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The Workforce Crisis: Local businesses, agencies tackle declining labor force

KATHERINE KNOTT The News-Enterprise Apr 11, 2018 Updated 22 hrs ago



Signs notifying passers-by of job openings line Ring Road on Friday in front of Akebono in Elizabethtown.

JILL PICKETT/The News-Enterprise

When Rebecca Wheeling started a new business in 2015, she didn't expect to not be able to staff the company.

But as her company Schedule It expanded from five to 40 employees, she's had to turn to temp agencies and technology to fill positions. Otherwise, she wouldn't be able to find qualified employees, she said.

“It’s a real challenge,” she said. “I have friends at other businesses that can’t find people. We all talk about it. You can’t find anybody that wants to work.”

Hardin and other counties in the Lincoln Trail region are experiencing a shortage of workers and have seen an increase in the number of those choosing to not seek out work. In fact, more than one-third of Hardin County residents are neither employed nor looking for work. That includes students, stay-at-home parents and those in jail.

The workforce shortage could impede the region’s growth, officials said.

“I worry that good jobs are going to leave us if we can’t give them a skilled workforce,” said Lisa Boone, director of Kentucky Innovation Network in Elizabethtown. She served on the Lincoln Trail Workforce Development Board for 15 years. Her term expired April 1.

Kristal DiCarlo, human resource manager at AGC Automotive Americas, said she’s constantly recruiting and has seen the number of applications for jobs decline.

“It’s the first time in my four years here that I have seen a lack of applicants to begin with,” she said.

AGC is hiring for 19 hourly positions and six salaried jobs as part of an expansion. The shortage of workers could make it more difficult to expand, she said.

However, DiCarlo said the shortage doesn’t mean the company can’t fulfill its obligations to customers.

“It means existing associates end up working more overtime than they want,” she said.

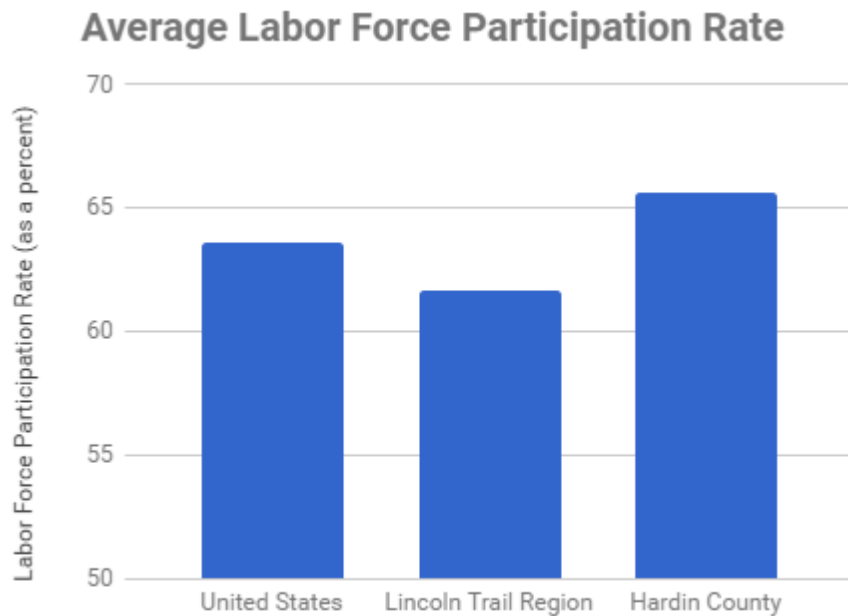
The workforce development board has described the declining rate as a crisis. Boone agreed.

“It is a crisis,” she said, adding that solving it is a “monumental task.”

Last year, the board formed the Workforce Crisis Task Force comprised of education officials, nonprofits, businesses and other stakeholders.

Sherry Johnson, associate director of the Lincoln Trail Area Development District, said the task force is looking to find out why people are not participating in the workforce and how to bring them back.

Almost 40 percent of individuals in the Lincoln Trail region are not working or seeking employment, according to the board's strategic plan. Hardin County, meanwhile, is below average for the region, state and country. About 34 percent of the county's available workforce is not participating.



Source: Lincoln Trail Workforce Development Board Strategic Plan

The board is working with Boston-based Strategy Matters to address the shortage.

The task force first met in October 2017 and is focusing on obstacles such as the region's lack of affordable child care options and transportation. Another committee is looking at creating more apprenticeships or internships for high school students.

Johnson said the workforce issue is not unique.

"It's a problem across the country," Johnson said.

In Kentucky, the labor force participation rate was 58.8 percent in March 2018, according to the Bureau of Labor Statistics. The country's rate was 62.9 percent.

"If we address this, we can be a model for the commonwealth," she said.

REMOVING BARRIERS

Megan Stith, president of United Way of Central Kentucky, said there's rarely a meeting where workforce issues are not discussed.

She said employers need employees who will pass a drug test, show up on time and get along with others.

Stith said problems in the community such as drug use and poverty are manifesting themselves in the workforce crisis. To address the shortage, solutions would have to be holistic.

"These are problems that we can't train our way out of," she said.

Stith is co-chairing the task force's subcommittee on paving pathways and removing obstacles along with Donielle Lovell, a professor of sociology at Western Kentucky University – Elizabethtown.

"We know there are people who are capable to work but have barriers," Stith said.

Her work on the committee is related to Way to Work, a new program from United Way aimed at helping people find sustainable employment.

The community has embraced Way to Work, Stith said. The program is a key piece of her committee's work as they talk to employers and agencies.

In addition, Stith said the subcommittee is looking at transportation. The lack of public transportation can keep potential employees from going to or seeking work.

"We know there's positive momentum (for transportation)," she said.

Stith said they are looking at Ride to Independence, an initiative started last year by Warm Blessings, Lincoln Trail District Health Department, Transit Authority of Central Kentucky and Cleveland Johnson Cab Service. It helps individuals travel to and from work.

Stith said the community shouldn't expect a quick solution and that increasing the labor force is a long-term effort.

Johnson echoed that.

"Moving that needle takes a while," she said.

Improving by one to three percentage points over five years would show progress, Johnson said.

The workforce shortage has put the community's future at stake, Stith said.

"Opportunities will pass us by," she said, adding the workforce won't improve itself. "If we don't do the work, someone else will. That's where our people and opportunity will go."

'ONE STEP AT A TIME.'

Jon Ballard, superintendent of Elizabethtown Independent Schools, heard community members talk about the workforce shortage, but he felt like a link was missing between employers and students — the region's future workforce.

"We want to make sure all our kids have something waiting for them when they graduate," he said.

Ballard wanted to build a bridge between the groups, and in September, his efforts combined with the task force.

Ballard and Juston Pate, president and CEO of Elizabethtown Community and Technical College, are chairing a subcommittee tasked with keeping students who graduate in the region.

Johnson said this subcommittee is about planning for the future.

Right now, Ballard said the subcommittee is looking to expand work-based learning opportunities for high school students. Those opportunities could include internships with local companies.

Ballard said such opportunities allow students to explore different jobs and see what's out there for them while receiving training.

A trained workforce is key to the community's future, Ballard said.

"Having a mechanism in place to get our people trained only helps to sell the community," he said.

The third subcommittee's focus is child care.

Boone said they've heard from plant managers that a lack of affordable child care is a challenge for their employees.

Boone said the board and task force want to take it “one step at a time.”

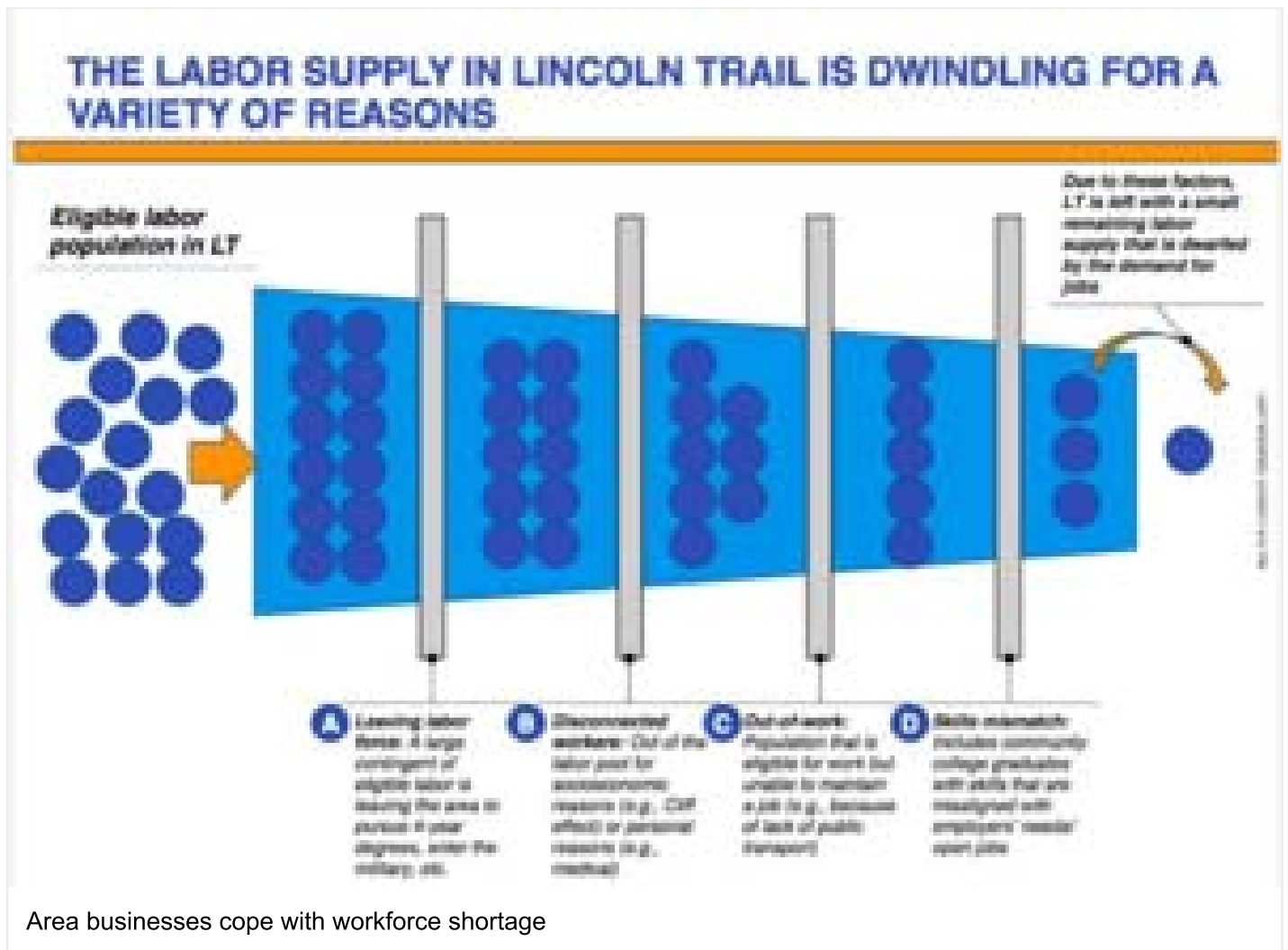
Johnson said now that subcommittees have decided where they’ll focus their efforts, they will be moving into the action stage. She added their work is just starting.

“What the committees are working on isn’t comprehensive,” she said. “You want to have a few successes before you tackle the hardest areas.”

Johnson said addressing the workforce crisis and making sure jobs are filled is an opportunity for the region to grow. The workforce development board’s goal is permanent, full-time employment.

“It’s an opportunity for us as a community to help build on that growth and be prepared for the future,” she said.

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Unemployment vs. Participation Rate

Recent data shows Hardin County's unemployment rate at around 4 percent while its labor force participation rate is at 65.6.

The unemployment rate measures the percentage of people in the labor force that is jobless. Unemployed people are counted in that percentage if they are willing and available to work and have sought work recently.

The labor force participation rate measures the portion of the population that's either employed or looking for work.

Source: Bureau of Labor Statistics and Lincoln Trail Workforce Development Board Strategic Plan

More Information

Those interested can join the task force's listserv by emailing info@strategymatters.com.

Katherine Knott

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