

Expectations on the Rise

Our seventh annual Business Leaders Outlook survey provides a snapshot of the current business environment, the trends influencing that environment and the decision-making of the executives who operate in it. Find out what more than 1,400 middle market executives think about the economy and how they're planning for the year ahead.

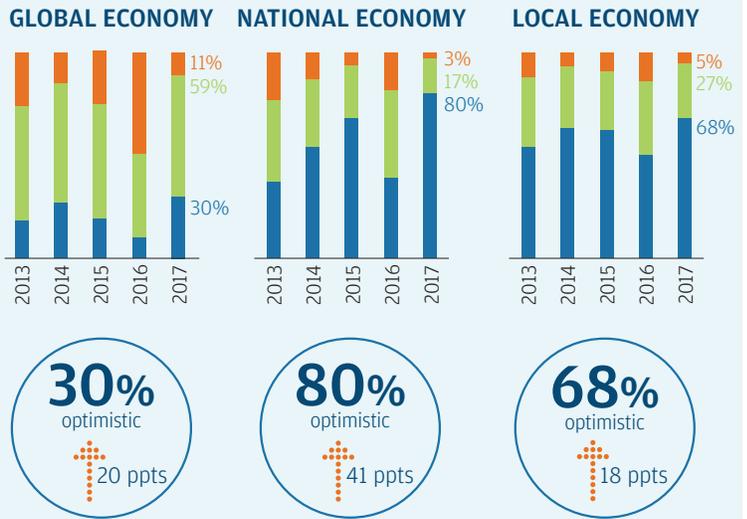
Economic Outlook

In a dramatic shift from last year, the 2017 survey, which closed the day Donald Trump was sworn in as president of the United States, recorded increased optimism across the board. Reporting high expectations for the new administration, over the next year, middle market executives expect improved performance in the global, national and local economies, as well as their own businesses.

■ Pessimistic
■ Neutral
■ Optimistic

Optimism is at its highest level—and pessimism is at its lowest level—over the past 7 years

 This arrow compares year over year figures



Presidential Election

Respondents indicated the expected impact of the new administration on their businesses

+ 76% expect a positive impact

- 12% expect a negative impact

= 12% expect a neutral impact

OF THOSE WHO INDICATED A POSITIVE IMPACT, THE TOP REASONS ARE

- Pro-business policies
- Tax reform
- Regulation reductions

OF THOSE WHO INDICATED A NEGATIVE IMPACT, THE TOP REASON IS

- Trade concerns

REGULATORY IMPACT

Middle market executives believe government should focus on:

67%  5 pts
Reducing regulations

56%  6 pts
Lowering taxes

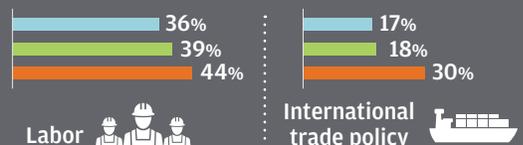
36%  9 pts
Improving infrastructure

30% would like the Affordable Care Act reduced or eliminated

44% of middle market companies report that their healthcare costs have increased by 10% or more over the past year

REGULATION AND POLICY CONCERNS

Of all the policy or regulatory issues, concern over labor regulation and international trade policy increased the most year over year.



Healthcare has remained the top regulatory concern for the past three years, remaining high at 63% in 2017

Business Challenges

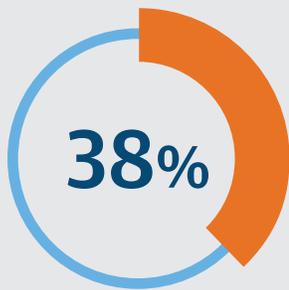
Middle market executives were asked to rank the most significant challenges facing their businesses in 2017



 This arrow compares year over year figures

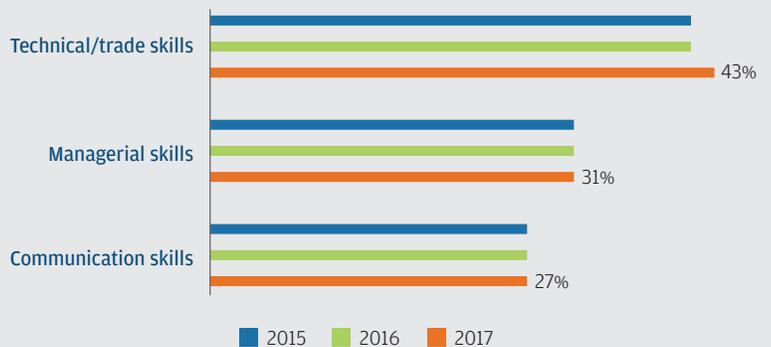


Talent and Compensation



of respondents are extremely or very concerned about the limited supply of candidates with the required skill sets

WHAT SKILLS ARE MOST ABSENT?



plan to increase full-time personnel in the coming year



plan to increase compensation in the coming year

