

MICHIGAN FUTURE BUSINESS INDEX • Q4 2019 AGGREGATE REPORT

Q1. What is your title or position with your company?

	Number	Percent
OWNER/PROPRIETOR	234	48.8 %
PRESIDENT	50	10.4 %
VICE PRESIDENT	11	2.3 %
CHAIRPERSON	5	1.0 %
CEO	28	5.8 %
PARTNER	11	2.3 %
MANAGER	101	21.0 %
DIRECTOR	12	2.5 %
ADMINISTRATOR	9	1.9 %
EXECUTIVE	10	2.1 %
ADMINISTRATIVE ASSISTANT	5	1.0 %
CONTROLLER	2	0.4 %
FINANCIAL OFFICER	1	0.2 %
SECRETARY	1	0.2 %
TREASURER	0	0.0 %
Total	480	100.0 %

Q2. How many employees does your company have?

	Number	Percent
1 to 2	113	23.5 %
3 to 4	62	12.9 %
5 to 10	87	18.1 %
11 to 20	65	13.5 %
21 to 50	90	18.8 %
51 to 100	23	4.8 %
101 to 250	33	6.9 %
251 to 500	7	1.5 %
Total	480	100.0 %

Media Market

	Number	Percent
Saginaw/Flint/Bay City	53	11.0 %
GR/Kzoo/West	132	27.5 %
Cad/TC/Soo	33	6.9 %
Mid MI/Lansing	70	14.6 %
Metro Detroit	176	36.7 %
Misc/UP	16	3.3 %
Total	480	100.0 %

Q4 Thinking about the economy as it affects your business, are you:

	Number	Percent
Very dissatisfied	16	3.3 %
Somewhat dissatisfied	72	15.0 %
Somewhat satisfied	226	47.1 %
Very satisfied	166	34.6 %
Total	480	100.0 %

Q5 How would you rate Michigan as a market for your goods or services?

	Number	Percent
Poor	12	2.5 %
Only fair	90	18.8 %
Pretty good	260	54.3 %
Excellent	117	24.4 %
Total	479	100.0 %

Q6 How would you rate Michigan's tax system as it affects your business?

	Number	Percent
Very unfair	24	5.2 %
Mostly unfair	81	17.4 %
Mostly fair	314	67.5 %
Very fair	46	9.9 %
Total	465	100.0 %

Q7 Please select the top three greatest challenges to your business over the next year.

	Number	Percent
Acquiring talent	226	47.1 %
Retaining talent	129	26.9 %
Cost of health insurance	213	44.4 %
Access to capital	50	10.4 %
Finding customers	176	36.7 %
Retaining customers	95	19.8 %
Wage inflation	77	16.0 %
Taxes	106	22.1 %
Poor infrastructure (roads, bridges, etc)	69	14.4 %
Broadband availability	24	5.0 %
Other	46	9.6 %
Total	1211	

Q8 What are you most optimistic about when it comes to your business?

	Number	Percent
Growing/ Expanding our business/ The future	48	10.8 %
The economy/ People have jobs	43	9.6 %
My staff/ Ability to find staff	30	6.7 %
I have a good product/ Service/ Niche	28	6.3 %
Increased/stable demand for services/product	30	6.7 %
Business is good/ Continuing as usual	16	3.6 %
Profits/ Sales/ Income	31	7.0 %
More opportunities/ Collaborations	28	6.3 %
Customers old and new	57	12.8 %
Politics/ Hope for reforms	20	4.5 %
Strong/ New/ Advanced technology	4	0.9 %
Our location/ Community	8	1.8 %
Improving business climate/market	14	3.1 %
People will always need my service/product	17	3.8 %
I love my work/ We help people	10	2.2 %
Trade and Growth outside of Michigan	9	2.0 %
Flexible/ Being adaptable/ Innovation	5	1.1 %
Awareness/ Reputation/ Established	14	3.1 %
Weather/ Tourism	3	0.7 %
Retirement/ Selling it	5	1.1 %
Misc	1	0.2 %
Don't know/ Refused/ Nothing	25	5.6 %
Total	446	100.0 %

Q9 Did your sales decrease, remain the same or increase?

	Number	Percent
Decrease	92	19.2 %
Remain the same	178	37.1 %
Increase	194	40.4 %
Does not apply to my business	16	3.3 %
Total	480	100.0 %

Q10 Did your number of employees decrease, remain the same or increase?

	Number	Percent
Decrease	72	15.0 %
Remain the same	300	62.5 %
Increase	95	19.8 %
Does not apply to my business	13	2.7 %
Total	480	100.0 %

Q11 Did the average wage level of your employees decrease, remain the same or increase?

	Number	Percent
Decrease	16	3.3 %
Remain the same	212	44.3 %
Increase	228	47.6 %
Does not apply to my business	23	4.8 %
Total	479	100.0 %

Q12 Did the profitability of your business decrease, remain the same or increase?

	Number	Percent
Decrease	116	24.2 %
Remain the same	221	46.1 %
Increase	131	27.3 %
Does not apply to my business	11	2.3 %
Total	479	100.0 %

Q13 Did your major investments in plants or equipment decrease, remain the same or increase?

	Number	Percent
Decrease	33	6.9 %
Remain the same	234	49.1 %
Increase	128	26.8 %
Does not apply to my business	82	17.2 %
Total	477	100.0 %

Q14 How would you rate your access to qualified personnel for your business?

	Number	Percent
Poor	82	17.1 %
Only fair	158	32.9 %
Pretty good	157	32.7 %
Excellent	32	6.7 %
Doesn't not apply to my business	51	10.6 %
Total	480	100.0 %

Q15 Over the past year, did you have difficulty finding qualified candidates with the right skills and talent to fill full time positions?

	Number	Percent
Yes, had difficulties	255	53.1 %
No, did not have difficulties	97	20.2 %
Did not have to fill positions	75	15.6 %
Does not apply to my business	53	11.0 %
Total	480	100.0 %

Q16 Why did you have difficulty filling those positions?

	Number	Percent
Not enough people were interested or applied for the positions	90	35.3 %
Not enough of the applicants were qualified for the positions	145	56.9 %
Other	20	7.8 %
Total	255	100.0 %

Q17 How did you end up filling those positions?

	Number	Percent
Didn't fill/ Still open/ Looking	82	33.6 %
Persistence/ Kept looking	37	15.2 %
Trained under qualified people/ Compromise	29	11.9 %
Temps/ Employment agency/ Contracted out	14	5.7 %
Trained current employees	3	1.2 %
Stretched out the work load/ Restructured to do without	18	7.4 %
Went out of area/state to find them	2	0.8 %
Head hunters/ Recruiters	7	2.9 %
Word of mouth/ Referrals/ Networking	15	6.1 %
Raised wages/incentives	2	0.8 %
Online ads/ Social media	18	7.4 %
With a student/ Apprentice	4	1.6 %
Part Time Labor	6	2.5 %
Re-hired a previous employee	3	1.2 %
With family	1	0.4 %
Misc	3	1.2 %
Don't know/ Refused	0	0.0 %
Total	244	100.0 %

Q18 Do you expect your business' sales to decrease, remain the same or increase?

	Number	Percent
Decrease	29	6.0 %
Remain the same	153	31.9 %
Increase	286	59.6 %
Does not apply to my business	12	2.5 %
Total	480	100.0 %

Q19 Do you expect your business' profits to decrease, remain the same or increase?

	Number	Percent
Decrease	53	11.0 %
Remain the same	166	34.6 %
Increase	250	52.1 %
Does not apply to my business	11	2.3 %
Total	480	100.0 %

Q20 Are you planning to hire more employees, maintain the number of employees you currently have, or, do you expect that you might have to lay off some of your employees?

	Number	Percent
Planning to hire more employees	183	38.1 %
Will maintain number of employees	272	56.7 %
May have to lay off employees	17	3.5 %
Other	8	1.7 %
Total	480	100.0 %

Q21 Are you planning to decrease wages, keep wages the same, or increase wages for your employees?

	Number	Percent
Decrease	6	1.3 %
Remain the same	227	47.5 %
Increase	219	45.8 %
Does not apply to my business	26	5.4 %
Total	478	100.0 %

Q22 Regarding your employees' benefit packages, are you planning to ...

	Number	Percent
Eliminate benefits	4	0.8 %
Decrease existing benefits	17	3.5 %
Keep benefits the same (no change)	294	61.3 %
Add new benefits	30	6.3 %
Increase existing benefits	18	3.8 %
Does not apply to my business	127	26.5 %
Other	1	0.2 %
Total	491	

Q23 Thinking specifically about any expected increased healthcare costs for your business, are you considering to ...

	Number	Percent
Decrease healthcare benefits	25	5.2 %
Increase employee premiums	68	14.2 %
Absorb the costs	137	28.5 %
I don't expect any healthcare cost increases	100	20.8 %
I don't offer healthcare benefits to employees/Does not apply to my business	174	36.3 %
Other	5	1.0 %
Total	509	

Q24 How many locations does your business have?

	Number	Percent
One	340	71.0 %
Two	64	13.4 %
Three or more	74	15.4 %

Other	1	0.2 %
Total	479	100.0 %

Q25 Over the next six months, are you planning to close business locations, keep the same number of locations, or add new business locations?

	Number	Percent
Close business locations	6	1.3 %
Keep the same number of locations	442	93.1 %
Add new business locations	27	5.7 %
Total	475	100.0 %

Q26 Are you planning to expand your business with a new product line or a new service in that timeframe?

	Number	Percent
Yes, a new product line	53	11.2 %
Yes, a new service	69	14.6 %
Yes, both	40	8.5 %
No, will not expand either	307	65.0 %
Other	3	0.6 %
Total	472	100.0 %

Q27 Now, I'd like you to think about making the following investments in the next six months Are you planning to invest in employee education or training?

	Number	Percent
Yes	279	58.1 %
No	162	33.8 %
Unsure	39	8.1 %
Total	480	100.0 %

Q28 Are you planning to purchase or lease any office equipment?

	Number	Percent
Yes	126	26.3 %
No	318	66.3 %
Unsure	36	7.5 %
Total	480	100.0 %

Q29 And are you planning to invest in advertising for your business?

	Number	Percent
Yes	274	57.1 %
No	164	34.2 %
Unsure	42	8.8 %
Total	480	100.0 %

Q33 Thinking about recent tax, trade and immigration policy reforms in Washington DC, please indicate the impact these policies have had on your business using the rating scale below...

- 2017 Tax Cuts & Jobs Act	Number	Percent
Extremely Negative Impact	15	3.1 %
Somewhat Negative Impact	37	7.7 %
No Impact	256	53.6 %
Somewhat Positive Impact	113	23.6 %
Extremely Positive Impact	57	11.9 %
Total	478	100.0 %

- New tariffs on goods coming into the U.S. from China, Mexico, Europe and other areas	Number	Percent
Extremely Negative Impact	74	15.5 %
Somewhat Negative Impact	139	29.1 %
No Impact	237	49.6 %
Somewhat Positive Impact	22	4.6 %
Extremely Positive Impact	6	1.3 %
Total	478	100.0 %

- Heightened scrutiny, restriction and deportation of undocumented immigrants	Number	Percent
Extremely Negative Impact	22	4.6 %
Somewhat Negative Impact	37	7.8 %
No Impact	379	79.5 %
Somewhat Positive Impact	21	4.4 %
Extremely Positive Impact	18	3.8 %
Total	477	100.0 %

Q34 How long has your company been in business?

	Number	Percent
1 to 5 years	19	4.0 %
6 to 10 years	35	7.3 %
11 to 15 years	58	12.1 %
16 to 20 years	48	10.0 %
21 to 25 years	56	11.7 %
26 to 30 years	49	10.2 %
31 to 50 years	117	24.4 %
More than 50 years	97	20.3 %
Total	479	100.0 %

Q35 What type of business do you operate?

	Number	Percent
Business services	55	11.5 %
Professional services	108	22.5 %
Health care	20	4.2 %
Manufacturing or manufacturing supplier	70	14.6 %

Retail	62	12.9 %
Real estate	6	1.3 %
Insurance	9	1.9 %
Public service (Government)	6	1.3 %
Finance	13	2.7 %
Distribution/trucking	14	2.9 %
Food service	15	3.1 %
Non-profit	15	3.1 %
Telecommunications	6	1.3 %
Education	7	1.5 %
Construction	39	8.1 %
Recreation	8	1.7 %
Personal services	20	4.2 %
Childcare	1	0.2 %
Property management	5	1.0 %
Other	1	0.2 %
Total	480	100.0 %

Q36 On average, what is the annual gross dollar amount generated by your business?

	Number	Percent
Less than \$50,000	24	5.9 %
\$50,000 to \$99,999	25	6.1 %
\$100,000 to \$249,999	58	14.3 %
\$250,000 to \$499,999	48	11.8 %
\$500,000 to \$999,999	52	12.8 %
\$1 million to \$5 million	117	28.7 %
More than \$5 million	83	20.4 %
Total	407	100.0 %

Q37 Are you male or female?

	Number	Percent
Male	307	64.5 %
Female	168	35.3 %
Other	1	0.2 %
Total	476	100.0 %