



The Pennsylvania Chamber of Business and Industry
and The High Center at Elizabethtown College

Highlights of the
25TH Annual
Pennsylvania
**ECONOMIC
SURVEY**

August/September 2015

Conducted by



Executive Summary & Analysis

25th Annual Pennsylvania Economic Survey

General Overview: Most employers report lower sales and hiring figures. Plus, optimism is down this year.

Responses from this year's economic survey show downward spikes in many metrics, reflecting higher levels of concern and perhaps renewed pessimism with the current economic climate:

- A combined 49% rate the overall business climate as "excellent" or "good", down from 57% last year. Meanwhile, only 16% think the business climate in the Keystone State has gotten better in the last 12 months, a new five-year low not seen since the peak of the recession in 2009-2010.
- Twenty-three (23) percent say they would consider leaving Pennsylvania if they could, or the highest in four years. Nonetheless, this represents a leveling off from past years when economic conditions were much worse, a time when upwards of one in three employers indicated they would consider leaving.
- Eighteen (18) percent rate Pennsylvania as a "very" friendly place to do business, virtually unchanged from an 8-year average of 16%. This suggests that despite changes in both economic and political circumstances over the years, including both several legislative successes and setbacks on business-related laws, most employers haven't changed the way they view the state's business climate.
- One in three (or 33%) report increases in sales during the last twelve months, matching a low not seen in 4 years. This includes 36% of PA Chamber members who report increases in sales, down significantly from 49% last year. Although sales figures are still up when compared with years during the most recent recession, they still have a long way to go to catch up to pre-recession levels when fifty percent or more reported sales growth.
- Thirty-nine (39) percent expect sales to increase in the next 12 months, down slightly from 45% last year but still on par with a 5-year average of 38%.
- Only 15% have hired new workers in the last 12 months, reflecting a new 5-year low. Hiring was particularly sluggish with Chamber Members, at 18%, a fairly big drop from 30% last year. Moreover, 19% expect to hire more in coming months, showing little change from past years and matching a 5-year average.

Key findings showing other historical trends or newly-emerging issues include:

- In an unaided question asking to name the top problems affecting companies, the economy (17%), taxes (12%) and healthcare premiums (11%) continue to be the three most cited answers. This is consistent with prior years. Concerns about the economy are down from a high of 34% in 2009 during the recession.
- Only 8% rate the ability of the state's workforce to keep pace with employers' demand for skilled labor as "excellent", showing a continued downward trajectory from a high of 16% five years ago. This suggests employers continue to face formidable obstacles finding qualified applicants.
- Thirty-one (31) percent say their companies benefit either directly or indirectly from drilling activity in Marcellus Shale region. This includes 37% of PA Chamber members and 23% of non-Members.
- Fifty-nine (59) percent of employers offer health care coverage to employees, showing little change from last year. Among these, 73% say premiums have increased, with more than 4 in 10 saying they have shifted these costs to their employees, or had no choice but to absorb the increases directly. Moreover, when told that increases in insurance premiums could average 25% to 50% when all plans are required to be ACA-compliant [in 2016], 55% of employers say they could be forced to drop coverage altogether.
- Thirty-nine (39) percent say workers' compensation insurance premiums have increased in recent years, a drop from a high of 52% and the lowest percent on record.

Family-owned businesses have similar characteristics to other businesses, but differ in some key areas.

For the third year in a row, in a partnership with the The High Center at Elizabethtown College, CEO respondents were asked if they consider their companies to be family-owned businesses, defined as either “family-owned”, “family-controlled” or both. Among respondents, 59% (or 387) self-identify as family-owned, including 57% of PA Chamber members and 63% of non-Chamber Members. The percentage self-identifying as family-owned or operated has increased from 38% last year, but exceeds the previous year high of 53% in 2013, which was the first year this question was included. However, because this question is attitudinal in nature (as opposed to a static demographic), we are likely to continue to see variances on a yearly basis. Nonetheless, certain types of businesses are in fact more likely to self-identify as family-owned.

Attitudes and opinions of family-owned businesses are similar to those of other businesses on many issues, particularly as it relates to perceptions of the business climate, positions on legislative issues and day-to-day problems that impact companies’ bottom lines. For instance, 47% of family-owned businesses rate the state’s business climate as above average, similar to 49% among all companies. Plus, only 20% of family-owned businesses rate the Keystone State as “very” business friendly, similar to 18% among all companies. When it comes to top legislative priorities for the PA Chamber to focus on with lawmakers, controlling health care costs and lowering business taxes rate highest among family-owned businesses, at 55% and 53% respectively. Both issues are also top two choices among non-family owned businesses. In terms of the most burdensome taxes companies face, family-owned businesses rate both property and CNI taxes as most burdensome, both of which are top choices among non-family owned businesses. Family-owned businesses also agree with other companies on what key impediments to remaining competitive are. For instance, most family-owned businesses cite the economy, health care costs and taxes as the top three issues facing their companies on a daily basis. All three are also top answers among non-family owned businesses. Plus, on the issue of workforce preparedness, small percentages of both family-owned and non-family owned businesses rate the quality of the skilled labor pool as “excellent”. In comparison, more than 4 in 10 of all companies, including both family and non-family owned businesses rate workforce quality as “fair” or “poor.”

Despite these similarities, family-owned businesses are more likely to report experiencing higher costs and expenses for running their businesses than other companies, and as a result tend to be more pessimistic on prospects for future growth in sales and hiring:

- o 47% of family-owned businesses say their workers’ compensation premiums have increased in recent years, compared to only 28% of non-family owned businesses and 39% among all companies.
- o 79% of family-owned businesses say health insurance premiums have increased since last year, compared to 67% of non-family-owned businesses and 73% among all companies. As a result, 2 in 3 or 66% of family-owned companies say they could be forced to drop health coverage altogether when ACA-compliant plans go into full effect, compared to only 41% of non-family owned businesses.
- o In terms of future sales growth, 35% of family-owned businesses expect sales to increase in the next 12 months, compared to a higher 45% among non-family-owned businesses.
- o Only 13% of family-owned businesses report hiring more workers in the last 12 months, compared to a higher 19% among non-family-owned businesses. Moreover, only 16% of family-owned businesses expect to hire more in coming months, compared to a much higher 24% among non-family businesses.

**The Pennsylvania Chamber of Business and Industry and
The High Center at Elizabethtown College
25th Annual Pennsylvania Economic Survey
Sample Size: 651 Pennsylvania Employers
Conducted: August 10 - September 11, 2015**

[N=351 PA Chamber Members]

[N=300 Non -Members]

Q1. Generally speaking, how would you rate the overall business climate in Pennsylvania—that is, how is it to do business in this state – would you say it is excellent, good, fair or poor?

			<u>Members</u>	<u>Non-Mbrs</u>
1. Excellent	22	03%	02%	05%
2. Good	302	46%	52%	40%
3. Fair	253	39%	39%	39%
4. Poor	68	10%	07%	15%
5. Undecided	06	01%	01%	01%

Q2. Do you think the business climate [in Pennsylvania] has gotten better, gotten worse or stayed about the same during the past 12 months?

			<u>Members</u>	<u>Non-Mbrs</u>
1. Better	103	16%	15%	17%
2. Worse	190	29%	28%	31%
3. Stayed same	352	54%	57%	51%
4. Undecided	06	01%	01%	01%

Q3. What is the single most important issue affecting your company or business today? That is, the one that most seriously affects your ability to be competitive in today's marketplace? (DO NOT READ CHOICES- ONE ANSWER ONLY)

(list is alphabetical)

			<u>Members</u>	<u>Non-Mbrs</u>
1. Credit availability/can't get loan	15	02%	01%	03%
2. Economy (general)	111	17%	16%	19%
3. Electronic commerce/internet	14	02%	01%	04%
4. Energy/fuel/delivery costs	05	01%	01%	01%
5. Environmental/EPA/OSHA/red tape	05	01%	01%	01%
6. Foreign/out of state competition	09	01%	02%	01%
7. Goods/services (cost going up)	39	06%	05%	08%
8. Healthcare insurance costs (specific)	69	11%	12%	09%
9. Human resources/personnel issues	16	02%	03%	02%
10. Insurance other	41	06%	09%	03%
11. Mandates/regulations	68	10%	13%	07%
12. Staying competitive in marketplace	32	05%	03%	08%
13. Taxes (property/real estate, business, etc.)	80	12%	12%	12%
14. Transportation/Infrastructure	07	01%	01%	01%
15. Workforce development/lack skilled labor	30	05%	05%	04%
16. Other	42	06%	07%	05%
17. Undecided	61	09%	07%	12%
18. Refuse	07	01%	02%	00%

Q4. How business-friendly would you rate Pennsylvania - very friendly, somewhat friendly or not at all business-friendly?

			<u>Members</u>	<u>Non-Mbrs</u>
1. Very	118	18%	16%	21%
2. Somewhat	434	67%	70%	63%
3. Not at all	80	12%	13%	12%
4. Undecided	19	03%	02%	04%

Q5. If you could, would you consider leaving Pennsylvania?

			<u>Members</u>	<u>Non-Mbrs</u>
1. Yes	150	23%	19%	28%
2. No	483	74%	78%	70%
3. Undecided	18	03%	03%	02%

Q6. If yes, where would you go? (CHECK ALL THAT APPLY)

[N=150]

			<u>Members</u>	<u>Non-Mbrs</u>
1. Delaware	23	15%	21%	11%
2. New Jersey	03	02%	02%	02%
3. Maryland	03	02%	03%	01%
4. Virginia	06	04%	03%	05%
5. New York	04	03%	00%	05%
6. Ohio	07	05%	00%	08%
7. North Carolina	12	08%	08%	08%
8. South Carolina	14	09%	14%	06%
9. West (General)	02	01%	00%	02%
10. Mid Atlantic (general)	03	02%	03%	01%
11. Southwest (general)	06	04%	05%	04%
12. Other	65	43%	47%	40%
13. Undecided	15	10%	09%	11%

Q7. How would you rate the quality of the workforce in Pennsylvania in terms of being able to meet the business community's demand for skilled or trained workers – would you say it is excellent, good, fair or poor?

			<u>Members</u>	<u>Non-Mbrs</u>
1. Excellent	49	08%	09%	06%
2. Good	308	47%	52%	42%
3. Fair	206	32%	29%	34%
4. Poor	68	10%	09%	13%
5. Undecided	18	03%	01%	04%
6. Refuse	02	00%	00%	00%

Q8. What are the most common problems you [and/or your company] experience when interviewing and considering job applicants? (DO NOT READ CHOICES-Check All that Apply)

			<u>Members</u>	<u>Non-Mbrs</u>
13	(02%) 1. Applicants are overqualified		03%	01%
230	(35%) 2. Applicants lack hard skills like training, education, certifications, inadequate resume, etc.		40%	30%
268	(41%) 3. Applicants lack soft skills, work ethic, communication skills, punctuality, team work, etc.		42%	41%
43	(07%) 4. Eligibility issues (e.g., criminal record, proper documentation, etc.)		09%	04%
49	(08%) 5. Drug test refusal or failure		08%	07%
54	(08%) 6. Hard time matching salary requests to qualifications		09%	08%
115	(18%) 7. Other		15%	21%
66	(10%) 8. Refuse		11%	10%

Q9. From the following list of five, which TWO types of changes would be most effective improving the quality of the education being provided to elementary and secondary school students? (READ AND ROTATE CHOICES – ONE ANSWER ONLY)

		<u>Members</u>	<u>Non-Mbrs</u>
148	(23%) 1. Expansion of charter schools and magnet schools	25%	20%
208	(32%) 2. Providing more options for parents and students with tuition vouchers	33%	31%
259	(40%) 3. Strengthening academic standards and student assessments	36%	45%
274	(42%) 4. Reforming seniority and tenure rules for teachers	49%	34%
164	(25%) 5. Increased funding for the Educational Improvement Tax credit program	23%	28%
50	(08%) 6. Undecided (Do Not Read)	06%	10%
101	(16%) 7. Other/none (Do Not Read)	15%	17%
05	(01%) 8. Refuse (Do Not Read)	01%	00%

This next section deals with state and federal business issues....

Q10. Which TWO of the following seven issues should be the top legislative priorities for [the Pennsylvania Chamber or the state's elected leaders] to focus on in Harrisburg? (ROTATE ITEMS – PROBE FOR TWO ANSWERS)

		<u>Members</u>	<u>Non-Mbrs</u>
107	(16%) 1. Reforming the workers' compensation insurance system	18%	15%
368	(57%) 2. Controlling the costs of healthcare	59%	54%
310	(48%) 3. Lowering business taxes including tax reform	44%	52%
178	(27%) 4. Cutting down on regulations and mandates including environmental issues	29%	25%
60	(09%) 5. Further reform of the legal system	07%	12%
175	(27%) 6. Reforming the public pension system	31%	22%
42	(06%) 7. Providing greater choice and convenience to consumers on the purchase of beer, wine and spirits	06%	07%
31	(05%) 8. Undecided (DO NOT READ)	03%	07%
27	(04%) 9. None/other (DO NOT READ)	03%	06%
04	(01%) 10. Refuse (DO NOT READ)	01%	01%

Q11. Thinking more specifically about taxes, which TWO of the following seven taxes most hinder job creation and economic growth – the corporate net income tax (and by this we mean either the tax rate itself or the way net operating losses are treated), the capital stock & franchise tax, the personal income tax, the property tax, the sales tax, the gross receipts tax, or the business privilege tax? (ROTATE ITEMS – PROBE FOR TWO ANSWERS)

		<u>Members</u>	<u>Non-Mbrs</u>
202	(31%) 1a. Corporate net income – rate itself	34%	27%
81	(12%) 1b. Corporate net income – net operating loss provision	15%	09%
250	(38%) TOTAL – Corporate net income tax	44%	32%
47	(07%) 2. Capital stock/franchise	09%	06%
221	(34%) 3. Personal income	32%	36%
290	(45%) 4. Property	44%	46%
107	(16%) 5. Sales	14%	19%
80	(12%) 6. Gross receipts	12%	12%
101	(16%) 7. Business privilege	15%	16%
79	(12%) 8. Undecided	11%	14%
85	(13%) 9. None/other	12%	15%
09	(01%) 10. Refuse	01%	01%

Q12. New federal greenhouse gas regulations expect states to increase renewable energy mandates regardless of costs. Do you support Pennsylvania government defining through mandates what the energy portfolio of businesses should look like, or should the free enterprise system determine which sources of energy are most viable?

			<u>Members</u>	<u>Non-Mbrs</u>
1. Allow free enterprise system to determine the market	544	84%	82%	85%
2. State government should require which types of energy is available	70	11%	11%	11%
3. Undecided	27	04%	05%	04%
4. None/other	10	02%	02%	01%

Q13. Have the cost of your workers compensation insurance premiums increased, decreased or remained about the same in recent years?

			<u>Members</u>	<u>Non-Mbrs</u>
1. Increased	257	39%	39%	40%
2. Decreased	23	04%	04%	03%
3. Remained the same	270	41%	44%	38%
4. Undecided	81	12%	10%	15%
5. Refuse	20	03%	03%	03%

Q14. A fair and equitable legal climate is vital to allowing employers to grow and prosper. Which TWO of the following five proposals would have the biggest impact reducing both the number and cost of unnecessary lawsuits? (ROTATE ITEMS-PROBE FOR TWO ANSWERS)

			<u>Members</u>	<u>Non-Mbrs</u>
189	(29%)	1. Limit the filing of a lawsuit to the county where the injury occurred	34%	24%
307	(47%)	2. Place a time limitation on how long a person can bring a lawsuit for a defective product	49%	45%
361	(55%)	3. Protect the liability of retailers or other sellers of products who have no relation to the cause of an injury	54%	57%
182	(28%)	4. Require a professional to attest to the validity of a claim when a complaint is filed	26%	30%
90	(14%)	5. Change the way appellate judges are selected from the current method to an appointment system	14%	14%
76	(12%)	6. Undecided (Do Not Read)	11%	13%
81	(12%)	7. Other/none (Do Not Read)	11%	15%
15	(02%)	8. Refuse (Do Not Read)	03%	02%

Q15. What impact do regulations from environmental regulatory agencies including the federal Environmental Protection Agency and the Pennsylvania Department of Environmental Protection have on your business- a positive impact, a negative impact or no impact at all?

			<u>Members</u>	<u>Non-Mbrs</u>
1. Positive	84	13%	14%	12%
2. Negative	185	28%	32%	24%
3. No Impact	359	55%	50%	61%
4. Undecided	19	03%	04%	02%
5. Refuse	04	01%	00%	01%

Q16. Does your company benefit from drilling activity in the Marcellus Shale regions of Pennsylvania, either directly in the way of increased contracts or work orders, or indirectly in the way of supporting supply chain companies or lower energy or commodity prices?

				<u>Members</u>	<u>Non-Mbrs</u>
1. Yes	200	31%		37%	23%
2. No	419	64%		58%	71%
3. Not Sure	28	04%		04%	04%
4. Refuse	04	01%		00%	01%

Q17. Do you currently provide a healthcare plan for your employees?

				<u>Members</u>	<u>Non-Mbrs</u>
1. Yes	387	59%	PROCEED	72%	45%
2. No	250	38%	SKIP TO Q22	26%	52%
3. Undecided	03	00%	SKIP TO Q22	00%	01%
4. Refuse	11	02%	SKIP TO Q22	01%	02%

Q18. What role do you play for your company in choosing the health care plan and benefits provided to your employees - would you say you are the primary decision maker, someone who has some influence in the [decision-making] process, or someone who does not play any role in this decision?

[N=387]

				<u>Members</u>	<u>Non-Mbrs</u>
1. Primary decision-maker	182	47%		51%	40%
2. Have some influence in the process	98	25%		28%	21%
3. Do not play any role in this decision	105	27%		22%	37%
4. Undecided (DO NOT READ)	00	00%		00%	00%
5. Other/none (DO NOT READ)	02	01%		00%	01%

Q19. In comparison to last year, have your health insurance premiums increased, decreased or remained about the same?

[N=387]

				<u>Members</u>	<u>Non-Mbrs</u>
1. Increased	283	73%	PROCEED	75%	69%
2. Decreased	15	04%	SKIP TO Q21	04%	04%
3. Stay same	72	19%	SKIP TO Q21	17%	21%
4. Undecided	15	04%	SKIP TO Q21	03%	05%
5. Refuse	02	01%	SKIP TO Q21	00%	01%

Q20. As a result of an increase in premiums, have you shifted additional costs to employees, reduced benefits, dropped coverage or taken some other action? (CHECK ALL THAT APPLY)

[N=283]

			<u>Members</u>	<u>Non-Mbrs</u>
1. Shifted costs	122	43%	42%	45%
2. Reduced benefits	60	21%	21%	22%
3. Dropped Coverage	13	05%	02%	11%
4. Undecided	03	01%	01%	02%
5. Other	25	09%	10%	05%
6. No changes made/"ate" costs	117	41%	45%	34%

Q21. In 2016 all health insurance benefit plans offered by employers are required to be compliant with the Affordable Care Act, while initial rates from some insurance carriers suggest that premium increases could average 25 to 50 percent. If premiums continue to increase could you be forced to drop coverage altogether?

[N=387]

			<u>Members</u>	<u>Non-Mbrs</u>
1. Yes	214	55%	55%	55%
2. No	103	27%	28%	24%
3. Undecided	69	18%	16%	21%
4. Refuse	01	00%	00%	00%

This last section of the poll deals with various economic indicators for your business over the last 12 months and in the future...we appreciate your patience...

Q22. During the last 12 months, did the sales for your company increase over the previous year, decrease or stay about the same?

			<u>Members</u>	<u>Non-Mbrs</u>
1. Increase	212	33%	36%	29%
2. Decrease	135	21%	17%	25%
3. Stay same	273	42%	44%	40%
4. Undecided	18	03%	02%	04%
5. Refuse	13	02%	02%	02%

Q23. For the next 12 months, do you expect sales for your company to increase, decrease or stay about the same?

			<u>Members</u>	<u>Non-Mbrs</u>
1. Increase	253	39%	40%	37%
2. Decrease	57	09%	07%	10%
3. Stay same	297	46%	46%	45%
4. Undecided	29	04%	04%	05%
5. Refuse	15	02%	02%	02%

Q24. During the last 12 months, did the size of your workforce increase over the previous year, decrease or stay about the same?

			<u>Members</u>	<u>Non-Mbrs</u>
1. Increase	99	15%	18%	12%
2. Decrease	89	14%	11%	16%
3. Stay same	445	68%	69%	67%
4. Undecided	07	01%	01%	01%
5. Refuse	11	02%	00%	03%

Q25. For the next 12 months, do you expect the size of your workforce to increase, decrease or stay about the same?

			<u>Members</u>	<u>Non-Mbrs</u>
1. Increase	122	19%	22%	15%
2. Decrease	36	06%	05%	07%
3. Stay same	473	73%	72%	74%
4. Undecided	10	02%	02%	01%
5. Refuse	10	02%	00%	03%

Q26. During the last 12 months, did your company make major investments, minor investments or no investments at all on such things as expansion or purchase of machinery or equipment, technology or other improvements in comparison to the previous year?

			<u>Members</u>	<u>Non-Mbrs</u>
1. Major	142	22%	25%	18%
2. Minor	213	33%	35%	30%
3. No Improvements	281	43%	39%	48%
4. Undecided	07	01%	01%	02%
5. Refuse	08	01%	01%	02%

Q27. For the next 12 months, do you expect your company to make major investments, minor investments or no investments at all on such things as expansion or purchase of machinery or equipment, technology or other improvements?

			<u>Members</u>	<u>Non-Mbrs</u>
1. Major	78	12%	16%	08%
2. Minor	226	35%	38%	31%
3. No Improvements	316	49%	44%	54%
4. Undecided	23	04%	03%	05%
5. Refuse	08	01%	01%	02%

Q28. Do you consider your company a family business? (As in, family-owned, family-controlled or both...?)

				<u>Members</u>	<u>Non-Mbrs</u>
1. Yes	387	59%	PROCEED	57%	63%
2. No	252	39%	SKIP TO Q41	42%	34%
3. Undecided	02	00%	SKIP TO Q41	00%	00%
4. Refuse	10	02%	SKIP TO Q41	01%	03%

Q29. How many generations have had ownership in the company (including your generation)? (DO NOT READ CHOICES)

[N=387]

				<u>Members</u>	<u>Non-Mbrs</u>
1. 1 to 3 generations	360	93%		91%	95%
2. 4 to 6 generations	23	06%		08%	04%
3. More than 6 generations	02	01%		01%	00%
4. Undecided	02	01%		00%	01%

Q30. Based on what you know today, is it likely or unlikely that your family business will be owned or controlled by the same family (or families) in the future? (Test Intensity...)

[N=387]

				<u>Members</u>	<u>Non-Mbrs</u>
1. Extremely unlikely	103	27%		21%	32%
2. Somewhat not likely	34	09%		11%	07%
Total unlikely	137	35%		32%	39%
3. Unsure/no opinion	31	08%		07%	10%
4. Somewhat likely	91	24%		26%	21%
5. Extremely likely	128	33%		36%	30%
Total likely	219	57%		62%	51%

Q31. Does your family business have a written strategic plan?

[N=387]

				<u>Members</u>	<u>Non-Mbrs</u>
1. Yes	127	33%		38%	27%
2. No	230	59%		51%	68%
3. Undecided	28	07%		10%	05%
4. Refuse	02	01%		01%	00%

Q32. Does your family business have a formal management succession plan?

[N=387]

			<u>Members</u>	<u>Non-Mbrs</u>
1. Yes	128	33%	40%	26%
2. No	237	61%	52%	71%
3. Undecided	21	05%	08%	03%
4. Refuse	01	00%	01%	00%

Q33. Does your family business have a formal ownership transition plan? That is, a plan for transitioning the shares of the company to the next generation?

[N=387]

			<u>Members</u>	<u>Non-Mbrs</u>
1. Yes	129	33%	42%	24%
2. No	237	61%	53%	70%
3. Undecided	20	05%	05%	05%
4. Refuse	01	00%	01%	00%

Q34. Does your family business have family ownership meetings, which occur at least once a year?

[N=387]

			<u>Members</u>	<u>Non-Mbrs</u>
1. Yes	204	53%	63%	41%
2. No	172	44%	35%	54%
3. Undecided	10	03%	01%	04%
4. Refuse	01	00%	01%	00%

Q35. Does your family business have an active Board of Directors that meets at least once a year?

[N=387]

			<u>Members</u>	<u>Non-Mbrs</u>
1. Yes	162	42%	52%	31%
2. No	215	56%	46%	66%
3. Undecided	09	02%	02%	03%
4. Refuse	01	00%	01%	00%

Q36. Do any of the following internal challenges impact the survival of your business - lack of family unity, lack of interest in taking over the business by the next generation, or lack of managerial competence of the next generation? (ROTATE-CHECK ALL THAT APPLY)

[N=387]

			<u>Members</u>	<u>Non-Mbrs</u>
1. Lack of family unity	14	04%	04%	04%
2. Lack of interest in taking over the business by the next generation	116	30%	23%	38%
3. Lack of managerial competence of the next generation	31	08%	08%	08%
4. Undecided	95	25%	25%	24%
5. Other	122	32%	35%	28%
6. Refuse	19	05%	06%	04%

Now, thinking about the established guidelines your company has in place, please tell me if your family business has any of the following...

(ROTATE Q37-Q40)

Q37. A written job description outlining responsibilities for every position in the business...?

[N=387]

			<u>Members</u>	<u>Non-Mbrs</u>
1. Yes	206	53%	64%	42%
2. No	177	46%	35%	57%
3. Undecided	02	01%	01%	00%
4. Refuse	02	01%	01%	01%

Q38. A defined career path by job category...?

[N=387]

			<u>Members</u>	<u>Non-Mbrs</u>
1. Yes	85	22%	29%	14%
2. No	286	74%	66%	82%
3. Undecided	14	04%	04%	03%
4. Refuse	02	01%	01%	01%

Q39. Formal performance reviews for all employees?

[N=387]

			<u>Members</u>	<u>Non-Mbrs</u>
1. Yes	184	48%	60%	35%
2. No	200	52%	40%	64%
3. Undecided	02	01%	00%	01%
4. Refuse	01	00%	01%	00%

Q40. A standard bonus structure...?

[N=387]

			<u>Members</u>	<u>Non - Mbrs</u>
1. Yes	144	37%	45%	29%
2. No	233	60%	52%	69%
3. Undecided	07	02%	02%	02%
4. Refuse	03	01%	01%	01%

Q41. What is your current position within the company? (DO NOT READ CHOICES – ONE ANSWER ONLY)

			<u>Members</u>	<u>Non - Mbrs</u>
324	(50%)	1. President/CEO/owner/chairman	44%	56%
51	(08%)	2. Vice president/COO	11%	04%
41	(06%)	3. CFO/Accountant/Financial-related /controller	09%	04%
233	(36%)	4. Professional, human resources, directors, administrative, attorneys, consultants, managers	35%	36%
02	(00%)	5. Other	00%	00%

Gender:

			<u>Members</u>
1. Male	375	58%	60%
2. Female	276	42%	40%

Business description (SIC Code, from record)

			<u>Members</u>	<u>Non - Mbrs</u>
1. Agriculture/Forestry/Fishing	22	03%	02%	05%
2. Mining	01	00%	00%	00%
3. Construction	54	08%	06%	11%
4. Manufacturing	71	11%	15%	06%
5. Transportation/Utilities	35	05%	07%	04%
6. Wholesale trade	42	06%	06%	07%
7. Retail trade	103	16%	10%	23%
8. Finance, insurance, real estate	46	07%	06%	09%
9. Services	242	37%	39%	35%
10. Non-classified/Other	35	05%	10%	00%

Number of Employees (from record):

			<u>Members</u>	<u>Non-Mbrs</u>
1. 1-4	297	46%	31%	63%
2. 5-9	112	17%	18%	16%
3. 10-19	81	12%	15%	10%
4. 20-49	75	12%	14%	08%
5. 50-99	21	03%	05%	01%
6. 100-249	21	03%	05%	01%
7. 250-499	08	01%	02%	00%
8. 500-999	03	00%	01%	00%
9. 1,000-4,999	09	01%	03%	00%
10. 5,000+	07	01%	02%	00%
11. Unknown	17	03%	05%	00%

Area (in which business is currently located, from record):

			<u>Members</u>	<u>Non-Mbrs</u>
1. Northwest	21	03%	01%	06%
2. Southwest	47	07%	03%	13%
3. The "T"/Central	124	19%	23%	15%
4. Northeast/Lehigh Valley	91	14%	14%	14%
5. South Central	225	35%	49%	17%
6. Southeast	77	12%	05%	20%
7. Allegheny County	39	06%	02%	10%
8. Philadelphia	19	03%	01%	05%
9. Unknown	08	01%	02%	00%

The margin of error for the combined sample size of 651 interviews is +/-3.8% at the 95% confidence level, or +/-5.6% for the subsample of 300 (i.e., the "non-member" survey) and +/- 5.2% for the subsample of 351 (i.e., surveys with PA Chamber members).

**The Pennsylvania Chamber of Business and Industry and
The High Center at Elizabethtown College
25th Annual Pennsylvania Economic Survey
Sample Size: 651 Pennsylvania Employers
Conducted: August 10 - September 11, 2015**

[N=387 Family Businesses]

[N=252 Non-Family Businesses]

Q1. Generally speaking, how would you rate the overall business climate in Pennsylvania—that is, how is it to do business in this state – would you say it is excellent, good, fair or poor?

			<u>Family</u>	<u>Non-Family</u>
1. Excellent	22	03%	04%	03%
2. Good	302	46%	43%	51%
3. Fair	253	39%	40%	37%
4. Poor	68	10%	12%	08%
5. Undecided	06	01%	01%	01%

Q2. Do you think the business climate [in Pennsylvania] has gotten better, gotten worse or stayed about the same during the past 12 months?

			<u>Family</u>	<u>Non-Family</u>
1. Better	103	16%	15%	17%
2. Worse	190	29%	31%	26%
3. Stayed same	352	54%	53%	56%
4. Undecided	06	01%	01%	01%

Q3. What is the single most important issue affecting your company or business today? That is, the one that most seriously affects your ability to be competitive in today's marketplace? (DO NOT READ CHOICES- ONE ANSWER ONLY)

(list is alphabetical)

			<u>Family</u>	<u>Non-Family</u>
1. Credit availability/can't get loan	15	02%	03%	02%
2. Economy (general)	111	17%	16%	19%
3. Electronic commerce/internet	14	02%	02%	03%
4. Energy/fuel/delivery costs	05	01%	01%	01%
5. Environmental/EPA/OSHA/red tape	05	01%	01%	01%
6. Foreign/out of state competition	09	01%	01%	02%
7. Goods/services (cost going up)	39	06%	08%	03%
8. Healthcare insurance costs (specific)	69	11%	11%	11%
9. Human resources/personnel issues	16	02%	02%	03%
10. Insurance other	41	06%	06%	07%
11. Mandates/regulations	68	10%	12%	08%
12. Staying competitive in marketplace	32	05%	05%	04%
13. Taxes (property/real estate, business, etc.)	80	12%	14%	10%
14. Transportation/Infrastructure	07	01%	01%	01%
15. Workforce development/lack skilled labor	30	05%	06%	02%
16. Other	42	06%	04%	10%
17. Undecided	61	09%	07%	13%
18. Refuse	07	01%	01%	01%

Q4. How business-friendly would you rate Pennsylvania - very friendly, somewhat friendly or not at all business-friendly?

			<u>Family</u>	<u>Non-Family</u>
1. Very	118	18%	20%	17%
2. Somewhat	434	67%	63%	71%
3. Not at all	80	12%	15%	08%
4. Undecided	19	03%	02%	04%

Q5. If you could, would you consider leaving Pennsylvania?

			<u>Family</u>	<u>Non-Family</u>
1. Yes	150	23%	28%	16%
2. No	483	74%	70%	81%
3. Undecided	18	03%	03%	02%

Q6. If yes, where would you go? (CHECK ALL THAT APPLY)

[N=150]

			<u>Family</u>	<u>Non-Family</u>
1. Delaware	23	15%	15%	15%
2. New Jersey	03	02%	03%	00%
3. Maryland	03	02%	03%	00%
4. Virginia	06	04%	05%	02%
5. New York	04	03%	03%	02%
6. Ohio	07	05%	04%	07%
7. North Carolina	12	08%	07%	12%
8. South Carolina	14	09%	09%	10%
9. West (General)	02	01%	02%	00%
10. Mid Atlantic (general)	03	02%	02%	02%
11. Southwest (general)	06	04%	05%	02%
12. Other	65	43%	44%	44%
13. Undecided	15	10%	08%	12%

Q7. How would you rate the quality of the workforce in Pennsylvania in terms of being able to meet the business community's demand for skilled or trained workers – would you say it is excellent, good, fair or poor?

			<u>Family</u>	<u>Non-Family</u>
1. Excellent	49	08%	06%	10%
2. Good	308	47%	47%	48%
3. Fair	206	32%	31%	33%
4. Poor	68	10%	12%	08%
5. Undecided	18	03%	03%	02%
6. Refuse	02	00%	01%	00%

Q8. What are the most common problems you [and/or your company] experience when interviewing and considering job applicants? (DO NOT READ CHOICES-Check All that Apply)

			<u>Family</u>	<u>Non-Family</u>
13	(02%) 1. Applicants are overqualified		01%	04%
230	(35%) 2. Applicants lack hard skills like training, education, certifications, inadequate resume, etc.		34%	37%
268	(41%) 3. Applicants lack soft skills, work ethic, communication skills, punctuality, team work, etc.		43%	39%
43	(07%) 4. Eligibility issues (e.g., criminal record, proper documentation, etc.)		06%	08%
49	(08%) 5. Drug test refusal or failure		07%	08%
54	(08%) 6. Hard time matching salary requests to qualifications		06%	13%
115	(18%) 7. Other		18%	17%
66	(10%) 8. Refuse		09%	11%

Q9. From the following list of five, which TWO types of changes would be most effective improving the quality of the education being provided to elementary and secondary school students? (READ AND ROTATE CHOICES – ONE ANSWER ONLY)

		<u>Family</u>	<u>Non-Family</u>
148	(23%) 1. Expansion of charter schools and magnet schools	23%	22%
208	(32%) 2. Providing more options for parents and students with tuition vouchers	31%	33%
259	(40%) 3. Strengthening academic standards and student assessments	38%	42%
274	(42%) 4. Reforming seniority and tenure rules for teachers	43%	41%
164	(25%) 5. Increased funding for the Educational Improvement Tax credit program	24%	27%
50	(08%) 6. Undecided (Do Not Read)	09%	06%
101	(16%) 7. Other/none (Do Not Read)	17%	14%
05	(01%) 8. Refuse (Do Not Read)	01%	01%

This next section deals with state and federal business issues....

Q10. Which TWO of the following seven issues should be the top legislative priorities for [the Pennsylvania Chamber or the state's elected leaders] to focus on in Harrisburg? (ROTATE ITEMS – PROBE FOR TWO ANSWERS)

		<u>Family</u>	<u>Non-Family</u>
107	(16%) 1. Reforming the workers' compensation insurance system	18%	13%
368	(57%) 2. Controlling the costs of healthcare	55%	60%
310	(48%) 3. Lowering business taxes including tax reform	53%	40%
178	(27%) 4. Cutting down on regulations and mandates including environmental issues	30%	23%
60	(09%) 5. Further reform of the legal system	08%	11%
175	(27%) 6. Reforming the public pension system	22%	33%
42	(06%) 7. Providing greater choice and convenience to consumers on the purchase of beer, wine and spirits	06%	08%
31	(05%) 8. Undecided (DO NOT READ)	04%	06%
27	(04%) 9. None/other (DO NOT READ)	03%	05%
04	(01%) 10. Refuse (DO NOT READ)	01%	01%

Q11. Thinking more specifically about taxes, which TWO of the following seven taxes most hinder job creation and economic growth – the corporate net income tax (and by this we mean either the tax rate itself or the way net operating losses are treated), the capital stock & franchise tax, the personal income tax, the property tax, the sales tax, the gross receipts tax, or the business privilege tax? (ROTATE ITEMS – PROBE FOR TWO ANSWERS)

		<u>Family</u>	<u>Non-Family</u>
202	(31%) 1a. Corp. net income – rate itself	33%	29%
81	(12%) 1b. Corp. net income – net op. losses	12%	14%
250	(38%) TOTAL - Corporate net income tax	40%	37%
47	(07%) 2. Capital stock/franchise	07%	08%
221	(34%) 3. Personal income	35%	34%
290	(45%) 4. Property	48%	40%
107	(16%) 5. Sales	17%	15%
80	(12%) 6. Gross receipts	13%	11%
101	(16%) 7. Business privilege	15%	16%
79	(12%) 8. Undecided	10%	15%
85	(13%) 9. None/other	11%	15%
09	(01%) 10. Refuse	01%	02%

Q12. New federal greenhouse gas regulations expect states to increase renewable energy mandates regardless of costs. Do you support Pennsylvania government defining through mandates what the energy portfolio of businesses should look like, or should the free enterprise system determine which sources of energy are most viable?

			<u>Family</u>	<u>Non-Family</u>
1. Allow free enterprise system to determine the market	544	84%	86%	79%
2. State government should require which types of energy is available	70	11%	09%	13%
3. Undecided	27	04%	03%	06%
4. None/other	10	02%	01%	02%

Q13. Have the cost of your workers compensation insurance premiums increased, decreased or remained about the same in recent years?

			<u>Family</u>	<u>Non-Family</u>
1. Increased	257	39%	47%	28%
2. Decreased	23	04%	04%	03%
3. Remained the same	270	41%	37%	49%
4. Undecided	81	12%	09%	17%
5. Refuse	20	03%	03%	03%

Q14. A fair and equitable legal climate is vital to allowing employers to grow and prosper. Which TWO of the following five proposals would have the biggest impact reducing both the number and cost of unnecessary lawsuits? (ROTATE ITEMS-PROBE FOR TWO ANSWERS)

			<u>Family</u>	<u>Non-Family</u>
189	(29%) 1. Limit the filing of a lawsuit to the county where the injury occurred		28%	32%
307	(47%) 2. Place a time limitation on how long a person can bring a lawsuit for a defective product		45%	51%
361	(55%) 3. Protect the liability of retailers or other sellers of products who have no relation to the cause of an injury		58%	53%
182	(28%) 4. Require a professional to attest to the validity of a claim when a complaint is filed		31%	23%
90	(14%) 5. Change the way appellate judges are selected from the current method to an appointment system		14%	13%
76	(12%) 6. Undecided (Do Not Read)		10%	13%
81	(12%) 7. Other/none (Do Not Read)		12%	13%
15	(02%) 8. Refuse (Do Not Read)		02%	02%

Q15. What impact do regulations from environmental regulatory agencies including the federal Environmental Protection Agency and the Pennsylvania Department of Environmental Protection have on your business- a positive impact, a negative impact or no impact at all?

				<u>Family</u>	<u>Non-Family</u>
1. Positive	84	13%		12%	15%
2. Negative	185	28%		34%	20%
3. No Impact	359	55%		51%	61%
4. Undecided	19	03%		02%	04%
5. Refuse	04	01%		00%	00%

Q16. Does your company benefit from drilling activity in the Marcellus Shale regions of Pennsylvania, either directly in the way of increased contracts or work orders, or indirectly in the way of supporting supply chain companies or lower energy or commodity prices?

				<u>Family</u>	<u>Non-Family</u>
1. Yes	200	31%		33%	29%
2. No	419	64%		63%	66%
3. Not Sure	28	04%		04%	05%
4. Refuse	04	01%		00%	00%

Q17. Do you currently provide a healthcare plan for your employees?

				<u>Family</u>	<u>Non-Family</u>
1. Yes	387	59%	PROCEED	55%	68%
2. No	250	38%	SKIP TO Q22	44%	30%
3. Undecided	03	00%	SKIP TO Q22	01%	00%
4. Refuse	11	02%	SKIP TO Q22	01%	01%

Q18. What role do you play for your company in choosing the health care plan and benefits provided to your employees - would you say you are the primary decision maker, someone who has some influence in the [decision-making] process, or someone who does not play any role in this decision?

[N=387]

				<u>Family</u>	<u>Non-Family</u>
1. Primary decision-maker	182	47%		60%	31%
2. Have some influence in the process	98	25%		25%	26%
3. Do not play any role in the process	105	27%		15%	41%
4. Undecided (DO NOT READ)	00	00%		00%	00%
5. Other/none (DO NOT READ)	02	01%		00%	01%

Q19. In comparison to last year, have your health insurance premiums increased, decreased or remained about the same?

[N=387]

				<u>Family</u>	<u>Non-Family</u>
1. Increased	283	73%	PROCEED	79%	67%
2. Decreased	15	04%	SKIP TO Q21	03%	04%
3. Stay same	72	19%	SKIP TO Q21	15%	22%
4. Undecided	15	04%	SKIP TO Q21	02%	06%
5. Refuse	02	01%	SKIP TO Q21	00%	01%

Q20. As a result of an increase in premiums, have you shifted additional costs to employees, reduced benefits, dropped coverage or taken some other action? (CHECK ALL THAT APPLY)

[N=283]

				<u>Family</u>	<u>Non-Family</u>
1. Shifted costs	122	43%		43%	44%
2. Reduced benefits	60	21%		24%	17%
3. Dropped Coverage	13	05%		05%	03%
4. Undecided	03	01%		01%	01%
5. Other	25	09%		08%	09%
6. No changes made/"ate" costs	117	41%		41%	42%

Q21. In 2016 all health insurance benefit plans offered by employers are required to be compliant with the Affordable Care Act, while initial rates from some insurance carriers suggest that premium increases could average 25 to 50 percent. If premiums continue to increase could you be forced to drop coverage altogether?

[N=387]

				<u>Family</u>	<u>Non-Family</u>
1. Yes	214	55%		66%	41%
2. No	103	27%		18%	37%
3. Undecided	69	18%		15%	22%
4. Refuse	01	00%		00%	01%

This last section of the poll deals with various economic indicators for your business over the last 12 months and in the future...we appreciate your patience...

Q22. During the last 12 months, did the sales for your company increase over the previous year, decrease or stay about the same?

				<u>Family</u>	<u>Non-Family</u>
1. Increase	212	33%		32%	35%
2. Decrease	135	21%		24%	17%
3. Stay same	273	42%		43%	41%
4. Undecided	18	03%		02%	04%
5. Refuse	13	02%		00%	03%

Q23. For the next 12 months, do you expect sales for your company to increase, decrease or stay about the same?

			<u>Family</u>	<u>Non-Family</u>
1. Increase	253	39%	35%	45%
2. Decrease	57	09%	09%	08%
3. Stay same	297	46%	52%	38%
4. Undecided	29	04%	04%	06%
5. Refuse	15	02%	00%	03%

Q24. During the last 12 months, did the size of your workforce increase over the previous year, decrease or stay about the same?

			<u>Family</u>	<u>Non-Family</u>
1. Increase	99	15%	13%	19%
2. Decrease	89	14%	12%	16%
3. Stay same	445	68%	73%	63%
4. Undecided	07	01%	01%	02%
5. Refuse	11	02%	01%	00%

Q25. For the next 12 months, do you expect the size of your workforce to increase, decrease or stay about the same?

			<u>Family</u>	<u>Non-Family</u>
1. Increase	122	19%	16%	24%
2. Decrease	36	06%	07%	04%
3. Stay same	473	73%	76%	70%
4. Undecided	10	02%	01%	02%
5. Refuse	10	02%	01%	00%

Q26. During the last 12 months, did your company make major investments, minor investments or no investments at all on such things as expansion or purchase of machinery or equipment, technology or other improvements in comparison to the previous year?

			<u>Family</u>	<u>Non-Family</u>
1. Major	142	22%	21%	23%
2. Minor	213	33%	33%	34%
3. No Improvements	281	43%	45%	41%
4. Undecided	07	01%	00%	02%
5. Refuse	08	01%	00%	00%

Q27. For the next 12 months, do you expect your company to make major investments, minor investments or no investments at all on such things as expansion or purchase of machinery or equipment, technology or other improvements?

			<u>Family</u>	<u>Non-Family</u>
1. Major	78	12%	10%	15%
2. Minor	226	35%	34%	37%
3. No Improvements	316	49%	53%	43%
4. Undecided	23	04%	03%	05%
5. Refuse	08	01%	00%	00%

Q28. Do you consider your company a family business? (As in, family-owned, family-controlled or both...?)

			<u>Family</u>	<u>Non-Family</u>
1. Yes	387	59%	100%	00%
2. No	252	39%	00%	100%
3. Undecided	02	00%	--	--
4. Refuse	10	02%	--	--

Q29. How many generations have had ownership in the company (including your generation)? (DO NOT READ CHOICES)

[N=387]

1. 1 to 3 generations	360	93%
2. 4 to 6 generations	23	06%
3. More than 6 generations	02	01%
4. Undecided	02	01%

Q30. Based on what you know today, is it likely or unlikely that your family business will be owned or controlled by the same family (or families) in the future? (Test Intensity...)

[N=387]

1. Extremely unlikely	103	27%
2. Somewhat not likely	34	09%
Total unlikely	137	35%
3. Unsure/no opinion	31	08%
4. Somewhat likely	91	24%
5. Extremely likely	128	33%
Total likely	219	57%

Q31. Does your family business have a written strategic plan?

[N=387]

1. Yes	127	33%
2. No	230	59%
3. Undecided	28	07%
4. Refuse	02	01%

Q32. Does your family business have a formal management succession plan?

[N=387]

1. Yes	128	33%
2. No	237	61%
3. Undecided	21	05%
4. Refuse	01	00%

Q33. Does your family business have a formal ownership transition plan? That is, a plan for transitioning the shares of the company to the next generation?

[N=387]

1. Yes	129	33%
2. No	237	61%
3. Undecided	20	05%
4. Refuse	01	00%

Q34. Does your family business have family ownership meetings, which occur at least once a year?

[N=387]

1. Yes	204	53%
2. No	172	44%
3. Undecided	10	03%
4. Refuse	01	00%

Q35. Does your family business have an active Board of Directors that meets at least once a year?

[N=387]

1. Yes	162	42%
2. No	215	56%
3. Undecided	09	02%
4. Refuse	01	00%

Q36. Do any of the following internal challenges impact the survival of your business - lack of family unity, lack of interest in taking over the business by the next generation, or lack of managerial competence of the next generation?
(ROTATE-CHECK ALL THAT APPLY)

[N=387]

1. Lack of family unity	14	04%
2. Lack of interest in taking over the business by the next generation	116	30%
3. Lack of managerial competence of the next generation	31	08%
4. Undecided	95	25%
5. Other	122	32%
6. Refuse	19	05%

Now, thinking about the established guidelines your company has in place, please tell me if your family business has any of the following...

(ROTATE Q37-Q40)

Q37. A written job description outlining responsibilities for every position in the business...?

[N=387]

1. Yes	206	53%
2. No	177	46%
3. Undecided	02	01%
4. Refuse	02	01%

Q38. A defined career path by job category...?

[N=387]

1. Yes	85	22%
2. No	286	74%
3. Undecided	14	04%
4. Refuse	02	01%

Q39. Formal performance reviews for all employees?

[N=387]

1. Yes	184	48%
2. No	200	52%
3. Undecided	02	01%
4. Refuse	01	00%

Q40. A standard bonus structure...?

[N=387]

1. Yes	144	37%
2. No	233	60%
3. Undecided	07	02%
4. Refuse	03	01%

Q41. What is your current position within the company? (DO NOT READ CHOICES – ONE ANSWER ONLY)

			<u>Family</u>	<u>Non - Family</u>
324	(50%) 1. President/CEO/owner/chairman		58%	36%
51	(08%) 2. Vice president/COO		06%	10%
41	(06%) 3. CFO/Accountant/Financial-related /controller		05%	09%
233	(36%) 4. Professional, human resources, directors, administrative, attorneys, consultants, managers		30%	44%
02	(00%) 5. Other		01%	00%

Gender:

			<u>Family</u>	<u>Non - Family</u>
1. Male	375	58%	60%	54%
2. Female	276	42%	40%	46%

Business description (SIC Code, from record)

			<u>Family</u>	<u>Non - Family</u>
1. Agriculture/Forestry/Fishing	22	03%	05%	00%
2. Mining	01	00%	00%	00%
3. Construction	54	08%	11%	04%
4. Manufacturing	71	11%	13%	07%
5. Transportation/Utilities	35	05%	05%	05%
6. Wholesale trade	42	06%	08%	04%
7. Retail trade	103	16%	18%	14%
8. Finance, insurance, real estate	46	07%	06%	09%
9. Services	242	37%	27%	54%
10. Non-classified/Other	35	05%	06%	04%

Number of Employees (from record):

			<u>Family</u>	<u>Non - Family</u>
1. 1-4	297	46%	47%	42%
2. 5-9	112	17%	17%	17%
3. 10-19	81	12%	13%	12%
4. 20-49	75	12%	13%	10%
5. 50-99	21	03%	02%	04%
6. 100-249	21	03%	02%	05%
7. 250-499	08	01%	01%	02%
8. 500-999	03	00%	00%	01%
9. 1,000-4,999	09	01%	00%	03%
10. 5,000+	07	01%	01%	02%
11. Unknown	17	03%	03%	02%

Area (in which business is currently located, from record):

			<u>Family</u>	<u>Non - Family</u>
1. Northwest	21	03%	03%	04%
2. Southwest	47	07%	09%	05%
3. The "T"/Central	124	19%	17%	23%
4. Northeast/Lehigh Valley	91	14%	16%	12%
5. South Central	225	35%	36%	31%
6. Southeast	77	12%	11%	13%
7. Allegheny County	39	06%	06%	05%
8. Philadelphia	19	03%	02%	04%
9. Unknown	08	01%	00%	03%

The margin of error for the combined sample size of 651 interviews is +/-3.8% at the 95% confidence level, or +/-5.6% for the subsample of 300 (i.e., the "non-member" survey) and +/- 5.2% for the subsample of 351 (i.e., surveys with PA Chamber members).