



CLEVELAND– The business community is still overwhelmingly optimistic about the business climate in 2018, according to the eighth annual McDonald Hopkins Business Outlook Survey. For the second straight year, nearly 80 percent of the respondents predict improvement in business conditions in both the US and their own companies. As one respondent wrote, “deregulation and tax policies are the best thing to happen to our economy in 29 years.”

However, despite the enthusiasm, there are challenges and concerns in the business community. Although 60 percent expect to increase their number of employees, there are worries about finding qualified employees, with respondents citing concerns about “finding the right talent and skill sets.”

Although 57 percent anticipate the stock market will continue its historic rise, only 45 percent believe the Tax Cuts and Job Act will benefit their organization.

From a list of 12 business challenges, the three greatest challenges identified include:

- Increasing health care costs (38%).
- Stiff competition (38%).
- Retaining profit margins (34%).

Not surprisingly, respondents are less concerned about federal, state and local regulations this year. Only 26 percent rank it as a great challenge, compared to 41 percent in 2017.

While sexual harassment has been a significant subject in the news, 55 percent of respondents have no plans to change their policies and training.

And despite the proliferation of data privacy and cybersecurity threats, just 27 percent say their organization is very prepared for such an attack.

Other topics covered in the survey are investment in capital assets and interest rates.

The 2018 Business Outlook Survey was conducted from Jan. 4, 2018 to Jan. 30, 2018. [Click here](#) to read the report.

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