




# EKYWORKS

Workforce Analysis

09.2016



We used to pray for a Saturday off. Now we just pray that we will get to work at all.”



# EKYWORKS Process

Quantitative  
Research



Qualitative  
Research



Strategic Analysis



Data-Driven  
Workforce  
Assessment  
Focused on Job  
Creation and  
Capital  
Investment




# EKYWORKS Observations

- Spirit of perseverance, hard work, tenacity, ingenuity and dedication
- Current uncertainty and fear
- Loss of 8,500 coal jobs in 10 years
- New opportunities and creative solutions to ensure that EKY Works!







If there's a job at the  
end of the rainbow,  
there's not a whole lot I  
wouldn't do."



# EKYWORKS

## Stakeholder Input

- 2,200 participants
- 500+ workers shared their stories
- 1,700+ residents completed surveys



# EKYWORKS

## Observations

- Workforce is humble and loyal with strong work ethic and broad skill sets
- Many interested in additional training
- Most willing to commute long distances for “good” jobs

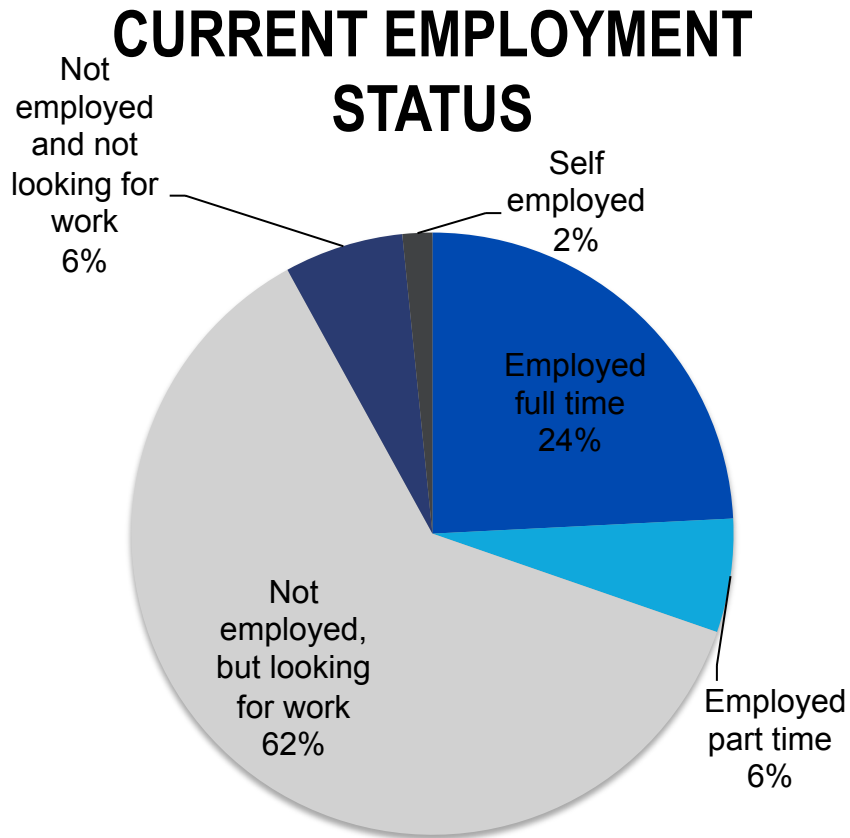




The whole area will be a ghost town before long, because everything revolves around coal.”



# EKYWORKS Findings

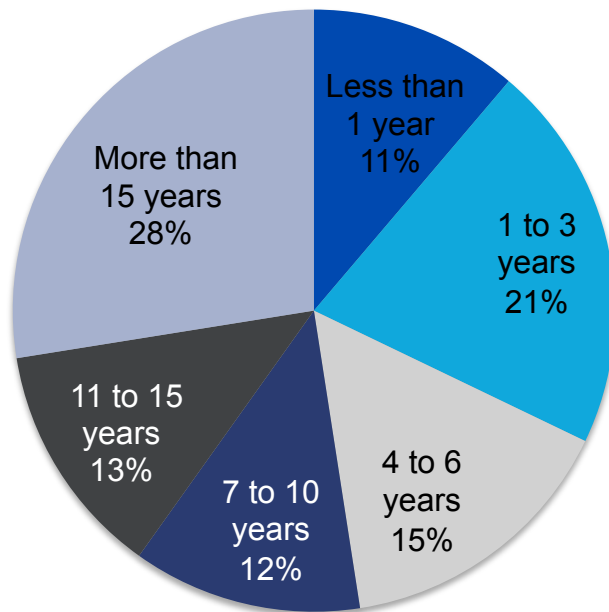


- 62% of survey respondents are unemployed.
- Many are long-term unemployed.



# EKYWORKS Findings

## EXPERIENCE IN CURRENT FIELD OF EMPLOYMENT

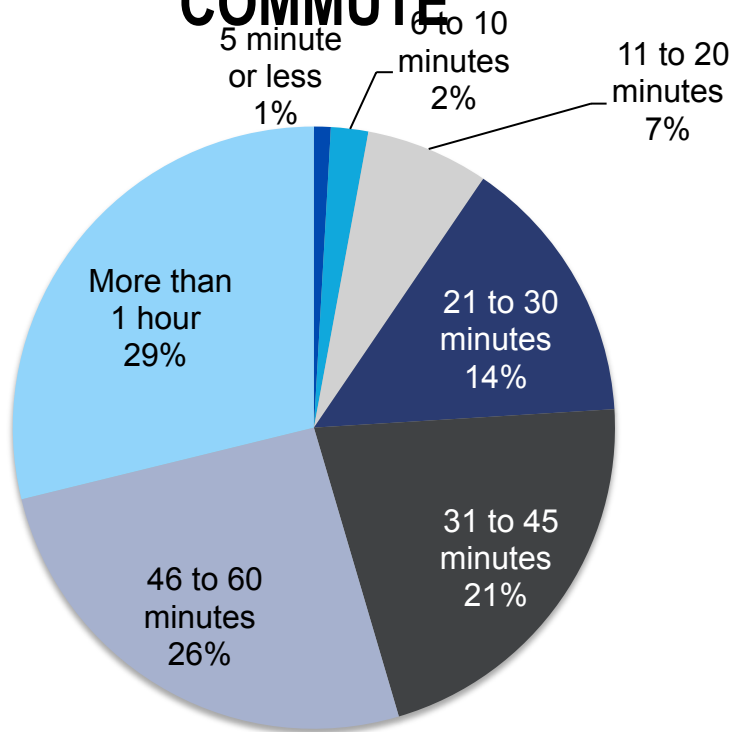


The workforce is very experienced in their current field, but many lack skills or credentials to move into new occupations.



# EKYWORKS Findings

## WILLINGNESS TO COMMUTE

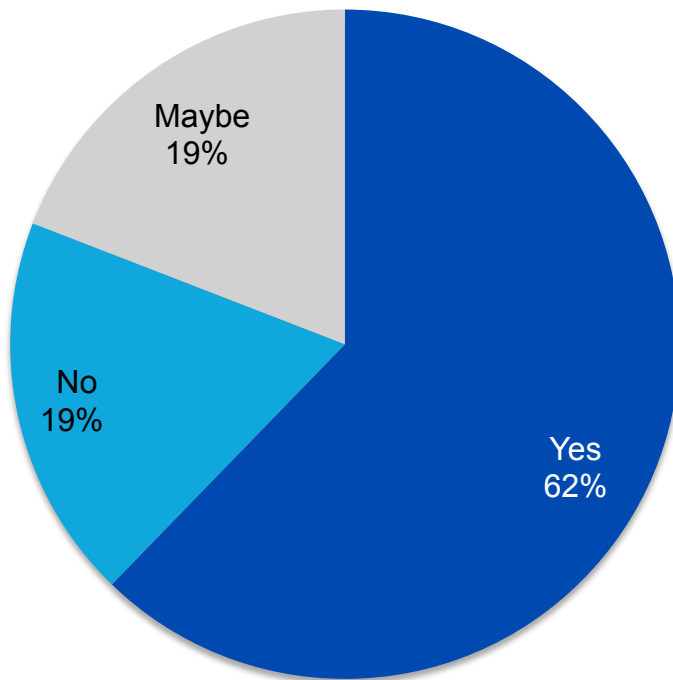


Over half of respondents are willing to commute more than 45 minutes, with a third considering commuting an hour or more.



# EKYWORKS Findings

## INTEREST IN TRAINING



The vast majority of the workforce is would consider additional training if it leads to better employment opportunities.





# EKYWORKS Findings

## Employer Input

- 200+ employers responded to online survey
- High workforce satisfaction levels
- Cost of labor is appropriate
- Some challenges related to educational background and technical skills
- Employees drive long distances for work



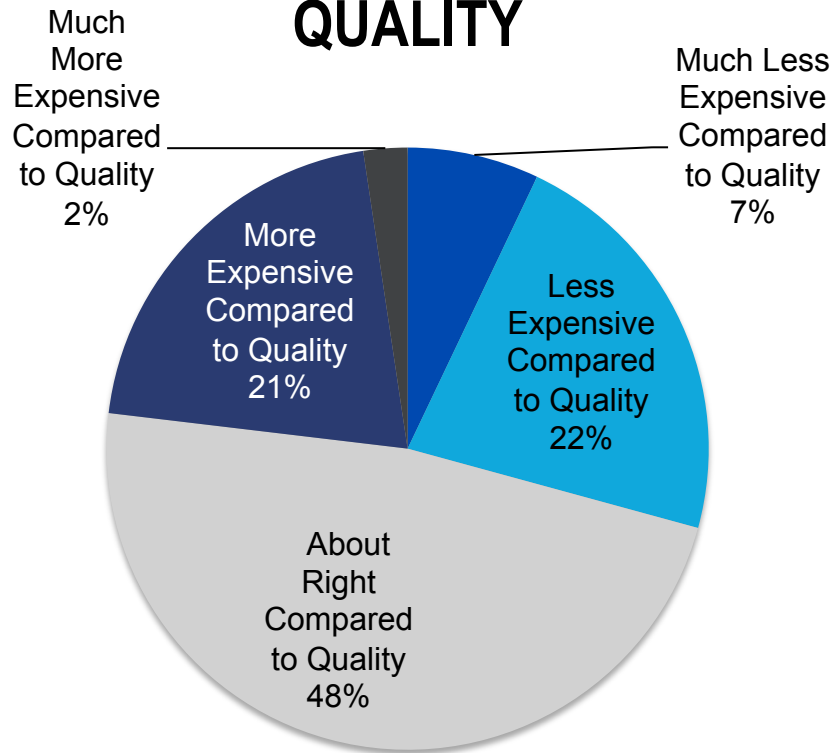
“ They are intuitive,  
energetic and care  
about their employer.  
They are as good  
people as you will deal  
with.”

*EKY Employer*



# EKYWORKS Findings

## LABOR COST VS. QUALITY

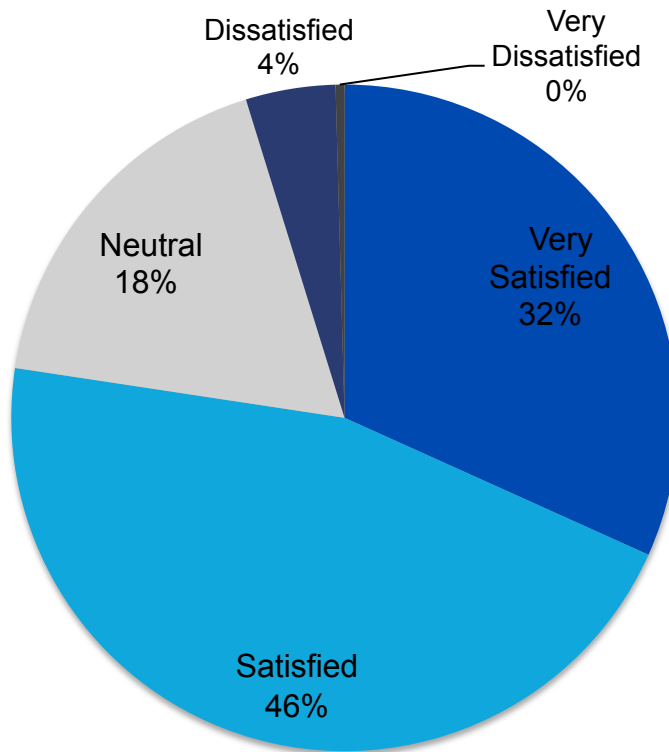


77 percent of employers are satisfied with the overall value of the regional workforce.



# EKYWORKS Findings

## OVERALL EMPLOYER SATISFACTION



More than three-quarters of employers are satisfied with the quality of the regional workforce.



# EKYWORKS Findings

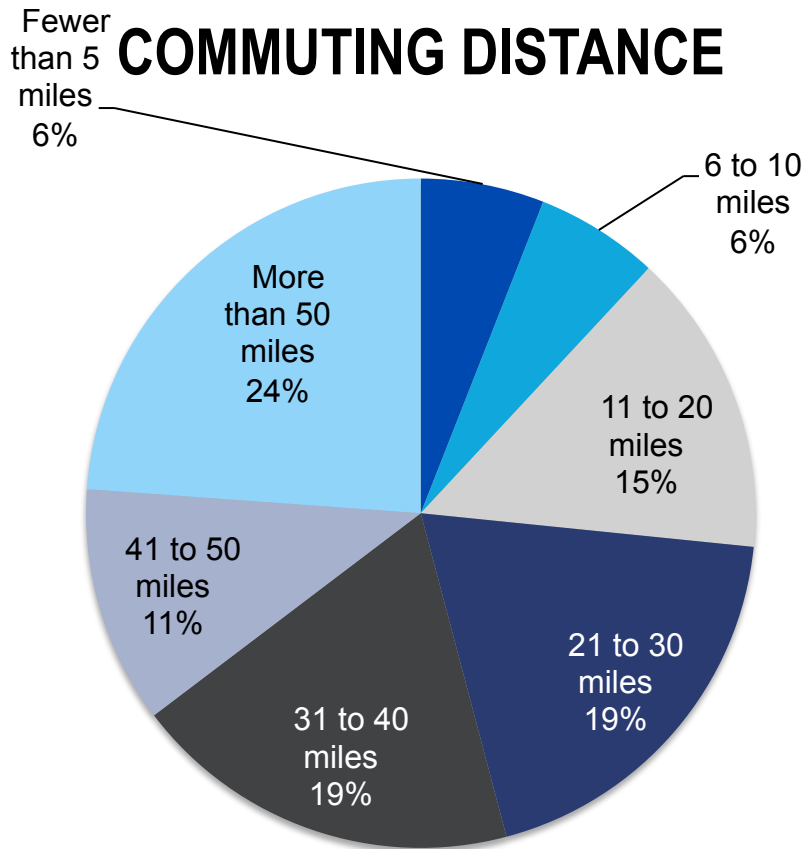
## RECRUITMENT CHALLENGES



Both basic skills and technical skills of existing workforce present challenges for current employers.



# EKYWORKS Findings



The workforce is very willing to travel significant distances for work, with one quarter of employees driving more than 50 miles.



# EKYWORKS Findings

## Data Analysis

- Regional population projected to decline by 2 percent over next five years
- Regional income and earnings are low
- Size of labor force and labor participation have declined
- Mining industry employment projected to continue dropping



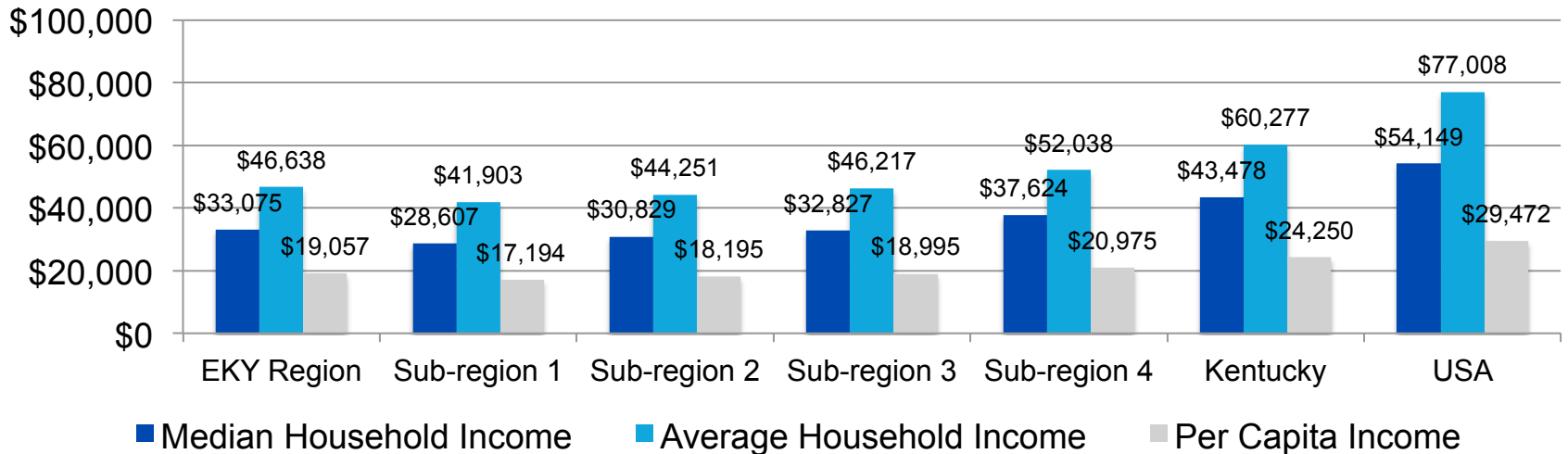
“ I’m ready to work. We don’t want a handout. We just want to work and contribute.”





# EKYWORKS Findings

## INCOME COMPARISON

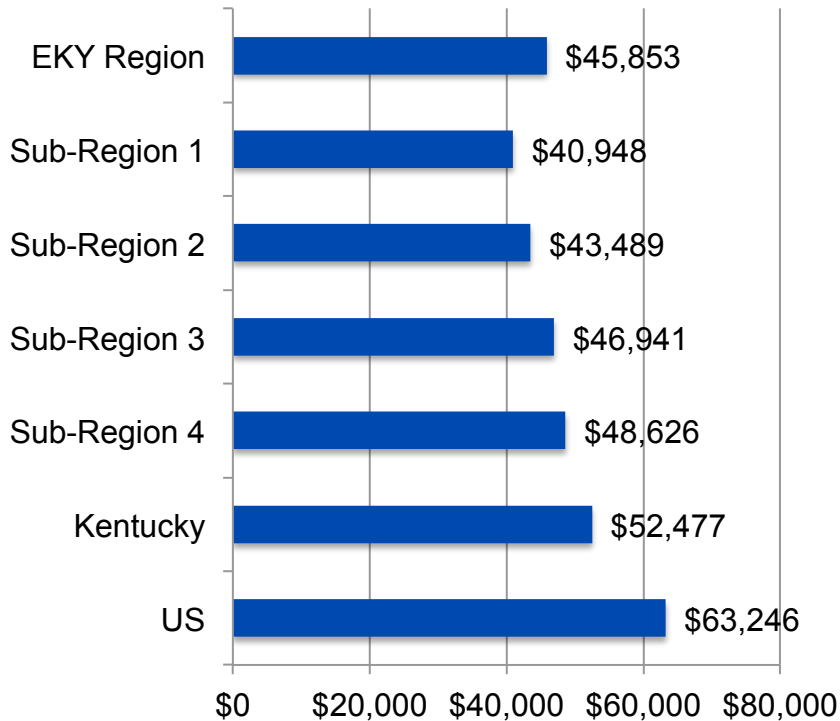


Income levels are highest in Sub-region 4, but that may change if the steel sector continues to struggle.



# EKYWORKS Findings

## AVERAGE EARNINGS – ALL SECTORS

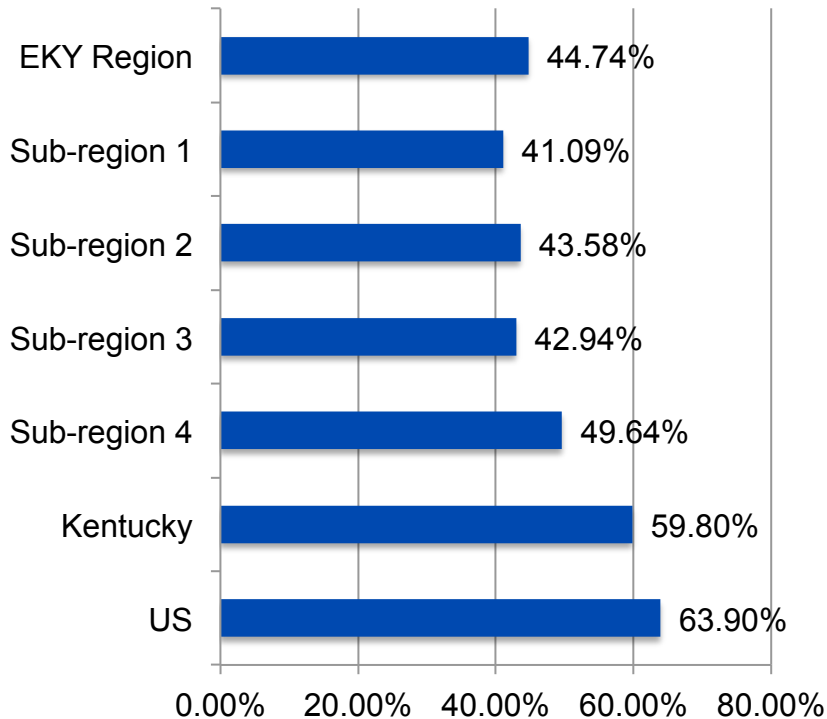


Average earnings in the region have declined over the last five years, driven by lower earnings in the mining sector.



# EKYWORKS Findings

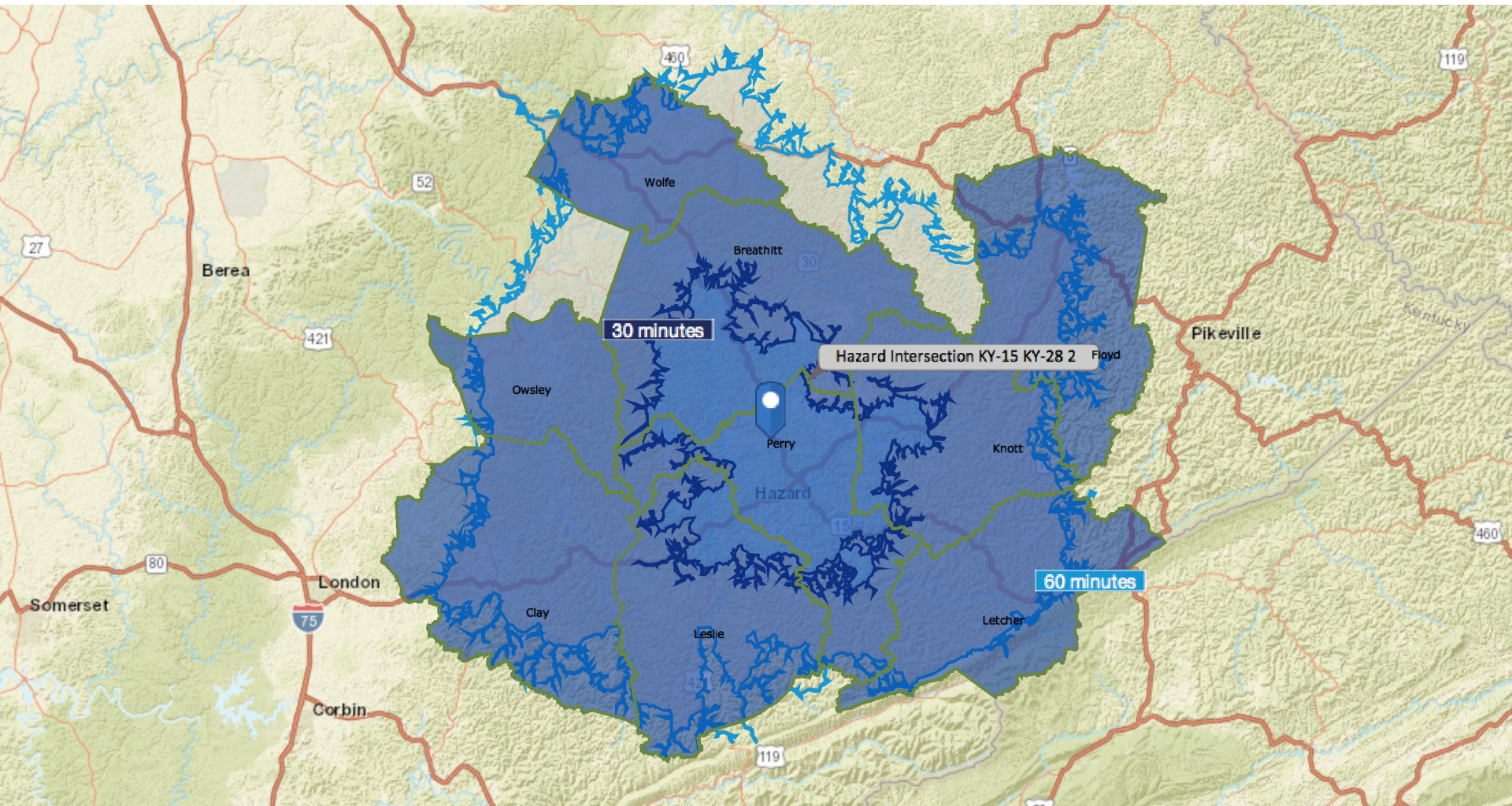
## LABOR PARTICIPATION RATE



Regional labor force has declined 20 percent and total employment has declined 21 percent in 10 years, resulting in 45,000 fewer jobs.

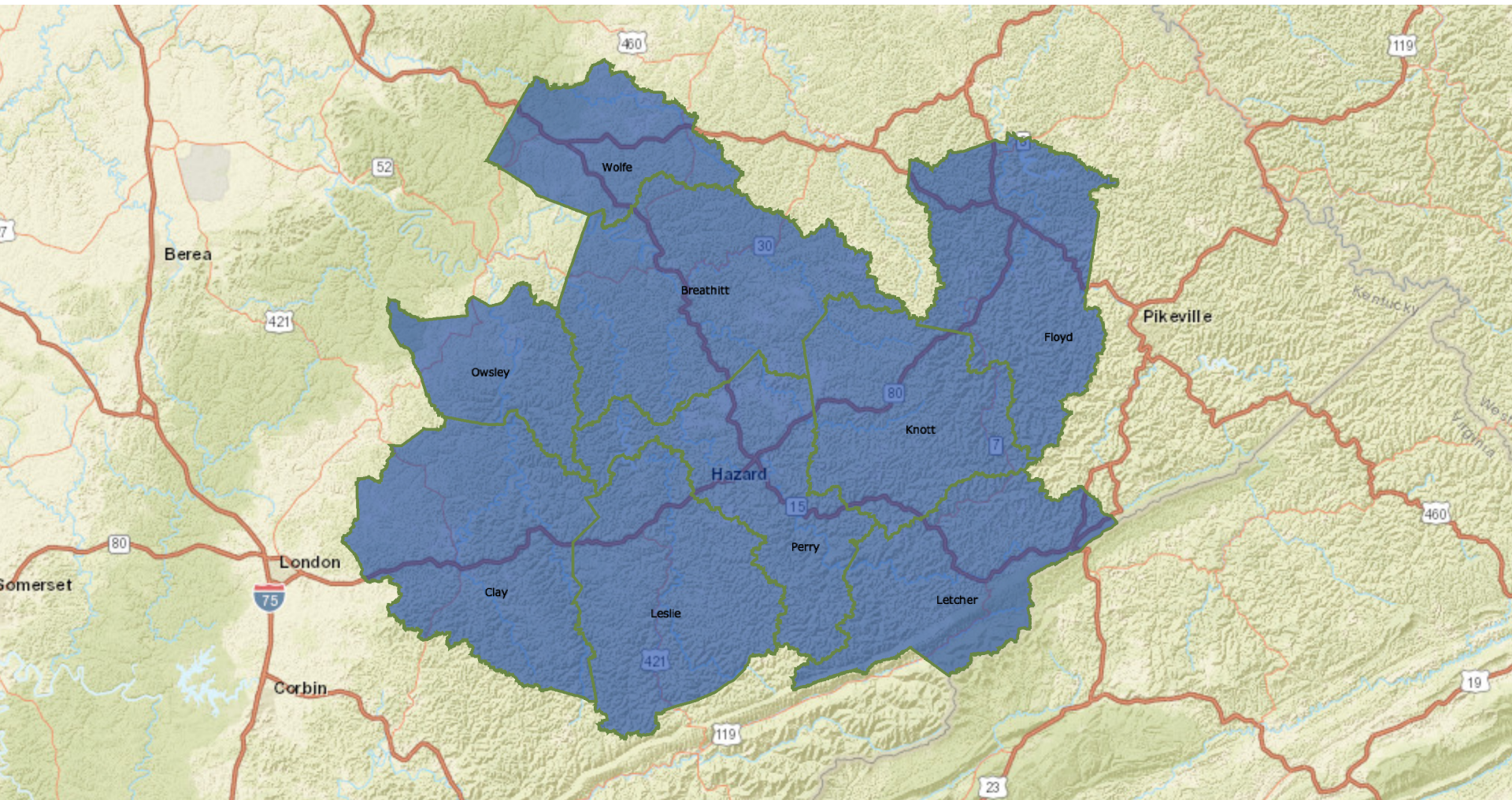


# EKYWORKS Data Use





# EKYWORKS Data Use



# EKYWORKS Data Use



**52,777**

Labor Force

**\$44,106**

Average Earnings



**5,496**

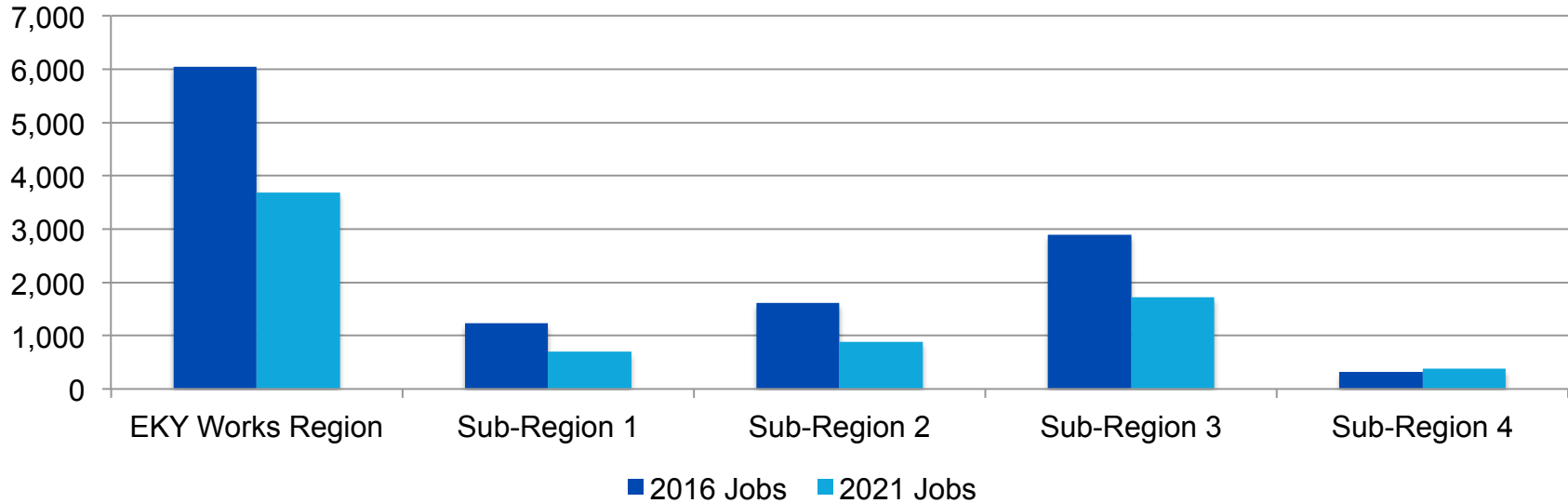
Mining Industry  
Unemployment

## TOP OCCUPATIONS

Motor Vehicle Operators  
Construction Trades Workers  
Material Moving Workers  
Installation, Maintenance &  
Repair Workers  
Vehicle & Mobile Equipment  
Mechanics, Installers &  
Repairers  
Extraction Workers  
Other Production Occupations  
Supervisors of Construction &  
Extraction Workers  
Other Construction & Related  
Workers  
Textile, Apparel & Furnishings  
Workers

# EKYWORKS Findings

## MINING INDUSTRY EMPLOYMENT



Mining employment will continue declining across the region, with total jobs projected to decrease by almost 40 percent in five years.




# EKYWORKS Findings

## Compatible Occupations

- Miners possess broad skills but lack traditional credentials
- Mining occupation skills examined for compatibility
- Compatible occupations found in manufacturing, transportation & warehousing, and agriculture







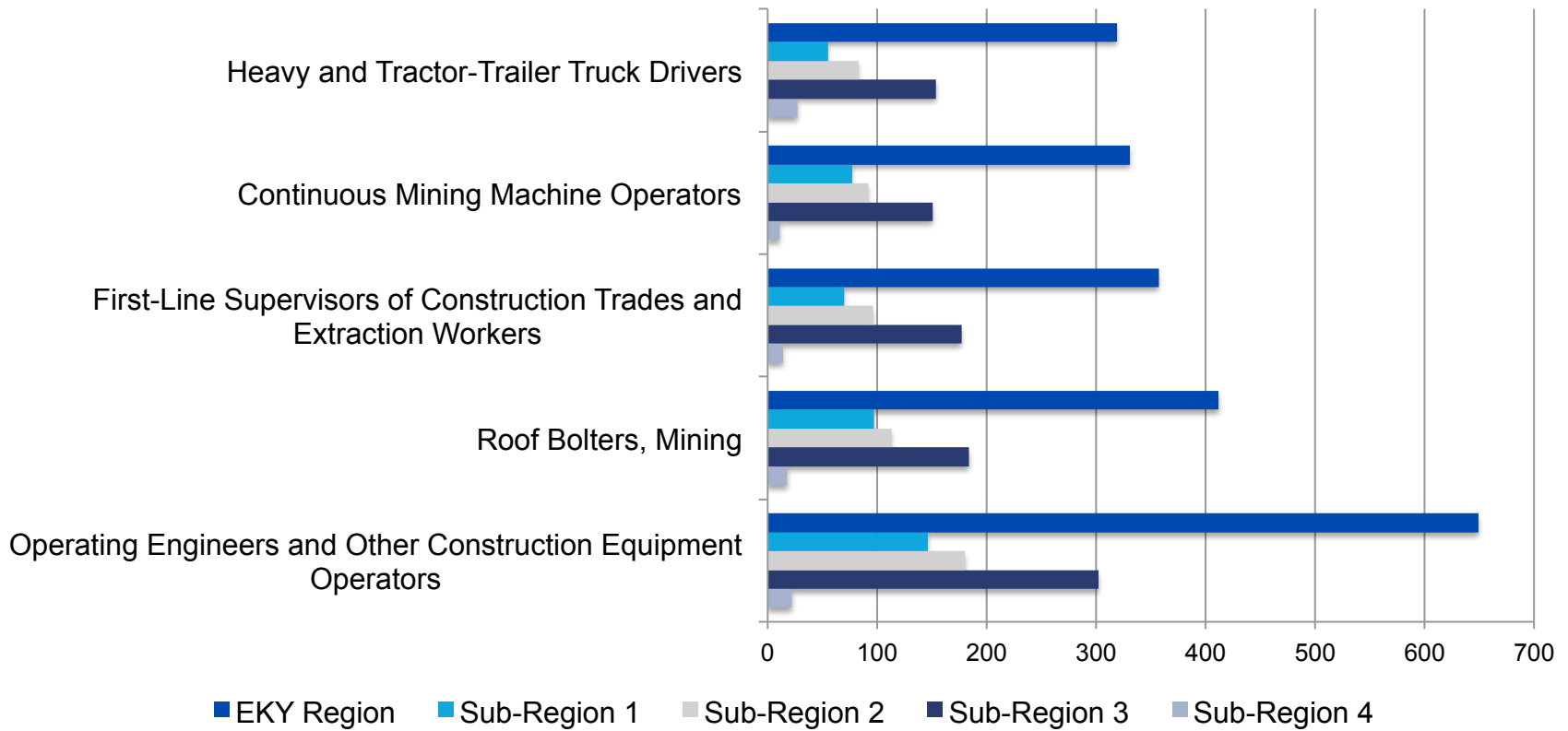
If we post a job for operators, we will get 1,500 applicants. And the majority of them are qualified.”

*EKY Employer*



# EKYWORKS Findings

## MINING INDUSTRY TOP OCCUPATIONS



# EKYWORKS Findings

## MINING OCCUPATIONS

Operating Engineer

Construction Laborer

Supervisor of Extraction Workers

Roof Bolter, Mining

Continuous Mining Machine Operator

Load Machine Operator

Mine Cutting Machine Operator

Mine Shuttle Operator

Helper – Extraction Workers



# EKYWORKS Findings

**1,234**

Jobs 2016

**-276**

Jobs 2016-2021

**OPERATING  
ENGINEER**

**\$17.37**

Median Hourly Earnings

**21**

Estimated Annual  
Openings



# EKYWORKS Findings

**981**

Jobs 2016

**11**

Jobs 2016-2021

**CONSTRUCTION  
LABORER**

**\$17.54**

Median Hourly Earnings

**34**

Estimated Annual  
Openings



# EKYWORKS Findings

**906**

Jobs 2016

**-116**

Jobs 2016-2021

**SUPERVISOR OF  
EXTRACTION  
WORKERS**

**\$29.35**

Median Hourly Earnings

**13**

Estimated Annual  
Openings



# EKYWORKS Findings

**412**

Jobs 2016

**-222**

Jobs 2016-2021

**ROOF  
BOLTER,  
MINING**

**\$27.32**

Median Hourly Earnings

**3**

Estimated Annual  
Openings



# EKYWORKS Findings

**332**

Jobs 2016

**-173**

Jobs 2016-2021

**CONTINUOUS  
MINING MACHINE  
OPERATOR**

**\$24.55**

Median Hourly Earnings

**4**

Estimated Annual  
Openings





# EKYWORKS Findings

**279**

Jobs 2016

**-155**

Jobs 2016-2021

**LOAD  
MACHINE  
OPERATOR**

**\$23.57**

Median Hourly Earnings

**2**

Estimated Annual  
Openings



# EKYWORKS Findings

**172**

Jobs 2016

**-85**

Jobs 2016-2021

**MINE CUTTING  
MACHINE  
OPERATOR**

**\$27.00**

Median Hourly Earnings

**2**

Estimated Annual  
Openings



# EKYWORKS Findings

**172**

Jobs 2016

**-86**

Jobs 2016-2021

**MINE  
SHUTTLE  
OPERATOR**

**\$26.95**

Median Hourly Earnings

**3**

Estimated Annual  
Openings



# EKYWORKS Findings

**149**

Jobs 2016

**-31**

Jobs 2016-2021

**HELPER -  
EXTRACTION  
WORKERS**

**\$15.04**

Median Hourly Earnings

**3**

Estimated Annual  
Openings



# EKYWORKS Findings

## COMPATIBLE OCCUPATIONS

Welding, Soldering & Brazing Machine Setters, Operators & Tenders

Welders, Cutters, Solderers & Brazers

Molding, Coremaking & Casting Machine Setters, Operators & Tenders, Metal & Plastic

Coating, Painting & Spraying Machine Setters, Operators & Tenders


Industrial Truck & Tractor Operators

Sawing Machine Setters, Operators & Tenders, Wood





# RECOMMENDATIONS



We are hard working  
and can solve issues  
that others can't."



# EKYWORKS Recommendations

## Education & Training

- Education Coalition
- Soft Skills Training
- Fast-Track Credential Training
- Mobile Training Unit
- Manufacturing Boot Camp
- Apprenticeship Program





# EKYWORKS Recommendations

## Business Recruitment/Job Creation

- SOAR should take the lead acting as “Redevelopment Authority”
- Create Manufacturing Tax-Free Zones
- Establish an Entrepreneurial Ecosystem
- Designate Start-up Zones
- Pursue Government Contracts



# EKYWORKS Recommendations

## Marketing/Communications

- Key Messages
- Workforce Snapshots
- Coal Workers Profile
- Social Media Campaign



# EKYWORKS Key Messages

- The East Kentucky workforce is rooted in the challenging coal industry, which leads to a population with a strong work ethic, loyalty to employers and broad skill sets.
- Unemployment data does not adequately tell the story of the East Kentucky workforce, which has a significant level of underemployed and discouraged workers that are not included in unemployment rates.



# EKYWORKS Key Messages

- Employer satisfaction with the workforce is very high, with 80 percent of East Kentucky employers being satisfied or highly satisfied with their current workforce.
- The cost of the East Kentucky workforce is viewed as a value by employers, with many saying the cost of labor is in line with or less expensive compared to quality.



# EKYWORKS Key Messages

- While much of the regional workforce possesses a wide variety of technical skills, many do not hold the related credentials but are eager to obtain additional training to enhance their job skills.
- The coal industry workforce possesses a variety of transferable skills that are important to the metal, plastics, wood and transportation equipment manufacturing sectors, as well as the transportation/warehousing industry.



## EAST KENTUCKY WORKFORCE SNAPSHOT

The East Kentucky regional economy has been rooted in the coal industry for generations. With the decline of coal, the region seeks new opportunities and creative solutions to bring back more prosperous times. The people of East Kentucky have a nearly indescribable spirit of perseverance, hard work, tenacity, ingenuity and dedication, while collectively fostering one of the most humble cultures within the borders of our country.

### Quantifying the Workforce

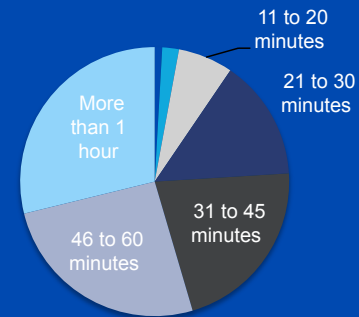
**187,759**  
Labor  
Force

**\$17.53**  
Avg  
Hourly  
Earnings

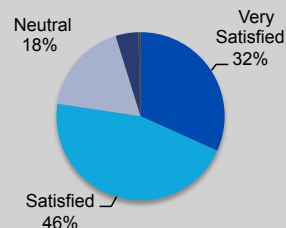
**25.3**  
Average  
Commute  
Time

**18,076**  
Mining  
Unemployment

### WILLINGNESS TO COMMUTE



### OVERALL EMPLOYER SATISFACTION



### Workforce Quality

“Our people are intuitive, energetic and care about their work. They are as good as any people you will deal with.”

*East Kentucky Employer*

“If we post a job for operators, we will get 1,500 applicants. And the majority of them are qualified.”

*East Kentucky Employer*

Give us a call to learn more  
about how EKY Works.

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# SOAR

[www.soar-ky.org](http://www.soar-ky.org)

# QUESTIONS

