Survey of Iowa industry reveals ongoing challenges to flood recovery

AMES, Iowa – Depleted workforces, lost revenues, and a lack of basic resources are just some of the challenges facing Iowa manufacturers as the floods of 2008 recede.

A survey of over 800 companies shows that 53 percent have been affected by the floods, according to Iowa State University Extension’s Center for Industrial Research and Service (CIRAS). The effects range from disruption in workforce as employees respond to flood-caused personal issues, to disruption in production facilities caused by structural damage or disconnected utilities.

CIRAS is conducting the survey in order to identify areas where relief funding will have the greatest impact on industry as it attempts to return to normal production, said CIRAS director Ron Cox.

“Based on the data we have received to date, it’s reasonable to expect that a company of 50 employees would have over a million dollars of damage and lost sales,” Cox said.

Compiling accurate data is crucial, Cox pointed out, because millions of dollars of relief funding is being made available from multiple sources. CIRAS, by collaboratively gathering the data and acting as a collective voice for industry, can help those funding sources understand how relief funding can best be targeted for industry recovery.

If the early survey data is any indication, the need is widespread.

Sixty percent of the companies reported disruptions to their workforce, noted Rudy Pruszko, CIRAS project manager. Companies also are dealing with supply interruptions, flood-affected customers, backed up sewer drains, and other issues that prevent them from operating normally.

“Most of the comments we have are getting relate to lost labor hours from employees who could not get to work or who had lost their own homes,” Pruszko said. “Some smaller companies had to shut down entirely because of a shortage of workers. And lost production time for some will mean future overtime which is an additional expense.”

Some companies have managed to get back up and running and are working on the backlog of orders, Pruszko said. But others aren’t sure how long they’ll remain shut down as they wait for floodwaters to recede so they can clean up the aftermath— or decide whether to reopen at all.

CIRAS plans to interview nearly 1,300 Iowa companies with five to 500 employees. Companies surveyed so far include those that manufacture fabricated metal products, nonmetallic mineral products, machinery or wood products, as well as food processing companies and those involved in printing and support activities.
Companies that have not yet been surveyed are urged to contact CIRAS’ Pruszko at rpruszko@iastate.edu or (515) 294-3420. All companies are encouraged to visit the CIRAS Web site, www.ciras.iastate.edu, for industry emergency management information. The site will be updated as new information becomes available. When the industry survey is completed, the results will be available on the Web site.

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