

**THE
LANCASTER COUNTY, SOUTH CAROLINA
AREA
LABOR AVAILABILITY REPORT**

September, 2009

Compiled and Prepared by



THE PATHFINDERS

www.thepathfindersus.com

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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 Lancaster County 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; consequently, an analysis of an area's workforce became a key component of site searches conducted by The Pathfinders. Senior human resources executives from among corporate clients assisted in refining the methodology and report format.

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 to quantify the extent to which both unemployment and underemployment exist in the Lancaster County 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 Lancaster County 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 Lancaster County area, referred to in this report as the “labor shed”, has a household population of approximately 1,517,100; a civilian labor force of approximately 773,000; and a pool of approximately 97,400 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 197,600 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 \$16.60 per hour, and their median desired pay rate is \$18.15 per hour.
- The median desired pay rate of the unemployed workers who are actively seeking work is \$12.15 per hour.
- Survey results indicate 1% of the underemployed and 6% of unemployed, actively seeking work individuals have less than a high school degree.
- In addition to the underemployed and those unemployed individuals who are actively seeking work, survey results indicate approximately 33,600 unemployed individuals in the labor shed who are not actively seeking work but would consider re-entering the workforce.
- In total, the Lancaster County area has approximately 328,600 available workers for new or expanding businesses.



METHODOLOGY

The first step in assessing the workforce of the Lancaster County 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 Lancaster County 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 Lancaster, Chesterfield, Kershaw, Fairfield, Chester and York Counties in South Carolina and Union and Mecklenburg Counties in North Carolina.

Selected online resources were used in this project. Additionally, The Pathfinders conducted interviews with individuals throughout the Lancaster County 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.



NUMBER OF AVAILABLE WORKERS

The Lancaster County Area Labor Shed

The Lancaster County area labor shed has a household population of approximately 1,517,100. The civilian labor force numbers approximately 773,000, and the labor shed contains approximately 97,400 unemployed people who are actively seeking work.

The results of this assessment determined that approximately 197,600 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. Another 33,600 individuals would consider re-entering the workforce. Together with the unemployed, actively seeking work individuals, the Lancaster County area has approximately 328,600 available workers for new or existing employers.

TOTAL AVAILABLE WORKERS

Number of underemployed workers	197,600
Number of unemployed, actively seeking work individuals	97,400
Number of unemployed individuals who are considering re-entering the workforce	33,600
Total Number of Workers Available for Employers*	328,600

* 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 Lancaster County Area Labor Shed

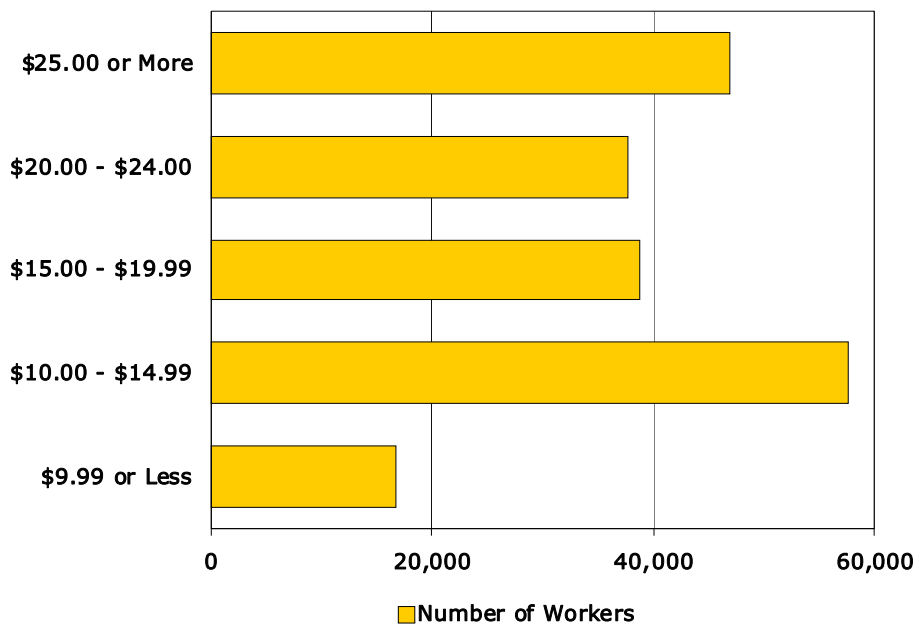
The 197,600 underemployed workers identified in this report might also be termed “upgraders”. They desire to move into an upgraded job and appear to possess the skills, education, and experience to enable them to do so. The following charts represent the desired pay rates of the underemployed individuals 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)

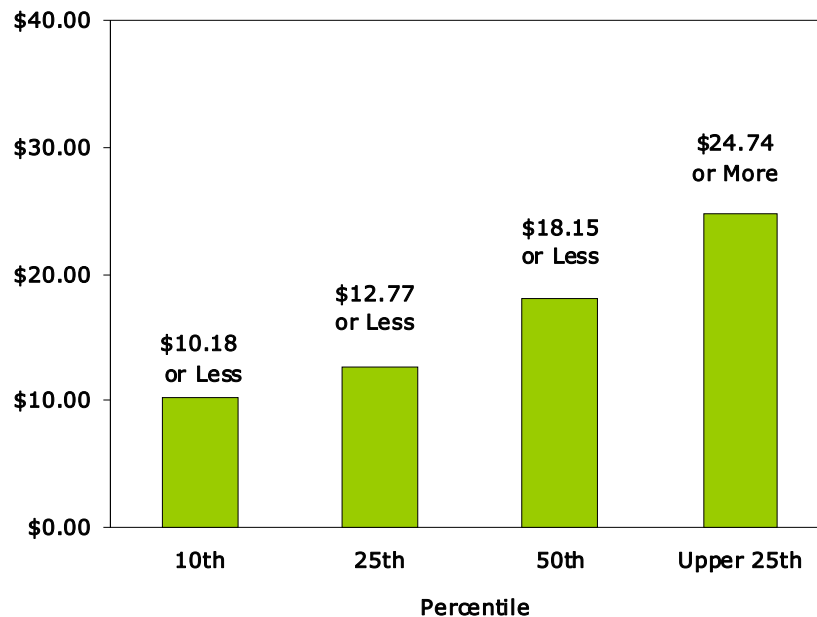
Desired Pay Rate	Number Available
\$7.99 or Less	5,100
\$8.00 - \$9.99	11,600
\$10.00 - \$11.99	19,600
\$12.00 - \$13.99	27,500
\$14.00 - \$15.99	22,200
\$16.00 - \$17.99	11,700
\$18.00 - \$19.99	15,400
\$20.00 - \$21.99	16,800
\$22.00 - \$23.99	11,700
\$24.00 - \$25.99	16,800
\$26.00 - \$27.99	2,800
\$28.00 - \$29.99	7,900
\$30.00 - \$31.99	9,100
\$32.00 or More	19,400



DESIRED WAGE RATES PER HOUR BY RANGE
197,600 Underemployed Workers



DESIRED WAGE RATES PER HOUR BY PERCENTILE
197,600 Underemployed Workers



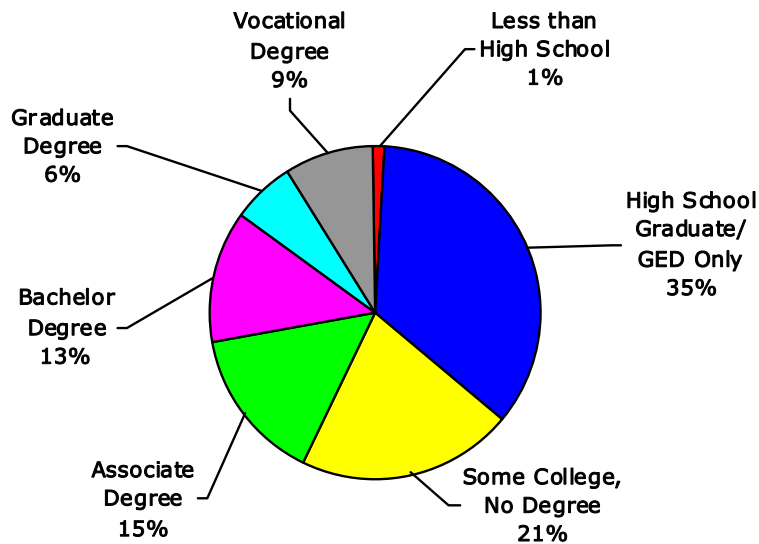
CHARACTERISTICS OF UNDEREMPLOYED WORKERS

The Lancaster County Area Labor Shed

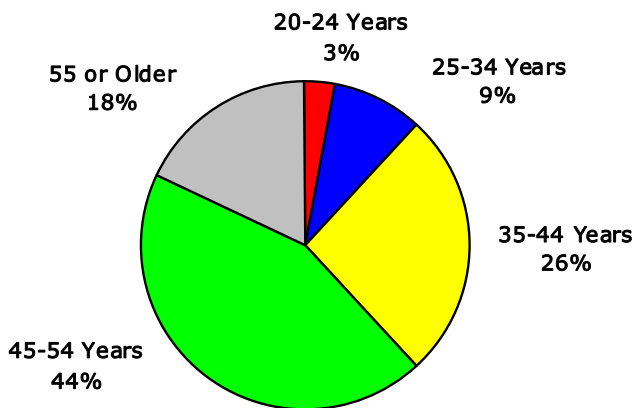
197,600 Underemployed Workers

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.

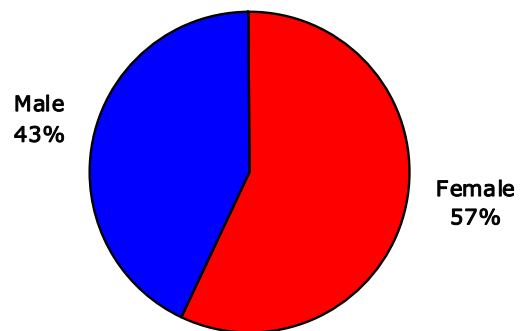
EDUCATION



AGE



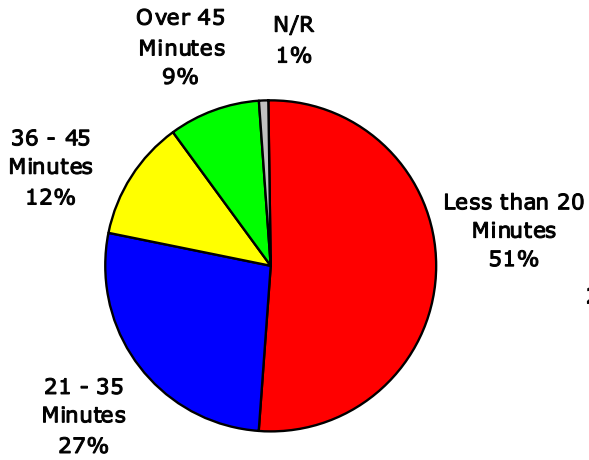
GENDER



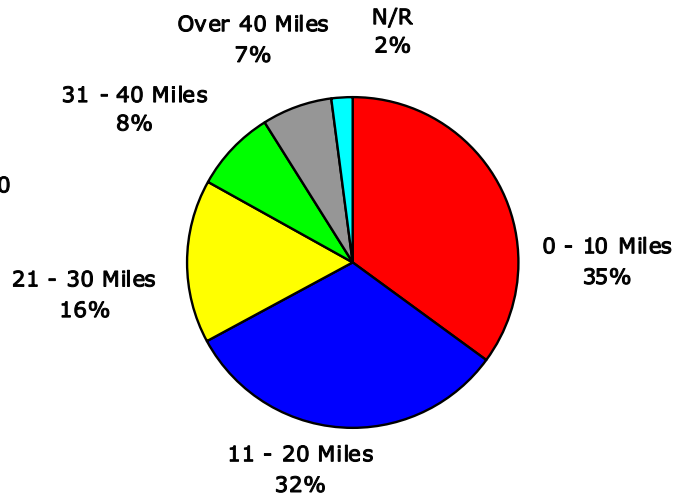
CHARACTERISTICS OF UNDEREMPLOYED WORKERS

197,600 Underemployed Workers

CURRENT COMMUTE TIME



CURRENT COMMUTE DISTANCE



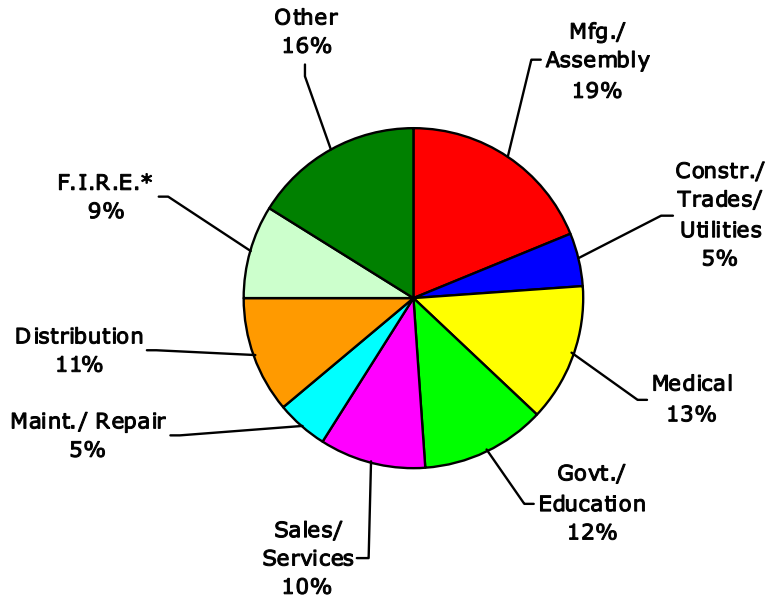
LENGTH OF TIME IN CURRENT JOB



CHARACTERISTICS OF UNDEREMPLOYED WORKERS

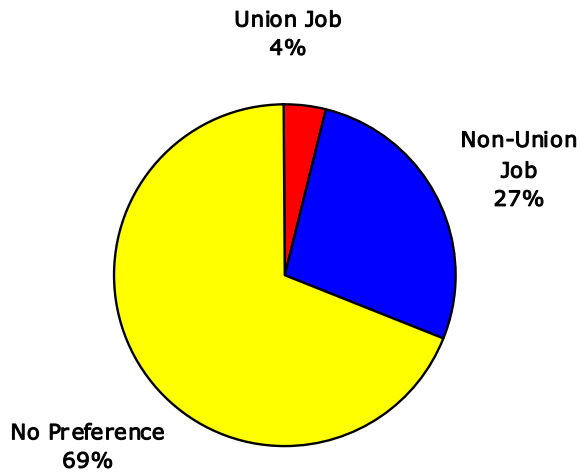
197,600 Underemployed Workers

CURRENT AREA OF EMPLOYMENT

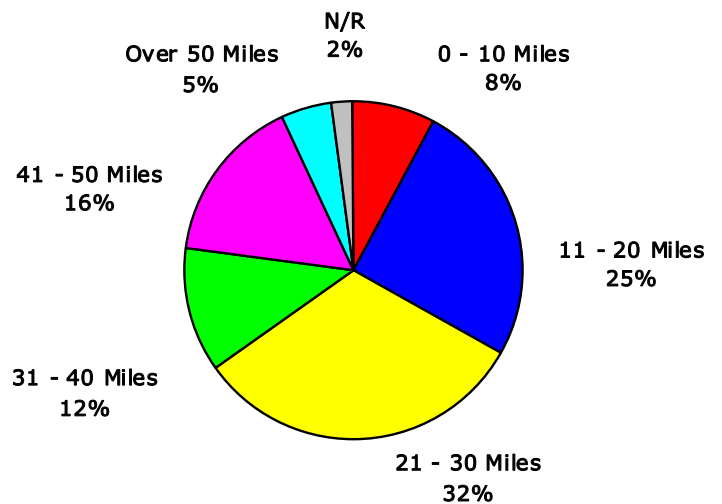


*Finance, Insurance, Real Estate

UNION PREFERENCE



MILES WILLING TO COMMUTE



EXPERIENCE AND SKILLS – UNDEREMPLOYED WORKERS**197,600 Underemployed Workers**

Experience Category	Number of Workers (Rounded)	Percentage of Total	Average Years of Experience
Office Operations	130,400	66%	12
Customer Service	124,500	63%	11
Warehouse/Distribution/Transportation	108,700	55%	10
Manufacturing/Assembly/Fabrication	100,800	51%	11
Maintenance/Installation/Repair	65,200	33%	12
Information Technology	59,300	30%	9
Medical/Health Sciences	43,500	22%	9
Call Center	25,700	13%	7

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	Number of Workers (Rounded)	Percentage of Total
Office Operations	128,400	65%
Warehouse/Materials Handling	108,700	55%
Manufacturing/Assembly/Fabrication	100,800	51%
Information Technology	71,100	36%
Technician/Quality Assurance	65,200	33%
Maintenance/Installation/Repair	59,300	30%
Medical/Health Sciences	51,400	26%
Electronics/Engineering	33,600	17%



FACTORS AFFECTING JOB DESIRABILITY

197,600 Underemployed Workers

In an effort to identify those factors most important to the Lancaster County area's underemployed workers relative to consideration of an employer's desirability, the surveyed individuals were asked to rate the following job factors on a scale of 1 to 5, with 5 being "extremely important" and 1 being "not important". The table below presents the ratings for each factor.

Factor	5 Extremely Important	4 Very Important	3 Important	2 Somewhat Important	1 Not Important
Financial Stability of the Company	72%	21%	5%	1%	1%
Insurance Benefits	70%	20%	5%	2%	3%
Retirement Benefits	67%	20%	9%	3%	1%
Salary	58%	26%	13%	1%	2%
Opportunity for Advancement	51%	32%	13%	2%	2%
Physical Working Environment	40%	28%	22%	5%	5%
Paid Training Programs	40%	37%	17%	3%	3%
Location	35%	33%	28%	1%	3%

As shown above, the underemployed workers in the Lancaster County labor shed rated financial stability of the company and insurance benefits as the two factors most important to them in consideration of a job change. This does not mean that the remaining factors are unimportant to the underemployed workers.



ASSESSMENT OF THE UNEMPLOYED WORKFORCE

The Lancaster County Area Labor Shed

This report documents two groups of unemployed individuals in the Lancaster County area labor shed who would be available workers for a new or expanding business. The groups are classified as:

- Individuals who are actively seeking work
- Individuals who are considering re-entering the workforce

Published statistics document 97,400 unemployed workers in the labor shed who are actively seeking work. This number could possibly be higher due to individuals looking for work who are not on the roles of the state unemployment agencies. Survey results suggest that an additional 33,600 people, who are not currently employed or actively seeking work, would consider re-entering the workforce.

In total, the labor shed has approximately 131,000 unemployed individuals who would be considered potential workers for a new or expanding operation.

UNEMPLOYED INDIVIDUALS

Number of unemployed, actively seeking work individuals	97,400
Number of unemployed individuals who would considering re-entering the workforce	33,600

Total Number of Unemployed Individuals Available for Employers	131,000

The determinations for these two segments of the workforce have a larger statistical variance than that for the underemployed.

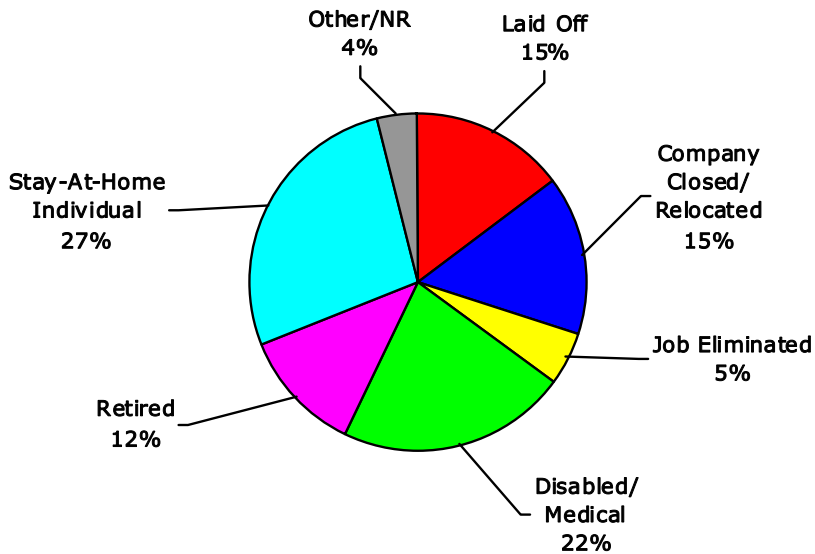


ASSESSMENT OF INDIVIDUALS WHO WOULD CONSIDER RE-ENTERING THE WORKFORCE

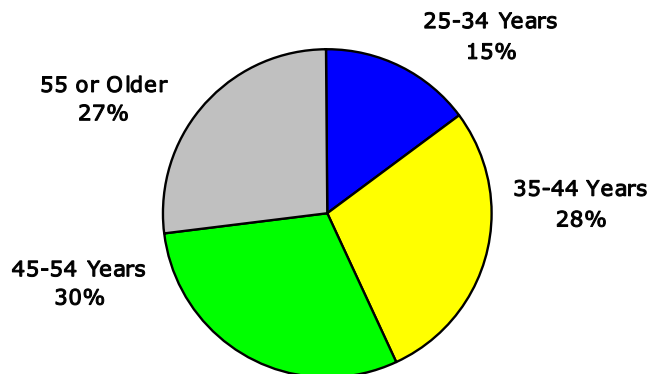
The Lancaster County Area Labor Shed

The following charts provide information on that segment of unemployed individuals in the labor shed who would consider re-entering the workforce. **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.**

REASONS FOR UNEMPLOYMENT



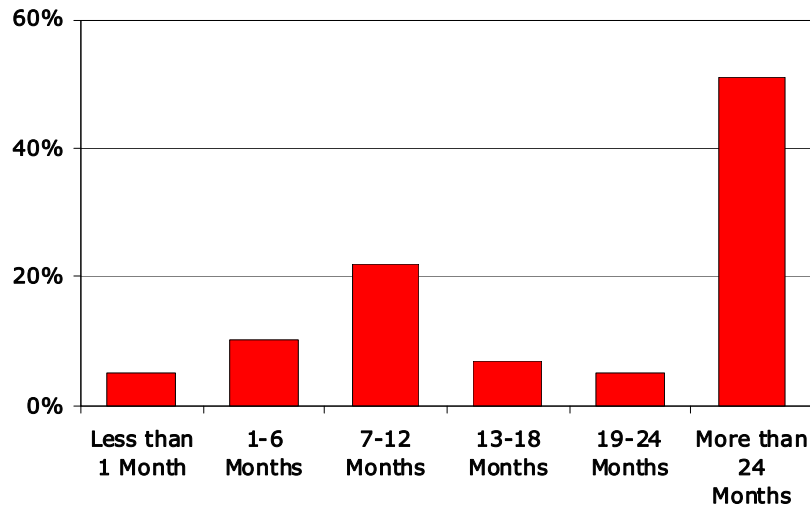
AGE



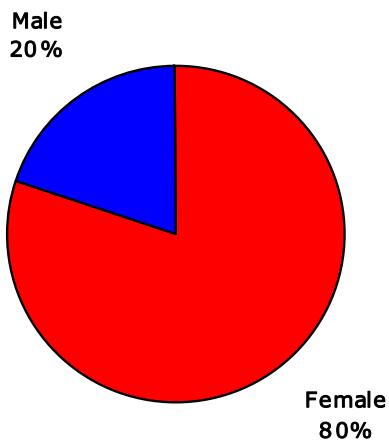
CHARACTERISTICS OF INDIVIDUALS WHO WOULD CONSIDER RE-ENTERING THE WORKFORCE

33,600 Potential Workers

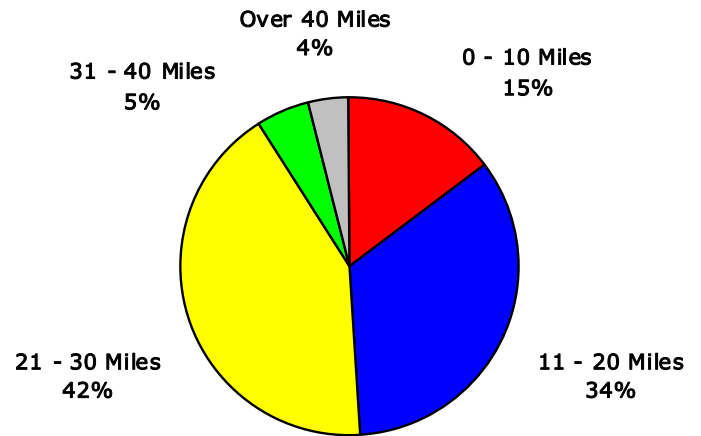
LENGTH OF TIME UNEMPLOYED



GENDER

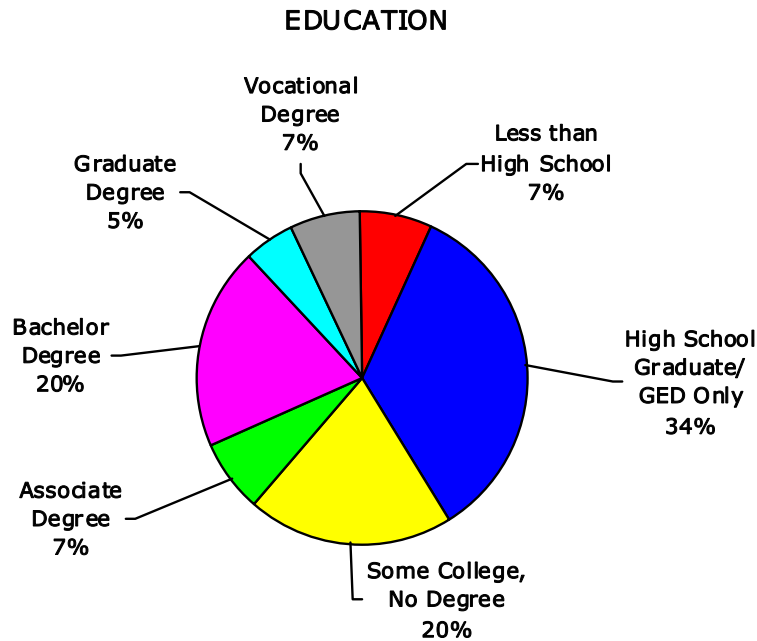


MILES WILLING TO COMMUTE



**CHARACTERISTICS OF INDIVIDUALS WHO
WOULD CONSIDER RE-ENTERING THE WORKFORCE**

33,600 Potential Workers



- The median desired pay rate of the unemployed individuals who would consider re-entering the workforce is \$13.65 per hour.

- The largest category of most recent employment for the unemployed individuals who would consider re-entering the workforce is manufacturing.

- The two factors most important to the unemployed individuals who would consider re-entering the workforce relative to consideration of a potential employer are insurance benefits and financial stability of the company.

- 12% of the unemployed individuals who would consider re-entering the workforce would prefer a union job; 24% a non-union job; and, 64% have no preference.



**EXPERIENCE AND SKILLS – INDIVIDUALS WHO
WOULD CONSIDER RE-ENTERING THE WORKFORCE**

33,600 Potential Workers

Experience Category	Number of Individuals (Rounded)	Percentage of Total	Average Years of Experience
Office Operations	18,100	54%	7
Customer Service	17,800	53%	8
Manufacturing/Assembly/Fabrication	15,500	46%	9
Warehouse/Distribution/Transportation	13,100	39%	9
Medical/Health Sciences	9,100	27%	8
Information Technology	6,700	20%	8
Maintenance/Installation/Repair	4,000	12%	12
Call Center	3,400	10%	4

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	Number of Individuals (Rounded)	Percentage of Total
Office Operations	18,800	56%
Manufacturing/Assembly/Fabrication	15,500	46%
Warehouse/Materials Handling	14,800	44%
Information Technology	10,800	32%
Technician/Quality Assurance	9,100	27%
Medical/Health Sciences	8,700	26%
Maintenance/Installation/Repair	6,700	20%
Electronics/Engineering	2,400	7%

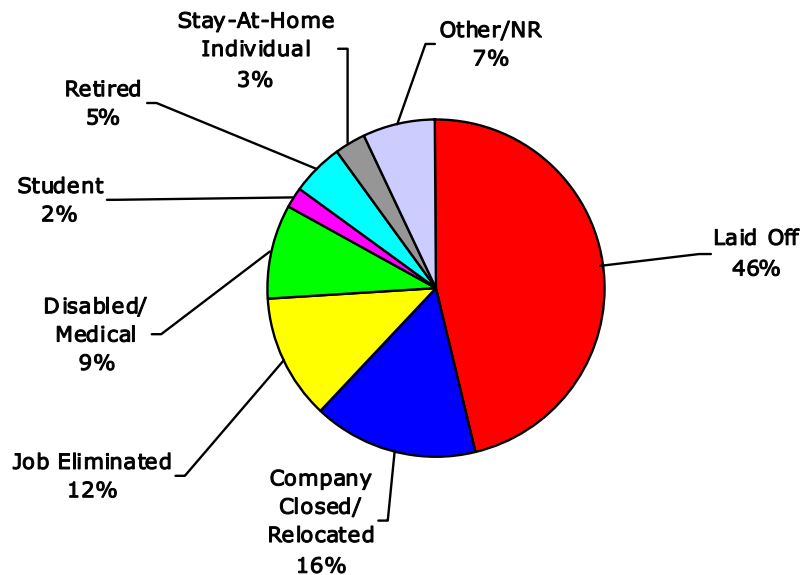


CHARACTERISTICS OF UNEMPLOYED INDIVIDUALS WHO ARE ACTIVELY SEEKING WORK

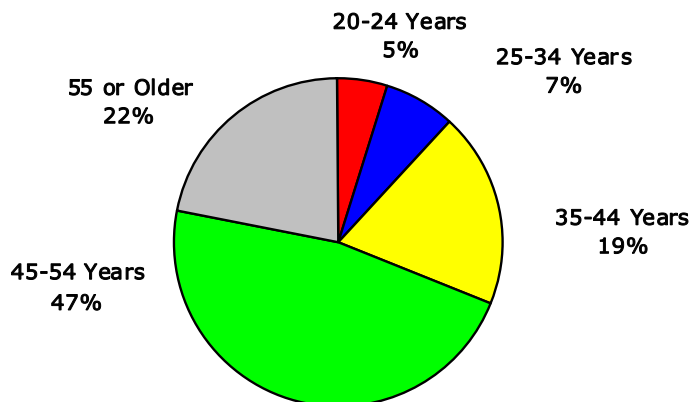
97,400 Workers

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.**

REASONS FOR UNEMPLOYMENT



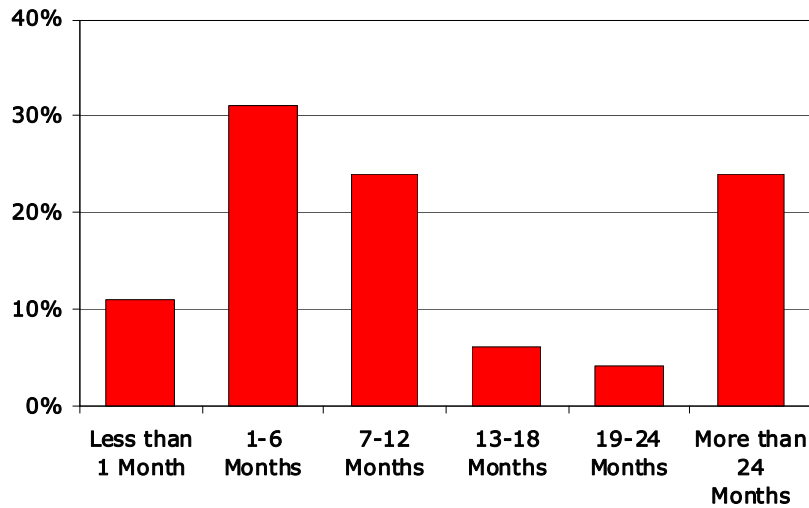
AGE



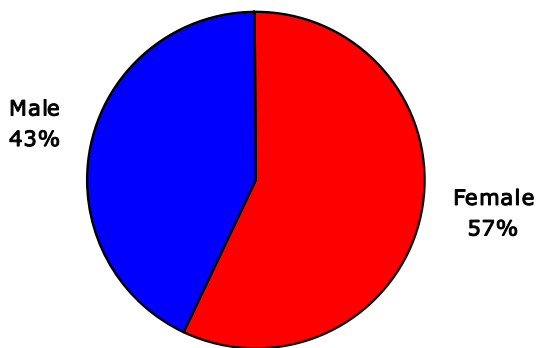
**CHARACTERISTICS OF UNEMPLOYED INDIVIDUALS WHO ARE
ACTIVELY SEEKING WORK**

97,400 Workers

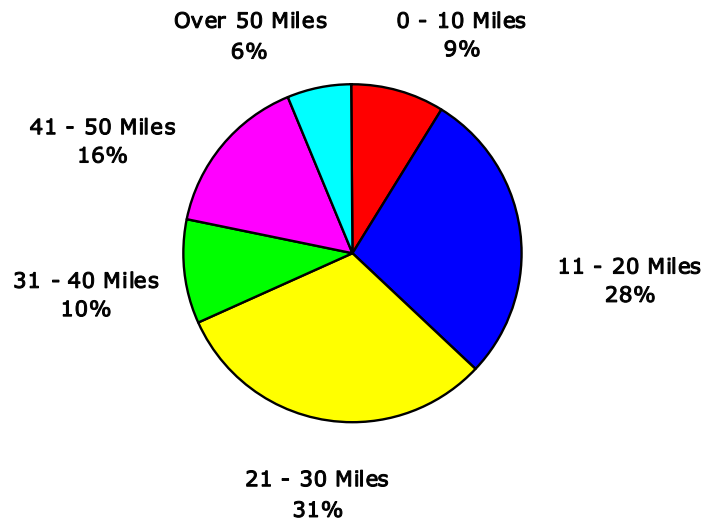
LENGTH OF TIME UNEMPLOYED



GENDER



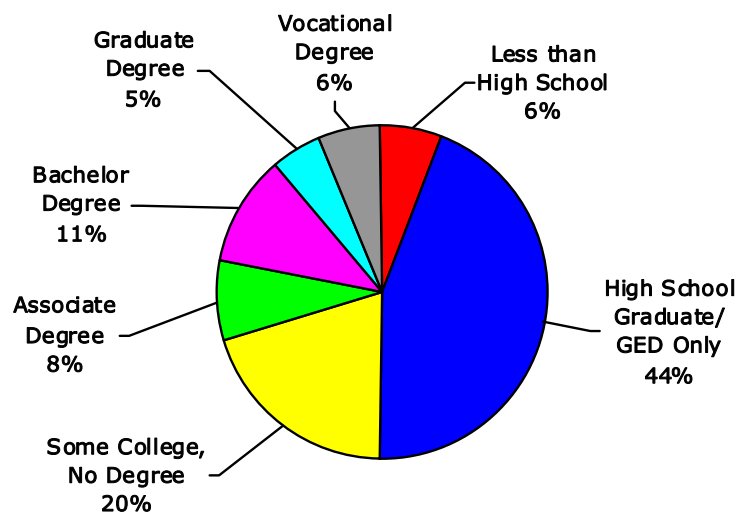
MILES WILLING TO COMMUTE



CHARACTERISTICS OF UNEMPLOYED INDIVIDUALS WHO ARE ACTIVELY SEEKING WORK

97,400 Workers

EDUCATION



- The median most recent pay rate of the unemployed workers who are actively seeking work is \$13.02 per hour. The median desired pay rate of these individuals is \$12.15 per hour.
- The largest category of most recent employment for the unemployed individuals who are actively seeking work is manufacturing.
- The two factors most important to the unemployed individuals who are actively seeking work relative to consideration of a potential employer are insurance and retirement benefits.
- 6% of the unemployed individuals who are actively seeking work would prefer a union job; 28% a non-union job; and, 66% have no preference.

EXPERIENCE AND SKILLS OF UNEMPLOYED INDIVIDUALS WHO ARE ACTIVELY SEEKING WORK

97,400 Workers

Experience Category	Number of Workers (Rounded)	Percentage of Total	Average Years of Experience
Warehouse/Distribution/Transportation	51,600	53%	8
Manufacturing/Assembly/Fabrication	49,700	51%	12
Customer Service	49,700	51%	7
Office Operations	45,800	47%	9
Maintenance/Installation/Repair	29,200	30%	10
Information Technology	27,300	28%	7
Medical/Health Sciences	19,500	20%	9
Call Center	18,500	19%	3

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	Number of Workers (Rounded)	Percentage of Total
Warehouse/Materials Handling	55,500	57%
Manufacturing/Assembly/Fabrication	51,600	53%
Office Operations	46,800	48%
Maintenance/Installation/Repair	30,200	31%
Information Technology	29,200	30%
Technician/Quality Assurance	23,400	24%
Medical/Health Sciences	20,500	21%
Electronics/Engineering	15,600	16%

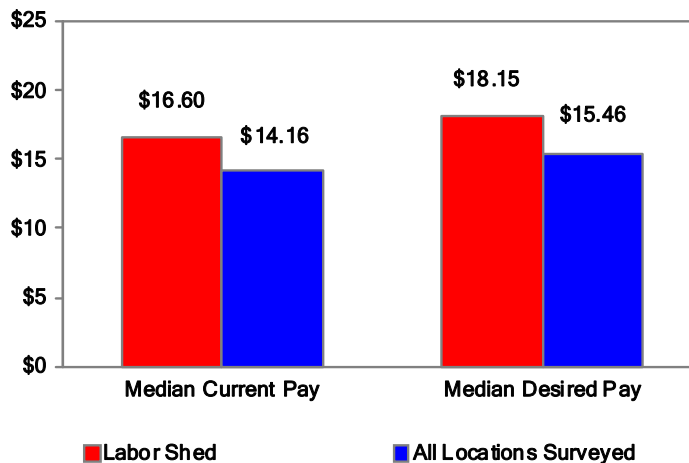


NATIONAL COMPARISONS OF UNDEREMPLOYED WORKFORCE

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 Lancaster County 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 Lancaster County region is referred to as “labor shed”.

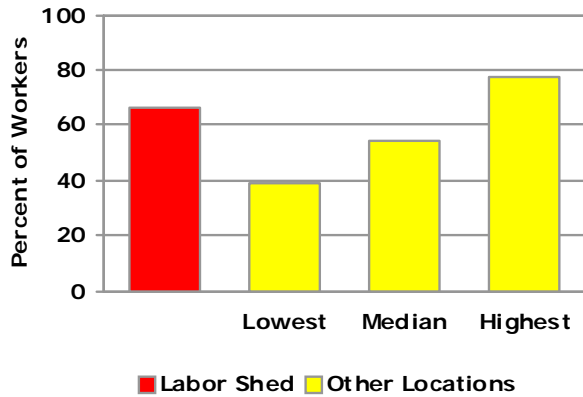
The chart below illustrates the median current and desired wages of the underemployed workers in the Lancaster County labor shed as compared to those underemployed workers in all locations surveyed by The Pathfinders over the past eighteen months. As indicated, the median current pay of all surveyed, underemployed workers over the past eighteen months is \$14.16 per hour, and the median desired pay of these workers is \$15.46 per hour. As shown, survey results indicate that the Lancaster County region’s underemployed workers have higher 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 Lancaster County Area /
Locations Surveyed Over the Past 18 Months**

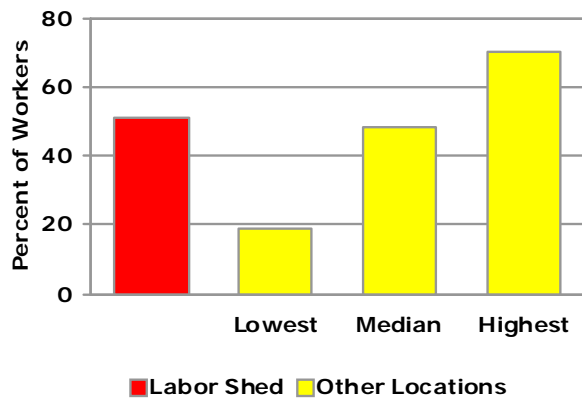
OFFICE



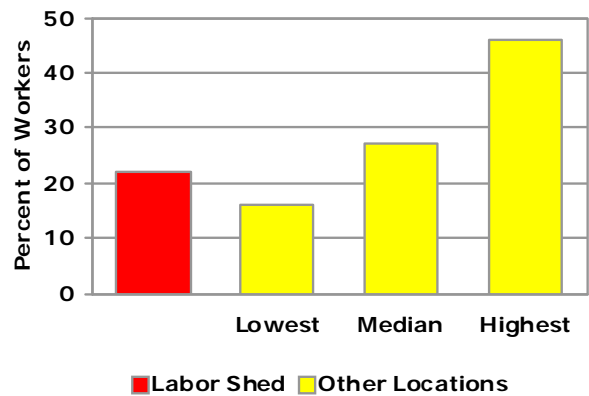
**WAREHOUSE / DISTRIBUTION /
TRANSPORTATION**



**MANUFACTURING / ASSEMBLY /
FABRICATION**

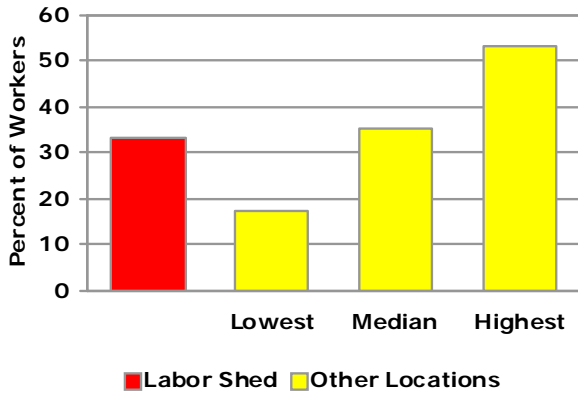


**MEDICAL /
HEALTH SCIENCES**



**COMPARISON OF EXPERIENCE
UNDEREMPLOYED WORKERS
The Lancaster County Area /
Locations Surveyed Over the Past 18 Months**

**MAINTENANCE /
INSTALLATION / REPAIR**



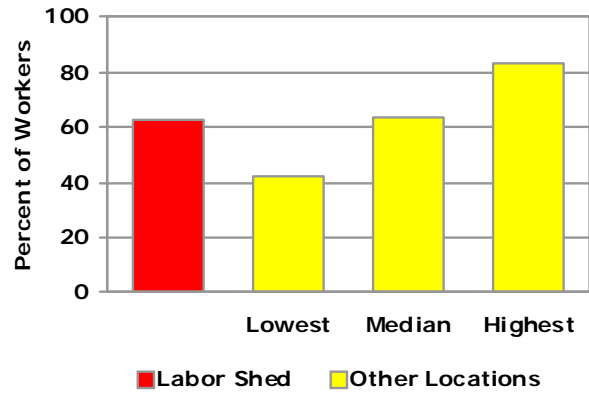
CALL CENTER



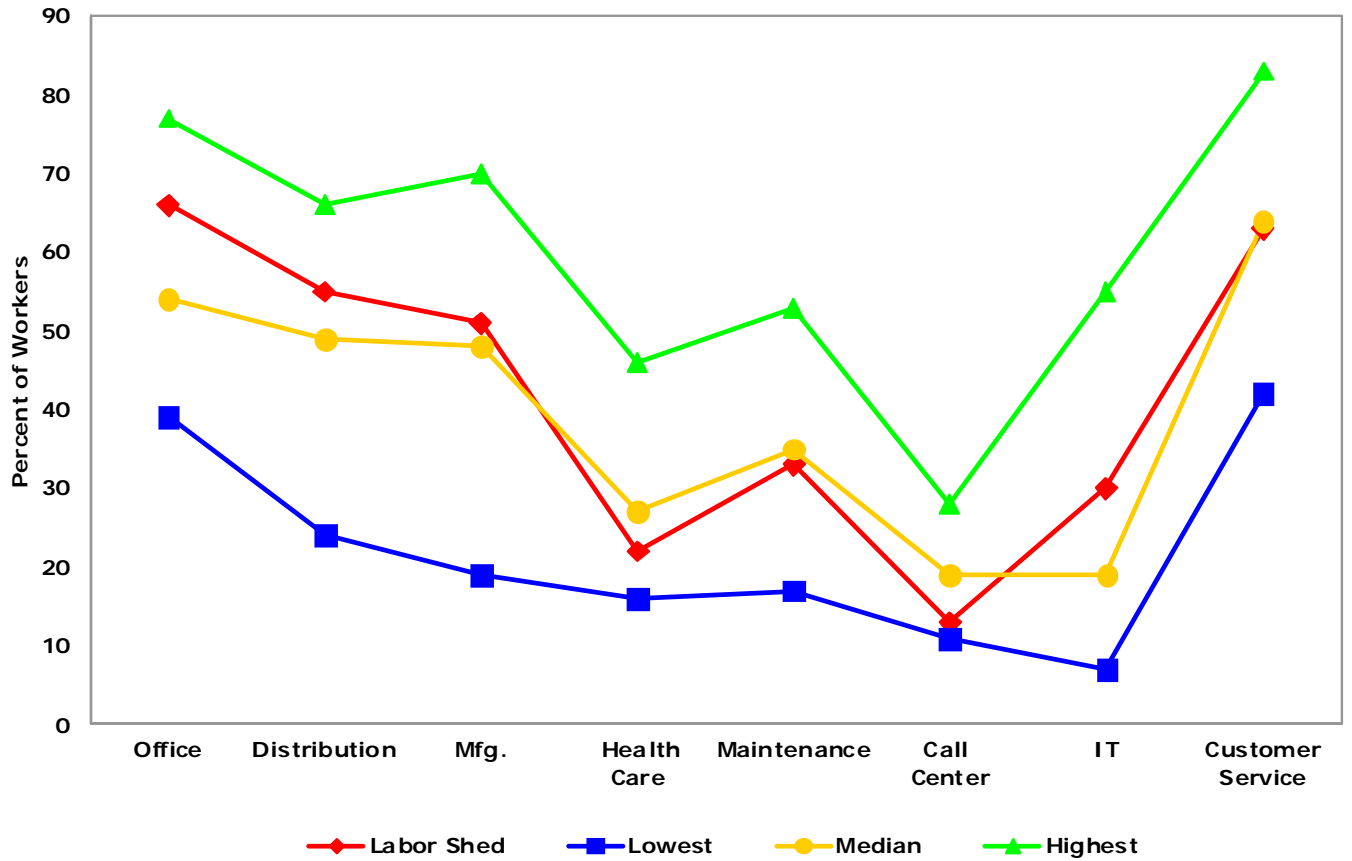
INFORMATION TECHNOLOGY



CUSTOMER SERVICE

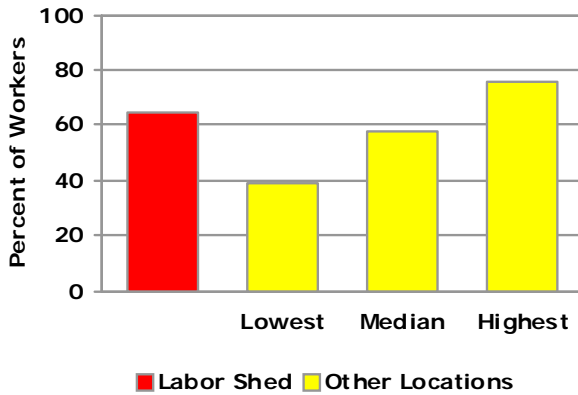


**SUMMARY COMPARISON OF EXPERIENCE
UNDEREMPLOYED WORKERS
The Lancaster County Area /
Locations Surveyed Over the Past 18 Months**

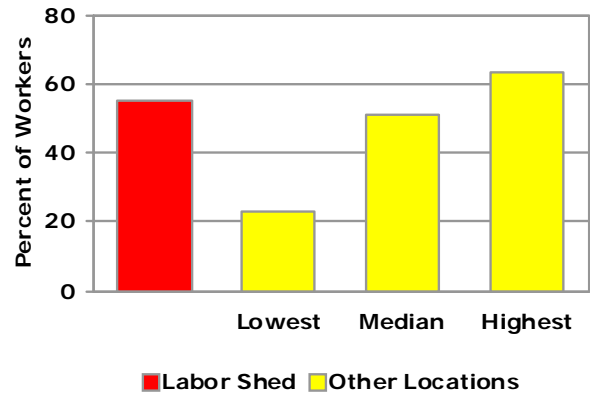


**COMPARISON OF SKILLS
UNDEREMPLOYED WORKERS
The Lancaster County Area /
Locations Surveyed Over the Past 18 Months**

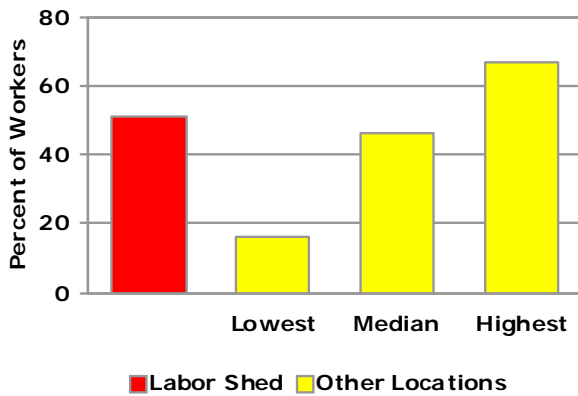
OFFICE



**WAREHOUSE /
MATERIALS HANDLING**



**MANUFACTURING / ASSEMBLY /
FABRICATION**

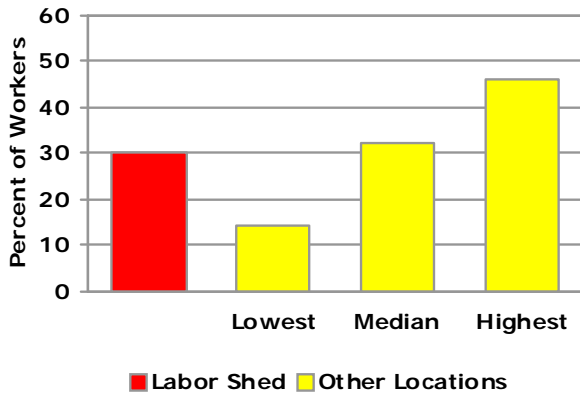


**MEDICAL /
HEALTH SCIENCES**



**COMPARISON OF SKILLS
UNDEREMPLOYED WORKERS
The Lancaster County Area /
Locations Surveyed Over the Past 18 Months**

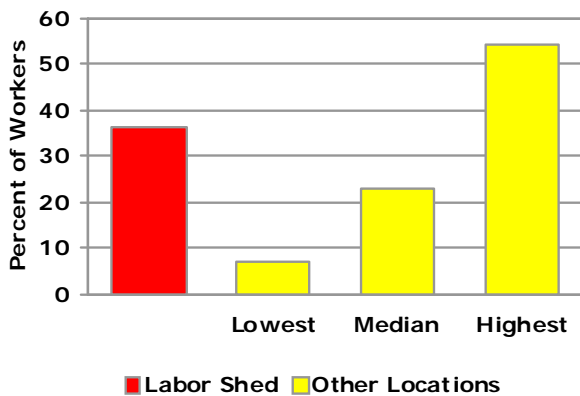
**MAINTENANCE /
INSTALLATION / REPAIR**



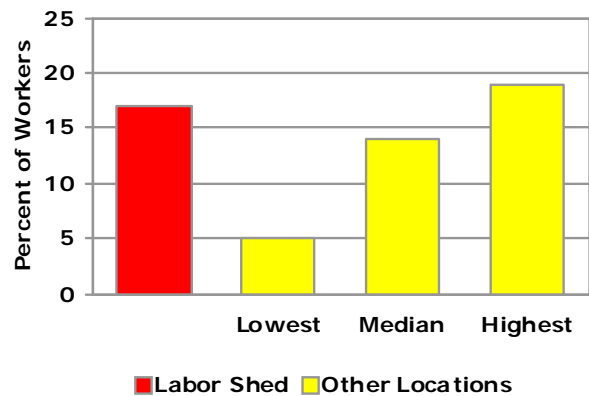
**TECHNICIAN / QUALITY
ASSURANCE**



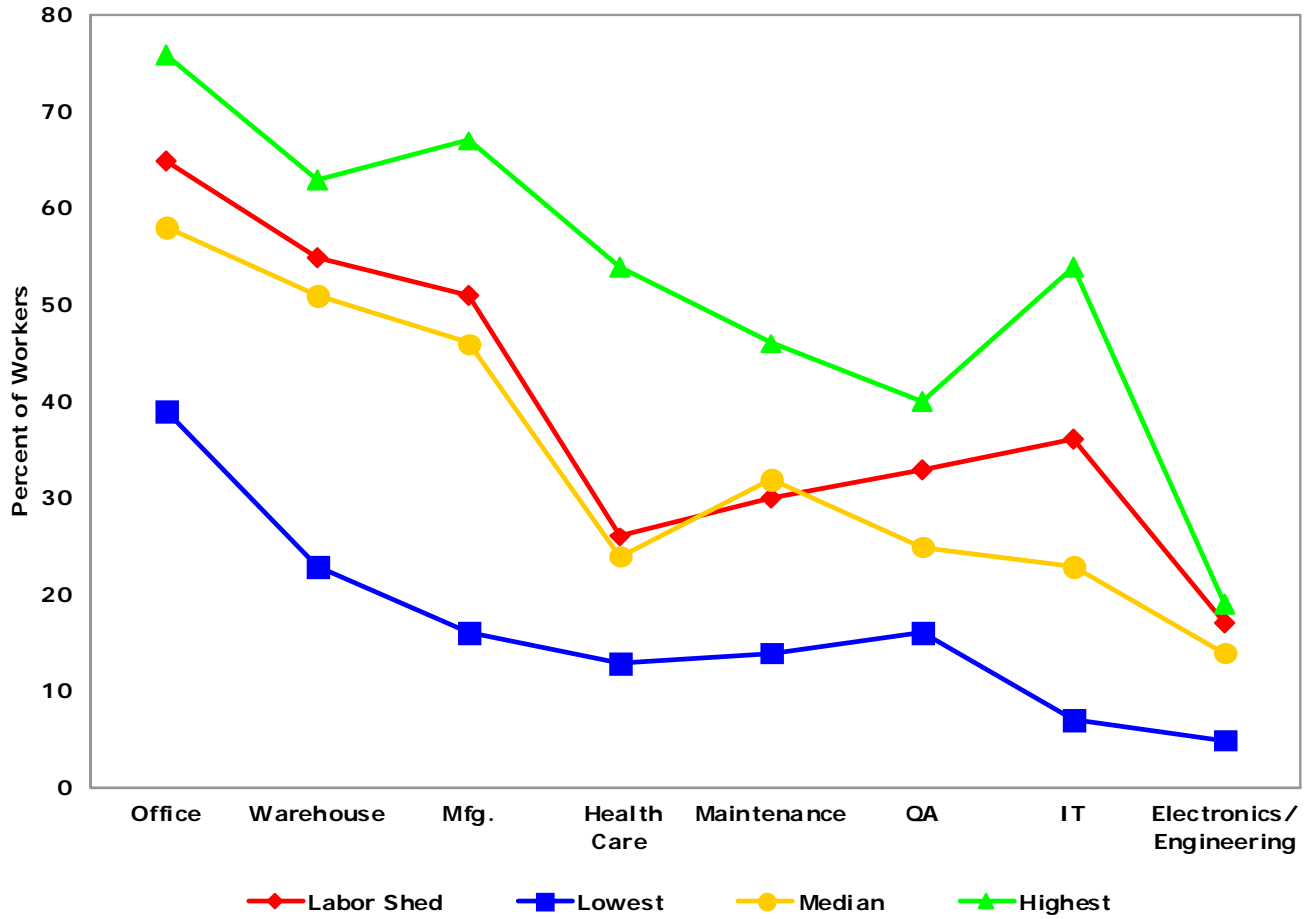
INFORMATION TECHNOLOGY



**ELECTRONICS /
ENGINEERING**



**SUMMARY COMPARISON OF SKILLS
UNDEREMPLOYED WORKERS
The Lancaster County Area /
Locations Surveyed Over the Past 18 Months**



EMPLOYERS' VIEWS OF THE THE LANCASTER COUNTY AREA TOTAL WORKFORCE

In developing a profile of existing workers in the Lancaster County region, The Pathfinders considered such factors as labor availability, productivity, unionization, 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.

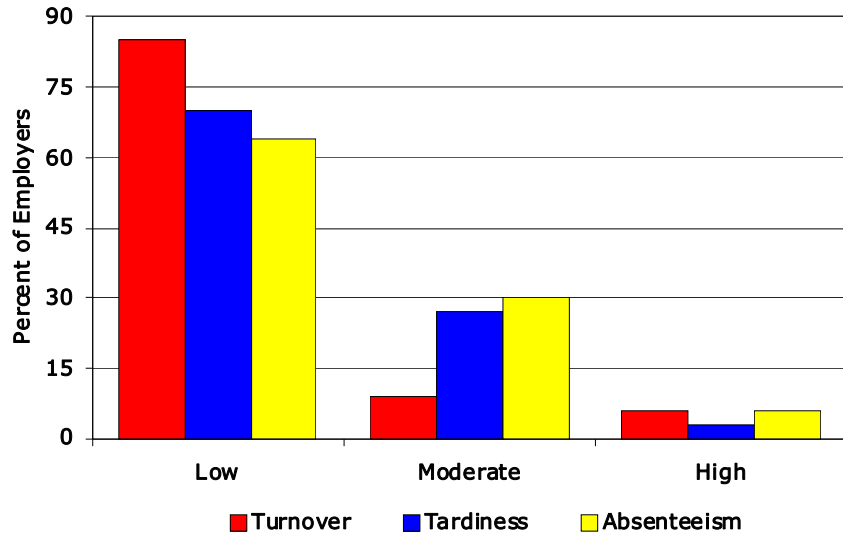
As determined from the employer interviews, the tables below reflect the top two methods used to recruit hourly and salaried workers in the Lancaster County region and the percent of employers utilizing each method. Employers may use multiple recruitment methods.

Recruiting Methods – Hourly Workers	% of Employers
Word of Mouth	34%
State Agency	33%
Recruiting Methods – Salaried Workers	% of Employers
Internet	35%
Newspaper Ads	32%

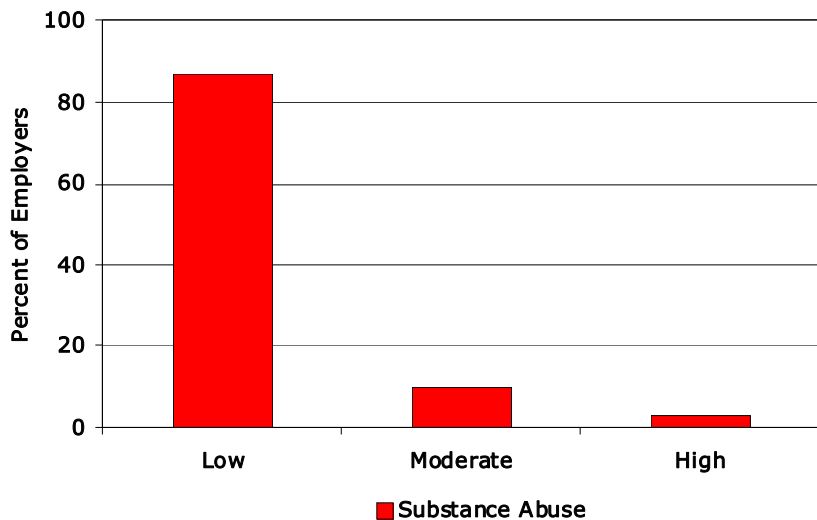
73% of the employers interviewed stated their companies had operations in other regions of the United States. Of these employers, those familiar with the workforces in those other locations reported that their Lancaster County area operations were comparable to or better than the other regions in terms of profitability and production.



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 chart below shows the percent of employers’ ratings for turnover, tardiness and absenteeism.

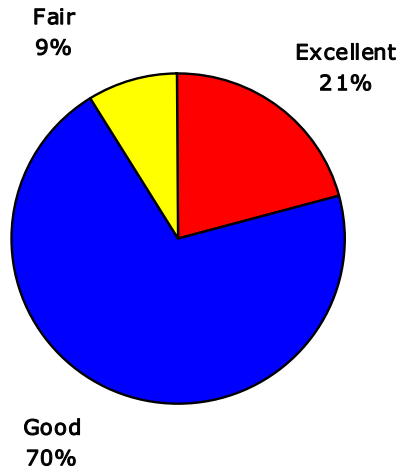


Additionally, in the Lancaster County region, 88% of the employers interviewed stated their companies tested for substance abuse, primarily pre-employment. Substance abuse within the workforce, as reported by the participating employers, is shown in the chart below.

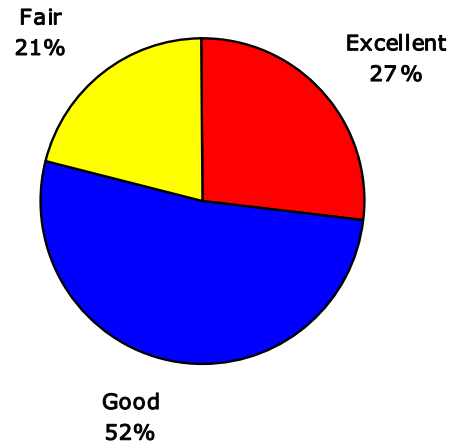


In consideration of all factors, 91% of the employers in the Lancaster County area rated the productivity of the workforce as "Good" to "Excellent". Worker attitudes received high marks from 90% of the employers.

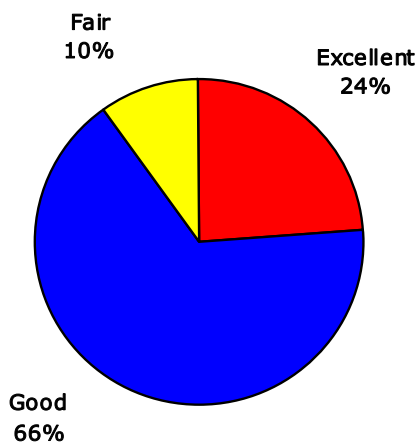
WORKER PRODUCTIVITY



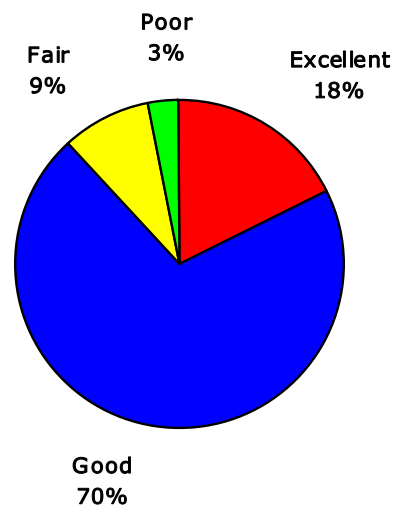
WORKER RELIABILITY



WORKER ATTITUDES

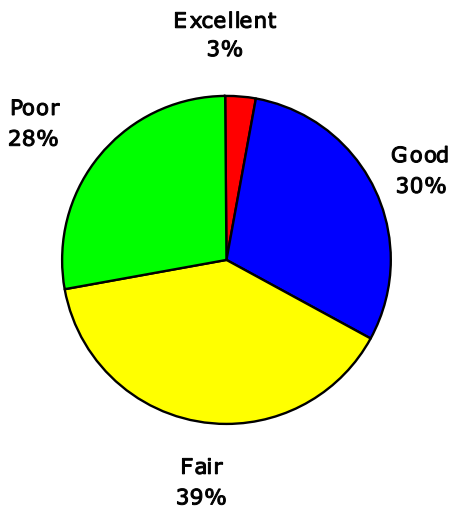


TEAMWORK SKILLS

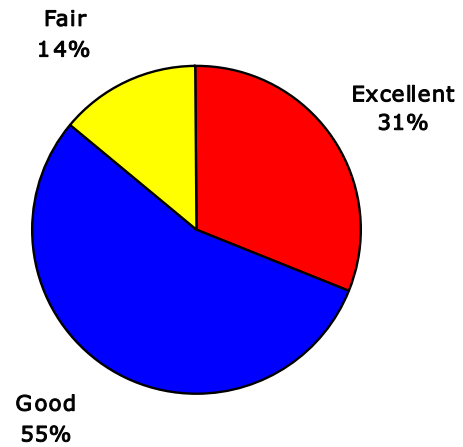


The educational competencies of employees are additional factors used to evaluate an area’s labor force. In the Lancaster County area, 33% of the employers interviewed rated the local public schools as “Excellent” or “Good”, and 86% of the employers rated the local community colleges and technical schools as “Excellent” or “Good”. Ratings for basic skills and other factors are also shown.

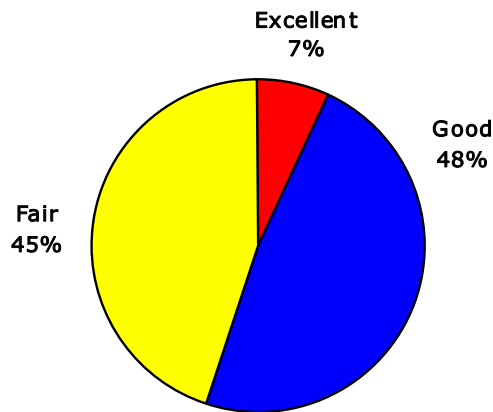
LOCAL PUBLIC SCHOOLS



LOCAL COMMUNITY COLLEGES AND TECH SCHOOLS

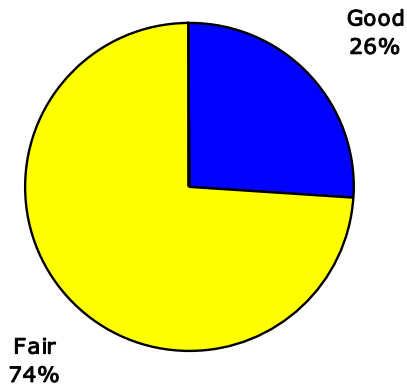


READING SKILLS

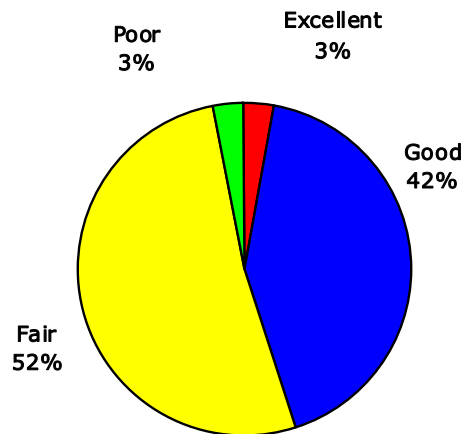


EMPLOYERS' RATINGS The Lancaster County Area Labor Shed

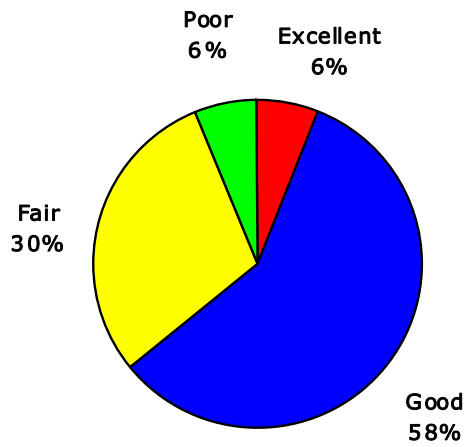
WRITING SKILLS



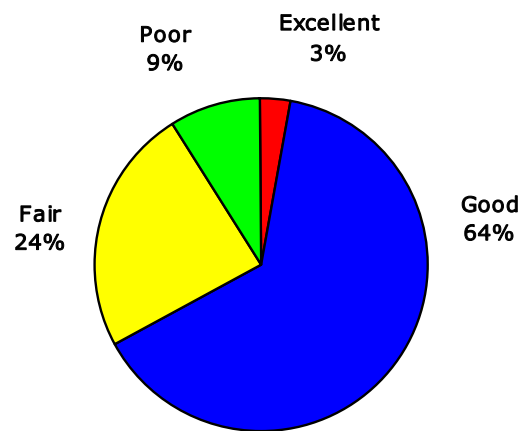
MATH SKILLS



JOB READINESS SKILLS

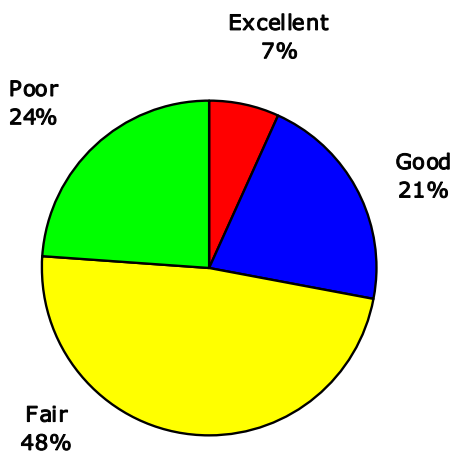


ENTRY LEVEL SKILLS

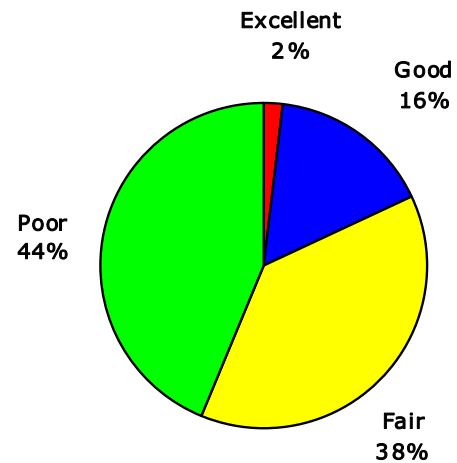


A common employer complaint relates to the shortage of skilled and technical workers. These workers are in great demand and difficult to find in the vast majority of locations. Of the companies in the labor shed interviewed, 28% considered skilled worker availability to be "Excellent" or "Good", while 48% considered it to be "Fair". The availability of technical workers in the labor shed was rated "Excellent" or "Good" by 18% of the interviewed companies and "Fair" by 38%. The ratings for availability of unskilled and professional workers are also illustrated in the pie charts below.

SKILLED WORKERS AVAILABILITY



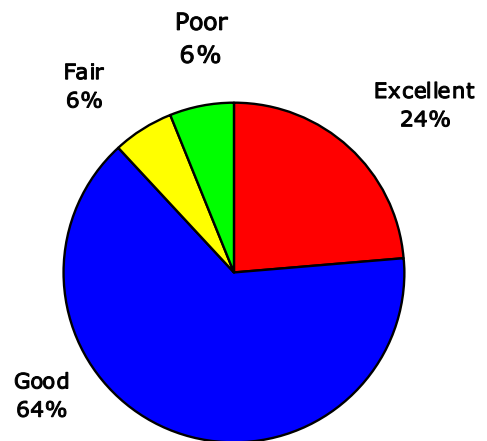
TECHNICAL WORKERS AVAILABILITY



PROFESSIONAL WORKERS AVAILABILITY



UNSKILLED WORKERS AVAILABILITY





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