



2024  
**Long Island**  
**Economic Survey**

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**GREATER**  
**VALUE<sup>®</sup>**

PKF O'Connor Davies, in partnership with the Siena College Research Institute (SCRI), is proud to present the results of our recently completed and insightful "Long Island Economic Survey – Outlook 2024."

Our Firm again partnered with SCRI, highly regarded for its regional, statewide and national surveys on business, economic, political, voter, social, academic and historical issues. The results of the Institute's surveys have been published in major national newspapers, scholarly journals and books, with findings regularly featured on local and national television and radio.

As you'll see, the survey results reflect data that impacts you, the Long Island business community – including your perceptions of the economy, plans to enhance your business, rising operating costs, impact of migrant resettlement in New York, disruptive technologies and views on the workforce. We thank our sponsors for their generosity and support in helping make this valuable information widely available.

We are also grateful to survey respondents who willingly share their perspectives to make this project meaningful. Your participation inspires us to continually search for new ways to bring greater value to our clients, our colleagues and our community.

## Survey Result Highlights

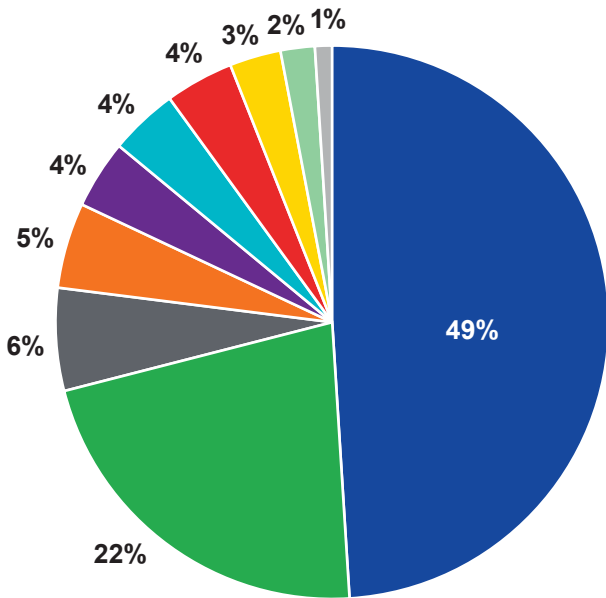
- An overwhelming 84% of the CEOs surveyed expect to be in business five years from now.
- Expectations for the National economy have seen an uptick to 27% (from 21% in 2022) and predictions of a recession have decreased with one-third now saying it is not likely compared to 12% last year.
- Of all CEOs polled, more than half plan to maintain their workforce, while 33% plan to increase and 9% plan to decrease it.
- Fifty percent of businesses expect their revenue to grow and four out of 10 businesses plan to expand profitability, primarily through market demand and growth; secondarily through cost reduction.
- Personal income tax reform, business income tax reform, business development incentives and infrastructure development remain the top issues that business leaders would like to see the Governor and Legislature focus on. Newly added this year, affordable housing was cited by one-third as an initiative to focus on.
- Of business leaders surveyed, 57% expect residential real estate prices to increase.



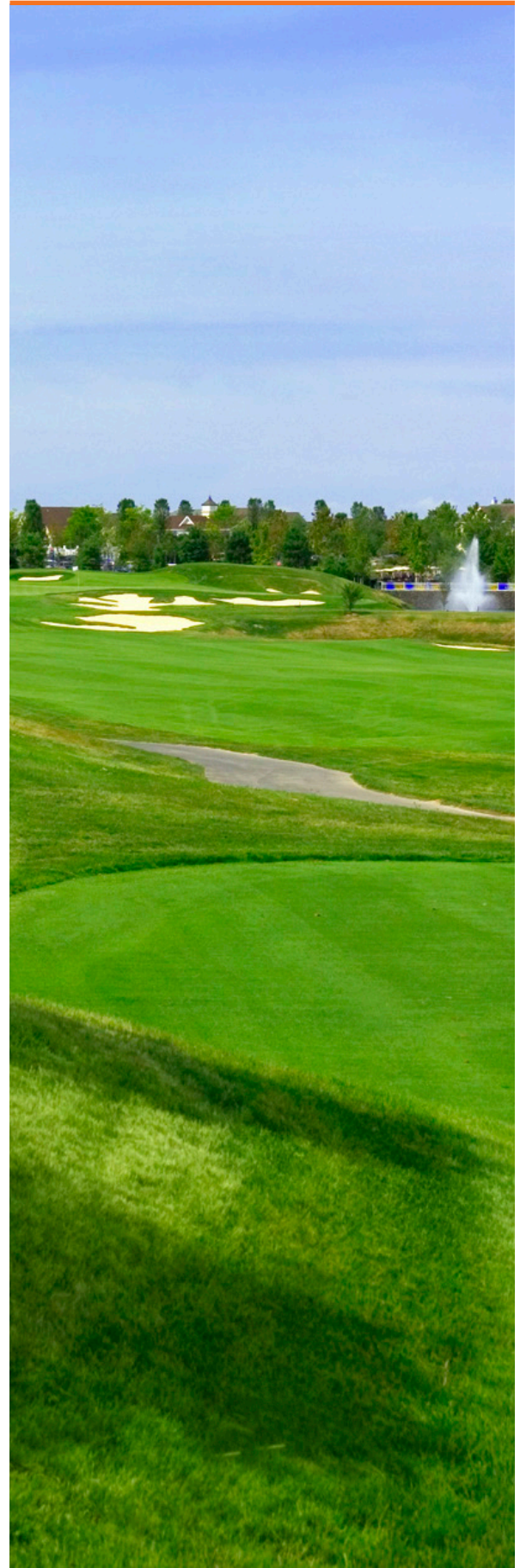
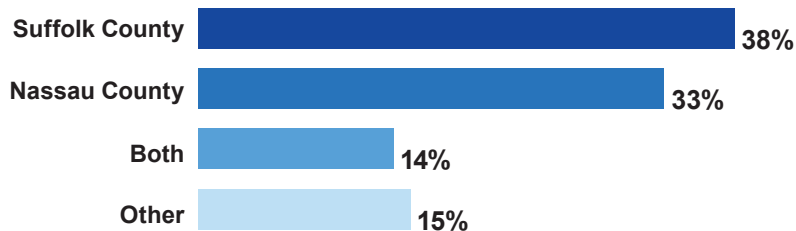
# Demographics

Which of the following industry categories best describes the type of business your company is engaged in?

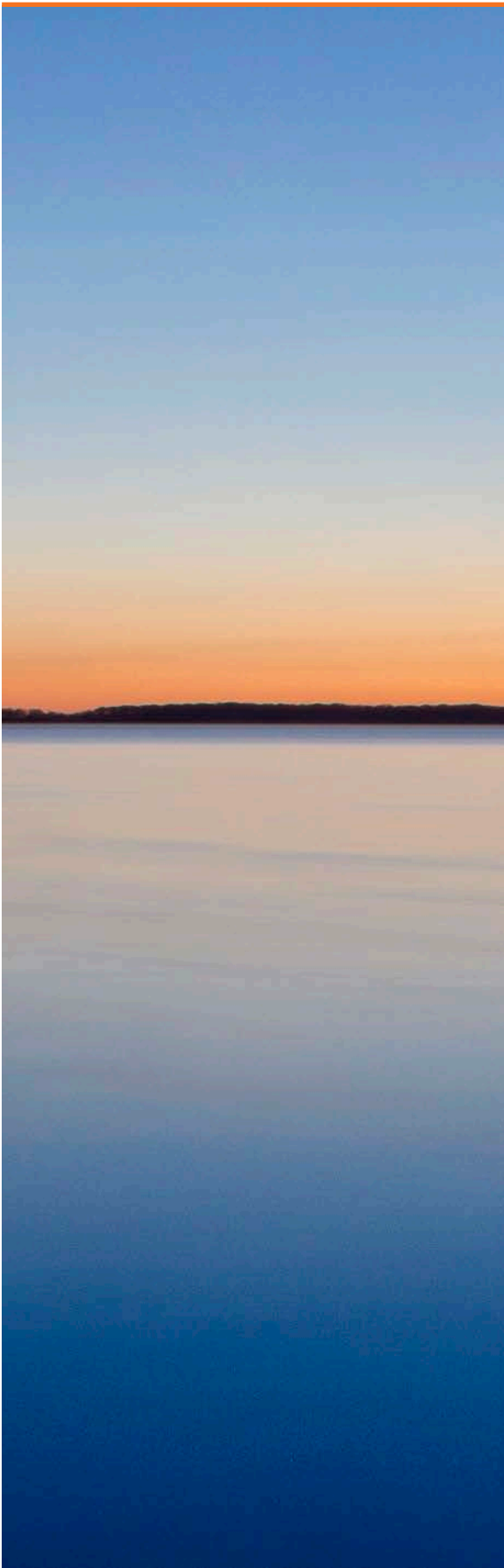
Nearly half (49%) of respondents say they work in a service industry.



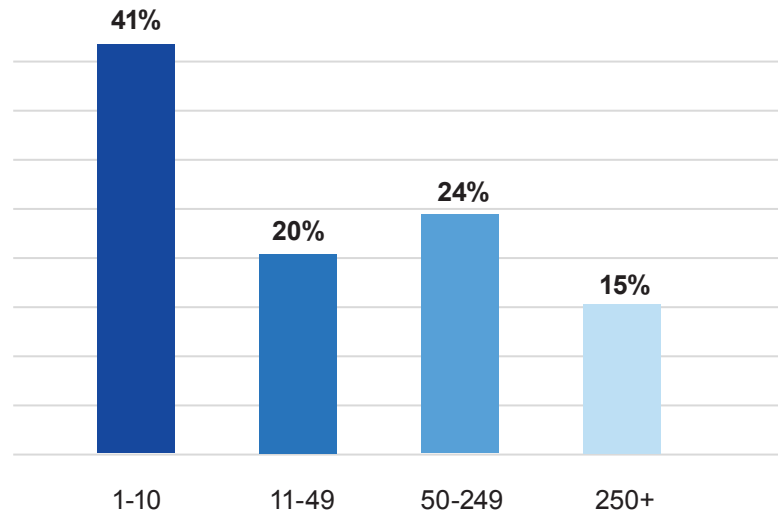
Where is your principal place of business?



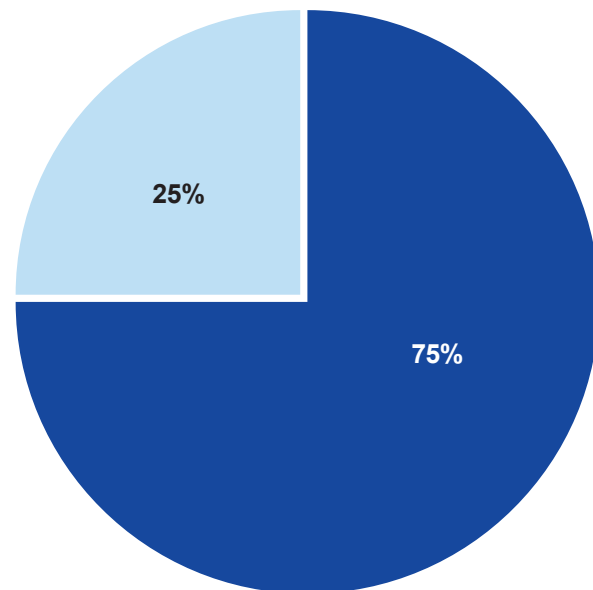
# Demographics



Approximately how many employees do you have in all Long Island locations?



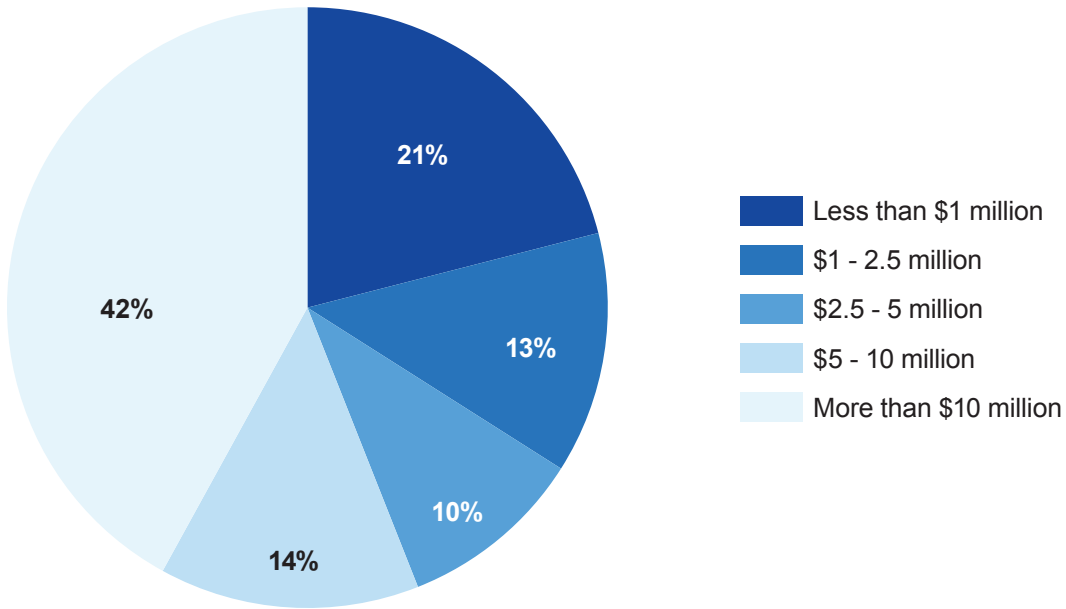
Is your organization for profit or nonprofit?



■ For profit  
■ Nonprofit

# Demographics

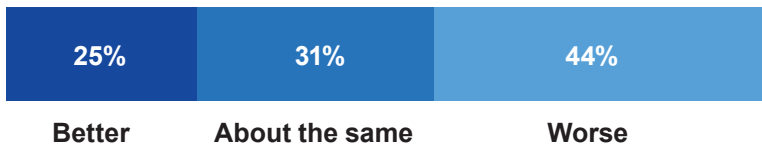
What is your approximate annual revenue?



# Business Climate

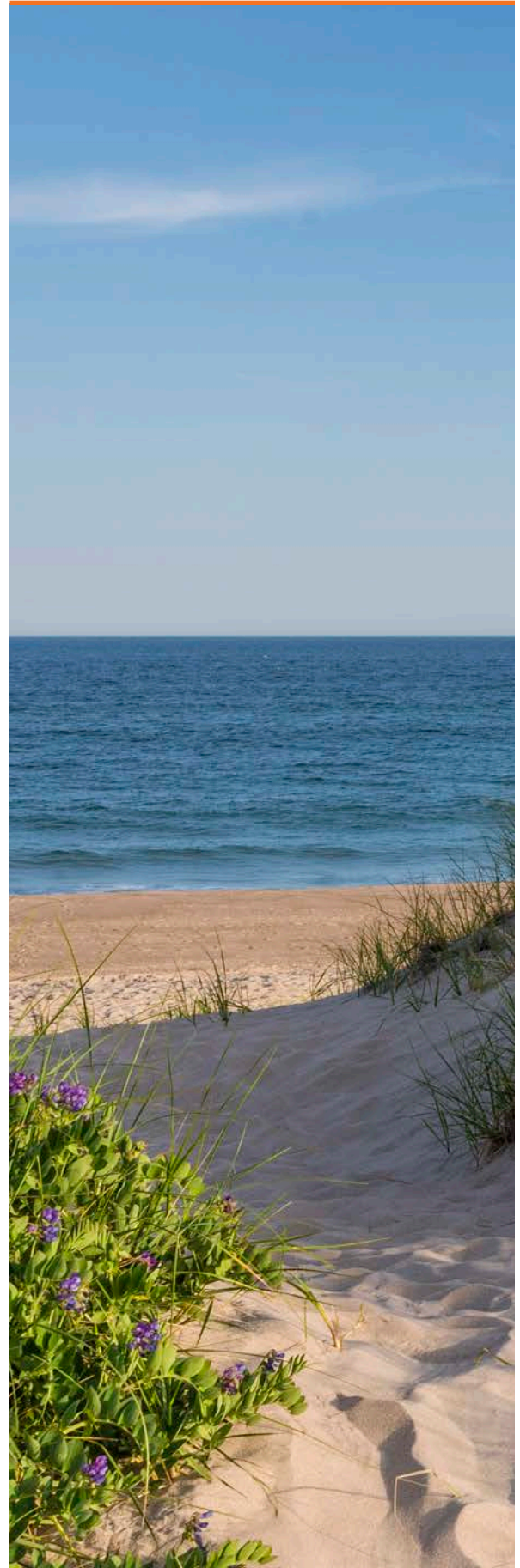
**As you think about the current business or economic conditions on Long Island as compared to one year ago, would you say they are better, about the same or worse?**

Only one-quarter of CEOs think current business or economic conditions on Long Island are considerably (5%) or a little (20%) better than one year ago. More say they will remain the same, 31% compared to 21% in 2022.



**Looking forward from today through next year, that is, the entire 2024 year, how would you describe your expectations for the economy on Long Island?**

Over two-thirds (68%) of CEOs say their expectations for the LI economy for the next year are better or remain the same while 32% say their expectations are worse for next year. This shows a shift toward the positive compared to last year when 45% said worse and 55% said better or the same.



# Economic Index

Thinking specifically about your industry, how would you describe the current business or economic conditions on Long Island as compared with one year ago?

Nearly one-third of CEOs describe economic conditions on Long Island for their industry to be better – considerably better (7%) or a little better (22%) compared to a year ago.

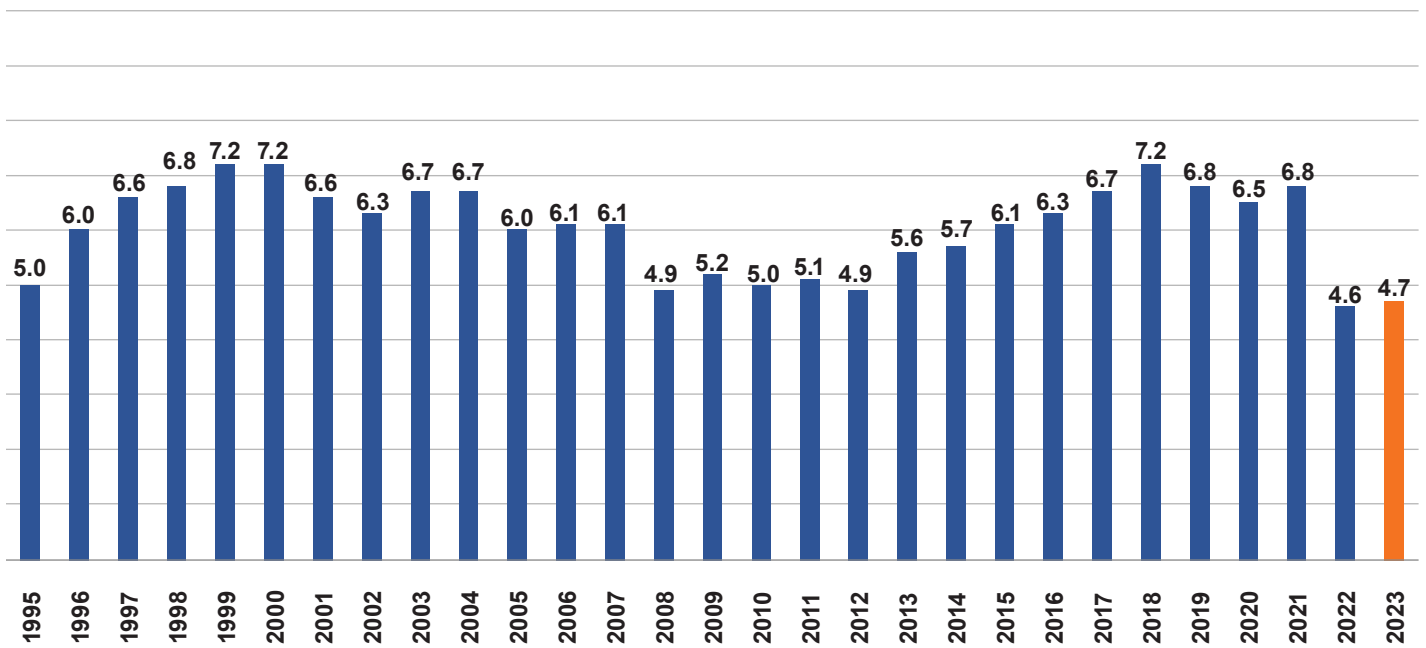


Looking forward from today through next year, how would you describe your expectations for your industry here on Long Island?



# Economic Confidence

The PKF O'Connor Davies data for confidence in the economy is based on one question about the economy. The Siena College Research Institute (SCRI) measurement of confidence in the economy is a four-question series that assesses the overall economy and industry. The 2021, 2022 and 2023 scores represent the SCRI four-question measurement normalized to be measurable against historic data.





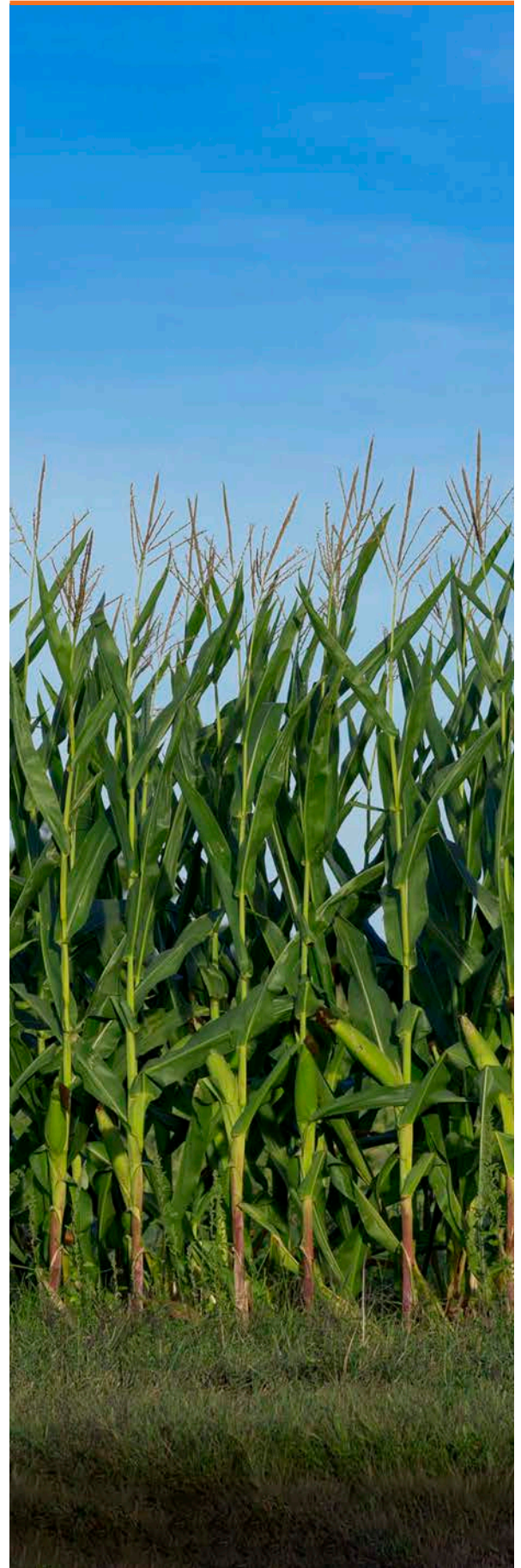
# Revenue and Profitability

Thinking specifically about your company, what are your expectations for revenue through the end of 2024? Do you believe your revenue will...?



Continuing to focus on your company, think about profitability. Between today and the end of the calendar year 2024, do you expect your profits to...?

Profitability expectations are slightly improved over last year, with 43% saying they will grow; an increase of 6 points.

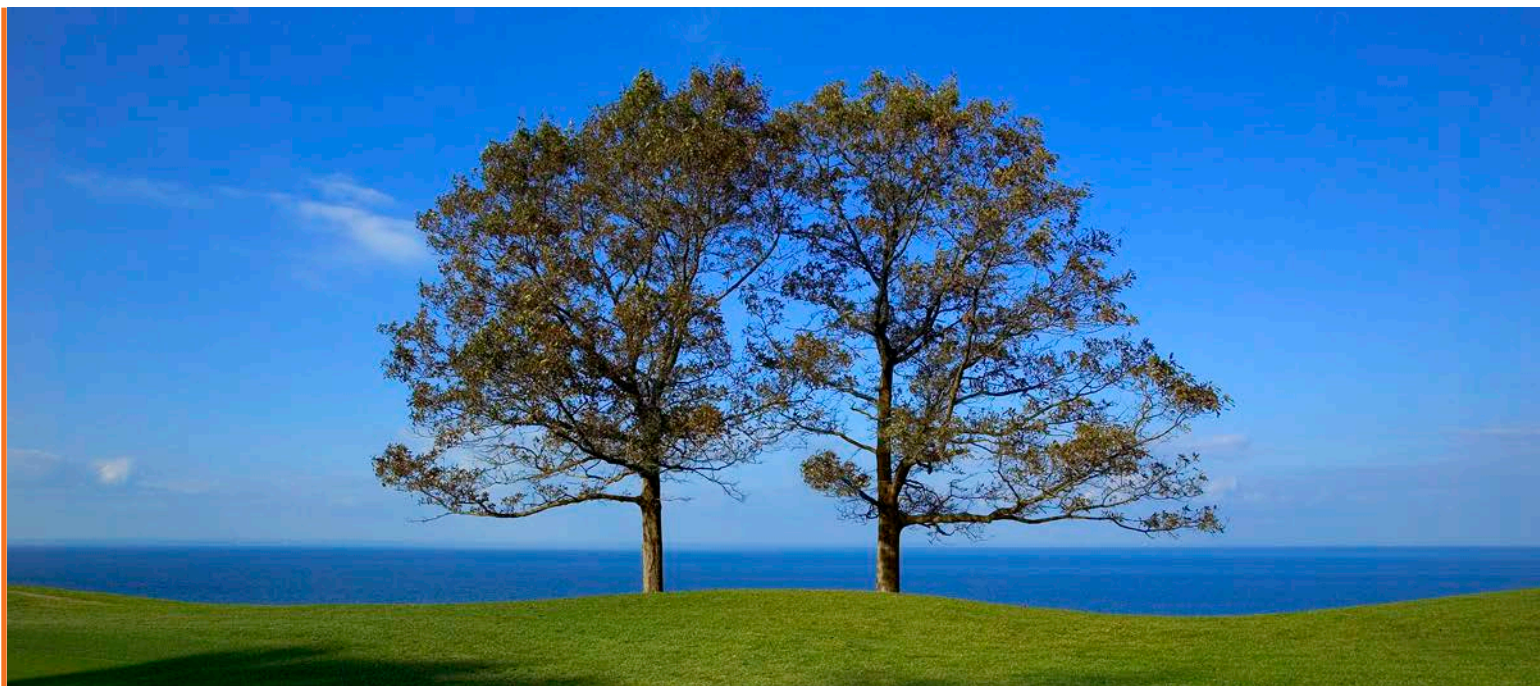
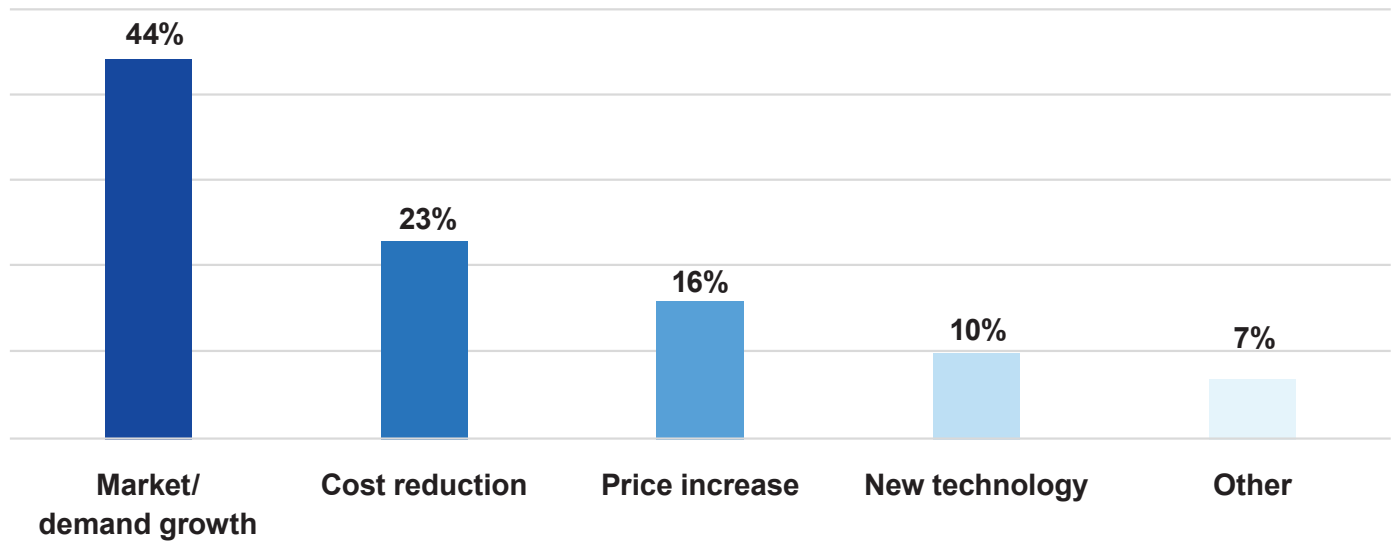


# Profitability Strategies

Businesses and the executives that direct them strive to enhance profitability in many ways. Through which of the following strategies do you plan to MOST enhance your company's profitability over the next year?

Four out of 10 businesses plan to increase their profitability by market and demand growth.

Fewer are citing price increase, 16% compared to 23% last year.



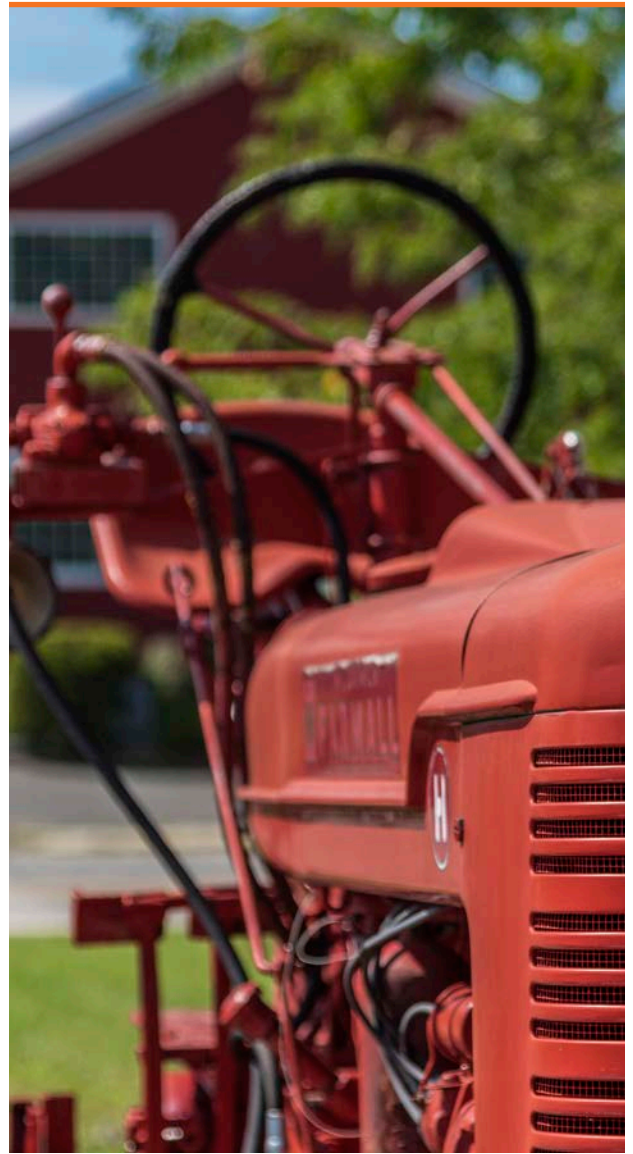
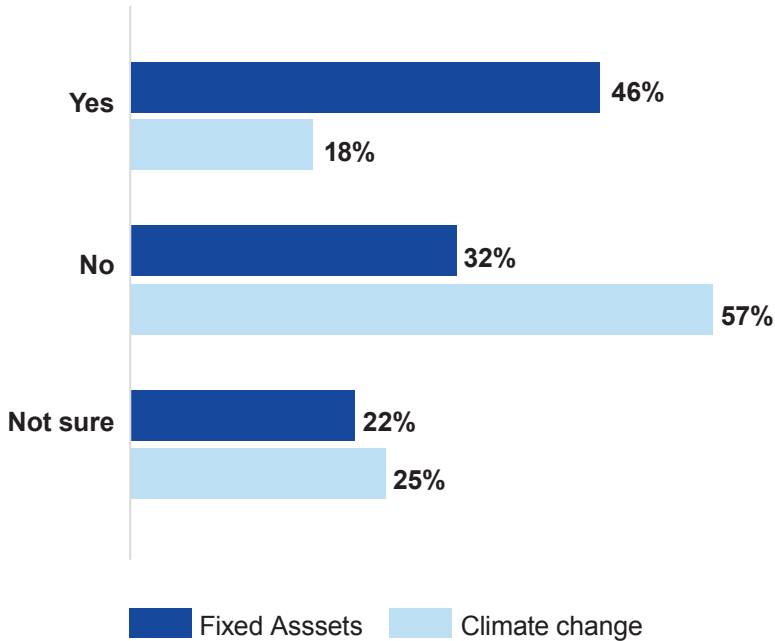
# Fixed Assets

## Do you intend to invest between today through 2024 in any fixed assets for your company designed to meet growing demand, reduce costs or enhance productivity?

Forty-six percent of CEOs plan to invest in fixed assets for their business. Similar to last year but slightly lower, 18% say they plan to invest in fixed assets to address climate change, 25% are unsure.

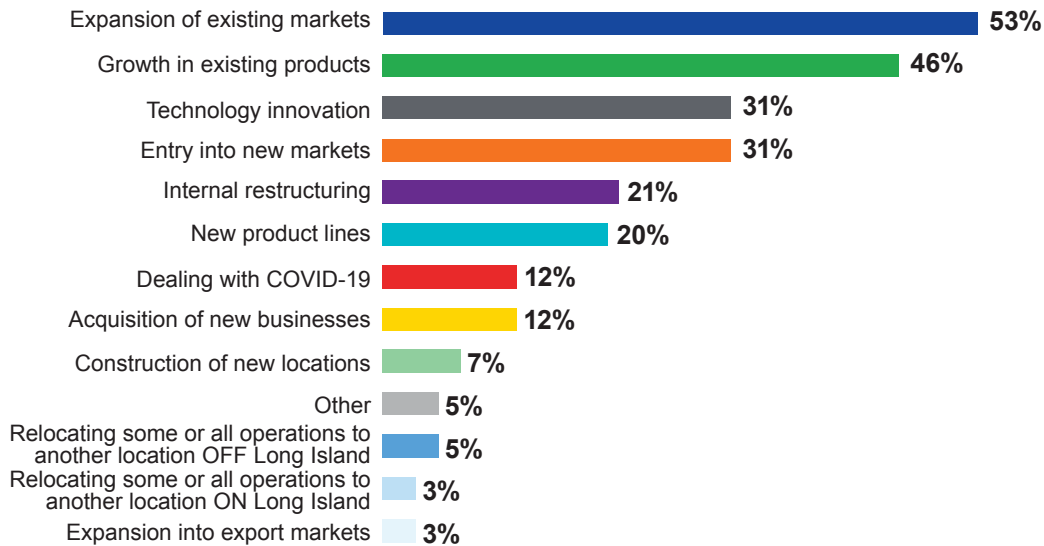
## Do you intend to invest between today through 2024 in any fixed assets for your company designed to respond to climate change (e.g., fuel switching, energy efficiency, renewable generation, etc.)?

Eighteen percent of CEOs plan to invest to respond to climate change, as compared to 21% last year.



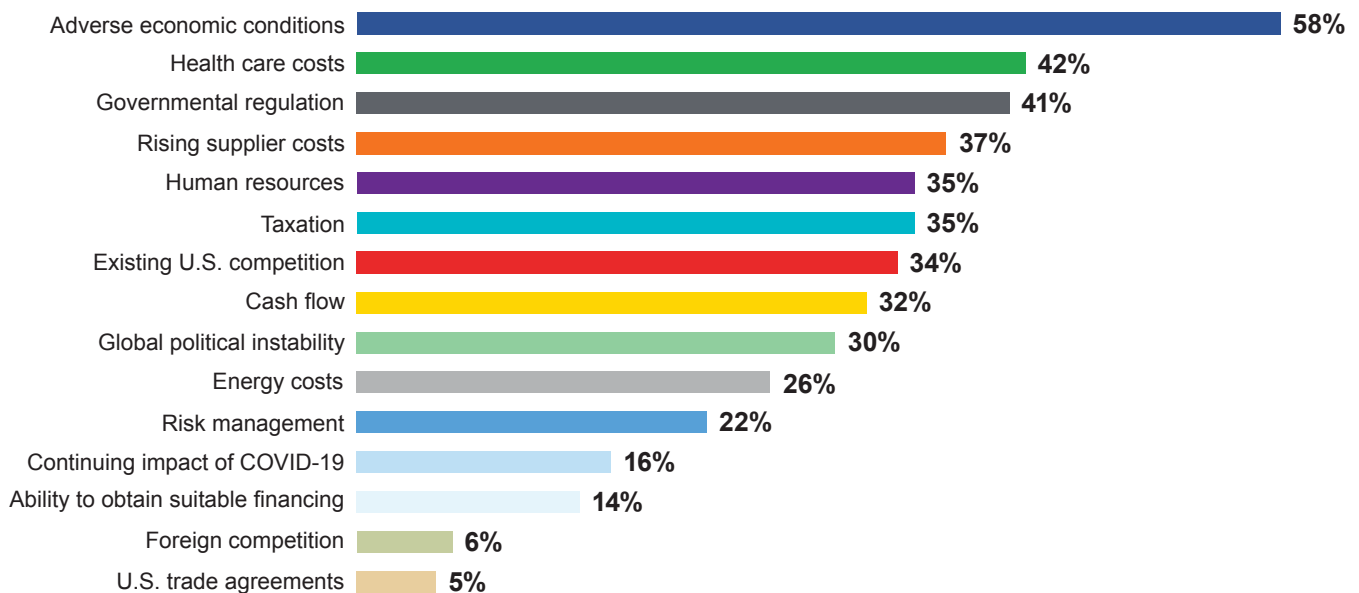
# Focus

## Which of the following are major areas of concentration for your company now and through 2024?



Asked to name both their areas of concentration and challenges for the coming year, technology innovation is third behind typical growth strategies (expansion of existing markets and growth in existing markets). Adverse economic conditions remain as the most often cited challenge that concerns CEOs at a rate of 58%.

## Thinking about other challenges that your company faces, which of the following are you concerned with?



# Employment Outlook & Workforce

Thinking about the people that work for your company, between today and the end of 2024, do you plan to...?



- Substantially increase your workforce
- Moderately increase your workforce
- Remain about the same
- Decrease your workforce

Thirty-three percent of CEOs plan to increase their workforce (a 7-point decrease from last year) and 9% plan to decrease.

Turning to your impressions of the Long Island workforce, is there an ample supply of local workers who are appropriately trained for your employment needs?

Fifty-six percent of Long Island CEOs say there is not an ample supply of local workers trained for their needs, an improvement of 11 points since last year.



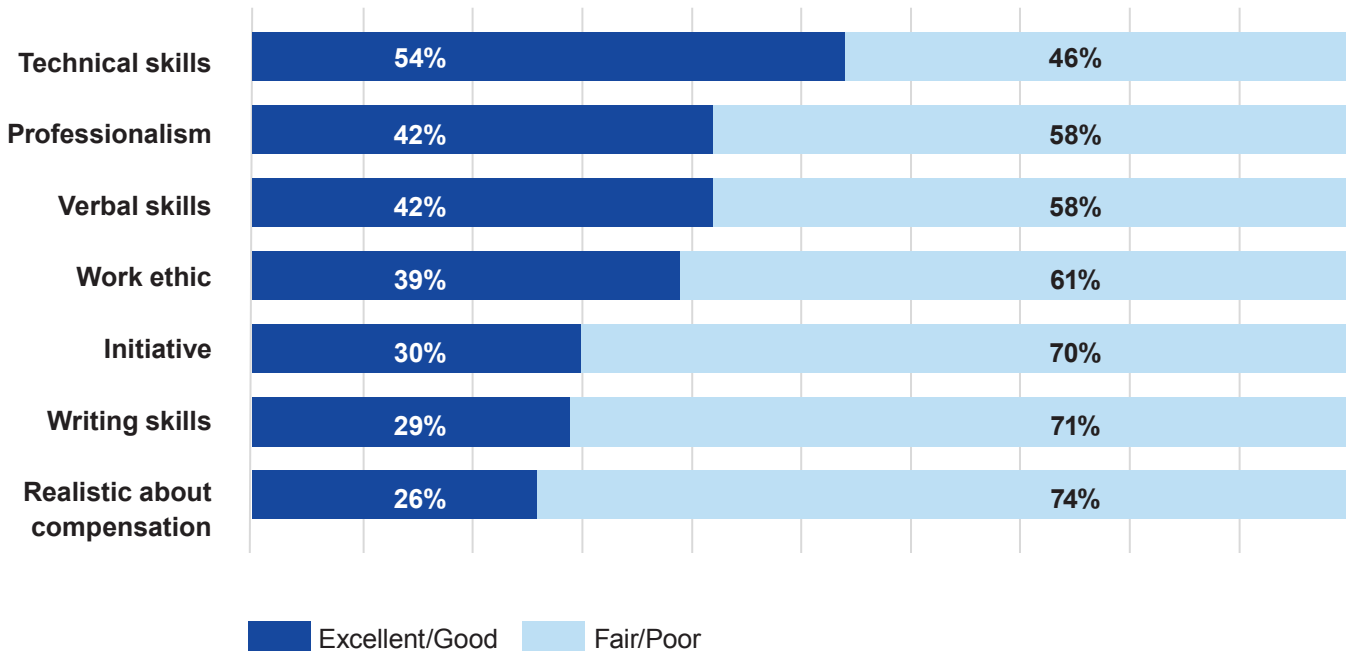
- Yes
- No
- Don't Know



# Employment Outlook & Workforce

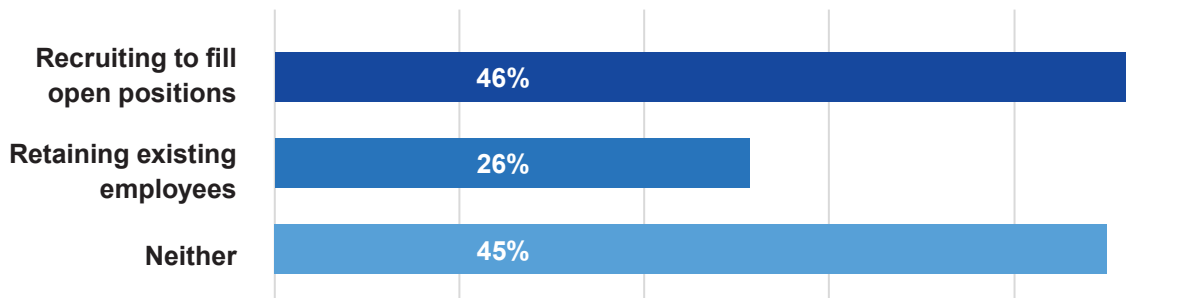
## Based on the job applicants that you have seen over the last couple of years, how would you assess those applicants on the following skills or attributes?

Over half (54%) of CEOs feel that the technical skills of applicants are excellent (7%) or good (47%), but at least 58% say applicants are only fair or poor in all other areas. Being realistic about compensation was characterized as “poor” by nearly one-third (32%).



## Which, if any, of the following are you currently having difficulty with?

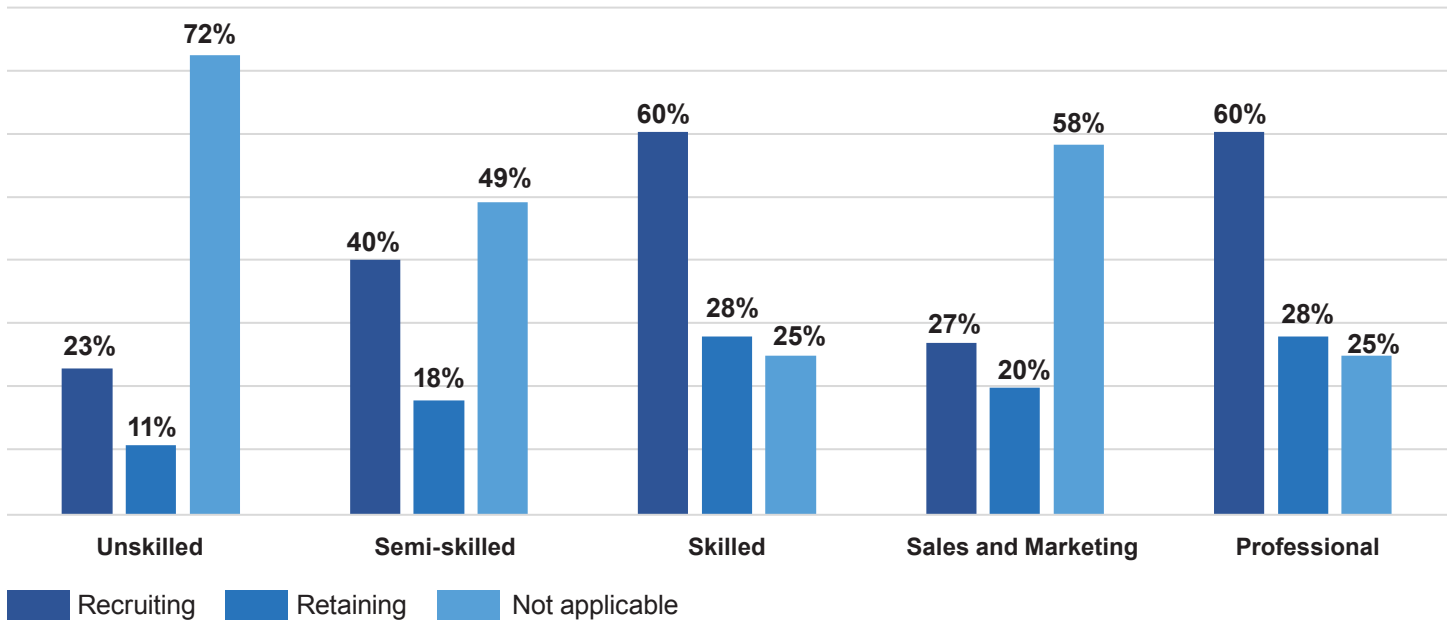
Seventy-two percent of CEOs say they are having difficulty either recruiting to fill open positions or retaining existing employees, a decrease of 21 points since last year. Expanded data shows that 14% are experiencing both challenges, a decrease of one-third compared to last year.



# Employment Outlook & Workforce

## Which, if any, types of workers are you having difficulty recruiting and/or retaining?

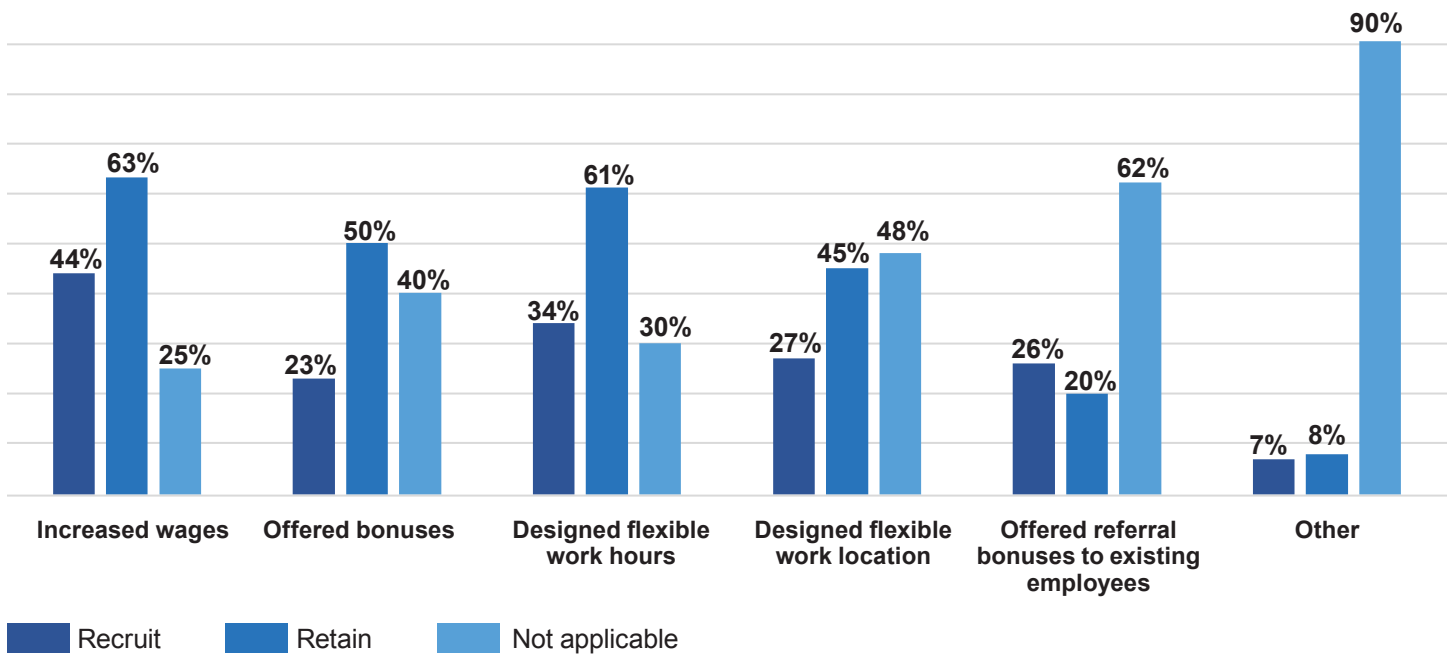
Skilled and Professional workers are giving CEOs the greatest challenge, with 60% saying they are having difficulty recruiting and 28% saying they are having difficulty retaining these types of employees.



# Employment Outlook & Workforce

## Which of the following have you done to recruit/retain?

Recruitment and retention strategies are virtually unchanged from last year. Increased wages remain the top strategy for both recruitment (44%) and retention (63%).





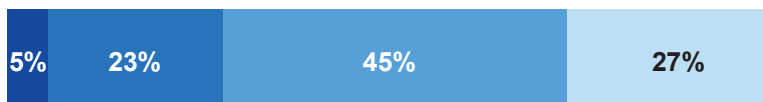
# State Government

Overall, would you say the New York State government is doing an excellent, good, fair or poor job of creating a business climate in which companies like yours will succeed?



Only 24% say that the state government is doing an excellent (4%) or good (20%) job. Similarly, when asked how confident they are in the state's ability to create a climate where businesses like theirs can succeed, 28% of CEOs say they are very confident (5%) or somewhat confident (23%). Seventy-two percent are not confident in the state government's ability to create a climate where businesses can succeed.

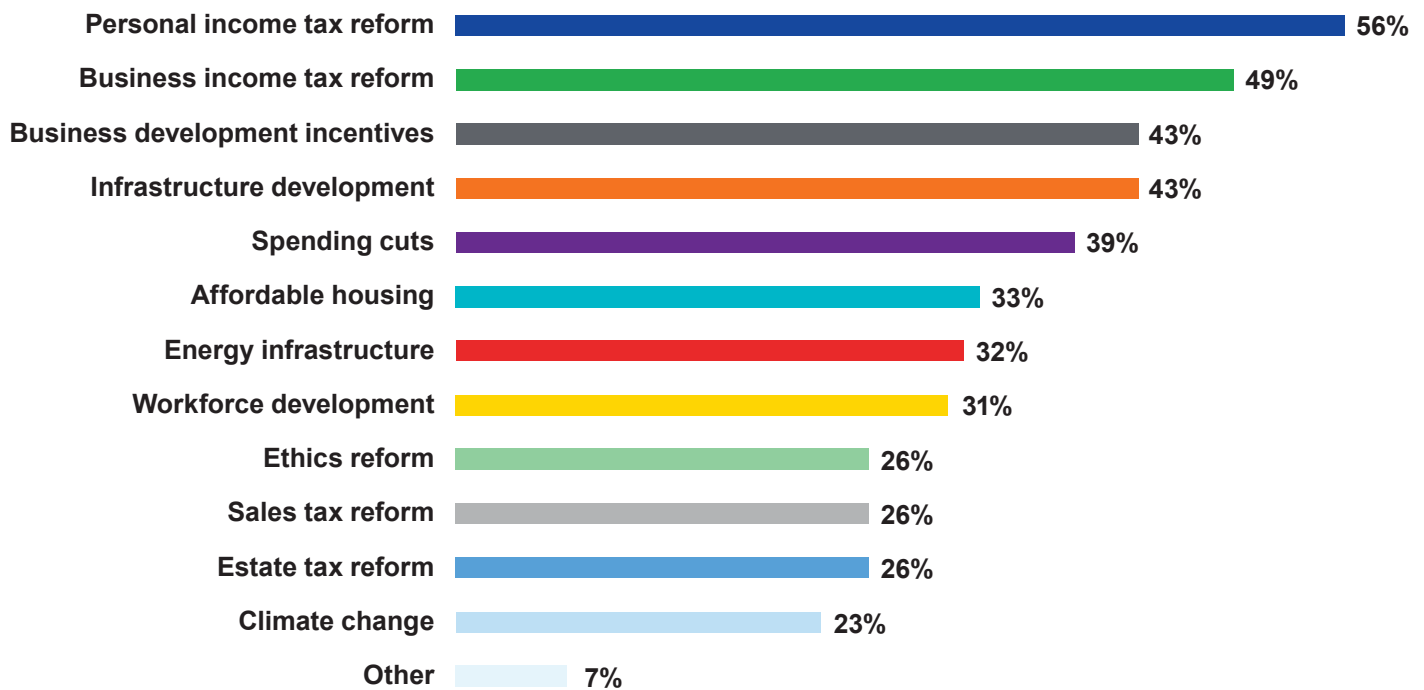
How confident are you in the State of New York's ability to improve the business climate for businesses like yours here on Long Island over the next year?



# State Government

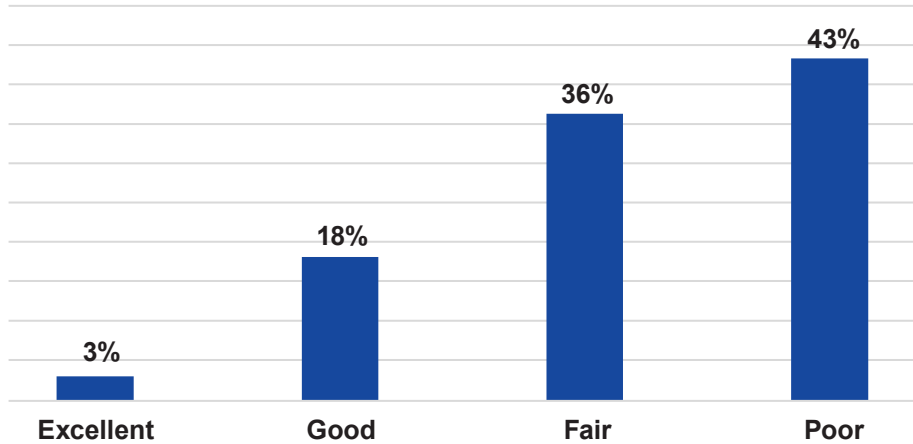
## Of the following, what would you like to see the Governor and Legislature of New York focus on?

Personal income tax reform, business income tax reform, business development incentives and infrastructure development remain the top issues that business leaders would like to see the Governor and Legislature focus on. Newly added this year, affordable housing was cited by one-third as an initiative to focus on.



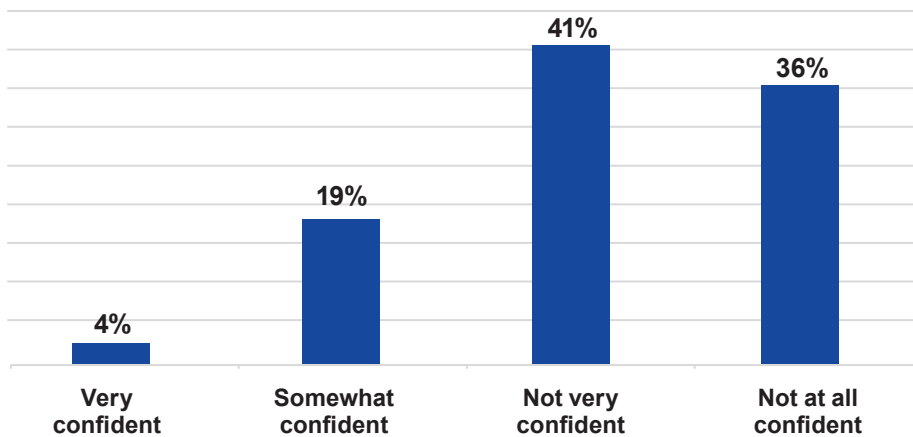
# Federal Government

Overall, would you say the federal government is doing an excellent, good, fair or poor job of creating a business climate in which companies like yours will succeed?



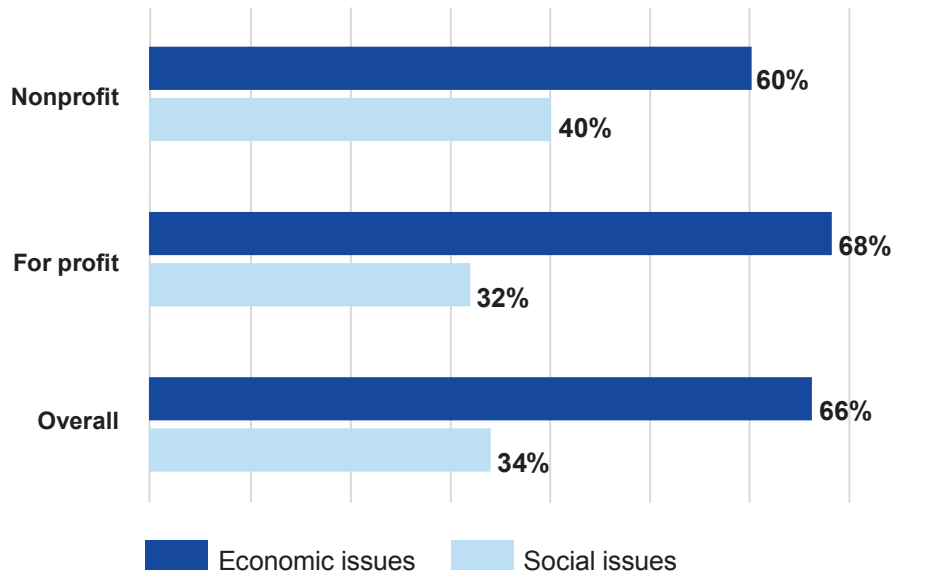
The federal government gets similar marks to the state government. Only 22% say the federal government is doing an excellent (4%) or good (18%) job, the same as last year. But confidence has slipped with only 23% saying they are very confident (4%) or somewhat confident (19%) that the federal government can create a climate where businesses can succeed.

How confident are you in the federal government's ability to improve the business climate for businesses like yours here on Long Island over the next year?



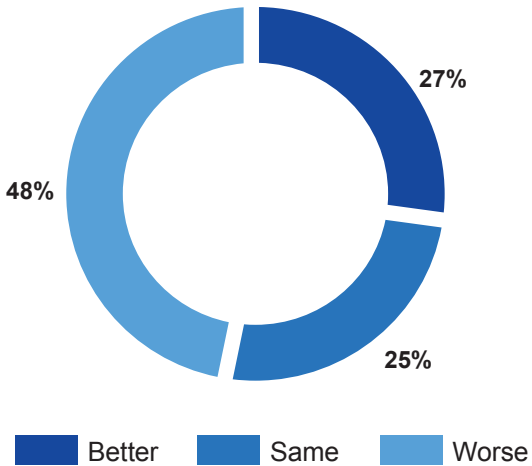
# Federal Government

Thinking about your vote in the 2024 election for President, what types of issues are most important in deciding your vote?



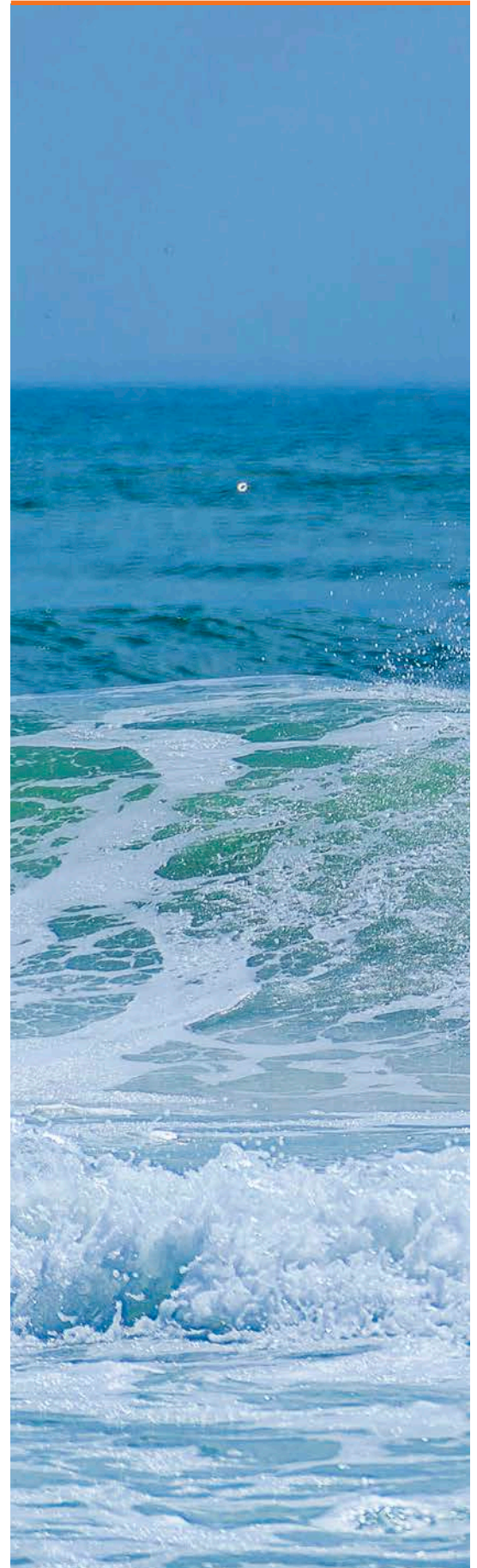
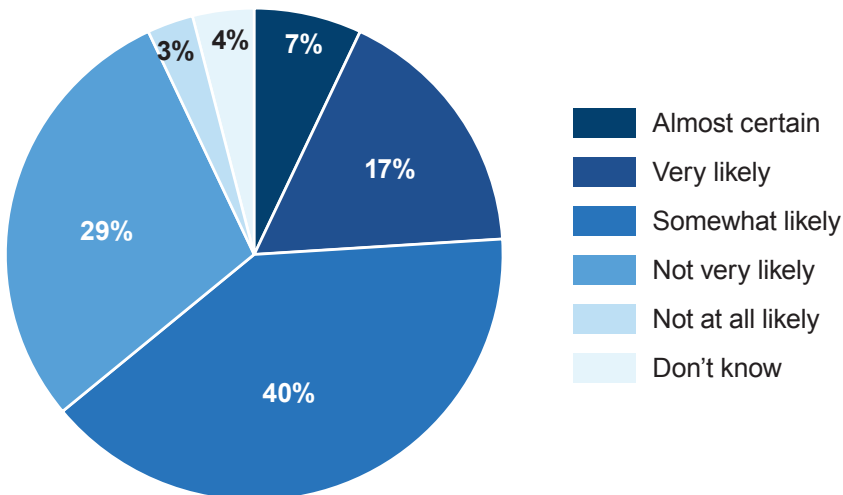
# National Economy

Looking forward from today through the entire 2024 year, how would you describe your expectations for the national economy?



There has been a slight shift for the better in expectations for the national economy. Twenty-seven percent say considerably (3%) or a little (24%) better compared to 21% last year. Just under two-thirds think a recession is at least somewhat likely, a decrease of 22 points from last year.

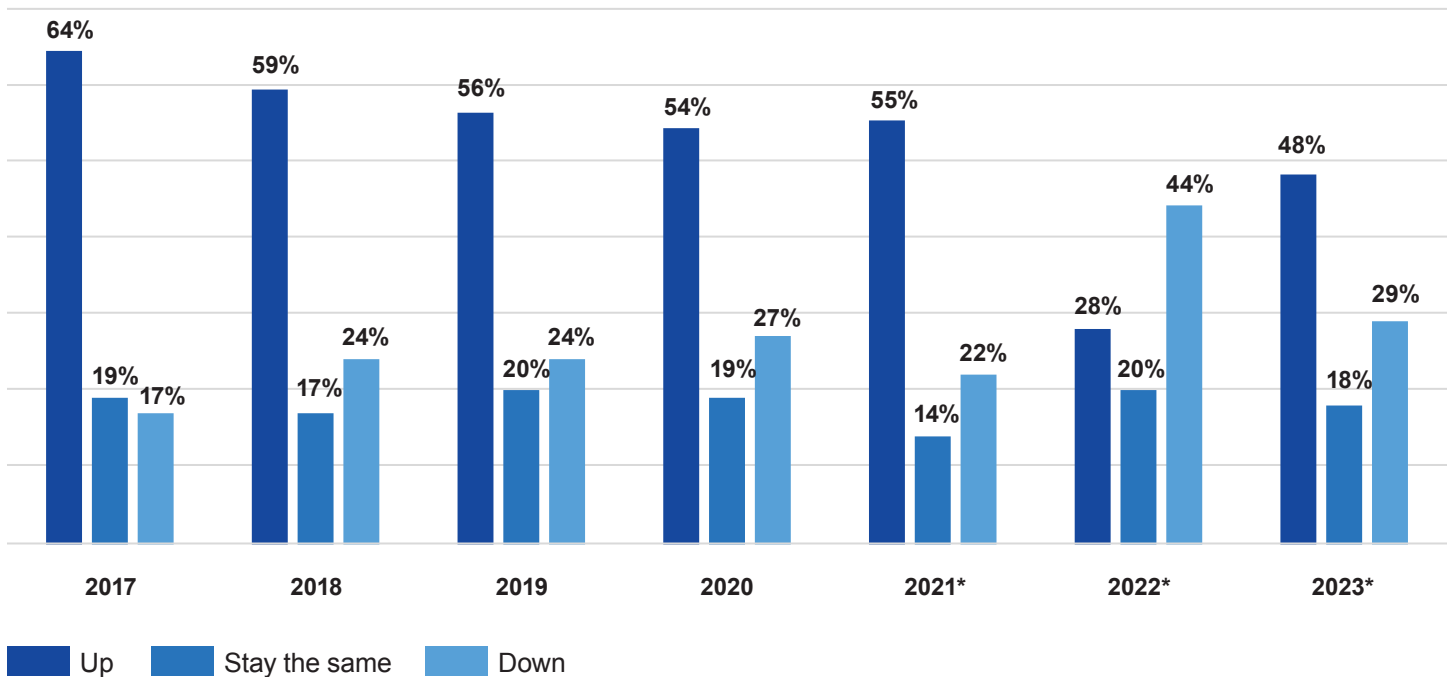
How likely do you think it is that the U.S. economy will be in recession between now and the end of 2024?



# Market Index

## Where do you think the S&P 500 will go in the coming year?

There has been a positive shift in expectations for the S&P 500 as well. Nearly half believe it will go up compared to 28% who said the same last year.



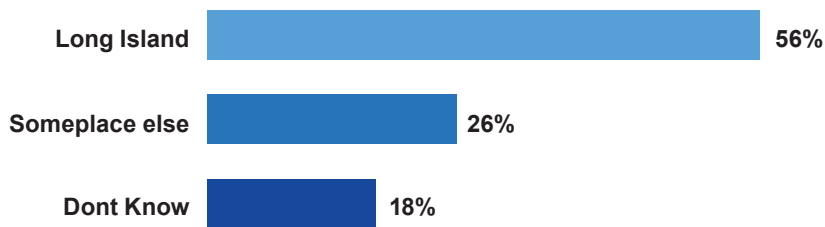
\*For the years 2021, 2022 and 2023, some respondents did not answer this question, therefore numbers do not add to 100.



# Long Island Outlook

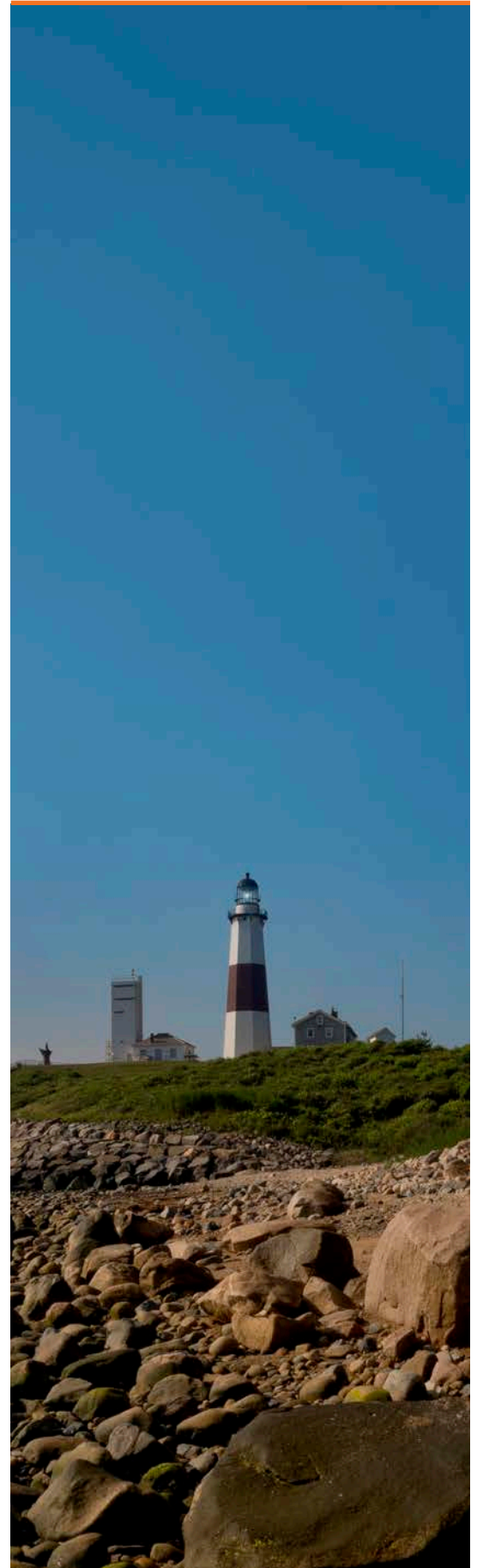
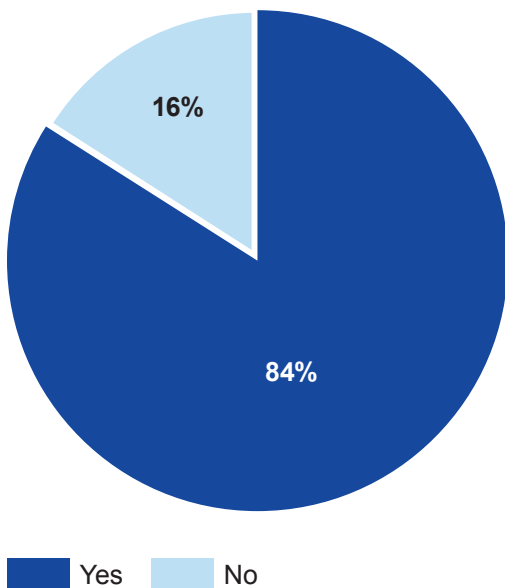
## If you had to do it all over again, considering all factors, would you locate your business on Long Island or someplace else?

Over half of the CEOs surveyed would again choose to locate their business on Long Island; 26% say somewhere else and 18% don't know.



## Do you think your company will be in business on Long Island five years from today or not?

Eighty-four percent of the CEOs say they will be in business five years from now, a decrease of 10 points from last year.



# Long Island Outlook

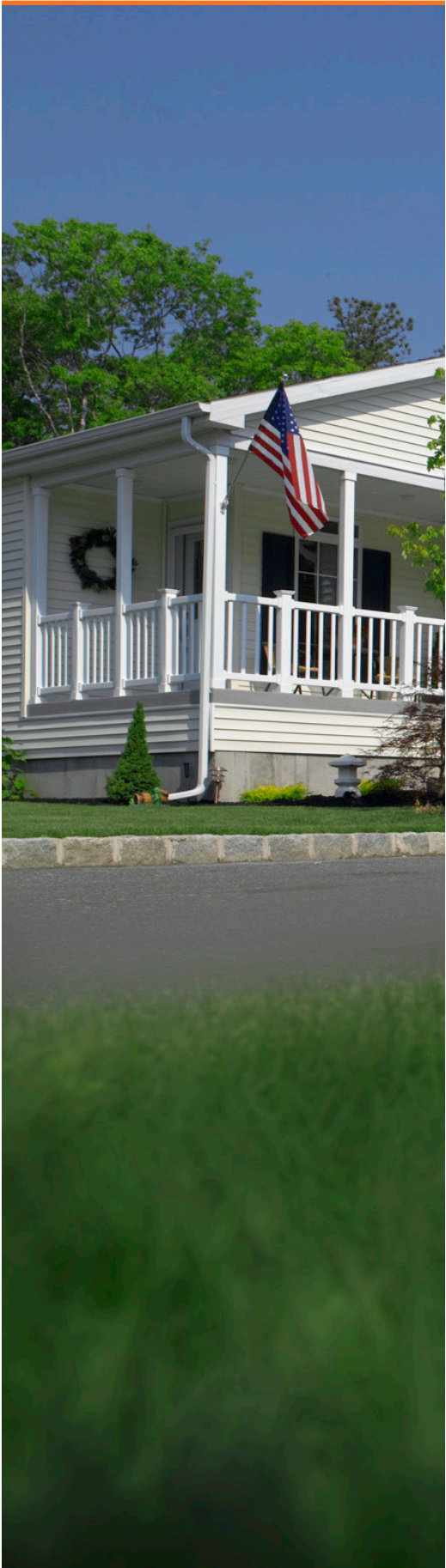
## Is the general business climate on Long Island improving, staying the same or worsening?

Sentiment about the general business climate improving on Long Island decreased another two points to 8%, but fewer than last year also said it's worsening (37%).



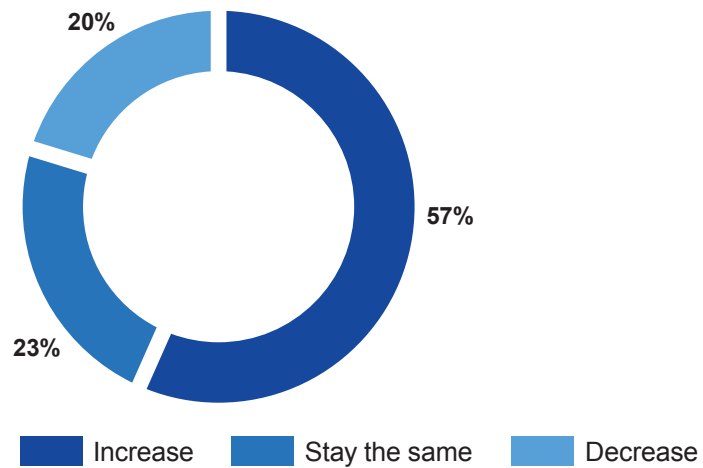


# Long Island Outlook



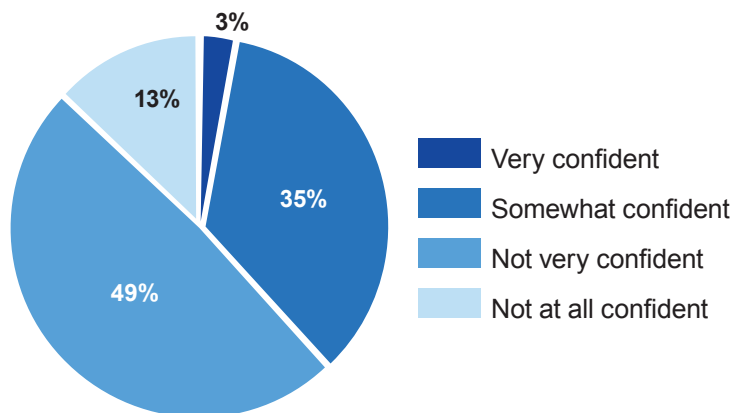
## What do you project will happen to residential real estate prices on Long Island in the coming year?

Expectations for residential real estate prices flipped from last year with 57% expecting increases and 20% decreases (compared to 24% increases and 58% decreases last year).



## How confident are you in the ability of the local governments on Long Island to improve the business climate for businesses like yours here in New York over the next year?

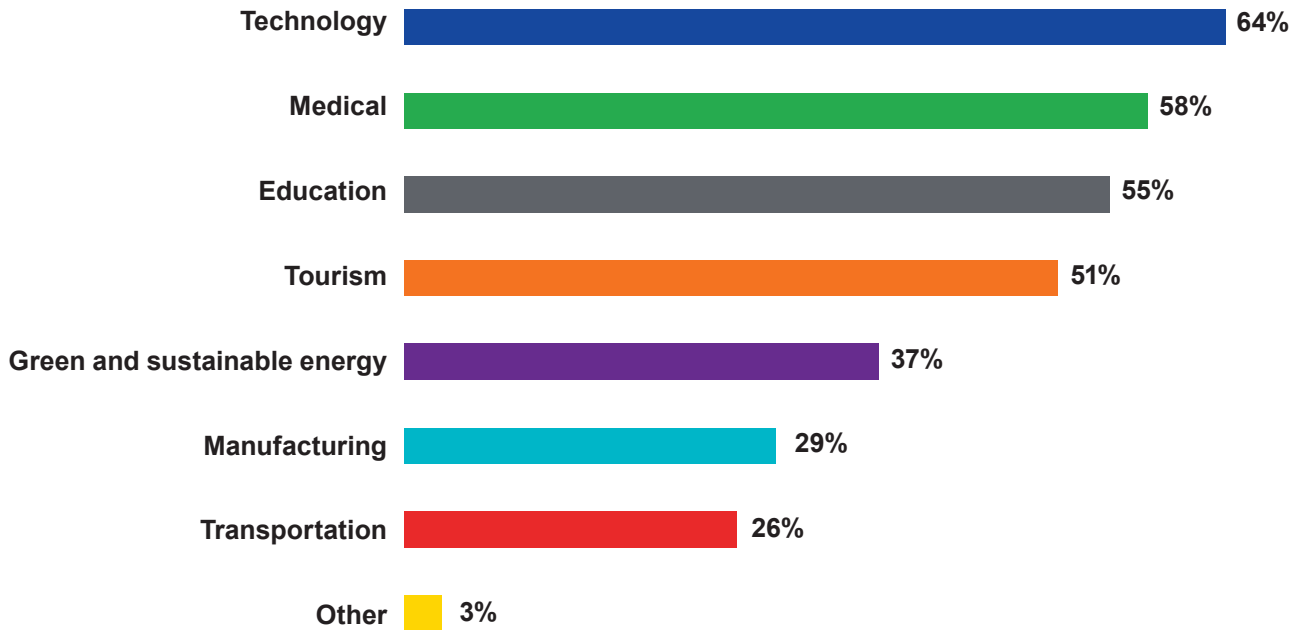
Confidence in local governments increased slightly with 38% saying they are at least somewhat confident (35%) or very confident (3%) in local government to improve the business climate.



# Long Island Outlook

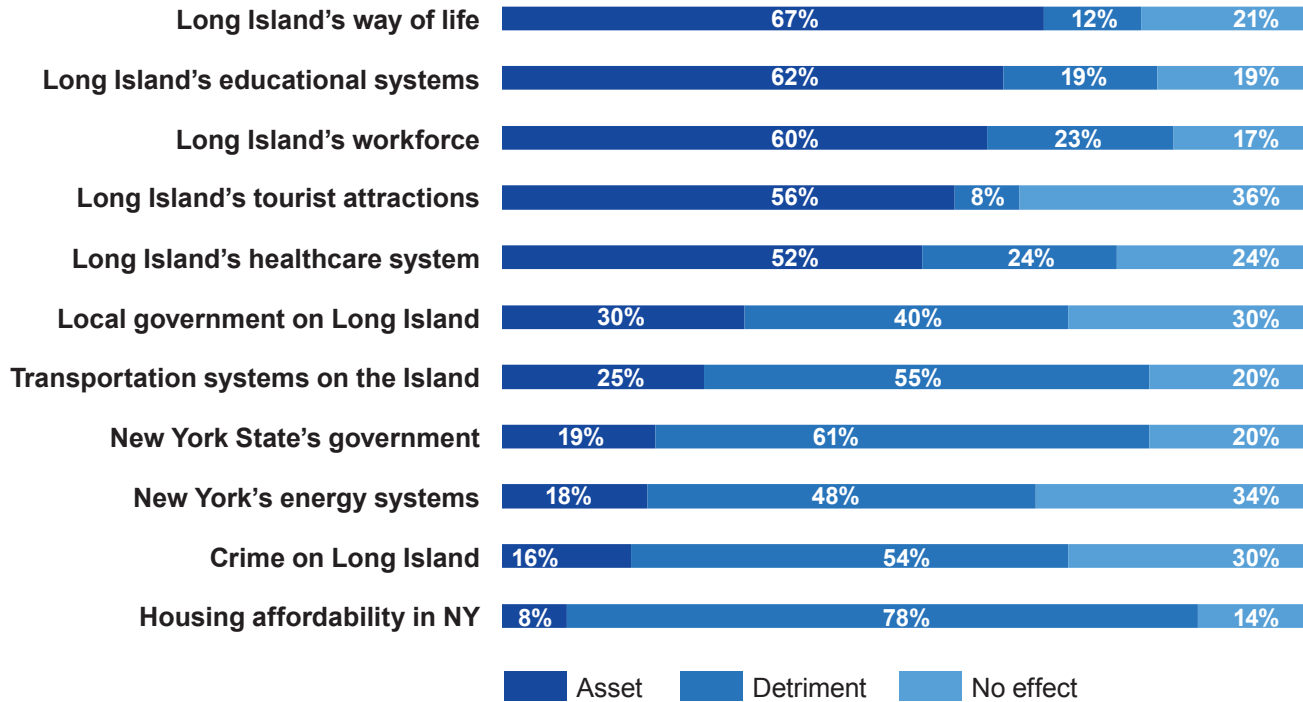
## Which of the following industry sectors do you think will have a positive impact on the economic vitality of Long Island in the next three to five years?

While Technology (64%) and Medical (58%) remain the top two industry sectors Long Island executives think will have a positive impact on economic vitality, Education (55%) and Tourism (51%) saw increases near or above 20 points.



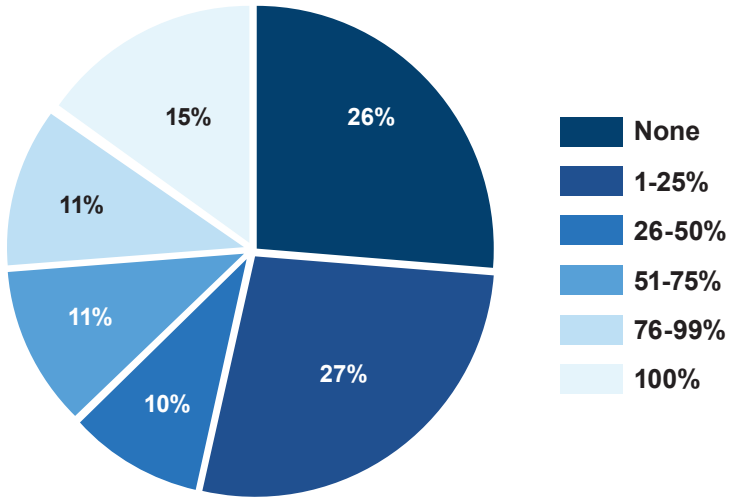
# Long Island Outlook

For each of the following, indicate whether it is an asset to doing business on Long Island, a detriment or that it really doesn't have an effect one way or another.

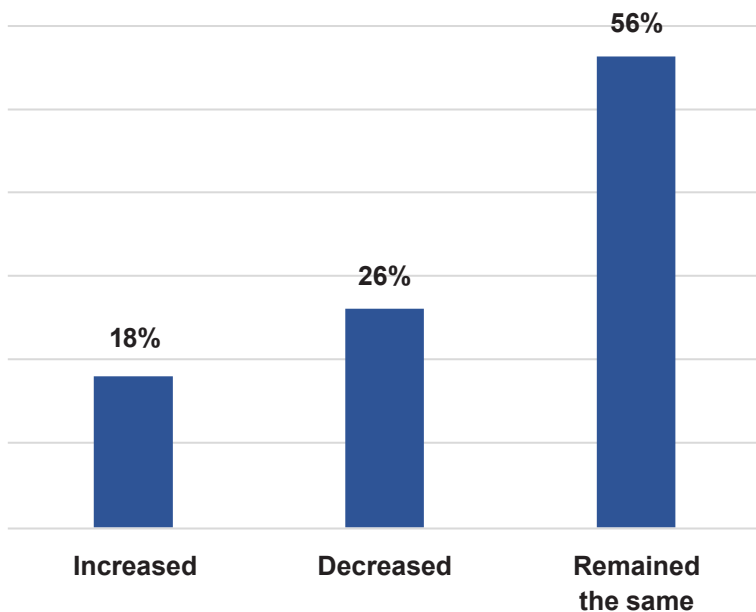


# Work from Home

Currently, what percentage of your employees work from home at least part of the time?



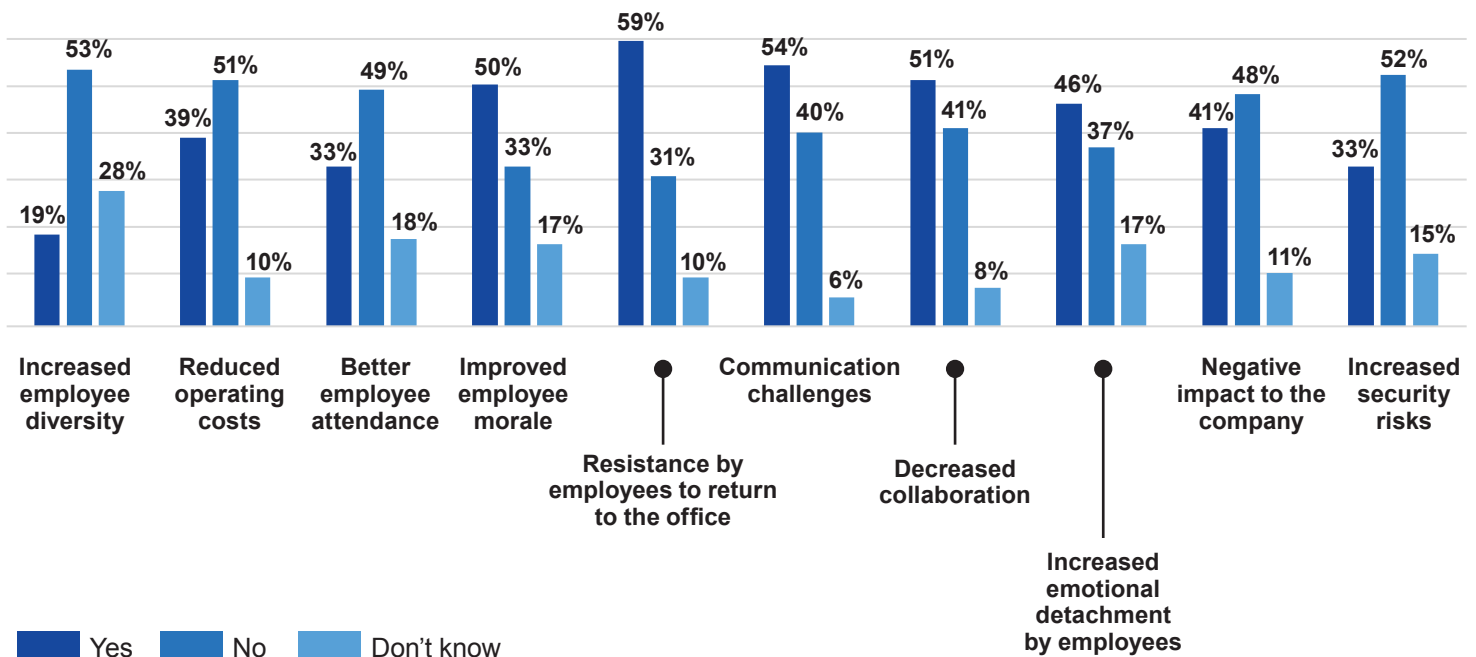
[Asked of those with work from home employees] In the past year, has the percentage of your employees working from home:



# Work from Home

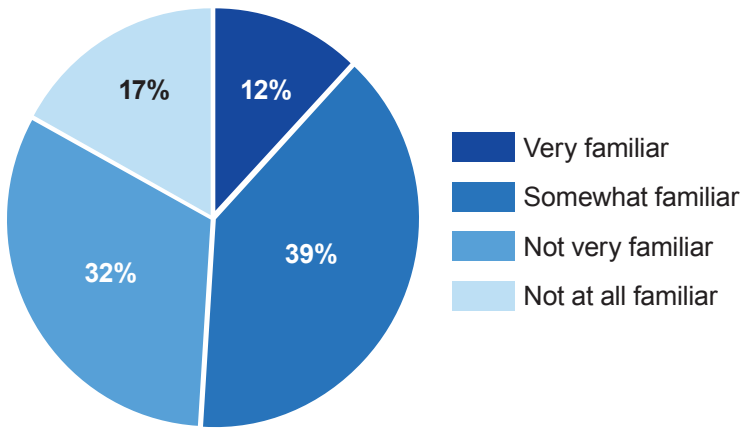
[Asked of those with work from home employees] There are both benefits and challenges to having work from home employees. Please indicate if your company has experienced each of the following.

Given a list of ten potential challenges and benefits to having work from home employees, over half of executives shared that communication challenges and decreased collaboration are issues they are facing. Half also say that employee morale is a benefit to having work from home employees, but just as many say other potential benefits: increased employee diversity, reduced operating costs and better employee attendance, are not occurring.



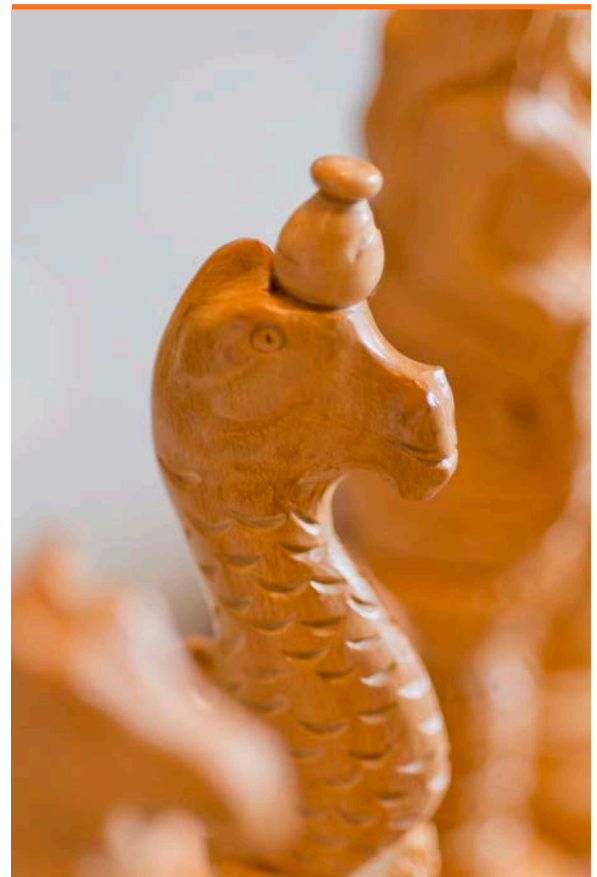
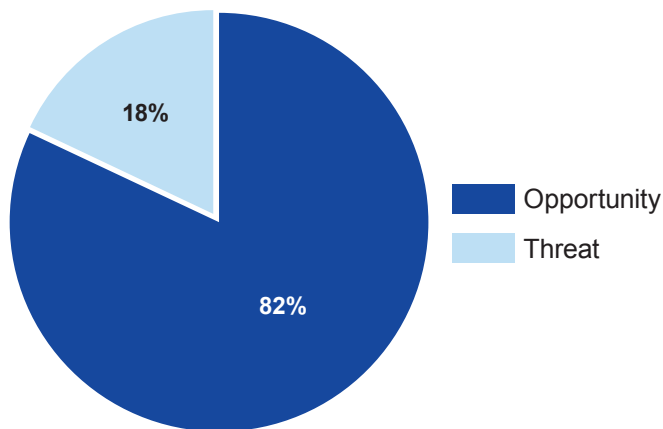
# Disruptive Technologies

On another topic, “Disruptive Technologies,” innovations that significantly alter the way that consumers, industries or businesses operate. How familiar are you with Disruptive Technologies?



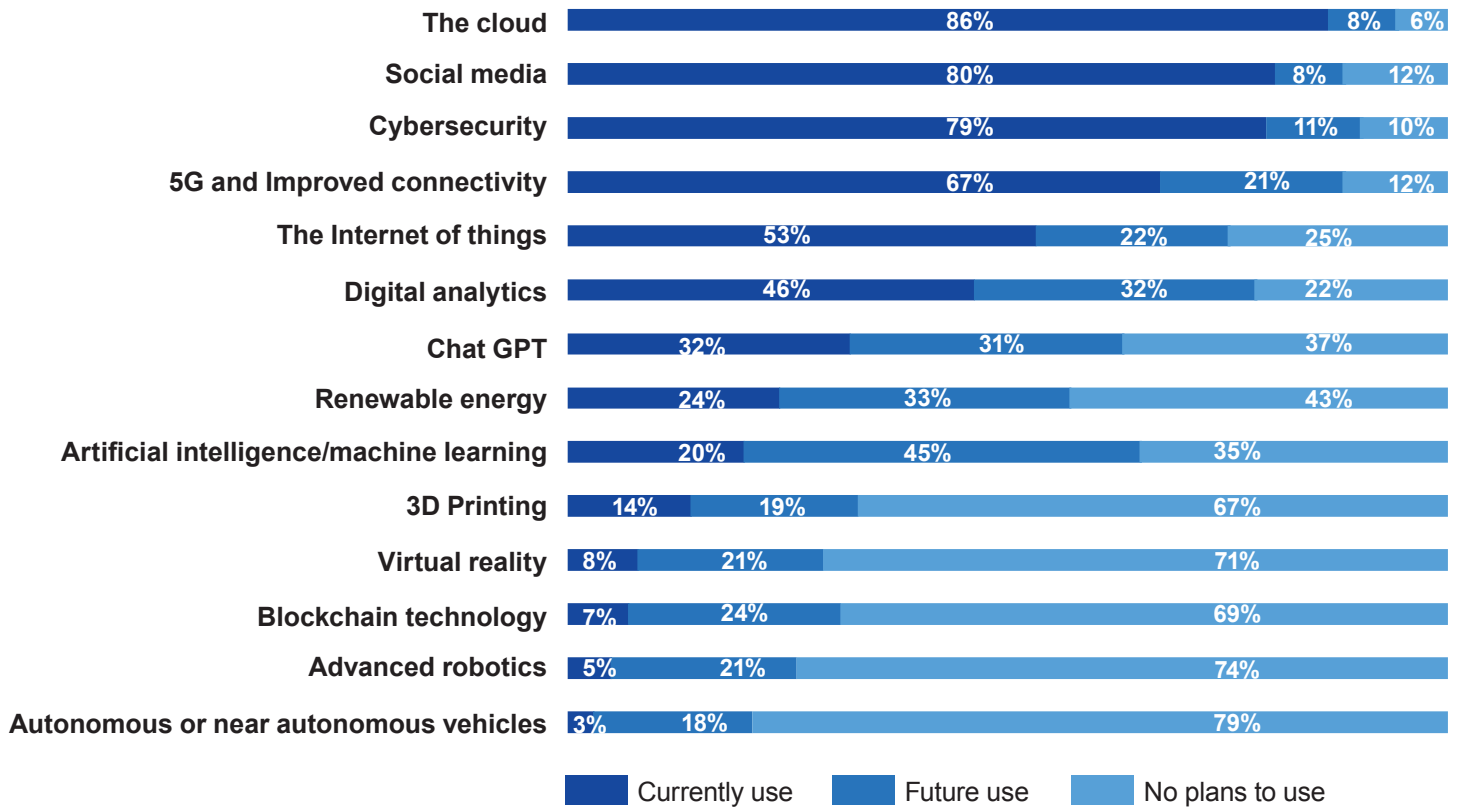
The majority of executives (82%) see disruptive technologies as an opportunity for their business, but they are split on their familiarity. However, nearly all are using them in some way. Eighty-six percent use the cloud, 80% social media and 79% cybersecurity. Nearly half (45%) say they plan to use artificial intelligence or machine learning in the future. They are least likely to use, or even plan to use, autonomous vehicles, advanced robotics and virtual reality.

Do you tend to see these disruptive technologies more as an opportunity for your business or as a threat to your business?



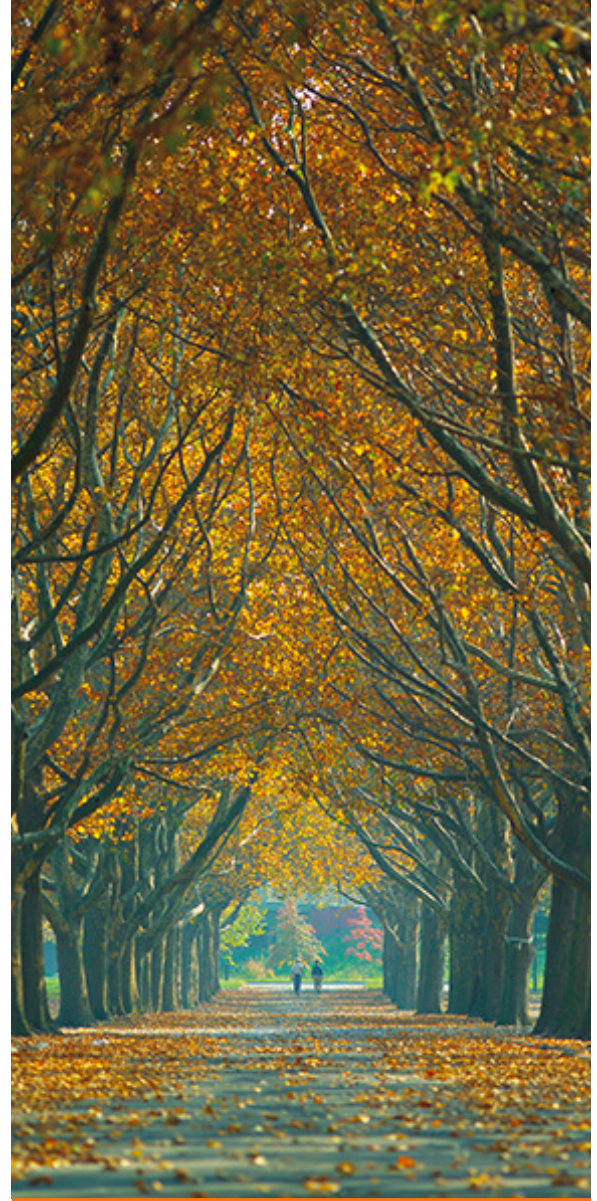
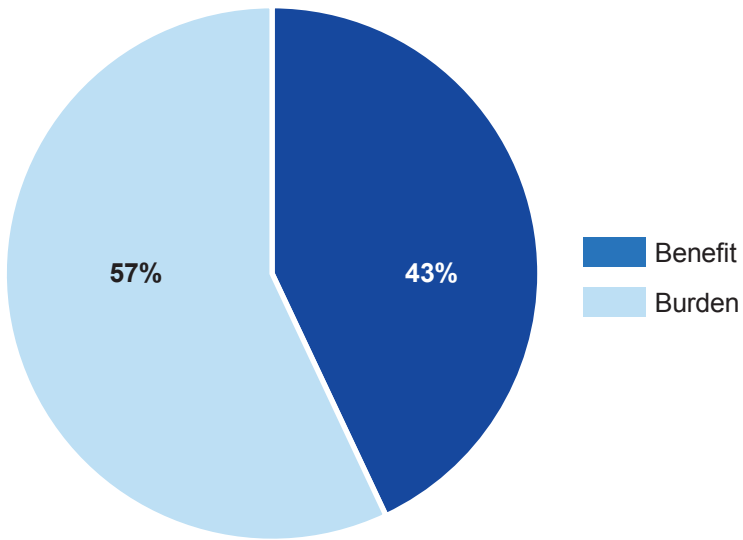
# Disruptive Technologies

Which of the following disruptive technologies do you currently use or do you see your company using in the near future?

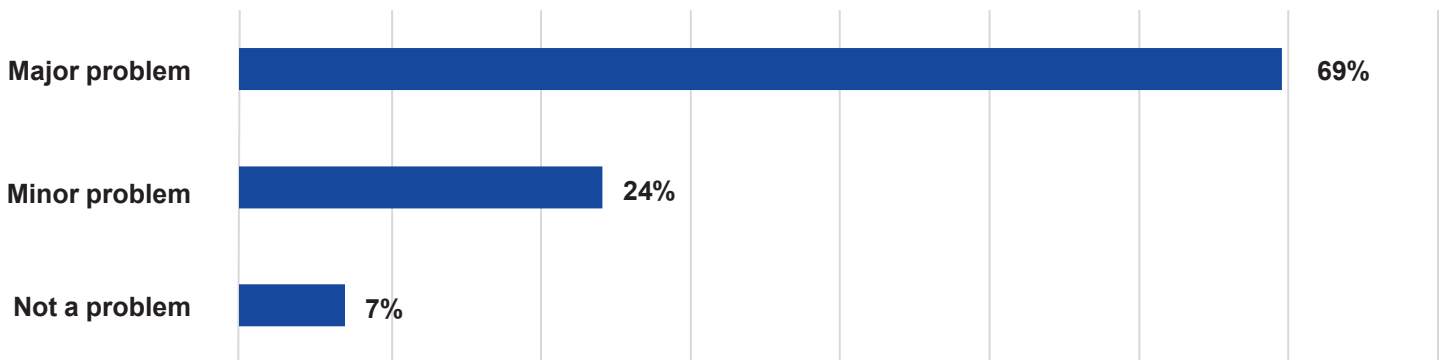


# Migrants

Turning to another topic, immigration, looking back over the past 20 years or so, do you think migrants resettling in New York has been more of a benefit or more of a burden to the state?



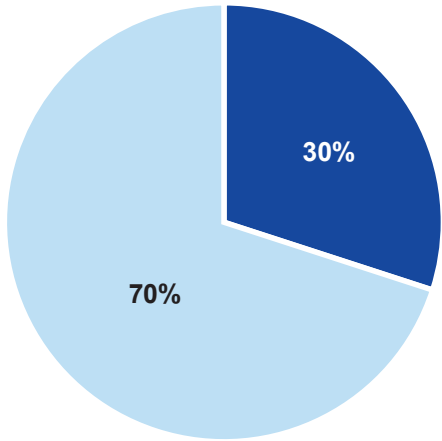
Currently, would you describe the recent influx of migrants coming to New York as a major problem, a minor problem or not really a problem for New York at all?





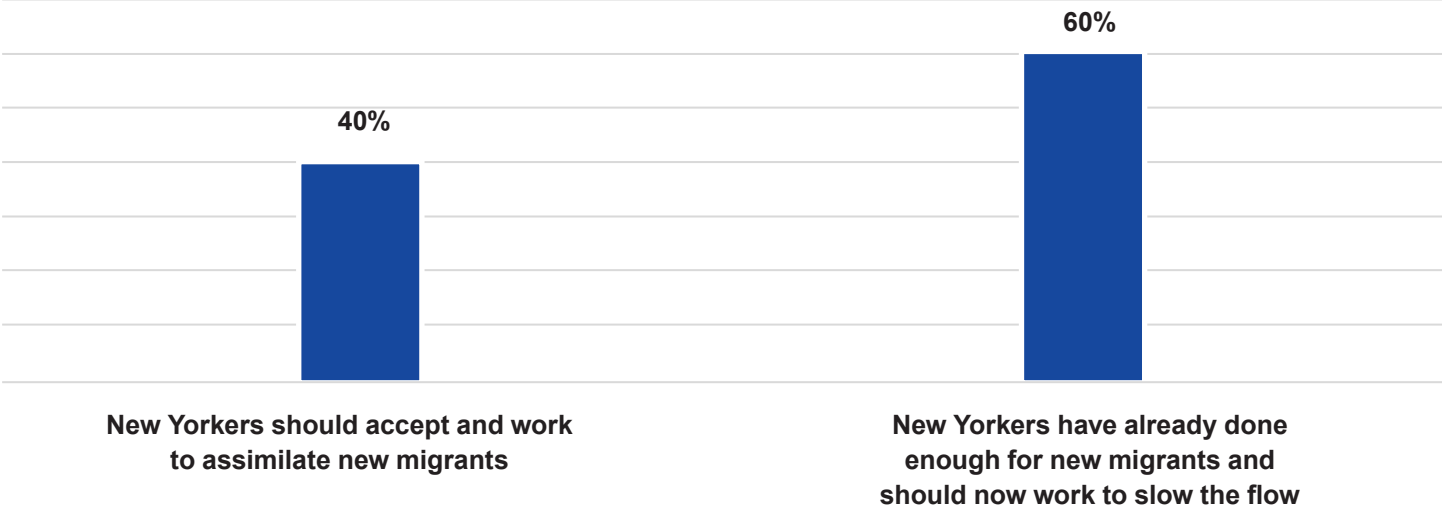


Do you think recent migrants to New York could supply businesses like yours with needed workers or not?



- Yes, migrants could supply needed workers
- No, migrants could not supply needed workers

Overall, do you think New Yorkers should accept new migrants and work to assimilate them into New York, OR New Yorkers have already done enough for new migrants and should now work to slow the flow of migrants?



# Thoughts from Our Respondents

“Thanks for doing this. Always informative.”

“I hope the economy improves for all Long Islanders.”

“I grew up believing that corporations should make money but also that there is a social contract between businesses and society at large and that what was good for one was good for both. Profits and the accumulation of wealth seem to have superseded any concept of social good as a concept. This is true of many of our politicians as well. We could help our LI economy and national economy by reminding corporations of their need to do good while making money...”

“Government intervention and oversight, including taxation, discourages start-ups and doing business in NY. Congestion pricing will destroy small businesses in NYC. LI will benefit because businesses and the arts will flourish in the boroughs and LI if the business climate is supportive.”

“Work from home is a ticking time bomb. It will kill productivity and creativity.”

“The incomprehensible political rancor between national political parties divides all Americans, including the population on Long Island. Neither party represents the silent majority or is open to beneficial compromise on virtually any major or minor issues...”

“Undocumented migrants are a major problem. Housing and electric costs are the biggest challenge to my employees, large conglomerates have bought up all of the apartment complexes and hold a monopoly and are driving rents through the roof. It should not cost \$3,000 per month to rent a small apartment. How can a young person get started? I would never settle here if I wasn't born here.”

“Federal Inflation is affecting everyday costs, especially the insurance industry and the Biden Administration overall policies on all aspects are severely damaging Americans locally and nationwide. I am not a servant to either political viewpoint, but totally new blood and more sensible ideas need to be enrolled into this nation's executive office.”

“State government overrides all the choices made by local government and this needs to be corrected, this will only be corrected when there is accountability on the part of the politicians.”

*Special Thanks*

**Jim Lennon**  
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