



News Release

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Iowa Business Council Asks Iowans to Energize Collaborative Activity to Make the Economy Stronger

Key issues include workforce development, education reform, health and wellness, disaster response, and process efficiency.

Des Moines, IOWA – (January 29, 2008) – The future will belong to those with vision, those who are most innovative, and those who are most motivated to action.

In remarks delivered at the 22nd Annual Partnership Meeting of the Iowa Business Council held January 28th in Des Moines, Pella Corporation president and CEO Mel Haught outlined key issues and initiatives for 2008 as the organization's newly elected vice chair. Areas the Council is focusing on include workforce development, education excellence and reform, health and wellness, disaster response, and process efficiency.

"It is essential that all of us continue to energize collaborative activity so that Iowa business remains a viable and competitive force in today's global marketplace," said Haught. "The Business Council will continue its work to position Iowa as a leader in the 21st Century."

WORKFORCE ATTRACTION & DEVELOPMENT

Reports produced and distributed by the Iowa Business Council going back as far as 1991 discuss the worldwide competition for talent. If a workforce shortage does exist in Iowa today, the Business Council believes it's one that can be overcome if all stakeholders focus on:

- Identifying specific skill level needs for positions to be filled;
- Coordinating secondary and post-secondary curricula and career counseling with the skill level needs identified;
- Developing meaningful, career-oriented intern, apprentice, and mentor opportunities; and,
- Providing one-stop Web access of detailed job openings for new graduates and those seeking employment who live out-of-state.

State officials have employed numerous approaches and tactics over the years to entice new workers to come to Iowa and encourage those who once lived here to return. Iowa will attract most, if not all, of the diverse and skilled workers it needs in the industry sectors where it possesses a comparative advantage — such as financial and information services, bioscience and renewable energy, and advanced manufacturing — so long as the state offers a receptive and dynamic business climate that provides meaningful career development and growth opportunities.

The Council urged business leaders to take full advantage of State-sponsored initiatives like the Workforce Needs Assessment Survey and the IowaJobs Databank, important tools for Iowa companies and the comparative business advantages they possess.

EDUCATION EXCELLENCE & REFORM

Technology will dominate the 21st century like never before. The new “average worker” will be asked to competently apply basic math, reading, and science skills in ever-more creative and innovative business environments. The proficiency of educators in teaching these subjects, along with the ability and interest of students to focus on careers in these areas, will determine the extent to which Iowa’s economy continues to grow and compete in the world marketplace.

Maintaining any comparative advantage that Iowa currently enjoys with its education system will require meaningful reform that:

- Institutes a coordinated, standardized, forward looking pre-K thru 16 curriculum that ensures equalized delivery and resources;
- Requires accountability and performance measures along with higher teacher compensation and professional development;
- Encourages greater administrative efficiencies on a regional and statewide basis; and,
- Produces graduates who have mastered key skills related to reading, writing, problem solving, and math and science.

The Business Council supports science, technology, engineering, and mathematics, or STEM, initiatives such as the Corridor STEM Initiative in Cedar Rapids, the Iowa Board of Regents Math & Science Education Collaborative, and the Iowa Math & Science Coalition. Each of these efforts seek to generate new interest and create enthusiasm among students, teachers, and parents for STEM-oriented courses and related careers. Said Haught, “The goal of any STEM initiative in Iowa must be for students to lead not only the country, but the world in acquiring these critical skills. This will be achieved only if our state’s education system provides a superior learning environment populated by enthusiastic, certified, performance-rewarded teachers.”

Business Council members recognized the efforts of the General Assembly over the past three years to bolster access to early childhood education in Iowa. Ultimately, statewide participation by four and five year-olds in these programs will result in more productive adult employees and dedicated citizens who miss work less frequently, get involved with community and charitable activities, and support the local tax base.

The Council also urged state legislators to give serious consideration to the purpose and goals of the Institute for Tomorrow’s Workforce, paying special attention to the recommendations contained in its most recent report, “Quality Education for All.” “Every child deserves the opportunity to receive superior teaching supported by state-of-the-art resources,” stated Haught. “The Business Council sees great promise for progress as the Institute renews its efforts in 2008.”

HEALTH & WELLNESS

Iowans have access to one of the finest health care delivery systems in the United States. However, employers that sponsor quality health care for their employees face ongoing challenges as costs continue to increase.

While the Business Council recognizes the need to control employee health benefit costs, it also seeks to maintain the stability and effectiveness of the health care industry’s infrastructure. Instead of reform options such as price controls, one-payer government health systems, or tax increases, the Council believes the health care system should be transformed to promote healthier lifestyles by:

- Encouraging private insurers to compete for customers at all levels, driving efficiency, transparency, and performance results
- Reducing chronic illness by changing human behavior with incentives provided for good health practices and disincentives for poor ones
- Enrolling the thousands in Iowa who are uninsured yet eligible for existing government programs such as Medicaid and the State Children’s Health Insurance Program but have not signed-up.

In addition to reforms, innovative employee wellness programs that encourage broad-based participation, like Lighten-Up Iowa and the Wellness Council of Iowa, are a key proactive measure the public and private sector can deploy to keep their workers healthy and on the job. They are also a critical factor in controlling escalating health care costs.

DISASTER RESPONSE

Last year the Iowa Business Council launched the Safeguard Iowa Partnership, a voluntary coalition of business executives and government leaders who share a commitment to help prevent, respond to, and recover from natural and man-made catastrophic events in Iowa. The Council's partner in this initiative is the non-profit group Business Executives for National Security, or BENS, headquartered in Washington, D.C.

In twelve months time, Safeguard Iowa has grown to include over 30 private sector businesses and institutions along with ten state and federal agencies. These security, business continuity, and emergency management specialists meet monthly to focus on emergency response and recovery efforts, disaster preparedness, and an incident alert and response system.

IOWA COALITION FOR INNOVATION & GROWTH

The Iowa Coalition for Innovation and Growth, or ICIG, is a collaboration with the Iowa Chamber Alliance that works to position Iowa as a global leader in business research, technology deployment, and innovation. ICIG members identify issues that impact the efficiencies or competitiveness of Iowa business, then assemble a "Team" of experts to initiate action that will most effectively produce change. Once goals and objectives are achieved, the initiative is turned over to those who can refine and perpetuate the improvements initiated by the Team. In 2008, two such initiatives are ready for such a transition.

Lean in State Government – For the past five years the ICIG's Business Development and Processes Team has worked to institutionalize the philosophy of Lean Enterprise within state agencies. Since 2003, more than 80 Lean "events" have been staged in 19 state agencies.

"Dramatic improvements have occurred within regulatory procedures throughout state government, cutting months and sometimes years off of process and approval times, without sacrificing any critical due diligence review," said Haught.

Two years ago the Iowa Department of Management received an appropriation to create the Office of Lean Enterprise, which is now poised to assume administrative responsibility for all future Lean events in State government.

Entrepreneurial Formation – The Entrepreneurial Formation team is a group of venture capital experts and business development specialists that has been working for the past five years to nurture a critical mass of entrepreneurial talent so that business and career opportunities can grow in our state.

The Team developed the Iowa Entrepreneur Network, or IEN – a virtual "community of practice" venue where entrepreneurs and investors can access business formation and venture capital expertise online in real time. A live "chat room" format will soon be activated offering a roster of experts in such disciplines as marketing, business development, investment banking, and management. This resource allows for the free exchange of ideas, real-time networking, and greater opportunity for small business success.

Last fall, the Iowa Department of Economic Development announced the creation of the Innovation & Commercialization Division, which will provide technical expertise and support to entrepreneurial development initiatives statewide. This Division will administer and operate the IEN by the end of the first quarter of 2008.

Advanced Manufacturing – According to the Center for Industrial Research and Service at Iowa State, Iowa ranks 2nd nationally when measuring manufacturing as a percentage of the state Gross Domestic Product (GDP). Over 21 percent, or more than \$26 billion, of Iowa's GDP comes from heavy industry, trailing only Indiana in the latest U.S. Census Bureau statistics.

“Sustaining the competitive posture of Iowa’s 6,600 manufacturers is an on-going challenge in today’s global economy,” said Haught. “It is essential that Iowa companies remain at the forefront of engineering and advanced manufacturing by leveraging best practices, conducting collaborative research, and sharing state-of-the-art technologies to maintain and improve their competitiveness.” He also noted issues that manufacturers face in the areas of technology integration, process efficiencies, and workforce shortages. To focus on such challenges in greater detail, the Business Council is co-sponsoring the Second Iowa Advanced Manufacturing Conference to be held May 14, 2008, at Kirkwood Community College in Cedar Rapids.

ABOUT THE IOWA BUSINESS COUNCIL

The Iowa Business Council is a non-profit, non-partisan, self-funded organization whose 22 members are the top executives of 18 of the largest businesses in the state, the three Regent university presidents, and Iowa’s largest banking association. Founded in 1985, the Council’s purpose is to focus the personal commitment of its members in active leadership roles on major initiatives that offer opportunity to enhance Iowa’s economic vitality and improve the lives of Iowans. Council members identify major economic issues, evaluate options, and assist in implementing solutions through collaborative public/private partnerships.

Collectively, IBC companies and institutions employ more than 203,000 Iowans and, in just the last ten years, have invested over \$13 billion of capital in the state. Annually, the Business Council represents more than \$250 million in financial contributions and volunteer hours given to numerous charitable causes around Iowa. Council member companies and institutions are leaders in technology innovation with over \$2.1 billion in spending and procured grants for research and development. For more information, please visit the IBC Web site at www.iowabusinesscouncil.org.

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