

Media Relations

August 4, 2014

UNH: LESI Continues an Upward Move on Robust Present and Future Business Expectations

DURHAM, N.H. – The Lodging Executives Sentiment Index for the current period ending June 2014 increased to 79.5 from May's 76.8 reading. Overall the lodging executives' sentiment for Present Business Conditions and Business Conditions 12 months in the future improved during this current period.

"Lodging Executives expectations for present business conditions, as well as future business conditions 12 months in the future, improved appreciably, recording another strong month overall," said Nelson Barber, associate professor of hospitality management, who manages the index. "However, future employment sentiment regarding hiring of non-managerial employees has leveled off, suggesting that new hiring will be flat."

Seventy-three percent of lodging executives indicated current business conditions were good, a decrease from 71 percent last period, while 27 percent indicated conditions were normal, an increase from 21 percent last period. During the current period, no executives expressed present conditions were bad, an improvement of 7 percent over last period.

Managed by the Department of Hospitality Management at the UNH Peter T. Paul College of Business and Economics, the LESI is based on a monthly survey of lodging executives representing companies with more than 2.5 million hotel rooms across lodging segments and geographic regions of the United States -- more than 55 percent of all U.S. rooms.

Executives are asked about the present and future business conditions, and to report their outlook during the next 12 months about room reservations and employment practices, such as an increase or decrease of their non-managerial work force.

The LESI indices follow the Institute of Supply Management's Index (ISM) method of tracking leading indicators. A LESI survey reading of greater than 50 indicates expansion whereas a reading below 50 indicates decline and the distance from 50 in either direction is indicating the strength of the expansion or decline. During the June period of time, the ISM Index increased to 55.3 from 55.4 in May 2014.

Looking forward 12 months, lodging executives' future employment sentiment regarding hiring of non-managerial employees decreased from 66.7 in May 2014 to 50.0 in June 2014. Lodging Executives appear to be holding off on any future hiring decisions. The ISM Employment Index remained flat at 52.8 period over period suggesting manufacturing is anticipating a hiring slow down, despite the June unemployment rate, published by the Bureau of Labor Statistics (BLS), which improved to 6.1 from 6.3 in May 2014.

Looking forward, 45 percent of the executives thought business conditions will be better in the next 12 months, an increase from 43 percent last period while 55 percent indicated they will be the same; down from 57 percent last month. During the two periods, no executives indicated future conditions were bad.

For more information about LESI, visit <http://paulcollege.unh.edu/LESI>.

The [UNH Peter T. Paul College of Business and Economics](http://www.unh.edu/peter_t_paul_college_of_business_and_economics) offers a full complement of high-quality programs in

business, economics, accounting, finance, information systems management, marketing, and hospitality management. Programs are offered at the undergraduate, graduate, and executive development levels. The college is accredited by the Association to Advance Collegiate Schools of Business, the premier accrediting agency for business schools worldwide.

The [University of New Hampshire](#), founded in 1866, is a world-class public research university with the feel of a New England liberal arts college. A land, sea, and space-grant university, UNH is the state's flagship public institution, enrolling 12,200 undergraduate and 2,300 graduate students

Nelson Barber, associate professor of hospitality management, is available to discuss the June 2014 LESI report. He can be reached at nelson.barber@unh.edu The most recent LESI report is available at <http://paulcollege.unh.edu/LESI>.

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