

***Pensacola Bay Area Partnership
Labor Market Study
Escambia and Santa Rosa Counties***

Prepared for:

Pensacola Area Chamber of Commerce
Escambia County School District
Workforce Escarosa Inc.

July 2003

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Pensacola Bay Area Partnership
Labor Market Study

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Commissioned by:

Pensacola Area Chamber of Commerce,
Escambia County School District

For:

Workforce Escarosa Inc.

Conducted by:

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OVERVIEW

The University of West Florida's Haas Center for Business Research and Economic Development (Haas Center) is pleased to submit the following report, entitled "Pensacola Bay Area Partnership Labor Market Study". The Pensacola Bay Partnership includes Florida's Western Gate and TEAM Santa Rosa. The Pensacola Area Chamber of Commerce and Workforce Escarosa sponsored this project collaboratively.

The purpose of this report is to provide the Pensacola Bay Area Partnership and the community a summary of the survey responses of businesses and site consultants on issues identified by key business leaders as important to the economic growth of the Pensacola Bay Area. Surveys were sent to approximately 5,000 firms within Escambia and Santa Rosa Counties. The 225 returned surveys represented 12,300 employees in the area. Further, 117 key site consultants were surveyed- first electronically, then by telephone- regarding their views of the Pensacola Bay area as site for future expansion or relocation. 20 responses provided suggestions for promotion of the Pensacola Bay Area.

The authors acknowledge the valuable assistance of Natalie Prim and staff at the Pensacola Area Chamber of Commerce.

Dr. Chris Pierce and the Haas Center Staff
University of West Florida, July 2003

EXECUTIVE SUMMARY

The economic growth of the Pensacola Bay Area is the central focus of this study commissioned by the Pensacola Bay Area Partnership, which includes Florida's Western Gate and TEAM Santa Rosa. The Partnership asked the University of West Florida's Haas Center for Business Research and Economic Development to identify issues important to the economic growth of Escambia and Santa Rosa Counties. The Pensacola Area Chamber of Commerce and Workforce Escarosa sponsored this project collaboratively. To accomplish the mission, the Haas Center first conducted three focus groups to identify key workforce issues within the two counties. This peer review technique included representatives from the Pensacola Bay Area Chamber of Commerce and Pensacola Bay Partnership. After the key issues were determined, firms in Escambia and Santa Rosa Counties were surveyed on the issues identified by business leaders in the area. A second survey was developed targeting site consultants to determine their impressions of the area for business expansion or relocation. The consultants were surveyed first electronically, then by telephone.

To complete the background work for the study, the Haas Center researched the issues from a national perspective and gathered significant demographic data about the workforce in the Pensacola Bay Area. The US Census Bureau indicated Escambia County has a total population of 294,400, with 139,600 in the workforce, while Santa Rosa has a total population of 117,750, with 55,550 in the workforce (Census 2000, US Census Bureau, Labor Market Statistics). Census 2000 also indicated approximately 30% of the

population in both counties is 45 to 74 years old; females comprise 46% of the workforce in Escambia and 45% in Santa Rosa. According to the Local Area Unemployment Statistics, unemployment in June, 2003, was 4.4% in Escambia and 4.8% in Santa Rosa- below the state average of 5.6%. The Ring Study for Escambia and Santa Rosa Counties which can be found in the Appendix provides a breakdown of demographics for each county.

What is the outlook for future growth? The Florida Agency for Workforce Innovation (2003) projected that the workforce in the Pensacola Bay Area will grow from approximately 180,000 today to 203,000 by 2010. The relatively high concentration of workers in the services and wholesale/retail trade will continue. Today, 33% of Pensacola Bay Area's workforce is involved in services; that percentage is projected increase to 35% by 2010, adding 12,000 workers. The wholesale and retail sales category is projected to maintain 22% of the workforce, a gain of 5,000 jobs, while construction is expected to maintain 7% of the workforce, adding 2,500 positions.

What do our businesses tell us about their growth? The survey responses from area businesses suggested that moderate growth is expected over the next 3 to 5 years with 54% projecting 0% to 24% growth, and 30% of the firms anticipating 25% to 49% growth. While 42% thought their current space was adequate, 43% anticipated adding up to 10,000 square feet to their facilities in the next 3 to 5 years, with office space being the most prevalent need.

When asked about their current workforce, most respondents were positive about their employees' skills and work ethic. Only 10% found substance

abuse to be a problem; 11% thought underemployment was an issue and only 5% were concerned about over-qualification. Problem issues for about 30% were turnover and a related area, productivity. About a fourth of the businesses noted absenteeism, missing 'soft-skills', and missing technical skills as issues in their workforce and as major reasons for termination.

84% of the respondents indicated an annual turnover rate of 0% to 24%, while 11% indicated 25% to 49% turnover. Only 4% reported a 50% to 71% rate; 1% reported 75% to 100%, and less than 1% experienced a 100%+ turnover rate. When respondents listed reasons for turnover, they mentioned lack of needed skills: basic labor skills, character, social skills (getting along with customers), writing skills, and required licensure. These reasons suggested employees had to be released because they were unable to perform the job satisfactorily. Nationally, turnover is an area of concern for many businesses. The Department of Labor found that the median tenure, or number of years workers had been with their current employers, was 3.7 years. Younger employees changed jobs more frequently than older workers, and women, as a group, tended to move in and out of the labor force based on family needs. The cost of turnover, according to the Department of Labor, is one-third of the new-hire's salary. Other sources indicate the cost could rise if replacements are difficult to find or if significant severance costs are incurred. Turnover impacts productivity and disrupts the workplace as current employees adjust to expanded responsibilities until positions are filled and new-hires become proficient.

Pensacola Bay Area employers who responded to the survey noted another issue associated with turnover, the difficulty in finding qualified employees to fill vacancies. 43% to 45% of those responding indicated some difficulty in filling management positions, high wage/high skill positions, and skilled positions. Employers reported the average time needed to fill a management position was 44 days while skilled positions required 30 days. Some respondents said four months was needed to find managers and three months for skilled workers. One factor that may contribute to the difficulty of replacing skilled workers is that the median salary in the region, according to the Census Bureau, is about \$2,000 less than the median salary statewide.

As the respondents looked at the issues surrounding new hires, areas of concern were work ethic, oral communication skills, basic skills, and ability to reason and analyze. Employers thought computer skills were second only to experience in filling management positions. These issues were reflected in current studies nationally. Experts have suggested a new definition of 'literate' is evolving that includes being able to use technology related to the job. The ability to communicate with customers translates to increased profit: studies suggested more customers are lost due to poor service than to the cost or quality of the product. Pensacola Bay Area employers indicated critical positions to fill immediately included skilled laborers such as plumbers, electricians, welders, and mechanics. Nurses were needed as well as teachers in specific fields and managers.

Other characteristics of Pensacola Bay Area businesses that emerged from the survey dealt with recruiting, training, and benefit packages. Most respondents found their best recruits from within- internal promotions and word-of-mouth referrals were the most frequently used tools. While employers recognized the importance of 'in-house' and on-the-job training, they also supported high school, community college, and technical school training. 30% of the responding firms indicated their benefits package was less than \$1,000, while 32% noted a range of \$1,000 to 2,999. Paid vacation, sick leave, and flexible hours were the most frequently offered fully paid benefits, but, again, continuing education also received strong support. While medical coverage led the list of partially paid benefits, continuing education was second. National studies suggest that fitness programs, offered by very few businesses in the Pensacola Bay Area, may be one key to helping employees stay fit and on the job. Just as the business survey provided an inside view of the Pensacola Bay Area, the survey of site consultants gave a glimpse of an outsider's view.

Results from the site consultant survey echoed the need for employees with appropriate skills or education and a good work ethic. Site consultants familiar with the Pensacola Bay Area found the quality of life to be the major strength, while lack of accessibility to major markets was a major weakness. The number of consultants who were not familiar with the area suggested the need to increase awareness of the Pensacola Bay Area's quality of life, including educational opportunities and beautiful scenery.

In conclusion, since turnover, retention, and related productivity issues did emerge as concerns, the national research led to the following suggestions for employers:

- Develop a caring atmosphere in the workplace;
- Involve workers as company goals are developed;
- Provide mentors for new workers or older workers lacking skills;
- Consider supporting a fitness program to decrease injuries and promote productivity.

Recurring themes from Pensacola Bay Area employers included:

- The service-driven economy is growing;
- Turnover and productivity are issues for some segments;
- The new-hire candidate pool sometimes lacks the needed work ethic and skill level;
- Training and educational opportunities are essential.

Recurring themes from site consultants included:

- The greatest attraction of the Pensacola Bay Area is the quality of life;
- Lack of proximity to major markets is the greatest obstacle;
- The greatest challenge is to increase awareness of the quality of life- including the training and educational opportunities available in the Pensacola Bay Area.

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INTRODUCTION

The Pensacola Bay Area Partnership, which includes Florida's Western Gate and TEAM Santa Rosa, asked the Haas Center for Business Research and Economic Development to identify issues important to the economic growth of Escambia and Santa Rosa Counties. The Pensacola Area Chamber of Commerce and Workforce Escarosa sponsored this project collaboratively. This study included conducting focus group discussions on labor market issues; surveying firms in Escambia and Santa Rosa Counties on important issues identified by business leaders in the area; and lastly surveying key site consultants electronically to determine their impressions of the area as a site for future expansion or relocation.

NATIONAL VIEW

As the Pensacola Bay Area Partnership looked at the challenges they are facing, several themes emerged including workforce turnover, productivity, and a need for soft skills in the workforce, such as work ethics and oral communications skills. A careful look at the most recent professional literature provided insight into these issues nationwide.

What does our nation's workforce look like?

- One in 10 people in the United States is foreign-born, the highest rate in more than 50 years.
- Life expectancy for the U.S. population reached a record high of 76.9 years in 2000. Better health and longer lives are redefining attitudes toward work and retirement.

- Over one-quarter of the adult U.S. population has never been married. The number of families headed by single mothers increased about 25 percent over the past decade to almost 12.5 million; families headed by single fathers number almost 4 million. (Patel, 2002).

An in-depth look at these and other related issues helped define challenges and possible solutions.

Employee Turnover

Retaining employees was a major concern expressed by Pensacola Bay Area Partnership employers. Nationally, the median tenure, or number of years workers had been with their current employers, was 3.7 years. Younger employees tended to change jobs more often than older workers. “The median tenure of workers ages 55 to 64 was three and a half times that of workers ages 25 to 34” (U.S. Department of Labor, 2002). The U.S. Department of Labor estimated the cost of replacing an employee is at least one third of the new hire’s salary. The cost included recruiting, selecting, hiring, and training the new hire as well as severance pay, COBRA administration and notification, increased unemployment compensation, and lost training investment in the departing employee (Gustafson, 2001). A new employee typically requires the time of other staff members for such activities as training, correcting mistakes, and generally taking up the slack until the new hire reaches a level of expertise. A high rate of turnover within an organization therefore contributes to diminished performance and lower productivity (Gustafson, 2001).

The reasons for increased turnover may lie in the life situations and attitudes of a workforce that includes growing numbers of women, Generation X

and Y, and older employees. “With women comprising nearly half the work force, 66% of human resource professionals said there is a need for flexibility surrounding family issues (Chuvalla, 2002). Catherine Hakim of the London School of Economics found three groups of women in the workplace: a small uncommitted group who pick up part-time work; a much larger “adaptive” group who want to work, but whose families are more important than their jobs; and a small group who devote themselves to their careers (“A Gentle Invasion,” 1998). The first two groups drop in and out of the workforce depending on family situations.

The attitudes of Generation X also lead to shorter-term employment. One employer found the joy of recruiting new college graduates faded when he discovered that many “...were working the long hours of an economic boom just long enough to gain enough money to ‘buy a Harley and see the country.’ Gen Xers, jaded by their parents’ singular focus on careers at the expense of a well-rounded life, may view [less career focus] as a more reasonable balance” (Smith, 1998, p.14). Members of Generation Y, born between 1977 and 1997, assume that they will change jobs frequently (Patel, (2002). Finally, older employees may need a work schedule that takes into account caring for elderly parents or taking a month’s vacation to visit children (Piktialis, 2001).

Job flexibility may provide a partial solution to turnover. One firm needing part-time workers recruited older people and offered total flexibility in scheduling work assignments (Piktialis, 2001). Travelers, a large financial services company, created a job bank for retirees “...to provide a pool of temporary

workers who are familiar with the company's culture and policies. The temps are brought in to meet immediate needs, such as sharp deadlines and work surges... ” (Piktialis, 2001, p. 24). Bonnie Belle, a cosmetics manufacturer, successfully created part-time positions to replace unreliable temporaries and “recruited 100 seniors- retired nurses and teachers, former housewives” (Piktialis, 2001, p. 24).

Another reason employees may elect to stay with a company seemed simple- they have a caring boss. After interviewing two million employees at 700 companies, a Gallup Organization study found that most workers rate having a caring boss even higher than salaries or benefits (Zipkin, 2003). The tough-guy executive who bragged of dismissing employees to raise company stock prices may not be effective in times of low unemployment. A skilled employee was more likely to stay with a company when the boss asked about the employee's job goals and encouraged training opportunities that help the employee reach the goals. Arranging mentors who could assist the employee in reaching goals was a significant contribution to employee satisfaction and determination to stay with a company (Zipkin, 2003).

Aging Workforce

One area of concern expressed by the Pensacola Bay Area Partnership human resource professionals who were involved in the focus groups was the aging workforce. Although the surveys did not indicate a widespread concern in the Pensacola Bay area, the human resource experts may be seeing a little further into the future. The issues involved with an aging workforce are being discussed around the nation. Americans are living longer, and AARP's Research

Center found, “80% of Boomers expect to continue working at least part-time in their retirement years...” (1999, p.1). Christine Arnette, recruiting manager for a large Virginia-based chain said, “We have quite a few retired people, and people who have worked here for a long time are staying longer and not retiring as early as they have before” (Chuvala, 2002, p. 1). Ohio’s Department of Job and Family Services “...predicts that the state’s younger work force will shrink as Ohio’s baby boomers stay on the job longer. Workers ages 45 to 64 will comprise 37 percent of the state’s total labor force in 2010, up from 26.2 percent in 2000 (Ohio Report, 2002, p. 1). Forecasts for the nation indicated 37% of the work force will be in the 45 to 64 age group by 2025 (Ceniceros, 2001). The median age of America’s population has risen from 25 in 1960 to 35 today; by mid-century, Americans in their 70s will outnumber those in their teens (“When Cultures Collide,” 2000). The Workers Compensation Research Institute projected that by 2020, the number of jobs held by workers 55 or older will double (Hays, 2001).

What concerns does an aging workforce bring to the worksite? The SHRM Workplace Forecast (Patel, 2002) indicated, “...older workers will have unique employment benefit needs, including age-specific health care coverage such as prescription drugs benefits and long-term health care coverage” (p. 2). The cost of health care is also a concern. Canadian studies found that “average health care cost per capita triples between the ages of 49 and 65” (Hays, 2001, p. 16). Workers compensation costs, however, may not be a factor in an aging workforce. “While work-related injuries suffered by older employees are, typically,

more severe than those that afflict younger workers, younger employees tend to sustain injuries at a greater rate. Consequently, the workers compensation costs for the two groups are roughly even” (Ceniceros, 2001 p. 33).

How can employers capitalize on the experience of an older workforce? One suggestion is to provide incentives for employees to stay active. A regular exercise program can slow the decline of body mass, one of the biggest problems of aging (Ceniceros, 2001). Terry Bogyo, director of corporate planning for the Workers’ Compensation Board of British Columbia, suggested, “Imbuing [younger employees] with a safety culture will mean fewer injuries later in life” (Hays, 2001, p. 16). Bogyo also noted that since slipping on a wet floor could mean a broken hip for an older employee, the employer may have a greater incentive to keep the floor clean for everyone (Hays, 2001). An older workforce may mean a greater emphasis in the workplace on health and safety.

Missing Skills-A New Definition

The SHRM’s Workplace Forecast explained how quickly our society has become dependent on the Internet. “It took 74 years for the telephone to reach an audience of 50 million people, and 13 years for television, but only four years for the World Wide Web to achieve the same... (Patel, 2002, p. 13). Marketing efficiencies made possible by the Web have changed the way businesses order, distribute, and manufacture goods. However, on a personal level, only 41% of Americans have access to the Internet, and the percentages drop dramatically outside the United States. Older employees are less familiar with technology than

younger workers; employees from poorer economic backgrounds are less familiar than employees from better financial situations (Patel, 2002). The Economist reported in December 23, 2000, "Big, traditional companies, from Procter & Gamble to Siemens, have started 'reverse mentoring' programs in which middle aged executives are tutored on the mysteries of the Internet by young newcomers who sometimes slip and call them 'dude'." However, older, experienced managers are valued for their ability to resolve conflicts, coordinate teams, and perform other diplomatic tasks- giving their younger technology experts the room to be creative ("When Cultures Collide," 2000). A study of Massachusetts' workers found that one-third lacked "the basic technical skills for jobs in today's economy.... Problems recruiting skilled workers are particularly acute...because the state's workforce has remained nearly stagnant over the past 10 years. " ("Massachusetts' Workers," 2001).

Comings, Sum, and Uvin (2001) found increasing dependence on technology may require a new definition of 'literacy.' "The textile worker who once could feel with her hands for irregularities in the yarn as it moved through a loom must now accurately interpret data by reading a bar graph displayed on a video monitor...." A study from the Massachusetts Institute for a New Commonwealth finds that about 30% of Massachusetts' workers "are not illiterate in the traditional sense....[but] do not have the literacy skills sufficient for the demands to the modern workplace" (Comings et al.). Employees who cannot adapt to the increased use of technology may find themselves without a job or with little opportunity for advancement. Daley (2001) suggested, "If multimedia technology

is truly going to be the basis of a new literacy ...the movement is not about just providing jazzy digital tools and generating glitzy presentations.... [It is using technology to] visualize and comprehend information in ways never before possible.”

Other Missing Skills

In addition to a lack of technology-based skills, employers reported missing math, literacy, and communication skills. A survey by the American Management Association of more than 1,600 employers around the United States found, “More than one in three job applicants tested in reading and math in 2000 lacked the skills to perform the jobs they sought... ” (EAP Association Exchange, 2001, p. 35). A study from the United Kingdom revealed that six out of ten employers found young executives lacked interpersonal skills. Specific examples cited by employers included an inability to communicate with customers and colleagues as well as a lack of skill in managing staff meetings (“Graduates Lack,” 2002). After surveying dissatisfied customers, The Service Research Bureau found 21% take their business elsewhere because of product cost or quality, while 59% leave due to a negative experience with service (Busey, 2001). Development Dimensions International (2002) has found that dissatisfied customers tell an average of 10 people about their experiences while satisfied customers tell 5 people. If the value of an average transaction is multiplied by 10, the economic loss due to one dissatisfied customer becomes a significant issue.

The cost of employees' lack of skills is also high. The National Institute for Literacy estimated that employees' lack of basic skills costs American business more than \$60 billion in productivity each year. (Sunoo, 1999). The same study suggested that the cost to business for basic skills training can be minimal if firms take advantage of government-sponsored services.

Training

Training to boost employee productivity seems to be an obvious answer if employees lack skills, but implementation of a training program is a more complex issue. The John J. Heidrich Center for Workforce Development at Rutgers University found in a survey of 500 employers that 14% thought employers should pay for employee training while 25% of surveyed workers thought their employers should pay for needed training ("Employers Blame Lack", 2002). The study also suggested that those employers experiencing the most difficulty finding workers were more willing to subsidize training. Massachusetts employers, facing economic downturn and a lack of skilled workers, called for a statewide effort to train employees. Studies forecast "a worsening labor crunch and a threat to the state's prosperity if workers' abilities are not upgraded" ("Massachusetts Workers", 2001). Unions and management have made training a priority at the bargaining table as both sides recognized the threat to business if skills were not upgraded (Sunoo, 1999). Grants from the National Workplace Literacy Program of the U.S. Department of Education have made training programs possible in many locations. The theme of several studies is

summarized by Sunoo, “ The education and development of your workforce will be the key to your competitive edge.”

Summary

The concerns of the Pensacola Bay Area employers are echoed around the nation. Turnover, productivity, and a lack of needed skills are common themes. Several suggestions can be taken from the National View:

- Employee turnover will be a continuing issue since significant segments of the workforce are composed of a group of younger workers who expect to change jobs and women who may move in and out of the workforce depending on family situations.
- Employers may be able to increase retention by implementing several relatively inexpensive measures:
 - Develop a caring atmosphere in the workplace.
 - Show concern for workers by asking about their goals.
 - Provide mentors for new workers or older workers lacking skills.
- Adding a fitness program could be cost beneficial because fitness may reduce workers compensation claims and help all workers, especially older employees, stay more productive.
- Every indicator points to an older, more diverse workforce. Continued training will be essential, as technological advances demand more skill, just as those advances provide more efficient ways to do business.

LOCAL VIEW

Businesses in Escambia and Santa Rosa

The workforce in Escambia and Santa Rosa Counties, which together comprise Region 1, has a relatively high concentration in the services and wholesale/retail trade industries. Figure 1 gives an overview of Region 1's current industry and the areas of growth projected for 2010 by Florida's Agency for Workforce Innovation.

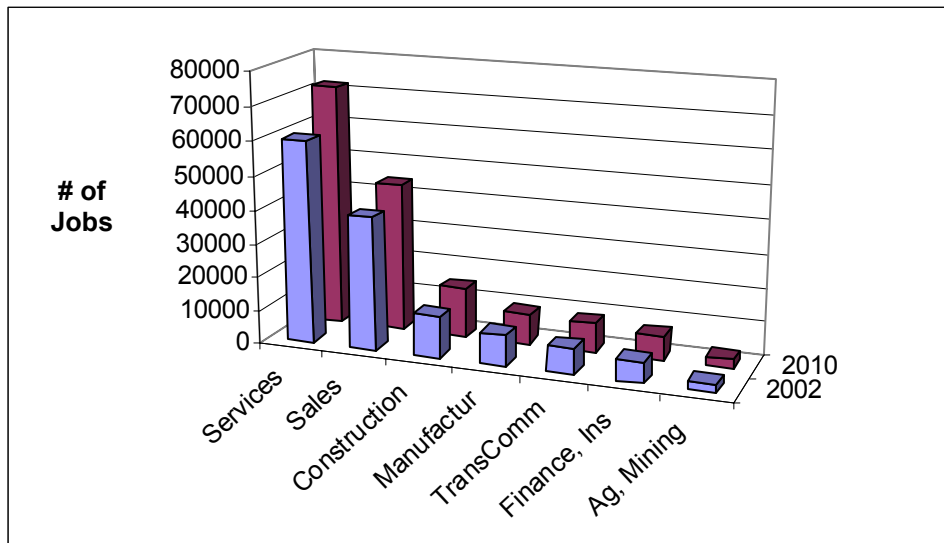


Figure 1. Region 1 Jobs by Industry- 2002 and 2010 Projected Growth

Source: Florida Agency for Workforce Innovation, Labor Market Statistics, 2003

Table 1 details the changes expected annually in numbers of jobs in each category. The Wholesale and Retail Trade category is expected to add 5,000 jobs over the next 7 years. This category includes eating and drinking places, which currently employ about 30% of the workforce in this category and are projected to maintain their dominance. The Services category is projected to add 12,000 jobs by 2010. The Services category includes hotels, business services,

health, legal, and social agencies. Within this category, the largest increase in new hires is projected to be in business services and the health industry. Significant growth is also projected in the Construction category, which is expected to add 2,500 jobs by 2010.

Workforce Region 1- Escambia and Santa Rosa Counties

<u>Industry</u>	<u>Employment</u>		<u>Annual Change</u>	
	2002 Base Year	2010 Projected	TOTAL	PERCENT
Total All Industries	180,150	203,265	2,889	1.60
Agriculture, Forestry	2,180	2,558	47	2.17
Mining	167	144	-3	-1.72
Construction	12,293	14,766	309	2.51
Manufacturing	9,189	9,129	-8	-0.08
Trans, Communications, Public Utilities	7,809	8,648	105	1.34
Wholesale/Retail	39,534	44,354	603	1.52
Finance, Insurance, Real Estate	6,221	7,159	117	1.88
Services	59,990	71,922	1,492	2.49
Government	29,272	30,539	158	0.54

Table 1. Florida Jobs by Industry

Average Wages in Region 1, according to the Florida Agency for Workforce Innovation, are generally below the national and statewide averages. On average, a worker in Region 1 could expect to earn a median cash salary of \$22,305 or \$10.70 per hour. An entry-level worker would expect \$14,100, while an experienced worker would expect \$36,245. The median salary was \$4,755 less than the national average of \$27,060 and \$1,905 less than the statewide average of \$24,210.

Figure 2 indicates that the workforce in Escambia County is composed of 75,500 males and 64,100 females. The workforce in Santa Rosa includes 30,600 males and 25,000 females. The median income for full-time female workers in Escambia is \$9,000 less than males. In Santa Rosa, the median income for full-time female workers is \$12,500 less than males, according to Census 2000.

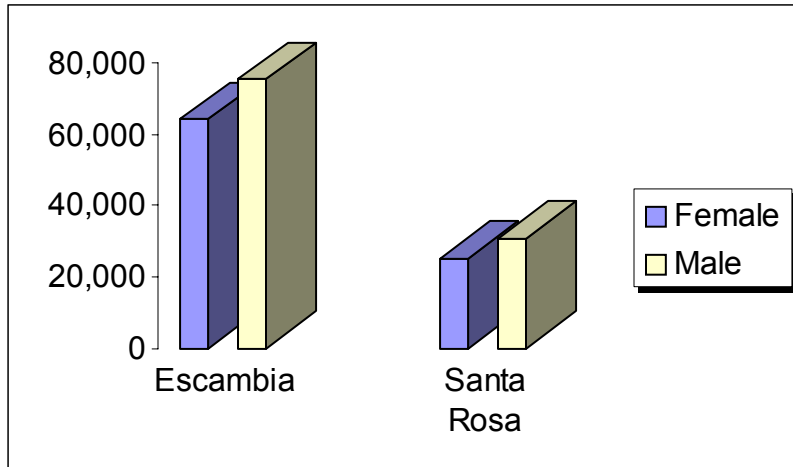


Figure 2. Demographics of Males and Females in the Workforce

U.S. Bureau of the Census, Census 2000

As Figure 3 indicates, the June 2003 unemployment rates for Escambia and Santa Rosa Counties also are below the state average rate. Escambia's 4.4% and Santa Rosa's 4.8% were less than the state's overall rate of 5.6%. Both counties maintained a lower unemployment rate than the state for the past year.

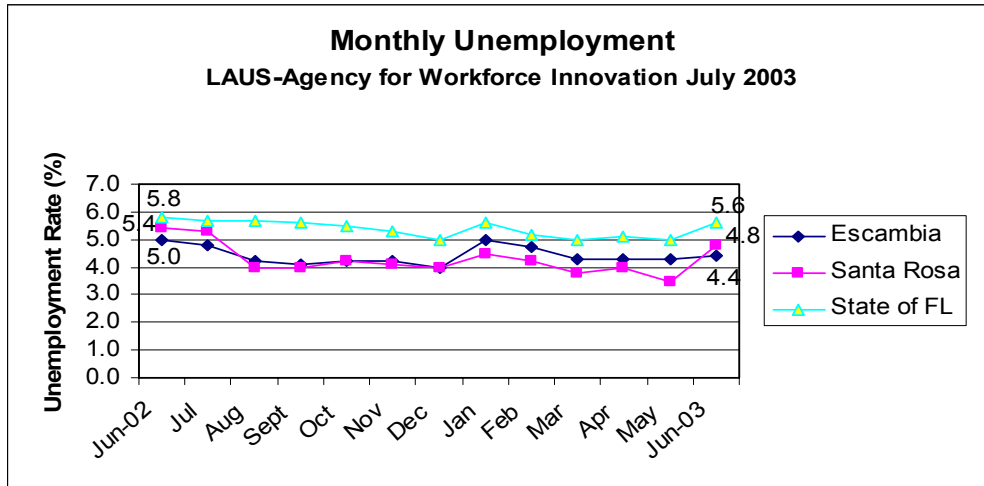


Figure 3. Monthly Unemployment, July 2003

General Demographics

Census 2000 documented that 85% of Santa Rosa’s population 25 years and older had a high school education or higher; 22% had a bachelor’s degree or higher. Similarly, in Escambia, 82% had a high school education or higher; 21% had a bachelor’s degree or higher. Census 2000 also indicated that while 74% of Escambia County’s population of 294,400 was White, minority representation was 22% African American, 3% Asian, and 2% Native American. Hispanics of

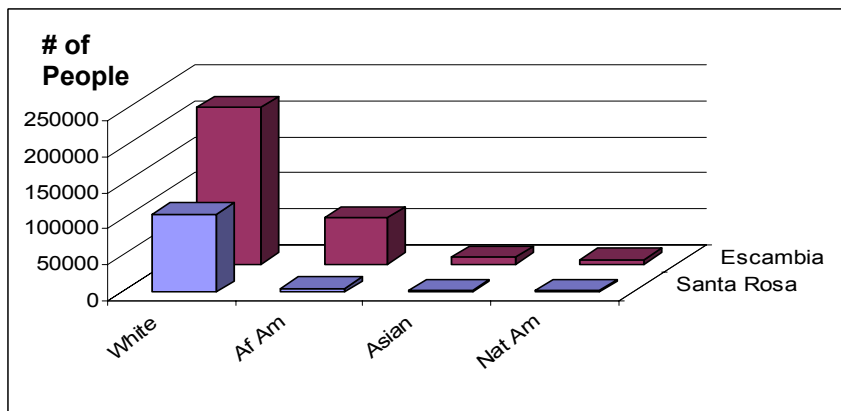


Figure 4. Demographics – Diversity in Santa Rosa and Escambia Counties

Source: U.S. Census Bureau

any race constituted 2.7%. Similar comparisons for Santa Rosa indicated 92% of the population of 117,750 was White, 4.6% was African American, 2% was Asian, 2% was Native American. Hispanics of any race constituted 2.5% (Figure 4).). Census 2000 indicated approximately 30% of the population in both counties is 45 to 74 years old.

A significant number of employees crossed county lines to work. Census 2000 indicated 38% of Santa Rosa's workforce, or 19,485 people traveled to Escambia County to work, while 4% of Escambia's workers, or 5,084 people traveled to Santa Rosa to work.

Research Methodology

Businesses in Escambia and Santa Rosa Counties were surveyed to determine general size, benefit packages, gross sales or revenue, growth history, and future plans for expansion. In addition, firms were asked to identify concerns with their workforce such as hiring performance issues (absenteeism and missing skills), education and skill requirements, turnover, and recruitment procedures.

A mail survey was developed (see appendix for a sample of the Business Survey Instrument) and administered to the business population within Escambia and Santa Rosa counties. Surveys were specifically directed to the CEO or Human Resource departments. The Department of Labor assisted in providing a comprehensive stratified, randomized sample of firms the two counties. This stratified selection identified businesses having at least 5 employees.

The surveys were developed by enlisting the expertise of business professionals in Escambia and Santa Rosa counties. Three focus groups were

conducted to identify key workforce issues within the two counties. This peer review technique included representatives from the Pensacola Bay Area Chamber of Commerce and Pensacola Bay Partnership, which is a collaborative effort between Florida's Western Gate and TEAM Santa Rosa. Questions developed by the Haas Center and the Pensacola Area Chamber of Commerce were presented to the groups. Each participant was asked to prioritize each question. After final review, the survey was printed. A detailed account of the findings, *Focus Group Summary Report*, is included in the Appendix.

After the initial mailing of surveys, those returned as incorrectly addressed were reviewed and corrected if possible using other data sources. A follow-up reminder (sample in Appendix) was sent to businesses that had not returned the survey.

A second electronic survey instrument was developed for key site consultants to determine their perceptions of the Pensacola Bay area as a possibility for future expansion or relocation. A copy of the Site Consultant Survey is in the Appendix. Consultants were also asked to identify workforce skills typically needed by their clients and the importance of local incentives, infrastructure, transportation, and location in a business park environment. The Pensacola Bay Area Chamber of Commerce assisted in compiling a list of 118 site consultants, which is included in the Appendix. Surveys were emailed to the consultants and responses were received online. Consultants who did not respond were telephoned.

Questions To Be Answered

To better understand this issues facing businesses in Santa Rosa and Walton Counties, the Haas Center Staff designed, administered and analyzed two separate surveys that addressed the following overarching questions:

TO BUSINESSES

- What are the local business growth plans over the next 3-5 years?
- What workforce issues does your company face?
- What are the most critical jobs for future growth?
- Is turnover a problem?
- What methods are used to recruit workers?
- What skills and training are needed?

TO SITE CONSULTANTS

- Are you familiar with the Pensacola Bay Area as a location for expansion or future relocation?
- What are the greatest attractions and greatest obstacles in considering the Pensacola Bay Area as a location for expansion or future relocation?
- What are the most important factors when considering expansion or relocation?

THE BUSINESS SURVEY

The survey was sent to approximately 5,000 businesses in Escambia and Santa Rosa counties in an effort to understand plans for future growth and issues that firms considered important. 234 surveys were returned, representing 12,300 workers. Numerous attempts were used to improve the responses including a second mailing to corrected addresses and reminders (sample in Appendix). The following is an overview of the highlights from the survey responses.

Demographics- Private for profit businesses comprised 83.8% of the responders. 10.8% were private non-profit, and 4.5% were government. 9.5% indicated they were dependent on the U.S. Department of Defense for work. Of those who indicated some dependence on Department of Defense work, over half said 30% or less of their total sales were involved.

Figure 5 indicates the gross sales/revenue in Northwest Florida for fiscal year 2002. As indicated, 23.1% of the businesses had a gross sales/revenue between \$500,000 and \$999,999 while 29.2% had a gross sales/revenue between \$1,000,000 and \$4,999,999.

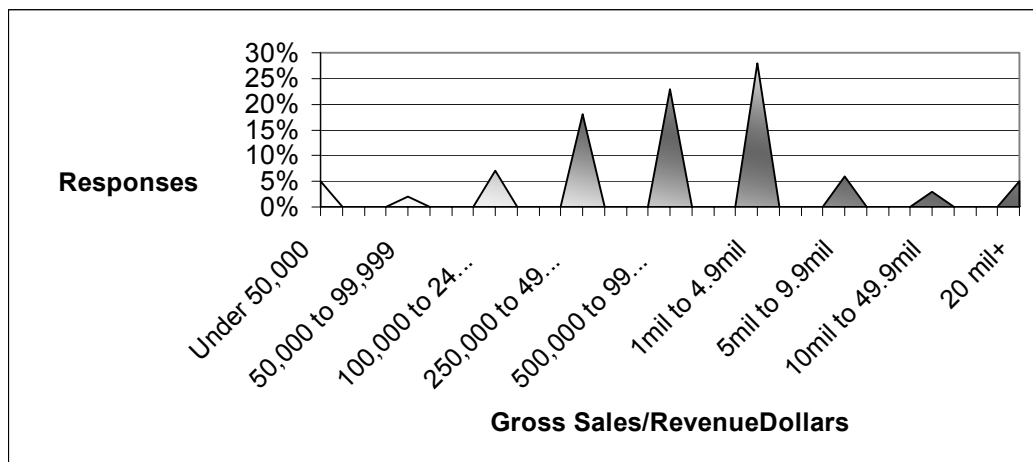


Figure 5. Gross Sales/Revenue Dollars in Northwest Florida for 2002

Firms were asked about numbers of full-time and part-time employees. Figure 6 summarizes the results of these items. Over 60% of the respondents indicated they employed from 5 to 19 people. 16% employed from 20 to 39 people. The third largest category was 10% who employed over 100. Significantly, 3,632 employees were in the 90% of firms that hired less than 100 while 8,577 were in the 10% of firms with 100 or more employees.

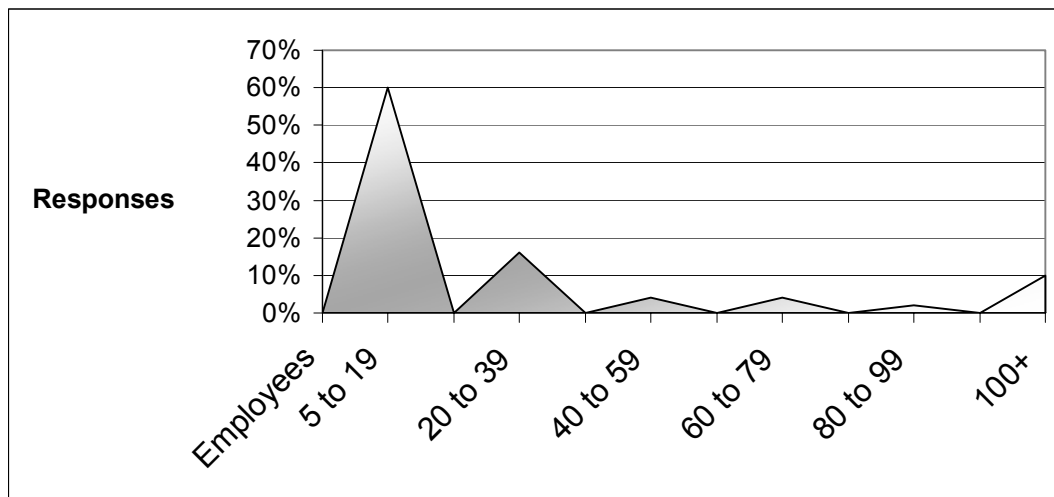


Figure 6. Percentage of firms with indicated numbers of employees.

What are your firm’s local business growth plans over the next 3 – 5 years?

When asked about growth plans over the next 3 to 5 years, 54% of the firms responding indicated they anticipated 0% to 24% growth in total sales. 30% anticipated 25% to 49% growth. Only 10% of the respondents anticipated 50% or more. Figure 7 summarizes the responses.

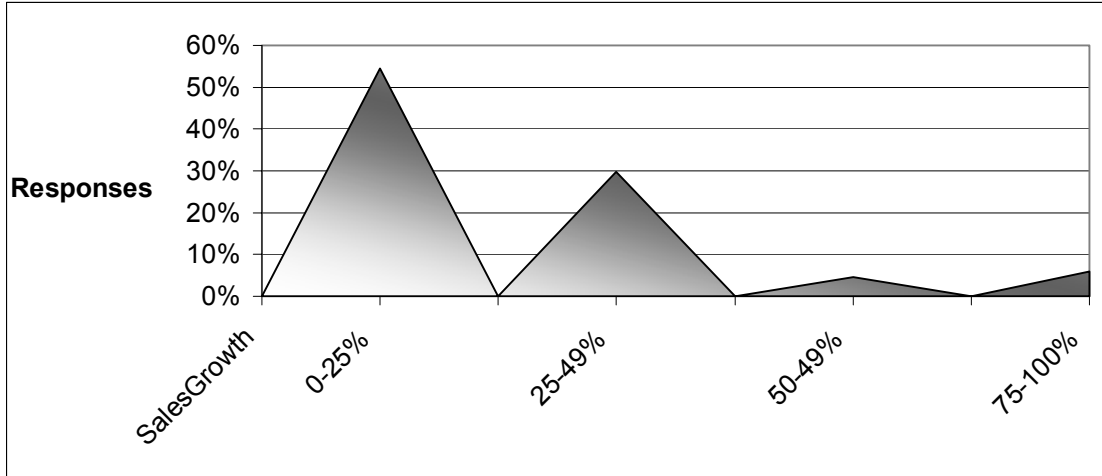


Figure 7. Sales Growth – Next 3 to 5 Years

When firms were asked if they anticipated a need for more space, responses paralleled those for sales growth. 43% of those responding anticipated a need for less than 10,000 square feet for expansion in the next 3 to 5 years, and 42% said their present space would be adequate. Respondents who indicated a need for more space were asked if they needed industrial, commercial, office, parking and/or warehouse facilities. 60% said office space; 35%, commercial; 33%, parking; 25%, warehouse and 14% said industrial.

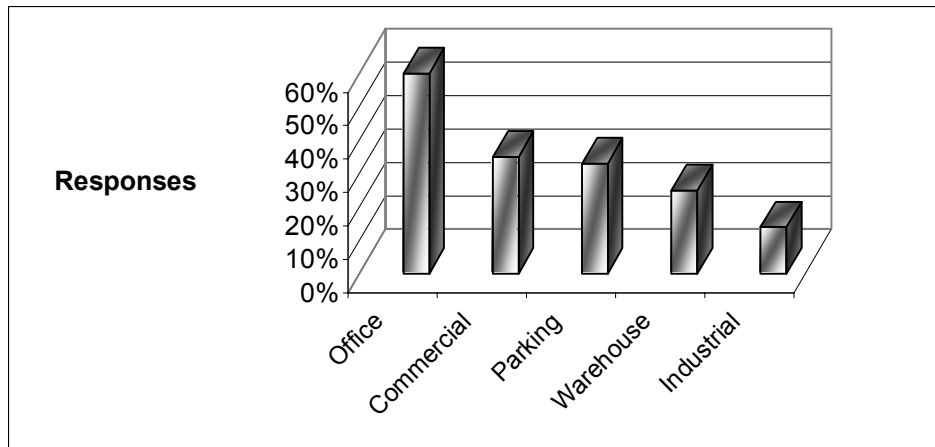


Figure 8. Need for Space- Next 3 to 5 Years

When asked about capital investment dollars over the next 3 to 5 years, 65% of the respondents indicated they would invest under \$250,000; 17% anticipated \$250,000 to \$999,999; however, 9% were planning capital investments of \$1,000,000 to \$4,999,999. Figure 9 summarizes the responses.

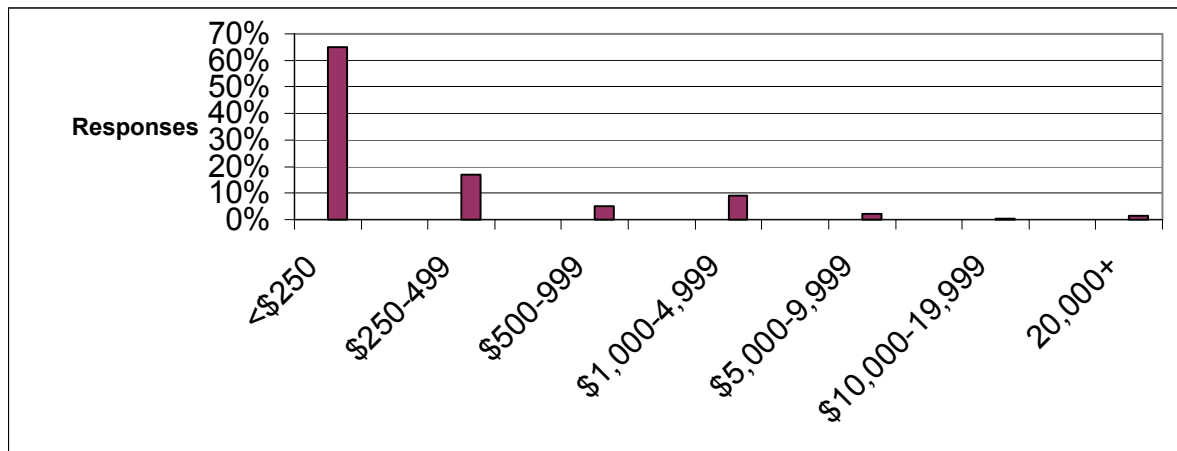


Figure 9. Capital Investment Dollars (in thousands of dollars)- 3 to 5 Years

Approximately how many people in total have you hired locally in each of the last 3 years?

Figure 10 summarizes the responses when businesses were asked about recent hiring trends. The greatest percentage of businesses reported hiring less than 25 employees in all three years. However, between 3% and 4% of the respondents hired over 100 employees all three years.

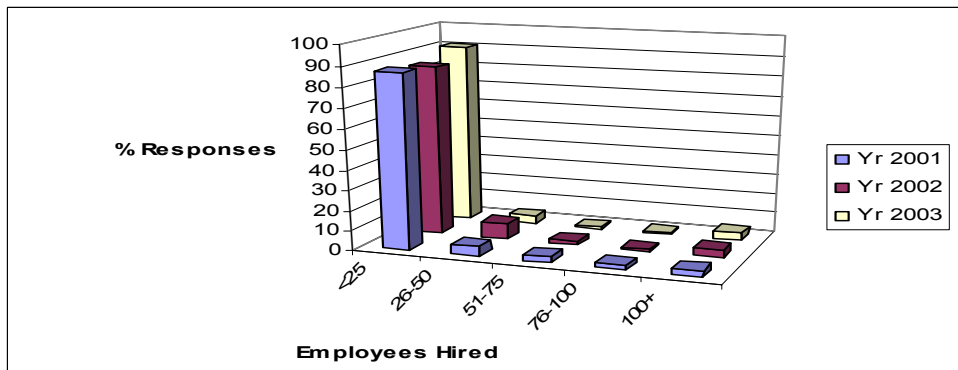


Figure 10. Numbers of employees hired 2001-2003.

What percentage of your employees belong to a union?

97% of the businesses reporting indicated no union membership in their workforce. Specific unions mentioned included Directors/Actors Guild, Woodworkers of America, and Police.

Does your organization experience problems in the following areas: absenteeism, aging workforce, over-qualification, productivity, “soft-skills” missing, substance abuse, technical skills missing, turnover, underemployment?

Four areas that respondents indicated the least problems were aging workforce, over-qualification, substance abuse, and underemployment. Figure 11 summarizes the responses in these areas. Respondents were given the choice of strongly agree, agree, neutral, disagree, and strongly disagree. In Figure 11, the strongly agree and agree responses were combined to indicate the firms found some indication of a problem; disagree and strongly disagree were also combined to indicate that little concern about the issue was noted.

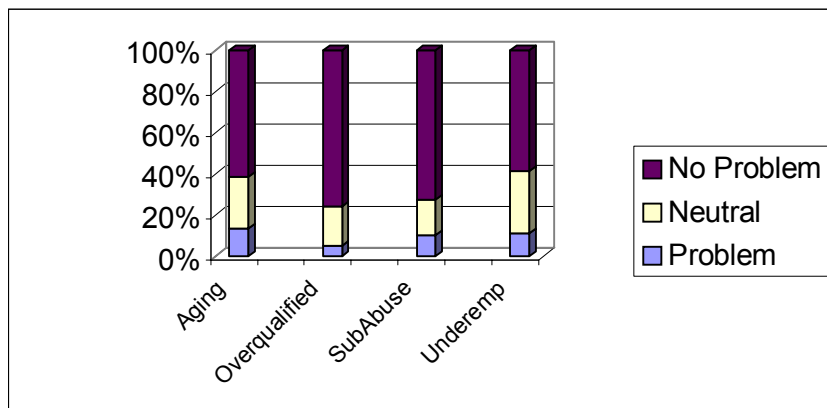


Figure 11. Workforce Issues- Few Problems

Looking at the separate issues, 13% of the respondents indicated they strongly agreed or agreed aging was a problem in their firm while 59% disagreed or strongly disagreed aging was an issue. Only 5% of the respondents found over-qualification to be an issue; 75% indicated no problem. 10% found substance abuse to be a problem; 72% said no. Finally, underemployment was a problem for 11% of the respondents, while 58% indicated underemployment was not an issue.

More respondents found absenteeism, lack of productivity, lack of soft-skills, lack of technical skills, and turnover to be issues that concerned them. As Figure 12 illustrates, the majority of respondents still did not have a problem with these issues in their workplace. Again strongly agree and agree responses were added together as were disagree and strongly disagree.

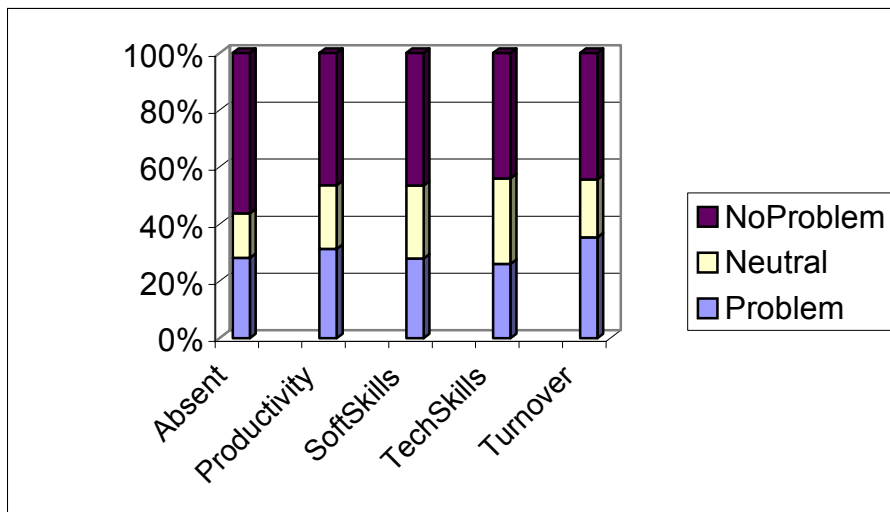


Figure 12. Workforce Issues

Looking at the separate areas, absenteeism was a problem for 27% of the respondents; 54% indicated no problem. Productivity was an issue for 31% of the respondents while 46% indicated no problem. Lack of soft skills was an issue for

24%, while 40% did not see a problem. 26% of the respondents found lack of technical skills to be an issue while 44% indicated no problem. Finally, turnover was ranked at the top of problem issues with 35% indicating some concerns; 44% said turnover was not an issue. When asked in a separate question if turnover was a problem, 31% of those responding indicated “Yes.”

How difficult is it to typically fill critical jobs in management, high wage/high skill (>\$9.40/hr), skilled labor (<\$9.40/hr), and unskilled labor.

As summarized in Figure 13, only 20% of the respondents characterized management positions as very easy or easy to fill, while 45% characterized management openings as difficult or very difficult to fill. Similarly, 20% found high wage/high skill positions easy to fill; 44% found highly skilled jobs difficult to fill. Skilled positions were characterized by 26% as very easy or easy to fill; 43% filled skilled positions in an average amount of time, while 28% of the respondents found skilled jobs difficult or very difficult to fill. Finally, 57% found unskilled jobs very easy or easy to fill, and only 15% found unskilled positions difficult or very difficult to fill.

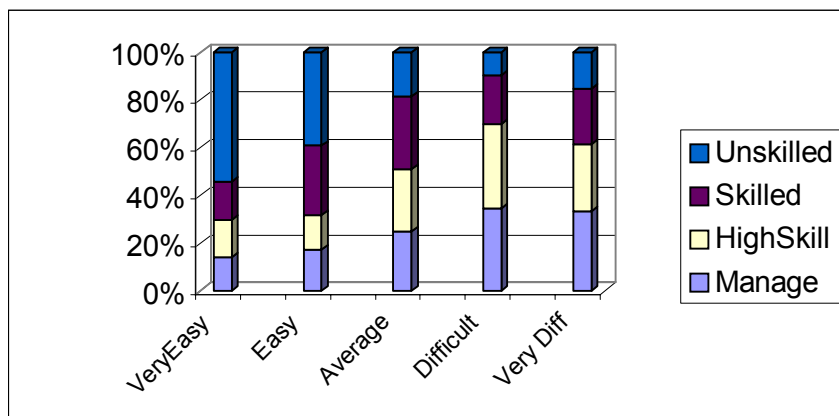


Figure 13. Difficulty in Filling Positions

How many days does it take to fill critical jobs in the following areas: management, high wage/high skill (<\$9.40/hr), skilled labor (<\$9.40/hr), and unskilled.

Responses to this question varied a great deal. Table 2 summarizes the range and the average of the responses by job type. Generally, the answers validated the responses to the previous question concerning the difficulty of filling positions.

	Range	Mean (Average)
Management	3 to 135 days	44 days
High Wage/Skill	1 to 120 days	30 days
Skilled	0 to 90 days	25 days
Unskilled	0 to 90 days	11 days

Table 2. Days Required to Fill Positions

Please indicate the most important factors to you in the hiring of management, skilled labor, and unskilled labor. Mark all that apply: high school education, GED, technical certificate, 2-year college degree, 4-year college degree, graduate degree, doctoral degree, job appropriate training, previous experience, outside activities, computer skills, other.

	Management	Skilled Labor	Unskilled Labor	Total Responses
High School	69	98	109	276
GED	13	38	69	120
Technical Certificate	10	71	23	104
2-year College Degree	45	48	6	99
4-year College Degree	92	16	0	108
Graduate Degree	41	9	0	50
Doctoral Degree	18	3	0	21
Job Appropriate Training	80	124	69	273
Previous Experience	130	149	76	355
Outside Activities	25	17	16	58
Computer Skills	109	78	29	216

Table 3. Most Important Factors in Hiring

As indicated in Table 3, the most frequently marked response was 'previous experience.' Experience led the list for managers and skilled labor and was second only to high school education for unskilled labor. The category, 'computer skills,' was the second most frequently marked for managers while 'job appropriate training' was second for skilled labor. Figure 14 summarizes the need for the top four responses by job category. As would be expected, graduate degree and doctoral were marked least frequently. Generally, the medical profession and academic institutions were the areas in need of such expertise. Technical certification was slightly more important to the respondents than 2 or 4 year degrees for skilled labor. College degrees became more important for management.

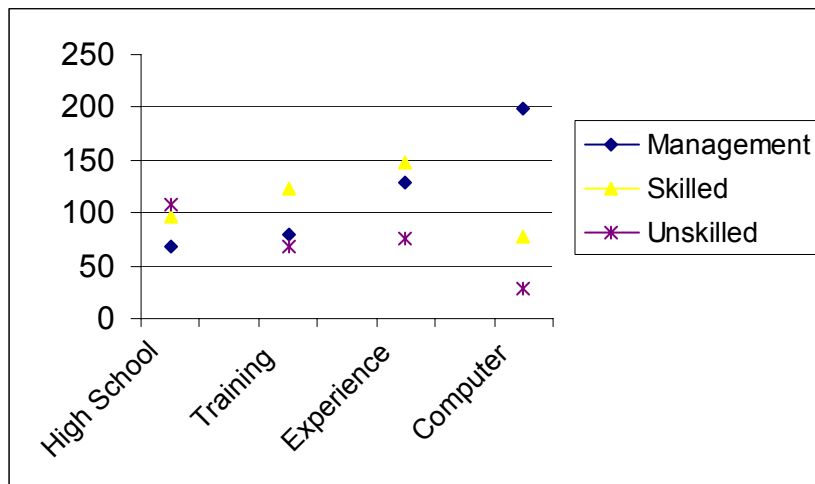


Figure 14. Top 4 Responses- Factors In Hiring

Please identify the following general worker abilities that are important when you hire a new employee. Mark all that apply: basic skills, complex problem solving skills, computing, critical thinking skills, information processing, math applications, oral communications skills, reasoning and

analysis, resource management skills, social skills, systems skills, technical skills, technical writing, work ethic. Respondents were given the choices of **Need in Future, Often Missing, and Need Now.**

Table 4 summarizes the responses. Work ethic was the most frequently marked response, leading in the category ‘need now’. Oral communications followed closely behind as the second most frequently marked response with basic skills as the third most frequent overall and the second most frequently marked in ‘need now’. Technical writing and systems skills received the fewest marks. Resource management skills led the list in ‘needed in future’ but did not appear to be a critical need presently. Problem solving led the ‘often missing’ list and ranked sixth overall.

	Need in Future	Often Missing	Need Now	Total
Basic Skills	14	40	139	193
Problem Solving	40	75	58	173
Computing	26	43	94	163
Critical Thinking	27	70	89	186
Info Processing	20	47	89	156
Math Applications	30	52	72	154
Oral Communications	19	65	119	203
Reasoning/Analysis	29	56	91	176
Resource Mgt	45	51	42	138
Social Skills	20	39	122	163
Systems Skills	28	44	47	119
Technical Skills	35	52	73	160
Technical Writing	34	50	28	112
Work Ethic	19	45	145	209

Table 4. Most Important Abilities for New Hires (Top six responses are highlighted.)

What positions are critical to fill now?

Skilled laborers were mentioned most often in answer to this question, including plumbers, welders, electricians, and mechanics. Nurses were mentioned frequently as were teachers and managers for various businesses. Unskilled laborers were also needed, specifically housekeeping staff.

Please indicate the level of benefit coverage your company provides its employees. Mark all that apply: child care, continuing education, dental, disability, fitness programs, flexible hours, legal aid, maternity leave, medical, paid transfers, paid vacation, pension/retirement plan, sick leave, stock/equity options, other. Respondents could mark **fully paid, partially paid** or **not offered**.

Table 5 summarizes the responses to this question.

	Fully Paid	Partially Paid	Not Offered
Child Care	1	8	177
Continuing Ed	54	72	70
Dental	18	65	107
Disability	31	47	109
Fitness Program	5	10	169
Flexible Hours	61	45	80
Legal Aid	2	12	171
Maternity Leave	24	44	115
Medical	48	96	61
Paid Transfers	6	16	151
Paid Vacation	158	22	24
Pension/Ret	51	61	87
Sick Leave	113	23	66
Stock/Equity	5	11	161

Table 5. Summary of Benefit Coverage

The most frequently offered fully paid benefits were vacation time followed by sick leave and flexible hours. Continuing education also received strong support. Medical benefits appeared the most frequently in partially paid benefits with continuing education in second place. Child-care led in the 'not offered' category with legal aid and fitness programs close behind. Next, in related questions, businesses were asked about the value of their benefit packages,

What is the average percentage of total compensation benefits package normally provided per employee?

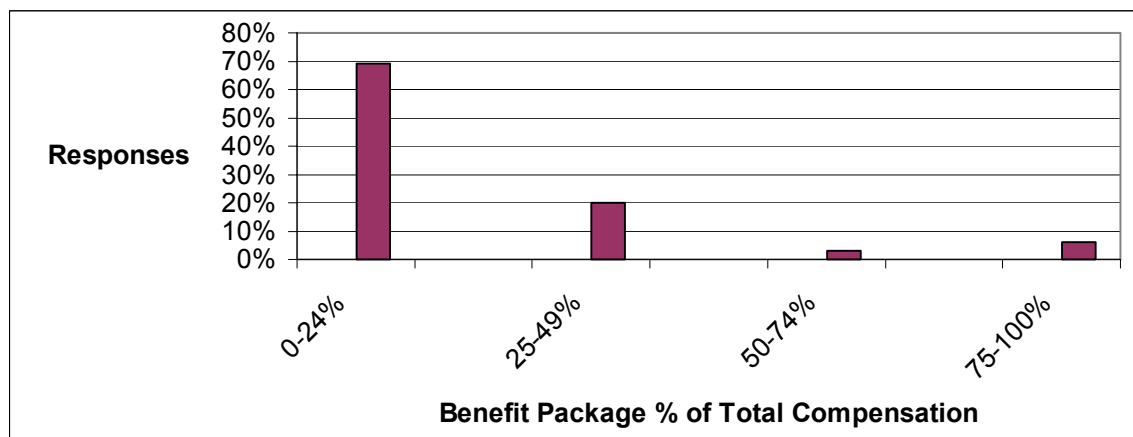


Figure 15. Benefits Package as Average Annual Percentage of Total Compensation

As Figure 15 illustrates, 69% of the respondents indicated their benefits package was 0% to 24% of the total compensation while 20% of the respondents indicated 25% to 49% of total compensation. 9% of the respondents indicated benefits were valued 50% or more of the compensation.

What is the average annual value of the benefits package normally provided per employee?

As Figure 16 indicates, 30% of the respondents said the value of their benefits package was less than \$1,000 while 17% indicated \$5,000 or more; 17%

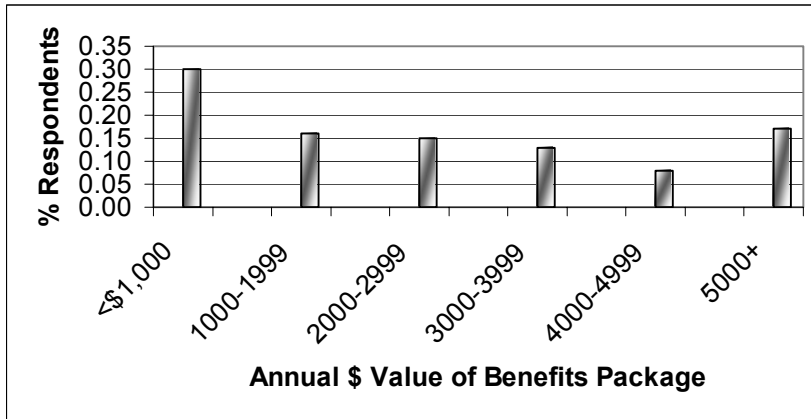


Figure 16. Annual value of benefits package

said \$1,000 to \$1,999; 15% said \$2,000 to \$2,999; 13% responded \$3,000 to \$3,999, and finally 8% indicated a value of \$4,000 to 4,999.

How many openings (all employees) are expected in the next year due to retirements, separations, and/or growth?

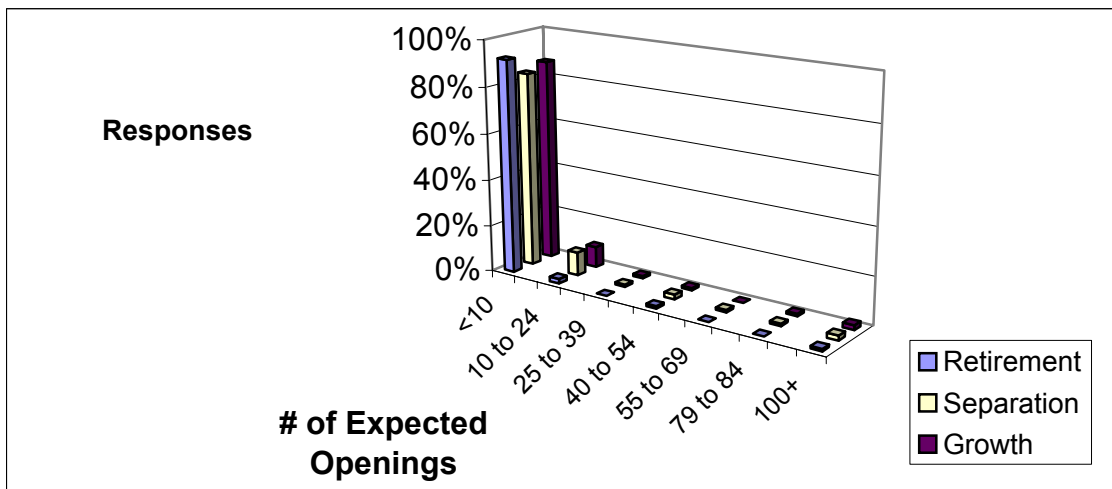


Figure 17. Expected Openings

As illustrated in Figure 17, 84% to 96% of those responding projected less than 10 openings for each of the 3 reasons. Between 10 and 24 openings were expected by 10% of the employers due to separation and by 9% due to retirement. Over 100 vacancies were expected by 1% of the respondents due to retirement, 2% due to separation and 2% due to growth. As mentioned in connection to other items about turnover, 32% of the respondents identified turnover as a problem. The National View section of this report suggests that even modest turnover is a problem because it is expensive to the organization. When asked to list reasons for turnover, respondents mentioned lack of needed skills: basic labor skills, character, social skills (getting along with customers), writing skills, and required licensure. These reasons suggest employees had to be released because they were unable to perform the job satisfactorily.

What is your company’s approximate annual turnover rate?

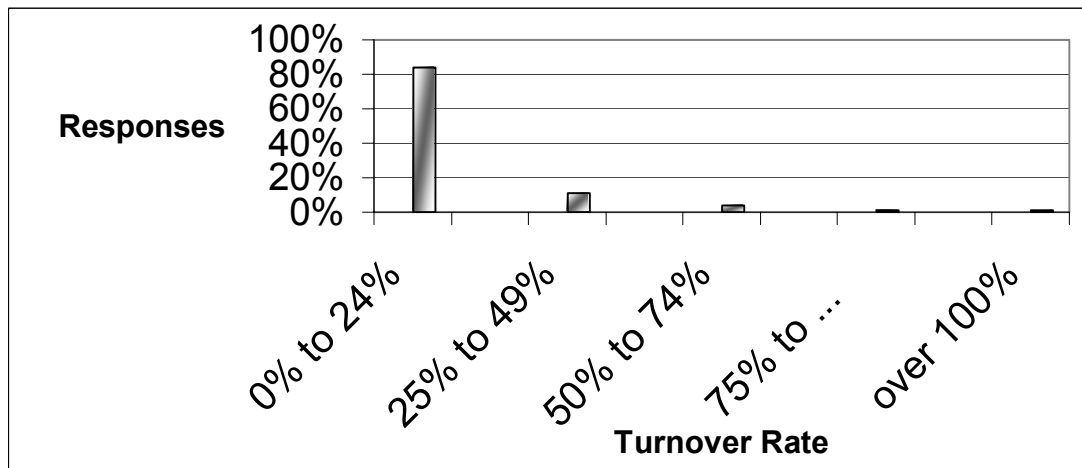


Figure 18a. Percent of Businesses Reporting Annual Turnover Rate

As summarized in Figure 18a, 84% of the respondents indicated an annual turnover rate of 0% to 24% while 11% indicated 25% to 49% turnover. Only 4% reported a 50% to 71% rate and 1% reported 75% to 100%. Less than 1% experienced a 100%+ turnover rate. The highest rates tended to be in some fast food businesses. When questioned about work issues, the problem mentioned most often was turnover and the second was productivity. These issues are often related since an employee leaving the workplace can mean a vacancy for a time, other workers having to fill in, and the time spent before the new hire becomes fully productive.

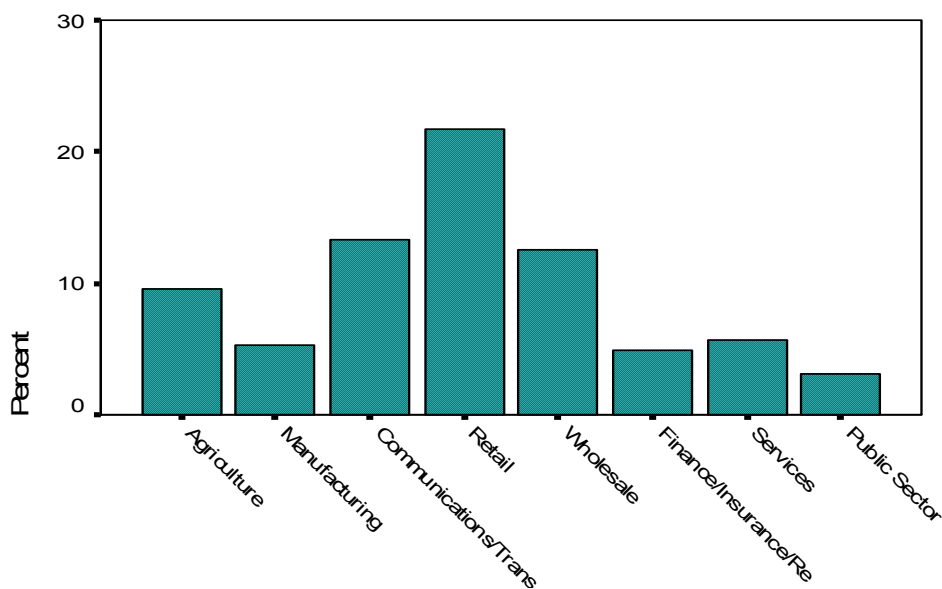


Figure 18b. Turnover Rate Percent by Industry

Figure 18b indicates the turnover rate by industry. Of those reporting, Retail is the highest at 22% followed by Wholesale and Communications/Transportation, both with approximately a 13% turnover rate.

What percentage of your workforce telecommutes?

94% of the respondents said 0% to 24% of their workers telecommute; 4% said 25% to 49%, and 2% indicated 75% to 100%.

Please indicate the relative importance of the following tools regarding your company’s recruitment procedures: internal promotion, local employment agencies, newspaper ads, Escarosa Career Centers, school /training programs, technical recruiter, use of industry networks, websites/internet, other. Respondents could mark as many categories as they wished.

When ‘extremely important’ and ‘important’ responses were combined, the most significant tools were internal promotions, other, newspaper ads, industry networks, school/training and websites/internet. Table 6 summarizes the responses.

Recruiting Tools	Extremely Important/Important
Internal Promotions	67%
Other	48%
Newspaper Ads	43%
Industry Network	31%
School/training	27%
Web/Internet	22%
Local Employment Agencies	20%
Escarosa Career Center	12%
Technical Recruiter	12%

Table 6. Important Recruiting Tools

Respondents were asked to list specific tools if they marked the 'Other' category. The most frequent response was referral from friends or employees; however, apprenticeships, reader-board, and the UWF computer lab were also mentioned.

Which category describes the training options that would be supported by your company: apprenticeship, community college, employer provided equipment, employer provided instructors, high school (or equivalent), incumbent workers program, in-house/jobsite training, outside training opportunities, paid wages during training, state funded incentives, state provided training, technical schools, tuition and fees for training, and university. Table 7 summarizes the responses.

Training Option	Strongly Agree/ Agree Total	Neutral	Disagree/Strongly Disagree Total
On-the-Job Training	85%	10%	7%
In-house/jobsite Training	81%	13%	7%
Paid Wages During Training	73%	20%	7%
Apprenticeships	55%	24%	19%
Employer Provided Equipment	55%	29%	17%
Employer Provided Instructors	54%	30	16%
Technical Schools	52%	28%	21%
Community College	50%	30%	20%
High School	50%	31%	20%
Outside Training	48%	32%	20%
Tuition and Fees for Training	48%	29%	23%
University	43%	74%	26%
State Funded Incentives	38%	31%	31%
State Provided Training	36%	30%	33%
Incumbent Workers Program	16%	49	35%

Table 7. Training Options

The training options that received the most support were 'on-the-job', followed by 'in-house', then 'paid wages'. Firms also indicated support for apprenticeships, employer provided instructors and equipment, technical schools, high schools, and community colleges.

Do you have any specific recommendations or comments regarding the issues raised by this survey?

"Florida needs to improve relationships with manufacturing incentives for existing and new companies."

"In general, we are lacking qualified people with decent work ethic and communication skills."

"Too many unqualified people who want top wages for doing nothing."

"We do have a problem finding and keeping qualified people who want to work. Even employees in the lowest position should have basic computer skills. Organizational skills have been very lacking."

THE SITE CONSULTANT SURVEY

Site consultants identified by the Pensacola Bay Area of Commerce were sent an initial electronic survey followed by a second to non-responders. Finally, consultants were telephoned. A total of 20 agreed to give some responses.

How familiar are you with the Pensacola Bay Area as a possible site for expansion or relocation? Respondents could select from three responses, very familiar, somewhat familiar, or not at all familiar.

9 consultants said they were not at all familiar with the area; 6 indicated somewhat familiar, and 5 said very familiar.

How would you rate the Pensacola Bay Area as a possible site for expansion or relocation for your clients on a scale of 1 to 5 with 1 being low regard and 5 being the highest regard?

Respondents who were not familiar with the area did not answer this question. Of those who indicated some familiarity, 5 rated the area in high regard; 4 indicated low regard; one rated the area average.

In thinking about the expansion or relocation to the Pensacola Bay Area, what do you see as the greatest attraction?

Quality of life was the most frequent answer. Other responses included access to east-west transportation route, possible availability of retired military personnel, cost of labor, weather, and available workforce.

In thinking about the expansion or relocation to the Pensacola Bay Area, what do you see as the greatest obstacle?

The most frequent response of those familiar with the area was lack of accessibility to major markets. Other responses were lack of facilities, lack of sufficient air service, lack of available property, lack of cultural events, and possibility of hurricanes.

How would you rate the workforce availability in the Pensacola Bay Area on a scale of 1 to 5 with 1 indicating the workforce you seek is not generally available and 5 indicating the workforce you need is available?

Several respondents said a specific business would have to be identified before they could answer this question. 3 respondents indicated the workforce was generally available while 2 thought not.

How would you rate the quality of the workforce in the Pensacola Bay Area on a scale of 1 to 5 with 1 indicating the quality you seek is not generally available and 5 indicating the quality is generally available?

The most frequent response was that the person had no idea; the next most frequent was a specific business or industry would have to be identified. 3 respondents rated the workforce quality generally high at 4, while 2 respondents said the quality was not generally available.

What are the top two workforce skills a client seeks when considering expansion or relocation to a new area.

5 responses were about work ethic; education was also mentioned in 5 responses. Computer skills were mentioned in 3 responses. Other responses included technology skills, the ability to work with a group, and the ability to communicate. Again, a frequent response was that a specific business or industry would have to be identified to give a good answer to the question. Some industries, such as distribution, needed a large, relatively unskilled workforce while others needed specific skills.

Rate the importance on a scale of 1 to 5 with 1 indicating the issue is not important and 5 indicating the issue is very important in expansion or relocation of a company: local incentives, infrastructure, transportation, telecommunications, location in a business park environment.

As summarized in Figure 19, local incentives led the rating with 55 points while infrastructure received 50; transportation, 39; telecommunication, 32; and business park environment, 22. Again, respondents indicated that the particular situation might change their answers. For example, some businesses thought that a business park environment was a must while others wanted their own space to build.

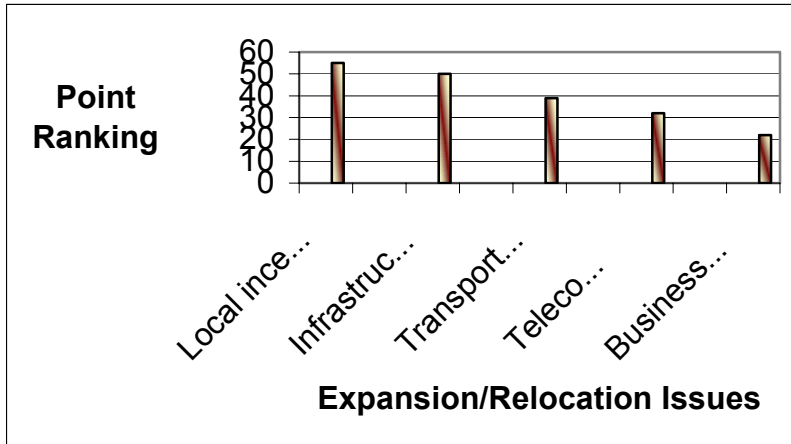


Figure 19. Issues in Expansion or Relocation

In summary, site consultants were very reluctant to answer the survey. Those who gave reasons for their reluctance indicated they either were not familiar with the area or would need to answer the questions in relation to a specific business. The answers that were given reinforce the nation-wide importance of work ethic, education or skills, and the ability to communicate. While being located near major markets was viewed as a necessity by many firms, the quality of life in the Pensacola Bay Area was a strong attraction. If local incentives were in place, and the availability of workers for a particular industry could be established, the Pensacola Bay Area would be viewed positively by the consultants.

SUMMARY

The Pensacola Bay Area, combining Escambia and Santa Rosa counties, has a population of 412,000 and a workforce of 195,000. The current unemployment rate of about 4% is below the state average, indicating that workers may not be consistently available to fill all the requirements of businesses in the area. Firms mentioned current critical needs in skilled labor such as plumbers, electricians, welders, and mechanics, as well as nursing, teaching, and some unskilled positions. The median salary in the region is about \$2,000 less than the median salary statewide. 30% of the responding firms indicated their benefits package was less than \$1,000, while 32% noted a range of \$1,000 to 2,999. Paid vacation and sick leave were the most frequently offered fully paid benefits, while medical coverage led the list of partially paid benefits.

The relatively high concentration in services and wholesale/retail sales is expected to continue. Firms anticipated modest growth in the next 3 to 5 years with 54% indicating an expected growth rate of 0% to 24%, and 30% expecting to grow 25% to 49%. In terms of facilities, the biggest need was office space, followed by commercial space and parking.

Firms were positive about the skills and abilities of their current workforce. Problem issues for about 30% were turnover and a related area, productivity. Reasons for turnover centered around a lack of work ethic and skills, indicating some employees were released because they could not perform satisfactorily. About a fourth of the businesses noted absenteeism, missing 'soft-skills', and missing technical skills as issues in their workforce. As the respondents looked at

their new hires, areas of concern were work ethic, oral communication skills, basic skills, and ability to reason and analyze.

Firms thought that internal recruiting tools were the most effective, with internal promotions leading the list followed by referrals of friends and current employees. Newspaper ads and industry networks were also important. Similarly, companies supported internal training options. On the job, in-house, and paid wages during training were the leading choices. Firms indicated moderate support for apprenticeships, employer provided instructors and equipment, technical schools, high schools, and community colleges.

Site consultants thought the strength of the Pensacola Bay Area was quality of life while lack of accessibility to major markets was viewed as the greatest obstacle to firms considering expansion or relocation. The greatest challenge is to increase awareness of the quality of life- including the training and educational opportunities available in the Pensacola Bay Area.

Recurring themes from Pensacola Bay Area employers included:

- The service-driven economy is growing;
- Turnover and productivity are issues for some segments;
- The new-hire candidate pool sometimes lacks the needed work ethic and skill level;
- Training and educational opportunities are essential.

Since turnover, retention, and related productivity issues did emerge as concerns, the national research led to the following suggestions for employers:

- Develop a caring atmosphere in the workplace;

- Provide mentors for new workers or older workers lacking skills;
- Consider implementing a fitness program to decrease injuries and promote productivity.

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APPENDIX

Respondents to the Pensacola Bay Area Partnership Labor Market Study

ESCAMBIA	CENTURY	TOWN OF CENTURY
ESCAMBIA	CANTONMENT	BUTLER FOODS OF PENSACOLA INC
ESCAMBIA	CANTONMENT	CANTONMENT FEED AND SUPPLY INC
ESCAMBIA	CANTONMENT	HARVESTERS FEDERAL
ESCAMBIA	CANTONMENT	REX CREWS FLOORING CO INC
ESCAMBIA	CANTONMENT	SERF, INC
ESCAMBIA	PENSACOLA	1ST CHOICE HOME IMPROVEMENTS IN
ESCAMBIA	PENSACOLA	ACADEMIC & ARTISTIC ENRICHMENTS
ESCAMBIA	PENSACOLA	ADVANCE MANAGEMENT INC
ESCAMBIA	PENSACOLA	AFFORDABLE INSURANCE GROUP OF
ESCAMBIA	PENSACOLA	ALETHEA CHRISTIAN PRIVATE SCHOO
ESCAMBIA	PENSACOLA	AMC TOOL & CARBIDE SUPPLY INC.
ESCAMBIA	PENSACOLA	AMERICAN BUILDING COMPONENTS
ESCAMBIA	PENSACOLA	AMERICAN LUNG ASSOCIATION
ESCAMBIA	PENSACOLA	AMERICAN RED CROSS PENSACOLA
ESCAMBIA	PENSACOLA	AMERICAN TIRE
ESCAMBIA	PENSACOLA	AMERIND INC
ESCAMBIA	PENSACOLA	AMSTAFF HUMAN RESOURCES INC II
ESCAMBIA	PENSACOLA	AMSTAFF HUMAN RESOURCES INC II
ESCAMBIA	PENSACOLA	ARCHITECTURAL SPECIALTIES
ESCAMBIA	PENSACOLA	AREA HOUSING COMMISSION
ESCAMBIA	PENSACOLA	ATC VANCOM INC
ESCAMBIA	PENSACOLA	BARBARA J MIZELL DMD PA
ESCAMBIA	PENSACOLA	BARNES ELECTRIC
ESCAMBIA	PENSACOLA	BAROCO ELECTRIC CONSTRUCTION
ESCAMBIA	PENSACOLA	BASHAW MEDICAL INC
ESCAMBIA	PENSACOLA	BASIL MUNRO PLASTERING INC
ESCAMBIA	PENSACOLA	BAY TRANSMISSION INC
ESCAMBIA	PENSACOLA	BETTY GAIL PETERS INTERIOR DESIGN INC
ESCAMBIA	PENSACOLA	BEULAHS PRE K & LEARNING
ESCAMBIA	PENSACOLA	BIXLER & ASSOCIATES
ESCAMBIA	PENSACOLA	BLUE ANGEL AVIATION INC
ESCAMBIA	PENSACOLA	BOSSO S UNIFORM COMPANY INC
ESCAMBIA	PENSACOLA	BROWN THORNTON PACENTA & COMPANY
ESCAMBIA	PENSACOLA	BULLOCK TILE ASSOCIATES
ESCAMBIA	PENSACOLA	CAR CITY TRUCK PARTS
ESCAMBIA	PENSACOLA	CENTER FOR SIGHT OF NORTHWEST
ESCAMBIA	PENSACOLA	CENTRAL CREDIT UNION OF
ESCAMBIA	PENSACOLA	CHANCIE S PACKAGE & TAVERN INC
ESCAMBIA	PENSACOLA	CHEMSTRAND OAKS VETERINARY
ESCAMBIA	PENSACOLA	CITIZENS TITLE GROUP INC
ESCAMBIA	PENSACOLA	COASTAL NURSECARE OF
ESCAMBIA	PENSACOLA	COMMUNITY ACTION PROGRAM COMMITTEE INC
ESCAMBIA	PENSACOLA	CORDOVA ORTHOPAEDIC
ESCAMBIA	PENSACOLA	DANA COUPLED PRODUCTS
ESCAMBIA	PENSACOLA	DANLEY & SONS ELECTRIC CO INC
ESCAMBIA	PENSACOLA	DANNIE W MICKLES

ESCAMBIA	PENSACOLA	DAWS MANUFACTURING COMPANY INC
ESCAMBIA	PENSACOLA	DEAN EDMUND ALTENHOFEN MD PA
ESCAMBIA	PENSACOLA	DISCOUNT AUTO BROKERS
ESCAMBIA	PENSACOLA	DMDDDS INC
ESCAMBIA	PENSACOLA	EAGLE SUPPLY INC
ESCAMBIA	PENSACOLA	EMERALD COAST ENVIRONMENTAL
ESCAMBIA	PENSACOLA	EMPLOYERS ASSISTANT INC
ESCAMBIA	PENSACOLA	ESCAMBIA SCHOOL READINESS
ESCAMBIA	PENSACOLA	EW BULLOCK ASSOCIATES, INC
ESCAMBIA	PENSACOLA	FABRE ENGINEERING INC
ESCAMBIA	PENSACOLA	FDLE-PENSACOLA REGIONAL OPERATIONS CENTER
ESCAMBIA	PENSACOLA	FIRST CHARTER FINANCIAL
ESCAMBIA	PENSACOLA	FLORIDA INSTITUTE OF
ESCAMBIA	PENSACOLA	FORMSYSTEMS INC
ESCAMBIA	PENSACOLA	FRUITTICHER LOWERY APPRAISAL GR
ESCAMBIA	PENSACOLA	GERALD T NEWMAN INC
ESCAMBIA	PENSACOLA	GOOD MORNING MATTRESS CENTER
ESCAMBIA	PENSACOLA	GRAYS INC OF PENSACOLA
ESCAMBIA	PENSACOLA	GULF ATLANTIC CONSTRUCTORS INC
ESCAMBIA	PENSACOLA	GULF COAST ELECTRIC MOTOR SERVICE
ESCAMBIA	PENSACOLA	GULF COAST TRAFFIC
ESCAMBIA	PENSACOLA	GULFSIDE MECHANICAL INC
ESCAMBIA	PENSACOLA	HANK DOUSHARM INS AGENCY
ESCAMBIA	PENSACOLA	HARVEST FIELDS & GROWERS INC
ESCAMBIA	PENSACOLA	HEAD HUNTER HAIR, NAILS & TANNING
ESCAMBIA	PENSACOLA	HOFFMAN & ASSOCIATES P A
ESCAMBIA	PENSACOLA	HONG KONG RESTAURANT OF
ESCAMBIA	PENSACOLA	IAN CONRAD BERGAN INC
ESCAMBIA	PENSACOLA	INDEPENDENCE FOR THE BLIND OF WEST FLORIDA
ESCAMBIA	PENSACOLA BEACH	ISLANDER ENTERTAINMENT INC
ESCAMBIA	PENSACOLA	J S SHIRK & ASSOCIATES INC
ESCAMBIA	PENSACOLA	JAMES J MALLETT PE PA
ESCAMBIA	PENSACOLA	JAMESTOWN ESTATES
ESCAMBIA	PENSACOLA	JEHLE-HALSTEAD, INC
ESCAMBIA	PENSACOLA	JERRY TOLER CONSTRUCTION
ESCAMBIA	PENSACOLA	JJW SERVICES INC dba ACCUSTAFF
ESCAMBIA	PENSACOLA	JLO INC
ESCAMBIA	PENSACOLA	JOHN H HINMAN III DDS
ESCAMBIA	PENSACOLA	JOHN M KIZZIAH
ESCAMBIA	PENSACOLA	JOHN S CARR & COMPANY INC
ESCAMBIA	PENSACOLA	KENNETH HORNE & ASSOCIATES INC
ESCAMBIA	PENSACOLA	KEYES & KEYES CLEANING SERVICE
ESCAMBIA	PENSACOLA	KMS BUSINESS PRODUCTS CORP
ESCAMBIA	PENSACOLA	LABEL COMPANY INC
ESCAMBIA	PENSACOLA	LAKEVIEW CENTER INC
ESCAMBIA	PENSACOLA	LANTANA ONE LTD
ESCAMBIA	PENSACOLA	LAURA B MCAULEY
ESCAMBIA	PENSACOLA	LEBLANC TRAVEL INC
ESCAMBIA	PENSACOLA	LIVING ART TATTOOS INC
ESCAMBIA	PENSACOLA	MAINSTAGE THEATRICAL SUPPLY

ESCAMBIA	PENSACOLA	MARK LEE SMITH PA
ESCAMBIA	PENSACOLA	MARK LEES SKIN CARE INC
ESCAMBIA	PENSACOLA	MCALEER S OFFICE FURNITURE OF
ESCAMBIA	PENSACOLA	MCLEMORE ELECTRIC INC
ESCAMBIA	PENSACOLA	MERRILL LAND MANAGEMENT
ESCAMBIA	PENSACOLA	METALCRAFT OF PENSACOLA INC
ESCAMBIA	PENSACOLA	METROPOLITAN LIFE
ESCAMBIA	PENSACOLA	MIKES GUN SHOP INC
ESCAMBIA	PENSACOLA	NASSEF ENGINEERING
ESCAMBIA	PENSACOLA	NATIONAL WATERWORKS INC.
ESCAMBIA	PENSACOLA	NELSON H STILTNER
ESCAMBIA	PENSACOLA	NEW CHINA DOLL INC
ESCAMBIA	PENSACOLA	NEW ENGLAND SEAFOOD INC
ESCAMBIA	PENSACOLA	NINA R WOOD
ESCAMBIA	PENSACOLA	NORTHWEST FLORIDA CHAPTER
ESCAMBIA	PENSACOLA	NURSES ON CALL INC
ESCAMBIA	PENSACOLA	OASIS ALIGNMENT SERVICES INC
ESCAMBIA	PENSACOLA	PANHANDLE MEDICAL SERVICES
ESCAMBIA	PENSACOLA	PEN AIR FEDERAL CR UNION
ESCAMBIA	PENSACOLA	PENSACOLA CHAMBER OF COMMERCE
ESCAMBIA	PENSACOLA	PENSACOLA JUNIOR COLLEGE
ESCAMBIA	PENSACOLA	PENSACOLA LITTLE THEATRE INC
ESCAMBIA	PENSACOLA	PERFECT LAWN CARE INC
ESCAMBIA	PENSACOLA	PFEIFFER PRINTING CO
ESCAMBIA	PENSACOLA	PITTS POULTRY FARM INC
ESCAMBIA	PENSACOLA	PM GROUP GULF COAST INC
ESCAMBIA	PENSACOLA	POWER & CONTROLS TECHNOLOGY INC
ESCAMBIA	PENSACOLA	PROFESSIONAL HEALTH EXAMINERS
ESCAMBIA	PENSACOLA	R K S PACKAGE AND LOUNGE INC
ESCAMBIA	PENSACOLA	R W BORN MECHANICAL INC
ESCAMBIA	PENSACOLA	RADIANTE JACQUELINE DAY SPA
ESCAMBIA	PENSACOLA	REDDY ICE CORPORATION
ESCAMBIA	PENSACOLA	RUBBER & SPECIALTIES INC
ESCAMBIA	PENSACOLA	SACRED HEART HOSPITAL
ESCAMBIA	PENSACOLA	SAM MARSHALL ARCHITECTS PA
ESCAMBIA	PENSACOLA	SCAPIN ELECTRIC CO
ESCAMBIA	PENSACOLA	SCHMIDT DELL ASSOCIATES, INC
ESCAMBIA	PENSACOLA	SEMCO OF PENSACOLA INC
ESCAMBIA	PENSACOLA	SHEILA K BARFIELD AND COMPANY P
ESCAMBIA	PENSACOLA	SMITH & SAUER PA
ESCAMBIA	PENSACOLA	SMITH BROS PAINT & BODY INC.
ESCAMBIA	PENSACOLA	SOCIETY OF ENVIRONMENTAL
ESCAMBIA	PENSACOLA	SOUTHEASTERN CONSTRUCTION INC
ESCAMBIA	PENSACOLA	SPECTRUM SYSTEMS INC
ESCAMBIA	PENSACOLA	STAFF PAYROLL OF
ESCAMBIA	PENSACOLA	STAR SPORTS MEDICINE
ESCAMBIA	PENSACOLA	STEVE YOUNG INC
ESCAMBIA	PENSACOLA	SUNCO MAINTENANCE SUPPLY CO
ESCAMBIA	PENSACOLA	SV JUPITER PROPERTIES INC
ESCAMBIA	PENSACOLA	TCBY/COFFEE BEANERY

ESCAMBIA	PENSACOLA	TELECONEX INC
ESCAMBIA	PENSACOLA	TERRY JAY WALLACE & ERIC
ESCAMBIA	PENSACOLA	THE DOCTORS DIRECTORY INC
ESCAMBIA	PENSACOLA	THE FAIRWAYS GROUP L P
ESCAMBIA	PENSACOLA	THE LEWIS BEAR CO INC
ESCAMBIA	PENSACOLA	THERMODYNE POWDER COATING
ESCAMBIA	PENSACOLA	TOM E HUNT RESIDENTIAL DESIGNS
ESCAMBIA	PENSACOLA	TRACE BARTON OD PA
ESCAMBIA	PENSACOLA	TREATED TIMBER PRODUCTS CO INC
ESCAMBIA	PENSACOLA	VARONA ENTERPRISES OF FLORIDA
ESCAMBIA	PENSACOLA	VERTEC INC
ESCAMBIA	PENSACOLA	VINTAGE GOURMET
ESCAMBIA	PENSACOLA	WATER TECHNOLOGY OF PENSACOLA
ESCAMBIA	PENSACOLA	WATERFRONT RESCUE MISSION
ESCAMBIA	PENSACOLA	WELDING ENGINEERING SUPPLY CO
ESCAMBIA	PENSACOLA	WEST FLORIDA CABINETS INC
ESCAMBIA	PENSACOLA	WEST FLORIDA HOSPITAL INC
ESCAMBIA	PENSACOLA	WHITE SANDS ELECTRIC INC
ESCAMBIA	PENSACOLA	WILLIAM MARCHI DDS MSD
ESCAMBIA	PENSACOLA	WRIGHT ROOFING COMPANY
ESCAMBIA	PENSACOLA	YMCA GREATER PENSACOLA
OKALOOSA	CRESTVIEW	FLATGROUND PROPERTIES INC
OKALOOSA	FT WALTON BEACH	APEX ELECTRICAL CONTRACTORS INC
SANTA ROSA	GULF BREEZE	ALPINE BICYCLES
SANTA ROSA	GULF BREEZE	BORDELON LAW FIRM PA
SANTA ROSA	GULF BREEZE	CHILD NEUROLOGY CENTER OF
SANTA ROSA	GULF BREEZE	CITY OF GULF BREEZE
SANTA ROSA	GULF BREEZE	GEVITY HR
SANTA ROSA	GULF BREEZE	GULF BREEZE BAIT & TACKLE INC
SANTA ROSA	GULF BREEZE	GULF BREEZE SUBWAY INC
SANTA ROSA	GULF BREEZE	GULF BREEZE UNITED METHODIST CHURCH
SANTA ROSA	GULF BREEZE	INTELLIGENT MANAGEMENT
SANTA ROSA	GULF BREEZE	J C NICHOLS INC
SANTA ROSA	GULF BREEZE	NORTHWEST FLORIDA UNDERGROUND L
SANTA ROSA	GULF BREEZE	RESERVE PLACE LLC
SANTA ROSA	GULF BREEZE	ROBERT MONTGOMERY
SANTA ROSA	GULF BREEZE	ROUCHON INC
SANTA ROSA	GULF BREEZE	ST ANN CATHOLIC CHURCH
SANTA ROSA	GULF BREEZE	SUE WORKING
SANTA ROSA	GULF BREEZE	SUNCHASE CONSTRUCTION CO
SANTA ROSA	GULF BREEZE	THE ANIMAL PARK INC
SANTA ROSA	GULF BREEZE	TYBEE'S PROFESSIONAL CLEANING SERVICE
SANTA ROSA	JAY	JAY HOSPITAL INC
SANTA ROSA	MILTON	ANDERSON EQUIPMENT
SANTA ROSA	MILTON	AVALON DENTAL CLINIC PA
SANTA ROSA	MILTON	BRAUSTI INC
SANTA ROSA	MILTON	C & S SIGNS INC
SANTA ROSA	MILTON	CAROL ANN BAILEY-STEWART

SANTA ROSA	MILTON	FORMWELD FITTING, INC
SANTA ROSA	MILTON	GEVITY HR
SANTA ROSA	MILTON	HOUSEMAN CARLYSLE GROUP INC
SANTA ROSA	MILTON	J C PROS INC
SANTA ROSA	MILTON	LOSS RECOVERY INC
SANTA ROSA	MILTON	MILTON COMPUTERS INC
SANTA ROSA	MILTON	MOONEYHAM HEATING & AIR
SANTA ROSA	MILTON	PANHANDLE ADULT DAY CARE
SANTA ROSA	MILTON	PEADEN AND SONS CONTRACTORS INC
SANTA ROSA	MILTON	R & K PORTABLE BUILDINGS LC
SANTA ROSA	MILTON	REGIONS BANK-HUMAN RESOURCES
SANTA ROSA	MILTON	SANTA ROSA COUNTY BOARD OF
SANTA ROSA	MILTON	SANTA ROSA COUNTY HEALTH DEPT
SANTA ROSA	MILTON	SANTA ROSA COUNTY TAX COLLECTOR
SANTA ROSA	MILTON	TANGLEWOOD GOLF & COUNTRY CLUB
SANTA ROSA	MILTON	THE LEARNING ACADEMY INC
SANTA ROSA	MILTON	TRUCKERS USA ENT INC
SANTA ROSA	NAVARRE	JUANAS INC
SANTA ROSA	NAVARRE	M & M ELECTRIC OF NW FLORIDA
SANTA ROSA	NAVARRE	MEDICAL SERVICES OF NORTHWEST
SANTA ROSA	PACE	HEAD HUNTER HAIR, NAILS & TANNING
SANTA ROSA	PACE	MINI WAREHOUSES OF SANTA ROSA
SANTA ROSA	PACE	PACE VETERINARY CLINIC
SANTA ROSA	PACE	PACE WATER SYSTEM INC
SANTA ROSA	PACE	S & H RETAIL ENTERTAINMENT INC
SANTA ROSA	PACE	STERLING FIBERS INC
SANTA ROSA	PACE	SUNCOAST CONCRETE INC
	JACKSONVILLE	COLUMBIA ANALYTICAL SERVICES
	PARKLAND	F S PERDIDO INC
	WARNER ROBINS	TCS DESIGN & MANAGEMENT

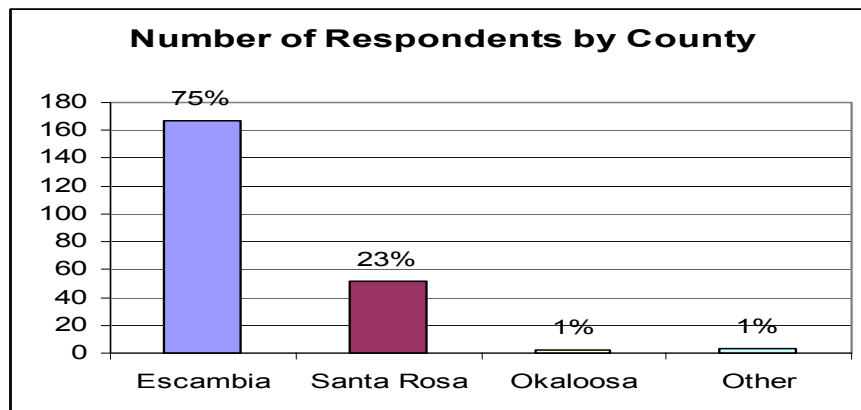


Figure 20. Number of Respondents by County to Mail Survey

Surveys Mailed	4967	
Surveys Rtd Und	291	5.86%
Surveys responses recd	225	4.51%
Reminders sent	964	19.41%

Respondents to Site Consultant Survey

FL	Jacksonville	Citrano, James	CB Richard Ellis
FL	Jacksonville	Nash, Lamar	The Haskell Company
FL	Jacksonville	Goforth, Bob	Leak Goforth Co. LLC
GA	Atlanta	Carr, Rebecca	Grubb & Ellis
GA	Big Canoe	Glover, Bob	Economic Development Services
GA	Atlanta	Etheridge, Wayne	Grubb & Ellis
GA	Atlanta	Parks, S	IDI
GA	Atlanta	McEnroe, Kate	Kate McEnroe Consulting
IL	Schaumburg	Bell, Steve	CB Richard Ellis
IL	Chicago	Hicks, Stuart	Jones-Lang LaSalle
MA	Chelmsford	Venuti, Mark	Camp Dresser McKee
MD	Elkton	Hockersmith, Paul	Hockersmith & Associates
MO	Saint Louis	Schuth, Jeffrey	Colliers Turley Martin Tucker
NJ	Somerset	Price, Bob	Lockwood Greene Consulting
NJ	Fords	Grohs, Sol	Location Advisory Services Inc
NY	New York	Studley, Julien	Julien J. Studley, Inc.
PA	Southampton	Nielson, Craig	Hart Corporation
TN	Memphis	Mullis, Sheri	J.M. Mullis Inc.
TX	Dallas	Arledge, Susan	Arledge-Power R. E. Group
TX	Dallas	Guthrey, William	Koll Development Co.

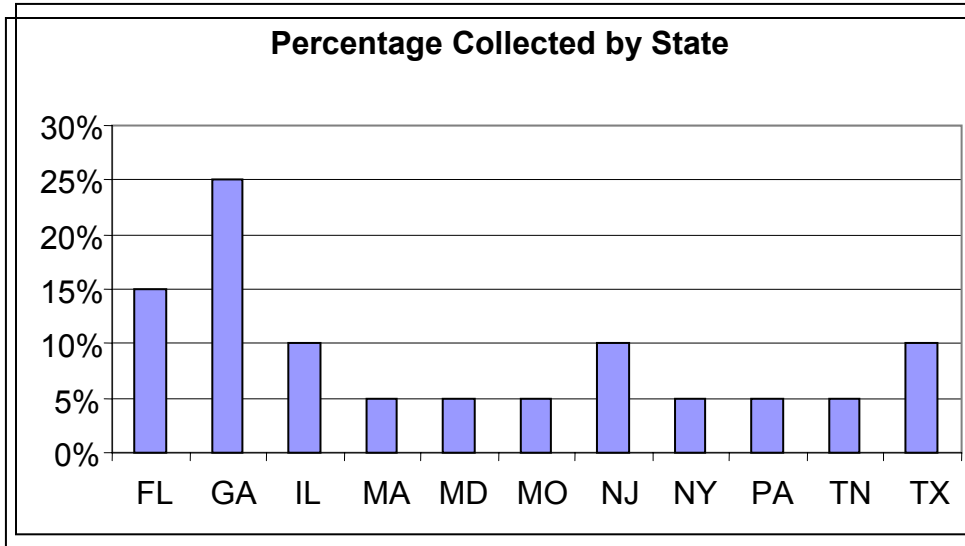


Figure 21. Respondents to Site Consultant Survey

Site Consultants Surveys Emailed	117	
Emails Returned Undeliverable	12	10.25%
Email Surveys returned	4	3.42%
Surveys via Telephone	16	13.68%
Response rate		17.10%

Copies of Cover Letter and Surveys
Copy of Focus Group Report
Copy of PowerPoint Presentation
Copies of Ring Studies Escambia and Santa Rosa Counties
Copies of Northwest Florida Economy