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2024 Business Outlook Survey Results Reveal Confidence Levels of Business Leaders in the Oshkosh Area

Oshkosh, Wis – Each year the Oshkosh Chamber of Commerce surveys business leaders in the area to gauge confidence levels throughout the business community. This year, despite the ongoing labor and supply chain challenges, there is an immense amount of optimism.

2024 Business Outlook Survey Results

What are local business leaders anticipating in Oshkosh for 2024? That is the question we asked local CEOs, business managers, and owners. While it is impossible to predict our economic future with a high degree of specificity, and despite some lingering inflationary pressures, locally Oshkosh is doing well and has a position of strength in the marketplace. This past year, employment remained strong. According to the Wisconsin Department of Workforce Development (December 2023), the unemployment rate for Oshkosh remains below the national unemployment rate of 3.5 percent at 2.4 percent. This unemployment rate is remarkable when you consider that in April 2020 the Oshkosh unemployment rate was 14.3 percent. Oshkosh-based businesses employ more people than ever, and competition for workers remains strong. Local companies now employ 41,735 people in Oshkosh, up from 41,411 people last year. In 2023, Oshkosh experienced investment in commercial and industrial property of more than \$57.3 million, compared to \$44.4 million in 2022, with over \$100 million of new development anticipated for 2024.

Oshkosh experienced significant growth across all sectors in 2023 even with continued inflationary pressures, rising interest rates, worker shortages, and supply chain issues. Even with these obstacles, Oshkosh continued to grow and prosper. Oshkosh continued to experience exceptional commercial growth, especially along the Oshkosh Avenue corridor with new hotels, restaurants, and office space. Our industrial sector continued to see numerous expansions, new multi-family housing growth is booming, and we continue to experience robust growth in our downtown and central city area. As we turn the page in 2024, businesses



are focused on igniting the local economy and asserting their competitiveness. With interest rates anticipated to decline, and employment levels remaining strong, 2024 should include more growth and expansion as businesses continue to build their base.

The results of the Oshkosh Chamber's Annual Business Outlook Survey, a barometer that we use to gauge the degree of confidence of business leaders, indicated that area CEOs and business owners are confident heading into 2024. Overall, there is a growing degree of optimism among local CEOs and business owners with 76% of the participating CEOs rating their company's outlook as good to excellent in the next 6 months, 89% rate the next 12 months as good to excellent and 93% rate their outlook as good to excellent in the next 1 – 3 years.

Look Back on 2023: Of the local CEOs and business owners participating in our annual Business Outlook Survey, 58 percent reported that sales increased in 2023 over the previous year, 65 percent indicated that profits were up, and 81 percent increased wages. This past year, 48 percent of reporting companies added staff to their payrolls. In 2023, 59 percent of the respondents indicated that their companies met or exceeded profitability expectations. Those companies missing the mark on profitability expectations cited a slowdown in the economy as the largest factor, followed by a lack of employees, sales shortfall, higher operating costs, and rising interest rates as the biggest causes.

Forecast 2024: When asked for their forecasts for 2024, 70 percent believe that sales will outperform the previous year's sales level. Overall, participating firms expect sales gains according to 57 percent of the reporting companies in the first quarter of 2024 compared to the previous quarter, while 30% anticipate no change. 51 percent of these companies expect sales increases in the first quarter of 2024 compared to the same quarter in 2023, while 23% anticipate no change.

57% of area CEOs expect to hire more people in 2024, while 35% anticipate employment levels to remain the same. While this is all very good news, business leaders report that finding qualified workers remains a challenge, with 47 percent indicating they have unfilled job openings. This is down from 55% in 2023, however. These employers further indicated that recruiting qualified job applicants remains a challenge, with 68% indicating 4 or fewer job applicants per job opening and 24% indicating there were no qualified candidates.



Manufacturers plan to increase their raw material inventories in the first quarter of 2024 compared to the same quarter one year ago according to 60 percent of Oshkosh-based manufacturers. In the first quarter of 2024, 47 percent of retailers, wholesalers, and manufacturers anticipate a higher volume of finished goods inventory over 2023 fourth-quarter levels. These are lead indicators of an expected sales volume increase in the coming months.

In the 2024 Survey, we asked CEOs about their perception of the region and Oshkosh. Overall, CEOs felt very positive about the Quality of Life in the region. Responding companies indicated (Strongly Agreed to Agreed) that the region has excellent community institutions with 95% indicating the hospitals and health care system are good to excellent; 92% indicating the education system was second to none; and 95% believed the region has great public safety departments. Additionally, 95% of CEOs felt very positively about our post-secondary education schools and 81% felt there were excellent local resources available for entrepreneurs.

When asked about Oshkosh, CEOs again felt very positive (good to excellent) about the community, with 95% indicating that Oshkosh is a great place for raising a family and 92% indicating that Oshkosh is on the right track. Furthermore, 95% believed Oshkosh has a strong, vibrant economy; 81% thought it was business-friendly, with 82% saying it is a great place to start a business. Furthermore, 87 percent of the CEOs feel Oshkosh has a strong and vibrant economy while 70 percent feel Oshkosh has a vibrant downtown. From a shopping perspective, 54% of the CEOs feel Oshkosh has ample shopping opportunities while 59% feel ample dining opportunities, indicating room for growth in these areas.

From a business climate perspective, 75 percent feel the State of Wisconsin is heading in the right direction, up significantly from 42 percent in 2023. Only 34% indicated the US is heading in the right direction regarding the business climate, but up from 31% in 2023.

Local CEOs stated that Wisconsin's top public policy issues are the labor shortage/lack of qualified applicants, interest rates, and inflation. Local CEOs also said rising prices, leveraging technology, and a lack of affordable housing remain critical issues.

CEOs, business managers, and owners are probably the most optimistic personalities. True to form, our survey found Oshkosh business leaders inclined to be optimistic about 2024, but labor shortages, inflationary pressures, interest rate increases, housing supply issues, and the election continue to provide some level of uncertainty. However, the severity of these threats to growth will play out over the years.



About the Oshkosh Chamber of Commerce

For more than 100 years, the Oshkosh Chamber of Commerce has served as the advocate and guardian of business and industry to support the thriving Oshkosh and northeast Wisconsin region. As a five-star accredited Chamber of Commerce, our non-profit represents over 900 members, from small businesses to international corporations.

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