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Siena College: 7th Annual Upstate New York Business Leader Survey
**CEO Confidence Up; Cautiously Optimistic on Revenue,
Profit Growth; Capital Region Strongest Region**
***Half See Ample Supply of Trained Local Workers; Most Give Poor
Grades to Job Applicants***
**Business Leaders Worry about Health Care Costs, Gov Regulation;
Have Little Confidence in Albany, Less in D.C.**
34% Support Tax-Free NY Plan; 2/3rds Dread Obamacare

Loudonville, NY. Across Upstate New York, CEO confidence recovered from a significant drop in 2012 and, in 2013 showed an increase over the previous year for the first time since 2010 according to the 7th annual Upstate New York Business Leader survey from Siena College. Still, the Index of Business Leader Confidence, computed based on interviews with 651 business leaders of private-non-profit companies from Buffalo, the Capital Region, Rochester and Syracuse stands at 94.6, up from 88.9 last year, just below the breakeven point of 100 at which overall optimism and pessimism are balanced. Overall, CEO's report expected upticks in both revenues and profitability, most strongly in the Capital Region, as they enter 2014.

“While cautiously upbeat, CEO's in most of Upstate remain realistic and know that despite current growth and anticipated future progress, they ‘won't be fooled again.’ Two years ago they thought the dam of prosperity was about to open, but after a disappointing 2012 and an improving 2013, they believe the cash register will ring, but not roar in 2014,” said Siena College Research Institute Director Don Levy.

Twenty-eight percent of Upstate CEO's plan to increase their workforce in the coming year, little changed from 27 percent a year ago. Engineering/Construction and Manufacturing businesses have the most aggressive hiring plans at 35 and 37 percent. Overall, half of business leaders say that there is an ample supply of local workers that are appropriately trained for their employment needs and 65 percent give their local area a good or excellent grade on workforce suitability. But, asked to assess recent job applicants on technical, verbal and writing skills, work ethic, initiative and professionalism, fewer than half give passing grades to those they've interviewed.

“With competition for jobs high and only one in four planning to hire, job searchers and job trainers should take this criticism as advice as they prepare for or head off to interviews,” Levy noted.

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Over half of Upstate’s CEO’s cite health care costs (80 percent), governmental regulation (70 percent), taxation (67 percent) and adverse economic conditions (55 percent) as challenges that they are concerned about. Asked to name the single greatest challenge, governmental regulation is identified most often by nearly one in four. Only eight percent of CEO’s think the state government is doing either an excellent or good job of creating a business climate in which companies can succeed and only 15 percent are confident in the ability of New York’s government to improve the climate. The federal government receives even lower marks with three percent saying the federal government is now doing at least a good job facilitating business success and only seven percent are confident in Washington’s ability to improve conditions.

Overwhelmingly, CEO’s are in favor of repealing the Affordable Care Act and 69 percent believe the law will have a negative impact on their business. In response to the law, nearly a third have already decreased benefits in order to cut costs, a quarter have begun to hire more part-time employees and 18 percent have reduced the number of hours current employees work. One recent state program does get some support from CEO’s. Thirty-four percent think that the Tax-Free NY plan will have a positive impact on their business when implemented.

Across Upstate at least a quarter cite Technology (57 percent), Medical (56 percent), Education (43 percent), Manufacturing (38 percent), Tourism (33 percent) and Green/sustainable energy (24 percent) as industry sectors that will have a positive impact on the economic vitality of their geographic area in the near future. Technology is strongest in the Capital Region and Medical stands out in Buffalo.

CEO’s across Upstate this year expressed far more of an increase in current confidence – how has the economy and their industry fared of late – than in their hopes for the future which were up slightly across Upstate, strongly in the Capital Region and Buffalo, but constant in Syracuse while down in Rochester. Engineering/Construction now tops the major industry sectors in confidence and had the greatest increase this year. Manufacturing and Retail increased in confidence, but Service held relatively constant while Wholesale/Distribution declined.

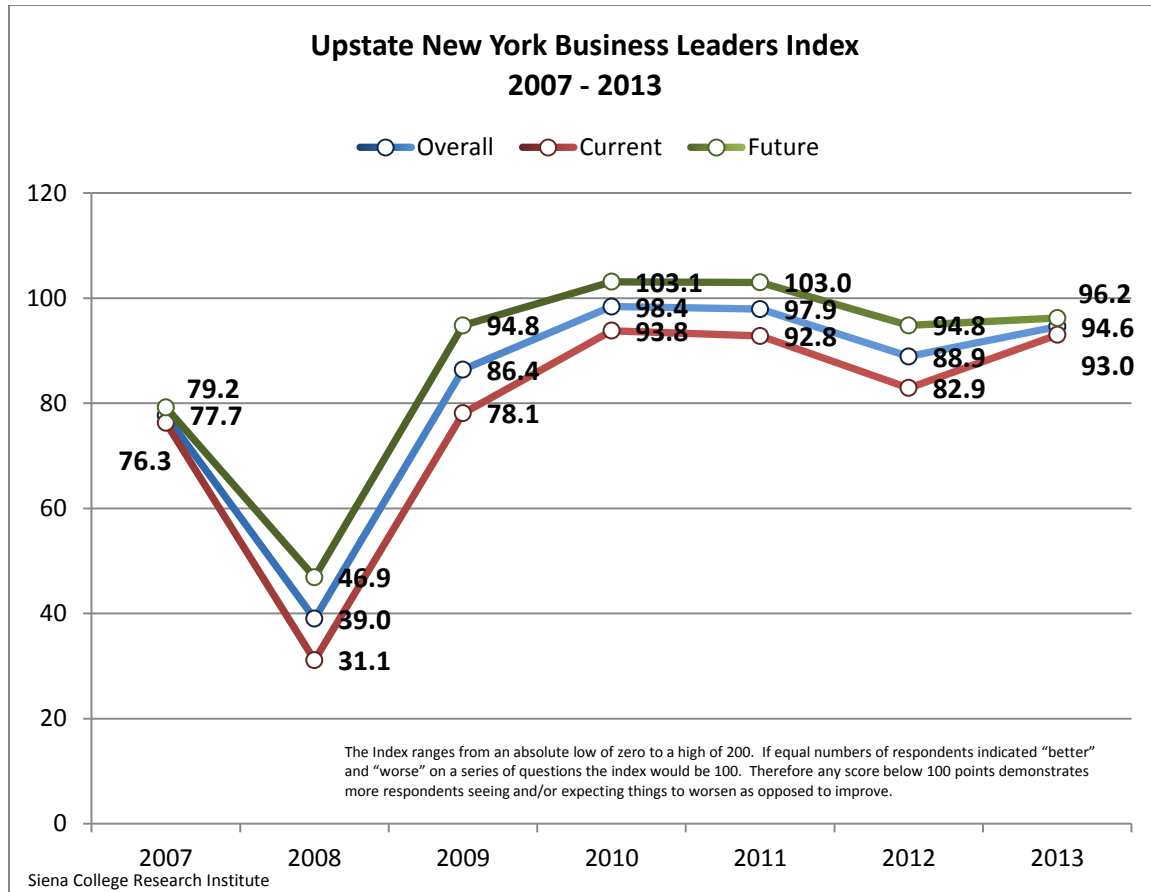
“CEO’s enter 2014 more economically secure and for a growing number, guardedly hopeful about the year to come. Held in check by their frustration with governmental regulation, health care costs, leery of a less than robust economy and waiting for a revival of consumer sentiment, Upstate New York’s business leaders are prepared to do business, invest in their company and hire when necessary. They see the road ahead as demanding but passable. They remain committed to New York but in a candid moment, two-thirds say that if they had it to do all over again, they would locate their business someplace else,” Levy said.

This Siena College Poll was conducted October 21- December 31, 2013 by telephone, mail and internet interviews with 651 Business Leaders from the Albany, Buffalo, Rochester and Syracuse MSA’s. In each of the four MSA’s the study is released in conjunction with the following media partners: Albany: The Times Union; Buffalo: The Buffalo News; Rochester: The Rochester Business Journal; Syracuse: The Central New York Business Journal. The Siena College Research Institute, directed by Donald Levy, Ph.D., conducts political, economic, social and cultural research primarily in New York State. SRI, an independent, non-partisan research institute, subscribes to the American Association of Public Opinion Research Code of Professional Ethics and Practices. For more information, call Don Levy at (518) 783-2901. For survey cross-tabs and frequencies: www.Siena.edu/SRI



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7th Annual Upstate New York Business Leader Survey Appendix



Albany (Capital Region) Business Leaders Index							
	2007	2008	2009	2010	2011	2012	2013
Overall	81.7	38.0	95.4	90.4	102.8	96.3	110.4
Current	76.3	30.6	85.9	83.9	100.3	90.1	106.7
Future	87.2	45.4	104.9	96.9	105.3	102.5	114.0

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Buffalo Business Leaders Index							
	2007	2008	2009	2010	2011	2012	2013
Overall	87.8	37.2	79.6	93.4	94.8	80.6	91.3
Current	89.3	27.8	71.8	90.9	89.2	78.6	89.8
Future	86.3	46.5	87.4	96.0	100.5	82.5	92.9

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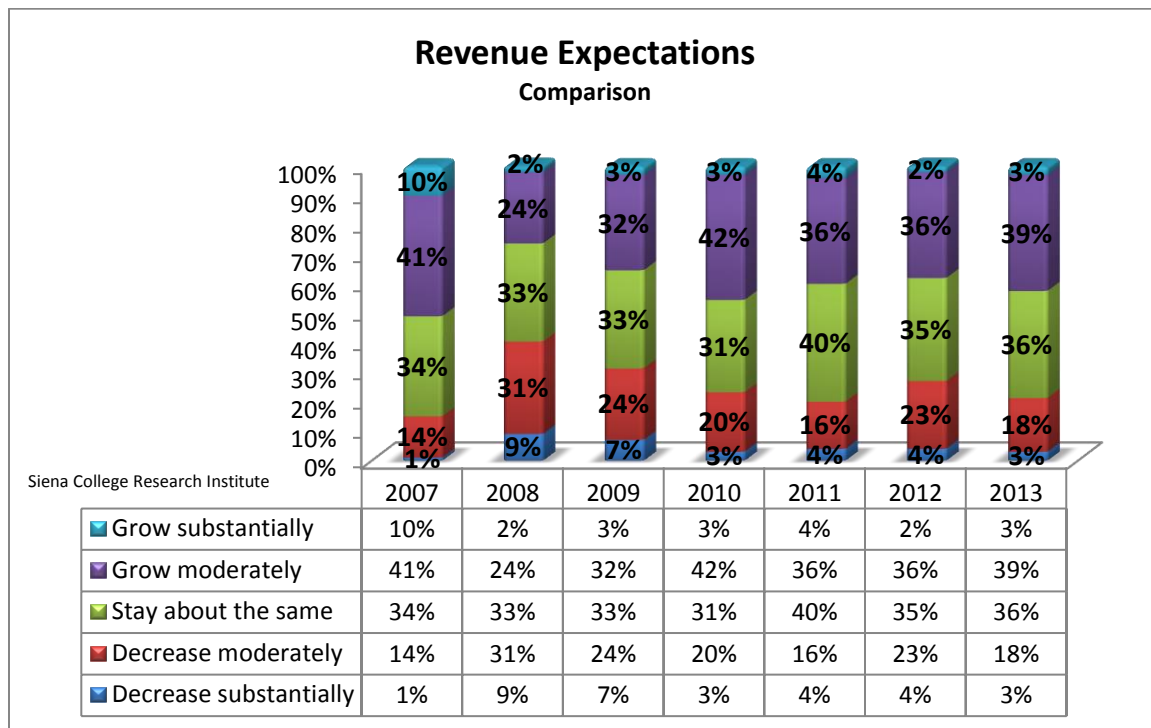
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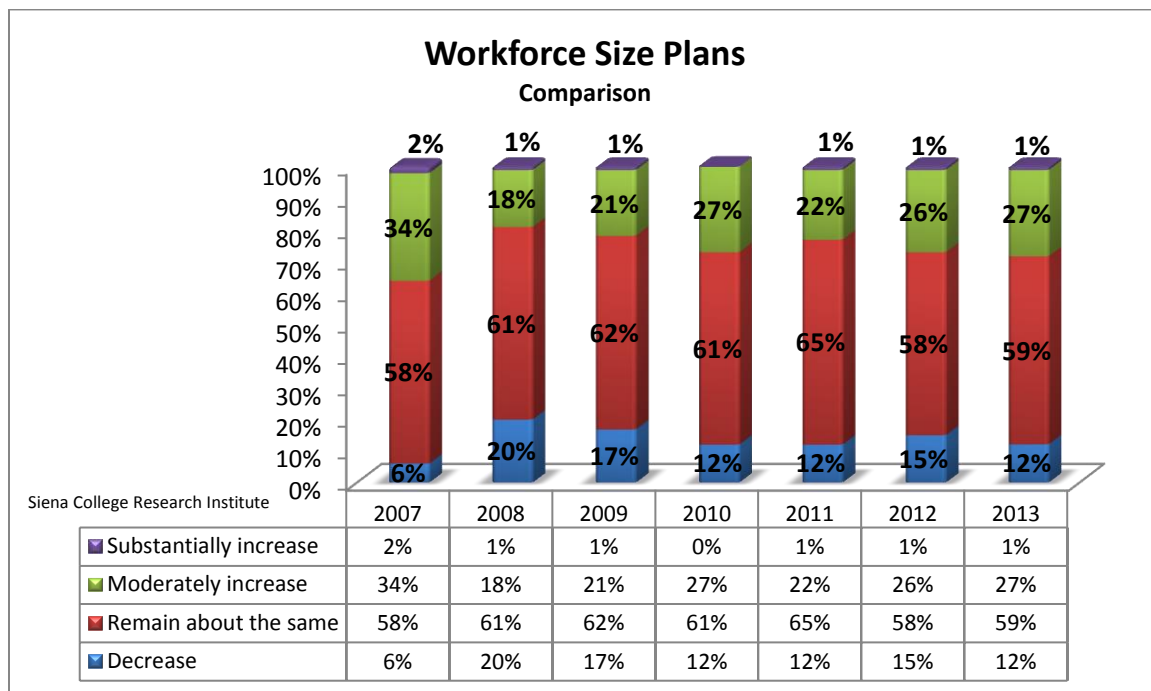
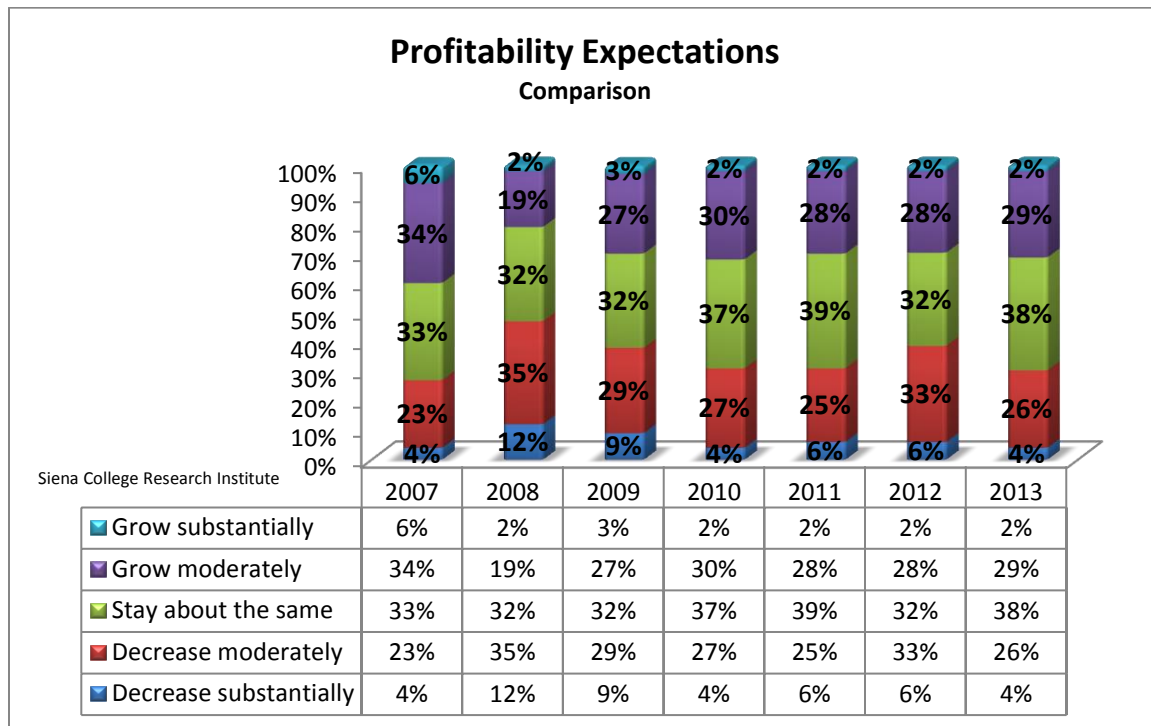
Rochester Business Leaders Index							
	2007	2008	2009	2010	2011	2012	2013
Overall	76.3	41.2	83.8	109.1	99.6	91.8	85.7
Current	76.0	31.4	77.2	103.7	92.4	82.0	83.3
Future	76.7	51.1	90.5	114.6	106.7	101.6	88.1

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Syracuse Business Leaders Index							
	2007	2008	2009	2010	2011	2012	2013
Overall	54.6	41.5	80.8	101.0	94.4	89.0	97.4
Current	55.6	38.7	72.0	95.9	88.0	81.4	98.3
Future	53.7	44.3	89.6	106.2	100.9	96.6	96.6

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Engineering & Construction Business Leaders Index						
	2008	2009	2010	2011	2012	2013
Overall	41.2	84.4	98.4	87.0	86.3	113.6
Current	44.6	79.2	92.6	86.1	89.9	113.6
Future	37.7	89.6	104.2	88.0	82.7	113.6

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Food & Beverage Business Leaders Index						
	2008	2009	2010	2011	2012	2013
Overall	28.4	65.2	90.5	91.0	94.2	100.0
Current	22.7	56.5	78.6	81.9	78.3	104.8
Future	34.1	73.9	102.4	100.0	110.1	95.2

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Financial Business Leaders Index						
	2008	2009	2010	2011	2012	2013
Overall	38.5	88.6	113.4	109.4	93.6	113.8
Current	17.3	84.1	108.3	104.7	95.7	117.1
Future	59.6	93.2	118.5	114.2	91.4	110.5

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Manufacturing Business Leaders Index						
	2008	2009	2010	2011	2012	2013
Overall	40.6	83.8	106.7	106.9	82.6	91.4
Current	28.8	70.1	107.3	101.5	72.6	90.8
Future	52.4	97.4	106.0	112.4	92.5	92.0

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Retail Business Leaders Index						
	2008	2009	2010	2011	2012	2013
Overall	28.6	93.2	101.5	98.1	80.7	95.0
Current	22.7	82.4	91.4	88.3	76.1	86.3
Future	34.5	104.1	111.7	107.8	85.3	103.8

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Service Business Leaders Index						
	2008	2009	2010	2011	2012	2013
Overall	46.5	89.7	92.9	99.4	86.9	89.0
Current	35.6	85.5	91.3	93.9	81.1	88.0
Future	57.4	94.0	94.5	104.8	92.7	89.9

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Wholesale & Distribution Business Leaders Index						
	2008	2009	2010	2011	2012	2013
Overall	36.0	86.3	88.2	95.6	88.6	82.7
Current	28.9	75.0	78.2	92.9	82.5	77.6
Future	43.0	97.7	98.3	98.2	94.6	87.8

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