



2009 Business Pulse Survey *Report of Findings*

Businesses Face Uncertainty Amid Continuing Economic Downturn

With no clear end to current U.S. economic woes in sight, optimism is waning at New Jersey businesses across a variety of industries, according to a survey conducted by West Orange, NJ-based CPA firm Couto, DeFranco & Magone.

The **2009 Business Pulse Survey**, conducted in late January, found that 47% of respondents expect their organizations to be hit pretty hard if current economic conditions persist.

In addition to economic indicators, respondents pointed to factors such as rising fuel costs, slowdowns in the construction market, and cuts in business-to-business spending as significant market factors that are affecting their business outlook for 2009.

In response to these pressing external factors, those surveyed have made several adjustments to their internal financial operations and policies, including:

- Requiring deposits or upfront payments
- Extending longer terms to long-time customers
- Closely monitoring accounts receivable aging
- Offering more flexible payment options and volume discounts

In addition, many businesses are exploring new revenue streams and niche offerings, and tweaking their current service offerings to better showcase their value to customers.

***How has your
business outlook for
2009 changed, based
on current economic
conditions?***

Remained the same
38.2%

More optimistic
14.7%

Expect to be hit hard
47.1%

**2009 Business
Pulse Survey Results**



Focus on growth strategies

Though a combined 85.3% of survey respondents expect business to remain flat or decline this year, an almost equal number (82.9%) have not sought the advice of a new advisor, such as a business coach or financial consultant, to assist with decision-making or cost controls.

However, businesses seemed to see the value in professional development, expressing interest in workshops focused on business growth (42.4%), networking (39.4%), and marketing (30.3%).

“Clearly, business executives recognize the need to balance client retention with smart growth strategies during the economic downturn,” comments firm partner Nick Magone.

“By taking an active approach in delivering measurable value to existing accounts, and using cost-effective marketing and networking methods, businesses can not only weather the downturn, but put themselves in an improved position when spending picks up.”

Other survey findings included the following:

Have you noticed a decline in the responsiveness or value you are receiving from vendors or professional service providers?

27.8% Yes
72.2% No

Have your long-time vendors been proactive in helping you control costs? For example, a printer might recommend ways to save money on your quarterly newsletter.

53.1% Yes
46.9% No



82.9% of survey respondents have not sought out new advisors, such as a business coach or financial consultant, to assist with decision-making or cost-cutting measures.

2009 Business Pulse Survey Results

About the Business Pulse Survey

The **2009 Business Pulse Survey** was conducted online between January 15-February 15, 2009. It was designed to solicit the opinions of business owners and executives across a wide range of industries regarding the upcoming business climate for 2009.

Industries reflected in the survey responses include professional services, marketing support, technology, real estate, construction, financial and legal services, sports and fitness, and healthcare.

Eighty-five percent of respondents are owners, partners, or managers of their organizations. More than half (51.4%) of the companies represented by the respondents have been in business for 10+ years.

About Couto, DeFranco & Magone

The **Business Pulse Survey** is sponsored by NJ CPA firm Couto, DeFranco & Magone.

Since 1992, Couto, DeFranco & Magone has taken a leadership role in the development and delivery of a full suite of financial advisory services for individuals, privately held companies, non-profit organizations, religious and educational institutions, and professional services firms.

The firm, launched by three partners with a mutual desire to put their “Big Five” experience to work in a more personal, client-focused environment, offers a range of corporate tax planning and tax preparation, non-profit audits, cost certification services, and estate and tax planning services.

For more information, call 973- 325-3370 or visit www.cdmcpas.com.