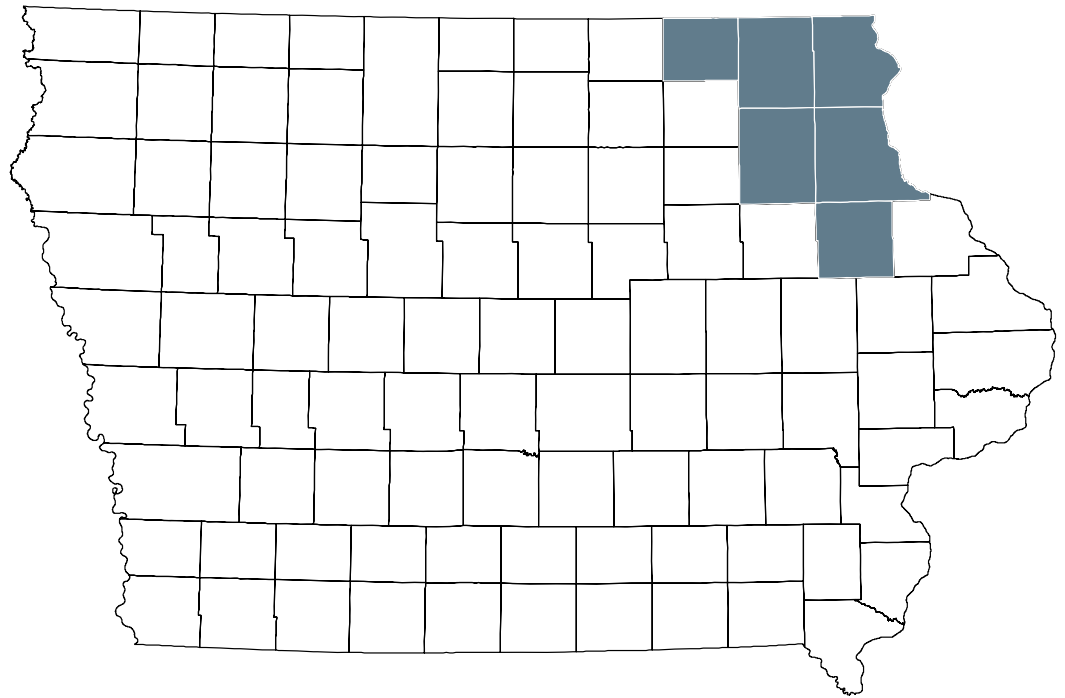


Workforce Needs Assessment 2008



Executive Summary



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

Northeast Iowa Business Network 2008

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

Beginning in September 2007, 1,440 employers in the Northeast Iowa Business Network, which includes Allamakee, Clayton, Delaware, Fayette, Howard, and Winneshiek counties, were contacted and asked to complete the Workforce Needs Assessment Survey. Two attempts were made to contact each employer. By the end of the survey period (January 17, 2008), the survey had received 407 responses, yielding a 28.3 percent response rate. Figure 1 details the survey respondents by industry.

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

Estimates were obtained by assuming that the vacancy rate among survey respondents within an industry would apply to the entire industry. For example, the wholesale and retail trade industry had an average vacancy rate of 0.302 vacancies per respondent. Since the region has approximately 367 businesses in the wholesale and retail trade industry, it is estimated that there are 111 vacancies¹.

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

**Figure 1.
Survey Respondents by Industry and Current Vacancy Estimates**

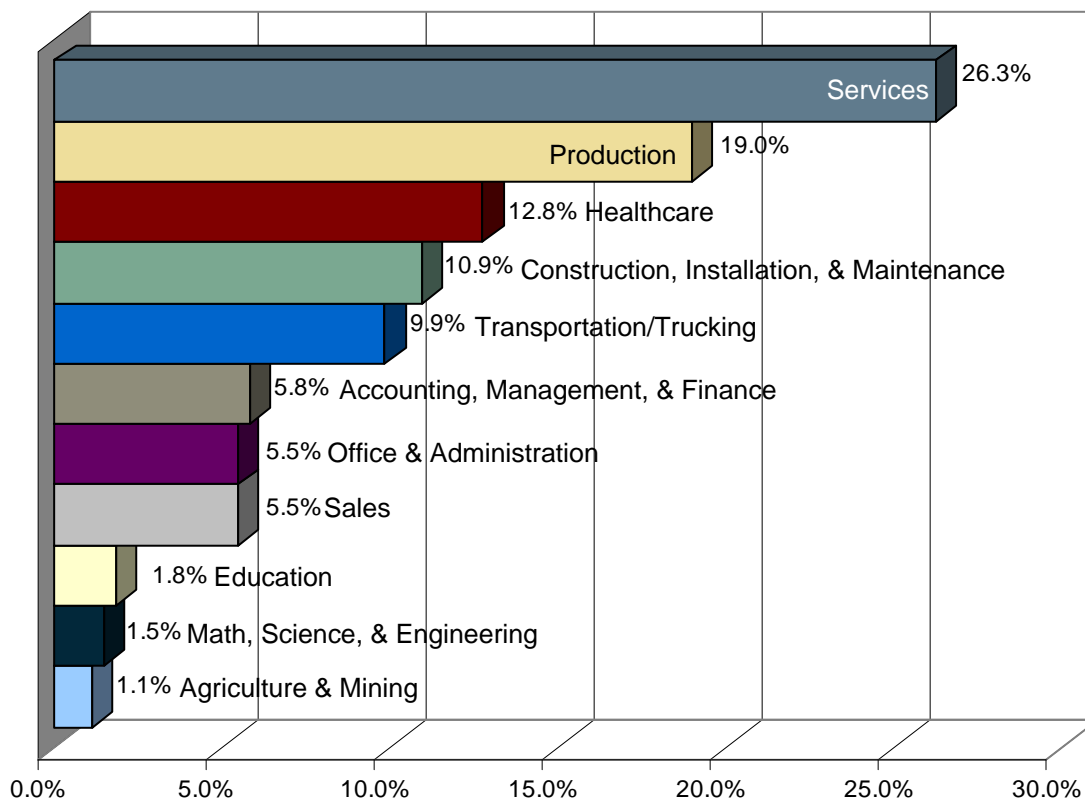
Industry	Percentage of Respondents	Estimated 2008 Vacancies
Healthcare	10.1%	260
Manufacturing	10.1%	171
Personal Services	11.3%	126
Wholesale & Retail Trade	23.6%	111
Agriculture & Mining	2.7%	69
Education	6.6%	61
Construction	8.1%	57
Transportation & Warehousing	3.4%	41
Management	0.2%	35
Administrative Services	1.2%	27
Arts, Entertainment, & Recreation	1.0%	21
Professional & Technical Services	4.7%	17
Finance, Insurance, & Real Estate	7.4%	14
Public Administration	8.4%	13
Utilities	0.2%	12
Information	1.0%	8
Total	100.0%	1,043

¹ 367*0.302 = 111 (rounded)

Of the survey respondents, 114 (28.0%) reported having one or more current or anticipated job vacancies, while 293 respondents (72.0%) reported having no job vacancies. A total of 275 current job vacancies were reported for the Northeast Iowa Business Network, consisting of 68.1 percent full-time and 31.9 percent part-time positions. Most (79.1%) of the vacancies are permanent employment with a smaller percentage (20.9%) of seasonal or temporary positions.

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

**Figure 2
Job Vacancies by Occupational Category**



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

**Figure 3
Education Required - Current Vacancies**

Education Required	Percentage
No Educational Requirement	36.5%
High School Education/GED	36.1%
Vocational/Technical Training	16.0%
Associate Degree	3.0%
Undergraduate Degree	7.3%
Postgraduate/Professional Degree	1.1%

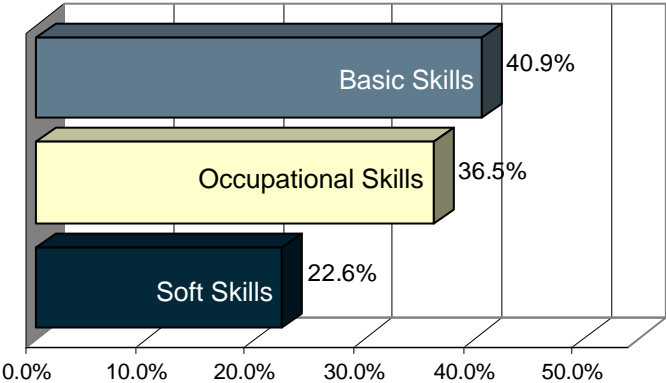
**Figure 4
Experience Required - Current Vacancies**

Experience Required	Percentage
No Experience Required	63.6%
1 Year	13.6%
2 Years	16.8%
3 Years	3.7%
4+ Years	2.3%

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

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

**Figure 5
Overall Skills Required**



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

**Figure 6
Perception of Applicants**

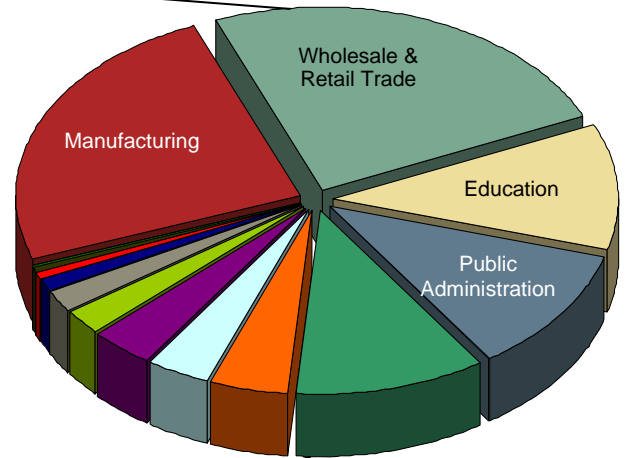
Employer's Perceptions of Job Applicants	Strongly Agree	Agree	Disagree	Strongly Disagree
In general, job applicants possess the soft skills required for the job	30.1%	48.6%	9.3%	1.9%
In general, job applicants possess the basic skills required for the job	32.0%	49.4%	7.7%	1.2%
In general, job applicants possess the occupational skills required for the job	14.3%	51.2%	22.5%	1.9%
In general, job applicants have an interest in varied work shifts	10.1%	31.8%	26.7%	2.3%
In general, job applicants take into consideration the location of a business (commuting distance)	15.6%	57.6%	10.9%	1.2%

Workforce Retirements

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

**Figure 7
Retirements by Industry**

Industry	Percentage of Retirements
Manufacturing	24.5%
Wholesale & Retail Trade	24.2%
Education	11.1%
Public Administration	11.1%
Healthcare	10.8%
Finance, Insurance, & Real Estate	4.6%
Construction	3.6%
Professional & Technical Services	3.6%
Personal Services	2.3%
Agriculture & Mining	1.8%
Transportation & Warehousing	1.3%
Administrative Services	0.5%
Arts, Entertainment, & Recreation	0.5%
Management	0.0%
Information	0.0%
Utilities	0.0%



**Figure 8
Retirements by Occupational Category**

Occupation	Percentage of Retirements
Production	23.2%
Accounting, Management, & Finance	19.1%
Office & Administration	11.6%
Construction, Installation, & Maintenance	8.2%
Transportation/Trucking	8.2%
Education	7.7%
Services	7.4%
Healthcare	6.7%
Sales	4.9%
Math, Science, & Engineering	2.5%
Agriculture & Mining	0.5%

Figure 8 shows retirement vacancies in the Northeast Iowa Business Network by occupational category.

Figure 9 Education Required to Fill Vacancies due to Retirement

Education Required	Percentage
High School Education/GED	43.9%
Vocational Training/Certification	23.9%
Associate Degree	15.0%
Bachelors Degree	15.6%
Graduate/Professional Degree	1.5%

Figure 9 shows the education required to fill job vacancies as a result of retirements. The data shows that the job vacancies are split into two levels: jobs requiring no more than a high school education (43.9%), jobs requiring vocational training or a two-year degree (38.9%). Jobs requiring an undergraduate degree or higher make up a smaller percentage (17.1%). These requirements are driven by the occupational categories listed in Figure 8.

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

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

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

Figure 10
Estimate of Those Eligible to Retire

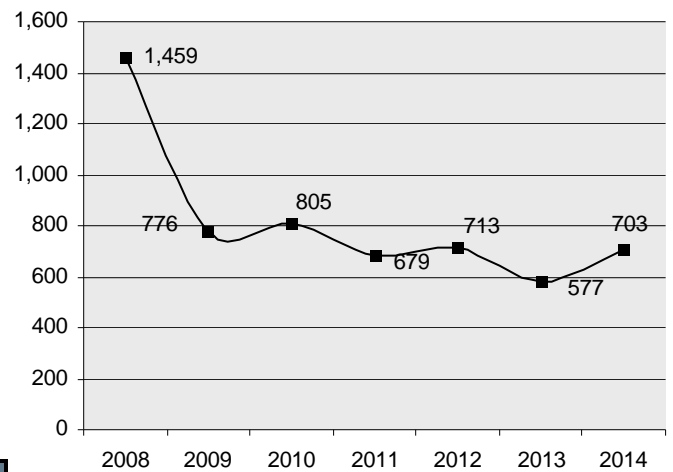


Figure 11
Retiree Retention Efforts by Employers

Strategies of employers with retention efforts:	Percentage
Flexible work schedules	70.7%
Change in duties/responsibilities	35.4%
Seasonal work schedules	34.7%
Increase wages/or bonuses	17.7%
Benefits to part-time employees	9.5%
Additional training	8.8%
More recognition	6.8%
Telecommuting/work from home	3.4%
Other	3.4%
Benefits to retirees	2.0%

Nearly two-thirds (64.0%) of employers indicated that they are engaged in retiree retention efforts. Figure 11 details employer responses regarding the strategies used to retain retirees. A frequent response was to offer retirees a flexible work schedule, allowing them to balance the benefits of retirement and the income from work.

Workforce Expansions

In addition to current vacancies, some companies are experiencing growth and have expansion projects planned. These companies will be in need of additional workforce and should be added to the picture when looking at the need for filling open positions in the future. During the survey, businesses were asked if they foresee adding jobs within the next one to five years. This data is presented in Figure 12.

Figure 12
Workforce Expansion by Occupational Category

Occupational Category	Percentage of Total Openings Created	Average Availability Time Frame (years)
Services	22.6%	1.1
Transportation/Trucking	16.1%	2.8
Accounting, Management, & Finance	11.6%	1.9
Production	9.7%	2.4
Sales	8.4%	1.9
Office & Administration	7.7%	1.6
Math, Science, & Engineering	7.1%	2.5
Education	5.2%	1.1
Agriculture & Mining	5.2%	2.3
Construction, Installation, & Maintenance	4.5%	1.7
Healthcare	1.9%	1.0

Workforce Needs - Most Reported Job Vacancies

Figure 13 identifies the most reported job vacancy categories throughout the Northeast Iowa

Figure 13
Top Ten Vacancy Categories

Occupation	Median Hourly Wage ₁	Percentage of Total Vacancies Reported
Metal Workers and Plastic Workers	\$17.55	9.5%
Food and Beverage Serving Workers	\$6.70	8.0%
Production Occupations	\$15.42	8.0%
Nursing, Psychiatric, and Home Health Aides	\$11.26	6.9%
Personal Care and Service Workers	\$8.98	5.8%
Motor Vehicle Operators	\$8.23	5.8%
Construction Trades Workers	\$18.06	4.4%
Installation, Maintenance, and Repair Occupations	\$18.31	4.0%
Material Moving Workers	\$10.75	4.0%
Health Diagnosing and Treating Practitioners	\$28.74	3.6%

Conclusion

Currently, the Northeast Iowa Business Network has a significant number of job vacancies in production related occupations, in addition to service and transportation occupations. In sum, production related occupations account for 17.5% of all reported current job vacancies, signaling opportunities for students and workers in this industry.

Most of the current job vacancies (91.6%) reportedly require an education level of an associate degree or less. This statistic is comparable to the educational requirements of current job vacancies statewide. The educational requirements for retirement vacancies are comparable with the statewide educational requirements. For the Northeast Iowa Business Network, about one fifth (15.6 %) of retirement vacancies require a bachelors degree, which is a slightly smaller percentage than for the statewide data (19.9%). A relatively high proportion of retirement vacancies in the Northeast Iowa Business Network will be in production and office / administrative occupations, which are occupations that generally do not require more than a two-year degree.

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

¹ Wage data by occupation from the Iowa Wage Survey is used in the Statewide Workforce Needs Assessment. Iowa Wage Survey estimates are based on May, 2006 wages which have been updated to the second quarter of 2007 using the Employment Cost Index.

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



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