THE BUSINESS INDEX

EMC research

THE CHAMBER

seattle metropolitan chamber of commerce

Fall 2023

Methodology

- Online survey of business decision makers with businesses in the City of Seattle

- Conducted October 15-29, 2023

- 129 completed interviews
  - Half of respondents were from businesses with fewer than 20 employees, one-quarter had 20-99 employees, & one quarter had 100+ employees.
  - Half of the respondents had businesses located in downtown Seattle, with the rest spread out across the city.
  - Respondents represent a wide array of industries with professional/ technical services leading the way at 17%, followed by arts, entertainment and recreation at 11%.

Overall Business Environment in Seattle

Things are going in the right direction for the Seattle business community.

Agree 47%
- Somewhat 43%
- Strongly 5%

Disagree 53%
- Somewhat 30%
- Strongly 22%
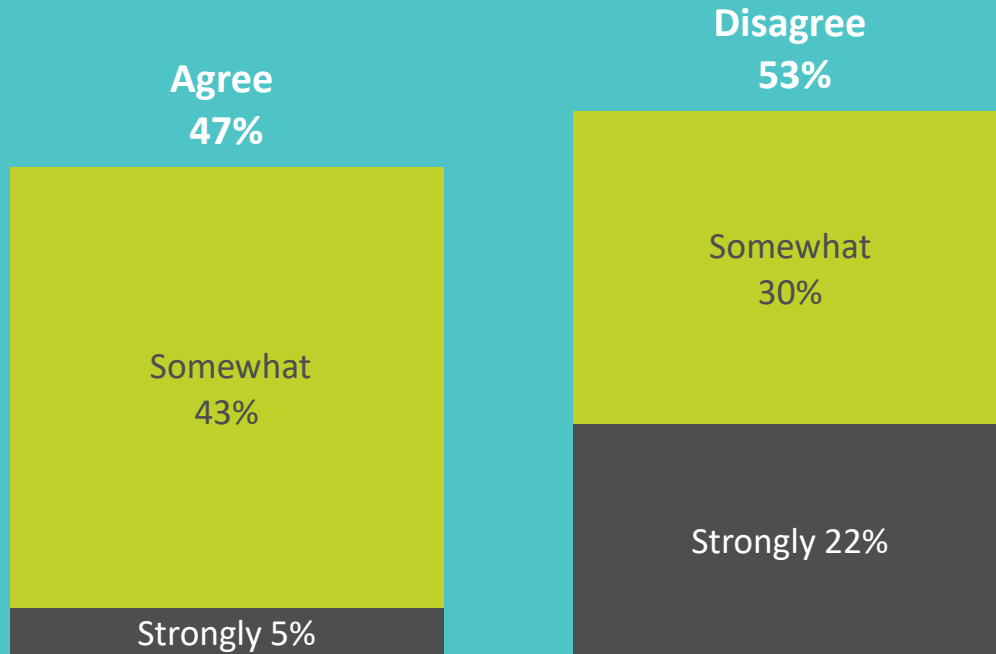
| What do you think is the single most important problem facing the Seattle business community today?	%
Safety/security/Crime/Guns/Drugs	54
Homelessness	10
Housing/Affordable housing/Cost of living	10
Jobs/Economy/Economic recovery	8
Community discipline	5
Politicians/Government	3
Income inequality/Low wages/Poverty	2
Road repairs/Infrastructure	2
Cleanliness of the city/Litter	1
Enforcement/Policy	2
Racial injustice/Hate crimes	1
Climate change/Environment/Wildfires	1

Employee Feedback

What feedback do you get from employees who are coming into a Seattle office about their concerns?	%
Public safety/Concerns in crime, drugs, violence	59
Commute/Public transportation convenience concerns	13
Traffic concerns	5
Hybrid/Remote work options	5
High cost of living	3
Parking mentions	4
Other	2
Nothing	10

What feedback do you get from employees who are not coming in about their biggest barriers to working in a Seattle location?	%
Commute/Public transportation convenience concerns	21
Public safety/Concerns in crime, drugs, violence	19
Traffic concerns	14
Hybrid/Remote work concerns	14
High cost of living	2
Parking mentions	1
Other	5
Nothing	25

Commitment to Seattle

How committed is your business to maintaining a presence in Seattle?

Committed 75%

20%

Extremely 55%

Not Committed 15%

12%

Not at all 3%
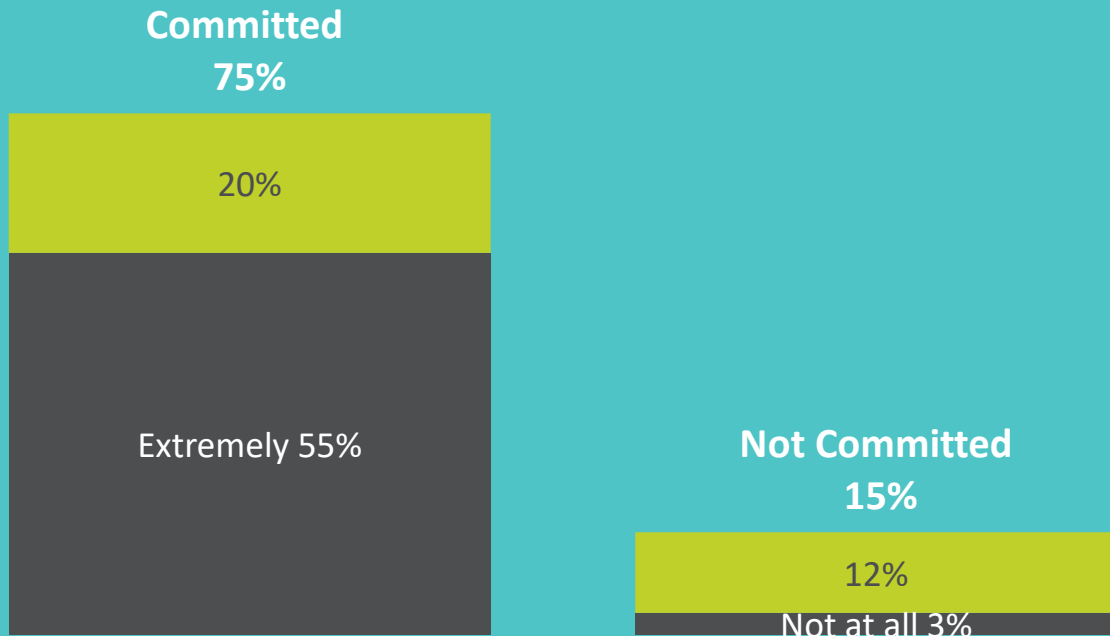
What is the top reason to be optimistic about operating a business in Seattle right now?	%
Population growth/increase	14
Good potential to run a business/Opportunities	13
Economic recovery/Economy growth	11
Government making adjustments	9
Educated workforce/Top performing employees	4
Enhanced public safety/Decrease of crime	6
Upcoming elections	5
Community willingness/teamwork/support	8
Good location	6
General positive response	5
Tourists	2
Many successful businesses are present	6
Improved infrastructure	2
Nothing/Not Optimistic	5

Factors Influencing Choice of Worksite Location

Please indicate how important each of the following is for your business when making decisions pertaining to worksite location, whether it be staying in the same location or moving into a new one.

Factor	Very important	Somewhat important	Total Imp.	Net Imp.
Safety of the surroundings	94%	6%	100%	+100
Street and sidewalk cleanliness in the area	76%	24%	100%	+100
Ease of access for customers or clients	71%	17%	88%	+77
Cost of rent for worksite space	67%	25%	92%	+84
Cost of doing business in Seattle	64%	29%	92%	+84
Desirability of location for employees	61%	31%	92%	+84
Amount of space needed for your business	61%	29%	91%	+82
Public transit access	58%	27%	85%	+71
Being in Seattle	56%	29%	84%	+69
Number of employees currently coming into Seattle offices	51%	27%	78%	+57
Parking availability	47%	38%	84%	+69
Layout appropriate for your business, such as private offices, group…	44%	31%	75%	+51
Proximity to restaurants, cafes, and retail	44%	36%	81%	+61
Length of lease for worksite space	42%	40%	82%	+64
Ease of access for deliveries	31%	36%	67%	+35
Proximity to cultural and entertainment venues	26%	37%	63%	+26
Building amenities	13%	32%	45%	-10
Proximity to sports venues	6%	15%	21%	-58

Worksite Changes

Which of the following changes has your company made in its worksite space or spaces in Seattle due to the pandemic and remote work? Please select all that apply.

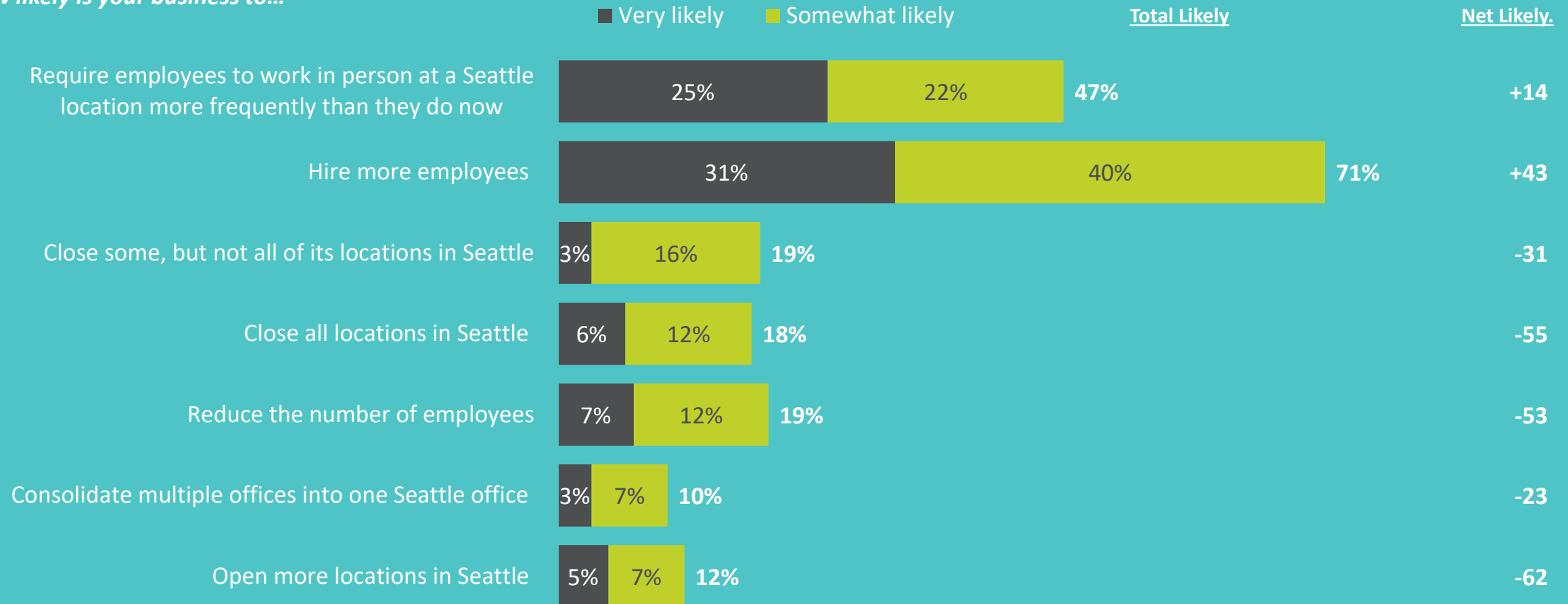|	
We have reduced our total amount of space in Seattle	29%
We have increased our total worksite amount of space in Seattle	9%
We have moved to a space better suited to our needs within Seattle	9%
We have not made any changes	58%
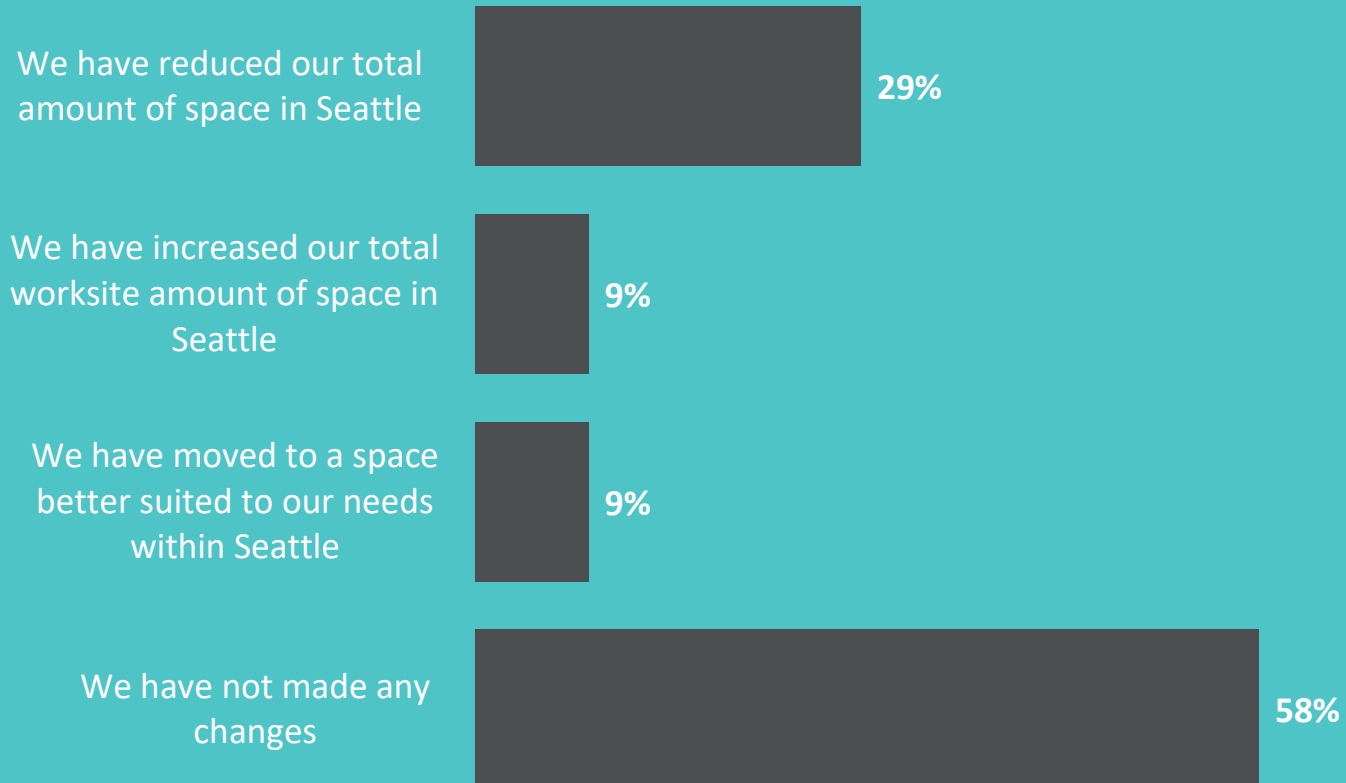
Future Plans

How likely is your business to...

	Very likely	Somewhat likely	Total Likely		Net Likely.

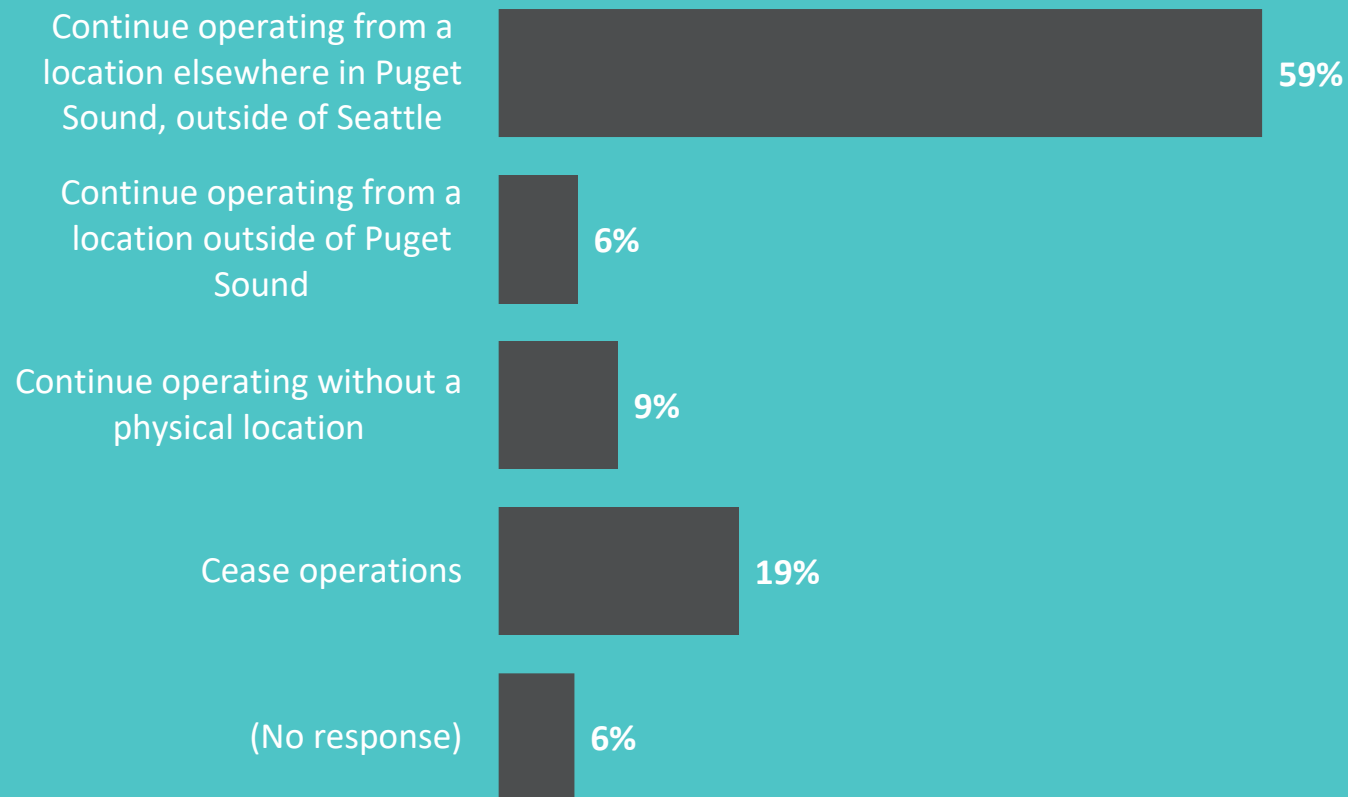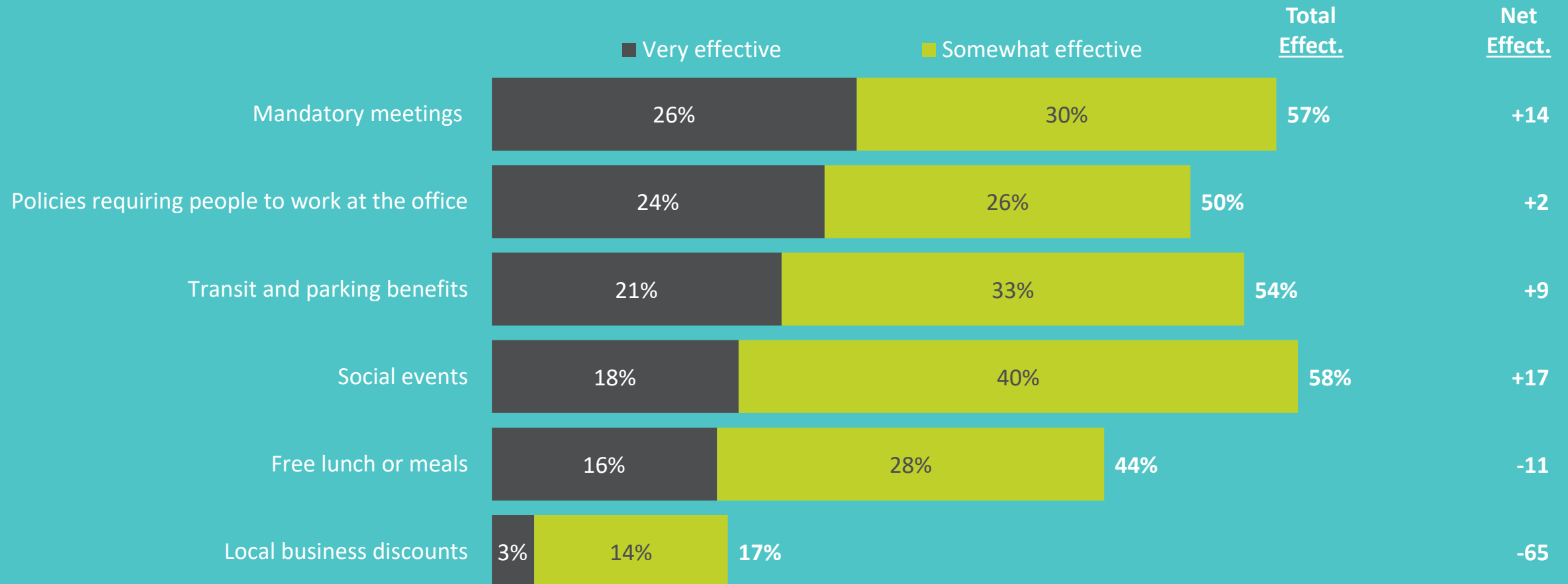|	Very likely	Somewhat likely	Total Likely	Net Likely.
Require employees to work in person at a Seattle location more frequently than they do now	25%	22%	47%	+14
Hire more employees	31%	40%	71%	+43
Close some, but not all of its locations in Seattle	3%	16%	19%	-31
Close all locations in Seattle	6%	12%	18%	-55
Reduce the number of employees	7%	12%	19%	-53
Consolidate multiple offices into one Seattle office	3%	7%	10%	-23
Open more locations in Seattle	5%	7%	12%	-62

Closing Seattle Locations

You indicated your business is <u>likely to close some or all of its Seattle locations</u>. Which of the following best summarizes your business' plans for the future? (18%; n=32)

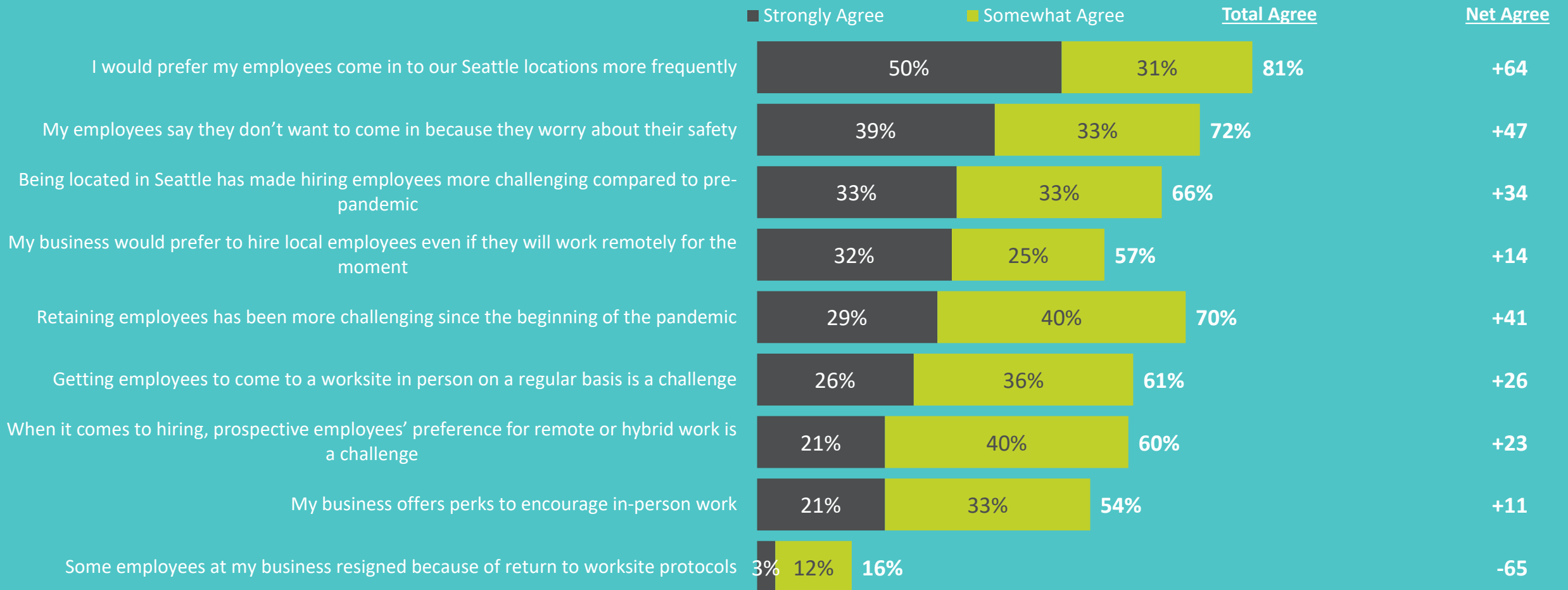|	
Continue operating from a location elsewhere in Puget Sound, outside of Seattle	**59%**
Continue operating from a location outside of Puget Sound	**6%**
Continue operating without a physical location	**9%**
Cease operations	**19%**
(No response)	**6%**

Return to Office Policy Impact

Please indicate how effective each of the following has been for encouraging employees to work in person from a Seattle location.

	Very effective	Somewhat effective	Total Effect.	Net Effect.
Mandatory meetings	26%	30%	57%	+14
Policies requiring people to work at the office	24%	26%	50%	+2
Transit and parking benefits	21%	33%	54%	+9
Social events	18%	40%	58%	+17
Free lunch or meals	16%	28%	44%	-11
Local business discounts	3%	14%	17%	-65

Attitudes About Worksite Protocols

|	Strongly Agree	Somewhat Agree	Total Agree	Net Agree
I would prefer my employees come in to our Seattle locations more frequently	50%	31%	81%	+64
My employees say they don't want to come in because they worry about their safety	39%	33%	72%	+47
Being located in Seattle has made hiring employees more challenging compared to pre-pandemic	33%	33%	66%	+34
My business would prefer to hire local employees even if they will work remotely for the moment	32%	25%	57%	+14
Retaining employees has been more challenging since the beginning of the pandemic	29%	40%	70%	+41
Getting employees to come to a worksite in person on a regular basis is a challenge	26%	36%	61%	+26
When it comes to hiring, prospective employees' preference for remote or hybrid work is a challenge	21%	40%	60%	+23
My business offers perks to encourage in-person work	21%	33%	54%	+11
Some employees at my business resigned because of return to worksite protocols	3%	12%	16%	-65

Other Attitudes

Strongly Agree **Somewhat Agree** **Total Agree** **Net Agree**

Having more connections to BIPOC vendors and suppliers can help build a more equitable and inclusive economy
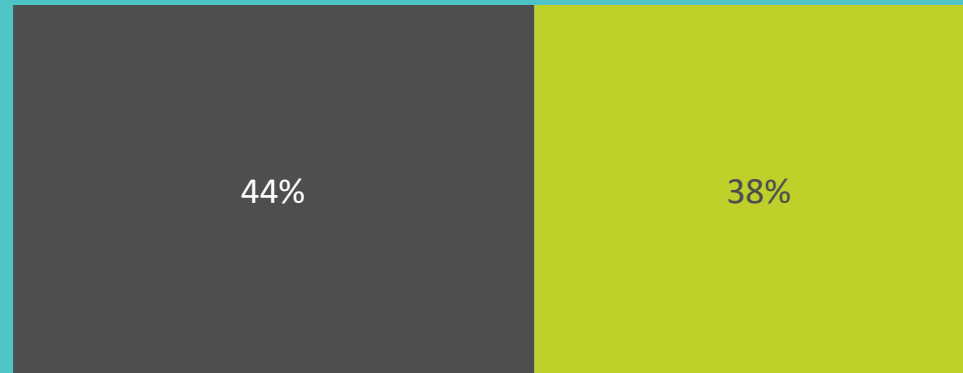
| 44% | 38% | **82%** | **+67** |

We need more technical assistance and support to small businesses, especially minority-owned firms.

| 30% | 37% | **67%** | **+37** |