



# Survey Data Findings

## Small Business Index Q4 2018

### Ipsos Survey on behalf of MetLife – U.S. Chamber of Commerce

Washington, DC, November 28, 2018

These are findings from an Ipsos poll conducted September 24 – October 22, 2018, via telephone in English. For the survey, a sample of 1,000 small business owners and operators was sourced from the continental U.S., Alaska and Hawaii.

Small businesses are defined in this study as companies with fewer than 500 employees that are not sole proprietorships. The sample for this study is a listed business directory of all U.S. businesses obtained through Dun and Bradstreet. Ipsos used fixed sample targets, unique to this study, in drawing sample. This sample calibrates respondent characteristics to be representative of the U.S. small business population using standard procedures such as raking-ratio adjustments. The source of these population targets is U.S. Census 2016 Statistics of U.S. Businesses dataset. The sample drawn for this study reflects fixed sample targets on firmographics. Post-hoc weights were made to the population characteristics on region, industry sector and size of business.

All sample surveys and polls may be subject to other sources of error, including, but not limited to coverage error and measurement error. The poll has a margin of error of plus or minus 3.5 percentage points for all respondents. Ipsos calculates a design effect (DEFF) for each study based on the variation of the weights, following the formula of Kish (1965). This study had a confidence interval adjusted for design effect of the following:  $(n=1,000, DEFF=1.5)$  adjusted Confidence Interval= $\pm 5$  percentage points. Where figures do not sum to 100, this is due to the effects of rounding.

1. First, how would you rate the overall health of your business?

	<u>Q2-2017</u>	<u>Q3-2017</u>	<u>Q4-2017</u>	<u>Q1-2018</u>	<u>Q2-2018</u>	<u>Q3-2018</u>	<u>Q4-2018</u>
Very good	38	35	39	37	38	38	39
Somewhat good	23	26	22	25	22	26	25
About average	30	31	28	27	29	27	26
Somewhat poor	7	6	6	7	7	5	7
Very poor	2	2	3	3	2	2	2
Refused	--	--	0	1	0	0	0
Don't know	--	--	1	0	1	0	0

2. How would you rate the overall health of the United States economy?

	<u>Q2-2017</u>	<u>Q3-2017</u>	<u>Q4-2017</u>	<u>Q1-2018</u>	<u>Q2-2018</u>	<u>Q3-2018</u>	<u>Q4-2018</u>
Very good	5	9	9	21	13	21	29
Somewhat good	28	32	29	35	34	33	29
About average	41	33	35	26	31	25	27
Somewhat poor	22	19	20	12	16	13	10
Very poor	3	5	5	4	4	4	4
Refused	--	1	1	1	1	1	1
Don't know	1	1	2	2	1	2	1

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## Survey Data Findings – continued –

3. How would you rate the overall health of the economy in your local area?

	<u>Q2-2017</u>	<u>Q3-2017</u>	<u>Q4-2017</u>	<u>Q1-2018</u>	<u>Q2-2018</u>	<u>Q3-2018</u>	<u>Q4-2018</u>
Very good	15	18	18	20	20	25	26
Somewhat good	27	28	30	26	29	26	30
About average	36	31	29	34	32	31	25
Somewhat poor	17	17	17	14	16	12	14
Very poor	5	6	5	6	4	6	4
Refused	--	--	-	0	0	0	0
Don't know	--	--	-	0	0	0	1

4. Compared to six months ago, does your business see more competition, less competition or about the same level of competition from smaller or local companies?

	<u>Q2-2017</u>	<u>Q3-2017</u>	<u>Q4-2017</u>	<u>Q1-2018</u>	<u>Q2-2018</u>	<u>Q3-2018</u>	<u>Q4-2018</u>
More competition	15	15	20	16	14	18	18
Less competition	6	7	7	4	8	6	6
Stayed about the same	76	77	71	77	75	74	74
Refused	2	1	1	1	2	1	1
Don't know	1	1	2	1	1	2	1

5. How comfortable are you with your company's current cash flow situation?

	<u>Q2-2017</u>	<u>Q3-2017</u>	<u>Q4-2017</u>	<u>Q1-2018</u>	<u>Q2-2018</u>	<u>Q3-2018</u>	<u>Q4-2018</u>
Very comfortable	32	30	33	36	32	34	34
Somewhat comfortable	48	51	47	44	47	47	46
Not very comfortable	14	12	11	12	11	11	12
Not at all comfortable	4	5	6	7	6	5	5
Refused	1	1	1	1	2	1	1
Don't know	1	1	2	1	1	2	2

6. For the upcoming year, do you plan to...?

	<u>Q2-2017</u>	<u>Q3-2017</u>	<u>Q4-2017</u>	<u>Q1-2018</u>	<u>Q2-2018</u>	<u>Q3-2018</u>	<u>Q4-2018</u>
Increase investment	25	23	25	29	28	25	29
Invest about as much in the business as you did last year	56	58	56	54	55	57	53
Reduce investment	15	14	11	13	10	10	12
Refused	1	1	2	1	2	1	1
Don't know	3	4	5	2	5	6	5

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## Survey Data Findings – continued –

7. Compared to six months ago, has the time or resources you spend completing licensing, compliance or other government requirements increased, decreased or stayed the same?

	<u>Q2-2017</u>	<u>Q3-2017</u>	<u>Q4-2017</u>	<u>Q1-2018</u>	<u>Q2-2018</u>	<u>Q3-2018</u>	<u>Q4-2018</u>
Increased	25	23	24	18	21	20	23
Decreased	1	4	3	3	2	3	4
Stayed the same	70	71	70	76	74	74	70
Refused	1	1	1	1	1	0	1
Don't know	3	2	2	2	2	3	2

8. Over the past year, would you say you have...?

	<u>Q2-2017</u>	<u>Q3-2017</u>	<u>Q4-2017</u>	<u>Q1-2018</u>	<u>Q2-2018</u>	<u>Q3-2018</u>	<u>Q4-2018</u>
Increased staff	15	18	16	16	18	19	19
Retained the same size staff	72	69	67	68	69	66	64
Reduced staff	13	13	16	15	12	13	16
Refused	1	1	-	0	0	0	0
Don't know	--	--	1	0	0	1	1

9. In the next year, do you anticipate...?

	<u>Q2-2017</u>	<u>Q3-2017</u>	<u>Q4-2017</u>	<u>Q1-2018</u>	<u>Q2-2018</u>	<u>Q3-2018</u>	<u>Q4-2018</u>
Increasing staff	29	24	27	32	32	25	30
Retaining the same size staff	64	68	68	62	63	68	65
Reducing staff	6	5	3	4	4	5	4
Refused	--	1	-	1	0	0	1
Don't know	1	2	2	1	1	2	1

10. Looking forward one year, do you expect next year's revenues to increase, decrease or stay the same?

	<u>Q2-2017</u>	<u>Q3-2017</u>	<u>Q4-2017</u>	<u>Q1-2018</u>	<u>Q2-2018</u>	<u>Q3-2018</u>	<u>Q4-2018</u>
Increase	60	56	57	61	62	56	60
Decrease	9	8	6	6	8	8	6
Stay the same	29	33	33	30	28	33	32
Refused	--	1	1	1	0	1	0
Don't know	1	2	3	2	2	2	1



## Survey Data Findings – continued –

### Q4 Story Questions

11. Have you searched for, recruited, or interviewed any new talent in 2018?

	<u>Q4-2018</u>
Yes	43
No	57
DK/NS	0

**[Asked only if answered “yes” in Q.11; n=515 respondents]**

12. How would you rate the quality of potential recruits that are applying for positions at your company? Would you say the quality of the potential recruits is...

	<u>Q4-2018</u>
Very good	9
Good	34
Fair	35
Poor	20
Does not apply / not looking at applicants	1
DK/NS	0

**[Asked only if answered “yes” in Q.11; n=515 respondents]**

13. Would you say it was easy or hard to find the talent you needed?

a. Finding candidates with the skills you need

	<u>Q4-2018</u>
Very easy	6
Somewhat easy	18
Neither easy nor hard	8
Somewhat hard	40
Very hard	27
DK/NS	0



## Survey Data Findings – continued –

### b. Finding candidates with the experience you need

	<u>Q4-2018</u>
Very easy	4
Somewhat easy	18
Neither easy nor hard	8
Somewhat hard	40
Very hard	29
DK/NS	0

### c. Finding candidates in your area

	<u>Q4-2018</u>
Very easy	7
Somewhat easy	17
Neither easy nor hard	10
Somewhat hard	38
Very hard	29
DK/NS	0

**[Asked only if answered “somewhat hard,” or “very hard” to any statement in Q.13; n=408 respondents]**

### 14. Because you had difficulty finding the right candidates, has your business had to do any of the following to compensate for that lack?

	<u>Q4-2018</u>
Business had to pass on new work because you didn’t have enough staff	37
You or the owner had to personally work longer hours or take on more roles	81
Had to ask staff to work overtime/longer hours	61
Business is spending less operationally than you would like	35
Business had to outsource work	27
Business had difficulty scheduling work because you didn’t have enough staff	52
Business has been unable to expand into new markets or offerings	35
Business had to hire temporary staff	28
Business has spent more time/money training for current staff	55
Got help from family, friends, and volunteers	37
DK/NS	5



## Survey Data Findings – continued –

**[Asked only if answered “yes” in Q.11; n=515 respondents]**

15. How have you search for candidates in 2018? Please select all that apply.

	<u>Q4-2018</u>
Used social networks to search for candidates (i.e. LinkedIn)	59
Used a recruiter to find candidates	31
Promoted/highlighted the benefits you offer	57
Asked professional contacts and/or current employees for referrals	84
Attended and recruited at professional networking events or leverage professional memberships	30
Attended schools/colleges networking events/career fairs	28
Something else	21
DK/NS	2

16. Do you plan to do anything differently to find qualified candidates in 2019?

	<u>Q4-2018</u>
Adjust the job description to match the available talent	3
Providing more benefits like reimbursement for continued education	1
Increase pay offering	4
Find new ways to advertise	6
Connect with schools/colleges	5
Work with headhunters/recruiters	2
Look for different places to network with new talent	5
Offer current employees incentives for referrals	4
Offer internships	3
Attend career fairs	3
Something else	6
Don't know what I will do differently	8
Don't plan to do anything differently	75
DK/NS	0

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