

**Alabama**

**Arkansas**

**Delaware**

**District of Columbia**

**Florida**

**Georgia**

**Kentucky**

**Louisiana**

**Maryland**

**Mississippi**

**Missouri**

**North Carolina**

**Oklahoma**

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**Tennessee**

**Texas**

**Virginia**

**West Virginia**

**SOUTHERN BUSINESS LEADERSHIP COUNCIL  
UPSTATE SOUTH CAROLINA  
EMPLOYER INITIATIVE  
Project Report**



**August 2007**

## MISSION STATEMENT

The Southern Institute on Children and Families is an independent, non-profit organization that improves the well-being of children and families through knowledge, leadership and action. We educate through research of policies, systems and practices. We generate greater awareness and equip community and business leaders and policymakers with knowledge to make informed decisions. The Southern Institute on Children and Families is funded through grants and contributions. The southern states included in the work of the Southern Institute on Children and Families are:

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Maryland  
Mississippi  
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North Carolina  
Oklahoma  
South Carolina  
Tennessee  
Texas  
Virginia  
West Virginia

While the primary focus of the Southern Institute on Children and Families is on the South, the Southern Institute directs national programs related to its mission.



**Southern Business Leadership Council  
Upstate South Carolina Employer Initiative  
Project Report**

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**August 2007**

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- Anderson Area Chamber of Commerce

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**Southern Business Leadership Council  
Upstate South Carolina Employer Initiative  
Project Report  
August 2007**

**Executive Summary**

Employer voices are critical to the development of actions needed in both the public and private sectors to promote stable employment in the lower-wage workforce. While there is substantial research available on the perspectives of lower-wage workers related to barriers to employment stability, there is little information available on employer views. Engaging employers in sharing their perspectives and their ideas regarding solutions will significantly strengthen the development of action strategies. Also, involvement of employers will greatly enhance the momentum for significant public and private sector action that will mutually benefit employees, businesses and communities as a whole.

The Southern Institute on Children and Families is a non-profit organization that works to improve opportunities for lower-income families and children, with a focus on 17 southern states and the District of Columbia.<sup>1</sup> The Southern Institute established the Southern Business Leadership Council (SBLC) to lead a regional initiative to engage business and public policy leaders in the development and implementation of comprehensive solutions to societal issues that impede stable employment of the lower-wage workforce.

The Upstate South Carolina Employer Initiative is an important component in the development of the *SBLC Employment Stability Action Plan*. The Upstate South Carolina Employer Initiative also yielded pertinent information that can be used immediately by Upstate South Carolina businesses, foundations, community organizations and public policymakers in assessing workforce stability issues and developing strategies to improve employment stability among lower-wage workers.

The Southern Institute conducted additional employer projects to gather insights from employers in several southern communities, as was done in Upstate South Carolina. The information collected from the Upstate South Carolina Project and from other southern communities will contribute to the development of the *SBLC Employment Stability Action Plan*. Upon completion of all projects, the Southern Institute will synthesize for the SBLC the information collected on employer perspectives related to the barriers to employment stability of the lower-wage workforce and promising strategies to address the barriers.

The *SBLC Employment Stability Action Plan* will identify public actions, private sector actions and public/private partnerships needed to address identified issues and opportunities, and it will include employment stability action strategies that are central to workforce development, retention and economic development plans. It will provide summaries on public and private

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<sup>1</sup> The Southern Institute on Children and Families' work focuses on Alabama, Arkansas, Delaware, the District of Columbia, Florida, Georgia, Kentucky, Louisiana, Maryland, Mississippi, Missouri, North Carolina, Oklahoma, South Carolina, Tennessee, Texas, Virginia and West Virginia.

sector promising practices that can be replicated in communities across the South and the nation and contacts for information on design and implementation.

High profile dissemination and promotion of the *SBLC Employment Stability Action Plan* is planned for 2008 through business, civic and public policy networks. All business and trade organizations that assisted with the SBLC employer research projects will receive the *SBLC Employment Stability Action Plan* when released. The *SBLC Employment Stability Action Plan* will provide a roadmap for business, community and public policy leaders in 17 southern states and the District of Columbia to improve employment stability in the lower-wage workforce.

This report presents findings from the Upstate South Carolina Employer Initiative. The report describes employer perspectives on issues related to lower-wage employment stability gathered through Upstate South Carolina employer interviews and provides summary information on employer views collected during the Upstate South Carolina Employer Dialogue Session held in Greenville, South Carolina. The Appendices provide demographic data and other information related to the Upstate South Carolina Employer Initiative. Key findings are included in the following sections.

### **Upstate South Carolina Employer Survey Results**

A sample group of employers located in Upstate South Carolina, which includes Greenville, Spartanburg and Anderson Metropolitan Statistical Areas (MSAs), were surveyed via telephone interviews. The survey was designed to gauge employer views regarding work/life issues of their lower-wage workers that may impede employment stability. In the survey, lower-wage was defined as earnings less than \$12.74 per hour, which was the average median hourly wage of all three MSAs based on data collected by the US Department of Labor, Bureau of Labor Statistics. Forty-six percent (46%) of all workers in Upstate South Carolina earn at or below the median hourly wage of \$12.74. Survey data from employers responding were grouped into two categories: 1) small businesses defined as employers having less than 50 employees; and 2) large businesses defined as employers having 50 or more employees.

#### ***Employee Attendance and/or Tardiness***

Almost one-third (31%) of survey respondents *agreed* they experience problems with employee attendance and/or tardiness.

- 52.4%\* of employers with five or more lower-wage workers *agreed* they have an employee attendance and/or tardiness problem.
- 83.3%\* of employers with less than five lower-wage workers *disagreed* employee attendance and/or tardiness is a problem.
- 68.5% of small businesses *disagreed* attendance and/or tardiness is a problem for their workforce.

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\* Statistically significant at the 95% level

- 70% of large businesses *disagreed* their businesses experience problems with employee attendance and/or tardiness.

### ***Reasons for Employee Attendance and/or Tardiness Problems***

All employers were more likely to indicate employees in their business are late or miss work because of issues related to the employee's health, health of the employee's family member(s) and child care.

The reasons cited by large businesses that *agreed* their business experiences employee attendance and/or tardiness problems were as follows.

- Transportation and health of a family member were cited as major reasons for attendance problems for employees according to 100%\* of large businesses.
- Health of the employee and child care also were indicated as reasons for employee attendance and/or tardiness problems by large businesses.

Of those small businesses that indicated they had an employee attendance and/or tardiness problem, 57.1% gave other reasons.

- Lack of work ethics and sense of responsibility were cited most often by small businesses as the other reasons for attendance and/or tardiness problems in the workplace.

### ***Employee Turnover***

The majority of Upstate South Carolina Employer Survey participants (84%) *disagreed* their business experiences problems with employee turnover, while 16% of respondents *agreed* their business experiences difficulty retaining employees.

- 60%\* of large businesses *agreed* they have an employee turnover problem.
- Some 88.8%\* of small businesses *disagreed* they have an employee turnover problem.

Of all employers with a retention problem, 62.5% were more likely to *agree* employees leave their business to become employed with another business paying higher wages and 56.2% *agreed* employees leave for better benefits.

- Large employers were more likely to *agree* employees leave their business to become employed with another business paying higher wages, while small businesses were evenly split on this issue.
- Large employers were more likely to *agree* employees leave for better benefits, while small employers were evenly split on the issue.

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\* Statistically significant at the 95% level

- Large businesses were significantly more likely to *disagree* employees leave to pursue better advancement opportunities.
- Small businesses were more likely to *agree* their business experiences problems with turnover because of disciplinary problems such as unacceptable work performance.
- Both small and large businesses *disagreed* work hours contributed to employee turnover.

### ***Major Reasons for High Employee Retention***

Employers who *disagreed* employee turnover is a problem for their business offered the following explanations as to why they believe it is not a problem for their businesses.<sup>†</sup>

- 40.5% cited excellent work environment/team spirit/job satisfaction.
- 13.1% cited great boss, leadership and/or management.
- 13.1% cited good pay.
- 10.7% responded small company/don't have that problem.

### ***Employee Health Benefits***

More than half (56%) of all survey respondents offer health insurance as a benefit to employees.

- A little over half (51.7%) of the small businesses surveyed offer health insurance, compared to 100%\* of large businesses.
- 44% of all the employers surveyed do not offer health insurance, the majority (97.7%) of which are small businesses.

About 71% of employers stated cost as the major reason for not offering health insurance to their workforce. This held true for a significant percentage of employers with less than five and more than five lower-wage workers, 81%\* and 68.8%<sup>◇</sup>, respectively.

## **Upstate South Carolina Employer Dialogue Session**

The Upstate South Carolina Employer Dialogue Session was held May 2, 2007, in Greenville, South Carolina. The purpose was to gain insight on employer perceptions of barriers to employment stability in the lower-wage workforce, strategies they have tried to improve employment stability and recommendations for public and private sector actions and public/private partnerships to improve employment stability in the lower-wage workforce.

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<sup>†</sup> Employers could indicate more than one explanation for why turnover is not a problem for their businesses.

\* Statistically significant at the 95% level

<sup>◇</sup> Statistically significant at the 90% level

Upstate South Carolina employers attending the dialogue session shared their perceptions on issues that affect the ability of lower-wage employees in their workplace to be stable and reliable employees. Some of the employment stability issues identified by employers, which are described in greater detail in the Upstate South Carolina Employer Dialogue Session section of this report, are listed below:

- Working multiple jobs affects employment stability
- Lack of child care and elder care hinders employment stability
- Lack of a personal support system negatively impacts reliability
- Work schedule flexibility issues create barriers to employment stability
- Lack of transportation results in longer work days, less family time and work interruptions
- Inexperience with technology can affect job performance and opportunity for promotion
- Inadequate information on community resources restricts ability of employers to help employees be more stable on the job
- Lower-wage employees without health coverage present employment stability issues

Employers participating in the Upstate South Carolina Employer Dialogue Session also were asked to share their thoughts and recommendations on public and private sector actions that can be taken to improve employment stability in the lower-wage workforce. Some of the employer recommendations are listed below:

- Offer on-site child care or negotiate child care discounts
- Allow trading of work schedules among employees
- Implement a cultural diversity management program and provide on-site training
- Provide assistance with transportation costs
- Strengthen relationships between lower-wage employees and their supervisors
- Assist lower-wage employees with the cost of health coverage

The last section of this *SBLC Upstate South Carolina Employer Initiative Project Report* summarizes next steps. Please visit [www.thesoutherninstitute.org](http://www.thesoutherninstitute.org) for additional information on the Southern Institute and the SBLC.

## Introduction

Economic development plans in the southern region of the United States have given little attention to the need for comprehensive public and private sector actions to build the capacity of lower-wage workers, particularly parents, to be stable employees. Investments in education and training are essential, but there also must be recognition of the “off-the-job” challenges that can and do negatively impact job performance and employment stability of lower-wage workers.

Providing greater opportunities for lower-wage workers to achieve employment stability requires business and public policy leaders to actively and effectively collaborate on development and implementation of policies and programs that will mutually benefit lower-wage employees, businesses and communities as a whole. Business, public and civic leaders who are armed with a strategic plan of action will achieve far reaching economic and societal gains.

The Southern Institute on Children and Families is a non-profit organization that works to improve opportunities for lower-income families and children, with a focus on 17 southern states and the District of Columbia.<sup>1</sup> The Southern Institute established the Southern Business Leadership Council (SBLC) to lead a regional initiative to engage business and public policy leaders in the development and implementation of comprehensive solutions to societal issues that impede stable employment of the lower-wage workforce. The SBLC is co-chaired by the Honorable Richard W. Riley, former United States Secretary of Education, former South Carolina Governor and Southern Institute Board Member and Anne Doss, Executive Vice President for Wachovia. SBLC members represent southern-based businesses, corporate philanthropy and local, state and national business organizations. A list of SBLC members appears in Appendix D.

The SBLC is currently developing the *SBLC Employment Stability Action Plan*, which will provide specific public and private sector strategies to promote stable employment in the lower-wage workforce. The first phase of the SBLC Employment Stability Action Plan Initiative is focused on research. Research activities began in December 2005 and will continue throughout 2007. The research phase will be followed by the development of the *SBLC Employment Stability Action Plan* and promotion of its recommendations through business, civic and public policy networks.

The southern region of the United States is the nation’s target area for investment of resources aimed at improving opportunities for lower-wage employees. Some of the employment statistics that point to the need for leadership and action are:

- One out of five southern workers lives below 200% of the federal poverty level (\$34,340 annual income for a family of three in 2007).
- Southern per capita wages are the lowest in the nation.

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<sup>1</sup> The Southern Institute on Children and Families’ work focuses on Alabama, Arkansas, Delaware, the District of Columbia, Florida, Georgia, Kentucky, Louisiana, Maryland, Mississippi, Missouri, North Carolina, Oklahoma, South Carolina, Tennessee, Texas, Virginia and West Virginia.

- Labor turnover rates are higher in the South than the national average.
- More than one out of four lower-wage workers in the South work in Retail Trade, an industry with high turnover and low rates of health insurance coverage.
- The South's generally low unemployment rate is misleading because it is affected by lower than average labor force participation.

The children of lower-wage workers in the South will benefit greatly from efforts to improve the employment stability of their parents thereby enhancing their opportunities for child development. Conditions placing children in the South at risk include:

- Eleven (11) southern states and the District of Columbia have a higher percentage of children living in poverty than the nation as a whole.
- Nine (9) southern states and the District of Columbia have a greater percentage of fourth-grade students reading below grade level than the rest of the nation.
- Nearly half (46%) of all lower-income uninsured children in the United States live in the South.

Employers are key players in achieving bold action at the local, state and national levels to promote greater employment stability in the lower-wage workforce. Establishing effective partnerships with business and industry is essential. Providing employers with information they can use is an important building block in creating effective partnerships. Employers especially want information on promising practices they can implement in the workplace and they also are interested in having information on how they can encourage action in the public sector to improve employment stability, especially among lower-wage parents and caretakers.

Development of comprehensive employment stability action strategies begins with research and analysis. While there is substantial research available on the perspectives of lower-wage workers related to barriers to employment stability, there is little information available on employer views. Engaging employers in sharing their perspectives and their ideas regarding solutions will significantly strengthen the development of action strategies. Also, involvement of employers will greatly enhance the momentum for significant public and private sector action that will mutually benefit employees, businesses and communities as a whole.

## Upstate South Carolina Employer Initiative

The Southern Institute on Children and Families received support to conduct the Upstate South Carolina Employer Initiative described in this report from the following organizations: AT&T, BI-LO, LLC, BlueCross BlueShield of South Carolina, Greenville Hospital System, Mary Black Foundation, Michelin North America, Nelson Mullins Riley & Scarborough, LLP, and Spartanburg Regional Healthcare System. Upstate South Carolina is included in the Southern Institute's primary geographic focus described in the previous section. The Upstate South Carolina Employer Initiative engaged local employers in the identification of issues related to employment stability and captured their views on opportunities for improvement.

Upstate South Carolina has a high concentration of businesses with high rates of employee turnover – accommodation and food services, administrative and support services, retail trade and construction. Upstate South Carolina also has a high percentage of lower-income families who fall within the target group that will benefit from implementation of employment stability action strategies. State level data for South Carolina as well as local level data illustrate a compelling need to identify and address actions that will promote employment stability in the lower-wage workforce:

- 46% of all workers in Upstate South Carolina earn at or below the median hourly wage of \$12.74.
- 43% of children in families in South Carolina are lower-income (\$34,340 annual income for a family of three in 2007).
- 46.5%<sup>2</sup> of families in Upstate South Carolina have a female head of household with children under 18 years old living below poverty (\$17,170 annual income for a family of three).
- 82% of children in lower-income families in South Carolina have at least one parent who is employed full-time, part-time or part-year.

This *Upstate South Carolina Employer Initiative Project Report* contributes information to support efforts in Upstate South Carolina to improve employment stability in the lower-wage workforce, particularly parents. It also provides valuable information for the Southern Business Leadership Council (SBLC) in its development of the *SBLC Employment Stability Action Plan*. The Southern Institute has conducted employer research projects similar to the Upstate South Carolina Employer Initiative in other southern communities. Upon completion of all projects, the Southern Institute will synthesize the employment stability barriers and strategies collected from the employer research projects, enabling the SBLC to have data from frontline employers as it develops the *SBLC Employment Stability Action Plan*. The *SBLC Employment Stability Action Plan* will provide a blueprint for public and private leaders across the southern region to enact progressive policies and programs to promote employment stability in the lower-wage

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<sup>2</sup> This amount is an average of the percentages of female heads of households with children under 18 years old living below poverty residing in the Anderson, Greenville and Spartanburg MSAs.

workforce. It also will provide the information business leaders and frontline employers say they need on promising practices. Summaries of public and private sector promising practices that can be replicated in communities and states across the southern region and the nation will be included in the *SBLC Employment Stability Action Plan* and contacts will be provided for information on design and implementation of the promising practices.

This report presents findings from the Upstate South Carolina Employer Initiative. It describes employer perspectives on issues related to lower-wage employment stability gathered through Upstate South Carolina employer interviews and provides summary information on employer views collected during the Upstate South Carolina Employer Dialogue Session held in Greenville, South Carolina. The Appendices provide demographic data and other information related to the Upstate South Carolina Employer Initiative.

## Upstate South Carolina Employer Survey Results

The Upstate South Carolina Employer Survey was conducted as a part of the Southern Business Leadership Council (SBLC) Upstate South Carolina Employer Initiative. A sample of employers located in Upstate South Carolina, which includes Anderson, Greenville and Spartanburg Metropolitan Statistical Areas (MSAs), were surveyed via telephone interviews. Employers were interviewed to gather their perspectives and insights on the barriers to employment stability and to identify potential promising practices and opportunities related to increasing employment stability in the lower-wage workforce.

### Survey Instrument

The Upstate South Carolina Employer Survey instrument was developed by the Southern Institute on Children and Families. The questions were designed to gather information about work/life issues faced by lower-wage employees from the perspective of their employers. The survey instrument was field tested and a version of it was used for two previous projects to survey employers in the District of Columbia and the surrounding metropolitan area and the Charlotte, North Carolina metropolitan area. The type of questions included in the Upstate South Carolina Employer Survey fell into two categories.

The first category of questions was designed to gather demographic information about the employers being interviewed. Respondents were asked to describe their role in the business and then to describe certain features about their businesses. The survey asked for demographic information such as the number of employees, the number of full-time and part-time employees, the business industry classification and occupation classification.

In addition, respondents were asked to indicate the percentage of their employees who were lower-wage workers. In this project, Upstate South Carolina is defined as a combination of three distinct MSAs in the upper part of the state, which are the Anderson MSA, Greenville MSA and the Spartanburg MSA. For the survey, lower-wage was defined as less than \$12.74 per hour, which was the average median hourly wage of all three MSAs. The median hourly wage for each of the three MSAs was as follows: Anderson MSA, \$11.92 per hour; Greenville MSA, \$12.85 per hour and Spartanburg MSA, \$13.44 per hour. Wage data was based on May 2005 Metropolitan Area Occupational Employment and Wage Estimates as collected by the US Department of Labor, Bureau of Labor Statistics.

The survey also included one optional demographic question related to whether the business' workforce was unionized, not unionized or partially unionized and partially non-unionized.

The second category of questions was designed to assess the extent to which a business had problems with the employment stability of its workforce and to assess the extent to which benefits were provided to employees, including referrals for assistance from public programs. Several questions were included regarding issues related to absenteeism, tardiness and turnover. Follow-up questions were asked in some instances to gather employers' impressions of why they did or did not have problems with employees reporting to work and doing so on time. Also, follow-up questions were asked about why employers did or did not have a turnover problem. In

addition, respondents were asked to identify benefits and incentives they make available to employees. Additional questions were asked to gather more detail about the provision of health insurance.

Respondents were not required to identify themselves or their business names and were assured that survey responses will be kept confidential and no individual employer will be identified in reporting the data.

In an attempt to increase participation, respondents were given the opportunity to win an iPod by entering their name and contact information into a drawing. This identifying information about the respondents was used only for that purpose and identities were kept confidential.

## **Methodology**

The Southern Institute contracted with MarketSearch, a Columbia, South Carolina based market research firm, to perform telephone interviews using the survey instrument with employers in Upstate South Carolina. MarketSearch has extensive experience in designing and conducting studies for business, government and non-profit organizations worldwide.

MarketSearch obtained a random sample of 2,000 businesses in Upstate South Carolina, which included the Anderson, Greenville and Spartanburg MSAs using Standard Industrial Classification codes provided by the Southern Institute (See Appendix C). These codes were selected based on the Southern Institute's knowledge and statistical data related to industries that are more likely to employ lower-wage workers.

MarketSearch staff dialed a total of 1,336 telephone numbers between March and April 2007. One hundred telephone interviews were completed. Eighty-one respondents entered their names in the drawing to win the iPod.

## **Results Analysis**

### ***Profile of the Lower-wage Workforce in the South***

Previous research commissioned by the Southern Institute provided a profile of the southern economy.

- The South has a low labor force participation rate.
- More than one out of four lower-wage individuals work in Retail Trade – an industry with high turnover and low rates of health insurance coverage.
- Approximately one out of 60 lower-wage workers in the South works for the government – an employer experiencing low rates of turnover and high rates of health insurance coverage.

- More than 40% of lower-wage workers are employed in very small businesses where benefits are often scarce.

### ***Profile of the Upstate South Carolina Survey Respondent Employers***

The results from the Upstate South Carolina Employer Survey show the following:

- Almost one-fourth of employers (21%) described their industry classification as Retail Trade.
- Approximately 22% of employers indicated their occupational classification was sales and related occupations.
- Most of the employers (92%) were for-profit organizations with a non-unionized employee workforce.
- A little more than one-third (39%) of businesses have no part-time employees, while 38% of businesses have five or fewer employees who work part-time.
- Most businesses (78%) participating in the survey have at least one lower-wage worker, while 15% of the companies interviewed have no lower-wage employees.
- Most employers (42%) surveyed have five or more of employees earning less than \$12.74 per hour.

Employers responding to the survey were grouped into two categories: 1) small businesses defined as employers having less than 50 employees; and 2) large businesses defined as employers having 50 or more employees.

- The majority of employers (89%) were small businesses. Almost 70% of these small businesses had less than 10 employees.
- Of all employers, 10% were large businesses.

### ***Employee Attendance, Tardiness and Turnover***

Lower-wage workers often face challenges that interfere with job stability, attendance and tardiness. Workforce related issues such as lack of stable child care and transportation can negatively impact employers of lower-wage individuals. The challenges faced by lower-wage workers are reflected in high employee absenteeism, high turnover and low morale. Employee issues such as attendance, tardiness and turnover are stressful to families and contribute to higher training costs and lost productivity for businesses. Results from the Upstate South Carolina Employer Survey regarding attendance, tardiness and turnover issues are outlined below.

### Employee Attendance and/or Tardiness

Employee absenteeism and tardiness can prove to be costly for employers. In 2005, an annual survey on unscheduled absences conducted by CCH, Inc. found that the average per-employee cost for unscheduled absenteeism was \$660. As of 2006, absenteeism could cost some large employers as much as \$850,000 per year in direct payroll costs. The high cost of employee absenteeism not only hurts individuals who risk losing their jobs but also can result in lost productivity, low morale and temporary labor costs for employers.

#### Findings:

- 31% of employers *agreed* they experience problems with employee attendance and/or tardiness.
- 69% of employers *disagreed* they experience problems with employee attendance and/or tardiness.
- 52.4%\* of employers with five or more lower-wage workers *agreed* they have an employee attendance and/or tardiness problem.
- 83.3%\* of employers with less than five lower-wage workers *disagreed* employee attendance and/or tardiness is a problem.

Survey respondents who indicated they had an attendance and/or tardiness problem were asked to identify what they perceived as the major reasons their business experienced these problems. Employers were more likely to indicate that employees in their business are late or miss work because of issues related to employee's health, health of the employee's family member(s) and child care.

Contrary to past research on workers in the South, employers in Upstate South Carolina were less likely to perceive there is an attendance and/or tardiness problem with their employee workforce for reasons associated with dependent adult care, transportation or housing. Some employers raised the issue of irresponsibility and a lack of work ethics as other reasons why employees in their workplace are late or miss work.

### Employee Turnover

High rates of turnover, absenteeism and staff vacancies have been identified as having a negative impact not only on the families of lower-wage workers but also on employers and consumers. Direct costs for replacing workers, which include recruitment, orientation, training and termination of the worker being replaced, are expensive. In a study of paraprofessional direct care workers, lower-wage workers in the health care industry, the estimated recurring annual cost of training due to direct care worker turnover was more than \$34 million. A commonly used conservative rule-of-thumb calculates the per worker cost of turnover at 25% of the employee's

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\* Statistically significant at the 95% level

annual compensation amount. Using the 25% rule-of-thumb estimate would yield a total cost of turnover in the range of \$4,200 to \$5,200 per direct care worker.

#### Findings:

- 16% of respondents *agreed* their business experiences difficulty retaining employees.
- Employers with a retention problem were more likely to *agree* employees leave their business to become employed with another business paying higher wages (62.5%) and offering better benefits (56.2%).

Employers with retention issues were less likely to perceive employees leave to pursue better advancement opportunities. Employers were evenly split on whether or not disciplinary problems such as unacceptable work performance are an issue for the workforce. Work hours were less likely to be viewed by employers as an issue for their workforce. For those few employers who noted work hours as an issue related to employee turnover, irregular work hours and long work hours were stated as reasons for employee turnover in their business.

#### Major Reasons for High Employee Retention Among Respondent Businesses

Thirty-nine percent (39%) of all survey respondents reported a 0% employee turnover rate, and 46% of employers reported a 1%-24% employee turnover rate. The majority of Upstate South Carolina Employer Survey participants (84%) *disagreed* their business experiences problems with employee turnover. These respondents offered the following explanations as to why they believe employee turnover is not a problem for their businesses.<sup>†</sup>

- 40.5% cited excellent work environment/team spirit/job satisfaction.
- 13.1% cited great boss, leadership and/or management.
- 13.1% cited good pay.
- 10.7% responded small company/don't have that problem.
- 8.3% cited treat staff well and/or with respect.
- 8.3% cited good benefits.
- 8.3% cited long-term dependable employees and/or loyalty.
- 4.8% cited flexible work options/hours and/or understanding about home issues.

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<sup>†</sup> The percentages add up to greater than 100% because employers indicated more than one explanation for why turnover is not a problem for their businesses.

## ***Benefits and Incentives Employers Made Available to Employees***

Research shows employee benefits and incentives are important to employee retention, morale and job satisfaction. Offering benefits to employees, particularly to part-time workers who are most likely to also be lower-wage workers, is increasing and serves as a turnover reduction tool for employers. Making benefits available to part-time workers can have a significant impact on retention, particularly in service occupations where there is a higher rate of lower-wage workers.

The Upstate South Carolina Employer Survey responses about benefits and incentives offered to employees, as well as previous research done regarding the relationship between benefits, perks and employee retention, may lend support to the idea that offering benefits and incentives to employees can assist in increasing workforce retention. Table 1 lists benefits and incentives all employers participating in the Upstate South Carolina Employer Survey made available to their employees.

<b>TABLE 1 Upstate South Carolina Employer Survey Results Benefits/Incentives Made Available to Employees</b>	
<b>Benefits/Incentives</b>	<b>Response Rate<sup>□</sup></b>
Paid Vacation	60.0%
Health Insurance	56.0%
Paid Sick Leave	36.0%
Pension/Retirement Plans	32.0%
Health Insurance for Dependents	32.0%
Flexible Work Options	28.0%
Long-term Disability	24.0%
Short-term Disability	19.0%
Paid Maternity Leave	15.0%
Cafeteria Plan/Flexible Spending Accounts	13.0%
Investment Planning	12.0%
Paid Sick Dependent Leave	10.0%
Employee Assistance Programs	8.0%
Paid Paternity Leave	6.0%
Transportation	6.0%
Tuition Reimbursement	4.0%
Information About Public Benefits and Programs	4.0%
Child Care	2.0%
Housing Assistance	2.0%
Advance Earned Income Tax Credit	2.0%
Dependent Adult Care	2.0%
Other Benefits/Incentives	27.0%
Don't know	1.0%
None	22.0%
<p><b>Source:</b> Southern Institute on Children and Families. <i>SBLC Upstate South Carolina Employer Survey, 2007.</i></p> <p><sup>□</sup>The Response Rate column refers to the percent of all employers who responded to the question of what benefits/incentives they offered to their employees. Respondents were asked to list all benefits/incentives they offer.</p>	

### Employee Benefit: Health Insurance

Employer-sponsored health insurance is one of the most commonly offered benefits to employees. Although employer-sponsored health care coverage is continuing to erode in the United States due to costs, this form of health insurance remains the primary way working families obtain health care coverage. Yet, lower-income families with at least one full-time worker are much less likely than middle-income families to receive employer-sponsored health insurance (49% versus 77%). Upstate South Carolina Employer Survey results are listed below.

#### Findings:

- More than half (56%) of the employers offer health insurance as a benefit.
- A significant percentage (90.9%\*) of employers with no lower-wage workers report a 75%-100% participation rate in the company's health insurance plan.
- A little over half (51.7%) of the small businesses surveyed offer health insurance, compared to 100%\* of large businesses.
- 44% of all the employers surveyed do not offer health insurance, the majority (97.7%) of which are small businesses.
- About 71% of employers stated cost as the major reason for not offering health insurance to their workforce. This held true for a significant percentage of employers with at least one lower-wage worker.

#### Of the employers offering health insurance:

- 35.7% indicated all of their employees participate in the employer-sponsored plan.
- 21.4% pointed out their employees do not participate in the employer-provided health care coverage plan because they are enrolled in a health insurance plan offered through a family member's employer.
- 17.9% indicated cost (too expensive) as the reason employees do not participate in the employer-sponsored health care plan.
- 5.4% indicated ineligibility (i.e., have to work 40 hours or more) of employee as a reason some employees do not participate in the employer-sponsored health care plan.
- 1.8% indicated participation in public health insurance programs as a reason employees do not participate in the employer-sponsored health insurance plan.

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\* Statistically significant at the 95% level

## Business Size and Lower-wage Workforce Stability

Small-scale cross analyses were conducted to determine whether there were any differences between employer responses based on the size of the business. Survey data from employers responding were grouped into two categories: 1) small businesses defined as employers having less than 50 employees; and 2) large businesses defined as employers having 50 or more employees. Survey findings based on business size for the Upstate South Carolina Employer Survey are reviewed below.

### Findings:

- 89% of the businesses participating in the study were small businesses.
- 10% of respondents were large businesses.
- 69.7% of small business respondents had less than 10 workers.
- 40%<sup>◇</sup> of large businesses were in the Health Care and Social Assistance industry.
- 23.6% of the small business respondents were in the Retail Trade industry.
- 13.5% of small businesses were in the Accommodation and Food Services industry.

Survey results from the Upstate South Carolina employer interviews do not align with findings from previous research on small businesses, including studies conducted by the Southern Institute. Previous research has shown that small businesses commonly pay lower wages, offer little or no benefits and often have part-time positions. In this study, the majority (80%\*) of large businesses has six or more part-time workers compared to about 16% of small businesses. Small businesses had no (41.6%) or less than five (42.7%) part-time workers. Findings highlighting differences between small and large businesses and the wages and benefits they offer employees are discussed on subsequent pages.

### Findings:

- Of all the businesses participating in the study, small businesses were more likely to pay a wage greater than \$12.74 per hour.
  - Among participating small businesses, 57.3% had no or less than five of their employees earning less than \$12.74 per hour.
  - About 36% of small businesses had five or more of their employees earning lower wages (less than \$12.74 per hour).

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<sup>◇</sup> Statistically significant at the 90% level

\* Statistically significant at the 95% level

- All (100%\*) of the large businesses had five or more employees earning lower wages.
- Most (41.6%) participating small businesses had no part-time workers, 42.7% have one to five and 15.7% have six or more who work part-time.
- 80%\* of large businesses had six or more part-time workers.

### ***Employee Attendance and/or Tardiness Based on Business Size***

#### Findings:

- 68.5% of small businesses *disagreed* attendance and/or tardiness is a problem for their workforce.
- 70% of large businesses *disagreed* their businesses experience problems with employee attendance and/or tardiness.

The reasons cited by large businesses that *agreed* their business experiences employee attendance and/or tardiness problems were as follows.

- Transportation and health of a family member were cited as major reasons for attendance problems for employees according to 100%\* of large businesses.
- Health of the employee and child care also were indicated as reasons for employee attendance and/or tardiness problems by large employers.

Of those small businesses that indicated they had an employee attendance and/or tardiness problem, 57.1% gave other reasons. Lack of work ethics and sense of responsibility were cited most often by small businesses as the other reasons for attendance and/or tardiness problems in the workplace.

More than two-thirds (68.5%) of small businesses *disagreed* their business experiences attendance and/or tardiness problems.

- 26.2% of small businesses credited good employee attendance to an excellent work environment, a “like-family” environment and/or job satisfaction.
- 18% of small businesses credited good employee attendance to employees’ enjoyment in working.
- 14.8% of small businesses attributed good employee attendance to a responsible and mature workforce.

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\* Statistically significant at the 95% level

- 11.5% of small businesses reported reliable, long-term and loyal employees as a reason for no problems with attendance and/or tardiness.
- 11.5% of small businesses indicated attendance is not a problem for their workforce because they are a small company.

### ***Employee Turnover Based on Business Size***

Unlike other research findings on lower-wage workers, overall the businesses in Upstate South Carolina that responded to the survey were more likely to report high employee retention. However, there were differences in employee retention between small and large businesses.

Findings:

- Some 88.8%\* of small businesses *disagreed* they have an employee turnover problem.
- 60%\* of large businesses *agreed* they have an employee turnover problem.

Small and large businesses provided the following reasons for retention of their employees.

- 41.8% of small businesses cited excellent work environment/team spirit/job satisfaction.
- 12.7% of small businesses cited great boss, leadership and/or management.
- 12.7% of small businesses cited good pay.
- 50%<sup>◇</sup> of large businesses cited good benefits.

Of all businesses surveyed, 16% indicated employee turnover was a problem for their workforce. Based on business size, employers stated the following reasons for employee turnover.

Findings:

- Large employers were more likely to *agree* employees leave their business to become employed with another business paying higher wages, while small businesses were evenly split on this issue.
- Large employers were more likely to *agree* employees leave for better benefits, while small employers were evenly split on this issue.
- Large businesses were significantly more likely to *disagree* staff leave to pursue better advancement opportunities.

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\* Statistically significant at the 95% level

<sup>◇</sup> Statistically significant at the 90% level

- Small businesses were more likely to *agree* their business experiences problems with turnover because of disciplinary problems such as unacceptable work performance.
- Both small and large businesses *disagreed* work hours contributed to employee turnover.

### **Benefits and Incentives Small and Large Businesses Made Available to Employees**

The findings in this study are similar to other research that has shown businesses with a greater number of employees usually make more benefits available to workers than businesses with fewer employees. Businesses with a large workforce usually offer more attractive and a greater range of employee benefits including retirement benefits and paid holidays and vacations. Businesses with few workers find themselves financially unable to match the benefits offered by large employers.

Data results from the Upstate South Carolina Employer Survey show health insurance and paid vacation are two of the most frequently available benefits to employees of all business sizes.

The Upstate South Carolina Employer Survey findings show:

- 56% of all businesses offer health insurance.
- 60% of all businesses offer paid vacation time.

Although a large percentage of participating businesses of all sizes make health insurance and paid vacation available, there are differences between small and large businesses in the rate at which these benefits are offered.

- 51.7% of small businesses offer health insurance to employees.
- 100%\* of large businesses offer health insurance to employees.
- More than half of small businesses (58.4%) offer paid vacation to employees while 80% of large businesses offer paid vacation.

Almost 24% of small businesses did not offer any benefits to employees, whereas all of the large businesses offered one or more benefits. Survey results also showed some statistically significant differences between the types of benefits large employers offer compared to small employers. These differences are outlined in Table 2.

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\* Statistically significant at the 95% level

<b>TABLE 2</b>		
<b>Upstate South Carolina Employer Survey Results</b>		
<b>Comparison of Select Benefits/Incentives Offered by Small and Large Businesses</b>		
<b>Benefits/Incentives</b>	<b>Small Business Response Rate<sup>□</sup></b>	<b>Large Business Response Rate<sup>□</sup></b>
Health Insurance	51.7%	100.0%*
Health Insurance for Dependents	25.8%	90.0%*
Pension/Retirement Plans	27.0%	80.0%*
Paid Sick Leave	31.5%	80.0%*
Long-term Disability	18.0%	80.0%*
Cafeteria Plan/Flexible Spending Accounts	7.9%	60.0%*
Employee Assistance Program	3.4%	50.0%*
<b>Source:</b> Southern Institute on Children and Families. <i>SBLC Upstate South Carolina Employer Survey, 2007.</i>		
□ The small and large business response rate columns refer to the percent of all employers who responded to the question of what benefits/incentives they offered to their employees. Respondents were asked to list all benefits/incentives they offer.		

Table 4 in Appendix A shows all of the benefits and incentives participating small businesses made available to their employees by percentage of those responding.

### ***Health Insurance Benefit***

Businesses of all sizes are reducing the availability of health insurance to their employees due to growing costs associated with health care coverage. Studies reveal a strong association between business size and whether employees have health insurance coverage through their employer. Employees of businesses with few staff members are usually at greatest risk for lacking employer-sponsored health care coverage. Further, lower-wage workers in all size businesses are at higher risk of being uninsured.

Results from the Upstate South Carolina Employer Survey, however, veered slightly from what is usually observed about the relationship between business size, lower-wage workers and the availability of and participation in health insurance plans offered through employers. As previously indicated in this report, a little more than half (51.7%) of small businesses participating in this study offer health insurance as a benefit to their employees. Of these small businesses offering health insurance, 67.4% report a 75%-100% participation rate. It is important to note, that 91%\* of the same small businesses who offer health insurance have no lower-wage workers.

Other research has found rising health care costs are a number one concern for small businesses nationally; these costs do not appear to influence the small businesses in this survey from offering health care as a benefit. It also does not appear that costs deter employees from participating in the plans. This may be due to the fact that the majority (40.4%) of small businesses in this study have less than five lower-wage workers.

\* Statistically significant at 95% level

Large employers reported a lower employee participation rate in the employer-sponsored health insurance plan than small businesses (67.4%). Only 60% of large employers, all of which in this study had five or more lower-wage workers, indicated a 75%-100% participation rate.

Of all employers surveyed, 66% indicated an employee participation rate of 75%-100% in the employer-sponsored health insurance plan. When asked what the major reason was for non-participation by employees in the company's health insurance plan, 21.4% indicated that employees participate in a plan offered through a family member's employer. Almost 18% of employers indicated cost – too expensive – as the reason employees do not participate.

Cost also was the most commonly stated reason employers gave for not making health insurance benefits available to employees, the majority of these employers being small businesses. Of employers not offering health insurance benefits, 71% stated cost as the reason for not doing so, followed by 14% of employers indicating not enough employees and/or have part-time employees.

## **Upstate South Carolina Employer Dialogue Session**

The Upstate South Carolina Employer Dialogue Session was held on May 2, 2007, in Greenville, South Carolina. The Southern Institute on Children and Families worked in collaboration with Upstate South Carolina area chambers of commerce to recruit a mix of local employers to participate in the session. Eight representatives of private businesses employing lower-wage workers participated in the dialogue.<sup>3</sup> The Southern Institute commissioned a professional moderator to facilitate the employer discussion. The purpose of the Upstate South Carolina Employer Dialogue Session was to gain insight on employer perceptions of barriers to employment stability in the lower-wage workforce, strategies they have tried to improve employment stability and recommendations for public and private sector actions and public/private partnerships to improve employment stability in the lower-wage workforce.

This section summarizes the dialogue among employers participating in the Upstate South Carolina Employer Dialogue Session. The summary is presented by major themes and includes first-hand insights offered by the Upstate South Carolina employers in attendance.

### **Employer Perceptions of Employment Stability Issues Related to the Lower-wage Workforce**

Upstate South Carolina employers attending the dialogue session shared their perceptions of issues that affect the ability of lower-wage employees in their workplace to be stable and reliable employees. The issues are described below.

#### ***Working Multiple Jobs Affects Employment Stability***

Many lower-wage employees work two or three jobs to supplement the income of their primary job, which can create additional stress and impact absenteeism and productivity. It also can result in missed opportunities for the employee to work additional hours and can create scheduling conflicts. One employer stated, “They have to choose who they will be loyal to – Job A or Job B.”

One employer indicated that a lot of part-time workers have difficulties with workers who work more than one job because they can’t be flexible.

#### ***Lack of Access to Child Care and Elder Care Hinders Employment Stability***

Several employers stated that lack of child care for lower-wage employees is a job stability issue. One employer indicated that child care is a retention issue. Another employer spoke of problems that occur where both parents are working different shifts in order to care for their children. The employer described a situation faced by one of his employees, “The husband drives the wife to work and at 3:00 pm they switch. If you run late, it affects him. It is a tight schedule for them to work two shifts. It is a burden on family life and it is very stressful.”

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<sup>3</sup> Upstate South Carolina Employer Dialogue Session participants’ identities are kept confidential.

One health industry employer said their business had done extensive research on the child care issues faced by their employees, including the need for sick child care, and had not found a solution. Another employer stated that his health related business had looked at providing sick child care but had not taken it on because it would likely be a financial loss unless the service was extended to the whole community.

Several employers stated child care and sick child care are not just a lower-wage issue. Another employer indicated that child care issues can hinder promotion opportunities.

Several employers indicated that elder care is a job stability issue for some employees, particularly older employees.

### ***Lack of a Personal Support System Negatively Impacts Reliability***

Family responsibilities can interfere with lower-wage employees' attendance at work. When single parents or parents that have migrated to the area do not have a personal support system available to help with unexpected personal and job-related events, the likelihood these employees will miss work is much higher. When children are sick or the child care center closes, e.g., due to inclement weather, parents may miss work. One employer stated "... when a child gets sick or there are unexpected issues and no strong support unit and there is no one to help, they are on their own. It is very difficult. It is the unexpected that is difficult."

Several employers noted that older lower-wage employees may have responsibilities for caring for aging parents and relatives that affect their work. One employer stated, "With the younger people, it is young children. With the older ones, it is momma and daddy and uncles you are taking care of – same issues but instead of young children, it is parents who have to go to dialysis and have to go to the VA."

### ***Work Schedule Flexibility Issues Create Barriers to Employment Stability***

Several employers identified varying work shifts and work schedules as a problem for their lower-wage employees. This is particularly a problem for workers with multiple part-time jobs and workers in industries where the work is inconsistent, e.g., catering and hotel housekeeping. As one employer familiar with the catering business stated, "It will be consistent for three weeks and it will be down for a week. There is constantly a conflict in scheduling. Lack of flexibility in work schedules also is a challenge for lower-wage employees who are going to school due to frequent class schedule changes, usually every three to four months. Several employers indicated they try to accommodate employee needs, but it is a challenge.

One employer representing the health industry stated, "We have so many varying shifts and schedules, if you want it, we have it; however, we have budgets. If someone wants to work a schedule but there is not an opening there, it is a problem." Another employer stated, "Our hours are problematic. We have to keep our doors open and are not flexible at times." The employer stated that scheduling flexibility is a retention issue and indicated that more flexibility may be needed.

One employer stated, “It’s not uncommon for us to have our associates working overtime and then not have business...It is very ebb and flow. You don’t know you are always going to have 40 hours a week, but when business is not there we are sending people home. The supervisor and managers are filling in. There are a lot of variables. Some can’t handle that flexibility.” The employer explained that business demands dictate work schedules.

### ***Lack of Transportation Results in Longer Work Days, Less Family Time and Work Interruptions***

Several employers identified transportation as a significant problem that impacts their lower-wage employees. The nature of these problems varies based on location, i.e., whether employees work in an urban or rural area, work schedules and availability of public transportation. Several employers pointed out that for lower-wage employees working in downtown Greenville, paying for parking in a garage is problematic because it is expensive. One employer noted that some employees “... leave the job to pay the meter or move the car,” which interrupts their work and affects productivity. Another employer indicated his employees park on the street or in the garage and many get parking tickets.

In some areas of Upstate South Carolina there is no public transportation or only limited public transportation available, which creates challenges for lower-wage workers and their employers. Lower-wage employees may have to depend on family members or co-workers for transportation, resulting in longer work days and less time for family. A health industry employer indicated some lower-wage workers come to work hours early because they “... had to get there while they had transportation.” The employer stated, “The bus schedule changed recently and it really affected a lot of our workers. Now they are coming in two hours early because they risk being late.”

Bus schedules also negatively impact employees who work late hours. An employer in the hospitality industry explained that many events do not end until 11:00 pm or 12:00 am and stated he had to drive several of his lower-wage employees home after closing because they did not have transportation available or could not afford parking in downtown Greenville.

Lack of transportation also can affect the ability of a lower-wage worker to obtain a job. One employer indicated he has suggested to job applicants that if transportation is not available to them that they wait until they “... are settled and ready to come to work” rather than him having to terminate them within 60 days because of a lack of stable transportation.

One employer representing the hotel industry and familiar with transportation issues in Atlanta and Orlando noted that increasing gas prices are affecting turnover among their lower-wage workers. As she stated, “... for our part-time people, it isn’t worth it for how far they drive and what they take home at the end of the day.” The employer explained workers are commuting long distances and have older cars that are less fuel efficient, “...some of our associates are barely holding their cars together.” Stress over transportation difficulties can lead lower-wage workers that commute long distances to look for jobs closer to home, thus adversely affecting employment stability on their current job.

One employer stated he had never lived in a community where public transportation was so inadequate as it is in Greenville and indicated problems exist with the current bus routes regarding where people work and live.

### ***Multi-cultural Workforce Issues Can Affect Employment Stability***

Several employers described challenges related to the multi-cultural nature of the workforce that can contribute to turnover among lower-wage workers. According to one employer, getting persons from different ethnic backgrounds, e.g., African Americans and Hispanics, to work as a team can be a challenge. He stated, “After a while you can make them one team but you have to understand different backgrounds and expectations.” Another employer observed that “mixing so many different cultures and backgrounds” results in a challenge for employers to “get them focused on the goals of the organization.” This can create stress and affect employment stability. This same employer observed lower-wage employees may say, “I’d rather not put up with this stress or this other group of people or the organization for what I am making. I can go across the street and make a dollar or a quarter more.”

An additional aspect of cultural differences relates to understanding problems that confront some lower-wage workers. As one employer observed, “As far as turnover, I don’t think we understand all that our associates are carrying on their backs...A lot of associates in certain cultures are proud and will not divulge they are having problems. They are not going to tell you they are struggling.”

Another employer stated she has encountered cultural practices that are acceptable in other countries that are not acceptable in the United States, such as sending a family member to work for the employee who cannot be at work that day. The employer explained they don’t understand why it is not acceptable.

Language differences also present challenges for many lower-wage employees and their employers. One employer spoke of the difficulty in having to have “everything” translated into Spanish. The employer said his employees want to learn English. He also stated, “I wish we had someone who provided training on cultural issues, for example, what being an American means and what our work ethics are.” Health industry employers indicated they had departments that deal with translation issues and cultural issues.

### ***Inexperience with Technology Can Affect Job Performance and Opportunity for Promotion***

Several employers identified lack of knowledge and experience with technology as a challenge for lower-wage workers that affects their ability to perform tasks associated with their jobs and impacts opportunities for retention and/or promotion. One employer explained the challenge stating, “... the days of not being able to communicate, do basic inventory, read labels, dangerous hazardous labels, those are gone and often at all levels people have to make entries into computers.” This same employer noted that without education and technological competencies it is difficult for lower-wage workers to move into other positions.

In addition, some employers are using computerized training for required training courses, e.g., safety training that must be completed annually. For some lower-wage employees this can be intimidating. Referring to lower-wage employees that are afraid of computers and are required to complete computerized training, one employer stated, “We have to go the extra mile – come in on weekends and we go through it, but that is the price you have to pay to keep those people.”

### ***Inadequate Information on Community Resources Restricts Ability of Employers to Help Employees Be More Stable on the Job***

The dialogue indicated that many of the employers did not have information about community and public resources that could help them address barriers to employment stability of their lower-wage employees. Mention was made of contracted Employee Assistance Programs (EAPs) that provide drug abuse and spousal abuse treatment program referrals, financial counseling and other services for all employees. Employers were not clear on the results of these contracted services or whether the EAPs effectively connect with public benefit programs. They stressed that all EAP services are confidential.

### ***Lack of Clear Career Path Contributes to Turnover***

Some employers felt that lack of a specific career path can affect turnover among lower-wage workers. One employer stated employees may say they “... don’t know what my next step is to move forward and make more money.” Without a career path, employees are more likely to look for short-term gains in pay and take a job with another employer.

### ***Negative Employee Work Attitudes Affect Job Performance***

Some employers indicated negative work attitudes or work ethics affect employment stability. Some lower-wage workers do not have positive role models in terms of attitudes towards work and education. In addition, several employers identified generational differences in terms of work attitudes. One employer indicated some younger workers view their jobs as an entitlement. The employer stated, “When I went to school, whoever won got a trophy – only first place got a trophy. Now you show up and get a trophy.” In stressing the importance of work ethics, another employer said, “Work ethic is our biggest problem. Give me someone with a good attitude and I’ll train them.”

### ***Lower-wage Employees Without Health Coverage Present Employment Stability Issues***

Several employers stated their lower-wage employees find the health coverage they offer unaffordable. Even when the costs of the coverage are subsidized by the employer, lower-wage workers may not be able to participate in the health coverage plan. As one employer noted, “In general even at a greatly reduced rate it is too expensive for an eight or nine dollar [an hour] wage.”

One employer stated, “Health coverage is a stability issue.” Another employer stated benefits are the key to stability.

## **Employer Recommendations to Improve Employment Stability**

Employers participating in the Upstate South Carolina Employer Dialogue Session were asked to share their thoughts and recommendations on public and private sector actions that can be taken to improve employment stability in the lower-wage workforce. The employer recommendations are outlined below.

### ***Offer On-site Child Care or Negotiate Child Care Discounts***

Employers suggested some businesses should consider providing on-site child care, particularly if they have a high percentage of female employees. One health industry employer offers child care and after-school programs and gives priority for child care slots in the on-site center to employees working the shifts that are the hardest to find child care. The employer stated, “Those people with the 10 and 12 hour days, they have the toughest days. We give them the priority – whether it is housekeeping or physical therapy.” The employer also stated, “Our child care center is not the reason people come, but it sure keeps people from leaving.”

Employers also recommended businesses negotiate with child care centers for discounts for their employees and discussed the need for employers to have more leverage in getting discounts. One employer stated their associates receive a 10% discount, which was the best they could do because they did not have sufficient usage.

Employers representing the hospital industry suggested hospitals could provide to their employees child care for mildly sick children that cannot go to their regular child care centers. Several health industry employers stated they had considered or were currently considering offering sick child care at their facility and indicated staffing was the issue. One employer suggested other businesses could participate if an outside organization such as the United Way or a public agency would coordinate the effort.

### ***Allow Trading of Work Schedules Among Employees***

Employers recommended businesses allow employees flexibility in their work schedules through trading work days or shifts. By offering the option to switch shifts with equally qualified individuals, workers can take care of personal business and family responsibilities. Employers emphasized there must be accountability in the system and these agreements should be outlined in writing and approved by the supervisor. One employer suggested using a form for recording and approving these agreements. Observing that the system is working well in his organization, the employer stated, “If someone must take a child or adult to a doctor’s appointment, they don’t have to use a vacation day.” The employer said this flexibility “builds loyalty.”

Employers also suggested that long-term, lower-wage employees be given more consideration in making exceptions in their schedules. One employer in the hotel industry noted “... we are a 24-hour operation on holidays but sometimes if you have a long-tenured associate and you want to keep them, we will allow you to come in at 11:00 am. If an associate needs an exception sometimes we will do that.”

### ***Implement a Cultural Diversity Management Program and Provide On-site Training***

Employers recommended that employers implement a diversity program and provide on-site training on how to manage a culturally diverse workforce. Several employers already have made investments in these programs. One employer suggested this type of training be done in-house instead of bringing in an outside consultant. An employer in the health care industry indicated they educate staff on cultural diversity issues and provide interpreter services for patients.

### ***Provide Assistance with Transportation Costs***

Employers had several suggestions related to assisting lower-wage employees with transportation costs.

It was suggested that businesses consider subsidizing bus fares for their lower-wage employees. Another suggestion was for businesses to attempt to coordinate car pooling among employees who don't work together but live in the same community. Employers acknowledged this approach can be difficult in workplaces with varying shifts and work schedules. It also was suggested businesses could consider adjusting work schedules, e.g., working four 10-hour days, in order to allow lower-wage employees to save money on transportation by reducing the number of days they travel to work.

### ***Encourage Elected Officials to Fund Public Transportation Systems***

Employers familiar with transportation systems in metropolitan areas in other states recommended that effective public transportation systems be developed, as well as incentives for carpooling and using trains. Employers recognized the need for public sector support for developing transportation systems and suggested employers could become more involved in advocating for public action.

### ***Implement a Rewards and Recognition Program***

Employers suggested that businesses can benefit from establishing recognition programs and offering rewards to employees for achievements related to job performance. Employers agreed that recognizing employees positively impacts retention. The types of rewards and ways in which employees earn rewards vary across businesses. One employer stated, "I think at the lower-wage level recognition is even more important because they are very critical to our industry, but are underpaid...Typically they don't change their career path, they change where they work."

One employer described how businesses can ask employees how they want to be recognized and stated they have had success with this approach. Employees complete a form indicating how they want to be rewarded for positive job performance. The form includes a list of items in different price ranges and provides space for employees to suggest other rewards. Feedback from employees has been excellent and some rewards have been fairly low cost, e.g., cross training in another department and sending a note home expressing appreciation for a task well-

done. Among all the options, a note home was particularly popular. As this employer noted, “We did our research and it has paid huge dividends.”

One employer described a “star” program where employees can nominate each other and indicated it was very successful. This business also recognizes teams with a \$250 award for a pizza party. The employer stated, “This practice helps retention and builds pride in being associated with the organization.” Another employer said his business holds family parties and picnics where employees are recognized and indicated the events are very well-received. He indicated, however, that it requires resources.

Other forms of recognition and appreciation suggested by employers included paying grocery bills (with receipts), subsidizing bus passes, giving movie passes, sending a dozen roses and paying for dinner for two.

An employer in the hospitality industry stressed the importance of recognition and appreciation and stated, “Most people leave a job because they don’t like something about their job...They didn’t feel like their particular talents were being rewarded. This is the number one issue for losing employees at this level... You know the management team and the people making higher dollars know how to reward themselves.”

### ***Offer Tuition Assistance for Education Programs***

Employers suggested employers offer tuition assistance to employees that return to school to get their GED or to pursue additional education. Several employers indicated that they have such programs. One employer indicated they encourage employees to complete their GED by paying them to work on the GED after their normal work hours. Another employer shared that they offer tuition assistance to attend technical college to workers that have been employed for at least one year. For education and training related to hard-to-fill positions, they offer employees 100% tuition assistance.

### ***Provide Wellness Programs Including Education, Health Screening and Treatment for Minor Ailments***

Employers suggested employers establish wellness programs to encourage health behaviors that may result in lower health care costs. Wellness programs could include education, health screenings and treatment for minor ailments. Some employers currently offer wellness education programs on topics such as smoking, diabetes and obesity. Some employers distribute educational brochures, e.g., smoking cessation, and some offer on-site classes, e.g., nutrition.

In addition to wellness education, some employers offer annual health risk screenings, such as diabetic screenings, at no charge to employees. Employers in the health care industry indicated that they offer health services to their staff for treatment of minor illnesses in addition to health screenings. These services are provided by a physician or nurse practitioner.

### ***Strengthen Relationships Between Lower-wage Employees and Their Supervisors***

Employers recommended that strengthening the relationships between lower-wage employees and their supervisors will positively affect employee retention. Employers also suggested that employees value recognition from their supervisors for a job well done. As one employer noted, employees "... leave because of management or the way they have been treated." One large employer described how individual employee interviews conducted by supervisors on a regular basis to talk about business and personal goals have worked well for his business. The employer stated, "Good management that shows caring will result in employees being reluctant to leave." Several employers talked about the importance of supervisor and manager leadership training to build more effective management.

### ***Assist Lower-wage Employees with the Cost of Health Coverage***

Employers recognized health coverage is not affordable for lower-wage employees and several indicated that it is an employment stability issue. Employers discussed how their businesses are experiencing increases in the cost of health care coverage for their employees. One employer who offers a health plan stated, "The cost to an employee who is making eight dollars an hour doesn't make sense for them. Employees on the upper end take advantage of it." No specific coverage strategy surfaced, but employers indicated that coverage should be offered to part-time employees as well as full-time employees and that lower-wage employees should receive assistance in paying for health coverage.

### ***Improve Public Education***

Employers spoke of the need for improvements in public education, particularly basic skills. They stated that businesses are having to provide basic education and skills that are needed for employment and indicated that the lack of basic education and skills impedes employment stability. One employer also suggested that the educational system teach children practical skills, like how to interview and how to dress in the workplace.

## Next Steps

Employer voices are critical to the development of actions needed in both the public and private sectors to promote stable employment in the lower-wage workforce. The Upstate South Carolina Employer Initiative yielded pertinent information that can be used immediately by Upstate South Carolina businesses, foundations, community organizations and public policymakers in assessing workforce stability issues and developing strategies to improve employment stability among lower-wage workers.

The Upstate South Carolina Employer Initiative is an important component in the development of the *Southern Business Leadership Council (SBLC) Employment Stability Action Plan*. The Southern Institute on Children and Families conducted employer projects to gather insights from employers in several southern communities, as was done in Upstate South Carolina. The information collected from the Upstate South Carolina Initiative and from other southern communities will contribute to the development of the *SBLC Employment Stability Action Plan*. Upon completion of all projects, the Southern Institute will prepare a synthesis for the SBLC of the information collected on employer perspectives related to the barriers to employment stability of the lower-wage workforce and promising strategies to address the barriers.

The *SBLC Employment Stability Action Plan* will identify public actions, private sector actions and public/private partnerships needed to address identified issues and opportunities, and it will include employment stability action strategies that are central to workforce development, retention and economic development plans. It will provide summaries on public and private sector promising practices that can be replicated in communities across the South and the nation and contacts for information on design and implementation.

High profile dissemination and promotion of the *SBLC Employment Stability Action Plan* is planned for 2008 through business, civic and public policy networks. All business and trade organizations that assisted with the SBLC employer research projects will receive the *SBLC Employment Stability Action Plan* when released. The *SBLC Employment Stability Action Plan* will provide a roadmap for business, community and public policy leaders in 17 southern states and the District of Columbia to improve employment stability in the lower-wage workforce.

Please visit [www.thesoutherninstitute.org](http://www.thesoutherninstitute.org) for additional information on the Southern Institute and the SBLC.

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## **APPENDICES**

**APPENDIX A**  
**SELECT UPSTATE SOUTH CAROLINA EMPLOYER SURVEY DATA**

<b>TABLE 3</b> <b>Upstate South Carolina Employer Survey Results</b> <b>Percent of Workforce that is Lower-wage</b> <b>(Earning Less Than \$12.74 Per Hour)</b>		
<b>Percent of Workforce Earning Less Than \$12.74 Per Hour</b>	<b>Number of Employees</b>	<b>Number of Employees Earning Less Than \$12.74 Per Hour</b>
100%	22	22
100%	17	17
100%	13	13
100%	11	11
100%	10	10
100%	10	10
100%	7	7
100%	6	6
100%	6	6
100%	5	5
100%	5	5
100%	5	5
100%	4	4
100%	3	3
100%	3	3
100%	2	2
100%	2	2
100%	1	1
100%	1	1
100%	1	1
98%	45	44
97%	38	37
92%	600	550
91%	11	10
90%	100	90
86%	7	6
85%	20	17
83%	6	5
83%	6	5
80%	50	40
79%	630	500
75%	4	3
73%	15	11
<b>Source:</b> Southern Institute on Children and Families. <i>SBLC Upstate South Carolina Employer Survey, 2007.</i>		

**TABLE 3 (CONTINUED)**  
**Upstate South Carolina Employer Survey Results**  
**Percent of Workforce that is Lower-wage**  
**(Earning Less Than \$12.74 Per Hour)**

Percent of Workforce Earning Less Than \$12.74 Per Hour	Number of Employees	Number of Employees Earning Less Than \$12.74 Per Hour
71%	170	120
71%	7	5
67%	12	8
67%	3	2
67%	3	2
67%	3	2
67%	3	2
67%	3	2
60%	20	12
60%	10	6
60%	5	3
50%	10	5
50%	6	3
50%	4	2
50%	4	2
50%	4	2
50%	4	2
50%	2	1
50%	2	1
45%	11	5
43%	14	6
40%	25	10
40%	5	2
40%	5	2
38%	395	150
38%	16	6
33%	18	6
33%	9	3
33%	3	1
33%	3	1
33%	3	1
33%	3	1
30%	10	3
29%	35	10

**Source:** Southern Institute on Children and Families. *SBLC Upstate South Carolina Employer Survey, 2007.*

**TABLE 3 (CONTINUED)**  
**Upstate South Carolina Employer Survey Results**  
**Percent of Workforce that is Lower-wage**  
**(Earning Less Than \$12.74 Per Hour)**

Percent of Workforce Earning Less Than \$12.74 Per Hour	Number of Employees	Number of Employees Earning Less Than \$12.74 Per Hour
25%	4	1
20%	150	30
20%	5	1
20%	5	1
18%	22	4
17%	12	2
17%	6	1
16%	63	10
11%	90	10
10%	20	2
6%	400	25
0%	7	0
0%	6	0
0%	6	0
0%	5	0
0%	5	0
0%	5	0
0%	4	0
0%	4	0
0%	4	0
0%	3	0
0%	2	0
0%	2	0
0%	2	0
0%	2	0
0%	2	0
N/A	6	Don't Know
N/A	Don't Know	Don't Know
N/A	18	Don't Know
N/A	13	Don't Know
N/A	6	Don't Know
N/A	3	Don't Know
N/A	3	Don't Know

**Source:** Southern Institute on Children and Families. *SBLC Upstate South Carolina Employer Survey, 2007.*

**TABLE 4**  
**Upstate South Carolina Employer Survey Results**  
**Benefits/Incentives Made Available by Small Businesses (< 50 Employees)**

Benefits/Incentives	Response Rate <sup>Δ</sup>
Paid Vacation	58.4%
Health Insurance	51.7%
Paid Sick Leave	31.5%
Flexible Work Options	28.1%
Pension/Retirement Plans	27.0%
Health Insurance for Dependents	25.8%
Long-term Disability	18.0%
Short-term Disability	16.9%
Paid Maternity Leave	13.5%
Investment Planning	10.1%
Paid Sick Dependent Leave	9.0%
Cafeteria Plan/Flexible Spending Accounts	7.9%
Transportation	5.6%
Paid Paternity Leave	4.5%
Tuition Reimbursement	3.4%
Employee Assistance Programs	3.4%
Information About Public Benefits and Programs	3.4%
Child Care	2.2%
Housing Assistance	2.2%
Dependent Adult Care	1.1%
Advance Earned Income Tax Credit	0.0%
None	23.6%
Don't Know	1.1%

**Source:** Southern Institute on Children and Families. *SBLC Upstate South Carolina Employer Survey*, 2007.

<sup>Δ</sup> Column 2 refers to the percent of all employers who responded to the question of what benefits/incentives they offered to their employees. Respondents were asked to choose all that they offer.

**APPENDIX B  
DEMOGRAPHICS OF UPSTATE SOUTH CAROLINA**

**TABLE 5  
Median Income for Upstate South Carolina  
(Includes Anderson, Greenville and Spartanburg MSAs)**

	Median Hourly	Median Annual
<b>Upstate South Carolina*</b>	<b>\$12.74</b>	<b>\$26,490</b>
Anderson MSA	\$11.92	\$24,800
Greenville MSA	\$12.85	\$26,730
Spartanburg MSA	\$13.44	\$27,940
South Carolina	\$12.43	\$25,850
National	\$14.15	\$29,430

**Sources:** US Department of Labor, Bureau of Labor Statistics. *May 2005 Metropolitan Area Occupational Employment and Wage Estimates: Anderson MSA, Greenville MSA and Spartanburg MSA.* Washington, DC: US Department of Labor, Bureau of Labor Statistics, Metropolitan Area Occupational Employment and Wage Estimates, January 2006.

US Department of Labor, Bureau of Labor Statistics. *May 2005 National Occupational Employment and Wage Estimates: National.* Washington, DC: US Department of Labor, Bureau of Labor Statistics, Metropolitan Area Occupational Employment and Wage Estimates, January 2006.

US Department of Labor, Bureau of Labor Statistics. *May 2005 State Occupational Employment and Wage Estimates: South Carolina.* Washington, DC: US Department of Labor, Bureau of Labor Statistics, Metropolitan Area Occupational Employment and Wage Estimates, January 2006.

\* The median hourly and median annual wage for Upstate South Carolina is an average of the median hourly and median annual wages for three MSAs: Anderson MSA, Greenville MSA and Spartanburg MSA.

**TABLE 6**  
**Lower-wage Workers in Upstate South Carolina**  
**(Includes Anderson, Greenville and Spartanburg MSAs)**

<b>Standard Occupational Classification (SOC) Major Groups in Upstate South Carolina (Includes Anderson, Greenville and Spartanburg MSAs)</b>	<b>Number of Employees with Incomes at or less than \$12.74<sup>□</sup> per hour under each SOC Major Group</b>
13-0000 Business and Financial Operations Occupations	150
17-0000 Architecture and Engineering Occupations	50
21-0000 Community and Social Services Occupations	720
25-0000 Education, Training, and Library Occupations	940
27-0000 Arts, Design, Entertainment, Sports, and Media Occupations	130
29-0000 Healthcare Practitioner and Technical Occupations	2,290
31-0000 Healthcare Support Occupations	8,470
33-0000 Protective Service Occupations	4,420
35-0000 Food Preparation and Serving Related Occupations	37,830
37-0000 Building and Grounds Cleaning and Maintenance Occupations	13,500
39-0000 Personal Care and Service Occupations	5,940
41-0000 Sales and Related Occupations	34,310
43-0000 Office and Administrative Support Occupations	46,260
47-0000 Construction and Extraction Occupations	6,010
49-0000 Installation, Maintenance, and Repair Occupations	1,750
51-0000 Production Occupations	27,010
53-0000 Transportation and Material Moving Occupations	28,780
<b>Total Number of Workers Earning = &lt; \$12.74 per hour</b>	<b>218,560</b>
<b>Total Number of Workers</b>	<b>470,420</b>
<b>Percentage of Workforce Earning = &lt; \$12.74 per hour</b>	<b>46%</b>
<p><b>Sources:</b> US Department of Labor, Occupational Safety &amp; Health Administration. <i>Standard Industrial Classification (SIC) System</i>. Washington, DC: US Department of Labor, 2005, <a href="http://www.osha.gov/pls/imis/sic_manual.html">http://www.osha.gov/pls/imis/sic_manual.html</a></p> <p>US Department of Labor, Bureau of Labor Statistics. <i>May 2005 Metropolitan Area Occupational Employment and Wage Estimates: Anderson MSA, Greenville MSA and Spartanburg MSA</i>. Washington, DC: US Department of Labor, Bureau of Labor Statistics, Metropolitan Area Occupational Employment and Wage Estimates, January 2006.</p> <p><sup>□</sup> Refer to the survey instrument discussion on page five of this report.</p> <p><b>Note:</b> Standard Occupational Classification (SOC) System: This system is being adopted by Federal statistical agencies to classify workers into occupational categories for the purpose of collecting, calculating or disseminating data. All workers are classified into 1 of more than 800 occupations according to their occupational definition. To facilitate classification, occupations are combined to form 23 major groups, 96 minor groups and 449 broad occupations. Each broad occupation includes detailed occupations requiring similar job duties, skills, education or experience.</p>	

**TABLE 7**  
**Percentage of Population 16 Years and Over in Labor Force With Children Under 6 Years Old**

	<b>Population 16 Years and Over in Labor Force</b>	<b>With Children Under 6 Years</b>	<b>Percentage</b>
<b>Anderson MSA</b>	<b>84,970</b>	<b>13,299</b>	<b>15.7%</b>
Anderson County	84,970	13,299	15.7%
<b>Greenville MSA</b>	<b>294,184</b>	<b>43,408</b>	<b>15.6%</b>
Greenville County	208,145	31,741	15.2%
Laurens County	31,706	4,806	15.1%
Pickens County	54,333	6,861	12.6%
<b>Spartanburg MSA</b>	<b>131,677</b>	<b>19,548</b>	<b>14.8%</b>
Spartanburg County	131,677	19,548	14.8%
<b>National</b>	<b>147,299,391</b>	<b>23,088,234</b>	<b>15.7%</b>
<b>Source:</b> American Community Survey. <i>American FactFinder</i> . Washington, DC: US Census Bureau, 2005, <a href="http://factfinder.census.gov/home/saff/main.html">http://factfinder.census.gov/home/saff/main.html</a>			

**TABLE 8**  
**Percentage of Families with Below Poverty Income in Last 12 Months**

	<b>All Families</b>	<b>Families with Female Householder no Husband Present</b>	<b>Female Householder no Husband Present with Related Children Under 5 Years</b>	<b>Female Householder no Husband Present with Related Children Under 18 Years</b>
<b>Anderson MSA</b>	<b>13.9%</b>	<b>39.9%</b>	<b>41.0%</b>	<b>49.5%</b>
Anderson County	13.9%	39.9%	41.0%	49.5%
<b>Greenville MSA</b>	<b>10.9%</b>	<b>34.8%</b>	<b>66.2%</b>	<b>46.7%</b>
Greenville County	10.8%	35.0%	62.7%	45.4%
Laurens County	16.6%	43.5%	78.0%	55.4%
Pickens County	7.9%	22.4%	63.6%	39.2%
<b>Spartanburg MSA</b>	<b>13.4%</b>	<b>35.2%</b>	<b>61.9%</b>	<b>43.3%</b>
Spartanburg County	13.4%	35.2%	61.9%	43.3%
<b>National</b>	<b>10.2%</b>	<b>29.4%</b>	<b>47.4%</b>	<b>37.7%</b>

**Source:** American Community Survey. *American FactFinder*. Washington, DC: US Census Bureau, 2005, <http://factfinder.census.gov/home/saff/main.html>

**TABLE 9**  
**South Carolina and National Demographics**  
**Familial and Parental Characteristics of Children Under Age 18 by Income Level**  
**(Figures are Percentages)**

<b>FAMILIES</b>				
	SC		National	
Poor	19		18	
Low Income	43		39	
Above Income	57		61	
<b>PARENTAL EDUCATION</b>				
	Low Income		Above Low Income	
	SC	National	SC	National
Less than High School	20	26	3*	3
High School Diploma	39	36	18	18
Some College or More	41	39	80	79
<b>PARENTAL EMPLOYMENT</b>				
	Low Income		Above Low Income	
	SC	National	SC	National
Employed Full-Time, Year Round	54	55	91	92
Employed Part-Year or Part-Time	28	26	6	7
No Parent Employed	18	19	3*	1
<b>PARENTAL MARITAL STATUS</b>				
	Low Income		Above Low Income	
	SC	National	SC	National
Married Parents	40	49	82	83
Single Parents	60	51	18	17
<b>AGE OF CHILDREN IN FAMILY</b>				
	Low Income		Above Low Income	
	SC	National	SC	National
Less than 6 Years Old	36	36	32	31
At Least 6 Years Old	64	64	68	69
<b>HOME OWNERSHIP</b>				
	Low Income		Above Low Income	
	SC	National	SC	National
Own Home	52	43	90	83
Rent Home	48	57	10	17
<b>FAMILY STRUCTURE</b>				
	Low Income		Above Low Income	
	SC	National	SC	National
At Least One Parent Present in the Household	91	94	98	98
No Parent Present in the Household	9	6	2	2*
<b>REFERENCE AND NOTES</b>				
<b>Source:</b> National Center for Children in Poverty (NCCP). <i>50-State Demographics Data Wizards</i> . New York, NY: NCCP, 2007, <a href="http://www.nccp.org/tools/demographics/">http://www.nccp.org/tools/demographics/</a>				
* This estimate should be used with caution. It may be unreliable due to a small sample size.				

**Note 1:** Poor is defined as families and children with a family income below the federal poverty threshold.

**Note 2:** Low Income is defined as families and children with a family income less than twice the federal poverty threshold.

**Note 3:** Above Low Income is defined as families and children with a family income at or above twice the federal poverty threshold.

**Note 4:** The Federal Poverty Threshold is \$10,210 in 2007 for an individual. These thresholds vary by family size, for example the Federal Poverty Threshold for a family of three with two children was \$17,170 in 2007, \$16,600 in 2006, and \$16,090 in 2005.

**Note 5:** State data were calculated from the Annual Social and Economic Supplement (the March supplement) of the Current Population Survey from 2004, 2005 and 2006, representing information from calendar years 2003, 2004 and 2005. NCCP averaged three years of data because of small sample sizes in less populated states. The national data were calculated from the 2006 data, representing information from the previous calendar year.

**TABLE 10**  
**Demographics for Select Upstate South Carolina Counties**

<b>Prenatal Care and Low Birthweight<sup>1</sup></b>			
	Anderson County	Greenville County	Spartanburg County
Percent of Babies Born to Mothers with Less Than Adequate Prenatal Care	15.9%	22.8%	26.3%
Percent of Babies Born with Low Birthweight	9.2%	8.3%	10.2%
<b>Teen and Single Mothers<sup>1</sup></b>			
	Anderson County	Greenville County	Spartanburg County
Percent of Births to Mothers under 18	5.6%	3.5%	5.4%
Percent of Births to Single Mothers*	35.4%	30.3%	29.4%
<b>Educational Levels of Population 25 and Older<sup>2</sup></b>			
	Anderson County	Greenville County	Spartanburg County
Percent of Population 25+ Without a High School Diploma	17.1%	13.6%	17.1%
Percent of Population 25+ With a High School Diploma	32.6%	26.3%	29.9%
Percent of Population 25+ With a Bachelor's Degree	11%	18.1%	11.8%
<b>Housing<sup>2</sup></b>			
	Anderson County	Greenville County	Spartanburg County
Percent of Housing Units Owner Occupied	76.3%	68.2%	72%
Percent of Housing Units Renter Occupied	23.7%	31.8%	28%
Percent of Housing Units Vacant	10.3%	8.1%	8.6%
<b>Sources:</b>			
1. KidsCount, CLIKS: Community-Level Information on Kids. <i>South Carolina: Anderson County, Greenville County and Spartanburg County</i> . Baltimore, MD: The Annie E. Casey Foundation, 2001, <a href="http://www.kidscount.org/cgi-bin/cliks.cgi?action=profile">http://www.kidscount.org/cgi-bin/cliks.cgi?action=profile</a>			
2. South Carolina Budget and Control Board, Office of Research and Statistics. <i>South Carolina Community Profiles-South Carolina County Profiles: Anderson County, Greenville County and Spartanburg County</i> . Columbia, SC, 2000, <a href="http://www.sccommunityprofiles.org/profiles_main.asp">http://www.sccommunityprofiles.org/profiles_main.asp</a>			
*Percent of births to single mothers includes paternity acknowledgement.			

## APPENDIX C STANDARD INDUSTRIAL CLASSIFICATION (SIC) SYSTEM

*The SIC system has been used throughout the Federal Government to group establishments into industries. Listed below is the SIC Division Structure.*

### **Division A: Agriculture, Forestry and Fishing**

- Major Group 01: Agricultural Production Crops
- Major Group 02: Agriculture production livestock and animal specialties
- Major Group 07: Agricultural Services
- Major Group 08: Forestry
- Major Group 09: Fishing, hunting and trapping

### **Division B: Mining**

- Major Group 10: Metal Mining
- Major Group 12: Coal Mining
- Major Group 13: Oil and Gas Extraction
- Major Group 14: Mining and Quarrying Of Nonmetallic Minerals, Except Fuels

### **Division C: Construction**

- Major Group 15: Building Construction General Contractors and Operative Builders
- Major Group 16: Heavy Construction Other Than Building Construction Contractors
- Major Group 17: Construction Special Trade Contractors

### **Division D: Manufacturing**

- Major Group 20: Food and Kindred Products
- Major Group 21: Tobacco Products
- Major Group 22: Textile Mill Products
- Major Group 23: Apparel and Other Finished Products Made From Fabrics and Similar Materials
- Major Group 24: Lumber and Wood Products, Except Furniture
- Major Group 25: Furniture and Fixtures
- Major Group 26: Paper and Allied Products
- Major Group 27: Printing, Publishing and Allied Industries
- Major Group 28: Chemicals and Allied Products
- Major Group 29: Petroleum Refining and Related Industries
- Major Group 30: Rubber and Miscellaneous Plastics Products
- Major Group 31: Leather and Leather Products
- Major Group 32: Stone, Clay, Glass and Concrete Products
- Major Group 33: Primary Metal Industries
- Major Group 34: Fabricated Metal Products, Except Machinery and Transportation Equipment
- Major Group 35: Industrial and Commercial Machinery and Computer Equipment
- Major Group 36: Electronic and Other Electrical Equipment and Components, Except Computer Equipment
- Major Group 37: Transportation Equipment

**Division D: Manufacturing (continued)**

Major Group 38: Measuring, Analyzing and Controlling Instruments; Photographic, Medical and Optical Goods; Watches and Clocks

Major Group 39: Miscellaneous Manufacturing Industries

**Division E: Transportation, Communications, Electric, Gas and Sanitary Services**

Major Group 40: Railroad Transportation

Major Group 41: Local and Suburban Transit and Interurban Highway Passenger Transportation

Major Group 42: Motor Freight Transportation and Warehousing

Major Group 43: United States Postal Service

Major Group 44: Water Transportation

Major Group 45: Transportation By Air

Major Group 46: Pipelines, Except Natural Gas

Major Group 47: Transportation Services

Major Group 48: Communications

Major Group 49: Electric, Gas and Sanitary Services

**Division F: Wholesale Trade**

Major Group 50: Wholesale Trade-durable Goods

Major Group 51: Wholesale Trade-non-durable Goods

**Division G: Retail Trade**

Major Group 52: Building Materials, Hardware, Garden Supply and Mobile Home Dealers

Major Group 53: General Merchandise Stores

Major Group 54: Food Stores

Major Group 55: Automotive Dealers and Gasoline Service Stations

Major Group 56: Apparel and Accessory Stores

Major Group 57: Home Furniture, Furnishings and Equipment Stores

Major Group 58: Eating and Drinking Places

Major Group 59: Miscellaneous Retail

**Division H: Finance, Insurance and Real Estate**

Major Group 60: Depository Institutions

Major Group 61: Non-depository Credit Institutions

Major Group 62: Security and Commodity Brokers, Dealers, Exchanges and Services

Major Group 63: Insurance Carriers

Major Group 64: Insurance Agents, Brokers and Service

Major Group 65: Real Estate

Major Group 67: Holding and Other Investment Offices

**Division I: Services**

Major Group 70: Hotels, Rooming Houses, Camps and Other Lodging Places

Major Group 72: Personal Services

Major Group 73: Business Services

**Division I: Services (continued)**

Major Group 75: Automotive Repair, Services and Parking  
Major Group 76: Miscellaneous Repair Services  
Major Group 78: Motion Pictures  
Major Group 79: Amusement and Recreation Services  
Major Group 80: Health Services  
Major Group 81: Legal Services  
Major Group 82: Educational Services  
Major Group 83: Social Services  
Major Group 84: Museums, Art Galleries and Botanical and Zoological Gardens  
Major Group 86: Membership Organizations  
Major Group 87: Engineering, Accounting, Research, Management and Related Services  
Major Group 88: Private Households  
Major Group 89: Miscellaneous Services

**Division J: Public Administration**

Major Group 91: Executive, Legislative and General Government, Except Finance  
Major Group 92: Justice, Public Order and Safety  
Major Group 93: Public Finance, Taxation and Monetary Policy  
Major Group 94: Administration of Human Resource Programs  
Major Group 95: Administration of Environmental Quality and Housing Programs  
Major Group 96: Administration of Economic Programs  
Major Group 97: National Security and International Affairs  
Major Group 99: Nonclassifiable Establishments

**Source:** Standard Industrial Classification (SIC) system. US Department of Labor, Occupational Safety & Health Administration. [http://www.osha.gov/pls/imis/sic\\_manual.html](http://www.osha.gov/pls/imis/sic_manual.html)

**APPENDIX D**  
**ABOUT THE SOUTHERN BUSINESS LEADERSHIP COUNCIL**

The Southern Institute on Children and Families established the Southern Business Leadership Council (SBLC) to engage southern business and public policy leaders in the development of comprehensive solutions to societal issues that impede stable employment of the lower-wage workforce, and to support efforts to achieve greater opportunities for child development. The SBLC is co-chaired by the Honorable Richard W. Riley, former United States Secretary of Education, former South Carolina Governor and Southern Institute Board Member and Anne Doss, Executive Vice President, Wachovia. SBLC members represent southern-based businesses, corporate philanthropy and local, state and national business organizations. The SBLC is focused on developing research-based employment stability action strategies that will mutually benefit families and employers in communities across the South.

<b>Southern Business Leadership Council</b>		
<p><b>Richard W. Riley, Esq.</b>  <b>SBLC Co-Chair</b>                      Nelson Mullins Riley &amp; Scarborough, LLP                      Columbia/Greenville, SC</p>	<p><b>Natalie J. Brown</b>                      Bank of America                      Charlotte, NC</p>	<p><b>Elaine Mendoza</b>                      Conceptual MindWorks, Inc.                      San Antonio, TX</p>
<p><b>Anne Doss</b>  <b>SBLC Co-Chair</b>                      Wachovia                      Charlotte, NC</p>	<p><b>George L. Johnson</b>                      BlueCross BlueShield of South                      Carolina                      Columbia, SC</p>	<p><b>Paul Montgomery</b>                      Eastman Chemical Company                      Kingsport, TN</p>
<p><b>Ingo Angermeier, FACHE</b>                      Spartanburg Regional Healthcare System                      Spartanburg, SC</p>	<p><b>Stephen Jordan</b>                      US Chamber of Commerce                      Washington, DC</p>	<p><b>Tony Norwood</b>                      Coca-Cola Bottling Co. Consolidated                      Charlotte, NC</p>
<p><b>Charlotte Lunsford Berry</b>                      United Way of America                      Columbia, SC</p>	<p><b>Sabine Lang</b>                      Lang-Mekra North America, LLC                      Ridgeway, SC</p>	<p><b>William F. O'Connor, Jr.</b>                      Results, LLC                      Montgomery, AL</p>
<p><b>C. Jeff Cook</b>                      Capital Guardian Trust Company                      Atlanta, GA</p>	<p><b>Ray Marshall</b>                      University of Texas at Austin                      Austin, TX</p>	<p><b>Diane D. Rath</b>                      Texas Workforce Commission                      Austin, TX</p>
<p><b>Cindy Cox</b>                      AT&amp;T                      Columbia, SC</p>	<p><b>Donald G. (Ike) McLeese</b>                      Greater Columbia Chamber of                      Commerce                      Columbia, SC</p>	<p><b>Kevin C. Sass, FACHE</b>                      Columbus Regional Healthcare System                      Columbus, GA</p>
<p><b>John E. Davis</b>                      Republic Powdered Metals, Inc.                      Houston, TX</p>	<p><b>Penelope McPhee</b>                      The Arthur M. Blank Family                      Foundation                      Atlanta, GA</p>	<p><b>Sarah C. Shuptrine</b>                      Southern Institute on Children and                      Families Board of Directors                      Columbia, SC</p>
<p><b>Julio Fuentes</b>                      Florida Hispanic Chamber of Commerce                      Palm Beach Gardens, FL</p>		
<p><b>Note:</b> The Southern Business Leadership Council (SBLC) is an initiative of the Southern Institute on Children and Families.</p>		

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