

Kandiyohi County Business Retention and Expansion Visitation Program

2015



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Initiated By:

- Kandiyohi County and City of Willmar Economic Development Commission
- Willmar Lakes Area Chamber of Commerce Grow MN! Team

Project Objectives:

1. Demonstrate support for local businesses
2. Help solve immediate business concerns
3. Increase local businesses' ability to compete in the global economy
4. Establish and implement a strategic plan for economic development
5. Build capacity to sustain growth and development

Process:

1. Business visits to identify critical issues (complete)
 - **Convention · Retail · Tourism · Service Industries (CRTS): 60 businesses**
 - **Manufacturing Industries: 22 businesses**
2. Analyze survey data, set priorities and identify projects (complete)
3. Work on projects, evaluate results, publish reports and BR&E continuation (to be determined)

Findings:

The following findings were derived from survey data and the survey analysis completed by 47 Kandiyohi County Community and Business leaders at a BRE program workshop on February 25, 2015.
Facilitated by Linda Mathiasen, LDMarketing

Findings

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Kandiyohi County & City of Willmar Economic Development Commission*

Leadership. The business leaders see stability and engagement among their peers. The survey data includes positive statements about community leadership being “forward thinking” and that, compared to other cities, Willmar has less regulation and zoning requirements. Issues of concern also rose for our local leadership. Surveyed business leaders stated medium satisfaction with leadership in community planning, zoning, taxes and permits. Many of the service and retail business leaders voiced concern over community planning, attention to needs in downtown Willmar and the Willmar City Council. Comments in the data report also indicate concern over community leaders and school personnel being against diversity and closed to engaging in processes that can be understood and followed by new immigrants.

Business Growth and Expansion. The majority of business leaders report an increase in sales for their businesses. We have planned expansion and future investment into our county for both CRTS and manufacturing. Yet, 43% of respondents are not looking to expand their business in the near future. We have opportunity in the fact that many businesses are selling nationally and globally, which provides the opportunity to increase product distribution and market share.

Location. The data reports show we have the benefits of rural living and recreational opportunities with lakes, parks and trails. The study recognizes the importance and impact of our agricultural roots and cluster of agribusinesses. In addition, Willmar is recognized as a regional center because it has a strong business mix, education opportunities, utilities, emergency and health care services, anchor businesses, existing workforce and job availability. Several of the smaller cities in Kandiyohi County are experiencing a loss of key business services, including gas stations, grocery stores and restaurants. When asked what their customers are looking for, business leaders report we could use greater options for shopping, entertainment and dining and access to national chains, such as Kohl’s and Olive Garden. Threats that exist for our location include a limited variety of manufacturers and the fact that 60% of our manufacturers are selling nationally, reducing the importance of their corporate location being in Kandiyohi County.

Government Legislation and Regulations. When asked about anticipated legislative and/or regulatory changes, Kandiyohi County business leaders are fairly certain there will be decisions made that will impact them adversely. They are concerned about taxation increases and regulations, especially at the state and federal level. Taxes, at their current rate, are leading some of our manufacturers to consider moving to neighboring states, which are more conducive for business. There is concern about what will happen after JOBZ sunsets, the continued changes due to the Affordable Care Act and Environmental Protection Agency rule changes. Service industries and schools are fearful of more unfunded mandates. Our manufacturers failed to come up with even one anticipated legislative change that could be beneficial, but service and retail business leaders hold hope that taxation laws could change for the better, that health care reform could be very helpful, that some regulations could become less restrictive, and that tax burdens could be decreased.

Diversity. We have opportunities for business development, growth and an increased workforce because of our immigrant base and history. There is a great possibility for continued increase in immigration of different cultural groups to the Willmar area. Although ethnic diversity is seen as a strength in Kandiyohi County by most of the business leaders, there is much work to be done to become a community that is perceived as embracing diversity. Many residents currently see the immigration issue as a threat and will continue to do so unless we work diligently to understand the culture and history of our immigrant populations, consistently provide culturally appropriate services, use language and culture specific processes in our workplaces and schools, hire certified interpreters to conduct business when needed and become accepting of the differences that exist in our community.

Internet Access and Speed. Adequate infrastructure is crucial to existing businesses and that includes internet access and speed. The survey data reveals inconsistent speed, quality and access to broadband for businesses. Fortunately, there are current state and federal grant opportunities for funds to improve our broadband in Kandiyohi County.

Transportation. The survey data reveals beneficial resources for businesses in the area of transportation with access to rail, airport and highways. Access to U.S. Highways 12 and 71 and State Highway 23 are strengths to the area for transporting product, for those commuting from outside of the area and for providing a direct route to the metro area, quite possibly a reason that Willmar is a regional center in West Central Minnesota. Local businesses consider it a weakness that we lack four-lane access to St. Cloud or the Twin Cities. There is current opportunity in the fact that Governor Dayton and legislators have acknowledged the need to complete the four-lane highway to St. Cloud.

Workforce. Business leaders report they will see a significant workforce change in the next 10 years. They are expecting many retirements, increased diversity in their workforce, new staff bringing in higher skills and younger staff. Currently, the surveyed business leaders report they do not necessarily understand the younger staff; the millennial generation. The survey report repeatedly states that the people in our area have a strong work ethic and a diverse skill set. Workforce evaluation numbers show strength in workforce quality, stability and productivity. However, the business leaders consistently evaluated “availability of workforce” much lower. The survey also reveals there are currently many, varied work opportunities, numbers that exceed our workforce availability. The report lists at least 53 different positions that are currently difficult to fill. This list includes skilled, unskilled, technical, scientific, supervisor and doctorate positions. A gap in workforce housing was mentioned as a weakness and as a threat for our business workforce needs. An additional threat reported is that government benefits may influence a desire for employment. Also reported as weaknesses in the workforce gap issue are low pay levels, lack of skills gained in the education system for entering the workforce and a changing student body.

PROJECTS IDENTIFIED:

Project 1: Identifying, engaging and inspiring our currently under-utilized workforce

Who might be involved: Local K-12 Schools, Ridgewater College/MnSCU, businesses with employment needs, EDC, Minnesota Department of Employment and Economic Development, Central Minnesota Jobs & Training Services, community leaders (cultural), county offices (e.g. Farm Services, HRA)

Who should be involved: All of the above

Recommended next steps:

1. Identify project leaders/champions
2. Meet with agencies that have data
3. Identify community vehicles
4. Define message
5. Define target audience

Project 2. Perception of outsiders/lack of diversity; larger region will recognize the Willmar Lakes Area, Kandiyohi County and the City of Willmar as a community that embraces diversity.

Who might be involved: City Council/leadership, school leadership and county leadership

Who should be involved: Chad Peterson, Vinje Lutheran Church, Vision 2040, business leaders, faith community leaders, schools (parents and students), Zak Mahboub, Guillermo Serrano, Jeff Madsen, cultural leaders

Recommended next steps:

1. Education—work with schools that have access to parents and children
2. Programs/trainings for businesses. Smaller groups of people, about local cultures—they can then help set the tone for each of us being accountable of the perception
3. Change community conversations
4. Multicultural event to celebrate diversity

Project 3: Excellence in our schools

Who might be involved: One representative from each school district, administration and elected leadership, business, chamber, grassroots, students, cultural liaisons, media, city leadership, educators

Who should be involved: City leadership, media, district leadership, students, business community, educators

Recommended next steps:

1. Form committee/make contacts/get buy-in
2. Developing a marketing campaign
3. Media placing focus on positive stories on our school districts
4. Educating business on school offerings, a two-way conversation

Project 4: Stabilizing our workforce—now and into the future

Who might be involved: Schools, State of Minnesota Workforce Center, businesses to understand needs, minority populations, *All Hands on Deck* data published 2011

Who should be involved: School district (high school and college level), large and small business representation, same as list of “might be” involved

Recommended next steps:

1. Community forum to discuss issues with open dialogue
2. Encourage more on-the-job training
3. Encourage job shadowing for youth, apprenticeship/CEO program
4. Diversity among educational professionals

Project 5: Marketing Area as a Place of Job Opportunities and Lifestyle

Who might be involved: See below

Who should be involved: Ridgewater College, Jobs Training grants, University of Minnesota Extension Service, businesses looking for work, K-12 (industrial tech, robotics classes), CEO program, apprenticeship program, Workforce Center, NEXT

Recommended next steps:

1. Create a marketing campaign to market job opportunities in Kandiyohi County
2. Include the lifestyle a job in Willmar provides
3. Host Job Fairs showcasing multiple specialties
4. Promote mobile world

Project 6: Broadband expansion/availability in Kandiyohi County

Who might be involved: Government, current providers, businesses, Blandin Foundation, EDC, Southwest Initiative Foundation

Who should be involved: Same as above. Willmar, as a regional center, needs to have the best available service. 1 gig is the best now. Rural areas meet state definitions of broadband.

Recommended next steps:

1. Survey that the EDC is undertaking
2. More discussions with providers on what are their plans and what needs to have them take the step further
3. Learn from others that have done it
4. Training sessions for retail to teach them what they can do

Project 7: Increased availability of job qualified workers. Short-term training/diplomas

Who might be involved?

Employment agencies and private businesses

Who should be involved?

Ridgewater College, K-12 schools, Central Minnesota Jobs & Training Services, private businesses (capacity), Minnesota Department of Employment and Economic Development, EDC, Mid-Minnesota Development Commission, Willmar Lakes Area Chamber of Commerce, Vision 2040, focus group

Recommended next steps:

1. Focus group of area employers to determine specific employees needed
2. Continue Manufacturing Day
3. K-12 involvement
4. Better utilization of present job services, agencies/department