



Voice ^{of the} Customer 2015

Growth skilled
Products Training
Employment labor Education Investment Quality
Capacity business sales
Life Location Market Positions
Climate Technology Workforce
Exports Legislation
expansion Production

In Partnership with:

ComEd

An Exelon Company

Rockford

I L L I N O I S ★ U S A

ROCKFORD AREA ECONOMIC DEVELOPMENT COUNCIL

SUMMARY

The Business Retention and Expansion team at the Rockford Area Economic Development Council (RAEDC) coordinates Voice of the Customer (VOC), an outreach program that surveys companies through face-to-face conversations. Existing companies are “customers” of business retention and expansion programs. Their “voice” is important.

DATA

Existing businesses generate as much as 80% or more of economic growth in a community. Through Voice of the Customer, the RAEDC supports the growth potential of Winnebago County’s existing businesses by systematically reaching out for feedback on their company, their industry, and the region. The RAEDC meets business leaders, learns about the diversity of products and capabilities available in our region, and gathers information about the challenges and opportunities for companies.

Each Voice of the Customer conversation takes the pulse of a business. It covers sales and employment, competition and supply chain, facilities and equipment, technology and investments, and other aspects of the business. More data creates a more accurate picture of the region’s economic condition and its potential for growth.

The RAEDC aggregates the information every year and compares it to data from previous years, as well as benchmarks it against national data.

The RAEDC keeps all company specific data in strict confidence at all times.

INTELLIGENCE

The RAEDC uses the economic development software program, Synchronist®, to analyze the data. This analysis provides the information economic development resources need to identify specific barriers to growth. These barriers can be business-based, industry-based, or community-based.

ACTION

Over the last three years, the RAEDC and its economic development partners have announced successful projects that have created over 4,500 jobs, \$537 million of investment, and over 4 million square feet of new and renovated space.

Intelligence from Voice of the Customer led to:

- 68 retention and expansion projects during that time period;
- a refined business attraction marketing message highlighting community and industry strengths;
- supplier symposiums with multiple companies to continue efforts to fill local supply chains;
- workforce development efforts connecting available skilled labor with in-demand industries.

The Rockford Area Economic Development Council (RAEDC) cultivates opportunities for primary job growth that increase the economic well-being of our region.

VOC VISITS for 2015

The RAEDC's business retention and expansion team met with 75 companies throughout Winnebago County, representing 6,088 employees.

Voice of the Customer focuses on prime industries, such as manufacturing, as well as targeted industries such as healthcare, education, and information technology.

In 2015 Voice of the Customer reached companies in Loves Park, Machesney Park, Rockford, Roscoe, and South Beloit.

FINDINGS

INCREASED SALES

- 57% of companies reported increased sales.
- 6% reporting decreased sales.
- 46% report increased market share trends.

Takeaway: Companies generally reported positive business trends, especially as time since the 2008 recession has increased. There was an overall positive outlook for continued economic growth.

INCREASED EMPLOYMENT

- 43% of companies anticipate increased hiring needs in the next three years.
- 75% of the companies experience issues with recruitment.

Takeaway: Companies universally mentioned workforce as a primary issue. The concerns of recruitment and training, combined with the projections of employment growth, create the need for collaboration to ensure that an adequate labor pool can meet the dynamic demands of industry.

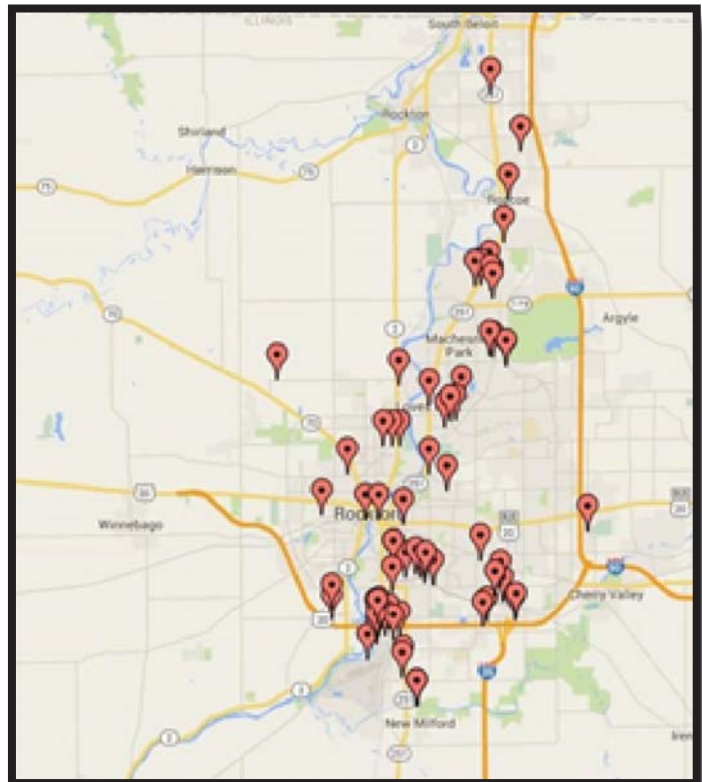
PLANNING INVESTMENT

- 27% of companies report plans to invest in expansion or growth projects.
- 6% report that there are significant barriers to expanding in the Rockford Region.

Takeaway: Existing businesses are growing in Winnebago County. The RAEDC along with public and private partners, are working to address the barriers that exist so that every company has the resources it needs to grow, creating more jobs for our region.

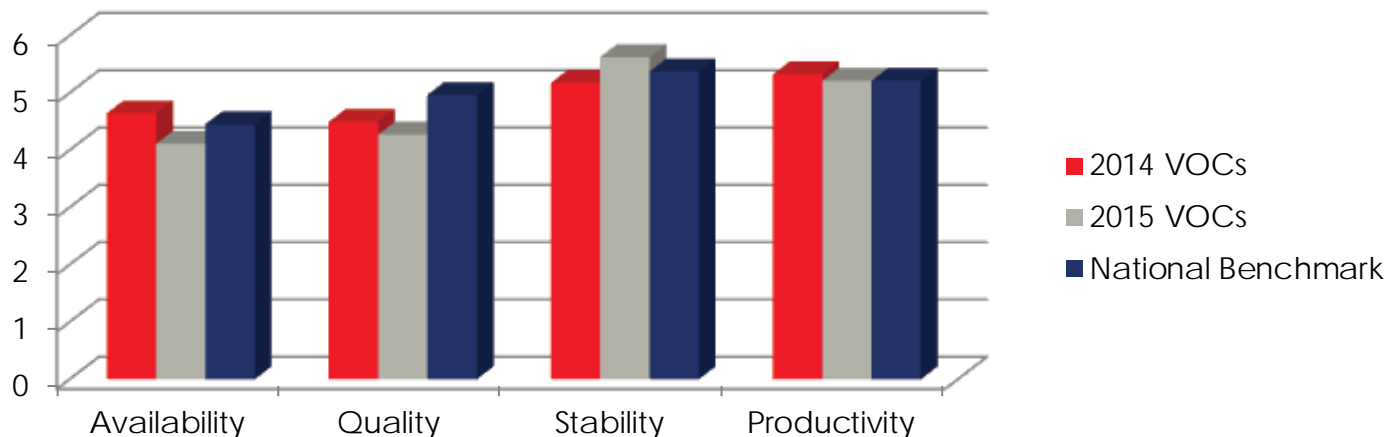
COMMUNITY STRENGTHS & WEAKNESSES

- Companies recognize that the Rockford Region's central location is a major asset because of its positive impact on distribution costs.
- Companies most often referenced high property taxes and crime as significant community weaknesses, but also identify positive developments such as the increasing vibrancy of downtown Rockford.



PERCEPTIONS & RATINGS

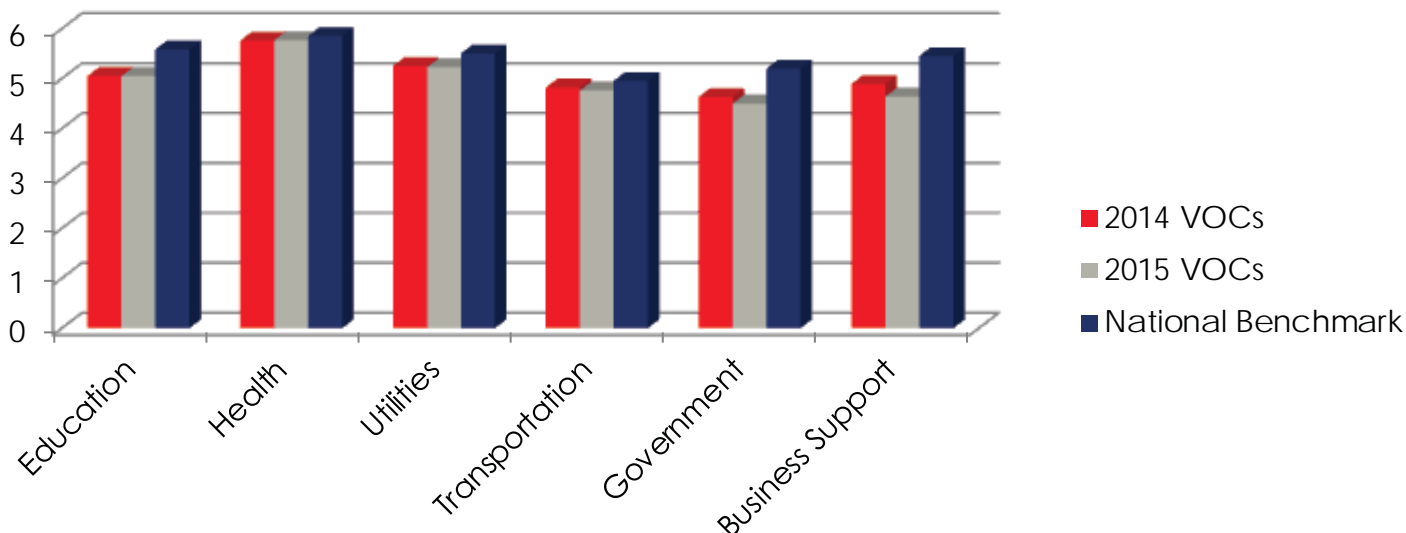
WORKFORCE PERCEPTION



ANALYSIS

The feedback from 2015 Voice of the Customer surveys, shown in gray, reflect the importance of workforce to local companies. Winnebago County companies' perceptions of workforce attributes fell below national averages, except for stability. The stability of the regional workforce is a positive reflection of the manufacturing workforce base that our region has, which accounts for 20% of total employment.

LOCAL SERVICE RATINGS



ANALYSIS

Winnebago County companies' reported similar perceptions of local services between 2014 and 2015, although both years lagged behind national averages in every category. Ratings for "Utilities" and "Health" were the most comparable to national averages. The most disparate ratings were for "Education", specifically K-12 education, although local perception has been improving in recent years. In fact, 33% of company leaders rated K-12 schools as a '6' or '7' on a 7 point scale.

SOLUTIONS

When a company expresses a specific need during a Voice of the Customer conversation, the RAEDC responds with a solution. In 2015, the RAEDC provided 69 solutions, most often related to workforce.

ISSUE: A company expressed the need for low interest capital to be used for equipment purchases.

ACTION: The company was connected to Rockford Local Development Corporation (RLDC); which resulted in two rounds of successful loans.

ISSUE: A company expressed the desire for a covered bus stop outside their facilities due to the number of employees that use public transportation.

ACTION: The company and Rockford Mass Transit District (RMTD) were connected to discuss the process and partnership potential.

ISSUE: A technology company was seeking more engagement with post-secondary schools in the area.

ACTION: The RAEDC connected the company with the EIGERlab IT Roundtable.

PROJECT PIPELINE

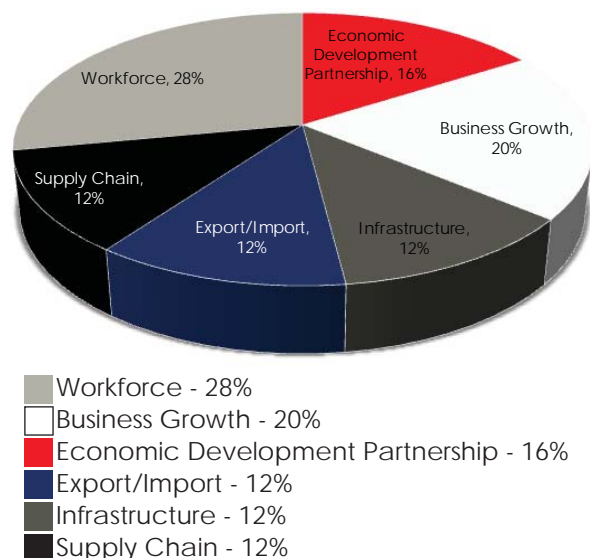
Companies may indicate plans to expand their facilities during a Voice of the Customer conversation. The RAEDC responds by offering information and the resources of relevant partners to facilitate a smooth and successful investment. **In 2015, eighteen companies indicated expansion plans.** As of printing, two projects successfully closed, creating 25 jobs and investing \$550,000 in 26,000 square feet. The RAEDC continues to work with the remaining companies to support their expansion plans.

PROGRAMS

The RAEDC uses Voice of the Customer to plan programs beneficial to existing businesses. In 2015, Voice of the Customer information led to:

- a Workforce Symposium, called the “Talent Tap Dance”, that was held in October to address common workforce needs including workplace culture, recruitment, and training;
- the planning for a Caterpillar, Inc. supplier symposium to be held in 2016;
- the preparation for a Succession Planning symposium to be held in 2016 to address the numerous companies, especially small to mid-sized manufacturing companies, that will face ownership changes in the near future.

Solution Types



Thank You

To all of the companies and business leaders who have shared their insights through the Voice of the Customer program in 2015, the RAEDC offers our gratitude and appreciation. We look forward to our next conversation with you.

If your company is interested in hosting a VOC conversation please contact the Business Retention and Expansion team at the RAEDC.

Business Retention and Expansion Team

Stacy Bernardi, Vice-President of Development

Karl Franzen, Business Development Specialist

Gina Meeks, Business Development Assistant

About the RAEDC

The role of the Rockford Area Economic Development Council (RAEDC) is to collaborate with regional stakeholders to cultivate opportunities for primary job growth that increase the economic well-being of our region. The RAEDC markets the region to attract new capital investment, while assisting existing business with resources for sustainable growth. The RAEDC works closely with many partners to improve the competitiveness of the region by taking what it learns from the region's employers and engaging the community in the daily work of economic development. As the economic development organization for the region, the RAEDC also serves as the area's data collection agency on all new capital investment, retained and created quality jobs, and renovated commercial/industrial space.

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