South Florida small businesses are a bullish bunch.

A majority of small business owners in the Miami-Fort Lauderdale metropolitan area remain significantly more confident than small business owners across the country on revenue, growth and hiring in the year ahead, according to a report released Tuesday.

Thirty-one percent of Miami-area small business owners have applied for a business loan in the past two years — the highest percentage among the 10 major cities surveyed and 12 percentage points higher than the national average, according to the Fall 2016 Bank of America Small Business Owner Report. Business owners were surveyed between Aug. 7 and Oct. 4.
The cost of healthcare is the most prominent economic concern in the survey, with more than three-quarters (76 percent) of Miami-area entrepreneurs reporting they are worried it will impact their business over the next year. Miami-area small business owners are also more concerned than the rest of the country about the strength of the U.S. dollar, consumer spending, interest rates and credit availability, the study showed.

“Miami entrepreneurs remain very confident about revenue and long-term business growth plans,” said Odalis Martinez, Miami small business banker manager at Bank of America. “While this news is encouraging, we have also seen increased concern and caution among Miami small business owners around general outlooks on the economy.”

Here are some other findings of the semi-annual report, which explores perspectives of small business owners around the country:

• More than two-thirds, 68 percent, of Miami entrepreneurs believe their revenue will increase in the year ahead — a 3 percentage point decline from the spring survey, but 16 percentage points higher than the national average.

• About 71 percent of Miami small business owners plan to grow their business over the next five years, in line with Spring 2016 and 16 percentage points higher than their peers nationwide.

• Miami small business owners’ 12-month staffing projections remain steady from spring to fall but higher than any other market surveyed, with nearly half (47 percent) planning to hire new employees in 2017.

• A majority (72 percent) of local entrepreneurs used personal savings to get their businesses off the ground. Additional top funding sources used by Miami entrepreneurs when first starting out include personal credit cards (44 percent), banks (32 percent) and family or friends (28 percent).

• Among the 60 percent who have borrowed or been given money for their business from family or friends, 83 percent of Miami entrepreneurs don’t regret asking those closest to them to invest in their business; 90 percent of local entrepreneurs report they receive emotional, financial and/or operational support from their family.

• While nearly three in 10 (28 percent) asked family and friends for financial support to start their business, only 18 percent of Miami entrepreneurs continue to rely on their personal networks for funding once their business has been established. Banks (49 percent) and personal credit cards (45 percent) are the top two financing sources used once their businesses are up and running.

• Eighty percent of Miami small business owners plan to offer their employees at least one holiday perk. The top three perks they plan to offer: salary bonuses (35 percent); closing the office during the holidays (35 percent), and giving gifts to employees (33 percent).
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11/15/2016

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