



Florida Small Business Index

2017 Quarter 3 Survey Results

Presented by the Florida Chamber of Commerce Small Business Council

July 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 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, and March/April 2017.

This survey is a nonscientific, random sampling of small business owners in Florida. It was conducted June 29, 2017 through July 14, 2017 and received 155 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:

- 29% of respondents employ less than 5 employees;
- 42% employ 5 to 49 employees;
- 11% employ 50 to 99 employees; and
- 18% employ 100 to 500 employees.

Additionally:

- 71% of respondents employ less than 5 part-time employees;
- 20% employ 5 to 49 part-time employees;
- 3% employ 50 to 99 part-time employees; and
- 6% employ 100 or more part-time employees.

Survey Analysis

The Florida Chamber Foundation's 3rd Quarter survey of 2017 shows that Florida's small businesses continue to be concerned about workforce quality. In fact, 23 percent of this survey's respondents indicated "Workforce Quality" was their top issue.

"Government Regulations" was in second place in this survey with 16 percent of respondents indicating it was their top issue. Moving up to third place is "Economic Uncertainty" with 13 percent. In fourth place is "Healthcare Costs" with 10 percent of Florida's small businesses indicating that it was their top issue.

"Lawsuit Abuse" and "Access to Capital" rounded out the top 6 issues. "Lawsuit Abuse" was indicated a top issue facing Florida's small business by 8 percent of respondents and "Access to Capital" was the top issue for 7 percent of Florida's small businesses.

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

One important trend to note is that two years ago, "Workforce Quality" was ranked 5th as the top issue. One year ago, it moved up to 3rd and it now consistently ranks at the top issue for Florida's small businesses.

According to respondents, business demand appears to be softening, with only 44 percent indicating sales were higher compared the same period last year. This is an 8 percentage point decrease compared to last quarter's survey.

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 – 59 percent, down from the 67 percent reported in our last survey, and the 77 percent reported in the December 2016 survey. Also worth noting is that 20 percent of respondents expect the economy to weaken over the next year – an increase from 12 percent reported in the 2nd quarter survey.

Small Business Employment Outlook:

- 44 percent of respondents expect to hire in the next six months – this is down from the 48 percent planning to hire in our last survey.
- 51 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, 50 percent of businesses have plans to make investments in plants or equipment, even though only 21 percent indicated that they were "very confident" or "confident" in the direction the state is taking to make Florida a better place to conduct business.

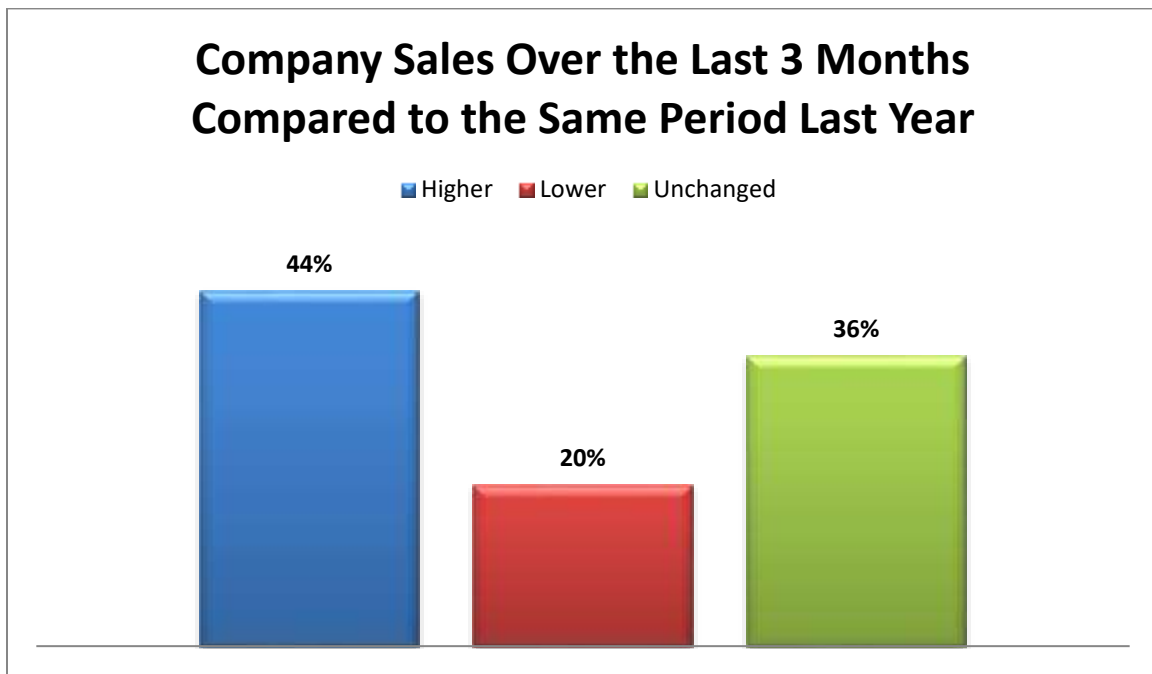
Survey Results

Comparisons

Q1: Top issues facing Florida small businesses today:

1. Workforce Quality – 23%
2. Government Regulations – 16%
3. Economic Uncertainty – 13%
4. Healthcare Costs – 10%
5. Lawsuit Abuse – 8%
6. Access to Capital – 7%

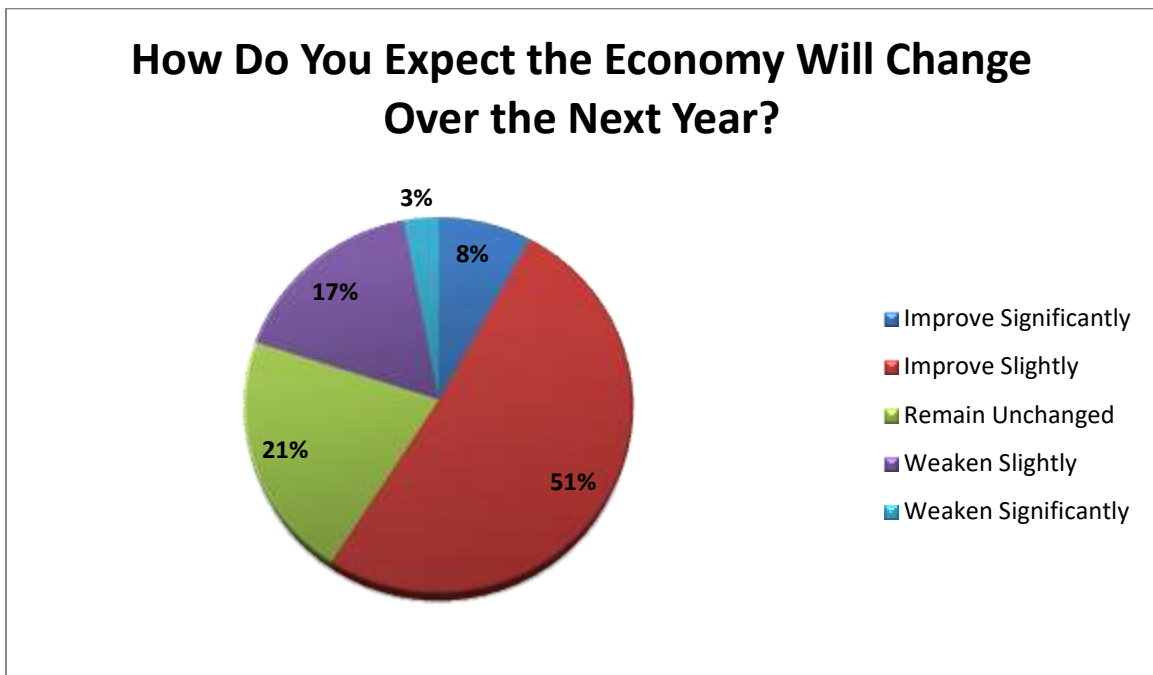
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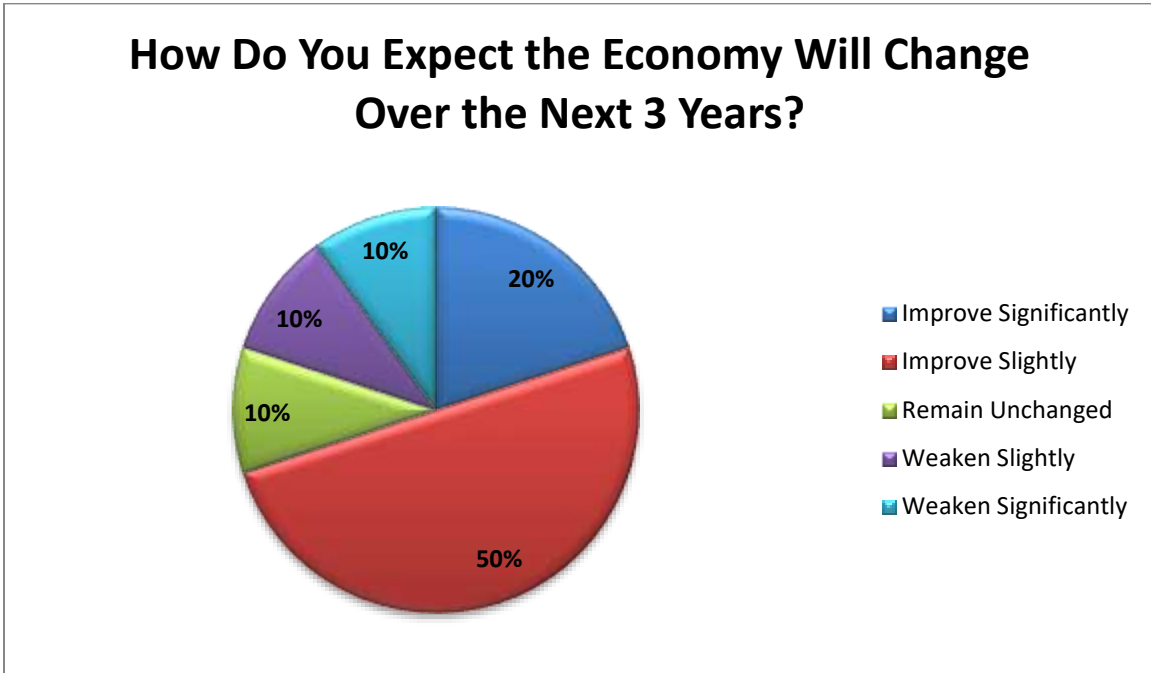
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Q6:



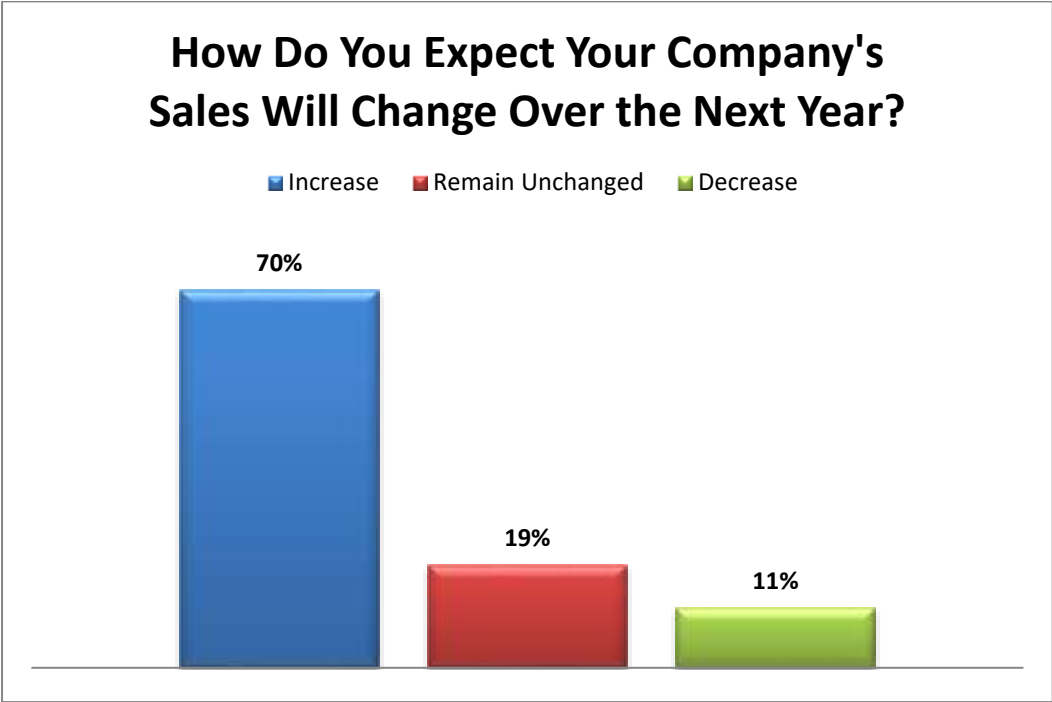
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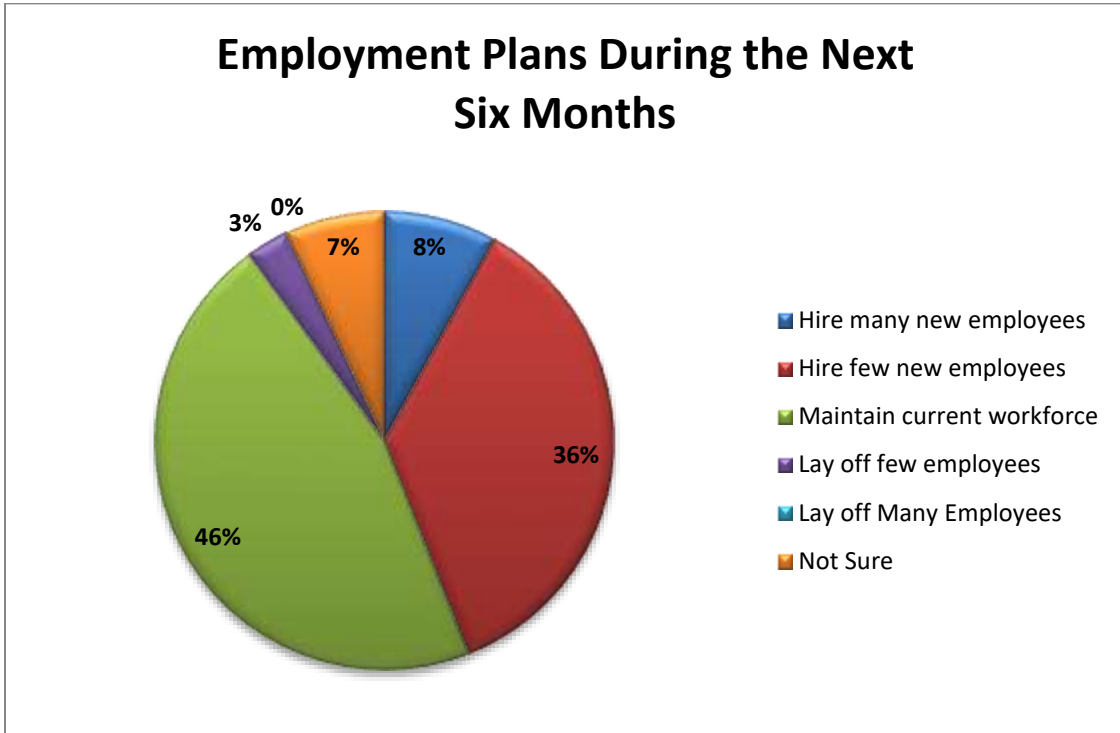
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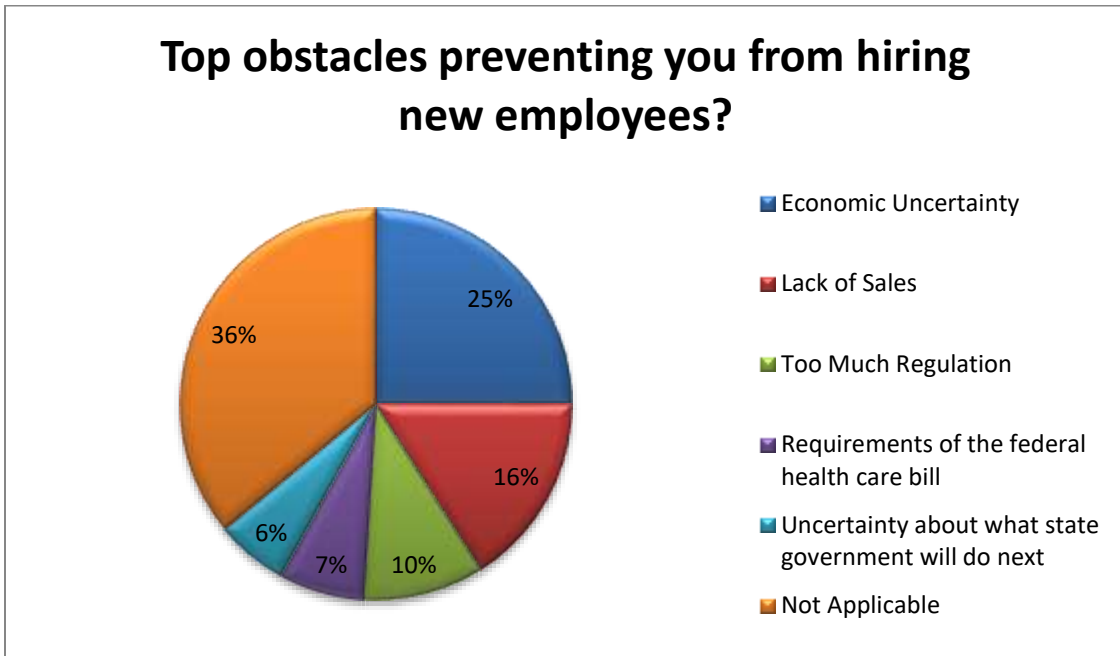
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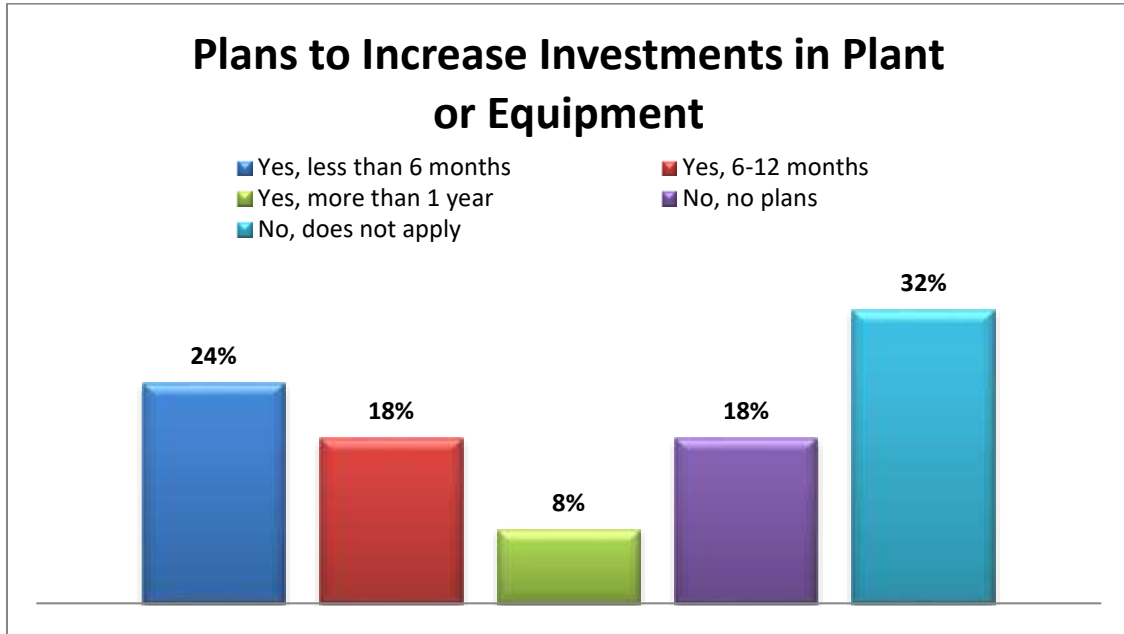
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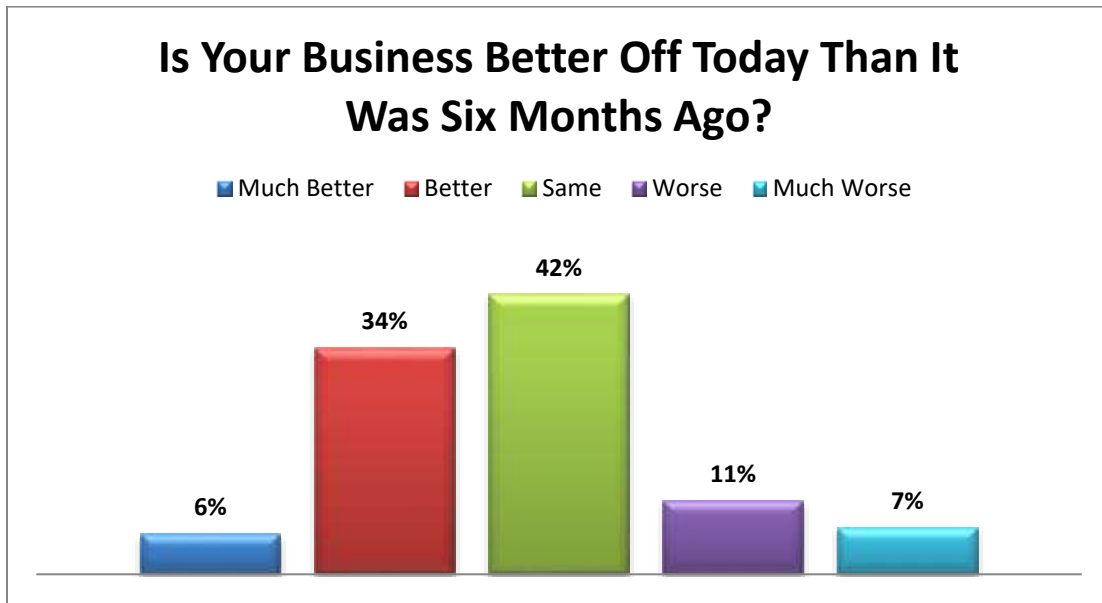
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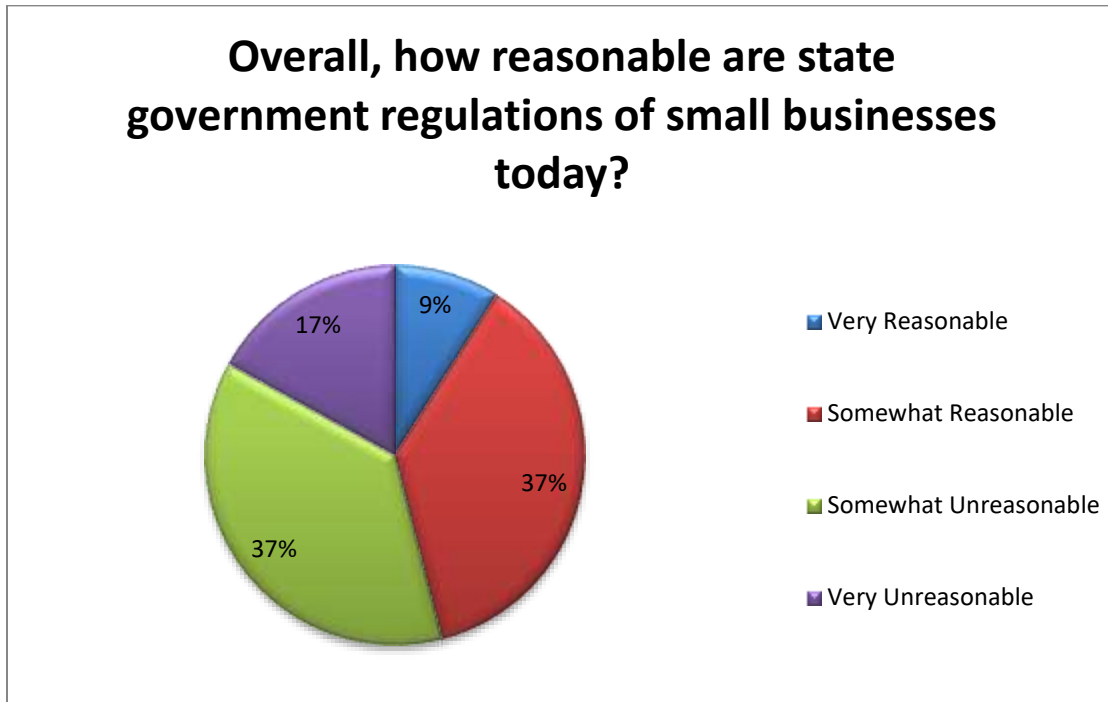
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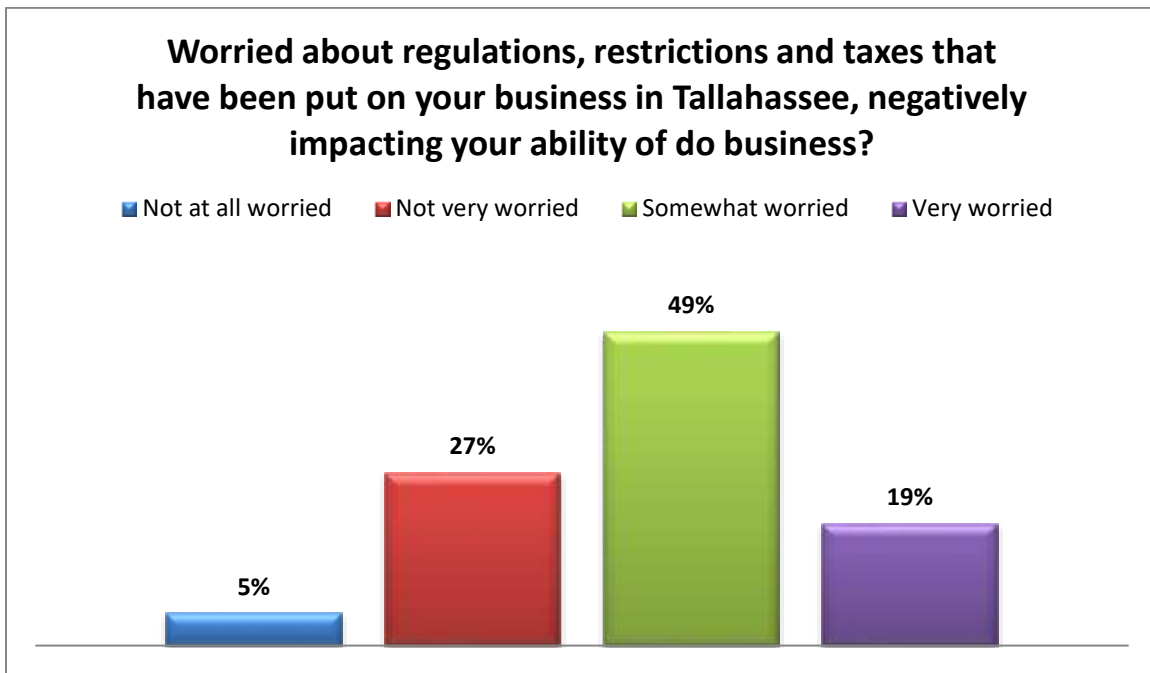
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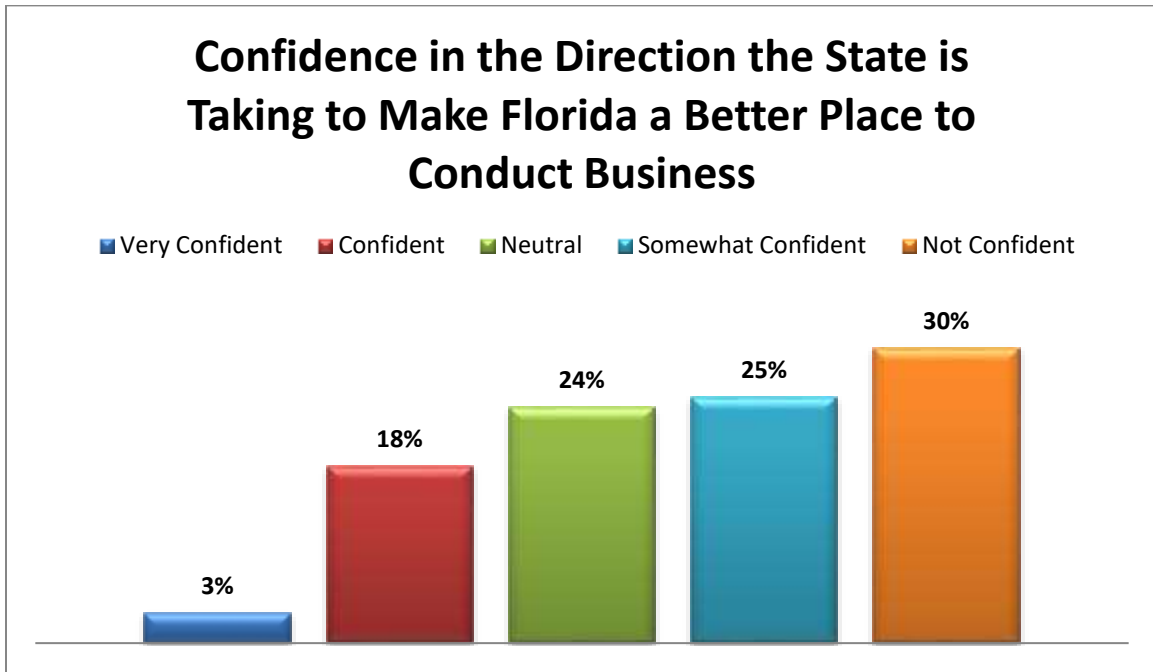
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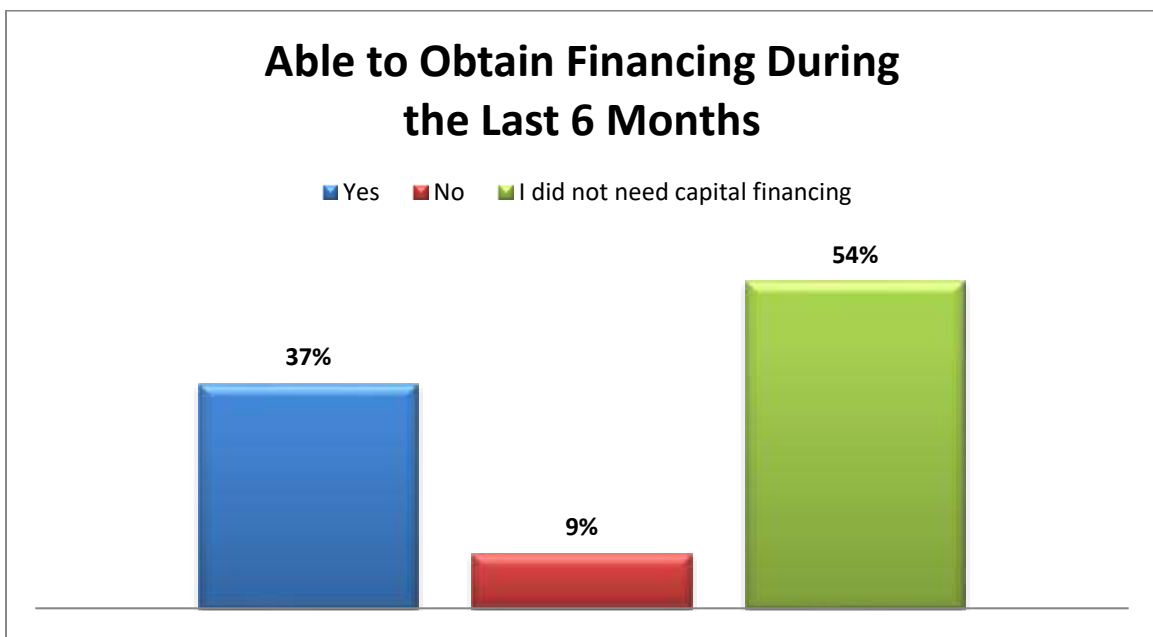
Q17:



Q19:



Q21:



Q22:

