

Workforce

Access to an educated, skilled and motivated workforce is one of Greater Omaha's key assets because it draws business to the area and spurs economic growth. Every year, there are more than 9,000 new graduates from area high schools and 10,000 from area colleges and universities. These individuals stay in Greater Omaha because opportunities are plentiful – both professionally and personally – and the area offers a superior quality of life.

The following information will provide more specific information on Greater Omaha's workforce as it relates to overall employment, workforce availability, quality of employees and workforce expenses.

Employment

Greater Omaha's economy benefits from solid population and labor force growth with a relatively diverse industry mix. The service sector provides a stable employment base accounting for 88.6 percent of total employment. This fact simply validates the city's reputation as a service and trade center for the region.

The table below shows Greater Omaha's employment distribution by industry compared to the United States in total. Greater Omaha has a higher concentration of employment compared to the rest of the nation in financial activities, (8.9 percent vs. 5.8 percent); trade, transportation and utilities (20.2 percent vs. 19.0 percent); and information (2.4 percent vs. 2.0 percent). On the other hand, Omaha holds a smaller share of employment in the manufacturing (6.8 percent vs. 8.9 percent) and government (14.2 percent vs. 16.8 percent) sectors.

Employment Distribution by Industry - 2011 (number of jobs in thousands)				
Industry	Greater Omaha		United States	
	Number of Jobs	Percentage	Number of Jobs	Percentage
Construction/Mining	19.9	4.3%	6,288	4.8%
Manufacturing	31.5	6.8%	11,733	8.9%
Trade, Transportation and Utilities	93.2	20.2%	25,019	19.0%
Information	11.0	2.4%	2,659	2.0%
Financial Activities	41.0	8.9%	7,681	5.8%
Professional and Business Services	64.7	14.1%	17,331	13.2%
Education and Healthcare Services	71.9	15.6%	19,884	15.1%
Leisure and Hospitality	44.5	9.7%	13,320	10.1%
Other Services	17.3	3.8%	5,342	4.1%
Government	65.4	14.2%	22,104	16.8%
Total Employment	460.4	100.0%	131,159	100.0%

Source: U.S. Bureau of Labor Statistics

Looking at the past decade, Greater Omaha experienced solid growth, despite two recessions at the national level. The Greater Omaha area added 21,000 jobs from 2002 to 2011, a 4.8 percent increase. The education and healthcare sector (+25.9 percent), the other services sector (+16.9 percent) and the financial activities sector (+10.8 percent) led the job growth.

Workforce Availability

In 2011, the eight-county region that makes up Greater Omaha has a labor force totaling more than 458,082, of which approximately 435,222 are employed. Since 1990, the area has added over 98,000 people to its labor force.

The highway transportation network in the metro area provides a natural means for extending Greater Omaha's labor shed area. Labor is typically pulled in from a 50- to 60 mile radius. For the counties that fall within a 50-mile radius of central Omaha (about a 30- to 45-minute drive), the labor force totals more than 960,000.

Unemployment

The 2011 annual unemployment rate for Greater Omaha was 5.0 percent. This means an estimated 22,860 persons were actively looking for work. The average annual employment and unemployment rates for the past several years are listed below.

Greater Omaha Labor Force/Work Force Trends						
	2006	2007	2008	2009	2010	2011
Labor Force Total	442,313	448,226	455,176	450,466	451,788	458,082
Total Employed Workers	427,119	433,079	438,784	427,703	428,093	435,222
Unemployment	15,194	15,147	16,392	22,763	23,695	22,860
Unemployment Rate	3.4%	3.4%	3.6%	5.1%	5.2%	5.0%
Employment by Place of Work (jobs)	456,800	463,600	469,800	459,500	457,300	460,400

Source: U.S. Bureau of Labor Statistics

New Entrants

Labor availability is also enhanced by enrollment at area colleges and universities. There are approximately 112,329 students from the 27 colleges and universities located within a 50-mile radius of Greater Omaha. Of these, 16 are located within the Greater Omaha Metropolitan Statistical Area and have a combined enrollment just short of 70,000 students. The remaining 11 schools outside the metro area have a combined enrollment of 43,437.

The following chart shows a breakdown of higher education enrollment:

Greater Omaha Higher Education Enrollment		
Institution	Enrollment*	Location
Bellevue University	10,304	Bellevue
Clarkson College	1,114	Omaha
College of Saint Mary	1,063	Omaha
The Creative Center	119	Omaha
Creighton University	7,730	Omaha
Grace University	459	Omaha
Iowa Western Community College	7,176	Co Bluffs
ITT Technical Institute	735	Omaha
Kaplan University - Omaha/Bluffs Campus	1,002	Omaha
Metropolitan Community College	18,518	Omaha
Midland University	1,030	Fremont
Nebraska Christian College	131	Papillion
NE Methodist College of Nursing & Allied Health	847	Omaha
University of Nebraska at Omaha	14,712	Omaha
University of Nebraska Medical Center	3,625	Omaha
Vatterott College	587	Omaha
Total	69,152	
<i>Sources: National Center for Education Statistics (NCES), Fall 2011</i>		
*Enrollment includes students seeking a certificate/degree as reported by NCES		

These educational institutions, as well as area high schools, provide employers a plentiful supply of qualified workers. In 2010 - 2011, more than 12,000 students graduate from area colleges and more than 10,000 from area high schools, many of whom enter the Greater Omaha workforce.

In addition, more than 35 percent of the Greater Omaha population is under age 25. This suggests there will be a large number of younger workers to fill jobs for years to come.

Underemployment

There are a large number of part-time positions available in Greater Omaha and many individuals hold multiple part-time jobs because full-time work is not available. In 2006, a [labor survey by the University of Nebraska Center for Public Affairs Research](#) found that there were an estimated 111,000 underemployed among the employed labor force. Over time our previous labor impact studies have shown that 20-25% of our labor force is underemployed. The underemployed consist of part-time workers who wanted more hours and workers who indicated they were overqualified for their present jobs because nothing better was available. According to this study, underemployment cuts across all occupations and incomes in Greater Omaha.

Military Separations

The United States Strategic Command (USSTRATCOM) is headquartered at Offutt Air Force Base in Greater Omaha. USSTRATCOM is the command and control center for U.S. strategic forces and military space operations, computer network operations, information operations, strategic warning and intelligence assessments, as well as global strategic planning. Offutt AFB and USSTRATCOM are home to U.S. Space Command, or USSPACECOM.

This local entity represents the foremost technology and information center of the U.S. military. As such, Greater Omaha gains many peripheral benefits including a state-of-the-art communications infrastructure, technology and local expertise in these areas.

Offutt AFB is one of the area's largest employers. There are more than 10,000 military and civilian employees currently working on the base. Historically, about 500 military personnel leave the Air Force each year from Offutt AFB and return to civilian status. There are more than 10,000 military retirees plus more than 11,000 of their dependents living in Greater Omaha. The result is a substantial number of highly skilled and experienced workers who are potentially available to area businesses each year.

Quality of Employees

The quality of available workers in Greater Omaha remains consistently high. Nebraska workers, in general, are well known for their exceptional work ethic and productivity. One commonly used measure of productivity is the value of production per dollar of production worker wages. Data from the Survey of Manufacturers from the U.S. Census Bureau shows that Nebraska's workers produce \$20.13 for every dollar of production worker wages. This is 14.9 percent higher than the national average of \$17.53.

The educational attainment of the workforce also contributes to Greater Omaha's high level of productivity. The number of desirable candidates continues to grow as area high schools, colleges and universities produce a large pool of workers from a primary and secondary system that has been consistently ranked as one of the best in the United States. According to 2011 estimates, more than 91 percent of adults age 25 and older in Greater Omaha have graduated from high school compared to 86 percent nationally. Greater Omaha also has a higher percentage of adults achieving a bachelor's degree or higher with 35 percent versus 28 percent nationally.

Workforce Expenses

Wage Rates

Wage rates in Greater Omaha are consistently competitive with other cities nationwide. Competitive wage rates and high productivity ensure the efficiency with which a company can produce products and services.

The following table provides an overview of Greater Omaha's wage rates by occupational classification. Customized wage comparison reports are available upon request.

Greater Omaha Wages by Occupation			
Occupation Categories	Current Employment	Hourly Median Wage	
		Omaha	U.S.
All Occupations	445,490	\$15.93	\$16.57
Management occupations	15,770	\$42.93	\$44.65
Business and financial operations occupations	24,150	\$27.81	\$29.67
Computer and mathematical science occupations	16,630	\$33.71	\$36.10
Architecture and engineering occupations	5,680	\$29.90	\$34.65
Life, physical, and social science occupations	2,640	\$25.84	\$28.52
Community and social services occupations	6,740	\$16.77	\$19.17
Legal occupations	2,510	\$29.87	\$36.28
Education, training, and library occupations	27,250	\$18.59	\$22.14
Arts, design, entertainment, sports, and media occupations	5,900	\$17.86	\$20.98
Healthcare practitioners and technical occupations	27,260	\$26.08	\$28.64
Healthcare support occupations	12,460	\$12.76	\$12.08
Protective service occupations	8,570	\$18.64	\$17.66
Food preparation and serving related occupations	38,920	\$8.97	\$9.09
Building and grounds cleaning and maintenance occupations	13,370	\$10.25	\$10.87
Personal care and service occupations	12,670	\$9.62	\$9.96
Sales and related occupations	52,040	\$12.45	\$11.94
Office and administrative support occupations	77,170	\$14.35	\$15.02
Construction and extraction occupations	17,880	\$18.31	\$19.15
Installation, maintenance, and repair occupations	17,000	\$18.67	\$19.52
Production occupations	24,000	\$13.92	\$14.74
Transportation and material moving occupations	36,500	\$14.91	\$13.83
<i>Source: U.S. Bureau of Labor Statistics, 2011</i>			
<i>Note: A detailed listing of wages by occupation for Greater Omaha - http://www.bls.gov/oes/current/oes_36540.htm</i>			

Employee Benefits

The State of Nebraska follows the federal Fair Labor Standards Act and does not require employers to provide:

- Vacation, holiday, severance or sick pay
- Meal or rest periods, holidays off or vacations
- Premium pay for weekend or holiday work
- Pay raises or fringe benefits
- A discharge notice, reason for discharge or immediate payment of final wages to terminated employees

However, to remain competitive in attracting and retaining quality employees, Greater Omaha companies normally provide paid vacation, sick time off, holidays and some or all health insurance.

The following chart shows the typical fringe benefits offered by companies in Greater Omaha.

Greater Omaha Benefits Summary		
	Average Number of Days	
Holidays	8.2	
	1st yr of service	15th yr of service
Vacation	10.4	20.1
Sick Leave	9.4	19.6
Average Monthly Health Insurance Contribution		
	Employer	Employee
Single Coverage	\$99.00	\$791.00
Family Coverage	\$387.00	
<i>Source: 2012 Human Resource Association of the Midlands</i>		

Workers' Compensation

Businesses in Nebraska enjoy an average workers' compensation manual rate of \$3.53 per \$100.00 of payroll for manufacturers – nearly five percent below the national payroll average of \$3.71 per \$100.00. In addition, Nebraska helps businesses hold the cost of workers' compensation down by utilizing the Loss Cost Multiplier approach for determining rates. This allows insurance companies to determine the rate according to each company's own experience.

Nebraska companies are also able to be self-insured for workers' compensation. Qualifying companies must have at least 100 employees or reasonably expect to have 100 employees in Nebraska within one year of beginning operations in Nebraska; have a minimum of five years in business under the present organizational structure and be a corporation or political subdivision.

Unemployment Insurance

Nebraska businesses also enjoy exceptionally low unemployment insurance rates.

According to the Nebraska Department of Labor, new employers and others who are not eligible for an experience rate are assigned one of two combined tax rates as follows. Employers not in the construction industry are assigned a combined tax rate equal to the state's average tax rate (category 12 on the rate table, below) or 2.5 percent, whichever is less.

This tax rate applies to the taxable wage base of \$9,000. The latest estimated contribution per worker was \$283.50 for Nebraska, which is nearly 35.5 percent lower than the national average of \$439.74 (Source: U.S. Department of Labor).

2011 Unemployment Insurance Rate	
Category	Rate
1	0.00%
2	0.83%
3	1.33%
4	1.50%
5	1.67%
6	2.00%
7	2.16%
8	2.33%
9	2.66%
10	3.00%
11	3.16%
12	3.33%
13	3.50%
14	3.66%
15	4.00%
16	4.50%
17	5.16%
18	5.99%
19	7.16%
20	8.66%

Source: NE Dept. of Labor, 2011

Labor Unionization

Nebraska is a "right-to-work" state, one of eight states with right-to-work clauses written into their constitutions. Compulsory unionism is outlawed in Nebraska's constitution and workers' freedom of choice is firmly supported. In addition, agency shop provisions are banned by state law. The latest available published data indicates that 4.6 percent of private sector non-farm wage and salary workers in Nebraska and 4.6 percent in Greater Omaha belong to a union for 2011 figures.