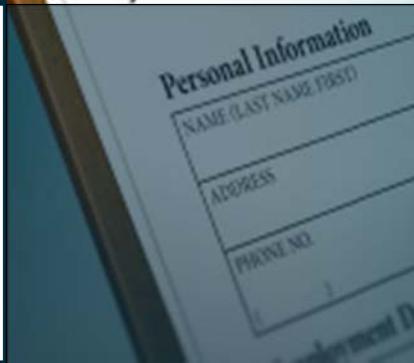


North Central Iowa Alliance

Cerro Gordo, Floyd, Franklin, Hancock, Mitchell, Winnebago & Worth Counties

Workforce Needs Assessment



Released

2013

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North Central Iowa Alliance

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North Central Iowa Alliance

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, 1,472 employers in the North Central Iowa Alliance 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 285 responses, yielding a 19.4 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
Healthcare & Social Services	11.6%	25.0%	315
Manufacturing	9.5%	20.1%	253
Wholesale & Retail Trade	20.0%	10.2%	129
Construction	9.5%	9.8%	124
Transportation & Warehousing	4.6%	9.0%	114
Agriculture & Mining	3.8%	6.1%	77
Public Administration	8.8%	4.5%	57
Accommodation & Food Services	3.8%	3.3%	41
Finance, Insurance & Real Estate	6.3%	3.3%	41
Personal Services	6.7%	2.9%	36
Information	4.6%	2.5%	31
Professional & Technical Services	6.0%	1.6%	21
Administrative & Waste Services	3.2%	1.2%	15
Arts, Entertainment & Recreation	0.6%	0.5%	6
Educational Services	0.4%	*	*
Management	*	*	*
Utilities	0.6%	*	*
Total	100%	100%	1,260

* 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 transportation & material moving, personal care & service, production and installation, maintenance & repair occupational categories, likewise, the highest number of vacancies by industry are in the 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
Transportation & Material Moving	14.8%	186
Personal Care & Service	14.3%	181
Production	14.3%	181
Installation, Maintenance & Repair	10.2%	129
Healthcare Support	7.0%	88
Office & Administrative Support	7.0%	88
Sales & Related	5.3%	67
Construction & Extraction	4.5%	57
Farming, Fishing & Forestry	4.1%	52
Food Preparation & Serving Related	4.1%	52
Management	4.1%	52
Building & Grounds Cleaning & Maintenance	2.5%	31
Healthcare Practitioner & Technical	2.0%	26
Computer & Mathematical Science	1.6%	21
Business & Financial Operations	1.2%	15
Protective Service	1.2%	15
Architecture & Engineering	0.8%	9
Arts, Design, Entertainment, Sports & Related	0.5%	5
Life, Physical & Social Science	0.5%	5
Community & Social Science	*	*
Education, Training & Library	*	*
Legal	*	*
Total	100%	1,260

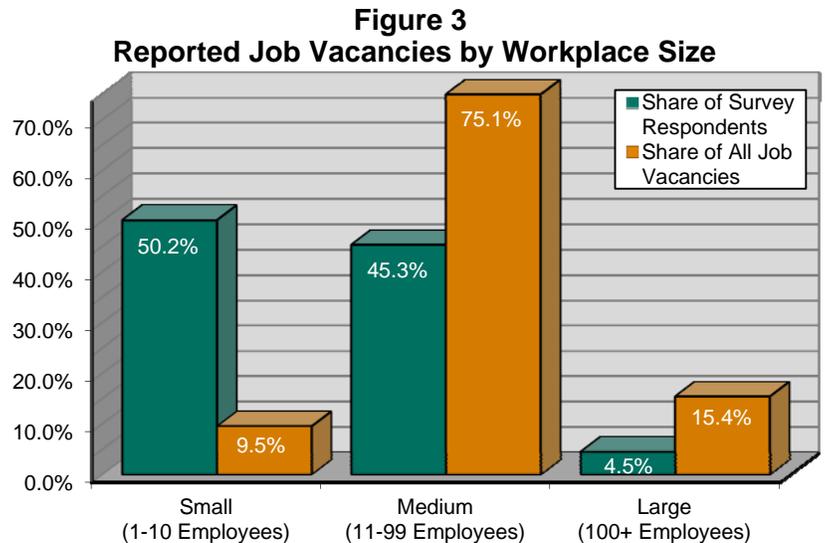
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Totals may vary due to rounding methods*

Of the survey respondents, 81 (28.4%) reported having one or more current or anticipated job vacancies, while 204 respondents (71.6%) reported having no job vacancies. A total of 244 current job vacancies were reported for the region, consisting of 72.1 percent full-time, 27.5 percent part-time and 0.4 percent seasonal or temporary positions. When asked why positions are currently vacant, employers responded as follows:

- 21.5% - Permanent business growth/expansion
- 4.1% - Seasonal business growth/expansion
- 6.2% - Replacing retiring employee
- 68.2% - 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, 50.2 percent were businesses with 10 or fewer employees, 45.3 percent had between 11 and 99 employees and 4.5 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 4.5 percent of the survey responses, they reported over one-tenth (15.4%) of the total job vacancies in the North Central Iowa Alliance area.



One measure of workforce demand is determined by the job vacancy rate. With an estimated 1,260 job vacancies and a regional employment total of 47,250¹, there is a 2.7 percent vacancy rate or approximately three 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
Agriculture & Mining	874	8.8%
Transportation & Warehousing	1,367	8.3%
Construction	2,379	5.2%
Healthcare & Social Services	8,552	3.7%
Information	895	3.5%
Manufacturing	9,256	2.7%
Public Administration	2,322	2.5%
Personal Services	1,521	2.4%
Professional & Technical Services	874	2.4%
Finance, Insurance & Real Estate	1,846	2.2%
Wholesale & Retail Trade	7,803	1.7%
Arts, Entertainment & Recreation	410	1.5%
Accommodation & Food Services	3,243	1.3%
Administrative & Waste Services	1,454	1.0%
Educational Services	3,781	*
Management	461	*
Utilities	212	*

* 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 agriculture & mining (8.8%), transportation & warehousing (8.3%) and construction (5.2%). 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 (21.8%); farming, fishing & forestry (16.8%); and installation, maintenance & repair (5.8%). 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	830	21.8%
Farming, Fishing & Forestry	310	16.8%
Installation, Maintenance & Repair	2,230	5.8%
Transportation & Material Moving	3,350	5.6%
Computer & Mathematical Science	510	4.1%
Management	1,560	3.3%
Healthcare Support	2,770	3.2%
Protective Service	490	3.1%
Production	6,330	2.9%
Architecture & Engineering	380	2.4%
Construction & Extraction	2,370	2.4%
Building & Grounds Cleaning & Maintenance	1,430	2.2%
Life, Physical & Social Science	250	2.0%
Arts, Design, Entertainment, Sports & Related	360	1.4%
Business & Financial Operations	1,250	1.2%
Food Preparation & Serving Related	4,250	1.2%
Office & Administrative Support	7,080	1.2%
Sales & Related	5,450	1.2%
Healthcare Practitioner & Technical	3,310	0.8%
Community & Social Science	560	*
Education, Training & Library	2,700	*
Legal	150	*

* 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 protective service occupational category has an above average vacancy rate of 3.1 percent, while the vacancy rate for all categories is 2.6 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 29.8 percent, while the turnover rate for all occupations is 27.1 percent. The HDI for the protective service occupational category, is calculated as follows:

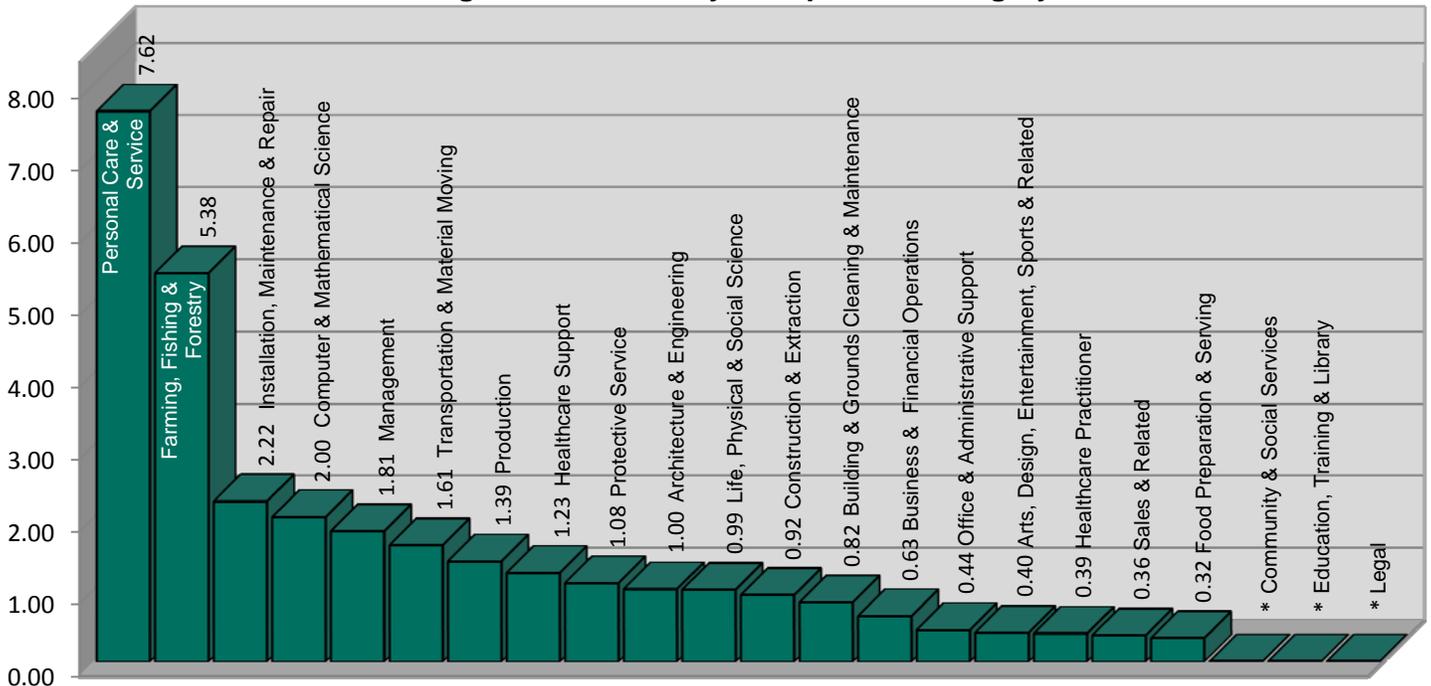
$$(3.1\% \div 2.6\%) \div (29.8\% \div 27.1\%) = 1.08$$

Using the HDI, we can see that the hiring demand for the protective service 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 there is 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	20.5%
High School Education/GED	54.5%
Vocational/Technical Training	14.3%
Associate Degree	5.8%
Undergraduate Degree	3.1%
Postgraduate/Professional Degree	1.8%

Figure 8
Experience Required - Current Vacancies

Experience Required	Percent
No Experience Required	52.0%
Less than 1 Year	11.3%
1-2 Years	20.8%
3-5 Years	12.7%
More than 5 Years	3.2%

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**.

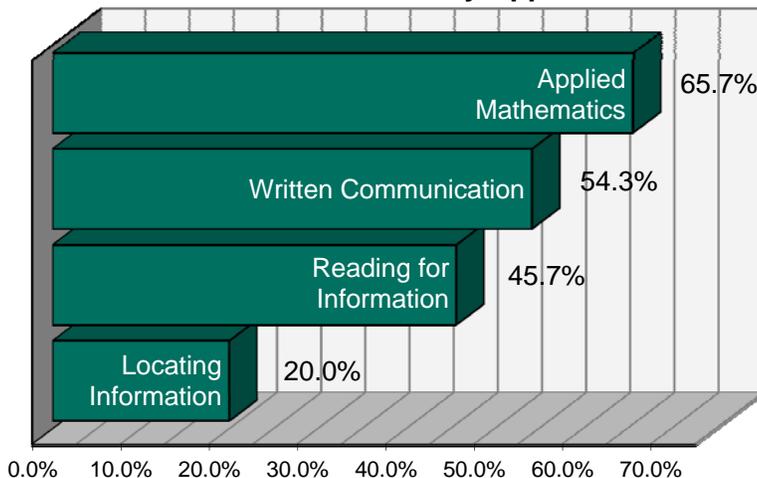
We can begin to analyze any workforce gaps by comparing the inventory of skills needed by employers and those skills held by the population of workers as presented in a Laborshed analysis. This gap is then analyzed and the necessary training and education programs can be formalized through a Skillshed 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.	13.2%	30.9%	35.3%	14.3%	6.3%
In general, applicants possess the basic skills required for the job.	15.5%	38.0%	33.6%	9.2%	3.7%
In general, applicants possess the soft skills required for the job.	9.0%	32.1%	39.5%	13.8%	5.6%
In general, applicants possess the occupational skills required for the job.	9.6%	26.9%	34.0%	22.8%	6.7%
There is often a problem filling this position because applicants are disqualified due to controlled substance testing.	4.5%	6.0%	32.1%	15.1%	42.3%
There is often a problem filling this position because applicants are disqualified for failure to pass a background check.	6.3%	8.5%	36.7%	18.1%	30.4%

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

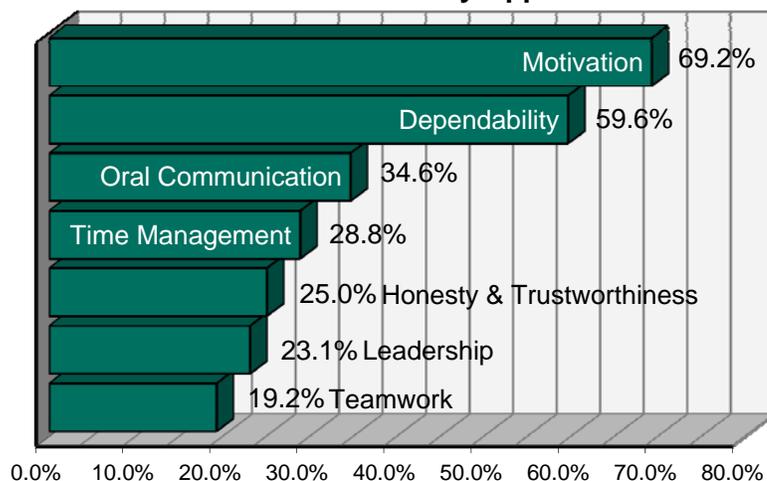
Figure 10
Basic Skills Lacked by Applicants



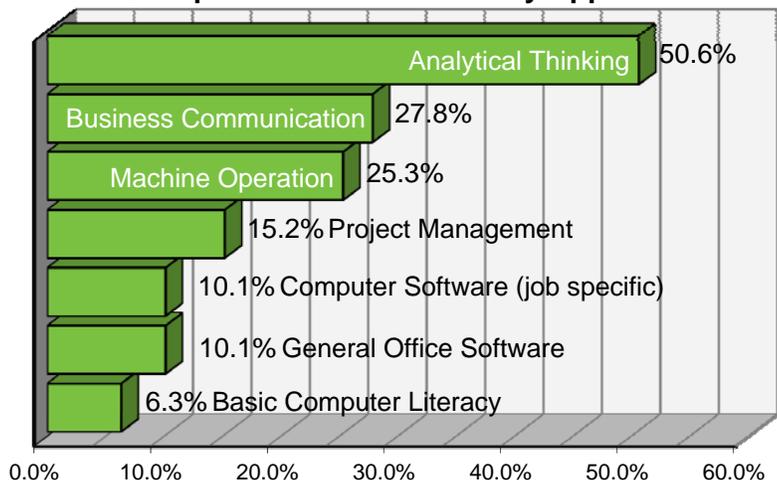
Basic skills are those skills developed during the elementary and middle part of an individual's education. These skills include literacy, numeracy (the ability to do arithmetic and reason with numbers), basic computer skills and organization. Over one-tenth (12.9%) of employers surveyed feel that applicants 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.

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 (19.4%) of employers surveyed feel that applicants lack soft skills needed for the job.

**Figure 11
Soft Skills Lacked by Applicants**



**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. Nearly one-third (29.5%) 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	47.7%
Commercial training provider	26.3%
Online	21.1%
Employee self-directed training	20.0%
College/University	13.0%
No training provided	12.0%
Other	8.4%
Trade school	4.2%

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 (89.7%) of employers report taking employee input under consideration when planning what training to provide. Nearly one-fourth (23.9%) 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

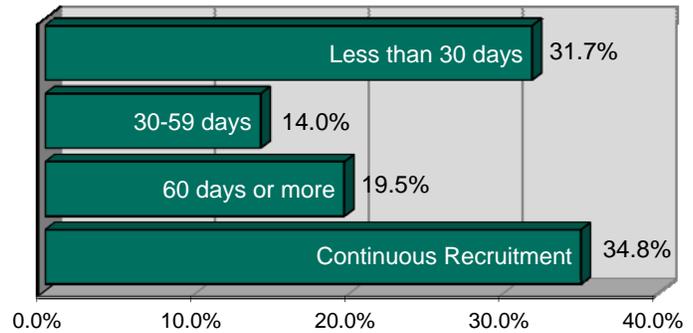
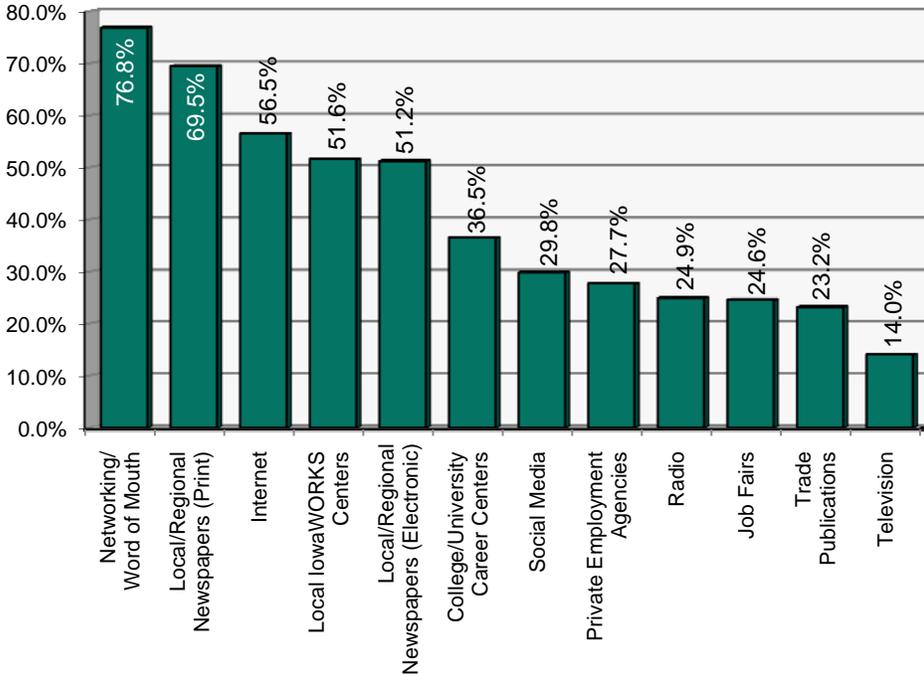


Figure 15
Recruitment Media Utilization



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, local IowaWORKS centers, electronic editions of local/regional newspapers, college/university career centers and social media.

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 North Central Iowa Alliance Laborshed Report (<http://www.iowaworkforce.org/lmi/labsur/northcentraliowaallianceregionalexecsum2012.pdf>).

Figure 16
Average Wages by Occupational Category

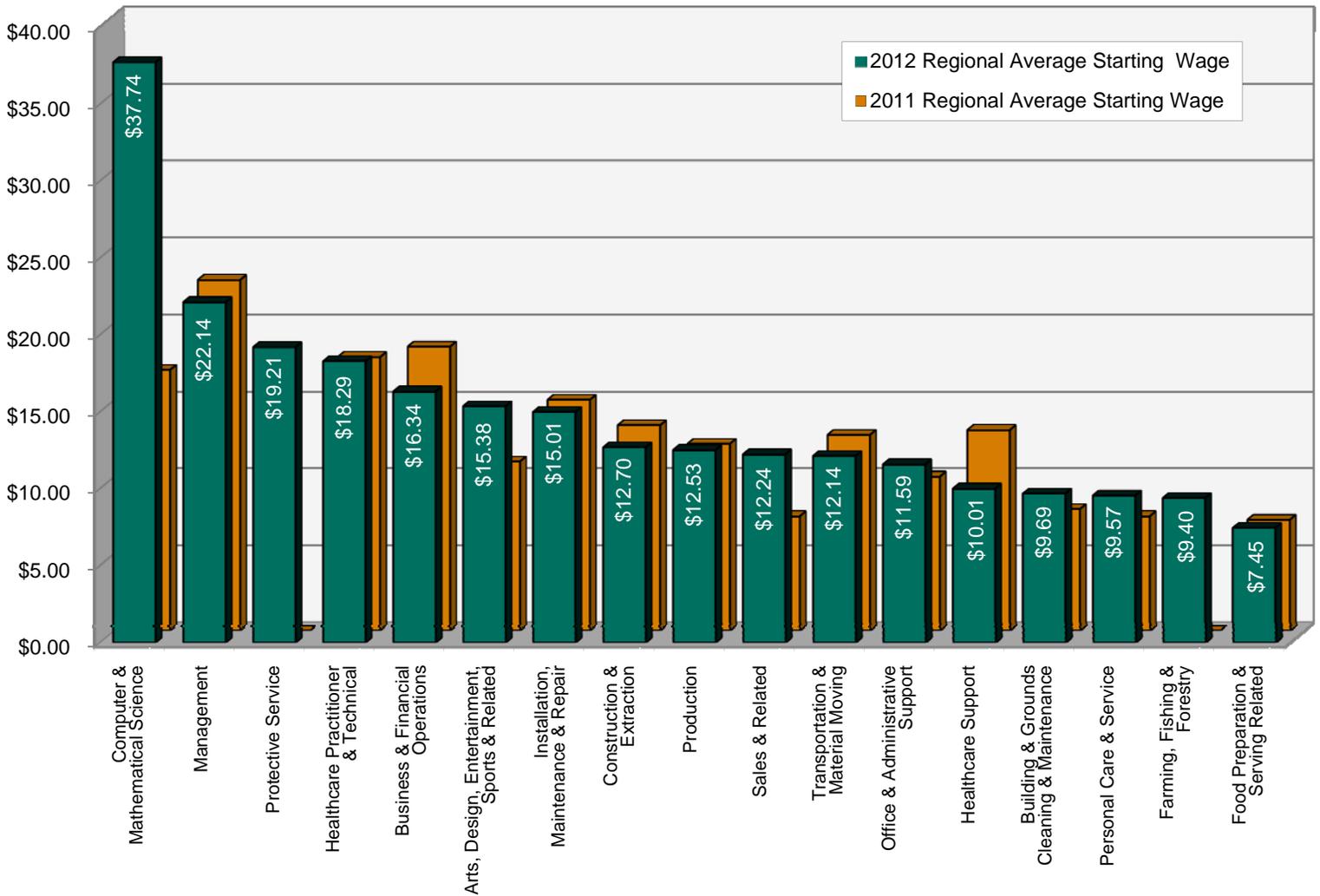


Figure 16 is the 2012 survey-reported average starting wages by occupational category with 2011 survey-reported average starting wages for comparison. This is important for job seekers in determining what jobs can provide a livable wage and have higher earning potential. Employers can use the information to determine their competitiveness with wages among all other categories. From the graph, we see that the computer & mathematical science, management, protective service and healthcare practitioner & technical 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	88.8%	11.2%
Prescription Drug Plans	79.6%	11.4%
Life Insurance	65.9%	11.9%
Dental	56.6%	13.3%
Accidental Death & Dismemberment	48.1%	10.9%
Short-Term Disability	43.8%	7.3%
Long Term Disability	43.7%	8.3%
Vision	31.8%	6.8%

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	65.2%	33.8%
Company Vehicle	62.8%	36.6%
Retirement Package	54.1%	19.9%
Flex Spending Accounts/Cafeteria Plans	50.0%	15.1%
Uniform Allowances	42.2%	17.1%
Tuition Assistance	30.4%	12.5%
Employee Assistance Program	23.3%	16.4%
Wellness Programs	21.5%	14.3%
Profit Sharing/Stock Options	19.9%	8.9%
Shift Differential Pay	17.6%	11.5%
Relocation/Moving Expenses	8.7%	0.5%
Childcare	5.5%	1.6%

The Regional Laborshed Analysis was used to identify current benefit packages being offered to employees within the state. These benefits include; health/medical insurance (88.4%), pension/retirement options (62.5%), dental coverage (42.6%), paid vacation (37.2%), vision coverage (25.7%), life insurance (23.8%), paid holidays (19.4%), paid sick leave (18.5%), disability insurance (14.3%), prescription drug coverage (7.6%) and paid time off (6.7%). Almost three-quarters (74.2%) of the employers and employees are reported as sharing in the premium costs of health/medical insurance, 18.4 percent of the employers are reported as covering the entire cost of insurance premiums while 7.4 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	93.3%	32.5%
Vacation	83.3%	29.7%
Bereavement/Funeral	72.9%	25.8%
Sick Leave	56.2%	20.1%
Personal Days/Floating Holidays	50.0%	18.3%
Maternity/Paternity	48.6%	19.1%
Training	46.3%	18.6%
Combined Paid Time Off (PTO)	45.6%	17.3%

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
Future Workforce Plans

Figure 20 shows the proportion of employers planning to expand, reduce or maintain the size of their workforce. Over three-fourths (78.9%) 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 3.9 percent plan to reduce their workforce.

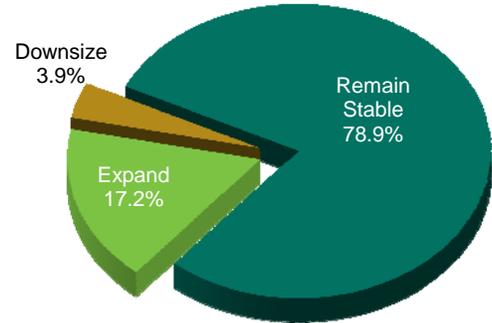


Figure 21
Net Reported Payroll Change

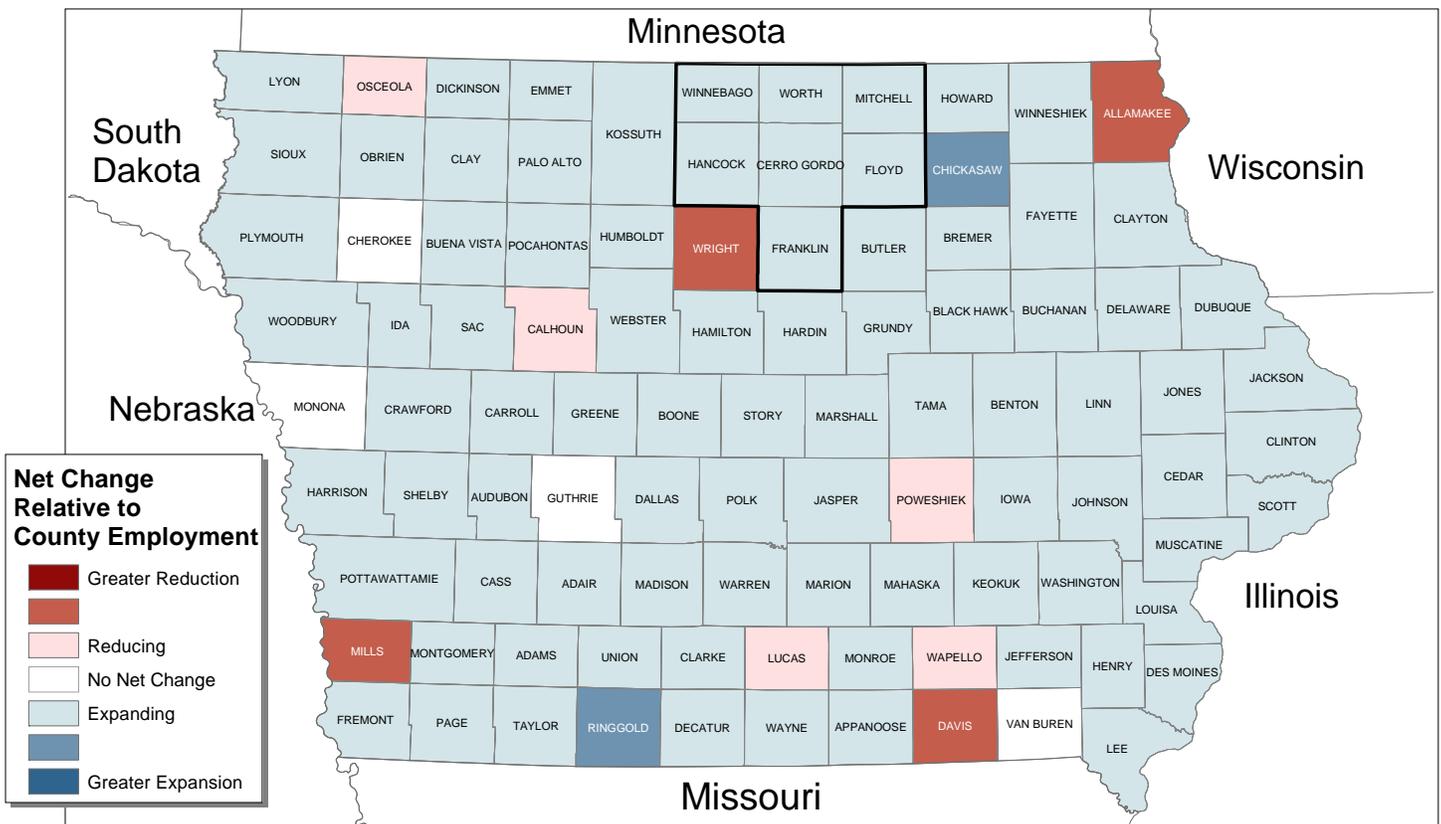


Figure 21 The Net Reported Payroll Change map shows the relative intensity of plans by employers to expand or reduce their workforces in each county in terms of total jobs to be created or cut, normalized by the total employment of the county. The darker red indicates greater expected reductions, relative 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

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, 50.0 percent indicated they were planning to do within 12 months, 27.1 percent indicated that they were planning to expand in one to two years, 16.7 percent are planning to expand in two to three years and 6.2 percent plan to expand in more than three years. Over two-fifths (41.7%) 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
Meet current market demands
Increase share of existing market
Merger/Acquisition
Reduction of overtime
Insourcing of business operations
Opening a new location
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, meeting current market demands and plans to increase their share of existing markets.

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, expense related to benefits and competition within existing markets.

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

**Figure 24
Planned Payroll Expansion**

Industry	Percent of Each Industry	Percent of Total
Wholesale & Retail Trade	22.8%	26.5%
Healthcare & Social Services	24.2%	16.3%
Manufacturing	29.6%	16.3%
Transportation & Warehousing	38.5%	10.2%
Construction	14.8%	8.2%
Agriculture & Mining	27.3%	6.2%
Professional & Technical Services	17.6%	6.2%
Information	15.4%	4.1%
Arts, Entertainment & Recreation	50.0%	2.0%
Finance, Insurance & Real Estate	5.6%	2.0%
Personal Services	5.3%	2.0%
Accommodation & Food Services	*	*
Administrative & Waste Services	*	*
Educational Services	*	*
Management	*	*
Public Administration	*	*
Utilities	*	*

* Insufficient data reported

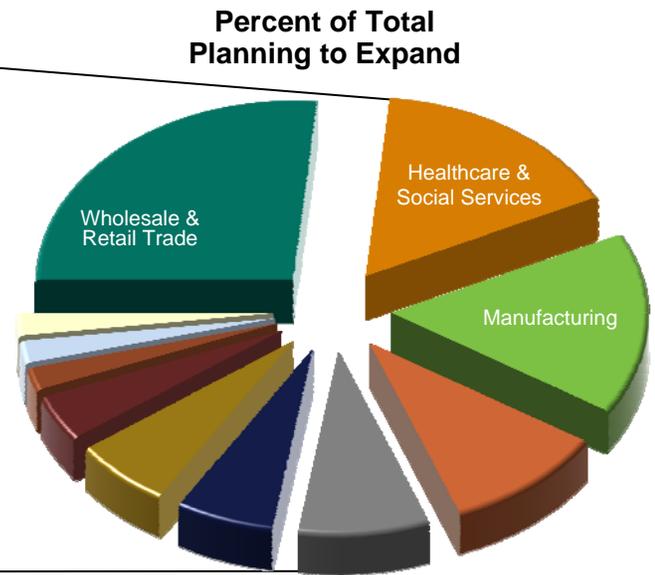


Figure 24 shows those employers who are planning to expand by industry. The “Percent of Each Industry” column shows what percentage of employers in each industry are planning to expand their payroll. The “Percent of Total” column shows what percentage of all businesses planning to expand their payroll is accounted for by each industry. For example, 22.8 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 26.5 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	50.0%
1-2 years	27.1%
2-3 years	16.7%
More than 3 years	6.2%

Figure 26 shows the percent of planned expansion by occupational category. Personal care & service represents one of the largest categories among current vacancies (**Figure 2**, page 2) and the category accounts for 1.7 percent of the planned payroll expansion positions. Production occupations, on the other hand, represent 14.3 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; transportation & material moving; farming, fishing & forestry; and sales & related.

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	30.1%
Transportation & Material Moving	20.8%
Farming, Fishing & Forestry	15.6%
Sales & Related	5.8%
Construction & Extraction	5.2%
Healthcare Support	5.2%
Architecture & Engineering	2.9%
Computer & Mathematical Science	2.9%
Installation, Maintenance & Repair	2.3%
Office & Administrative Support	2.3%
Business & Financial Operations	1.7%
Management	1.7%
Personal Care & Service	1.7%
Life, Physical & Social Science	1.2%
Food Preparation & Serving Related	0.6%
Arts, Design, Entertainment, Sports & Related	*
Building & Grounds Cleaning & Maintenance	*
Community & Social Science	*
Education, Training & Library	*
Healthcare Practitioner & Technical	*
Legal	*
Protective Service	*

* Insufficient data reported

Planned Workforce Reduction

Very few (3.9%) of the employers surveyed are planning to reduce their workforce in the future. Of those employers planning on reducing their workforce, 55.6 percent indicated they were planning to do so within 12 months, 22.2 percent in the next one to two years, 11.1 percent in two to three years and 11.1% plan to reduce the size of their workforce in more than three years. More than one-tenth (11.1%) 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 responding to reduced market demands, business sale or closure and closing a single location.

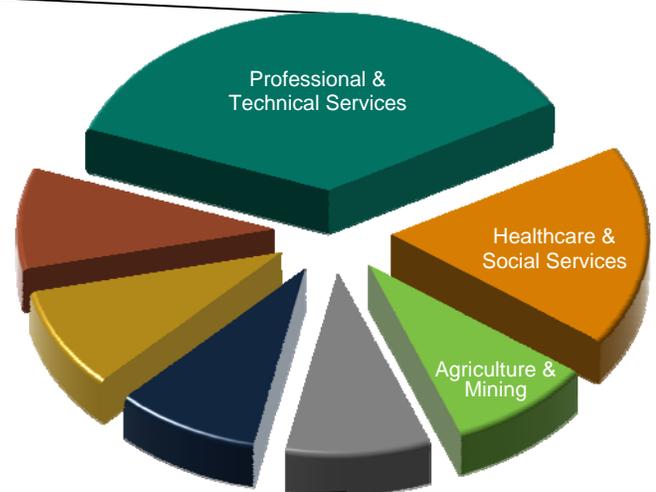
Reasons for Downsizing
Respond to reduced market demands
Business sale or closure
Closing an existing location
Expenses related to benefits
Reduced share of existing market
Reduced profits from current operations
Changes in tax or regulatory burdens
Exit from existing markets or business division closing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

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, 23.5 percent of all businesses in the professional & technical services industry are planning to reduce their payroll in the future. Those businesses within the professional & technical services industry make up 36.4 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
Professional & Technical Services	23.5%	36.4%
Healthcare & Social Services	6.1%	18.1%
Agriculture & Mining	9.1%	9.1%
Construction	3.7%	9.1%
Finance, Insurance & Real Estate	5.6%	9.1%
Information	7.7%	9.1%
Wholesale & Retail Trade	1.8%	9.1%
Accommodation & Food Services	*	*
Administrative & Waste Services	*	*
Arts, Entertainment & Recreation	*	*
Educational Services	*	*
Management	*	*
Manufacturing	*	*
Personal Services	*	*
Public Administration	*	*
Transportation & Warehousing	*	*
Utilities	*	*

**Percent of Total
Planning to Downsize**



* Insufficient data reported

Retirement

Currently, there are 2,233 individuals over the age of 64 working throughout the North Central Iowa Alliance area. They represent approximately 4.7 percent of the total workforce. The personal services (8.0%); finance, insurance & real estate (7.5%); and educational services (7.1%) industries have the highest percentage of their workforce over the age of 64. There are more females than males in this portion of the workforce, with 50.4 and 49.6 percent respectively⁴.

Of those employees eligible to retire, almost all (94.7%) 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 1,921 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 (480 divided by total employment of about 47,250 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 30
Estimate of Those Newly Eligible to Retire

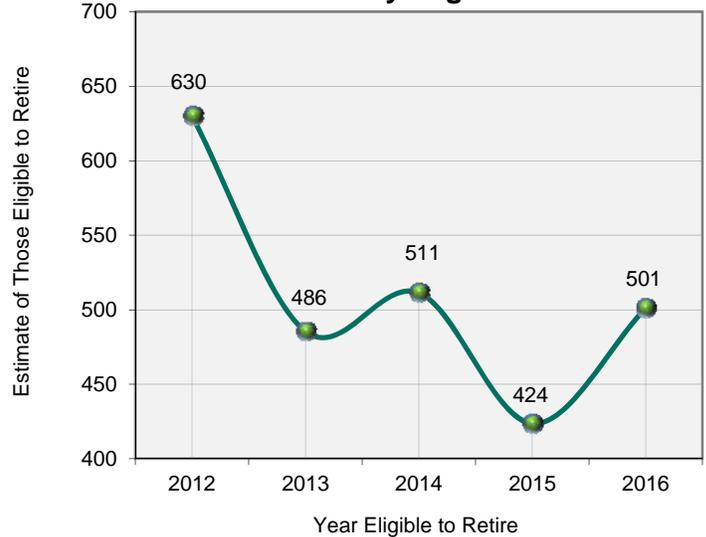


Figure 31 shows the estimated percentage of potential worker loss due to retirement by industry. In the next five years, there will be a significant number of workers eligible for retirement from the healthcare & social services, wholesale & retail trade and manufacturing industries.

Figure 31
Retirement Eligibility by Industry

Industry	Percent of Expected Retirements
Healthcare & Social Services	20.0%
Wholesale & Retail Trade	14.3%
Manufacturing	12.3%
Finance, Insurance & Real Estate	10.0%
Public Administration	10.0%
Information	8.3%
Construction	7.7%
Educational Services	5.3%
Professional & Technical Services	4.3%
Transportation & Warehousing	3.3%
Administrative & Waste Services	1.7%
Utilities	1.4%
Agriculture & Mining	0.7%
Personal Services	0.7%
Accommodation & Food Services	*
Arts, Entertainment & Recreation	*
Management	*



* Insufficient data reported

Figure 32
Retirement Eligibility within Each Occupational Category

Occupational Category	Percent Affected by Retirements
Management	15.3%
Office & Administrative Support	15.0%
Production	7.7%
Construction & Extraction	7.3%
Sales & Related	7.3%
Installation, Maintenance & Repair	6.7%
Education, Training & Library	6.3%
Transportation & Material Moving	6.3%
Healthcare Support	6.0%
Computer & Mathematical Science	4.3%
Healthcare Practitioner & Technical	4.0%
Personal Care & Service	3.3%
Business & Financial Operations	3.0%
Legal	2.0%
Building & Grounds Cleaning & Maintenance	1.7%
Food Preparation & Serving Related	1.3%
Life, Physical & Social Science	0.8%
Protective Service	0.8%
Architecture & Engineering	0.3%
Arts, Design, Entertainment, Sports & Related	0.3%
Community & Social Science	0.3%
Farming, Fishing & Forestry	*

* Insufficient data reported

Figure 32 shows the percent of eligible retirement within each occupational category. Management positions represent the eleventh largest occupational category among current vacancies (7.0%) (**Figure 2**, page 2) and is the largest occupational category among jobs potentially affected by retiring workers. While Personal care & service occupations make up 14.3 percent of the state'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, production and construction & extraction.

Over two-thirds (68.8%) 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 (46.3%) of the employers are offering retirees flexible work schedules; followed by increased wages and/or bonuses; a change in duties/responsibilities; more recognition for work done; additional training to upgrade their skills; benefits to part-time employees; seasonal work schedules; 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	46.3%
Increase wages and/or bonuses	46.3%
Change in duties/responsibilities	33.1%
More recognition	22.8%
Offer additional training	22.8%
Benefits to part-time employees	12.5%
Seasonal work schedules	10.3%
Benefits to retirees	5.9%
Telecommuting/working from home	5.9%
Other	0.7%

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	40.1%
Hire workers from outside of the company	34.3%
Not currently planning to fill these positions	14.5%
Promote employees from within the company	11.1%

Figure 34 shows how companies plan to fill vacant positions left behind from those who have retired. Of those who reported, 40.1 percent plan only to hire workers from outside the company, 34.3 percent plan to use a combination of hiring outside workers along with promoting from within the company, 14.5 percent do not currently plan on filling these positions and 11.1 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 relative high demand in the healthcare & social services, manufacturing and wholesale & retail trade industries. There are an estimated 315 vacancies in the healthcare & social services industry and a further 253 in the manufacturing industry. Together these two industries account for almost half (45.1%) of all vacancies in the North Central Iowa Alliance area.

By occupational category the survey shows a relative high demand in the transportation & material moving, personal care & service and production occupational categories. Transportation & material moving occupations account for an estimated 186 vacant positions and personal care & service accounts for another 181 positions. Transportation & material moving and personal care & service occupations together make up over one-fourth (29.1%) of the area's vacancies.

Nearly all (95.1%) of the current job vacancies reported require an education level at or below an associates degree. Less than one-tenth (4.9%) of current job vacancies require an undergraduate degree or higher. More than half (52.0%) of the current job vacancies reported require no experience, while 32.1 percent require experience totaling less than two years.

Positions open due to retirement have slightly higher education requirements. Less than one-tenth (7.1%) of vacancies due to retirement require an undergraduate degree or higher. Similarly, positions open due to retirement require more experience. Fewer than one in ten (8.3%) of vacancies due to retirement can be filled by those with no experience and 41.6 percent are open to applicants with some, but less than two years of, experience.

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

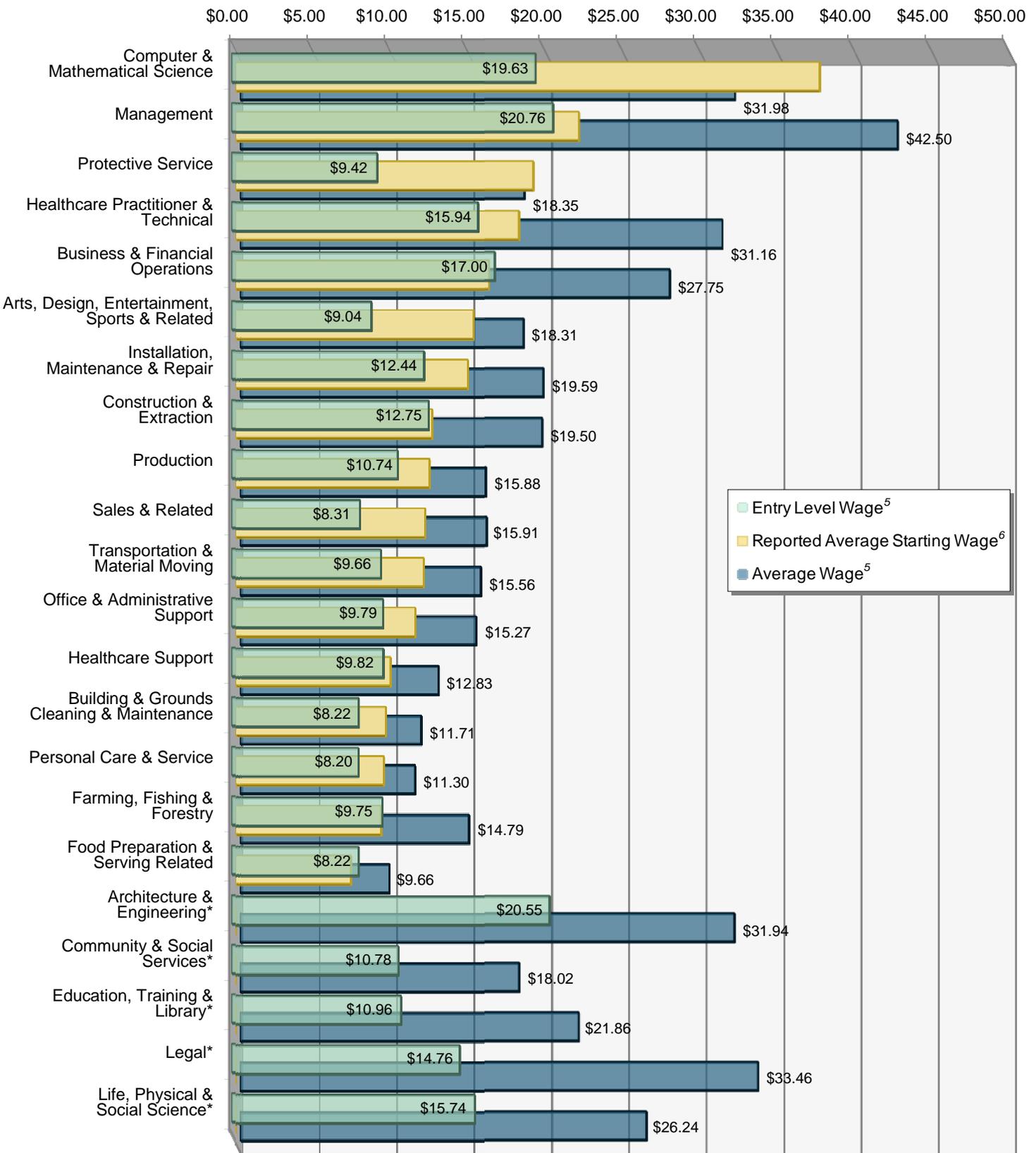
Job Title	SOC Code	Estimated Vacancies
Personal Care Aides	39-9021	181
Heavy and Tractor-Trailer Truck Drivers	53-3032	119
Nursing Assistants	31-1014	62
Automotive Service Technicians and Mechanics	49-3023	46
Retail Salespersons	41-2031	41
Industrial Truck and Tractor Operators	53-7051	36
Assemblers and Fabricators, All Other	51-2099	32
Combined Food Preparation and Serving Workers, Including Fast Food	35-3021	32
Farmworkers, Farm, Ranch and Aquacultural Animals	45-2093	32
Welding, Soldering, and Brazing Machine Setters, Operators, and Tenders	51-4122	27
Graders and Sorters, Agricultural Products	45-2041	21
Industrial Machinery Mechanics	49-9041	21
Janitors and Cleaners, Except Maids and Housekeeping Cleaners	37-2011	21
Laborers and Freight, Stock, and Material Movers, Hand	53-7062	21
Water and Wastewater Treatment Plant and System Operators	51-8031	21
Carpenters	47-2031	16
Computer-Controlled Machine Tool Operators, Metal and Plastic	51-4011	16
Construction Laborers	47-2061	16
Cooks, All Other	35-2019	16
Machinists	51-4041	16
Maintenance and Repair Workers, General	49-9071	16
Medical Assistants	31-9092	16
Production Workers, All Other	51-9199	16
Registered Nurses	29-1141	16
Software Developers, Applications	15-1132	16
Tellers	43-3071	16
Welders, Cutters, Solderers, and Brazers	51-4121	16
Administrative Services Managers	11-3011	10
Architects, Except Landscape and Naval	17-1011	10
Court, Municipal, and License Clerks	43-4031	10
Heating, Air Conditioning, and Refrigeration Mechanics and Installers	49-9021	10
Inspectors, Testers, Sorters, Samplers, and Weighers	51-9061	10
Lathe and Turning Machine Tool Setters, Operators, and Tenders, Metal and Plastic	51-4034	10
Loan Interviewers and Clerks	43-4131	10
Maids and Housekeeping Cleaners	37-2012	10
Market Research Analysts and Marketing Specialists	13-1161	10
Mechanical Door Repairers	49-9011	10
Table Continued, Next Page		

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

Job Title	SOC Code	Estimated Vacancies
Medical and Health Services Managers	11-9111	10
Office Clerks, General	43-9061	10
Phlebotomists	31-9097	10
Plant and System Operators, All Other	51-8099	10
Plumbers, Pipefitters, and Steamfitters	47-2152	10
Police and Sheriff's Patrol Officers	33-3051	10
Receptionists and Information Clerks	43-4171	10
Sales and Related Workers, All Other	41-9099	10
Sales Managers	11-2022	10
Transportation, Storage, and Distribution Managers	11-3071	10
Audiologists	29-1181	5
Bookkeeping, Accounting, and Auditing Clerks	43-3031	5
Cashiers	41-2011	5
Cleaners of Vehicles and Equipment	53-7061	5
Coaches and Scouts	27-2022	5
Computer Programmers	15-1131	5
Cost Estimators	13-1051	5
Customer Service Representatives	43-4051	5
Electrical Power-Line Installers and Repairers	49-9051	5
Electricians	47-2111	5
Eligibility Interviewers, Government Programs	43-4061	5
First-Line Supervisors of Mechanics, Installers, and Repairers	49-1011	5
First-Line Supervisors Police and Detectives	33-1012	5
General and Operations Managers	11-1021	5
Grinding, Lapping, Polishing, and Buffing Machine Tool Setters, Operators, and Tenders, Metal and	51-4033	5
Highway Maintenance Workers	47-4051	5
Home Appliance Repairers	49-9031	5
Industrial Production Managers	11-3051	5
Medical and Clinical Laboratory Technicians	29-2012	5
Office Machine Operators, Except Computer	43-9071	5
Outdoor Power Equipment and Other Small Engine Mechanics	49-3053	5
Packaging and Filling Machine Operators and Tenders	51-9111	5
Painters, Construction and Maintenance	47-2141	5
Procurement Clerks	43-3061	5
Reservation and Transportation Ticket Agents and Travel Clerks	43-4181	5
Sales Representatives, Wholesale and Manufacturing, Except Technical and Scientific Products	41-4012	5
Securities, Commodities, and Financial Services Sales Agents	41-3031	5
Soil and Plant Scientists	19-1013	5
Tank Car, Truck, and Ship Loaders	53-7121	5
Tire Repairers and Changers	49-3093	5
Waiters and Waitresses	35-3031	5
Estimated Total Vacancies		1,260

* Totals may vary due to rounding methods

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



*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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