

Significant Trends Summary Northeast Region Report

The following highlights reflect the National Business Trends Survey responses of 243 organizations.

Notes: All of the following percentages in this summary have been rounded to the nearest whole %; the largest industry group represented in this survey is manufacturing (29%); 83% of the responding organizations are for profit and 73% are privately held; and 65% of the survey participants operate with fewer than 250 employees.

- Executives expect the overall outlook for the 2019 economy to be about the same (60%) or better (28%) compared to 2018.
- When describing their business outlook for 2019, 73% of the executives project slight to significant increases in sales/revenue. For 2018, 72% expect sales/revenue to be slightly or significantly better compared to 2017.
- When executives were asked what they believe the greatest challenges to business growth are in their industry, 58% said talent acquisition, 42% reported talent retention, and 40% reported competition in general.
- Whereas 57% of the executives surveyed plan to increase staff in 2019, 36% of the respondents said they plan to maintain 2018 staff levels during 2019.
- When asked the primary reasons for their 2019 hiring plans, 92% of the respondents said they will be replacing staff due to voluntary turnover, and 77% said their hiring will be to fill newly created jobs.
- Executives identified the following "serious" challenges for their businesses (listed in order of the top five long-term responses):

	SHORT-TERM	LONG-TERM
Talent acquisition	56%	60%
Talent retention	48%	54%
Ability to pay for benefits costs	28%	44%
Ability to pay competitive wages	34%	43%
Competition in general	34%	41%

Note: Short-term: within next year. Long-term: within next five years.

- Approximately 58% of executives report that professional positions are the most challenging positions when it comes to recruitment. Professional positions are also the hardest to retain, according to 35% of executives.
- When asked which strategies executives are using to overcome recruitment and retention challenges, using temporary agencies, staffing agencies, or external recruiters; adjusting pay ranges upward; and increasing starting salaries were the top strategies.
- 82% of the executives responding to the survey are planning to award wage/salary increases in 2019 (87% reported awarding actual increases during 2018).
 - 40% of the executives responding to the survey reported plans to pay variable/bonus awards during 2019 (38% actually paid variable/bonus awards in 2018).
- Following are the top five measures that executives say they have implemented in 2018 or are planning to implement in 2019 to strengthen business results (listed in order of the top 2019 responses).

	2018	2019
Invest in technology	49%	61%
Invest in equipment	43%	51%
Increase recruiting emphasis	31%	40%
Increase training budget	19%	36%
Shift healthcare costs	17%	28%