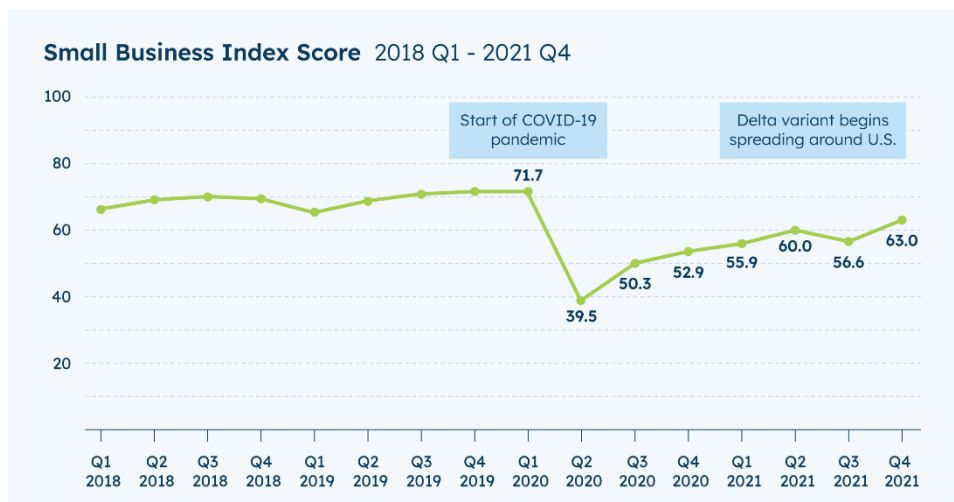


Small Business Index Reaches Pandemic-Era High as Small Business Optimism Overcomes Uncertainty

At the same time, 74% of small business owners are concerned about the impact of inflation

WASHINGTON, D.C. — Small business owners' optimism around hiring and investment plans led to a pandemic-era high score of 63 for the MetLife and U.S. Chamber of Commerce Small Business Index. More than three in four (77%) small business owners are optimistic about the future of their business, according to the poll taken October 13 - 27, 2021, and released today.

Despite ongoing labor shortages, 38% of small business owners plan to hire more workers next year, up from 28% last quarter, and the highest mark for this measure since the Index launched in Q2 2017. More than four in ten (42%) say they plan to increase investments in their business in the coming year—an increase of 13 percentage points from last quarter.



“Small business owners’ optimism is plowing through economic uncertainty, but they now face new obstacles with rising inflation, labor shortages, and supply chain challenges,” said Tom Sullivan, Vice President for Small Business Policy at the U.S. Chamber of Commerce. “Addressing these challenges will be key to sustaining Main Street’s optimism and the nation’s economic recovery.”

Additionally, 62% of small businesses say their business is in good health, up from 55% last quarter, while those who say their business is in very good health is 30% now compared to 20-23% throughout 2021.

Inflation now a top concern for small business owners

Amid the optimism, however, increasing concern for inflation is a signal that things are far from normal—and is making for a difficult holiday season for many small businesses. This quarter, inflation is among the top cited concerns for small business owners (23%), along with revenue (26%) and COVID-19 safety/compliance (21%).

Overall, 74% of small business owners are concerned about the impact of inflation on their business, and about as many (71%) say rising prices have had a significant impact on their business in the past

year. To manage higher costs caused by inflation, 63% have increased the prices of their products or services, nearly half (45%) have taken out a loan, while 41% say they have decreased staff.

The worsening labor shortage and supply chain disruptions are also top concerns. Sixty-one percent of small businesses say the COVID-19 pandemic has dramatically disrupted their supply chain, and 55% say worker shortages have done the same. Concern also increased across the board around lack of applicants for job openings, employee retention, and employee well-being/morale.

“This quarter’s findings are promising. While small business owners still face challenges, they are increasingly optimistic as we head into 2022,” said Cynthia Smith, senior vice president, Regional Business at MetLife. “However, the road back to normalcy remains long and small businesses continue to need their communities’ support as we navigate an uncertain environment.”

About the Small Business Index

The MetLife & U.S. Chamber of Commerce [Small Business Index \(uschamber.com/sbindex\)](https://www.uschamber.com/sbindex) 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](https://www.uschamber.com/sbpoll). For small business resources, visit [uschamber.com/co](https://www.uschamber.com/co).

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.

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