



UNIVERSITY *of*
MONTEVALLO

2017 Shelby County Business Outlook

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2017 Business Outlook

- Macro – US
- Shelby County
 - Study findings
- The “Natural Experiment”
 - Politics, economics, and expectations

2017 Business Outlook

- US Economy in 2017
 - Growth
 - GDP growth Q2 2016 = 1.4%
 - GDP growth Q3 2016 = 3.5%
 - AY 2016 estimates = 3.1%
 - First take on full 2016 on Friday
 - Projected US growth in 2017 = 2.25%
 - Project global growth in 2017 = 2.7%

2017 Business Outlook

- US Economy in 2017
 - Employment
 - Unemployment in December was 4.7%
 - Down from 10% in 2009
 - US added 156,000 jobs in December 2016
 - Participation rates is near average

2017 Business Outlook

- US Economy in 2017
 - Equity markets
 - Dow, S&P 500 and NASDAQ finished up yesterday – new records (or close) in last three months
 - Trump rally OR Trump recession?

2017 Business Outlook

- What about Shelby County?

2017 Business Outlook

- Shelby County Study
 - Partnership between the Greater Shelby Chamber and the Stephens College of Business at the University of Montevallo
 - Data collected via online questionnaire
 - Received 202 responses from Greater Shelby County Chamber Members and Affiliates

2017 Business Outlook

- Respondent employment
 - Respondent employ from 1 to 21,000
 - 128 (63%) respondents have less than 50 FTE
 - 37 (18%) respondents have 500 or more FTE
 - Respondent employ from 1 to 10,000 part-time employees

2017 Business Outlook

SECTOR OF RESPONDENTS	
Education	7.35
Financial Services	11.76
Food Services	2.94
Government/Public Admin	6.37
Health Care	9.80
Hospitality / Tourism	5.39
Manufacturing / Industry	8.82
Nonprofit	7.35
Professional Services	18.63
Retail	3.92
Technology	2.45
Other	15.20

2017 Business Outlook

- Revenues in 2017
 - 82% of respondents expect revenue to increase (compared to 79% in 2016)
 - 7.4% of respondents expect revenue to shrink (compared to 11% in 2016)

2017 Business Outlook

- Expenses in 2017
 - 83% of respondent expect expenses to remain the same or increase slightly
 - Only 4% expect expenses to increase significantly

2017 Business Outlook

- Profit in 2017
 - 69% of respondents expect profits to increase slightly or significantly
 - 8% of respondents expect profits to decrease

2017 Business Outlook

- Debt in 2017
 - 86% of respondents expect debt to remain the same or decrease slightly
 - Only 14% expect debt to increase

2017 Business Outlook

CAPITAL EXPENDITURES IN 2017	
\$1,000,000 or more	14.71%
\$500,000 to \$999,999	6.37%
\$250,000 to \$499,999	7.84%
\$100,000 to \$249,999	11.27%
\$10,000 to \$99,999	26.47%
Less than \$10,000	16.67%
None	16.67%

2017 Business Outlook

- Employment in 2017
 - 43% of respondents expect full-time employment to increase slightly or significantly
 - Only 10% of respondents expect full-time employment to decrease

2017 Business Outlook

- Employment in 2017
 - 31% of respondents expect part-time employment to increase slightly or significantly
 - Only 4.5% of respondents expect part-time employment to decrease
 - Respondents do not expect changes in temporary or seasonal full-time or part-time employment

2017 Business Outlook

- What impacts job creation in Shelby County?
 - Cost of unemployment insurance

2017 Business Outlook

- What impacts job creation in Shelby County?
 - Cost of unemployment insurance
- NO – little to no impact on creating jobs

2017 Business Outlook

- What impacts job creation in Shelby County?
 - Cost of workers comp

2017 Business Outlook

- What impacts job creation in Shelby County?
 - Cost of workers comp
- NO – little to no impact on creating jobs

2017 Business Outlook

- What impacts job creation in Shelby County?
 - Taxes and fees

2017 Business Outlook

- What impacts job creation in Shelby County?
 - Taxes and fees
- NO – little to no impact on creating jobs

2017 Business Outlook

- What impacts job creation in Shelby County?
 - Cost of benefits like health insurance

2017 Business Outlook

- What impacts job creation in Shelby County?
 - Cost of benefits like health insurance

- NO – little to no impact on creating jobs

2017 Business Outlook

- What impacts job creation in Shelby County?
 - Difficulty in finding skills and experience you need

2017 Business Outlook

- What impacts job creation in Shelby County?
 - Difficulty in finding skills and experience you need
- YES – this is a challenge in Shelby County and does effect job creation

2017 Business Outlook

- What impacts job creation in Shelby County?
 - Growth in sales / demand for your business or service

2017 Business Outlook

- What impacts job creation in Shelby County?
 - Growth in sales / demand for your business or service
- YES – this is the top driver of job creation
- If the business is there, we will create the jobs!

2017 Business Outlook

- What impacts job creation in Shelby County?
 - NOT cost of unemployment insurance
 - NOT taxes and fees
 - NOT cost of benefits like health insurance
 - SOMEWHAT difficulty in finding skills and experience you need
 - YES growth in sales / demand for your business or service

2017 Business Outlook

- SUMMARY for Shelby County
 - Employment will increase
 - Profits will increase
 - Capital investment will continue
 - Despite any regulatory or benefits cost, Shelby County business will create jobs when there is business to be done

2017 Business Outlook

- Great natural experiment...
 - Pre November 8 and Post November 8

2017 Business Outlook

- Great natural experiment...
 - Pre November 8 and Post November 8
- Personal: Friday, Saturday, Both, Neither....

2017 Business Outlook

- Great natural experiment...
 - Pre November 8 and Post November 8
- Personal: Friday, Saturday, Both, Neither....
- Economic outlook... Almost indifferent

Stephens College of Business

- Bachelors in MG, MK, FI and AC
- AACSB International accreditation
- Average class size of 21 students
- Competitive public university tuition
- World-class MBA program
- Evenings courses with simulcast
- Great value investment!



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