



NFIB Small Business Survey Political Outlook



Data from a national survey of 500 small businesses, conducted
October 14-24, 2014 by Paragon Insights.

#140901

Methodology

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On behalf of NFIB, Paragon Insights conducted a national survey of 500 small businesses from October 14-24, 2014.

The interviews were conducted over the telephone and the data were weighted to approximate a target sample of small businesses based on company size and type of industry. Businesses interviewed ranged in size from 1 employee (in addition to the owner) to 249 employees.

Results from the full survey have a margin of error of $\pm 4.38\%$.



The Bottom Line

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Small business owners are deeply concerned about the business environment in which they are attempting to run their companies. They feel the country is on the wrong track and that there is too much economic uncertainty for their business to grow.

Nearly 60% of small business owners want Republicans to gain control of the Senate next week.



Key Takeaways

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1. Small business owners are pessimistic about the political environment and current economic conditions.

Parallel to the broader electorate, two-thirds of small business owners believe the country is off on the wrong track.

Small business owners are evenly divided on whether the economic conditions are better today than they were 2-3 years ago. But, a majority of small business owners (60%) agree there is too much economic uncertainty for their businesses to grow or hire new workers.

Key Takeaways

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2. Small business owners are more politically active than the broader electorate.

28% of small business owners say they have volunteered on or contributed to a political campaign in the past two years.

Owners of smaller business are less active (24%), while owners of larger small businesses are more politically active (38%).

Key Takeaways

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- 3.** Of the different electoral scenarios, small business owners believe the GOP winning the Senate will benefit them the most.

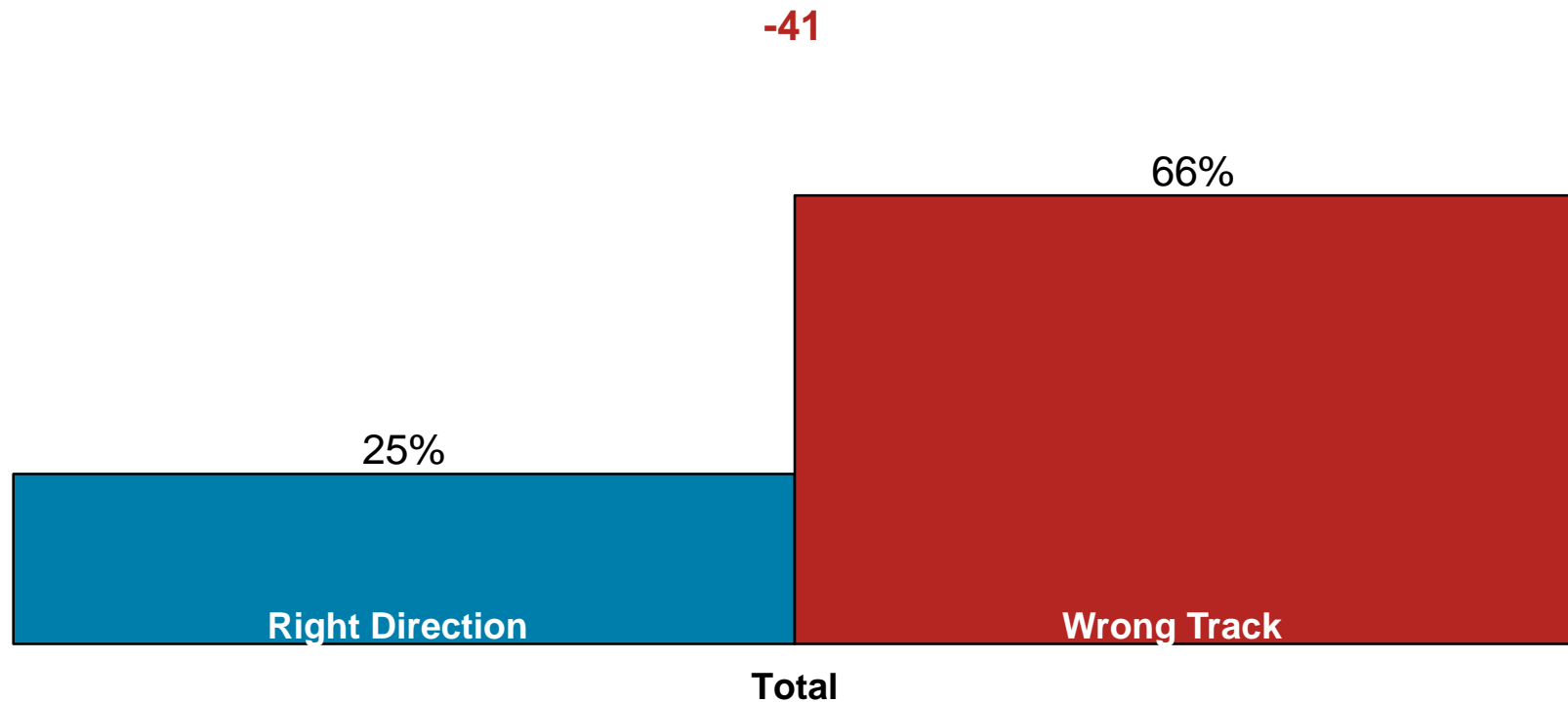
Fully 59% of small business owners want Republicans to gain control of the Senate (and retain control of the House) next week.



Data

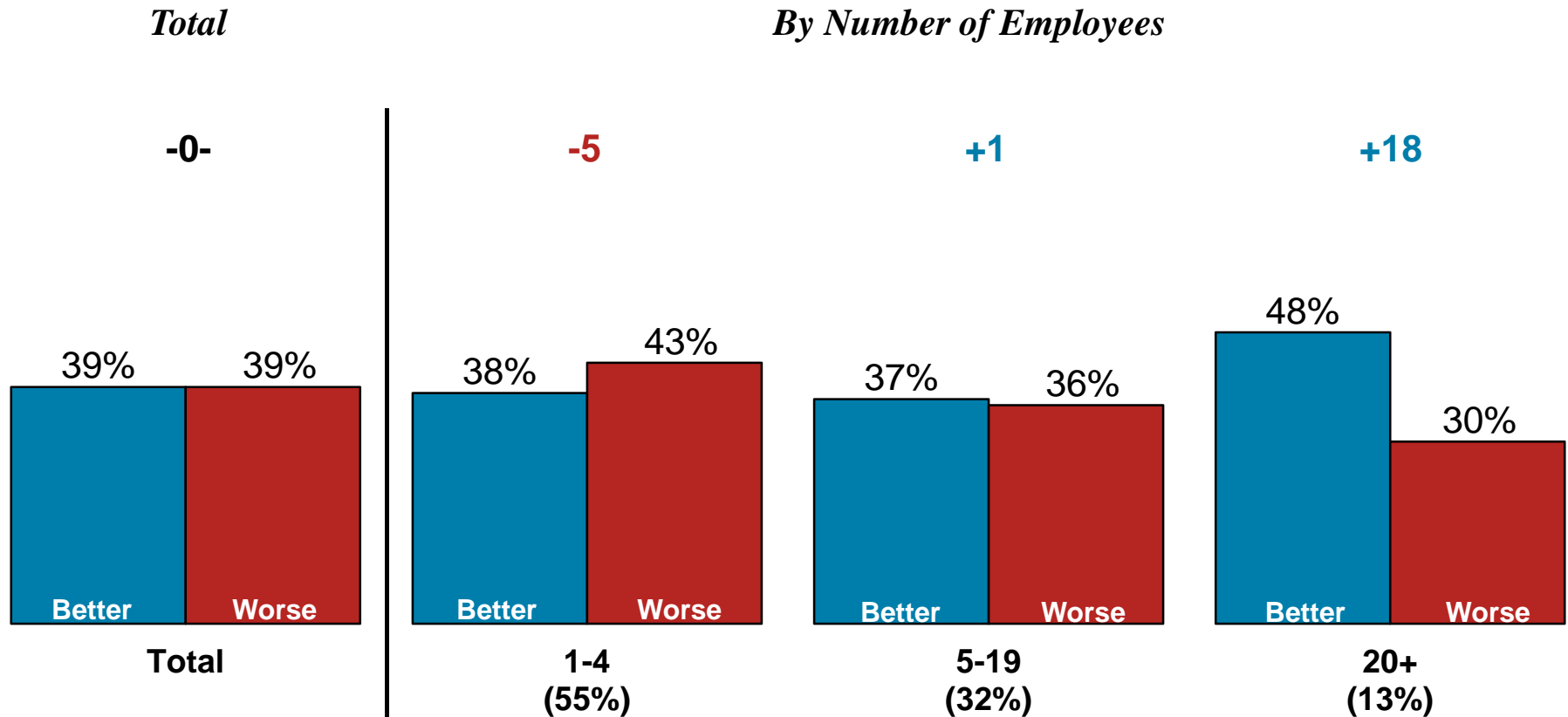
SMALL BUSINESS OWNERS ARE PESSIMISTIC ABOUT THE DIRECTION OF THE COUNTRY.

Generally speaking, would you say that things in this country are heading in the right direction or have they gotten off on the wrong track?



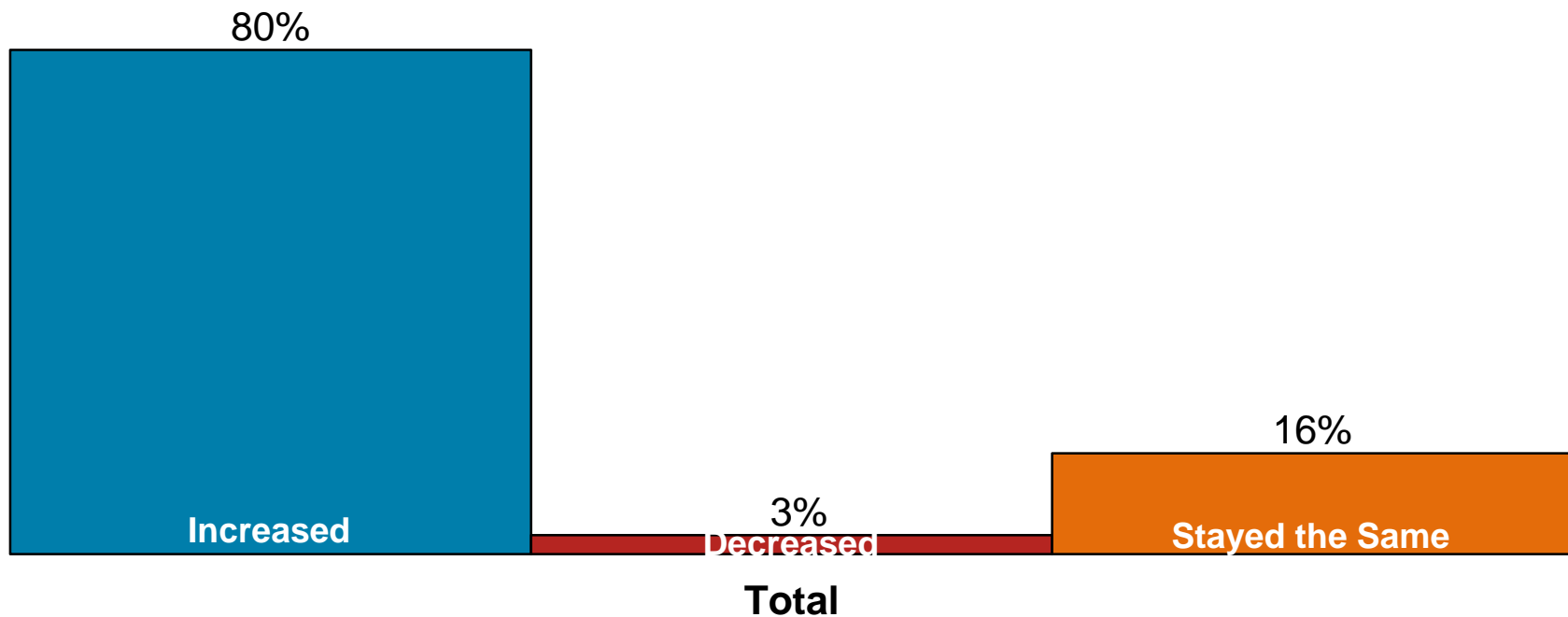
SMALL BUSINESS OWNERS ARE DIVIDED ABOUT WHETHER ECONOMIC CONDITIONS HAVE IMPROVED – SMALL BUSINESS OWNERS BELIEVE THEY ARE WORSE WHILE OWNERS OF LARGER SIZED SMALL BUSINESSES BELIEVE THEY HAVE IMPROVED.

Compared to 2-3 years ago ... Would you say today's economic conditions are much better, somewhat better, somewhat worse, much worse or about the same for small businesses like yours?



HOWEVER, SMALL BUSINESS OWNERS OVERWHELMINGLY BELIEVE THAT BUSINESS COSTS HAVE INCREASED OVER THE PAST FEW YEARS.

Compared to 2-3 years ago, do you think business costs in the United States have increased, decreased, or stayed about the same?

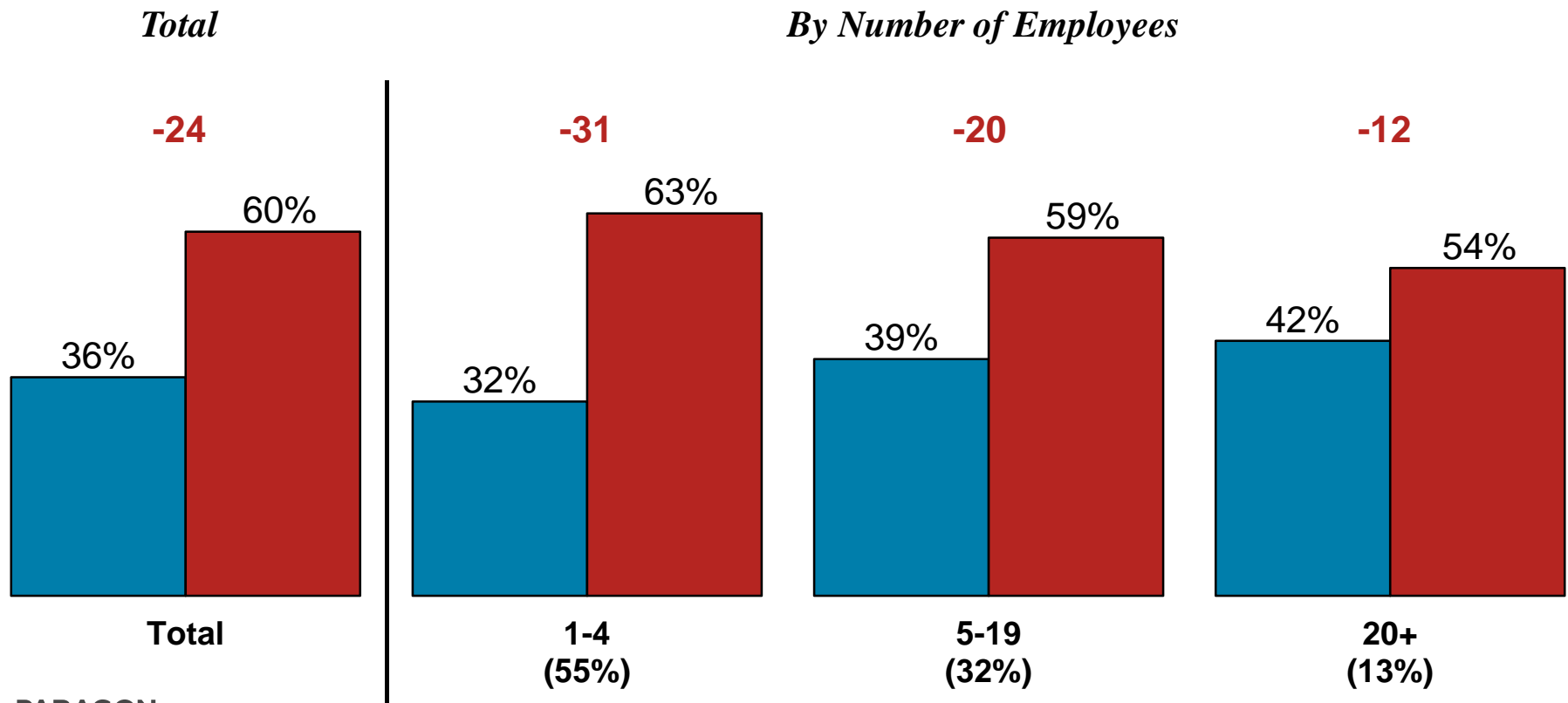


6 IN 10 SMALL BUSINESS OWNERS BELIEVE THERE IS TOO MUCH ECONOMIC UNCERTAINTY FOR THEIR BUSINESSES TO GROW.

Please tell me which statement comes closer to your opinion...

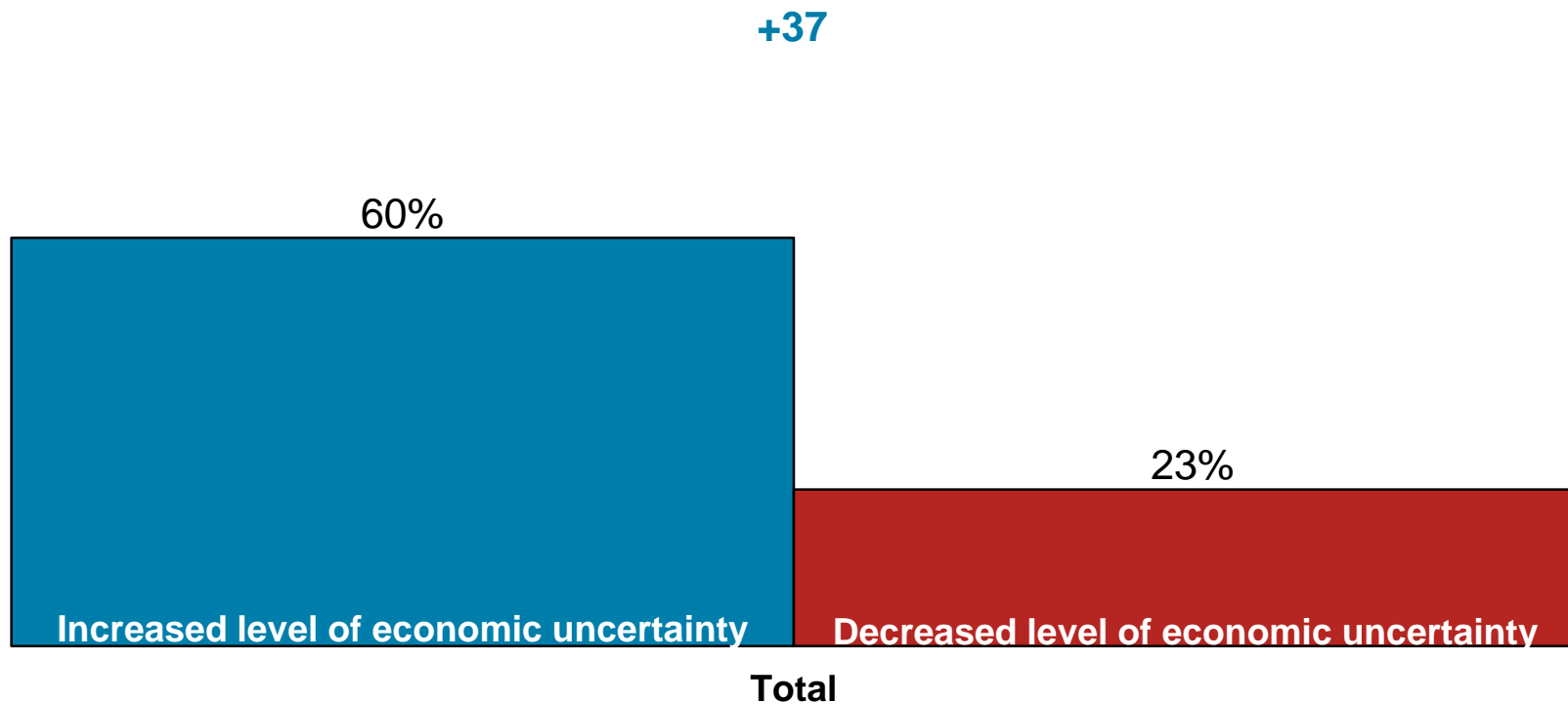
There is enough economic opportunity in the market today for my business to expand, grow, or hire new workers

There is too much economic uncertainty in the market today for my business to expand, grow, or hire new workers



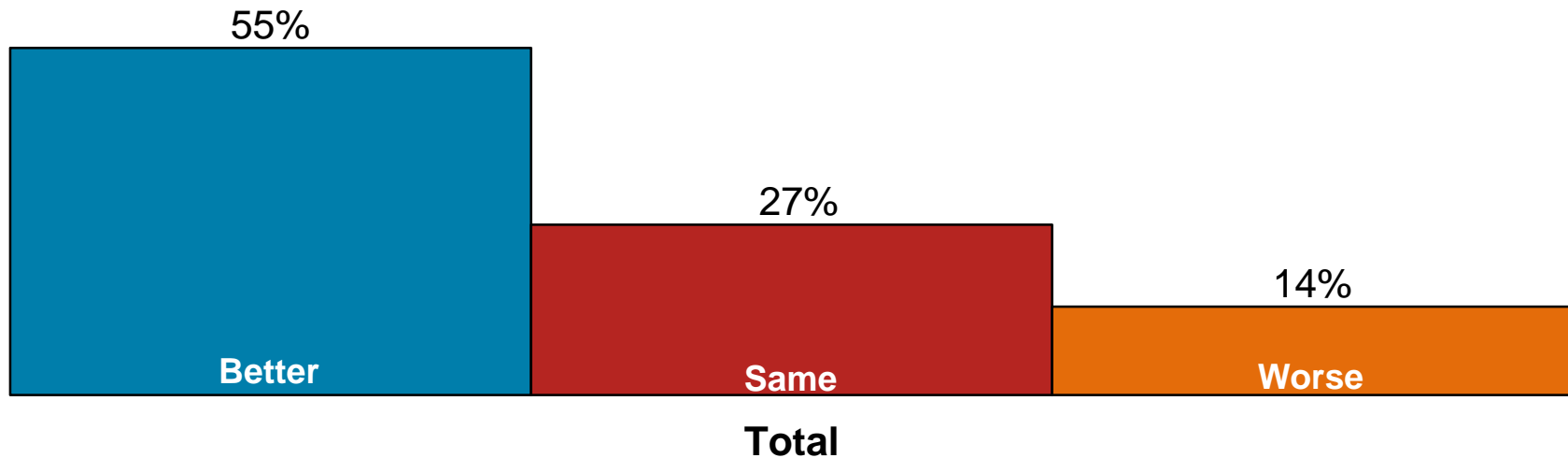
AND, 60% ALSO BELIEVE THAT POLICY DECISIONS MADE BY CONGRESS AND THE OBAMA ADMINISTRATION HAVE INCREASED THE LEVEL OF ECONOMIC UNCERTAINTY FOR THEIR BUSINESSES.

Over the last 2-3 years, have policy decisions by Congress AND the Obama Administration increased or decreased the level of economic uncertainty facing your business?



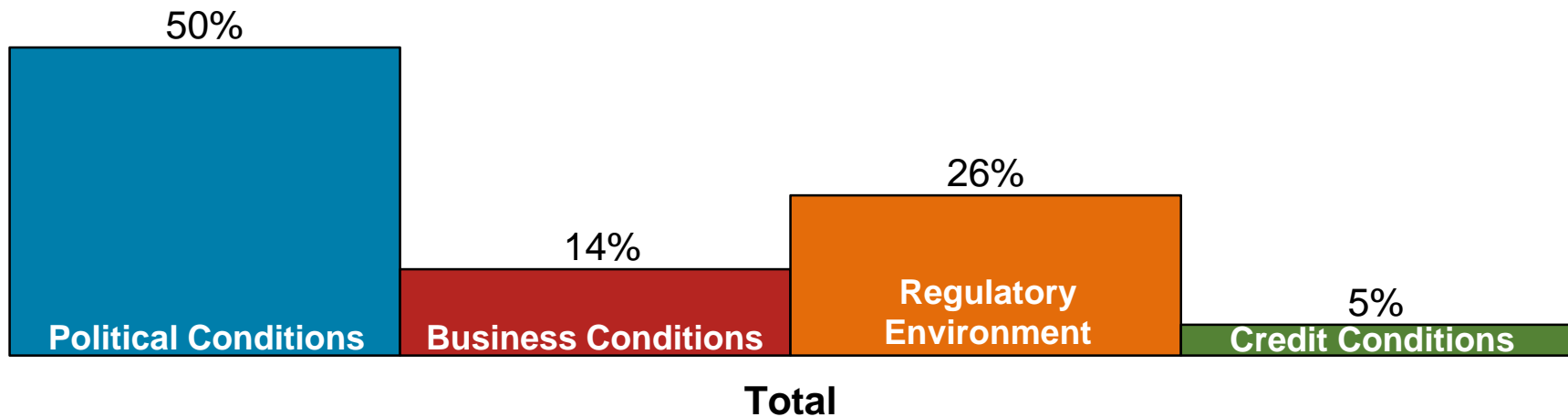
SMALL BUSINESS OWNERS ARE OPTIMISTIC THAT THE FINANCIAL SITUATION OF THEIR BUSINESS WILL IMPROVE IN THE SHORT TERM.

Two to three years from now, do you expect your business' financial situation to be better than it is today, the same as it is today, or worse than it is today?



AMONG THOSE THAT EXPECT THEIR FINANCIAL SITUATION TO BE WORSE, 50% BLAME POLITICAL CONDITIONS FOLLOWED BY THE REGULATORY ENVIRONMENT.

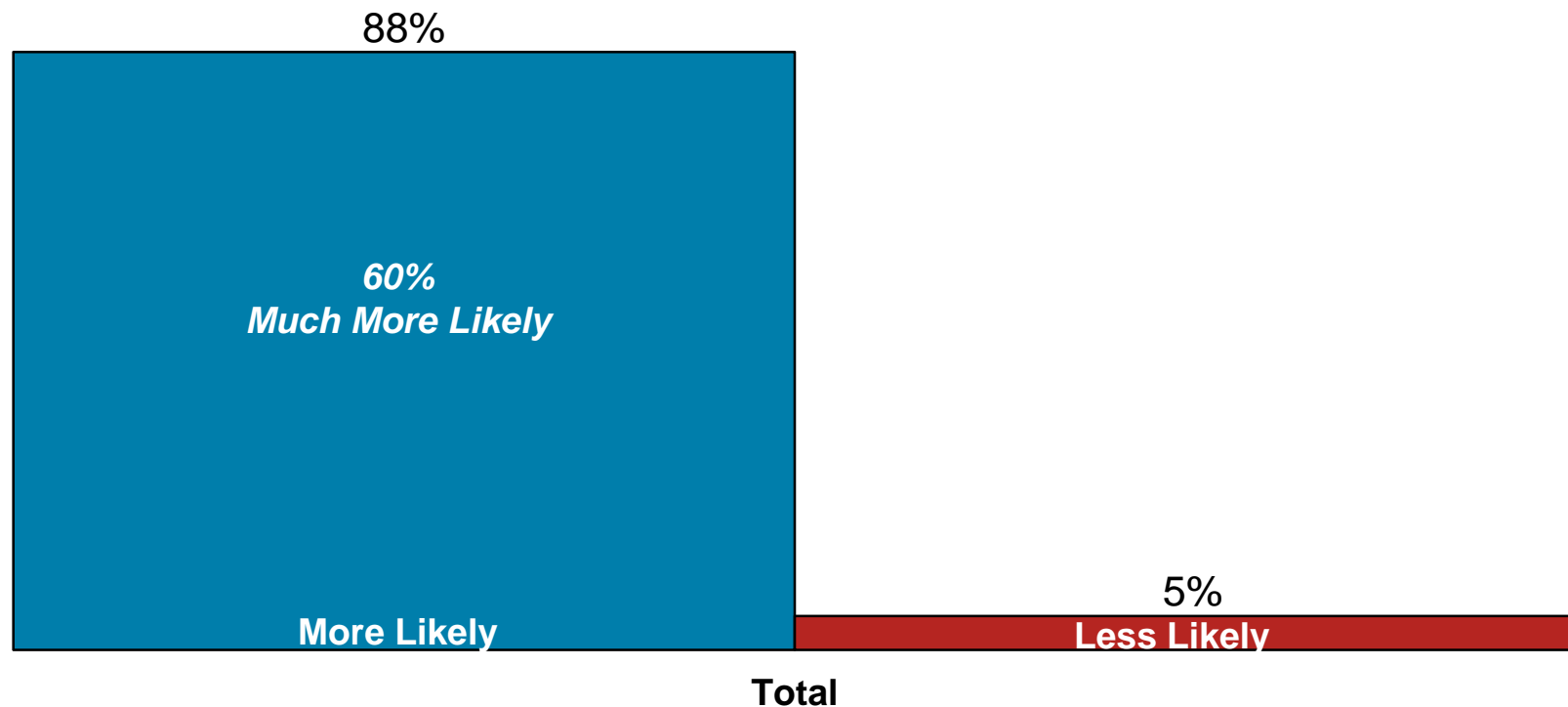
And what is the primary reason you expect your business' financial situation to be worse? (N=72)



ALMOST 9 IN 10 SMALL BUSINESS OWNERS SAY THEY WOULD SUPPORT A CONGRESSIONAL CANDIDATE WHO LOWERED TAXES, LIMITED REGULATIONS AND REDUCED HEALTH INSURANCE COSTS.

And, if a candidate for Congress supported a national strategy to lower taxes, limit regulations and reduce health insurance costs for small businesses, would you be more likely or less likely to vote for that candidate?

+83

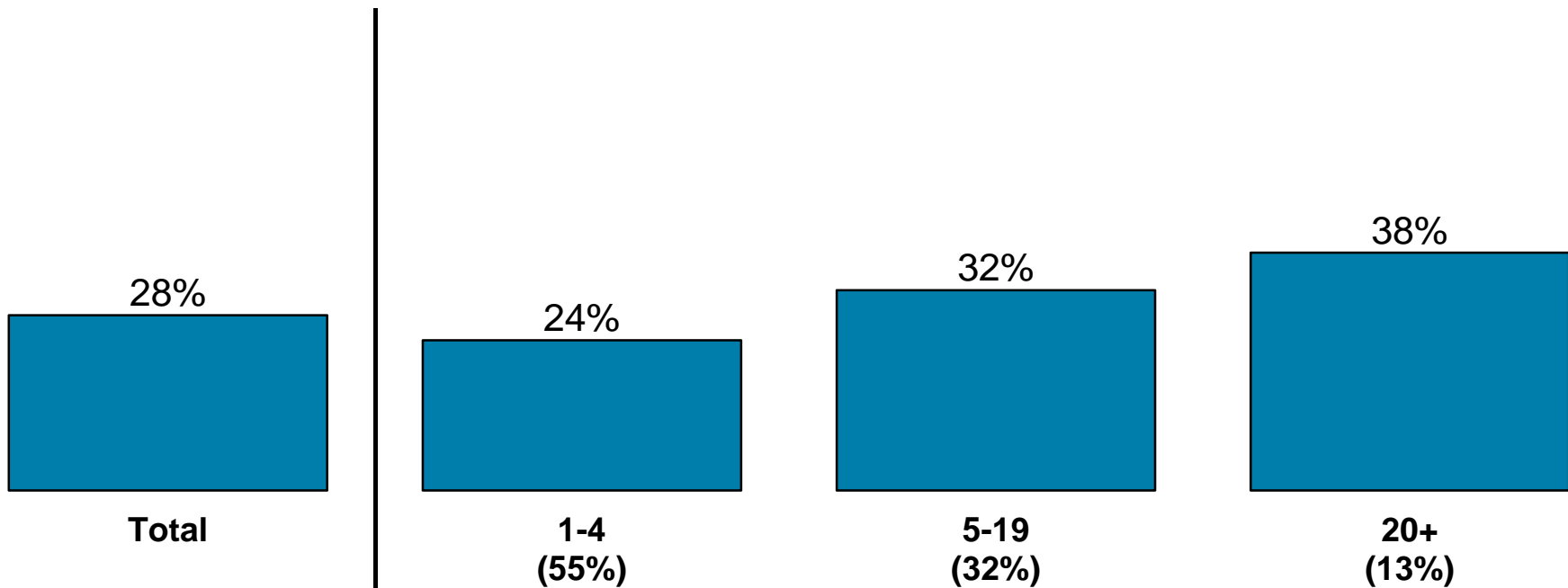


SLIGHTLY MORE THAN ONE-QUARTER OF SMALL BUSINESS OWNERS HAVE VOLUNTEERED OR CONTRIBUTED TO A POLITICAL CAMPAIGN IN THE PAST TWO YEARS.

Over the past 2 years, have you volunteered or contributed to a political campaigns?

Total

By Number of Employees

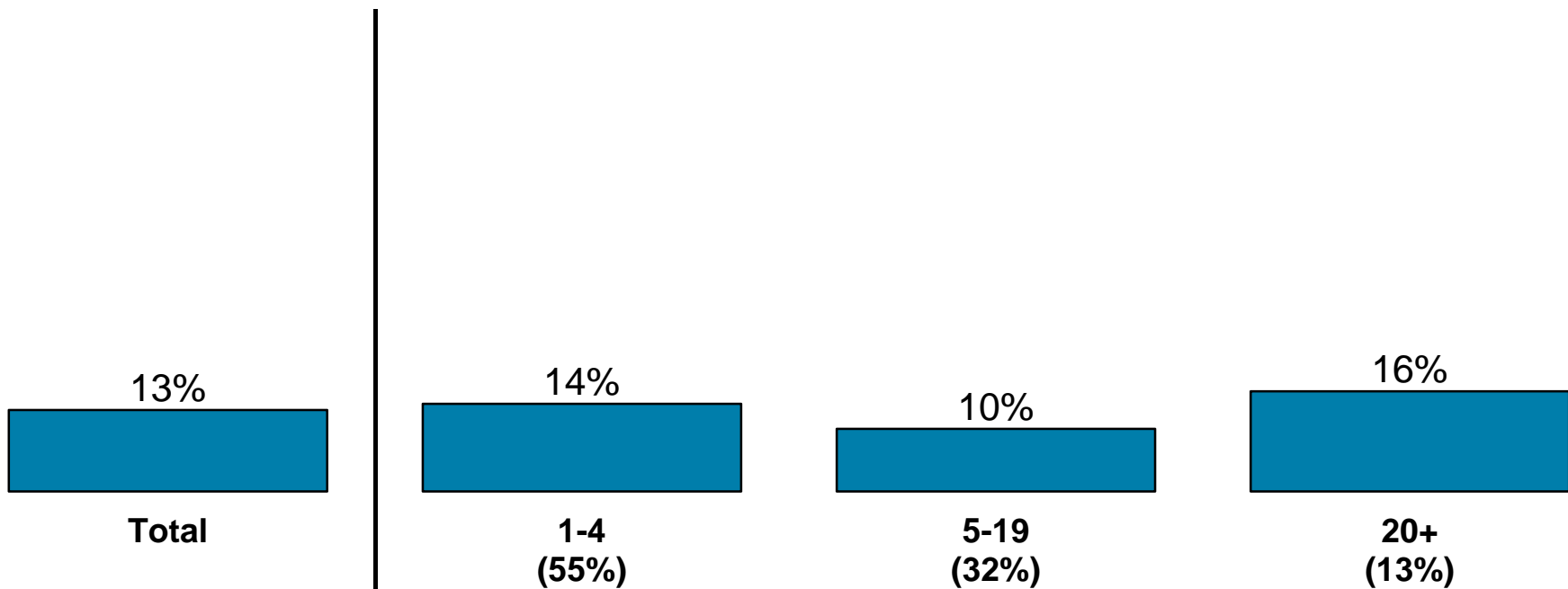


13% SAY THEY HAVE PROVIDED EDUCATIONAL INFORMATION OR INVITED A CANDIDATE TO SPEAK AT THEIR WORKPLACE.

And, over the past 2 years, have you provided educational information about political candidates to your employees or invited political candidates to speak at your workplace?

Total

By Number of Employees



NEARLY 60% OF SMALL BUSINESS OWNERS BELIEVE REPUBLICANS WINNING THE SENATE WILL MOST BENEFIT THEIR BUSINESSES.

Looking ahead to the November elections, which of the following outcomes do you think would benefit small businesses most:

