



Florida Small Business Index

2018 Quarter 2 Survey Results

Presented by the Florida Chamber of Commerce Small Business Council

April 2018

About the Florida Chamber's Small Business Council

Florida's small businesses are essential to the continuing recovery of Florida's economy. The Florida Chamber'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 both Florida's House and Senate 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, June/July 2017, September/October 2017, and December 2017/January 2018.

This survey is a nonscientific, random sampling of small business owners in Florida. It was conducted March 12 through April 12, 2018 and received 100 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:

- 34% of respondents employ less than 5 employees;
- 42% employ 5 to 49 employees;
- 8% employ 50 to 99 employees; and
- 16% employ 100 to 500 employees.

Additionally:

- 74% of respondents employ less than 5 part-time employees;
- 16% employ 5 to 49 part-time employees;
- 6% employ 50 to 99 part-time employees; and
- 4% employ 100 or more part-time employees.

Survey Analysis

The Florida Chamber's 2nd Quarter survey of 2018 shows that Florida's small businesses continue to be concerned about workforce quality. In fact, 21 percent of this survey's respondents indicated "Workforce Quality" was their top issue. It was the top issue in the previous survey and also the top issue one year ago in the 2nd quarter of 2017. Notable was the return of "Economic Uncertainty" which was the second-highest response to this question, with 14 percent of respondents indicating it was their top issue. This was a substantial increase from last quarter's survey, when "Economic Uncertainty" was not among the top issues facing Florida's small businesses.

In third place is "Government Regulations" with 13 percent, followed by "Lawsuit Abuse" and "Healthcare Costs" with 9 percent each. "Access to Capital" was the top issue for 7 percent of Florida's small businesses.

The top six issues - "Workforce Quality", "Economic Uncertainty", "Government Regulations", "Lawsuit Abuse", "Healthcare Costs", and "Access to Capital" - cover the top concerns of 73 percent of small businesses taking the survey during the second quarter of 2018.

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 – 56 percent, down from the 77 percent reported in our last survey.

When asked to disclose their outlook for the Florida economy over the next three years, 60 percent of respondents expect the economy to improve. This is down from 71 percent last quarter, 70 percent a year ago, and 73 percent two years ago.

Small Business Employment Outlook:

- 49 percent of respondents expect to hire in the next six months – this is down slightly from the 52 percent planning to hire in our Q1 2018 survey.
- An indicator of small business expansion in Florida – 51 percent of businesses have plans to make investments in plants or equipment, down only slightly from 53 percent last survey, with 42 percent of businesses planning to make those investments within one year. More than half of next year's expansion investments are expected to occur within the next 6 months.

One sign of things that may increase the difficulty for Florida's small businesses is the expected increase in interest rates. On this survey, 29 percent of respondents expected financing to become more difficult in the next 6 months, compared to 21 percent on both last quarter's survey and the Q2 2017 survey.

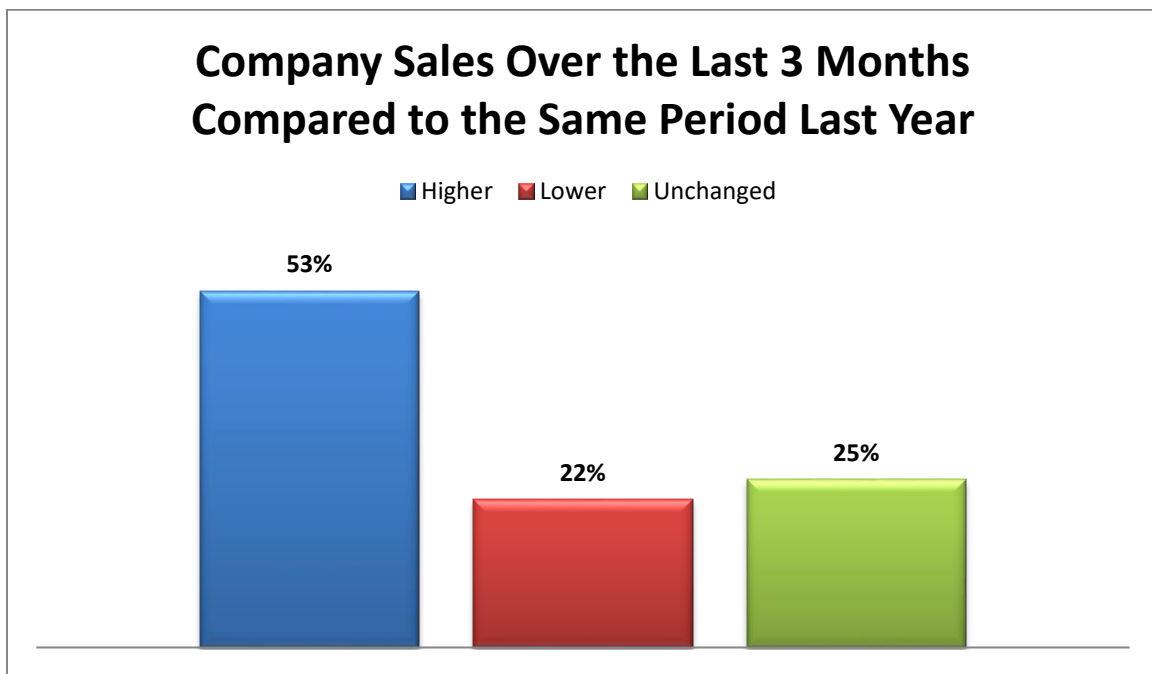
Survey Results

Comparisons

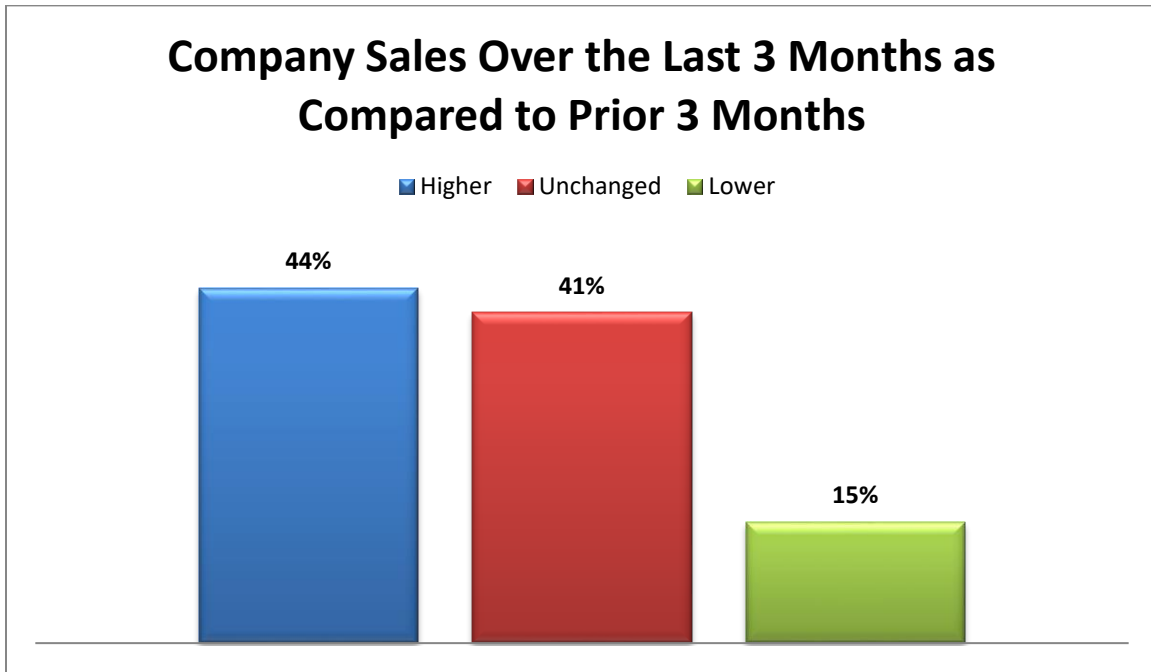
Q1: Top issues facing Florida small businesses today:

1. Workforce Quality – 21%
2. Economic Uncertainty – 14%
3. Government Regulations – 13%
4. Lawsuit Abuse – 9%
5. Healthcare Costs – 9%
6. Access to Capital – 7%

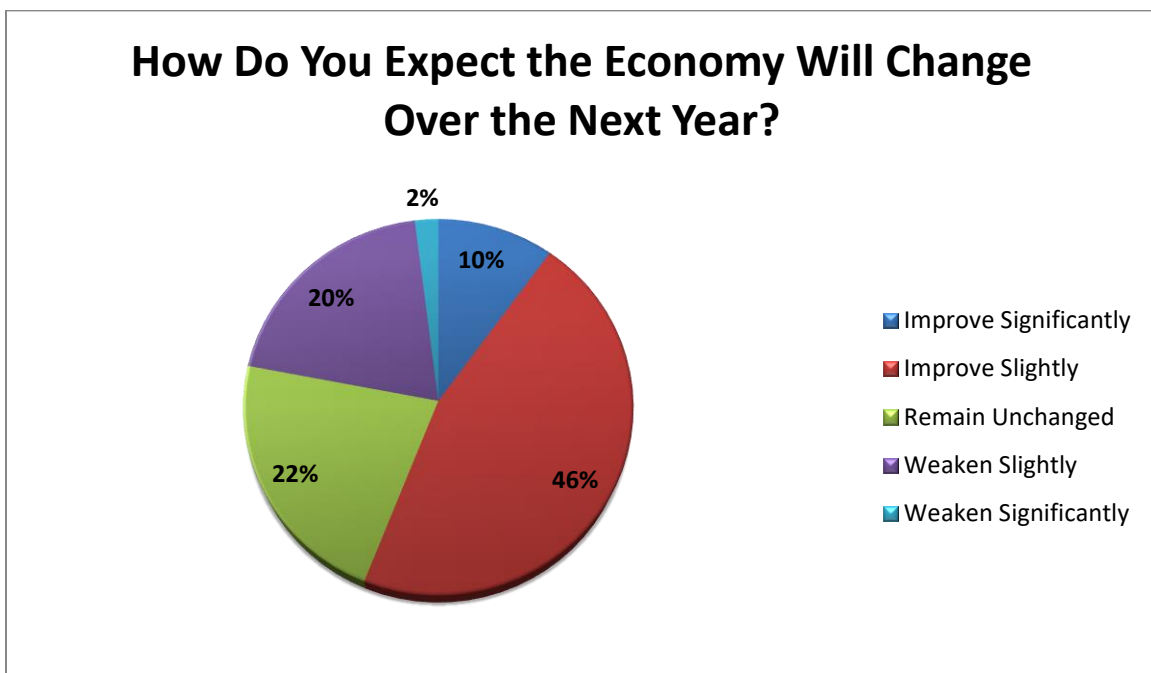
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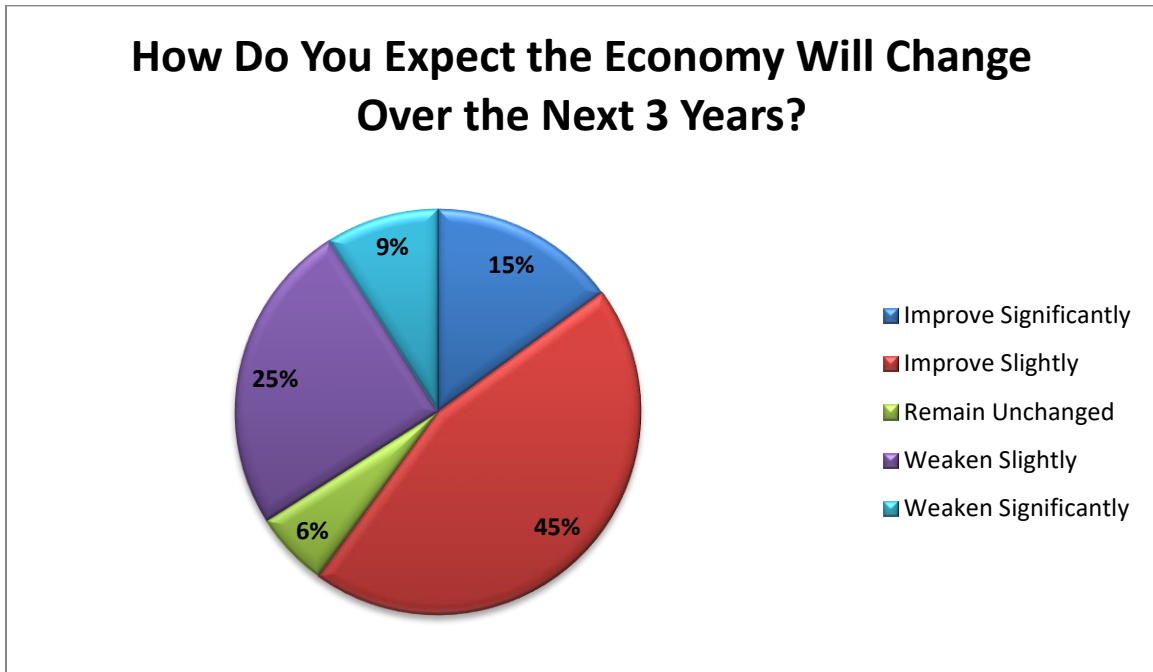
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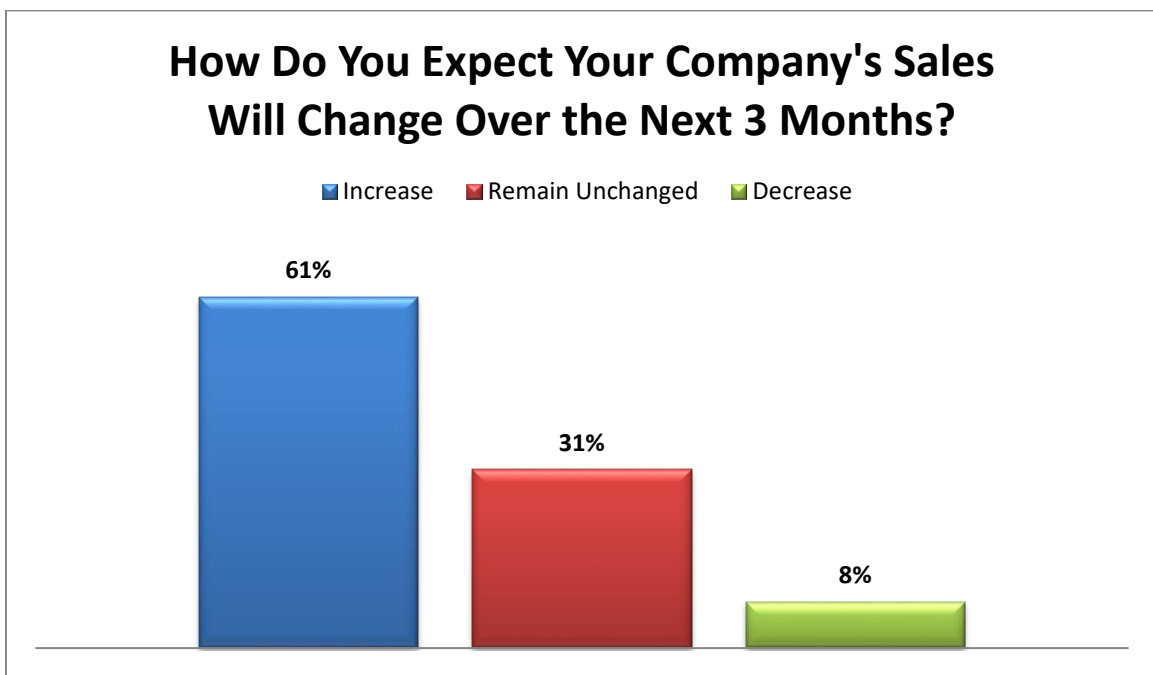
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Q7:



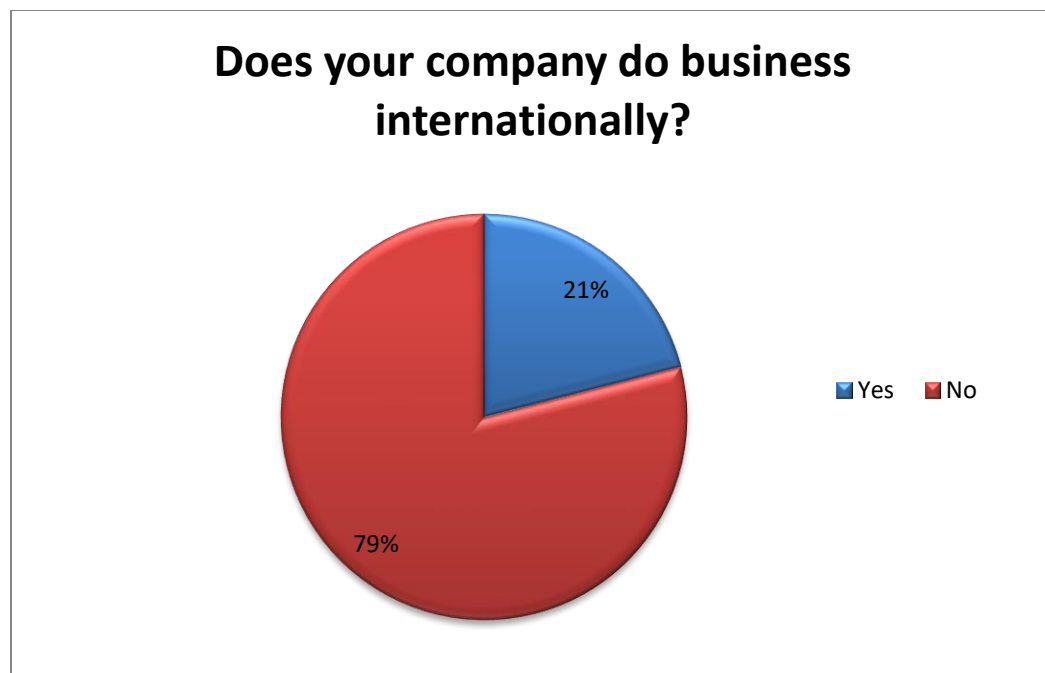
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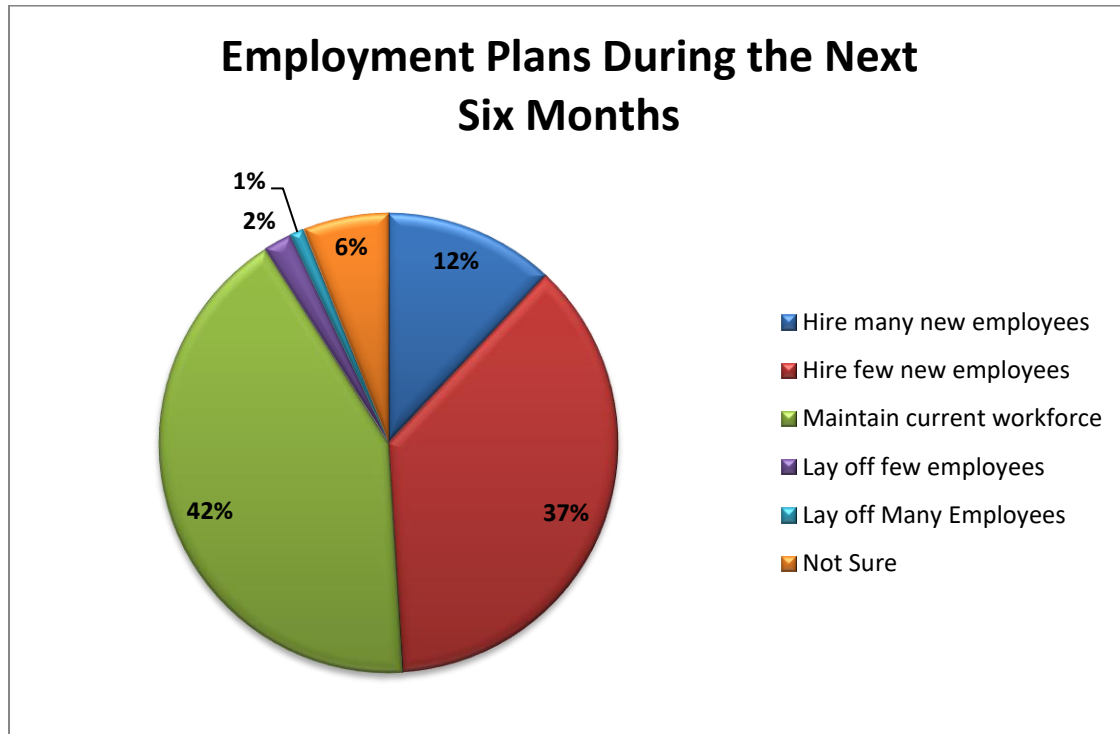
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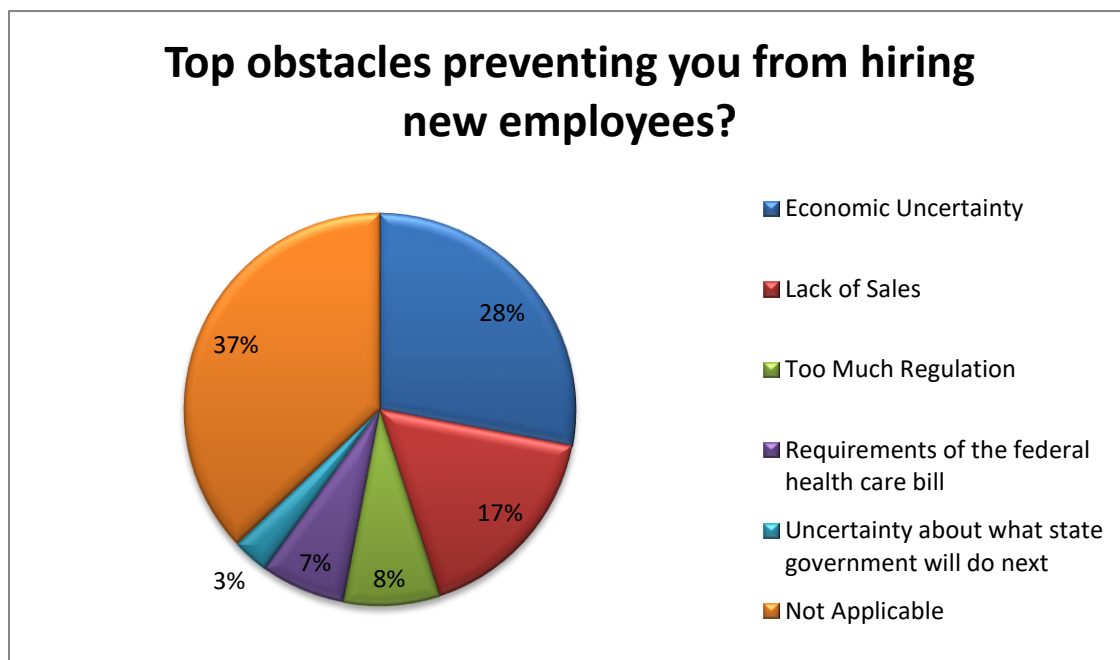
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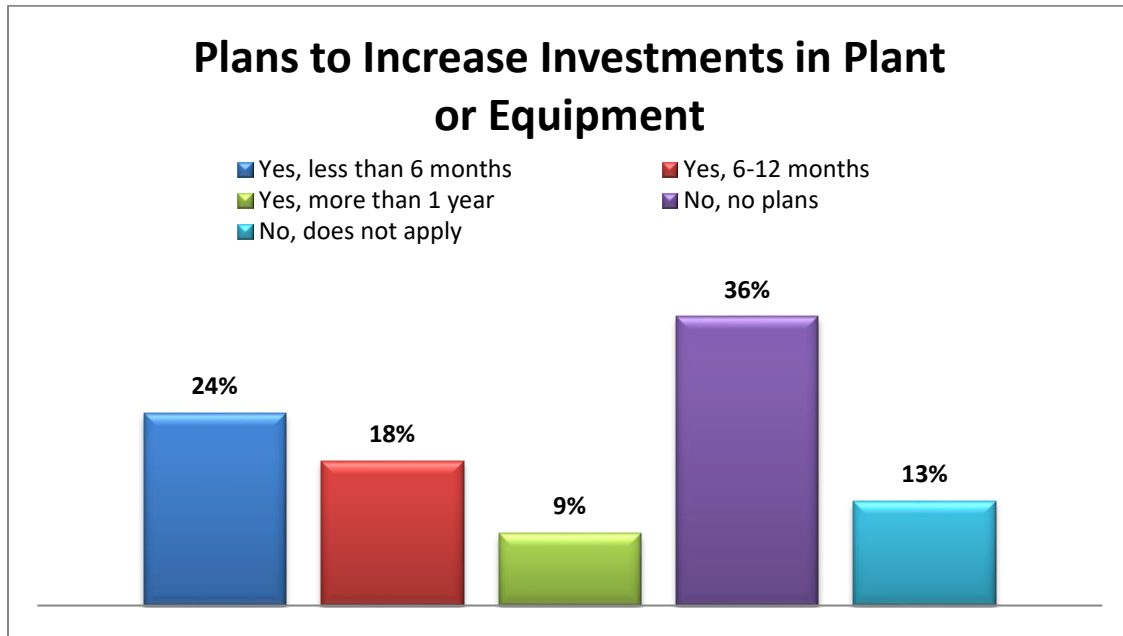
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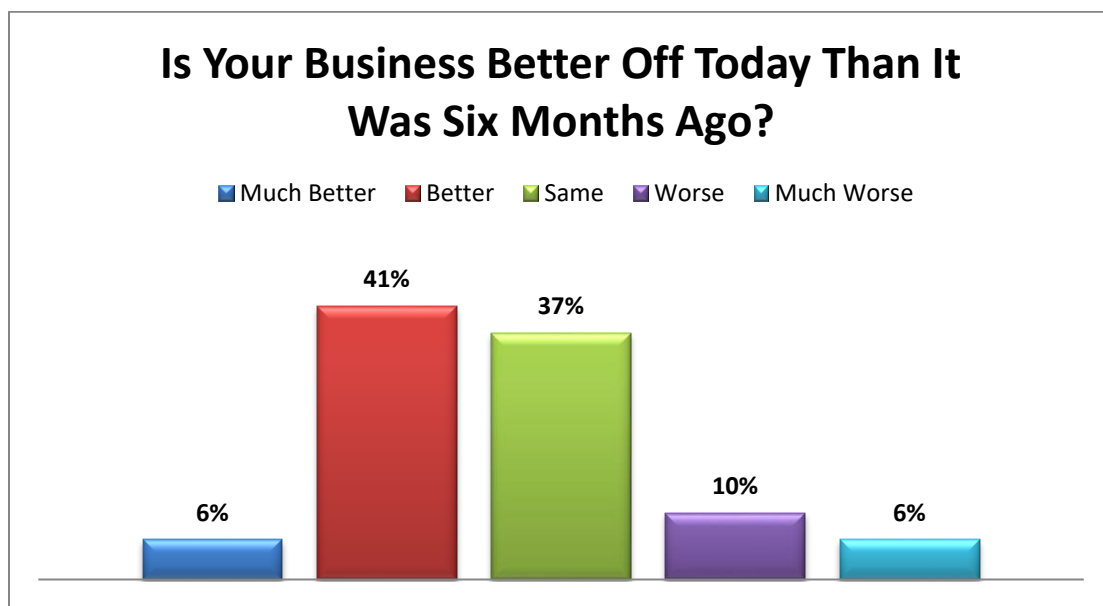
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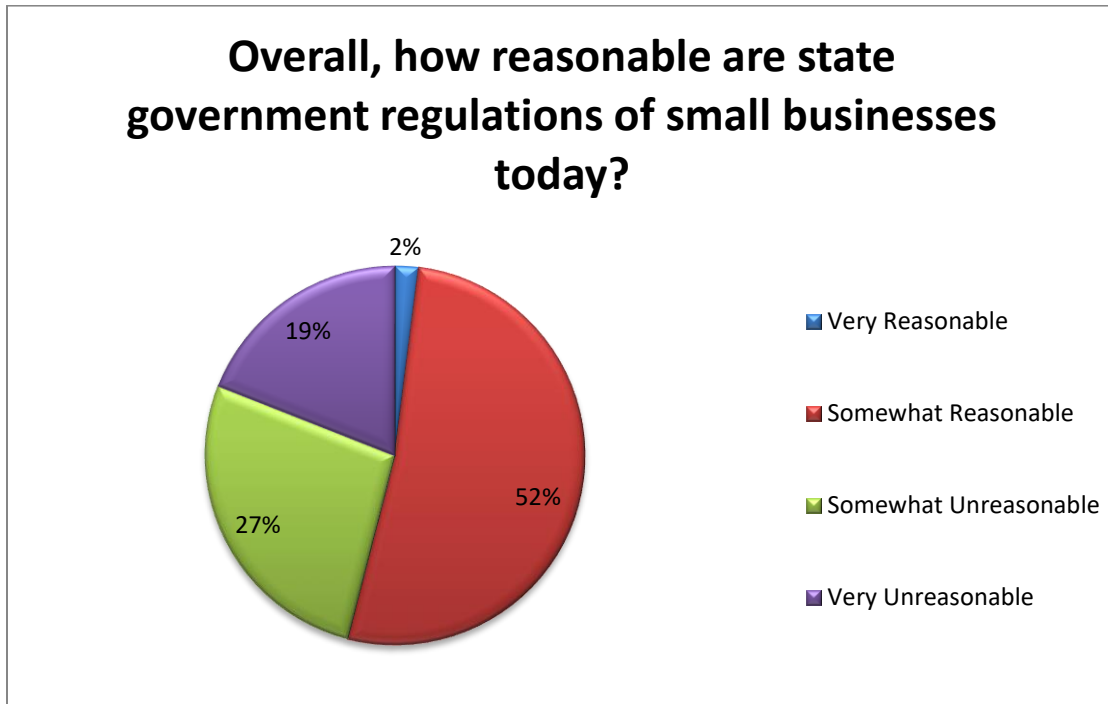
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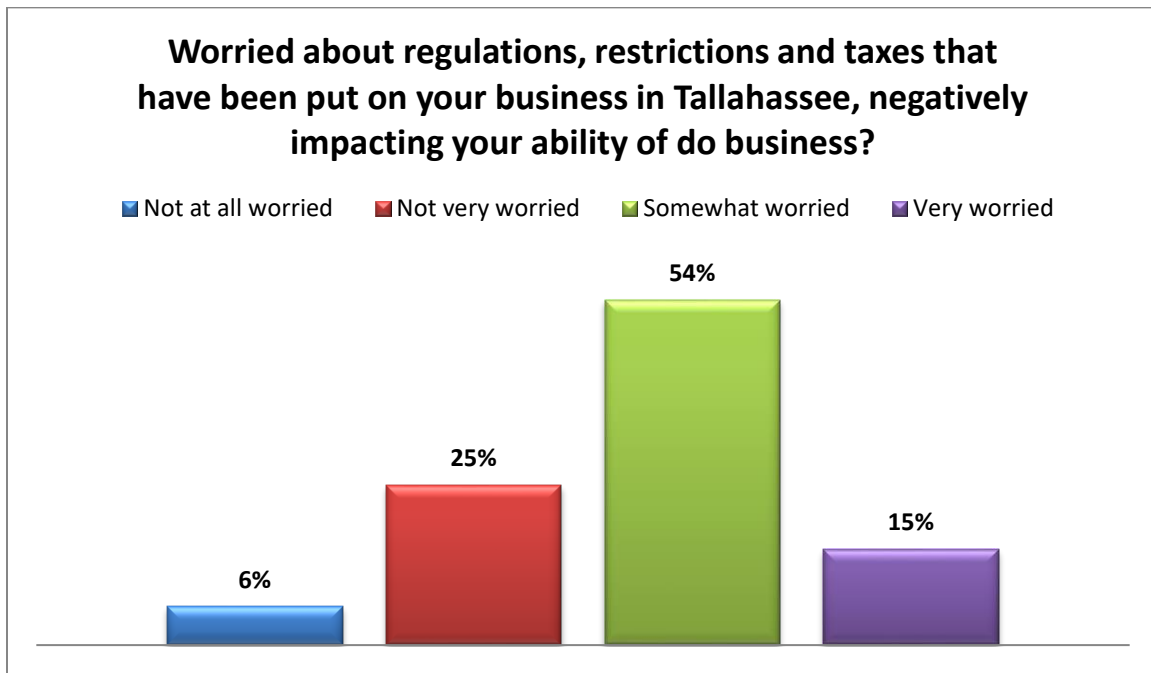
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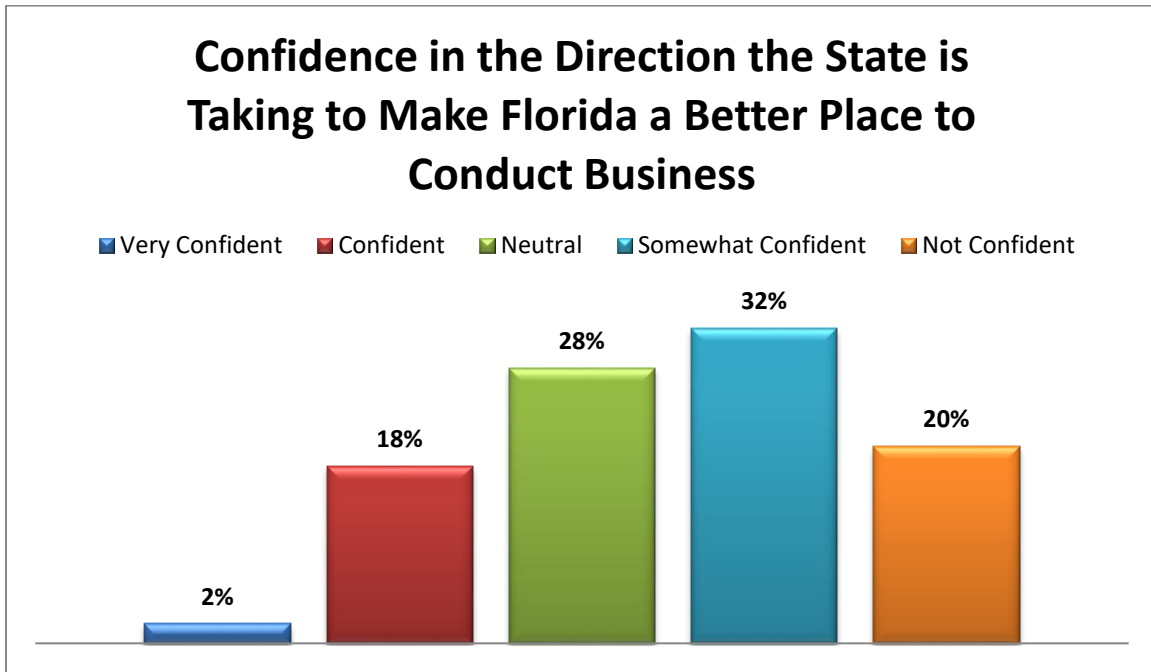
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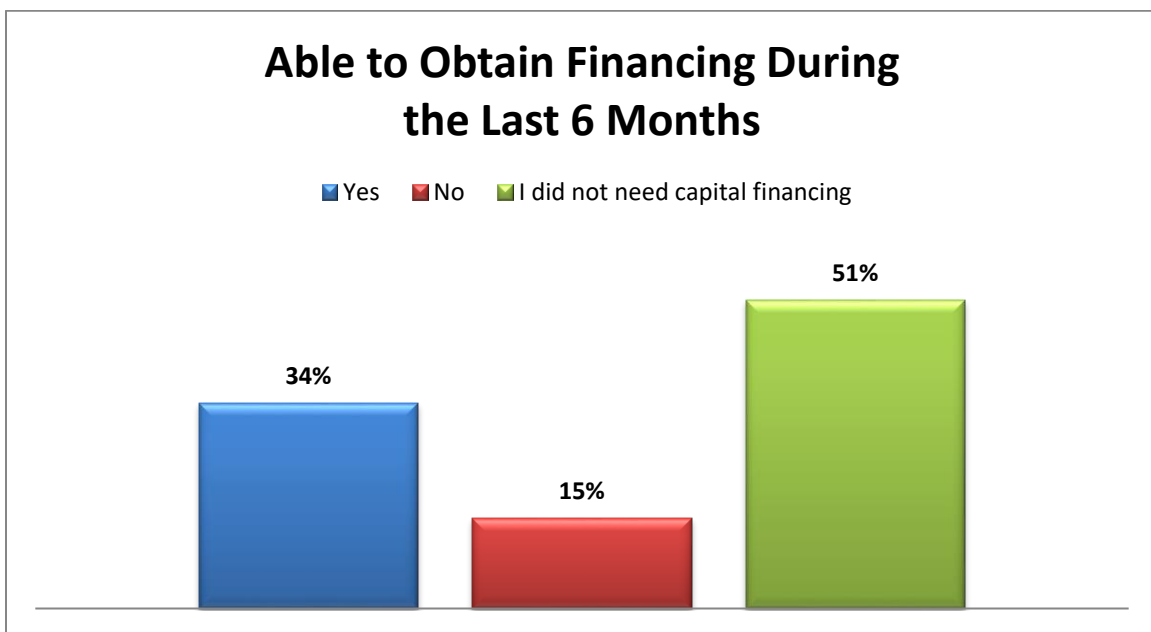
Q17:



Q19:



Q21:



Q22:

