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CENTRAL OHIO FAMILY BUSINESSES PLAN TO INCREASE HIRING IN 2014
More than 9 in 10 Family Businesses Optimistic about How Things are Going in Central Ohio

Columbus, OH – A survey of Central Ohio family businesses, conducted by the Conway Center for Family Business, revealed that nearly two in three (65.5%) plan to increase hiring in 2014. However, a scarcity of qualified candidates and implications of health care reform continue to be significant challenges to their businesses, according to J. Richard Emens, executive director.

The Conway Center fielded the survey to gauge the economic climate – including employment and related challenges – among family businesses in the region.

Two out of three (66.2%) respondents also said they thought things were going very or somewhat well, economically, in the United States, but were even more optimistic about the economic climate in Central Ohio with more than nine in 10 (93.5%) saying things were going very or somewhat well in Central Ohio.

Family Owned Businesses Drive Job Creation

“We are very encouraged that so many family businesses plan to increase hiring,” said Emens. “This continues to be a strong positive indicator for Central Ohio’s economic growth. Their optimism is a good sign for Central Ohio.”

Statistics show family businesses account for 50 percent of the U.S. gross domestic product, generate 60 percent of the country’s employment, and spur 78 percent of all new job creation.¹

Top Challenges include Qualified Workers, Implications of Health Reform

Participants also were asked about the top challenges their businesses will face this year. Finding qualified workers, health care law changes and costs, and commodity or materials cost changes remain the key issues, just as they were in 2013.

“We hear from our members that finding qualified employees is a challenge,” Emens said. “That is reinforced by 46.8 percent of respondents indicating ‘finding qualified workers’ is their most

¹ (Perman, Stacy. "Taking the Pulse of Family Business," 2006. Bloomberg Businessweek.

significant business challenge overall. This is up from 40.7 percent in our 2013 survey. It's also one reason why we added a Human Resources Peer Group this year – to help family business leaders deal with these challenges.”

In addition, 13 percent said health care law costs and implementation would be their biggest challenge while just over 10 percent expect commodity or materials cost changes to be their biggest challenge in 2014.

When asked specifically about hiring new workers, over 84 percent of respondents (up from 70 percent of respondents in 2013) indicated the lack of qualified candidates for their open, vacant and future positions is their biggest hiring challenge.

Implementation of the Affordable Care Act (ACA) is weighing on family businesses in 2014, according to the survey, with 35 percent saying the ACA has caused them to change business practices. Nearly 67 percent of respondents said they have changed insurance plans offered to their employees, with nearly 41 percent indicating that they've had to shift some health insurance premium costs to employees.

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The survey was completed in February 2014 by 84 family-owned businesses in Franklin County; 79 percent of the respondents are members of the Conway Center's 150+ member companies.

ABOUT THE CONWAY CENTER

The [Conway Center for Family Business](#) is Central Ohio's resource for educational programs, resources and networking opportunities to support the growth and success of family-owned businesses. The Center celebrates the successes of family-owned businesses at its annual awards program and offers peer group opportunities for next-generation leaders, family business leaders, and women family business owners. The organization includes more than 150 family-owned businesses from Central Ohio that collectively employ more than 10,000 individuals.

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Survey Details – Question Breakout

Do you plan to increase hiring this year?

1. Yes (65.5%%)
2. No (16.7%)
3. I don't know at this time (17.9%)

How many employees do you plan to add by December 31, 2014?

1. 1-10 (78.2%)
2. 11-20 (12.7%)
3. 21-30 (5.5%)
4. 31-40 (1.8%)
5. 41-50 (1.8%)

What do you believe is the most significant challenge to your business in 2014?

1. Finding qualified workers (46.8%)
2. Health care law changes/costs (13%)
3. Commodity or materials cost changes (10.4%)
4. Federal tax climate (5.2%)
5. The economy (3.9%)
6. Energy cost changes (2.6%)
7. Ohio tax climate (1.3%)

How has health care reform changed your business practices? (Check all that apply.)

1. Changed insurance plan(s) offered to employees (66.7%)
2. Shifted premiums to employees (40.7%)
3. Reduced hours for employees (18.5%)
4. Now offering employer-sponsored insurance to employees (previously did not) (0.0%)