



**PAUL GREGOIRE**  
*Vice President of Global Human  
Resources, Emerson/Fisher  
ABI Chairman*

**2016 CEO SURVEY: WORKFORCE, HEALTH CARE ARE TOP PRIORITIES**



# WHEN WE SEE A DISCOVERY, WE SHARE IT.

Sure, we're investing in the jobs of tomorrow. We just want them today. That's why we've been working so closely with dynamic technology companies to bring them to Iowa. Our research institutions share discoveries with local businesses, filling their pipeline with breakthrough products. Iowa brings together business leaders to boost innovation and position us for success in the global economy. Visit [iowaeconomicdevelopment.com](http://iowaeconomicdevelopment.com). And find out why innovation sees Iowa as the land of opportunity.



[iowaeconomicdevelopment.com](http://iowaeconomicdevelopment.com)



[blog.iowaeconomicdevelopment.com](http://blog.iowaeconomicdevelopment.com)



[iowaeconomicdevelopment](https://www.facebook.com/iowaeconomicdevelopment)



[businessiowa](https://twitter.com/businessiowa)

A VIEW FROM THE TOP



JUNE 2016  
VOLUME 5 | NUMBER 6



Iowa Association of  
Business and Industry

Iowa Association of Business and Industry. "The Voice of Iowa Business since 1903" is the largest business network in the state (serving as Iowa's state chamber) with a long legacy of advocating for a competitive business climate in Iowa. ABI offers its nearly 1,500 member companies and their employees opportunities to network, learn best practices in lean processes, workforce, workers' compensation, controlling health care costs, employee drug testing, environmental issues and leadership. ABI works "to foster a favorable business, economic, governmental and social climate within the State of Iowa so that our citizens have the opportunity to enjoy the highest possible quality of life."

**President** Michael Ralston

**Senior Vice President, Public Policy** Nicole Crain  
**Vice President, Member Development and Programs** Kathy Anderson

**ABI Foundation – Vice President, Programs** Kay Neumann-Thomas  
**Communications Coordinator** Emily Schettler  
**Director, Public Policy** Jessica Harder

**Bookkeeper/IT** Chrissy Blake  
**Membership Coordinator** Dorothy Knowles  
**Member Programs Director** Holly Mueggenberg  
**ABI Foundation – Director of Development** Amanda Nuzum  
**ABI Foundation – Marketing and Programs Coordinator** Jessi Steward  
**Executive Administrative Assistant** Michelle Vollstedt  
**Foundation Administrative Assistant** Jane Galloway  
**Membership Development Services** Gary Nash, Kerry Servas

**Iowa Association of Business and Industry**  
400 East Court Avenue, Suite 100  
Des Moines, IA 50309  
515-280-8000 or 800-383-4224  
Fax: 515-244-3285  
Email: [abi@iowaabi.org](mailto:abi@iowaabi.org)  
Web: [www.iowaabi.org](http://www.iowaabi.org)

**Business Record**

**Senior Graphic Designer** Brianna Schechinger  
**Graphic Designers** Danielle Miller, Lauren Hayes  
**Photographer** Duane Tinkey  
**Copy Editor** Kurt Helland

**Director of Advertising** Ashley Holter  
**Senior Account Executives** Lori Bratrud, Katherine Harrington, Maria Davis  
**Director of Strategic Partnerships** Carole Chambers  
**Marketing Coordinator** Catherine Skepnek

**Director of Operations** Jason Swanson  
**Business Manager** Eileen Jackson  
**Accounting Specialist** Becky Hotchkiss  
**Office Manager** Laura Stegemann  
**Inside Sales Representative** Alison Damon  
**Receptionist** Amanda Kurovski

**Chairman** Connie Wimer  
**Publisher** Janette Larkin

Business Record® (USPS 154-740, ISSN 1068-6681) is published by Business Publications Corporation Inc., The Depot at Fourth, 100-4th Street, Des Moines, Iowa 50309, (515) 288-3336. Contents © 2016 Business Record. Published weekly. Annual subscriptions \$69.95. Single copy price is \$1.75. Copies of past issues, as available, may be purchased for \$4.50 each. Periodicals Postage Paid at Des Moines, Iowa. POSTMASTER: Send address changes to Business Publications, The Depot at Fourth, 100-4th Street, Des Moines, Iowa 50309.



**Paul Gregoire**

*ABI Chairman*

*Emerson/Fisher  
Marshalltown*

[paul.gregoire@emerson.com](mailto:paul.gregoire@emerson.com)

Iowa's business leaders can take our state to new heights

This edition of Business Record Iowa is set to be published in conjunction with ABI's 2016 Taking Care of Business Conference. The event will bring hundreds of business leaders to Greater Sioux City for ABI's 113th annual gathering. I hope to see you there!

This column is my last as chair of the ABI board of directors. The year has passed more quickly than I imagined, and serving as chair of this great organization has been both an honor and privilege.

As chair, I have been thankful for the strong leadership provided by the ABI board of directors, particularly the executive committee, whom I have learned from immeasurably. Their leadership and support has led to an exceptional year for ABI, with record achievements in a number of program and finance areas. We broke attendance records with our annual Advanced Manufacturing Conference, our periodic Connecting Statewide Leaders events, the ABI Legislative Briefing and Reception, and Iowa Business Day on the Hill, and I predict we will do the same at our annual conference!

Throughout the year, I have challenged you with the question "Why Not ABI?" From

my perspective, it is ABI members — our state's business leaders — who are best equipped to take Iowa to new levels of excellence. Yes, we bring in our governmental and academic partners as we attack issues. But only as business leaders — who maximize personal involvement in our companies, communities and state — can we ensure Iowa will remain a prosperous and growing U.S. innovator.

It is often said that ABI's strength is in its members. Companies throughout Iowa make our organization strong, and it is their support that leads to ABI's success. It is the people of ABI that make our work to build a better Iowa a reality.

To the incredible ABI staff, I could not have done it without you. Your patience, expertise and guidance have meant more to me than you could ever imagine. You make it easy to be the chair of such a great organization. I cannot say enough about how hard you work to ensure our members get a great return on their investment.

Looking forward, I hope to stand by your side as we bring this great state to new heights!

EXPERT ADVICE

Motivating a multigenerational workforce:  
What it takes to attract and retain

As we welcome Generation Z into the job market, our workforce becomes four-generational. Each generation represents its own distinct characteristics and values. To successfully integrate, companies need to embrace new tactics in recruitment, benefits and creating a corporate culture that actively demonstrates respect and inclusion. It's time to get creative and personal in attracting and retaining top talent.

Generation Z is categorized as entrepreneurs. In order to keep these young professionals excited and motivated, they must be empowered to think and be heard. Create open communication between employees and management. Hold regular meetings in which employees can offer ideas and ask questions. Allowing young professionals to sit at the executive table will only help to drive success. The most crucial need is to drive mentorship by partnering baby boomers and Generation X with young professionals entering the workforce. It's not about reinventing the wheel, but rather putting the right person on the right bus and in the right seat.

Across all generations, the top four indicators for attracting top talent are compensation range, benefits, corporate vision and social responsibility. Our biggest loss comes from not investing in our employees. Companies are performing not only exit interviews, but also "stay" interviews to keep employees engaged. Ask questions such as: What would you change or improve? What are you passionate about? What are your personal and professional goals? Use the information received to strengthen your workforce and create employee-retention strategies.

Make sure employees know what's expected of them and communicate a clear path of advancement. Promote from within whenever possible. A frustrated employee leads to high turnover costs, low employee morale and productivity loss. If there is not room for a lateral move, provide additional perks based on the "stay" interview, such as flex time, a retirement savings plan, incentives, ability to work from home or community involvement opportunities.

Creating a positive multigenerational workforce culture that empowers flexibility, advancement, acceptance and friendship will take a company to the next level of success.



**Holly Poort**

*Business Development  
Manager, Manpower*

[holly.poort@manpower.com](mailto:holly.poort@manpower.com)



◀ EVENT REWIND

# Leadership Iowa

MAY 5-6 | MASON CITY AND CLEAR LAKE



**Left:** Leadership Iowa participants split into teams and presented pitches in their own form of the popular TV show “Shark Tank;” **Right:** Paul Trombino, III, director of the Iowa Department of Transportation speaks with the Leadership Iowa Class in Mason City.



**Above Left:** Debi Durham, director of the Iowa Economic Development Authority addresses the group; **Center:** Leadership Iowa members John Osako and Wendy Schultz listen in during discussions with local economic development leaders; **Right:** Participant Jeff Menary takes note of the community improvement strategies offered during the session.

**Left:** The Leadership Iowa class toured Clear Lake to learn about several must-see locations.

**Below:** Leadership Iowa participants Brent Hinders, Matt Joens and Dave Slade dress the part to give their own renditions of Music Man hits during a visit to Music Man Square.



# JEANA GOOSMANN

THE CEO'S ATTORNEY



[www.GoosmannLaw.com](http://www.GoosmannLaw.com)  
410 5th Street, Sioux City, Iowa  
Call Us Today! 712.226.4000





**JUNE 14-16**

**2016 Taking Care of Business Conference**

Siouxland

**JUNE 14-16**

**Leadership Iowa Session VIII: Graduation and ABI Annual Conference**

Siouxland

**JULY 17-21**

**Business Horizons**

Central College  
Pella

**AUGUST 2**

**ABI Workplace & Product Safety Committee Meeting**

ABI Office | 400 East Court Ave, Suite 100 | Des Moines  
11:15 AM

**AUGUST 9**

**ABI Employment & Workforce Committee Meeting**

ABI Office | 400 East Court Ave, Suite 100 | Des Moines  
11:15 AM

**AUGUST 10**

**ABI Environment Committee Meeting**

ABI Office | 400 East Court Ave, Suite 100 | Des Moines  
11:15 AM

**AUGUST 23**

**ABI Tax Committee Meeting**

ABI Office | 400 East Court Ave, Suite 100 | Des Moines  
11:15 AM

Visit [www.iowaabi.org](http://www.iowaabi.org) and click the "Events" tab for details on upcoming events.



**GRASSROOTS TOOLS HELP SPUR SUPPORT FOR IOWA DISTILLERIES**



PHOTO BY KEVIN SCHMIDT

When brothers Garrett and Ryan Burchett opened Mississippi River Distilling in 2010, they never imagined they would end up in the middle of a heated political battle, but that's exactly where the Le Claire-based business and other distilleries have found themselves over the past three years.

Distilleries in Iowa face strict limitations on how much they can produce and what they're allowed to sell customers who visit their facilities, especially compared with other similar companies like breweries and wineries.

They have faced an uphill challenge trying to persuade Iowa legislators to ease those restrictions and even the playing field for Iowa distilleries.

That's one reason the Burchetts turned to the Iowa Association of Business and Industry for help.

"When we joined ABI, we were looking for an organization that had a voice in the state already," Garrett Burchett said. "There are only 13 distilleries in Iowa. That means we had the ear of 13 representatives and 13 senators who directly represent us. ABI provided us a broader audience."

The organization's statewide presence and support of Iowa business owners provides small businesses with a loud voice at the state Capitol. ABI's online action alert, Iowans were able to contact their legislators during the legislative session and encourage them to support Iowa distilleries.

The action alert system can help constituents identify their representatives and senators just by entering their address.

Mississippi River Distilling and other Iowa distilleries promoted the action alert tool through social media and generated hundreds of letters to Iowa lawmakers.

"It's an amazing tool," Burchett said. "No one else has really built that platform, and it's given us a vehicle to get a lot of responses in a short amount of time."

The Burchetts are still working on legislation to help level the playing field for Iowa distilleries, and they know lawmakers are listening to them.

"It has gotten a lot of legislators to look in our direction in a hurry," Burchett said. "It provided us an avenue to show them there were people in their districts who found this important."





Insurance & Risk Management

“For over a century, ABI has worked shoulder to shoulder with Iowa’s best and brightest business leaders. ABI recognizes LMC Insurance & Risk Management as an *innovative leader* in the insurance brokerage industry.”

— MIKE RALSTON, PRESIDENT, ABI

## We Work Harder

LMC Insurance & Risk Management is excited to share a new program and partnership with The Association of Business and Industry, manufacturers in Iowa and across the country. ABI strives to provide trusted partners and advisors to stay on top of current business issues and we are happy to be part of the team.

Established in 1865, LMC is one of the oldest and most respected insurance brokers operating in the Midwest. Today the organization ranks in the Top 75 agencies in the country on the Business Insurance annual list. LMC is among 216 U.S. agencies, and among just three in Iowa, named as “Best Practices” agencies.

LMC has a dedicated service team with over seventy years of combined experience to handle the unique needs and exposures of the manufacturing industry. We have been serving manufacturers all over the country for more than 150 years. Manufacturing is a very complex industry which is why we have dedicated resources to keep up on emerging risks and to help reduce total cost of risk. With this newly formed practice team, we can better service this unique industry by providing tailored services including, but not limited to, Enterprise Risk Management, loss control, claims management, benchmarking, mergers & acquisitions due diligence and coverage expertise.

Our clients’ peace of mind always comes first. While we remain rooted in Iowa with Midwestern values, we have found ways to grow by serving a diverse variety of businesses around the world through many unique relationships. Like you, we consistently look for new and innovative ways to deliver the services we provide.

Simply said, we work harder for our customers.

Greg LaMair, President, LMC Insurance & Risk Management



**NATALIE WINDER, CRM, CIC**  
Client Service Executive  
Manufacturing Practice Team  
515-237-0140  
natalie.winder@lmcins.com

**JACK CARRA, CIC, CLCS**  
Vice President  
Manufacturing Practice Leader  
515-237-0189  
jack.carra@lmcins.com

**JULI JENKINS, SCLA**  
Account Executive  
Manufacturing Practice Team  
515-237-0153  
juli.jenkins@lmcins.com

**GARY NORDQUIST, CPCU, ARM**  
Senior Vice President  
Manufacturing Practice Team  
515-237-0123  
gary.nordquist@lmcins.com



# Reaching higher *for* **IOWA**

## **TEACHING TOMORROW'S LEADERS**

The Tippie College of Business offers one of the top 40 undergraduate business programs in the country and the highest ranked MBA program in the state, providing an exceptional learning experience for aspiring leaders.

## **KEEPING IOWA HEALTHY**

University of Iowa Hospitals and Clinics has been ranked among the best in the U.S. for more than 25 years, serving Iowa's communities with exceptional health care and world-class academic programs.

## **MAKING AN IMPACT**

79% of Iowa's dentists, 50% of the state's physicians, and 48% of its pharmacists are alumni of the University of Iowa. There's also an Iowa graduate teaching, counseling, or working as an administrator in every school district across the state.

## **TRAINING SKILLED PROFESSIONALS**

A UI diploma puts Hawkeyes on the path to success. 95% of Iowa graduates have a job or are accepted to graduate school within 6 months of completing their degree.

 **THE UNIVERSITY OF IOWA**  
*To learn more visit* **[foriowa.uiowa.edu](http://foriowa.uiowa.edu)**.





# 2016 CEO SURVEY

WORKFORCE,  
HEALTH CARE  
ARE TOP  
PRIORITIES

Access to an adequate, well-trained workforce, along with the increase in health care costs, has the biggest effect on Iowa businesses, according to the results from the Iowa Association of Business and Industry's 2016 CEO Survey.

Thirty-one percent of survey-takers listed concerns about the workforce as the No. 1 or 2 issue affecting their business. More than 80 percent are worried about their company's ability to meet workforce needs during the next five to 10 years. However, it's an issue that most companies (77 percent of those who completed the survey) are proactive in addressing.

Health care cost closely followed workforce concerns: 17 percent of survey-takers listed it among the top two issues. It's also an issue that businesses are proactive in mitigating, with 65 percent taking some action.

CONTINUED ON PAGE 10B >>





CONTINUED FROM PAGE 9B &gt;&gt;

## COMPANIES USE CREATIVE WAYS TO RECRUIT, TRAIN EMPLOYEES

More than 60 percent of respondents said they are concerned about their company's ability to meet workforce needs in the next five years, and 64 percent said they were concerned about the next 10 years.

Employers responded that they are using a variety of ways to develop a workforce strategy and get the employees they need. This includes internships, flexible schedules and financial assistance for education and training.

Paul Gregoire, vice president of global human resources for Emerson/Fisher in Marshalltown, said the biggest issue for his company is finding prospective employees for "middle skills" jobs, jobs that require more training than a high school diploma but not a two- or four-year degree.

"The demand for those kind of workers certainly is going to remain robust," he said. "There's a huge demand and not a lot of people available to fill, let alone to have the skills. The fact that we don't even have enough candidates is disturbing."

Emerson/Fisher employs 1,250 in Iowa. Gregoire said the company has partnered with Marshalltown Community College to create a machine operator training program, where perspective employees are paid \$11 an hour to attend a seven-week training program. After completion and pending a successful test score, the person receives a job.

"It's been a successful program for us," he said. "It just points to the fact that we have a real need for middle skills in the general workforce."

Accumold in Ankeny also has a shortage of workers in the middle skills area, said Roger Hargens, the company's president and chief executive officer. The company currently employs 300 people and will add 100 positions this year and another 60 to 100 next year. Half of those are middle skills positions.

"Making sure we get the right additional people is really important to us," Hargens said. "That's the key to our success. Unemployment in Iowa is low. We're really fighting for good employees."

Hargens said Accumold works with area community colleges to find employees and is active in promoting itself and building its brand. They have the greatest success in hiring quality employees through current employee referrals. The company also has automated some of its systems and processes to reduce the number of employees needed or to compensate when there is a shortage of employees.

Jeana Goosmann, the chief executive officer of Goosmann Law Firm in Sioux City, said she sees "brain drain" as an issue that affects the pool from which she draws employees. Most of the 15 attorneys at the firm have Iowa roots and were educated in the state but left shortly after graduation to work in larger cities or on the coasts. They've only returned to the state to start families and be closer to grandparents, but this isn't the case for all young Iowans.

## A CUSTOM PUBLICATION FOR ABI

"We've seen a lot of great talent leave our state," Goosmann said.

To combat this issue, Goosmann said it's important that Iowa communities market themselves because they're competing with other cities nationally. Her firm works with the local community college to operate a paralegal program, offer scholarships and allow interns to shadow at the office.

The firm also has established a millennial-friendly work environment, she said, where family is put ahead of work, flexible schedules are offered, and the newest technology is available for employees to perform work.

Bruce Tamisiea, president of Tecton Industries Inc. in Spencer, said attracting employees has never been an issue for his company, and Tecton has little to no turnover. In 35 years, he's never advertised for help wanted.

He credited several factors for this. Tecton trains its own employees through an apprenticeship program. The company also has a nontraditional work environment: There are no scheduled breaks or lunch hours, no seniority or pay scales, and no time clocks. Each shift has a start time, and employees manage themselves.

"We hire very capable people, but they've never been trained," Tamisiea said.

## HEALTH CARE COSTS CONTINUE TO SKYROCKET, PLACING MORE BURDEN ON COMPANIES

Tamisiea ranked health care costs as a top issue for the company. Tecton pays for 80 percent of its employees' and dependents' health care. While other companies have cut health care benefits to employees' dependents, Tecton continued to offer the same coverage. This has drawn more dependents to use Tecton's insurance, he said.

"We're not adding any more people to make us more profit, but we're getting more and more dependents come onto our plans," Tamisiea said. "We won't cut back (on insurance offerings) because I don't see how many can afford health care costs on their own."

Instead, Tecton has cut costs in other areas with automation. The company also provides on-site nursing services for employees free of charge, and offers annual wellness screenings for employees and their spouses. Last year, employees and their families received individual counseling, so they could better understand their insurance policies and the options available to them.

Hargens listed health care costs as the No. 2 issue affecting his company. Accumold officials have negotiated with health care providers and insurance companies to try to keep rates low. They've raised deductibles in some areas and provide wellness screenings for employees.



## TOM CAVANAGH

BCC Advisers

tom@bccadvisers.com

MERGERS AND ACQUISITIONS

## M&A ACTIVITY LOW, BUT EXPECTED TO INCREASE

Middle market mergers and acquisitions activity declined in the first quarter of 2016 to its lowest level since the first quarter of 2009, according to Thomson Reuters. It is difficult to know if political uncertainty, potential for tightening credit and/or general economic uncertainty contributed. If our recent conversations with business owners and opportunities to pitch new projects are representative of the broader M&A market, we anticipate activity will pick up substantially in the remainder of 2016 and early 2017.

Private equity sponsors with a focus on privately held, Midwest-based companies continue to see a strong inventory of companies for sale, but they report lower overall quality compared with the boom M&A periods of 2014 and 2015. However, well-run and strong performing companies continue to be in high demand, commanding premium valuations and strong opportunity to continue company growth.

The aging baby boomer generation has been predicted to provide a boon to deal-making for the past several years, and while it has been seen to some degree, it hasn't caused nearly the increase in M&A that many predicted. With that being said, these business owners are still aging and will still need to transition the business in the relatively near future. The question over the next three to five years is whether these business owners risk enduring another economic down cycle, or if they will take advantage of the relatively stable capital markets and economic environment.

CONTINUED ON PAGE 12B >>



**ANN  
KENDELL**



**BETH  
COONAN**

Co-Chairs of the Employment  
Practice Group  
**BrownWinick Law Firm**

FEDERAL EMPLOYMENT REGULATIONS

**TWO EMPLOYMENT ISSUES TO  
HAVE ON YOUR RADAR**

**Final Rule – “White Collar” Changes**

On May 18, 2016, the Department of Labor released the final rule updating the “white collar” exemptions of the Fair Labor Standards Act. The final rule, effective Dec. 1, 2016, will:

- Double the salary threshold from \$455 per week (\$23,660 per year) to \$913 per week (\$47,476 per year).
- Automatically increase the salary threshold every three years.
- Increase the Highly Compensated Employee Exemption to \$134,004.

The final rule does not make any changes to the duties test for executive, administrative and professional exemptions. Employers should review compensation levels for “white collar” employees to ensure compliance with the final rule prior to the effective date.

**Retaliation**

On Jan. 21, 2016, the U.S. Equal Employment Opportunity Commission proposed enforcement guidance regarding retaliation and related issues to replace the “Compliance Manual on Retaliation” issued in 1998. The guidance takes a broad view of what constitutes protected activity and retaliation. Clearly, the EEOC is planning to focus on these issues. Updating employment policies to reflect anti-retaliation provisions and complaint processes for retaliation complaints, as well as training on retaliation, is a must.



Tailored to **YOUR** style



A house of worship isn't just the four exterior walls of the building. Architectural details and beautiful stained-glass windows add unique value – and unique risks – to the building. That's why Grinnell Mutual developed its House of Worship insurance package to protect the place of worship and the people within.

Contact your Grinnell Mutual agent for details on our tailored insurance packages for businesses like yours.

[www.grinnellmutual.com](http://www.grinnellmutual.com)



**GRINNELL MUTUAL**  
SINCE 1909



CONTINUED FROM PAGE 10B >>

## EXECUTIVES HANDLE MYRIAD OTHER WORKPLACE CONCERNS

Tamisiea is more focused on succession planning within Tecton and watching the mergers and acquisitions, which are changing his client base.

He founded the small, privately owned company, which now employs about 40 people. He has tried to limit waves of retirement and to break up age groups, so there doesn't come a time when too many people in too many key positions retire at the same time. Younger employees have been given more responsibilities and encouraged to take leadership roles. He's delegated some of his duties to other staff members.

Goosmann said most businesses do not have a succession plan and very few have a written one. Her firm assists companies in doing such through an eight-step process it has created.

Most companies in the western area of the state have some sort of family component, she said, and businesses have a high rate of failure when they rely upon family to pass the business on to the next generation.

"Those businesses fail because they can't make the transition," she said. "There's arguments among family members, or they get sold to another competitor or fall apart."

Eric Lohmeier, president of NCP Inc. in Des Moines, is focused on a strong Midwest economy. NCP Inc. is a finance company that provides assistance with mergers and acquisitions.

Ninety percent of NCP Inc.'s clients are located in the Midwest, so they pay close attention to the agriculture climate, as well as manufacturing. In the past 24 months, almost \$500 million in transactions have been conducted based in and around agriculture.

"This is why the performance in the Midwest economy is vital to us," he explained.

Gregoire said taxes remain an issue for many Iowa businesses. He is pushing for lawmakers to make changes to tax laws, so companies pay less and can create more jobs.

## ELECTION OUTCOME IS LIKELY TO PLAY ROLE IN ISSUES

Survey-takers were asked whether the outcome of the presidential election would affect their business, and then to rate a list of priorities from immigration reform to employment regulations to tax reform based on how significant they viewed each item as being in the upcoming federal election.

"Uncertainty is first and foremost: Whatever side of the equation one lives on, whether it's an R or a D, there's a huge desire among the populace for significant changes, whether that's tax policy or trade policy or entitlements," Lohmeier said about why he thinks the upcoming elections will affect his business. "There's nothing worse for business than emotional types of changes."

He said both of the main party top candidates have positions on trade that are potentially dangerous for business. Ninety percent of his company's clients have international trade exports, and if

trade is restricted in a global economy, it could be devastating for businesses, he said.

More than 78 percent of respondents said health care would be a significant priority in the upcoming federal election. Employers ranked the debt and deficit (81 percent); employment and workforce regulations (81 percent) and tax reform (80 percent) as more significant in regard to the election.

When it comes to the outcome of state elections, the workforce was ranked as the most significant priority with 82 percent of respondents selecting it, followed by corporate and individual income tax, employer mandates and overall tax policy (all 81 percent).

Gregoire said part of the concern with the presidential election is potential effects on taxes and regulations, as well as the future of the Affordable Care Act. A pro-business conservative leader could create a better business client, he said. However, if jobs are returned to the United States, it could create even more issues with trying to meet the workforce demand for middle skills positions. ■



**DAVID LIND**

david@dplindbenchmark.com  
David P. Lind Benchmark

MORE THAN

**78%**

of respondents said health care would be a significant priority in the upcoming federal election

### HEALTH CARE

## HEALTH CARE COSTS COULD CONTINUE TO CLIMB

The 2016 CEO survey results reveal that both workforce needs and health care costs have a large impact on Iowa businesses. Understandably, they go hand-in-hand. Employers desire to attract and retain qualified and productive employees. They are the essential ingredient to survive and thrive during the course of uncertain economic cycles.

Primarily due to health costs exceeding general inflation trends, controlling health costs has prove to be a hard lift. Since passage of the Affordable Care Act in 2010, Iowa employers have reported average annual premium increases of 8 percent. There is strong reason to believe this trend in costs will continue during the next decade.

About two-thirds of respondents (65 percent) consider themselves to be proactive in addressing this ongoing issue. Similar to their national counterparts, Iowa businesses continue to pass at least part of the rising costs to employees by raising the workers' share of costs — which includes premiums, deductibles and other portions of medical bills borne by those accessing care. Since 2010, Iowa employees are paying 37 percent more through premiums, and they assume deductibles that are 33 percent higher.

The political and regulatory climates on health care issues remain both acrimonious and disruptive. This fall, the 2016 elections will no doubt continue health care's inherent uncertainties.





**HOLLY POORT**

Manpower

holly.poort@manpowerdm.com

WORKFORCE

**MAKE YOUR COMPANY STAND OUT TO JOB SEEKERS**

Competition for top talent among employers is intensifying. In an employee market where the unemployment rate ranges from 2 to 4 percent, recruiting becomes second nature to a company's branding. When hiring, is your company standing out to the right applicants?

Companies that have failed to examine their brand through a talent recruitment lens will be undercut by the competition. The winning workforce strategy is to create campaigns to inspire and attract based on the corporation's value proposition. A job description should not only include the details of the position, but also the company's vision, social responsibility and culture. It's important to know your target audience and include why your company is unique and an attractive place to work.

The best hire is a candidate who aligns with your company's mission and growth. Create an effective recruitment campaign to attract and stand out among your competitors.



**RICHARD EFFLER**

EMC

RISK MANAGEMENT

**DRONES: HIGH-FLYING RISKS**

Americans are expected to purchase 2.5 million drones in 2016, with an estimated 7 million purchased by 2020, according to the Federal Aviation Administration. Drones, or unmanned aircraft, have the potential to deliver packages, map out property, monitor traffic and perform a variety of other functions for businesses. Insurance companies are no exception. These products that were once perceived as toys are starting to significantly impact the insurance industry.

Drones can help insurance safety engineers perform roof inspections and document property claims while keeping adjusters out of harm's way. In a February 2015 A.M. Best survey, more than 90 percent of insurance companies were considering the possibility of drone use. While there are a number of advantages to using drones for insurance purposes (e.g., operational efficiency, information accuracy, employee/vendor safety), regulatory questions linger as FAA regulations in this area continue to evolve.

Thinking of purchasing a drone for your business? Here are some things to consider:

- Does your drone need to be registered with the FAA?
- Is your drone covered under your insurance policy?  
Do you need additional specialty coverage?
- Are you able to monitor the rapidly changing regulatory environment?
- Is there a drone training class in your area?

FEDERAL ENVIRONMENTAL REGULATIONS

**UNCERTAINTY SURROUNDING ENVIRONMENTAL REGULATIONS WILL CONTINUE**

As we head toward a change in presidential administrations, the only regulatory certainty is that uncertainty will increase. The standard flurry of end-of-term rulemakings, litigation settlements, schedules and implementation plan notices on various environmental rules creates a special kind of confusion that only environmental health and safety managers pretend to enjoy. This year will be no different.

In Iowa, and other states, the impact of the developing Startup, Shut-down, and Malfunction requirements in air permits has the potential to make a substantial impact on permit conditions and eventually plant operations. In other states, we have seen this drive permit language to the point of or potentially beyond equipment capabilities leaving little or no compliance margin. Businesses may be forced to operate in "enforcement discretion" gray areas whether they like it or not.

Industries that discharge effluent directly to a waterway, or through a publicly owned treatment works, will continue to see their permit limits tightened. These effluent discharge limits will drive water use analyses and enhanced treatment technologies that could require expensive changes in equipment or methods of operation to achieve compliance. Finally, we expect to see an increase in public involvement across the board for all types of environmental permitting activities.



**CHAD DANIEL**

Stanley Consultants

danielchad@stanleygroup.com



Corning  
22,500 sq ft



Clarion  
12,000 sq ft



Hampton  
30,000 sq ft



Iowa Falls  
24,000 sq ft



Spencer  
40,000 sq ft



**Relocating or Expanding?**  
**Here Are Just a Few of Many Iowa Options to Consider!**

Contact Iowa Area Development Group for Assistance With:

- Site & Building Location Services
- Financial Incentive Packaging
- Project Management & Technical Support

**www.IADG.com**  **800-888-4743**

INSPIRATION IOWA



SIoux CITY  
A SITE FOR  
PROGRESS  
OVER PAST  
DECADE

The Iowa Association of Business and Industry's Taking Care of Business Conference has changed dramatically over the past 10 years.

So has the Siouxland region, which last hosted the annual ABI conference in 2006 and serves as the backdrop for this year's event.

"We've had a significant number of changes; there isn't any question about that," Sioux City Mayor Bob Scott said. "In the downtown area, things have changed quite dramatically."

Sioux City and surrounding communities have been deliberate in their efforts to bring new quality-of-life amenities and attractions. They have also worked hard to accommodate the needs of new and expanding companies.

In fact, for eight of the past 10 years, Siouxland has ranked in the top three in terms of economic development for communities with a population of 50,000 to 200,000 people, according to Site Selection magazine. The area was ranked No. 1 five times during that period, in 2015, 2013, 2012, 2008 and 2007.

"If people spend some time in the community, they'll see what we have going on and see we have long range plans," Scott said. "For a long time we didn't invest and lagged behind, but we're aggressively pursuing that agenda right now."

Highlights among all the development include the \$130 million Hard Rock Hotel & Casino, which opened in August 2014 in downtown Sioux City. Over the past decade the city has also been working to redevelop the Historic Pearl District into an entertainment district along Pearl and Fourth streets on the west end of downtown.

The addition of another hotel in the area — the Stoney Creek Hotel & Conference Center — and the addition of the Launch-PAD Children's Museum, bars, restaurants and shops have made downtown Sioux City a destination of sorts, said Dave Bernstein, president of Sioux City-based State Steel.

"That whole corridor has become really popular, and I think we're seeing some of largest crowds we've had there, with people going to shows, going to dinner or to get drinks. It's been really great," Bernstein said.

The region has seen growth on the business side as well, with major projects, including the \$36 million multiphased expansion of Sabre Industries, which is expected to add 532 jobs, and the \$1.6 billion expansion of CF Industries, among others.

Scott and Bernstein agree there's been a consistent effort among local governments and business groups around Siouxland to work together toward the betterment of the region.

"In Sioux City, we scramble a bit harder to make this stuff happen," Bernstein said. "Whether it's the city, chamber or the county, people are really working hard to make sure we're welcoming businesses here and not putting up roadblocks."

NEED TO KNOW

## Maximize Your ABI Conference Experience



**Kathy Anderson**

Vice President of Member Development and Programs, ABI

kanderson@iowaabi.org

The 2016 Taking Care of Business Conference brings 450 to 550 Iowa business leaders from across the state together for three days. With so many attendees in a variety of industries, ages and positions within their company, the Taking Care of Business Conference will offer connections and opportunities you could never expect. Taking a few minutes on the front end to prepare will help you make the most of your three days in Sioux City.

**Reach out.** Check out the conference attendee list. Make a list of 5 to 10 people you'd like to meet this year. If you couldn't identify them in a crowd, ask another ABI member, ABI staff member or a Conference Committee member for an introduction. It's a nice touch to reach out ahead of time to those attendees you've known for years. Tell them you're looking forward to seeing them at conference. Some of them have changed positions or companies or are now charged with spearheading new efforts for their organization. Ask them how they're doing and then follow up at the conference. Be open and generous as you make new contacts and reconnect with your "ABI family." Finally, be very aware that each attendee is there for specific reasons. Don't take it personally if you happen to catch someone at a moment when they aren't able to talk. Follow up later and be respectful of their time.

**Plan out.** Review the conference agenda, which is available online. Attend all the regular programming, but when the unexpected conversations happen — and they will — ditch the plan and take advantage of the opportunities to develop new relationships. Have a plan, but then be ready to roll with it.

**Check out** ... the conference app. Download the conference app — available for Apple, Android, Blackberry and Windows phones. Include your social media handles in your profile to make the most of the net-

working available through the app. LinkedIn, Twitter and Facebook options are all avenues to connect at the conference and down the road. The app will also provide up-to-the-minute details on the conference and updates on weather situations, programming and venues. It also provides special offers and discounts at local Siouxland venues for after-hours exploring. Visit [iowaabi.org](http://iowaabi.org) for download instructions.

**Branch out.** Take the extra effort to meet those outside of your inner circle. Reach out to the Leadership Iowa class, young professionals and new conference attendees. The young professionals and new attendees you see at the conference are future leaders in our state. One of the best things new companies and executives say about Iowa is that it is accessible. Be accessible to the younger professionals, ask them about their career goals or family, and be helpful however you can. Remember those who helped you along the way in your career success. Be one of those for the next generation of Iowa leaders.

**Step out.** Have fun in Siouxland. Grab an old friend and connect while checking out Siouxland. There's plenty of biking, parks, ethnic food, fun bars, historic venues and museums to try. Make a little part of this conference yours by stepping out of your comfort zone.

Then after the conference, three things will be important:

- Follow up with new connections and old friends. Help each of them as you can. Keep your network incredibly valuable for years to come.
- Complete your conference evaluation! ABI keeps the Taking Care of Business Conference educational and meaningful to attendees through constant feedback.
- Mark your calendar for next year's conference, June 6-8, 2017, in Dubuque. We can't wait to reconnect with you there!

## PRESENT YOURSELF BETTER

Warren Buffett, the world's most famous investor once said,

**"The best investment I ever made...was in myself"**

Buffett claims that he was once terrified of public speaking. A training course changed his life. Excellent speaking skills open doors. Poor speaking skills limit opportunities.

What investment are you making in yourself?

**IMPACT: HOW TO SPEAK YOUR WAY TO SUCCESS** is Tero's flagship training program for becoming a polished speaker.

Register for a 2016 Public Workshop: **June 14-15, August 2-3, October 11-12** (\$695 per person) or contact Tero to schedule a custom session for your people.

**TERO INTERNATIONAL:** Providing customized training proven to transform people and deliver the results you need.



*Achieve. Lead. Outclass.*

[www.tero.com](http://www.tero.com) | [training@tero.com](mailto:training@tero.com)

515.221.2318 ext. 204



Rowena Crosbie, President



## AHEAD OF THE CURVE

# EHRECKE'S LEADERSHIP RECOGNIZED WITH ABI FOUNDATION AWARD

Wes Ehrecke had a simple but powerful message for the Leadership Iowa 2014-15 class at its graduation last year: Leaders make things happen.

"I often reflect on the phrase, 'Some people make things happen, some people watch things happen, and some people wonder what happened,'" said Ehrecke, president and CEO of the Iowa Gaming Association (IGA) and a member of the 1990-91 Leadership Iowa class.

"Leaders truly should always be thinking about how to make things happen — for their own company, for their profession and in other ways," he said.

Ehrecke, who has served in a wide variety of community and statewide leadership roles, is the 2016 recipient of the Leadership for Iowa award given by the Iowa Association of Business and Industry Foundation.

Ehrecke, a Durant native, has served in leadership positions in several statewide organizations, including the Iowa Bankers Association and the Iowa Association of Electric Cooperatives. He has directed the IGA since its inception about 17 years ago.

"The way Wes has represented those industries — banking and finance, utility and gaming — he not only has committed himself in the most professional and ethical way to representing those interests and the needs of those industries, but he's always done that with an eye on the greater common good and what was good for Iowa and its communities," said Rand Fisher, president of the Iowa Area Economic Development Group, who nominated Ehrecke for the award.

Ehrecke's organization has played an important role in helping distribute donations from Iowa casinos to county foundations throughout the state. The development of those foundations has served as a catalyst for more local giving, Fisher and Ehrecke said.

In addition to his professional roles, Ehrecke has provided leadership to numerous foundation and civic boards, including Leadership Iowa, the Iowa Parks Foundation, the Iowa State University Greenlee School of Journalism, the St. Francis Pastoral Council, the Iowa 4-H Foundation and the Make-A-Wish Foundation, among others.

"I know it sounds cliché, but with a lot of these things, the more you give, the more you receive," Ehrecke said. "I've had the opportunity to be involved in a lot of different things and have gotten to know a lot of people as a result of that."

Ehrecke joins a prestigious group of Iowa business and civic leaders who have received the Leadership for Iowa award. Recipients must demonstrate a commitment to serve Iowa, serve in a leadership position in employment or volunteer organization that results in the potential to contribute to leadership development in a local or statewide setting, have demonstrated the ability to undertake a leadership role on difficult or controversial subjects, and be involved in projects designed to enhance the quality of life in Iowa.



## LEADERSHIP FOR IOWA AWARD RECIPIENTS

John McCarroll (LI director, 1991)  
 Cynthia Eisenhower (LI 1985-86)  
 Steve Bogle (LI 2004-05)  
 Donna Walgren-King (LI 1990-91)  
 Ron Geiger (LI 1987-88)  
 Doug Reichardt (LI 1982-83)  
 Mark Feldmann (LI 1990-91)  
 Jodi Tymeson (LI 1999-00)  
 Kirk Tyler (LI 1992-93)  
 Martha Willits (LI 1985-86)  
 Sharon Juon (LI 1987-88)  
 Mary Lawyer (LI 2000-01)  
 Maggie Tinsman (LI 1987-88)  
 Rand Fisher (LI 1984-85)  
 Charles Sukup (LI 1989-90)  
 David Oman (LI 1985-86)  
 John Sorensen (LI 1995-96)  
 David Vaudt (LI 1987-88)  
 Walt Smith (LI 1982-83)  
 Tom McMahon (LI 1997-98)



## Elevate provides scholarships to 12 future manufacturers

Elevate Advanced Manufacturing, the campaign to showcase great career opportunities with Iowa advanced manufacturing companies and fill the existing skills gap, continues to make outstanding progress toward its goals. Elevate staff and volunteer ambassadors from area manufacturing companies visit high schools, community colleges and community events across the state to tell people what it's really like to work in today's modern manufacturing environment. Results to date have included a significant upswing in individuals entering manufacturing training programs at area community colleges.

One initiative to get the word out about Elevate is our scholarship program. This year we gave away 12 \$500 scholarships to high school seniors to study a skill needed by advanced manufacturing companies, such as robotics, welding, mechanical engineering, computer numerical control and manufacturing engineering. These in-demand skills mean that the young people will have a lot of great job opportunities upon (and likely before) graduation.

Elevate has more than 100 ambassadors who give presentations across the state to help spread the word about this great initiative. An ambassador from Emerson Fisher Manufacturing in Marshalltown spoke to Marshalltown High School in February, for example, and as a result, offered an internship program

for six students. To increase student interest, Emerson Fisher is also opening its company doors to give tours to the students and show them what goes on inside the busy facility. In addition to school presentations, Elevate ambassadors speak to Rotary Clubs and economic development groups and participate in community events.

To get involved with Elevate or to be added to the newsletter or social media contact lists, please contact Alex Monaghan at [amonaghan@measuredintentions.com](mailto:amonaghan@measuredintentions.com).

### 2016 ELEVATE ADVANCED MANUFACTURING SCHOLARSHIP RECIPIENTS

Austin Beschen, Northeast Iowa Community College  
 Logan Rockwell, Eastern Iowa Community College  
 Alexander Dreesman, Hawkeye Community College  
 Kyle Post, North Iowa Area Community College  
 Taylor Roseland, Iowa Lakes Community College  
 Kollyn Buch, Southwestern Community College  
 Tyler Wagner, Des Moines Area Community College  
 Mackenzie Sewell, Indian Hills Community College  
 Devin Kirkchoff, Iowa Central Community College  
 Trevor Smith, Northwest Iowa Community College  
 Matthew Jenkins, Southeastern Community College  
 Mitchell Callan, Kirkwood Community College



Opportunity

Knows no bounds

Iowa's recent passing of the Biorenewable Chemical Production Tax Credit Program is a big win for Iowa. It's also a prime example of what's possible when collaboration and foresight become important tools in determining the future of our state's economy. Inside the Cultivation Corridor, our ability to use these tools to our advantage means bringing more opportunity here from around the world, and ensures that growth is always on the horizon.



[cultivationcorridor.org](http://cultivationcorridor.org)



### ASK ABOUT OUR EXCLUSIVE BUY ABI AFFINITY PROGRAM BENEFITS!

BREAK ROOM		OFFICE		FURNITURE
	PRINT		PROMO	

**HON**

**FREE STATEWIDE DELIVERY**  
On All Supply Orders

**Allsteel**

STOREY KENWORTHY | 800-622-4536 | [WWW.STOREYKENWORTHY.COM](http://WWW.STOREYKENWORTHY.COM)





TOP TIPS



**Michael Teachout**

Focus OneSource

mteachout@  
focusonesource.com

## Four Facts to Know Regarding Employer-Sponsored Health Plans

With the changing health care landscape, there are a lot of hurdles small and medium-sized businesses need to pay attention to. If you want to make sure you are making the best decisions for you and your employees, here are four facts employers should know as we advance to the full implementation of the Affordable Care Act.

1

Know the marketplace. Make sure you shop plan designs and other carriers to better understand what you are paying for. You may change carriers, or change or adjust plans and networks to manage premiums and/or better meet your employee's needs. Keep in mind, Jan. 1, 2020, is when the government is scheduled to impose a 40 percent excise tax on insurers of employer-sponsored health plans with aggregate expenses that exceed \$10,200 for individual coverage and \$27,500 for family coverage.

2

Know your full-time employee count. Know how to calculate your full-time employees (FTEs) number and know if you plan on going over 50 FTEs in the near future. The rules of group health care vary greatly if you are under 50 FTEs (The Affordable Care Act defines small business as under 50 FTEs). For example: If you are currently on a grand mothered plan and under 50 FTEs, pay attention to the metallic plan designs and their pricing at your next renewal. January 1, 2018 you will no longer have the option of an underwritten plan and will be required to move to a metallic plan.

3

Know alternatives beyond traditional fully funded group health care. Self-funded and level-funded plans could be an option if the group is reasonably healthy. In order to successfully maintain a self-funded and level-funded health care plan, employers need to correctly assess upcoming costs and set rates accordingly. Other things to consider when deciding if self-funded and level-funded could be right for you would be to look at cash flow and utilization.

4

Another option could be joining a professional employer organization (PEO). Some PEOs offer a master group health policy that could benefit the employer and employees with expanded choice and increased value.

Know if you are compliant under the Affordable Care Act. Understand the different options that depend on your FTE count for health care offerings, allowed reimbursements, reporting to the IRS, potential tax liabilities and provisions.

BY THE NUMBERS

**113:** The 2016 Taking Care of Business Conference will serve as the Iowa Association of Business and Industry's 113th annual gathering.

This event is among the **largest meetings** of business leaders in the state. More than **540 participants** attended last year's event in Davenport, including 185 C-level executives and representatives from 250 companies and organizations.

The 2016 conference in Sioux City **sold out** more than three hotels (250-plus rooms) more than a month before the event.

This year's Taking Care of Business Conference features four keynote speakers, including ESPN analyst **Dick Vitale**, who has served as the voice of NCAA basketball for 36 years, and entrepreneur **Johnny "Cupcakes" Earle**, who has been named America's No. 1 Young Entrepreneur by BusinessWeek.

Participants can also take advantage of **14 educational escapes** and unlimited networking opportunities.

Mark your calendars for **June 6-8, 2017**, when the 114th Taking Care of Business Conference will take over Dubuque!

GET TO KNOW

## MEET OUR NEWEST ABI MEMBERS



McGill Junge Financial, Urbandale

Iowa Association of Area Agencies on Aging, West Des Moines

Valley Machining, Rock Valley

Forest City Economic Development, Forest City

Renaissance Executive Forums – Iowa, Pella

Learn more about how ABI membership could benefit your company by visiting

[www.iowaabi.org/membership/why-abi](http://www.iowaabi.org/membership/why-abi).

EMBARRASSED EXECUTIVE

**Q. What is a creative way to attract qualified employees to my business?**



**Michele Farrell**  
Partner, Measured Intentions  
mfarrell@measuredintentions.com

**A. Marketing is most often used to attract external customers to buy or utilize a company's products and services.**

However, in today's tight workforce climate, attracting and keeping great employees can be just as important as (and sometimes even more important than) attracting great customers.

More than 80 percent of employers in the Iowa Association of Business and Industry's Annual CEO Survey reported meeting their workforce needs in five to 10 years as their top or second to top business concern. Many Iowa companies are actually turning down jobs because they don't have the workforce necessary to meet the required production timelines.

Human resource departments are already charged with everything from navigating the new health care laws to handling employee relations issues, and now they are supposed to be experts in how to market to prospective employees.

Workforce marketing has emerged as a unique niche to help companies recruit and retain the best workers by applying proven and innovative marketing techniques. Marketing to future employees must be done just as thoughtfully as marketing to future customers. Workforce marketing must therefore include these key steps:

1. An investigative research audit conducted by an objective third-party to identify exactly what employees value (and what bugs them) and an understanding of the employer's value and perception within the community.
  2. A strategic plan including both short-term and long-term strategies to fill immediate needs with the right employee, not just the available employee, and avoid deep employment gaps in the future. A plan should also incorporate strategies to attract untapped workforce markets and increase employee retention.
  3. Oversight for consistent implementation. Once the plan is created, it can often be implemented by the HR department.
  4. Continual evaluation and adjustments as best practices yielding the best results are discovered.
- Workforce strategies and best practices often vary by region, rural/urban setting, skill-set desired and characteristics of the available workforce. Employing focused and targeted workforce marketing strategies can ensure that your company will have enough hands on deck to be able to say, "Yes, we can do that" to every customer brought to your door.



**Kathleen Riessen**  
Partner, Measured Intentions  
kriessen@measuredintentions.com

ADVISORY COUNCIL



**Steve Cassabaum**  
21st Century Rehab



**Jim Nalley**  
BCC Advisers



**Todd McDonald**  
ATW Training Solutions



**Paul Drey**  
Brick Gentry P.C.



**Debi Bull**  
BrownWinick Law Firm



**Mike O'Donnell**  
CIRAS



**Rob Kane**  
CliftonLarsonAllen



**Derek Bleil**  
EMC Insurance



**Michael Teachout**  
Focus OneSource



**Iacovos Zachariades**  
Global Reach



**Juli Jenkins**  
LMC Insurance and Risk Management



**Holly Poort**  
Manpower



**Michele Farrell**  
Measured Intentions



**Lance Gardner**  
Principal



**Stephen Fry**  
Spindustry Digital



**Alan Richardson**  
Transition Point Business Advisors



**Greg Shireman**  
Wellmark, Inc.



**ARE YOU AN ABI MEMBER? CHANCES ARE THE ANSWER IS YES.**

ABI is Iowa's oldest and largest business network, representing almost **1,500 businesses** of all types and sizes employing **over 310,000 Iowans** in all **99 counties**. If you are not sure if your organization is a member of ABI, contact Dorothy Knowles at 515-235-0568 or dknowles@iowaabi.org.



**A healthy smile is a powerful thing.** It deserves Delta Dental of Iowa, the state's leading dental benefits provider. With the largest network of dentists, prompt answers and personable service, we make it easy for members to protect their smiles and keep them healthy.



[deltadentalia.com](http://deltadentalia.com)