



Creating
Opportunities for
Retention &
Expansion

CORE Illinois

*Creating Opportunities for
Retention & Expansion*

What is *CORE*?

- strategic partnership of regional EDOs and community partners
- created to collect, aggregate and analyze data to determine:
 - wellbeing of existing businesses,
 - understand barriers to growth,
 - threats to retention, as well as
 - identify opportunities

Mission

The goal is to create a unified, coordinated statewide process designed to address the growth and development needs of **existing businesses** in Illinois.

- Created June 2016
- Illinois economic development community recognized an unmet need
- Formed a regionally-focused coalition around a common goal to speak directly to businesses

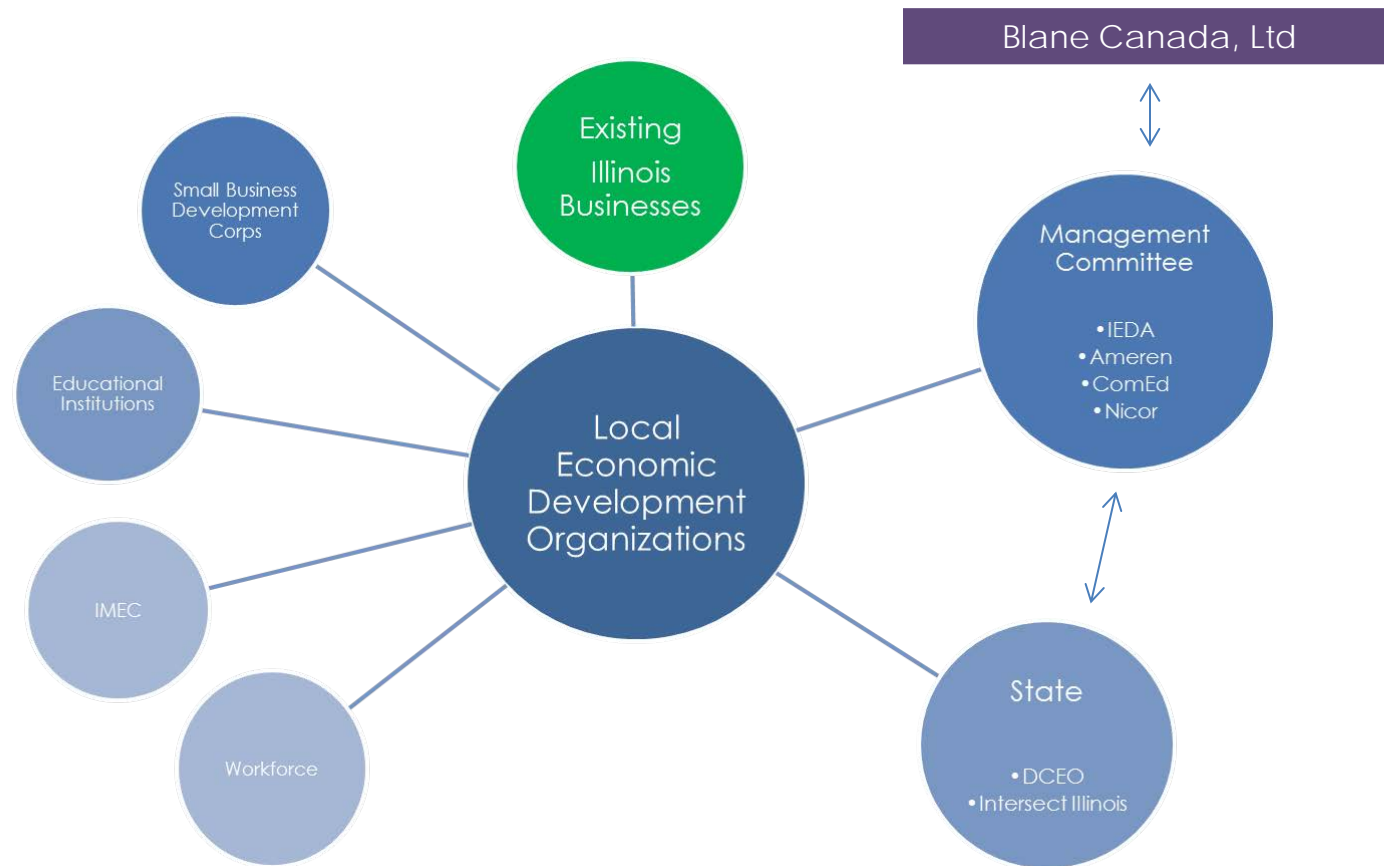
We seek to:

- Establish a common platform (***Synchronist Business Information System***) and data collection standard (***onsite survey***) to assess the needs of local industry and key employers, while allowing each EDO to customize their own approach
- Engage and listen to business needs and offer coordinated state, regional and local solutions
- Build relationships and share information among regional partners
- Aggregate data to identify emerging industry trends for resource and policy development



Program Overview

STRUCTURE



Management Committee



- Management & Coordination
 - Provide Training
 - Promotion & Marketing
- Maintain Synchronist Licenses
- Direct Service Requests to Blane Canada, Ltd.

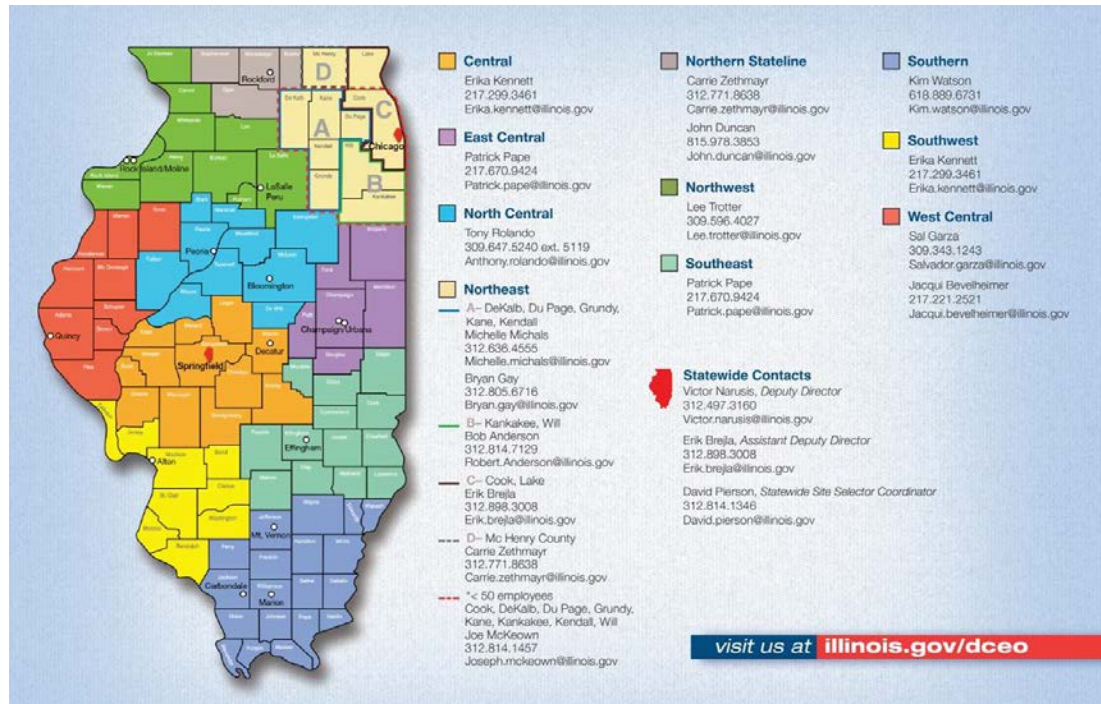
DCEO + Intersect Illinois



- Branding
- Marketing materials
- Analyze trend data for resource, policy development
- Rapid response to local needs
- Facilitate
 - State, federal resources
 - Assistance with red tape issues
 - Financial support (EDGE, infrastructure, etc.)



DCEO Team RED



One-stop resource:

- Assist strategy development
- Participate in visits if requested
 - Site selection
- Customized workforce training
- Potential financial assistance
- Expedited permitting/licensure

Local & Regional Economic Development Organizations

- Develop & execute local/regional strategies
- Serve as primary contact to local businesses
- Conduct onsite business surveys, input data
- Coordinate resource response to address business needs

Blane Canada, Ltd.

- Synchronist® software creator/owner/support administrator
- Manage Synchronist Master License
- Aggregate statewide data to protect **confidentiality**
- Provide regular training to CORE members
- Support management committee

SUCCESSES IN THE FIRST YEAR



- **160+** ED organizations and communities
- **50+** counties
- **600+** business visits / surveys completed



Program Implementation

TARGETING BUSINESS for VISITS

Who?

- Top companies/employers in your area
- Companies that have received state assistance
- Companies perceived to be at-risk
- Large companies that lack a strong relationship with local municipality or EDO
- Successful companies with multiple out of state options
- Companies with foreign global headquarters

Illinois targeted sectors include:

- Advanced Manufacturing
- Biotech
- Energy
- Financial Services
- Food Processing
- Transportation & Logistics

Why?

- Easier, more cost-effective to retain existing businesses than to attract new ones
 - 80% of new jobs are created by existing business
- Help identify current site issues
- Provide planning input for specific programs and policies
- A good retention program is a valuable tool for business recruitment

HOW DOES IT WORK?

Steps to implementing CORE conversations:

1. Obtain a Synchronist® license (input-only or sub-license)
2. Participate in trainings or webinars
3. Create a strategy with a targeted business list
4. Establish goals and metrics
5. Schedule business visits and conduct surveys, then input data
 - Coordinate with Team RED or your management committee member to assist with scheduling or conducting surveys
6. Use your conversations and data to serve businesses in your community
7. Have a process for follow-up as opportunities or threats are identified

Using the Information

- Incorporate into Strategic Planning
 - Infrastructure priorities
 - Workforce Development initiatives
- Incorporate into marketing materials
 - Consistent high marks for workforce
 - Positive community comments
- Provide direction for legislative engagement
- Referrals for expansion and new attraction



VOICES OF ILLINOIS BUSINESS

“Not much land available or buildings available”

“Very difficult to work with city government”

“May not be economically feasible to expand in this state”

“Evaluating whether to build additional warehouse/distribution facility here or East Coast...”

“Anything you need (supply chain) you can find right here...in 24 hours”

“Great area to raise children...different cultures make a strong district”

“Company will continue to see controlled growth in production capacity”

“Access to [suppliers] – raw materials and contract manufacturing”

“High cost of workers comp and high taxes”

*“...information technology and automation
knowledge needed”*

“Zoning and planning limit ability to expand”

*“Outsourcing and workforce could potentially
become an issue...”*

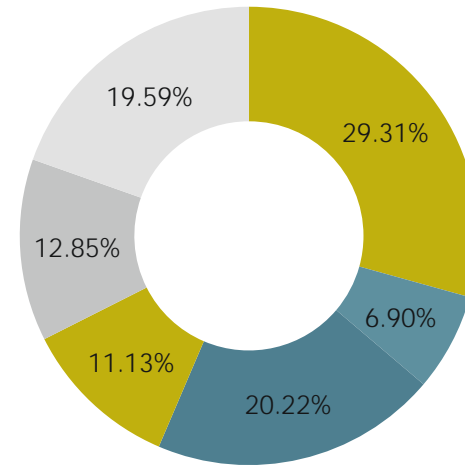
DISCOVERIES

What did we uncover about Illinois business?

COMPANY INFORMATION

FACILITY TYPE

Total Respondents	638
Headquarters	29.31%
Division	6.90%
Office Operation	20.22%
Branch Plant	11.13%
Distribution	12.85%
Manufacturing	19.59%

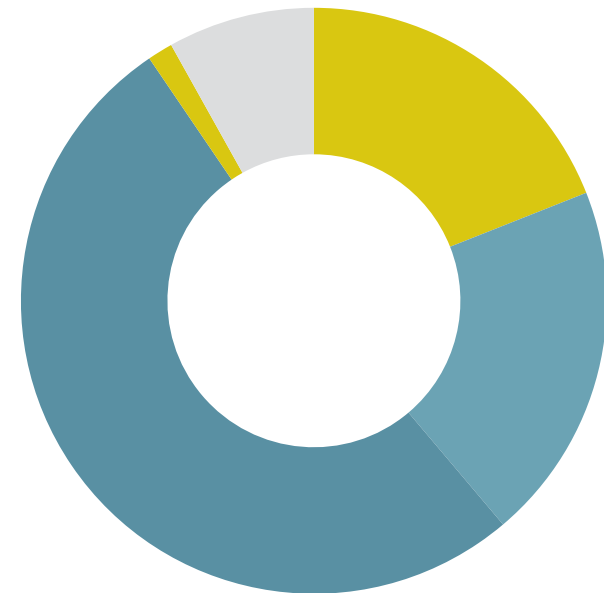


- Headquarters
- Division
- Office Operation
- Branch Plant
- Distribution
- Manufacturing

COMPANY INFORMATION

OWNERSHIP

Total Respondents	359
Public	18.94%
Family	19.78%
Private	51.53%
Employee-Owned	1.39%
Non-Profit	8.08%



- Public
- Family
- Private
- Employee-Owned
- Non-Profit

COMPANY INFORMATION

GREATEST ACHIEVEMENT IN LAST 3 YEARS

TOTAL RESPONDENTS	520
Business Challenge(s) Successful Conclusion	17.12%
Business Growth or Sales Increase	21.92%
Facility Renovation, Modernization, Relocation	10.58%

COMPANY INFORMATION

ROOM FOR EXPANSION



■ Yes ■ No

Total Respondents 634

Yes 34.86%

No 65.14%



IN THE COMMUNITY

COMPANY'S ROLE CHANGING

Total Respondents	307
Yes	11.4%
No	88.6%

REASONS FOR ROLE CHANGE

Total Respondents	35
Positive	62.68%
Negative	31.43%
Neutral	5.71%

“Technological advancement[s] could lead to less jobs in the area”

“Company will continue to grow as they remodel 30,000+ square feet of space”

“Outsourcing and workforce could potentially become an issue...”

“Company will continue to see controlled growth in production capacity”

IN THE COMMUNITY

AT RISK FOR LEAVING THE
COMMUNITY

■ Yes ■ No

Total Respondents

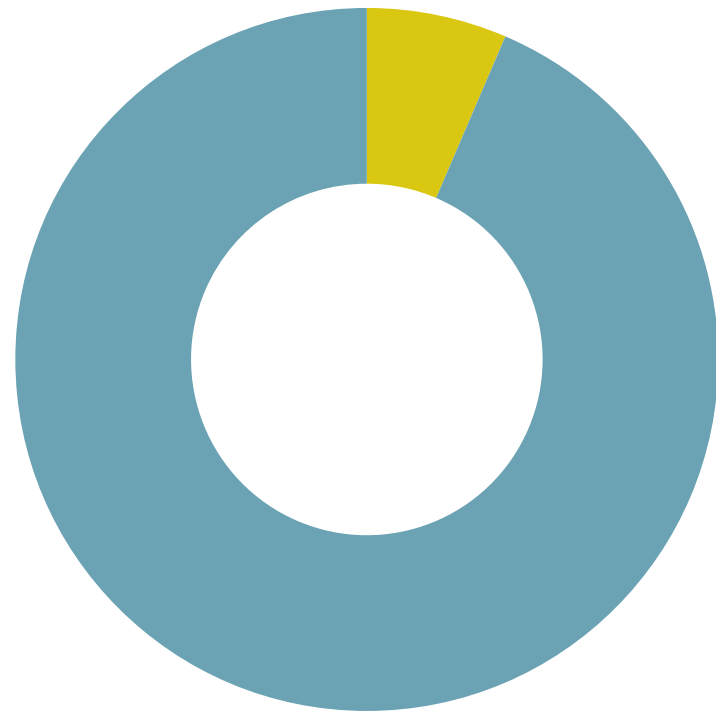
310

Yes

6.45%

No

93.55%



“Evaluating whether to build additional warehouse/distribution facility here or East Coast...”

“High taxes”

“Zoning and planning limit their ability to expand”

“Adversarial relationship with the community”

STRENGTHS AS A PLACE TO DO BUSINESS

TOP 3 RESPONSES

Total Respondents	548
Customer, Supplier Accessibility	15.15%
Location	15.69%
Quality of Life Positive	17.52%

“Anything you need (supply chain) you can find right here...in 24 hours”

“Great area to raise children...different cultures make a strong district”

“Infrastructure was created to support agriculture”

“Access to [suppliers] – raw materials and contract manufacturing”

WEAKNESSES AS A PLACE TO DO BUSINESS TOP RESPONSES

Total Respondents	401
Business Climate Negative	10.22%
Government Services	6.98%
Skilled Worker Supply Inadequate	17.52%
Other	18.20%

“High cost of workers comp and high taxes”

*“...information technology and automation
knowledge needed”*

*“Both the state...and the city...are not business
friendly”*

COMMUNITY NOT CONSIDERED FOR FUTURE EXPANSION

Total Respondents	414
Yes	12.08%
No	87.20%

REASONS NOT CONSIDERED FOR FUTURE EXPANSION:

Total Respondents	53
Building/Land Availability or Cost	16.98%
Business Climate Negative	11.32%
Cost of Doing Business High	13.21%
Other	22.64%

“Not much land available or buildings available”

“Very difficult to work with city government”

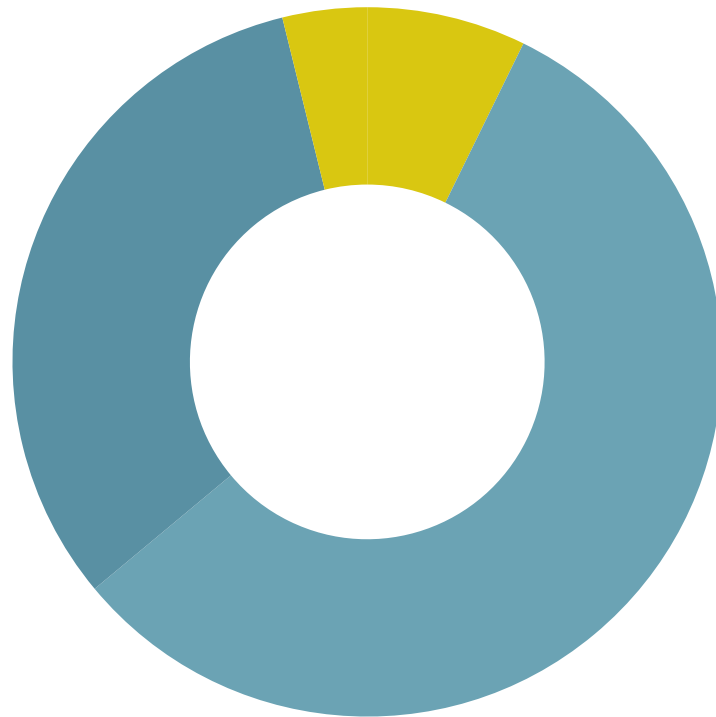
“May not be economically feasible to expand in this state”

*“...cost of labor significantly higher in IL;
experienced during turnaround”*



PRODUCTS

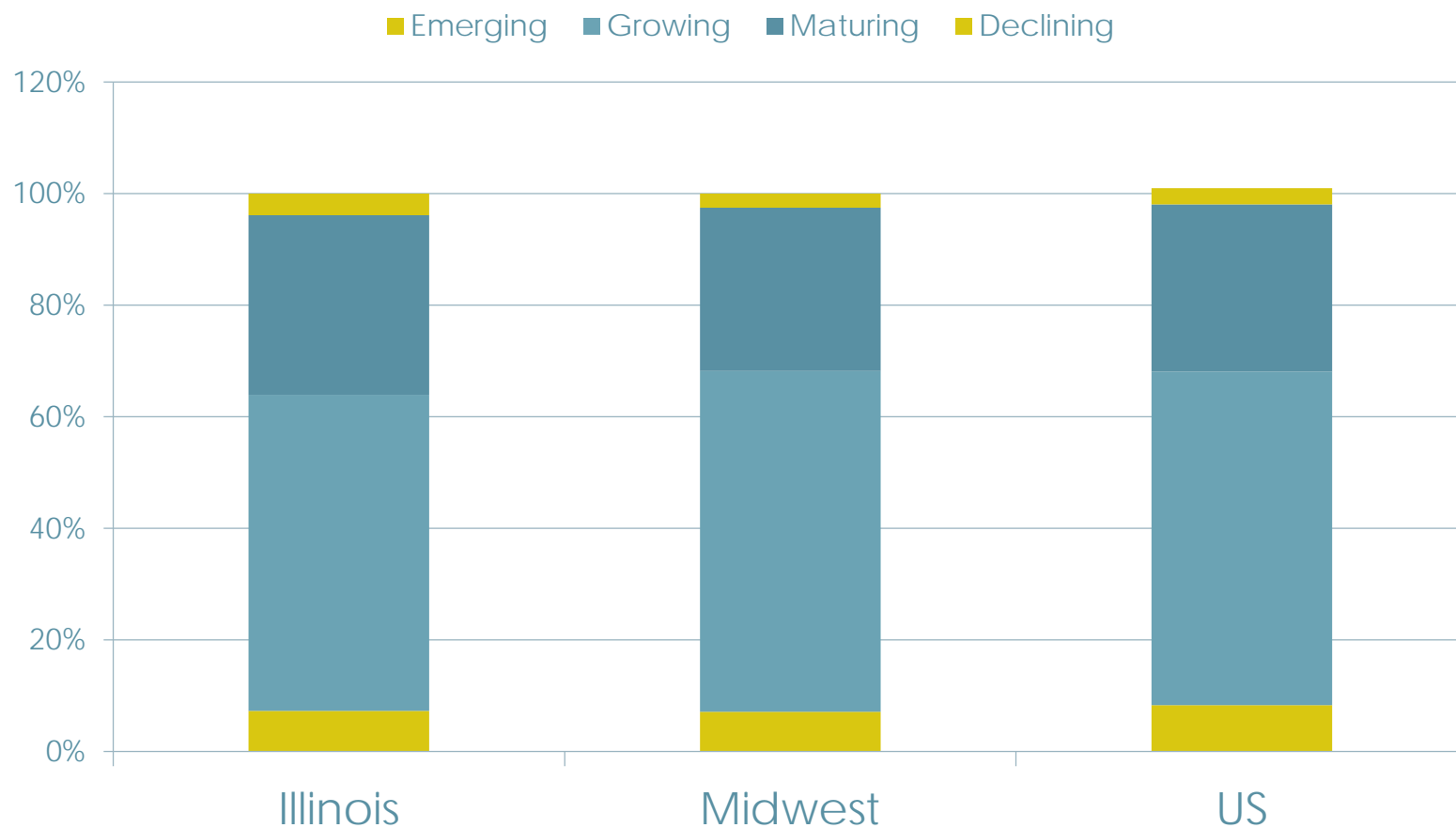
LIFE CYCLE



■ Emerging ■ Growing
■ Maturing ■ Declining

Total Respondents	441
Emerging	7.26%
Growing	56.69%
Maturing	32.20%
Declining	3.85%

PRODUCTS



PRODUCTS

NEW PRODUCTS

IN LAST 5 YEARS

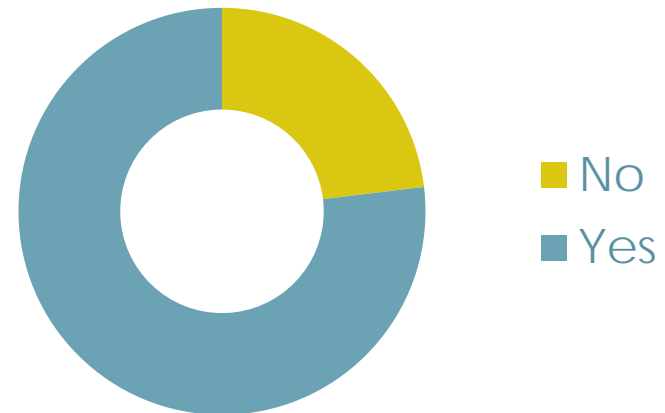
Total Respondents**446**

Yes

76.91%

No

23.09%



IN NEXT 2 YEARS

Total Respondents**430**

Yes

72.56%

No

27.44%

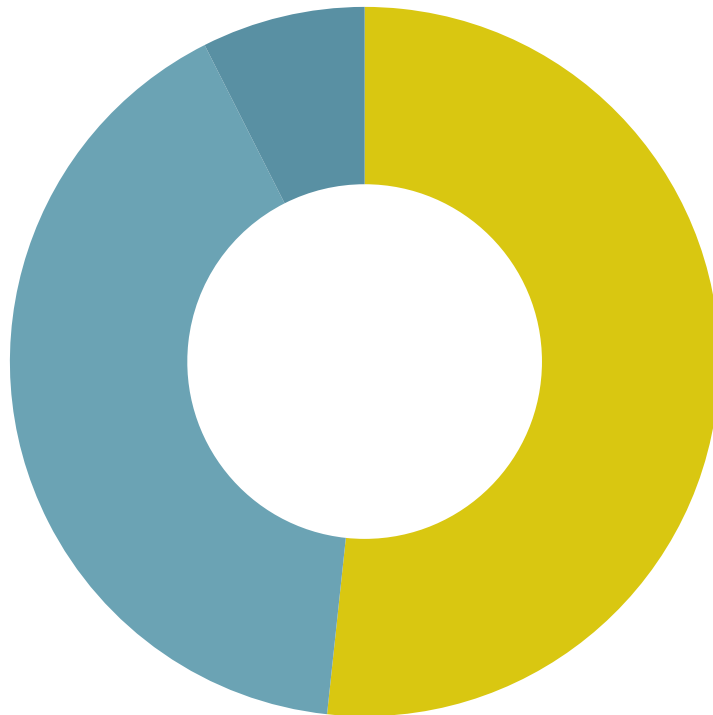
■ No
■ Yes





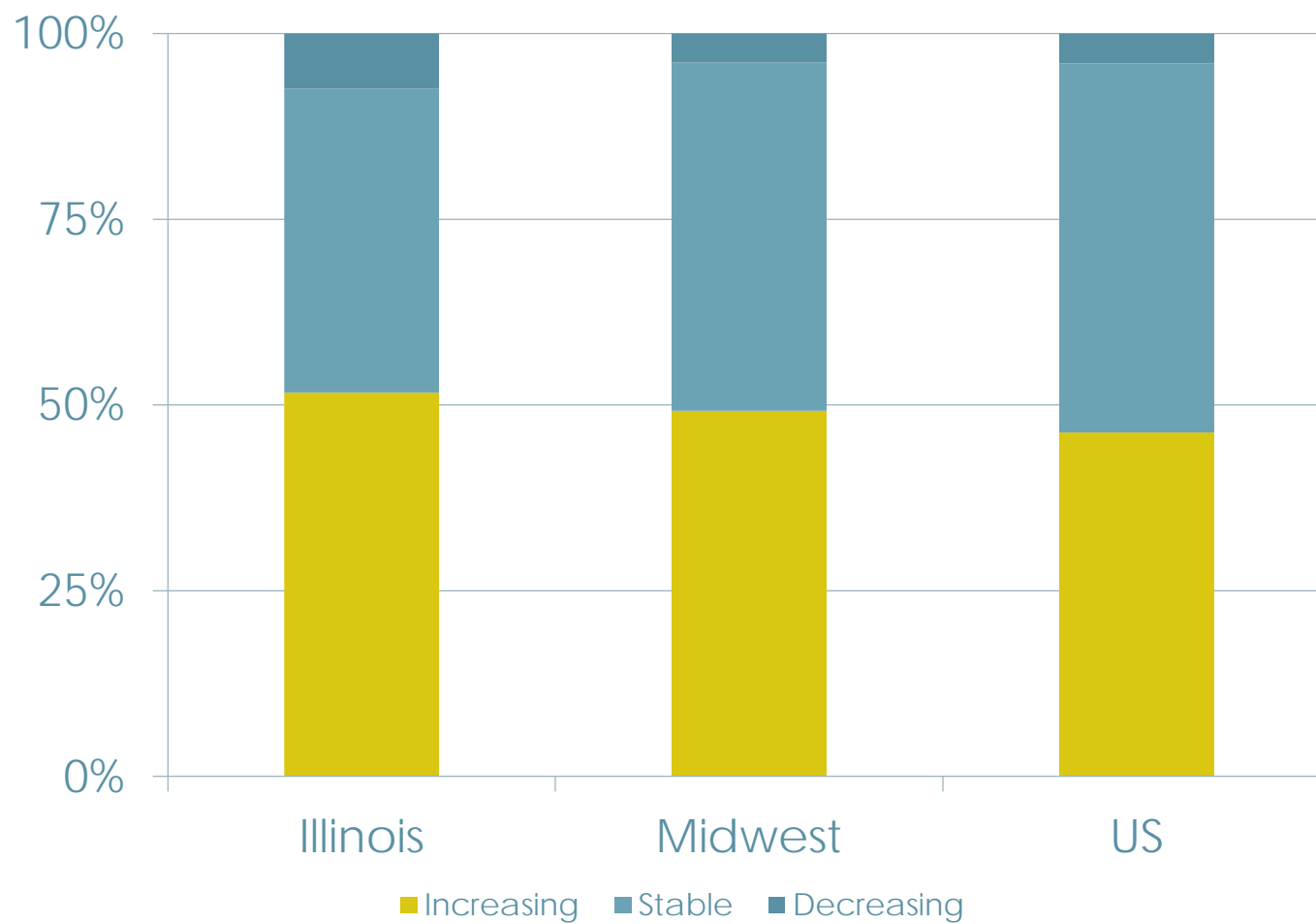
MARKET

MARKET SHARE OF COMPANY'S KEY PRODUCTS



■ Increasing ■ Stable ■ Decreasing

Total Respondents	443
Increasing	51.69%
Stable	40.86%
Decreasing	7.45%



EXPANSION PLANS IN THE NEXT 3 YEARS

Total Respondents	538
Yes	39.78%
No	60.22%



■ No ■ Yes



INDUSTRY

■ Increasing ■ Stable ■ Decreasing



MERGER, ACQUISITION AND DIVESTITURE

Total Respondents	424
Increasing	36.32%
Stable	60.85%
Decreasing	2.83%

ANTICIPATING LEGISLATIVE
CHANGES **ADVERSELY**
AFFECTING BUSINESS

Total Respondents	553
Yes	35.44%
No	64.56%

ANTICIPATING LEGISLATIVE
CHANGES **POSITIVELY**
AFFECTING BUSINESS

Total Respondents	553
Yes	16.34%
No	83.66%

“New Dept. of Labor overtime regulations”

“Not having IL budget for transportation funding”

“Possible raise in minimum wage”

*“Many new regulations proposed for banking
industry”*

“Workers’ comp reform...tort reform...”

“Potential changes to ACA”

“Corporate tax reduction”



WORKFORCE

AVAILABILITY

78% at or above average

STABILITY

91.1% at or above average

QUALITY

85.4% at or above average

PRODUCTIVITY

96.6% at or above average

WORKFORCE

Availability	US	Midwest	Illinois
1	5.26%	6.34%	1.45%
2	11.71%	14.49%	8.18%
3	14.80%	16.88%	12.36%
4	20.32%	20.28%	19.45%
5	21.84%	19.92%	22.55%
6	16.77%	12.97%	28.55%
7	9.30%	9.12%	7.45%

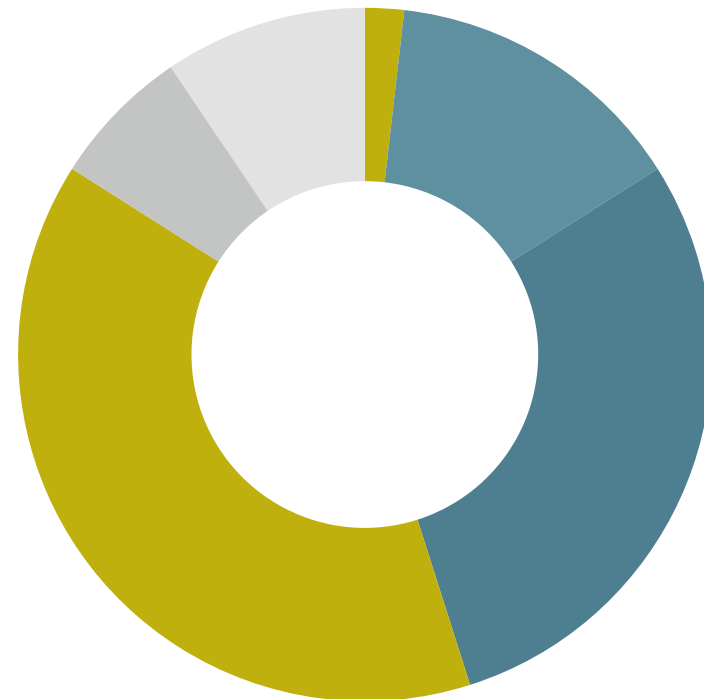
Quality	US	Midwest	Illinois
1	2.33%	2.33%	0.54%
2	5.72%	6.64%	5.79%
3	10.20%	10.53%	8.32%
4	16.34%	16.16%	11.93%
5	22.04%	21.76%	17.18%
6	29.76%	28.57%	42.86%
7	13.61%	14.01%	13.38%

Stability	US	Midwest	Illinois
1	1.32%	0.97%	0.18%
2	3.00%	3.09%	3.10%
3	7.35%	7.77%	5.66%
4	17.49%	18.17%	10.95%
5	19.86%	19.32%	14.78%
6	34.24%	33.35%	50.00%
7	16.74%	17.34%	15.33%

Productivity	US	Midwest	Illinois
1	0.63%	0.24%	0.00%
2	0.86%	0.73%	0.48%
3	3.01%	2.94%	2.88%
4	13.70%	13.99%	8.63%
5	19.90%	19.09%	20.62%
6	40.61%	39.80%	53.48%
7	21.29%	23.21%	13.91%

RECRUITING PROBLEMS

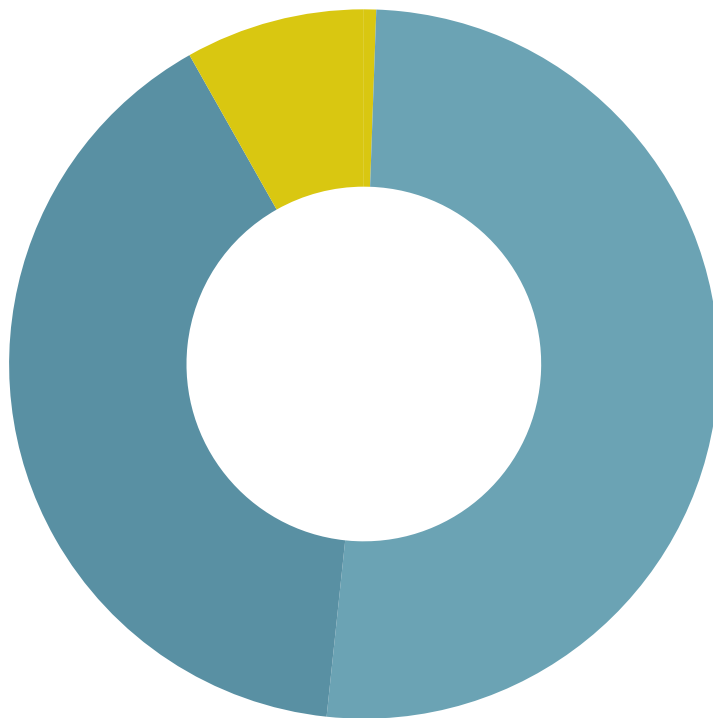
Total Respondents	568
Yes	52.82%
No	47.18%



■ Admin/Clerk ■ Mgmt/Sales
■ Sci/Tech ■ Skilled
■ Unskilled ■ Other

Recruitment Problems	US	Midwest	Illinois
Yes	56.29%	62.60%	52.82%
No	43.71%	37.40%	47.18%

■ Decreasing ■ Stable ■ Increasing ■ None



INVESTMENTS MADE IN EMPLOYEE TRAINING

Total Respondents	538
Increasing	40.15%
Stable	51.12%
Decreasing	0.56%
No training	8.18%



WHAT'S NEXT?

CORE Phase II

- Working internally to **identify the top 25-50 business targets** in each county in order to assist with updating regional CORE strategies
 - Team Red will work with local EDOs and partners to coordinate target list
- CORE Management Team working on strategies to meet the needs of High Value – High Growth companies, as well as those considered High Risk
- CORE Management Team reviewing skill gaps in order to align workforce with business and industry; potential programs and incentives for apprenticeships and access to training for students

JOIN THE CORE COALITION

David Ross

(217) 785-2708

David.Ross@Illinois.gov

www.coreillinois.org

Ed Sitar
Manager, Economic Development
ComEd
630-437-2571
edward,sitar@comed.com