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For Immediate Release:

Wednesday, June 2, 2021

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Siena College: New York City Business Leader Survey City CEOs Say Pandemic Had Devastating Impact on Business, But 64% Expect Economy to Improve in 2021 Despite Lagging Confidence in NYC Govt. Call on Mayor to Stimulate Recovery & Address NYC's Problems

Internet Crucial to Operations, Business Leaders Call for Widespread Availability of 5G High-Speed Internet Technology; Say City's Reputation Depends On It

Loudonville, NY. Seventy-eight percent of New York City CEOs say that economic conditions have worsened during the pandemic. Majorities say that COVID-19 led to decreases in their revenues, profits, and the demand for their product at the same time that their cost of doing business increased. But, looking forward from today through the balance of 2021, 64 percent expect conditions to improve according to the New York City Business Leader Survey from Siena College Research Institute conducted in partnership with AT&T. Only one-third are confident in the ability of the government of NYC to improve the business climate in the city over the next year while majorities call on the mayor and city government to focus on vaccinating New Yorkers, business recovery incentives, homelessness, reopening schools and transportation.

As over half of NYC CEOs have moved permanently to interacting more with clients via the internet (86 percent), having their employees work more from home (62 percent) and enhancing their level of e-commerce (53 percent), overall, 95 percent of NYC CEOs say that the internet is at least somewhat (15 percent) or very (80 percent) crucial to their daily operations. Thirty-eight percent say in order to enhance the development of a more robust economy in New York City, widespread availability of 5G high-speed internet must occur. More than half (57 percent) say that if 5G does not soon become available, the city's reputation as a global hub of innovation, creativity and media would suffer.

“It’s impossible to overstate the negative impact that the coronavirus pandemic has had on the city’s business people. As majorities try to move towards recovery, they say the last year’s arithmetic of declining revenues and demand with increasing costs added up to a brutal year,” said Siena College Research Institute Director Don Levy. “But now nearly two-thirds see signs of a bettering economy, half expect 2021 to be a better financial year for their company and while 14 percent are not sure if they will survive the pandemic and about a third hope to be back to where they started, 49 percent say that they will emerge from the pandemic stronger and more ready to be profitable than they were before it hit New York.”

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“The COVID-19 pandemic laid bare how critical internet access is for businesses, and as companies across the City begin rebuilding, it is now clearer than ever that the presence or lack of 5G connectivity will be decisive for New York’s recovery,” said Patricia Jacobs, President – Northern Region, AT&T. “As this survey highlights, business leaders see 5G as one of the keys to a more robust economy – and they are looking to their elected leaders to strengthen local businesses by investing in the next generation of high-speed wireless networks.”

COVID-19 Impact

Nearly three-quarters, 73 percent, cite the continuing impact of COVID-19 as the top challenge they face in 2021. The number one issue that they want the mayor and city government to focus on is vaccinating New Yorkers (71 percent).

“Many CEOs were hit hard by the pandemic’s effects. Revenues, profits, and demand were down and costs were up,” Levy said. “In response to the pandemic, CEOs had to change many of the ways that they do business including facilitating employees working from home, enhancing e-commerce, interacting more with clients over the internet, and in some cases, adding COVID-19 related products or services.”

During the pandemic, 53 percent reduced the size of their workforce and nearly half of those, 44 percent, plan to keep that change indefinitely. Twenty percent say that their remote workforce was more productive working remotely than before, about half, 49 percent, say that remote workers were just as productive but a third say that remote workers were not as productive.

“Nearly two-thirds say that it is at least somewhat likely that a business like theirs will emerge from the pandemic in a position at least similar to where they were before,” Levy said. But, thirty-six percent say that it is not too likely or not at all likely that similar businesses will come out the other side of this nightmare as strong as they were when it began.”

Attitudes Towards New York City Government.

Only 17 percent of CEOs say that the government of New York City is doing either an excellent or good job of creating a business climate in which companies like theirs can succeed while 82 percent give city government a grade of either fair or poor. More, 33 percent, are confident looking forward in the ability of city government to improve business conditions but 67 percent are not very or not at all confident. In addition to wanting the mayor and city government to focus on vaccinating New Yorkers (71 percent), offering business recovery incentives (59 percent), homelessness (56 percent) and reopening schools (55 percent), over a quarter of business leaders look to city government to stimulate tourism, conduct tax reform, cut spending, enhance technology infrastructure and address crime.

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“Asked specifically to name what must occur in order to enhance the development of a more robust economy in New York City, CEOs provide a long list,” Levy said. “Topping the list is reopening the city’s tourist attractions followed by investments in transportation, reducing the regulatory burden, providing incentives to businesses to bring employees back to work in-person, more affordable housing, and widespread availability of 5G high speed internet.”

5G High-speed Internet

Eighty-four percent indicate that they have heard either some or a lot about 5G high-speed internet. Ninety-five percent say that the internet is either somewhat (15 percent) or very (80 percent) crucial to the daily operations of their business. Daily use by CEOs’ businesses include: communicating with clients (97 percent), internal communications (91 percent), marketing (79 percent), tracking data (72 percent), working with suppliers (66 percent), training (58 percent) and managing equipment (36 percent).

“The pandemic has only increased the centrality of the internet to virtually all New York City businesses,” Levy said. “At present only about a third are very satisfied with existing capacity, speed, capabilities, and reliability and majorities forecast improved video streaming, greater efficiency, and improved communications when 5G is available.”

“Majorities expect the effect of widespread availability of 5G will provide improvement to the economic recovery of the city, job growth, and the morale of New Yorkers,” Levy said. “However the flip side of that coin, if 5G does not soon become available, is, according to a majority of CEOs, the city’s reputation suffering and businesses in New York being at a competitive disadvantage. One out of five CEOs would even consider leaving the city if 5G is not soon available.”

2021 Expectations

Fifty-four percent of CEOs expect revenue growth in the coming year, while 23 percent anticipate declining revenues. Forty-two percent expect growth in profits while 26 percent anticipate decreasing profitability. Forty-one percent look to increase the size of their workforce, 48 percent plan to keep workforce size about the same and 10 percent anticipate cutting the size of their workforce.

In order to enhance profitability, the majority, 59 percent plan to focus on growing the demand for their product or service, while 18 percent look to reduce costs. In addition to their leading challenge – COVID-19 – CEOs cite adverse economic conditions, cash flow, taxation, health care costs, and regulation as their leading challenges.



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New York City Business Leader Survey

This Siena College Poll was conducted February – April 2021 by internet interviews with 324 Business Leaders from across New York City. Sponsorship for the 2021 New York City Business Leader Survey was provided by AT&T. 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

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.

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