

**THE
EAST CENTRAL INDIANA
EASTERN SECTOR
AREA
LABOR AVAILABILITY REPORT**

October, 2010

Compiled and Prepared by



THE PATHFINDERS

www.thepathfindersus.com

TABLE OF CONTENTS

I.	INTRODUCTION.....	1
II.	KEY FINDINGS.....	2
III.	METHODOLOGY.....	3
IV.	NUMBER OF AVAILABLE WORKERS	5
V.	ASSESSMENT OF THE UNDEREMPLOYED WORKFORCE.....	6
	A. Desired Wages.....	6
	B. Characteristics.....	8
	C. Experience and Skills.....	11
	D. Factors Affecting Job Desirability	14
VI.	ASSESSMENT OF THE UNEMPLOYED WORKFORCE	16
VII.	NATIONAL COMPARISONS OF UNDEREMPLOYED WORKFORCE	19
	A. Desired Wages	19
	B. Experience.....	20
	C. Skills	23
VIII.	EMPLOYERS' RATINGS OF THE WORKFORCE	26



INTRODUCTION

The Pathfinders has employed its many years of 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 East Central Indiana Eastern Sector area workforce. In site-selection projects, the question that most often drives the search is whether the candidate location has the workforce needed for a new or expanding operation. When considering the workforce of a possible location, a prospect basically wants to know:

- Can I find the workers I need in this location?
- Do these workers have any skills and/or experience that pertain to my operation?
- How much will these workers cost?

Consequently, an analysis of an area's workforce became a key component of site searches conducted by The Pathfinders. The report that follows was developed as a tool for economic development officials for use in business recruitment and workforce development efforts. Senior human resources executives from among corporate clients assisted in refining the methodology and report format.

With regard to labor availability, while unemployed workers are a source considered in hiring, companies typically also staff a new operation 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 Pathfinders was retained by the East Central Indiana Economic Development Council to quantify the extent to which both unemployment and underemployment exist in the East Central Indiana Eastern Sector area. This report also represents the objective and professional view of The Pathfinders with regard to workforce quality, availability, costs, experience and skills that a new or expanding employer can expect in the East Central Indiana Eastern Sector region.

The information presented in this report has been developed independently of the client, and the client has not influenced the findings.



KEY FINDINGS

- The East Central Indiana Eastern Sector area, referred to in this report as the “labor shed”, has a household population of approximately 203,500; a civilian labor force of approximately 99,300; and a pool of approximately 11,200 unemployed persons who are actively seeking work.
- The results of this survey indicate that a new or expanding employer will be able to attract employees from an additional pool of about 13,600 underemployed workers.
- The desired pay rates of the underemployed workers are reasonable when compared to their existing pay rates. The median current pay rate of the underemployed workers is \$14.09 per hour, and their median desired pay rate is \$15.34 per hour.
- Survey results indicate that the underemployed workers in the labor shed have high levels of experience and skills in distribution/warehousing and manufacturing.
- Results indicate that underemployed workers are willing to commute an average of 28 miles to a new job, in contrast to their current average commute of 16 miles.
- Survey results indicate 3% of the underemployed and 2% of unemployed, actively seeking work individuals have less than a high school degree.
- The median desired pay rate of the unemployed workers who are actively seeking work is \$13.02 per hour.
- In total, the East Central Indiana Eastern Sector area has approximately 24,800 available workers for new or expanding businesses.



METHODOLOGY

The first step in assessing the workforce of the East Central Indiana Eastern Sector 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 East Central Indiana Eastern Sector 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 Fayette, Henry, Jay, Randolph, Rush and Wayne Counties in Indiana.

A map of the East Central Indiana Eastern Sector labor shed is included on the following page.

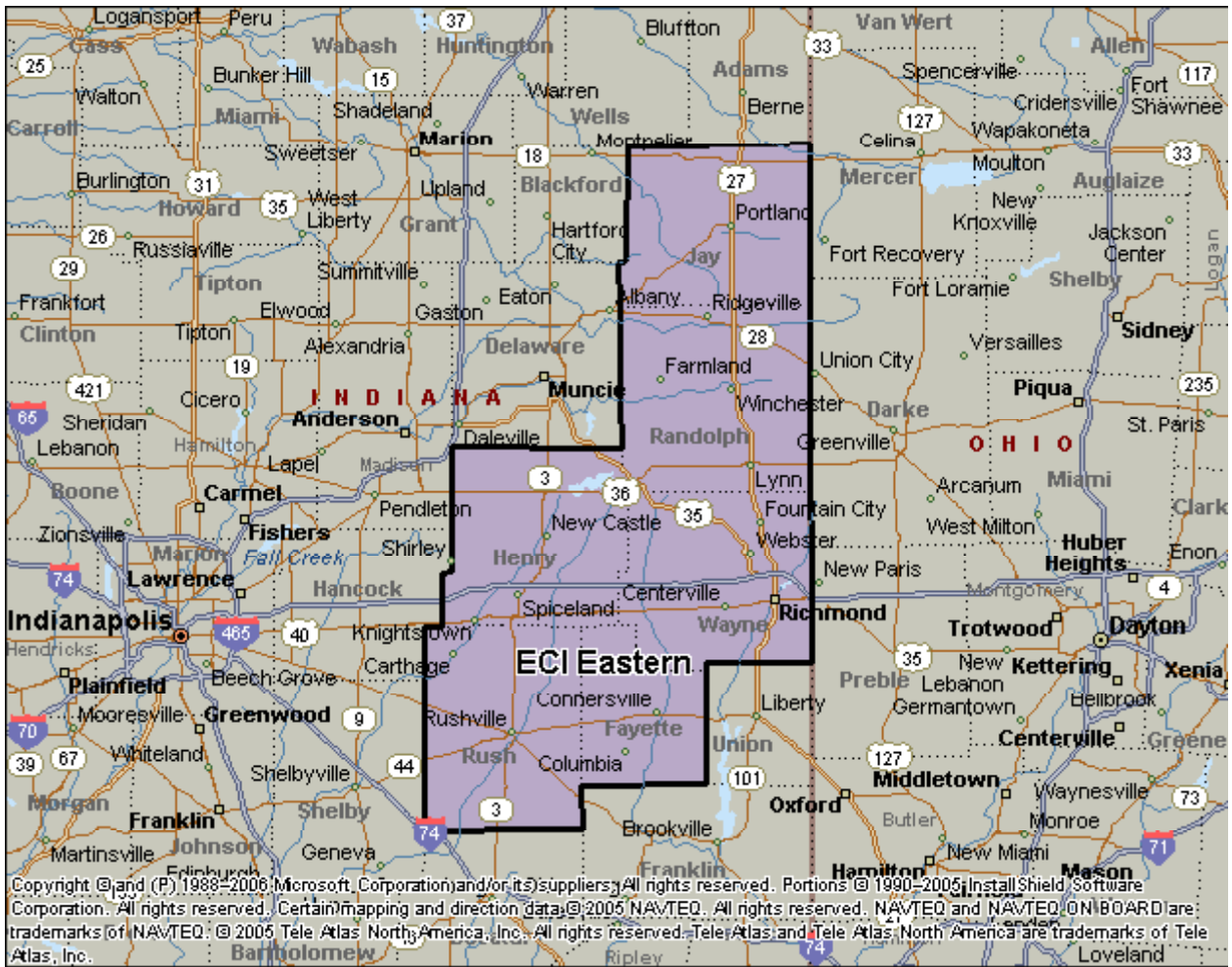
Selected online resources were used in this project. Additionally, The Pathfinders conducted interviews with individuals throughout the East Central Indiana Eastern Sector region. Those individuals were proportionally stratified across age, household income, and zip codes. The purpose of these surveys 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 that accurately determined the existence of underemployment and the quality and characteristics of both the underemployed and unemployed workers in the area. Further, 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 included in the results.

It is 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.



MAP OF THE EAST CENTRAL INDIANA EASTERN SECTOR LABOR SHED



NUMBER OF AVAILABLE WORKERS

The East Central Indiana Eastern Sector Area Labor Shed

The East Central Indiana Eastern Sector area labor shed has a household population of approximately 203,500. The civilian labor force numbers approximately 99,300, and the labor shed contains approximately 11,200 unemployed people who are actively seeking work.

The results of this assessment determined that approximately 13,600 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. Together with the unemployed, actively seeking work individuals, the East Central Indiana Eastern Sector area has approximately 24,800 available workers for new or existing employers.

TOTAL AVAILABLE WORKERS

Number of underemployed workers	13,600
Number of unemployed, actively seeking work individuals	11,200
Total Number of Workers Available for Employers*	24,800

* The reader is cautioned that, while the number of 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.



ASSESSMENT OF THE UNDEREMPLOYED WORKFORCE

The East Central Indiana Eastern Sector Area Labor Shed

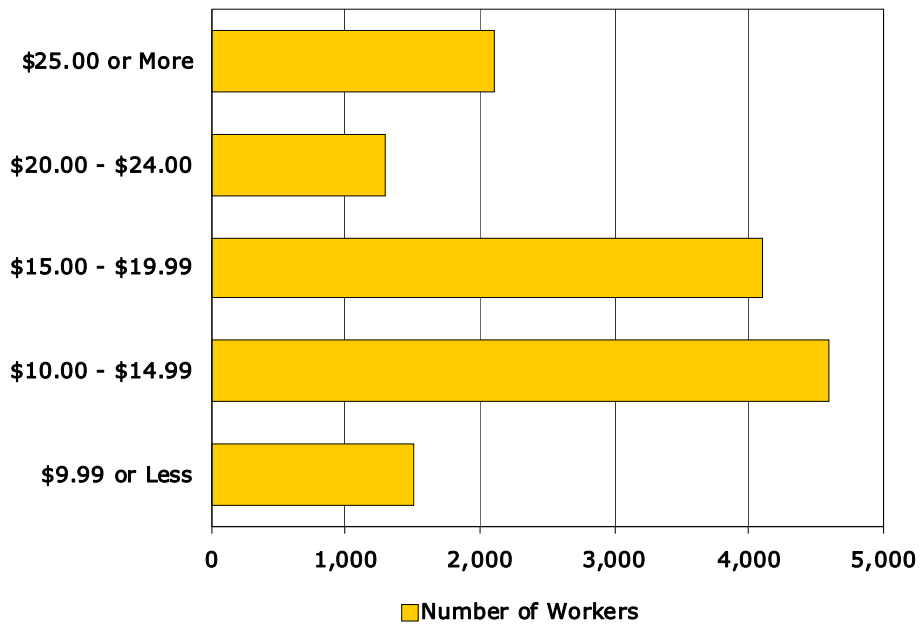
The 13,600 underemployed workers identified in this report might also be termed “upgraders”. They desire to move into an upgraded job and appear to possess the skills, education, and experience to enable them to do so. The following charts represent the desired pay rates of the underemployed individuals in the labor shed. Desired wages are shown by specific rates, range and percentiles.

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

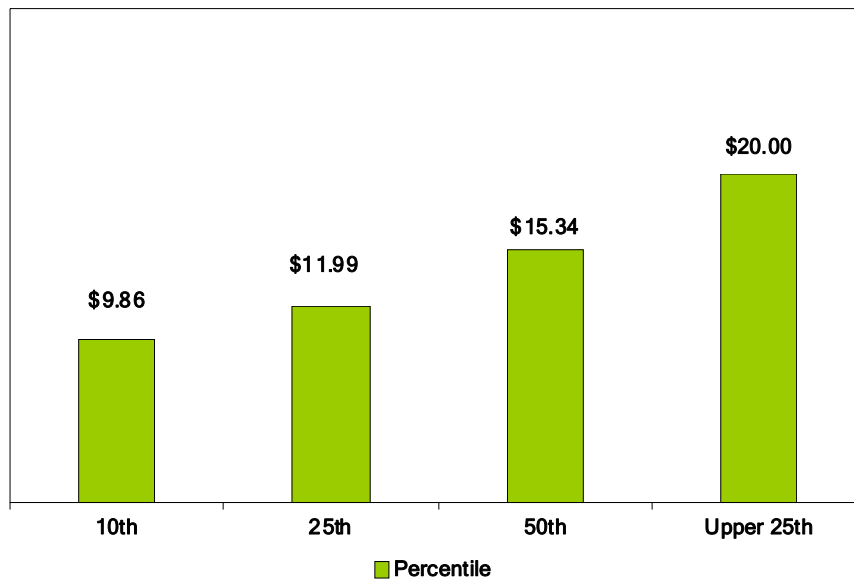
Desired Pay Rate	Number Available
\$8.99 or Less	500
\$9.00 - \$10.99	2,000
\$11.00 - \$12.99	2,100
\$13.00 - \$14.99	1,500
\$15.00 - \$16.99	2,400
\$17.00 - \$18.99	1,300
\$19.00 - \$20.99	1,100
\$21.00 - \$22.99	500
\$23.00 - \$24.99	100
\$25.00 - \$26.99	700
\$27.00 - \$28.99	300
\$29.00 - \$30.99	300
\$31.00 - \$32.99	100
\$33.00 - \$34.99	100
\$35 or More	600



DESIRED WAGE RATES PER HOUR BY RANGE
13,600 Underemployed Workers



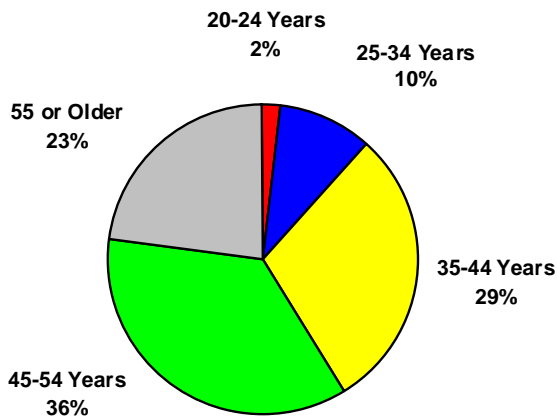
DESIRED WAGE RATES PER HOUR BY PERCENTILE
13,600 Underemployed Workers



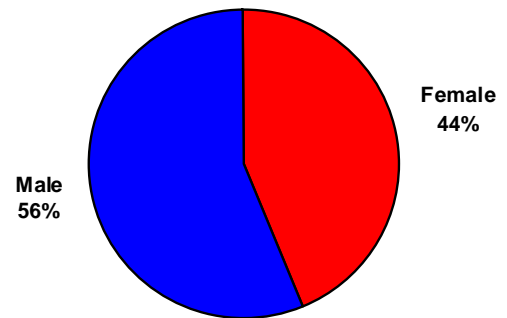
CHARACTERISTICS OF UNDEREMPLOYED WORKERS
The East Central Indiana Eastern Sector Area Labor Shed
13,600 Underemployed Workers

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 and civilian labor force as a whole.**

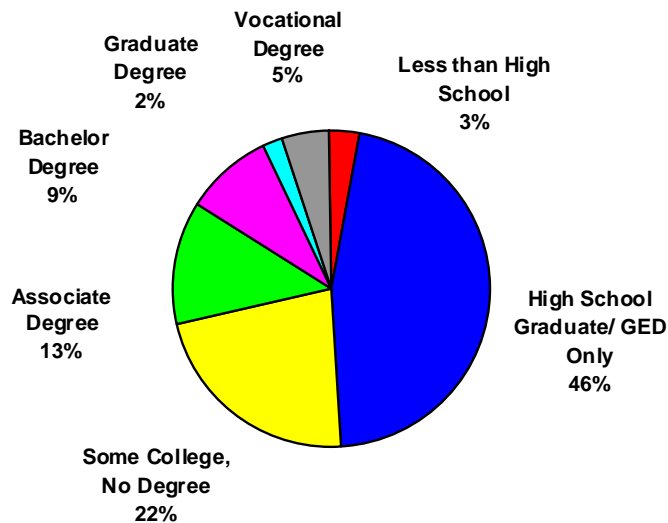
AGE - Average 46 Years



GENDER



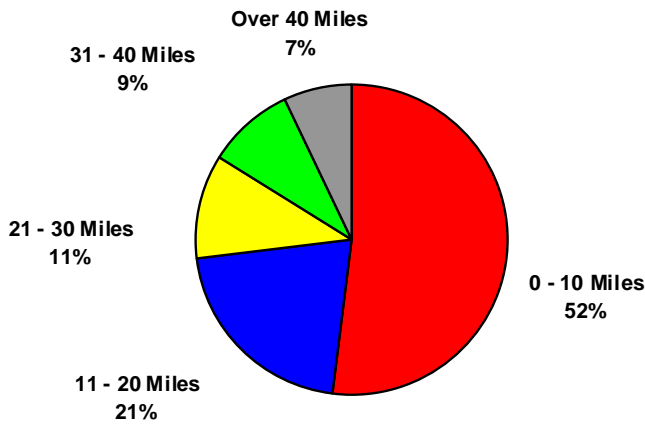
EDUCATION



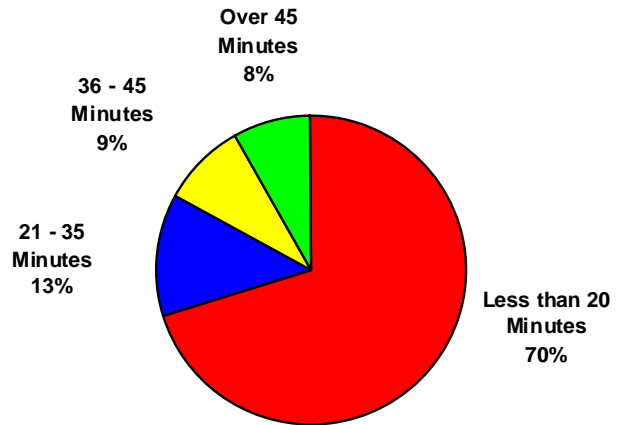
CHARACTERISTICS OF UNDEREMPLOYED WORKERS

13,600 Underemployed Workers

CURRENT COMMUTE DISTANCE

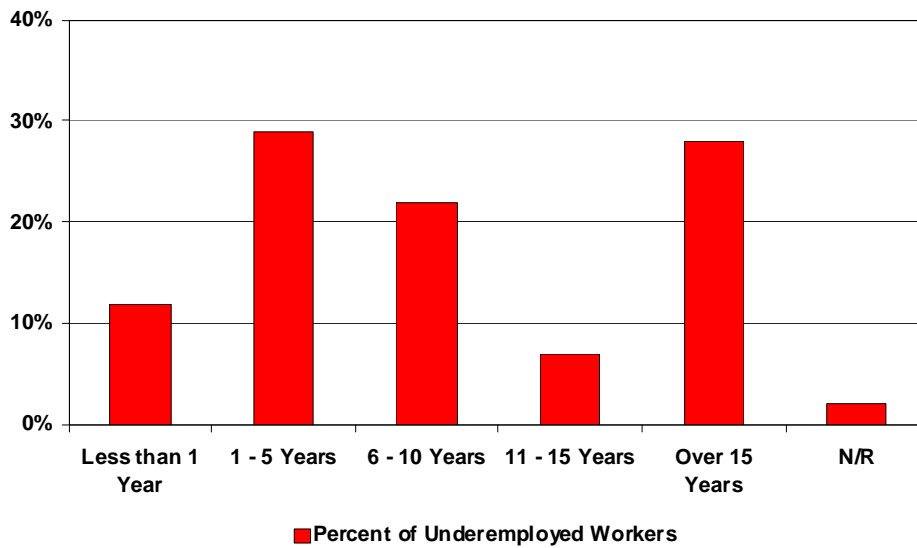


CURRENT COMMUTE TIME



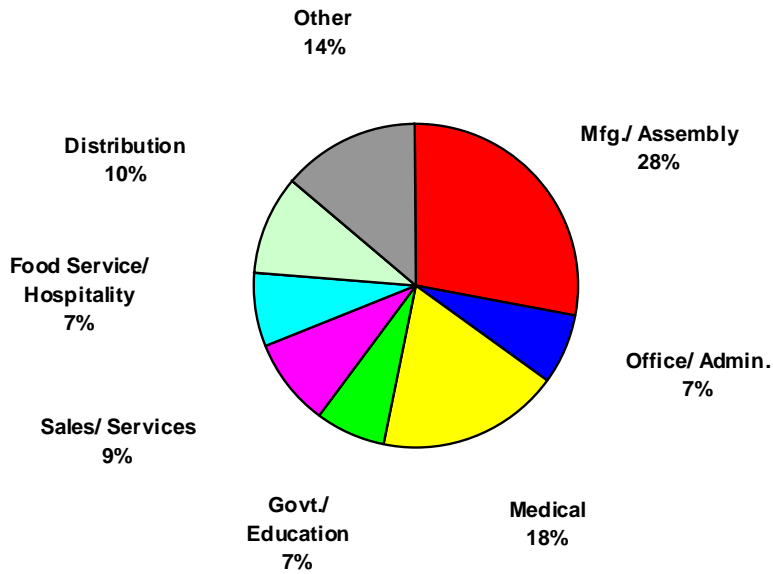
The average commute time of the underemployed workers in the labor shed is 20 minutes, and the average current commute distance is 16 miles.

LENGTH OF TIME IN CURRENT JOB

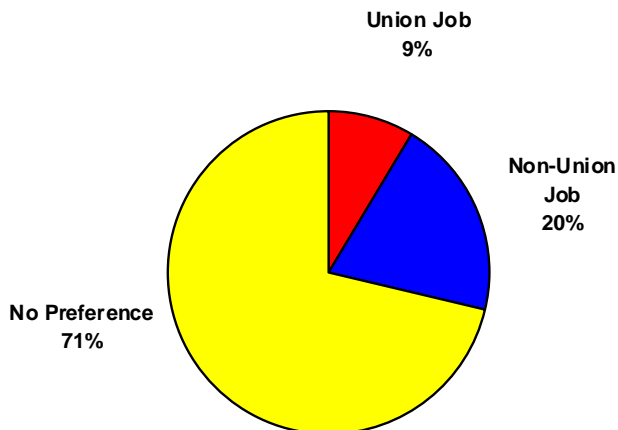


CHARACTERISTICS OF UNDEREMPLOYED WORKERS 13,600 Underemployed Workers

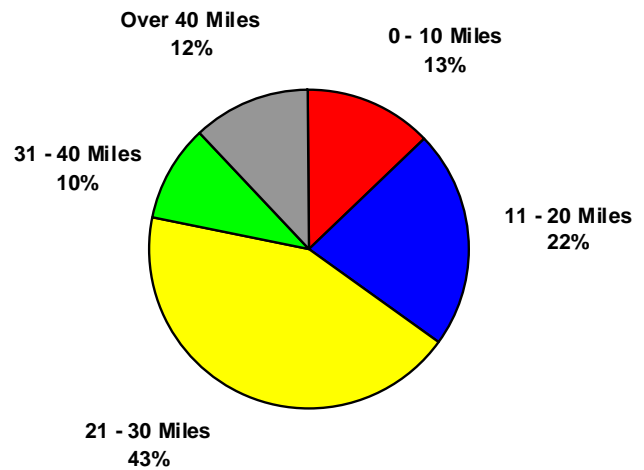
CURRENT AREA OF EMPLOYMENT



UNION PREFERENCE



MILES WILLING TO COMMUTE Average 28 Miles



EXPERIENCE AND SKILLS – UNDEREMPLOYED WORKERS

13,600 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 and are designed to ensure inclusiveness considering the multitude of tasks and job titles present in most business, government and institutional operations.

The experience chart reports the approximate number of underemployed workers experienced in each category. The chart also gives the percentage of the total number of underemployed experienced in each category and the average number of years of experience in each category. Further, an accompanying chart illustrates the percentage of the total underemployed workers in the labor shed who are experienced in each category and the percent of those who use each category of experience in their current jobs.

Likewise, for the skills categories, the charts illustrate the approximate number of underemployed workers in the labor shed who are skilled in each of the categories, the percent of the total underemployed, and the percent of underemployed workers who use each skills category in their current jobs.

It should be noted that individuals polled normally have experience and skills in multiple categories; therefore, the category number of workers will not total to the number of underemployed, nor will the percentages equal 100%.



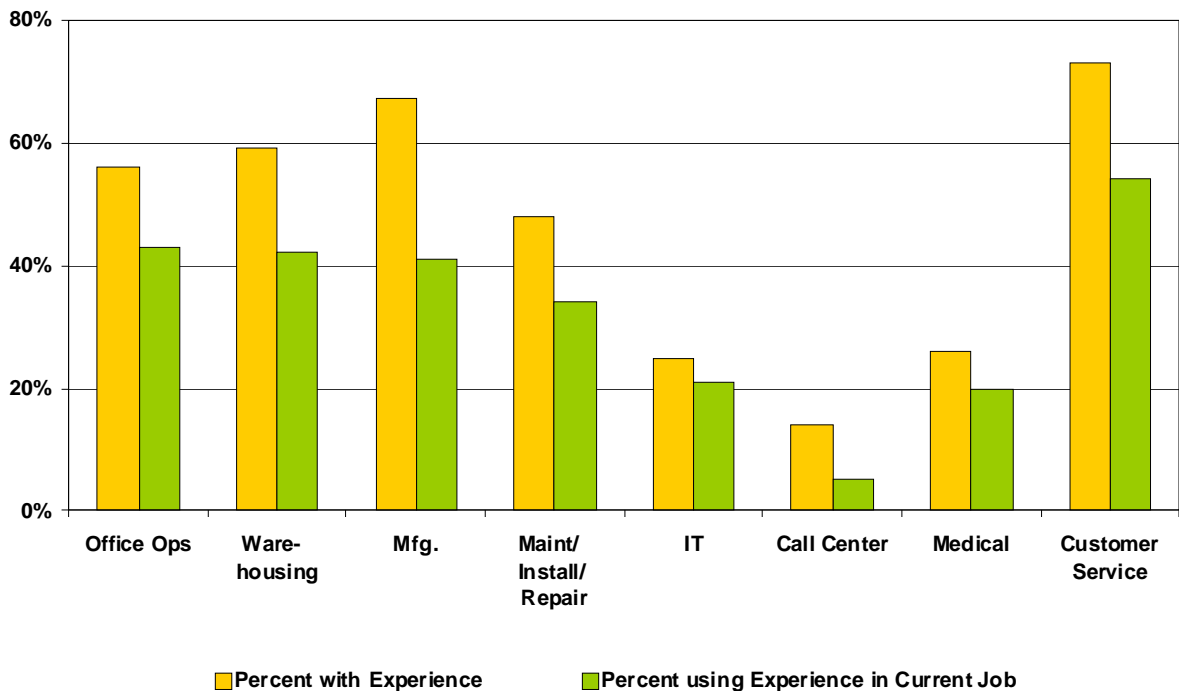
EXPERIENCE OF UNDEREMPLOYED WORKERS

13,600 Underemployed Workers

Experience Category	Number of Workers*	Percentage of Total	Average Years of Experience
Customer Service	9,900	73%	12
Manufacturing/Assembly/Fabrication	9,100	67%	14
Warehouse/Distribution/Transportation	8,000	59%	11
Office Operations	7,600	56%	12
Maintenance/Installation/Repair	6,500	48%	11
Medical/Health Sciences	3,500	26%	12
Information Technology	3,400	25%	10
Call Center	1,900	14%	7

* Rounded

EXPERIENCE USED IN CURRENT JOB



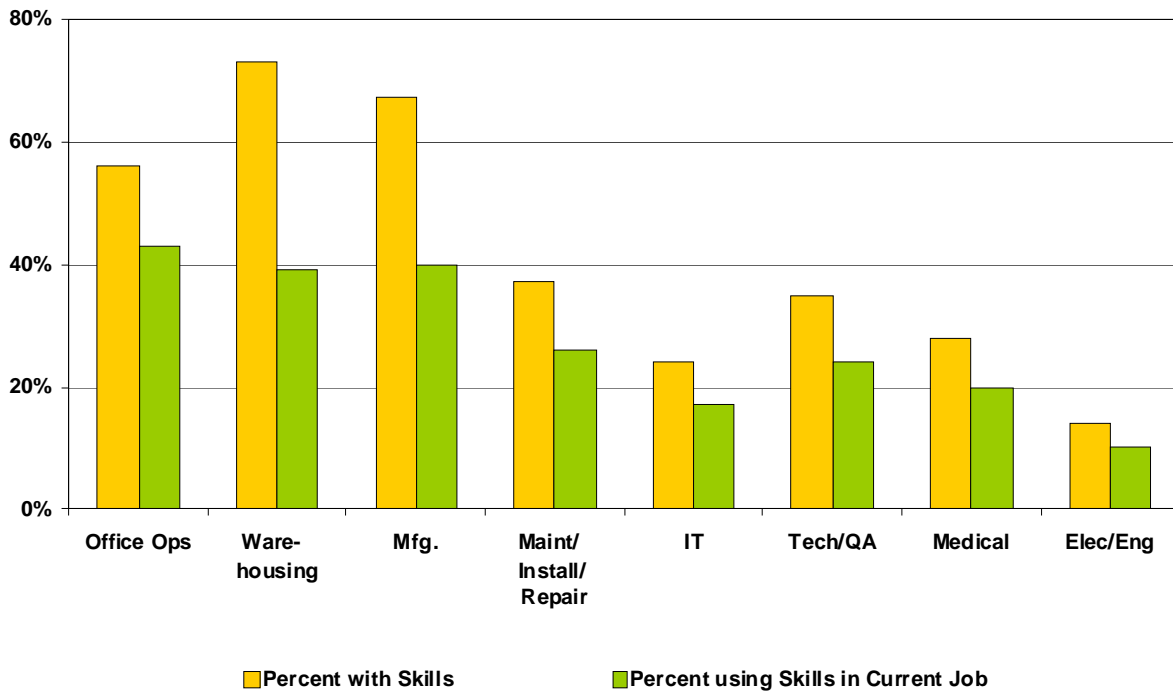
SKILLS OF UNDEREMPLOYED WORKERS

13,600 Underemployed Workers

Skills Category	Number of Workers*	Percentage of Total
Warehouse/Materials Handling	9,900	73%
Manufacturing/Assembly/Fabrication	9,100	67%
Office Operations	7,600	56%
Maintenance/Installation/Repair	5,000	37%
Technician/Quality Assurance	4,800	35%
Medical/Health Sciences	3,800	28%
Information Technology	3,300	24%
Electronics/Engineering	1,900	14%

* Rounded

SKILLS USED IN CURRENT JOB

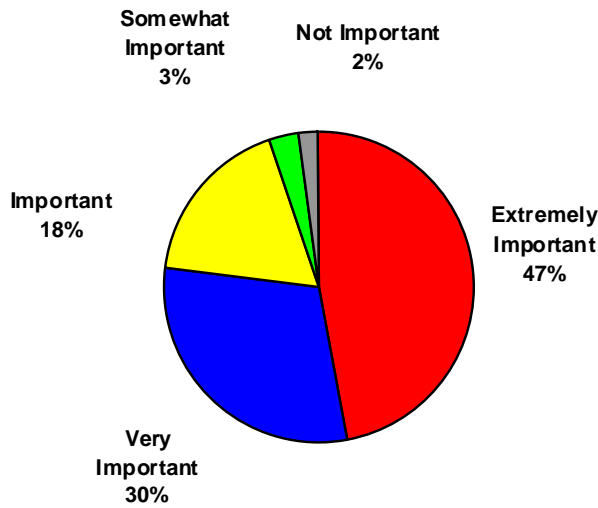


FACTORS AFFECTING JOB DESIRABILITY

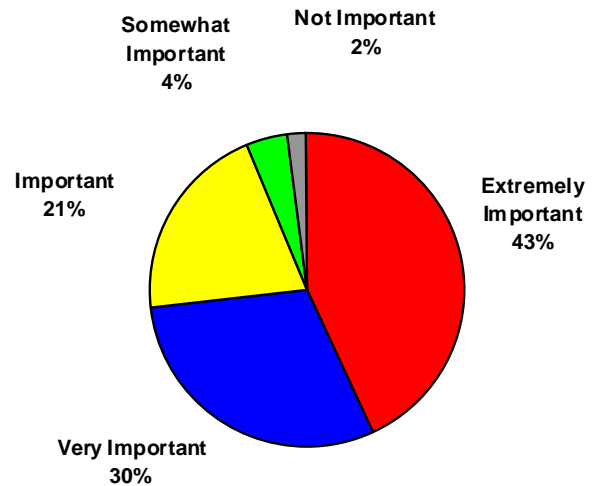
13,600 Underemployed Workers

In an effort to identify those factors most important to the East Central Indiana Eastern Sector area's underemployed workers relative to consideration of an employer's desirability and a potential job change, the respondents were asked to rate the following job factors from "extremely important" to "not important".

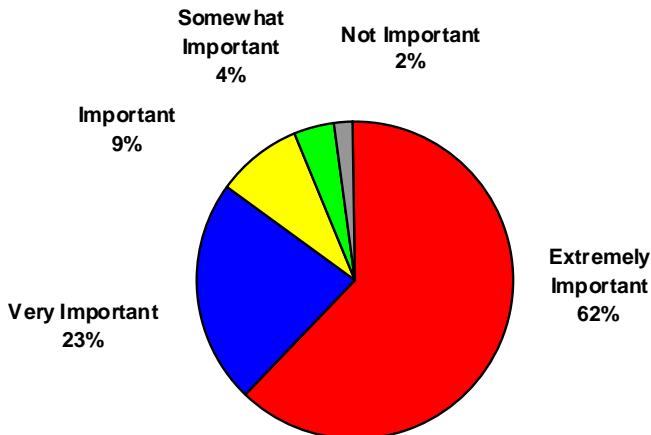
SALARY



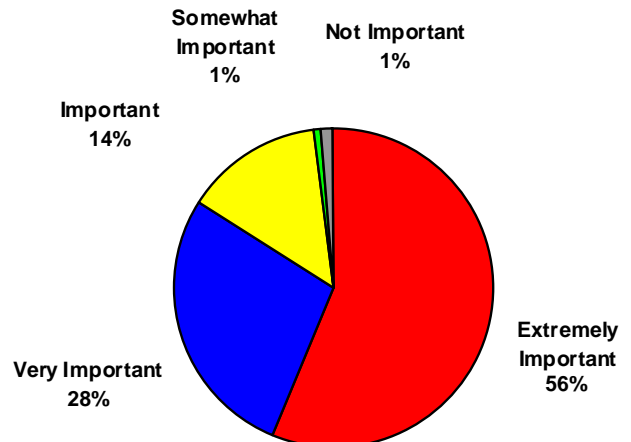
LOCATION



INSURANCE BENEFITS



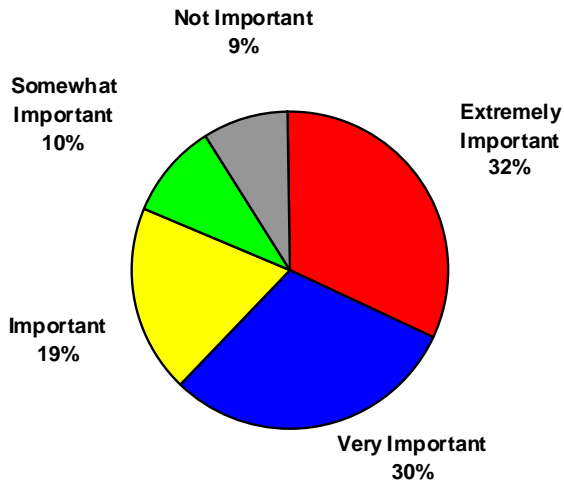
RETIREMENT BENEFITS



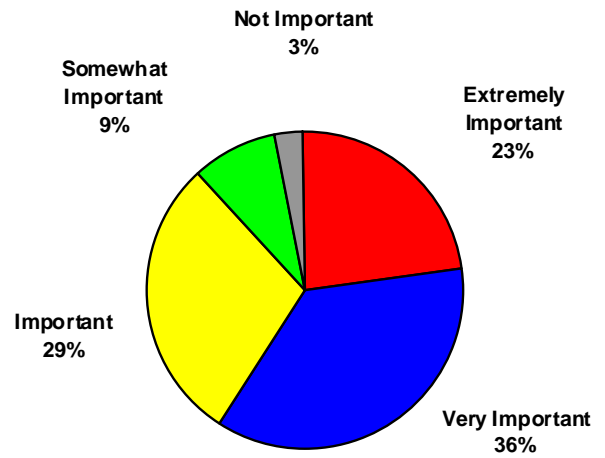
FACTORS AFFECTING JOB DESIRABILITY

13,600 Underemployed Workers

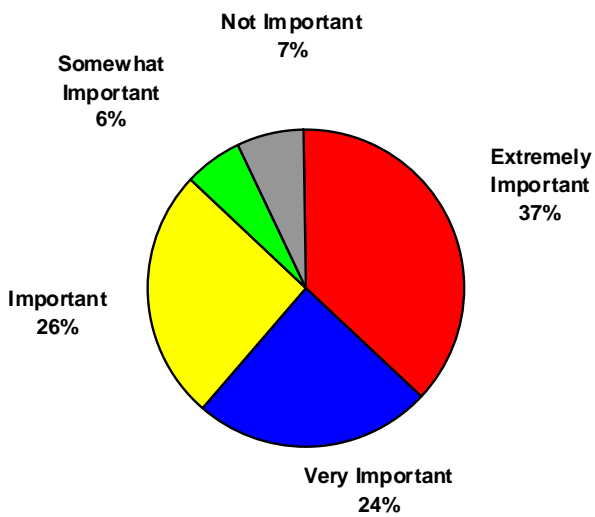
PHYSICAL WORKING ENVIRONMENT



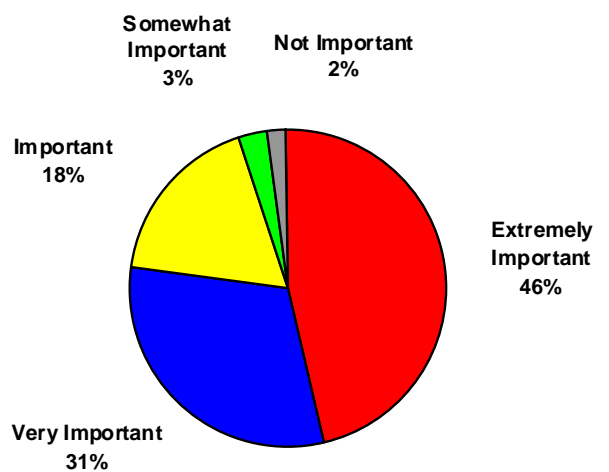
PAID TRAINING PROGRAMS



FLEXIBLE WORK SCHEDULE



OPPORTUNITY FOR ADVANCEMENT

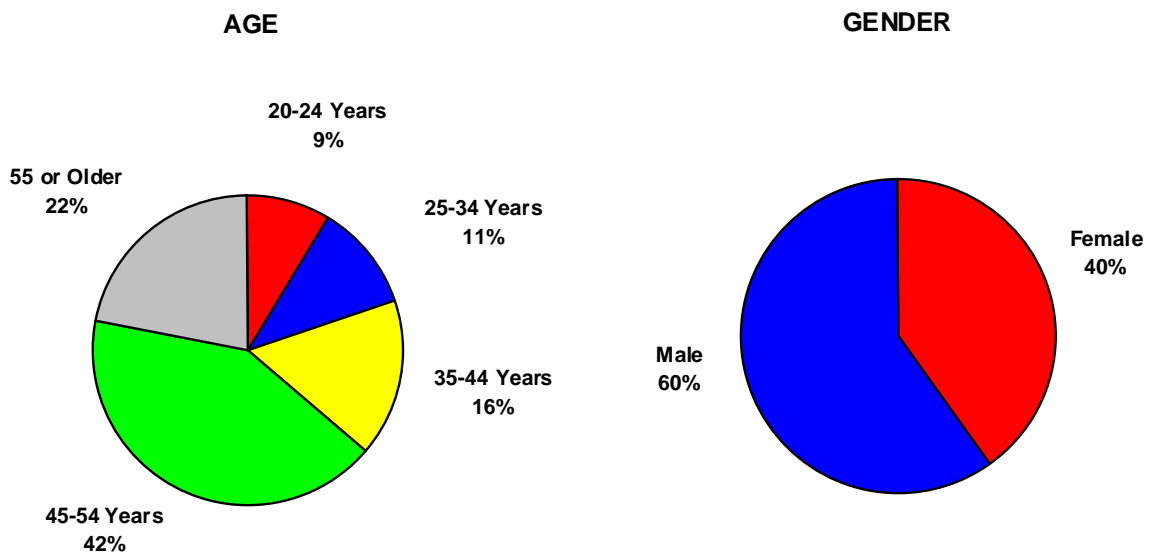


**CHARACTERISTICS OF UNEMPLOYED INDIVIDUALS WHO ARE
ACTIVELY SEEKING WORK**

11,200 Workers

According to survey results, the following charts provide information on those unemployed workers in the labor shed who are actively seeking work. **As these data relate solely to those individuals in the labor shed who are unemployed, they will vary from data representative of the population and civilian labor force as a whole.**

In the East Central Indiana Eastern Sector labor shed, according to published sources, there are approximately 11,200 individuals who are actively seeking work. Survey results indicate the average age of these individuals is 45 years.



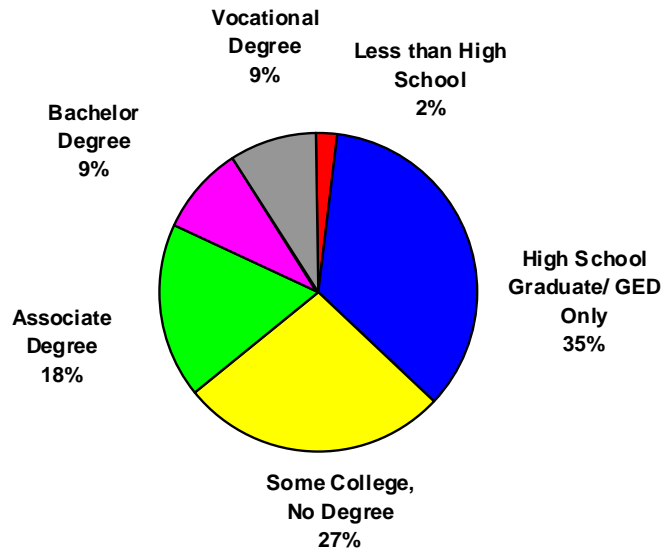
The median desired pay rate of the individuals who are unemployed, actively seeking work is \$13.02 per hour. These available workers have been out of the workforce for an average of 53 weeks and are willing to commute an average of 34 miles for a job.



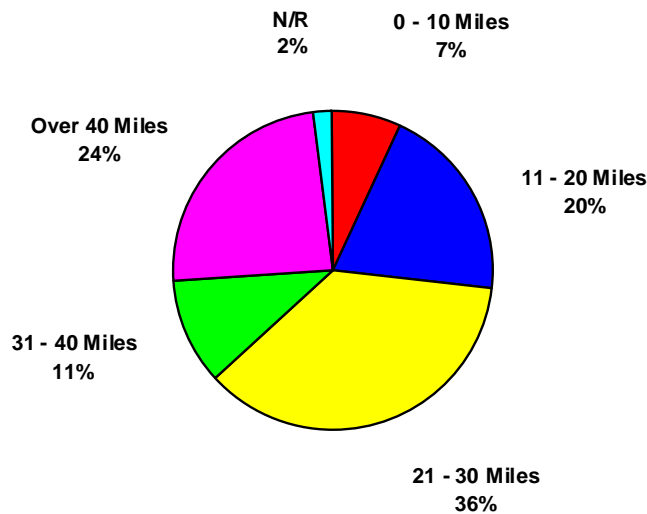
CHARACTERISTICS OF UNEMPLOYED INDIVIDUALS WHO ARE ACTIVELY SEEKING WORK

11,200 Workers

EDUCATION



MILES WILLING TO COMMUTE – Average 34 Miles



CHARACTERISTICS OF UNEMPLOYED INDIVIDUALS WHO ARE ACTIVELY SEEKING WORK

11,200 Workers

Experience Category	Number of Individuals*	Percentage of Total	Average Years of Experience
Customer Service	8,200	73%	12
Manufacturing/Assembly/Fabrication	7,200	64%	14
Warehouse/Distribution/Transportation	6,500	58%	8
Maintenance/Installation/Repair	6,300	56%	13
Office Operations	5,900	53%	11
Information Technology	3,000	27%	8
Medical/Health Sciences	2,700	24%	6
Call Center	1,200	11%	2

The similarities between the experience and skills categories are designed to ensure inclusiveness considering the multitude of tasks and job titles present in most business, government and institutional operations. **It should be noted that individuals polled normally have experience and/or skills in multiple categories.**

Skills Category	Number of Individuals*	Percentage of Total
Manufacturing/Assembly/Fabrication	7,700	69%
Warehouse/Materials Handling	6,900	62%
Office Operations	5,500	49%
Maintenance/Installation/Repair	5,300	47%
Technician/Quality Assurance	4,000	36%
Information Technology	3,200	29%
Electronics/Engineering	2,900	26%
Medical/Health Sciences	2,500	22%

* Rounded

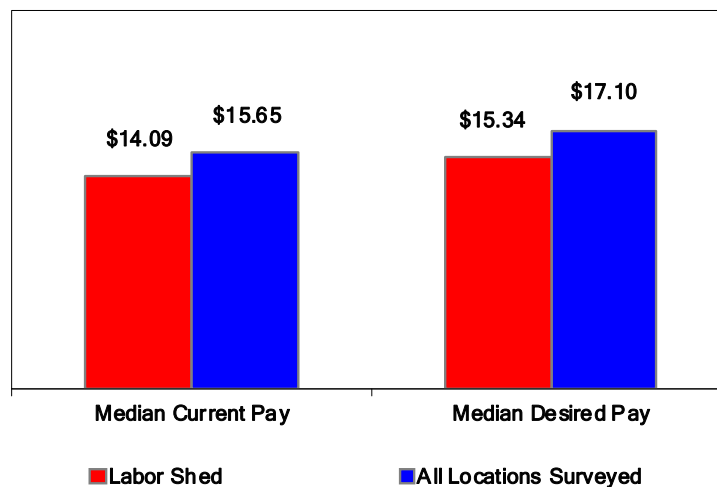


NATIONAL COMPARISONS OF UNDEREMPLOYED WORKFORCE

This section of the report provides comparisons of the pay rates, experience and skills of the labor shed’s underemployed workforce with the underemployed workforces in other areas previously surveyed by The Pathfinders. A prospect company considering the East Central Indiana Eastern Sector region as a location will judge its workforce on a comparative basis. The comparative data for other locations used in the following charts reflect information accumulated over the past eighteen months. The Pathfinders maintains a continuing database of over 700 surveyed counties and communities and more than 30 million workers. In the charts, the East Central Indiana Eastern Sector region is referred to as “labor shed”.

The chart below illustrates the median current and desired wages of the underemployed workers in the East Central Indiana Eastern Sector labor shed as compared to those underemployed workers in all locations surveyed by The Pathfinders over the past eighteen months. As indicated, the median current pay of all surveyed, underemployed workers over the past eighteen months is \$15.65 per hour, and the median desired pay of these workers is \$17.10 per hour. As shown, survey results indicate that the East Central Indiana Eastern Sector region’s underemployed workers have lower pay rates in both median current pay and desired pay than other locations surveyed.

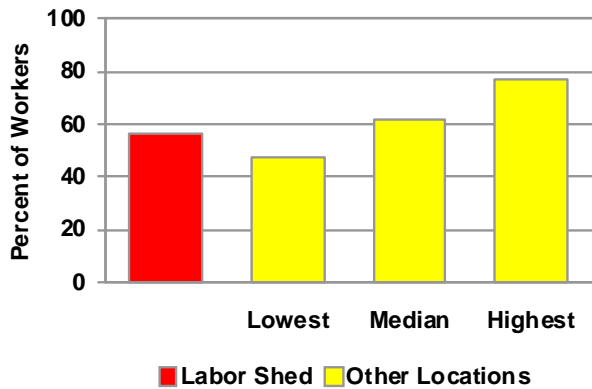
COMPARISON OF MEDIAN CURRENT / DESIRED WAGES (per hour)



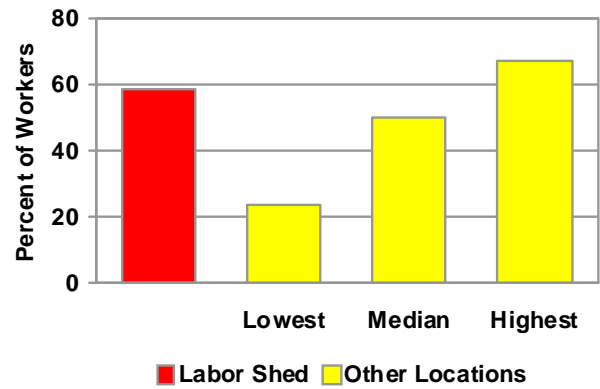
COMPARISON OF EXPERIENCE UNDEREMPLOYED WORKERS

**The East Central Indiana Eastern Sector Area /
Locations Surveyed Over the Past 18 Months**

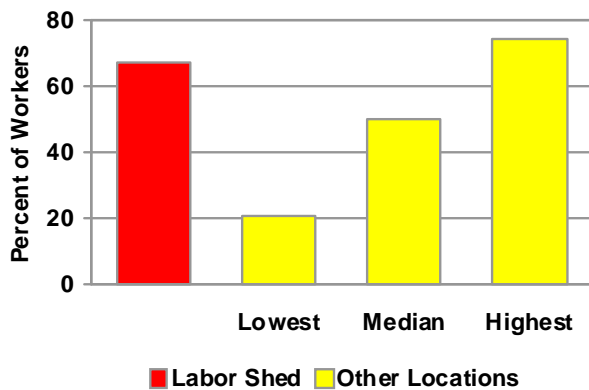
OFFICE



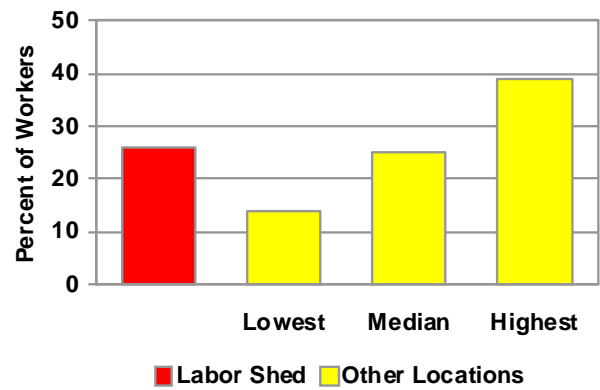
**WAREHOUSE / DISTRIBUTION /
TRANSPORTATION**



**MANUFACTURING / ASSEMBLY /
FABRICATION**



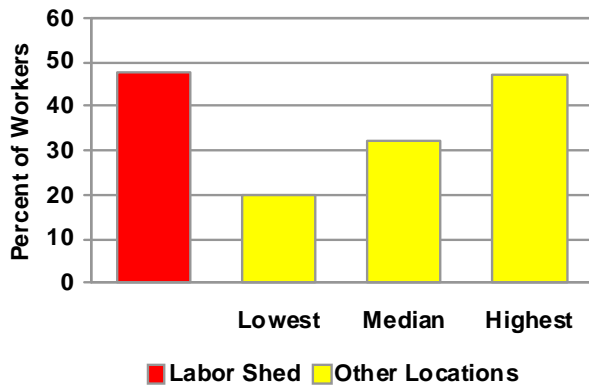
**MEDICAL /
HEALTH SCIENCES**



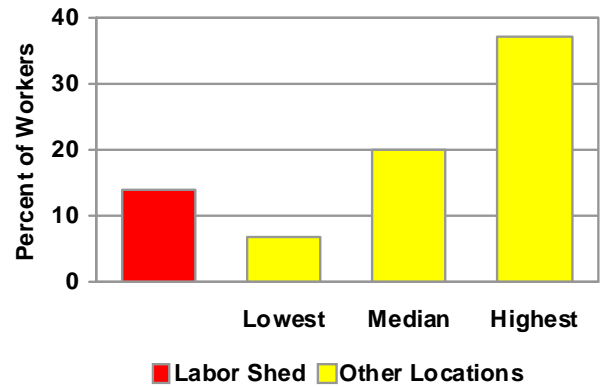
COMPARISON OF EXPERIENCE UNDEREMPLOYED WORKERS

**The East Central Indiana Eastern Sector Area /
Locations Surveyed Over the Past 18 Months**

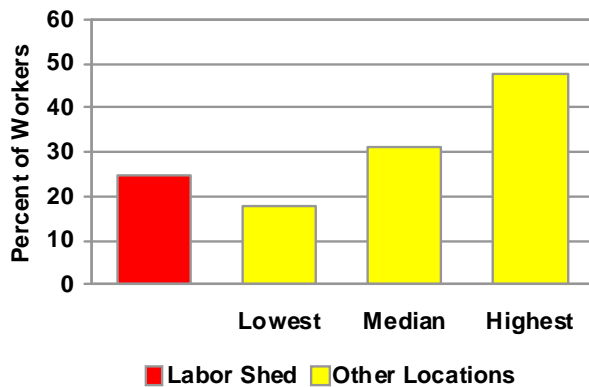
**MAINTENANCE /
INSTALLATION / REPAIR**



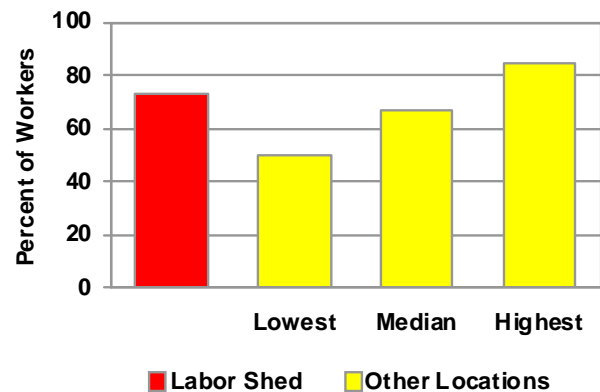
CALL CENTER



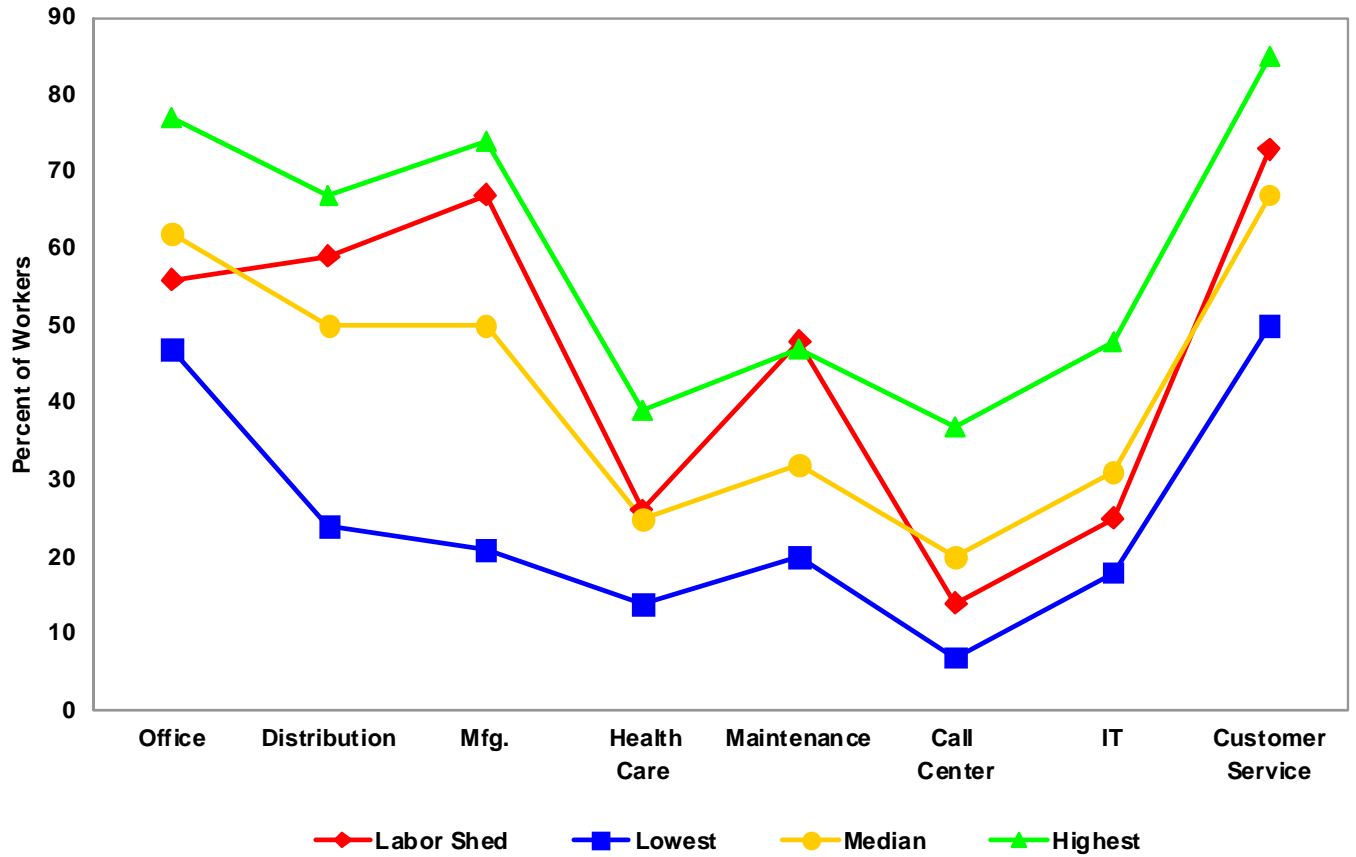
INFORMATION TECHNOLOGY



CUSTOMER SERVICE



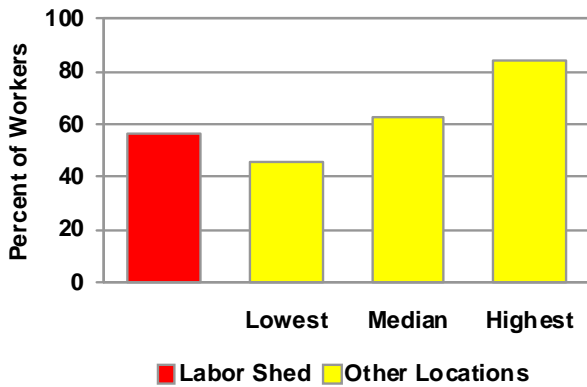
**SUMMARY COMPARISON OF EXPERIENCE
UNDEREMPLOYED WORKERS
The East Central Indiana Eastern Sector Area /
Locations Surveyed Over the Past 18 Months**



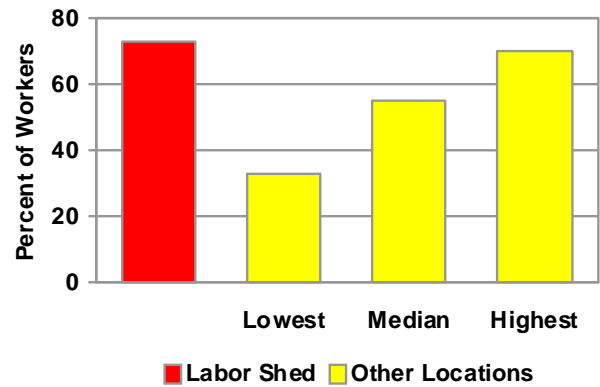
COMPARISON OF SKILLS UNDEREMPLOYED WORKERS

**The East Central Indiana Eastern Sector Area /
Locations Surveyed Over the Past 18 Months**

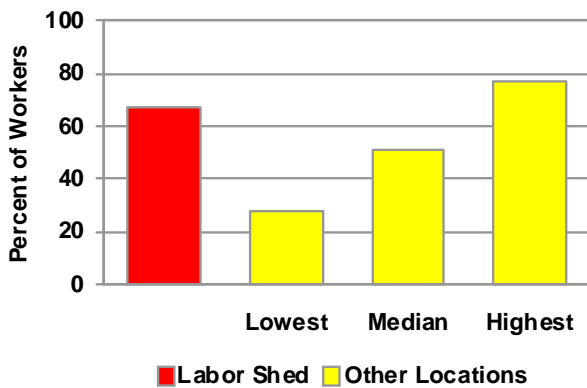
OFFICE



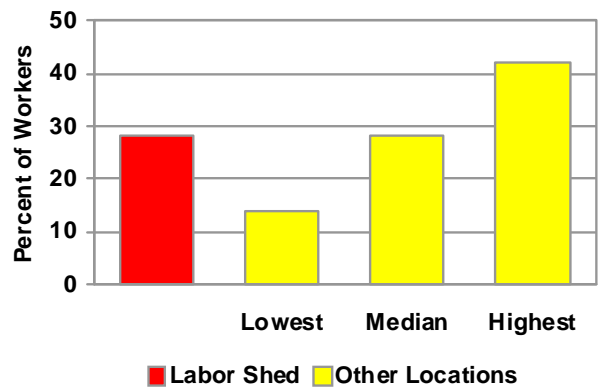
**WAREHOUSE /
MATERIALS HANDLING**



**MANUFACTURING / ASSEMBLY /
FABRICATION**



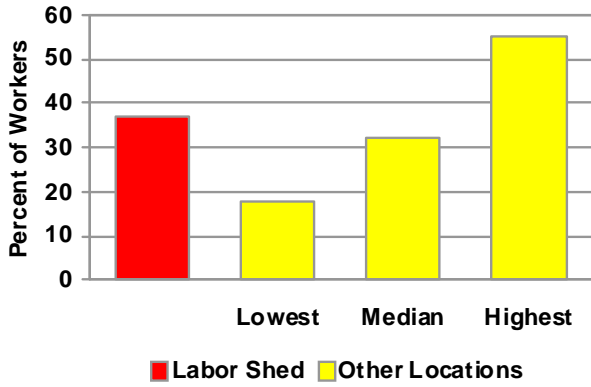
**MEDICAL /
HEALTH SCIENCES**



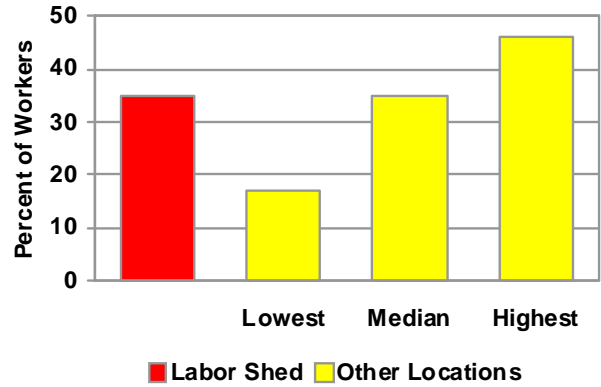
COMPARISON OF SKILLS UNDEREMPLOYED WORKERS

The East Central Indiana Eastern Sector Area /
Locations Surveyed Over the Past 18 Months

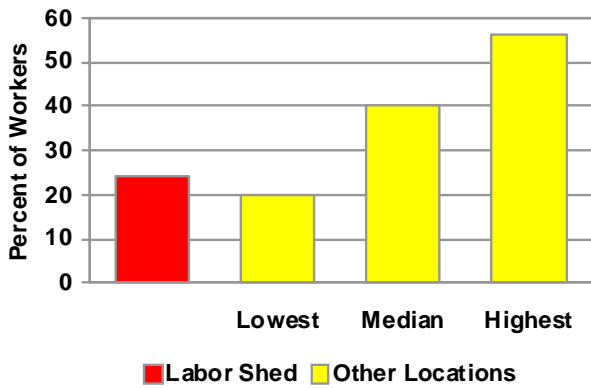
MAINTENANCE / INSTALLATION / REPAIR



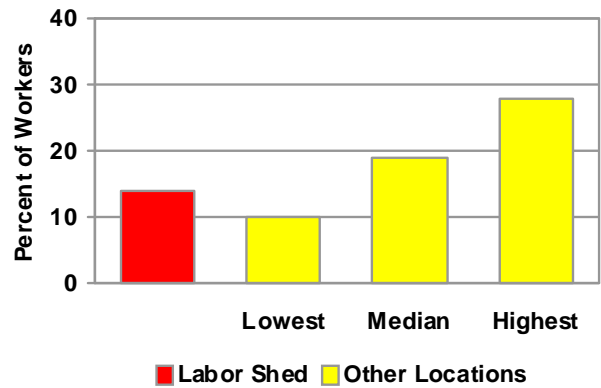
TECHNICIAN / QUALITY ASSURANCE



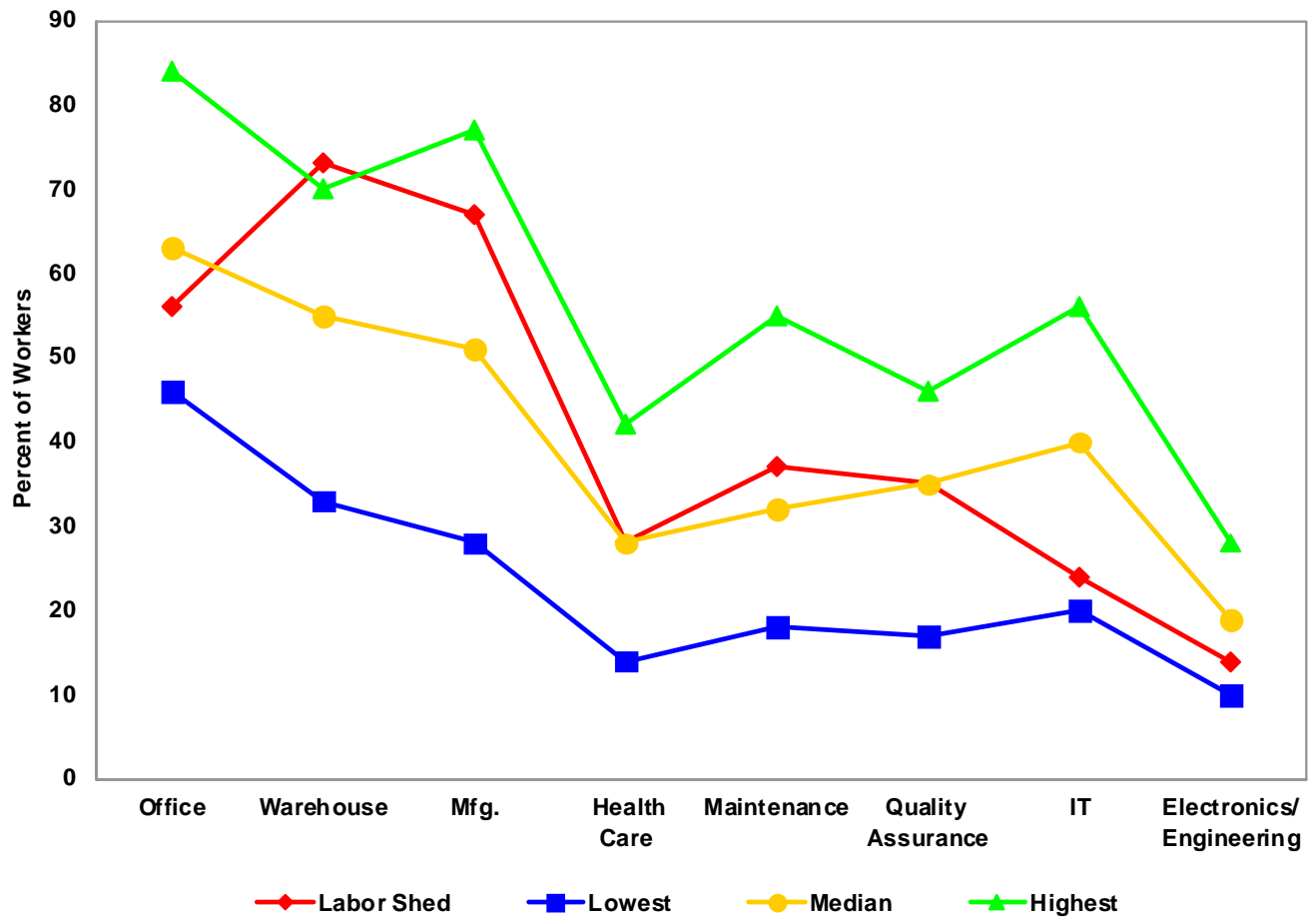
INFORMATION TECHNOLOGY



ELECTRONICS / ENGINEERING



**SUMMARY COMPARISON OF SKILLS
UNDEREMPLOYED WORKERS
The East Central Indiana Eastern Sector Area /
Locations Surveyed Over the Past 18 Months**



EMPLOYERS' VIEWS AND RATINGS OF THE THE EAST CENTRAL INDIANA AREA TOTAL WORKFORCE

In developing a profile of existing workers in the East Central Indiana region, The Pathfinders considered such factors as labor availability, productivity, 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.

As determined from the employer interviews, the tables below reflect the top five methods used to recruit hourly and salaried workers in the East Central Indiana region and the percent of employers utilizing each method. Employers may use multiple recruitment methods.

RECRUITMENT METHODS

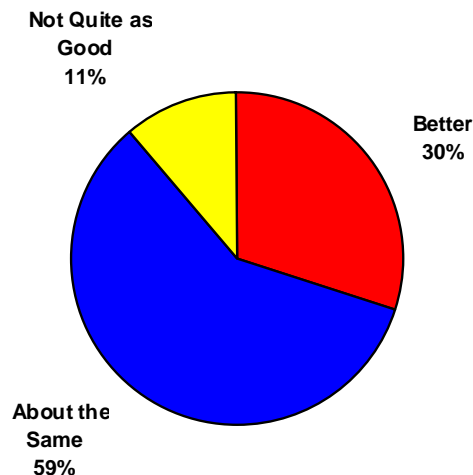
Recruiting Methods – Hourly Workers	% of Employers
Word of Mouth	38%
Newspaper Ads	34%
Staffing, Temp Agency	23%
State Agency	21%
Walk-Ins	16%

Recruiting Methods – Salaried Workers	% of Employers
Newspaper Ads	31%
Internet	28%
Word of Mouth	26%
Recruiters	21%
Referrals	10%

EMPLOYERS' VIEWS AND RATINGS OF THE THE EAST CENTRAL INDIANA AREA TOTAL WORKFORCE

51% of the employers interviewed stated their companies had operations in other regions of the United States. Of these employers, those familiar with the workforces in those other locations reported their East Central Indiana area operations were comparable to or better than the other regions in terms of profitability and production.

WORKFORCE COMPARISON WITH OTHER LOCATIONS



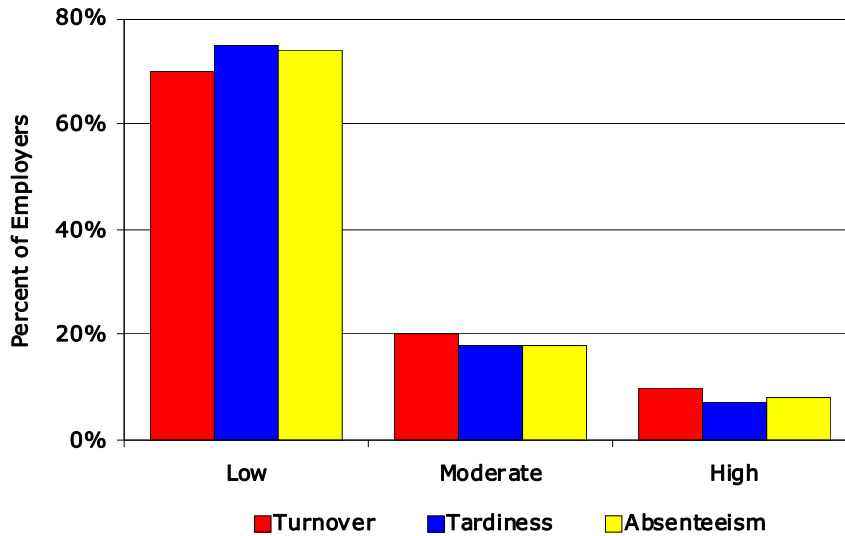
Based upon the experience of The Pathfinders in evaluating labor forces in numerous locations, a definite correlation between productivity, absenteeism, tardiness, turnover, and substance abuse appears to exist. That correlation goes beyond the fact that an absent worker is obviously unproductive. Rather, those factors are indicative of an employee's attitude toward the job.

The employers surveyed in this study were asked to rate turnover, tardiness and absenteeism among their workers as "Low", "Moderate" or "High". Further, they were surveyed as to their substance abuse testing practices and asked to rate substance abuse among the area workforce. The charts on the following pages illustrate the percent of employers' ratings for these and other factors, including educational facilities, worker productivity and reliability, teamwork and basic skills.



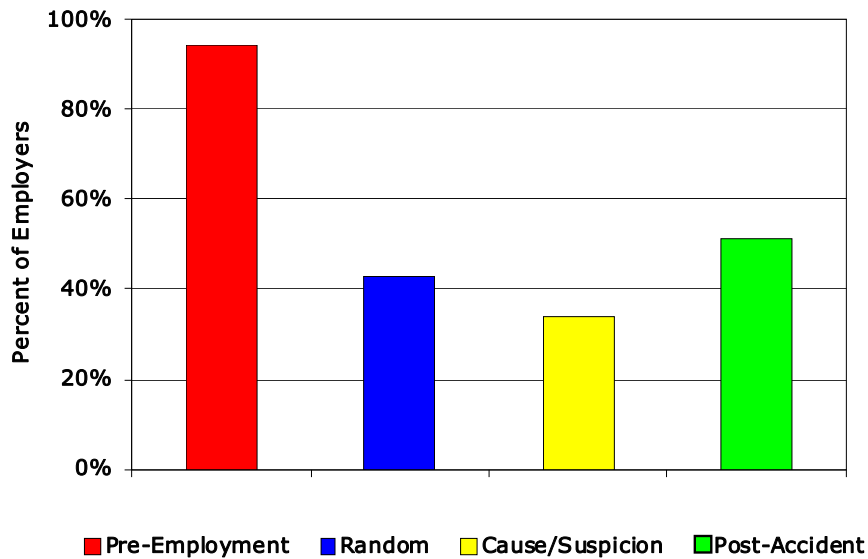
EMPLOYERS' VIEWS AND RATINGS OF THE THE EAST CENTRAL INDIANA AREA TOTAL WORKFORCE

TURNOVER / TARDINESS / ABSENTEEISM



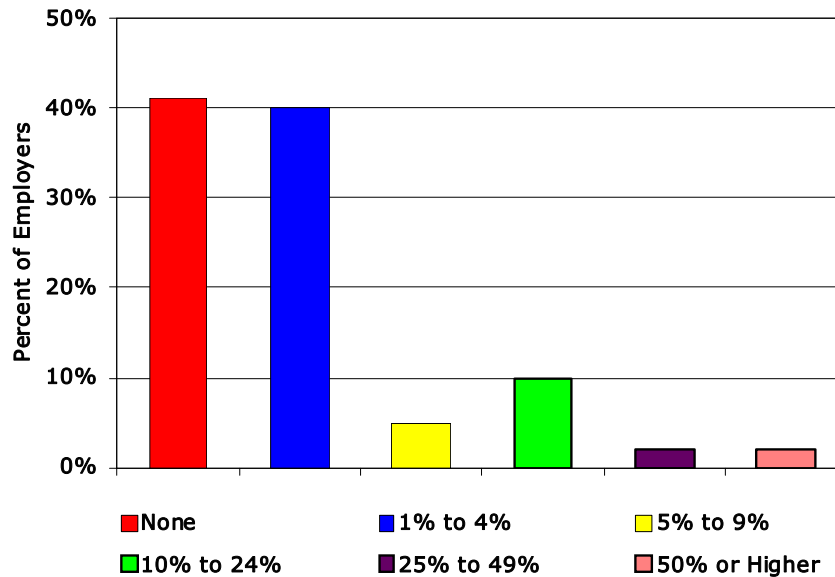
In the East Central Indiana labor shed, 77% of the employers interviewed stated their companies tested for substance abuse, using one or more of the following practices:

SUBSTANCE ABUSE TESTING PRACTICES

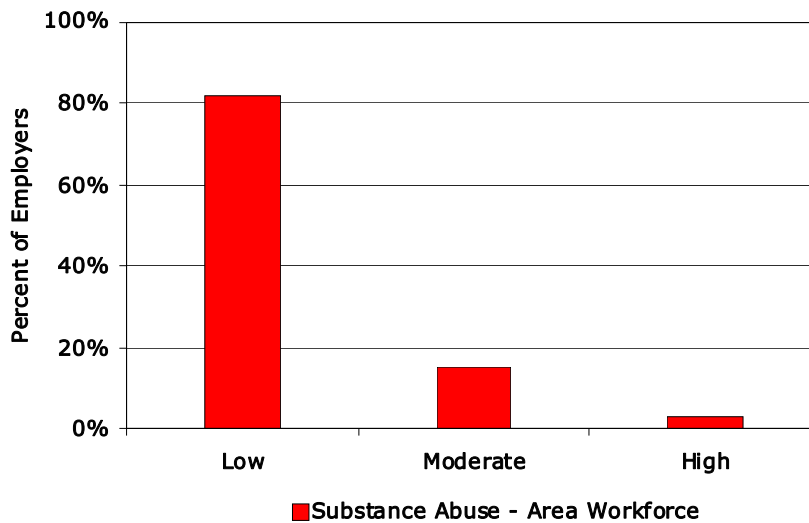


EMPLOYERS' VIEWS AND RATINGS OF THE THE EAST CENTRAL INDIANA AREA TOTAL WORKFORCE

PERCENT OF APPLICANTS WHO FAIL PRE-EMPLOYMENT DRUG TEST

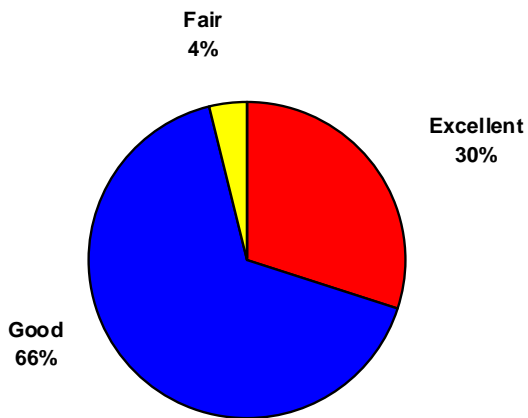


SUBSTANCE ABUSE RATING – AREA WORKFORCE



EMPLOYERS' VIEWS AND RATINGS OF THE THE EAST CENTRAL INDIANA AREA TOTAL WORKFORCE

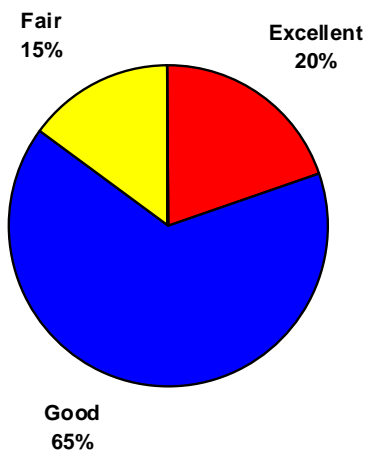
WORKER PRODUCTIVITY



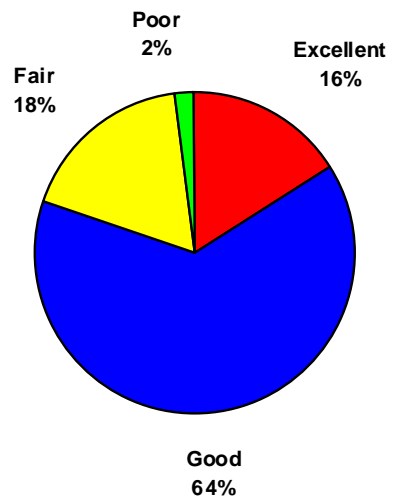
WORKER RELIABILITY



WORKER ATTITUDES



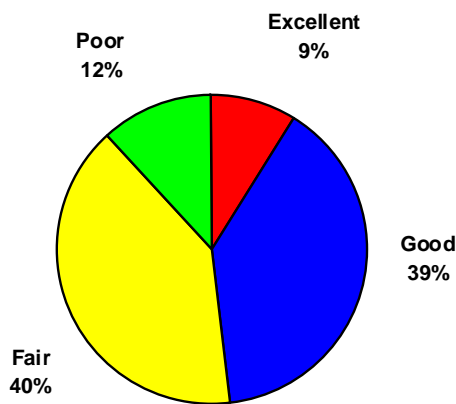
TEAMWORK SKILLS



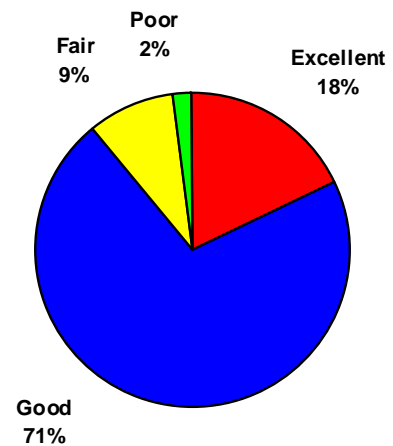
EMPLOYERS' VIEWS AND RATINGS OF THE THE EAST CENTRAL INDIANA AREA TOTAL WORKFORCE

The educational competencies of employees are additional factors used to evaluate an area's labor force. In the East Central Indiana area, 48% of the employers interviewed rated the local public schools as "Excellent" or "Good", and 89% rated the local community colleges and technical schools as "Excellent" or "Good". Ratings for basic skills and other factors are also shown.

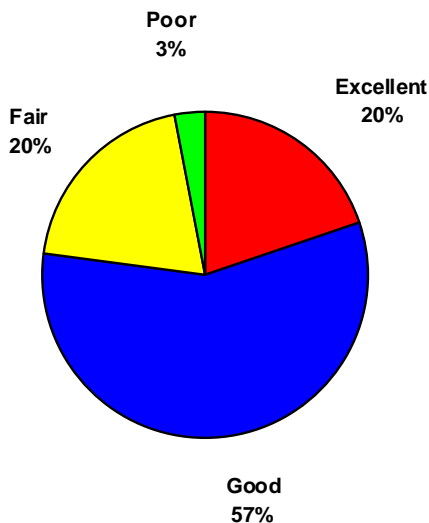
LOCAL PUBLIC SCHOOLS



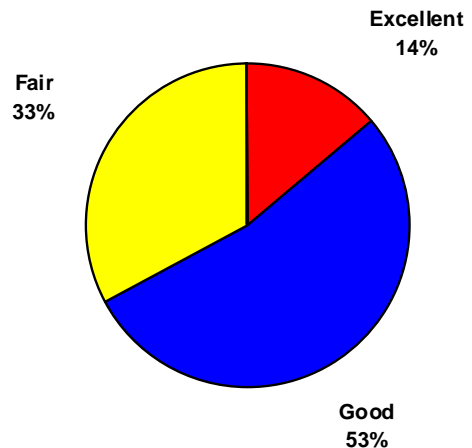
LOCAL COMMUNITY COLLEGES AND TECH SCHOOLS



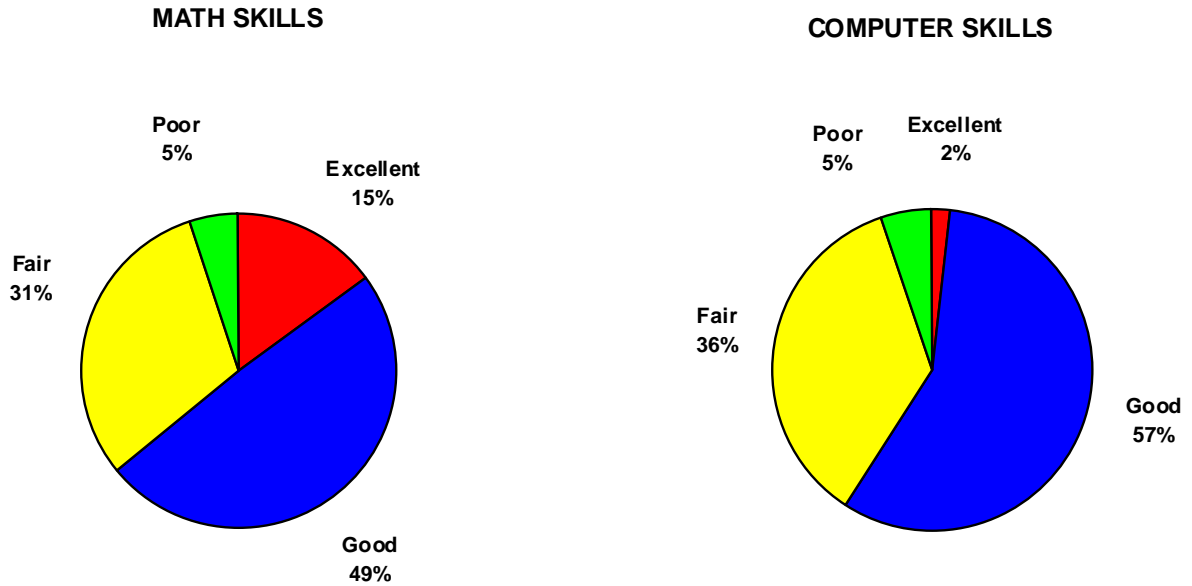
READING SKILLS



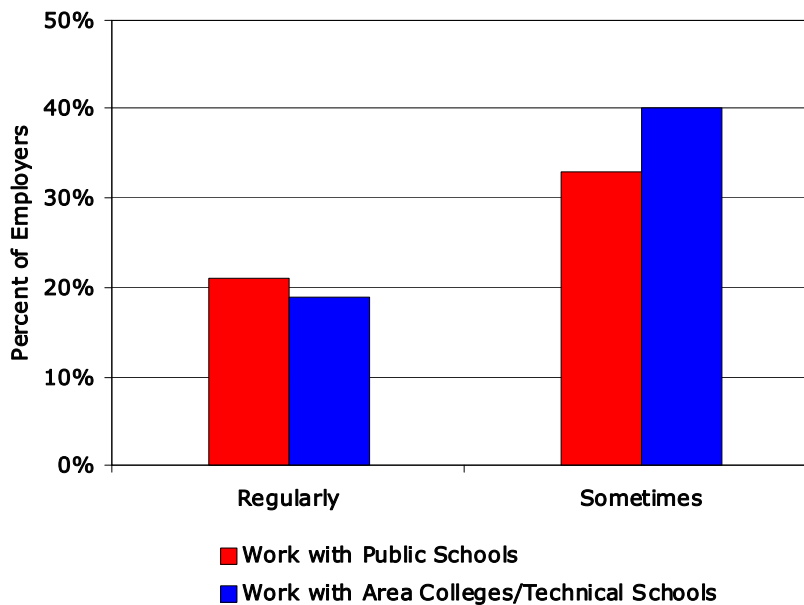
WRITING SKILLS



EMPLOYERS' VIEWS AND RATINGS OF THE THE EAST CENTRAL INDIANA AREA TOTAL WORKFORCE

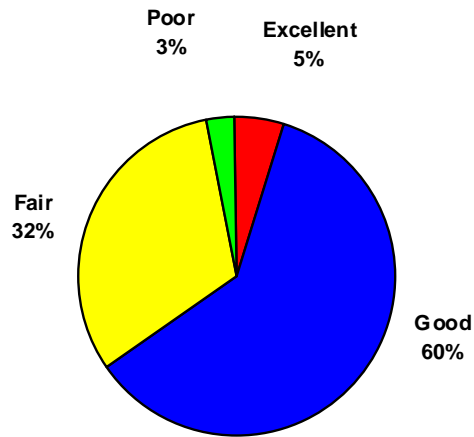


Additionally, many of the employers interviewed stated their companies worked with the area educational institutions in terms of apprenticeships, internships or other training programs.

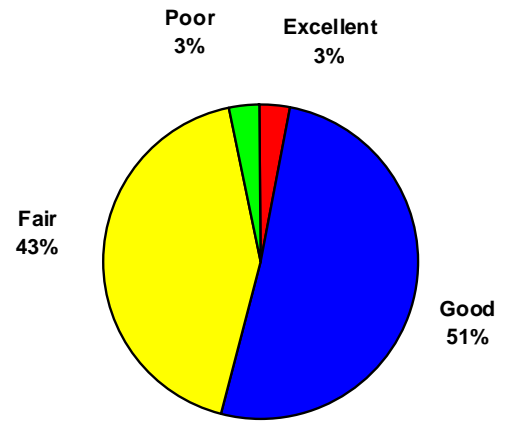


EMPLOYERS' VIEWS AND RATINGS OF THE THE EAST CENTRAL INDIANA AREA TOTAL WORKFORCE

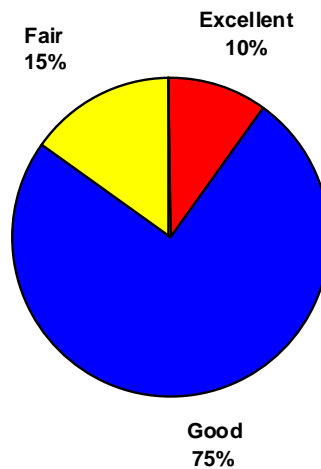
WORKER ENTRY LEVEL SKILLS



JOB READINESS SKILLS



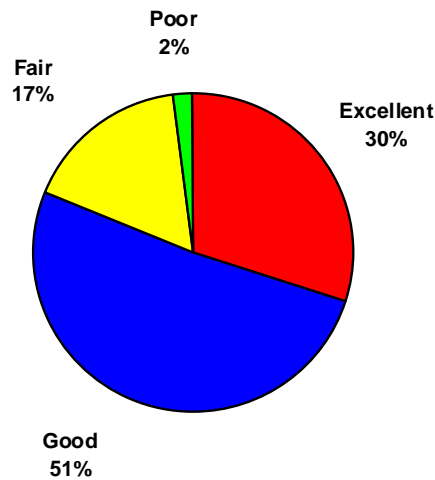
WORKER TRAINABILITY



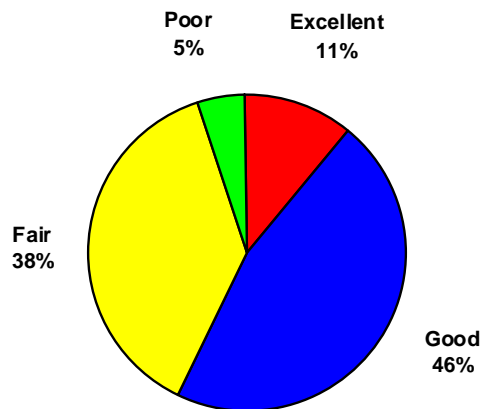
EMPLOYERS' VIEWS AND RATINGS OF THE THE EAST CENTRAL INDIANA AREA TOTAL WORKFORCE

The employers who were interviewed gave the following ratings to the area's business climate in terms of such factors as support and communication and also rated the area's overall quality of life. In addition, the employers offered their opinions on the availability of labor in the area.

AREA BUSINESS CLIMATE

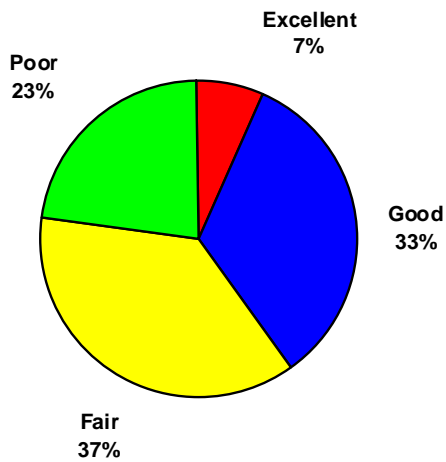


AREA QUALITY OF LIFE

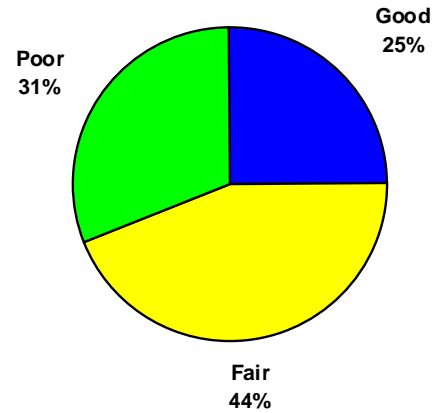


EMPLOYERS' VIEWS AND RATINGS OF THE THE EAST CENTRAL INDIANA AREA TOTAL WORKFORCE

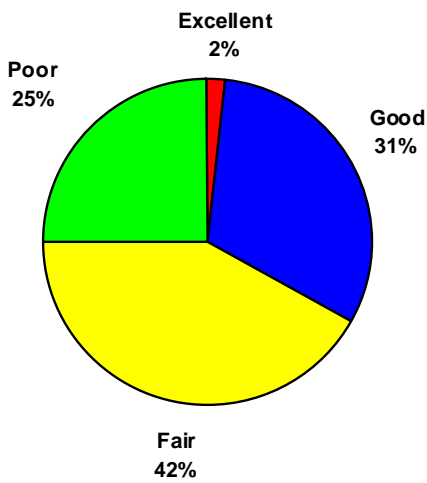
SKILLED WORKERS AVAILABILITY



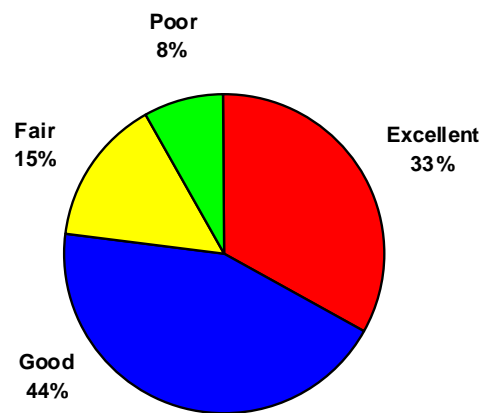
TECHNICAL WORKERS AVAILABILITY



PROFESSIONAL WORKERS AVAILABILITY



UNSKILLED WORKERS AVAILABILITY





THE PATHFINDERS

**P.O. Box 702317
Dallas, Texas 75370**

**Telephone: 972-387-3750
Fax: 469-916-6878**

E-Mail: info@thepathfindersus.com

Web site: www.thepathfindersus.com