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NORTH CENTRAL IOWA REGIONAL ANALYSIS

The purpose of this analysis is to provide insight into the overall industry makeup within the North Central Iowa Regional commuting area and how the availability and characteristics of workers within the area are/can affect industry growth. The information contained in this report is based on all respondents from the Belmond, Britt, Charles City, Clear Lake, Forest City, Hampton, Lake Mills, Mason City, New Hampton, Northwood, and Osage Laborshed studies (2,447 survey respondents). In order to provide business and local development officials with necessary labor force characteristics, industry specific analysis can be requested.

In order to determine the scope of the area, Iowa Workforce Development (IWD) worked closely with economic development groups in the region and North Iowa Area Community College (NIACC) to identify where current employees reside using aggregated ZIP codes to create a geographic display for analysis (see **Map 1**, North Central Iowa Regional Commuting Area and **Maps 2 - 12**, Survey Zones by ZIP Code). IWD's database of ZIP code data sets allows for numerous analyses and comparisons of the potential labor force, such as examining the complete demographic data for a ZIP code's age cohorts (age groupings). Another benefit of applying a mapping function to the data is the ability to identify visually where industry clusters exist, concentrations of labor, and transportation routes used to travel to work. This representation is a valuable tool in understanding the distribution of industry and the labor force within the area.

The GIS analysis of the region illustrates that some segments are located near or within a 30 to 50-mile radius of metropolitan areas (see **Map 13** – Labor Market Areas, North Central Iowa Region). These labor centers will have an impact on the size of the area's labor force and on the attraction of workers from within the area. This area analysis complements existing sources of labor data, such as the U.S. Department of Labor's Bureau of Labor Statistics (BLS) and the Employment Statistics and Labor Market Information Bureaus of IWD, concentrated on geographic areas based generally on a county or groups of counties.

The following sections of this report analyze the North Central Iowa Region. A regional analysis brings together two or more Laborshed areas in order to provide an overview of common characteristics. The current Laborshed methodology is designed around a central employment center; therefore, projecting labor force potentials to an entire region using multiple Laborshed data is impossible due to the concentration of surveying in the node communities (overlap). To obtain potential labor projections, each of the individual Laborshed studies (Belmond, Britt, Charles City, Clear Lake, Forest City, Hampton, Lake Mills, Mason City, New Hampton, Northwood, and Osage) will need to be analyzed. IWD has focused on the factors that we have found to be the most valuable to existing and future businesses as well as community development efforts within the area. However, IWD will conduct additional analyses if the development corporations and/or businesses desire further review of specific variable(s) or sets of responses. For further explanation of the methodology used to define a Laborshed area see **Exhibits B and C** within each of the reports contained in this document.

The Estimated Total Potential Labor Force tables for the Belmond, Britt, Charles City, Clear Lake, Forest City, Hampton, Lake Mills, Mason City, New Hampton, Northwood, and Osage Laborshed areas have been included in the back of this report (see **Exhibit A**) to provide this area analysis a connection to the individual Laborshed studies. These tables cannot be aggregate due to overlapping Laborshed commuting patterns.

This report includes occupational information categorized by using Standard Occupational Classification (SOC) codes (see page 6). The Standard Occupational Classification system is being used by all Federal statistical agencies to classify workers into occupational categories for the purpose of collecting, calculating, or disseminating data. All workers are classified into one of over 820 occupations according to their occupational definition. To facilitate classification, occupations are combined to form 23 major groups, 96 minor groups, and 449 broad occupations. Each occupation includes detailed occupation(s) requiring similar job duties, skills, education, or experience. For more detailed information on SOC categories, <http://www.onetcodeconnector.org/> can be accessed via the web.

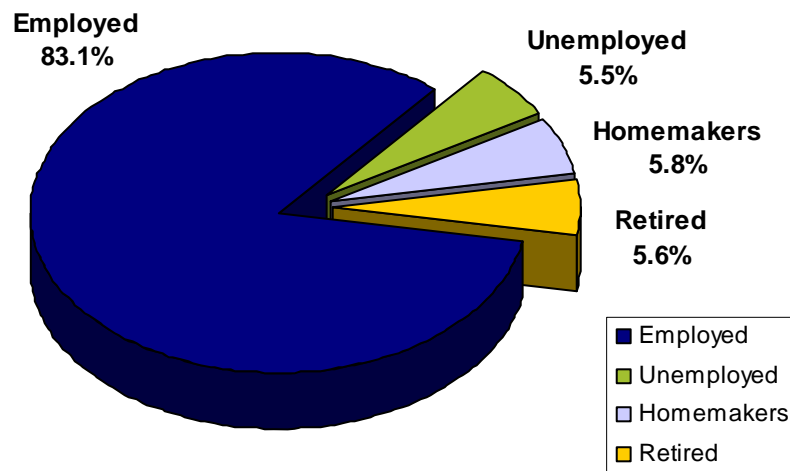
All of the information gleaned from this report will aid local development officials in their facilitation of industry expansion and recruitment efforts in the area. In addition, it will provide employers with information to make decisions related to changes in production, business cycles, holiday schedules, full and part-time employment opportunities, temporary vacancies, competitive wages and benefits as well as training needs.

OVERVIEW – NORTH CENTRAL IOWA REGION

The following overview is a profile of the characteristics of the North Central Iowa Region, based on the commuting areas of the Laborshed studies conducted in four communities within a nine-county area – Belmond, Britt, Charles City, Clear Lake, Forest City, Hampton, Lake Mills, Mason City, New Hampton, Northwood, and Osage – which reveal a very dynamic and diverse collection of industries, skills, abilities, and work experiences. It is important to analyze each of the identified segments in order to distinguish the uniqueness and contributions each provide to the area. Data collected from these studies, conducted by Iowa Workforce Development (IWD), provide the base for these analyses. Multiple regional analyses have been performed throughout the state and may serve as comparison.

The data results for the area show that 83.1 percent of the respondents in the area are employed. (See **Chart 1.**)

**Chart 1.
Employment Status**



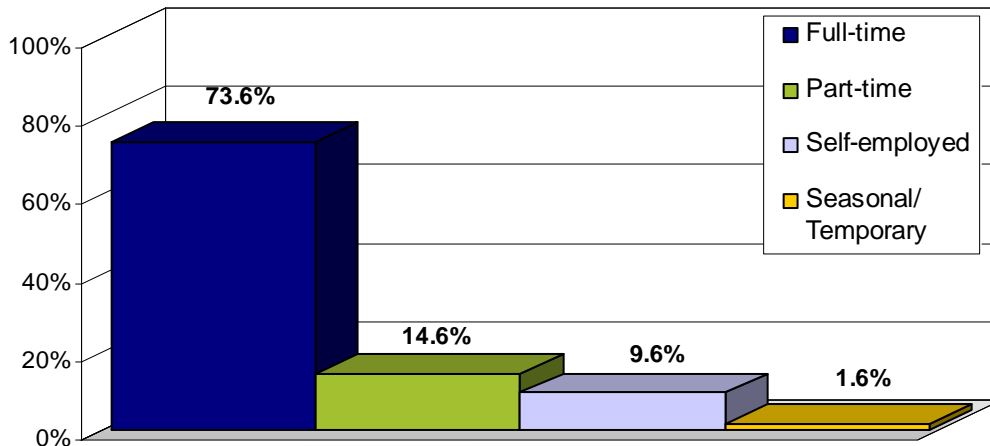
Over one-fourth (28.0%) of those who are employed would be willing to change employment for the right opportunity. Of those who are unemployed, 66.7 percent are willing/able to re-enter the workforce, while 32.4 percent of the homemakers and 16.8 percent of the retirees would be willing to re-enter the workforce.

Those who are employed, and would not be interested in changing employment, cited job satisfaction, age/near retirement, good working relationship with current employer/co-workers, benefits, wages, or currently self-employed as the primary reasons for not wanting to change employment.

Those not employed (sum of unemployed, homemakers, and retirees) not able or interested in entering employment cited disability, family/childcare issues, or health problems as the primary obstacles to seeking/accepting employment.

Chart 2 shows the type of employment of those who reside in the North Central Iowa Region. The majority of those willing to change/accept employment (73.6%) are currently working or had worked in full-time positions (35+ hrs./week).

**Chart 2.
Type of Employment**



Further analysis finds that 75.5 percent of the respondents willing to change/accept employment, would prefer to work full-time (35+ hrs./week), while 24.4 percent would prefer to work in positions that offer part-time hours. As a group, over one-third would be interested in working seasonal and/or temporary positions (39.4% and 35.7% respectively).

Nearly one-tenth (9.6%) of the employed respondents are self-employed. The types of businesses they are operating include farming (19.3%), childcare (13.3%), retail (12.8%), construction/handyman (10.1%), restaurant (2.3%), consulting (2.3%), or lawn care (1.4%). The self-employed have been operating their businesses for an average of 18 years, ranging from one to 47 years.

The results also indicate that 11.6 percent of those who are currently employed are working two or more jobs. If additional detail is required, each employment status group has been thoroughly analyzed for their respective Laborshed areas in a separate report.

DEMOGRAPHICS

The gender break down of those respondents, who are employed, is 61.2 percent female and 38.8 percent male. The average age of the employed is 47 years old. A small portion (5.5%) of the employed respondents speaks more than one language in their household. Of those, 70.9 percent speak Spanish followed by German (14.6%) and French (8.3%). Of those who speak a second language, 99.0% state English is the primary language spoken in their households.

EDUCATION

The North Central Iowa Region has a wide variety of educational attachments and academic areas of emphasis. Nearly two-thirds (65.5%) have some education/training beyond high school, 8.4 percent stated they have not yet completed a training/education program, while 15.1 percent have an associate degree, 3.4 percent have completed vocational training, 4.1 percent are trade certified, 18.4 percent have an undergraduate

degree, and 7.3 percent have a postgraduate/professional degree. Areas of educational emphasis are primarily in business administrative support (22.6%), medical studies (16.8%), social sciences (10.7%), or business/public administration/marketing (9.9%).

Over one-third (34.0%) feel they would require additional training/education in order to enter employment or promote to a higher paying position. Over one-third (37.9%) would start/continue a college degree program, 28.3 percent desire computer training, 11.8 percent would obtain continuing education units “CEU’s”, 8.9 percent would prefer on-the-job training, 5.6 percent would take a vocational training course, or 1.5 percent would seek training in job preparedness skills, such as resume writing and time management in order to be promoted or make a successful transition into new employment opportunities.

ENTREPRENEURSHIP

Over one-fourth (28.9%) of the individuals in the North Central Iowa Region stated they would be interested in operating their own business. Nearly three-fourths (74.0%) stated that access to capital is their primary impediment to operating their own business. Other issues identified, but cited less often, include development of a business plan (13.7%), concerns about the time involved (11.0%), the risk involved (10.3%), insurance issues (6.2%), finding a prime business location (6.2%), marketing know-how (2.7%), human resources/hiring procedures (2.1%), accounting/bookkeeping expertise (1.4%), or uncertainty about the state of the economy (1.4%). This information is vital to community leaders looking to create an environment conducive to entrepreneurship growth. With this, programs and services can be provided to assist with removing or alleviating barriers to entrepreneurship.

ESTIMATED UNDEREMPLOYMENT

Underemployment is a recent point of interest in popular literature, but has actually been an issue studied and addressed by economists for nearly 20 years. While there is no one widely accepted definition of underemployment for the purpose of this analysis, underemployment is defined in the following three ways:

1. Inadequate hours worked -- individuals working less than 35 hours per week and desiring more hours.
2. Mismatch of skills -- workers are denoted as “mismatched” if their completed years of education are above the number needed for their current occupational group, they have significant technical skills beyond those currently being utilized, or if they have held previous jobs with a higher wage or salary.
3. Low income -- individuals working full-time but at wages insufficient enough to keep them above the poverty level.

All three measures of underemployment result in an estimated total underemployment rate of 6.6 percent for the North Central Iowa Region (see **Table 1**).

**Table 1.
Total Estimated Underemployed**

Percent Underemployed by Inadequate Hours	Percent Underemployed by Mismatched Skills	Percent Underemployed by Low Income	Percent Total Estimated Underemployment
2.5%	3.8%	1.4%	6.6%

Those in the North Central Iowa Region who are underemployed are willing to commute an average of 23 miles one way for the right job opportunity and desire a median wage of \$10.00 per hour or \$30,000 per year as opposed to their current median wage of \$9.93 per hour or \$23,500 per year. Nearly three-fourths (73.3%) have some education/ training beyond high school, 20.5 percent have an associate degree, 1.9 percent are trade certified, 4.3 percent have completed vocational training, 21.8 percent have an undergraduate degree, and 6.8 percent have a postgraduate/professional degree.

It is important to emphasize that underemployment percentages are only estimates; however, IWD has filtered the data to eliminate double counting of respondents within and between the three categories. A respondent underemployed due to inadequate hours, low income, and mismatch of skills is only counted once. For additional information regarding the underemployed, see the individual Laborshed studies for Belmond, Britt, Charles City, Clear Lake, Forest City, Hampton, Lake Mills, Mason City, New Hampton, Northwood, and Osage.

OCCUPATIONS & EXPERIENCE

In order to remain consistent with other occupational information, IWD recodes the job titles into groupings based on the SOC system. **Table 2** shows the percent within the North Central Iowa Region of each occupational classification grouping.

**Table 2.
Occupational Groups**

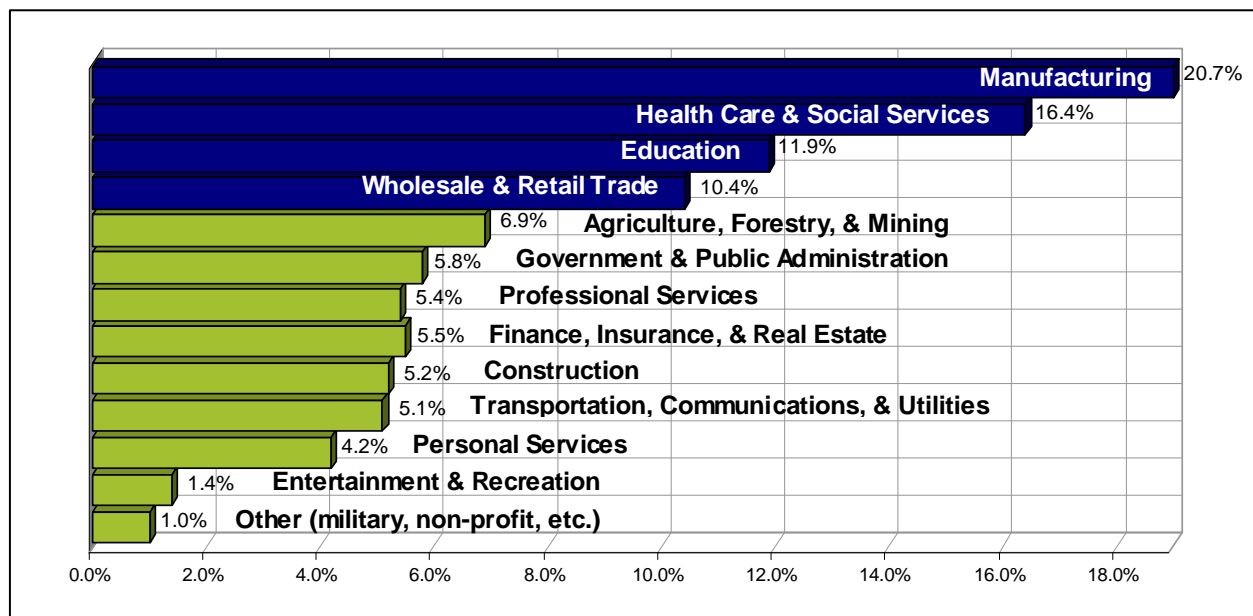
Occupations	% within Region
Production	15.6%
Office & Administrative Support	14.6%
Management	14.3%
Education, Training, & Library	8.0%
Health Care Practitioner & Technical	6.6%
Sales & Related	5.8%
Transportation & Material Moving	4.5%
Health Care Support	4.1%
Business & Financial Operations	3.3%
Personal Care & Service	3.2%
Construction & Extraction	2.9%
Food Preparation & Serving Related	2.8%
Installation, Maintenance, & Repair	2.7%
Building/Grounds Cleaning & Maintenance	2.2%
Community & Social Services	2.0%
Arts, Design, Entertainment, Sports, & Related	1.5%
Architecture & Engineering	1.4%
Life, Physical, & Social Science	1.1%
Computer & Mathematical Science	1.0%
Protective Service	0.9%
Farming, Fishing, & Forestry	0.8%
Legal	0.6%

INDUSTRIES IN THE NORTH CENTRAL IOWA REGION

In order to provide consistency with other labor market information, the industry categories identified in this area analysis will follow a similar format. The foundation of the groupings is outlined in the Standard Industrial Classification Manual. Exceptions to the categories come when more than one category is combined or segments of one category are broken out into two or more categories for further detail.

In order to determine the current industry make-up of the Laborshed area, employed survey respondents were asked to identify the industry in which they are working (see **Chart 3**).

**Chart 3.
Industry Composition**



The top four industries within the region have been analyzed for this report. This information can provide local development officials an industry specific depiction of their area for future development efforts. For industry specific information on those industries not represented in this report, please contact the economic groups of North Central Iowa.

MANUFACTURING

Overall, 20.7 percent of the North Central Iowa Region has work experience in the manufacturing industry, which represents the top industry in the area. Over four-fifths (85.1%) are employed with nearly one-third (32.5%) willing to change employment if presented the right opportunity. As for the 6.5 percent that are unemployed, 81.3 percent are willing/able to enter/re-enter employment. Of those who are classified as retirees (4.6%), 17.4 percent would accept employment if the right opportunity became available. Homemakers, on the other hand, account for 3.8 percent and 42.1 percent are willing to enter employment if the right opportunity presents itself.

Of those currently employed in the manufacturing industry, 9.7 percent are working two or more jobs. Those working multiple jobs, currently hold one job in the manufacturing industry and may hold another in a different industry or similar occupation to supplement income or gain experience for future career options. A multitude of reasons are given for changing/leaving jobs in the past year. The most often stated include better wages (30.9%), employer layoff/downsizing (24.1%), career change (10.3%), respondent moved from the area in which they were working (7.2%), or benefits (7.2%).

The manufacturing industry is divided into several manufacturing classifications. Respondents from the Belmond, Britt, Charles City, Clear Lake, Forest City, Hampton, Lake Mills, Mason City, New Hampton, Northwood, and Osage Laborshed studies were asked to define the type of manufacturing of their current or most recent employment. Looking at the data collected from the Laborshed studies it shows the distribution of those who have experience in the following subcategories of manufacturing: 26.7 percent in transportation equipment, 19.6 percent in metal fabrication, 13.1 percent in processing (such as food, milling, hygiene, etc.), 4.4 percent in printing/paper, 3.6 percent in plastics, 2.4 percent computer/electronics, and 1.4 percent in chemicals.

EDUCATION

Nearly half (49.9%) of those with experience in manufacturing possess some level of education/training beyond high school, 11.9 percent have an associate degree, 4.8 percent are trade certified, 3.4 percent have obtained vocational training, 11.5 percent hold an undergraduate degree, and 2.4 percent have a postgraduate/professional degree.

Table 9, on the next page, provides an overview of the educational field of study of those within the industry.

Table 3.
Educational Field of Study - Manufacturing

Field of Study	% With Experience in the Manufacturing Industry
Business Administrative Support	28.4%
Vocational Trades	17.9%
Business, Public Administration, & Marketing	13.1%
Social Sciences	9.6%
Computers/Information Technology	6.2%
Medical Studies	5.3%
Engineering & Architecture	5.2%
General Studies/Liberal Arts	4.4%
Education	4.4%
Agricultural Studies	4.4%
Math & Science	1.3%

Two-fifths (40.0%) believe they require additional training in order to prepare themselves for future positions or to be promoted, 29.6 percent of those are likely to pursue their educational needs in their specified areas of study within the next year. Those who plan to pursue additional training/education will do so by attending computer training courses (38.3%), starting/continuing a college degree program (31.1%), participating in on-the-job training (10.2%), obtaining continuing education/certification (7.3%), attending vocational training (5.8%), and receiving training in job preparedness skills, such as resume writing and time management (1.5%). Lack of time (work schedule conflicts), or financial reasons are the primary obstacles preventing them from obtaining their educational goals.

OCCUPATIONS & EXPERIENCE

IWD recodes the job titles into groupings based on the SOC system. **Table 10**, on the next page, shows the percent within the North Central Iowa Region of each occupational classification grouping.

**Table 4.
Occupational Categories - Manufacturing**

Occupations	% within Region
Production	56.4%
Office & Administrative Support	9.4%
Management	7.7%
Transportation & Material Moving	7.3%
Installation, Maintenance, & Repair	3.9%
Business & Financial Operations	3.5%
Architecture & Engineering	3.3%
Construction & Extraction	2.0%
Sales & Related	1.6%
Health Care Practitioner & Technical	1.2%
Computer & Mathematical Science	1.0%
Life, Physical, & Social Science	0.8%
Food Preparation & Serving Related	0.4%
Building/Grounds Cleaning & Maintenance	0.4%
Personal Care & Service	0.2%
Farming, Fishing, & Forestry	0.2%
Community & Social Services	0.2%
Education, Training, & Library	0.2%
Arts, Design, Entertainment, Sports, & Related	0.2%

Employers within the manufacturing industry looking to fill positions can utilize the following information to more efficiently focus their recruitment efforts in the occupational categories from which they plan to hire. These occupational categories encompass a wide variety of individual occupations in which workers in the area are employed.

WAGE & BENEFIT REQUIREMENTS

Over three-fourths (76.8%) of those employed in the manufacturing industry are paid an hourly wage whereas 21.2 percent earn a salary. **Table 11**, on the next page, provides the current hourly wage, annual salary and the wage threshold based on all of those in the industry, those willing to change/enter employment and those who are not willing to change. A wage threshold represents the wage level at which employers should have success *attracting* 66 to 75 percent of the applicants to new positions. These thresholds can be viewed as guides in assessing wage rates. The actual wage levels required by prospective workers will vary between individuals, occupational categories and economic cycles. This information can assist businesses in their retention efforts.

**Table 5.
Comparison of Wages & Wage Thresholds – Manufacturing**

Entire Industry		Those Willing to Change	Those Unlikely to Change
Current Wage:			
Median	\$14.00/hr	\$12.50/hr	\$14.50/hr
Current Salary:			
Median	\$42,500/yr	\$36,000/yr	\$45,000/yr
Wage/Salary Thresholds			
Wage Threshold:	\$13.90 - \$14.54		
Salary Threshold:	\$45,000 - \$47,500		

The employers in the manufacturing industry offer a variety of benefit packages in addition to wages. Benefits include health/medical insurance (95.2%), pension/retirement options (66.0%), dental coverage (52.6%), paid vacation (47.1%), paid holidays (32.0%), life insurance (24.8%), vision coverage (23.9%), paid sick leave (19.1%), disability insurance (15.2%), prescription drug coverage (7.8%), tuition assistance/reimbursement (7.4%), stock options (3.9%), and flextime (1.6%). Employers and employees in the North Central Iowa Region are predominately sharing in the premium costs (85.5%) of health/medical insurance.

Wages are not always the driving force that would influence their decision to change/enter employment in the manufacturing industry. Many would be influenced to change/accept employment offers if the employer offered health/medical insurance (91.9%), pension/retirement options (25.4%), dental coverage (24.3%), paid vacation (16.2%), vision coverage (11.6%), life insurance (9.2%), disability insurance (6.4%), prescription drug coverage (6.4%), paid sick leave (5.2%), paid holidays (5.2%), stock options (1.2%), and tuition assistance/reimbursement (0.6%). The majority (71.5%) take cost sharing of premiums into consideration when contemplating a new employment opportunity, while 25.9 percent would prefer an employment offer where the employer agrees to pay all of the cost associated with the premiums for health/medical insurance.

JOB SEARCH TECHNIQUES

Employers who have a clear understanding of the job search resources used by workers in the manufacturing industry will improve their ability to 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 North Central Iowa Region are undoubtedly 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 manufacturing industry.

The most frequently identified job search resources are local newspapers (54.5%), the Internet (52.2%); local Iowa Workforce Development Centers (31.0%); networking - through friends, family, and acquaintances (23.2%); and regional newspapers (15.2%). Private employment services, door-to-door (walk-in) solicitation, radio, television, college/university career centers, job/career fairs, and trade publications were cited, but less frequently.

Those who are utilizing the newspaper tend to seek employment opportunities primarily in the Globe-Gazette – Mason City, The Des Moines Register, and Waterloo-Cedar Falls Courier. The Internet is also another medium used to search for employment opportunities. Those who are searching for employment opportunities in the manufacturing industry are primarily utilizing www.iowaworkforce.org and/or www.monster.com.

COMMUTING

Commuting data assists developers and employers in understanding how residents can/could commute within/out of the area. Overall, those who have experience in the manufacturing industry are currently commuting an average of 10 miles one way to work but are willing to commute an average of 16 miles one way for the right opportunity.

HEALTH CARE & SOCIAL SERVICES

Overall, 16.4 percent of the North Central Iowa Region has work experience in the health care and social services industry. Over four-fifths (83.9%) are employed and over one-fourth (26.1%) of them are willing to change employment if presented with the right opportunity. As for the 5.5 percent that are unemployed, 72.7 percent are willing/able to enter/re-enter employment. Homemakers account for 5.8 percent and 30.4 percent are willing to enter employment provided the right opportunity presented itself. Retirees account for 4.8 percent with 21.1 percent interested in entering/re-entering employment.

Of those currently employed in the health care and social services industry, 12.0 percent are employed in two or more jobs. Those working multiple jobs currently hold one job in the health care and social services industry and may hold another in a different industry or similar occupation to supplement income or gain experience for future career options. A multitude of reasons are given for changing/leaving jobs in the past year which include better wages, employer layoff/downsizing, respondent moved from the area in which they were working, better hours, or career change.

EDUCATION

Over three-fourths (78.3%) of the respondents with experience in the health care and social services industry possess some level of education/training beyond high school, 24.2 percent hold an associate degree, 2.3 percent are trade certified, 5.0 percent have received vocational training, 21.2 percent have an undergraduate degree, and 7.1 percent have a postgraduate/professional degree. **Table 3** provides an overview of the educational field of study of those within the industry.

Table 6.
Educational Field of Study - Health Care & Social Services

Field of Study	% With Experience in the Health Care/Social Services Industry
Medical Technical	40.7%
Medical Professional	22.4%
Business Administrative Support	14.2%
Social Sciences	7.8%
Business, Public Administration, & Marketing	5.4%
Education	3.4%
General Studies/Liberal Arts	3.1%
Vocational Trades	1.7%
Math & Science	1.0%
Computers/Information Technology	0.3%

Over one-third (39.5%) believe they require additional training in order to prepare themselves for future positions or to be promoted, with 22.8 percent likely to pursue their educational needs within the next year. Those who plan to pursue additional training/education will do so by starting/continuing a college degree program (51.8%), attending computer training courses (17.7%), obtaining continuing education/certification (13.4%), participating in on-the-job training (6.7%), or receiving vocational training (4.9%).

Financial reasons, age, childcare responsibilities, and lack of time (work schedule conflicts) are the primary obstacles preventing them from obtaining their educational goals.

OCCUPATIONS & EXPERIENCE

IWD recodes the job titles into groupings based on the SOC System. **Table 4** shows the percent within the North Central Iowa Region for each occupational classification grouping.

**Table 7.
Occupational Categories - Health Care & Social Services**

Occupations	% within Region
Health Care Practitioner & Technical	34.7%
Health Care Support	24.4%
Office & Administrative Support	13.9%
Management	6.7%
Community & Social Services	5.1%
Building/Grounds Cleaning & Maintenance	2.6%
Production	2.6%
Business & Financial Operations	1.8%
Food Preparation & Serving Related	1.8%
Education, Training, & Library	1.3%
Life, Physical, & Social Science	1.0%
Arts, Design, Entertainment, Sports, & Related	1.0%
Sales & Related	1.0%
Personal Care & Service	0.8%
Installation, Maintenance, & Repair	0.5%
Transportation & Material Handling	0.3%
Protective Service	0.3%
Computer & Mathematical Science	0.3%

Employers within the health care and social services industry looking to fill positions can utilize this information to more efficiently focus their recruitment efforts in the occupational categories from which they plan to hire. These occupational categories encompass a wide variety of individual occupations in which workers in the area are employed. Such occupations include, but not limited to social worker, pharmacist, human resource coordinator, supervisor, registered nurse, dietician, housekeeper, dental hygienist, nurses aide/assistant, physical therapist, secretary, or veterinarian.

WAGE & BENEFIT REQUIREMENTS

Over four-fifths (82.3%) of those who are experienced in the health care and social services industry are/were paid an hourly wage whereas 15.5 percent are/were salaried wage earners. **Table 5**, on the next page, provides the current hourly wage, annual salary and the wage threshold based on all of those in the industry, those willing to change/enter employment and those who are not willing to change within the industry. A wage threshold represents the wage level at which employers should have success *attracting* 66 to 75 percent of the applicants to new positions. These thresholds can be viewed as guides in assessing wage rates. The actual wage levels required by prospective workers will vary between individuals, occupational categories and economic cycles. This information can assist businesses in their retention efforts.

**Table 8.
Comparison of Wages & Wage Thresholds - Health Care & Social Services**

Entire Industry		Those Willing to Change	Those Unlikely to Change
Current Wage:			
Median	\$12.50/hr	\$11.15/hr	\$13.00/hr
Current Salary:			
Median	\$49,000/yr	\$37,500/yr	\$50,000/yr
Wage/Salary Thresholds			
Wage Threshold:	\$12.00 - \$14.88/hr		
Salary Threshold:	\$38,900 - \$50,750/yr		

The employers in the area offer a variety of benefit packages in addition to wages. Benefits include health/medical insurance (88.1%), pension/retirement plan (59.5%), paid vacation (50.8%), dental coverage (45.7%), paid sick leave (36.0%), life insurance (29.9%), paid holidays (26.0%), vision coverage (22.2%), disability insurance (16.1%), prescription drug coverage (10.0%), tuition assistance/reimbursement (5.8%), flextime (2.9%), and stock options (1.9%). The majority of employers and employees within this industry, who work in this region, are sharing in the premium costs of health/medical insurance (80.9%), while 10.1 percent of employers pay the entire cost of the employee's medical premium.

Those who have experience in the health care and social services industry who are willing to change/enter employment stated that health/medical insurance (81.9%), pension/retirement plan (28.4%), paid vacation (23.3%), dental coverage (16.4%), paid sick leave (15.5%), vision coverage (13.8%), paid holidays (6.9%), disability insurance (3.4%), life insurance (3.4%), prescription drug coverage (1.7%), tuition assistance/reimbursement (1.7%), and flextime (0.9%) would influence a decision to accept an employment offer. Most (66.7%) would take cost sharing of health/medical premiums into consideration when contemplating a new employment opportunity and 30.1 percent would prefer an employment offer where the employer pays all of the costs associated with health/medical insurance premiums.

JOB SEARCH TECHNIQUES

Employers who have a clear understanding of the job search resources used by workers in the health care and social services industry will improve their ability to maximize their effectiveness and efficiency in attracting qualified applicants. Understanding and utilizing traditional and non-traditional advertising media will provide employers a more focused and effective recruitment tool. Residents living in the North Central Iowa Region are undoubtedly 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 health care and social services industry.

The most frequently identified job search resources are the internet (55.3%); local newspapers (55.0%); networking - through family, friends and acquaintances (24.2%); local Iowa Workforce Development Centers (20.8%); and regional newspapers (9.7%). Other

job search mediums cited, but less frequently, include trade publications, private employment services, door-to-door (walk-in) solicitation, college/university career centers, job/career fairs, radio, and television.

Those who are utilizing the newspaper seek employment opportunities primarily through the Globe-Gazette – Mason City, Waterloo-Cedar Falls Courier, and The Des Moines Register for employment opportunities. Those who are searching for employment opportunities in the health care and social services industry are utilizing www.iowaworkforce.org, www.monster.com, local hospital sites, and/or basic Internet searches.

COMMUTING

Commuting data assists developers and employers in understanding how residents can/could commute within/out of the area. Overall, those who are seeking employment in the health care and social services industry are currently commuting an average of 12 miles one way but are willing to commute an average of 17 miles one way for the right employment opportunity.

EDUCATION (K THRU 12 & POST SECONDARY)

The education industry makes up 11.9 percent of the North Central Iowa Region's overall industry composition. Over four-fifths (87.1%) are employed and one-fifth (20.2%) of them are willing to change employment if presented with the right opportunity. As for the small segment (1.4%) that is unemployed, 50.0 percent are willing/able to enter/re-enter employment. Homemakers account for 3.2 percent and 44.4 percent are willing to enter employment provided the right opportunity presented itself. Less than one-tenth (8.3%) are classified as retired and 30.4 percent of them are interested in entering/re-entering employment.

Of those currently employed in the education industry, 13.4 percent are employed in two or more jobs. Those working multiple jobs hold one job in education (82.0% K-12 and 13.3% higher education) and may hold another in a different industry or similar occupation to supplement income or gain experience for future career options. A multitude of reasons are given for changing/leaving jobs in the past year, but the primary reasons are family reasons, respondent moved from the area in which they were working, career change, graduated from college, or better wages.

EDUCATION

Looking at the educational levels of those with experience in the education industry, 85.6 percent have some level of education beyond high school, 8.6 percent have an associate degree, 1.4 percent are trade certified, 1.1 percent have completed vocational training, 37.8 percent have an undergraduate degree, and 27.7 percent have a postgraduate/professional degree. **Table 6** provides an overview of the educational field of study of those willing to change/enter employment within the education industry.

Table 9.
Educational Field of Study – Education

Field of Study	% With Experience in Education
Education	61.0%
Business Administrative Support	8.2%
Social Sciences	7.4%
Math & Science	6.1%
General Studies/Liberal Arts	4.3%
Business, Public Administration, & Marketing	3.9%
Medical Studies	3.5%
Engineering & Architecture	1.7%
Vocational Trades	1.7%
Engineering & Architecture	1.7%
Information Technology	1.7%
Agricultural Studies	0.4%

More than one-third (38.1%) believe they require additional training in order to prepare themselves for future positions or to be promoted, with 34.9 percent likely to pursue their educational needs within the next year. The types of desired training include

starting/continuing college degree program (51.3%), continuing education/certification (21.2%), attending computer training courses (15.0%), participating in on-the-job training programs (4.4%), or attending vocational training (0.9%).

Finances, lack of time (work schedule conflicts), age, family/childcare responsibilities, and lack of training facilities are the primary obstacles preventing them from obtaining their educational goals. Other obstacles, but cited less often, include elder care, disability issues, health reasons, and lack of reliable transportation.

OCCUPATIONS & EXPERIENCE

IWD recodes the job titles into groupings based on the SOC system. **Table 7** shows the percent within the North Central Iowa Region of each occupational classification grouping.

Table 10.
Occupational Categories – Education

Occupations	% within Region
Education, Training, & Library	63.8%
Office & Administrative Support	6.9%
Management	5.8%
Personal Care & Service	4.0%
Food Preparation & Serving Related	4.0%
Health Care Practitioner & Technical	3.3%
Community & Social Services	3.3%
Building/Grounds Cleaning & Maintenance	2.9%
Computer & Mathematical Science	1.8%
Arts, Design, Entertainment, Sports, & Related	1.4%
Transportation & Material Moving	0.7%
Business & Financial Operations	0.7%
Production	0.4%
Installation, Maintenance, & Repair	0.4%
Construction & Extraction	0.4%
Life, Physical, & Social Science	0.4%

Employers within the education industry looking to fill positions can utilize this information to more efficiently focus their recruitment efforts in the occupational categories from which they plan to hire. These occupational categories encompass a wide variety of individual occupations in which workers in the area are employed.

WAGE & BENEFIT REQUIREMENTS

There are more salaried (61.6%) than hourly wage earners (35.6%) who are employed or have experience in this industry. **Table 8**, on the next page, provides a comparison of the currently hourly wages, annual salaries and the wage thresholds of those who have experience/skills in K thru 12 and post-secondary education. A wage threshold represents the wage level at which employers should have success *attracting* 66 to 75 percent of the applicants to new positions. These thresholds can be viewed as guides in assessing wage rates. The actual wage levels required by prospective workers will vary between individuals, occupational categories and economic cycles.

**Table 11.
Comparison of Wages & Wage Thresholds – Education**

	All of Education	K thru 12	Post-Secondary
Current Wage:			
Median	\$11.20/hr	\$10.99/hr	\$11.50/hr
Current Salary:			
Median	\$40,000/yr	\$40,000/yr	\$40,000/yr

Wage/Salary Thresholds			
Wage Threshold:	\$12.00 - \$12.85/hr	\$12.00 - \$12.25/hr	\$12.94 - \$13.00
Salary Threshold:	\$43,980 - \$45,000/yr	\$47,600 - \$56,000/yr	\$43,000 - \$45,000/yr

The employers in the education industry offer a variety of benefit packages in addition to wages. Benefits include health/medical insurance (89.3%), pension/retirement options (57.8%), paid sick leave (33.8%), dental coverage (32.4%), paid vacation (27.1%), life insurance (25.8%), paid holidays (19.1%), disability insurance (18.7%), vision coverage (13.3%), prescription drug coverage (7.6%), tuition assistance/reimbursement (4.4%), and flextime (0.9%). Employers and employees in the North Central Iowa Region either share in the premium costs (52.0%) or the employer covers the entire cost of health/medical insurance premiums (41.5%).

Wages are not always the driving force that would influence their decision to change/enter employment in the education industry. The majority (88.3%) desire health/medical insurance, followed by pension/retirement options (28.3%), dental coverage (13.3%), vision coverage (11.7%), paid sick leave (11.7%), paid vacation (10.0%), prescription drug coverage (8.3%), disability insurance (5.0%), life insurance (5.0%), flextime (3.3%), and stock options (1.7%). Nearly three-fifths (56.6%) would take cost sharing of health/medical premiums into consideration when contemplating a new employment opportunity and nearly one-fourth (41.5%) would prefer an employment offer where the employer pays all the costs associated with health/medical insurance premiums.

JOB SEARCH TECHNIQUES

Employers who have a clear understanding of the job search resources used by workers in the education industry will improve their ability to maximize their effectiveness and efficiency in attracting qualified applicants. Understanding and utilizing traditional and non-traditional advertising mediums will provide employers a more focused and effective recruitment tool. Residents living in the North Central Iowa Region are undoubtedly 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 education industry.

The most frequently identified job search resources are the internet (60.5%); local newspapers (55.3%); networking - through friends, family, acquaintances (24.8%); regional newspapers (20.7%); and local Iowa Workforce Development Centers (18.0%).

Private employment services, college/university career centers, trade publications, door-to-door (walk-in) solicitation, radio, television, and job/career fairs were also cited, but less frequently.

Those who are utilizing the newspaper tend to seek employment opportunities primarily in the Globe-Gazette – Mason City, The Des Moines Register, and/or the Waterloo-Cedar Falls Courier. The internet is also another medium used to search for employment opportunities. Those who are searching for employment opportunities in this industry are utilizing www.iowaworkforce.org, www.monster.com, and/or other specialized education based or corporate/organizational websites.

COMMUTING

Commuting data assists developers and employers in understanding how residents can/could commute within/out of the area. Overall, those who are seeking employment in the education industry are currently commuting an average of 8 miles one way; however, they are willing to commute an average of 12 miles one way for right employment opportunity.

WHOLESALE & RETAIL TRADE

The wholesale and retail trade industry makes up 10.4 percent of the North Central Iowa Region's overall industry composition. Nearly three-fourths (72.3%) are employed and over one-third (36.5%) of them are willing to change employment if presented with the right opportunity. As for the 10.3 percent that are unemployed, 56.7 percent of them are willing/able to enter/re-enter employment. Homemakers account for 11.3 percent with no one from the survey sample indicating a willingness to enter/re-enter employment. Less than one-tenth (6.2%) are classified as retired and 5.6 percent of them are willing/able to enter-re-enter employment.

Of those currently employed in the wholesale and retail trade industry, 9.0 percent are working two or more jobs. Those working multiple jobs hold one job in the wholesale and retail trade industry and may hold another in a different industry or similar occupation to supplement income or gain experience for future career options. A multitude of reasons are given for changing/leaving jobs in the past year which include employer layoff/downsizing (27.9%), family reasons (12.1%), respondent moved from area in which they were working (9.1%), started own business (9.1%), or better wages (8.5%).

EDUCATION

Over half (53.8%) of the respondents with experience in the wholesale and retail trade industry possess some level of education/training beyond high school, 3.8 percent are trade certified, 15.1 percent have obtained an associate degree, 2.1 percent received vocational training, 11.0 percent have an undergraduate degree, and 3.1 percent have a postgraduate/professional degree. **Table 12** provides an overview of the educational field of study of those willing to change/enter employment within the wholesale and retail trade industry.

Table 12.
Educational Field of Study – Wholesale & Retail Trade

Field of Study	% With Experience in the Wholesale/Retail Trade Industry
Business Administrative Support	31.6%
Social Sciences	13.8%
Business, Public Administration, & Marketing	11.8%
Medical Studies	10.6%
Education	7.2%
Vocational Trades	5.9%
General Studies/Liberal Arts	5.3%
Math & Science	5.3%
Agricultural Studies	4.6%
Engineering & Architecture	3.3%
Computer Applications	0.7%

Nearly one-third (32.5%) believe they require additional training in order to prepare themselves for future positions or to be promoted, with 25.0 percent likely to pursue their educational needs in their specified areas of study within the next year. Those who plan to pursue additional training/education will do so by attending computer training (33.7%),

starting/continuing college degree programs (32.7%), participating in on-the-job training programs (11.2%), attending vocational training (8.2%), obtaining continuing education/certification (7.1%), or receiving training in job preparedness skills, such as resume writing and time management (3.1%). Financing, lack of time (work schedule conflicts), disability, health reasons, or age are the primary obstacles preventing them from obtaining their educational goals. Other issues include childcare, elder care, lack of training facilities, or lack of transportation.

OCCUPATIONS & EXPERIENCE

IWD recodes the job titles into groupings based on the SOC system. **Table 13** shows the percent within the North Central Iowa Region of each occupational classification grouping.

Table 13.
Occupational Categories – Wholesale & Retail Trade

Occupations	% within Region
Sales & Related	23.4%
Management	22.4%
Office & Administrative Support	18.6%
Food Preparation & Serving Related	11.7%
Production	7.9%
Transportation & Material Moving	3.4%
Installation, Maintenance, & Repair	2.8%
Arts, Design, Entertainment, Sports, & Related	2.1%
Building/Grounds Cleaning & Maintenance	1.7%
Business & Financial Operations	1.4%
Health Care Practitioner & Technical	1.4%
Farming, Fishery, & Forestry	1.0%
Architecture & Engineering	0.7%
Life, Physical, & Social Science	0.7%
Personal Care & Service	0.7%

Employers in the wholesale and retail trade industry within the North Central Iowa Region looking to fill positions can utilize this information to more efficiently focus their recruitment efforts in the occupational categories from which they plan to hire. These occupational categories encompass a wide variety of individual occupations in which workers in the area are employed.

WAGE & BENEFIT REQUIREMENTS

Over two-thirds (68.9%) in this industry are paid an hourly wage, while 25.1 percent earn an annual salary. **Table 14**, on the next page, provides a comparison of the current hourly wages, annual salaries, and the wage threshold based on all of those in the industry, those willing to change/enter employment and those who are not willing to change. A wage threshold represents the wage level at which employers should have success *attracting* 66 to 75 percent of the applicants to new positions. These thresholds can be viewed as guides in assessing wage rates. The actual wage levels required by prospective workers will vary between individuals, occupational categories and economic cycles. This information can assist businesses in their retention efforts.

**Table 14.
Comparison of Wages & Wage Thresholds – Wholesale & Retail Trade**

Entire Industry		Those Willing to Change	Those Unlikely to Change
Current Wage:			
Median	\$8.25/hr	\$7.55/hr	\$9.19/hr
Current Salary:			
Median	\$35,500/yr	\$36,000/yr	\$35,500/yr

Wage/Salary Thresholds	
Wage Threshold:	\$9.00 - \$10.00/hr
Salary Threshold:	\$48,550 - \$55,500/yr

The employers in the wholesale and retail trade industry offer a variety of benefit packages in addition to wages. Benefits include health/medical insurance (83.9%), pension/retirement options (56.4%), paid vacation (47.0%), paid sick leave (28.9%), paid holidays (27.5%), life insurance (18.8%), vision coverage (14.1%), disability insurance (12.8%), prescription drug coverage (4.7%), tuition assistance/reimbursement (4.0%), stock options (3.4%), and flextime (2.0%). Employers and employees in the North Central Iowa Region are predominately sharing in the premium costs of health/medical insurance (68.6%) and over one-tenth (13.2%) of the employers in the area pay all of the premium costs associated with health/medical insurance premiums.

Wages are not always the driving force that would influence their decision to change/enter employment in the wholesale and retail trade industry. Many would be influenced to change/accept employment offers if the employer offered health/medical insurance (89.1%) followed by pension/retirement plan (18.5%), paid vacation (16.3%), dental coverage (13.0%), vision coverage (5.4%), paid holidays (5.4%), life insurance (4.3%), disability insurance (3.3%), prescription drug coverage (3.3%), paid sick leave (3.3%), and flextime (1.1%). The majority (72.0%) would take cost sharing of health/medical premiums into consideration when contemplating a new employment opportunity and slightly more than one-fifth (22.0%) would prefer an employment offer where the employer pays all of the costs associated with health/medical insurance premiums.

JOB SEARCH TECHNIQUES

Employers who have a clear understanding of the job search resources used by workers in the wholesale and retail industry will improve their ability to maximize their effectiveness and efficiency in attracting qualified applicants. Understanding and utilizing traditional and non-traditional advertising media will provide employers a more focused and effective recruitment tool. Residents living in the North Central Iowa Region are undoubtedly 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 wholesale and retail trade industry.

The most frequently identified job search resources are local newspapers (57.6%); the internet (43.5%); local Iowa Workforce Development Centers (29.0%); networking - through

friends, family, acquaintances (22.5%); and regional newspapers (12.7%). Door-to-door (walk-in) solicitation, private employment services, college/university career centers, job/career fairs, and television were also cited, but less frequently.

Those who are utilizing the newspaper tend to seek employment opportunities primarily in the Globe-Gazette – Mason City, Waterloo-Cedar Falls Courier, and The Des Moines Register. The internet is also another medium used to search for employment opportunities. The majority searching for employment opportunities in the wholesale and retail industry are utilizing www.iowaworkforce.org, and/or www.monster.com.

COMMUTING

Commuting data assists developers and employers in understanding how residents can/could commute within/out of the area. Overall, those who seek employment in the wholesale and retail trade industry are currently commuting an average of 7 miles one way; however, they are willing to commute an average of 14 miles one way for the right employment opportunity.

OCCUPATIONAL CLUSTER ANALYSIS OF REGION

An industry cluster is a concentration of competing, interconnected industries that utilize a common workforce and infrastructure. Iowa analyzed industry clusters in order to identify economic relationships and geographic concentrations of selected industries. The analysis will assist in:

- attracting new businesses to Iowa;
- growing high-wage jobs in Iowa;
- utilizing Iowa's available workforce; and
- attracting and retaining skilled workers (including college graduates).

The Porter Clusters were the starting point in identifying clusters within Iowa. The Standard Industry Classification (SIC) Code was used to identify core industries – that is, industries that are the basis upon which the cluster is based. Once the core industries were identified, industries with an economic relationship to the core and that supported the core as either buyer/supplier or as part of the infrastructure were identified. For additional information on Iowa's targeted industries and cluster see **Exhibit A**.

The clusters in this report are defined by occupational groupings rather than industries. With all the different methods used to determine industry clusters within an area, this information provides an added resource to assist with identifying clusters and supported labor to fill the open positions.

BIOTECHNOLOGY/BIOSCIENCE

Biotechnology/bioscience encompasses three major industrial sectors (i.e., agriculture, medical, and plant-life sciences) and is often recognized as the science of genetics or the modification of genetic code by artificial means.

The agriculture sector comprises of four industrial sub-sectors (i.e., agriculture services, agriculture machinery, agriculture processing and organic/agriculture chemicals). Such industrial sub-sectors are involved in the development and manufacturing of new food production technologies. As for the medical sector, it consists of medical equipment/supplies and hospitals/labs industrial sub-sectors. These two groups are involved in the manufacturing processes and the development of techniques to advance human health care products and services. The plant life science sector consists of research/testing and pharmaceutical industrial sub-sectors. These two sub-sectors are involved in the science of research, testing, developing, and the manufacturing of products to improve the functions of all organisms. Nearly one-fifth (16.3%) of the North Central Iowa Region consists of individuals who have transferable skills/experiences in biotechnology cluster occupations.

ADVANCED MANUFACTURING

The advanced manufacturing industry cluster is comprised of an array of manufacturing and production industries that manufacture products utilizing technology advances and high levels of skill and education. Nearly one-fifth (16.5%) of the region consists of individuals who have transferable skills/experiences in advanced manufacturing cluster occupations.

INFORMATION SOLUTIONS

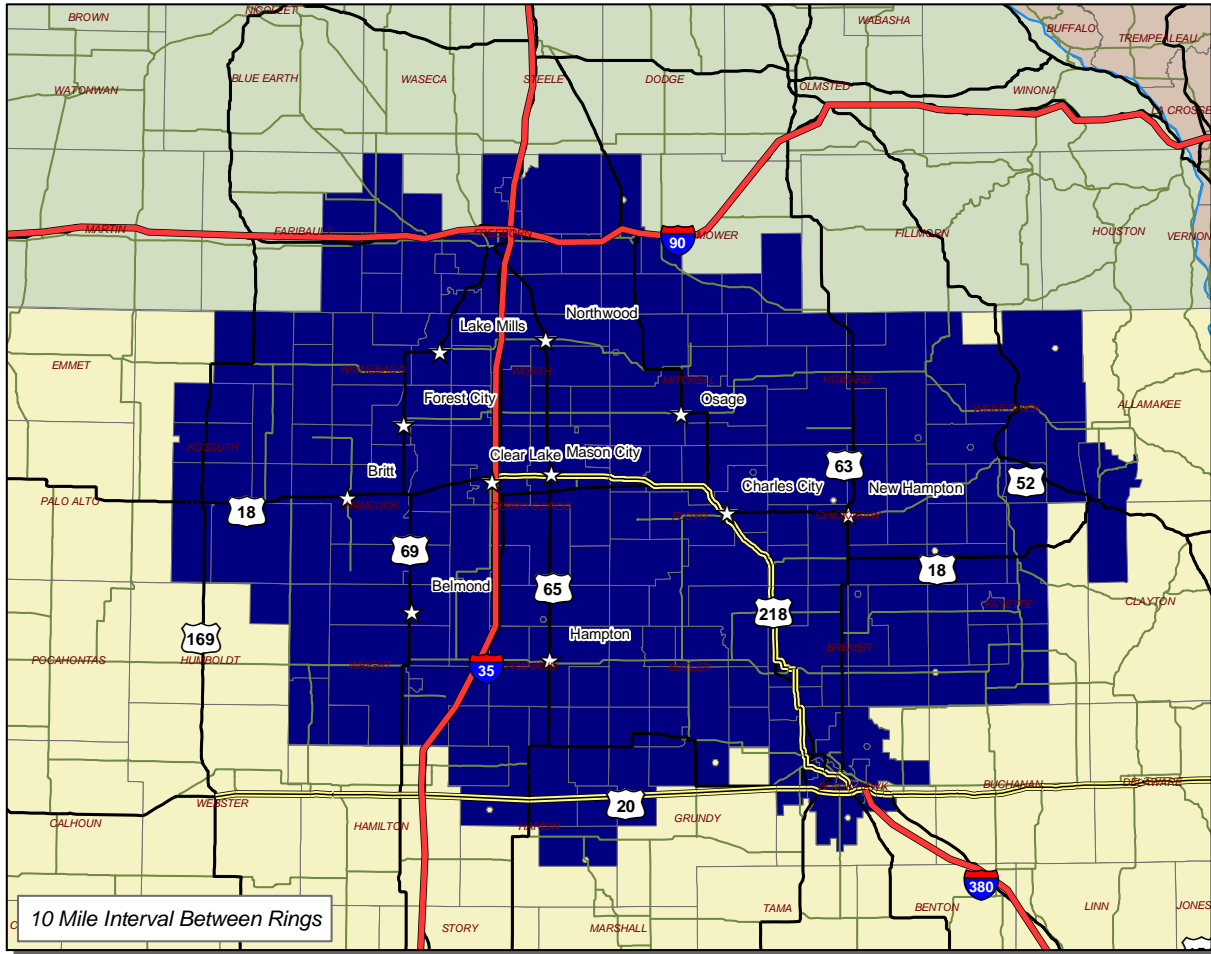
The information solutions industry cluster is defined as industries involved in interstate financial services, other than banking; insurance and information technology. The cluster core organizations include credit agencies; mortgage bankers; securities brokers; insurance brokers; pension, health, and welfare funds; database management; software development; and web site design. Additional organizations that support the financial services core as buyers/suppliers include personal credit institutions, investment counselors, holding companies, and trusts. Infrastructure organizations that support the core include management consulting and management investment; real estate investment; reserve banks; interstate banks; and credit counseling. Some of the core and buyer/supplier industries may overlap, as may buyer/supplier and infrastructure industries. Less than one-tenth (6.3%) of the region consists of individuals who have experience and/or transferable skills in information solutions cluster occupations.

For further analysis of the occupational clusters that are represented in this area, please contact the economic groups of North Central Iowa.

**COMMUTING MAPS
OF THE NORTH CENTRAL IOWA REGION**

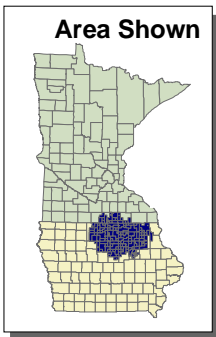
Map 1

North Central Iowa Regional Commuting Area



0 10 20 40 60 80 Miles

Legend

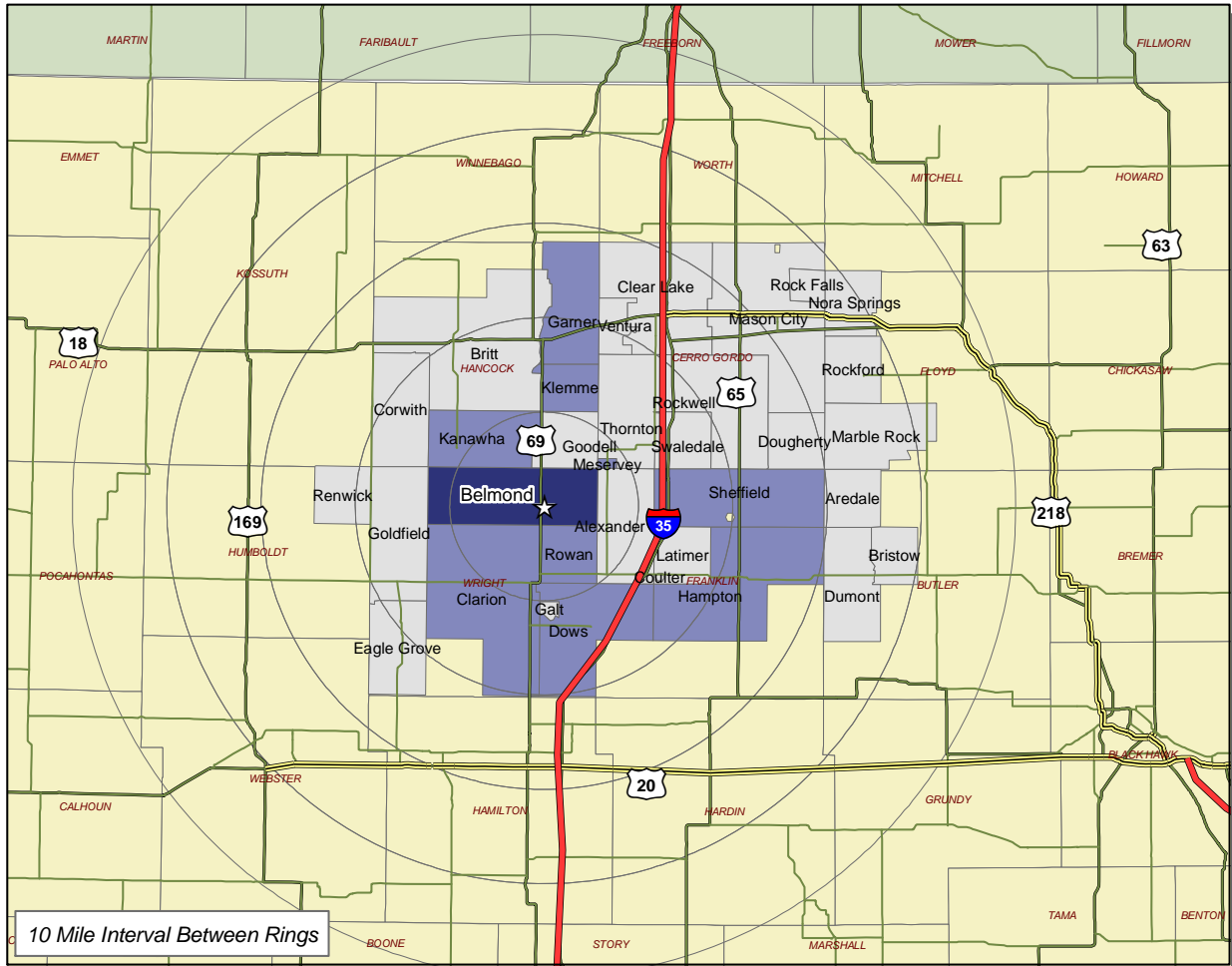


- ☆ North Central Iowa Region Community
- North Central Iowa Region Laborshed Area
- Interstate
- 4-Lane US Highways
- US Highways
- State Highways
- Iowa County
- Minnesota County
- Wisconsin County



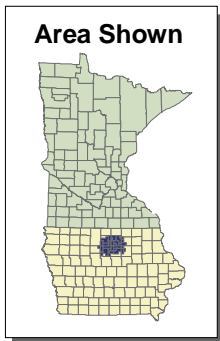
Map 2

Survey Zones by ZIP Code Belmond Laborshed Area



10 Mile Interval Between Rings

0 5 10 20 30 40 Miles



Legend

- ☆ Belmond
- Interstate
- 4-Lane US Highways
- US Highways
- State Highways
- Iowa County
- Minnesota County

Commuter Concentration

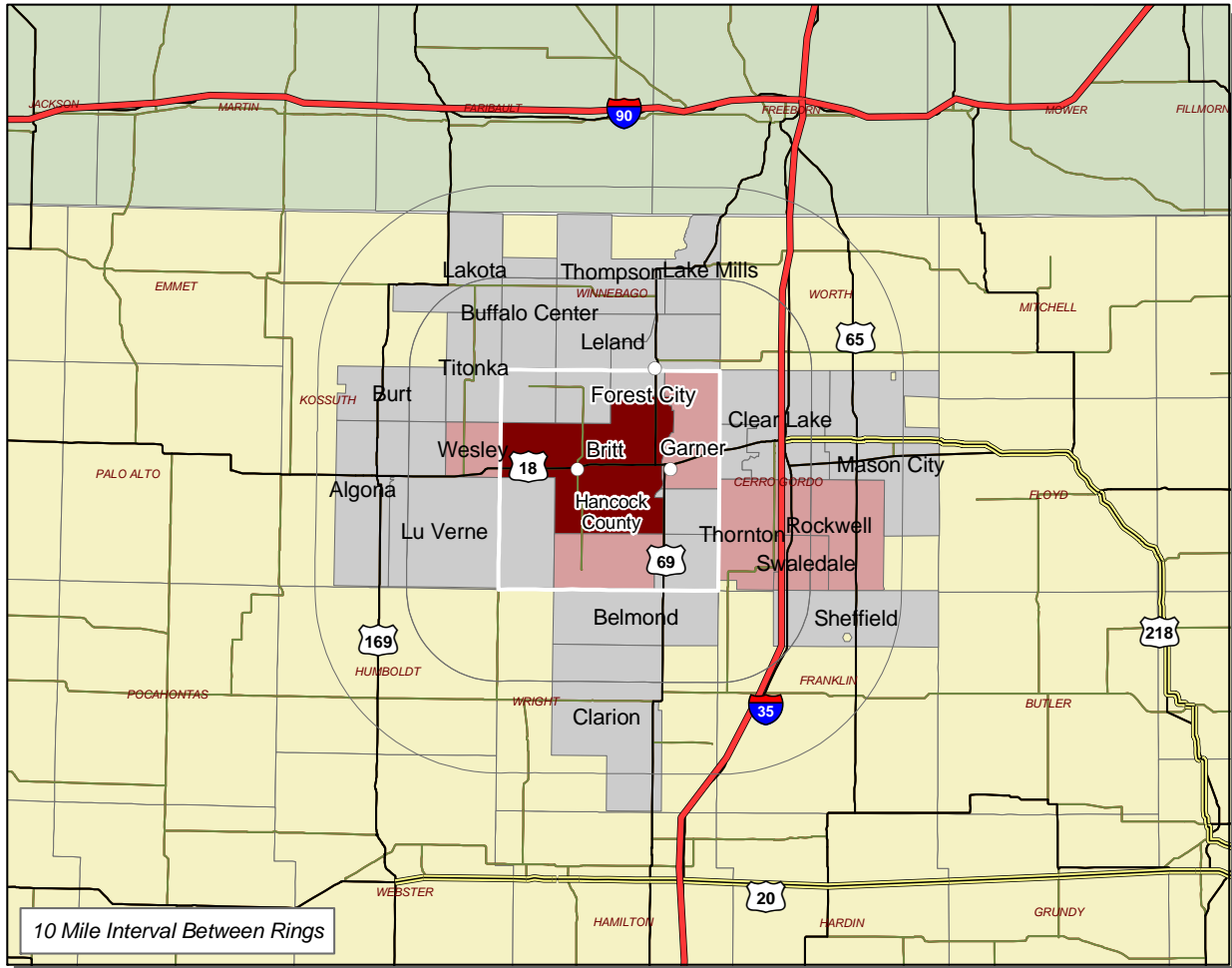
by Place of Residence (per ZIP Code)

- Zone 3 (1 - 14)
- Zone 2 (15 - 38)
- Zone 1 (39 - 570)

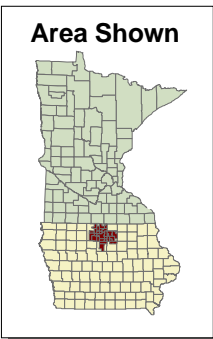
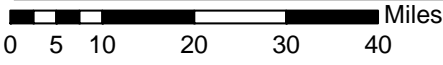


Map 3

Survey Zones by ZIP Code Hancock County Laborshed Area



10 Mile Interval Between Rings



Legend

- Interstate
- 4-Lane US Highways
- US Highways
- State Highways
- Minnesota County
- Iowa County

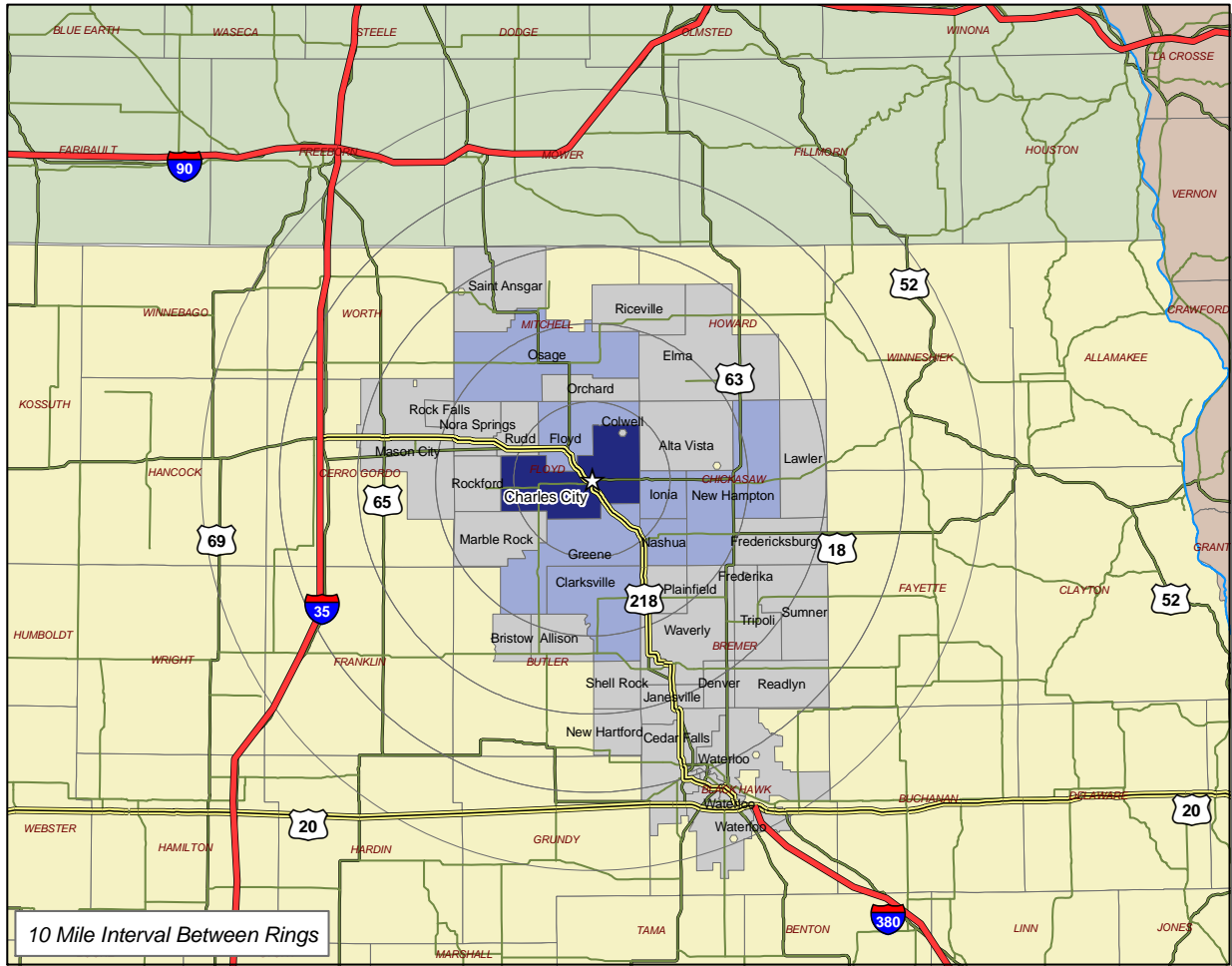
Commuter Concentration by Place of Residence (per ZIP Code)

- Zone 3 (1 - 13)
- Zone 2 (14 - 38)
- Zone 1 (39 - 269)



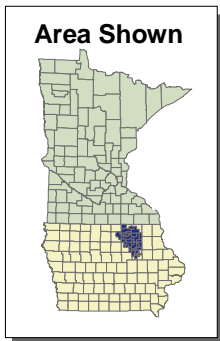
Map 4

Survey Zones by ZIP Code Charles City Laborshed Area



10 Mile Interval Between Rings

0 10 20 40 60 80 Miles



Legend

- ☆ Charles City
- Interstate
- 4-Lane US Highways
- US Highways
- State Highways
- Iowa County
- Minnesota County

Commuter Concentration

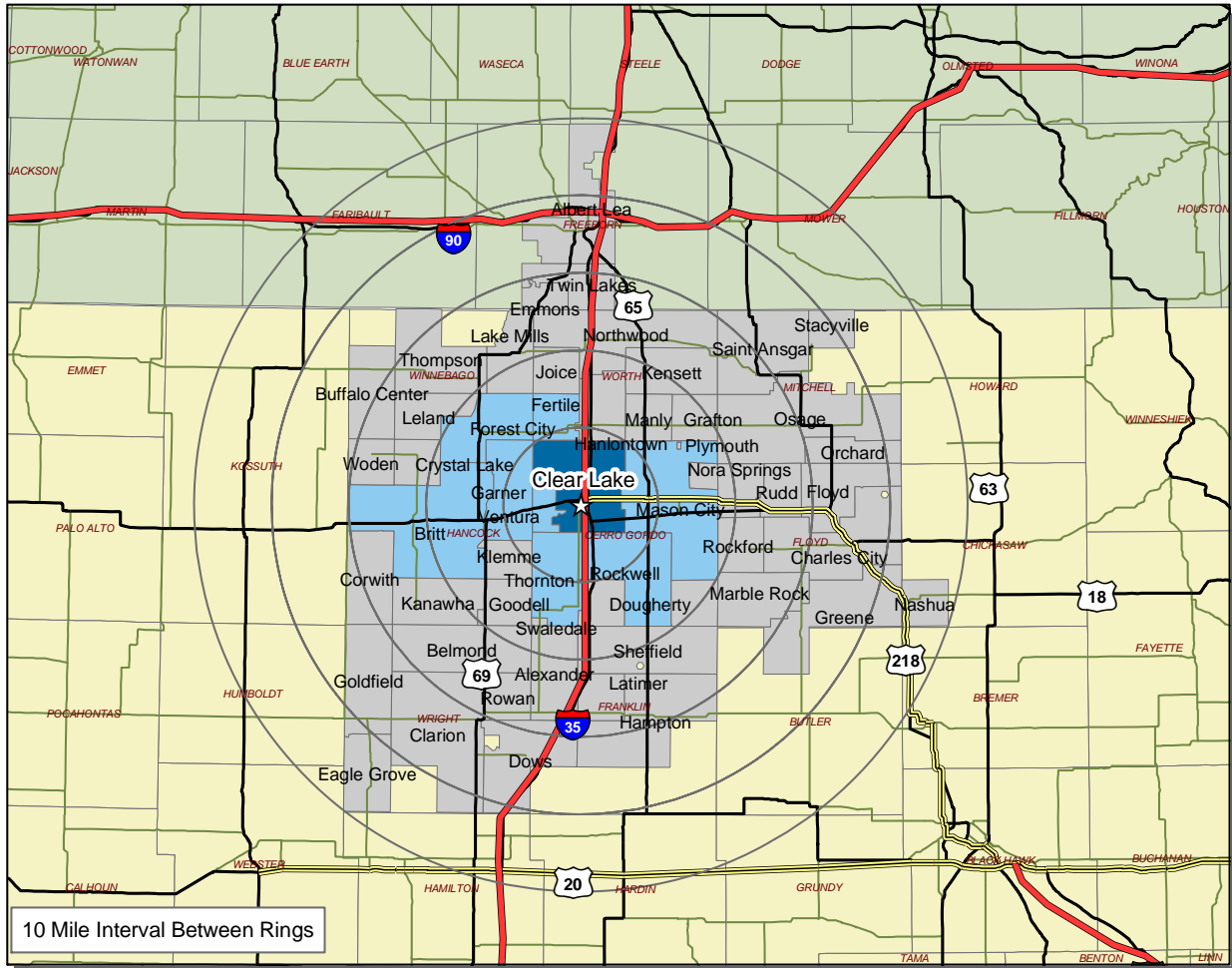
by Place of Residence (per ZIP Code)

- Zone 3 (1 - 30)
- Zone 2 (31 - 106)
- Zone 1 (107 - 1,624)



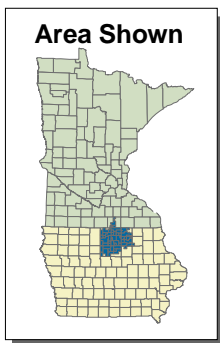
Map 5

Survey Zones by ZIP Code Clear Lake Laborshed Area



10 Mile Interval Between Rings

0 10 20 40 60 80 Miles



Legend

- ☆ Clear Lake
- Interstate
- 4-Lane US Highways
- US Highways
- State Highways
- Minnesota County
- Iowa County

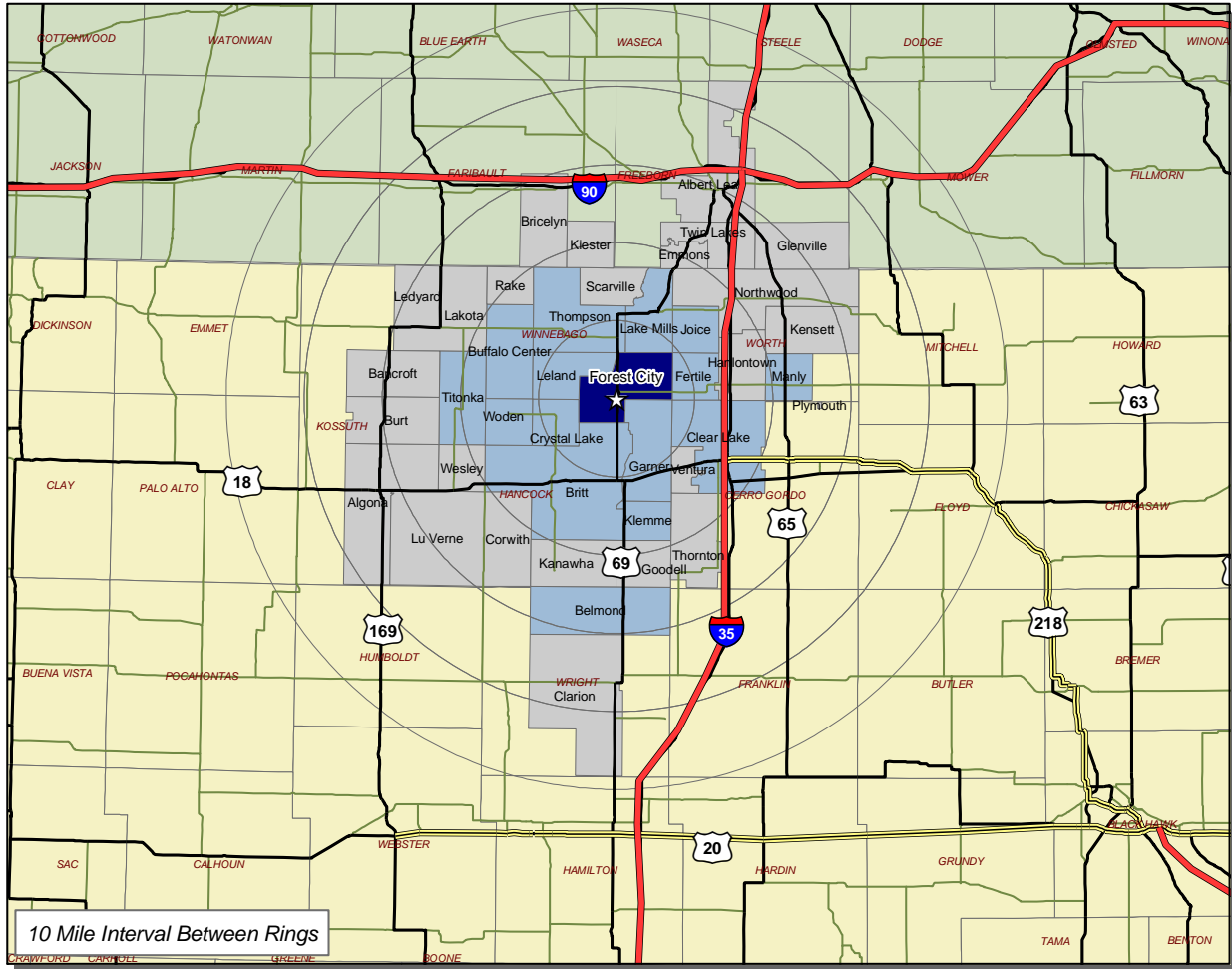
Commuter Concentration by Place of Residence (per ZIP Code)

- Zone 3 (1 - 24)
- Zone 2 (25 - 436)
- Zone 1 (437 - 1,117)

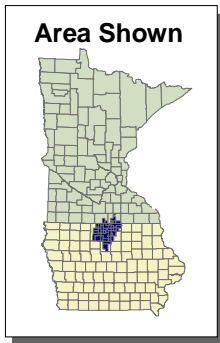
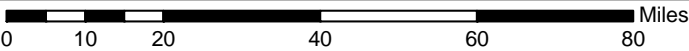
IOWA
WORKFORCE
DEVELOPMENT
Smart People.

Map 6

Survey Zones by ZIP Code Forest City Laborshed Area



10 Mile Interval Between Rings



Legend

- ☆ Forest City
- Interstate
- 4-Lane US Highways
- US Highways
- State Highways
- Iowa County
- Minnesota County

Commuter Concentration

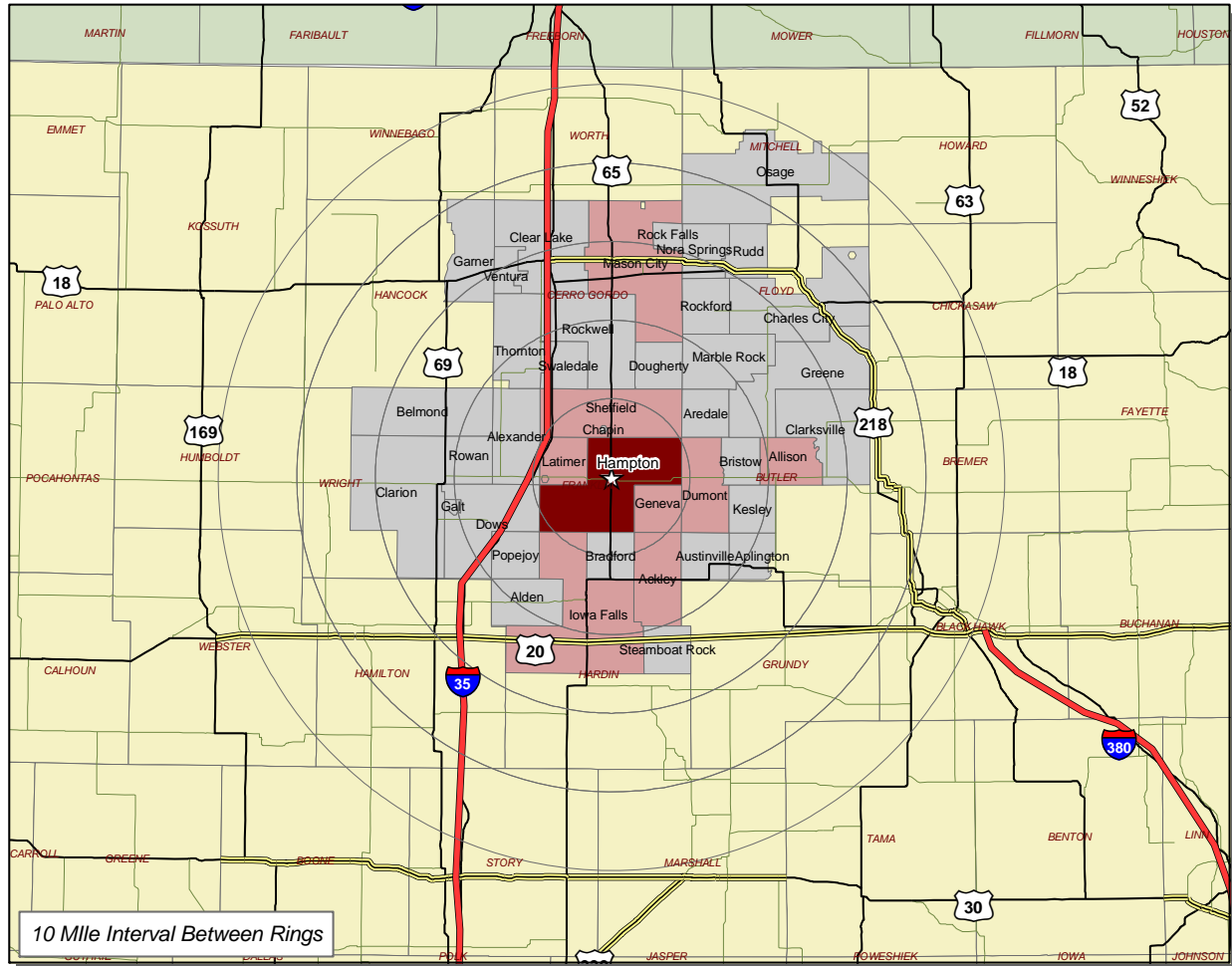
by Place of Residence (per ZIP Code)

- Zone 3 (1 - 42)
- Zone 2 (43 - 293)
- Zone 1 (294 - 1,726)

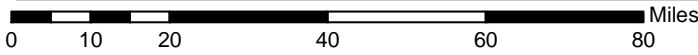


Map 7

Survey Zones by ZIP Code Franklin County Laborshed Area



10 Mile Interval Between Rings



Legend

- ☆ Hampton
- Interstate
- US Highways
- 4-Lane US Highways
- State Highways
- Iowa County
- Minnesota County

Commuter Concentration

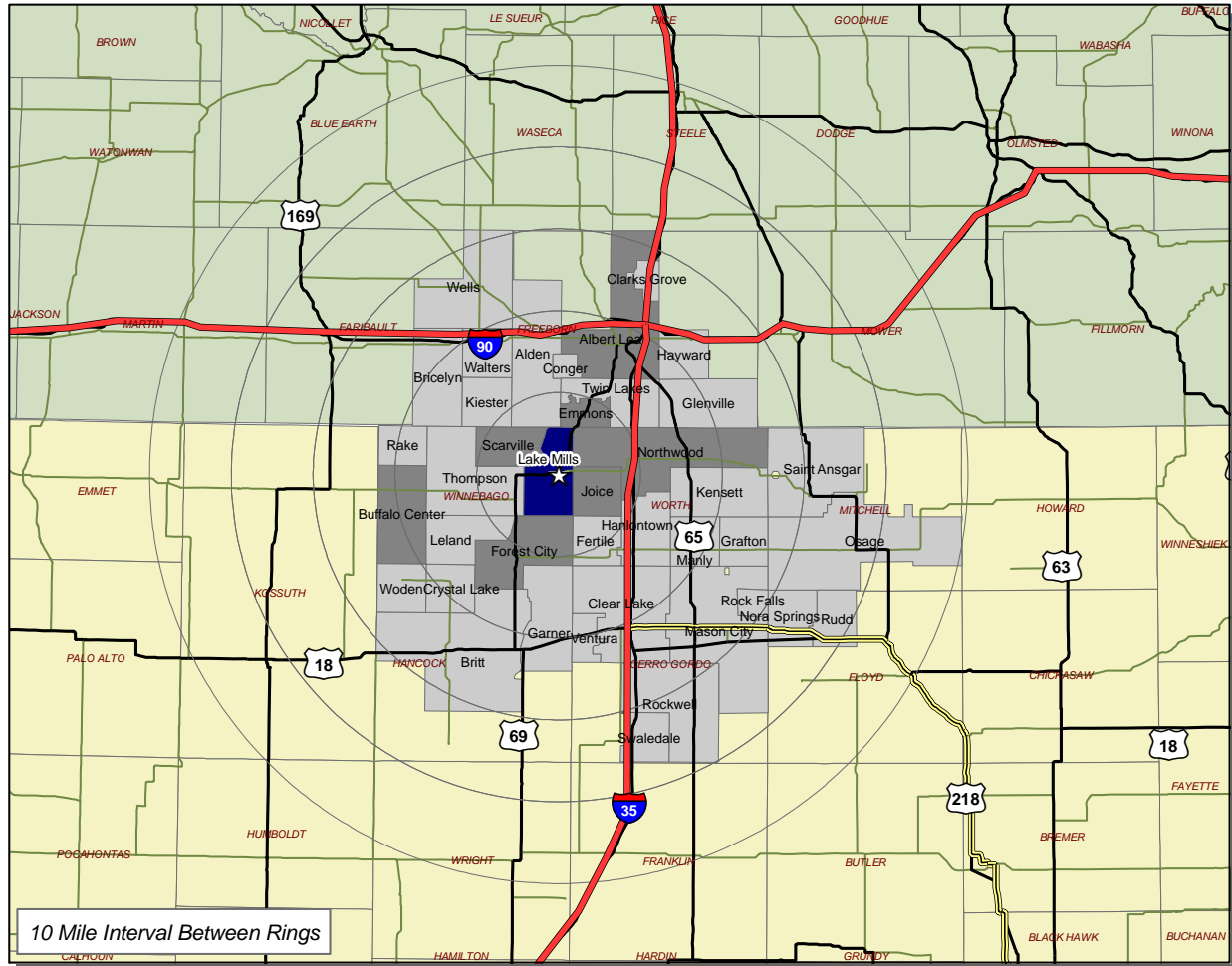
by Place of Residence (per ZIP Code)

- Zone 3 (1 - 17)
- Zone 2 (18 - 51)
- Zone 1 (52 - 967)



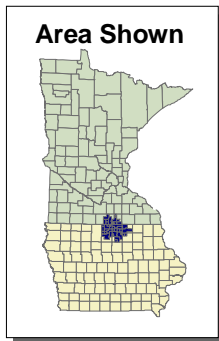
Map 8

Survey Zones by ZIP Code Lake Mills Laborshed Area



10 Mile Interval Between Rings

0 10 20 40 60 80 Miles



Legend

- ☆ Lake Mills
- Interstate
- 4-Lane US Highways
- US Highways
- State Highways
- Iowa County
- Minnesota County

Commuter Concentration

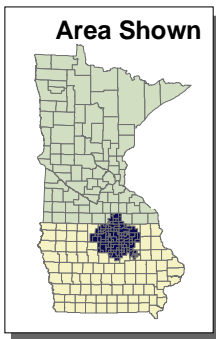
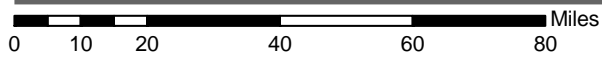
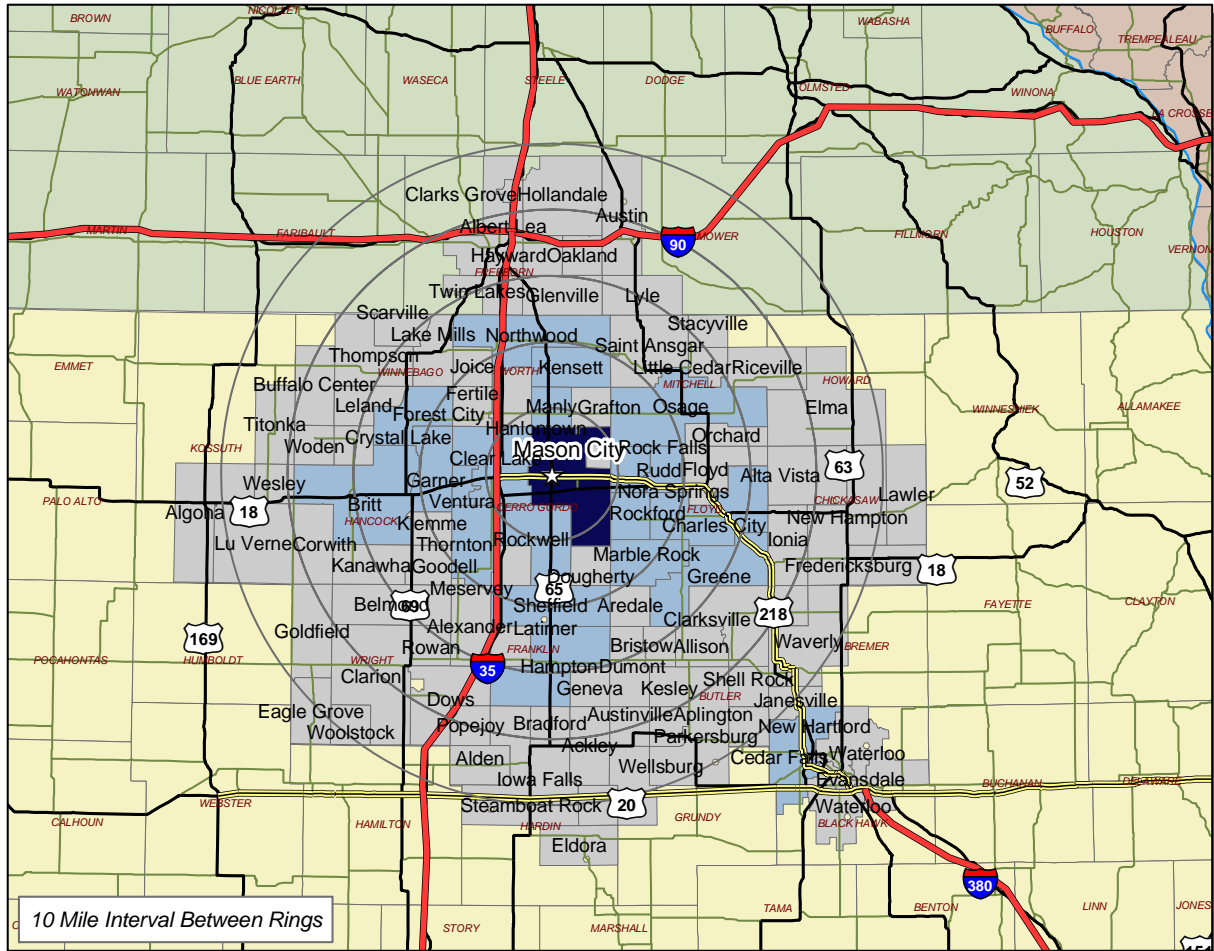
by Place of Residence (per ZIP Code)

- Zone 3 (1 - 12)
- Zone 2 (13 - 61)
- Zone 1 (62 - 321)



Map 9

Survey Zones by ZIP Code Mason City Laborshed Area



Legend

- ☆ Mason City
- Interstate
- 4-Lane US Highways
- US Highways
- State Highways
- Minnesota County
- Iowa County

Commuter Concentration

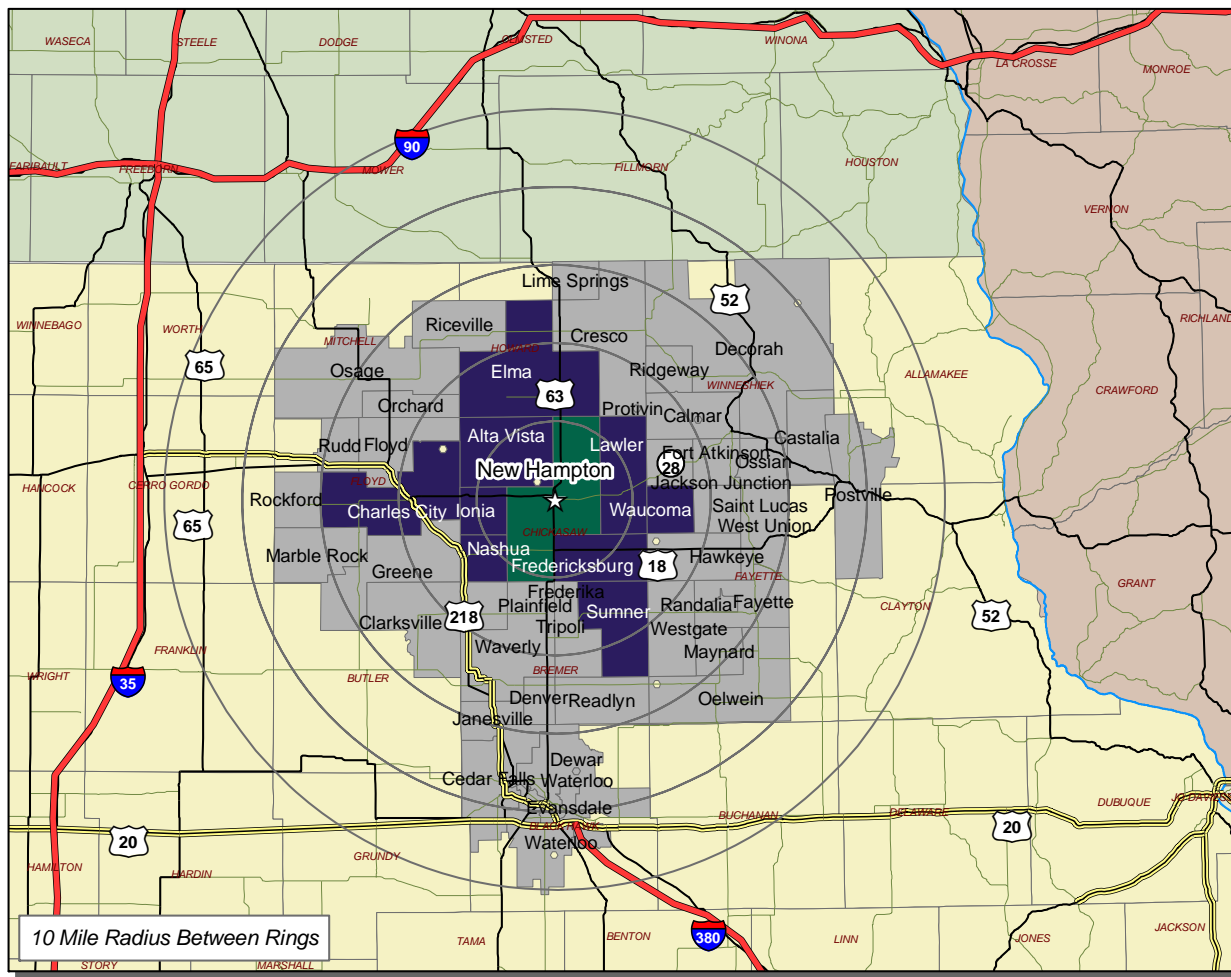
by Place of Residence (per ZIP Code)

- Zone 3 (1 - 48)
- Zone 2 (49 - 998)
- Zone 1 (999 - 7,221)



Map 10

Survey Zones by ZIP Code Chickasaw County Laborshed Area



10 Mile Radius Between Rings

0 10 20 40 60 80 Miles



Legend

- ☆ New Hampton
- Interstate
- US Highways
- 4-Lane US Highways
- State Highways
- Iowa County
- Minnesota County
- Wisconsin County

Commuter Concentration

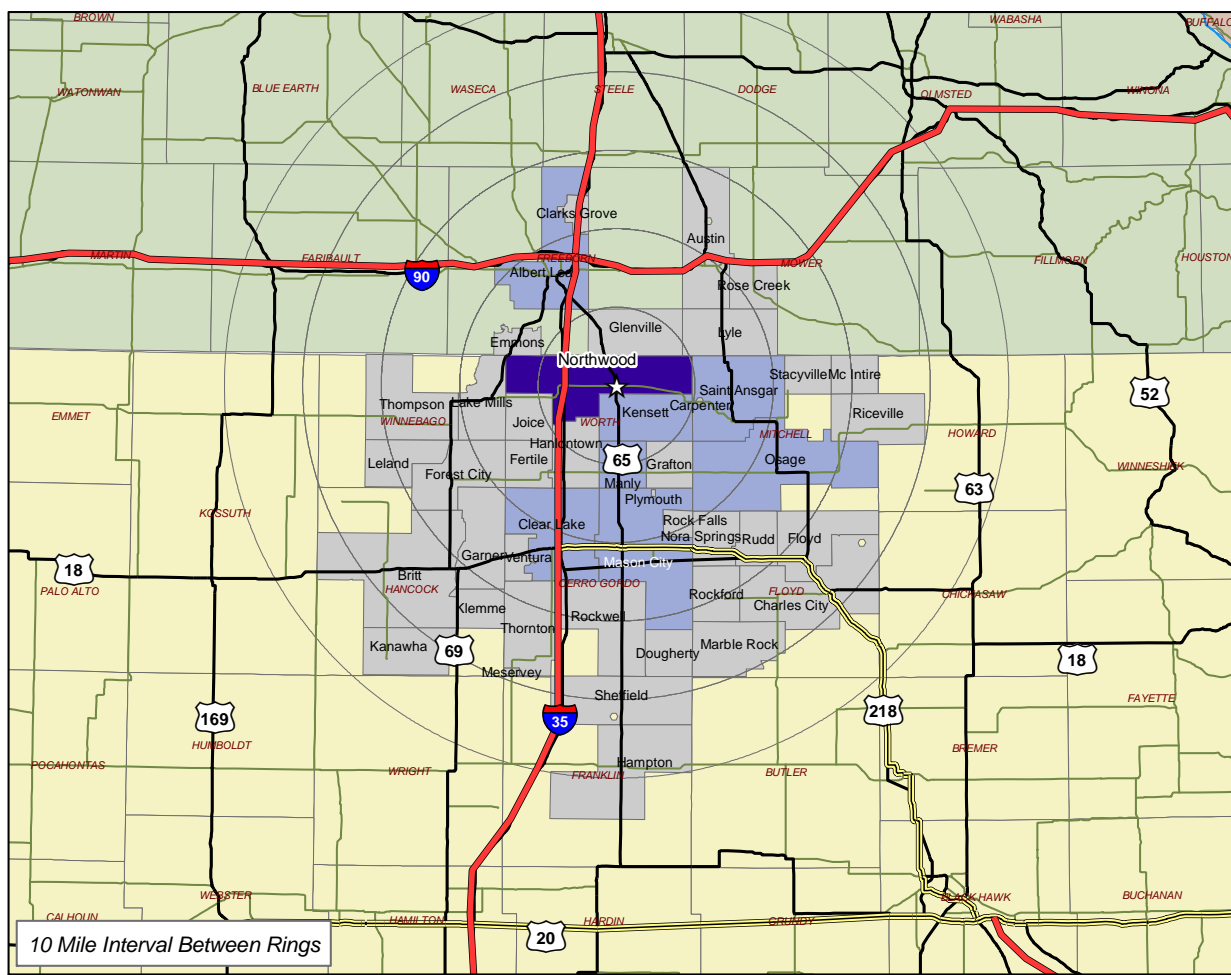
by Place of Residence (per ZIP Code)

- Zone 3 (1 - 24)
- Zone 2 (25 - 116)
- Zone 1 (117 - 1,021)



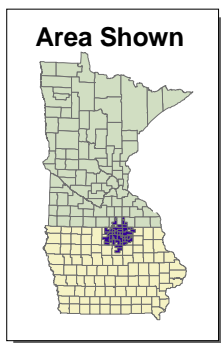
Map 11

Survey Zones by ZIP Code Worth County Laborshed Study



10 Mile Interval Between Rings

0 10 20 40 60 80 Miles



Legend

- ☆ Northwood
- Interstate
- 4-Lane US Highways
- US Highways
- State Highways
- Minnesota County
- Iowa County

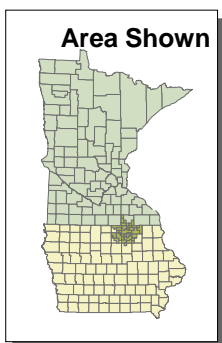
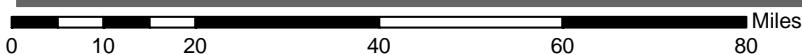
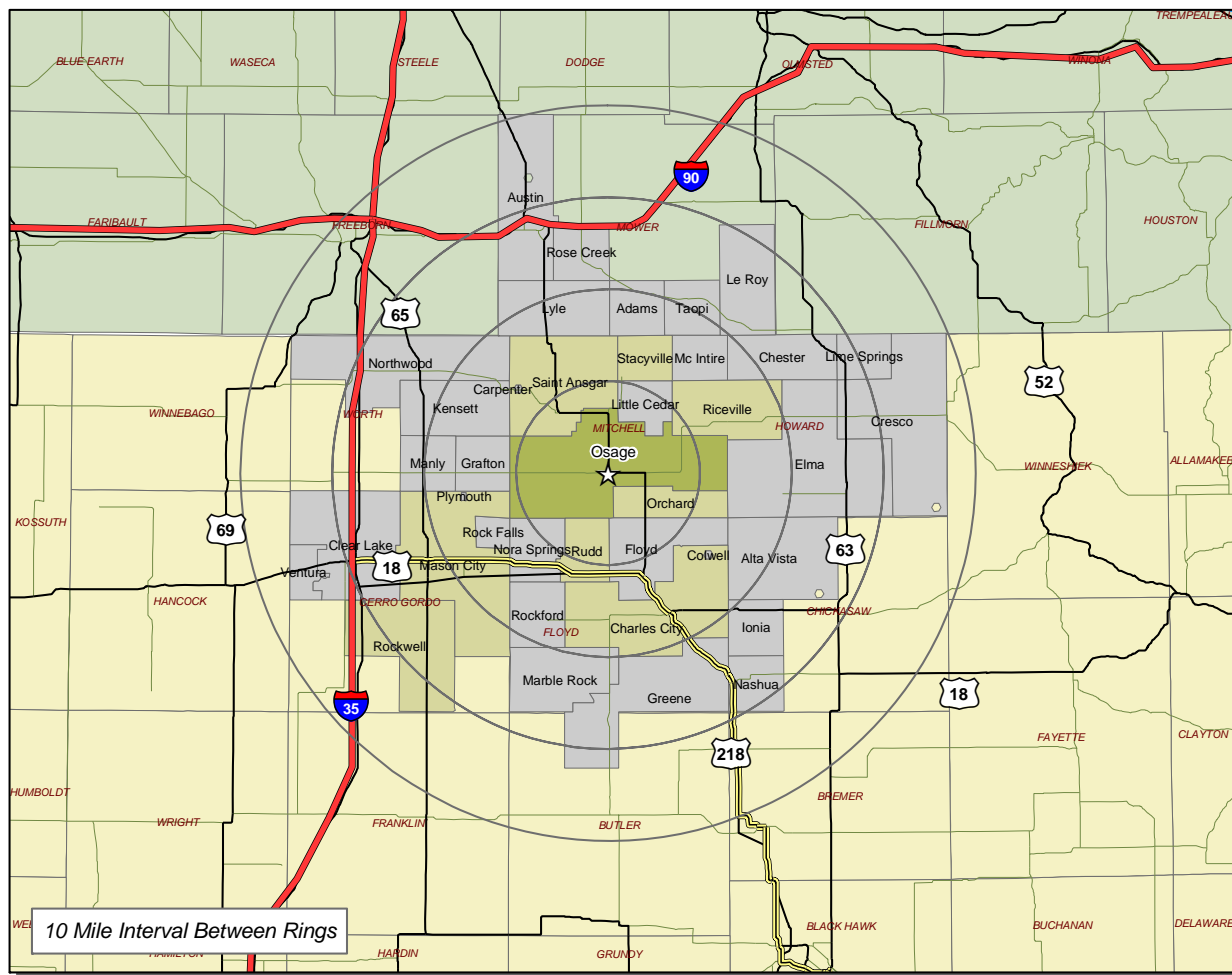
Commuter Concentration by Place of Residence (per ZIP Code)

- Zone 3 (1 - 18)
- Zone 2 (19 - 261)
- Zone 1 (262 - 425)



Map 12

Survey Zones by ZIP Code Mitchell County Laborshed Area



Legend

- ☆ Osage
- Interstate
- US Highways
- 4-Lane US Highways
- State Highways
- Iowa County
- Minnesota County

Commuter Concentration

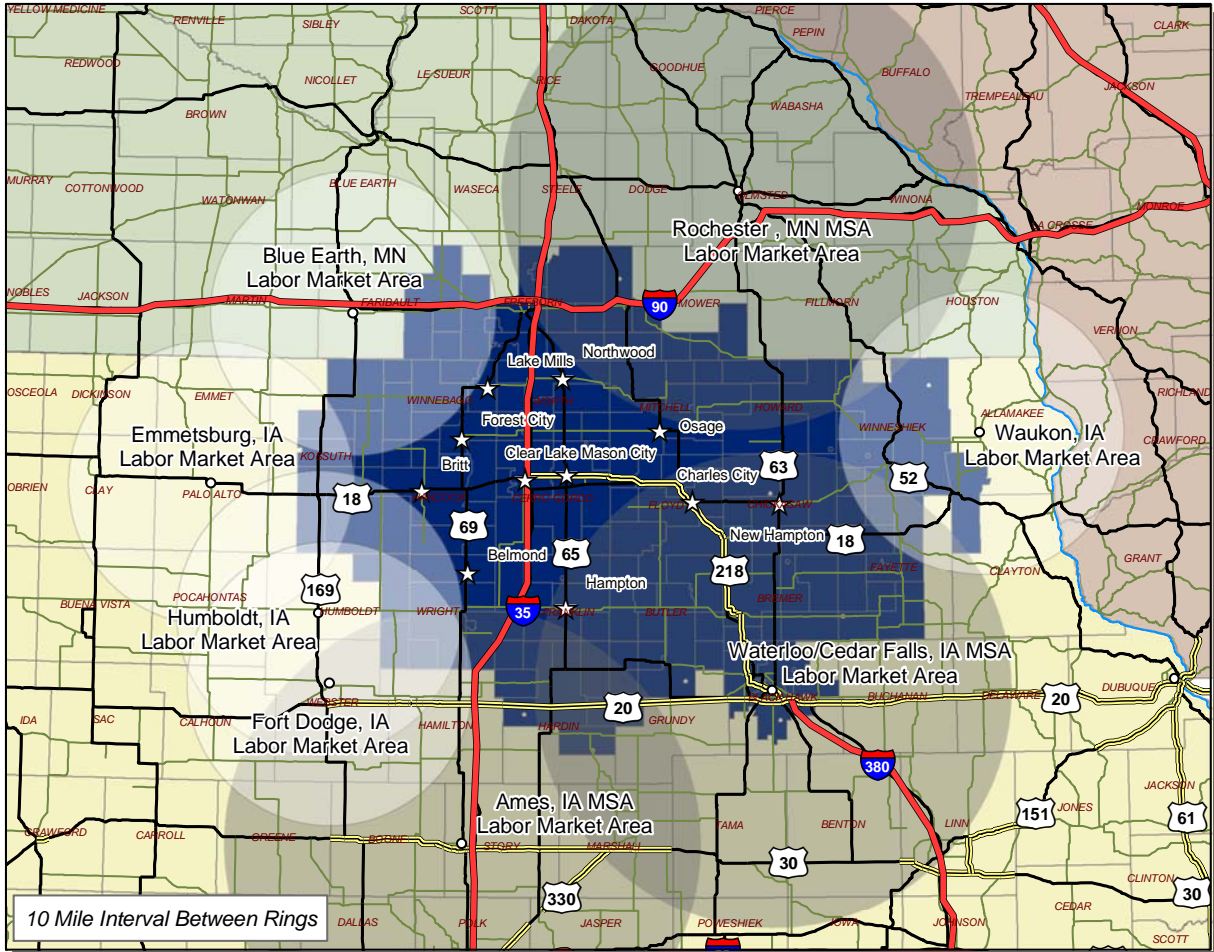
by Place of Residence (per ZIP Code)

- Zone 3 (1 - 19)
- Zone 2 (20 - 78)
- Zone 1 (79 - 986)

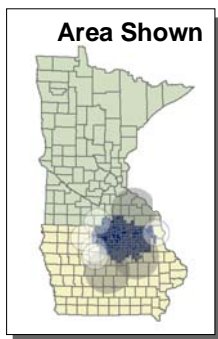


Map 13

Labor Markets in Region North Central Iowa Laborshed Area



0 12.5 25 50 75 100 Miles



Legend

- ☆ North Central Iowa Region Community
- North Central Iowa Region Laborshed Area
- Small Labor Market Area (30 Mile Radius)
- Large Labor Market Area (50 Mile Radius)
- Interstate
- 4-Lane US Highways
- US Highways
- State Highways
- Iowa County
- Minnesota County
- Wisconsin County



EXHIBITS

ESTIMATING THE TOTAL LABOR FORCE POTENTIAL

The fundamental goal of any Laborshed analysis is to estimate the potential availability of workers and determine how well the surrounding geographical areas are able to provide a stable supply of workers to the central Laborshed node (see **Figures 1 - 11**).

Employment demographics such as employment status, age, education level, gender and miles driven to work are taken into consideration when estimating the availability of workers. Of particular interest is the ordinal variable that rates a person's desire to change employment on a 1-4 scale (1=very likely to change; 4=very unlikely to change).

Factors are explored at both the micro (individual) level and at the macro (zip code or Laborshed) level. The estimated total potential labor force is developed using a logistic regression with polytomous response model based on covariates drawn from survey data that estimates the theoretical probability of persons accepting or changing employment.

Figure 1.
Estimated Total Potential Labor Force
Belmond Laborshed Area

Weighted Labor Force				
		Total Population 18 to 64	Total Adjusted Labor Force	Total Willing to Change/Accept Employment*
Zone 1				
BELMOND, IA	50421	1,807	1,539	704
Total Zone 1		1,807	1,539	704
Zone 2				
DOWS, IA	50071	710	605	259
GOODELL, IA	50439	244	194	83
ROWAN, IA	50470	144	123	52
GALT, IA	50101	41	35	15
MESERVEY, IA	50457	238	207	88
ALEXANDER, IA	50420	217	175	75
KLEMME, IA	50449	487	387	165
CLARION, IA	50525	2,098	1,787	760
HAMPTON, IA	50441	3,152	2,505	1,103
KANAWHA, IA	50447	649	516	219
LATIMER, IA	50452	437	353	150
GARNER, IA	50438	2,294	1,823	774
SHEFFIELD, IA	50475	820	663	294
THORNTON, IA	50479	387	337	144
Total Zone 2		11,918	9,710	4,183
Zone 3				
MASON CITY, IA	50401	18,295	15,931	530
BRITT, IA	50423	1,739	1,382	70
CLEAR LAKE, IA	50428	5,883	5,123	230
CORWITH, IA	50430	316	251	13
COULTER, IA	50431	136	110	8
DOUGHERTY, IA	50433	206	179	6
NORA SPRINGS, IA	50458	1,291	1,142	31
ROCKFORD, IA	50468	1,020	902	23
ROCKWELL, IA	50469	881	767	33
SWALEDALE, IA	50477	208	181	11
VENTURA, IA	50482	505	440	24
EAGLE GROVE, IA	50533	2,395	2,040	99
GOLDFIELD, IA	50542	539	459	27
RENWICK, IA	50577	288	235	13
AREDALE, IA	50605	78	66	2
BRISTOW, IA	50611	250	211	6
DUMONT, IA	50625	630	532	17
MARBLE ROCK, IA	50653	396	350	10
Total Zone 3		35,056	30,302	1,154
Grand Total		48,781	41,551	6,041

*Total

Willing to Change/Accept Employment references those who would be willing to commute into Zone 1 from their home ZIP Code for an employment opportunity.

Some ZIP codes may not be identified above due to lack of information from the U.S. Census Bureau.

Figure 2.
Estimated Total Potential Labor Force
Britt Laborshed Area

Weighted Labor Force				
		Total Population 18 to 64	Total Adjusted Labor Force	Total Willing to Change/Accept Employment*
Zone 1				
BRITT, IA	50423	1,739	1,373	605
Total Zone 1		1,739	1,373	605
Zone 2				
CLEAR LAKE, IA	50428	5,883	5,064	2,131
CORWITH, IA	50430	316	249	104
GARNER, IA	50438	2,294	1,811	752
KANAWHA, IA	50447	649	512	212
KLEMME, IA	50449	487	384	160
ROCKWELL, IA	50469	881	758	356
SWALEDALE, IA	50477	208	179	75
THORNTON, IA	50479	387	333	148
VENTURA, IA	50482	505	435	181
WESLEY, IA	50483	461	369	154
WODEN, IA	50484	268	212	88
Total Zone 2		12,339	10,307	4,361
Zone 3				
MASON CITY, IA	50401	18,295	15,748	625
BELMOND, IA	50421	1,807	1,468	68
BUFFALO CENTER, IA	50424	835	615	31
CRYSTAL LAKE, IA	50432	106	84	10
FOREST CITY, IA	50436	3,708	2,732	173
GOODELL, IA	50439	244	193	12
LAKE MILLS, IA	50450	1,676	1,235	43
LAKOTA, IA	50451	344	276	10
LELAND, IA	50453	344	253	13
SHEFFIELD, IA	50475	820	698	18
THOMPSON, IA	50478	515	408	25
TITONKA, IA	50480	549	440	25
ALGONA, IA	50511	4,247	3,401	196
BURT, IA	50522	533	427	17
CLARION, IA	50525	2,098	1,704	73
LU VERNE, IA	50560	391	313	20
Total Zone 3		36,512	29,996	1,359
Grand Total		50,590	41,676	6,325

*Total Willing to Change/Accept Employment references those who would be willing to commute into Zone 1 from their home ZIP Code for an employment opportunity.

Some ZIP codes may not be identified above due to lack of information from the U.S. Census Bureau.

Figure 3.
Estimated Total Potential Labor Force
Charles City Laborshed Area

Weighted Labor Force				
		Total Population 18 to 64	Total Adjusted Labor Force	Total Willing to Change/Accept Employment*
Zone 1				
CHARLES CITY, IA	50616	5,754	5,091	2,370
Total Zone 1		5,754	5,091	2,370
Zone 2				
MASON CITY, IA	50401	24,002	20,901	9,581
FLOYD, IA	50435	637	564	249
NORA SPRINGS, IA	50458	1,730	1,531	665
ORCHARD, IA	50460	330	263	115
OSAGE, IA	50461	4,149	3,308	1,443
RICEVILLE, IA	50466	1,425	1,216	545
ROCKFORD, IA	50468	1,393	1,232	532
RUDD, IA	50471	608	538	231
ALTA VISTA, IA	50603	448	351	153
CLARKSVILLE, IA	50619	1,941	1,638	711
GREENE, IA	50636	1,435	1,211	522
IONIA, IA	50645	1,010	791	342
MARBLE ROCK, IA	50653	539	477	207
NASHUA, IA	50658	1,912	1,497	649
NEW HAMPTON, IA	50659	4,441	3,478	1,504
Total Zone 2		46,000	38,995	17,450
Zone 3				
SAINT ANSGAR, IA	50472	1,668	1,330	51
ALLISON, IA	50602	1,259	1,062	55
BRISTOW, IA	50611	344	290	13
CEDAR FALLS, IA	50613	32,693	28,276	839
DENVER, IA	50622	2,360	2,053	65
ELMA, IA	50628	1,044	891	43
FREDERICKSBURG, IA	50630	1,482	1,161	53
FREDERIKA, IA	50631	114	89	4
JANESVILLE, IA	50647	1,365	1,188	47
NEW HARTFORD, IA	50660	1,008	851	27
PLAINFIELD, IA	50666	756	658	50
READLYN, IA	50668	960	835	26
SHELL ROCK, IA	50670	1,560	1,316	61
SUMNER, IA	50674	2,781	2,419	76
TRIPOLI, IA	50676	1,565	1,362	52
WAVERLY, IA	50677	9,184	7,990	383
WATERLOO, IA	50701	23,877	20,651	567
WATERLOO, IA	50702	14,792	12,794	347
WATERLOO, IA	50703	16,399	14,183	394
LAWLER, IA	52154	869	681	31
Total Zone 3		116,080	100,080	3,185
Grand Total		167,834	144,166	23,005

*Total Willing to Change/Accept Employment references those who would be willing to commute into Zone 1 from their ZIP Code for an employment opportunity.

Some ZIP codes may not be identified above due to lack of information from the U.S. Census Bureau.

Figure 4.
Estimated Total Potential Labor Force
Clear Lake Laborshed Area

Weighted Labor Force				
		Total Population 18 to 64	Total Adjusted Labor Force	Total Willing to Change/Accept Employment*
Zone 1				
CLEAR LAKE, IA	50428	5,883	5,064	2,299
Total Zone 1		5,883	5,064	2,299
Zone 2				
MASON CITY, IA	50401	18,295	15,748	6,697
BRITT, IA	50423	1,739	1,373	590
FERTILE, IA	50434	250	235	100
FOREST CITY, IA	50436	3,708	2,732	1,190
GARNER, IA	50438	2,294	1,811	768
HANLONTOWN, IA	50444	263	247	105
KLEMME, IA	50449	487	384	165
MANLY, IA	50456	1,021	959	409
MESERVEY, IA	50457	238	205	88
NORA SPRINGS, IA	50458	1,291	1,132	485
ROCKWELL, IA	50469	881	758	323
SWALEDALE, IA	50477	208	179	75
THOMPSON, IA	50478	515	380	179
VENTURA, IA	50482	505	435	190
Total Zone 2		31,695	26,577	11,365
Zone 3				
DOWS, IA	50071	710	577	69
ALEXANDER, IA	50420	217	185	8
BELMOND, IA	50421	1,807	1,468	64
BUFFALO CENTER, IA	50424	835	615	17
CARPENTER, IA	50426	68	54	2
CORWITH, IA	50430	316	249	8
CRYSTAL LAKE, IA	50432	106	84	4
DOUGHERTY, IA	50433	206	177	8
FLOYD, IA	50435	497	436	15
GOODELL, IA	50439	244	193	11
GRAFTON, IA	50440	311	292	14
HAMPTON, IA	50441	3,152	2,685	87
JOICE, IA	50446	308	289	19
KANAWHA, IA	50447	649	512	20
KENSETT, IA	50448	456	428	25
Zone 3 continued				

Figure 4. (cont'd)
Estimated Total Potential Labor Force
Clear Lake Laborshed Area

Weighted Labor Force				
		Total Population 18 to 64	Total Adjusted Labor Force	Total Willing to Change/Accept Employment*
Zone 3 continued				
LAKE MILLS, IA	50450	1,676	1,235	56
LATIMER, IA	50452	437	372	18
LELAND, IA	50453	344	253	11
NORTHWOOD, IA	50459	1,715	1,610	82
ORCHARD, IA	50460	211	166	5
OSAGE, IA	50461	2,908	2,292	77
PLYMOUTH, IA	50464	371	319	22
ROCKFORD, IA	50468	1,020	894	40
ROWAN, IA	50470	144	117	4
RUDD, IA	50471	432	379	17
SAINT ANSGAR, IA	50472	1,183	933	29
SHEFFIELD, IA	50475	820	698	33
STACYVILLE, IA	50476	427	337	9
THORNTON, IA	50479	387	333	27
WODEN, IA	50484	268	212	8
CLARION, IA	50525	2,098	1,704	47
EAGLE GROVE, IA	50533	2,395	1,945	48
GOLDFIELD, IA	50542	539	438	11
CHARLES CITY, IA	50616	5,754	5,045	156
GREENE, IA	50636	1,001	866	24
MARBLE ROCK, IA	50653	396	347	11
NASHUA, IA	50658	1,381	1,049	27
ALBERT LEA, MN	56007	12,208	10,400	348
EMMONS, MN	56029	453	386	13
TWIN LAKES, MN	56089	136	116	5
Total Zone 3		48,586	40,691	1,500
Grand Total		86,164	72,332	15,164

*Total Willing to Change/Accept Employment references those who would be willing to commute into Zone 1 from their ZIP Code for an employment opportunity.

Some ZIP codes may not be identified above due to lack of information from the U.S. Census Bureau.

Figure 5.
Estimated Total Potential Labor Force
Forest City Laborshed Area

Weighted Labor Force				
Area	Zip	Total Population 18 to 64	Total Adjusted Labor Force	Total Willing to Change/Accept Employment*
Zone 1				
FOREST CITY, IA	50436	3,708	2,786	1,324
Total Zone 1		3,708	2,786	1,324
Zone 2				
BELMOND, IA	50421	1,807	1,539	675
BRITT, IA	50423	1,739	1,382	615
BUFFALO CENTER, IA	50424	835	627	275
CLEAR LAKE, IA	50428	5,883	5,123	2,254
CRYSTAL LAKE, IA	50432	106	84	37
FERTILE, IA	50434	250	237	104
GARNER, IA	50438	2,294	1,823	795
HANLONTOWN, IA	50444	263	249	112
LAKE MILLS, IA	50450	1,676	1,259	548
LELAND, IA	50453	344	258	113
SCARVILLE, IA	50473	231	174	76
THOMPSON, IA	50478	515	387	169
VENTURA, IA	50482	505	440	194
WODEN, IA	50484	268	213	94
Total Zone 2		14,909	13,796	6,062
Zone 3				
CORWITH, IA	50430	316	251	9
GOODELL, IA	50439	244	194	12
JOICE, IA	50446	308	292	28
KANAWHA, IA	50447	649	516	23
KENSETT, IA	50448	456	432	22
KLEMME, IA	50449	487	387	29
LAKOTA, IA	50451	344	272	13
MANLY, IA	50456	1,021	967	62
NORTHWOOD, IA	50459	1,715	1,625	74
PLYMOUTH, IA	50464	371	323	15
RAKE, IA	50465	136	102	5
THORNTON, IA	50479	387	337	13
TITONKA, IA	50480	549	434	28
WESLEY, IA	50483	461	364	17
ALGONA, IA	50511	4,247	3,355	106
Zone 3 Continued				

Figure 5. (cont'd)

**Estimated Total Potential Labor Force
Forest City Laborshed Area**

Weighted Labor Force				
Area	Zip	Total Population 18 to 64	Total Adjusted Labor Force	Total Willing to Change/Accept Employment*
Zone 3 Continued				
BANCROFT, IA	50517	626	494	23
BURT, IA	50522	533	421	17
CLARION, IA	50525	2,098	1,787	56
LEDYARD, IA	50556	167	132	5
LU VERNE, IA	50560	391	309	10
ALBERT LEA, MN	56007	12,208	10,400	384
BRICELYN, MN	56014	426	317	15
EMMONS, MN	56029	453	386	23
GLENVILLE, MN	56036	1,236	1,053	36
KIESTER, MN	56051	432	368	23
TWIN LAKES, MN	56089	136	116	5
Total Zone 3		30,397	25,633	1,052
Grand Total		49,014	42,215	8,438

**Total Willing to Change/Accept Employment references those who would be willing to commute into Zone 1 from their ZIP Code for an employment opportunity.*

Some ZIP codes may not be identified above due to lack of information from the U.S. Census Bureau.

**Figure 6.
Estimated Total Potential Labor Force**

Hampton Laborshed Area

Weighted Labor Force				
		Total Population 18 to 64	Total Adjusted Labor Force	Total Willing to Change/Accept Employment*
Zone 1				
HAMPTON, IA	50441	3,152	2,685	1,224
Zone 1 Total		3,152	2,685	1,224
Zone 2				
BRADFORD, IA	50041	93	79	34
DOWS, IA	50071	710	577	245
IOWA FALLS, IA	50126	3,932	3,181	1,349
MASON CITY, IA	50401	18,295	15,748	6,908
ALEXANDER, IA	50420	217	185	79
COULTER, IA	50431	136	116	50
LATIMER, IA	50452	437	372	158
ROCKWELL, IA	50469	881	758	322
ROWAN, IA	50470	144	117	50
SHEFFIELD, IA	50475	820	698	297
ACKLEY, IA	50601	1,526	1,235	525
ALLISON, IA	50602	896	775	332
AREDALE, IA	50605	78	67	29
BRISTOW, IA	50611	250	216	91
GENEVA, IA	50633	235	200	85
Total Zone 2		28,650	24,325	10,553
Zone 3				
ALDEN, IA	50006	1,108	896	51
GALT, IA	50101	41	33	2
POPEJOY, IA	50227	7	6	0
BELMOND, IA	50421	1,807	1,468	71
CLEAR LAKE, IA	50428	5,883	5,064	168
DOUGHERTY, IA	50433	206	177	11
GARNER, IA	50438	2,294	1,811	48
NORA SPRINGS, IA	50458	1,291	1,132	40
OSAGE, IA	50461	2,908	2,292	58
ROCKFORD, IA	50468	1,020	894	34
RUDD, IA	50471	432	379	12
SWALEDALE, IA	50477	208	179	11
THORNTON, IA	50479	387	333	17
VENTURA, IA	50482	505	435	13
CLARION, IA	50525	2,098	1,704	90
APLINGTON, IA	50604	943	816	43
CHARLES CITY, IA	50616	5,754	5,045	130
CLARKSVILLE, IA	50619	1,419	1,227	53
DUMONT, IA	50625	630	545	57
GREENE, IA	50636	1,001	866	37
KESLEY, IA	50649	13	11	1
MARBLE ROCK, IA	50653	396	347	15
STEAMBOAT ROCK, IA	50672	326	264	11
Total Zone 3		30,677	25,924	971
Grand Total		62,479	52,934	12,748

*Total

Willing to Change/Accept Employment references those who would be willing to commute into Zone 1 from their ZIP Code for an employment opportunity.

Some ZIP codes may not be identified above due to lack of information from the U.S. Census Bureau.

Figure 7.
Estimated Total Potential Labor Force
Lake Mills Laborshed Area

Weighted Labor Force				
		Total Population 18 to 64	Total Adjusted Labor Force	Total Willing to Change/Accept Employment*
Zone 1				
LAKE MILLS, IA	50450	1,676	1,259	595
Total Zone 1		1,676	1,259	595
Zone 2				
BUFFALO CENTER, IA	50424	835	627	279
FERTILE, IA	50434	250	237	104
FOREST CITY, IA	50436	3,708	2,786	1,220
HANLONTOWN, IA	50444	263	249	109
JOICE, IA	50446	308	292	131
LELAND, IA	50453	344	258	114
NORTHWOOD, IA	50459	1,715	1,625	710
SCARVILLE, IA	50473	231	174	76
THOMPSON, IA	50478	515	387	169
ALBERT LEA, MN	56007	12,208	10,400	4,565
ALDEN, MN	56009	1,040	886	390
EMMONS, MN	56029	453	386	170
KIESTER, MN	56051	432	322	141
TWIN LAKES, MN	56089	136	116	51
Total Zone 2		22,438	18,744	8,229
Zone 3				
MASON CITY, IA	50401	18,295	15,931	605
BRITT, IA	50423	1,739	1,382	54
CLEAR LAKE, IA	50428	5,883	5,123	252
CRYSTAL LAKE, IA	50432	106	84	5
GARNER, IA	50438	2,294	1,823	98
GRAFTON, IA	50440	311	295	13
KENSETT, IA	50448	456	432	32
MANLY, IA	50456	1,021	967	59
NORA SPRINGS, IA	50458	1,291	1,142	35
OSAGE, IA	50461	2,908	2,318	70
RAKE, IA	50465	136	102	7
ROCKWELL, IA	50469	881	767	24
RUDD, IA	50471	432	382	10
SAINT ANSGAR, IA	50472	1,183	943	37
SWALEDALE, IA	50477	208	181	6
VENTURA, IA	50482	505	440	30
WODEN, IA	50484	268	213	10
BRICELYN, MN	56014	426	317	19
CLARKS GROVE, MN	56016	652	555	27
CONGER, MN	56020	93	79	6
GLENVILLE, MN	56036	1,236	1,053	65
HAYWARD, MN	56043	282	240	13
WELLS, MN	56097	2,257	1,681	76
Total Zone 3		42,863	36,452	1,552
Grand Total		66,977	56,455	10,376

*Total

Willing to Change/Accept Employment references those who would be willing to commute into Zone 1 from their ZIP Code for an employment opportunity.

Some ZIP codes may not be identified above due to lack of information from the U.S. Census Bureau.

Figure 8.
Estimated Total Potential Labor Force
Mason City Laborshed Area

Weighted Labor Force				
Area	Zip Code	Total Population 18 to 64	Total Adjusted Labor Force	Total Willing to Change/Accept Employment*
Zone 1				
MASON CITY, IA	50401	18,295	15,748	7,128
Total Zone 1		18,295	15,748	7,128
Zone 2				
ALDEN, IA	50006	1,108	896	500
BRITT, IA	50423	1,739	1,373	615
CLEAR LAKE, IA	50428	5,883	5,064	2,161
DOUGHERTY, IA	50433	206	177	77
FERTILE, IA	50434	250	235	102
FOREST CITY, IA	50436	3,708	2,732	1,255
GARNER, IA	50438	2,294	1,811	774
GRAFTON, IA	50440	311	292	125
HAMPTON, IA	50441	3,152	2,685	1,181
HANLONTOWN, IA	50444	263	247	105
KENSETT, IA	50448	456	428	181
MANLY, IA	50456	1,021	959	410
NORA SPRINGS, IA	50458	1,291	1,132	485
NORTHWOOD, IA	50459	1,715	1,610	694
OSAGE, IA	50461	2,908	2,292	1,050
PLYMOUTH, IA	50464	371	319	136
ROCKFORD, IA	50468	1,020	894	383
ROCKWELL, IA	50469	881	758	324
RUDD, IA	50471	432	379	162
SHEFFIELD, IA	50475	820	698	297
SWALEDALE, IA	50477	208	179	76
THORNTON, IA	50479	387	333	145
VENTURA, IA	50482	505	435	185
CEDAR FALLS, IA	50613	27,276	23,992	14,435
CHARLES CITY, IA	50616	5,754	5,045	2,277
GREENE, IA	50636	1,001	866	406
MARBLE ROCK, IA	50653	396	347	156
Total Zone 2		65,356	56,179	28,697
Zone 3				
BRADFORD, IA	50041	93	68	2
DOWS, IA	50071	710	577	17
IOWA FALLS, IA	50126	3,932	3,181	90
POPEJOY, IA	50227	7	6	0
ALEXANDER, IA	50420	217	185	6
BELMOND, IA	50421	1,807	1,468	48
BUFFALO CENTER, IA	50424	835	615	16
CARPENTER, IA	50426	68	54	3
CORWITH, IA	50430	316	249	7
CRYSTAL LAKE, IA	50432	106	84	3
Zone 3 Continued				

Figure 8. (cont'd)
Estimated Total Potential Labor Force
Mason City Laborshed Area

Weighted Labor Force				
Area	Zip Code	Total Population 18 to 64	Total Adjusted Labor Force	Total Willing to Change/Accept Employment*
Zone 3 Continued				
FLOYD, IA	50435	497	436	22
GOODELL, IA	50439	244	193	7
JOICE, IA	50446	308	289	14
KANAWHA, IA	50447	649	512	16
KLEMME, IA	50449	487	384	17
LAKE MILLS, IA	50450	1,676	1,235	45
LATIMER, IA	50452	437	372	14
LELAND, IA	50453	344	253	8
LITTLE CEDAR, IA	50454	55	43	1
MESERVEY, IA	50457	238	205	9
ORCHARD, IA	50460	211	166	6
RICEVILLE, IA	50466	975	769	20
ROWAN, IA	50470	144	117	3
SAINT ANSGAR, IA	50472	1,183	933	38
SCARVILLE, IA	50473	231	170	13
STACYVILLE, IA	50476	427	337	9
THOMPSON, IA	50478	515	380	11
TITONKA, IA	50480	549	440	11
WESLEY, IA	50483	461	369	12
WODEN, IA	50484	268	212	6
ALGONA, IA	50511	4,247	3,401	88
CLARION, IA	50525	2,098	1,704	44
EAGLE GROVE, IA	50533	2,395	1,945	48
GOLDFIELD, IA	50542	539	438	11
LU VERNE, IA	50560	391	313	8
WOOLSTOCK, IA	50599	223	181	4
ACKLEY, IA	50601	1,526	1,235	34
ALLISON, IA	50602	896	775	21
ALTA VISTA, IA	50603	318	241	7
APLINGTON, IA	50604	943	816	21
AREDALE, IA	50605	78	67	3
BRISTOW, IA	50611	250	216	6
CLARKSVILLE, IA	50619	1,419	1,227	32
DUMONT, IA	50625	630	545	17
ELDORA, IA	50627	2,064	1,670	41
ELMA, IA	50628	748	631	16
FREDERICKSBURG, IA	50630	1,082	822	20
GENEVA, IA	50633	235	200	7
IONIA, IA	50645	744	565	16
JANESVILLE, IA	50647	1,065	940	23
KESLEY, IA	50649	13	11	0
NASHUA, IA	50658	1,381	1,049	31
NEW HAMPTON, IA	50659	3,173	2,409	64
NEW HARTFORD, IA	50660	769	665	17
Zone 3 Continued				

Figure 8. (cont'd)
Estimated Total Potential Labor Force
Mason City Laborshed Area

Weighted Labor Force				
Area	Zip Code	Total Population 18 to 64	Total Adjusted Labor Force	Total Willing to Change/Accept Employment*
Zone 3 Continued				
PARKERSBURG, IA	50665	1,675	1,449	36
PLAINFIELD, IA	50666	562	496	13
SHELL ROCK, IA	50670	1,177	1,018	25
STEAMBOAT ROCK, IA	50672	326	264	7
WAVERLY, IA	50677	7,149	6,311	156
WELLSBURG, IA	50680	601	536	13
WATERLOO, IA	50701	18,589	16,351	417
WATERLOO, IA	50702	11,012	9,686	248
WATERLOO, IA	50703	12,304	10,823	275
EVANSDALE, IA	50707	4,946	4,351	112
LAWLER, IA	52154	649	493	12
AUSTIN, MN	55912	15,566	13,872	342
LYLE, MN	55953	587	523	16
ALBERT LEA, MN	56007	12,208	10,879	312
CLARKS GROVE, MN	56016	652	581	15
GLENVILLE, MN	56036	1,236	1,101	42
HAYWARD, MN	56043	282	251	7
HOLLANDALE, MN	56045	402	358	9
OAKLAND, MN	56076	295	263	8
TWIN LAKES, MN	56089	136	121	4
Total Zone 3		135,571	116,094	3,127
Grand Total		219,222	188,021	38,952

*Total Willing to Change/Accept Employment references those who would be willing to commute into Zone 1 from their ZIP Code for an employment opportunity.

Some ZIP codes may not be identified above due to lack of information from the U.S. Census Bureau.

Figure 9.
Estimated Total Potential Labor Force
New Hampton Laborshed Area

Weighted Labor Force				
		Total Population 18 to 64	Total Adjusted Labor Force	Total Willing to Change/Accept Employment*
Zone 1				
NEW HAMPTON, IA	50659	3,173	2,409	1,135
Total Zone 1		3,173	2,409	1,135
Zone 2				
ALTA VISTA, IA	50603	318	241	106
CHARLES CITY, IA	50616	5,754	5,045	2,188
ELMA, IA	50628	748	631	276
FREDERICKSBURG, IA	50630	1,082	822	358
IONIA, IA	50645	744	565	249
NASHUA, IA	50658	1,381	1,049	458
SUMNER, IA	50674	2,016	1,780	790
LAWLER, IA	52154	649	493	215
WAUCOMA, IA	52171	692	545	238
Total Zone 2		13,384	11,171	4,877
Zone 3				
FLOYD, IA	50435	497	436	25
ORCHARD, IA	50460	211	166	7
OSAGE, IA	50461	2,908	2,292	79
RICEVILLE, IA	50466	975	822	32
ROCKFORD, IA	50468	1,020	894	39
RUDD, IA	50471	432	379	17
CEDAR FALLS, IA	50613	27,276	23,992	732
CLARKSVILLE, IA	50619	1,419	1,227	46
DENVER, IA	50622	1,800	1,589	84
DEWAR, IA	50623	78	69	2
FREDERIKA, IA	50631	85	75	8
GREENE, IA	50636	1,001	866	32
JANESVILLE, IA	50647	1,065	940	34
MARBLE ROCK, IA	50653	396	347	14
MAYNARD, IA	50655	442	348	11
OELWEIN, IA	50662	4,146	3,267	93
PLAINFIELD, IA	50666	562	496	30
READLYN, IA	50668	724	639	28
TRIPOLI, IA	50676	1,150	1,015	67
WAVERLY, IA	50677	7,149	6,311	272
WESTGATE, IA	50681	240	189	7
WATERLOO, IA	50701	18,589	16,351	522
WATERLOO, IA	50702	11,012	9,686	309
WATERLOO, IA	50703	12,304	10,823	383
EVANSDALE, IA	50707	4,946	4,351	136
DECORAH, IA	52101	8,779	6,950	239
Zone 3 (continued)				

Figure 9. (cont'd)
Estimated Total Potential Labor Force
New Hampton Laborshed Area

		Total Population 18 to 64	Total Adjusted Labor Force	Total Willing to Change/Accept Employment*
Zone 3 (continued)				
CALMAR, IA	52132	1,087	861	42
CASTALIA, IA	52133	374	296	10
CRESCO, IA	52136	3,398	2,866	128
FAYETTE, IA	52142	1,302	1,026	34
FORT ATKINSON, IA	52144	837	663	49
HAWKEYE, IA	52147	735	579	34
LIME SPRINGS, IA	52155	741	625	36
OSSIAN, IA	52161	791	626	26
POSTVILLE, IA	52162	2,058	1,892	57
PROTIVIN, IA	52163	149	126	9
RANDALIA, IA	52164	139	110	4
RIDGEWAY, IA	52165	522	413	18
SAINT LUCAS, IA	52166	23	18	1
SPILLVILLE, IA	52168	198	157	8
WEST UNION, IA	52175	2,032	1,601	67
Total Zone 3		123,592	119,958	3,770
Grand Total		140,149	133,538	9,782

*Total

Willing to Change/Accept Employment references those who would be willing to commute into Zone 1 from their ZIP Code for an employment opportunity.

Some ZIP codes may not be identified above due to lack of information from the U.S. Census Bureau.

Figure 10.
Estimated Total Potential Labor Force
Northwood Laborshed Area

Weighted Labor Force				
		Total Population 18 to 64	Total Adjusted Labor Force	Total Willing to Change/Accept Employment*
Zone 1				
NORTHWOOD, IA	50459	1,715	1,610	761
Total Zone 1		1,715	1,610	761
Zone 2				
MASON CITY, IA	50401	18,295	15,748	6,918
CARPENTER, IA	50426	68	54	24
FERTILE, IA	50434	250	235	103
GRAFTON, IA	50440	311	292	128
HANLONTOWN, IA	50444	263	247	107
JOICE, IA	50446	308	289	126
KENSETT, IA	50448	456	428	189
LAKE MILLS, IA	50450	1,676	1,427	619
MANLY, IA	50456	1,021	959	419
PLYMOUTH, IA	50464	371	319	141
SAINT ANSGAR, IA	50472	1,183	933	408
ALBERT LEA, MN	56007	12,208	10,648	4,673
EMMONS, MN	56029	453	395	173
GLENVILLE, MN	56036	1,236	1,078	470
Total Zone 2		38,099	33,052	14,496
Zone 3				
BRITT, IA	50423	1,739	1,373	39
CLEAR LAKE, IA	50428	5,883	5,064	284
DOUGHERTY, IA	50433	206	177	5
FLOYD, IA	50435	497	436	12
FOREST CITY, IA	50436	3,708	2,732	125
GARNER, IA	50438	2,294	1,811	65
HAMPTON, IA	50441	3,152	2,685	68
KANAWHA, IA	50447	649	512	13
KLEMME, IA	50449	487	384	11
LELAND, IA	50453	344	253	15
MC INTIRE, IA	50455	332	262	9
MESERVEY, IA	50457	238	205	6
NORA SPRINGS, IA	50458	1,291	1,132	48
OSAGE, IA	50461	2,908	2,292	108
RICEVILLE, IA	50466	975	822	28
ROCKFORD, IA	50468	1,020	894	28
ROCKWELL, IA	50469	881	758	33
RUDD, IA	50471	432	379	14
SHEFFIELD, IA	50475	820	698	19
STACYVILLE, IA	50476	427	337	15
THOMPSON, IA	50478	515	380	18
THORNTON, IA	50479	387	333	11
VENTURA, IA	50482	505	435	20
CHARLES CITY, IA	50616	5,754	5,045	133
MARBLE ROCK, IA	50653	396	347	9
AUSTIN, MN	55912	15,566	11,869	413
LYLE, MN	55953	587	448	29
ROSE CREEK, MN	55970	476	415	18
CLARKS GROVE, MN	56016	652	569	31
Total Zone 3		53,121	43,047	1,627
Grand Total		92,935	77,709	16,884

*Total Willing to

Change/Accept Employment references those who would be willing to commute into Zone 1 from their ZIP Code for an employment opportunity.

Some ZIP codes may not be identified above due to lack of information from the U.S. Census Bureau.

Figure 11.
Estimated Total Potential Labor Force
Osage Laborshed Area

Total Adjusted Labor Force				
		Total Population 18 to 64	Total Adjusted Labor Force	Total Willing to Change/Enter Employment
Zone 1				
OSAGE, IA	50461	2,908	2,292	1,069
Total Zone 1		2,908	2,292	1,069
Zone 2				
MASON CITY, IA	50401	18,295	15,748	7,256
CARPENTER, IA	50426	68	54	23
FLOYD, IA	50435	497	436	189
GRAFTON, IA	50440	311	292	127
LITTLE CEDAR, IA	50454	55	43	19
ORCHARD, IA	50460	211	166	73
PLYMOUTH, IA	50464	371	319	139
RICEVILLE, IA	50466	975	769	333
ROCKWELL, IA	50469	881	638	303
RUDD, IA	50471	432	379	163
SAINT ANSGAR, IA	50472	1,183	933	401
STACYVILLE, IA	50476	427	337	145
CHARLES CITY, IA	50616	5,754	4,536	1,973
Total Zone 2		29,460	24,649	11,143
Zone 3				
CLEAR LAKE, IA	50428	5,883	5,064	178
KENSETT, IA	50448	456	428	26
MC INTIRE, IA	50455	332	262	20
NORTHWOOD, IA	50459	1,715	1,610	75
ROCKFORD, IA	50468	1,020	894	56
VENTURA, IA	50482	505	435	14
ALTA VISTA, IA	50603	318	241	12
ELMA, IA	50628	748	631	35
GREENE, IA	50636	1,001	866	45
IONIA, IA	50645	744	565	21
MARBLE ROCK, IA	50653	396	347	19
NASHUA, IA	50658	1,381	1,049	42
CHESTER, IA	52134	211	178	8
CRESCO, IA	52136	3,398	2,866	93
LIME SPRINGS, IA	52155	741	625	23
AUSTIN, MN	55912	15,566	13,905	575
LE ROY, MN	55951	831	742	32
LYLE, MN	55953	587	524	31
ROSE CREEK, MN	55970	476	425	24
TAOPI, MN	55977	131	117	6
WYKOFF, MN	55990	524	468	12
Total Zone 3		36,964	32,243	1,347
Grand Total		69,332	59,184	13,559

*Total

Willing to Change/Accept Employment references those who would be willing to commute into Zone 1 from their ZIP Code for an employment opportunity.

Some ZIP codes may not be identified above due to lack of information from the U.S. Census Bureau.

BACKGROUND INFORMATION FOR LABORSHED ANALYSIS

In early 1998, the Institute for Decision Making (IDM) at the University of Northern Iowa (UNI) completed the first pilot Laborshed study. The Laborshed approach and methodology was developed to meet the specific needs of economic development groups trying to understand and detail the unique characteristics of their area labor force. From 1998 to June 2001, IDM completed 24 Laborshed studies for Iowa communities and gained national attention for its innovative approach. Beginning in 1999, Laborshed studies were completed in partnership with the Iowa Department of Economic Development (IDED) and Iowa Workforce Development (IWD) for communities that met specific criteria and for “immediate opportunities” (expansion projects or prospects).

During the 2000 legislative session, the General Assembly mandated that as of July 1, 2001, Iowa Workforce Development (IWD) assume the responsibilities for conducting Laborshed studies for Iowa communities. IDM staff worked with members of IWD’s Research and Strategic Initiatives Unit to train them in IDM’s Laborshed process and methodology. Beginning in July 2001, IWD’s Research and Strategic Initiatives Unit assumed all responsibilities for scheduling and conducting all future Laborshed projects in Iowa.

Essentially, when everything else is stripped away, it is the people that are key to a business’ success. (*Expansion Management*, January 2003) The availability of a well-trained and educated labor force is among the top three important location factors for businesses considering expansions or relocations (*Area Development*, December 2000). Faced with historically low unemployment rates, local economic development officials throughout Iowa need access to obtain timely and tailored data to help define their available labor force and its characteristics. Iowa’s low rates of unemployment often lead to the incorrect assumption that economic growth cannot occur within the state. It is presumed that employers will be unable to attract employees from Iowa communities because the areas have reached full employment.

Contrary to these assumptions, many companies currently expanding or locating in Iowa are receiving between five and ten applicants for each new position that they have opened. The discrepancy between the assumptions and the reality of these measurements indicates that a problem exists in the way unemployment data is defined, measured, reported and used. When unemployment statistics are utilized as the sole method for determining labor availability, they appear to lead to inaccurate conclusions regarding the potential available labor supply within a “Laborshed” or sub-labor market area (sub-LMA). A Laborshed is defined as the actual area or nodal region from which an area draws its commuting workers. This region has been found to extend beyond the confines of county and state boundaries typically used to delineate labor information. The limitations of current labor data have significant implications for local economic development officials as they strive to create additional jobs and enhance wealth within their region.

SURVEY METHODOLOGY AND DATA FOR LABORSHEDS

Understanding what Iowa employment and unemployment figures represent requires a familiarity with how estimates are calculated and how data differs at the national, state and sub-state levels. The U.S. Department of Labor's Bureau of Labor Statistics (BLS) calculates employment statistics for the nation, while state-level data is computed independently by each state. Unfortunately, the methodology used by the BLS is such that the data cannot be directly translated into comparable state data. **Exhibit D** reviews the methodology currently in place.

In order to obtain current and accurate labor force information for the Laborshed area, Adtrack (subtracted through Pearson NCS, Incorporated) administered a random household telephone survey to individuals residing within the Laborshed boundaries from August 2007 to November 2007. The survey was designed by IDM with assistance from the Center for Social and Behavioral Research at UNI. The overall goal of the process is to collect a minimum valid phone surveys (determined by the size of the Laborshed area), completed by respondents 18 to 64 years of age, for each of the Laborshed areas. Validity of survey results is estimated at a confidence of +/- 5 percent in this report based on the Laborshed population. This regional analysis was completed using 2,447 valid phone surveys throughout eleven Laborshed areas.

To ensure that an even distribution of respondents is achieved, an equal number of calls are completed to three separate survey zones for each of the Laborshed areas – Belmond, Britt, Charles City, Clear Lake, Forest City, Hampton, Lake Mills, Mason City, New Hampton, Northwood, and Osage. The three zones created are classified as: Zone 1) the node community, Zone 2) ZIP codes adjacent or near Zone 1 that have a moderate number of residents working in the node community, and Zone 3) the ZIP codes in outlying areas with a low concentration of residents working in the node community. This distribution of surveys is an attempt to avoid a clustering of respondents. Utilizing this survey distribution method also provides the basis for comparisons among the zones and offers a more valid means of applying the survey results within each individual zone.

Survey administrators posed questions to determine the respondents' gender, age, education levels, place of residence and current employment status. Employed respondents also identified the location of their employer, employer type, occupation, years of employment in their occupation, employment status, current salary or wage, additional education/skills possessed, number of jobs currently held, distance traveled to work and the hours worked per week. Employed respondents were then asked how likely they were to change employers or employment, how far they would be willing to travel for employment, the wage required for them to change employment and the benefits desired for new employment. Underemployment was estimated by examining those employees desiring more hours of work than offered in their current position, those who stated they possessed additional education/skills that they do not utilize in their current position and wages insufficient enough to keep them above the poverty level.

Respondents in the 18-64 year age range self-identifying themselves as unemployed, homemakers/not employed or retired were asked a series of questions to determine what job characteristics and benefits were most important for them when considering employment, the reasons for unemployment, obstacles to employment and how far they would be willing to travel to accept employment. Information on previous employers and skills was also gathered for these sectors.

Once completed, the results of the survey were compiled and cross-tabulated to determine the relationship between the variables in each zone and the entire survey sample. Documenting and analyzing the Laborshed survey results by zone and by characteristics, provides new insight into the labor force that is currently unavailable in any other form.

CURRENT METHODS OF ESTIMATING EMPLOYMENT AND UNEMPLOYMENT

The federal government and the state of Iowa estimate an area's labor force by drawing from the portion of the civilian population that is non-institutionalized, 16 years of age or older and currently employed or unemployed (*BLS Handbook*, Chapter 1, p. 5). The BLS defines employed persons in the following two ways:

1. Did any work as paid employees, for their own business, profession, on their own farm, or worked 15 hours or more as unpaid workers in a family-operated enterprise (*BLS Handbook*, Chapter 1, p. 5).
2. Did not work but had jobs or businesses from which they were temporarily absent due to illness, bad weather, vacation, child-care problems, labor dispute, maternity or paternity leave, or other family or personal obligations -- whether or not they were paid by their employers for the time off and whether or not they are seeking other jobs. Individuals volunteering or engaged in housework, painting and home repair around their own residence are not considered employed (*BLS Handbook*, Chapter 1, p. 5).

Unemployed persons are defined as those individuals that were not employed on a given reference week prior to questioning and who made an effort to find work by contacting prospective employers. These individuals identified that they are ready to work with the exception of inability due to a temporary illness. Individuals are also classified as unemployed if they have been laid off and are awaiting recall back to their positions. (*BLS Handbook*, Chapter 1, p. 5). The unemployed are grouped into job losers (both temporarily and permanently laid off), quit/terminated and looking for work, re-entrants to the job market after an extended absence and new entrants that have never worked (*BLS Handbook*, Chapter 1, p. 5).

Those individuals that are not classified as employed or unemployed are not considered to be part of the labor force by BLS. The non-working designation may be due to a variety of reasons, however, the underlying factor is that the individuals have not sought employment within the past four weeks (*BLS Handbook*, Chapter 1, p. 6).

Because the BLS utilizes a multiple step process to estimate employment and underemployment statistics on a monthly basis, this process cannot be described in only a few paragraphs. A complete summary of the process used to generate national estimates and an outline of the process used to generate state and sub-state projections is available through IWD.

METHODS FOR ESTIMATING EMPLOYMENT

The BLS uses the employed and unemployed persons to calculate the civilian labor force, the unemployment rate and labor force participation rate.

The labor force is:

$$\text{employed} + \text{unemployed} = \text{labor force}$$

The labor force participation rate is :

$$\text{labor force} / \text{non-institutionalized citizens 16+ years of age} = \text{LFPR}$$

The unemployment rate is the percentage of the civilian labor force that is unemployed:

$$\text{unemployed} / \text{total labor force} = \text{unemployment rate} \text{ (BLS Handbook, Chapter 1 p. 5)}$$

A proper interpretation of the unemployment **rate** requires an understanding of the processes used to generate the data on which the calculations are based. The BLS uses the monthly Current Population Survey (CPS) to collect data from a sample of 59,000 households, taken from 754 sample areas located throughout the country. The purpose of the survey is to collect information on earnings, employment, hours of work, occupation, demographics, industry and socio-economic class. The data is obtained through personal and telephone interviews. Of the 59,000 households, only about 50,000 are generally available for testing due to absence and illness. The 50,000 households generate information on 94,000 individuals (*BLS Handbook*, Chapter 1, p. 8). Each household is interviewed for two, four-month periods, with an eight-month break between the periods. The pool of respondents is divided into 8 panels, with a new panel being rotated each month. (*BLS Handbook*, Chapter 1, p. 10)

“The 754 sample areas from which the households are selected represent 3,141 counties and cities broken into 2,007 population sample units (PSU’s). A PSU can consist of a combination of counties, urban and rural areas, or entire metropolitan areas that are contained within a single state. The PSU’s for each state are categorized into the 754 sample groups of similar population, households, average wages and industry. The 754 sample areas consist of 428 PSU’s that are large and diverse enough to be considered an independent PSU and 326 groupings of PSU’s” (*BLS Handbook*, Chapter 1, p. 9).

“The sample calculates an unemployment estimate with a 1.9 percent coefficient of co-variation. This is the standard error of the estimate divided by the estimate, expressed as a percentage. This translates into a .2-percent change in unemployment being significant at the 90 percent confidence level. The respondent’s information is weighted to represent the group’s population, age, race, sex and the state from which it originates. Using a composite estimation procedure minimizes the standard of error for the estimate. This

estimate is based on the two-stage rotation estimate on data obtained from the entire sample for the current month and the composite estimate for the previous month, adjusted by an estimate of the month-to-month change based on the six rotation groups common to both months” (*BLS Handbook*, Chapter 1, p. 8). The estimates are also seasonally adjusted to minimize the influence of trends in seasonal employment.

Iowa & Sub-state unemployment rates

The CPS produces reliable national unemployment estimates, however these do not translate into estimates for all state and sub-state areas. Only 11 of the most populous states and the LMA's of Los Angeles and New York City are large enough to be calculated by the CPS. The unemployment estimates for the 39 other states, 5600 geographic areas, LMA's, counties and cities, are calculated using BLS guidelines established by each state's employment agency. The state of Iowa's counties are each considered small LMA's, with the exception of micropolitan and metropolitan statistical areas. For further definition of counties included in micropolitan statistical areas, visit www.iowaworkforce.org/lmi/pressrelease/iowamicro.pdf and for counties included in metropolitan statistical areas, visit www.iowaworkforce.org/lmi/pressrelease/iowamsa.pdf.

A time series model is used to estimate state labor force statistics and a Handbook method is used for sub-state projections. The state unemployment estimates are based on a time series to reduce the high variability found in the CPU estimates caused by small sample size. The time series combines historical relationships in the monthly CPS estimates along with Unemployment Insurance and Current Employment Statistics (CES) data. Each State has two models designed for it that measure the employment to work ratio and the unemployment rate (*BLS Handbook*, Chapter 4, p. 37).

The CES is a monthly survey of employers conducted by the BLS and state employment agencies. Employment, hours/overtime and earning information for 400,000 workers are obtained from employer payroll records. Annually, the monthly unemployment estimates are benchmarked to the CPS estimate so that the annual average of the final benchmarked series equals the annual average and to preserve the pattern of the model series (*BLS Handbook*, Chapter 4, p. 38).

The sub-state unemployment estimates are calculated by using the *BLS Handbook* Method. The *Handbook* Method accounts for the previous status of the unemployed worker and divides the workers into two categories: those who were last employed in industries covered by State Unemployment Insurance (UI) laws and workers who either entered the labor force for the first time or reentered after a period of separation (*BLS Handbook*, Chapter 4, p. 38).

Individuals considered covered by UI are those currently collecting UI benefits and those that have exhausted their benefits. The data for those that are insured is collected from State UI, Federal and Railroad programs. The estimate for those who have exhausted their funds is based on the number who stopped receiving benefits at that time and an estimate of the individuals who remain unemployed (*BLS Handbook*, Chapter 4, p. 39).

New entrants and reentrants into the labor force are estimated based on the national historical relationship of entrants to the experienced unemployed and the experienced labor force. The Department of Labor states that the Handbook estimate of entrants into the labor force is a function of (1) the month of the year, (2) the level of the experienced unemployed, (3) the level of the experienced labor force and (4) the proportion of the working age population (*BLS Handbook*, Chapter 4, p. 39). The total entrants are estimated by:

$$ENT = A(X+E)+BX$$

where:

ENT = total entrant unemployment

E = total employment

X = total experienced unemployment

A,B = synthetic factors incorporating both seasonal variations and the assumed relationship between the proportion of youth in the working-age population and the historical relationship of entrants, either the experienced unemployed or the experienced labor force (*BLS Handbook* , Chapter 4, p. 39).

Total employment (E) estimates represent the total number of paid employees in non-farm industries. The estimates are based on various sources, including the CES survey and state designed surveys of establishments. These figures are combined with a weighted factor accounting for historic employment relationships found in the Census. The resulting estimate is combined with standard estimates for agricultural workers, non-farm self-employed and unpaid family workers and private household workers to compute the total Handbook employment” (*BLS Handbook*, Chapter 4, p. 39).

“Total unemployment for the sub-state/LMA is estimated by the formula:

$$U_a(t) = U_s(t) * UHB_a(t)$$

where:

U = total unemployment

UHB = Handbook unemployment

a = area

s = State

t = time

(As with the state data, the sub-state/LMA estimates are benchmarked annually so that they sum to the revised state estimates of employment and unemployment (*BLS Handbook*, Chapter 4, p. 39).

“Unemployment estimates for portions of the LMAs are calculated by one of two methods, (1) the population-claims method, or (2) the Census-share method. The population-claims method is the preferred method according to the BLS. Where available, resident based UI claims data for the sub-LMA area are used to find the ratio of the claims to the total number of UI claims within the LMA. This figure is used to analyze the estimate of experienced unemployed in the area. The number of unemployed entrants is based on the Census distribution of adult and

teenage population groups. The employment is estimated using current population distributions prepared by the Census Bureau and weighted by each area's Census relative share of employment to population. The Census-share method is used if UI claims data for the sub-LMA area is unavailable. Instead, the decennial Census data from the county in which the area is located is divided into a portion consistent with the size of the area. The Census-share method is less accurate than the population-claims method" (*BLS Handbook*, Chapter 4, p. 40).

Limitations

"Since the State, LMA & sub-LMA data are not directly obtained from a survey; the estimates calculated are subject to a level of error. These errors can occur due to improper estimations and insufficient data sources. Unfortunately, a universal level of error cannot be easily computed because of the wide variety of sources and methods used. The CPS information used to calculate the national estimates and to benchmark the state figures is subject to sampling and non-sampling error. Non-sampling errors in the CPS, such as those due to respondent bias and question interpretation, are minimized through re-interviewing respondents and rotating the panels of respondents. Sampling errors in the CPS over time show that 68 percent of the intervals are within 1 standard deviation, 90 percent are within 1.6 standard deviations and 95 percent of the intervals are within 2 standard deviations of the mean" (*BLS Handbook*, Chapter 1, p. 14).

TARGETED INDUSTRIES & INDUSTRY CLUSTERS

Many people believe that economic development consists of creating jobs or, more narrowly, in recruiting businesses to move jobs to Iowa from other states. This perception fails to appreciate the broad array of activities that help to promote economic growth, including financial resources, physical infrastructure, education, human resources, technology, research, tax systems, and others.

Current economic development policy focuses on improving the economic well being of Iowa's citizens rather than simply creating jobs. This involves increasing the amount of wealth in the Iowa economy, which means a focus primarily on "traded industries" consisting of businesses that sell their goods and services in other states or globally.

Firms rely on many different indicators to distinguish their products from those of their competitors. These firms that employ high value-added strategies in the marketplace rely heavily on highly skilled workers, which are more likely to pay higher wages. Iowa would like to see these businesses grow as a result of economic development investments. Since some industries have a higher proportion of high-wage firms than others, a logical strategy is to target investments in these industries so that, over time, they comprise a larger share of the Iowa economy.

In 1992, The Iowa Department of Economic Development (IDED) and the Wallace Technology Transfer Foundation commissioned the "Battelle study" to identify industries in which investments would be likely to yield high returns. The industries were selected because they:

- had high growth potential,
- paid higher than average wages, and
- were industries with a good match for the competitive advantages offered by Iowa.

The industries targeted through this initiative included, among others, value-added agriculture, insurance and financial services, plastics, fabricated and primary metals, pharmaceuticals, instruments and measuring devices, and software development. While the list provided a good starting point for the state's marketing efforts and other initiatives, it was not intended to exclude firms in other industries that met the criteria for sound public investments.

In 1999, IDED commissioned a study by Strategic Research Institute (SRI) International to re-examine targeted industries in light of Iowa's actual experience in the interim, and update the industry sector analysis. This study also identified key competitive advantages for Iowa (including workforce quality, training capacity, physical infrastructure, quality of life, etc.) and ultimately identified three very broad industry clusters for future investments from which Iowa could focus.

- Biotechnology/Biosciences (including production agriculture, value-added processing, pharmaceuticals),

- Advanced manufacturing (involving the rapid introduction of new processes), and
- Information solutions (including insurance, financial services, and information technology).

Some preliminary work has been completed by IDEED to show which specific industries might fit into these broad clusters. Other states and research groups have also been looking at industry clusters in relation to a variety of sectoral approaches to economic development. One of the most notable of these researchers is Michael Porter, whose work with the Institute for Strategy and Competitiveness at the Harvard Business School, has received a great deal of attention from such groups as the National Governors Association. In a national analysis, Porter and his colleagues identified 41 industry clusters at a more detailed level than the three broad ones identified in Iowa.

Among other things, the greater detail the identification of “geographic concentrations of interconnected companies and institutions in a particular field.”¹ This element of an industry cluster’s critical mass in geographic regions has profound implications for public investments in economic development, workforce development, education, and research.

Armed with knowledge of where geographic concentrations exist, public policy can support clusters and help foster their growth in a variety of ways. Public investments for things like research and infrastructure can be more precisely targeted, new cooperative relationships can be brokered between firms within “core” industry sectors as well as with area suppliers and customers. Occupations within key industries can be identified, and education and training institutions can use this information to counsel and train students for high-demand, high-wage careers.

¹ Clusters and the New Economics of Competition, Porter, Michael E., Harvard Business Review, November-December 1998, p. 78.

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