



# Florida Small Business Index

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## 2018 Quarter 4 Survey Results

Presented by the Florida Chamber of Commerce Small Business Council

October 2018

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

Florida's small businesses are essential to the continuing recovery of the Florida 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, December 2017/January 2018, March/April 2018, and June/July 2018.

This survey is a nonscientific, random sampling of small business owners in Florida. It was conducted September 6, 2018 through October 11, 2018 and received 199 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:

- 39% of respondents employ less than 5 employees;
- 43% employ 5 to 49 employees;
- 10% employ 50 to 99 employees; and
- 8% employ 100 to 500 employees.

Additionally:

- 80% of respondents employ less than 5 part-time employees;
- 19% employ 5 to 49 part-time employees;
- 0% employ 50 to 99 part-time employees; and
- 1% employ 100 or more part-time employees.

## **Survey Analysis**

The Florida Chamber's 4<sup>th</sup> Quarter survey of 2018 shows that Florida's small businesses continue to be concerned about workforce quality. In fact, 26 percent of this survey's respondents indicated "Workforce Quality" was their top issue. "Workforce Quality" has been either number one or tied for number one for the last eight quarters. "Government Regulations" was the second-highest response to this question, with 9 percent of respondents indicating it was their top issue.

Tied for third place is "Access to Capital" and "Economic Uncertainty" with 8 percent each. "Lawsuit Abuse", "Taxes", and "Healthcare Costs" round out the top issues for Florida's small businesses with 6 percent each.

The top seven issues - "Workforce Quality", "Government Regulations", "Access to Capital", "Lawsuit Abuse", "Taxes" and "Healthcare Costs" - cover the top concerns of 69 percent of Florida's small businesses taking the survey during the fourth quarter of 2018.

When asked about their outlook for the Florida economy over the next three years, 59 percent of respondents expect the economy to improve, down from 73 percent one year ago. More interesting is that 34 percent of businesses expect the economy to weaken over the next 3 years – up from 20 percent in the fourth quarter survey in 2017 and 17 percent two years ago.

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

- 48 percent of respondents expect to hire in the next six months – this is up slightly from the 45 percent planning to hire in our Q3 2018 survey.
- An indicator of small business expansion in Florida – 43 percent of businesses have plans to make investments in plants or equipment, down from 49 percent one year ago. Of those businesses planning to make investments, 34 percent of them plan to make them within the next 12 months. More than 60 percent of next year's expansion investments are expected to occur within the next 6 months.

A positive sign of business confidence is that 50 percent of Florida's small businesses in this survey say their business is better off than it was 6 months ago. That's up from 40 percent one year ago, and 37 percent two years ago.

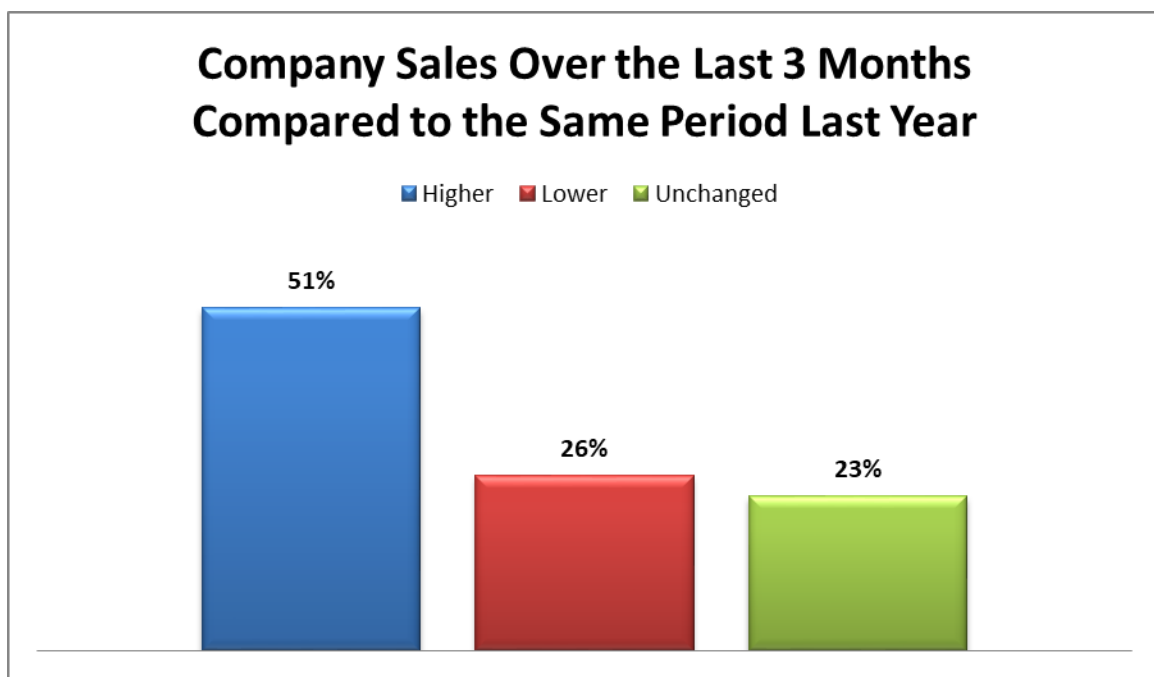
## **Survey Results**

### **Comparisons**

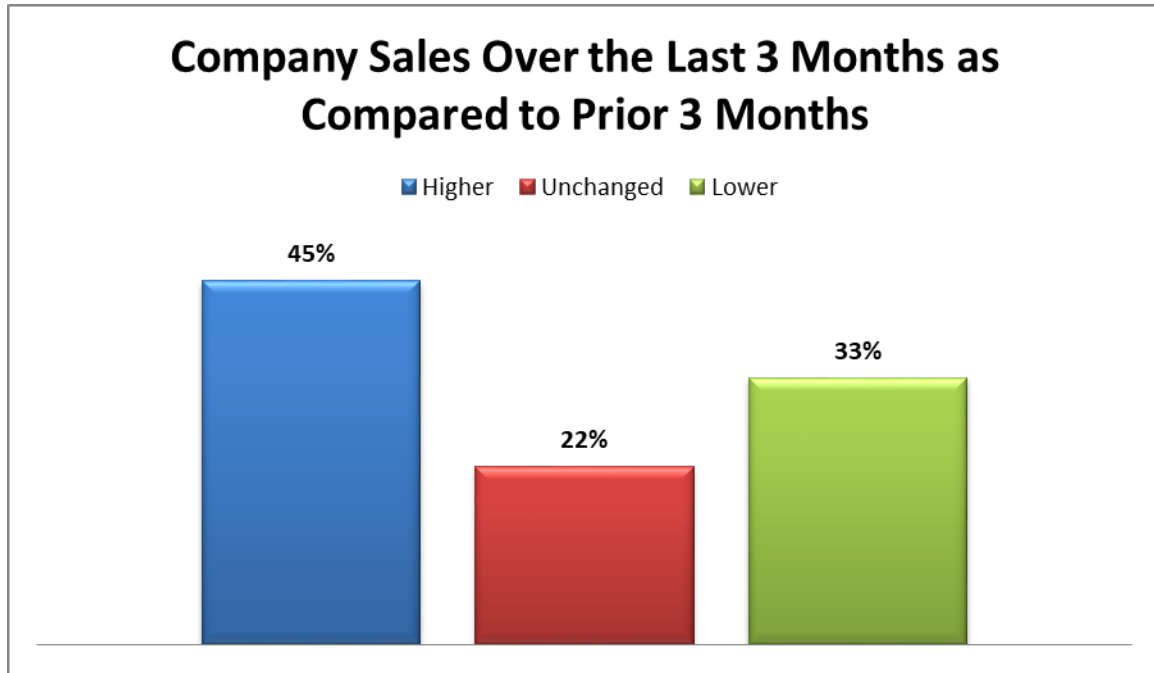
#### **Q1: Top issues facing Florida small businesses today:**

1. Workforce Quality – 26%
2. Government Regulations – 9%
3. Access to Capital – 8%
3. Economic Uncertainty – 8%
5. Lawsuit Abuse – 6%
5. Taxes – 6%
5. Healthcare Costs – 6%

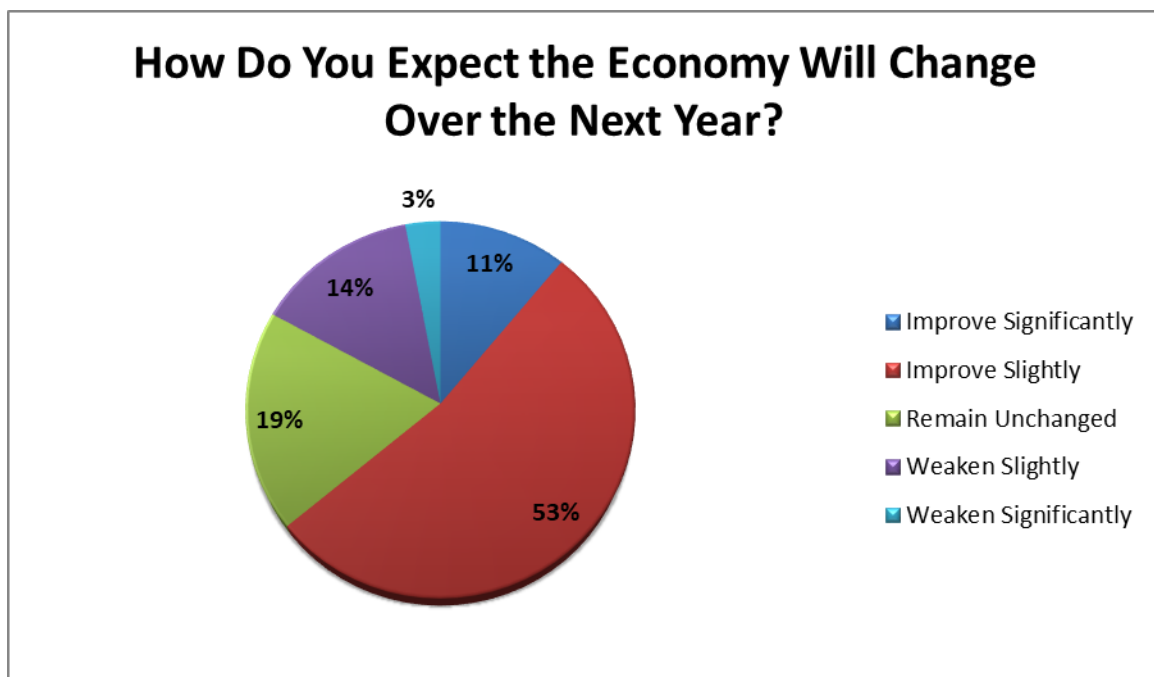
#### **Q4:**



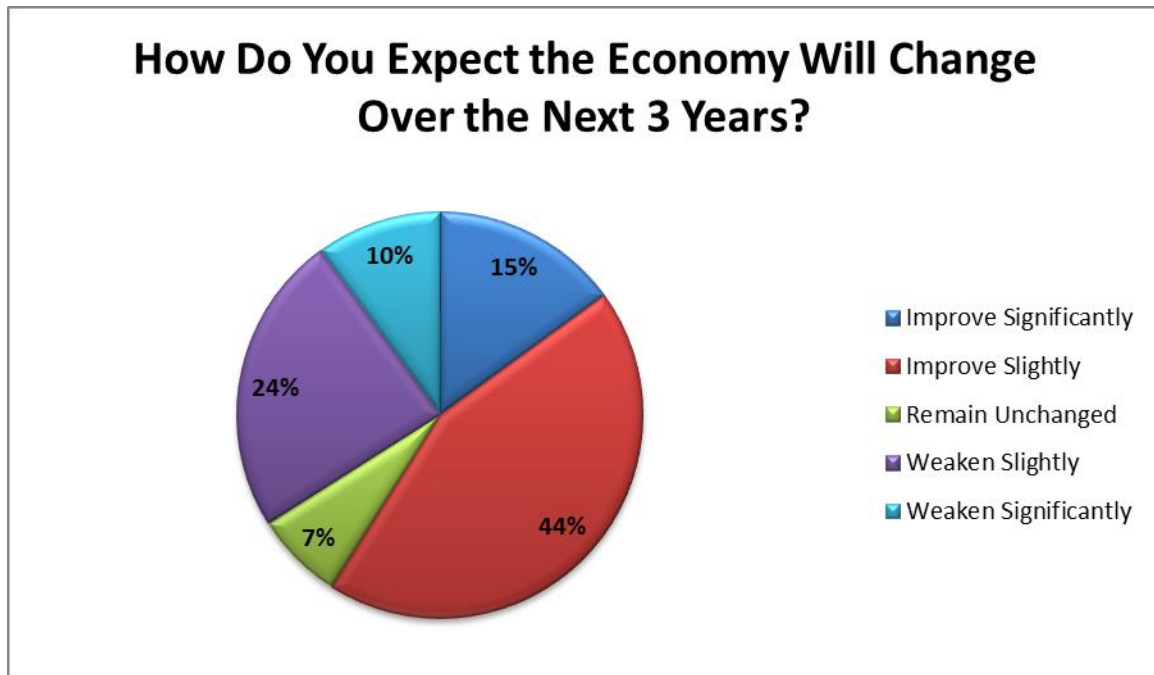
Q5:



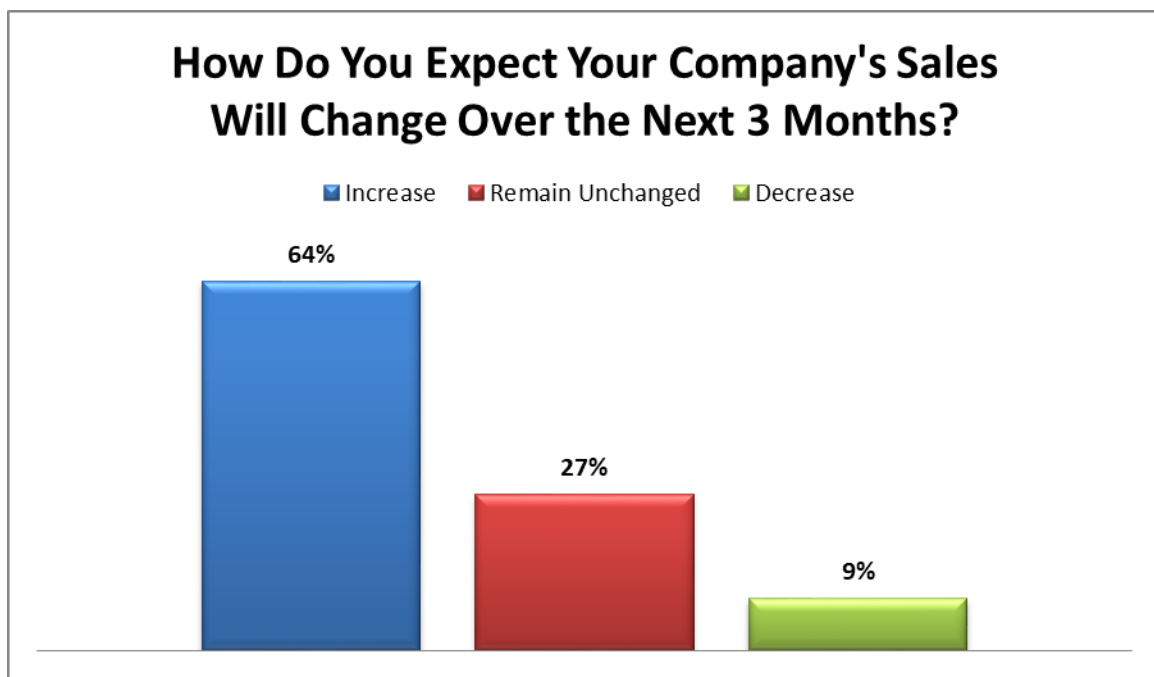
Q6:



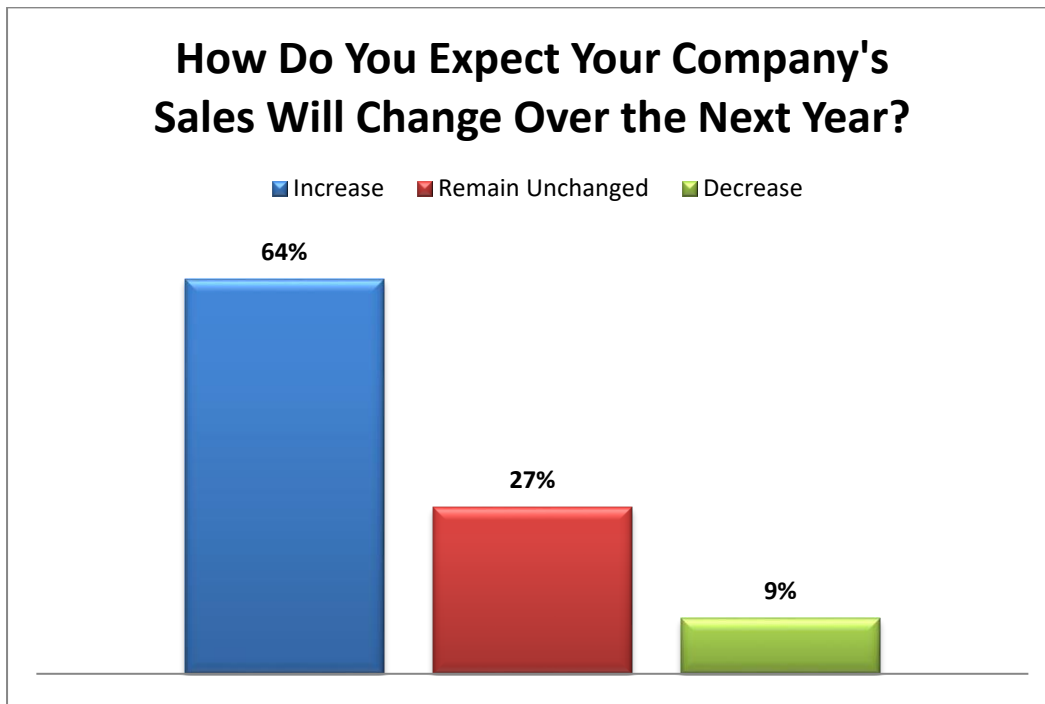
Q7:



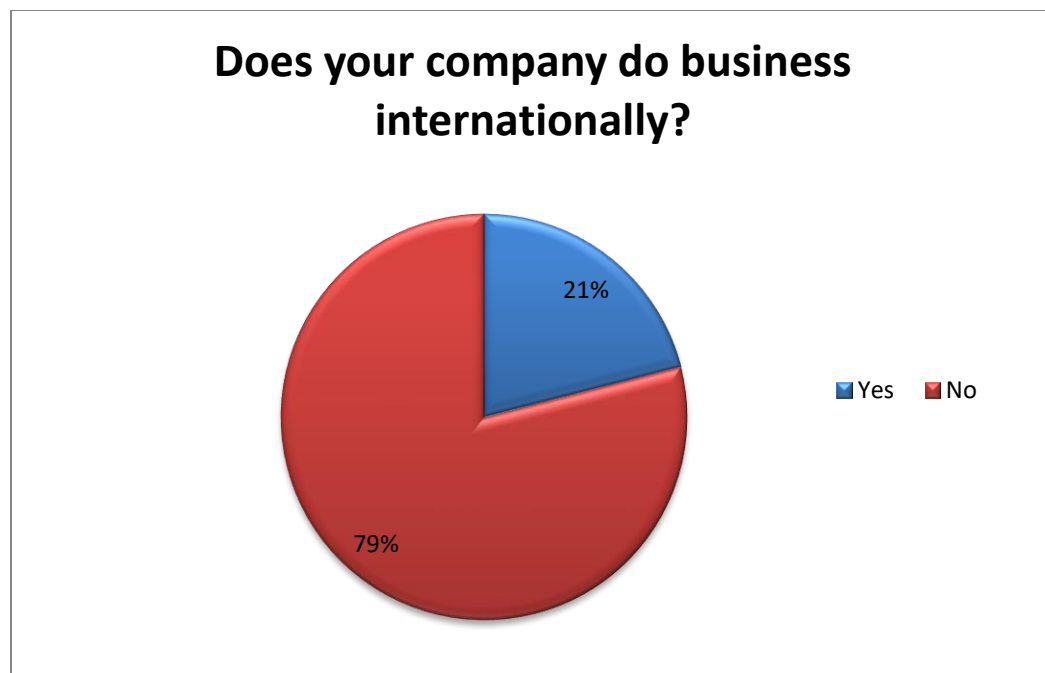
Q8:



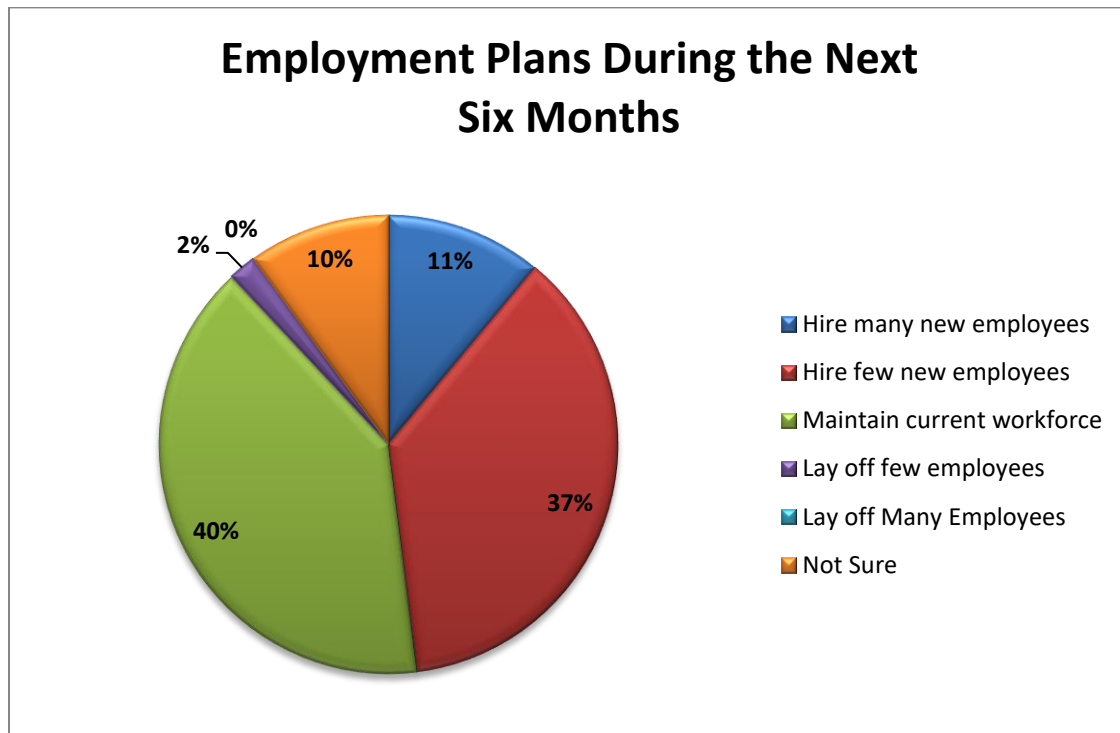
**Q9:**



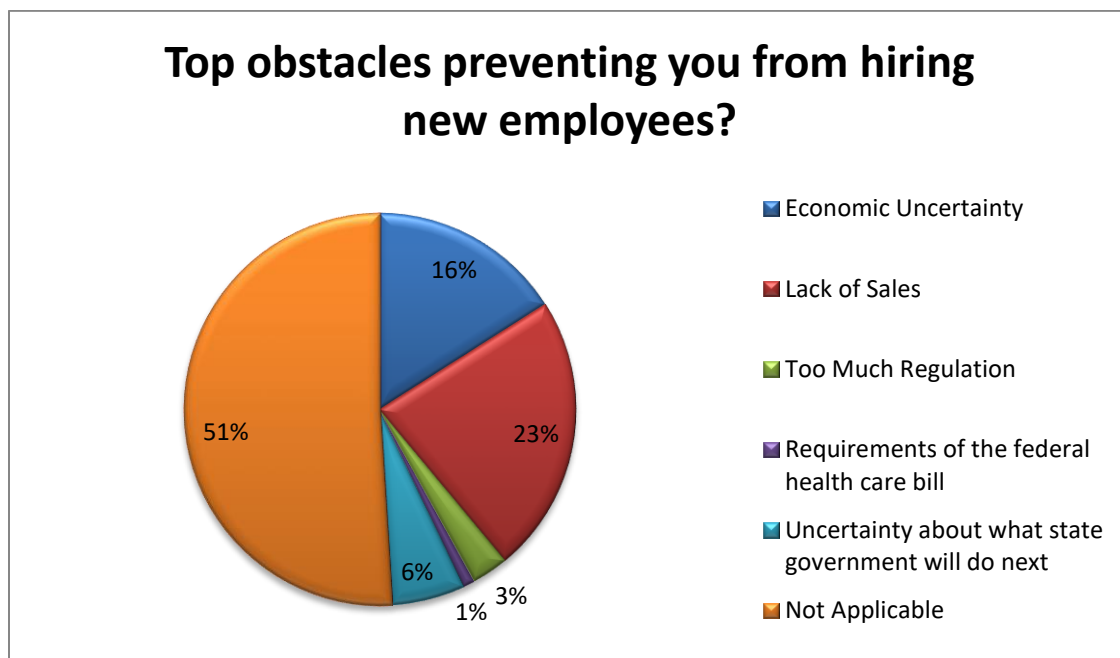
**Q10:**



Q12:

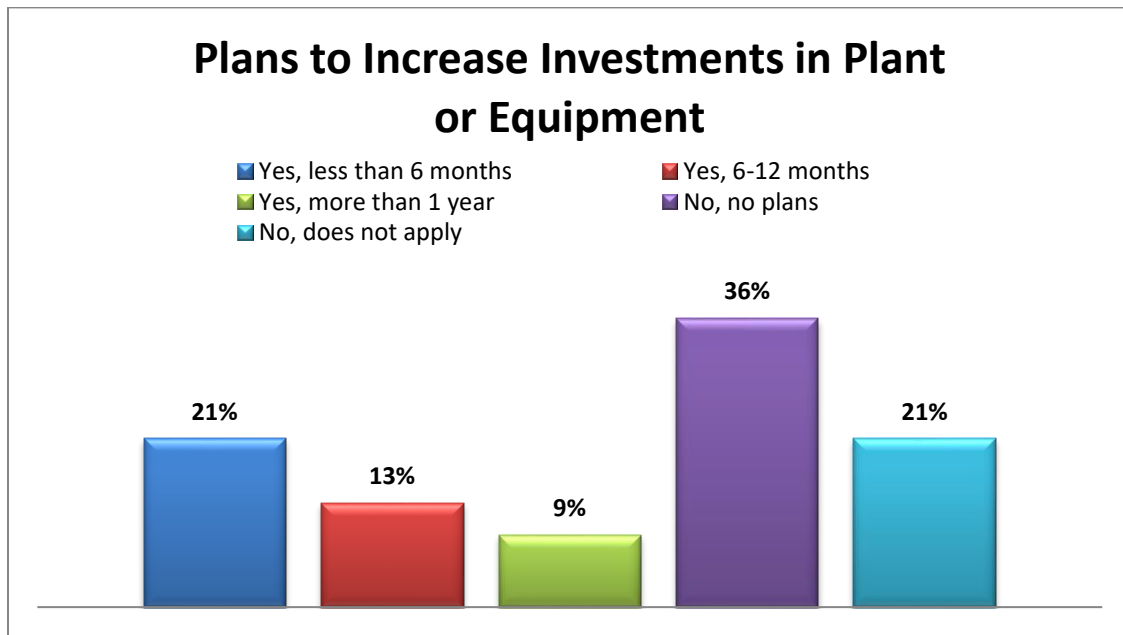


Q13:

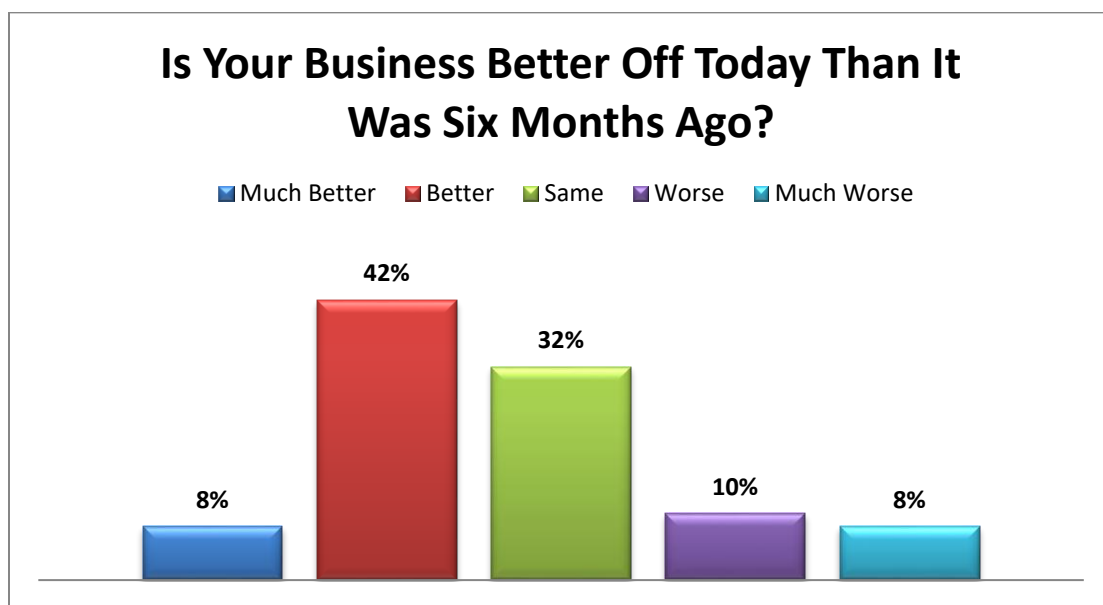




Q14:

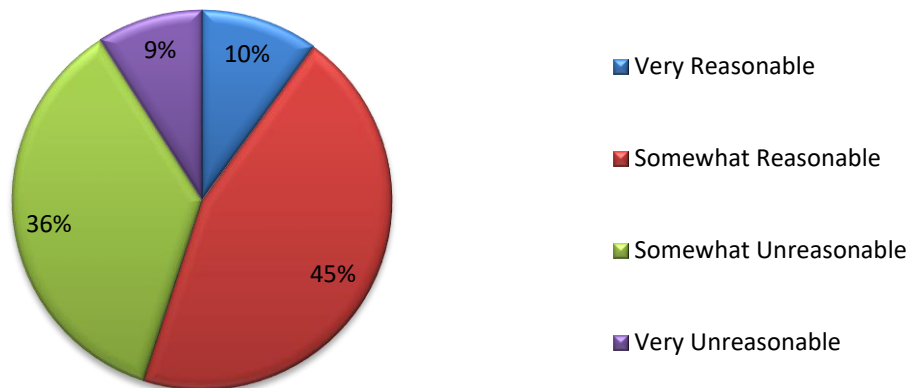


Q15:



Q16:

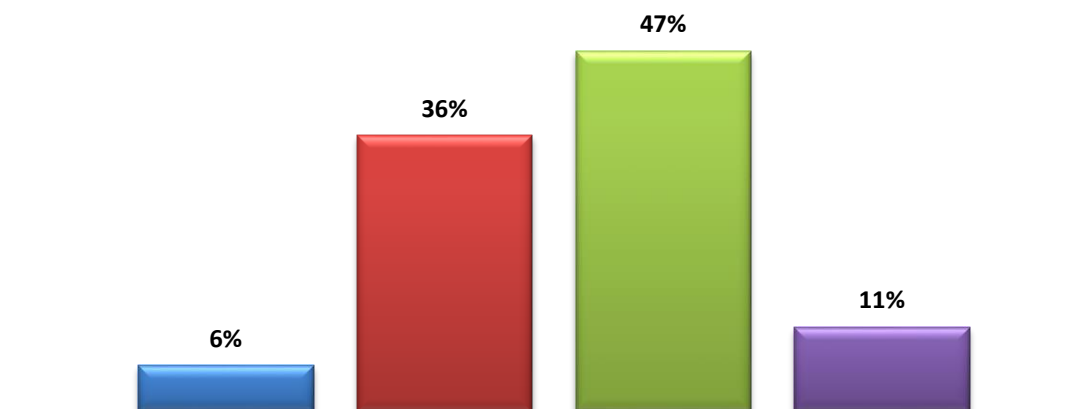
**Overall, how reasonable are state government regulations of small businesses today?**



**Q17:**

**Worried about regulations, restrictions and taxes that have been put on your business in Tallahassee, negatively impacting your ability of do business?**

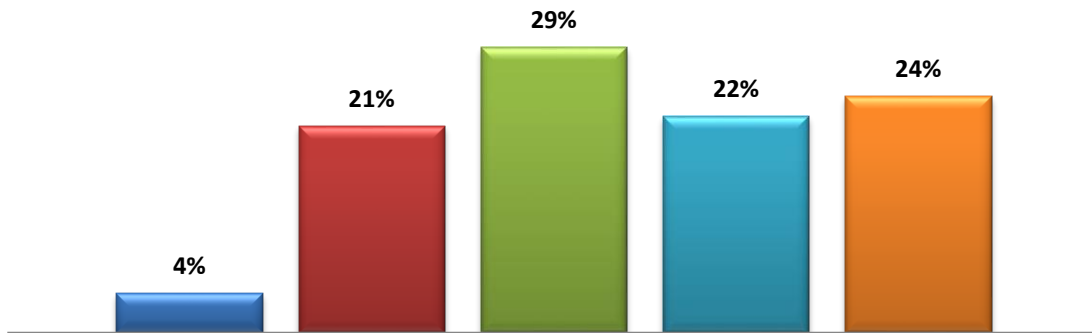
■ Not at all worried   ■ Not very worried   ■ Somewhat worried   ■ Very worried



**Q19:**

## Confidence in the Direction the State is Taking to Make Florida a Better Place to Conduct Business

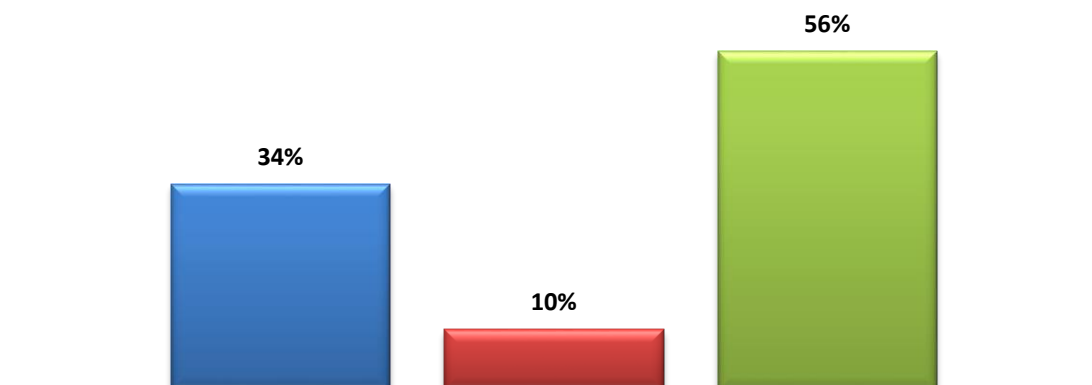
■ Very Confident ■ Confident ■ Neutral ■ Somewhat Confident ■ Not Confident



Q21:

## Able to Obtain Financing During the Last 6 Months

■ Yes ■ No ■ I did not need capital financing



Q22:

## Ability to Obtain Financing During the Next 6 Months

■ Easier ■ Harder ■ Not Applicable

