

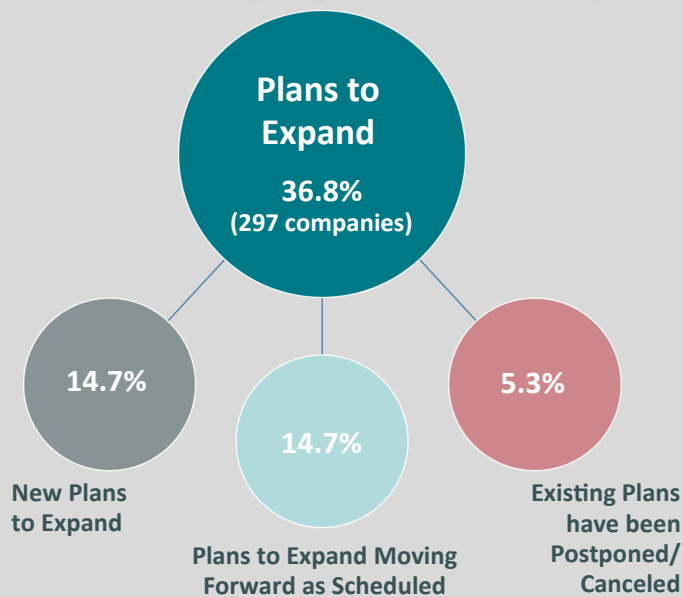


# ANNUAL REPORT OVERVIEW 2020

In 2020, there were 813 companies who participated in the state of Iowa's business, retention and expansion program. The following issues were identified as critical for economic growth and development for Iowa moving forward:

- **Iowa's Emerging and Growing Companies Still Have Plans to Expand:** With few cancellations, growth and expansion must be supported at the local and state level through continuing to support certified site programs and technical assistance. Additionally, local and state level economic development tools and assistance programs must be maintained.
- **Three Recovery Barriers Need to be Addressed—Economic uncertainty, Workforce availability & Customer/Supplier disruptions:** Contact with Iowa business headquarters must be initiated and maintained to ensure Iowa is perceived as the preferred place for growth. We must also continue to grow and expand technical training, trade and collaboration technology programs, and childcare and workforce housing initiatives. Lastly, we must advocate for programs that bolster consumer spending and for business assistance for those negatively impacted.
- **Iowa Companies are still Innovating during Challenging Times:** Innovation must be supported with research and development tax credits and expansion of broadband access across Iowa.

## EXPANSION PLANS



## WORKFORCE

- Recruitment of qualified employees was reported second most often as a recovery barrier by 233 companies, most frequently by the Construction and Manufacturing industry sectors.
- 429 companies indicated they were experiencing recruitment problems and 144 companies have lost high-value employees in the last 6 months.
- Workforce availability continues to be an ongoing challenge despite workforce reductions by some Iowa employers due to the pandemic. Nearly 54.0 percent of the companies (429 companies) stated that their company is experiencing workforce recruitment problems.
- The companies with the largest employee base are more likely to experience a workforce recruitment problem.

## CUSTOMER/SUPPLIER DISRUPTIONS

Loss of customers and recapturing them was identified as one of the top three concerns for recovery as identified by 109 companies; particularly those in Healthcare and Social assistance and Retail trade sectors. Negative supplier disruptions have also been experienced by 55.0 percent of the respondents, but most frequently by manufacturers (59.5%). Additionally, 149 companies have customers slowing delivery or acceptance of products or services, which has impacted their cash flow.

## ECONOMIC UNCERTAINTY TOP RECOVERY BARRIERS

Among the industry sectors with at least 10 companies, three sectors had over 40 percent of the companies that identified "economic uncertainty" as a barrier to recovery: Wholesale Trade (48.1%), Construction (43.8%) and Retail Trade (41.2%).

**ECONOMIC  
UNCERTAINTY**

**312**

**Companies**

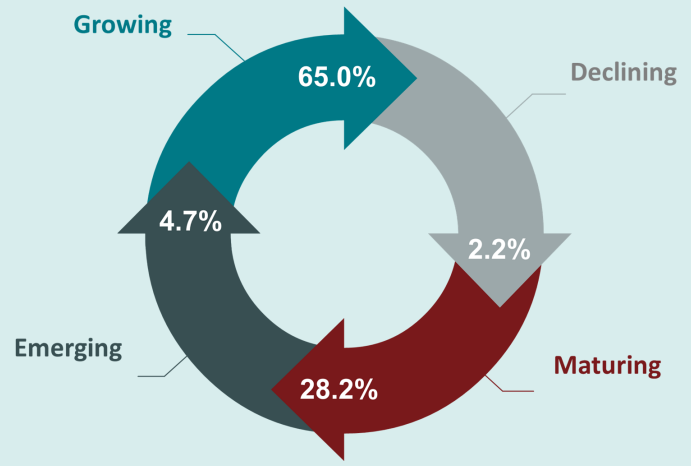
(38.4%)

# PRODUCT LIFE CYCLE

**612** Companies indicated they had introduced a new product/service over the past three years.

**560** Companies stated they anticipated introducing a new product/service in the next two years.

**132** Companies stated they had not introduced a new product/service over the past three years and do not anticipate doing so in the next two years.



# MARKET

Nearly half (49.0%) of the companies interviewed stated their primary market was a national market. 21.0% stated regional, 21.2% international and 9.0% local.

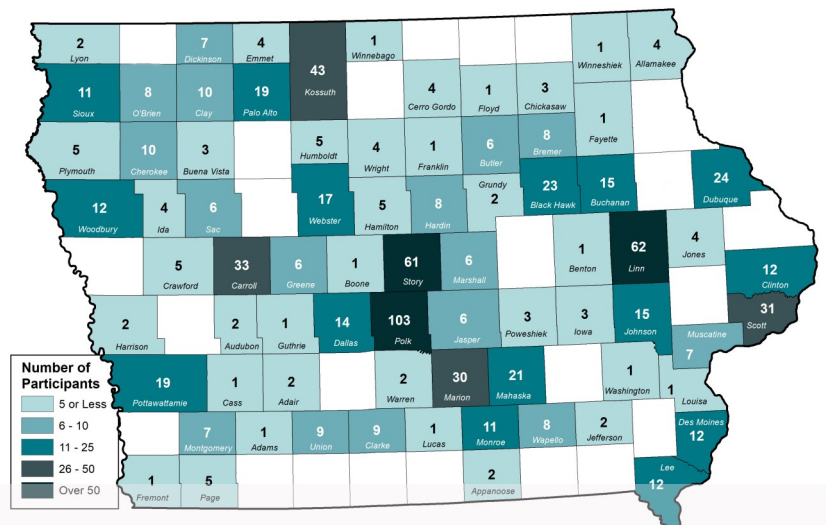
Nearly two-thirds of the companies stated their company's export market share was either increasing (11.7%) or stable (55.2%).

- Among the companies with a growing export market share, 84.4 percent said their primary product/service was growing its life cycle.
- The vast majority of the companies with a growing export market share stated they had introduced a new product/service in the last three years (88.9%) and anticipated introducing a new product/service in the next two years (84.4%).
- Almost 36 percent of companies who stated their export market share was stable said their primary product/service was either maturing or declining in its life cycle.

# REMOTE WORK

The majority of the companies have a remote work policy. However, a higher percentage of companies in metro counties (76.2%) have remote work policies as compared to non-metro counties (57.7%). As companies increase their employment levels, they are also implementing remote work policies. Additionally, 86.7 percent of the companies with 500 or more employees had a remote work policy while 53.1 percent of the companies with fewer than 10 employees had a policy.

# DEMOGRAPHIC OVERVIEW



**813** Companies      **76** Counties      **204** Communities