

Listen. Learn. Grow[↑]

***Business Leaders Economic
Confidence Survey***

Arkansas Edition

Final results

Opened on 12/29/14 & Closed 01/02/15



(01/03/15)

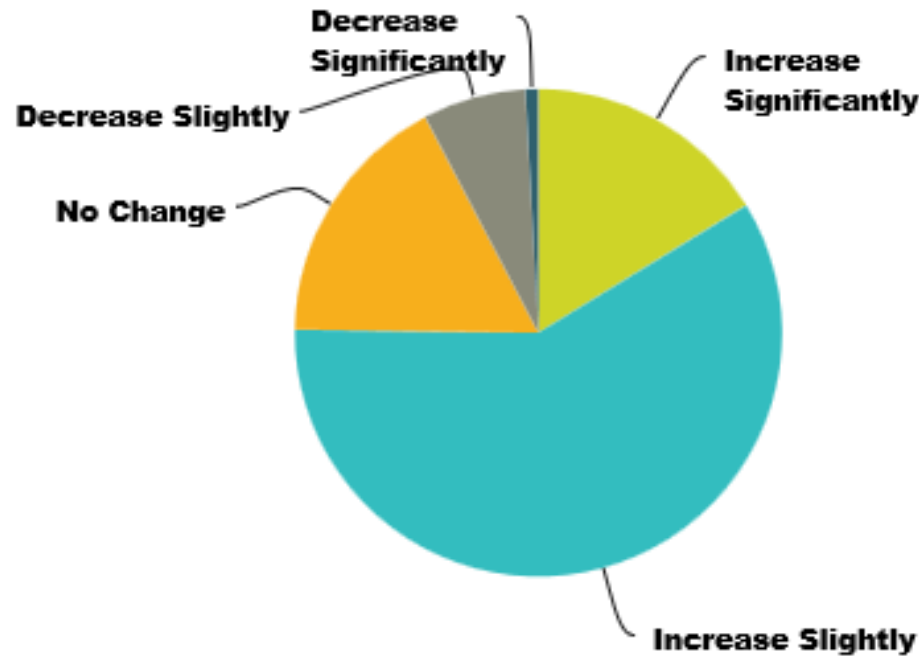
Response Demographics

We covered Manufacturing to Agriculture industries – Top 5 industries were Manufacturing, Construction, Nonprofit, Financial Services, and Advertising/Marketing.

- 53% have annual revenue over \$10M (last survey was 55%)
- 56% have more than 50 employees (last survey was 65%)
- Over 85% were executive level – CEO, CFO, VP, etc.

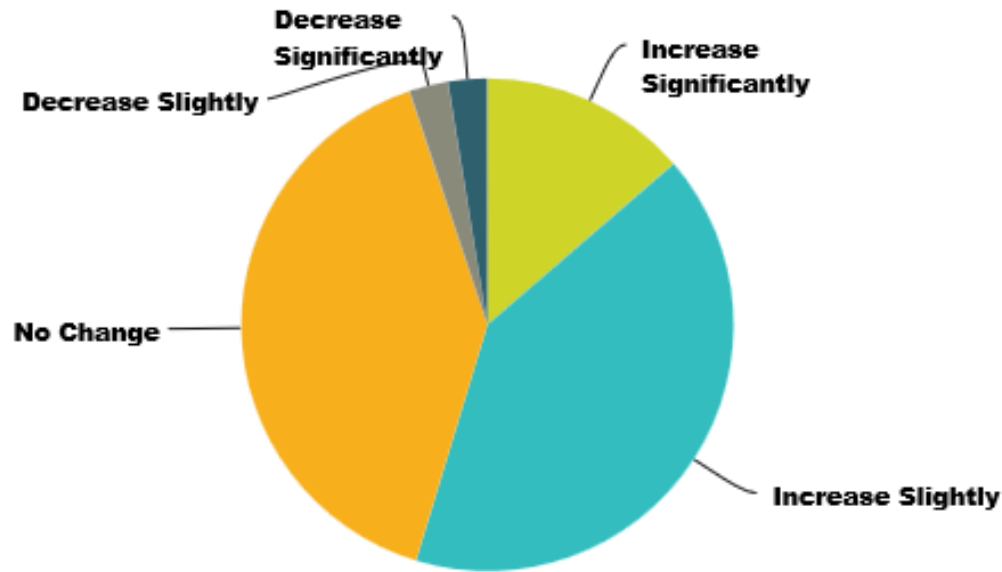
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How do you expect your company's sales revenue to change in the next six months?



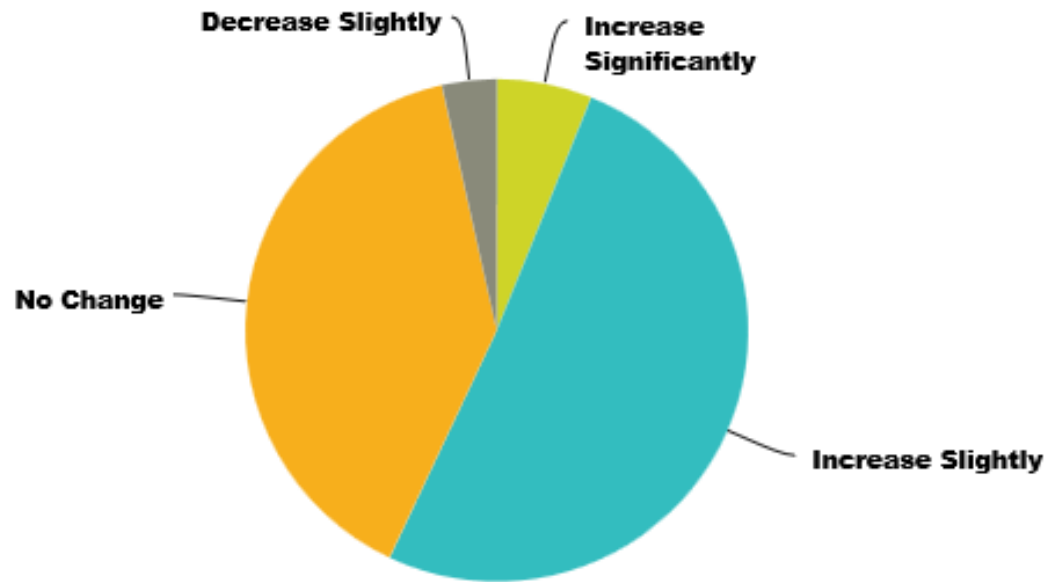
75% expect Sales Revenues to increase (slightly or significantly) the first half of 2015. +9% change from last survey

How do you expect your company's ARKANSAS capital spending to change in the next six months?



55% expect capital spending to increase (slightly or significantly) the last half of 2014. +8% change from last survey.

How do you expect your company's ARKANSAS employment to change in the next six months?



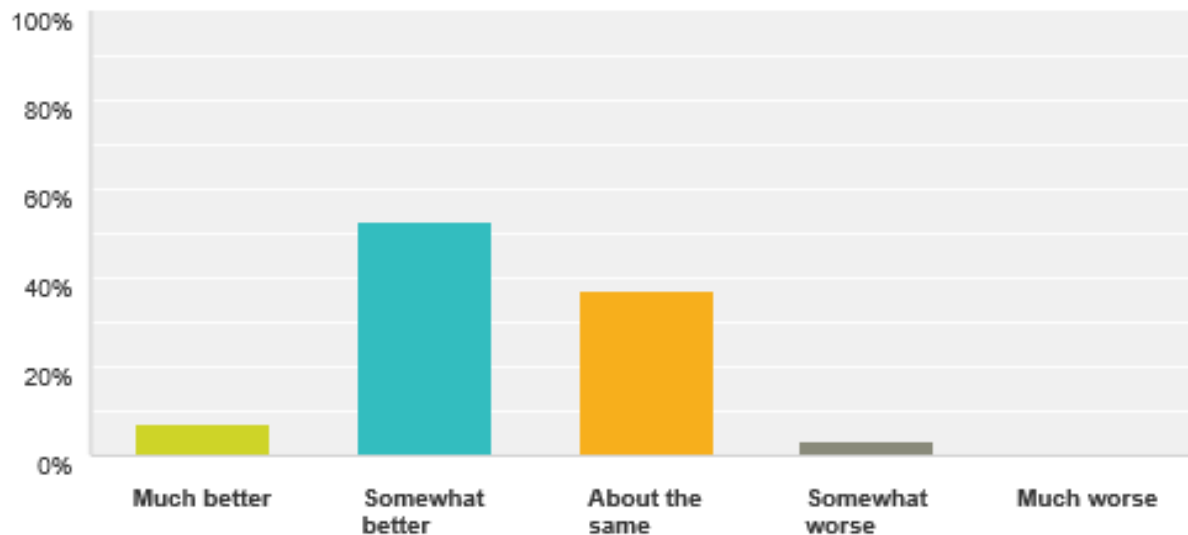
57% expect Arkansas employment to increase (slightly or significantly) the last half of 2014. +16% change from last survey.

When asked to rate criteria based on its impact to your company's Workforce growth?

Rating Last Survey	Rating This Survey	Criteria
2	1	Lack of available candidates
1	2	Candidate's lack of skills
3	3	Candidate's lack of education/training
	4	Your Company's Lack of Ability to Recruit/Hire
5	5	Your Company's Competition
	6	Your Company's Aging Workforce
4	7	Candidate's Drug/Alcohol Abuse

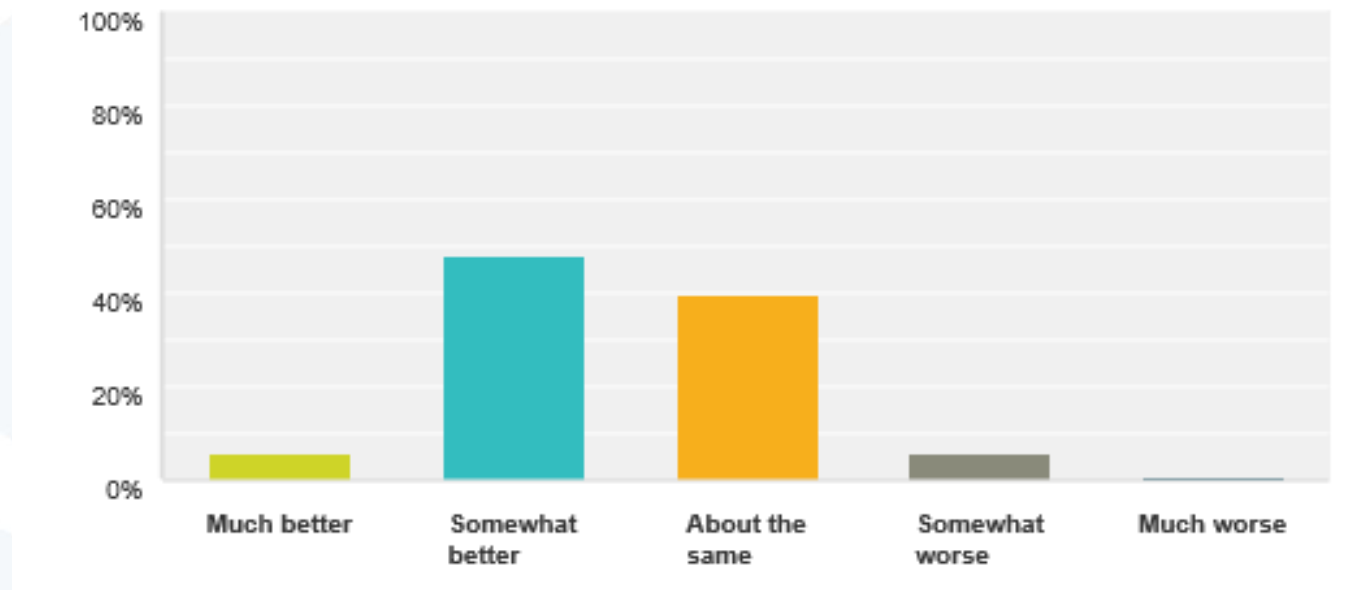
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Overall how would you compare economic conditions today to six months ago?



60% said conditions are better (somewhat or much) than 6 months ago. +28% change from last survey.

How do you feel overall economic conditions will change over the next 6 months?



54% feel conditions will be better (somewhat or much) over the next 6 months. +6% change from last survey.

When asked to rate criteria based on its impact to your company's economic growth?

The following criteria were identified in order of impact:

1. Government regulation/compliance
2. Skilled Workforce
3. Consumer confidence
4. Technological Innovation
5. Corporate Taxes

Skilled Workforce and Technological Innovation was added this survey and finished in the top 5!

What Else Impacts Your Company's Economic Growth?

Government Regulation

Excessive regulation takes way too much time and effort to define compliance and risk

Government at all levels (city, county, state and feds) are too involved in every aspect of business. Compliance costs resources.

Fed Government is out of control

Impact of the new legislature and Governor on the Arkansas Private Option and Medicaid Expansion. If the present plan fails to be funded and there is not a new version in place it will have dramatic impact.

City regulations have prevented us from being able to expand our facility and increase our capacity.

Summary

Great News

- Projected Economic Conditions are better: 54% more positive from 1 year ago
- Revenue projections are up: 17% more positive from 1 year ago
- Arkansas Employment projections are up: 43% more positive from 1 year ago

Where Companies Need Help

- Less Government regulation – stifles growth
- Finding and growing a skilled workforce
- Technological innovation

How can CEG Partners Help?

Consulting:

- Business Strategy and Organizational Design
- Process Improvement – Lean Six Sigma
- Project Management

Recruiting and Staffing:

- Engineering, IT, and Operational roles
- Executive Head Hunting
- Direct Hire, Contract to Hire, and Contract resources

Technology Solutions:

- Custom software tools/systems
- Executive Dashboards and Big Data Analytics
- Customer Relationship Management (CRM)

Businesses must act now in order to not be left behind!

GROW YOUR BUSINESS WITH CEG PARTNERS!

**Recruit
The Best
People**



**Implement
Efficient
Systems**



**Improve
your
Processes**



Mike Stafford

501-255-7751

www.CEGpartners.com



Appendix

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Manufacturing Industry

Area	All Responses	Manufacturing Response
Increasing Revenue Projections	75%	75%
AR Capital Spending	55%	53%
Increasing AR Employment	57%	61%
Improving Economic Projections	54%	47%
#1 Issue Impacting Overall Growth	Government regulation / compliance	Government regulation / compliance
#1 Issue Impacting Workforce Growth	Lack of available candidates	Lack of available candidates

Construction, Machinery, and Homes Industry

Area	All Responses	Construction Response
Increasing Revenue Projections	75%	71%
AR Capital Spending	55%	64%
Increasing AR Employment	57%	71%
Improving Economic Projections	54%	57%
#1 Issue Impacting Overall Growth	Government regulation / compliance	Government regulation / compliance
#1 Issue Impacting Workforce Growth	Lack of available candidates	Lack of available candidates

Nonprofit Industry

Area	All Responses	Nonprofit Response
Increasing Revenue Projections	75%	50%
AR Capital Spending	55%	42%
Increasing AR Employment	57%	42%
Improving Economic Projections	54%	58%
#1 Issue Impacting Overall Growth	Government regulation / compliance	Government regulation / compliance
#1 Issue Impacting Workforce Growth	Lack of available candidates	Lack of available candidates

Financial Industry

Area	All Responses	Financial Response
Increasing Revenue Projections	75%	57%
AR Capital Spending	55%	57%
Increasing AR Employment	57%	50%
Improving Economic Projections	54%	100%
#1 Issue Impacting Overall Growth	Government regulation / compliance	Government regulation / compliance
#1 Issue Impacting Workforce Growth	Lack of available candidates	Lack of candidate skills