

# CEO confidence rebounds, fueled by decreasing pessimism, improving prospects for revenues [Q3 2020 Vistage survey]

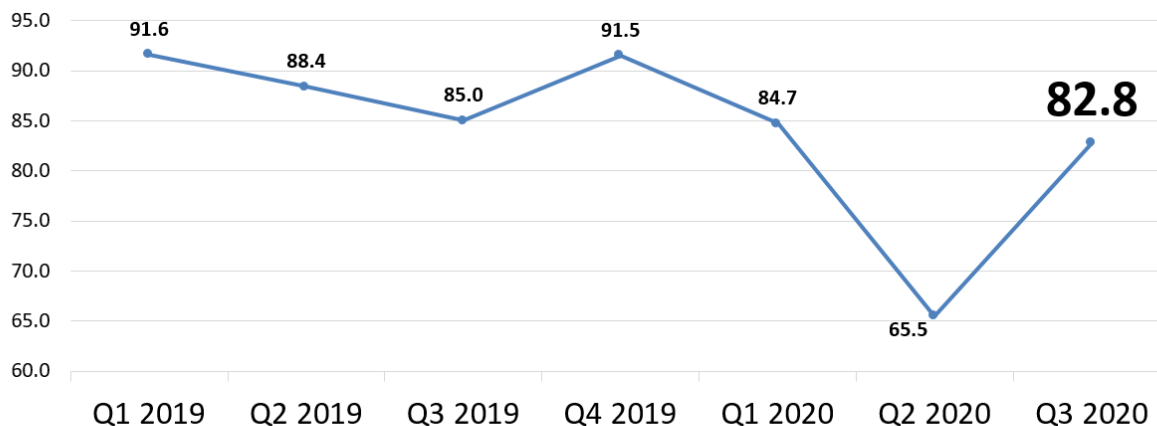
[myvistage.com/research-center/business-financials/economic-trends/20201001-ceo-confidence-rebounds](https://myvistage.com/research-center/business-financials/economic-trends/20201001-ceo-confidence-rebounds)

October 1, 2020



Signs of life in the economy and an increase of business activity has led to an increase in confidence of small and midsize business CEOs. The Vistage CEO Confidence Index rebounded to 82.8 Q3 2020; while not at peak recovery, this is just 2.6% below Q3 2019.

## The Vistage CEO Confidence Index rebounded to 82.8 in Q3 2020 driven by improving revenue projections



Source: Q3 2020 Vistage CEO Confidence Index n=1,304

©2020 Vistage Worldwide, Inc. All rights reserved

**VISTAGE**  
CEO Confidence Index

While all factors that comprise the Index improved from last quarter, the biggest driver of the rebound is decreasing pessimism about the future U.S. economy. September's survey found that 83% of CEOs expect the economy to worsen in the year ahead, a 10-point improvement from 93% last quarter.

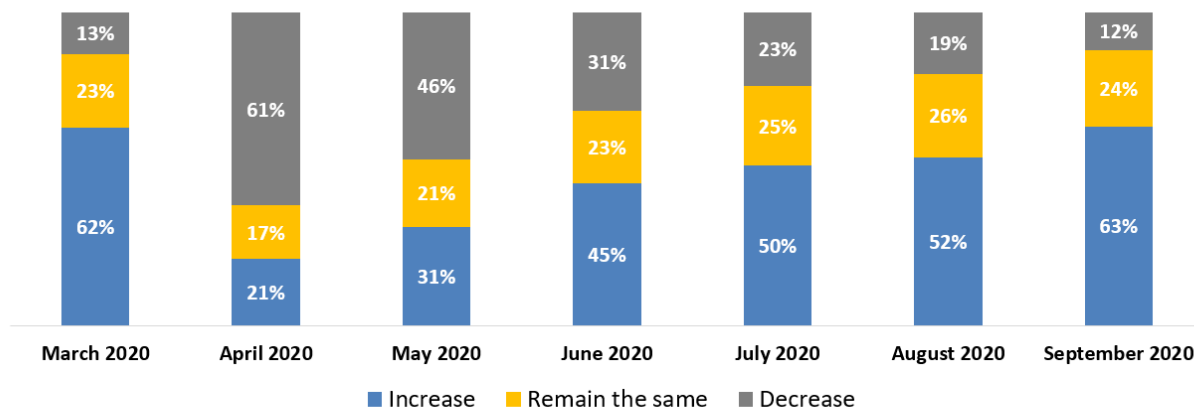
The other factors that contributed to the rebound from last quarter include:

- 32.5% improvements in revenue expectations
- 29.2% improvement in profitability expectations
- 28.3% increase in investment plans, largely driven by a significant decline in contraction
- 25.4% improvement in workforce plans
- 10.1% improvement in expectations for the U.S. economy

### SMB revenue expectations for next 12 months improve

While the Index is calculated quarterly, an analysis of survey data collected monthly since the pandemic began illustrates the improvements in revenue expectations over time. A major factor in rebound in CEO confidence in Q3 is positive revenue expectations with 63% of CEOs expecting improved revenues in the next 12 months, on par with the data recorded in March.

## *SMB revenue expectations for the next 12 months improve, reaching levels recorded in early March*



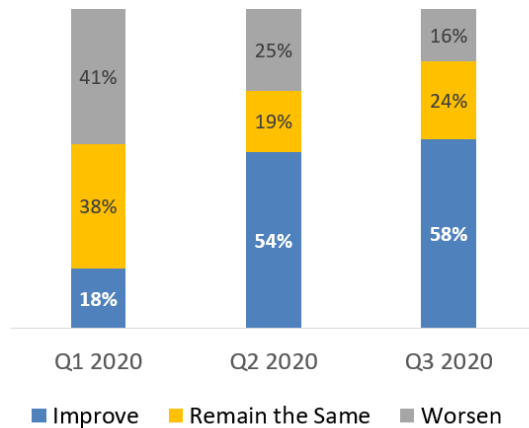
Source: Vistage CEO Confidence Index April – September 2020

©2020 Vistage Worldwide, Inc. All rights reserved

**VISTAGE**  
CEO Confidence Index

This sign that business activity is increasing is also reflected in sentiment about the future of the U.S. economy; 58% of CEOs report expectations that the economy will also improve in the next 12 months. However, the recovery is not projected to be a sharp V, but rather stair steps of progress that will be impacted by a great deal of uncertainty in relief measures, a volatile election and potential of a second surge that will further impact the economy.

## CEOs are increasingly optimistic about the future of the U.S. economy



CEOs are increasingly optimistic about the future; over half (58%) of CEOs believe the U.S. economy will improve over the year ahead, just 16% believe it will get worse.

Source: Q3 2020 Vistage CEO Confidence Index n=1,304

**VISTAGE**  
CEO Confidence Index

*Source: Q3 2020 Vistage CEO Confidence Index, n=1,304*

*These findings represent data collected between September 8-15, 2020 from CEOs and other leaders of small and midsize businesses in the U.S.*

[Download the Q3 2020 Vistage CEO Confidence Index report](#) to learn more about the sentiment of small and midsize business leaders, including:

- Projections about the performance of the U.S. economy
- Revenue and profitability expectations
- Expansion plans for hiring and investments
- Coronavirus impacts

[About the Vistage CEO Confidence Index](#)

### Downloads:

- [Q3 2020 CEO Confidence Index report](#)
- [Q3 2020 CEO Confidence Index flash report](#)
- [Q3 2020 CEO Confidence Index infographic](#)

42 views