

2024 BUSINESS CLIMATE REVIEW

Introduction

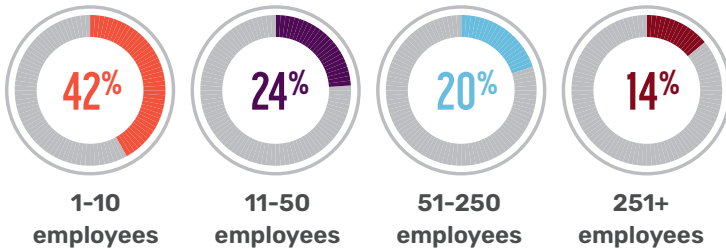
The Springfield Area Chamber of Commerce conducted its second annual Business Climate Survey to gather insights from its nearly 800 members. The survey aimed to understand the overall perception and experience of doing business in the region, identify business challenges, and uncover opportunities to leverage Springfield's competitive advantages. This report presents a summary of the findings and offers recommendations for addressing the identified challenges and opportunities.

Data Pool

Total Responses: **58**

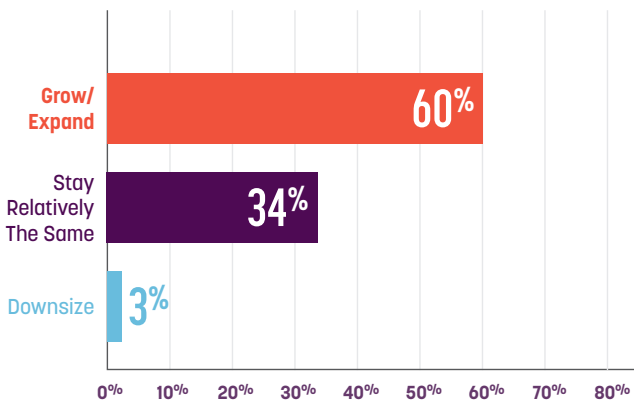
Industry Representation: **Over 13 different sectors**

Business Size Distribution:



Projected Short-Term Growth

In the next 6-12 months, most responding employers indicate they are set to grow/expand (60%).

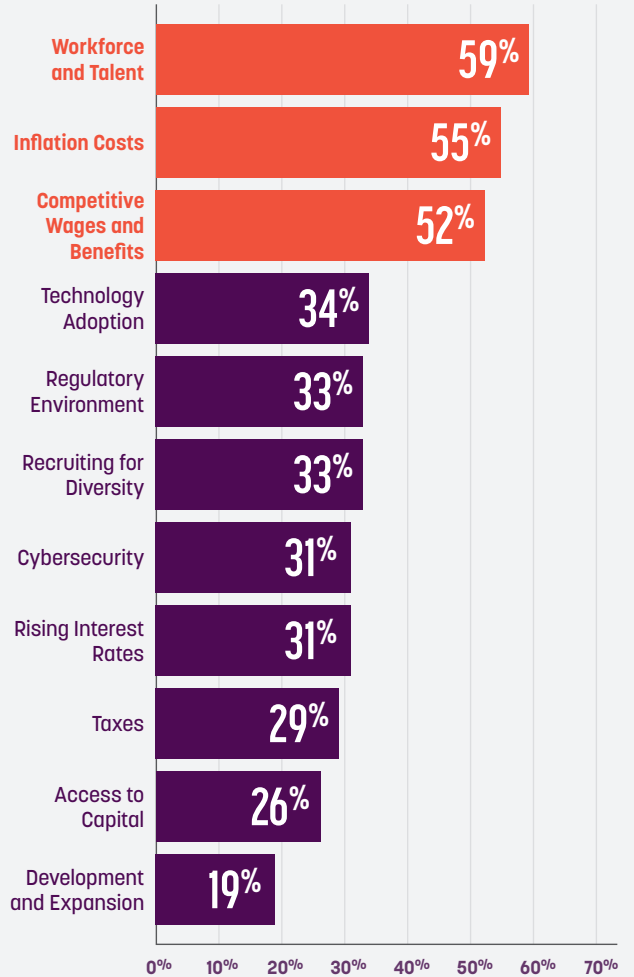


Nationally, in the recent US Chamber's quarterly Small Business Index report, 62% of small business owners expect employees to stay the same, with only 23% believing they'll add employees.

Note that this is not an exact question to question comparison, as the US Chamber asks about employee count specifically in relation to growth.

Business Challenges

The survey identified several key challenges impacting businesses.



Mitigation Strategies

Businesses reported various strategies to mitigate these challenges, including:

- Business and talent development
- Fiscal conservatism and cost management
- Implementing DEI programs and flexible scheduling
- Providing a good work environment and competitive wages
- Collaborating to understand market conditions and trends
- Investing in workforce development and strategic action plans

Business Environment Improvements

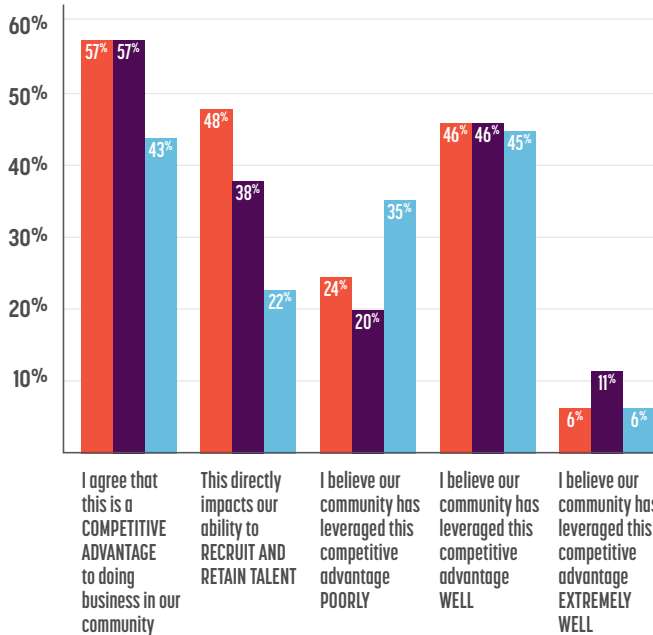
Key areas for improving the business environment were identified as:

- Quality of Life (public safety, homelessness, clean streets)
- Availability of Qualified Talent
- Housing Diversity and Availability
- Availability of Capital/Financing
- Workforce Training Programs
- Reduced Regulations
- Access to Child Care

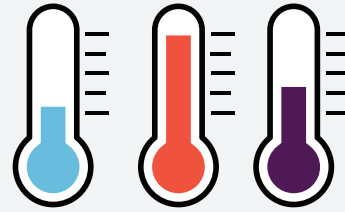
Anecdotal feedback highlighted specific issues such as homelessness in Glenwood, theft, and workforce training in high schools.

Leveraging our Competitive Advantages

Respondents believe the Springfield area has leveraged its lifestyle/livability, proximity to higher education, and entrepreneurial ecosystem to a certain extent. However, there is significant room for improvement in maximizing these assets, as very few respondents indicated we'd leveraged any of those assets extremely well.



Anecdotal comments pointed to opportunities for better collaboration with local education institutions, identifying business retention and expansion barriers including a lack of affordable and nice office space in Springfield, and addressing quality of life issues like drug and crime problems.



Business Climate

Businesses rated the overall business climate across different regions. Compared to the previous year, these ratings have generally improved.



Perception, observation, and lived experience contributed to how respondents rated the local, county, and state business climate.

Some specific factors attributing to either a poor or thriving business climate as identified by the business community are included on Page 3.

Programming and Educational Needs

Businesses expressed interest in the following areas for programming and educational topics:

- Strategic Planning
- Leadership Development
- Marketing
- Cross-Collaboration and Project Management
- Technology
- Managerial Training

Member Comments

What contributes to either a poor or thriving business climate in the Springfield area?

Thriving business climate:

"It feels like Springfield actually cares about economic vitality and supporting businesses, but they could still do better."

"Springfield has less red tape and a City that wants success and to reduce barriers to business."

"Springfield is pulling ahead with a vibrant business climate, a robust and functional chamber, and a thoughtful growth plan. Eugene seems to have challenges with all of the aforementioned, which impacts the ability to attract and retain top talent. Oregon State has nationally and internationally recognized economic development support such as the Oregon Department of agriculture and business Oregon. This is a not positive for all regions in general."

"Springfield "thriving" business climate ranking might be a bit "forward looking." It increasingly offers space, building inventory, access to customers from Eugene to Cottage Grove, etc. The Chamber and other key stakeholders have been supportive of my business. A broader vision from civic leaders of how to grow Springfield would be helpful."

"I would think that a thriving business climate would consist of a partnership between State and Local Governments and businesses. Regulation and Taxation would be developed and applied in thoughtful and meaningful ways through partnership rather than for political reasons, as in Oregon."

Poor business climate:

"High cost of living and subsequent impact on talent attraction and retention."

"Heavy tax burdens without that can often feel disconnected from accountability and outcomes of public investment."

"Public safety and payroll tax concerns in Eugene."

"It seems that there is a poor perception of our area due to the housing issue and the related problems such as the unhoused population. Wages have not been able to keep up with the housing market even for those who are employed in a 'good' job."

"Collective community fatigue of all hardships."

"The private sector wants public sector investments in infrastructure and the public sector wants a thriving local economy. The emphasis should be on economic development as much as is on public services."

Conclusion

The insights from the **Business Climate Survey** provide a valuable understanding of the current business landscape in the Springfield area.

The Chamber will use this data to advocate for policies and initiatives that address the challenges faced by local businesses and capitalize on the region's competitive advantages.

By working together with local government bodies, businesses, and community stakeholders, we can create a more economically competitive and vibrant Springfield.