

BizFed's 15th Annual Issues & Attitudes Survey 2023 PULSE POLL

TAKING THE PULSE OF SOUTHERN CALIFORNIA'S BROAD BUSINESS COMMUNITY

A DEEPER DIVE INTO...

Economic Outlook & Optimism
Top Business Concerns
Post-Pandemic Business Needs
Factors Fueling Business Flight
Why Employers Stay in California
Confidence in Government

BROAD BUSINESS PARTICIPATION

2023 Pulse Poll Methodology

- The Pulse Poll, now in its fifteenth year, is BizFed's largest annual data-gathering project and one of its most valuable advocacy tools.
- Approximately half of respondents identify as owners, chief executive officers or presidents.

Diverse Respondents

645

Business Associations

208

Top Decision Makers

50%

Industries Represented

20



MAJOR FINDINGS



Respondents pointed to **taxes/fees** as their most critical concern in 2023.



Homelessness was the top concern in 2020, 2021 and 2022. It fell to fourth place in 2023, reflecting the business community's view that improved public-private coordination has accelerated efforts to connect unhoused Angelenos with shelter and care.



Crime ranked second in 2023, up from 12th place before the coronavirus pandemic.



Economic optimism dipped in 2023 among Pulse Poll respondents for the second consecutive year. Respondents also forecasted slower workforce growth.



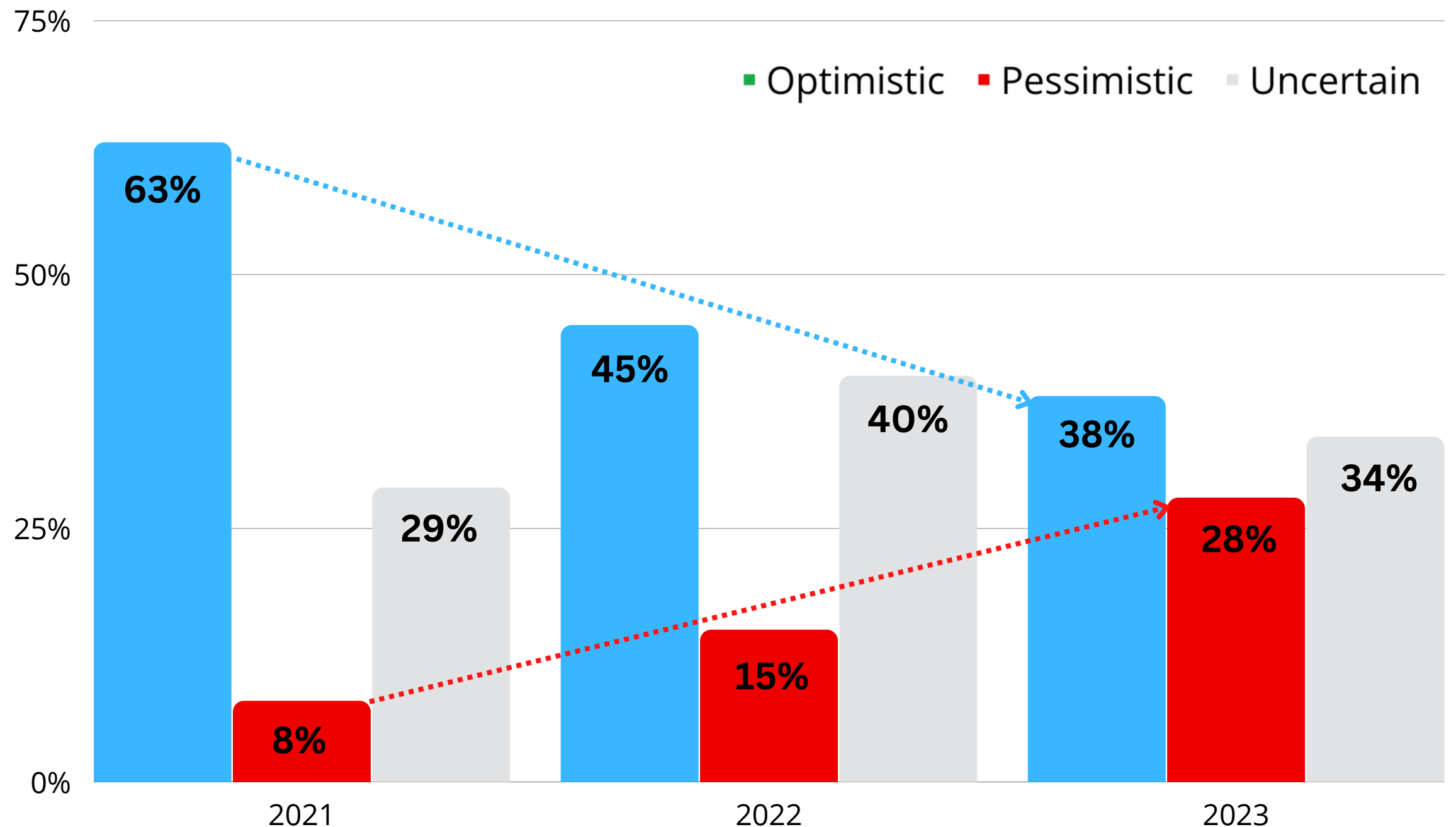
Inflation and supply chain disturbances continue piling on costs. 80% of respondents said the **cost of business** had increased more than they anticipated in 2023.

ECONOMIC PESSIMISM UP

Economic optimism dipped among Pulse Poll respondents for the second consecutive year, while business leaders also forecasted slower workforce growth in 2023.

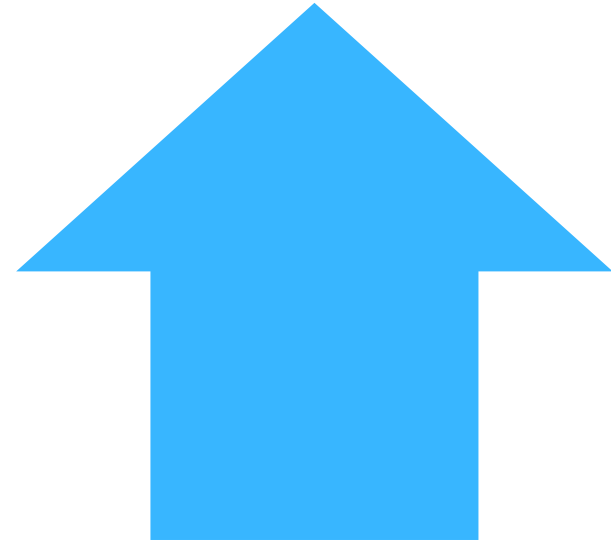
Nearly twice as many respondents reported feeling pessimistic about the economy in 2023 compared to 2022.

The jump in economic pessimism from 2021 to 2023 is **nearly fourfold.**



WORKFORCE FORECAST

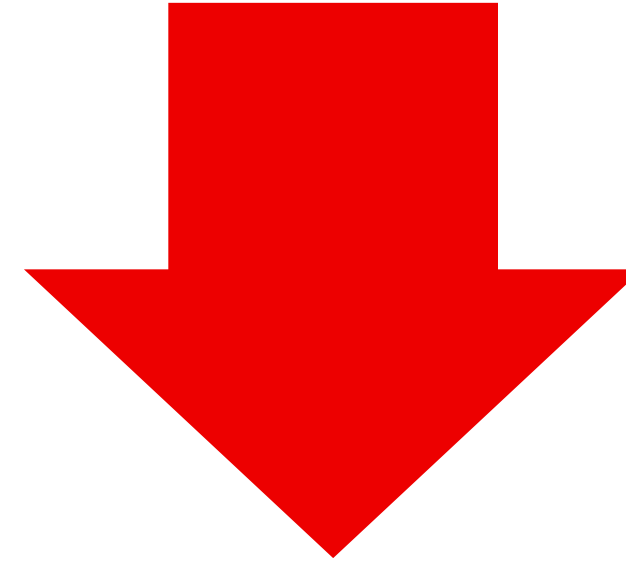
The majority of respondents expect no changes to their workforce size this year.



GROWING STAFF SIZE

26%

DOWN FROM 34% IN 2022

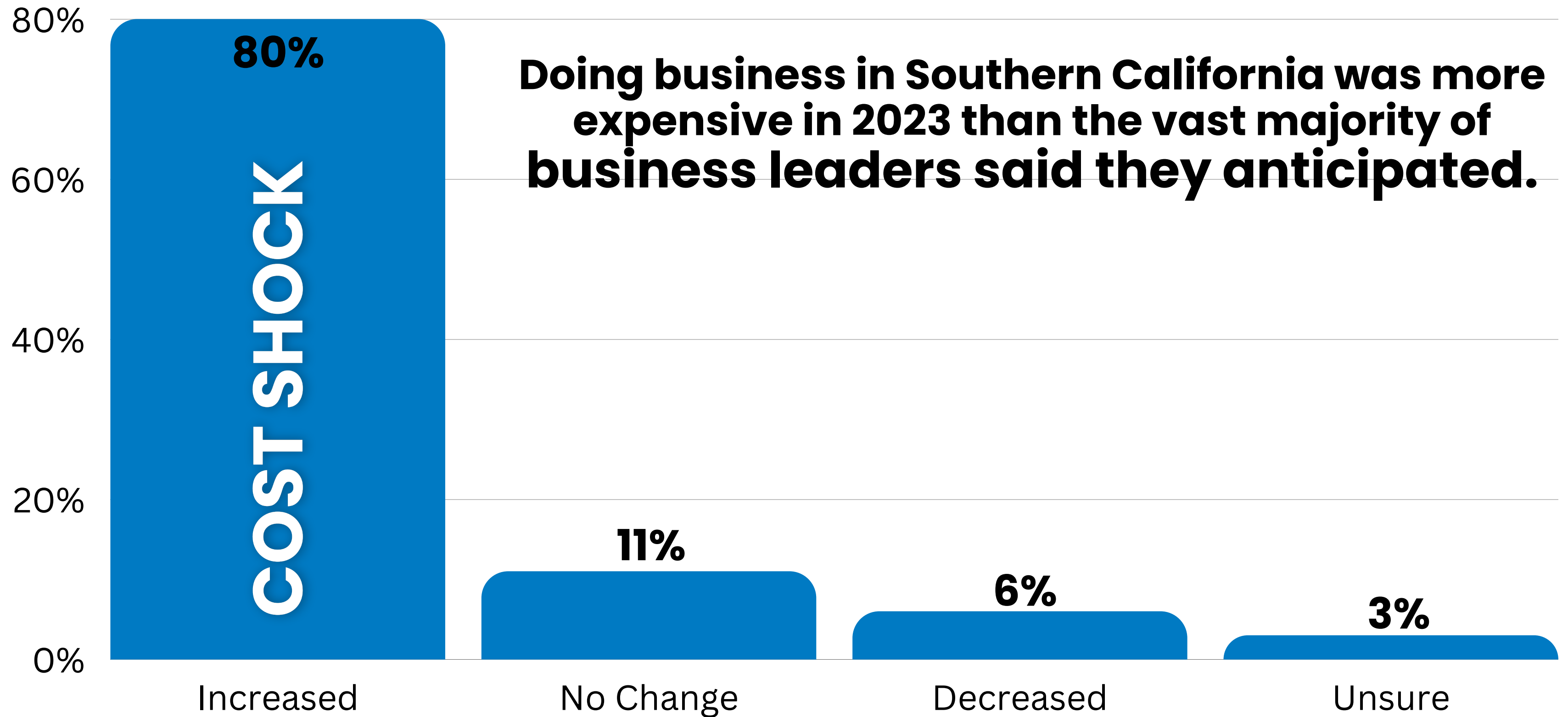


REDUCING STAFF SIZE

15%

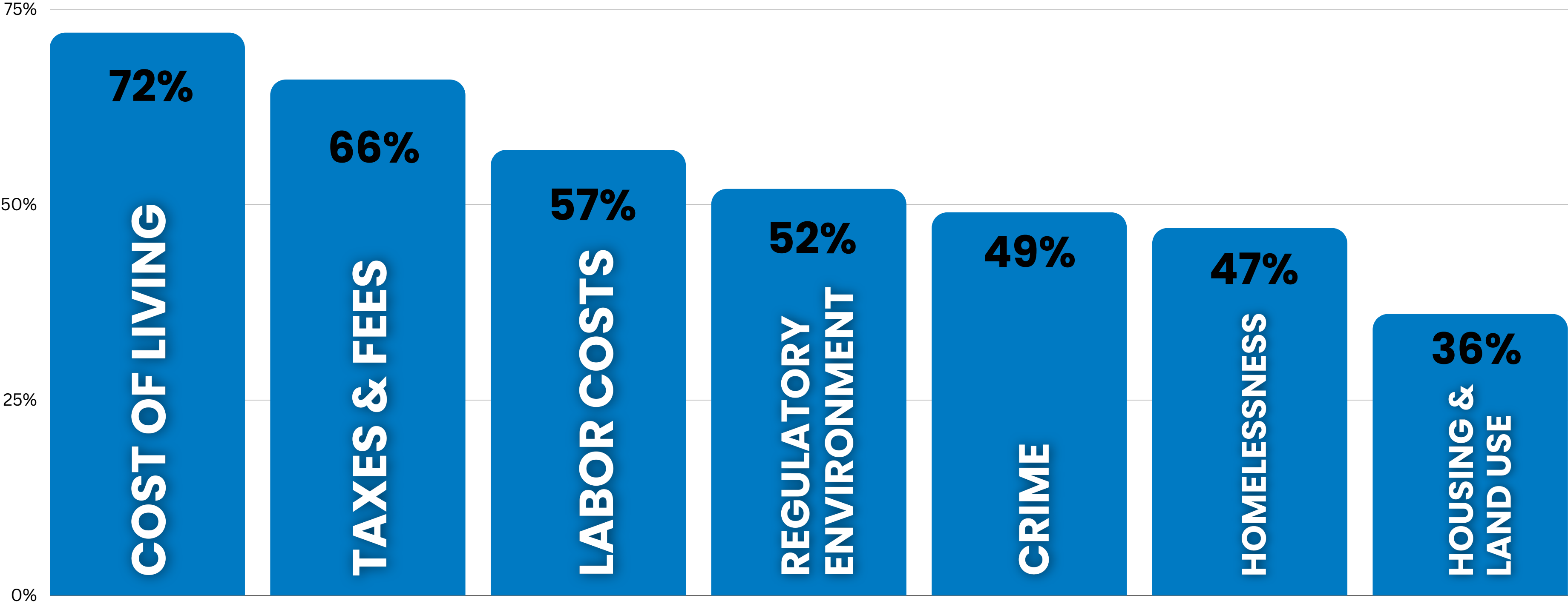
UP FROM 10% IN 2022

COSTS OF DOING BUSINESS



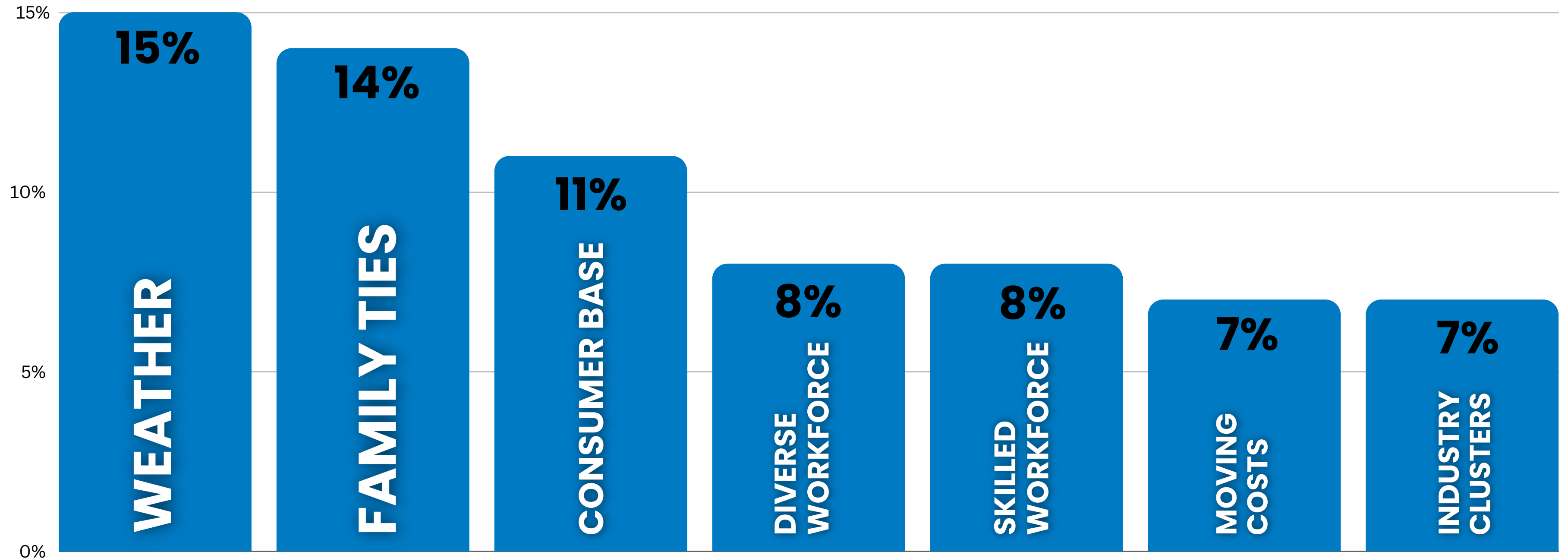
CALIFORNIA EXODUS: BUSINESS FLIGHT

These are the issues that respondents said would make them consider leaving California.



WHAT KEEPS BUSINESS IN CALIFORNIA?

You can't put a price tag on everything. Weather and family ties are among the leading reasons that employers cite for staying in Los Angeles County.



2023 TOP ISSUES

BUSINESS CONCERNS	2019	2020	2021	2022	2023
TAXES/FEES	1	2	2	5	1
CRIME	12	3	4	3	2
INFLATION	N/A	N/A	N/A	4	3
HOMELESSNESS	3	1	1	1	4
ENERGY COSTS	8	12	9	2	5
GOVERNMENT REGULATION	48	7	6	8	6
INTEREST RATES	N/A	N/A	N/A	N/A	7
ENERGY INFRASTRUCTURE	N/A	N/A	N/A	N/A	8
LEGISLATIVE GRIDLOCK	10	4	5	0	9
HOUSING/LAND USE	7	8	10	6	10

BUSINESS CONCERNS

HOW RANKINGS HAVE SHIFTED OVER 15 YEARS

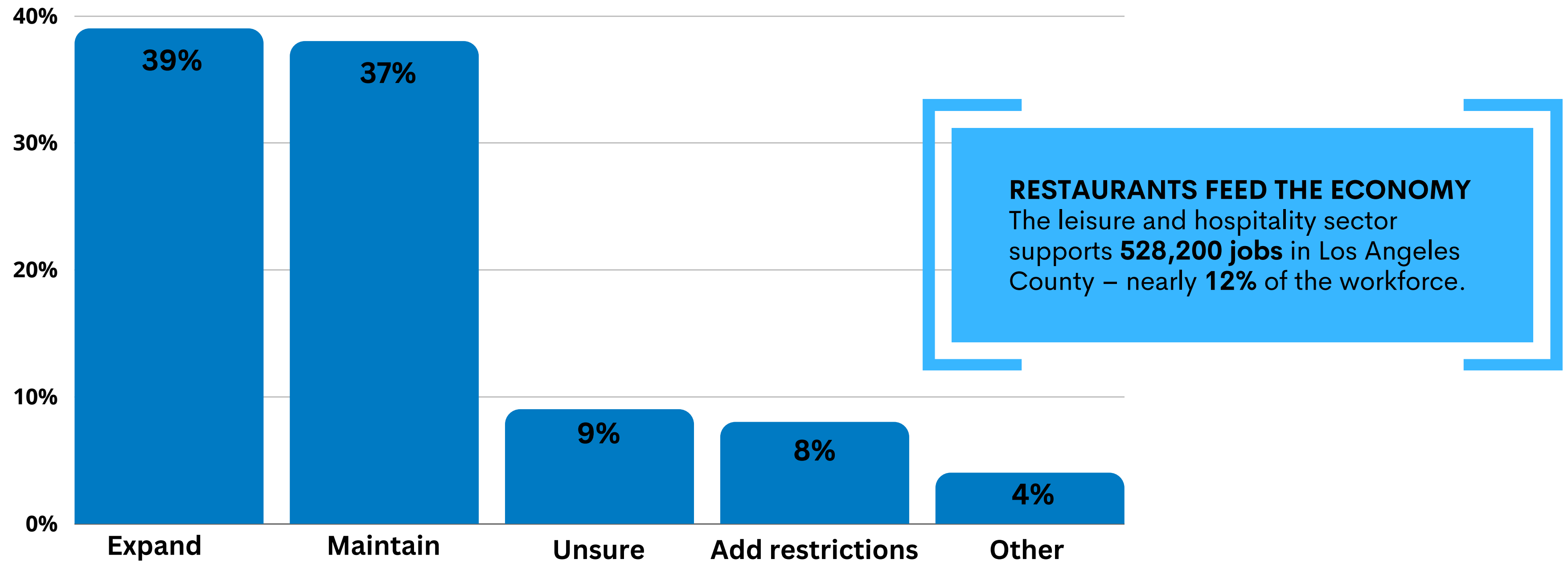
Other issues that have previously ranked in the top five concerns in recent years include:

- Education
- Health care
- Transportation
- Public infrastructure
- Legislative gridlock

Business Concerns	2008	2009	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Taxes and Fees	16	n/s	1	1	1	1	1	1	1	1	1	2	2	5	1
Crime	6	n/s	14	9	9	13	6	7	12	10	12	3	4	3	2
Inflation	n/s	n/s	n/s	n/s	n/s	n/s	n/s	n/s	n/s	n/s	n/s	n/s	n/s	4	3
Homelessness	n/s	n/s	n/s	n/s	n/s	n/s	n/s	n/s	17	9	3	1	1	1	4
Energy/Fuel costs	n/s	n/s	n/s	n/s	7	2	10	13	14	15	8	12	9	2	5
Government Regulation/Compliance	13	n/s	2	2	2	5	2	3	3	2	4	7	6	8	6
Interest Rates	n/s	n/s	n/s	n/s	n/s	n/s	n/s	n/s	n/s	n/s	n/s	n/s	n/s	n/s	7
Energy Infrastructure and Reliability	n/s	n/s	n/s	n/s	n/s	n/s	n/s	n/s	n/s	n/s	n/s	n/s	n/s	n/s	8
Legislative Gridlock (State and/or Federal)	n/s	n/s	6	4	5	7	12	10	4	6	10	4	5	9	9
Housing/Land use	n/s	n/s	n/s	n/s	n/s	n/s	n/s	n/s	10	3	7	8	10	6	10
Local Permit Process	4	2	9	10	13	13	3	9	6	7	9	13	11	10	11
Access to Goods/Services	n/s	n/s	n/s	n/s	n/s	n/s	n/s	n/s	n/s	n/s	n/s	n/s	n/s	7	12
Public Infrastructure (Roads, Rails, etc.)	14	5	15	7	12	3	9	5	2	4	2	14	12	22	13
State and Local Budgets	2	n/s	4	3	6	6	14	15	7	11	13	6	15	15	14
Employee Recruiting/Retention	n/s	n/s	n/s	n/s	n/s	n/s	n/s	n/s	n/s	n/s	n/s	n/s	n/s	14	15
Water (Access and Reliability)	7	3	19	14	16	10	7	6	13	17	15	15	13	13	16
Environmental Policies	29	n/s	8	12	8	10	5	11	8	12	18	10	18	16	17
Access to Capital	n/s	n/s	n/s	n/s	n/s	n/s	n/s	n/s	n/s	n/s	n/s	n/s	n/s	n/s	18
Education	5	n/s	7	5	4	9	8	4	9	5	5	5	3	12	19
Health Care	9	1	3	6	3	4	13	12	11	16	17	9	7	17	20
Transportation	8	5	13	8	10	8	4	2	5	8	6	18	19	18	21
Immigration	n/s	n/s	n/s	17	17	17	18	18	16	13	16	16	16	19	22
Workforce Development	n/s	n/s	n/s	n/s	n/s	n/s	n/s	n/s	n/s	n/s	14	11	17	21	23
Broadband Accessibility (Infrastructure)	n/s	n/s	n/s	n/s	n/s	n/s	n/s	n/s	n/s	n/s	n/s	n/s	14	20	24
Public Employee Pensions	n/s	n/s	11	16	11	18	17	17	15	14	11	19	21	11	25
Remote Work/Remote Learning	n/s	n/s	n/s	n/s	n/s	n/s	n/s	n/s	n/s	n/s	n/s	17	20	n/s	n/s
Telehealth/Medicine	n/s	n/s	n/s	n/s	n/s	n/s	n/s	n/s	n/s	n/s	n/s	21	22	n/s	n/s
Telework	n/s	n/s	n/s	n/s	n/s	n/s	n/s	n/s	n/s	n/s	n/s	20	n/s	n/s	n/s

"AL FRESCO" OUTDOOR DINING

More than three-quarters of respondents want to keep or expand outdoor dining, allowing Southern California communities to keep up with other regions that equip restaurants to easily and affordably secure al fresco permits.



FOUR-DAY WORKWEEK

Early reactions raise red flags



- **Increases costs: 43%**
- **Disrupts planning: 40%**
- **Decreases productivity: 30%**



- **Improves work-life balance: 26%**
- **Increases operational flexibility: 9%**

REMOTE WORK EXPECTATIONS

90.1% of respondents expect employees to work remotely at least some of the time during the next 12 months.

2021

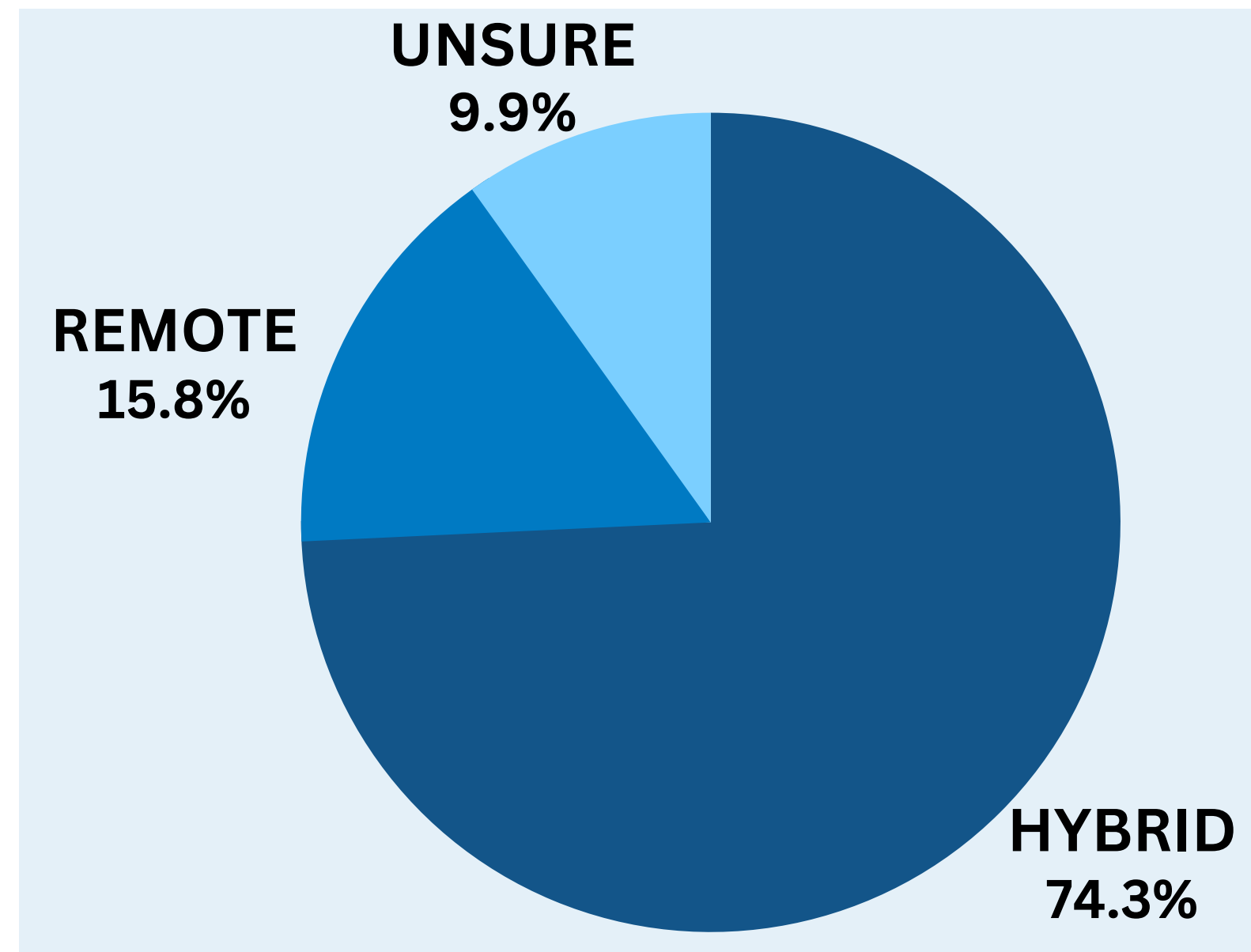
Remote: 60%

2022

Hybrid: 72%
Remote: 15%

2023

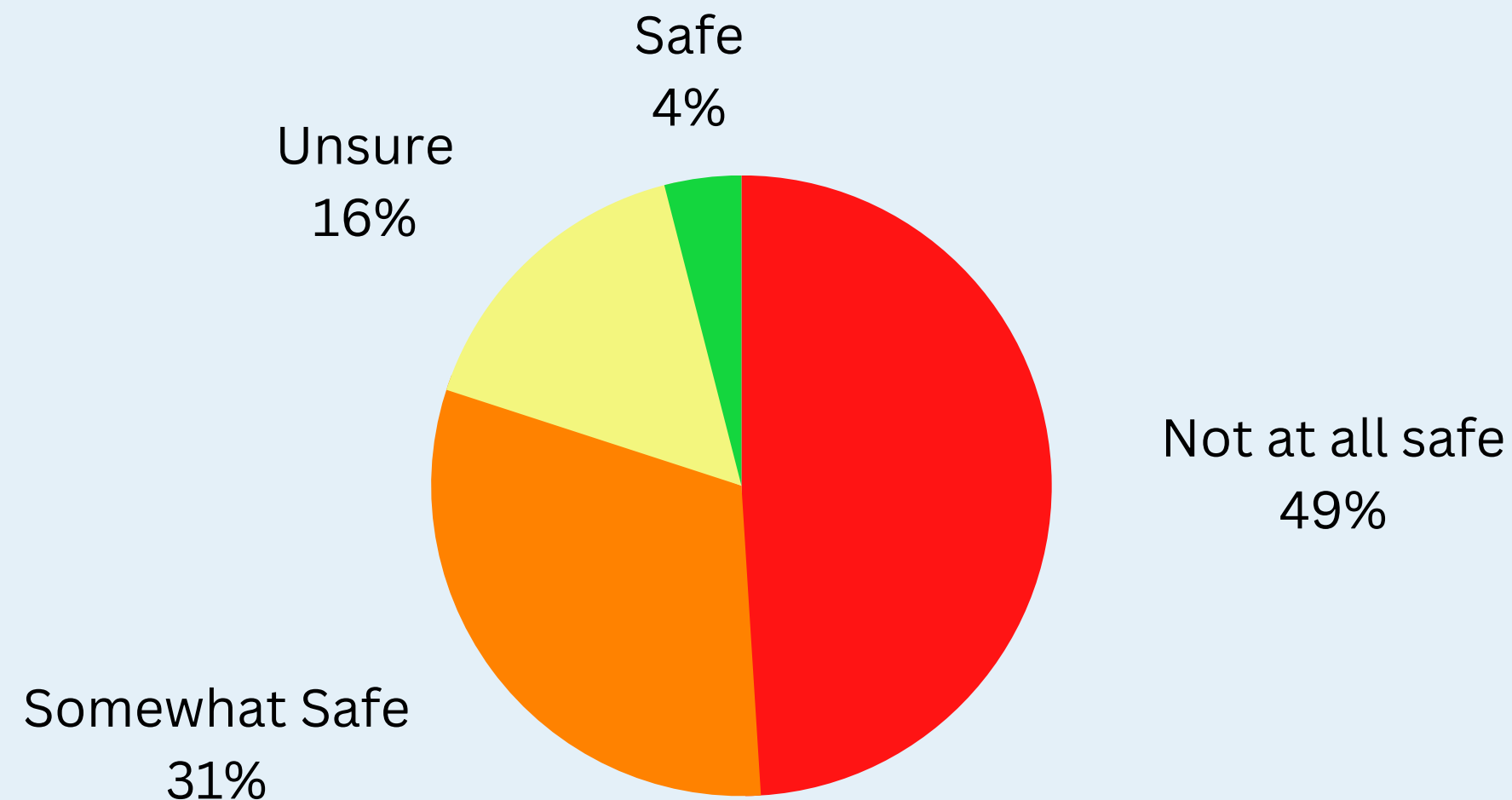
Hybrid: 74%
Remote: 16%



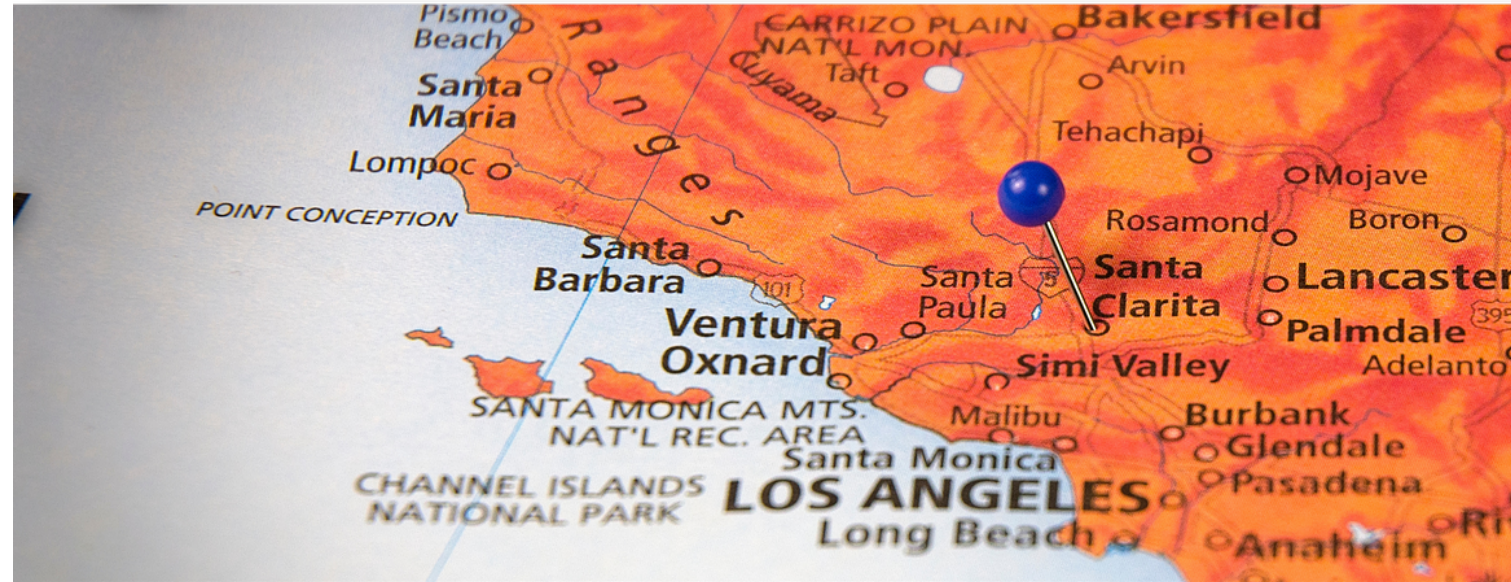
PUBLIC TRANSPORTATION

Although recent headlines trumpeted a record-setting 10% surge in Los Angeles bus and rail ridership, only 4% of respondents feel local public transportation is safe.

How safe do you feel local public transportation systems are?



MOST BUSINESS-FRIENDLY CITY: **SANTA CLARITA**



- Nearly one-fourth of respondents ranked the city of Santa Clarita the best place to do business in Los Angeles County.
- When asked what factors drove their votes for most business-friendly city, 31% of respondents said they do business there; 27% said they know people who do business there.

MOST BUSINESS-FRIENDLY CITIES

1. Santa Clarita: 24%
2. City of Industry: 8%
3. Torrance: 7%
4. El Segundo & Long Beach: 6%

LEAST BUSINESS-FRIENDLY CITY: **LOS ANGELES**



- The city of Los Angeles was ranked least business-friendly with the same share of votes it received in the 2022 Pulse Poll.
- When asked what factors drove their votes for least business-friendly city, 29% of respondents said they do business there; 22% of people said they know people who do business there.

LEAST BUSINESS-FRIENDLY CITIES

1. Los Angeles: 56%
2. Santa Monica: 8%
3. Unincorporated Los Angeles County: 7%
4. West Hollywood: 6%
5. Beverly Hills & Compton: 2%

BIZFED MEMBERS WITH MOST PARTICIPANTS



1. California Chamber: 49

2. Los Angeles Area Chamber: 42

3. Santa Clarita Valley Chamber: 39

4. Apartment Association of Greater Los Angeles: 29

5. Valley Industry & Commerce Association: 27

6. Long Beach Area Chamber: 24

7. Industry Business Council: 23

8. Santa Clarita Valley Economic Development Corporation: 22

9. California Business Roundtable: 21

10. Southland Regional Association of REALTORS: 20



**LOS ANGELES AREA
CHAMBER OF COMMERCE**



**SANTA CLARITA VALLEY
CHAMBER OF COMMERCE**



BIZFED POLLING & MESSAGING COMMITTEE

We thank our expert committee co-chairs for leading the charge on crafting, distributing and analyzing BizFed's 2023 Pulse Poll.

Grateful for your leadership!



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2023 BIZFED PULSE POLL

BizFed is a massive grassroots alliance of nearly 250 business organizations representing 420,000 employers with 5 million employees in Southern California.



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