

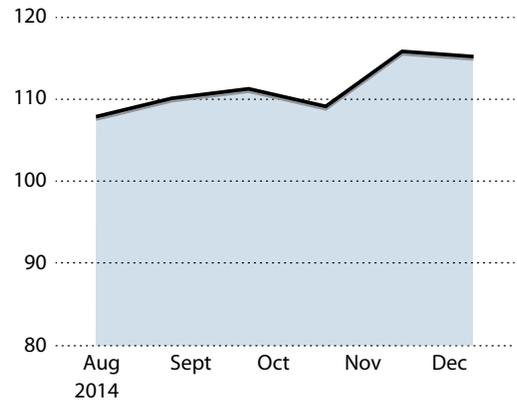
## Optimism remains high.

Optimism among small firms in December remained near its highest level since the WSJ/Vistage Small Business CEO survey began nearly two and a half years ago. The WSJ/Vistage Small Business CEO Confidence Index was 115.0 in the December 2014 survey, well above last December's 108.4. The Confidence Index was higher in the last two months than in any prior survey.

Following the rapid rise during the past six months, the latest data suggest a period of consolidation as small firms adjust to recent changes in the domestic and international economic conditions. While the data were collected after the start of the rapid declines in gas prices and following the passage of the federal budget, the data collection largely ended before the recent Fed announcement that effectively delayed interest rate hikes. Overall, the data certainly indicates that small business expects a stronger economy during the year ahead. More importantly, a much tighter labor market than many had previously anticipated is likely to continue to exert upward pressures on wages.

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

### WSJ/Vistage Small Business CEO Confidence Index



Visit [vistageindex.com](http://vistageindex.com) to see the interactive tool and view results from previous months.

| Question  | Answer                | Respondents |     |
|---|-----------------------|-------------|-----|
|   |                       | #           | %   |
| <b>1. Compared with a year ago, have overall economic conditions in the U.S. improved, remained the same, or worsened?</b>                        | Improved              | 511         | 62% |
|   | About the same        | 286         | 34% |
|   | Worsened              | 33          | 4%  |
| <b>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?</b> | Better                | 400         | 48% |
|   | About the same        | 369         | 44% |
|   | Worse                 | 55          | 7%  |
|   | Don't know/No opinion | 6           | 1%  |

| Question  | Answer   | Respondents |     |
|---|--|-------------|-----|
|   |  | #           | %   |
| <b>3. Are your firm's total fixed investment expenditures likely to increase, remain about the same, or decrease during the next 12 months?</b> | Increase                                       | 416         | 50% |
|   | About the same                                 | 338         | 41% |
|   | Decrease                                       | 71          | 9%  |
|   | Don't know/No opinion                          | 5           | 1%  |
| <b>4. Do you anticipate that your firm's sales revenues will increase, remain about the same, or decrease for the next 12 months?</b>           | Increase                                       | 657         | 79% |
|   | About the same                                 | 136         | 16% |
|   | Decrease                                       | 31          | 4%  |
|   | Don't know/No opinion                          | 6           | 1%  |
| <b>5. Do you expect your firm's profitability to improve, remain about the same, or worsen during the next 12 months?</b>                       | Improve  | 508         | 61% |
|   | About the same                                 | 262         | 32% |
|   | Worsen   | 55          | 7%  |
|   | Don't know/No opinion                          | 5           | 1%  |
| <b>6. Do you expect your firm's total number of employees will increase, remain about the same, or decrease during the next 12 months?</b>      | Increase                                       | 520         | 63% |
|   | About the same                                 | 279         | 34% |
|   | Decrease                                       | 28          | 3%  |
|   | Don't know/No opinion                          | 3           | 0%  |
| <b>7. What is the biggest issue your business faces in hiring new employees?</b>  | Lack of skilled applicants                     | 249         | 30% |
|   | Locating talent                                | 320         | 39% |
|   | No HR department to manage recruitment efforts | 103         | 12% |
|   | None of the above                              | 120         | 14% |
|   | Skipped  | 6           | 1%  |
|   | Other  | 32          | 4%  |

| Question  | Answer   | Respondents |     |
|---|--|-------------|-----|
|   |  | #           | %   |
| <b>8. Which of the following issues will most impact your business in 2015 (either positive or negative)?</b> | Healthcare reform  | 332         | 37% |
|   | Immigration reform   | 51          | 6%  |
|   | Minimum wage increases   | 85          | 10% |
|   | None of the above  | 371         | 41% |
|   | Skipped  | 12          | 1%  |
|   | Other  | 43          | 5%  |
|   | <b>9. During your company's last fiscal year, what was its total employment?</b> | 0 employees | 1   |
| 1-9 employees   |  | 64          | 8%  |
| 10-19 employees   |  | 152         | 18% |
| 20-49 employees   |  | 334         | 40% |
| 50-99 employees   |  | 194         | 23% |
| 100-499 employees   |  | 80          | 10% |
| 500-999 employees   |  | 4           | 0%  |
| 5000-9999 employees   |  | 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](https://vantageindex.com) to view an interactive tool with full results from previous months.