF EXPERIENCE
UNDEREMPLOYED WORKERS**

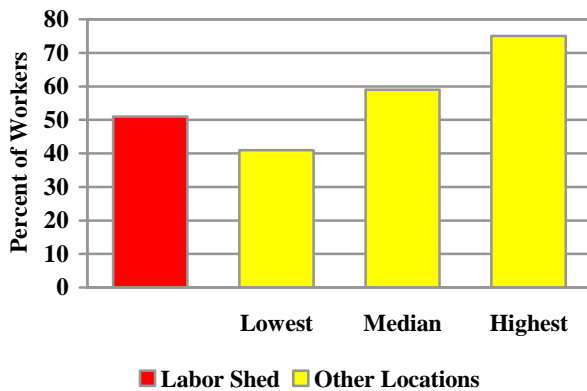
**The Lincoln Trail East Area /
Locations Surveyed Over the Past 18 Months**



COMPARISON OF SKILLS UNDEREMPLOYED WORKERS

The Lincoln Trail East Area / Locations Surveyed Over the Past 18 Months

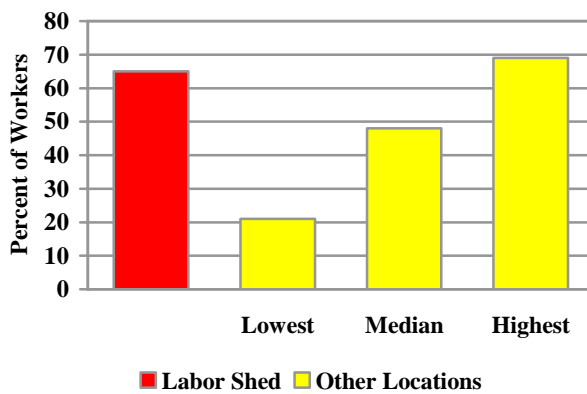
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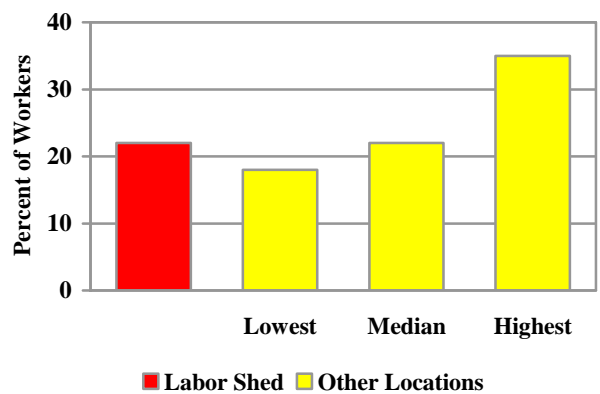
WAREHOUSE / MATERIALS HANDLING



MANUFACTURING / ASSEMBLY / FABRICATION



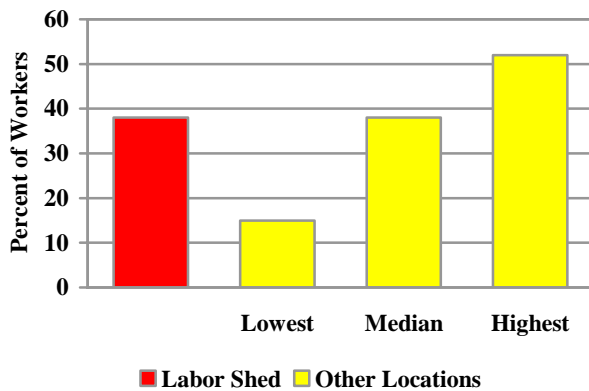
BIOTECHNOLOGY / HEALTH SCIENCES



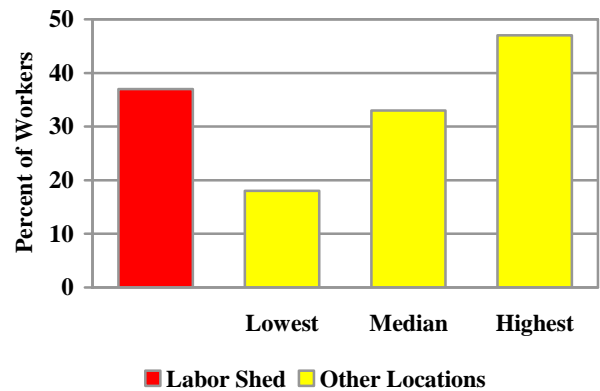
COMPARISON OF SKILLS UNDEREMPLOYED WORKERS

**The Lincoln Trail East Area /
Locations Surveyed Over the Past 18 Months**

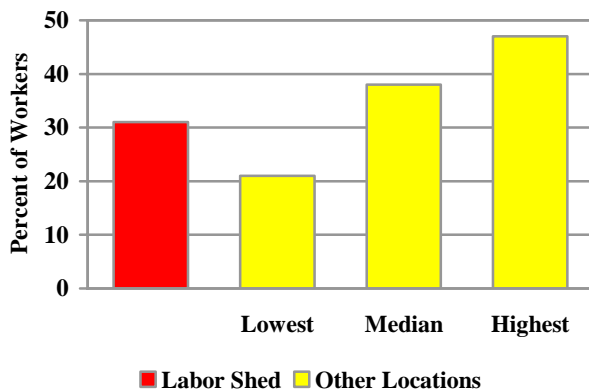
**MAINTENANCE /
INSTALLATION / REPAIR**



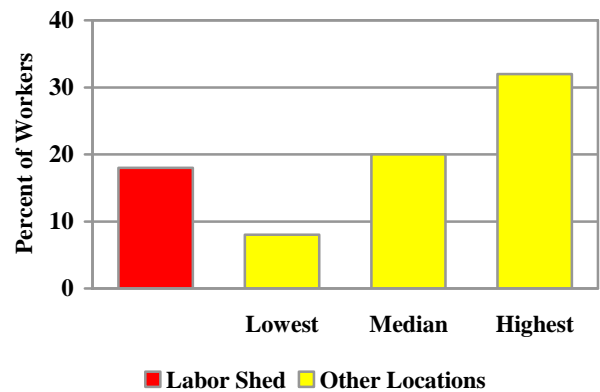
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ASSURANCE**



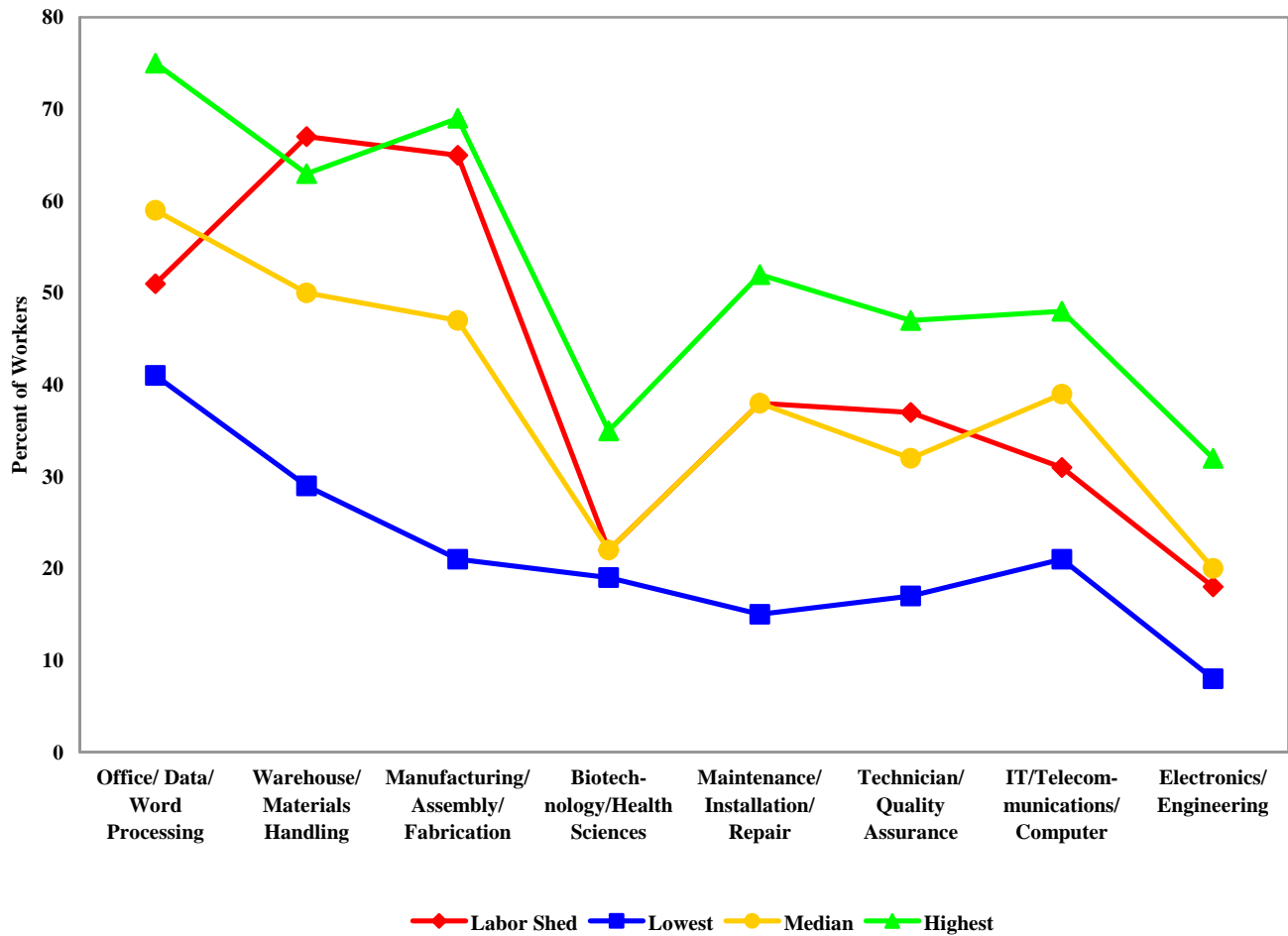
**INFORMATION TECHNOLOGY /
TELECOMMUNICATIONS /
COMPUTER**



ELECTRONICS / ENGINEERING



**SUMMARY COMPARISON OF SKILLS
UNDEREMPLOYED WORKERS
The Lincoln Trail East Area /
Locations Surveyed Over the Past 18 Months**



CLOSING REMARKS

The foregoing report represents an assessment of the underemployment that exists in the Lincoln Trail East region. It includes a set of important interlocking measurements of the number of underemployed workers, their cost, skills, experience, education, reliability, productivity, and other related factors. The information allows the economic development professional and the site-selection team to view the area in comparison to other locations.

Attention should be given to the “Employers’ Views of the Lincoln Trail Area Total Workforce” section of this report in which local employers’ views of the characteristics of local workers are compared with employers’ views in other locations where the identical questions have been asked in identical fashion.

Similarly, attention should be given to the final section of this report, “National Comparative Observations”, which compares, employing an identical methodology, the costs, experience, and skills of local underemployed workers with those underemployed workers in locations surveyed by The Pathfinders over the past eighteen months.

While the number of underemployed workers in the Lincoln Trail East region, including their cost, skills, and experience, is the focus of this report, the data should be interpreted in a comparative perspective just as the corporate site selector will in deciding among competing locations.

For Informational Purposes:

The Lincoln Trail East Area Civilian Workforce	89,000
Largest Workforce Surveyed by The Pathfinders	3,452,000
Median Workforce Surveyed by The Pathfinders	138,400
Smallest Workforce Surveyed by The Pathfinders.....	3,350
Number of Locations Surveyed by The Pathfinders.....	289



NON-PAY FACTORS AFFECTING JOB DESIRABILITY
THE LINCOLN TRAIL EAST AREA LABOR SHED
25,000 TOTAL AVAILABLE WORKERS

In an effort to identify those non-pay factors most important to the Lincoln Trail East area's available workers relative to consideration of an employer's desirability, the surveyed individuals were asked to rate the following job factors on a scale of 1 to 5, with 5 being "extremely important" and 1 being "not important". The intent was to measure the relative appeal to prospective employees of selected non-salary employment issues. The table below presents the ratings for each factor.

Factor	5 Extremely Important	4 Very Important	3 Important	2 Somewhat Important	1 Not Important
Location	38%	30%	25%	5%	2%
Insurance Benefits	79%	13%	6%	1%	1%
Retirement Benefits	72%	18%	5%	1%	4%
Paid Sick Leave & Holidays	61%	24%	12%	2%	1%
Physical Working Environment	41%	28%	24%	5%	2%
On-Site Child Care	18%	6%	21%	11%	44%
Paid Training Programs	39%	28%	25%	6%	2%
Flexible Work Schedule	39%	23%	25%	8%	5%
Opportunity for Advancement	60%	22%	13%	3%	2%
Dress Code	12%	15%	31%	17%	25%
Covered Parking	11%	6%	20%	16%	47%
Financial Stability of the Company	69%	24%	5%	1%	1%
Reputation of the Company	49%	29%	17%	3%	2%
Size of the Company	10%	17%	32%	18%	23%



In the table below, the factors are presented in order by “extremely important”. Bear in mind that the scores should be viewed in relation to each other. In other words, respondents ranked insurance benefits more “extremely important” as a non-pay job factor than paid training programs, although such a ranking does not mean that workers in the Lincoln Trail East area consider paid training programs to be unimportant in their evaluation of new job opportunities.

Factor	Extremely Important
Insurance Benefits	79%
Retirement Benefits	72%
Financial Stability of the Company	69%
Paid Sick Leave & Holidays	61%
Opportunity for Advancement	60%
Reputation of the Company	49%
Physical Working Environment	41%
Paid Training Programs	39%
Flexible Work Schedule	39%
Location	38%
On-Site Child Care	18%
Dress Code	12%
Covered Parking	11%
Size of the Company	10%



INTEREST IN TRAINING COURSES
THE LINCOLN TRAIL EAST AREA LABOR SHED
25,000 TOTAL AVAILABLE WORKERS

A component was added to this survey that was designed to determine possible interest in training courses on the part of the 25,000 available workers in the Lincoln Trail East workforce. The primary purpose of including this component was to produce data which would provide guidance in the establishment of training programs which will more precisely meet the needs of the public and the business community in the Lincoln Trail East area.

The extent to which interest is strong and those individuals might actually enroll in a training program is not known. That would obviously be influenced by scheduling, costs, length of the course and other factors. Perhaps the most dominant of those factors is the extent to which those individuals are aware of the course offering, its scheduling, cost and how and where to enroll.

However, this survey presents the relative interest in training courses of those workers in the Lincoln Trail East area who are available candidates for employment with a new or expanding business. The available workforce is comprised of three groups – the underemployed, the unemployed who are actively seeking work, and the unemployed who might consider re-entering the workforce.

In the tables that follow, it should be noted that many of the respondents indicated interest in more than one program, therefore, the percent total will not equal 100.



INTEREST IN TRAINING COURSES
THE LINCOLN TRAIL EAST AREA LABOR SHED
25,000 TOTAL AVAILABLE WORKERS

Type of Training Course	Percentage
Supervisory	49%
Computer Software Applications	49%
Computer Programming	46%
Computer Maintenance or Repair	38%
Health Care (expanded below)	33%
Technical Trades	32%
Industrial Machine Operations	32%
Retail Management	28%
Construction Trades	26%
Auto or Maintenance Mechanics	24%
Food Service or Hospitality	20%
Restaurant Management	16%
GED or Basic Reading, Writing, Arithmetic, Science	16%
ESL (English as a Second Language)	8%

In the category of “Health Care”, these individuals were further asked to specify what types of Health Care courses would be of interest to them. Their responses are indicated in the following chart. For example, of the 33% who stated an interest in Health Care courses, 44% of them are interested in nursing.



SPECIFIC HEALTH CARE COURSES

Type of Training Course	Percentage
Nursing/Nurse Assistant	44%
Medical Assistant	40%
Physical Therapist	33%
Physician Assistant	33%
Recreational Therapist	32%
Pharmacist	28%
Medical Transcription	26%
Occupational Therapist	26%
Diet/Nutritionist	23%
Dentistry	21%
Speech Therapy	19%
Chiropractic	19%
Rehabilitation	16%
Hypnotherapy	16%
Eye Care/Optometry	14%
Midwifery	12%
Respiratory Therapy	9%
Radiology	4%
Medical Office Billing	4%



In the category of “Other Training Courses”, these responses came from those individuals in the entire Lincoln Trail region who were interested in training courses other than the ones in the stated list. Their responses are indicated in the following chart. In the Lincoln Trail region, 14% of the respondents stated an interest in other types of training courses. Of that 14%, 13% were interested in child development. Numerous other fields of interest were mentioned by less than 5% of the respondents, including photography, real estate, and landscaping.

Type of Training Course	Percentage
Child Development	13%
Engineering	10%
Accounting	8%
Decorating	8%
Office/Human Resources	8%
Foreign Language	5%
Counseling	5%
Art	5%
Criminology	5%
Veterinary/Animal Training	5%
Commercial Drivers License	5%
Forestry	5%



ADDITIONAL EMPLOYER INFORMATION

THE LINCOLN TRAIL AREA TOTAL WORKFORCE

SKILLS NEEDED

Employers in the Lincoln Trail region were asked to give their opinions concerning any general or basic skills they felt were lacking in the workforce. 70% of the employers interviewed responded to this question. Of these employers, 44% rated basic communications and comprehension skills such as reading and writing as being, in their opinions, most needed by the area workforce. Many of these employers expressed multiple needs, therefore, the percentages will not equal 100%.

Skills Needed	% of Employers
Basic Communications and Comprehension Skills	44%
Work Ethic Skills	31%
Trade Skills	19%
Computer Skills	13%

TESTING ASSESSMENTS

The employers interviewed in the Lincoln Trail area use a variety of methods to screen new hires, from a basic interview to standardized tests. Standardized tests include the Bennett Mechanical Comprehension Test, the Test of Adult Basic Education (TABE), and the Wonderlic Personnel Test (WPT). 13% of the employers have developed their own in-house testing, and 19% have the screening conducted by an employment agency. Multiple methods are used by many of the employers in the screening process for new hires.



In the promotion of workers, the employers interviewed stated that this is done chiefly through in-house testing and the individual companies' promotion policies and processes.

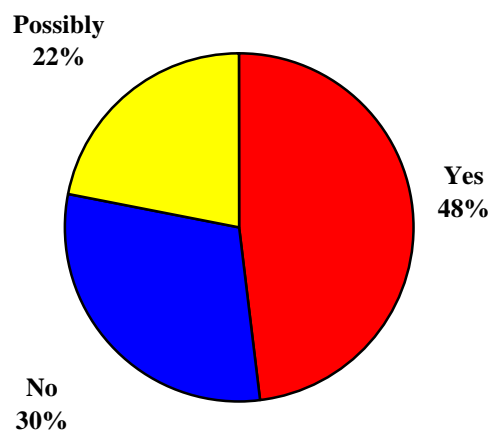
JOB OPENINGS

Employers were asked which jobs were the most difficult to fill and which were the easiest to fill. In the Lincoln Trail area, the easiest job openings to fill appear to be in the category of entry level positions, followed by clerical. The hardest appear to be in the professional and technical fields, including engineers and managers. Other job openings cited as being difficult to fill include tool and die makers and press operators.

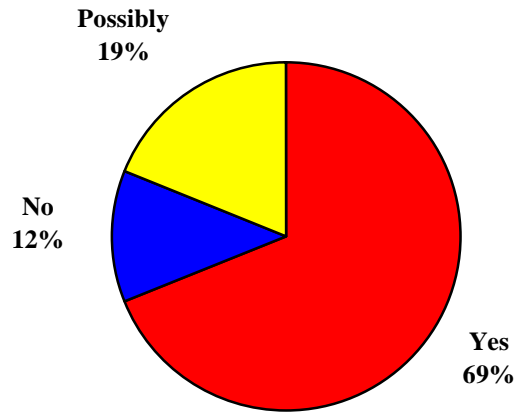
TRAINING

Local employers were interviewed concerning their methods of training workers. Although all the employers stated they trained their workers in-house, almost one-third utilize the community colleges as well. In total, almost half of the employers would consider using outside training and close to 70% would pay for or reimburse workers for that outside training.

QUESTION: Would you consider using outside training?



QUESTION: Would you pay for or reimburse workers for outside training?



Employers were surveyed as to what types of training courses could be offered that would benefit them currently and what courses would be needed the most over the next twelve to eighteen months. The employers expressed interest in various computer skills, as well as skills relating to robotics and CNC technology. Basics such as math, supervisory, drawing and work ethics were also included. The same was true for the responses to what training would be needed over the next twelve to eighteen months, but with less emphasis on computer training.

HIRING PROJECTIONS

During the interview process, existing companies were asked about their hiring projections over the next twelve months, thirteen to eighteen months, and beyond eighteen months. Hirings for the next twelve months were able to be projected by most of the employers interviewed. Beyond that time frame, however, the majority of the employers were unsure as to whether their companies would be increasing employment, decreasing employment, or staying the same.

PERCENT OF EMPLOYERS INTERVIEWED

Time Frame	Increase	Decrease	Stay the Same	Unsure
Next 12 Months	43%	9%	48%	-
13 – 18 Months	9%	-	22%	69%
Beyond 18 Months	17%	-	17%	66%

For those employers who projected an increase in employment, the follow-up question of approximately how many workers would be hired was asked. As shown in the table below, beyond the twelve-month time frame, the majority of the employers were unsure of the number of new hires.

PERCENT OF EMPLOYERS INTERVIEWED

Time Frame	1 – 10 New Hires	11 – 29 New Hires	30 or More	Unsure
Next 12 Months	25%	17%	25%	33%
13 – 18 Months	-	-	-	100%
Beyond 18 Months	-	-	25%	75%





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