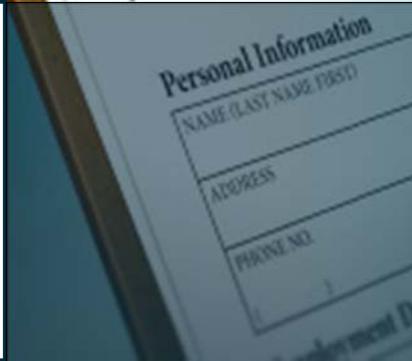


Northwest Iowa Development

(Cherokee, Lyon, O'Brien, Osceola, Plymouth & Sioux Counties)

Workforce Needs Assessment



Released

2013

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Northwest Iowa Development

Iowa Workforce Development conducted the fourth annual Workforce Needs Assessment from August 2012 through December 2012. In addition to vacancy and retirement data, this year's survey included questions pertaining to average hourly starting wage and enhanced emphasis on fringe benefits. Analysis of the survey illustrates the demand for workers and skills required in the workforce. 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 August 2012, 1,538 employers in the Northwest Iowa Development area were contacted and asked to complete the survey. Three attempts were made to contact each employer. By the end of the survey period (December 15, 2012), the survey had received 344 responses, yielding a 22.4 percent response rate.

Throughout this report, estimates and data are given by industry and by occupational category. Industry groups are developed around a specific product and employ many different occupations. Occupational categories are focused on the actual tasks done by a worker. The two formats are given to satisfy different end users of the data. Industry groups are of particular importance to economic developers and policy-makers. Occupational categories may be of more use to job seekers and educators.

Figure 1 details the survey respondents by industry, including the percentage of total current vacancies that are accounted for by each industry in the state. Vacancies are classified as current if they are, or will become, available within 12 months of the survey date.

These estimates are 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 lower among non-respondents, as businesses that do not have current vacancies may be less likely to respond to the Workforce Needs Assessment Survey.

Figure 1
Survey Respondents by Industry and Percentage of Current Vacancies

Industry	Percent of Respondents	Percent of Total Vacancies Reported	Estimated Vacancies
Manufacturing	9.3%	42.5%	747
Finance, Insurance & Real Estate	8.1%	13.2%	232
Healthcare & Social Services	8.7%	12.2%	215
Transportation & Warehousing	6.1%	10.7%	188
Wholesale & Retail Trade	20.1%	8.1%	143
Accommodation & Food Services	3.2%	4.3%	76
Construction	10.8%	2.0%	36
Professional & Technical Services	4.1%	2.0%	36
Personal Services	5.8%	1.5%	27
Agriculture & Mining	6.4%	1.0%	18
Public Administration	7.5%	1.0%	18
Information	1.5%	0.6%	9
Arts, Entertainment & Recreation	1.5%	0.3%	4
Educational Services	2.3%	0.3%	4
Utilities	2.3%	0.3%	4
Administrative & Waste Services	2.3%	*	*
Management	*	*	*
Total	100%	100%	1,757

** Insufficient data reported
Totals may vary due to rounding methods*

Figure 2 (next page) shows estimated vacancies by occupational category. By breaking the data into separate occupational groups, we can see the majority of vacancies are within the production, transportation & material moving, office & administrative support and personal care & service occupational categories, likewise, the highest number of vacancies by industry are in the manufacturing and finance, insurance & real estate industries. 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
Percentage of Current Vacancies by Occupational Category

Occupational Category	Percent of Total Vacancies Reported	Estimated Vacancies
Production	32.3%	568
Transportation & Material Moving	19.1%	335
Office & Administrative Support	12.5%	219
Personal Care & Service	7.1%	125
Business & Financial Operations	5.3%	94
Installation, Maintenance & Repair	5.1%	89
Food Preparation & Serving Related	4.8%	85
Sales & Related	2.5%	45
Healthcare Support	1.8%	31
Architecture & Engineering	1.5%	27
Construction & Extraction	1.5%	27
Management	1.5%	27
Building & Grounds Cleaning & Maintenance	1.0%	18
Farming, Fishing & Forestry	1.0%	18
Healthcare Practitioner & Technical	1.0%	18
Education, Training & Library	0.8%	13
Arts, Design, Entertainment, Sports & Related	0.6%	9
Computer & Mathematical Science	0.6%	9
Community & Social Science	*	*
Legal	*	*
Life, Physical & Social Science	*	*
Protective Service	*	*
Total	100%	1,757

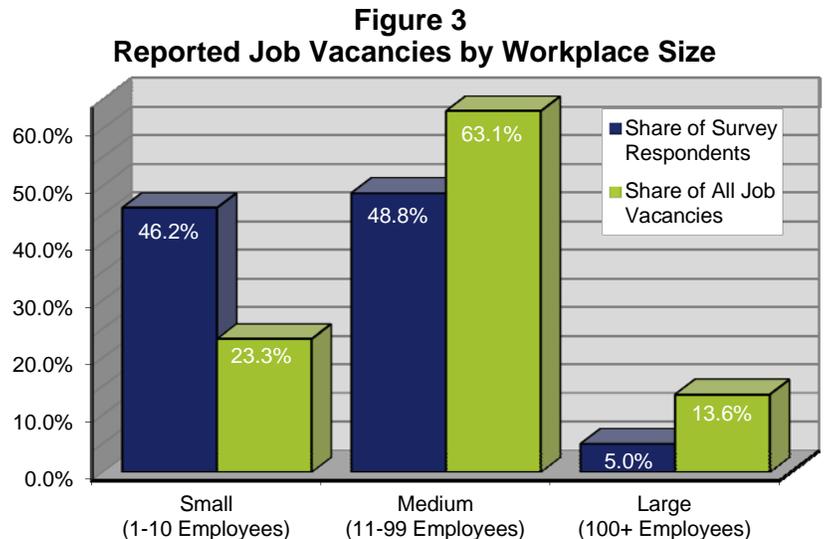
**Insufficient data reported
Totals may vary due to rounding methods*

Of the survey respondents, 96 (27.9%) reported having one or more current or anticipated job vacancies, while 248 respondents (72.1%) reported having no job vacancies. A total of 393 current job vacancies were reported for the region, consisting of 59.0 percent full-time and 41.0 percent part-time positions. When asked why positions are currently vacant, employers responded as follows:

- 34.5% - Permanent business growth/expansion
- 1.5% - Seasonal business growth/expansion
- 6.4% - Replacing retiring employee
- 57.6% - Replacing worker who has left (not retired)

Figure 3 shows the breakdown of job vacancies by employer size. Of employers that responded with job vacancies, 46.2 percent were businesses with 10 or fewer employees, 48.8 percent had between 11 and 99 employees and 5.0 percent had 100 employees or more.

Figure 3 shows the distribution of reported job vacancies by employer size. The response rate for each employer size category is shown next to the respective percentage share of reported job vacancies. While large employers only accounted for 5.0 percent of the survey responses, they reported over one-tenth (13.6%) of the total job vacancies in the Northwest Iowa Development area.



One measure of workforce demand is determined by the job vacancy rate. With an estimated 1,757 job vacancies and a regional employment total of 46,069¹, there is a 3.8 percent vacancy rate or approximately four jobs available for every 100 filled positions. A low vacancy rate indicates a lack of jobs while a high vacancy rate may indicate a shortage of qualified workers or simply an industry with a high employee turnover. Conversely, a low vacancy rate may indicate contraction within the industry, an oversupply of workers, or lower than average turnover. It should be noted that many states do not use the same methods when calculating job vacancy rates and many states do not perform such calculations annually.

**Figure 4
Vacancy Rate by Industry**

Industry	Regional Employment ¹	Vacancy Rate
Finance, Insurance & Real Estate	1,657	14.0%
Manufacturing	10,167	7.3%
Transportation & Warehousing	2,568	7.3%
Professional & Technical Services	992	3.6%
Healthcare & Social Services	6,432	3.3%
Personal Services	1,031	2.6%
Accommodation & Food Services	3,126	2.4%
Wholesale & Retail Trade	6,824	2.1%
Utilities	211	1.9%
Construction	2,318	1.6%
Arts, Entertainment & Recreation	295	1.4%
Information	632	1.4%
Public Administration	1,784	1.0%
Agriculture & Mining	2,357	0.8%
Educational Services	4,517	0.1%
Administrative & Waste Services	754	*
Management	404	*

* Insufficient data reported

It is important to note the difference between the number of vacant positions and the vacancy rate. An industry may have a low vacancy rate but have many vacant positions. This is because, when compared to their total workforce, the number of vacant positions is small in comparison.

Figure 4 shows the vacancy rate and how many jobs are available per 100 filled positions by industry. The industries within the state with the highest vacancy rates are finance, insurance & real estate (14.0%), manufacturing (7.3%) and transportation & warehousing (7.3%). These industries currently have relatively more vacant positions when compared to the size of their workforce. When looking at vacancy rates, it is important to understand the various reasons an industry might have many vacant positions open relative to their total staff.

**Figure 5
Vacancy Rate by Occupational Category**

Figure 5 breaks down the vacancy rate by occupational category. The categories with the highest vacancy rates are personal care & service (12.9%); business & financial operations (9.3%); and production (9.2%). The services and construction categories typically have high vacancy rates due to high employee turnover. Employers are constantly hiring for many of these positions, while the high vacancy rate for the healthcare category is usually attributed to growth in employment and lack of workforce. Total employment by occupational category may differ from total employment by industry because of confidentiality issues in employer surveys.

Occupational Category	Regional Employment ²	Vacancy Rate
Personal Care & Service	970	12.9%
Business & Financial Operations	1,010	9.3%
Production	6,150	9.2%
Transportation & Material Moving	3,970	8.4%
Architecture & Engineering	350	7.7%
Farming, Fishing & Forestry	370	4.9%
Installation, Maintenance & Repair	2,290	3.9%
Office & Administrative Support	6,530	3.4%
Computer & Mathematical Science	270	3.3%
Food Preparation & Serving Related	2,690	3.2%
Healthcare Support	1,130	2.7%
Management	1,600	1.7%
Arts, Design, Entertainment, Sports & Related	570	1.6%
Construction & Extraction	2,190	1.2%
Building & Grounds Cleaning & Maintenance	1,600	1.1%
Sales & Related	4,620	1.0%
Healthcare Practitioner & Technical	1,960	0.9%
Education, Training & Library	3,490	0.4%
Community & Social Science	980	*
Legal	50	*
Life, Physical & Social Science	340	*
Protective Service	370	*

* Insufficient data reported

¹ Annual 2012 total regional employment from Iowa Workforce Development

² Regional employment by occupational category computed from 2011-2012 Iowa Local Employment Dynamics

Figure 6 presents the Hiring Demand Index (HDI)³ by occupational category. The HDI is another way of looking at the workforce needs within the economy. The vacancy rate shows us the overall demand for workers, but can be misleading because of employee turnover. To account for this, we adjust the vacancy rate by employee turnover to see which industries or jobs are in high demand, using the following equation:

$$(Industry\ Vacancy\ Rate \div Avg.\ Vacancy\ Rate) \div (Industry\ Turnover\ Rate \div Avg.\ Turnover\ Rate)$$

Example: The farming, fishing & forestry occupational category has an above average vacancy rate of 4.9 percent, while the vacancy rate for all categories is 4.0 percent. This implies that the workers within the category have a greater hiring demand than workers in other occupational categories. However, the turnover rate for employees in this category (defined as how often the industry hires for the same job within a year) is also much higher than others. The category has a turnover rate of 32.6 percent, while the turnover rate for all occupations is 27.1 percent. The HDI for the farming, fishing & forestry occupational category, is calculated as follows:

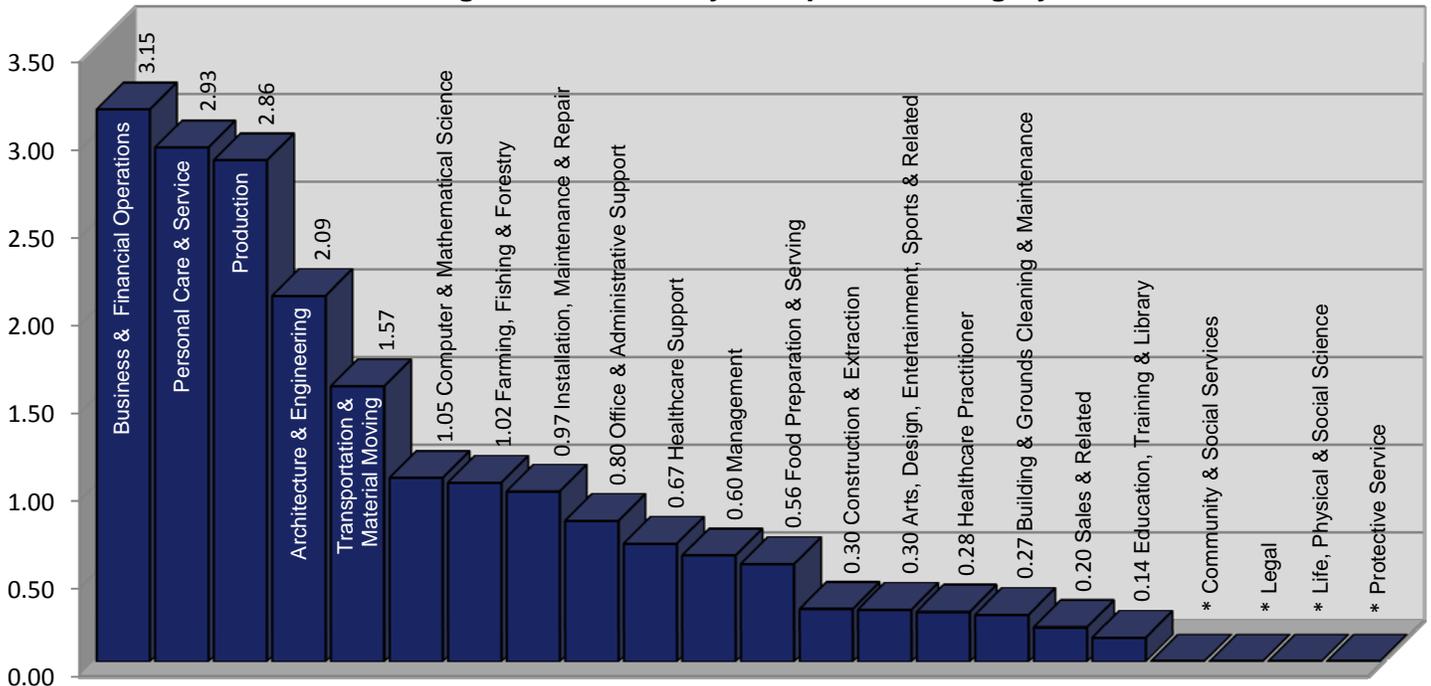
$$(4.9\% \div 4.0\%) \div (32.6\% \div 27.1\%) = 1.02$$

Using the HDI, we can see that the hiring demand for the farming, fishing & forestry occupations is not as high as it may have previously appeared. Note, the vacancy rate is calculated as the total estimated vacancies over the total estimated employment within the state. Using the average of the vacancy rates in each occupational category would be inaccurate due to very high and very low rates and the lack of data in some categories.

A value of one is the average demand for all industries or occupations. A value greater than one means a higher demand for workers, while a value lower than one means a lower than average demand for workers.

By comparing the Hiring Demand Index with the vacancy rates of an occupational category, we can see in which occupations is there a real unmet need for workers. It is also in these occupations that employers will need to pay a higher wage to attract qualified workers. This analysis can be an important tool for economic developers, policy-makers, educators and job seekers.

Figure 6
Hiring Demand Index by Occupational Category



³The Hiring Demand Index (HDI) adjusts industry vacancy rates, from this survey, by industry employee turnover rates which are computed from 2011 Iowa Local Employment Dynamics.

Requirements, Skills & Training

Employers were asked about the education/training and experience requirements of applicants for their reported job vacancies. The results for current job vacancies are shown below in **Figure 7** and **Figure 8**.

Figure 7
Education Required - Current Vacancies

Education Required	Percent
No Educational Requirement	49.7%
High School Education/GED	32.5%
Vocational/Technical Training	9.4%
Associate Degree	2.3%
Undergraduate Degree	5.8%
Postgraduate/Professional Degree	0.3%

Figure 8
Experience Required - Current Vacancies

Experience Required	Percent
No Experience Required	34.0%
Less than 1 Year	21.0%
1-2 Years	27.5%
3-5 Years	14.1%
More than 5 Years	3.4%

Employers were asked their perceptions on the degree to which job applicants possessed soft, basic and occupational skills. In addition, employers were asked if applicants, who may or may not possess the necessary skills for the job vacancy, were being disqualified due to the results of controlled substance testing or background checks. The results for all employers are shown below in **Figure 9**.

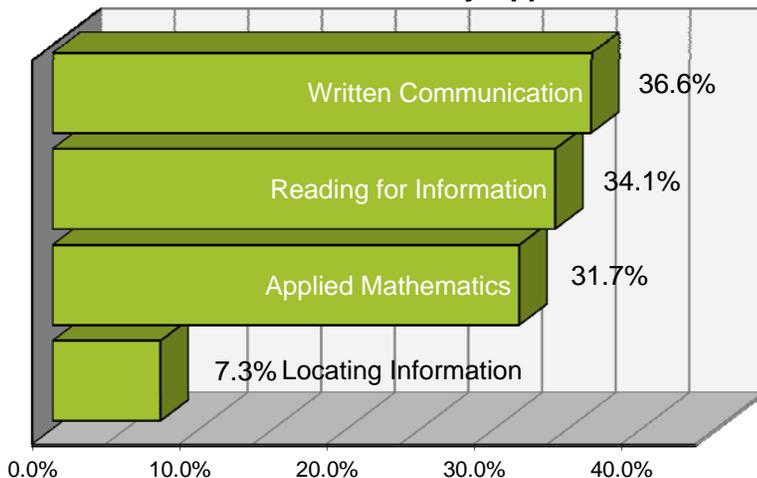
We can begin to analyze any workforce gaps by comparing the inventory of skills needed by employers and those skills held by the population of workers as presented in a Laborshed analysis. This gap is then analyzed and the necessary training and education programs can be formalized through a Skillshed study.

Figure 9
Perception of Applicants

Employer's Perceptions of Job Applicants	Strongly Agree	Agree	Neutral	Disagree	Strongly Disagree
In general, applicants fulfill all necessary requirements for the job.	15.2%	30.5%	34.4%	15.4%	4.5%
In general, applicants possess the basic skills required for the job.	15.5%	42.4%	29.6%	11.3%	1.2%
In general, applicants possess the soft skills required for the job.	7.6%	33.5%	35.1%	19.2%	4.6%
In general, applicants possess the occupational skills required for the job.	9.2%	30.9%	30.9%	22.6%	6.4%
There is often a problem filling this position because applicants are disqualified due to controlled substance testing.	2.1%	4.5%	22.4%	21.2%	49.8%
There is often a problem filling this position because applicants are disqualified for failure to pass a background check.	4.3%	8.8%	25.8%	26.1%	35.0%

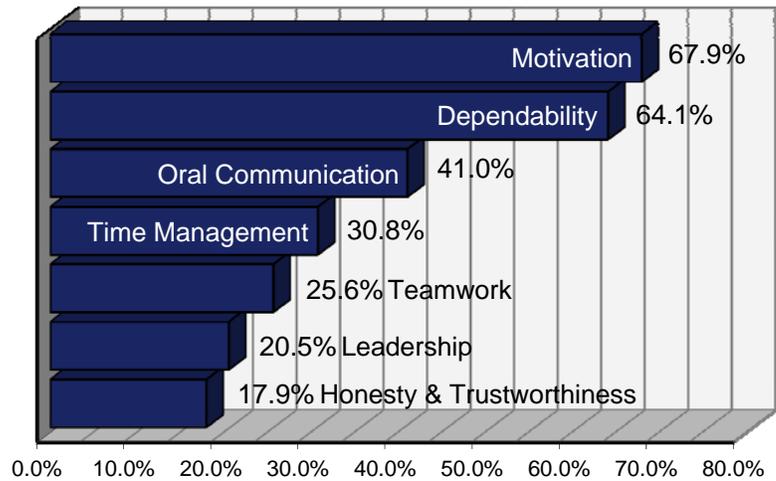
Figures 10, 11 and 12 break down basic, soft and occupational skills that employers reported were lacking by applicants to fill open positions.

Figure 10
Basic Skills Lacked by Applicants



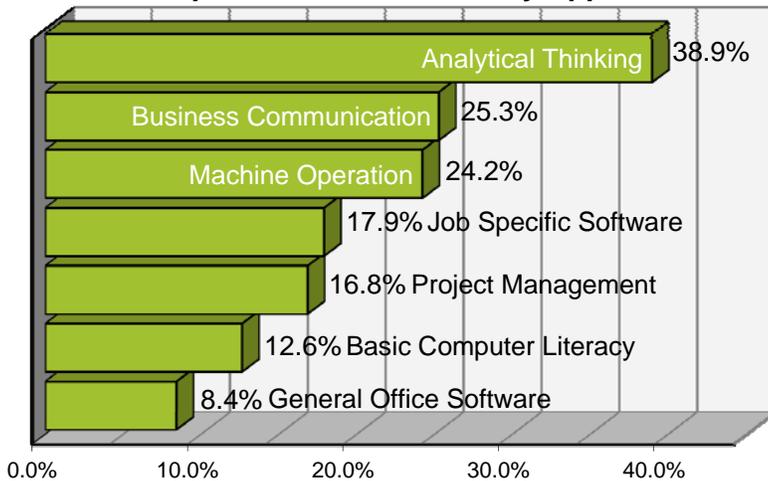
Basic skills are those skills developed during the elementary and middle part of an individual's education. These skills include literacy, numeracy (the ability to do arithmetic and reason with numbers), basic computer skills and organization. Over one-tenth (12.5%) of employers surveyed feel that applicants lack basic skills needed for the job. The Skilled Iowa initiative provides a means to benchmark and certify applicant's skills in Applied Mathematics, Reading for Information and Locating Information through the National Career Readiness Certificate testing program. More information on Skilled Iowa can be found at www.skillediowa.org.

**Figure 11
Soft Skills Lacked by Applicants**



Soft skills refer to skills associated with an individual’s habits, personality and character. Soft skills include timeliness, responsibility, integrity and self-esteem. Also included are interpersonal skills such as leadership ability, customer service and teamwork. Individuals with strong soft skills are better suited for working within an organization, as well as with customers and, therefore, are valued by employers. Almost one-fourth (23.8%) of employers surveyed feel that applicants lack soft skills needed for the job.

**Figure 12
Occupational Skills Lacked by Applicants**



Occupational skills are the technical and know-how skills that apply directly to a job. Occupational skills are often referred to as “hard skills” and are primarily job-specific. In general, occupational skills include analytical skills, managerial ability, physical ability, knowledgeable and experience. The exact meaning behind these skills varies, depending on the job in question. Over one-fourth (29.0%) of employers surveyed feel that applicants lack occupational skills needed for the job.

In the event that current or newly hired employees are lacking the soft, basic and occupational skills necessary to fill current job vacancies, employers were asked where they send employees to upgrade these skills. These results are listed in **Figure 13**.

**Figure 13
Where Additional Training is Offered**

Training Provider	Percent
In-house training	51.7%
Commercial training provider	21.8%
Online	17.2%
Employee self-directed training	16.6%
Trade school	14.0%
No training provided	12.5%
Other	6.4%
College/University	6.1%

Figure 13 indicates where employers are sending their employees for training to satisfy job requirements. When training is provided, most employers are currently using in-house training or commercial training providers. Almost all (91.1%) of employers report taking employee input under consideration when planning what training to provide. More than one-fourth (25.9%) of employers also expressed an interest in working more closely with local education providers to implement training programs.

Recruitment

The time span from when a job vacancy becomes available to the time it is filled is referred to as the recruitment period.

Figure 14 details the recruitment periods reported by employers within the State of Iowa.

Figure 14
Recruitment Period for Current Vacancies

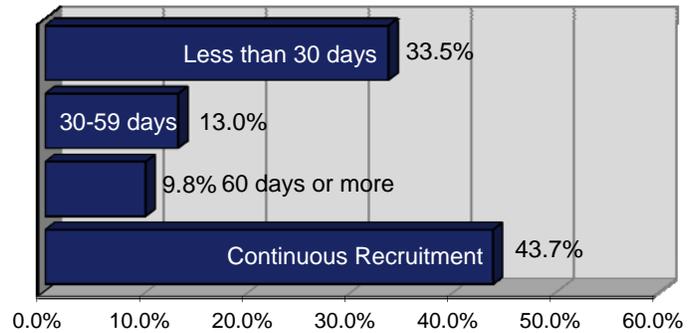
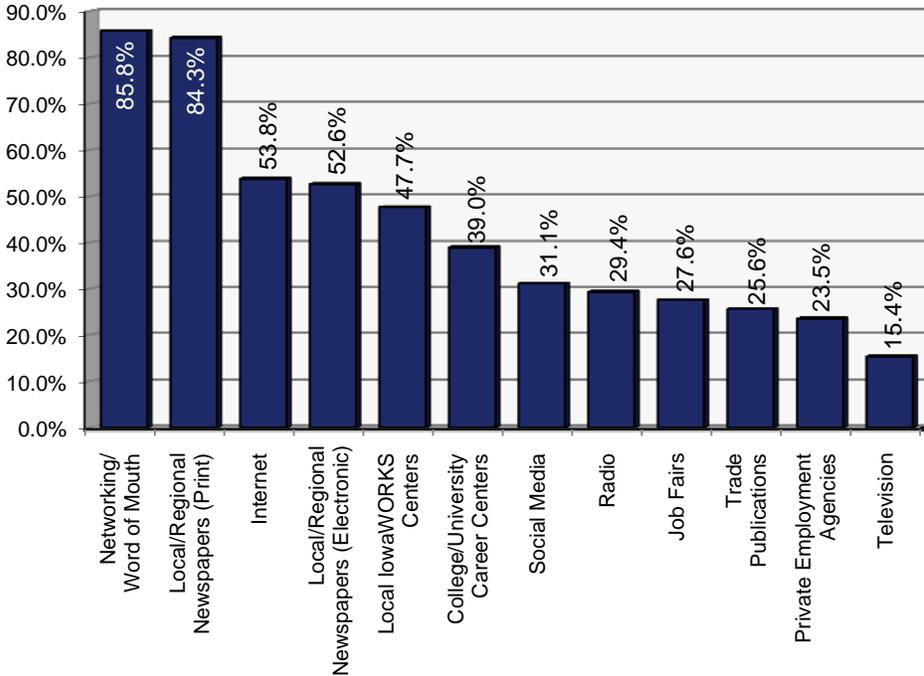


Figure 15
Recruitment Media Utilization



Employers who have a clear understanding of the job search resources used by workers in their respective industry will maximize their effectiveness and efficiency in attracting qualified applicants. Understanding and utilizing traditional and non-traditional advertising media will provide employers with a more focused and effective recruitment tool. Residents living in the state are exposed to numerous sources by which employers communicate job openings and new hiring. Therefore, it is important to understand what sources potential workers rely on when looking for jobs in the area.

Figure 15 details employer media use for recruitment purposes versus the media use of those looking for employment opportunities.

Employers utilized a variety of media to recruit potential employees. Respondents indicated that the most useful media outlets were networking/word of mouth, followed by print editions of local and regional newspapers, the internet, electronic editions of local/regional newspapers, local IowaWORKS centers, college/university career centers and social media.

Potential employees, on the other hand, were most likely to go first to local/regional newspapers, followed by the internet, networking/word of mouth, local IowaWORKS centers and walk-in solicitation when looking for jobs.

These mismatches in advertising versus search media usage can increase recruitment time periods and cost. More information on job search media usage can be found in the Northwest Iowa Development Laborshed Report (<http://www.iowaworkforce.org/imi/labsur/northwestiowaregionalexecsum2010.pdf>).

Figure 16
Average Wages by Occupational Category

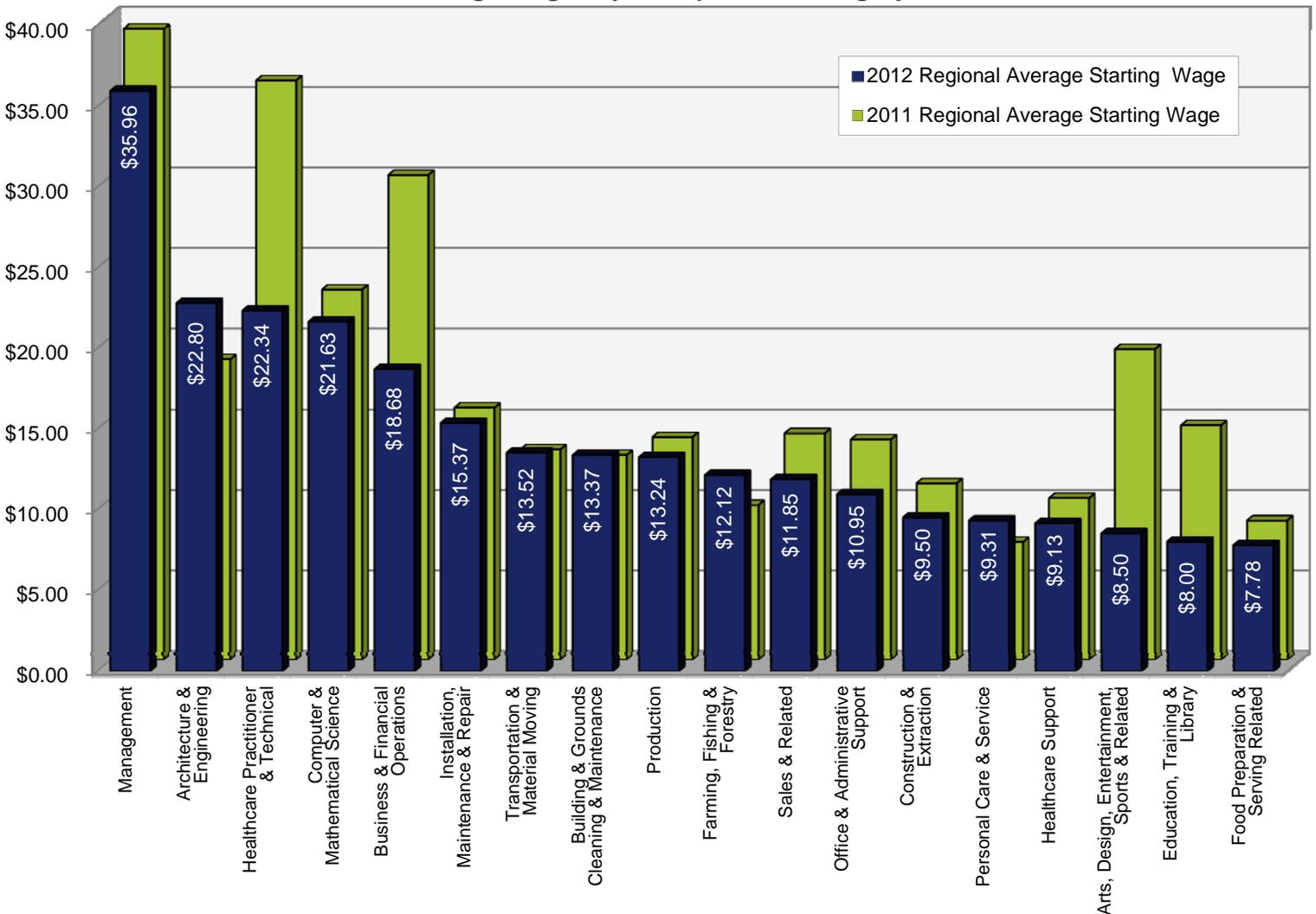


Figure 16 is the 2012 survey-reported average starting wages by occupational category with 2011 survey-reported average starting wages for comparison. This is important for job seekers in determining what jobs can provide a livable wage and have higher earning potential. Employers can use the information to determine their competitiveness with wages among all other categories. From the graph, we see that the management, architecture & engineering, health practitioner & technical and computer & mathematical science occupational categories pay the highest average starting wages. **Appendix A** (page 19) shows occupations in management; architecture & engineering; computer & mathematical science; business & financial operations; and healthcare practitioner & technical categories provide the highest entry level wages. More wage information including a comparison between average occupational wages to statewide average entry level wages and statewide average hourly wages can be found in **Appendix A**.

Benefits Offered

Employers may also use benefits to attract potential employees. Employers were asked about the types of benefits being offered for their current full time and part time job vacancies. These results are shown in **Figures 17, 18 & 19**.

Figure 17
Insurance Benefits Offered by Employers

Insurance Benefits Offered	Full-Time Positions	Part-Time Positions
Health/Medical	89.8%	11.3%
Prescription Drug Plans	69.7%	9.8%
Life Insurance	59.8%	12.7%
Accidental Death & Dismemberment	47.0%	9.1%
Dental	42.4%	12.3%
Short-Term Disability	41.6%	11.1%
Long Term Disability	36.7%	9.4%
Vision	20.9%	8.3%

Paid leave is another common form of employee benefit. Holiday leave varies by company in both the number of days and the particular holidays recognized. Some employers may also offer increased holiday pay in lieu of time off. Similarly, the specifics of maternity/paternity leave programs vary widely among different employers. Combined paid time off (PTO) refers to programs that allow employees to accumulate paid time off in a single pool to be used for either vacation or sick leave versus situations in which employees accrue time in separate pools.

Figure 19
Other Benefits Offered by Employers

Other Benefits Offered	Full-Time Positions	Part-Time Positions
Bonuses	75.3%	45.7%
Company Vehicle	62.3%	36.9%
Retirement Package	53.7%	21.3%
Flex Spending Accounts/Cafeteria Plans	47.4%	16.0%
Uniform Allowances	46.5%	25.1%
Tuition Assistance	26.9%	12.3%
Employee Assistance Program	21.7%	16.9%
Profit Sharing/Stock Options	18.2%	10.3%
Shift Differential Pay	17.9%	13.2%
Wellness Programs	15.1%	10.7%
Relocation/Moving Expenses	10.9%	3.7%
Childcare	4.2%	1.7%

The Regional Laborshed Analysis was used to identify current benefit packages being offered to employees within the state. These benefits include; health/medical insurance (91.5%), pension/retirement options (68.8%), paid vacation (48.6%), dental coverage (39.7%), paid holidays (34.1%), paid sick leave (28.0%), life insurance (25.3%), vision coverage (20.3%), disability insurance (17.7%), paid time off (17.7%) and prescription drug coverage (11.8%). Almost three-quarters (74.3%) of the employers and employees are reported as sharing in the premium costs of health/medical insurance, 18.7 percent of the employers are reported as covering the entire cost of insurance premiums while 7.0 percent of the employers/employees have made other arrangements.

Insurance is a common benefit offered by employers. Different types of health care insurance (vision, dental, etc.) may be offered as part of an umbrella plan. Respondents were asked to indicate those separately if included in a combined package. Employers were not asked about workers compensation insurance as that program is intended to cover employer liability and not employee needs directly.

Figure 18
Paid Leave Benefits Offered by Employers

Paid Leave Benefits Offered	Full-Time Positions	Part-Time Positions
Holiday	90.5%	30.1%
Vacation	86.6%	27.5%
Bereavement/Funeral	71.7%	23.6%
Sick Leave	59.9%	18.3%
Combined Paid Time Off (PTO)	48.9%	14.6%
Personal Days/Floating Holidays	48.3%	15.8%
Maternity/Paternity	47.9%	19.8%
Training	44.7%	20.4%

In addition to insurance and paid leave employers offer a range of other benefits. Bonuses are common and are offered on a wide range of criteria including individual performance incentives, longevity awards and company-wide success. Company vehicle benefits include mileage reimbursement for the use of employee owned vehicles. Retirement packages may be either defined benefit (traditional pensions) or defined contribution (401K). Depending on the type of retirement package payments may or may not include either employer or employee matching contributions. Childcare benefits include both reimbursement programs and on-site facilities.

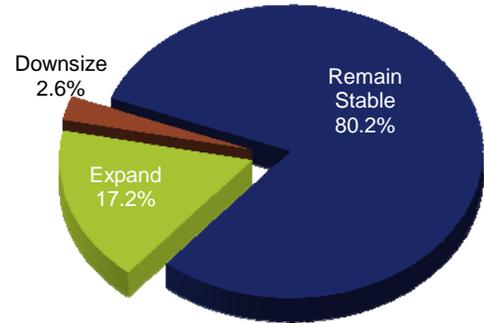
Future Plans

Employers were asked a series of questions about their plans for future payroll changes. They were asked whether they planned on increasing or decreasing the number of workers on payroll or if they planned to keep their workforce at its current strength, timeframe for the change, reasons for the change and jobs that would be affected by the change.

When analyzing reported workforce changes, it is important to note not only the specific reasons provided by employers but also the business and economic environment during which the employers were surveyed. Because of the great uncertainty surrounding the near-term economic health of the state, many employers were not able to state their workforce plans in any definite way.

Figure 20 shows the proportion of employers planning to expand, reduce or maintain the size of their workforce. Over four-fifths (80.2%) of employers are planning to keep the size of their workforce steady while 17.2 percent of employers plan to expand their workforce and only 2.6 percent plan to reduce their workforce.

**Figure 20
Future Workforce Plans**



**Figure 21
Net Reported Payroll Change**

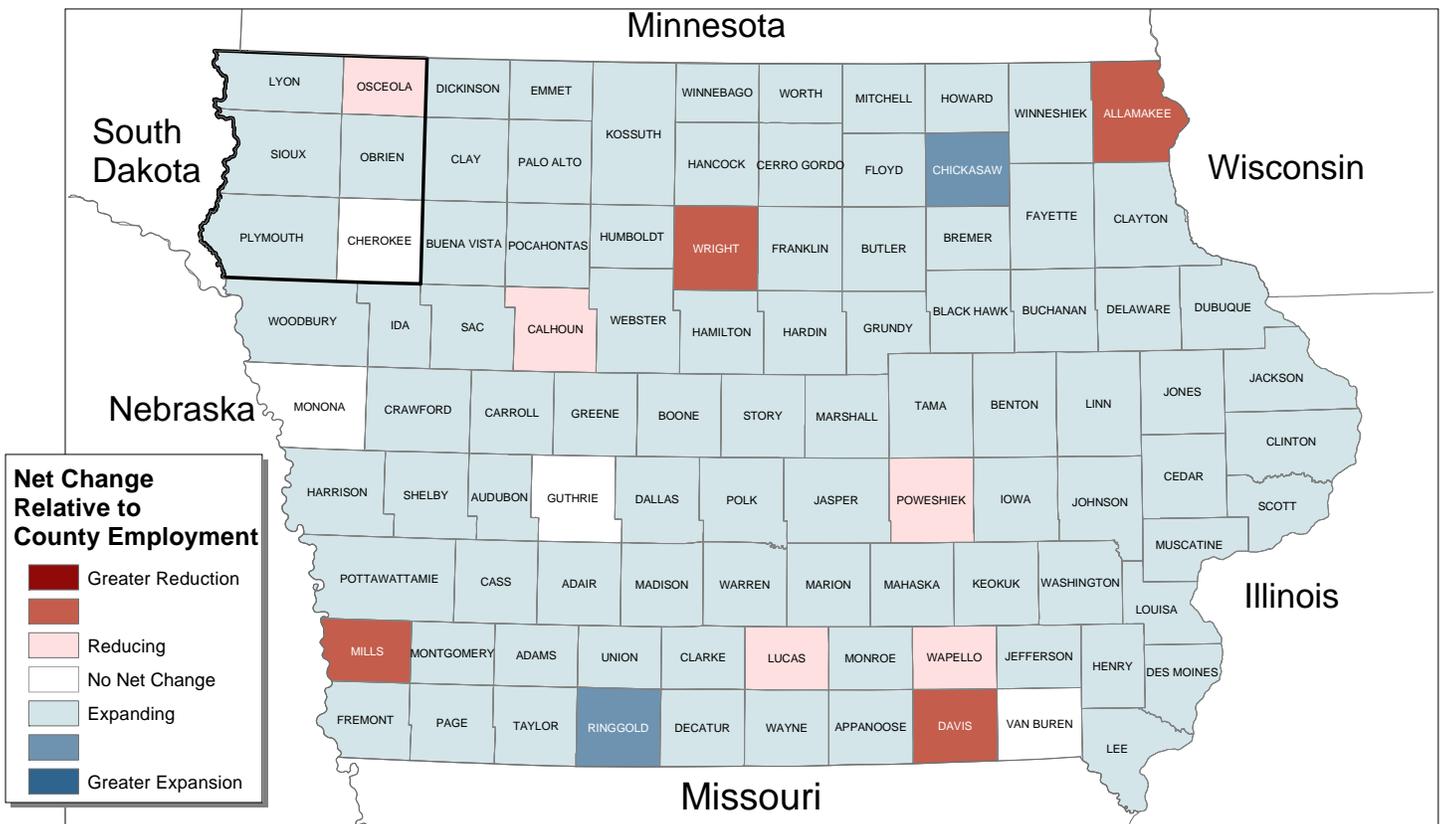


Figure 21 The Net Reported Payroll Change map shows the relative intensity of plans by employers to expand or reduce their workforces in each county in terms of total jobs to be created or cut, normalized by the total employment of the county. The darker red indicates greater expected reductions, relative to local employment, while the darker blue indicates counties in which employers plan to expand most heavily, relative to local employment. Counties in white indicate a net-zero or no response. Separate maps of expansion and reduction can be found in **Appendix B**.

Planned Workforce Expansion

Nearly one-fifth (17.2%) of the employers surveyed are planning to expand their workforce in the future. Of those employers planning on expanding their workforce, 40.7 percent indicated they were planning to do within 12 months, 44.4 percent indicated that they were planning to expand in one to two years, 9.3 percent are planning to expand in two to three years and 5.6 percent plan to expand in more than three years. One-third (33.3%) of the companies planning to expand would be interested in working with a local education provider to set up a program for training/educating potential employees to fill these needs.

Figure 22
Reasons for Payroll Expansion
Ranked by Relative Importance

Reasons for Expansion
Entry into new markets
Increase share of existing market
Insourcing of business operations
Meet current market demands
Merger/Acquisition
Opening a new location
Reduction of overtime
Changes in tax or regulatory incentives

Respondents were asked to rank, in order of significance, possible reasons for expanding, maintaining or reducing the size of their workforce. **Figures 22, 23** and **27** (on page 13) show the average importance of reasons for each case.

Figure 22 compares employers' stated reasons for planning to increase the size of their workforce. The reasons indicated as being of the greatest importance in deciding to expand include entering new markets, plans to increase their share of existing markets and insourcing of business operations.

Figure 23
Constraints Preventing Payroll Expansion
Ranked by Relative Importance

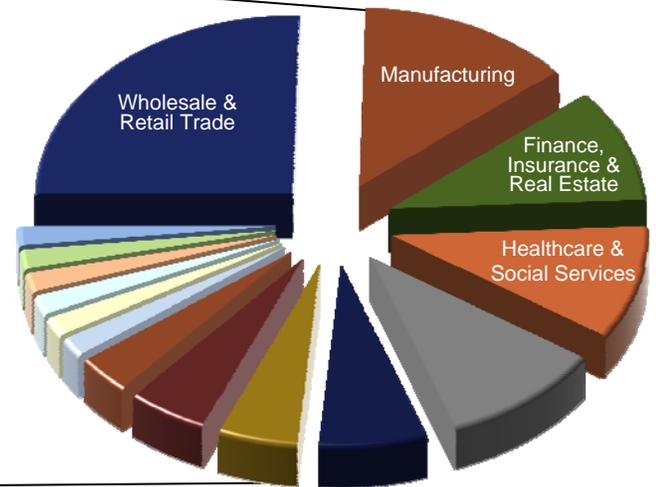
Figure 23 compares employers' stated constraints to increasing the size of their workforce. The reasons indicated as being of the greatest importance in preventing the expansion of workforces include cost of additional labor, uncertainty in current market demands and cost of benefits.

Impediments for Expansion
Cost of additional labor
Uncertainty in current market demands
Expense related to benefits
Competition within existing markets
Lack of available skilled workforce
Tax or regulatory issues
No desire to expand
Barriers to entering new markets
Limited access to capital
Insufficient space at current location/inability to find appropriate new location
Supply chain limitations
Planned merger/acquisition or business sale/transfer
Don't know steps/processes needed to expand

**Figure 24
Planned Payroll Expansion**

Industry	Percent of Each Industry	Percent of Total
Wholesale & Retail Trade	21.7%	25.4%
Manufacturing	25.0%	13.6%
Finance, Insurance & Real Estate	21.4%	10.2%
Healthcare & Social Services	20.0%	10.2%
Professional & Technical Services	42.9%	10.2%
Construction	10.8%	6.8%
Personal Services	15.0%	5.0%
Transportation & Warehousing	14.3%	5.0%
Accommodation & Food Services	18.2%	3.4%
Administrative & Waste Services	12.5%	1.7%
Agriculture & Mining	4.5%	1.7%
Arts, Entertainment & Recreation	20.0%	1.7%
Educational Services	12.5%	1.7%
Public Administration	3.8%	1.7%
Utilities	12.5%	1.7%
Information	*	*
Management	*	*

**Percent of Total
Planning to Expand**



* Insufficient data reported

Figure 24 shows those employers who are planning to expand by industry. The “Percent of Each Industry” column shows what percentage of employers in each industry are planning to expand their payroll. The “Percent of Total” column shows what percentage of all businesses planning to expand their payroll is accounted for by each industry. For example, 21.7 percent of all businesses in the wholesale & retail trade industry are planning to expand their payroll in the future. Those businesses within the wholesale & retail trade industry make up 25.4 percent of all the businesses in the survey that are planning to expand their payrolls in the future.

**Figure 25
Timing of Planned Expansion**

Estimated Time for Expansion	Percent of Respondents
Within 12 months	40.7%
1-2 years	44.4%
2-3 years	9.3%
More than 3 years	5.6%

Figure 25 shows the timeframe for those employers who are planning to expand their payrolls.

**Figure 26
Planned Payroll Expansion by Occupational Category**

Occupational Category	Percent of Planned Expansion
Office & Administrative Support	27.0%
Transportation & Material Moving	16.2%
Production	14.9%
Sales & Related	10.8%
Installation, Maintenance & Repair	9.9%
Business & Financial Operations	5.8%
Farming, Fishing & Forestry	2.7%
Food Preparation & Serving Related	2.7%
Construction & Extraction	2.3%
Education, Training & Library	2.3%
Healthcare Practitioner & Technical	1.4%
Life, Physical & Social Science	1.4%
Arts, Design, Entertainment, Sports & Related	0.9%
Legal	0.9%
Healthcare Support	0.4%
Management	0.4%
Architecture & Engineering	*
Building & Grounds Cleaning & Maintenance	*
Community & Social Science	*
Computer & Mathematical Science	*
Personal Care & Service	*
Protective Service	*

* Insufficient data reported

Figure 26 shows the percent of planned expansion by occupational category. Production represents the largest category among current vacancies (**Figure 2**, page 2) and the category accounts for 14.9 percent of the planned payroll expansion positions. Office & administrative support occupations, on the other hand, represent 12.5 percent of current vacancies and employers planning to expand their payrolls indicated they plan on increasing payroll most frequently within this category. The occupational categories that will be most affected are: office & administrative support, transportation & material moving, production and sales & related.

Planned Workforce Reduction

Very few (2.6%) of the employers surveyed are planning to reduce their workforce in the future. Of those employers planning on reducing their workforce, 87.5 percent indicated they were planning to do so within 12 months and 12.5 percent plan to do so in two to three years. None (0.0%) of the companies planning to downsize would be interested in working with a local education provider to set up programs to train/educate employees to transition to new jobs.

Figure 27
Reasons for Workforce Reduction
Ranked by Relative Importance

Figure 27 compares employer's stated reasons for planning to reduce the size of their workforce. The reasons indicated as being of greatest importance in deciding to reduce the size of workforces include outsourcing of business operations, reduced profits from current operations and reduced share of existing markets. Commonly cited other reasons for companies reducing their workforce include productivity improvements in technology.

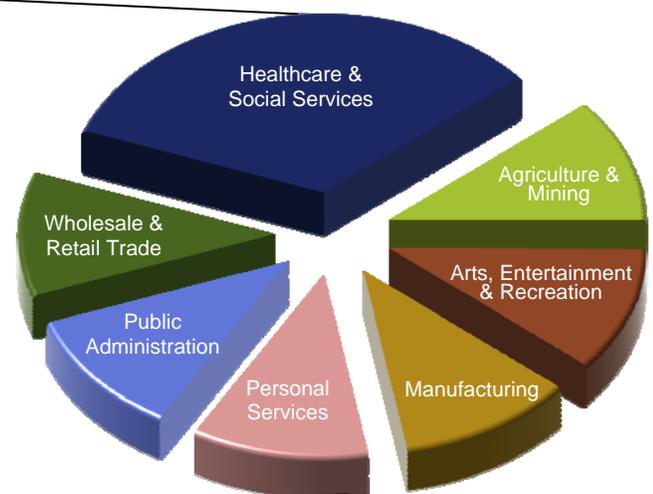
Reasons for Downsizing
Outsourcing of business operations
Reduced profits from current operations
Reduced share of existing market
Changes in tax or regulatory burdens
Exit from existing markets or business division closing
Closing an existing location
Expenses related to benefits
Respond to reduced market demands
Business sale or closure

The middle column in **Figure 28**, "Percent of Each Industry," shows what percentage of each industry is planning to reduce their payroll in the future. The far right column, "Percent of Total," shows what percentage of all businesses planning to reduce their payroll is accounted for by each industry. For example, 10.0 percent of all businesses in the healthcare & social services industry are planning to reduce their payroll in the future. Those businesses within the healthcare & social services industry make up 33.4 percent of all the businesses in the survey that are planning to reduce their payrolls in the future.

Figure 28
Planned Payroll Reduction

Industry	Percent of Each Industry	Percent of Total
Healthcare & Social Services	10.0%	33.4%
Agriculture & Mining	4.5%	11.1%
Arts, Entertainment & Recreation	20.0%	11.1%
Manufacturing	3.1%	11.1%
Personal Services	5.0%	11.1%
Public Administration	3.8%	11.1%
Wholesale & Retail Trade	1.4%	11.1%
Accommodation & Food Services	*	*
Administrative & Waste Services	*	*
Construction	*	*
Educational Services	*	*
Finance, Insurance & Real Estate	*	*
Information	*	*
Management	*	*
Professional & Technical Services	*	*
Transportation & Warehousing	*	*
Utilities	*	*

**Percent of Total
Planning to Downsize**



* Insufficient data reported

Retirement

Currently, there are 2,540 individuals over the age of 64 working throughout the Northwest Iowa Development area. They represent approximately 5.5 percent of the total workforce. The wholesale & retail trade (8.2%); public administration (7.5%); and transportation & material moving (7.4%) industries have the highest percentage of their workforce over the age of 64. There are more males than females in this portion of the workforce, with 53.6 and 46.4 percent respectively⁴.

Of those employees eligible to retire, almost all (93.8%) of them meet the current skill requirements of the positions they occupy. It's also notable that retirement eligibility requirements do vary by employer and industry.

While the number of retirees can be somewhat hard for employers to gauge as they look toward the future, **Figure 30** presents the annual estimated number of eligible retirees through 2016. 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.

There are an estimated 2,151 employees already eligible to retire who have remained in their positions. These retirement-eligible employees may be choosing to remain in the workforce due to their employer's retention efforts or due to personal reasons. According to the survey, an average of 1.2 percent of the region's workforce becomes eligible for retirement each year (538 divided by total employment of about 46,069 workers). Future analysis of trend data will help us understand how many retirement eligible workers are remaining in the workforce and for how long.

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.

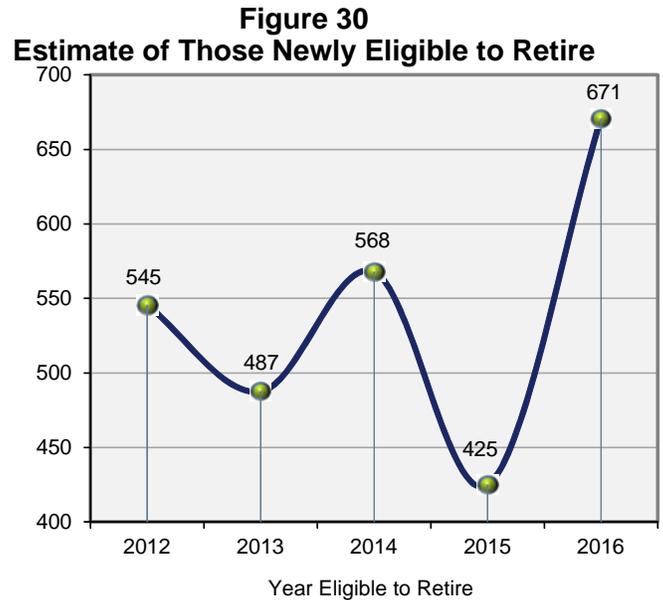
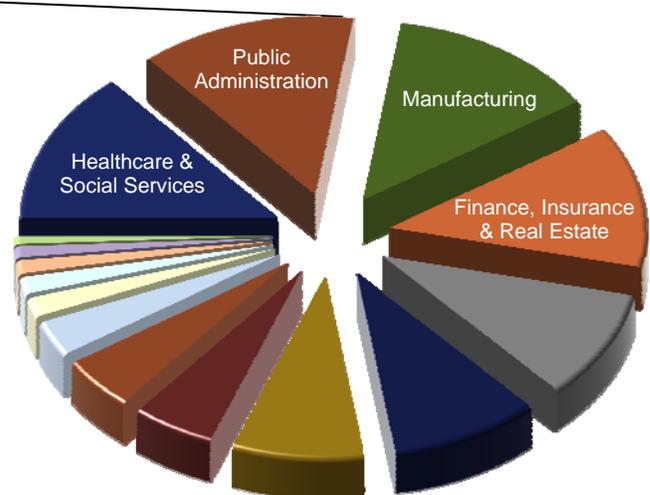


Figure 31 shows the estimated percentage of potential worker loss due to retirement by industry. In the next five years, there will be a significant number of workers eligible for retirement from the healthcare & social services; public administration, manufacturing; and finance, insurance & real estate industries.

Figure 31
Retirement Eligibility by Industry

Industry	Percent of Expected Retirements
Healthcare & Social Services	13.7%
Public Administration	13.7%
Manufacturing	13.4%
Finance, Insurance & Real Estate	12.7%
Transportation & Warehousing	9.7%
Wholesale & Retail Trade	9.4%
Educational Services	8.2%
Utilities	5.2%
Construction	4.7%
Personal Services	3.2%
Administrative & Waste Services	1.7%
Agriculture & Mining	1.5%
Professional & Technical Services	1.2%
Information	1.0%
Accommodation & Food Services	0.7%
Arts, Entertainment & Recreation	*
Management	*



* Insufficient data reported

Figure 32
Retirement Eligibility within Each Occupational Category

Occupational Category	Percent Affected by Retirements
Management	18.9%
Office & Administrative Support	18.5%
Production	10.7%
Transportation & Material Moving	9.9%
Sales & Related	8.9%
Education, Training & Library	6.0%
Construction & Extraction	5.7%
Installation, Maintenance & Repair	5.7%
Healthcare Practitioner & Technical	4.0%
Business & Financial Operations	2.2%
Healthcare Support	1.7%
Food Preparation & Serving Related	1.5%
Building & Grounds Cleaning & Maintenance	1.2%
Protective Service	1.2%
Personal Care & Service	1.0%
Architecture & Engineering	0.5%
Arts, Design, Entertainment, Sports & Related	0.5%
Farming, Fishing & Forestry	0.5%
Legal	0.5%
Life, Physical & Social Science	0.5%
Community & Social Science	0.2%
Computer & Mathematical Science	0.2%

* Insufficient data reported

Figure 32 shows the percent of eligible retirement within each occupational category. Management positions represent the twelfth largest occupational category among current vacancies (1.5%) (**Figure 2**, page 2) and is the largest occupational category among jobs potentially affected by retiring workers. While production occupations make up 32.3 percent of the region's current vacancies (**Figure 2**, page 2), they are not significantly affected by workers potentially retiring (10.7%). The occupational categories that will potentially be the most affected are: management, office & administrative support, production and transportation & material moving.

Almost three-fourths (71.2%) of employers indicated that they are engaged in retiree retention efforts. **Figure 33** details employer responses regarding the strategies used to retain retirees. Over half (54.7%) of the employers are offering retirees flexible work schedules; followed by increased wages and/or bonuses; a change in duties/responsibilities; seasonal work schedules; additional training to upgrade their skills; more recognition for work done; benefits to part-time employees; benefits to retirees; allowing telecommuting/working from home; and "other" efforts.

Figure 33
Retiree Retention Efforts by Employers

Efforts to Keep/Attract Retirees	Percent
Flexible work schedules	54.7%
Increase wages and/or bonuses	43.8%
Change in duties/responsibilities	29.2%
Seasonal work schedules	19.7%
Offer additional training	19.0%
More recognition	18.2%
Benefits to part-time employees	14.6%
Benefits to retirees	6.6%
Telecommuting/working from home	5.1%
Other	0.0%

Figure 34
How Companies Plan to Replace Those Who Retire

Replacing Vacancies Due to Retirements	Percent
Combination of hiring outside workers and promoting from within the company	43.9%
Hire workers from outside of the company	37.0%
Not currently planning to fill these positions	11.0%
Promote employees from within the company	8.1%

Figure 34 shows how companies plan to fill vacant positions left behind from those who have retired. Of those who reported, 43.9 percent plan to use a combination of hiring outside workers along with promoting from within the company, 37.0 percent plan only to hire workers from outside the company, 11.0 percent do not currently plan on filling these positions and 8.1 percent plan on only promoting from within the company.

Conclusion

The Workforce Needs Assessment gives us an idea of the demand for workers within an industry. The survey shows a relatively high demand in the manufacturing; finance, insurance & real estate; and healthcare & social services industries. There are an estimated 747 vacancies in the manufacturing industry and a further 232 in the finance, insurance & real estate industry. Together these two industries account for almost three-fifths (55.7%) of all vacancies in the North Central Iowa Alliance area.

By occupational category the survey shows a relative high demand in the production, transportation & material moving and office & administrative support occupational categories. Production occupations account for an estimated 568 vacant positions and transportation & material moving accounts for another 335 positions. Production and transportation & material moving occupations together make up over half (51.4%) of the area's vacancies.

Nearly all (93.9%) of the current job vacancies reported require an education level at or below an associates degree. Less than one-tenth (6.1%) of current job vacancies require an undergraduate degree or higher. Over one-third (34.0%) of the current job vacancies reported require no experience, while 48.5 percent require experience totaling less than two years.

Vacancies due to upcoming retirements are showing, in total, slightly higher requirements than current job vacancies, where 37.5 percent of jobs will require a high school education, 12.5 percent will require technical training/certification and 12.5 percent will require an undergraduate degree. Job vacancies due to retirements will also require slightly more experience than current job vacancies, with 25.0 percent requiring no experience and 37.5 percent requiring experience totaling less than two years.

As a result of this survey, the region will be able to identify the gap between the existing workforce, the skills it possesses and the existing needs of industries. Identifying this gap will allow Iowa to assist community colleges, universities and other educational institutions in preparing upcoming workers with the necessary and appropriate skills to make them successful in the workforce.

This Workforce Needs Assessment Survey was conducted by Iowa Workforce Development's Regional Research & Analysis Bureau in partnership with the Iowa Association of Business and Industry.

Job Vacancies

The following section shows estimated vacancies for each reported job title utilizing data from the Workforce Needs Assessment Survey.

For more information use O*Net (<http://www.onetonline.org/>), which provides information on the following for each job title:

- Abilities
- Education
- Interests
- Job Tasks
- Job Zone
- Knowledge
- Related Occupations
- Skills
- Tools & Technology Used
- Wages & Employment - State/National
- Work Activities
- Work Context
- Work Styles
- Work Values

Figure 35
Estimated Reported Vacancies

Job Title	SOC Code	Estimated Vacancies
Food Batchmakers	51-3092	385
Laborers and Freight, Stock, and Material Movers, Hand	53-7062	152
Heavy and Tractor-Trailer Truck Drivers	53-3032	143
Customer Service Representatives	43-4051	134
Personal Care Aides	39-9021	112
Insurance Claims and Policy Processing Clerks	43-9041	36
Multiple Machine Tool Setters, Operators, and Tenders, Metal and Plastic	51-4081	36
First-Line Supervisors of Production and Operating Workers	51-1011	31
Accountants and Auditors	13-2011	27
Construction Laborers	47-2061	27
Molding, Coremaking, and Casting Machine Setters, Operators, and Tenders, Metal and Plastic	51-4072	27
Nursing Assistants	31-1014	27
Bus Drivers, School or Special Client	53-3022	22
Cooks, All Other	35-2019	22
Industrial Machinery Mechanics	49-9041	22
Waiters and Waitresses	35-3031	22
Farm Equipment Mechanics and Service Technicians	49-3041	18
Insurance Underwriters	13-2053	18
Retail Salespersons	41-2031	18
Water and Wastewater Treatment Plant and System Operators	51-8031	18
Welders, Cutters, Solderers, and Brazers	51-4121	18
Automotive Service Technicians and Mechanics	49-3023	13
Cleaners of Vehicles and Equipment	53-7061	13
Human Resources Specialists	13-1071	13
Office Clerks, General	43-9061	13
Teacher Assistants	25-9041	13
Team Assemblers	51-2092	13
Automotive Body and Related Repairers	49-3021	10
Bartenders	35-3011	10
Bus and Truck Mechanics and Diesel Engine Specialists	49-3031	10
Cashiers	41-2011	10
Chefs and Head Cooks	35-1011	10
Childcare Workers	39-9011	10
Computer Numerically Controlled Machine Tool Programmers, Metal and Plastic	51-4012	10
Cooks, Fast Food	35-2011	10
Farmworkers and Laborers, Crop, Nursery, and Greenhouse	45-2092	10
Farmworkers, Farm, Ranch and Aquacultural Animals	45-2093	10

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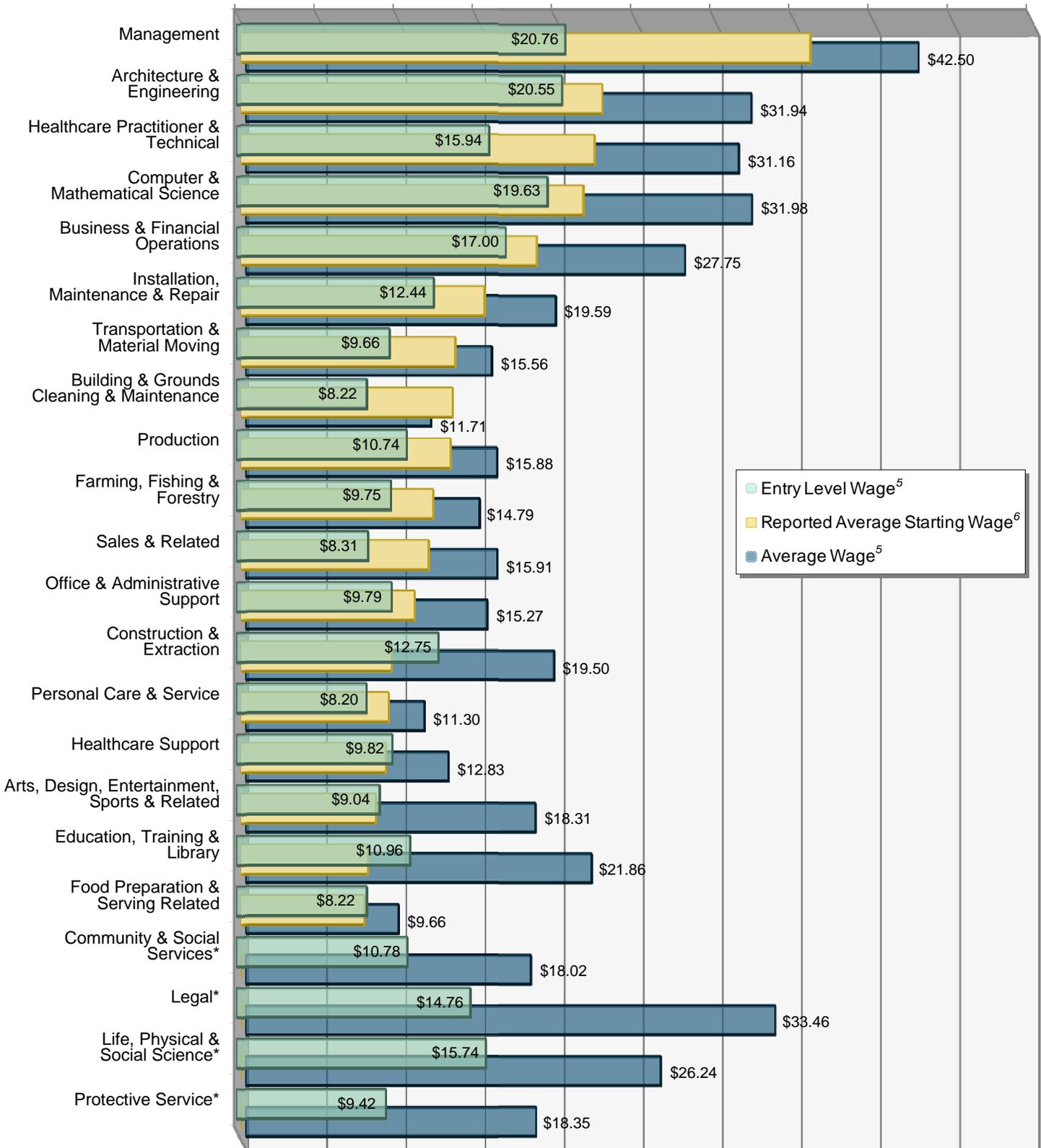
**Figure 35 (continued)
Estimated Reported Vacancies**

Job Title	SOC Code	Estimated Vacancies
Installation, Maintenance, and Repair Workers, All Other	49-9099	10
Mechanical Engineers	17-2141	10
Mixing and Blending Machine Setters, Operators, and Tenders	51-9023	10
Pesticide Handlers, Sprayers, and Applicators, Vegetation	37-3012	10
Registered Nurses	29-1141	10
Sales and Related Workers, All Other	41-9099	10
Sales Managers	11-2022	10
Tellers	43-3071	10
Welding, Soldering, and Brazing Machine Setters, Operators, and Tenders	51-4122	10
Wholesale and Retail Buyers, Except Farm Products	13-1022	10
Bookkeeping, Accounting, and Auditing Clerks	43-3031	4
Business Operations Specialists, All Other	13-1199	4
Buyers and Purchasing Agents, Farm Products	13-1021	4
Chief Executives	11-1011	4
Civil Engineers	17-2051	4
Combined Food Preparation and Serving Workers, Including Fast Food	35-3021	4
Computer Systems Analysts	15-1121	4
Credit Counselors	13-2071	4
Dental Hygienists	29-2021	4
Dining Room and Cafeteria Attendants and Bartender Helpers	35-9011	4
Electrical and Electronics Repairers, Commercial and Industrial Equipment	49-2094	4
Engineers, All Other	17-2199	4
Environmental Engineers	17-2081	4
Farmers, Ranchers, and Other Agricultural Managers	11-9013	4
Financial Managers	11-3031	4
Food Preparation Workers	35-2021	4
Graphic Designers	27-1024	4
Industrial Engineering Technicians	17-3026	4
Janitors and Cleaners, Except Maids and Housekeeping Cleaners	37-2011	4
Legislators	11-1031	4
Loan Officers	13-2072	4
Maids and Housekeeping Cleaners	37-2012	4
Market Research Analysts and Marketing Specialists	13-1161	4
Meat, Poultry, and Fish Cutters and Trimmers	51-3022	4
Occupational Therapist Aides	31-2012	4
Packers and Packagers, Hand	53-7064	4
Parts Salespersons	41-2022	4
Physical Therapists	29-1123	4
Production Workers, All Other	51-9199	4
Receptionists and Information Clerks	43-4171	4
Reporters and Correspondents	27-3022	4
Residential Advisors	39-9041	4
Sales Representatives, Wholesale and Manufacturing, Except Technical and Scientific Products	41-4012	4
Secretaries and Administrative Assistants, Except Legal, Medical, and Executive	43-6014	4
Shipping, Receiving, and Traffic Clerks	43-5071	4
Stock Clerks and Order Fillers	43-5081	4
Structural Metal Fabricators and Fitters	51-2041	4
Telecommunications Line Installers and Repairers	49-9052	4
Training Development Specialists	13-1151	4
Web Developers	15-1134	4
Weighers, Measurers, Checkers, and Samplers, Recordkeeping	43-5111	4
Estimated Total Vacancies		1,757

* Totals may vary due to rounding methods

Average Regional Starting Wages Compared to Statewide Entry Level & Statewide Average Hourly Wages

\$0.00 \$5.00 \$10.00 \$15.00 \$20.00 \$25.00 \$30.00 \$35.00 \$40.00 \$45.00 \$50.00



*insufficient data reported

⁵Entry Level Wage and Average Wage taken from 2012 Iowa Wage Survey.
⁶Average Starting Wage is taken from the Workforce Needs Assessment survey data.



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