

An aerial photograph of a city skyline, likely Chicago, featuring numerous skyscrapers and a large body of water (Lake Michigan) in the background under a cloudy sky. The text is overlaid on the image.

Strengths and Weaknesses and Labor Analysis 2020 *“a pandemic evaluation”*

By:

Pottawatomie County Economic Development Corporation

March 2021

Factors That Influence Site Selection & Expansion

Wages & benefits

Labor Availability

Labor Characteristics

Commuting Patterns

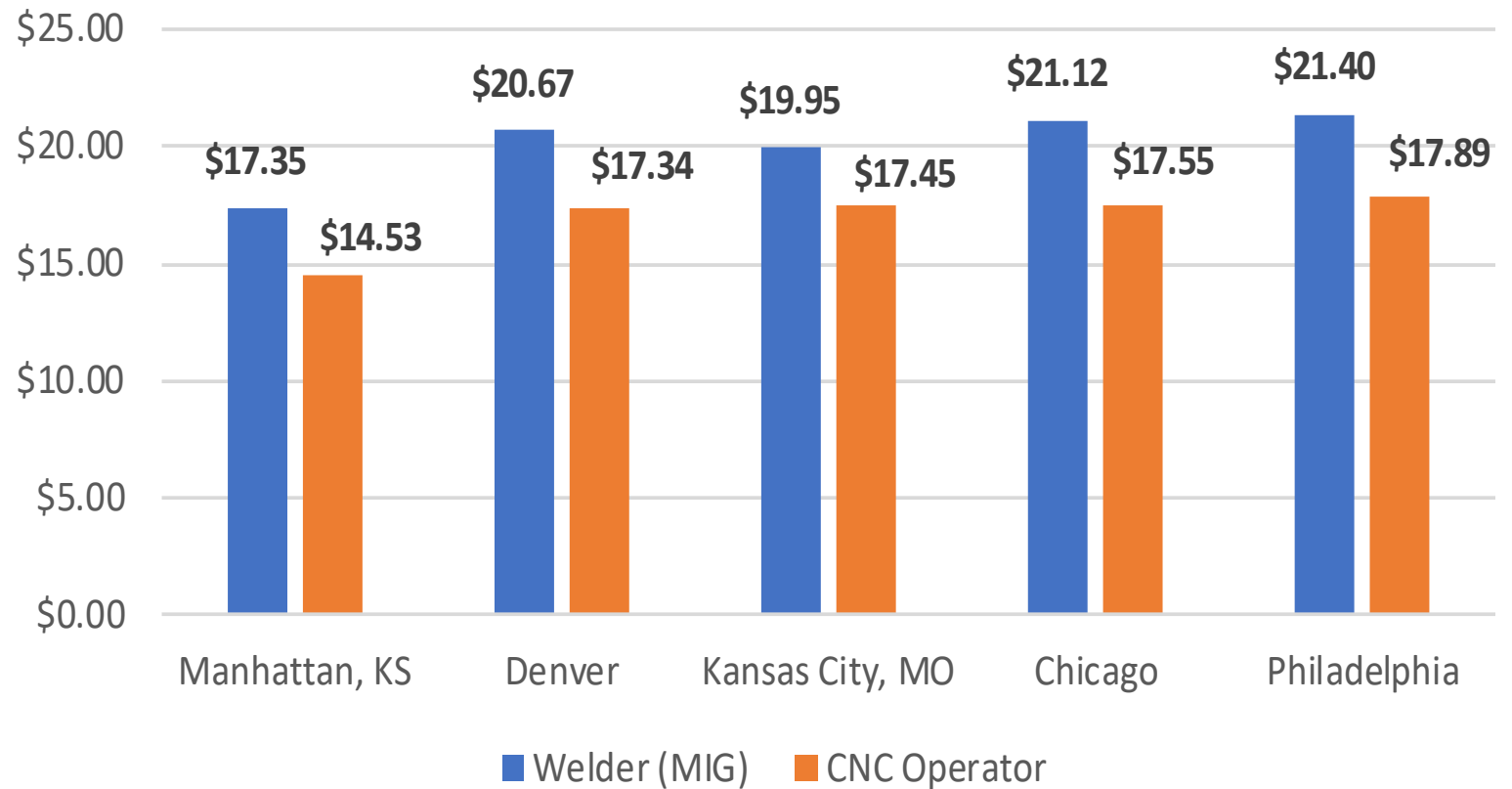
Relocation Ability/Recruiting Capacity

Services in the Area: water, sewer, telecommunications, utilities, local & state government, roads, etc.

Quality of Life: education, medical services, housing, recreation, culture, child care.

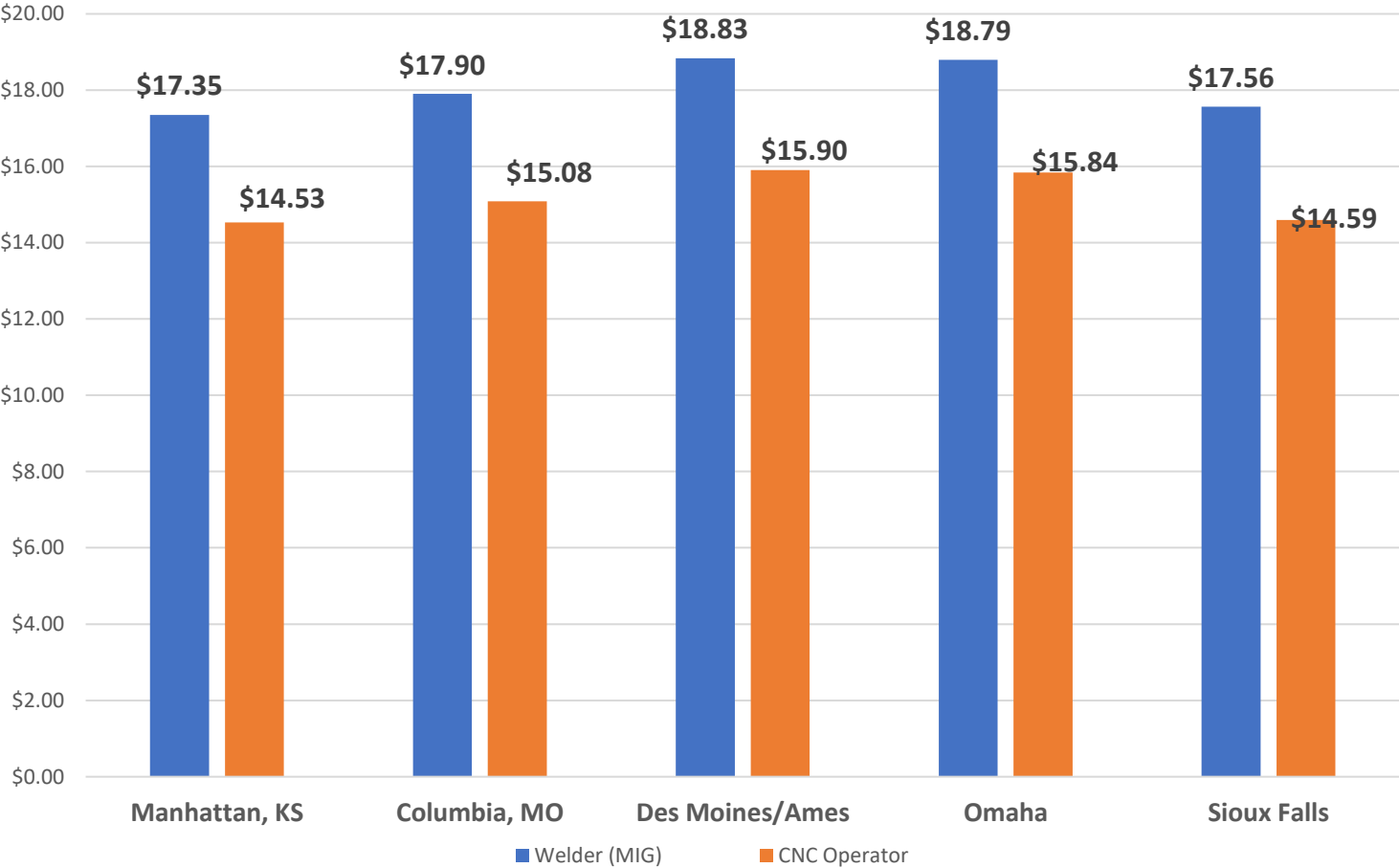
Manhattan Area Wages Comparisons

Manhattan vs. Source Cities Manufacturing Wages



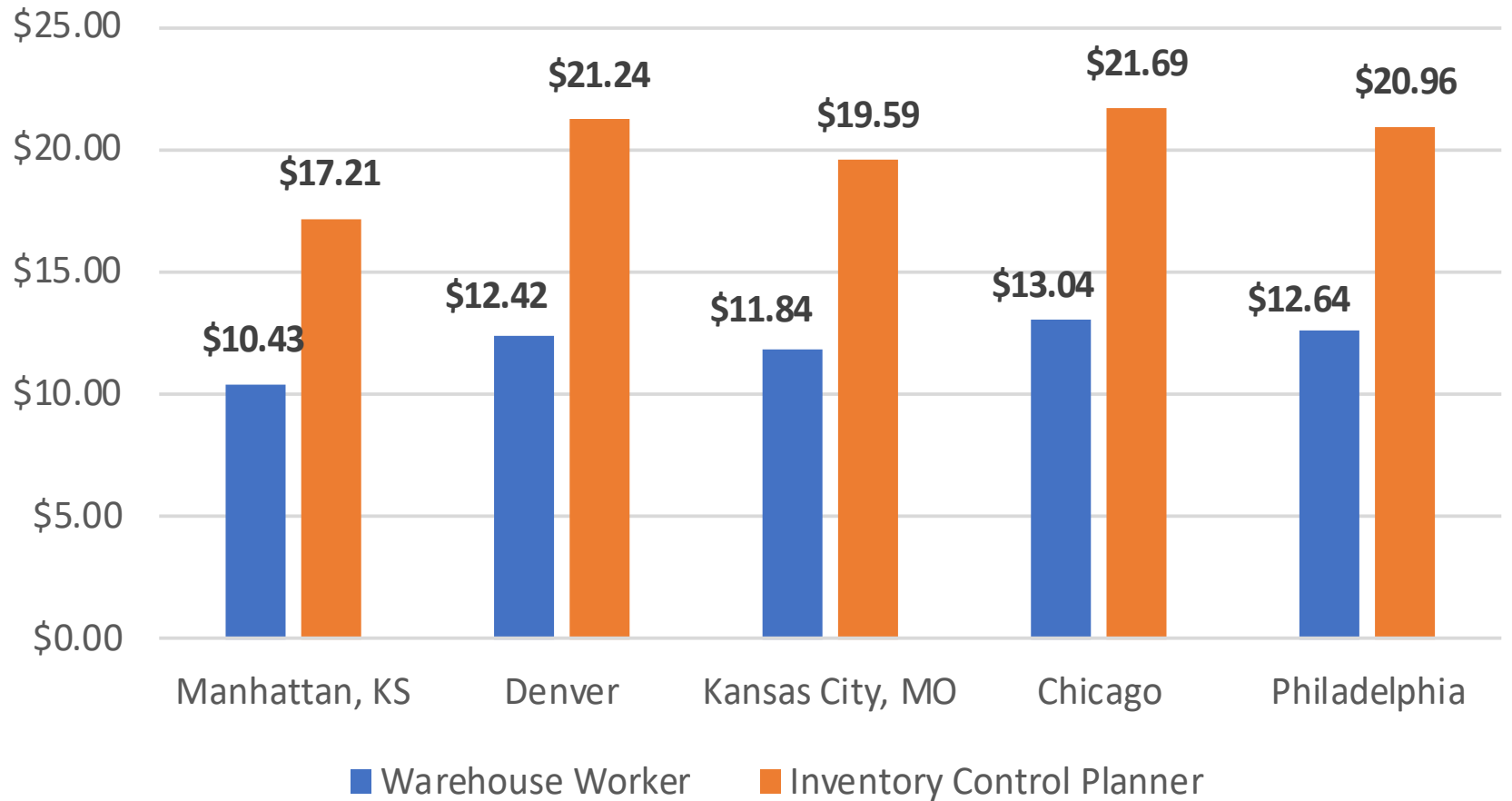
Manhattan Area Wages Comparisons

Manhattan vs. Competing Cities Manufacturing Wages



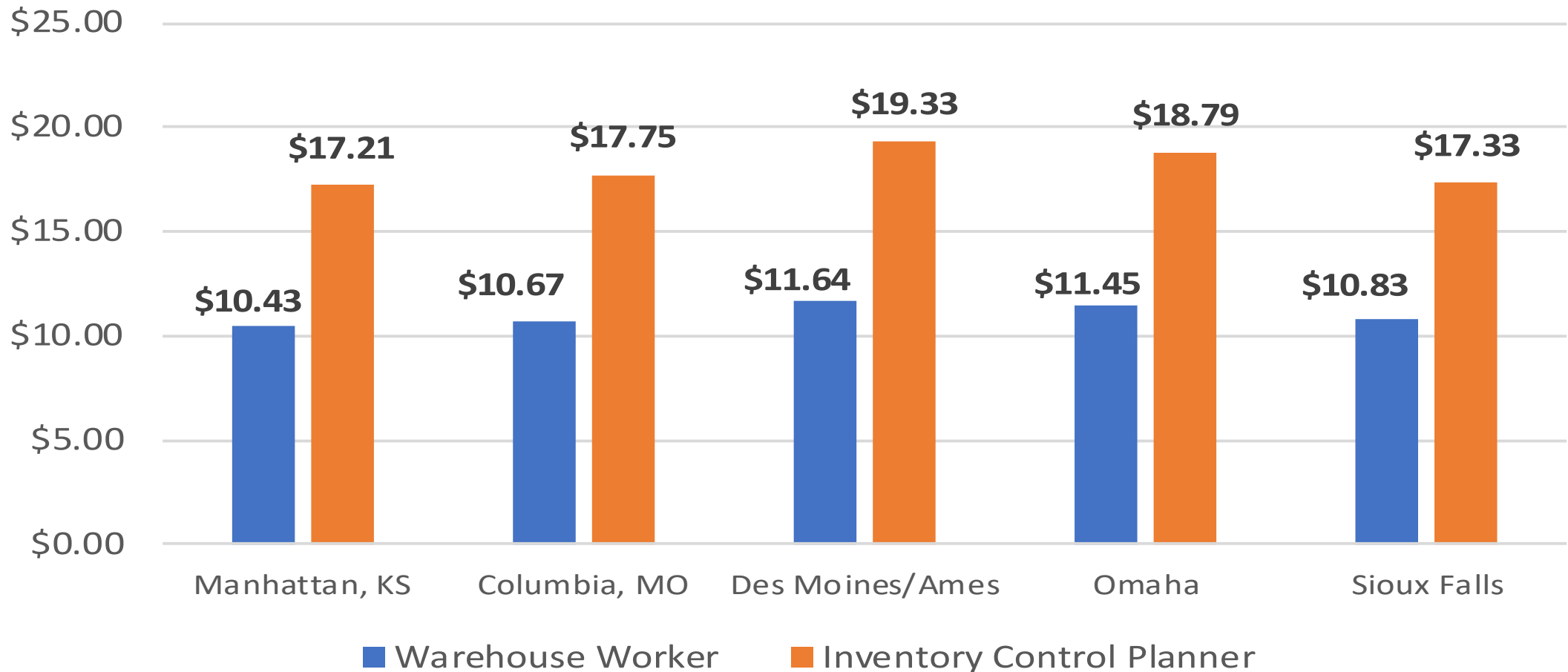
Manhattan Area Wages Comparisons

Manhattan vs. Source Cities Warehouse Wages

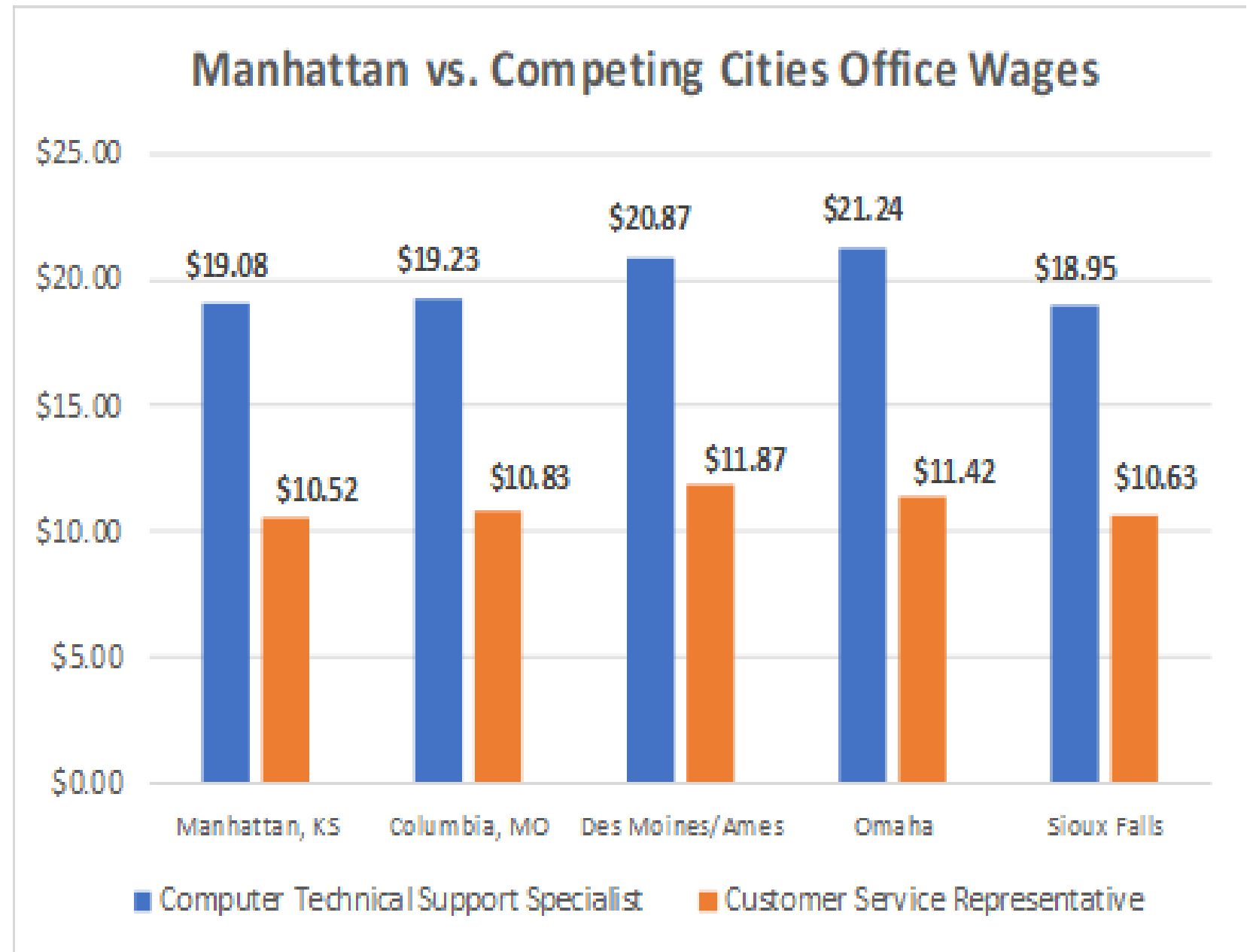


Manhattan Area Wages

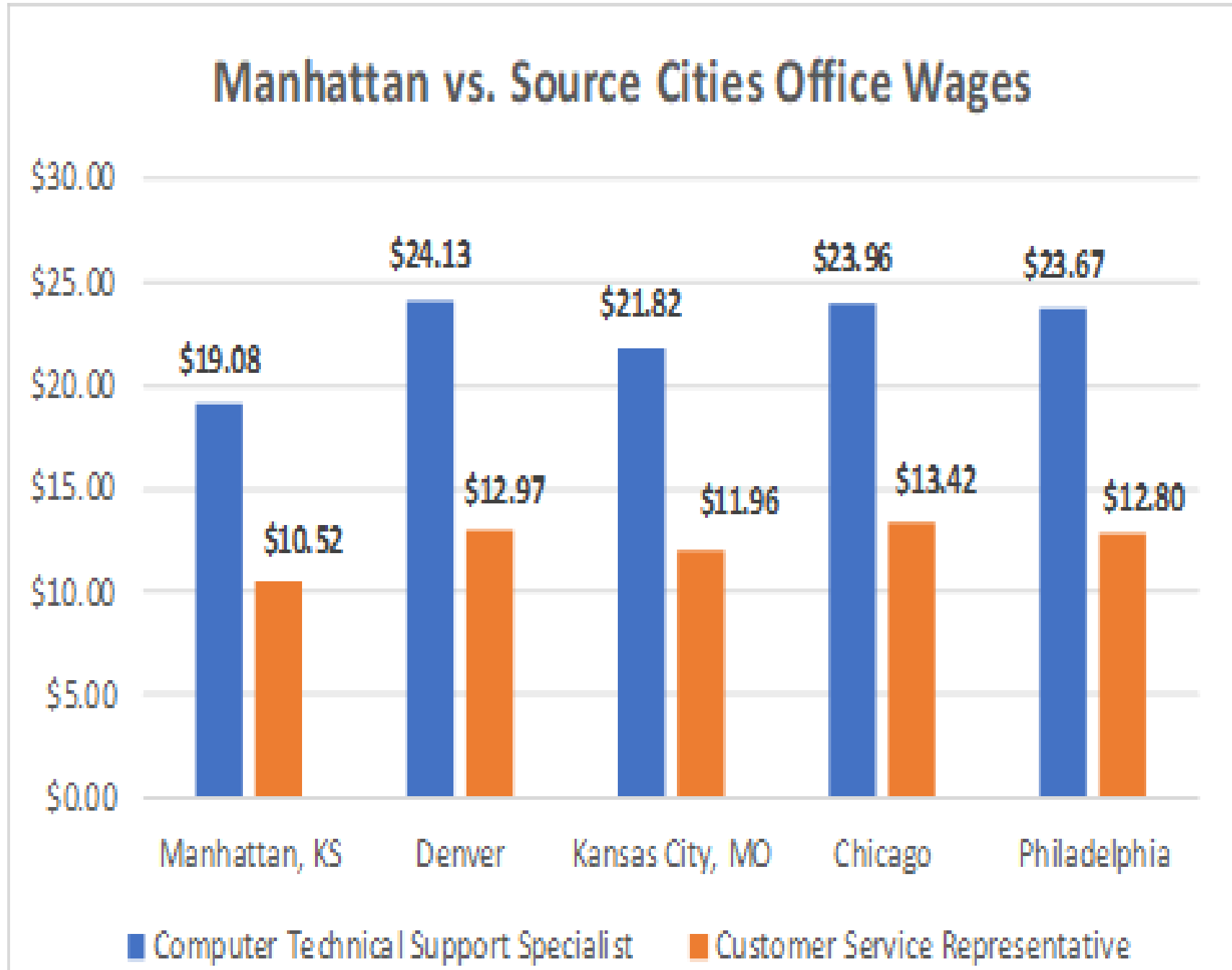
Manhattan vs. Competing Cities Warehouse Wages



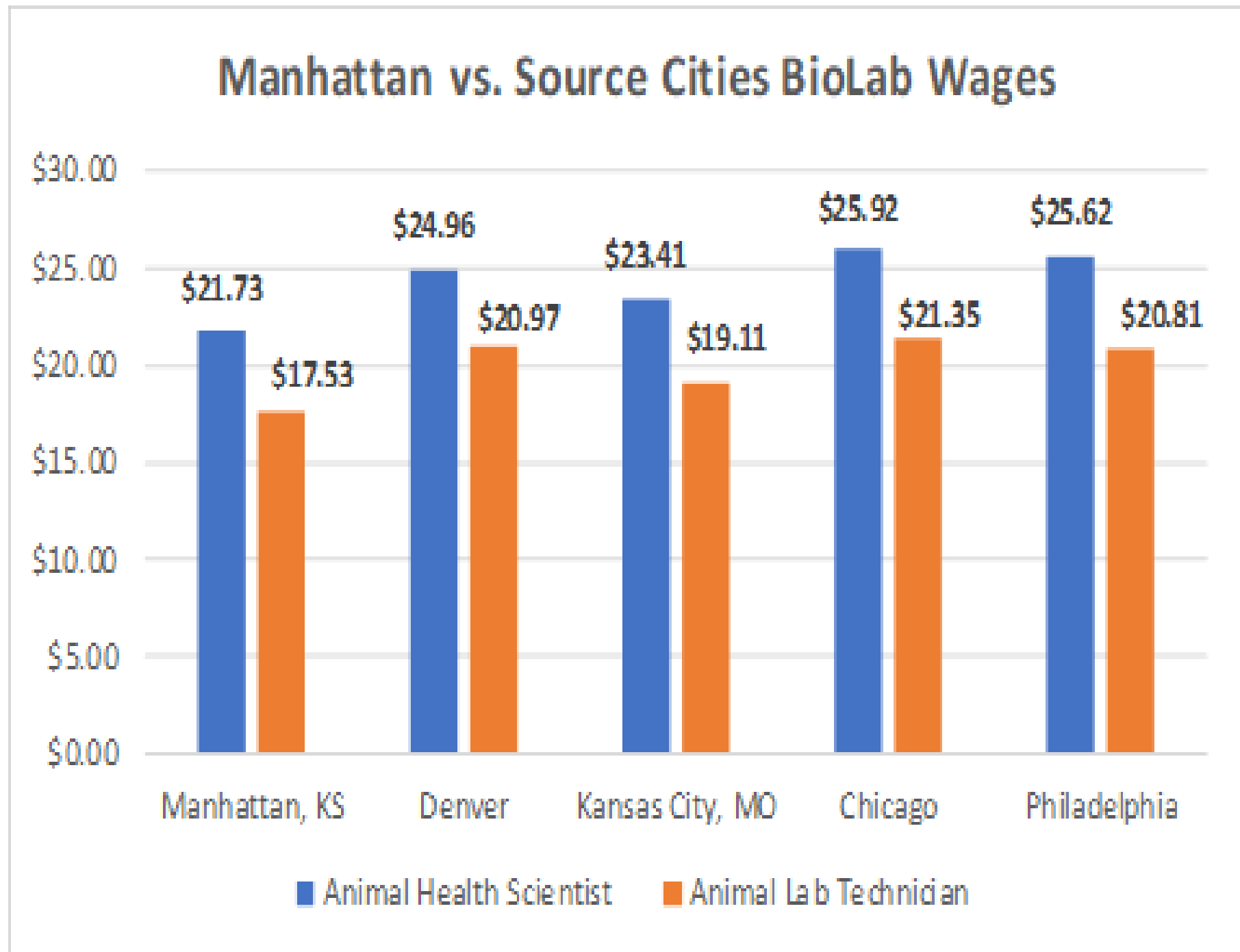
Manhattan
Area Wages
Comparisons



Manhattan
Area Wages
Comparisons

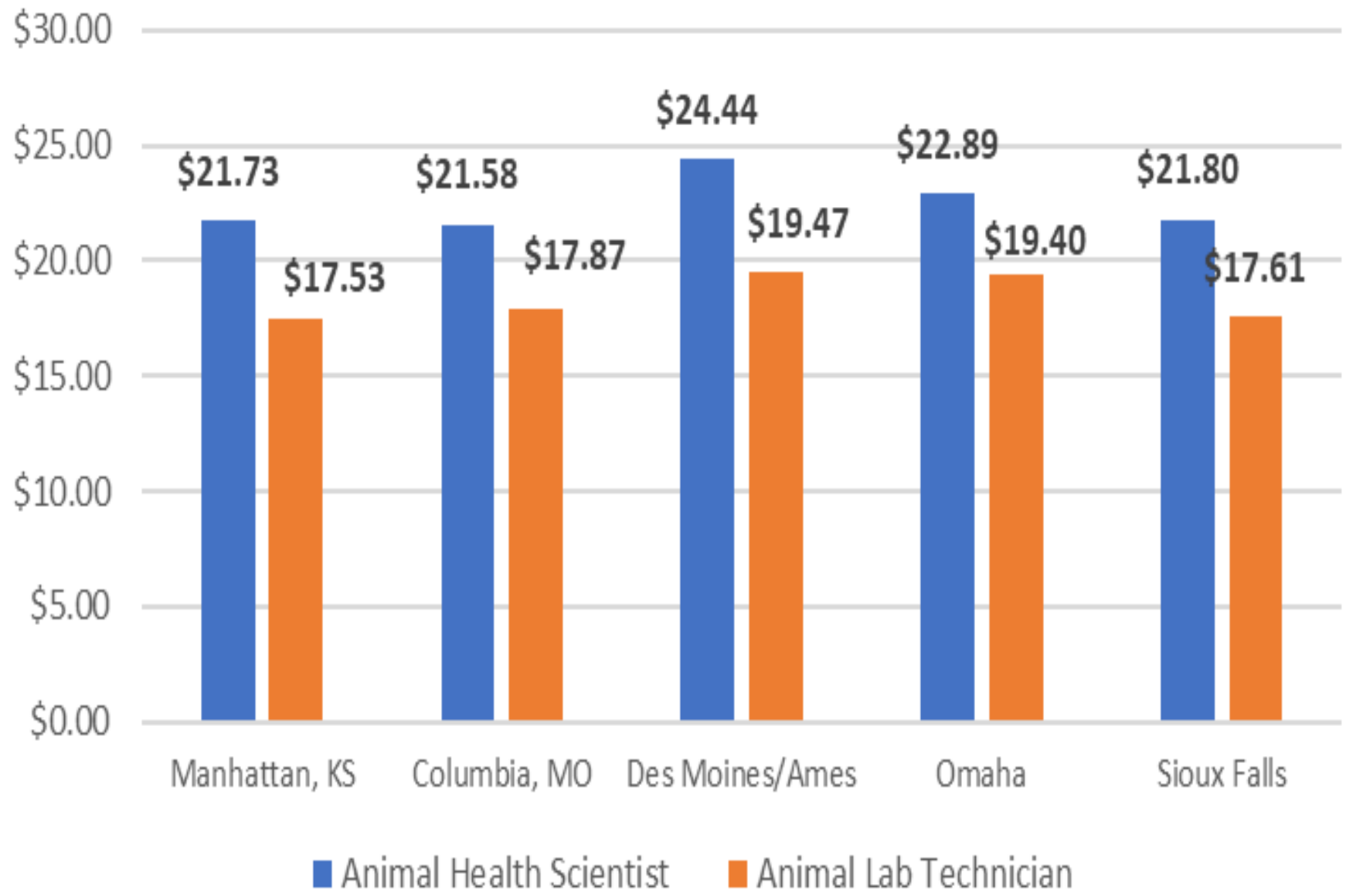


Manhattan
Area Wages
Comparisons



Manhattan
Area Wages
Comparisons

Manhattan vs. Competing Cities BioLab Wages





Summary on Manhattan Wages

Source cities are defined as cities that are normally large employment centers that industry may leave for a variety of reasons.

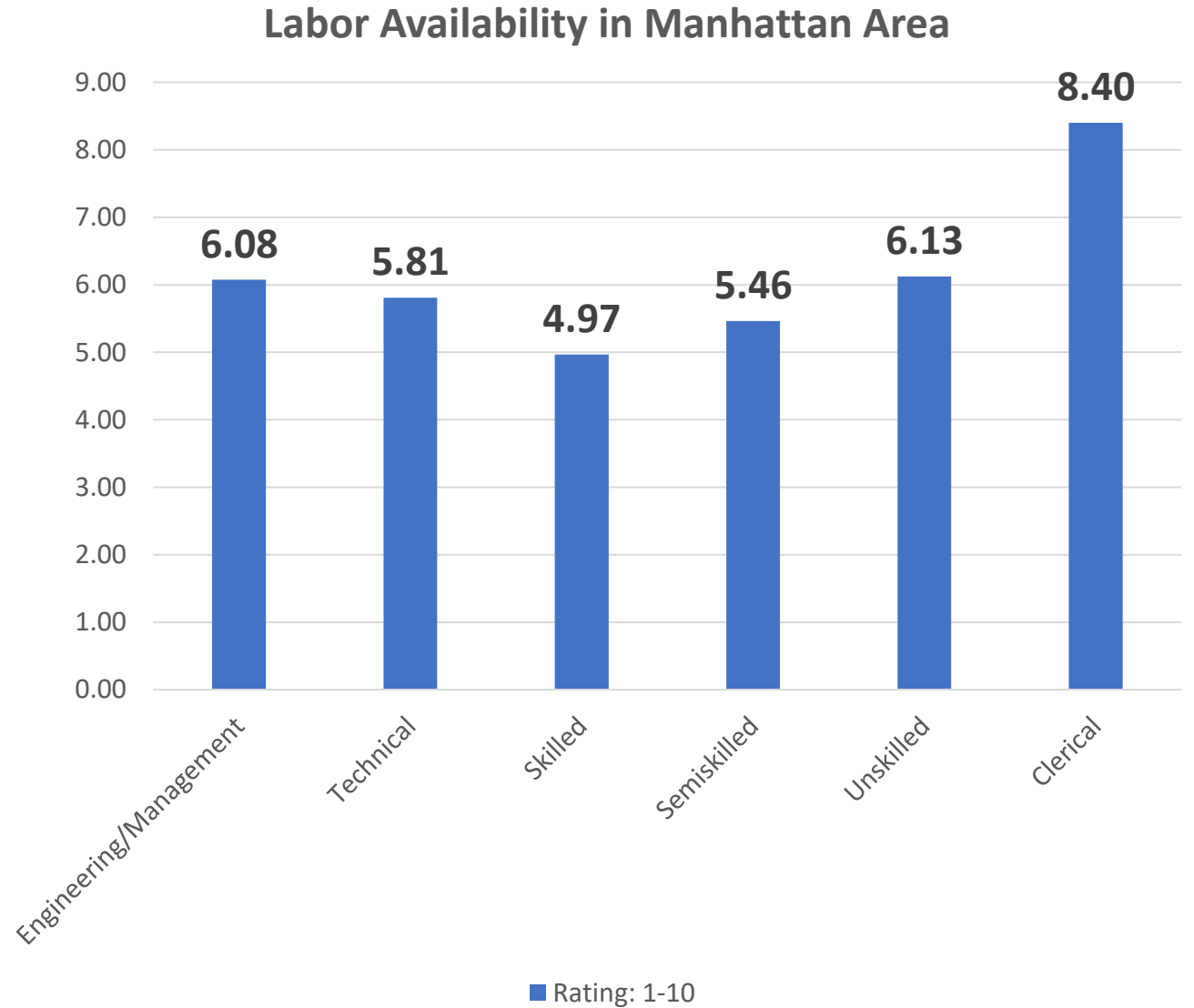
Wages are lower than all of the source cities in all the key industry sectors with locational fits for Manhattan.

Competing are those in the Midwest with a strong university presence.

Wages in competing cities are generally higher in competing cities with a university presence with Sioux Falls being the closest to Manhattan.

This is important to remember when recruiting for animal health scientists and technicians. (you have to pay a little more)

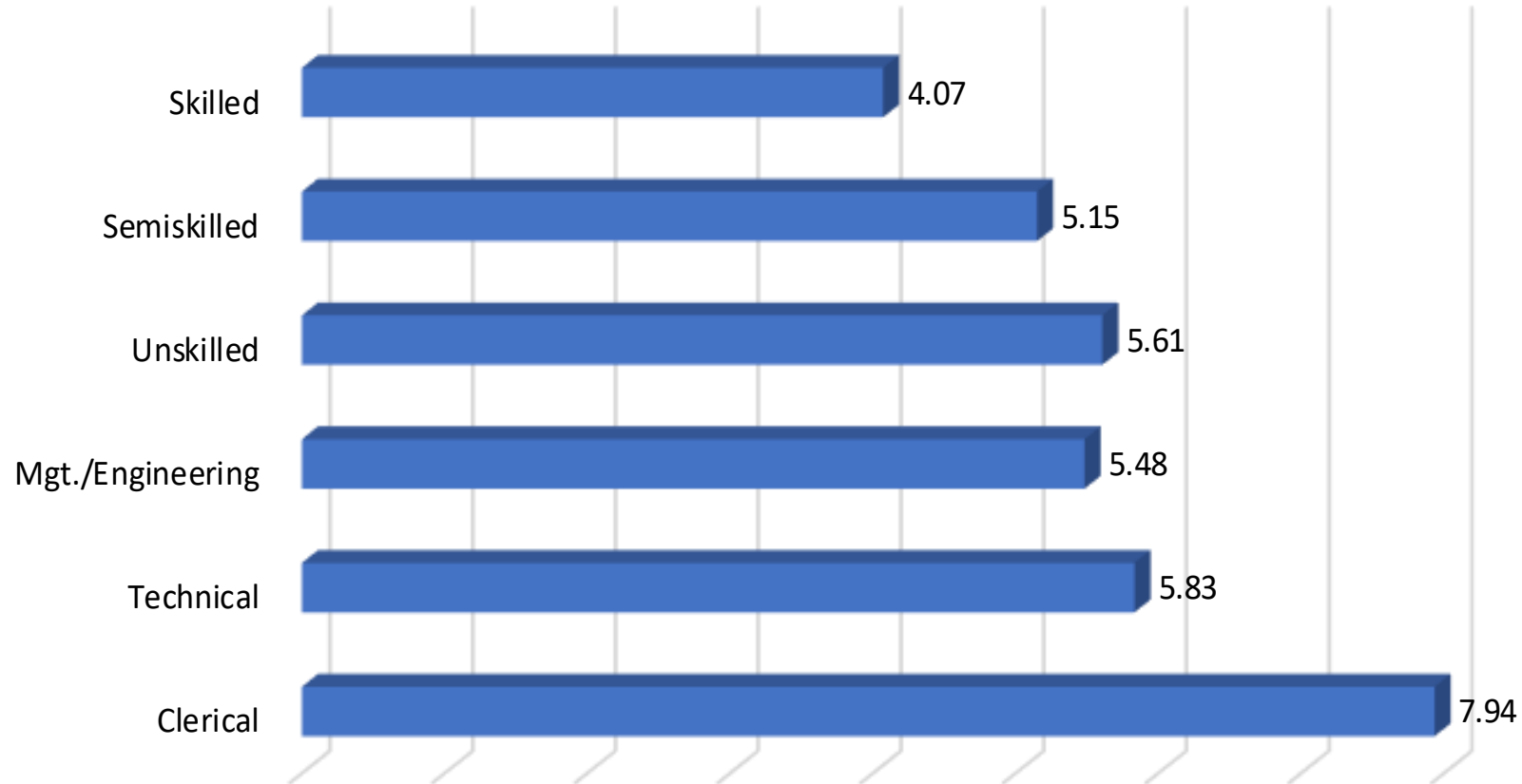
Manhattan Labor Availability

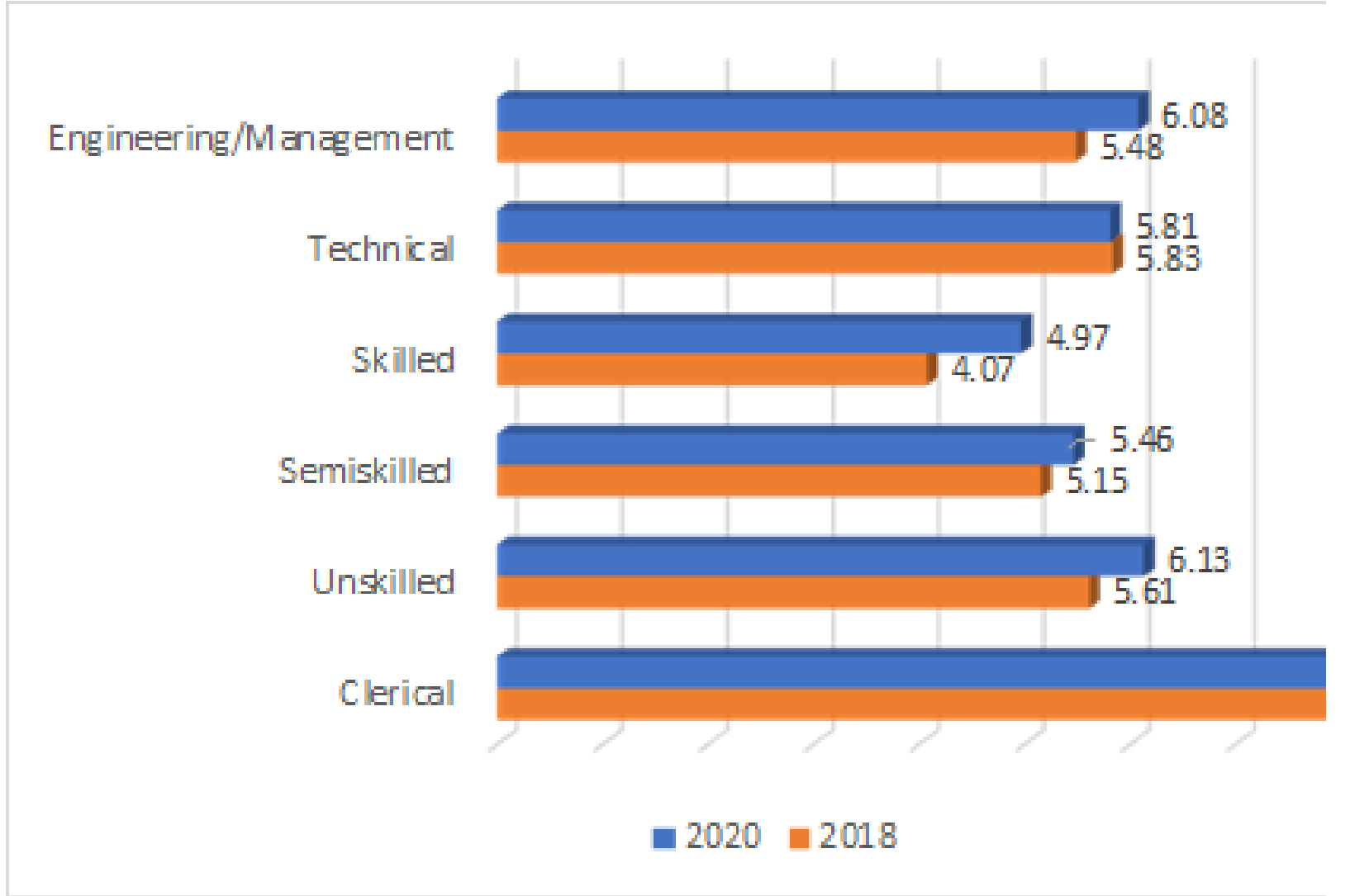


Manhattan Area Labor Availability

“ very little change from previous years ”

2018 Manhattan Pottawatomie Labor Availability

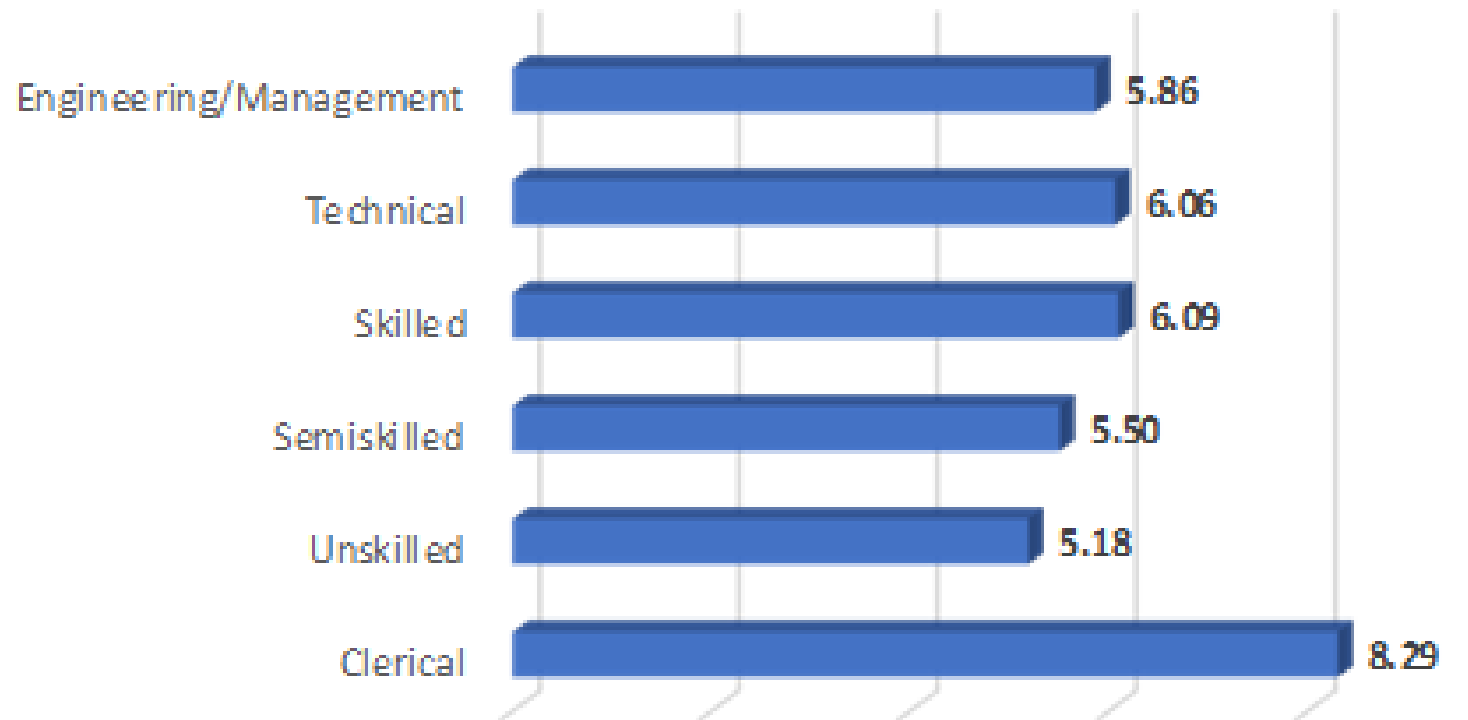




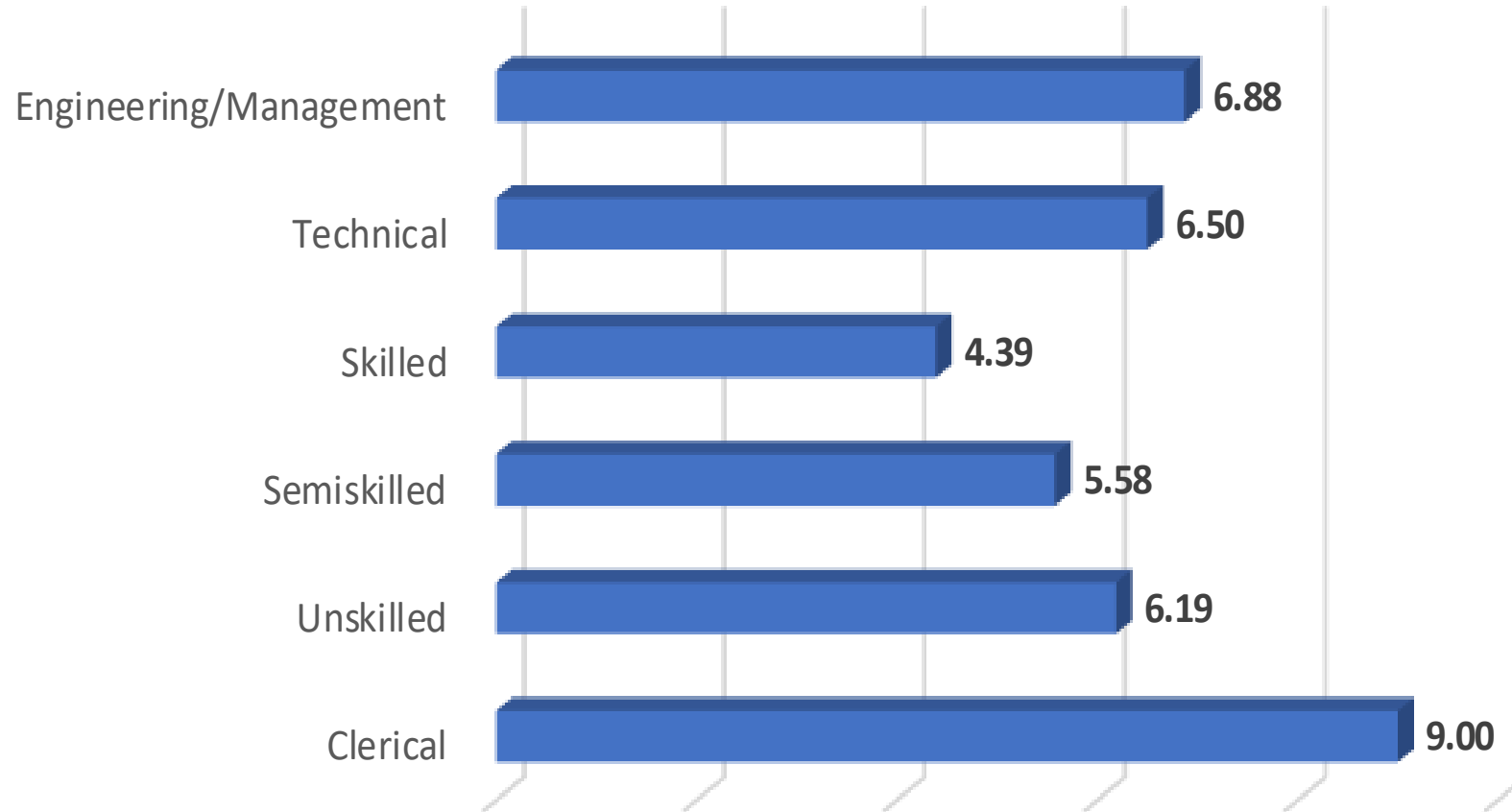
Manhattan Area
Labor Availability
*“no significant
change from
2018”*

Manhattan Labor Availability

Manhattan White Collar Labor Availability



Manhattan Blue Collar Labor Availability

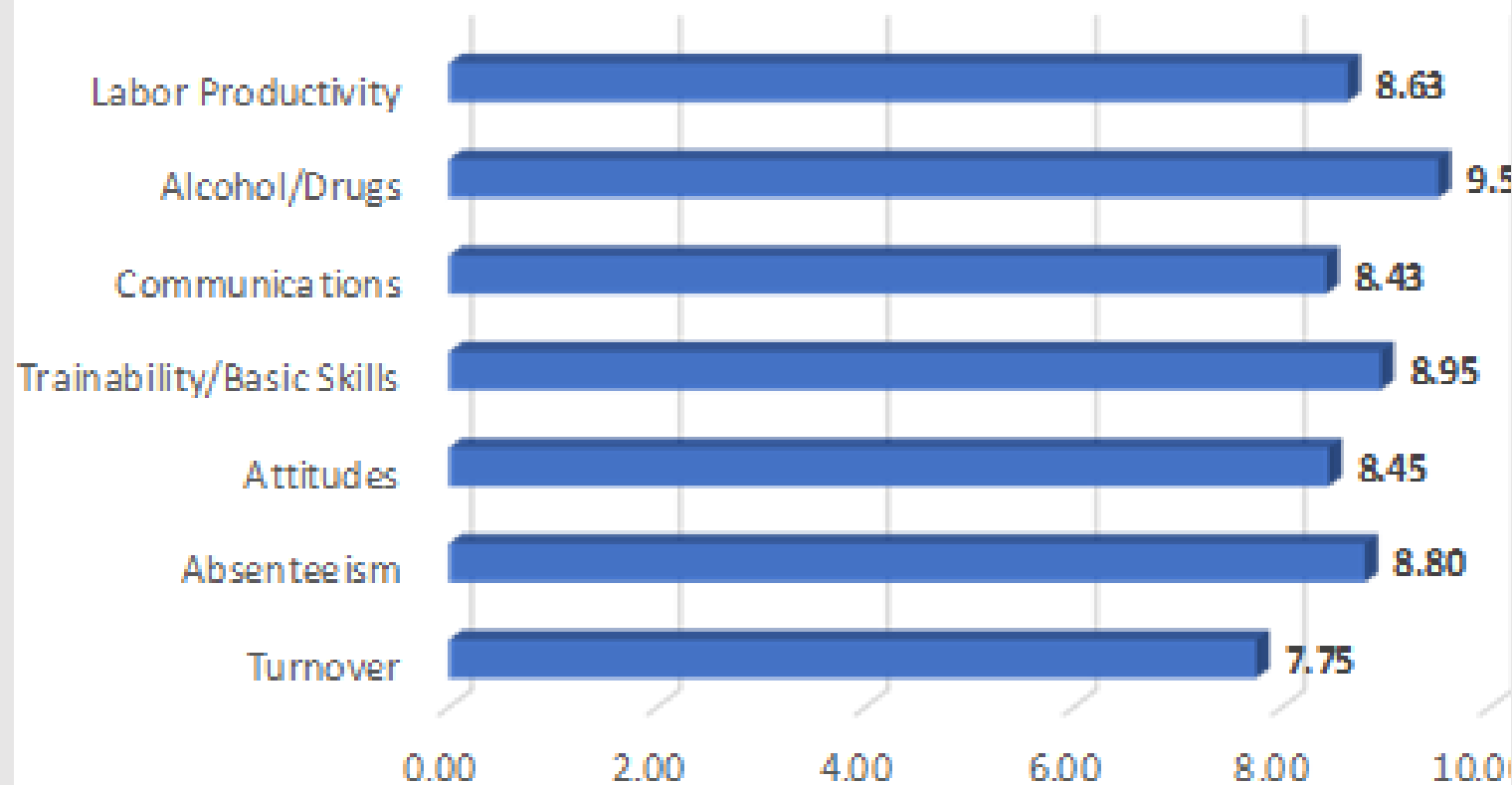


Manhattan
Labor
Availability

Analysis of Manhattan Labor Availability

- Skilled labor availability was almost average, especially in the area of skilled welders and maintenance mechanics. Issues with skilled workers getting older.
- There have been some improvements over the last six years in worker quality at less skilled positions but finding workers still remains an issue for some employers.
- For some firms looking for college graduates and using interns before they graduate, obtaining engineering research and technical skills is not an issue.
- More major problems are recruiting talent from outside Kansas on the management level.
- The charts demonstrate that availability in all categories of employees has increased marginally almost across the board. The difficulty remains in recruiting and retaining talent.

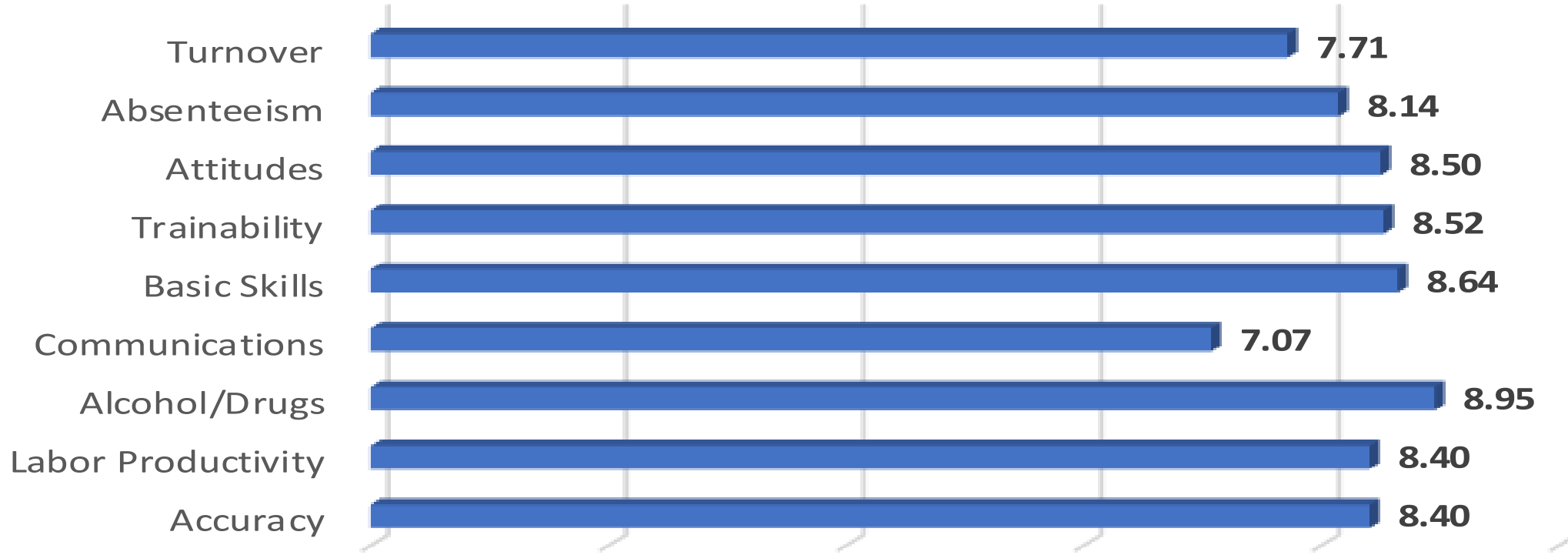
Manhattan Area Labor Characteristics



Manhattan
Labor
Quality

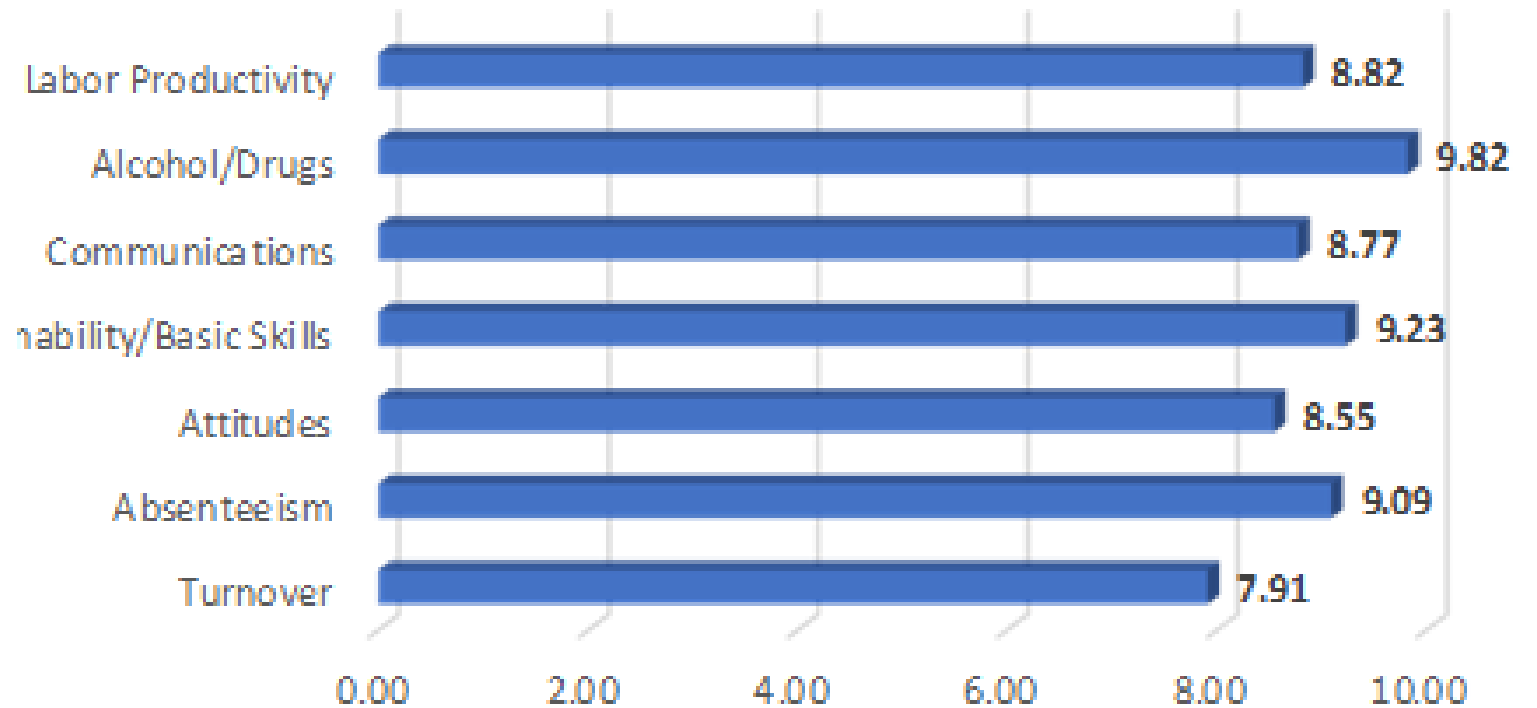
Manhattan Labor Quality

2018 Manhattan Pottawatomie Labor Characteristics

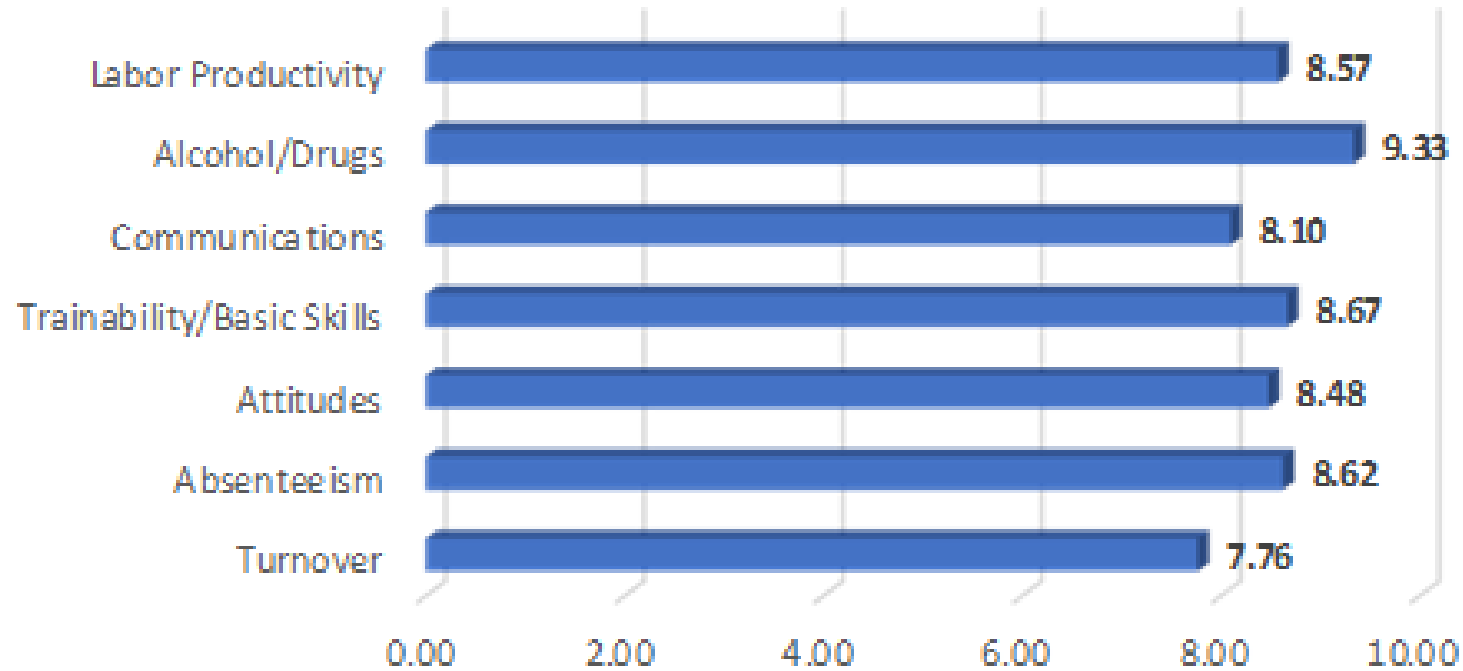


Manhattan
Labor
Quality

Manhattan Area White Collar Labor Characteristics



Manhattan Area Blue Collar Labor Characteristics



Manhattan
Labor
Quality

Manhattan Labor Characteristics Summary

- **Overall labor quality was rated good to very good in 2020**, with some turnover occurring because of COVID related issues, such as some seeking new employment during furloughs.
- Communications was also rated fairly good, and actually better than in 2018. This is an important factor because the tendency of employers is that the millennials present communication issues.
- In 2018, the scores/ratings were similar except for communications.
- These characteristics are generally higher than other areas of the United States that this consultant in which conducted similar assessments including, California, Texas, New Mexico and Arizona.
- The pandemic has caused issues in the workforce and human resource managers have been feeling the impact. Uncertainty of work, pay, benefits and general depression has been prevalent, although less likely with construction companies.
- Considering all of these factors, the Manhattan workforce's scores in labor productivity and attitudes are solid which demonstrates the high quality of the workers.

Commuting In Manhattan Area

*“seen as a
strength
because of
fluid roads”*

A strength of the Manhattan area is the ability for workforce to live within 30 miles of the city and be able to commute relatively easily with Highways 24 & 18 providing excellent access in and out of the city. Indicative of that is the number or percentage of workers that do not live in the city of Manhattan.

As of the end of 2018 there were 12,000 commutes into Manhattan daily. It also shows that the city of Manhattan has a net inflow of workers of over 6300 workers.

Pottawatomie County's outflow is only 560, meaning that even though 2400 workers commute to Manhattan in late 2018, more are finding work and living in Pottawatomie County.

However, 30% of the Pottawatomie County residents who are employed, work in the City of Manhattan.

Commuting in and out of Manhattan and Wamego is fairly fluid with improvements on Highway 24 coming as well as construction projects ending on Fort Riley Boulevard. Other projects on Bluemont-Anderson Avenue and Kimball helps the flow even more.

Relocation/Recruiting In Manhattan

“during pandemic its problematic”

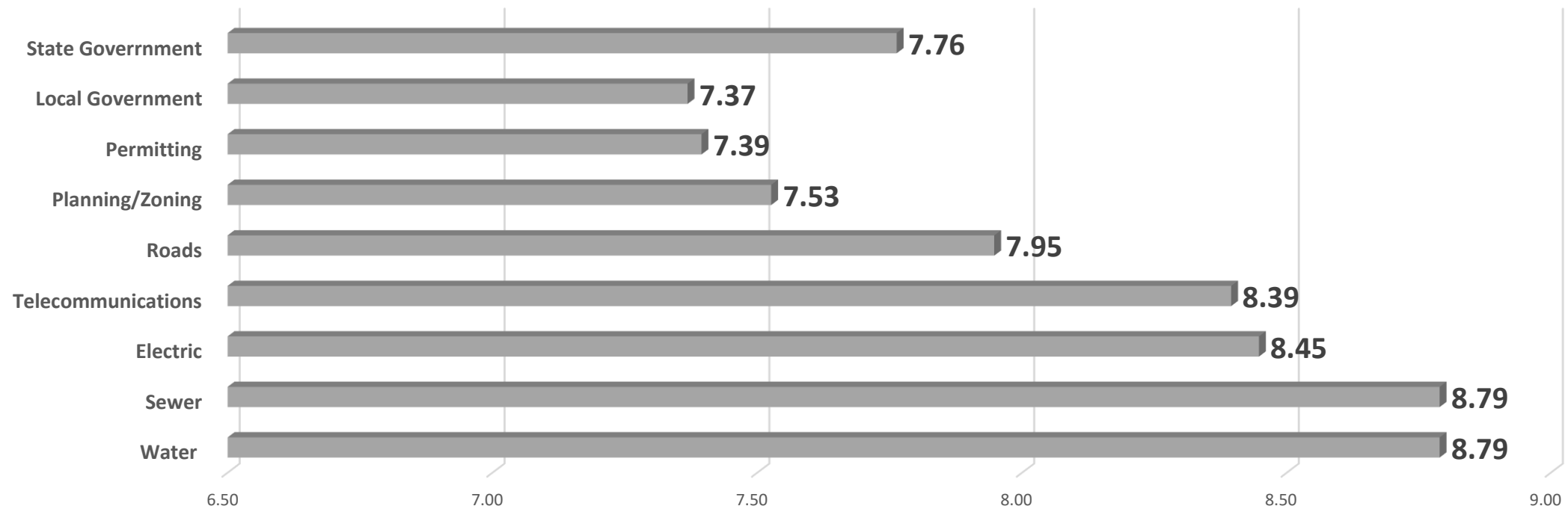
- Recruiting Kansas State graduates and those from inside the state do not appear to be difficult. This is mostly due to the fact that those individuals are more familiar with Manhattan than those not from the state.
- The cost of quality 2 or 3-bedroom homes has increased substantially and is impacting the ability to recruit engineers, professionals, scientists and middle management.
- Child care, by itself, does not normally prevent a relocation but it does cause problems with recently relocated professional families.
-
- One of the bigger issues in recruiting scientists, engineers and physicians is the lack of diversity and diverse cultures and amenities for people from international backgrounds.
- Another issue which concerns human resource managers was finding employment for the spouses of managers, professionals, engineers that they are attempting to recruit. A deeper dive by SHRM Chapter says it is not a prevalent circumstance.

Manhattan Area Services

“generally good scores as site selection factors”

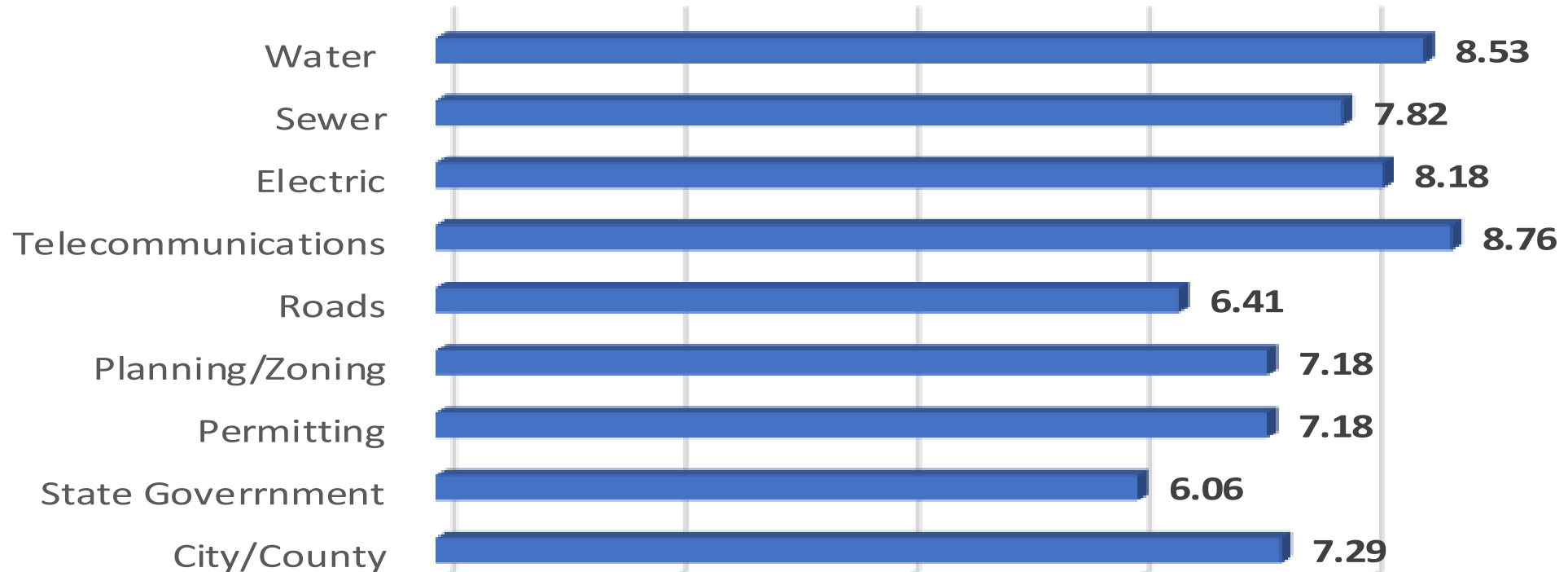


Manhattan Area Services



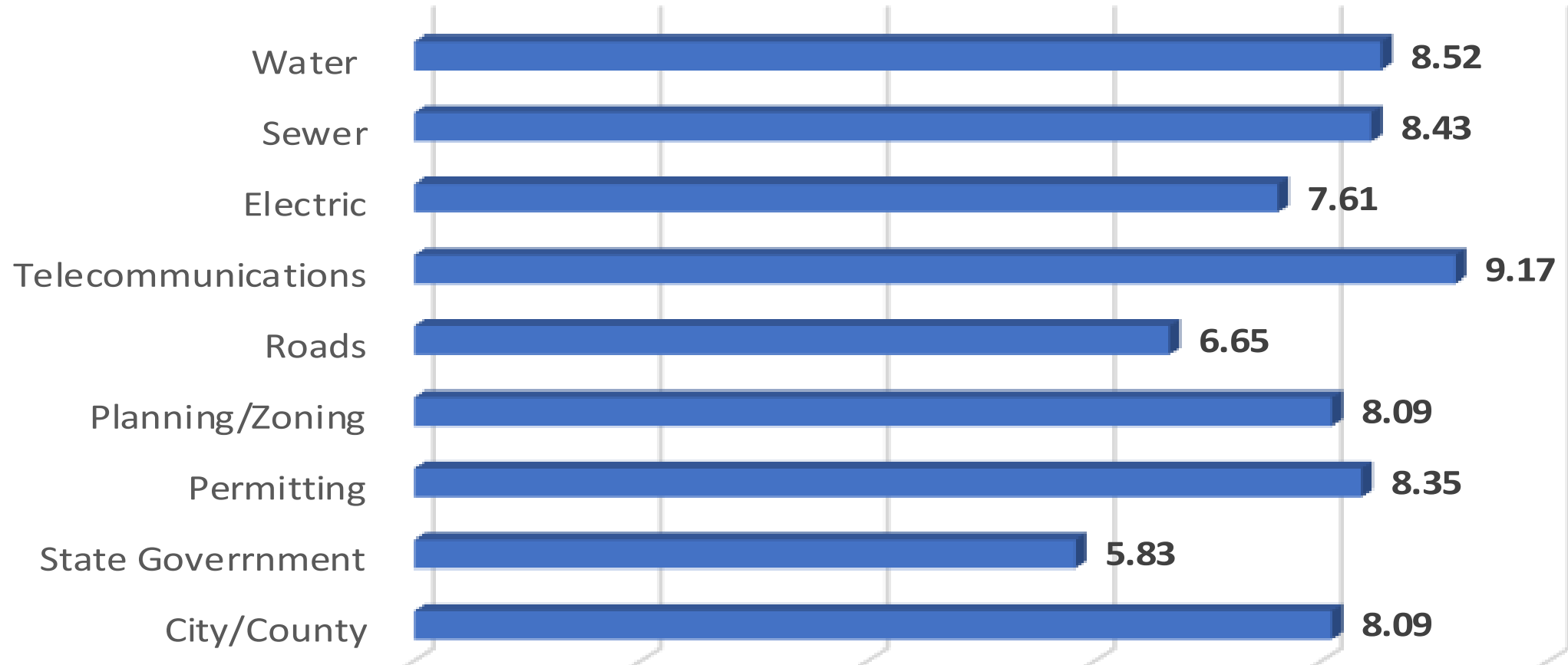
Manhattan City Services 2018

Manhattan Services: 2018



Pottawatomie County Services: 2018

Pottawatomie County Services: 2018



Quality of Services as Site Selection Factor

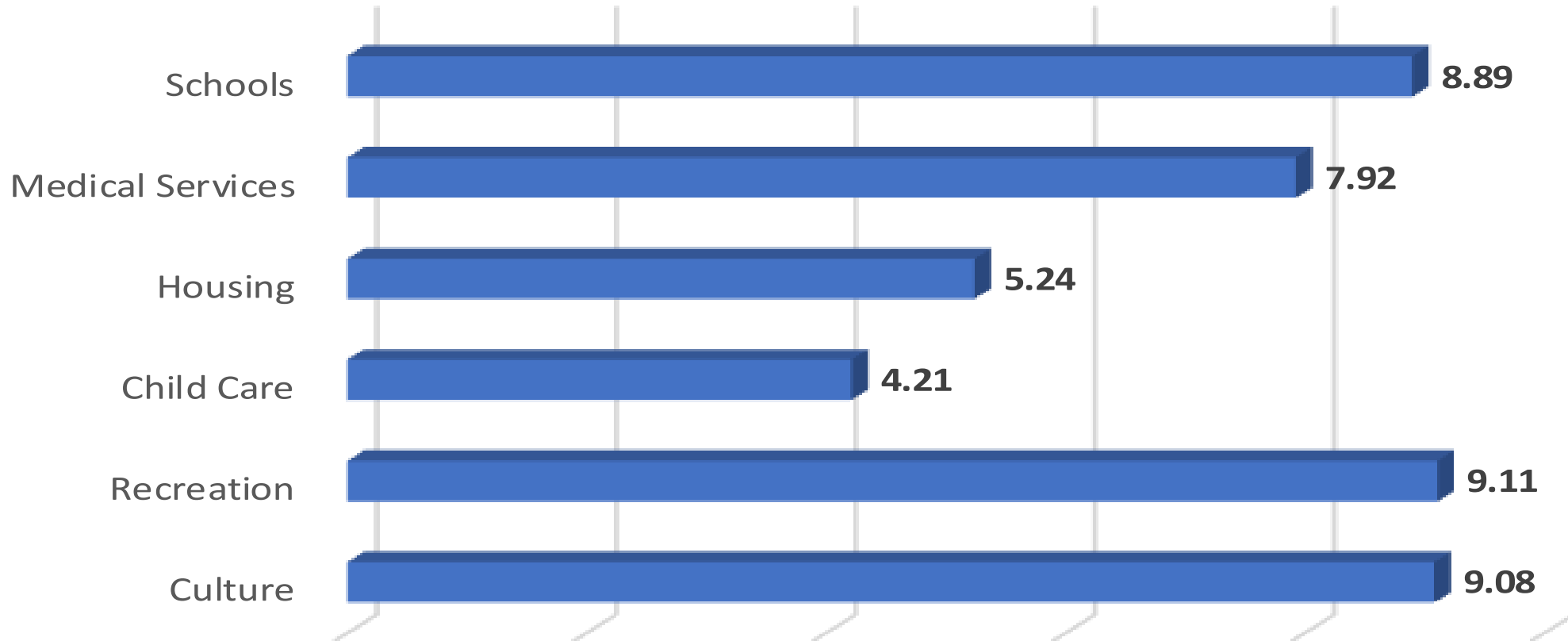
If the business was located in Wamego, St. Marys, Westmoreland or Onaga they rated both the county and the city where their company was based, but we did not differentiate in the scoring. There were no large differences between companies with white collar workers and blue collar based employment.

There were very few concerns about services expressed by employers as all of them scored above 6 with all factors getting above average ratings. Just as in 2014 and 2018, there were concerns about gravel roads in Pottawatomie County.

- The scores for water, sewer and telecommunications were rated very good to excellent generally.
- A few firms in Manhattan thought that the permitting take a little long and the process was cumbersome.
- There was construction taking place throughout Manhattan which generally impacts the road scores, like 2018, but did not impact the scores in 2020.
- Generally, the scores improved from 2014 when Manhattan and Pottawatomie County were lumped together.

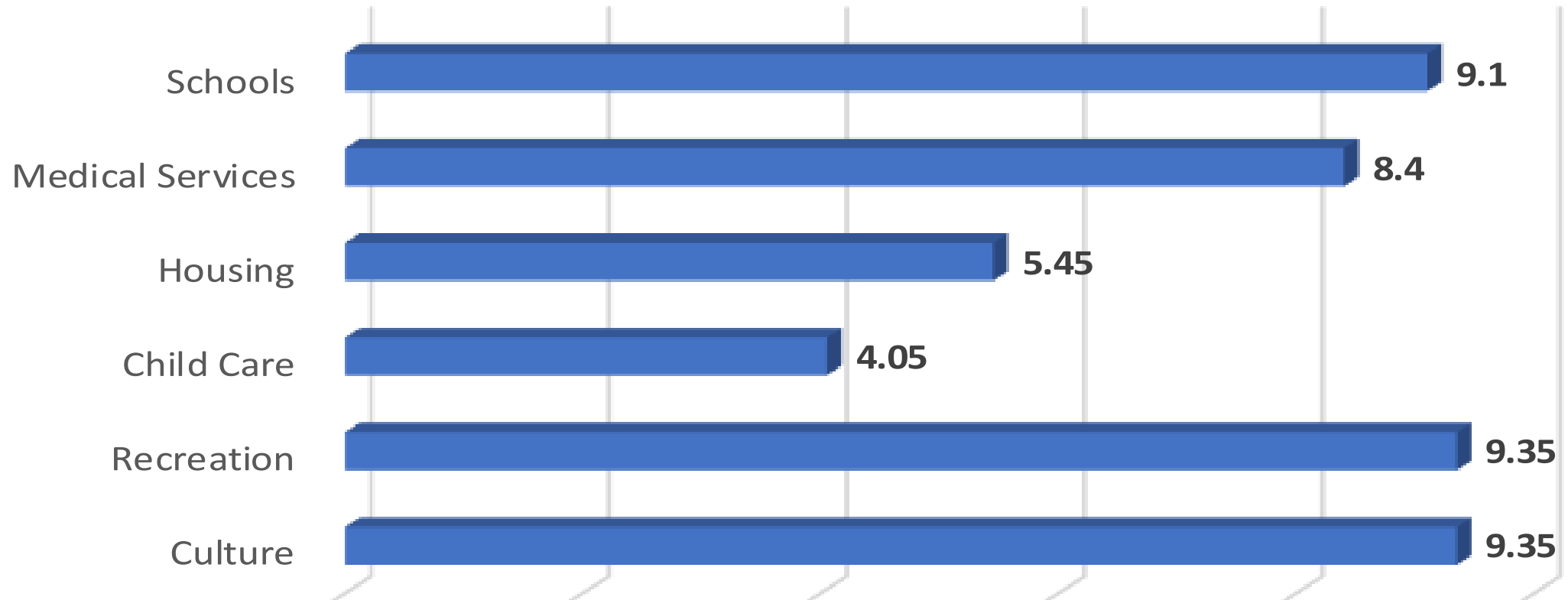
Manhattan Quality of Life Factors

Manhattan Area Quality of Life Factors



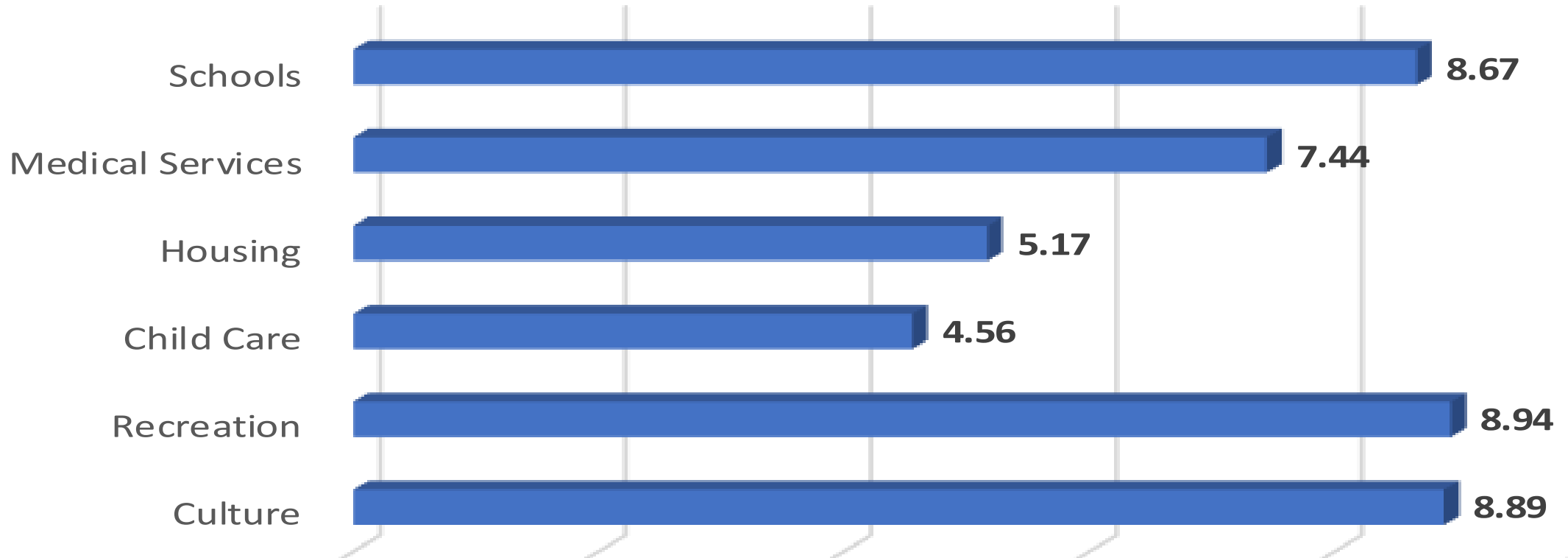
White Collar Companies: Quality of Life

Manhattan Area Quality of Life Factors: White Collar



Blue Collar Companies: Quality of Life

Manhattan Area Quality of Life Factors: Blue Collar



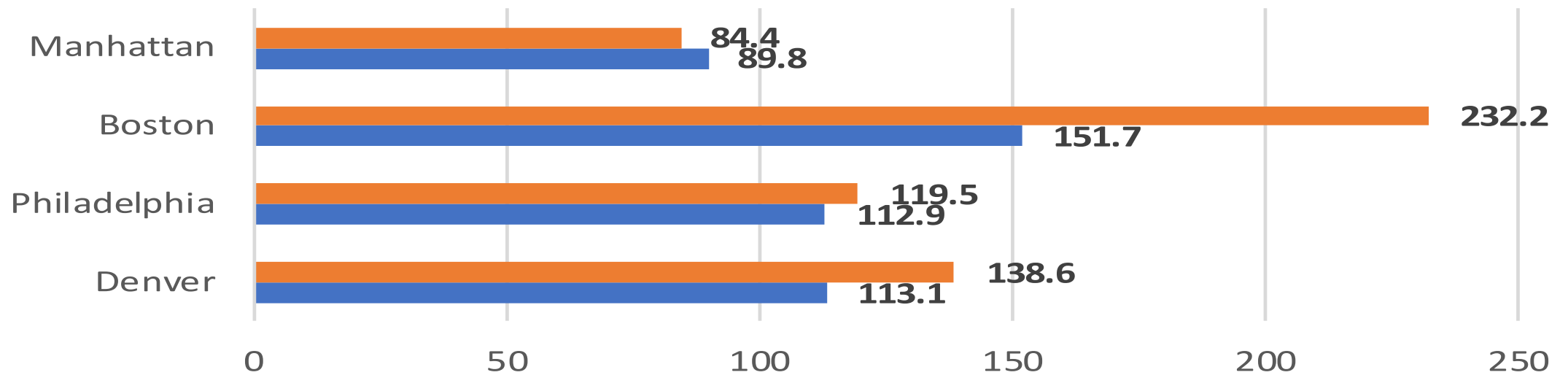
Quality of Life Rated Highly *“with some major concerns”*

- **Recreation and cultural activities are abundant** in the region with fishing, hunting, camping and other activities, as well as activities at KSU and the Columbia Theater in Wamego.
- **Child care and housing are major issues that impact most employers.** A few even stated that they have employees that cannot find homes, except to rent
- **The schools are highly rated across the board** as well as medical services, however, Manhattan employers, and often human resource managers, believe the high school is too large.
- Several Pottawatomie County employers mentioned the lack of availability of child care in rural areas. With COVID, this has become an even greater issue, because if one employee tests positive, then the child care facility needs to close for 10 days. **Therefore, parents may not have a home or facility to place their children while they work and often must stay home.**

Manhattan COLA vs. Source Cities



Cost of Living Index: Manhattan vs. Source Cities

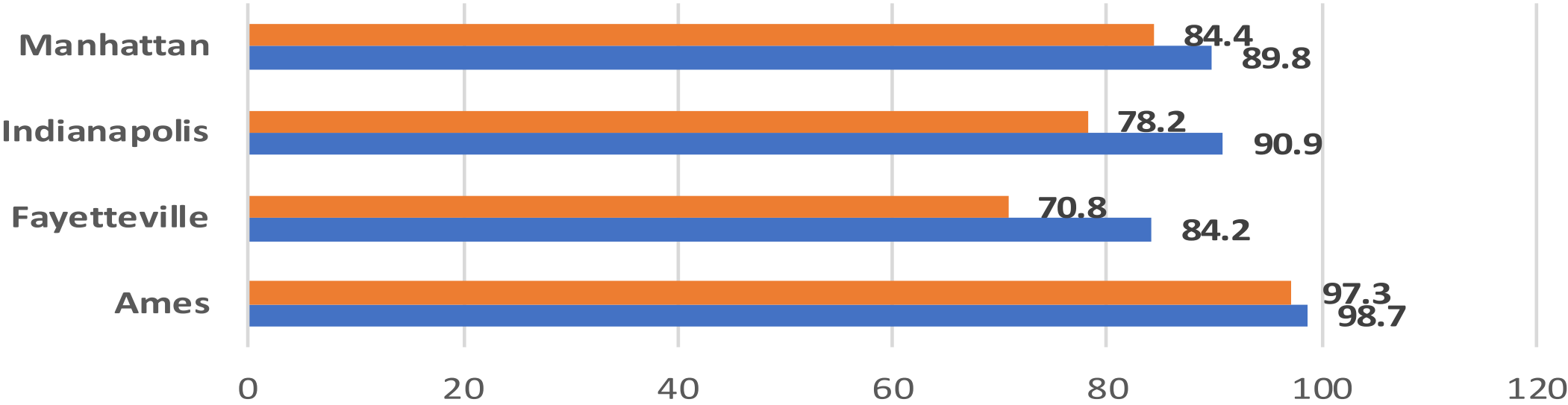


Source : C2ER, 2020, 3rd Qtr, 100=US Average

■ housing ■ composite

Manhattan COLA vs. Competing Cities

Cost of Living Index: Manhattan vs. Competing Cities

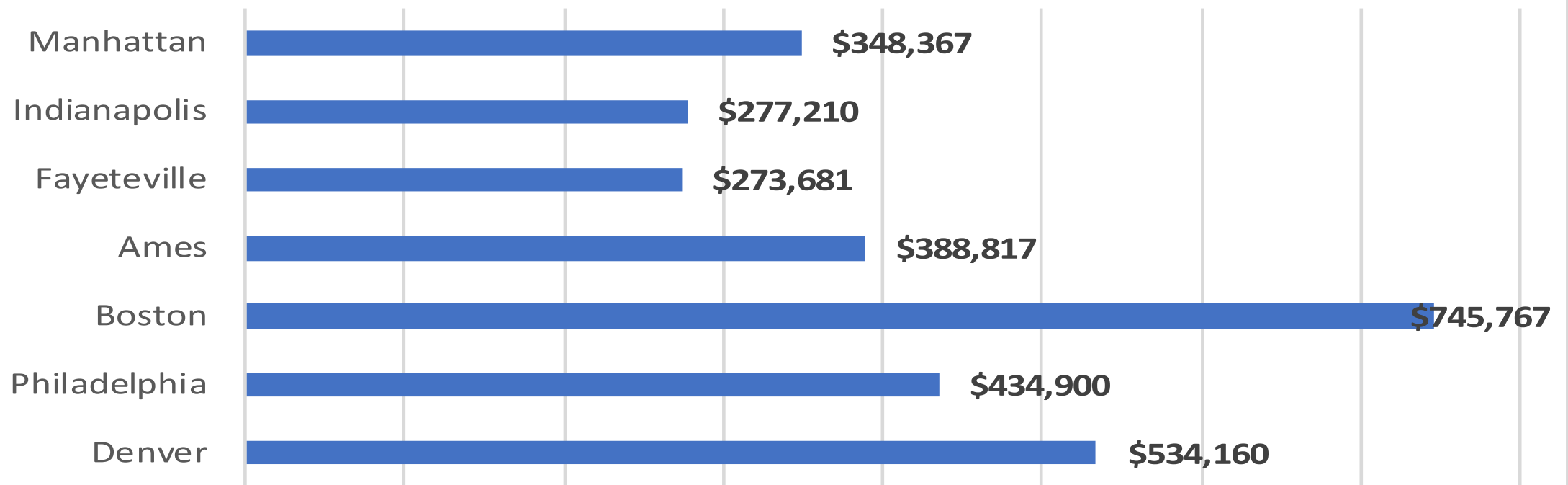


Source: C2ER, 2020, 3rd Qtr., 100= US Average

housing composite

Manhattan vs. Cities: Housing Costs

Manhattan Average Housing Costs Source and Competing Cities



2400 sq.ft. home, 4 bd., 2 bath, new, 2020 C2ER, 3rd qtr.

Major Issues:

The resistance to blue-collar training of the young is leading to large shortages in skilled trade workers and a potential crisis in a few years

Employing military spouses and young Kansas State University graduates and interns is a plus in relation to the recruitment of new workers and managers.

The technical colleges needed to enhance its programming and increase the number of students from the region entering the college programs, however, state budget problems greatly impacted the delivery of programs.

Work Keys is implemented in all school districts which gives students the ability to assess the cognitive and foundational skills of students. It has been in Pottawatomie County with over 1000 tested with ACT

The community needed to address the lack of skill training in mechanics, machine repair, machine tooling, CNC and PLC programming and other trade, and seek funding for the technical colleges.

A major concern in both counties has been over funding over industrial sites and its lack of new sites.



Thank you,
Jack Allston, CEcD, FM, HLM
Executive Director

Pottawatomie County Economic Development Corporation