

# LABOR AVAILABILITY STUDY

ANNUAL REPORT  
FY 2021-2022



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## NEBRASKA

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DEPARTMENT OF LABOR

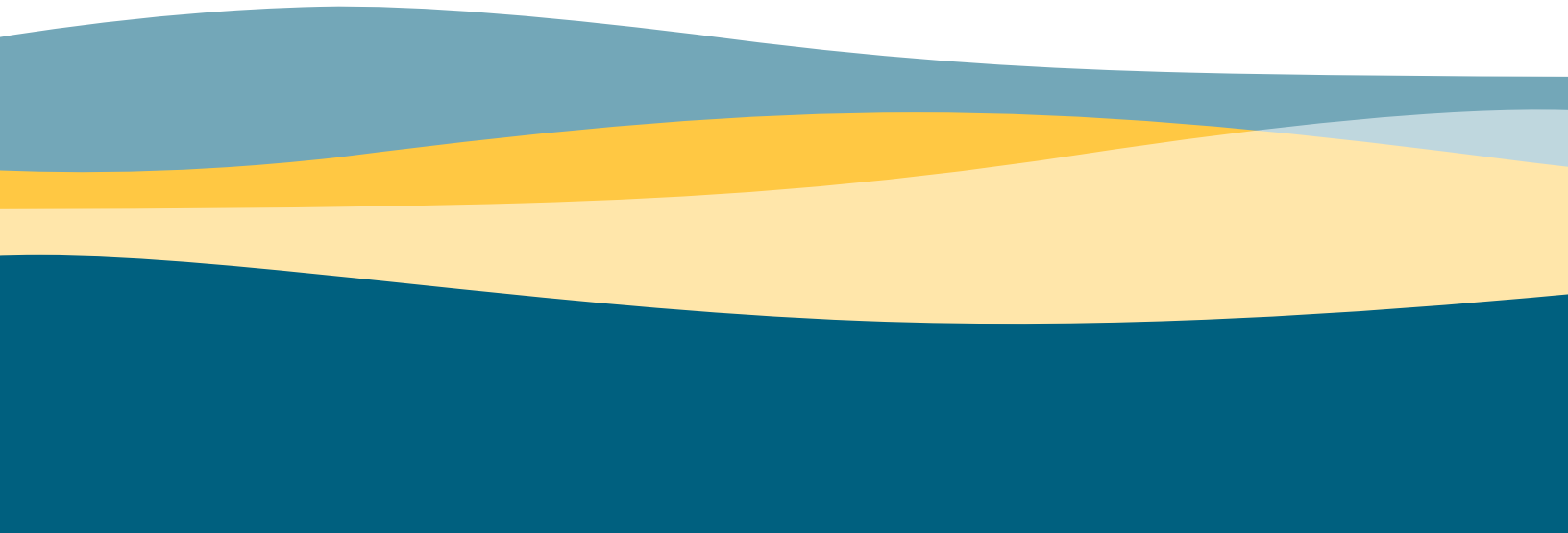
# Contents

Background and Purpose .....	3
Report Findings .....	6
Upcoming Reports and Surveys .....	9
Community Partnerships and Engagement .....	10

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Equal Opportunity Program/Employer TDD: 800-833-7352

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# Background and Purpose

In 2016, Neb. Rev. Stat. §48-3401 to 48-3407 created the Sector Partnership Program, which allowed the Nebraska Department of Labor (NDOL) and the Department of Economic Development (DED) to continue collaborating on the research project known as the Labor Availability Study (LAS). The goal of the research project is to conduct labor availability, employer needs, and skills gap studies for selected communities in Nebraska. Neb. Rev. Stat. §48-3406 states that an annual report shall be provided to the Governor and the Business and Labor Committee detailing the process and results of the labor availability, hiring needs, and skills gap studies.

LAS funding began with a federal grant, and the first pilot studies were funded through the Department of Economic Development's Manufacturing Extension Program. As part of the Sector Partnership Program, the Departments of Labor and Economic Development each initially transferred \$250,000 from the Job Training Cash Fund and \$250,000 from the Nebraska Training and Support Cash Fund. Beginning July 1, 2017, the Nebraska Department of Labor has continued to fund these important surveys through the use of the Nebraska Training and Support Cash Fund.

## Labor Availability

Labor availability describes how many people within a given area are available and willing to take a new job. While there are some datasets available that count certain types of job seekers, such as unemployed individuals or active job seekers, a few key segments of the labor pool, such as people who are currently employed but may change jobs given the right opportunity, or those who are not working but may reenter the labor force, are often unaccounted for in estimates of labor availability.

NDOL's labor availability study is primarily focused on the specific groups of people defined as potential job seekers and active job seekers in an area. A potential job seeker is an employed person who answered either "yes" or "maybe" to the question "Are you likely to change jobs in the next year if a suitable job is available?" A potential job seeker is also a non-employed person who answered "yes" or "maybe" to the question "Are you likely to reenter the workforce in the next year if a suitable job is available?" The potential job seekers group includes all individuals who indicated that they may accept a new job within the next year, given that a suitable job is available. Active job seekers are a subset of potential job seekers who answered "yes" to the question "Are you actively seeking a new job?"

LAS pilot projects began in Northeast Nebraska in 2013 and were published by NDOL and DED staff in the fall of 2014 with the release of the Northeast Nebraska Labor Availability Reports. In FY 2015-2016, a skills gap report was added to the LAS to determine if there was a lack of workers with a particular skill needed by employers in an area.

# Methodology

The Survey of Hiring and Training needs gathered information from employers about occupations for which they are hiring, training and benefits offered to employees and teleworking. The survey sample was created using Quarterly Census of Employment and Wages Enhanced Quarterly Unemployment Insurance (EQUI) files. Privately owned businesses with an average employment of three employees or more were selected for the final sample. The sample was designed to include establishments representing the range of industries and employment levels typical in the state. In FY 2021-2022, NDOL sent Hiring and Training Needs questionnaires to 9,161 businesses, which resulted in 3,258 responses and an overall response rate of 35.6%.

The NDOL labor availability household survey gathered data on the characteristics of those who were actively or potentially seeking new employment or reentering the labor force, benefits offered to and received by employees, as well as obstacles and challenges they face. The survey questionnaire was adapted from previous household survey projects conducted by NDOL. The Bureau of Sociological Research (BOSR) at the University of Nebraska—Lincoln provided assistance with question development and formatting. In FY 2021-2022, survey packets were mailed to 23,100 households selected by BOSR. Each survey packet contained a cover letter, questionnaire, and postage-paid return envelope. A postcard reminder and two additional mailings were sent to non-respondents. A total of 3,309 individuals completed the survey. The final response rate was 14.3%.

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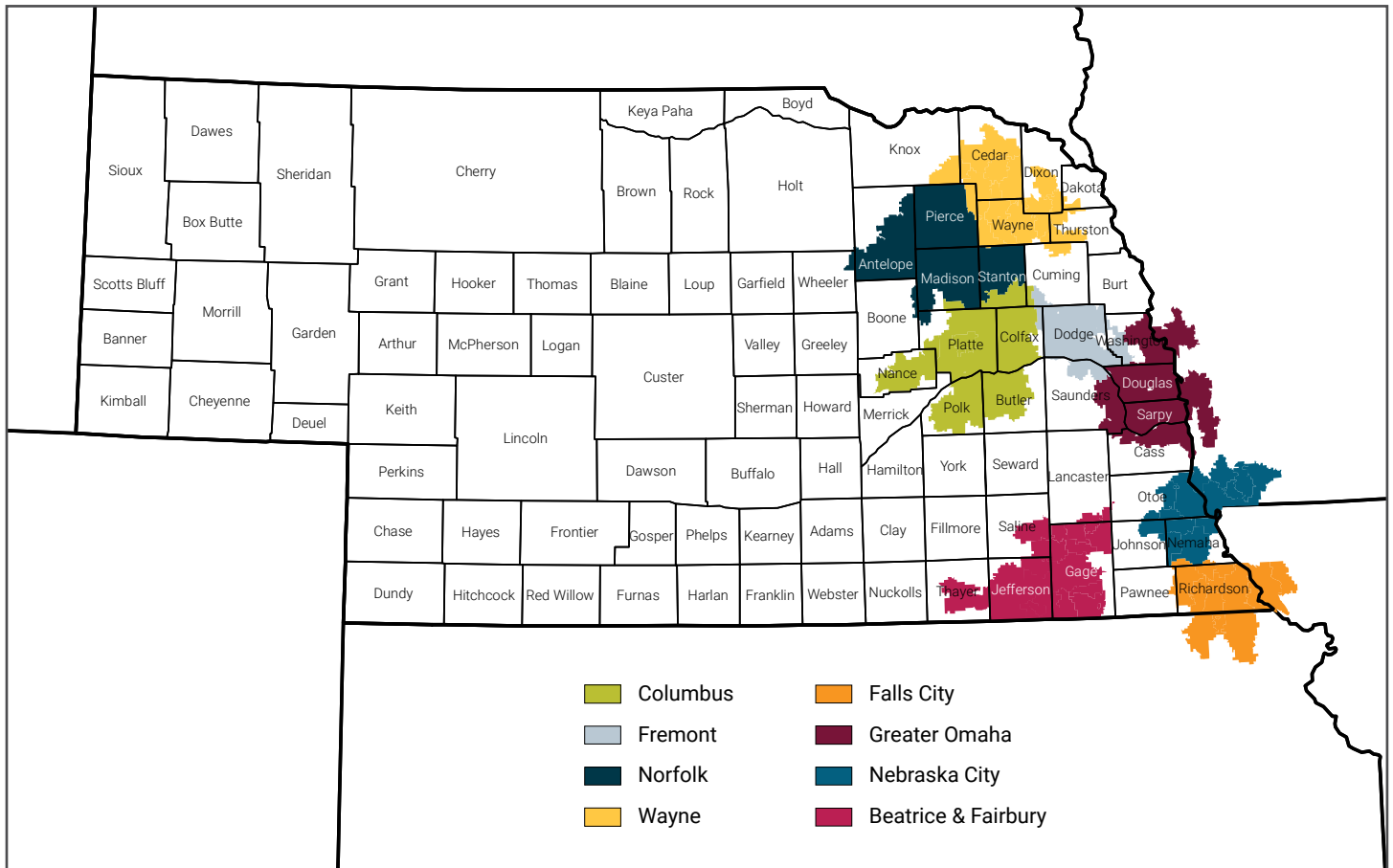


# 2021-2022 Survey Areas

Typically, NDOL surveys three areas of the state on a revolving basis. During FY 2021-2022, LAS focused on eastern Nebraska, comprised of three sub-areas and nine cities : Southeast (Beatrice, Fairbury, Falls City, and Nebraska City), Greater Omaha, and Northeast (Columbus, Fremont, Norfolk, and Wayne).

A Statewide COVID Impacts and Teleworking Report was published in September 2021, based on surveys conducted in FY 2020-2021.

From February through June of 2022, individual Labor Availability and Hiring Needs Reports were published for the Fairbury, Beatrice, Falls City, Nebraska City, and Greater Omaha areas. These reports can be found on the [NDOL Nebraska Labor Availability Study Publications page of NENetworks](#).



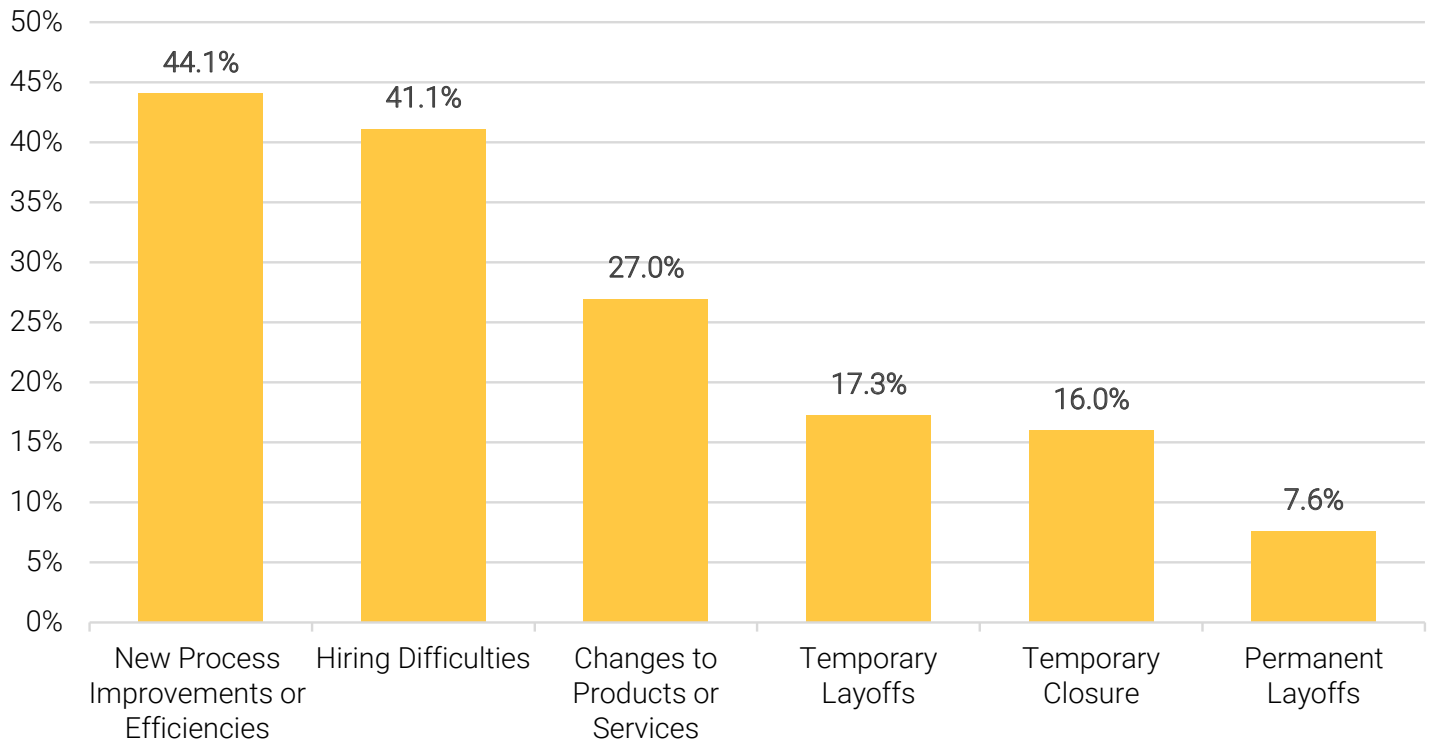
# Report Findings

## Statewide COVID Impacts and Teleworking Report

In September 2021, NDOL published the Statewide COVID Impacts and Teleworking Report, based on data collected from the 2020 Statewide Survey of Hiring Needs and Pandemic Impacts and the Coronavirus Pandemic Labor Availability Survey. The purpose of these surveys was to provide a benchmark of benefits offered to workers in the state, estimate the impact and response to the coronavirus pandemic, and to get a baseline of the prevalence of teleworking. Both surveys asked questions about benefits, coronavirus impacts and teleworking, along with questions related to demographics and hiring and training needs.

Private business establishments across 18 industries were surveyed. More than 85% of businesses reported that the coronavirus pandemic significantly impacted their business. The two most common impacts reported were new process improvements or efficiencies and hiring difficulties.

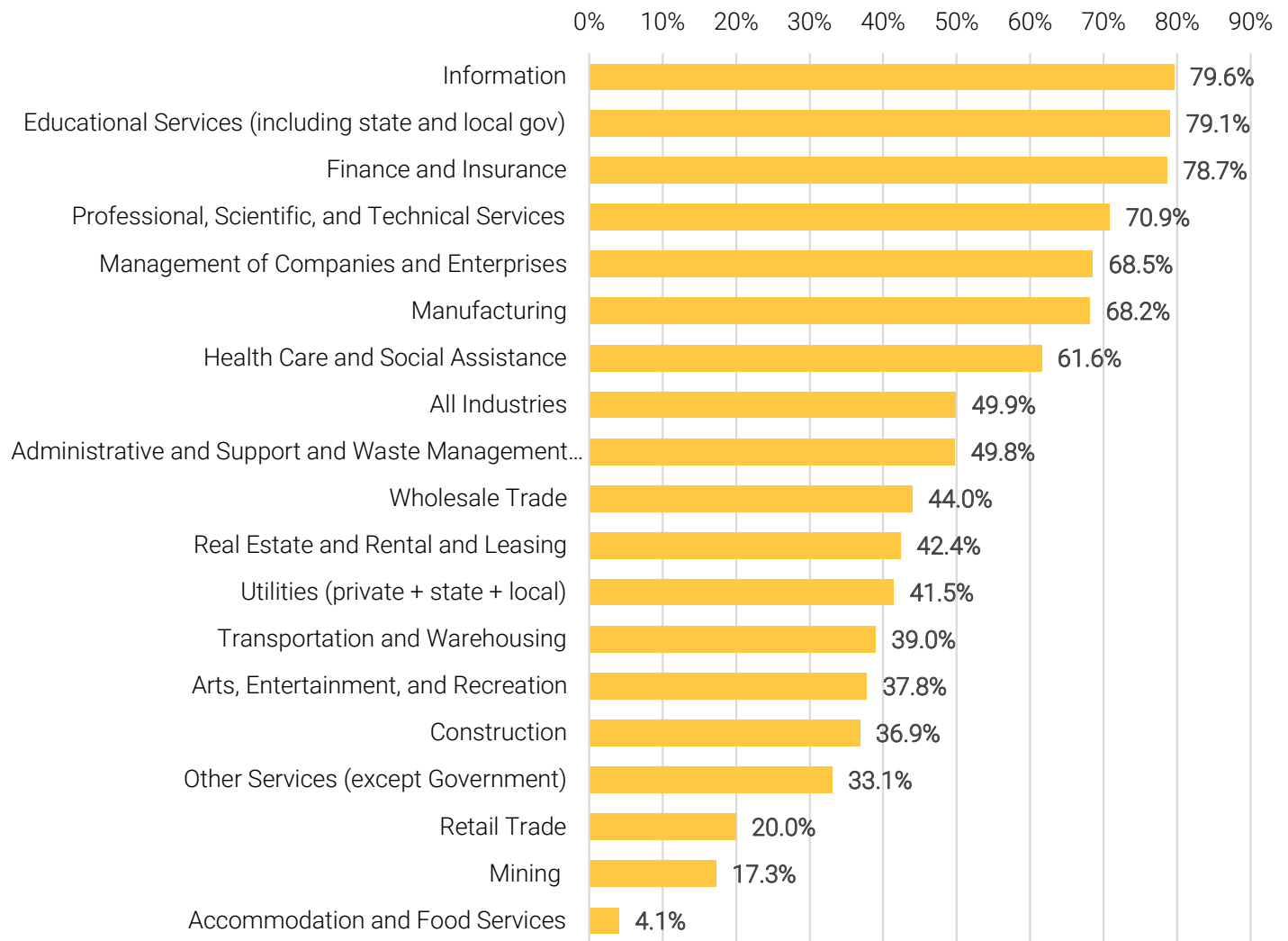
### Pandemic Impacts on Business Operations



Source: 2021 Statewide COVID Impacts and Teleworking Report

Employers responded to questions related to employees working from home, including teleworking and telecommuting. Across all industries, nearly half (49.9%) of business establishments reported utilizing teleworking within the past two years. Responses varied significantly depending on the nature of work performed and the size of the business establishment. The chart below shows the percentage of businesses reporting teleworking in the last two years, by industry.

## Percentage of Businesses Reporting Teleworking in Last Two Years, by Industry



Source: 2021 Statewide COVID Impacts and Teleworking Report

## Labor Availability and Hiring Needs Reports

Between February and June of 2022, individual Labor Availability and Hiring Needs Reports were published for the Fairbury, Beatrice, Falls City, Nebraska City, and Greater Omaha areas.

At the time of the surveys, there were an estimated 17,554 potential job seekers and 5,573 active job seekers in the Southeast survey area, an estimated 280,970 potential job seekers and 66,580 active job seekers in the Greater Omaha survey area, and an estimated 45,056 potential job seekers and 11,054 active job seekers in the Northeast survey area. The table below displays a sample of results from the Southeast, Greater Omaha, and Northeast areas.

### Potential Job Seekers and Active Job Seekers

Survey Area	Southeast Area	Greater Omaha	Northeast Area
<b>Report City</b>	<b>Fairbury, Beatrice, Nebraska City, Falls City</b>	<b>Greater Omaha</b>	<b>Columbus, Fremont, Norfolk, Wayne</b>
Percent of Respondents who are Potential Job Seekers in Survey Area	<b>30.49%</b>	<b>43.0%</b>	<b>35.4%</b>
Percent of Respondents who are Active Job Seekers in Survey Area	<b>9.68%</b>	<b>10.2%</b>	<b>8.7%</b>
<b>Total Area Age 18 and Over Population</b>			
Estimated Number of Potential Job Seekers in Total Area (age 18 and Over)	<b>17,554</b>	<b>280,970</b>	<b>45,056</b>
Estimated Number of Active Job Seekers in Total Area (age 18 and Over)	<b>5,573</b>	<b>66,580</b>	<b>11,054</b>

Source: Data compiled from local area surveys conducted in FY 2021-2022

Employers were asked to name the top three occupations that are most frequently hired at their location and were asked to indicate whether it was difficult to find workers for those occupations. Additionally, employers were prompted with reasons why it might be difficult to find workers. The table below displays the percentage of businesses reporting difficulty hiring and reasons for difficulty.

### Difficulty Hiring in 2021-2022

Hiring Difficulty	Beatrice	Fairbury	Nebraska City	Falls City	Greater Omaha	Columbus	Fremont	Norfolk	Wayne
Percentage of Businesses Indicating Difficulty Hiring	81.4%	92.5%	90.3%	94.2%	84.1%	86.9%	87.1%	89.1%	85.4%
<b>Reasons for Difficulty Finding Workers</b>									
Not enough applicants	88.2%	78.2%	88.9%	87.5%	82.5%	91.4%	91.3%	92.0%	88.1%
Poor work history	66.1%	70.5%	52.2%	60.1%	56.1%	58.4%	63.2%	61.6%	52.9%
Lack of work experience	65.1%	43.6%	52.8%	55.3%	56.3%	56.6%	52.4%	53.4%	49.2%
Wage demands too high	50.1%	39.7%	44.2%	47.5%	58.0%	49.1%	57.7%	59.3%	56.1%
Lack of occupation specific skills	60.0%	47.4%	45.8%	48.2%	51.6%	49.3%	52.0%	46.6%	54.5%
Unavailable for required shifts	42.2%	31.7%	44.8%	45.5%	36.4%	32.7%	32.8%	38.8%	32.3%
Failed background/drug screening	32.5%	22.6%	13.3%	30.9%	26.0%	16.5%	21.6%	23.1%	24.5%
Lack of required licenses/certifications	23.3%	17.0%	20.1%	26.4%	23.4%	17.8%	21.6%	27.0%	21.0%
Lack of required education	19.5%	7.8%	12.0%	18.3%	14.4%	16.1%	16.6%	16.8%	16.6%
Location of your business	6.7%	8.3%	11.2%	14.7%	9.2%	14.6%	13.4%	9.7%	21.9%
Availability of housing in your area	5.4%	8.2%	8.8%	19.1%	3.7%	19.6%	13.3%	8.2%	21.2%
Language barriers	3.9%	10.7%	12.6%	0.0%	16.2%	12.4%	13.2%	10.1%	9.7%
Citizenship/work-authorization	5.1%	2.6%	9.8%	6.1%	10.1%	8.4%	8.5%	7.6%	8.5%
Applicants are overqualified	9.1%	5.6%	0.0%	1.6%	10.6%	5.2%	5.2%	8.3%	4.8%

Source: Data compiled from local area surveys conducted in FY 2021-2022



## LAS in Nebraska Workforce Trends

In addition to individual area reports, LMI research analysts wrote five articles using LAS data that were published in NDOL's Nebraska Workforce Trends magazine:

### **Survey of Hiring Needs and Pandemic Impacts: Hiring Difficulty**

<https://networks.nebraska.gov/admin/gsipub/htmlarea/uploads/Trends%20July%202021.pdf>

### **Pandemic Impacts on the Manufacturing Industry**

<https://networks.nebraska.gov/admin/gsipub/htmlarea/uploads/Trends%20October%202021.pdf>

### **Walking and Bicycling to Work**

<https://networks.nebraska.gov/admin/gsipub/htmlarea/uploads/Trends%20April%202022.pdf>

### **Women's Labor Availability Study Results**

<https://networks.nebraska.gov/admin/gsipub/htmlarea/uploads/Trends%20May%202022.pdf>

### **Labor Availability Study Results on Telework**

<https://networks.nebraska.gov/admin/gsipub/htmlarea/uploads/Trends%20June%202022.pdf>

## Upcoming Reports and Surveys

Forthcoming reports based on research conducted in FY 2021-2022 include individual reports for the Columbus, Fremont, Norfolk, and Wayne areas, as well as skills gap reports produced by the University of Nebraska—Lincoln Bureau of Business Research (BBR) for the Greater Omaha and Northeast areas.

Preparations for FY 2022-2023 began in early 2022, with plans to survey Lincoln, Crete, Seward, York, Grand Island, Kearney, Hastings, and Lexington.

# Community Partnerships and Engagement

In FY 2021-2022, NDOL worked to enhance the value of localized surveys by collaborating with the following local community stakeholders:

- City of Fairbury
- Beatrice Workforce Development
- Falls City Economic Development & Growth Enterprise
- City of Nebraska City
- Greater Omaha Chamber
- City of Columbus
- Columbus Area Chamber of Commerce
- Fremont Area Chamber of Commerce
- Norfolk Area Economic Development Council
- Norfolk Area Chamber of Commerce
- Wayne Area Economic Development Chamber

Community organizations may request to collaborate on custom changes to questionnaires or reports. In FY 2021-2022 the Department of Labor began a collaboration with the Lincoln Partnership for Economic Development on an enhanced survey of the Greater Lincoln area, planned for early FY 2022-2023.

The results of LAS reports are regularly provided to representatives of industry, education, and the economic development community. Survey respondents, educators, NDOL job center managers and area economic developers continued to show interest in LAS data.

## University of Nebraska-Lincoln

Dr. Eric Thompson, director of the Bureau of Business Research at UNL, regularly presents the results of skills gaps analyses during presentations about the Nebraska economy. Specifically, BBR cites the skills gap research in presentations that consider how the skills gap influences the pace of economic growth in Nebraska.

## Nebraska Department of Economic Development

DED staff continue to utilize and promote the LAS in their work. DED staff have used elements of these reports to show prospective businesses that it is possible to find workers with the requisite skills, even with low unemployment and high labor force participation rates. LAS provides DED the ability to describe the number of workers that are willing to change jobs or re-enter the workforce in a region. Additionally, the ability to illustrate the important factors and minimum pay required for someone to consider a new job helps a prospective employer gauge how hard it will be to find a suitable pool of prospective applicants.

“The Labor Availability Study (LAS) conducted by the Nebraska Department of Labor, provides DED and other organizations across the state with detailed information regarding workers’ and employer’s perspective of the labor market that is not available from any other source. This includes skills gaps, which highlight potential careers in which we need more workers. Specifically, DED has used the LAS data to estimate the number of potential job seekers in an area and to analyze workers’ actual and desired wages by their occupation and industry for several business recruitment and expansion projects, such as Project Spark, Husky and Pavestone. Furthermore, this data can be used for talent attraction, talent retention, recruiting new companies into the state, and assisting existing companies to expand. Without LAS, DED would have no data on underemployment and would be missing a wealth of information that can be used to better target our programs.”

## Greater Omaha Chamber

“The Nebraska Department of Labor & LMI labor availability studies provide the Greater Omaha Chamber with essential data that is not available anywhere else. Our main uses for this data are to drive decision making on talent initiatives and provide detailed labor market statistics and projections to potential new employers in the Omaha metro. Specifically, we have collaborated with the NDOL on the 2017 Omaha study to append additional questions regarding IT talent in Omaha. This data provided detailed insights from employers on which IT occupations and skills are in demand and where shortages exist in the labor market. We have used this data to guide our Tech Talent Initiative, which is focused on attracting and retaining IT workers. We use the household survey data to help tell the labor story to new companies considering Omaha and local companies looking to expand. This is the only data available on underemployment, which is essential information for new and expanding employers in a tight labor market. The business survey data, along with the skills gap report, help us better understand the current and future needs of local businesses that we must address in order to stay competitive as a business community. In Chamber surveys and interviews with the local business, the biggest reported challenge related to the operation of their company and potential growth is the availability of labor. The level of detail available from the NDOL studies cannot be found elsewhere and helps us to target our efforts related to this challenge. We use it to focus and evaluate our programs on talent retention and attraction, which are vital for continued job growth in the greater Omaha area and Nebraska.” - Pete Thompson, Chief Operating Officer

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