



Strengths, Weaknesses and Labor Force Analysis: 2018

PREPARED BY:

THE STAFF OF THE POTTAWATOMIE COUNTY ECONOMIC DEVELOPMENT CORPORATION

FOR:

THE GREATER MANHATTAN/POTTAWATOMIE COUNTY AREA KS.

SEPTEMBER 2018

Background of Analysis

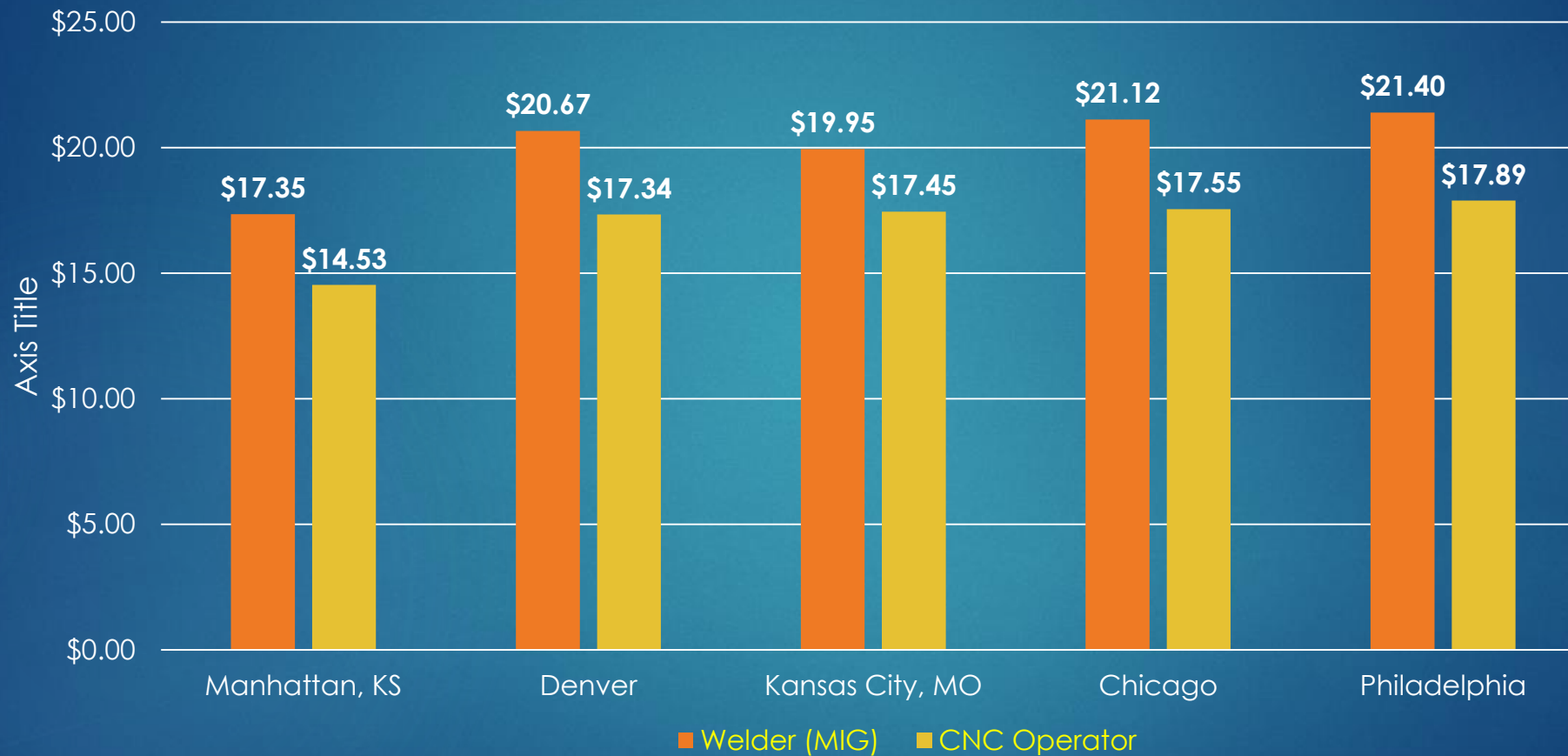
- ▶ Similar to 2014-15 Labor and Targeting Analysis for Pottawatomie County (led to PCEDC Strategic Implementation Plan)
- ▶ Many more interviews in Manhattan than previous report
- ▶ Designed to assess the area from a corporate site selector's perspective.
- ▶ Interviews were carefully selected to draw a composite of the industry that most truly represent the county and city's makeup.
- ▶ No schools, no retail; 4 different entities at KSU; 45 full interviews (42 in 2014)
- ▶ Area assessed examining key economic development criteria: Labor, Education and Training Infrastructure and Services, Community Services or Quality of Life factors
- ▶ Jan. 2018- July 2018

Strengths and Weaknesses Analysis

- ▶ Market Access- mostly strengths, Manhattan Business Park close to I-70, recent improvements announced for K-99, by pass around Wamego. End of the Midwest, near transportation networks of Kansas City.
- ▶ Taxes- some weaknesses: (The Tax Foundation)
 - ▶ Overall Corporate Rank is 38
 - ▶ Sales Tax Rank is 31
 - ▶ Individual Rank is 19
 - ▶ Property Tax Rank is 19

Wages: Strength

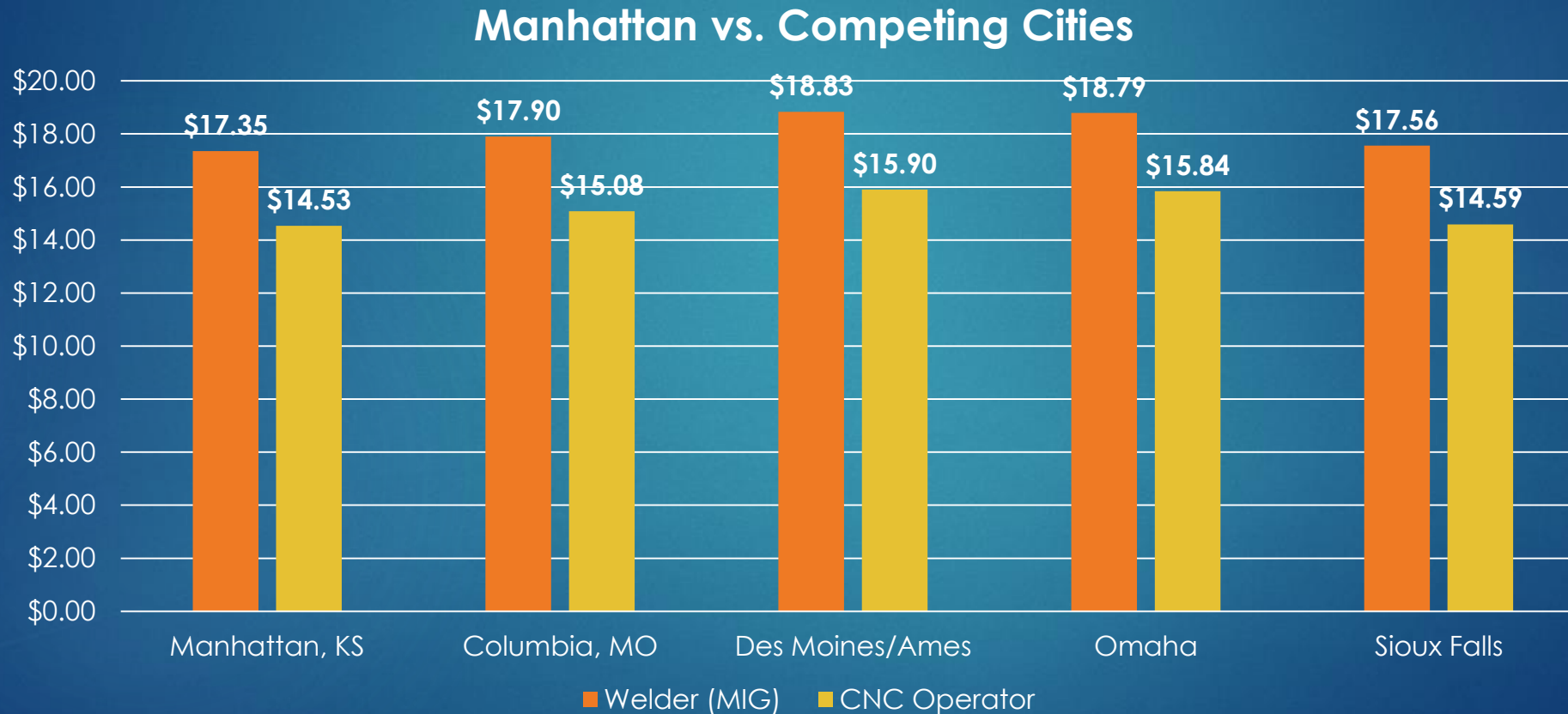
Manhattan vs. Source Cities Wages: Manufacturing



ERI, 3rd quarter, 2018, 1 yr. median wage

Wages: Strength

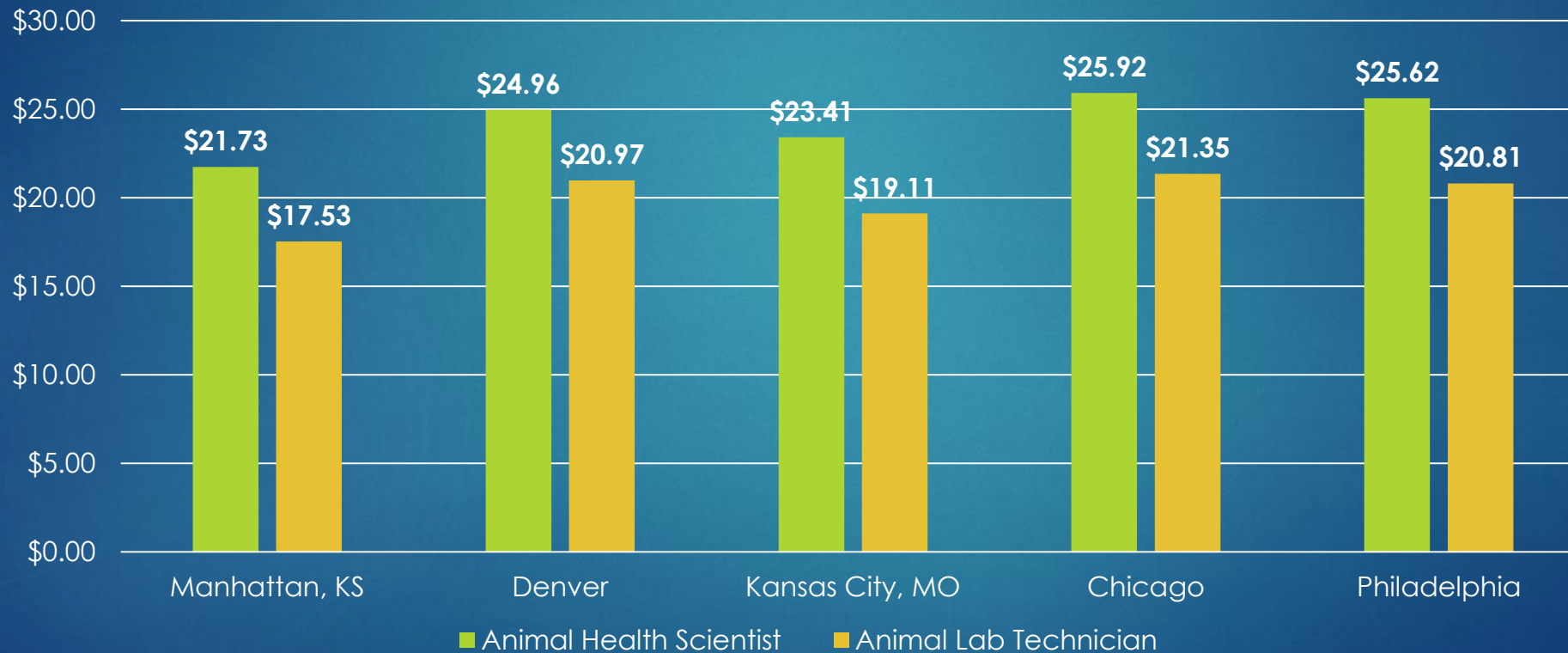
(interesting that Manhattan is close to low wage)



Wages: Strength

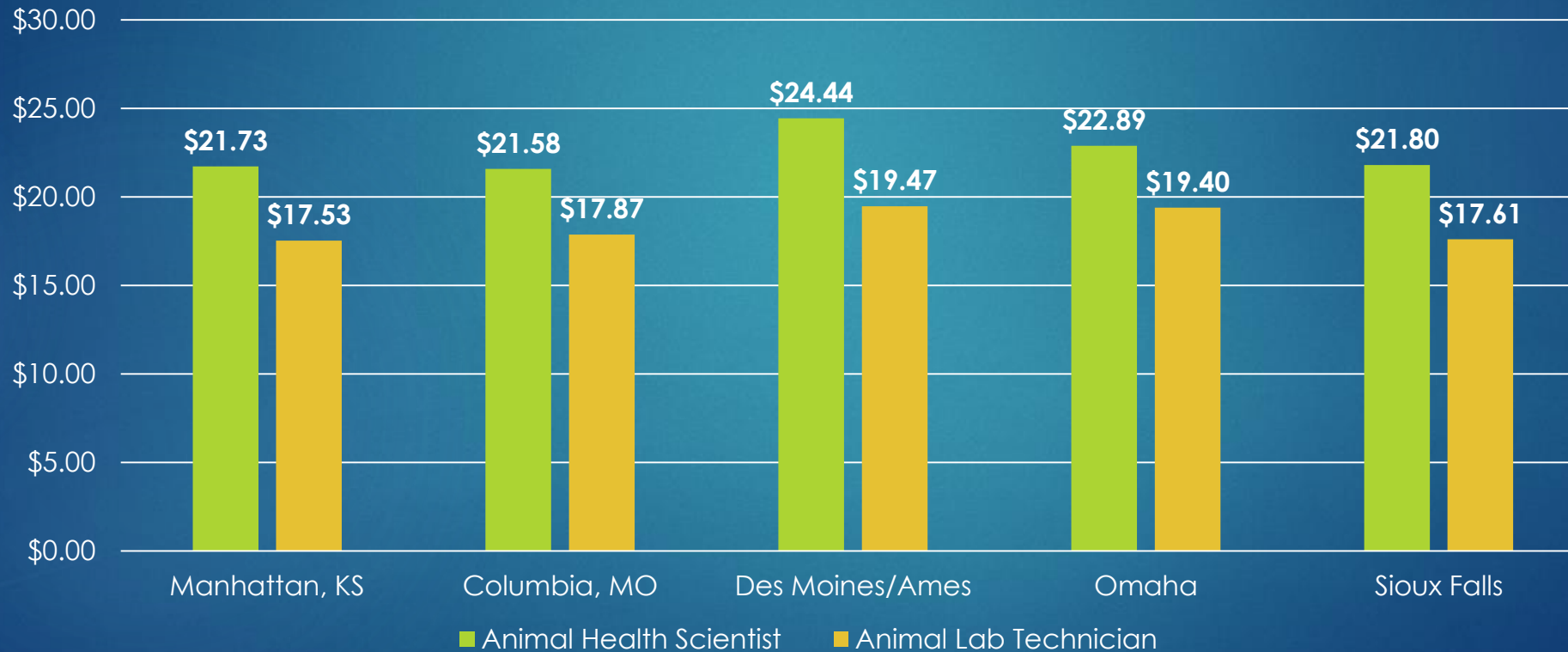
(Possibility this could rise as industry grows in Manhattan)

Manhattan vs. Source Cities: Animal Health



Wages: Strength

Manhattan Wages vs. Competing Cities: Animal Health

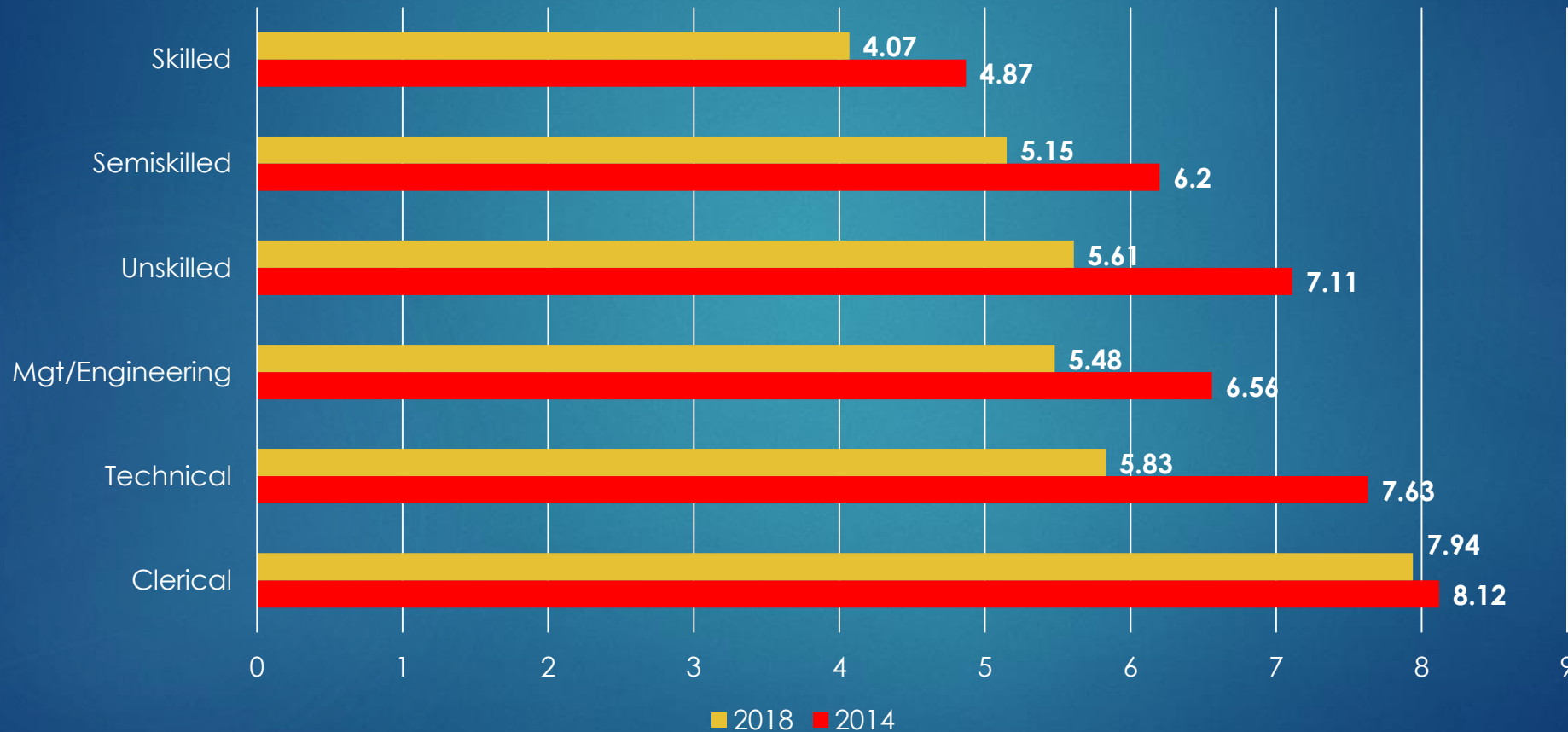


Labor Availability: Few Strengths, Some Weaknesses

- ▶ Skilled labor availability was rated less than average, especially in the area of skilled welders and maintenance mechanics.
- ▶ Construction industry feeling the pinche especially with higher skills.
- ▶ Some companies are turning down work in both construction and manufacturing.
- ▶ Semi-skilled and unskilled availability is rated average. Some dissatisfaction with “soft skills”
- ▶ Skilled office worker slightly better than blue collar availability.
- ▶ Slightly worse availability across the board from 2014 to 2018.
- ▶ Very little differences between Manhattan & Pottawatomie County
- ▶ Push on Work Keys has helped but more consensus needed from education and industry

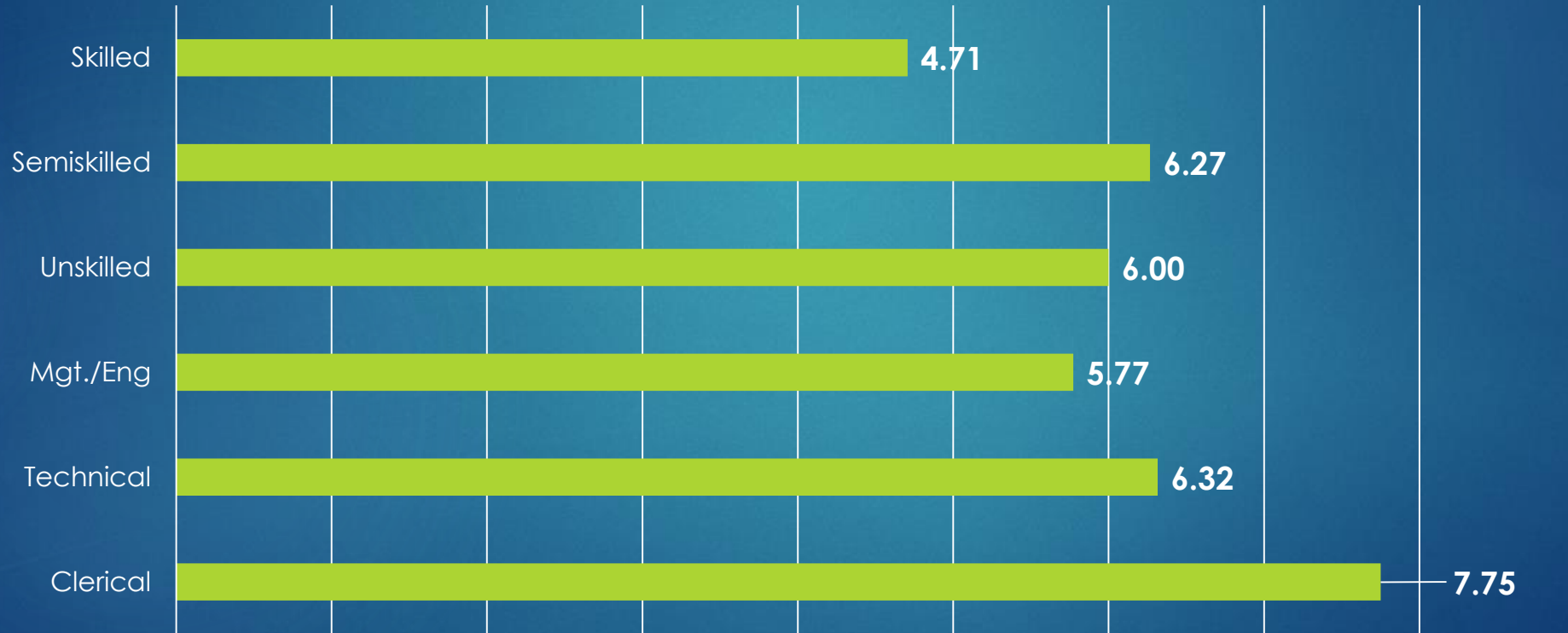
Labor Availability: *changing*

Manhattan Pottawatomie Labor Availability 2014 vs. 2018



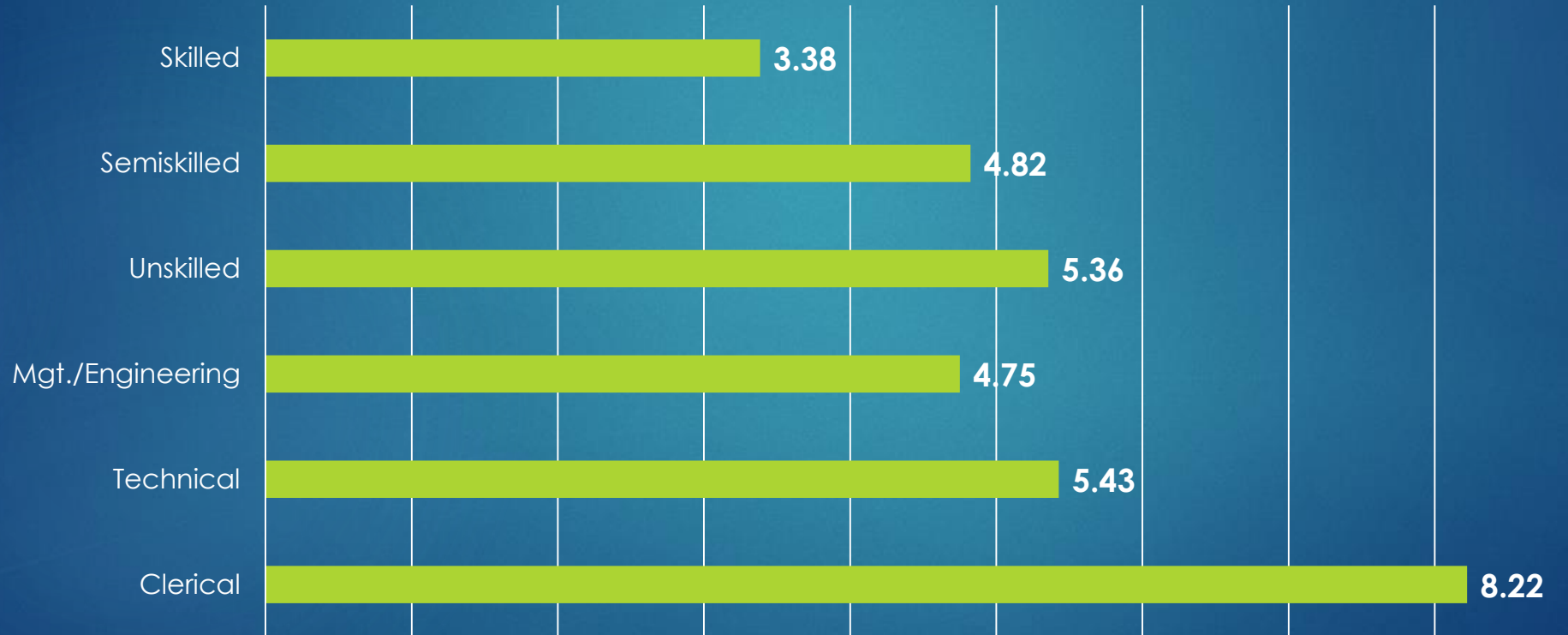
Labor Availability: Office/Service better, but hard to recruit from outside

Manhattan Pottawatomie Office/Service Labor Availability



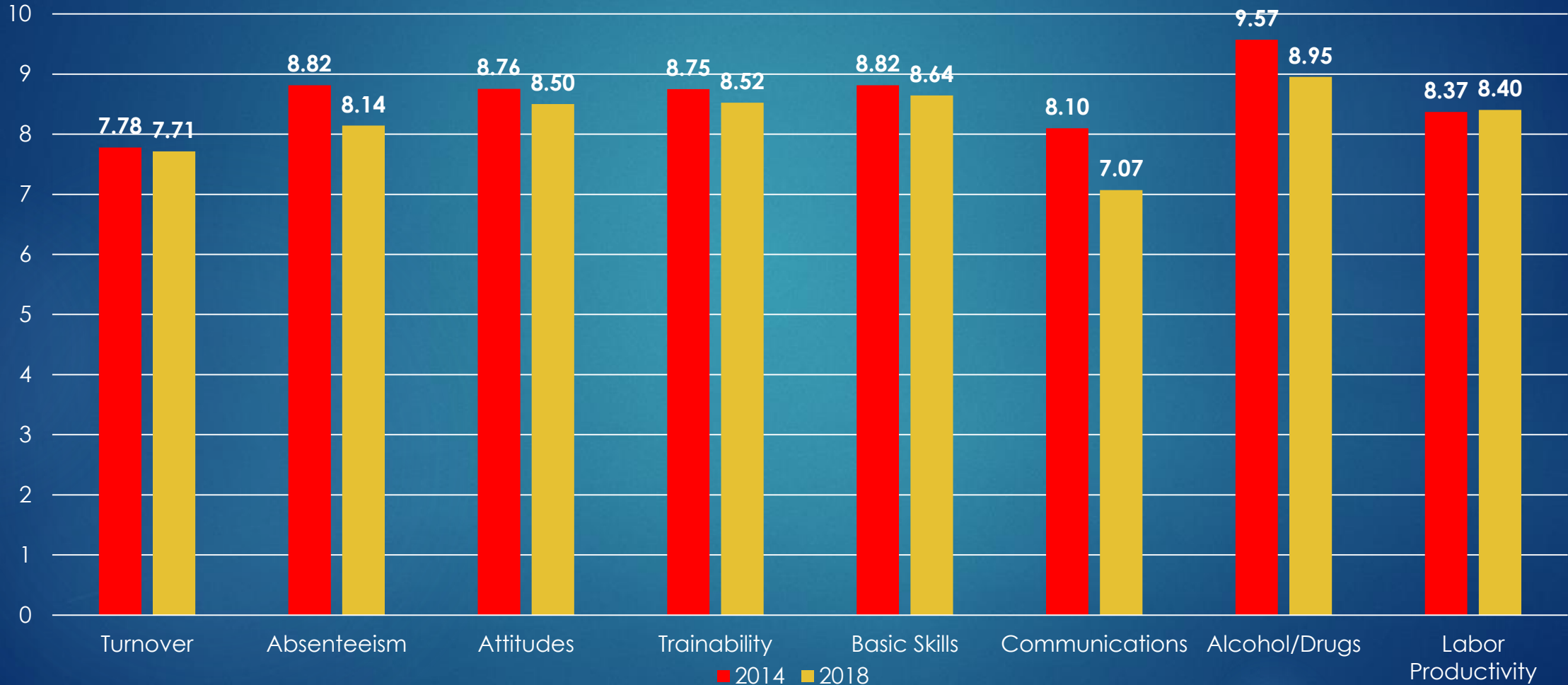
Labor Availability: *Need new methods in training and cooperation*

Manhattan Pottawatomie Blue Collar Labor Availability



Labor Characteristics: Strength

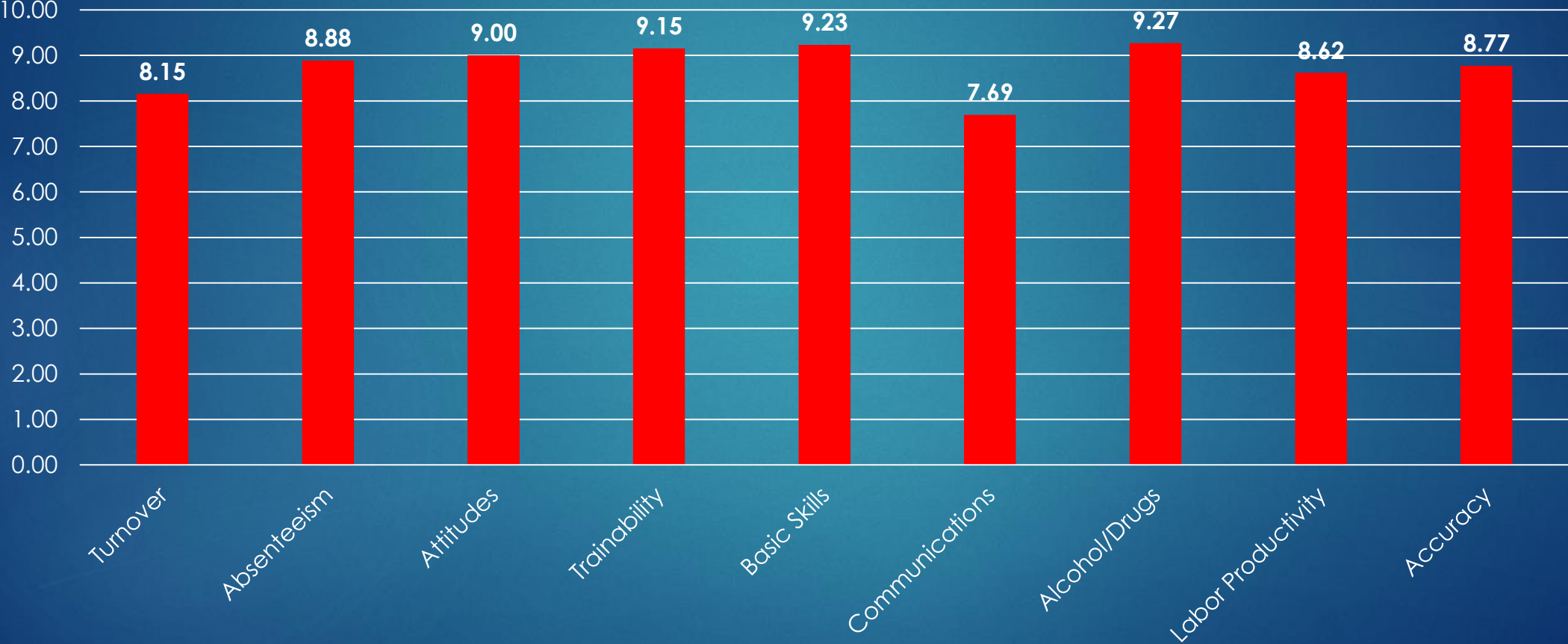
Manhattan Pottawatomie Labor Characteristics 2014 vs. 2018



Labor Characteristics: *strong, encouraging*

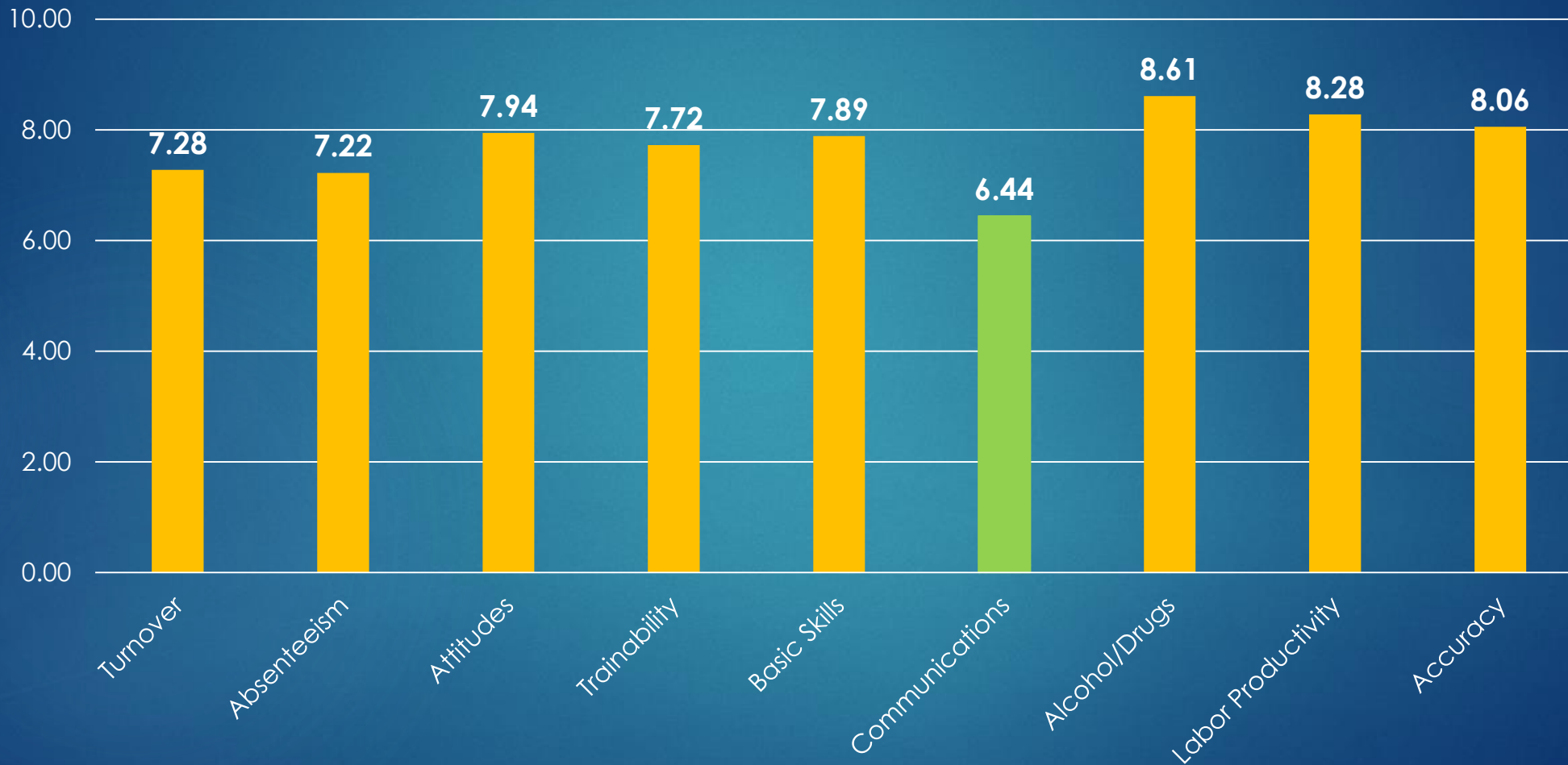


Manhattan Pottawatomie Labor Characteristics Office/Service



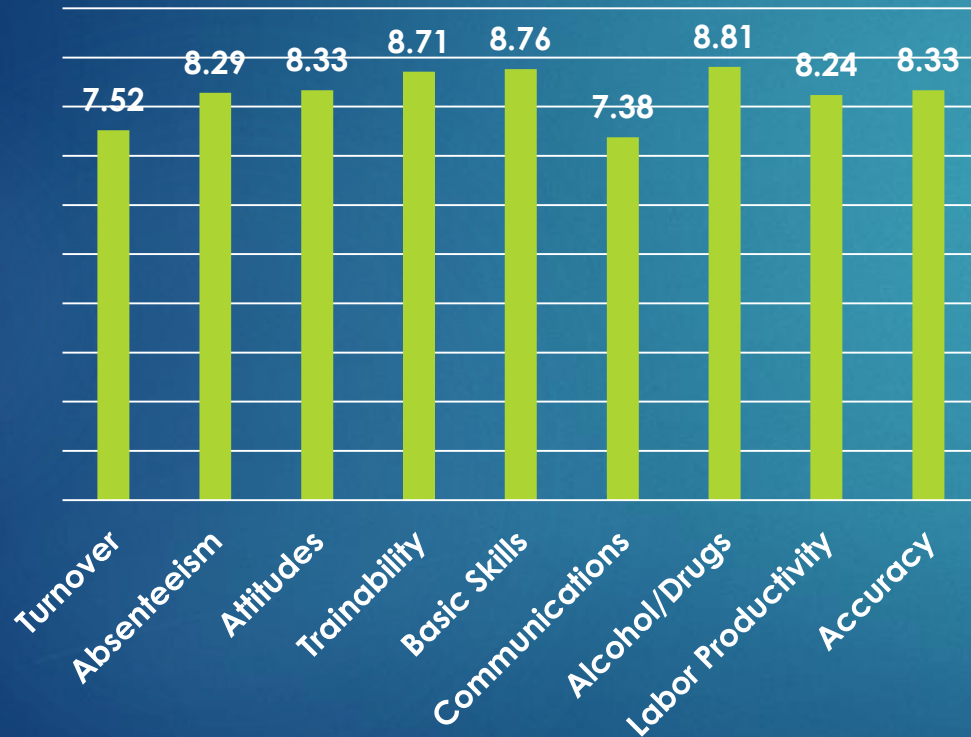
Labor Characteristics: *some issues with communication for blue collar*

Manhattan Pottawatomie Labor Characteristics Blue Collar

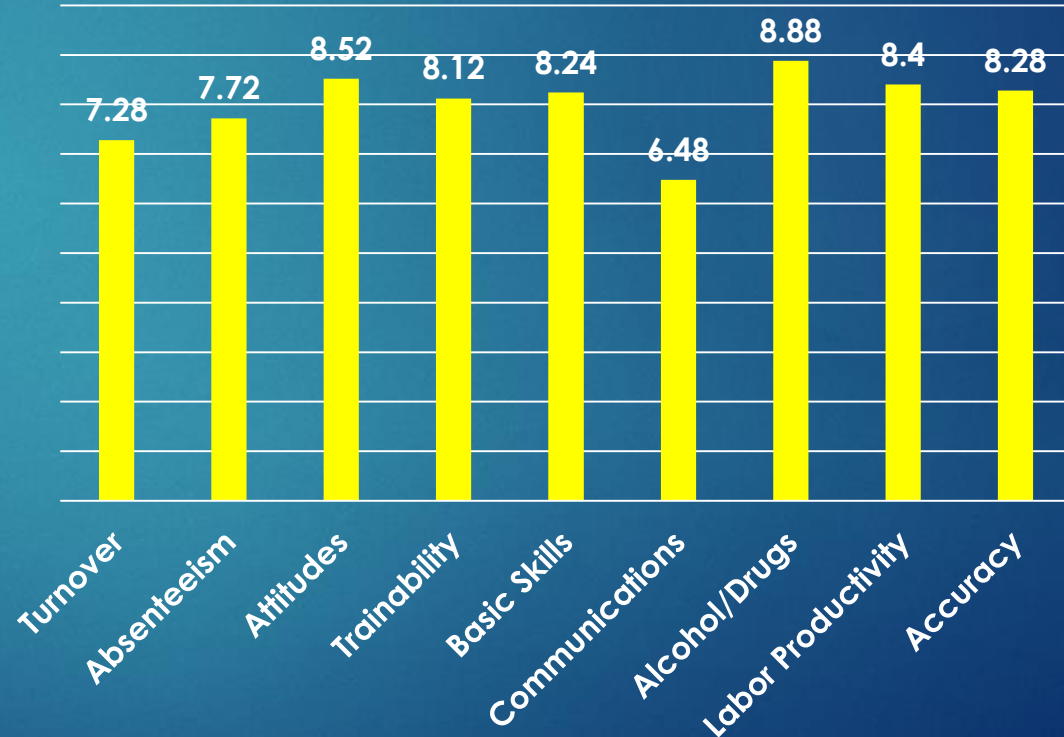


Labor Characteristics: *no measurable difference between city and county*

Manhattan Labor Characteristics



Pottawatomie Labor Characteristics



Commuting: Strength

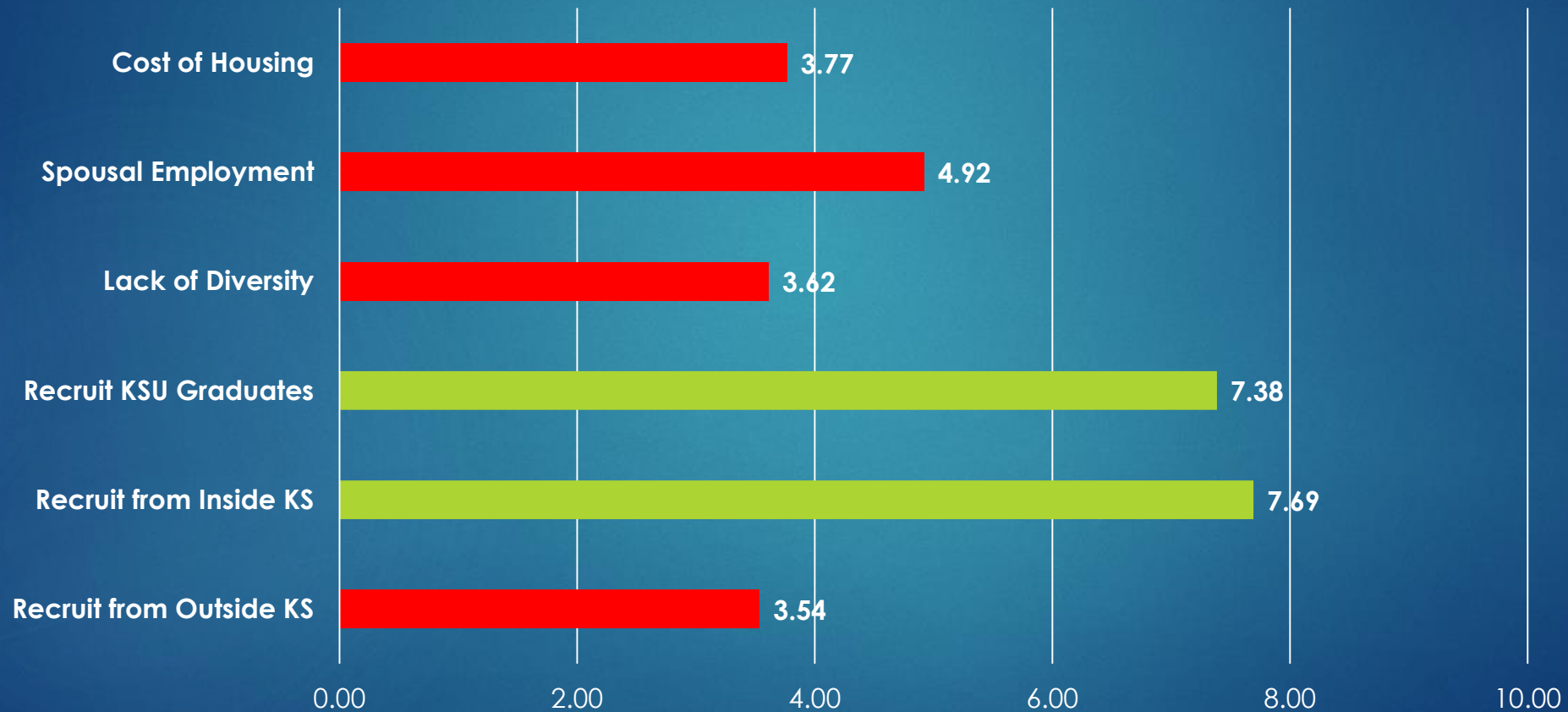
(ease of commuting in and out of the area)

- ▶ 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.
- ▶ 16,000 commute into Manhattan daily. The data shows that the city of Manhattan has a net inflow of workers of over 9500 workers. *In turn, there is pressure on Pottawatomie County to build more infrastructure.*
- ▶ Pott County is heavily dependent on Manhattan since **over 36%** of the workforce are employed in the city of Manhattan.
- ▶ **628 live and work within the city of Wamego, and of 2500 that are employed in Wamego, 710 live in Manhattan.** This demonstrates how dependent the communities are on each other.

Relocation: Weaknesses “has become an issue nationwide as labor tightens”

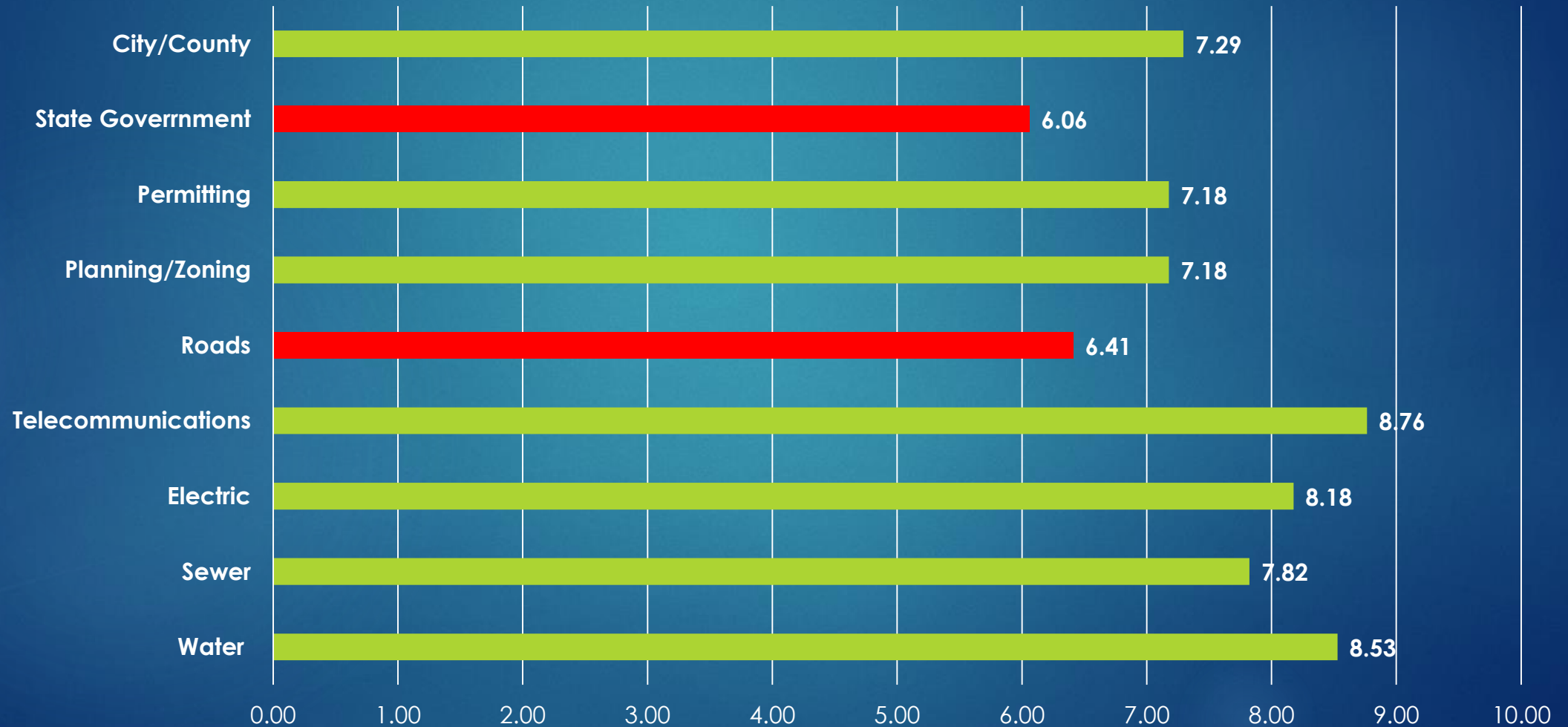
- ▶ Recruiting Kansas State graduates and those from inside the state do not appear to be difficult.
- ▶ Recruiting from outside Kansas is sometimes hard unless the firm has viable name recognition.
- ▶ Human resources feel as if the cost of quality 2 or 3-bedroom homes has increased substantially and is impacting the ability to recruit.
- ▶ One of the bigger issues in recruiting scientists, engineers and physicians is the lack of diversity and diverse cultures and amenities
- ▶ Another issue which concerns human resource managers is finding employment for the spouses of managers, professionals, engineers

Relocation: Critical Issues Impacting Relocation and Recruitment

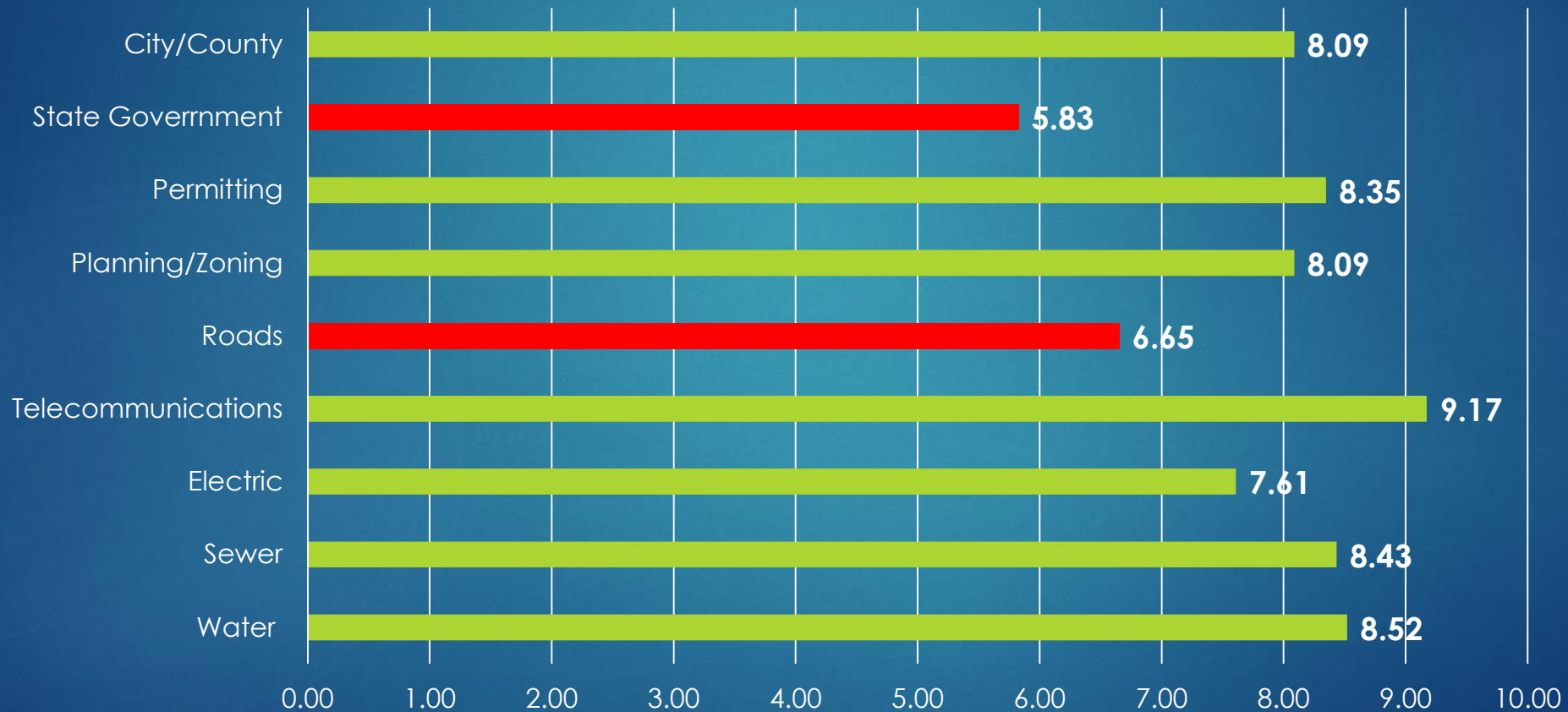


Quality of Community Services: Strengths

Manhattan Key Community Services

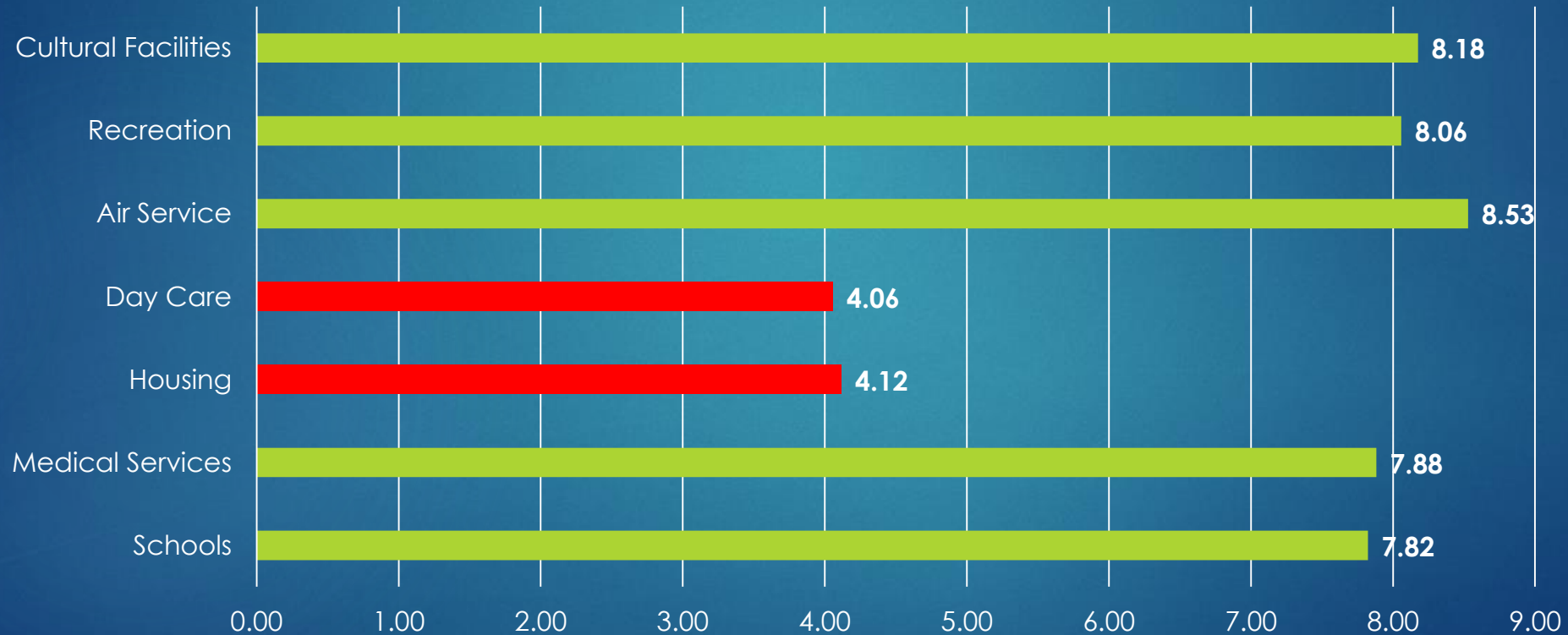


Quality of Community Services: just as strong in Pottawatomie County



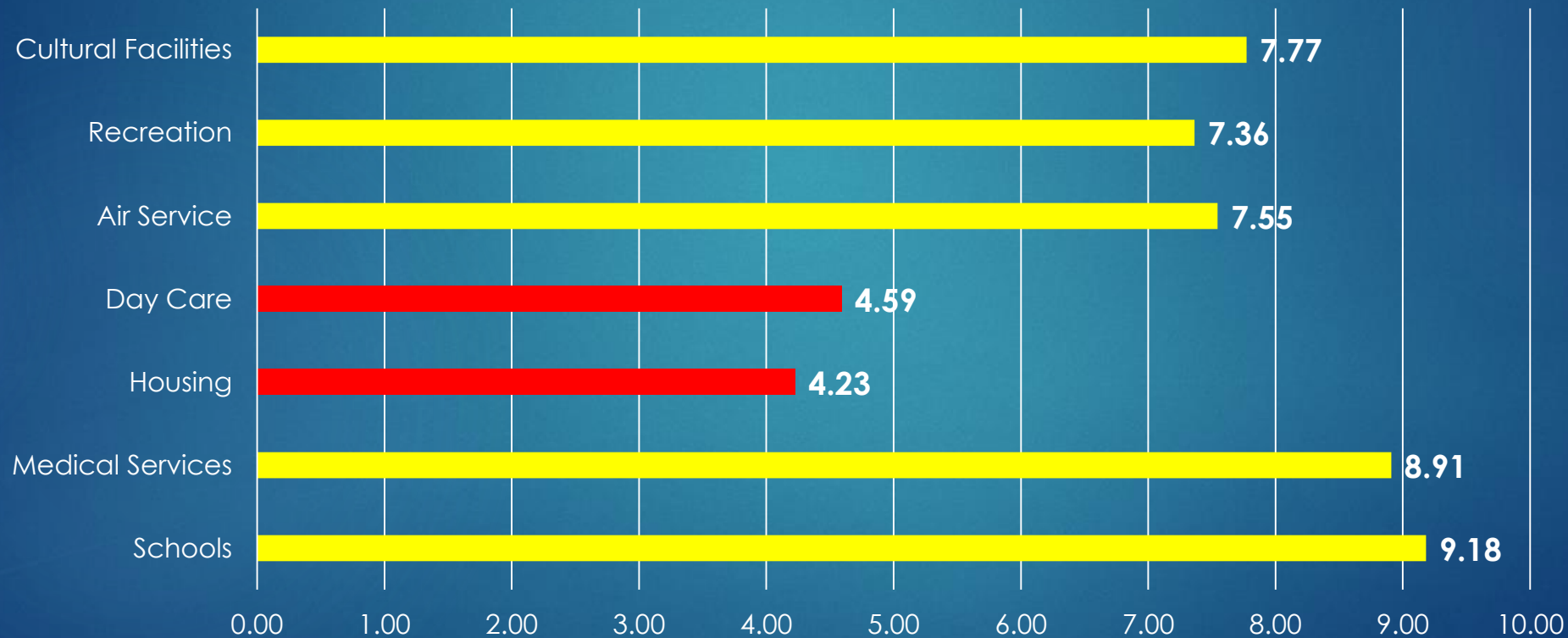
Key Quality of Life Factors: Manhattan: Strength

Manhattan Quality of Life Factors



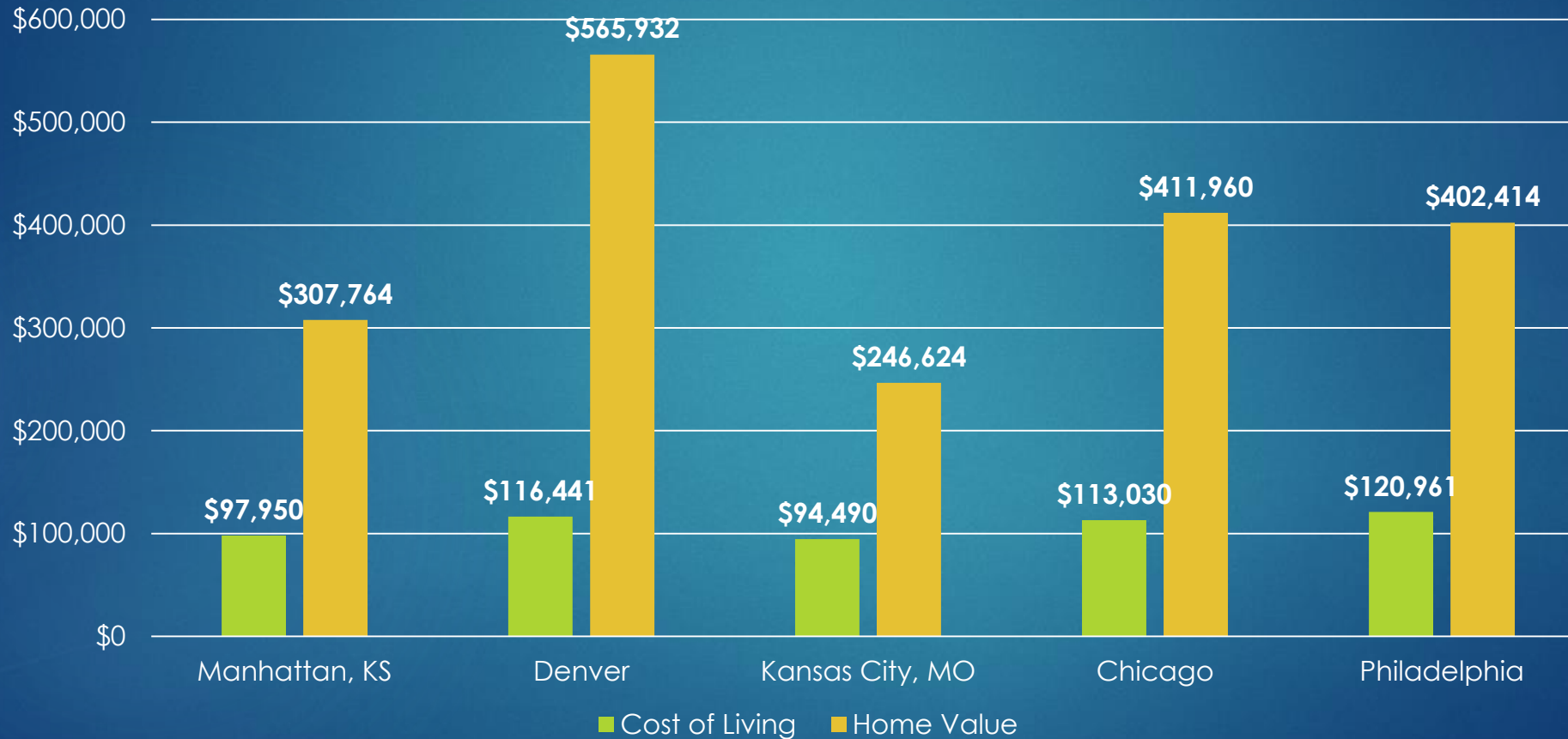
Key Quality of Life Factors: Pottawatomie County: Strength

Pottawatomie County Quality of Life Factors



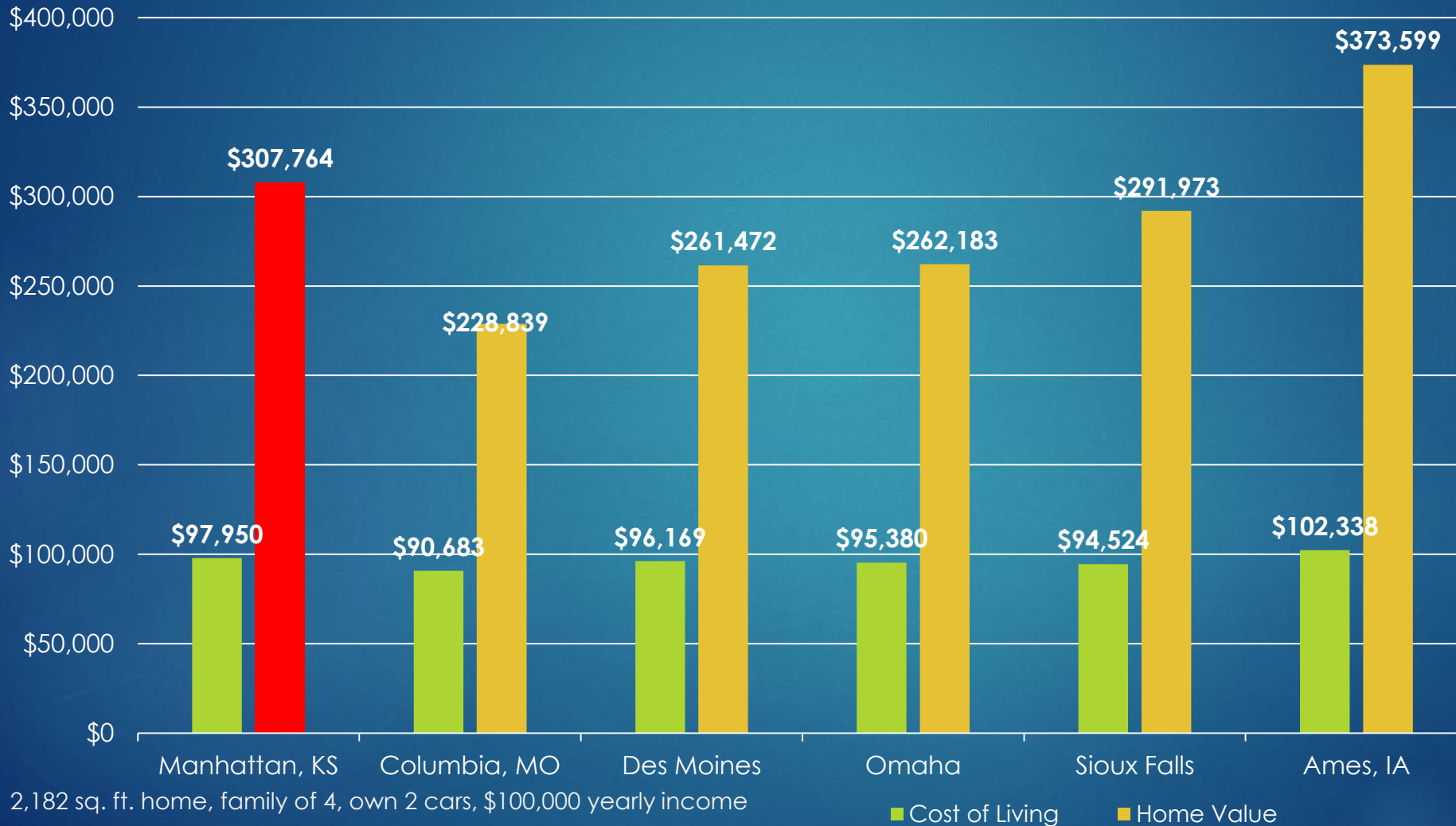
Cost of Living: Some Weaknesses

Manhattan Cost of Living vs. Source Cities



Cost of Living: Some Weaknesses

Manhattan Cost of Living vs. Competing Cities



Critical Issues: Observations

- ▶ Technical and community colleges need more funding, enhance pipeline from high school to 2 year and work (dual credit enhancement).
- ▶ Enhance Work Keys throughout the state and get more counties in region Work Ready.
- ▶ No ability to track graduates (helps with selling the area)
- ▶ Both Pottawatomie County and Riley County need new industrial sites (parks) for future clients. Certified sites (shovel ready).
- ▶ Even though, more of quality of life issue, housing is becoming a site selection factor. More high-level planning needs to be developed to address short and long- term needs of workers and managers

Potential Recommendations

- ▶ **Pottawatomie County and Manhattan business must continue to be active involving themselves in the school district plans, partnerships, joint programs, Work Keys testing, etc.**
- ▶ **Through GMEP and RR Work with KSU Human Capital Services, the Human Resource Management Network, and others to develop a diversity/inclusion plan and begin to develop programs to enhance minority owned businesses that serve diverse and ethnic populations.**
- ▶ **Continue to develop plans for new sites for industrial/office related projects.** This could include a business technology park as well as a single site set aside for a major user/employer.
- ▶ **Continue work on new amenities** that will benefit residents like parks, recreation, safe streets, cultural activities, etc.

Potential Recommendations

- ▶ **Continue to work closely with Network Kansas** on small loan programs and continue to work with Network Kansas on developing new entrepreneurship programs and encourage participation in others such as Destination Bootcamp.
- ▶ **Continue heavy duty business retention and expansion** visitations and revisit a client relationship system. Meanwhile, discuss with SBAT strategy for rural communities, Onaga, Westmoreland, St. George, St. Marys for more activity and more hands assistance.
- ▶ **Engage board of PCEDC and others to assist with implementation of Pottawatomie County Comprehensive Plan** and discussions on future of Blue Townships status as a community.