

EMPLOYMENT ASSESSMENT

Employment & Income Snapshot

The Indicator Key			
★ Positive trend/ asset	⌋ Negative trend/ concern	◆ Mixed trend/ neutral/NA	≠ Racial/ethnic disparity

Current Conditions in Franklin County

The Economy

- ◆ Central Ohio employment profile differs from Ohio profile.
- ⌋ Three years of job loss.
- ⌋ Unemployment higher than in the past, but still relatively low.
- ◆ Unemployment rates for black/African American, Hispanic/Latino and American Indian males higher than males of other groups.
- ≠ Strong job growth projected for central Ohio.

Labor Force

- ★ Very high labor force participation rate.
- ◆ Most women with young children are in the labor force.
- ◆ More older adults in the labor force.
- ◆ Nearly one in ten adults reports an employment disability.

Access to Employment

- ⌋ Most job growth in suburban areas, while most low-income residents live in central city.
- ⌋ Most workers drive alone to work.

Income

- ★ Median income higher than the state and nation.
- ≠ Median income for black or African American, Hispanic or Latino, and American Indian households lower than Asian and white households.
- ★ Wage rates higher than the region and nation.
- ⌋ Service occupation wages insufficient to meet basic family budget.
- ⌋ Poverty rate down, but number of persons in poverty unchanged.

Income (continued)

- ≠ Poverty rates for black or African American, Hispanic or Latino, and American Indian persons above county figure.

Other Employment Indicators

- ≠ Non-whites are significantly underrepresented in business ownership.

Community Perceptions of Needs, Gaps and Trends

Interviews and Focus Groups: Employment & Income Themes

The following are the themes—aggregated across all of the key informant interviews and focus groups—that emerged related to employment and income needs, gaps and trends:

Key Informant Interviews	Focus Groups
<ul style="list-style-type: none"> • Job loss/need for economic development • People in poverty/working poor • More employment services/skill building programs • Employment needs of youth, African-American males, single-parent families, single adults 	<ul style="list-style-type: none"> • Job loss • People in poverty/working poor • More employment services/skill building programs • Employment needs of immigrants, older adults, youth

Donor and Agency Web Survey: Top Employment & Income Problems

The following employment and income issues listed in the survey are rank-ordered by the percent of “major problem” responses:

1. Poverty/households with low incomes
2. Unemployment
3. Pace of new job creation
4. Location of new jobs
5. Availability of transportation to jobs
6. Relocation of jobs from downtown
7. Quality of new jobs
8. Hunger/food shortages
9. Availability of job training/employment services

Employment Resources Snapshot

The resource inventory prepared for the Community Assessment identified over \$32 million in annual funding resources in Franklin County for employment activities. United Way annually provides \$1.9 million for employment programs. Sources include:

- Federal government: \$30.4 million
- State government: \$0
- Local government: \$0
- Local private/philanthropic: \$2.4 million

The primary uses of these funds are: general business development, 16.1 percent and workforce development/employment training/counseling, 83.9 percent.

Employment: Current Conditions and Trends

The Economy

The nearly three-year slide in Greater Columbus employment is expected to end in 2004. The Greater Columbus Chamber's annual Blue Chip Forecast...predicts an increase in employment of about one percent or 9,000 jobs...Not all sectors will benefit: job gains should be relatively modest in the government and retail sectors. The manufacturing sector should continue to lose jobs, but at a far slower rate...

— Greater Columbus Blue Chip Economic Forecast, Jan. 2004

◆ **Central Ohio employment profile differs from Ohio profile.**

In November 2003 there were 882,900 non-agricultural jobs in the Columbus MSA. Compared to state figures, central Ohio has: 1) a much higher concentration of employment in financial activities and professional and business services; 2) a somewhat higher concentration in the transportation, information and utilities, retail, and government sectors; and 3) a lower concentration in the manufacturing and personal services sectors. (Source: Ohio Department of Job and Family Services)

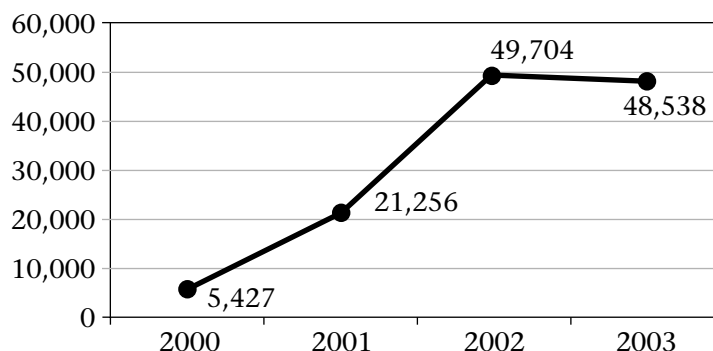
📅 **Three years of job loss.**

After gaining 192,700 jobs from 1991-2001, Central Ohio lost about 17,000 jobs in 2002 and 2003. The only sectors to have a net gain in employment during this period were personal services and government. The greatest job losses were in the manufacturing; transportation, information and utilities; professional and business services; and the retail sectors. (Source: Greater Columbus Blue Chip Economic Forecast)

◆ **Unemployment higher than in the past, but still relatively low.**

From 1996 through 2001, Franklin County had annual unemployment rates of under 3.0 percent, among the lowest in Ohio. The rate increased to 4.4 percent in 2002 and was at 4.0 percent in December 2003; however, this was still below the 5.5 percent Ohio rate and 5.4 percent U.S. rate. Trends in claims for unemployment compensation from 2000-2003 reflect Franklin County unemployment trends (Figure EM-1). (Source: Ohio Dept. of Job and Family Services)

Figure EM-1
Number of Initial Claims for Regular Ohio Unemployment Compensation, Franklin County, 2000-2003



Source: Ohio Department of Job and Family Services

☆ **Strong job growth projected for central Ohio.**

Jobs in the Columbus MSA are projected to grow by 16.4 percent (149,100 new jobs) between 2000 and 2010, the largest increase of all Ohio MSAs, and above the Ohio growth forecast of 11.0 percent. The service sector, led by health and business services, is projected to account for almost one-half of all job growth. Large numbers of jobs are also projected in retail trade; local government, primarily in education; and by special trade contractors. Manufacturing employment is projected to decline slightly. About 40 percent of the 36,000 annual job openings in the Columbus MSA are expected to be generated by employment growth, while 60 percent will result from the need to replace existing workers who leave the labor force, usually upon retirement. (Source: *Job Outlook to 2010, Columbus MSA, Ohio Dept. of Job and Family Services*)

Labor Force

['Economic recovery'] can gloss over the reality of what for millions of Americans having a job has come to mean. More people are working part-time than ever...cobbling together a working life of two or three part-time jobs...More are working for less pay than they have worked for in the past...More jobs come without benefits...

— Washington Post, December 13, 2003

Too many young people are camped out on street corners without a vision or opportunity of gainful employment.

— Key informant interview

☆ **Very high labor force participation rate.**

In 2000 there were 583,723 persons in the Franklin County labor force, representing a 70.1 percent labor force participation rate. This is much higher than the Ohio rate of 64.8 percent and the U.S. rate of 63.9 percent. (Source: *Census 2000*)

◆ **Most women with young children are in the labor force.**

In 2000, 68.0 percent of Franklin County women with children under age six were in the labor force, an increase of 35 percentage points since 1970. The 2000 Franklin County figure is higher than Ohio (67.5 percent) and the U.S. (63.5 percent). (Source: *Census 2000*)

◆ **More older adults in the labor force.**

In 2000, 15.2 percent of Franklin County residents age 65 and older were in the labor force (15,898), compared with 13.5 percent in 1990. The 2000 Franklin County figure is higher than Ohio (12.6 percent) and the U.S. (13.3 percent). (Source: *Census 2000*)

◆ **Nearly one in ten adults reports an employment disability.**

In 2000, 9.8 percent of Franklin County residents age 16-64 (70,708 persons) reported an employment disability. This is lower than the percent for Ohio (10.3 percent) and the U.S. (11.9 percent). (Source: *Census 2000*)

Access to Employment

...Public transportation for reverse commuting from the central city to the suburbs and cross-county transportation is difficult or lacking. This limits access from low-income areas...to employment growth areas along the I-270 outerbelt.

— Columbus and Franklin County Consolidated Plan: 2000-2003

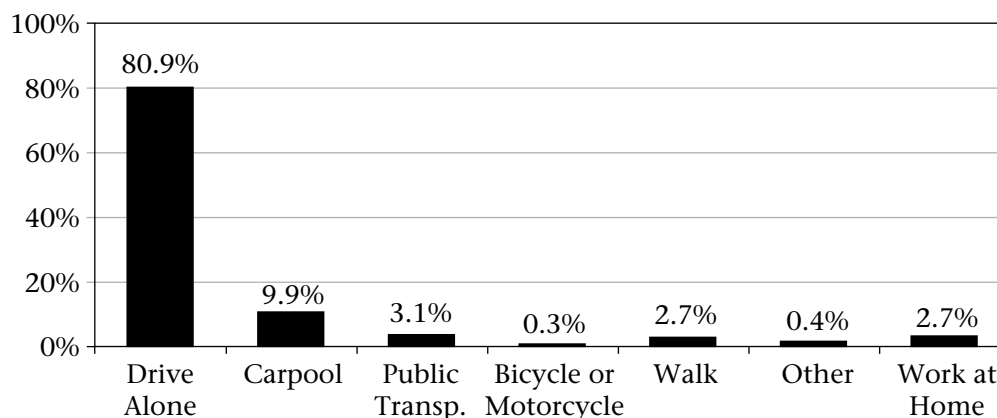
Most job growth in suburban areas, while most low-income residents live in central city.

Mid-Ohio Regional Planning Commission 2000-2025 projections indicate that, while the Columbus central business district will continue to be the most dense employment center in central Ohio, most new jobs will occur in the areas outside the I-270 outerbelt. This is a continuation of 1990-2000 job growth patterns, when over 90,000 jobs were created in northern suburban Franklin County, creating a spatial mismatch between job locations and the location of low-income persons in need of employment living in the central city of Columbus. (Source: *Mid-Ohio Regional Planning Commission*)

Most workers drive alone to work.

In 2000, 80.9 percent of Franklin County workers drove alone to work, above the national figure of 75.7 percent, but below the 82.8 percent figure for Ohio (Figure EM-2). Only 3.1 percent take public transportation to work. (Source: *Census 2000*)

Figure EM-2
Means of Transportation to Work, Franklin County 2000



Source: *Census 2000*

Income

There is...a growing economic divide between the 'haves' and 'have nots'....The 21st century is seeing a global economy and enormous pressures on both the middle class and social cohesiveness.

— Key informant interview

★ **Median income higher than the state and nation.**

The Franklin County median household income was \$42,734 in 1999, higher than the Ohio figure of \$40,956 and the U.S. median income of \$41,994. Franklin County median income is highest for married couple family households (\$64,463) and lowest for female-headed family households (\$26,755). (Source: Census 2000)

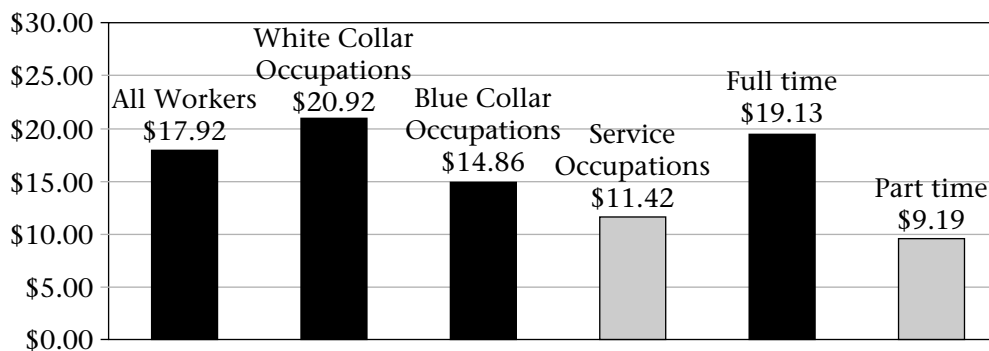
★ **Wage rates higher than the state and nation.**

In 2002 the mean hourly earnings for all workers in the Columbus MSA was \$17.29, compared with \$16.54 for Ohio and \$17.10 for all U.S. workers. (Source: U.S. Department of Labor, Bureau of Labor Statistics)

🏠 **Service occupation wages insufficient to meet basic family budget.**

In 2002, the mean hourly wage for a worker in a service occupation in the Columbus MSA was \$11.42, or \$23,754 a year for a full-time job (Figure EM-3). In 2002, an income of \$36,200 was required for a family of four to be at 200 percent of the federal poverty level. Families with incomes below 200 percent of poverty may experience hardships related to food, health care, housing or child care. (Sources: Economic Policy Institute; U.S. Department of Labor, Bureau of Labor Statistics; HHS Poverty Guidelines)

Figure EM-3
Mean Hourly Earnings by Worker Characteristics,
Columbus MSA, March 2002

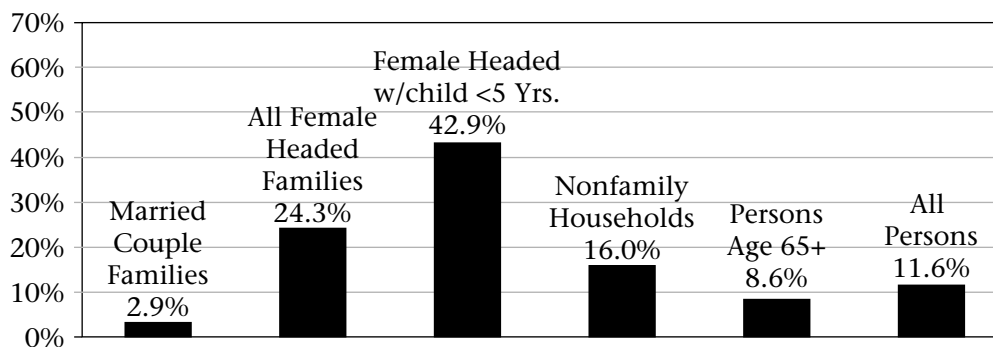


Source: U.S. Dept. of Labor, Columbus, OH National Compensation Survey, March 2002

🏠 **Poverty rate down, but number of persons in poverty unchanged.**

The Franklin County poverty rate from 13.0 percent in 1990 to 11.6 percent in 2000 (Figure EM-4). However, because the population increased, the number of persons in poverty in 2000 (121,843) was the same as in 1990. The 2000 rate is higher than Ohio (10.6 percent), but lower than the U.S. (12.4 percent). (Source: Census 2000)

Figure EM-4
Poverty Rates for Selected Population Groups, Franklin County, 1999



Source: Census 2000

Racial Disparities in Employment and Income

There is double-digit unemployment for African American males...the high murder rates are a symptom of this.

— Key informant interview

The United Way of Central Ohio *2003 Racial Disparities Report* identified the following disparities between persons of color and the majority population in the areas of employment. Additional detail can be found in the report.

Median household income. Black or African American, American Indian, and Hispanic or Latino households have median incomes from 20-30 percentage points below the county median, while white and Asian households have incomes above the county figure.

- **Unemployment.** Unemployment rates for black or African American males and American Indian males are three to four times that of other males. The unemployment rate for black or African American females and American Indian females are also several percentage points higher than that of other groups.
- **Poverty rates.** Whites have significantly lower poverty rates than other groups. Black or African American, Hispanic or Latino, and American Indian persons have overall poverty rates that are more than twice the Franklin County figure. Nearly one out of three black or African American persons under age 18 is living in poverty.
- **Public assistance.** The percentage of public assistance recipients that are black has increased significantly since welfare reform was implemented in 1997. Blacks now represent two out of every three public assistance recipients in Franklin County. Franklin County Department of Job and Family Services estimates that about 10 percent of black recipients are Somali immigrants.
- **Minority owned businesses.** Although non-whites (not including persons of Hispanic origin) represent nearly 20 percent of the Columbus MSA population, only 1.6 percent of the total sales for firms in the MSA were from minority-owned businesses.

Employment Trends, Needs & Gaps: Community Perceptions

In Ohio and Columbus, the underpinnings of our economy are technically pulling out of the recession, but this will not necessarily result in lower unemployment, because manufacturing jobs have left.

— Key informant interview

We have an obligation to help people overcome barriers to employment so they can have long-term success. In doing so, we reduce their reliance on public assistance and other social services.

— Focus group participant

Key Informant Interviews

“Employment” was mentioned as a need by 34 percent of the 50 key informants interviewed, and “poverty/working poor” was identified by 30 percent (see Appendix C). Gaps in services, programs or funding for the unemployed and working poor were cited by 18 percent. “Increasing poverty/unemployment/underemployment” was mentioned as a trend by 48 percent of those interviewed. The following are the themes that emerged:

- **Jobs.** Job creation and economic development; improving economy hasn’t increased jobs; too many lower paying service jobs; downsizing and layoffs.
- **Poverty and working poor.** People who are less fortunate; unemployed people; people running out of welfare eligibility and can’t find jobs; growing gap between “haves” and “have nots”; employment opportunities that pay a living wage with adequate benefits; meaningful work that produces financial stability; working poor falling through the net; an impact of welfare-to-work.
- **Employment services.** Need programs to help young people build skills to work; prepare people for new jobs that are replacing manufacturing; job referral and placement after companies close; employability—how to keep a job after you get it.
- **Population groups with employment/income needs.** Employment opportunities for young people; double-digit unemployment for African American males; single-parent families; very limited support system for adults without children.

Focus Groups

Employment and income issues were mentioned as a need, gap or trend in 14 of the 18 focus groups (see Appendix D). The following are the themes—aggregated across all focus groups—that emerged:

- **Jobs.** Layoffs still an issue; it’s an employer’s market; national economy causing people to lose jobs.
- **Poverty and the working poor.** Concentrations of poverty; neighborhood-based unemployment; hardest to serve are least-served by welfare reform and Workforce Investment Act policies; more fairness in employment and income for working people; underemployment that lacks a meaningful wage with benefits.

- **Employment services.** Occupational skills training; address the digital divide; literacy training; training to “move up through the ranks”; help overcome barriers to employment; job retention services; people need training but can’t get it.
- **Population groups with employment/income needs.** Secondary immigrants coming to Columbus for jobs; job and skill training for older adults; job opportunities for youth; summer youth employment.

Donor and Agency Web Survey

Transportation is a huge problem in our community. There are wonderful jobs in Grove City that people cannot get to. There are businesses like the Hyatt that have evening jobs and no buses at night. There are schools like Life Skills where buses do not run late enough. I serve those that need employment and until we can get people to jobs we cannot adequately serve them.

— Web survey respondent

A total of 566 web survey responses were received from United Way agency staff, United Way volunteers, donors and others. Table EM-1 shows the percentages of respondents who thought the employment and income issues listed in the survey were either major or medium community problems.

Table EM-1
Employment and Income Community Problems
Donor and Agency Web Survey

Issues	Major Problem	Medium Problem
Poverty/households with low incomes	54%	31%
Unemployment	45%	39%
Pace of new job creation	41%	33%
Location of new jobs	41%	32%
Availability of transportation to jobs	40%	32%
Relocation of jobs from downtown	40%	29%
Quality of new jobs	39%	34%
Hunger/food shortages	37%	38%
Availability of job training/employment services	24%	47%

N=566 survey respondents; not all respondents answered all questions.

Current Efforts in Employment & Income

Community Plans and Strategies

A review of planning documents and strategy statements of key community organizations involved in human services and community development planning and funding (see Appendix F) found the following areas of focus related to employment and income policy:

Organization	Plan/Strategy/Policy Focus					Geographic Focus	Population Focus
	Regional Business/Economic Development	Small/Emerging/Neighborhood Business	Workforce Development/Employment Services	Self-Sufficiency Income Support			
United Way of Central Ohio <i>Source: UW Goals & Objectives</i>			X	X		Franklin County	Women and African American men with low/moderate incomes
Columbus Compact Corp. <i>Source: Empowerment Zone (EZ) Strategic Plan</i>	X	X	X	X		Region and EZ	Residents of EZ, employers and businesses
Greater Columbus Chamber of Commerce <i>Source: Goals and Initiatives</i>	X	X	X			Central Ohio	Businesses and employers
Franklin County <i>Source: Consolidated Plan 2000-2003</i>	X	X	X			Franklin County low-income and targeted areas	Low-income and moderate-income persons
City of Columbus <i>Source: Consolidated Plan 2000-2003</i>	X	X	X			Columbus low- and moderate-income areas	Low/moderate income persons
Community Shelter Board <i>Source: 10-Year Plan to End Chronic Homelessness</i>			X	X		Franklin County	Homeless persons/supportive housing residents
Franklin County Department of Job and Family Services <i>Source: Website</i>			X	X		Franklin County	Public assistance customers
Columbus Metropolitan Housing Authority <i>Source: PHA Plan 2004-08</i>				X		Franklin County	Residents of CMHA housing
Workforce Policy Board <i>Source: Vision and Strategic Initiatives</i>			X			Franklin County	Providers and consumers of workforce development services

Employment Resources

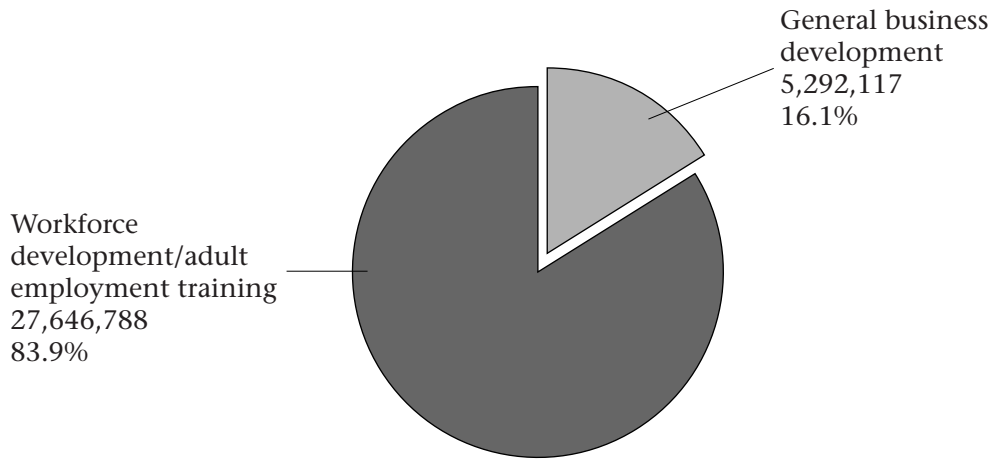
As part of the data gathering for *What Matters 2004*, Community Research Partners compiled an inventory of sources and uses of human services funding in Franklin County. A summary of the full inventory, including methodology, definitions and caveats, can be found in Appendix E. The following summarizes the information related to the employment issue area. It is a profile of one year of funding from federal, state and major local government and philanthropic/private sources. Also included is a graph illustrating how United Way funds for the employment critical need area are allocated among various use categories.

Overview of Annual Funding Sources for Education

Employment Total		\$32,938,905
FUNDING SOURCE	PROGRAM	AMOUNT
PUBLIC		\$30,545,386
FEDERAL		\$30,386,386
DOL	Workforce Investment Act	2,795,283
ED	Adult Basic Education Vocational Education – Carl D. Perkins Act of 1984	582,296 1,964,315
HUD	CDBG EZ Youth Build Grants Special purpose/Economic Development	3,486,792 455,005 1,100,000 2,025,000
VA	Education and Vocational Rehab	7,232,000
HHS	Title XX	10,745,695
LOCAL		\$159,000
City of Columbus DOD	Social Service Contracts	159,000
LOCAL PRIVATE		\$2,393,519
CMAF	N/A	127,000
Nationwide Foundation	N/A	56,500
Wolfe Associates, Inc.	N/A	8,500
Ohio Children's Foundation	N/A	1,000
The Columbus Foundation	N/A	234,432
UWCO	N/A	1,948,087

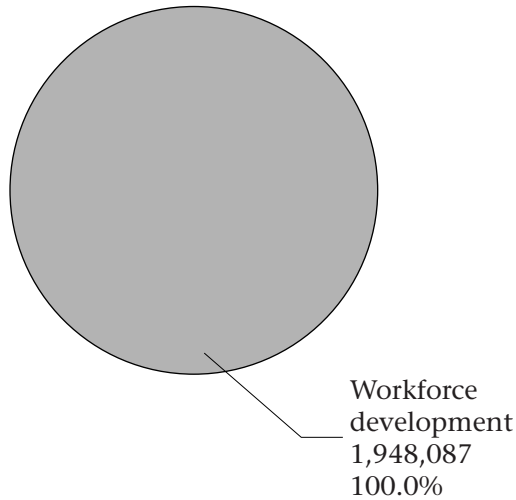
Overview of Annual Uses of Funding for Employment

Figure EM-5
Annual Use of Funds for Employment Activities
Total Amount: \$32,938,905



How United Way Resources are Used for Employment (per the CRP Resource Inventory Taxonomy)

Figure EM-6
Use of United Way of Central Ohio Funds for Employment Activities
Total Amount: \$1,948,087



Some programmatic funding supported by the Employment Vision Council is represented in other sections of the report.

According to United Way of Central Ohio investment, initiative, and donor designation tracking records, \$2,212,189 is funded through the Employment Vision Council.

