



## Middle-Market CEOs Sound Alarm on Tariff Impacts and Tax Policy Uncertainty

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*53% of CEOs Fear Tariffs' Financial Impact, Prompting Price Increases, Workforce Reductions and Delayed Investments*

CLEVELAND, Jan. 8, 2025 /PRNewswire/ -- The latest [CBIZ-Hofstra University CEO Survey](#) highlights pressing concerns for middle-market CEOs as they navigate the dual challenges of proposed tariffs and uncertainty surrounding U.S. tax policies. The survey sheds light on how these factors are shaping business strategies in a shifting economic environment.



### Tariff Concerns Force Strategic Adjustments

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Tariffs emerged as a dominant issue, with 53.2% of CEOs expressing strong concern over their financial impact. In response, many companies are preparing for significant operational changes:

- **80.9%** are considering relocating production to mitigate tariff-related costs.
- **75.4%** may reduce their workforce.
- **72.3%** plan to delay investments.
- **66.4%** are exploring new supplier options.
- **50.0%** are contemplating price increases.

"Our findings highlight the profound ripple effect that even the discussion of tariffs is having on the middle market, forcing CEOs and management teams to rethink their strategies at every level," said [Jerry Grisko](#), President and Chief Executive Officer of CBIZ. "These economic factors compel businesses to be more agile, re-evaluate their operational frameworks, and seek innovative solutions to maintain resilience and competitiveness. Understanding and anticipating these shifts are crucial for CEOs."

### Mixed Impacts of U.S. Tax Policies

The [survey](#) also reveals divided perspectives on the benefits of recent and proposed tax reforms:

- **42.6%** of CEOs reported moderate benefits from the Tax Cuts and Jobs Act (TCJA), including reduced corporate tax rates and bonus depreciation.
- **51.9%** anticipate positive effects if TCJA provisions are extended, though 30.1% expect no impact.
- **43.3%** have benefited from the Inflation Reduction Act (IRA), but nearly half (47.7%) reported no tangible gains.

"While tax reforms have provided relief for many, the overall impact remains uneven across industries," said [Bill Smith](#), National Director of Tax Technical Services at CBIZ. "The survey underscores the complexity of tax-driven economic policies and the need for individually tailored strategies to address them."

### Key Takeaways on Business Confidence and Planning

Beyond policy concerns, the survey reveals broader trends influencing CEO decision-making:

- **Economic concerns:** Consistently the top issue, cited by 55.1% of CEOs.
- **Talent availability:** Ranked among the top three influences by 37.5%, reflecting persistent hiring challenges.
- **Cybersecurity concerns:** Growing in importance, increasing 6.7% since September.

Despite these challenges, optimism among CEOs rebounded in December, with 45.0% rating their outlook as highly positive, up from 34.5% in September.

The [survey](#) was developed, conducted, and analyzed by Zarb School MBA students, led by Dr. Andrew Forman, associate professor of international business and marketing, in partnership with [CBIZ](#).

"The data from our latest survey underscores the heightened sensitivity of middle-market CEOs to both tariffs and tax policy uncertainties," shared Dr. Andrew Forman. "As such, businesses are making difficult but necessary decisions to safeguard their profitability and maintain competitiveness."

"Learning to adapt and adjust during uncertain times is an essential lesson for business students," stated Janet A. Lenaghan, Dean of the Zarb School of Business. "Embracing change with a growth mindset empowers leaders to transform challenges into opportunities, drive innovation, solve problems

effectively, and strategically position their businesses for long-term success."

### About the Survey

[The CBIZ-Hofstra Survey](#) is a periodic gauge of mid-market CEOs' outlook and priorities for the next 12 months. The survey polled the leaders of companies with revenues ranging from \$5 million to \$1 billion-plus and was conducted the week of December 9, 2023. Two hundred fifty-six mid-market CEOs and leaders participated. Previously known as the Marcum - Hofstra Survey, the name was changed following CBIZ's acquisition of Marcum last year.

### About the Frank G. Zarb School of Business at Hofstra University

Hofstra University's Frank G. Zarb School of Business prepares students to become tomorrow's global leaders. Located just 25 miles from New York City, Zarb students have access to internships and networking opportunities across every industry. The Zarb School combines entrepreneurial, hands-on learning and research with real-world experience and mentorship in state-of-the-art facilities, including a Behavioral Research Business Lab, Institute of Innovation and Entrepreneurship, Core Skills Lab, and academic trading room. Our undergraduate and graduate programs in accounting, management and entrepreneurship, marketing and international business, finance, and business analytics are ranked and recognized by *US News & World Report*, *Princeton Review*, and *Poets & Quants*. Visit [hofstra.edu/zarb](https://hofstra.edu/zarb) for more information.

### About CBIZ

CBIZ, Inc. (NYSE: CBZ) is a leading professional services advisor to middle market businesses and organizations nationwide. With unmatched industry knowledge and expertise in accounting, tax, advisory, benefits, insurance, and technology, CBIZ delivers forward-thinking insights and actionable solutions to help clients anticipate what's next and discover new ways to accelerate growth. CBIZ has more than 10,000 team members across more than 160 locations in 21 major markets coast to coast. For more information, visit [www.cbiz.com](https://www.cbiz.com).



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