



# Abilene Business Climate Survey

---

## Expectations for 2006

CONDLEY AND COMPANY, L.L.P.  
CERTIFIED PUBLIC ACCOUNTANTS AND BUSINESS ADVISORS

993 North Third St. ♦ P.O. Box 2993 ♦ Abilene, Texas 79604-2993  
Telephone (325) 677-6251 ♦ Facsimile (325) 677-0006



# **Business Climate Survey**

## ***Expectations for 2006***

---

News Release .....	Page 1
Highlights and Results.....	Page 4
Graphs showing the expectations of all respondents.....	Page 8
Graphs comparing the expectations of retail and service industries .....	Page 11
Graphs comparing the expectations of all industries.....	Page 16

# Highlights and Results

---

## Survey of Expectations for 2006

# Highlights of the Condley and Company, L.L.P. Business Climate Survey of Expectations for 2006

*The business climate survey has been conducted each year since 1992 by Condley and Company, L.L.P. The survey was included in the December 2005 issue of the Abilene Chamber of Commerce newsletter, The Chamber Connection. All sectors and sizes of business expressed increased optimism over last year.*

- ❖ Service Industry is very optimistic for the third straight year.
- ❖ Service Sectors see continues to see job growth.
- ❖ Service Sectors is seeing quality of employee's improving.
- ❖ Other Sectors are expecting employment levels to remain unchanged.
- ❖ Other Sectors expect the quality of employees to decline.
- ❖ All sectors think it will be more difficult to hire new employees and that wages will increase.
- ❖ Payroll continues to be mentioned as the set of regulatory laws most difficult to comply with.
- ❖ General economic conditions continues to be mentioned as the factor having the greatest impact on individual businesses.
- ❖ Weather was mentioned more frequently than in the past; likely due to increased construction levels.
- ❖ Many respondents continue to mention difficulty in having qualified / experienced people.
- ❖ Entry level and customer service positions mentioned most frequently as difficult to fill.

# Condley and Company Survey of Expectations for 2006

	Increase	Unchanged	Decrease
Gross Revenue	37 (76%)	10 (20%)	2 (4%)
Net Income	36 (73%)	8 (16%)	5 (10%)
Number of Employees	19 (39%)	26 (53%)	4 (8%)
Ease of Finding New Employees	3 (6%)	30 (64%)	14 (30%)
Quality of New Employees	12 (26%)	27 (57%)	8 (17%)
Cost of Labor	37 (76%)	11 (22%)	1 (2%)
Inventories	9 (20%)	32 (71%)	4 (9%)
Borrowing Needs	11 (26%)	29 (67%)	3 (7%)
Ability to Borrow Funds	6 (14%)	37 (86%)	0 (7%)
Avg. # of Days to Collect Receivables	7 (17%)	28 (68%)	6 (15%)

## With which set of regulatory laws will your business find it most difficult to comply?

12 (24%) Payroll	2 (4%) ADA
3 (6%) Environmental	4 (8%) Safety
1 (2%) Immigration	

## What factors will have the greatest impact on your business?

Economy - (60%)
Governmental Regulations, Taxes and/or Spending - (18%)
Other - (22%)

## What job positions, if any, do you find difficult to fill?

Qualified/Experienced/Specialized/Skilled - (18%)
Sales - (5%)
Customer Service - (11%)
Supervisors and Managers - (9%)

## What size is your business?

19 (39%) Under 10 employees	10 (20%) 10-25 employees
9 (18%) 26-50 employees	10 (20%) Over 50 employees

## Will your business buy from or sell to foreign markets?

Yes - 8 (16%)	No - 38 (80%)
---------------	---------------

## How will your business address the issue of Workers' Compensation?

34 (69%) Participate in system
10 (20%) Purchase alternate coverage
6 (12%) Go without

# Condley and Company Survey of Expectations for 2006 continued...

## How would you classify your business?

1 (2%)	Agriculture
5 (10%)	Construction
2 (4%)	Manufacturing
2 (4%)	Oil and Gas
2 (4%)	Wholesale Trade
7 (14%)	Retail Trade
5 (10%)	Financial Inst.
7 (14%)	Insurance
3 (6%)	Investments/Stock Broker
4 (8%)	Real Estate
4 (8%)	Medical
10 (20%)	Other Prof. Services
3 (6%)	Other Services
3 (6%)	Government
5 (10%)	Other Nonprofit

## Which employee benefits does your company offer?

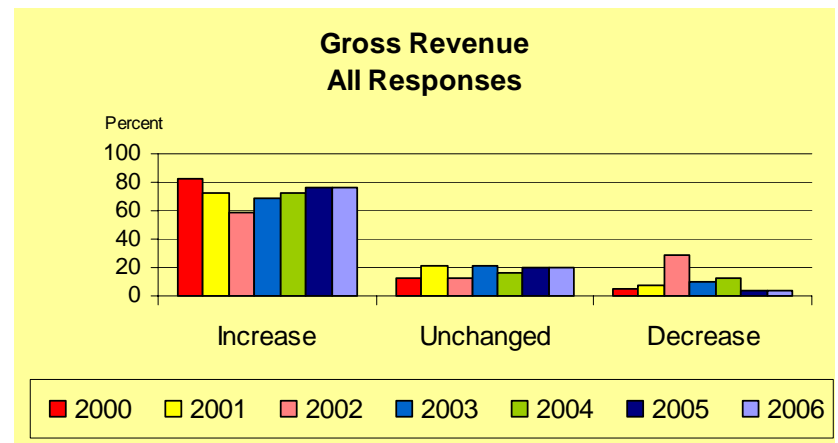
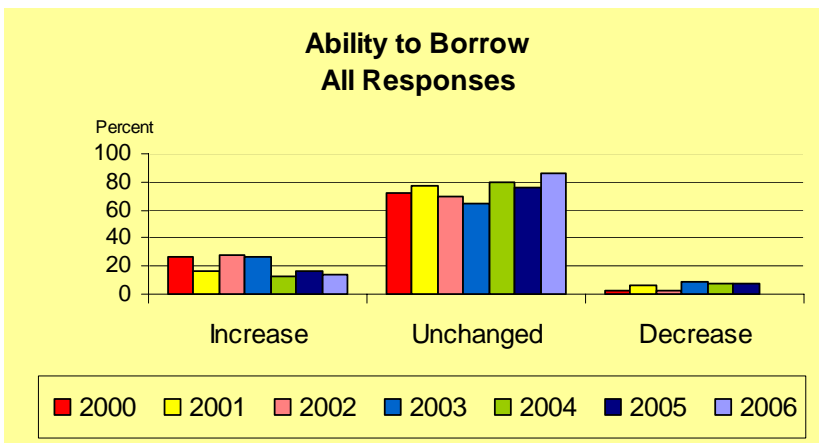
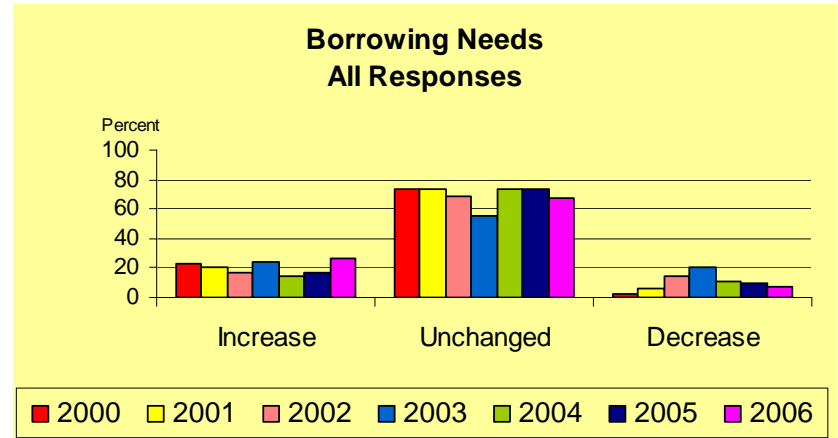
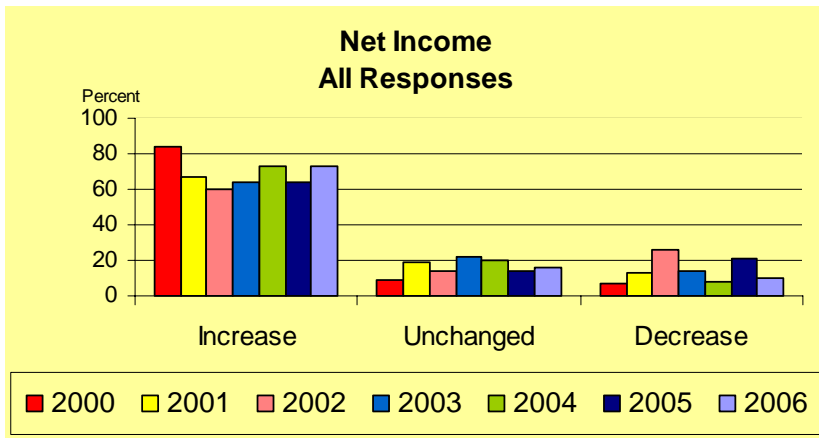
44 (90%)	Holidays (# of days: Avg = 8.1)
43 (88%)	Vacation (# of days: Avg = 11.0)
35 (71%)	Sick Leave (# of days: Avg = 8.0)
27 (55%)	Retirement Plan (employer %: Avg = 3.4%)
27 (55%)	401(k) Plan
38 (78%)	Medical Insurance
22 (45%)	Disability Insurance
16 (33%)	Cafeteria Plan
35 (71%)	Bonuses
18 (37%)	Employee Discounts
0 (0%)	Child Care
14 (29%)	Tuition Reimbursements
19 (39%)	"Flex" Time

**Graphs showing the expectations  
of all respondents**

---

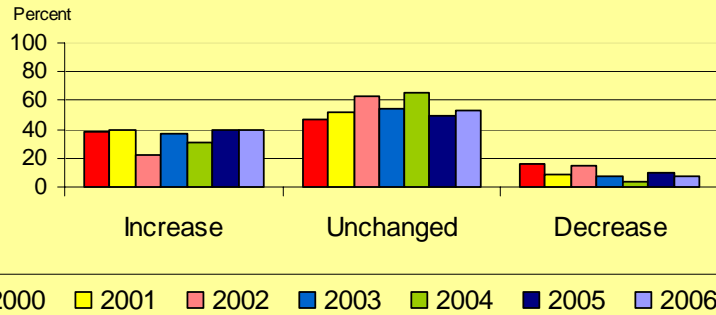
**Survey of Expectations for 2006**

# Expectations of all Responses

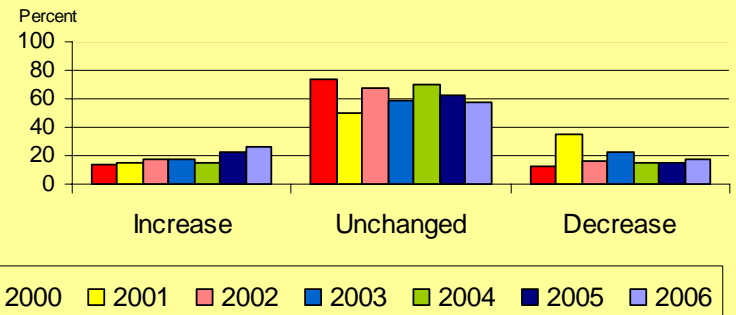


# Expectations of all Responses

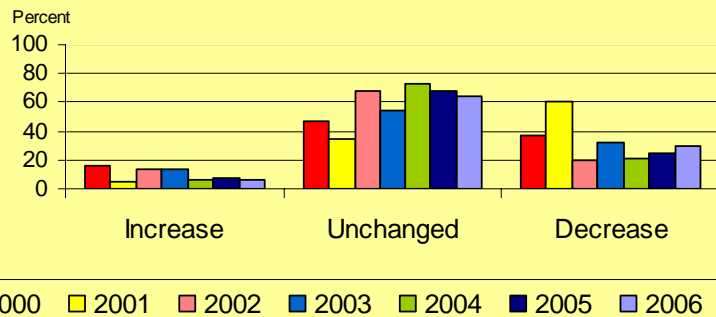
**Number of Employees  
All Responses**



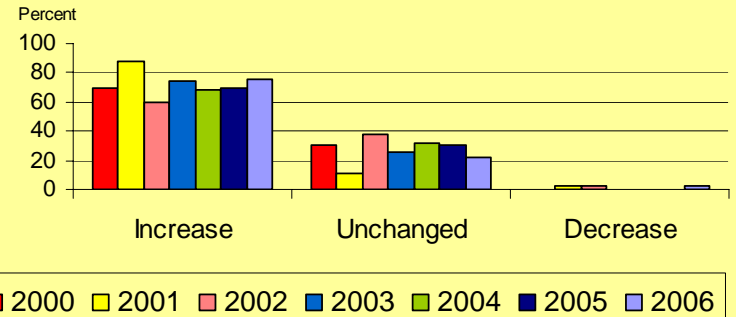
**Quality of New Employees  
All Responses**



**Ease of Finding New Employees  
All Responses**



**Cost of Labor  
All Responses**



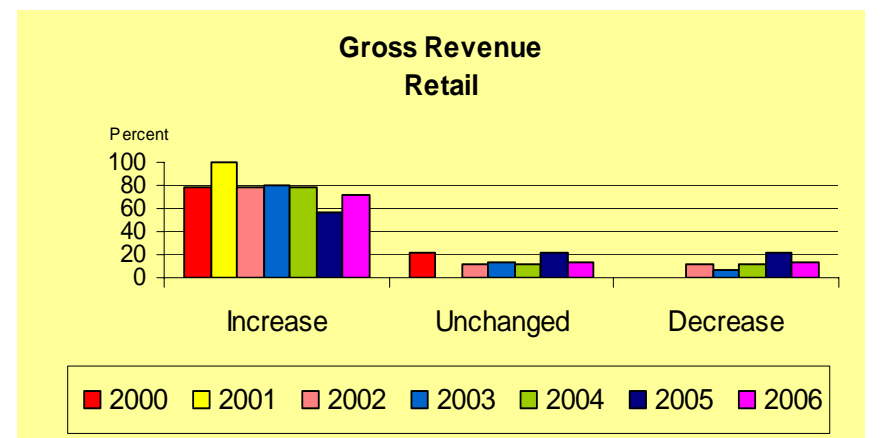
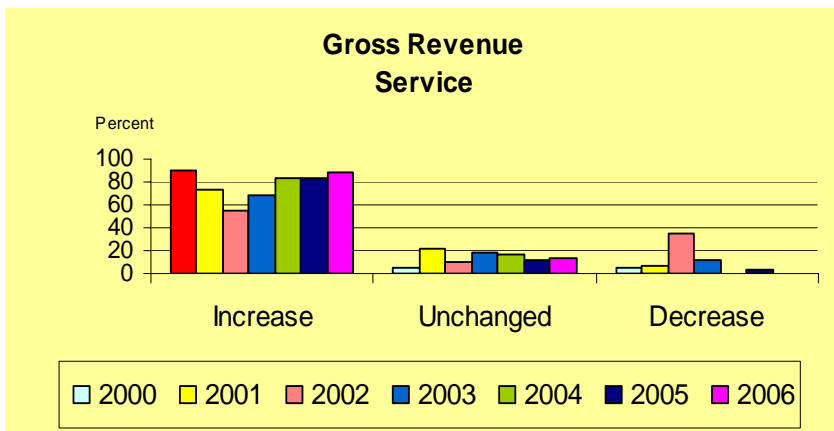
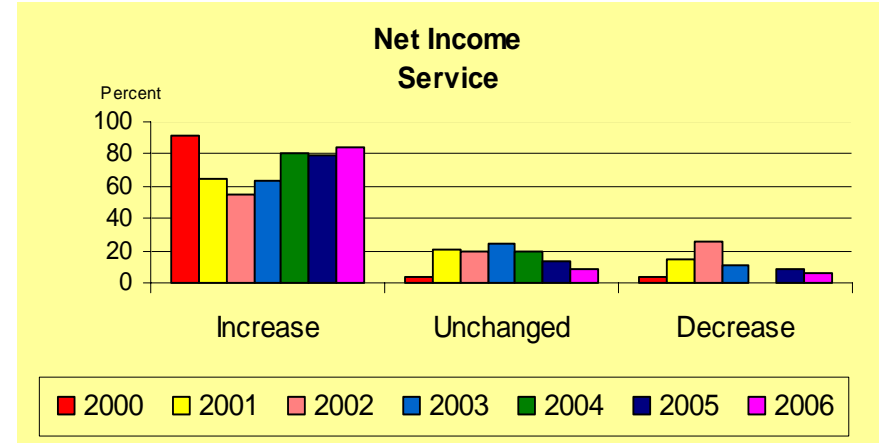
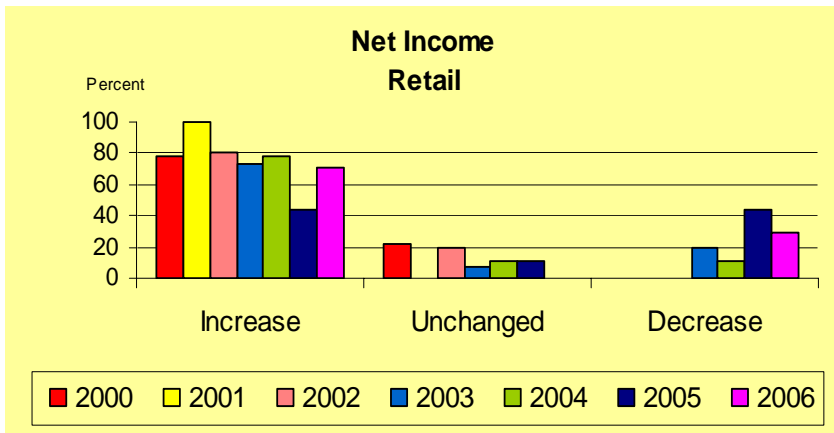


**Graphs comparing  
the expectations of retail  
and service industries**

---

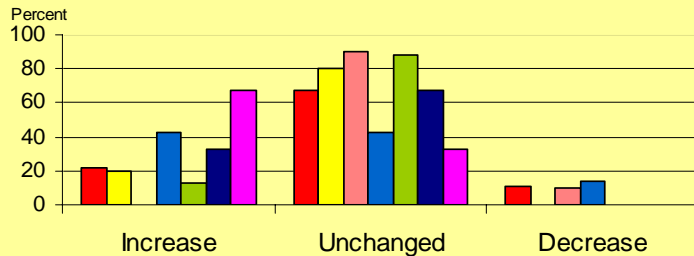
**Survey of Expectations for 2006**

# Expectations for Retail and Service



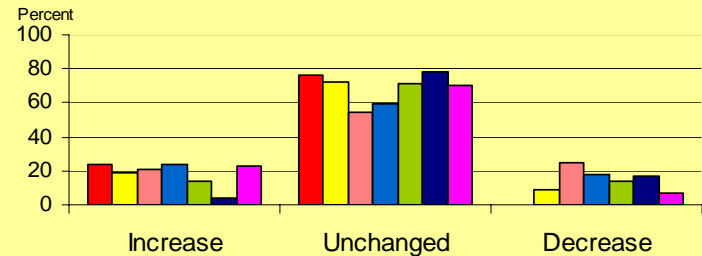
# Expectations for Retail and Service

**Borrowing Needs  
Retail**



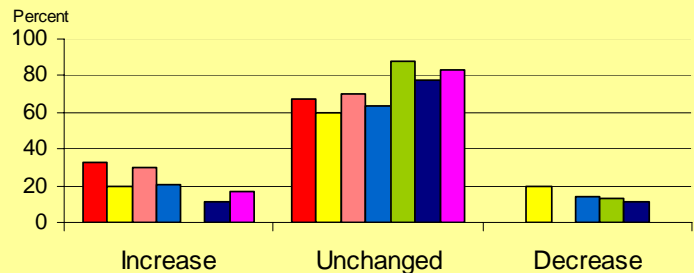
■ 2000 ■ 2001 ■ 2002 ■ 2003 ■ 2004 ■ 2005 ■ 2006

**Borrowing Needs  
Service**



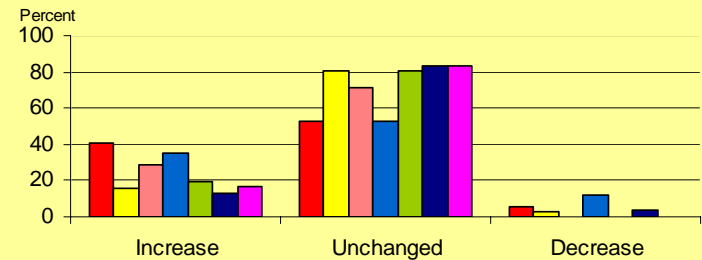
■ 2000 ■ 2001 ■ 2002 ■ 2003 ■ 2004 ■ 2005 ■ 2006

**Ability to Borrow  
Retail**



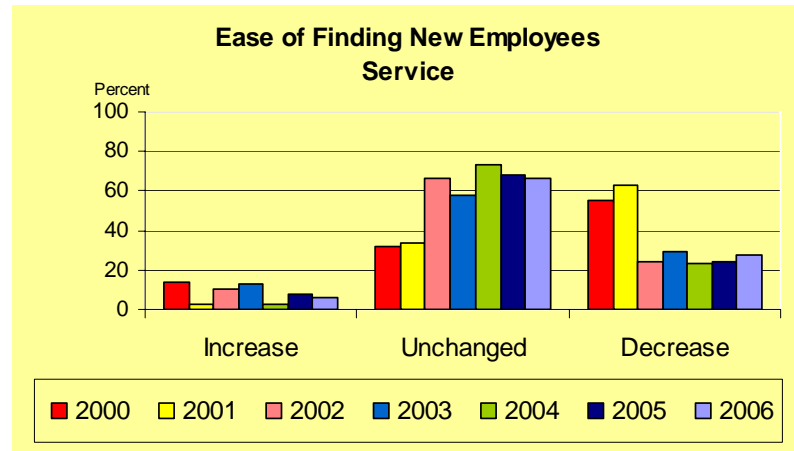
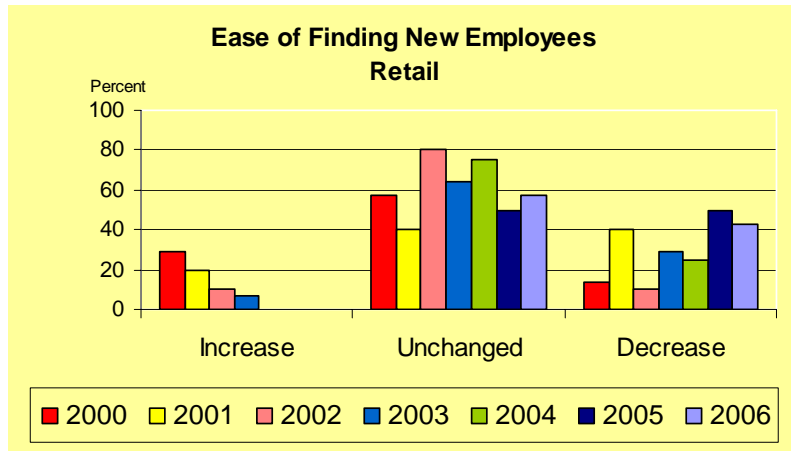
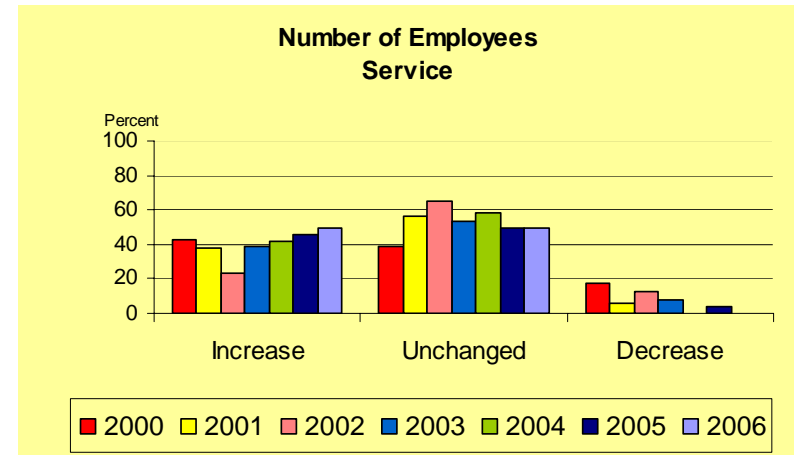
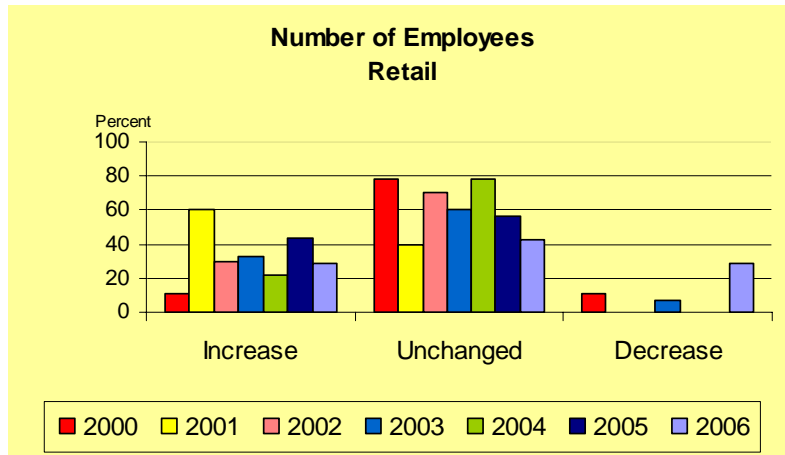
■ 2000 ■ 2001 ■ 2002 ■ 2003 ■ 2004 ■ 2005 ■ 2006

**Ability to Borrow  
Service**



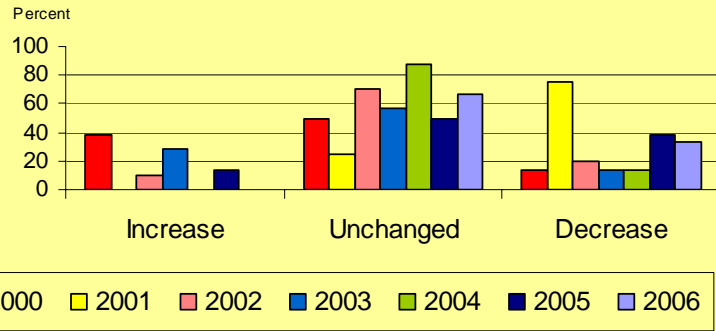
■ 2000 ■ 2001 ■ 2002 ■ 2003 ■ 2004 ■ 2005 ■ 2006

# Expectations for Retail and Service

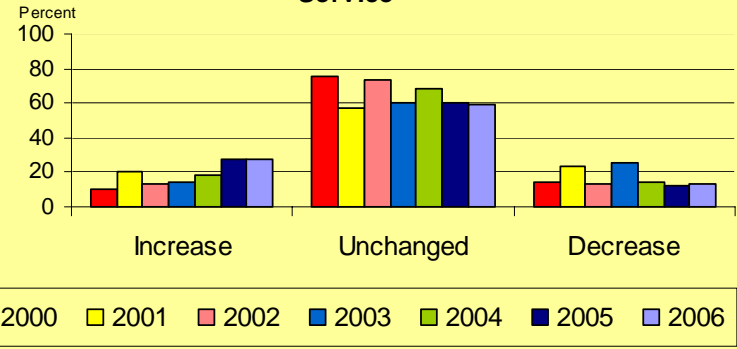


# Expectations for Retail and Service

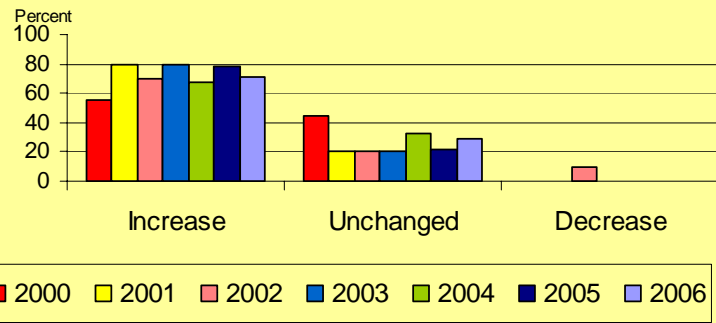
**Quality of New Employees  
Retail**



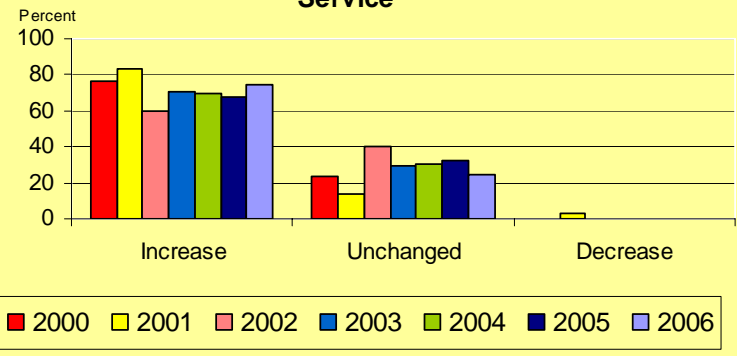
**Quality of New Employees  
Service**



**Cost of Labor  
Retail**



**Cost of Labor  
Service**



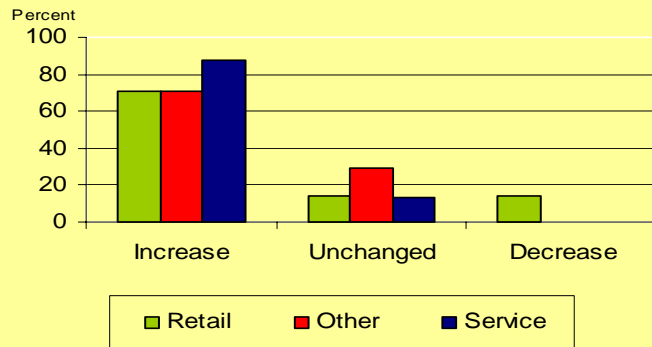
# **Graphs comparing expectations by industry**

---

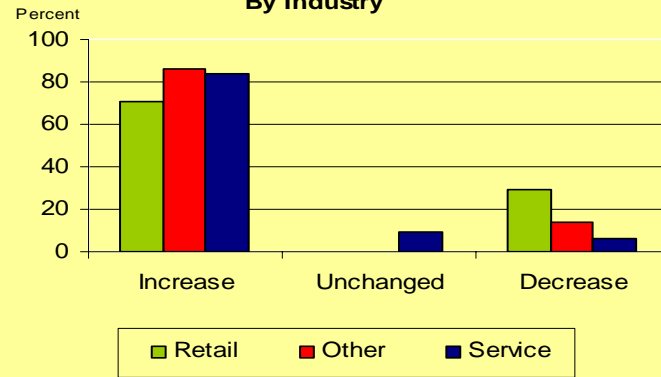
## **Survey of Expectations for 2006**

# Expectations by Industry

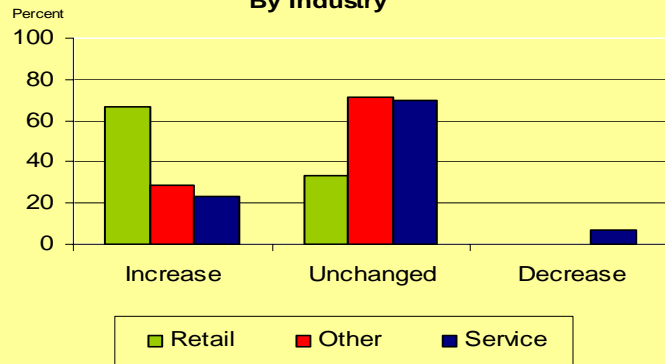
**Gross Revenue  
By Industry**



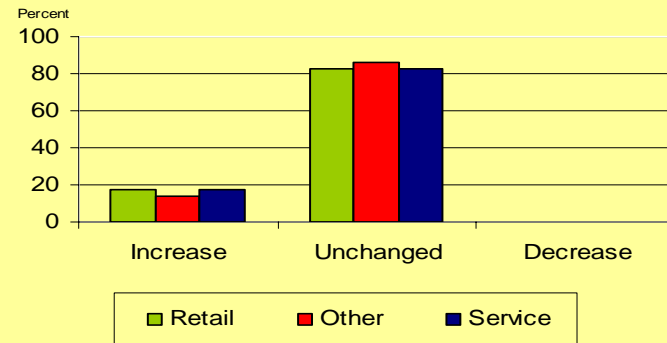
**Net Income  
By Industry**



**Borrowing Needs  
By Industry**

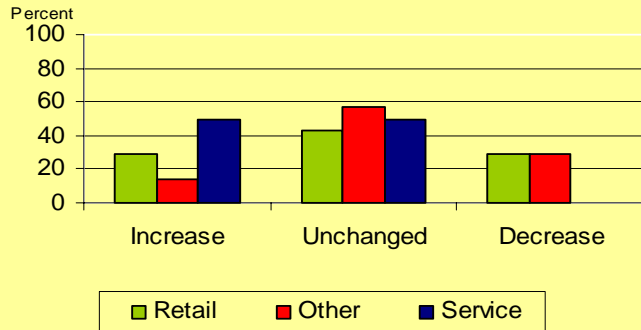


**Ability to Borrow  
By Industry**

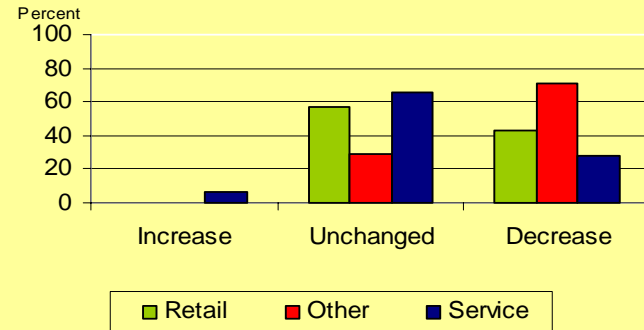


# Expectations by Industry

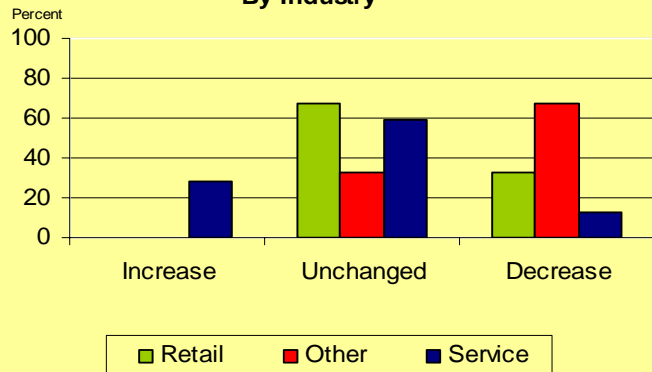
**Number of Employees  
By Industry**



**Ease of Finding New Employees  
By Industry**



**Quality of New Employees  
By Industry**



**Cost of Labor  
By Industry**

