



NATIONAL CENTER FOR
THE MIDDLE MARKET

February 11, 2026

2025 Year-End MMI Data and Insights

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IN COLLABORATION WITH



CHUBB

VISA

WELLS
FARGO

Today's Plan

- I. About – NCMM, Middle Market, and the MMI Report
- II. Middle Market Data
- III. What's Next –Projections
- IV. Issues – Uncertainty, AI, and Investment
- V. Wrap-Up

The NCMM Celebrates 15 Years in 2026!



The National Center for the Middle Market

The National Center for the Middle Market is a collaboration between The Ohio State University's Fisher College of Business, Chubb, Visa and Wells Fargo. It exists for a single purpose: to ensure that the vitality and robustness of Middle Market companies are fully realized as fundamental to our nation's economic outlook and prosperity.

The Center is the leading source of knowledge, leadership, and innovative research on the middle market economy, providing critical data analysis, insights, and perspectives for companies, policymakers, and other key stakeholders, to help accelerate growth, increase competitiveness and create jobs in this sector.

Middle Market Research & Data



Quarterly Middle Market Indicator



Research and Expert Perspectives



Interactive Benchmarking Tools

Expertise & Outreach



Share Research & Discuss Trends

Education



Executive Programs



Webinars and Podcasts

The Mighty Middle Market

U.S. MIDDLE MARKET DEFINED



Annual Revenues Range from
\$10MM - \$1B



Accounts for
60% of All New
Private-Sector
Jobs



Nearly
200,000
Businesses
in All Industry
Segments and
Geographies

Equivalent to the
5th LARGEST
global economy



Represents
1/3 of Private Sector
GDP and Employment



85%
of Companies
Are Privately Held



More than
\$10 trillion in annual revenue

Middle Market Indicator

What...

National Survey of C-Level Executives

Revenue Growth

Revenue growth dipped mid-2025, but stabilized in Q4, with most firms continuing to report year-over-year gains and improving growth expectations

How...

Self Administered Online Survey

Employment Growth

Hiring demand remains lower in 2025 (vs. 2024), but firms still report little evidence of broad workforce reductions

Insight Areas

Past year growth
Confidence in the economy
Current state of the business
Outlook for the future

Economic Confidence

Economic confidence is mostly flat from Q2 to Q4, with a slight increase for global, suggesting cautious improvement rather than a strong rebound

Who...

Financial decision makers
Private and Public Organizations
\$10 million-<\$1 billion in Gross Revenue

Challenges

Inflationary pressures and economic uncertainty remain, but challenges related to technology integration are on the rise

When...

Annual Field Periods	Wave 1	Wave 2
	June	December

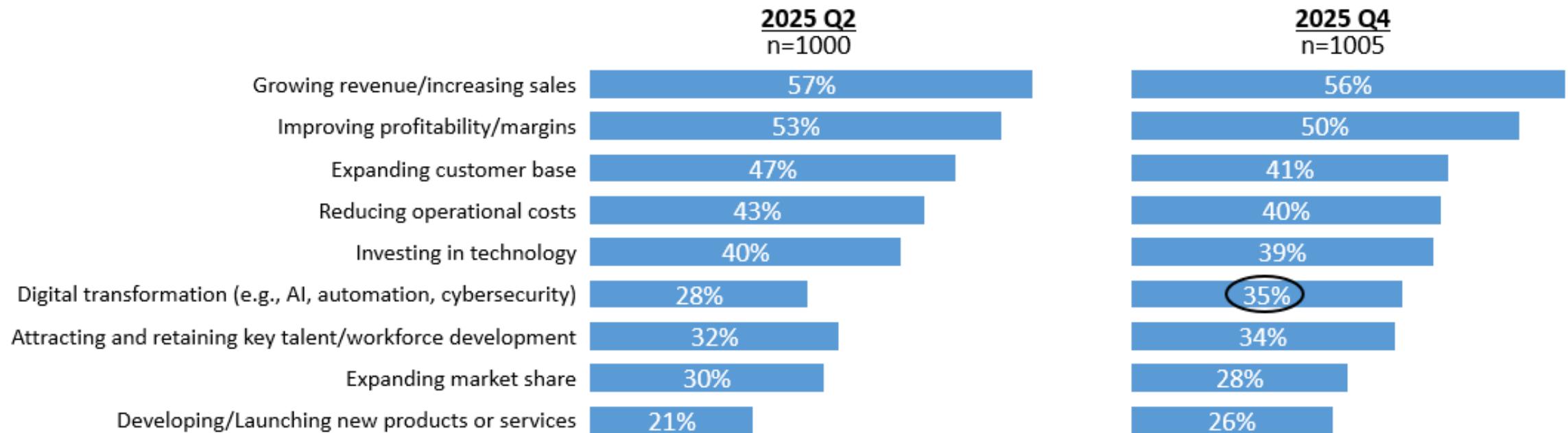
Technology

Firms are placing more emphasis on technology/AI; it is more of a priority to strategic planning and is a key area for investments

What's New?

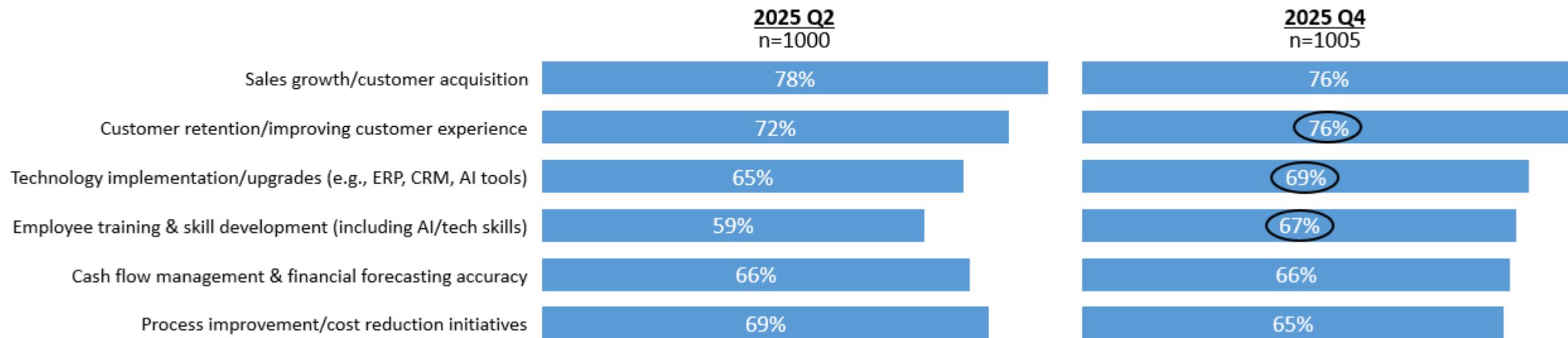
Strategic Priorities

Important Strategic Objectives Ranked 1-5



Operational Focus

Operational Areas (Very High/High Focus/Investment)

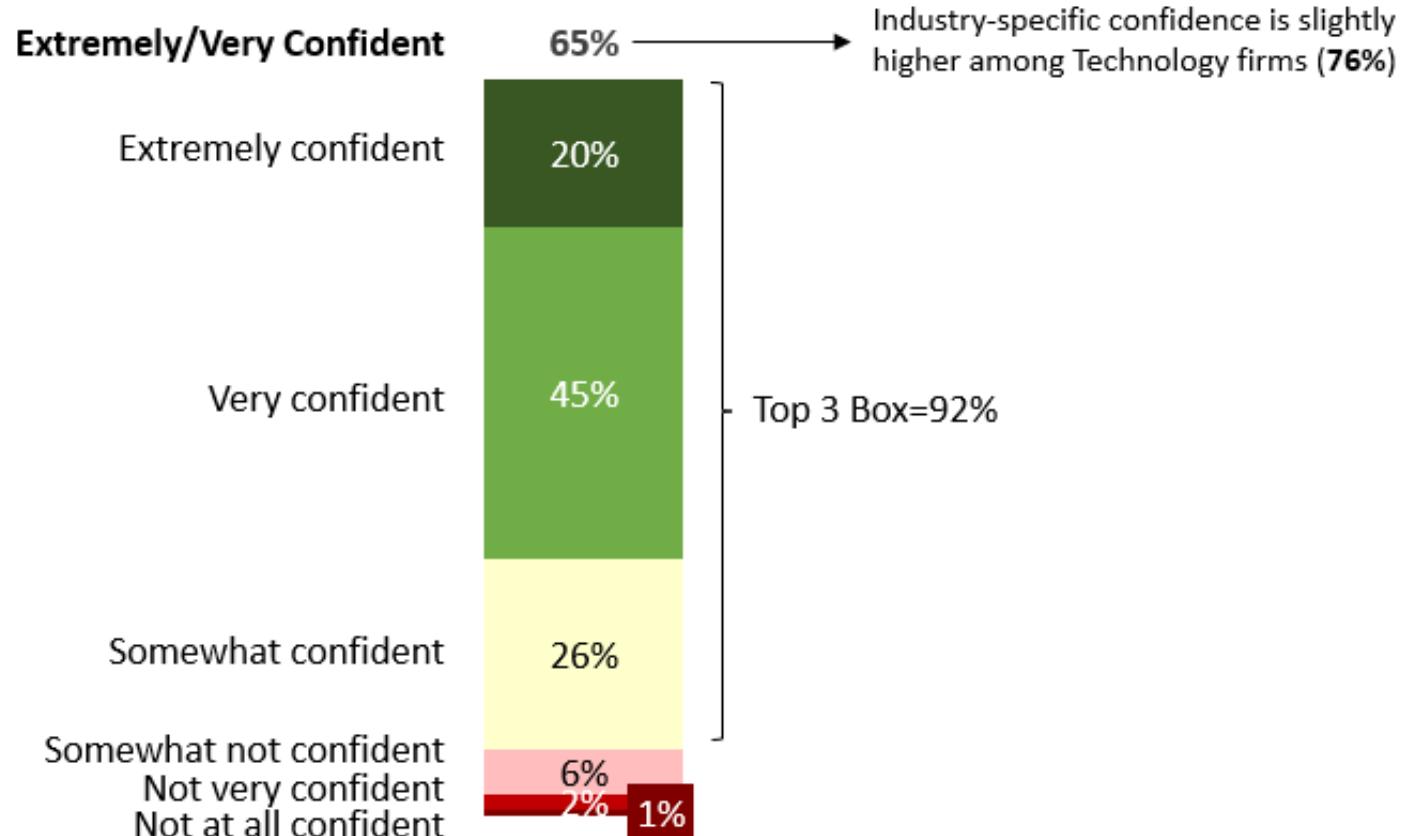


Industry Growth Perceptions

Confidence In Primary Industry Growth Prospects Over The Next 12 Months

2025 Q4

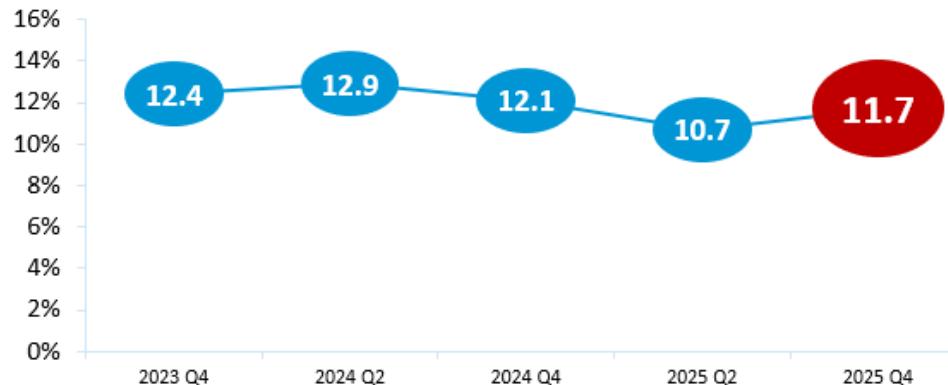
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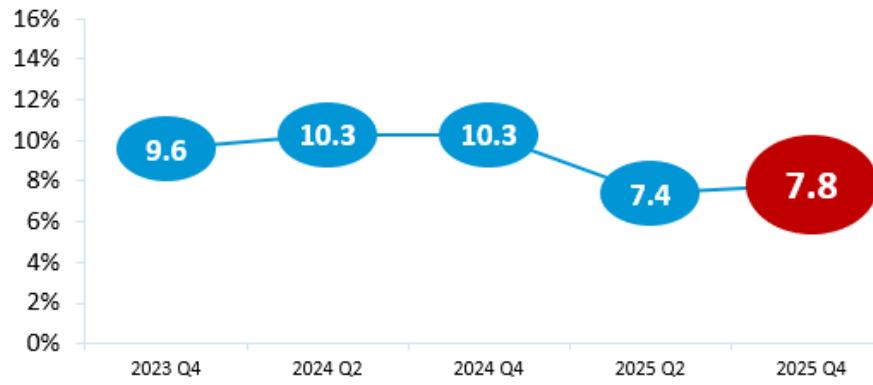
Key Performance Indicators

Middle-market performance shows stabilization, with improving current and projected revenue growth

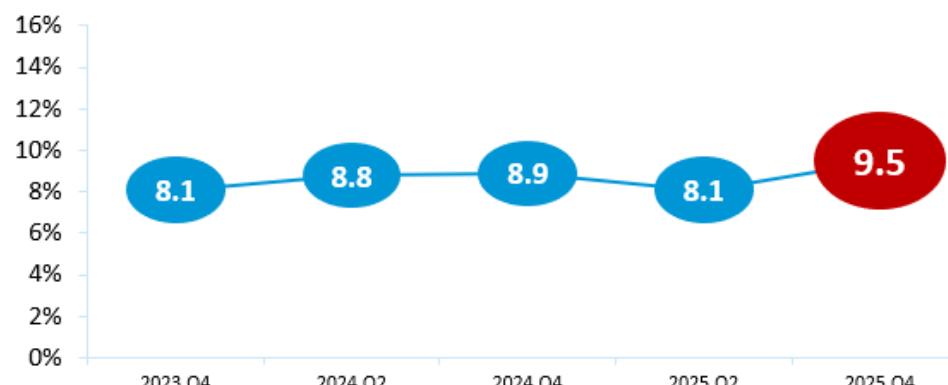
Revenue growth dipped mid-2025 but partially rebounded in Q4



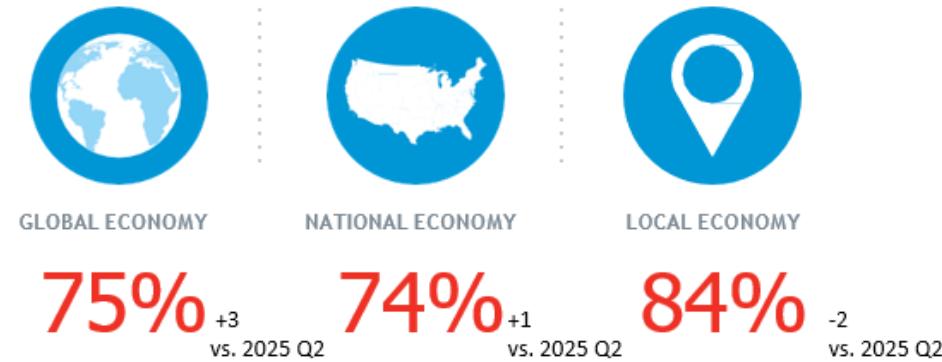
Hiring remains lower in 2025



Future growth expectations have strengthened



Confidence has held steady vs. Q2



Overview—Past Performance and Forecasts

REVENUE GROWTH

11.7%

PAST 12 MONTHS

4.7%

S&P 500

9.5%

NEXT 12 MONTHS



EMPLOYMENT GROWTH

7.8%

PAST 12 MONTHS

-0.2%

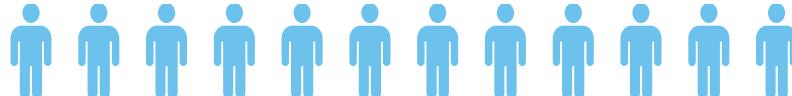
SMALL
BUSINESS

1.8%

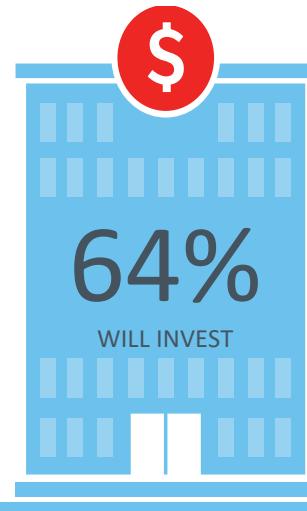
LARGE
BUSINESS

9.2%

NEXT 12 MONTHS



CAPITAL INVESTMENT



CONFIDENCE

75%

GLOBAL ECONOMY



74%

NATIONAL ECONOMY

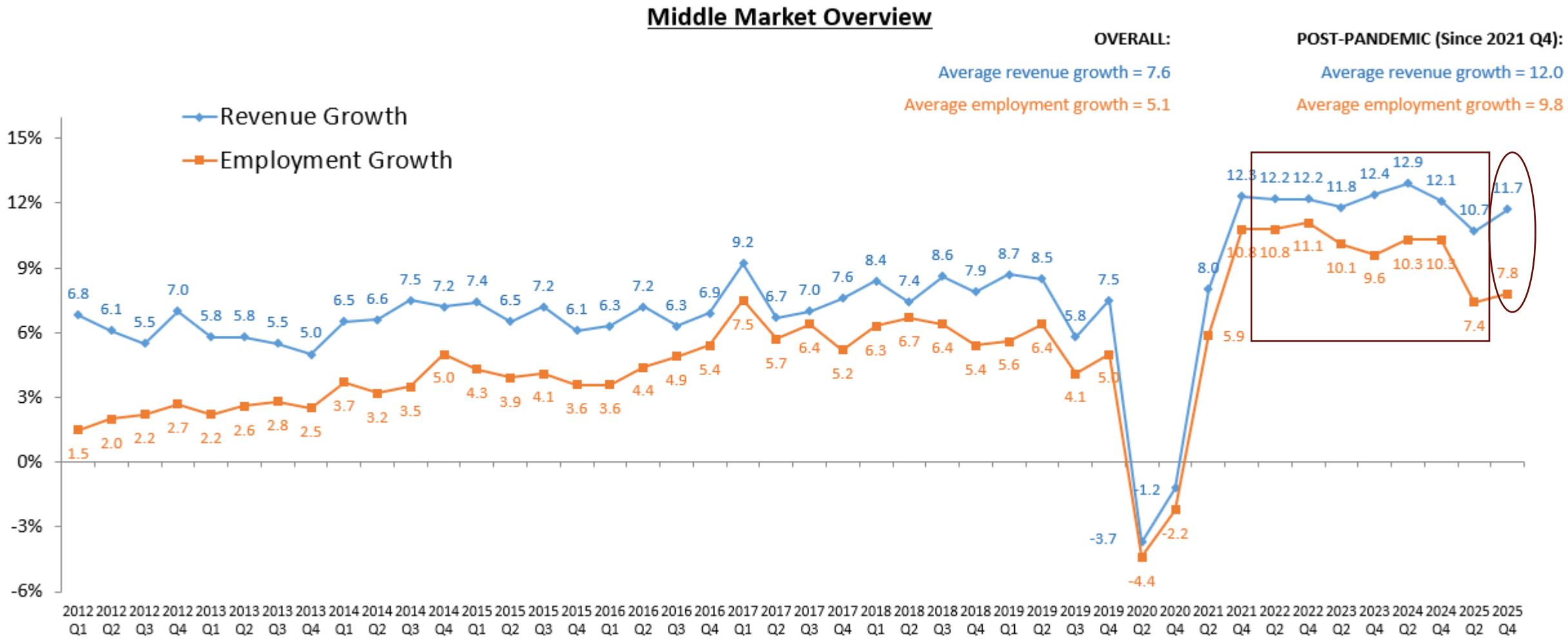


84%

LOCAL ECONOMY



Trend Data



Revenue Growth Trend

PAST 12 MONTHS

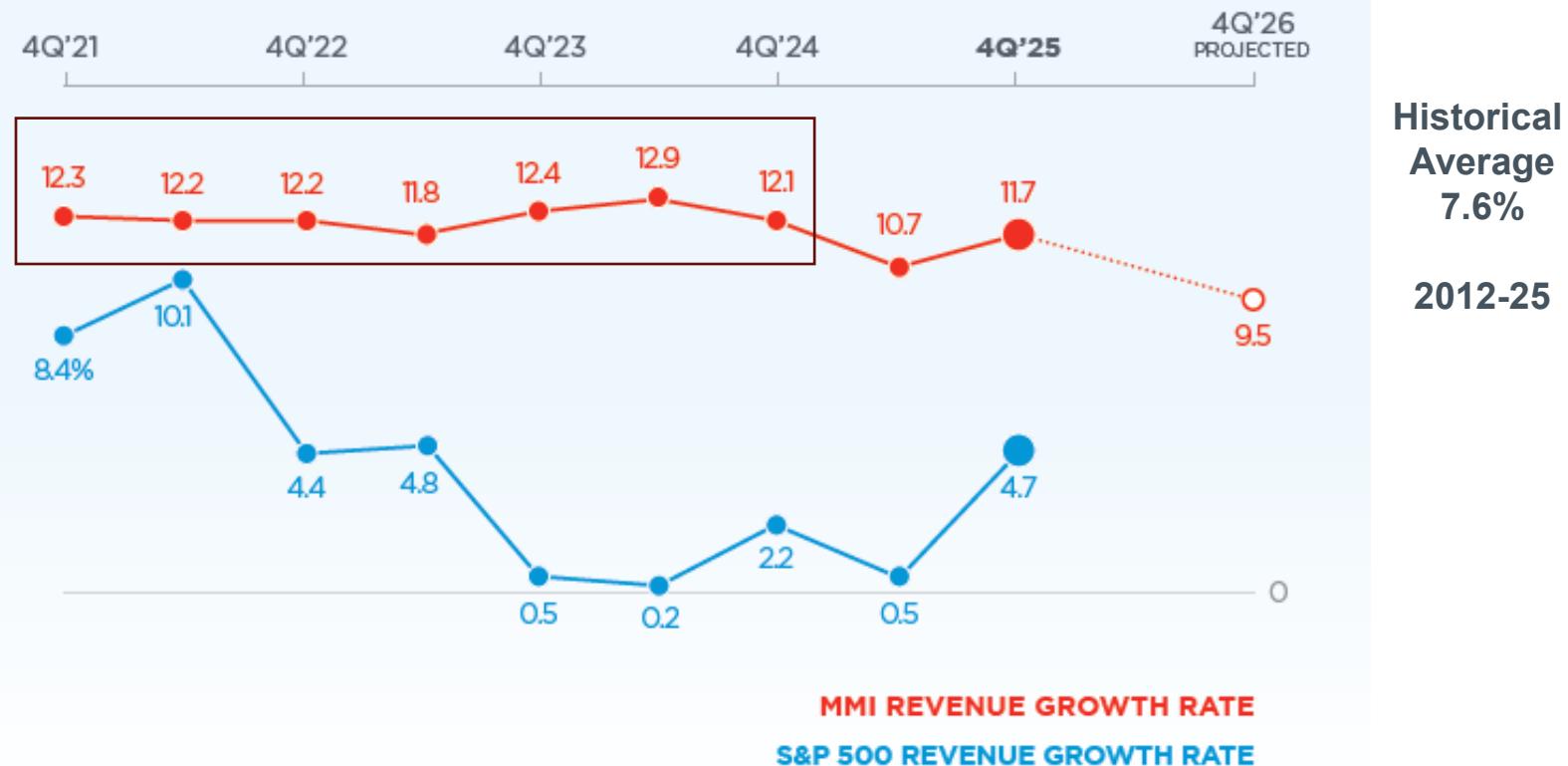
11.7%

U.S. MIDDLE MARKET

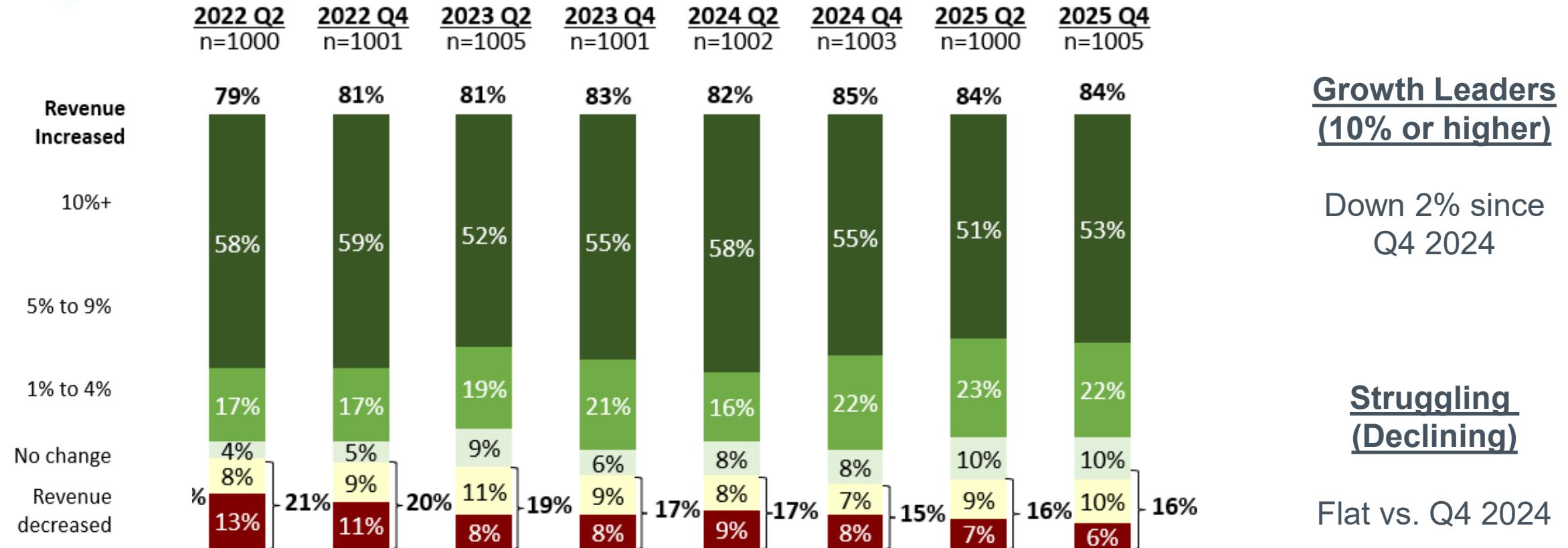
4.7%

S&P 500*

Past, current and projected revenue growth rates for the middle market and the S&P 500 (%)



Growth Remains Steady

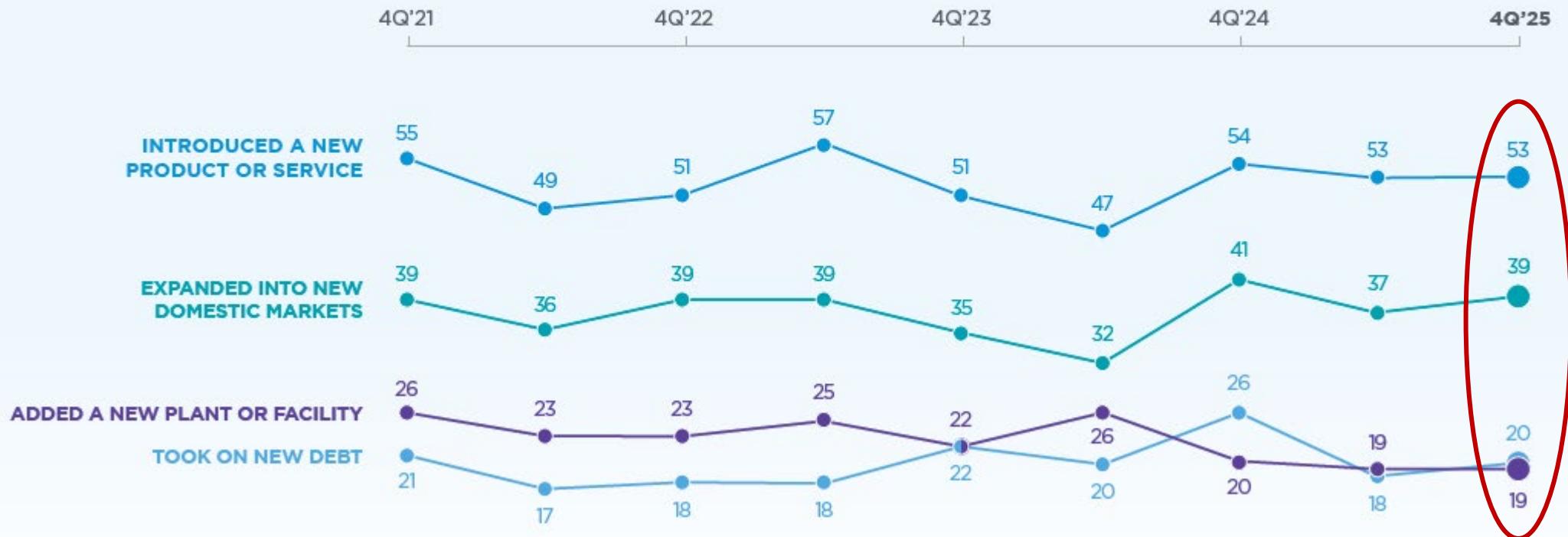


Revenue by Industry



Expansionary Activity Relatively Flat

Percent of middle market companies engaging in expansion activities over the past 12 months



Year-End MMI: Employment

PAST 12 MONTHS

7.8%

U.S. MIDDLE MARKET

-0.2%
SMALL
BUSINESS

1.8%
LARGE
BUSINESS

Historical
Average
5.2%

2012-25

Past, current and projected employment growth rates for middle market, small and large companies (%)

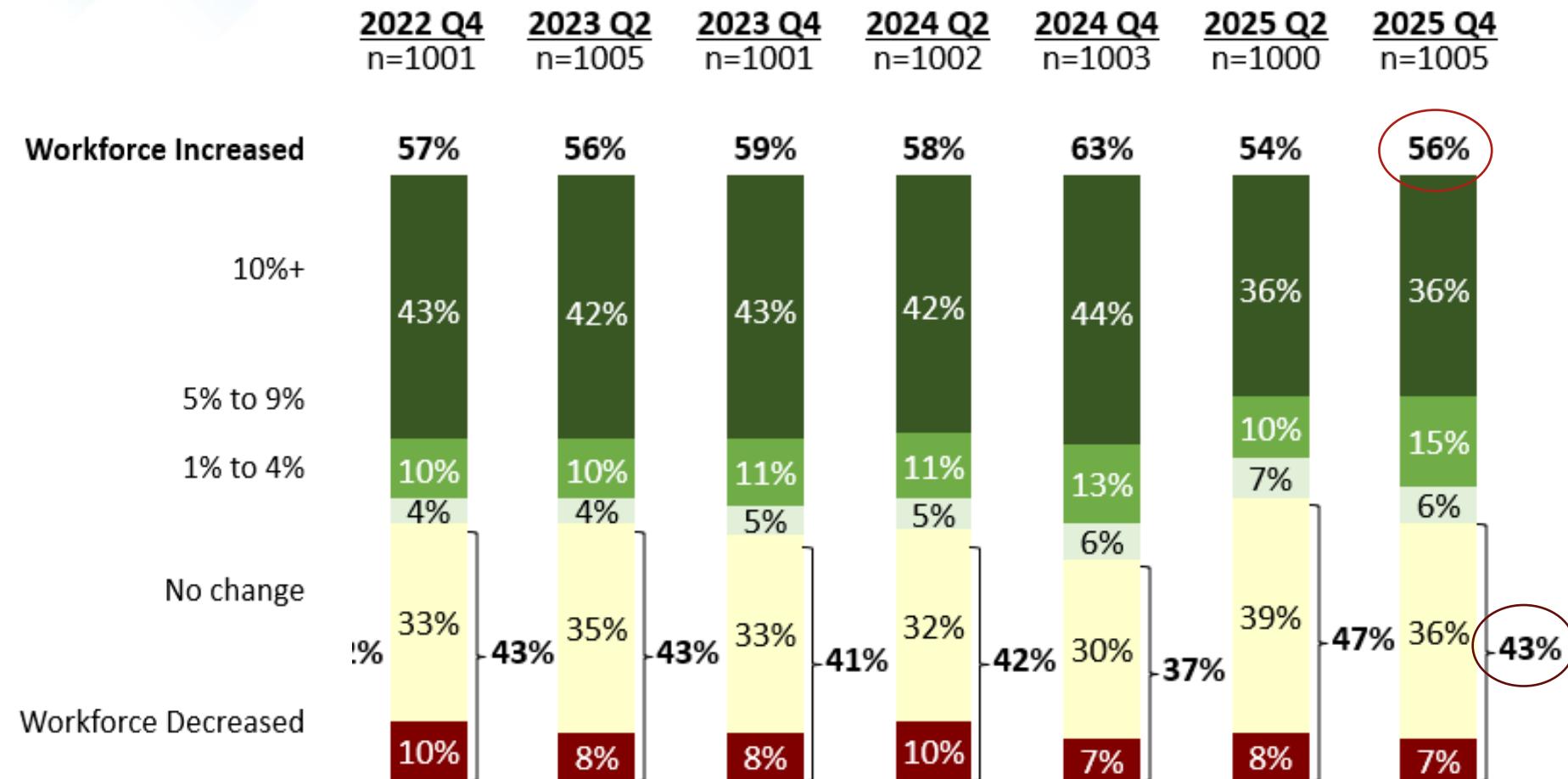


MMI EMPLOYMENT GROWTH RATE

ADP SMALL BUSINESS GROWTH RATE

ADP LARGE CORPORATION GROWTH RATE

Employment Growth Remains Stalled

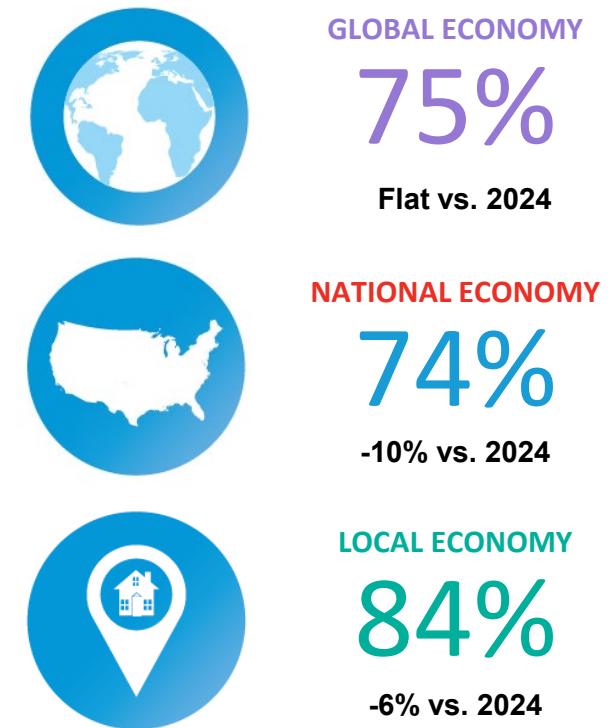


Year-End MMI: Employment by Industry

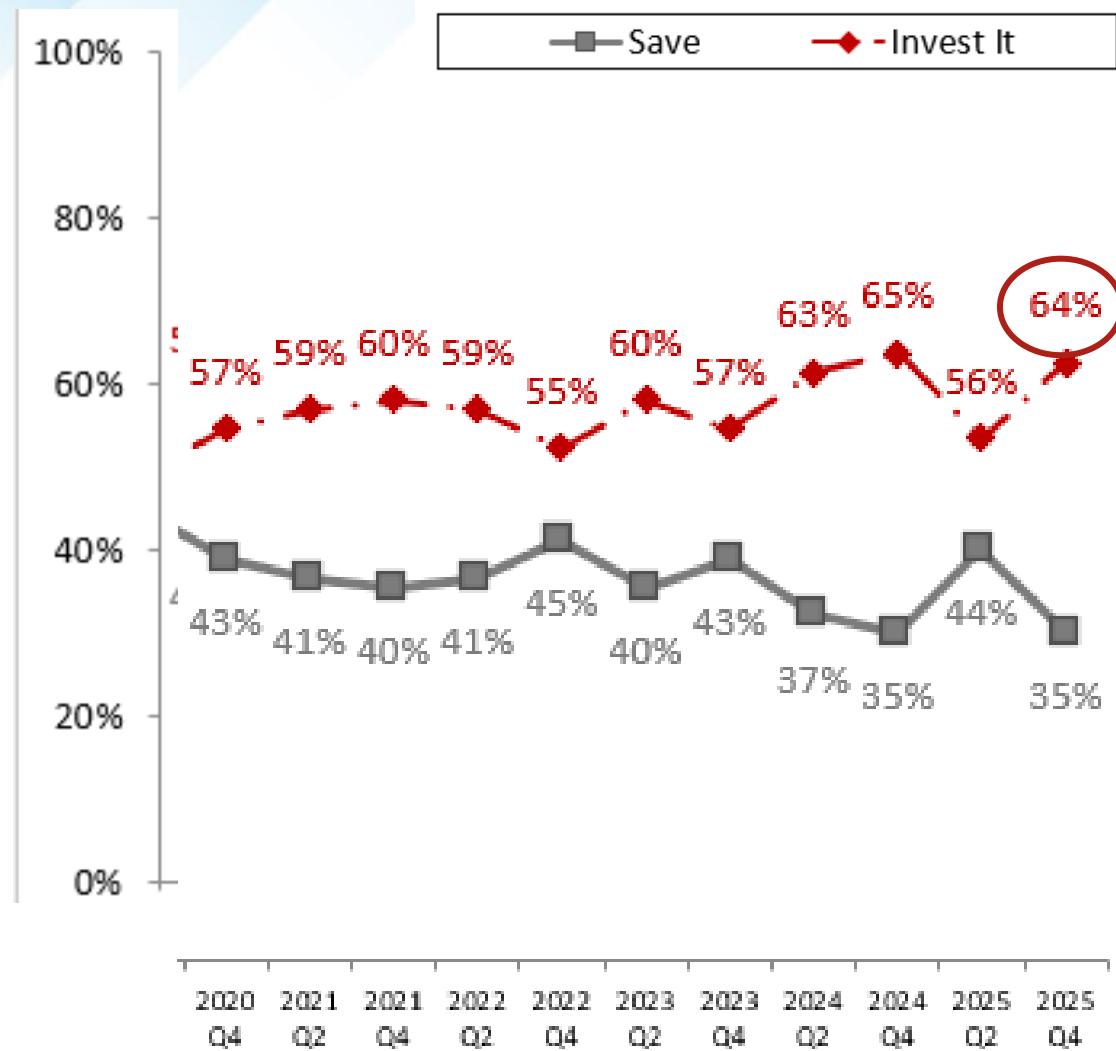


Economic Confidence Down vs. 2024 YE

Confidence in Economy



Investment Plans Rebounded

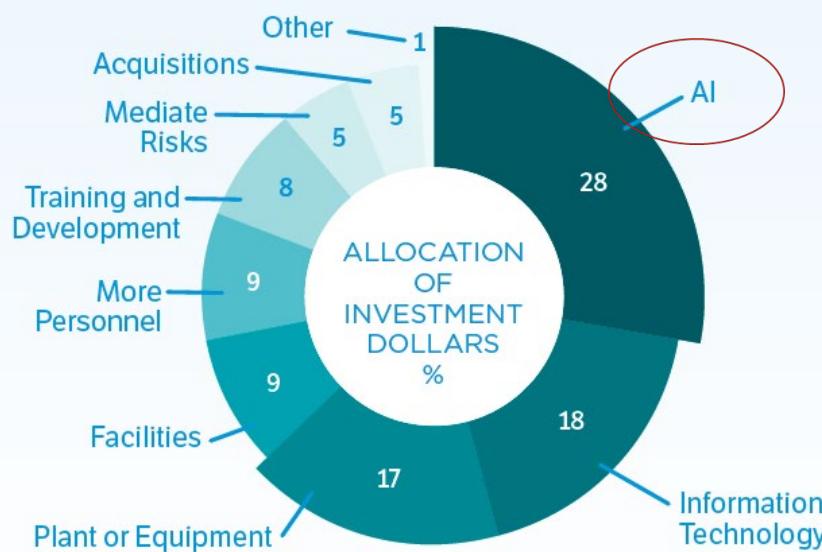


Source: Year End Middle Market Indicator Report

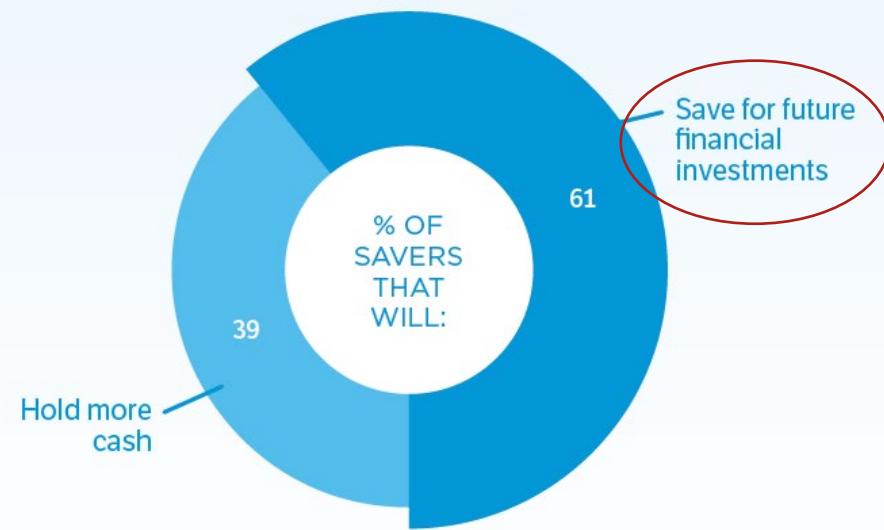
Technology – specifically AI - are Top Targets for Investment Dollars

WHAT WOULD YOU DO WITH AN EXTRA DOLLAR TO INVEST?

Artificial intelligence continues to increase its dominance as the leading destination for investment dollars.

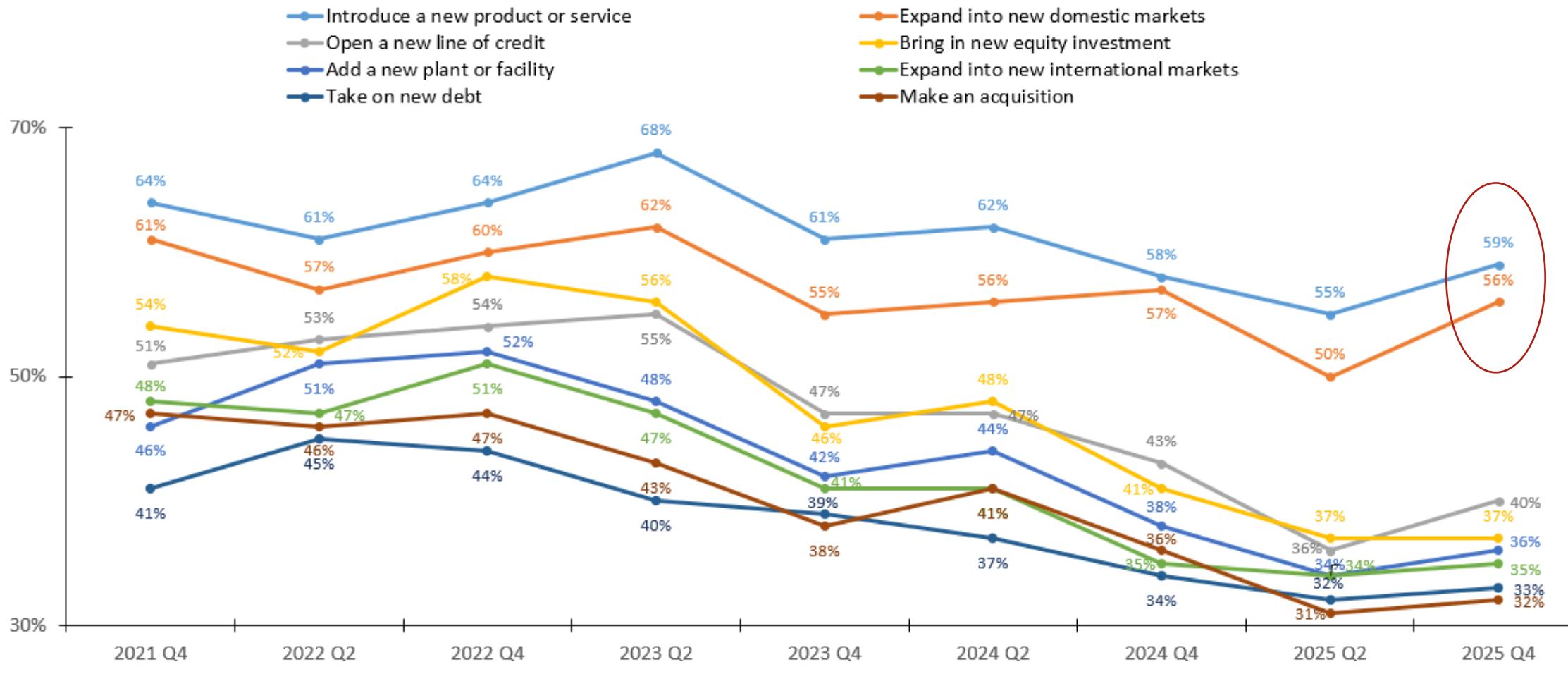


The proportion of companies holding cash has dropped eight points since mid-year, with most savers earmarking funds for future investments.



Future Expansion Uptick

Expansion Extremely/Very Likely in Next 12 Months (Total MM)



Source: Year End Middle Market Indicator Report

Challenges: Policy, Inflation, Uncertainty

ECONOMIC & FINANCIAL CHALLENGES

- Inflation, rising costs of materials, services and inputs, economic uncertainty

WORKFORCE & TALENT CHALLENGES

- Attracting and hiring qualified talent, retaining employees, cost and availability of benefits

OPERATIONAL & TECHNOLOGY CHALLENGES

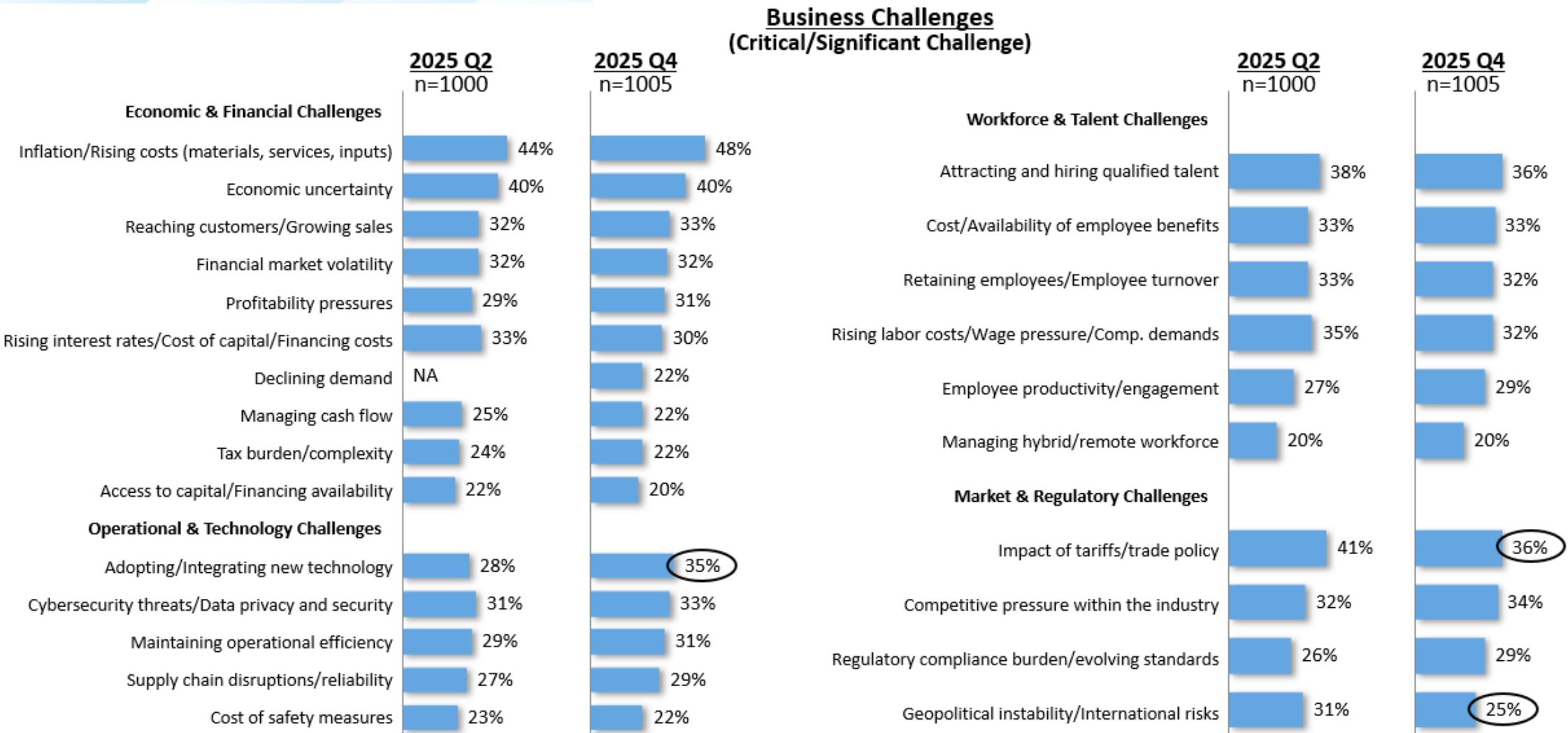
- Adopting and integrating new technology, data privacy and cybersecurity threats

MARKET & REGULATORY CHALLENGES

- Impact of tariffs and trade policies, competitive pressure

Core Business Issues

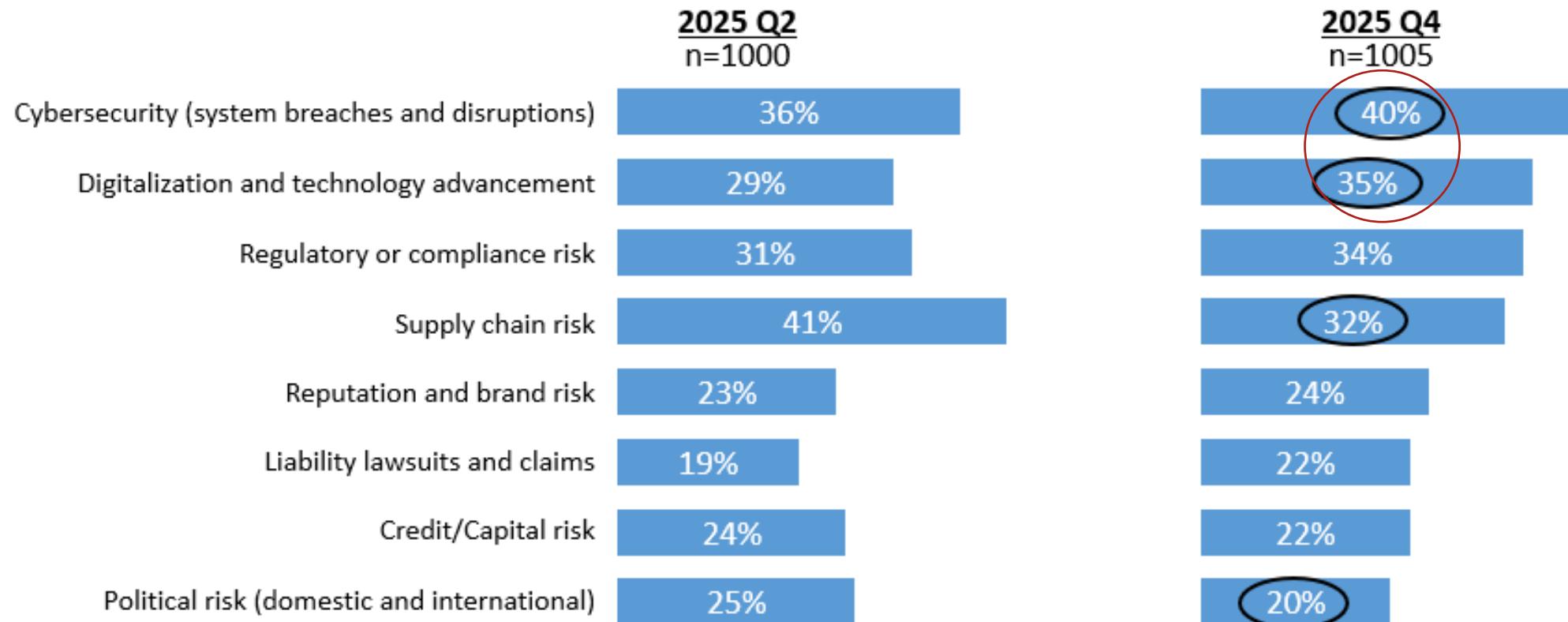
Top Challenges



Source: Year End Middle Market Indicator Report

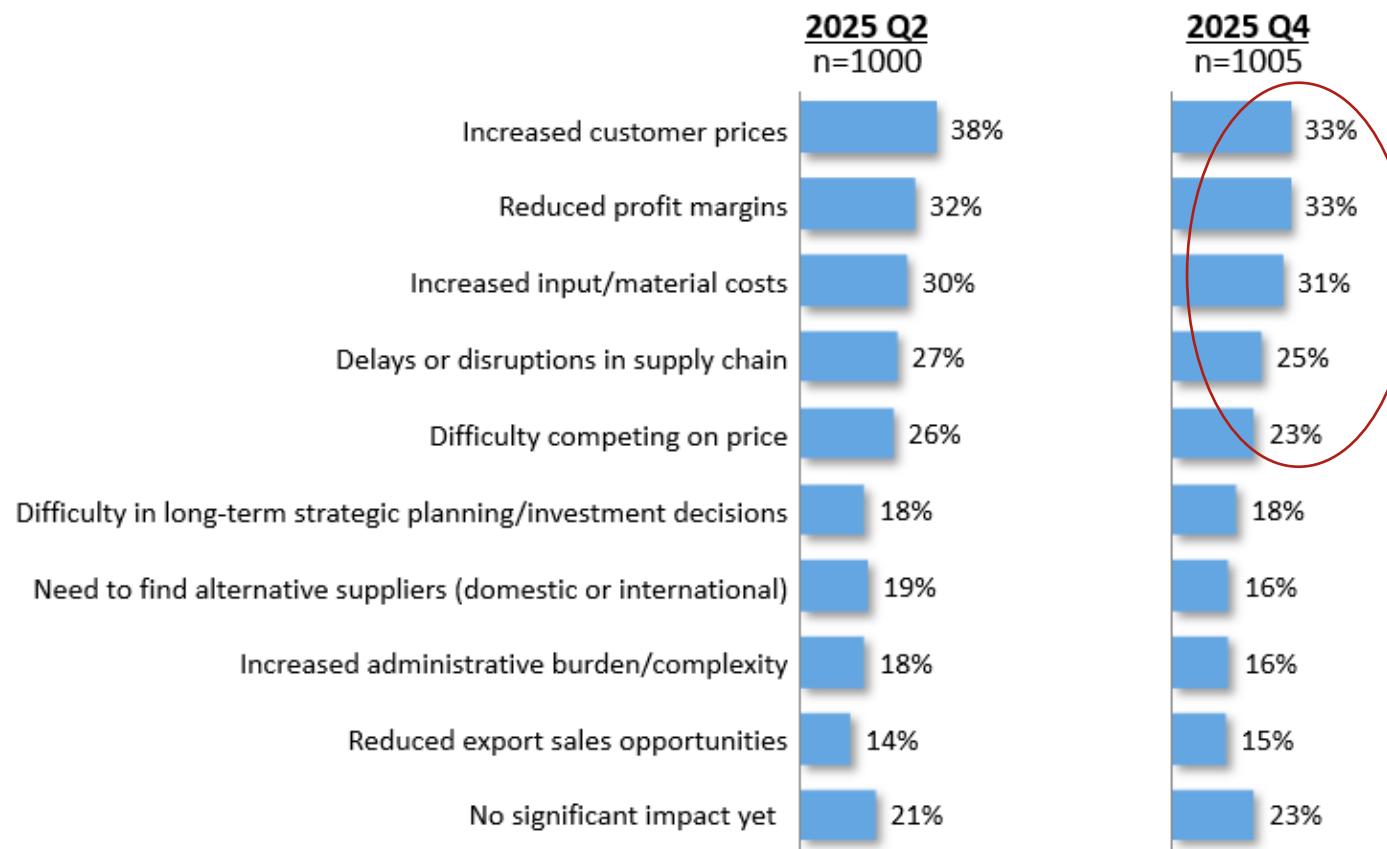
Cyber and Digitization Top Emerging Risks

Top Risks Facing Company (Ranked 1-3)



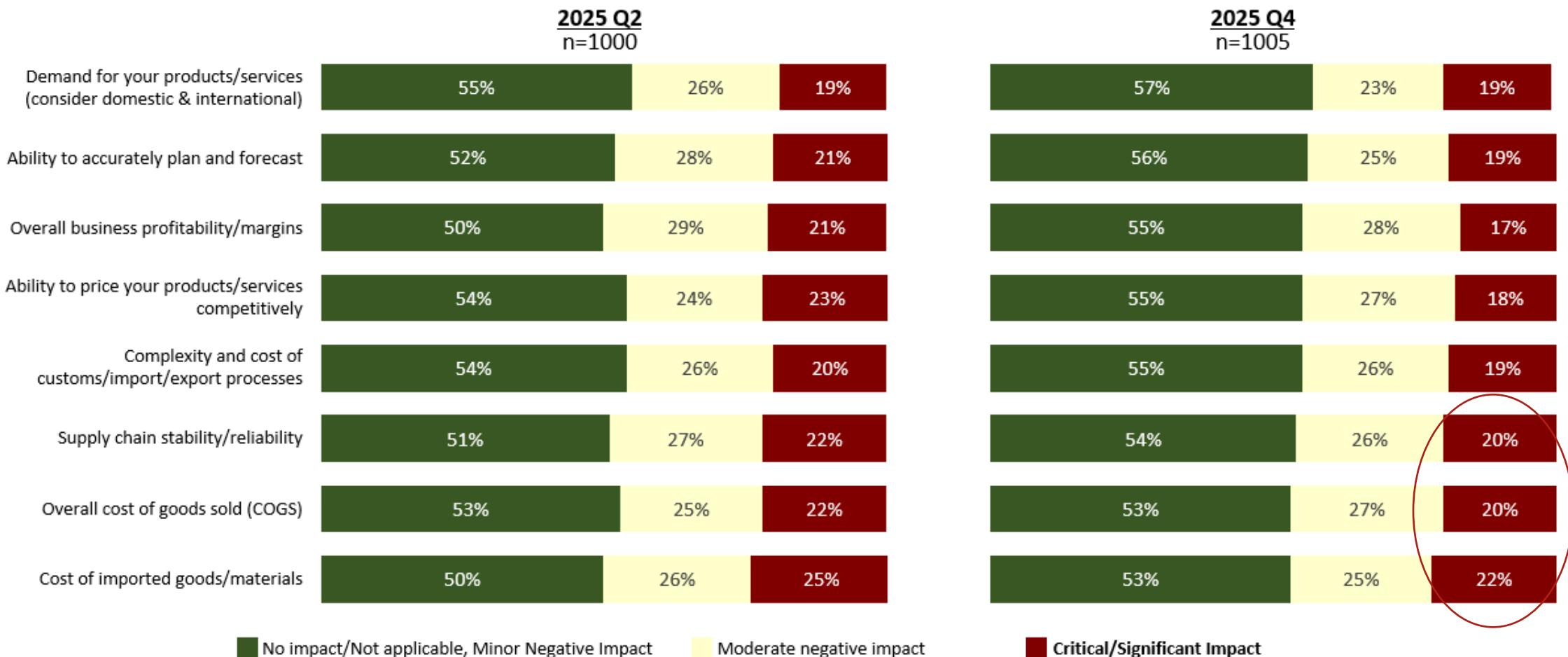
Tariffs

Effects Experienced/Anticipate Due To Recent Or Potential Tariffs/Trade Policy Changes

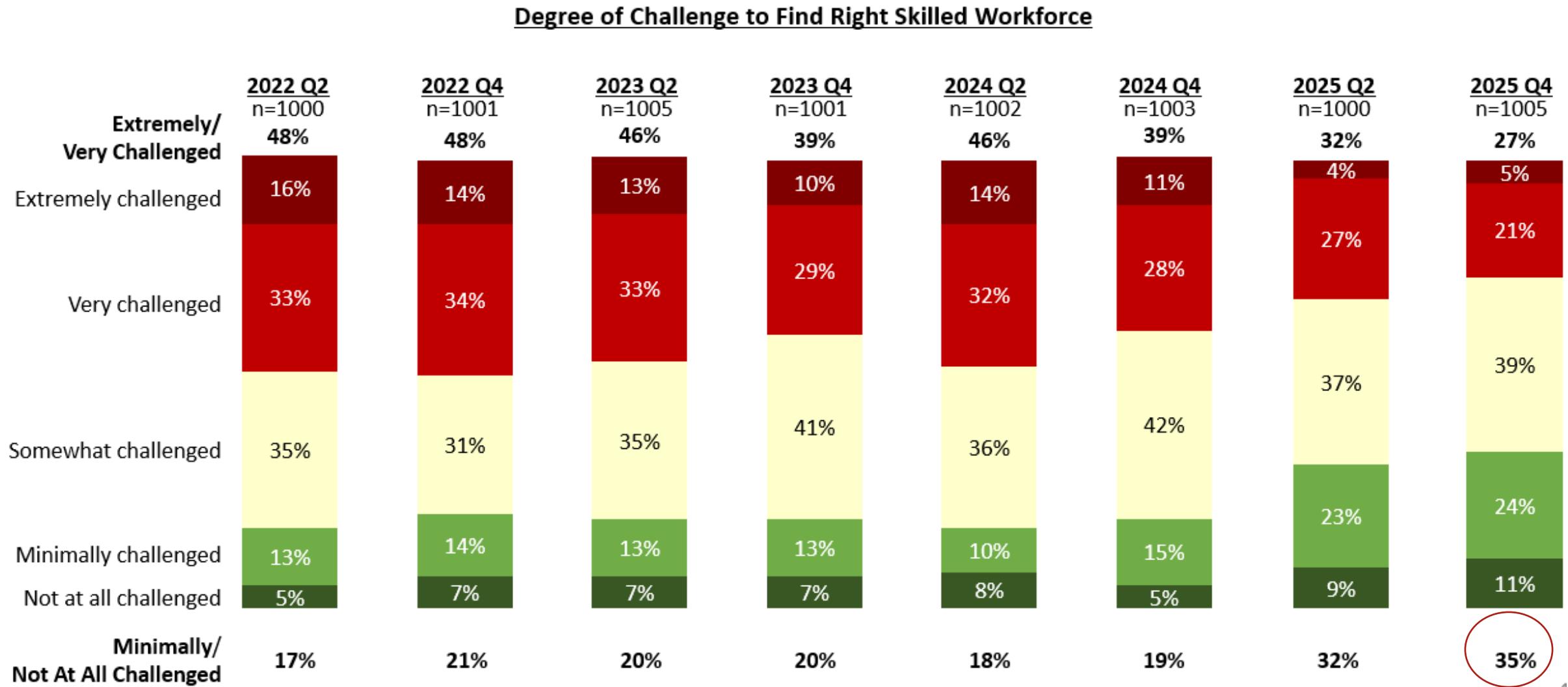


Tariffs

Current Or Anticipated Impact Of Tariffs And Trade Policy On The Following Aspects Of Business

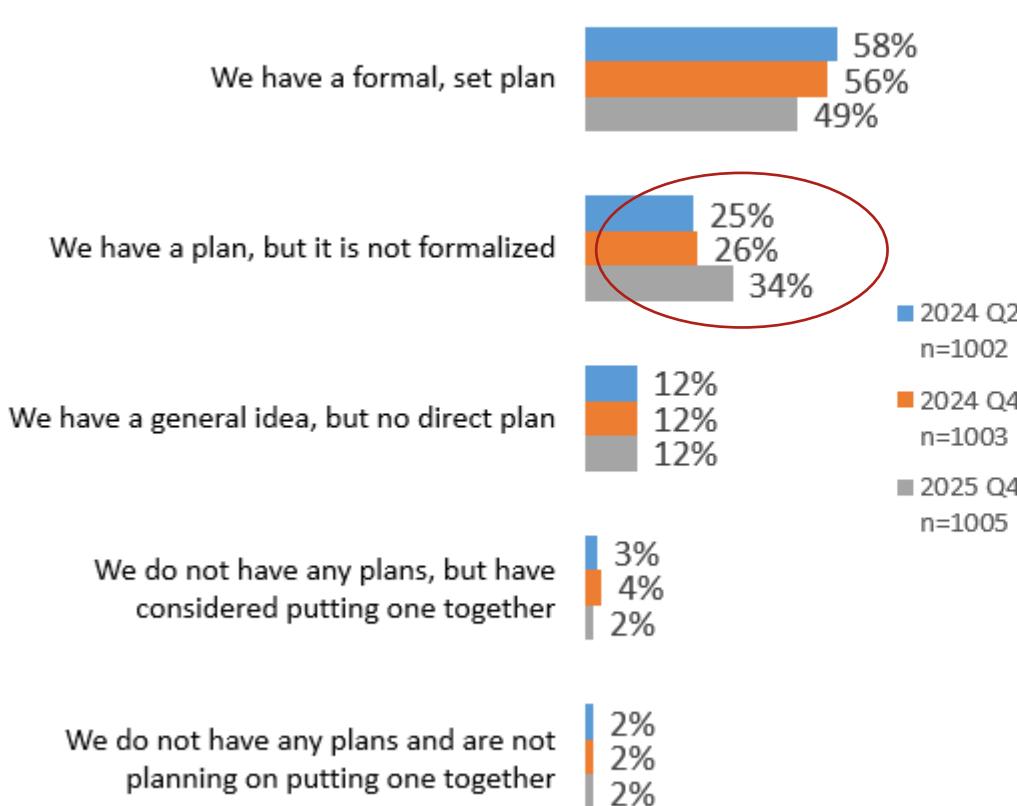


Skills Gap Continues to Shrink

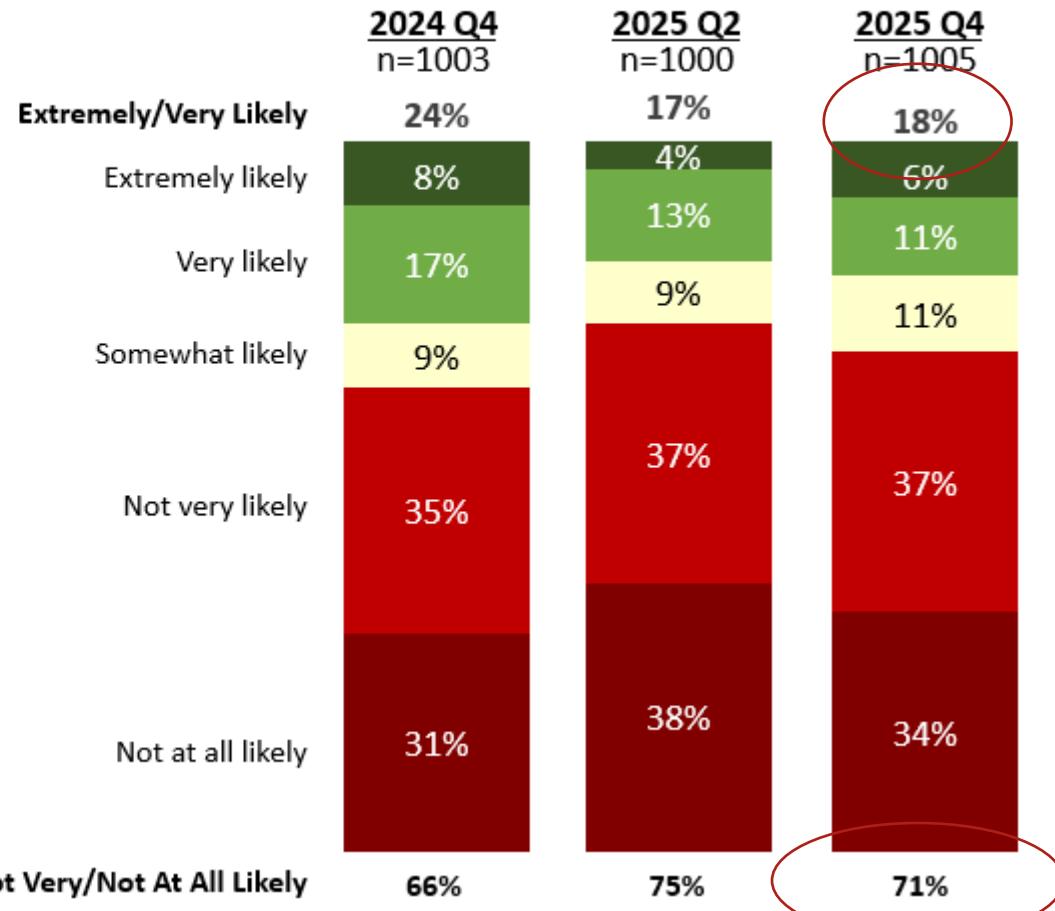


Business Transitions

Succession Planning



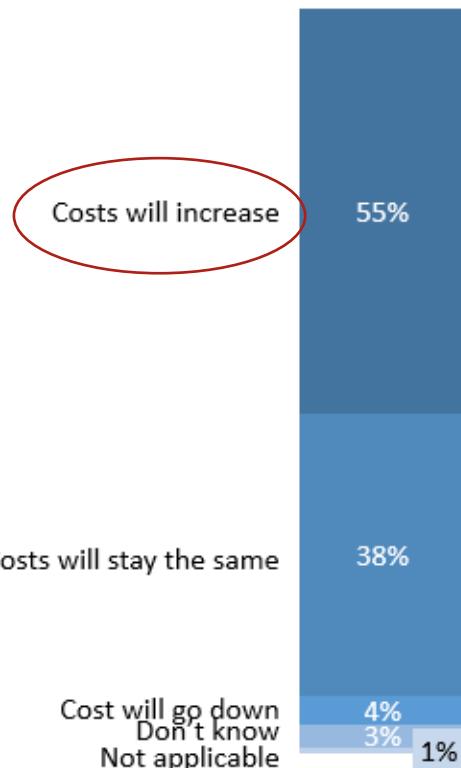
Likelihood To Transition Ownership In The Next 24 Months



Healthcare Costs

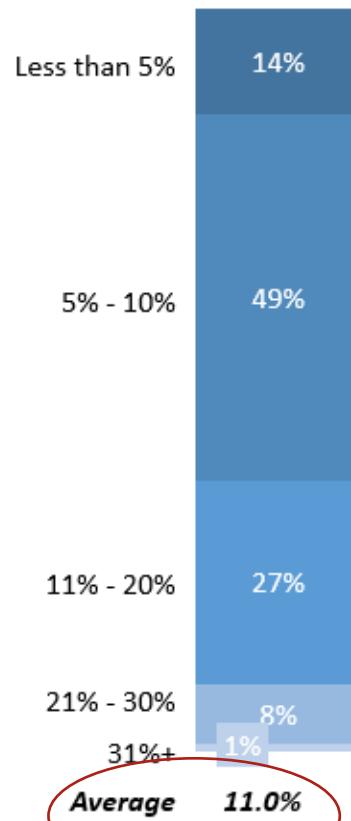
Changes In Organization's Healthcare Costs In 2026

2025 Q4
n=1005



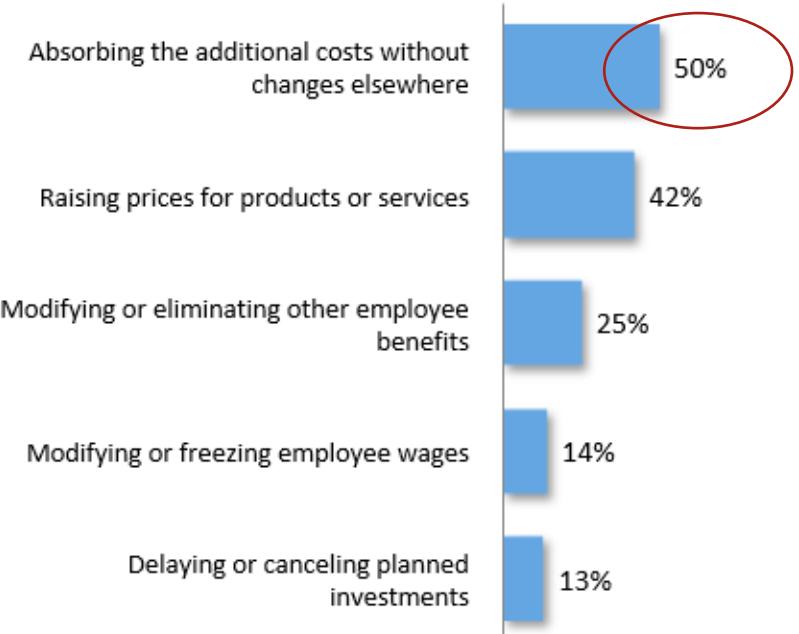
Expected Costs Increases

2025 Q4
n=548



Trade-offs Making To Pay For Anticipated Higher Healthcare Costs

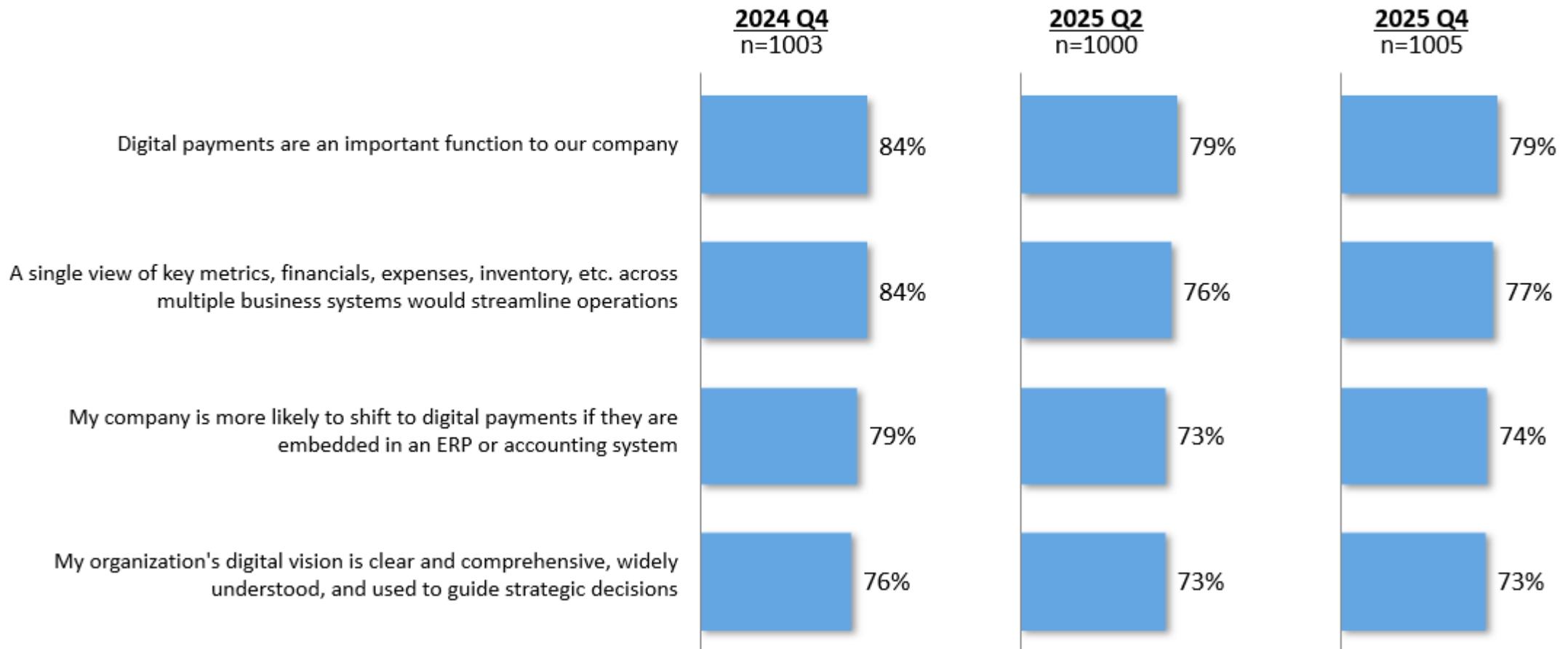
2025 Q4
n=548



Digitization and AI

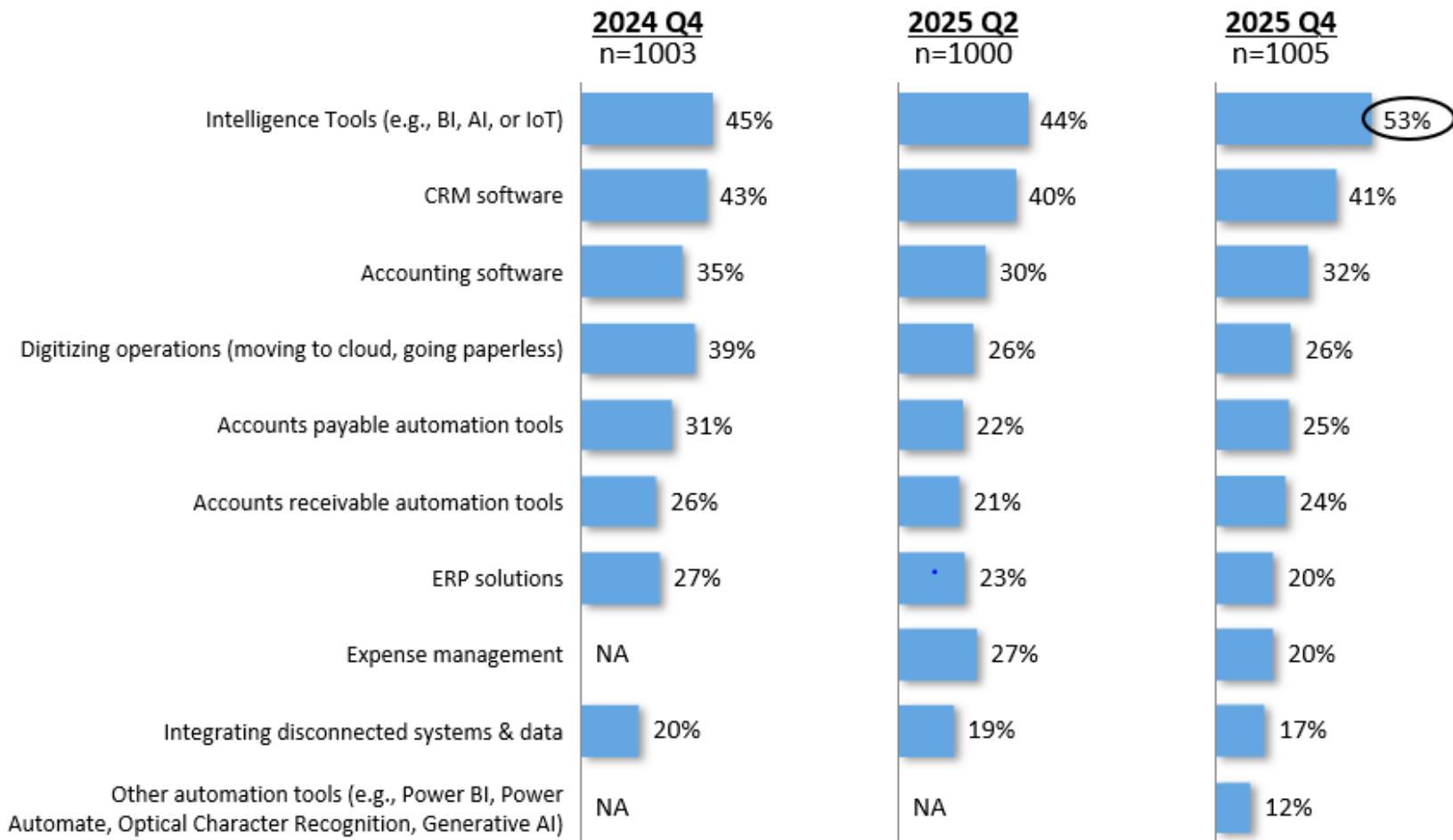
Digital Plans

Agreement with Statements about Company's Digitization (Strongly/Somewhat Agree)



Technology Focus

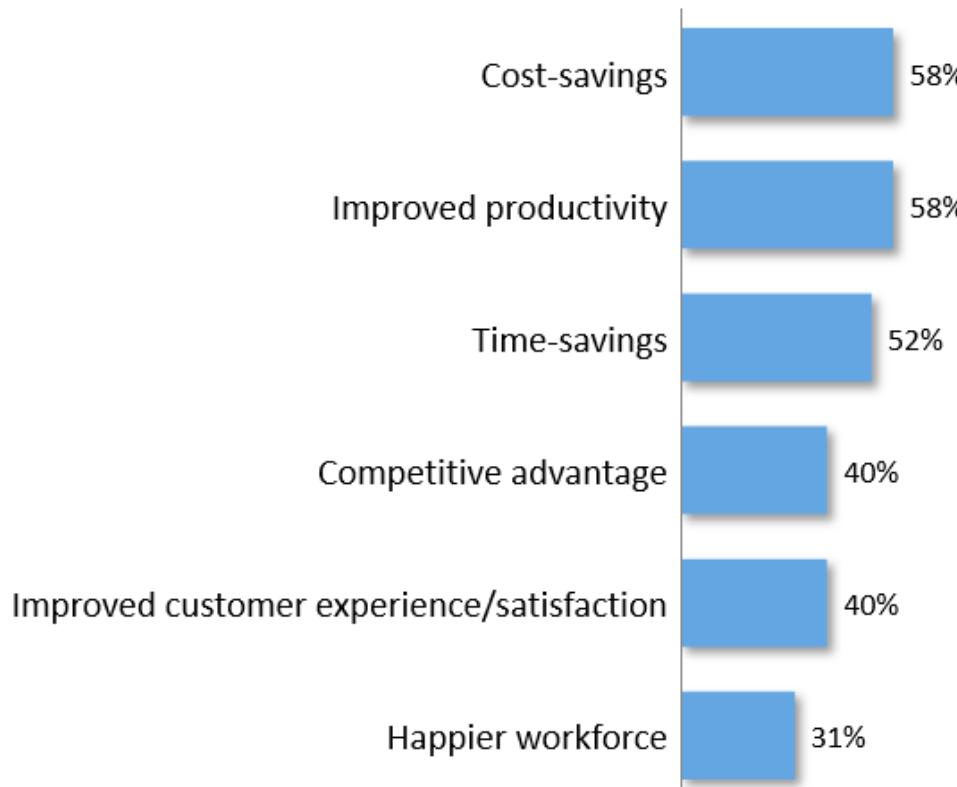
Technology Areas Plan To Invest In For The Near Future



Benefits and Barriers

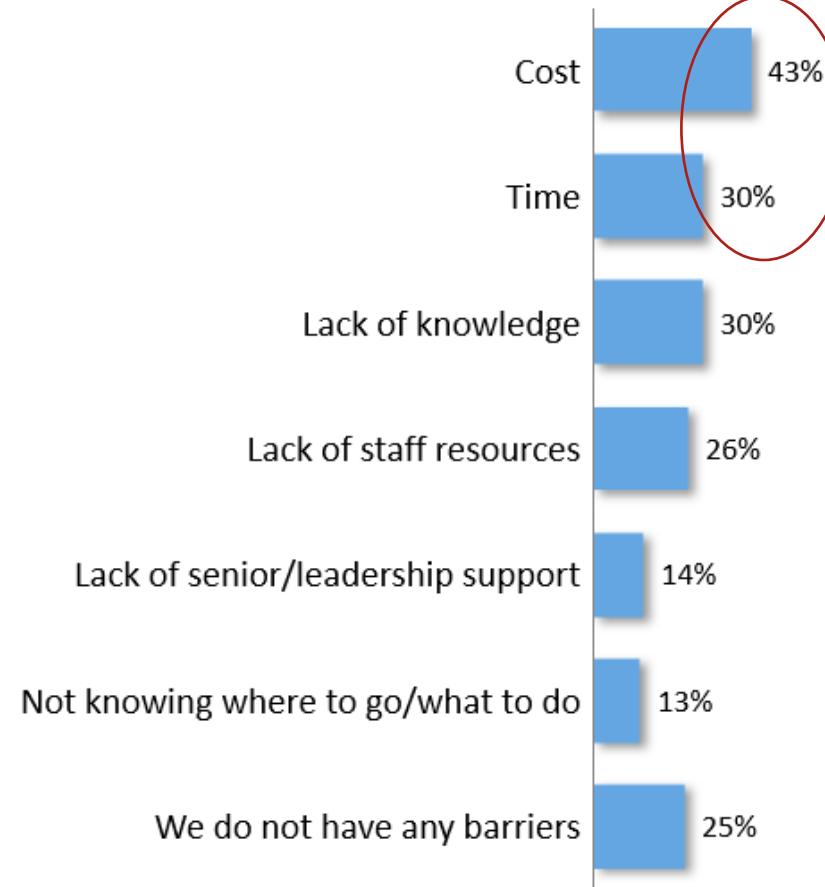
Benefits Of Digitization

2025 Q2
n=1000



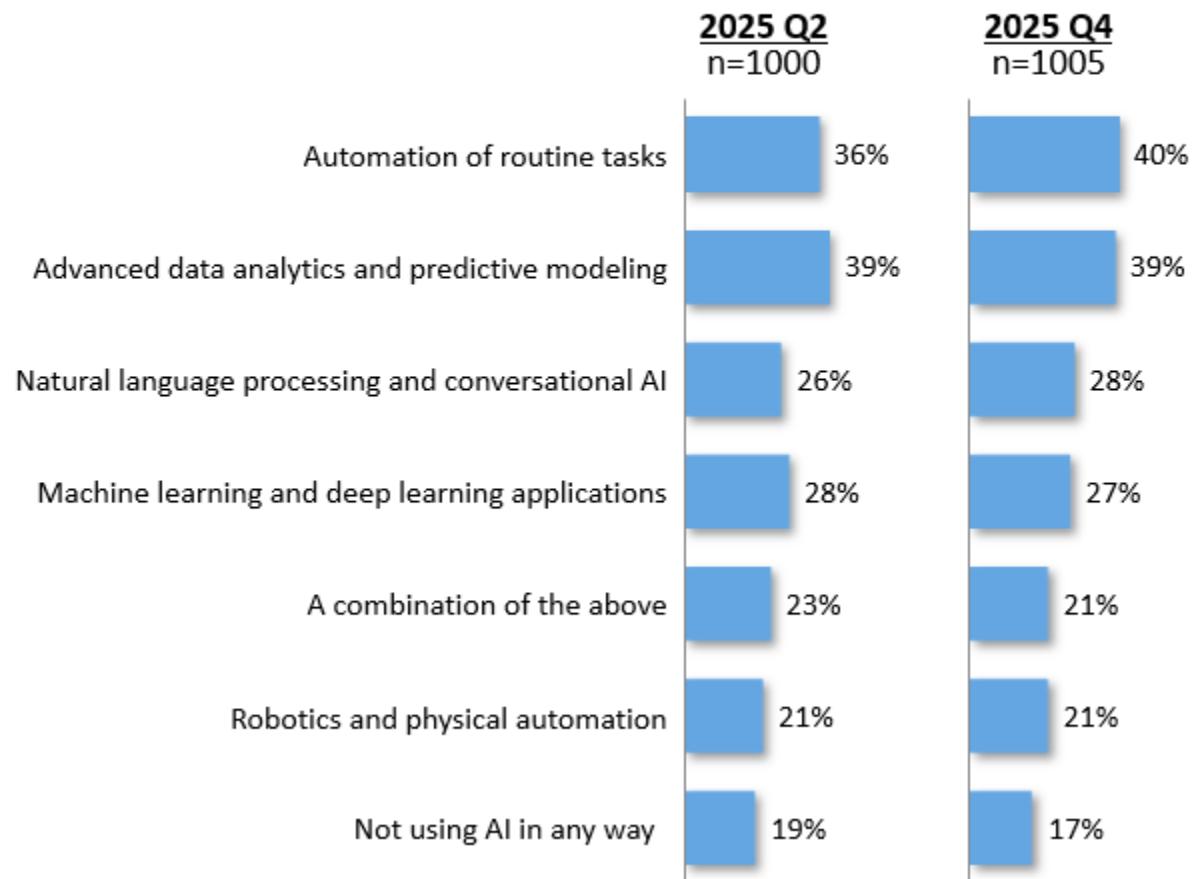
Barriers To Digitization

2025 Q2
n=1000

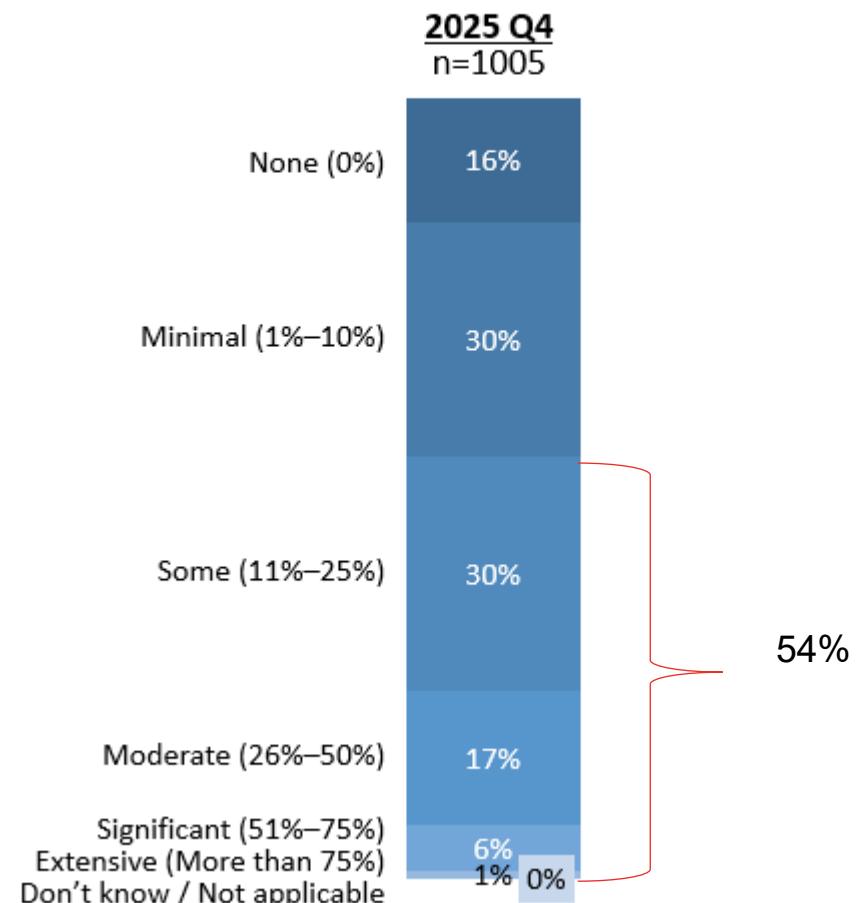


AI Utilization

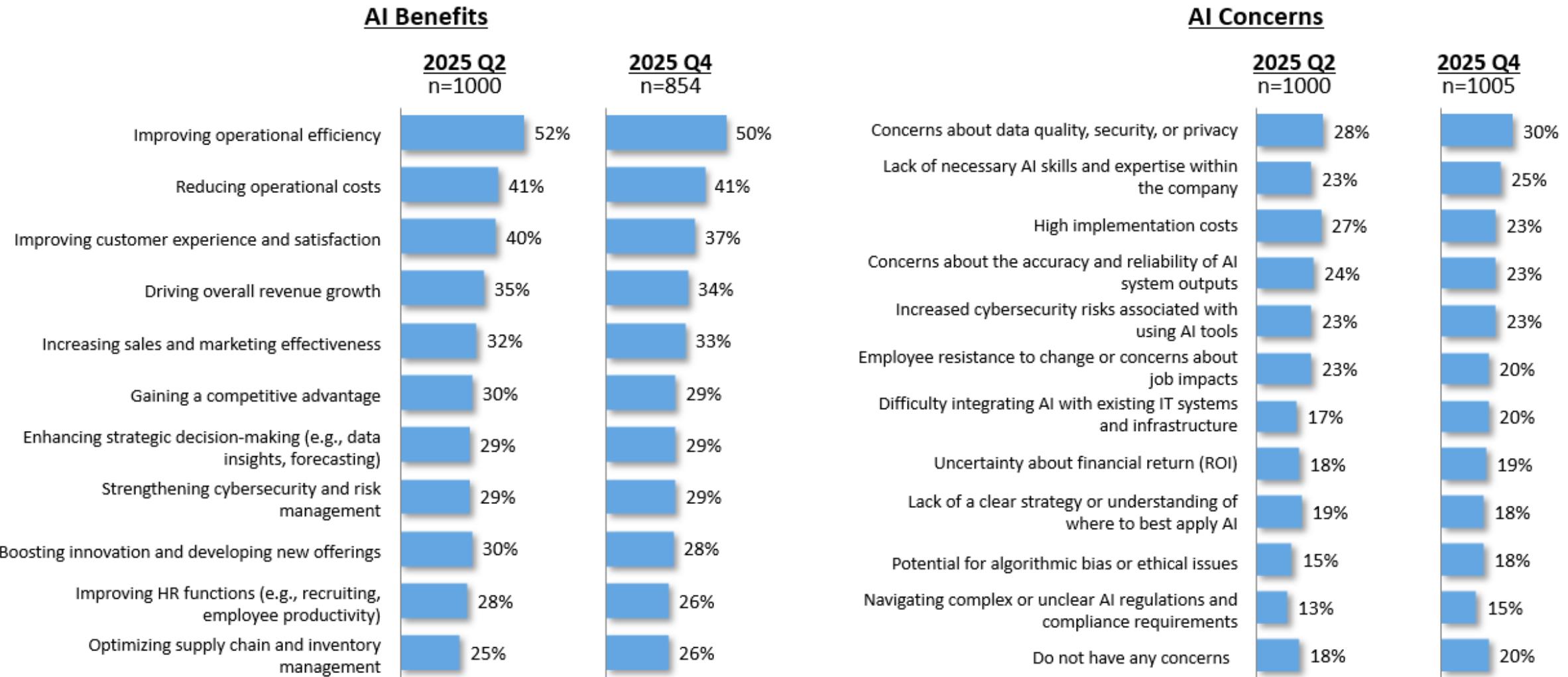
Use of Artificial Intelligence (AI)



Extent To Which AI Replaced Or Reduced The Need For Human Employees



Artificial Intelligence - Perspectives



Summary

- Middle Market demonstrates its resilience:
 - Growth – rebounds from mid-year, both topline revenue and hiring
 - Confidence remains relatively flat, although declining locally from past waves
 - Future expansion focused on products/services, new markets, and technology investments
- Biggest challenges include talent retention, AI adoption and ROI, and rising costs
- AI continues to outweigh other investments for middle market companies. The opportunity to address costs and talent gaps balanced with concerns about effective implementation, privacy, and data security challenges.

Research Projects

Future Standard®



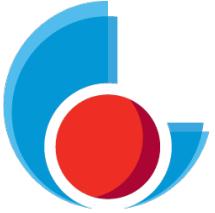
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Middle Market Decision-Making: Tradeoffs
and Priorities
Scheduled for March 2026



Evolution of the Middle Market
Profiles and Personas
October 2026



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