



PROSPERITY
PULSE

INSIGHT FROM OHIO BUSINESS LEADERS



**Research
Foundation**

Thank you for participating in the Ohio Chamber Research Foundation’s 2nd Quarter 2021 *Prosperity Pulse* survey. As we continue to monitor the economic recovery in Ohio throughout the year, hearing 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 gives us a reading of 115.2, maintaining the trend of positive economic views from business leaders across the state from our last survey. Respondents to our survey indicate that hiring will continue to be a focus, with 41% of businesses indicating they currently have unfilled job openings. Most business owners remain optimistic for the future of their companies and feel generally positive about the economy overall, as 75% more businesses have planned capital expenditures this quarter compared to the previous survey.

The top three concerns expressed by business owners remain the same this quarter, but they have switched positions. As businesses continue to shift their operations in response to the coronavirus pandemic, business owners have expressed concerns about renewed federal regulations sending us into lockdown thanks to the rise of the delta variant. Coupled with the cost of healthcare and economic uncertainty, these issues continue to be top of mind for Ohio’s businesses. A larger jump comes from concerns regarding the cost of energy, as rising gas prices and speculation about changes to state energy policy in the wake of the HB6 scandal have business owners concerned about impacts to their operations.

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

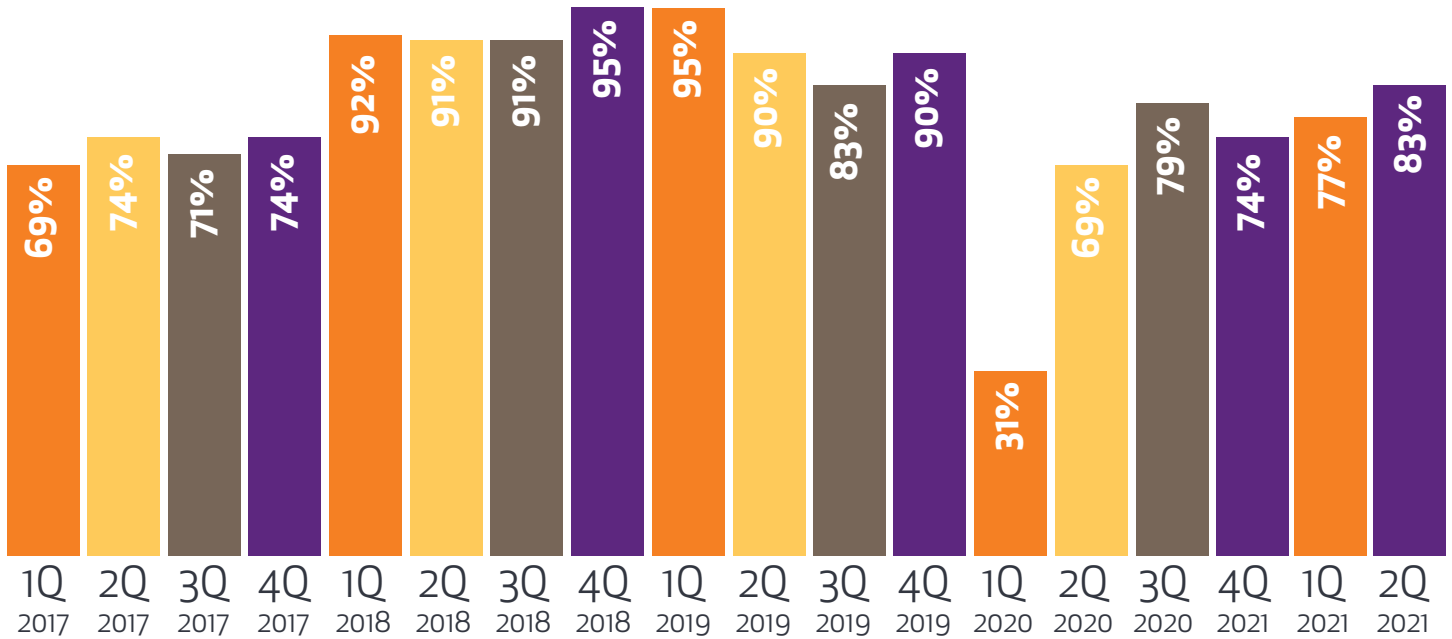
The *Prosperity Pulse* is an index measurement of the economic health of Ohio companies, taking into consideration the future outlook of five key indicators: profits, employment levels, unfilled openings, capital expenditures, and overall economic optimism. *Note that starting with polls conducted in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



Prosperity Pulse Components	1Q Positive	Change from 4Q	Change from 1Q 2020
Anticipate Increased Profits	26%	-12 ↓	+0 <->
Plans to Add Jobs	87%	-6 ↓	+19 ↑
Unfilled Jobs	41%	+15 ↑	-16 ↓
Planned Capital Expenditures	28%	+12 ↑	+7 ↑
Overall Economic Outlook	25%	-23 ↓	-4 ↓

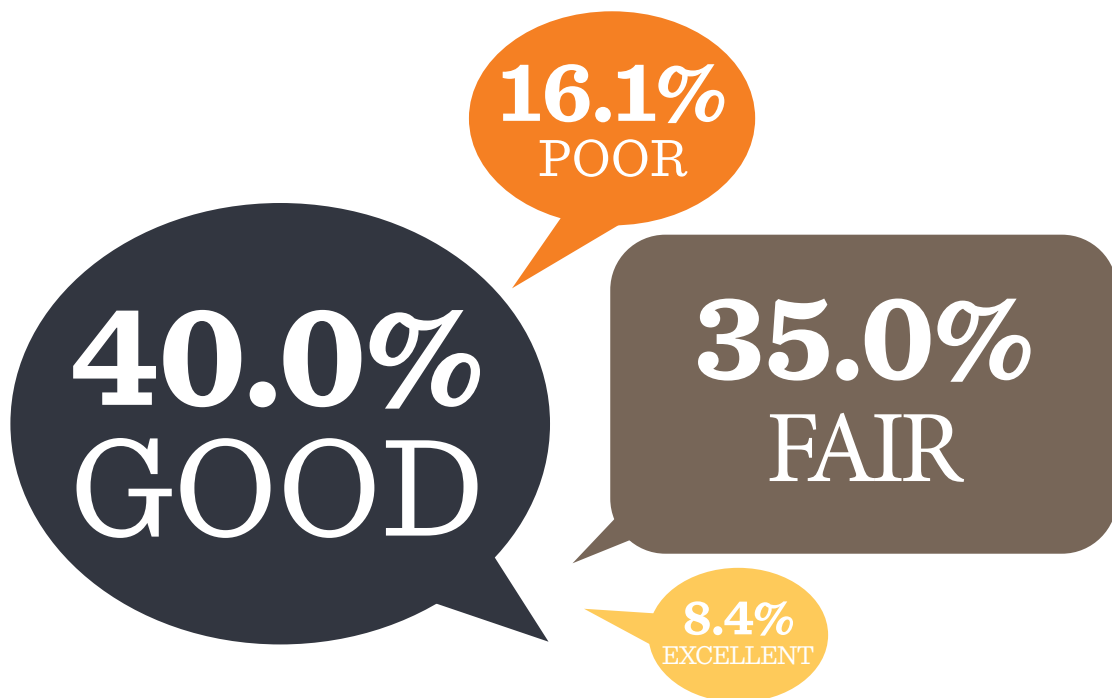
OPTIMISM

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



ECONOMIC CLIMATE

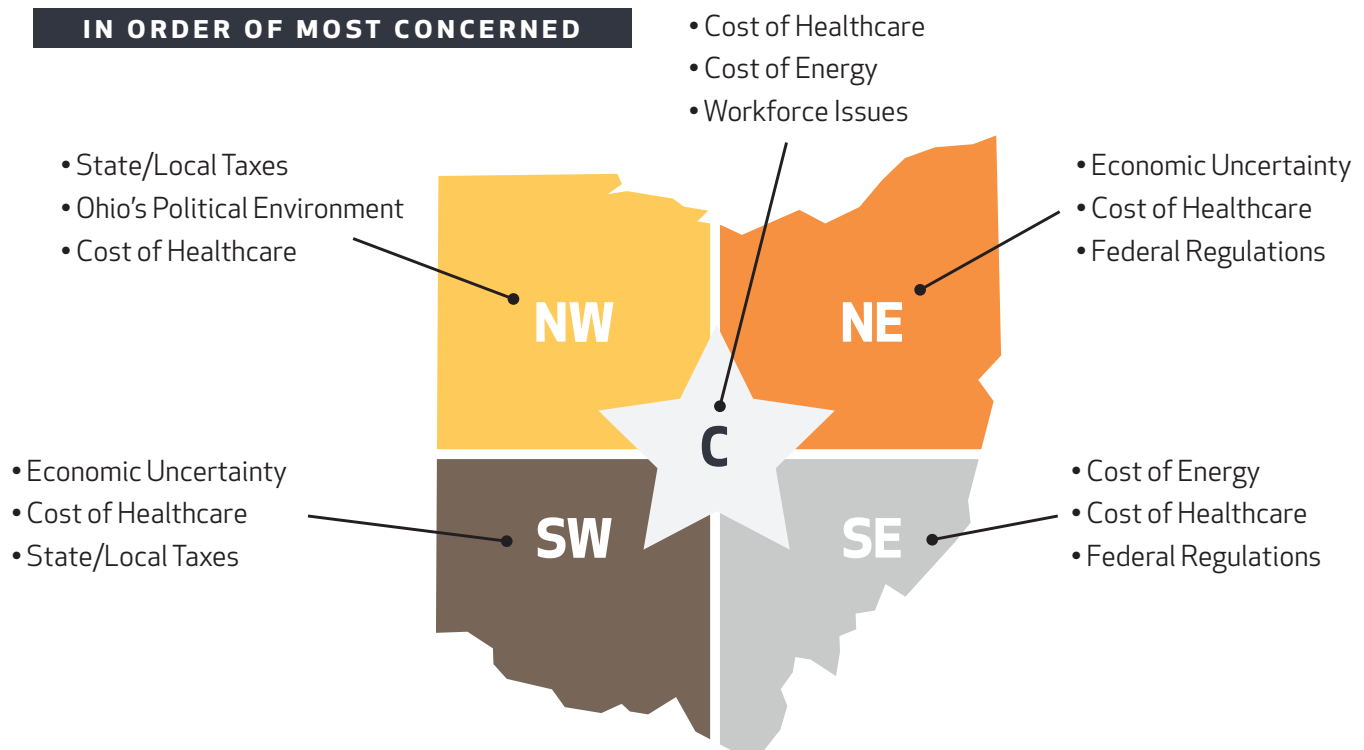
Percentage of business leaders that say the economic climate is...



TOP 5 CONCERNS *of* OHIO BUSINESS LEADERS

2Q 2021	1Q 2021 (Last Quarter)	2Q 2020 (Last Year)
1. Cost of Healthcare	2 ↑	2 ↑
2. Federal Regulations	3 ↑	7 ↑
3. Economic Uncertainty	1 ↓	1 ↓
4. Cost of Energy	6 ↑	T-14 ↑
5. State/Local Taxes	5 <->	6 ↑

TOP CONCERNS *by* REGION:

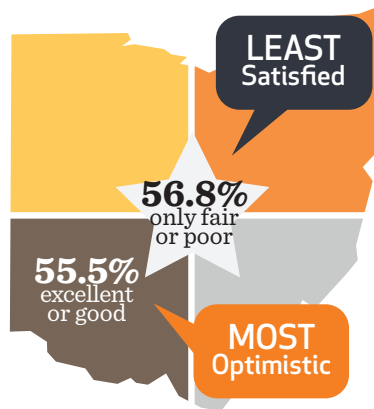


THE NATION COMPARED TO OHIO

Most Important Issue Is...

ISSUE	NATION	OHIO
Quality of Labor	27%	12.7% (1st)
Taxes	19%	10.9% (3rd)
Government Regulations	12%	8.4% (T-4th)
Inflation	11%	8.4% (T-4th)

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



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

Southwest Ohio 55.5% excellent or good

Least Satisfied?

Central Ohio 56.8% only fair or poor

FINDINGS of NOTE

Healthcare costs are of particular concern to the **CONSTRUCTION** industry, with **60.5%** of respondents saying they're very concerned about the issue.

Ohio's political environment remains a concern for businesses in **NORTHWEST** Ohio, with **41.6%** saying they're very concerned about the issue.

The **RETAIL** industry has the most positive economic outlook, with **33.4%** of respondents indicating they expect the economy to improve for their business in the next three months.

Businesses in **SOUTHEAST** Ohio have the strongest plans for investment in their companies. **62.2%** of respondents from that region indicate they plan to make capital expenditures in the next quarter.

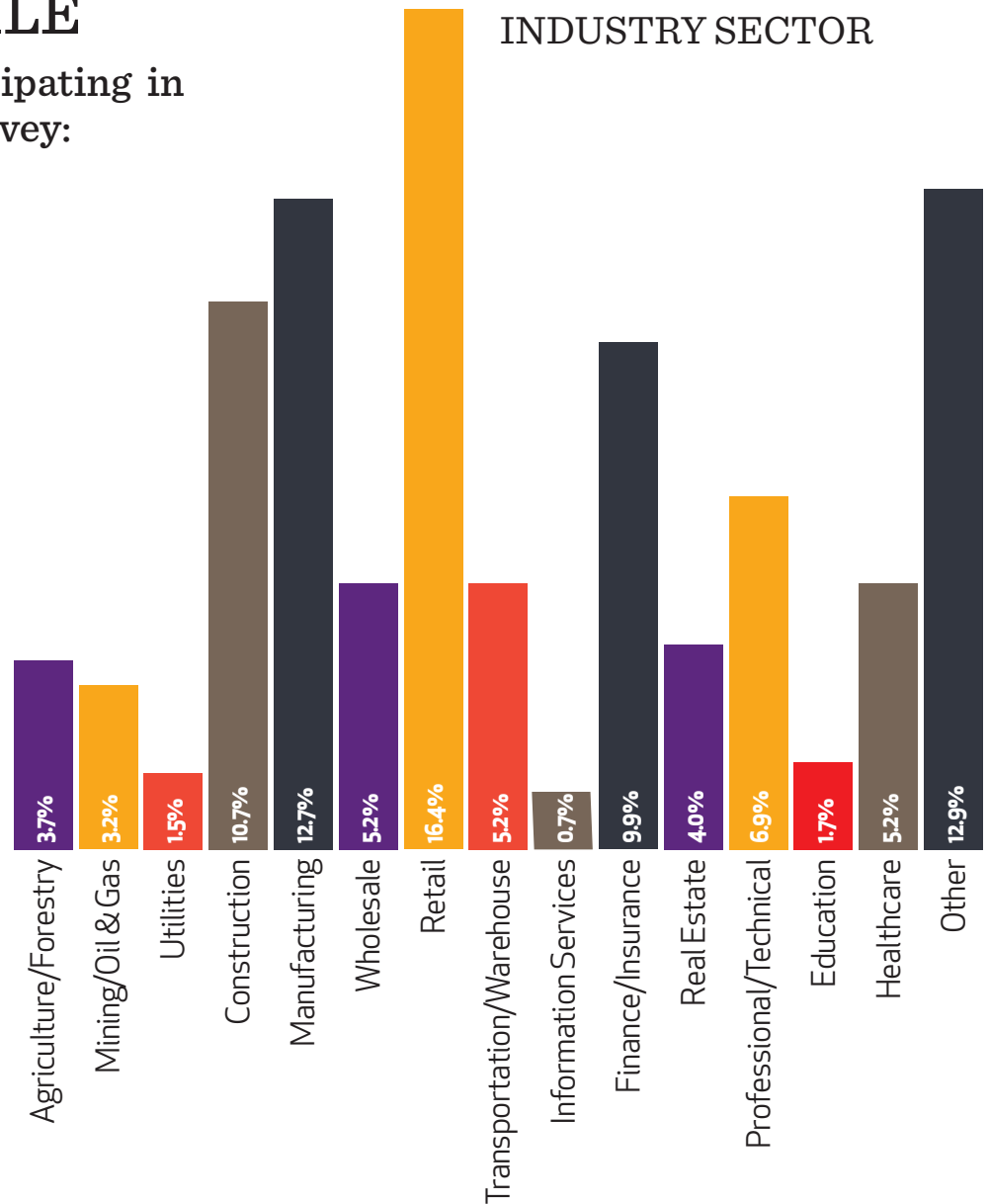
SURVEY PROFILE

Business Leaders Participating in 2Q Prosperity Pulse Survey:

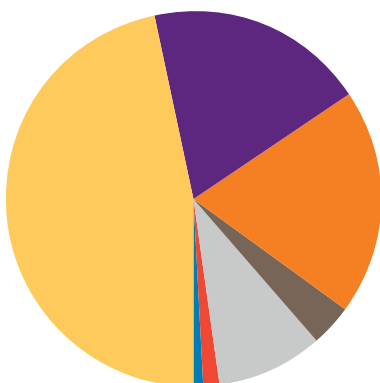
The Ohio Chamber of Commerce Research Foundation partnered with Clout Research to conduct the *Prosperity Pulse*, a quarterly survey of business leaders in various sectors across the State of Ohio regarding the strength of their companies and the state economy.

The survey included 403 respondents who completed survey interviews online and on the telephone with live agent interviewers in July-August, 2021. It carries a confidence interval of 95% and a margin of error of +/- 4.89 percentage points.

INDUSTRY SECTOR

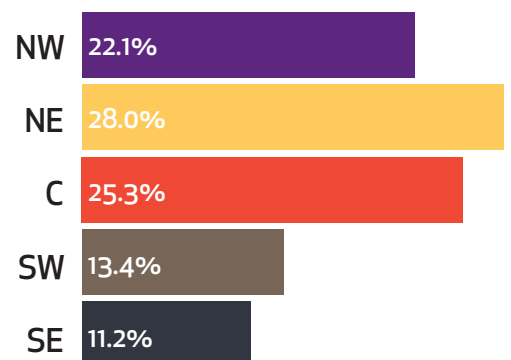


BY COMPANY GROSS REVENUE



Under \$500k **46.9%**
 \$500k-\$999k **19.1%**
 \$1M-\$5M **19.4%**
 \$6M-\$10M **3.5%**
 \$11M-\$50M **9.2%**
 \$51M-\$100M **1.5%**
 \$501M-\$999M **0.5%**

REGION



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