

Small Business Owners Indicate a Long Road to Recovery, New Poll Shows

More than half say vaccines make them more optimistic about their business

WASHINGTON, D.C. — The distribution of coronavirus vaccines is providing small business owners with signs of optimism, but most see a long road ahead before the business climate returns to normal.

A majority (54%) of small businesses say the availability of coronavirus vaccines makes them feel more optimistic about their own business's future, according to a poll taken January 14-27 and released today by the U.S. Chamber of Commerce and MetLife.

Despite the growing availability of vaccines most small business owners do not anticipate the economy returning to normal anytime soon, a view that's held over the last eight months. Six out of ten (59%) small businesses this quarter predict it will take six months to a year to get back to normal – the highest percentage measured thus far and up 13 percentage points from 46% when the survey started asking this question in March of 2020, before the full impact of the pandemic had become evident.

However, as more Americans receive their COVID-19 vaccines, the distribution of the vaccine does appear to be lifting small business spirits. More than half of small business owners say that the vaccine makes them more optimistic about the future of their business (54%) and the business climate across the country and in their state (59%). This quarter, 32% of small businesses plan to increase hiring over the next year, up five points (27% planned to increase staff in Q4 2020).

"Vaccines are the ultimate shot at economic recovery, but we know there is a long road ahead for small business owners," said Neil Bradley, executive vice president and chief policy officer at the U.S. Chamber of Commerce. "Over one hundred thousand small businesses have already shuttered across the country and the U.S. Chamber is working tirelessly to stop anymore from closing. We must ensure small businesses receive the assistance they need to avoid permanent closure and continue to provide a livelihood for millions of Americans."

Now a year into the pandemic, small businesses remain concerned about COVID-19's impact on their business, their health, and the economy. Three-quarters of small businesses are concerned about the virus's impact on their business and are concerned for their business's finances (76% each).

Nearly all small businesses are concerned about the pandemic's effect on the national economy (91%) and a majority of small businesses (59%) rate the overall U.S. economy as poor. For comparison, in Q1 2020 only 12% of small businesses said the national economy was poor, representing a 47-point increase from before the pandemic to now.

Additional survey findings include:

- More minority-owned small businesses (86%) are concerned about the impact of the pandemic on their business's future versus 72% of non-minority-owned small businesses who are concerned.
- Half (52%) of small businesses are likely to require employee vaccinations, but 20% say they are not at all likely to do so. Owners said their top reasons for requiring the vaccine is because they want staff to be healthy (53%), because it is the right thing to do (43%), or because they want to help increase vaccinations (31%).

- Seven in 10 small business owners (70%) say they are likely to get the COVID-19 vaccine as soon as it is made available to them. Getting a vaccine is most prevalent with small business owners in the Northeast (81%), veteran-owned small businesses (81%), those very concerned about COVID-19 (80%), and those in operation for 11 to 20 years (79%).
- Small businesses are adapting and a growing number (45%) say they can operate indefinitely without shutting down in the current environment, up five points from last quarter, 17 points from July 2020, and 22 points from late April 2020 when only 23% said they could operate indefinitely.
- Now, fewer small businesses (21%) said they see can operating six months or less without shutting down permanently. In April of last year, 45% said the same, a 24 percentage point shift. This indicates that small businesses see a somewhat longer timeline for their survival than they did at the very start of the pandemic. And it's possible that the coronavirus stimulus package passed in December is bolstering confidence since 39% of small business owners say the stimulus checks made them more confident about their ability to operate.

“These findings reflect small business owners’ resiliency and optimism, even in the face of adverse business conditions,” said Jessica Moser, senior vice president, Small and Specialty Business at MetLife. “That’s no surprise, and this kind of grit will be required of small business owners more than ever as they face the road back to normalcy.”

The current Small Business Index score is 55.9 (a slight increase from 52.9 in Q4 2020). However, the new score remains substantially below findings before the pandemic: the Index score was 71.7 in Q1 of 2020 based on data collected before the full economic impact of the coronavirus became apparent. The Index reached an all-time low of 39.5 in Q2 2020.

About the Small Business Index

The MetLife & U.S. Chamber of Commerce Small Business 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 Index, which is an online survey of 750 small business owners and decision makers designed to take the temperature of the sector, see where small business owners are confident, and where they are experiencing challenges.

From April – July 2020, MetLife and the U.S. Chamber of Commerce had switched to producing a special monthly coronavirus report, the Small Business Coronavirus Impact Poll. To read those reports, visit uschamber.com/sbpoll.

For small business resources on the coronavirus, please visit uschamber.com/co. The latest resources, step-by-step guidance, and insights to help American businesses, workers, and families is available at uschamber.com/coronavirus.

About the U.S. Chamber of Commerce

The U.S. Chamber of Commerce is the world’s largest business organization representing companies of all sizes across every sector of the economy. Our members range from the small businesses and local chambers of commerce that line the Main Streets of America to leading industry associations and large corporations. They all share one thing: They count on the U.S. Chamber to be their voice in Washington,

across the country, and around the world. For more than 100 years, we have advocated for pro-business policies that help businesses create jobs and grow our economy.

The U.S. Chamber of Commerce is committed to helping American businesses respond to the coronavirus so they can support their employees, customers, and communities and launched the [Rally for Recovery Commitment \(www.committorecovery.com\)](http://www.committorecovery.com), as the latest step in the Chamber's ongoing and expansive efforts to ensure business leaders have the tools and resources they need to inform and protect their employees, communicate to their customers, support their communities, and get our country back to health. The Rally for Recovery Commitment encourages every company and organization to continue to do their part to help protect our employees, customers and communities, so that together we can reignite the economy and defeat the pandemic.

About MetLife

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