2002 Community Assessment

A Foundation for Building Workforce and Industry

in Stearns and Benton Counties

Prepared for the Stearns-Benton Workforce Council

Acknowledgments

Sponsoring Organization

Stearns-Benton Workforce Council Board - Peggy Brown (chair), Jill Magelssen (former chair). Grant funds provided by the Governor's Workforce Development Council.

Participating Organizations

The Partnership, Stearns & Benton Economic Development Organizations, the St. Cloud Area Chamber of Commerce, the United Way Board, United Way CEO Forum, and Central Minnesota Society of Human Resource Management (CMSHRM).

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Forward

The mission of the Stearns-Benton Workforce Council is to provide leadership on current and emerging workforce issues in the region. The community audit will provide definition of what those current and emerging issues are in the region based on a broad spectrum of data and experience. In addition, the real power of the community audit is in the engagement of a wide-range of community leaders, presenting us with a unique opportunity to coordinate and focus our workforce and community development efforts.

This report is the result of many months of efforts by a sub-committee of the Workforce Council. We thank the many community leaders who invested time and energy into this project. We also thank the Governor's Workforce Council for its funding of the project.

Peggy Brown
Chairperson
Stearns-Benton Workforce Council

Steve Bresnahan
Chairperson
Community Audit Steering Committee

"Stearns-Benton Employment and Training Council (SBETC) is a local partner in the Minnesota WorkForce Center - St. Cloud. SBETC trains job seekers in skills needed by local employers. This leads to employment for the job seeker in a demand occupation. SBETC needs the community audit information to target limited resources for the greatest impact - both for the employer and the job seeker.

SBETC partners with employers, economic development, training and educational organizations and human service providers. This partnership stretches resources while increasing impact. Using the community audit information will allow us to get better at what we're already good at!"

- Kathy Zavala, Executive Director, Stearns-Benton Employment and Training Council

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The community audit has been an inclusive process that has engaged information and resources from many community stakeholders to include government, business, civic service, nonprofit, and faith sectors. With widespread involvement, the focus areas for which to target resources will ultimately benefit the quality of life in this community by providing a livable wage and will positively impact other issues facing this community.

The information will be used at Bremer by utilizing it in the strategicplanning process and through its Community Services Representative in an effort to strengthen our nonprofit sector in the areas of organizational effectiveness and information referral. To that end, efforts to facilitate collaboration among grassroots organizations to assist in workforce and economic development will be analyzed and acted upon as appropriate.

- Kathy Grochow, Community Services Representative, BREMER

Executive Summary

System Inputs: Indicators of Workforce Capacity

The population of Stearns-Benton has grown rapidly over the past two decades to reach 167,392 people and a workforce of 94,922 in 2000. Though the labor force participation rate is already high, the relatively young population represents future system capacity. Strong high school completion rates provide basics skills, but the low attainment of advanced degrees and the low retention of college graduates point to lost opportunities for productivity improvement. Meanwhile, the social systems that help maintain basic productivity levels – affordable housing, health insurance, childcare, and transportation – are experiencing the strains of growth and capacity shortages.

System Processes: Indicators of Growth & Innovation

Compared to benchmark regions, Stearns-Benton has not built as much strength in several key process drivers: 1) Management Resources to lead growth, 2) Business Services to support growth, 3) Technology Jobs to spur product and process innovations, and 4) Venture Capital to fuel growth and innovation. As such, Patent Generation and Business Startups in the region lag behind national levels and benchmark regions. Despite these gaps, Business Expansions in small and medium sized companies have been relatively strong in recent years, though the loss of several large corporate headquarters has had an impact on the local workforce and economy.

System Outcomes: Indicators of Economic Vitality

Job Vacancies in the region are low in absolute terms and relative terms. Unemployment rates are also below national levels, though above rates in the Twin Cities. Both indicators suggest a relatively healthy market with a reasonable supply of labor. However, "under-employment" is high, with one-in-three workers saying they are over-qualified for their current role.

Wage levels in Stearns-Benton are well below national averages and even further below the Twin Cities average. The wage gap with the Twin Cities was 25% in 1994, and it had deteriorated to more than 30% in 2000.

The industrial structure in the region is somewhat concentrated in low-wage and/or slow-to-moderate growth industries, including Retail, Social Services, Personal Services, Lumber & Wood, and Educational Services. Moreover, the occupational structure in the region is somewhat concentrated in low-wage and/or slow-to-moderate growth occupations, including Production, Sales, Food Services, Office & Administration, and Maintenance & Repair.

Summary

The workforce in Stearns-Benton reflects the industry and occupation structure of the region. There is a relatively large supply of workers with basic skills that are paid relatively low wages for average productivity jobs, while more highly-educated workers often move to or commute to the Twin Cities at disproportionately high rates.

Strategic Industries and Strategic Occupations

Future investments in strategic occupations can help develop the region's workforce toward higher skills and higher wages, and future investments in strategic industries can help move the region's economy to higher productivity levels and thus more valuable growth.

The workforce, business, and community leaders involved in this analysis have identified the following Strategic Industries for future investment: Business Services, Engineering and Management Services, Health Services, Manufacturing, Printing and Publishing, and Wholesale Trade. The group also prioritized the following Strategic Occupations for future investment: Architecture and Engineering, Business and Financial, Computer and Mathematical, Healthcare Practitioners, and Management.

With targets for "where" to invest identified, and the reasons or "why" to invest outlined, the next phase of this process would involve private and public sector leaders in determining how to invest, what to invest, when to invest, and by whom investments might be made.

> **"As Chair of the Joint Powers Board of the Stearns-Benton Employment and Training Council (SBETC) and the Stearns County Commissioner of District One, I have been "work experienced and life educated" in the value of economic development. This report confirms the importance of these economic issues and should provide leaders with valuable information to share with their constituents.**
>
> **The results of the community audit will be a directional indicator. It will be a valuable tool in making decisions for the economic growth and stability of our community. The audit should allow for a greater confidence in building an economic development itinerary, resulting in better planning for tomorrow."**
>
> *- Larry Haws, First District Commissioner, Stearns County Board of Commissioners, Chair of the Stearns-Benton Employment and Training Council Joint Powers Board*

Interpreting the *Community Benchmark*

What is the Community Assessment?

The *Community Assessment* is the inaugural report on the current status of the workforce development system in Minnesota's Stearns and Benton Counties. The *Benchmark* uses data to illustrate how the region is performing in key indicator areas, and it establishes baseline levels in workforce, employment, human services, and economic areas.

Unlike other studies, however, the *Community Assessment* also summarizes and interprets the perceptions of key leaders in the community as a means of targeting strategic growth. The goal is to better understand how we might create action plans that will sustain positive growth and enhance the high standard of living in the area.

Organization of the Community Assessment

The *Community Assessment* has three interrelated sets of indicators.

System Inputs: Indicators of Workforce Capacity

The indicators of workforce capacity are a snapshot of data related to aspects of the workforce such as *Population* and *Education.* Together, these indicators point to the potential of the workforce currently living in the St. Cloud area.

System Processes: Indicators of Growth and Innovation

The indicators of growth and innovation assess the tools that drive business expansion and productivity improvements. Some examples of indicators in this section include *Managerial Resources, Venture Capital*, and *Business Startups.* These indicators, in combination, show how well the workforce and economic engines are performing in the St. Cloud area.

System Outcomes: Indicators of Economic Vitality

The indicators of economic vitality show the results of the system, with measures of *Average Wages* and *Employment Levels.* These indicators also assess where the system is adding the highest value in certain Industries and Occupations.

Key Indicator Selection

The 25 key indicators used in the *Community Assessment* were determined through the collaboration of project stakeholders. These indicators were selected because they target concern areas, focus on a broad definition of progress, and track growth and potential progress in the region.

Addressing Areas of Concern

Throughout the audit, community leaders described their own areas of concern. For example, a number of community leaders are concerned with attracting and retaining educated workers, particularly the college educated, and so the indicator *College Graduate Retention* was included.

Defining Progress in Broad Terms

Progress is often measured in straight terms of growth and increases in defined measures. But, the selected indicators are more comprehensive than that because they also include social wellness indicators. Some examples include *Affordable Housing* and *Childcare* .

Tracking Growth and Potential Progress

While other reports may only look at actual current statistics, the *Community Assessment* is intended to be forward-looking and to provide useful information for future planning. All of the indicators are measurable on an ongoing basis and are based on reliable data sources.

Comparative Data

Whenever relevant, we have analyzed the data and presented comparisons for more in-depth assessments. We do this by presenting an analysis of data over time or by comparing the Stearns-Benton region to other comparable regions.

We refer to these "benchmark regions" throughout the indicator analysis sections, and we chose them because they are similar to Stearns-Benton in size, demographic makeup, and, in some cases, proximity to Stearns-Benton. In many cases, the region is also compared to state and national averages.

How Will the Community Assessment Be Used?

The collaborators hope that the *Community Assessment* will be used to establish strategic plans for growth in the area. Specifically, we hope the *Community Assessment* will be used as:

- A map to guide the focus of capital investments made by community and economic development organizations.
- A guide for developing existing assets and expanding strategic industries and occupations within the region.
- A recruiting tool for attracting new employees, new businesses, and new branch locations to the region.
- A reliable source of information based on community perspectives to develop strategic plans for growth.
- An ongoing documentation of progress in the area.

We also hope that the *Community Assessment* will be used throughout the community as a resource within businesses, organizations, and educational institutions.

This Community Audit Report will help us know the direction individuals in our community want us to take as we recruit new businesses to Central Minnesota. I believe businesses that have an interest in moving here will find the report helpful. It's a strong recruitment tool, telling businesses we truly want them here and are prepared to assist in their support and success.

The Report presents valuable information for businesses and individuals who are interested in moving to Central Minnesota. Between its lines is a great story about the work ethic and values held by the people of our area. It's a great place to work and live, and the report strengthens our community's commitment to keep it that way.

- Theresa Bohnen, President, St. Cloud Area Chamber of Commerce

Why is the *Community Benchmark* Unique?

A Collaboration of Community Stakeholders

The *Community Assessment* is the result of an ongoing collaborative research project, with data compiled through the efforts of key community organizations.

The Stearns-Benton Workforce Council initiated this project, with funds from the Governor's Workforce Development Council, and was joined by representatives from The Partnership, Stearns & Benton Economic Development Organizations, the St. Cloud Area Chamber of Commerce, the United Way of Central Minnesota Board (and CEO Forum) and the Central Minnesota Society of Human Resource Management (CMSHRM) for data collection and analysis.

Leaders and members in each of these organizations represent a broad spectrum of knowledge of the leadership roles within the region, and they provided access to a large pool of survey and interview participants.

A Quantitative Research Methodology

Using quantitative methods to study social science requires a large data collection effort and reliable research methodologies.

The collection of data for this effort utilized numerous research methods including:

- Building on research reports recently competed in the area
- Individual interviews with key informants
- Two surveys of nearly 200 community leaders
- Nine focus groups
- A survey of nearly 150 human service providers
- Various secondary data sources

Collectively, these methodologies should be thorough, and they should provide results that are reflective of the values of the community.

A Strategic Approach to Planning: Targeted Industries & Occupations

The *Community Assessment* goes beyond facts and figures about the Stearns-Benton region to include the knowledge and experience of community leaders.

In addition to identifying important data and trends such as population growth and college graduate retention, the *Community Assessment* also interprets that data alongside broad survey results aimed at understanding the motivations and values of leaders and workers in many industries. All of this is done for the purpose of informing decision-making and future planning efforts.

In addition, rather than analyzing all industries and all occupations and trying to "grow" them all, the team decided to use a targeted approach for planning and next steps. This approach allows for better leverage of resources, time, and attention in those industries and occupations defined as "strategic" and aligned with community goals.

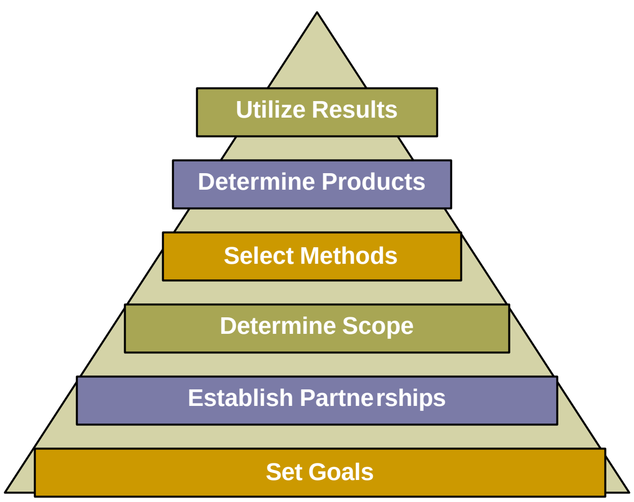
Analysis of regional industry data, on several criteria, provided a basis for insightful discussions. The section, "Targeting Strategic Industries and Occupations" provides more detail on the process of determining the targeted, or "strategic," industries and occupations.

Creating a Collaborative *Community Benchmark*

The *Community Assessment* is the result of over six months of collaboration between various community leaders, business leaders, and organizations interested in promoting progress in the region. The project began as a "community audit," and the *Community Assessment* is one of its products.

The methodology followed during the audit project is relevant because it underscores the motivations and the focus of the team members through the selected indicators. Fundamentally, this project not only involved statistics and facts collected about the region, but it surveyed a wide variety of people in various roles to better understand how people think about the region and what values they hold for future investments in the community.

We adapted a process from the U.S. Department of Labor for launching a successful community audit.



The process is basically a strategic planning effort with the purpose of providing useful information to key local stakeholders, including employers and employees – as well as policy makers, the workforce development specialists, and economic development practitioners and educators.[1]

[1] "Conducting a Community Audit," U.S. Department of Labor, 2000

The process for the community audit initiative had five key steps:

1. Set specific goals toward creating a strategic plan for workforce development.
2. Establish stakeholder partnerships for ongoing input and collaboration.
3. Prioritize the scope of the audit to make it meaningful and actionable.
4. Select research methods that would enable many perspectives to be represented.
5. Utilize the results of the audit in tangible ways throughout the community.

Step 1. Set Specific Goals

The first step in the community audit process was to set specific goals for the audit. The Project Team members envisioned an overall goal: a strategic plan for workforce development in Stearns and Benton Counties that targeted specific industries and occupations in the region. To achieve this end, they established specific and measurable goals in the areas of assessment, planning, and collaboration.

Assessment

Goal 1: To understand the current workforce development system and utilize information to determine how to invest our resources.

This goal originated from a need for useful and organized information for planning purposes. There was also a need for a comprehensive look at various indicators.

Planning

Goal 2: To provide insight on the question of how to build the workforce of the future in Stearns and Benton Counties.

The planning discussion had questions such as:

- Where do we invest resources?

- How should we think about the future workforce in Stearns and Benton Counties?
- Who should be involved?
- What information do we need to move forward?

Collaboration

Goal 3: To build momentum for a collaborative effort that would spur workforce and economic development in the region.

This goal was determined as the group recognized the need for a broad set of stakeholder involvement. The team also realized that they could create leverage within the community through alignment with key organizations.

Step 2. Establish Stakeholder Partnerships

The third goal led to the second step in the process, which was to establish the stakeholder partnerships for ongoing input and collaboration. The stakeholders were important to the process because they provided:

- Valuable input and data
- An opportunity for organizations to tailor and utilize the process for their own purposes
- An opportunity for alignment and leverage of resources across the region
- Access to different perspectives
- A more "comprehensive" picture

Development strategies should be aligned to avoid redundant or counter-productive efforts.

Strategies that only penetrate certain segments of the workforce or community are less effective than strategies that have "all hands" participation. The team's ambition was to create a fabric of all the community components to effectively benchmark the community's status and be able to build and create progress in the region.

For example, the United Way of Central Minnesota and their network of human service providers were leveraged on the Human Services audit.

This concept is broad, and requires participation from many facets of the community. Participation occurred through stakeholder partner representatives and the valuable perspectives of community leaders.

Stakeholder Partnerships' Representatives

The stakeholder partnerships were established to ensure a broad spectrum of inputs as well as a broad spectrum of strategies and solutions once the data was collected. Representatives of the key groups identified as partners are active participants in the process, the *Community Assessment*, and the subsequent strategies that follow on.

Community Leaders

Through the stakeholder organizations, the team was able to capture perspectives from over 150 leaders in 10-15 different roles within the community. A deliberate effort was made to gain diverse geographic representation as well. These community leaders have valuable perspectives and opinions that were captured through in-depth surveys.

Perspectives Captured

- Workforce Development Specialists
- Local City Representatives
- Economic Development Specialists
- CEOs and Business Owners
- Human Service Providers
- Union Representatives
- Support Industry Leaders
- Local County and Township Representatives
- Human Resource Managers
- Local Workers and Community Members
- Educators
- Policy Makers

Step 3. Determine the Audit's Scope

The third step in the process was to determine the scope of the audit such that the results would be meaningful, applicable, and actionable.

The scope of the process is focused, and the audit was adapted to fit the goals of the stakeholders in Stearns-Benton. The scope is defined in three ways:

- The geographic scope
- The theoretical scope
- The level of analysis

The Geographic Scope

The geographic scope includes Stearns and Benton Counties in Minnesota. This area is equivalent to the St. Cloud Metropolitan Statistical Area (MSA) and for our purposes referred to as "the region."

The Theoretical Scope

All development areas - economic, community, workforce, and social service– are interconnected. While the primary focus of the audit is workforce development, looking only at traditional "workforce" issues, such as employment statistics, is a limited approach because it does not factor in other forces at work.

Therefore, the team analyzed human service indicators and some broader economic and community development indicators as they relate to workforce development. For the purpose of this audit, we have defined each as follows:

- Workforce Development – The process of enhancing worker skills to supply the human input to local businesses.
- Human Services Development – The process of enhancing support services such as childcare, healthcare, and housing.
- Economic Development – The process of enhancing factors of productive capacity - land, labor, capital, and technology - of a national, state or local economy.[2]
- Community Development – The process of managing community change by involving citizens in a dialogue to decide what must be done, and then, involving the citizens in executing the action plan.

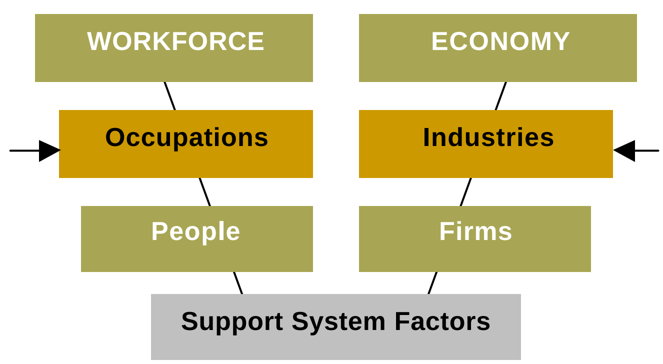
The Level of Analysis

A similar thought process led us to the level of analysis that worked best for this community. The team focused on industries and occupations and conducted a comprehensive analysis of the support systems.

Industry and Occupation Focus

Focusing on industries and occupations provided a meaningful level of analysis that fit with the goals and intended outcomes of this audit. Focusing on the entire workforce and the economy-at-large may be too broad to be actionable. For example, what do we do, specifically, if the unemployment rate is high? On the other hand, focusing on people and firms may be too narrow to create an impact. For example, if we focus on one individual person, group or firm, will it have a material impact on the overall system? In between these top-down and bottoms-up perspectives is a focus on the groups of people in occupations that drive the workforce and the clusters of firms in industries that move the economy.

Additionally, an analysis of the support systems provides a more comprehensive view for planning purposes. The figure below shows the level specifically addressed.[3]



[2] U.S. Department of Commerce

[3] Graphic adapted from Twin Cities Economic Development Group

Thus, the research targeted strategic industries and occupations for investments and incorporated data about the "capacity" of support systems.

Human Services – Support Systems

An audit of the human service system in the area was integrated into the project to identify what needs exist, what resources are currently available to meet those needs, and where gaps exist between needs and resources. We looked at human support services that are relevant to workers such as childcare, mental health, transportation, and so on.

A gap is the difference between what people require in human services and what resources are available. For example, many workers require childcare services. Childcare providers are a relevant resource to fill this need. A gap exists when there is not enough affordable childcare or there are no vacancies in child care services. Once gaps are identified, the team provided recommendations for decreasing the gaps.

The United Way of Central Minnesota led the data collection in this area. See www.unitedwayhelps.org for a special report that details the complete analysis of the human service systems in the region. Only the highlights and top priorities of those findings are included in this report.

Step 4. Select Research Methods

The fourth step of the process was to select research methods that would enable many perspectives to be represented and would provide reliable data.

The selected methods are varied and provide rich data for planning purposes. The data collection methods include:

- Primary data collection
- Secondary research analysis

Primary Data Collection

The team conducted several of their own studies, collecting primary data in the areas of human services and workforce development.

Human Services Related

Human service providers and key community leaders were the primary stakeholders from whom input was gathered in this area. A written survey, interviews and focus groups proved to be effective in gathering a comprehensive set of data.

Written Survey

The team conducted a written survey of human service providers on their perception of the needs of their clients and the resources they provide in the community. The service providers included non-profit agencies, childcare providers, county agencies, healthcare providers and schools. One hundred fifty-five completed surveys w ere used in the analyses.

Community Leader Interviews

The team also conducted interviews with key informants, including elected officials, school superintendents, agency directors, and the like, to glean their perspective on the human-service related needs and resources in the community. Twenty-eight community leader interviews were conducted.

Focus Groups

The team also conducted focus groups to explore in more depth the top issues that surfaced from the survey. Ninety-four community members across nine topic areas and geographies participated. The topics included housing, healthcare, mental health, substance abuse, multiculturalism, children aged 0-5, children aged 6-13, and adults age 60 and over.

Workforce Development Related

To gather community perceptions on workforce related issues, two online surveys were conducted, along with numerous interviews. Approximately 150 community leaders participated in the process in one way or another.

The team conducted online surveys utilizing Adapted Conjoint Analysis to determine the importance of various attributes to be used in targeting industries and occupations (see www.sawtoothesoftware.com for more information). The Industry Assessment Survey had a response rate of more than 75% in each organization (The Stearns-Benton Workforce Council, The Partnership, Stearns & Benton Economic Development Organizations, the St. Cloud Area Chamber of Commerce, the United Way of Central Minnesota Board and the United Way of Central Minnesota's CEO Forum), including over 115 community leaders. The Occupational Assessment Survey generated over 85 respondents from these same organizations, as well as the Central Minnesota Society of Human Resource Management.

The team also conducted 25 informal interviews with community leaders throughout the process.

Secondary Research Analysis

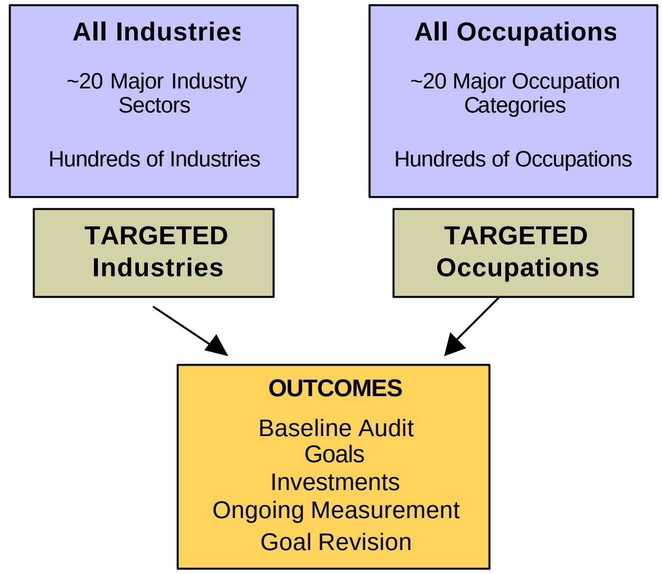
The team used various secondary sources, including various local reports, existing datasets, and other benchmarks.

Various local reports included:

- St. Cloud Profile 2000 – St. Cloud State
- Labor Force Assessment – The Partnership
- Job Vacancy Surveys – MN Department of Economic Security

Existing datasets and other benchmarks included:

- Governmental Agencies (including the Minnesota Department of Economic Security and the United States Department of Labor, Bureau of Labor Statistics, Census Bureau, and others)
- The Index of the Massachusetts Innovation Economy, Massachusetts Technology Collaborative (see www.mtpc.org/theindex/theindex.htm).



Step 5. Determine Products

The primary product for this process is this report, the *Community Assessment*, which will be available in print and online. Various summary-level presentations will also be conducted. Utilizing the products is the critical next step.

Step 6. Utilize Results

The final, and perhaps most important step in the process is utilizing the results. The team intends that the data and insights gained from this process be used. With that in mind, action plans have already begun, even prior to the completion of the *Community Assessment*.

The partnership team that evolved out of the process will be known as the Alliances/Partnership Team. This group will meet quarterly over the next year to continue the planning process. Several of the organizations represented (including the Workforce Council, the Partnership, the Chamber, and others) intend to utilize the targets established through this initial process and the information provided in this report in their own planning, investing, and marketing efforts.

The defined outcomes include:

- The *Community Assessment*: a baseline audit with measurements in targeted industries and occupations.
- Goal setting: the process of setting future outcome levels that are desirable and achievable based on the indicators herein.
- Investment: the investment of attention and money into the targeted industries and occupations.
- Ongoing measurement: the ongoing measurement and progress reporting against the goals and the regular update of these indicators.
- Goal revision: the revision of the goals and the process over time.

A periodic update to the *Community Assessment* is also planned, and this allows for the measurement and tracking of progress over time.

Finally, this report will be made available to community members for their benefit and information.

"The Benton County Economic Development Committee recently updated its economic development goals and strategies. A primary goal is to expand employment opportunities for Benton County residents. The strategy to meet the goal is to promote and assist in the development of higher paying employment opportunities in order to increase the average workforce wages. The community audit will provide direction on which industries to attract that are most beneficial to the area and will provide higher paying employment opportunities.

The community audit process is providing the Benton County Economic Development Committee with a systematic process that takes into account the views of a variety of agencies to determine the industries and occupations best suited and most beneficial to the area. Alone, the Benton County Economic Development Committee would not have been able to come up with this important information. In partnership with the various agencies, the community audit will assist each of the agencies meet their goals."

-- Nancy Hoffman, Economic Development Director, Benton County Department of Development

Stakeholder Profiles

The Stearns-Benton Workforce Council and The Stearns-Benton Employment and Training Council

The Stearns-Benton Workforce Council (WC) is authorized under the Federal Workforce Investment Act of 1998 to:

1. Set the overall direction for the local workforce development system

2. Establish or approve operational structures and make operational policies for the workforce development system as a whole

3. Oversee the performance of the system

The Stearns-Benton Employment and Training Council is a service provider under WIA and, as the administrative entity for the Stearns-Benton Workforce Service Area, is responsible for supporting the work of the Workforce Council.

Contact Information

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http://www.mnwfc.org/stcloud/pages/about_us.htm

The Partnership

The St. Cloud Area Economic Development Partnership, Inc. (The Partnership) conducts business retention visits, recruits industrial development, and commissions research in an effort to encourage the economic growth and vitality of the greater St. Cloud area. The Partnership recently completed a 14-county labor force assessment to determine area under-employment. The information collected will be used by the higher wage jobs task force, along with the community audit, to help determine how to attract higher skill and higher wage jobs to the area.

Contact Information

The Partnership
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St. Cloud, MN 56301
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http://scapartnership.com

Stearns & Benton Counties' Economic Development Organizations

Each of the two participating counties has an Economic Development Committee with members who participated in the data collection and analysis phases of the project. The two agencies have common goals: to create of jobs paying livable wages and to attract and retain business. Through the alignment with other organizations, county-level efforts can be leveraged.

Contact Information

Benton County Economic Development Board
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320-968-5071

Stearns County Housing & Redevelopment Authority
312 North 1st Street, Suite #2
Cold Spring, MN 56320
320-685-7771

St. Cloud Area Chamber of Commerce

The mission of the St. Cloud Area Chamber of Commerce is to create, protect and enhance a healthy business environment in Central Minnesota. To fulfill this mission the Chamber has five divisions that focus on various aspects of business growth and development. Because a strong workforce is a key element of a healthy business environment, the Chamber has dedicated resources to their Business and Workforce Development Division to accomplish three broad goals: 1. Enhance the existing workforce through education and training; 2. Increase the existing workforce through promotion efforts outside the St. Cloud area that encourage workers to relocated to Central Minnesota; and 3. Retain the existing workforce by providing networking programs and connecting businesses to new labor pools.

Contact Information

St. Cloud Area Chamber of Commerce
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Central Minnesota Society of Human Resource Management (CMSHRM)

The two main goals of Central Minnesota Society of Human Resource Management are (1) to foster and promote better methods and procedures that will encourage the development of higher standards of performance in the field of human resource management and (2) to provide members with the opportunity of exchanging constructive ideas and information. CMSHRM was involved in the data collection phase on occupational assessment.

Contact Information

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United Way of Central Minnesota

The United Way of Central Minnesota is an independent, community-based organization that is governed by a local Board of Directors.

The United Way of Central Minnesota's mission is to improve people's lives by mobilizing the caring power in Central Minnesota. With that in mind, the United

Way led the process on the Human Services Audit and collaborated on all aspects of the project. The priority areas will be utilized in the strategic planning of the organization.

Contact Information

United Way of Central Minnesota
2700 1st Street North, Suite 300
Saint Cloud, MN 56303-4587
(320) 252-0227
http://www.unitedwayhelps.org

United Way of Central Minnesota CEO Forum

Organized by the United Way of Central Minnesota, the Annual CEO Forum is an opportunity for business leaders to get together to discuss economic issues and challenges facing the community, including increased needs that impact United Way. In 2002, the second purpose of the meeting was to have business leaders provide input to the process of targeting industries and occupations. Approximately 25 business leaders participated.

Contact Information

See the United Way of Central Minnesota contact information.

"The Stearns County HRA whole- heartedly supports and participates in the community audit process. Economic development and job training are inexorably intertwined. Without targeted job training, economic development cannot occur. The community audit, with targeted occupational training, working in concert with our financing programs, will assist our communities and region to create higher paying jobs and enhance our tax base."

- Bob Swanberg, Executive Director, Stearns County Housing and Redevelopment Authority

Targeting Strategic Industries & Occupations

Selecting "Targets" for Planning

On the theory that effective strategy requires making trade-offs, and that a single organization or community cannot have a competitive advantage in all areas of the workforce and economy, one of the goals of the project was to identify specific industries and occupations as targets for growth.

The team selected the strategic industries and occupations using the following process:

Step 1: Determined the 10 characteristics or "Attributes" of industries and occupations that were most important to community members through interviews and secondary data (e.g., average wage levels, growth rates, environmental impact, etc.).

Step 2: Conducted an online survey of area leaders that asked them to make trade-offs on the relative importance of these Attributes (e.g., is an industry with a $20,000 average annual wage growing rapidly at 5% per year preferable to an industry with a $35,000 average annual wage growing at 1% per year?).

Additionally, these surveys asked respondents to choose the top three industries and the top three occupations that they would target, based on their own experience, for strategic investment.

Step 3: Analyzed and discussed the data with the Alliances and Partnership Team, and as a group:

- Scored each industry with utility weights based on the survey data and actual data for industries in Stearns-Benton.
- Compared the results across organizations and roles within the community.
- Graphed all of the responses from the open-ended questions.
- Looked at synergies between strategic industries and strategic occupations.
- Considered all other data.
- Determined the final list of industries and final list of occupations.

The final lists – of "Strategic Occupations" and "Strategic Industries" – are now the slate for the next phase of planning. It is the hope of the team that these identified industries and occupations become the focus for allocating resources, investments, time, and attention from community leaders and organizations.

Additional detail about this targeting process is described throughout this section.

Strategic Industries

Attributes

Ten Attributes, outlined below, were chosen to assess industries. For each of these Attributes, two or three "Levels" of actual performance were identified. These Levels were derived from actual data for Stearns-Benton. In most cases, Level 1 represents performance at approximately the 20th percentile, Level 2 represents approximately the 50th percentile, and Level 3 represents approximately the 80th percentile of the respective data set. Some attributes are qualitative in nature and judgments were made to determine which Levels to use. The Defined Attributes and Levels are shown in the table below.

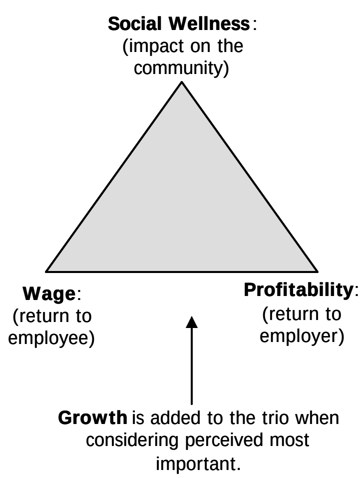
Attributes Used to Assess Industries

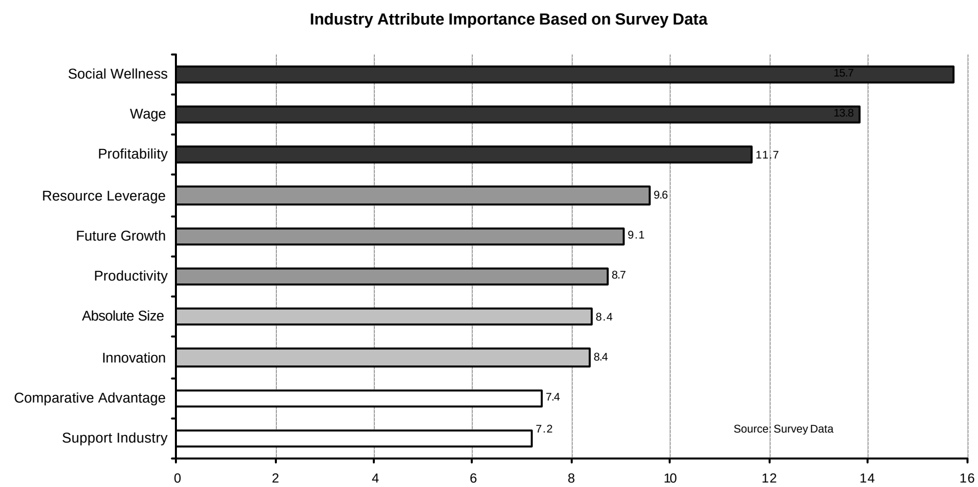
Attribute	Definition	Level 1	Level 2	Level 3
Size	The number of employees in the industry in Stearns-Benton	~ 1,000	~ 5,000	~ 10,000
Employment Concentration	For this industry, the share of total employment in Stearns-Benton vs. share of total employment in the U.S. at large	~0.5 times U.S.	~1.0 times U.S.	~1.5 times U.S.
Innovation	Nature of methods, materials, skills, and technologies used	Basic innovation	Advanced innovation	N/A
Growth & Future Size	Recent five-year employment growth	~ 2%	~ 5%	~ 8%
Wages	Average annual wages	~$20,000	$25,000	~$35,000
Productivity	Sales per employee	~$50,000	~$100,000	~$175,000
Profitability	Average firm profit	~ 1% profits	~ 5% profits	~ 9% profits
Resource Leverage	Utilization of local human and natural resources	Limited use of local resources	Moderate use of local resources	Extensive use of local resources
Social Wellness	Impact on the natural environment	Large negative impact	Small negative impact	No negative impact
Support Industries	Industries such as education, healthcare, and utilities that support primary industries	Is not a support industry	Is a support industry	N/A

Attribute Importance

By making trade-offs in the online survey, community leaders expressed the relative importance of each of these Attributes. Overall, the respondents rated *Social Wellness* (the impact that the industry has on the natural environment) as the most important Attribute in assessing an industry. *Wages*, or the return and compensation to the worker, and *Profitability* or the return and compensation to the business owner, were the second and third most important Attributes.

Resource Leverage, or the utilization of local human and natural resources, and whether the industry is a *Support Industry* like healthcare or education, were rated the least important Attributes. When asked directly to select the most important Attributes, versus implicitly through tradeoffs, what the most important Attributes were, the respondents also identified "Growth" as a top Attribute. The graph below shows the priority ranking and importance level of all 10 Attributes. The figure below and to the left illustrates the relationship among the top four Attributes.





Weighted Performance of Industries

Utilizing Sawtooth's Adaptive Conjoint Analysis (ACA) Software, a "value" or "utility" score was deduced and calculated from the trade-offs that respondents made in the survey. For example, respondents tradeoffs suggest that an industry that is quite small in size, with say 1,000 employees, would receive a low utility or usefulness score of 4.6 on this Attribute, while a larger industry with say 5,000 employees would receive a score of 7.5 points. Using actual recent performance for each industry on all 10 of these Attributes, the "Weighted Performance" of all 20 major industry categories was calculated. This overall score on industry attractiveness is "performance-based" in the sense that the actual outcomes of the industry in recent years is used to evaluate it, and the score is "weighted" by the relative importance of each Attribute.

An example of this calculation is shown on the following page. These weighted performance scores were one of the factors considered in determining the slate of strategic industries.

Example Calculation of “Weighted Performance”: Industry X					
Attribute	**Data for Industry X in Stearns-Benton**	**Level 1 Utility Score**	**Level 2 Utility Score**	**Level 3 Utility Score**	**Utility for this Industry**
Size	4,504 employees in Stearns-Benton	4.6	7.5	-12.1	**7.5**
Employment Concentration	Proportionally 2.81 times as many employees as U.S.	-14.9	9.7	5.2	**5.2**
Innovation	Advanced technology	-33.7	33.7		**33.7**
Growth	6.9% employment growth	-37.5	15.4	22.2	**22.2**
Profitability	6.2% average profits	-61.7	16.4	45.2	**16.4**
Wages	$32,587 average annual wages	-63.6	-1.1	64.7	**64.7**
Productivity	$121,077 average sales per employee	-40.7	8.8	31.3	**8.8**
Social Wellness	Small negative impact on the environment (considering EPA)	-77.9	11.0	66.9	**11.0**
Resource Leverage	Moderate use of local human and natural resources	-15.9	14.2	1.6	**14.2**
Support Industry	Not a support industry (i.e., not healthcare, education, or the like)	-12.4	12.4		**-12.4**
	OVERALL “WEIGHTED PERFORMANCE” SCORE, INDUSTRY X				**171.3**

Perceived Value of Industries

The second factor considered in choosing the strategic industries was data from a direct question to community leaders: “Which industries should be targeted for additional resource investment?” This was a relatively subjective approach based on each individual’s perceptions about the value of each of these industries. As such, this data is referred to as the “Perceived Value” of the industry. While there was considerable similarity between the Weighted Performance and Perceived Value of the industries, there were also several significant differences. The ranking of all twenty industries based on these two approaches – Weighted Performance and Perceived Value - are shown in the table on the following page.

Industry Rankings	RANK (based on)	
Industry	**Weighted Performance**	**Perceived Value**
Engineering and Management Services	1	3
Wholesale Trade	2	12
Printing and Publishing	3	8
Machinery, Metal, and Instruments Manufacturing	4	1
Business Services	5	5
Finance, Insurance, Real Estate	6	8
Health Services	7	2
Educational Services	8	4
Stone, Clay & Glass Products	8	7
Trucking and Warehousing	10	15
Communications & Electric, Gas & Sanitary Services	11	15
Food & Kindred Products Manufacturing	12	11
Recreation, Membership & Other Services	13	18
Personal Services	14	15
Construction	15	8
Retail Trade	16	14
Social Services	17	12
Lumber and Wood Products Mfg.	18	19
Agriculture & Ag Services	19	6
Hotels & Lodging	20	19
Public Administration	21	21

All-Things-Considered Results

Considering the Weighted Performance scores, the Perceived Value of industries, and the "fit" or synergy between the targeted industries and occupations, the Alliances and Partnerships Team made an "all-things-considered" determination of the slate of industries to target for additional investments. These identified industries are now referred to as the "Strategic Industries" and are described in detail in the table below.

Strategic Industries	
Industry	**Description**
Business Services	Establishments primarily engaged in rendering services to business establishments on a contract or fee basis. This includes *information technology providers and personnel supply services.*
Engineering & Management Services	Establishments primarily engaged in providing *engineering*, architectural & surveying services; accounting, auditing, and bookkeeping services; research, development & testing services; and *management & public relations* services.
Health Services	Establishments primarily engaged in furnishing *medical, surgical, and other health services* to persons.
Manufacturing	Establishments engaged in *manufacturing industrial and commercial machinery, equipment, instruments, and computers, as well as fabricating metals* and other such manufacturing.
Printing & Publishing	Establishments engaged in *printing* by one or more common processes, such as letterpress; lithography gravure, or screen; and establishments that perform services for the printing trade, such as bookbinding. It also includes *publishing* newspapers, books, and periodicals.
Wholesale Trade	Establishments primarily engaged in selling merchandise to retailers: *industrial, commercial, institutional, farms, construction contractors, or professional business users*; or acting as agents or brokers in buying merchandise for or selling merchandise to such persons or companies.

Strategic Occupations

The same process was used for assessing and determining "Strategic Occupations."

Attributes

Again, 10 Attributes, each with several Levels, were chosen to assess occupations. The levels were derived from actual data for Stearns-Benton. Level 1 represents performance in approximately the 20th percentile, Level 2 represents approximately the 50th percentile, and Level 3 represents approximately the 80th percentile of the respective data set. Some Attributes are qualitative in nature and judgments were made to determine which Levels to use. The Attributes and the Levels that were defined are shown in the table below.

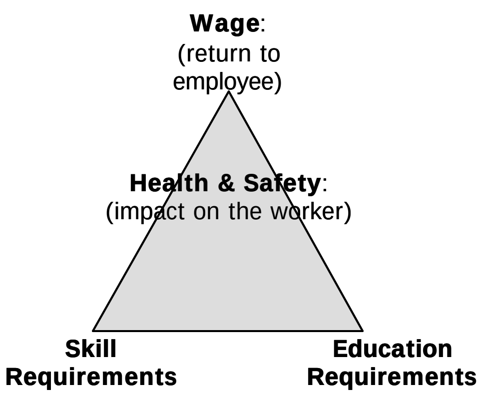
<table>
<tr><th colspan="14">*Attributes Used to Assess Occupations*</th></tr>
<tr><th>Attribute</th><th>Definition</th><th colspan="4">Level 1</th><th colspan="4">Level 2</th><th colspan="4">Level 3</th></tr>
<tr><td>Size</td><td>The number of employees in the occupation in Stearns-Benton</td><td colspan="4">~ 850 employees in the occupation</td><td colspan="4">~ 3,000 employees in the occupation</td><td colspan="4">~ 6,500 employees in the occupation</td></tr>
<tr><td>Employee Concentration</td><td>The share of total employment in Stearns-Benton vs. share of total employment in the U.S. at large</td><td colspan="4">~ 0.5 times U.S.</td><td colspan="4">~ 1.0 times U.S.</td><td colspan="4">> 1 times U.S.</td></tr>
<tr><td>Innovation</td><td>Nature of materials, methods, skills or technologies used</td><td colspan="4">Basic innovation</td><td colspan="4">Advanced innovation</td><td colspan="4">N/A</td></tr>
<tr><td>Growth & Future Size</td><td>Recent five-year employment growth</td><td colspan="4">~ 2-5% growth</td><td colspan="4">~ 5-6% growth</td><td colspan="4">>6% growth</td></tr>
<tr><td>Wages</td><td>Average annual wages</td><td colspan="4">~ $22,000 average annual wage</td><td colspan="4">~ $33,000 average annual wage</td><td colspan="4">~ $48,000 average annual wage</td></tr>
<tr><td>Skill Level Required</td><td>Skill level required for the occupation</td><td colspan="4">low skill requirements</td><td colspan="4">moderate skill requirements</td><td colspan="4">high skill requirements</td></tr>
<tr><td>Education Required*</td><td>Level of education required for the occupation</td><td colspan="3">high school or less required</td><td colspan="3">technical or associate degree required</td><td colspan="3">college degree required</td><td colspan="3">master's or doctorate degree required</td></tr>
<tr><td>Vacancy Rate</td><td>Current level of vacancies</td><td colspan="4">low (~ 1-2%) vacancy rate</td><td colspan="4">average (~4-5%) vacancy rate</td><td colspan="4">high (>5%) vacancy rate</td></tr>
<tr><td>Worker Health</td><td>Worker health and safety</td><td colspan="4">large negative impact</td><td colspan="4">small negative impact</td><td colspan="4">no negative impact</td></tr>
<tr><td>Transferability of Skills</td><td>Degree of transfer of skills</td><td colspan="4">low degree of transferability</td><td colspan="4">moderate degree of transferability</td><td colspan="4">high degree of transferability</td></tr>
</table>

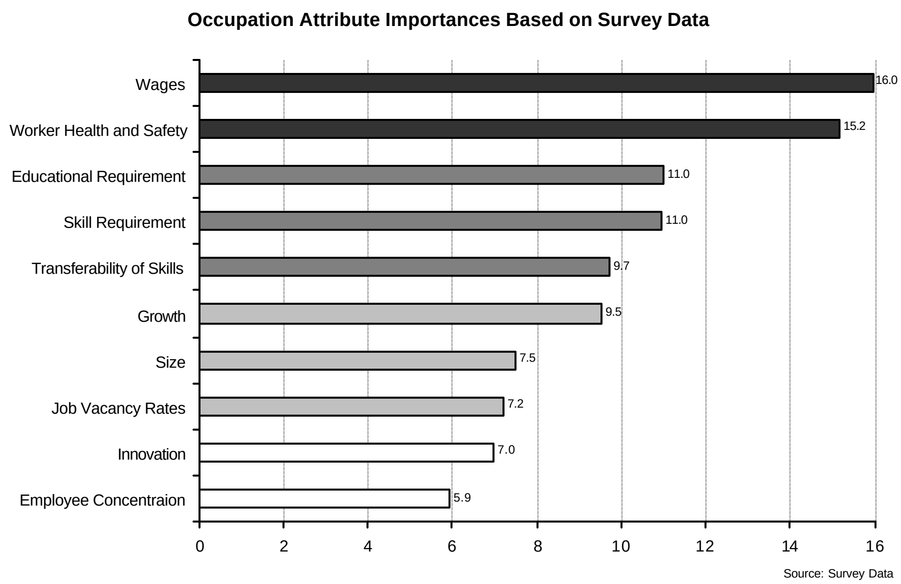
* This attribute, *Education Required*, has four levels as shown.

Attribute Importance

Data on the perceived and relative importance of each of these occupational Attributes and the various levels were gathered from community leaders through a second online survey. The community leaders rated *Wages* as the most important Attribute in assessing an occupation. *Worker Health and Safety* was the second most important Attribute. The third and fourth most important were *Educational Requirements* and *Skill Requirements* for the occupation. *Innovation* and *Employment Concentration* were rated least important.

The chart below, to the right, shows overall ratings of the Attributes and their relative "importance" level. The figure to the left provides a visual of the four most important occupational Attributes.





Weighted Performance of Occupations

Utility scores were generated for each of the Levels on each of the Attributes, again based on survey results. These utility scores were then assigned based on actual "performance" of that occupation in Stearns-Benton. The team again considered the most recent data for the Attribute, using occupation categories based on Standard Occupational Codes.

For example, if the occupation had very high skill requirements, it received the utility score for Level 3 (which was 42.0). If it had very low growth (in the 20th percentile or less), then it received the utility score for Level 1 growth (-43.7). The ten utility scores (one for each attribute) were totaled and this provided an overall "Weighted Performance" score for each of the 20 occupations.

An example of this calculation is shown on the following page. These Weighted Performance scores were one of the main factors considered in determining the slate of strategic occupations.

Example Calculation of "Weighted Performance": Occupation X					
Attribute	**Data for Occupation X in Stearns-Benton**	**Level 1 Utility Score**	**Level 2 Utility Score**	**Level 3 Utility Score**	**Utility for this Occupation**
Wages	$47,990 average wages (relatively high)	-76.8	11.0	65.7	**65.7**
Worker Health	No negative impact on the environment	-70.5	6.6	63.9	**63.9**
Education Required	Advanced degree required	-24.2	9.2 16.7	-1.7	**-1.7**
Skill Level Required	High skill requirements	-49.4	7.4	42.0	**42.0**
Transferability of Skills	High transferability	-46.7	46.7	N/A	**46.7**
Growth & Future Size	3% Employment growth	-43.7	10.2	33.5	**10.2**
Size	4,400 employees in Stearns-Benton	10.7	3.9	-14.6	**3.9**
Vacancy Rate	4.1% vacancy rate in Stearns-Benton	-6.4	11.3	-4.9	**11.3**
Innovation	Advanced materials & technology used on the job	-29.7	29.7	N/A	**29.7**
Employee Concentration	Proportionally 2.0 times the U.S. employment level	-5.8	9.9	-4.1	**-4.1**
	OVERALL "WEIGHTED PERFORMANCE" SCORE, OCCUPATION X				**267.6**

Perceived Value of Industries

A second factor considered in choosing the strategic occupations was data from a direct question to community leaders: "Which occupations should be targeted for additional resource investment (time, training, and attention)?" Comparing these two approaches, Weighted Performance and Perceived Value, the ranking of the occupations are shown in the table on the following page.

Occupational Rankings	RANK (based on)	
Occupation	**Weighted Performance**	**Perceived Value**
Healthcare Practitioners and Technical Occupations	1	1
Computer and Mathematical Occupations	2	2
Architecture and Engineering Occupations	3	9
Legal Occupations	3	13
Business & Financial Operations Occupations	5	2
Management Occupations	6	7
Life, Physical & Social Science Occupations	7	18
Education, Training, and Library Occupations	8	6
Community and Social Services Occupations	9	7
Arts, Entertainment, Sports, & Media Occupations	10	18
Sales and Related Occupations	11	10
Healthcare Support Occupations	12	5
Protective Service Occupations	13	4
Office and Administrative Support Occupations	14	12
Personal Care and Service Occupations	15	15
Installation, Maintenance, and Repair Occupations	16	15
Transportation and Material Moving Occupations	17	18
Building & Grounds Cleaning/Maintenance Occupations	18	13
Food Preparation and Serving Related Occupations	19	22
Production Occupations	20	18
Construction and Extraction Occupations	21	10
Farming, Fishing, and Forestry Occupations	22	15

All-Things-Considered Results

Considering the Weighted Performance scores for each occupation, the Perceived Value of these occupations, and the "fit" and "synergy" between targeted industries and occupations, the team made an "all-things-considered" determination of the slate of occupations to target for additional investments. These identified occupations are now referred to as the "strategic occupations."

Strategic Occupations

Occupations	Description
Architecture and Engineering Occupations	Architects, Surveyors, Chemical Engineers, Mechanical Drafters, Industrial Engineering Technicians and the like
Business and Financial Occupations	Insurance Appraisers, Cost Estimators, Accountants, Auditors, Financial Analysts, Loan Officers, Appraisers of Real Estate and the like
Computer and Mathematical Occupations	Computer Programmers, Computer Software Engineers, Computer Systems Administrators, Mathematicians, Statisticians, Network Systems Analysts and the like
Healthcare Practitioners and Technical Occupations	Chiropractors, Dentists, General Practitioners, Surgeons, Therapists, Registered Nurses, Technicians and the like
Management Occupations in the Targeted Industries	Top Executives; Advertising, Marketing, Promotions, Public Relations, and Sales Managers; Operations Managers; Other Management Occupations and the like

Strategic Occupations in Strategic Industries

Employment Distribution

The intersection of the strategic industries and strategic occupations (which we will call strategic occupations *in* strategic industries) represents approximately 12% of the employment in Stearns-Benton in 2000.

EMPLOYMENT	Strategic Industries	Non-Strategic Industries
Strategic Occupations	**12.2% of total employment in Stearns-Benton**	9.2%
Non-Strategic Occupations	31.6%	47.0%

"Strategic" Growth Rates

Strategic occupations in strategic industries represent a "growth-oriented" niche. This niche is growing at nearly three times the rate of non-strategic occupations in non-strategic industries (2.2% divided by 0.8% = 2.75).[4]

GROWTH	Strategic Industries	Non-Strategic Industries
Strategic Occupations	**2.2% average annual growth rate**	1.2% average annual growth rate
Non-Strategic Occupations	1.0% average annual growth rate	0.8% average annual growth rate

"Strategic" Wage Levels

In addition, strategic occupations in strategic industries are among the highest wage earning jobs. This strategic niche has average annual wages that are 147% above average wages for all occupations and industries and nearly 1.7 times the wage level in non-strategic occupations in non-strategic industries (147% divided by 87% = 1.69).[5]

WAGES	Strategic Industries	Non- Strategic Industries
Strategic Occupations	**147% of average wages**	141% of average wages
Non-Strategic Occupations	87% of average wages	87% of average wages

Strategy as Leverage

While the strategic occupations in strategic industries represent only 12% of the overall workforce, they are likely to create 20% to 30% or more of the growth in employment and the growth in aggregate income in the coming years. As such, this niche represents a lever to maximize the return on investment with necessarily limited resources.

[4] U.S. Bureau of Labor Statistics
[5] U.S. Bureau of Labor Statistics

System Inputs:

Indicators of Workforce Capacity

Workforce capacity measures the potential of a region's workforce. The size and skills of the workforce help support the growth of new and established businesses. Support systems, such as childcare and healthcare are "enablers" of the workforce- that must grow with it in order to maintain or enhance productivity. This section of the analysis focuses on measures such as population and education levels, but it also looks at area services to assess how well the needs of the workforce are met.

Population Growth
Workforce Education
College Graduate Retention
Housing & Homelessness
Health and Wellness
Healthcare
Childcare
Transportation

Population Growth

The rapid population growth of the last two decades is expected to slow down and labor is already high; still, the region's relative youth will "step up" future workforce capacity.

Why is it important?

Population and workforce levels and growth rates are indicators of the supply of labor in a market. Strategies must fit with the nature of the workforce and demographics shifts.

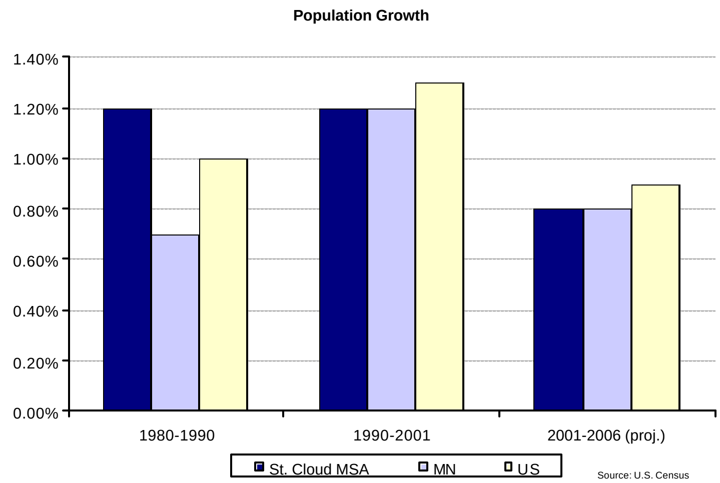
How does Stearns-Benton look now?

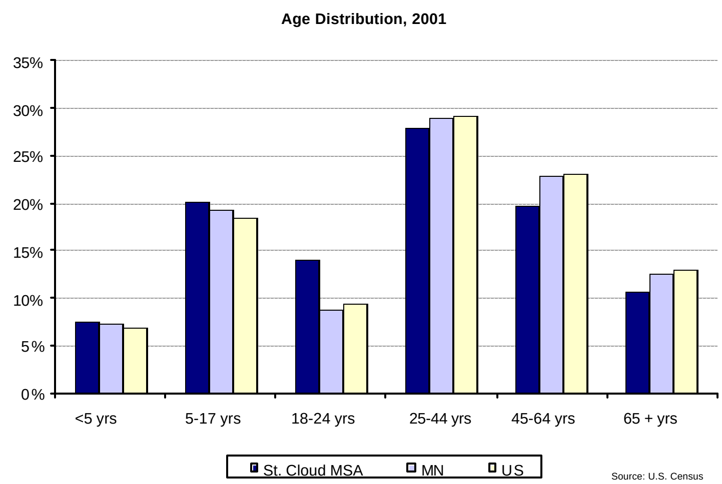
The Stearns-Benton region has experienced rapid growth in the past two decades, exceeding or rivaling Minnesota and United States rates. The adjoining Sherburne County area has grown 309%.[6] However, growth has begun to slow. In the 1990's the region grew at about the same rate as the state as a whole. Projections through 2006 suggest considerable slowing of the growth of the population.

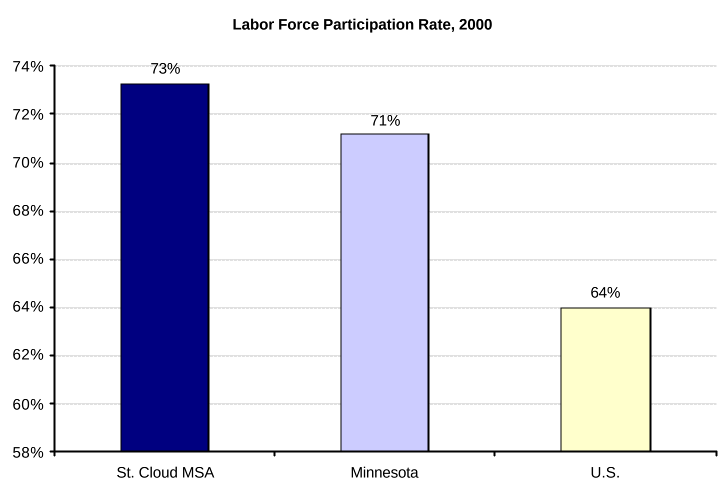
Stearns-Benton has a higher-than-average percentage of the population under the age of 25, compared to the state and nation. However, the fastest growing age brackets, like the nation as a whole, are over age 45.

What are the implications?

With the slowing growth of the population and high labor force participation, businesses will need productivity increases to maintain historical growth patterns. Also, with the bulk of younger residents, the region has the capacity to build a workforce from within, provided those residents choose to work here.







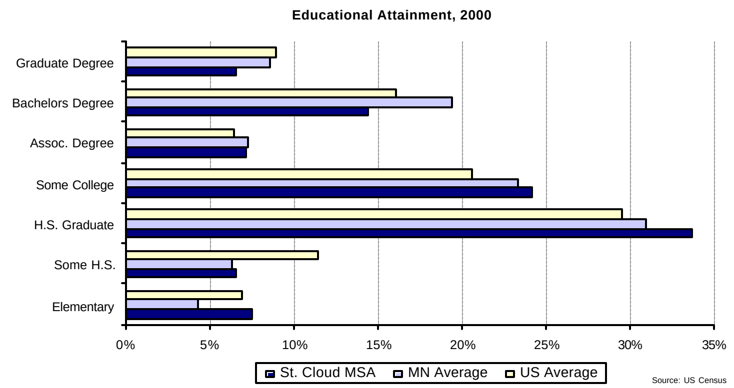
[6] 2002 St. Cloud Area Profile

Workforce Education

Stearns-Benton lead on high school completion, which contributes basic skills to the workforce, but trail on the advanced degrees that can drive larger gains in innovation and productivity.

Why is it important?

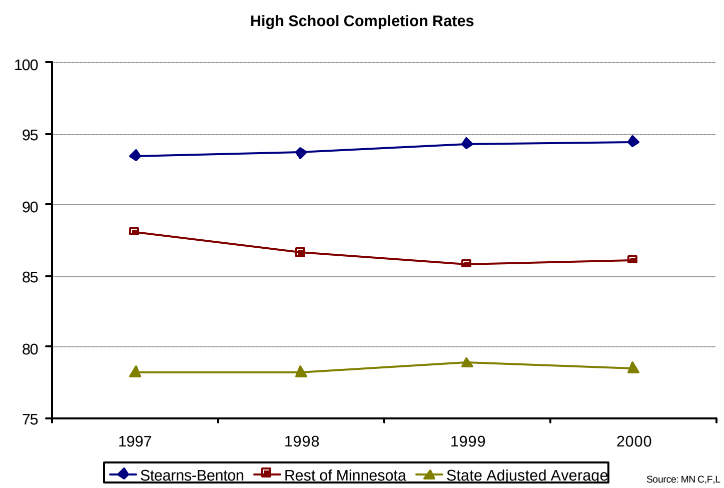
Educational attainment is a critical element of the capacity of a workforce because it promotes and sustains knowledge and innovation-driven growth. Additionally, high school completion rates are an indicator of the educational attainment of the future workforce. Dropout rates, on the other hand, warn of lost potential and future retraining and societal costs.



How does Stearns-Benton look now?

About 40% of Stearns-Benton residents have some education beyond high school, compared to a state average of nearly 50%. Likewise, advanced degree attainment does not compare favorably with state and national benchmarks.

Stearns and Benton County school districts report an average completion rate of 94.6% for the graduating class of 2000. The rates over the past few years show a slight upward trend, and they have been consistently higher than the state and national average.[7]



What are the implications?

If we want an educated workforce, we need to continue to strive for high graduation rates and continue the trend of increasing the educational attainment level of the workforce. This may be addressed by keeping residents working in the region after they graduate from college.

[7] MN Department of Children, Family, & Learning

College Graduate Retention

Nearly 80% of public university students leave Central Minnesota after graduation, including over 30% of the Central Minnesota natives.

Why is it important?

The Stearns-Benton region has significant education resources for technical, associate, and bachelor degrees with St. Cloud State University, College of St. Benedict, Saint John's University, St. Cloud Technical College, and Rasmussen College. We are spending a great deal of public money to educate our youth, even through college graduation, and then we lose many of them to the Twin Cities and other places for "opportunities," including higher paying jobs.

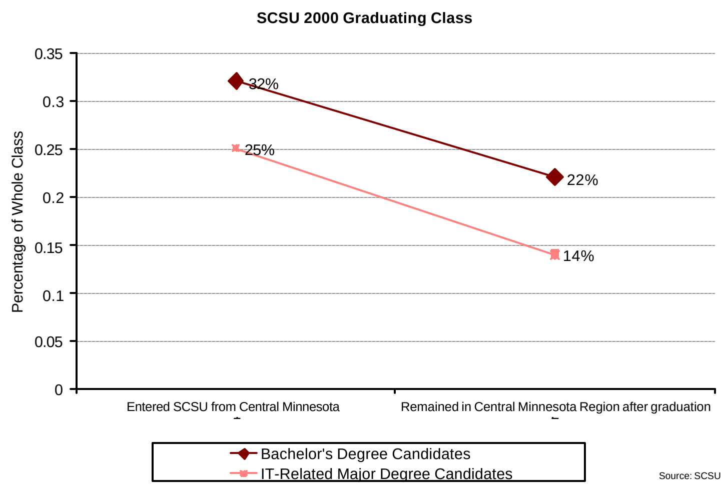
How does Stearns-Benton look now?

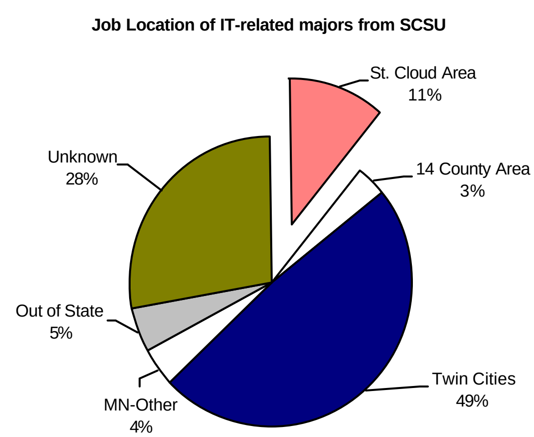
While we graduate a large number of college students in the area, we continue to lose graduates to the Twin Cities and other markets. Approximately 32% of the 2000 SCSU graduates came from Central Minnesota, while only 22% returned to Central Minnesota to work after graduating.

More specifically, 25% of those with IT-related majors came from Central Minnesota and only 14% took jobs in Central Minnesota after graduating. The bulk of the graduates (49%) took jobs in the Twin Cities (note: "Unknown" placements in the chart to the right are assumed to be evenly distributed).[8] St. Cloud Technical College is the second largest post-secondary institution in the region, serving over 6,000 students annually. Over 85% of the student population comes from Central Minnesota and approximately 70% are employed locally upon graduation.[9]

What are the implications?

The St. Cloud area is draining resources, and a significant investment is being lost, presumably because we do not have enough of the right kinds of opportunities to place college graduates. Keeping college graduates in the area is a vital strategy for the future.





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[8] SCSU Placement Office
[9] St. Cloud Technical College

Housing & Homelessness

A shortage in affordable housing has pushed some working poor into overcrowded shelters and homelessness, and insufficient rest can undermine productivity on the job.

Why is it important?

A thriving community requires the availability of adequate housing. A lack of housing creates homelessness, even for people who are part of the workforce. As homelessness increases, so does the strain on financial and other resources within the community.

How does Stearns-Benton look now?

Stearns and Benton Counties need additional housing, particularly for low-income individuals needing apartment rental units. Due to the low vacancy rate, gaining access to rental properties in Stearns-Benton has become more difficult.

According to the 2000 census, Stearns County had a rental vacancy rate of 3.6%, and Benton County had a rate of 3%. The city of St. Cloud had a vacancy rate of 2.8% while the rate is 4.1% statewide. The standard vacancy rate is around 5% for a healthy retail market.[10] Seventy-one percent of survey respondents rated housing as a major or moderate issue and the second greatest social challenge facing the region.

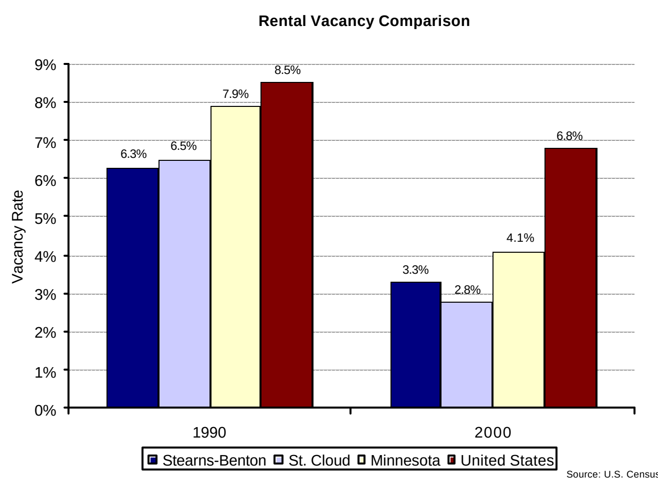
Between 1986 and 2000, the average number of persons staying in or turned away from emergency or temporary shelters in Minnesota increased by 550%.[11] All of the emergency shelters in St. Cloud saw their occupancy increase between 1999 and 2000,[12] and focus groups verified that shelters have been at full capacity in 2001.

Most critically, there has been an increase in the number of homeless who are working poor or children. Over one-quarter of all homeless adults in Minnesota report their main source of income is from steady employment[13].

What are the implications?

More affordable housing is needed in all levels of the housing market.

As more of the population is unable to find jobs that pay a living wage, the number of working poor and homeless will continue to increase. Unless more transitional and permanent housing is developed, the number of persons seeking general emergency shelter beds will also continue to increase. These shortages can undermine the productivity of workers facing these dilemmas.



[10] Admark Resources
[11] Maxfield Research
[12] Maxfield Research

[13] Shelton, Ellen

Health & Wellness

Moderately high rates of substance abuse and insufficient mental health services can present safety risks, accident costs, and injury downtime in the workplace.

Why is it important?

Both mental health problems and substance abuse affect an individual's ability to be productive, reliable, and responsible. When left untreated, these illnesses can drain the community's productivity, stability, and overall wellness.

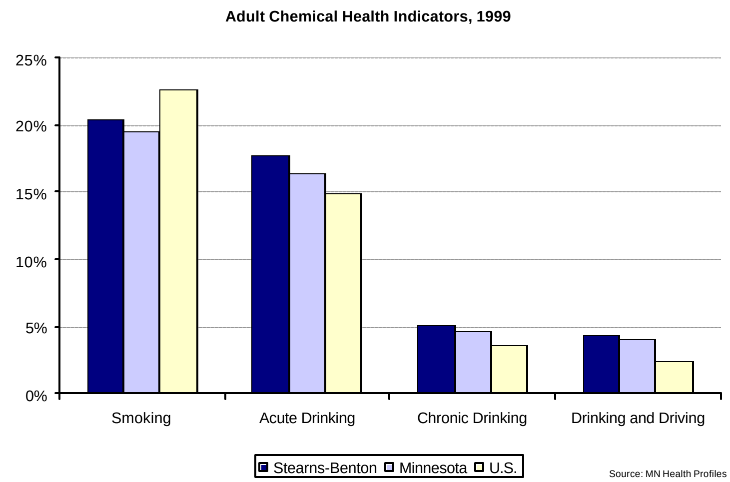
How does Stearns-Benton look now?

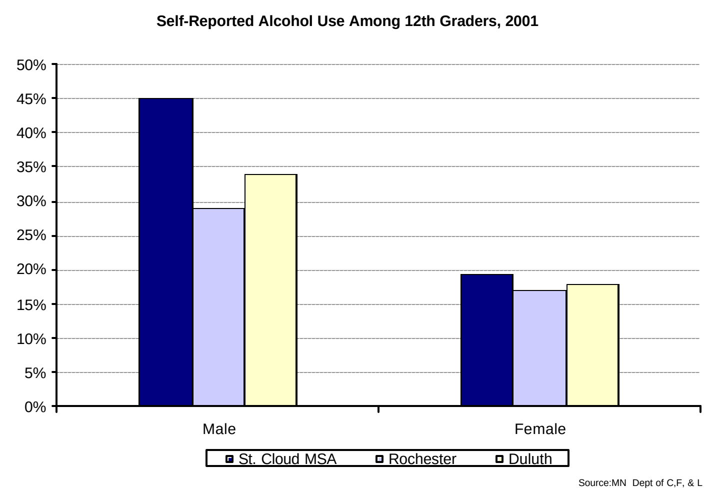
Two main issues surfaced in the area of health and wellness - mental health and substance abuse.

According to Minnesota Health Profiles, which measure "at-risk" indicators, Stearns-Benton residents have slightly higher rates of smoking and drinking. The rate of smoking is approximately 21% compared to a 20% national rate, and the rate of drinking is 18% compared to a 16% national average.

According to focus group participants and key informants, there is always a waiting list for access to mental health services. In Benton and Stearns Counties the number of mental health services cannot meet the demand, particularly in psychiatry. There is greater demand for services then supply.

Mental health was the seventh greatest challenge that consumers of human service agencies face with 67% of respondents rating it as a major or moderate challenge.





What are the implications?

Attending to employees' mental health can likely save businesses money in the long run by keeping the employee productive on the job.

Healthcare

For some, the lack of affordable health insurance can undercut the preventative and corrective healthcare that reduces downtime from sick leave.

Why is it important?

Healthcare is a basic need for people to maintain a healthy lifestyle and to remain productive and active in the community. The availability of solid health insurance, and quality health care services, can also attract good employees to the area.

How does Stearns-Benton look now?

The affordability of prescription drugs, health care, and dental care are considered major issues for many consumers in the St. Cloud area.[14] The lack of prescription drug coverage ranked as the fourth largest social challenge among survey respondents, with the general lack of affordable healthcare insurance ranking eighth.

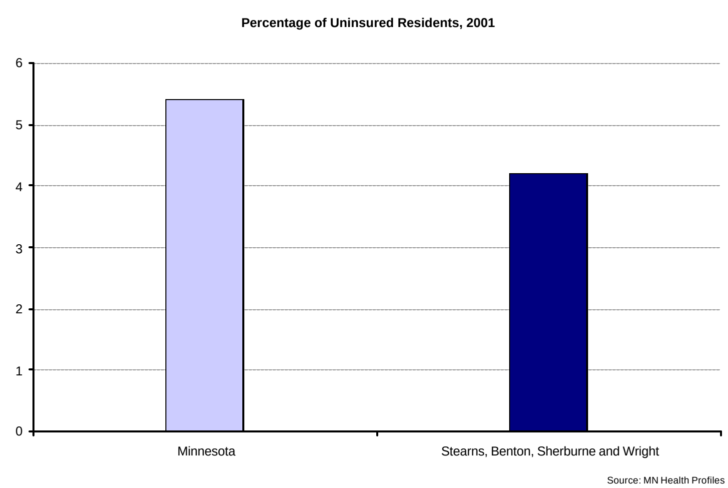
In the Central Minnesota region, the average rate of uninsured was 4.2%, compared to the state average of 5.4% in 2001. The highest uninsured age group in Minnesota is adults aged 18-24 at 13.9%. Approximately 75% of individuals who are uninsured are employed and 80% hold a permanent job.[15]

Use of the emergency room at the St. Cloud Hospital has increased faster than basic demographic growth.[16] According to focus group participants, more people visit the emergency room because they do not have insurance.

In addition, numerous community leaders stated that addressing the shortage of healthcare workers is required for supporting the growth in the region and continuing to provide the high level of health service that area residents are used to.

What are the implications?

The region has become a regional healthcare referral center. It is a significant strength to build upon. As healthcare costs increase, fewer people within Benton and Stearns Counties can afford healthcare. In addition, providers have suggested that since reimbursement by insurance companies is often significantly below the cost of providing the services, appropriate utilization may not be realized, unless changes are made.



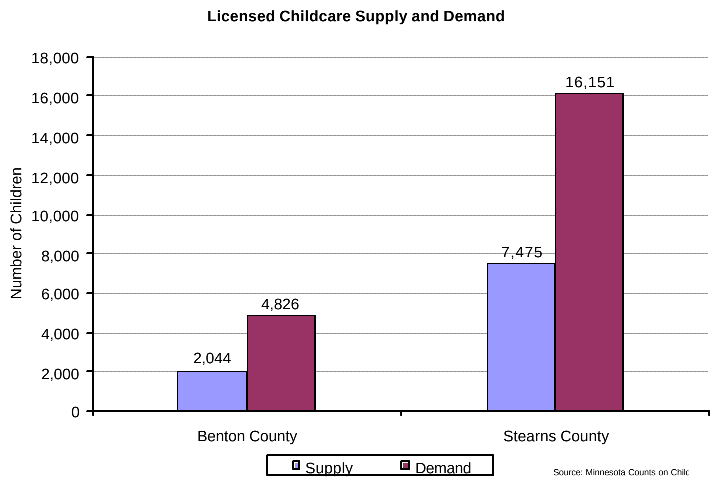
[14] United Way of Central Minnesota 2002 Survey of Providers
[15] Malmlov, Todd
[16] United Way of Central Minnesota 2002 Survey of Providers

Childcare

A shortage of affordable childcare services can be a prohibiting factor for some potential workforce entrants.

Why is it important?

With growing labor force participation rates, more and more workers have full-time childcare needs. As the cost of living and childcare increases, it becomes more difficult for working adults to afford childcare among the other expenses in their lives.



How does Stearns-Benton look now?

A survey done by Wilder Research Center concluded that 63% of parents found no openings based on the ages of their children, and 29% of parents could not find care for hours they needed it in Benton and Stearns Counties.[17]

As of February 2002, Benton County Human Services had over 100 people on a waiting list for basic sliding fee childcare while Stearns had over 115. It takes four to six months to access childcare services in Stearns County and over one year in Benton.[18]

Almost half of the survey respondents said that childcare is a significant barrier for workers being able to do their job well.

What are the implications?

Childcare is a critical support structure for working families. Without adequate childcare facilities, and a viable choice in childcare, workers may not be able to participate or participate fully in the workforce. The Stearns-Benton area would benefit from more affordable childcare facilities to support growth.

[17] Minnesota Counts on Childcare
[18] United Way of Central Minnesota 2002 Survey of Providers

Transportation

Public transportation facilitates workforce participation for many without private transportation; expanding the access to and reach of these services could increase workforce productivity.

Why is it important?

Enabling people to get to and from their workplace efficiently and cost effectively is a basic need for workers. Residents need transportation to access services, maintain employment, and remain involved in the community.

How does Stearns-Benton look now?

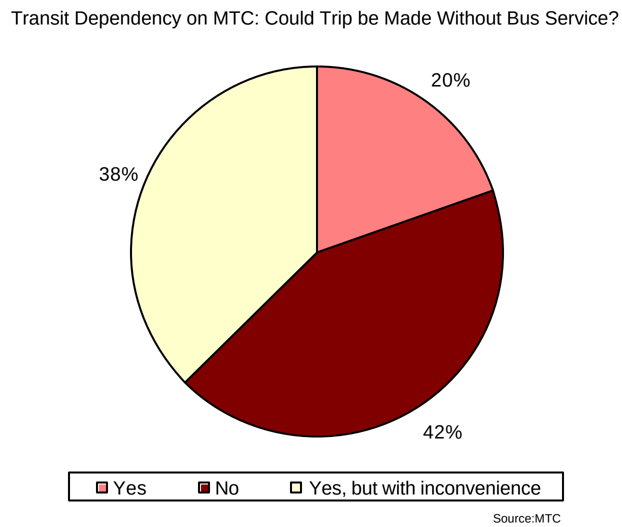
Transportation was ranked as the third greatest need among respondents to the United Way survey.

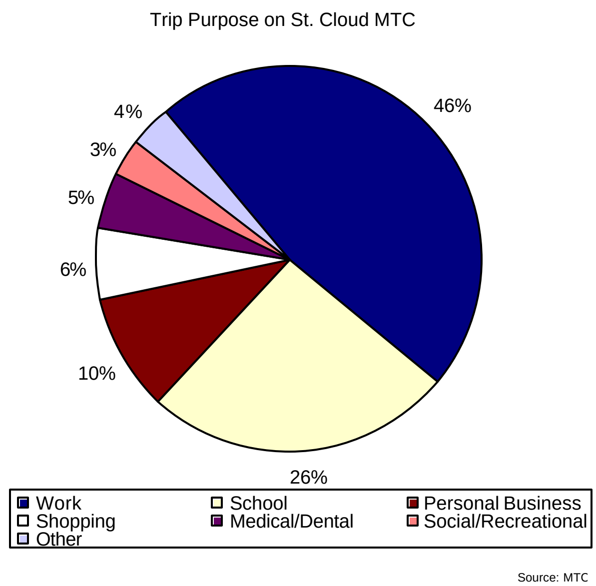
The St. Cloud metro area provides public transportation through MTC. Of the survey respondents, 42% stated that their trips would not be possible using MTC, where 41% of those trips are transportation to work. Yet, the cost associated with taking the bus can be prohibitive for low-income individuals. Other services, such as TriCAP transportation, serves rural areas but has not had the funds to expand.

Focus group respondents suggested that services are limited, and human service agencies with bus passes or gas vouchers run out of them within the first few days of the month.[19] Based on a survey conducted by Reach-up Inc. in 1999, transportation was identified as a very significant need for families living at or below the poverty level.[20]

What are the implications?

Improving the public transportation system within Benton and Stearns Counties could help people access employment, services, and activities. Transportation is especially important for the elderly, persons with disabilities, recent immigrants, and people living in rural areas.





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[19] United Way of Central Minnesota 2002 Survey
[20] Community Assessment

System Processes:

Indicators of Growth & Innovation

Growth and innovation are measures of entrepreneurial spirit – in new ideas, new organizations, and new growth in existing organizations. Growth, and the translation of growth into better products, better services, and higher productivity can create a positive effect on the overall vitality of the community. In addition to specifically addressing data on the availability of venture capital funds or the number of new business startups, this section also analyzes business services that support growth and innovation.

Managerial Resources
Business Services
Technology Jobs
Patents
Venture Capital
Business Startups
Business Expansions

Managerial Resources

Managerial resources in the region are proportionately below comparable regions, and managerial skill may be useful not only in "managing" workforce and economic growth but also in helping to create it.

Why is it important?

Managerial resources provide leadership to grow businesses. Strong leadership is required for a business to grow strategically and to create value. Management resources include supervisory positions, executive positions, and managerial consultants who can aid a company in critical times.

How does Stearns-Benton look now?

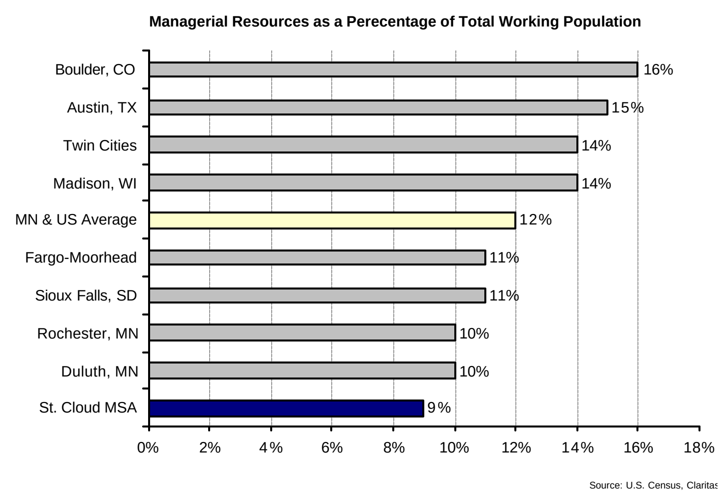
Relative to the benchmark regions, the St. Cloud MSA is last in its relative number of managerial positions, where managerial positions are stated as a percentage of total positions.

In addition, the number of management occupations relative to total occupations in Stearns-Benton is lower than the Minnesota and U.S. average.

What are the implications?

A low number of management positions relative to the workforce may undermine a region's ability to start new ventures and expand existing businesses.

Management has been identified as a strategic occupation to build in the region. Strengthening and growing Managerial Resources, particularly in strategic industries, can help drive workforce and economic growth and innovation.



Business Services

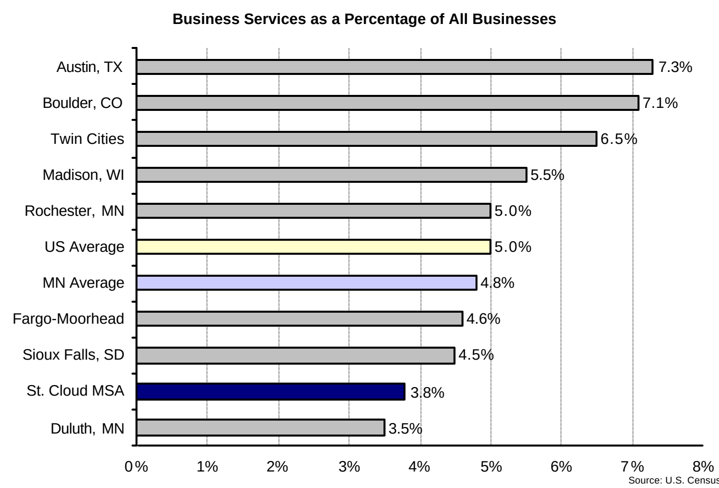
Stearns-Benton lags behind comparable regions in the number of business service providers relative to the overall number of businesses.

Why is it important?

Businesses need support to grow. The business services industry provides advertising, computer programming, network support, data processing, personnel supply and related services to organizations. Information technology support, in particular, can be a critical resource to drive innovation in products and processes.

How does Stearns-Benton look now?

A comparison to other benchmarks areas shows that this region lags behind in the quantity of business services, relative to total businesses. Businesses providing these services make up only 3.8% of total business in Stearns-Benton, compared to a Minnesota and U.S. average of close to 5%. The benchmark regions, when compared to Stearns-Benton, also have considerably higher concentration levels of business services.



What are the implications?

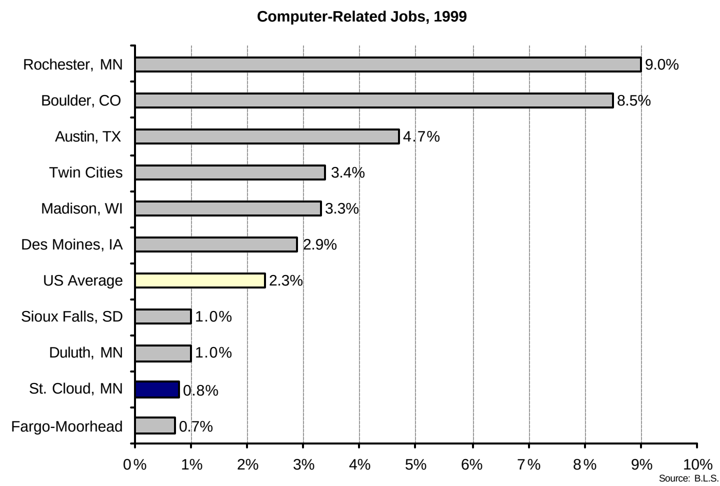
To support the current growth in the area, quality business services are needed. The business services industry has been identified as a strategic industry to build in the region. The sub-industries related to information technology were of particular importance to area leaders. Monitoring and supporting the necessary growth in business services will be an important strategy for the region.

Technology Jobs

The region has a lower proportion of computer-related jobs, which can support new products in technology companies and process innovations in non-technology firms, than other benchmark regions.

Why is it important?

Technology breeds innovation. To be more productive with less, organizations need to leverage technology. Innovation was a strong theme for participants in the audit process. Building the capacity for innovation through technology is a key element to growth and progress.



How does Stearns-Benton look now?

The St. Cloud MSA lags behind other comparable regions on the measure of computer-related jobs. In 1999, less than 1% of the jobs in Stearns-Benton were classified as "computer-related." This is less than half of the national average. In Rochester Minnesota, as a comparison, the percentage of jobs was nine times higher (9%), the Twin Cities was approximately three times higher (3%), and the United States as a whole was over two times higher than the Stearns-Benton region.

What are the implications?

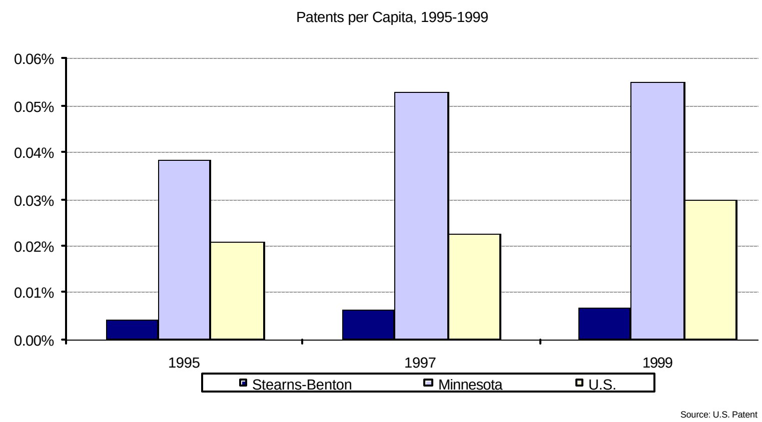
In the service and knowledge economy, technology will continue to drive productivity improvements. Economic and wage growth would benefit from more concentration in Technology Jobs.

Patents

Patent generation in the region is below state and national rates, coinciding with the relative disadvantages in advanced degree attainment and technology jobs and inhibiting innovation.

Why is it important?

The number of patents in a region can show how skilled workers and businesses in the area are at creating new products, services, and business processes. These innovations help drive productivity and wage gains.

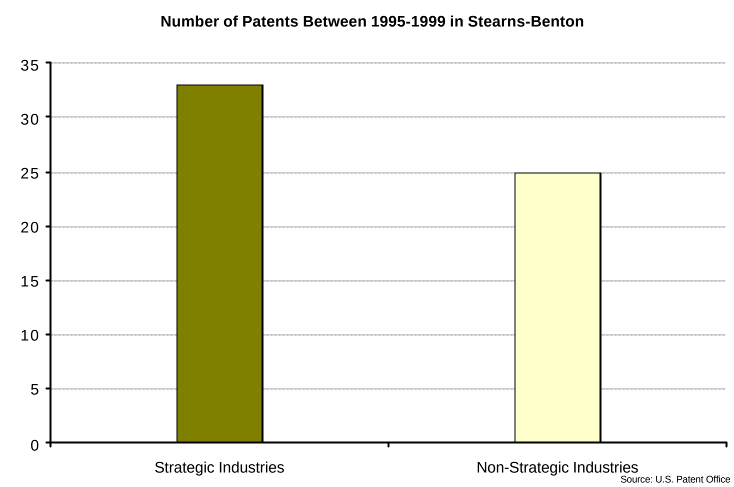


How does Stearns-Benton look now?

Stearns-Benton does not compare well in looking at the patents-per-capita ratio. Patents-per-capita in Stearns and Benton Counties is considerably lower than both the state and national averages.

Considering patents by industry over the five-year period between 1995 and 1999, the number of patents coming from strategic industries was 33% higher than the number of patents coming from non-strategic industries in Stearns-Benton. This is true despite the fact that the size of the strategic industries is only a fraction of the non-strategic industries.

Similarly, a disproportionate number of patents are developed by people in strategic occupations such as engineering, healthcare, and other technical occupations.



What are the implications?

Since patent generation in this area is not strong, it may suggest that area businesses are not strongly engaged in conducting research in product areas. The lack of patents could also indicate that the industries currently strong in the region are not industries that actively generate new patents as frequently as other industries.

Venture Capital

The region lacks markets for venture capital, which fuels the startup and development of new ventures, and equity capital, which helps fuel the expansion and successful transition of established firms.

Why is it important?

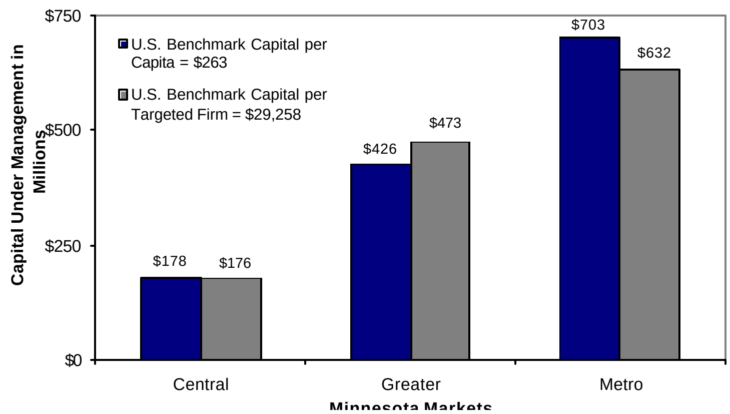
Equity capital is the fuel for new business and expansions of existing businesses. Many businesses are prepared for strong growth, but a lack of capital can prevent plans for expansion.

How does Stearns-Benton look now?

Equity capital in Stearns-Benton is quite limited. While there are a series of "angel investors" in Stearns-Benton that make small investments in early stage companies, there are no formal venture capital or private equity firms headquartered in or near these counties. Moreover, funds in the Twin Cities tend to focus their investing in that region or outside of Minnesota.

Defining Central Minnesota, for this analysis only, as a sixty-five mile radius around St. Cloud, and based on the number of people and business firms in this geography, the region would have around $175 million under management in venture and equity capital funds if it were to match United States benchmark levels.[21]

Expected Supply of Capital



Source: National Venture Capital Assn.

What are the implications?

Beyond debt financing, additional and formal venture and equity capital could help fuel the startup and expansion of small and middle market companies in Stearns-Benton.

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[21] National Venture Capital Association, U.S. Census Bureau

Business Startups

While the Central Region of Minnesota recently led the state in new business starts, the state as a whole is slightly below national averages and well below the east and west coasts.

Why is it important?

New business starts can be an indicator of the level of entrepreneurial spirit and innovation in the region. New businesses provide new jobs, new services and an injection of new ideas into the community.

How does Stearns-Benton look now?

In 2000, Central Region (including Benton, Cass, Chisago, Crow Wing, Isanti, Kanabec, Mille Lacs, Morrison, Pine, Sherburne, Stearns, Todd, Wadena, and Wright Counties) led the state in the rate of new business starts (relative to existing business counts).[22] And, between 1992 and 1999, the Central Region led greater Minnesota in new business starts (excluding the Twin Cities).

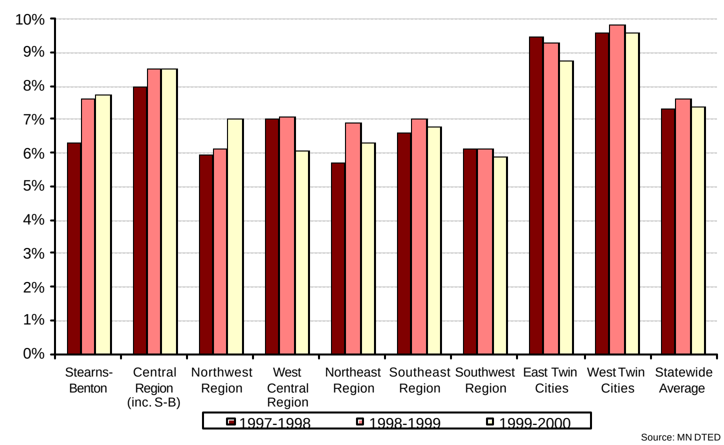
However, Minnesota is slightly below the national average in business startup performance, and well below the east and west coasts. Note: the discrepancy in startup rates results from different reporting systems at the state and national level.

Relative to their 34% employment share, Strategic Industries constituted around 38% of new business starts in 2000, leaving a large share of starts in lower-wage and growth industries.

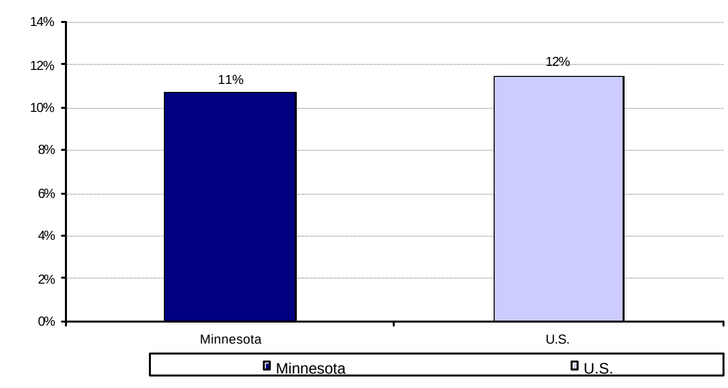
What are the implications?

Given the natural lifecycle of businesses, from startup to expansion through public ownership and sometimes dissolution, it is important to have an active community of entrepreneurs creating new companies and jobs.

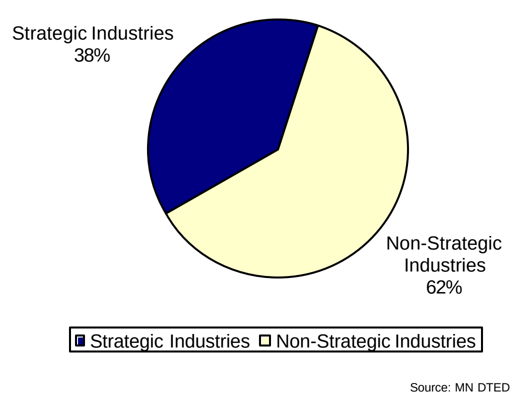
Rate of New Business Starts by Region, 1997-2000



Rate of Business Establishment Startups, 1998-1999



Percent of New Business Starts, 2000



22 Business Tracking System, MN Dept. of Trade and Economic Development

Business Expansions

The Central Region also led the state in the number of business expansions in recent years, and the state compares favorably with the United States as a whole.

Why is it important?

Business expansions create jobs, assuming they are larger than business dissolutions. And, business expansions are often associated with new products, geographies or services.

How does Stearns-Benton Look now?

In 2000, the Central Region led the state in the share of business that expanded, at a rate of approximately 23% (relative to total existing business counts).[23]

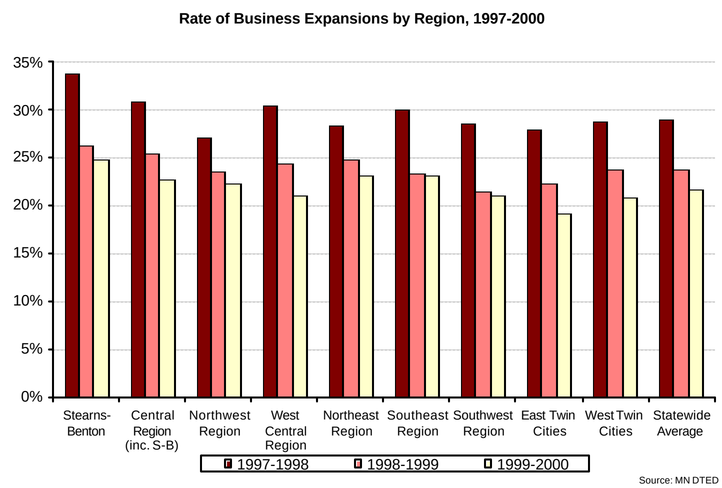
Minnesota's performance in business expansions is somewhat stronger than the nation as a whole (again noting a small discrepancy in state and national reporting systems).

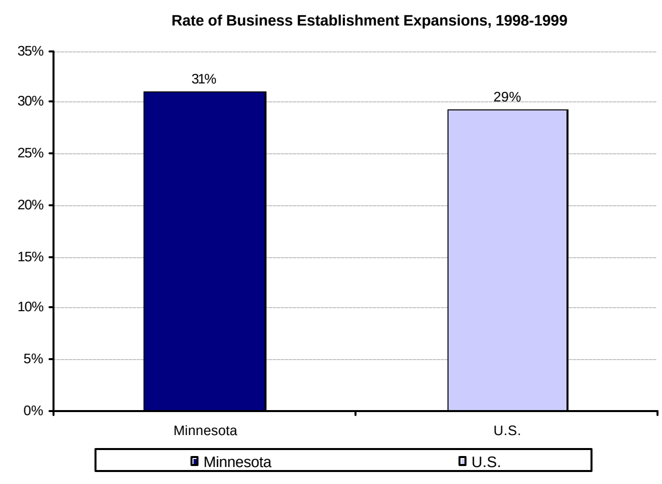
Strategic Industries generated 44% of the expansions, versus its 35% employment share.

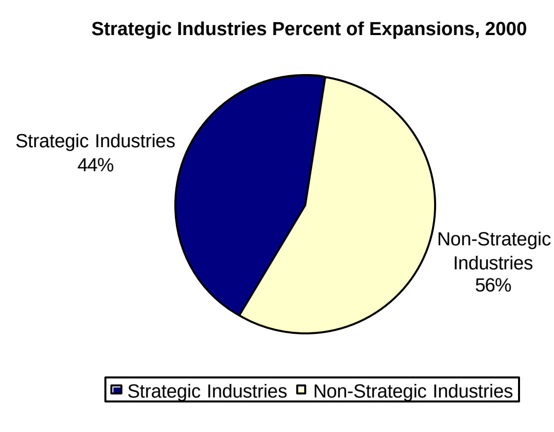
The fastest expanding industries included services, retail, and construction, which were also the highest growth areas for business startups. Health services, professional services and educational services accounted for a majority of the service expansions.

What are the implications?

Stearns-Benton and Minnesota at large relies more heavily on business expansions than on business startups for job gains. As such, development efforts should focus as much or more on retention and expansion of businesses, especially within strategic industries.







[23] Business Tracking System, MN Dept. of Trade and Economic Development

System Outcomes:

Indicators of Economic Vitality

Economic vitality is the tangible result of how well the Workforce Capacity indicators and the Growth & Innovation indicators operate in the region. Wages, job availability, growth, and other overall social wellness indicators are the real “bottom line” for members of the community at large. This section summarizes these system outcomes.

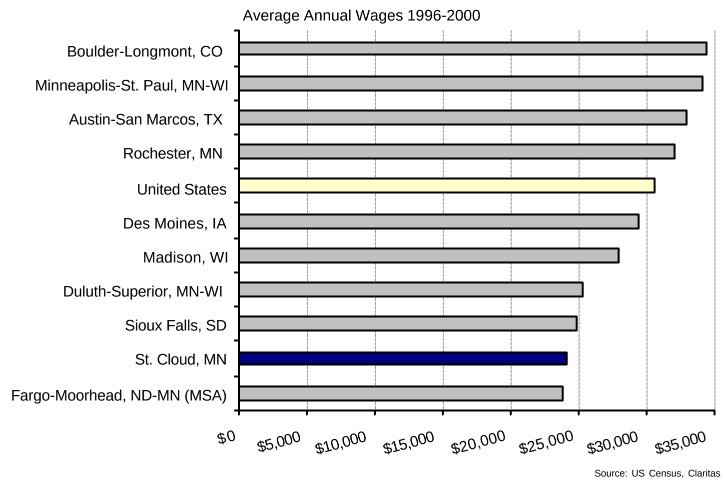
Wage Comparison
Job Vacancies
Unemployment Rate
Underemployment
Industry Growth
Industry Wages
Occupational Growth
Occupational Wages

Wage Comparison

The region's wage level is below benchmarks, especially when compared to the Twin Cities.

Why is it important?

The average pay of workers is a significant reflection on the work opportunities in the area. Keeping and attracting a quality workforce depends upon being competitive with wages

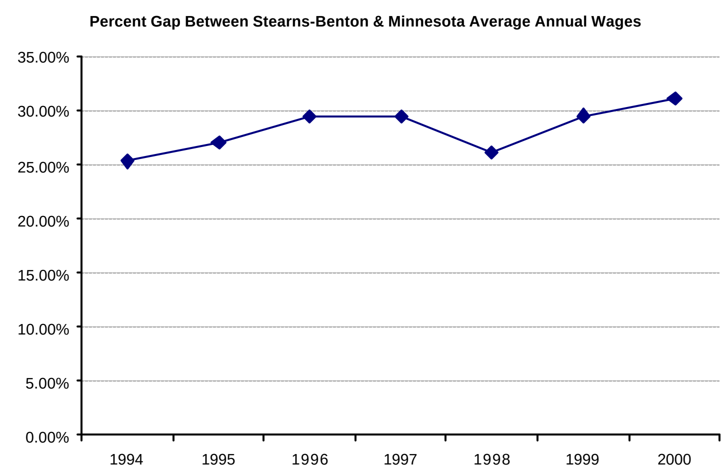


How does Stearns-Benton look now?

Because of the growth in lower paying occupations (retail and services), the wages in Stearns and Benton Counties continue to grow, but slowly. In 2000, the average annual wage in Stearns-Benton was approximately $26,000, with little growth between 1996 and 2000.[24]

In the past, and still today, the region does not compare to the Twin Cities or other benchmarks in wages. For most occupations, wages tend to be about 70% of that for a similar job in the Twin Cities.[25] Given these wage differences, commuting to the Twin Cites, or outside of the region, is a favorable alternative for approximately 10% of area residents. The occupations for which local residents commuted more than 30 miles included administrative support, healthcare practitioners and technical, and construction.[26]

Comparing Stearns-Benton to benchmarks in the state such as Rochester and Duluth, those cities have approximately 24% and 4% higher wage averages, respectively.



What are the implications?

Relatively low wages in the region reflect the current occupation and industry structure. Movement toward Strategic Occupations and Industries should help close this wage gap over time.

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[24] Minnesota Department of Economic Security
[25] 2001 Labor Force Econometrics Report
[26] 2001 Labor Force Assessment

Job Vacancies

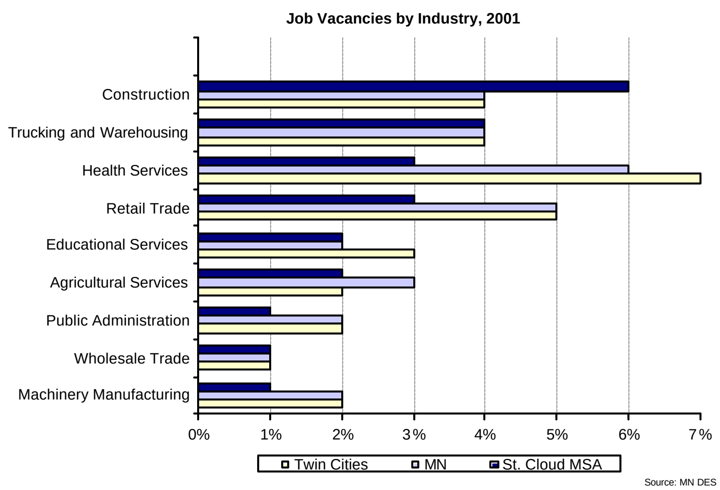
Job vacancies in the region are low in both absolute and relative terms.

Why is it important?

Job vacancies are a measure of open and available positions. Job vacancy statistics show "occupational supply and demand and provide an economic indicator of workforce shortages."[27] High job vacancy levels can indicate a potential workforce shortage and vice versa.

How does Stearns-Benton look now?

Job vacancies in Stearns-Benton are between 1% and 3% in a series of industries outlined in the chart to the right. Trucking and Construction rise above this low absolute level to the 4% and 6% range.



With the exception of Construction, vacancy rates in the St. Cloud MSA are below Twin Cities and Minnesota levels.

Almost half of the job openings in Stearns-Benton have low education and experience requirements and pay below $10.00 per hour.

The average vacancy rate in the "strategic occupations" is just under 2%, while the average vacancy rate in "non-strategic" occupations is slightly tighter at just over 3%.[28]

Small and large firms have a harder time filling job vacancies than do medium-sized firms. Firms with less than 25 employees accounted for nearly half of the job vacancies in 2001.[29]

What are the implications?

With relatively modest Job Vacancies, the region appears to have a rather adequate workforce supply for the current occupation and industry structure.

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[27] Stearns-Benton Job Vacancy Survey
[28] 2001 Labor Force Assessment
[29] Stearns-Benton Job Vacancy Survey

Unemployment Rate

The unemployment rate in Stearns-Benton has been below national averages, though not as low as in the Twin Cities and Minnesota at large.

Why is it important?

The unemployment rate in the region can show how well residents are able to find work in the local economy. High unemployment – particularly a drastic increase in joblessness – represents under-utilized workforce capacity and lost economic growth.

How does Stearns-Benton look now?

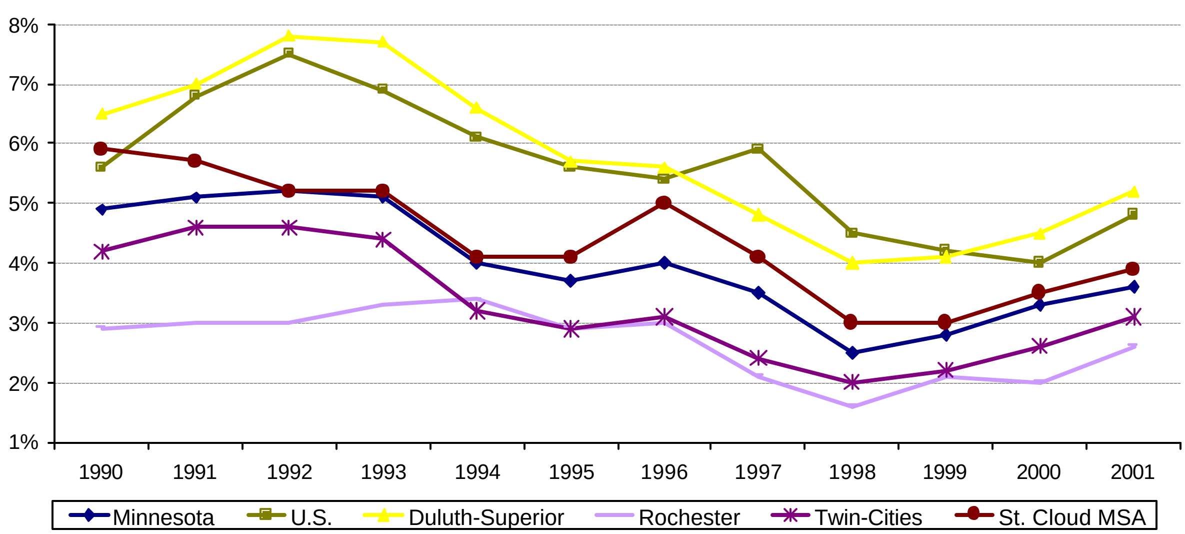
Although unemployment has been lower than the national average, it is slightly higher than area benchmarks.

The unemployment rate in the St. Cloud MSA closely follows the rates for Minnesota overall, though it has stayed consistently higher than the state's averages over the last 10 years. The unemployment rates in the St. Cloud MSA are right between Duluth (with higher unemployment) and Rochester (with lower unemployment), two comparable benchmark regions.

What are the implications?

Relatively low unemployment in the region corroborates Job Vacancy data that suggests, at least relatively, an adequate supply of labor for current firms.

Unemployment Rate Comparisons 1990-2001



Source: MN DES

Underemployment

Around one-third of the workforce in the region is "underemployed," suggesting growth capacity *within* the current workforce.

Why is it important?

Underemployment points to another gap between the supply and demand for workers in a region. Underemployment is defined as "working part-time involuntarily, overqualified or overeducated for one's current position, earning wages below market value for one's occupation, and/or earning wages below market value for one's skill set."[30]

How does Stearns-Benton look now?

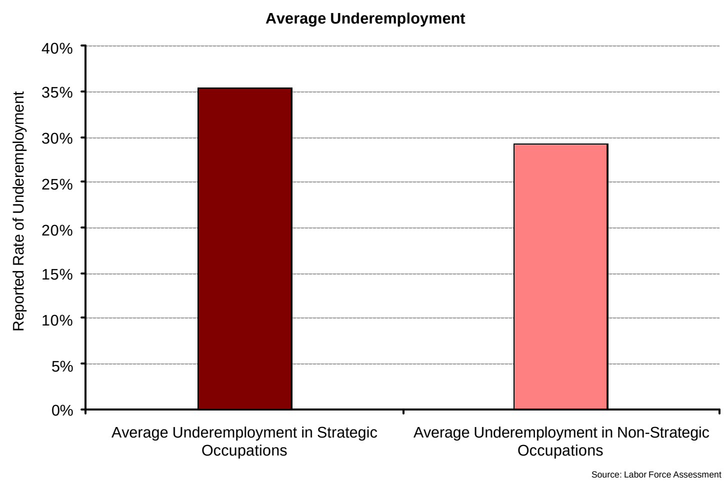
The data for this indicator comes from a 2001 Labor Force Assessment conducted through The Partnership. In Stearns-Benton, only 4% of part-time workers stated that they were working part-time involuntarily. However, Stearns-Benton has a high percentage of people who are overeducated or who earn below market value for their position.

Between approximately 14 and 23% of workers in the region are "overeducated" for the requirements of their current job. Considerable gaps – underemployment – exist where workers are earning below market value for their occupation or skill set. This occurs for approximately 30% – a full third – of workers in the area.[31]

An analysis of occupations shows that the average underemployment in strategic occupations is approximately five to eight percent higher than it is in non-strategic occupations.

What are the implications?

Underemployed workers represent a potential pool of labor for higher-paying or higher-demand occupations. This pool could be an important asset in migrating to Strategic Industries and Occupations.



[30] 2001 Labor Force Assessment
[31] 2001 Labor Force Assessment

Industry Growth

Growth in "Strategic Industries" is 2.5 times faster than in "Non-Strategic Industries," and Stearns-Benton has some concentration in relatively slow-growth industries.

Why is it important?

Analyzing employment growth by industry provides insight into *how* the region and economy are growing. Employment concentration compares how many people are employed in a given industry, relative to the U.S. Industries with employment concentration greater than 1 (above the dotted line), employ a higher proportion of the workforce compared to the nation as a whole.

How does Stearns-Benton look now?

The graph below illustrates the range of growth and employment concentration across industries in Stearns-Benton. The highly concentrated industries are:

- Stone, clay, and glass manufacturing (4.0 times as concentrated)
- Printing and publishing (3 times)
- Lumber and wood (over 2.5 times)
- Food and kindred products (2.5 times).

Those industries in which Stearns-Benton is not as concentrated include:

- Engineering and management services
- Business services
- Finance and real estate
- Public administration

The fastest growing industries in the region (furthest to the right) are:

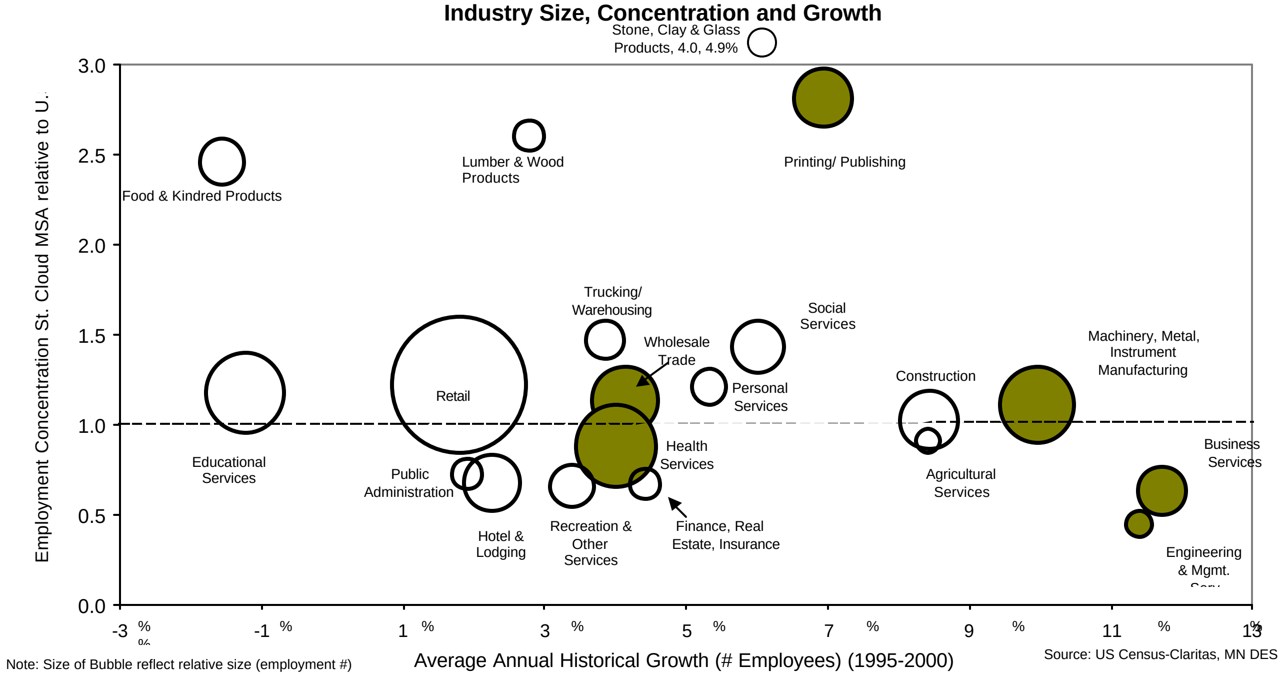
- Business services
- Engineering and management services
- Manufacturing

The strategic industries (shaded in the graph) have had an annual growth rate of 8% compared to just over 3% in the non-strategic industries.

What are the implications?

Focusing on Strategic Industries would likely increase the rate of job growth in the region.

Industry Size, Concentration and Growth



Industry Wages

Wages in "Strategic Industries" are 20% higher than in "Non-Strategic Industries," and the region has some concentration in relatively low-wage industries.

Why is it important?

Wages are the return to the worker for productive work. Average wages can be a measure of industry "attractiveness." Community leaders identified wages as an important industry attribute, listing it second among ten attributes.

How does Stearns-Benton look now?

The graph below shows sizes, wages, and concentration across industries. The higher the bubble vertically, the more concentrated the industry; the bubbles located further to the right indicate industries with a higher average annual wage.

Low paying industries include:

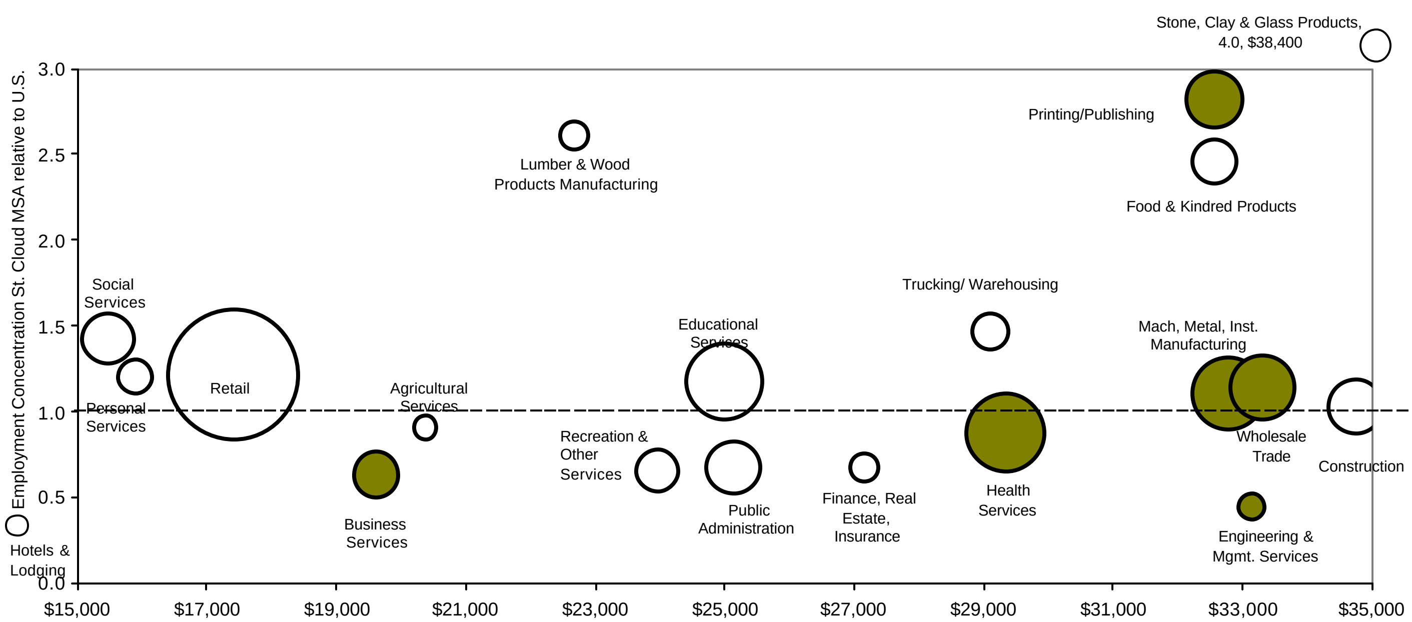
- Retail
- Social Services
- Personal Services

The strategic industries (shaded in the graph) tend to have higher wage levels, with an average wage of $30,000 compared to $25,000 in the non-strategic industries, which is approximately 20% higher.

What are the implications?

Investing in Strategic Industries could help lift average wage levels in the region.

Industry Size, Concentration, and Annual Wages



Note: Size of Bubble reflect relative size (employment #)

Source: US Census-Claritas, MN DES

Occupational Growth

Growth in "Strategic Occupations" is 23% faster than in "Non-Strategic Occupations," and Stearns-Benton has some concentration in relatively low-growth occupations.

Why is it important?

Similar to the industry analyses, occupations can be analyzed by employment concentration, growth and wage levels for a look at *how* the region is growing.

How does Stearns-Benton look now?

The graph below shows the profile of occupations in Stearns-Benton and their relative concentration level and projected growth rate. The most concentrated occupations (those with the highest employment proportionate to the national employment levels) include:

- Community and social services
- Production
- Sales and related occupations

Low-growth occupations include:

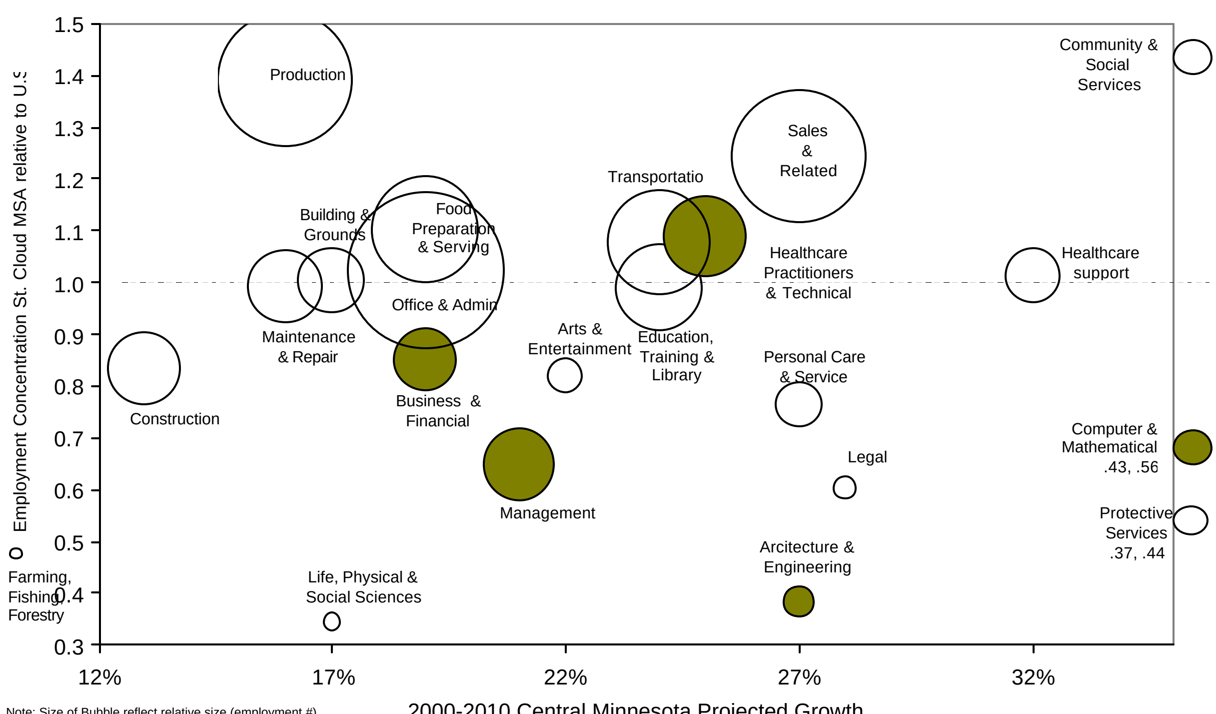
- Production
- Construction
- Office and Administration
- Maintenance & Repair

The Strategic Occupations (shaded in the graph) are projected to grow by 27% through 2010 compared to 22% for the Non-Strategic Occupations.

What are the implications?

Investing in higher-growth occupations could help fuel job gains in the future.

Occupation Size, Concentration, and Growth



Note: Size of Bubble reflect relative size (employment #), Employment Concentration is relative to US, 2001

Source: US Census-Claritas, MN DES

Occupational Wages

Wages in “Strategic Occupations” are 1.7 times higher than in “Non-Strategic Occupations,” and Stearns-Benton has some concentration in relatively low-wage occupations.

Why is it important?

People choose jobs for many reasons, personal as well as financial. Among reasons that people choose certain occupations are characteristics of the job such as high wage potential, high growth, and positive health and safety.

How does Stearns-Benton look now?

The “attractiveness” of all occupations can be analyzed by looking at wages and concentration levels. The graph below shows the relative mix of occupations in Stearns and Benton Counties along these two dimensions.

Occupations with the highest average wages (furthest to the right) in the Stearns-Benton area include:

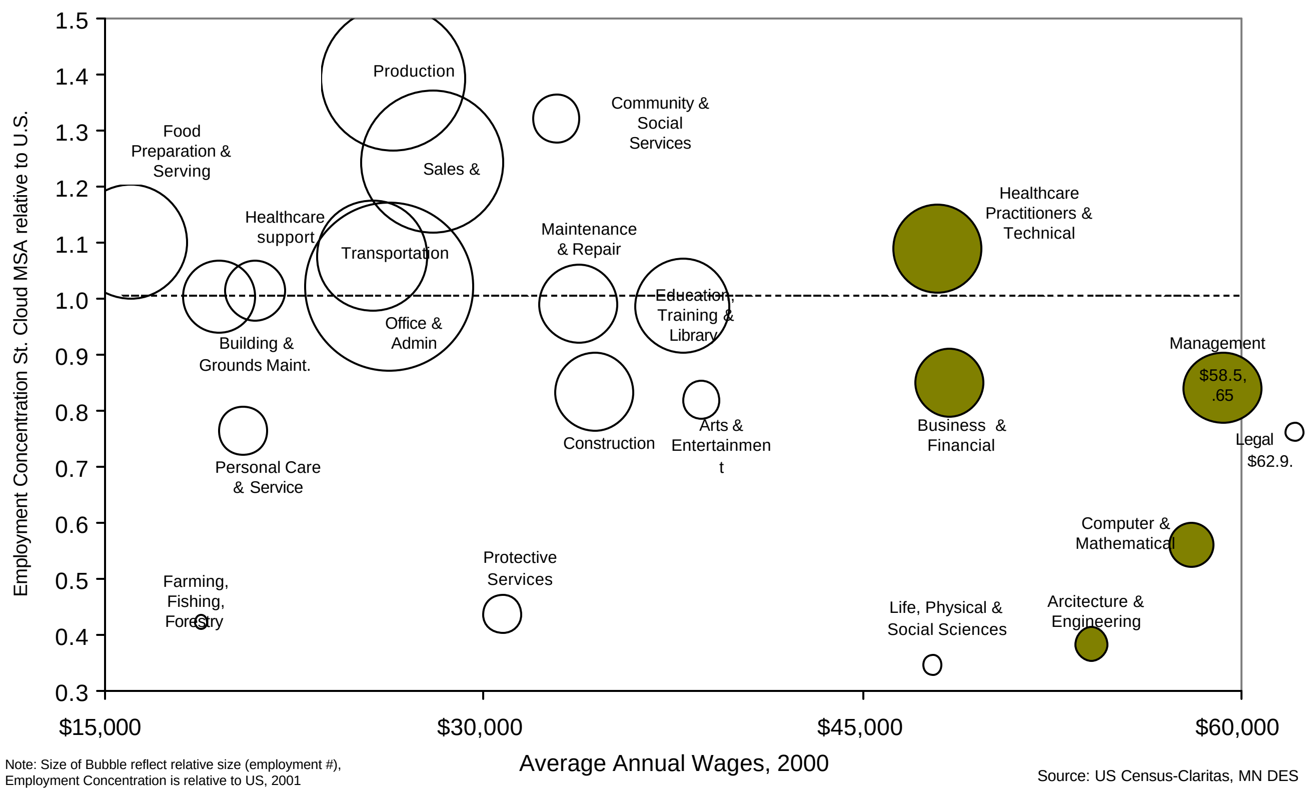
- Management
- Legal
- Computer and Mathematical
- Architectural and Engineering

These strategic occupations (shaded in the graph) have an overall average annual wage of $55,000 compared to $31,000 in the non-strategic occupations.

What are the implications?

Growing attractive occupations is a strategic focus for building the workforce and the standard of living in the area. By focusing resources and attention on occupations with higher wage potential, as well as other factors important to workers, Stearns-Benton will become a more desirable place to work.

Occupation Size, Concentration, and Annual Wages



Note: Size of Bubble reflect relative size (employment #), Employment Concentration is relative to US, 2001

Source: US Census-Claritas, MN DES

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Prepared by Venture Allies, LLC

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Venture Allies is a business and management consulting firm serving Central Minnesota. The mission of Venture Allies is to help determined entrepreneurs, in small businesses, and innovative owners and managers, in middle market companies, build even more valuable enterprises.

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