



# Florida Small Business Index

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2017 Quarter 4 Survey Results

Presented by the Florida Chamber of Commerce Small Business Council

October 2017

## **About the Florida Chamber's Small Business Council**

Florida's small businesses are essential to the continued growth of the Florida economy. The Florida Chamber of Commerce's Small Business Council works directly with state and national leaders to pass important legislation such as reducing the business rent tax and reducing the cost of healthcare.

The Florida Chamber's Small Business Council provides a unified voice for all small businesses in our mission to secure Florida's future. Participants meet with legislators, contact media, and testify before the Florida Legislature on issues important to small businesses.

## **Survey Overview**

Many in Florida's small business community are experiencing both challenges and successes as our economy grows. As we work to secure Florida's future, it is crucial that the Florida Chamber of Commerce understands what issues are most important to small businesses.

The purpose of the Small Business Index Survey is to track trends and issues affecting small businesses in Florida. Small business owners are surveyed in order to monitor small business trends and identify emerging issues that may be addressed by the Florida Chamber's Small Business Council.

The Council's previous surveys were performed in May 2010, September 2010, February 2011, July 2011, March 2012, June 2012, September 2012, December 2012, April 2013, July 2013, September 2013, January 2014, May 2014 and August/September 2014, May 2015, September 2015, December 2015/January 2016, March 2016, June 2016, August/September 2016, December 2016, March/April 2017 and June/July 2017.

This survey is a non-scientific, random sampling of small business owners in Florida. It was conducted September 25, 2017 through October 16, 2017 and received 141 responses. The electronic survey was e-mailed to small businesses in Florida; and distributed by local chambers of commerce throughout the state; and posted on social media including Facebook and Twitter.

Of those responding:

- 33% of respondents employ less than 5 employees;
- 48% employ 5 to 49 employees;
- 7% employ 50 to 99 employees; and
- 12% employ 100 to 500 employees.

Additionally:

- 73% of respondents employ less than 5 part-time employees;
- 23% employ 5 to 49 part-time employees;
- 2% employ 50 to 99 part-time employees; and
- 2% employ 100 or more part-time employees.

## **Survey Analysis**

The Florida Chamber Foundation's Q4 survey of 2017 shows that Florida's small businesses continue to be concerned about workforce quality. In fact, 18 percent of this survey's respondents indicated "Workforce Quality" was their top issue. "Government Regulations" was in second place in this survey with 17 percent of respondents indicating it was their top issue.

In third place is "Healthcare Costs" with 12 percent, followed by "Economic Uncertainty" with 10 percent. "Access to Capital" was the top issue for 8 percent of Florida's small businesses and "Lawsuit Abuse" was indicated by 6 percent of the respondents as their top issue.

The top six issues - "Workforce Quality," "Government Regulations", "Healthcare Costs," "Economic Uncertainty," "Access to Capital" and "Lawsuit Abuse" - cover the top concerns of 71 percent of small businesses taking the survey during the fourth quarter of 2017.

According to respondents, business demand appears to be softening slightly, with 46 percent indicating sales were higher compared the same period last year. This is a 4 percentage point decrease compared to the Q4 survey in 2016.

An indicator of the future path of Florida's economy is the percentage of respondents who expect the economy to improve over the next year – 63 percent, up from the 59 percent reported in our last survey, although down from the 77 percent reported in the Q4 2016 survey. Also worth noting is that 16 percent of respondents expect the economy to weaken over the next year – a decrease from 20 percent reported in the Q3 2017 survey.

### **Small Business Employment Outlook:**

- 48 percent of respondents expect to hire in the next six months – this is down slightly from the 51 percent planning to hire in our Q4 2016 survey.
- 46 percent of respondents indicated that "Economic Uncertainty," "Lack of Sales," and "Too Much Regulation" were obstacles to hiring new employees.

An indicator of small business expansion in Florida, 49 percent of businesses have plans to make investments in plants or equipment, even though only 7 percent indicated that they were "very confident" in the direction the state is taking to make Florida a better place to conduct business. The number of businesses indicating that they were "confident" in the direction of the state was 25 percent, with 23 percent saying they were "not confident" in the state's direction to make Florida a better place to conduct business.

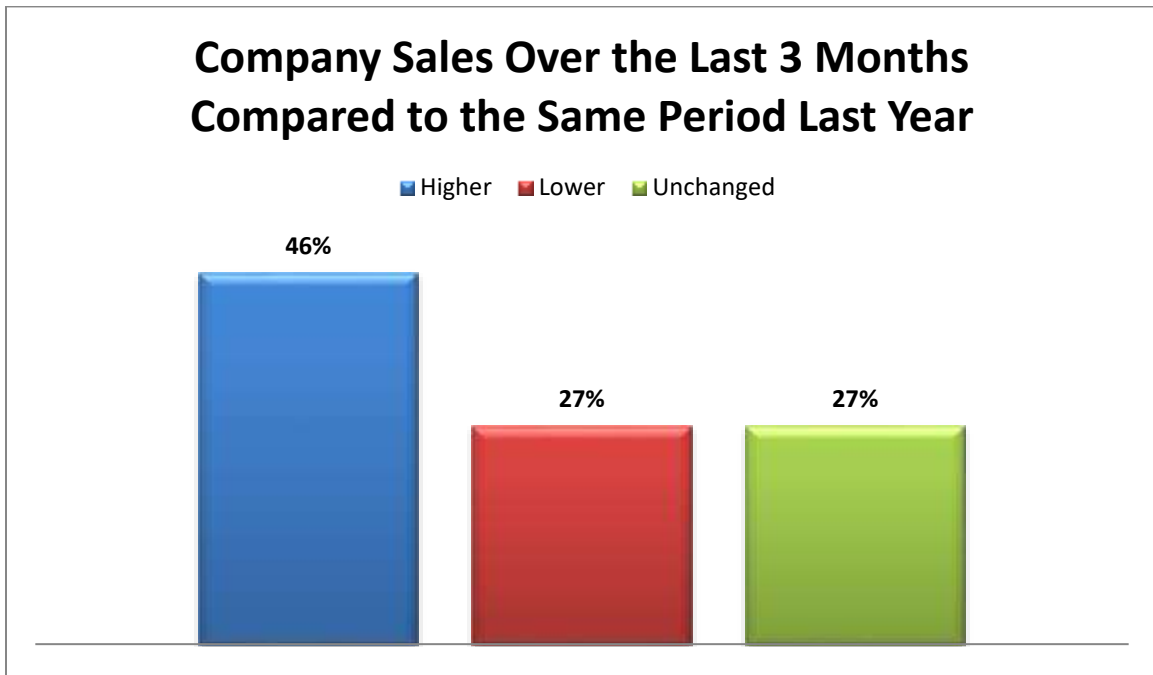
## Survey Results

### Comparisons

#### Q1: Top issues facing Florida small businesses today:

1. Workforce Quality – 18%
2. Government Regulations – 17%
3. Healthcare Costs – 12%
4. Economic Uncertainty – 10%
5. Access to Capital – 8%
6. Lawsuit Abuse – 6%

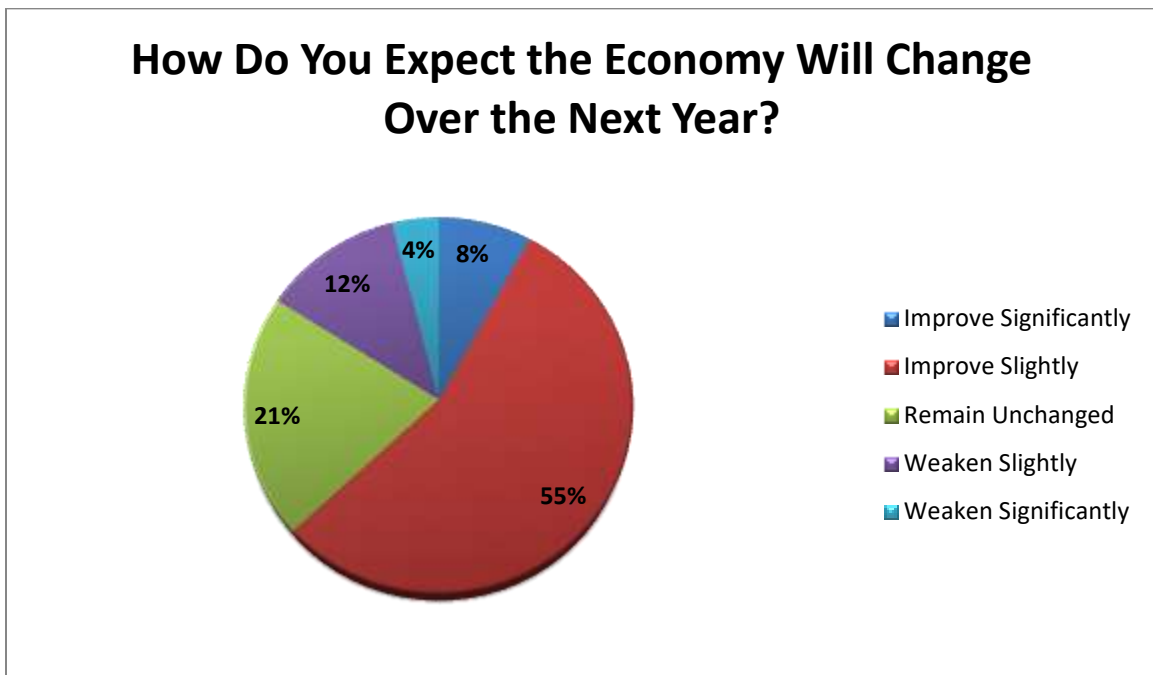
#### Q4:



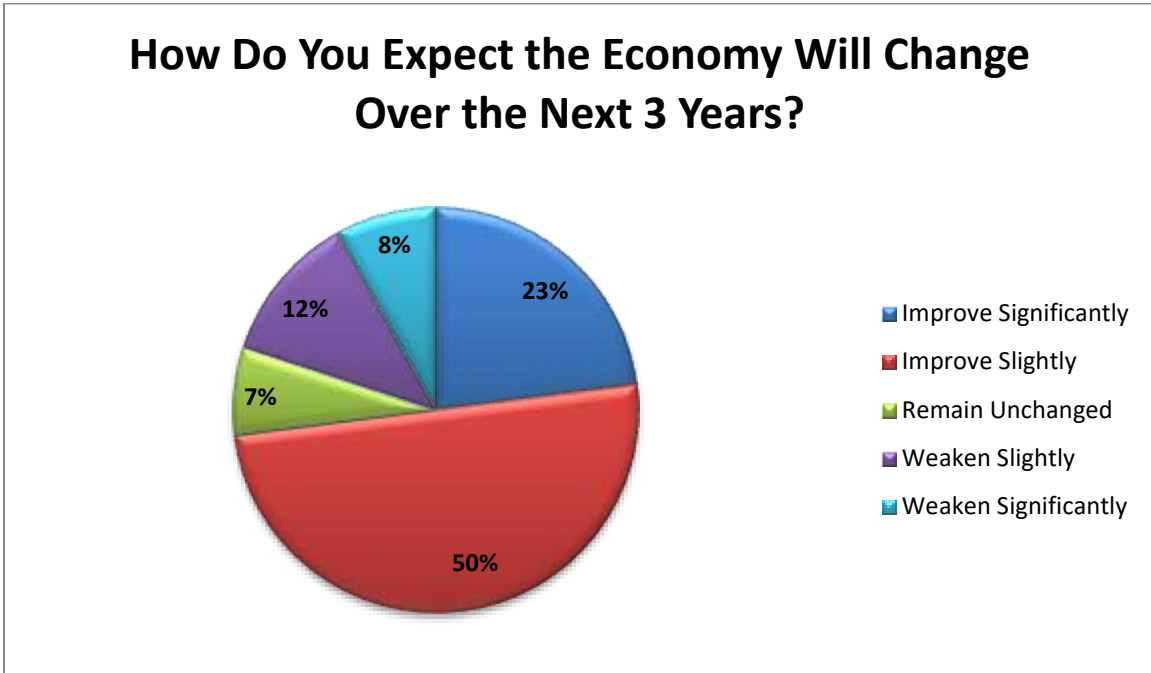
Q5:



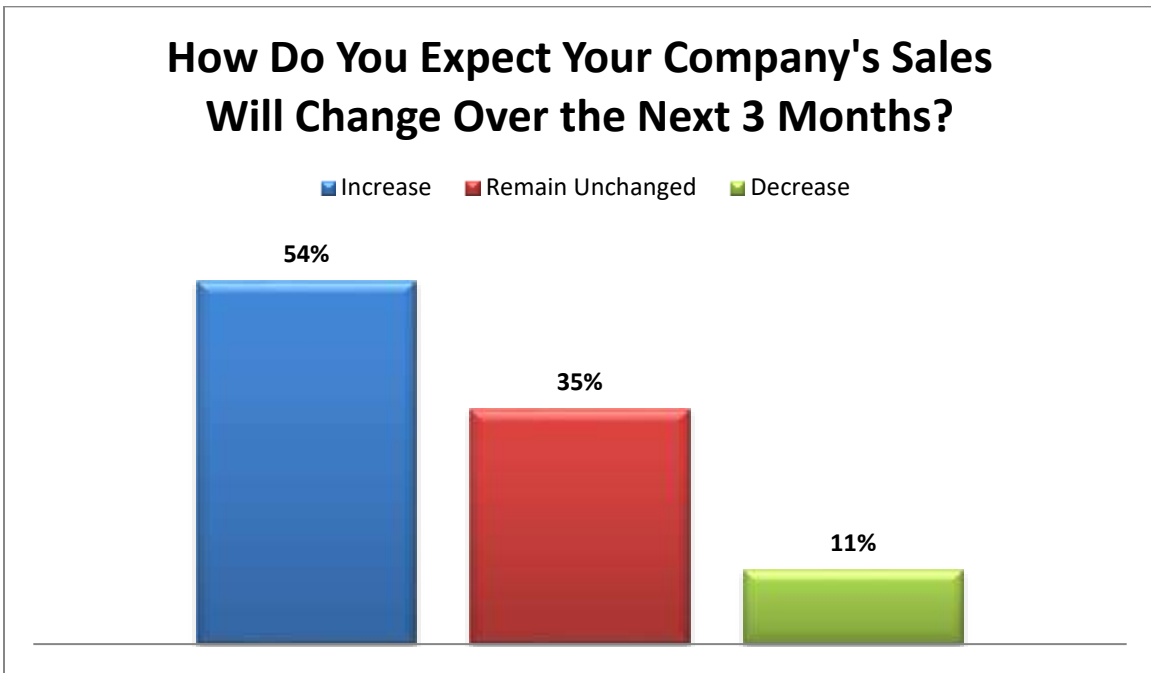
Q6:



Q7:



Q8:



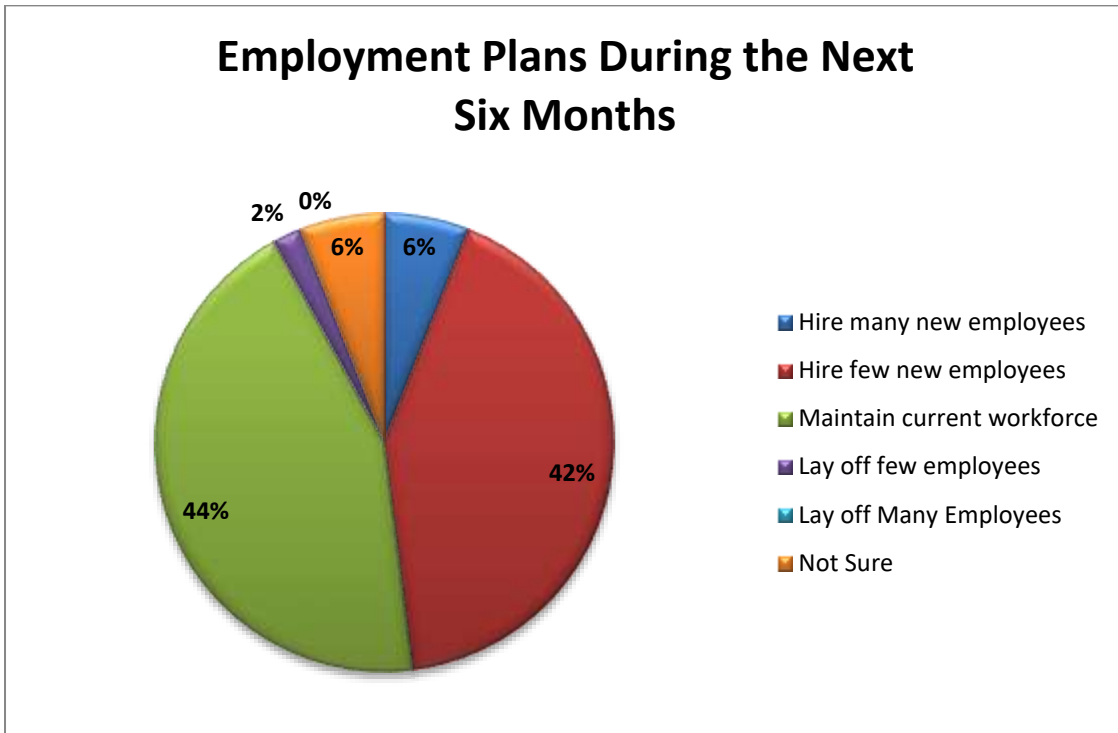
Q9:



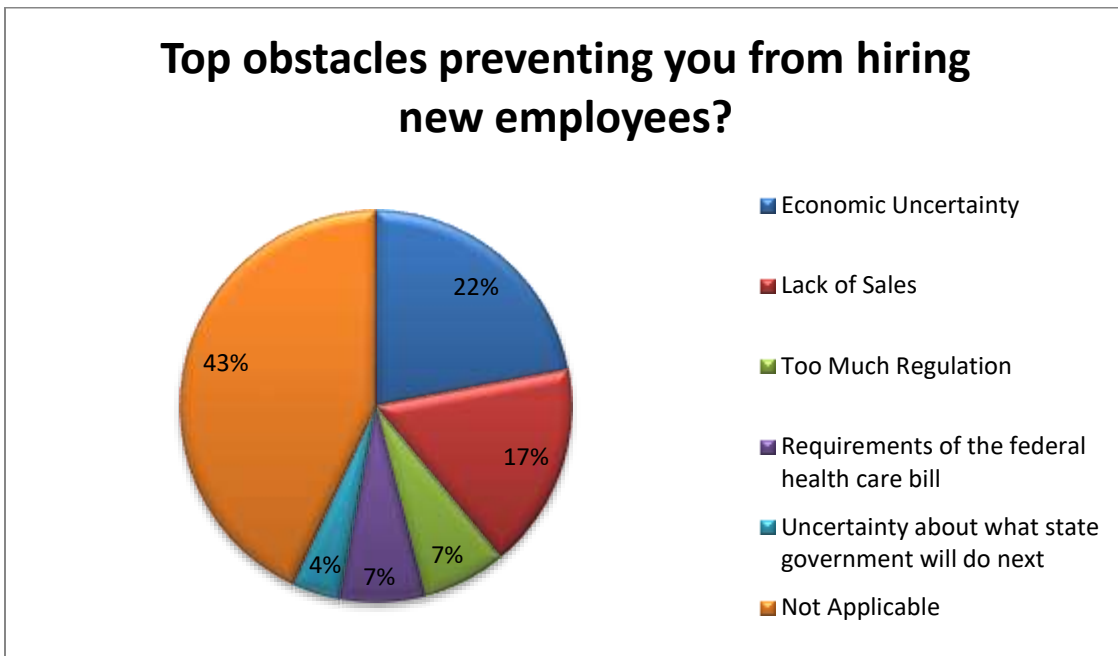
Q10:



Q12:

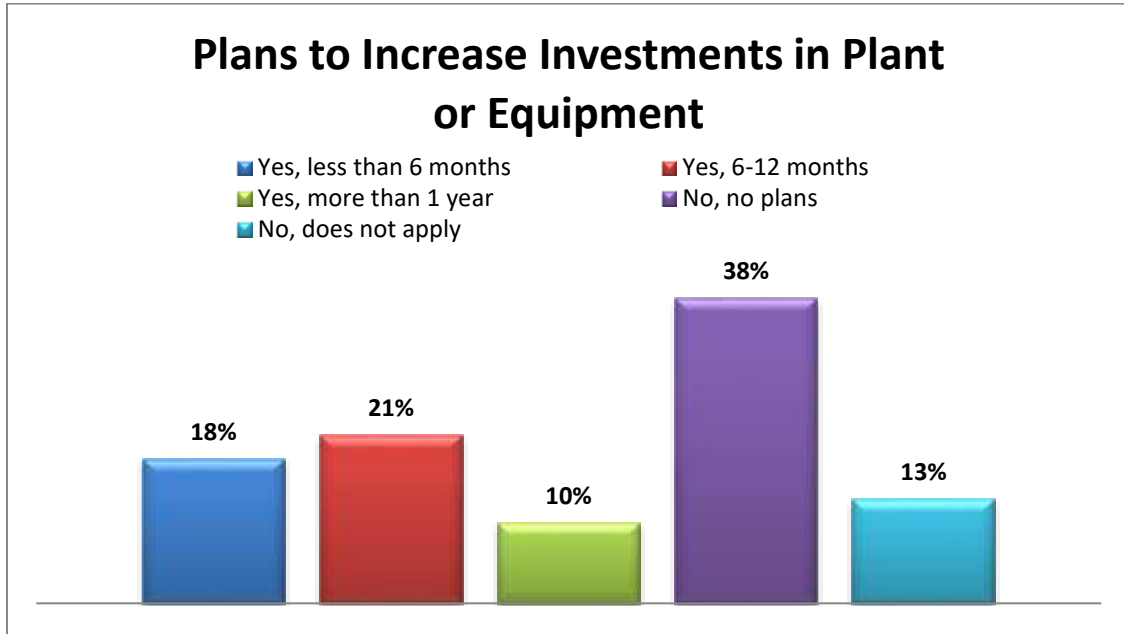


Q13:





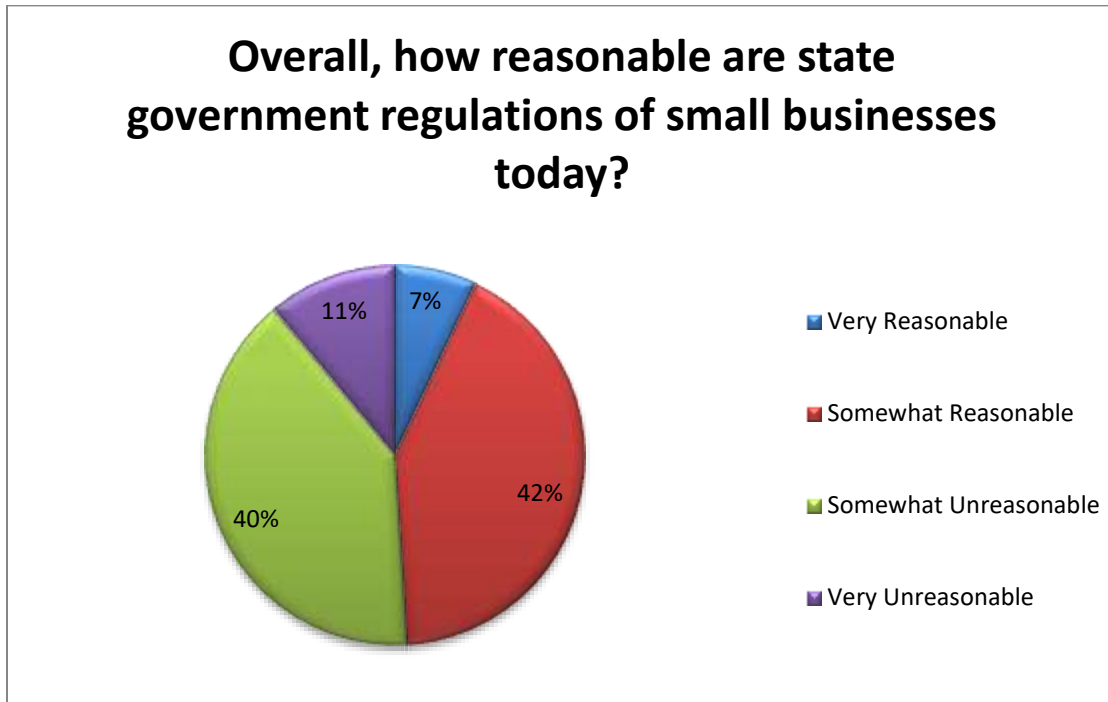
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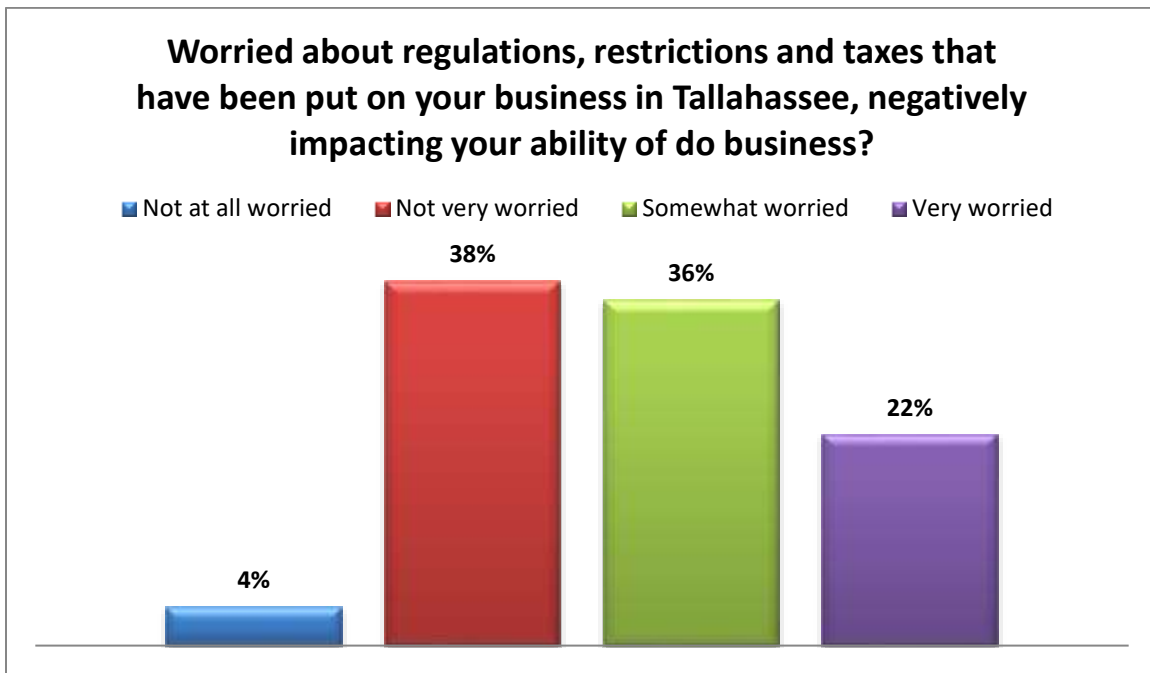
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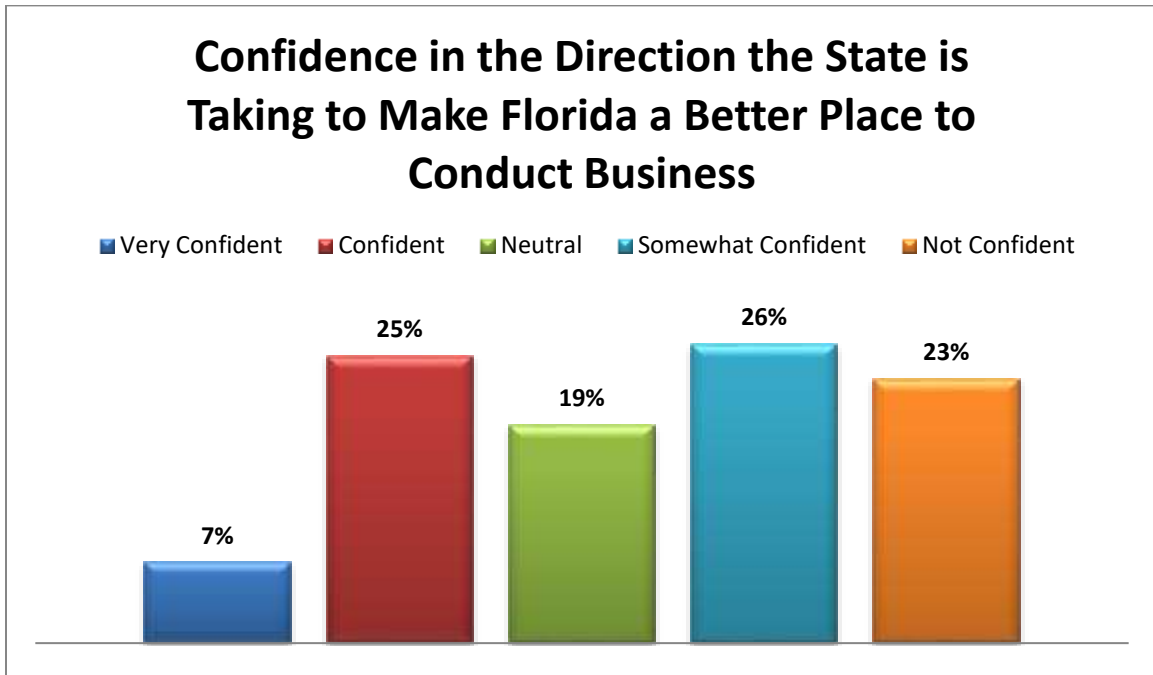
Q16:



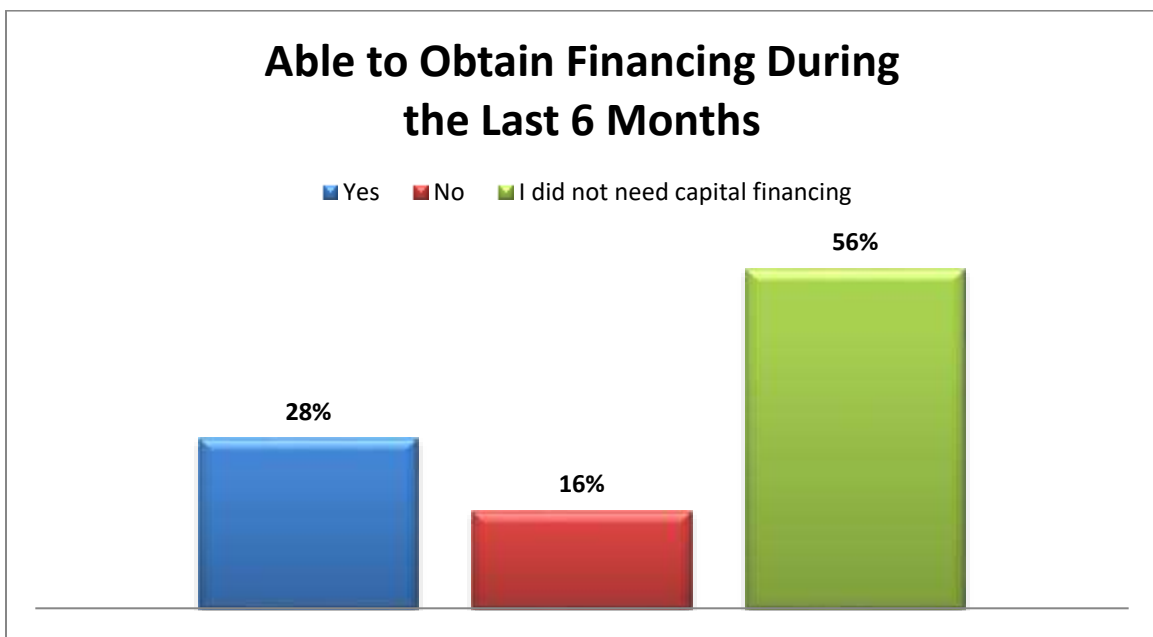
Q17:



Q19:



Q21:



Q22:

