



PROSPERITY
PULSE

INSIGHT FROM OHIO BUSINESS LEADERS



**Research
Foundation**

Thank you for participating in the Ohio Chamber Research Foundation’s 3rd Quarter 2020 *Prosperity Pulse* survey. Our quarterly survey is an invaluable channel of communication 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 the direct feedback we receive from the business community.

Our latest *Prosperity Pulse* Index comes in at a reading of 104, continuing a slow trend back toward normalcy in the eyes of business leaders across Ohio. As a reminder, the index is calculated as a metric of five forward-looking economic factors, and a reading of 100 is considered to be average economic conditions. The third quarter Index reading shows that the business community believe things have gotten a little better as we continue to deal with the coronavirus pandemic, but Ohio still has plenty of room for improvement.

While the Cost of Healthcare has returned as the top issue of concern among business leaders, it lands in the top spot in a virtual tie with worries about Economic Uncertainty, as respondents to our survey have continued anxiety about what may lie ahead in a difficult winter season. Ohio’s political environment remains one of the top concerns expressed, as the election weighed heavily on the minds of business owners throughout the state. Rounding out the top five concerns are issues surrounding the cost and availability of labor, a sign that volatility in the labor market in Ohio will continue to be a challenge in the weeks and months ahead.

Please read on for the rest of the highlights of the latest *Prosperity Pulse*, and again, thank you for sharing your insights.

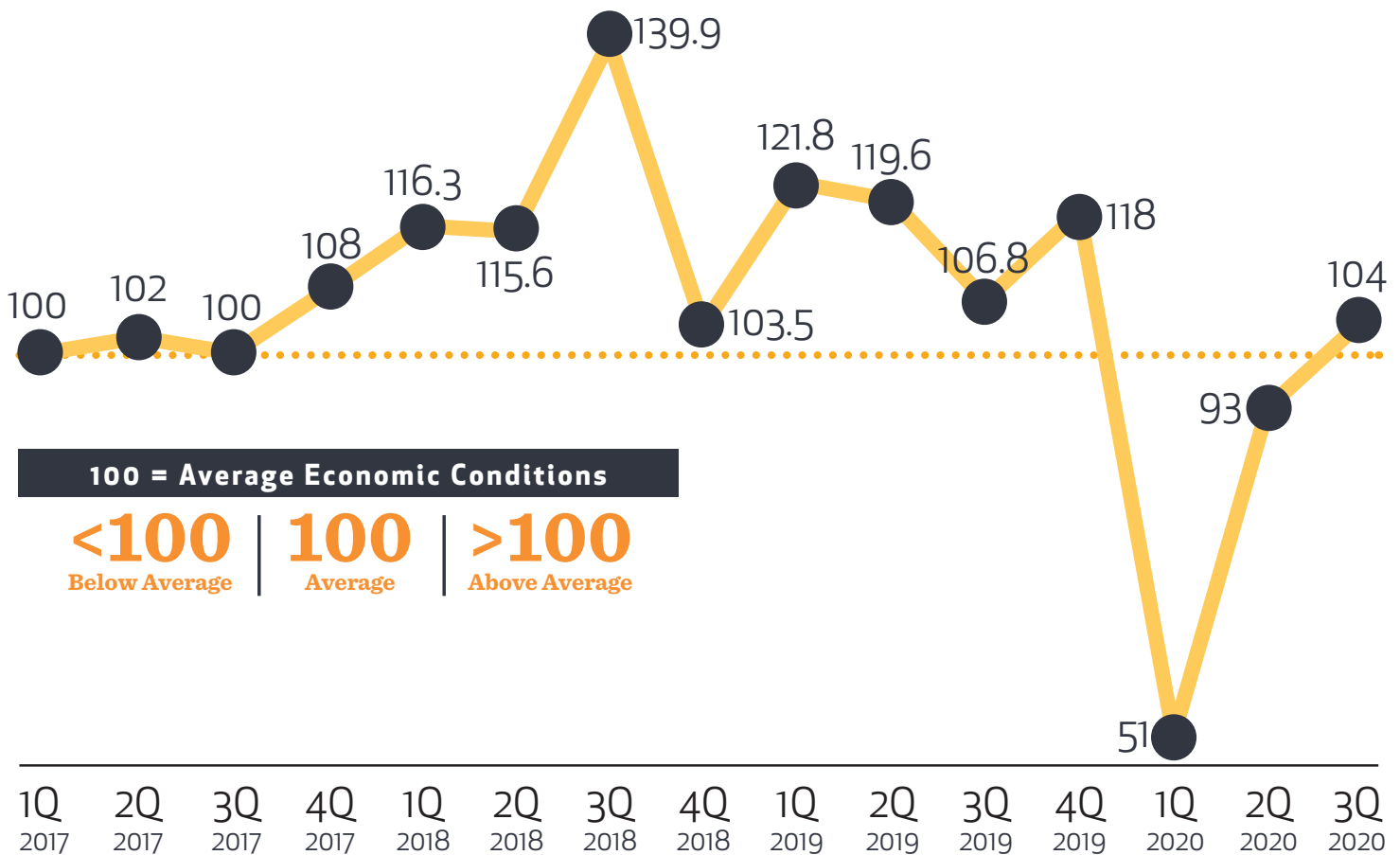
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ABOUT THE OHIO CHAMBER OF COMMERCE RESEARCH FOUNDATION

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. *Note that starting with polls conducted in 2019 (including 4Q 2018), the overall Index is calculated to reflect only those who saw either an increase or decrease in these business indicators.*



100 = Average Economic Conditions

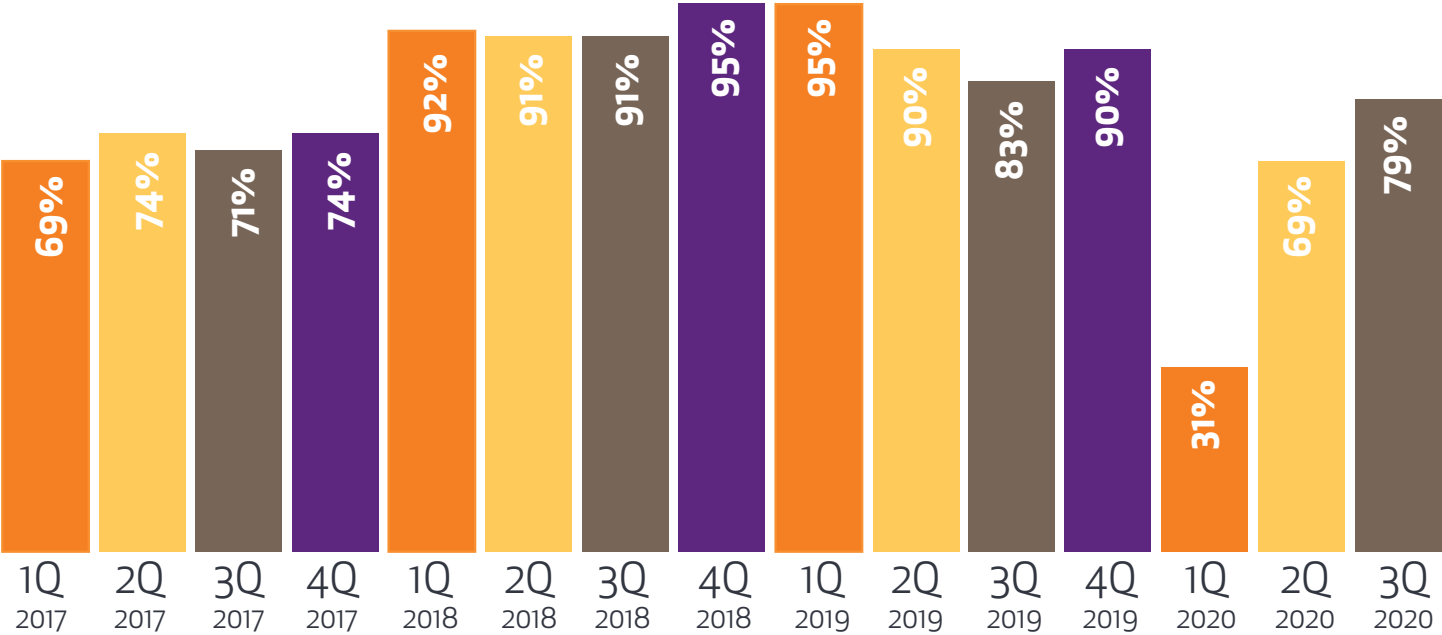
<100 | **100** | **>100**

Below Average | Average | Above Average

Prosperity Pulse Components	3Q Positive	Change from 2Q	Change from 3Q 2019
Anticipate Increased Profits	28%	+2 ↑	-1 ↓
Plans to Add Jobs	68%	+0 <->	-24 ↓
Unfilled Jobs	29%	+4 ↑	+8 ↑
Planned Capital Expenditures	30%	+9 ↑	+5 ↑
Overall Economic Outlook	32%	+3 ↑	+0 <->

OPTIMISM

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



ECONOMIC CLIMATE

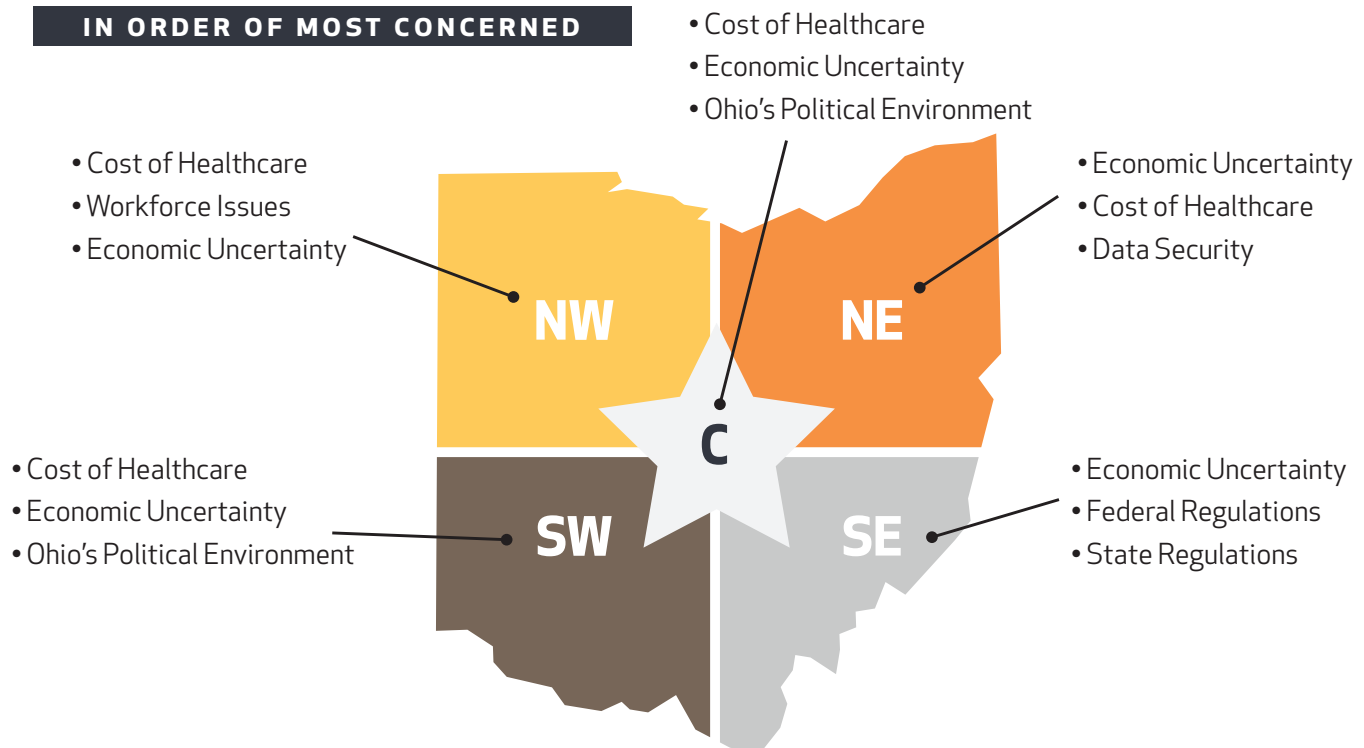
Percentage of business leaders that say the economic climate is...



TOP 5 CONCERNS *of* OHIO BUSINESS LEADERS

3Q 2020	2Q 2020 (Last quarter)	3Q 2019 (Last year)
1. Cost of Healthcare	2 ↑	1 <->
2. Economic Uncertainty	1 ↓	7 ↑
3. Ohio's Political Environment	3 <->	T-4 ↑
4. Cost of All Employee Benefits	5 ↑	2 ↓
5. Workforce Issues	T-8 ↑	T-4 ↓

TOP CONCERNS *by* REGION:

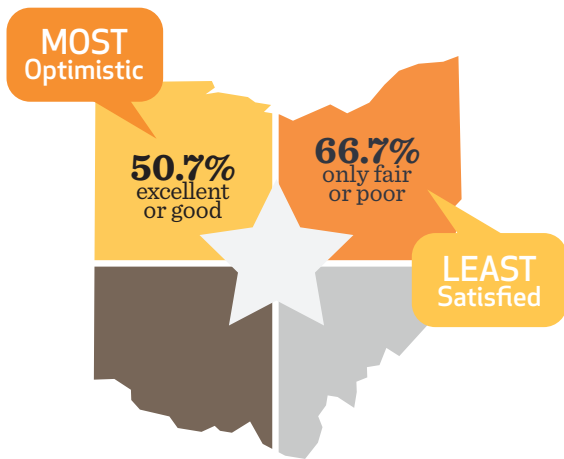


THE NATION COMPARED TO OHIO

Most Important Issue Is...

ISSUE	NATION	OHIO
Quality of Labor	21%	6.2% (6th)
Taxes	16%	9.9% (2nd)
Government Regulations	13%	9.7% (3rd)
Poor Sales	12%	16.3% (1st)

National Comparison: NFIB Research Foundation Small Business Optimism Index, July 2020



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

Northwest Ohio 50.7% excellent or good

Least Satisfied?

Northeast Ohio 66.7% only fair or poor

FINDINGS of NOTE

Business leaders in SOUTHWEST Ohio are most concerned with the cost of healthcare, with **64.2%** of respondents indicating they are very concerned about the issue.

The CONSTRUCTION industry is worried about Ohio's political environment, with **85.5%** of respondents saying they are somewhat or very concerned.

42.5% of respondents in CENTRAL Ohio are planning to make capital expenditures for their businesses in the coming quarter, highest among the regions of Ohio.

The RETAIL sector is hoping for a strong holiday shopping season, but are tempering expectations. **34.9%** of respondents expect increased profits in the next quarter.

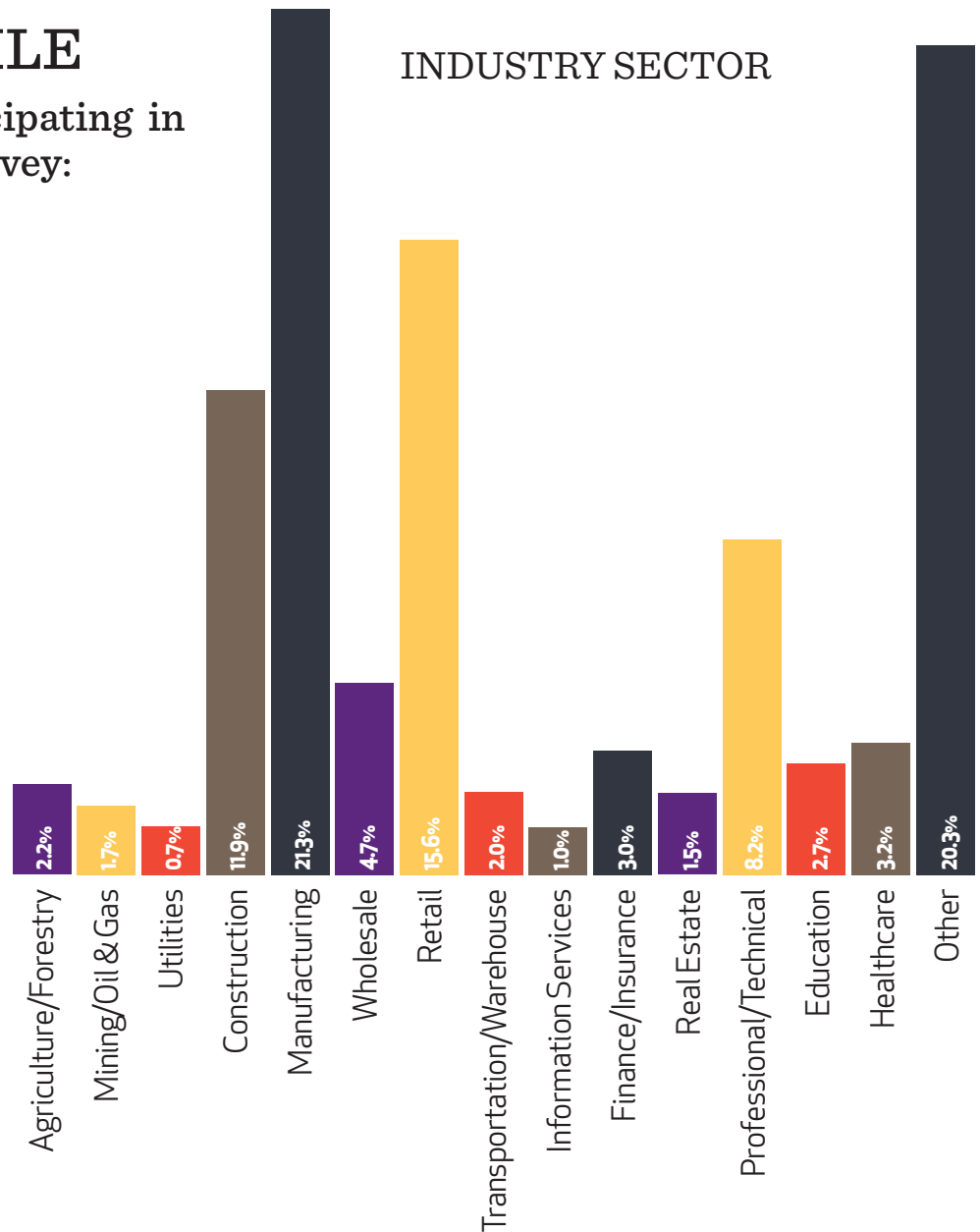
SURVEY PROFILE

Business Leaders Participating in 3Q Prosperity Pulse Survey:

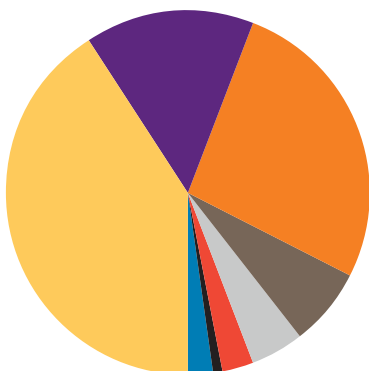
The Ohio Chamber of Commerce Research Foundation partnered with Clout Research to conduct the *Prosperity Pulse*, a quarterly survey of business leaders in various sectors across the State of Ohio regarding the strength of their companies and the state economy.

The survey included 404 respondents who completed survey interviews online and on the telephone with live agent interviewers between October 8-30, 2020. It carries a confidence interval of 95% and a margin of error of +/- 4.9 percentage points.

INDUSTRY SECTOR

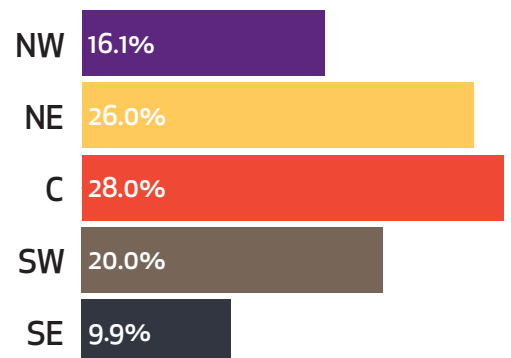


BY COMPANY GROSS REVENUE



Under \$500k	40.8%
\$500k-\$999k	15.1%
\$1M-\$5M	26.7%
\$6M-\$10M	6.9%
\$11M-\$50M	4.7%
\$51M-\$100M	2.7%
\$101M-\$500M	0.7%
\$501M-\$999M	2.2%

REGION



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