



PROSPERITY
PULSE

INSIGHT FROM OHIO BUSINESS LEADERS



**Research
Foundation**

Thank you for participating in the Ohio Chamber Research Foundation's 1st Quarter 2019 *Prosperity Pulse* survey. The quarterly survey is an invaluable opportunity to hear directly from business leaders across the state regarding not only the current conditions of Ohio's economy, but expectations for the future, and would not be possible without your participation.

This quarter saw the *Prosperity Pulse* index rebound significantly, rising from its previous level of 103.5 in the fourth quarter to 121.8. Posting its second-highest score, the results track with comparable national results. When compared to our previous results, a rebounding stock market and positive economic growth in 1Q contributed to feelings of a strong turnaround, which were displayed clearly in our survey. Four of the metrics used to calculate the index saw positive developments over the prior quarter, while over 90% of respondents still indicated plans to add jobs in 2Q.

As has been the case for several quarters, the cost of healthcare, the impact of taxes, and the cost of employee benefits remain among the top concerns of business leaders in Ohio. As you will see, in addition to comparing some metrics to the previous quarter, we have also begun comparing them to *Prosperity Pulse* results from the same quarter in prior years. Using the data we have aggregated over two full years, we will be on the lookout for seasonal or industry-specific trends that emerge over the course of the year.

Please enjoy the highlights of the latest *Prosperity Pulse*, and again, thank you for sharing your insights!

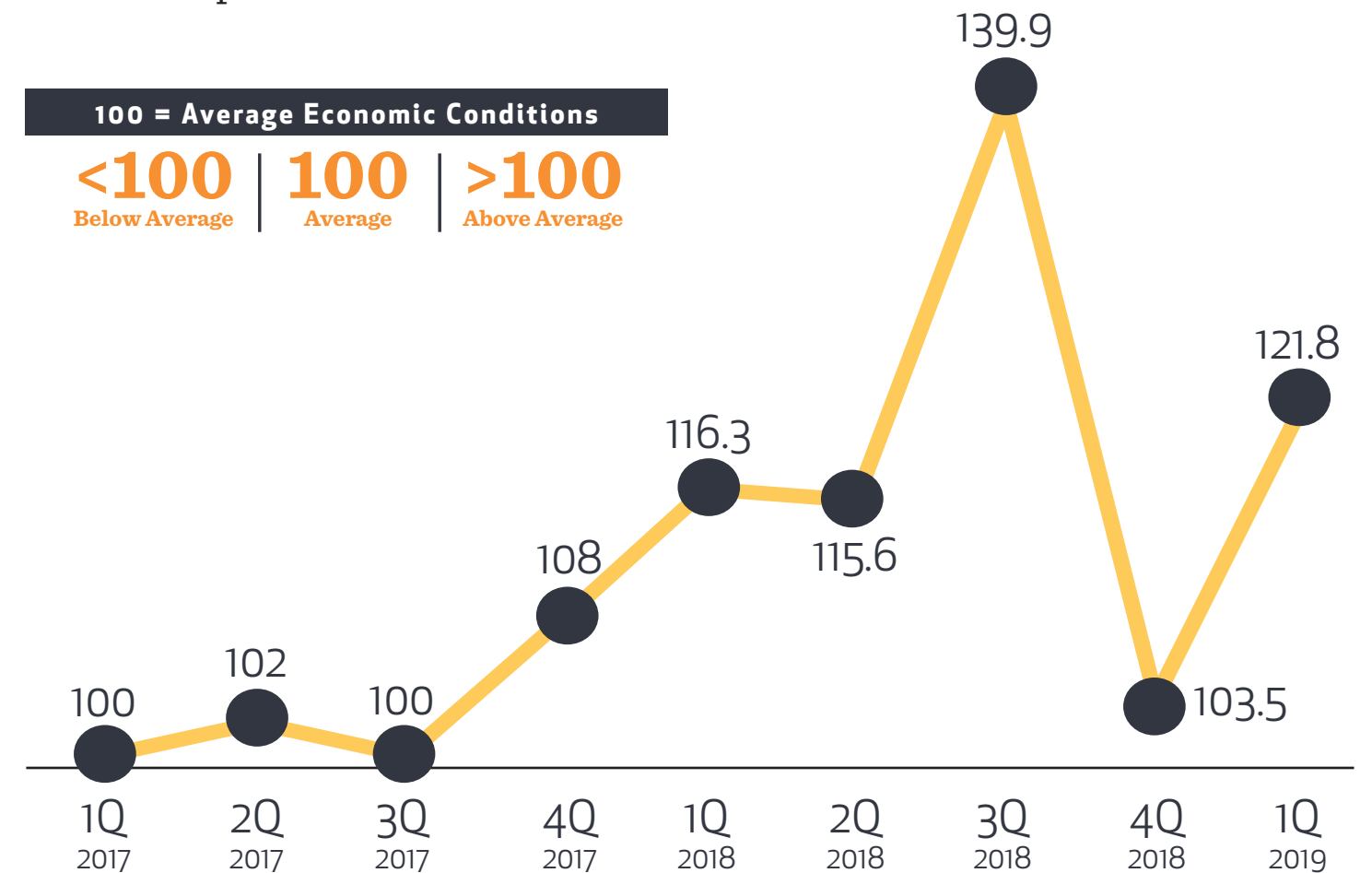
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ABOUT THE OHIO CHAMBER OF COMMERCE RESEARCH FOUNDATION

The Ohio Chamber of Commerce Research Foundation, Inc. is a 501(c)(3) nonprofit organization whose mission is to provide non-partisan, educational resources on public policy issues that may impact Ohio's economy, job creation, and long-term competitiveness.

THE PROSPERITY PULSE INDEX

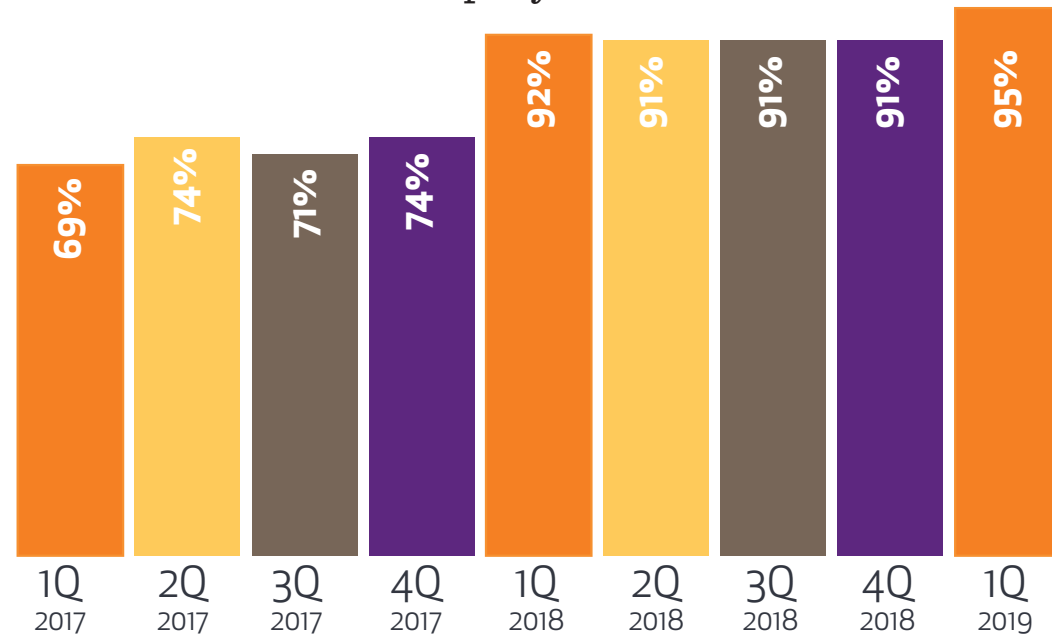
The *Prosperity Pulse* is an index measurement of the economic health of Ohio companies, taking into consideration the future outlook of five key indicators: profits, employment levels, unfilled openings, capital expenditures, and overall economic optimism.



Prosperity Pulse Components	1Q Positive	Change from 4Q	Change from 1Q 2018
Anticipated Profits	40%	+15 ↑	+/-0 <->
Plans to Add Jobs	92%	-8 ↓	+17 ↑
Unfilled Jobs	18%	+7 ↑	-11 ↓
Planned Capital Expenditures	19%	+4 ↑	-18 ↓
Overall Economic Outlook	42%	+2 ↑	-2 ↓

OPTIMISM

Percentage of business leaders that are OPTIMISTIC about the future economic health of their company:



ECONOMIC CLIMATE

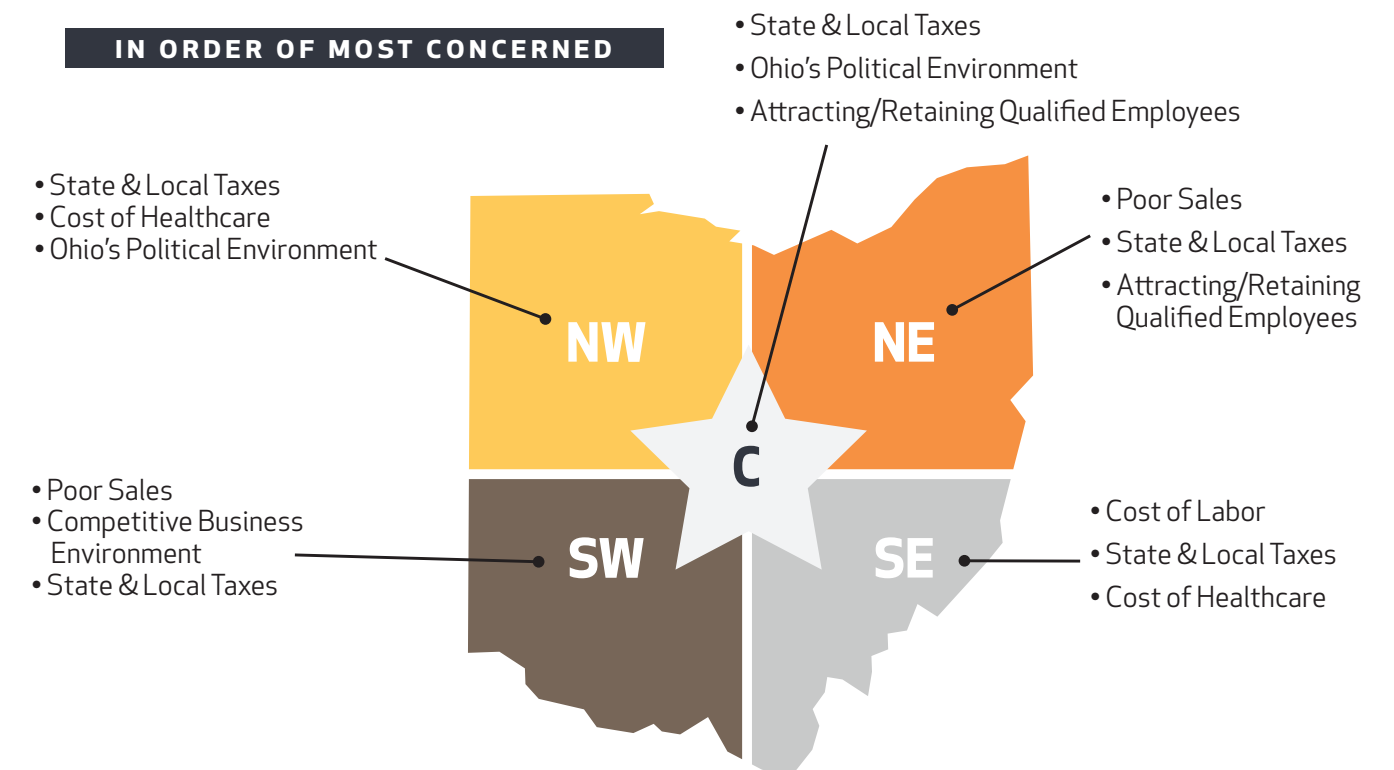
Percentage of business leaders that say the economic climate is...



TOP 5 CONCERNS of OHIO BUSINESS LEADERS

	1Q 2019	4Q 2018 (last quarter)	1Q 2018 (last year)
1. Cost of Healthcare	1 <->	1 <->	1 <->
2. State and Local Taxes	T4↑	4	5 ↑
3. Cost of All Employee Benefits	3 <->	3	2 ↓
4. Ohio's Political Environment	4 <->	4	3 ↓
5. Data Security	2 ↓	2	4 ↓

TOP CONCERNS by REGION:



THE NATION COMPARED TO OHIO

Most Important Issue Is...

ISSUE	NATION	OHIO
Quality of Labor	21%	17% (6th)
Taxes	15%	22% (2nd)
Government Regulations	15%	15% (8th)

National Comparison: NFIB Research Foundation Small Business Optimism Index, March 2019



Region of the state **most satisfied** with the overall economic conditions?

Southwest Ohio 74% excellent or good

Least satisfied?

Southeast Ohio 48% only fair or poor

FINDINGS of NOTE

Businesses in NE Ohio saw the largest rise in expenses over the previous quarter, with **54.4%** reporting their overall business expenses increased by more than 10 percent.

The MANUFACTURING sector reported the highest concerns about healthcare costs, with **54.8%** of business leaders responding that they are very concerned about the issue.

Current hiring opportunities are strongest in SE Ohio, where **27.6%** of respondents reported openings in either skilled or unskilled labor.

Future hiring plans are strongest in the RETAIL sector. **70.9%** of those surveyed indicated they planned to add more than 25 employees to their headcounts in the next quarter.

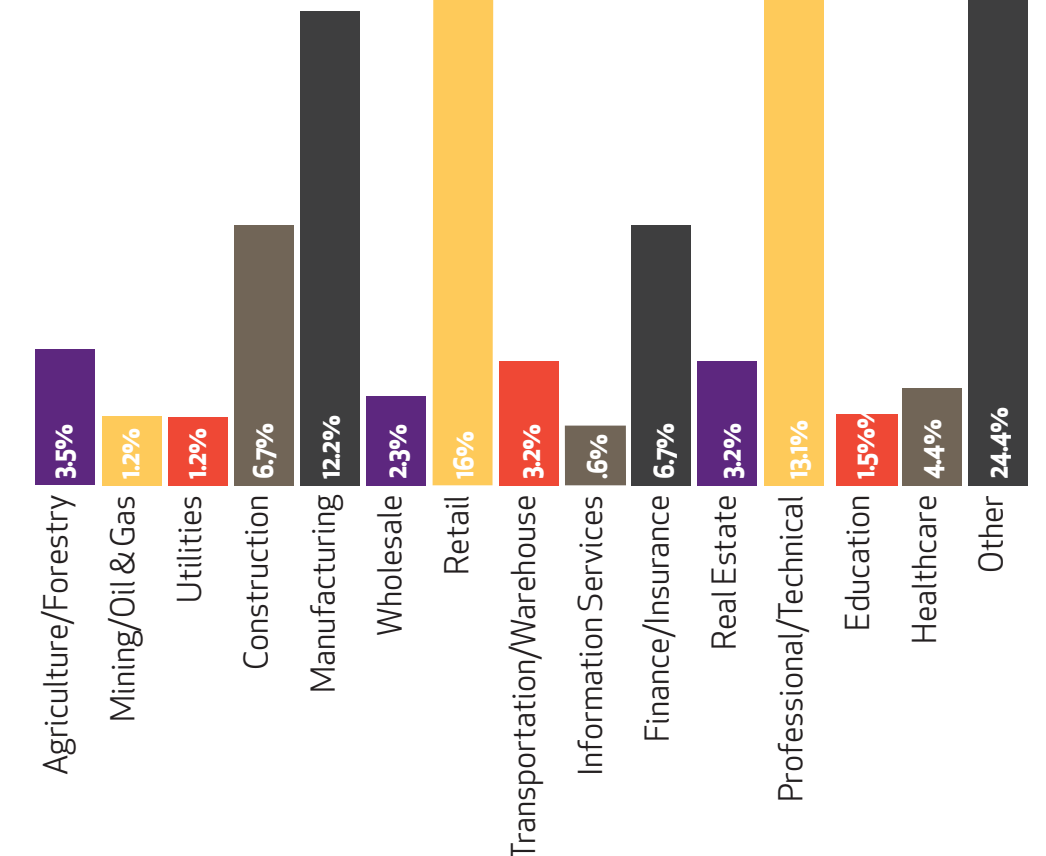
SURVEY PROFILE

The Ohio Chamber of Commerce Research Foundation partnered with Clout Research to conduct the Prosperity Pulse, a quarterly survey of business leaders in various sectors across the State of Ohio regarding the strength of their companies and the state economy.

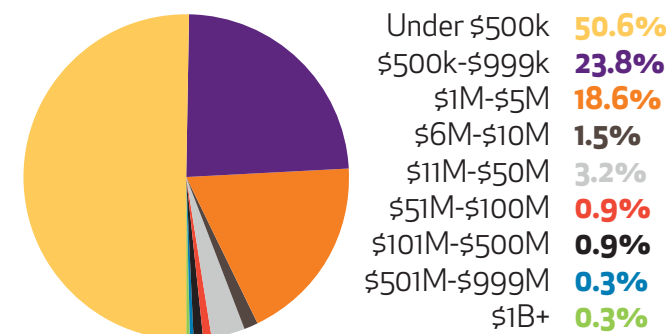
The survey included 344 respondents who completed survey interviews online and on the telephone with live agent interviewers between April 10-26, 2019. It carries a confidence interval of 95% and a margin of error of +/- 5.27 percentage points.

BUSINESS LEADERS PARTICIPATING IN 1Q PROSPERITY PULSE SURVEY:

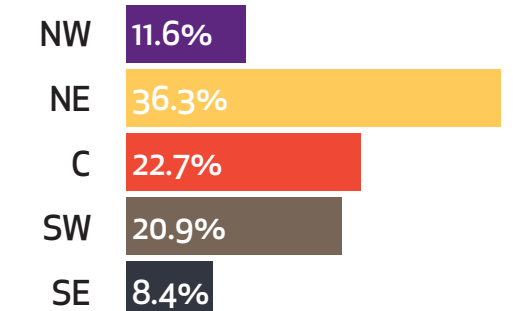
INDUSTRY SECTOR



BY COMPANY GROSS REVENUE



REGION



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