

# Highest Ranked Industries

Prosperity Eastern Iowa Region

Produced by:

**Northeast Iowa Community College**

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# Parameters

## Regions

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Code	Description
19055	Delaware County, IA
19061	Dubuque County, IA
19097	Jackson County, IA
19105	Jones County, IA

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## Timeframe

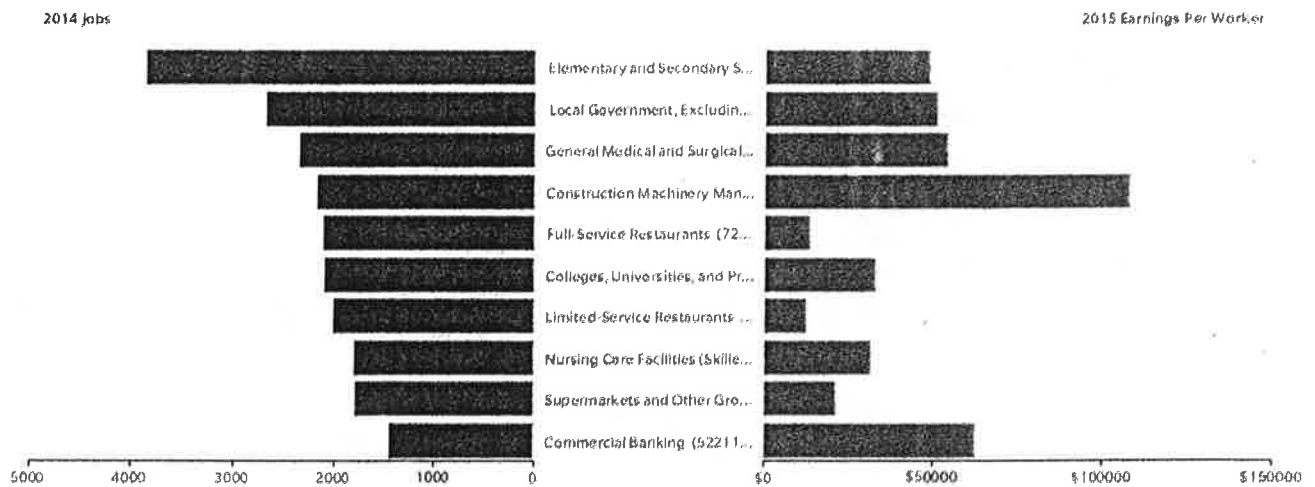
2014 - 2024

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## Datarun

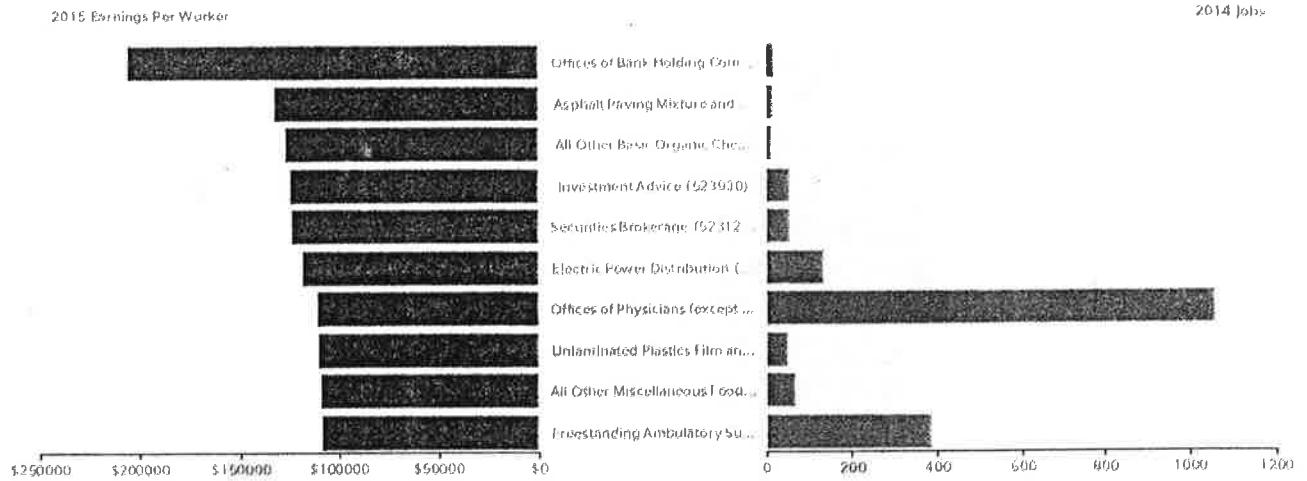
2015.2 – QCEW Employees, Non-QCEW Employees, and Self-Employed

## Largest Industries



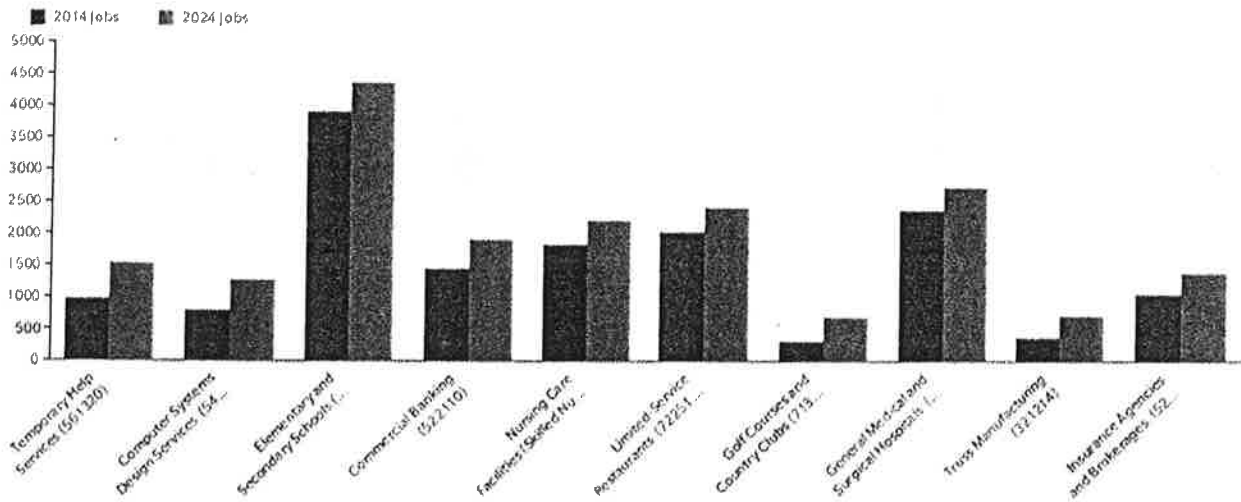
Industry	2014 Jobs	2024 Jobs	Change in Jobs (2014-2024)	% Change	2015 Earnings Per Worker
Elementary and Secondary Schools (Local Government)	3,895	4,364	469	12%	\$49,305
Local Government, Excluding Education and Hospitals	2,690	2,985	295	11%	\$51,472
General Medical and Surgical Hospitals	2,364	2,719	354	15%	\$54,437
Construction Machinery Manufacturing	2,192	2,269	77	4%	\$108,819
Full-Service Restaurants	2,134	2,347	213	10%	\$14,151
Colleges, Universities, and Professional Schools	2,117	2,405	288	14%	\$33,156
Limited-Service Restaurants	2,022	2,401	379	19%	\$12,784
Nursing Care Facilities (Skilled Nursing Facilities)	1,810	2,199	389	21%	\$32,002
Supermarkets and Other Grocery (except Convenience) Stores	1,805	2,052	246	14%	\$21,870
Commercial Banking	1,444	1,908	464	32%	\$62,614

# Highest Paying Industries



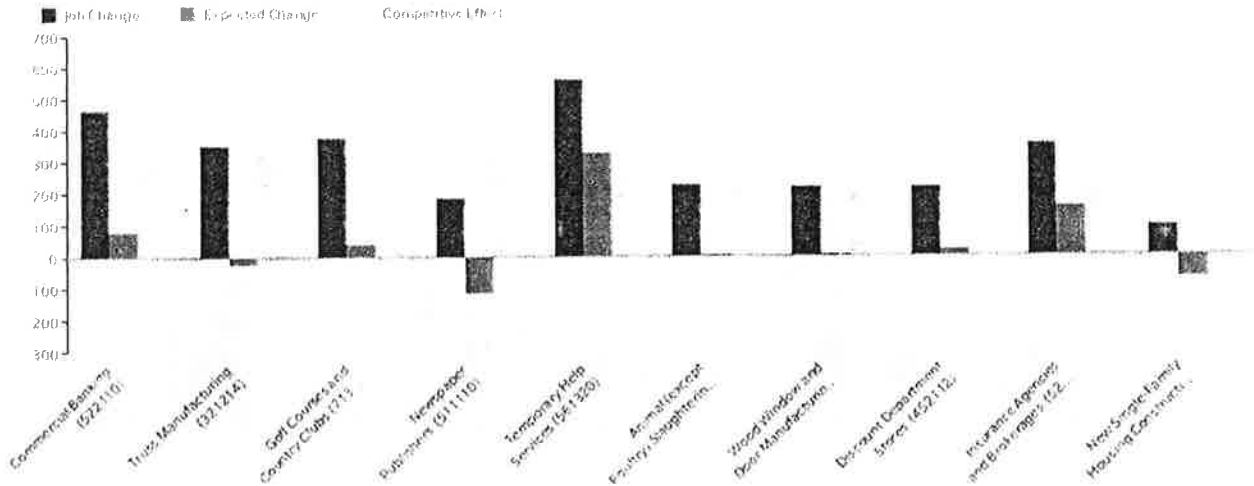
Industry	2014 Jobs	2024 Jobs	Change in Jobs (2014-2024)	% Change	2015 Earnings Per Worker
Offices of Bank Holding Companies	21	22	1	4%	\$207,187
Asphalt Paving Mixture and Block Manufacturing	19	15	-5	-24%	\$133,680
All Other Basic Organic Chemical Manufacturing	14	13	-1	-8%	\$127,866
Investment Advice	57	73	17	30%	\$125,580
Securities Brokerage	59	38	-21	-35%	\$124,437
Electric Power Distribution	137	217	80	58%	\$119,098
Offices of Physicians (except Mental Health Specialists)	1,065	990	-75	-7%	\$111,356
Unlaminated Plastics Film and Sheet (except Packaging) Manufacturing	52	20	-32	-61%	\$110,958
All Other Miscellaneous Food Manufacturing	70	129	59	84%	\$109,320
Freestanding Ambulatory Surgical and Emergency Centers	391	598	207	53%	\$108,831

# Fastest Growing Industries



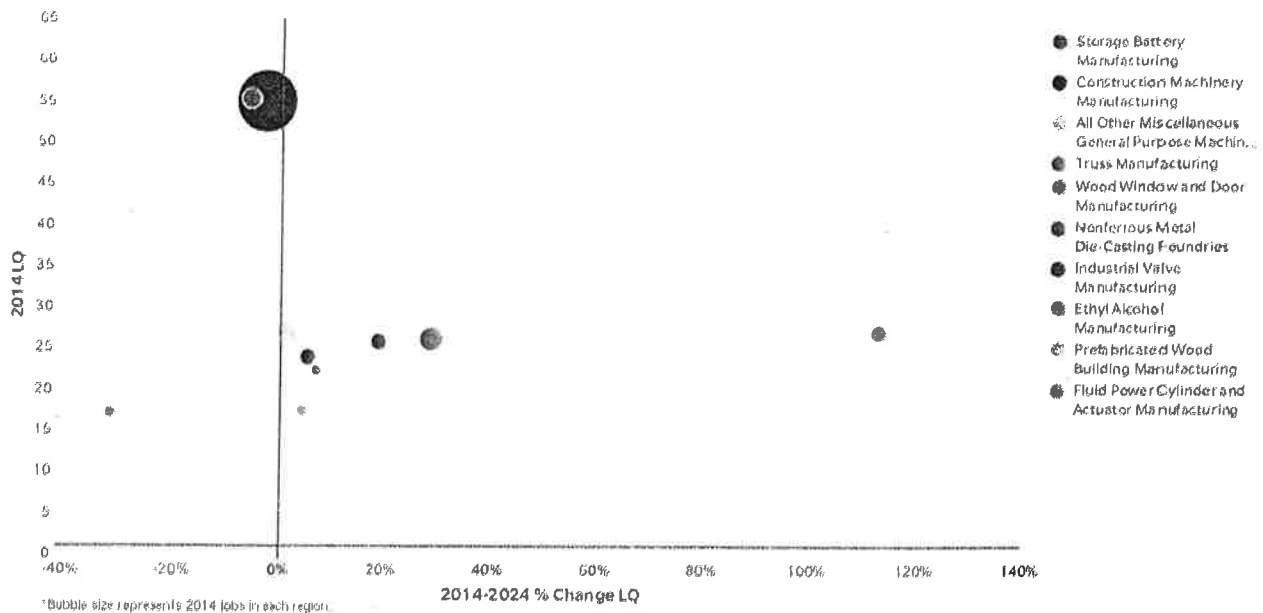
Industry	2014 Jobs	2024 Jobs	Change in Jobs (2014-2024)	% Change	2015 Earnings Per Worker
Temporary Help Services	961	1,522	562	58%	\$31,649
Computer Systems Design Services	788	1,262	475	60%	\$69,316
Elementary and Secondary Schools (Local Government)	3,895	4,364	469	12%	\$49,305
Commercial Banking	1,444	1,908	464	32%	\$62,614
Nursing Care Facilities (Skilled Nursing Facilities)	1,810	2,199	389	21%	\$32,002
Limited-Service Restaurants	2,022	2,401	379	19%	\$12,784
Golf Courses and Country Clubs	302	679	377	125%	\$15,072
General Medical and Surgical Hospitals	2,364	2,719	354	15%	\$54,437
Truss Manufacturing	354	708	354	100%	\$62,772
Insurance Agencies and Brokerages	1,032	1,383	351	34%	\$76,110

## Most Competitive Industries



Industry	Job Change	Ind Mix Effect	Nat Growth Effect	Expected Change	Competitive Effect	2015 Earnings Per Worker
Commercial Banking	464	-93	173	80	383	\$62,614
Truss Manufacturing	354	-67	42	-25	378	\$62,772
Golf Courses and Country Clubs	377	3	36	39	338	\$15,072
Newspaper Publishers	183	-152	37	-115	299	\$47,422
Temporary/Help Services	562	213	115	328	233	\$31,649
Animal (except Poultry) Slaughtering	223	-21	25	4	219	\$59,135
Wood Window and Door Manufacturing	215	-77	83	6	210	\$56,235
Discount Department Stores	216	-66	86	20	197	\$24,375
Insurance Agencies and Brokerages	351	30	124	154	196	\$76,110
New Single-Family Housing Construction (except For-Sale Builders)	92	-123	50	-73	165	\$37,064

## Highest Industry Location Quotient



Industry	2014 Jobs	2024 Jobs	% Change	2014 LQ	2024 LQ	% Change LQ	2015 Earnings Per Worker
Storage Battery Manufacturing	455	421	-8%	55.31	52.04	-6%	\$60,664
Construction Machinery Manufacturing	2,192	2,269	4%	54.99	53.48	-3%	\$108,819
All Other Miscellaneous General Purpose Machinery Manufacturing	613	670	9%	26.87	27.26	1%	\$55,627
Truss Manufacturing	354	708	100%	26.81	57.11	113%	\$62,772
Wood Window and Door Manufacturing	688	903	31%	26.11	33.77	29%	\$56,235
Nonferrous Metal Die-Casting Foundries	373	442	19%	25.86	30.81	19%	\$42,555
Industrial Valve Manufacturing	379	487	28%	24.00	25.36	6%	\$81,594
Ethyl Alcohol Manufacturing	129	184	42%	22.16	23.76	7%	\$78,736
Prefabricated Wood Building Manufacturing	131	93	-29%	17.35	18.15	5%	\$61,774
Fluid Power Cylinder and Actuator Manufacturing	167	131	-22%	17.18	11.84	-31%	\$57,165

## Definitions of Highest Ranking Industries Report

**Full-Service Restaurants:** This industry comprises establishments primarily engaged in providing food services to patrons who order and are served while seated (i.e., waiter/waitress service) and pay after eating.

**Limited-Service Restaurants:** This industry comprises establishments primarily engaged in providing food services (except snack and nonalcoholic beverage bars) where patrons generally order or select items and pay before eating. Food and drink may be consumed on premises, taken out, or delivered to the customer's location.

**Temporary Help Services:** This industry comprises establishments primarily engaged in supplying workers to clients' businesses for limited periods of time to supplement the working force of the client. The individuals provided are employees of the temporary help service establishment. However, these establishments do not provide direct supervision of their employees at the clients' work sites.

**Most Competitive Industries:** This section compares actual regional growth (job change) with national expected growth (expected change) to determine which industries the region is most friendly to. This is similar to location quotient in that it highlights the uniqueness of a regional economy, but it does so in terms of *job growth* rather than *total jobs in an industry*. Industries with high regional competitiveness effects highlight the region's competitive advantages.

**How to Use This Information:** The competitive effect does not indicate why these industries are competitive, but merely shows the industries in which the region is out-pacing or lagging behind the rest of the nation.

*A negative competitive effect is where the local region is unfriendly to that industry and a positive is where the local region is friendly to that industry.*

This information is useful in identifying investment targets so that regional planners can help high-performing regional industries either continue to outperform national trends or else "catch up" with national trends so that the regional economy is not left behind in those sectors. It can also prevent a hasty interpretation of raw numbers, for example, an industry may be booming in a region, but the competitive effect can reveal that the industry is actually growing even faster at the national level, showing that regional factors probably have little influence on the boom. Or, it may reveal a national decline in that industry, showing a unique regional advantage in that industry that ought to be identified and fostered.

### Elements of Calculation

**Job Change:** Actual regional occupational growth.

**Industry Mix effect:** This number represents what the *growth of the specific industry* at the national level would make us expect **or** the share of regional industry growth that can be explained by industry growth nationally. *In other words, what is expected to happen in terms of job growth or loss.* To arrive at this number, the national growth rate of the total economy is subtracted from the national growth rate of the specific industry, and this growth percentage is applied to the regional jobs in that industry.

**National growth effect:** This number represents what the *growth of the economy as a whole* would make us expect. The national growth effect explains how much of the regional industry growth is explained by the *overall growth* of the national economy; if the nation's whole economy is growing, there is an expectation to see positive change in each industry in the local region

**Expected change:** This number combines the Industry Mix Effect and National Growth Effect to tell us *what the industry in this region would look like if the economy were completely average.* In other words, this is simply the rate of growth of the particular industry at the national level.

**Competitive effect:** This is essentially *the actual change v. expected change.* The regional competitive effect explains how much of the change in a given industry is due to some unique competitive advantage that the region possesses, because the growth cannot be explained by national trends in that industry or the economy as whole. This effect is calculated by taking the **total regional growth** of the given industry and subtracting the



**national growth** for that same industry. *Note that this effect can be positive even as regional employment in the industry declines, indicating that the regional decline is less than the national decline.*

**Highest Occupation Location Quotient:** Location quotient (LQ) is a valuable way of quantifying how concentrated a particular industry, cluster, occupation, or demographic group is in a region as compared to the nation. *It can reveal what makes a particular region “unique” in comparison to the national average.* Location Quotient is a ratio that compares a region to a larger reference region according to some characteristic or asset. Suppose X is the amount of some asset in a region (e.g., manufacturing jobs), and Y is the total amount of assets of comparable types in the region (e.g., all jobs).  $X/Y$  is then the regional “concentration” of that asset in the region. Industry LQs are calculated by comparing the industry’s share of regional employment with its share of national employment. The resulting LQ represents how many times the region is more competitive than the nation (An LQ of 1 would mean the industry is equally competitive in the region as in the nation as a whole).

**How to Use This Information:** Industry LQ is a way of quantifying how concentrated an industry is in a region compared to the nation. The basic uses of industry LQs include these:

- To determine which industries make the regional economy unique.
- To identify the export orientation of an industry and identify the most export-oriented industries in the region.
- To identify emerging export industries beginning to bring money into the region.
- To identify endangered export industries that could erode the region’s economic base.

Industries with high LQ are typically (but not always) export-oriented industries, which are important because they bring money into the region, rather than simply circulating money that is already in the region (as most retail stores and restaurants do).

Industries which have both high LQ and relatively high total job numbers typically form a region’s economic base. LQ is augmented by two other pieces of information: size of industry/cluster/occupation in terms of jobs, and percent change in LQ over a given time period. A high-LQ industry with a small number of jobs may be an export-oriented industry, but is not vital to the region’s economy. A large, high-LQ industry with declining LQ over time, however, is threatening the regional economy.

## Appendix A - Data Sources and Calculations

### Industry Data

EMSI industry data have various sources depending on the class of worker. (1) For QCEW Employees, EMSI primarily uses the QCEW (Quarterly Census of Employment and Wages), with supplemental estimates from County Business Patterns and Current Employment Statistics. (2) Non-QCEW employees data are based on a number of sources including QCEW, Current Employment Statistics, County Business Patterns, BEA State and Local Personal Income reports, the National Industry-Occupation Employment Matrix (NIOEM), the American Community Survey, and Railroad Retirement Board statistics. (3) Self-Employed and Extended Proprietor classes of worker data are primarily based on the American Community Survey, Nonemployer Statistics, and BEA State and Local Personal Income Reports. Projections for QCEW and Non-QCEW Employees are informed by NIOEM and long-term industry projections published by individual states.

### State Data Sources

This report uses state data from the following agencies: Iowa Workforce Development