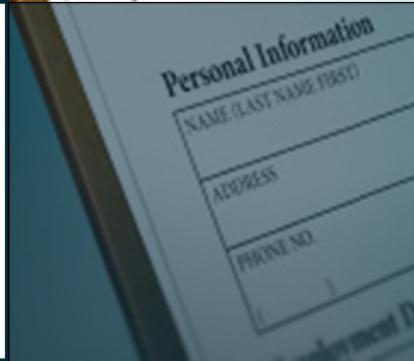


South Central Iowa Area Partnership

Clarke, Decatur, Lucas Madison, Union & Wayne Counties

Workforce Needs Assessment



Released

2013

Table of Contents

South Central Iowa Area Partnership

Figure 1	Survey Respondents by Industry and Percentage of Current Vacancies	1
Figure 2	Percent of Current Vacancies by Occupational Category	2
Figure 3	Reported Job Vacancies by Workplace Size	2
Figure 4	Vacancy Rate by Industry	3
Figure 5	Vacancy Rate by Occupational Category	3
Figure 6	Hiring Demand Index by Occupational Category	4
Figure 7	Education Required - Current Vacancies	5
Figure 8	Experience Required - Current Vacancies	5
Figure 9	Perception of Applicants	5
Figure 10	Basic Skills Lacked by Applicants	5
Figure 11	Soft Skills Lacked by Applicants	6
Figure 12	Occupational Skills Lacked by Applicants	6
Figure 13	Where Additional Training is Offered	6
Recruitment		
Figure 14	Recruitment Period for Current Vacancies	7
Figure 15	Recruitment Media Utilization	7
Figure 16	Average Wages by Occupational Category	8
Benefits Offered		
Figure 17	Insurance Benefits Offered by Employers	9
Figure 18	Paid Leave Benefits Offered by Employers	9
Figure 19	Other Benefits Offered by Employers	9
Future Plans		
Figure 20	Future Workforce Plans	10
Figure 21	Net Reported Payroll Change	10
Figure 22	Reasons for Planned Expansion Ranked by Relative Importance	11
Figure 23	Constraints Preventing Expansion Ranked by Relative Importance	11
Figure 24	Planned Payroll Expansion	12
Figure 25	Timing of Planned Expansion	12
Figure 26	Planned Payroll Expansion by Occupational Category	12
Figure 27	Reasons for Workforce Reduction Ranked by Relative Importance	13
Figure 28	Planned Payroll Reduction	14
Figure 29	Planned Payroll Reduction by Occupational Category	14
Retirements		
Figure 30	Estimate of Those Newly Eligible to Retire	15
Figure 31	Retirement Eligibility by Industry	15
Figure 32	Retirement Eligibility within Each Occupational Category	16
Figure 33	Retiree Retention Efforts by Employers	16
Figure 34	How Companies Plan to Replace Those Who Retire	16
Conclusion		
Job Vacancies		
Figure 35	Estimated Reported Vacancies	19
Appendix A: Wage Comparisons		
Appendix B: Payroll Change Maps		

South Central Iowa Area 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, 555 employers in the South Central Iowa Area 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 102 responses, yielding a 18.4 percent response rate.

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

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

These estimates are only valid if it is assumed that the vacancy rate for survey respondents and non-respondents is the same on average. The vacancy rate may be lower among non-respondents, as businesses that do not have current vacancies may be less likely to respond to the Workforce Needs Assessment Survey.

Figure 1
Survey Respondents by Industry and Percentage of Current Vacancies

Industry	Percent of Respondents	Percent of Total Vacancies Reported	Estimated Vacancies
Manufacturing	9.8%	40.2%	190
Construction	7.8%	20.7%	98
Healthcare & Social Services	20.6%	18.4%	87
Educational Services	2.9%	5.7%	27
Personal Services	5.9%	4.6%	22
Accommodation & Food Services	5.9%	3.4%	17
Administrative & Waste Services	2.0%	2.3%	11
Transportation & Warehousing	2.0%	2.3%	11
Professional & Technical Services	4.9%	1.2%	5
Wholesale & Retail Trade	18.6%	1.2%	5
Agriculture & Mining	3.9%	*	*
Arts, Entertainment & Recreation	*	*	*
Finance, Insurance & Real Estate	1.0%	*	*
Information	1.0%	*	*
Management	*	*	*
Public Administration	10.8%	*	*
Utilities	2.9%	*	*
Total	100%	100%	473

*Insufficient data reported

Totals may vary due to rounding methods

Figure 2 (next page) shows estimated vacancies by occupational category. By breaking the data into separate occupational groups, we can see the majority of vacancies are within the production, construction & extraction and healthcare practitioner & technical occupational categories, likewise, the highest number of vacancies by industry are in the manufacturing and construction industries. The occupational categories are clustered using the Standard Occupational Classification (SOC) system. Each broad category includes detailed occupations requiring similar job duties, skills, education or experience.

Figure 2
Percentage of Current Vacancies by Occupational Category

Occupational Category	Percent of Total Vacancies Reported	Estimated Vacancies
Production	20.7%	98
Construction & Extraction	19.5%	93
Healthcare Practitioner & Technical	8.0%	39
Building & Grounds Cleaning & Maintenance	5.8%	27
Installation, Maintenance & Repair	5.8%	27
Management	5.8%	27
Personal Care & Service	5.8%	27
Sales & Related	5.8%	27
Food Preparation & Serving Related	3.4%	16
Healthcare Support	3.4%	16
Architecture & Engineering	2.3%	11
Arts, Design, Entertainment, Sports & Related	2.3%	11
Business & Financial Operations	2.3%	11
Office & Administrative Support	2.3%	11
Protective Service	2.3%	11
Transportation & Material Moving	2.3%	11
Computer & Mathematical Science	1.1%	5
Education, Training & Library	1.1%	5
Community & Social Science	*	*
Farming, Fishing & Forestry	*	*
Legal	*	*
Life, Physical & Social Science	*	*
Total	100%	473

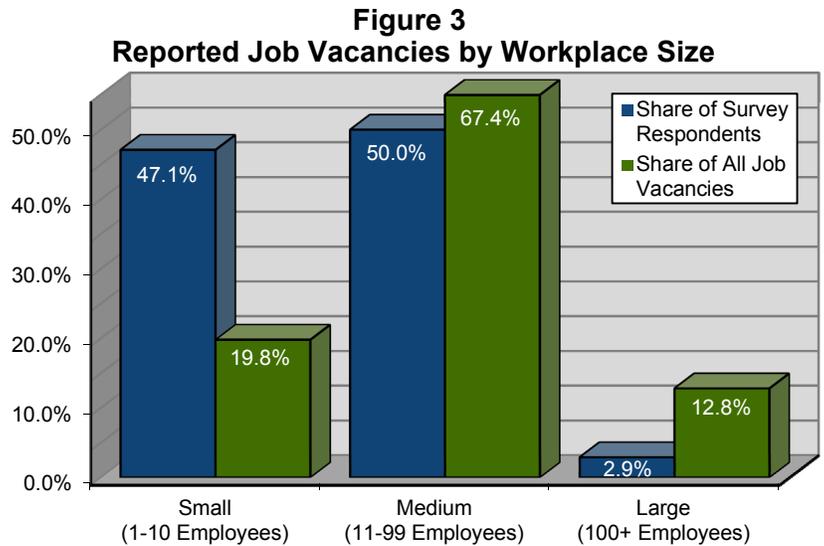
**Insufficient data reported
Totals may vary due to rounding methods*

Of the survey respondents, 27 (26.5%) reported having one or more current or anticipated job vacancies, while 75 respondents (73.5%) reported having no job vacancies. A total of 87 current job vacancies were reported for the region, consisting of 66.7 percent full-time, 14.9 percent part-time and 18.4 percent seasonal or temporary positions. When asked why positions are currently vacant, employers responded as follows:

- 46.5% - Replacing worker who has left (not retired)
- 41.9% - Permanent business growth/expansion
- 7.0% - Seasonal business growth/expansion
- 4.7% - Replacing retiring employee

Figure 3 shows the breakdown of job vacancies by employer size. Of employers that responded with job vacancies, 47.1 percent were businesses with 10 or fewer employees, 50.0 percent had between 11 and 99 employees and 2.9 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 2.9 percent of the survey responses, they reported over one-tenth (12.8%) of the total job vacancies in the South Central Iowa Area Partnership region.



One measure of workforce demand is determined by the job vacancy rate. With an estimated 473 job vacancies and a regional employment total of 19,133¹, there is a 2.5 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
Construction	626	15.7%
Manufacturing	3,755	5.1%
Personal Services	505	4.4%
Healthcare & Social Services	3,083	2.8%
Administrative & Waste Services	701	1.6%
Professional & Technical Services	324	1.5%
Accommodation & Food Services	1,366	1.2%
Educational Services	2,256	1.2%
Transportation & Warehousing	967	1.1%
Wholesale & Retail Trade	2,934	0.2%
Agriculture & Mining	487	*
Arts, Entertainment & Recreation	67	*
Finance, Insurance & Real Estate	665	*
Information	175	*
Management	0	*
Public Administration	1,131	*
Utilities	91	*

* 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 construction (15.7%), manufacturing (5.1%) and personal services (4.4%). 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 construction & extraction (9.7%); arts, design, entertainment, sports & related (6.9%); and architecture & engineering (5.5%). 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
Construction & Extraction	960	9.7%
Arts, Design, Entertainment, Sports & Related	160	6.9%
Architecture & Engineering	200	5.5%
Protective Service	260	4.2%
Building & Grounds Cleaning & Maintenance	660	4.1%
Healthcare Practitioner & Technical	990	3.9%
Management	740	3.6%
Installation, Maintenance & Repair	800	3.4%
Computer & Mathematical Science	150	3.3%
Personal Care & Service	820	3.3%
Production	2,940	3.3%
Healthcare Support	620	2.6%
Business & Financial Operations	550	2.0%
Sales & Related	2,270	1.2%
Food Preparation & Serving Related	1,750	0.9%
Transportation & Material Moving	1,600	0.7%
Office & Administrative Support	3,370	0.3%
Education, Training & Library	2,290	0.2%
Community & Social Science	280	*
Farming, Fishing & Forestry	390	*
Legal	20	*
Life, Physical & Social Science	120	*

* 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 personal care & service occupational category has an above average vacancy rate of 3.3 percent, while the vacancy rate for all categories is 2.2 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 personal care & services occupational category, is calculated as follows:

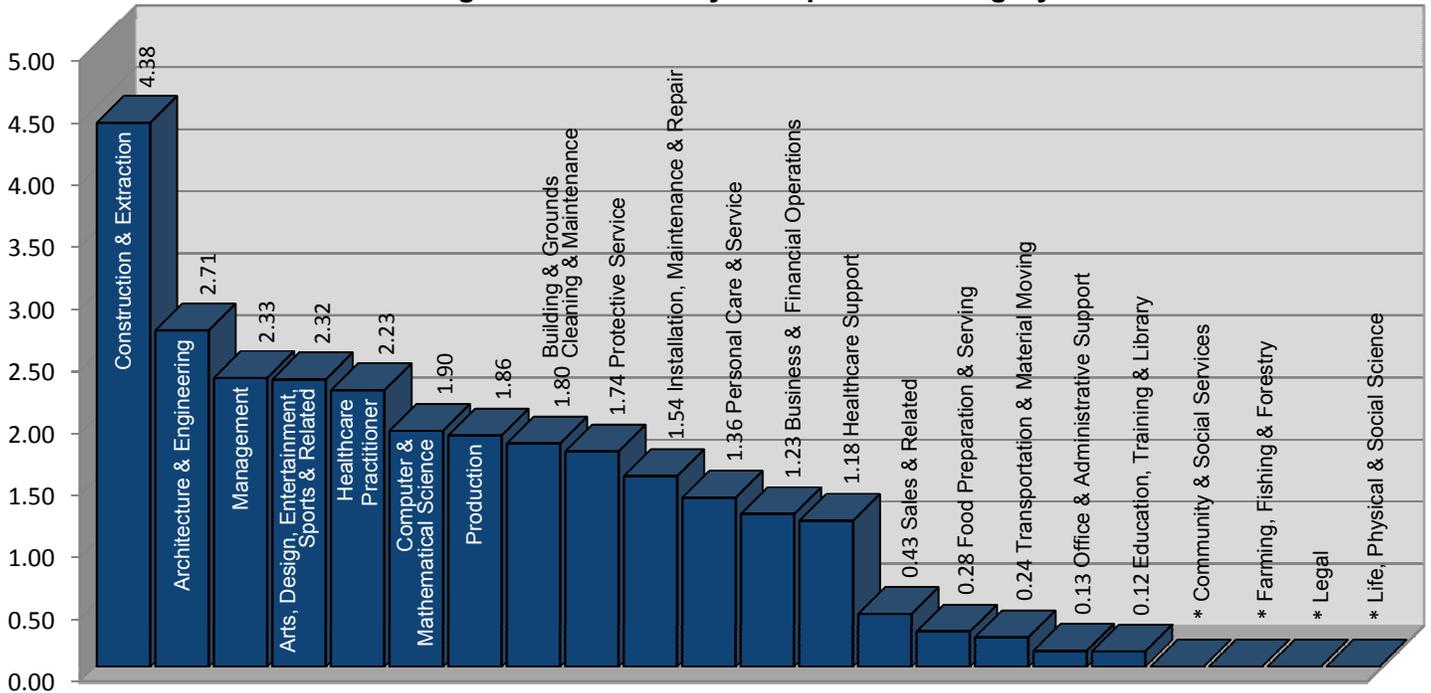
$$(3.3\% \div 2.2\%) \div (29.8\% \div 27.1\%) = 1.36$$

Using the HDI, we can see that the hiring demand for the personal care & services 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



*Insufficient data reported

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	12.2%
High School Education/GED	54.9%
Vocational/Technical Training	12.2%
Associate Degree	11.0%
Undergraduate Degree	7.3%
Postgraduate/Professional Degree	2.4%

Figure 8
Experience Required - Current Vacancies

Experience Required	Percent
No Experience Required	36.6%
Less than 1 Year	11.0%
1-2 Years	40.2%
3-5 Years	8.5%
More than 5 Years	3.7%

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**.

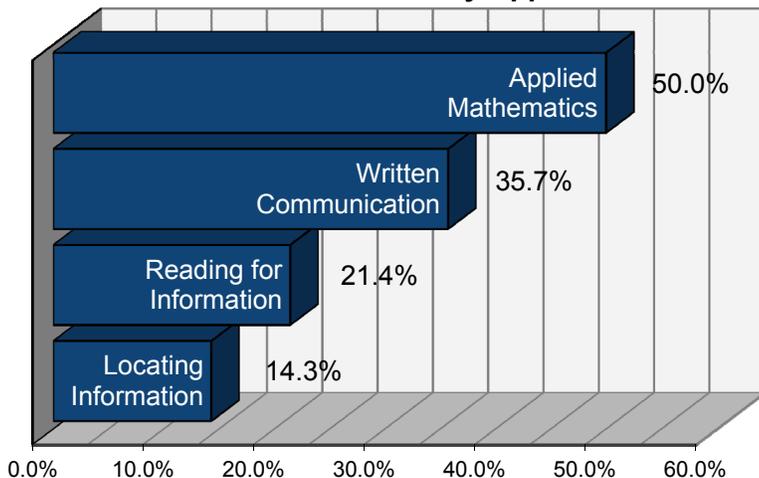
We can begin to analyze any workforce gaps by comparing the inventory of skills needed by employers and those skills held by the population of workers as presented in a Laborshed analysis. This gap is then analyzed and the necessary training and education programs can be formalized through a Skillshed 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.	12.6%	33.7%	34.7%	9.5%	9.5%
In general, applicants possess the basic skills required for the job.	13.8%	38.3%	33.0%	13.8%	1.1%
In general, applicants possess the soft skills required for the job.	9.3%	38.1%	40.2%	7.2%	5.2%
In general, applicants possess the occupational skills required for the job.	10.4%	26.0%	35.4%	21.9%	6.3%
There is often a problem filling this position because applicants are disqualified due to controlled substance testing.	4.2%	9.5%	20.0%	17.9%	48.4%
There is often a problem filling this position because applicants are disqualified for failure to pass a background check.	6.2%	8.2%	24.7%	22.7%	38.2%

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

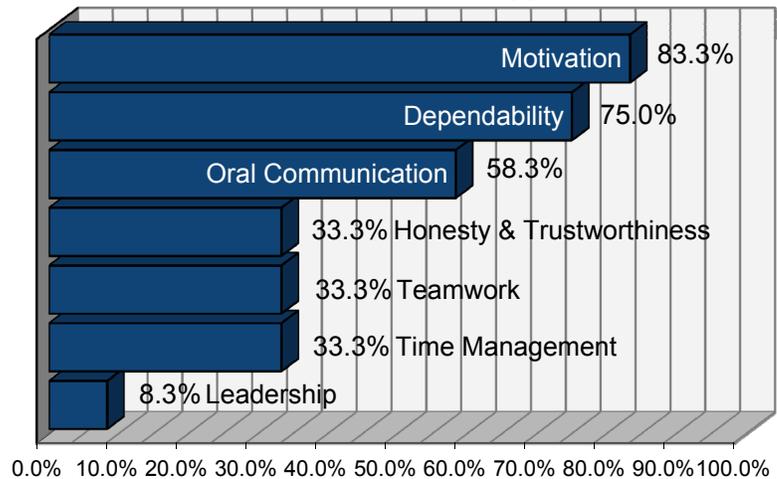
Figure 10
Basic Skills Lacked by Applicants



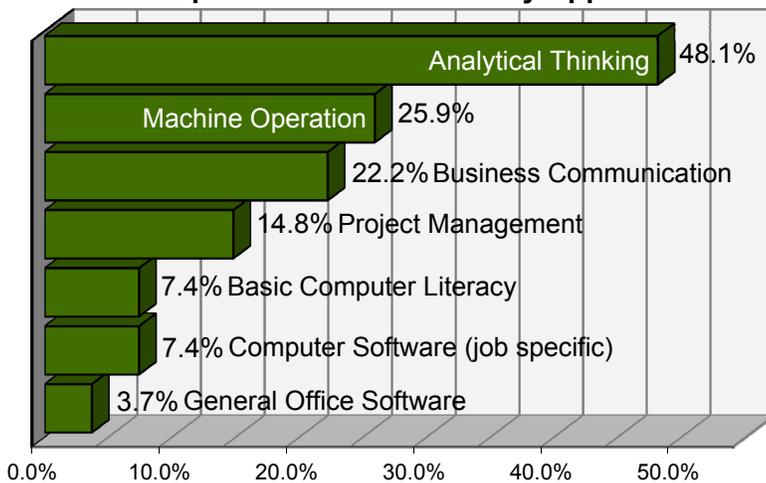
Basic skills are those skills developed during the elementary and middle part of an individual's education. These skills include literacy, numeracy (the ability to do arithmetic and reason with numbers), basic computer skills and organization. Over one-tenth (14.9%) of employers surveyed feel that applicants 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. Slightly more than one-tenth (12.4%) 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. Over one-fourth (28.2%) 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	56.9%
Online	22.5%
Commercial training provider	19.6%
Employee self-directed training	19.6%
No training provided	11.0%
Other	8.8%
College/University	6.9%
Trade school	2.9%

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 (91.8%) of employers report taking employee input under consideration when planning what training to provide. Nearly one-third (32.0%) 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

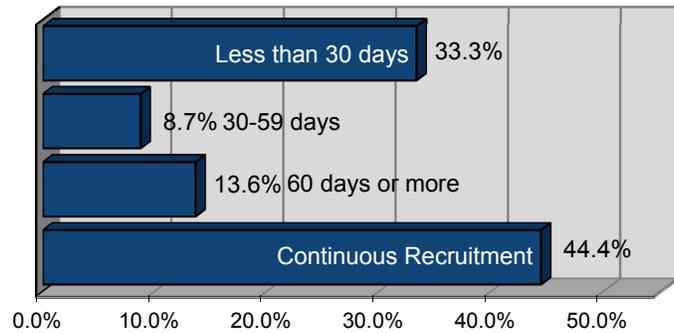
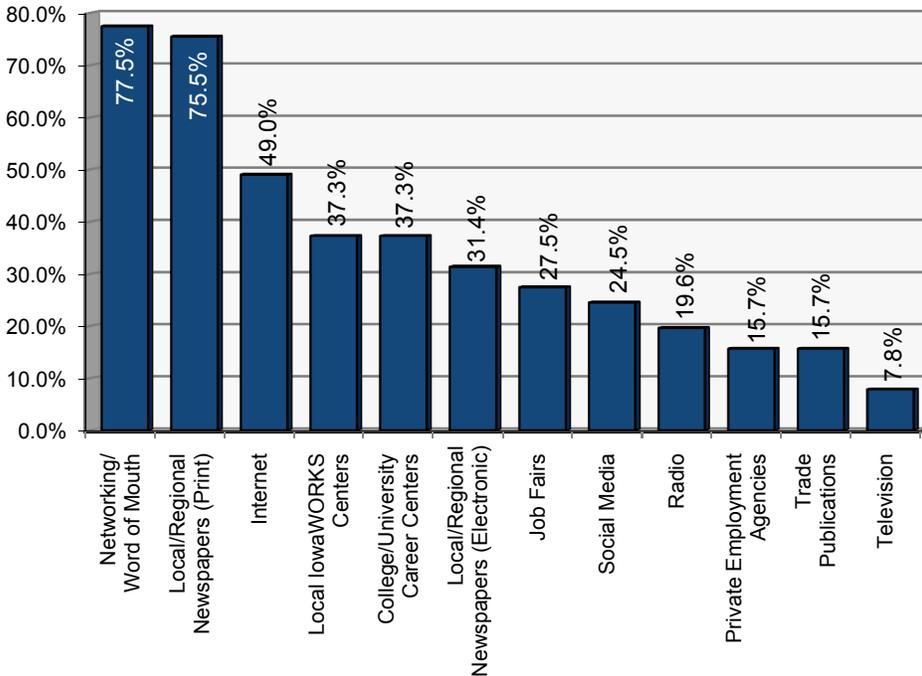


Figure 15
Recruitment Media Utilization



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, college/university career centers, electronic editions of local/regional newspapers and job fairs.

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 South Central Iowa Area Partnership Laborshed Report (<http://www.iowaworkforce.org/lmi/labsur/scipregionalexecsum2011.pdf>).

Figure 16
Average Wages by Occupational Category

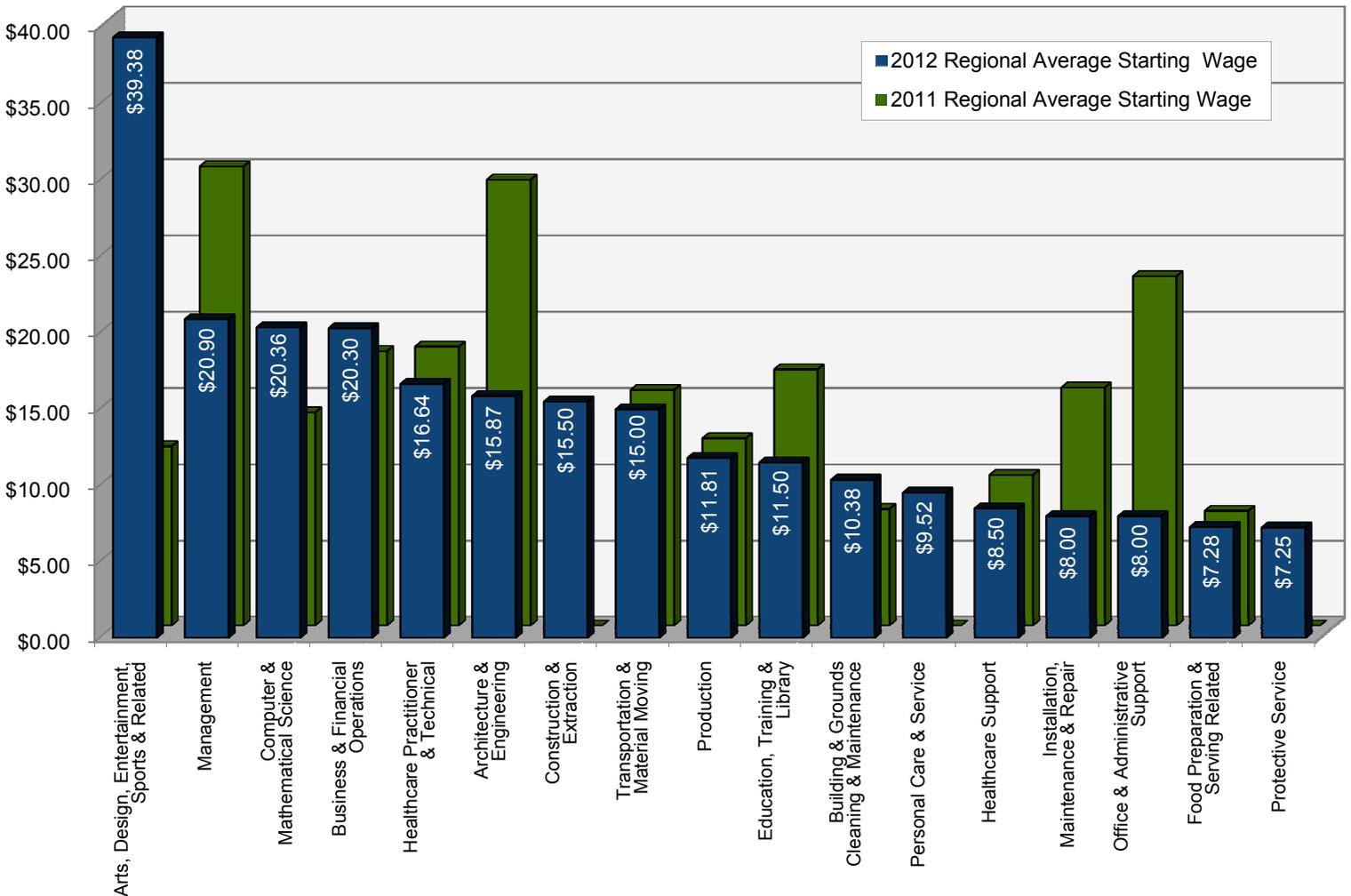


Figure 16 is the 2012 survey-reported average starting wages by occupational category with 2011 survey-reported average starting wages for comparison. This is important for job seekers in determining what jobs can provide a livable wage and have higher earning potential. Employers can use the information to determine their competitiveness with wages among all other categories. From the graph, we see that the arts, design, entertainment, sports & related; management; computer & mathematical science; and business & financial operations 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	85.9%	5.8%
Prescription Drug Plans	70.1%	5.8%
Life Insurance	60.0%	4.3%
Dental	46.8%	8.7%
Long Term Disability	39.5%	3.0%
Accidental Death & Dismemberment	36.0%	1.5%
Short-Term Disability	31.6%	2.9%
Vision	25.3%	3.0%

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	64.9%	40.8%
Bonuses	63.2%	33.8%
Retirement Package	51.3%	25.4%
Flex Spending Accounts/Cafeteria Plans	40.8%	10.0%
Uniform Allowances	30.8%	12.5%
Tuition Assistance	23.7%	10.0%
Profit Sharing/Stock Options	17.1%	4.3%
Shift Differential Pay	15.8%	8.7%
Employee Assistance Program	10.7%	8.6%
Wellness Programs	9.2%	4.2%
Relocation/Moving Expenses	6.7%	1.4%
Childcare	2.6%	1.4%

The Regional Laborshed Analysis was used to identify current benefit packages being offered to employees within the state. These benefits include; health/medical insurance (88.8%), pension/retirement options (64.0%), dental coverage (42.9%), paid vacation (38.7%), life insurance (26.2%), vision coverage (25.7%), paid sick leave (24.5%), paid holidays (16.5%), disability insurance (14.6%), paid time off (8.3%) and prescription drug coverage (6.5%). Nearly three-quarters (73.1%) of the employers and employees are reported as sharing in the premium costs of health/medical insurance, 18.8 percent of the employers are reported as covering the entire cost of insurance premiums while 8.1 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
Vacation	85.5%	21.7%
Holiday	82.9%	27.5%
Bereavement/Funeral	72.4%	31.9%
Sick Leave	63.2%	21.2%
Maternity/Paternity	48.6%	19.4%
Personal Days/Floating Holidays	48.0%	17.6%
Combined Paid Time Off (PTO)	44.6%	17.1%
Training	44.0%	23.9%

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.

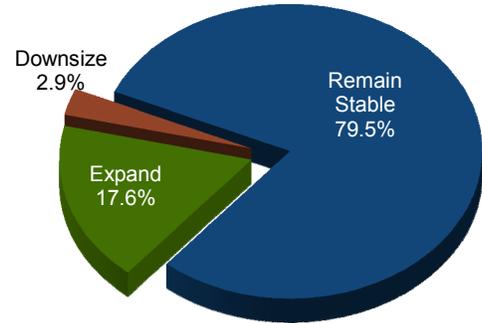
Future Plans

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 state, many employers were not able to state their workforce plans in any definite way.

Figure 20 shows the proportion of employers planning to expand, reduce or maintain the size of their workforce. Almost four-fifths (79.5%) of employers are planning to keep the size of their workforce steady while 17.6 percent of employers plan to expand their workforce and only 2.9 percent plan to reduce their workforce.

**Figure 20
Future Workforce Plans**



**Figure 21
Net Reported Payroll Change**

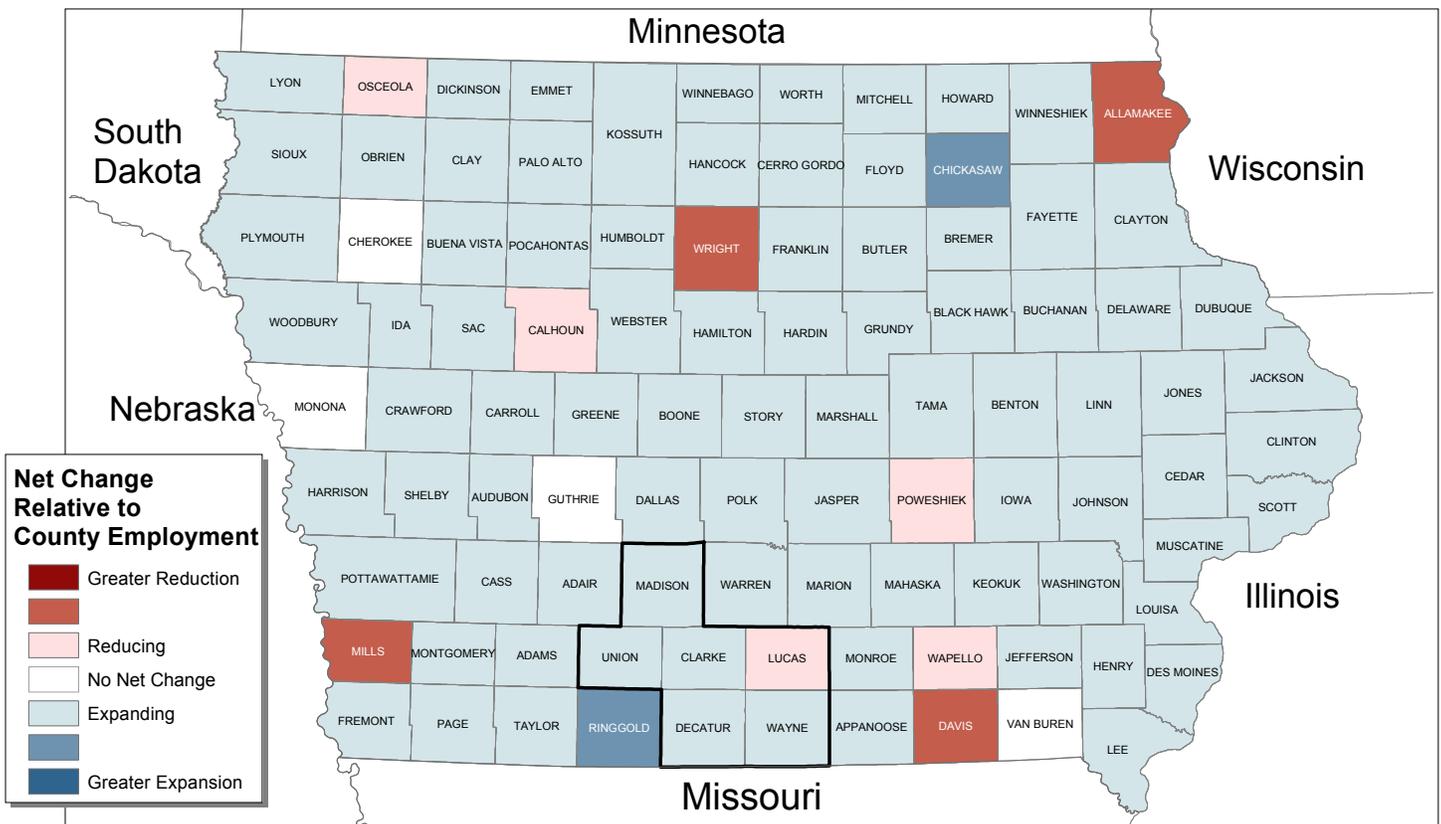


Figure 21 The Net Reported Payroll Change map shows the relative intensity of plans by employers to expand or reduce their workforces in each county in terms of total jobs to be created or cut, normalized by the total employment of the county. The darker red indicates greater expected reductions, relative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

Planned Workforce Expansion

Nearly one-fifth (17.6%) of the employers surveyed are planning to expand their workforce in the future. Of those employers planning on expanding their workforce, 58.8 percent indicated they were planning to do within 12 months, 29.4 percent indicated that they were planning to expand in one to two years and 11.8 percent are planning to expand in two to three years. Over two-fifths (41.2%) 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
Insourcing of business operations
Entry into new markets
Opening a new location
Changes in tax or regulatory incentives
Meet current market demands
Merger/Acquisition
Increase share of existing market
Reduction of overtime

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 insourcing of business operations, entry into new markets and opening a new location.

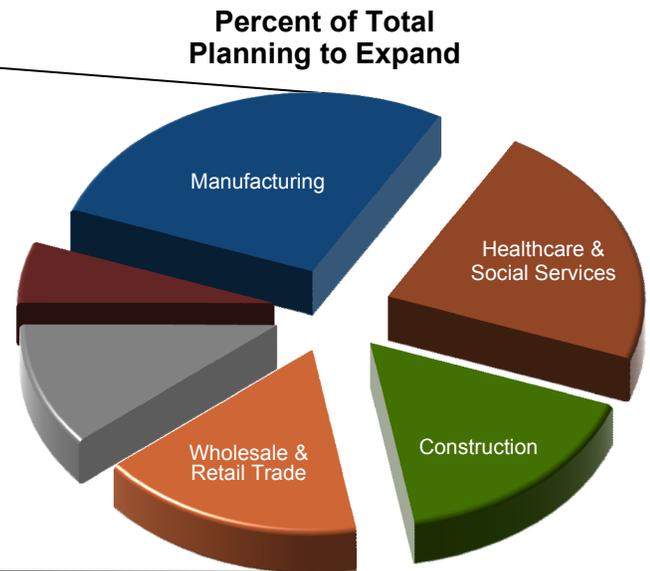
Figure 23
Constraints Preventing Payroll Expansion
Ranked by Relative Importance

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, expenses related to benefits and competition within existing markets.

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

**Figure 24
Planned Payroll Expansion**

Industry	Percent of Each Industry	Percent of Total
Manufacturing	50.0%	27.8%
Healthcare & Social Services	19.0%	22.2%
Construction	37.5%	16.7%
Wholesale & Retail Trade	15.8%	16.7%
Administrative & Waste Services	100.0%	11.1%
Personal Services	16.7%	5.5%
Accommodation & Food Services	*	*
Agriculture & Mining	*	*
Arts, Entertainment & Recreation	*	*
Educational Services	*	*
Finance, Insurance & Real Estate	*	*
Information	*	*
Management	*	*
Professional & Technical Services	*	*
Public Administration	*	*
Transportation & Warehousing	*	*
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, 50.0 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 27.8 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	58.8%
1-2 years	29.4%
2-3 years	11.8%
More than 3 years	0.0%

Figure 26 shows the percent of planned expansion by occupational category. Construction & extraction represents one of the largest categories among current vacancies (**Figure 2**, page 2) and the category accounts for 17.5 percent of the planned payroll expansion positions. Production occupations represent 20.7 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, building & grounds cleaning & maintenance and construction & extraction.

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	44.5%
Building & Grounds Cleaning & Maintenance	17.5%
Construction & Extraction	17.5%
Architecture & Engineering	4.1%
Installation, Maintenance & Repair	4.1%
Personal Care & Service	4.1%
Sales & Related	4.1%
Management	2.7%
Office & Administrative Support	1.4%
Arts, Design, Entertainment, Sports & Related	*
Business & Financial Operations	*
Community & Social Science	*
Computer & Mathematical Science	*
Education, Training & Library	*
Farming, Fishing & Forestry	*
Food Preparation & Serving Related	*
Healthcare Practitioner & Technical	*
Healthcare Support	*
Legal	*
Life, Physical & Social Science	*
Protective Service	*
Transportation & Material Moving	*

* Insufficient data reported

Planned Workforce Reduction

Very few (2.9%) of the employers surveyed are planning to reduce their workforce in the future. Due to the very low response rate of employers planning to reduce their workforce the remainder of this section (pages 13 and 14) reflect State wide data.

Almost three fourths of employers planning to reduce their workforce plan to do so in the next twelve months, 17.8 percent in one to two years, 6.1 percent in two to three years, and 3.7 percent plan to reduce the size of their workforces in three or more years.

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 reduced profits from current operations, expenses related to benefits and changes in tax or regulatory burdens.

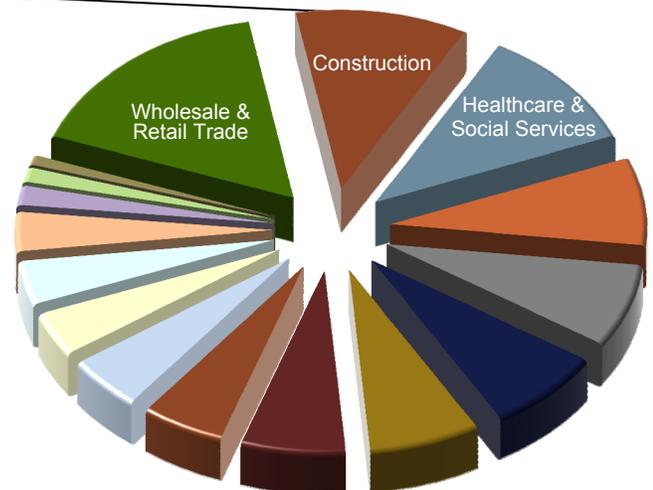
Reasons for Downsizing
Reduced profits from current operations
Expenses related to benefits
Changes in tax or regulatory burdens
Respond to reduced market demands
Reduced share of existing market
Business sale or closure
Exit from existing markets or business division closing
Closing an existing location
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, 3.1 percent of all businesses in the wholesale & retail trade industry are planning to reduce their payroll in the future. Those businesses within the wholesale & retail trade industry make up 16.6 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
Wholesale & Retail Trade	3.1%	16.6%
Construction	3.7%	10.9%
Healthcare & Social Services	3.2%	10.9%
Finance, Insurance & Real Estate	4.3%	7.9%
Manufacturing	2.9%	7.4%
Personal Services	4.2%	7.4%
Professional & Technical Services	3.5%	7.0%
Transportation & Warehousing	7.2%	6.6%
Accommodation & Food Services	3.2%	5.2%
Educational Services	9.5%	4.8%
Administrative & Waste Services	4.3%	3.9%
Agriculture & Mining	6.3%	3.9%
Public Administration	2.3%	3.5%
Information	3.1%	1.7%
Arts, Entertainment & Recreation	3.0%	1.3%
Utilities	2.4%	0.9%
Management	*	*

**Percent of Total
Planning to Downsize**



*insufficient data reported

Retirement

Currently, there are 1,036 individuals over the age of 64 working throughout the South Central Iowa Area Partnership region. They represent approximately 5.4 percent of the total workforce. The utilities (12.1%); arts, entertainment & recreation (10.4%); and public administration (9.7%) 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 54.6 and 45.4 percent respectively⁴.

Of those employees eligible to retire, almost all (91.1%) 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 501 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 0.7% percent of the region's workforce becomes eligible for retirement each year (125 divided by total employment of about 19,133 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

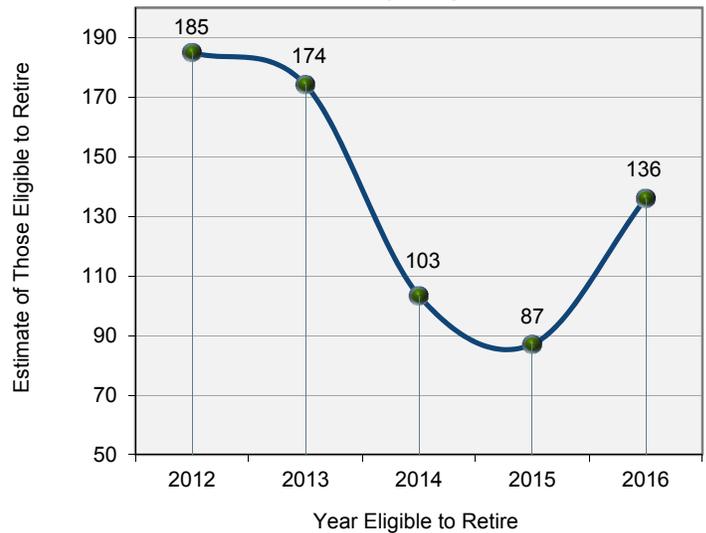
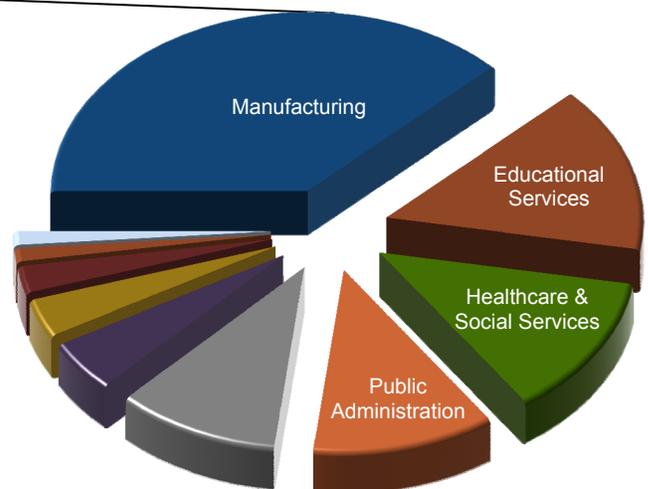


Figure 31 shows the estimated percentage of potential worker loss due to retirement by industry. In the next five years, there will be a significant number of workers eligible for retirement from the manufacturing, educational services, healthcare & social services and public administration industries.

Figure 31
Retirement Eligibility by Industry

Industry	Percent of Expected Retirements
Manufacturing	37.9%
Educational Services	14.9%
Healthcare & Social Services	12.6%
Public Administration	11.5%
Wholesale & Retail Trade	10.3%
Personal Services	4.6%
Professional & Technical Services	3.4%
Utilities	2.4%
Construction	1.2%
Information	1.2%
Accommodation & Food Services	*
Administrative & Waste Services	*
Agriculture & Mining	*
Arts, Entertainment & Recreation	*
Finance, Insurance & Real Estate	*
Management	*
Transportation & Warehousing	*



* Insufficient data reported

Figure 32
Retirement Eligibility within Each Occupational Category

Occupational Category	Percent Affected by Retirements
Production	27.6%
Management	18.4%
Office & Administrative Support	16.1%
Installation, Maintenance & Repair	6.9%
Education, Training & Library	5.7%
Business & Financial Operations	3.4%
Healthcare Practitioner & Technical	3.4%
Healthcare Support	3.4%
Sales & Related	3.4%
Building & Grounds Cleaning & Maintenance	2.3%
Legal	2.3%
Personal Care & Service	2.3%
Architecture & Engineering	1.2%
Community & Social Science	1.2%
Construction & Extraction	1.2%
Transportation & Material Moving	1.2%
Arts, Design, Entertainment, Sports & Related	*
Computer & Mathematical Science	*
Farming, Fishing & Forestry	*
Food Preparation & Serving Related	*
Life, Physical & Social Science	*
Protective Service	*

*Insufficient data reported

Figure 32 shows the percent of eligible retirement within each occupational category. Production positions represent the largest occupational category among current vacancies (20.7%) (**Figure 2**, page 2) and is the largest occupational category among jobs potentially affected by retiring workers. While construction & extraction occupations make up 19.5 percent of the state's current vacancies (**Figure 2**, page 2), they are not significantly affected by workers potentially retiring (1.2%). The occupational categories that will potentially be the most affected are: production; management; office & administrative support; and installation, maintenance & repair.

Almost three-fourths (74.5%) 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 (48.9%) of the employers are offering retirees flexible work schedules; followed by a change in duties/responsibilities; increased wages and/or bonuses; additional training to upgrade their skills; benefits to part-time employees; seasonal work schedules; more recognition for work done; allowing telecommuting/working from home; benefits to retirees; and other efforts.

Figure 33
Retiree Retention Efforts by Employers

Efforts to Keep/Attract Retirees	Percent
Flexible work schedules	48.9%
Change in duties/responsibilities	26.7%
Increase wages and/or bonuses	26.7%
Offer additional training	22.2%
Benefits to part-time employees	13.3%
Seasonal work schedules	13.3%
More recognition	6.7%
Telecommuting/working from home	6.7%
Benefits to retirees	4.4%
Other	4.4%

Figure 34
How Companies Plan to Replace Those Who Retire

Replacing Vacancies Due to Retirements	Percent
Hire workers from outside of the company	37.0%
Combination of hiring outside workers and promoting from within the company	31.5%
Not currently planning to fill these positions	18.5%
Promote employees from within the company	13.0%

Figure 34 shows how companies plan to fill vacant positions left behind from those who have retired. Of those who reported, 37.0 percent plan only to hire workers from outside the company, 31.5 percent plan to use a combination of hiring outside workers along with promoting from within the company, 18.5 percent do not currently plan on filling these positions and 13.0 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 manufacturing, construction and healthcare & social services industries. There are an estimated 190 vacancies in the manufacturing industry and another 98 in the construction industry. Together these two industries account for over three-fifths (60.9%) of all vacancies in the South Central Iowa Area Partnership region.

By occupational category the survey shows a relative high demand in the production, construction & extraction and healthcare practitioner & technical occupational categories. Production occupations account for an estimated 98 vacant positions and construction & extraction accounts for another 93 positions. Production and construction & extraction occupations together make up more than two-fifths (40.2%) of the area's vacancies.

Nearly all (90.3%) of the current job vacancies reported require an education level at or below an associates degree. Fewer than one-tenth (9.7%) of current job vacancies require an undergraduate degree or higher. More than one-third (36.6%) of the current job vacancies reported require no experience, while 51.2 percent require experience totaling less than two years.

Positions open due to retirement have slightly higher education requirements. One-third (33.3%) of vacancies due to retirement require an undergraduate degree or higher. Conversely, positions open due to retirement require more experience. Two-thirds (66.7%) of vacancies due to retirement can be filled by those with no 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.

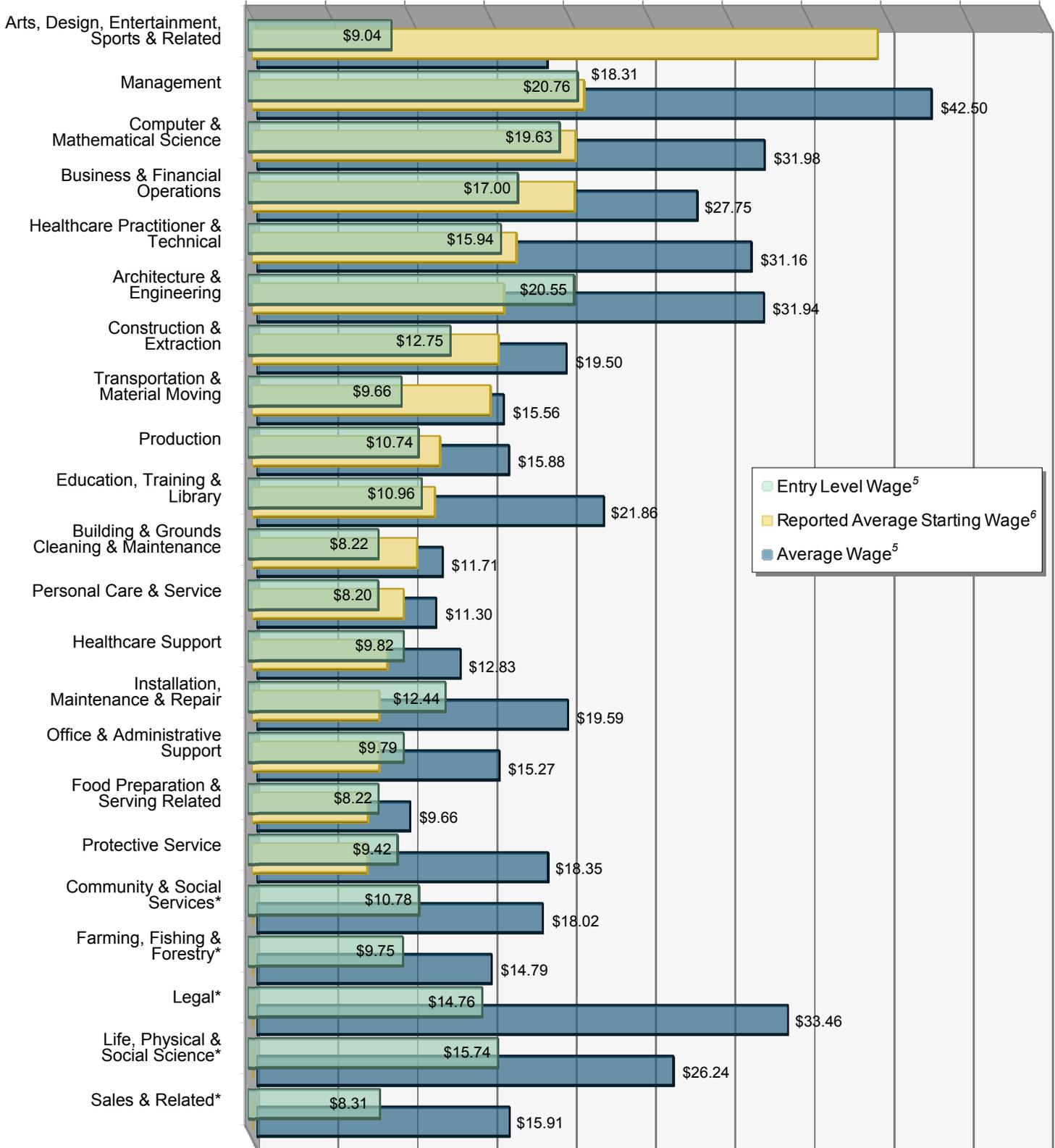
**Figure 35
Estimated Reported Vacancies**

Job Title	SOC Code	Estimated Vacancies
Production Workers, All Other	51-9199	33
Cement Masons and Concrete Finishers	47-2051	27
Construction Laborers	47-2061	27
Painters, Transportation Equipment	51-9122	27
Registered Nurses	29-1141	27
Sales and Related Workers, All Other	41-9099	27
Structural Iron and Steel Workers	47-2221	27
Personal Care Aides	39-9021	23
Industrial Production Managers	11-3051	16
Motorcycle Mechanics	49-3052	16
Coaches and Scouts	27-2022	12
Cooks, All Other	35-2019	12
Heavy and Tractor-Trailer Truck Drivers	53-3032	12
Lifeguards, Ski Patrol, and Other Recreational Protective Service Workers	33-9092	12
Machinists	51-4041	12
Maids and Housekeeping Cleaners	37-2012	12
Nursing Assistants	31-1014	12
Sales Managers	11-2022	12
Welders, Cutters, Solderers, and Brazers	51-4121	12
Adult Basic and Secondary Education and Literacy Teachers and Instructors	25-3011	5
Assemblers and Fabricators, All Other	51-2099	5
Cabinetmakers and Bench Carpenters	51-7011	5
Computer Systems Analysts	15-1121	5
Dietetic Technicians	29-2051	5
Engineers, All Other	17-2199	5
First-Line Supervisors of Construction Trades and Extraction Workers	47-1011	5
First-Line Supervisors of Housekeeping and Janitorial Workers	37-1011	5
First-Line Supervisors of Production and Operating Workers	51-1011	5
Hairdressers, Hairstylists, and Cosmetologists	39-5012	5
Heating, Air Conditioning, and Refrigeration Mechanics and Installers	49-9021	5
Home Health Aides	31-1011	5
Human Resources Specialists	13-1071	5
Landscaping and Groundskeeping Workers	37-3011	5
Licensed Practical and Licensed Vocational Nurses	29-2061	5
Mechanical Drafters	17-3013	5
Operating Engineers and Other Construction Equipment Operators	47-2073	5
Pesticide Handlers, Sprayers, and Applicators, Vegetation	37-3012	5
Receptionists and Information Clerks	43-4171	5
Shipping, Receiving, and Traffic Clerks	43-5071	5
Tire Repairers and Changers	49-3093	5
Waiters and Waitresses	35-3031	5
Wholesale and Retail Buyers, Except Farm Products	13-1022	5
Estimated Total Vacancies		473

* Totals may vary due to rounding methods

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

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

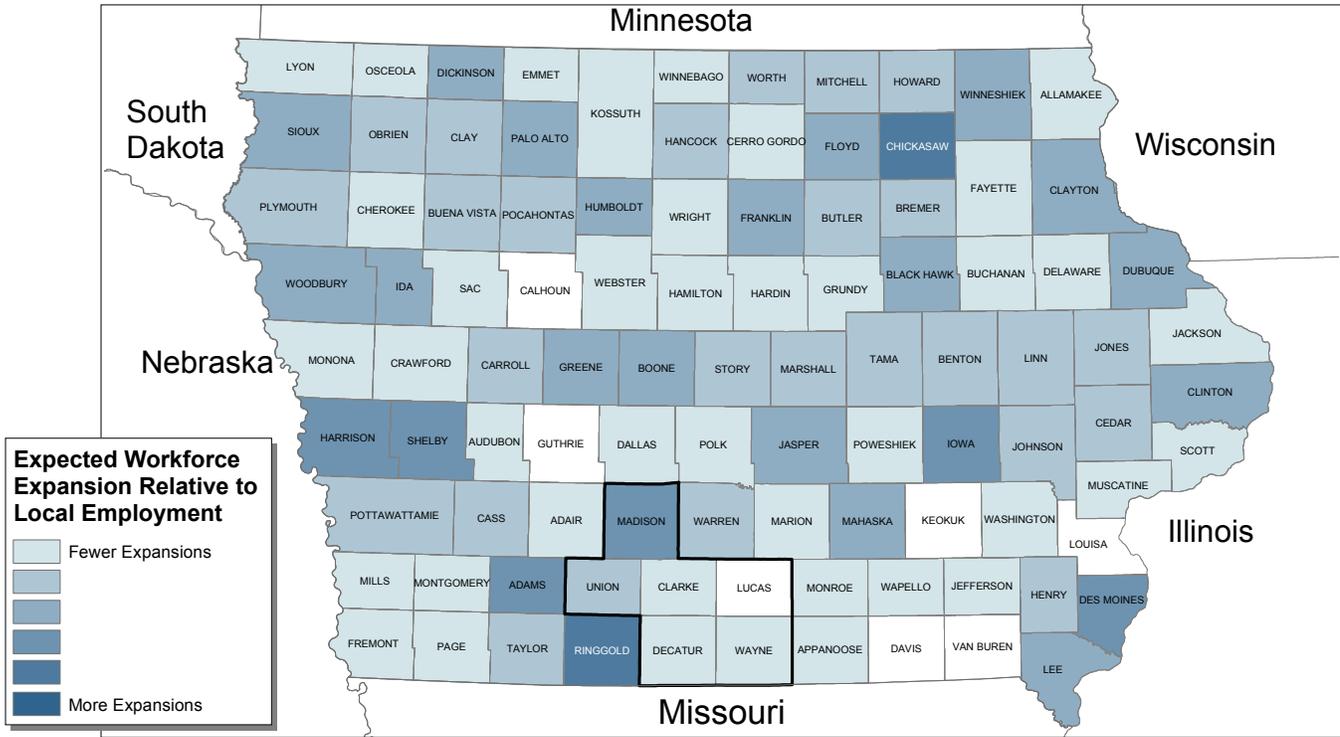


*Insufficient data reported

⁵Entry Level Wage and Average Wage taken from 2012 Iowa Wage Survey.

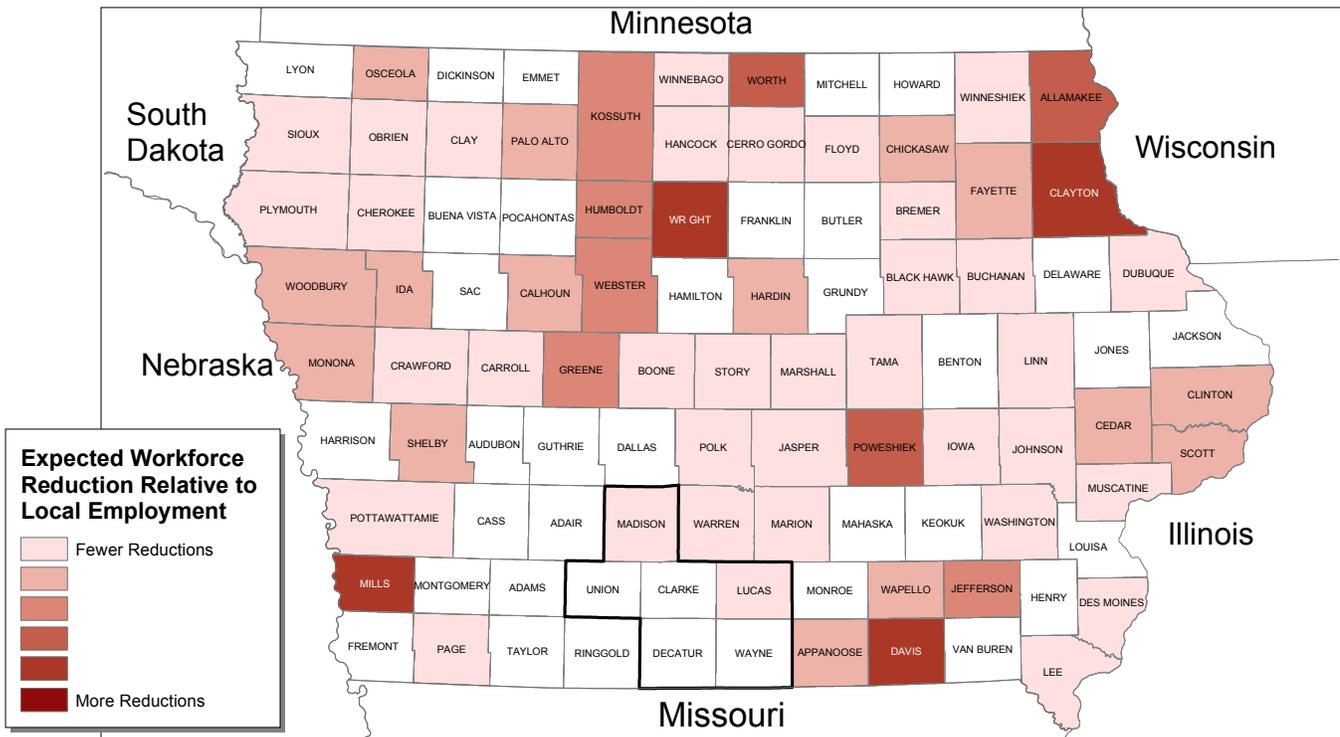
⁶Average Starting Wage is taken from the Workforce Needs Assessment survey data.

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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