



THE SMALL BUSINESS OWNER PERSPECTIVE | 2023

Independence, Purpose, and Sacrifice —

Shining a Spotlight on the Complexities
Facing Today's Small Business Owners



Table of Contents

>	Methodology	3
>	Executive Summary	5
>	Detailed Findings	9
>	Appendix	42



Methodology



Survey Objective & Methodology



Survey Details

15-minute online survey fielded
from July 11th – July 22nd, 2023

SAMPLE STRATEGY

Sample of 1,000 U.S. Small Business Owners across a range of industries, with an annual revenue of \$25 million or less and at least two employees

Oversample of 347 California-based Small Business Owners

The margin of error for this study is $\pm 3.1\%$ for U.S. Small Business Owners and $\pm 5.26\%$ for California Small Business Owners



Executive Summary



Executive Summary

01

Small business owners define success on their own terms and **it's about more than just the money**—their business is deeply intertwined with **purpose**.

In addition to **finances** as a key driver of success, more than 9 in 10 find it in focusing on **customers**, **family**, and **passion**.

This emphasis is reflected in their life priorities, as small business owners truly **work to live**, ranking time spent with loved ones (43%), work-life balance (37%), and physical health (35%) well ahead of their business health (22%).

02

Independence is a big driver for small business owners, but the **“business of running a business”** makes for a lot of **difficult decisions**.

Greater freedom brings greater **responsibility**. Small business owners face challenges from every corner of their business, identifying top stressors as obtaining funding (80%), competition (79%), supply chain issues (78%) and staffing shortages (72%).

Today's **small business owners could use support** as they struggle with having too many difficult decisions to make (77%) and feeling uncertain about how to properly run their business (76%).

03

Despite their relentless dedication, **even the most successful small business owners risk burnout** as they struggle to balance their business demands with their personal priorities.

The key culprit for small business owners' stress is **lack of time**, and 2 in 3 say they're doing all they can for their business but **it's never enough**.

Small business owners feel that a **good work-life balance is impossible** to achieve. Their **personal lives and relationships are paying the price**, as 1 in 2 small business owners have lost touch with loved ones or been worse romantic partners due to their business.

Executive Summary

04

Small business owners see the value of digital tools but are **overwhelmed by constant decisions** and many options, and they have **yet to unlock the full potential** of digital solutions.

8 in 10 small business owners report **strong digital knowledge** and are actively looking for new ways to invest in digital transformation.

Although they **see the value of digital solutions** in freeing up their time (42%), improving their overall productivity (41%), and helping them scale their business (40%), many get **decision paralysis**.

Nearly 2 in 3 small business owners are **overwhelmed** by all the solutions that exist and also face barriers of limited **time, budget, and resources**.

05

The power of connection: purpose, conversation, and community are key to small business owner success.

For small business owners' success, leaning into the support of **family and friends** (78%) and listening to and addressing **employees' feedback** (76%) are integral.

Success also comes from **connecting with customers**, wherever they are, and small business owners credit promoting their business on social media (76%), improving or building their website (73%), and using digital tools to improve customer experience (72%).

06

Super-resilience: in the face of great challenges, small business owners remain optimistic, proactive, and purpose-driven.

Despite many challenges and stressors, 9 in 10 small business owners are **optimistic** for their business's future.

When stressed, small business owners ground themselves in **purpose** and being **proactive**—reminding themselves why they started their business (78%) and also regularly evaluating their business strategy (73%), establishing boundaries with work (71%), and hiring additional support staff to relieve their workload (50%).

Executive Summary

CALIFORNIA EDITION



California really is the golden state, as small business owners there are **more optimistic and have a better work-life balance** than the average U.S. small business owner.

California small business owners are more likely than the average US small business owners to say their business is **successful** (95% CA vs. 86% U.S.) and that they are **optimistic** for the future (96% CA vs. 87% U.S.).

Even more, they **sacrifice less for their business** and are less likely to have worked longer hours (64% CA vs. 74% U.S.).

This sense of optimism and balance may be, in part, because California small business owners are more likely to have **unlocked solutions**, including tech and tools, stress relief, and viewing their banker as a resource on their team.



Detailed Findings





Detailed Finding 1 

A white mouse cursor arrow pointing towards the magnifying glass icon.

Small business owners define success on their own terms

and it's about more than just the money—

their business is deeply intertwined with purpose

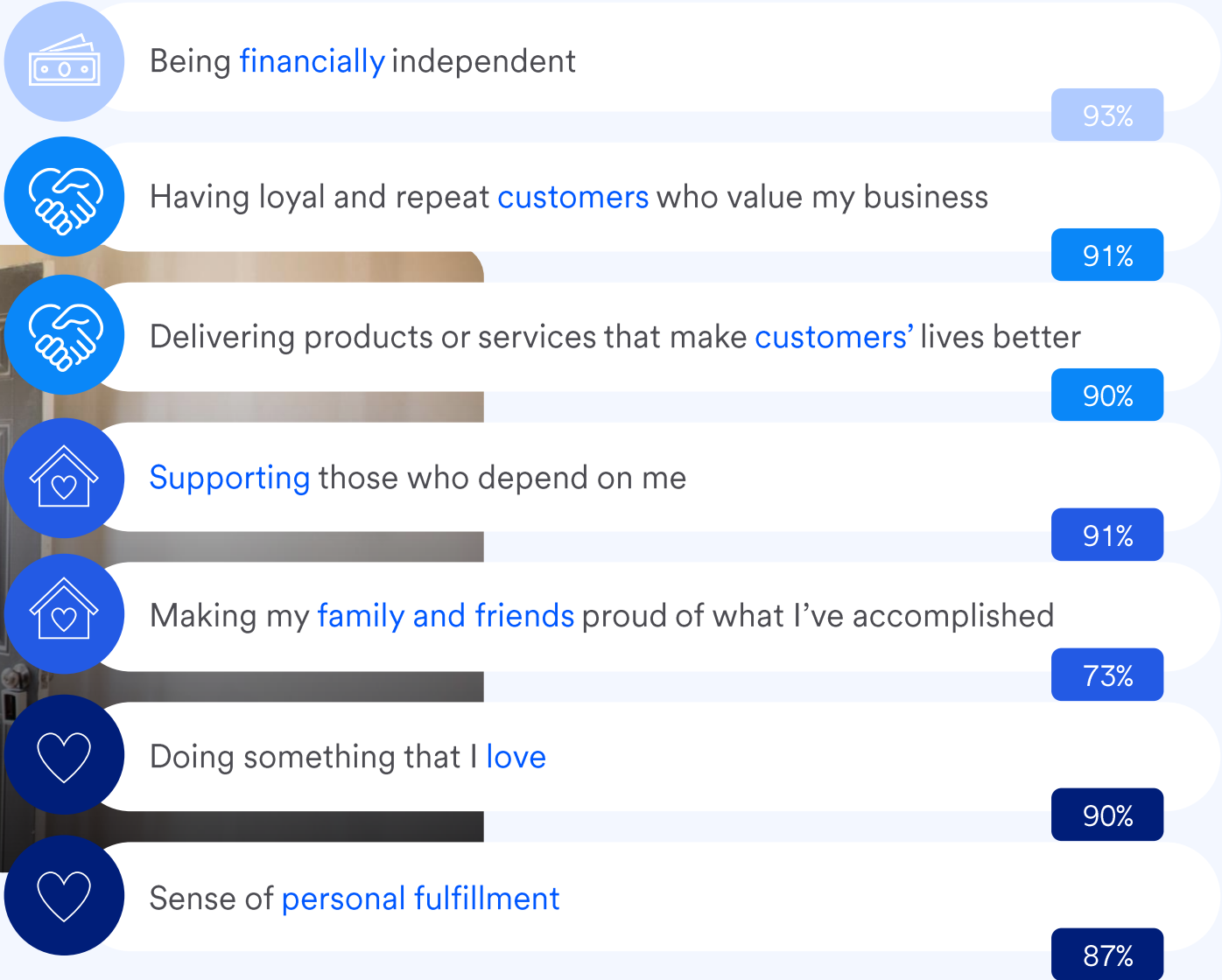
Small business owners define success as much more than just the financials—they're powered by passion and purpose



NEARLY
9 in 10

of small business owners define their business as successful **(86%)**

i How Small Business Owners Define Success For Their Business More Broadly



Q1: Thinking about the word "success" and what it means to you, how would you rate the current success of your business? <Showing Net Top 3 Box>. Q4: How important do you feel each of the following are in determining whether your business is successful, according to your own definition of success? <Showing Net Top 2 Box> Base: US SBOs n=1000

Money doesn't even make the top 5 reasons why small business owners became business owners in the first place



Top 5 Reasons Small Business Owners Started Their Business



I wanted to **be my own boss**

95%



I wanted to **make customers happy**

94%



I wanted **my passions to be part of my work**

93%



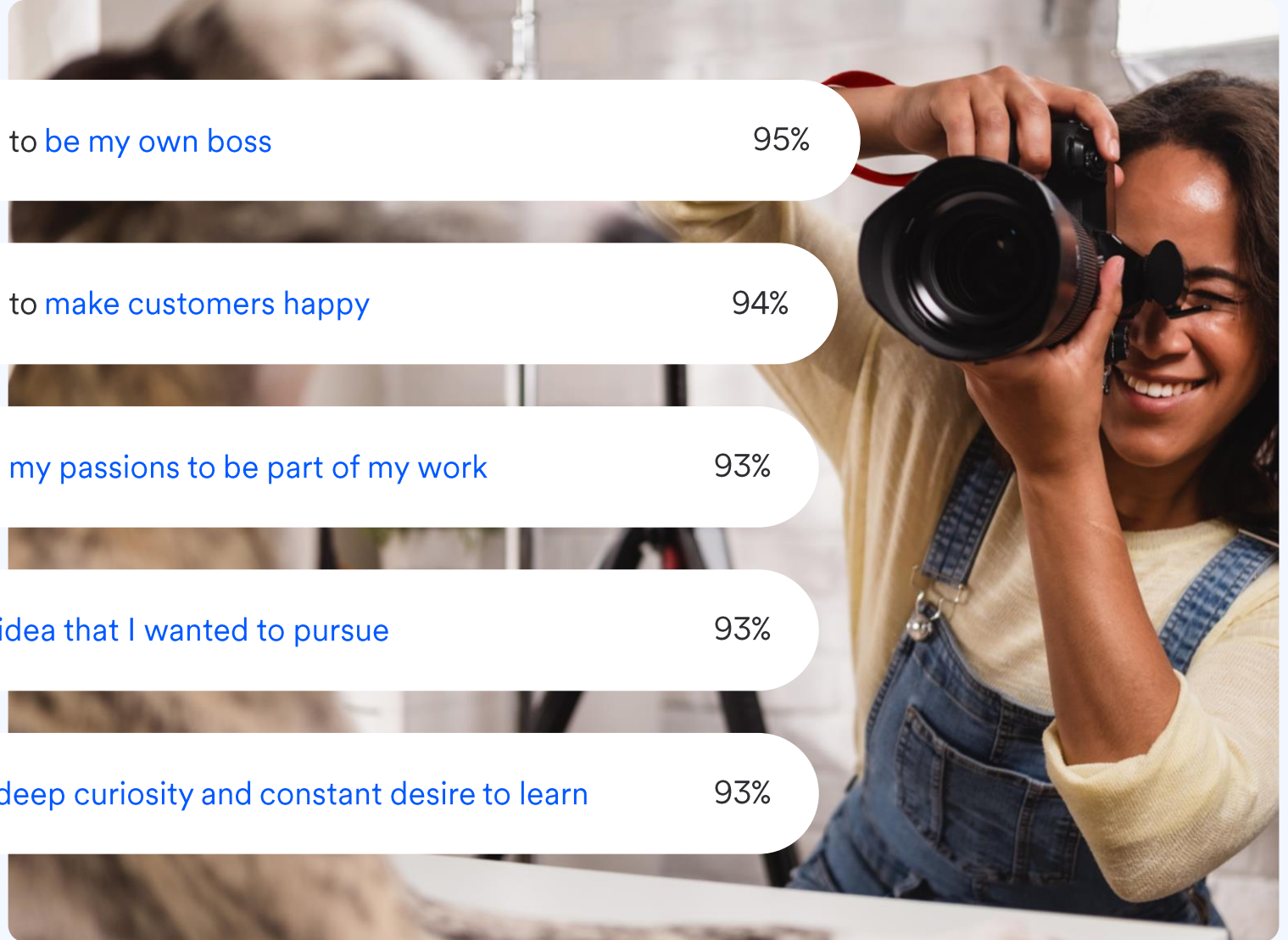
I had an **idea that I wanted to pursue**

93%



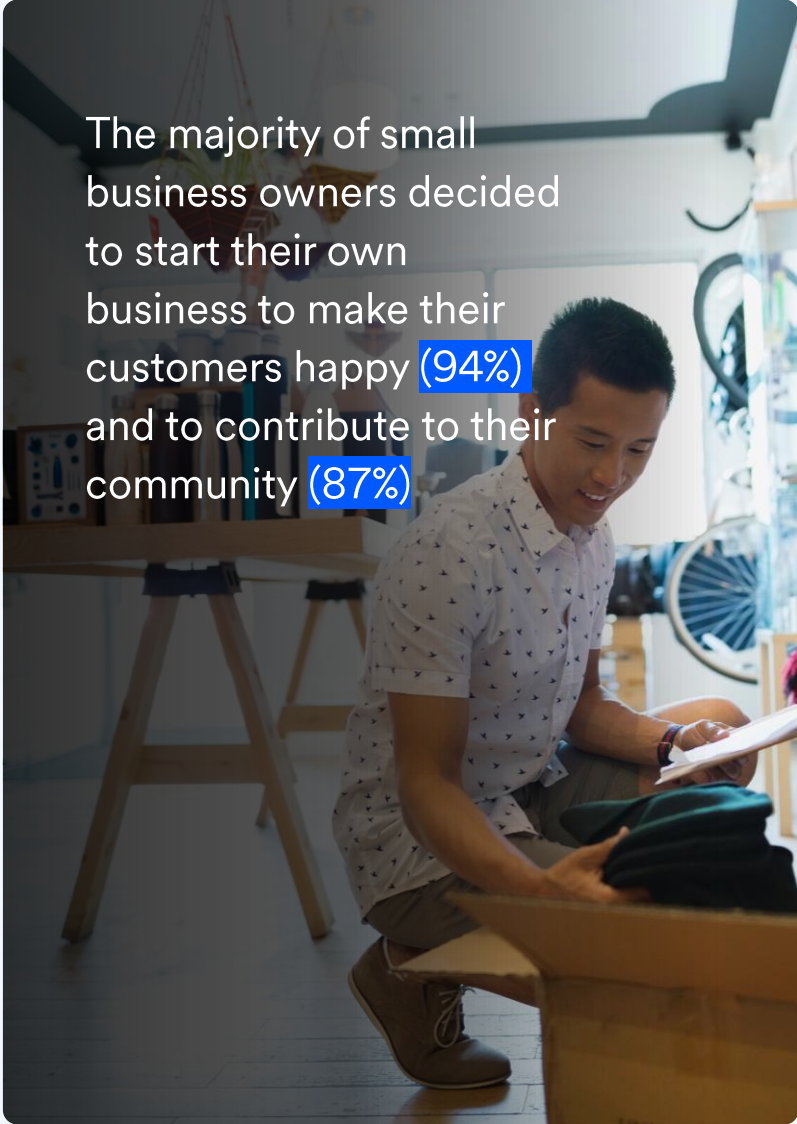
I have a **deep curiosity and constant desire to learn**

93%

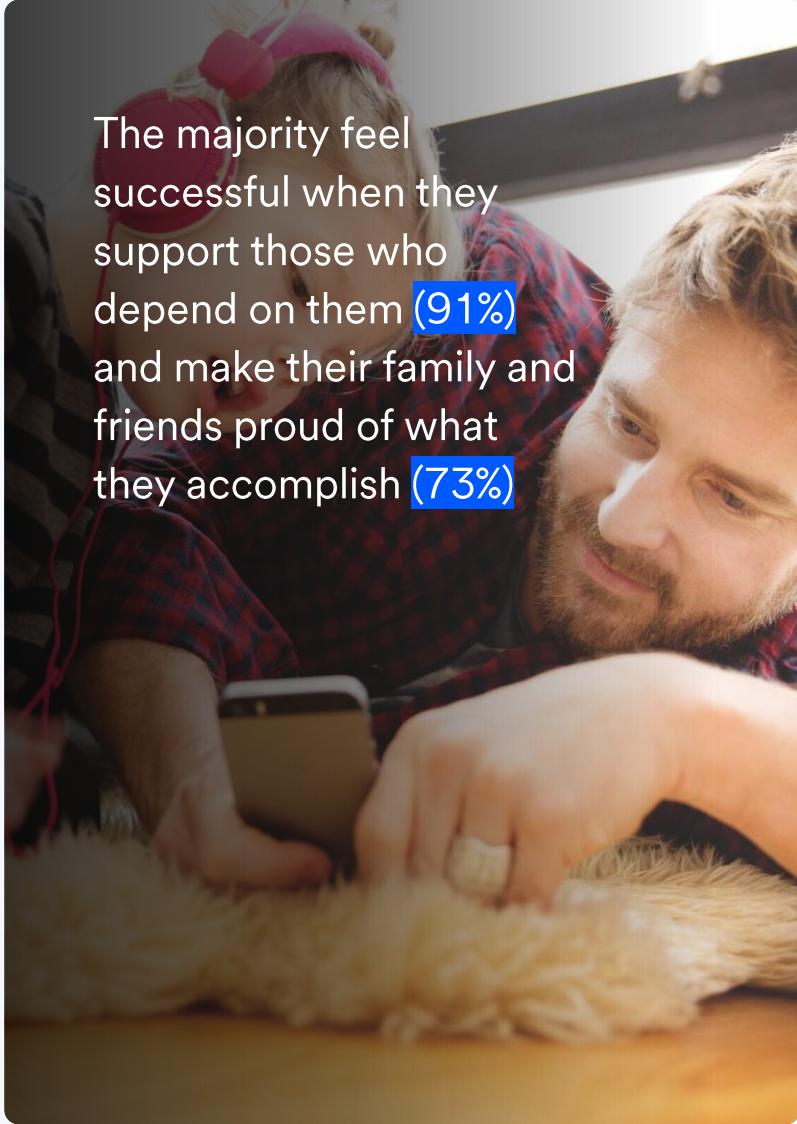


Q5: To what extent do you agree or disagree with the following statements about why you decided to become a small business owner? <Showing Net Top 2 Box>. Base: US SBOs n=1000

Small business owners operate from a deep sense of responsibility to their customers, communities, and families



The majority of small business owners decided to start their own business to make their customers happy (94%) and to contribute to their community (87%)



The majority feel successful when they support those who depend on them (91%) and make their family and friends proud of what they accomplish (73%)

Q4: How important do you feel each of the following are in determining whether your business is successful, according to your own definition of success? <Showing Net Top 2 Box> Q5: To what extent do you agree or disagree with the following statements about why you decided to become a small business owner? <Showing Net Top 2 Box>. Q11: Please rank the top 5 priorities in your life, with #1 being your top priority. Base: US SBOs n=1000

Small business owners say family and wellbeing are higher priorities than their finances and business health



i
Top Small Business Owners' Priorities,
% Ranked in Top 3



Q11: Please rank the top 5 priorities in your life, with #1 being your top priority. Base: US SBOs n=1000

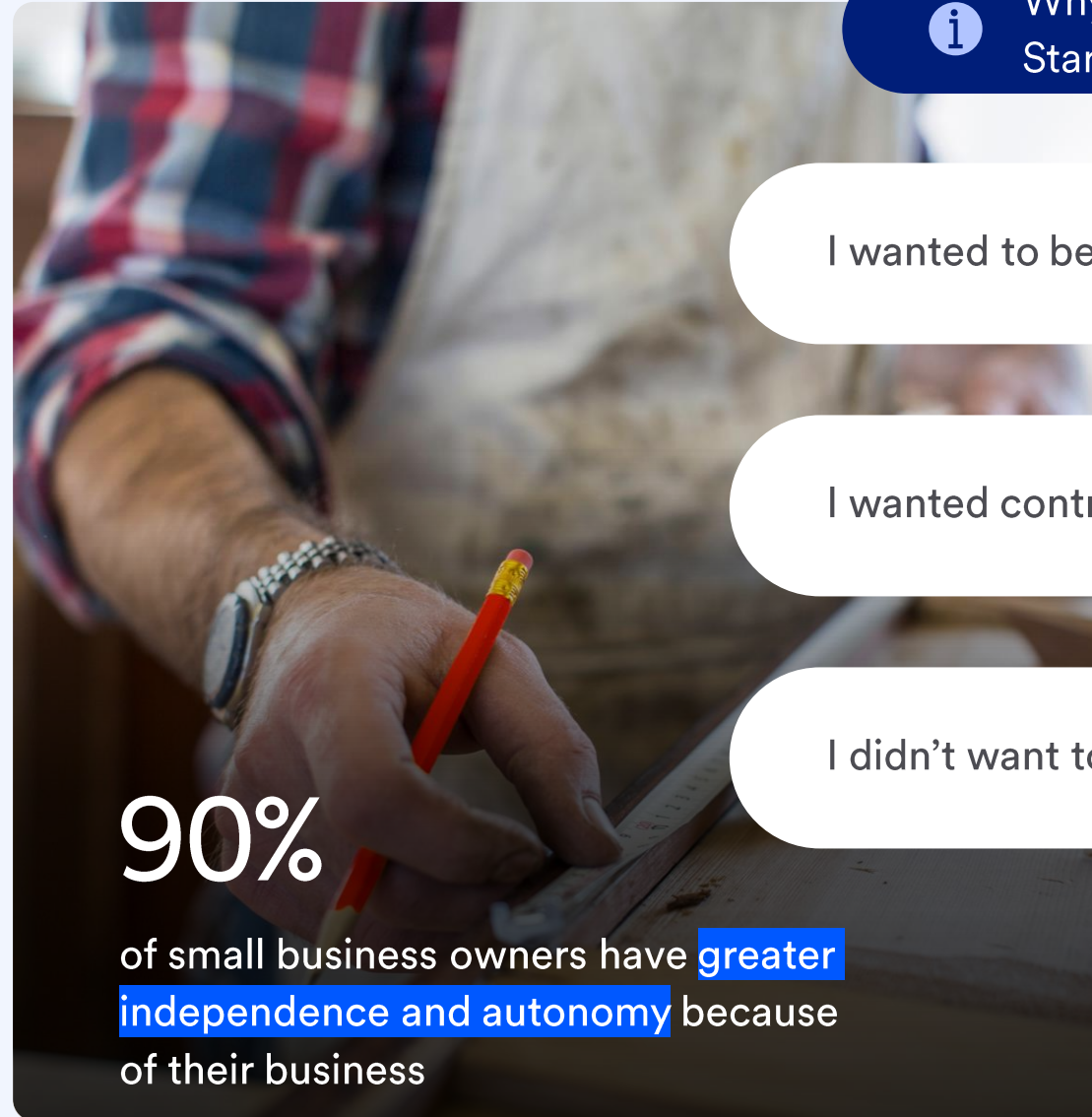


Detailed Finding 2



Independence is a big driver for small business owners,
but the “business of running a business”
makes for a lot of difficult decisions

Autonomy and control are a large part of why individuals became business owners—and it's working



90%

of small business owners have **greater independence and autonomy** because of their business



Why Small Business Owners Started Their Business

I wanted to be my own boss

95%

I wanted control of how and when I work

92%

I didn't want to be confined to a 9-to-5

82%

Q5: To what extent do you agree or disagree with the following statements about why you decided to become a small business owner? <Showing Net Top 2 Box>. Q15: On the more positive side, to what extent do you agree or disagree with each of the following statements? <Showing Net Top 2 Box>. Base: US SBOs n=1000

Greater freedom brings greater responsibility, and small business owners need to handle stressors from every corner of their business



Small Business Owners Identify Their Top Stressors As

Obtaining enough funding to support their business

80%

Competitors in the marketplace

79%

Supply chain issues

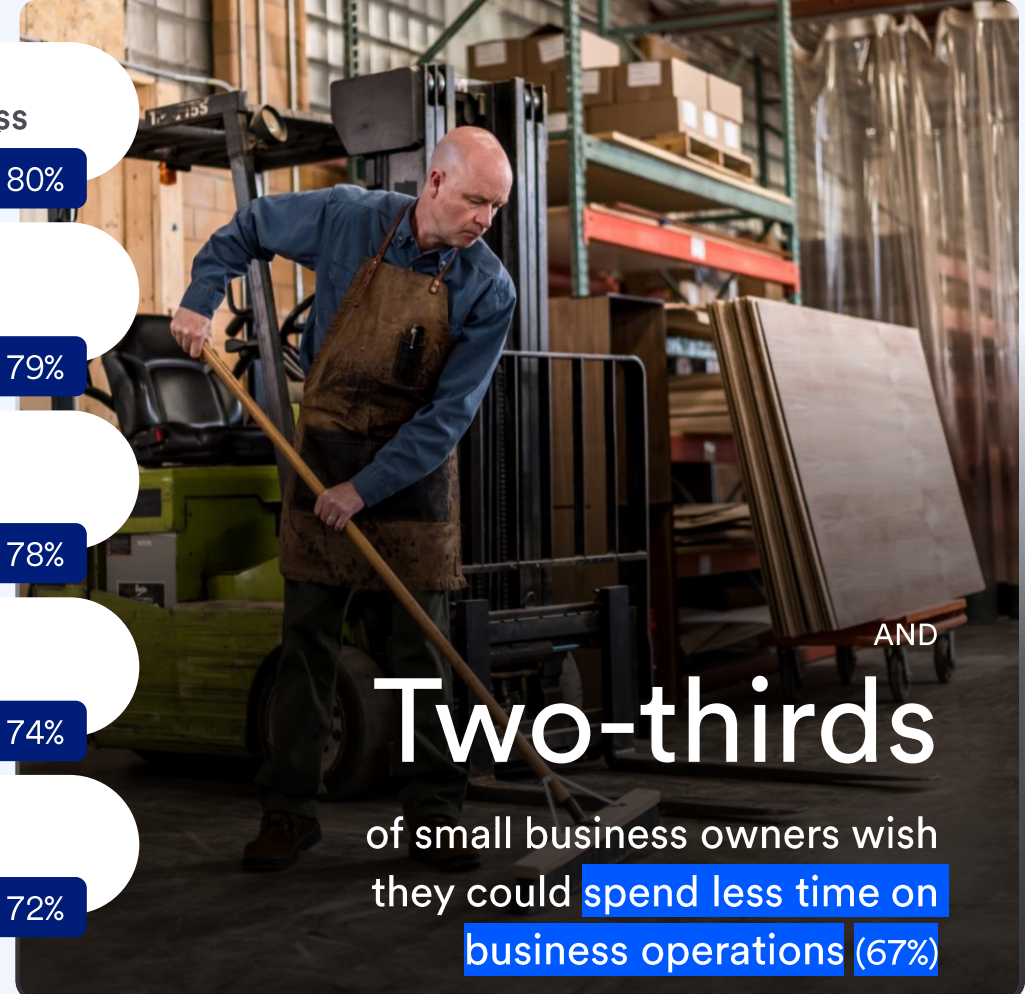
78%

Needing to upskill their workforce

74%

Staffing shortages

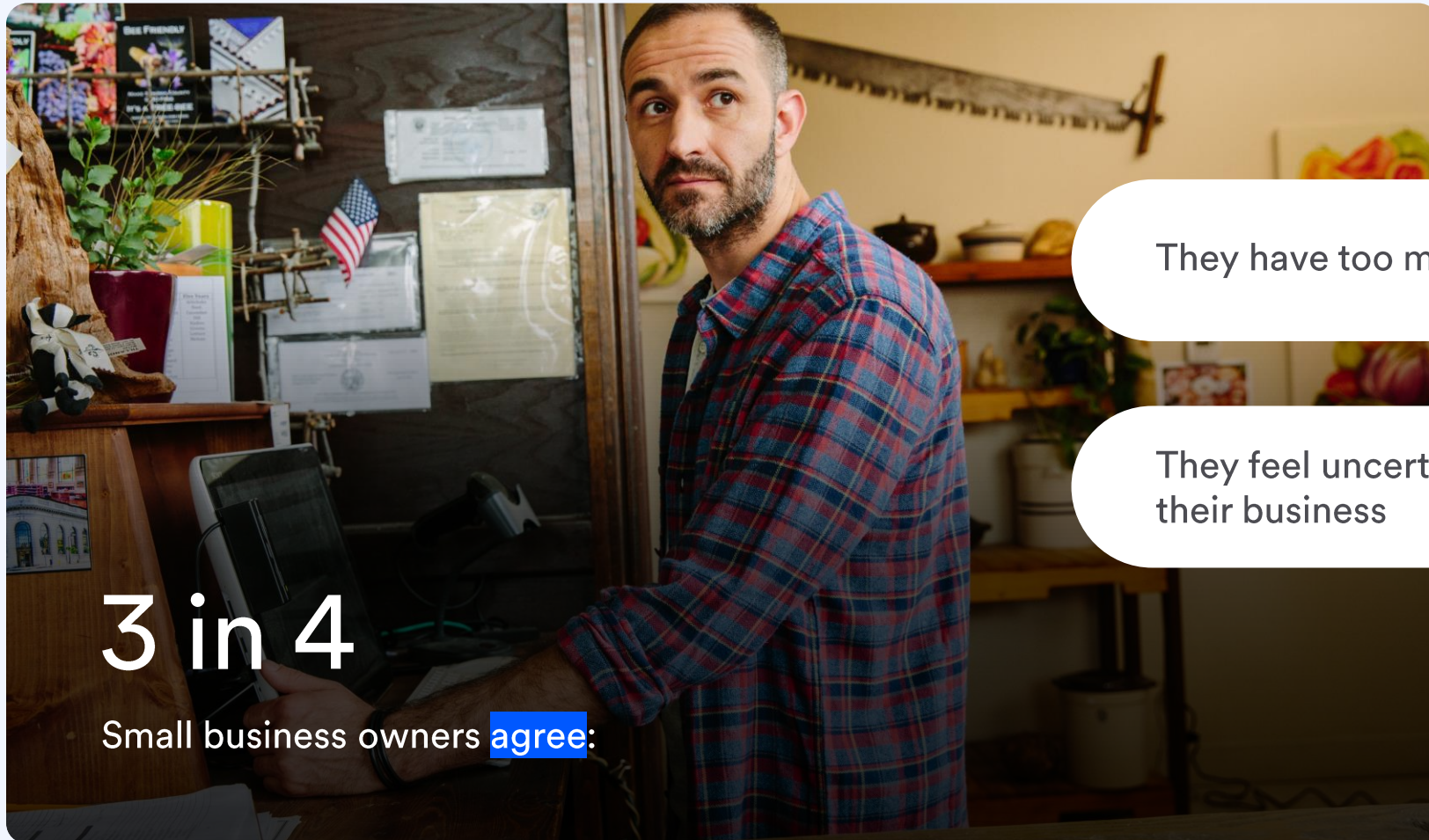
72%



AND
Two-thirds
of small business owners wish they could spend less time on business operations (67%)

Q7: Which of the following are top stressors related to your business? <Showing Net Top 3 Box>. Q10: Thinking about your role as a small business owner, how much do you agree or disagree with the following statements? <Showing Net Top 2 Box>. Base: US SBOs n=1000

The constant responsibility of making many decisions can be overwhelming for small business owners



3 in 4

Small business owners agree:

They have too many difficult decisions to make

77%

They feel uncertain about how to properly run their business

76%

Q7: Which of the following are top stressors related to your business? <Showing Net Top 3 Box>. Base: US SBOs n=1000



Detailed Finding 3



Despite their relentless dedication, even the most
successful small business owners risk burnout
as they struggle to balance their business
demands with their personal priorities

Even the most successful business owners can feel like they're living on the edge



MORE THAN

1 in 2

Small Business Owners

say the constant need to adapt as a small business owner is burning them out

(56%)

feel like their business is always on the edge of failing

(52%)

have seriously considered walking away from their business

(50%)



Q10: Thinking about your role as a small business owner, how much do you agree or disagree with the following statements? <Showing Net Top 2 Box>. Base: US SBOs n=1000

The key culprit for small business owner stress: not having enough time



% Who Agree With
The Following
Statements

I wish I could spend **more time** planning for the future of my business

77%

I wish I could spend **less time** on business operations

67%

I'm **doing all I can** for my business, but it's never enough

62%

I wish I could spend **less time** putting out fires for my business

60%

Q7: Which of the following are top stressors related to your business? <Showing Net Top 3 Box>. Q10: Thinking about your role as a small business owner, how much do you agree or disagree with the following statements? <Showing Net Top 2 Box>. Base: US SBOs n=1000

Constantly short on time,
small business owners are
resigned to not having a
good work-life balance

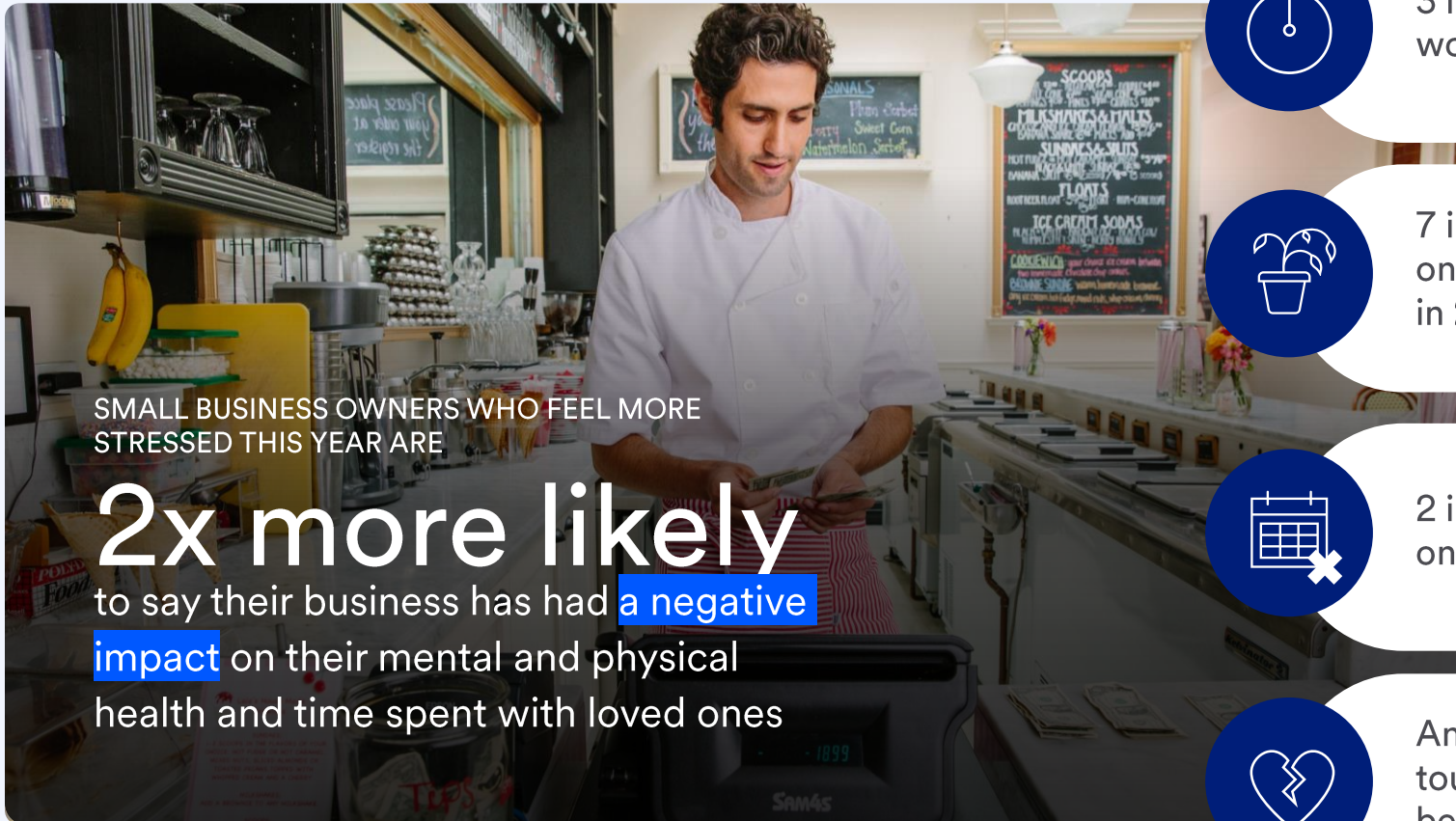


6 in 10

believe it's impossible to have a good
work-life balance as a small business owner (57%)

Q10: Thinking about your role as a small business owner, how much do you agree or disagree with the following statements? <Showing Net Top 2 Box>. Base: US SBOs n=1000

The responsibilities of owning a small business are making an impact on small business owners' personal lives and relationships



SMALL BUSINESS OWNERS WHO FEEL MORE STRESSED THIS YEAR ARE

2x more likely to say their business has had a negative impact on their mental and physical health and time spent with loved ones



3 in 4 have worked longer hours than they would have liked (74%)



7 in 10 small business owners have worked at least one weekend every month (71%), and more than 1 in 2 skip at least 12 meals every month (54%)



2 in 5 miss a family gathering or event at least once every month (41%)



And 1 in 2 small business owners have lost touch with close friends/family (52%) or have been a worse romantic partner for the sake of their business (51%)

Q12: Thinking about your business currently, how much and what kind of an impact does your business have on each of the following? <Showing Net Bottom 2 Box>. Q13: To what extent do you agree or disagree with each of the following statements? <Showing Net Top 2 Box>. Q14: Thinking about the past year, please indicate the extent to which you have had to miss or give up in each of the following due to work-related obligations? Base: US SBOs n=1000; More Stressed SBOs n=329

*Note: Stressed SBOs are defined as SBOs who stated that their stress levels have increased compared to one year ago.

Women entrepreneurs are more likely to be maintaining better work-life balance than their male counterparts



For the sake of their business, female small business owners are less likely to have...



been forced to miss birthdays/ anniversaries

39%

53%



lost touch with close friends/ family

46%

55%

Female Small Business Owners

Male Small Business Owners



“The constant need to adapt as a small business owner is burning me out”

60%

Male Small Business Owners

49%

Female Small Business Owners

Q10. Thinking about your role as a small business owner, how much do you agree or disagree with the following statements? <Showing Net Top 2 Box>. Q13: To what extent do you agree or disagree with each of the following statements? <Showing Net Top 2 Box>. Base: US SBOs n=1000; Female SBOs n=407; Male SBOs n=591



Detailed Finding 4



Small business owners see the value of

digital tools but are overwhelmed by constant

decisions and many options...

...and they have yet to unlock the

full potential of digital solutions

Today's small business owners are savvy and interested in the latest digital solutions

i
MORE THAN
4 in 5
Small Business Owners

are confident in their digital knowledge

86%

are always looking for the latest tech/tools to help run their business more efficiently

80%

trust their current solution providers to operate in their business's best interest

84%



Q10: Thinking about your role as a small business owner, how much do you agree or disagree with the following statements? <Showing Net Top 2 Box> Q18: Thinking about adopting new technologies, which of the following statements do you agree or disagree with? <Showing Net Top 2 Box> Base: US SBOs n=1000

Small business owners see the value that new digital tools can bring their business

i Top Benefits of Digital Tools for Small Business Owners



The key value for small business owners centers on **time**, and the **operational and psychological benefits** of having more of it

82%

say that simplifying digital solutions would reduce stress in their day-to-day

72%

say that using digital tools to improve customer experience has been helpful to the success of their business

40%

say digital tools would reduce the burden of repetitive tasks and improve overall productivity

42%

say digital tools would help free up their time, allowing them to focus on more strategic responsibilities

40%

say digital tools would allow them to prioritize the products and services most essential to their customers and help them scale their business without requiring additional resources

Q8: Which of the following solutions have been helpful to the success of your business? <Showing Net Top 2 Box>
Q18: Thinking about adopting new technologies, which of the following statements do you agree or disagree with? <Showing Net Top 2 Box>
Q20: What benefits of digital tools would be the most helpful for your business? Base: US SBOs n=1000

However, when it comes to adopting new solutions, many small business owners are not sure where to begin—and know they could be paying a price for it

6 in 10

of small business owners are overwhelmed by all the solutions that exist and find it difficult to determine the best one for their business (61%)

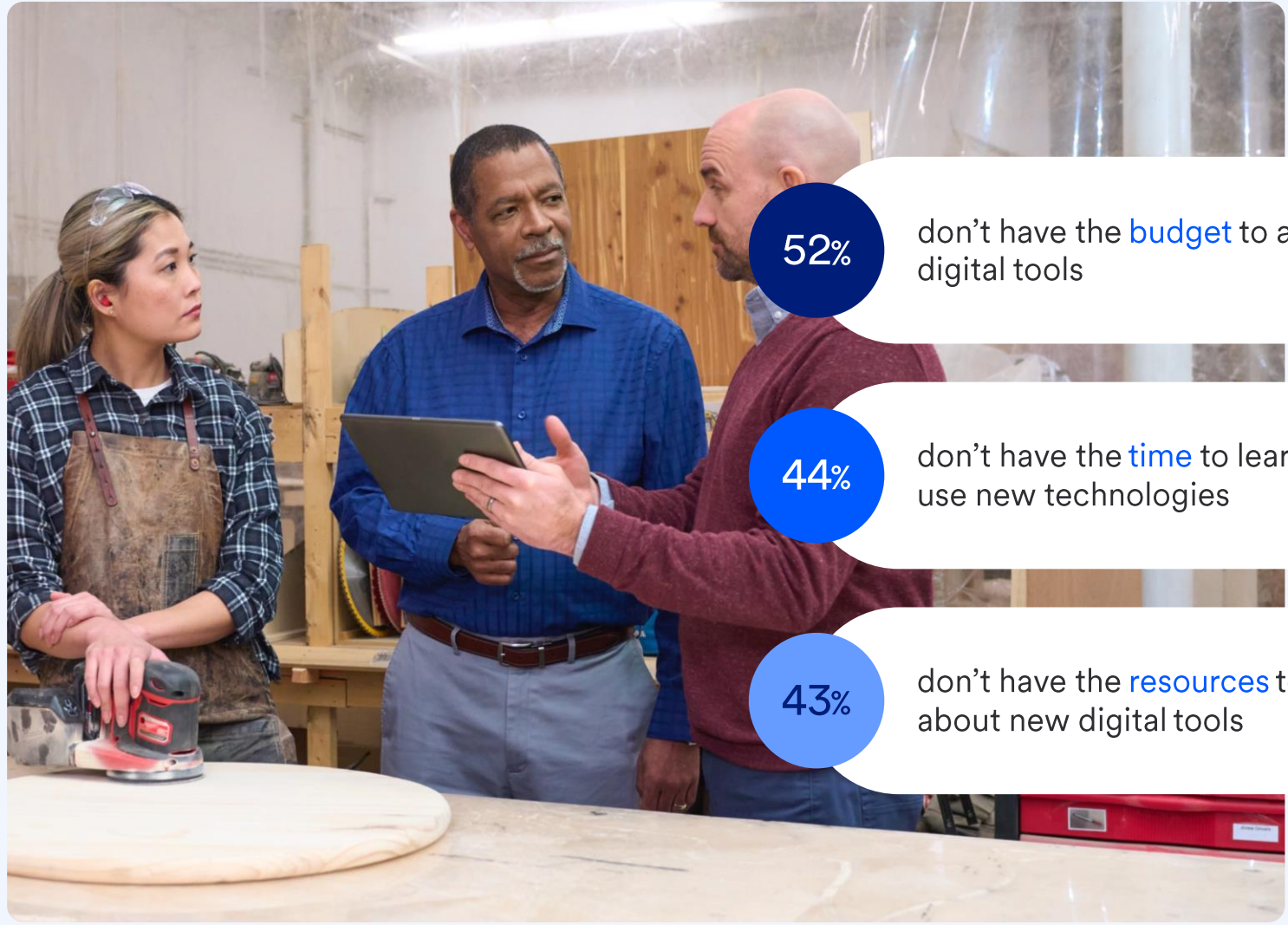
1 in 2

agree that their work and staff are suffering because they haven't been able to determine the correct tools and solutions for their needs (47%)

Q10: Thinking about your role as a small business owner, how much do you agree or disagree with the following statements? <Showing Net Top 2 Box>. Q18: Thinking about adopting new technologies, which of the following statements do you agree or disagree with? <Showing Net Top 2 Box> Base: US SBOs n=1000

Small business owners face several barriers that prevent them from unlocking the benefits of digital solutions

i
Barriers To Adopting New Digital Tools:



52%

don't have the **budget** to afford new digital tools

44%

don't have the **time** to learn how to use new technologies

43%

don't have the **resources** to learn about new digital tools

Q18: Thinking about adopting new technologies, which of the following statements do you agree or disagree with? <Showing Net Top 2 Box> Base: US SBOs n=1000



Detailed Finding 5 

The power of connection:

purpose, conversation, and community

are key to small business owner success

Small business owners see connection with their community and employees as the top drivers of their success and resilience



Small Business Owners' Top Solutions Driving The Success Of Their Business

Support from their family and friends

78%

Listening to their employees and addressing their feedback

76%



Q8: Which of the following solutions have been helpful to the success of your business? <Showing Net Top 2 Box>. Base: US SBOs n=1000

Conversation also means connecting with customers, wherever they are

And small business owners see digital tools and channels as a powerful means to do so

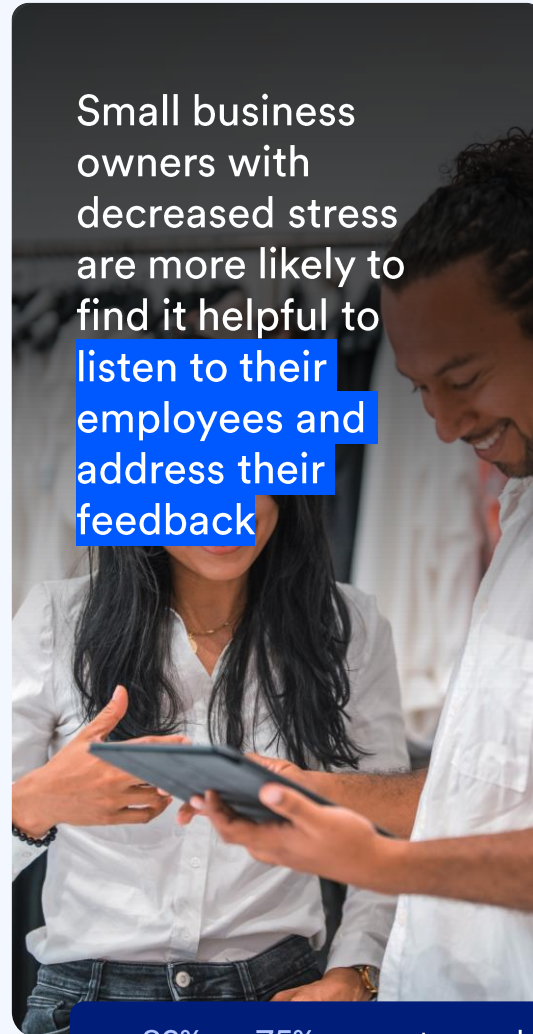


i Small Business Owners' Top Solutions Driving The Success Of Their Business

- +** Promoting their business on **social media** **76%**
- +** Improving or building their **website** **73%**
- +** Using **digital tools** to improve customer experience **72%**

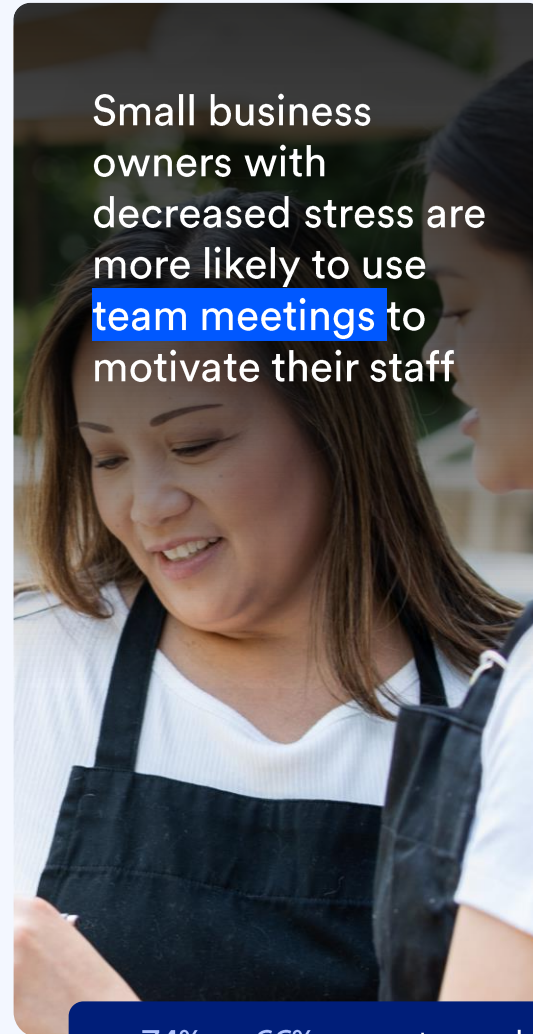
Q8: Which of the following solutions have been helpful to the success of your business? <Showing Net Top 2 Box>. Base: US SBOs n=1000

Collaboration and connection are key to mitigating stress for small business owners



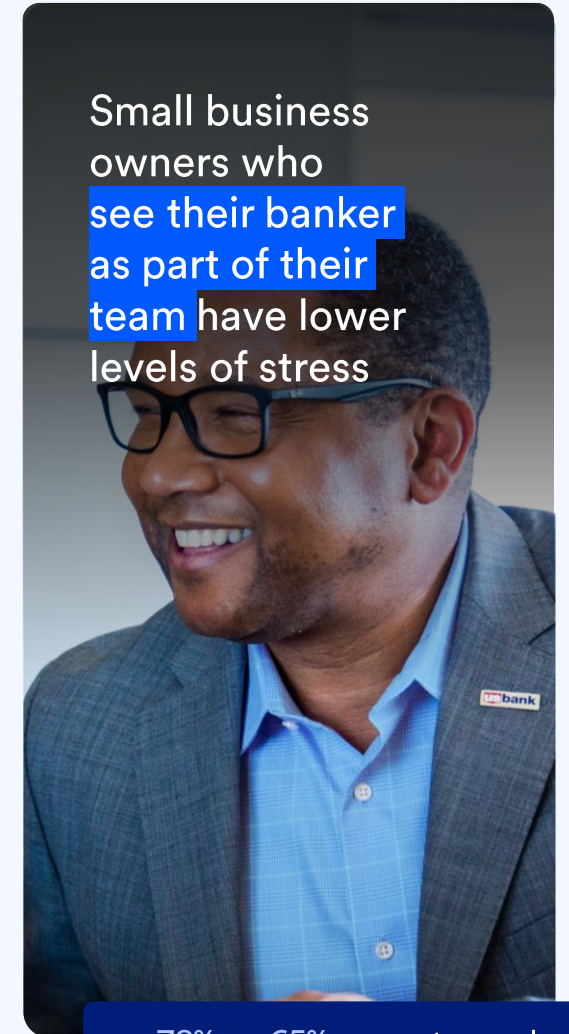
Small business owners with decreased stress are more likely to find it helpful to listen to their employees and address their feedback

82% vs. 75% more stressed



Small business owners with decreased stress are more likely to use team meetings to motivate their staff

74% vs. 66% more stressed



Small business owners who see their banker as part of their team have lower levels of stress

78% vs. 65% more stressed

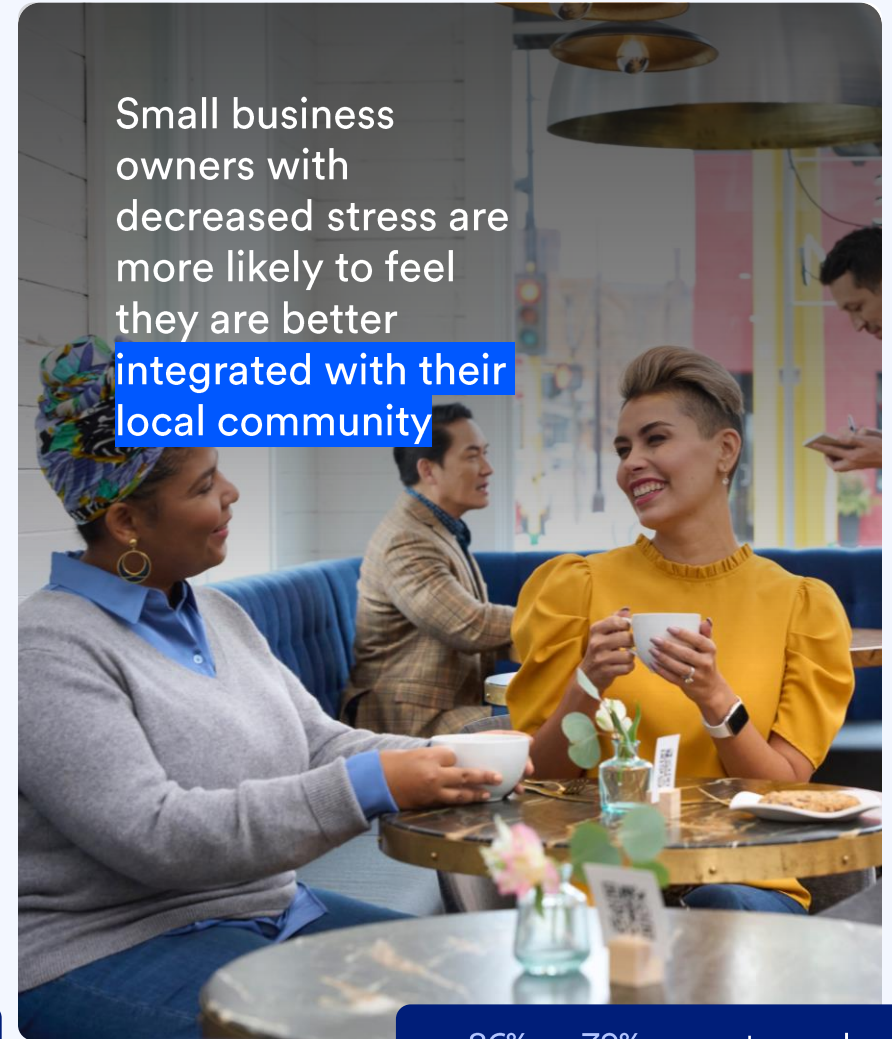
Q8: Which of the following solutions have been helpful to the success of your business? <Showing Net Top 2 Box>. Q10: Thinking about your role as a small business owner, how much do you agree or disagree with the following statements? <Showing Net Top 2 Box>. Q16: Which of the following, if any, do you do in order to relieve stress related to work? <Showing Net Top 2 Box>. Base: More Stressed SBOs n=329, Less Stressed SBOs n=318

*Note: Stressed SBOs are defined as SBOs who stated that their stress levels have increased compared to one year ago, while less stressed SBOs say their stress levels have decreased.

Those who are less stressed are more likely to feel in touch with their community



42% vs. 58% less stressed



86% vs. 79% more stressed

Q6: Compared to a year ago, which of the following best describes your current stress level? Q13: To what extent do you agree or disagree with each of the following statements? <Showing Net Top 2 Box> Base: Felt out of touch with community n = 191, feel more in touch with community n = 138, More Stressed SBOs n=329, Less Stressed SBOs n=318

*Note: Stressed SBOs are defined as SBOs who stated that their stress levels have increased compared to one year ago, while less stressed SBOs say their stress levels have decreased.



Detailed Finding 6



Super-resilience:

In the face of great challenges,

small business owners remain optimistic,

proactive, and purpose-driven

Small business owners are optimistic for the future and feel positively toward their business

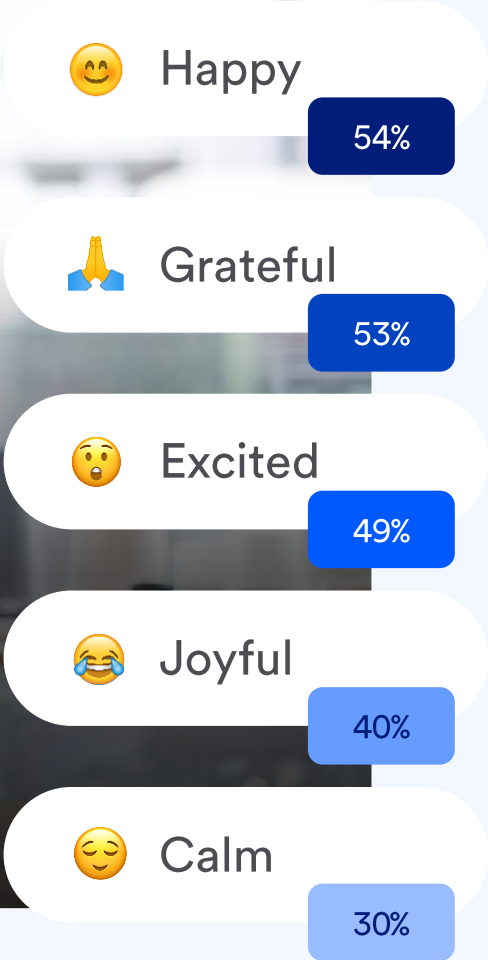


NEARLY

9 in 10

Small business owners are optimistic about the future of their business (86%)

When thinking about their business, the top five emotions small business owners feel are...



Q2:Thinking about the next 12 months, how optimistic are you for the future of your business? <Showing Net Top 3 Box>. Q3:When thinking about your business this year, which of the following emotions do you feel, if any? <Showing Net Top 2 Box>.Base: US SBOs n=1000

Small business owners credit key skills for their success, including work ethic, leadership, and adaptability



The Top Skills That Small Business Owners Credit For Their Business Success

Work ethic

52%

Leadership

48%

Confidence

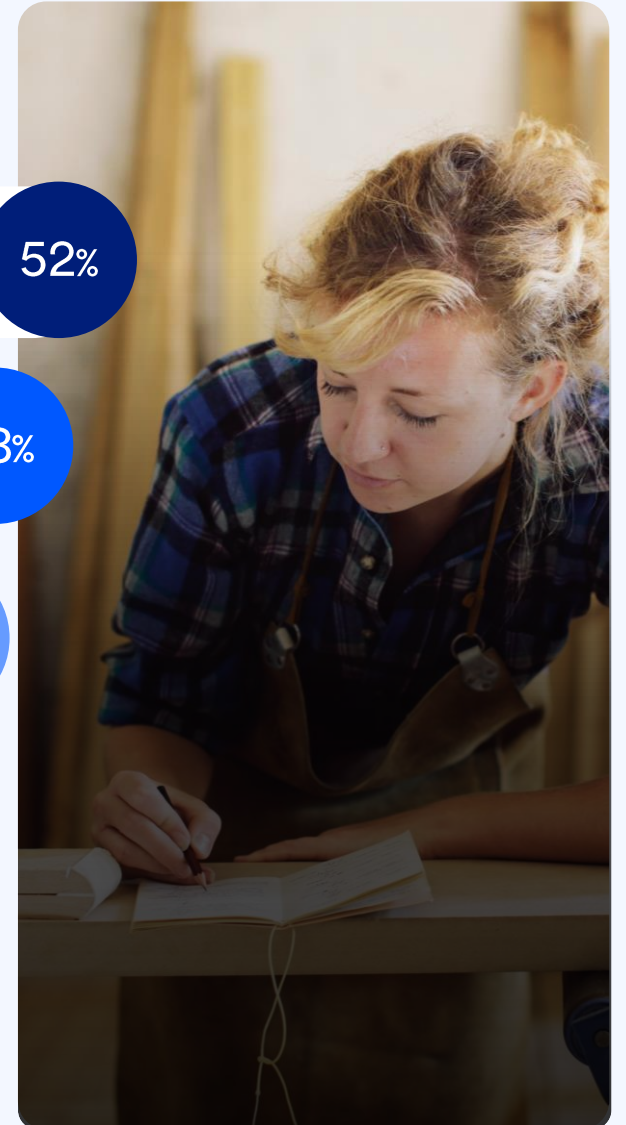
45%

Adaptability

41%

Organization & time management

39%



Q9: Which of the following skills or traits have been critical to your success as a small business owner, if any? <Ranked in Top 5>. Q10: Thinking about your role as a small business owner, how much do you agree or disagree with the following statements? <Showing Net Top 2 Box>. Base: US SBOs n=1000.

Digital marketing tools have been key for small business owners



i
Small Business Owners' Ratings Of Solutions Essential To Their Business Success



2 in 5

Point to promoting their business on social media

39%



1 in 3

Point to improving or building their website

33%



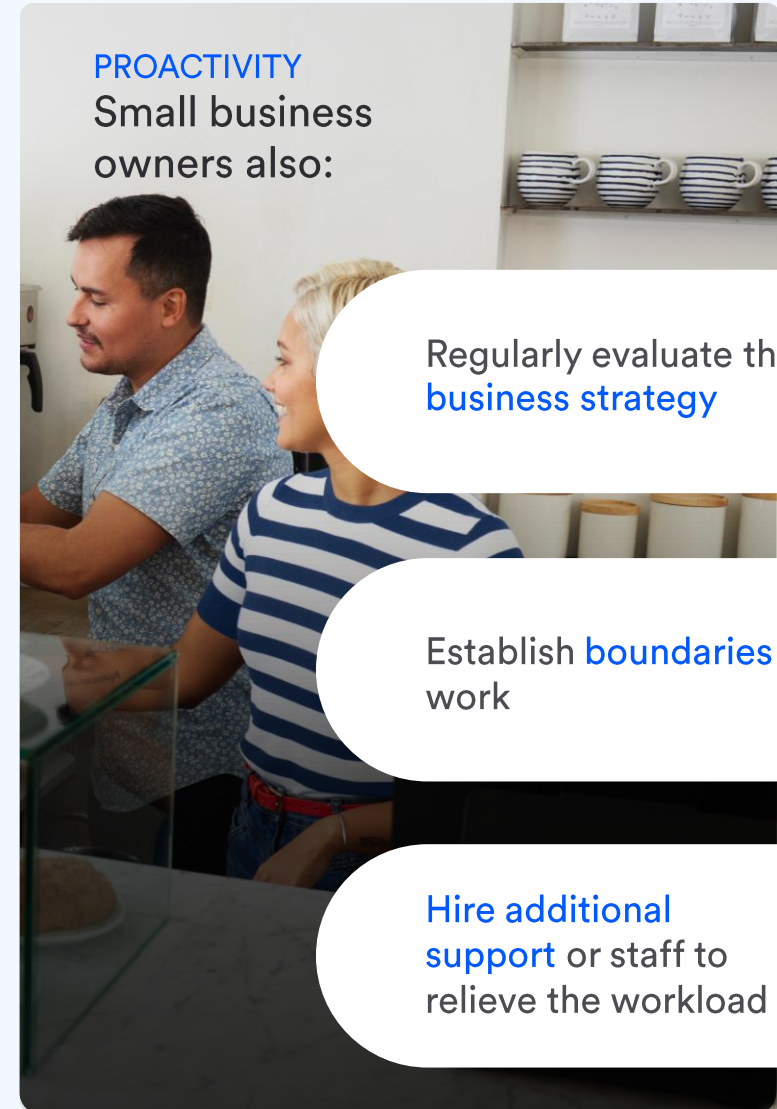
1 in 3

Point to investing in new tools and technology

32%

Q8: Which of the following solutions have been helpful to the success of your business? <Showing Net Top 1 Box>. Base: US SBOs n=1000

To stay resilient in the face of challenges, small business owners ground themselves in purpose and being proactive



Q16: Which of the following, if any, do you do in order to relieve stress related to work? <Showing Net Top 2 Box>. Base: US SBOs n=1000

Connecting business with purpose pays off big for small business owners



Small business owners who started their business to pursue their passions feel more successful and positive about their business

More **successful**

65% / 57%

More **optimistic**

74% / 61%

More **grateful**

58% / 47%

Happier

59% / 49%

More **excited**

54% / 43%

NEARLY

9 in 10

of small business owners feel **personally fulfilled** by their work **(88%)**

Small business owners who did not pursue their passions

Small business owners who pursued their passions

Q1: Thinking about the word "success" and what it means to you, how would you rate the current success of your business? <Showing Net Top 2 Box>. Q2: Thinking about the next 12 months, how optimistic are you for the future of your business? <Showing Net Top 2 Box> Q3: When thinking about your business this year, which of the following emotions do you feel, if any? Q10: Thinking about your role as a small business owner, how much do you agree or disagree with the following statements? <Showing Net Top 2 Box>. Base: US SBOs n=1000



us bank®



Appendix





Detailed Finding



California really is the golden state

as small business owners there are more

optimistic and have a better work-life balance

than the average U.S. small business owner

California small business owners are more likely to say that their business is successful and that they are optimistic for the future



Q1: Thinking about the word "success" and what it means to you, how would you rate the current success of your business? <Showing Net Top 3 Box> Q2: Thinking about the next 12 months, how optimistic are you for the future of your business? <Showing Net Top 3 Box> Base: USSBOs n=1000, California SBO Oversample n=347, Greater Bay Area n=100, Southern California n=197

California small business owners experience fewer negative emotions related to their business



LESS THAN

1 in 3

California small business owners feel negative emotions related to their business

(31% vs. 46% U.S.)



...with the Greater Bay Area even more likely to say their stress levels have decreased compared to a year ago

44% vs. 29% SoCal

Q3: When thinking about your business this year, which of the following emotions do you feel, if any? Q6: Compared to a year ago, which of the following best describes your current stress level? Base: US SBOs n=1000, California SBO Oversample n=347, Greater Bay Area n=100, Southern California n=197

Even more, they've achieved that while sacrificing less for their business



California small business owners have sacrificed less of their personal time to accommodate their business

I have worked longer hours than I would have liked

64% / 74%

-10 pts

I have given up a normal schedule

60% / 69%

-9 pts

I have experienced sleepless nights

62% / 68%

-6 pts

CA small business owners have **greater flexibility** (93% vs. 88% U.S.)
and **work fewer hours per week** (38 hrs/week vs. 43 hrs/week U.S.)

California Small Business Owners

U.S. Small Business Owners

Q13: To what extent do you agree or disagree with each of the following statements? <Showing Net Top 2 Box>. Q15: On the more positive side, to what extent do you agree or disagree with each of the following statements? <Showing Net Top 2 Box>. C10: how many hours per week do you work on average? Base: US SBOs n=1000, California SBO Oversample n=347

And California small business owners' relationships with themselves and their loved ones are better for it

They are more likely to not have to spend time away from loved ones because of their business

(86% vs. 77% U.S.)



Q15: On the more positive side, to what extent do you agree or disagree with each of the following statements? <Showing Net Top 2 Box>. Base: US SBOs n=1000, California SBO Oversample n=347

This greater success and optimism may be in part because they have unlocked greater solutions



They are more likely to have unlocked solutions, including...



Looking to **tech and tools** as a solution to their business

77%

71%

Investing in new **tech and tools** as a stress reliever

71%

63%

Viewing their **banker as a resource** on their team

76%

68%

California Small Business Owners

U.S. Small Business Owners

Q8: Which of the following solutions have been helpful to the success of your business? <Showing Net Top 2 Box>. Q10: Thinking about your role as a small business owner, how much do you agree or disagree with the following statements? <Showing Net Top 2 Box>. Q16: Which of the following, if any, do you do in order to relieve stress related to work? <Showing Net Top 2 Box>. Base: US SBOs n=1000, California SBO Oversample n=347

