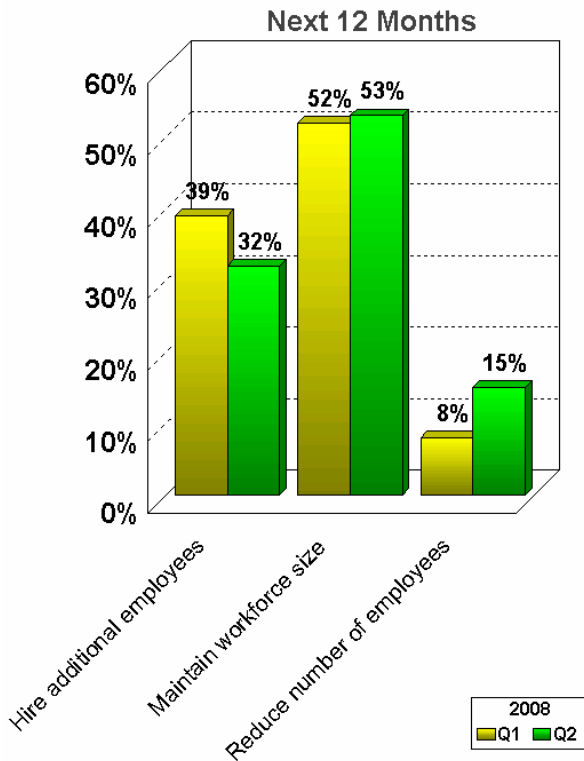
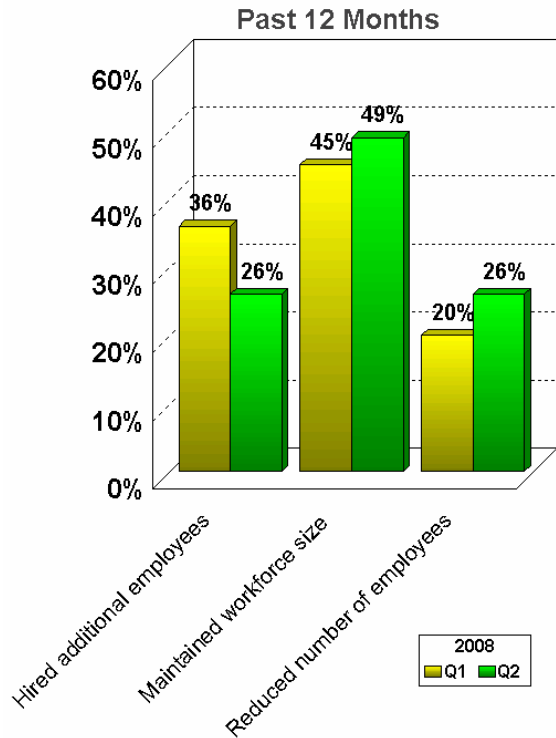


Employment Patterns

The Silver State Bank/ASBA/O'Neil Associates Arizona Economic Indicators Monitor asked small businesses to look back over the last 12 months and report whether they had hired additional employees, reduced the number of employees, or maintained their workforce size, the responses were perfectly symmetrical this quarter: the proportion who had hired additional employees (26%) was equal to the proportion that had reduced the number of employees (26%). These figures, however, were far less optimistic than the retrospective reports given in Q1. Last quarter, the number reporting they had hired additional employees (36%) greatly exceeded the proportion who reported they had reduced the number of employees (26%).



When we asked these same small businesses about prospects for the next 12 months, their projections were still more optimistic than pessimistic. The proportion who reported an intention to hire additional employees (32%) exceeded the proportion who expected to reduce the number of employees (15%) by almost a two-to-one margin. This ratio, however, is far less lopsided than the five-to-one ratio noted last quarter when 39% expected to hire additional employees and only 8% expected to reduce the number of employees. The Poll's director, Dr. Michael O'Neil observed "Small businesses tend to be optimistic concerning their own prospects. Most likely this results in projections that tend to be on the 'rosy' side. In light of this, the drop in the "hire more" to "workforce reduction" ratio from 5:1 in Q1 to 2:1 in Q2 is dramatic."

*These results are taken from the Q2 **Silver State Bank/ASBA/O'Neil Associates Arizona Economic Indicators Monitor**. This project provides insights to support business leaders in companies of all sizes to make key economic decisions, as well as sharing small business attitudes on major political issues. **O'Neil Associates**, a national public opinion research firm based in Tempe, sent surveys to ASBA's membership of 3,000 small businesses across the state in late June as it did at the end of Q1 2008. The survey covered a wide range of economic issues, including business performance, revenue and job growth, and overall business confidence ratings. Results provide insights into the perceptions of business owners on the economic health and vitality of the Arizona economy. The survey has a margin of error (at the 95% confidence level) of approximately +/-6%. Silver State Bank President Mike Thorell said: "This release continues our efforts to inform the business community about significant economic, social, and political trends affecting Arizona."*

Results of this survey may be cited freely with the proviso that they be cited as the "Silver State Bank/ASBA/O'Neil Associates Arizona Economic Indicators Monitor"

The Silver State Bank/ASBA/O'Neil Associates Arizona Economic Indicators Monitor is made possible by a cooperative effort of

- **Silver State Bank** is Nevada's largest small business lender and has recently expanded its operations in Arizona.
- **ASBA**, the Arizona Small Business Association, is the leading voice for small businesses in the State of Arizona.
- **O'Neil Associates**, a national public opinion research firm based in Tempe, has done over 1700 public opinion and marketing research projects since 1981. These include surveys and focus group projects for a wide array of businesses throughout the country.

For a complete copy of all **Silver State Bank/ASBA/O'Neil Associates Arizona Economic Indicators Monitor** reports released to date, as well as opinion research reports on an array of other topics visit <http://www.oneilresearch.com/publicdomain> or click on the banner below.



For Further Information or to schedule media interviews contact *via email*:

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