

LABOR AVAILABILITY STUDY

ANNUAL REPORT FY 2022-2023



NEBRASKA

Good Life. Great Connections.

DEPARTMENT OF LABOR

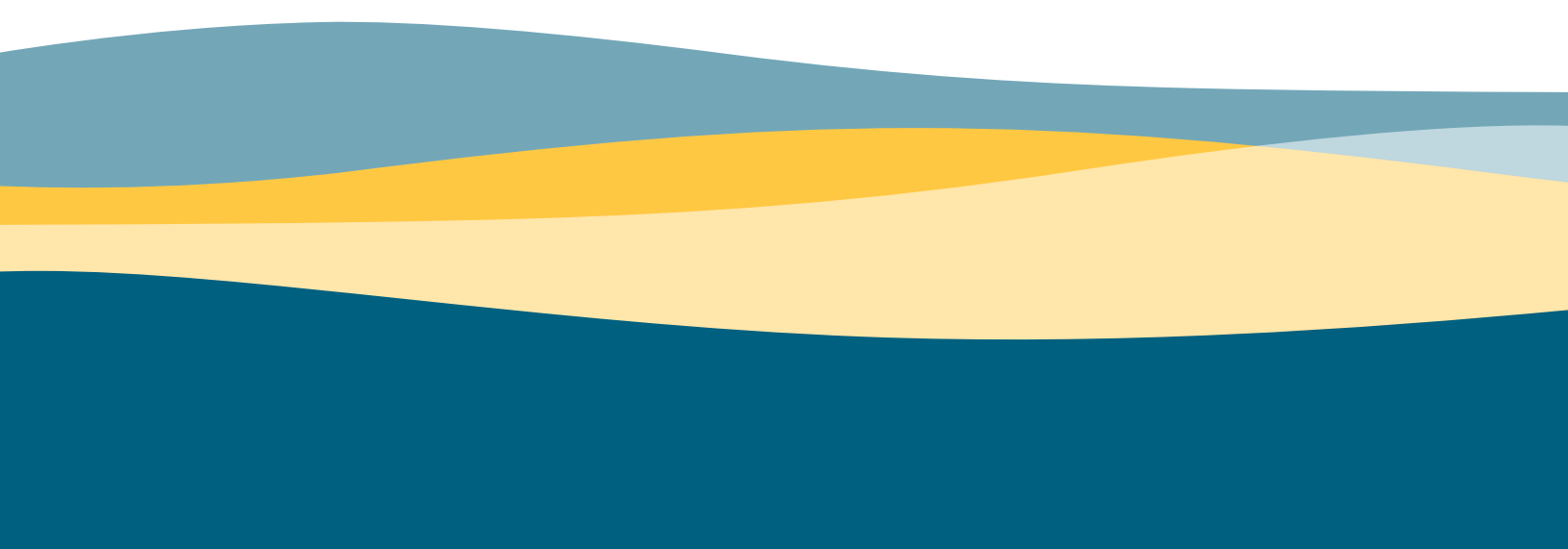
Contents

Background and Purpose	3
Report Findings	6
Greater Lincoln Skills Gap Report	10
Upcoming Reports and Surveys	11
Community Partnerships and Engagement	12

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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. §48-3401 to 48-3407 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.

Hiring and Training Needs

The aim of the Survey of Hiring and Training Needs is to collect information related to the local business landscape and labor issues within a specific area. These surveys aim to understand the workforce needs of local businesses by gathering data from employers about the specific occupations they are actively hiring for, including educational qualifications, certifications, and skillsets required for these positions. Additionally, the surveys explore various aspects of the workforce, such as the types of training provided by businesses to their employees, challenges faced in hiring suitable candidates, benefits offered to employees, concerns related to retiring employees, obstacles to expansion, the skill levels of current employees, and the prevalence of teleworking. The data obtained from these surveys can be utilized to inform workforce development, address skill gaps, and support local businesses in fostering a skilled and competitive workforce.

NDOL Hiring and Training Needs surveys were first conducted in 2014 for the Omaha and Lincoln metropolitan areas in partnership with the Bureau of Business Research at the University of Nebraska—Lincoln. Since 2016, the surveys have been conducted by the Nebraska Department of Labor's Labor Market Information Unit.

Skills Gaps

The primary objectives of a skills gap study are to identify and assess the disparities between the skills and qualifications possessed by the current workforce and those required by employers in a specific industry or region. These studies aim to analyze the existing skill sets of employees, pinpoint the areas where there is a shortage of necessary skills, and determine the potential implications for productivity, economic growth, and overall competitiveness. By understanding these gaps, policymakers, businesses, and educational institutions can develop targeted strategies and initiatives to bridge the divide, ensure a well-equipped workforce, and foster sustainable economic development.

In FY 2015-2016, NDOL began commissioning regional skills gap reports from the Bureau of Business Research at the University of Nebraska–Lincoln. In FY 2022-2023, NDOL produced its own Greater Lincoln Skills Gap Report, published in July 2023.

Methodology

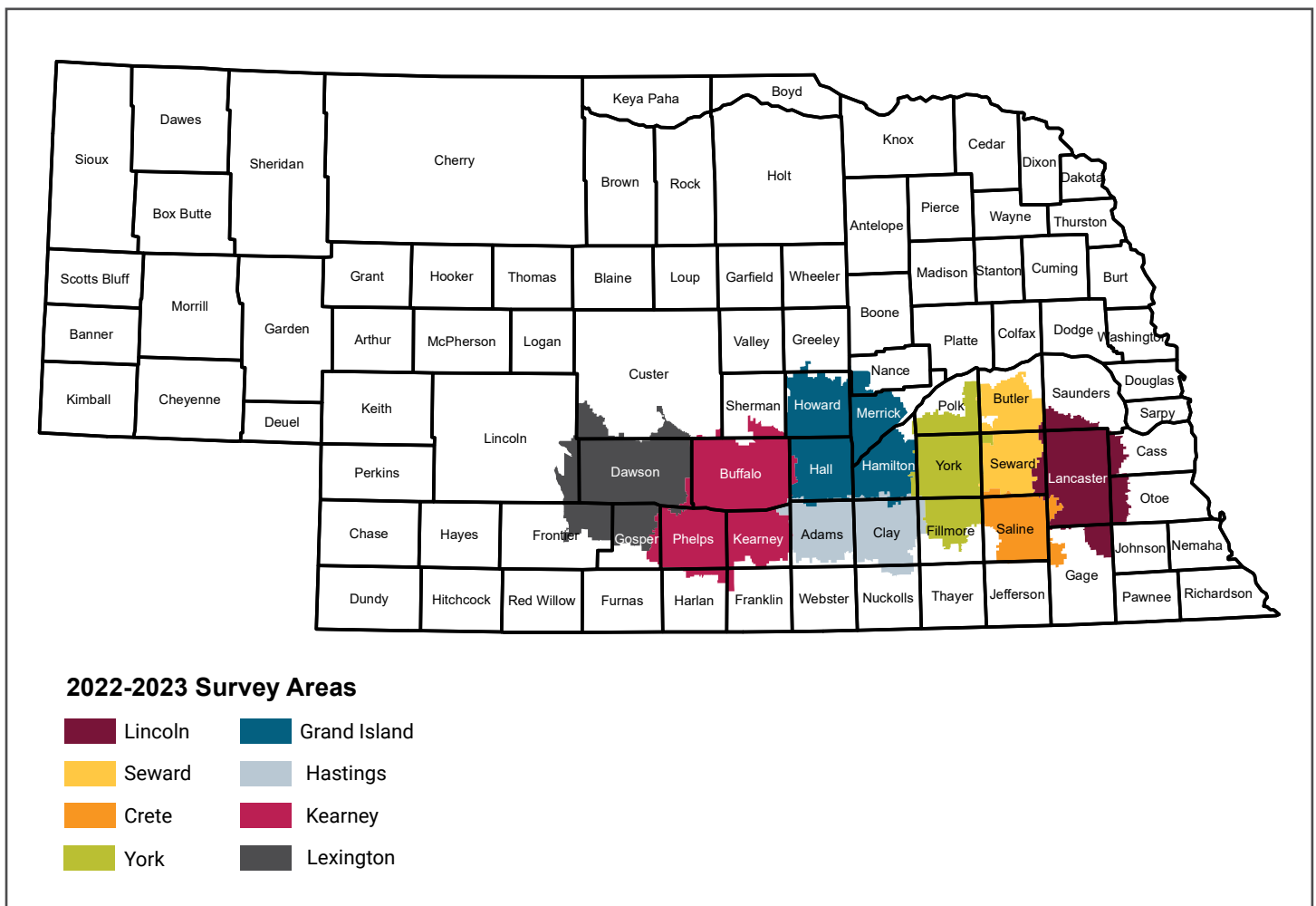
The Survey of Hiring and Training Needs is conducted by the Department of Labor’s Labor Market Information Unit. Survey samples are created using the most recent Quarterly Census of Employment and Wages Enhanced Quarterly Unemployment Insurance (EQUI) files. Privately owned businesses with an average employment of three employees or more are selected for the final sample. The sample is designed to include establishments representing the range of industries and employment levels typical in the survey area. In FY 2022-2023, NDOL sent Hiring and Training Needs questionnaires to 9,814 businesses, which resulted in 2,790 responses and an overall response rate of 29.4%.

NDOL Labor Availability Surveys are conducted by the Department of Labor’s Labor Market Information Unit in collaboration with the Bureau of Sociological Research (BOSR) at the University of Nebraska–Lincoln. The survey area is determined by analyzing commuting patterns in and out of the target city and consists of a random sample of households in the area. Data collection and survey processing is handled by BOSR, and NDOL analyzes the results and produces the final reports. In FY 2022-2023, BOSR sent surveys to 22,000 households, which resulted in 3,441 responses and an overall response rate of 17%.

2022-2023 Survey Areas

During FY 2022-2023, LAS surveyed eight cities in Central Nebraska and Greater Lincoln including: Greater Lincoln (surveyed between August and October 2022); Crete, Seward and York (surveyed between October and December 2022); and Grand Island, Hastings, Kearney, and Lexington (surveyed between February and April 2023).

Individual Labor Availability and Hiring Needs reports were published for Greater Lincoln (March 2023) and Crete, Seward, and York (Summer 2023). Reports for Grand Island, Hastings, Kearney, and Lexington are expected to be published in August 2023. These reports can be found on the [NDOL Nebraska Labor Availability Study Publications page of NWorks](#).



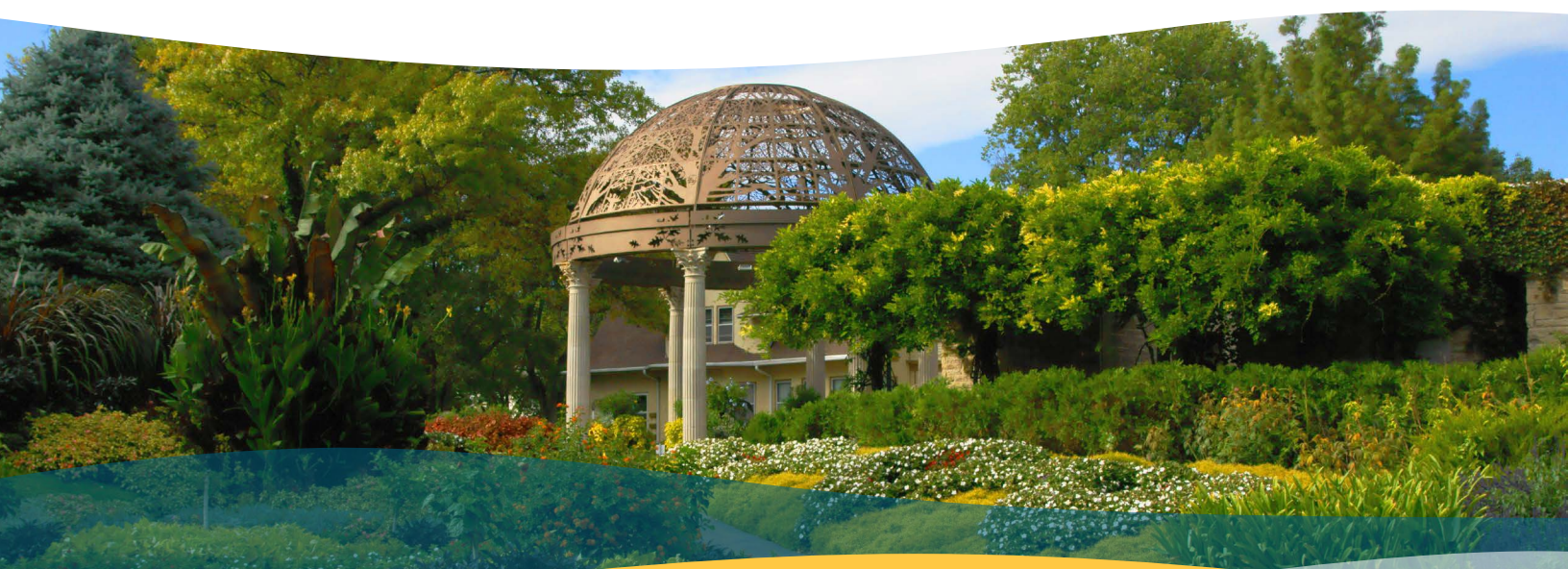
Report Findings

Labor Availability and Hiring Needs Reports

Potential Job Seekers and Active Job Seekers

At the time of the surveys conducted in FY 2022-2023, there were an estimated 181,236 potential job seekers across the survey region, of which 47,376 were actively seeking new employment. The percentage of respondents identified as potential job seekers varied by region, ranging between 23.8% in the Seward area and 42.7% in the Greater Lincoln area.

Potential Job Seekers and Active Job Seekers								
Survey Area	Greater Lincoln	Crete	Seward	York	Grand Island	Kearney	Hastings	Lexington
Percent of Respondents who are Potential Job Seekers in Survey Area	42.7%	26.7%	23.8%	39.9%	38.7%	40.9%	32.6%	36.1%
Percent of Respondents who are Active Job Seekers in Survey Area	12.6%	9.2%	5.1%	7.1%	6.6%	7.5%	8.9%	10.8%
Survey Area Population Age 18 and Over								
Estimated Number of Potential Job Seekers Age 18 and Over	108,566	3,071	3,991	6,687	23,536	19,312	9,163	6,910
Estimated Number of Active Job Seekers Age 18 and Over	32,196	1,051	851	1,196	3,991	3,521	2,495	2,074



Important Factors for Potential Job Seekers

Potential job seekers were presented with a list of factors related to jobs and were asked to indicate how important each factor was to them when evaluating a new job opportunity.

The factors included in the survey cover a wide range of factors that could influence a job seeker's decision. These factors include traditional elements such as salary, job security, paid vacation, retirement benefits, and health insurance, as well as work-related considerations, such as the opportunity to use existing skills, learn new skills, level of responsibilities, and flexible work schedules. The survey also includes factors related to the local community, including commute time, availability of housing, access to public transportation, and accessible childcare.

By covering a comprehensive range of factors, the survey aims to provide a more complete picture of what potential job seekers value when considering job opportunities. The data collected from the survey can be valuable for employers and policymakers in tailoring job offers to meet the preferences and needs of job seekers in different industries, occupations, and regions, ultimately leading to better job-market matches and increased job satisfaction.

The table below shows the percentage of potential job seekers indicating a particular factor was "important" or "very important" when considering a job opportunity. Salary and job security/stability were the most cited important factors across survey areas, but other highly ranked factors vary considerably on an area-by-area basis. Factors including tuition reimbursement, accessible childcare, and public transportation ranked among the lowest considerations when potential job seekers evaluate job opportunities. However, these factors can hold increased significance for individuals who find themselves in specific situations, such as being a student, a parent, or without regular transportation.

Consideration Factor	Greater Lincoln	Crete	Seward	York	Grand Island	Kearney	Hastings	Lexington
Salary	89.8%	96.9%	92.9%	97.6%	96.1%	87.2%	91.3%	89.3%
Job security/stability	87.1%	90.3%	86.1%	88.8%	87.9%	88.0%	92.9%	95.7%
Paid vacation	87.1%	84.3%	82.3%	88.0%	96.0%	79.3%	89.0%	83.2%
Company values	79.7%	84.9%	85.5%	89.8%	84.7%	81.4%	92.2%	82.7%
Retirement benefits	82.9%	87.5%	69.9%	85.3%	90.2%	77.7%	87.2%	94.4%
Paid holidays	85.5%	79.8%	74.6%	88.1%	89.5%	75.5%	83.8%	86.2%
Health insurance	83.2%	82.9%	75.5%	72.3%	86.6%	76.7%	82.7%	91.3%
Paid sick leave	80.9%	75.9%	70.4%	83.1%	93.8%	71.0%	82.8%	84.6%
Use existing skills	77.6%	67.2%	69.5%	84.0%	78.7%	76.7%	77.8%	85.5%
Dental insurance	73.9%	76.1%	71.4%	73.2%	86.3%	69.0%	75.0%	89.5%
Opportunity for advancement	74.6%	74.9%	75.8%	73.1%	80.6%	67.6%	78.0%	83.5%
Level of responsibilities	70.8%	57.3%	70.1%	82.8%	75.1%	72.7%	78.2%	94.0%
Learn new skills	73.7%	57.8%	69.6%	73.0%	76.5%	69.3%	76.9%	86.9%
Flexible work schedule	80.8%	73.8%	72.7%	75.7%	67.3%	56.3%	74.2%	68.8%
Vision insurance	63.4%	70.7%	66.3%	68.9%	80.0%	59.5%	65.7%	86.8%
Commute time	64.7%	86.8%	66.6%	80.5%	54.6%	74.2%	75.7%	55.2%
Paid family leave	68.2%	60.4%	57.8%	78.4%	78.4%	60.5%	79.3%	73.4%
Community	56.6%	37.6%	31.8%	64.3%	71.3%	55.1%	66.0%	53.7%
Use education/training/degree	59.9%	53.1%	50.9%	50.7%	56.4%	56.0%	52.3%	47.8%
Available housing	29.9%	12.3%	32.4%	24.9%	38.0%	31.3%	30.5%	30.0%
Work from home/telecommuting	36.7%	29.6%	26.9%	35.7%	29.8%	26.8%	15.7%	16.5%
Tuition reimbursement	20.8%	22.8%	35.3%	16.6%	32.3%	19.6%	18.8%	48.8%
Accessible child care	23.9%	11.8%	18.2%	17.7%	32.2%	31.5%	28.5%	47.8%
Near public transportation	11.9%	10.1%	2.1%	6.2%	3.9%	9.4%	4.1%	10.3%

Obstacles to Employment for Potential Job Seekers

The following table shows the percentage of potential job seekers across the FY 2022-2023 survey areas indicating various obstacles that may prevent them from changing jobs or reentering the workforce in the next year. While inadequate pay offered, lack of job opportunities, and inadequate benefits were the most prevalent obstacles cited across the entire region, each area reported its own unique ranking of top 5 obstacles.

Obstacle	Greater Lincoln	Crete	Seward	York	Grand Island	Kearney	Hastings	Lexington
Inadequate pay offered at local area employers	69.6%	82.6%	64.5%	68.9%	77.4%	63.1%	65.9%	69.3%
Lack of job opportunities in local area	56.7%	72.8%	50.1%	59.9%	66.3%	59.2%	67.6%	84.5%
Inadequate benefits at local area employers	56.2%	77.3%	54.9%	60.3%	75.4%	50.3%	60.9%	60.0%
Work schedule flexibility	64.0%	65.5%	61.8%	61.6%	62.3%	48.5%	50.6%	64.2%
Required relocation	52.0%	73.2%	42.9%	51.8%	55.9%	49.6%	56.5%	54.0%
Inadequate hours offered at local area employers	50.6%	57.0%	42.8%	43.0%	65.3%	46.4%	48.7%	54.3%
Family commitments	31.8%	37.9%	48.0%	39.8%	27.3%	44.3%	41.5%	40.6%
Time to search/apply for jobs	33.3%	42.4%	26.6%	17.5%	32.5%	31.8%	38.3%	36.6%
Lack of training	28.4%	23.5%	26.1%	30.5%	33.6%	37.5%	32.6%	44.8%
Overqualified	31.1%	30.0%	12.3%	27.1%	31.8%	27.6%	27.4%	8.2%
Lack of education	17.9%	19.1%	20.9%	27.7%	23.1%	20.3%	23.0%	32.5%
Lack of job experience	20.0%	23.8%	21.2%	13.8%	15.8%	18.6%	16.4%	29.5%
Available housing	13.2%	15.9%	4.7%	23.4%	27.0%	19.0%	17.9%	27.0%
Transportation	15.5%	35.2%	9.5%	22.2%	9.7%	25.9%	16.6%	8.6%
Language barriers	6.9%	20.9%	6.3%	16.0%	12.1%	19.4%	20.0%	39.0%
Lack of childcare	13.5%	17.6%	6.9%	13.7%	19.1%	25.5%	20.3%	17.1%
Contractual commitments	11.6%	11.0%	4.9%	7.6%	9.7%	14.9%	15.8%	5.9%
Poor credit	5.0%	4.9%	0.9%	10.5%	5.1%	3.5%	13.9%	3.4%
Disability	4.6%	6.9%	7.8%	6.1%	2.0%	3.8%	14.5%	1.4%
Employment history	8.6%	6.1%	0.0%	1.5%	5.0%	3.5%	13.0%	2.7%
Criminal record	1.3%	0.0%	0.0%	2.0%	0.9%	2.1%	8.1%	0.9%

Difficulty Hiring

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 across the FY 2022-2023 survey areas.

Hiring Difficulty	Greater Lincoln	Crete	Seward	York	Grand Island	Kearney	Hastings	Lexington
Percentage of Businesses Indicating Difficulty Hiring	82.0%	94.1%	93.2%	90.3%	89.9%	87.0%	86.6%	91.2%
Reasons for Difficulty Finding Workers								
Not enough applicants	89.5%	94.6%	92.5%	93.6%	92.2%	92.4%	88.4%	91.0%
Poor Work History	54.6%	54.2%	58.7%	61.1%	65.8%	55.2%	61.0%	65.6%
Wage demands too high	60.5%	63.4%	59.3%	54.6%	59.5%	56.9%	57.5%	60.0%
Lack of work experience	55.9%	41.4%	47.3%	56.0%	60.5%	56.5%	54.1%	58.6%
Lack of occupation-specific skills	47.5%	51.4%	47.0%	48.4%	47.6%	44.9%	49.0%	53.6%
Unavailable for required shifts	34.8%	41.9%	36.2%	31.9%	34.6%	32.1%	29.0%	44.6%
Lack of required licenses/certificates	25.2%	20.9%	29.8%	23.7%	24.5%	27.1%	24.1%	33.5%
Failed background check/drug screen	21.0%	21.8%	16.9%	15.6%	23.9%	21.9%	24.7%	34.5%
Applicants lack childcare	10.9%	18.9%	14.2%	17.9%	16.4%	14.6%	18.0%	36.7%
Lack of required education	18.9%	21.1%	21.1%	18.0%	16.7%	13.9%	17.7%	18.2%
Available housing in your area	2.7%	15.8%	16.0%	25.9%	16.2%	21.2%	9.5%	35.8%
Location of your business	6.7%	28.9%	15.0%	18.0%	15.2%	14.0%	13.6%	21.3%
Language barrier	7.9%	28.4%	5.2%	5.9%	18.1%	9.4%	12.2%	21.2%
Citizenship/work authorization	5.2%	20.6%	3.3%	11.2%	11.8%	9.2%	9.0%	23.8%
Applicants are overqualified	8.6%	5.4%	4.4%	7.3%	6.2%	2.9%	5.9%	9.4%

Percentage of Employers Offering Benefits to Some or All Full-Time Workers

Businesses were asked whether they offered a variety of benefits to all, some, or none of their full-time employees. Paid vacation leave and paid holiday leave were ranked first and second respectively across all survey areas, while childcare assistance and tuition reimbursement ranked lowest.

Benefits Offered to All or Some Full-Time Employees	Greater Lincoln	Crete	Seward	York	Grand Island	Kearney	Hastings	Lexington
Paid vacation leave	89.2%	66.1%	81.9%	81.9%	86.5%	87.7%	83.8%	84.6%
Paid holiday leave	83.5%	65.9%	77.0%	77.0%	78.9%	80.5%	75.6%	71.5%
Retirement	67.6%	51.3%	58.4%	56.2%	62.5%	65.9%	70.3%	54.8%
Paid sick leave	65.8%	59.0%	56.2%	58.4%	61.9%	62.5%	55.8%	62.6%
Health insurance	62.8%	45.6%	48.1%	48.1%	56.1%	54.4%	53.0%	48.4%
Short-term and/or long-term disability insurance	49.4%	40.3%	29.3%	31.8%	45.9%	41.6%	39.8%	35.1%
Dental insurance	53.9%	35.1%	29.5%	29.3%	49.5%	39.6%	43.1%	31.7%
Paid family and/or medical leave	44.0%	41.6%	31.8%	29.5%	34.7%	42.1%	35.4%	36.9%
Vision insurance	47.7%	28.7%	28.8%	28.8%	45.6%	34.9%	38.1%	29.3%
Tuition reimbursement	22.7%	26.4%	12.1%	12.1%	24.9%	20.3%	23.9%	19.1%
Child care assistance	20.3%	19.8%	10.6%	10.6%	20.4%	15.9%	16.4%	16.1%

Greater Lincoln Skills Gap Report

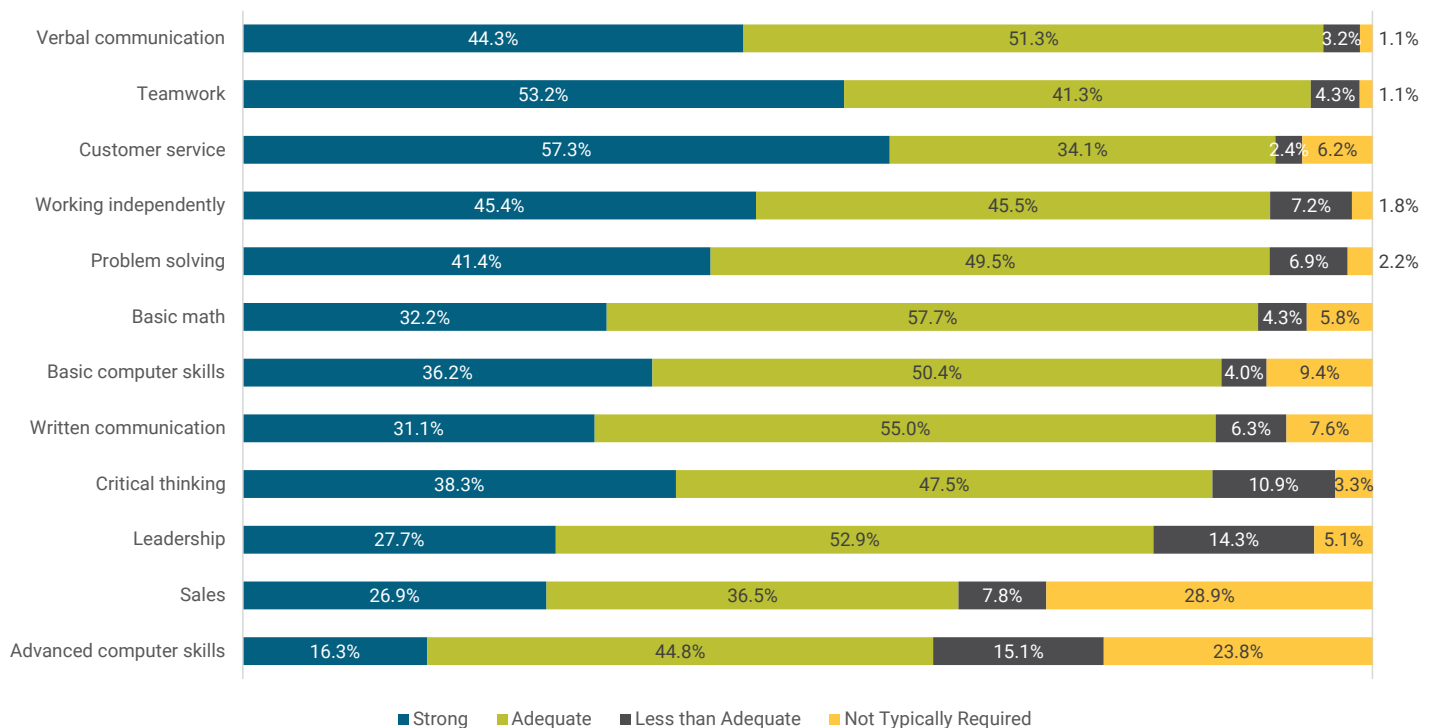
Traditionally skills gaps in these reports have been assessed based on congruency of supply of workers and demand of jobs for those workers. As seen in many occupations during COVID-19 and following, many occupations with minimal skill or education requirements lacked workers—as workers sought other employment arrangements that more met their most important factors. Starting with FY 2022-2023, NDOL in-housed the Skills Gap report portion of the LAS project, resulting in the Greater Lincoln Skills Gap Report. For FY 2022-2023 a much more comprehensive approach was taken based on analysis of a variety of labor dynamics that impact worker’s job selections in the labor market.

Key Findings

- Worker shortages exist across a variety of ‘skilled’ and ‘unskilled’ occupations. They range across industries and occupations, including H3 (High wage, High skill, High demand) designated occupations.
- The single most important driver of difficulty hiring is ‘not enough applicants.’
- There exists an educated workforce in the Greater Lincoln area. While desirable in and of itself, this can pose problems for staffing lower-skill occupations that higher-educated workers may not accept due to return-on-investment on education-costs by the worker.
- There is a high resident willingness to leave not only Lincoln but the entire state in search of a job that meets worker’s most important factors. A majority of Greater Lincoln potential job seekers surveyed cite: area wages, work schedule flexibility, or lack of area opportunities as obstacles to employment.
- Local secondary and post-secondary graduates who remain in the area are not enough to fill local labor shortfalls.

As seen in Figure 5 from the Greater Lincoln Skills Gap Report, most employers found the skills of their present employees adequate or strong across all categories.

Figure 5 How employers Rate Current Worker Skills



As seen in Figures 6 and 7 from the Greater Lincoln Skills Gap Report, most difficult to hire occupations had minimal experience and education requirements. Lincoln, as well as Nebraska, has continued to have low unemployment through FY 2022-2023.

Figure 6 Required Experience of Hires

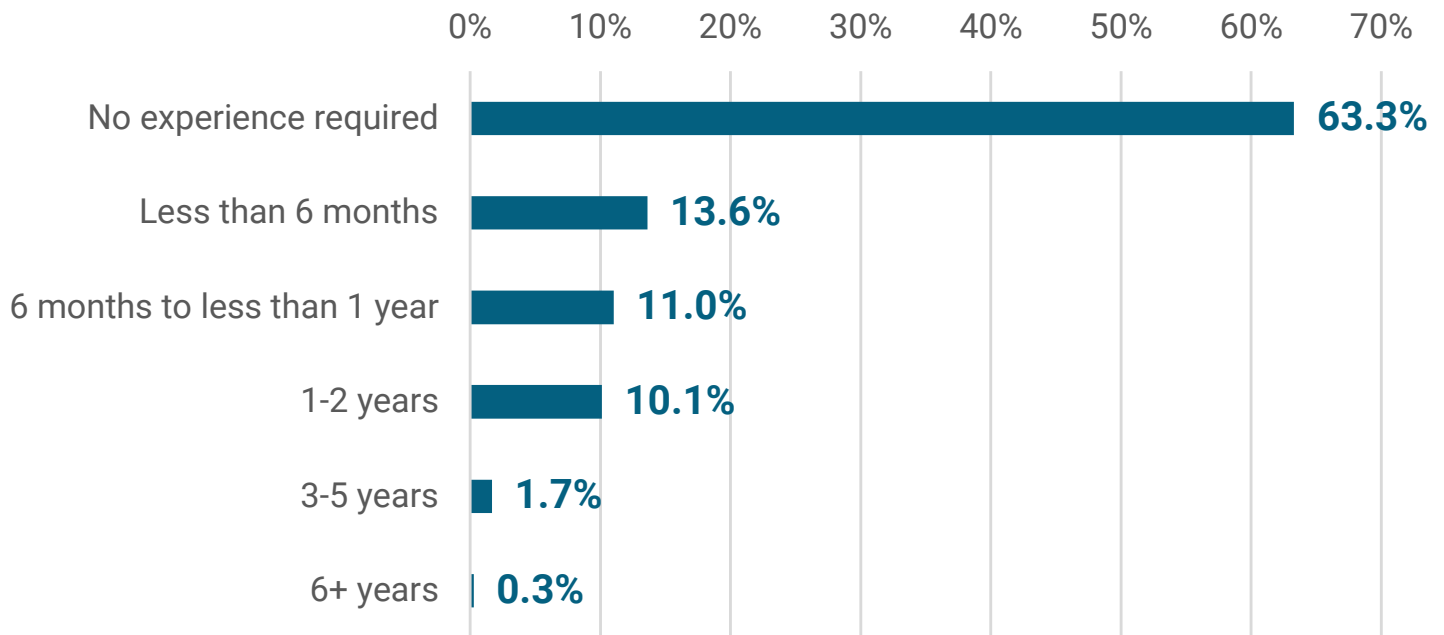
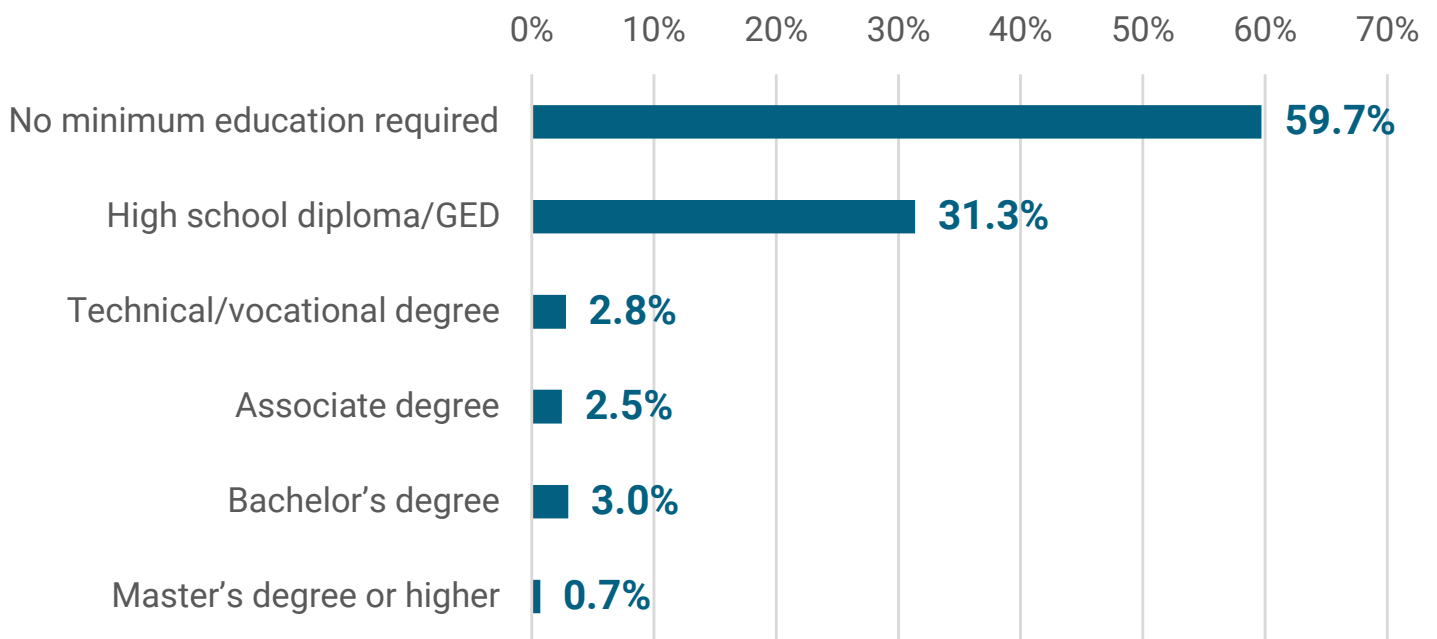


Figure 7 Required Education of Hires



Upcoming Reports and Surveys

Forthcoming reports based on research conducted in FY 2022-2023 include individual reports for the Grand Island, Hastings, Kearney, and Lexington areas, expected to be published in August 2023.

Preparations for FY 2023-2024 began in early 2023, with plans to survey Western Nebraska, including O'Neill, Valentine, Chadron, Alliance, Scottsbluff, Sidney, Ogallala, North Platte, McCook, Ord, and Broken Bow.

Community Partnerships and Engagement

In FY 2022-2023, NDOL worked to enhance the value of localized surveys by collaborating with the following local community stakeholders:

Survey Collaborations

City of Crete

York County Development Corporation

Development Council for Buffalo County

Lincoln Partnership for Economic Development

Presentations

Beatrice American Job Center – EMPLOY Beatrice

Heartland Workforce Solutions – Better Business Workshop Series - Omaha

International Association of Rehabilitation Professionals Fall 2022 Symposium - Omaha

Nebraska Land Improvement Contractor Association – Kearney

Nebraska Ecumenical Legislative Briefing Day – Lincoln

Midwest Independent Physicians Practice Association – Omaha

Office of Mayor Leirion Gaylor Baird - Strategic Initiatives Committee – Lincoln

Lincoln Partnership for Economic Development

NDOL Reemployment Services – Virtual Learning Week - Columbus

Nebraska Workforce Trends

January 2023 – Labor Availability Study Results: Employer Benefits in Greater Lincoln

<https://networks.nebraska.gov/admin/gsipub/htmlarea/uploads/Trends%20January%202023.pdf>

March 2023 – Labor Availability Study Results Overview: Greater Lincoln Area Highlights

<https://networks.nebraska.gov/admin/gsipub/htmlarea/uploads/Trends%20March%202023.pdf>

Community organizations may request to collaborate on custom changes to questionnaires or reports. In FY 2022-2023 NDOL collaborated with the Lincoln Partnership for Economic Development on an enhanced survey of the Greater Lincoln area which added additional questions about hiring strategies and benefits. As a result of this collaboration, the questionnaire improvements made were then incorporated into all survey areas for FY 2022-2023.