

# Small Business Index: Despite Dip in Economic Outlook, Owners Remain Bullish on Hiring, Revenue Growth

*Small business owners express serious concerns about the quality of America's infrastructure*

The Q1 [MetLife & U.S. Chamber of Commerce Small Business Index](#) (Index) released today recorded an overall score of 65.6, marking the first significant dip in sentiment since the Index launched in 2017. The score, down from 69.3 during in Q4 2018, indicates that 65.6 percent of small business owners have a positive outlook about their company and the small business environment in the United States.

The decline in the overall score was largely driven by a drop in small business owners' views on the economy at both a national and local level. Barely half (53 percent) of survey respondents reported positive views on the U.S. economy, while the same narrow majority expressed optimism about the direction of their local economy -- down 5 points and 3 points, respectively, from Q4 2018.

Nevertheless, survey respondents remained generally bullish about the state of their own businesses, with 56 percent expecting revenues to increase this year and roughly three in 10 planning to increase staffing levels in 2019, both measures holding relatively steady after upticks at the end of 2018.

"America's small businesses employ tens of millions of people and are a major contributor to the nation's economy," said Jessica Moser, senior vice president and head of MetLife's Group Benefits Small & Specialty Business organization. "One of the benefits of our quarterly index is to help make those crucial small business voices heard in the matters that affect their business community."

Moser added: "This quarter's decline in confidence is an important development that is worth monitoring closely; it is not yet clear whether it is a blip or the start of a more alarming trend heading into 2019. The good news is that fundamentals like hiring and investment plans remain strong. To help support this, we need to focus on helping further drive their success."

This quarter's index illuminated one significant roadblock facing small businesses: the state of the nation's infrastructure. A majority of respondents rated highways and local roads and bridges as critical to the success of their companies. However, 62 percent said their local roads and bridges are in average, poor or very poor quality, while 52 percent said the same about the quality of U.S. highways.

Small business owners expressed considerably more favorable views about access to high-speed internet (56 percent rated good or very good quality) and cell phone networks (58 percent rated good or very good quality), which were also considered vital to success by a majority of respondents. In fact, 85 percent of respondents said that high-speed internet is important or very important to their companies,

edging out local roads and bridges (79 percent) and cell phone networks (also 79 percent) as the most critical type of infrastructure in the eyes of small business owners.

“Small business owners across the country count on our vital infrastructure systems to move people, products, and information,” said Neil Bradley, executive vice president and chief policy officer at the U.S. Chamber of Commerce. “The Index results add to a mountain of evidence that America’s infrastructure isn’t meeting the demands of today’s business owners and today’s economy. This should be a wake-up call to leaders in Washington: It’s time to invest in modernizing our nation’s infrastructure.”

This quarter’s survey was conducted during the longest shutdown in the U.S. government’s history. While the degree to which the shutdown affected the results cannot be quantified, several respondents mentioned the shutdown unprompted during the open-ended portion of the survey.

### **About the Small Business Index**

The Index is part of a multiyear collaboration by MetLife and the U.S. Chamber to elevate the voice of America’s small business owners and highlight the important role they play in the nation’s economy. The initiative produces the quarterly MetLife & U.S. Chamber of Commerce Small Business Index; a nationwide event series, and the annual [Dream Big Small Business Awards](#) program, which celebrates the achievements of small businesses and honors their contributions to America’s economic growth.

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### **About the U.S. Chamber of Commerce**

The U.S. Chamber of Commerce is the world’s largest business federation representing the interests of more than 3 million businesses of all sizes, sectors, and regions, as well as state and local chambers and industry associations. For more information, visit [www.uschamber.com](http://www.uschamber.com).

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Please visit [www.sbindex.us](http://www.sbindex.us) for the full results and methodology.