



PROSPERITY PULSE

INSIGHT FROM OHIO BUSINESS LEADERS



**Research
Foundation**

Thank you for participating in the Ohio Chamber Research Foundation’s 4th Quarter 2020 *Prosperity Pulse* survey. As we enter the new year, we know that the opportunity to hear directly from business leaders across the state through our quarterly survey is an essential channel of communication regarding current and expected future conditions of Ohio’s economy. These surveys are made possible only through the contributions of time and insight by the business community, and for that, we again thank you.

Our latest *Prosperity Pulse* Index comes in at a reading of 93.8, reflecting a retreat from the reading of 104 provided in the 3rd Quarter. 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 4Q 2020 Index reading shows that business leaders are concerned about the sharp contraction caused by the impact of COVID-19, and are wary of what the future may hold in a changing political environment and developments in the response to the pandemic.

The Cost of Healthcare continues its historical trend leading the list of issues of concern for Ohio business owners. As the pandemic continues to impact the state economy, businesses have also expressed concerns about the economic uncertainty that may result from a spike in COVID-19 cases or hospitalizations. Ohio’s political environment and what new regulations or restrictions may come from Washington are also high on the list of concerns. Rounding out the top five is concerns about the overall cost of benefits.

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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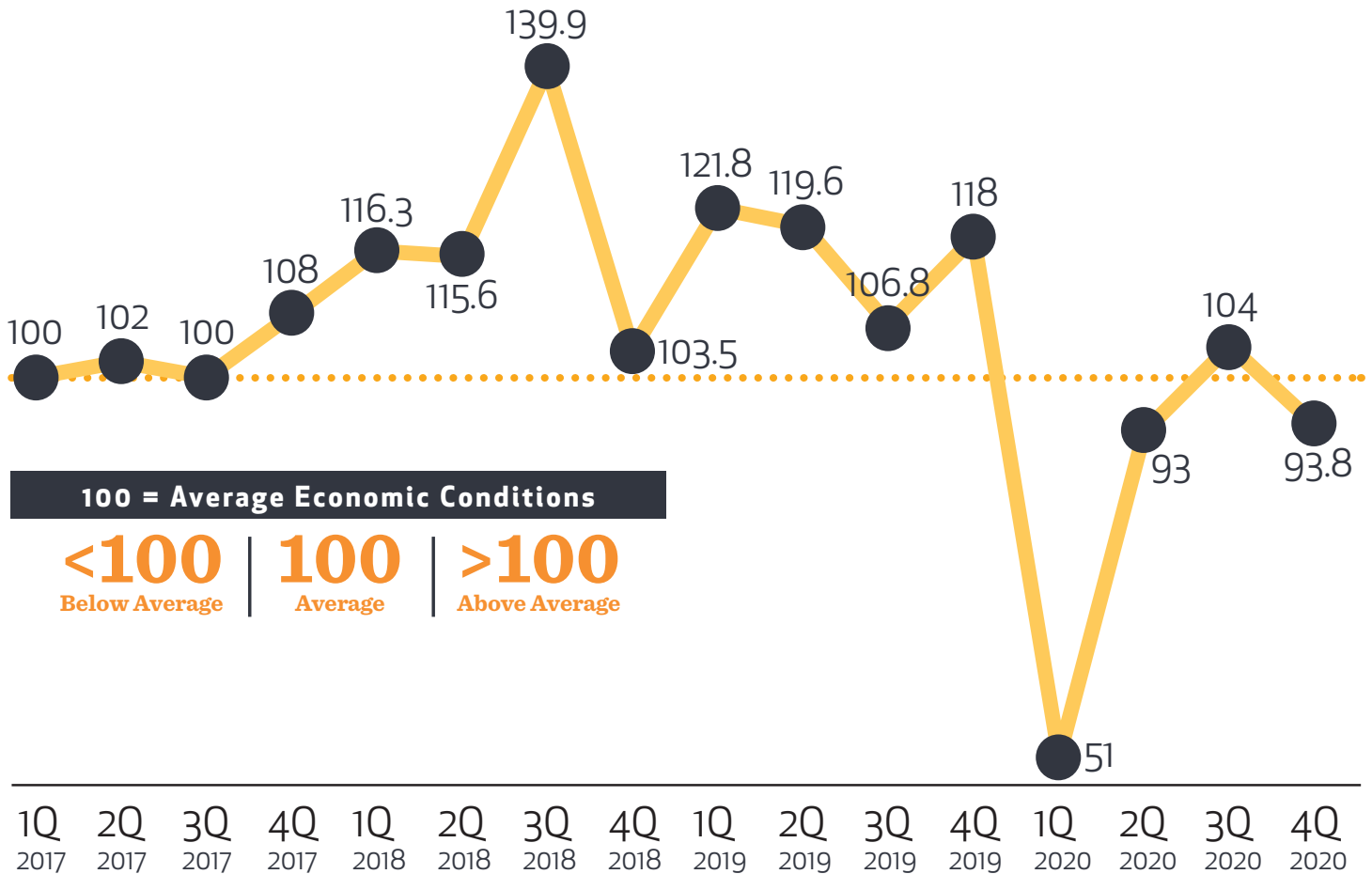
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ABOUT THE OHIO CHAMBER OF COMMERCE RESEARCH FOUNDATION

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

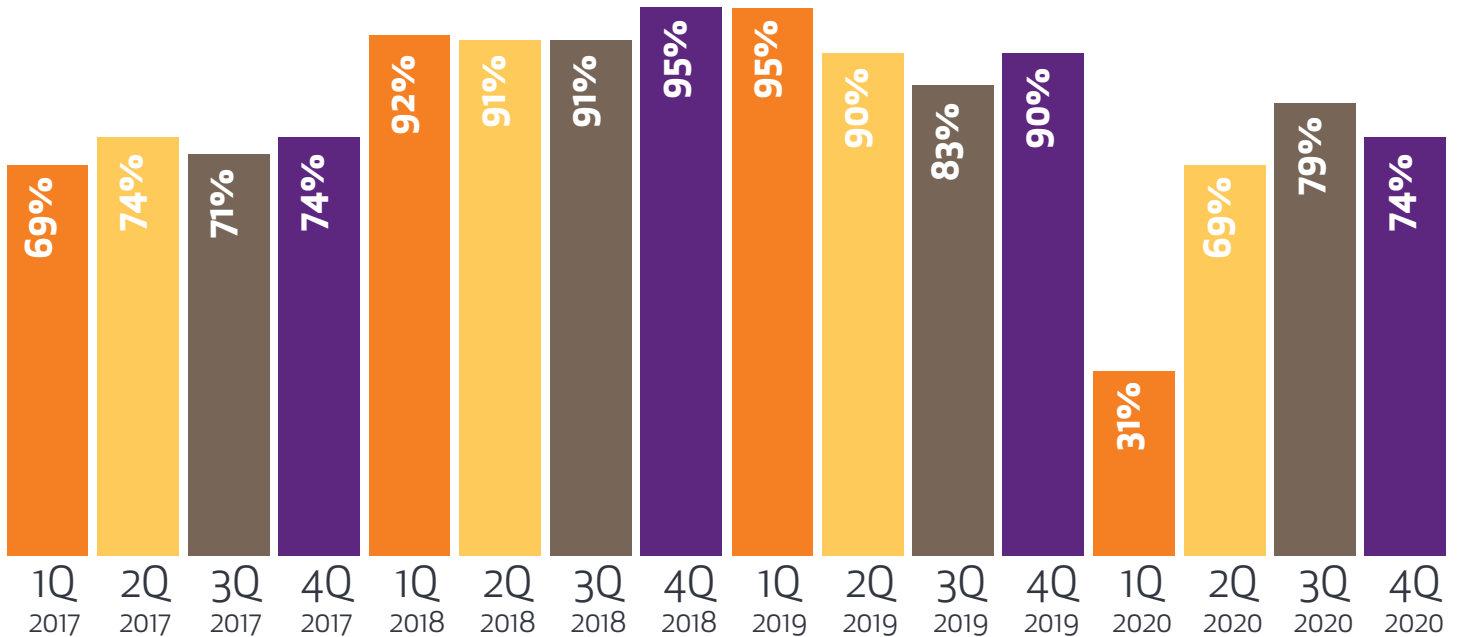
The *Prosperity Pulse* is an index measurement of the economic health of Ohio companies, taking into consideration the future outlook of five key indicators: profits, employment levels, unfilled openings, capital expenditures, and overall economic optimism. *Note that starting with polls conducted in 2019 (including 4Q 2018), the overall Index is calculated to reflect only those who saw either an increase or decrease in these business indicators.*



Prosperity Pulse Components	4Q Positive	Change from 3Q	Change from 4Q 2019
Anticipate Increased Profits	17%	-11 ↓	-20 ↓
Plans to Add Jobs	70%	+2 ↑	-14 ↓
Unfilled Jobs	25%	-4 ↓	+0 <->
Planned Capital Expenditures	24%	-6 ↓	+5 ↑
Overall Economic Outlook	31%	-1 ↓	-21 ↓

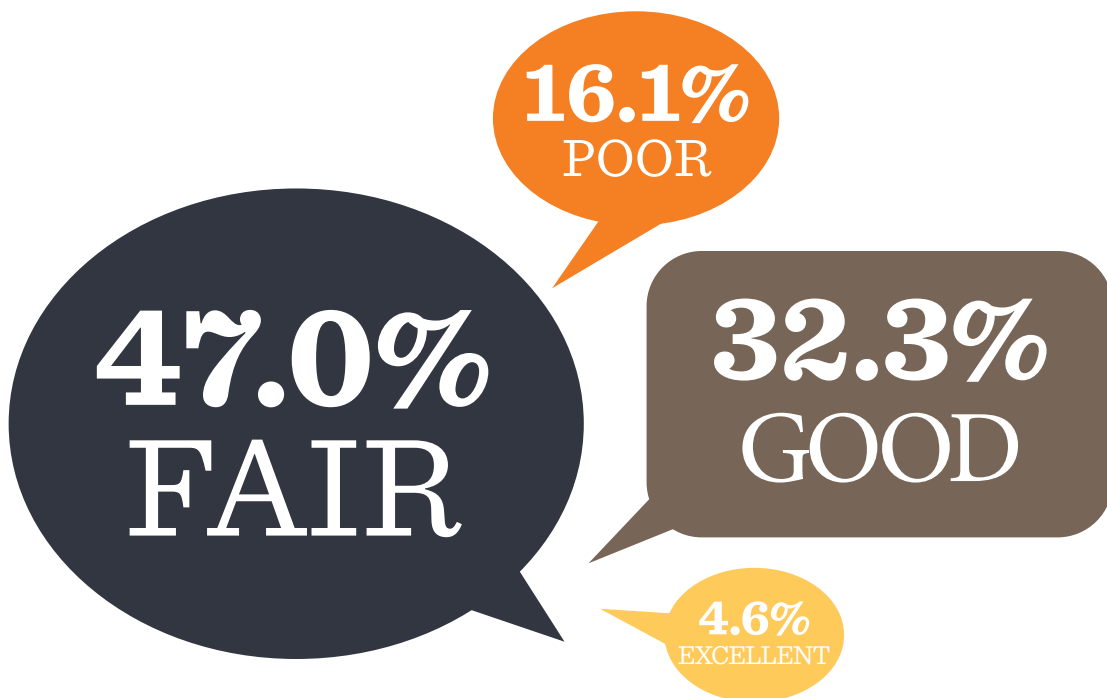
OPTIMISM

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



ECONOMIC CLIMATE

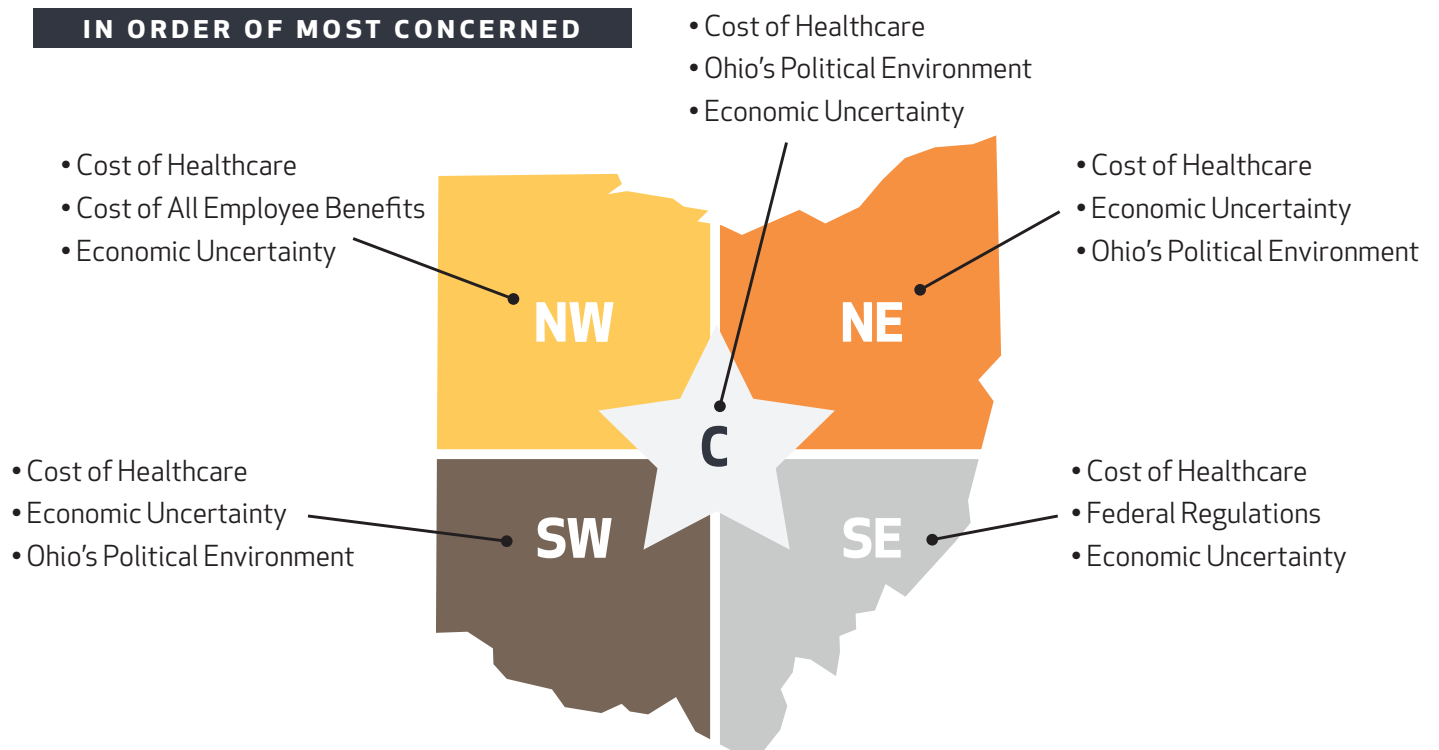
Percentage of business leaders that say the economic climate is...



TOP 5 CONCERNS *of* OHIO BUSINESS LEADERS

4Q 2020	3Q 2020 (Last quarter)	4Q 2019 (Last year)
1. Cost of Healthcare	1 <->	1 <->
2. Economic Uncertainty	2 <->	9 ↑
3. Ohio's Political Environment	3 <->	4 ↑
4. Federal Regulations	6 ↑	8 ↑
5. Cost of All Employee Benefits	4 ↓	2 ↓

TOP CONCERNS *by* REGION:

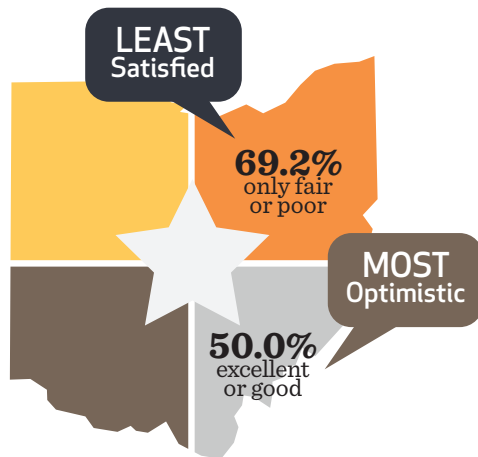


THE NATION COMPARED TO OHIO

Most Important Issue Is...

ISSUE	NATION	OHIO
Quality of Labor	21%	8.5% (4th)
Taxes	19%	17.3% (1st)
Government Regulations	15%	14.5% (3rd)
Poor Sales	11%	15.4% (2nd)

National Comparison: NFIB Research Foundation Small Business Optimism Index, January 2021



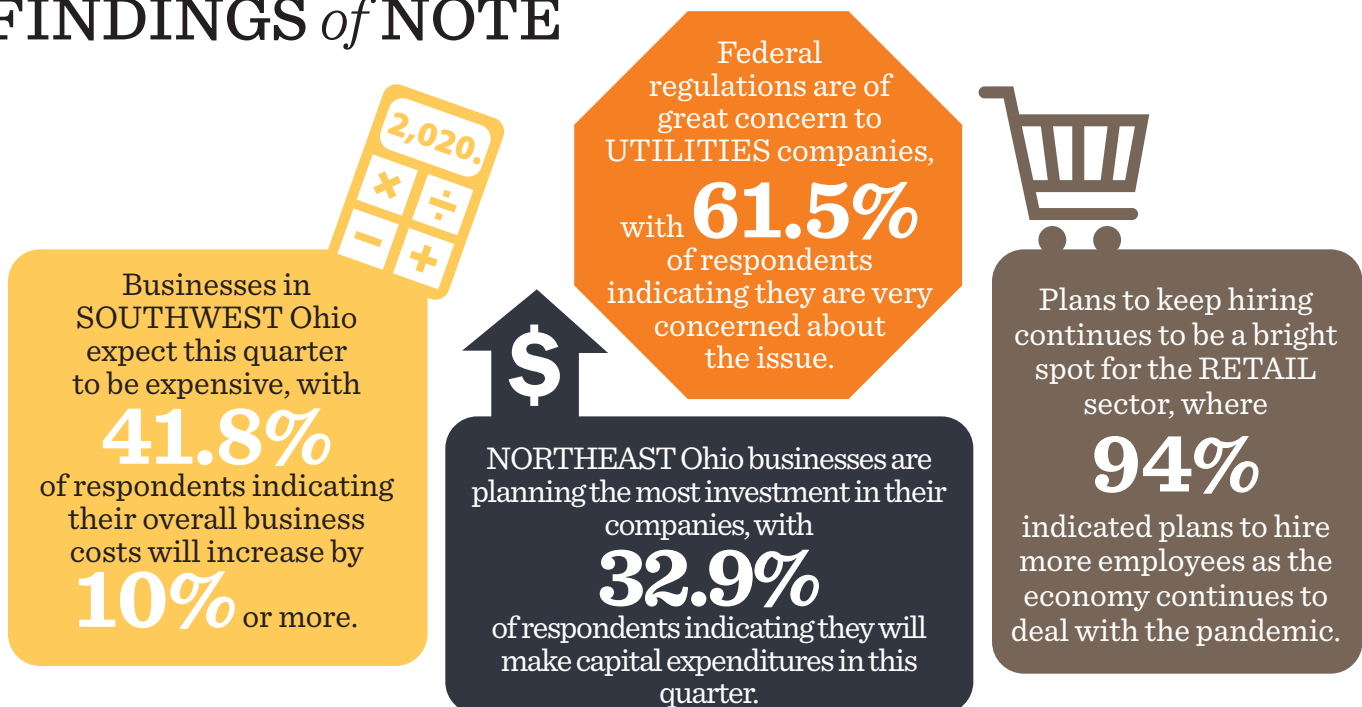
Region of the state **most satisfied** with the overall economic conditions?

Southeast Ohio 50.0% excellent or good

Least Satisfied?

Northeast Ohio 69.2% only fair or poor

FINDINGS of NOTE



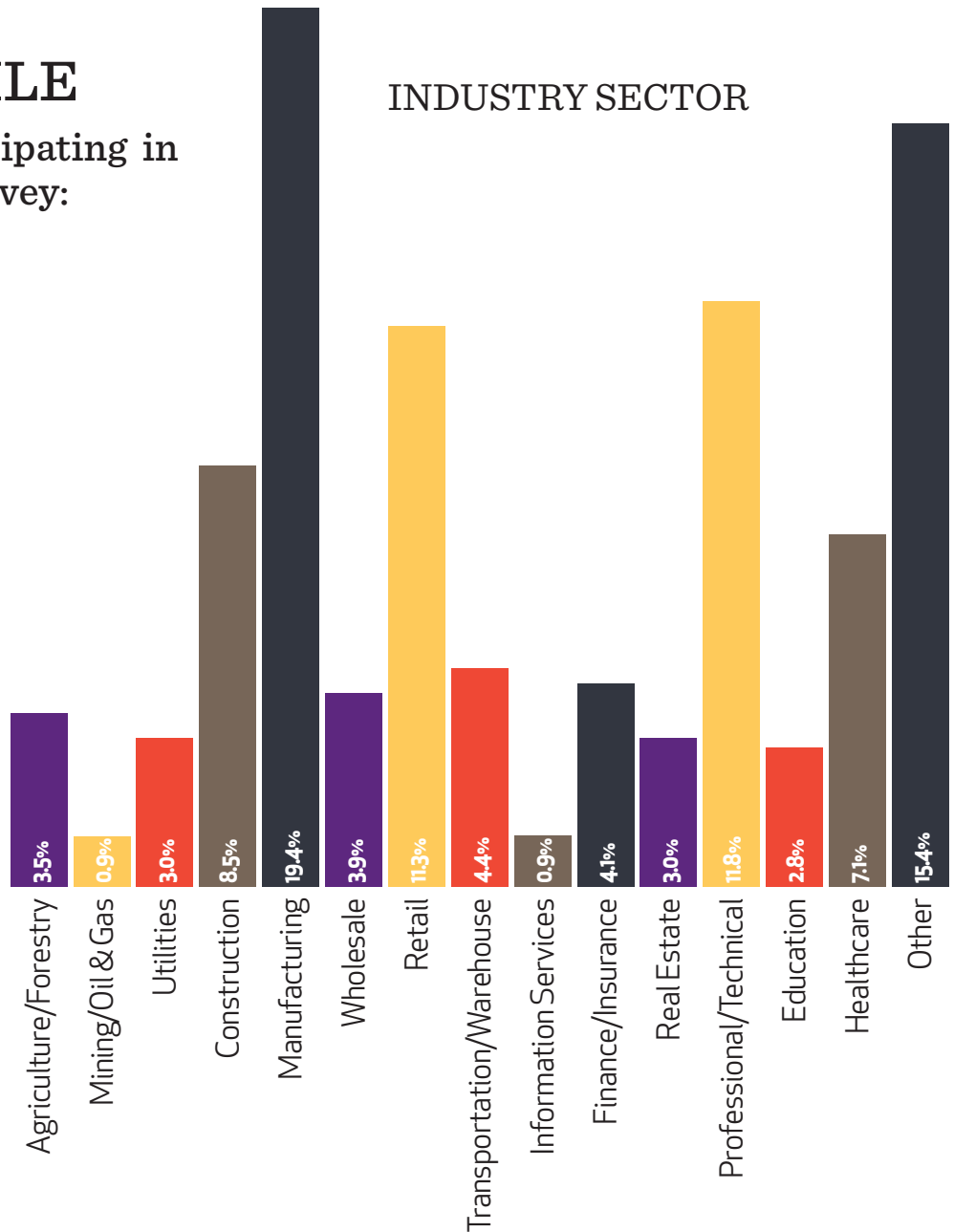
SURVEY PROFILE

Business Leaders Participating in 4Q Prosperity Pulse Survey:

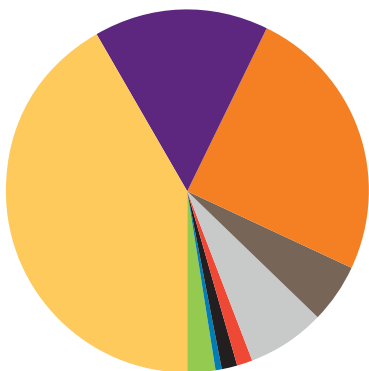
The Ohio Chamber of Commerce Research Foundation partnered with Clout Research to conduct the *Prosperity Pulse*, a quarterly survey of business leaders in various sectors across the State of Ohio regarding the strength of their companies and the state economy.

The survey included 434 respondents who completed survey interviews online and on the telephone with live agent interviewers in January-February, 2021. It carries a confidence interval of 95% and a margin of error of +/- 4.69 percentage points.

INDUSTRY SECTOR

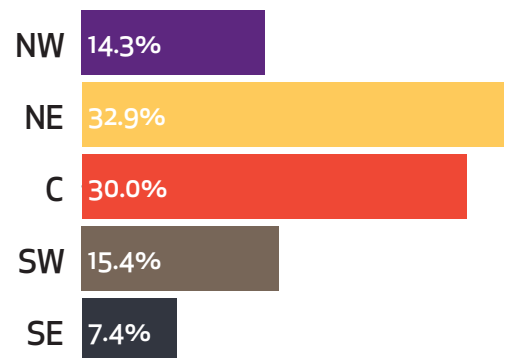


BY COMPANY GROSS REVENUE



Under \$500k	41.9%
\$500k-\$999k	15.4%
\$1M-\$5M	24.9%
\$6M-\$10M	5.1%
\$11M-\$50M	6.9%
\$51M-\$100M	1.4%
\$101M-\$500M	1.4%
\$501M-\$999M	0.7%
\$1B+	2.3%

REGION



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