



# Florida Small Business Index

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2019 Quarter 1 Survey Results

Presented by the Florida Chamber of Commerce Small Business Council

January 2019

## **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, June/July 2018, and September/October 2018.

This survey is a nonscientific, random sampling of small business owners in Florida. It was conducted November 28, 2018 through January 3, 2019 and received 168 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:

- 44% of respondents employ less than 5 employees;
- 40% employ 5 to 49 employees;
- 7% employ 50 to 99 employees; and
- 9% employ 100 to 500 employees.

Additionally:

- 77% 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
- 4% employ 100 or more part-time employees.

## **Survey Analysis**

The Florida Chamber's 1<sup>st</sup> Quarter survey of 2019 shows that Florida's small businesses are most concerned about "Economic Uncertainty", with 23 percent of respondents citing it as their top issue. They also continue to be concerned about workforce quality, with 18 percent of respondents indicating workforce quality was their top issue. "Workforce Quality" had been either number one or tied for the top issue for Florida's small businesses for the previous eight quarters.

Tied for third place are "Growth Management Process" and "Government Regulations" with 9 percent each. "Access to Capital" rounds out the top five issues for Florida's small businesses with 8 percent indicating that was their top issue.

The top five issues – "Economic Uncertainty", "Workforce Quality", "Growth Management Process", "Government Regulations", and "Access to Capital", cover the top concerns of 67 percent of Florida's small businesses taking the survey during the first quarter of 2019.

When asked about their outlook for the Florida economy over the next year, 47 percent of respondents expect the economy to improve, down from 77 percent one year ago. More interesting is that 41 percent of businesses expect the economy to weaken over the next year – up from 20 percent in last quarter's survey and 10 percent one year ago.

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

- 42 percent of respondents expect to hire in the next six months – this is down from the 48 percent planning to hire in our Q4 2018 survey and 52 percent one year ago.
- An indicator of small business expansion in Florida – 43 percent of businesses have plans to make investments in plants or equipment, down from 53 percent one year ago.

A possible indicator of some of the effects of higher interest rates on Florida's small businesses is the number of respondents who indicated their ability to obtain financing would be easier during the next 6 months, which fell from 25 percent one year ago to 13 percent during this survey. The number of respondents who indicated that financing would become harder increased from 21 to 34 percent over the past year.

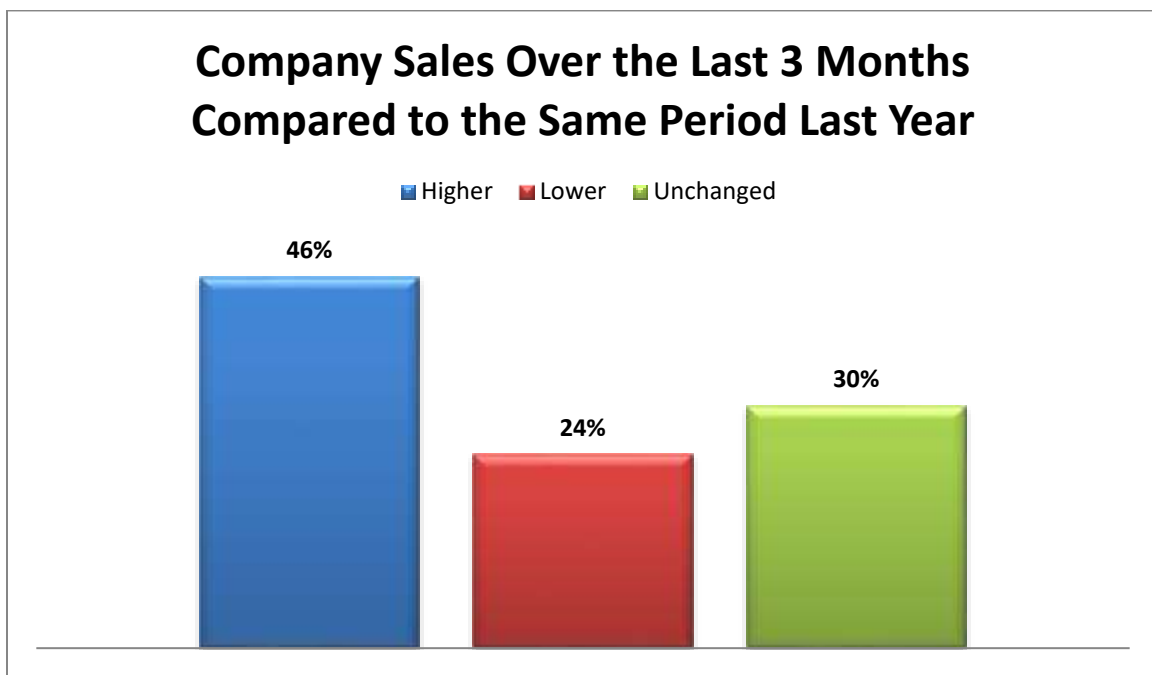
## **Survey Results**

### **Comparisons**

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

1. Economic Uncertainty – 23%
2. Workforce Quality – 18%
3. Growth Management Process – 9%
4. Government Regulations – 9%
5. Access to Capital – 8%

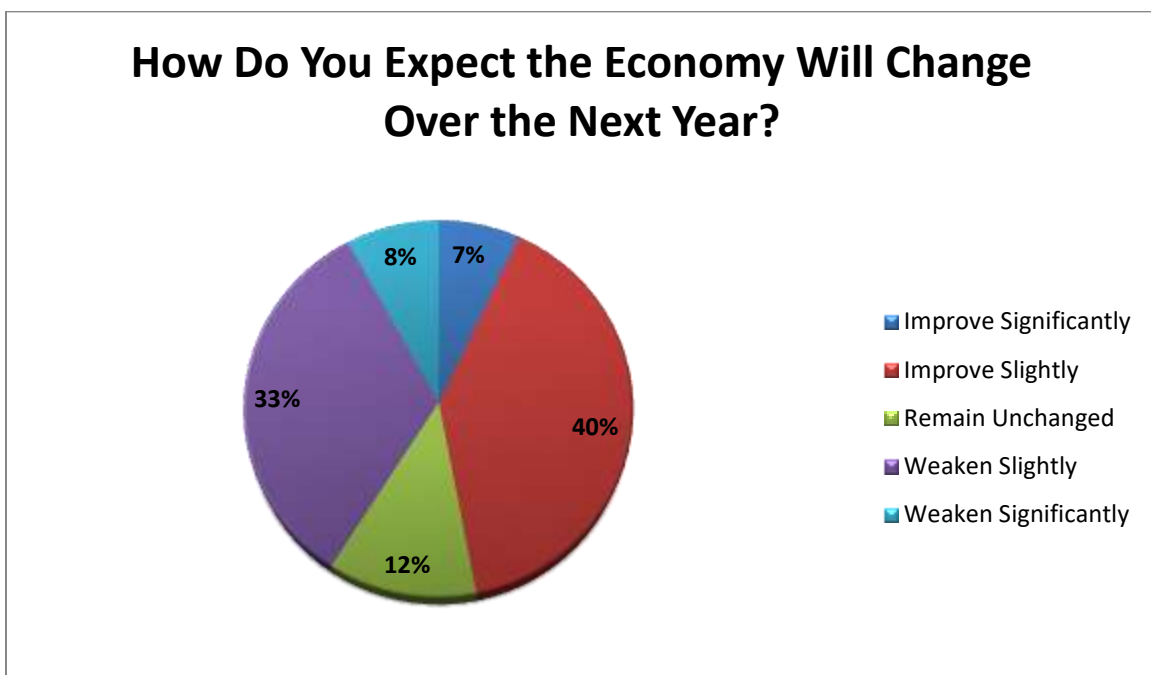
**Q4:**



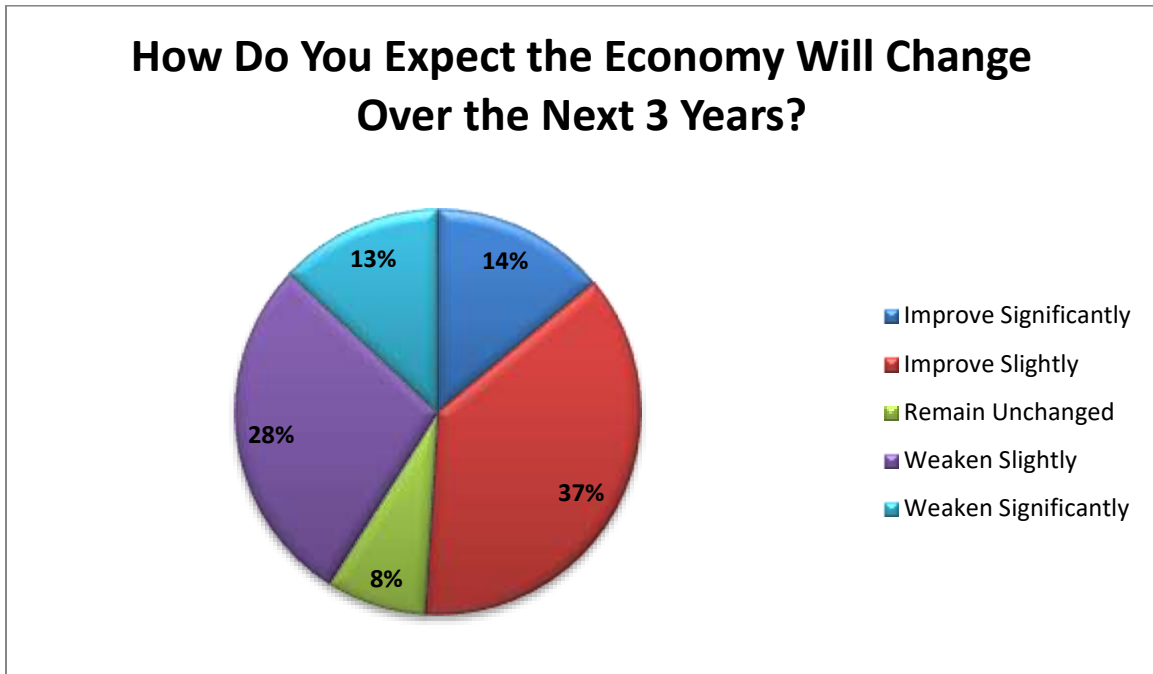
Q5:



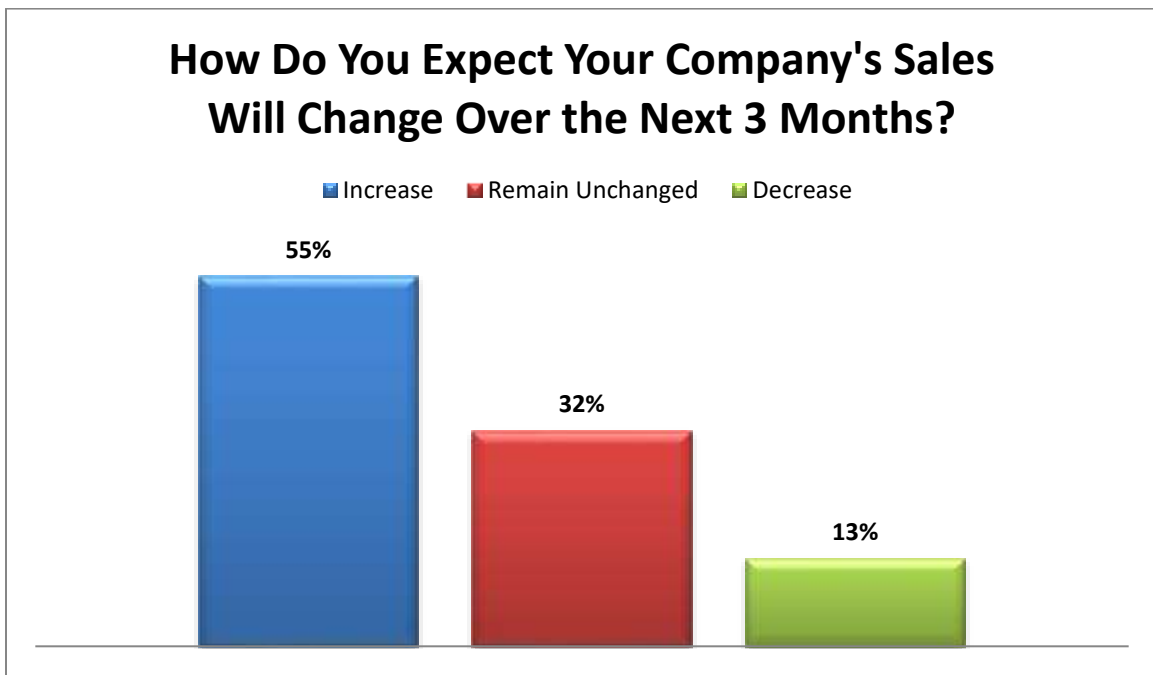
Q6:



**Q7:**



**Q8:**



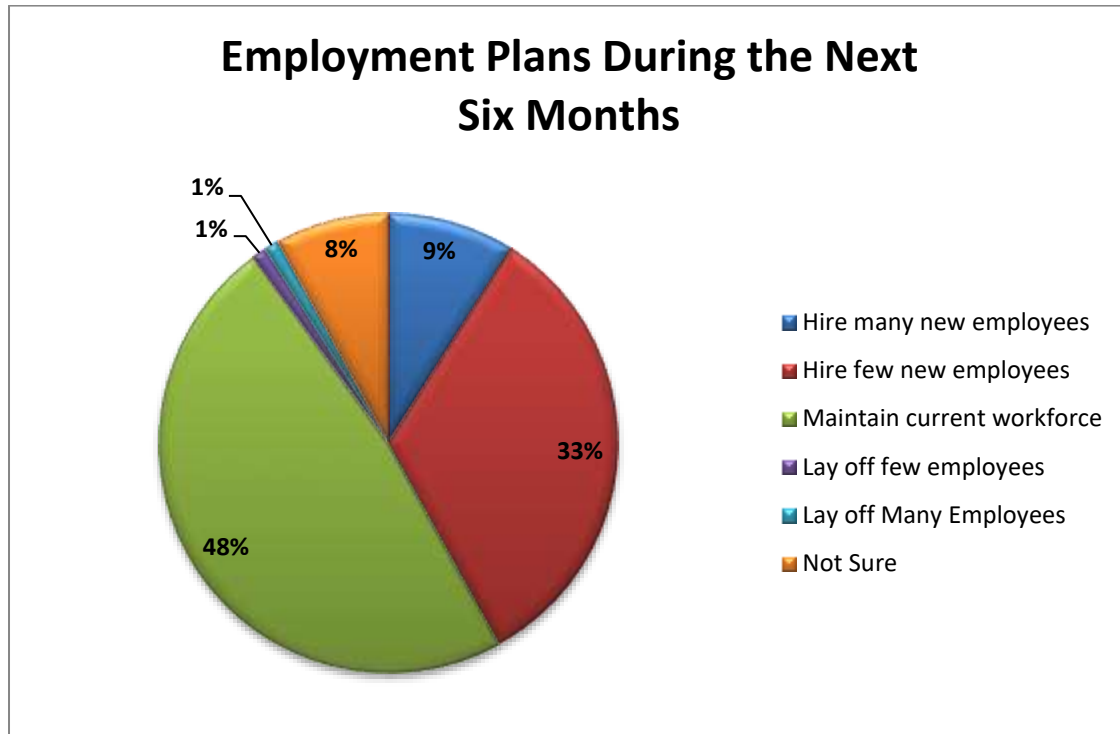
Q9:



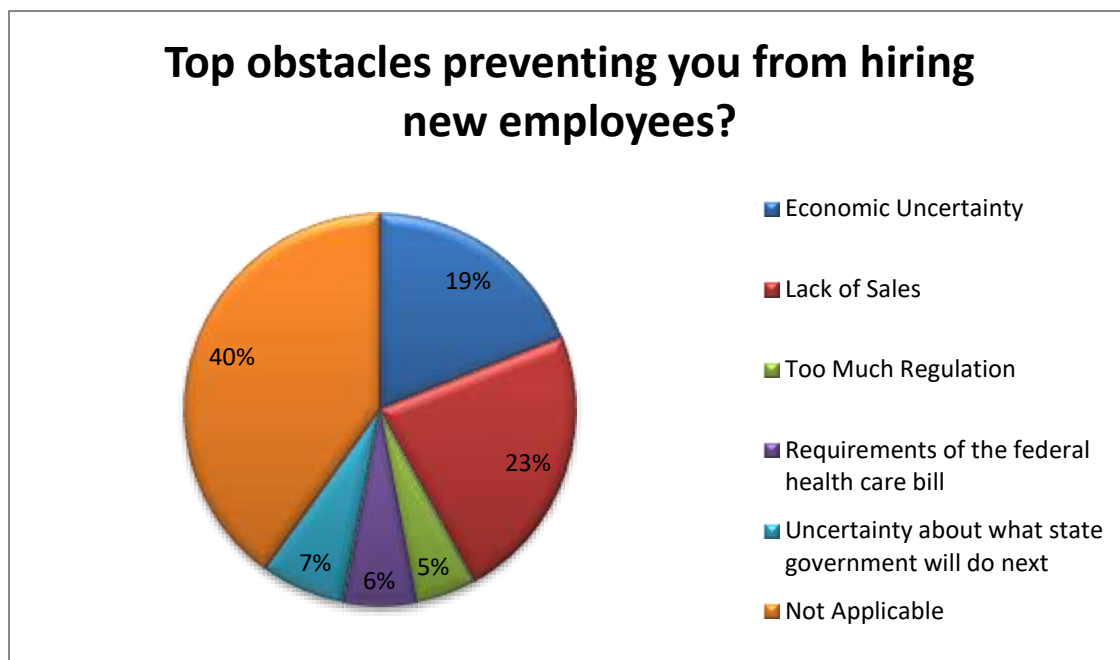
Q10:



Q12:

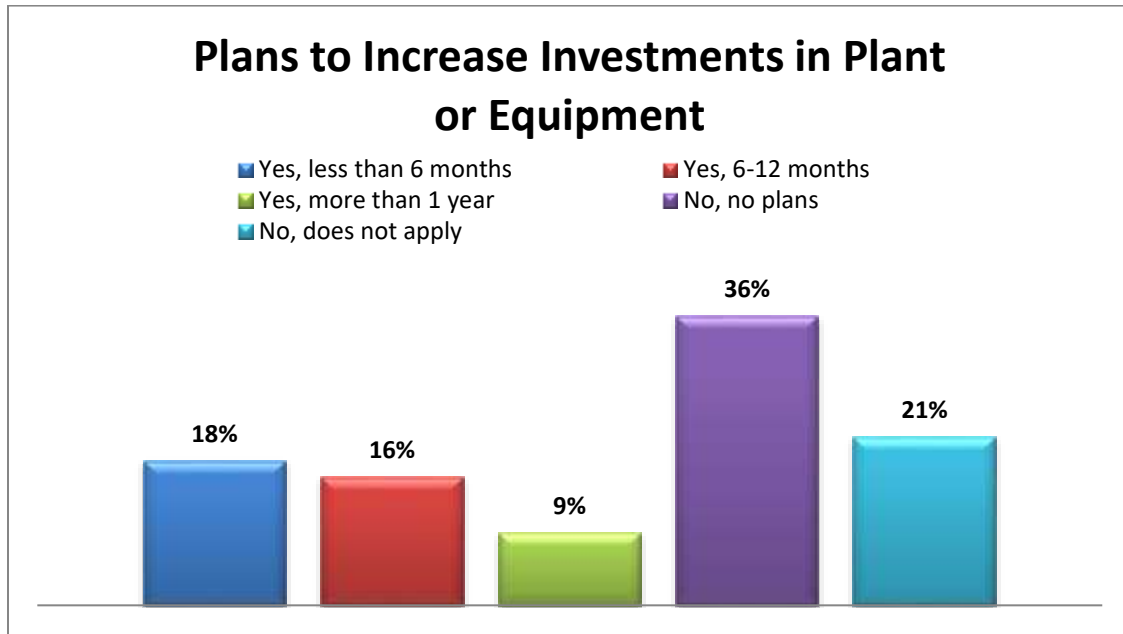


Q13:

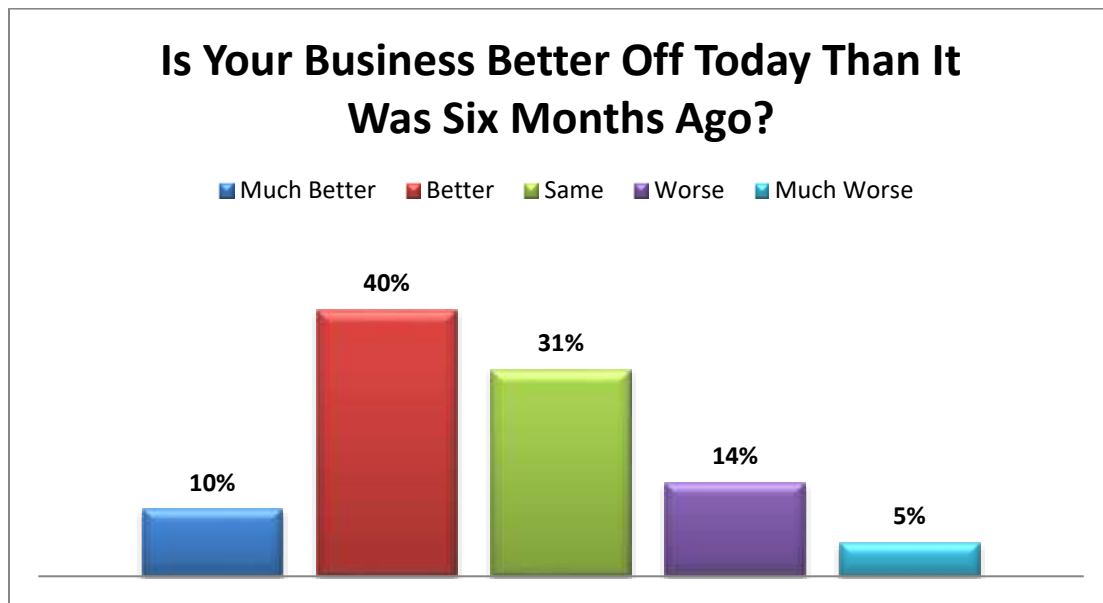




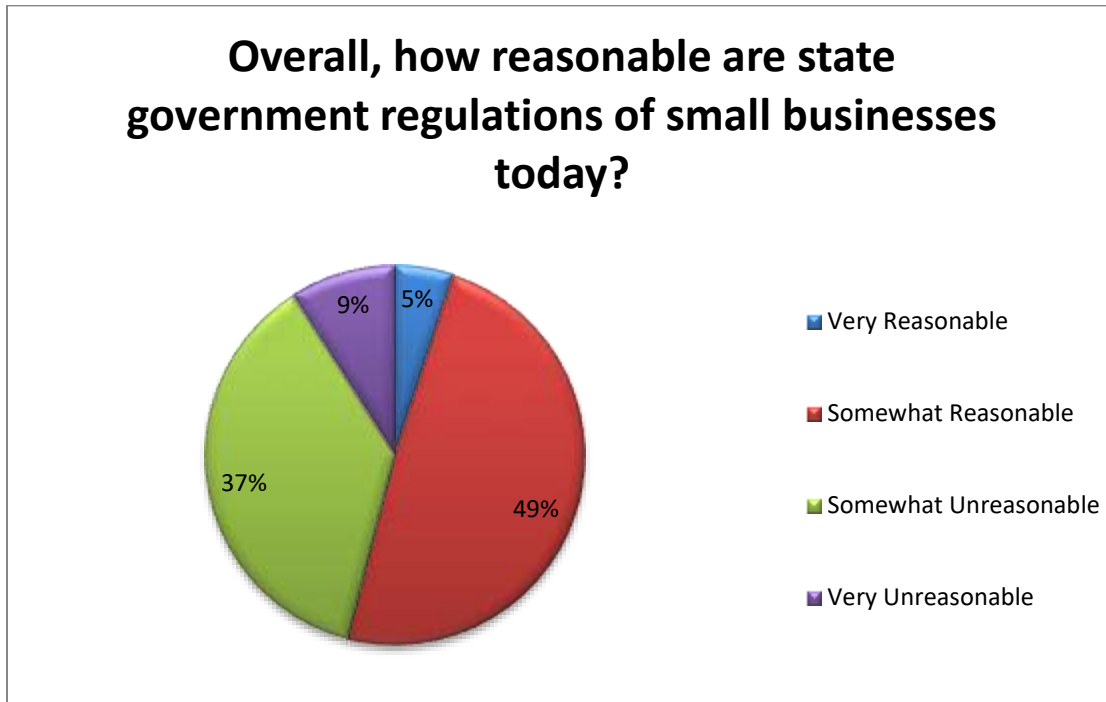
Q14:



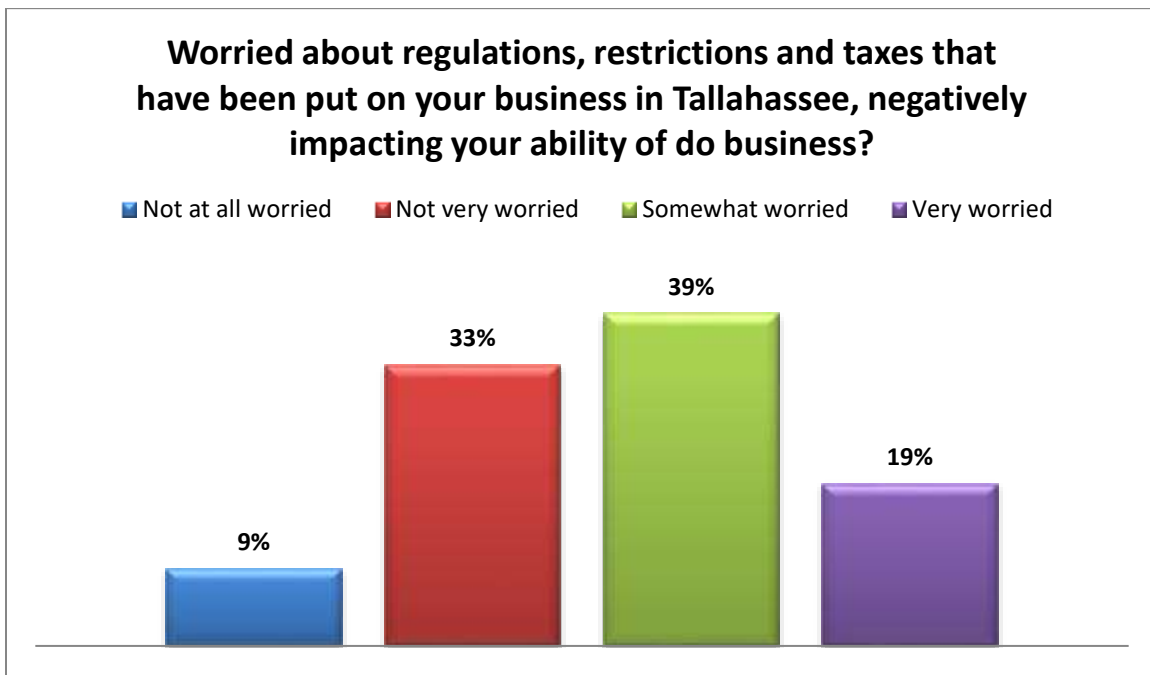
Q15:



**Q16:**



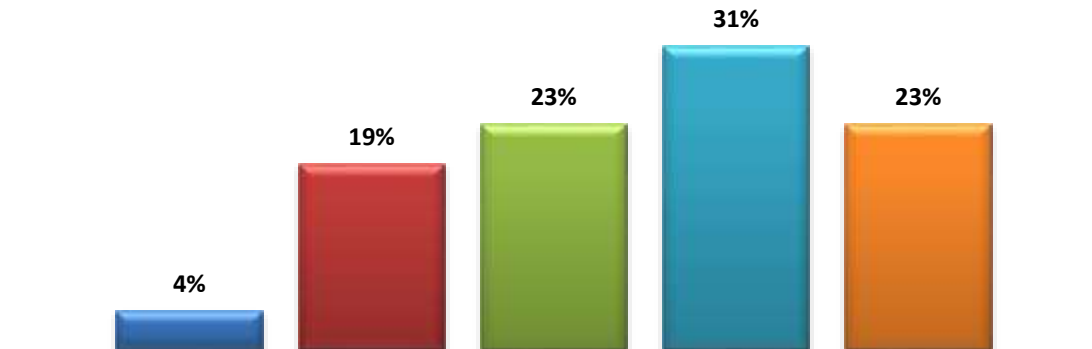
**Q17:**



**Q19:**

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

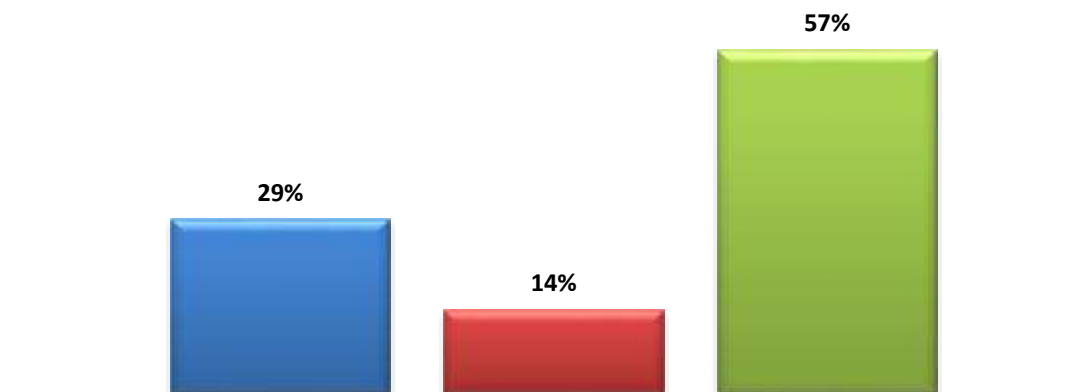
■ Very Confident ■ Confident ■ Neutral ■ Somewhat Confident ■ Not Confident



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

