



**MATTERS™**

MASSACHUSETTS TECHNOLOGY, TALENT,  
AND ECONOMIC REPORTING SYSTEM

# MATTERS Executive Competitiveness Insight Survey

## Trends Wave III

**Analysis deck**

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November 9, 2017





# Objectives & Methodology

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## Objectives

- To gather perspectives of CEOs and senior executives regarding the business climate in Massachusetts, and to find trend data in those perspectives over time
- Assess the following:
  - Business environment for Massachusetts technology and other industries
  - Factors posing potential risks

## Methodology

- Web-based survey on behalf of the Massachusetts High Technology Council conducted October 2017 by KPMG
- Total number of participants:
  - Fall 2017: 39
  - Spring 2017: 37
  - Fall 2016: 60



# Executive Summary

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- Massachusetts is considered a good/excellent place to create, operate and expand high technology businesses
  - Trending up from previous years
- The business environment for Massachusetts technology and related industries is seen as holding steady or improving
- There is sufficient access to capital in Massachusetts to commercialize innovative ideas and fund start-ups
  - Trending up from previous years
- High cost of doing business is the greatest potential risk to business
  - Transportation issues are moving up as a potential risk
- Proposed petition for the 2018 statewide ballot is seen as negatively impacting the business climate in Massachusetts if passed



# Key Findings

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- Most (84%) rate Massachusetts as a good/excellent place to create, operate and expand high technology businesses
  - Trending up from previous years (spring 2017: 78%, fall 2016: 72%)
- Many (79%) feel the business environment for Massachusetts technology and related industries is holding steady or improving
  - But down from same time last year (fall 2016: 90%)

- Massachusetts is considered a good/excellent place to create, operate and expand high technology businesses
- Business environment for Massachusetts technology and related industries is holding steady or improving

# Key Findings

- Significant majority (68%) agree that there is sufficient access to capital in Massachusetts to commercialize innovative ideas and fund start-ups
  - This is up 14 percentage points from fall 2016

Statements	Fall 2017	
	% rating (8 – 10)	Mean
There is sufficient access to capital in Massachusetts to commercialize innovative ideas and fund start-ups	68 percent	7.9
Massachusetts provides my business with access to specialized research facilities (e.g., science labs, university and federal research institutions, and technical libraries)	50 percent	7.4
Considering all of the significant factors, including government, industry, and quality of life, Massachusetts is more competitive than other states with regard to attracting and retaining talent	47 percent	7.1
The overall quality of life in Massachusetts makes recruitment and retention of employees easy	43 percent	7.0
My business is able to successfully hire for key technology positions	39 percent	6.8

- There is sufficient access to capital in Massachusetts to commercialize innovative ideas and fund start-ups



# Key Findings

- ‘High cost of doing business’ (77%) is trending up from previous years (spring 2017: 73%, fall 2016: 70%) as the greatest potential risk to business
  - Followed by a jump for ‘transportation issues’ (fall 2017: 64%, spring 2017: 51%)
- Significant majority (67%) feel that the initiative petition proposed for the 2018 statewide ballot will negatively affect the business climate in Massachusetts, if passed

- High cost of doing business is the greatest potential risk to their business
- Proposed petition for the 2018 statewide ballot is seen as negatively impacting the business climate in Massachusetts if passed

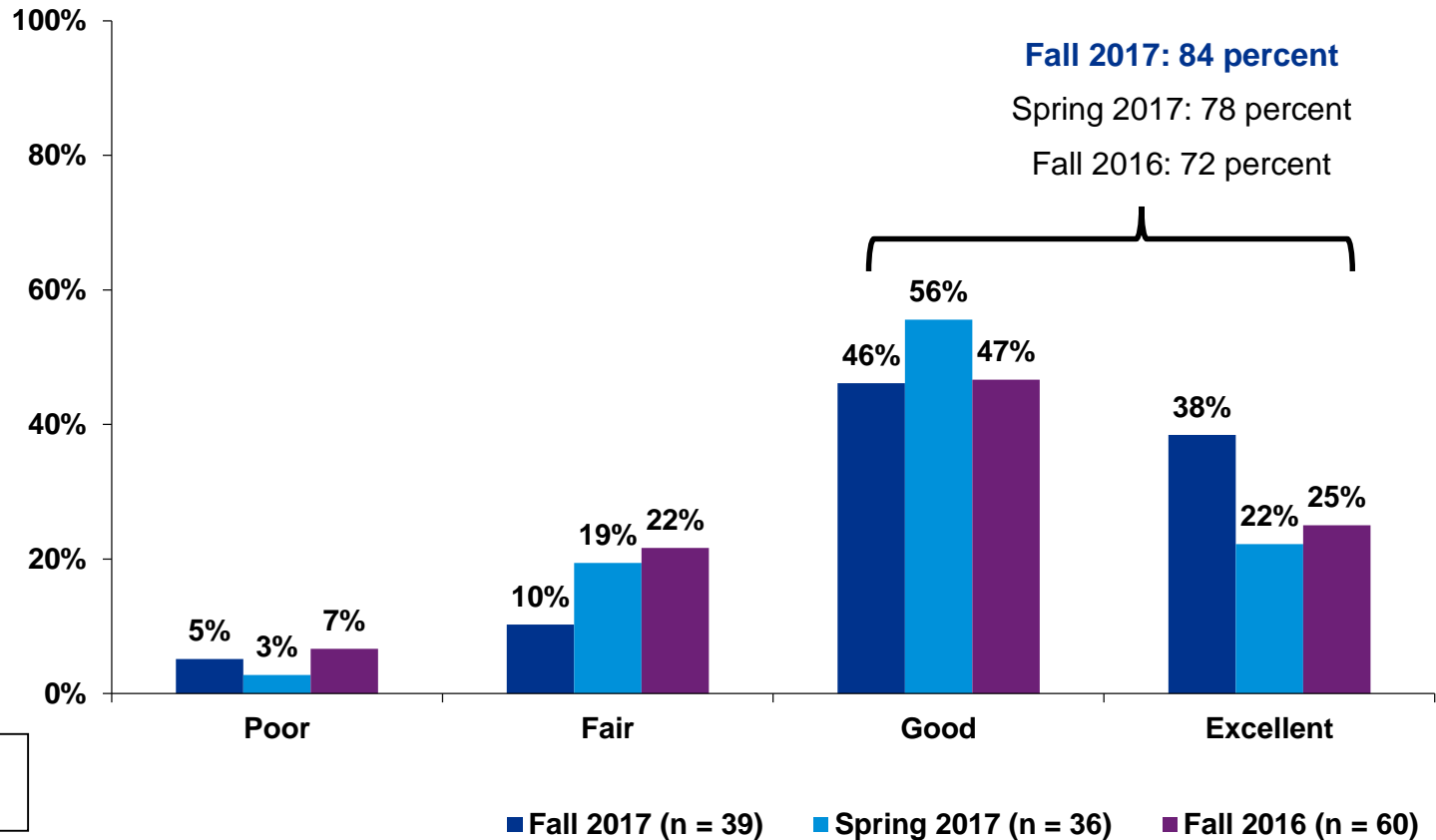


# Appendix: Detailed Findings



# Technology Environment

# Massachusetts Is Trending Up As A Good/Excellent Place To Create, Operate And Expand High Technology Businesses

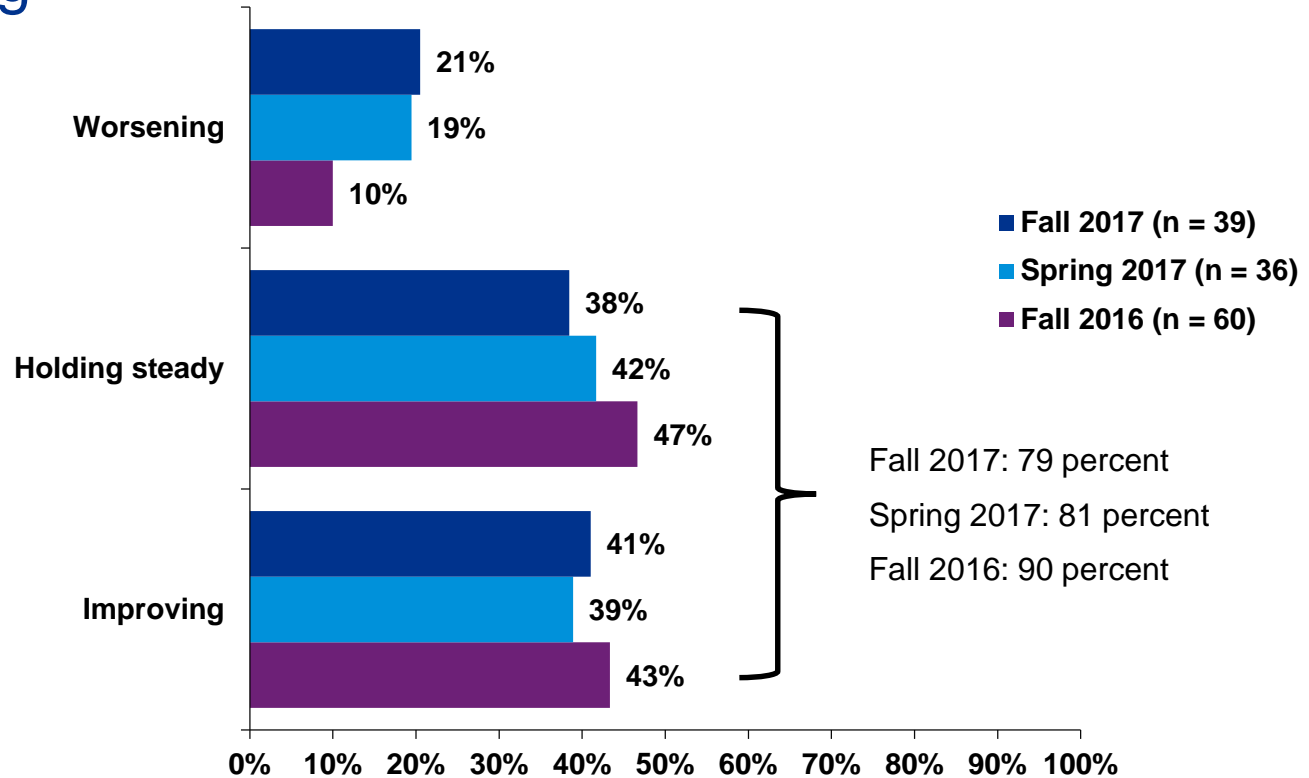


May not equal 100% due to rounding

Q. How would you rate Massachusetts today as a place in which to create, operate and expand high technology businesses?



# Many Feel The Business Environment For Massachusetts Technology And Related Industries Is Holding Steady Or Improving



Q. In which direction does the business environment for Massachusetts technology and related industries seem to be moving?



# Important Aspects Of The Massachusetts Business Environment

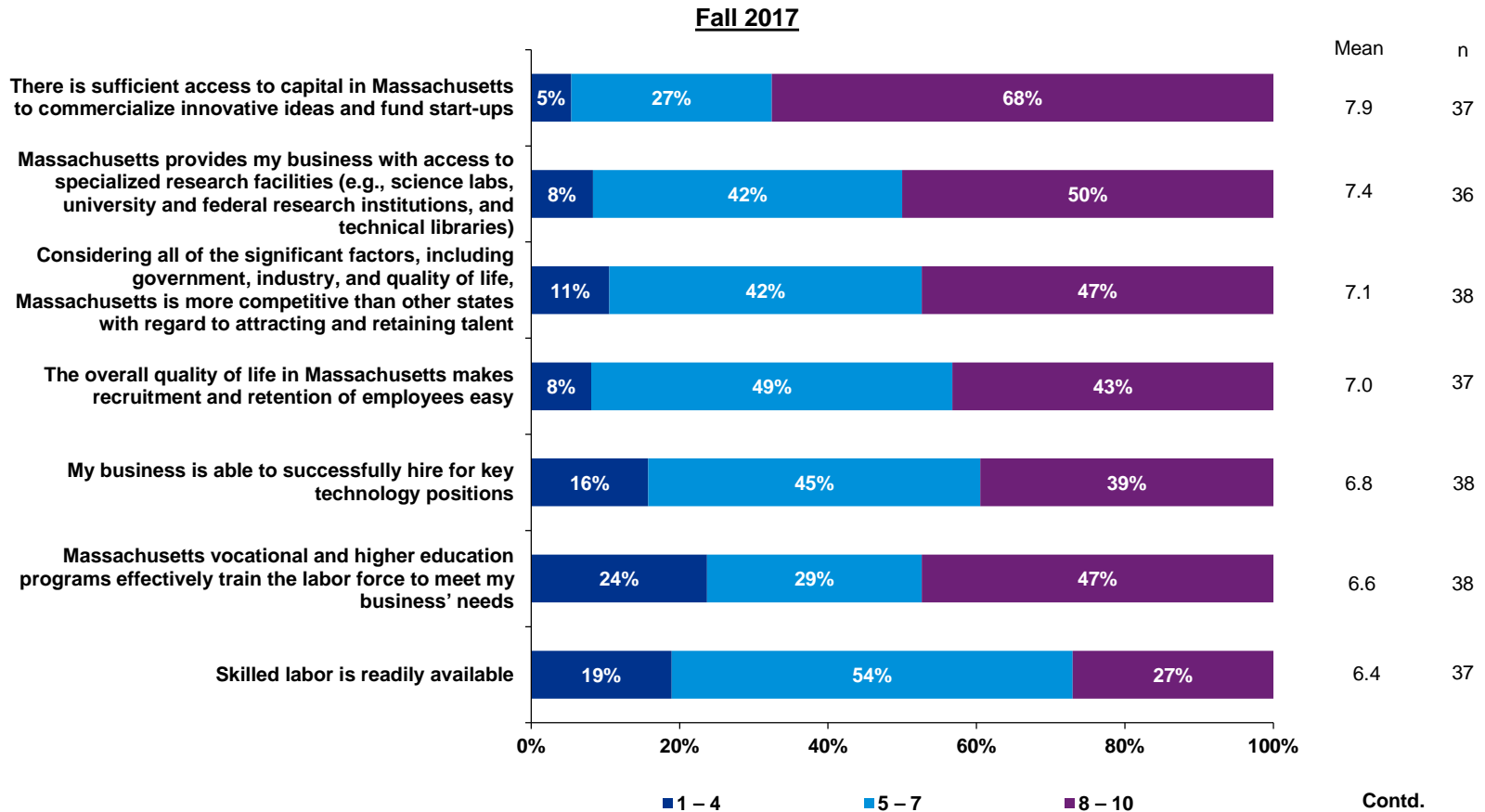
# Significant Majority Agree There Is Sufficient Access To Capital In Massachusetts To Commercialize Innovative Ideas/Fund Start-ups

Statements	Fall 2017		Spring 2017		Fall 2016	
	% rating (8 – 10)	Mean	% rating (8 – 10)	Mean	% rating (8 – 10)	Mean
There is sufficient access to capital in Massachusetts to commercialize innovative ideas and fund start-ups	68 percent	7.9	61 percent	7.2	54 percent	7.1
Massachusetts provides my business with access to specialized research facilities (e.g., science labs, university and federal research institutions, and technical libraries)	50 percent	7.4	50 percent	6.8	48 percent	6.9
Considering all of the significant factors, including government, industry, and quality of life, Massachusetts is more competitive than other states with regard to attracting and retaining talent	47 percent	7.1	35 percent	6.4	27 percent	6.3
The overall quality of life in Massachusetts makes recruitment and retention of employees easy	43 percent	7.0	38 percent	6.6	28 percent	6.5
My business is able to successfully hire for key technology positions	39 percent	6.8	31 percent	6.4	30 percent	6.2
Massachusetts vocational and higher education programs effectively train the labor force to meet my business' needs	47 percent	6.6	27 percent	5.9	41 percent	6.2
Skilled labor is readily available	27 percent	6.4	32 percent	5.8	24 percent	5.8
State government's overall responsiveness to the needs of business is high	24 percent	5.9	24 percent	5.7	17 percent	5.9
The high costs of energy in Massachusetts are incidental to my business	34 percent	5.7	40 percent	5.8	28 percent	5.7
MA business tax and regulatory policies are fair and equitable	13 percent	4.9	14 percent	4.8	5 percent	4.5
My ability to attract and retain talent is not affected by the cost and availability of housing in the Commonwealth	16 percent	4.6	14 percent	4.5	10 percent	4.1
The quality of Massachusetts's public infrastructure (public transportation, air, shipping, broadband connectivity, roads/bridges) fully satisfies my business needs	16 percent	4.5	11 percent	4.8	15 percent	4.6
The comparatively high cost of employee healthcare coverage is a only minor concern to my business	11 percent	3.8	25 percent	4.5	13 percent	4.1

Q. Please indicate the degree to which you agree or disagree with each of the following statements about the conditions in Massachusetts:



# Level Of Agreement With Various Statements About The Conditions In Massachusetts

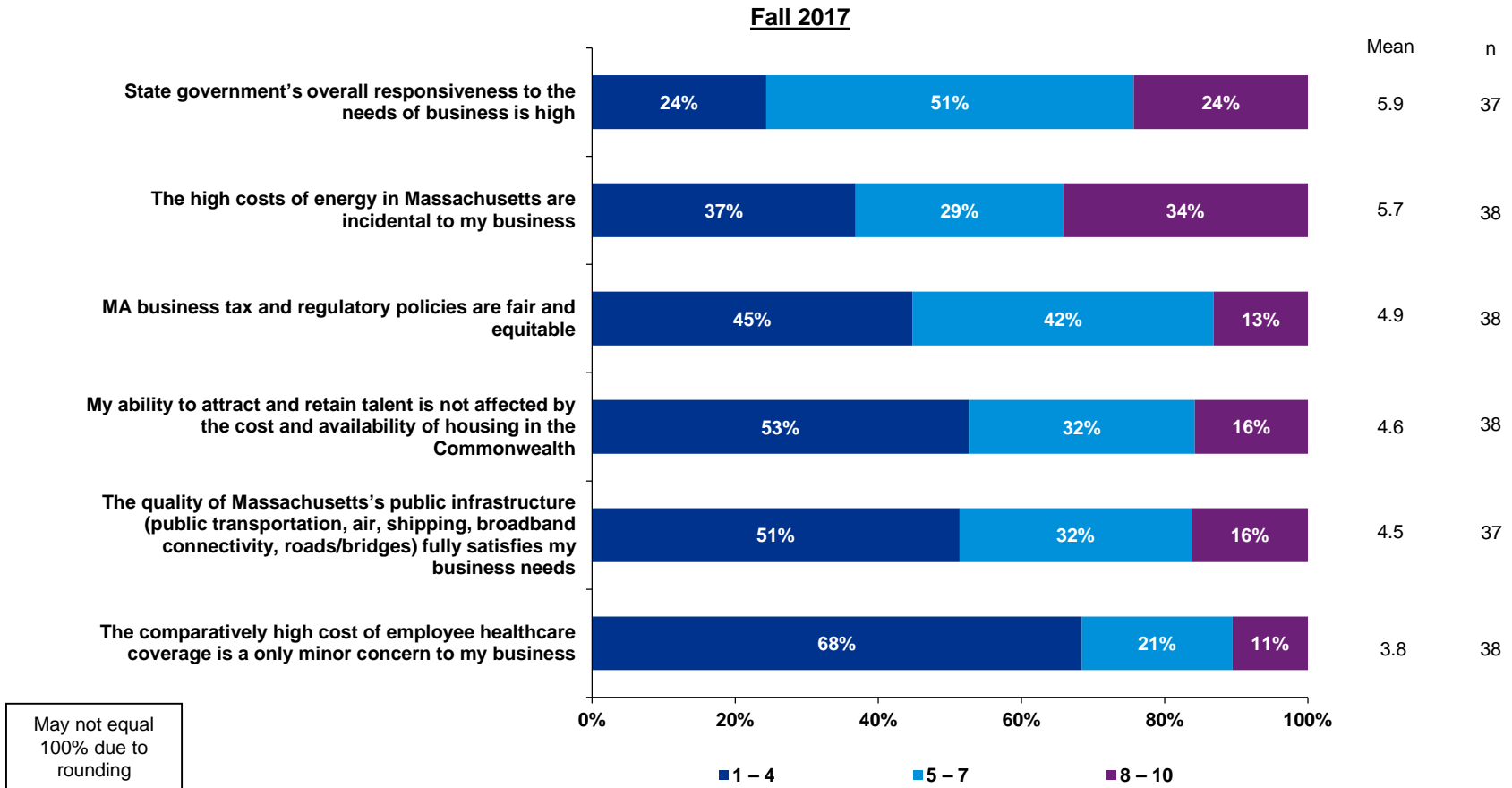


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# Level Of Agreement With Various Statements About The Conditions In Massachusetts

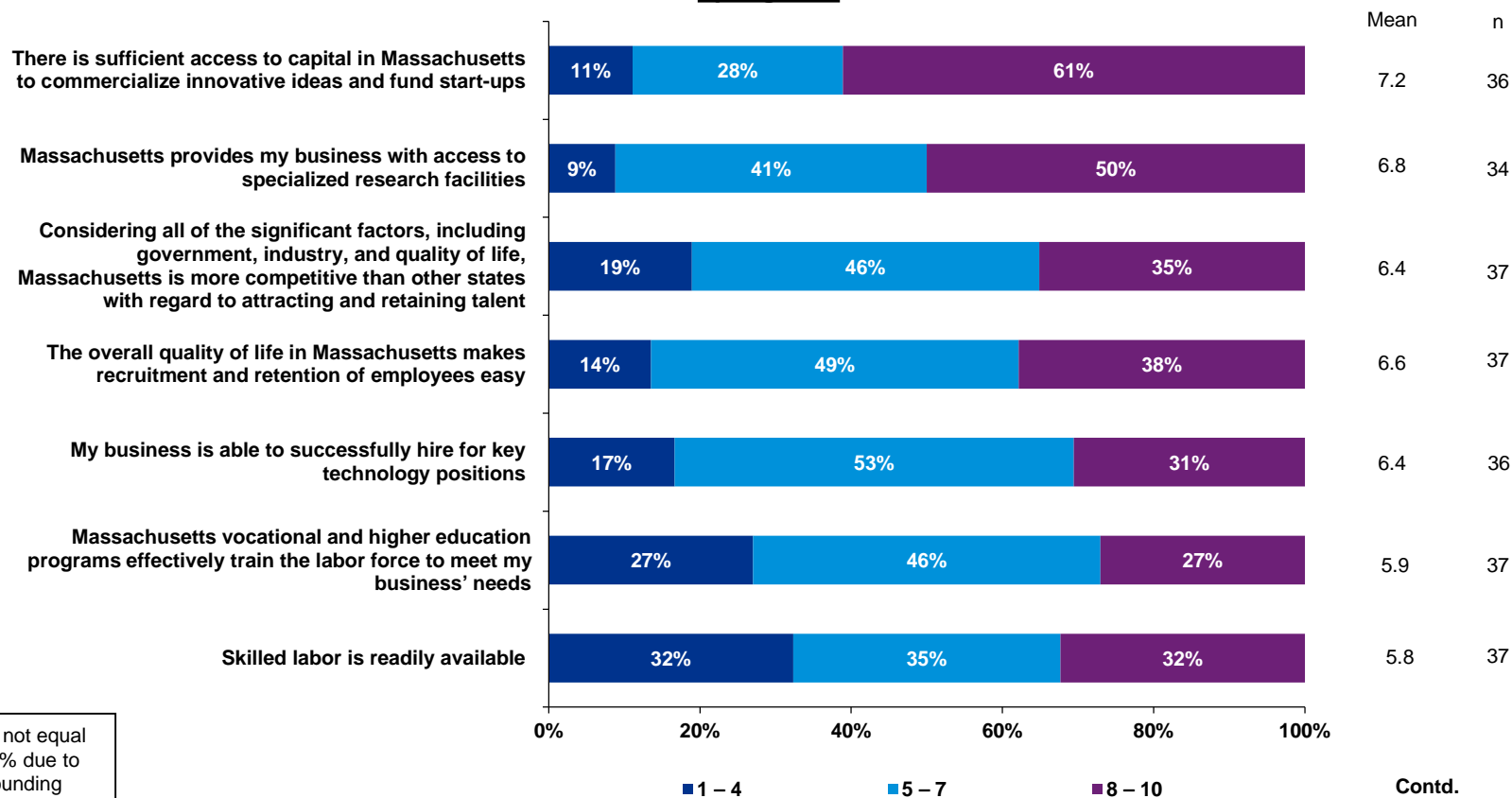


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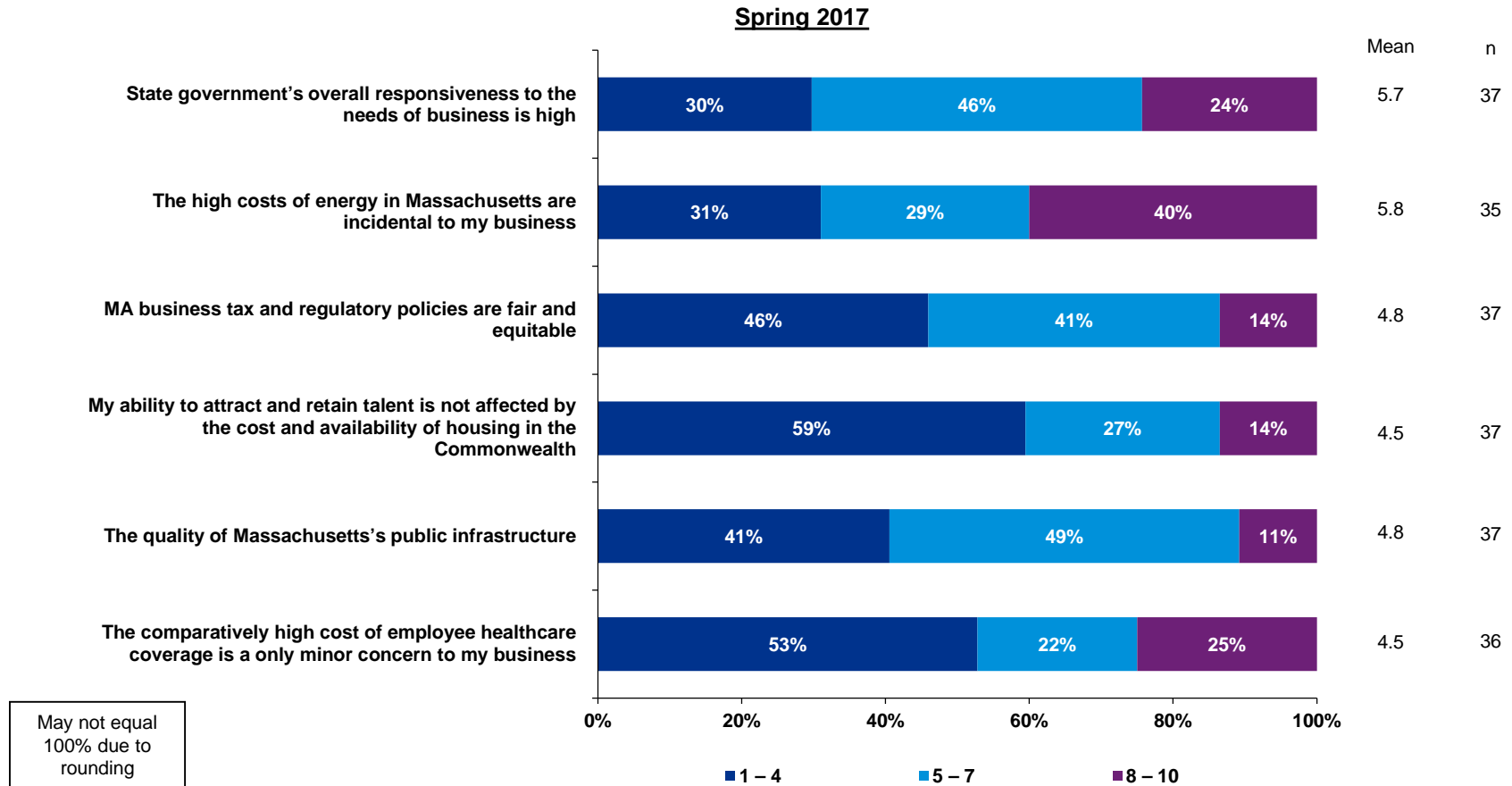
**Spring 2017**



Q. Please indicate the degree to which you agree or disagree with each of the following statements about the conditions in Massachusetts:



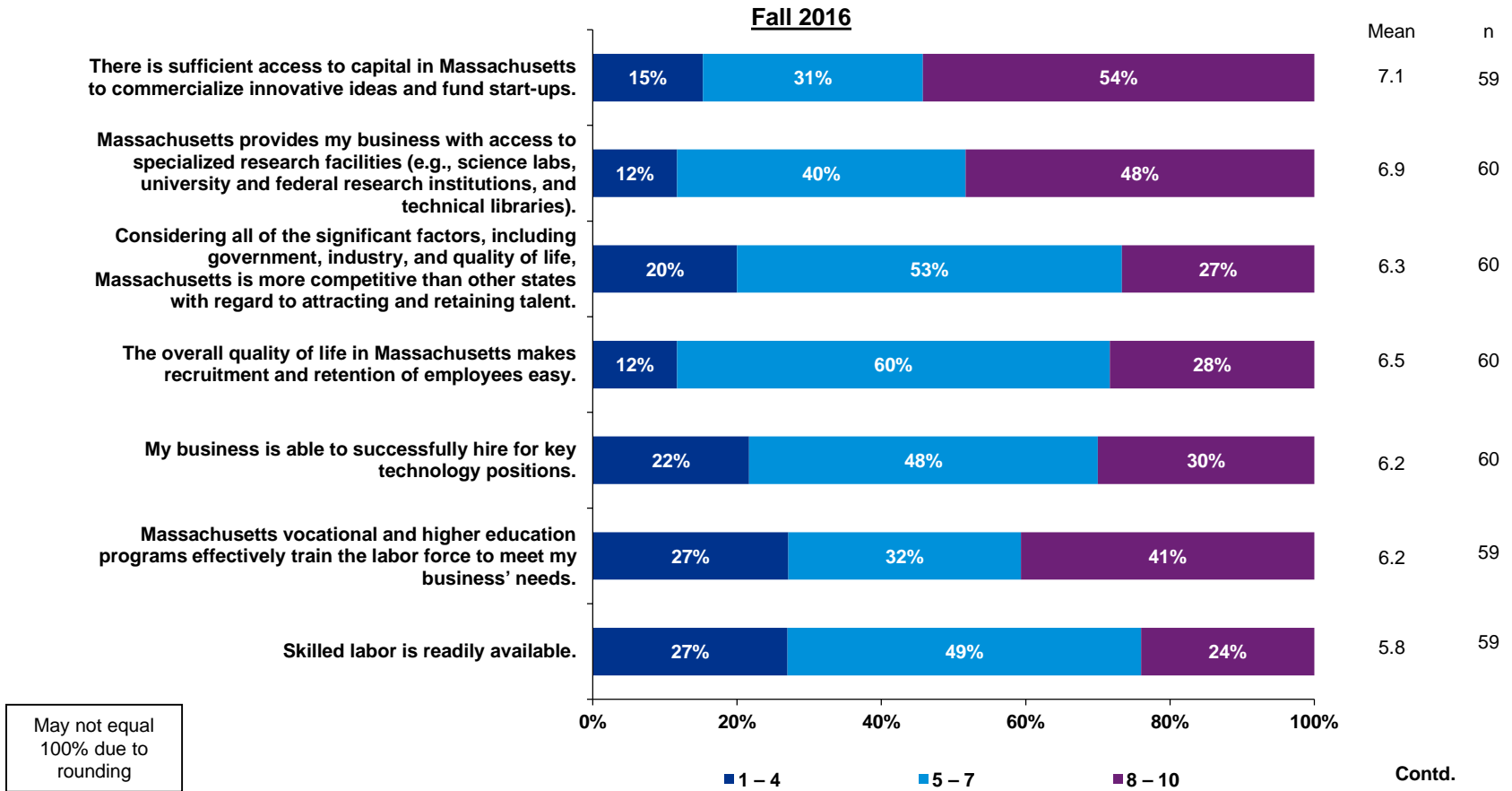
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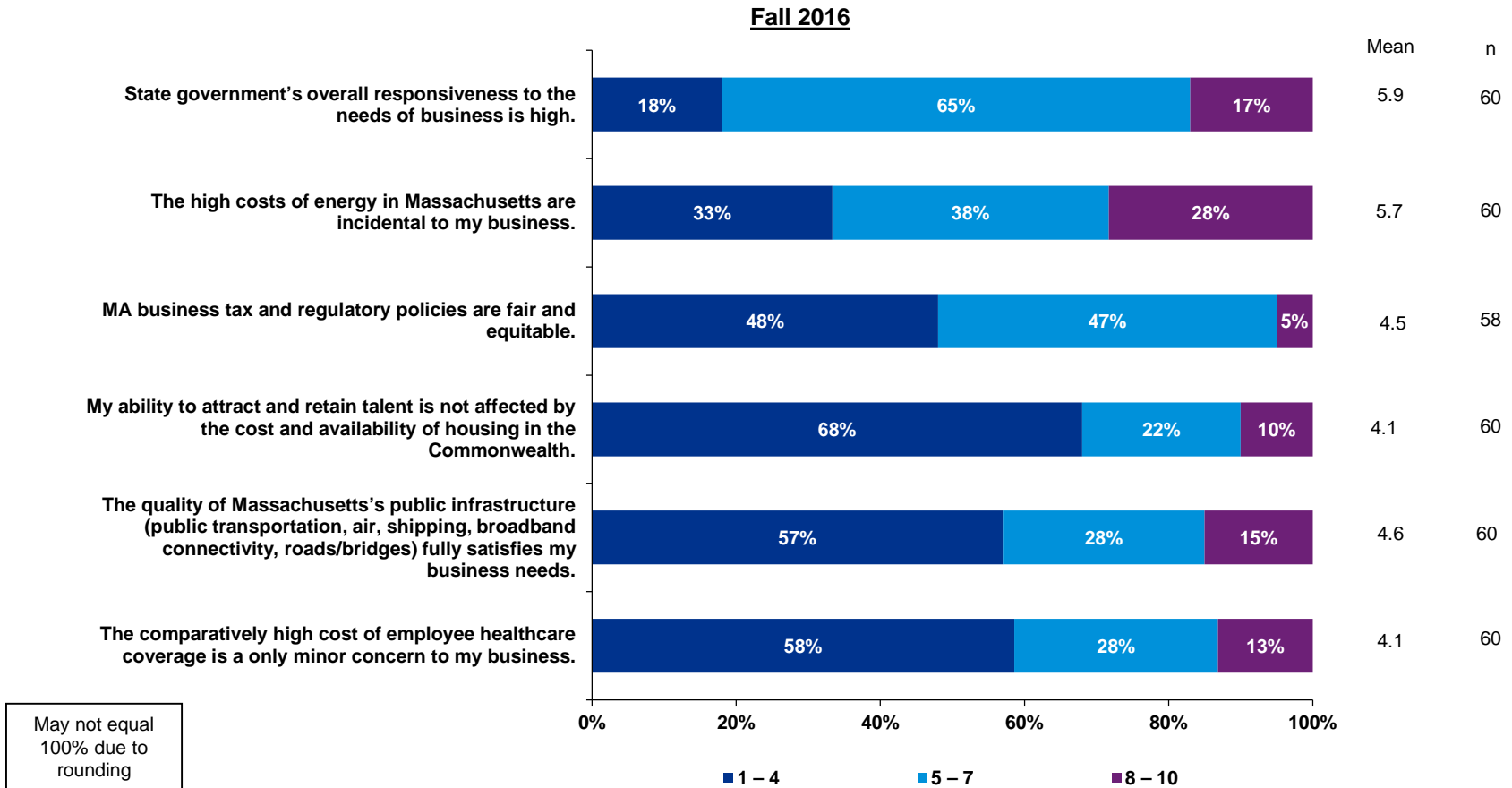
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# Level Of Agreement With Various Statements About The Conditions In Massachusetts



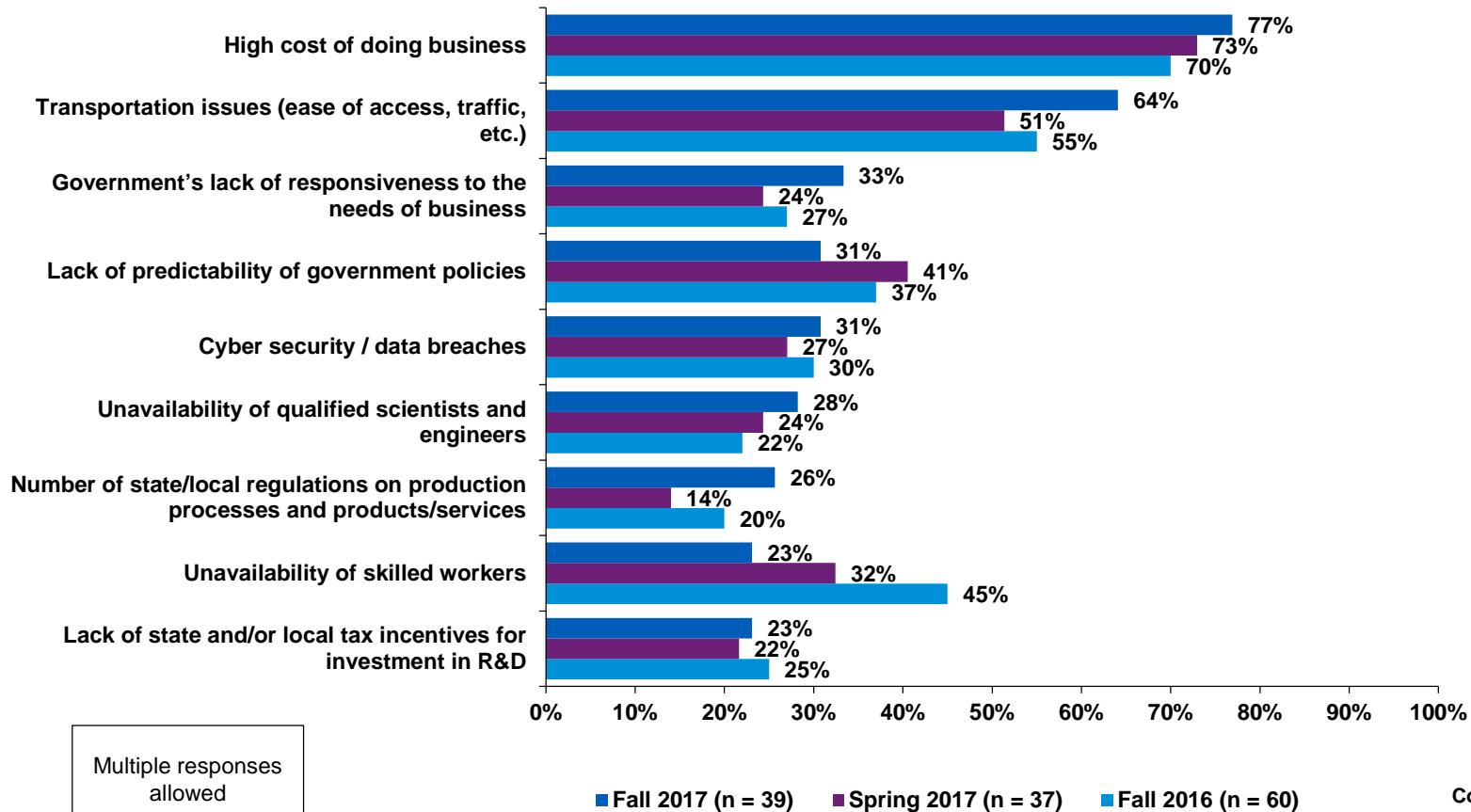
Q. Please indicate the degree to which you agree or disagree with each of the following statements about the conditions in Massachusetts:





# Potential Risks To Business

# 'High Cost Of Doing Business' Is Trending Up, Followed By A Jump In Concern For Transportation Issues, As Business Risks

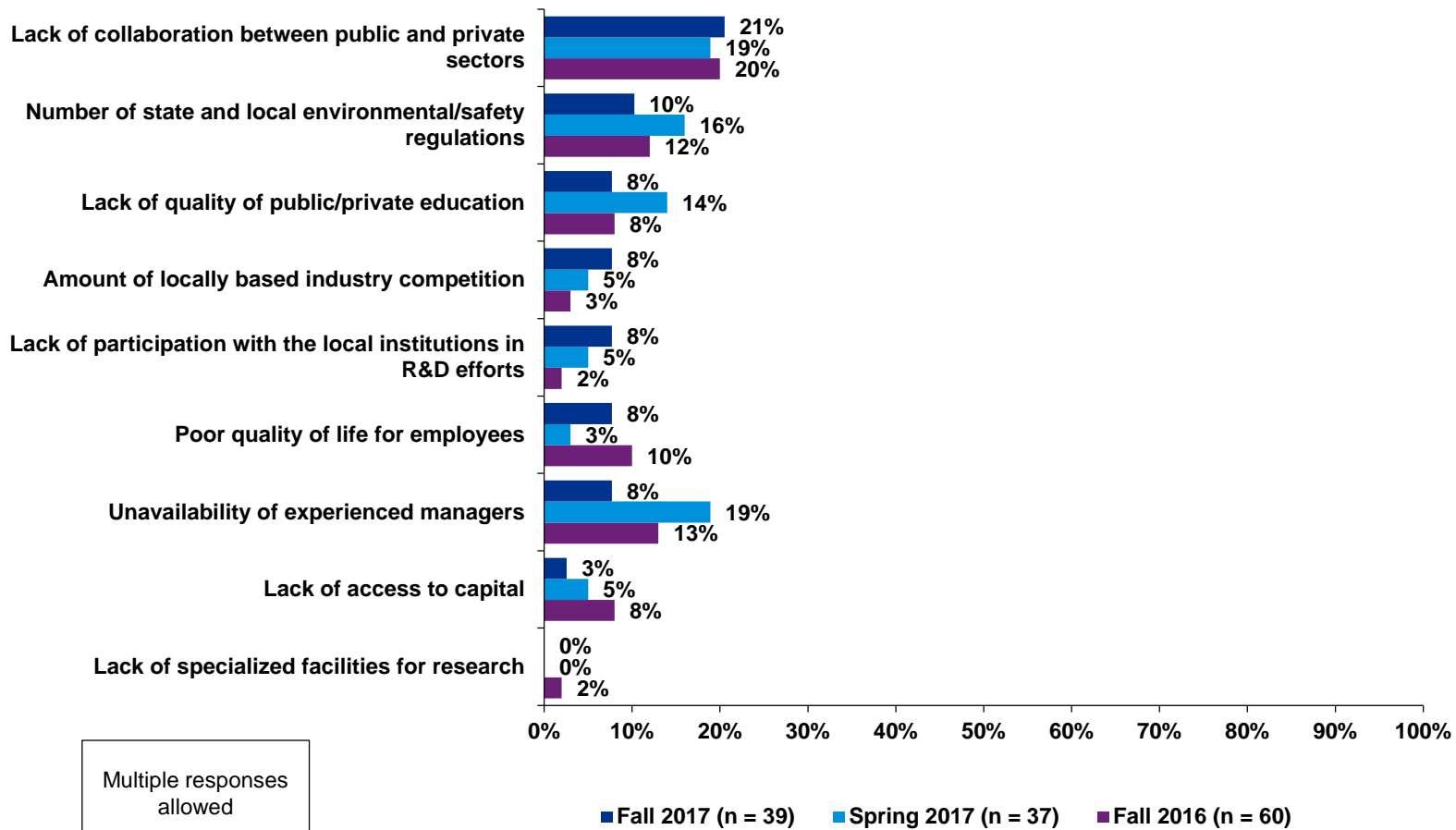


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Q. Which factors do you believe pose the GREATEST POTENTIAL RISK to your business?  
Please select up to five (5) factors from the list below:



# Greatest Potential Risk To Business

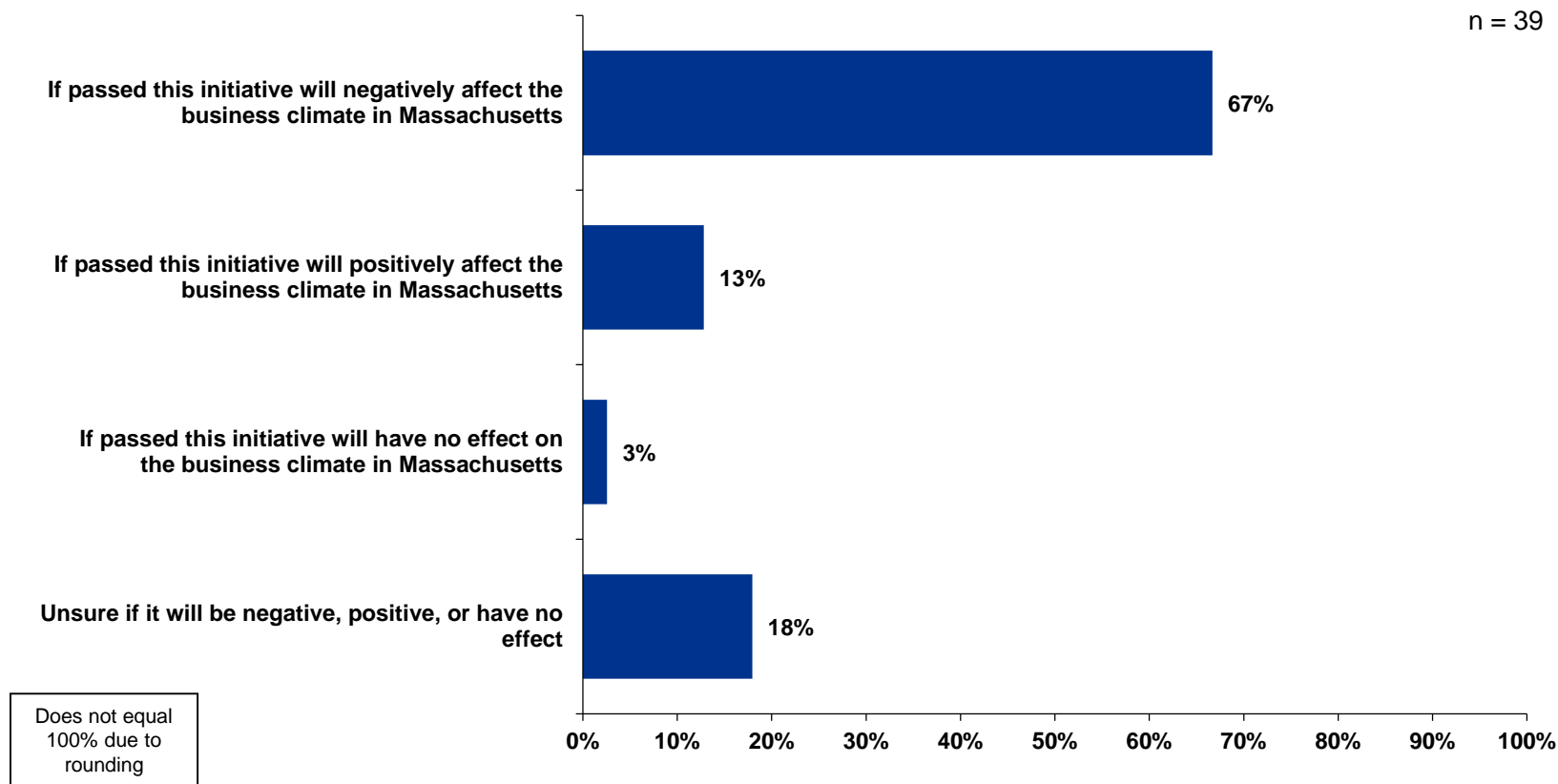


Q. Which factors do you believe pose the GREATEST POTENTIAL RISK to your business?  
Please select up to five (5) factors from the list below:





# Significant Majority Feel That The Initiative Petition Proposed For The 2018 Statewide Ballot Will Negatively Affect The Business Climate In Massachusetts, If Passed



Q. An initiative petition proposed for the 2018 statewide ballot would create a mandatory paid family and medical leave insurance program for most Massachusetts workers. The program would require employers to provide up to 16 weeks of paid family leave and 26 weeks of paid medical leave and would be supported by a new 0.63% payroll tax on employee wages. Employers would be permitted to require employees to contribute no more than half of the cost of premiums.

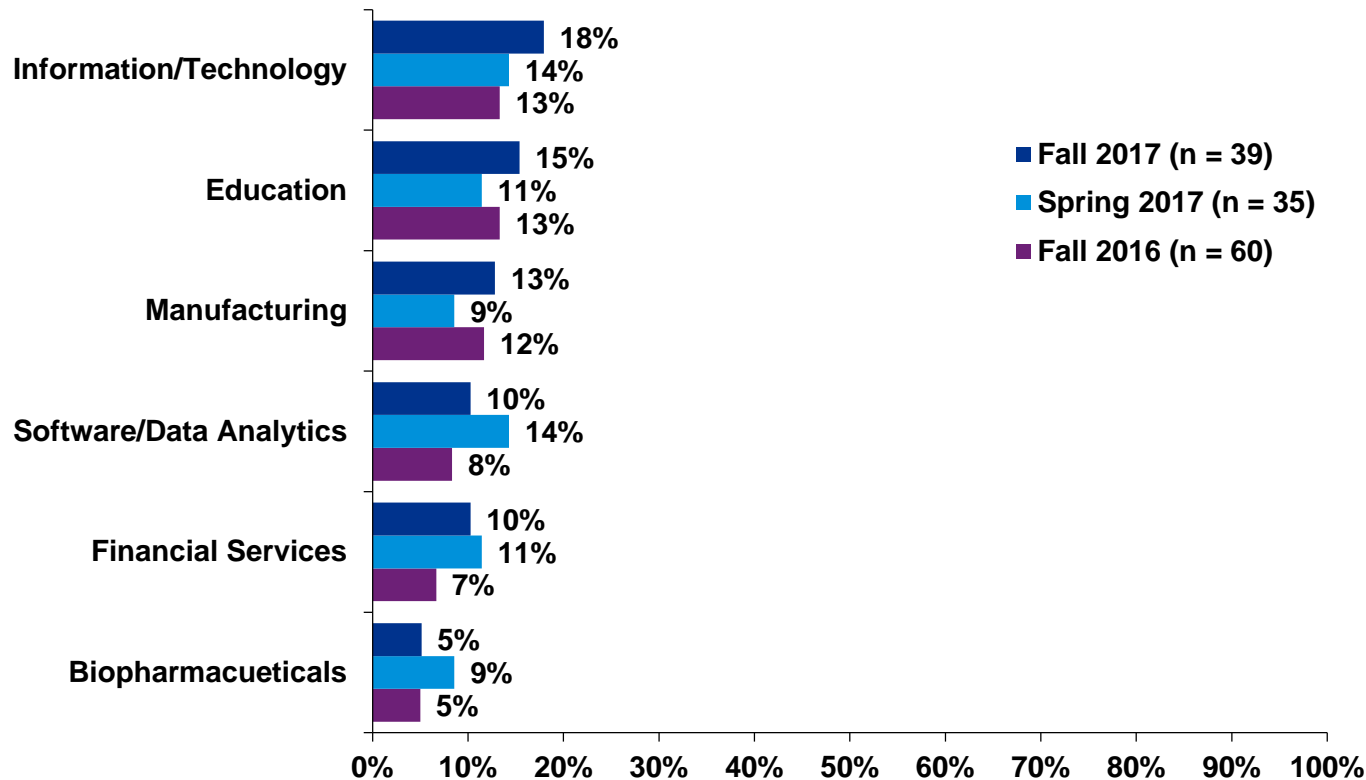
**Please select from the choices given above what view is most similar to yours:**





# Demographics

# Company/Local Division's Primary Industry Segment



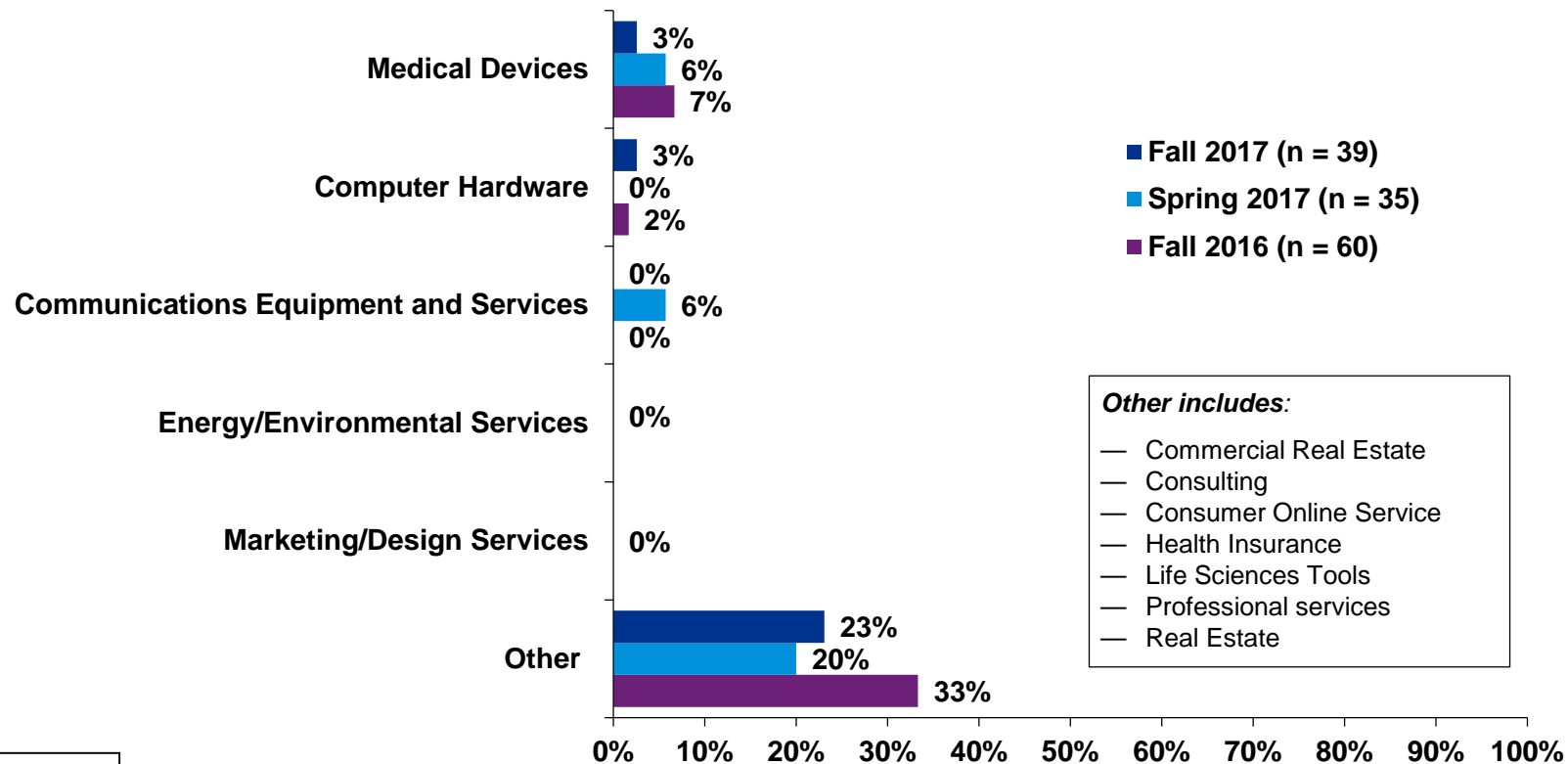
May not equal 100% due to rounding

Contd.

Q. Which of the following statements best describes your company/local division's primary industry segment in Massachusetts?



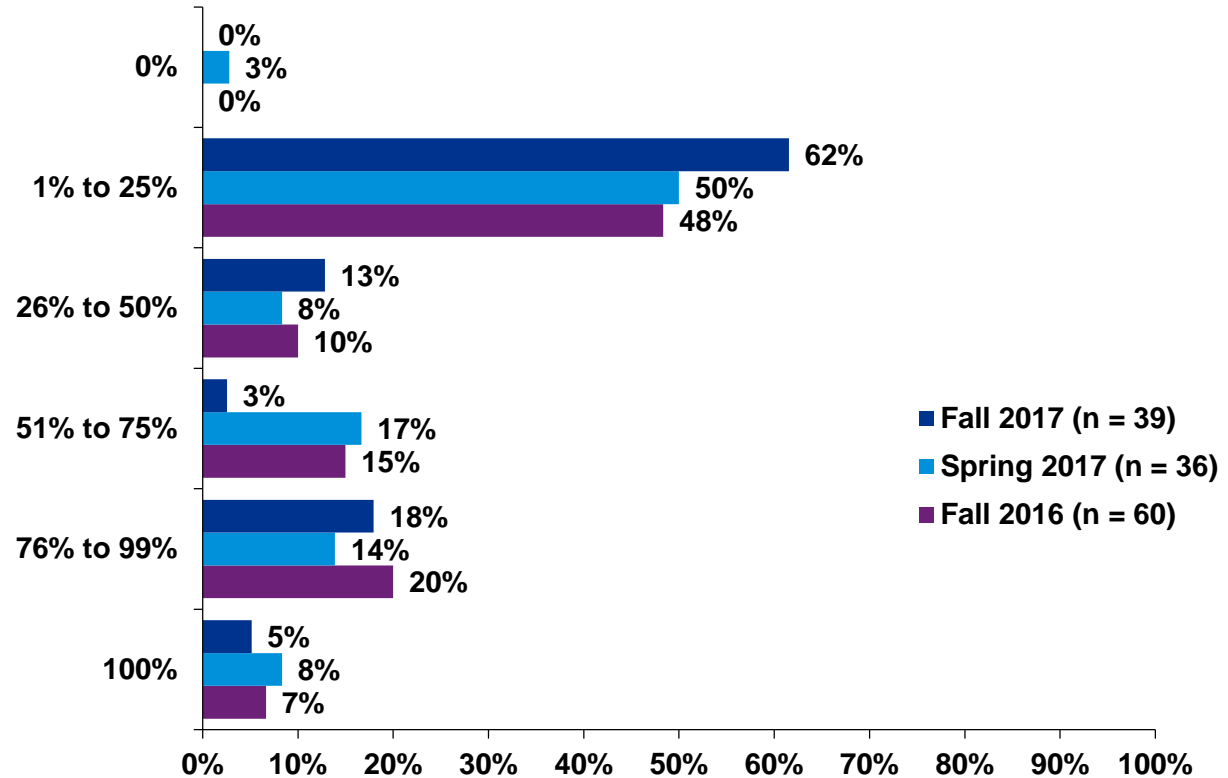
# Company/Local Division's Primary Industry Segment



May not equal 100% due to rounding

Q. Which of the following statements best describes your company/local division's primary industry segment in Massachusetts?

# Significant Majority Say 1 Percent To 25 Percent Of Customers/Clients Are Located Within New England

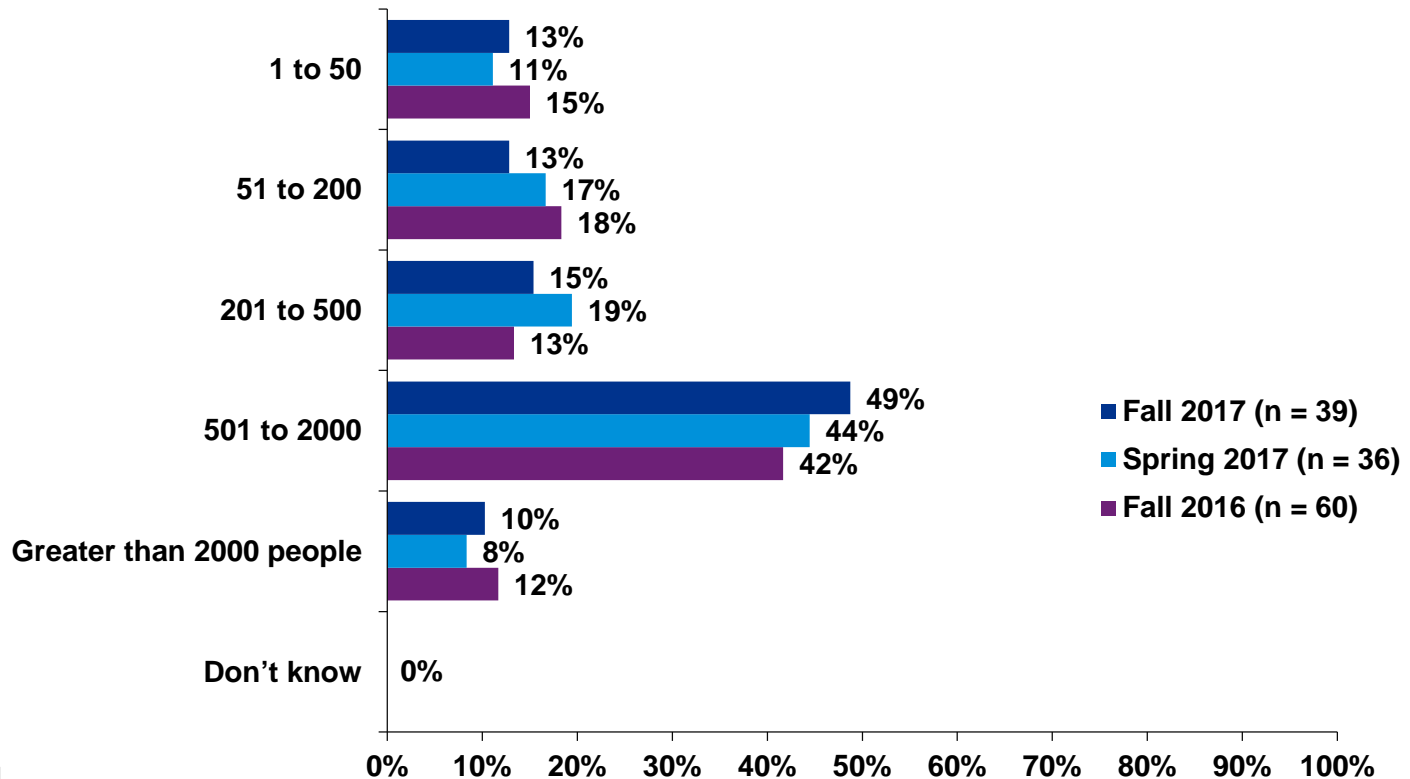


May not equal 100% due to rounding

Q. Roughly what percentage of your customers/clients are located within New England?



# Nearly Half Employ 501 To 2000 People In Massachusetts



May not equal 100% due to rounding

Q. How many people does your company employ in Massachusetts?





[kpmg.com/socialmedia](https://kpmg.com/socialmedia)

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