

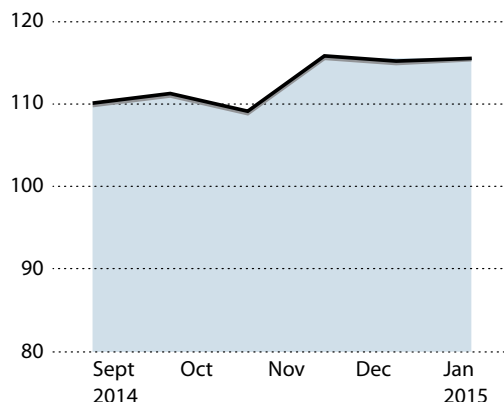
Optimism remains steadfast.

A survey of 830 small business CEOs found that optimism about the US economy continues to be at a higher level than at any other point since the survey began in June 2012. The WSJ/Vistage Small Business CEO Confidence Index was 115.5 in the January 2015 survey, almost even with December's 115.0 and November's 115.6. The steadfast optimism of small firms despite the slowdown in the global economy indicates a deepening sense of confidence in their prospects for the U.S. economy. Importantly, the small changes indicate that firms believe that the economy has continued to improve, and those gains have pushed their profit expectations to record levels.

Although the declines in gas prices could be expected to lower costs for firms as well as increase the discretionary incomes of their customers, the data has yet to reflect the substantial declines in oil prices. Small firms know that trends in gas prices are volatile and are not yet convinced that gas prices will remain at lower levels for a long enough time period for them to adjust their business plans. Other than for firms involved in the oil industry, firms will increasingly realize the benefits from the declines in gas and fuel oil prices. Overall, the data indicate that small business expect a stronger economy, and a tighter labor market during the year ahead that will continue to exert upward pressures on wages and benefits to attract employees.

—Analysis provided by Dr. Richard Curtin, University of Michigan

WSJ/Vistage Small Business CEO Confidence Index



Visit vistageindex.com to see the interactive tool and view results from previous months.

Question	Answer	Respondents	
1. Compared with a year ago, have overall economic conditions in the United States improved, remained the same, or worsened?	Improved	558	67%
	Remained about the same	237	29%
	Worsened	30	4%
	Don't know/No opinion	5	1%
2. During the next 12 months, do you expect the overall economic conditions in the U.S. will be better, about the same, or worse than now?	Better	387	47%
	About the same	373	45%
	Worse	59	7%
	Don't know/No opinion	11	1%

Question	Answer	Respondents	
		#	%
3. Are your firm's total fixed investment expenditures likely to increase, remain about the same, or decrease during the next 12 months?	Increase	407	49%
	Remain the same	345	42%
	Decrease	67	8%
	Don't know/No opinion	11	1%
4. Do you anticipate that your firm's sales revenues will increase, remain about the same, or decrease during the next 12 months?	Increase	667	80%
	Remain the same	115	14%
	Decrease	41	5%
	Don't know/No opinion	7	1%
5. Do you expect your firm's profitability to improve, remain about the same, or worsen during the next 12 months?	Improve	536	65%
	Remain the same	220	27%
	Worsen	66	8%
	Don't know/No opinion	8	1%
6. Do you expect your firm's total number of employees will increase, remain about the same, or decrease during the next 12 months?	Increase	515	62%
	Remain the same	270	33%
	Decrease	39	5%
	Don't know/No opinion	6	1%
7. Will your business be impacted by any new state or municipal regulations that became effective in January 2015?	Yes	156	19%
	No	345	42%
	Not sure	324	39%
	Skipped	2	0%

Question	Answer	Respondents	
		#	%
8. First popularized by former CEO of GE Jack Welch, reverse mentoring is a mentoring relationship in which senior leaders learn from younger and front-line employees (to get up-to-speed in areas like technology and social media, for example). Does your organization offer a reverse mentoring program (or structured mentor/mentee program)?	Yes, we've offered this program for several years	40	5%
	Yes, we just launched a reverse mentoring program	13	2%
	No, but we're considering starting one	139	17%
	No	595	72%
	Skipped	2	0%
	Other	41	5%
	9. What are some of the benefits from the reverse mentoring program?	Better understanding of new technology	260
Better knowledge of consumer		126	9%
Break down silos		200	14%
Gain and transfer skills between both parties		316	22%
Empowers both parties		262	18%
Skipped		269	18%
Other		28	2%
10. During your company's last fiscal year, what was its total employment?	1-9 employees	66	8%
	10-19 employees	146	18%
	20-49 employees	331	40%
	50-99 employees	178	21%
	100-499 employees	103	12%
	500-999 employees	3	0%
	1000-4999 employees	1	0%
	5000-9999 employees	1	0%
	None	1	0%

WSJ | VISTAGE

Small Business CEO Survey

A monthly survey measuring the sentiment of U.S. small business CEOs and owners about the economy.

Visit vantageindex.com to view an interactive tool with full results from previous months.