

Workforce Needs Assessment 2008



Executive Summary



The Iowa Needs Assessment Survey was made possible by funding from the Iowa Legislature

State of Iowa 2008

The Workforce Needs Assessment was conducted from September 2007 through January 2008 by Iowa Workforce Development with support from the Iowa Association of Business and Industry. Employers were asked to provide information regarding both their current level of employment and their current and expected job vacancies. The goal of the survey was to collect and analyze data regarding the demand for workers and the skills required of workers in the area. This information can be used by economic developers, government leaders, educators, and state agencies to guide their decision making on issues related to workforce development, vocational training, and employee recruitment programs.

Beginning in September 2007, 39,958 employers were contacted and asked to complete the Workforce Needs Assessment Survey. Two attempts were made to contact each employer. By the end of the survey period (January 17, 2008), the survey had received 8,580 responses, yielding a 21.5 percent response rate. Figure 1 details the survey respondents by industry.

Figure 1 also presents estimates of the number of current job vacancies by industry across the State of Iowa. Vacancies are classified as current if they are or will become available within 12 months of the survey date. These numbers establish a baseline for future estimates of job vacancies in Iowa.

Estimates were obtained by assuming that the vacancy rate among survey respondents within an industry would apply to the entire industry. For example, the Wholesale & Retail Trade industry had an average vacancy rate of 0.66 vacancies per respondent. Since the state has approximately 10,213 businesses in the Wholesale & Retail Trade industry, it is estimated that there will be $10,213 \times 0.66 = 6,745$ (rounded) vacancies.

This estimate is only valid if it is assumed that the vacancy rate for survey respondents and non-respondents is the same on average. The vacancy rate may be less among non-respondents, as businesses currently having no vacancies are less likely to respond to a Workforce Needs Assessment Survey. Therefore, the estimates presented below can be viewed as an upper bound (or high estimate) regarding the number of current job vacancies.

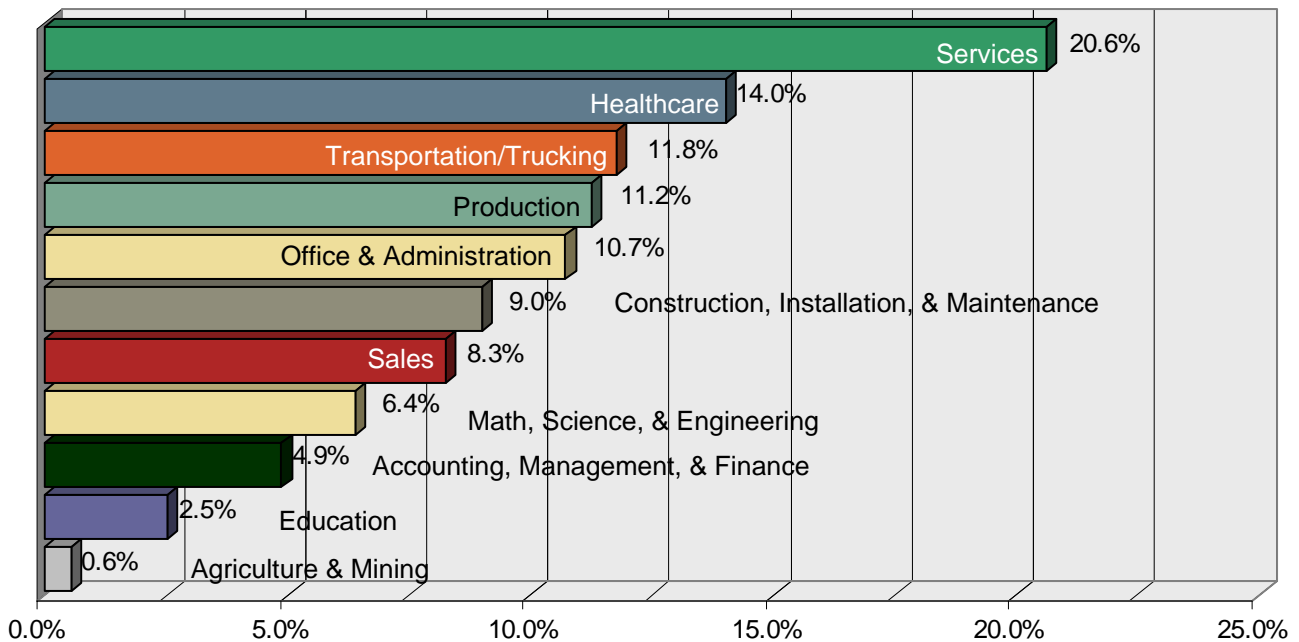
Figure 1. Survey Respondents & Current Vacancy Estimates by Industry

Industry	% of Respondents	Estimated Current Vacancies
Healthcare	11.6%	8,593
Personal Services	12.1%	7,187
Wholesale & Retail Trade	20.7%	6,745
Manufacturing	8.4%	5,363
Administrative Services	3.0%	4,215
Transportation & Warehousing	3.6%	3,267
Finance, Insurance, & Real Estate	7.6%	2,935
Construction	9.1%	2,354
Professional & Technical Services	6.5%	2,119
Educational Services	4.6%	1,519
Information	2.1%	1,128
Public Administration	5.7%	983
Management	0.8%	823
Agriculture & Mining	1.6%	735
Arts, Entertainment, & Recreation	1.5%	400
Utilities	0.9%	152
Total	100%	48,521

Of the survey respondents, 2,589 (31.1%) reported having one or more current or anticipated job vacancies, while 5,738 respondents (68.9 %) reported having no job vacancies. A total of 10,614 current job vacancies were reported for the State, consisting of 70.3 percent full-time and 29.7 percent part-time positions. Nearly all (90.0%) of the vacancies are permanent employment with a small percentage (10.0 %) of seasonal or temporary positions.

Figure 2 details the job vacancies by occupational category. The occupational categories are clustered using the Standard Occupational Classification (SOC) system. Each broad category includes detailed occupations requiring similar job duties, skills, education, or experience.

Figure 2. Job Vacancies by Occupational Category



Employers were asked about the education and training required of prospective workers for their reported job vacancies. Employers were also asked about their experience requirements. The results for current job vacancies are shown in Figures 3 & 4 below.

Figure 3. Education Required—Current Vacancies

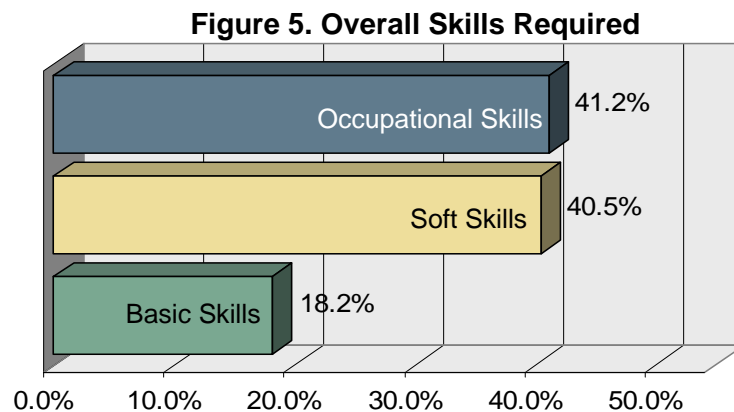
Education Required	Percent
No Educational Requirement	24.4%
High School Education/GED	45.4%
Vocational/Technical Training	11.7%
Associate Degree	6.2%
Undergraduate Degree	8.6%
Postgraduate/Professional Degree	3.6%

Figure 4. Experience Required—Current Vacancies

Experience Required	Percent
No Experience Required	58.5%
1 Year	17.8%
2 Years	12.2%
3 Years	5.8%
4+ Years	5.8%

For each job vacancy reported, employers were asked to list three skills workers need to have in order to be successful at the job. Job skills fall under three broad categories: basic skills, soft skills, and occupational skills.

Occupational skills are the technical and know-how skills that apply directly to a job. They are often referred to as “hard skills” and are primarily job-specific. Soft skills refer to skills associated with an individual’s habits, personality, and character. Soft skills include timeliness, responsibility, integrity, and self-esteem. Basic skills are those skills that are developed during the elementary and middle part of an individual’s education. These skills include literacy, numeracy (the ability to do arithmetic and reason with numbers), basic computer skills, and organization. Figure 5 presents employers responses.



Employers were asked their perceptions on the degree to which job applicants possessed basic, soft, and occupational skills. In addition, employers were asked whether or not job applicants had an interest in varied job shifts and how strongly they felt job applicants factor in commuting distance when deciding on where to apply for jobs. The results for all employers are shown in the table below.

Figure 6. Perception of Applicants

Employer’s Perceptions of Job Applicants	Strongly Agree	Agree	Disagree	Strongly Disagree
In general, job applicants possess the soft skills required for the job	28.0%	45.9%	2.8%	10.7%
In general, job applicants possess the basic skills required for the job	28.0%	52.5%	1.4%	10.3%
In general, job applicants possess the occupational skills required for the job	15.5%	50.4%	3.1%	11.0%
In general, job applicants have an interest in varied work shifts	8.3%	30.2%	5.4%	32.5%
In general, job applicants take into consideration the location of a business (commuting distance)	11.8%	57.1%	1.9%	17.3%

Workforce Retirements

In the near future, it is projected that there will be a workforce shortage as the Baby Boomer generation begins to retire. Employers were asked to indicate the number of workers that will be eligible to retire within the next seven years. The number of retirees is somewhat hard for employers to gauge as they look toward the future; however, Figure 7 indicates that education, manufacturing, and healthcare will experience the most vacancies due to retirements.

Figure 7. Retirements by Industry

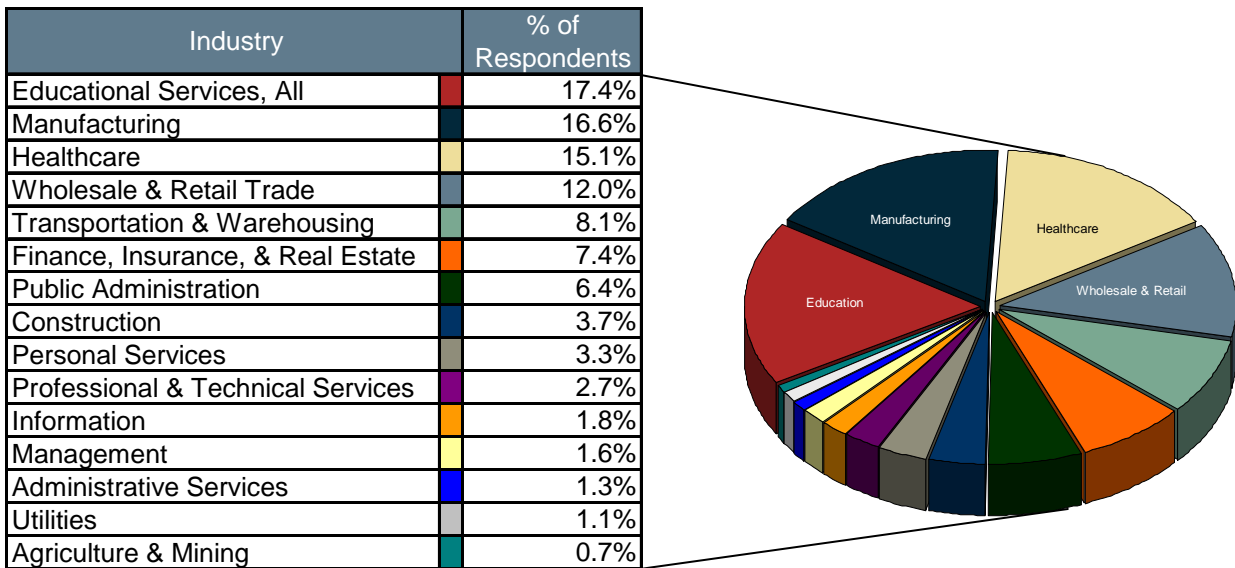


Figure 8. Retirements by Occupational Category

Occupational Category	Percent of Retirees
Production	16.9%
Managerial, Accounting, & Finance	14.7%
Office & Administration	14.6%
Education	11.6%
Transportation & Trucking	8.7%
Services	8.5%
Construction, Installation, & Maintenance	7.4%
Healthcare	6.7%
Math, Science, & Engineering	5.7%
Sales	4.8%
Agriculture & Mining	0.4%

Figure 8 shows retirement vacancies in the state of Iowa by occupational category. While service occupations represent the largest occupational category among current vacancies (Figure 2), they rank seventh among upcoming retirement vacancies. A large component of service occupations include food preparation workers, waiters & waitresses, and janitors which are occupations normally filled by younger workers. Therefore, it is expected that there are fewer vacancies because of retirements relative to other reasons.

Figure 9 shows the education required to fill job vacancies as a result of retirements. The data show that the job vacancies are split into three levels: jobs requiring no more than a high school education (42.7%), jobs requiring vocational training or a two-year degree, and jobs requiring an undergraduate degree or higher (21.6%). These requirements are driven by the occupational categories listed in Figure 7.

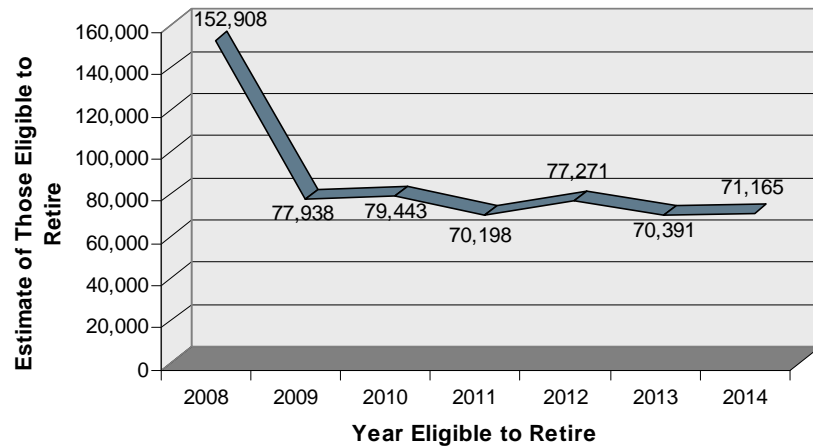
Figure 9. Education Required to Fill Vacancies due to Retirement

Education Required	Percent
High School Education/GED	42.7%
Vocational/Associates Degree	35.7%
Undergraduate Degree	19.9%
Postgraduate/Professional Degree	1.7%

Employers were asked to report the number of employees within their organizations who will be eligible for retirement. Figure 10 presents the annual estimated number of eligible retirees through 2014. Recognizing that some employees will not retire the year that they first become eligible, employers were asked not to double count employees who were eligible to retire in subsequent years.

Figure 10. Estimate of Those Eligible to Retire

For example, an employee eligible to retire in 2008 that continues to work is counted as an eligible retiree in 2008 but not in 2009. This explains why the first year (2008) estimate is much higher than that in years that follow. This number also includes an accumulation of employees who became eligible to retire prior to 2008 and are still employed.



The future year estimates in subsequent reports will reflect employees who did not retire in the year they actually were eligible as they may choose to continue their employment because of retention efforts by employers.

Workforce Expansions

In addition to current vacancies, some companies are experiencing growth and have expansion projects planned. These companies will be in need of additional workforce and should be added to the picture when looking at the need for filling open positions in the future. During the survey businesses were asked if they foresee adding jobs within the next one to five years. This data is presented in Figure 11.

Figure 11. Workforce Expansion by Occupational Category

Occupational Category	% of Total Openings Created	Average Availability Timeframe (years)
Transportation & Trucking	14.8%	1.53
Production	12.0%	1.53
Managerial, Accounting, & Finance	11.9%	1.87
Services	11.7%	1.57
Construction, Installation & Maintenance	11.2%	1.57
Sales	10.7%	1.80
Health Care	9.9%	1.89
Office & Administration	8.4%	1.75
Math, Science & Engineering	5.7%	1.86
Education	3.3%	1.52
Agriculture & Mining	0.6%	1.92

Workforce Needs - Most Reported Job Vacancies

Figure 12 identifies the most reported job vacancy categories throughout the state.

Figure 12. Top Twenty Vacancy Categories

Occupation	Percentage of Total Vacancies Reported
Motor Vehicle Operators	6.3%
Health Diagnosing and Treating Practitioners	6.1%
Food and Beverage Serving Workers	5.6%
Material Moving Workers	5.3%
Metal Workers and Plastic Workers	5.2%
Nursing, Psychiatric, and Home Health Aides	5.0%
Retail Sales Workers	5.0%
Information and Record Clerks	4.7%
Construction Trade Workers	4.0%
Production Occupations	3.6%
Personal Care, Child Care, & Service Workers	3.6%
Installation, Maintenance & Repair	2.6%
Counselors & Social Workers	2.5%
Health Technologists & Technicians	2.3%
Cooks & Food Preparation Workers	2.2%
Drafters, Engineers, & Mapping Technicians	2.0%
Financial Clerks	1.9%
Material Recording, Scheduling, & Dispatching	1.6%
Protective Service & Security Guards	1.6%
Office & Other Administrative Workers	1.6%

Conclusion

Currently, Iowa has a large number of job vacancies in healthcare related occupations, particularly in the health diagnosing, treating practitioners, nursing, and home health-aide occupations. There is an additional demand for health technicians and technologists. Metal and plastic workers along with all types of production occupations represent nearly nine percent of the current openings across the state. Together, these occupational categories account for over twenty-two percent of all reported job vacancies, signaling a large number of opportunities for students and workers in related industries.

Most of the current job vacancies (87.7%) reportedly require an education level of an associate's degree or less. However, vacancies due to upcoming retirements are split into three categories; high school education (42.7%), vocational/associate's degree (35.7%), and undergraduate degree or higher (21.6%).

Iowa is positioned to see a strong shift in opportunities and educational requirements to fill those opportunities over the next few years. With an ever growing demand for individuals with technical certificates and associate's degrees, Iowa's community college and universities are poised to successfully assist in preparing Iowans for the careers of tomorrow.

This Workforce Needs Assessment Survey was conducted by Iowa Workforce Development's Division of Research & Strategic Initiatives in partnership with the Iowa Association of Business and Industry and validated by the University of Northern Iowa's Institute for Decision Making.



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