



2021 Grundy County Retention & Expansion Program

*Promoting a healthy business
environment in Grundy County*

Executive Summary

Over the past year, the Grundy County business community has demonstrated its resilience and determination to grow as it confronted and adapted to the continued economic impacts of COVID-19. Despite these challenges, the county saw significant investment and promising activity.

- Construction began on CPV Three Rivers Energy Center
- Procter & Gamble completed construction on its 1.3 million square-foot facility.
- Costco expanded its footprint to include an additional one million square foot facility which is underway.

Existing businesses in Grundy are revisiting or seeing through pre-pandemic plans to expand and modernize their facilities and operations. The investment these companies are making demonstrates the strength of the Grundy County economy as the community works to recover from the economic challenges of recent years.

Highlights from 2021 include:

COVID Recovery & Resilience

- Businesses implemented new operating procedures and flexibly sought solutions to ensure the health and safety of employees.

Investment and Growth

- Plans to expand or modernize are up 25% from 2018 levels, with 63% of surveyed companies reporting plans in this direction.

Supply Chain Challenges

- Respondents reported supply chain disruptions, with 38% indicating supplier or service provider disruptions which have slowed the delivery of their product to their customers. Trucking delays and logistics-related challenges were the most frequently-cited underlying cause, with some raw material availability challenges reported.

Highlights, continued: Workforce Challenges

- 50% of companies surveyed report recruitment difficulties. Open positions indicate widespread and diverse labor needs, but businesses are proactively working to attract qualified candidates.

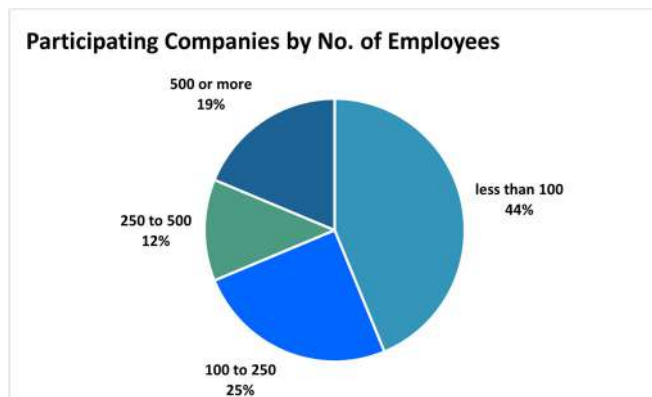
2021 Overview

Methodology

The Grundy County Retention and Expansion Program has offered insight into the business community in Grundy County since 2000. The program helps stakeholders understand the current business climate to plan for the future. In-person interviews were conducted during the last quarter of 2021 and in January of 2022. Due to continued precautions related to COVID-19, data resulting from in-person interviews was unavailable for some companies.

Despite these challenges, **sixteen companies** representing a combined **4,300+ jobs** were interviewed for the 2021 study, representing businesses from diverse sectors, including:

- Construction
- Energy
- Healthcare
- Logistics
- Manufacturing
- Retail



The variety in both size and scope of the participating companies provides well-rounded insights into the current state of the Grundy County economy.

COVID Impacts and Lessons

Local Impacts and Lessons

Companies were asked to share the top three **impacts** COVID has had on their businesses. Common themes in the responses included:

- Supply chain disruptions or changes in demand
- Staffing concerns, including shortages, layoffs, and competition for labor
- Impacts related to COVID protocols, quarantines, and vaccinations

Companies also shared **lessons** they learned during COVID about doing business or their industries, and themes in these responses included:

- Emphasis on the critical importance of an available, engaged, and reliable workforce
- The need to focus on planning and preparedness for future disruptions
- The potential, in some businesses, for increased remote work moving forward

National Recovery

Nationally, companies were asked to share their greatest barriers to recovery. Grundy's survey data confirmed what was found at the national level — that recouping the workforce is central to recovery.

National Barriers to Recovery	Percent
Capital/Cash flow to continue operations	5.07%
Regaining customers	5.15%
Finding suppliers	8.31%
Finding employees	38.32%
Employee training	8.00%
Health and safety regulations	3.17%
Environmental regulations	2.45%
Economic uncertainty	12.83%
Access to information	1.11%
Not sure	0.95%
Other	4.91%
None of these	9.74%

The Workforce

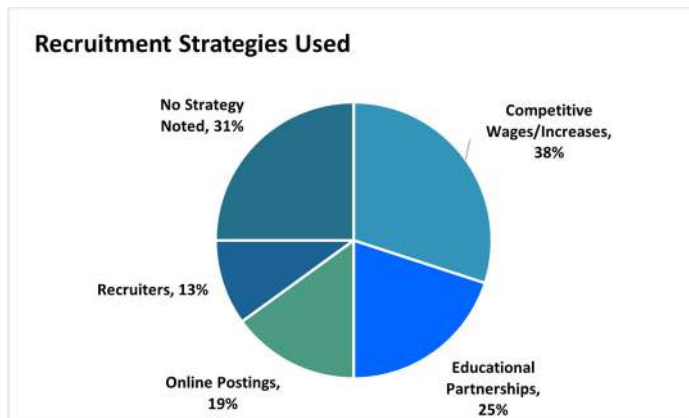
The impact of increasing remote work opportunities, a competitive wage environment, safety concerns, and early retirements on the workforce was noted in the survey data. **38% of businesses report the loss of high-value** employees within the last 6 months, and businesses are using various strategies to attract and retain workers.

Recruitment Challenges

Businesses were asked whether they have difficulties filling any specific positions. In 2021, recruitment challenges increased, with **50% of businesses reporting hiring difficulties across job categories.** 66.7% of companies surveyed nationally reported similar recruitment challenges. The most frequently cited positions were:

- Management/Supervisors
- Industrial Maintenance
- Skilled Technical Workers
- Clerks and Temps

Recruitment Strategies

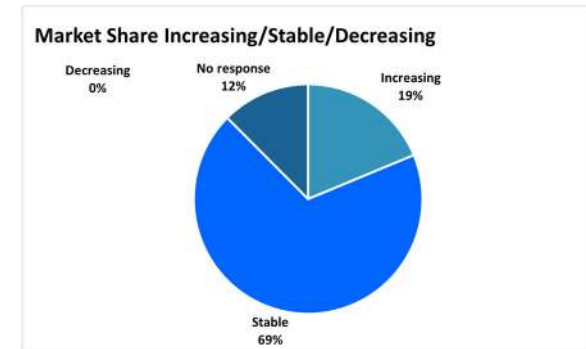


The most commonly reported strategies for recruitment include an emphasis on **wage competitiveness** and reliance on **educational partnerships** to attract candidates.

The Growth Story

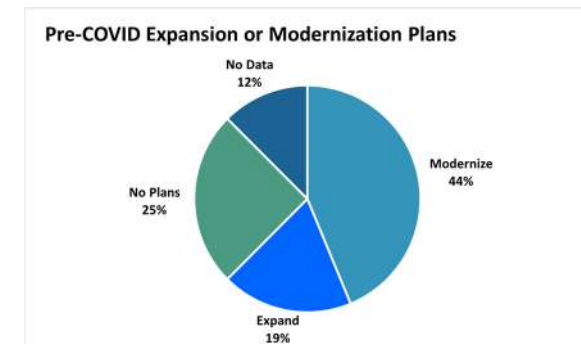
Market Share

When asked whether the market share of their company's key products were increasing, decreasing, or stable, **88% of respondents stated that their market share was increasing or stable.** 38% anticipate future technology changes to products, production, or operations, often citing changes related to automation or green/renewable energy.



Expansion/Modernization

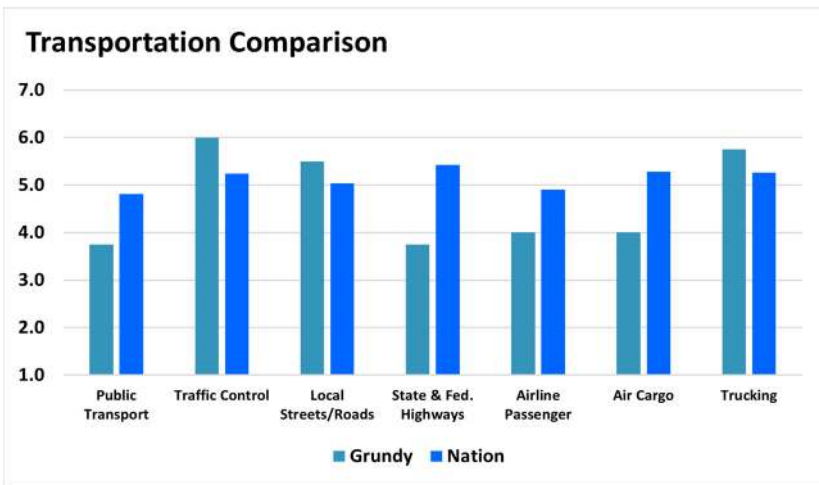
Nearly **two out of three businesses** interviewed indicated that, before COVID-19, they had **plans to expand or modernize** their operations in the next three years, citing planned investments totaling greater than **\$185 million.** 63% of companies stated that they have room for expansion. Limiting factors on this planned growth cited by businesses include labor shortages, taxation levels, and uncertainties related to the implementation and impact of new technologies.



National Comparison

The GEDC compared ratings of Grundy County’s local attributes to nationwide averages. This information is made possible through the Blane Canada Synchronist system, which aggregates nationwide retention data. All ratings are on a scale from 1 to 7, with 7 being the highest.

- **Grundy was consistent with national ratings across categories** including community services, education, having a business-friendly environment, and most utilities.
- In the category of transportation, the **average ranking businesses gave State and Federal Highways was 3.8**, which is notably **lower than the national average** of 5.4. This calls attention to the need for continued investment in our county, state, and federal highways in order for Grundy’s proximity to major roadways to continue to be a meaningful advantage to doing business in the county.



Local Strengths

During the interview process, companies were asked what they perceive to be strengths of doing business in Grundy County. Themes in responses included:

Community Relationships

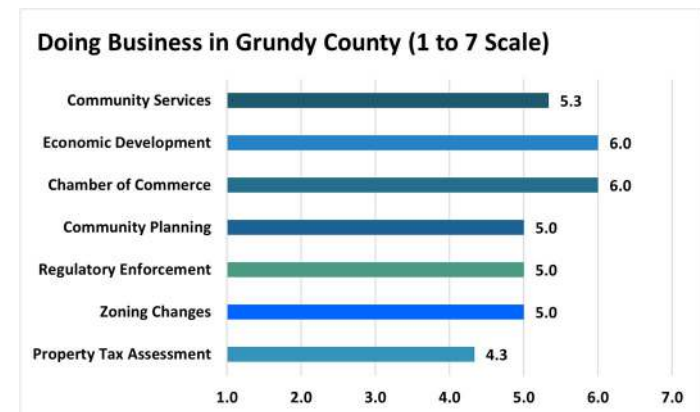
Positive relationships with the community was the most-cited strength of doing business in Grundy County. Businesses appreciate the tight-knit community and value supportive partnerships with local agencies, officials, and other businesses.

Growth and Location Assets

The area’s increasing population due to its proximity to Chicago and continued urban growth was reported as a positive trend. Respondents also highlighted Grundy County’s rail and waterway networks as strong assets for doing business locally.

Supportive Agencies/Education Sector

Many firms cited valuable partnerships with local schools including Joliet Junior College and local agencies like the GEDC and Grundy County Chamber. K-12 schools and Colleges/Universities were ranked above the national average.



Local Weaknesses

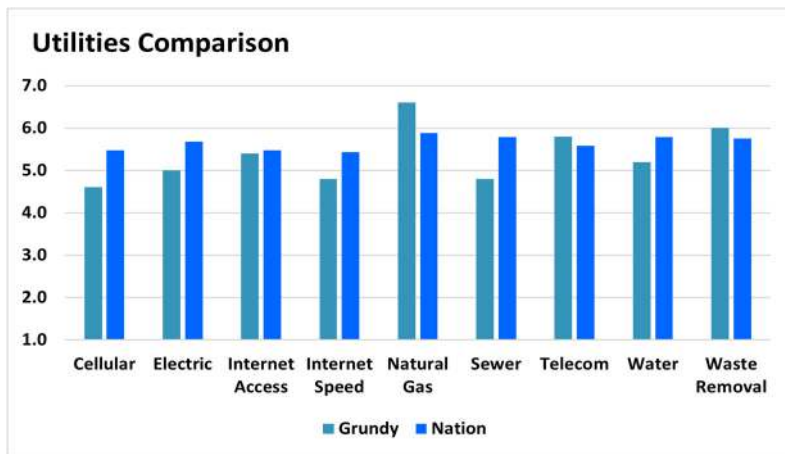
Companies also shared details regarding challenges they have confronted while doing business in Grundy County in recent years. Themes included:

Worker Attraction and Retention

Local companies indicated that they struggled with finding employees “across the board,” and that finding qualified employees was one barrier to recovery. Many companies stated that they were focused on offering competitive wages and collaborating with educational partners to attract and retain qualified candidates. Despite these challenges, only 50% of surveyed Grundy businesses reported recruitment challenges as compared to 66.7% nationally.

Internet Speeds and Cell Service

Despite improvements in ratings for internet availability/access since 2018, businesses again rated internet speeds below the national average and at the same level as 2018. A number of businesses cited challenges relating to internet speeds and unreliable cell service, especially in the more remote areas of the county. Larger businesses mentioned making investments in fiber to combat this issue.

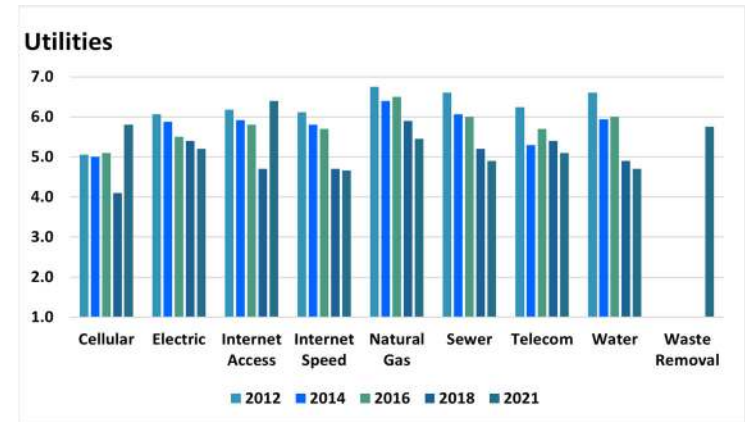


Rating Grundy County, 2012 - 2021

Businesses’ ratings of Grundy County services and assets across categories have remained relatively stable over time. Notable trends in the categories of utilities and education are highlighted below.

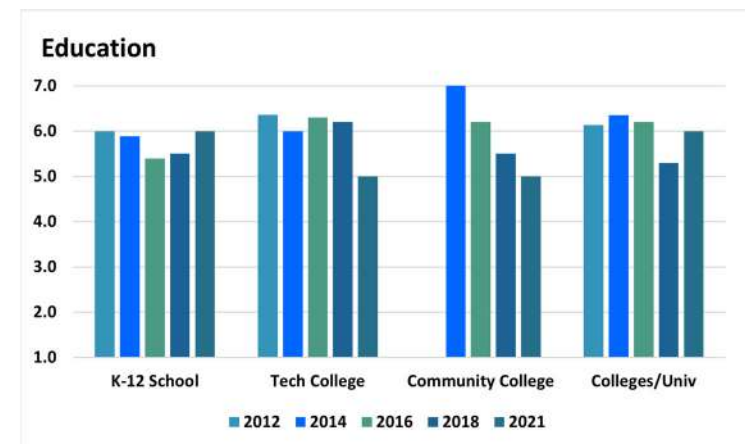
Utilities Over Time

Ratings for electric, internet speed, natural gas, sewer, telecom, and water have all declined in recent years. Ratings for cellular and internet access have grown, but both rank below the national average for these categories.



Education Over Time

Ratings for tech and community colleges have declined in recent years, while ratings for K-12 schools and colleges/universities have improved.



Thank you to all of the businesses that participated in the retention program. Your feedback is vital to help better understand how to serve your needs and maintain a healthy business environment in Grundy County.

The GEDC would also like to thank all the volunteers who so graciously gave their time to participate in the retention visits as representatives of the County, the education sector, and municipalities.

The GEDC would also like to extend special thanks to ComEd for their ongoing support of the Grundy County retention program.



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