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SURVEY RESEARCH OFFICE

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Methodology

The Sangamon County Economic Outlook Survey is a mixed mode survey (mail and phone) examining the economic perceptions, expectations, and evaluations of Sangamon County businesses, public, and non-profit organizations. The survey has been conducted biannually (March and September) since 2008¹ with the goal of providing a longitudinal analysis of the local economy through the lens of area organizations. The original sample included all known businesses/firms/organizations in Sangamon County provided by the Greater Springfield Chamber of Commerce in the fall of 2007. The Spring 2014 sample was updated by the Survey Research Office in February 2014.

The final sample included 1216 Sangamon County organizations representing the private sector, the non-profit sector, and the public sector. A printed questionnaire and letter requesting participation in the study were sent to these individual businesses and non-profit organizations on March 12th, 2014, with follow-up phone interviews on March 26th, 2014. The survey was closed on April 11th. The survey also included a web option. Respondents were required to enter their unique project ID number to complete the web version in order to eliminate duplicate responses. The Spring 2014 results are from 201 respondents. The overall survey has a 20.7% response rate and represents fourteen different economic sectors.

Intensity Index Scores

The “Intensity Index Score” is developed using the economic indicator questions, which have consistently appeared in every Outlook Survey. The score is the average of all ratings when the following values are assigned to each response: large decline (-100), small decline (-50), stay the same (0), small increase (+50), and large increase (+100). The Intensity Index score measures the expected change in each of the economic factors over the next 12 months.

For more information about this survey, please contact Dr. Ashley Kirzinger at akirz2@uis.edu or (217) 206-6591. Special thanks to Richard Schuldt, Dr. Beverly Bunch, Dr. Patricia Byrnes at the University of Illinois Springfield, and John Parrish and Paul Marsh at the Greater Springfield Chamber of Commerce for their guidance on this project.

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¹ The only exception being September 2011.

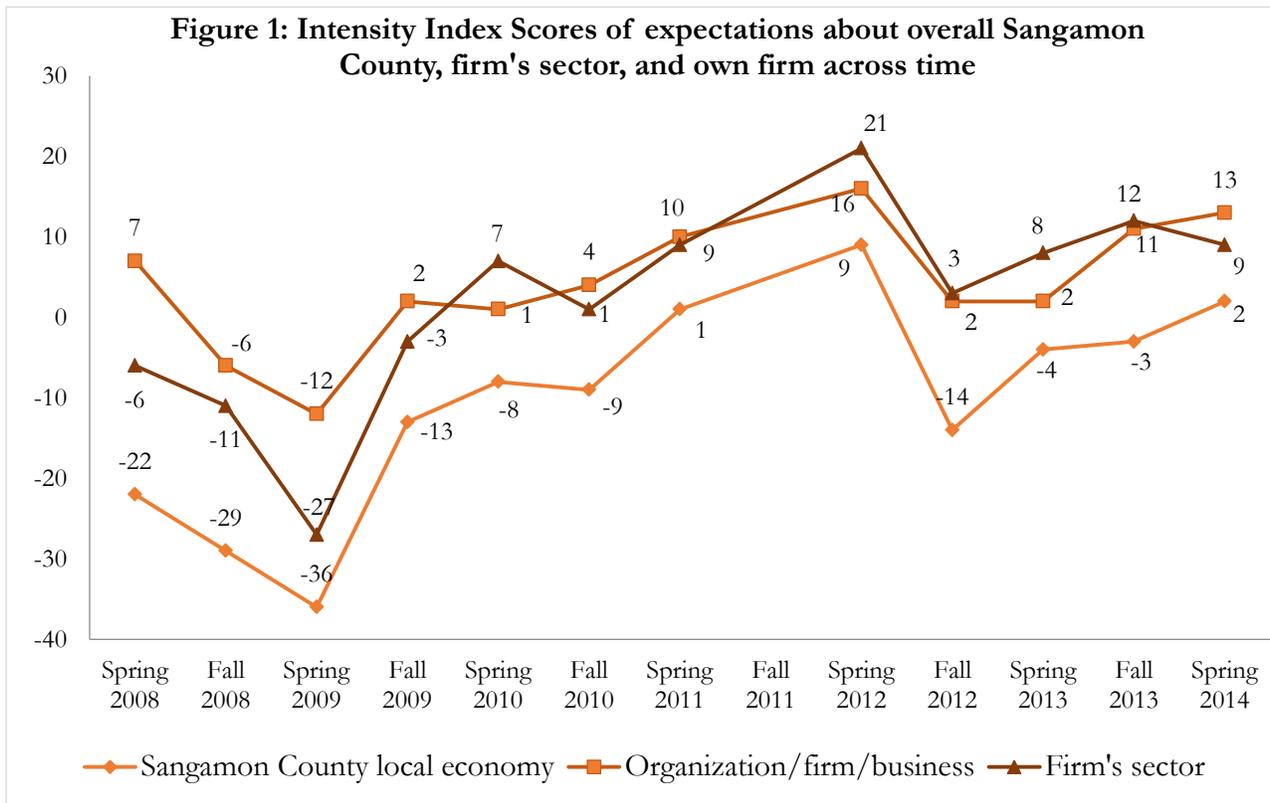
Table 1 Business demographics of respondents

	Responses	Valid frequency
Sector		
Private sector (for-profit)	126	64.6%
Non-profit sector	32	16.4%
Public sector (government)	37	19.0%
Unidentified	6	
Primary Economic Activity²		
Construction	13	6.7%
Manufacturing	8	4.1%
Wholesale trade	4	2.1%
Retail trade	35	18.1%
Transportation/ warehousing	7	3.6%
Finance/insurance/real estate	13	6.7%
Medical/ health care	16	8.3%
Education/ educational services	19	9.8%
Accommodations/food/entertainment/recreation	14	7.3%
Information and communications systems	5	3.1%
Business and professional support services	25	13.0%
Personal services	14	7.3%
Natural resources and mining	3	1.6%
Public administration	16	8.3%
Unidentified	8	
Years in operation		
Median number of years in current location	184	33.7 years
Median number of years in Sangamon County	185	45.2 years
Median number of years in Illinois	176	47.4 years
Number of employees		
Less than five employees	21	11.2%
Five to ten employees	47	25.0%
11-20 employees	48	25.5%
21-35 employees	25	13.3%
36-50 employees	9	4.8%
51- 100 employees	17	9.0%
101-200 employees	9	4.8%
More than 200 employees	12	6.4%

² The Spring 2014 survey is the second time that we input data for respondents who did not identify their primary economic activity. Missing cases were matched with their classifications provided by DUNS data and checked by researchers. Evaluations of own sector were compared between those who provided their classification as well as the new inputted data and no differences were found (both *IIS* were +12), therefore we relied on the inputted dataset in order to increase the number of respondents included in the analysis.

Executive Summary

The Spring 2014 Sangamon County Economic Outlook Survey studies local businesses, firms, and non-profits in order to gauge expectations for the next twelve months across several economic indicators. The results continue a positive trajectory in expectations about individual firms and sectors, and for the first time in two years, about the overall economy. When asked about the economic outlooks for their own individual firms, their firm’s sectors, and the overall Sangamon County, local employers are positive, with evaluations of the individual’s own firm or business receiving the most positive expectations (*IIS* of +13), followed by their firm’s sector (+9), and overall Sangamon County economy (+2). The expectations for the overall Sangamon County economy increased 5 points from the Fall 2013 survey and 6 points from the Spring 2013 survey. Figure 1 displays the longitudinal analysis of Intensity Index Scores (*IIS*) for economic evaluations of the overall Sangamon County economy, respondents’ firm’s sector, and individual firms/businesses/organizations.

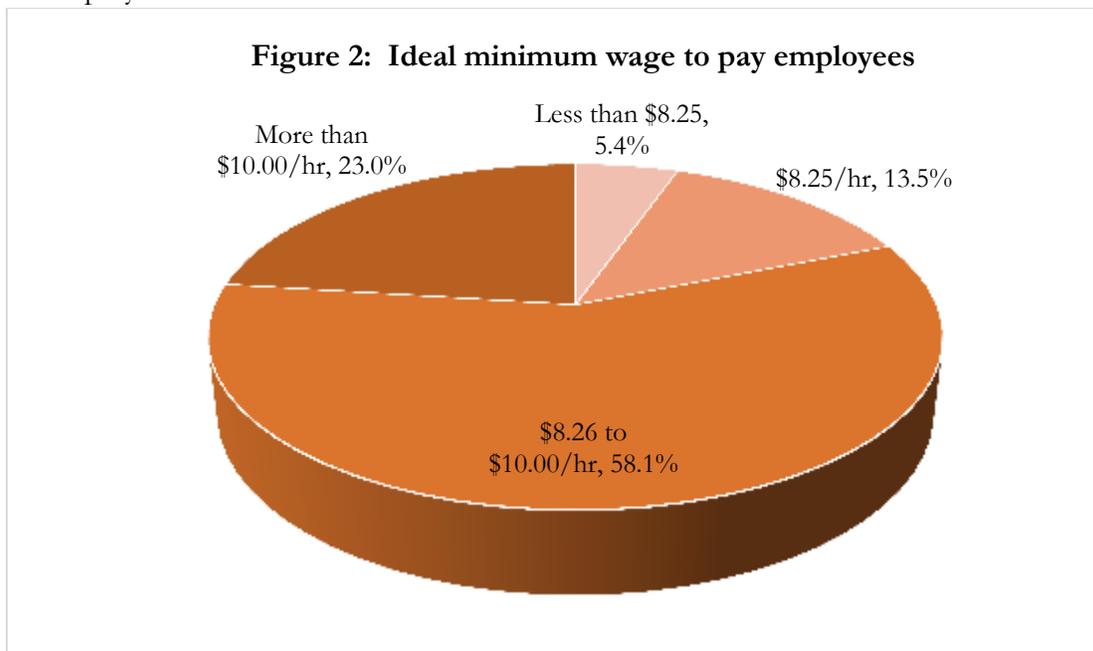


As seen in previous surveys, the overall Sangamon County economy receives the most pessimistic expectations from respondents. However, the Spring 2014 survey is the first survey since Spring 2012 in which respondents report positive outlooks about the overall county economy, the economy of their firm’s sector, and the economy of their own business or organization. It is important to note that expectations for firm’s sector did drop slightly (2 points) from +11 in Fall 2013 to +9 in Spring 2014. Note that the overall trend lines for all three indicators since Spring 2009, when the effects of the national recession were strongest, have been upward, except for the dip in fall 2012.

Attitudes towards changes to the Illinois minimum wage

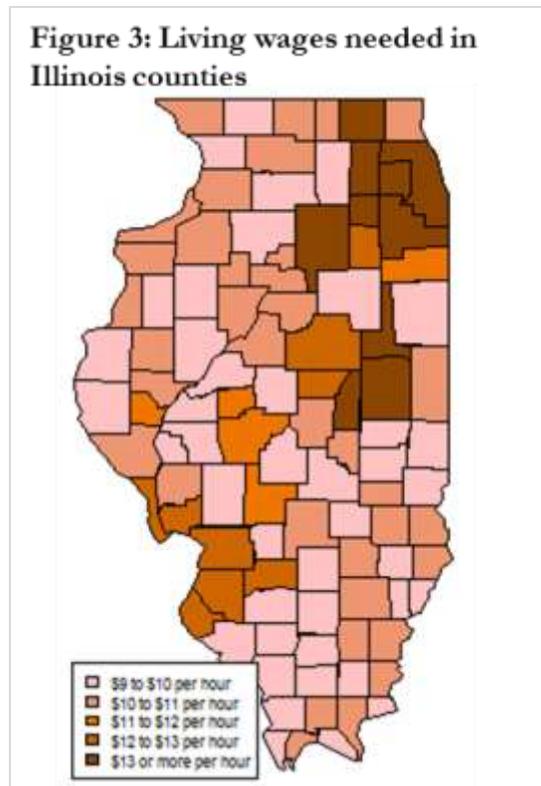
The Spring 2014 topical section of the survey includes several questions aimed at gauging respondent attitudes towards the minimum wage in Sangamon County. We find that 52.3 percent of respondents report that they oppose raising the minimum wage in Illinois (31.3 percent strongly oppose and 21.0 percent somewhat oppose), 12.8 percent report being neutral on the issue, and 34.9 percent of respondents report that they support raising the minimum wage (16.4 percent strongly support and 18.5 percent somewhat support). Private sector employers have the highest rate of opposition with 62.6 percent of private sector respondents reporting that they oppose a minimum wage increase compared to 30.1 percent of non-profit sector employers and 34.3 percent of public sector employers.

Survey respondents were asked to identify the ideal minimum wage to pay their employees. As seen in Figure 2, the vast majority of survey respondents (81.1 percent) report that the ideal minimum wage to pay their employees is *more* than Illinois's current minimum wage of \$8.25 per hour. The majority of survey respondents report that the minimum wage should be between \$8.26 per hour and \$10.00 per hour while 23.0 percent report the minimum wage should be more than \$10.00 per hour. Only 5.4 percent of survey respondents report that the minimum wage in Illinois should be less than \$8.25 per hour and 13.5 percent of employers report that \$8.25 per hour is an ideal salary for their employees.



Perhaps most striking about this finding is that even a majority of those who strongly oppose increasing the Illinois minimum wage still report that an ideal minimum wage for their employees is more than \$8.25 per hour. Of those respondents, 8.7 percent say an ideal minimum wage is \$8 per hour or less, 34.8 percent say an ideal minimum wage is the current minimum wage of \$8.25 per hour, and 56.5 percent say that an ideal minimum wage for their employees is more than \$8.25 per hour with 13 percent of those reporting that it is more than \$10 per hour.

In addition to attitudes on Illinois’s minimum wage, this report relies on living wage data provided by the National Low Income Housing Coalition (NLIHC). As seen in Figure 3, Sangamon County is one of the most expensive counties in Illinois outside of the Chicago Metro area. In fact, the NLIHC reports that a Sangamon County resident must earn \$11.23 per hour or work 54 hours a week at the current Illinois minimum wage rate in order to afford a one bedroom residence.³ Consequently, Illinois’s current minimum wage would need to increase by \$2.98 per hour for a minimum wage employee to earn a living wage in Sangamon County. This result is rather striking as 13.6 percent of Sangamon County residents live below the poverty line⁴ and 10 percent of individuals working in Sangamon County earn \$9.01 or less per hour.⁵



When asked about the biggest challenges facing their business, firm, or organization over the next 12 months, less than 20 percent (19.9 percent) identified employee compensation and benefits⁶ as one of their three biggest challenges. Employers rate government regulations and taxation (44.8 percent), healthcare for employees (41.8 percent), state government finances (34.2 percent), availability of skilled/trained workers (25.9 percent), consumer confidence/spending (25.9 percent), competition from other firms (21.9 percent), and energy prices (20.4 percent) as more of a challenge for their organizations than employee compensation and benefits. There are slight differences in the biggest challenges identified by employers in each of the three broad sectors (public, non-profit, private) in these report. These differences are found in later in the report.

Medical/healthcare, construction, financial, and information/communication sectors still rank highest in Sangamon County

As in the majority of prior economic outlook surveys, the four sectors that receive the most positive ratings by respondents are the medical/healthcare sector (+32 *IIS*), finance/insurance/real estate sector (+19 *IIS*), construction sector (+16 *IIS*), and information/ communication (+16 *IIS*) sector. Consistently, these sectors are the most positively rated sectors since the Spring 2012 survey.

³ This is based on the 2013 Fair Market Rent developed by the U.S. Department of Housing and Urban Development. Complete data is available at <http://nlihc.org>. This calculation assumes you will spend no more than 30% of your income on rent (the generally accepted standard of affordability).

⁴ <http://quickfacts.census.gov/qfd/states/17/17167.html>

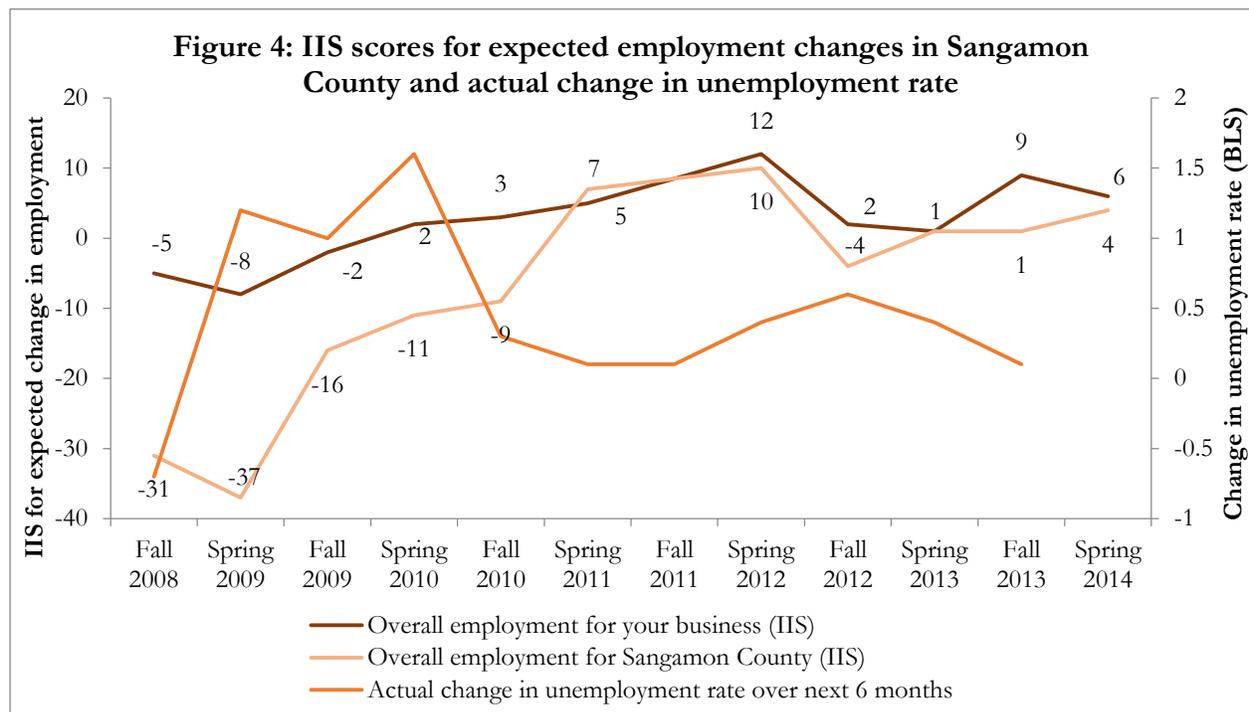
⁵ http://www.bls.gov/oes/current/oes_44100.htm#00-0000

⁶ Previous SCEOS included employee healthcare in this category, however, the Spring 2014 identifies the implementation of the Affordable Care Act and healthcare for employees as separate, distinct challenge.

How are Sangamon County employers at gauging upcoming employment rates?

According to the “Illinois Economic Review” by the University of Illinois’ Institute of Government & Public Affairs published in March 2014, since January 2013 Illinois has experienced a .11 percent job growth rate which is slightly lower than the national job growth rate of .13 percent but higher than other states in the Midwest which on average experience a .02 percent job growth rate. In February 2014, Illinois added 6,400 jobs.⁷

Since the first Economic Outlook survey in Fall 2008, respondents have been asked about their predictions for overall employment in Sangamon County as well as within their own firm. Figure 4 presents the IIS for employment for both of these measures as well as the actual change in unemployment in Sangamon County.⁸



As seen in Figure 4, the actual change in unemployment in Sangamon County is closely related to the expectations for employment by local area businesses, public organizations, and non-profit organizations. On average, respondents tend to be more pessimistic about the overall employment in Sangamon County in comparison to the actual change in the unemployment rate as well as employment in their own firm or organization. This is most evident from Fall 2008 to Fall 2010, when employers had very negative expectations about the overall employment in the region. In more recent survey administrations, employers have predicted similar ebbs and flows as seen in the actual change in the overall unemployment rate in Sangamon County.

⁷ The “Illinois Economic Review” is available at <https://igpa.uillinois.edu/system/files/IERMar2014.pdf>.

⁸ Change in unemployment rates was calculated using the reported unemployment rate (according to the U.S. Bureau of Labor Statistics (found at data.bls.gov) and comparing the unemployment rate in Sangamon County at the time of the survey and then subtracting the total unemployment rate six months later. Negative values indicate an increase in unemployment in the county. These values were then multiplied by 10 in order to present graphically.

The Sangamon County Economy

The Spring 2014 survey indicates mixed expectations for the overall Sangamon County economy (see Figure 5). Thirty-two percent of respondents report that they expect an increase in the overall economy, 40.1 percent expect it to stay the same, and 27.6 percent expect a decline over the next twelve months.

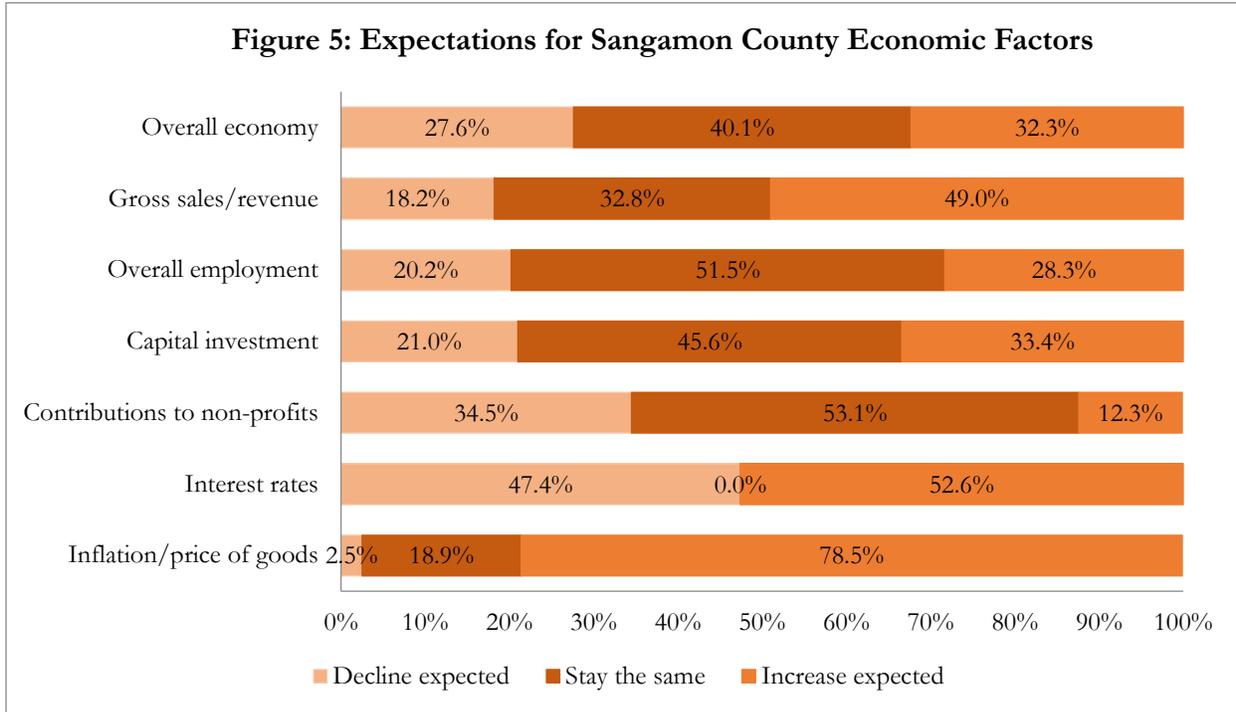


Table 2 displays the current IIS for each economic factor, the Fall 2013 IIS for each economic factor, as well as the change between the scores. As seen in the table, respondents are still negative about the contributions to non-profits in Sangamon County, however, expectations are improving slightly. Respondents are also less positive about capital investment in Sangamon County than they were six months ago. Finally, respondents still expect interest rates and inflation to increase over the next twelve months (for more on this, see the Fall 2013 report).

Table 2. Intensity Index Scores for overall Sangamon County factors			
	Spring 2014 IIS	Fall 2013 IIS	Difference (Spring 2014- Fall 2013)
Overall employment	+4	+1	+3
Capital investment	+6	+8	-2
Interest rates	+25	+25	no change
Gross sales/revenue	+16	+9	+7
Inflation/ price of goods	+44	+40	+4
Contributions to non-profits	-12	-16	+4
Overall economy	+2	-3	+5

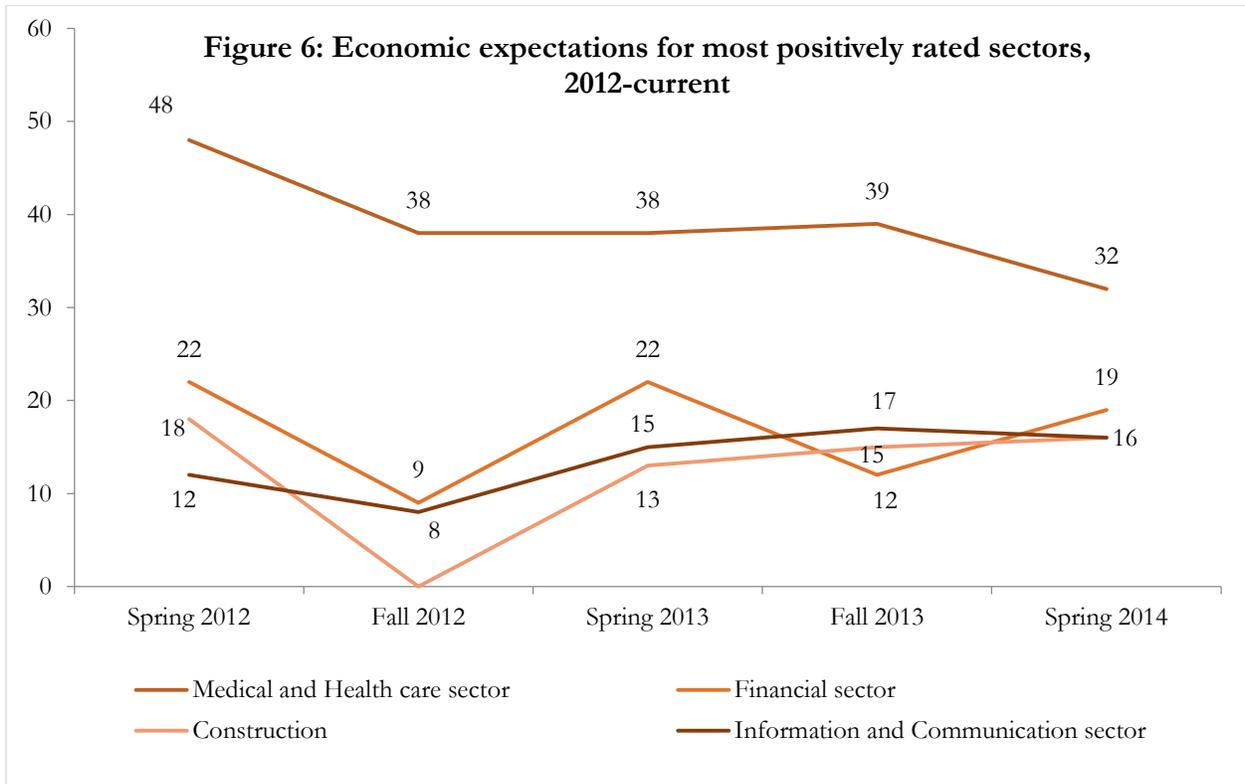
Examining Expectations by Sector

In examining respondents' expectations for each sector, we find that respondents hold slightly different expectations for the forthcoming year. Still, for nearly all sectors, the IIS show positive expectations. With an *IIS* of +32, respondents rate the medical/health care sector most positively, even though the *IIS* dropped slightly since fall 2013. Notably, the *IIS* scores for both manufacturing and wholesale trade display a substantial increase, both by 14 points. Retail trade and transportation/warehousing also display an increase by 10 points. As seen in Table 3 below, all economic sectors except for manufacturing and natural resources receive overall positive expectations.

	Spring 2014 <i>IIS</i>	Fall 2013 <i>IIS</i>	Difference (Spring 2014 - Fall 2013)
Own firm's sector	+9	+12	-3
Construction	+16	+15	+1
Manufacturing	-1	-15	+14
Wholesale trade	+6	-8	+14
Retail trade	+13	+3	+10
Transportation/warehousing	+10	0	+10
Finance/insurance/real estate	+19	+12	+7
Medical/health care	+32	+39	-7
Education/ educational services	+3	-1	+4
Accommodations/ food/ entertainment / recreation	+8	+12	-4
Information and communications systems	+16	+17	-1
Business and professional services	+11	+8	+3
Personal services	+5	+3	+2
Natural resources/mining	-4	N/A	N/A
Public administration	+7	N/A	N/A

⁹ The Spring 2014 SCEOS includes two additional primary economic sectors: natural resources/ mining and public administration. The additional categories reflect the North American Industry Classification System, the standard system used by Federal statistical agencies in classifying business establishments related to the U.S. business economy. Additionally, this system allows for a higher level of comparability regarding business statistics across the U.S., Canada, and Mexico.

As seen in Figure 6, the four sectors that receive the most positive ratings by respondents are the medical/healthcare sector (+32 *IIS*), finance/insurance/real estate sector (+19 *IIS*), construction sector (+16 *IIS*), and information/ communication (+16 *IIS*) sector. Consistently, these sectors have been the most positively rated sectors since the Spring 2012 survey. The most negatively rated sectors in the Spring 2014 survey are manufacturing and natural resources/mining. This is the first time that natural resources/mining and public administration were included in our list of sectors provided to respondents.

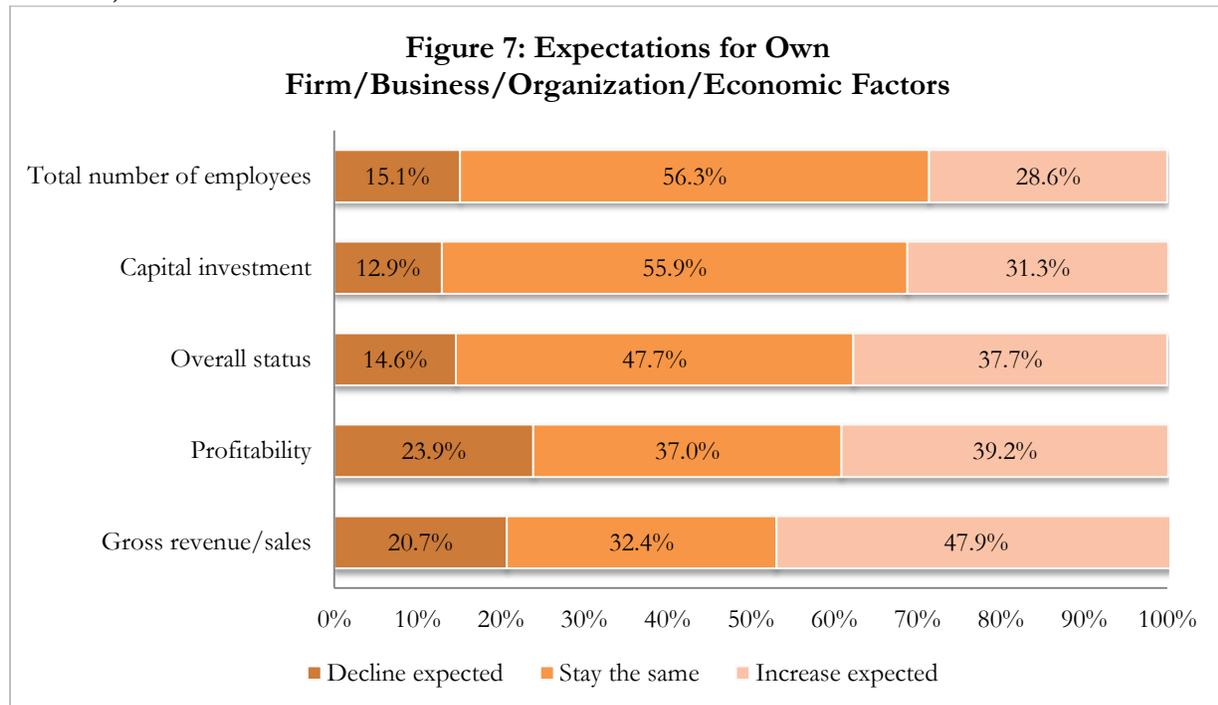


Overall Expectations for “Your” Firm/Organization

Expectations for individual businesses/firms/organizations over the next 12 months in the Spring 2014 survey are very similar to the Fall 2013 results. Respondents rate all economic aspects of their own firm/business/organization positively, with gross revenue/sales receiving the most positive ratings.

Table 4. Intensity Index Scores for own firm/business/organization expectations			
	Spring 2014 IIS	Fall 2013 IIS	Difference (Spring 2014 - Fall 2013)
Capital investment	11	11	0
Total number of employees	6	9	-3
Gross revenue/sales	14	15	-1
Profitability	8	8	0
Overall status	13	11	+2

As seen in Figure 7, 47.9 percent of respondents report that they expect an increase in their gross revenue/sales over the next 12 month while 39.2 percent expect an increase in their profitability, 37.7 percent expect an increase in their overall status, and 31.3 percent expect an increase in their capital investment. The total number of employees receives the least positive ratings with a majority of employers (56.3 percent) reporting that they expect that the total number of employees employed by their organization to remain the same (28.6 percent expect an increase and 15.1 percent expect a decrease).



Biggest Challenges Facing Sangamon County Employers

Survey respondents were asked to identify the three biggest challenges for their business/firm/organization over the next 12 months from a list of challenges. The challenges listed in the Spring 2014 survey are slightly different from previous survey administrations in order to account for the growing percentage of individuals who reported that one of their biggest challenges was the implementation of the Affordable Care Act. As seen in Table 5, as in previous years, government regulations and taxations weigh the heaviest on the minds of local area businesses and non-profit organizations. Forty-five percent of respondents report that this is going to be one of the biggest challenges facing them in the next 12 months. As we expected, the implementation of the Affordable Care Act and healthcare for employees is also one of the biggest challenges reported by employers with 41.8 percent.

	Frequency	Valid percent
Government regulations and taxation	90	44.8%
Healthcare for employees (e.g., Affordable Care Act)	84	41.8%
State government finances	69	34.3%
Availability of skilled/trained workers	52	25.9%
Consumer confidence/spending	52	25.9%
Competition from local/state/national firms	44	21.95
Energy prices	41	20.4%
Employee (union and nonunion) compensation and benefits (not healthcare)	40	19.9%
Inflation	36	17.9%
Commodity prices	32	15.9%
Interest rates	19	9.5%
Global competition	3	1.5%

There are slight differences among types of sectors in terms of the biggest challenges facing employers. Public sector employers are more likely to report that both state government finances and employee (union and nonunion) compensation and benefits (not healthcare), are one of the three biggest challenges in Sangamon County. Sixty-two percent of public sector respondents report

that state government finances are one of their three biggest concerns compared to 34.4 percent of non-profit employers and 27 percent of private sector employers. In addition, 45.9 percent of public sector employers report employee (union and nonunion) compensation and benefits (not healthcare) are one of their three biggest concerns, compared to 28.1 percent of non-profit employers and 10.3 percent of private sector employers. For private sector employers, consumer confidence/spending weighs most heavily on their minds, with 31 percent of private sector employers reporting that it is one of their three biggest concerns, compared to 25 percent of non-profit employers and 10.8 percent of public sector employers.

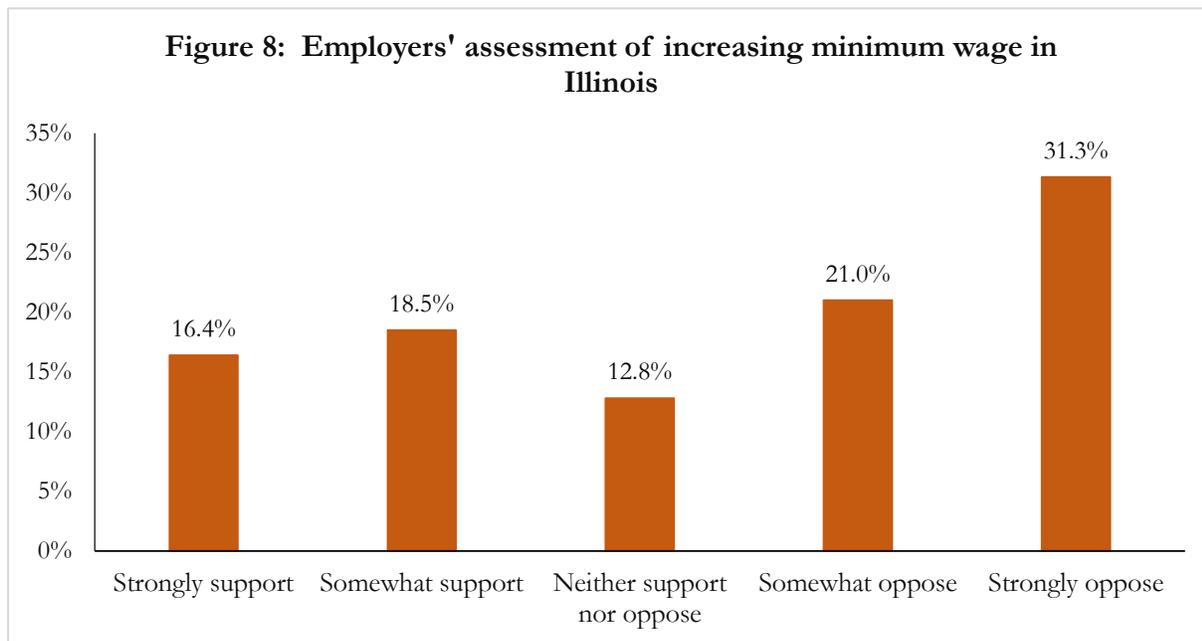
Topical Sections from Spring 2014 SCEOS Survey

The topical section for the Spring 2014 Sangamon County Economic Outlook Survey includes two unique sections: attitudes regarding minimum wage and the quality/access of essential utility services in the region. For analysis purposes, we divide these questions into two categories: “Evaluating Minimum Wage in Sangamon County” and “Quality & Access of Utilities in Sangamon County.”

Evaluating Minimum Wage in Sangamon County

Survey respondents were asked a number of survey items to assess their support regarding minimum wage in Sangamon County. The executive summary provides an analysis of the reported ideal minimum wage for employers in Sangamon County. This section expands on this by examining general support of increasing the minimum wage in Illinois and the hypothetical effects of increasing the minimum wage in Illinois on small businesses.

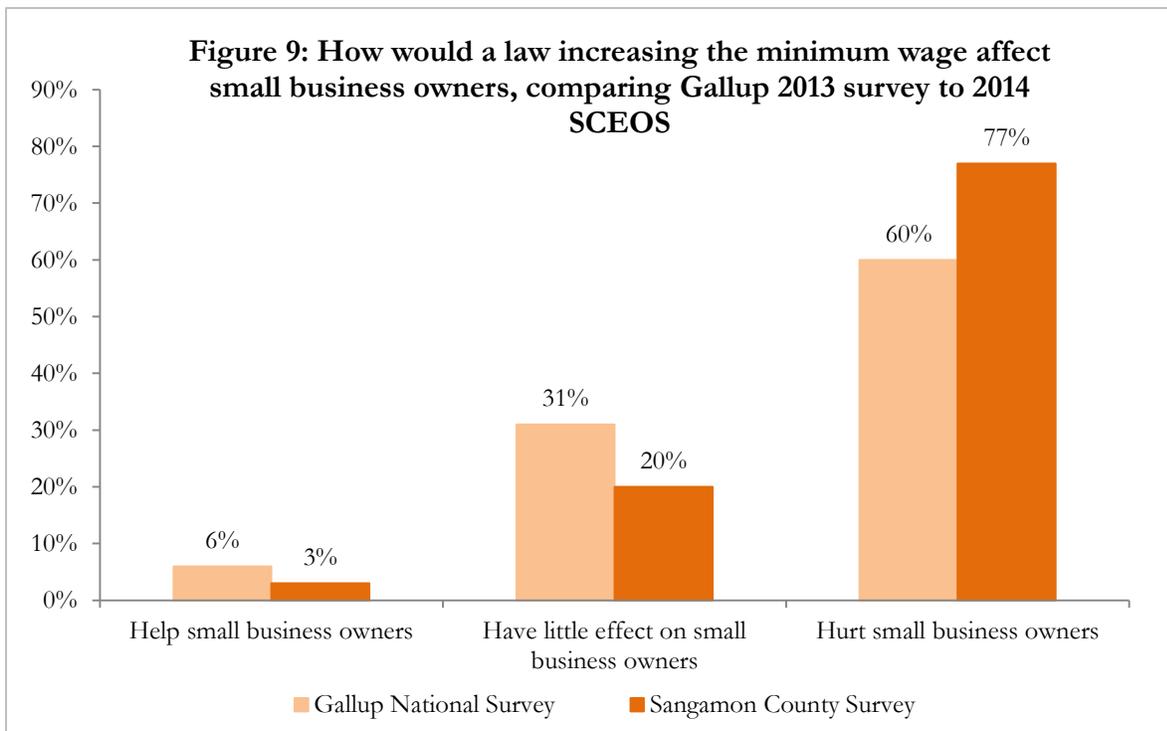
When asked “in general, do you strongly support, somewhat support, neither support nor oppose, somewhat oppose or strongly oppose increasing the minimum wage for employees in Illinois,” we find that a majority of survey respondents (52.3 percent) report that they either somewhat or strongly oppose increasing the minimum wage for employees in Illinois. As seen in Figure 8, there is modest support among businesses (34.9 percent) to increase minimum wage in Illinois. Sixteen percent of survey respondents report that they strongly support increasing minimum wage in Illinois while 18.5 percent of survey respondents somewhat support such an action.



When we examine survey respondents’ assessment of increasing minimum wage by the respondent’s sector type, we find large differences. For example, 62.6 percent of private sector employers oppose increasing minimum wage while only 30.1 percent of non-profit sector employers and 34.3 percent of public sector employers oppose increasing the minimum wage.

In 2013, Gallup asked small business owners across the country the following question: *If a law is passed to increase the minimum wage, do you think this would help most small-business owners, hurt most-small business owners, or have little effect on most small-business owners?*

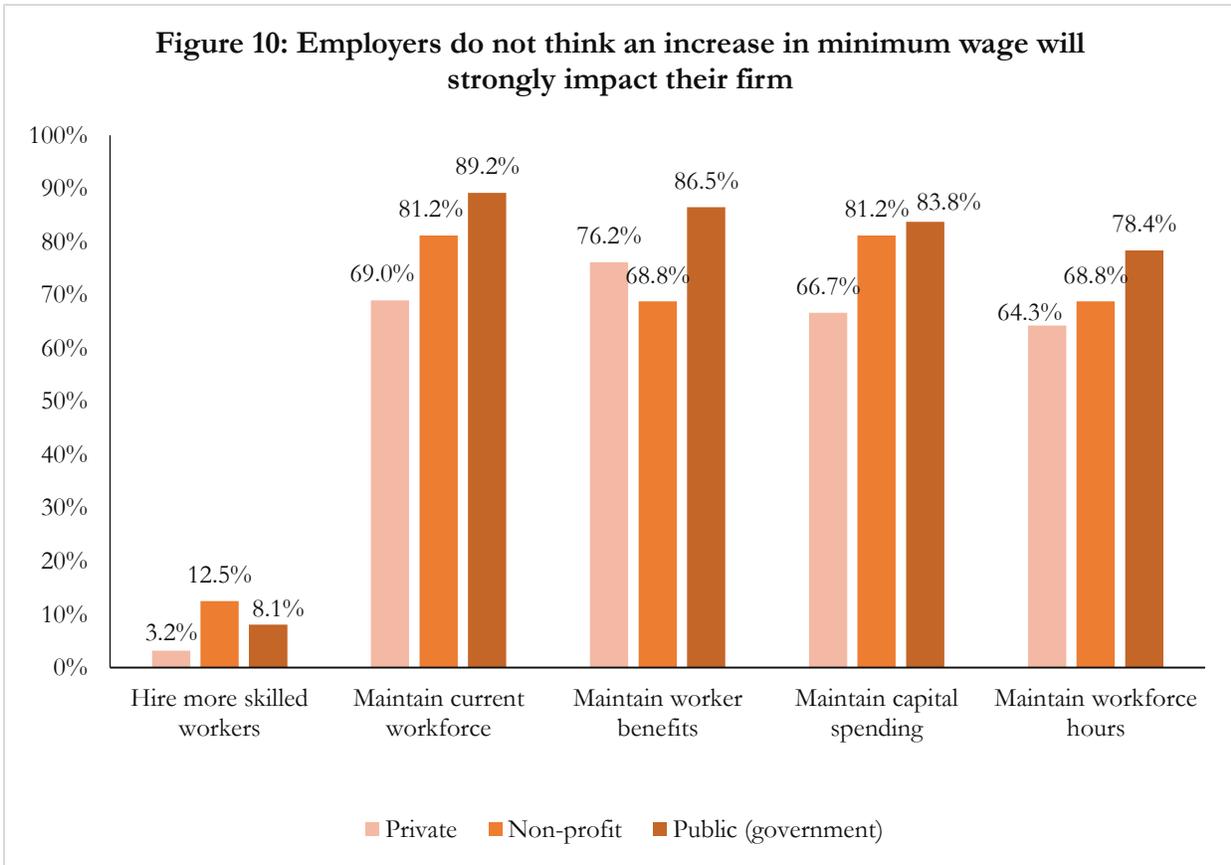
The Spring 2014 Economic Outlook survey includes the same question but focuses on a state law in Illinois. We find that 77 percent of survey respondents report that a state law increasing the minimum wage in Illinois would hurt most small businesses while approximately 20 percent of survey respondents state that an increase would have little effect on most small business owners, and nearly 3 percent report that an increase would help most small business owners. These results are similar to the findings of the Gallup national poll with a majority of respondents reporting that a law increasing the minimum wage would hurt small business owners; however, a larger percentage of Sangamon County employers report this (see Figure 9).



Survey respondents were then asked to evaluate a number of hypothetical effects if a law is passed that increased minimum wage. These include:

- Would be able to hire more skilled or qualified workers?
- Would it cause you to reduce your current workforce?
- Would it cause a reduction in your worker benefits?
- Would it cause you to reduce capital spending for your business?
- Would it cause you to scale back the number of hours offered to your workforce?

Overall, survey respondents report that if a state law was passed to increase the minimum wage then the effects would be minimal as the vast majority of survey respondents report that such an increase would not affect worker benefits, the size of their workforce, capital spending, or hours offered to their current workforce. Nearly three-in-four survey respondents report a state law increasing the minimum wage would not affect worker benefits (76.6 percent), the size of the business’s workforce (74.6 percent), or reduce capital spending (72.4 person). Moreover, two-thirds of survey respondents report that such a law would not affect the number of hours offered to their workforce. Only 5.5 percent report that a state law increasing the minimum wage in Illinois would allow them to hire more skilled workers.



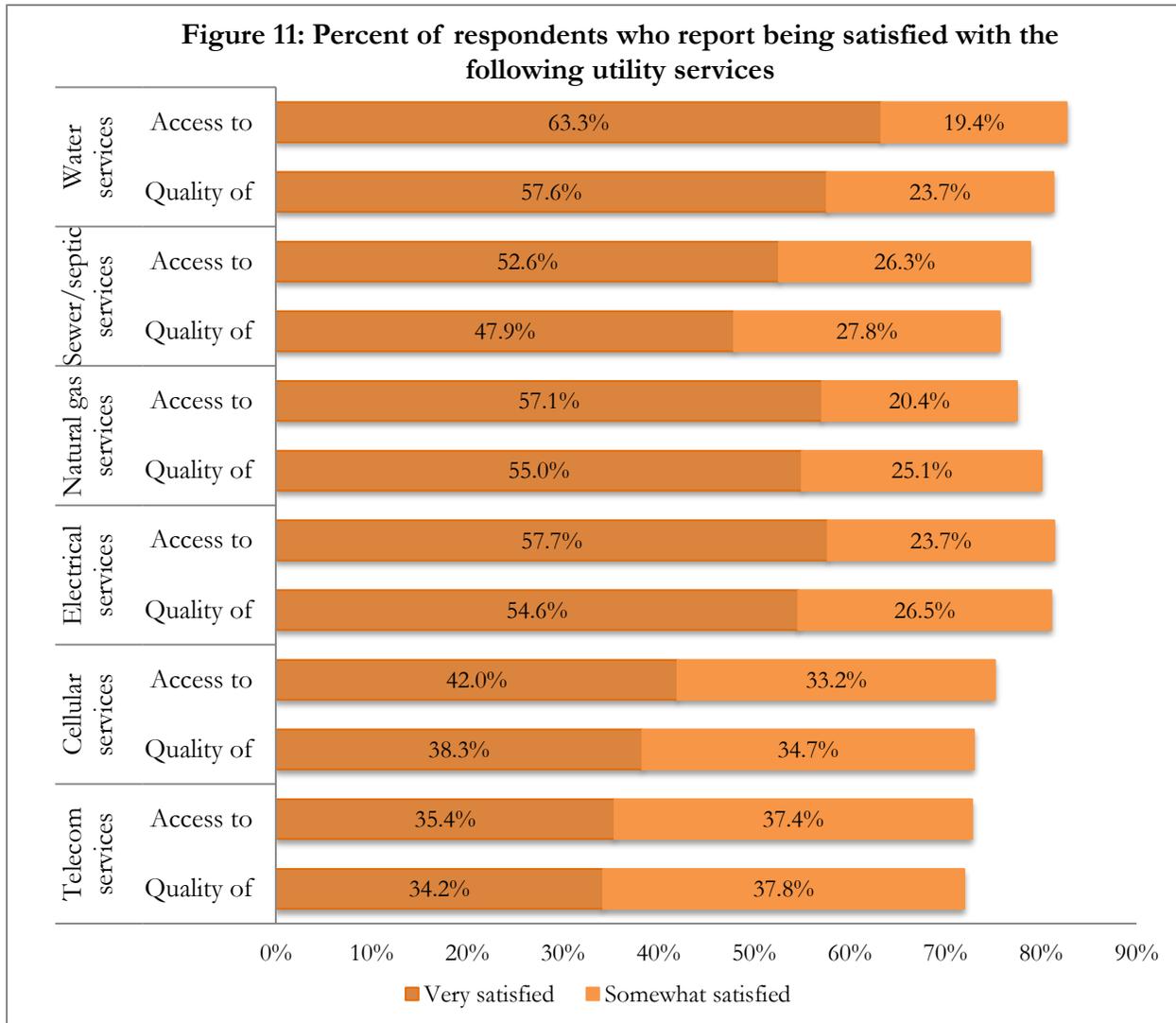
When we examine the effects of increasing the minimum wage by sector, we again find large differences (see Figure 10). Non-profit and public employers are overwhelmingly more positive in how passing a higher minimum wage law in Illinois would affect their organization than private businesses, except on the item gauging whether they would be able to maintain worker benefits. A smaller percentage of non-profit employers report that passing a higher minimum wage law in Illinois would result in them maintaining worker benefits (68.8 percent) compared to 86.5 percent of private businesses and 76.2 percent of public employers. Non-profit (12.5 percent) and public agencies (8.1 percent) are more likely to report that passing a higher minimum wage law in Illinois would result in being able to hire more skilled workers than private businesses (3.2 percent).

Evaluations of utility services in Sangamon County

The final section asks Sangamon County employers to evaluate both the quality of and access to utility services in the area. The utility services rated include:

- Water Services
- Sewer/Septic Services
- Natural Gas
- Electricity
- Cellular Services
- Telecom Services (internet, landline, cable)

These services were evaluated on a five-point scale, where 1 indicates “very satisfied” and 5 indicates “not at all satisfied.” As seen in Figure 11, overall Sangamon County businesses, firms, and non-profit organizations are very positive in their evaluations of both the quality of and access to utility services with the majority of respondents reporting being “very satisfied” with all of the services except cellular and telecom services.



Sangamon County Economic Outlook Survey
(N=201)

Section 1: Sangamon County Economic Expectations

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

Overall employment (Intensity index score: +4)

	Valid percent(<i>n</i>)
Large decline	1.5% (3)
Small decline	18.7% (37)
Stay the same	51.5% (102)
Small increase	26.8% (53)
Large increase	1.5% (3)

Capital investment (Intensity index score: +6)

	Valid percent(<i>n</i>)
Large decline	1.5% (3)
Small decline	19.5% (38)
Stay the same	45.6% (89)
Small increase	31.3% (61)
Large increase	2.1% (4)

Interest rates (Intensity index score: +25)

	Valid percent (<i>n</i>)
Large decline	3.6% (7)
Small decline	43.8% (85)
Stay the same	0.0% (0)
Small increase	50.5% (98)
Large increase	2.1% (4)

Gross sales/revenue (Intensity index score: +16)

	Valid percent(<i>n</i>)
Large decline	1.0% (2)
Small decline	17.2% (33)
Stay the same	32.8% (63)
Small increase	47.4% (91)
Large increase	1.6% (3)

Inflation/price of goods (Intensity index score: +44)

	Valid percent(<i>n</i>)
Large decline	0.5% (1)
Small decline	2.0% (4)
Stay the same	18.9% (37)
Small increase	66.3% (130)
Large increase	12.2% (24)

Contributions to non-profits (Intensity index score: -12)

	Valid percent(<i>n</i>)
Large decline	4.1% (8)
Small decline	30.4% (59)
Stay the same	53.1% (103)
Small increase	10.8% (21)
Large increase	1.5% (3)

The overall economy (Intensity index score: +2)

	Valid percent(<i>n</i>)
Large decline	2.6% (5)
Small decline	25.0% (48)
Stay the same	40.1% (77)
Small increase	31.3% (60)
Large increase	1.0% (2)

Section 2: Expectations for Sangamon County Economic Sectors

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

Construction (Intensity index score: +15)

	Valid percent(<i>n</i>)
Large decline	2.6% (5)
Small decline	12.6% (24)
Stay the same	39.5% (75)
Small increase	41.6% (79)
Large increase	3.7% (7)

Manufacturing (Intensity index score: -1)

	Valid percent(<i>n</i>)
Large decline	2.1% (4)
Small decline	21.5% (41)
Stay the same	55.5% (106)
Small increase	17.8% (34)
Large increase	3.1% (6)

Wholesale trade (Intensity index score: +6)

	Valid percent(<i>n</i>)
Large decline	0.0% (0)
Small decline	15.7% (30)
Stay the same	57.6% (110)
Small increase	25.7% (49)
Large increase	1.0% (2)

Retail trade (Intensity index score: +13)

	Valid percent(<i>n</i>)
Large decline	1.5% (3)
Small decline	15.4% (30)
Stay the same	43.6% (85)
Small increase	34.9% (68)
Large increase	4.6% (9)

Transportation/ warehousing (Intensity index score: +10)

	Valid percent(<i>n</i>)
Large decline	1.0% (2)
Small decline	10.9% (21)

Stay the same	56.8% (109)
Small increase	28.6% (55)
Large increase	2.6% (5)

Finance/insurance/real estate (Intensity index score: +19)

	Valid percent(<i>n</i>)
Large decline	1.5% (3)
Small decline	11.7% (23)
Stay the same	37.8% (74)
Small increase	44.9% (88)
Large increase	4.1% (8)

Medical/health care (Intensity index score: +32)

	Valid percent(<i>n</i>)
Large decline	1.5% (3)
Small decline	11.2% (22)
Stay the same	26.0% (51)
Small increase	43.4% (85)
Large increase	17.9% (35)

Education/ educational services (Intensity index score: +3)

	Valid percent(<i>n</i>)
Large decline	4.0% (8)
Small decline	18.6% (37)
Stay the same	49.2% (98)
Small increase	23.6% (47)
Large increase	4.5% (9)

Accommodations/food/entertainment/recreation (Intensity index score: +8)

	Valid percent(<i>n</i>)
Large decline	1.5% (3)
Small decline	16.0% (31)
Stay the same	50.5% (98)
Small increase	28.4% (55)
Large increase	3.6% (7)

Information and communications systems (Intensity index score: +16)

	Valid percent(<i>n</i>)
Large decline	1.5% (3)
Small decline	10.3% (20)

Stay the same	48.5% (94)
Small increase	34.0% (66)
Large increase	5.7% (11)

Business and professional support services (Intensity index score: +11)

	Valid percent(<i>n</i>)
Large decline	1.0% (2)
Small decline	12.7% (25)
Stay the same	54.8% (108)
Small increase	26.9% (53)
Large increase	4.6% (9)

Personal services (Intensity index score: +15)

	Valid percent(<i>n</i>)
Large decline	1.5% (3)
Small decline	15.6% (31)
Stay the same	57.3% (114)
Small increase	23.1% (46)
Large increase	2.5% (5)

Natural resources and mining (Intensity index score: -4)

	Valid percent(<i>n</i>)
Large decline	2.2% (4)
Small decline	26.2% (48)
Stay the same	51.4% (94)
Small increase	18.6% (34)
Large increase	1.6% (3)

Public administration (Intensity index score: +7)

	Valid percent(<i>n</i>)
Large decline	2.1% (4)
Small decline	13.2% (25)
Stay the same	56.1% (106)
Small increase	25.9% (49)
Large increase	2.6% (5)

Which of the above economic sectors best describes your firm's primary economic activity (Intensity index score for own sector: +9)

	Valid percent(<i>n</i>)
Construction	6.7%(13)
Manufacturing	4.1%(8)
Wholesale trade	2.1%(4)
Retail trade	18.1%(35)
Transportation/warehousing	3.6%(7)
Finance/insurance/real estate	6.7%(13)
Medical/health care	8.3%(16)
Education/educational services	9.8%(19)
Accommodations/food/entertainment/recreation	7.3%(14)
Information and communication systems	3.1%(6)
Business and professional support services	13.0%(25)
Personal services	7.3%(14)
Natural resources and mining	1.6%(3)
Public administration	8.3%(16)

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

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

Capital investment in firm (Intensity index score: +11)

	Valid percent(<i>n</i>)
Large decline	2.1% (4)
Small decline	10.8% (21)
Stay the same	55.9% (109)
Small increase	26.2% (51)
Large increase	5.1% (10)

Total number of employees (Intensity index score:+6)

	Valid percent(<i>n</i>)
Large decline	2.5% (5)
Small decline	12.6% (25)
Stay the same	56.3% (112)
Small increase	27.1% (54)
Large increase	1.5% (3)

Gross revenue/sales (Intensity index score: +14)

	Valid percent(<i>n</i>)
Large decline	3.7% (7)
Small decline	17.0% (32)
Stay the same	31.4% (59)
Small increase	42.6% (80)
Large increase	5.3% (10)

Profitability (Intensity index score: +8)

	Valid percent(<i>n</i>)
Large decline	4.3% (8)
Small decline	19.6% (36)
Stay the same	37.0% (68)
Small increase	34.2% (63)
Large increase	4.9% (9)

Overall status (Intensity index score: +13)

	Valid percent(<i>n</i>)
Large decline	1.5% (3)

Small decline	13.1% (26)
Stay the same	47.7% (95)
Small increase	33.7% (67)
Large increase	4.0% (8)

Right now, as you look over the next 12 months, what are the three biggest challenges facing your business/firm/organization.

	Valid percent(<i>n</i>)
Government regulations and taxation	44.8%(90)
Healthcare for employees (e.g., Affordable Care Act)	41.8%(84)
State government finances	34.3%(69)
Availability of skilled/trained workers	25.9%(52)
Consumer confidence/spending	25.9%(52)
Competition from local/state/national firms	21.9%(44)
Energy prices	20.4%(41)
Employee (union and nonunion) compensation and benefits (not healthcare)	19.9%(40)
Inflation	17.9%(36)
Commodity prices	15.9%(32)
Interest rates	9.5%(19)
Global competition	1.5%(3)
Other specify:	6.5%(13)

Others mentioned: less rentals, federal and state regulations, entitlement mentality, low housing starts, local government finances, growth in community, federal funding, managed care program, national and local economy, state transportation project.

Section 4: Concerns of Sangamon County Business Owners

This section is the topical portion of the survey and changes during each survey administration. The Spring 2014 survey includes questions on minimum wage laws and quality of utility services.

In general, do you strongly support, somewhat support, neither support nor oppose, somewhat oppose or strongly oppose increasing the minimum wage for employees in Illinois?

	Valid percent(<i>n</i>)
Strongly support	16.4% (32)
Somewhat support	18.5% (36)
Neither support nor oppose	12.8% (25)
Somewhat oppose	21.0% (41)
Strongly oppose	31.3% (61)

For your business, what is the ideal minimum wage to pay your employees?

	Valid percent(<i>n</i>)
\$8/hour or less	5.4%(4)
\$8.25/hour	13.5%(10)
\$8.50/hour	13.5%(10)
\$8.75/hour	2.7%(2)
\$9/hour	12.2%(9)
\$9.25/hour	0%
\$9.50/hour	8.1%(6)
\$9.75/hour	0%
\$10/hour	21.6%(16)
More than \$10/hour	23.0%(17)

If a state law is passed to increase the minimum wage, do you think this would help most small business owner, hurt small business owners, or have little effect on most business owners?

	Valid percent(<i>n</i>)
Help most small business owners	3.1% (6)
Hurt most small business owners	77.0% (151)
Little effect on most small business owners	19.9% (39)

If a state law is passed to increase the minimum wage, please indicate if the following would apply to you as a business owner? (Check all that apply)

	Valid percent(<i>n</i>)
You would be able to hire more skilled or qualified workers	5.5 % (11)
It would cause you to reduce your current workforce	25.4%(51)
It would cause a reduction in your worker benefits	23.4%(47)
It would cause you to reduce capital spending for your	27.4%(55)

business	
It would cause you to scale back the number of hours offered to your workforce	32.3%(65)
Other; please specify	24.4%(49)
None of the above*	39%(40)

*This option was only given for respondents who completed the survey either by mail or online (N=104).
 Others mentioned: Raise prices, close business, increase union wages, cause wage inflation, help us to be more competitive, no raises.

Now moving on to utility operations that may affect your organization/firm/business.
 In general, would you say that you are very satisfied, somewhat satisfied, neither satisfied nor dissatisfied, somewhat dissatisfied, or not at all satisfied with the quality of/access to the following utilities?

Quality of water service	
	Valid percent(<i>n</i>)
Very satisfied	57.6% (114)
Somewhat satisfied	23.7% (41)
Neither satisfied nor dissatisfied	14.1% (28)
Somewhat dissatisfied	3.0% (6)
Not at all satisfied	1.5% (3)

Access to water service	
	Valid percent(<i>n</i>)
Very satisfied	63.3% (124)
Somewhat satisfied	19.4% (38)
Neither satisfied nor dissatisfied	14.8% (29)
Somewhat dissatisfied	0.5% (1)
Not at all satisfied	2.0% (4)

Quality of sewer/septic service	
	Valid percent(<i>n</i>)
Very satisfied	47.9% (93)
Somewhat satisfied	27.8% (54)
Neither satisfied nor dissatisfied	13.9% (27)
Somewhat dissatisfied	7.2% (14)
Not at all satisfied	3.1% (6)

Access to sewer/septic service	
	Valid percent(<i>n</i>)
Very satisfied	52.6% (102)
Somewhat satisfied	26.3% (51)

Neither satisfied nor dissatisfied	15.5% (30)
Somewhat dissatisfied	3.1% (6)
Not at all satisfied	2.6% (5)

Quality of natural gas service

	Valid percent(<i>n</i>)
Very satisfied	55.0% (105)
Somewhat satisfied	25.1% (48)
Neither satisfied nor dissatisfied	16.8% (32)
Somewhat dissatisfied	2.1% (4)
Not at all satisfied	1.0% (2)

Access to natural gas service

	Valid percent(<i>n</i>)
Very satisfied	57.1% (109)
Somewhat satisfied	20.4% (39)
Neither satisfied nor dissatisfied	18.8% (36)
Somewhat dissatisfied	2.6% (5)
Not at all satisfied	1.0% (2)

Quality of electrical service

	Valid percent(<i>n</i>)
Very satisfied	54.6% (107)
Somewhat satisfied	26.5% (52)
Neither satisfied nor dissatisfied	13.8% (27)
Somewhat dissatisfied	3.6% (7)
Not at all satisfied	1.5% (3)

Access to electrical service

	Valid percent(<i>n</i>)
Very satisfied	57.7% (112)
Somewhat satisfied	23.7% (46)
Neither satisfied nor dissatisfied	17.5% (34)
Somewhat dissatisfied	0.5% (1)
Not at all satisfied	0.5% (1)

Quality of cellular services

	Valid percent(<i>n</i>)
Very satisfied	38.3% (74)
Somewhat satisfied	34.7% (67)

Neither satisfied nor dissatisfied	14.0% (27)
Somewhat dissatisfied	9.8% (19)
Not at all satisfied	3.1% (6)

Access to cellular service

	Valid percent(<i>n</i>)
Very satisfied	42.0% (81)
Somewhat satisfied	33.2% (64)
Neither satisfied nor dissatisfied	16.6% (32)
Somewhat dissatisfied	6.2% (12)
Not at all satisfied	2.1% (4)

Quality of other telecom services (internet, landline, or cable)

	Valid percent(<i>n</i>)
Very satisfied	34.2% (67)
Somewhat satisfied	37.8% (74)
Neither satisfied nor dissatisfied	14.3% (28)
Somewhat dissatisfied	10.2% (20)
Not at all satisfied	3.6% (7)

Access to other telecom services (internet, landline, or cable)

	Valid percent(<i>n</i>)
Very satisfied	35.4% (69)
Somewhat satisfied	37.4% (73)
Neither satisfied nor dissatisfied	15.9% (31)
Somewhat dissatisfied	7.7% (15)
Not at all satisfied	3.6% (7)

Section 5: Demographic Information

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

Are you in the private sector, non-profit sector, or public sector?

	Valid percent(<i>n</i>)
Private sector (for profit)	64.6% (126)
Non-profit sector	16.4% (32)
Public sector (government)	19.0% (37)

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

	Valid percent(<i>n</i>)
2 years or less	2.7%(5)
3-5 years	3.8%(7)
6-10 years	7.6%(14)
11-20 years	28.8%(53)
21-30 years	16.3%(30)
31-40 years	12.0%(22)
41- 50 years	9.2%(17)
More than 50 years	19.6%(36)

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

	Valid percent(<i>n</i>)
2 years or less	0%
3-5 years	2.7%(5)
6-10 years	5.4%(10)
11-20 years	17.3%(32)
21-30 years	14.6%(27)
31-40 years	14.1%(26)
41- 50 years	16.2%(30)
More than 50 years	29.7%(55)

How many years has your organization been operating in Illinois:

	Valid percent(<i>n</i>)
2 years or less	0%
3-5 years	2.1%(4)
6-10 years	5.3%(10)
11-20 years	16.6%(31)
21-30 years	15.5%(29)
31-40 years	13.4%(25)
41- 50 years	15.5%(29)
More than 50 years	31.6%(59)

Number of union members your organization employs:

	Valid percent(<i>n</i>)
0	74.4%(119)
1-25	14.4%(23)
25-50	3.8%(6)
More than 50	7.5%(12)

Number of total full-time employees:

	Valid percent(<i>n</i>)
Less than 5	11.2%(21)
5-10 employees	25.0%(47)
11-20 employees	25.5%(48)
21-35 employees	13.3%(25)
36-50 employees	4.8%(9)
51-100 employees	9.0%(17)
101-200 employees	4.8%(9)
More than 200 employees	6.4%(12)