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Fourth Quarter 2021

EXECUTIVE BUSINESS CLIMATE SURVEY

Collier County

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About the Regional Economic Research Institute

The Regional Economic Research Institute studies, analyzes and reports on the regional economy encompassing Collier, Lee, Charlotte, Hendry, and Glades counties. Established in 2005, it serves as a public service and economic development unit of the Lutgert College of Business' Dean's Office and strives to connect Southwest Florida to the resources of Florida Gulf Coast University.

In its many regular and occasional publications, and custom economic research, the RERI focuses on areas such as economic development and forecasting, economic impact analysis, secondary data analysis and surveys. The RERI often partner with different economic development organizations and chambers of commerce in our region, and works closely with the Lucas Institute for Real Estate Development and Finance, the Small Business Development Center, the Southwest Florida Leadership Institute, all of which are housed in the Lutgert College of Business at FGCU, as well as the Institute for Entrepreneurship.

Project Information

The Institute's Business Climate Survey group specializes in sampling design and analysis, including program evaluation, policy research, and needs assessment. The Business Climate Survey group involves FGCU students in every stage of survey development, allowing them to develop professional skills and networks that add value to their degrees and, by extension, to their future employers.

This report is conducted quarterly by Florida Gulf Coast University's Regional Economic Research Institute. This work would not be possible without considerable cooperation from Collier County Government, the Greater Naples Chamber, and the RERI's student researchers.

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Introduction

The Collier County Business Climate Survey Report, published in partnership between Collier County Government, the Greater Naples Chamber, and Florida Gulf Coast University, provides primary research to the business community, elected officials, and other concerned citizens in an effort to gauge the state of Collier County's economy over time as well as impressions and concerns about it in the future.

The business climate survey is comprised of three areas of focus. The first area—encompassed in the first seven questions of the survey—examines Collier County business executives' impressions of economic conditions and trends with respect to hiring and investment. The second area has been the calculation of an Executive Business Climate Index (EBCI). The EBCI provides a summary number which will allow one to quickly gauge whether the business climate in Collier County is improving or declining. Finally, the third area is comprised of various questions that change from survey to survey. The current "special topics" focus on the firm's ability to fill their most skilled position, and expectations they have from potential candidates.

The EBCS also allows respondents to voice concerns, kudos, and criticisms of Collier County's economic environment. Every effort is made to include these comments in each survey.

The Collier County FGCU Business Climate Survey is administered, written, and published by the staff and students working with the Regional Economic Research Institute in the Lutgert College of Business. We very much welcome your comments and suggestions regarding the report, including suggestions for special topics questions for future editions.

This survey would not have been possible without the many busy business owners and executives who took the time to respond to it. I also thank Sean Callahan at Collier County Government, along with Michael Dalby and Melanie Schmees from the Greater Naples Chamber.

Amir B. Ferreira Neto

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Executive Summary

The Executive Business Climate Survey provides a view of the local economy that is based on responses from senior executives from a range of industries across the county. An invitation to complete the internet survey was sent to 449 executives and business owners in Collier County. Four reminders were sent during the survey period. Fifty-eight executives completed the survey from October 4, 2021, through October 19, 2021, giving the survey a margin of error of 12.9 percent.

This survey provides a key economic indicator for Collier County, the Executive Business Climate Index. This index value is computed each quarter and released to the public as a way to provide an established economic indicator on the state of the local economy. The index is computed using the two questions concerning the current and future economic conditions and a third question concerning the expected industry economic conditions. The index is an average of the responses, with substantially better equal to 100, moderately better equal to 75, same equal to 50, moderately worse equal to 25 and substantially worse equal to zero. The index value ranges from 0 to 100. The present survey shows the index measured at 70.0 in the fourth quarter of 2021, the first decline since peaking at 74.8 in the previous quarter. All three components of the index showed declines in the fourth quarter of 2021. A complete graphical representation of each of these questions since 2020 can be found in Appendix A.

Results from the recurring questions revealed:

- 71 percent of the surveyed business executives indicated economic conditions in Collier County were better compared to a year ago; only 12 percent stated that overall economic conditions were worse than a year ago.
- 73 percent of business executives were optimistic about economic conditions in the upcoming year, down from 82 percent the previous quarter; 11 percent of the surveyed business executives felt pessimistic about future economic conditions.
- 62 percent of the surveyed business executives reported current industry conditions as better when compared to last year, while 12 percent of executives reported conditions getting worse.
- 69 percent of respondents believe industry conditions will improve over the next 12 months compared to 77 percent in the last quarter, with 7 percent expecting conditions to be worse.
- 44 percent of the surveyed executives reported increased hiring in the current quarter compared to 55 percent in the third quarter; 12 percent reported reducing employment.
- 58 percent of executives expect to increase hiring at their companies over the next year, 40 percent plan to remain at the same level while just 2 percent of the surveyed respondents plan to reduce employment.
- 64 percent of the surveyed executives expect to increase investment over the next year, similar to the previous quarter; 34 percent expect to keep it the same and just 2 percent of the surveyed respondents plan to reduce investment levels.

Each Executive Business Climate Survey contains a set of questions not asked on a recurring basis. These special topic questions highlight areas of importance to the economic development of our region with the intention of accessing the business community's input and feedback to development officials, industry agents, and government officials. The present survey includes questions regarding rising health care costs in Southwest Florida.

- 75 percent of the surveyed business executives indicated that they offer health care benefits to their employees.
- 85 percent of the respondents indicated concern about the effect of rising health care costs on their profits over the next two years.
- 80 percent of the respondents indicated concern about the effect of rising health care costs on their workers' productivity over the next two years.
- 55 percent have negotiated for lower rates with their carriers; 48 percent of the surveyed business executives have developed wellness programs to alleviate the increasing costs of health care; 2 percent of the respondents have not taken any measures.

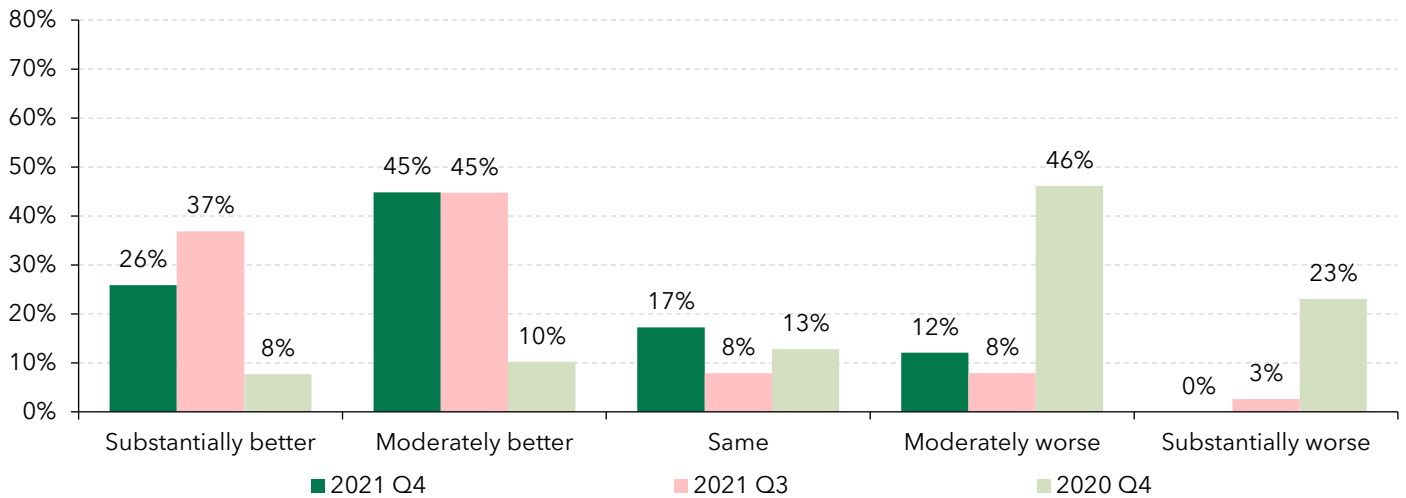
- 72 percent of the respondents considered it to be helpful having transparent health care prices from providers and carriers.
- 69 percent of the respondents indicated that working with local care providers to develop mutually beneficial solutions to be helpful.
- 54 percent of the respondents felt that the creation of a local marketplace that would provide small business choices in purchasing healthcare plans would be helpful.
- 53 percent of the respondents saw the provision of educational material on choosing the best plans available for their employees as helpful.

Recurring Questions

The Executive Business Climate Survey asks Collier County’s business leaders about the state of Collier County’s economy. These seven questions are designed to provide a snapshot of short-term trends and perceptions regarding the state of the local economy, employment, and capital investment. Asking the same recurring questions allows for a side-by-side comparison of the economy during each quarter. The results from these questions for the fourth quarter of 2021 can be found in Figures 1 through 7 below.

Figure 1: Current Economic Conditions

How are the current Collier County economic conditions compared to a year ago?



Source: Collier County Executive Business Climate Survey, conducted by the Regional Economic Research Institute between October 4th, 2021 and October 19th, 2021.

Prepared by the Regional Economic Research Institute

How are the current Collier County economic conditions compared to a year ago?

Figure 1 reflects the responses of business executives during the first half of October for the fourth quarter of 2021. Seventy-one percent of the surveyed executives indicated economic conditions in Collier County were better compared to a year ago. This was less than the last quarter when 82 percent felt conditions were better than a year ago. Just 12 percent stated that overall economic conditions were worse than a year ago, similar to the third quarter but much lower than the 69 percent recorded a year ago. About 17 percent of responding executives said current Collier County economic conditions were about the same compared to a year ago, higher than the 8 percent in the previous quarter and the 13 percent a year ago. Complete response counts are found in Table 1.

Table 1: Current Economic Conditions

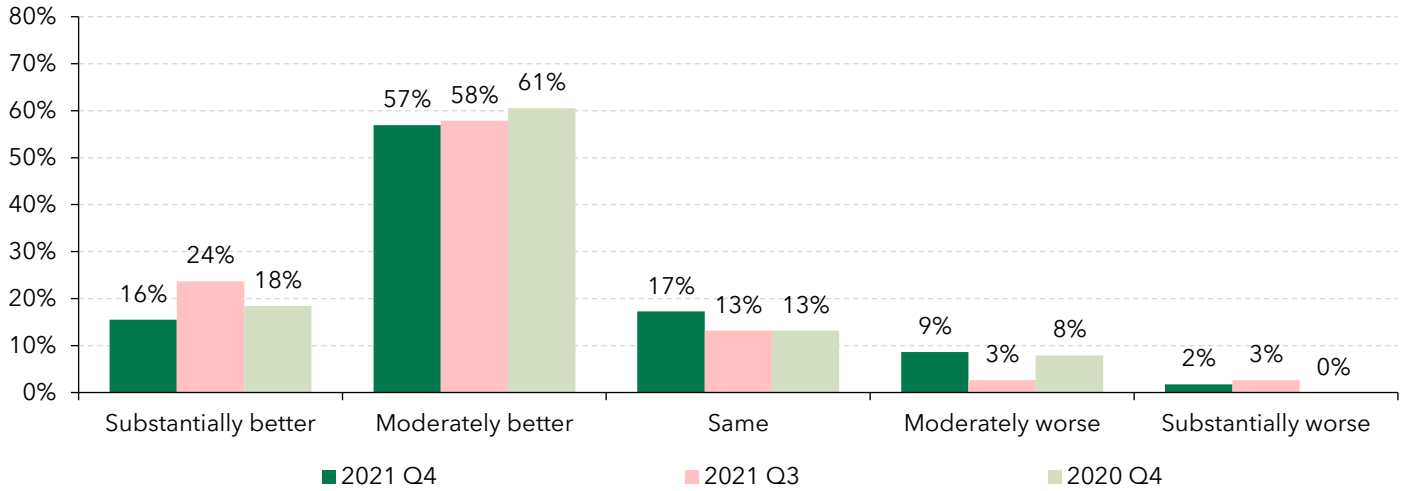
How are the current Collier County economic conditions compared to a year ago?

Response	2021 Q4		2021 Q3		2020 Q4	
	Count	Percentage	Count	Percentage	Count	Percentage
Substantially better	15	25.9%	14	36.8%	3	7.7%
Moderately better	26	44.8%	17	44.7%	4	10.3%
Same	10	17.2%	3	7.9%	5	12.8%
Moderately worse	7	12.1%	3	7.9%	18	46.2%
Substantially worse	0	0.0%	1	2.6%	9	23.1%
Total Responses	58	100.0%	38	100.0%	39	100.0%

Source: Collier County Executive Business Climate Survey, conducted by the Regional Economic Research Institute between October 4th, 2021 and October 19th, 2021.

Figure 2: Future Economic Conditions

What are your expectations for the Collier County economy one year ahead?



Source: Collier County Executive Business Climate Survey, conducted by the Regional Economic Research Institute between October 4th, 2021 and October 19th, 2021.

Prepared by the Regional Economic Research Institute

What are your expectations for the Collier County economy one year ahead?

Figure 2 tracks business leaders’ expectations about economic conditions in the year ahead. The fourth quarter results indicated that 73 percent of business executives are optimistic about economic conditions in the upcoming year, compared to the 82 percent in the previous quarter. In contrast, a growing proportion of executives are beginning to show some pessimism about the future of the economy with 11 percent of the surveyed business executives expecting them to be worse. This was almost double the percentage in the previous quarter and 3 percentage points from a year ago. The proportion of executives that felt conditions would stay the same was 17 percent, up from 13 percent in the previous quarter. Complete response counts can be found in Table 2.

Table 2: Future Economic Conditions

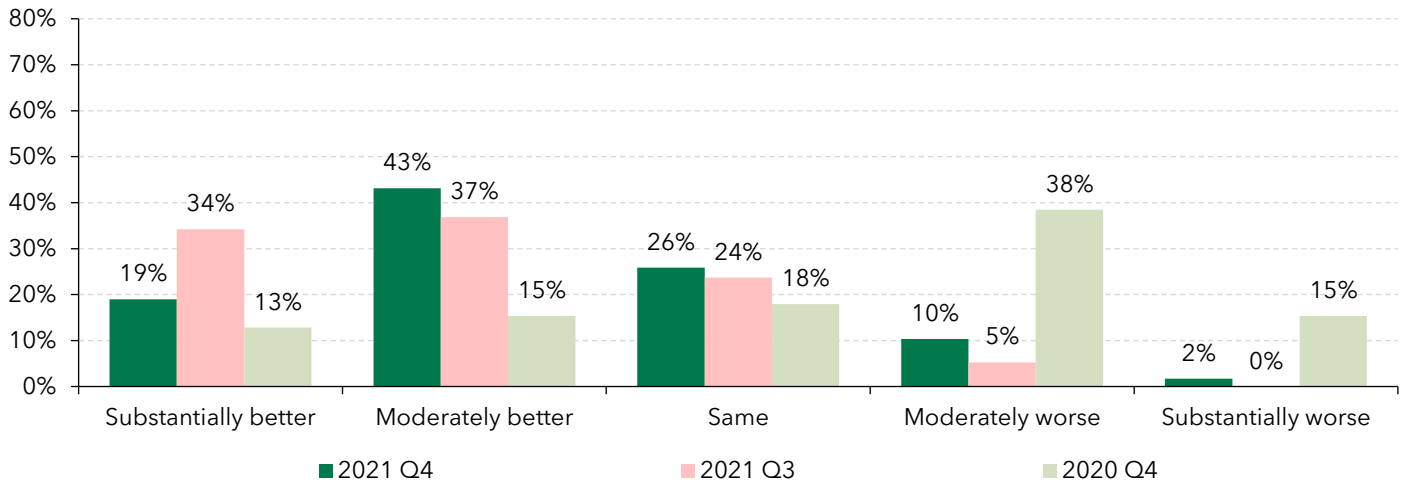
What are your expectations for the Collier County economy one year ahead?

Response	2021 Q4		2021 Q3		2020 Q4	
	Count	Percentage	Count	Percentage	Count	Percentage
Substantially better	9	15.5%	9	23.7%	7	18.4%
Moderately better	33	56.9%	22	57.9%	23	60.5%
Same	10	17.2%	5	13.2%	5	13.2%
Moderately worse	5	8.6%	1	2.6%	3	7.9%
Substantially worse	1	1.7%	1	2.6%	0	0.0%
Total Responses	58	100.0%	38	100.0%	38	100.0%

Source: Collier County Executive Business Climate Survey, conducted by the Regional Economic Research Institute between October 4th, 2021 and October 19th, 2021.

Figure 3: Current Industry Conditions

What are the current conditions in your industry in Collier County compared to one year ago?



Source: Collier County Executive Business Climate Survey, conducted by the Regional Economic Research Institute between October 4th, 2021 and October 19th, 2021.
 Prepared by the Regional Economic Research Institute

What are the current conditions in your industry in Collier County compared to one year ago?

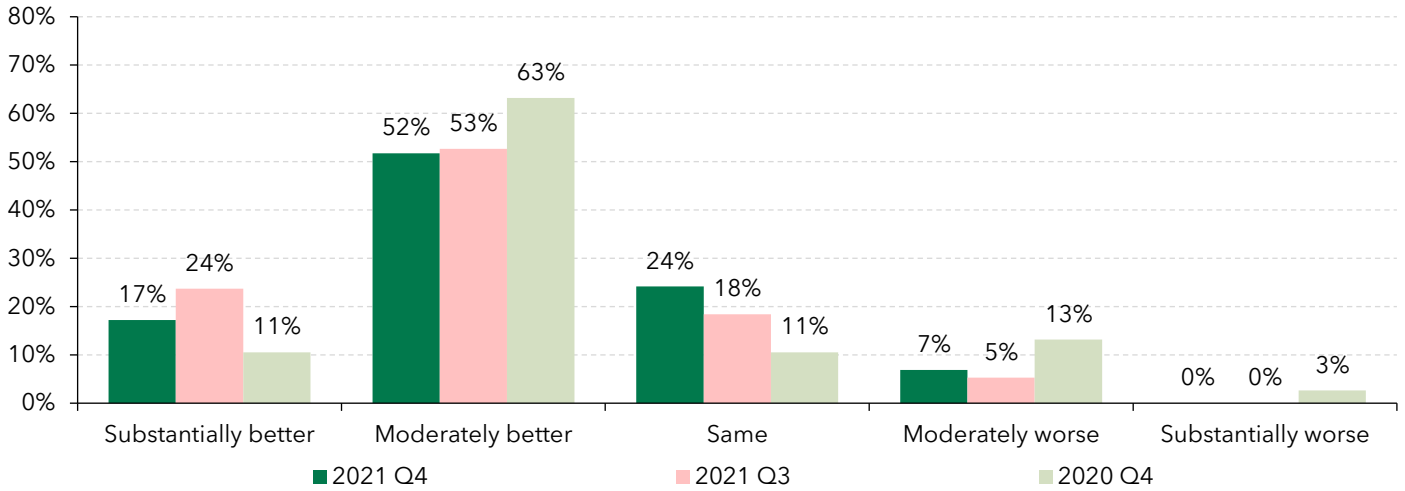
Figure 3 reports on executives’ perceptions about their industry and is more narrowly focused. The percentage of the surveyed executives who felt current conditions in their industry were better compared to a year ago was 62 percent compared to 71 percent in the previous quarter but in sharp contrast to just 28 percent a year ago. The percentage of business executives reporting worsening industry conditions in the fourth quarter of 2021 edged up to 12 percent from 5 percent in the previous quarter, but still lower than the 53 percent a year ago. About 26 percent of executives noted conditions remained the same in the fourth quarter compared to 24 percent in the previous quarter of this year. Complete response counts can be found in Table 3.

Table 3: Current Industry Conditions						
What are the current conditions in your industry in Collier County compared to one year ago?						
Response	2021 Q4		2021 Q3		2020 Q4	
	Count	Percentage	Count	Percentage	Count	Percentage
Substantially better	11	19.0%	13	34.2%	5	12.8%
Moderately better	25	43.1%	14	36.8%	6	15.4%
Same	15	25.9%	9	23.7%	7	17.9%
Moderately worse	6	10.3%	2	5.3%	15	38.5%
Substantially worse	1	1.7%	0	0.0%	6	15.4%
Total Responses	58	100.0%	38	100.0%	39	100.0%

Source: Collier County Executive Business Climate Survey, conducted by the Regional Economic Research Institute between October 4th, 2021 and October 19th, 2021.

Figure 4: Future Industry Conditions

What are your expectations for your own industry in Collier County one year ahead?



Source: Collier County Executive Business Climate Survey, conducted by the Regional Economic Research Institute between October 4th, 2021 and October 19th, 2021.

Prepared by the Regional Economic Research Institute

What are your expectations for your own industry in Collier County one year ahead?

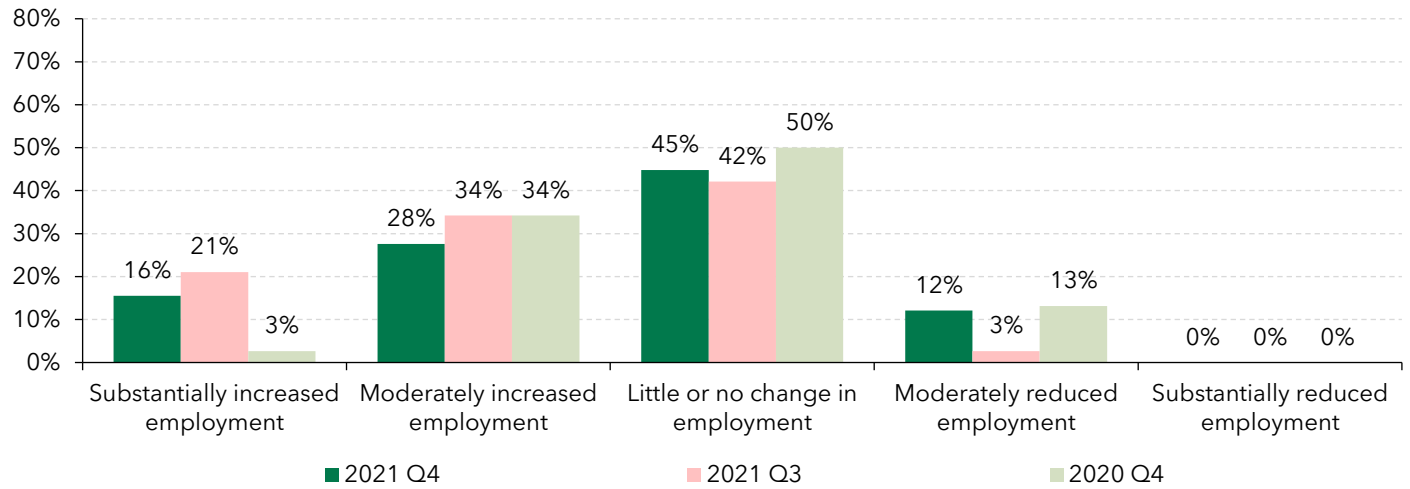
Figure 4 reports the expectations business executives have for the conditions in their own industry one year from now. The percent of surveyed executives who expect conditions in their industry to be moderately or substantially better in the next year was 69 percent compared to 77 percent in the last quarter and 74 percent a year ago. About 24 percent of the surveyed executives expected conditions to remain the same, up from 18 percent in the previous quarter. The proportion of executives expecting conditions to worsen was 7 percent, up from 5 percent the previous quarter. This was lower than the 16 percent recorded a year ago. Complete response counts can be found in Table 4.

Table 4: Future Industry Conditions						
What are your expectations for your own industry in Collier County one year ahead?						
Response	2021 Q4		2021 Q3		2020 Q4	
	Count	Percentage	Count	Percentage	Count	Percentage
Substantially better	10	17.2%	9	23.7%	4	10.5%
Moderately better	30	51.7%	20	52.6%	24	63.2%
Same	14	24.1%	7	18.4%	4	10.5%
Moderately worse	4	6.9%	2	5.3%	5	13.2%
Substantially worse	0	0.0%	0	0.0%	1	2.6%
Total Responses	58	100.0%	38	100.0%	38	100.0%

Source: Collier County Executive Business Climate Survey, conducted by the Regional Economic Research Institute between October 4th, 2021 and October 19th, 2021.

Figure 5: Current Hiring Trend

What has been your hiring trend over the last year?



Source: Collier County Executive Business Climate Survey, conducted by the Regional Economic Research Institute between October 4th, 2021 and October 19th, 2021.

Prepared by the Regional Economic Research Institute

What has been your hiring trend over the last year?

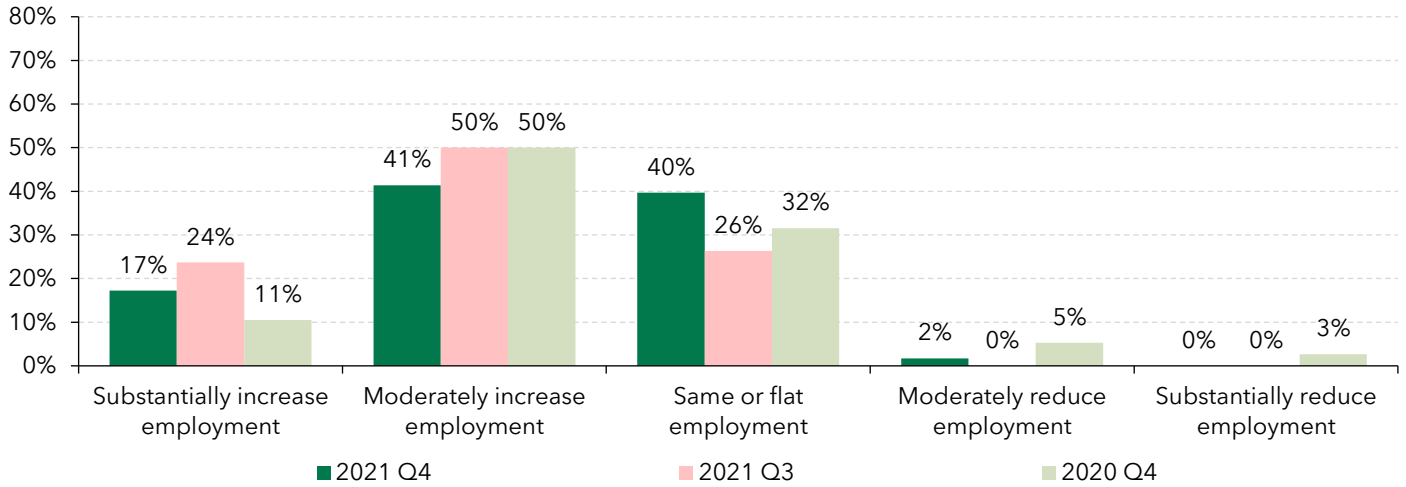
Figure 5 focuses on the current hiring trends of the surveyed executives. Survey responses of our executives showed a decline in the percentage of respondents that indicated they had increased employment. About 44 percent indicated employment increased, compared to 55 percent in the third quarter. About 45 percent of the business executives indicated little or no change in employment over the last year, higher than the 42 percent in the previous quarter but lower than the 50 percent in the fourth quarter of last year. The proportion of surveyed firms that said they reduced employment over the last year rose to 12 percent from 3 percent in the previous quarter. Complete response counts can be found in Table 5.

Table 5: Current Hiring Trend						
What has been your hiring trend over the last year?						
Response	2021 Q4		2021 Q3		2020 Q4	
	Count	Percentage	Count	Percentage	Count	Percentage
Substantially increased employment	9	15.5%	8	21.1%	1	2.6%
Moderately increased employment	16	27.6%	13	34.2%	13	34.2%
Little or no change in employment	26	44.8%	16	42.1%	19	50.0%
Moderately reduced employment	7	12.1%	1	2.6%	5	13.2%
Substantially reduced employment	0	0.0%	0	0.0%	0	0.0%
Total Responses	58	100.0%	38	100.0%	38	100.0%

Source: Collier County Executive Business Climate Survey, conducted by the Regional Economic Research Institute between October 4th, 2021 and October 19th, 2021.

Figure 6: Future Hiring Trend

What hiring trends do you see for your business over the next year?



Source: Collier County Executive Business Climate Survey, conducted by the Regional Economic Research Institute between October 4th, 2021 and October 19th, 2021.

Prepared by the Regional Economic Research Institute

What hiring trends do you see for your business over the next year?

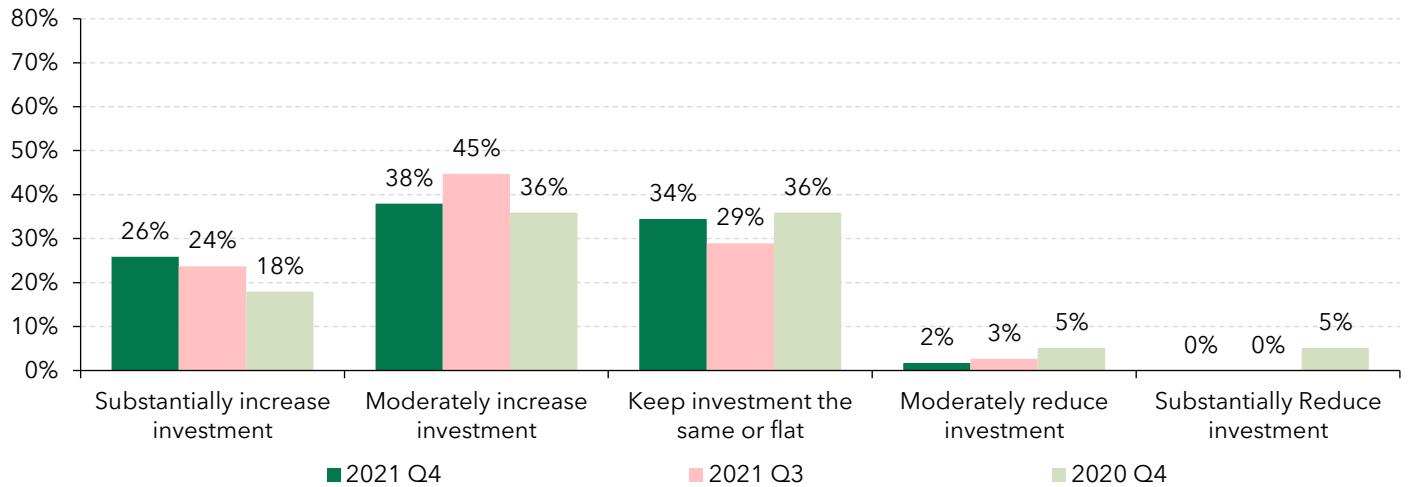
Figure 6 depicts an expectation of a slowdown in future hiring trends. Overall, the response outcome indicates that about 58 percent of the surveyed business executives plan to increase employment over the next year, compared to 74 percent in the previous quarter. This was also lower than the 61 percent last year. More executives plan to keep employment flat over the next year, as indicated by 40 percent of the respondents in the fourth quarter compared to 26 percent in the previous quarter. However, just 2 percent of the respondents indicated that they were planning to reduce employment, compared to 0 percent in the previous quarter and 8 percent a year ago. Complete response counts can be found in Table 6.

Table 6: Future Hiring Trend						
What hiring trends do you see for your business over the next year?						
Response	2021 Q4		2021 Q3		2020 Q4	
	Count	Percentage	Count	Percentage	Count	Percentage
Substantially increase employment	10	17.2%	9	23.7%	4	10.5%
Moderately increase employment	24	41.4%	19	50.0%	19	50.0%
Same or flat employment	23	39.7%	10	26.3%	12	31.6%
Moderately reduce employment	1	1.7%	0	0.0%	2	5.3%
Substantially reduce employment	0	0.0%	0	0.0%	1	2.6%
Total Responses	58	100.0%	38	100.0%	38	100.0%

Source: Collier County Executive Business Climate Survey, conducted by the Regional Economic Research Institute between October 4th, 2021 and October 19th, 2021.

Figure 7: Future Investment Trend

Do you plan to increase investment in your business during the next year?



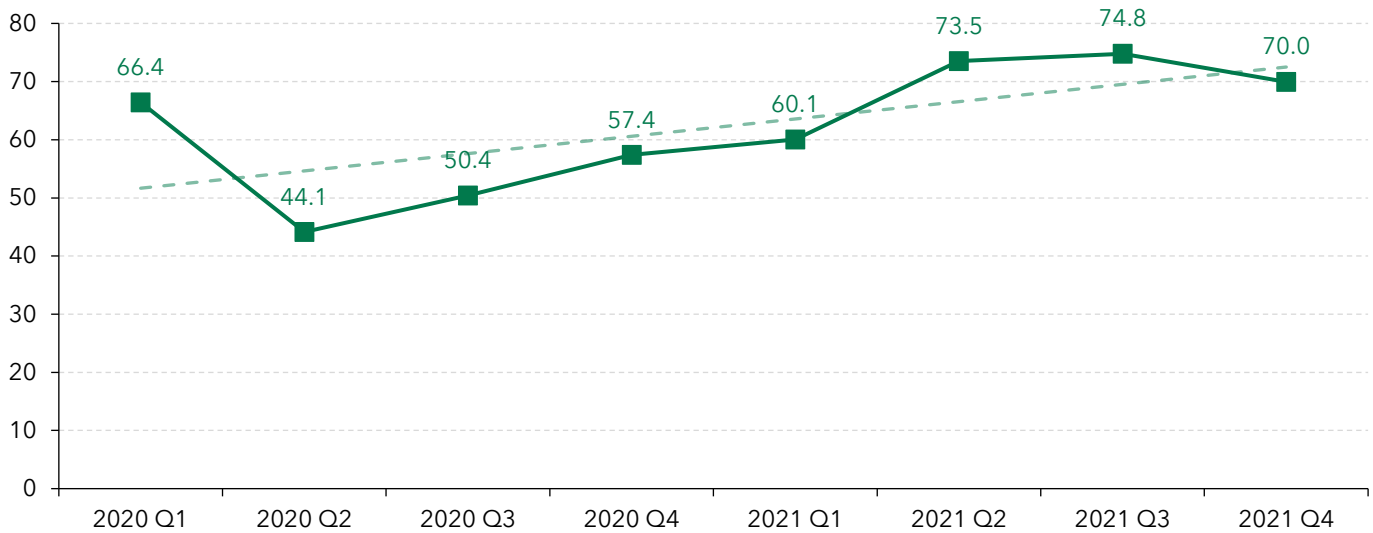
Source: Collier County Executive Business Climate Survey, conducted by the Regional Economic Research Institute between October 4th, 2021 and October 19th, 2021.
 Prepared by the Regional Economic Research Institute

Do you plan to increase investment in your business during the next year?

Figure 7 focuses on planned future investment by the surveyed respondents. Close to 64 percent of the surveyed executives expect to increase investment, moderately or substantially, over the next year, similar to the previous quarter and greater than the 54 percent reported in the fourth quarter of 2020. Thirty-four percent of the executives planned to keep their investment levels flat or the same over the next year, higher than the 29 percent in the previous quarter but lower than the 36 percent a year ago. Just 2 percent of respondents said they planned to reduce investment during the next 12 months, similar to the same as the previous quarter but lower than the 10 percent in the fourth quarter of 2020. Complete response counts can be found in Table 7.

Table 7: Future Investment Trend						
Do you plan to increase investment in your business during the next year?						
Response	2021 Q4		2021 Q3		2020 Q4	
	Count	Percentage	Count	Percentage	Count	Percentage
Substantially increase investment	15	25.9%	9	23.7%	7	17.9%
Moderately increase investment	22	37.9%	17	44.7%	14	35.9%
Keep investment the same or flat	20	34.5%	11	28.9%	14	35.9%
Moderately reduce investment	1	1.7%	1	2.6%	2	5.1%
Substantially Reduce investment	0	0.0%	0	0.0%	2	5.1%
Total Responses	58	100.0%	38	100.0%	39	100.0%

Source: Collier County Executive Business Climate Survey, conducted by the Regional Economic Research Institute between October 4th, 2021 and October 19th, 2021.

Figure 8: Executive Business Climate Index

Source: Collier County Executive Business Climate Survey, conducted by the Regional Economic Research Institute between October 4th, 2021 and October 19th, 2021.

Prepared by the Regional Economic Research Institute

Executive Business Climate Index

One of the key features of this survey is the calculation of an *Executive Business Climate Index*. This index value measures the current business climate in Collier County and is released quarterly to provide an economic indicator allowing one to gauge whether the business climate in Collier County is improving or declining. The *EBCI* is computed using the two questions concerning the current and future economic conditions (reported in Tables 1 and 2) and a third question concerning the expected industry economic conditions (reported in Table 4). The index is an average of the responses, with substantially better equal to 100, moderately better equal to 75, same equal to 50, moderately worse equal to 25 and substantially worse equal to zero. The index value can range from 0 to 100.

The index measured at 70 in the fourth quarter of 2021, the first decline since peaking at 74.8 in the previous quarter. All three components of the index showed declines in the fourth quarter of 2021. The index for Current Economic Conditions fell from 76.3 in the third quarter of this year to 71.1. Respondents in Collier County were also slightly less optimistic about future economic conditions in the fourth than in the third quarter of 2021, with the index dipping to 69.0 from 74.3, respectively. Optimism about future industry conditions started to disappear after the third quarter of 2021 when the index fell from 73.7 to 69.8. Complete results can be found in Table 8. A complete historical graphical representation of each of the components can be found in Appendix A.

Table 8: Executive Business Climate Index

Components	2020 Q1	2020 Q2	2020 Q3	2020 Q4	2021 Q1	2021 Q2	2021 Q3	2021 Q4
Current Economic Conditions	66.4	44.1	50.4	57.4	60.1	73.5	74.8	70.0
Future Economic Conditions	66.7	58.0	62.2	72.4	70.3	71.8	74.3	69.0
Future Industry Conditions	66.2	61.7	64.0	66.4	71.2	73.1	73.7	69.8
Executive Business Climate Index	66.4	44.1	50.4	57.4	60.1	73.5	74.8	70.0

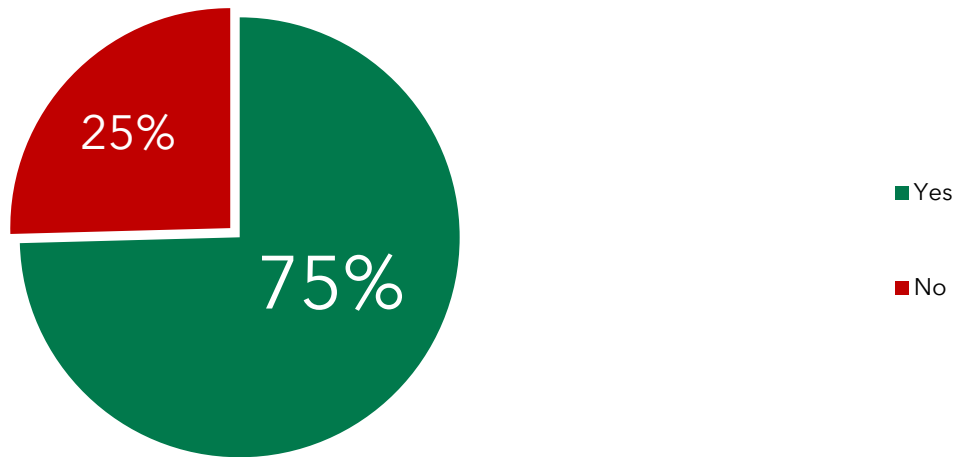
Source: Collier County Executive Business Climate Survey, conducted by the Regional Economic Research Institute between October 4th, 2021 and October 19th, 2021.

Special Topics

Each Executive Business Climate Survey contains a set of questions not asked on a recurring basis. These special topic questions highlight areas of importance to the economic development of our region with the intention of accessing the business community’s input and feedback to development officials, industry agents, and government officials. The present survey includes questions regarding rising health care costs in Southwest Florida.

Figure 9: Health Care Benefits

Does your business offer health care benefits to employees?



Source: Collier County Executive Business Climate Survey, conducted by the Regional Economic Research Institute between October 4th, 2021 and October 19th, 2021.

Prepared by the Regional Economic Research Institute

Does your business offer health care benefits to employees?

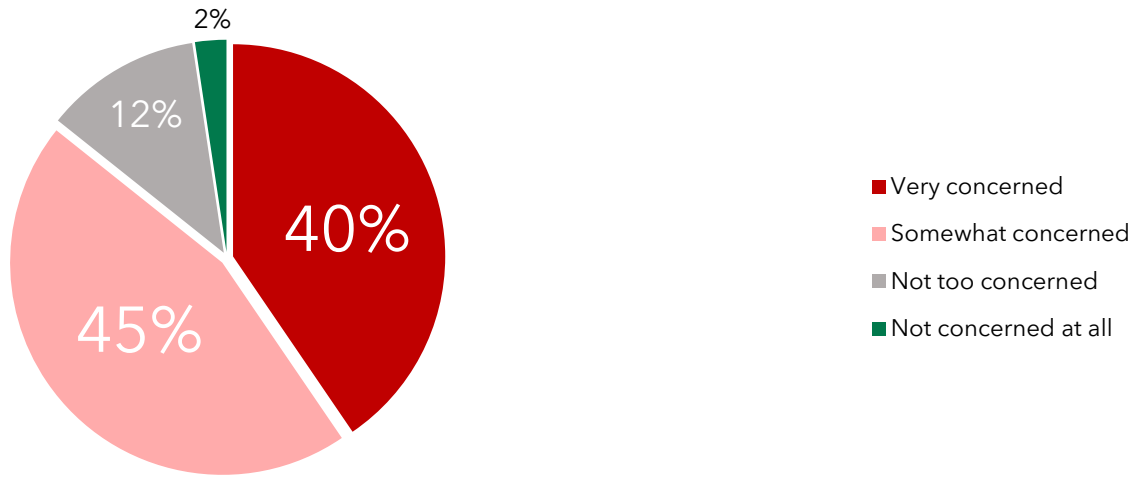
As shown in the table and the pie chart, 75 percent of the surveyed business executives indicated that they offer health care benefits to their employees. Complete results can be found in Table 9.

Table 9: Health Care Benefits		
Does your business offer health care benefits to employees?		
Response	Count	Percentage
Yes	44	74.6%
No	15	25.4%
Total Responses	59	100.0%

Source: Collier County Executive Business Climate Survey, conducted by the Regional Economic Research Institute between October 4th, 2021 and October 19th, 2021.

Figure 10: Profitability Concerns

How concerned are you about the effect of rising health care costs on your business' profitability over the next two years?



Source: Collier County Executive Business Climate Survey, conducted by the Regional Economic Research Institute between October 4th, 2021 and October 19th, 2021.
 Prepared by the Regional Economic Research Institute

How concerned are you about the effect of rising health care costs on your business' profitability over the next two years?

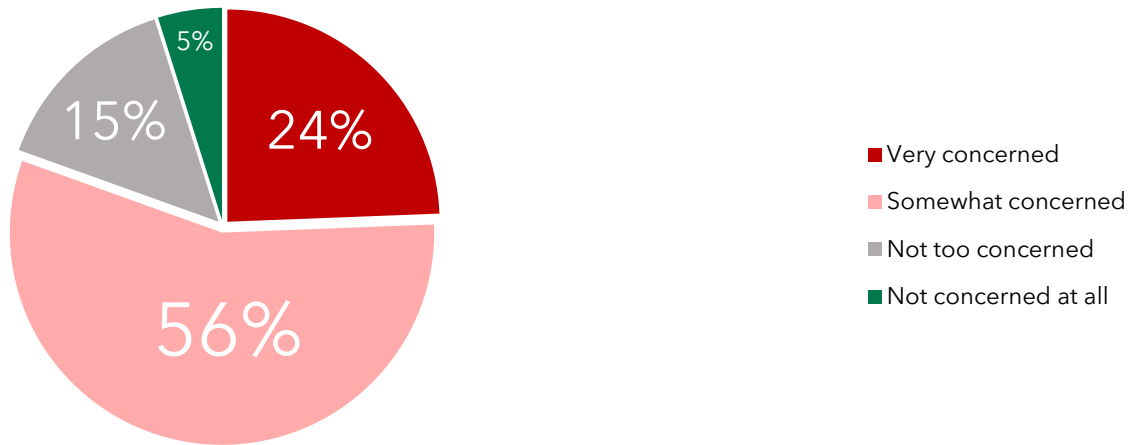
Surveyed executives were asked about the degree to which they were concerned about the effect of rising health care costs on their profits over the next two years. Forty percent of the respondents indicated they were very concerned and 45 percent were somewhat concerned. Just 12 percent indicated they were not too concerned and 2 percent indicated that they were not at all concerned. Complete results can be found in Table 10.

Table 10: Profitability Concerns		
How concerned are you about the effect of rising health care costs on your business' profitability over the next two years?		
Response	Count	Percentage
Very concerned	17	40.5%
Somewhat concerned	19	45.2%
Not too concerned	5	11.9%
Not concerned at all	1	2.4%
Total Responses	42	100.0%

Source: Collier County Executive Business Climate Survey, conducted by the Regional Economic Research Institute between October 4th, 2021 and October 19th, 2021.

Figure 11: Productivity Concerns

How concerned are you about the effect of rising health care costs on your workers' productivity over the next two years?



Source: Collier County Executive Business Climate Survey, conducted by the Regional Economic Research Institute between October 4th, 2021 and October 19th, 2021.
Prepared by the Regional Economic Research Institute

How concerned are you about the effect of rising health care costs on your workers' productivity over the next two years?

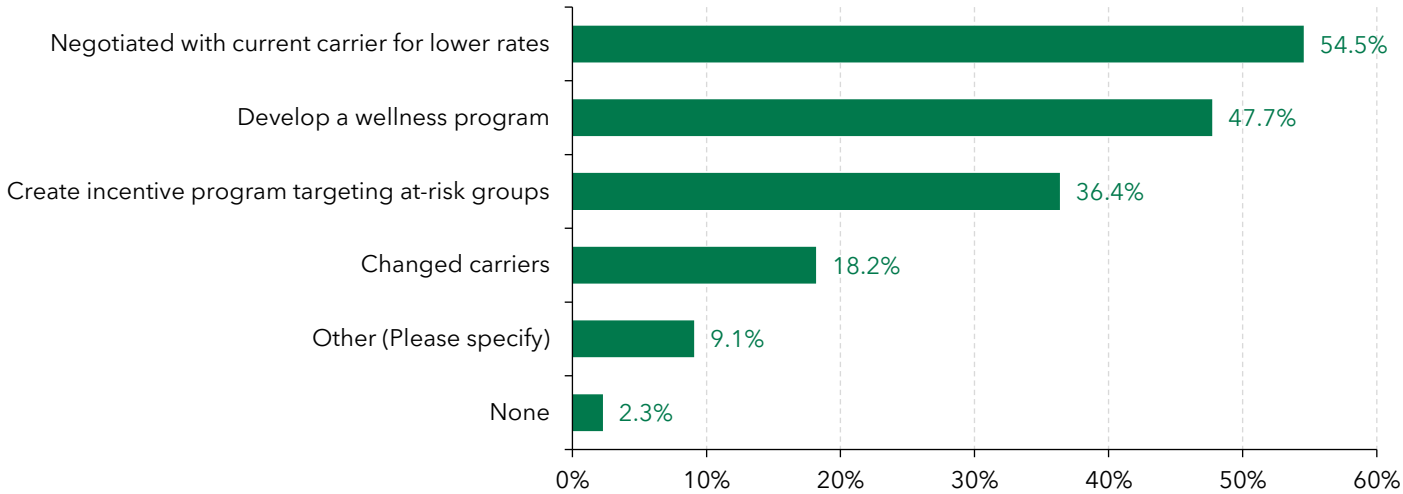
Surveyed executives were asked about the degree to which they were concerned about the effect of rising health care costs on their workers' productivity over the next two years. While just 24 percent indicated they were very concerned, 56 percent indicated they were somewhat concerned. About 15 percent were not too concerned and 5 percent indicated they were not at all concerned. Complete results can be found in Table 11.

Table 11: Productivity Concerns		
How concerned are you about the effect of rising health care costs on your workers' productivity over the next two years?		
Response	Count	Percentage
Very concerned	10	24.4%
Somewhat concerned	23	56.1%
Not too concerned	6	14.6%
Not concerned at all	2	4.9%
Total Responses	41	100.0%

Source: Collier County Executive Business Climate Survey, conducted by the Regional Economic Research Institute between October 4th, 2021 and October 19th, 2021.

Figure 12: Health Care Measures

What measures has your business taken to alleviate the health care costs for both workers and the business itself?



Source: Collier County Executive Business Climate Survey, conducted by the Regional Economic Research Institute between October 4th, 2021 and October 19th, 2021. Prepared by the Regional Economic Research Institute

What measures has your business taken to alleviate the health care costs for both workers and the business itself?

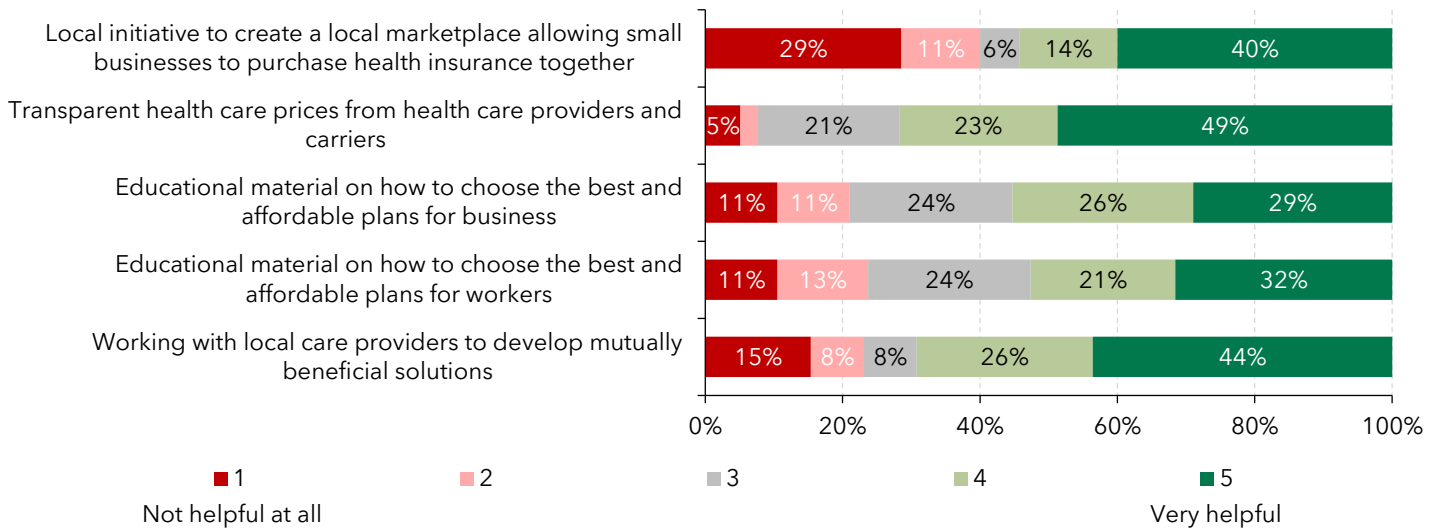
Figure 12 indicates the type of measures the surveyed business executives have taken to alleviate the increasing costs of health care. Almost 55 percent have negotiated for lower rates with their carriers. Close to 48 percent have developed wellness programs. About a third of the respondents (36 percent) created incentive programs targeted at specific risk groups. Eighteen percent have changed carriers to help alleviate health care costs. Only 2 percent have not taken any measures to alleviate health care costs. Complete results can be found in Table 12.

Table 12: Health Care Measures		
What measures has your business taken to alleviate the health care costs for both workers and the business itself?		
Response	Count	Percentage
Negotiated with current carrier for lower rates	24	54.5%
Develop a wellness program	21	47.7%
Create incentive program targeting at-risk groups	16	36.4%
Changed carriers	8	18.2%
Other (Please specify)	4	9.1%
None	1	2.3%
Total Responses	44	100.0%

Source: Collier County Executive Business Climate Survey, conducted by the Regional Economic Research Institute between October 4th, 2021 and October 19th, 2021.

Figure 13: Rising Cost Solutions

On a scale of 1 to 5, with one being not helpful at all and five being very helpful, what kind of impact do you expect the following solutions will have on curbing rising healthcare costs on your business?



Source: Collier County Executive Business Climate Survey, conducted by the Regional Economic Research Institute between October 4th, 2021 and October 19th, 2021.
 Prepared by the Regional Economic Research Institute

On a scale of 1 to 5, with one meaning not helpful at all and five meaning very helpful, how helpful would each of the following solution be to reduce health care costs for your business?

Figure 13 shows how helpful surveyed business executives found the various solutions for reducing health care costs. As indicated by the chart, there was no majority consensus on which of the five solutions was considered very helpful nor which was considered not helpful at all. Forty percent of the respondents found that the creation of a local marketplace that would provide small businesses choices in purchasing healthcare plans would be very helpful. Twenty-nine percent indicated this would not be helpful at all. Almost half of the respondents considered it to be very helpful having transparent health care prices from providers and carriers. About a third of the respondents found other solutions to be very helpful, such as being provided with educational material on choosing the best plans for the business as well as having such materials available for their employees. Less than 12 percent found each of these solutions not helpful at all. Forty-four percent of the respondents indicated that working with local care providers to develop mutually beneficial solutions to be very helpful. Complete results can be found in Table 13.

Table 13: Rising Cost Solutions

On a scale of 1 to 5, with one meaning not helpful at all and five meaning very helpful, how helpful would each of the following solution be to reduce health care costs for your business?

Solution	Not helpful at all				Very helpful
	1	2	3	4	5
Local initiative to create a local marketplace allowing small businesses to purchase health insurance together					
Count	10	4	2	5	14
Percentage	28.6%	11.4%	5.7%	14.3%	40.0%
Transparent health care prices from health care providers and carriers					
Count	2	1	8	9	19
Percentage	5.1%	2.6%	20.5%	23.1%	48.7%
Educational material on how to choose the best and affordable plans for business					
Count	4	4	9	10	11
Percentage	10.5%	10.5%	23.7%	26.3%	28.9%
Educational material on how to choose the best and affordable plans for workers					
Count	4	5	9	8	12
Percentage	10.5%	13.2%	23.7%	21.1%	31.6%
Working with local care providers to develop mutually beneficial solutions					
Count	6	3	3	10	17
Percentage	15.4%	7.7%	7.7%	25.6%	43.6%

Source: Collier County Executive Business Climate Survey, conducted by the Regional Economic Research Institute between October 4th, 2021 and October 19th, 2021.

Comments, Suggestions, and Recommendations

At the end of each survey, business executives are given the opportunity to provide any general comments they have about the local economy. Below is a list of the general topics on which the business executives commented.

- Labor Market
- Economic Conditions
- Other

Executive responses to this question are found in Appendix B.

Company Characteristics

Each executive provided information about his or her firm, including:

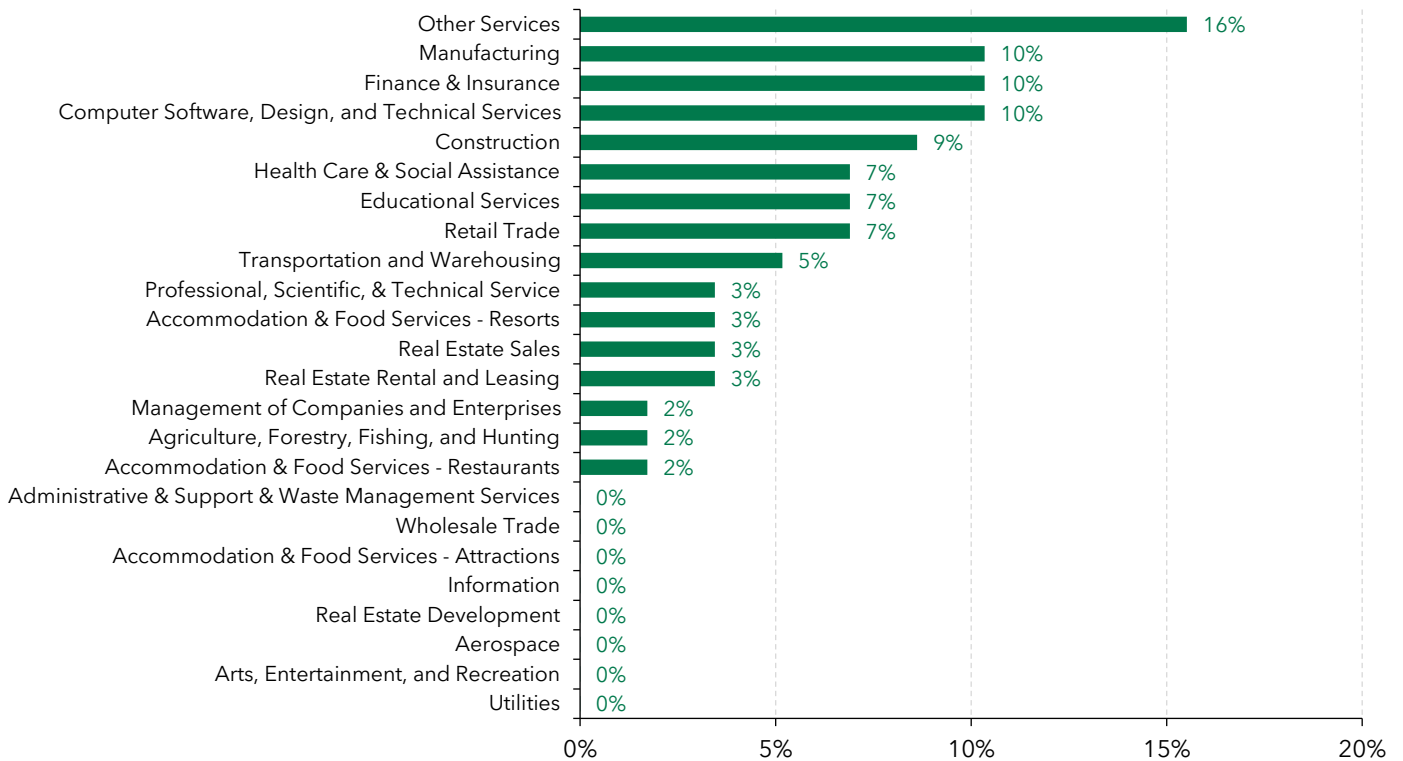
- Business Type;
- Number of Employees;
- Company Location; and
- Geographic Client Base.

The following figures provide an overview of general characteristics of the responding companies.

What type of business or industry best describes your company?

Figure 14: Business Type

What type of business or industry best describes your company?



Source: Collier County Executive Business Climate Survey, conducted by the Regional Economic Research Institute between October 4th, 2021 and October 19th, 2021.

Prepared by the Regional Economic Research Institute

Figure 14 shows the percentage of representation by type of industry that characterizes the responding business executives. "Other Services" were represented by 18 percent, followed by the manufacturing, finance and insurance and computer software design industries with 10 percent each. Construction represented 9 percent, while health care, educational services and retail trade each were represented by 7 percent. The rest of the industries, shown on the chart were represented by 5 percent and less. Complete breakdown by type of industry can be found in Table 14.

Table 14: Business Type

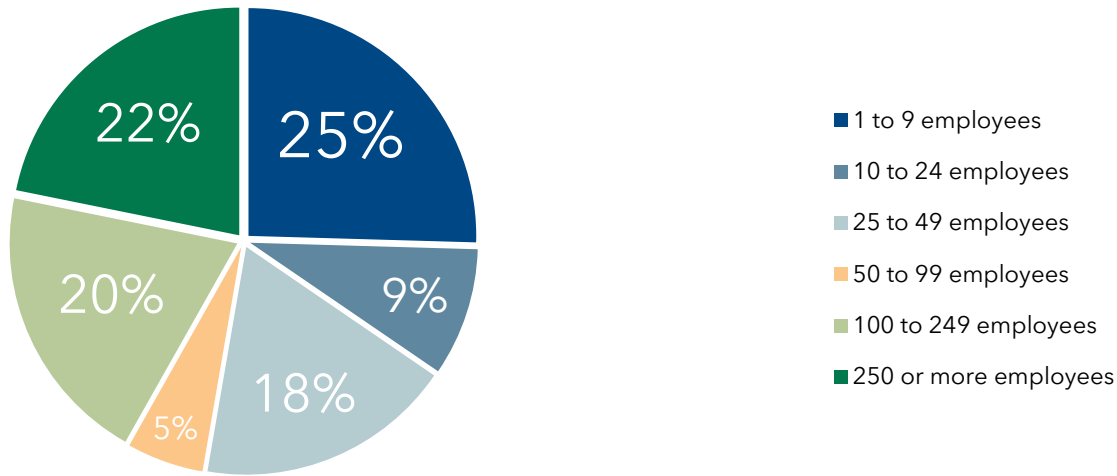
What type of business or industry best describes your company?

Response	Count	Percentage
Other Services	9	15.5%
Manufacturing	6	10.3%
Finance & Insurance	6	10.3%
Computer Software, Design, and Technical Services	6	10.3%
Construction	5	8.6%
Health Care & Social Assistance	4	6.9%
Educational Services	4	6.9%
Retail Trade	4	6.9%
Transportation and Warehousing	3	5.2%
Professional, Scientific, & Technical Service	2	3.4%
Accommodation & Food Services - Resorts	2	3.4%
Real Estate Sales	2	3.4%
Real Estate Rental and Leasing	2	3.4%
Management of Companies and Enterprises	1	1.7%
Agriculture, Forestry, Fishing, and Hunting	1	1.7%
Accommodation & Food Services - Restaurants	1	1.7%
Administrative & Support & Waste Management Services	0	0.0%
Wholesale Trade	0	0.0%
Accommodation & Food Services - Attractions	0	0.0%
Information	0	0.0%
Real Estate Development	0	0.0%
Aerospace	0	0.0%
Arts, Entertainment, and Recreation	0	0.0%
Utilities	0	0.0%
Total Responses	58	100.0%

Source: Collier County Executive Business Climate Survey, conducted by the Regional Economic Research Institute between October 4th, 2021 and October 19th, 2021.

Figure 15: Number of Employees

What is the size of your firm?



Source: Collier County Executive Business Climate Survey, conducted by the Regional Economic Research Institute between October 4th, 2021 and October 19th, 2021.

Prepared by the Regional Economic Research Institute

What is the size of your firm?

Figure 15 shows the business executives categorized by the number of employees in their firms. About 25 percent of surveyed executives were of firms that employed less than ten employees, 9 percent of the firms employed between 10 to 24 employees and 18 percent employed between 25 to 49 employees. Five percent were firms that employed between 50 and 99 employees, and 20 percent of firms employed between 100 to 249 employees. Twenty-two percent of surveyed executives were with firms that employed 250 employees or more. Complete response counts can be found in Table 15.

Table 15: Number of Employees

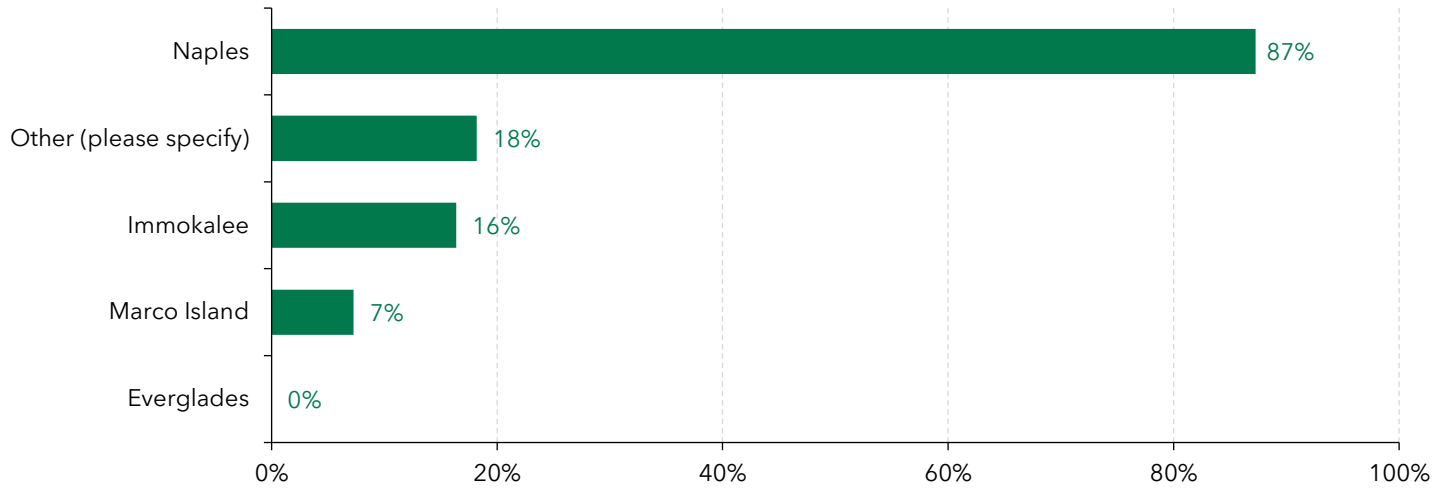
What is the size of your firm?

Response	Count	Percentage
1 to 9 employees	14	25.5%
10 to 24 employees	5	9.1%
25 to 49 employees	10	18.2%
50 to 99 employees	3	5.5%
100 to 249 employees	11	20.0%
250 or more employees	12	21.8%
Total Responses	55	100.0%

Source: Collier County Executive Business Climate Survey, conducted by the Regional Economic Research Institute between October 4th, 2021 and October 19th, 2021.

Figure 16: Company Locations

Where is your firm physically located?



Source: Collier County Executive Business Climate Survey, conducted by the Regional Economic Research Institute between October 4th, 2021 and October 19th, 2021.

Prepared by the Regional Economic Research Institute

Where is your firm physically located?

Figure 16 shows where firms of surveyed business executives operated. Business executives were allowed to select all locations in which their firms had operations. Eighty-seven percent of the surveyed executives reported having physical locations of their firms in Naples, while 16 percent stated their firm was physically located in Immokalee. Approximately 7 percent of firms were located in Marco Island, and 18 percent were located somewhere else not listed. Complete response counts can be found in Table 16.

Table 16: Company Locations

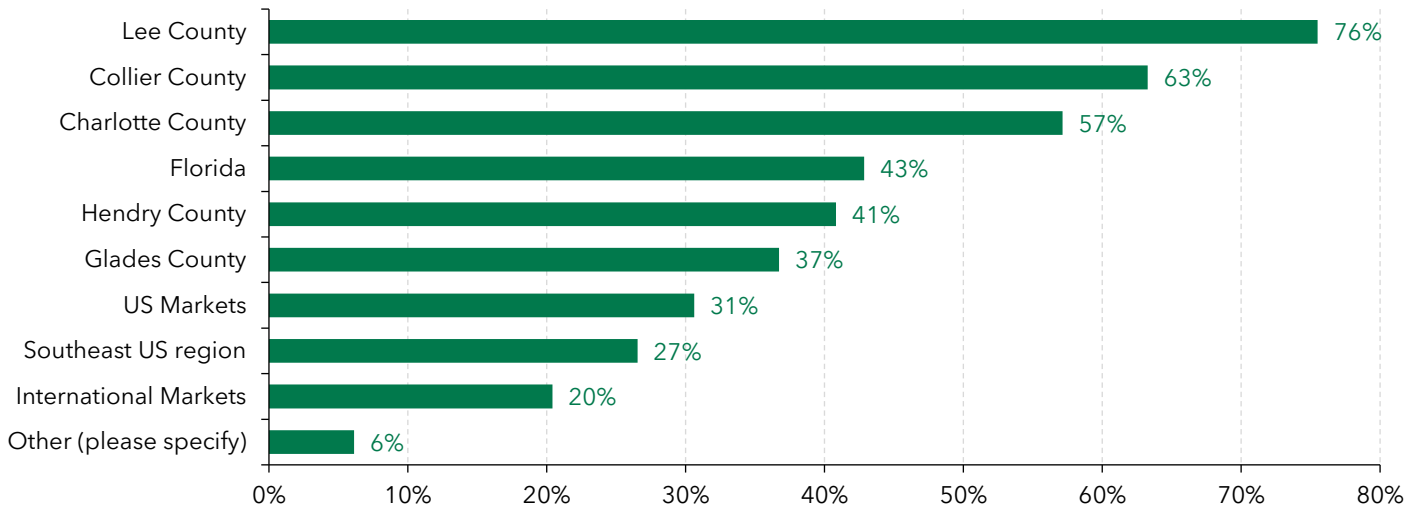
Where is your firm physically located?

Response	Count	Percentage
Naples	48	87.3%
Other (please specify)	10	18.2%
Immokalee	9	16.4%
Marco Island	4	7.3%
Everglades	0	0.0%

Source: Collier County Executive Business Climate Survey, conducted by the Regional Economic Research Institute between October 4th, 2021 and October 19th, 2021.

Figure 17: Geographic Client Base

What areas comprise your geographic client base?



Source: Collier County Executive Business Climate Survey, conducted by the Regional Economic Research Institute between October 4th, 2021 and October 19th, 2021.

Prepared by the Regional Economic Research Institute

What areas comprise your geographic client base?

Figure 17 shows the geographic client base for the firms of surveyed business executives. Business executives were allowed to select all geographical areas in which their firm had a client base. Lee County accounted for 76 percent of their client base, Collier County accounted for 63 percent of the surveyed executives’ client base. Charlotte County had 57 percent, Hendry County had 41 percent, and Glades County accounted for 37 percent. Florida was the geographical client base for 43 percent of the firms, while the Southeast U.S. region was the geographical client base for 27 percent of surveyed executives. Thirty-one percent of the client base for these firms was in all U.S. markets and 20 percent was in international markets. Complete response counts can be found in Table 17.

Table 17: Geographic Client Base

What areas comprise your geographic client base?

Response	Count	Percentage
Collier County	44	80.0%
Lee County	26	47.3%
US Markets	21	38.2%
Florida	14	25.5%
International Markets	11	20.0%
Charlotte County	10	18.2%
Hendry County	9	16.4%
Southeast US region	8	14.5%
Glades County	7	12.7%
Other (please specify)	5	9.1%

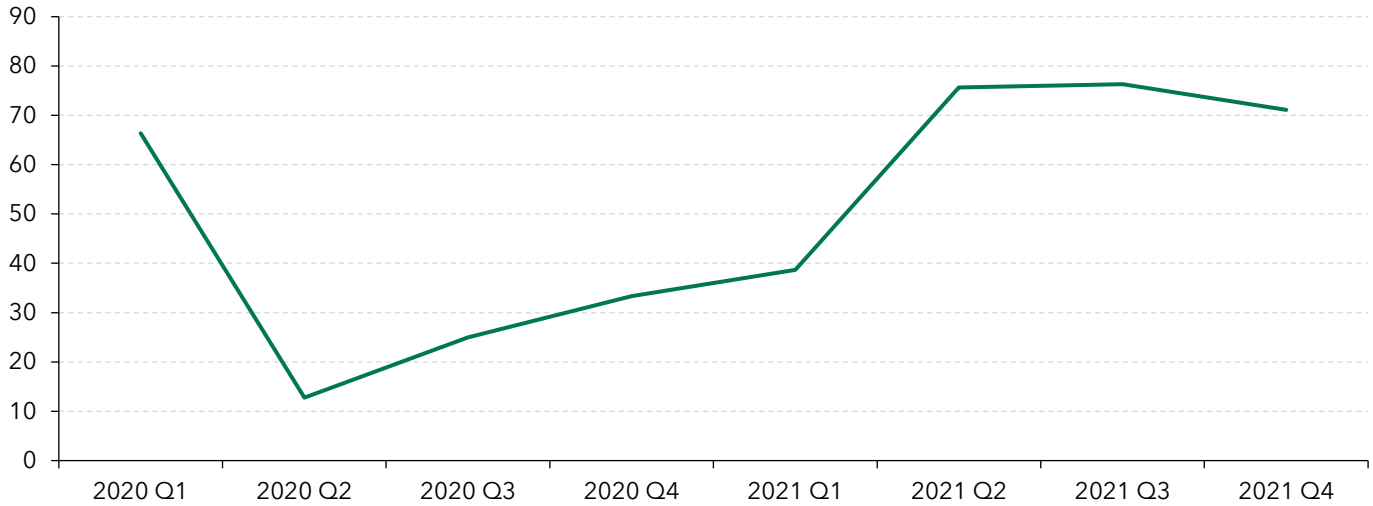
Source: Collier County Executive Business Climate Survey, conducted by the Regional Economic Research Institute between October 4th, 2021 and October 19th, 2021.

Appendix A. Historical Trends

Historical trends of the seven recurring questions asked in each Executive Business Climate Survey can be found in this section.

Figure 18: Current Economic Conditions

How are the current Collier County economic conditions compared to a year ago?

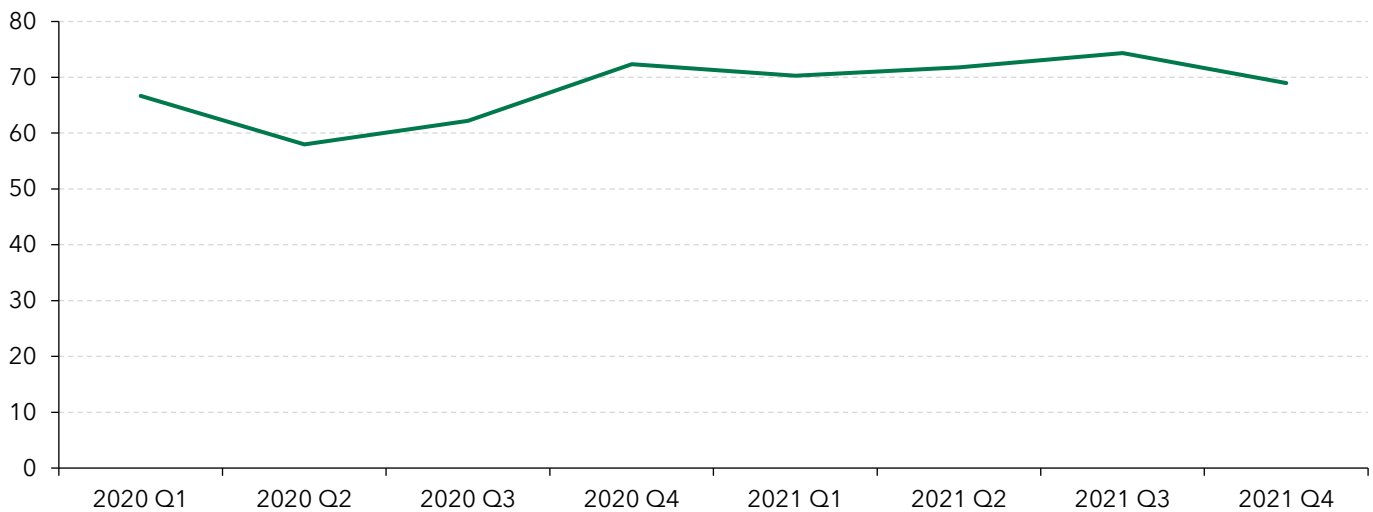


Source: Collier County Executive Business Climate Survey, conducted by the Regional Economic Research Institute between October 4th, 2021 and October 19th, 2021.

Prepared by the Regional Economic Research Institute

Figure 19: Future Economic Conditions

What are your expectations for the Collier County economy one year ahead?

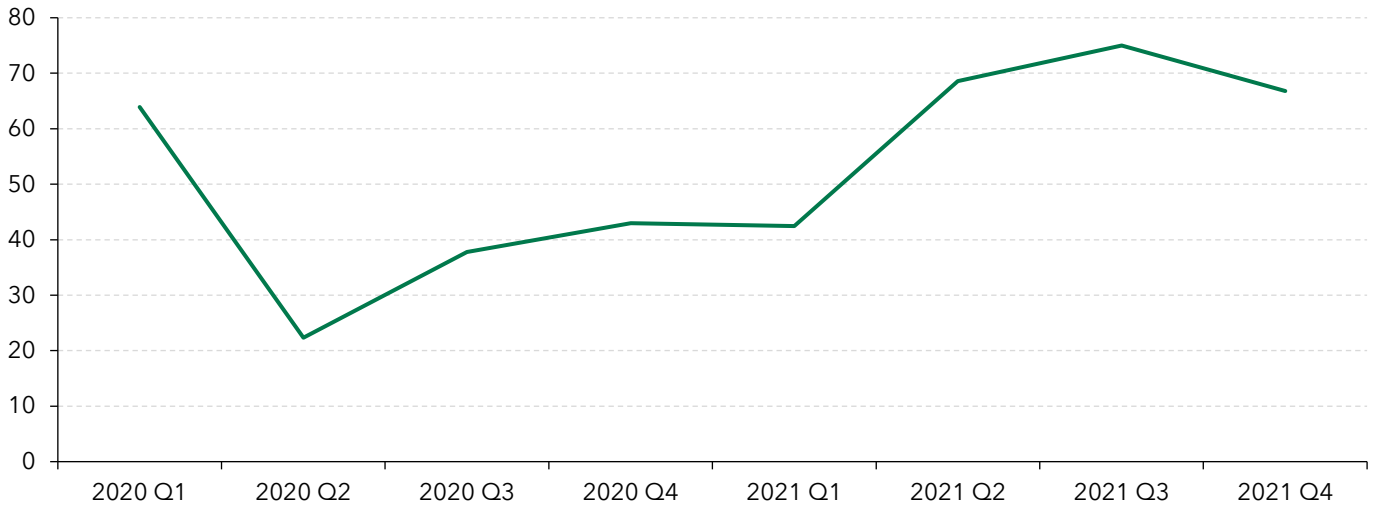


Source: Collier County Executive Business Climate Survey, conducted by the Regional Economic Research Institute between October 4th, 2021 and October 19th, 2021.

Prepared by the Regional Economic Research Institute

Figure 20: Current Industry Conditions

What are the current conditions in your industry in Collier County compared to one year ago?

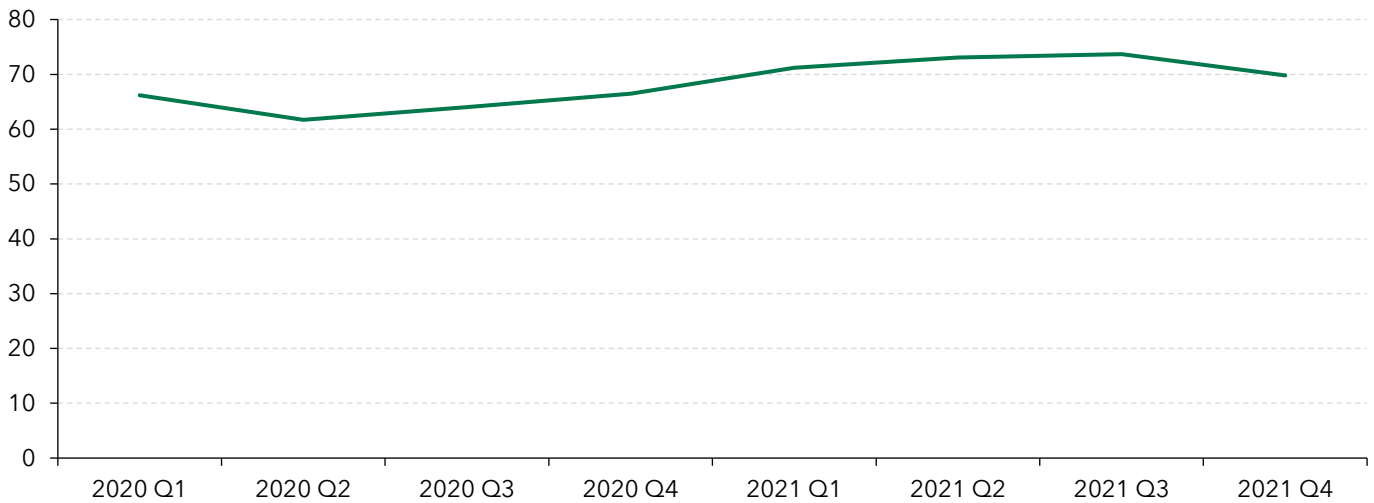


Source: Collier County Executive Business Climate Survey, conducted by the Regional Economic Research Institute between October 4th, 2021 and October 19th, 2021.

Prepared by the Regional Economic Research Institute

Figure 21: Future Industry Conditions

What are your expectations for your own industry in Collier County one year ahead?

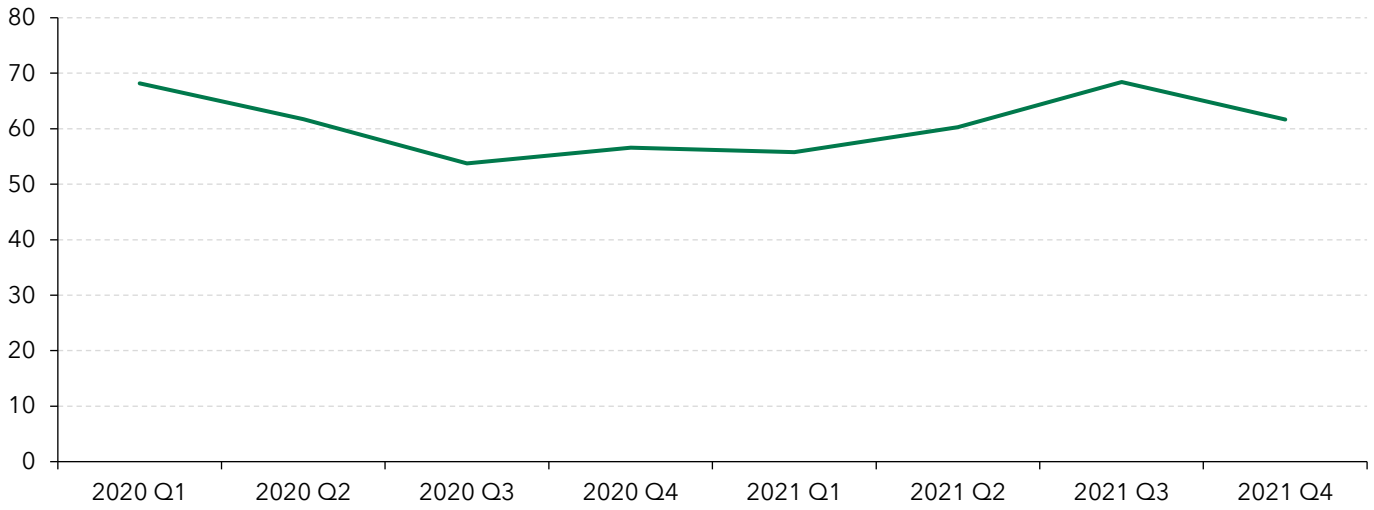


Source: Collier County Executive Business Climate Survey, conducted by the Regional Economic Research Institute between October 4th, 2021 and October 19th, 2021.

Prepared by the Regional Economic Research Institute

Figure 22: Current Hiring Trends

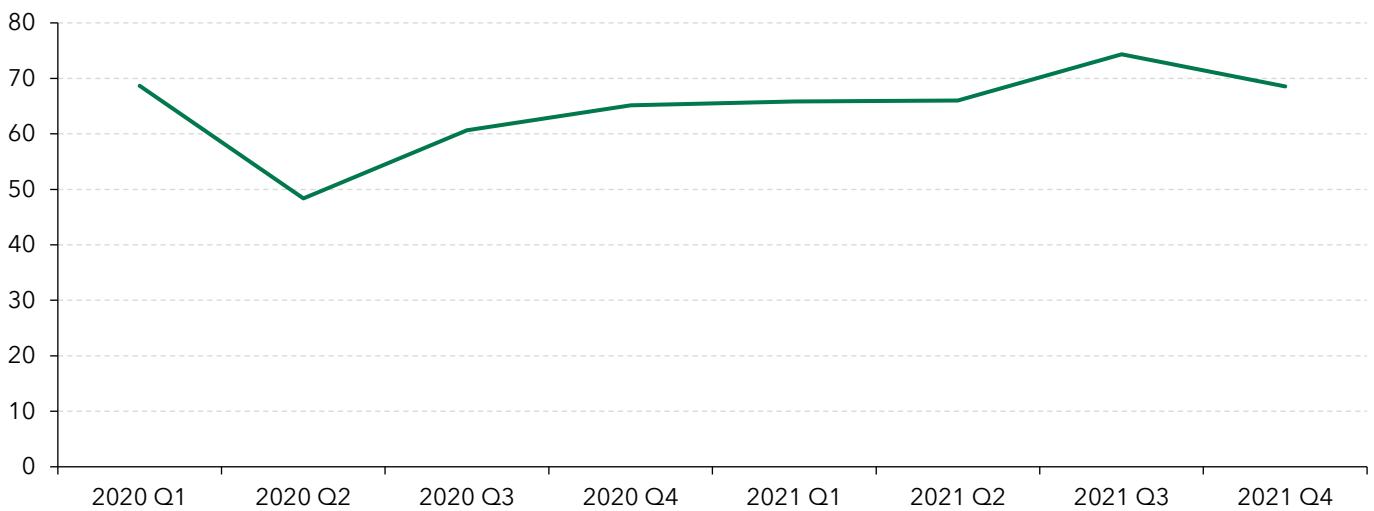
What has been your hiring trend over the last year?



Source: Collier County Executive Business Climate Survey, conducted by the Regional Economic Research Institute between October 4th, 2021 and October 19th, 2021.
Prepared by the Regional Economic Research Institute

Figure 23: Future Hiring Trends

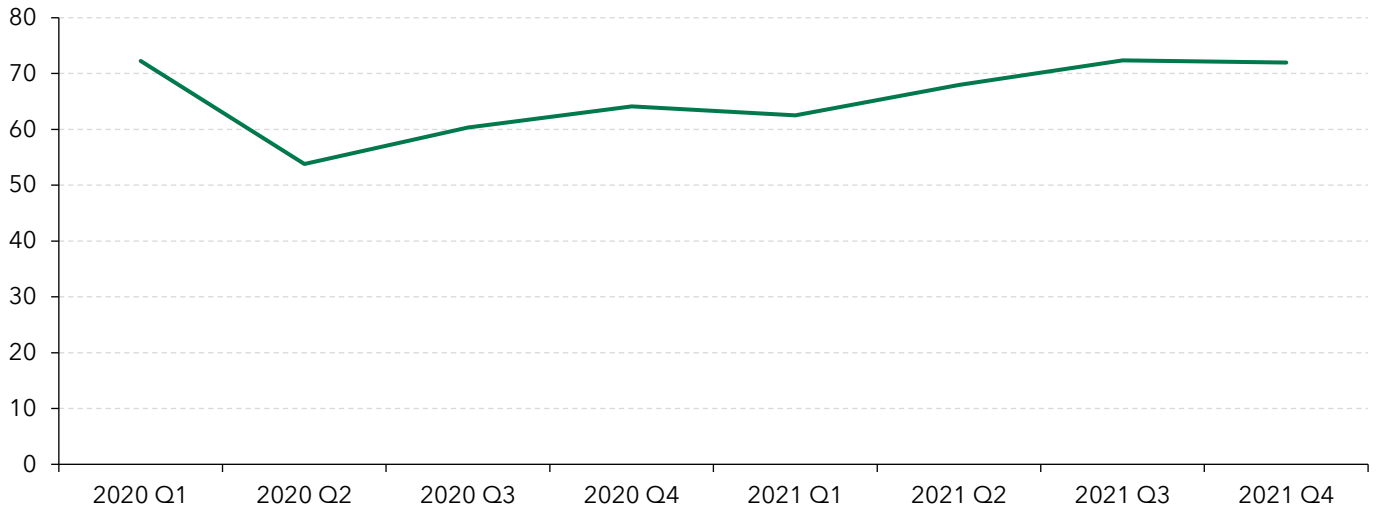
What hiring trends do you see for your business over the next year?



Source: Collier County Executive Business Climate Survey, conducted by the Regional Economic Research Institute between October 4th, 2021 and October 19th, 2021.
Prepared by the Regional Economic Research Institute

Figure 24: Future Investment Trends

Do you plan to increase investment in your business during the next year?



Source: Collier County Executive Business Climate Survey, conducted by the Regional Economic Research Institute between October 4th, 2021 and October 19th, 2021.

Prepared by the Regional Economic Research Institute

Appendix B. Full Comments

The following lists include specific responses from the executives for the following question:

Please indicate any other comments, suggestions, or recommendations you would like to make regarding the regional economy or your business.

Labor Market

- Not enough people in the area willing to work which puts a strain on everyone who is working.
- We are always looking for good candidates to hire.
- Entry level staffing is non-existent - we can't find any labor workers.
- While our business model is different than all listed. Our main concern is the finding employees we have several open positions with no applicants.

Economic Conditions

- Our demand is very high at the moment. Our issues are accessibility of labor, and supply chain constraints that are keeping us from getting the raw materials that we need.
- Workforce housing - we cannot find staff nor can anyone else. We have no ability to increase prices due to managed care and state contracts which refuse to pay more. Thus, with limited revenue we cannot compete with others who are able to increase prices to pay for increased cost of doing business.
- The economy in SWFL is the same as it has been for 60 plus years, construction and tourism feeding the boom bust cycle that has followed almost every 7 years. If SWFL is to prosper, we need to attract talent, opportunity, diversify, incentivize, and get away from the concentration of ownership and industry.
- The "global" economy impacts are VERY concerning. The impacts of higher cost materials and products, the increasing scarcity of products, materials and labor are extremely concerning. The increasing costs of fuel and wages without the ability to produce products is frightening.
- COVID-19 is still present and is having an impact on the economy.

Other

- Collier County needs an EDC like Lee.
- The families we serve in Immokalee are still in critical need financially.
- We would like to see our roads fixed so our fire trucks won't break down so soon.
- We need Affordable housing or build more friendly apartments. About half of our workers don't live here.



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