



# Appendix: full survey results

2015 report on America's economic engine

A mid-market perspectives report





### **Acknowledgment**

We would like to thank all survey respondents and interviewees for their time and the insights they shared for this report, *2015 report on America's economic engine*.

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# 2015 report on America's economic engine

## About the survey

From April 7 to April 16, 2015, a Deloitte survey conducted by OnResearch, a market research firm, polled 525 executives at US mid-sized companies about their expectations, experiences and plans for becoming more competitive in the current economic environment. Respondents were limited to executives at mid-market companies with annual revenues between \$50 million and \$1 billion.

Seventy-five percent of the companies represented were privately held; 25 percent were public. Of the private companies, 36 percent were family-owned and 28 percent were closely (non-family) held; 36 percent were private-equity or VC-backed or had other ownership structures.

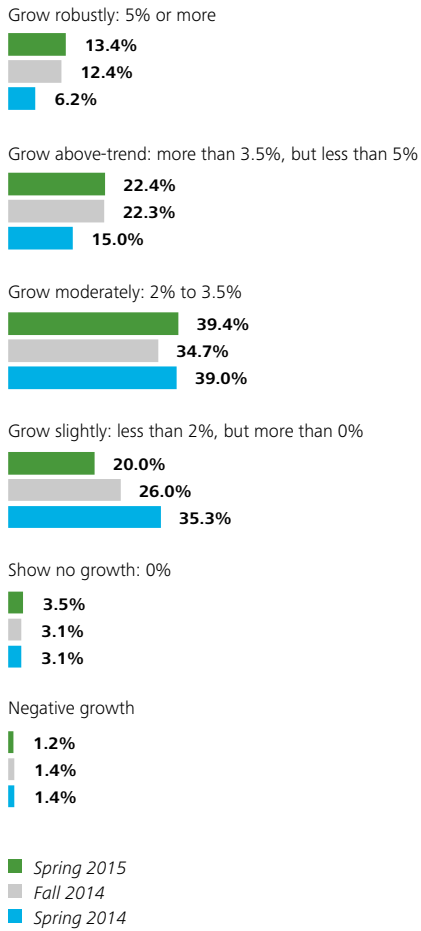
Half of the respondents were owners, board members, or C-suite executives; the remainder included vice-presidents, department or business line heads, or managers. Industries were diverse: those with the largest representation were consumer and industrial products; technology, media and telecommunications; and, financial services. Life sciences and health care, energy and resources companies, and other industries comprised the remainder of respondents.

The full survey results are included in this document; some percentages in the charts may not add to 100 percent due to rounding, or for questions where survey participants had the option to choose multiple responses.

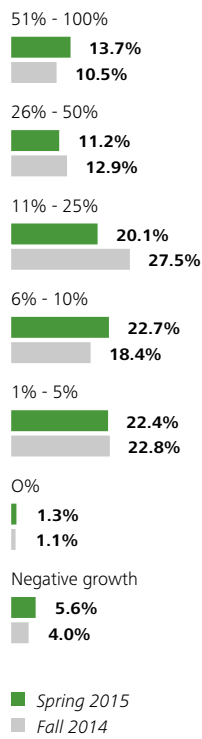
The report based on these survey findings, *2015 report on America's economic engine*, can be found on our website at [www2.deloitte.com/us/2015AEEreport](http://www2.deloitte.com/us/2015AEEreport)

# Performance and growth

**At what pace do you expect the U.S. economy to grow over the *next* 12 months?**

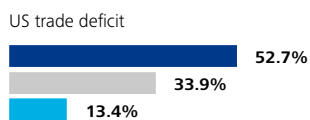
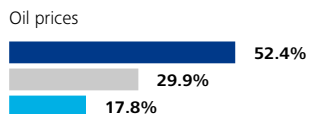
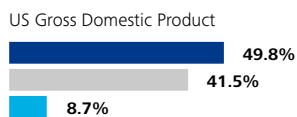
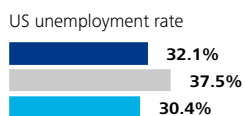
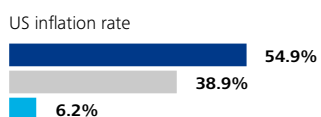
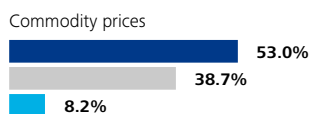
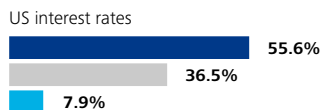


**What would you estimate your business' revenue growth to be over the *next* 12 months?**



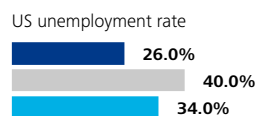
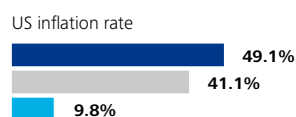
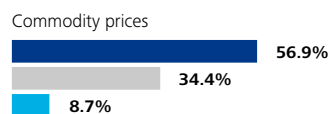
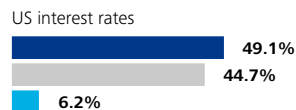
**What do you believe is the most likely outlook for the following over the next 12 months?**

Spring 2015



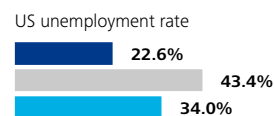
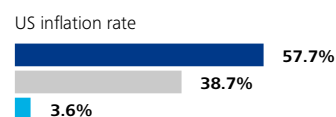
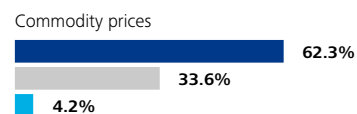
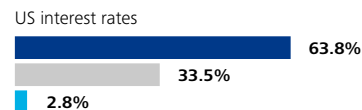
■ Higher  
■ No change  
■ Lower

Fall 2014



■ Higher  
■ No change  
■ Lower

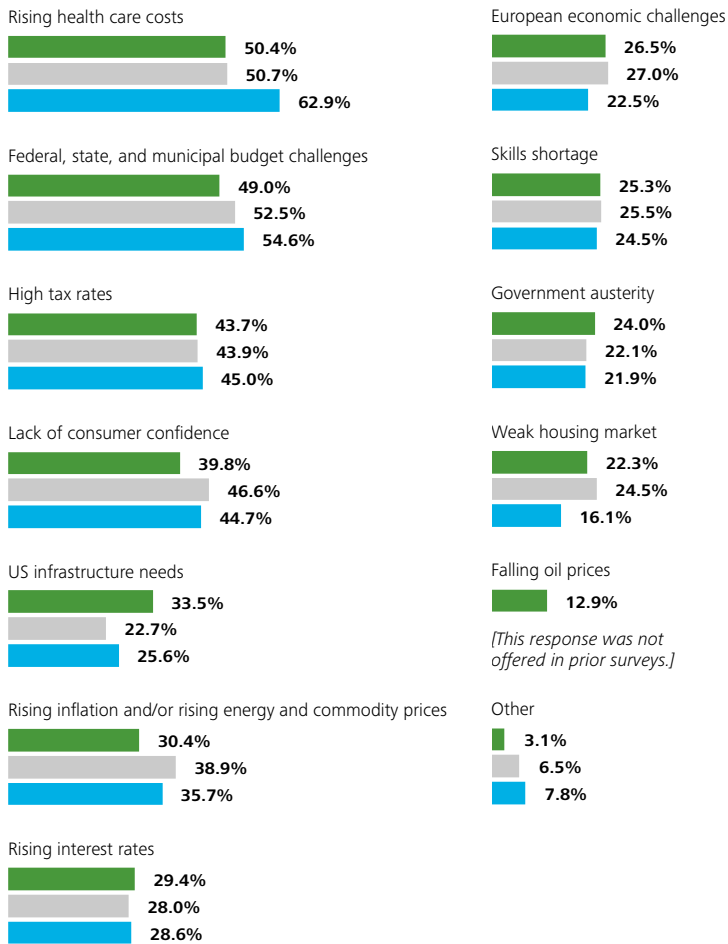
Spring 2014



■ Higher  
■ No change  
■ Lower

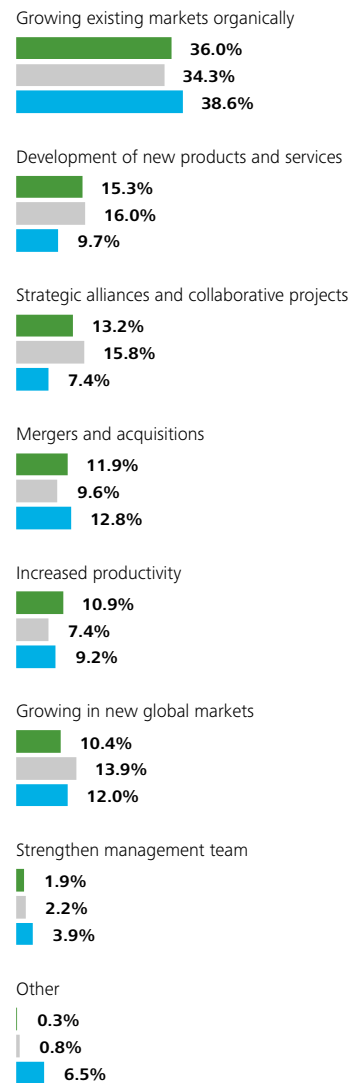
# Performance and growth (continued)

Which of the following issues present the greatest obstacles to US growth over the next 12 months? (Please select all that apply.)



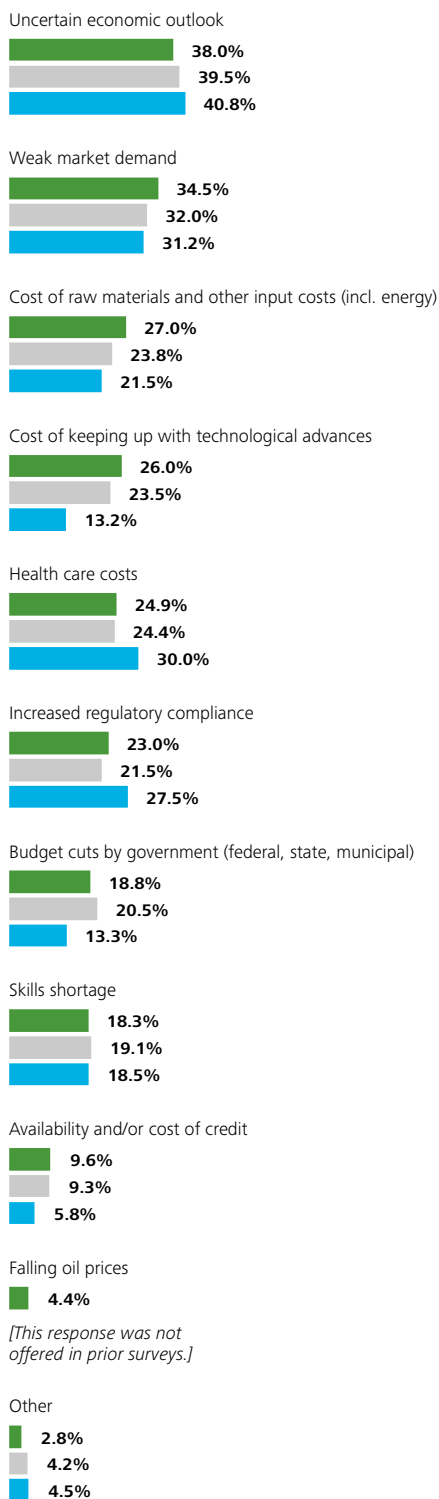
■ Spring 2015  
 ■ Fall 2014  
 ■ Spring 2014

What is your company's main growth strategy over the next 12 months? (Please select only one.)

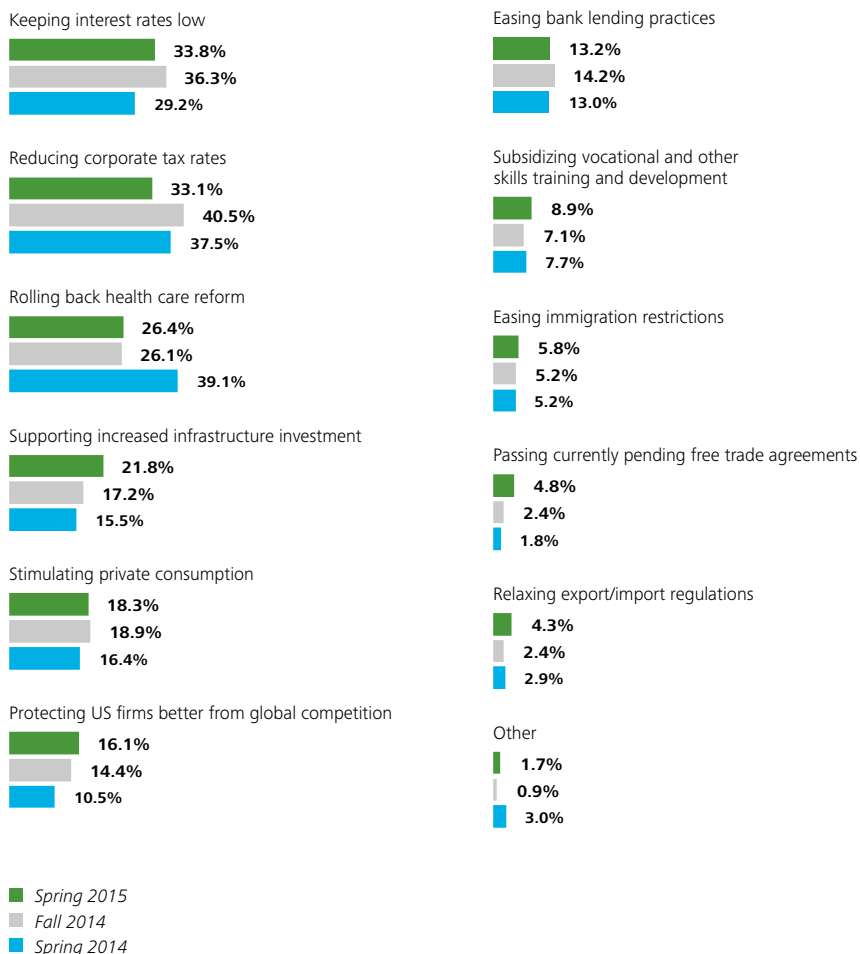


■ Spring 2015  
 ■ Fall 2014  
 ■ Spring 2014

**What are your company's main obstacles to growth? (Please choose up to three.)**



**Which of the following measures by the US government would most help US mid-sized businesses to grow in the next year? (Please choose up to two.)**

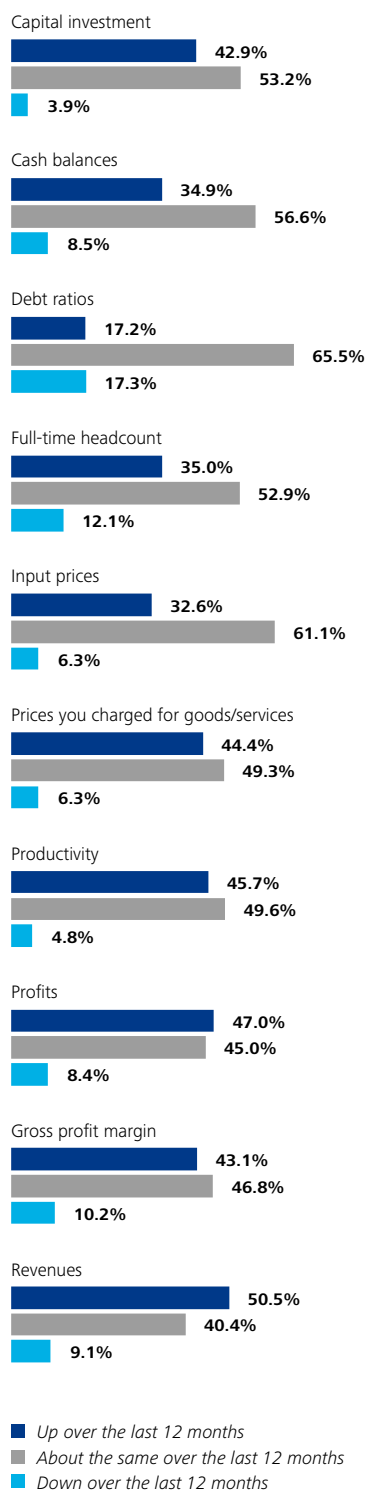


■ Spring 2015  
 ■ Fall 2014  
 ■ Spring 2014

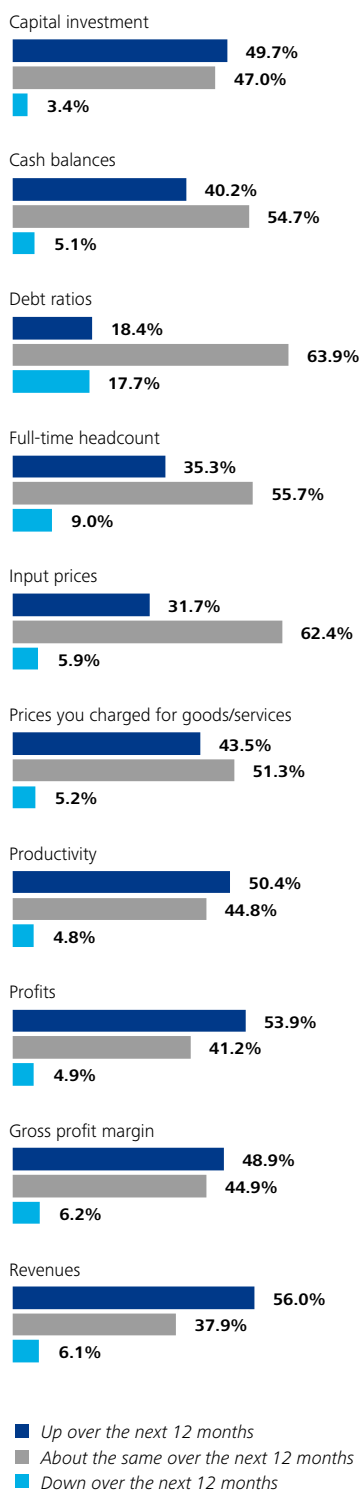
[This response was not offered in prior surveys.]

# Performance and growth (continued)

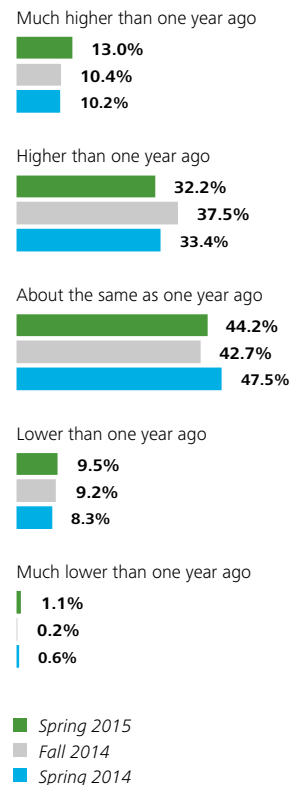
Are the following key metrics of your business up, about the same, or down over the last 12 months?



Do you expect these same key metrics of your business to go up, stay the same, or go down over the next 12 months?

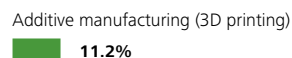
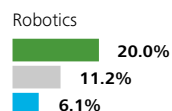
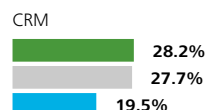
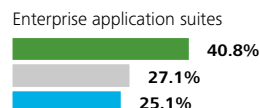
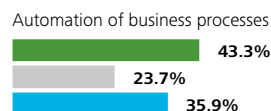
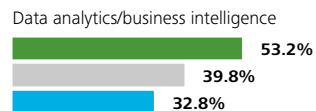
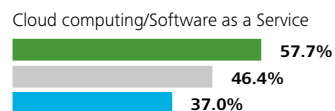


The level of uncertainty in terms of factors that drive future business prospects (e.g., taxes, regulations, credit availability, and the economic outlook) is:

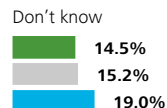
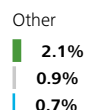




Which investment(s) in technology is your company most likely to make in the *next* 12 months? (Please choose up to three.)

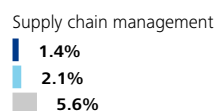
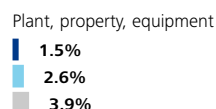
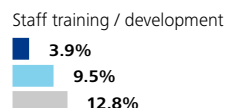
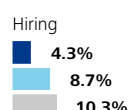
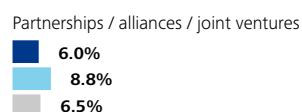
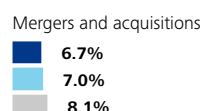
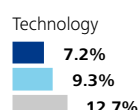
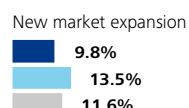
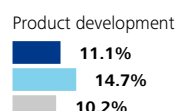
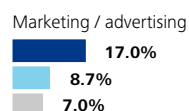


[This response was not offered in prior surveys.]



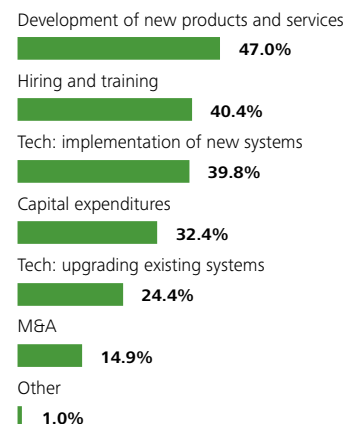
■ Spring 2015  
■ Fall 2014  
■ Spring 2014

Please rank (in order of importance) your top three priorities for the *next* 12 months in terms of business strategies.



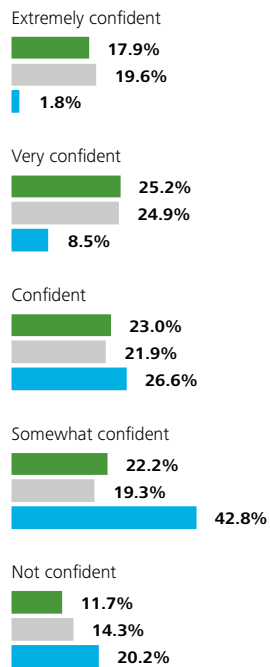
■ Top  
■ Second  
■ Third

What are your company's top two investment priorities in the next 12 months? (Please select two.)



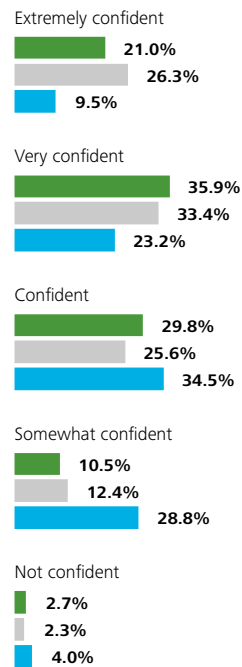
# Performance and growth (continued)

What is your level of confidence that the US economy will continue to improve over the next 24 months?



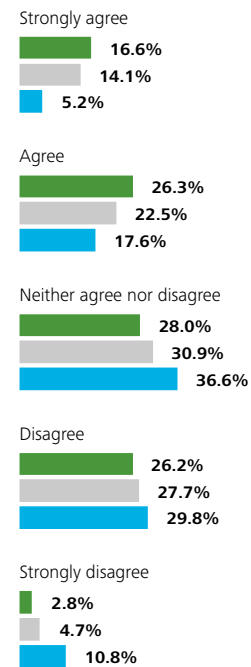
■ Spring 2015  
■ Fall 2014  
■ Spring 2014

What is your level of confidence in the success of your company (based on revenue, profitability, and growth) over the next 24 months?



■ Spring 2015  
■ Fall 2014  
■ Spring 2014

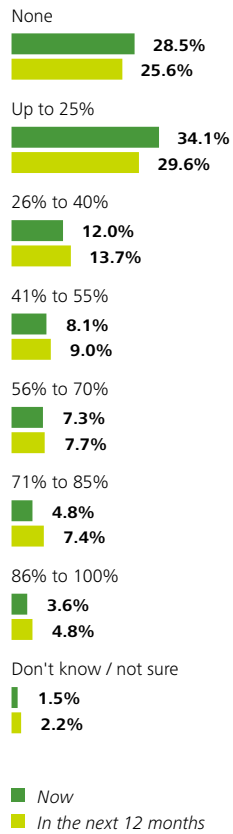
Please indicate your level of agreement with this statement: "We are deferring major investments due to the uncertainty in the current business environment."



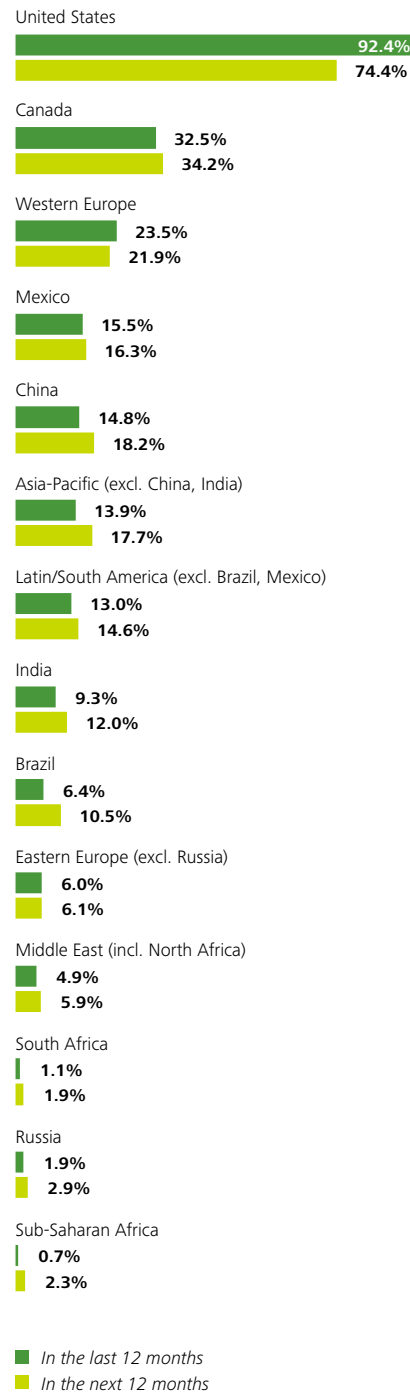
■ Spring 2015  
■ Fall 2014  
■ Spring 2014

# Global and emerging markets

Please specify the proportion of your revenues that come from outside the United States, now and in the next 12 months.

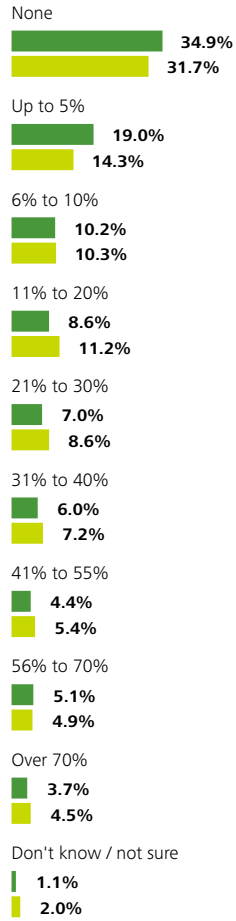


Please specify which geographic markets were the top contributors to your company's growth over the last 12 months, and which will be in the next 12 months.



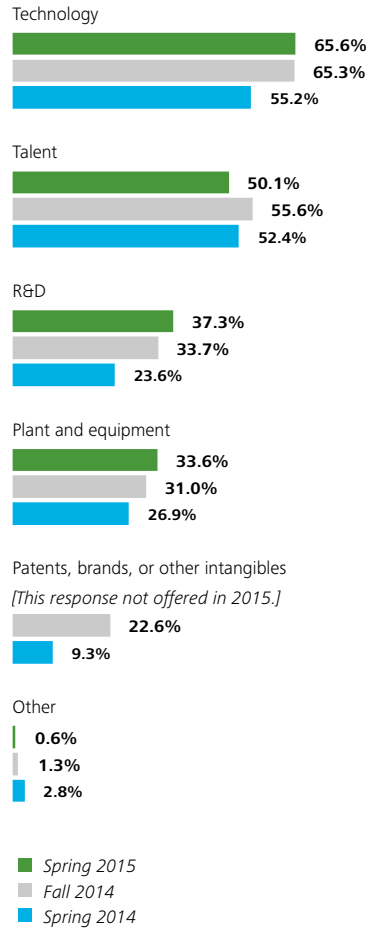
# Talent

Please specify the percentage of your workforce based outside the United States, **now** and in the **next 12 months**.



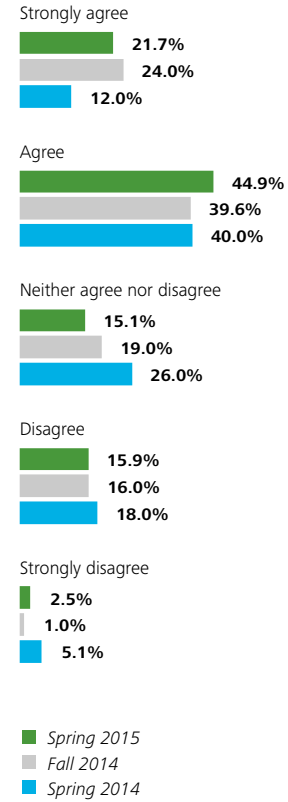
■ Now  
■ In the next 12 months

Which investments offer the greatest potential for increasing productivity at your company? (Please select all that apply.)



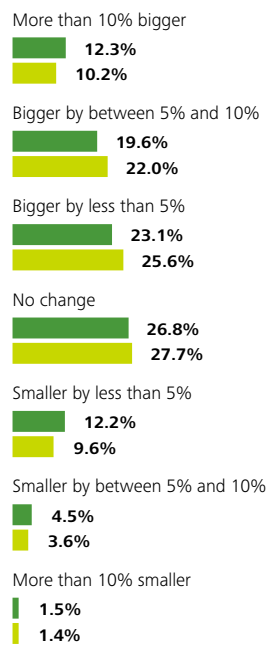
■ Spring 2015  
■ Fall 2014  
■ Spring 2014

Please indicate your level of agreement with this statement: "It is difficult for us to find new employees with the skills and education to meet the needs of our business."



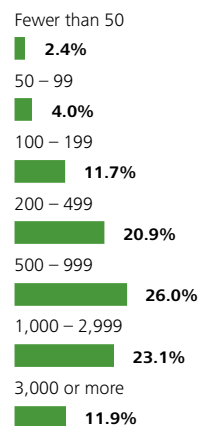
■ Spring 2015  
■ Fall 2014  
■ Spring 2014

**How has the size of your full-time domestic workforce changed over the last 12 months, and what do you expect in the next 12 months?**

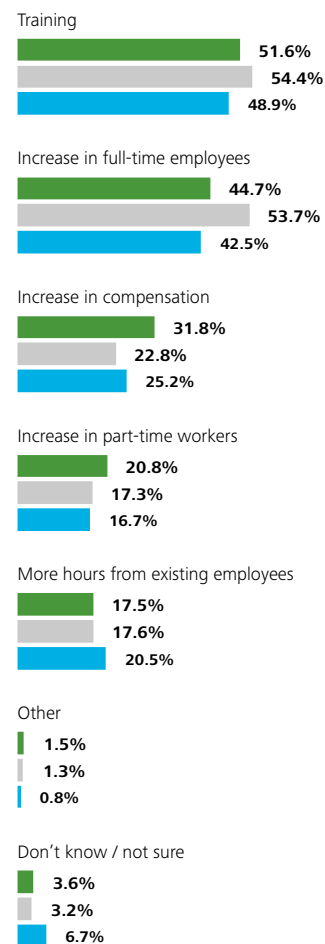


■ Now  
■ In the next 12 months

**Approximately how many full-time staff are employed by your business?**



**Which investment(s) in talent is your company most likely to make in the next 12 months? (Please select up to two.)**



■ Spring 2015  
■ Fall 2014  
■ Spring 2014

## Talent (continued)

Over the past 12 months, has there been a rise in the number of employees choosing to leave your company to take jobs elsewhere?

Yes, a large increase



Yes, a moderate increase



Yes, a slight increase



There has been no increase in voluntary departures



Don't know / not sure



What solutions are you employing at your organization to address skills shortages and/or supplement your workforce? (Please rank your top two choices.)

In-house training



Global hiring



Virtual workforce



Part-time employment



Partnerships with post-secondary institutions



Targeting underemployed cohorts (e.g., veterans, employees with disabilities)

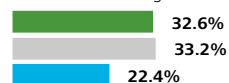


■ Ranked 1    ■ Ranked 2

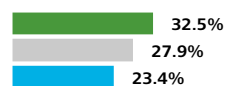
# Financing

What types of financing do you expect your company to pursue in the next year? (Please select all that apply.)

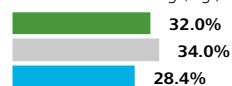
## Cash-flow financing



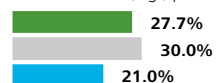
## Internal sources



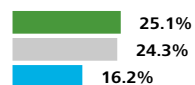
## Asset-based financing (e.g., working capital lines)



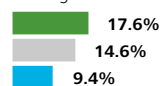
## Private sources (e.g., private equity)



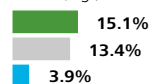
## Secured loans



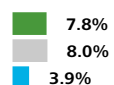
## Leasing



## Public (e.g., stock offering)



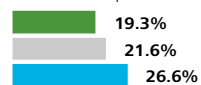
## Unsecured loans



## Other



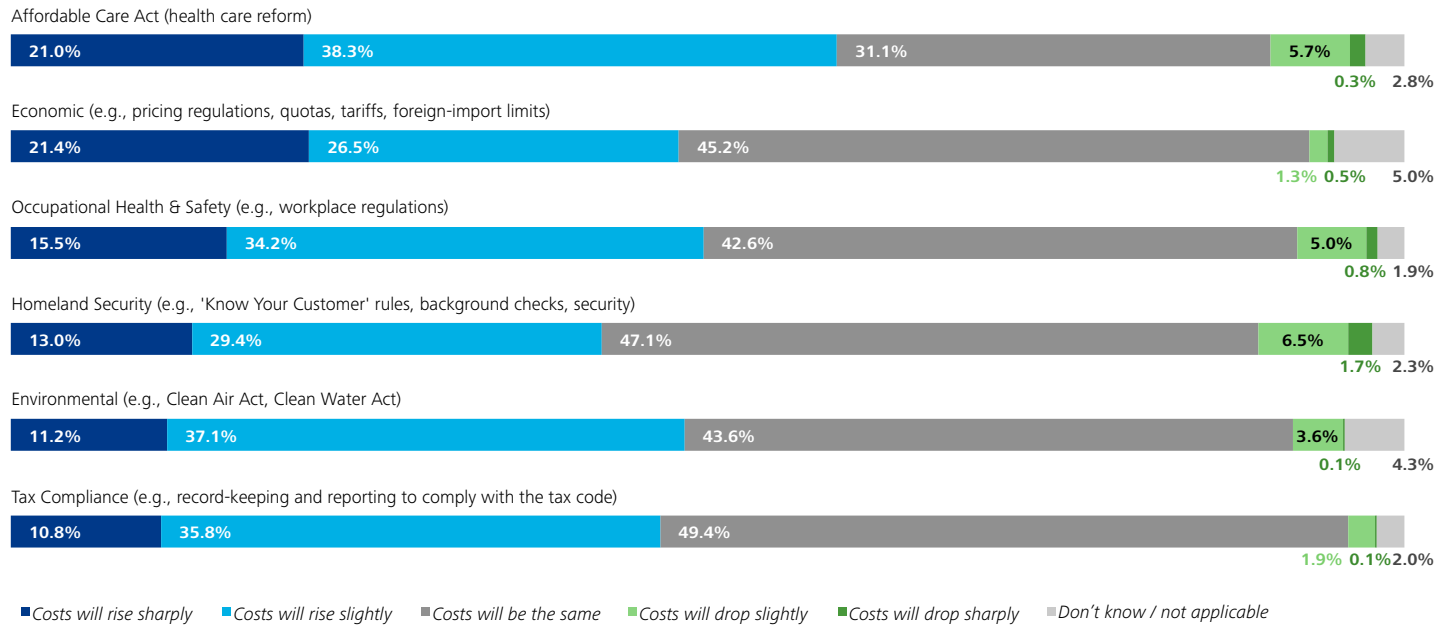
## We do not expect to use financing



- Spring 2015
- Fall 2014
- Spring 2014

# Regulatory compliance

For each of the following, please indicate how the costs of regulatory compliance will change for your company in the *next* 12 months.





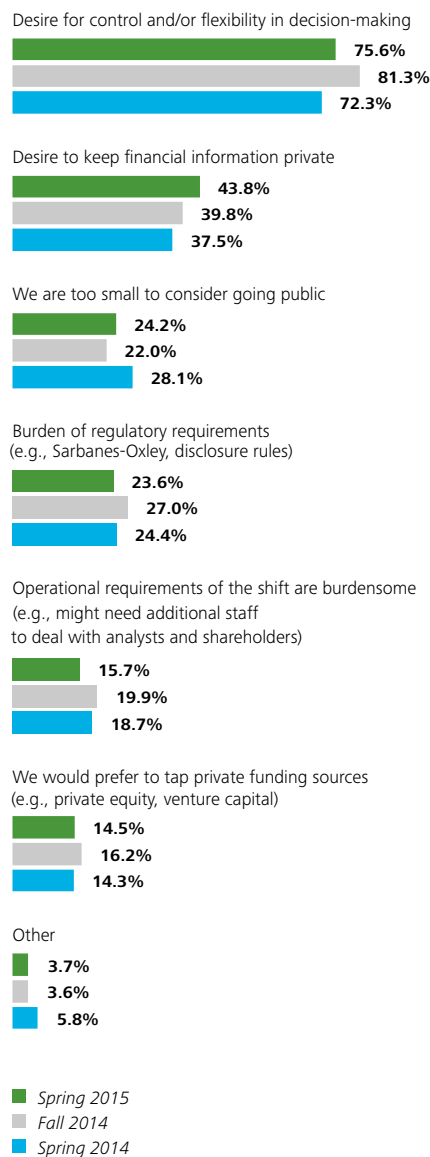
# Public vs. private

Which of the following best describes your company's ownership status?

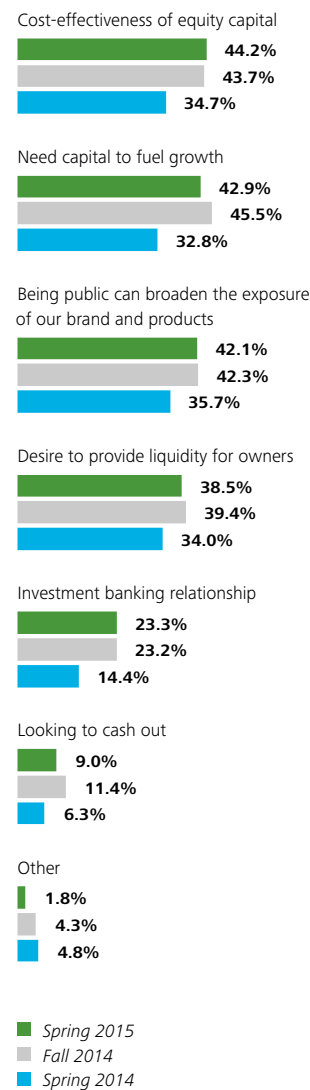


- Privately held, and unlikely to go public within the next 12 months: 60.5%
- Privately held, but likely to go public within the next 12 months: 13.7%
- Privately held, but likely to go public sometime after the next 12 months: 7.8%
- Public, but held by a small number of owners: 8.4%
- Public and broadly held: 9.6%

What factors influence your company's decision to remain private for now? Please select all that apply.



What factors influence your company's decision to be or go public? Please select all that apply.



- Spring 2015
- Fall 2014
- Spring 2014

# Mergers and acquisitions

In the past 12 months, have you completed any mergers or acquisitions?



■ Yes: 31.6%  
■ No: 68.4%

How many?

*Spring 2015*



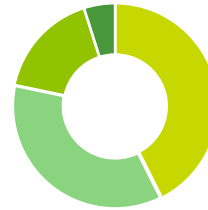
■ One: 24.9%  
■ Two: 31.6%  
■ Three: 28.9%  
■ More than three: 14.5%

*Fall 2014*



■ One: 26.6%  
■ Two: 36.0%  
■ Three: 25.7%  
■ More than three: 11.7%

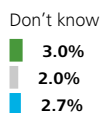
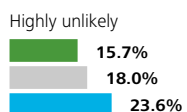
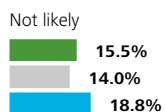
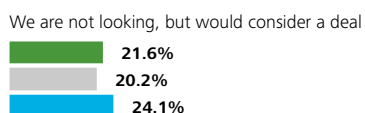
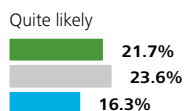
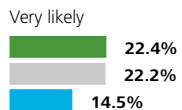
*Spring 2014*



■ One: 42.6%  
■ Two: 35.7%  
■ Three: 16.8%  
■ More than three: 4.9%

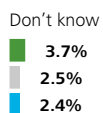
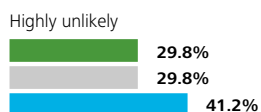
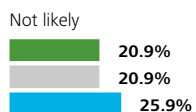
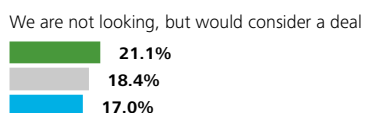
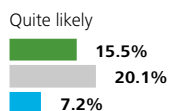
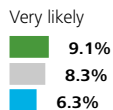
How likely is it that your company will participate in a merger or acquisition in the *next* 12 months...

...as an acquirer?



■ Spring 2015  
 ■ Fall 2014  
 ■ Spring 2014

...as a merger target?



■ Spring 2015  
 ■ Fall 2014  
 ■ Spring 2014

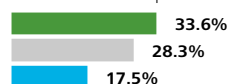
# Mergers and acquisitions (continued)

If you participate in a merger or acquisition, which of the following entities is most likely to be the counter-party? (Please choose up to two.)

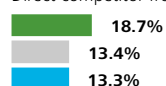
Direct competitor from the United States



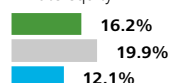
Domestic business partner



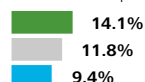
Direct competitor from overseas



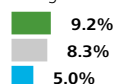
Private equity firm



Domestic company seeking to enter our business



Foreign business partner



Other private investor



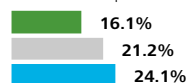
Foreign company seeking to enter our business



Other



We do not expect to be involved in a merger



■ Spring 2015  
■ Fall 2014  
■ Spring 2014

What will be the main drivers of merger activity in your company's industry over the next 12 months? (Please choose up to two.)

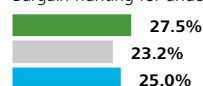
Consolidation to expand/diversify customer base



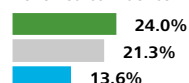
Consolidation to capture scale efficiencies



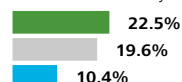
Bargain-hunting for underpriced assets



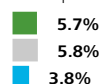
Renewed confidence in the economy



Increased availability of capital



Pent-up demand among investors



Renewed risk appetite among investors



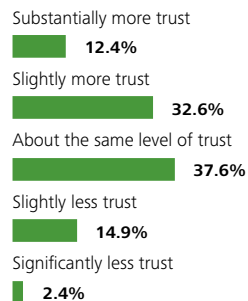
Other



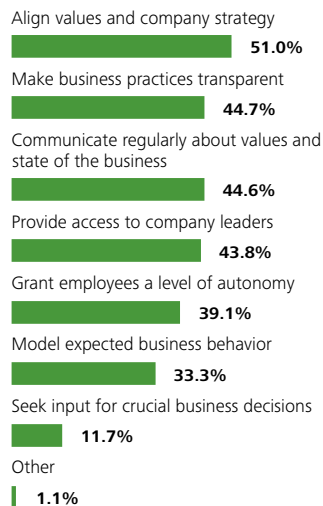
■ Spring 2015  
■ Fall 2014  
■ Spring 2014

# Trust

Among the general public, how would you define the level of trust in business (in general) compared to 24 months ago?



What are the most important actions an organization must take to build trust with employees? (Please choose up to three.)



What are the most important actions an organization must take to build trust with customers? (Please choose up to three.)

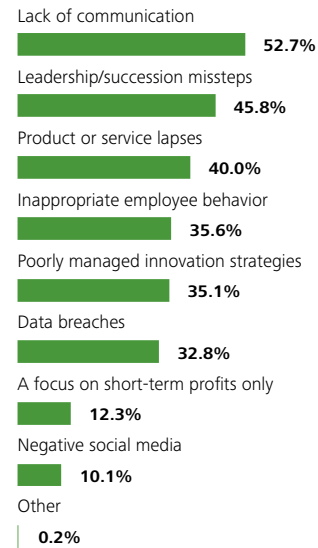


## Trust (continued)

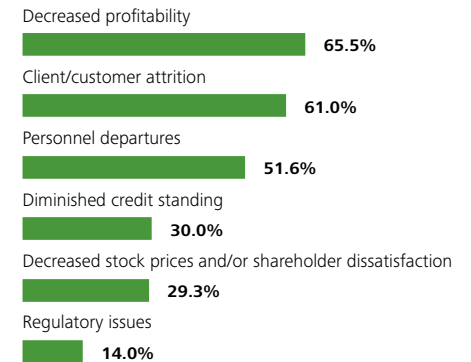
**What are the most important actions an organization must take to build trust with other stakeholders (investors, suppliers, the general community, etc.)? (Please choose up to three.)**



**Which of the following issues have the greatest potential to erode levels of trust among your organization's key stakeholders? (Please choose up to three.)**

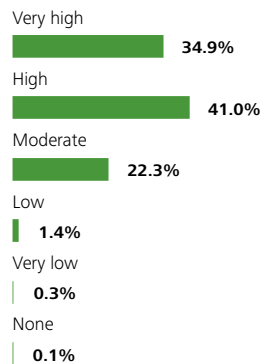


**What are the most significant outcomes of eroded levels of trust in organizations? (Please choose up to three.)**

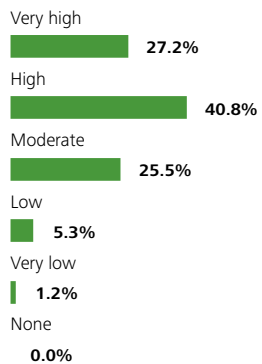


Please select the level of trust you believe each of the following stakeholder groups has in your organization:

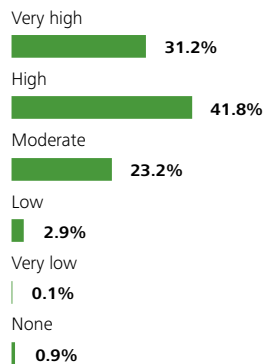
*Customers*



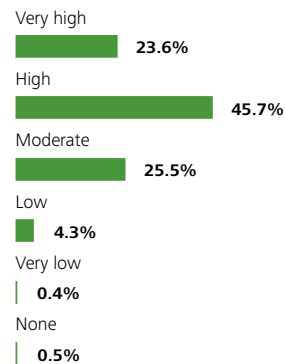
*Employees*



*Investors / owners*

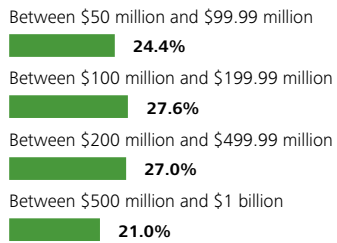


*Vendors, suppliers, other business partners*

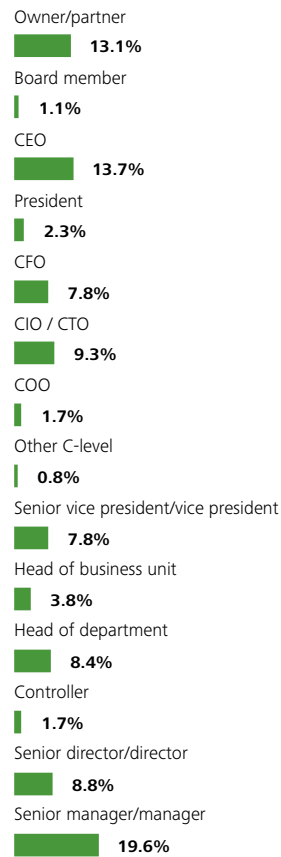


# Survey respondent demographics

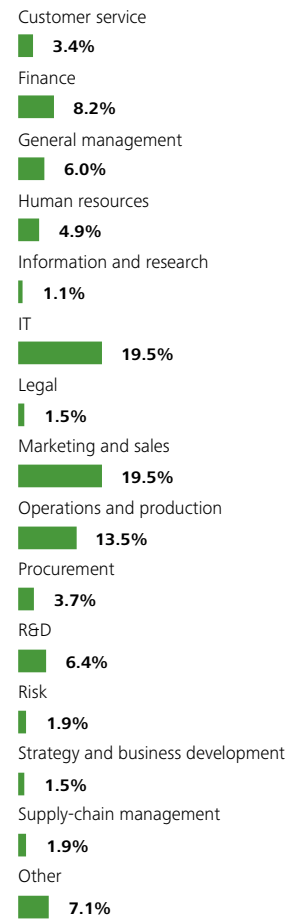
## What was your company's 2014 annual revenue in U.S. dollars?



## Which of the following best describes your title?



## What is your main functional role?



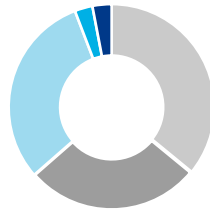


Is your company public or private?



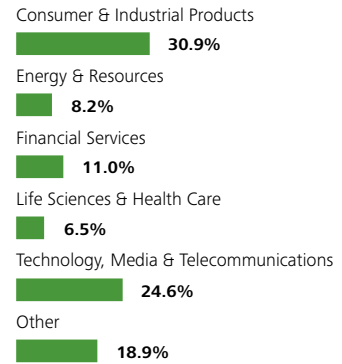
Public: 24.8%  
Private: 75.2%

If private, which category best describes your company?

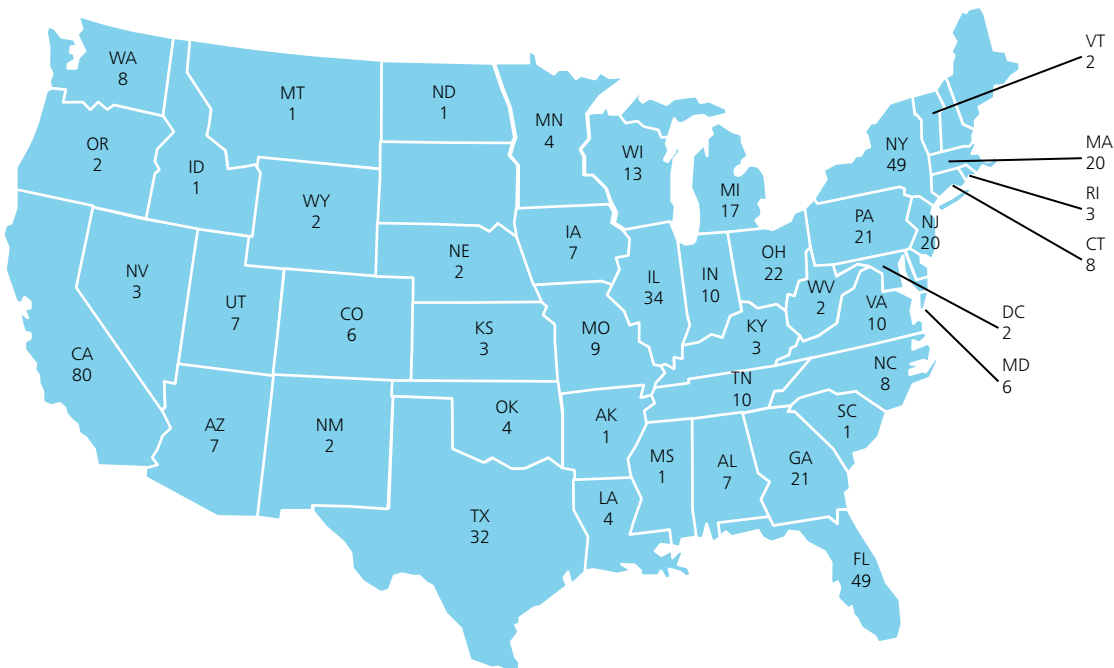


Family-owned: 35.9%  
Closely held (excl. family-owned): 27.6%  
Private equity owned: 30.6%  
Venture capital backed: 2.8%  
Other: 3.0%

In which sector does your company operate?



In which state is your company's headquarters located? (Number of respondents shown.)



## **Perspectives**

This report is just one example of Deloitte research on topics of interest to mid-market private companies. Presented by Deloitte Growth Enterprise Services, Perspectives is a multifaceted program that utilizes live events, signature reports, research publications, webcasts, newsletters, and other vehicles to deliver tailored and relevant insights in an integrated fashion.

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