



Florida Small Business Index

2017 Quarter 2 Survey Results

Presented by the Florida Chamber of Commerce Small Business Council

April 2017

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 Florida-only 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, and December 2016.

This survey is a nonscientific, random sampling of small business owners in Florida. It was conducted March 29, 2017 through April 14, 2017 and received 128 responses. The electronic survey was e-mailed to small businesses in Florida, distributed by local chambers of commerce throughout the state, and posted on social media including Facebook and Twitter.

Of those responding:

- 37 percent of respondents employ less than 5 employees;
- 42 percent employ 5 to 49 employees;
- 12 percent employ 50 to 99 employees; and
- 9 percent employ 100 to 500 employees.

Additionally:

- 75 percent of respondents employ less than 5 part-time employees;
- 18 percent employ 5 to 49 part-time employees;
- 5 percent employ 50 to 99 part-time employees; and
- 2 percent employ 100 or more part-time employees.

Survey Analysis

The Florida Chamber's 2nd Quarter survey of 2017 shows Florida's small businesses are increasingly concerned about workforce quality. In fact, 22 percent of the survey respondents indicated "Workforce Quality" was their top issue. "Government Regulations" went from being tied for first place in the last survey, and in first place a year ago, to second place in this survey with 16 percent of respondents indicating it was their top issue. Moving up to third place is "Healthcare Costs" with 13 percent. An indication of the increasing concern for Florida's small businesses, "Healthcare Costs" were not on the top five list during the same period in 2016, or in 2015.

"Economic Uncertainty" and "Access to Capital" were tied for fourth place in this survey, with 10 percent each. "Lawsuit Abuse" was indicated as the top issue facing Florida's small business by 6 percent of respondents.

The top six issues - "Workforce Quality," "Government Regulations," "Healthcare Costs," "Economic Uncertainty," "Access to Capital," and "Lawsuit Abuse" - cover the top concerns of 77 percent of small businesses taking the survey during the second quarter of 2017.

According to respondents, business demand appears to be firming a little, with 56 percent indicating sales were higher compared the same period last year. This is a 6 percentage point increase over the last survey, and 9 percentage points higher than at the same time last year.

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

Small Business Employment Outlook:

- 48 percent of respondents expect to hire in the next six months – that includes those who plan to hire either a few (42%) or many (6%). This is down from the 51 percent planning to hire in our last survey.
- 53 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, 51 percent of businesses plan to make investments in plants or equipment, down slightly from 49 percent one year ago.

One important thing to note on this survey is Florida's small businesses are less confident in the direction the state is taking to make Florida a better place to conduct business. Only 15 percent of businesses are confident (14 percent "Confident" and one percent "Very Confident"). This is down from 26 percent who indicated they were confident in the direction of Florida in the last survey and down substantially from 32 percent in the 2nd Quarter survey two years ago (Q2 2015).

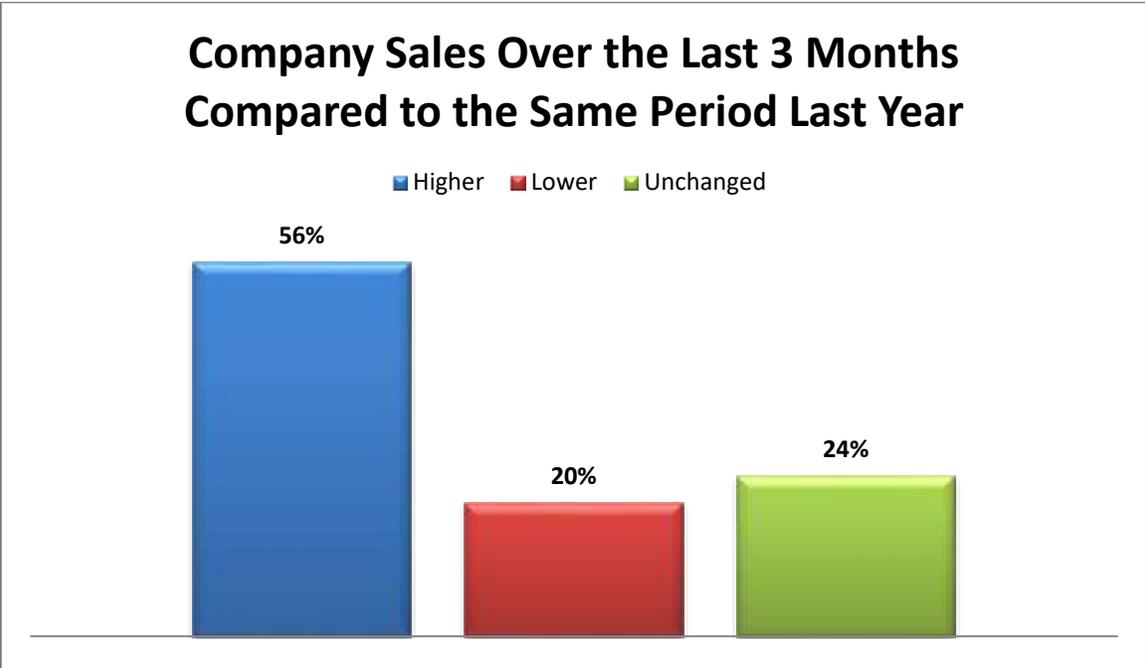
Survey Results

Comparisons

Q1: Top issues facing Florida small businesses today:

- 1. Workforce Quality – 22%
- 2. Government Regulations – 16%
- 3. Healthcare Costs – 13%
- 4. Economic Uncertainty – 10% (tie)
- 4. Access to Capital – 10% (tie)
- 5. Lawsuit Abuse – 6%

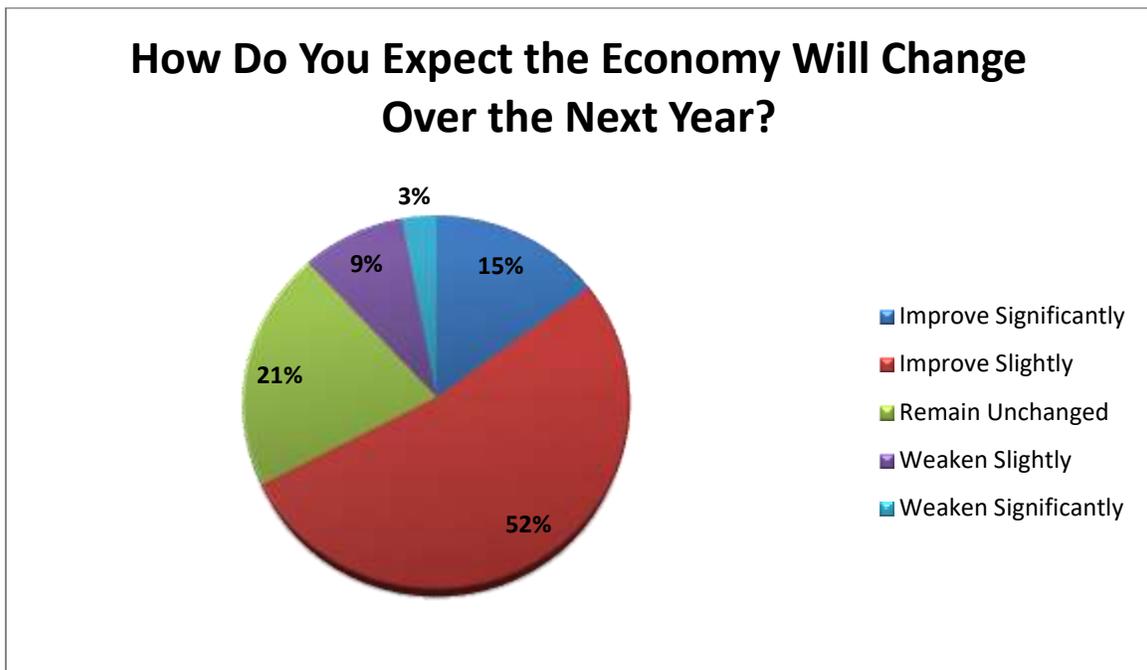
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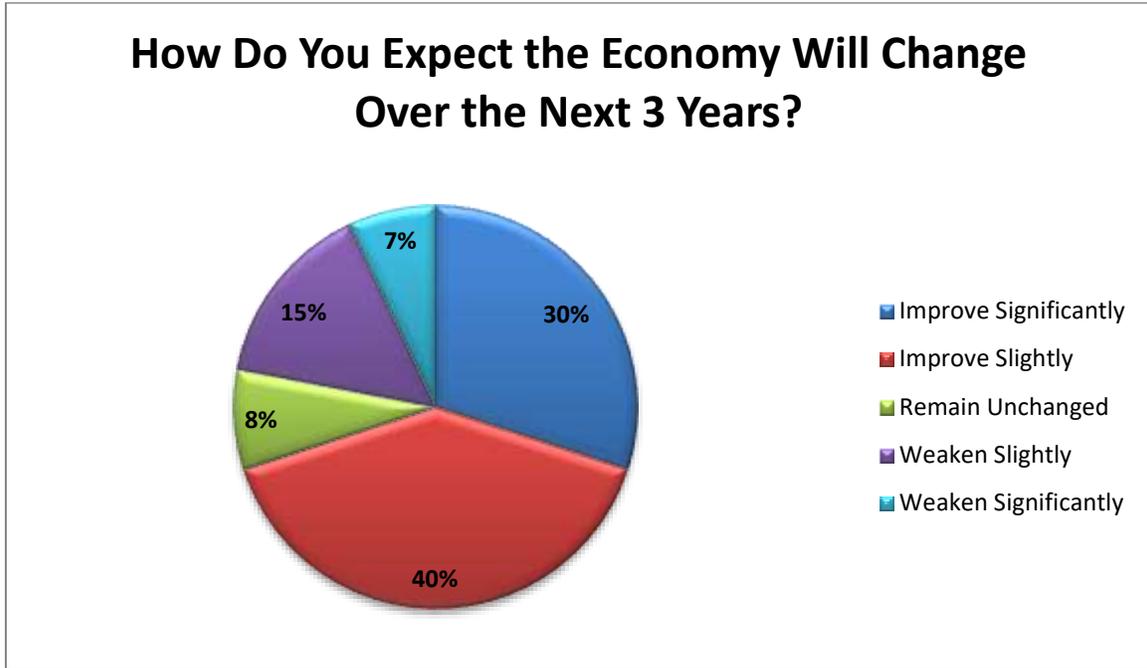
Q5:



Q6:



Q7:



Q8:



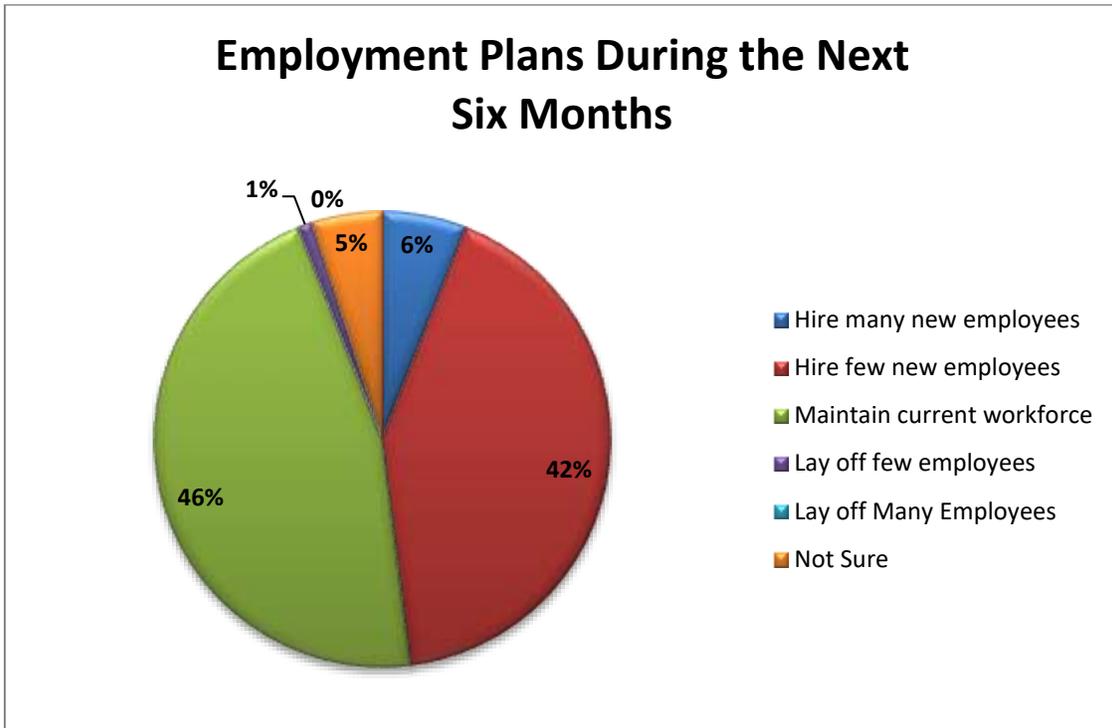
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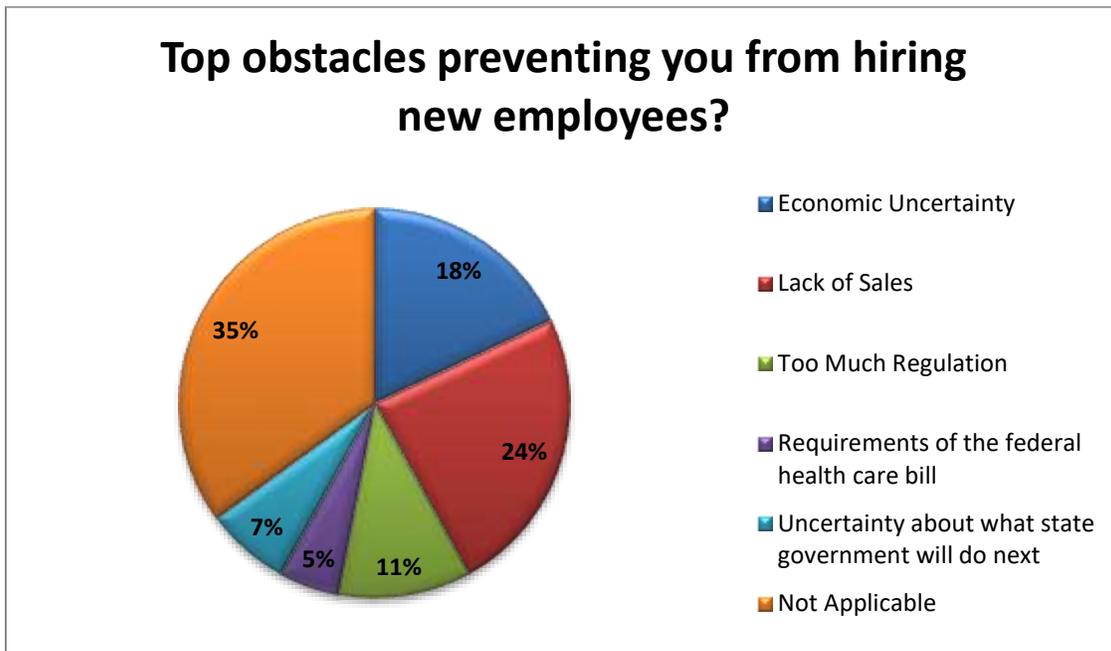
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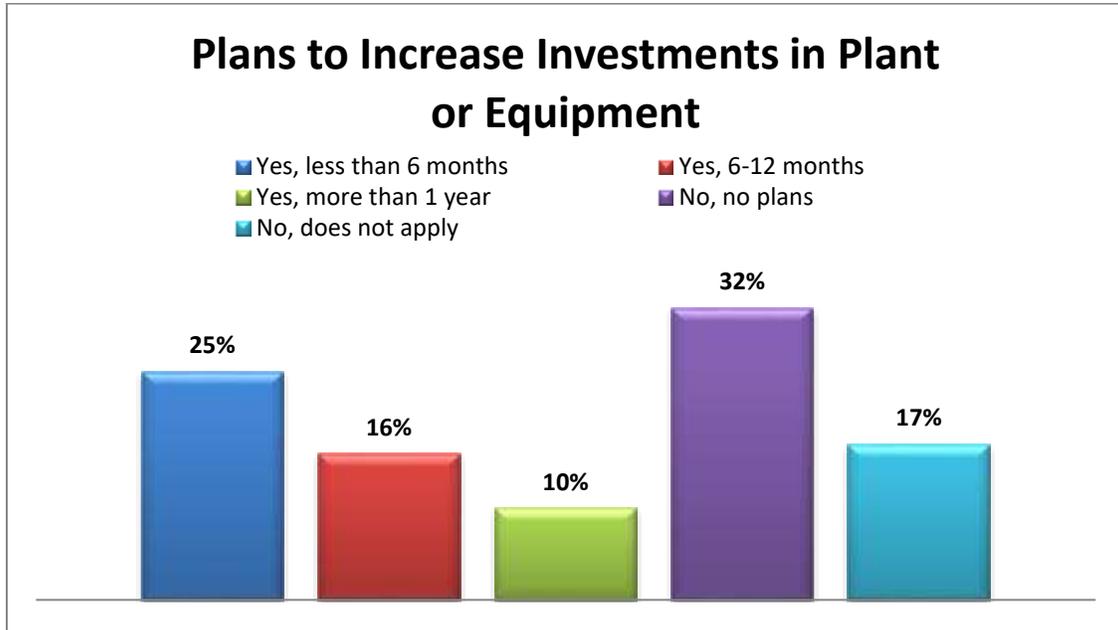
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Q13:



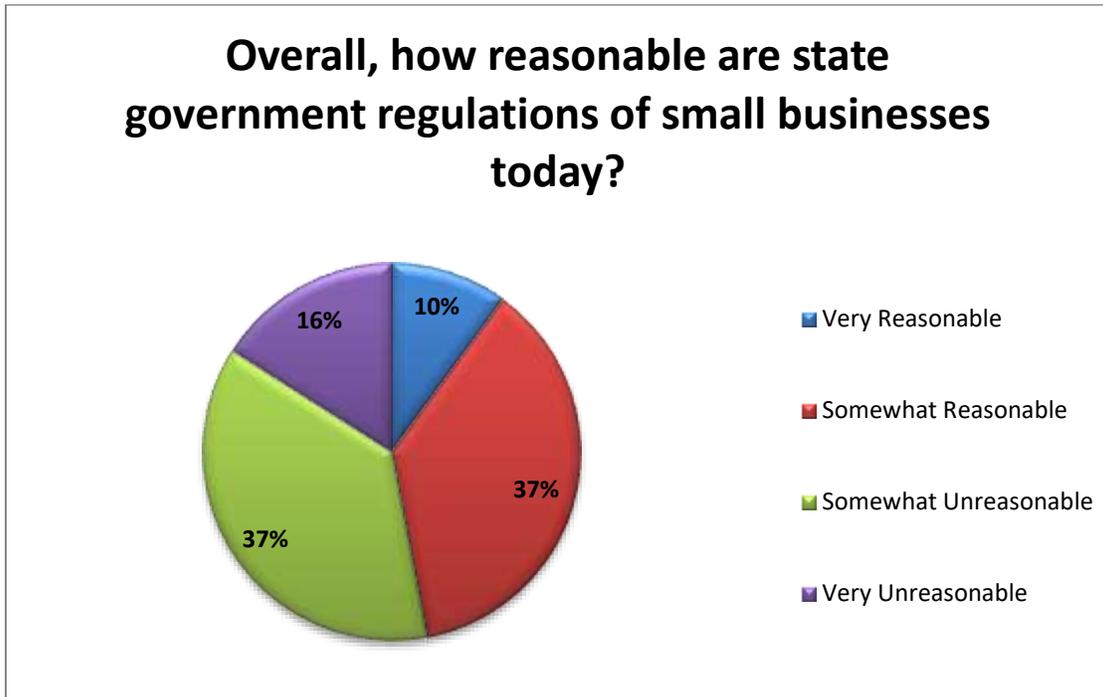
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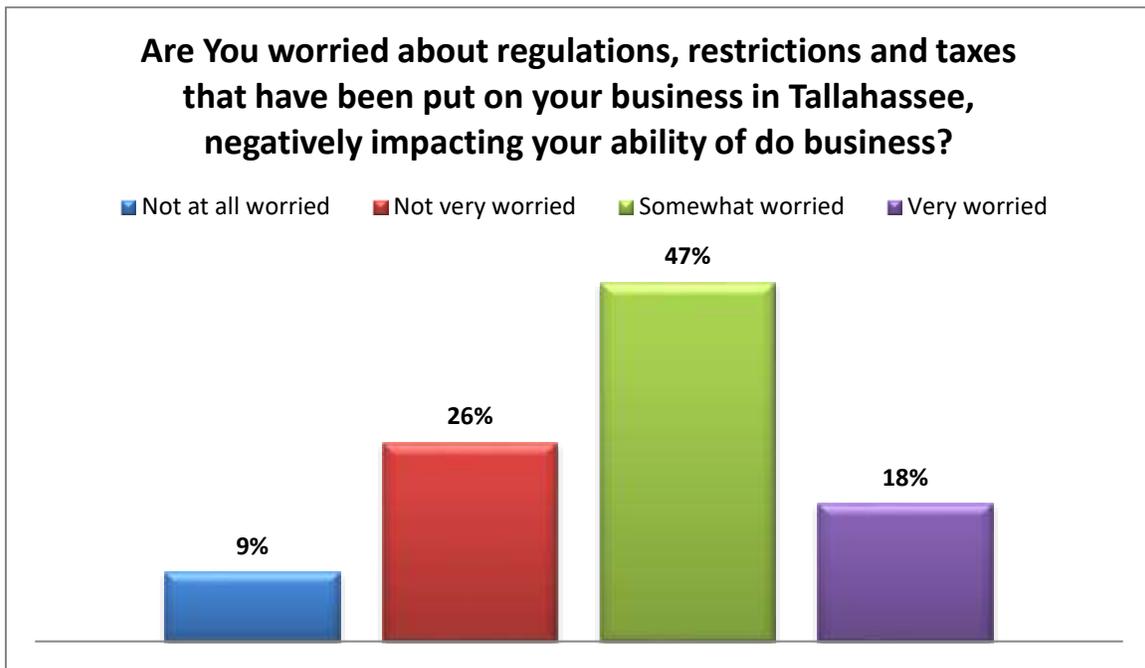
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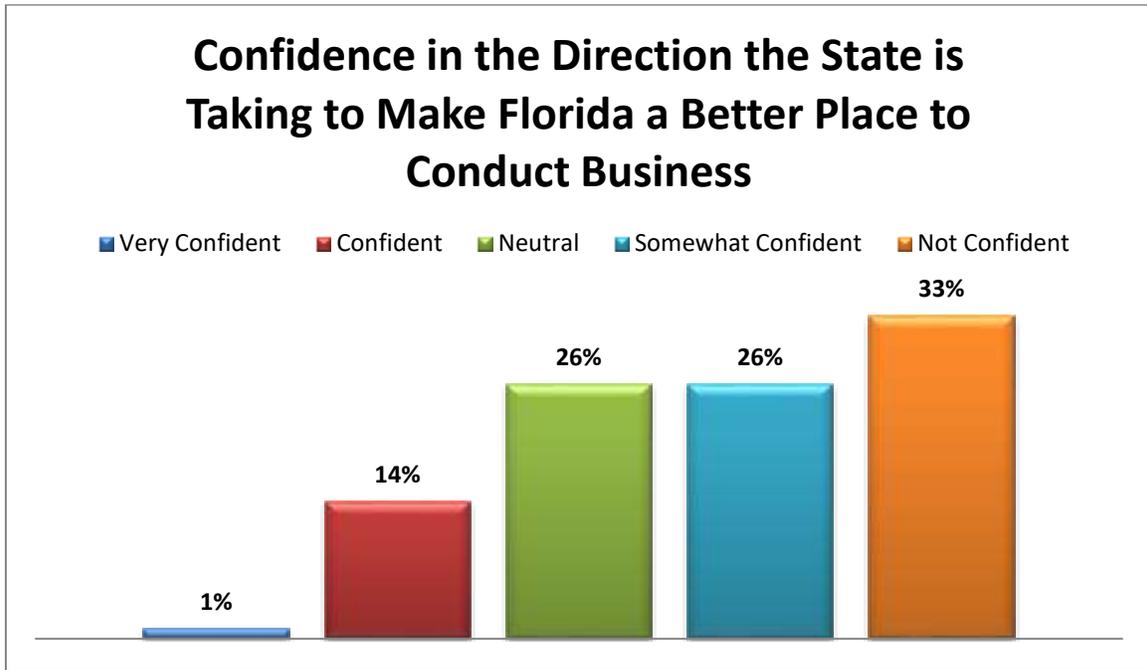
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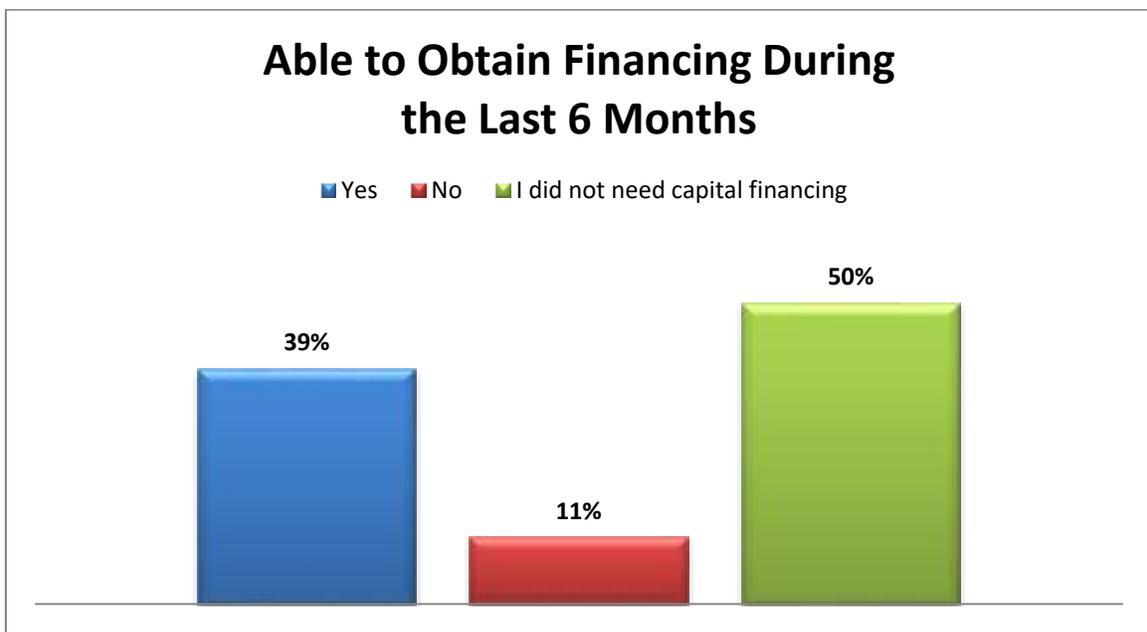
Q17:



Q19:



Q21:



Q22:

