

2ND QUARTER 2017

PROSPERITY PULSE SUMMARY REPORT



INSIGHT FROM OHIO BUSINESS LEADERS



OHIO CHAMBER *of* COMMERCE
**RESEARCH
FOUNDATION**

EXECUTIVE

SUMMARY

Thank you for participating in our survey. The Ohio Chamber Research Foundation is committed to the business community of Ohio and to the future generations who will be leading our companies.

Without knowledge, we tend to make decisions based upon our feelings. This works when it comes to selecting a new outfit or choosing a dinner option. However, when our elected officials are crafting, refining and introducing legislation and regulations - we need them to be armed with solid data that comes directly from the source.

The Prosperity Pulse survey, report and findings are a tool used to inform Ohio's policy makers on the health of Ohio's economy from the perspective of our business leaders.

The good news for the 2nd Quarter; our economic pulse is steady and moving in the right direction. Last quarter, our pulse showed a 5.0 reading. This quarter, a 5.1, not a significant uptick. However, Ohio businesses are prepared for growth, but cautiously waiting. Anticipation that change in government policies and regulations will occur is optimistic.

Again, thank you for participating, your insight is invaluable.

Sincerely,

Katie M. Kogelman
Executive Director



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WE DELIVER RESEARCH

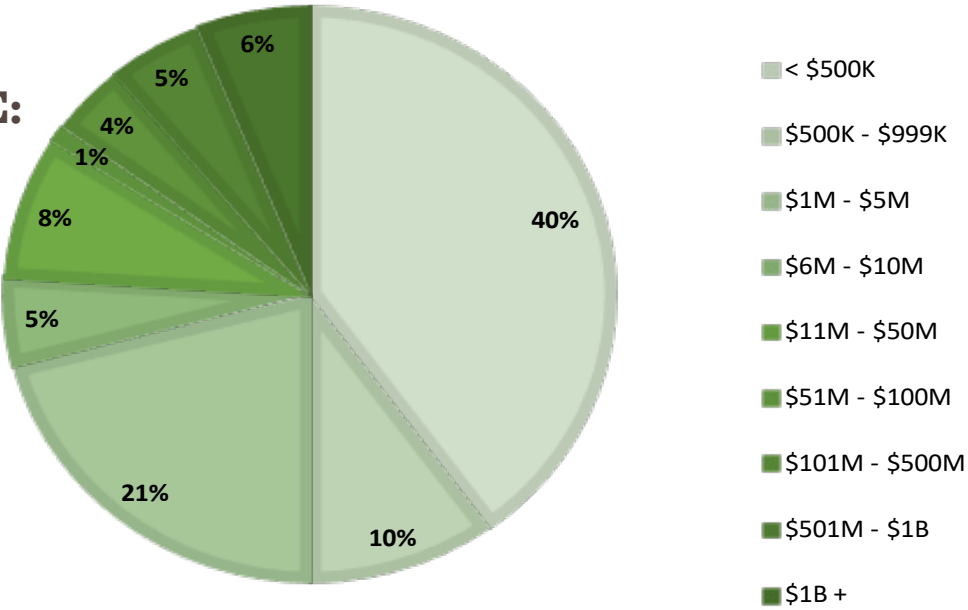
THE MISSION OF THE OHIO CHAMBER OF COMMERCE RESEARCH FOUNDATION IS TO PROVIDE NON-PARTISAN, EDUCATIONAL RESOURCES ON PUBLIC POLICY ISSUES THAT IMPACT OHIO'S ECONOMY, JOB CREATION AND LONG-TERM COMPETITIVENESS.

TO DELIVER RESEARCH THAT WILL DRIVE AND PROMOTE THE ECONOMIC WELL-BEING OF OHIO.

The Ohio Chamber Research Foundation partnered with Clout Research. The firm led by Fritz Wenzel conducted the survey of business leaders across the state of Ohio to determine the economic pulse of their companies and the Ohio economy as a whole. Along with Ohio Chamber Research Foundation staff, Clout assisted in the question creation, beta testing and analysis. We surveyed 404 business leaders via an online survey tool, social media outlets and by telephone. The survey carries a confidence interval of 95% and a margin of error of +/-4.85 percentage points. Full survey results, questions and cross tabs can be downloaded at www.ohiochamberfoundation.com/projects/

SURVEY DEMOGRAPHICS:

**BY COMPANY
GROSS REVENUE:**



By Number of Employees:

1 - 99 employees 83%

100 - 400 employees 11%

401 to 1000 employees 3%

1001 - 5000 employees 1%

5001 + employees 2%

www.ohiochamberfoundation.com/projects/

By Title:

Owner 28%

CEO 22%

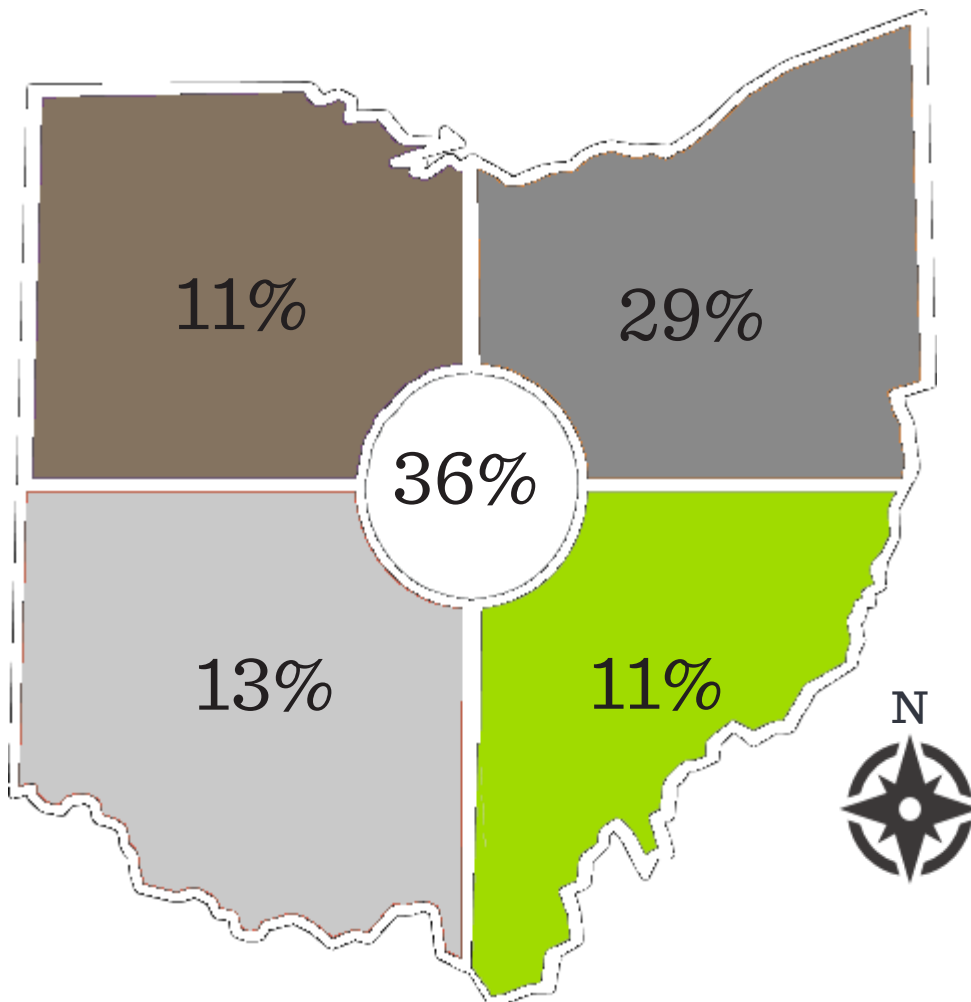
President 20%

CFO 3%

COO 3%

Other 24%

Total Responses: 404



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PROSPERITY PULSE

BASED ON A 10 POINT SCALE

1

WEAK
ECONOMY

5

STEADY
ECONOMY

10

ROBUST
ECONOMY

PROFITS

WORKFORCE

CAPITAL
INVESTMENTS

EXPENSES

QUARTER 1, 2017
STATEWIDE PULSE

5.0

QUARTER 2, 2017
STATEWIDE PULSE

5.1

QUARTER 3, 2017
PROJECTED
STATEWIDE PULSE

5.4

THE PROSPERITY PULSE IS AN INDEX MEASUREMENT OF THE ECONOMIC HEALTH OF OHIO COMPANIES ACCORDING TO THEIR LEADERS. THE INDEX TAKES INTO ACCOUNT PROFITS, WORKFORCE, CAPITAL INVESTMENTS AND EXPENSES.

STATE-WIDE PROSPERITY PULSE

PAST - PRESENT- FUTURE

PROJECTED QUARTER 2

PROFITS	5.6
WORKFORCE	5.4
CAPITAL INVESTMENTS	5.2
BUSINESS EXPENSES	4.2

ACTUAL QUARTER 2

PROFITS	5.5
WORKFORCE	5.1
CAPITAL INVESTMENTS	5.2
BUSINESS EXPENSES	4.5

PROJECTED QUARTER 3

PROFITS	5.8
WORKFORCE	5.2
CAPITAL INVESTMENTS	5.1
BUSINESS EXPENSES	4.4

KEY FINDINGS

OVERALL, THE OPINION ABOUT THE ECONOMIC CLIMATE HAS BEEN CONSISTENTLY STEADY. OUR DATA DEMONSTRATES THAT PATIENCE AMONG BUSINESS LEADERS IS STRONG.

THE SURVEY BIAS APPEARS TO BE POSITIVE, AS LEADERS ANTICIPATE A NET BENEFICIAL EFFECT ON OHIO IF THE FEDERAL GOVERNMENT BEGINS TO PRODUCE RESULTS.

THE PROSPERITY PULSE SLIGHTLY MOVED FROM 5.0 TO 5.1 .
BY LOOKING AT PROJECTED NUMBERS AND ACTUAL NUMBERS, WE CAN SEE THAT BUSINESS LEADERS WERE ABLE TO MAKE ADJUSTMENTS IN THEIR EXPENSES. BY CONTROLLING EMPLOYMENT COSTS, THEY ENSURED PROFITS OUTPACED EXPENSES.



74%

OF OHIO BUSINESS LEADERS ARE
OPTIMISTIC
ABOUT THE FUTURE ECONOMIC HEALTH
OF THEIR COMPANY

TOP ISSUES OF CONCERN BY INDUSTRY

(NAICS 2 DIGIT SECTOR CODES)

93 % OF **FINANCE/INSURANCE** COMPANIES ARE **VERY CONCERNED**
ABOUT **FEDERAL RULES & REGULATIONS**.

THE **CONSTRUCTION** SECTOR IS LEAST CONCERNED WITH THE **ECONOMIC**
UNCERTAINTY THAN ANY OTHER SECTOR.

IN FACT **MORE THAN 60%** OF THOSE IN THE CONSTRUCTION SECTOR
ARE WORRYING VERY LITTLE ABOUT THE ECONOMY.

65% OF THOSE IN **MANUFACTURING** ARE VERY CONCERNED
WITH THE FUTURE OF THEIR **WORKFORCE**.

Top concerns by Ohio Regions:

**Northeast
Ohio**

**1. State &
Local Taxes**

2. Healthcare

**3. Federal &
State Regulations**

**Northwest
Ohio**

**1. State &
Local Taxes**

**2. Political
Environment**

3. Federal Regulations

**Central
Ohio**

**1. Economic
Uncertainty**

**2. State &
Local Taxes**

3. Healthcare

**Southeast
Ohio**

**1. Political
Environment**

**2. State
Regulations**

3. Data Security

**Southwest
Ohio**

**1. State &
Local Taxes**

2. Workforce

**3. Political
Environment**

WE ASKED BUSINESS LEADERS TO LIST SPECIFIC BARRIERS THEY FACE WHEN ATTRACTING/HIRING EMPLOYEES. THIS IS HOW THEY RESPONDED:



Top 5 Business Sectors worried about the future of their Workforce:

1. Finance/Insurance
2. Manufacturing
3. Transportation/Warehouse
4. Construction
5. Healthcare/Social Services

In your words...

we asked, you responded:

"Drug &
Alcohol
Abuse"

"I am hesitant to hire someone
who has been out of work for a long period."

"We start at a decent rate, but
welfare programs
are a serious competitor
to getting people"

"Willingness
to begin at an
entry level position."

"Ability to pay
competitive
wages. Ability to
provide
benefits."

"Cannot find people
who want to
work... Attendance
is terrible."

"...just hiring local people with skills -
reading, writing, and presentation."

DELIVERING RESEARCH
THAT WILL DRIVE AND
PROMOTE THE ECONOMIC
WELL-BEING OF OHIO.



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