

Business chiefs find cause for optimism

Survey shows majority see recovery

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Nearly 68 percent of the more than 200 business leaders from across the Upstate and Midlands who participated in a Marketplace Staff survey expressed optimism that the economy is slowing improving.

However, 27.9 percent said they believe the region is still in a recession with no apparent improvement.

"I would say that is a pretty real reading of the economy," said Bruce Yandle, dean emeritus of Clemson University's College of Business and Behavioral Science. "It's a mixed bag in the assessment and the outlook. The economy is rolling along at a pace that has the economy expanding but with different effects on various sectors."

The survey was conducted electronically earlier this month and spanned different industries and companies. Executives and employees from more than 180 organizations participated in the 2012 Upstate & National Economic Outlook Survey. Also, independent consultants, advisers and retired business leaders were part of the survey that included over 30 industries.

Ray Lattimore, president and chief executive of Marketplace Staffing, a staffing and human capital solutions firm, said that the survey was the first conducted by the firm, but plans are to conduct it annually.

"We wanted to get a very good perspective on our economy," he said.

Manufacturing, professional services, real estate, health care, financial services and the nonprofit sector had the strongest participation, with a median revenue range of slightly less than \$9 million, he said.

More than 51 percent of the respondents said they were optimistic about the outlook of the region and the nation while 21.4 percent said they were pessimistic.

If respondents are in manufacturing, they probably are relatively optimistic, Yandle said. But if they are in the construction sector, they probably are pessimistic, seeing a recession with no way out.

The housing crisis was cited by 94.2 percent of the participants as the issue having the greatest impact on the economy in the past 24 months. Other indicators cited as contributors to the slow economy included unemployment, 87.5 percent; the credit crunch, 81.2 percent, rising national debt, 78.2 percent and rising energy prices, 76.7 percent.

On the employment front, 26.6 percent said they expect to increase staffing in their organizations during 2012 by an average of 5 percent. Another 67.6 percent said they expect their employee base to remain flat.

Business leaders said they expect revenues to rise more in 2012, based on customer demand, increasing productivity and a growing work force. Of respondents, 41.6 percent expect revenues to increase more than 6 percent this year, and 75.9 percent expect at least some revenue growth.