

North Central Illinois Logistics Council
Meeting Minutes
November 19, 2009

The North Central Illinois Logistics Council members and guests were welcomed to the meeting at IVCC by Tim Robey.

MEMBERS PRESENT: Cathy Bartelt, Diana Buiting, Jim Conness, Christine Dahm, Tim Fonderoli, Pam Furlan, Jamie Gahm, Bruce Hartman, Tom Iossi, Cindy Kulas, Joel Lent, John Lewis, Kevin Lindeman, Boyd Palmer, Mike Reindl, Tim Robey, Jennifer Scheri, Dianna Schuler, Tom Spelich, OJ Stoutner, Justin Werling

Tim Robey then explained that they were going to break out into smaller groups to discuss the following questions and then come back together and compare the answers.

1. What is your current biggest challenge and what are you doing about it?

- Economy and maintaining their current level of service
- Competition with other trainers
- Individuals are better off on unemployment then taking a lower wage job
- Finding ways to maintain their current customers
- Holding out for higher wage
- Hold the line on cost
- Locate lack of business—trying to stay in business
- Discussion on trains VS trucks
- Macro economics
- Bank loans/monies available
- Monies available used to build revenue
- Maximize assets
 - Facility
 - People
- Cost savings VS services
 - Reduced service to customers
- Service oriented
 - Pay more for transportation

2. If you are hiring, have you had the type of experience and education needed for what you are looking for? Quality interviews?

- The quality is very high for candidates that the TDT Program is getting
 - Those candidates fear they will have to return to their old jobs when the economy improves
- We are moving to a new normal some of these opportunities may not come back
- Maintain current workforce
- Asking them to do more (multiple hats)
- Aging workforce—good sign but trying to train them on new skills may be harder
- Have a job going to stay there whether they like the job or not
- Use of Government agencies to weed through vast amounts of applications
- Hesitant to hire “over” qualified
- Afraid of losing them when economy rebounds
- More skills

3. Has your role changed in these economic conditions and do you have any ideas for people on how to handle the changes? For example, are you doing anything special to build sales?

- Staff fill multiple roles
- Retrain to fill spots
- People are underemployed
- There is no incentive to get off of unemployment
- Taking proactive approach tapping into local resources:
 - BEST
 - DWC
 - Logistics council

- Chambers
 - NCI works
 - IVCC
 - Green services—changing from one base to another
 - How can we cut costs
 - Using e-mail more than snail mail
 - Cost Shifting
 - Customers shift to someone else
 - Competitor comparison
 - Lower rates to keep cost down
 - What is the minimum we need to ship out the product?
 - Using multiple skill sets
 - Revise skill sets—volunteerism/education
 - Branching out and doing different aspects
 - Same job skills different tasks
 - One stop shop
- 4. Do you feel your business picking up, declining, or neutral? Anything you want to share?**
- Depends on what industry you are in:
 - Staffing industries are picking up
 - Trades are low
 - Using non monetary incentives to retain their business
 - Last 3 months some increase
 - Slow down over winter months and first of the year
 - Holding pattern till the first of the year to see if stimulus money will be released
 - Need to gage their business growth looking through their eyes
 - Shift in powerbase
 - Moving from industrial nation to informational age
 - Neutral slight decline towards holidays
 - Slow incline feels sales will continue
- 5. Are you having any issues retaining employees? What are you doing to keep them?**
- Depends on industry
 - Limited bonuses
 - Asking more from employees (multiple hats)
 - Not a lot of movement
 - No issues because of economy
 - Older employees are more reliable but have physical restraints
 - Lower wage focus on hiring younger people
- 6. What are the best things about your business that you would like to retain?**
- Staying in business
 - Workforce
 - Maintain customer base
 - Customers are leaving the country
 - Hard to pick up new customers
 - Trends—shift in logistics
 - Customers are looking for the best deals
 - Still in business
 - Family atmosphere
- 7. What is the worst thing about your business that you would like to see changed?**
- Give us a stimulus package
 - Work ethic/accountability
 - Under cutting customer
 - Employee moral
 - Companies using economy to “take away” benefits
 - Would like to change the employees perception of work

Everyone enjoyed being to exchange ideas in the small group settings.

Warehousing & Distribution Certificate Program Update

Elaine Novak, Dean of Career & Technical Programs at IVCC, was not present to give an update on the current enrollment numbers.

Pilot Program Update

The pilot program at Ottawa is on hold right now as they look for a business partner. They have some funding but it will only cover half the cost. If you have any suggestions let someone know.

Open Discussion

- Are looking to expand the steering committee and would like to add two more people to the committee. If you know of anyone or if you are interested please let Ray Gatza, Kevin Lineman, or Boyd Palmer know.
- An Evaluation Sheet was distributed. Everyone was encouraged to complete the evaluation and also provide suggestions for future speakers and topics of interest on the form.
- January meeting: Abhijeet Bhattacharya, from IVCC will present on his Economic forecast for 2010.
- Remember January and February meetings will be held in the new Truck Driver Training building (building H).
- The meeting was adjourned at 9:30 a.m.

1) What is your current biggest challenge and what are you doing about it?

Doing **Macro Economies effect**
Doing **Bank Loans / monies available**
Doing **Monies available to build revenue.**
Maximize assets

Biggest Challenges

- **Hold line on costs**
 - **Lack of business**
 - **Qualifiable business**
(Some movement)
-bids are out
(Discussion on train vs. truck) movement)
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- **Economy & maint. Level of service**
 - **Comp. Of other training, facilities & business**
 - **Adapting to current conditions & customer need**
 - **Mind set – financial better off on UI than working at lower wage.**
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- **Cost Savings vs. Service**
Reduced service to customers
 - **Service Oriented**
Pay more for transportation costs
 - **Economy**
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2) If you are hiring, have you had the type of experience and education needed for what you are looking for? Quality interviews?

Array of experience / Broader than previous years

Quality interviews:

- **Use of government agencies to weed through vast amounts of apps.**
 - **Companies hesitate to hire over qualified, afraid of losing once economy rebounds**
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Hiring

- **Not happening**
 - **Maintaining current workforce**
Issue may be the aging of workforce
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- **Experience & Interviews**
 - **TD quality is high – new grads. – Fear they will return to previous careers when economy improves – The “New Normal”**
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No

3) Has your role changed in these economic conditions and do you have any ideas for people on how to handle the changes? For example, are you doing anything special to build sales?

- **Multiple skill sets / use them – be able to weight pos/net of present /prospective positions**
 - **Revise skill sets – education / volunteerism**
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Econ. Conditions

- **Green services**
 - **Cut costs – cost cutting initiatives**
 - **Cost Shifting**
 - **Competitor comparisons**
 - **Lower rates to keep cash flow**
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Role Changed – Innovative Ideas

- **Staff fill multi roles**
- **Training and retraining To fill those roles**
- **Filling lower skill level positions in order to be employed – may have College Ed. In min. wage position.**

Pro Active Approach – Tap. Local resources: NCILC, Chambers, IVCC, BEST, NCIWorks, DWC

- **Branching out & doing different aspects of transportation business**
 - **For employees ... same job skills – different tasks**
 - **To generate sales offering some different products – 1-Stop Shop**
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4) Do you feel your business picking up, declining, or neutral? Anything you want to share?



- **Picking up in the last 3 months**
 - **End of year now for 1st of next**
 - **Own gage to monitor**
 - **May decline over winter**
 - **Spring should be up**
 - **Shift in power base**
 - *** Few spikes but no long term trend**
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Business Level

- **Maint. @ current**
 - **Staffing through agencies as needed**
 - **Trades low-expect Summer pick-up**
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- **Neutral; but slight decline towards holidays (Goods ordered / shipped in Oct.)**
 - **Incline – picked up last few months. Feels sales will continue to move up.**
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5) Are you having any issues retaining employees? What are you doing to keep them?

- Asking more now under market and not able to give as much
 - Not whole lot of movement
No where to go
(Training Assistance – future topic!)
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- No issues in retaining employees
 - Older employees more reliable; but have physical restraints.
 - Company pays lower wage \$10/hr. Focuses on hiring young people who really can do/need job. Not a lot of skills needed basic reading & math
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6) What are the best things about your business that you would like to retain?

- Retaining under in Business
- Maintain customer base
- Customers leaving the country
- Hard to pick up new- esp. now

TRENDS

- Shift in where products made – changes logistics
 - * Trend – Customer base is shifting
 - Customers looking for best deals
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Employee Retention

- Depends on Industry
- Non-Monetary Incentives
- Some limited bonuses – Incentive Based

Best to Retain

- Staying in Business
 - Workforce
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- Best thing – Still in Business
 - Family atmosphere (hard when money is tight)
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7) What is the worst thing about your business that you would like to see changed?

Changing the “worst”

- Under cutting of competitors / competition
 - “Give us a stimulus package”
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a.) Worst Thing

- Work ethic; accountability
- Employee Morale
- Companies are using the economy as an excuse to “take-away” benefits

b.) Change

- Employee perception of work
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IDEAS FOR MEETINGS:

- **Location OK – go to a business once or twice a year**
- **Concentrate on business side vs. employment side**
- **Recruit more larger logistics companies**