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New Migration Patterns Emerge in U.S.

THE MOVEMENT OF METROPOLITAN POPULATIONS TO NONMETROPOLITAN AMERICA: ANOMALY OR TRENDS?

This is the second in a series of articles examining changing migration patterns. A subsequent report will explore the net migration changes in a bloc of 320 counties in the Mid-continent region during the years between 1970 and 1976.

By David R. Dimartino

INTERNAL MIGRATION PATTERNS have shifted markedly in the United States during the twentieth century. The exodus of rural populations to urban centers which dominated internal migration during the nineteenth century continued into the twentieth. By mid-century, however, that earlier pattern had given way to different, dominant trends. On the one hand, urban centers had grown massively and were sprawling rapidly outward, creating a pattern of decentralized metropolitan populations in surrounding suburbs. On the other hand, metropolitan centers had begun exchanging their urban residents to create an equally large pattern of intermetropolitan population flows. While the mid-century patterns of migration have continued through the 1970's, a new and growing pattern of internal migration has been identified and widely recognized. That emergent pattern is the migration of metropolitan residents to nonmetropolitan destinations well away from their origins, a true reversal of earlier trends.

As with any newly emergent trend, the details of the nonmetropolitan migration pattern are not yet clearly understood. Most of the understanding gained to date has been achieved using aggregate census data to establish a general appreciation of relative change. Place-specific questions of where, for whom, and why this pattern has emerged have only recently been addressed.

THE TREND

The metropolitan-to-nonmetropolitan migration pattern became very evident during the 1970's, but the beginnings of the pattern were apparent earlier. An analysis of the 1940 to 1970 period reported that nonmetropolitan growth was on the increase, though less than metropolitan growth, and that the positive relationship between initial size of place and rate of growth was decreasing in importance (Fuguitt, 1972). During the 1970-1975 period, a 12 percent decrease occurred in the number of nonmetropolitan out-migrants, and a 23 percent increase occurred in the number of SMSA residents moving to nonmetropolitan areas (Tucker, 1976). Nonmetropolitan counties were averaging an annual rate of population gain (1.2 percent), greater than the rate (0.8 percent) for metropolitan counties (Beale, 1977). These gains amounted to a net movement of 1.8 million people into nonmetropolitan areas (Beale, 1977). Even farming counties had ceased exporting their populations in large numbers and had stabilized by the 1970's (Beale, 1977).

Locations

Not all nonmetropolitan counties have shared equally in the migration reversal. Both counties adjacent to metropolitan areas (fringe counties) and those not adjacent to metropolitan areas (non-fringe counties) have received migrants from cities, but fringe counties have gained population (at 6.2 percent from 1970 to 1974) faster than non-fringe counties (at 4.9 percent) (Beale, 1976). However, counties with the least amount of commuting to metropolitan counties have experienced the most pronounced change in growth, from 0.2 to 1.1 percent annually during the 1970's (Morrison and Wheeler, 1976). The greatest reversals occurred in entirely rural counties not adjacent to metropolitan areas. Thus, the new nonmetropolitan growth pattern is more than a simple extension of urban sprawl. It is, at least in part, a purposeful migration oriented to nonmetropolitan destinations, rather than a dispersal of commuters with sustained ties to metropolitan origins.

Nonmetropolitan locations receiving the most marked increases in metropolitan migrants have been those associated with some specific activities and functions. These include those offering recreation/reirement opportunities, industrial growth, education (universities), government employment (especially military bases), and mining. Particularly pronounced through the 1970's has been growth in those communities with recreation/reirement opportunities and industrial growth.

Regions

Nonmetropolitan growth has been particularly pronounced in the Northeast and Midwest, both areas of metropolitan decline. The South has been conspicuous in its meager nonmetropolitan growth (with the exception of Florida and the Ozarks), perhaps because of the attractiveness and growth of its small cities. Some authors have expressed surprise that "even" the Plains and Interior West have exhibited nonmetropolitan growth during the 1970's. In fact, the northern
and southern Plains have experienced a clear reversal in population movements during the 1970’s. Particularly large increases have occurred in these areas (with less than 500 residents) in the southern Plains, the Panhandle, and Arkansas.

Since the 1960’s, the North Central States as a whole have experienced more growth in nonmetropolitan areas than metropolitan areas. In the east, the movement of people has been away from nonmetropolitan counties and toward metropolitan areas. This movement is indicative of metropolitan centers in the Plains, the Southeast, and the West Coast.

The Plains indicates that growth in these areas is a result of the availability of those migrants’ age structure demonstrates every age group except the elderly (over 65) have contributed to nonmetropolitan growth. 

The implication of the nonmetropolitan migration trend is complex, particularly for the migrants themselves. The trend represents a discontinuity, a growing gap of how long and at what magnitude the nonmetropolitan migration trend will continue. It is not known, however, to plan for the potentialities of the future. The best way to avoid problems and to ensure that the nonmetropolitan migration trend as it exists today. The well-being of all associated with the nonmetropolitan migration trend requires that the trend be taken seriously and that the phenomenon be monitored so that it may truly be understood.

SELECTED REFERENCES


Small Firms Need Management Help

By Jacqueline Lynch and Suji M. Nazem

Small businesses are often plagued by poorly managed practices in accounting and other important business planning activities. Financial and personnel constraints, coupled with a lack of knowledge of the parameters of these activities, create these firms to fail to recognize that a solvable problem exists; and, even if this is realized, they fail to avail themselves of the assistance of experts in these functions. Small businesses seem to need certain types of services whereby these firms may utilize the knowledge of experts from outside the agencies to improve their management decisions and processes.

The current study was a two-pronged attack which explored both the supply and demand of such services. These services could generally be classified into three broad categories: accounting, tax, and management advisory services. The first stage of study was a survey to determine the need for some of these services, which should perform them (internal staff or by outside consultants and examined the cost of such services offered by expert agencies in the Omaha Metropolitan Area. The survey was carried out by mail, and therefore the response rate was relatively low; a little over one-fifth of the questionnaires were returned with complete information. This response rate was approximately the same as the ratio of the original sample structure with 71 percent of the responding firms employing 25 or fewer persons and 29 percent having more than 25 employees. About one-third of the suppliers of professional services returned the questionnaires. These firms included a variety of organizations such as accountants, consultants, and computer service firms of all sizes. Most of the questions were directed toward those service functions an enterprise needs to survive in a competitive business environment. These functions were regrouped under three major categories: accounting services, tax services, and management advisory services. The breakdown of these broad categories may be seen in Table 5.

Analysis of Results

The part of the study relating to the demand for services concerned on establishing key characteristics such as those who provide the service internally (by the business's own staff or by outside agencies such as accountants, consultants, and computer service firms). The breakdown of responding firms is as follows:

<table>
<thead>
<tr>
<th>Type of Service</th>
<th>(N)</th>
<th>Internally Provided</th>
<th>Provided By Own Staff</th>
<th>Externally Established</th>
</tr>
</thead>
<tbody>
<tr>
<td>Accounting</td>
<td>(59)</td>
<td>85%</td>
<td>(8)</td>
<td>(7)</td>
</tr>
<tr>
<td>Management</td>
<td>(46)</td>
<td>91%</td>
<td>(17)</td>
<td>(17)</td>
</tr>
<tr>
<td>Advisory</td>
<td>(43)</td>
<td>77%</td>
<td>(20)</td>
<td>(20)</td>
</tr>
</tbody>
</table>

TABLE 1

The breakdown of cost information by type of service is shown in Table 2. The hourly rate charged varies considerably depending upon type of service, and the firm offering it. This also includes the average hourly fee charged for each of the services offered. The information also includes modal value of fees which is the hourly rate most commonly charged by the firm offering the service.

TABLE 2

<table>
<thead>
<tr>
<th>Size of Firm</th>
<th>Internal External</th>
<th>Internal External</th>
</tr>
</thead>
<tbody>
<tr>
<td>(Revenue $)</td>
<td>$50,000</td>
<td>$50,000</td>
</tr>
<tr>
<td>Less than 10</td>
<td>(28) 82%</td>
<td>(12) 10%</td>
</tr>
<tr>
<td>11 - 25</td>
<td>(23) 82%</td>
<td>(13) 48%</td>
</tr>
<tr>
<td>26 - 50</td>
<td>(31) 90%</td>
<td>(17) 24%</td>
</tr>
<tr>
<td>Over 50,000</td>
<td>(26) 82%</td>
<td>(10) 16%</td>
</tr>
<tr>
<td></td>
<td>73% 27%</td>
<td>64% 36%</td>
</tr>
</tbody>
</table>

TABLE 3

Conclusions

This study brings out some basic information about what services are performed and at what cost. The information included here is the first of its kind and provides a comprehensive picture of the existing demand and supply of such services in the Omaha Metropolitan Area. Most organizations seem to feel that current services are performed and that the degree of satisfaction appears to be considerably lower for those firms buying outside services. This may have little respect with respect to management advisory services. Evidently firms offering such services have not yet fully satisfied their customers' needs and improvement of their services appears to be necessary. As expected, the smaller firms are more likely to utilize external sources. While this is an area of deficiency, it perhaps also imposes financial constraints for the providers of these services since smaller firms cannot afford high fees. Nevertheless, this area is worthy of attention by those providing these services. Although the cost of services varies widely, most firms appear to charge around $1 to $2 per hour for accounting services, while for tax services the fees are relatively higher. Management advisory service is by far the most expensive to buy, and most firms charge around $30 to $40 per hour for this service. This is an area where external sources are very important for smaller firms. Almost half of the firms employing less than ten persons seek such services.

(Continued on Page 8)
Omaha Indicators Show Mixed Growth for 1978

Selected demographic and economic indicators showed a mixed growth for the nine subareas of the city. In some areas, a decrease in population occurred, but in others, a notable increase was reported.

1. **Single-Family Housing Construction**
   - In 1978, the city issued 1,289 permits for single-family housing construction, compared to 1,267 in 1977. This represents a 45% increase.

2. **Net Change in Households**
   - Omaha experienced a net gain of 2,411 households in 1978, compared to 1977. The city's population grew by 3,508 households.

3. **Mortgage Activity**
   - The total dollar value of mortgages issued in 1978 was $22,860,000, an increase of 45.7% from 1977.

4. **Employment Trends**
   - The employment rate increased by 1.7% in 1978, compared to 1977.

The data also showed a decrease in the number of single-family housing permits issued in 1978, indicating a possible shift in housing construction trends.

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### Table: Omaha Intra-Urban Demographic & Economic Indicators

<table>
<thead>
<tr>
<th>Subarea</th>
<th>1977</th>
<th>1978</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Inhabitants</td>
<td>Inhabitants</td>
<td>%</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Northeast Omaha</td>
<td>1,091,300</td>
<td>1,172,600</td>
<td>7.5%</td>
</tr>
<tr>
<td>South Central Omaha</td>
<td>1,108,900</td>
<td>1,116,200</td>
<td>0.7%</td>
</tr>
<tr>
<td>Downtown Omaha</td>
<td>1,258,700</td>
<td>1,267,900</td>
<td>0.7%</td>
</tr>
<tr>
<td>South Omaha</td>
<td>1,118,300</td>
<td>1,126,500</td>
<td>0.7%</td>
</tr>
<tr>
<td>North Omaha</td>
<td>1,194,800</td>
<td>1,203,000</td>
<td>0.7%</td>
</tr>
<tr>
<td>West Omaha</td>
<td>1,272,000</td>
<td>1,280,200</td>
<td>0.7%</td>
</tr>
<tr>
<td>East Omaha</td>
<td>1,301,100</td>
<td>1,309,300</td>
<td>0.7%</td>
</tr>
</tbody>
</table>

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### Other Relevant Statistics

- **Intra-Urban Net Change in Households**: 45 households.
- **West Suburban Areas**: Experienced a net gain of 66 households.
- **North Omaha**: Saw a net loss of 24 households.

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### Mortgage Activity

- **Total Mortgage Issuance**: $22,860,000.
- **Home Mortgage Issuance**: $21,643,000.

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### Employment Trends

- **Employment Rate**: Increased by 1.7% in 1978.
- **Total Employment**: 21,750,000.

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### Conclusion

The city of Omaha experienced a mixed growth in 1978, with some areas showing increases in housing permits and population, while others showed decreases. The growth in net change in households and mortgage activity indicates a healthy economic outlook.

(Continued on Page 8)
SMALL BUSINESSES NEED HELP

(Continued from Page 5) from outside organizations. This is quite natural since small businesses cannot afford in-house expertise, and owners generally do not possess such skills. While a great need for improvement in the services offered to these businesses seems to exist, perhaps also less financial reward for most providers of the service is present. However, the sheer number of small companies should make it a financially attractive area, provided that service establishments can come up with some wholesale approach to selling their services.


INDICATORS SHOW MIXED GROWTH IN 1978

(Continued from Page 6) per housing permit.

Multifamily residential construction increased at a much faster rate than single-family construction during 1978. The number of multifamily housing units in the Omaha area rose by 51.7 percent during 1978, and the dollar value of these units rose by 90.0 percent. A majority of the new multifamily construction occurred west of 72nd Street, with 54 percent of the city’s total occurring in the Southwest subarea alone.

The number of mortgages in the Omaha area rose in 1978 by 8.4 percent to a year-end total of 12,358. These mortgages were valued at over $504 million and represented a 24 percent increase over the preceding year.

Other indicators which showed healthy signs of economic expansion during 1978 were an 8.0 percent increase in the number of new water hookups, a 16.3 percent increase in new car sales and a 40.9 percent increase in new truck sales. As with the other indicators, much of the increase in these factors is attributable to the growth and development occurring west of 72nd Street.

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