



## Job Creators Network's Monthly Monitor

Universe: U.S. Small Business Employers

Sample Size: 500

Margin of Error: +/- 4.4%

Fielded: May 1-19, 2021

**Methodology:** Job Creators Network's Monthly Monitor is a survey of 500 U.S. small business employers that will be conducted every month by market researchers John McLaughlin & Scott Rasmussen. This national survey of 500 small business employers was conducted between May 1-19, 2021. It is the benchmark for JCN's Monthly Monitor and introduces JCN's SBIQ (Small Business Intelligence Quotient). The JCN Monthly Monitor will be tracking its SBIQ, identifying key small business trends, and offering valuable insights into policies impacting small business employers. All interviews were conducted online with randomly distributed invitations. The geographic and demographic profiles were structured to represent the population of small business employers in the United States. The sample of 500 small business employers has an accuracy of +/- 4.4% at a 95% confidence interval. The numbers in this memorandum have been rounded and may not equal 100%.



**JCN SBIQ:** This survey provides a benchmark for JCN's Small Business Intelligence Quotient, which measures the confidence in current conditions and future trends. JCN's SBIQ will be

tracked monthly to identify trends at-large and among key small business employer segments. JCN's SBIQ is based on 7-questions: employer's current business conditions, condition of U.S. economy today, current climate for small businesses, direction of employer's business over the next 3-months, employer's plans for hiring over the next 3-months, direction of the U.S. economy, and direction of climate for small businesses. JCN's SBIQ is calculated on a scale from 0 to 100, with 100 being best possible conditions and 0 being worst possible conditions. A score of 50 is neutral, anything above 50 is positive and anything below is negative. To calculate the scores, point values are applied to each response and multiplied by the share of respondents giving that answer.

**Context:** To provide context, it is important to note that the JCN Monthly Monitor's benchmark survey was conducted among 500 U.S. small businesses that are currently open. This survey doesn't include the opinions of small businesses that have closed during the pandemic. The survey was conducted while vaccinations were being widely administered, coronavirus cases were declining, and states were taking additional steps to re-open their economies. The future monthly survey will provide valuable trendlines for analysis.

## Key Findings From May 2021:

Small businesses (the ones still in business), in general feel like they're in good shape, but many are still recovering from the pandemic.

- JCN's SBIQ, which measures the confidence in current conditions and future trends, is a 59.8 score on a scale of 0 to 100, with 100 being best possible conditions and 0 being worse possible conditions.
- 75% of small businesses say their current financial condition is either good or excellent; 61% believe it will improve over the next three months.
- 45% of respondents rate the small business climate as good or excellent, while 43% rate it as fair and 12% as poor.
- Many small businesses are still clawing their way out of the pandemic-induced hole. Among small businesses that were negatively impacted by the pandemic, only 6% say they have fully recovered; an additional 43% of respondents believe they will be fully recovered within six months.
- Government lifelines—such as the Paycheck Protect Program—helped many small businesses avoid the worst-case scenario. Approximately 2 in 5 (38%) small businesses took advantage of a pandemic-era government grant/loan program; 69% of small businesses employing between 10 and 19 people benefited from one.

Although on the path to recovery, the small business community is in a vulnerable position and lawmakers should help encourage their restoration, rather than adopting policies that apply additional pressure to job creators.

- The top three biggest concerns for small businesses are:
  - 1.) Economy/Client Spending
  - 2.) General Operating Costs
  - 3.) Taxes
- 35% of respondents say Biden's economic/tax policies will help small businesses, while 42% believe they will harm them.
- 53% of small businesses disapprove of raising the corporate tax rate.
- There needs to be a lot more education on the PRO Act, small business employers don't know what it is.