

## Small Business Owners' Economic Outlook Rebounds, Hiring Plans Hold Steady

*Cost and complexity associated with health care pose challenges for small businesses*

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**WASHINGTON, DC** — Data from the Q2 MetLife & U.S. Chamber of Commerce [Small Business Index](#) indicates employers are experiencing a boost in confidence about the state of the national economy and their financial future. The index overall score increased this quarter to 68.7, indicating nearly 69 percent of small business owners currently have a positive outlook about their companies and the small business environment in the United States.

This 3.1-point rebound follows a drop during the first three months of 2019 and matches the largest quarter-to-quarter increase in economic confidence in the history of the Index.

Results from the survey of 1,000 small business owners show this upward trend in confidence across all demographic groups. Breaking from a pattern in previous quarters, female business owners now express similar levels (58 percent ) of optimism about the state of the U.S. economy as their male counterparts (59 percent ). Results also suggest that new hiring is being led by younger generations, with millennial- and Gen-X-owned businesses contributing to 39 percent of small business hiring plans nationwide (despite representing only 27 percent of survey respondents).

“Small business owners are showing renewed confidence that the nation’s economy is poised for growth, following the resolution of the longest shutdown in government history,” said Jessica Moser, senior vice president and head of MetLife’s Group Benefits Small & Specialty Business. “This rebound in small business sentiment is a powerful leading indicator, as small companies have long been a significant growth engine for our country, employing half of America’s private sector workforce.”

This quarter’s index casts a spotlight on one of the most complex and time-consuming chores for small business owners—navigating health insurance options. Sixty-nine percent of survey respondents say the process to select health insurance plans is time consuming, and one in every five small business owners says they do not have enough information to make informed decisions about health care options.

When seeking health insurance guidance, small business owners most commonly turn to brokers, consultants or agents (32 percent), while 9 percent depend on online search engines and 7 percent seek advice from other business owners. Other information sources include HealthCare.gov and other government sites (5 percent), Professional Employer Organizations (5 percent), and health insurance company sites (3 percent). Notably, 7 percent of small business owners say they do not know where to turn for information.

“It’s pretty time consuming to navigate and understand the best options for your employees,” said Natalie Kaddas, president and CEO of Kaddas Enterprises in Salt Lake City, Utah. Her small manufacturing company works with a broker, who each year provides information on cost increases for

her current plan and alternative plans worth considering. Still, Kaddas says she and her staff could use more guidance.

“I wish I had some more data and information,” Kaddas said. “I feel like some of my employees are choosing a plan without a lot of information. There’s an educational component that’s missing, and I don’t necessarily have the skill set to try and bridge that gap—but I try.”

When considering health care coverage options, cost is a top concern, but not always top of mind. One in five small business owners say their top priority when considering plans is keeping monthly premiums low; another 20 percent prioritize minimizing out-of-pocket costs like co-pays and deductibles. Meanwhile, 9 percent of owners say flexibility and variety in choice is paramount when considering their options, followed by access to quality hospitals and treatments (7 percent) and quality and size of provider networks (6 percent).

“For small business owners, health care costs and complexity continue to gobble up time and resources that could otherwise be spent growing their companies and creating more jobs,” said Tom Sullivan, vice president of small business policy at the U.S. Chamber of Commerce. “Coupled with struggles finding qualified employees to fill open positions, these headwinds are holding back even higher levels of confidence from Main Street employers.”

### **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.

### **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.