

# Michiana Benchmark Business Index

**SOUTH BEND/ELKHART  
REGION  
1ST QUARTER  
2021 REPORT**

**PREPARED BY**





## BBI BACKGROUND

- Began in 2010 with a simple goal: to gauge “how is business?” in our region
- Confidential, web-based survey
- CFOs at regional for-profit companies invited to participate
- Simple – only 4 metrics: 3 quantitative: revenue; profitability; headcount
  - 1 qualitative: “CFO Optimism”
- Comparison to same quarter/prior year reduces seasonal impact
- The benchmark index has a maximum score of 100

## 2021 FINDINGS

The first quarter 2021 Michiana Benchmark Business Index, compiled by the certified public accounting and consulting firm of Kruggel Lawton CPAs, surged in the first quarter of the year to the second-highest score since the firm began conducting the survey. The overall first quarter Index was 66.56 out of a maximum possible score of 100, an increase of over 21% from the prior quarter results. This was only the third time the quarterly Benchmark Index has exceeded 65.



Kruggel Lawton conducts this confidential survey of CFOs in for-profit companies in the South Bend/Elkhart and southwest Michigan region on a quarterly basis. The survey tracks changes in companies’ revenue, profitability, and employment levels compared to the same quarter of the prior year, along with CFOs’ optimism about the business outlook for their companies.

Participating CFOs’ input on these four metrics is combined into the overall Benchmark Business Index to provide a barometer of the regional business climate. Noteworthy first quarter results include:

**REVENUE**

The Revenue metric increased 35% from the fourth quarter of 2020 to the highest level since the inception of the survey.



**PROFITABILITY**

The Profitability metric increased nearly 30% from the prior quarter, matching the previous quarterly high mark from the fourth quarter of 2013.



**CFO OPTIMISM**

Although the increase in CFO Optimism from the prior quarter was relatively less – up 13% - it was at the highest level since the survey began.



**EMPLOYMENT**

Although the Employment metric showed an increase of 10% from Q4, this result was below average for Employment since the start of the survey.



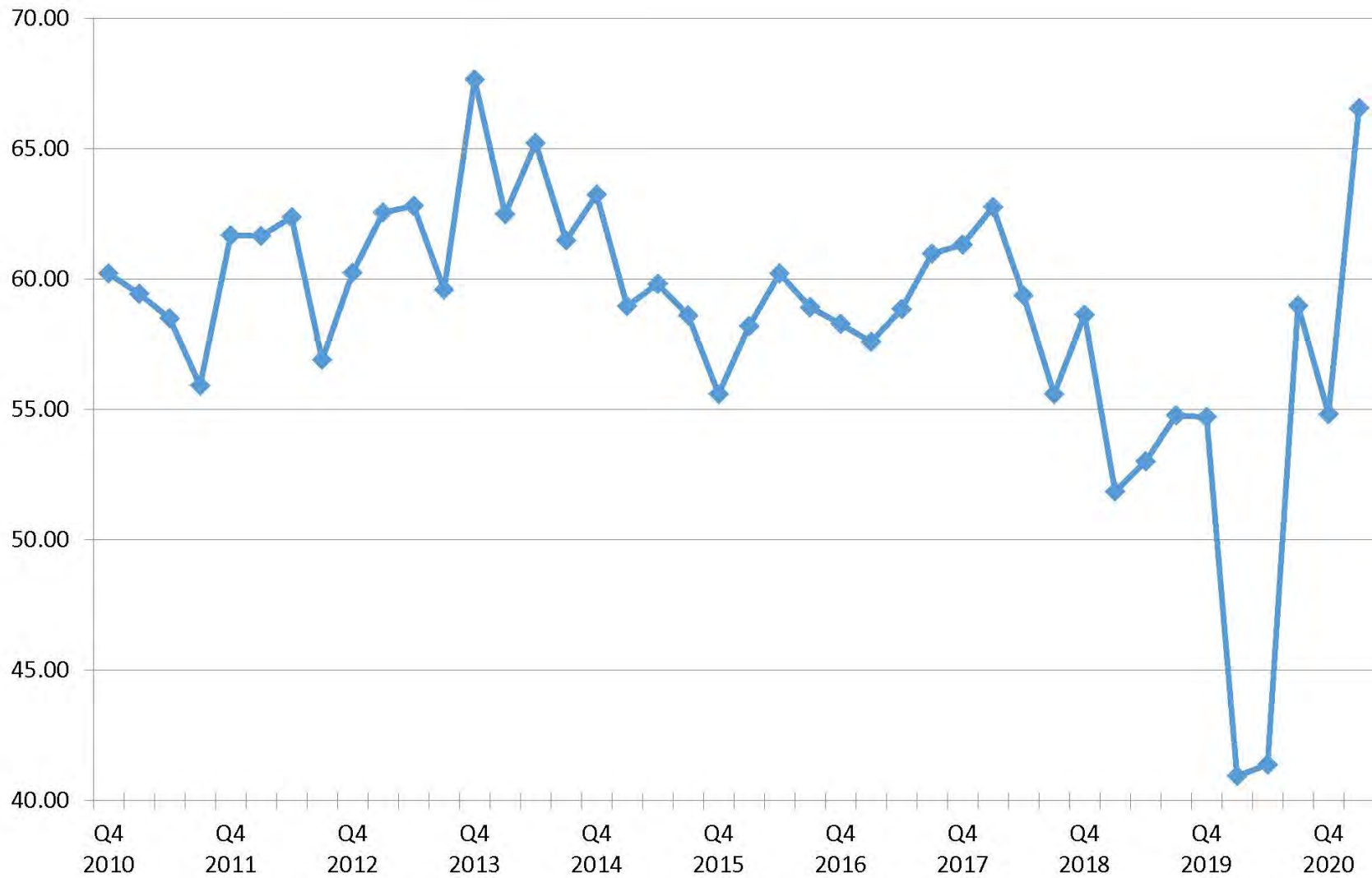


Kruggel Lawton launched this survey in the 4th quarter of 2010, in the wake of the Great Recession. Just over ten years later, the Q1 2021 Benchmark Index of 66.56 is nearly 11% greater than the 60.22 recorded when the survey started. Of the three quantitative metrics, Revenue and Profitability are both 14% higher than inception of the survey, while Employment is 3.5% lower. CFO Optimism is nearly 22% higher than when the survey began.

“At first glance, the dramatically positive results for the first quarter of 2021 are unsurprising, since the coronavirus pandemic had such an adverse impact on first quarter of 2020,” said Terry Bush, a director at Kruggel Lawton CPAs. “However, with now over ten years of quarterly input from CFOs in our region, this quarter’s record or near-record high results for most of the survey metrics seem to indicate a strong regional economy, and not solely in the wake of the pandemic. The survey finding that employment levels are not recovering as strongly as other metrics would seem to match up with the difficulty many regional employers are having recruiting people for available jobs.”

If you are a CFO in a for-profit company in the South Bend region and would like to participate in this survey, please contact Terry Bush at [tbush@klcpas.com](mailto:tbush@klcpas.com) or call 574-289-4011, ext. 205.

# OVERALL RESULTS THROUGH Q1 2021



# DETAILED RESULTS SINCE INCEPTION OF SURVEY

