



Iowa Business Council

Serving as a Catalyst for Economic Development

IOWA BUSINESS COUNCIL MEMBERS

represent the following:



IOWA STATE UNIVERSITY



JOHN DEERE



IOWA HEALTH SYSTEM
Working together. Making a difference.





IOWA BUSINESS COUNCIL

www.iowabusinesscouncil.org

2010-11 Focus

SERVING AS A CATALYST FOR ECONOMIC DEVELOPMENT

Established in 1985, the Iowa Business Council is a nonpartisan, nonprofit, self-funded organization whose 24 members are the top executives of 20 of the largest businesses in the state, the three Regent university presidents, and Iowa's largest banking association. Council members work to identify economic issues, evaluate options, and assist in implementing solutions through collaborative public/private partnerships. Collectively, these companies and institutions employ nearly a quarter million Iowans and have committed billions of dollars in capital investment to the state. On an annual basis, several hundred million dollars in financial contributions and thousands of volunteer hours are directed to numerous charitable causes around Iowa. IBC members also lead in technology innovation with billions of dollars spent and grants procured for research and development. The Business Council focuses its efforts primarily in areas related to advanced technology, continuous process improvement, economic and workforce development, education excellence, health care and wellness, and operations continuity and security. Its representation reaches across the state – from borders north and south to rivers east and west.

The purpose of the Council is to engage the personal commitment of its members in active leadership roles on initiatives that offer opportunities to enhance Iowa's overall economic vitality. The Council works to:

- ◆ Identify major issues that need to be addressed for Iowa to generate and sustain economic growth and competitiveness.
- ◆ Evaluate options for solutions or improvements to address the need.
- ◆ Create and cultivate public/private partnerships and collaborations to achieve the desired results.

Advocacy

The Iowa Business Council has a long history of advocacy work in business policy, primarily on the state level. Significantly, it has been clear to IBC Members from the start that the organization must remain nonpartisan – it does not endorse candidates for political office nor does it have a political action committee. Periodically, the Council endorses specific public policies it believes will result in economic benefit to the state, for instance, the North American Free Trade Agreement (NAFTA), the state-focused New Economy Council, and the Iowa Values Fund.

Elected officials often seek the opinions and advice of IBC Members on issues. The Governor, majority and minority Legislative leadership, state agency heads, and other public officials are invited regularly to meet with Council Members to engage in candid, closed-door conversation about important issues of the day. The Council has created this "Statement of Principles" document to identify key areas of focus it follows and for which it will advocate. By developing principles, as opposed to registering support or opposition on specific pieces of legislation, the Council maintains its non-partisan status yet is still able to offer guidance to those who seek input from the Iowa Business Council.

STATEMENT OF BASIC PRINCIPLES & AREAS OF FOCUS

Continuous Process Improvement

Principles

On an on going basis, the Iowa Business Council will seek to identify and understand inefficiencies of government that inhibit the ability of commerce to operate and compete effectively in Iowa, i.e., tax or incentive matters, regulatory burdens, employment policy mandates. Council Members are committed to implementing the most efficient processes and solutions that are in the best interest of both public and private sector entities in the state.

Background

Increased domestic and foreign competition, coupled with burdensome regulatory growth, have forced IBC Member companies and institutions to look for new ways to do more with less while improving quality and service to their customers. They have found that by eliminating waste in operational processes, whether on the production floor or in administrative offices, precious human and financial resources can be effectively redeployed to more value-added functions. Those same tools of efficiency are transferable to any process in any organization, be it in business, industry, government, health care, or education.

In addition to the elimination of waste in business, Council Members are committed to the continued efforts to streamline government through the work of the Lean Government Collaborative, administered by the Iowa Department of Management.

Areas of Focus

◆ **Lean Government Collaborative**

The Iowa Business Council will maintain representation on the Lean Government Collaborative in order to provide support, advice, and vision as needed. IBC fully endorses continuous process improvement across all segments of government in Iowa.

– **Iowa Partners in Efficiency Award: lean.iowa.gov or www.iowabusinesscouncil.org**

This annual award was established to recognize the employees or the work units in any political subdivision of local, county, or state government that, through the use of Lean tools and techniques, significantly and measurably increases productivity and promotes innovation that improves the delivery of public services to benefit the citizens of Iowa and the private sector. The purpose for creating this award is:

- to publicly acknowledge and highlight outstanding efforts at efficiency, productivity, cost avoidance, and waste elimination in government;
- to improve regulatory processes and performance targets;
- to drive economic competitiveness;
- to foster better work environments; and,
- to develop leaders and innovators with a bias for action.

– **Office of Lean Enterprise – Performance Results Division, Iowa Department of Management**

IBC strongly supports full staffing of the Office of Lean Enterprise. Having a dedicated advocate for continuous process improvement within the executive branch has produced an enormous return-on-investment for Iowa since 2003, when the Council collaborated with the Department of Natural Resources to conduct the first Lean event in state government. Over 100 Lean events

later, significant long-term benefits are accruing to state departments and agencies and the Iowa constituencies they serve.

◆ **Government Reorganization**

The Iowa Business Council will, to the best of its ability, make available continuous process improvement experts upon request of state government officials when their review is focused on achieving long-term systematic reorganization, administrative improvement, and operating efficiencies. There are limited resources available for public services and economic development. It is critical that the viewpoint of Iowa business is clearly expressed so that regulatory and statutory barriers to economic growth and development embedded within government can be identified, addressed, and removed. Conversely, there are also opportunities to identify incentives that would encourage regional collaboration for delivery of public services.

Economic & Workforce Development

Principles

The Iowa Business Council believes the state must proactively address issues that promote a strong and vigorous business climate while developing a skilled and diverse workforce. Fundamental to this approach is exacting minimal regulatory burden, offering research and development incentives, inciting innovation and commercialization, spurring and nurturing an entrepreneurial spirit, aggressively seeking capital investment, and promoting an overall reasonable cost of doing business. Iowa's employers, academic institutions, and government entities must improve their communication and foster more collaboration to ensure our workforce is of sufficient size, diversity, and skill level to meet the increasingly sophisticated and varied employment needs of business and industry.

Background

Sustaining Iowa's competitive posture in today's global economy is an unrelenting challenge with a bar that is consistently raised by other states and countries. Attracting, developing, and retaining a world-class workforce is critical to ensuring the continued vitality of Iowa commerce. As baby boomers age and retire, companies will lose a significant number of experienced workers and, consequently, valuable institutional knowledge. For the first time in the history of America, the incoming generation of workers is smaller than the preceding generation, resulting in a net reduction of our skilled workforce. The impact of this situation is exacerbated in Iowa by the continual loss of college-educated workers who leave the state to find jobs that meet their lifestyle, geographic, or career preferences.

Areas of Focus

◆ **Sustainability**

Evolving product and energy resource limitations, unpredictable market forces, and evermore strident regulatory policies provide an opportune moment to develop economic development strategies that employ pragmatic sustainability as a critical component. A business plan influenced by sustainable disciplines will better navigate emerging constraints in resources and regulation by utilizing raw material more efficiently to reduce the environmental footprint of a company or institution, which leads to reduced costs and improved margins. Concurrent to employing sustainability-based manufacturing operations and product delivery services, new markets of consumers should emerge to whom leading-edge product innovation and sustainable practices appeal.

◆ **Research, Innovation, & Commercialization**

The best business plan promotes strong industry clusters stimulated by aggressive innovation while advocating for policies that support cluster success within a competitive economy. Businesses that lead their industries in ideas, innovation, and market-reach thrive and have great staying power. They also tend to attract a more educated and skilled talent pool, one that naturally networks across occupational communities while creating economic activity that resists migration and sustains local economies. The Iowa Business Council supports policy initiatives that mitigate competitive weaknesses or leverage advantages pertaining to innovative research, commercialization, and the resulting attraction of a highly skilled and educated workforce.

◆ **Developing a Qualified, Diverse Workforce**

To attract and retain a qualified and diverse workforce, Iowa must not be inhibited from promoting all that it has to offer. National publications regularly tout the family-oriented quality of life values in Iowa based on high rankings the state receives for its overall cost of living, strong education system, productive workforce, affordable housing, low crime rate, accessible health care system, work/life balance, access to cultural and recreation activities, and many other criteria. The presence of a diverse and vital economy enhances a quality lifestyle and incites meaningful career opportunities. To this end, private- and public-sector recruitment efforts should aggressively highlight such “Best Places...” rankings and make it easier for talented individuals with diverse professional and cultural backgrounds to consider living and working here:

- Regional and statewide collaborations of organizations must be encouraged to promote cultural awareness and career opportunities, e.g., Iowa Mosaic.
- Business culture adjustments can be made to better accommodate the changing demographics of the workforce, which increasingly values a more balanced work schedule and lifestyle.

◆ **Career Awareness / Lifelong Learning**

Critical to success in narrowing the gap between the needs of Iowa employers and skill sets possessed by Iowa workers is facilitating career awareness among all Iowans and expanding the infrastructure for lifelong learning and professional career growth.

– **Elevating Career Awareness (ECA) – an Iowa Coalition for Innovation & Growth (ICIG) initiative**

ICIG focuses intensely on workforce development, retention, and attraction issues in Iowa, the many aspects for which interlock. One that is most prominent within the preK-16 school systems is a noticeable lack of awareness regarding the kind of stimulating, rewarding work that is available to qualified individuals right here in Iowa. Whether it's a high school, tech school, community college, or university graduate, there has yet to be created a widely viewed and broadly accepted method of conveying the many exciting jobs and careers available in this state. The intention of ECA is to efficiently coordinate the many public- and private-sector industry- and region-specific career awareness initiatives in Iowa so that popular technology can shine a bright light on opportunities available to students within the state once their schooling is complete. See “**Iowa Career Hub**” Web site at www.facebook.com/iowacareerhub.

– **Iowa Virtual Reality Education Pathfinder (I-VREP)**

Surveys reveal that American middle and high school students have positive attitudes towards the subjects of science, technology, engineering, and math (STEM). However, many of them lack the necessary encouragement from mentors and role models in these fields. Through the use of

donated computer-assisted design (CAD) equipment, I-VREP introduces students (grades 9-12), parents, teachers, counselors, and school administrators to virtual reality (VR) and actualization technology, industrial applications, career pathways, and industry mentors. Students research and design their own virtual programs as well as work with a staff member to create an education program that can be used to enhance an educational concept being taught. Students are required to develop at least one new educational concept each nine weeks.

Education

Principles

The Iowa Business Council supports changes in the delivery of Iowa's preK-16 education system that will:

- ◆ drive administrative efficiency throughout;
- ◆ spur student achievement in key subject areas like math, science, reading, problem solving, creative thinking, team building, cultural awareness, foreign languages, and financial literacy;
- ◆ promote excellence and ethics in all aspects of performance and moral character strengths needed for 21st Century skills, e.g., effort, diligence, work ethic, positive attitude, self-discipline, honesty, respect, dependability, integrity;
- ◆ encourage and facilitate professional development for teachers and merit-based assessment of their performance; and,
- ◆ enhance a meaningful lifelong learning experience.

In turn, sustainable funding resources must be established for other value-added areas such as teacher compensation, reductions in student tuition, and certified early childhood education for all children.

Background

The ability of Iowa business to succeed in the intensely competitive environment of the world marketplace will depend on the skills and knowledge of its workforce. Continued movement toward a technology-driven economy has created a critical need for Iowa's workers of the future to be proficient in math, science, reading, comprehension, and other disciplines. Quality teachers and a strong education system are paramount to building the future workforce base. It is also essential to have healthy and vibrant post-secondary education institutions that promote research and development, catalyze innovation, and incent commercialization while supplying the state with the intellectual capital necessary for a knowledge-based economy.

Areas of Focus

◆ Science, Technology, Engineering, & Math (STEM)

Iowa faces a serious math and science teacher shortage. Iowa students of math and science are not keeping up with their peers in other states, let alone those of other developed nations. Many Iowa businesses face a critical shortage of engineers, scientists, and technology workers.

The Iowa Business Council supports key STEM initiatives to increase the number of students and teachers entering the science, technology, engineering, and math professions, such as:

- **Corridor Stem Initiative (CSI): www.corridorstem.org**
CSI is focused on generating new interest and creating enthusiasm among students and teachers for STEM-oriented curricula and related careers in Iowa, with the ultimate goal of making Iowa the premier state for delivering a quality STEM education.

- **Iowa Math & Science Coalition (IMSC): www.imsconline.org**
IMSC engages leaders from business, government, and education to influence public policy and curricula development, align community and business needs and resources to provide globally-competitive STEM education for all Iowans.
- **Iowa Math & Science Education Partnership (IMSEP): www.iowamathscience.org**
IMSEP is a Regent-sponsored initiative with projects spread throughout the three public universities focused on: invigorating the K-12 curriculum; recruiting talented individuals to high school and community college science and math teaching; and, updating current teachers with the real world applications of their disciplines.
- **Project Lead The Way (PLTW): www.pltw.org**
PLTW is a national program forming partnerships among public schools, higher education, and the business sector, engaging students in hands-on, real-world, project-based learning to increase the quantity and quality of engineers and engineering technologists graduating from our colleges and universities.

◆ **Education Excellence in Iowa Roundtable**

A discernable need exists for a non-partisan forum of statewide business leaders and education officials that informs Iowans and mobilizes opinion in order to improve our public elementary, secondary, and post-secondary schools while, in the process, producing better prepared graduates for the demands of today's global society. The Education Excellence in Iowa Roundtable will focus on preK-16, working to elevate academic performance to superior achievement levels, employ effective standards and assessments that promote accountability with meaningful rewards and consequences, and establish substantive career development opportunities. Frequent Roundtable interaction will provide avenues for problem solving, the creation of professional learning communities, and the ability for educators to learn about innovations and best practices in other industries. Cross-industry/education/government collaboration will also help identify and build the skill sets needed by our graduates in the 21st Century.

◆ **Student Health and Wellness**

Up to 34 percent of children and teenagers in the United States today are considered to be overweight or obese, the prevalence of which varies by ethnic group. Though not all obese children become obese adults, obesity tends to increase with age among both males and females, and there is a greater likelihood that early childhood obesity will persist through the life span. Numerous physical risks and psychological problems exist for obese children: pediatric hypertension; Type II diabetes mellitus; coronary heart disease; stress on the weight-bearing joints; lower self-esteem; and, negative relationships with peers. Evidence also exists that healthy, active children learn better and achieve best when they are physically fit. Cardiovascular exercise literally builds new brain cells. Exercise has also been shown to improve attention span and focus, lower anxiety and depression levels, and result in fewer discipline incidents – all factors that impact learning. After students exercise, they are less impulsive. Their motivation to learn is increased and they have less desire to get out of their chairs and move around.

The Iowa Business Council supports initiatives that seek to develop healthy, active, productive school children who will eventually grow to become healthy, active, productive adults, such as:

- **IBC/PE4life Adopt-A-School Challenge: www.iowabusinesscouncil.com/content/pe4life**
PE4life is a national non-profit advocacy organization committed to inspiring and promoting active, healthy lifestyles in children through access to quality, health-related school physical education programs. The IBC/PE4life Adopt-A-School Challenge seeks to develop an enriched culture of active, healthy lifestyles for children in 50 elementary and secondary schools throughout Iowa. For more information, please visit the link above.

◆ **Balanced and Comprehensive Assessment System for K-12**

A timely and effective method of academic assessment is fundamental to knowing whether students' learning is progressing to meet state and national standards. The Business Council supports implementing a balanced and comprehensive assessment plan that adequately measures the essential concepts and skill sets embedded within the Iowa Core Curriculum. The assessment program should provide mechanisms to manage and analyze data and communicate with key stakeholders regarding progress in a timely manner. Professional development will be needed to help educators build capacity in appropriate assessment use and analysis.

◆ **Continued Rollout of Early Childhood Education Systems**

Access to quality early childhood education should be available to parents of all Iowa children. Scientific research strongly suggests that children who begin school with cognitive abilities and skill sets that lag behind their peers are never fully able to close the gap regardless of the depth and degree of remedial efforts. Striking disparities in what children know and can do is evident well before kindergarten. Differences are strongly associated with social and economic circumstances and predictive of subsequent academic performance. The availability of high quality early childhood education for all children results in long-term positive outcomes and cost savings by virtue of improved school performance, lower dropout rates, and increased lifelong earning potential.

Health Care

Principles

The Iowa Business Council believes that an accessible, sustainable, transparent, and affordable health care system is the key to meaningful improvements in the health status of Iowans.

Background

The Iowa Business Council recognizes most Americans have access to a high level and quality of health care services. The Council is proud to note that the State of Iowa in particular has outstanding health care services. Hospitals, doctors, and other health professionals in Iowa have achieved superior clinical outcomes at comparatively low costs of care. The state also enjoys high levels of insurance coverage and access to care. This favorable health care infrastructure is important for attracting and retaining businesses to our state, and provides an exceptional foundation on which to build continuing improvements.

The Iowa Business Council also recognizes health care faces enormous challenges and opportunities for improvement. For example, too few Iowans are living healthy lifestyles. In 2008, nearly 27% of Iowans were considered obese and an additional 37% were overweight. Nearly one in five Iowa adults smoked.* Secondly, rising health care costs put enormous pressure on Iowa employers. They attempt to provide health care benefits for employees while competing globally against entities that often do not bear similar costs. Thirdly, the underpayment to health care providers by the federal Medicare program requires private insurance to subsidize these losses. This cost shifting ultimately is borne by employers through their health insurance premiums, which harms Iowa businesses and creates an obstacle to economic development in the state.

IBC Members are committed to working collaboratively with health care providers, insurers, customers, professional organizations, and government to find solutions to these and the many other challenges and opportunities in health care.

Areas of Focus

The Iowa Business Council recognizes many initiatives could be undertaken in numerous areas attempting to improve access to and sustainability of the health care sector. To ensure the greatest chance of success, IBC will focus on three priority initiatives:

◆ Improving Health Status / Wellness

- IBC will promote increased health care education in Iowa businesses, their employees, and employees' families.
- IBC will advocate for quality programs in Iowa preK-12 schools that offer daily physical education activity and promote healthy living for all children – in particular, *PE4life* (see “Education – Student Health and Wellness”).
- IBC will encourage every member to commit to a meaningful wellness program promoting nutrition, exercise, improved health habits, and health literacy, creating a culture of wellness in the workplace while encouraging other Iowa businesses to do likewise.
- IBC Members will share best practices in wellness initiatives, to assist companies in implementing the most effective programs with measurable results.
- IBC will encourage the increased use of proven techniques to better manage chronic disease, promote healthier lifestyles, and reduce the utilization of health care services.

◆ Encouraging Process Improvement / Increased Efficiency

IBC Members with proven successes in LEAN, Six Sigma, and other process improvement methodologies will assist health care providers in implementing these techniques in organizations not using them currently. They could do this in a variety of ways including, but not limited to, sharing best practices, providing training, providing specific tools and techniques, or providing experts on site.

◆ Improving Federal Support of Iowa's Health Care / Medicare Fairness

- IBC will educate its members and other Iowa businesses regarding the impacts on the state and its citizens, both in health care and in economic development, of the underpayments to Iowa and overpayments to other states by Medicare.
- IBC will advocate for changes to the Medicare program to correct this unfairness and expect any future federal insurance program to pay all providers fairly.
- Congress is poised to initiate comprehensive, national health care reform that will challenge policymakers to reduce costs while expanding coverage and improving quality. Service providers, insurance companies, and customers will all be significantly impacted. IBC will participate in forums and collaborations to ensure that the fundamental interests of its Member companies and institutions are represented as reform measures are considered and legislation is developed.

* Statistics from the U.S. Centers for Disease Control and Prevention, Behavioral Risk Factor Surveillance System, Prevalence and Trends Data – Iowa, 2008

Other Principles

Taxation

IBC supports fair and equitable taxation to fund priorities in Iowa but urges legislators to avoid fiscal actions that will further erode state competitiveness or impede economic recovery and growth such as shifting the tax burden onto business.

IBC Affiliations

Iowa Coalition for Innovation and Growth (ICIG):

www.iowabusinesscouncil.com/content/about-icig

ICIG is jointly administered by the Business Council and the Iowa Chamber Alliance. It provides a forum to identify economic challenges the state should address by initiating action that leads to substantive change. ICIG recognizes that if Iowa is to expand its human resources and financial assets, it must offer attractive career and lifestyle choices in both urban and rural settings. Doing so will enhance the economic vitality of the state and make Iowa a better place to live and work. Recent ICIG initiatives include:

- ◆ Elevating Career Awareness
 - Iowa Career Hub: www.facebook.com/iowacareerhub
- ◆ Iowa Entrepreneur Network: www.iowaentrepreneur.com
- ◆ Lean Government Collaborative
 - Iowa Partners In Efficiency Award:
www.iowabusinesscouncil.com/content/iowa-partners-efficiency-award-0

Safeguard Iowa Partnership (SIP): www.safeguardiowa.org

Iowa Business Council Members recognize the need to ensure the resiliency of the state's economy in preparation for and response to natural and human-caused disasters. In times of crisis, the operational continuity of business and its workforce depends on the readiness of the community to react and recover.

In January 2007, the Business Council teamed with the State of Iowa and the non-profit Business Executives for National Security to launch the Safeguard Iowa Partnership. Safeguard Iowa is a voluntary coalition of the state's key business leaders, government officials, emergency responders, and security experts. These individuals share a commitment to work across industry sectors and bureaucratic delineations in a coordinated effort to protect against, respond to, and recover from catastrophic events in Iowa. The statewide partnership serves to integrate business resources, expertise, and response plans with those of government during all stages of disaster management.



**For more information about the Iowa Business Council
and its initiatives, visit www.iowabusinesscouncil.org.**



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