

MICHIGAN FUTURE BUSINESS INDEX • JUNE 2018 AGGREGATE REPORT

Q1. What is your title or position with your company?	Number	Percent
OWNER/PROPRIETOR	185	45.6 %
PRESIDENT	57	14.0 %
VICE PRESIDENT	11	2.7 %
CHAIRPERSON	2	0.5 %
CEO	19	4.7 %
PARTNER	3	0.7 %
MANAGER	90	22.2 %
DIRECTOR	17	4.2 %
ADMINISTRATOR	7	1.7 %
EXECUTIVE	6	1.5 %
ADMINISTRATIVE ASSISTANT	1	0.2 %
CONTROLLER	2	0.5 %
FINANCIAL OFFICER	3	0.7 %
SECRETARY	0	0.0 %
TREASURER	3	0.7 %
Total	406	100.0 %

Q2. How many employees does your company have?	Number	Percent
1 to 2	130	31.9 %
3 to 4	52	12.8 %
5 to 10	87	21.4 %
11 to 20	47	11.5 %
21 to 50	43	10.6 %
51 to 100	23	5.7 %
101 to 250	18	4.4 %
251 to 500	4	1.0 %
More Than 500	1	0.2 %
Don't know/Refused	2	0.5 %
Total	407	100.0 %

Q3. Thinking about the economy as it affects your business, are you:	Number	Percent
Very dissatisfied	17	4.2 %
Somewhat dissatisfied	45	11.1 %
Somewhat satisfied	211	51.8 %
Very satisfied	123	30.2 %
Undecided/ Refused	11	2.7 %
Total	407	100.0 %

Q4. How would you rate Michigan as a market for your goods or services?	Number	Percent
Poor	8	2.0 %
Only fair	87	21.4 %
Pretty good	211	51.8 %
Excellent	93	22.9 %
Don't Know/Refused	8	2.0 %
Total	407	100.0 %

Q5. How would you rate Michigan's tax system as it affects your business?

	Number	Percent
Very unfair	26	6.4 %
Mostly unfair	74	18.2 %
Mostly fair	252	62.1 %
Very fair	30	7.4 %
Don't Know/Refused	24	5.9 %
Total	406	100.0 %

Q6. What do you see as the single greatest challenge to your business over the next year?

	Number	Percent
Keeping/ attracting good employees	90	22.7 %
Expanding/ Growth/ Finding new business	27	6.8 %
The economy/ Lack of disposable income/ Uncertainty	23	5.8 %
Regulations/ Government interference	19	4.8 %
Finding/ Retaining clients	19	4.8 %
ACA/ Health care	15	3.8 %
Cash flow/ Funding/ Revenue	9	2.3 %
Making a profit/ Sales/ Income	9	2.3 %
Keeping up with demand	12	3.0 %
Staying in business/ Maintaining	18	4.5 %
Taxes	13	3.3 %
Costs/ Expenses	30	7.6 %
Competition	20	5.1 %
Advertising/ Marketing	13	3.3 %
Market growth	6	1.5 %
We need more space	4	1.0 %
Equipment/inventory needs	9	2.3 %
IT upgrades/ Keeping up with technology	7	1.8 %
Politics/ The president	7	1.8 %
Weather/ Tourism	6	1.5 %
Misc	5	1.3 %
Don't know/ Refused/ Nothing	35	8.8 %
Total	396	100.0 %

Q7. What are you most optimistic about when it comes to your business?

	Number	Percent
Growing/ Expanding the business	53	13.6 %
The economy/ Diversification	37	9.5 %
My staff/ Ability to find staff	16	4.1 %
I have a good product/ Service/ Niche	13	3.3 %
Increased/stable demand for services/product	13	3.3 %
Business is good/ Continuing as usual	24	6.2 %
Profits/ Sales/ Income	28	7.2 %
Create/ More opportunities/ Collaborations	21	5.4 %
Customers old and new	36	9.3 %
Politics/ Hope for reforms	15	3.9 %
Strong/ New/ Advanced technology	11	2.8 %
Our location/ Community	2	0.5 %
Improving business climate/market	16	4.1 %
People will always need my service/product	15	3.9 %
I love my work/ Work hard	6	1.5 %
Trade and exporting	2	0.5 %
Flexible/ Being adaptable/ Innovation	3	0.8 %
Awareness/ Reputation/ Established	12	3.1 %
Weather/ Tourism	7	1.8 %
Retirement	8	2.1 %
Misc	0	0.0 %
Don't know/ Refused/ Nothing	51	13.1 %
Total	389	100.0 %

Q8. Did your sales decrease, remain the same or increase?	Number	Percent
Decrease	56	13.8 %
Remain the same	142	34.9 %
Increase	188	46.2 %
Does not apply to my business	17	4.2 %
Don't Know/Refused	4	1.0 %
Total	407	100.0 %

Q9. Did your number of employees decrease, remain the same or increase?	Number	Percent
Decrease	36	8.9 %
Remain the same	263	64.9 %
Increase	86	21.2 %
Does not apply to my business	20	4.9 %
Don't Know/Refused	0	0.0 %
Total	405	100.0 %

Q10. Did the average wage level of your employees decrease, remain the same or increase?	Number	Percent
Decrease	8	2.0 %
Remain the same	195	48.0 %
Increase	173	42.6 %
Does not apply to my business	28	6.9 %
Don't Know/Refused	2	0.5 %
Total	406	100.0 %

Q11. Did the profitability of your business decrease, remain the same or increase?	Number	Percent
Decrease	81	19.9 %
Remain the same	150	36.9 %
Increase	154	37.8 %
Does not apply to my business	14	3.4 %
Don't Know/Refused	8	2.0 %
Total	407	100.0 %

Q12. Did your major investments in plants and equipment decrease, remain the same or increase?	Number	Percent
Decrease	41	10.1 %
Remain the same	214	52.6 %
Increase	88	21.6 %
Does not apply to my business	58	14.3 %
Don't Know/Refused	6	1.5 %
Total	407	100.0 %

Q13. How would you rate your access to qualified personnel for your business?	Number	Percent
Poor	62	15.2 %
Only fair	127	31.2 %
Pretty good	132	32.4 %
Excellent	42	10.3 %
Does not apply to my business	43	10.6 %
Don't Know/Refused	1	0.2 %
Total	407	100.0 %

Q14. Over the past year, did you have difficulty finding qualified candidates with the right skills and talent to fill fulltime positions?	Number	Percent
Yes, had difficulties	199	48.9 %
No, did not have difficulties	102	25.1 %
Did not have to fill positions	44	10.8 %
Does not apply to my business	61	15.0 %
Don't Know/Refused	1	0.2 %
Total	407	100.0 %

Q14A. Why did you have difficulty filling those positions?

Was it because...	Number	Percent
Not enough people were interested or applied for the positions	45	22.6 %
Not enough of the applicants were qualified for the positions	127	63.8 %
Other	27	13.6 %
Total	199	100.0 %

Other	Number	Percent
Both.	16	59.3 %
They wanted too much for their services.	1	3.7 %
They want the pay but don't want to work.	1	3.7 %
Both of the above answers and the desire to work	1	3.7 %
qualifications and drug testing issues	1	3.7 %
Can't pass drug test	1	3.7 %
people who were committed to long term employment	1	3.7 %
Not enough applicants with appropriate personal hygiene and appearance for my job type.	1	3.7 %
Wage expectations.	1	3.7 %
Both	1	3.7 %
All of the above	1	3.7 %
general poor work ethic in our local area	1	3.7 %
Total	27	100.0 %

Q14B. How did you end up filling those positions?

	Number	Percent
Didn't fill/ Still open/ Looking	57	28.8 %
Persistence/ Kept looking	35	17.7 %
Trained under qualified people/ Compromise	17	8.6 %
Temps/ Employment agency/ Contracted out	15	7.6 %
Trained current employees	2	1.0 %
Stretched out the work load/ Restructured to do without	13	6.6 %
Went out of area/state to find them	2	1.0 %
Head hunters/ Recruiters	10	5.1 %
Word of mouth/ Referrals/ Networking	19	9.6 %
Raised wages/incentives	5	2.5 %
Online ads/ Social media	7	3.5 %
With a student/ Apprentice	7	3.5 %
Part Time Labor	3	1.5 %
Misc	1	0.5 %
Don't know/ Refused	5	2.5 %
Total	198	100.0 %

The next group of questions refers to your plans and expectations over the next six months. Within that timeframe...

Q15. Do you expect your business' sales to decrease, remain the same or increase?

	Number	Percent
Decrease	14	3.4 %
Remain the same	105	25.8 %
Increase	277	68.1 %
Does not apply to my business	10	2.5 %
Don't Know/Refused	1	0.2 %
Total	407	100.0 %

Q16. Do you expect your business' profits to decrease, remain the same or increase?

	Number	Percent
Decrease	30	7.4 %
Remain the same	125	30.8 %
Increase	235	57.9 %
Does not apply to my business	12	3.0 %
Don't Know/Refused	4	1.0 %
Total	406	100.0 %

Q17. 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	148	36.4 %
Will maintain number of employees	232	57.0 %
May have to lay off employees	10	2.5 %
Don't Know/Refused	10	2.5 %
Other	7	1.7 %
Total	407	100.0 %

Other	Number	Percent
May terminate one part time employee and replace with full time	1	14.3 %
Hire a contract worker	1	14.3 %
Replace an employee	1	14.3 %
will need to replace our long-time office manager	1	14.3 %
Does not apply	1	14.3 %
Depends on minimum wage.	1	14.3 %
will replace retiring staff, but not add	1	14.3 %
Total	7	100.0 %

Q18. Are you planning to decrease wages, keep wages the same, or increase wages for your employees?

	Number	Percent
Decrease	2	0.5 %
Keep the same	212	52.1 %
Increase	153	37.6 %
Does not apply to my business	35	8.6 %
Don't Know/Refused	5	1.2 %
Total	407	100.0 %

Q19. Regarding your employees' benefit packages, are you planning to ...

	Number	Percent
Eliminate benefits	1	0.2 %
Decrease existing benefits	5	1.2 %
Keep benefits the same (no change)	221	53.9 %
Add new benefits	24	5.9 %
Increase existing benefits	15	3.7 %
Does not apply to my business	137	33.4 %
Don't Know/Refused	5	1.2 %
Other	2	0.5 %
Total	410	100.0 %

Other	Number	Percent
Follow City guidelines	1	50.0 %
Cooperating with another organization to split time with employee, other org will carry benefits.	1	50.0 %
Total	2	100.0 %

Q20. Thinking specifically about any expected increased healthcare costs for your business, are you considering to ...

	Number	Percent
Decrease healthcare benefits	6	1.4 %
Increase employee premiums	53	12.5 %
Absorb the costs	87	20.5 %
I don't expect any healthcare cost increases	83	19.5 %
I don't offer healthcare benefits to employees/Does not apply to my business	176	41.4 %
Don't Know/Refused	16	3.8 %
Other	4	0.9 %
Total	425	100.0 %

Q21. How many locations does your business have?	Number	Percent
One	300	73.7 %
Two	49	12.0 %
Three or more	58	14.3 %
Don't Know/Refused	0	0.0 %
Other	0	0.0 %
Total	407	100.0 %

Q22. 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	11	2.7 %
Keep the same number of locations	355	87.2 %
Add new business locations	34	8.4 %
Don't Know/Refused	7	1.7 %
Total	407	100.0 %

Q23. 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	39	9.6 %
Yes, a new service	52	12.8 %
Yes, both	24	5.9 %
No, will not expand either	280	68.8 %
Don't Know/Refused	11	2.7 %
Other	1	0.2 %
Total	407	100.0 %

Other	Number	Percent
might enlarge the scope of some the services already offered	1	100.0 %
Total	1	100.0 %

Q24. Are you planning to invest in employee education or training?	Number	Percent
Yes	215	53.0 %
No	163	40.1 %
Not sure	28	6.9 %
Total	406	100.0 %

Q25. Are you planning to purchase or lease any office equipment?	Number	Percent
Yes	92	22.6 %
No	288	70.8 %
Not sure	27	6.6 %
Total	407	100.0 %

Q26. And what about investing in advertising for your business?	Number	Percent
Yes	225	55.3 %
No	152	37.3 %
Not sure	30	7.4 %
Total	407	100.0 %

Q27. In which areas of your business do you have the greatest need for advice?	Number	Percent
Human Resources	66	16.4 %
Accounting and Finance	92	22.9 %
Sales and Marketing	119	29.6 %
Personal Development	59	14.7 %
Business Growth/ Development	127	31.6 %
Legislative Consulting or Lobbying	24	6.0 %
IT & Cyber Security	87	21.6 %
Legal	62	15.4 %
Other	85	21.1 %
Not Sure	20	5.0 %
Total	741	

	Number	Percent
Other		
None.	78	91.8 %
None of the above.	1	1.2 %
none of the above	1	1.2 %
Continuity	1	1.2 %
None	1	1.2 %
Refused.	1	1.2 %
USDA technical assistance	1	1.2 %
<u>Canine Care</u>	<u>1</u>	<u>1.2 %</u>
Total	85	100.0 %

Q28. As a small business owner or leader, how often do you seek advice from outside consultants when making business decisions?

	Number	Percent
Never	61	15.0 %
Rarely	101	24.8 %
Sometimes	164	40.3 %
Often	57	14.0 %
Always	18	4.4 %
Not Sure	6	1.5 %
Total	407	100.0 %

Q29. Would access to a list of vetted business consultants be helpful to you and your business?

	Number	Percent
Yes	120	29.6 %
No	208	51.2 %
Not Sure	78	19.2 %
Total	406	100.0 %

Q30. For how many years has your company been in business?

	Number	Percent
1 to 5 years	39	9.6 %
6 to 10 years	31	7.7 %
11 to 15 years	37	9.1 %
16 to 20 years	62	15.3 %
21 to 25 years	39	9.6 %
26 to 30 years	34	8.4 %
31 to 50 years	98	24.2 %
More than 50 years	64	15.8 %
Don't know/Refused	1	0.2 %
Total	405	100.0 %

Q31. What type of business or industry do you operate?

	Number	Percent
Business services	56	13.8 %
Professional services	69	17.0 %
Health care	19	4.7 %
Manufacturing or manufacturing supplier	43	10.6 %
Retail	38	9.4 %
Real estate	9	2.2 %
Insurance	12	3.0 %
Public service (Government)	6	1.5 %
Finance	14	3.4 %
Distribution/trucking	10	2.5 %
Food service	23	5.7 %
Non-profit	13	3.2 %
Telecommunications	1	0.2 %
Education	6	1.5 %
Construction	23	5.7 %
Recreation	13	3.2 %
Personal services	28	6.9 %
Childcare	2	0.5 %
Property management	10	2.5 %
Don't know/Refused	0	0.0 %

Other	11	2.7 %
Total	406	100.0 %

Other	Number	Percent
Transportation.	2	18.2 %
Farming and Agriculture.	9	81.8 %
Total	11	100.0 %

Q32. What would you say is the gross dollar amount that your business generates per year?

	Number	Percent
Less than \$50,000	36	9.0 %
\$50,000 to \$99,999	30	7.5 %
\$100,000 to \$249,999	54	13.5 %
\$250,000 to \$499,999	55	13.7 %
\$500,000 to \$999,999	44	11.0 %
\$1 million to \$5 million	76	19.0 %
More than \$5 million	47	11.7 %
Don't know/Refused	59	14.7 %
Total	401	100.0 %

Q33. GENDER

	Number	Percent
Male	232	57.6 %
Female	171	42.4 %
Total	403	100.0 %

Q34. Would you like to receive an early exclusive report of findings from this survey results, via email?

	Number	Percent
Yes	195	47.9 %
No	212	52.1 %
Total	407	100.0 %