

Numbers show optimism for local economy

Written by MARK JAEGER

Wednesday, 23 June 2010 15:52

County survey indicates business owners expect increases in hiring, sales

The savvy investor takes cues on future opportunities by keeping a close eye on economic indexes. Surges in consumer confidence, for example, can translate into good times ahead for the stock market.

Scrutinizing local indexes to forecast the economic future could bode well for Ozaukee County, according to a newly released local survey on business conditions prepared by Ozaukee Economic Development.

OED Executive Director Kathleen Schilling said the survey of business owners conducted this spring said many see light at the end of the dark recessionary tunnel.

“Through the survey, a majority of Ozaukee County businesses noted that they saw a growing economy and predicted that both their employment and sales would expand,” Schilling said in summarizing the survey results.

The survey was sent this spring to 250 local businesses and drew a 32% response rate.

“We were hoping for a return of 20%, so this response is significantly better than anticipated,” Schilling said.

“Surprisingly, a lot of the responses — something like 64% — came from businesses that have been in the county for at least 15 years. Typically, you hear from newer businesses while the more established businesses presume you know what they think.”

Overall, 58% of those responding predicted employment growth over the next three years, and 61% predicted growth in sales over that same time frame. Of the later group, 32% said they expect sales to jump more than 5% over the next three years.

“We conducted the survey in spring, and since that time we are already starting to see some improvement in the economy. Employment and sales are slowly on the uptick,” Schilling said.

Local unemployment levels reached 7.4% in 2009 and 7.9% earlier this year, doubling the rate the county experienced over the past decade.

Still, Schilling said, “we didn’t see a lot of doom and gloom.”

She said the survey showed many business leaders are already looking past the challenges of the recession, anticipating what must be done to prepare for the inevitable market rebound.

Schilling said forward-thinking business owners are already anticipating a labor shortage in the county and pondering how to attract and retain a better-trained workforce.

She said OED will use those concerns as a springboard to plan programs that focus on

Numbers show optimism for local economy

Written by MARK JAEGER

Wednesday, 23 June 2010 15:52

business development in the months ahead.

“We want to make sure we are on the right track. The focus will be on how do we keep qualified people here,” Schilling said.

“However, the majority — 82% — of local businesses are satisfied or better with their choice to locate in Ozaukee County.”

Factors cited that make the county attractive to business owners were the quality of life, proximity to customers and quality of the workforce.

In conjunction with the business survey, OED partnered with Nicole Sidoff of the University of Wisconsin-Extension to prepare a statistical analysis of key economic indicators in the county.

That analysis relied on numbers from 2007 and 2008, and showed that the county’s per capita income — at \$60,059 — is still the highest in the state. The median household income — at \$73,186 — is second-highest in the state.

However, because a majority of county residents work outside the county, the average weekly wage of \$718 paid in the county is lower than the state average of \$730 and the national average of \$841.

Nearly 65% of Ozaukee County residents commute out of the county for their jobs, and 41% of local workers live in the county.

More than 37% of county residents work in Milwaukee County, which had the highest weekly wage rate of \$839.

The analysis showed 19% of local jobs are in manufacturing, 11.2% in retail and 7.8% in health care and social assistance.

Although the statistics do not reflect recent job cutbacks experienced in the county, the analysis showed the local finance and insurance sector added 708 jobs between 2001 and 2007, 614 jobs in construction and 548 jobs in food service.

“These two founts of information — both the indicator report and the business survey — highlight both areas of concern and potential areas of growth for Ozaukee County,” Schilling said.

The survey findings have already been studied by the OED Executive Committee and will be shared with the Ozaukee County Board at its July meeting.