



greater
miami
chamber
of commerce®



2018

GREATER MIAMI EXECUTIVE SURVEY

Explore the trends and concerns of Miami's executives and see why 82% expect good things to come.

The Greater Miami Chamber of Commerce partnered with MBAF to administer and analyze its 2018 Greater Miami Executive Survey.

Surveys were distributed to more than 12,000 email addresses, sourced from the Greater Miami Chamber of Commerce and MBAF's proprietary databases. The recipients were identified as CEOs, presidents, owners or decision makers of businesses and organizations in Miami-Dade County.

266 responses were received; 51% were Greater Miami Chamber members and 49% were non-members.

MBAF
CERTIFIED PUBLIC ACCOUNTANTS AND ADVISORS



Information is power.

At the Greater Miami Chamber of Commerce we know that our area is a wonderful place to live, work, play, and do business. After all, great is right there in our name! However, we wanted to find out from the stakeholders and thought leaders of the Greater Miami Area, exactly what they believe makes our region so great and what we can do to make it even better.

We initiated our annual Executive Survey to gain and share the perspective of our region's business leaders, and to help the Chamber to better achieve its vision of a Greater Miami region that is powered by dynamic entrepreneurs, cutting-edge technologies, an educated work force, and imaginative leaders – just as we have done for more than a century.

This report shares what business owners think about the current state of our local business economy, whether or not they are hiring, where they plan on investing, and much more.

Find out what your colleagues and contemporaries love most about our South Florida home, what they feel needs improvement, and what you can do to help our region prosper and set the standard for a global city through the 21st Century and beyond.

As the voice of business in South Florida, we're always listening to our partners and together we will continue building a stronger Greater Miami. The Greater Miami Chamber of Commerce is where businesses can obtain knowledge, make key connections, improve their competitiveness, and help grow our community.



Carlos F.
Chairman



Alfred Sanchez
President/CEO

Greater Miami Chamber of Commerce

www.MiamiChamber.com



The Greater Miami Executive Survey uncovered optimism about business in the Greater Miami market, and key issues that business leaders share. 266 leaders from a wide variety of industries completed the 2018 survey. Businesses ranged from smaller, locally owned shops to larger, international corporations. 46% of respondents were from businesses with 25 or fewer employees while 26% had more than 250 employees.

Overall, optimism is high with 70% of businesses stating their business is healthier today than it was a year ago. Last year's survey revealed that 65% felt they were healthier than the prior year. That optimism continues with 82% expecting their business to be healthier in the coming year.

When asked what is the best thing about doing business in Miami, respondents overwhelmingly agreed that Miami's business community and its opportunities make doing business here special. Of course, traffic remains a major issue in the community.

Greater Miami businesses are optimistic about growth!

Leaders of Greater Miami businesses have an even more optimistic view this year of their current and future success.

- 58% said they expect to increase full-time staff this year.
- 70% said their business' health is better today than it was a year ago.
- 82% expect a healthier business in the coming year.

The most important issues remain the same as last year.

The top three most important issues remain constant for the past three years.

1. Finding qualified professional employees
2. Developing new products or markets
3. Staying on top of new technology

Marketing and technology dominate where businesses plan on investing... *another 3-year trend.*

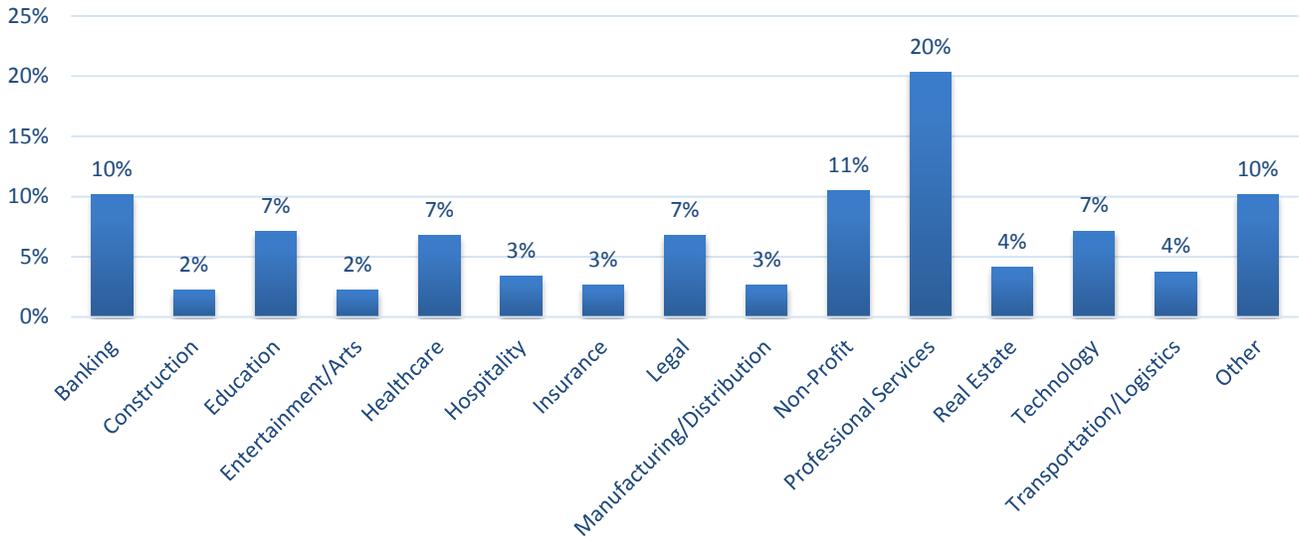
Leaders of businesses identified their most important key areas for investment in the coming year.

1. Marketing
2. Technology
3. Recruitment

RESPONDENT PROFILE

A wide range of industries are represented.

More than two dozen industries are represented in our 2018 survey. Professional Services is the largest industry represented at 20% of respondents. Other categories with more than a 10% response include banking and non-profit.

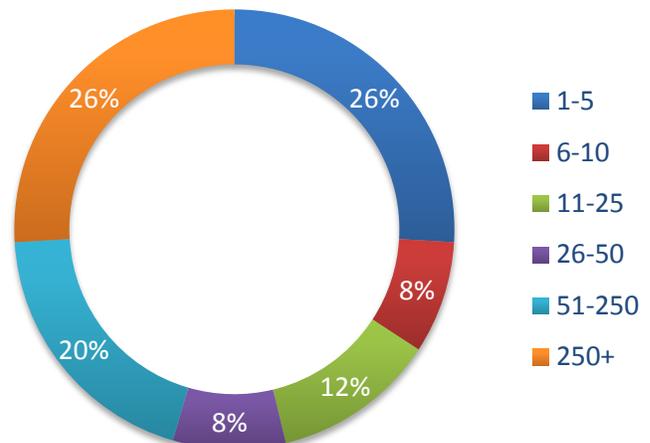


Many Miami-Dade businesses have multiple locations.

20% of respondents have a physical location in Broward County; 12% in Palm Beach County; 4% in Monroe County. Just over 9% have locations elsewhere in Florida while nearly 12% of businesses have physical locations outside of Florida. And 6% have an international location.

Businesses of all sizes are represented.

26% of respondents are small business owners with 1-5 employees. 29% have 6-50 employees while nearly 46% of respondents employ 51 or more employees.

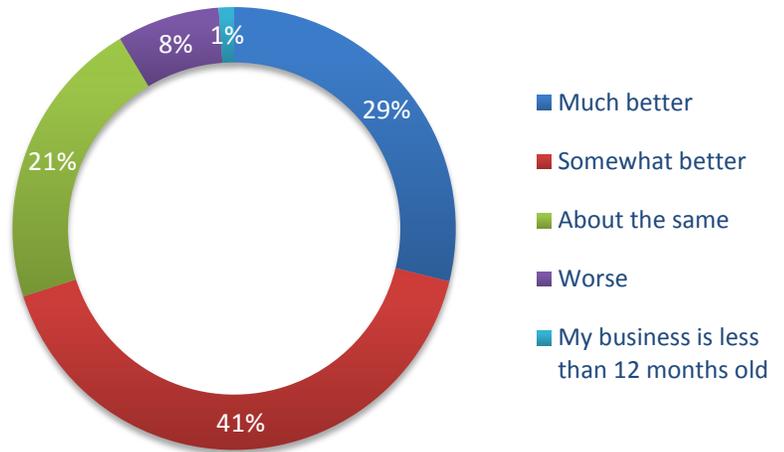


3-Year Trend!

Businesses continue to grow healthier.

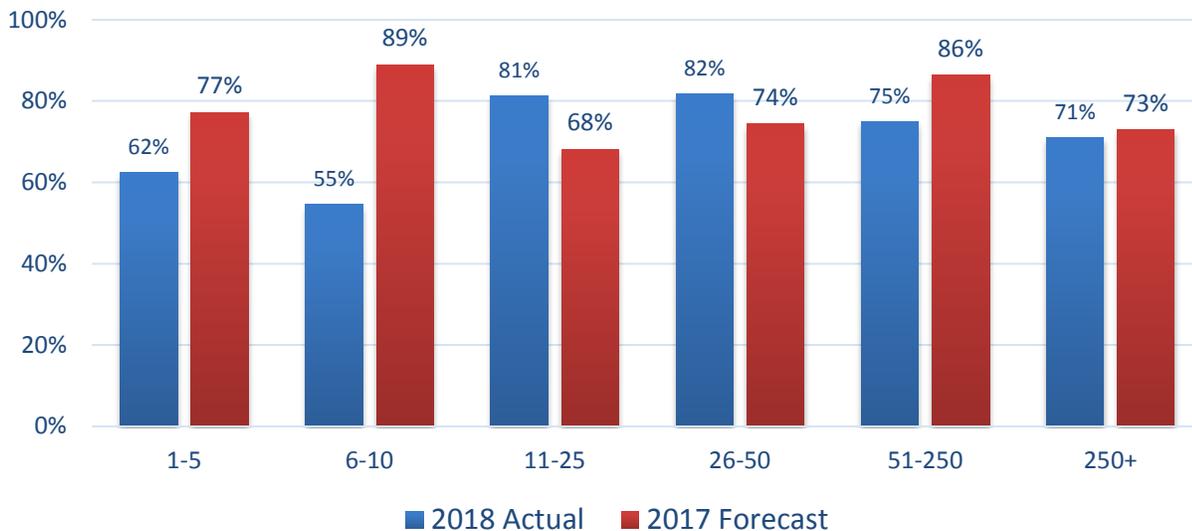
70% of respondents called the health of their business somewhat or much better than the prior year. This optimism has continued to increase over the past three years from 65% in 2017, and 57% in 2016.

In last year's survey, 77% expected the health of their business to be better in 2018, which is not too significant of a gap from the 70% who said their business is better today compared to a year ago.



Small businesses didn't do as well as they forecasted last year.

The majority of businesses did not perform as well as they forecasted in last year's survey. However, small businesses with less than 10 employees performed the worst compared to what they forecasted last year. Businesses with 11-50 employees performed better than forecasted.

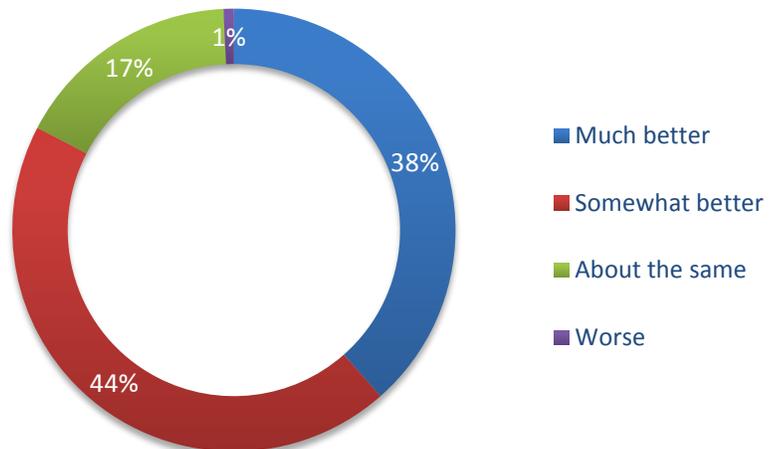


OPTIMISTIC GROWTH

Businesses expect good things to happen in the coming year.

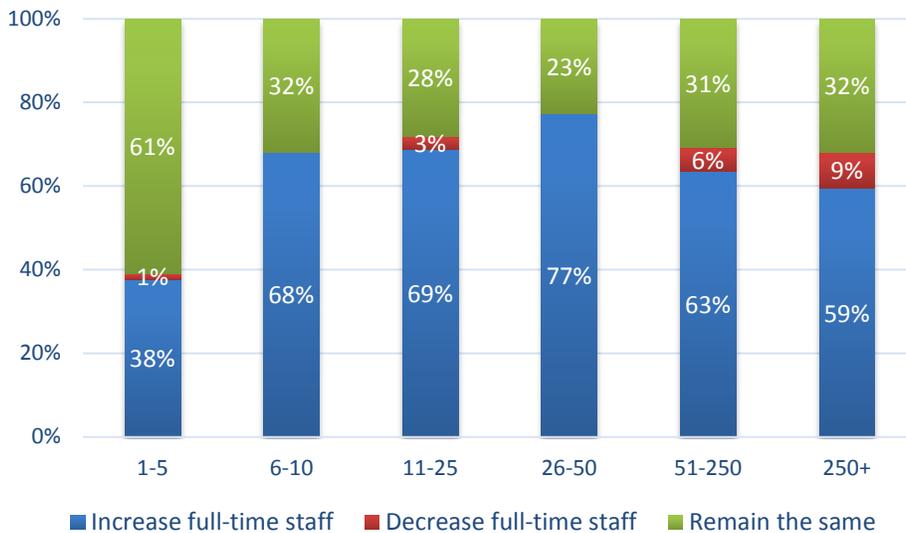
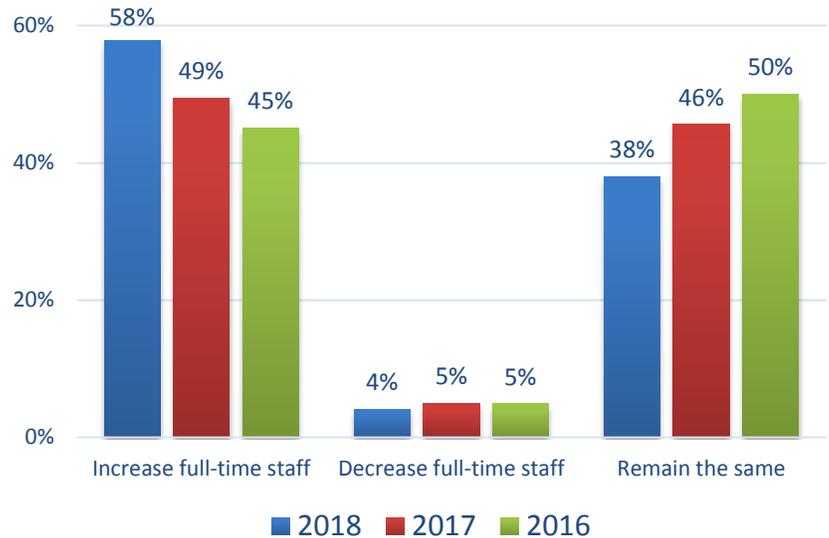
In this year's survey, 82% of respondents expect their business to be healthier one year from now, which is slightly more optimistic than last year's survey at 77% and 74% in 2016.

Businesses with 1-5 and 6-10 employees experienced the least healthiest growth this year. However, they are optimistic with 87% and 82% expecting to be healthier one year from now.



More businesses expect to increase full-time staff this year compared to previous years.

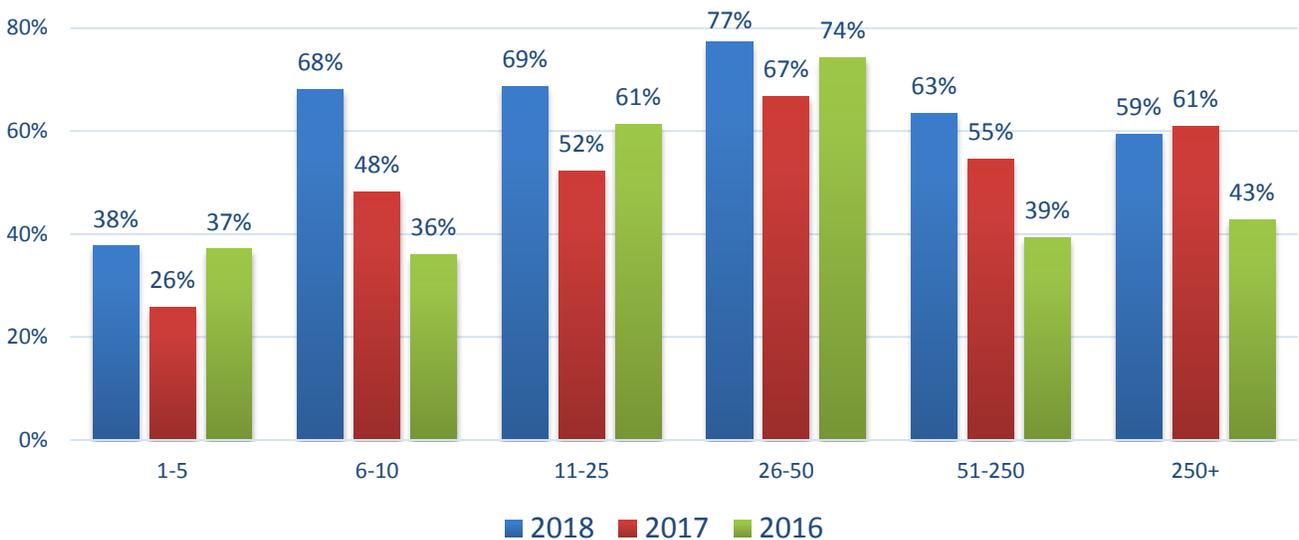
58% of respondents said that they expect to increase full-time staff during 2018, whereas 49% expected to do so in 2017, and only 45% in 2016.



Businesses with 1-5 employees are least likely to increase full-time staff during 2018. 61% of these respondents reported they expect their staff to remain the same.

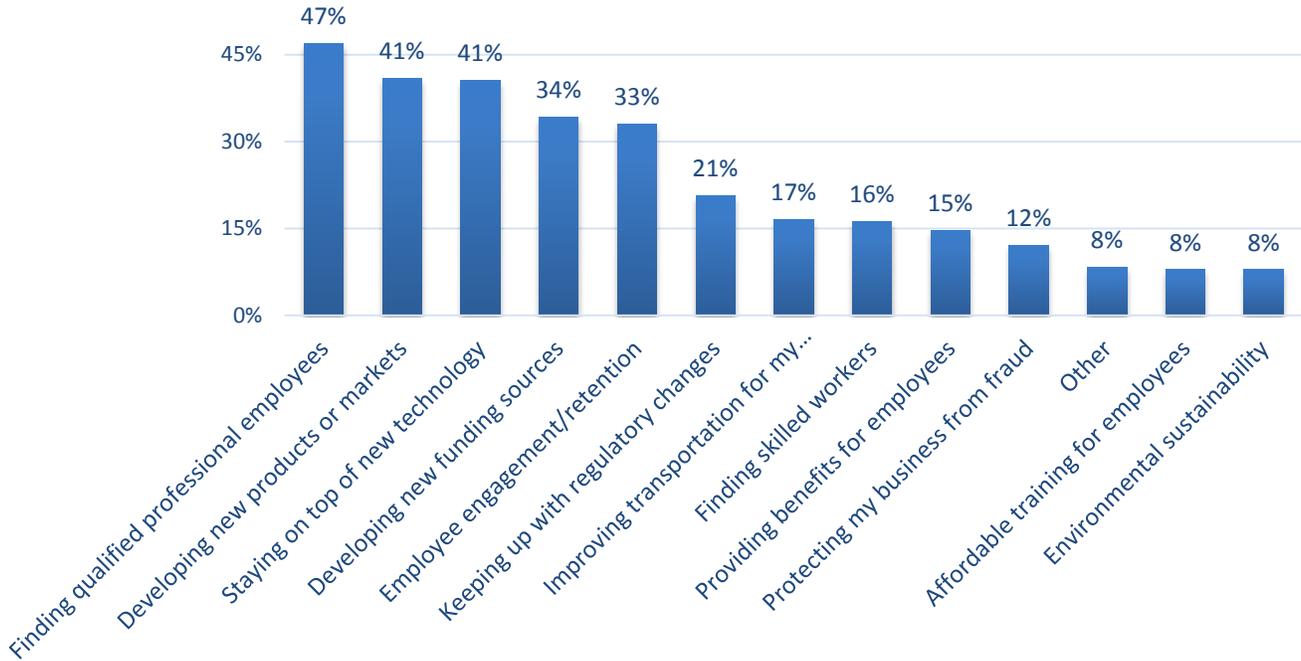
At 77%, businesses with 26-50 employees are the most likely to increase full-time staff during 2018.

When analyzing the trend of what size businesses expected to increase staff over the next year, we learned that businesses with 6-10 and 51-250 employees have been increasingly optimistic over the last three years.



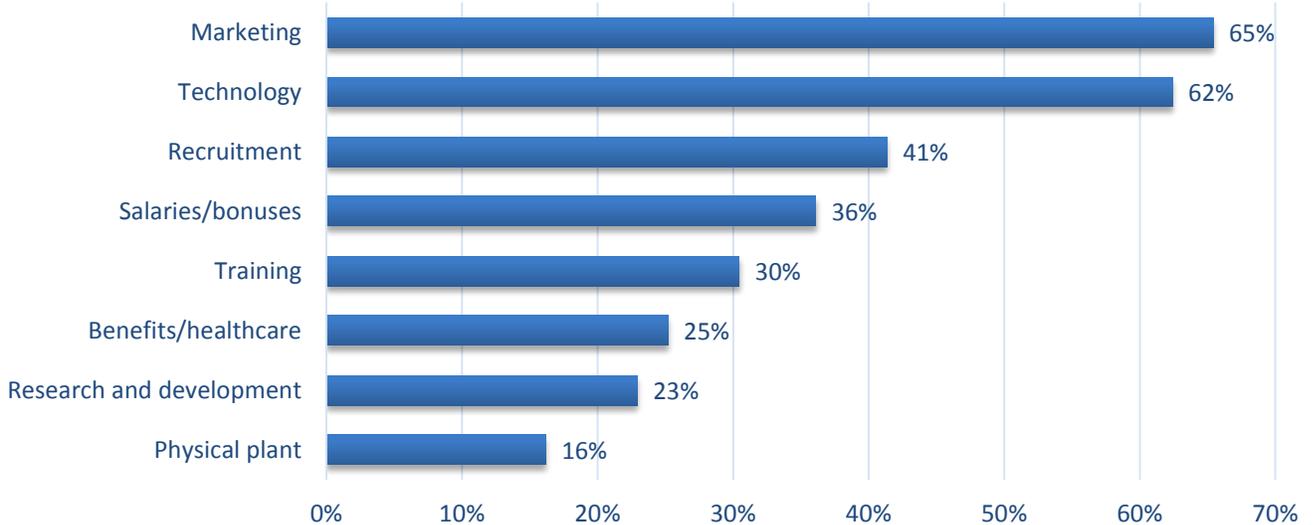
3-Year Trend!
Leaders are focused on finding qualified professional employees.

Finding professional employees, developing new products or markets, and staying on top of new technology are the most important issues during the coming year. These were the same top three issues identified in the 2017 and 2016 surveys. Finding professional employees continues to top the list and become even more important each year: 47% in 2018, 43% in 2017, and 38% in 2016. Of interest to note, employee engagement/retention is the second most important issue for larger companies with more than 51 employees.



Marketing and technology continue a 3-year trend, dominating where leaders plan on investing.

The majority of business leaders continue to plan on investing in marketing and technology over the next year; the same trend we saw in the two previous years' surveys. However, this year recruitment jumped from 31% in 2017, to 41% in 2018.



FOCUS ON THE FUTURE

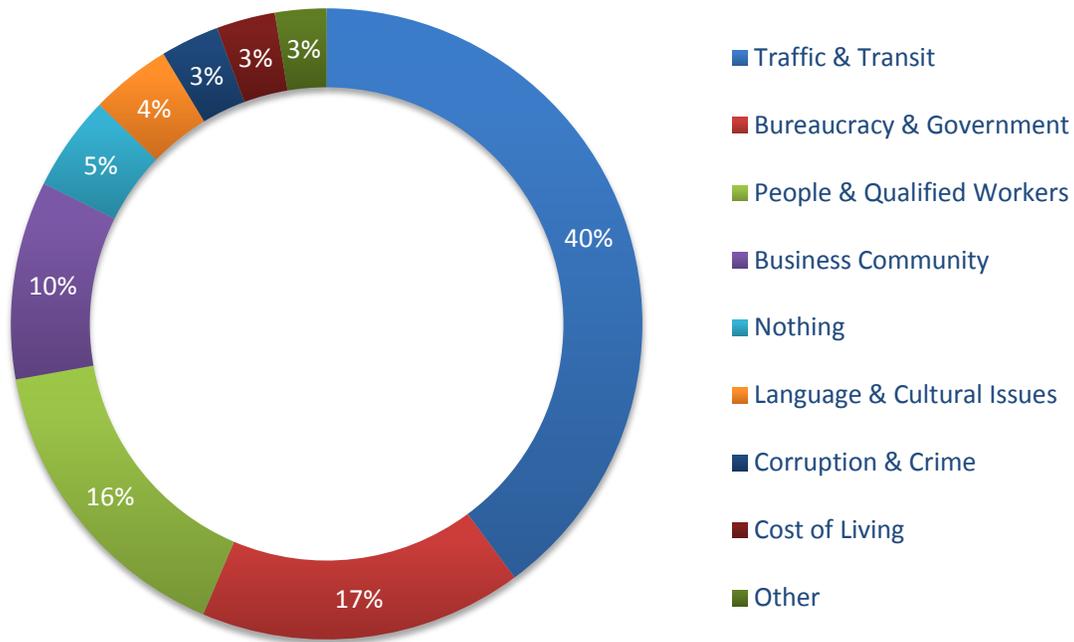
Leaders are still looking for support to develop partnerships, their network, and to promote their business.

Strategic partnerships, networking opportunities, and opportunities to promote their businesses are among the top areas that business leaders identified as needing more support in. These were the same top three areas as our last two years' surveys. However, this year strategic partnerships jumped to 55% from 42% in 2017.



What is the worst thing about doing business in Greater Miami?

Business leaders were able to freely share what they believe is the worst thing about doing business in Miami. Our research team categorized their open-ended answers into nine categories - the same as last year's survey. Traffic & Transit remained the worst thing about doing business in Miami in both 2018 and 2017. However, the most significant change in this year's survey is that Bureaucracy & Government jumped from 8% in 2017, to 17% in 2018.



Excerpts of candid responses on the worst thing about doing business in Miami

Traffic and commute when in-person business matters need attention.

Transportation and ability to navigate city in a timely manner.

All the different government agencies with their hands in my pocket. They have no idea what it takes to run a small business and try to control costs.

Government regulations and the permitting process can be cumbersome for business development and expansion.

The relatively transient nature of the population leads to a relatively short term investment mentality which makes selling a quality long term value driven proposition more difficult.

Fierce competition which strangles profit margins.

The diversity in culture makes it difficult to tailor to individual needs.

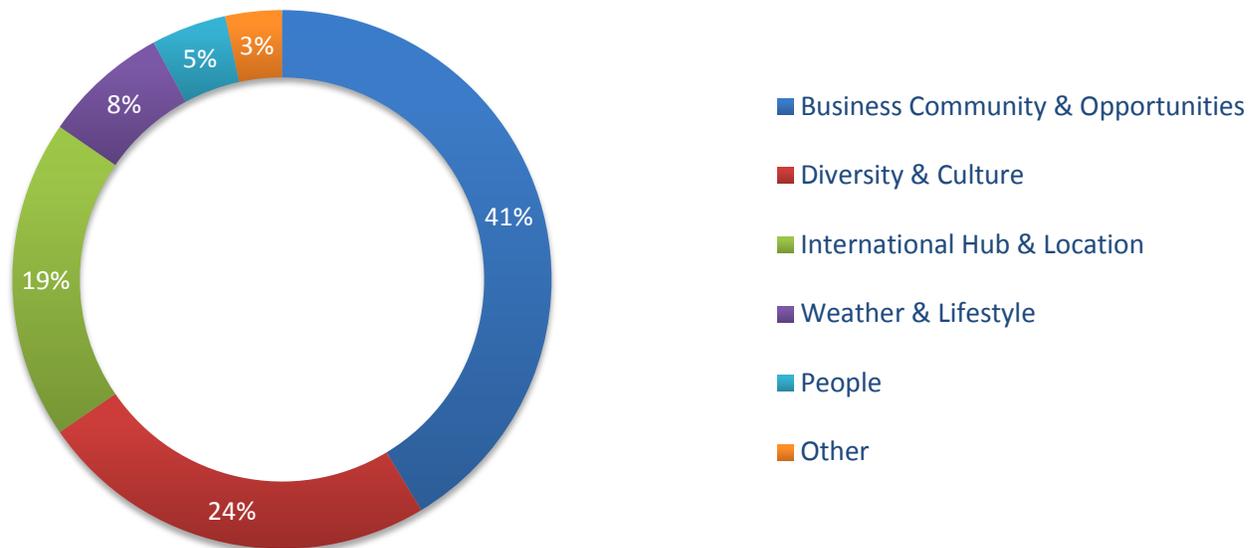
Language barrier and punctuality.

Unfortunately, Miami is a pricey city to live in...

THE BEST OF MIAMI

What is the best thing about doing business in Greater Miami?

Business leaders were able to freely share what they believe is the best thing about doing business in Miami. Our research team categorized their open-ended answers into six categories. More than 85% were placed into three categories. In last year's survey, Business Community & Opportunities tied with Diversity & Culture at 32% of responses. This year, Business Community & Opportunities was by far the number one category response at 41%.



Excerpts of candid responses on the best thing about doing business in Miami

South Florida is a fast growing dynamic area with opportunity to grow our business with the region.

Miami is a very open, welcoming community. New businesses can quickly get acclimated. The diversity is unique and provides many different points of view.

Miami has built an outstanding business ecosystem, with top quality skill sets in almost every area needed to transact business.

Diversity in people and culture innately prepares business to grow customer base.

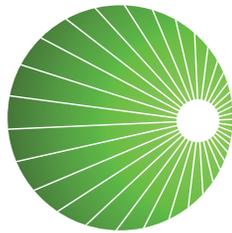
Cosmopolitan, world class city with arts, culture, and recreation.

Our location opens to trade with Caribbean and Latin America. Port of Miami and Miami International Airport provides lots of business opportunities.

Diverse community and vibrant growing economy - Miami is the central business district for International Business.

The people you meet - the leaders from the community give inspiration.

Miami is Paradise on earth!



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Survey powered by MBAF

MBAF is ranked nationally as a Top 40 accounting and advisory firm by *Accounting Today* and has been named one of the Best of the Best firms in the country by *INSIDE Public Accounting* for the past 18 years consecutively. Named a 2018 and 2017 *South Florida Business Journal* Best Places to Work finalist and a 2017 *Accounting Today* Best Accounting Firm to Work For, MBAF is committed to creating an engaging and supportive workplace for its more than 600 highly qualified principals and employees. The MBAF team serves domestic and international clients across a broad range of industries and practices in more than 55 countries and all 50 states.

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