

Overview

The Door County Economic Development Corporation (DCEDC) conducted its Door County Business Survey during the spring of 2024. The online survey was designed to gain an understanding of general business position and sentiment, details regarding challenges being faced by businesses, opportunities for growth, and insights into the desired focus of future economic development programs in Door County.

Seventy-five (75) businesses completed the survey, representing communities throughout Door County, from Southern Door to Washington Island. Various sectors were represented, including agriculture, arts, business services, education, healthcare, hospitality, manufacturing and retail, as well as nonprofit organizations. The employee count of business respondents also varied from one employee to nearly 1,000 employees.

Diverse Perspectives, Shared Responses

The survey responses were reflective of the diversity of Door County's business community. However, the majority of the responses, challenges and opportunities identified through the survey were shared across sectors, sizes and geography.

General Optimism and Growth Potential

When asked "How optimistic are you about the economic state in Door County in 2024?", 57% indicated they were either somewhat optimistic or very optimistic. Only 8% cited slight concern or extreme concern over the economic state of Door County, with comments indicating that housing availability and affordability were at the forefront of that concern.

Many businesses indicated they are currently in growth mode. Twenty-five percent (25%) of hiring respondents are hiring for new positions, rather than replacements. Further, when asked if currently in need of more space at their location, or if they were considering expanded space for the future, 31% of survey respondents replied in the affirmative.

More than half of respondents reported attraction of new employees as the key factor for the success of their business. Fifty-nine percent (59%) of respondents are seeking to grow their businesses; however, they cite open positions which have gone unfilled as the primary challenge to business growth.

Other significant barriers to growth of respondent businesses included customer attraction and retention, as well as financial constraints. Lower-ranked challenges included location constraints and regulatory and policy concerns.

Workforce Attraction and Retention Challenges

When asked to expand regarding reasons for current and anticipated workforce challenges, respondents identified three primary causes: housing, pending retirement of current workforce, and childcare. Housing availability emerged as the top concern, with 47% of respondents identifying housing as the primary challenge. For those who considered housing a key challenge, 80% cited affordability as a top concern. Respondents frequently expressed frustration over short-term rentals impacting housing for employees and advocated for initiatives to improve housing accessibility for the local workforce.

The pending retirement of existing workforce was a concern across sectors, as survey respondents cited retirement as the top reason for employee turnover. The issue of retirement ranked especially highly among concerns of manufacturers and educational institutions with 75% of respondents in these sectors noting it was their top workforce challenge. This concern tracks with current Door County and Northeast Wisconsin data regarding the age of the area's workforce in manufacturing, which is the largest contributing industry to Door County's economy.

Childcare, a national issue for many employers which became more pronounced during the COVID-19 pandemic, continues to have a profound impact on Door County businesses. Forty-percent (40%) of respondents described challenges with childcare. Concerns included long waitlists and high costs, with businesses commenting on the need for evening and weekend childcare to better support their employees.

Several respondents commented that the top issues relating to workforce attraction, including housing and childcare, expect these issues to become even more impactful for their businesses with upcoming retirements and other general turnover. Several respondents who have primary involvement in hiring for their businesses commented that the age bracket commonly pursued by their businesses (around 18-54 years of age) are especially concerned with childcare and housing. As a solution to the recruitment and retention challenges, some of the largest employer respondents indicated that they have continued to offer flexible work options, including remote work where possible. The flexibility was noted, in part, to address childcare challenges.

Respondents indicated there was a focus on developing existing employees rather than hiring externally whenever possible. When asked if employee programs, including educational and upskilling programs, are of interest to their businesses, 41% responded affirmatively. When asked which programs would be most beneficial, 61% selected professional development opportunities, 42% selected certificate programs, and 36% selected seminars on soft skills.

Key Takeaways

Positive sentiment regarding economic outlook, current and future plans for growth, and innovative business practices detailed in the survey responses speak highly of Door County businesses, their resilience in the years after the COVID-19 pandemic, and the strength of the area's economy.

To capitalize on this strong foundation and leverage the opportunity for growth, workforce attraction and retention must be at the forefront of community efforts. Looming retirements will certainly compound the current barriers of housing and childcare, making the attraction of working-age population even more essential to Door County's future economic success.

Future Focus

The Door County Economic Development Corporation (DCEDC) seeks to provide programs, initiatives, and services that support the success of all businesses in Door County, regardless of size and sector.

This survey is an initial step in our efforts to enhance programs and initiatives designed to support all businesses. DCEDC is following up directly with businesses that indicated a desire for specific support as an initial stage of our enhanced Business Retention and Expansion (BRE) program. BRE programs consist of regular communications, business visits and other opportunities for business engagement. The BRE program ensures that we continue to be responsive to specific needs and that business input and feedback remains at the forefront of our planning, programs and initiatives.

DCEDC will continue to enhance our focused business engagement opportunities, currently including the Business and Education Partnership Committee and Attainable Housing Committee and will be creating two new opportunities: 1) The Workforce Development Committee will focus on workforce attraction and retention efforts and the 2) Public Affairs committee to focus on engaging our local, state and federal policymakers in issues of importance to our business community.

Communication and collaboration are key to ensuring that the business community is aware of, and is a key partner in, efforts being spearheaded by DCEDC and partner organizations to address workforce attraction and retention and its primary challenges, including housing and childcare. DCEDC will increase its focus on communication of DCEDC's work and the work of many great partner organizations throughout the county.

Door County is a unique community that already has what many other communities strive to create: a place that working-age families want to call home. DCEDC will continue to leverage our community's strengths and address our challenges to realize the growth opportunities our businesses are ready for.