SOUTHERN MANUFACTURING’S IMPACT ON JOBS AND COMMUNITY

A Panel Discussion about Worker Perspectives & Community Voices on the Need to Improve Job Quality

Featuring:
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JOB QUALITY & COMMUNITY WELLBEING IN MISSISSIPPI & ALABAMA’S MANUFACTURING FACILITIES

DR EMILY ERICKSON & DR BERNEECE HERBERT
FEBRUARY 24, 2023
OVERVIEW

ORIGIN STORY
Origin and objectives of the research project and brief look at the rise of manufacturing in MS and AL

RESEARCH APPROACH
Method, challenges and workarounds

JOB QUALITY
What is it and why it is a useful assessment framework

RESULTS
Evaluating job quality among manufacturing workers

COMMUNITY IMPACT
How poor job quality affects community economic wellbeing

WHERE DO WE GO FROM HERE
Ways to improve job quality, future directions for research
ORIGIN STORY

• Firm recruitment is a cornerstone of the region’s economic development strategy
  • Aim: “Big push” to spur future growth
  • Billions spent on incentives

• Despite the successes, communities continue to struggle

• Research question naturally emerged – what’s going on here?
  • Is there something about the nature of work in these facilities that may explain why the region continues to struggle despite large investment in manufacturing employment?

• Funding from WKKF enabled us to build a team and try to answer this question
RESEARCH APPROACH

- Two original surveys
  - Worker survey understand workplace experiences and assess job quality
  - Resident survey to understand community perspectives on employment opportunity and needs assessment

- Challenge of recruiting participants before and during the pandemic
  - Targeted social media ads

- Multiple scales of analysis
  - Regional perspectives
  - Firm and community case studies

- Inclusive research
  - Community partners to help recruit participants
  - Student research assistants and interns from Alabama A&M University and beyond
JOB QUALITY

• Job quality enables a holistic evaluation of work and employment relations

• The quality of jobs can be considered across six dimensions

• Growing body of evidence that high quality jobs are good for workers, firms, and economies

<table>
<thead>
<tr>
<th>Dimension</th>
<th>Operationalized Measure of Dimension for the Southern Manufacturing Worker Project</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pay and Benefits</td>
<td>• Jobs pay a livable wage that would support local families</td>
</tr>
<tr>
<td></td>
<td>• Jobs offer health insurance that is affordable and accessible</td>
</tr>
<tr>
<td>Terms of Employment</td>
<td>• Jobs are direct hires as employee of the firm</td>
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<td>• Internal labor markets exist (opportunities for advancement)</td>
</tr>
<tr>
<td>Work Life Balance</td>
<td>• Workers are scheduled to work a reasonable number of hours</td>
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<td>• Schedules are predictable and flexible</td>
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<tr>
<td>Health and Safety</td>
<td>• Safe production practices with few injuries</td>
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<td></td>
<td>• Workplaces are free from racial discrimination and sexual harassment (psychological health)</td>
</tr>
<tr>
<td>Representation and Voice</td>
<td>Workers can file complaints without fear</td>
</tr>
<tr>
<td>Intrinsic Characteristics</td>
<td>Workers report that they have pride in their work</td>
</tr>
</tbody>
</table>
RESULTS OVERVIEW

RESPONDENT PROFILE

1,339 workers took the survey
   60% White
   31% Black/African American
   58% Male
   36% Female
   72% born in either MS or AL

SUMMARY OF RESULTS

<table>
<thead>
<tr>
<th>Dimensions of Job Quality</th>
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<tbody>
<tr>
<td>Pay and Benefits</td>
<td>PARTIALLY MET</td>
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<tr>
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PAY & BENEFITS

Average reported pay is decent, and these jobs are often some of the best paid in the region. However, significant racial wage gaps are reported, and averages still do not meet what is considered needed to support a family.

- Average wages are not sufficient to support a family of three
  - Average reported hourly wage: $20.93 per hour
- Wage gaps reported
  - Average female earned $4.48 less per hour than average male
  - Average Black worker earned $3.84 less per hour than average White worker
- Employee sponsored health insurance is widely offered (95%) and utilized, quality is debated
- Better paying jobs in the region can be golden handcuffs
  - “For the area, it is the best pay and benefits that I am aware of.”
  - “They pay you enough knowing you can’t find that type of base pay anywhere else in the tri-state area. Then treat you the way they want because they know you will probably take it.”
TERMS OF EMPLOYMENT

- Most respondents are direct hires (89%) not employed through a temp agency
- Differences are observed across race and sex of respondents
  - 14% of Black workers are temp
  - 8% of White workers are temp
  - 13% of Female workers are temp
  - 9% of Male workers are temp
- Roughly even split between workers reporting that they had opportunities for advancement and those who did not
  - 37% reported they had opportunities for advancement
  - 38% reported they did not have opportunities for advancement
  - No significant difference by race or sex of respondent

ALTHOUGH MOST JOBS ARE PERMANENT POSITIONS, FEW RESPONDENTS REPORTED OPPORTUNITIES FOR UPWARD CAREER MOBILITY

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<tr>
<td>Opportunities for career advancement</td>
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<td></td>
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WORK LIFE BALANCE

WORK-LIFE BALANCE IS VIRTUALLY NON-EXISTENT FOR MANY RESPONDENTS WHO PUT IN LONG SHIFTS WITH HIGHLY VARIABLE AND DIFFICULTY TO PREDICT SCHEDULES.

- Hours are long
  - 45% of respondents work between 41 and 50 hours per week
  - 19% of respondents work between 51 and 60 hours per week
- Schedules are unpredictable
  - 30% of workers have a schedule that changes week to week
  - Of those with changing schedules, 42% are given only a few hours advance notice
- Dissatisfaction with hours of work was highlighted in open ended responses
  - “Used to be three 8 hour shifts now there are two 10.5-hour shifts. I work 6 days a week and hardly have any family time. Yes, I make more money but we’re all exhausted and none of my coworkers are happy at all...Everyone with a family feels trapped.”

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HEALTH & SAFETY

HIGH RATES OF SERIOUS INJURY AND REPORTS OF RACIALLY HOSTILE AND SEXUALLY HARASSING WORK ENVIRONMENTS ARE REPORTED.

- High rates of injury
  - 20% of respondents reported being seriously injured at work
- Unsafe conditions
  - 33% witnessed production practices that put workers at risk
- Racially unequal workplaces
  - 55% of Black/African American workers reported that racial discrimination is a problem at work
    - Of whom, 25% of reported it was a “big problem”
  - Two most commonly reported experiences of racial discrimination reported by Black workers:
    - Received less support from senior leaders than a person of a different race who was doing the same job (27%)
    - Had someone treat you as if you were not competent because of your race (24%)

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<td>Health and Safety</td>
<td>Safe production practices</td>
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<td>Workplaces are free from racial and sex</td>
<td>UNMET</td>
</tr>
<tr>
<td></td>
<td>discrimination</td>
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</table>
FEAR OF RETALIATION FROM EMPLOYERS PREVENTS WORKERS FROM USING THEIR VOICE AND SPEAKING UP TO IMPROVE PRACTICES OR REPORT WORKPLACE ISSUES.

- Among respondents who reported witnessing safety problems at work, 72% did not feel they could safely report to their managers.
- Filing formal complaints with the employer or an outside agency was also stifled due to fear:
  - 23% of respondents had filed a complaint in the previous 12 months.
  - Half of the remaining respondents felt they had reason to file a complaint but chose not to.
- Reasons for not filing complaints:
  - Didn’t think it would make a difference (66%)
  - Afraid of losing your job (30%)
  - Observed other co-workers disciplined (fired, threatened or treated badly) for speaking up (23%)
- This is reflected the words of a respondent, “employees don’t have a voice. We all be afraid to speak up for fear of reprimand or losing jobs.”
**INTRINSIC CHARACTERISTICS**

Many workers express pride in their work but this pride is tempered by stories of unfair or mistreatment by their employers.

- Despite the challenges laid out above half of workers are proud of their work
  - 51% of respondent said they are “proud to be working for their current employer”
  - These are consistent across race and gender identity
- Open ended responses provide some detail about the half of respondents who are proud, and the half that are not
  - “proud to work for a fortune 500 company”
  - “When I first began, I enjoyed my job and was proud to be at my job. Now after situations, discrimination for being a female among a couple to name, I almost hate going there!”
- The tradeoff between pride and productivity is identified by one respondent
  - “[the company] is good to me so I make sure I put my all my 100% into their work.”
COMMUNITY PERSPECTIVES

RESPONDENT PROFILE

191 resident opinions
48% Mississippi
52% Alabama
48% White
47% Black/African American
57% Female
41% Male
## Employment Opportunity

<table>
<thead>
<tr>
<th>Indicator</th>
<th>Agree or Strongly Agree*</th>
<th>Disagree or Strongly Disagree*</th>
</tr>
</thead>
<tbody>
<tr>
<td>People can get decent work.</td>
<td>52%</td>
<td>26%</td>
</tr>
<tr>
<td>Jobs are available in the community.</td>
<td>57%</td>
<td>27%</td>
</tr>
<tr>
<td>Jobs are open to all qualified people, regardless of race, age, sex, etc.</td>
<td>51%</td>
<td>34%</td>
</tr>
<tr>
<td>Local manufacturers hire local people from the community.</td>
<td>58%</td>
<td>14%</td>
</tr>
<tr>
<td>People with a criminal background have opportunities to get decent work.</td>
<td>26%</td>
<td>46%</td>
</tr>
</tbody>
</table>
# Neighbourhood Economics

<table>
<thead>
<tr>
<th>Economic Indicators</th>
<th>Agree or Strongly Agree*</th>
<th>Disagree or Strongly Disagree*</th>
</tr>
</thead>
<tbody>
<tr>
<td>People in my neighborhood have the opportunity to make a good life.</td>
<td>62%</td>
<td>18%</td>
</tr>
<tr>
<td>People have enough money to get by.</td>
<td>27%</td>
<td>46%</td>
</tr>
<tr>
<td>Families have enough money to meet their needs.</td>
<td>28%</td>
<td>47%</td>
</tr>
<tr>
<td>Children and families have decent food, clothing, and shelter.</td>
<td>48%</td>
<td>30%</td>
</tr>
</tbody>
</table>
WHERE DO WE GO FROM HERE

Results from both surveys present challenges facing our workforce but it also presents opportunities.

Possible future directions

• Improve job quality – enforce existing labor laws, create incentives for businesses to upgrade practices, engage community groups to build pressure for change and accountability

• Improve access to employment – ensure equitable access to jobs, ensure local workforce has skills necessary, develop matching programs to link job seekers to employers

• Ensure communities benefit from community investment – ensure any use of publicly funded incentives include guarantees of job quality and community investment. If not through local agencies, Community Benefit Agreements may provide a path

• Avoid the race to the bottom – limit jurisdictions competing against each other offering larger and larger incentive packages to recruit and retain firms
HOSTED BY: DEPARTMENT OF URBAN AND REGIONAL PLANNING, JACKSON STATE UNIVERSITY

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