

## 2011 “Voice of the Customer” Summary Report

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2011 marks the eighth year of the Voice of the Customer business retention survey (VOC) program, conducted by the Rockford Area Economic Development Council. More than 600 retention visits have taken place to date. We were honored to have had 125 companies participate in the program last year – the most retention visits we have conducted in a single year. Survey responses represent important contributions to the advancement of our community, and are used in developing *Rockforward!* strategies as well as a wide variety of improvement efforts throughout the region. Existing employers drive job growth and capital expansion (70% of which comes from existing employers), which is why it is important to capture the experiences, opinions and expertise of business leaders in our community.

This report will provide an overview of the region’s 2011 VOC Survey results. Several topics will be covered which include survey population demographics, planned expansions, potential barriers to growth, workforce challenges and opportunities and a comprehensive review of community services and utilities.

### Expansion Opportunities Identified

- ❖ Planned expansion for the next three years from companies visited represents a **potential \$77.7 million investment, 629,200 square feet of new or expanded space, and 151 new jobs**. There were significant investments made by post-secondary institutions in 2011, making up more than half of this investment amount. The balance is projected in manufacturing and other service industries. For companies indicating expansion plans, the estimated average investment decreased 70% in 2011 to \$1.6 million. In the previous year, there were significant expansion projects in the healthcare industry which drove the average investment in 2010 to a higher level. **39 companies (31%) projected increased market share/total sales**
- ❖ **38** companies (30%) projected increased employment needs
- ❖ **32** companies (26%) expressed plans to expand

### Potential Barriers to Growth

17% of the surveyed companies in 2011 identified barriers that may prevent them from expanding in the future within our region. Several of the reasons identified are:

- ❖ Numerous companies expressed concern with the attractiveness of the business climate in Illinois
- ❖ Concerns with the skill level and work ethic of the region’s younger workforce were shared
- ❖ Negative perception of the K-12 public education system

## Best Practices

In our 125 VOC visits from 2011, we found that there were several companies that engaged in activities that achieved superior results. Three noteworthy examples of best practices are:

### *Sourcing Talent*

- ❖ We visited with employers that have had very positive experiences using the National Career Readiness Certificate and WorkKeys assessment system. Employers use the system to make hiring and training decisions. By better matching potential employees to job opportunities, companies often reduce hiring time and costs, and improve employee retention. Feel free to contact the RAEDC for more information on this service.

### *Leveraging the Web*

- ❖ It was impressive to see so many manufacturers using websites to drive sales and customer service efforts. By posting videos, photos and drawings detailing capabilities, and sharing client testimonials, prospective customers have more information to help make purchasing decisions. Using Google Analytics to track website traffic could aid in further developing targeted marketing strategies.

### *Strength in Numbers*

- ❖ Participating in trade associations seems to be a great help to the companies that are involved. Across industries – medical, aerospace, metal working or education – companies are able to build important relationships, pursue professional development and receive timely information as members of these groups.

## Assistance Provided

During the VOC conversation, questions are raised and issues are communicated. These issues become open action items within our Synchronist database system. Upon answering the question and providing information to resolve the issue, or making a call on behalf of the client, the action item is closed. The Assistance Tracking function of Synchronist tells us that 139 items were opened. **100% of open action items have been closed.** Topics included:

- ❖ Requests for information (which make up 2/3 of action items)
  - Make calls on behalf of the client
  - Arrange meetings, review issues/concerns with service providers
- ❖ Match-making collaborations
- ❖ Suggest programs/contacts that could benefit client



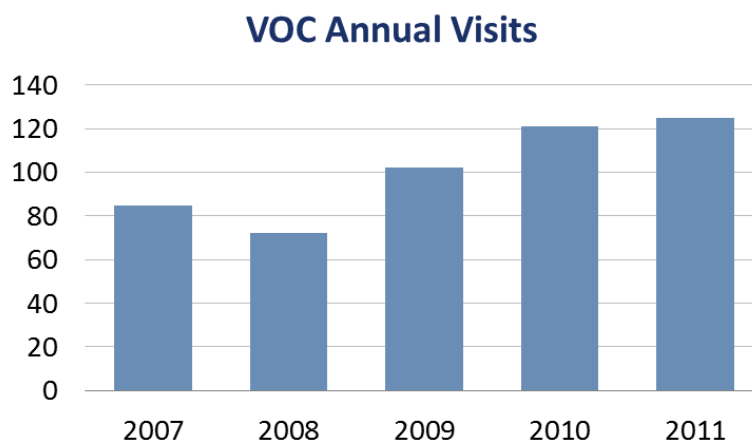
## Observations

- **The recent recession removed capacity from the manufacturing industry**, forcing many companies across the global market to close their doors or cease operations. Business leaders have expressed a belief that this reduced production capacity created opportunities for companies that endured the recession to become much busier toward the end of the year as the economy continued to improve.
- The Latino population has grown 67 percent in Winnebago County and 110 percent in Boone County since 2000, according to the U.S. Census Bureau. When asked the question, “Have there been any significant changes to the make-up of your workforce,” many companies expressed that their workforce reflects this growth. Businesses now have a larger number of Latino employees, influencing a slightly **more diverse workforce in the region**.
- Education was often mentioned as an area of importance by business leaders. Business leaders understand the importance of education and are willing to support success in K-12 as well as post-secondary study. **Interactions between K-12 and post-secondary education institutions would be welcomed by businesses in the community**.

## Survey Population

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A total of 125 companies are represented in the 2011 on-site interviews, many of which are large employers in the community. These companies represent more than 26,272 employees in our region (15.8% of the workforce). The industry segments represented are as follows.

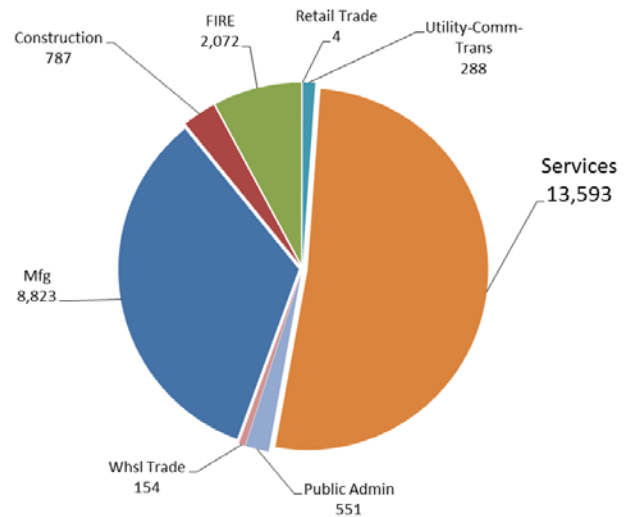


## Survey Population Cont.

2011 VOC Company Size



2011 VOC Industry Segments  
(numbers = total employment represented)



## Workforce

### Training

Of the 125 companies:

- ❖ Over 90% provide training
  - **54%** are increasing training
  - **37%** have stable training
  - **9%** are decreasing training

For manufacturing companies, more than 39% of training investment was spent in new job skills, 20% in remedial training and the remainder (41%) on proficiency improvement.

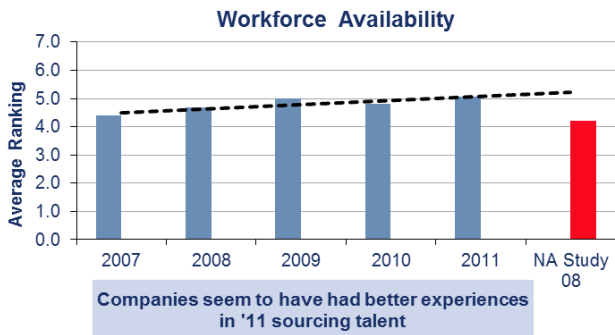


## Evaluation

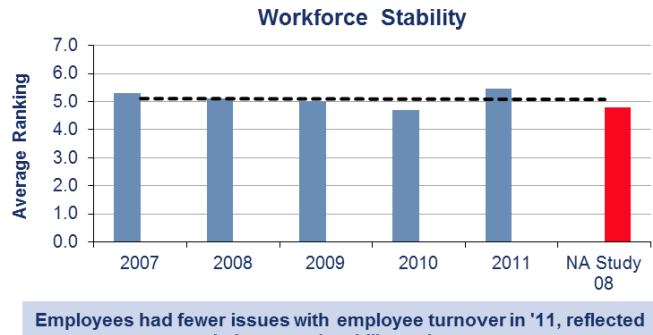
We found that as the economy begins to show signs of improvement, companies have slowly added employees to accommodate increases in business. Many companies use temporary staffing services to fill positions as an approach to create greater flexibility within the employment base. This is also done as a hedge against the risks of business uncertainty many companies indicated they continue to feel.

Although workforce needs have increased slightly, **employers in manufacturing industries continue to communicate challenges with finding individuals with appropriate skills to fill open positions.** This is a reflection of the more technical nature of modern manufacturing, requiring individuals with higher skill sets. Business sectors outside of manufacturing offered higher ratings for workforce quality in 2011.

On the whole, we noted increases in each of the four workforce evaluation categories. Trend lines assist in visualizing movements in each category.



Source: Synchronist Database & 08/09 NA User Study (Blane Canada)



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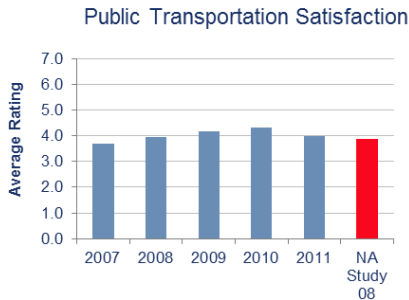
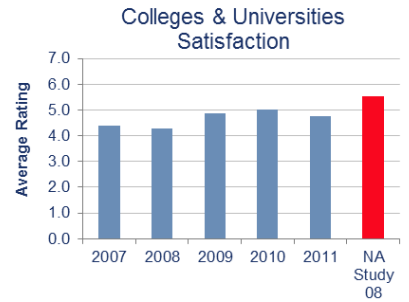
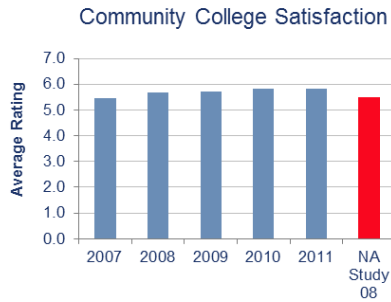
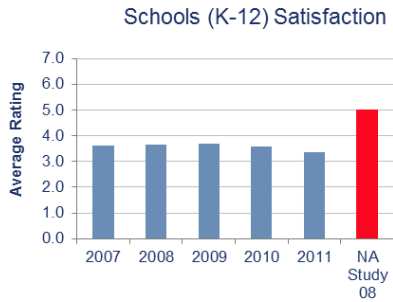
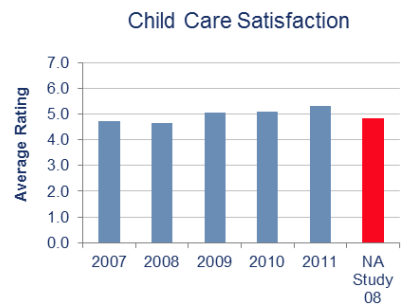
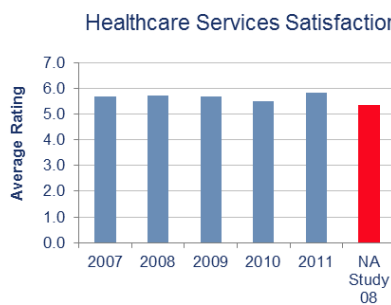
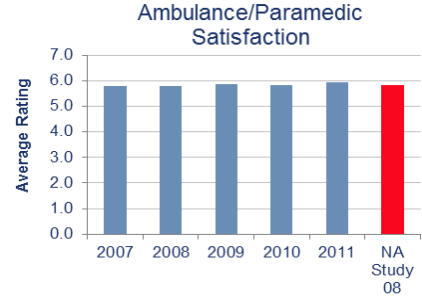
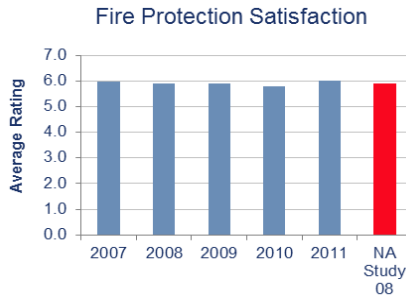
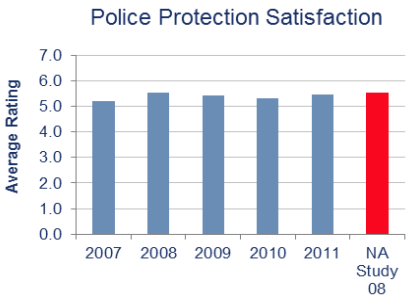


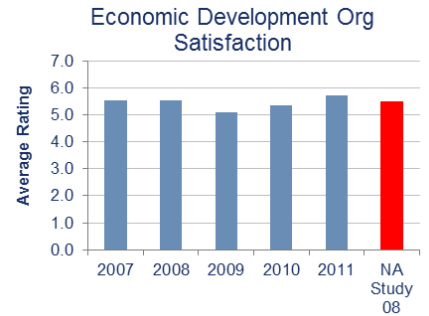
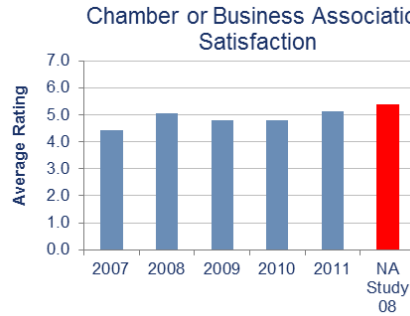
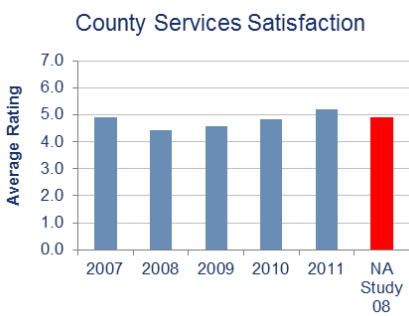
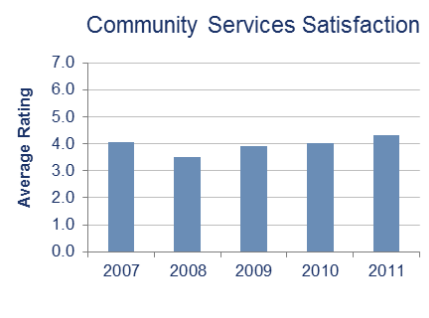
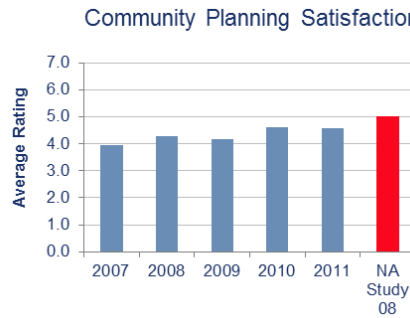
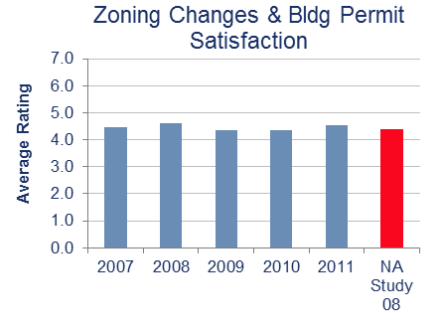
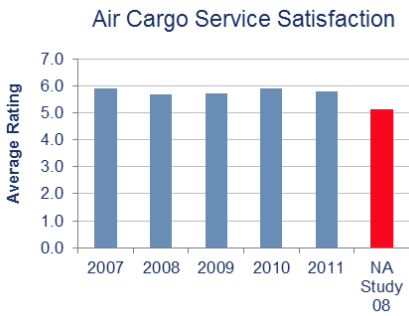
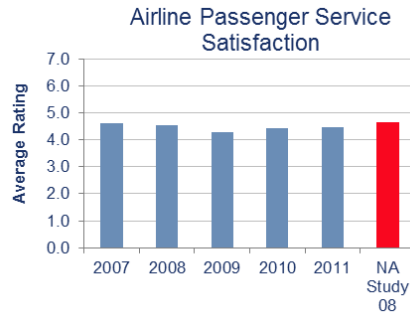
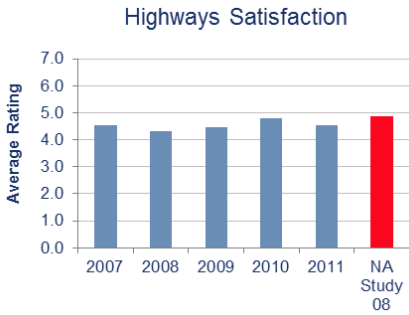
Source: Synchronist Database & 08/09 NA User Study (Blane Canada)



# Community Services

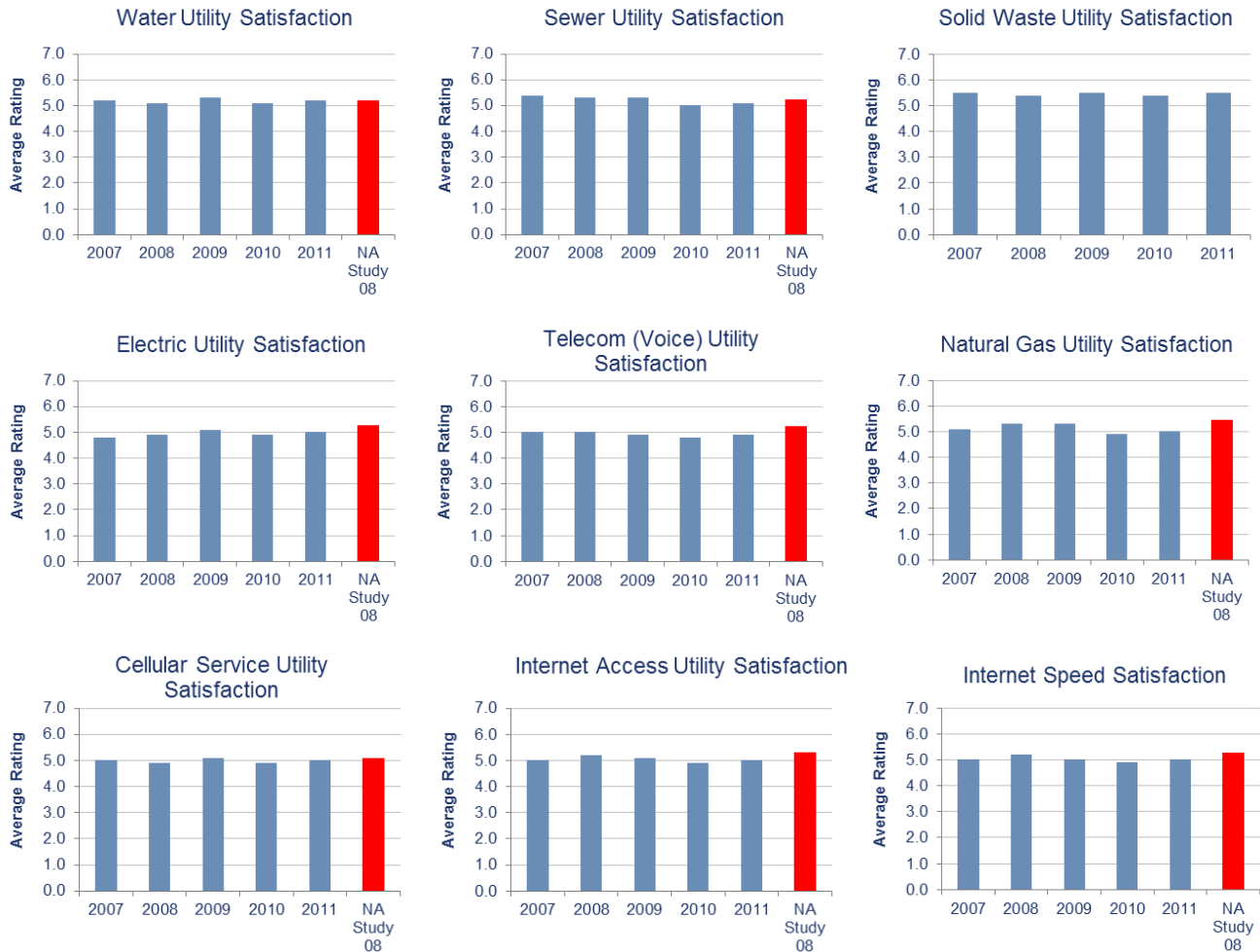
Businesses have an opportunity to rate the quality of services provided in the community during the VOC survey. Quality ratings are a reflection of the company’s experience with (as well as perception of) the service. When compared to benchmark data, our region appears to have relatively higher levels of satisfaction with our healthcare services, child care and community college. We found that there are opportunities for improvement in perceived satisfaction with respect to our K-12 system, colleges & universities, streets & roads, property tax assessments, and community planning as compared to the benchmarks. The remaining rankings are comparable to the benchmark data. In all of these ratings, 1 = Low Satisfaction and 7 = High Satisfaction.





# Utilities

As we have seen in previous surveys, businesses in the region remain satisfied with utility service. There were no barriers to economic development efforts found. In all of these ratings, 1 = Low Satisfaction and 7 = High Satisfaction.



For more information on Voice Of the Customer, the survey itself or the process, contact Matthew Simpson at 815.969.4258 or [MSimpson@RockfordIL.com](mailto:MSimpson@RockfordIL.com). We welcome any opportunity to have these conversations with companies in the region. If you would like to schedule a visit with your company or know of other companies that would benefit from a personal visit, please contact Bea Miller at 815.969.4255 or [BMiller@RockfordIL.com](mailto:BMiller@RockfordIL.com) to schedule a meeting.

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is sponsored by the  
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