

# Fall 2016 Sangamon County Economic Outlook Survey

*Report prepared by the Survey Research Office,  
Center for State Policy & Leadership  
University of Illinois Springfield  
November 2016*

**Survey  
Research  
Office**  

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## Table of Contents

	<b>Page</b>
Project Overview	1
Project Methodology	2
Table A1. Organization Statistics	3
The Sangamon County Economy	4
Examining Expectations for Economic Sectors	7
Overall Expectations for Own Firm/Organization	11
Biggest Challenges Facing Sangamon County Employers	14
Topical Section: Economic Development and Plan for Growth	18
Appendix A: Topline Report	24
Appendix B: Answers to open-ended question	36

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## Project Overview

Since 2008, the Sangamon County Economic Outlook survey has examined the economic perceptions, expectations, and challenges business, non-profit organizations, and public sector entities face. Specifically, the survey asks representatives of organizations who are members of the Greater Springfield Chamber of Commerce to provide responses to a number of questions pertaining to the organizations' economic outlook over the next twelve months. Each survey contains a topical question that speaks to specific issues organizations in Sangamon County are currently facing. These questions are developed with the assistance of the survey planning committee, a group of individuals who have been involved with the project for several years.

While the aim of the project remains the same, the methodology of the project and the content of the report have changed in recent years. For instance, while the survey began as exclusively a mail project it has been conducted as a phone survey as well. In the spring and fall of 2015, SRO conducted the survey via the telephone using SRO's telephone interviewing lab. In spring of 2016, the decision was made to move the survey back to mail but adding email as a mode of contact. In the current survey, the survey moved exclusively to mail. In terms of content, the current survey moves away from the intensity index scores of the past and focuses exclusively on percentages. However, the questions remain the same throughout the previous surveys.

The fall 2016 survey results are from 330 local organizations who were contacted in October 2016 via email invitations using Qualtrics Research Suite. A discussion of this project's methodology is available on the next page.<sup>1</sup>

For more information about this survey, please contact Juan Carlos Donoso at [jdonos2@uis.edu](mailto:jdonos2@uis.edu) or at (217) 206-7956. Special thanks to Richard Schuldt, Dr. Beverly Bunch, Dr. Patricia Byrnes at the University of Illinois Springfield and Josh Collins at the Greater Springfield Chamber of Commerce, the Economic Outlook Survey steering committee for their guidance on this project.

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<sup>1</sup> In 2015, the UIS Survey Research Office (SRO) became a charter member of the American Association for Public Opinions Research's Transparency Initiative (TI). By joining the TI, the SRO is supporting broader and more effective disclosure of research methods by all organizations. The Transparency Initiative provides formal public recognition by AAPOR of an organization's voluntary commitment to abide by the disclosure standards in the AAPOR Code of Professional Ethics and Practices, while benefiting the public by providing more information with which to evaluate the quality of individual surveys.

## Project Methodology

In 2015, the UIS Survey Research Office (SRO) became a charter member of the American Association for Public Opinions Research's Transparency Initiative (TI). By joining the TI, the SRO is supporting broader and more effective disclosure of research methods by all organizations. The Transparency Initiative provides formal public recognition by AAPOR of an organization's voluntary commitment to abide by the disclosure standards in the AAPOR Code of Professional Ethics and Practices, while benefiting the public by providing more information with which to evaluate the quality of individual surveys. As part of SRO's continued investment in this initiative, it has committed to providing a detailed methodological report of all of its survey projects. For more information on the TI, please visit:



<http://transparency.aapor.org/index.php/transparency/about>

### SANGAMON COUNTY ECONOMIC OUTLOOK SURVEY

The project is sponsored by the Greater Springfield Chamber of Commerce with a contribution from the University of Illinois Springfield's Office of the Chancellor. It was conducted by researchers at the University of Illinois Springfield's Survey Research Office. A steering committee assisted with questionnaire development (comprised of University and Chamber representatives). The topline report includes actual question wording and frequencies for each answer category as well as all open-ended responses.

### SAMPLE AND METHODOLOGY

A list of local firms and organizations to be included in the Fall 2016 Sangamon County Economic Outlook Survey was generated by examining a list of Greater Springfield Chamber of Commerce members provided by the Chamber. After review, there were 3,831 individuals who were eligible to participate. On October 10<sup>th</sup> at 2:45pm, SRO sent emails to all 3,831 email addresses available. Reminder emails were sent to respondents on October 17<sup>th</sup>, October 20<sup>th</sup>, and October 24<sup>th</sup> at 10:00am on each day. Responses were accepted until October 25<sup>th</sup> at 11:59pm at which time the survey closed.

Of the 3,831 respondents in the sample to whom surveys were sent, 330 completed the survey while 530 individuals began the survey. Additionally, 4 emails failed to send and 257 emails bounced. The response rate for the survey is 9.3% (AAPOR Response Rate 3). The margin of error for this project is  $\pm 5.14\%$ . When examining subgroups, the margin of error will increase. Margins of error for this survey are not adjusted for design effect. In addition, the data are not weighted.

Table A1. Organization Statistics (N=330)

<b>Sector</b>	<i>Percent</i>
Private sector (for-profit)	72
Non-profit sector	17
Public sector	11
<b>Primary economic activity</b>	<i>Percent</i>
Construction	9
Manufacturing	2
Retail trade	9
Transportation/ warehousing	3
Finance/ insurance/ real estate	22
Medical/ health care	8
Education/ educational services	9
Accommodations/ food/ entertainment/ recreation	7
Information and communications systems	3
Business and professional support services	15
Personal services	6
Natural resources and mining	1
Public administration	5
Wholesale trade	1
<b>Years in operation (median)</b>	<i>Years</i>
Years in current location	18
Years in Sangamon County	32
Years in Illinois	40
<b>Number of full time employees</b>	<i>Percent</i>
20 or less	55
21 – 50	14
51 -100	10
More than 100	21

## The Sangamon County Economy

The first section of the survey looks at respondents' expectations regarding seven different aspects of the local economy, such as the overall employment, capital investments, interest rates, gross sales/ revenue, Inflation/ price of goods, contribution to non-profits and the overall economy. Table 1 shows the percentage of respondents who have expected to see growth in the last three surveys.

**Table 1. Percentage of respondents who expect to see an increase in the following aspects of the local economy**

	Fall 2015	Spring 2016	Fall 2016
Overall Employment	28	27	27
Capital Investment	43	28	25
Interest Rate	60	46	63
Gross Sales/ Revenue	18	40	33
Inflation/ Price of Goods	34	53	66
Contribution to Non-Profits	27	11	15
Overall Economy	58	25	31

The survey finds that, compared to the fall of 2015, expectations for growth of the overall economy in Sangamon County declined by 27 points (58% in the Fall of 2015 vs 31% in the Fall of 2016). Conversely, expectations for an increase on inflation and interest rates have gone up significantly in the last year. Also, expectations for gross sales/ revenue have seen a bit of decrement compared with the Spring of 2016.

Figure 1 (page 5) illustrates expectations for Sangamon County's economy over the next 12 months. As mentioned above, most respondents expect inflation and interest rates to increase over the next 12 months. Also, more than a third of respondents (36%) think that contributions to non-profits will go down in the next year. On the other hand, roughly a quarter (27%) of all respondents expect an increase in overall employment in the next year, and 31% think that Sangamon County's economy will get better over the next 12 months.

Figure 1. Expectations of the Sangamon County Economy

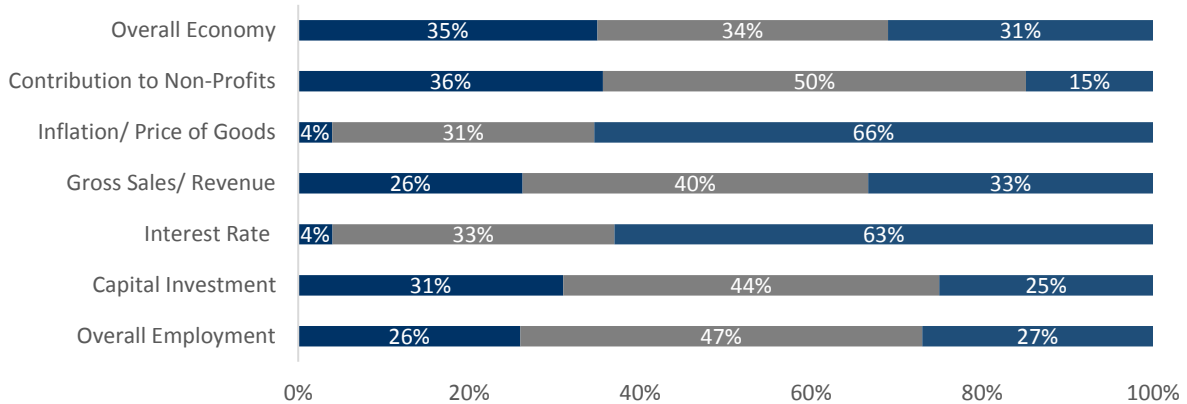


Table 2 (page 6) shows how respondents who work in companies that do not provide goods or services to the State are much more optimistic about an improvement in the economic conditions over the next 12 months. The survey finds that 40% of respondents of institutions that do not work with the state expect the economy of Sangamon County to get better, compared with 25% of those who work for companies that work with the State. Similarly, 34% of respondents who do not deal with the state expect employment to increase, while only 21% of those who do business with the State think the same thing.

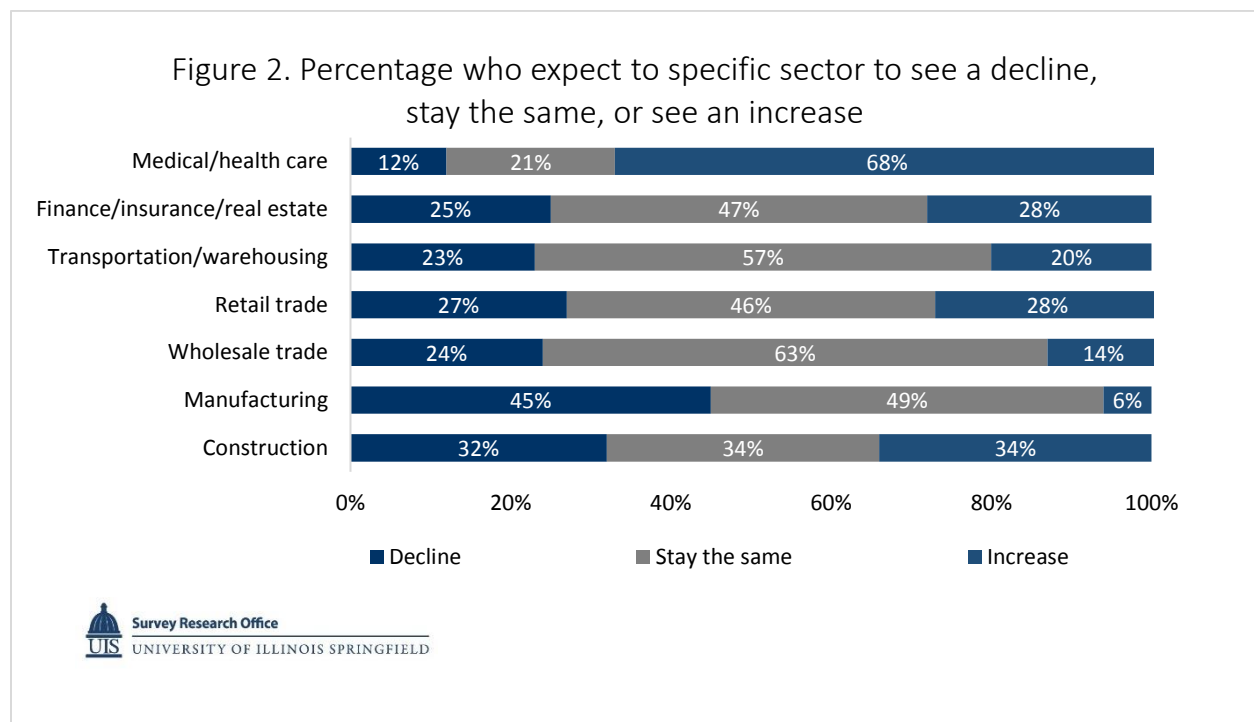
**Table 2. Percentage who say that they expect an increase in \_\_\_\_\_ over the next 12 months.**

	<b>Overall Employment</b>	<b>Capital Investment</b>	<b>Interest Rate</b>	<b>Gross salary/ Revenue</b>	<b>Inflation/ Price of goods</b>	<b>Contribution to Non- Profits</b>	<b>The Overall Economy</b>
<b>Type of Organization</b>							
Private	26	25	67	37	70	13	32
Non-Profit/ Public	26	24	55	24	56	16	28
<b>Years in Sangamon County</b>							
15 years or less	27	22	58	33	72	17	35
16-30 years	31	29	75	46	58	14	32
30+ years	27	27	60	31	67	13	29
<b>Number of Employees</b>							
20 or less	26	22	59	35	67	18	34
21-50	38	33	67	51	69	15	31
51 – 100	33	37	67	23	60	7	33
More than 100	24	26	67	31	64	10	28
<b>Goods/Services provided to state</b>							
Yes	21	22	65	28	67	11	25
No	34	28	61	41	65	19	40
<b>Survey Year</b>							
Fall 2016	27	25	63	33	66	15	31
Spring 2016	27	28	46	40	53	11	25



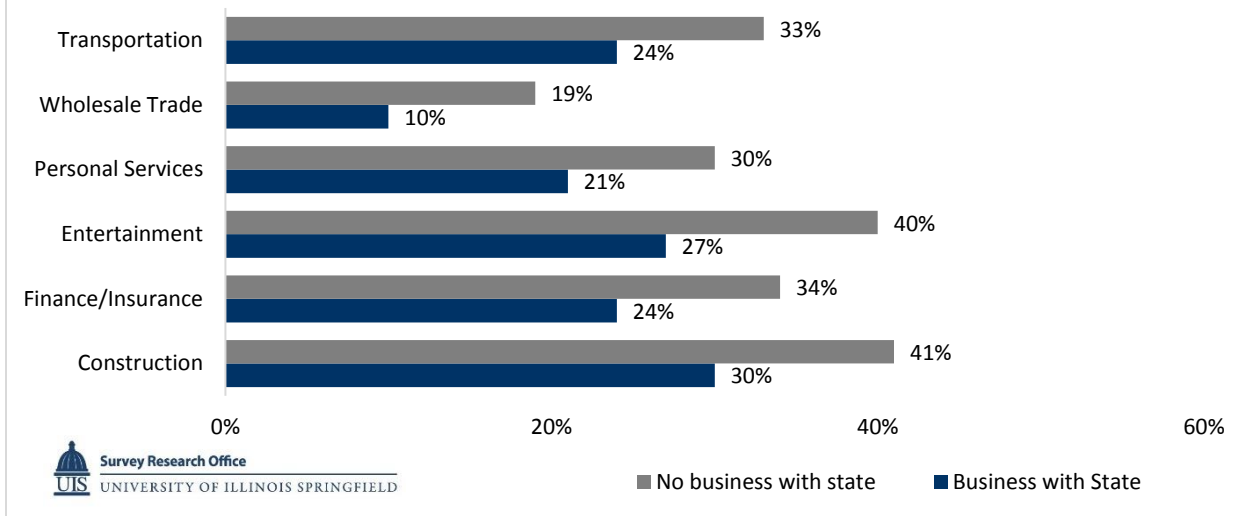
## Examining Expectations for Economic Sectors

Expectations for growth vary greatly between different economic sectors as shown in Tables 3 and 4 (pages 9-10). By far, the sector expected to grow the most in the next 12 months is health care, which has a big presence in Sangamon County. More than two-thirds of respondents (68%) say they expect the medical/health care sector to grow in the next 12 months. Approximately one third of respondents also believe that construction (34%) and the accommodations/food/entertainment sector (33%) will see an increase in their activity over the next 12 months. Conversely, expectations for growth are very low for some economic sectors such as natural resources/mining (6%) and manufacturing (6%). Moreover, 45% of respondents expect the economic activity in the manufacturing sector to decline over the next 12 months, as shown by Figure 2. Looking back to the spring 2016 survey, expectations for growth in the information and communications systems sector increased significantly (31% in the spring vs 45% in the fall).



The study finds a close correlation between expectations for growth in several economic sectors and whether the company provides goods or services to the State or not. Figure 3 (page 8) shows that for several economic sectors, expectations for growth are significantly larger when the company does not provide any goods or services to the State. For example, 40% of respondents who work for a company that does not work with the State believe that the entertainment sector will grow over the next 12 months, compared with 27% of those who are in a company that works with the State.

Figure 3. Percent who expect to see increase in the following 12 months (among economic sectors)



The survey also finds some differences in expected growth by economic sector depending on whether the companies are private or public/non-profit. The data show that expectations for growth in sectors like wholesale trade or public administration are slightly lower among public and non-profit institutions than among private entities (16% vs 8% in wholesale trade, 15% vs 7% in public administration). Conversely, when it comes to economic sectors like educational services or information and communications systems, respondents in the public sector have slightly higher expectations for growth than those in the private sector (24% vs 17% in educational services and 49% vs 44% in information and communications systems).

**Table 3. Percentage of those who say that economic activity will increase in (economic sectors) over the next 12 months (1 of 2).**

	Construction	Manufacturing	Wholesale trade	Retail trade	Transportation	Finance/ Insurance	Medical
<b>Type of Organization</b>							
Private	35	7	16	29	19	29	68
Public or Non-profit	31	3	8	24	24	26	68
<b>Provides Goods and Services to State</b>							
Yes	30	4	10	24	24	24	65
No	41	9	19	32	33	34	71
<b>Years in Sangamon County</b>							
15 Years or Less	36	6	14	25	17	28	60
16 to 30 Years	35	6	9	31	20	20	75
More than 30 years	33	6	15	28	22	31	70
<b>Full Time Employees</b>							
20 or less	35	7	28	27	20	28	64
21 to 50	48	5	28	32	28	18	69
51 to 100	30	7	37	38	17	27	80
More than 100	29	5	25	25	19	37	71
<b>Survey Year</b>							
Spring 2016	35	8	9	27	16	39	71
Fall 2016	34	6	14	28	20	28	68

**Table 4. Percentage of those who say that economic activity will increase in (economic sectors) over the next 12 months (2 of 2).**

	Education	Entertainment	Information	Professional Services	Personal Services	Natural Resources	Public Administration
<b>Type of Organization</b>							
Private	17	31	44	24	24	7	15
Public or Non-profit	24	35	49	26	27	5	7
<b>Provides Goods and Services to State</b>							
Yes	18	27	43	25	21	7	14
No	20	40	50	24	30	5	12
<b>Years in Sangamon County</b>							
15 Years or Less	11	26	38	31	25	8	12
16 to 30 Years	22	31	45	19	25	5	20
More than 30 years	23	34	46	26	27	6	11
<b>Full Time Employees</b>							
20 or less	19	31	44	20	24	5	12
21 to 50	18	33	46	28	31	8	13
51 to 100	13	33	43	43	23	10	17
More than 100	25	29	42	29	24	5	12
<b>Survey Year</b>							
Spring 2016	16	31	31	24	21	6	9
Fall 2016	20	33	45	24	25	6	13

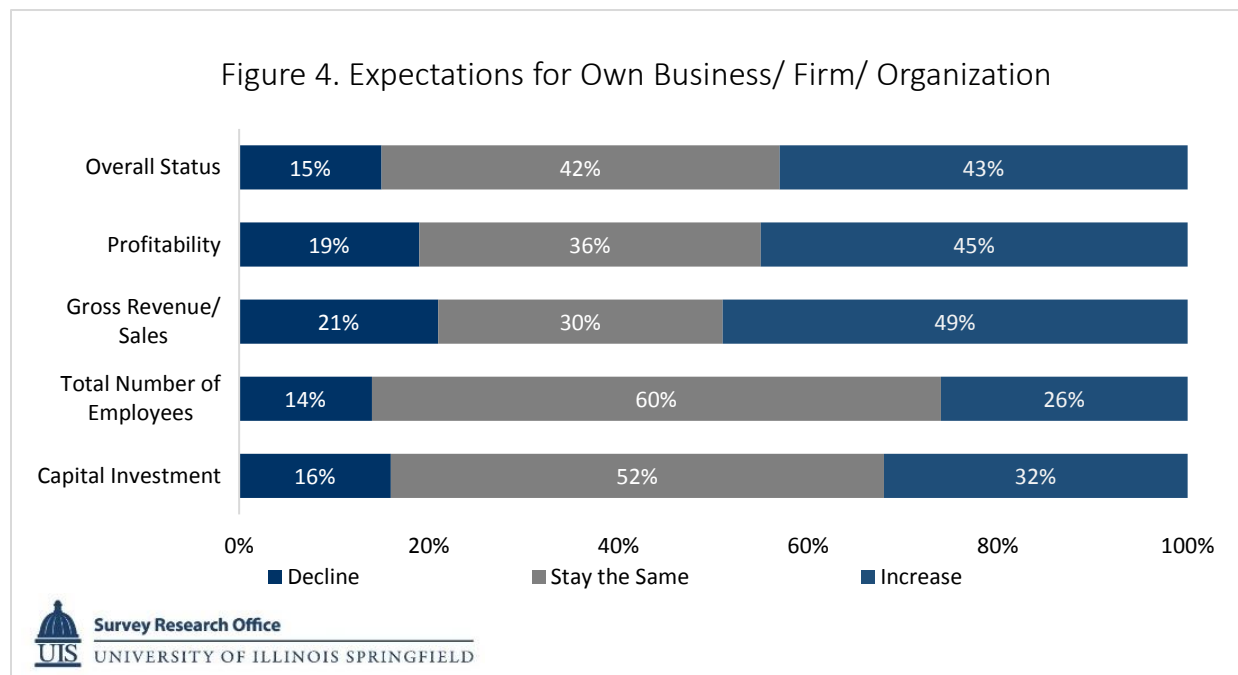
## Overall Expectations for Own Firm/Organization

The Fall 2016 survey indicates that the expectations for individual businesses/ firms/ organizations are less positive than the Spring 2016 results and much less positive by differences between 4 and 18 percent, as seen in table 5. However, respondents' expectations for their own businesses remain largely positive or stable for the next 12 months. Respondents expect growth in gross revenue/ sales, profitability, and overall status of their own organizations, while expecting capital investment and the total number of employees to remain roughly the same.

**Table 5. Expectations for Own Business/ Firm/ Organization Aspects (% Increase)**

	Fall 2015	Spring 2016	Fall 2016
<b>Capital Investment</b>	36	33	32
<b>Total Number of Employees</b>	33	34	26
<b>Gross Revenue/ Sales</b>	67	53	49
<b>Profitability</b>	52	46	45
<b>Overall Status</b>	53	45	43

As seen in figure 4, respondents largely expected an increase in gross revenue and sales over the next twelve months (49%). However, a majority of respondents anticipated the total number of employees (60%) and capital investment (52%) in their business to stay the same. Responses for profitability and overall status of respondent businesses were mixed although overall positive, with 45 percent and 43 percent of respondents indicating that growth was expected, respectively.



In examining differences between institutional characteristics, private sector organizations had more positive expectations for growth in all aspects, particularly in gross revenue and sales, profitability, and overall status as seen in table 6 (page 13). Public or non-profit organizations were most likely to expect all aspects of their organization to remain the same over the next 12 months and more likely to anticipate a decline in these aspects in comparison to private organizations.

Organizations that provide goods and services to the state had a less positive outlook for growth in all aspects than organizations that do not provide goods or services to the state. In addition, the majority of respondents in both categories anticipated growth in gross revenues and sales, as seen in Table 6 (page 13). However, the majority of respondents in both groups expected both capital investment and the total number of employees to stay the same in the next 12 months.

Respondents from organizations that had been operating in Sangamon County for 15 years or less were most likely to anticipate growth in total number of employees in their business than organizations that had been in the county for 16 to 30 years or for more than 30 years. However, all groups were most likely to expect the total number of employees in their organization to remain the same. In addition, the majority of organizations operating in the county for 15 years or less and for 16 to 30 years anticipated gross revenue and sales, profitability, and overall status of their organization to increase. In addition, organizations that had been operating in Sangamon County for more than 30 years were much less likely to expect increases in gross revenue and sales, profitability, and overall status.

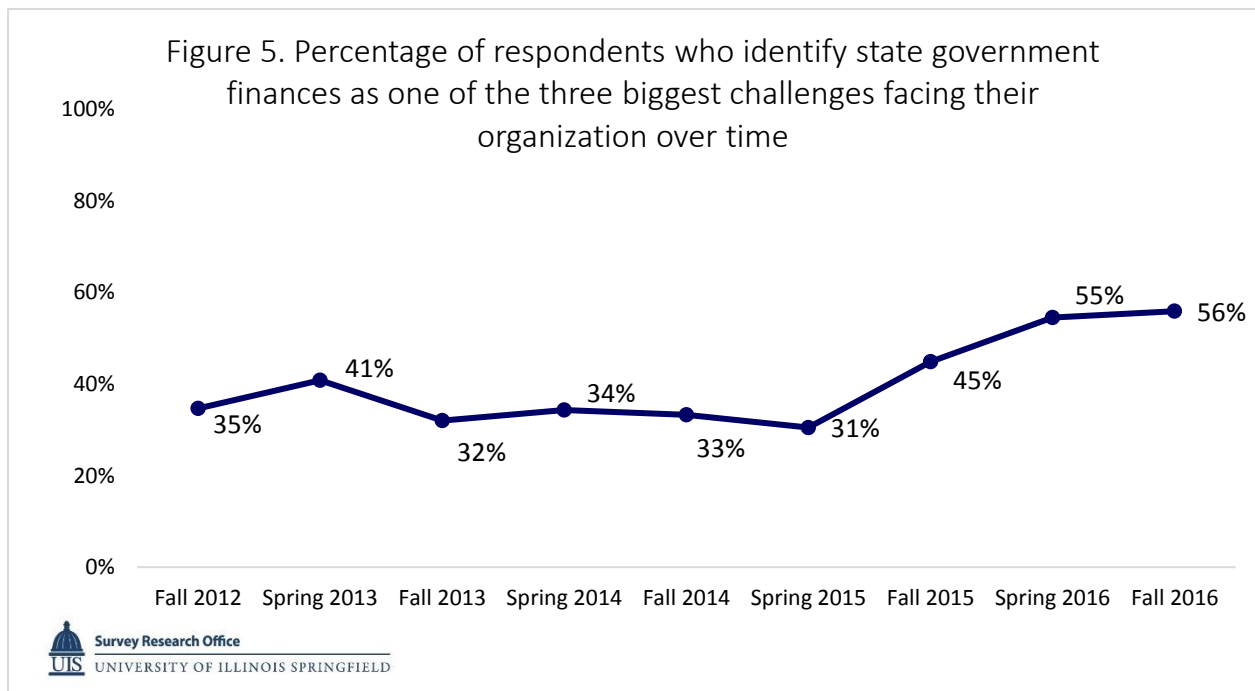
Finally, organizations with 20 or less full time employees were least likely to anticipate growth in all aspects excepting profitability than organizations of a larger scale. In addition, organizations with 21 to 50 full time employees were most likely (62%) to expect increases in gross revenue and sales and profitability (62%). Organizations with more than 100 employees were least likely to expect increases in profitability (43%), but most likely to anticipate an increase in the total number of employees in their organization (39%).

**Table 6. Growth Expectations for Own Business/ Firm/ Organization by Demographics (% Increase)**

	<b>Capital Investment</b>	<b>Total Number of Employees</b>	<b>Gross Revenue/Sales</b>	<b>Profitability</b>	<b>Overall Status</b>
<b>Type of Organization</b>					
Private	35	32	58	54	50
Public or Non-profit	25	14	27	23	26
<b>Provide Goods and Services to State</b>					
Yes	31	25	48	45	40
No	34	30	50	47	50
<b>Years in Sangamon County</b>					
15 Years or Less	34	35	59	51	54
16 to 30 Years	28	26	65	62	54
More than 30 Years	38	29	45	43	40
<b>Number of Full Time Employees</b>					
20 or less	26	21	49	45	42
21 to 50	42	38	62	62	51
51 to 100	40	37	50	60	50
More than 100	46	39	54	43	51
<b>Survey Year</b>					
Spring 2016	33	34	53	47	45
Fall 2016	32	26	49	45	43

## Biggest Challenges Facing Sangamon County Employers

The survey asks respondents to identify their three biggest challenges for their organization over the next twelve months from a list of thirteen challenges (including the option to specify some other, unlisted challenge). Perhaps unsurprisingly, respondents list state government finances more than other challenge (56%). This figure is nearly the same as the spring survey in which 55% of respondents listed state government finance as on the biggest challenges facing their organization. As figure 5 shows, state government finances are more a concern in the past year than they have been historically. Yet while the figure is high, some of this is explained by the fact that while a still high 49% of private sector firms report state government finances as a challenge, over seven in ten respondents (72%) in the public and non-profit sectors see the State's financial situation as a challenge.



Chamber members express different concerns based on their organizational status. For instance, respondents working for public and nonprofit organizations are much more likely to indicate that State government finances (71%) are a challenge than respondents working for private organizations (50%). Another area of difference is employee compensation and benefits; whereas only 9% of private sector firms report this as a top challenge 35% of organizations in the public and non-profit sectors do. Additionally, whereas 16% of respondents in the private sector report interest rates as a challenge not a single respondent in the public and non-profit sector reported this as a top challenge. There are also appreciable differences regarding consumer confidence and spending (49% private; 30% public/non-profit), and competition from local/state/and national firms (33% private; 19% public/non-profit). It is also



worth noting that neither firms in the private sector nor public or non-profit organizations see global competition as a challenge (6% vs. 0% respectively).

It is worthwhile to examine these differences longitudinally. With this mind, the survey finds that, in addition to state government finances, respondents also list consumer confidence and spending as a top challenge (44%) along with government regulations and taxation (44%). Since the spring survey, responses have changed slightly. These changes may be seen in the table 7. While numbers have not changed much for most of the items, respondents are slightly more likely to express consumer confidence and spending and interest rates now than in the spring. Additionally, respondents are slightly less likely to consider commodity prices a challenge now than in the spring.

**Table 7. Percentage of respondents naming challenges as the three biggest challenges facing their organization in the spring and fall**

	Spring	Fall	Difference (%)
Inflation	7	6	-1
Interest rates	7	12	+5
State government finances	54	56	+2
Energy prices	7	7	--
Commodity prices	10	6	-4
Availability of skilled/trained workers	33	30	-3
Employee (union and nonunion) compensation	17	16	-1
Competition from local/state/national firms	32	29	-3
Global competition	4	4	--
Consumer confidence and spending	37	44	+7
Healthcare for employees (e.g., affordable care act)	30	31	+1
Government regulations and taxation	42	44	+2

**Table 8. Percent of respondents indicating that \_\_\_\_ is one of the top three challenges facing their organization (1 of 2)**

	<b>Inflation</b>	<b>Interest rates</b>	<b>State government finances</b>	<b>Energy prices</b>	<b>Commodity prices</b>	<b>Availability of skilled/trained workers</b>
<b>Type of Organization</b>						
Private	7	16	50	8	6	28
Public or Non-profit	2	0	71	6	5	33
<b>Provide Goods and Services to State</b>						
Yes	5	11	63	9	7	32
No	7	13	44	5	5	27
<b>Years in Sangamon County</b>						
15 Years or Less	14	11	42	14	9	35
16 to 30 Years	3	17	62	5	0	22
More than 30 Years	5	11	57	6	7	34
<b>Number of Full Time Employees</b>						
20 or less	6	9	53	8	3	26
21 to 50	5	13	49	5	8	33
51 to 100	0	20	47	3	17	43
More than 100	10	15	64	10	8	34

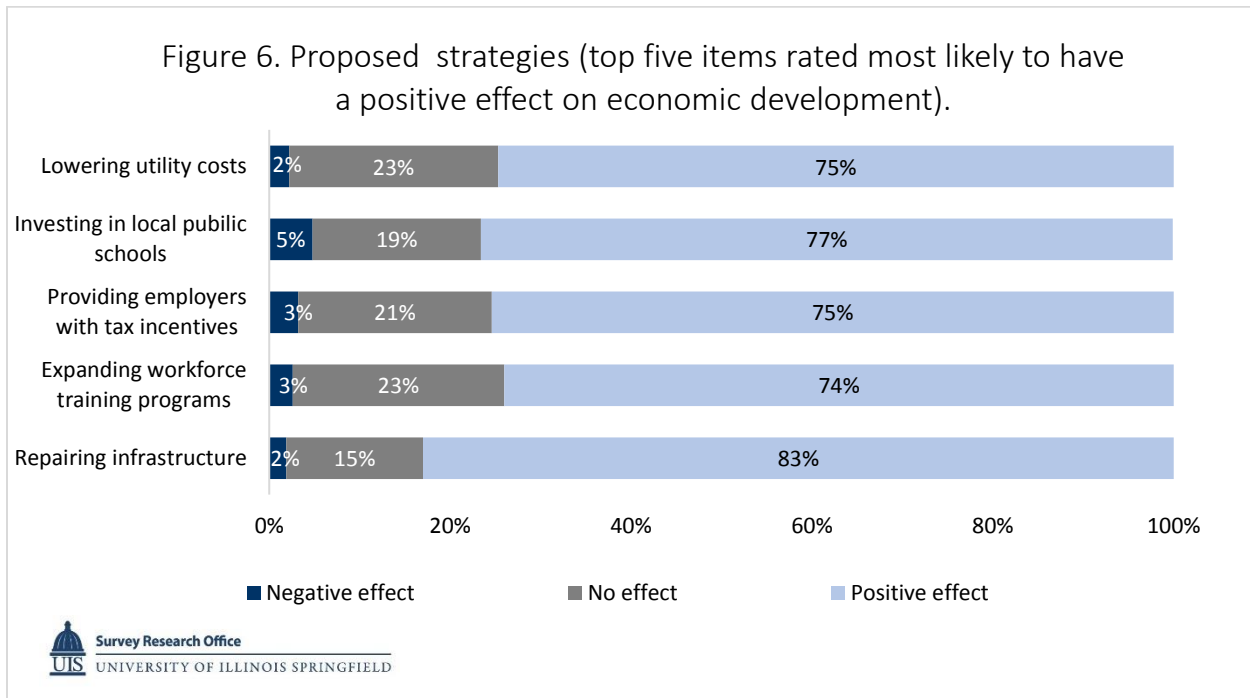
**Table 9. Percent of respondents indicating that \_\_\_\_\_ is one of the top three challenges facing their organization (2 of 2)**

	<b>Employee compensation and benefits</b>	<b>Competition from local/state/national firms</b>	<b>Global competition</b>	<b>Consumer confidence/spending</b>	<b>Healthcare for employees</b>	<b>Government regulations and taxation</b>
<b>Type of Organization</b>						
Private	9	33	6	49	28	47
Public or Non-profit	35	19	0	30	39	35
<b>Provide Goods and Services to State</b>						
Yes	14	32	4	41	32	41
No	20	27	5	49	30	46
<b>Years in Sangamon County</b>						
15 Years or Less	8	23	3	62	20	38
16 to 30 Years	15	42	9	47	26	38
More than 30 Years	16	27	3	38	36	46
<b>Number of Full Time Employees</b>						
20 or less	17	32	3	55	28	42
21 to 50	13	23	8	38	44	54
51 to 100	7	33	0	43	27	47
More than 100	17	31	8	27	24	34

## Topical Section: Economic Development and Plan for Growth

### ECONOMIC DEVELOPMENT

The topical section for this year focused largely on economic development. The survey presents respondents with eleven different proposed economic development strategies and were asked to say whether each strategy would have a negative effect, no effect, or a positive effect. For each strategy, a plurality or majority of respondents said it would have a positive effect though the extent to which respondents thought the strategies would be positive differs greatly (see figure 6). Overall, respondents were most optimistic about repairing infrastructure with 83% saying this strategy would have a positive effect. Respondents are also positive about investing in public schools (76%), lowering utility costs (75%), providing employers with tax incentives (75%), and expanding workforce training programs (74%).



Yet respondents are not as enthusiastic about some of the other proposed items at least in terms of achieving economic development in the Springfield area. For instance, while 54 percent say that improving upon parks and green spaces will have a positive effect 42% say that it will have no effect. Similarly, while a plurality (50%) say that improving local transportation will have a positive effect on economic development, about an equal number (46%) say that it will have no effect.

Interestingly, respondents are not likely to indicate any of the proposed strategies as having a negative effect. Indeed, while relaxing local zoning laws (along with improving transportation) is seen by respondents as the strategy least likely to have a positive effect (50%), only 14% of respondents indicate this strategy will have a negative effect. Thus, respondents seem to be indicating that while some strategies proposed may be more positive than others, even the strategies that would not promote economic development would, at worst, not have an effect one way or the other.

There are some notable differences between organization type and perceived impact of the proposed strategies. Respondents from public and non-profit organizations are, for instance, more likely to say that improving local transportation would have a positive effect than private organizations (61% vs. 45% respectively). Similarly, the survey finds that public and non-profit organizations are more positive about the effect of improving post-secondary education than private organizations and expanding workforce training programs. On the other hand, respondents from private organizations are more likely to indicate that providing employers with tax incentives would have a positive effect (79%) than those working in public or non-profit organizations (65%). And, respondents in private organizations are far more likely (55%) to say that relaxing zoning laws will have a positive effect than respondents working for public or nonprofit organizations (34%).



In addition to organizational type, there are differences among respondents from organizations based on the number of fulltime employees, whether the organization does business with the state or not in a typical year, and how long the organization has been in Sangamon County. However, there are fewer instances of significant differences between respondents by these categories. The survey finds that organizations with between 51 and 100 employees (77%) are more likely to indicate that improving local transportation would have a positive effect on economic development than respondents from organizations with 20 or less employees (43%), respondents from organizations with 21 to 50 employees (42%), and respondents from organizations with more than 100 employees (61%).

**Table 10. Percent of Respondents who indicate the proposed strategy would have a “positive effect” on economic development in greater Springfield (1 of 2)**

	<b>Improving upon parks/ green spaces</b>	<b>Improving local transportation</b>	<b>Investing in post-secondary education</b>	<b>Expanding workforce training programs</b>	<b>Repairing infrastructure</b>	<b>Providing employers with tax incentives</b>
<b>Type of Organization</b>						
Private	52	45	65	69	84	79
Public or Non-profit	59	61	83	86	79	65
<b>Provide Goods and Services to State</b>						
Yes	56	54	69	75	82	75
No	51	43	70	73	84	75
<b>Years in Sangamon County</b>						
15 Years or Less	56	38	63	73	86	80
16 to 30 Years	62	53	65	75	82	77
More than 30 Years	50	52	75	73	85	74
<b>Number of Full Time Employees</b>						
20 or less	58	43	67	71	82	74
21 to 50	45	42	61	79	85	78
51 to 100	53	77	76	70	83	83
More than 100	51	61	76	81	88	76

**Table 11. Percent of Respondents who indicate the proposed strategy would have a “positive effect” on economic development in greater Springfield (2 of 2)**

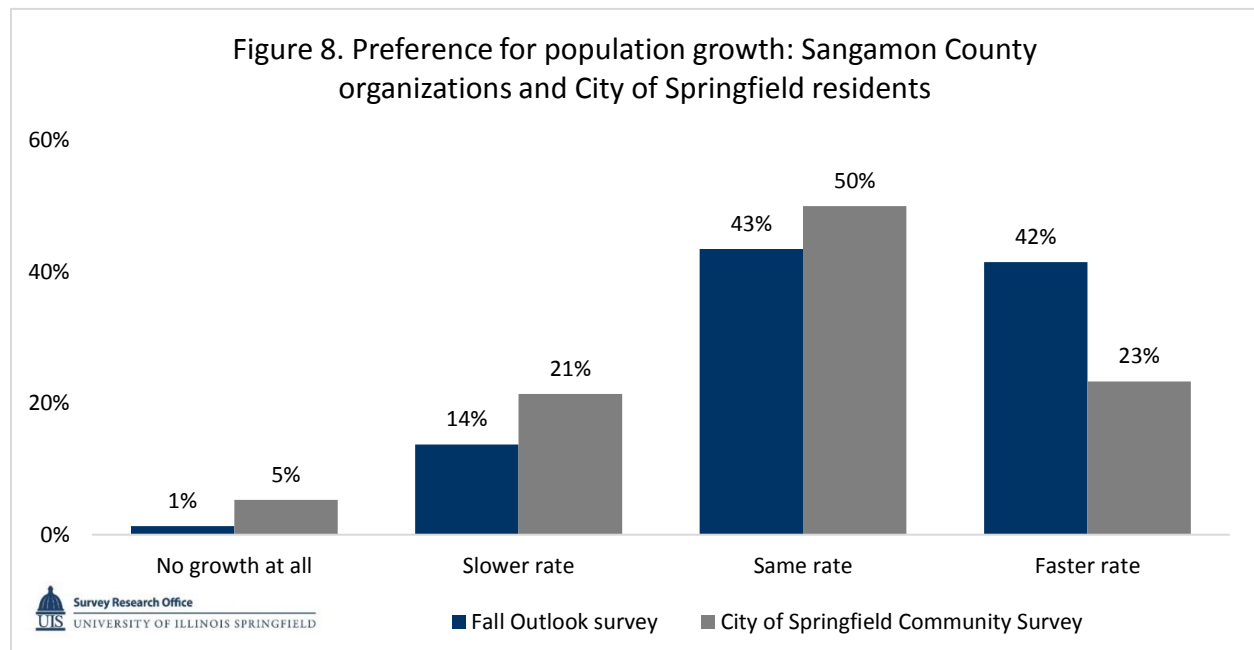
	<b>Relaxing local zoning laws</b>	<b>Streaming permitting processes</b>	<b>Providing tax abatement properties</b>	<b>Investing in local public schools</b>	<b>Lowering utility costs</b>
<b>Type of Organization</b>					
Private	55	71	57	74	75
Public or Non-profit	34	71	51	83	72
<b>Provide Goods and Services to State</b>					
Yes	52	72	54	79	77
No	46	70	59	73	71
<b>Years in Sangamon County</b>					
15 Years or Less	51	66	56	71	69
16 to 30 Years	42	66	55	80	77
More than 30 Years	52	77	58	77	79
<b>Number of Full Time Employees</b>					
20 or less	47	69	55	76	74
21 to 50	44	77	45	74	67
51 to 100	70	76	67	77	90
More than 100	49	78	65	76	81



## PLAN FOR GROWTH

Recently, the Survey Research Office worked with the City of Springfield on a community survey that the City will use in its update to its comprehensive plan. While that survey focused primarily on land use, it did include a question on growth. With this in mind and interested specifically in how organizations in greater the Springfield metro area would respond to this question, SRO decided to ask respondents a similar question: “The Springfield, IL Metropolitan Statistical Area grew by approximately 4% from 2000 to 2010. Over the next 20 years, what type of population growth should the area strive for?”<sup>2</sup>

Overall, the current survey finds that a plurality of respondents want to see the same rate of growth (43%) while slightly fewer respondents would like to see a faster rate of growth (42%). Only 14% of respondents say they would like to see a slower rate of growth while 1% say they would like to see no growth at all. The survey does not find significant differences by type of organization, by the number of years in Sangamon County, or by total number of employees. Slightly more respondents in the private sector (43%) than in the public or nonprofit sector (37%) would like to see a faster rate of growth in the next 20 years. Comparing the results to the comparable City of Springfield survey, organizations in the current survey are more likely to report wanting a faster rate of growth than Springfield residents overall (see figure 8).<sup>3</sup>



<sup>2</sup> The wording in the City of Springfield Comprehensive Plan survey was: “Springfield’s population increased by 4% from 2000 to 2010. Over the next 20 years, what type of population growth rate should Springfield encourage overall and in the area surrounding your neighborhood?” The data used here for comparison refer to the question regarding Springfield overall.

<sup>3</sup> City results are from a probability sample ( $n=381$ ) which has been weighted to match population parameters.

## Appendix: Topline Report<sup>4</sup>

### Section 1: Sangamon County Economic Expectations

Over the next 12 months, do you expect the following aspects of the local economy to see a large decline, small decline, stay the same, a small increase, or a large increase?

#### Overall employment

	Valid percent (n)
Large decline	4 (12)
Small decline	23 (74)
Stay the same	47 (153)
Small increase	27 (89)
Large increase	(0)

#### Capital investment

	Valid percent (n)
Large decline	5 (17)
Small decline	25 (83)
Stay the same	44 (145)
Small increase	24 (79)
Large increase	1 (3)

#### Interest rates

	Valid percent (n)
Large decline	1 (2)
Small decline	4 (12)
Stay the same	33 (109)
Small increase	62 (203)
Large increase	1 (3)

#### Gross sales/ revenue

	Valid percent (n)
Large decline	3 (10)
Small decline	23 (76)
Stay the same	40 (132)
Small increase	33 (108)
Large increase	0 (1)

<sup>4</sup> For this section, due to rounding the totals may not always equal 100 percent.

### **Inflation/ price of goods**

	Valid percent (n)
Large decline	(0)
Small decline	4 (12)
Stay the same	31 (101)
Small increase	60 (199)
Large increase	5 (17)

### **Contributions to non-profits**

	Valid percent (n)
Large decline	7 (24)
Small decline	28 (94)
Stay the same	50 (164)
Small increase	15 (48)
Large increase	(0)

### **The overall economy**

	Valid percent (n)
Large decline	5 (15)
Small decline	30 (98)
Stay the same	34 (112)
Small increase	31 (100)
Large increase	1 (2)

## **Section 2: Expectations for Sangamon County Economic Sectors**

Over the next 12 months, what are your expectations for the following economic sectors in Sangamon County? Do you think each sector will see a large decline, small decline, stay the same, small increase, or large increase?

### **Construction**

	Valid percent (n)
Large decline	5 (16)
Small decline	27 (90)
Stay the same	34 (110)
Small increase	32 (105)
Large increase	2 (7)

## Manufacturing

	Valid percent (n)
Large decline	6 (20)
Small decline	39 (127)
Stay the same	49 (161)
Small increase	5 (17)
Large increase	1 (4)

## Wholesale trade

	Valid percent (n)
Large decline	4 (12)
Small decline	20 (66)
Stay the same	63 (206)
Small increase	13 (43)
Large increase	1 (2)

## Retail trade

	Valid percent (n)
Large decline	2 (8)
Small decline	24 (79)
Stay the same	46 (150)
Small increase	27 (88)
Large increase	1 (3)

## Transportation/ warehousing

	Valid percent (n)
Large decline	3 (9)
Small decline	20 (65)
Stay the same	57 (188)
Small increase	19 (61)
Large increase	2 (5)

## Finance/ Insurance/ real estate

	Valid percent (n)
Large decline	4 (12)
Small decline	21 (69)
Stay the same	47 (156)
Small increase	27 (90)
Large increase	1 (3)

### Medical/ health care

	Valid percent (n)
Large decline	3 (9)
Small decline	9 (30)
Stay the same	21 (68)
Small increase	54 (179)
Large increase	13 (44)

### Education/ educational services

	Valid percent (n)
Large decline	4 (14)
Small decline	24 (79)
Stay the same	51 (170)
Small increase	19 (64)
Large increase	1 (3)

### Accommodations/ food/ entertainment/ recreation

	Valid percent (n)
Large decline	2 (6)
Small decline	21 (68)
Stay the same	44 (145)
Small increase	32 (106)
Large increase	1 (4)

### Information and communications systems

	Valid percent (n)
Large decline	0 (1)
Small decline	10 (32)
Stay the same	45 (147)
Small increase	41 (135)
Large increase	4 (14)

### Business and professional support services

	Valid percent (n)
Large decline	3 (11)
Small decline	16 (51)
Stay the same	57 (187)
Small increase	23 (77)
Large increase	1 (3)

### Personal services

	Valid percent (n)
Large decline	1 (3)
Small decline	19 (61)
Stay the same	55 (182)
Small increase	23 (75)
Large increase	2 (8)

### Natural resources and mining

	Valid percent (n)
Large decline	10 (34)
Small decline	37 (123)
Stay the same	46 (152)
Small increase	6 (18)
Large increase	1 (2)

### Public administration

	Valid percent (n)
Large decline	3 (10)
Small decline	26 (84)
Stay the same	58 (191)
Small increase	12 (38)
Large increase	1 (4)

Which of the above economic sectors best describes your firm's primary economic activity?

	Valid percent (n)
Construction	9 (27)
Manufacturing	2 (7)
Wholesale trade	1 (3)
Retail trade	9 (26)
Transportation/ warehousing	3 (8)
Finance/ insurance/ real estate	22 (65)
Medical/ health care	8 (22)
Education/ educational services	9 (25)
Accommodations/ food/ entertainment/ recreation	7 (21)
Information and communications systems	3 (10)
Business and professional support services	15 (44)
Personal services	6 (18)
Natural resources and mining	1 (2)
Public administration	5 (14)

### Section 3: Expectations for Your Business/Firm/Organization in Sangamon County

Over the next 12 months, what are you expectations for your business/firm/ organization in Sangamon County? Do you think each aspect of your organization will see a large decline, small decline, stay the same, small increase, or a large increase?

#### Capital investment in firm

	Valid percent (n)
Large decline	3 (8)
Small decline	13 (42)
Stay the same	52 (165)
Small increase	29 (92)
Large increase	3 (9)

#### Total number of employees

	Valid percent (n)
Large decline	1 (4)
Small decline	12 (39)
Stay the same	60 (191)
Small increase	25 (80)
Large increase	1 (4)

#### Gross revenue/ sales

	Valid percent (n)
Large decline	2 (5)
Small decline	19 (61)
Stay the same	30 (96)
Small increase	45 (142)
Large increase	4 (13)

#### Profitability

	Valid percent (n)
Large decline	2 (7)
Small decline	17 (54)
Stay the same	36 (113)
Small increase	41 (130)
Large increase	4 (11)

## Overall Status

	Valid percent (n)
Large decline	2 (7)
Small decline	12 (39)
Stay the same	42 (134)
Small increase	40 (127)
Large increase	4 (11)

Right now, as you look over the next 12 months, what are the three biggest challenges facing your organization?

	Valid percent (n)
State government finances	56 (176)
Government regulations and taxation	44 (138)
Consumer confidence/ spending	44 (138)
Healthcare for employees (e.g., Affordable Care Act)	31 (97)
Availability of skilled/ trained workers	30 (93)
Competition from local/ state/ national firms	29 (91)
Employee (union and nonunion) compensation and benefits (not healthcare)	16 (50)
Interest rates	12 (38)
Energy prices	7 (23)
Commodity prices	6 (18)
Inflation	6 (18)
Global competition	4 (13)
Other, specify:	5 (15)

***Other: Changes in industry; Facing new initiatives; Fundraising/ability of individuals and businesses to give; Illinois' overall economic decline; Increase in non-for-profits; Incredible overbearing regulation; Lack of Economic Aggressiveness by Government as a whole; Negative dark mood from national GOP; No Job Growth; State budget impasses; State of Illinois – uncertainty; The new Fair Labor Standards Act increase to \$47k.***



## Section 4: Economic Development and Plan for Growth

*This section is the topical portion of the survey and changes during each survey administration.*

What effect, if any, would each of the follow strategies have on economic development in greater Springfield?

### **Developing or improving upon parks, green spaces, and other outdoor recreational areas**

	Valid percent (n)
Large negative effect	1 (4)
Small negative effect	2 (7)
No effect	42 (132)
Small positive effect	46 (142)
Large positive effect	9 (27)

### **Expanding or improving local transportation networks (e.g., public bus service)**

	Valid percent (n)
Large negative effect	2 (5)
Small negative effect	3 (8)
No effect	46 (143)
Small positive effect	42 (130)
Large positive effect	8 (24)

### **Investing in post-secondary education (e.g., four year colleges, community colleges)**

	Valid percent (n)
Large negative effect	2 (6)
Small negative effect	1 (4)
No effect	27 (83)
Small positive effect	48 (150)
Large positive effect	22 (67)

### **Expanding or improving workforce training programs**

	Valid percent (n)
Large negative effect	1 (4)
Small negative effect	1 (4)
No effect	23 (73)
Small positive effect	55 (171)
Large positive effect	19 (60)

### Investing in repairing infrastructure (roads, sewers, water supply)

	Valid percent (n)
Large negative effect	1 (3)
Small negative effect	1 (3)
No effect	15 (47)
Small positive effect	51 (160)
Large positive effect	32 (99)

### Providing employers with tax incentives

	Valid percent (n)
Large negative effect	1 (4)
Small negative effect	2 (6)
No effect	21 (66)
Small positive effect	51 (156)
Large positive effect	25 (77)

### Relaxing local zoning laws

	Valid percent (n)
Large negative effect	3 (10)
Small negative effect	11 (33)
No effect	37 (114)
Small positive effect	40 (125)
Large positive effect	10 (30)

### Streamlining permitting

	Valid percent (n)
Large negative effect	0 (1)
Small negative effect	2 (7)
No effect	26 (81)
Small positive effect	48 (149)
Large positive effect	23 (72)

### Providing employers with tax abatement properties

	Valid percent (n)
Large negative effect	1 (4)
Small negative effect	4 (13)
No effect	38 (119)
Small positive effect	47 (144)
Large positive effect	10 (30)

### Increasing investment in local public schools (K-12)

	Valid percent (n)
Large negative effect	2 (5)
Small negative effect	3 (10)
No effect	19 (58)
Small positive effect	46 (143)
Large positive effect	30 (95)

### Lowering utility costs

	Valid percent (n)
Large negative effect	0 (1)
Small negative effect	2 (6)
No effect	23 (72)
Small positive effect	60 (188)
Large positive effect	14 (45)

The Springfield, IL metropolitan statistical area grew by approximately 4% from 2000 to 2010. Over the next 20 years, what type of population growth should the area strive for?

	Valid percent (n)
No growth at all	1 (4)
Slower rate	14 (43)
Same rate	44 (136)
Faster rate	41 (130)

## Section 5: Demographic Information

*This last section is used for analysis purposes only and is not intended to identify respondents.*

Is your organization in the private sector, non-profit sector, or public sector?

	Valid percent (n)
Private sector (for-profit)	72 (224)
Not-profit section	17 (52)
Public sector (government)	11 (34)

In a typical year, do you provide goods or services to any State-funded entity, organization, or program? (This could be any State agency or entity or to an organization or program which typically receives state funds). If no please skip the next question.

	Valid percent (n)
Yes	60 (185)
No	40 (125)

If yes, how does your current level of business with these entities, organizations, or programs compare with your typical level of business with them?

	Valid percent (n)
You are currently doing no business with them	6 (10)
About the same as a typical year	51 (87)
Less than a typical year	42 (71)
More than a typical year	2 (3)

How many years has your organization been operating in your current location?

	Valid percent (n)
15 years or less	46 (126)
16 to 30 years	22 (62)
More than 30 years	32 (88)

How many years has your organization been operating in Sangamon County?

	Valid percent (n)
15 years or less	24 (65)
16 to 30 years	24 (65)
More than 30 years	52 (143)

How many years has your organization been operating in Illinois?

	Valid percent (n)
15 years or less	20 (54)
16 to 30 years	21 (59)
More than 30 years	59 (164)

Number of total full-time employees at your organization:

	Valid percent (n)
20 or less	55 (154)
21 to 50	14 (39)
51 to 100	11 (30)
More than 100	21 (59)

## Appendix B. Answers to Open-ended Question: *Is there anything else you would to tell us about your economic outlook over the next twelve months?*

A Comment On The Question Before About The Three Impact Items. Health Insurance Costs Are And Have Been A Huge Concern. I Wanted Say That The Healthcare Item Parenthetically Stated The Aca. I Think That Is 'Loading' That Question/Item With The Political Cloud That The Aca Alone Is The Cause Of High Health Care Costs. As A Small Business, Our Health Care And Insurance Costs Were 10%-20% Each Year Prior To And Now With The Aca. It Is Not Because Of The Aca. All Parties In Staking Out Their Turf And Th 'Winner Take All' Mentality Hurts Us And Everyone. No One Party Or Group Is Responsible. But We Are Not Able To Provide The Best Coverage For Our Staff Due To Cost.

A State Budget Would Help Solve Many Of Our Economic Woes, At Least In The short term.

As Long As The State Budget Crisis Continues (Not Paying Bills) This Area Will Flounder.

Continue To Move Secondary Education Services To Downtown Area, Increase Housing For Downtown Area, Look To Attract New Private Industry Instead Of Relying Only On Public/Government Growth. Depends On The Election. Financial Meltdown Will Happen, Not A Question Of If The Question Is When.

Development Is Very Stagnant.

Does Not Look Good Without A State Budget..

Election Results At Federal, State And Local Levels May Have An Impact. New Initiatives And Proposals By The Different Levels Of Government Yet To Be Identified Could Have An Impact - Positive Or Negative. The Burgeoning Debt At The Federal And State Levies Must Be Tackled.

For Our Company The Best The Local Governments Can Do Is Lower Taxation And Regulations. We Routinely Have To Adjust Our Business Approaches To Minimize Impacts From These Items. They Do Nothing To Positively Help Our Business As We Compete Globally, No Locally. The Local Economy Would Benefit From The State Budget Being Put In Proper Order. Many Companies Will Avoid Expanding In This State In The Next 12 Months With The Situation The Way It Is.

Hillary Or Trump- Either Way This Country Is Going To Go Downhill And Fast.

If Illinois Ever Manages To Get A Balanced Budget, Our Business Will Increase As State Agencies Go Back To Having Meeting/Functions As They Have In The Past

If The Politics Keep On This Road We Are Seriously Going To See Lots Of Business Closing Their Door.

If The State Does Not Pass A Budget And The Government/ Association Business Continues To Decline It Will Be Another Bad Year For Hotels

If The State Doesn't Start Funding Education - Both K-12 And Higher Ed, We Will Be Seeing A Decline In Our Economy Here In Springfield. Since We Have Both A Community College And University. This Will Mean A Decrease In Students, And Fewer Jobs In Education. I Fact, That Has Already Begun With The Lack Of Funding For Map Grants To Low-Income College Students And Veterans. Schools Have Already Been Making Huge Cuts And There Is Little Else To Cut; Fewer People Are Going Into Education Due To The Lack Of Funding and Pension Rules, And Those Graduating Are Heading To Other States For Jobs. Salaries Are Not Keeping Up.

If The State Government Passes A Budget This Would Have The Greatest Impact On Our Economic Outlook. As Well If The Right Candidate Becomes President(Trump) This Would Provide A Little More Of A Boost.

If We Had To Business Only In The City Or County Here We Would Not Be In Business.

Illinois Government Is Failing The People Of The State. Not Only Does There Need To Be A Real Budget, But A Multi-Year, Consistent Budget We Can Use For Business Planning. The Damage Has

Been So Deep That Illinois Will Need A Decade-Long Commitment To Meting Top Performance Measures And Marketing The State To Improve Public Perception. Without This, The Impression Will Continue To Contract The State Economy Which Is The Local Economy.

Impossible To Determine Based On The Lack Of Economic Stability In The Government Bodies Of The State Of Illinois.

Insolvent And Gridlocked State Of Illinois Government Impairs All Economic Activity.

Most Of The Economy Will Depend On The Presidential Election.

My Hope Is That Sangamon And Surrounding Counties Will Begin To Embrace Diversity And Ensure That All Groups Receive The Investment Of Training And Professional Development To Afford All An Opportunity To Earn Livable Wages That Sustains And Benefits Family Well Being.

My Outlook Is Dramatically Different Depending On The Outcome Of The Presidential/Congressional Elections. It Is Vastly Negative If Democratic Party Is Able To Implement It's Agenda. Then All Growth Is Reversed And The Only Way To Make Money Is To Become A Player In The State Crony Game. Out Government Is Corrupt At All Levels. Btw Republican Control Is Only Marginally Better, But Better Nonetheless

N/A

Need For Increased Healthcare Related Personnel. Concern Over The Loss Of Funding For Education; Especially Higher Ed. The State Must Adopt A Budget In Order To Find Balance In Our State; Especially Sangamon County. We Should Study The Options Of New Revenues In Order To Advocate.

Need More Manufacturing Or Large National Service Firms. Keep Improving Downtown

No

No.

None

Nurse Staffing Is Biggest Limitation On Growth. We Are Competing Nationally For Nurses As Well As Supporting Efforts To "Grow Our Own."

Once The Presidential Elections Are Held, I Am Hopeful That Business Will Be In A Position To Invest In The Future.

Once The State Budget Gets Figured Out And Provides And More Certain Path - The Challenges Will Remain The Same - Slow To No Growth. If State Jobs Are Relocated Back Like It Was Promised By This Governor; We Could See Increased Growth In Housing And Consumer Goods.

Our Financial Situation Has Reached Crisis Stage In This State And We Have An Ineffective Government. I Fear That With Each Passing Moment We Continue In This Manner We Are Causing Irreparable Damage To This State.

Our Organization Is In The Process Of Expanding, With An Estimated 20% Expansion.

Our State Government Is The Number One Threat To Our Local Economic Progress. An Aging Population With Less Than .5% Net Annual Population Growth Makes This A Challenging Place For People And Businesses To Invest For The Long Run.

Over Regulation At All Levels Of Government Is Stifling Growth, Profitability And Wages.

Raising Minimum Wages In Illinois Will Kill Our State's Economy, Raising Pricing, Forcing Business Out Of The State. Let The Economy Dictate Minimum Wage, Not By Statute.

Roads And Infra-Structure Are Comparably Worse Than Similar Sized Cities. Invest In Fixing Things Right The First Time!!!

Sangamon County Is Always Expanding.

Settling The State Budget Mess Would Help All Local Business. Relocation Of Large Volumes Of State Jobs Would Be The Only Conceivable Catalyst For Growth Acceleration.

State Government - Specifically The Top Levels - And Their Inability To Perform Their Jobs Is Killing This State. I Don'T Believe The Founders Of Our Governing Process Ever Envisioned That Those

Elected To Represent The People Would Vote Strictly Along Party Lines. It Is Broken And Something Has To Change Or Government Of The People, By The People, For The People, Shall Perish From The Earth.

State Government Funding At Or Near Fy15 Levels (I.E., The Last Year With A Normal Budget) Are Crucial To Avoiding Deep Cuts In Personnel And Services.

The Continued Expansion Of Government And Governmental Involvement, Especially At The Federal Level, Is Very Worrysome, And Detrimental To Our Economy And Prosperity.

The Economic Outlook Is Scary.

The Federal And State Governments Need To Start Living Within Their Means.

The Inability Of Our State Government To Properly Do Their Jobs And Establish A Budget Has Dramatically Impacted The Amount Of Construction Work In Our Area And Will Continue To Have A Negative Impact On Our Business. The Lack Of Upkeep On Government Buildings Will Cost All Taxpayers An Exorbitant Sum As Significant Damage Is Being Done To These Facilities Where Normal Proper Maintenance Would Have Avoided These Added Costs. Picture Avoiding Changing The Oil On Your Car For 50,000 Miles To Save Money....Hen Waiting Until The Engine Is Destroyed To Do Anything.

The Lack Of A Budget Only Serves To Make The Future Look Very Bleak.

The Lack Of Stability At The State Government Level Is Horrible For Employers.

The Last Two Years Have Put A Greater Spotlight On Springfield's Dependence On The State. Until The State Has Real Measures And Policies In Place To Repair Itself, Springfield Will Continue To Crumble Until it's In The Same Category As The Danville's And Decatur's Of Central Illinois.

The State Budget Situation Will Continue Having A Very Negative Impact.

The State Of Illinois Needs To Get Caught Up On Paying Their Bills To Help Revive Our Economy.

Otherwise, Central Illinois Is Going To Continue To Disintegrate.

The State's Lack Of A Budget - Stopgap Is Not Enough- And Failure Of Lawmakers To Work Toward Compromise Is Hurting Residents, Businesses And Not-For Profit Organizations At All Levels.

The Weight Of Regulation, Size Of Government, And Mismanagement Of Government Budgets Are The Greatest Factors Limiting Economic Growth And Expansion.

Uncertainty In State Finances And Funding Will Cause Us To Hold Back On Capital Investment And Service Increases/Improvements That Would Otherwise Move Forward.

Unless Regulations Are Relaxed I Will Close My Doors Very Soon.

We Anticipate Continuing To Expand Operations Through New Construction, Rehabilitation And Hiring Of Skilled Work Force.

We Are Growing And Have Made A Large Investment In Our Retail Operation, Hence We Expect An Increase In Revenues But Not Profits From Our Springfield Stores.

We Are Now Seeing A Broad Effect Of The State Circumstances In Every Sector. The Longer This Goes On The Worse It Is Going To Get. The More People Will Lose Their Jobs And Leave The Area.

We Need To Get Our State Pensions And Budget Under Control Or I Fear We Will Start To See A Decline In The Population In Our State. Some Shift Is Already Evident.

Will Be More Or Less Stagnant

Years Ago, We Relied Heavily Upon The State Of Illinois To Purchase From Us. Now, We Will Not Even Accept Orders From The State Due To The Fact That We Cannot Expect Prompt Or Even Close To Prompt Payment.

Yes Get The Government Off Our Backs You Would Not Believe How Productive We Would All Be If We Were Set Free To Do What Is Best For Our Companies

You Asked About Whether We Provide Services To The State, But Left Out The Important Question Of Whether They Are Paying Us Or Not. They Are Not. People Who Have Worked All Of Their Lives To



Build Up A Business Are Going Out Of Business Or Deeply In debt Because Of The State Not Having A Budget. When You Talk To Our State Representatives, They Seem To Have No Input, Power Or Concern For This Issue. It Seems To Be Left In The Hands Of The Leadership To Solve. Why Are We Paying These People If They Aren't Or Can't Work For Us?