

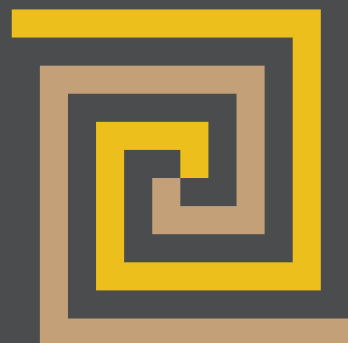
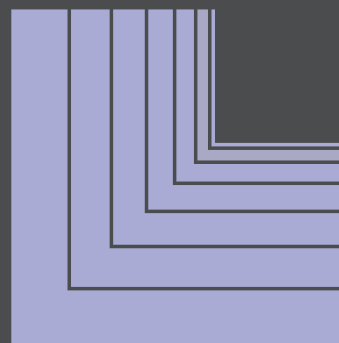
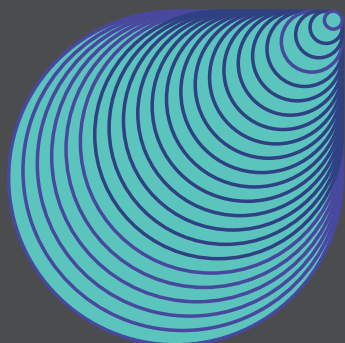
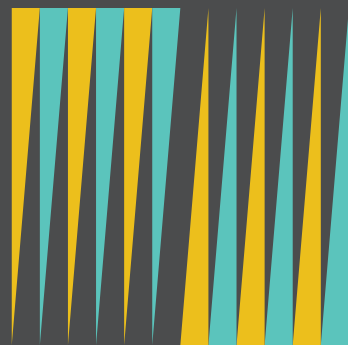
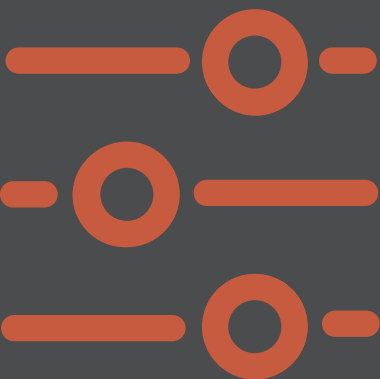
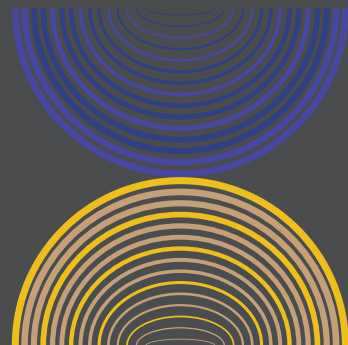
SBJ

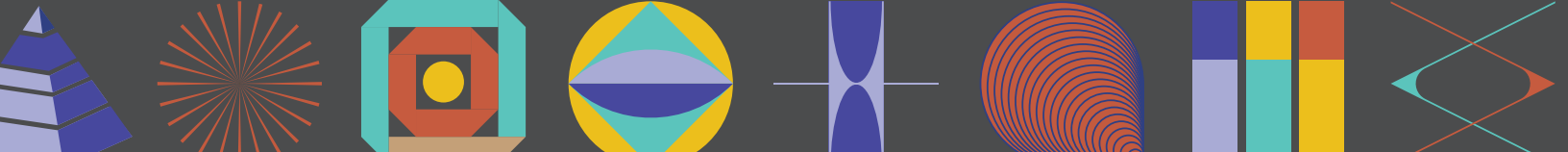
ECONOMIC
GROWTH
SERIES

2025

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Uncertainty prevalent in local data

So much can change in a year. Confidence was up among business leaders in last year's Economic Growth Survey, while this year, uncertainty seems to be prevailing. While the same percentage of survey respondents this year and last say their optimism in the economy has increased, the percentage who say their confidence has decreased doubled to 32%.

Confidence in particular market sectors is also up in the air, with about a third of survey respondents each saying their confidence has increased, stayed the same or decreased. There's that uncertainty again.

Springfield Business Journal has been gathering these and other economic metrics from area business owners and leaders since 2019, providing localized data on questions no one else is asking.

The survey shows that respondents are proceeding with caution, as now just 50% of them are expecting their income to improve this year compared to last (a drop of 10 percentage points from last year). A large percentage of

respondents are reporting credit is harder to access than it was a year ago, and after a three-year climb, there was a slight dip in the number of respondents planning on raising capital.



Christine Temple
SBJ Executive Editor

Only 23% of respondents say they aren't struggling to attract talent, with the remainder of respondents implementing pay increases and flexible schedules to attract and retain workers. Employee wages and benefits remain as the No. 1 driver of business costs.

One strategy, perhaps, as businesses face a potential decrease in revenue and increased expenses might be reducing hiring. There was a 16 percentage point reduction in the number of respondents who plan to increase the number of employees at their companies.

Infrastructure was a strong theme in the survey, with the majority of respondents saying investing in this area is the top development need for Springfield to remain competitive and for government to

support businesses.

Attracting new customers remains the top issue impacting businesses in the next five years, with nearly half of respondents saying they'll expand their use of technology and develop the next generation of leaders to get there.

We changed our open-ended question this year, asking: What qualities of the Springfield region support your business? Threaten your business? You can find word clouds representations of the responses toward the end of this booklet, but the SBJ newsroom will take a deep dive into these responses with the six special economic growth survey editions in the second half of the year.

This is the seventh year SBJ has collected data on our local economy through the Economic Growth Survey. Over the coming months, the newsroom will take a deep dive into this data in our weekly publication. Alongside that will be advertising content from series sponsors, whose leaders will provide expertise in their market sectors.

This data is a tool SBJ has developed for you, business and community leaders, to inform you for the road ahead. Let's dig in.



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SBJ 2025 Economic Growth Survey collected March 31-April 30, 2025. Survey sample size of 249, with a +/- 5.7% margin of error and 95% confidence interval. Survey conducted by the Circulation Verification Council.

ECONOMIC GROWTH SERIES EDITIONS

- June 9: The Economy
- July 14: Growth (or not)
- Aug. 11: Culture & Workforce
- Sept. 8: The Cost of Business
- Oct. 13: Infrastructure & Development
- Nov. 10: The Outlook

cover and graphics HEATHER MOSLEY

Economic Growth Series Sponsors

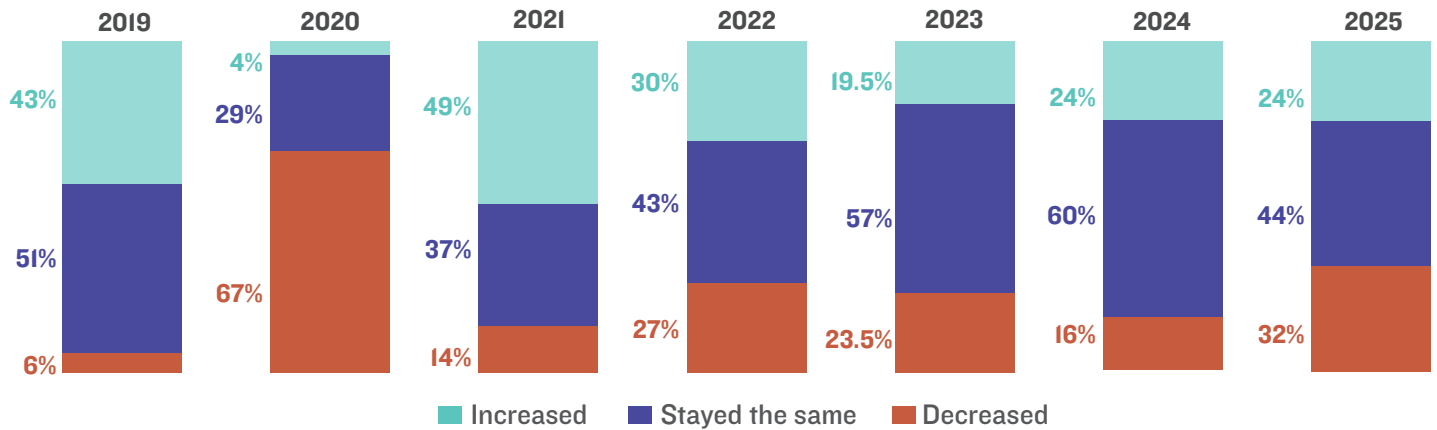
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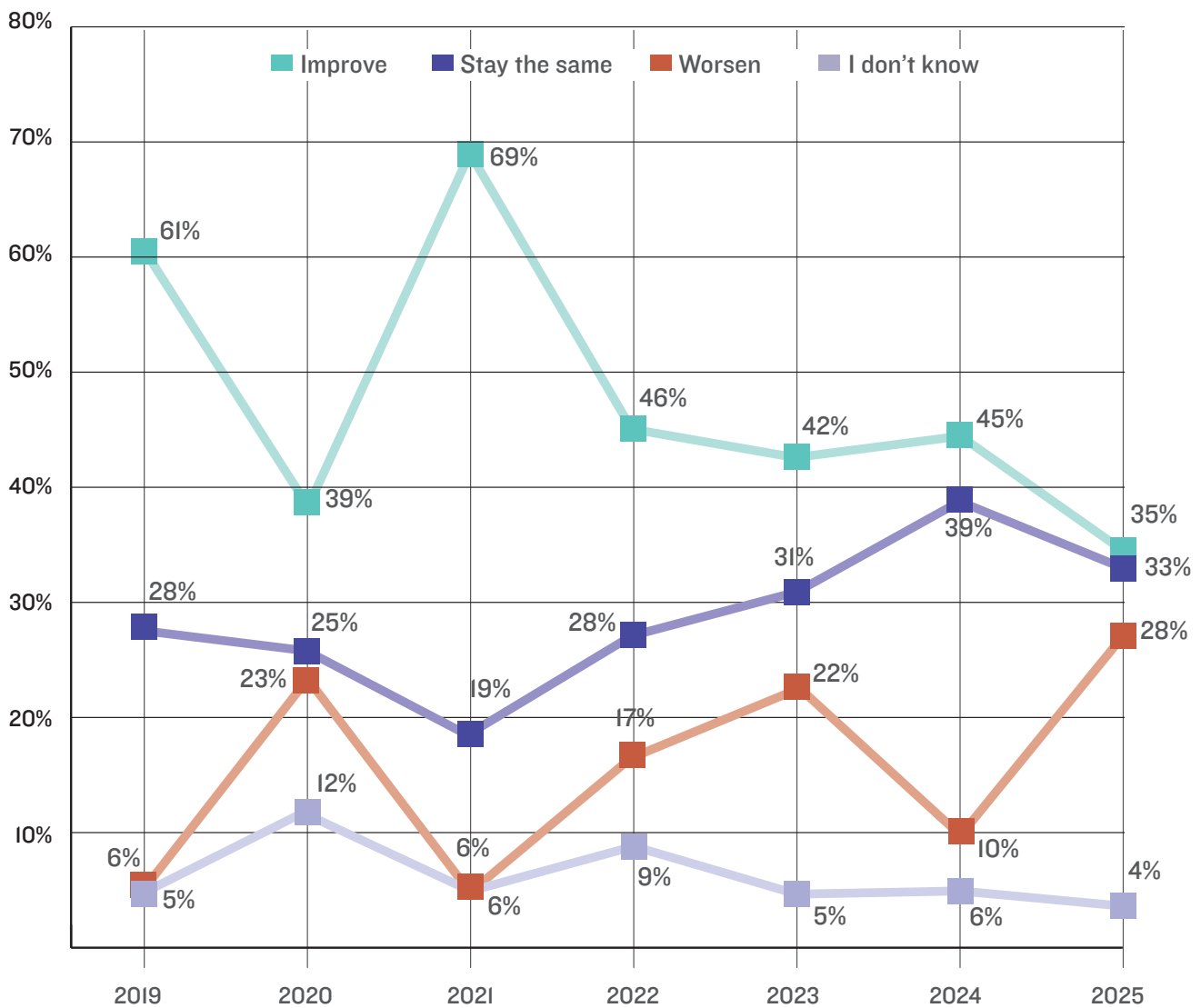


Confidence

Compared to a year ago, would you say that your confidence in the local economy has ...

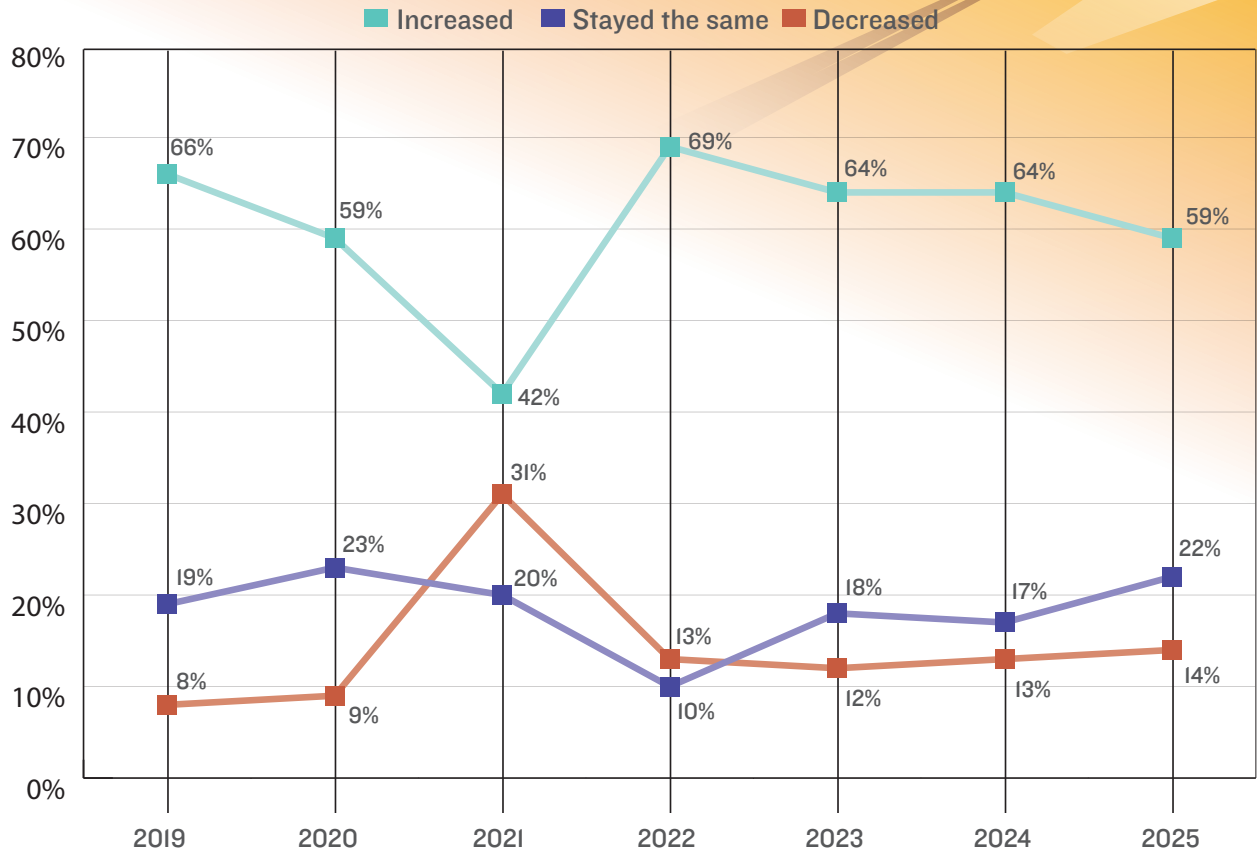


Over the next year, do you expect the market for your business sector to ...



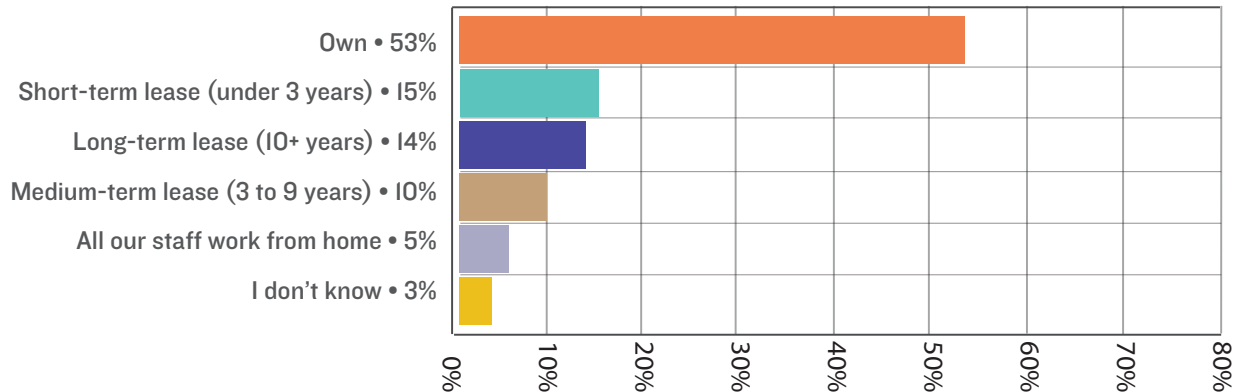
Financials

In your last fiscal year, did your business' revenue increase, decrease or stay about the same from the previous year?

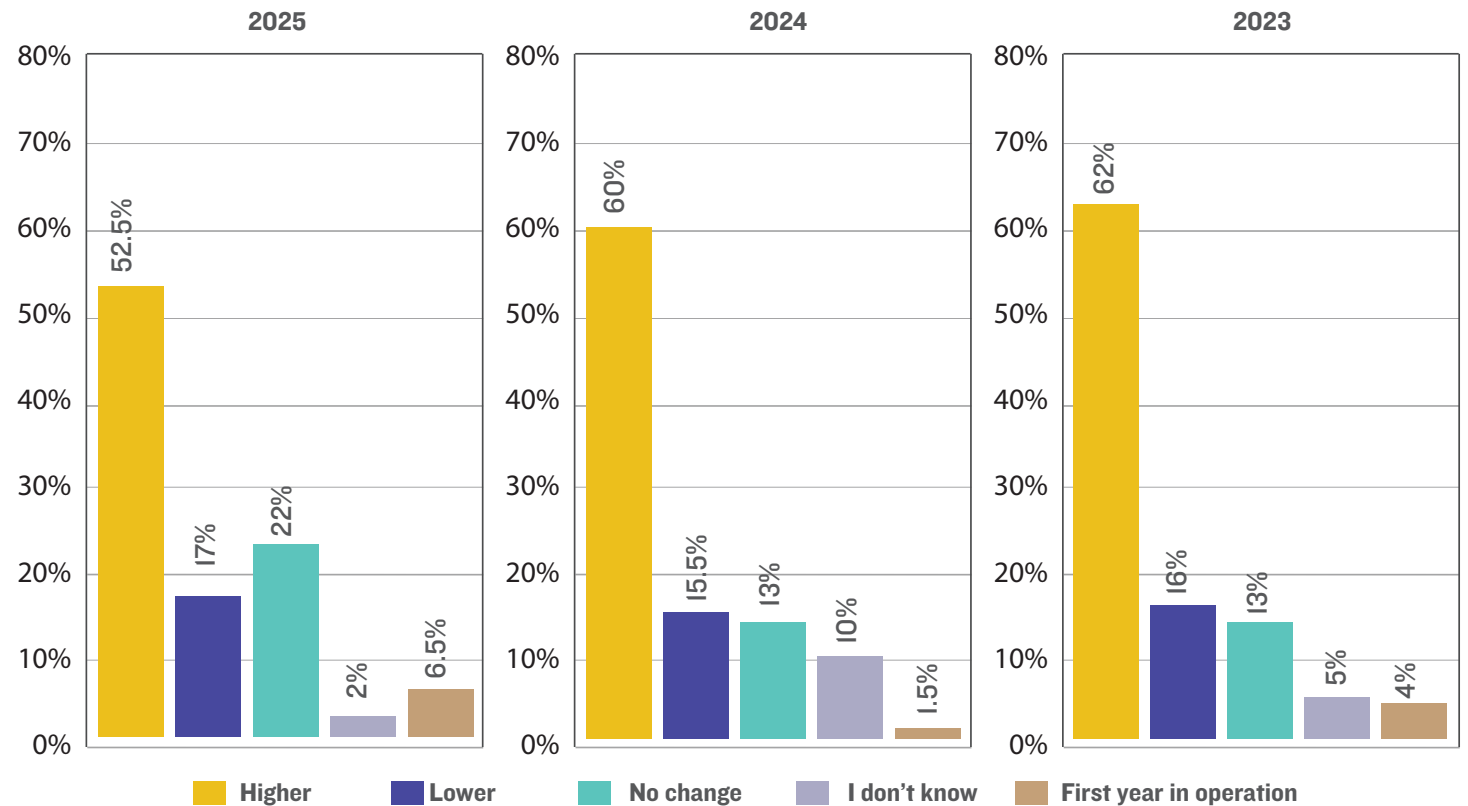


Some respondents reported the previous year as their first in business.

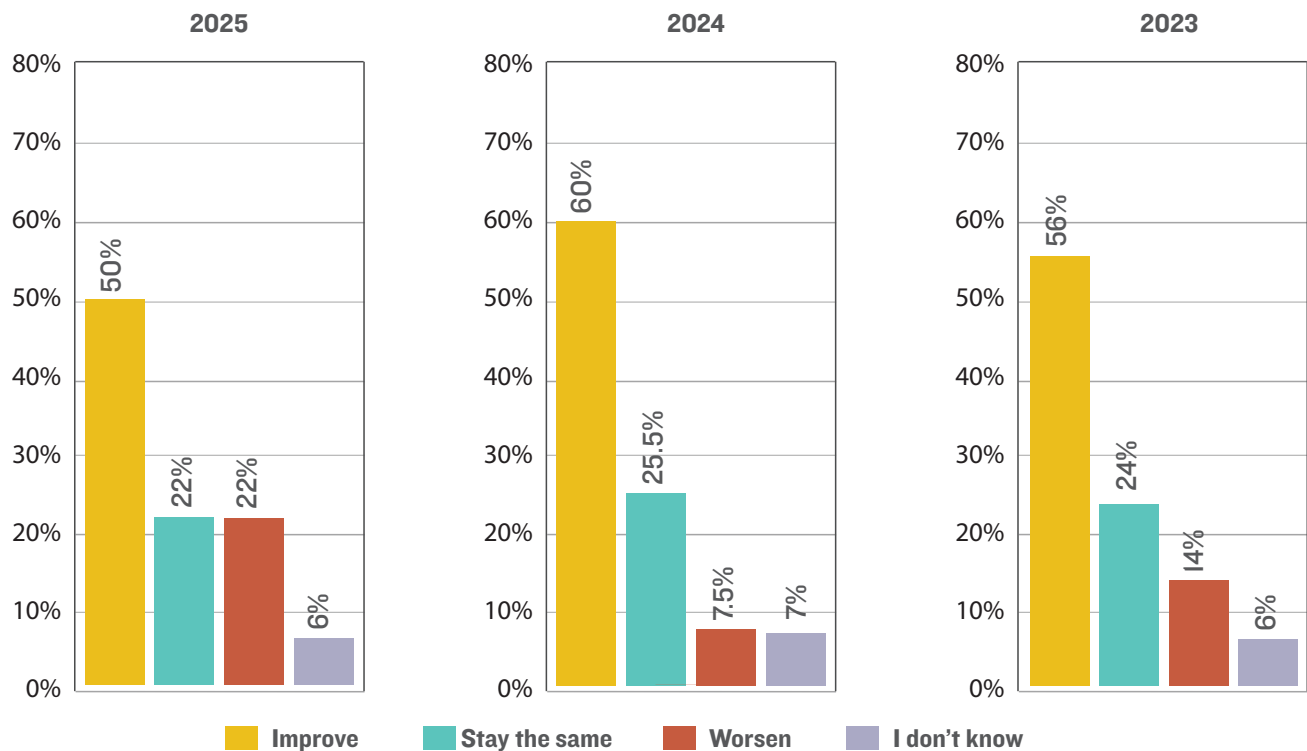
Do you own or lease the building where your business office (or the office where you spend the most time) is located?



How does your business' net income last year compare to the prior year?

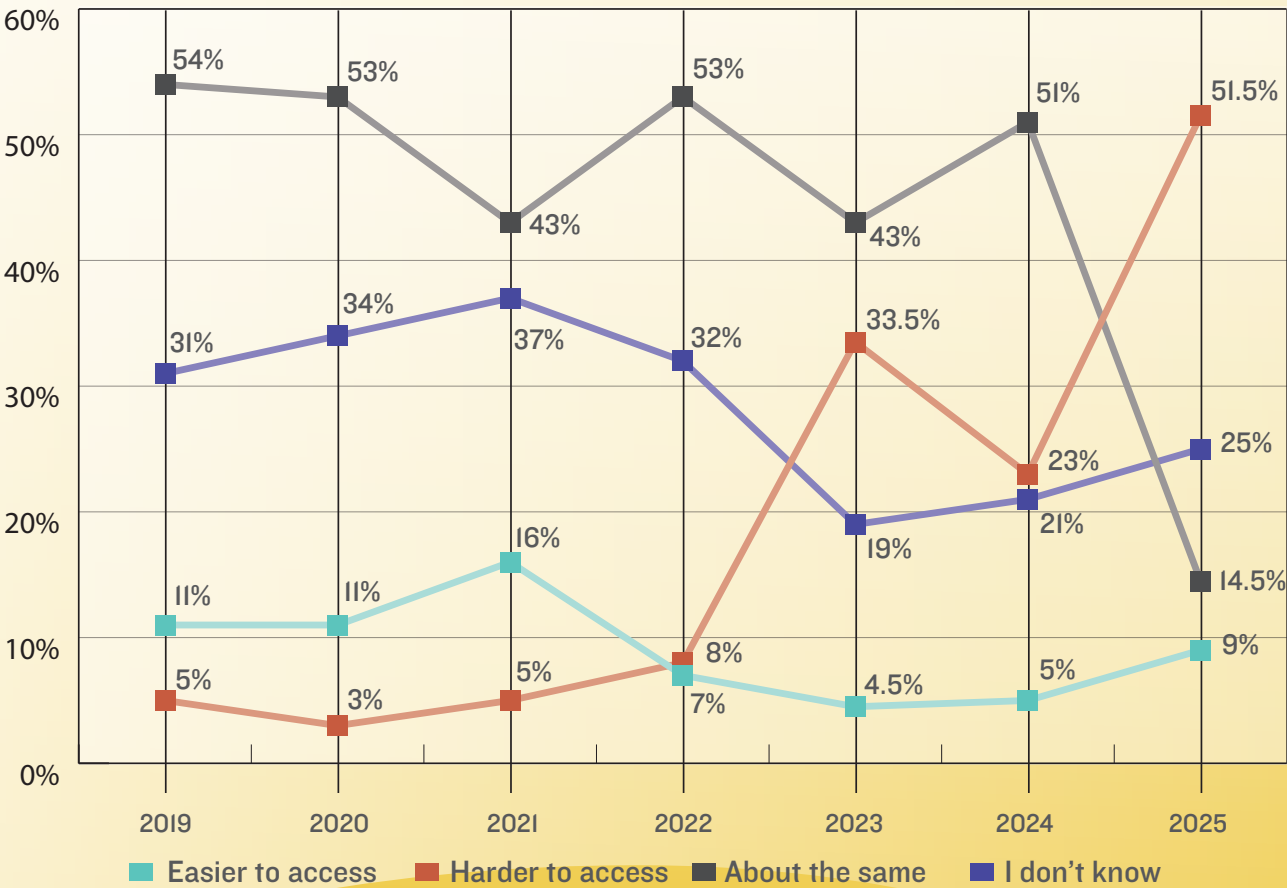


How do you expect your net income this year to compare to the prior year?

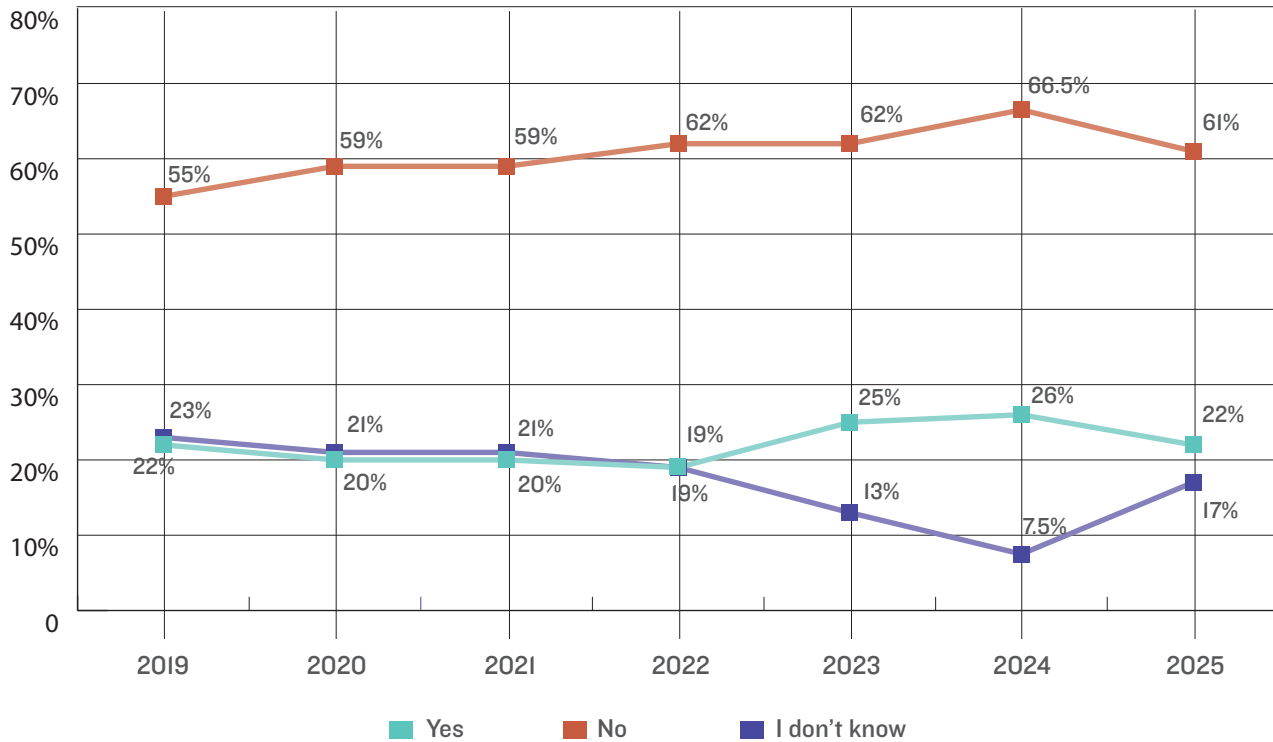


Financials

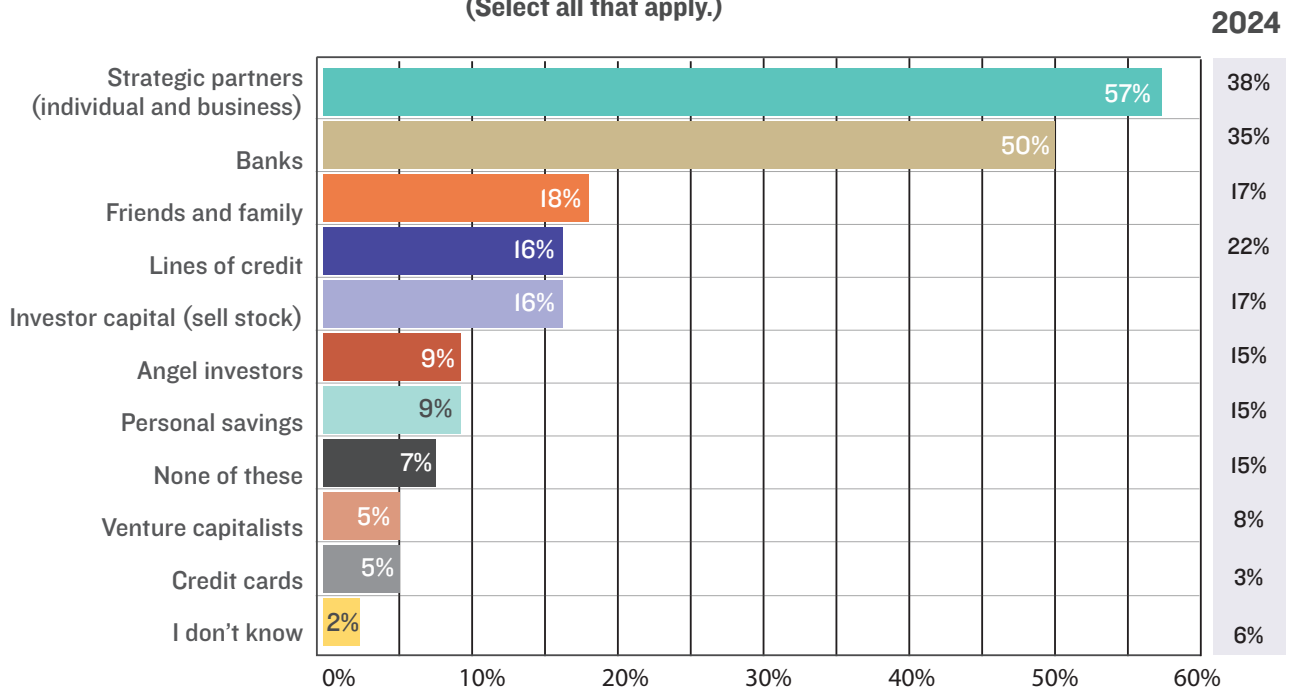
Compared to a year ago, is credit ...



Are you planning on raising capital in the near future?

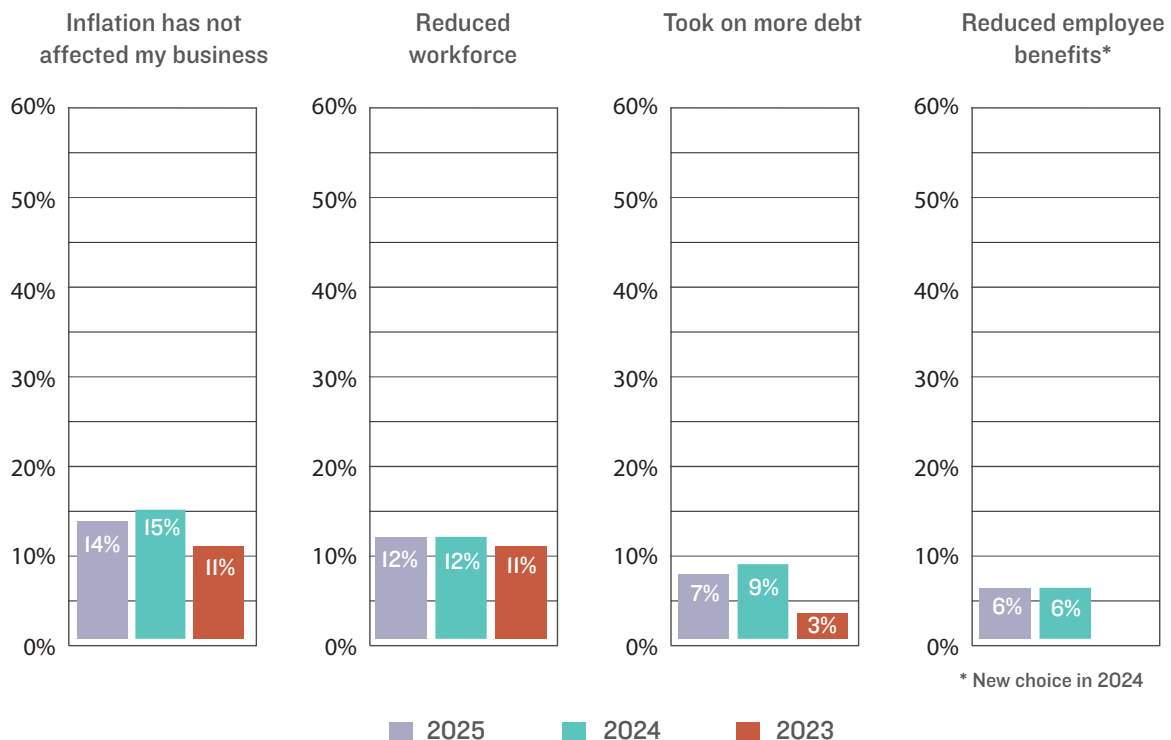
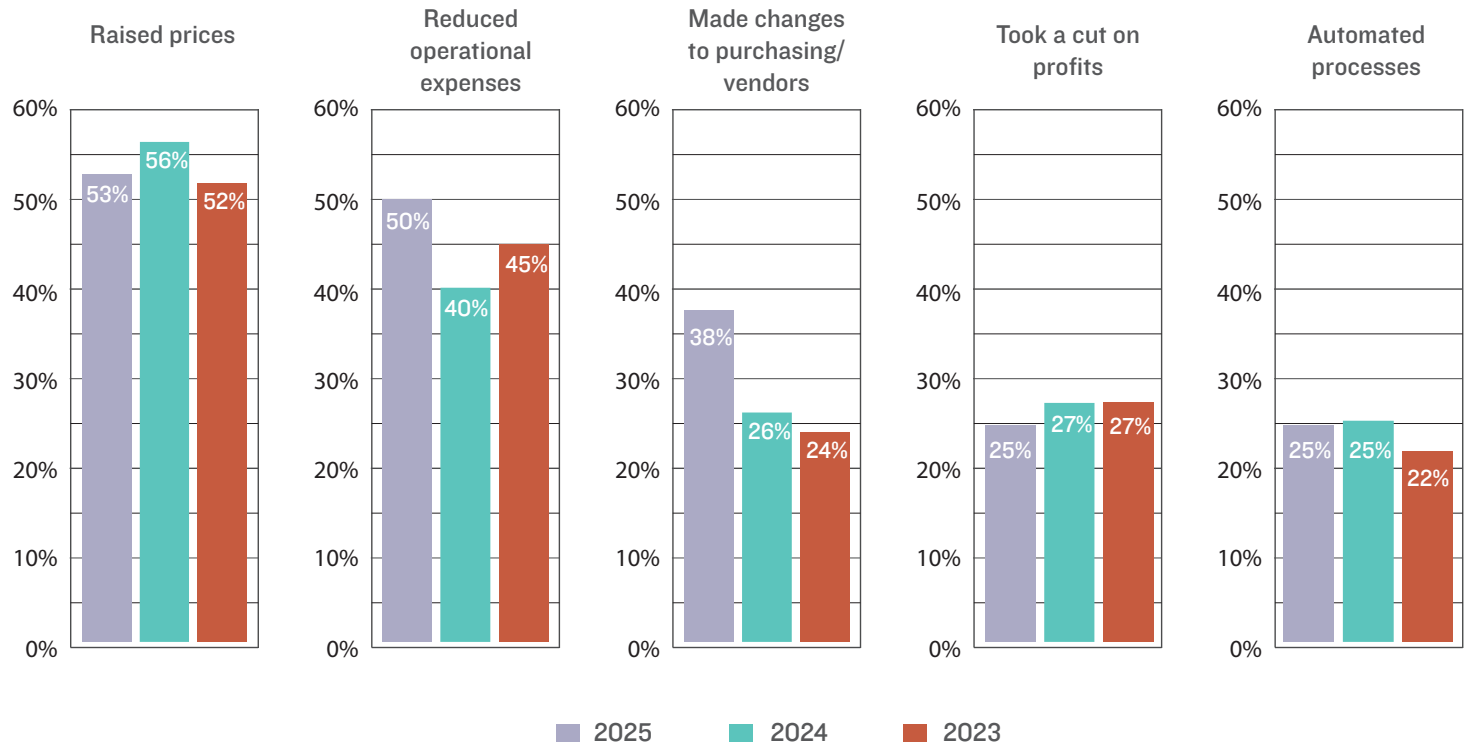


What sources of capital do you plan to use? (Select all that apply.)



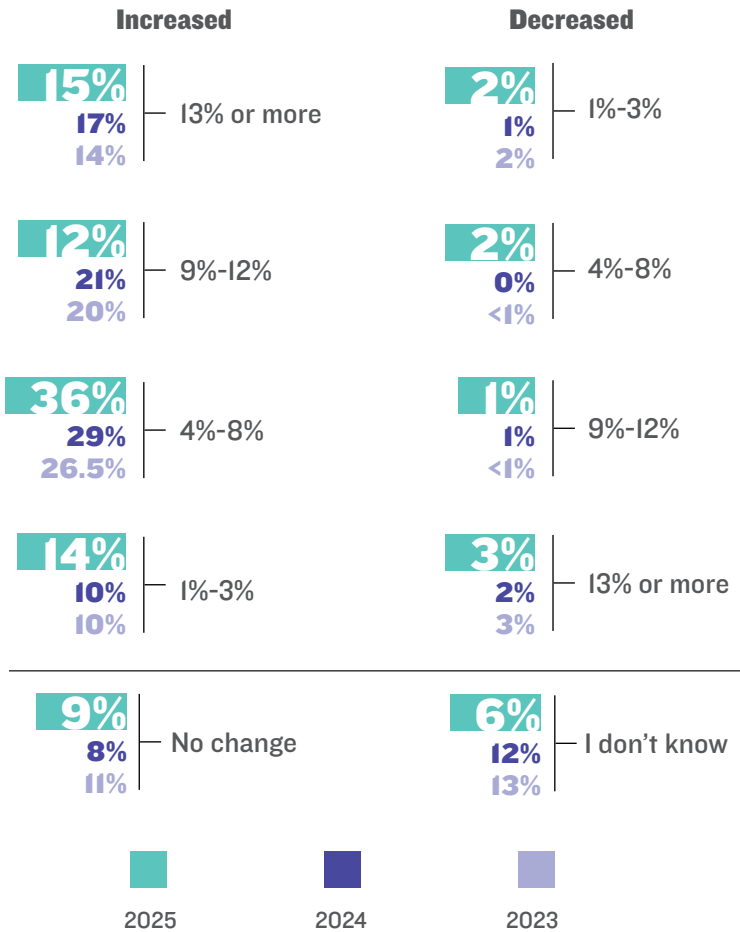
Financials

In the past year, what changes has your company made as a result of inflation? (Select all that apply.)



Financials

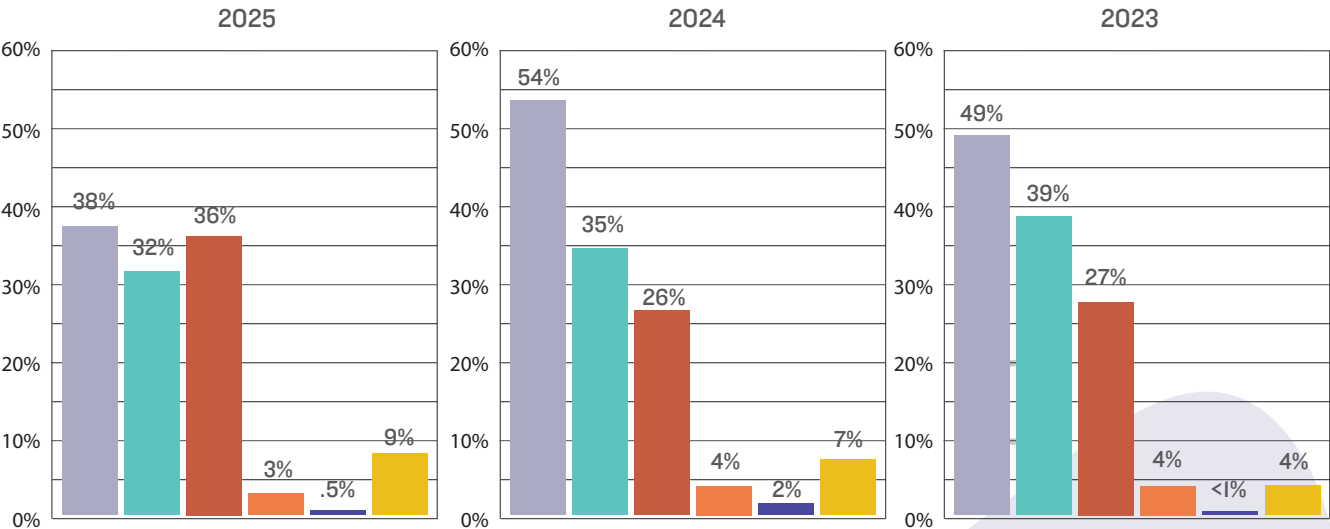
By what percentage has your payroll changed this year compared with last year?



Thinking about the location where your office is located, over the next five years do you plan to ...



In the next year, do you plan to ... (Select all that apply.)

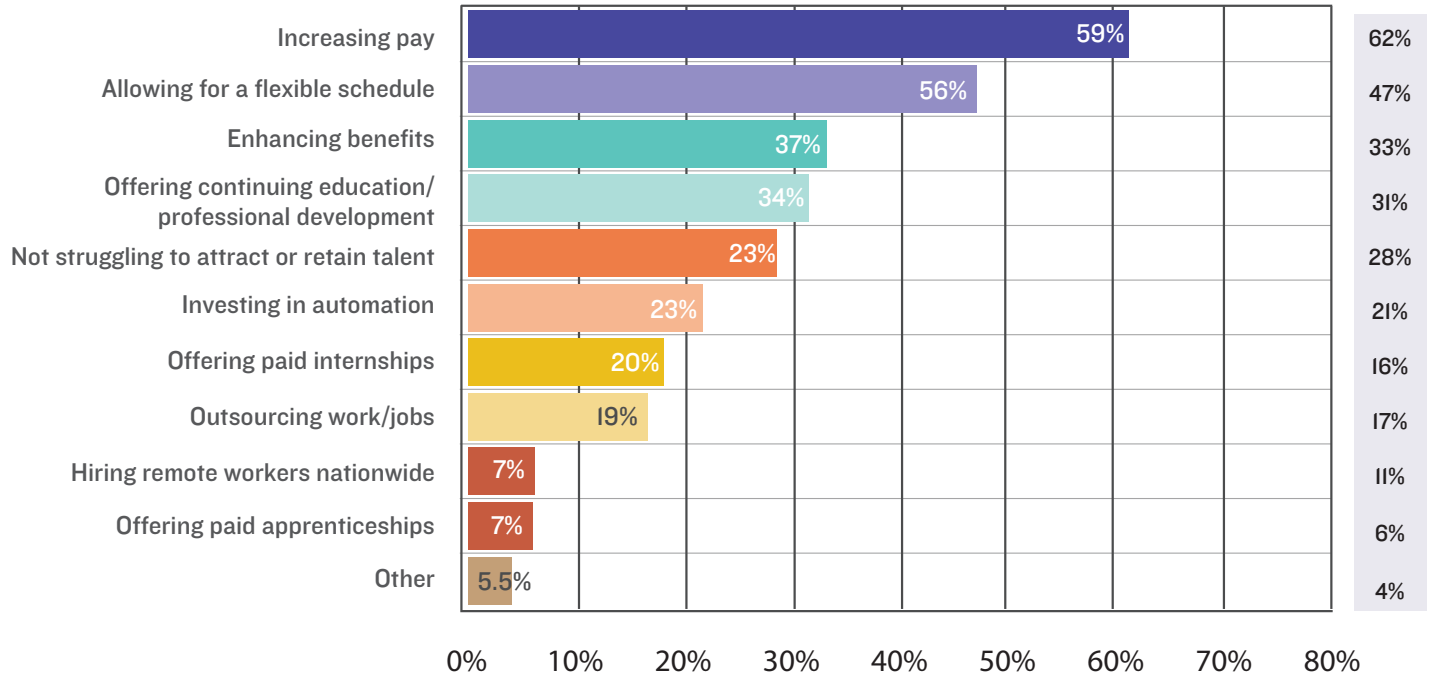


- Increase the number of employees
- Recruit new employees
- Expect no additional hiring
- Reduce the number of employees without replacing them
- Reduce the number of employees while hiring employees elsewhere
- I don't know



How are you responding to the tight labor market? (Select all that apply.)

2024



“Creating a positive culture and attracting the clients and staff who are like-minded and respectful”

“Always hiring and looking for qualified individuals”

“Getting involved with students while they are in high school”

“I have not made attempts to respond to the labor market”

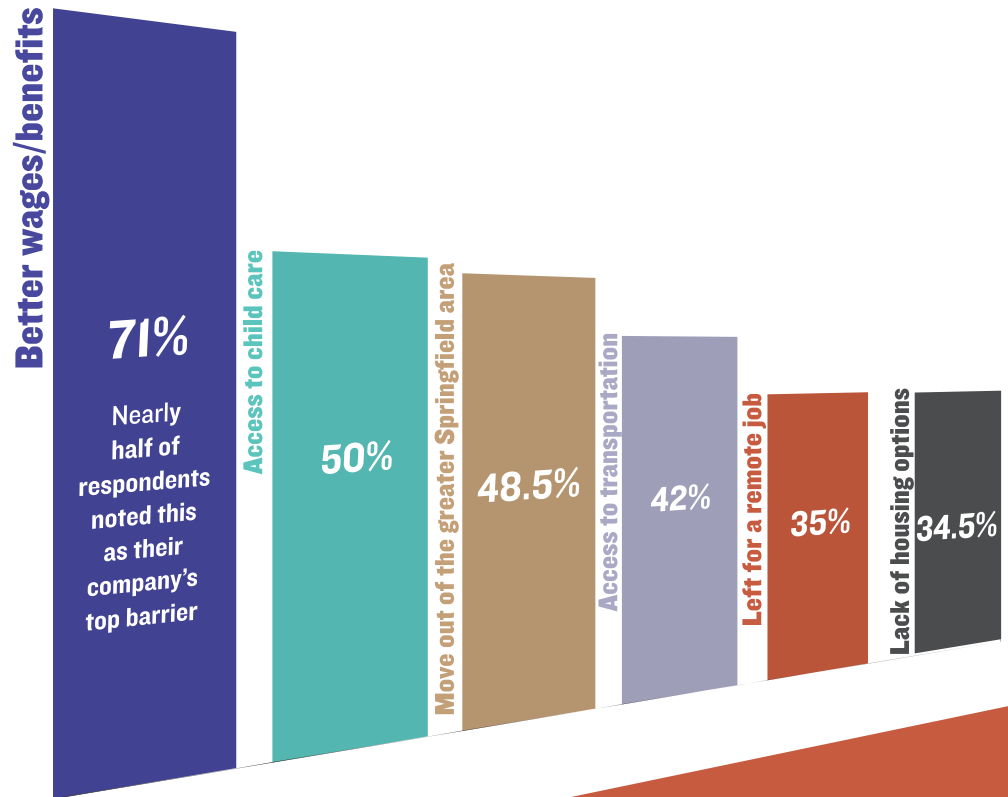
“ESOP/ profit sharing”

Represents a portion of open-ended responses.

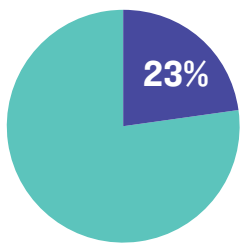


What do employees report as barriers to accepting or keeping a job at your company?

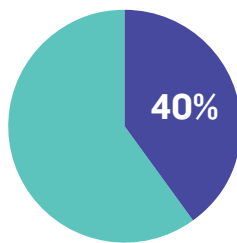
(Percentage represent respondents who report these options as a barrier.)



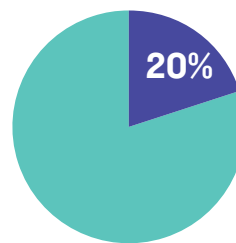
What impact do you believe housing prices (home and/or rental prices) have on your ability to recruit and retain employees?



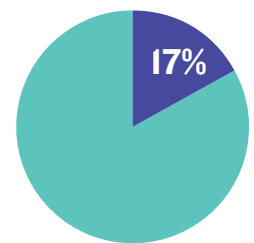
Large impact



Some impact

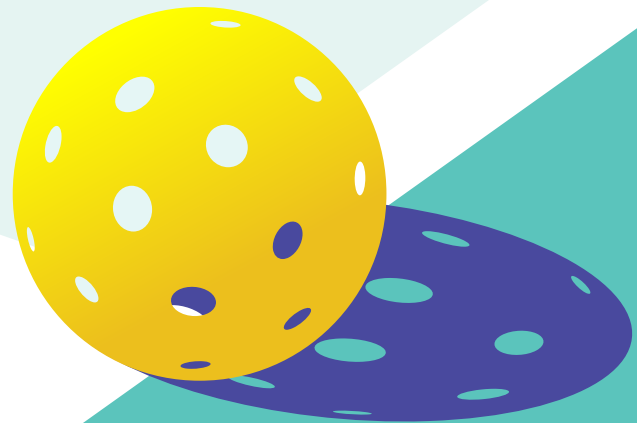
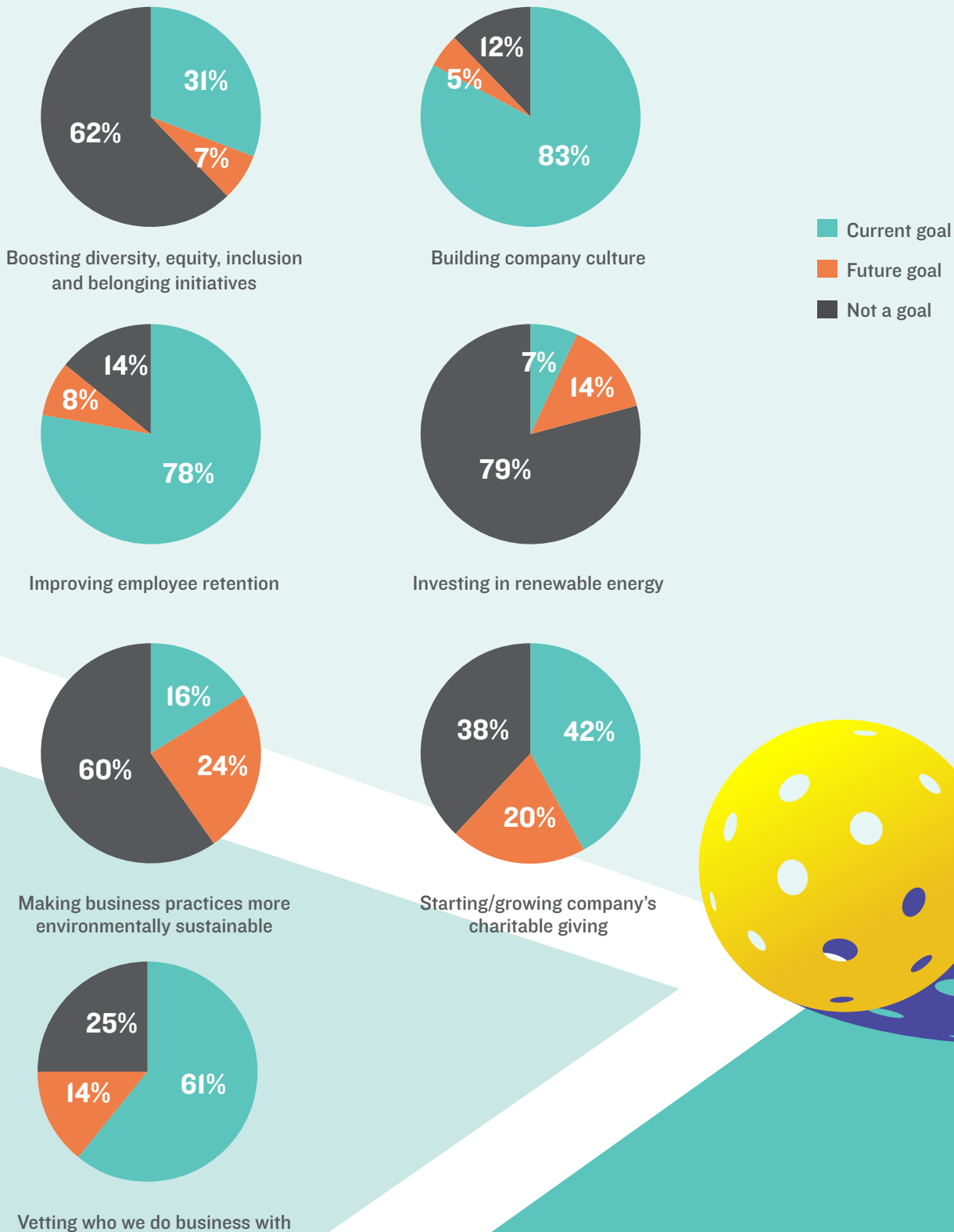


Small impact

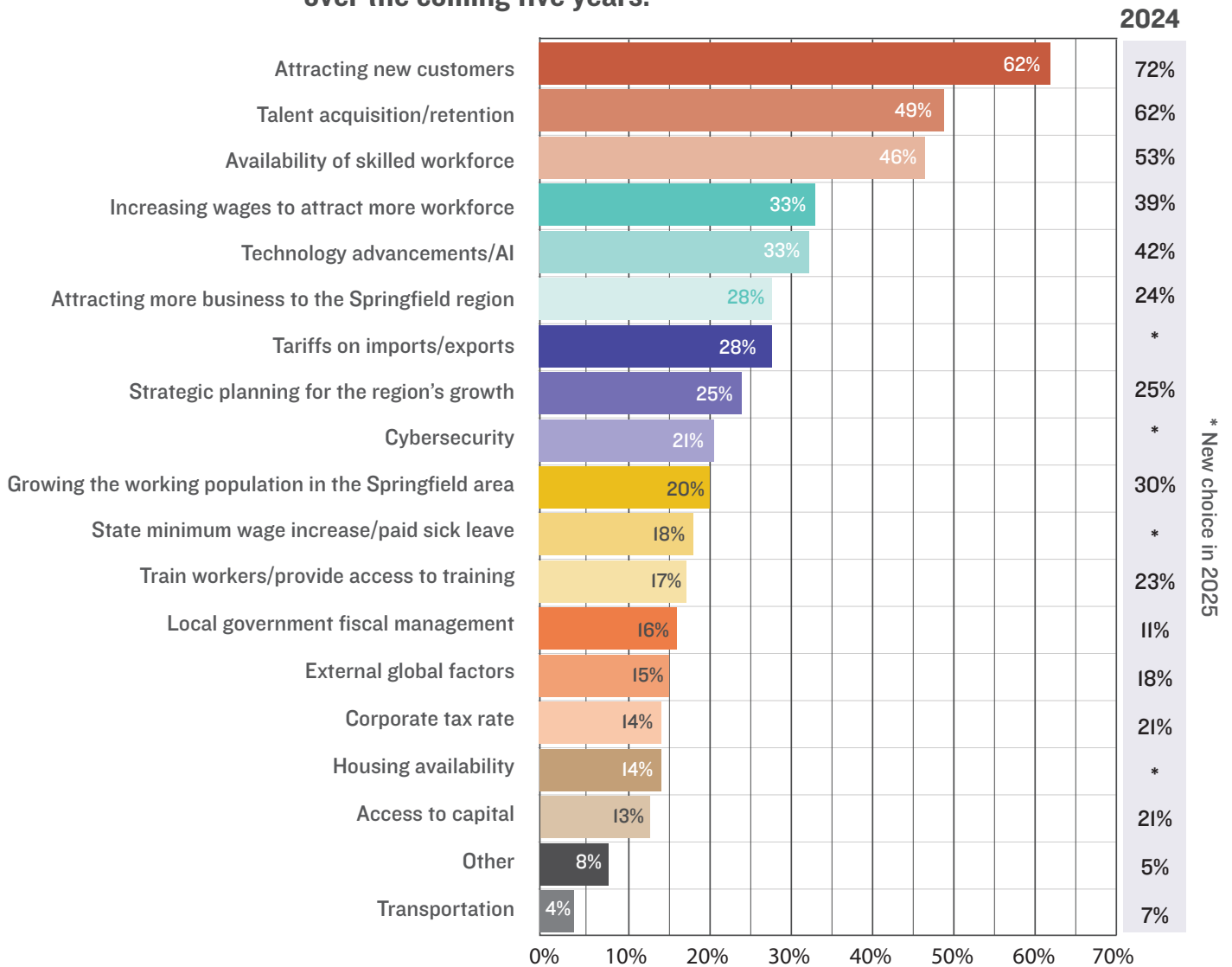


No impact

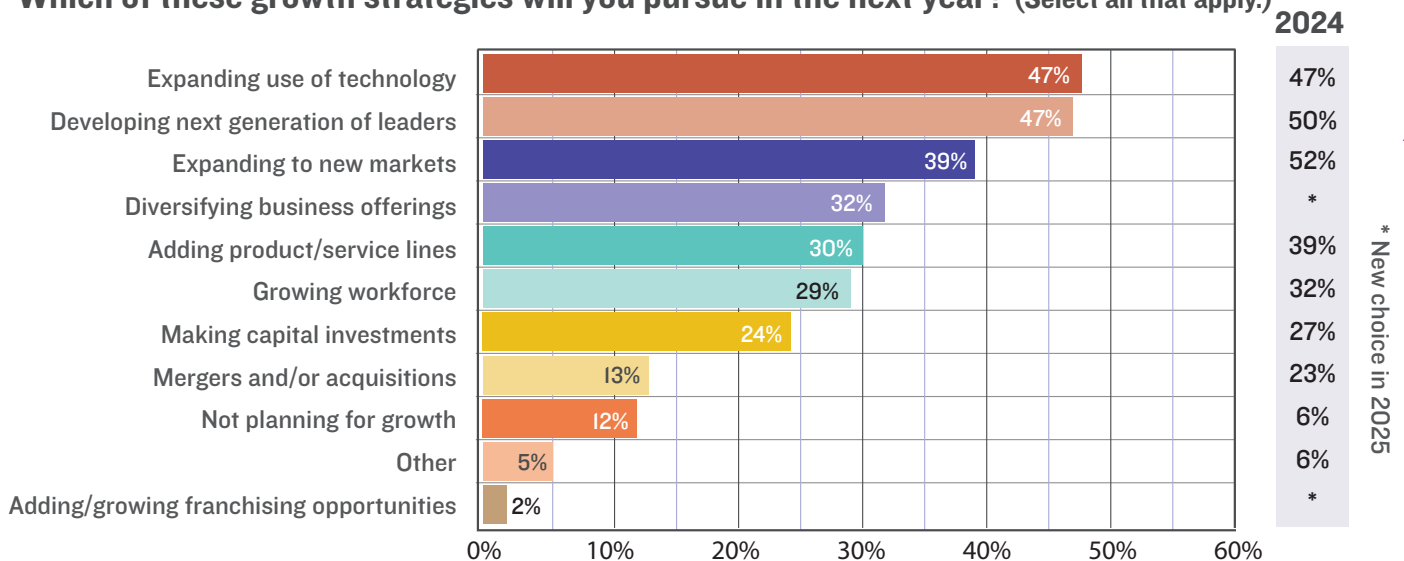
What are the goals motivating your company's corporate responsibility?



Please select the top five most important issues for your business over the coming five years.



Which of these growth strategies will you pursue in the next year? (Select all that apply.)

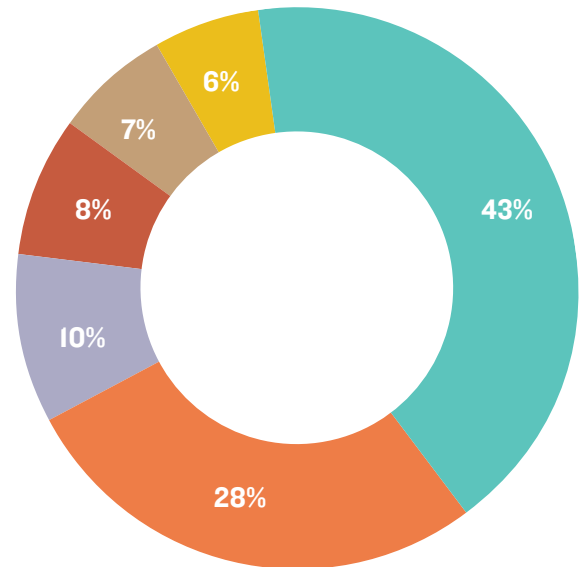


What is driving up the cost of doing business?

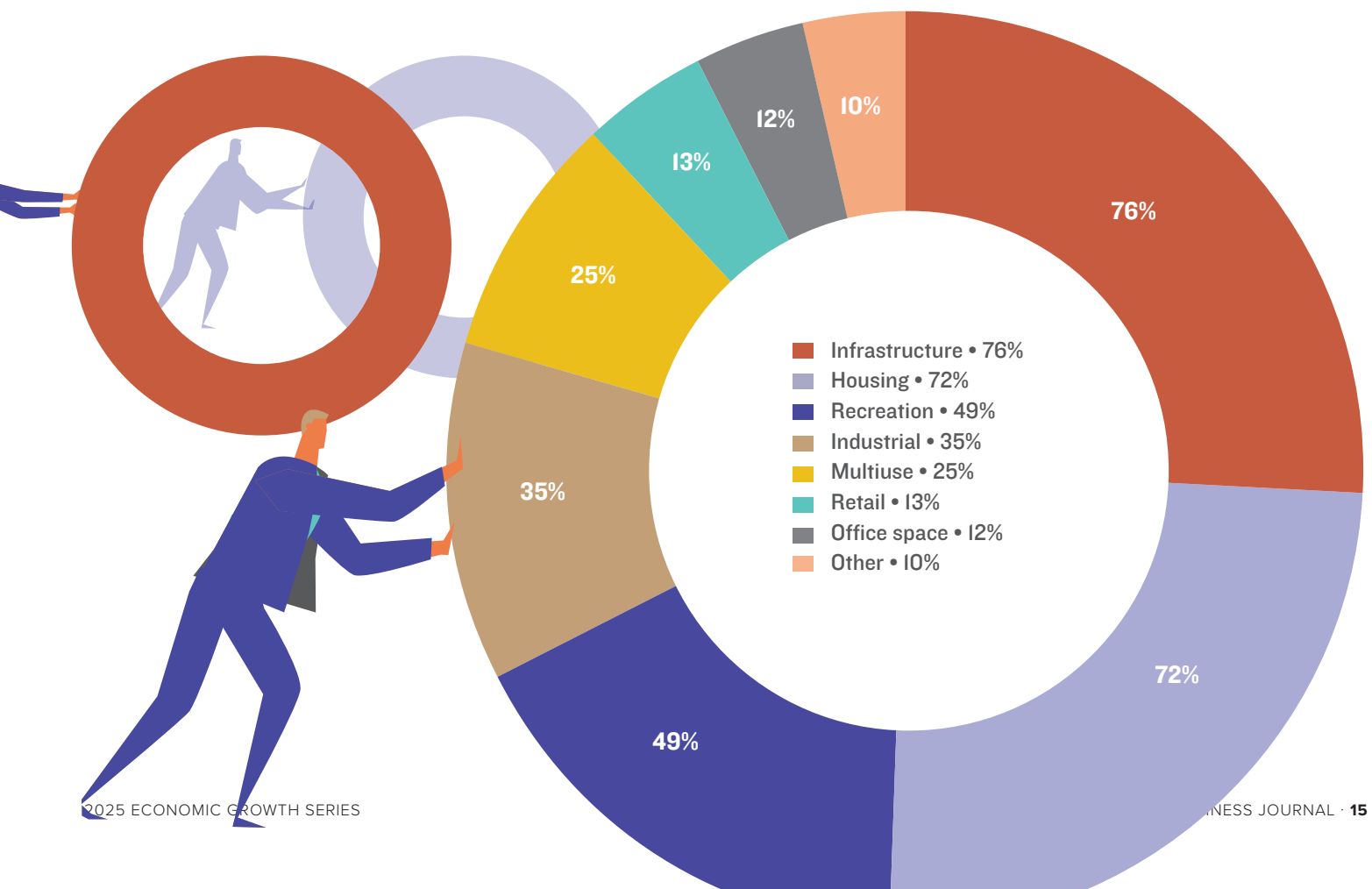
(Pie chart shows percentage of respondents who ranked each item as No. 1.)

Employee wages and benefits & the cost of goods and materials remain as top drivers of businesses' costs.

- Employee wages and benefits • 43%
- Cost of goods and materials • 28%
- Technology investments • 10%
- Rent or real estate loans/utilities/insurance • 8%
- Regulations/taxes • 7%
- Supply chain challenges/materials shortage • 6%



What development do you believe are most needed for Springfield to remain competitive in the next five years? (Select top three choices.)



(Open-ended responses represented in a word cloud.)

(Select all that apply.)

What qualities of the Springfield region threaten your business?

(Open-ended responses represented in a word cloud.)



“Prop A will
cause business
to close”

“We desperately need city partnership with investing in developable sites to attract new business”

“HOUSING
HOUSING
HOUSING”

“Financial and educational assistance to small businesses”

Represents a portion of open-ended responses.

In the past year, have the following business issues worsened, stayed about the same or improved?

Access to capital

| | 2025 | 2024 | 2023 |
|----------------|------|-------|------|
| Worsen | 11% | 19% | 27% |
| About the same | 63% | 55% | 51% |
| Improved | 7% | 6.5% | 4% |
| Don't know | 19% | 19.5% | 18% |

Access to skilled workers

| | 2025 | 2024 | 2023 |
|----------------|-------|------|------|
| Worsen | 28% | 37% | 50% |
| About the same | 56.5% | 49% | 42% |
| Improved | 5.5% | 7.5% | 3% |
| Don't know | 10% | 6.5% | 5% |

Public transportation

| | 2025 | 2024 | 2023 |
|----------------|-------|------|------|
| Worsen | 8% | 5.5% | 6% |
| About the same | 59.5% | 57% | 57% |
| Improved | 0.5% | 0.5% | 3% |
| Don't know | 32% | 37% | 34% |

Traffic flow and/or patterns

| | 2025 | 2024 | 2023 |
|----------------|------|------|------|
| Worsen | 26% | 30% | 28% |
| About the same | 55% | 47% | 48% |
| Improved | 9.5% | 7% | 8% |
| Don't know | 9.5% | 15% | 16% |

Federal and/or state business taxes

| | 2025 | 2024 | 2023 |
|----------------|-------|-------|------|
| Worsen | 19.5% | 33.5% | 35% |
| About the same | 63% | 53% | 46% |
| Improved | 2% | 1.5% | 4% |
| Don't know | 15.5% | 12% | 15% |

Municipal bylaws regulating business activity

| | 2025 | 2024 | 2023 |
|----------------|------|-------|------|
| Worsen | 19% | 19% | 18% |
| About the same | 59% | 55% | 59% |
| Improved | 2% | 1.5% | 2% |
| Don't know | 20% | 24.5% | 21% |

Federal and/or state bylaws regulating business activity

| | 2025 | 2024 | 2023 |
|----------------|------|------|------|
| Worsen | 30% | 33% | 31% |
| About the same | 53% | 50% | 51% |
| Improved | 5% | 2% | 2% |
| Don't know | 12% | 15% | 16% |

Cost of doing business

| | 2025 | 2024 | 2023 |
|----------------|------|------|------|
| Worsen | 83% | 80% | 86% |
| About the same | 14% | 17% | 13% |
| Improved | 0.5% | 1.5% | <1% |
| Don't know | 2.5% | 1.5% | 1% |

Business licensing/permitting process at the city

| | 2025 | 2024 | 2023 |
|----------------|-------|------|------|
| Worsen | 15% | 19% | 18% |
| About the same | 57.5% | 55% | 56% |
| Improved | 7.5% | 2% | 4% |
| Don't know | 19% | 24% | 22% |

Air service to the area

| | 2025 | 2024 | 2023 |
|----------------|------|-------|------|
| Worsen | 4% | 5.5% | 11% |
| About the same | 55% | 52% | 52% |
| Improved | 17% | 15.5% | 11% |
| Don't know | 24% | 27% | 26% |

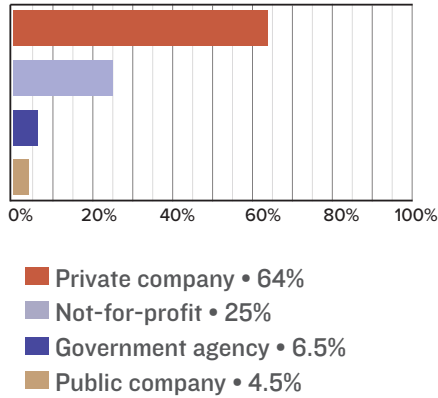
Employment training

| | 2025 | 2024 | 2023 |
|----------------|-------|------|------|
| Worsen | 8% | 9% | 7% |
| About the same | 65% | 60% | 63% |
| Improved | 14.5% | 21% | 19% |
| Don't know | 12.5% | 10% | 11% |

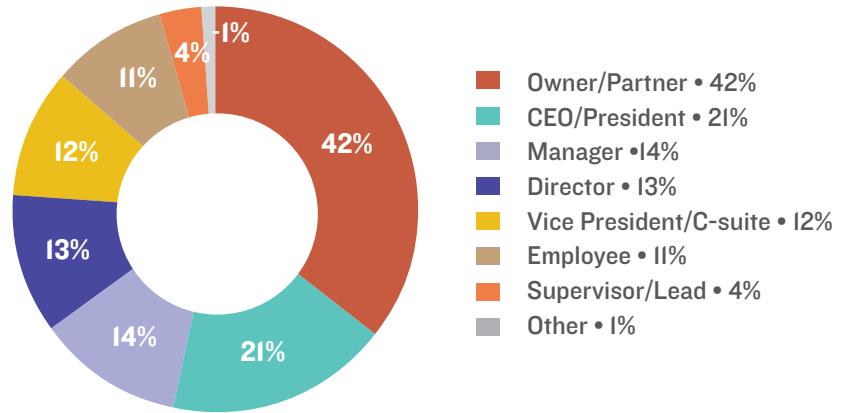


Respondent Demographics

Which of the following best describes your business?



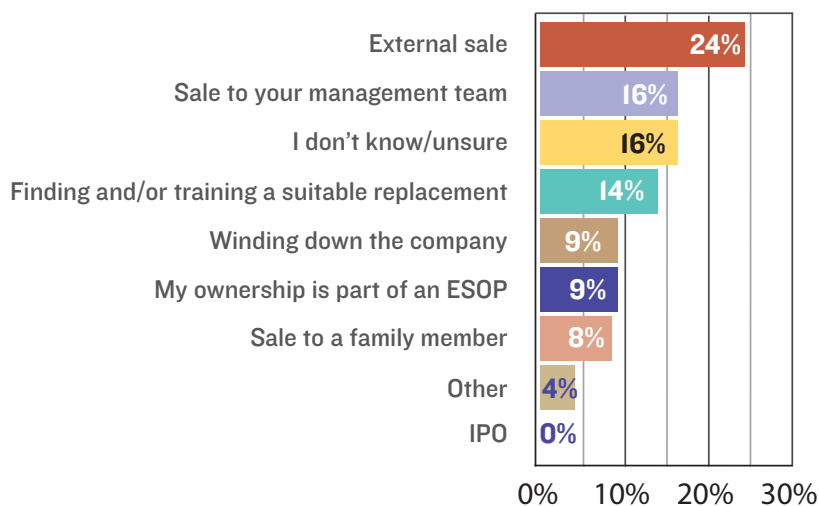
Which of the following best describes your current position in the business? (Select all that apply.)



Which of the following best describes the industry sector in which your business primarily operates?




As an owner in your business, which of the following exit scenarios are you most likely to pursue?



How many people does your business employ in the Springfield metro area?





YOUR

BUSINESS

AUTHORITY

SBJ BUSINESS
AUTHORITY