



News Release

Contacts:

Tamara Kenworthy
t.kenworthy@essmanassociates.com
Carole Curtis
c.curtis@essmanassociates.com
Essman/Associates
Phone: 515-282-7145

Iowa Business Council Focuses on Innovation in Four Key Areas

February 1, 2005 – (Des Moines, IA) – Innovation has been identified as the single most important factor in determining success in the 21st century, according to a recent study conducted by the Council on Competitiveness, a forum composed of two dozen industrial, university and labor leaders with an action agenda that drives economic growth and raises the standard of living for all Americans. This need for innovation was reported in remarks delivered by Todd Raba, incoming Chair of the Iowa Business Council and President of MidAmerican Energy Company, at the Council's 19th Annual Partnership Dinner held January 31 in Des Moines. Raba said, "We must enhance our state's ability to specialize in innovative, value-added work that will result in real wealth creation. We must plan and invest in the long term."

The need for broadened innovation in Iowa will be highlighted as the Iowa Business Council continues its two-year agenda focused on four areas:

- Education
- Economic development
- Health care
- Process improvement

Transforming Iowa's Education Model

The Iowa Business Council views education as key to Iowa's future success. Citing the shift in the U.S. to a knowledge-based economy, Raba pointed out that proficiencies in math, reading and science are increasingly important for Iowa to compete globally. The Program for International Student Assessment (PISA) shows U.S. students lagging in math, science and reading.

Education has historically been a point of pride for Iowa and it's the root of economic development in the state. Yet we're not performing as well as many may have thought. The Iowa Business Council focus on education calls for transformation of the system to produce life-long learners.

This means adequate funding, demanding improved efficiency from the educational establishment, setting statewide standards for excellence, demanding results commensurate with those expectations, and demanding our governance systems function effectively as public stewards, not just as advocates.



The Iowa Business Council believes a more effective approach must begin with high-quality early childhood education that's available to all children. What constitutes "high quality" needs further definition, as well as an assessment of the overall situation.

The Iowa Business Council calls also for transforming the K-12 education system. Accountability measures need to be in place for students, teachers and administrators. Just as in business, schools must prioritize... do what needs to be done, determine what no longer works and stop doing it and free-up and redeploy assets to their highest use.

Driving the New Economic Development Engine

For Iowa to become and stay competitive is a continuous process – with the bar being consistently raised by competing states and countries. Iowans must all work together to do what it takes to create an economy that is competitive, diverse and attractive to business; one that maintains and expands assets and capital; an economy that maintains and creates jobs in both rural and urban settings that enhance our economic vitality and make Iowa a better place to live.

The Council supports concepts and strategies outlined in the Battelle Memorial Institute Report, which provides a roadmap to create a bio-economy based on Iowa's strengths in life sciences. Raba added, "We also need to keep sight of other opportunities including – advanced manufacturing, insurance and financial services, and information solutions. Together these are key ingredients."

In order for Iowa to be competitive, the Council supports fair and equitable taxation to fund state priorities. At the same time, it urges legislators to avoid taking actions which will further erode Iowa's competitiveness or impede economic recovery. Calling for collaborative solutions involving public and private sectors, Raba commented, "It's time we break down barriers and work in partnership to find incentives that will encourage regional collaboration for delivery of public services and economic development. And just as the Council was an early supporter of the Grow Iowa Values Fund, we continue to support permanent funding."

Health Care: Improving Public Knowledge and Our Delivery System

At a time when Iowans have access to among the finest in health care systems, employers face the challenge of providing quality health benefits while delivering profitable growth. This situation is made more difficult because more Iowa companies are competing globally with companies and organizations which may not bear the cost of employer-sponsored programs. Maintaining the stability of the health care infrastructure is also challenged by numerous other factors. These include an aging population, inadequate and shrinking payments to providers from government programs, a growing number of uninsured Iowans, rising prescription drug costs, technological advances, a deficiency in the public's health literacy, increasing malpractice liability and a shortage of skilled health care providers. Nearly half of America's adults have difficulty understanding and using complex health information.



The Iowa Business Council supports working collaboratively to improve the quality of medical outcomes and reducing the cost of health care to Iowa residents. “No single constituency should disproportionately bear the expense of providing healthcare,” says Raba, “and all concerned parties need to understand the costs and impact of individual health care decisions.”

To this end, the Council is sharing “best practices” of employee wellness and health literacy programs for all member companies. The introduction of Lean Enterprise in hospital settings is also showing promising results.

Supporting Continuous Process Improvement

Always a proponent of continuous process improvement, such as Lean Enterprise, the Iowa Business Council believes it’s integral to the success of Iowa businesses and it should be a central factor in improving education, economic development and health care. The Iowa Business Council stands ready to partner to share tools that its members are using every day to improve its processes and free up resources to redirect to more value-added tasks. Some of this has already begun through the Iowa Coalition for Innovation & Growth, co-administered by the Iowa Chamber Alliance and the Iowa Business Council. The Business Processes hot team, initially partnering with the Iowa Department of Natural Resources and now with the Iowa Department of Economic Development and Workforce Development, has been highly successful in demonstrating that *business* tools can work effectively in government.

The Coalition has undertaken process improvement initiatives in health care and IBC member companies have also volunteered to assist the Regents institutions.

Iowa Business Council Working for Economic Vitality

The Iowa Business Council is a non-profit, non-partisan organization of the top executives of 23 of Iowa’s largest businesses and three Regent universities, collectively employing over 150,000 Iowans statewide. The purpose of the Council is to focus the active personal commitment of the leaders of Iowa’s major employers in statewide leadership roles to enhance Iowa’s economic vitality. Council members identify major business issues, evaluate options and assist in implementing solutions through collaborative public/private partnerships.

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