



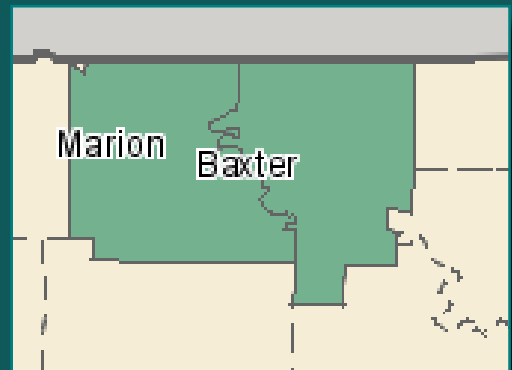
GAP ANALYSIS REGIONAL OVERVIEW

REGIONAL DEMOGRAPHICS,
EDUCATIONAL ATTAINMENT, AND
TOP INDUSTRY & OCCUPATION ANALYSIS



Prepared for:
Arkansas State University
Mountain Home
Service Area

Baxter and Marion Counties
Data range: 2006–2011



INTRODUCTION

Contents

Demographics.....2
Educational Attainment.....3
Industry and Occupation Overview4
Health Care Occupations7
Manufacturing Occupations7
Retail trade Occupations8
Declining Occupations.....9
About EMSI and the Data..... 10

Region

ASU Mountain Home: Baxter and Marion Counties

Projection period: 2006–2011

Region Definition

This analysis is comprised of a customized dataset with demographic, industry, and occupation data for identified counties provided by the Arkansas Department of Higher Education (ADHE) and the Arkansas Association of Two-Year Colleges (AATYC). EMSI has aggregated these statistics for this customized region.

Report Outline

Demographics

The first section will provide an overview of the region’s demographics. This section will simply highlight the regional breakdown with regard to age, gender and projected change over the next five years. In addition, the region’s demographics are benchmarked against the state.

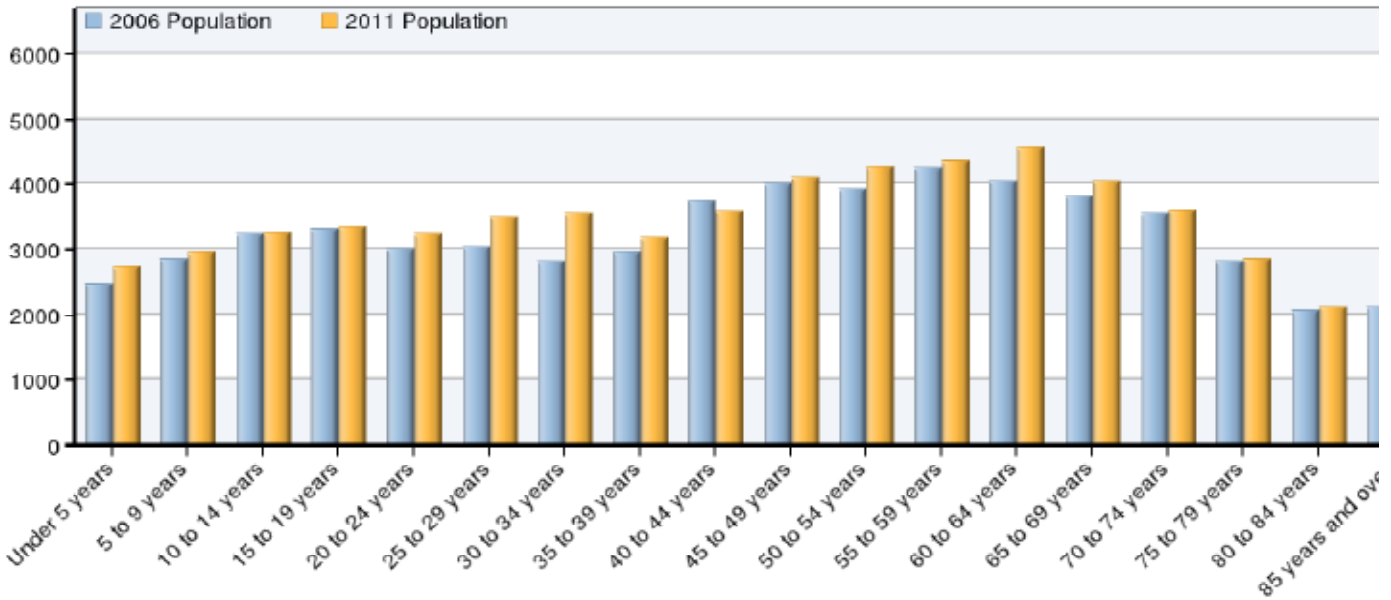
Regional Educational Attainment

The second section will provide an overview of the educational attainment within the region. Educational attainment is based on the level of education achieved by the population over the age of 25.

Industry and Occupation Overview

The third section will discuss the industries and occupations most critical to the economy. These industries will be selected based on standard metrics. This section will also (1) highlight occupations that are projected to experience the most growth within the critical industry sectors, (2) provide the education levels necessary to work in these occupations, and (3) indicate the major declining occupations for each industry sector.

DEMOGRAPHICS: 2006–2011



The current population of the region is **57,919**. Over the next five years the population is projected to increase by roughly **6%**.

Accordingly, in five years **61%** of the population will be under the age of 55.

Region	2006 Total	2011 Total	Change	% Change
Region	57,919	61,659	3,740	6%
State	2,797,096	2,893,966	96,870	3%

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In five years, **39%** of the population is projected to be over the age of 55.

Region	2006 Total	2006 55+	% 55+	2011 Total	2011 55+	% 55+
Region	57,919	22,619	39.1%	61,659	24,001	38.9%
State	2,797,096	706,939	25.3%	2,893,966	788,514	27.2%

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Males and females will be evenly distributed.

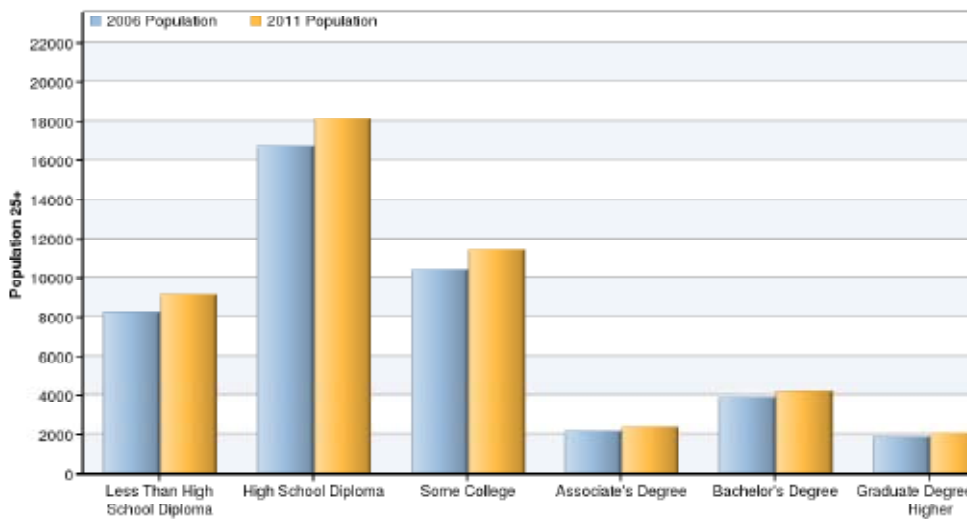
Gender	2006 Population	2011 Population	Change	% Change
Males	27,932	29,622	1,690	6.0%
Females	29,986	32,037	2,050	6.8%
	57,919	61,659	3,740	6.5%

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Age	2011 Population	% of Total Population
Under 5 years	2,731	4.4%
5 to 9 years	2,967	4.8%
10 to 14 years	3,245	5.3%
15 to 19 years	3,333	5.4%
20 to 24 years	3,234	5.2%
25 to 29 years	3,501	5.7%
30 to 34 years	3,540	5.7%
35 to 39 years	3,182	5.2%
40 to 44 years	3,583	5.8%
45 to 49 years	4,088	6.6%
50 to 54 years	4,254	6.9%
	37,658	61.1%

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REGIONAL EDUCATIONAL ATTAINMENT: 2006 - 2011



Note: Educational attainment is based on the education level of the population over the age of 25.

Current High School Completion (but not college):

- Regionally, 63% of the population has completed high school but not college.
- Statewide, 57% of the population has completed high school but not college.
- Nationally, 51% of the population has completed high school but not college.

Current College Completion:

- Regionally, 5% A.A., 9% B.S., and 4% Grad.
- Statewide, 4% A.A., 12% B.S., and 6% Grad.
- Nationally, 6% A.A., 18% B.S., and 10% Grad.

Projected High School Completion (but not college):

- Regionally, 62% of the population will have completed high school but not college.
- Statewide, 56% of the population will have completed high school but not college.
- Nationally, 50% of the population will have completed high school but not college.

Projected College Completion:

- Regionally, 5% A.A., 9% B.S., and 4% Grad.
- Statewide, 4% A.A., 12% B.S., and 6% Grad.
- Nationally, 6% A.A., 18% B.S., and 11% Grad.

Current Educational Attainment

Education Level	2006 Pop 25+	% of Pop 25+	State % Pop 25+	Nat. % Pop 25+
Less Than High School Diploma	8,246	19%	21%	15%
High School Diploma	16,737	39%	35%	29%
Some College	10,414	24%	22%	22%
Associate's Degree	2,150	5%	4%	6%
Bachelor's Degree	3,886	9%	12%	18%
Graduate Degree and Higher	1,872	4%	6%	10%
Total	43,305	100%	100%	100%

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Projected Educational Attainment

Education Level	2011 Pop 25+	% of Pop 25+	State % Pop 25+	Nat. % Pop 25+
Less Than High School Diploma	9,179	19%	21%	14%
High School Diploma	18,163	38%	34%	28%
Some College	11,451	24%	22%	22%
Associate's Degree	2,359	5%	4%	6%
Bachelor's Degree	4,204	9%	12%	18%
Graduate Degree and Higher	2,031	4%	6%	11%
Total	47,386	100%	100%	100%

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INDUSTRY & OCCUPATION OVERVIEW: 2006-2011

Introduction

To provide the best estimation of which industries are most critical to the regional economy we have ranked industries at the 2-digit NAICS level by the following metrics:

- Industry size (in terms of jobs),
- Growth (jobs and % change),
- Earnings per worker (EPW),
- Shift share (or competitive effect), and
- Location quotient (or regional concentration).

For this analysis, we have weighted industry size, change, and competitive effect so the results should reflect area industries that are (1) larger, (2) growing, and (3) regionally competitive.

After the top industry sectors are selected we rank the top occupations within each industry. To rank the occupations we have simply selected those occupations that are larger, and are projected to growth or decline with some significance over the next five years. In addition, the analysis includes earnings and education level associated with each occupation.

As with the previous sections, this section is primarily data-driven, and knowledge of the local situation is usually required to interpret all the data correctly. This section is primarily meant as an overview of the economy that can be used as a point of departure for planning discussions.

Metrics Overview

Industry performance is a many-faceted concept that cannot be easily reduced to a single metric. Accordingly, EMSI uses five major metrics to evaluate industry performance: jobs, earnings, growth, shift share, and location quotient.

Jobs simply ranks industries by number of jobs. This metric certainly reveals important industries in the regional economy, but it does not tell a complete story. For example, a large industry may be in sharp decline, or may provide mostly low-wage jobs, or may be dependent on more basic export-oriented industries. EMSI's ranking of industries by jobs is thus balanced by using the perspectives of other metrics.

Growth can highlight regional industries that may be small or mid-sized but show strong performance and have high potential for future growth. Growth ranking is done in terms of number of jobs added.

Average yearly earnings per worker (EPW), which in EMSI's data includes salary and benefits, indicates the quality of jobs within each industry.

Shift share, or "regional competitiveness," is a way of balancing the growth figures by isolating growth that can be attributed to regional causes rather than simply to national economic or industry trends. Shift share provides the "Competitive Effect," which is based on (1) total regional job growth minus (2) the National Growth Effect (industry growth expected due to performance of national economy as a whole) and (3) Industrial Mix Effect (regional ind. growth expected due to national trends in that same industry).

Location quotient, or "industry concentration," is a way of quantifying how concentrated an industry is in a region. For example, if an industry is responsible for .5% of national jobs but 1.5% of regional jobs, then it has an LQ of 3 in the region. By showing regional "specialties," this metric highlights exporting sectors that bring money into the region (and thus form the base for other dependent industries).

INDUSTRY & OCCUPATION OVERVIEW: 2006-2011

The table below is a top level view of the regional economy sorted by job growth.

Code	Description	Region					State			
		2006 Jobs	2011 Jobs	Change	% Change	EPW	State 2006	State 2011	State % Change	State EPW
62	Health care and social assistance*	4,171	4,817	646	15%	\$40,361	161,225	183,978	14%	\$37,824
44-45	Retail trade*	4,111	4,570	459	11%	\$19,426	170,784	177,169	4%	\$22,524
72	Accommodation and food services	2,082	2,295	213	10%	\$11,419	94,630	102,968	9%	\$13,542
90	Government**	2,550	2,750	200	8%	\$37,584	216,109	226,422	5%	\$45,277
23	Construction**	2,120	2,282	162	8%	\$25,375	98,015	103,015	5%	\$31,874
53	Real estate and rental and leasing	1,281	1,425	144	11%	\$13,696	44,120	49,305	12%	\$19,532
81	Other services, except public administration	1,732	1,873	141	8%	\$13,626	86,648	95,269	10%	\$17,921
56	Administrative and waste services	1,065	1,204	139	13%	\$13,860	82,269	97,654	19%	\$18,204
31-33	Manufacturing*	3,547	3,661	114	3%	\$37,985	208,429	209,733	1%	\$46,469
48	Transportation and warehousing**	603	715	112	19%	\$30,555	80,645	88,290	9%	\$43,577
52	Finance and insurance**	764	855	91	12%	\$34,985	50,157	52,553	5%	\$41,303
11	Agriculture, forestry, fishing and hunting	1,568	1,627	59	4%	\$12,298	73,265	70,959	(3%)	\$21,366
71	Arts, entertainment, and recreation	293	339	46	16%	\$12,463	17,411	19,023	9%	\$15,530
54	Professional and technical services	782	821	39	5%	\$29,403	60,007	66,485	11%	\$48,616
51	Information	492	523	31	6%	\$40,171	22,545	23,437	4%	\$63,575
61	Educational services	89	119	30	34%	\$16,886	18,143	21,410	18%	\$20,462
42	Wholesale trade	254	282	28	11%	\$32,818	52,614	53,935	3%	\$53,069
22	Utilities	57	68	11	19%	\$64,451	7,192	7,456	4%	\$93,629
55	Management of companies and enterprises	12	13	1	8%	\$21,568	25,096	28,511	14%	\$76,968
21	Mining	56	29	(27)	(48%)	\$24,841	8,220	8,523	4%	\$49,376
		27,629	30,267	2,639	10%	\$26,719	1,577,523	1,686,093	7%	\$39,032

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* Focus Industry

** Industries also showing strong regional performance, but not analyzed in this report.

INDUSTRY & OCCUPATION OVERVIEW: 2006-2011

Critical Regional Industries

Industries most critical to this region's economy are:

- ♦ Health care and social assistance
- ♦ Retail trade
- ♦ Government
- ♦ Manufacturing
- ♦ Construction
- ♦ Transportation and warehousing
- ♦ Finance and insurance

Highest Growth ('06 - '11):

- ♦ Health care and social assistance
(646 jobs)
- ♦ Retail trade
(459 jobs)
- ♦ Government
(200 jobs)
- ♦ Construction
(162 jobs)
- ♦ Administrative and waste services
(139 jobs)
- ♦ Manufacturing
(114 jobs)

Declining Industries ('06-'11):

- ♦ Mining
(-48%)

Focus Industries

For this analysis we have selected three top level industries for a more detailed analysis. Again, these were selected based on strong performance in a combination of indicators: regional growth, earnings, number of jobs and "regional competitiveness." These industries are:

- ♦ Health care and social assistance
- ♦ Retail trade
- ♦ Manufacturing

Regional Growth (State Growth)

- ♦ Health care and social assistance 15% (14%)
- ♦ Retail trade 11% (4%)
- ♦ Government 8% (5%)
- ♦ Manufacturing 3% (1%)
- ♦ Construction 8% (5%)
- ♦ Transportation and warehousing 19% (9%)
- ♦ Finance and insurance 12% (3%)

INDUSTRY & OCCUPATION OVERVIEW: 2006-2011

Critical Health care and social service occupations:

The specific occupations within the health care sector that are projected to undergo the largest changes over the next five years. Regional projections, change, replacement jobs, average hourly earnings and education level are included.

Health Care and social Assistance

SOC Code	Description	2006 Jobs	2011 Jobs	Change	% Change	Replacement Jobs	% New & Rep.	EPW	Education Level
29-1111	Registered nurses	615	739	124	20%	61	30%	\$18.08	Associate's degree
31-1011	Home health aides	226	291	65	29%	14	35%	\$6.59	Short-term on-the-job training
31-1012	Nursing aides, orderlies, and attendants	411	469	58	14%	26	20%	\$7.70	Postsecondary vocational award
39-9021	Personal and home care aides	159	195	36	23%	12	30%	\$5.51	Short-term on-the-job training
29-2061	Licensed practical and licensed vocational nurses	293	324	31	11%	31	21%	\$12.17	Postsecondary vocational award
43-4171	Receptionists and information clerks	212	241	29	14%	25	26%	\$6.93	Short-term on-the-job training
31-9092	Medical assistants	77	100	23	30%	7	38%	\$10.08	Moderate-term on-the-job training
31-9091	Dental assistants	62	74	12	19%	8	33%	\$8.46	Moderate-term on-the-job training
21-1093	Social and human service assistants	39	45	6	15%	3	24%	\$7.93	Moderate-term on-the-job training
		2,095	2,477	384	18%	187	27%	\$11.13	

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Critical Manufacturing Occupations:

The specific occupations within the manufacturing sector that are projected to undergo the largest changes over the next five years. Regional projections, change, replacement jobs, average hourly earnings and education level are included.

Manufacturing

SOC Code	Description	2006 Jobs	2011 Jobs	Change	% Change	Replacement Jobs	% New & Rep.	EPW	Education Level
51-9198	Helpers--Production workers	221	241	20	9%	30	23%	\$7.61	Short-term on-the-job training
53-7064	Packers and packagers, hand	146	165	19	13%	13	22%	\$7.10	Short-term on-the-job training
51-2092	Team assemblers	425	437	12	3%	55	16%	\$9.25	Moderate-term on-the-job training
51-4072	Molding, coremaking, and casting machine setters, operators, and tenders, metal and plastic	83	90	7	8%	14	25%	\$8.78	Moderate-term on-the-job training
		875	934	58	7%	112	19%	\$8.45	

Source: Economic Modeling Specialists, Inc. • 2/07

INDUSTRY AND OCCUPATION OVERVIEW: 2006-2011

Critical Retail trade occupations:

The specific occupations within the retail trade sector that are projected to undergo the largest changes over the next five years. Regional projections, change, replacement jobs, average hourly earnings and education level are included.

Retail Trade

SOC Code	Description	2006 Jobs	2011 Jobs	Change	% Change	Replacement Jobs	% New & Rep.	EPW	Education Level
41-2031	Retail salespersons	986	1,175	189	19%	169	36%	\$7.42	Short-term on-the-job training
41-1011	First-line supervisors/managers of retail sales workers	571	637	66	12%	49	20%	\$11.11	Work experience in a related field
41-2011	Cashiers, except gaming	694	759	65	9%	163	33%	\$5.84	Short-term on-the-job training
43-5081	Stock clerks and order fillers	337	353	16	5%	72	26%	\$7.22	Short-term on-the-job training
		2,587	2,923	336	13%	453	30%	\$7.78	

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INDUSTRY AND OCCUPATION OVERVIEW: 2006-2011

Declining Occupations

These are the top declining occupations for the region. Included in this analysis are current and projected regional jobs, change, average hourly earnings, current and projected state jobs and education level.

Declining Occupations

SOC Code	Description	2006 Jobs	2011 Jobs	Change	% Change	EPW	State 2006	State 2011	State % Change	State EPW	Education Level
51-2022	Electrical and electronic equipment assemblers	63	44	(19)	(30%)	\$9.77	1,948	1,997	3%	\$12.79	Short-term on-the-job training
47-2111	Electricians	104	95	(9)	(9%)	\$12.63	6,380	6,753	6%	\$16.56	Long-term on-the-job training
51-8091	Chemical plant and system operators	26	19	(7)	(27%)	\$15.63	1,151	1,076	(7%)	\$21.00	Long-term on-the-job training
23-1011	Lawyers	45	40	(5)	(11%)	\$18.38	4,483	4,845	8%	\$32.28	First professional degree
27-4021	Photographers	50	46	(4)	(8%)	\$8.03	2,474	2,272	(8%)	\$8.97	Long-term on-the-job training
43-4071	File clerks	35	31	(4)	(11%)	\$6.92	2,350	2,024	(14%)	\$8.35	Short-term on-the-job training
51-9132	Photographic processing machine operators	22	19	(3)	(14%)	\$7.07	644	546	(15%)	\$8.28	Short-term on-the-job training
51-4031	Cutting, punching, and press machine setters, operators, and tenders, metal and plastic	62	59	(3)	(5%)	\$10.49	3,719	3,444	(7%)	\$11.47	Moderate-term on-the-job training
		406	354	-54	10%	\$12.29	23,150	22,956	7%		

Source: Economic Modeling Specialists, Inc. • 2/07

ABOUT EMSI AND THE DATA

About EMSI

EMSI provides integrated data, web-based tools, and consulting services to analyze regional economies intelligently in terms of economic base, industry and employment trends, economic impact simulations, industry clusters, regional competitiveness, human capital, labor market supply and demand, and demographics. EMSI's integrated database is based on 70 government sources, making it much more comprehensive, accurate, and detailed than any single source available. In addition, EMSI's web-based suite of analysis tools makes the information easy to access and use. If you would like to learn more about EMSI or its products and services, please visit us online at www.economicmodeling.com, or call 1-866-999-3674.

EMSI Data

As a data provider, we gather and harmonize data from 70 state and federal sources, creating in-house a comprehensive and current database that is unsurpassed for its breadth and detail. Industry, workforce, and demographic data are available from state and county levels all the way down to individual ZIP codes, and users can build custom regions from county and ZIP code areas. In addition, by combining dozens of data sources, we can fill gaps in individual sources (such as suppressions and missing proprietors)—yielding a composite database that exploits the strengths of each source. Finally, our database is updated biannually, so our subscribers have access to the most complete *and* up-to-date information on the market.

EMSI's StrategicAdvantage™ (SA)

The report was created primarily using the Economic Forecaster, one of four modules within SA. Economic Forecaster is a powerful, labor market projection tool that will allow workforce and economic developers to create detailed industry, occupation and demographic analyses that can be used to better analyze the regional economy and workforce.

EMSI's **StrategicAdvantage™** web-based analysis suite capitalizes on the company's premium database to produce accessible analysis and reports. The suite includes four main modules—**Economic Forecaster**, **Economic Impact**, **Career Pathways** and **Educational Analyst**—which each include several analysis tools that allow users to create customizable tables, graphs, and maps with the click of a button.

With EMSI's **StrategicAdvantage™** workforce professionals and economic developers can:

- Perform instant analyses with an intuitive web-based interface,
- Understand current and future trends in a regional economy (industries, occupations, demographics) with 10-year projections,
- Create presentation-ready graphs, tables and maps,
- Draw the right businesses to a region and maximize return on investment,
- Run impact scenarios of businesses entering, leaving, growing, or shrinking in a region,
- Know the skills embedded in the workforce and required by specific occupations,
- Minimize unemployment and transition workers into high-demand, high-wage occupations, and
- Identify the businesses and workers a region needs to recruit and retain in order to make its economy thrive.

ABOUT EMSI AND THE DATA

Selected EMSI Data Sources

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About This Report

This Gap Analysis Regional Overview provided by EMSI, in partnership with the Arkansas Department of Higher Education (ADHE) and the Arkansas Association of Two-Year Colleges (AATYC) is designed to provide a top level view of regional demographics, educational attainment, top-ranking industries and associated occupations as defined by several standard metrics. The goal of this report is to assist regional planners in their understanding of the region's labor market. The report is primarily data-driven, with some basic interpretation included to help focus the attention of local stakeholders and policymakers. Knowledge of the local situation is also required to interpret all the data correctly.



EDUCATIONAL ATTAINMENT

GROWTH

JOBS

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