



## **2018 NORTHEAST WISCONSIN BUSINESS INTELLIGENCE STUDY**

WITH EXECUTIVE SUMMARY, DATA VISUALIZATIONS,  
AND SUMMARIZED OPEN-ENDED COMMENTS

Video of Survey Presentation and Discussion on Navigating the Future can be  
found at: <https://youtu.be/PFk10tO1JLg>

Commissioned by New North, Inc. Business Intelligence Committee –  
October 2018 in partnership with Thrivent Foundation, Microsoft and  
Wisconsin Economic Development Corporation:



# Executive Summary

In a 2018 effort by the New North to develop and promote the business interests of Northeast Wisconsin, the New North's Business Intelligence Committee (BIC) partnered with the Strategic Research Institute (SRI) at St. Norbert College to conduct a study of business perception and risk. Findings from the study will inform New North and help guide future economic development efforts in the region.

The primary data collection tool was an online survey designed by the New North BIC and the SRI. The SRI administered the survey and collaborated with the BIC for data analysis and reporting.

The survey was designed to assess perception of general economic climate, recent changes to business practices, and future business priorities. Data collection lasted from October 1 to October 16, 2018. All members of New North were eligible to participate; an email was sent to every member with multiple reminders. The survey included 114 questions grouped into seven broad areas.

A total of 288 surveys were completed in full. The survey has a good mix of small, moderate, and large companies. Manufacturing businesses were the largest sector represented in the sample. The median employee size was 51 to 100 employees. Approximately 40% of businesses had \$15 million or more in revenue in 2017; 30% had more than \$30 million.

## **Main Findings:**

Northeast Wisconsin business leaders are optimistic; most believe economic conditions in their industry and in Northeast Wisconsin are better today than they were a year ago. The Northeast Wisconsin community believes the economy is heading in the right direction.

More than 60% of the NEW business community believe they are at risk of disruption by 2020. This risk comes from perceived pressure to stay competitive by creating and implementing product and/or operations innovations, and to hire and retain a skilled workforce.

Strengthening the education system, expanding jobs and pay, and developing re-skill programs are high priorities for the NEW business community.

## **Education:**

Question: If New North received \$2.5 million in grant funding to develop a business-focused research center in Northeast Wisconsin, what two areas would you want to be the primary focus of the center?

**Focus 1:** Center for Manufacturing, Engineering, and Technology

**Focus 2:** Center for Talent, Training, and Leadership

### **Economic Climate and Workforce Development:**

The demographic composition of Northeast Wisconsin is perceived to have a positive impact on productivity, sales, and cost leadership. However, many believe Northeast Wisconsin demographics limit or have a negative impact on attracting talent and/or cutting personnel costs.

Nearly 40% of workplaces have not adopted practices to compensate for workforce gaps. The most common approach to addressing workforce gaps is to introduce increased compensation and flexible staffing. Manufacturing companies are more likely to introduce multiple business practices to reduce workforce gaps.

### **Workplace Environment and Community Expectations:**

Many believe Northeast Wisconsin has changed for the better in the past three years. A small minority (3%) believe Northeast Wisconsin has become a worse place to live.

The NEW business community strongly believes there will be advancement opportunities for young professionals in Northeast Wisconsin in the next ten years. Nearly half believe there will be many opportunities.

### **Disruption:**

40% are highly concerned business activities or operations will be disrupted by 2020.

The largest business sectors (manufacturing, service, and construction) believe they are less at risk (score less than 7 on a 1-10 scale). The smaller sectors perceive a greater risk.

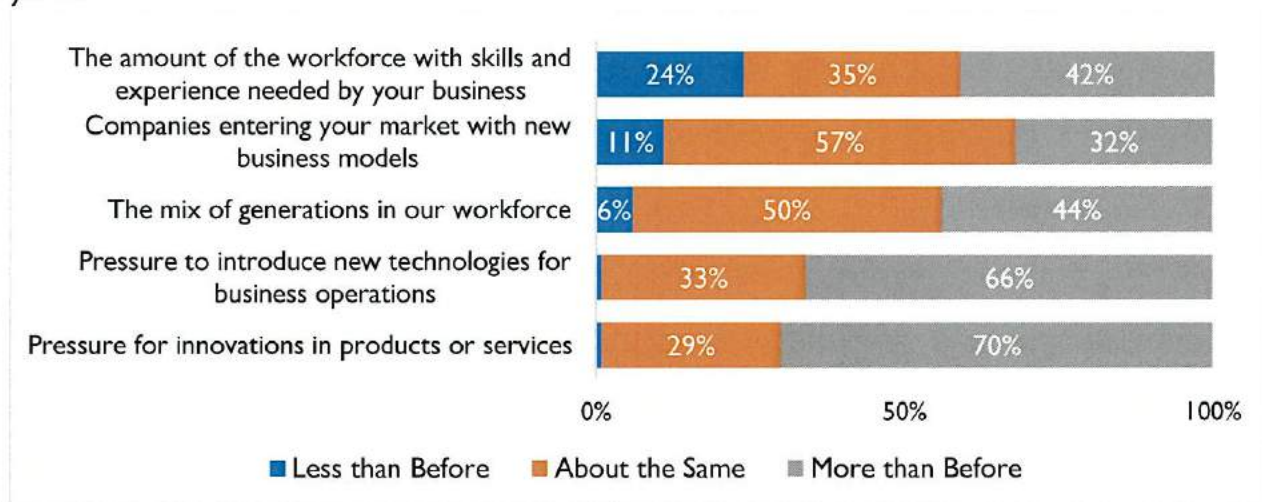
Understaffing is a major concern. Many companies are being challenged to stay ahead of change in the market or industry or to offer competitive pay and benefits to recruit and retain competent job applicants.

The aging workforce, changes in the political environment, competitive innovation, and healthcare are perceived as highly relevant to the success of Northeast Wisconsin businesses in the next five years. Changes in blockchain, the natural environment, AI/Machine Learning, and customer technology are not perceived as currently relevant to business practices.

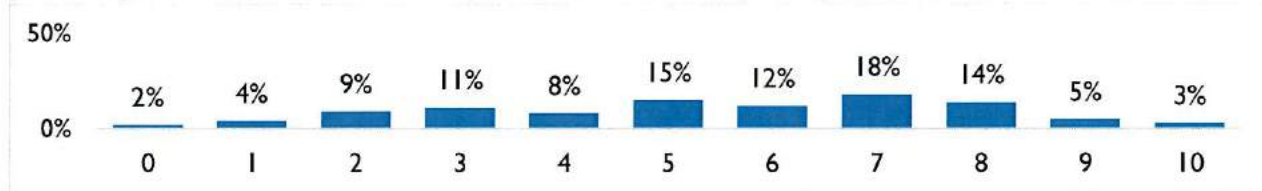
## DISRUPTORS

Perception of factors that can contribute to disruption was a core focus area of the BIC study. Below are the summary results for a number of disruptor-related perception questions.

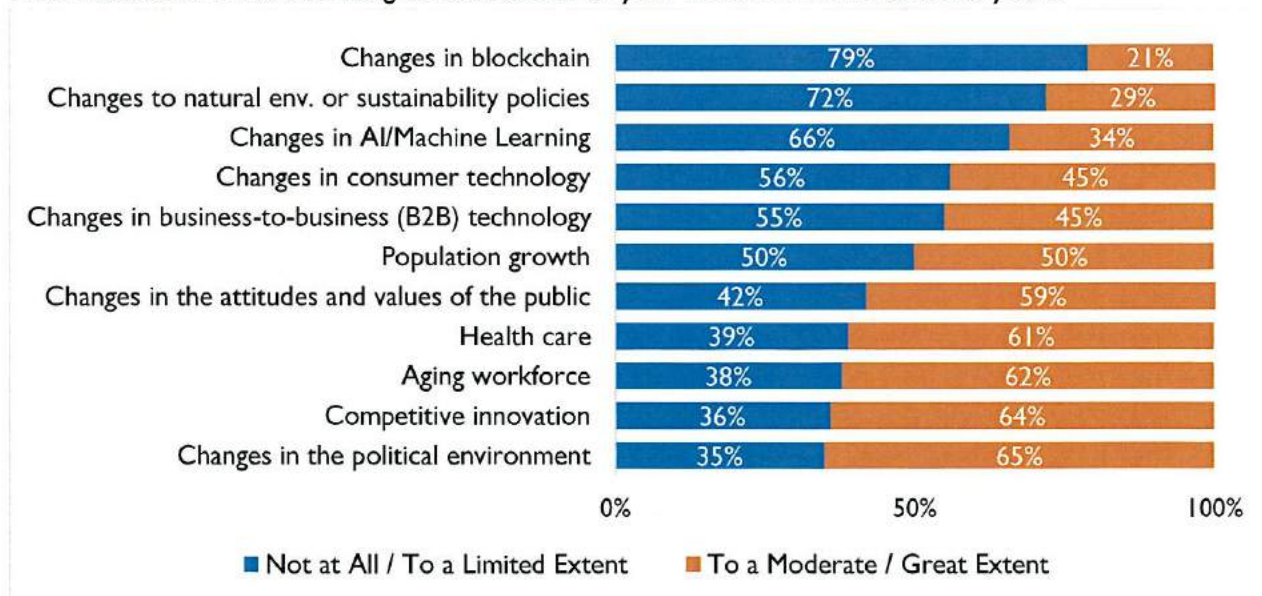
Thinking about the following factors, how has your business environment changed in the past three years?



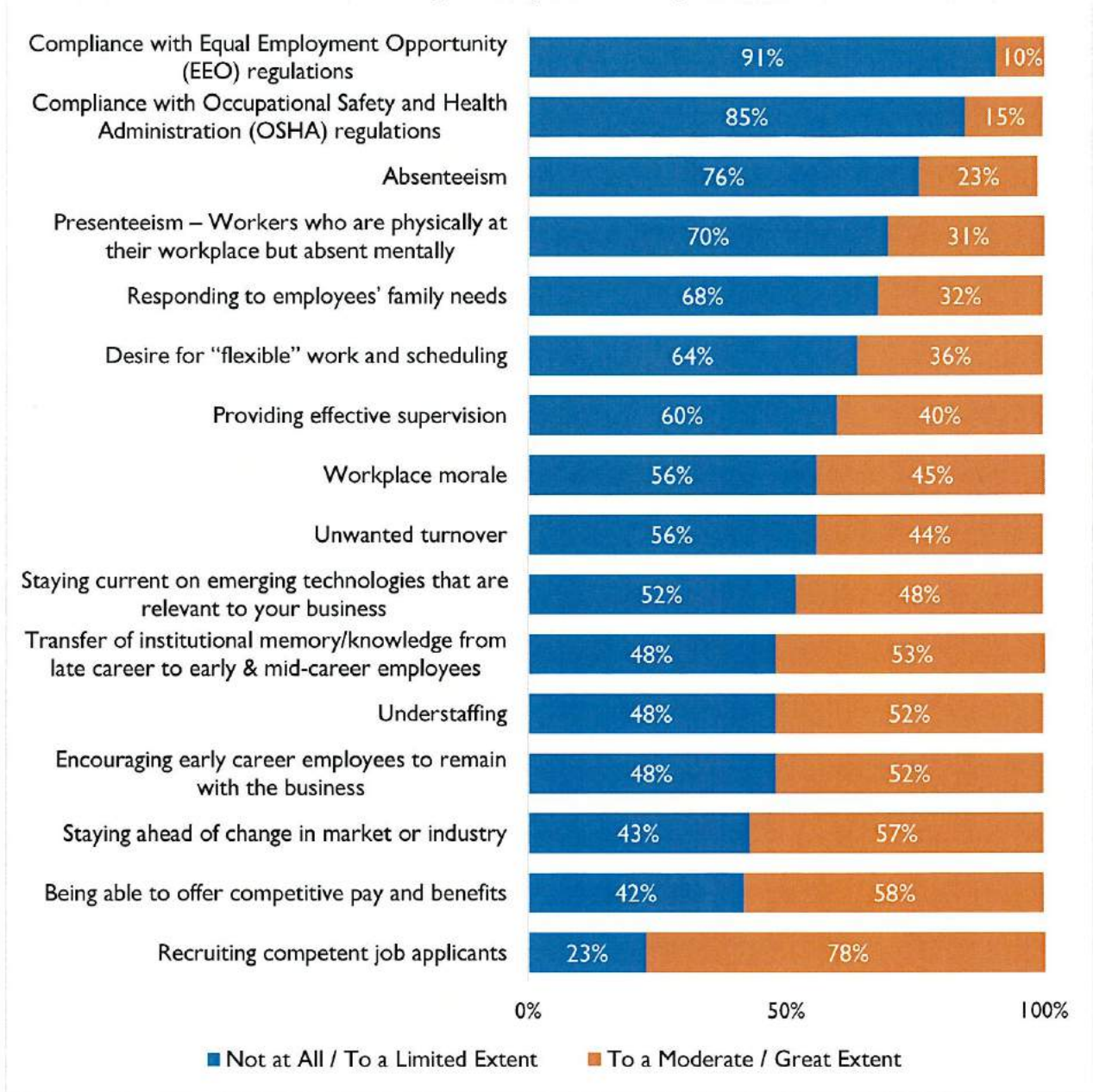
On a scale of 1 to 10, with 1 being "No Risk" and 10 being "Immediate Risk," how concerned are you that your business activities or operations will be disrupted by 2020?



How relevant are the following to the success of your business in the next five years?



To what extent are each of the following factors problems for your business?





**2018 NEW NORTH EXECUTIVE LEADERS  
PERCEPTION SURVEY FREQUENCY  
QUESTIONNAIRE**

### **Primary Research Objective:**

The Primary Research Objective is to identify potential market disruptors, opportunities for economic development, and perception of business climate among Northeast Wisconsin business executives.

More Specifically, the Study Assesses:

- Economic climate and conditions of Northeast Wisconsin
- Workforce development practices
- Importance of education and training programs for the business community
- Changes in/to the business environment
- Potential business disruptors and risk associated
- Workplace environment and community expectations
- Future priorities for economic growth

## **Methodology**

The St. Norbert College Strategic Research Institute (SRI) will conduct an online sample of New North Members who live or work in Northeast Wisconsin. This method of sampling is the ideal method for a perception study of area businesses. Survey items will collect information sufficient to meeting the research objectives identified above as well as demographic information about the respondent and their business.

A total of 288 surveys were completed in full. The survey has a good mix of small, moderate, and large companies. Manufacturing businesses were the largest sector represented in the sample. The median employee size was 51 to 100 employees. Approximately 40% of businesses had \$15 million or more in revenue in 2017; 30% had more than \$30 million.

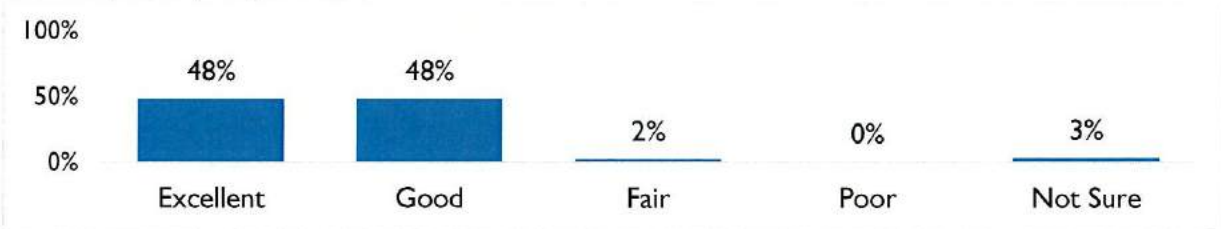
# Survey Opening

We're conducting a brief survey on business practices here in Northeast Wisconsin on behalf of NEW North. Thank you in advance for completing this survey. Please read and answer each of the questions below. All of your responses are STRICTLY CONFIDENTIAL. Your responses will be combined with the responses of others and reported in aggregate only. Your comments will never be linked to you personally. Again, thank you for taking your valuable time to help us improve the business climate in Northeast Wisconsin.

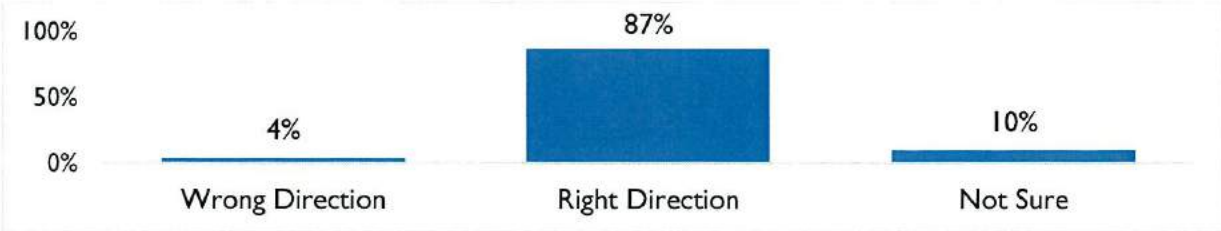
**DISRUPTOR QUESTIONS ARE IN BLUE TEXT.**

## ECONOMIC CLIMATE

- 1. Overall, how would you rate the quality of life in Northeast Wisconsin today? Would you say it is Excellent, Good, Fair, or Poor?

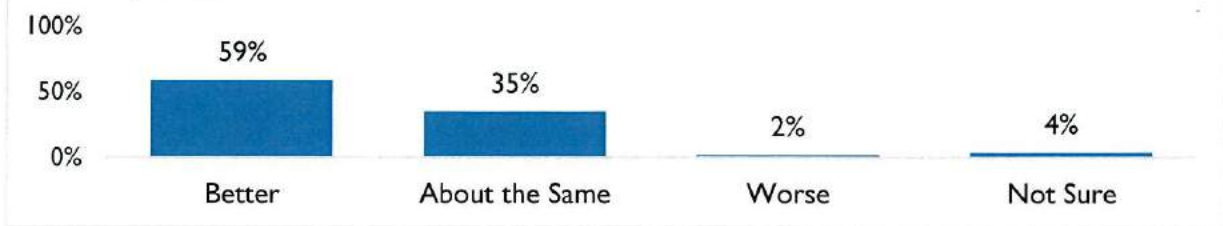


- 2. Generally speaking, considering where you would like to see the Northeast Wisconsin business community or economy in FIVE years, do you feel Northeast Wisconsin is currently headed in the WRONG DIRECTION or the RIGHT DIRECTION?

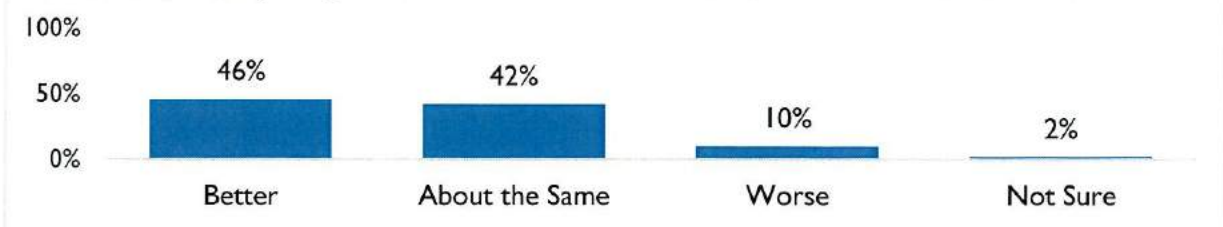




3. Overall, do you feel economic conditions in Northeast Wisconsin are Better, Worse, or About the Same as a year ago?

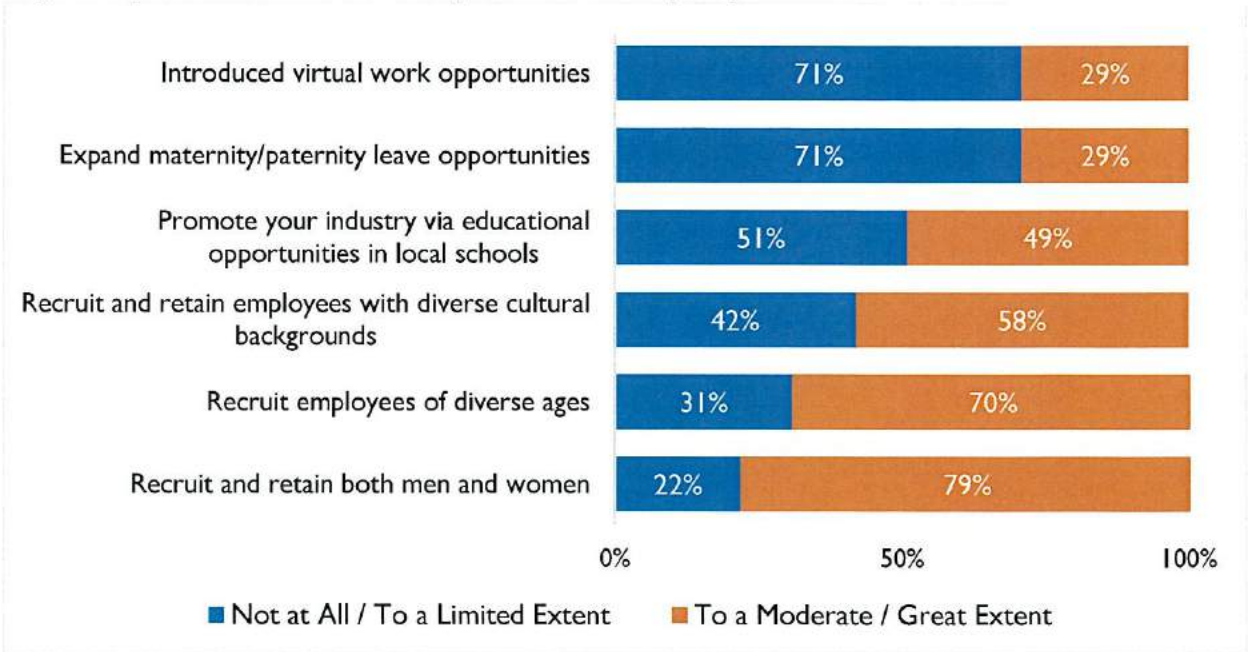


4. Thinking about your specific industry, do you feel that economic conditions are Better, Worse, or About the Same as a year ago?

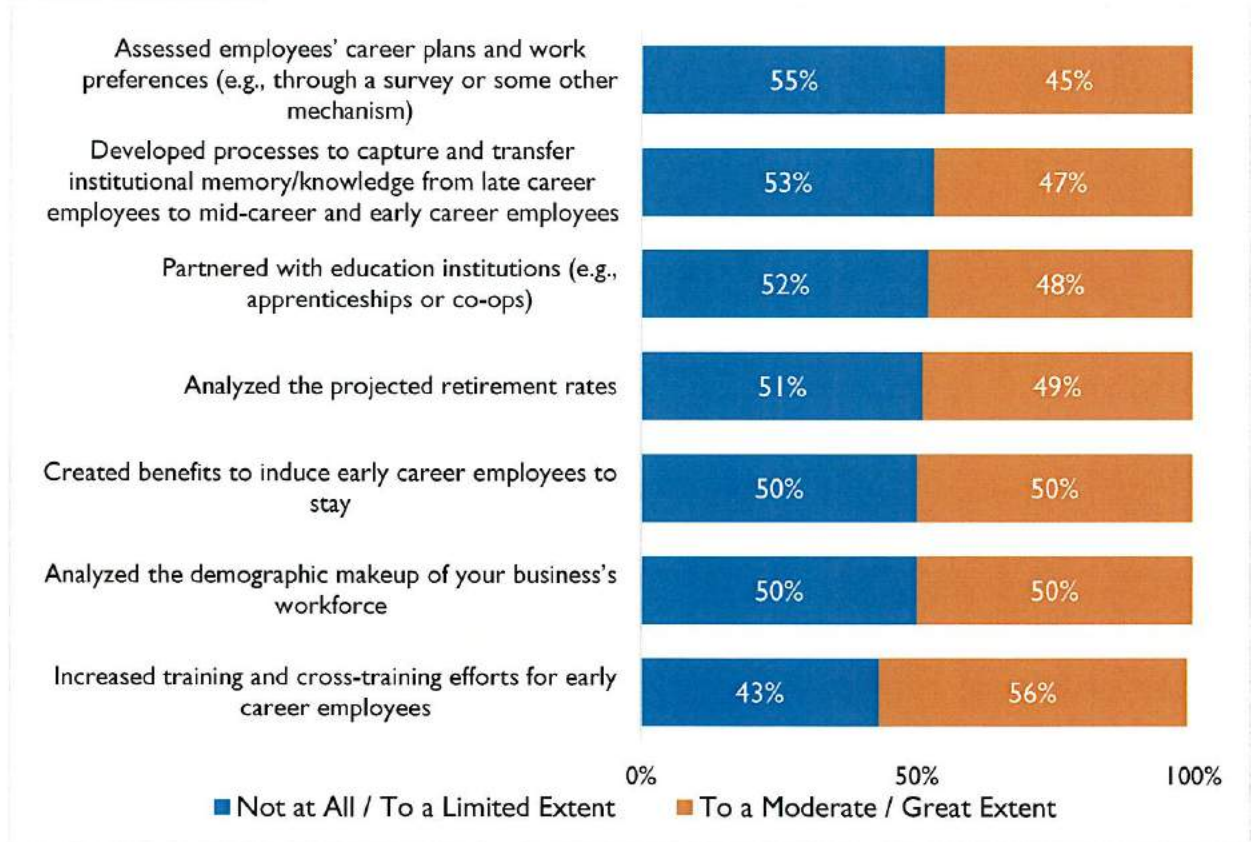


## WORKFORCE DEVELOPMENT

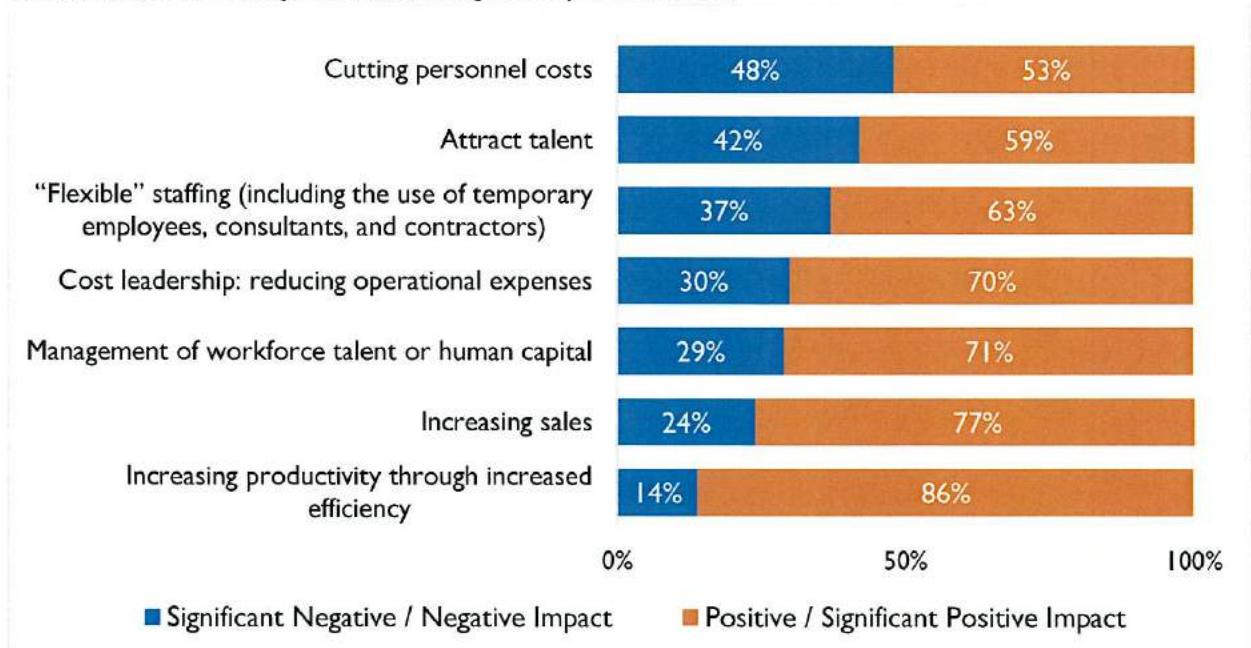
5. In your opinion, to what extent has your business adopted practices to...



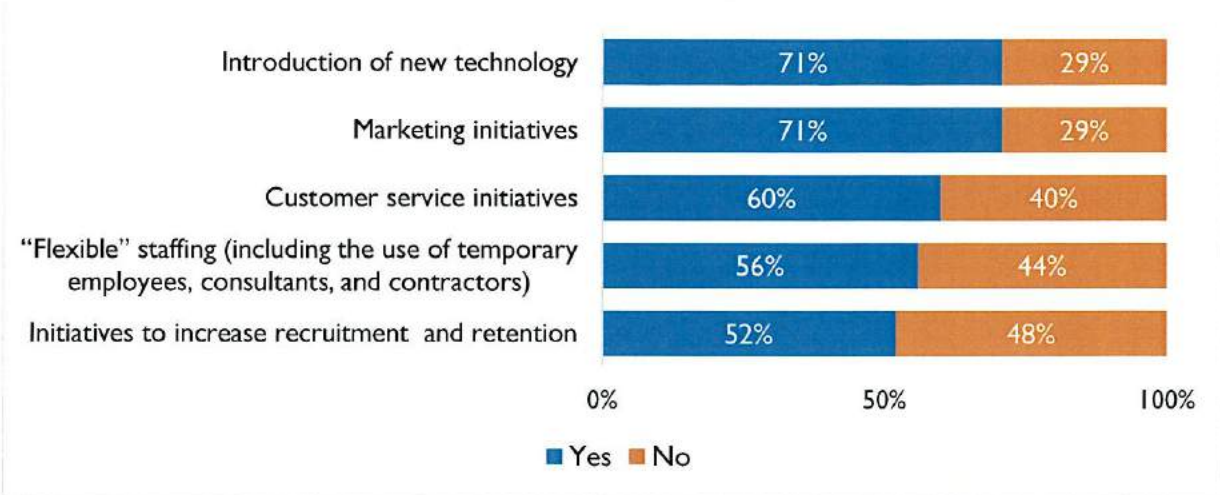
6. To what extent has your business taken the following steps to ensure that it will have the resources it needs in the future?



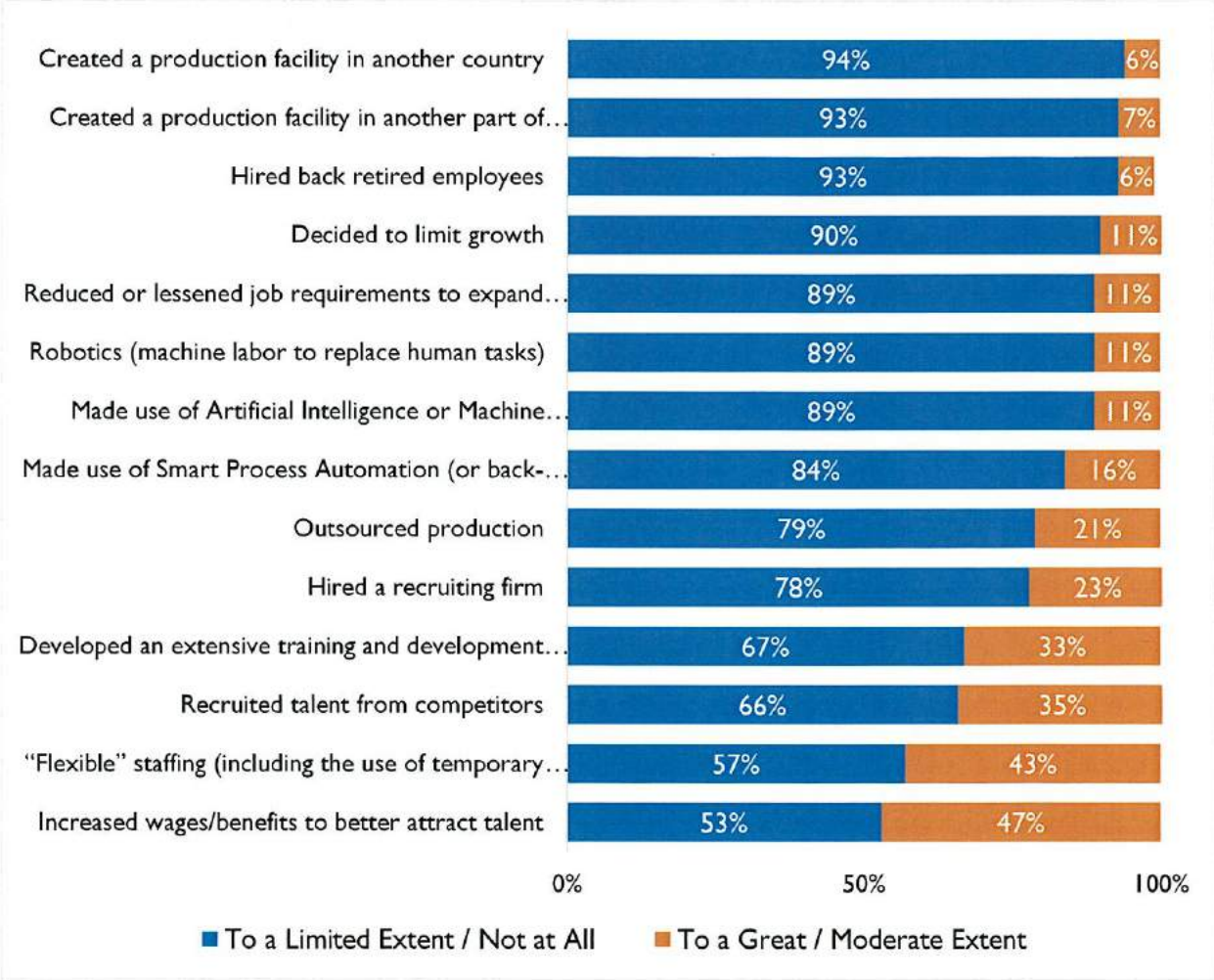
7. Does the demographic composition of Northeast Wisconsin negatively or positively impact the success of the following business strategies for your business?



Does your business use financial measures (return on investment) to evaluate the success of the following initiatives?



8. In an effort to compensate for workforce gaps, to what extent has your business adopted the following practices...

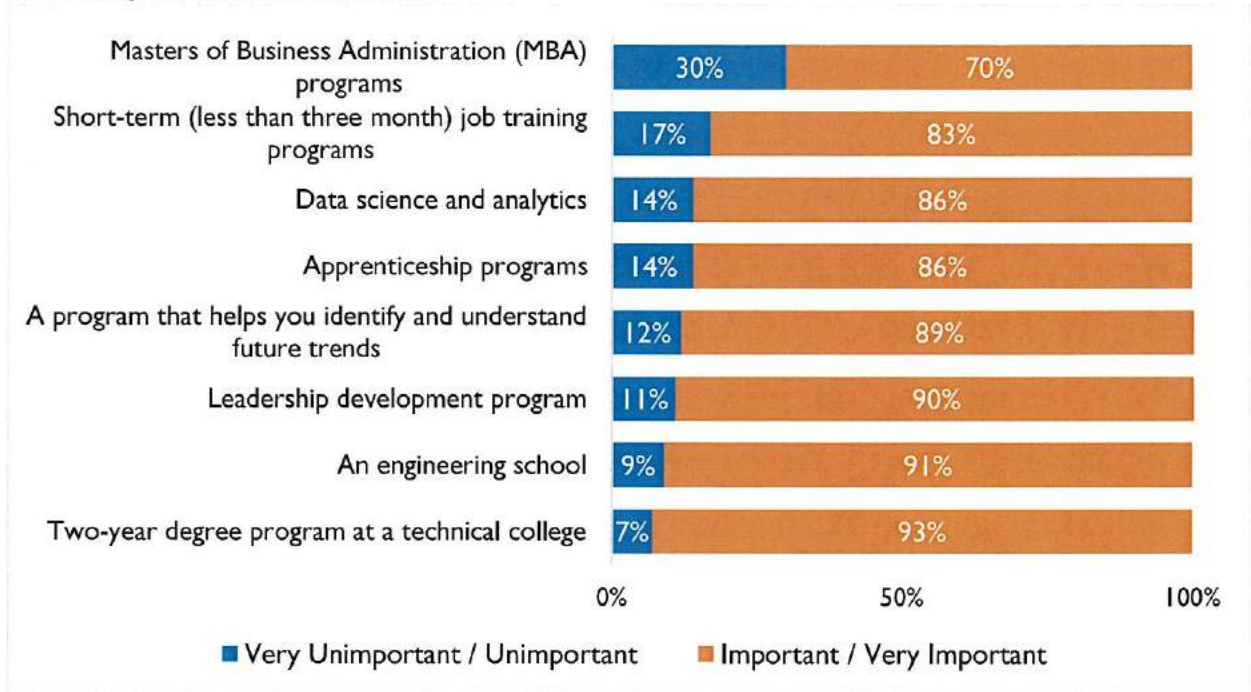


9. In general, how are you and your business addressing workforce development?

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## EDUCATION

10. In your opinion, how important are the following education or training programs for the business community in Northeast Wisconsin?



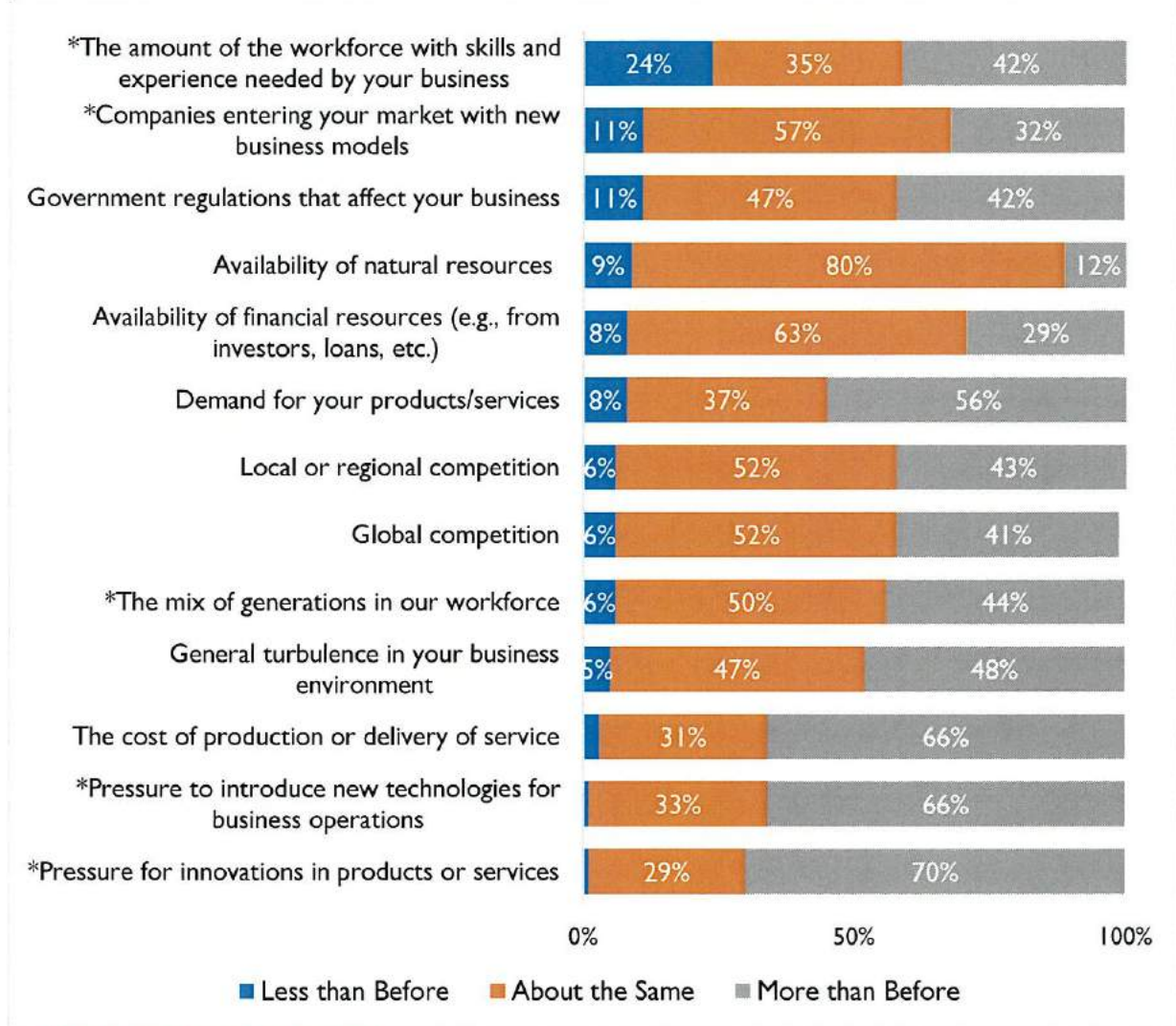
11. If NEW North received \$2.5 million in grant funding to develop a business-focused research center in Northeast Wisconsin, what two areas would you want to be the primary focus of the center?

**Focus 1:** Center for Manufacturing, Engineering, and Technology

**Focus 2:** Center for Talent, Training, and Leadership

## CHANGES TO YOUR BUSINESS

12. Thinking about the following factors, how has your business environment changed in the past three years?



\*Indicates disruptor question

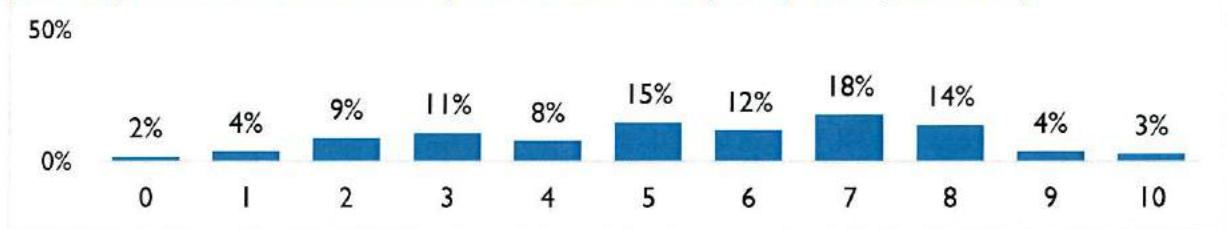
13. In one or two sentences, what do you see as potential disruptors to your business?

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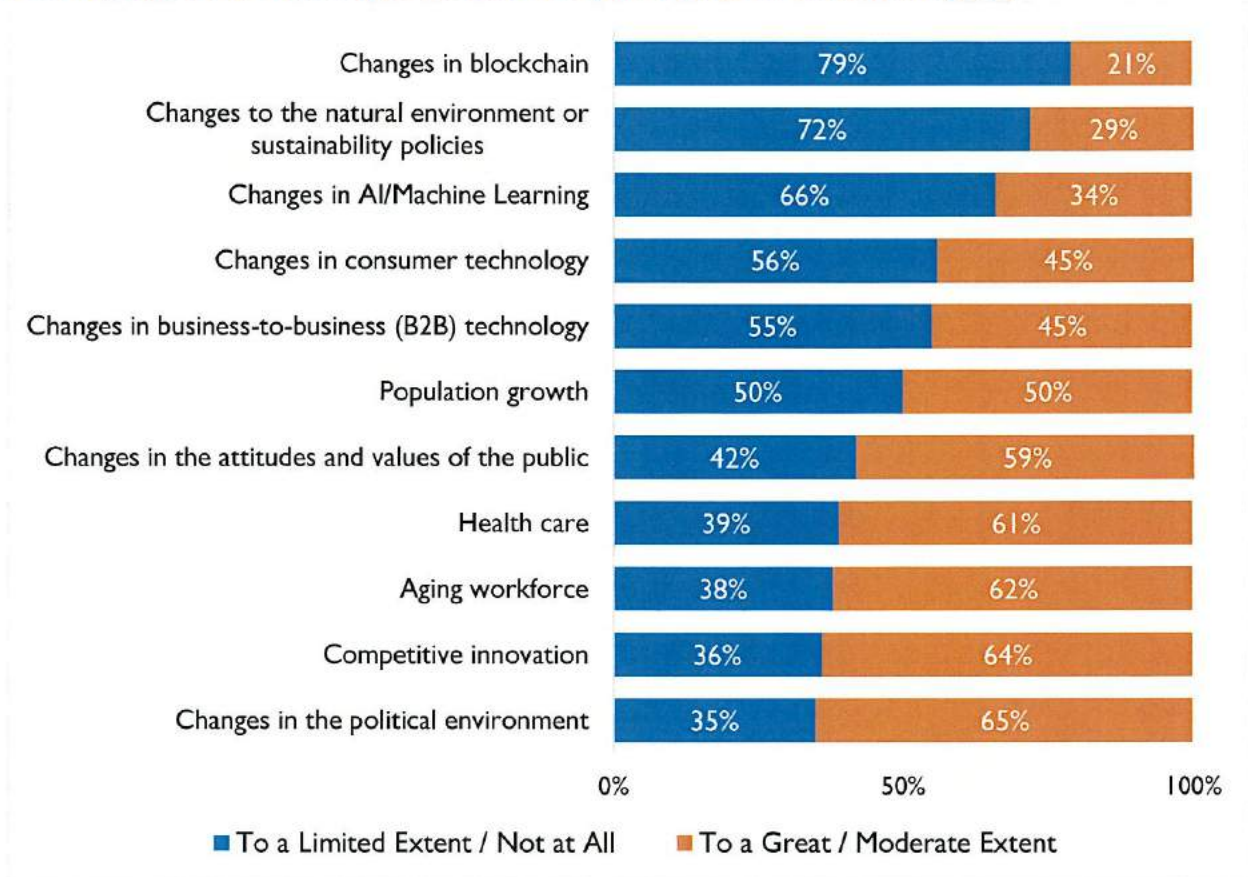
14. Workplaces use different means to gauge potential disruptors to business activities or operations. We're interested in the ways that your business gauges potential disruptors. What are some examples of the important metrics or means your business uses to assess potential disruptors?

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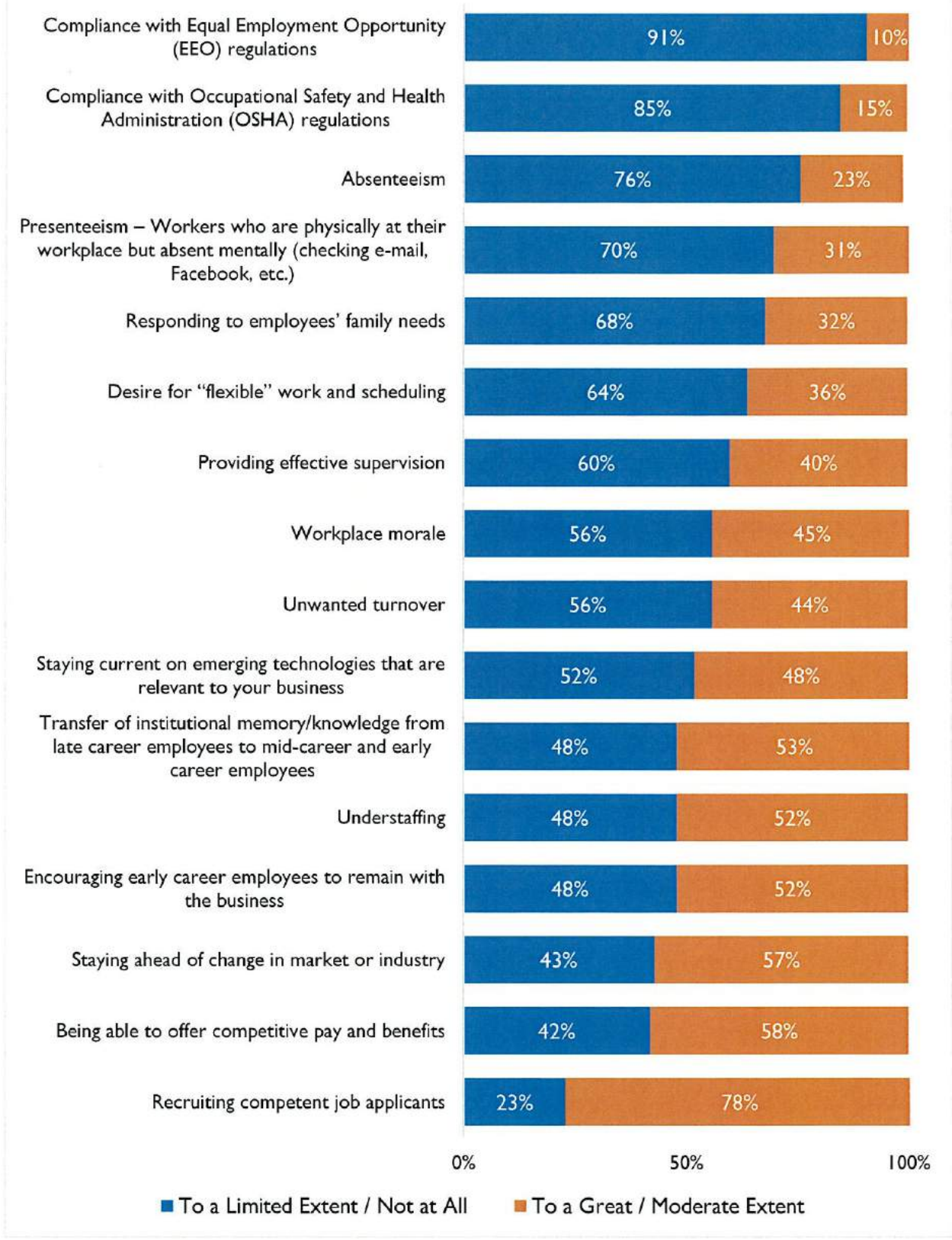
15. On a scale of 1 to 10, with 1 being "No Risk" and 10 being "Immediate Risk," how concerned are you that your business activities or operations will be disrupted by 2020? (scale slider)



16. How relevant are the following to the success of your business in the next five years?



17. To what extent are each of the following factors problems for your business?



## WORKPLACE ENVIRONMENT AND COMMUNITY EXPECTATIONS

We are interested in your descriptions of “early career employees.”

18. What age range would you use in defining “EARLY CAREER EMPLOYEES”?

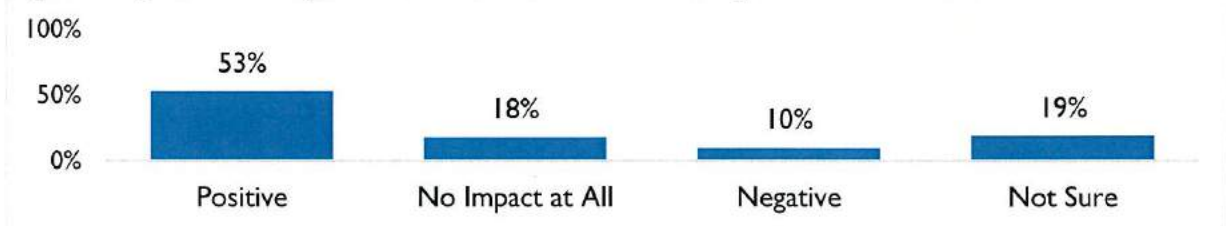
Low Age: **24**

High Age: **36**

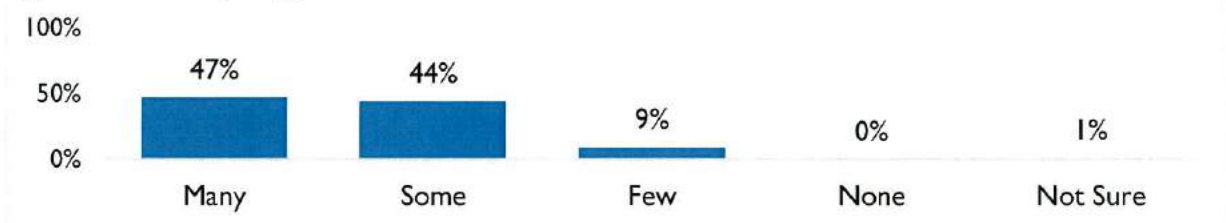
19. Overall, during the past three years, how would you say Northeast Wisconsin has changed?



20. Do you believe the growing cultural diversity in Northeast Wisconsin is having a positive impact, negative impact, or no impact at all on the business community?



21. Over the next 10 years, would you say that there are many, some, few, or no advancement opportunities for young professionals in Northeast Wisconsin?



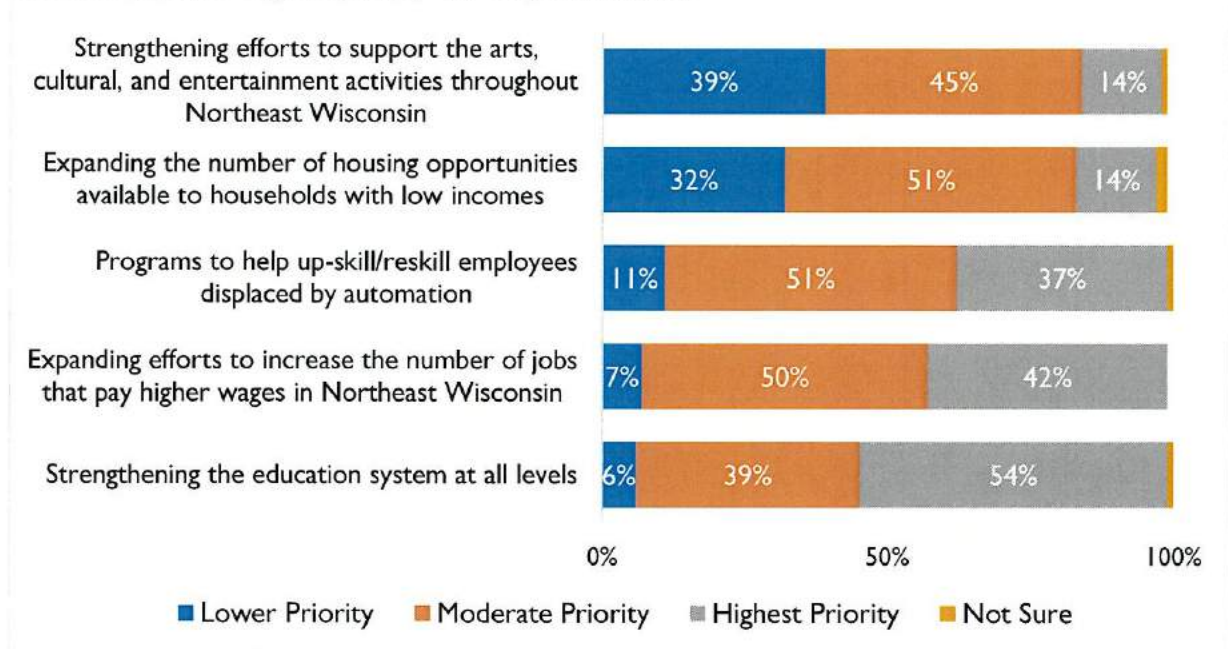
22. In one or two sentences, what is your overall perception of the business community in Northeast Wisconsin? Leave comment section blank if “Don’t Know” or “None” is your answer.

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## FUTURE PRIORITIES FOR ECONOMIC GROWTH

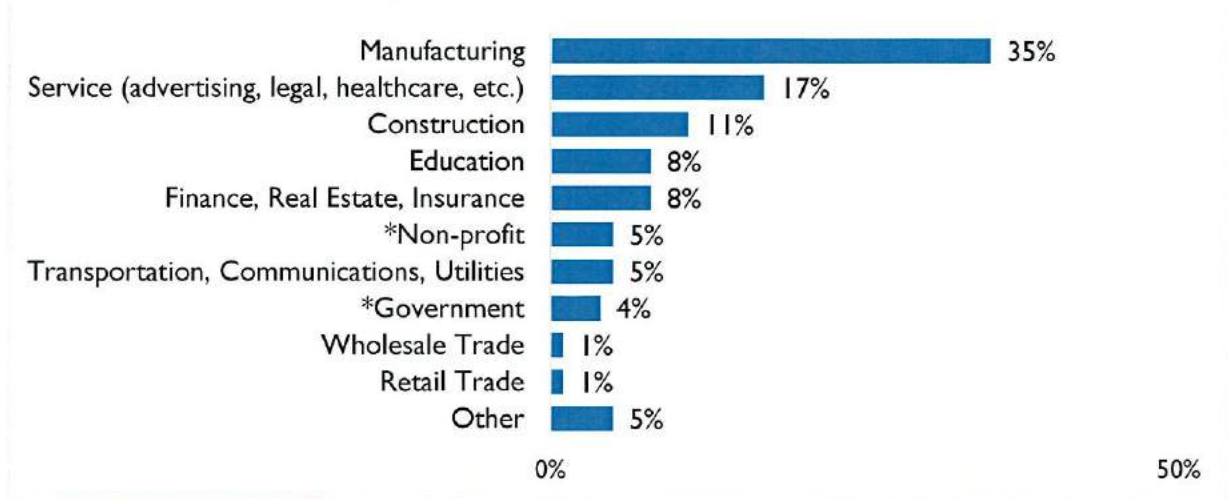
23. Every business community must address certain important issues in order to thrive in the future. Below is a list of possible challenges and opportunities that business leaders could choose to work on. Please reserve “highest priority” for only a few items.



24. What are specific high priorities for you and your business as you prepare for future economic growth?
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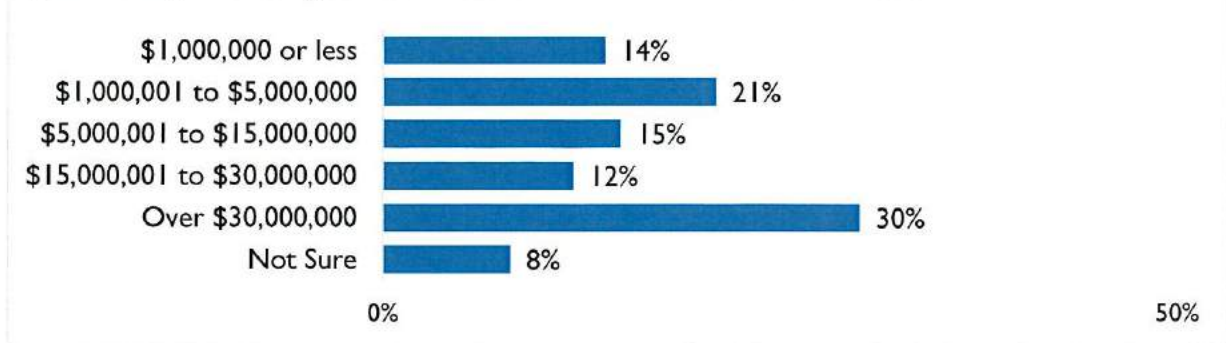
## DEMOGRAPHICS

25. What sector of the economy is your business PRIMARILY in?

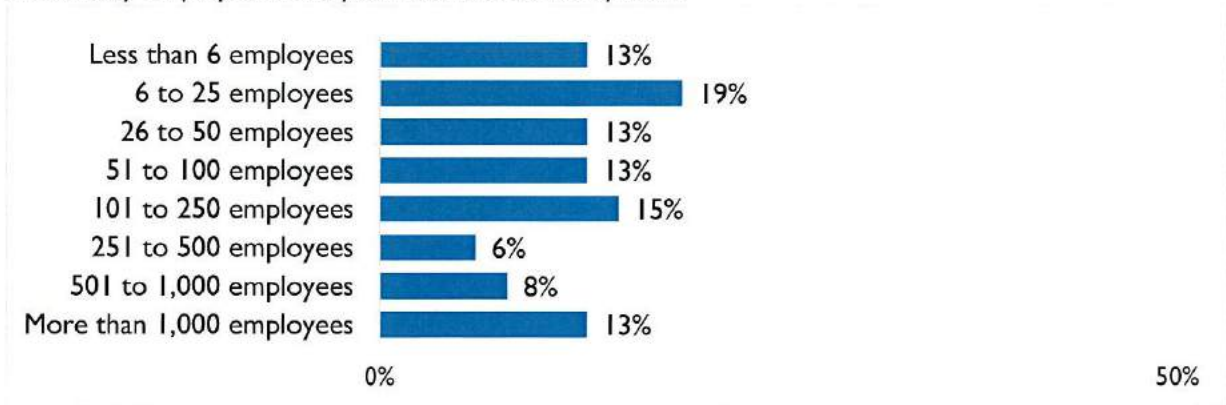


\*Indicates skip to Q28

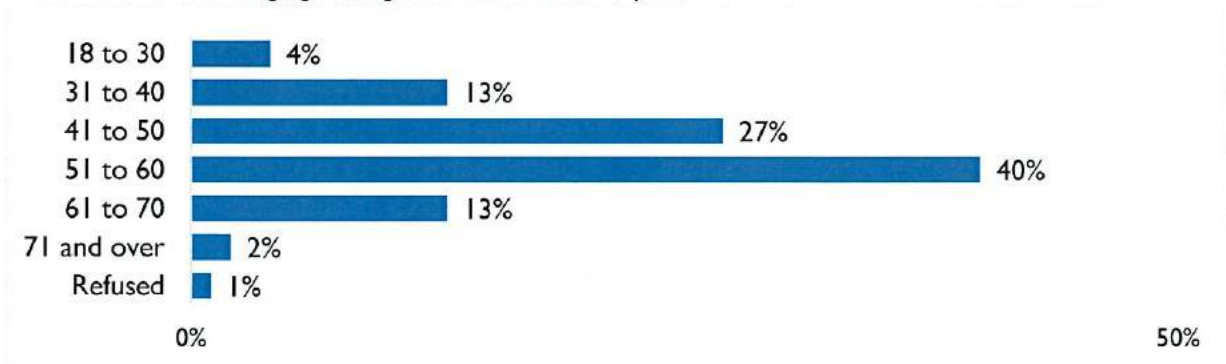
26. Approximately what was your business's TOTAL GROSS REVENUE in 2017?



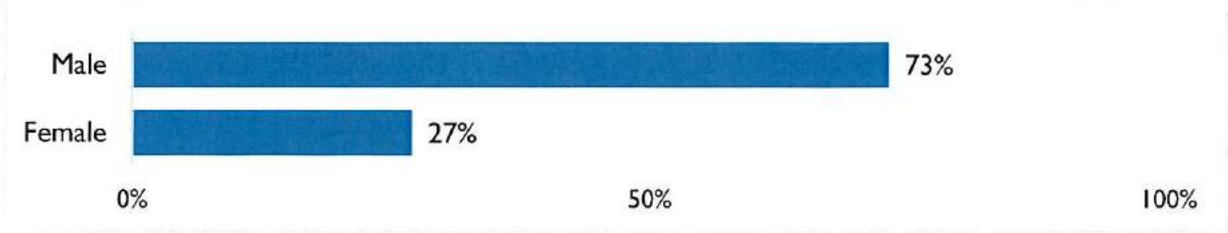
27. How many employees does your business currently have?



28. Which of the following age categories would include you?



29. Are you.....?



**Thank you for your time in completing this survey!**

**Q10. In general, how are you and your business addressing workforce development?**

**Primary focus:**

A summary analysis of this question suggests the average approach is three-part focus on training, hiring new employees, and implementing new workforce development strategies. Very few report strategies that focus on something other than talent development.

**Q14. In one or two sentences, what do you see as potential disruptors to your business?**

**Primary focus:**

Most responses observe lack of labor as a potential disruptor. There are a plethora of potential disruptors that do not fit neatly within larger categories, with the exception of technology innovation and new manufacturing practices that tilt away from heavy labor production.

**Q15. Workplaces use different means to gauge potential disruptors to business activities or operations. We're interested in the ways that your business gauges potential disruptors. What are some examples of the important metrics or means your business uses to assess potential disruptors?**

**Primary focus:**

In general, there are two broad approaches to gauging potential disruptors.

First, many use routine Key Performance Indicators (KPIs) and other regularly updating metrics to predict disruptors. This approach is data-focused and relies on internal metrics or publicly available data (government reports and other annual data outputs).

The second approach focuses on process methodology and theory. In this approach, a business develops a theory and/or algorithm for processing and interpreting the value of data or signals rather than focusing on specific metrics.

**Q23. In one or two sentences, what is your overall perception of the business community in Northeast Wisconsin? Leave comment section blank if "Don't Know" or "None" is your answer.**

**Primary focus:**

The business community in Northeast Wisconsin is moving in the right direction, needs more talent, and could use an injection of new approaches to manufacturing.

**Q25. What are specific high priorities for you and your business as you prepare for future economic growth?**

**Primary focus:**

As noted above, the highest priority remains finding new employees, developing new education programs, and finding technological solutions for limited talent.