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PDF version; crosstabs; website:

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Siena College: 12th Annual Upstate New York Business Leader Survey
Overall Upstate CEO Confidence Holds Steady at Breakeven Point; Current Sentiment Up Slightly; Future Expectation Down
Over Half of Business Leaders Now Give Federal Govt. High Marks on Creating Successful Business Climate; Have Little Confidence in State Government
CEO's Cite Strengths as Responding to Customer Needs, Working Collaboratively, Promoting Employee Growth; Weaknesses include Innovation, Responding to Changing Conditions & Setting Goals

Loudonville, NY. Across Upstate New York, CEO confidence held steady, dropping only a half point this year, demonstrating slightly less optimism than pessimism among leaders of private for-profit companies according to the twelfth annual Upstate New York Business Leader Survey from Siena College Research Institute sponsored by the Business Council of New York State, Inc. The Index of Business Leader Confidence, computed based on interviews with 427 business leaders of companies from Buffalo, the Capital Region, Rochester and Syracuse, stands at 96.6, down from 97.1 last year, below the breakeven point of 100 at which overall optimism and pessimism towards the current and future economic conditions are balanced. Current confidence was up two points from a year ago, but confidence in the future among Upstate business leaders fell by just over 3 points.

“Across Upstate, business leader confidence stayed virtually unchanged and remains just below the magic breakeven point this year. Confidence declined in Albany but remains strong and the highest of the four regions. Buffalo was up by almost 2 points but is still well below breakeven, Rochester rose by three points and Syracuse fell but sits right on the Upstate number. Despite holding steady overall, CEO’s future expectations are the lowest we’ve seen in six years,” said Siena College Research Institute Director Don Levy.

“Upstate CEO’s continue to have little confidence in state government’s efforts to enhance business conditions. CEO’s call for spending cuts and tax reform, and they feel as though the state is moving in the wrong direction on the regulatory environment, spending, ethics reform and workers compensation reform. About half, 48 percent, say the Paid Family Leave Law has negatively impacted them,” Levy said.

CEO’s have far more confidence in the efforts of the federal government to improve business conditions and over half give the federal government a grade of good or excellent on creating a business climate in which they can succeed. Over half, 52 percent, say that the recently passed federal tax reform legislation has had a positive impact on their business. Thirty-four percent say that new federal tariffs have had a negative impact on their business while 60 percent say the tariffs have had no impact.

Asked about 12 aspects of their organization’s culture, CEO’s list their strengths as operating as a team, responding to customer needs, supporting employee growth and always striving to improve. They say that their weakest areas are being innovative, responding to social and technological change and making sure that individual departments have short and long-term goals.

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The Capital Region’s overall index was down 3.8 points to 104.1, Syracuse decreased 3.3 to 96.7, Rochester increased 3.2 to 96.6 and Buffalo increased 1.8 to 89.4. Across Upstate, current confidence increased by 2.1 points while future expectations fell by 3.1 the lowest since 94.8 in 2012.

Fifty percent of CEO’s expect revenue growth in the coming year, while 37 percent expect growth in profits. More companies plan to hire rather than fire – 38 percent intend to increase their workforce compared to 8 percent that plan on decreases. And 57 percent of Upstate CEO’s, up from 56 percent a year ago, plan to invest in fixed assets in 2019.

Thirty-three percent (down from 41 percent) of Upstate CEO’s now say that if they had it to do all over again considering all factors, that they would locate their business in New York and 66 percent expect their business will be in business in New York in ten years.

“CEO’s continue to call on state government to cut spending, curtail regulation, reform workers compensation and enact ethics reform. But they say the state is moving in the wrong direction on each of those. Their view of the federal government is quite different. Today over half give the feds a thumbs up for creating a successful business climate when two years ago that number was a nearly invisible seven percent. Many applauded the new tax legislation and two-thirds say the health of our economy is on the right track,” Levy said.

A large majority of CEO’s say the country is headed on the right track when it comes to the health of our economy and the taxes businesses pay. However, more than half indicate that when it comes to the cost of health care and the federal budget deficit, the country is moving in the wrong direction. As for state issues, majorities of CEO’s think state spending, the regulatory environment, ethics reform, and workers compensation reform are all moving in the wrong direction. Only a quarter believe that infrastructure development is headed on the right track.

National Issues	Right Track	Wrong Direction
	2018/2017	2018/2017
The health of our economy	66%/48%	16%/27%
The taxes businesses pay	64%/43%	23%/32%
Our immigration system	36%/38%	52%/46%
Safeguarding the environment	32%/23%	38%/39%
The cost of health care	19%/16%	62%/61%
The federal budget deficit	15%/15%	68%/59%
State Issues	Right Track	Wrong Direction
	2018/2017	2018/2017
Infrastructure development	25%/25%	45%/37%
Energy costs	14%/14%	45%/36%
Workers compensation reform	17%/13%	52%/56%
Ethics reform	8%/9%	69%/61%
State spending	8%/9%	74%/70%
The regulatory environment	8%/8%	73%/66%
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Asked to assess their company’s ethos by indicating how descriptive each of 12 statements are of their firm, CEO’s ranked their companies highest on listening to and responding to the needs of their customers (63 percent completely descriptive/score of 90), operating as a team (53 percent completely descriptive/ score of 87), and encouraging and supporting employees in their personal and professional growth (54 percent completely descriptive/score of 85). Weakest areas include being innovative (15 percent completely descriptive- note question reversed-/score 57), individual departments having short and long-term goals as well as a process they use to assess progress on those goals (25 percent completely descriptive/score of 65) and being on top of how economic, social and technological change affects them (20 percent completely descriptive/score of 68).

Company Ethos Questions	Percent Completely descriptive	Score
We do a great job of listening to and responding to the needs of our customers.	63%	90
Our company operates as a team; collaboration is part of everything we do.	53%	87
Our employees are actively encouraged and supported in their personal and professional growth.	54%	85
We constantly review our processes in an effort to always be getting better.	43%	82
Everyone’s opinions and suggestions are solicited and taken seriously. We have a process for receiving and acting on feedback.	46%	82
Overall, we have a company where people love coming to work each day.	32%	79
We have a vision for our company that informs all our decisions.	35%	75
The entire company knows and understands the company’s strategic plan.	26%	72
Too often different departments seem to be headed in completely different directions.**	29%	72
We are on top of how economic, social and technological change affects us.	20%	68
Individual departments have short and long term goals as well as a process they use to assess progress on those goals.	25%	65
Because we look to minimize risk, we are slow to innovate.**	15%	57

**Questions that were posed in reverse so the percentage shown are those that indicated ‘not at all descriptive’.

Score is computed as a percentage of the total possible perception of being completely descriptive. A perfect score would be ‘100’ a collective score of ‘not at all descriptive’ would be ‘0’.

From The Business Council of New York State, Inc.

“We are seeing several significant recurring themes. While business leaders feel confident in how they are addressing factors within their control, and that they have benefited from some major federal policy initiatives, they still feel that a major burden is being imposed by New York State, with little expectation of relief,” said Heather C. Briccetti Esq., president and CEO of The Business Council of New York State, Inc. “As an example, nearly half of upstate CEOs say that the state’s paid family leave mandate has negatively impacted their business, adding to the challenges of operating in New York. They are expressing concerns about other labor law mandates and restrictions being considered in Albany. Moreover, their survey responses continue to reflect the reality of modest economic growth across upstate New York. Importantly, businesses are continuing to make capital investments in order to improve productivity, but most are projecting modest job growth, and moderate sales growth, for 2019. Not surprising, employers remain concerned about the availability to obtain skilled workers. To us, the message is clear – the state needs to both promote economic growth, and reduce self-imposed economic headwinds.”



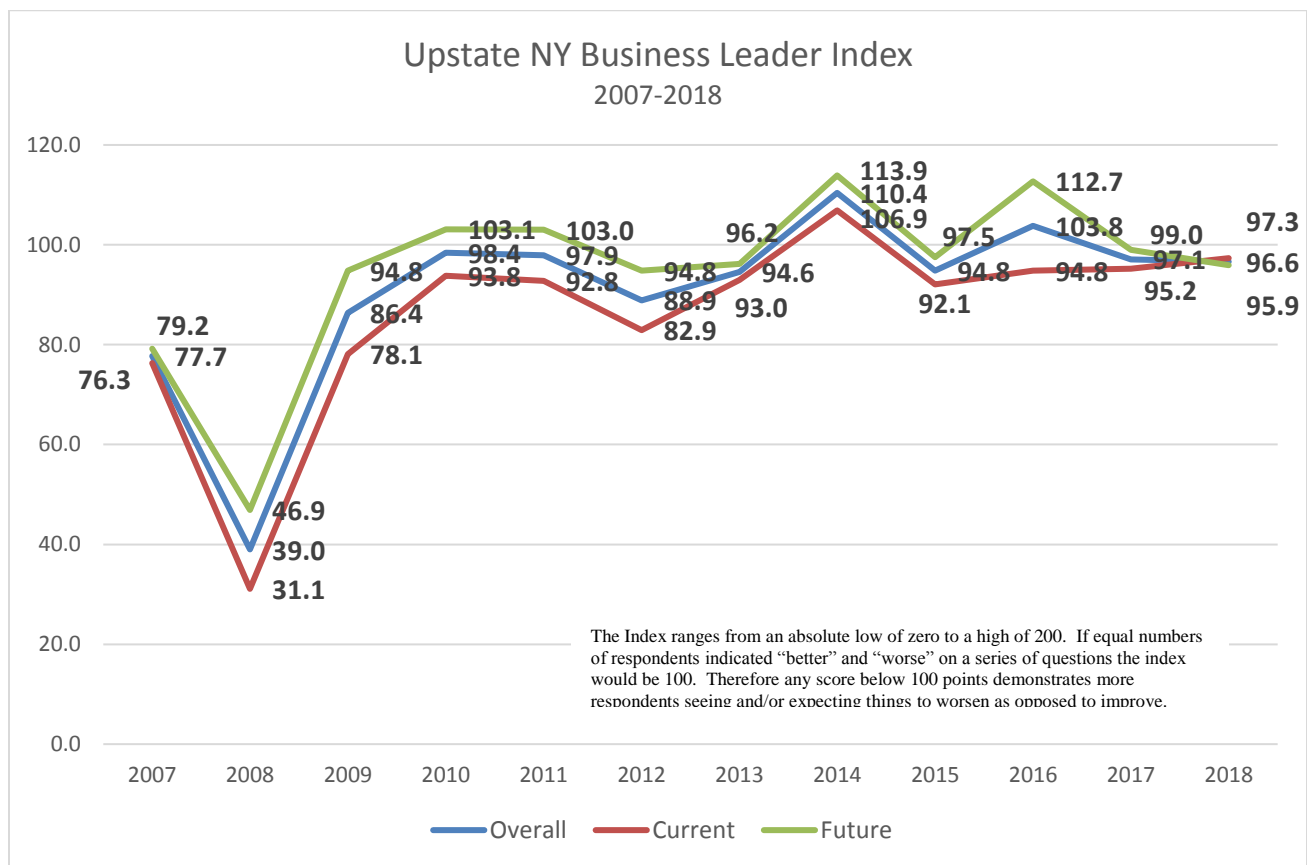
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12th Annual Upstate New York Business Leader Survey Appendix

This Siena College Poll was conducted October – January 2019 by mail and internet interviews with 427 Business Leaders from the Albany, Buffalo, Rochester and Syracuse MSA's. Sponsorship for the 2018 Upstate Business Leader Survey was provided by The Business Council of New York State. In each of the four MSA's the study is released in conjunction with the following media partners: Albany: The Albany Business Review; Buffalo: Buffalo Business First; Rochester: Rochester Beacon; Syracuse: Business Journal News Network. The Siena College Research Institute, directed by Donald Levy, Ph.D., conducts political, economic, social and cultural research primarily in New York State. SCRI, 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 or dlevy@siena.edu. For survey cross-tabs and frequencies: www.Siena.edu/SCRI



Albany (Capital Region) Business Leaders Index												
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Overall	81.7	38.0	95.4	90.4	102.8	96.3	110.4	111.6	105.2	112.5	107.9	104.1
Current	76.3	30.6	85.9	83.9	100.3	90.1	106.7	110.3	103.1	103.9	106.6	102.3
Future	87.2	45.4	104.9	96.9	105.3	102.5	114.0	112.8	107.3	121.1	109.3	105.9

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Buffalo Business Leaders Index												
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Overall	87.8	37.2	79.6	93.4	94.8	80.6	91.3	106.9	92.2	106.3	87.6	89.4
Current	89.3	27.8	71.8	90.9	89.2	78.6	89.8	103.5	90.2	96.6	87.4	91.4
Future	86.3	46.5	87.4	96.0	100.5	82.5	92.9	110.3	94.3	116.0	87.8	87.5

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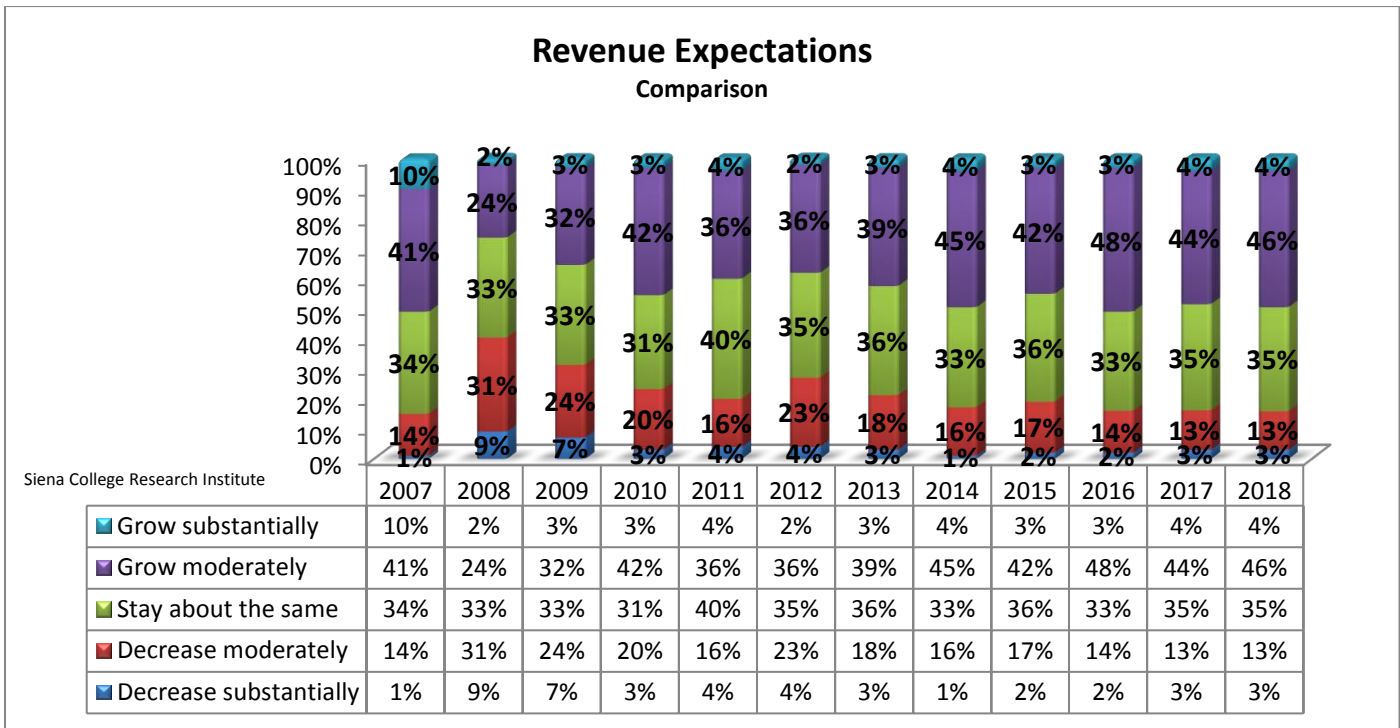
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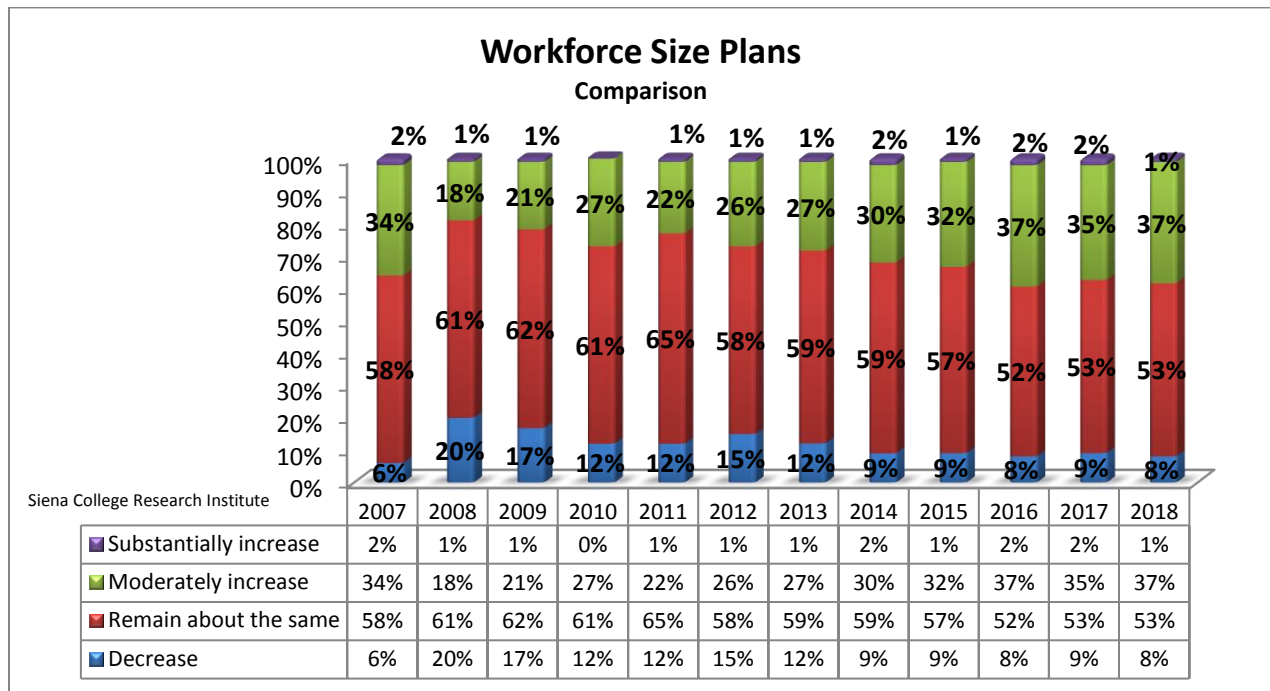
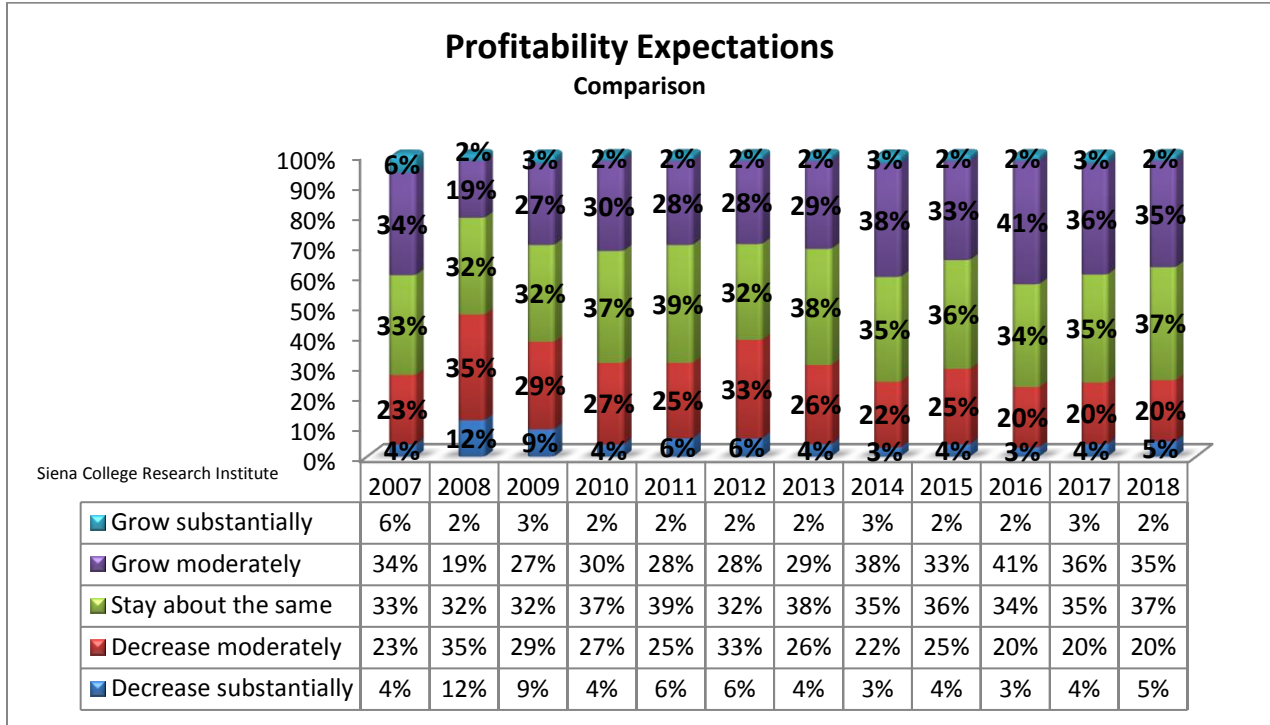
Rochester Business Leaders Index												
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Overall	76.3	41.2	83.8	109.1	99.6	91.8	85.7	113.3	89.4	88.7	93.4	96.6
Current	76.0	31.4	77.2	103.7	92.4	82.0	83.3	109.2	84.6	84.0	89.6	96.4
Future	76.7	51.1	90.5	114.6	106.7	101.6	88.1	117.3	94.2	93.3	97.2	96.8

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Syracuse Business Leaders Index												
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Overall	54.6	41.5	80.8	101.0	94.4	89.0	97.4	109.9	91.8	101.4	100.0	96.7
Current	55.6	38.7	72.0	95.9	88.0	81.4	98.3	102.6	91.1	87.5	96.3	100.7
Future	53.7	44.3	89.6	106.2	100.9	96.6	96.6	117.1	92.4	115.3	103.7	92.8

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Engineering & Construction Business Leaders Index

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Overall	41.2	84.4	98.4	87.0	86.3	113.6	124.7	121.3	113.1	100.9	108.9
Current	44.6	79.2	92.6	86.1	89.9	113.6	122.0	121.8	97.4	96.8	114.4
Future	37.7	89.6	104.2	88.0	82.7	113.6	127.5	120.7	128.8	105.1	103.4

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Manufacturing Business Leaders Index

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Overall	40.6	83.8	106.7	106.9	82.6	91.4	105.2	90.9	107.7	108.3	103.5
Current	28.8	70.1	107.3	101.5	72.6	90.8	100.5	89.3	96.2	103.9	105.2
Future	52.4	97.4	106.0	112.4	92.5	92.0	109.9	92.5	119.2	112.8	101.7

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Retail Business Leaders Index

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Overall	28.6	93.2	101.5	98.1	80.7	95.0	103.8	89.2	91.5	76.1	79.1
Current	22.7	82.4	91.4	88.3	76.1	86.3	90.0	84.6	79.8	75.6	73.6
Future	34.5	104.1	111.7	107.8	85.3	103.8	117.7	93.8	103.2	76.7	84.5

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Service Business Leaders Index

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Overall	46.5	89.7	92.9	99.4	86.9	89.0	116.3	89.6	105.1	89.5	90.1
Current	35.6	85.5	91.3	93.9	81.1	88.0	115.8	86.2	101.8	88.2	90.1
Future	57.4	94.0	94.5	104.8	92.7	89.9	116.7	92.9	108.5	90.9	90.1

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Wholesale & Distribution Business Leaders Index

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Overall	36.0	86.3	88.2	95.6	88.6	82.7	102.5	87.9	92.3	107.7	100.0
Current	28.9	75.0	78.2	92.9	82.5	77.6	100.0	80.8	83.3	106.4	97.4
Future	43.0	97.7	98.3	98.2	94.6	87.8	105.1	95.0	101.2	109.0	102.6

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About Siena College Research Institute



Founded in 1980, the Siena College Research Institute conducts regional, statewide and national surveys on business, economic, political, voter, social, academic and historical issues. The surveys include both expert and public opinion polls.

About The Business Council of New York State



The Business Council of New York State, Inc., is the leading business organization in New York State, representing the interests of large and small firms throughout the state. Its membership is made up of thousands of member companies, as well as local chambers of commerce and professional and trade associations.