



Survey Data Findings

Small Business Index Q3 2019

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

Washington, DC, August 6, 2019

These are findings from an Ipsos poll conducted June 28-July 25, 2019, via telephone in English. For the survey, a sample of 900 small business owners and operators was sourced from the continental U.S., Alaska and Hawaii. An additional oversample of 100 veteran-owned small business owners and operators from the continental U.S., Alaska and Hawaii was also surveyed, for a total of 159 veteran-owned business interviews out of 1,000.

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 the 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. The poll also has a margin of error of plus or minus 7.7 percentage points for veteran-owned businesses. 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=+/-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>Q3-2019</u>							
	<u>Total</u>		<u>Veteran-owned</u>					
Very good	41	38						
Somewhat good	25	18						
About average	25	29						
Somewhat poor	6	14						
Very poor	3	2						
Refused	0	0						
Don't know	0	0						
	<u>Q3-2017</u>	<u>Q4-2017</u>	<u>Q1-2018</u>	<u>Q2-2018</u>	<u>Q3-2018</u>	<u>Q4-2018</u>	<u>Q1-2019</u>	<u>Q2-2019</u>
Very good	35	39	37	38	38	39	38	39
Somewhat good	26	22	25	22	26	25	26	26
About average	31	28	27	29	27	26	28	28
Somewhat poor	6	6	7	7	5	7	5	5
Very poor	2	3	3	2	2	2	3	2
Refused	--	0	1	0	0	0	0	0
Don't know	--	1	0	1	0	0	0	0

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Survey Data Findings – continued –

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

	<u>Q3-2019</u>		<u>Veteran-</u>					
	<u>Total</u>		<u>owned</u>					
Very good		28		32				
Somewhat good		30		34				
About average		25		19				
Somewhat poor		11		9				
Very poor		4		5				
Refused		--		--				
Don't know		2		1				

	<u>Q3-2017</u>	<u>Q4-2017</u>	<u>Q1-2018</u>	<u>Q2-2018</u>	<u>Q3-2018</u>	<u>Q4-2018</u>	<u>Q1-2019</u>	<u>Q2-2019</u>
Very good	9	9	21	13	21	29	22	25
Somewhat good	32	29	35	34	33	29	31	34
About average	33	35	26	31	25	27	28	24
Somewhat poor	19	20	12	16	13	10	14	13
Very poor	5	5	4	4	4	4	3	3
Refused	1	1	1	1	1	1	0	1
Don't know	1	2	2	1	2	1	2	0

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

	<u>Q3-2019</u>		<u>Veteran-</u>					
	<u>Total</u>		<u>owned</u>					
Very good		27		37				
Somewhat good		29		27				
About average		26		22				
Somewhat poor		12		8				
Very poor		5		5				
Refused		--		--				
Don't know		1		0				

	<u>Q3-2017</u>	<u>Q4-2017</u>	<u>Q1-2018</u>	<u>Q2-2018</u>	<u>Q3-2018</u>	<u>Q4-2018</u>	<u>Q1-2019</u>	<u>Q2-2019</u>
Very good	18	18	20	20	25	26	23	24
Somewhat good	28	30	26	29	26	30	29	26
About average	31	29	34	32	31	25	29	31
Somewhat poor	17	17	14	16	12	14	14	15
Very poor	6	5	6	4	6	4	4	4
Refused	--	--	0	0	0	0	--	--
Don't know	--	--	0	0	0	1	0	0

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Survey Data Findings – continued –

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>Q3-2019</u>	<u>Veteran-</u>			
					<u>Total</u>	<u>owned</u>			
					15	13			
					8	11			
					74	73			
					0	0			
					4	3			
	<u>Q3-2017</u>	<u>Q4-2017</u>	<u>Q1-2018</u>	<u>Q2-2018</u>	<u>Q3-2018</u>	<u>Q4-2018</u>	<u>Q1-2019</u>	<u>Q2-2019</u>	
More competition	15	20	16	14	18	18	16	18	
Less competition	7	7	4	8	6	6	8	7	
Stayed about the same	77	71	77	75	74	74	73	72	
Refused	1	1	1	2	1	1	1	1	
Don't know	1	2	1	1	2	1	3	2	

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

					<u>Q3-2019</u>	<u>Veteran-</u>			
					<u>Total</u>	<u>owned</u>			
					37	28			
					44	48			
					11	10			
					6	12			
					1	2			
					2	0			
	<u>Q3-2017</u>	<u>Q4-2017</u>	<u>Q1-2018</u>	<u>Q2-2018</u>	<u>Q3-2018</u>	<u>Q4-2018</u>	<u>Q1-2019</u>	<u>Q2-2019</u>	
Very comfortable	30	33	36	32	34	34	32	35	
Somewhat comfortable	51	47	44	47	47	46	50	48	
Not very comfortable	12	11	12	11	11	12	11	10	
Not at all comfortable	5	6	7	6	5	5	4	5	
Refused	1	1	1	2	1	1	1	1	
Don't know	1	2	1	1	2	2	1	1	



Survey Data Findings – continued –

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

					<u>Q3-2019</u>	<u>Veteran-</u>		
					<u>Total</u>	<u>owned</u>		
Increase investment					26	31		
Invest about as much in the business as you did last year					55	49		
Reduce investment					12	17		
Refused					1	0		
Don't know					6	3		

	<u>Q3-2017</u>	<u>Q4-2017</u>	<u>Q1-2018</u>	<u>Q2-2018</u>	<u>Q3-2018</u>	<u>Q4-2018</u>	<u>Q1-2019</u>	<u>Q2-2019</u>
Increase investment	23	25	29	28	25	29	27	27
Invest about as much in the business as you did last year	58	56	54	55	57	53	56	55
Reduce investment	14	11	13	10	10	12	12	12
Refused	1	2	1	2	1	1	1	1
Don't know	4	5	2	5	6	5	4	4

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>Q3-2019</u>	<u>Veteran-</u>		
					<u>Total</u>	<u>owned</u>		
Increased					22	27		
Decreased					3	4		
Stayed the same					71	67		
Refused					0	0		
Don't know					4	2		

	<u>Q3-2017</u>	<u>Q4-2017</u>	<u>Q1-2018</u>	<u>Q2-2018</u>	<u>Q3-2018</u>	<u>Q4-2018</u>	<u>Q1-2019</u>	<u>Q2-2019</u>
Increased	23	24	18	21	20	23	25	21
Decreased	4	3	3	2	3	4	4	3
Stayed the same	71	70	76	74	74	70	69	73
Refused	1	1	1	1	0	1	0	1
Don't know	2	2	2	2	3	2	2	2

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Survey Data Findings – continued –

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

	<u>Q3-2019</u>	<u>Veteran-</u>
	<u>Total</u>	<u>owned</u>
Increased staff	19	23
Retained the same size staff	68	61
Reduced staff	13	16
Refused	0	0
Don't know	0	0

	<u>Q3-2017</u>	<u>Q4-2017</u>	<u>Q1-2018</u>	<u>Q2-2018</u>	<u>Q3-2018</u>	<u>Q4-2018</u>	<u>Q1-2019</u>	<u>Q2-2019</u>
Increased staff	18	16	16	18	19	19	17	18
Retained the same size staff	69	67	68	69	66	64	71	70
Reduced staff	13	16	15	12	13	16	12	11
Refused	1	-	0	0	0	0	--	0
Don't know	--	1	0	0	1	1	--	1

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

	<u>Q3-2019</u>	<u>Veteran-</u>
	<u>Total</u>	<u>owned</u>
Increasing staff	29	29
Retaining the same size staff	65	66
Reducing staff	6	4
Refused	0	1
Don't know	1	0

	<u>Q3-2017</u>	<u>Q4-2017</u>	<u>Q1-2018</u>	<u>Q2-2018</u>	<u>Q3-2018</u>	<u>Q4-2018</u>	<u>Q1-2019</u>	<u>Q2-2019</u>
Increasing staff	24	27	32	32	25	30	29	28
Retaining the same size staff	68	68	62	63	68	65	65	65
Reducing staff	5	3	4	4	5	4	5	5
Refused	1	-	1	0	0	1	0	0
Don't know	2	2	1	1	2	1	1	1

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

	<u>Q3-2019</u>	<u>Veteran-</u>
	<u>Total</u>	<u>owned</u>
Increase	55	59
Decrease	8	9
Stay the same	35	31
Refused	0	0
Don't know	1	0

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	<u>Q3-2017</u>	<u>Q4-2017</u>	<u>Q1-2018</u>	<u>Q2-2018</u>	<u>Q3-2018</u>	<u>Q4-2018</u>	<u>Q1-2019</u>	<u>Q2-2019</u>
Increase	56	57	61	62	56	60	56	57
Decrease	8	6	6	8	8	6	8	7
Stay the same	33	33	30	28	33	32	34	34
Refused	1	1	1	0	1	0	0	1
Don't know	2	3	2	2	2	1	1	1

Q3 2019 Storyline Questions

11. Is this a veteran owned small business?

	<u>Q3-2019</u>	<u>Veteran-</u>
	<u>Total</u>	<u>owned</u>
Yes	8	100
No	92	0

12. Have you ever hired any military veterans?

	<u>Q3-2019</u>	<u>Veteran-</u>
	<u>Total</u>	<u>owned</u>
Yes	46	59
No	51	40
Don't know	3	0

13. In the past year, has your company intentionally recruited any military veterans?

	<u>Q3-2019</u>	<u>Veteran-</u>
	<u>Total</u>	<u>owned</u>
Yes	10	23
No	86	76
Don't know	4	1

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Survey Data Findings – continued –

14. Which of the following activities, if any, has your business done?

	<u>Q3-2019</u>	<u>Veteran-</u>
	<u>Total</u>	<u>owned</u>
Held a Veteran’s Day event	11	17
Held an event or training to help employees better understand U.S. military history or culture	6	11
Partnered with an organization dedicated to placing veterans in the workforce	8	15
Partnered with a veteran outreach organization	12	20
Donated to or sponsored veteran causes	45	63
Created an on-site education event or program to support veteran employees	3	5
Changed or added benefit offerings to attract or retain veteran employees	4	7
Adjusted work hour requirements to attract or retain veteran employees	8	12
Targeted veterans in my business’s marketing communications	9	19
Shared job postings with military employment counselors or on a veteran job posting board	8	14
Attended a veteran job fair or hiring event	6	18
Other	4	7
None	43	20
Don’t know	1	0
Refused	0	0

15. **[IF VETERAN-OWNED BUSINESS]** When starting your business, which of the following was the biggest type of challenge you faced?

	<u>Veteran-owned</u>
	<u>(N=159)</u>
Securing financing or access to capital	32
Hiring staff with the right qualifications or skillset	18
Adjusting to civilian life	3
Adapting to the culture or schedule of a small business	9
Finding veteran-specific resources for small business owners	1
Lack of mentorship	2
Other	16
Don’t know	14
Refused	3

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Survey Data Findings – continued –

16. Have you ever been able to take advantage of any veteran-specific tax credits or programs for small businesses?

	<u>Q3-2019</u>	<u>Veteran-</u>
	<u>Total</u>	<u>owned</u>
Yes	2	8
No	95	87
Don't know	3	6

17. Do you agree or disagree with the following statements:

a. I am concerned about hiring veterans because it may be too difficult for them to adapt to the culture of my business.

	<u>Q3-2019</u>	<u>Veteran-</u>
	<u>Total</u>	<u>owned</u>
Strongly agree	4	5
Somewhat agree	9	10
Somewhat disagree	25	17
Strongly disagree	54	61
Don't Know	7	6

b. It is difficult to find a veteran with the right skillset or qualifications to hire.

	<u>Q3-2019</u>	<u>Veteran-</u>
	<u>Total</u>	<u>owned</u>
Strongly agree	12	19
Somewhat agree	19	20
Somewhat disagree	27	24
Strongly disagree	27	28
Don't Know	15	8

c. Hiring veterans is beneficial for my business

	<u>Q3-2019</u>	<u>Veteran-</u>
	<u>Total</u>	<u>owned</u>
Strongly agree	34	51
Somewhat agree	36	30
Somewhat disagree	13	6
Strongly disagree	5	4
Don't Know	12	8



Survey Data Findings – continued –

- d. There should be more formal workplace trainings or programs to support veterans' re-entrance into the workforce.

	<u>Q3-2019</u>	<u>Veteran-</u>
	<u>Total</u>	<u>owned</u>
Strongly agree	59	69
Somewhat agree	29	18
Somewhat disagree	5	9
Strongly disagree	2	2
Don't Know	5	1

- e. It is difficult to find helpful information about hiring or retaining veterans.

	<u>Q3-2019</u>	<u>Veteran-</u>
	<u>Total</u>	<u>owned</u>
Strongly agree	15	15
Somewhat agree	27	17
Somewhat disagree	26	35
Strongly disagree	14	18
Don't Know	19	16

- f. It is important that businesses should focus more on hiring veterans.

	<u>Q3-2019</u>	<u>Veteran-</u>
	<u>Total</u>	<u>owned</u>
Strongly agree	42	56
Somewhat agree	39	26
Somewhat disagree	10	7
Strongly disagree	2	5
Don't Know	6	6



Survey Data Findings – continued –

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GAME CHANGERS

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We deliver with security, speed, simplicity and substance. We are Game Changers.

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