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KENTUCKY

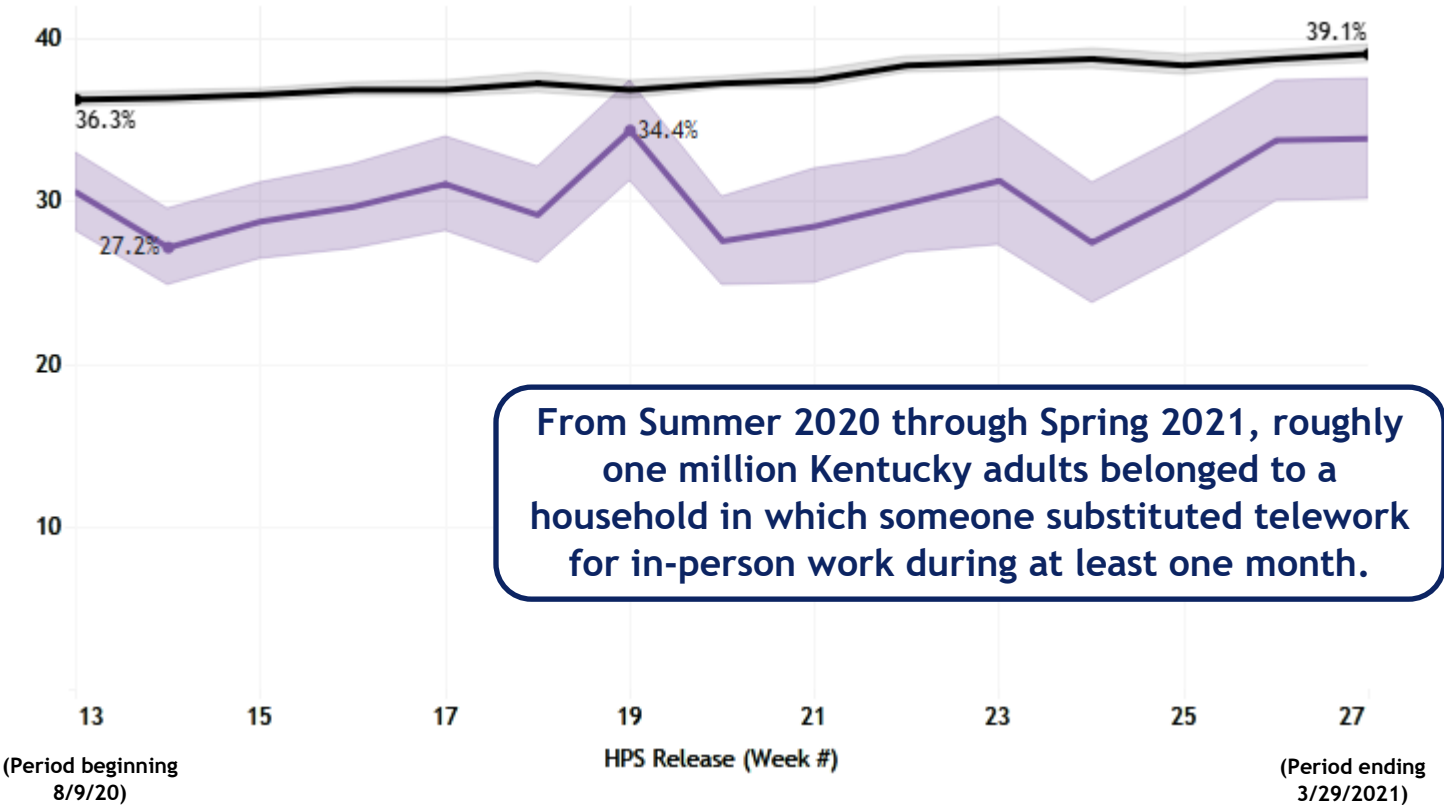
LABOR FORCE UPDATE

Understanding Telework in Kentucky: A Tale of Two Surveys

Writing in a Summer 2020 issue of the U.S. Bureau of Labor Statistics' [Monthly Labor Review](#), Maureen Soyars Hicks referred to the advent of widespread telework in response to the coronavirus pandemic as a "new experiment in the American workplace." Revisiting this turn of phrase nearly two years later begs the question: What data has this experiment yielded? To what extent have various economies adopted telework, and how has that changed as we continue through the pandemic? These questions, among others, can be addressed with data from two contemporary surveys: the Census Bureau's Household Pulse Survey (HPS), and the Bureau of Labor Statistics' Business Response Survey (BRS). Taking the state of Kentucky as its focus, the following analysis will summarize the estimates available from these surveys as they relate to the present and future of telework in the Commonwealth.

The Household Pulse Survey, described by the [Census](#) as "a short-turnaround instrument that provides valuable data to aid in the pandemic recovery", uses individual households as its unit of analysis, and releases data frequently. Much like the social landscape it describes, the survey has changed over time since its inception in early 2020. The earliest period in which HPS respondents were asked about telework was August 19th - 31st of 2020 (Week 13 of the survey), when the following question was introduced: "Did any adults in this household substitute some or all of their typical in-person work for telework because of the coronavirus pandemic, including yourself?"

Percentage of adults in households where at least one adult has substituted some or all of their typical in-person work for telework because of the coronavirus pandemic, **Kentucky** vs. **U.S.**, shown with margins of error





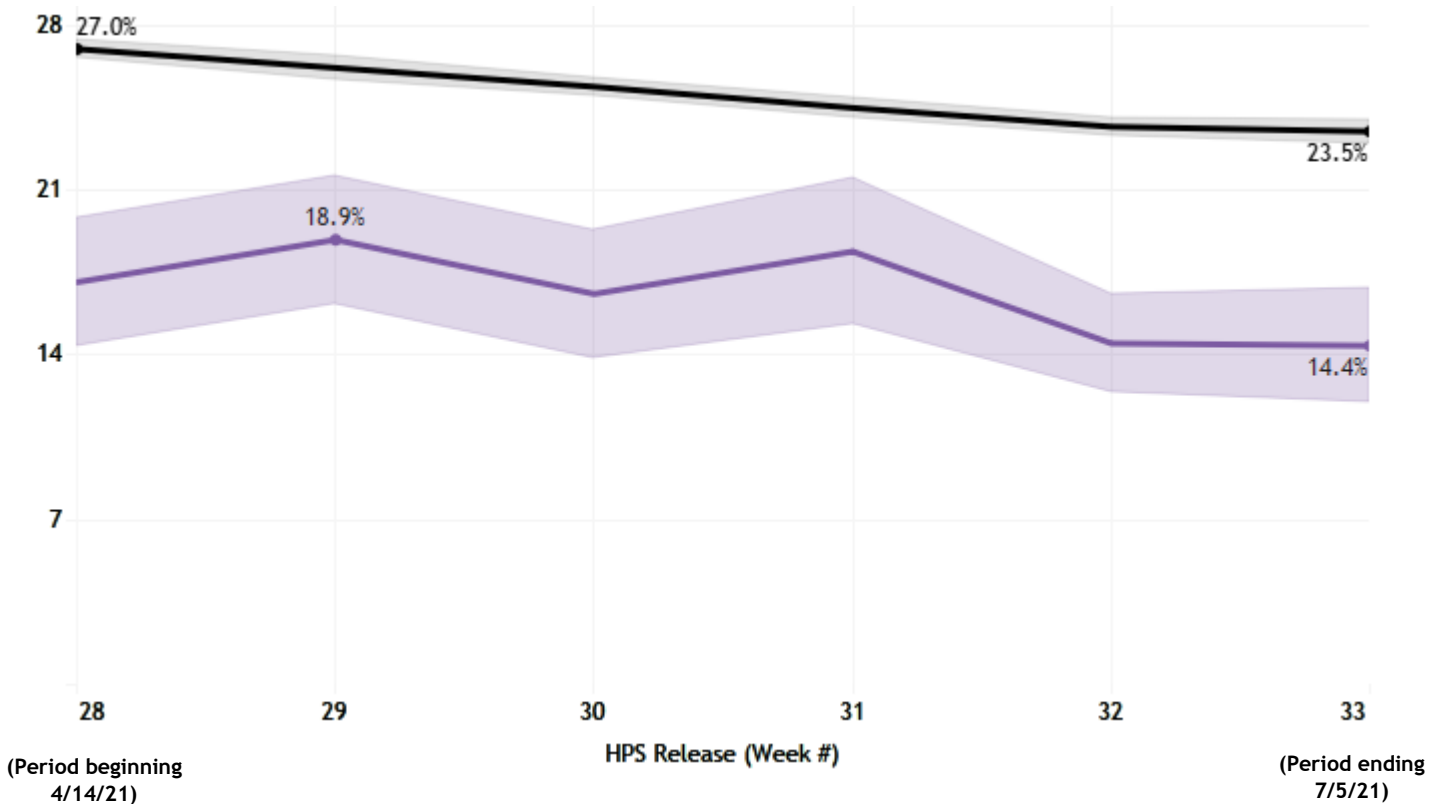
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At that time, nearly 972,000 (or, 30.6% of) Kentucky adults were estimated to belong to such households- a number which grew as high as 1.1 million (or, 34.0%) in Week 19 of the survey. Although unprecedented levels of adults in the state were substituting telework for in-person work during this early portion of the pandemic, the phenomenon was not as prevalent in Kentucky as it was nationally. About 36.3% of U.S. adults were estimated to belong to such households when the survey item in question was introduced, and that share had grown to 39.1% by the time that survey item was discontinued in Spring 2021.

By Summer 2021, 14.4% of Kentucky adults were estimated to belong to households in which someone had teleworked in the prior week because of the pandemic.

As of the HPS' Week 28 (April 14-26, 2021), respondents were asked about telework with a combination of two questions: "In the past 7 days, have any adults in this household teleworked?" A follow up question inquired: "[If yes,] have any adults teleworked because of the coronavirus pandemic?"

Percentage of adults in households where at least one adult has teleworked because of the coronavirus pandemic in the last 7 days, **Kentucky** vs. **U.S.**, shown with margins of error



Source: U.S. Census Bureau, Household Pulse Survey

Responses to this particular question item (which was used from Weeks 28 to 33 in the survey) paint a picture of telework as a phenomenon in decline during late Spring through Summer 2021. According to HPS estimates, the number of Kentucky adults belonging to households in which someone had teleworked in the previous seven days had declined by almost 100,000 during this period- down to 473,077 (14.4%) from 567,061 (17.1%). National estimates exhibit a similar trend, with the percentage of U.S. adults living in such households down from 27.0% to 23.5%.

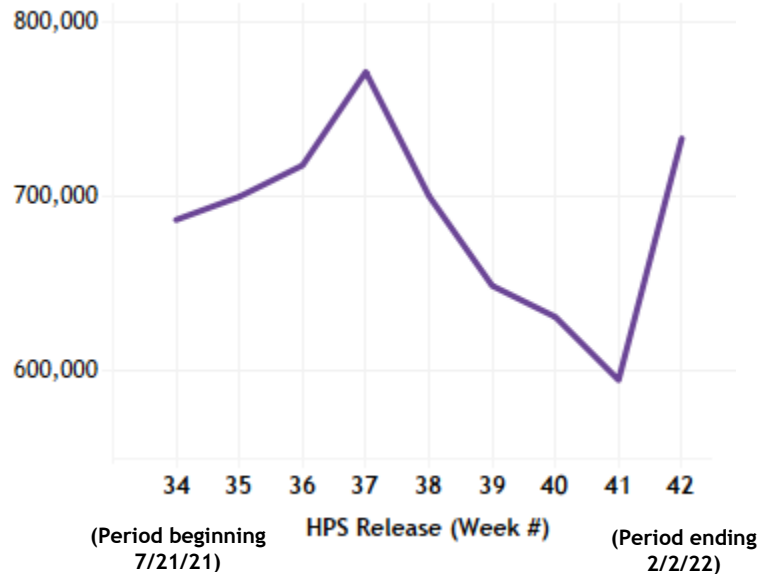


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Beginning with Week 34 of the HPS, the aforementioned survey items were discontinued due to [“a decline in their utility.”](#) The question item that currently addresses telework reads: “In the last 7 days, have you or your household done any of the following...”, listing several activities, including “Teleworked or worked from home” as an option for which respondents may indicate Yes/No. Estimates produced from responses to this question indicate that the number of Kentucky adults living in homes wherein someone teleworked in the past week has been volatile- climbing as high as 771,123 in early September 2021, falling to 594,998 by the beginning of 2022, and spiking to 733,099 by the next release period.

Even with that increase in the survey period ending February 7, 2022 (which is the most recent period for which estimates are available at the time of this analysis), Kentucky ranks relatively low among states for telework as measured by this metric. With only 21.8% of Kentucky adults estimated to be living in homes wherein someone teleworked in the past week, Kentucky ranked 41st among all states at the time, with only one border state in the region ranked lower (West Virginia, 47th).

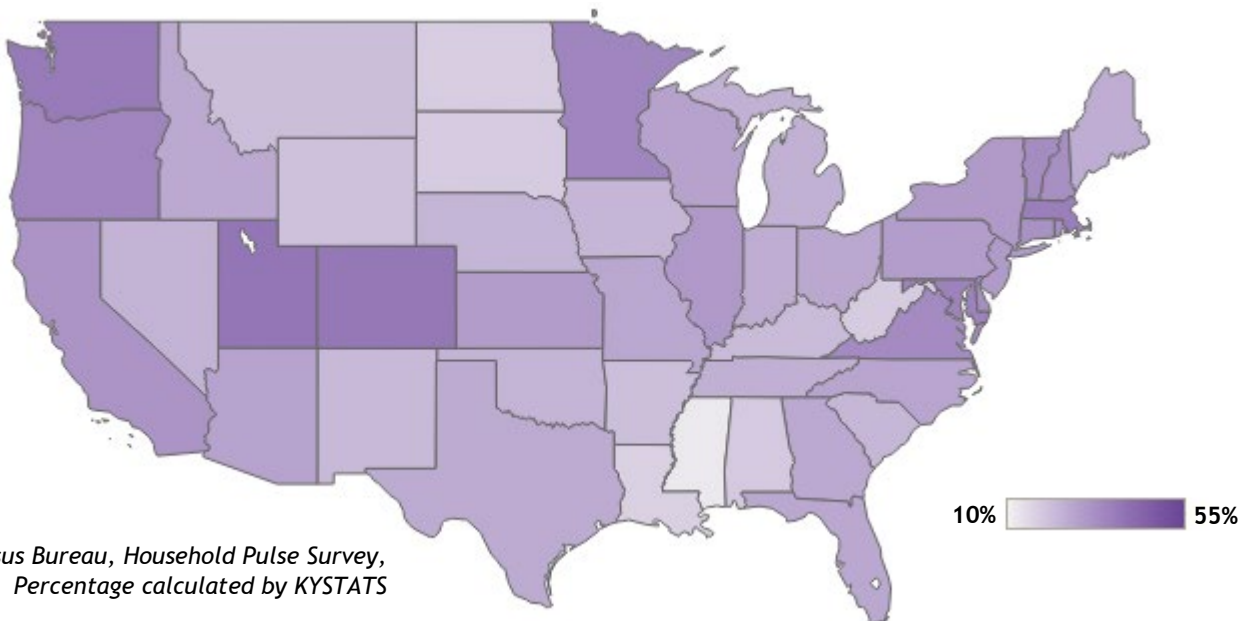
Number of Kentucky adults living in homes in which a member of the household teleworked in the past week



Source: U.S. Census Bureau, Household Pulse Survey

According to the most recent HPS estimates, Kentucky ranks 41st in the country for the percentage of adults living in households where someone has recently teleworked.

Percentage of adults living in homes in which a member of the household teleworked in the past week (HPS Week 42)



Source: U.S. Census Bureau, Household Pulse Survey, Percentage calculated by KYSTATS

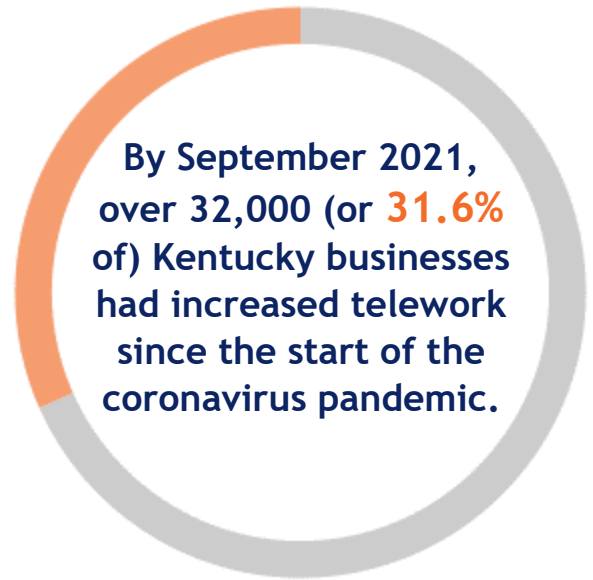


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The U.S. Bureau of Labor Statistics' [Business Research Survey](#) stands in contrast to the Household Pulse Survey in many ways. For one, it has had only two annual releases (due to longer data collection cycles), with the most recent occurring earlier this month.

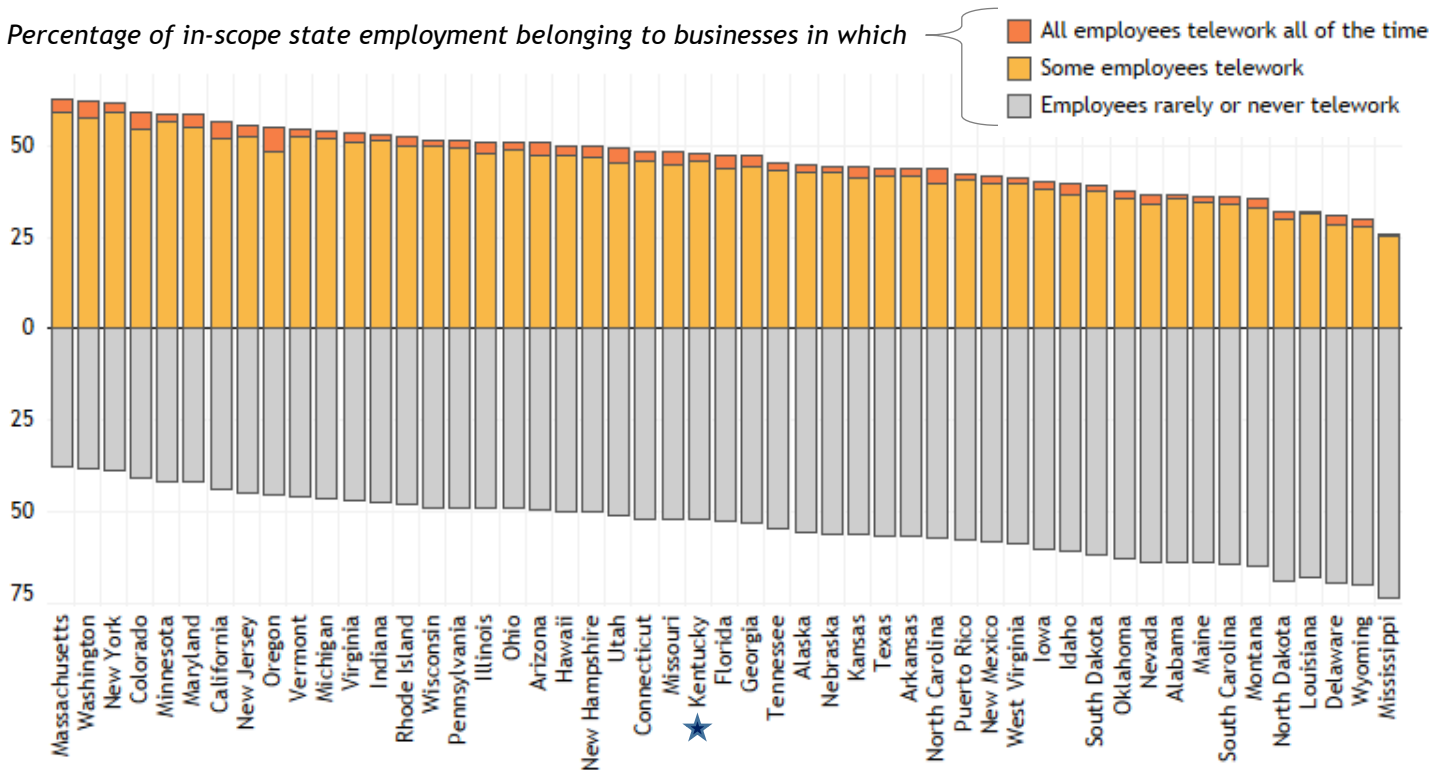
Secondly, the survey takes private business establishments, rather than households, as its unit of analysis. For example, the survey's 2021 results indicate that, by the end of its data collection period (September 2021), 31.6% of Kentucky business establishments (who collectively account for 773,877 jobs) had increased telework since the beginning of the pandemic. This is slightly lower than the national estimate (34.5%), but relatively typical among states in the region- lower than Virginia (35.9%), Illinois (34.9%), and Missouri (31.7%); tied with Ohio; and higher than Tennessee (31.3%), Indiana (27.7%), and West Virginia (25.7%).

BRS results also shed light on the prevalence of telework *within* business establishments by asking respondents to characterize the amount that their employees telework as one of the following: rarely or never, some, or all employees all of the time. In Kentucky, businesses whose employees rarely or never telework are estimated to account for more than 787,000 jobs, but businesses in which *some* employees telework are not far behind- accounting for over 692,000 jobs. Businesses who have transitioned to arrangements in which all of their employees telework all of the time are relatively rare, representing only 2.0% of all private employment in the survey's population (or, just short of 30,000 jobs).



Source: U.S. Bureau of Labor Statistics, Business Response Survey

Percentage of in-scope state employment belonging to businesses in which



Source: U.S. Bureau of Labor Statistics, Business Response Survey



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Unfortunately, the reliability of the estimates produced for Kentucky for a potentially informative BRS survey item- “[If the establishment had increased telework], Do you expect increases in telework for some or all employees to continue after the coronavirus pandemic?”- were low enough to fall below the BLS’ [publication requirements](#). Across the country, estimates indicate that there are only two states in which establishments that expect increased telework to continue do not comprise the majority of businesses- Ohio and West Virginia (44.4% and 36.4%, respectively). The national estimate is 60.2%. Finally, it is worth noting that the most recent BRS included other question items that may not necessarily address telework, but that do address tangentially related phenomena, such as the extent to which business establishments have begun to offer non-telework flexibilities to their employees (31.6% of establishments in Kentucky) and the extent to which businesses have decreased the square footage of their physical space since the beginning of the pandemic (5.8% of establishments in Kentucky).

31.6% of Kentucky’s business establishments have begun to offer non-telework flexibilities to their employees, including alternative work schedules and flexible hours.

Summary

The Household Pulse Survey and the Business Response Survey are innovative federal statistical endeavors that compliment one another in many ways, with the former being a quick-turnaround product that regularly delivers data on many aspects of household life in America, and the latter being an annual product that addresses the ways in which the business community has responded to the coronavirus pandemic. Components of both may be utilized to form a fairly comprehensive understanding of telework as a phenomenon. By all metrics, telework is less prominent in Kentucky than the country as a whole. Nonetheless, evidence indicates that as many as a million Kentucky adults have lived in households where a member of the household has teleworked, with that number likely fluctuating throughout 2020-2022. Employer-side telework statistics corroborate this large volume, with almost one third of all Kentucky business establishments having increased telework amongst their workforces, collectively representing nearly half of Kentucky’s overall in-scope private employment.

References

[Business Response Survey 2021 Technical Notes](#), U.S. Dept. of Labor, Bureau of Labor Statistics, Accessed 2/17/2022

[Household Pulse Survey Technical Documentation & User Notes](#), U.S. Dept. of Commerce, U.S. Census Bureau, Accessed 2/17/2022

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Kentucky Labor Force Update

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