

**Hamilton County Business Retention and Expansion Survey
Report of Survey Process and Findings**

Final Report

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Acknowledgement

This report is part of a project on economic development, community development and planning for the future in Hamilton County, Florida. The project was conducted by an interdisciplinary team organized by the School of Natural Resources and Environment (SNRE) at the University of Florida.

Academic units contributing to the project were:

Family, Youth and Community Sciences Department, IFAS

Food and Resource Economics Department, IFAS

Hamilton County Extension Office, IFAS and Hamilton County

Landscape Architecture Department, College of Design, Construction and Planning

Urban and Regional Planning Department, College of Design, Construction and Planning

The project included:

1. An atlas of regional demographics and physical characteristics of the county.
2. A survey of citizens about their attitudes, priorities, needs, involvement and where they obtain services.
3. An analysis of the economic sectors which make up the county and region's economy.
4. A survey of the county's businesses about their needs for staying viable and expanding.
5. An analysis of current and projected land use in the county including land use scenarios for agriculture, conservation and human settlement
6. Development and concept designs for White Springs, Jasper and Jennings that will allow them to expand their economic activity.

For further information on the research, interested parties can contact SNRE or the researcher in charge of this section:

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The Survey Process

A typical Business Retention and Expansion (BRE) survey consists of a face-to-face visit to all or a selected subset of business in a community. These visits are conducted by local community volunteers under the guidance of a local steering committee. Upon completion of the visits, the local community addresses the immediate issues identified during the business visits and develops and implements a strategic economic development plan to address any systemic issues impacting the ability of existing businesses to continue operations and expand within the community. Assistance throughout the process is provided by an external “consultant,” usually a Community Economic Development Specialist, from the State Land Grant University. This assistance includes provision of a survey instrument, help in selecting businesses to interview, training in business visitation and data collection techniques, data analysis, the preparation of a written report of survey results and findings, and when appropriate suggested actions that the community may consider to improve the local business climate.

Early in the process it became apparent that there would need to be significant deviation from the traditional BRE process in Hamilton County. Initial meetings with the overall project advisory committee indicated that finding volunteers to visit local businesses and administer the written survey would be difficult if not impossible. This sentiment was echoed by the County Chamber of Commerce Board, the County Economic Development Council and the Director of Economic Development. As a result of discussions with the Chamber and EDC Boards, it was decided to conduct a mail survey rather than face-to-face visits. This decision, while addressing the lack of local volunteers, was complicated by the fact that Hamilton County does not require an occupational license. Thus there was no in-county source for identifying all the businesses located and doing business in the county.

Identifying Local Businesses

Hamilton County businesses were identified by purchasing list of businesses from InfoUSA.com, the same vendor that the State of Florida uses to provide business owner/location information on the Department of Labor website. The purchased list contained 407 “businesses” in Hamilton County. The nature of these businesses ranged from churches to almost every government office and, because the vendor only updates the list biennially, information on the list can be out of date.

The list of 407 was reduced to 298 by eliminating churches, businesses that were known to be no longer in operation and consolidating multiple businesses with a single owner where that was known. Because government is the dominant employer Hamilton County, it was decided to identify a single point of contact in each governmental entity, but to eliminate from the list individual departments within the city and county government and individual schools in the public school system.

The resulting list of 298 businesses was sent to by the County ED office to the E911 office for a cross check on the business addresses. It was reported back that the list was “ok” and that the addresses were correct.

As is noted further in this report, over 50 surveys were returned as undeliverable in spite of the fact that the addresses were checked by the E911 office. It may be that the E911 office tracks

physical locations and that in many instances mail is delivered to a location that is not the physical location of the business.

Developing a Survey Instrument

The County Director of Economic Development was provided with our standard BRE survey and several meetings were held with the Director as well as City Managers of Jasper, Jennings and White Springs to identify questions that should be included in the survey. From these meetings, and because a decision had been made to conduct a mail survey, a survey instrument was developed to collect limited demographic information with a focus on employee recruitment and retention issues, the adequacy and quality of county programs and services, the need for training and technical assistance programs available to existing businesses and to assess the business owner or operator's opinion on the county as a place to live and do business.

As noted above, government is the dominant employer in the county and experiences the same employee recruitment and retention issues as the private sector. Thus many, if not all the questions on the survey had some relevance to public sector employers.

Administering the Survey

Once the survey instrument was completed and the business identified, we sent a post card to announcing the survey to the 298 identified businesses. The post card read as follows:

A few days from now you will receive in the mail a request to fill out a brief questionnaire from the University of Florida.

The questionnaire is being sent to all employers in Hamilton County and solicits your opinion about various aspects of doing business in Hamilton County. Your responses will be kept in strict confidence. Results from all the returned surveys will be compiled and only totals, averages and percentages will be presented in a final report. The final report, along with other materials from the project, will be presented to the County Commission sometime in the spring.

Respondents were given a name and contact telephone number for any questions about the questionnaire or the project itself.

The initial postcard was followed three days later by the survey itself (and a postage paid return envelope). Approximately one week after the survey was mailed a follow-up postcard was mailed to the businesses. The intent of that card was to remind those that had not completed the survey to please do so, to thank those that had returned the survey and for those that had misplaced or not received the survey, to provide a contact number to call for a replacement survey. Only one call was received requesting a replacement survey.

Several days after the initial postcard was mailed, we began to receive undeliverable notices. These notices fall into three categories: no mail receptacle, no such (street or box) number, not deliverable as addressed and refused (no one at address by the name of the addressee). We received a similar number of returned "follow-up" cards. Based on the returned postcards we

know that 53 of the 298 surveys, or just fewer than 17.5% of the total mailed out were not delivered.

Of those surveys delivered we received a total of 41 surveys between the first of February and the middle of March. No surveys have been received since March 15. Of the returned surveys two were blank, giving us a total of 39 usable surveys, a 16 % response rate of the delivered (245) surveys. Responses from the surveys were entered into an Access[®] database for tabulation and analysis.

Overview of Survey Results

While the typical BRE program is done with face-to-face visits, this survey was conducted by mail. Responses were voluntary and the 16 % response rate, while not what we would expect if the visits were done face-to-face, is considered acceptable for a mail survey.

- Businesses from the following sectors responded to the survey.
 - Service -33%
 - Retail - 10%
 - Agriculture - 10 %
 - Manufacturing - 8%
 - Finance, Insurance and Real Estate – 8%
- The response rate does not mirror the exact mix of businesses in the county, but outside Public Administration, the Service Sector is the largest business sector in the county.
- In spite of government being the largest employer in the county, not a single survey was returned by any public sector employer.
- The majority of businesses responding to the survey, 82 %, are locally owned.
- Businesses ranged in size from one employee to 31. The median business size is 3 and the average business size is 5. The majority of businesses in the county are small businesses, so the responses that were received can be said to generally mirror the views of the county's small businesses.
- Generally speaking businesses did not indicate problems in recruiting or retaining unskilled employees, only a slight problem in recruiting management employees and a significant problem in recruiting skilled employees.
- Retention of employees, with the exception of skilled employees, was not a problem.
- When business were asked if they wanted additional information on programs or services there were 45 requests.

- When businesses were asked if they wanted information on education, training and technical assistance, there were 32 specific requests.
- A drawback of a mail survey is that there is no one to ensure that questions where a contact name is needed are properly completed. Unfortunately only one business provided contact information so that someone could follow-up on these requests.
- No businesses indicated that they planned to move.
- Seven businesses indicated they were planning to close. While these businesses should be contacted, there is no way for this to happen since businesses were not required to identify themselves in responding to the survey.
- When asked if future business changes would impact the number of employees, the businesses indicated no job growth and only one job lost.
- Businesses were asked to rate the availability of programs and services in the county and then to rate the quality of those programs and services. Generally speaking the responses to availability were that for all identified programs and services, some level was available. Schools got the highest average rating (between “some” and “much”) and entertainment opportunities got the lowest rating (between “none” and “little). When rating quality, all the programs and services got ratings of less than “very good.”
- Businesses indicated that elementary and secondary schools were the most important program/service for their business. They rated the schools as generally “fair.”
- Most businesses indicated that the appearance of the community affected the operation of retail businesses.
- Only one fourth of the businesses rated their community as a good or excellent place to do business. A slightly larger percentage, 28% rated the county as a “very poor” place to do business.
- When asked about the community as a place to live 45% of the businesses said “good” or “excellent.”
- In both the place to do business and place to live questions, the most frequent response was “fair.”
- When asked what one thing they would change in their community, over half the businesses identified education as being in need of change. Bringing in jobs was important to about one fourth of the respondents as was improving the appearance of the community.

Suggested Actions to Address Survey Results

- At the on-set of this project the County had employed a part-time person to work on economic development activities. That position is currently vacant and finding a qualified replacement to fill the position should be a high priority for the county.
- Business recruitment is an important activity and is often treated as more important than any other economic development activity. However, existing businesses form the backbone of every local economy and should not be ignored. In fact, the first people that recruited businesses contact are local business owners. Thus a strong business retention and expansion program should be instituted in the county and become an equal part of the county's economic development activities.
- It is our understanding that no "official" list of existing businesses exists. An effort to identify all the businesses should be undertaken and a complete list compiled. This will make contacting existing businesses easier and will facilitate the establishment of an on-going business visitation program.
- The county economic development office should consider establishing an on-going business visitation program. This program does not have to be a formal survey program, but should include an effort to conduct face-to-face visits with a limited number of businesses (no more than 30) annually.
- Other business retention efforts should be considered. These efforts can include such activities as business round-tables, annual appreciation events, small business of the year awards and the like.
- Utilize existing businesses as ambassadors for industry recruitment and as sources for identifying potential industries to recruit into the county.

Summary Survey Results

The following pages contain the tabulated results of all responses to the Hamilton County Survey. Unless otherwise noted, the results are based on 39 responses.

GB1. Is this business locally owned?

YES 82%

NO 18%

GB2. Which of the following major industry groups best describes your **primary** business?

Percent	Business Sector	Percent	Business Sector
10%	Agriculture, Forestry & Fishing	3%	Wholesale Trade
	Mining	10%	Retail Trade
5%	Construction	8%	Finance, Insurance and Real Estate
8%	Manufacturing	33%	Services
	Transportation, Communication & Public Utilities		Public Administration
		10%	No Sector Identified

GB3. Please tell us what percent of this location's products/services are sold in the following areas. – Based on 27 responses

	<u>Location</u>	<u>Average Percent</u>
1	This county	60 %
2	Rest of Florida	22 %
3	Outside Florida but in U.S.	18 %
4	Outside the U.S.	0 %

GB4. Do you expect the sales for your products/services to increase, stay the same, or decrease over the next 3 years? – Based on 37 responses

Increase	43%
Stay Same	38%
Decrease	19%

HR1. Including you, how many people work at this location?

	Number of Employees (currently)	Number of Employees (3 years ago)	Number of Employees (3 years from now)	Not Applicable
Management/ Professional	56	50	48	1
Skilled labor	90	92	85	1
Unskilled labor	44	63	82	1
Of all employees, estimate what percent are:				
Full-time	81 %	79 %	85 %	

HR2. Please indicate where most of your **employees** live. – Based on 31 Responses

- **25 businesses indicated some or all of their management employees lived in the county.**
- **9 businesses reported that some or all of their employees lived in adjoining counties.**
- **0 businesses reported employees living outside the adjoining counties.**
- **16 businesses reported that some or all of their skilled employees lived in the county.**
- **6 businesses reported that some or all of their skilled employees lived in adjoining counties.**
- **2 businesses reported skilled employees living outside the adjoining counties.**
- **9 businesses reported that some or all of their unskilled employees lived in the county.**
- **2 businesses reported that some or all of their unskilled employees lived in adjoining counties.**
- **0 businesses reported unskilled employees living outside the adjoining counties**
- **It is noteworthy that most businesses report all of their employees living in the county**

HR3. Does your company have problems recruiting employees in the following categories? - Based on 32 responses

	<u>No</u>	<u>Yes</u>
Management/Professional	60%	42%
Skilled labor	41%	59%
Unskilled labor	75%	25%

HR4. How much of a problem does your company have in recruiting employees? – Based on 30 responses

Businesses were asked to identify the level of problems in recruiting employees on a scale of 1 = to no problem, 2 = slight problem, 3 = moderate problem, 4 = major problem and 5 being an extreme problem.

<u>Problem Type</u>	<u>Average Response</u>	<u>Most Frequent Response</u>
Available labor has little/low skills	2.6	No Problem
High competition for skilled employees	2.2	No Problem
Unwilling to live in area	2.3	No Problem
Unwilling to commute to area	2.4	No Problem
Basic job interviewing skills	1.9	No Problem
Lack of High School diploma/GED	1.9	No Problem
Basic literacy (reading and writing)	1.9	No Problem
Basic math skills	2.2	No Problem
Poor work habits	2.6	No Problem
Availability of training	2.4	No Problem
English speaking skills	1.6	No Problem
Citizenship/work permit status	1.3	No Problem
Housing availability	1.7	No Problem
Pay scale	2.3	No Problem
Lack of fringe benefits	2.4	No Problem

HR5. Does your company have problems retaining employees? – Based on 31 responses

	<u>No</u>	<u>Yes</u>
Management/Professional	72%	8%
Skilled labor	60%	26%
Unskilled labor	58%	18%

HR6. How much of a problem does your company have in retaining employees? – Based on 37 responses

Businesses were asked to identify the level of problems in retaining employees on a scale of 1 = to no problem, 2 = slight problem, 3 = moderate problem, 4 = major problem and 5 being an extreme problem

<u>Problem Type</u>	<u>Average Response</u>	<u>Most Frequent Response</u>
Poor work habits	2.2	No Problem
High competition for skilled employees	1.8	No Problem
Unwilling to live in area	2.0	No Problem
Unwilling to commute to area	2.1	No Problem
Basic literacy (reading/writing)	1.8	No Problem
Citizenship/Work permit status	1.1	No Problem
Basic job skills	2.3	No Problem
Basic math skills	2.0	No Problem
Availability of training	2.2	No Problem
English speaking skills	1.3	No Problem
Housing availability	1.8	No Problem
Pay scale	2.1	No Problem
Lack of fringe benefits	2.2	No Problem

TE1. Would you like additional information about the programs and services of the following agencies and organizations?

Number	Requesting Information	<u>Program/Service</u>
9		Economic Development Authority
3		Chamber of Commerce
3		Area Vocational/Technical School
7		Area Community College or University Training and Technical Assistance Programs
4		Area Community College or University Small Business Development Center
4		Cooperative Extension Service Community and Economic Development Programs
7		Enterprise Florida (Economic Development)
2		Visit Florida (Tourism)
6		Workforce Development Board (One Stop)

TE2. Would you like additional information on any of the following educational, training or technical assistance programs?

Number	Requesting Information	<u>Education/Training Program</u>
4		Developing a business plan
4		Developing a marketing plan
3		Managing cash flow
3		Selling to government
3		Improving customer service
3		Using the internet to do business (eCommerce)
2		Labor/Management relations
1		Internships/Apprenticeships
1		Recycling business wastes
0		Import/export assistance
2		Women/minority owned businesses
3		Identifying the next step for your business
3		Financing programs

FP1. Are you currently considering moving or closing this establishment?

Considering moving – 0

Considering closing – 7

Neither – 32

FP2. Why are you considering moving or closing?

Number		Number	
<u>Citing</u>	<u>Reason</u>	<u>Citing</u>	<u>Reason</u>
2	Inadequate facility	0	Housing costs/availability
1	No land for expansion	1	Poor telecommunications
0	Transportation problems	0	Limited employee training
2	Crime/vandalism	1	Public utilities
0	Low worker productivity	0	Availability of financing
0	Environmental concerns	0	Lack of vendors/suppliers
1	High local taxes	1	Code enforcement
0	High state taxes	5	Other
0	Lease expiration		

Other reasons cited included: closing, retiring, downsizing and lack of business

FP3. Where are you considering moving the establishment?

No locations were given

FP4. Are there any major technological innovations on the horizon in your industry that might affect your company? **(Circle one.)**

Yes – 1

No – 3

Not sure - 2

FP5. Will these new technologies require retraining of your labor force?

There were no responses to this question

FP6. If YES, would you like someone from the education community to contact you?

There were no responses to this question

FP7. Are there any other changes in business plans for the next 3 years?

No change in operations – 2

Change in mix of goods/services – 2

FP8. What impact will the expansion/modernization or other business plans have on the number of employees? (**Circle on the left, and if you answer 2 or 3, answer the jobs question.**)

No change - 3

Adds employees – 0 About how many jobs will be added? 0

Reduces employees – 3 About how many jobs will be lost? 1

LC1.How **available** are the following programs and services? – Based on 24 responses

On a scale of 1 = None, 2 = Little, 3 = Some and 4 = Much, respondents were asked to rate the availability of the following programs and services in Hamilton County.

	<u>Average</u> <u>Response</u>	<u>Most</u> <u>Frequent</u> <u>Response</u>
a. Elementary and secondary schools (K-12)	3.5	Some
b. Vocational school programs	2.6	None
c. Post-secondary education	2.9	Little
d. Police protection	3.3	Some
S Fire protection	3.2	Some
f. Emergency medical services	2.8	Much
g. Health care/hospitals	1.8	None
h. Electric utility	3.1	Much
i. Gas utility	3.2	Some
j. Water and sewer	3.0	Some
k. Street maintenance	2.9	Some
l. Highway/street improvements	2.9	Some
m. Sidewalks	2.3	Some
n. Storm-water drainage	2.7	Some
o. Public transportation	1.7	None
p. Housing	2.6	Little
q. Library services	3.0	Some
r. Day care services	3.0	Some
s. Social services	3.2	Some
t. Recreational facilities	2.7	Some
u. Entertainment opportunities	1.8	None
v. Natural areas/open spaces	3.3	Much
w. Bike paths	2.4	None
x. Telephone system service	3.2	Some
y. High Speed Internet access	2.9	Some
z. Commercial trucking	3.3	Some
aa. Commercial rental space	2.9	Little
bb. Access to rail service	2.2	None

LC2. Given availability of the items above, rate their quality?

On a scale of 1 – Poor, 2 = Fair, 3 = Good and 4 = Very Good, respondents were asked to rate the quality of the following programs and services in Hamilton County.

	<u>Average Response</u>	<u>Most Frequent Response</u>
a. Elementary and secondary schools (K-12)	2.4	Fair
b. Vocational school programs	2.2	Poor
c. Post-secondary education	2.6	Fair
d. Police protection	2.8	Good
e. Fire protection	2.8	Good
f. Emergency medical services	2.3	Fair
g. Health care/hospitals	1.7	Poor
h. Electric utility	2.8	Good
i. Gas utility	3.1	Good
j. Water and sewer	2.6	Fair
k. Street maintenance	2.2	Fair
l. Highway/street improvements	2.5	Good
m. Sidewalks	2.3	Poor
n. Storm-water drainage	2.5	Good
o. Public transportation	1.9	Poor
p. Housing	2.5	Fair
q. Library services	3.0	Good
r. Day care services	3.2	Fair
s. Social services	3.1	Fair
t. Recreational facilities	2.7	Good
u. Entertainment opportunities	2.1	Poor
v. Natural areas/open spaces	3.2	Very Good
w. Bike paths	2.7	Poor
x. Telephone system service	3.0	Good
y. High Speed Internet access	2.8	Fair
z. Commercial trucking	3.0	Good
aa. Commercial rental space	2.8	Good
bb. Access to rail service	2.1	Poor

LC3. Of the items in question LC2, which are the most important to the **successful operation of your business?**

Most important – Elementary & Secondary Schools (K-12)
Second most important – Police Protection & High Speed Internet Access
Third most important – Telephone System

LC4. Does the appearance of the community affect the operation of retail service businesses?

Yes – 23
No – 5
Don't know – 4
No Response – 7

LC5. What is your opinion of your community as a place in which to conduct business?

1	2	3	4	5
Very Poor	Poor	Fair	Good	Excellent
28 %	17 %	31 %	22 %	3 %

The average response was 2.6 on the five point scale.
The most frequently chosen response was ***fair***.

LC6. What is your opinion of your community as a place in which to live? (**Circle one.**)

1	2	3	4	5
Very Poor	Poor	Fair	Good	Excellent
6 %	17 %	33 %	31 %	14 %

The average response was 3.3 on the five point scale.
The most frequently chosen response was ***fair***.

LC7. If you could pick one thing to be changed in the community, what would it be?

About half of those responding identified schools or education as the one thing in need of change. Jobs, more industry and more stores were mentioned by about 20 % of those responding. The balance of the comments focused on the appearance of the community as needing change.

RB1. Rate the impact of the following wing factors on your shopping area.

<u>Factors Impacting Shopping Area</u>	<u>Average Response</u>	<u>Most Frequent Response</u>
a. Exterior appearance of the retail area.	2.5	Average
b. Roadside signs	2.3	Good
c. Traffic flow	1.3	Poor
d. Parking facilities/signage	2.0	Good
e. Public safety – e.g. lighting, security, etc	2.3	Good
f. Mix of companies which attract clientele	1.0	Poor
g. Special events or promotions in the shopping area	1.8	Poor
h. Merchandising practices of retailers in the area	1.8	Poor
i. Competitive prices	2.3	Average
j. Competitive advertising	1.5	Poor
k. Increased group advertising	1.0	Poor
l. Uniform operating hours	1.7	Poor
m. Increased operating hours	1.7	Poor
n. Community strategic marketing plan	1.0	Poor
o. Quality of merchandise	2.0	Poor
p. Customer service	2.3	Poor
q. Handicap accessibility	2.0	Poor
r. Local retail association	1.0	Poor
s. Availability of other services	1.0	Poor
t. Overall shopping environment	1.8	Poor