



Survey: Local businesses are seeing a stronger economy

Honigman Miller Schwartz and Cohn LLP, Crain's Detroit Business and MiBiz

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01. Thinking about the economy of the nation as a whole, do you think the U.S. economy is getting stronger, getting weaker, or staying about the same?

42%	Getting stronger
21%	Getting weaker
36%	Staying about the same
1%	Undecided/Refused

02. Thinking about the economy of the state as a whole, do you think the Michigan economy is getting stronger, getting weaker, or staying about the same?

56%	Getting stronger
13%	Getting weaker
30%	Staying about the same
1%	Undecided/Refused

03. Overall, how satisfied are you with the condition of Michigan's economy as it affects your business today; Are you Very satisfied, Somewhat Satisfied, Somewhat Dissatisfied or Very Dissatisfied?

15%	Very satisfied	72% TOTAL SATISFIED
57%	Somewhat satisfied	
19%	Somewhat dissatisfied	25% TOTAL SATISFIED
6%	Very dissatisfied	
3%	Undecided/Refused	

04. In the next twelve months, do you plan 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?

39%	Plans to hire more employees
55%	Will maintain number of employees
3%	May have to lay off employees
0%	Will lay off employees
3%	Undecided/Refused

05. How many employees do you expect to hire next year?

N=107
MEAN: 18.15 MEDIAN: 4.0

06. In the next year, how many positions do you expect will become vacant due to non-replacement and/or layoffs?

N=6
MEAN: 6.833 MEDIAN: 5.0



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07. In the coming year, do you plan to increase wages for your employees, decrease wages or leave wages unchanged?

46%	Increase wages
0%	Reduce wages
46%	Leave wages unchanged
8%	Undecided/Refused

08. Next, I am going to read a list of broad policy areas, innovations and social issues that many business leaders say the Federal Government can advance that will particularly help the economy in Michigan. When I finish reading the whole list, please tell me which one policy or issue area you believe should be a top priority for the next president to pursue in order to better help your business?

35%	Launching a comprehensive program to rebuild the country's infrastructure, including federal roadways and bridges, as well as aging water and sewer systems in metropolitan areas
14%	Taking the lead in restructuring and financing the delivery of public education in urban centers
13%	Streamlining federal regulations affecting business operations, such as environmental quality compliance rules and worker health and safety standards
11%	Making access to capital easier and cheaper
10%	Establishing a workable policy addressing immigration and the status of undocumented workers
6%	Helping in the development of new technologies such as Internet connected vehicles and alternative energy generation
5%	Making sure foreign trade partners are held accountable to the minimum worker safety, wage and benefit provisions contained in our trade agreements.
2%	Addressing civil unrest and racial tension
4%	Undecided/Refused



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Now, I would like to read the names of political figures. For each one, please tell me if you have a favorable or unfavorable opinion of that person. The first name is ____? "Do you have a favorable or unfavorable opinion of that person?"

		NOT REC	VERY FAVOR	TOTAL FAVOR	TOTAL UNFAV	VERY UNFAV	REF UNDEC
09.	Barack Obama	0%	20%	45%	48%	28%	7%
10.	Rick Snyder	0%	20%	59%	31%	14%	10%
11.	Hillary Clinton	0%	9%	32%	61%	35%	7%
12.	Donald Trump	0%	10%	33%	55%	35%	12%
13.	Bernie Sanders	0%	7%	39%	51%	27%	10%

14. Overall, how would you rate the job being done by Barack Obama as President – would you give him a positive rating of excellent or pretty good, or a negative rating of just fair or poor?

15%	Excellent	41% TOTAL POSITIVE
26%	Pretty good	
22%	Just fair	56% TOTAL NEGATIVE
34%	Poor	
3%	Undecided/Refused	

15. Overall, how would you rate the job being done by Rick Snyder as Michigan's Governor – would you give him a positive rating of excellent or pretty good, or a negative rating of just fair or poor?

13%	Excellent	53% TOTAL POSITIVE
40%	Pretty good	
26%	Just fair	45% TOTAL NEGATIVE
19%	Poor	
2%	Undecided/Refused	



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16. Some people have suggested that because of the budget mismanagement in the Detroit Schools under emergency managers Governor Snyder appointed, the substandard performance of private contractors in food service with the Department of Corrections and computer programming at the Secretary of State, and the ongoing crisis of lead contamination in Flint's drinking water, that Governor Snyder should resign. How about you – based on the overall performance of the Snyder administration in the last several years, do you think Governor Snyder should resign from office or, do you think he should remain to fill out his term?

17%	Snyder should resign from office
78%	Snyder should remain in office
5%	Undecided/Refused

17. In November this year, voters nationwide will vote to elect a new president. Thinking about the November general election for President... If the election were held today, and the candidates were [ROTATE] Donald Trump and Hillary Clinton, would you vote for [ROTATE] Donald Trump the Republican or Hillary Clinton the Democrat?

31%	Vote for Hillary Clinton the Democrat	36% VOTE CLINTON
5%	Lean toward Hillary Clinton	
35%	Vote for Donald Trump the Republican	41% VOTE TRUMP
6%	Lean toward Donald Trump	
23%	Undecided/Refused	

18. Thinking specifically about the economy in Michigan – and your business in particular – what effect do you think it will have on the state's economic well-being if [Candidate NOT CHOSEN in Q. 17] takes over as President next January Do you think a [Candidate NOT CHOSEN in Q. 17] presidency will have an overall Positive Effect on Michigan's economic health; an overall Negative Effect on the state's economy; or, do you think a President [Candidate NOT CHOSEN in Q. 17] will not have very much effect on the economic well-being of your company one way or the other?

8%	MAJOR Positive Effect	20% TOTAL POSITIVE
12%	MINOR Positive Effect	
34%	NO DIFFERENCE	43% TOTAL NEGATIVE
12%	MINOR Negative Effect	
31%	MAJOR Negative Effect	
3%	Undecided/Refused	



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On some issues specific to Michigan . . .

19. Next, I am going to read a list of state policy areas many business leaders say State Government can advance in order to help the local economy. When I finish reading the whole list, please tell me which one policy or issue area you believe should be a top priority for state government to pursue in order to better help your business?

27%	Restructure state and local taxes to produce an overall net reduction for business and individuals
25%	Address health care costs, especially the cost of coverage for employees.
11%	Institute a comprehensive plan to expand the availability of public transportation
6%	Adopt a program to increase the availability of working capital for businesses
14%	Focus more state resources on addressing the skills gap through incentives for retention and attraction of qualified workers.
3%	Eliminate the prevailing wage requirement for state construction projects.
11%	Increase funding for career-focused courses at the state's community colleges
3%	Undecided/Refused

The contamination of Flint's drinking water has heightened awareness of the need to address aging water supply systems throughout the state, as well as other basic infrastructure needs. I'm going to read a list of infrastructure items that are often important to businesses and local economic health. For each one, please tell me if you consider whether or not that item: Needs Immediate Attention; is a High Priority but Not Urgent; or, Not in Need of Attention at this Time. The first one is . . .

		Immediate Attention	High Priority not Immediate	No Need at This Time	Und/Ref
20.	Roads and Bridges	68%	29%	2%	1%
21.	Public Transportation	30%	42%	26%	2%
22.	Drinking Water System	52%	42%	5%	1%
23.	Electric Energy Capacity	14%	44%	36%	6%
24.	Surface Streets in your Locality	43%	42%	14%	1%
25.	Storm and Sanitary Sewer System	22%	48%	26%	1%



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26. Assuming a major effort is undertaken by the state to rebuild its infrastructure, which of the following ways of paying for such repairs would you prefer the most?

15%	Restoring a portion of the \$1.5 billion in business tax cuts enacted in 2013.
46%	Increasing the state sales tax by 1 penny, from 6 to 7 cents on the dollar, and guarantee in the constitution that all of the funding must go to specific infrastructure improvements.
14%	Raising the state's income tax one tenth of a percent from its current rate of 4.25% to its 2010 level of 4.35%.
17%	Making budget cuts in other existing state programs, including for public schools, corrections, human services and universities.
8%	Undecided/Refused

The next questions involve the climate for entrepreneurs in Michigan.

Since its inception during the Eisenhower administration in 1953, the Small Business Administration has provided individuals with free training, loan guarantees and other forms of assistance in order to help them launch a business enterprise. On the state and local level, there are similar governmental agencies such as the Michigan Economic Development Authority and regional development authorities that offer publicly funded assistance aimed at helping people start and maintain commercial undertakings.

Supporters of the Federal, State and local business assistance agencies argue that small business enterprises – generally defined as those with less than \$7.5 million in annual receipts for non-manufacturing entities – form the backbone of the state's economy and it is in everyone's best long-term economic interest to encourage and assist individual entrepreneurs who are willing to take the risk of launching a business.

Opponents of government agencies using tax-funds to directly benefit individual entrepreneurs maintain that the cost to the public greatly outweighs any net economic benefits such assistance might have somewhere down the road. Opponents also say it's not the proper role of government to involve itself in what is supposed to be a free marketplace.

27. What do you think, should Michigan

61%	Continue to offer free training, guaranteed loans and other assistance to help entrepreneurs establish and maintain a business that generates under \$7.5 million in annual revenue; OR,
32%	Eliminate taxpayer-funded programs aimed specifically at small business entrepreneurs
7%	Undecided/Refused



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28. With a definition of a small business entrepreneur as someone with a growth-focused company with up to \$7.5 million on in annual receipts, do you believe the state of entrepreneurship in Michigan is Better, Worse OR About the Same as it has been since 2012?

N=182	
58%	Better
9%	Worse
26%	About the Same
7%	Undecided/Refused

29. While there are support programs in existence at the local, state and federal level, there are some in the business community who believe that support for companies once they scale up beyond the startup stage and grow beyond the general SBA definition of a small business could be improved. What is your opinion; should government assistance offered to businesses with gross annual receipts of under \$7.5 million be extended to entrepreneurs whose annual revenues are higher?

N=182	
28%	Yes
65%	No
7%	Undecided/Refused

30. While there is a lot of variation between types of businesses, generally speaking, at what level of annual gross revenue do you think an entrepreneur SHOULD NOT be qualified to seek the type of government assistance currently offered to start-ups?

N=36
 MEAN: \$45,416,666.60 | MEDIAN: \$12,500,000.00

Now, I would like to ask some questions about you and your business for statistical purposes only.

31. Do you work for a company that sells a product or provides a service?

17%	Sells a product
68%	Provides a service
15%	Both (volunteered)
0%	Undecided/Refused

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

MEAN: \$76,336,995.40 | MEDIAN: \$2,500,000.00

33. How many employees do you have working in your business?

MEAN: 2726.041 | MEDIAN: 12.0



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

21%	Professional services
16%	Manufacturing or manufacturing supplier
12%	Business services
7%	Real Estate
7%	Retail
6%	Construction
6%	Finance
5%	Non-profit
4%	Education
4%	Health care
4%	Public service
2%	Hospitality
1%	Distribution/trucking
1%	Food service
1%	Property Management
1%	Telecommunications
2%	Undecided/Refused

35. Would you describe yourself as a conservative, a moderate or a liberal?

41%	Conservative
38%	Moderate
18%	Liberal
3%	Undecided/Refused

36. Generally speaking, do you consider yourself a Republican or a Democrat?

(IF DEM) Do you consider yourself a strong Democrat or a not very strong Democrat?

(IF INDEP) Do you consider yourself closer to the Republican or Democratic Party?

(IF REP) Do you consider yourself a strong Republican or not a very strong Republican?

19%	Strong Democrat
6%	Not Strong Democrat
3%	Independent-Lean Democrat
28%	TOTAL DEMOCRAT
24%	Independent
44%	TOTAL REPUBLICAN
9%	Independent-Lean Republican
15%	Not Strong Republican
20%	Strong Republican
0%	Other
4%	Undecided/Refused

37. Sex of respondent (BY OBSERVATION ONLY)

71%	Male
29%	Female