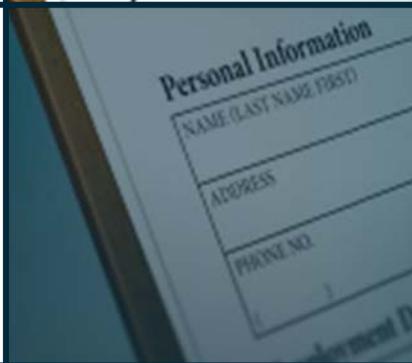


# MidIowa Growth Partnership

Calhoun, Hamilton, Hardin, Humboldt, Kossuth, Palo Alto, Pocahontas, Webster, & Wright Counties

## Workforce Needs Assessment



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# Midlowa Growth Partnership

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, 1,792 employers in the Midlowa Growth Partnership region 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 324 responses, yielding a 18.1 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 region. 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
Accommodation & Food Services	6.8%	25.4%	293
Healthcare & Social Services	10.8%	23.4%	271
Manufacturing	7.7%	14.4%	166
Wholesale & Retail Trade	18.5%	8.6%	100
Construction	9.6%	8.1%	94
Administrative & Waste Services	4.0%	3.3%	39
Agriculture & Mining	4.0%	2.9%	33
Personal Services	4.9%	2.9%	33
Public Administration	9.0%	2.4%	28
Finance, Insurance & Real Estate	6.5%	1.9%	22
Utilities	2.2%	1.9%	22
Educational Services	2.8%	1.4%	17
Information	4.6%	1.4%	17
Arts, Entertainment & Recreation	0.9%	1.0%	11
Transportation & Warehousing	3.4%	1.0%	11
Management	*	*	*
Professional & Technical Services	4.3%	*	*
<b>Total</b>	<b>100%</b>	<b>100%</b>	<b>1,157</b>

*\*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 food preparation & serving related, personal care & service, production and construction & extraction occupational categories, likewise, the highest number of vacancies by industry are in the accommodation & food services, healthcare & social services and manufacturing 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
Food Preparation & Serving Related	26.8%	310
Personal Care & Service	12.0%	138
Production	11.5%	133
Construction & Extraction	9.6%	111
Installation, Maintenance & Repair	6.7%	77
Healthcare Support	5.7%	66
Office & Administrative Support	5.7%	66
Building & Grounds Cleaning & Maintenance	3.8%	44
Healthcare Practitioner & Technical	3.3%	39
Life, Physical & Social Science	2.9%	33
Management	2.4%	28
Community & Social Science	1.9%	22
Sales & Related	1.9%	22
Education, Training & Library	1.4%	17
Architecture & Engineering	1.0%	11
Computer & Mathematical Science	1.0%	11
Transportation & Material Moving	1.0%	11
Farming, Fishing & Forestry	0.5%	6
Legal	0.5%	6
Protective Service	0.4%	6
Arts, Design, Entertainment, Sports & Related	*	*
Business & Financial Operations	*	*
<b>Total</b>	<b>100%</b>	<b>1,157</b>

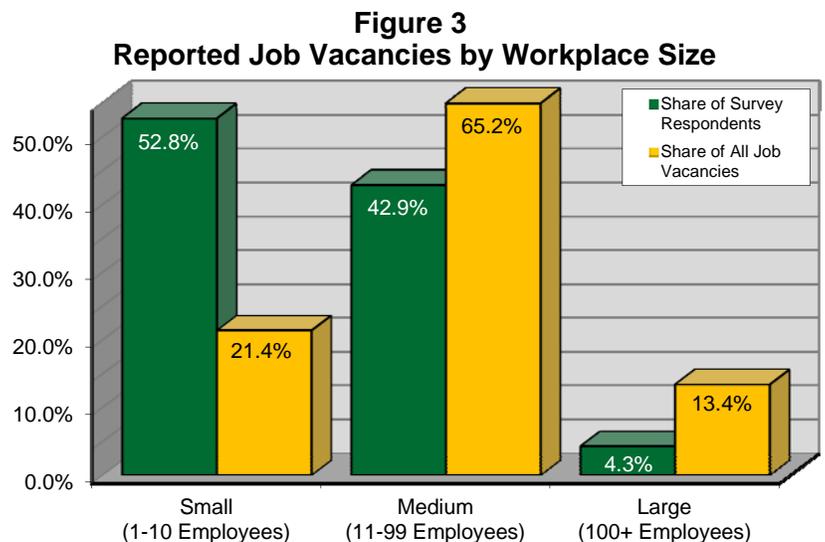
*\*Insufficient data reported*

*\*Totals may vary due to rounding methods*

Of the survey respondents, 69 (21.3%) reported having one or more current or anticipated job vacancies, while 255 respondents (78.7%) reported having no job vacancies. A total of 209 current job vacancies were reported for the Midlowa Growth Partnership region, consisting of 47.4 percent full-time, 43.1 percent part-time and 9.5 percent seasonal or temporary positions. When asked why positions are currently vacant, employers responded as follows:

- 32.9% - Permanent business growth/expansion
- 6.6% - Seasonal business growth/expansion
- 4.8% - Replacing retiring employee
- 55.7% - 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, 52.8 percent were businesses with 10 or fewer employees, 42.9 percent had between 11 and 99 employees and 4.3 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 4.3 percent of the survey responses, they reported over one-tenth (13.4%) of the total job vacancies in the Midlowa Growth Partnership Region.



One measure of workforce demand is determined by the job vacancy rate. With an estimated 1,157 job vacancies and a regional employment total of 54,524<sup>1</sup>, there is a 2.1 percent vacancy rate or approximately two 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 <sup>1</sup>	Vacancy Rate
Accommodation & Food Services	3,652	8.0%
Utilities	291	7.6%
Administrative & Waste Services	969	4.0%
Construction	2,690	3.5%
Healthcare & Social Services	8,697	3.1%
Arts, Entertainment & Recreation	365	3.0%
Personal Services	1,320	2.5%
Manufacturing	8,030	2.1%
Agriculture & Mining	2,000	1.7%
Information	1,037	1.6%
Finance, Insurance & Real Estate	2,194	1.0%
Wholesale & Retail Trade	10,425	1.0%
Public Administration	3,624	0.8%
Transportation & Warehousing	1,992	0.6%
Educational Services	5,755	0.3%
Management	202	*
Professional & Technical Services	1,281	*

*\*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 region with the highest vacancy rates are accommodation & food services (8.0%), utilities (7.6%) and administrative & waste services (4.0%). 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 (14.4%); food preparation & serving related (6.2%); and life, physical & social science (5.7%). 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 <sup>2</sup>	Vacancy Rate
Personal Care & Service	960	14.4%
Food Preparation & Serving Related	4,990	6.2%
Life, Physical & Social Science	580	5.7%
Construction & Extraction	2,490	4.5%
Computer & Mathematical Science	320	3.4%
Healthcare Support	2,580	2.6%
Production	5,260	2.5%
Installation, Maintenance & Repair	3,190	2.4%
Building & Grounds Cleaning & Maintenance	1,960	2.2%
Architecture & Engineering	530	2.1%
Community & Social Science	1,100	2.0%
Legal	320	1.9%
Farming, Fishing & Forestry	410	1.5%
Healthcare Practitioner & Technical	3,370	1.2%
Management	2,400	1.2%
Office & Administrative Support	8,700	0.8%
Protective Service	970	0.6%
Sales & Related	5,690	0.4%
Education, Training & Library	4,880	0.3%
Transportation & Material Moving	5,640	0.2%
Arts, Design, Entertainment, Sports & Related	330	*
Business & Financial Operations	1,620	*

*\*Insufficient data reported*

<sup>1</sup>Annual 2012 total statewide employment from Iowa Workforce Development

<sup>2</sup>Iowa employment by occupational category computed from 2011-2012 Iowa Local Employment Dynamics

**Figure 6** presents the Hiring Demand Index (HDI)<sup>3</sup> 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 building & ground cleaning & maintenance occupational category has an above average vacancy rate of 2.2 percent, while the vacancy rate for all categories is 2.0 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 28.1 percent, while the turnover rate for all occupations is 27.1 percent. The HDI for the building & grounds cleaning & maintenance occupational category, is calculated as follows:

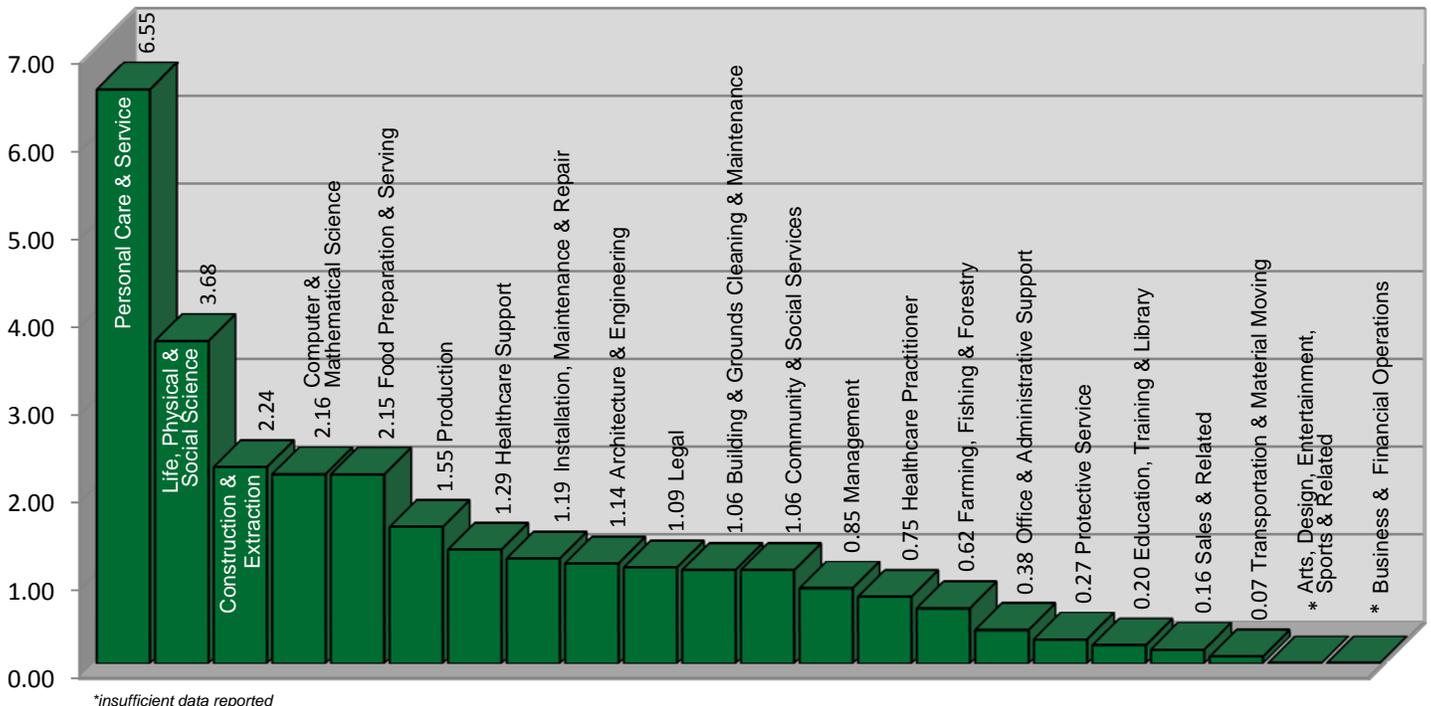
$$(2.2\% \div 2.0) \div (28.1\% \div 27.1\%) = 1.06$$

Using the HDI, we can see that the hiring demand for the building & grounds cleaning & maintenance 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**



<sup>3</sup>The 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	22.8%
High School Education/GED	45.7%
Vocational/Technical Training	16.0%
Associate Degree	9.9%
Undergraduate Degree	3.7%
Postgraduate/Professional Degree	1.9%

**Figure 8**  
**Experience Required - Current Vacancies**

Experience Required	Percent
No Experience Required	62.5%
Less than 1 Year	10.6%
1-2 Years	15.7%
3-5 Years	5.6%
More than 5 Years	5.6%

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**.

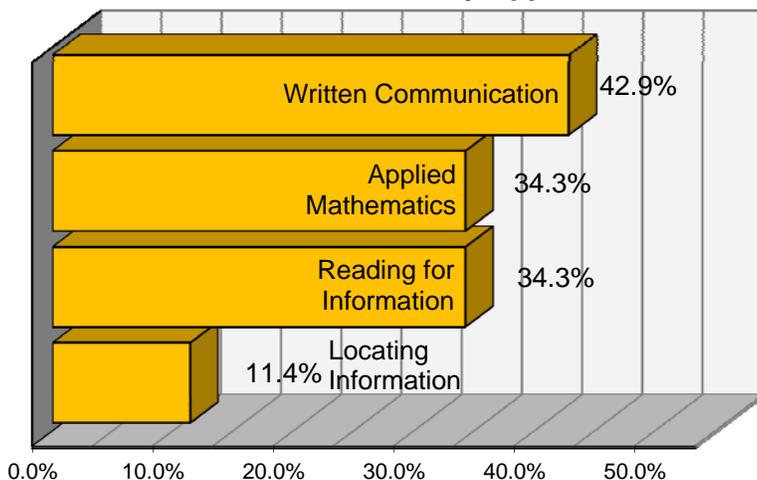
We can begin to analyze any workforce gaps by comparing the inventory of skills needed by employers and those skills held by the population of workers as presented in a Laborshed analysis. This gap is then analyzed and the necessary training and education programs can be formalized through a Skillshed 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.	16.1%	36.8%	28.7%	12.9%	5.5%
In general, applicants possess the basic skills required for the job.	15.3%	41.9%	31.6%	8.0%	3.2%
In general, applicants possess the soft skills required for the job.	8.6%	33.4%	39.5%	15.3%	3.2%
In general, applicants possess the occupational skills required for the job.	8.7%	32.5%	33.4%	19.3%	6.1%
There is often a problem filling this position because applicants are disqualified due to controlled substance testing.	3.8%	6.4%	30.5%	19.2%	40.1%
There is often a problem filling this position because applicants are disqualified for failure to pass a background check.	6.1%	8.1%	31.3%	22.9%	31.6%

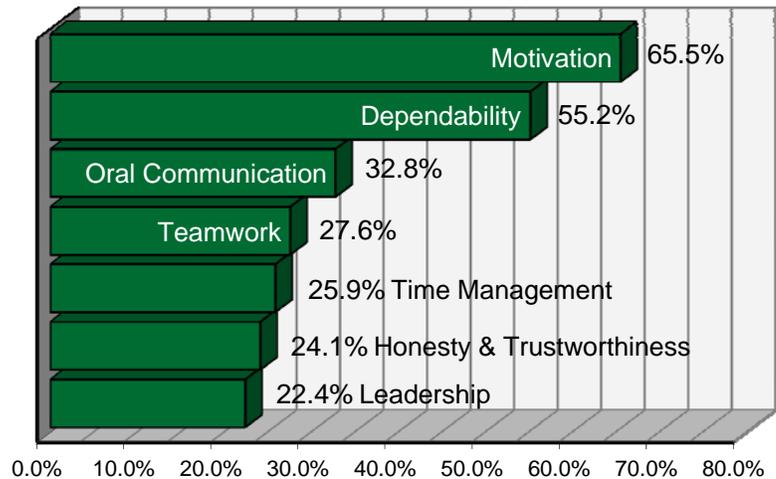
**Figures 10, 11 and 12** break down basic, soft and occupational skills that employers reported were lacking by applicants to fill open positions.

**Figure 10**  
**Basic Skills Lacked by Applicants**



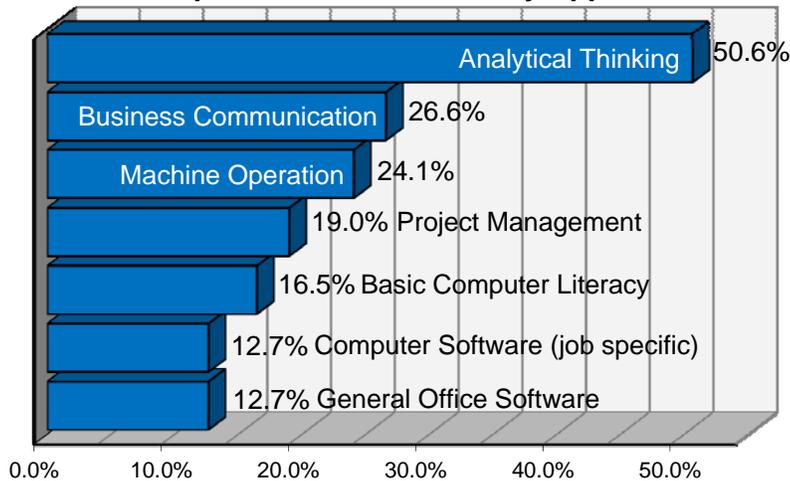
**Basic skills** are those skills developed during the elementary and middle part of an individual's education. These skills include literacy, numeracy (the ability to do arithmetic and reason with numbers), basic computer skills and organization. Over one-tenth (11.2%) of employers surveyed feel that 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](http://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. Less than one-fifth (18.5%) 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 (25.4%) 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	46.9%
Commercial training provider	23.1%
Online	19.4%
Employee self-directed training	18.5%
No training provided	14.5%
College/University	10.8%
Trade school	9.9%
Other	5.9%

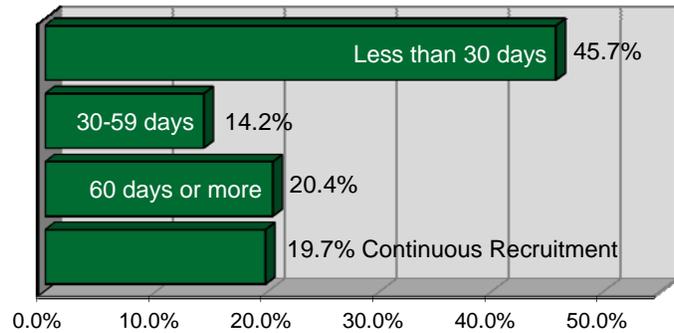
**Figure 13** indicates where employers are sending their employees for training to satisfy job requirements. When training is provided, most employers are currently using in-house training or commercial training providers. Almost all (88.6%) of employers report taking employee input under consideration when planning what training to provide. Nearly one-third (30.5%) of employers also expressed an interest in working more closely with local education providers to implement training programs.

# Recruitment

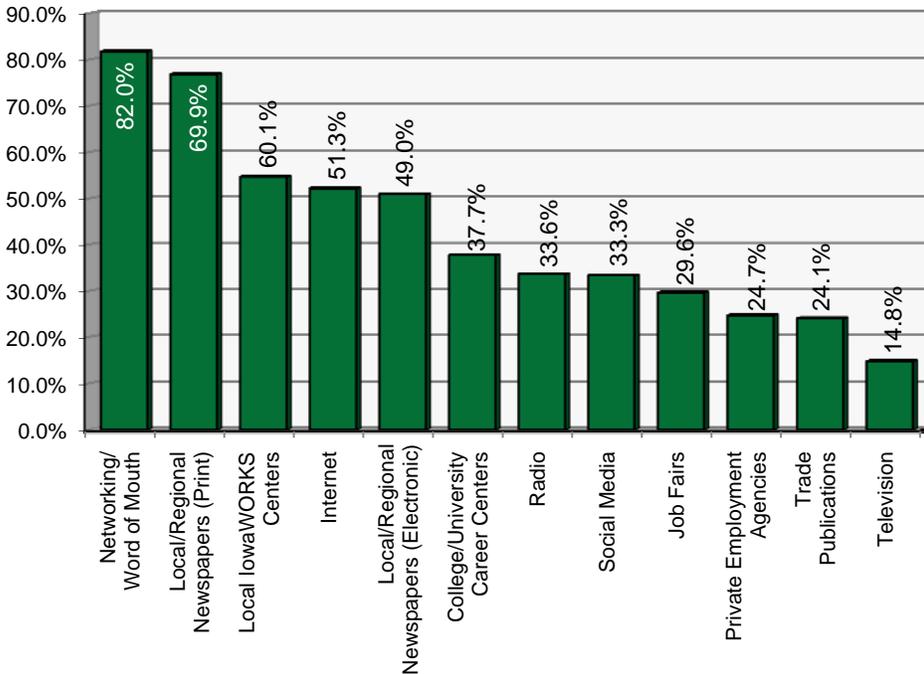
The time span from when a job vacancy becomes available to the time it is filled is referred to as the recruitment period.

**Figure 14** details the recruitment periods reported by employers within the Midlowa Growth Partnership region.

**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 region 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.

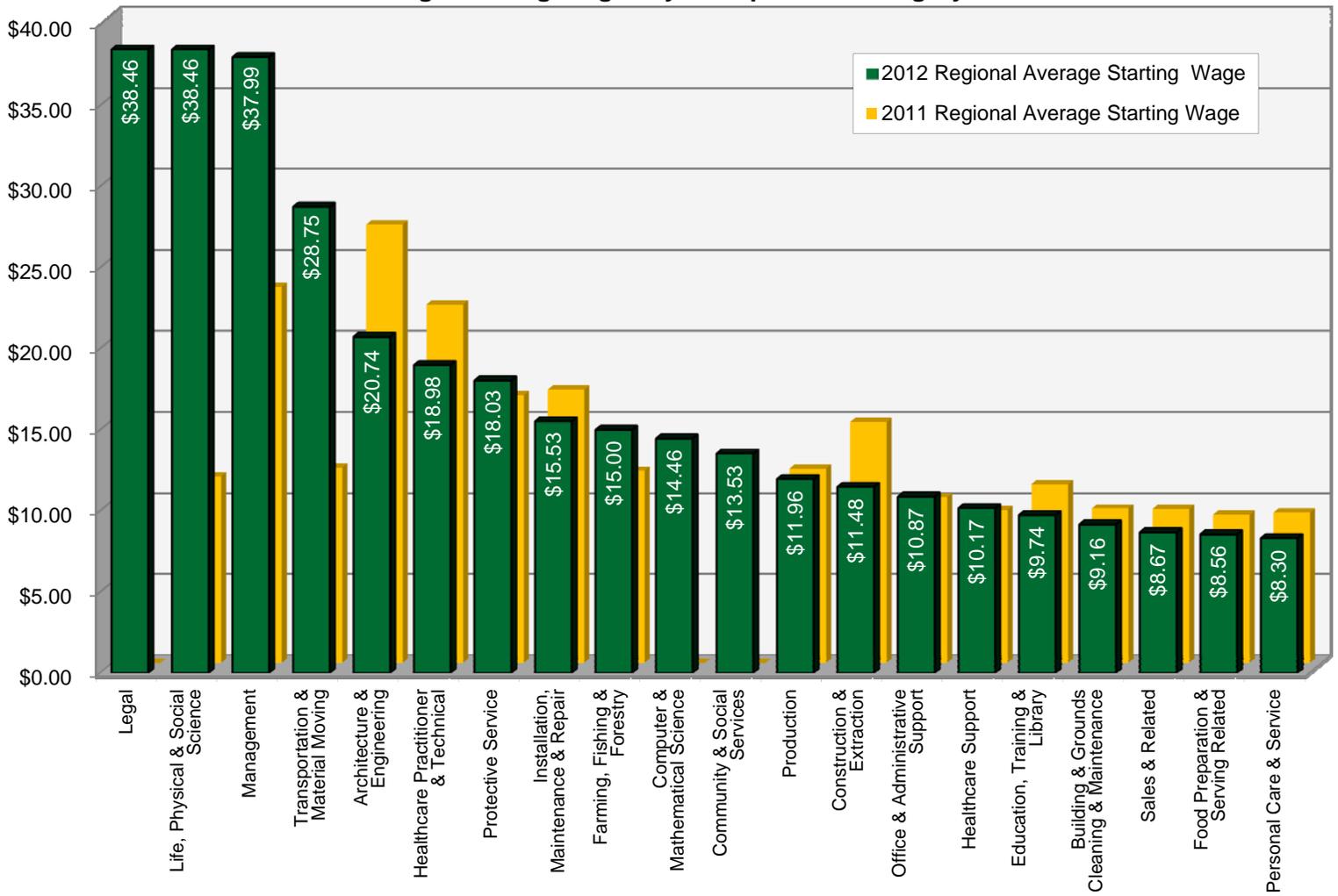
Employers utilized a variety of media to recruit potential employees. Respondents indicated that the most useful media outlets were networking/word of mouth, followed by print editions of local and regional newspapers, local IowaWORKS centers, the internet, electronic editions of local/regional newspapers,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

Potential employees, on the other hand, were most likely to go first to the internet, followed by local/regional newspapers, networking/word of mouth, local IowaWORKS centers and private employment agencies 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 Midlowa Growth Partnership Regional Laborshed Report

([http://www.iowaworkforce.org/lmi/labsur/mid\\_iowa\\_growth\\_partnership\\_exec\\_sum\\_2013.pdf](http://www.iowaworkforce.org/lmi/labsur/mid_iowa_growth_partnership_exec_sum_2013.pdf)).

**Figure 16**  
**Average Starting 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 legal; life, physical & social science; management; transportation & material moving; and architecture & engineering 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	90.9%	6.8%
Prescription Drug Plans	73.0%	6.4%
Life Insurance	66.4%	9.0%
Accidental Death & Dismemberment	50.0%	5.0%
Dental	49.4%	5.4%
Long Term Disability	43.4%	5.0%
Short-Term Disability	39.6%	6.4%
Vision	32.6%	3.7%

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
Company Vehicle	65.2%	34.1%
Bonuses	61.7%	29.0%
Retirement Package	53.5%	22.6%
Flex Spending Accounts/Cafeteria Plans	47.9%	13.1%
Uniform Allowances	47.0%	19.1%
Tuition Assistance	25.0%	12.2%
Profit Sharing/Stock Options	21.6%	7.7%
Wellness Programs	20.6%	13.2%
Employee Assistance Program	18.7%	10.4%
Shift Differential Pay	14.0%	11.3%
Relocation/Moving Expenses	9.1%	1.4%
Childcare	2.5%	1.4%

The Midlowa Growth Partnership region Laborshed Analysis was used to identify current benefit packages being offered to employees within the region. These benefits include; health/medical insurance (87.7%), pension/retirement options (68.2%), dental coverage (54.1%), paid vacation (52.4%), life insurance (36.8%), paid sick leave (35.7%), paid holidays (34.2%), vision coverage (34.1%), disability insurance (28.1%), prescription drug coverage (22.6%) and paid time off (6.9%). Nearly three-quarters (71.2%) of the employers and employees are reported as sharing in the premium costs of health/medical insurance, 22.6 percent of the employers are reported as covering the entire cost of insurance premiums while 6.1 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	92.4%	32.9%
Vacation	83.3%	23.0%
Bereavement/Funeral	77.3%	24.0%
Sick Leave	63.8%	17.1%
Personal Days/Floating Holidays	52.8%	14.4%
Maternity/Paternity	48.6%	14.9%
Combined Paid Time Off (PTO)	47.9%	16.4%
Training	47.3%	15.9%

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.

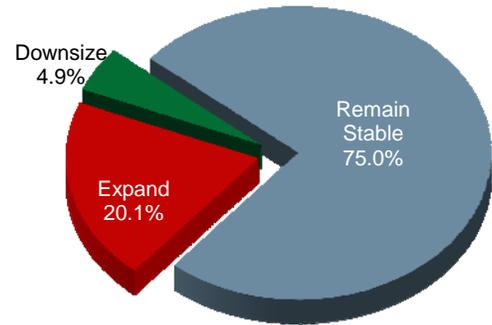
# Future Plans

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.

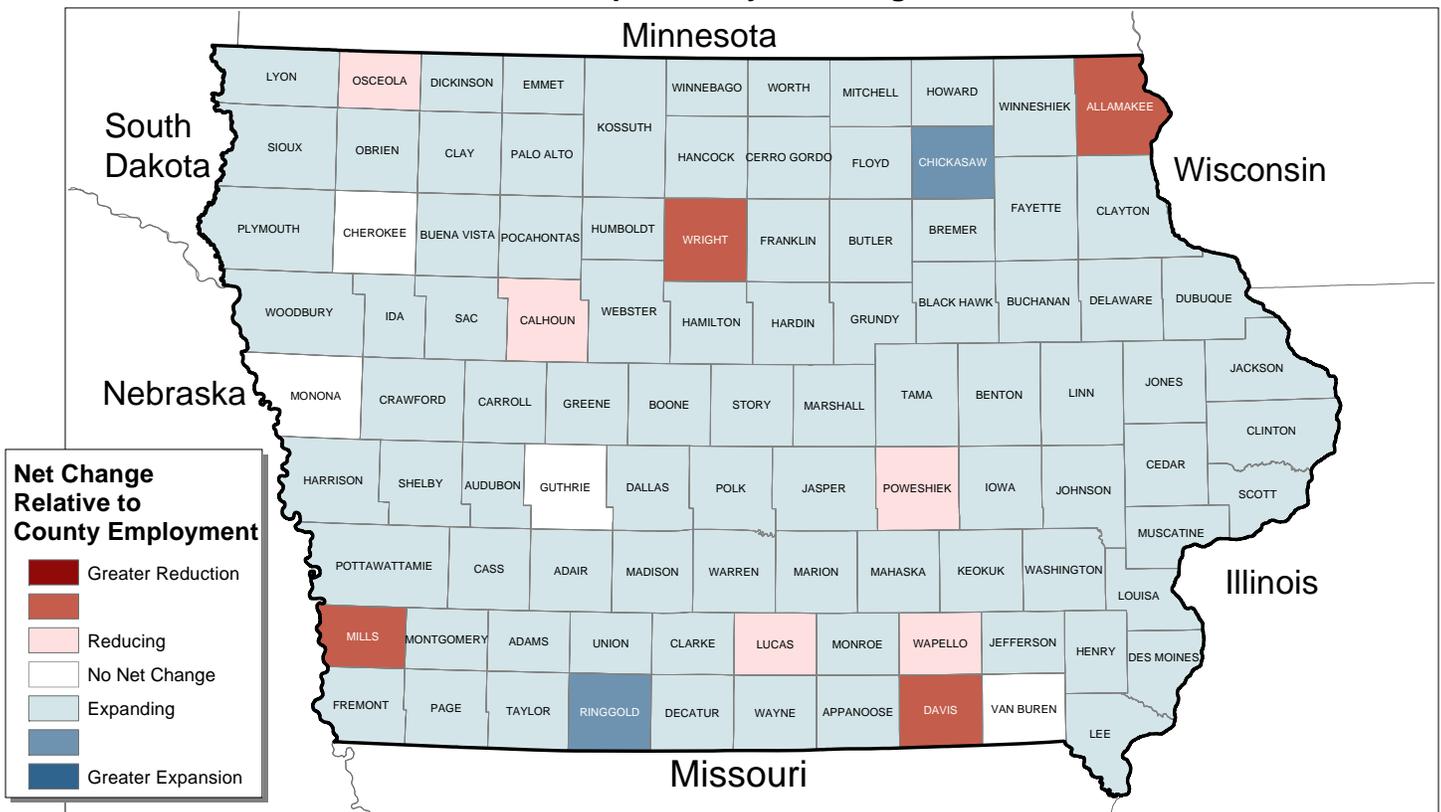
When analyzing reported workforce changes, it is important to note not only the specific reasons provided by employers but also the business and economic environment during which the employers were surveyed. Because of the great uncertainty surrounding the near-term economic health of the region, many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

**Figure 20**  
**Future Workforce Plans**

**Figure 20** shows the proportion of employers planning to expand, reduce or maintain the size of their workforce. Three-fourths (75.0%) of employers are planning to keep the size of their workforce steady while 20.1 percent of employers plan to expand their workforce and only 4.9 percent plan to reduce their workforce.



**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

Over one-fifth (20.1%) of the employers surveyed are planning to expand their workforce in the future. Of those employers planning on expanding their workforce, 52.5 percent indicated they were planning to do within 12 months, 21.3 percent indicated that they were planning to expand in one to two years, 18.0 percent are planning to expand in two to three years and 8.2 percent plan to expand in more than three years. Two-fifths (40.0%) 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
Increase share of existing market
Meet current market demands
Entry into new markets
Merger/Acquisition
Insourcing of business operations
Changes in tax or regulatory incentives
Reduction of overtime
Opening a new location

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 plans to increase their share of existing markets, meeting current market demands and entering new markets. Common other reasons include building a buffer against high turnover.

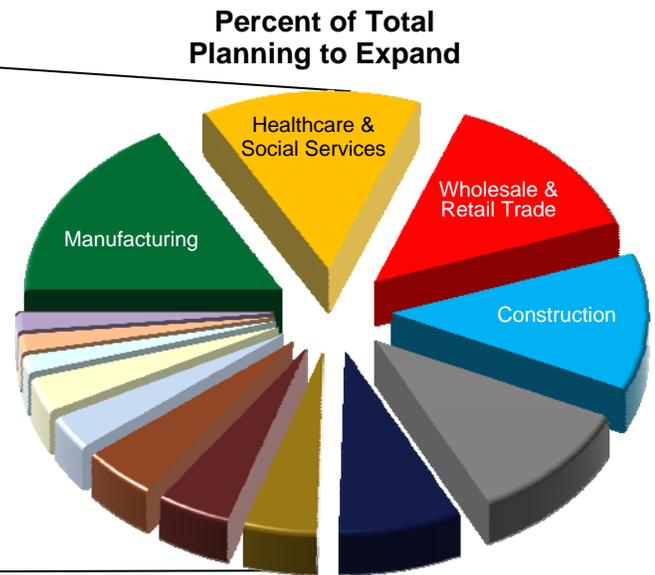
**Figure 23**  
**Constraints Preventing Payroll Expansion**  
**Ranked by Relative Importance**

**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 marginal cost of additional labor, increases in cost of benefits and competition within existing markets.

Impediments for Expansion
Cost of additional labor
Expense related to benefits
Competition within existing markets
Lack of available skilled workforce
No desire to expand
Tax or regulatory issues
Uncertainty in current market demands
Limited access to capital
Barriers to entering new markets
Insufficient space at current location/inability to find appropriate new location
Supply chain limitations
Planned merger/acquisition or business sale/transfer
Dont know steps/processes needed to expand

**Figure 24  
Planned Payroll Expansion**

Industry	Percent of Each Industry	Percent of Total
Manufacturing	44.0%	16.9%
Healthcare & Social Services	25.7%	13.8%
Wholesale & Retail Trade	15.0%	13.8%
Construction	25.8%	12.3%
Accommodation & Food Services	31.8%	10.8%
Finance, Insurance & Real Estate	23.8%	7.7%
Administrative & Waste Services	23.1%	4.6%
Agriculture & Mining	23.1%	4.6%
Personal Services	18.8%	4.6%
Transportation & Warehousing	18.2%	3.2%
Public Administration	6.9%	3.2%
Utilities	14.3%	1.5%
Professional & Technical Services	7.1%	1.5%
Information	6.7%	1.5%
Arts, Entertainment & Recreation	*	*
Educational Services	*	*
Management	*	*



\*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 is 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, 44.0 percent of all businesses in the manufacturing industry are planning to expand their payroll in the future. Those businesses within the manufacturing industry make up 16.9 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	52.5%
1-2 years	21.3%
2-3 years	18.0%
More than 3 years	8.2%

**Figure 26** shows the percent of planned expansion by occupational category. Food preparation & serving related occupations represent one of the largest categories among current vacancies (**Figure 2**, page 2) but the category accounts for 4.8 percent of the planned payroll expansion positions. Production related occupations represent 11.5 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: production; management; construction & extraction; office & administrative support; and installation, maintenance & repair.

**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
Production	23.6%
Management	15.2%
Construction & Extraction	13.9%
Office & Administrative Support	10.3%
Installation, Maintenance & Repair	6.7%
Transportation & Material Moving	5.5%
Food Preparation & Serving Related	4.8%
Business & Financial Operations	3.6%
Healthcare Support	3.6%
Community & Social Science	3.0%
Healthcare Practitioner & Technical	2.4%
Building & Grounds Cleaning & Maintenance	1.8%
Sales & Related	1.8%
Architecture & Engineering	1.2%
Personal Care & Service	1.2%
Computer & Mathematical Science	0.7%
Farming, Fishing & Forestry	0.7%
Arts, Design, Entertainment, Sports & Related	*
Education, Training & Library	*
Legal	*
Life, Physical & Social Science	*
Protective Service	*

\*Insufficient data reported

## Planned Workforce Reduction

Very few (4.9%) of the employers surveyed are planning to reduce their workforce in the future. Of those employers planning on reducing their workforce, 57.1 percent indicated they were planning to do so within 12 months, 35.7 percent indicated that they were planning to downsize in 1 to 2 years and 7.1 percent are planning to downsize in 2 to 3 years. Almost half (46.7%) 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 Downsizing  
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 responding to reduced market demand, closing an existing location and changes in tax or regulatory burdens. Commonly cited other reasons for companies reducing their workforce include reduced public funding.

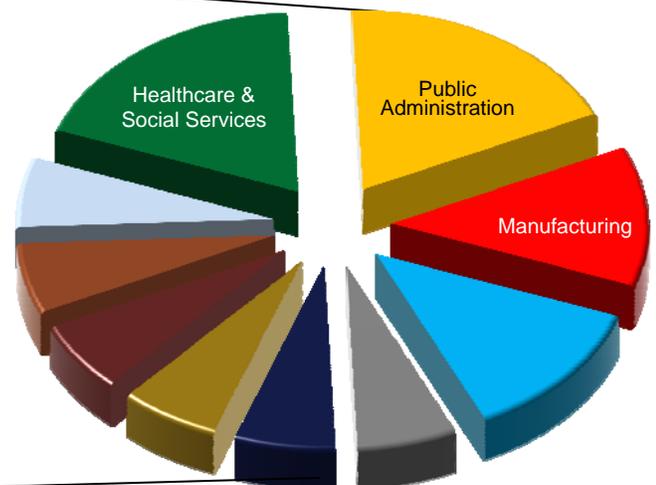
Reasons for Downsizing
Respond to reduced market demands
Closing an existing location
Changes in tax or regulatory burdens
Reduced profits from current operations
Outsourcing of business operations
Business sale or closure
Exit from existing markets or business division closing
Expenses related to benefits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

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, 8.6 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 18.8 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	8.6%	18.7%
Public Administration	10.3%	18.7%
Manufacturing	8.0%	12.4%
Transportation & Warehousing	18.2%	12.4%
Construction	3.2%	6.3%
Educational Services	11.1%	6.3%
Finance, Insurance & Real Estate	4.8%	6.3%
Information	6.7%	6.3%
Utilities	14.3%	6.3%
Wholesale & Retail Trade	1.7%	6.3%
Accommodation & Food Services	*	*
Administrative & Waste Services	*	*
Agriculture & Mining	*	*
Arts, Entertainment & Recreation	*	*
Management	*	*
Personal Services	*	*
Professional & Technical Services	*	*

**Percent of Total Planning to Downsize**



\*Insufficient data reported



# Retirement

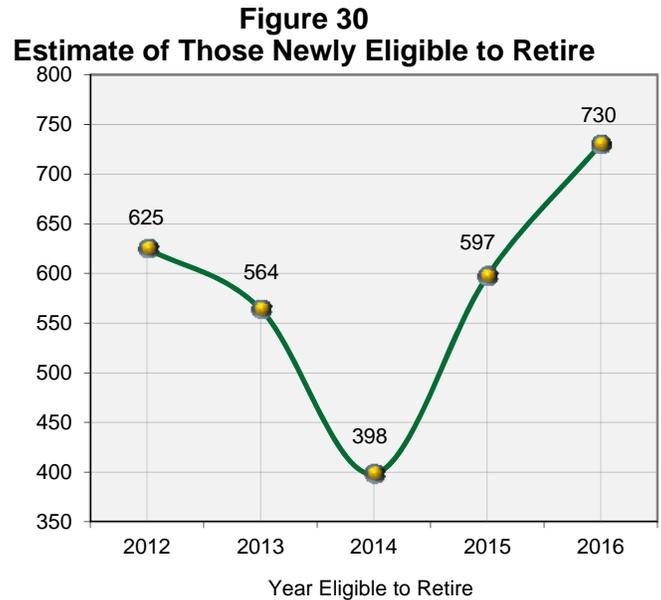
Currently, there are 2,864 individuals over the age of 64 working throughout the Midlowa Growth Partnership Region. They represent approximately 5.3 percent of the total workforce. The personal services (7.7%); information (7.6%); and professional & technical services (7.6%) industries have the highest percentage of their workforce over the age of 64. There are more males than females in this portion of the workforce, with 50.3 and 49.7 percent respectively<sup>4</sup>.

Of those employees eligible to retire, almost all (95.0%) 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 2,290 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 1.0 percent of the region's workforce becomes eligible for retirement each year (572 divided by total employment of about 54,524 workers). Future analysis of trend data will help us understand how many retirement eligible workers are remaining in the workforce and for how long.

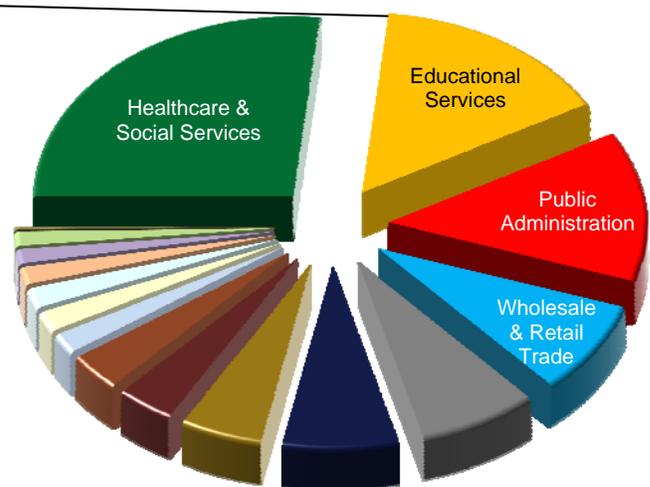
The future year estimates in subsequent reports will reflect employees who did not retire in the year they actually were eligible as they may choose to continue their employment because of retention efforts by employers.



**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, educational services and public administration industries.

**Figure 31**  
**Retirement Eligibility by Industry**

Industry	Percent of Expected Retirements
Healthcare & Social Services	26.7%
Educational Services	15.2%
Public Administration	13.4%
Wholesale & Retail Trade	8.2%
Manufacturing	7.5%
Construction	7.2%
Finance, Insurance & Real Estate	5.1%
Agriculture & Mining	3.6%
Utilities	3.3%
Accommodation & Food Services	1.8%
Professional & Technical Services	1.8%
Transportation & Warehousing	1.8%
Personal Services	1.5%
Administrative & Waste Services	1.3%
Information	1.3%
Arts, Entertainment & Recreation	0.3%
Management	*



\*Insufficient data reported

**Figure 32**  
**Retirement Eligibility within each Occupational Category**

Occupational Category	Percent Affected by Retirements
Management	21.0%
Office & Administrative Support	15.2%
Education, Training & Library	10.3%
Personal Care & Service	7.2%
Production	6.4%
Transportation & Material Moving	5.4%
Healthcare Practitioner & Technical	4.6%
Installation, Maintenance & Repair	4.6%
Construction & Extraction	4.4%
Healthcare Support	4.4%
Sales & Related	3.6%
Food Preparation & Serving Related	3.3%
Building & Grounds Cleaning & Maintenance	2.8%
Business & Financial Operations	2.3%
Farming, Fishing & Forestry	1.8%
Protective Service	1.3%
Community & Social Science	1.0%
Arts, Design, Entertainment, Sports & Related	0.4%
Architecture & Engineering	*
Computer & Mathematical Science	*
Legal	*
Life, Physical & Social Science	*

*\*Insufficient data reported*

**Figure 32** shows the percent of eligible retirement within each occupational category. Management positions supported the eleventh largest occupational category among current vacancies (2.4%) (**Figure 2**, page 2) and is the largest occupational category among jobs potentially affected by retiring workers. While food preparation & serving related occupations make up 26.8 percent of the region's current vacancies (**Figure 2**, page 2), they are not significantly affected by workers potentially retiring (3.3%). The occupational categories that will potentially be the most affected are: management; office & administrative support; education, training & library; and personal care & service.

Over two-thirds (70.4%) of employers indicated that they are engaged in retiree retention efforts. **Figure 33** details employer responses regarding the strategies used to retain retirees. Nearly half (45.8%) of the employers are offering retirees increased wages and/or bonuses; followed by flexible work schedules; a change in duties/responsibilities; additional training to upgrade their skills; other or no efforts; more recognition for work done; benefits to part-time employees; seasonal work schedules; allowing telecommuting/working from home; and benefits to retirees.

**Figure 33**  
**Retiree Retention Efforts by Employers**

Efforts to Keep/Attract Retirees	Percent
Increase wages and/or bonuses	45.8%
Flexible work schedules	38.9%
Change in duties/responsibilities	31.3%
Offer additional training	29.8%
Other/none	16.8%
More recognition	16.0%
Benefits to part-time employees	13.0%
Seasonal work schedules	11.5%
Telecommuting/working from home	6.1%
Benefits to retirees	5.3%

**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	45.0%
Hire workers from outside of the company	30.6%
Not currently planning to fill these positions	12.2%
Promote employees from within the company	12.2%

**Figure 34** shows how companies plan to fill vacant positions left behind from those who have retired. Of those who reported, 30.6 percent plan only to hire workers from outside the company, 45.0 percent plan to use a combination of hiring outside workers along with promoting from within the company, 12.2 percent do not currently plan on filling these positions and 12.2 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 relative high demand in the accommodation & food services, healthcare & social services and manufacturing industries. By occupational category the survey shows a relative high demand in the food preparation & serving related, personal care & service and production occupational categories.

Currently, the region has a large number of estimated job vacancies in healthcare related occupations (105), including 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 11.5 percent of the current openings across the region. Together, these occupational categories account for 20.6 percent of all reported job vacancies, signaling a large number of opportunities for students and workers in related industries.

Most (94.4%) of the current job vacancies reportedly require an education level at or below an associates degree. Fewer than one-tenth (5.6%) of current job vacancies require an undergraduate degree or higher. Over three-fifths (62.5%) of the current job vacancies reportedly require no experience, while 26.3 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 62.5 percent of jobs will require a high school education, 25.0 percent will require technical training/certification and 12.5 percent will require an associates degree. Job vacancies due to retirements will also require slightly more experience than current job vacancies, with 16.7 percent requiring no experience and 50.0 percent requiring experience totaling less than two years.

As a result of this survey, the Midlowa Growth Partnership 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 the region 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 and validated by the University of Northern Iowa's Institute for Decision Making.*

## 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
Combined Food Preparation and Serving Workers, Including Fast Food	35-3021	277
Personal Care Aides	39-9021	88
Nursing Assistants	31-1014	61
Assemblers and Fabricators, All Other	51-2099	39
Construction Laborers	47-2061	39
Production Workers, All Other	51-9199	39
Environmental Science and Protection Technicians, Including Health	19-4091	28
Registered Nurses	29-1141	28
Automotive Service Technicians and Mechanics	49-3023	16
Community and Social Service Specialists, All Other	21-1099	16
Cooks, All Other	35-2019	16
Farm Equipment Mechanics and Service Technicians	49-3041	16
Maids and Housekeeping Cleaners	37-2012	16
Office Clerks, General	43-9061	16
Plumbers, Pipefitters, and Steamfitters	47-2152	16
Sheet Metal Workers	47-2211	16
Teacher Assistants	25-9041	16
Water and Wastewater Treatment Plant and System Operators	51-8031	16
Bus and Truck Mechanics and Diesel Engine Specialists	49-3031	10
Carpenters	47-2031	10
Crushing, Grinding, and Polishing Machine Setters, Operators, and Tenders	51-9021	10
First-Line Supervisors/Managers of Personal Service Workers	39-1021	10
Hairdressers, Hairstylists, and Cosmetologists	39-5012	10
Heavy and Tractor-Trailer Truck Drivers	53-3032	10
Home Appliance Repairers	49-9031	10
Janitors and Cleaners, Except Maids and Housekeeping Cleaners	37-2011	10
Landscaping and Groundskeeping Workers	37-3011	10
Locker Room, Coatroom, and Dressing Room Attendants	39-3093	10
Medical Secretaries	43-6013	10
Operating Engineers and Other Construction Equipment Operators	47-2073	10
Pipelayers	47-2151	10
Sales Managers	11-2022	10
Advertising Sales Agents	41-3011	6
Bookkeeping, Accounting, and Auditing Clerks	43-3031	6
Cashiers	41-2011	6
Chefs and Head Cooks	35-1011	6
Computer User Support Specialists	15-1151	6

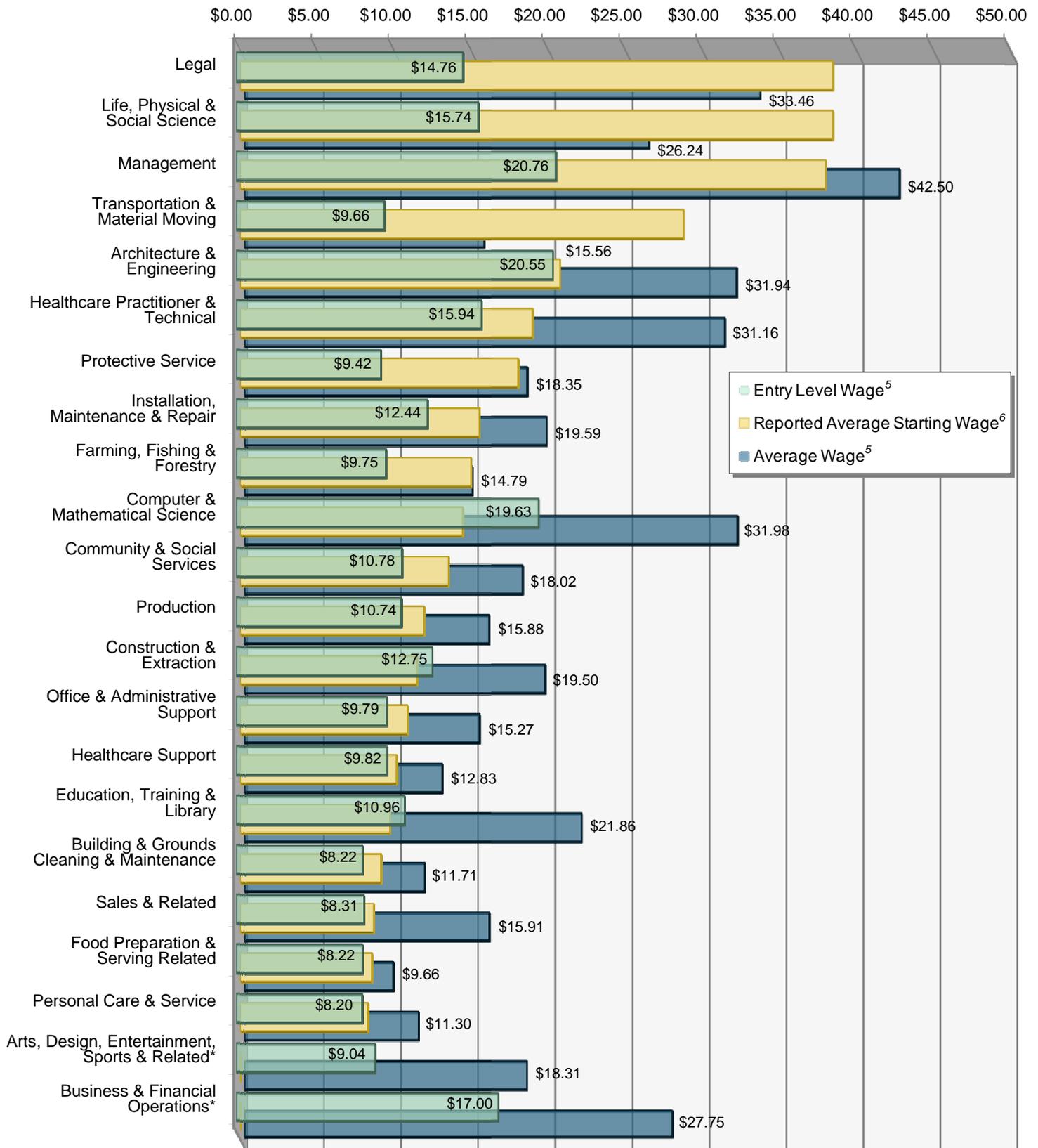
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**Figure 35 (continued)  
Estimated Reported Vacancies**

Job Title	SOC Code	Estimated Vacancies
Customer Service Representatives	43-4051	6
Electrical and Electronics Drafters	17-3012	6
Environmental Scientists and Specialists, Including Health	19-2041	6
Farmworkers and Laborers, Crop, Nursery, and Greenhouse	45-2092	6
Financial Managers	11-3031	6
First-Line Supervisors Police and Detectives	33-1012	6
Food Preparation Workers	35-2021	6
General and Operations Managers	11-1021	6
Heating, Air Conditioning, and Refrigeration Mechanics and Installers	49-9021	6
Highway Maintenance Workers	47-4051	6
Laundry and Dry-Cleaning Workers	51-6011	6
Lawyers	23-1011	6
Machinists	51-4041	6
Maintenance and Repair Workers, General	49-9071	6
Mechanical Engineers	17-2141	6
Medical and Clinical Laboratory Technicians	29-2012	6
Medical Equipment Preparers	31-9093	6
Mixing and Blending Machine Setters, Operators, and Tenders	51-9023	6
Mobile Heavy Equipment Mechanics, Except Engines	49-3042	6
Molding, Coremaking, and Casting Machine Setters, Operators, and Tenders, Metal and Plastic	51-4072	6
Nonfarm Animal Caretakers	39-2021	6
Office Machine Operators, Except Computer	43-9071	6
Pesticide Handlers, Sprayers, and Applicators, Vegetation	37-3012	6
Property, Real Estate, and Community Association Managers	11-9141	6
Receptionists and Information Clerks	43-4171	6
Recreation Workers	39-9032	6
Respiratory Therapists	29-1126	6
Retail Salespersons	41-2031	6
Sales and Related Workers, All Other	41-9099	6
Secretaries and Administrative Assistants, Except Legal, Medical, and Executive	43-6014	6
Skincare Specialists	39-5094	6
Social and Human Service Assistants	21-1093	6
Stock Clerks and Order Fillers	43-5081	6
Telecommunications Line Installers and Repairers	49-9052	6
Tellers	43-3071	6
Waiters and Waitresses	35-3031	6
Web Developers	15-1134	6
Welders, Cutters, Solderers, and Brazers	51-4121	6
<b>Estimated Total Vacancies</b>		<b>1,157</b>

\* Totals may vary due to rounding methods

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

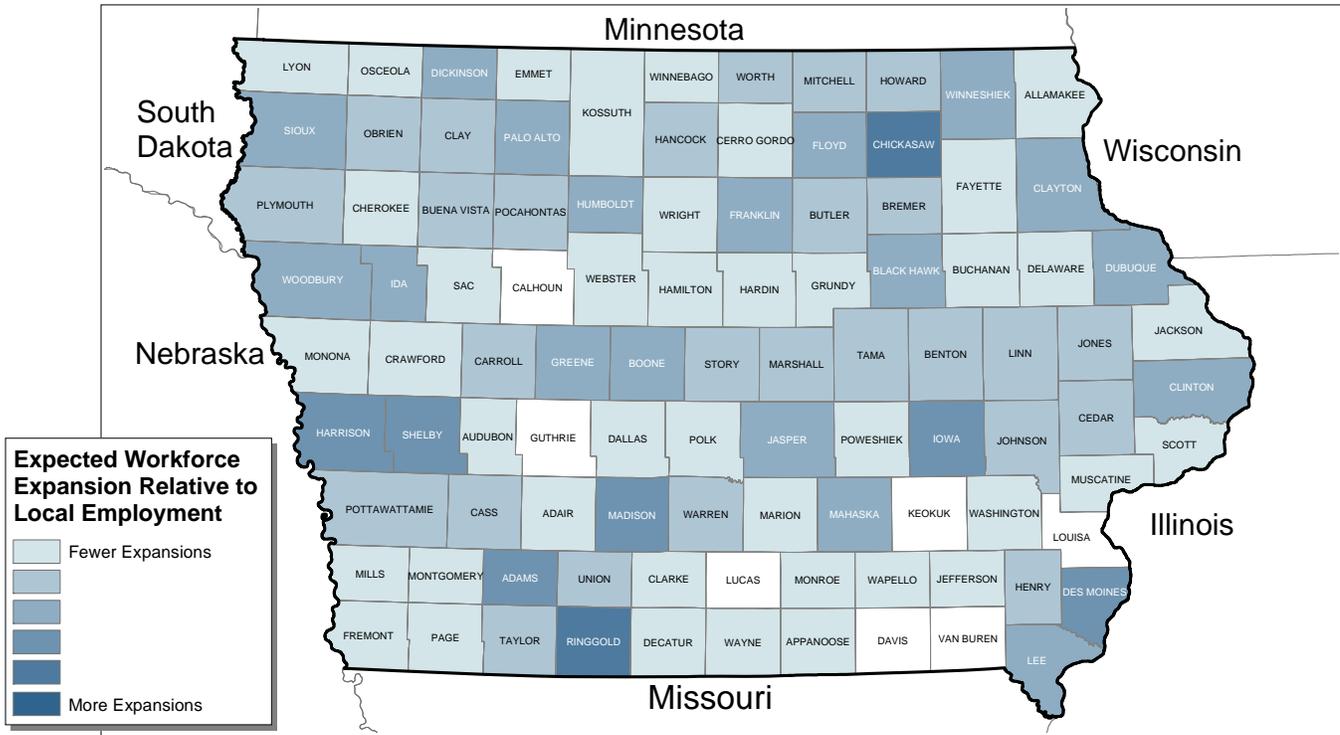


\*insufficient data reported

<sup>5</sup>Entry Level Wage and Average Wage taken from 2012 Iowa Wage Survey.

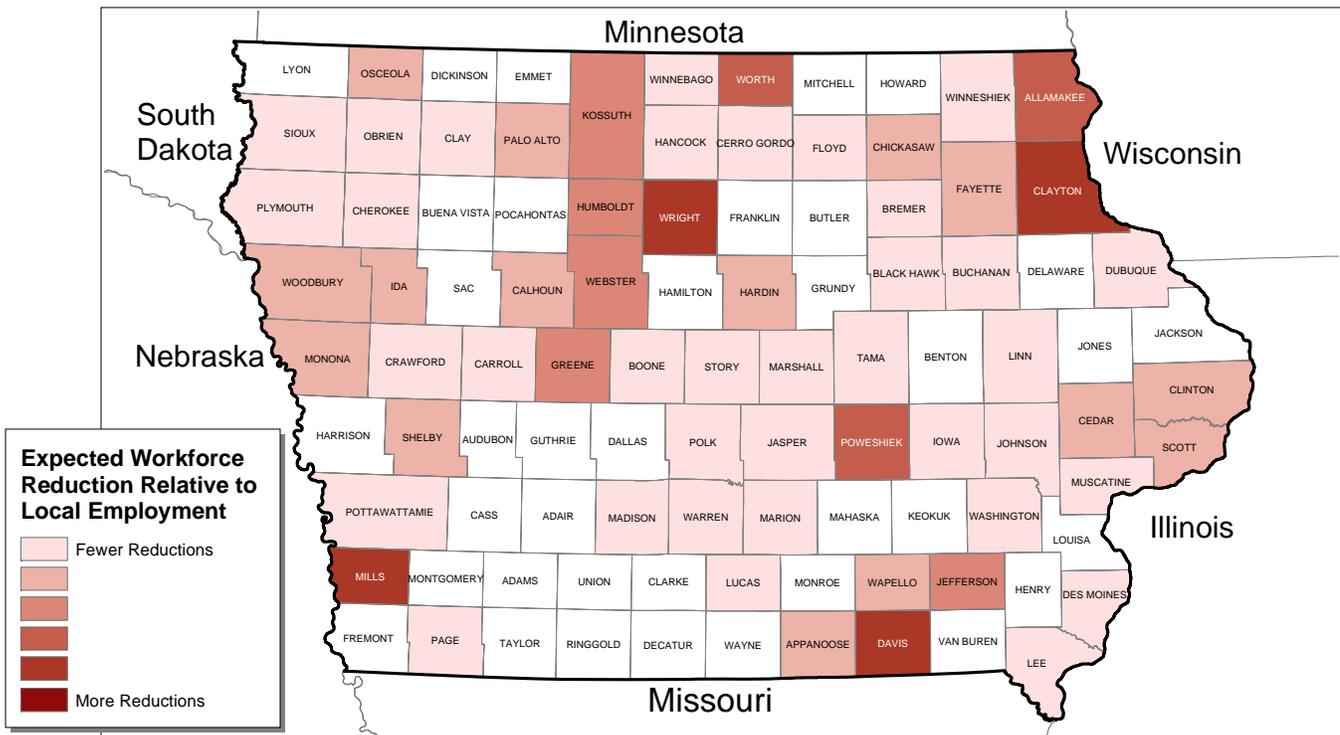
<sup>6</sup>Average Starting Wage is taken from the Workforce Needs Assessment survey data.

## Reported Payroll Expansion



The Reported Payroll Expansion map shows the relative intensity of plans by employers to expand their workforce in each county, normalized by the total employment of the county. The darker the shade of blue, the greater expected new hires relative to local employment.

## Reported Payroll Reduction



The Reported Payroll Reduction map (above) shows the relative intensity of plans by employers to reduce their workforce in each county, normalized by the total employment of the county. The darker the shade of red, the greater expected reductions relative to local employment.







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