July 19, 2019

Outlook among Tennessee Business Leaders Continues to Improve

Outlook among Tennessee Business Leaders continues to improve. The Tennessee Business Barometer improved to 428 from 416 in April. Although the Index is still below last year’s levels, the current results show Tennessee business leaders have more positive views of the current economy and prospects for increased hiring. These improvements were somewhat offset by decreases in expectations for the future economy.

The current online survey of 83 business leaders from across Tennessee was conducted in partnership with the Tennessee Chamber of Commerce and Industry between July 8 and July 18. The sample of respondents includes business owners (23%), vice presidents (11%), senior managers (35%), and managers/others (31%) at firms of various sizes. The next Tennessee Business Barometer survey is scheduled for October 2019.

Tennessee Business Barometer Index and Sub-Indices

<table>
<thead>
<tr>
<th>Index</th>
<th>July 2018</th>
<th>October 2018</th>
<th>January 2019</th>
<th>April 2019(^1)</th>
<th>July 2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>Overall Business Barometer</td>
<td>479</td>
<td>525</td>
<td>355</td>
<td>416</td>
<td>428</td>
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<tr>
<td>Current Economic Situation Index</td>
<td>300</td>
<td>290</td>
<td>282</td>
<td>268</td>
<td>273</td>
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<tr>
<td>Future Economic Expectations Index</td>
<td>78</td>
<td>122</td>
<td>49</td>
<td>107</td>
<td>91</td>
</tr>
<tr>
<td>Business/Firm Performance Index</td>
<td>114</td>
<td>126</td>
<td>54</td>
<td>74</td>
<td>76</td>
</tr>
<tr>
<td>Employment Outlook Index</td>
<td>-13</td>
<td>-13</td>
<td>-30</td>
<td>-33</td>
<td>-12</td>
</tr>
</tbody>
</table>

\(^1\) The Tennessee Business Barometer Index scores are based on business leaders’ responses to 17 questions measuring their perceptions of the current and future economic and regulatory conditions for the country as a whole, Tennessee, their industry, and their individual firm/business. Five questions make up the Current Economic Situation Index. Five questions make up the Future Economic Expectations Index. Five questions make up the Business/Firm Performance Index. Two questions make up the Employment Outlook Index. The Overall Business Barometer Index is based on all 17 questions combined. The complete questions are shown at the end of this report.

The scores for each index are computed by adding the percentage of favorable responses to each question and subtracting the percentage of negative responses to each question. A net score of zero would indicate the percentage of business leaders who hold negative views of the economy is equal to the percentage of business leaders who hold positive views of the economy. A net positive score would indicate that business leaders who hold positive views of the economy outnumber those who hold negative views of the economy.
Improving Outlook

Perceptions of the current national economy improved significantly. The percent who said business conditions in the U.S. are “good” rose to 77 from 65 in April. The number who said conditions are “bad” remained nominal at three percent. Apparently, some of those who were “on the fence” in previous months have now decided the economy is actually doing well.

Views of the Tennessee economy remain positive and continue to outpace those for the national economy. The percent who said business conditions in Tennessee are “good” increased slightly to 85 from 83 in April. Only three percent said conditions in Tennessee are “bad.”

Even though perceptions of the overall economy improved, expectations for individual firm performance were mixed. A net gain in expectations for increased investment was offset by a net decline in expectations for sales and profitability.

**Employment and Staffing.** An improved economy and an optimistic outlook can lead to increased hiring. The Employment Outlook Index remained in the negative range but improved noticeably. The percent who said their firm/business will “increase” employment in the next 12 months gained to 41 from 35. Furthermore, the percent who expect to “decrease” employment dropped to four from 13. Many firms would like to increase staffing but experience difficulty finding qualified employees. However, this difficulty seems to be lessening
Thoughts about the Future

The percent who said qualified employees are “hard to find” declined to 52 from 57. Unfortunately, only three percent said qualified employees are “easy to find.” Increasing employment can help to maintain a growing economy. Unfortunately, finding qualified employees to fill vacant positions remains a major obstacle for many firms. More results related to challenges Tennessee businesses face with respect to staffing are on pages 8 and 9 of this report.

**Future of the overall U.S. economy.** Trade with other countries and its effects on a steadily growing economy appear to be on the minds of business leaders. More results related to trade and tariffs are on page 10 of this report.

**Future of the Tennessee economy.** Business leaders are noticeably positive and optimistic about the future of the state’s economy.
**Future of Individual Firms/Businesses.** With respect to their individual firm, business leaders are hopeful regarding stable growth amid challenges. More results related to the challenges business leaders are currently experiencing are on page 6 of this report.

**The Final Word**

Tennessee business leaders hold positive and improving views of the U.S. economy and the state’s economy. Further, expectations for increased hiring can help maintain a growing economy. Business leaders expect stable growth for their firms amid uncertainty related to trade, tariffs, and difficulty finding qualified employees to further grow their business.

**Overall Positive Perceptions.** The chart below shows the average percentage of positive, moderate/neutral, and negative responses to all 17 questions that make up the Tennessee Business Barometer Index. Most responses are either positive or moderate/neutral. Very few responses are negative. This means that when responding to our questions, the vast majority of business leaders think economic conditions are “good” or “in between” and think future economic conditions will be “better” or “stay the same.”
Average Percentage of Positive, Moderate/Neutral, and Negative Responses to All 17 Business Barometer Questions

% Positive
% Moderate/Neutral
% Negative

July'15 Oct'15 Jan'16 Apr'16 July'16 Oct'16 Jan'17 Apr'17 July'17 Oct'17 Jan'18 Apr'18 July'18 Oct'18 Jan'19 Apr'19 July'19
Business Challenges

Respondents identified the areas in which their firm/business is currently facing challenges. The chart below shows the percent of respondents who selected each issue. Staffing concerns followed by political uncertainty and rising health care costs dominate the list as the most often cited concerns.
**Shifting Concerns.** The chart below shows the six challenges most often cited by business leaders in July 2019. This is compared to the percentage who cited these challenges in April 2019. Positive views of the current economy are reflected in the significant decrease in the percent who said they are experiencing challenges related to economic uncertainty.

![Six Most Often Cited Challenges: Percent Selecting Each Challenge in July 2019, Compared to April 2019](chart.png)
Workforce and Employment Challenges

Respondents were also asked to indicate the challenges they currently experience with respect to workforce and employment. The chart below clearly shows the lack of soft skills or other employability skills is a frequent challenge when it comes to staffing. Of these four challenges, graduates lacking specific certifications or degrees was the least often cited.

Respondents were then asked to rank these four challenges related to workforce and employment from 1 (having the greatest effect on your business) to 4 (having the least effect on your business). The table below shows the summated rankings for these workforce challenges. The rankings are compiled in the same way sports teams are ranked. The challenge ranked first was assigned a score of 4, the second-ranked challenge was assigned a score of 3, and so on. The summated rank reflects the ordinal ranking of the four challenges.

The lack of soft skills and employability skills was the highest ranked challenge. However, the lack of certifications and degrees was ranked higher than challenges resulting from employees not being interested in an industry or employees retiring and leaving job vacancies.

<table>
<thead>
<tr>
<th>Rank these four challenges from 1 (having the greatest effect on your business) to 4 (having the least effect on your business) with respect to workforce and employment.</th>
<th>Summated Rank</th>
<th>Times Ranked First</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 Prospective employees lack the basic soft skills or employability skills (tardiness, teamwork issues, failing to pass a drug test, etc.)</td>
<td>204</td>
<td>38</td>
</tr>
<tr>
<td>2 Graduates lack the specific certifications or degrees (trade or professional) needed for my business</td>
<td>138</td>
<td>7</td>
</tr>
<tr>
<td>3 Prospective employees are not interested in working in my industry</td>
<td>136</td>
<td>7</td>
</tr>
<tr>
<td>4 Employees retiring and leaving job vacancies</td>
<td>122</td>
<td>8</td>
</tr>
</tbody>
</table>
Work-Based Learning and Apprenticeships

There has been much discussion about expanding work-based learning or apprenticeship programs in high schools, technical schools, and colleges to help students gain employment experience and enhance their employability skills. Respondents were asked to indicate their level of agreement with each of the statements shown below regarding work-based learning and apprenticeships.

Tennessee business leaders almost unanimously approve of work-based learning and apprenticeships. Further, the majority are willing to participate with local education providers in work-based learning or apprenticeship programs (86% for college or universities; 72% for high schools or technical schools). Very few are reluctant to participate in work-based learning due to concerns related to regulations, time constraints, or concerns regarding potential liability.
Trade and Tariffs

With respect to trade and tariffs, the majority of respondents support the recent USMCA trade agreement (63%) and expect it will have a positive effect on the overall U.S. economy (61%). Tennessee business leaders are more likely to support free and open trade with other countries versus a more unilateral trade approach.

However, views regarding tariffs are more mixed. While some believe tariffs on goods from other countries are harmful to the U.S. economy (38%), an almost equal number disagree (35%). More agree (45%) versus disagree (36%) that tariffs on Chinese goods will have a positive effect on the overall U.S. economy.

Please Indicate Your Level of Agreement with Each of the Following Statements Regarding Trade and Tariffs.

- Strongly disagree  - Somewhat disagree  - Neither  - Somewhat agree  - Strongly agree

<table>
<thead>
<tr>
<th>Statement</th>
<th>Strongly disagree</th>
<th>Somewhat disagree</th>
<th>Neither</th>
<th>Somewhat agree</th>
<th>Strongly agree</th>
</tr>
</thead>
<tbody>
<tr>
<td>I support the recent USMCA Trade Agreement.</td>
<td>33%</td>
<td>30%</td>
<td>33%</td>
<td>33%</td>
<td>33%</td>
</tr>
<tr>
<td>The recent USMCA Trade Agreement will have a positive effect on the overall U.S. economy.</td>
<td>10%</td>
<td>29%</td>
<td>34%</td>
<td>27%</td>
<td>27%</td>
</tr>
<tr>
<td>I support free and open trade agreements with other countries.</td>
<td>4%</td>
<td>17%</td>
<td>43%</td>
<td>33%</td>
<td>33%</td>
</tr>
<tr>
<td>Free and open trade agreements with other countries have a positive effect on the overall U.S. economy.</td>
<td>4%</td>
<td>18%</td>
<td>45%</td>
<td>30%</td>
<td>30%</td>
</tr>
<tr>
<td>A more unilateral trade approach with our allies would have a positive effect on the overall U.S. economy.</td>
<td>6%</td>
<td>10%</td>
<td>34%</td>
<td>40%</td>
<td>10%</td>
</tr>
<tr>
<td>A more unilateral trade approach with our allies should be given more consideration.</td>
<td>6%</td>
<td>9%</td>
<td>33%</td>
<td>46%</td>
<td>7%</td>
</tr>
<tr>
<td>Tariffs on goods from other countries are harmful to the overall U.S. economy.</td>
<td>6%</td>
<td>29%</td>
<td>27%</td>
<td>27%</td>
<td>11%</td>
</tr>
<tr>
<td>Tariffs on Chinese goods will have a positive effect on the overall U.S. economy.</td>
<td>17%</td>
<td>19%</td>
<td>19%</td>
<td>34%</td>
<td>11%</td>
</tr>
<tr>
<td>Tennessee Business Barometer</td>
<td>Oct 2018 (%)</td>
<td>Jan 2019 (%)</td>
<td>Apr 2019 (%)</td>
<td>July 2019 (%)</td>
<td>Net Change from April 2019*</td>
</tr>
<tr>
<td>------------------------------</td>
<td>--------------</td>
<td>--------------</td>
<td>--------------</td>
<td>---------------</td>
<td>--------------------------</td>
</tr>
<tr>
<td>Overall economic conditions in the U.S. are:</td>
<td>Good 82</td>
<td>62</td>
<td>65</td>
<td>77</td>
<td>+11</td>
</tr>
<tr>
<td></td>
<td>In between 18</td>
<td>36</td>
<td>33</td>
<td>18</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Bad 0</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td></td>
</tr>
<tr>
<td>Twelve months from now overall economic conditions in the U.S. will be:</td>
<td>Better 35</td>
<td>17</td>
<td>25</td>
<td>25</td>
<td>-7</td>
</tr>
<tr>
<td></td>
<td>About same 50</td>
<td>57</td>
<td>59</td>
<td>51</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Worse 12</td>
<td>25</td>
<td>16</td>
<td>23</td>
<td></td>
</tr>
<tr>
<td>Economic conditions in Tennessee are:</td>
<td>Good 90</td>
<td>81</td>
<td>83</td>
<td>85</td>
<td>+2</td>
</tr>
<tr>
<td></td>
<td>In between 8</td>
<td>18</td>
<td>14</td>
<td>13</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Bad 2</td>
<td>1</td>
<td>3</td>
<td>3</td>
<td></td>
</tr>
<tr>
<td>Twelve months from now economic conditions in Tennessee will be:</td>
<td>Better 41</td>
<td>31</td>
<td>40</td>
<td>47</td>
<td>+1</td>
</tr>
<tr>
<td></td>
<td>About same 48</td>
<td>62</td>
<td>56</td>
<td>39</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Worse 5</td>
<td>5</td>
<td>5</td>
<td>11</td>
<td></td>
</tr>
<tr>
<td>Economic conditions in your industry are:</td>
<td>Good 59</td>
<td>57</td>
<td>54</td>
<td>51</td>
<td>-9</td>
</tr>
<tr>
<td></td>
<td>In between 33</td>
<td>36</td>
<td>41</td>
<td>40</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Bad 7</td>
<td>4</td>
<td>3</td>
<td>9</td>
<td></td>
</tr>
<tr>
<td>Twelve months from now economic conditions in your industry will be:</td>
<td>Better 36</td>
<td>22</td>
<td>30</td>
<td>37</td>
<td>+3</td>
</tr>
<tr>
<td></td>
<td>About same 49</td>
<td>60</td>
<td>59</td>
<td>48</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Worse 13</td>
<td>14</td>
<td>10</td>
<td>14</td>
<td></td>
</tr>
<tr>
<td>Regulatory conditions in your industry are:</td>
<td>Good 28</td>
<td>39</td>
<td>35</td>
<td>42</td>
<td>+10</td>
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<td></td>
<td>In between 57</td>
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<td>47</td>
<td>44</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Bad 8</td>
<td>12</td>
<td>11</td>
<td>8</td>
<td></td>
</tr>
<tr>
<td>Twelve months from now regulatory conditions will be:</td>
<td>Better 16</td>
<td>9</td>
<td>10</td>
<td>6</td>
<td>-6</td>
</tr>
<tr>
<td></td>
<td>About same 64</td>
<td>72</td>
<td>84</td>
<td>83</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Worse 10</td>
<td>11</td>
<td>2</td>
<td>4</td>
<td></td>
</tr>
<tr>
<td>Economic Conditions for your firm/business are:</td>
<td>Good 59</td>
<td>64</td>
<td>56</td>
<td>54</td>
<td>-9</td>
</tr>
<tr>
<td></td>
<td>In between 28</td>
<td>34</td>
<td>37</td>
<td>34</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Bad 11</td>
<td>3</td>
<td>6</td>
<td>13</td>
<td></td>
</tr>
<tr>
<td>Twelve months from now economic conditions for your firm/business will be:</td>
<td>Better 44</td>
<td>37</td>
<td>41</td>
<td>39</td>
<td>-7</td>
</tr>
<tr>
<td></td>
<td>About same 43</td>
<td>49</td>
<td>52</td>
<td>48</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Worse 10</td>
<td>12</td>
<td>6</td>
<td>11</td>
<td></td>
</tr>
<tr>
<td>Compared to last year will your firm grow:</td>
<td>More 48</td>
<td>30</td>
<td>29</td>
<td>31</td>
<td>-2</td>
</tr>
<tr>
<td></td>
<td>About same 39</td>
<td>42</td>
<td>46</td>
<td>44</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Less 10</td>
<td>24</td>
<td>21</td>
<td>25</td>
<td></td>
</tr>
<tr>
<td>Compared to last year will your firm invest:</td>
<td>More 42</td>
<td>31</td>
<td>30</td>
<td>38</td>
<td>+18</td>
</tr>
<tr>
<td></td>
<td>About same 45</td>
<td>45</td>
<td>43</td>
<td>45</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Less 5</td>
<td>18</td>
<td>25</td>
<td>15</td>
<td></td>
</tr>
</tbody>
</table>
Compared to last year
will your firm’s sales: \(^{b/f}\)

<table>
<thead>
<tr>
<th></th>
<th>Increase</th>
<th>Stay the same</th>
<th>Decrease</th>
<th>Net Change</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Increase</strong></td>
<td>53</td>
<td>48</td>
<td>59</td>
<td>51</td>
</tr>
<tr>
<td><strong>Stay the same</strong></td>
<td>27</td>
<td>36</td>
<td>22</td>
<td>28</td>
</tr>
<tr>
<td><strong>Decrease</strong></td>
<td>14</td>
<td>13</td>
<td>16</td>
<td>15</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>84</td>
<td>97</td>
<td>88</td>
<td>-7</td>
</tr>
</tbody>
</table>

Compared to last year
will your firm’s profitability: \(^{b/f}\)

<table>
<thead>
<tr>
<th></th>
<th>Increase</th>
<th>Stay the same</th>
<th>Decrease</th>
<th>Net Change</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Increase</strong></td>
<td>38</td>
<td>29</td>
<td>37</td>
<td>39</td>
</tr>
<tr>
<td><strong>Stay the same</strong></td>
<td>36</td>
<td>49</td>
<td>44</td>
<td>32</td>
</tr>
<tr>
<td><strong>Decrease</strong></td>
<td>16</td>
<td>20</td>
<td>14</td>
<td>25</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>80</td>
<td>98</td>
<td>91</td>
<td>-9</td>
</tr>
</tbody>
</table>

Compared to last year
will your firm’s inventories: \(^{b/f}\)

<table>
<thead>
<tr>
<th></th>
<th>Increase</th>
<th>Stay the same</th>
<th>Decrease</th>
<th>Net Change</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Increase</strong></td>
<td>10</td>
<td>9</td>
<td>14</td>
<td>14</td>
</tr>
<tr>
<td><strong>Stay the same</strong></td>
<td>43</td>
<td>42</td>
<td>41</td>
<td>48</td>
</tr>
<tr>
<td><strong>Decrease</strong></td>
<td>20</td>
<td>18</td>
<td>19</td>
<td>17</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>73</td>
<td>93</td>
<td>74</td>
<td>+2</td>
</tr>
</tbody>
</table>

In the next 12 months
will employment at
your firm/business: \(^{f}\)

<table>
<thead>
<tr>
<th></th>
<th>Increase</th>
<th>Stay the same</th>
<th>Decrease</th>
<th>Net Change</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Increase</strong></td>
<td>45</td>
<td>34</td>
<td>35</td>
<td>41</td>
</tr>
<tr>
<td><strong>Stay the same</strong></td>
<td>47</td>
<td>56</td>
<td>51</td>
<td>55</td>
</tr>
<tr>
<td><strong>Decrease</strong></td>
<td>7</td>
<td>9</td>
<td>13</td>
<td>4</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>109</td>
<td>106</td>
<td>109</td>
<td>+15</td>
</tr>
</tbody>
</table>

Qualified employees are: \(^{f}\)

<table>
<thead>
<tr>
<th></th>
<th>Easy to find</th>
<th>Found with effort</th>
<th>Hard to find</th>
<th>Net Change</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Easy to find</strong></td>
<td>3</td>
<td>0</td>
<td>2</td>
<td>3</td>
</tr>
<tr>
<td><strong>Found with effort</strong></td>
<td>41</td>
<td>40</td>
<td>40</td>
<td>42</td>
</tr>
<tr>
<td><strong>Hard to find</strong></td>
<td>54</td>
<td>55</td>
<td>57</td>
<td>52</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>98</td>
<td>95</td>
<td>99</td>
<td>+6</td>
</tr>
</tbody>
</table>

\(^{c}\) Included in the Current Economic Situation Index

\(^{f}\) Included in the Future Economic Expectations Index

\(^{b/f}\) Included in the Business/Firm Performance Index

\(^{e}\) Included in the Employment Outlook Index

* The Net Change score for each question is calculated based on the change in percent of both positive and negative responses to a question. The Net Change score increases when there are more positive responses as well as when there are fewer negative responses. For example, if there are 10 percent more positive responses and four percent more negative responses, the net change score is +6. Alternatively, if there are 10 percent more positive responses and four percent fewer negative responses, then the net change score is +14.
About the Tennessee Business Barometer Survey

The Tennessee Business Barometer survey is a collaborative effort between Jones College of Business at Middle Tennessee State University and the Tennessee Chamber of Commerce and Industry. The survey measures the mood and outlook of business leaders statewide through online surveys. This report is also available on the MTSU Office of Consumer Research website (www.mtsu.edu/consumer).

The results reported here are based on an online survey of 83 business leaders throughout the state of Tennessee. The survey was conducted between July 8 and July 18. With a sample of 83 people, we can say with 95% confidence that the amount of survey error due to taking a random sample instead of surveying all members of the population is ± 11%. Other factors such as problems with question wording and interpretation can introduce additional bias or error into the results.

The Tennessee Business Barometer Index is based on all 17 survey questions outlined below. The score is computed by adding the percentage of positive responses to each question and subtracting the percentage of negative responses. The Current Economic Situation Index is based on questions 1, 3, 5, 7, and 9. The Future Economic Expectations Index is based on questions 2, 4, 6, 8, and 10. The Business/Firm Performance Index is based on questions 11, 12, 13, 14, and 15. The Employment Outlook Index is based on questions 16 and 17.

For more information about the Tennessee Business Barometer, contact Dr. Timothy Graeff, director of the Office of Consumer Research, at 615-898-5124 or tim.graeff@mtsu.edu.

For more information about the Tennessee Chamber of Commerce and Industry, visit www.tnchamber.org or call 615-256-5141.
The Tennessee Business Barometer

[C] = included in the Current Economic Situation Index
[F] = included in the Future Economic Expectations Index
[B/F] = included in the Business (Firm) Performance Index
[E] = included in the Employment Outlook Index

1. [C] The current overall economic conditions in the COUNTRY AS A WHOLE are good, somewhere in between, or bad?

2. [F] In the next 12 months, do you expect the overall economic conditions in the COUNTRY AS A WHOLE to be better, stay about the same as they are today, or be worse?

3. [C] The current economic conditions in TENNESSEE are good, somewhere in between, or bad?

4. [F] In the next 12 months, do you expect the economic conditions in TENNESSEE to be better, stay about the same as they are today, or be worse?

5. [C] The current economic conditions for your INDUSTRY are good, somewhere in between, or bad?

6. [F] In the next 12 months, do you expect the economic conditions for your INDUSTRY to be better, stay about the same as they are today, or be worse?

7. [C] The current regulatory conditions for your industry are good, somewhere in between, or bad?

8. [F] In the next 12 months, do you expect the regulatory conditions for your industry to be better, stay about the same as they are today, or be worse?

9. [C] The current economic conditions for your FIRM/BUSINESS are good, somewhere in between, or bad?

10. [F] In the next 12 months, do you expect the economic conditions for your FIRM/BUSINESS to be better, stay about the same as they are today, or be worse?

11. [B/F] With respect to growth, compared to last year do you expect that your FIRM/BUSINESS will grow more than it did last year, grow about the same as it did last year, or grow less than it did last year?

12. [B/F] With respect to investing in your business, do you expect that compared to last year your FIRM/BUSINESS will invest more, about the same as last year, or less?

13. [B/F] With respect to sales revenues, compared to last year do you expect that your FIRM’S/BUSINESS’S sales revenues will increase, stay about the same as last year, or decrease?
14. **[B/F]** With respect to profitability, compared to last year do you expect that your FIRM’S/BUSINESS’S profitability will increase, stay about the same as last year, or decrease?

15. **[B/F]** With respect to inventories, in the next 12 months, do you expect that your FIRM/BUSINESS will increase inventories, keep inventories the same, or decrease inventories?

16. **[E]** With respect to employment, in the next 12 months, do you expect that your FIRM/BUSINESS will increase employment, keep employment at about the same level as it is today, or decrease employment?

17. **[E]** With respect to your FIRM/BUSINESS being able to find qualified employees in the local labor force, qualified employees are easy to find, can be found with effort, or are hard to find?