



NATIONAL CENTER FOR  
THE MIDDLE MARKET

# BUSINESS SERVICES

MIDDLE MARKET INDICATOR

## 4Q | 2020



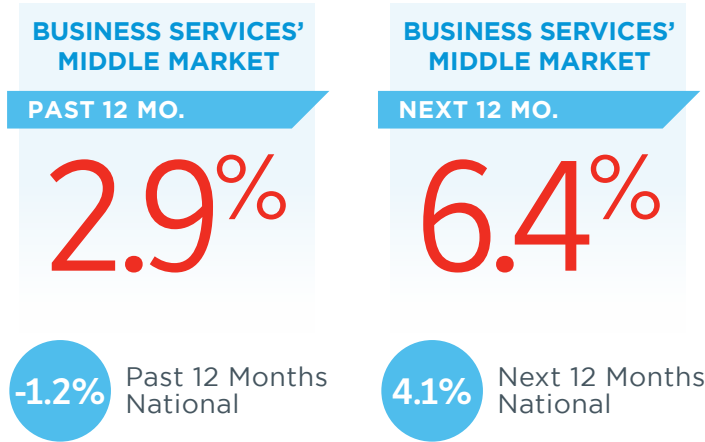
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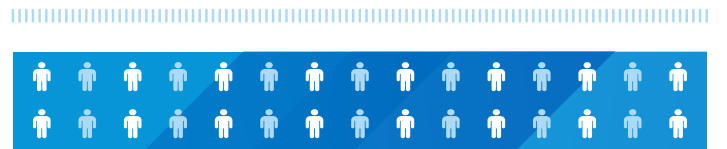
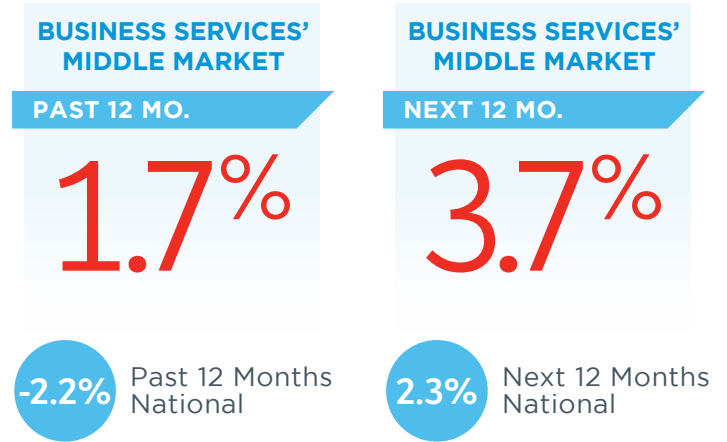
THE OHIO STATE UNIVERSITY  
FISHER COLLEGE OF BUSINESS

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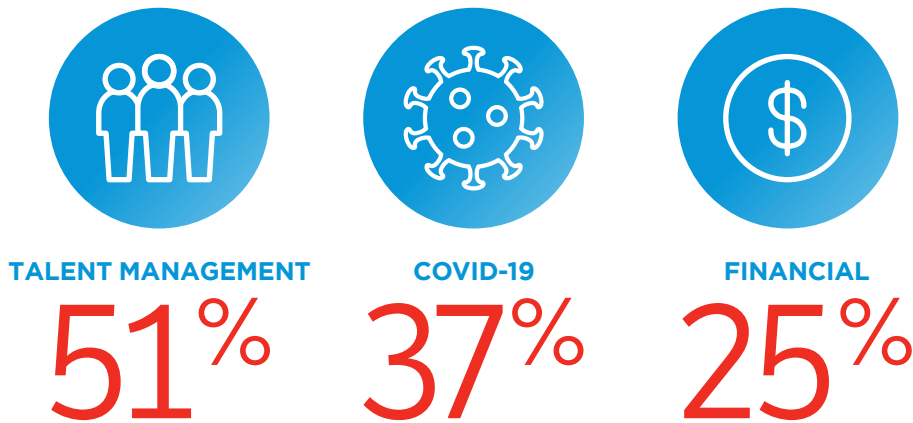
## Business Services' Revenue Growth vs. National



## Business Services' Employment Growth vs. National

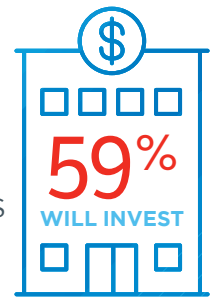


## Business Services' Top Internal Challenges Over The Next 12 Months

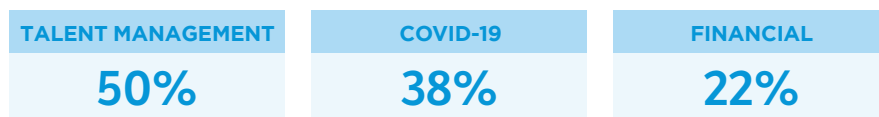


## Preparing For Growth Through Capital Investment

WILLINGNESS TO INVEST INCREASES AMONG MIDDLE MARKET BUSINESS SERVICES COMPANIES COMPARED TO 51% REPORTED IN 2Q'20.



### VS. NATIONAL MIDDLE MARKET



## Long-Term Negative Impact of COVID-19 on Business Services vs. Other Industries

	ALL MIDDLE MARKET COMPANIES	BUSINESS SERVICES	MANUFACTURING	WHOLE-SALE TRADE	RETAIL TRADE	CONSTRUCTION	FINANCIAL SERVICES	HEALTH-CARE	TECHNOLOGY*
BUSINESS OPERATIONS	56%	28%	39%	44%	45%	39%	32%	39%	35%
2021 PROJECTED REVENUE	43%	34%	38%	45%	41%	50%	41%	40%	37%
SUPPLY CHAIN	43%	25%	48%	65%	44%	31%	25%	42%	40%
GROWTH INITIATIVES	41%	50%	38%	47%	46%	40%	30%	43%	38%
CUSTOMER DEMAND	39%	27%	42%	38%	38%	35%	44%	33%	36%
EMPLOYMENT (I.E., NUMBER ON STAFF)	37%	30%	35%	43%	36%	37%	24%	37%	24%
CAPITAL SPENDING	34%	30%	33%	37%	37%	37%	27%	31%	23%
PAYROLL (I.E., HOURS WORKED)	32%	21%	35%	30%	37%	32%	21%	37%	19%
WORKING CAPITAL/CASH	31%	27%	28%	26%	32%	34%	27%	36%	17%
ACCESS TO CAPITAL	30%	21%	27%	43%	36%	20%	20%	31%	27%
DIGITAL TRANSFORMATION	18%	18%	24%	17%	19%	12%	13%	20%	18%

Percent of respondents stating they expect a minor or major long-term negative impact from COVID-19

\*Includes companies also represented in other industries, e.g., computer manufacturers, IT services, healthcare, fintech.

## Business Services' Middle Market Defined

ANNUAL REVENUE  
**\$10 MM-\$1B**



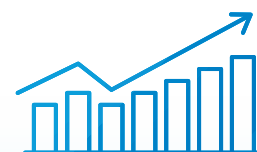
REPRESENTS  
**0.4%**  
OF ALL BUSINESS SERVICES COMPANIES

MORE THAN  
**10,600**  
BUSINESSES



EMPLOYS  
**22.6%**  
OF THE BUSINESS SERVICES WORKFORCE

GENERATING  
**\$414B**  
IN ANNUAL REVENUE



GENERATES  
**27.1%**  
OF ALL BUSINESS SERVICES BUSINESS REVENUE

Source: 2014 D&B Data

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