



City of Minnetonka Business Study

December 2021





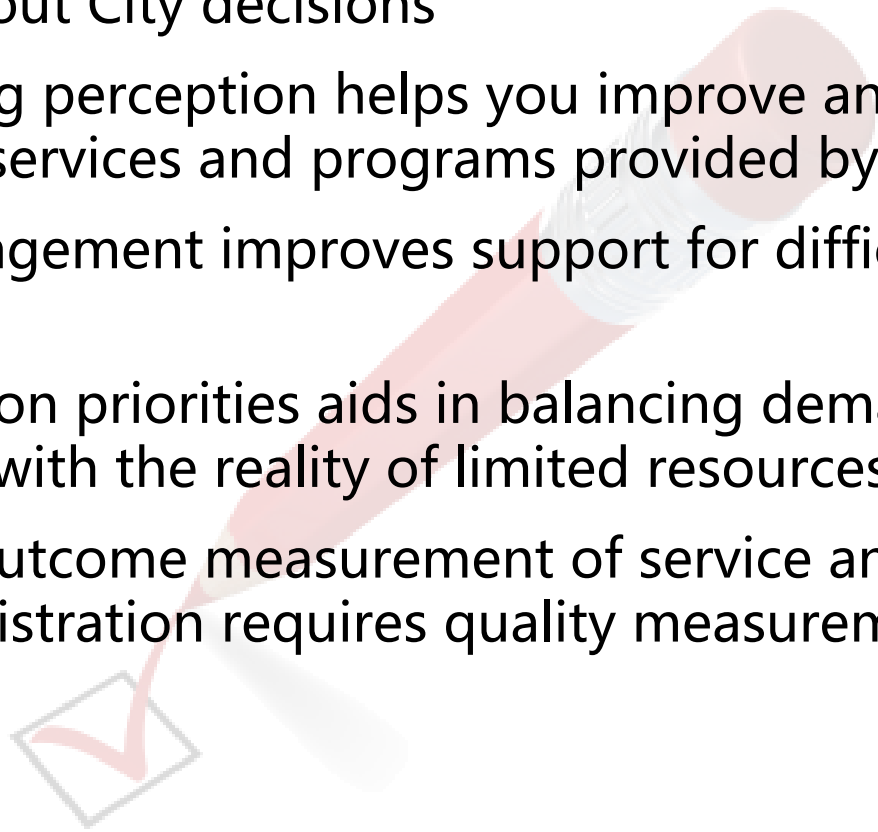
Background on Cobalt Community Research

- 501c3 not for profit research coalition
- Mission to provide research and education
- Developed to meet the research needs of schools, local governments and nonprofit organizations



Measuring where you are: Why research matters

- Understanding the values and priorities of businesses in the community helps you plan and communicate more effectively about City decisions
- Understanding perception helps you improve and promote the services and programs provided by the City
- Business engagement improves support for difficult decisions
- Reliable data on priorities aids in balancing demands of vocal groups with the reality of limited resources
- Bottom line outcome measurement of service and trust: quality administration requires quality measurement and reporting





Study goals

- Develop a baseline to better understand business community experiences and to support improvements and transparency
- Support City' s strategic plan with additional engagement of the business community
- Identify which aspects of community provide the greatest leverage on the business community' s overall satisfaction
- Understand overall satisfaction results in context by benchmarking against regional and national indices that also measure industries and major organizations across the United States
- Ensure the voices of various business owners are heard and appreciated



Methodology

- Contact information purchased from InfoUSA and gathered from City records.
- Data were combined and merged, and one contact per business identified for the mailings. Conducted using two mailings in September and October 2021. Businesses had the option to respond with postage paid envelope or online with unique ID number.
 - Mailing list (one mailing per business): 1,506
- In addition, all contacts with an email address were contacted in three waves.
 - Email list: 940
- Finally, all contacts with a phone number were invited to participate via text message/voice mail.
 - Text list: 1,493
- Valid response from approximately 157 businesses, providing +/- 6.6 percent margin of error with a confidence level of 90%

Note: There were a large number of undeliverable returns influenced by disruptions and economic impacts of COVID-19



Bottom line

- The City's performance was above other public-sector benchmarks and was consistent with private-sector benchmarks
- Areas most strongly linked with business satisfaction and engagement:
 - Collaborative environment
 - Business space
 - Community attributes
- Response rates can be improved with engagement and collaboration efforts in conjunction with more developed outreach mechanisms and processes (key messages, key channels, scheduled outreach, etc.)
- Major themes from comments about what businesses like most: location, demographics, feeling of safety
- Main concerns from comments: taxes, worker supply, COVID, road repair, and power outages

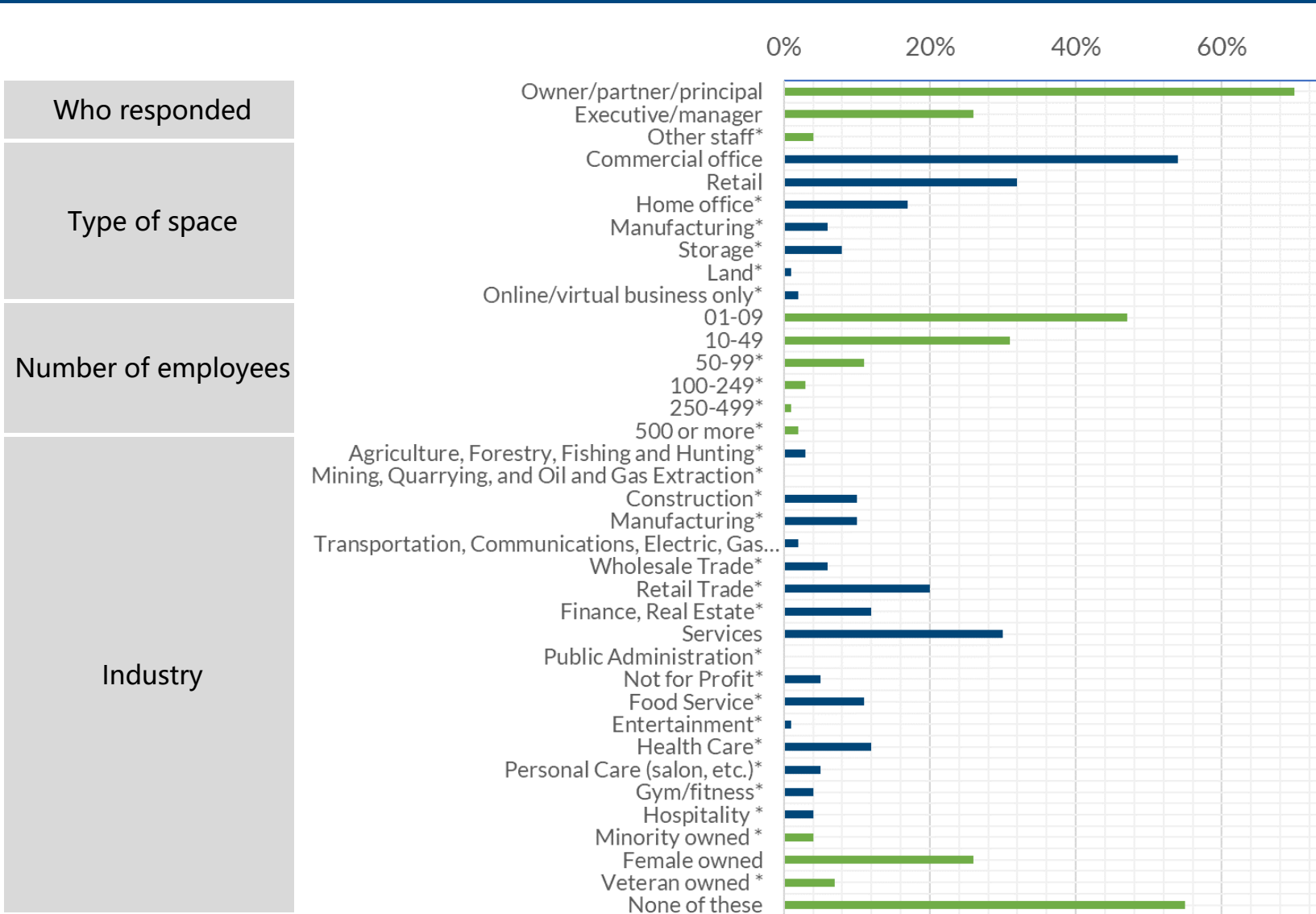


Bottom line

- Approximately 46% have employees who telecommute, and most do not expect this to affect business space
- The majority of respondents expect space needs to stay the same or grow along with employment levels, and over 60% say business is the same or better since COVID
- Most important current services/programs: workforce development/finding employees, COVID emergency assistance funds
- Most important potential future services: social events/mixers, grant/loan information, safety workshops, job fairs
- Top environment and sustainability issues: reducing waste, encouraging recycling/composting, protecting lakes/creeks/wetlands, water quality



Who Responded





Preserving Voice: Looking Into Detail

2021 Minnetonka, MN Business Survey Rating Questions Count Response +/- 6.6%		City Image Overall								
		Availability of affordable, quality child care	Quality of life	Quality of local schools	Community safety	A great place to have a business	A great place to have fun	Growing responsibly	Welcoming and inclusive for all residents and visitors	Availability of a skilled workforce
Overall		7.0	8.7	8.7	8.7	8.4	8.2	7.6	8.1	6.8
Job Description	Owner/partner/principal	6.9	8.8	8.6	8.7	8.4	8.4	7.6	8.1	6.9
	Executive/manager	7.0	8.6	9.1	8.7	8.4	7.9	7.8	8.2	6.5
	Other staff*	7.5	8.0	8.0	8.0	8.0	8.0	6.0	7.4	7.6
Own/Rent	Rent	7.6	8.9	8.6	8.7	8.6	8.4	7.8	8.3	7.0
	Own	5.8	8.5	8.8	8.8	8.1	8.0	7.2	7.8	6.5
	Varies by location*	6.0	7.0	6.0	7.0	7.0	5.0	6.0	6.0	7.0

Consistent Scores
Regardless of
Demographics

Checked
Scores that Vary
by
Demographics

Results





Scores in Context

Ratings 0-100, where 100=high

M innetonka 2021 Business Responses	
M innetonka business satisfaction (A C S I)	73
Benchmark Comparisons	
Federal agencies	65
U S Postal Service	71
IRS - large business filers	64
C redit unions	77
C ooperative energy utilities	73
H ospitals	69
N ational A C S I (public/private sector blend)	74

Additional Benchmarks - <https://www.theacsi.org/acsi-benchmarks>



Understanding the Charts: Long-term Drivers

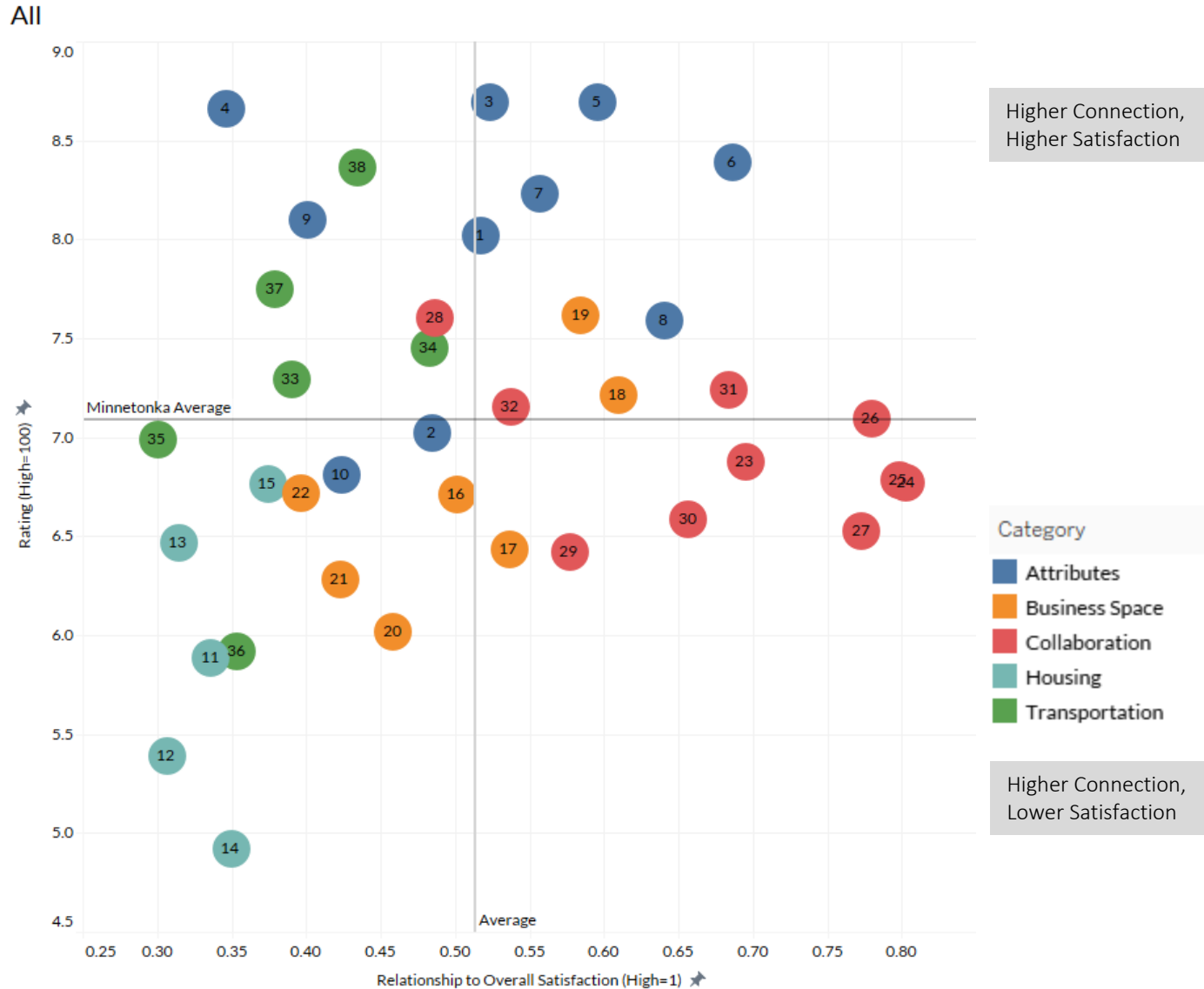
Perceived Performance

High scoring areas that do not currently have a strong relationship to engagement relative to the other areas.	Areas where the organization received high scores and that have a strong relationship to engagement. Strengths to build on.
Lower scoring areas relative to the other areas with low relationship to engagement.	Areas where the organization received lower scores and that have a strong relationship to engagement. Weaknesses to improve.

Strength of Relationship



Drivers of Satisfaction and Behavior: Strategic Priorities





Biggest Concern as a Business Owner?

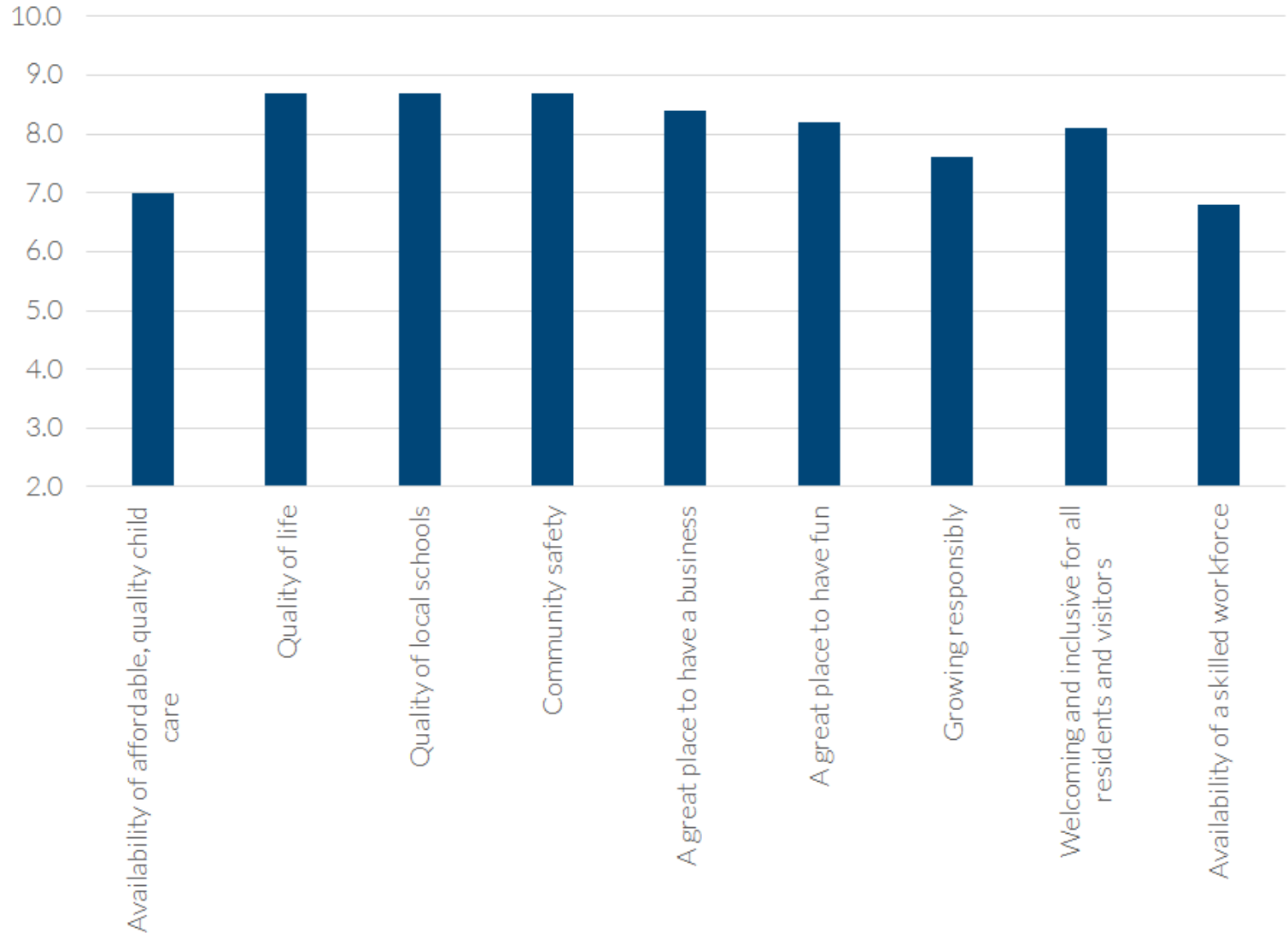
Themes from Comments:

1. **Tax-** Decrease taxes or offer incentives. Business owners are concerned about the increasing property rates.
2. **Employees-** Supply and staff shortages because of COVID-19.
3. **Covid-** COVID-19 and COVID-19 recovery.



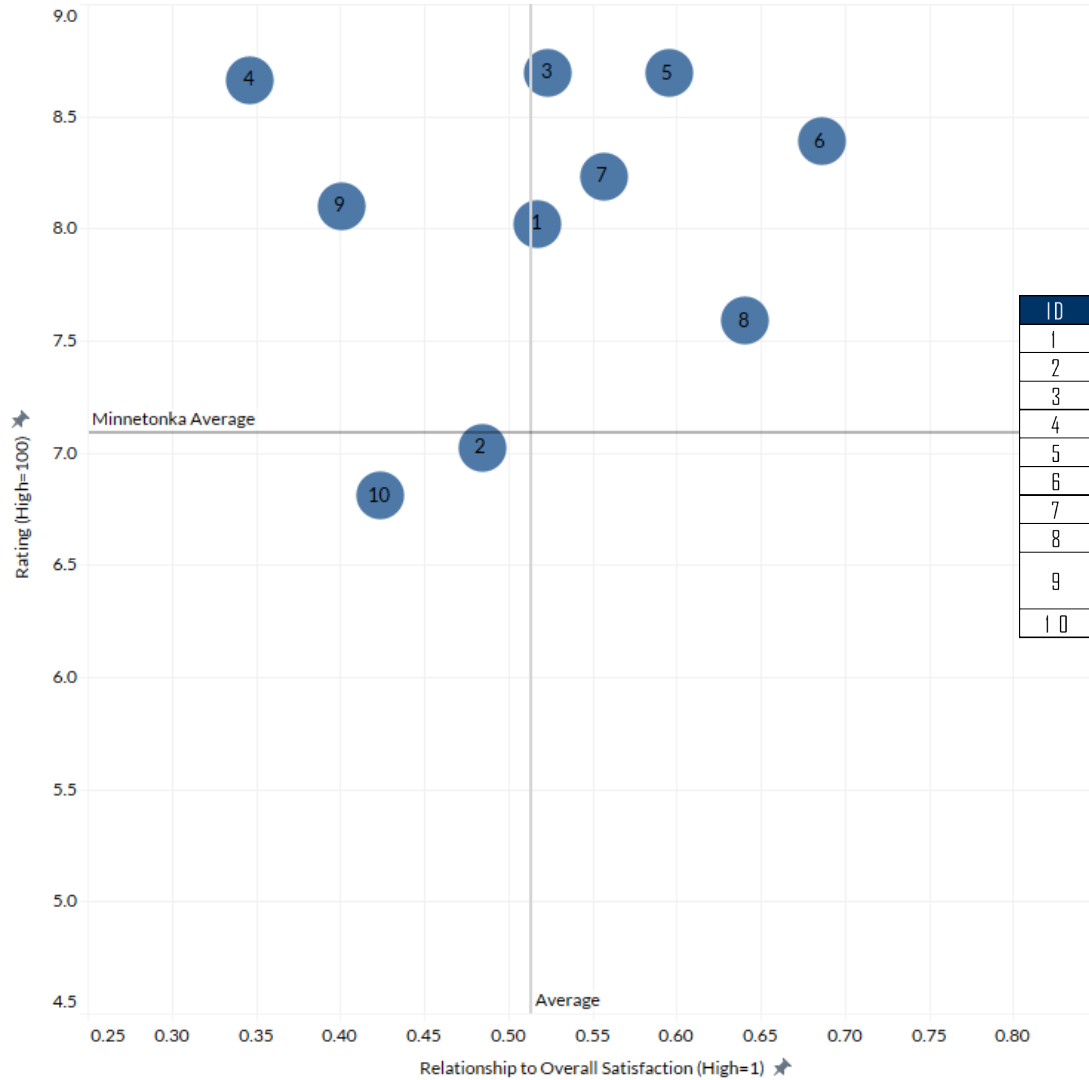


Drivers of Satisfaction and Behavior: Attributes





Drivers of Satisfaction and Behavior: Attributes



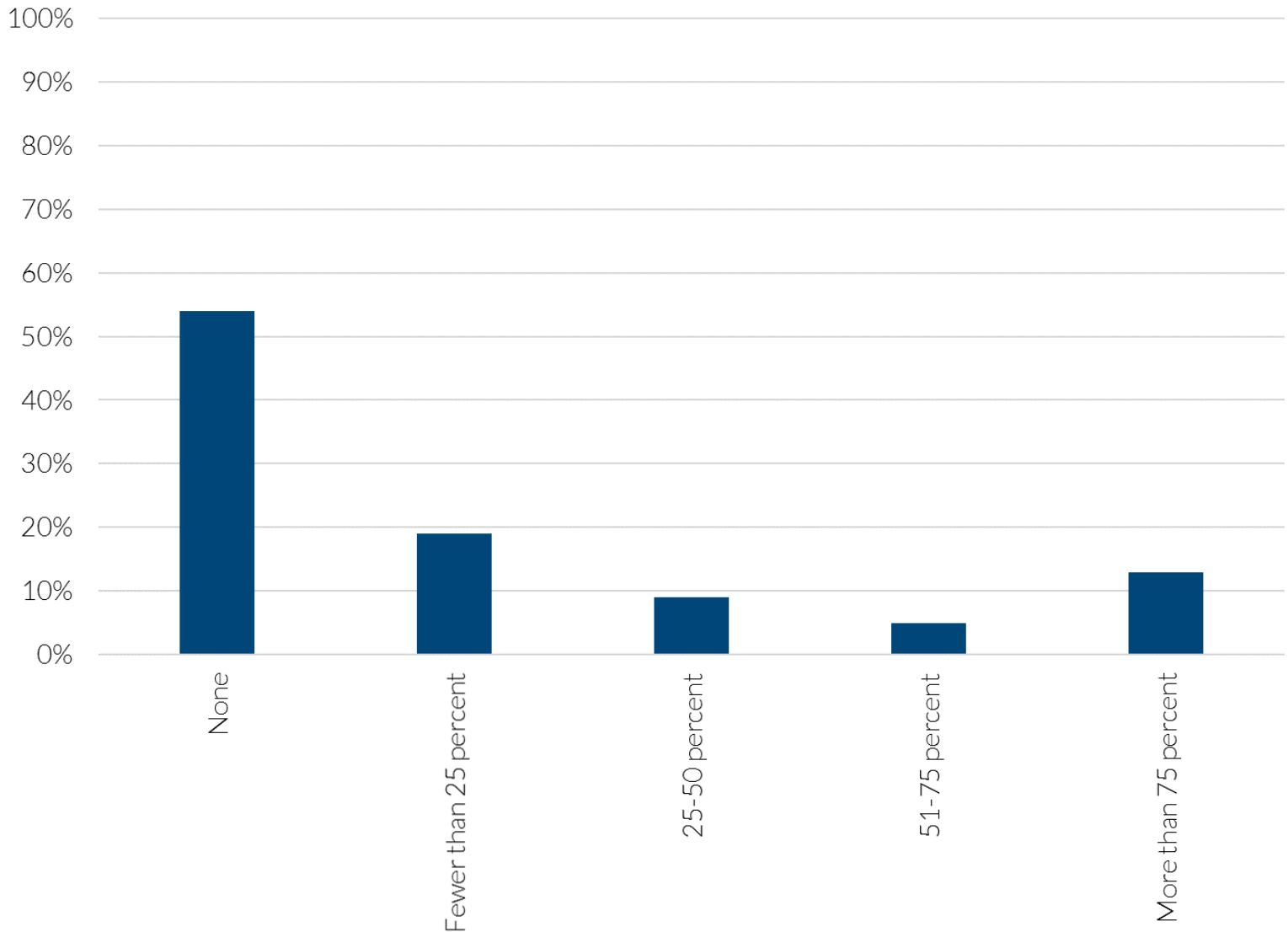
ID	Question
1	Overall Attributes
2	Q 3 A availability of affordable, quality child care
3	Q 3a Quality of life
4	Q 3b Quality of local schools
5	Q 3c Community safety
6	Q 3d A great place to have a business
7	Q 3e A great place to have fun
8	Q 3f Growing responsibly
9	Q 3g Welcoming and inclusive for all residents and visitors
10	Q 3h Availability of a skilled workforce

Higher Connection,
Higher Satisfaction

Higher Connection,
Lower Satisfaction

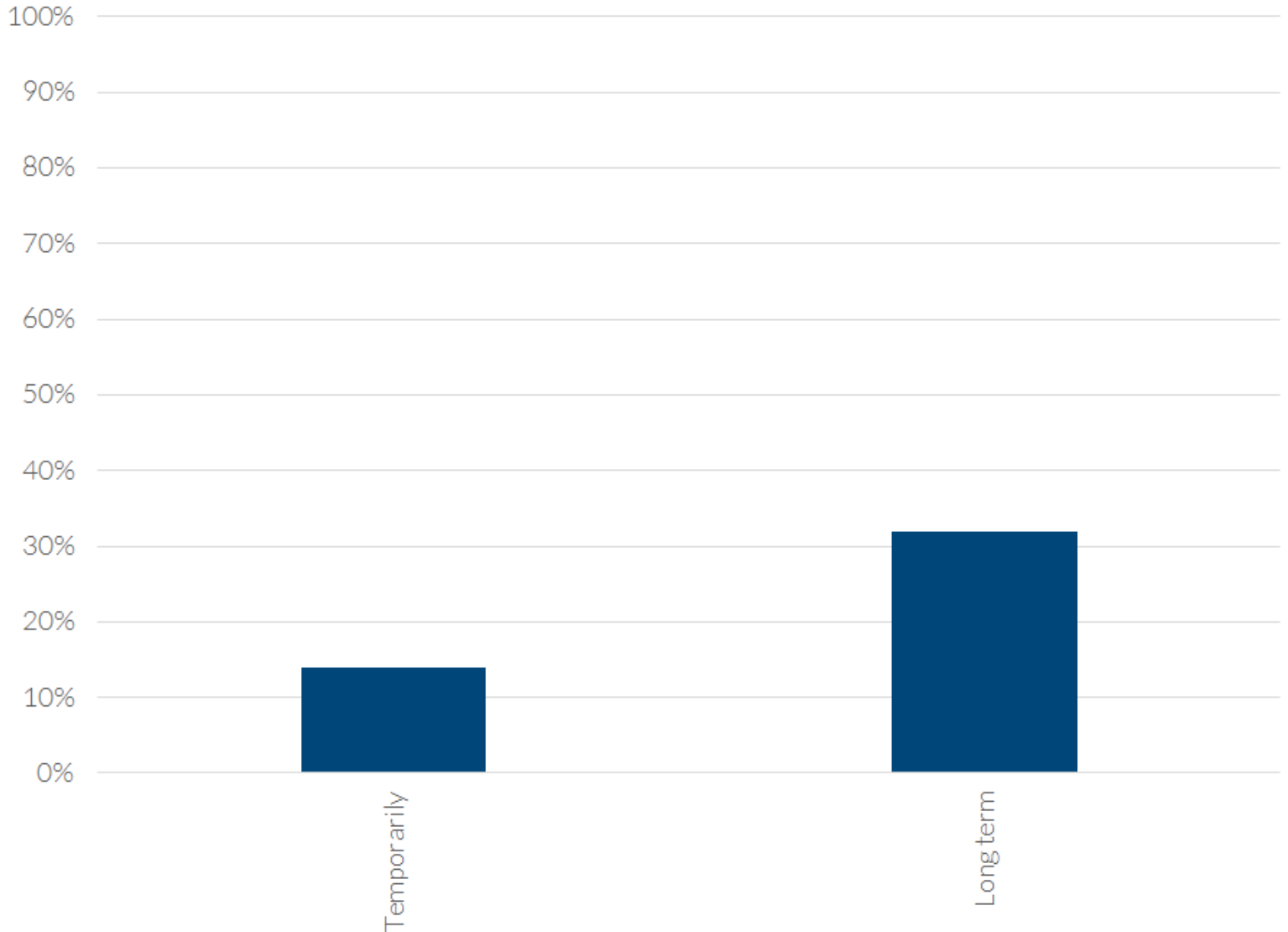


Employees who Telecommute



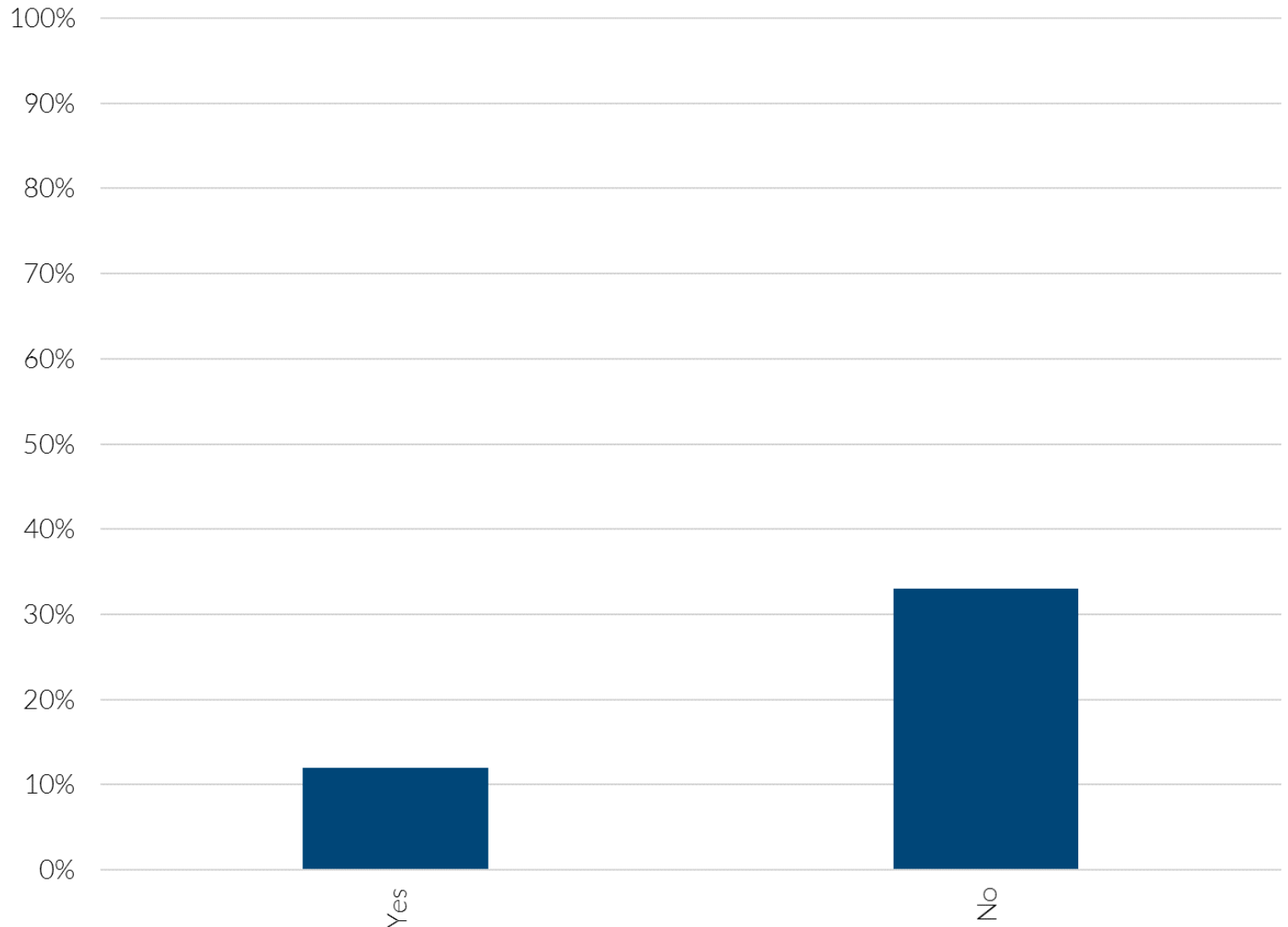


How Long to Continue Telecommuting



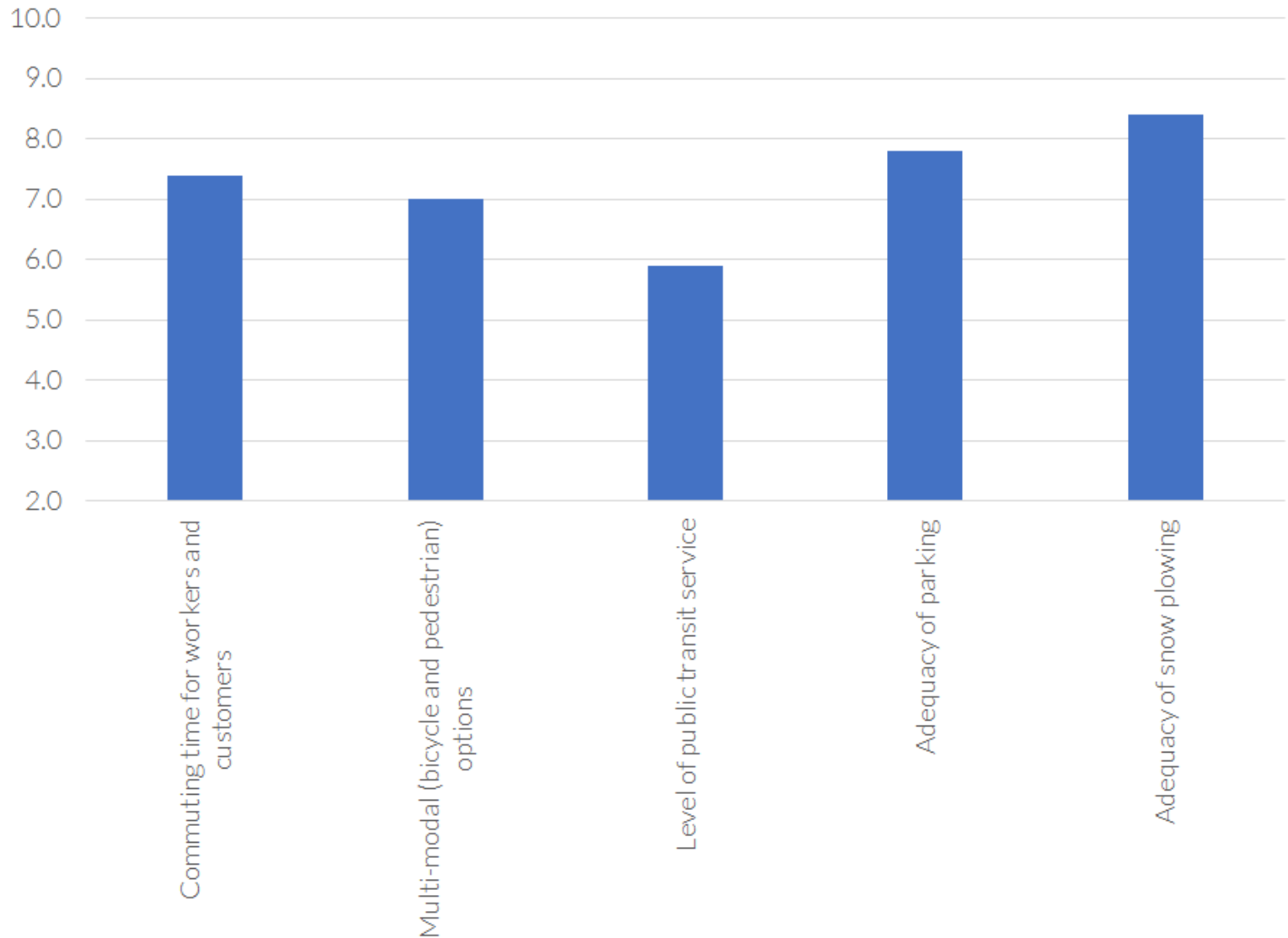


Expect a Reduction of Leased or Owned Business Spaces?



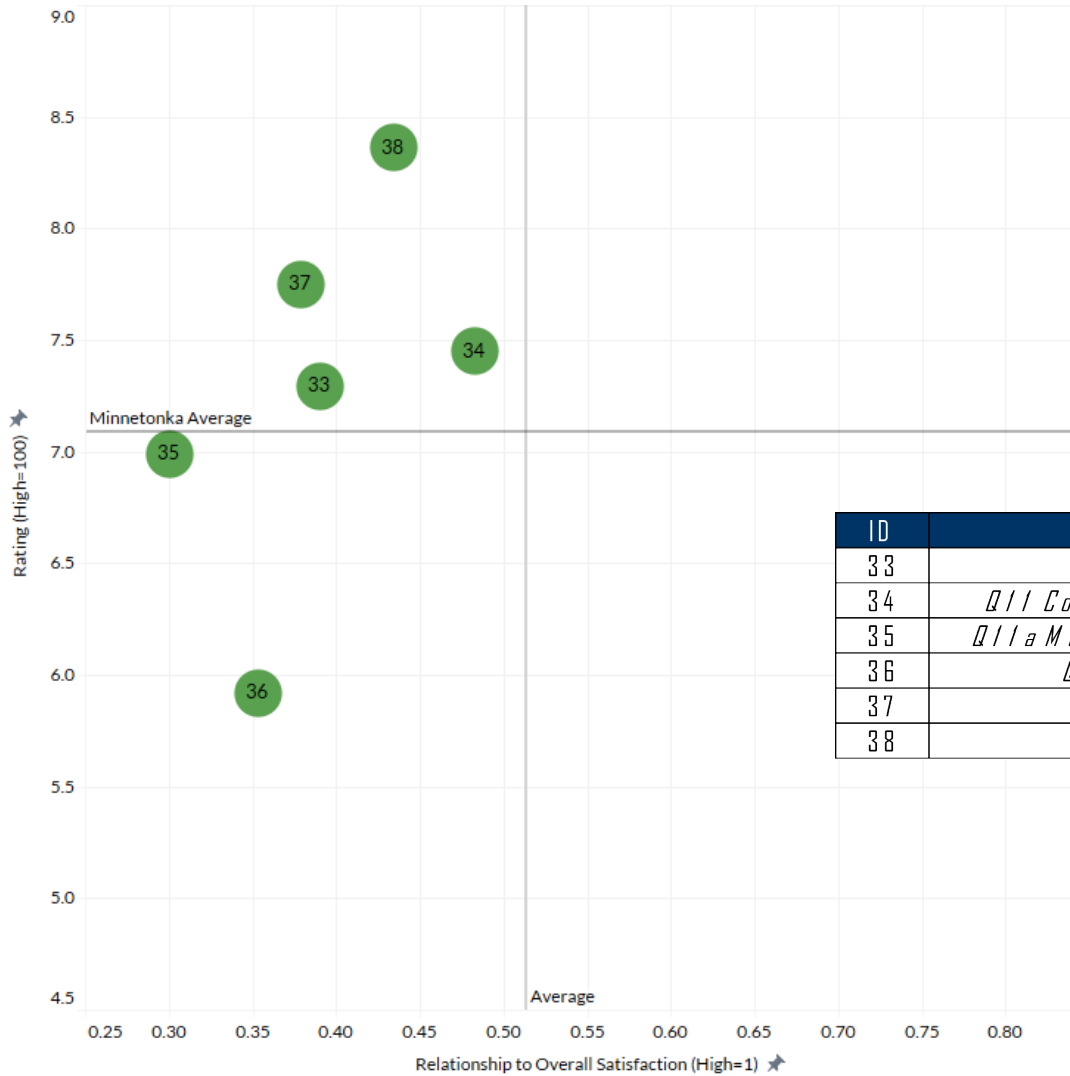


Drivers of Satisfaction and Behavior: Transportation





Drivers of Satisfaction and Behavior: Transportation

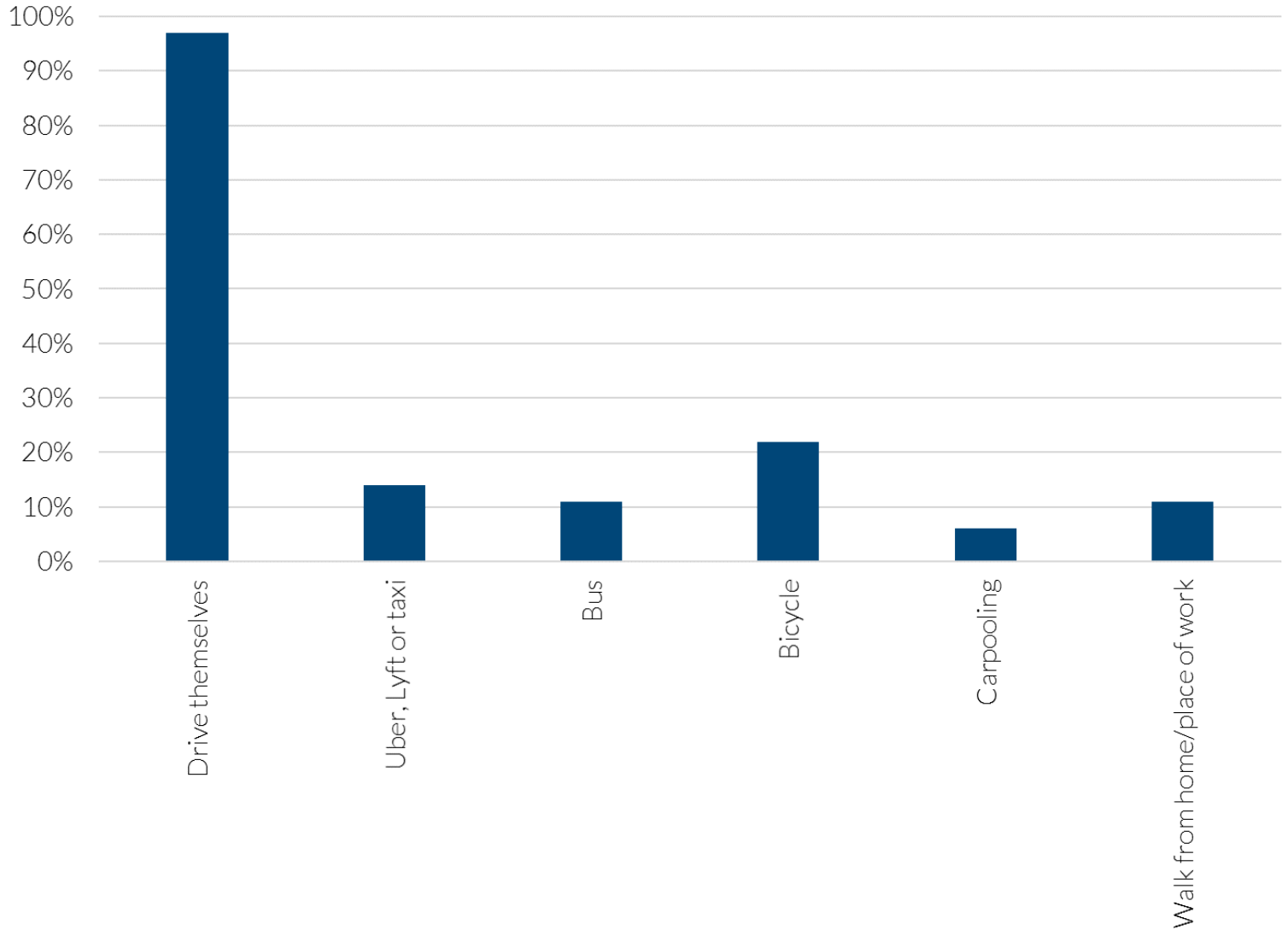


ID	Question
33	Transportation Infrastructure
34	Q11 Commuting time for workers and customers
35	Q11a Multi-modal (bicycle and pedestrian) options
36	Q11b Level of public transit service
37	Q11c Adequacy of parking
38	Q11d Adequacy of snow plowing



Planning:

Types of Transportation used by employees





How can City Utilities be improved?

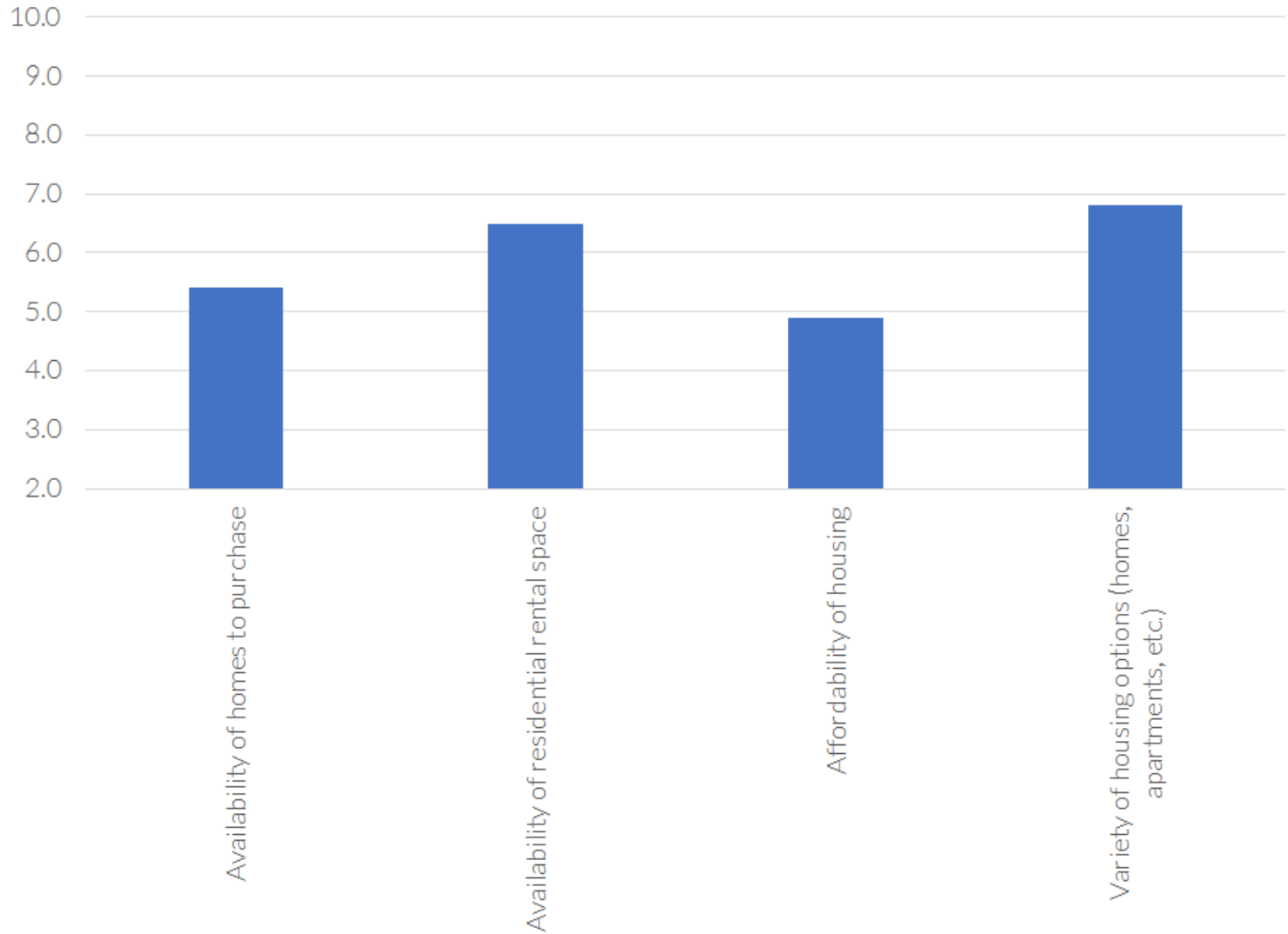
Themes from Comments:

1. **Power** - Upgrade electrical grid. Business owners are interested in alternative renewable energy sources.
2. **Water** - Business owners are concerned about the quality of the city water.
3. **Cost**- Reduce the cost of utilities in the city.



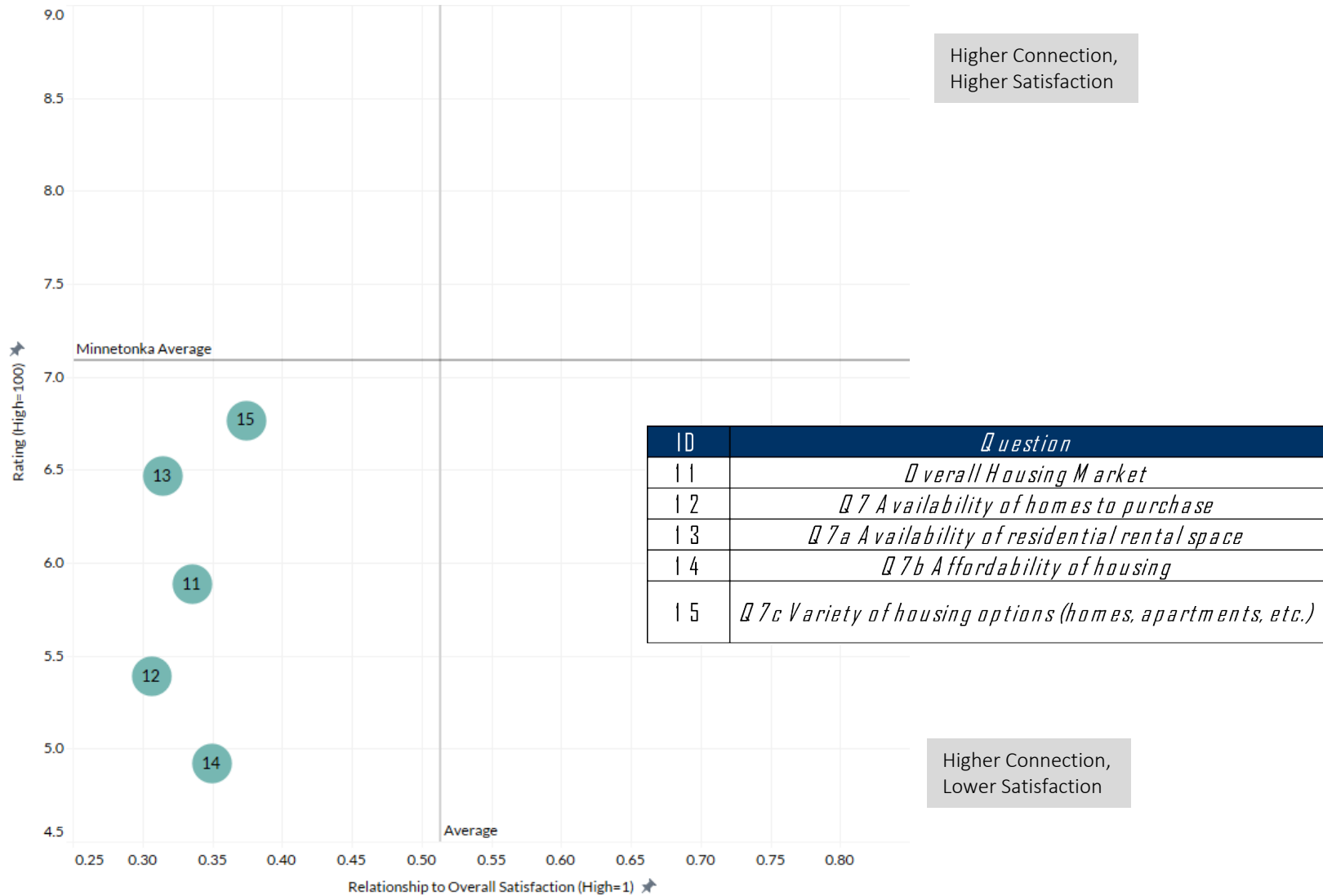


Drivers of Satisfaction and Behavior: Housing Market



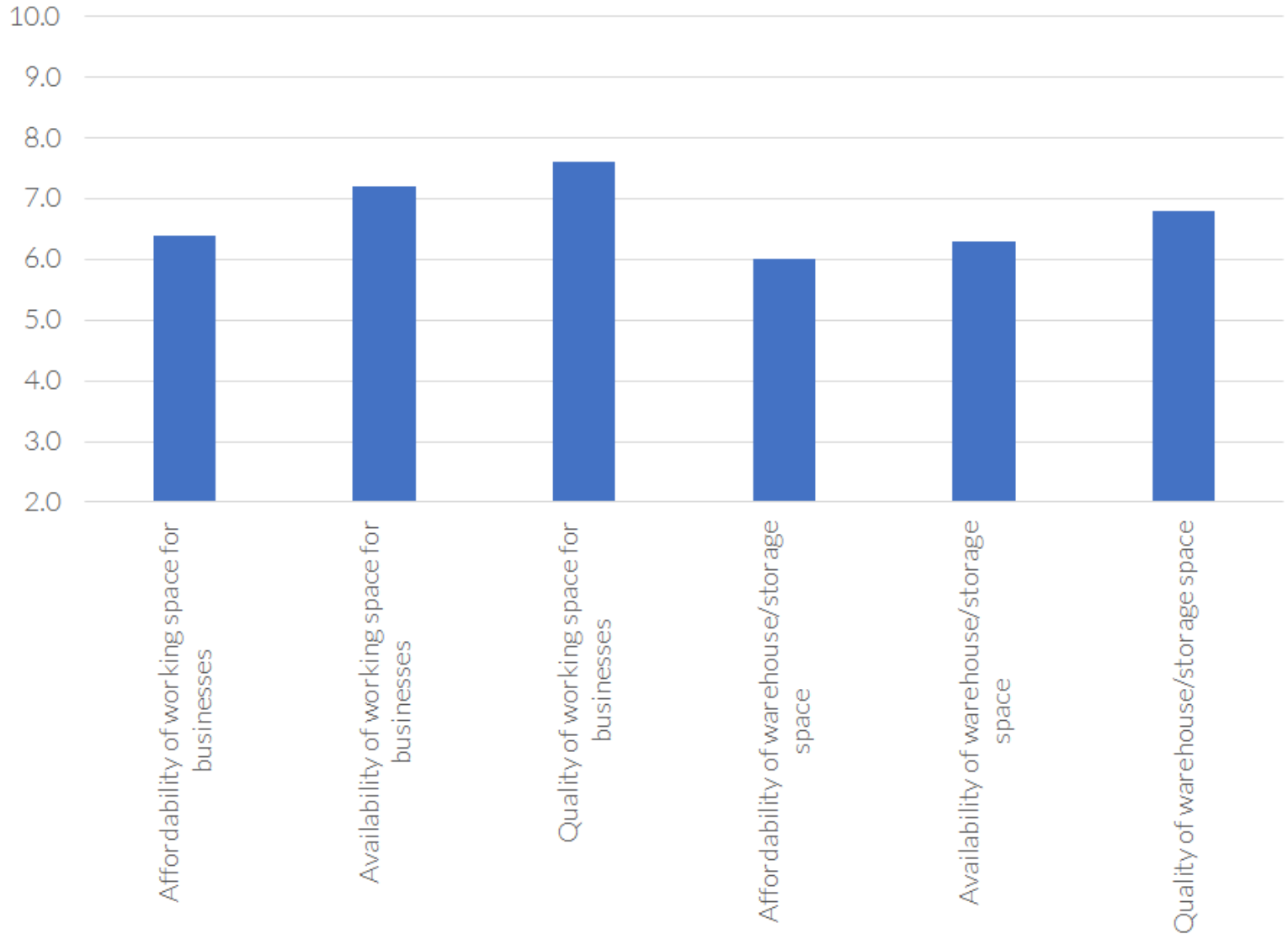


Drivers of Satisfaction and Behavior: Housing Market



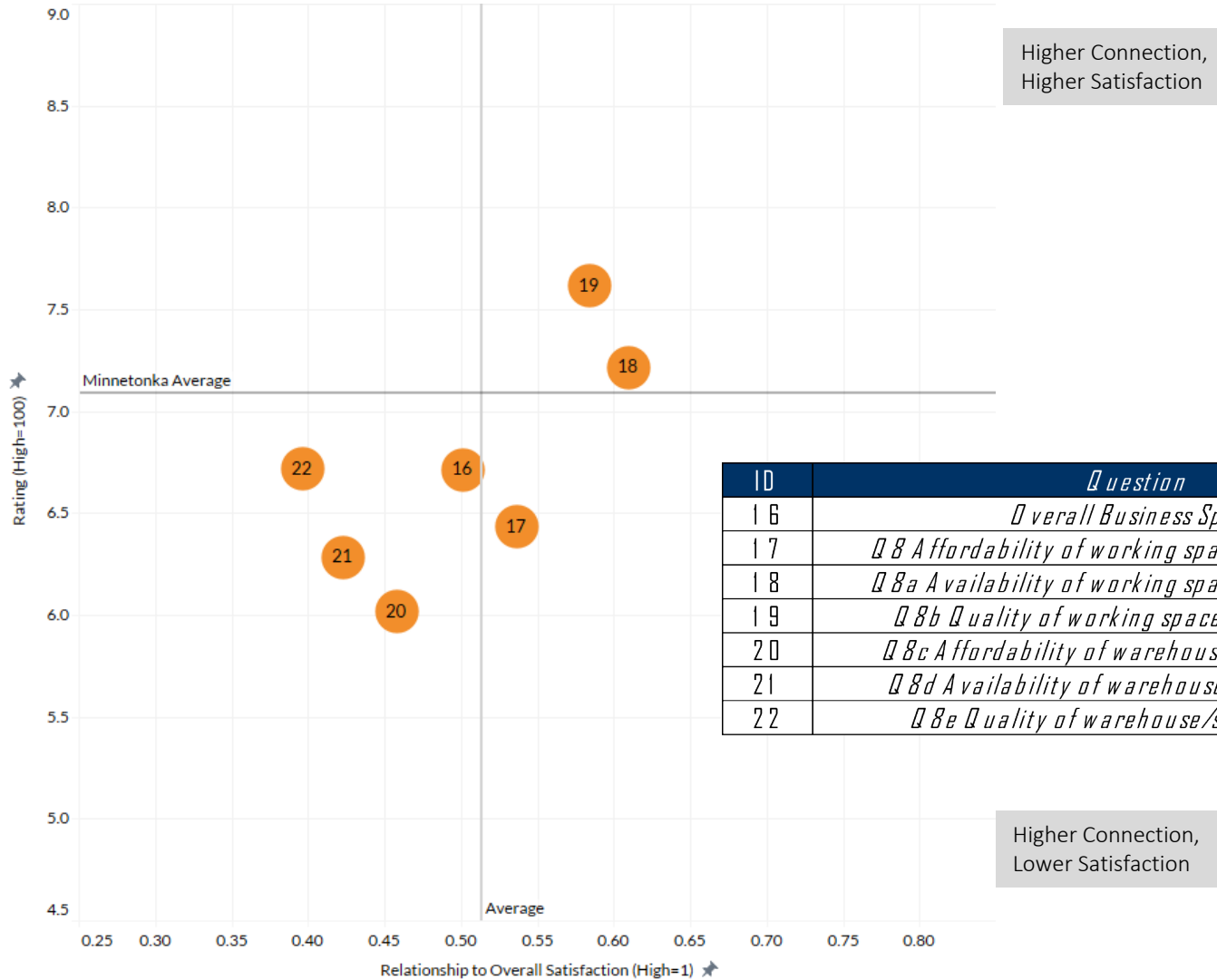


Drivers of Satisfaction and Behavior: Business Space



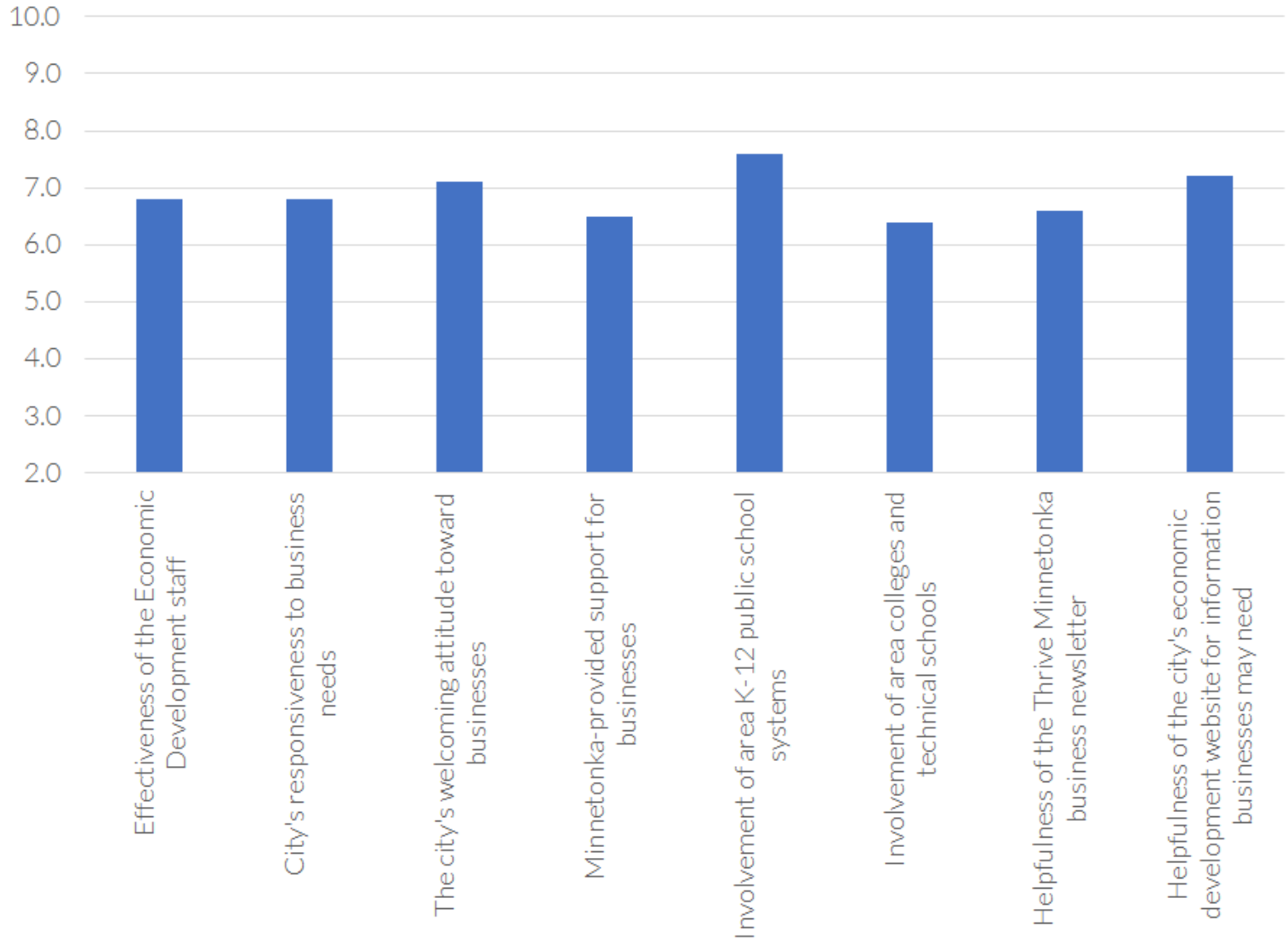


Drivers of Satisfaction and Behavior: Business Space



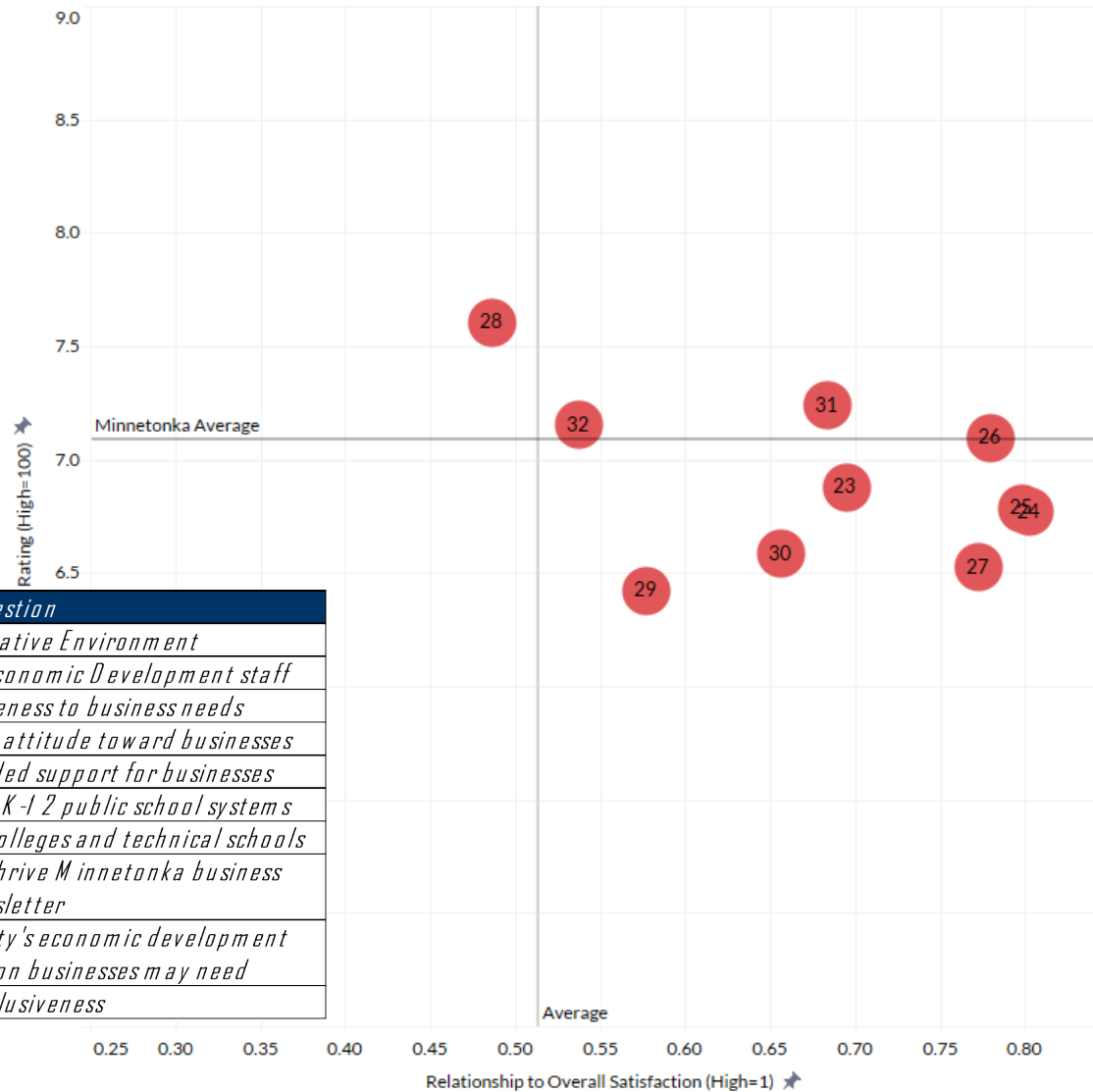


Drivers of Satisfaction and Behavior: Collaborative Environment





Drivers of Satisfaction and Behavior: Collaborative Environment



Higher Connection,
Higher Satisfaction

Higher Connection,
Lower Satisfaction

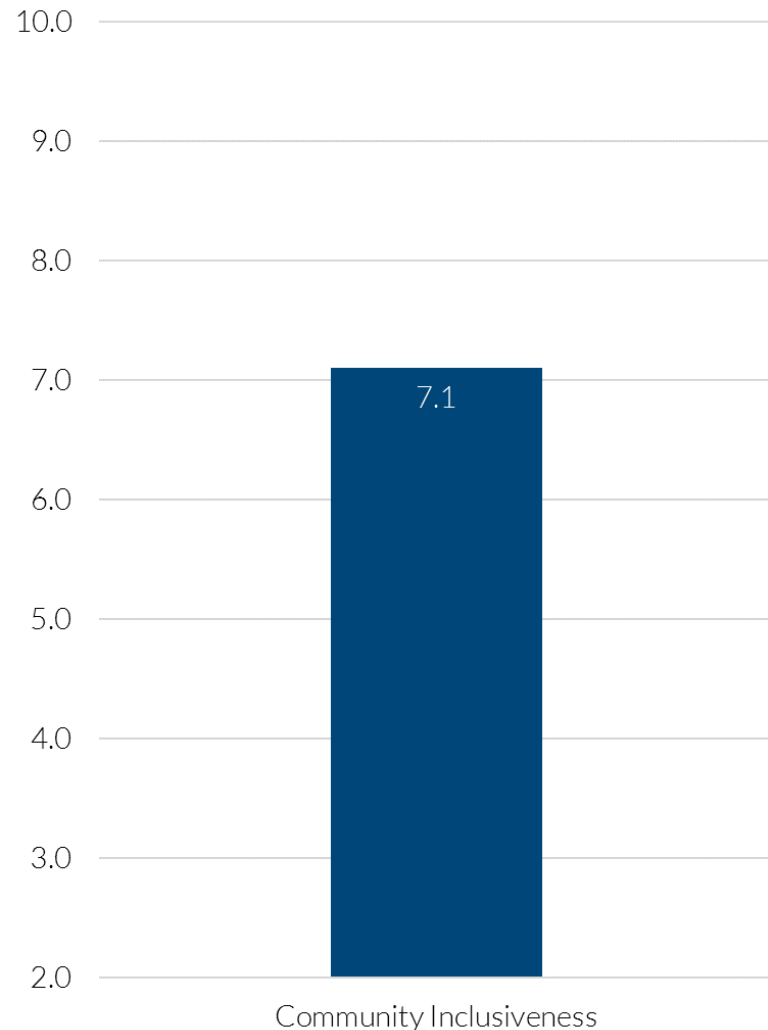
ID	Question
23	Overall Collaborative Environment
24	Q 9 Effectiveness of the Economic Development staff
25	Q 9a City's responsiveness to business needs
26	Q 9b The city's welcoming attitude toward businesses
27	Q 9c Minnetonka-provided support for businesses
28	Q 9d Involvement of area K-12 public school systems
29	Q 9e Involvement of area colleges and technical schools
30	Q 9f Helpfulness of the Thrive Minnetonka business newsletter
31	Q 9g Helpfulness of the city's economic development website for information businesses may need
32	Q 9 Inclusiveness



Strategic Profile Performance: Community Inclusiveness

In 2020, the Minnetonka City Council developed a new Strategic Profile to guide city work. How well is the city performing in this area?

Community Inclusiveness: Create a community that is engaged, tolerant and compassionate about everyone. Embrace and respect diversity, and create a community that uses different perspectives and experiences to build an inclusive and equitable city for all.

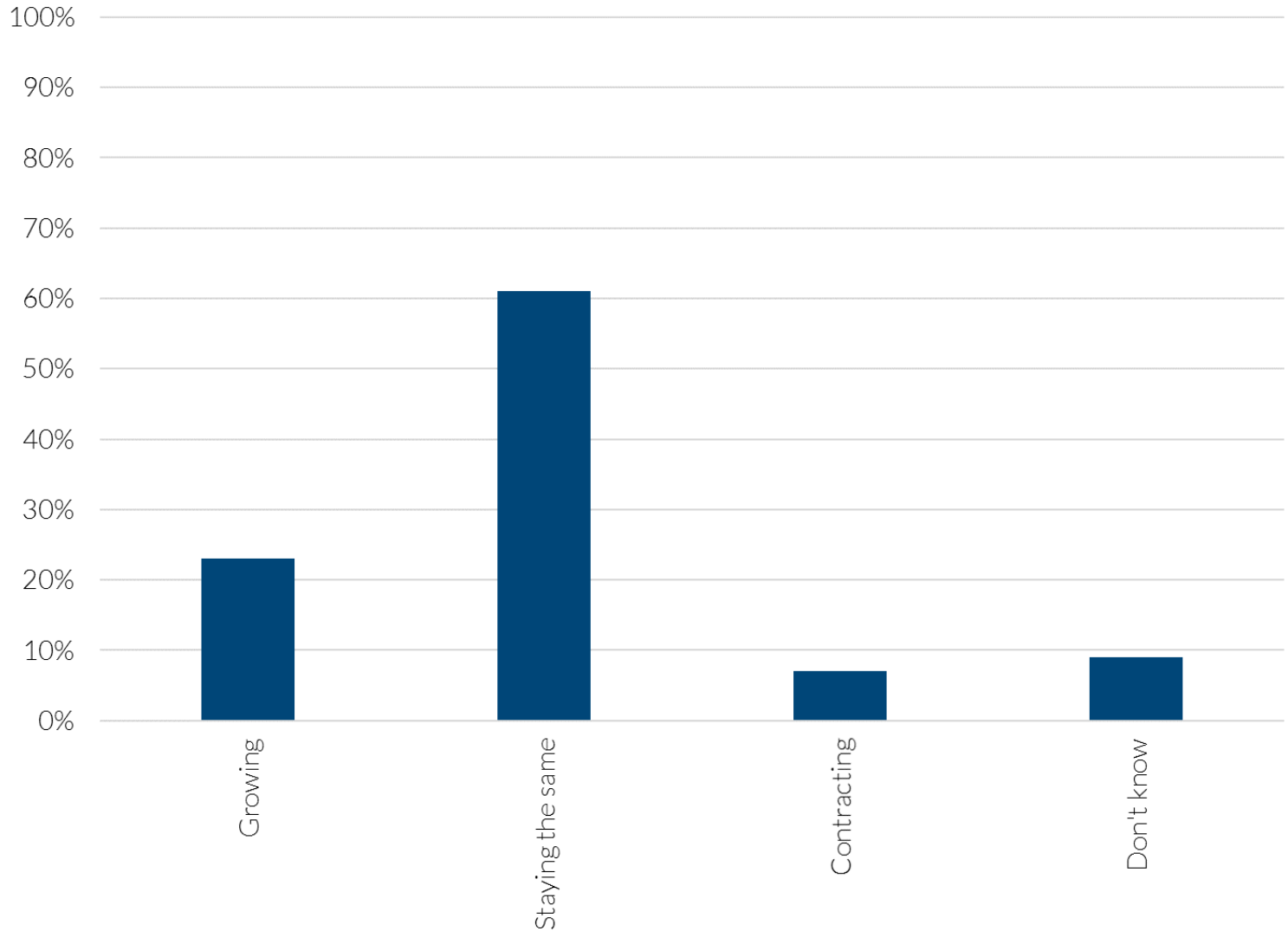


Planning



Planning:

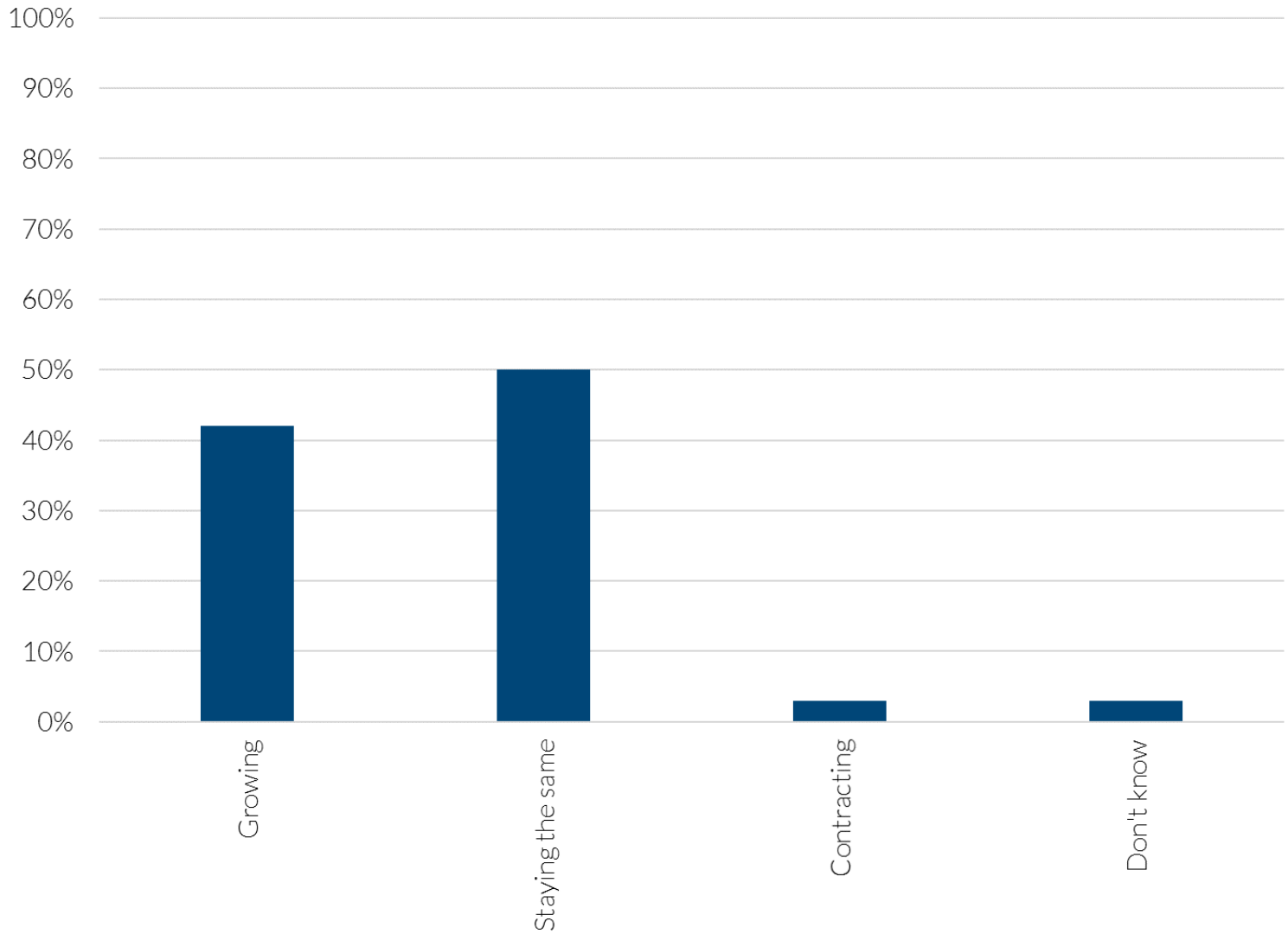
Space Needs in the Next Two Years





Planning:

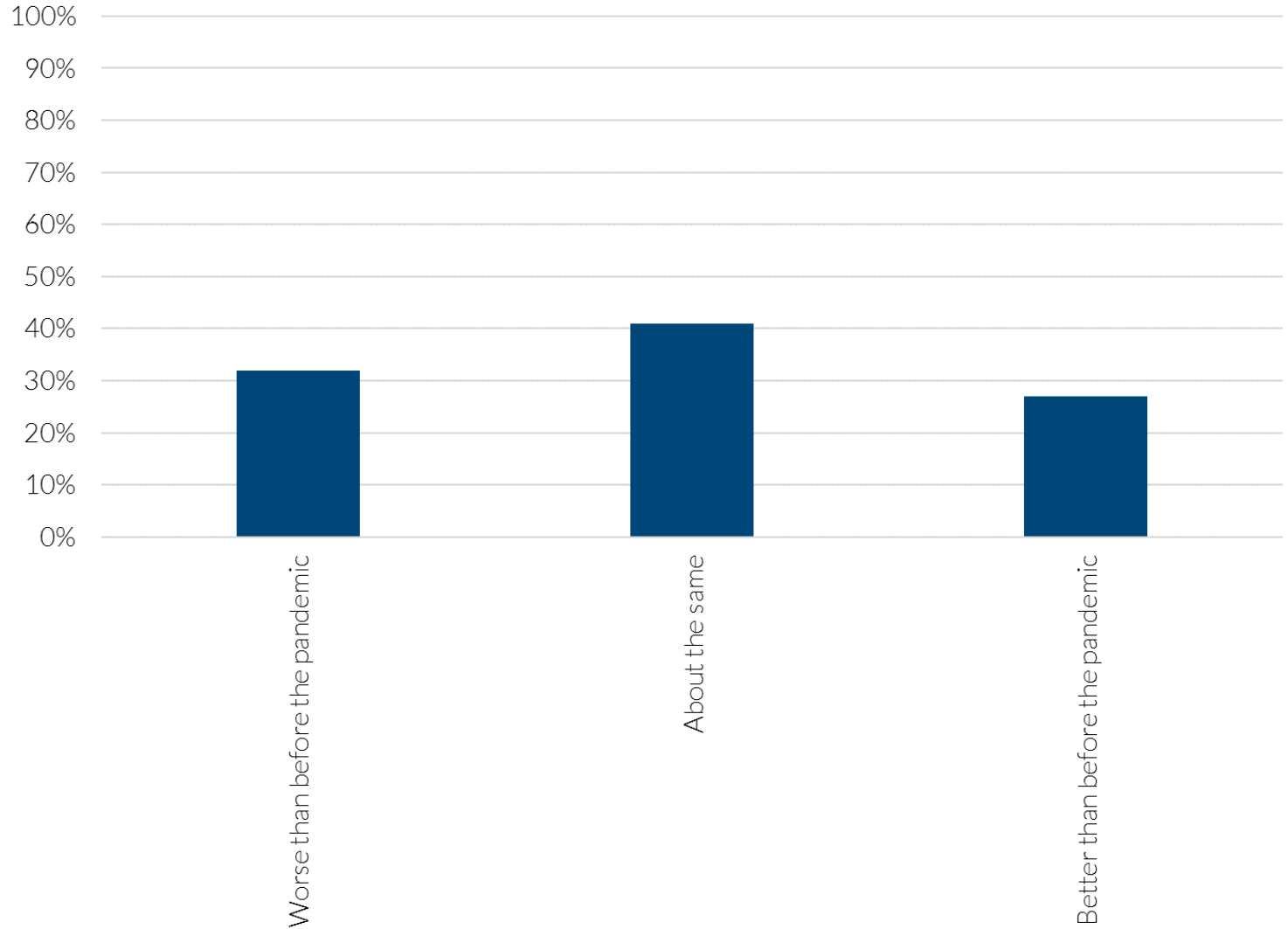
Employment Levels in the Next Two Years





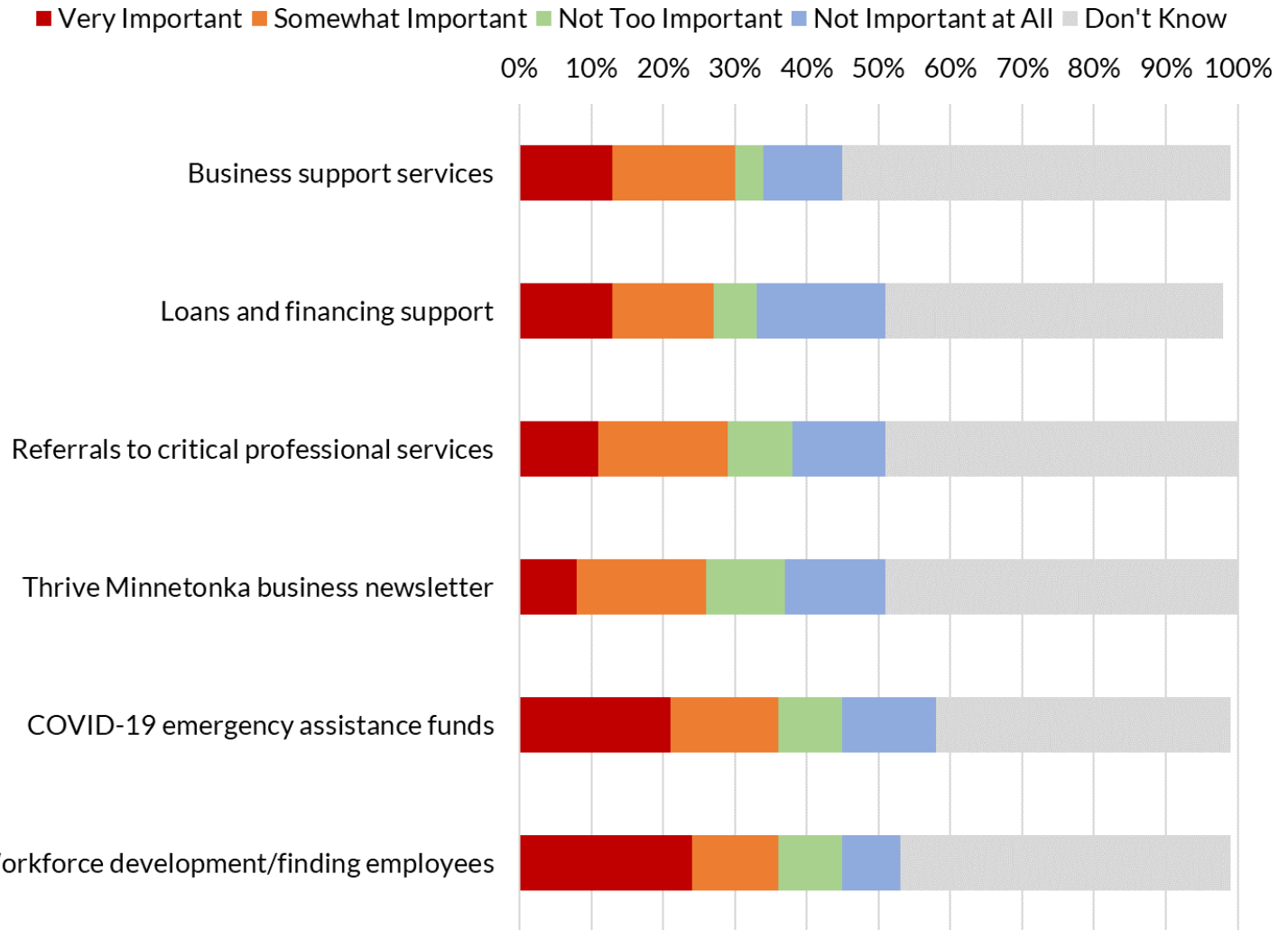
Planning:

Business Health Today vs. Before Pandemic





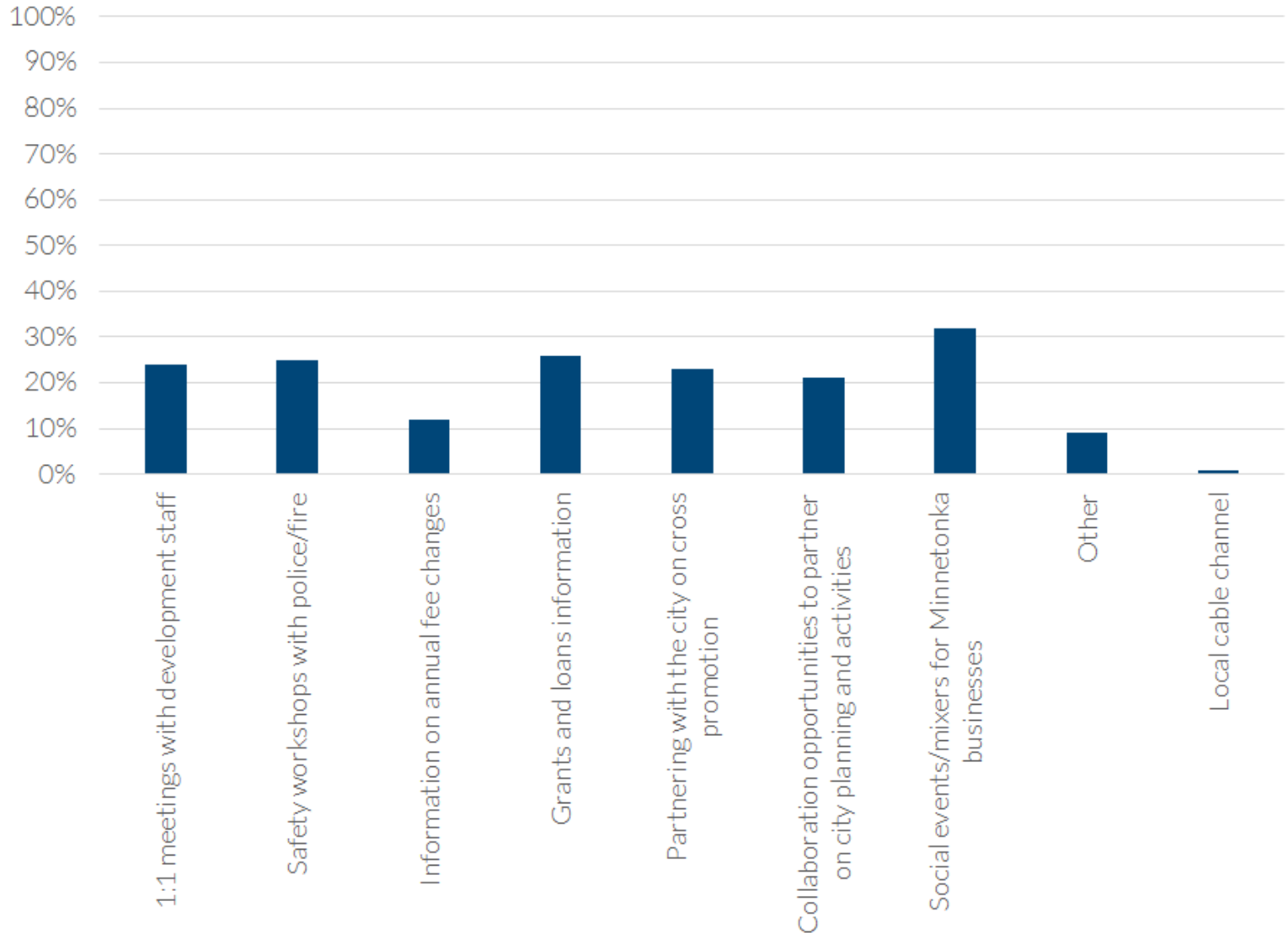
Importance of Current Services and Programs





Planning:

Most Valuable Potential Future Services

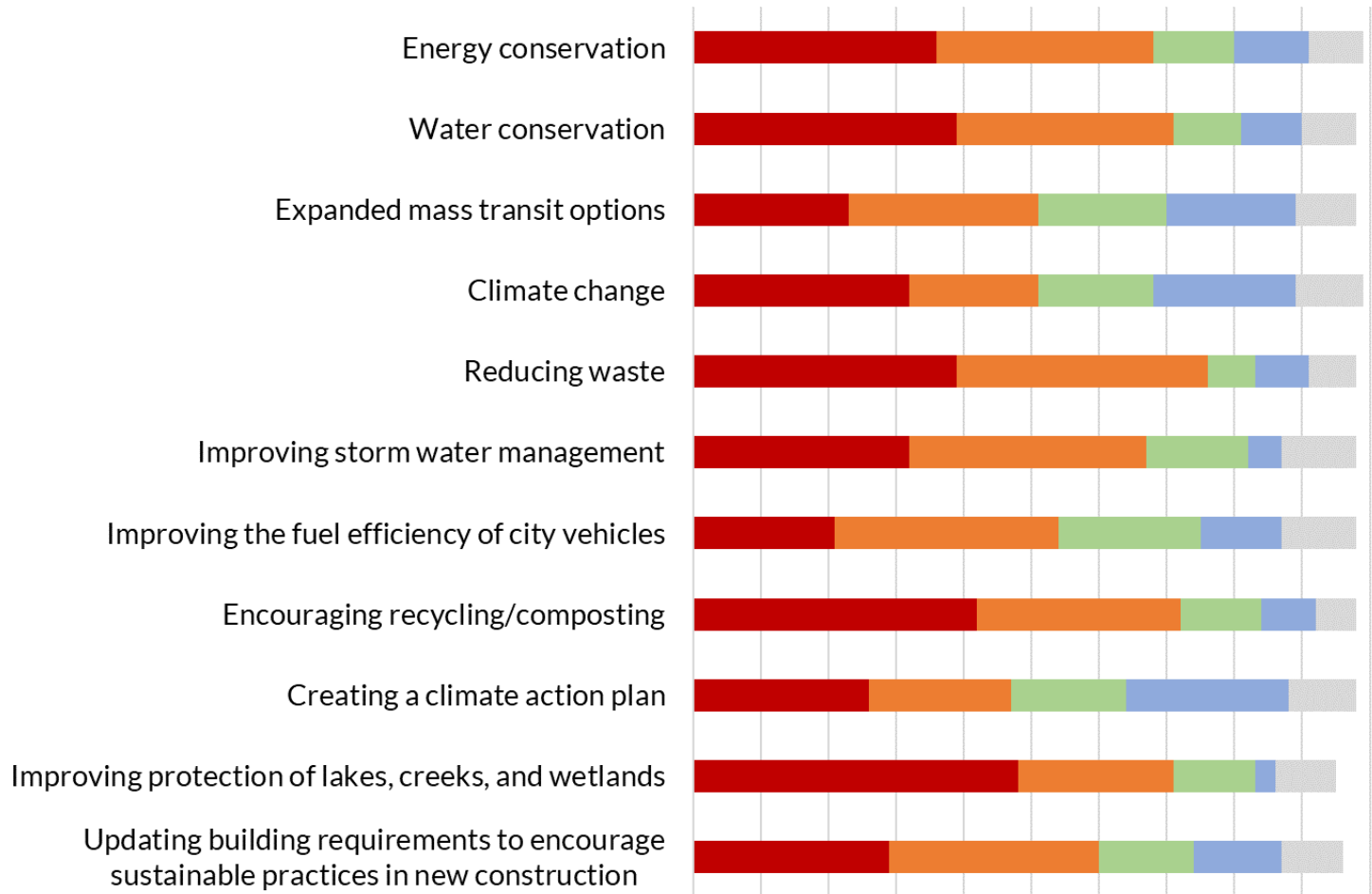




Planning:

Importance of Environment and Sustainability Issues

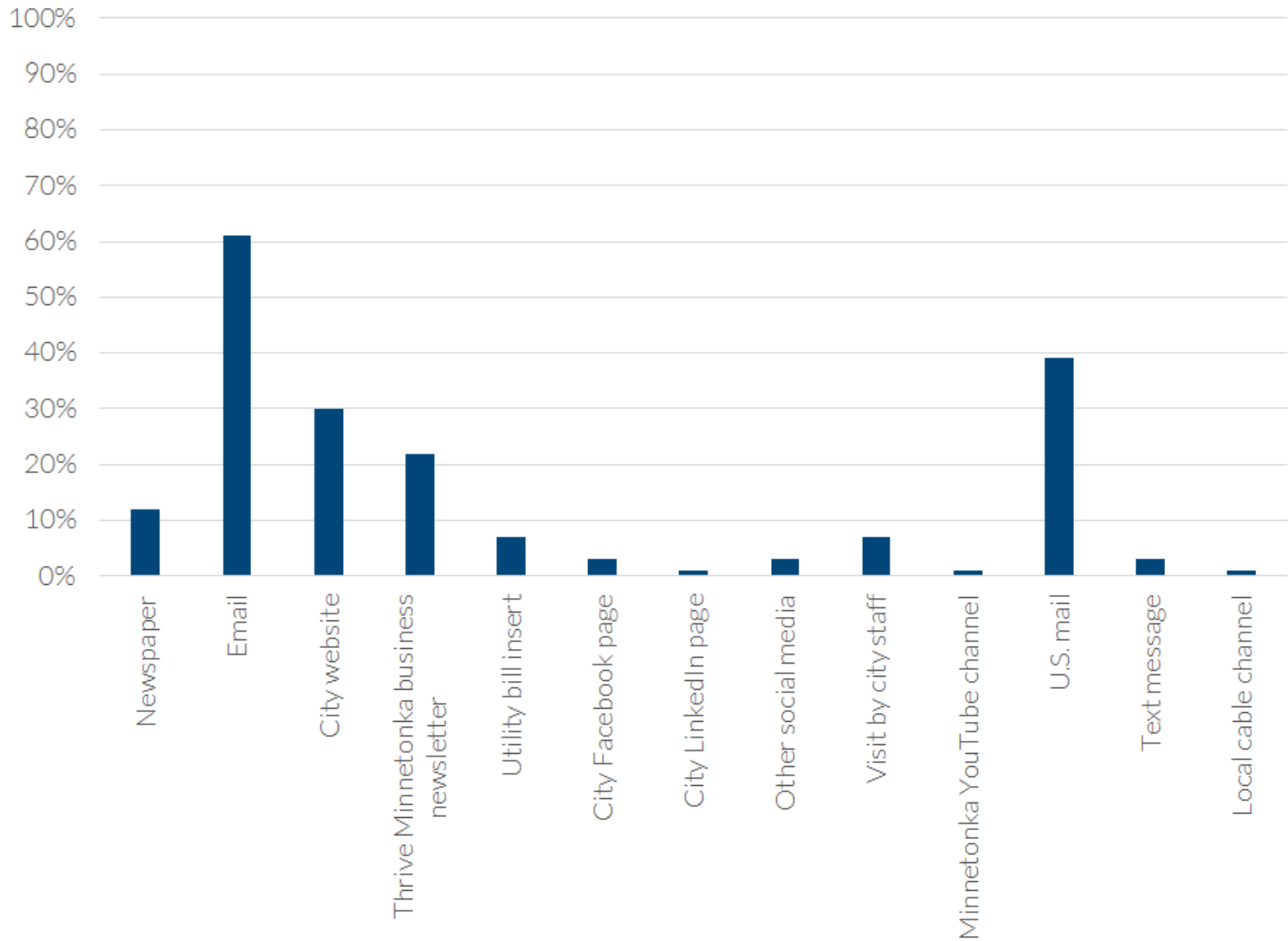
■ Very Important ■ Somewhat Important ■ Not Too Important ■ Not Important at All ■ Don't Know
0% 10% 20% 30% 40% 50% 60% 70% 80% 90% 100%



Communications



Communications with the City





Which associations do you belong to?

Themes from Comments:

1. Chamber of Commerce
2. Lions Club
3. Rotary
4. Minnesota Commercial Association of Realtors (MNCAR)



Implementing Results

Perception v Reality: Minimize Distortion or Fix Real Performance Issues

Perception gap:

Respondents rated based on an inaccurate idea or understanding. Address with communication strategy to change that perception.

Real performance issue:

Address with an improvement plan. When performance improves, it becomes a perception gap to address with a communication strategy.



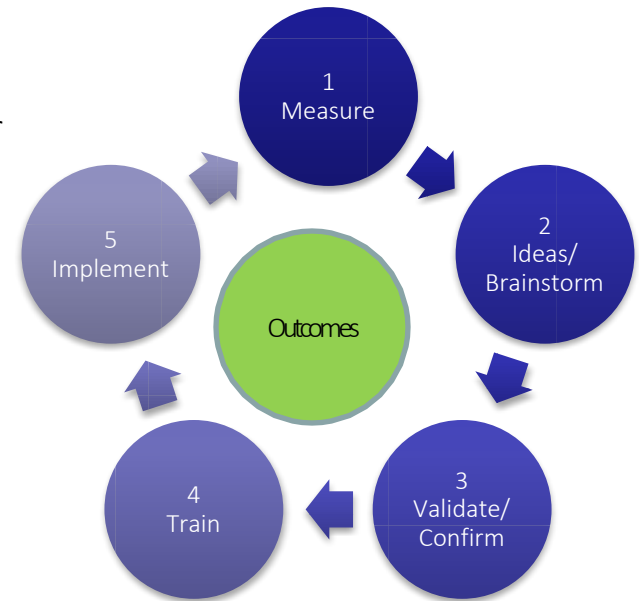


Strategy is About Action:

Improve Performance to Improve Outcomes

The diagram at the right provides a framework for following up on this survey

- The first step (measurement) is complete. This measurement helps prioritize resources and create a baseline against which progress can be measured.
- The second step is to use internal teams to further analyze the results and form ideas about why respondents answered as they did and potential actions in response.
- The third step is to validate ideas and potential actions through conversations with residents and line staff – do the ideas and actions make sense. Focus groups, short special-topic surveys and benchmarking are helpful.
- The fourth step is to provide staff with the skills and tools to effectively implement the actions.
- The fifth step is to execute the actions.
- The final step is to re-measure to ensure progress was made and track changes in resident needs.



Questions