

# INTERNATIONAL PROFIT ASSOCIATES

## SMALL BUSINESS RESEARCH BOARD (SBRB) STUDY

### Construction / Contracting Industry Study:

#### **Taxes, Energy and Fuel Costs Now Greatest Concerns of Construction, Contracting Businesses According to Latest SBRB Study**

*Report indicates 31% of small construction and contracting firms are considering expansion during the next 12 to 24 months. Enhancements to current locations, improved customer service cited as priorities says report issued in conjunction with International Profit Associates.*

**NORTHFIELD, IL (June 30, 2007)** – Taxes along with energy and fuel costs were the leading concerns of construction and contracting businesses during the second quarter of 2007 according to the latest Small Business Research Board (SBRB) study released here today.

Owners of construction and contracting businesses responding to the nationwide poll co-sponsored by International Profit Associates (IPA) said health care costs, which had been the single most significant issue during the first quarter of 2007, fell to fifth. Finding quality employees and the general state of the economy finished third and fourth on the list of concerns.

IPA, with more than 1,800 professionals, is the largest privately-held provider of management consulting services to small and medium-size businesses in North America. IPA is based in Buffalo Grove, IL.

The quarterly poll of small business owners and managers also measured their interest in expanding their operations over the next 12 to 24 months. Fewer than one-third (31%) said they intend to expand during this period. Of those respondents, 34% said they are considering expanding at current locations, while 16% indicated they intend to increase customer service and 14% said they will provide more services. The addition of locations and adding new products tied for fourth with 10% of the owners reporting they are considering such plans in each of those categories.

Training is viewed as a primary measure for improving productivity. Improved staff training ranked first among the options for enhancing business efficiency during the second quarter. These same owners also said they would add staff (second) before improving automated systems (third) and adding new automation and technology (fifth).

“It is key for the construction and contracting businesses to invest in training, especially in respect to their optimistic hiring plans for the next 12 months,” said Gregg M. Steinberg, President of IPA.

“The SBRB recently reported that its Constructions and Contracting Industry Small Business Confidence Index (SBCI) rose 4.6 points to 48 during the second quarter. The increase was driven entirely from plans for more hiring. If these businesses do not invest in their management processes, then they are going to rely more heavily on creating systems to enhance employee productivity to achieve operating goals,” Steinberg added.

More than 100 small business owners participated in the nationwide construction and contracting industry poll. The universe of participants is developed from among small businesses across the United States. The SBRB study is a voluntary survey conducted quarterly.

The Small Business Research Board ascertains and reports the opinions of small business owners and managers on a wide variety of topics related to their own businesses as well as national and international issues that may impact their operations. The SBRB conducts these studies for the benefit of small business owners and managers. The SBRB also provides opportunities for third parties to gain real time insight into the attitudes of small businesses nationwide through the independently conducted research.

The latest information about the Small Business Research Board can be found at [www.ipasbrb.com](http://www.ipasbrb.com).

International Profit Associates, Inc. (IPA) is the largest privately-held provider of management consulting services to small and medium-size businesses in North America. IPA and its more than 1,800 professionals offer a wide range of proven and innovative methodologies to help businesses grow and prosper regardless of the economic cycle. IPA either provides directly or through its affiliated companies a comprehensive array of business advisory services, tax and estate planning services or merger, acquisition and other financial advisory services in the United States and Canada. More information about IPA can be found at [www.ipa-iba.com](http://www.ipa-iba.com).

**SBRB COMPARISONS:  
ALL US SMALL BUSINESSES vs. CONSTRUCTION / CONTRACTING  
Second Quarter 2007**

	<b>ALL US</b>	<b>Construction/ Contracting</b>
<i>Leading</i>	1. Taxes	Taxes
<i>Business</i>	2. Economic conditions	Energy/fuel costs
<i>Issues</i>	3. Energy/fuel costs	Finding quality employees
	4. Other	Economic conditions
	5. Health care costs	Health care costs (tied)
		Other (tied)

# # #

*Copyright 2007 Small Business Research Board (SBRB)*

*For more information about this poll, results of previous studies or other matters related to the SBRB, please contact Raymond D. Minkus, (847) 441-4192.*

SBRB COMPARISONS:

Leading Business Issues Second Quarter 2007

All US Small Businesses vs. Construction / Contracting

ALL US

1. Taxes
2. Economic conditions
3. Energy/fuel costs
4. Other
5. Health care costs

CONSTRUCTION / CONTRACTING

1. Taxes
  2. Energy/fuel costs
  3. Finding quality employees
  4. Economic conditions
  5. Health care costs (tied)
- Other (tied)