



EXECUTIVE SUMMARY

Conveniently located between the Nashville and Huntsville MSAs, the southern middle Tennessee counties are well positioned for businesses seeking to expand or relocate their operations. Although location itself is a critical asset, for sustainable economic growth the scope and issues related to counties' human capital should be fully analyzed and documented. The goal of this study is to identify and analyze the scope and characteristics of the available labor force in the study area. The study aims to answer the following two major questions:





-  What is the number of available workers defined as “unemployed,” “underemployed,” and “marginally attached”?
-  What are the characteristics of each component of the available labor force?

The Business and Economic Research Center (BERC) at Middle Tennessee State University conducted this research in close cooperation with the industrial development boards of the seven counties in southern middle Tennessee (Bedford, Coffee, Franklin, Grundy, Lincoln, Moore and Warren counties). The Mid-South Survey Research Center, University of Memphis, conducted a phone survey for this research between July 14 and July 29, 2009.

STUDY FINDINGS





GENERAL CHARACTERISTICS:

The seven-county region, also called LWIA 6, has the following general population characteristics:

-  An estimated 176,090 people over 18 reside in the region.
-  The area labor force totals 111,333 with a labor force participation rate of 63.23 percent.
 - ✓ A total of 92,584 people are either employed working for someone/a company or self-employed, representing 52.58 percent of the population over 18.
 - ✓ A total of 18,523 people are unemployed, with an unemployment rate of 16.64 percent as of mid to late July 2009.
-  Overall, one in every three people in the area labor force has educational attainment of an associate degree or above.
-  An additional 22 percent have some college education without a degree.




AVAILABLE LABOR FORCE:

Available labor force includes several segments of the population over 18: unemployed, underemployed, and all marginally attached.


-  An estimated 47,253 people are available for work in the seven-county region.
 - ✓ 18,523 people are **unemployed**.
 - ✓ 18,055 people are **underemployed**.
 - ✓ 10,675 people are **discouraged workers and other marginally attached**.
-  In the region, 19.50 percent of employed workers are **underemployed**.
-  Excluding “all marginally attached” persons, who are not part of the region’s labor force, an estimated 32.86 percent of the labor force is potentially available for work.
-  Combined, the potentially available labor force is 39 percent of the labor force plus all marginally attached workers.

CHARACTERISTICS OF THE AVAILABLE LABOR FORCE

Age, Gender, and Education

-  Age: 54 percent of underemployed workers are between 18 and 34 years old as opposed to 55 percent of unemployed and 32 percent of all marginally attached.
-  Underemployment is prevalent among males and females almost equally, whereas more males are unemployed, and more females are marginally attached.
-  The underemployed are better educated than the unemployed or all marginally attached:
 - ✓ Educational attainment: 15.42 percent of the underemployed (2,783) have four-year college or above as opposed to 7.42 percent of the unemployed and 8.2 percent of all marginally attached.
 - ✓ Nearly 30 percent of the underemployed have an associate degree or above compared to 10.62 percent of the unemployed and 22.56 percent of all marginally attached.

Skilled Trade

-  Nearly 28,000 individuals who are available for work have at least one trade skill, representing about 60 percent of the total available labor force.
 - ✓ A total of 582 underemployed workers indicated that they have all of the following: occupational license, professional certificates, skilled trade, and local job readiness training.

- ✓ A total of 2,500 available workers indicated that they have at least two of the four skills cited above.


 Among the available skilled workers, the following categories top the list:

- ✓ 1,324 carpenters,
- ✓ 1,035 machinists,
- ✓ 754 electricians and engineering technicians,
- ✓ 675 automotive service technicians and mechanics,
- ✓ 579 welders, and
- ✓ 449 industrial machinery mechanics.

Wage Rate and Mobility

 Wage expectations of the available labor force are not high:

- ✓ 6,264 individuals are willing to accept a wage rate of less than \$7, below the federal minimum wage.
- ✓ 14,906 individuals are willing to accept less than \$8.
- ✓ 20,470 individuals (43.47 percent of the available labor force) are willing to accept less than \$9.

 Many individuals are willing to commute more than 20 miles for the job they want.

- ✓ 3,165 individuals who are readily available for work are willing to commute more than 50 miles, representing 6.72 percent of the available workforce.
- ✓ 11,494 individuals are willing to commute more than 30 miles, representing 24.4 percent of the available workforce.
- ✓ 23,674 individuals are willing to commute more than 20 miles for a new job, representing 50.25 percent of the available workforce.

CONCLUSION

The study findings suggest that the seven-county region has a significant number of available workers, many of whom have multiple skills and educational attainment of an associate degree or beyond. Given the wage rates that available workers are willing to accept for a job, the seven-county region offers a healthy labor pool to prospective businesses or those expanding in the region.