



National Small Business Poll

NFIB National

Volume 12, Issue 8
2012

Small Business Poll

Communication

NFIB National Small Business Poll

The **National Small Business Poll** is a series of regularly published survey reports based on data collected from national samples of small business employers. The initial volume was published in 2001. The **Poll** is designed to address small business-oriented topics about which little is known but interest is high. Each survey report treats different subject matter.

The survey reports in this series generally contain three sections. The first section is a brief Executive Summary outlining a small number of themes or salient points from the survey. The second is a longer, generally descriptive, exposition of results. This section is not intended to be a thorough analysis of the data collected nor to explore a group of formal hypotheses. Rather, it is intended to textually describe that which appears subsequently in tabular form. The third section consists of a single series of tables. The tables display each question posed in the survey broken-out by employee size of firm.

Current individual reports are publicly accessible on the NFIB Web site (www.nfib.com/research) without charge. They are also available at www.411smallbusinessfacts.com. The 411 site also allows the user to search the entire data base. It searches all of the questions in all of the individual Polls with a user-friendly Google-type, key word, topic, or Poll sort facility.

Published (printed) reports can be obtained at \$15 per copy or by subscription (\$100 annually) by writing the **National Small Business Poll**, NFIB Research Foundation, 1201 "F" Street, NW, Suite 200, Washington, DC 20004. The micro-data and supporting documentation are also available for those wishing to conduct further analysis. Academic researchers using these data for public informational purposes, e.g., published articles or public presentations, and NFIB members can obtain them for \$20 per set. The charge for others is \$1,000 per set.

NFIB National
Small Business
Poll



Communication

Volume 12, Issue 8
2012
ISSN - 1534-8326

William J. Dennis, Jr.
NFIB Research Foundation
Series Editor



The Goldman Sachs Foundation
200 West Street
New York, NY 10282
gs.com/10000smallbusinesses



1201 "F" Street, NW
Suite 200
Washington, DC 20004
nfib.com

National Small Business Poll



Communication

Table of Contents

Executive Summary.....	1
Communication	3
Tables	8
Data Collection Methods.....	19

Executive Summary

- Forty-six (46) percent of small businesses have one or more employees working off-site for at least one hour on a typical day. Nineteen (19) percent have every employee working off-site at least one hour on a typical day.
- Over 90 percent, almost 19 in 20, small businesses with off-site employees have at least one employee who has a cell phone. Fifty-seven (57) percent of small employers claim that all employees working off-site carry one. The number of employees with cells suggests that the employer can reach virtually everyone working off-site.
- The most common means used to reach off-site employees is to call them. Fifty-nine (59) percent primarily do so. Ten (10) percent most commonly text them and 2 percent use e-mail. However, 25 percent mix these methods when trying to reach off-site employees.
- The best way for an off-site employee to reach their small employer is typically by telephone. Fifty-five (55) percent identify their cell as the best way. Another 30 percent identify the firm's land line. Just 8 percent claim the best way is by text message and 5 percent by e-mail.
- Small-business owners almost universally now carry a mobile communications device. Ninety-five (95) percent do so. For the most part (65%), that device could be described as a "smart phone".
- Small employers use their cell phone commonly, but not extraordinarily often, during an average business day. There is large disparity in frequency of use. Thirteen (13) percent who carry such a device fundamentally do not use it at all. At the other extreme, another 13 percent claim to use their cell 25 times on an average day or more.
- Small-business owners are typically cool to texting, or at least do not find the technology particularly useful in the business setting. Forty-five (45) percent of small employers average no (zero) texts a day. Another 16 percent text just once or twice a day for business purposes. Still, another 15 percent send between 10 and 24 texts per day and 5 percent 25 or more.
- There is a substantial discrepancy in use of cell phone calls and texts. Owner age is a primary differentiating factor. For example, 25 percent of owners younger than age 45 send no texts on an average day; 63 percent of those 65 and older do not send one. Similarly, 32 percent of the younger group send 10 or more texts a day compared to 12 percent of the older group. Texts and cell calls appear to directly substitute for one another.
- Forty (40) percent of the 91 percent who report personally using a personal computer in their business say that they average four hours a day or more on their machines. Another 38 percent average one to four hours on them. Just 7 percent average less than one-half hour.
- Being on the computer is not the same as being on the Internet. A majority (51%) spend less than an hour a day on it. Just 15 percent average more than four hours a day.
- Most small-business owners continue to use the Postal Service for business purposes. However, small business is not a growth market for the U.S.P.S. While 52 percent of small employers anticipate that the amount of regular mail they will send in the next three years will approximate current volume, twice as many of the remainder expect volume to decrease as to increase.
- Though small employers use a variety of communication means to place and accept orders, telephones remain the most popular. Small-business owners also commonly place orders on a supplier's Web site, but rarely take orders (as the primary method) on Web sites of their own.

Communication

The revolution in communications technology occurring over the last few decades has fundamentally reshaped the way small-business owners do business. Cell phones, e-mail, and texts – even faxes – were largely unknown when many current small-business owners first began operating. Younger owners now enter their firms typically accepting these technologies as just another means by which to conduct their affairs. Still, revolutions, even those widely accepted, do not occur overnight. Some small-businessmen and women are more inclined to adopt new technologies early in their existence, at least partially, than are others, though some adopt them too early leaving themselves with interesting, but incompatible and expensive, technologies that are now mere curiosities. Regardless, small-business owners at some point have/had no choice but to adopt these communications technologies in order to remain competitive. This issue of the *National Small Business Poll*, therefore, addresses Communication.

This following discussion focuses on use of cell phones, including texts within the business, the owner's use of a personal computer, including the Internet, and snail mail as the traditional contrast. Of particular relevance is reaching employees working off-site.

Off-Site Employees

Forty-six (46) percent of small businesses have one or more employees working off-site for at least one hour on a typical day; 51 percent do not, and 3 percent did not respond (Q#1). In fact, 19 percent have every employee working off-site (at least one hour on a typical day). Ten (10) percent have one-third or fewer doing so; another 10 percent have between one-third and two-thirds, and 7 percent have between 68 percent and 99 percent out for an hour or more a day.

The proportion of a firm's employees working off-site is associated with the firm's size, its industry and its status as a home-based business. Larger, small firms are more likely to have employees working off-site (63%) than are smaller, small firms (41%), though the proportion with two-thirds of the

entire work force working off-site is virtually identical for both groups. Off-site employees are commonly found in construction, transportation and warehousing, the administrative services, and the professional services industries. In contrast, relatively few can be found off-site in retail or accommodations and food services. While home-based businesses are more likely to have someone working off-site than other firms, the difference is smaller than likely anticipated (50% vs. 43%). However, home-based firms have a larger portion of employees working off-site than others.

With such a large number of employees working off-site, a significant number of small businesses need a capacity to rapidly communicate with them. Traditional ways to communicate (notably land-lines) may be satisfactory, even today. An accountant auditing on the site of another business is an example. But often, employees can only be reached by some type of mobile communication device. An employee delivering auto parts is an example. That means using modern communications technology.

Cell Phones

Cell phones are now ubiquitous, no more so than in small businesses.

Employee-Use

Small employers can usually reach employees working off-site by a “cell phone”, “cell”, or “mobile”, either directly or indirectly. Over 90 percent, almost 19 in 20, small businesses with off-site employees have at least one employee who has a cell (Q#2). Fifty-seven (57) percent of small employers claim that all employees working off-site carry a mobile phone. However, not every individual necessarily needs a cell in order for the employer to be able to reach him/her when working. The critical factor is that someone at the site has one. The number of employees with cells suggests that the employer can reach virtually everyone working off-site.

Small-employers split over provision of cells to their employees. Forty-four (44) percent provide a cell for all employees working off-site (Q#3). However, 46 percent do not provide a cell for any employee. Firm size is a major differentiating factor with owners of larger, small businesses providing them about 20 percentage points more often than owners of smaller, small businesses. Ten (10) percent provide cells to some employees working off-site, though not to others.

Cell phones come with a users' cost or fee. Since it can be difficult/inconvenient to parse business calls from personal calls, a potentially sensitive question arises over who pays for the minutes used for business purposes, regardless of who purchased the phone. Again, small-business owners split on the way they manage the issue. Forty-six (46) percent directly pay for charges incurred when employees use those devices (Q#4); 38 percent do not pay for any of them. Fifteen (15) percent, in contrast, have a modified payment arrangement. Of that group, 7 percent reimburse employees a flat amount monthly (periodically). Another 8 percent reimburse documented use.

The most common means used to reach off-site employees is to call them. Still, only 59 percent primarily do so (Q#5). Ten (10) percent most commonly text them and 2 percent use e-mail. However, 25 percent mix these methods when trying to reach off-site employees. The most logical combination is telephone and text, though no data supports the logic.

Employer Use

Small-business owners almost universally now carry a mobile communications device. Ninety-five (95) percent do so (Q#6). For the most part (65%), that device could be described as a “smart phone”, such as an I-phone, Blackberry or Droid (Q#6a). Thirty-three (33) percent employ the simpler cell telephone with basic telephonic and texting capacity.

The smart-phones that small-business owners use possess a number of capabilities. Among the more common are a capacity to obtain: e-mail (98%) (Q#6bA); news and current events (91%) (Q#6bB); directions, locations, and maps (95%) (Q#6bC); finance and/or stock market news and prices (78%) (Q#6bD); a favorite supplier or suppliers (52%) (Q#6bE); and Facebook or other social media (78%) (Q#6bF). The applications employed are likely substantially more extensive for most small-business owners, but the list above illustrates the amount of information that owners figuratively have available at their fingertips.

Small employers use their cell phone commonly, but not extraordinarily often, during an average business day. However, there is large disparity in frequency of use. Thirteen (13) percent who carry such a device fundamentally do not use it at all (Q#8). At the other extreme, another 13 percent of owners claim to use theirs 25 times a day or more. The median is six cell phone calls per day and the average is 13. These calls are likely supplemented by land-line calls, though that number is not available. It should be noted that all small employers in this survey were contacted by land-line, a point of little concern as business owners typically want to be contacted, not to avoid detection, thereby rendering the survey sample representative on that count.

A common method of communication from a cell phone is texting, short messages that do not require the recipient to answer a phone. While wildly popular among the younger population in general, small-business owners are typically cool to texting or at least do not find the technology particularly useful in the business setting. Forty-five (45) percent of small employers average no (zero) texts in a day (Q#7). Another 16 percent text just once or twice a day for business purposes. Still, another 15 percent send between 10 and 24 texts per day and 5 percent 25 or more. The daily average is five.

Texting and cell phone calls appear to substitute for one another. In fact, the correla-

tion between the average number of cell phone calls per day and the average number of texts per cell is zero for all intents and purposes. When owners use more of one, they typically use less of the other. The exception is the case of extreme usage where a few owners use significant volumes of both.

There is a substantial discrepancy in use of texting. The obvious explanation for it is an age differential - younger owners text a lot and older owners not texting at all. Twenty-five (25) percent of owners younger than age 45 send no texts on an average day; 63 percent of those 65 and older do not send any. Similarly, 32 percent of the younger group send 10 or more texts a day compared to 12 percent of the older group. The same generally holds for use of cells, but the gap is not as wide as with texts. For example, 49 percent of the younger group uses their cell more than 10 or more times a day for business purposes compared to 34 percent for the older group.

Contacting Employees/Employers

Small employers still use telephone calls as the most common method to reach employees out-of-the-office. Fifty-nine (59) percent typically call their people when they need to reach them (Q#5). Ten (10) percent text them and 2 percent e-mail them. However, 25 percent use mixed means, likely some combination of calling and texting. The combination indicates that many owners are adopting the technology to their needs, texting a short message and explaining more detailed instructions over the telephone.

The reverse process finds that the best way for an off-site employee to reach their small employer is typically by telephone. For example, 55 percent of small employers say the best way to contact them is on their cell (Q#19). Another 30 percent identify the firm's land line. Just 8 percent claim the best way for an off-site employee to reach them is by text message and 5 percent by e-mail. Communication with an off-site employee suggests a degree of urgency to the matter. If the matter is less urgent, the likelihood is that land lines and e-mail would rise while cell phones and texting would decline. The size of the shift is difficult to estimate with the data available.

Personal Computer Use

Ninety-one (91) percent of small employers now personally use a computer in their business

(Q#9). That means nearly one in 10 do not, though others in the business may do so in their stead. Prior survey work indicates that over 95 percent of small businesses employ computers for business purposes. It, therefore, appears that the number of owner-users may actually "max-out" somewhere between 18 and 19 out of 20 small employers, modestly fewer than the number of businesses using them.

The intensity of use is a related question among those who employ computers. One measure of it is the number of hours owners work on their computer on an average day. Forty (40) percent say that they spend four hours a day or more on their machines (Q#11). Another 38 percent spend one to four hours on them. Just 7 percent average less than one-half hour. Those who use it more are also the group that tends to leave their computer "on" all day.

An associated measure of use intensity is whether the computer is turned "on" when the owner is in the office. If owners leave it "on", one assumes they use the machine more intensively than the owner who turns it "on" and "off". Eighty-six (86) percent of those using personal computers report leaving them "on" when in the office (Q#10). The remaining 14 percent do not. The number of hours used and switching the machine "off" are strongly correlated.

Being on the computer is not the same as being on the Internet. The owner can work on internal paperwork and administration, financial worksheets, etc., without going on the Internet. In fact, time spent on the Internet is considerably less than time spent on the computer. Just 15 percent average more than four hours a day (Q#12) (compared to 40 percent who spend that amount of time working on the machine). Twenty-seven (27) percent average less than one-half an hour per day while another 24 percent average between one-half hour and one hour. A majority (51%) therefore spend less than an hour a day on the Internet. Is that a lot or a little? Too much or not enough? The critical factor is the efficiency or payback from what time on the Internet brings, and on that point we are without information.

Marketers often attempt to reach small-business owners through the Internet. Many who work with the Internet think unsolicited e-mails, known as spam, have reached the saturation point. Small-business owners do not necessarily agree, though they doubtfully would encourage more. In fact, 29 percent

claim that they do not even notice the spam they receive while another 24 percent rate it as only a minor annoyance (Q#13). The remainder are more critical. Twenty-one (21) percent call spam an annoyance, 10 percent a hassle, and another 14 percent a real hassle.

One's evaluation of spam is only modestly tied to time spent on the Internet. While those spending more than four hours a day on the Internet are more likely to be critical than those spending lesser amounts, the differences are not great. The lack of a relationship raises the question, why. The survey provides no answers.

Snail Mail

The U.S. Postal Service has received much attention recently, most of it unwanted. The U.S.P.S. is in technical bankruptcy and its future services are uncertain. Yet, most small-business owners continue to use the Postal Service for business purposes. For example, 52 percent say that they use the U.S.P.S. to advertise or communicate with their customers (Q#14A); 84 percent use it to send checks or make payments (Q#14B). The reverse is also common; 83 percent use it to receive checks or payments (Q#14D); half (50%) use it to order goods and/services (Q#14C); and 66 percent use snail mail to send documents, such as contracts (Q#14E). One-third of businesses use the Postal Service for four of the five purposes listed above. Another 20 percent use it for all five. Just 2 percent use it for none of the five purposes listed above, if at all. Thus, the Postal Service remains a significant communications channel for most small businesses despite the revolution in communications technology.

The issue, however, is intensity of use. Small business is not a growth market for the Post Office. While 52 percent of small employers anticipate that the amount of regular mail they will send in the next three years will approximate current volume, more expect it to decrease than to increase (Q#15). Thirty-two (32) percent forecast their mail volume will decline and 16 percent forecast it will increase. The bulk of changes expected are not drastic, but the balance is for more small businesses to have a lower mail volume in the next three years. These numbers are reinforced by examining the most active mailers as measured by use of the five types of mail service listed above. A net 10 percentage points of those using all five services expect a volume decline. The margin is 11 percentage points among

those using four of the five. Thus, it would appear that the volume of the most active mailers will decline less than others, though it will still decline and by notable amounts.

A common question is whether regular mail ever reaches the named recipient in small businesses or whether it is screened before it reaches the addressee. Sixty-three (63) percent of small employers say that they personally sort the mail their business receives; 36 percent have someone do it for them (Q#16). The two categories are not mutually-exclusive. In 20 percent (percentage points) of cases, another person will sort the mail on occasion when the owner cannot or does not want to. Similarly, in 14 percent (percentage points) of cases, though someone else normally does. A strong relationship exists with employee size-of-business. For example, 69 percent of those with firms employing fewer than 10 people sort the mail while just 31 percent of those employing 20 or more do.

Non-owners and managers who sort the mail typically screen it as well. Sixty-two (62) percent of the group that has the mail sorted for them will also have it screened, disposing of ads and junk mail before the owner sees it (Q#16a).

Communicating Orders

Placing and receiving orders is another way to examine small-business owner communication preferences. Ordering is a critical business function, one integral to business operation. A small-business manager therefore wants to be comfortable that the means of ordering is trustworthy and offers the necessary security and immediacy.

The most frequent way small-business owners place orders with suppliers is orally, by telephone. Thirty-six (36) percent are most likely to conduct business primarily in this manner (Q#17). Twenty-one (21) percent most often place their orders over a supplier's Web site. The remaining means are used considerably less often. For example, 12 percent typically order in person and another 8 percent by e-mail. Four percent use a point-of-purchase device, 1 percent regular mail, and less than 1 percent send a text. Fifteen (15) percent use some combination of these methods. Three points arise from these data and should be born in mind. The first is the continuing prominence of the telephone, despite the probable lack of a transcript or record of the conversation. The second is the

importance of a supplier's Web site, a means relatively unimportant for receiving orders. And third, the minimal use of regular mail. Half may use it to place an order(s) at some point, but its overall importance is modest at best.

Size-of-business influences owner choices relatively little. The exceptions are in-person, more often done by owners of smaller, small firms and less often by owners of larger, small firms, and e-mail messages, which are exactly the reverse. Industry often bears a strong relationship to means of ordering. For example, those in the professional services often use a supplier's Web site while those in distribution are partial to the telephone and point-of-purchase devices. In addition, an urban/rural break appears with more urban-based businesses more likely to use the Web sites of suppliers and rural-based businesses heavily reliant on the telephone. The urban/rural divide accentuates the impression of a more and less personal way of doing business in the differing geographic areas.

Small businesses receive orders in a much different fashion than they make them. The principal difference is the even heavier reliance on telephones. Half (50%) of small-business owners claim their primary method of receiving orders, including reservations, is over the phone (Q#18). The second most likely form is customer walk-ins (13%) followed by e-mails (12%). Still, 17 percent report some combination. Few (3%) receive most of their orders over their Web sites and fewer (2%) by regular mail. Those receiving them by text are negligible.

A major variant is walk-in traffic and that is industry specific, which is also reflected in an urban/rural difference.

Final Comments

The methods small-business owners use to communicate with employees, business associates and/or customers have changed dramatically over the last few decades. The major practical changes are communication mobility (allowing immediacy at a distance) and information volume. Small employers can now reach all of their employees (and others) instantaneously, virtually regardless of where they are, including in-transit. Owners can also instantaneously transmit large quantities of written, graphic and pictorial information to them as well.

Those changes have made businesses of all sizes, including small businesses, enormously

more efficient. Its adoption, including the speed of efficient adoption, therefore becomes a competitive issue. That does not translate into doom for all those who fail to incorporate these new communications technologies. But it does mean that they will compete in most cases with one hand tied behind their backs.

The good news is that most small-business owners appear to be embracing the technologies. That is particularly true of young people, the new generations of small-business owners, who appear to use them with ease. Further, their cost does not appear to be a serious impediment to ownership and use. The cost of these technologies generally is much less an issue today than it was when personal computers were originally introduced. The challenge for small-business owners now becomes not the use, but the efficient use of these communications technologies. And, as young owners become older owners, the efficient use will undoubtedly change, presenting them a similar set of challenges to those faced by the generation of older owners.

Communication

(Please review notes at the table's end.)

Employee Size of Firm

	1-9 emp	10-19 emp	20+ emp	All Firms
--	---------	-----------	---------	-----------

1. How many of your employees average one or more hours a day away from the firm's central location, such as on sales calls, making deliveries, working at job sites, telecommuting, etc.? (Divided by all employees)

1. None	54.3%	41.8%	35.6%	51.1%
2. 1 – 33% of employees	6.0	27.8	34.2	11.1
3. 34 – 67% of employees	10.1	10.1	4.1	9.5
4. 68 – 99% of employees	4.0	13.9	20.5	6.7
5. 100% of employees	22.1	6.3	4.1	18.7
6. (DK/Refuse)	3.5	—	1.4	2.9
Total	100.0%	100.0%	100.0%	100.0%
N	350	201	200	751

2. How many of them carry cell phones, or similar mobile communications devices, when they are out-of-the-office?

1. None	4.0%	4.3%	2.2%	3.8%
2. 1 – 33% of employees	5.6	34.8	45.7	14.9
3. 34 – 67% of employees	15.1	13.0	8.7	14.0
4. 68 – 99% of employees	3.6	17.4	17.4	7.3
5. 100% of employees	70.1	28.3	21.7	58.0
6. (DK/Refuse)	1.6	2.2	4.3	2.0
Total	100.0%	100.0%	100.0%	100.0%
N	156	116	127	399

3. Do you typically provide ALL, SOME or NONE of those out-of-the-office employees with such a device?

1. All	39.6%	55.3%	59.0%	44.1%
2. Some	8.1	15.8	12.8	9.7
3. None	52.3	28.9	28.2	46.2
4. (DK/Refuse)	—	—	—	—
Total	100.0%	100.0%	100.0%	100.0%
N	137	97	105	339

Employee Size of Firm
1-9 emp 10-19 emp 20+ emp All Firms

4. Does the business directly pay the charges incurred when employees use those devices; reimburse employees a flat amount monthly; reimburse employees for documented business use; or not pay for their use?

1. Pay directly	41.2%	60.5%	60.5%	46.1%
2. Reimburse a flat amount	7.2	7.9	5.3	7.1
3. Reimburse documented use	5.9	13.2	13.2	7.7
4. Not pay for use	44.8	18.4	18.4	38.0
5. (DK/Refuse)	0.9	—	2.6	1.0
Total	100.0%	100.0%	100.0%	100.0%
N	137	97	105	339

5. When you try to reach employees out-of-the-office, do you usually text them, call them, or send an e-mail?

1. Text	11.8%	5.3%	7.9%	10.4%
2. Call	59.7	68.4	47.4	59.3
3. E-mail	1.4	2.6	7.9	2.4
4. (Mixed)	23.1	23.7	34.2	24.6
5. (DK/Refuse)	4.1	—	2.6	3.4
Total	100.0%	100.0%	100.0%	100.0%
N	137	97	105	339

6. Do you, personally, typically carry a cell phone or similar mobile communications device?

1. Yes	94.3%	95.0%	95.9%	94.5%
2. No	5.7	5.0	4.1	5.5
3. (DK/Refuse)	—	—	—	—
Total	100.0%	100.0%	100.0%	100.0%
N	350	201	200	751

6a. Would you describe that device as a smartphone, such as an I-Phone, Blackberry or Droid?

1. Yes	62.8%	76.3%	74.3%	65.4%
2. No	5.6	23.7	24.3	33.2
3. (DK/Refuse)	1.6	—	1.4	1.4
Total	100.0%	100.0%	100.0%	100.0%
N	329	191	192	712

Employee Size of Firm
1-9 emp 10-19 emp 20+ emp All Firms

6b. Does your smartphone have apps that let you check?:

A. Your e-mail

1. Yes	98.3%	98.3%	98.1%	98.3%
2. No	1.7	1.7	1.9	1.7
3. (DK/Refuse)	—	—	—	—
Total	100.0%	100.0%	100.0%	100.0%
N	208	145	140	493

B. New or current events

1. Yes	90.4%	94.8%	92.3%	91.1%
2. No	9.1	5.2	7.7	8.4
3. (DK/Refuse)	0.6	—	—	0.4
Total	100.0%	100.0%	100.0%	100.0%
N	208	145	140	493

C. Directions, locations, maps

1. Yes	94.1%	98.2%	96.2%	94.8%
2. No	5.9	1.8	3.8	5.2
3. (DK/Refuse)	—	—	—	—
Total	100.0%	100.0%	100.0%	100.0%
N	208	145	140	493

D. Finance or stock market

1. Yes	77.6%	77.6%	84.6%	78.4%
2. No	20.7	19.0	13.5	19.7
3. (DK/Refuse)	1.7	3.4	1.9	1.9
Total	100.0%	100.0%	100.0%	100.0%
N	208	145	140	493

E. A favorite supplier or suppliers

1. Yes	52.3%	49.1%	49.1%	51.5%
2. No	43.5	45.6	45.3	44.0
3. (DK/Refuse)	1.7	3.4	1.9	1.9
Total	100.0%	100.0%	100.0%	100.0%
N	208	145	140	493

Employee Size of Firm
1-9 emp 10-19 emp 20+ emp All Firms

F. Facebook/social media

1. Yes	79.4%	75.9%	75.0%	78.4%
2. No	18.1	22.4	23.1	19.2
3. (DK/Refuse)	2.5	1.7	1.9	2.4
Total	100.0%	100.0%	100.0%	100.0%
N	208	145	140	493

7. About how many times on an average DAY do you send texts for business purposes? An estimate is fine.

1. None	47.2%	33.8%	37.7%	44.9%
2. 1 – 2 per day	16.0	20.8	14.5	16.4
3. 3 – 5 per day	13.1	19.5	17.4	14.2
4. 6 – 9 per day	4.3	3.9	2.9	4.1
5. 10 – 24 per day	14.7	15.6	20.3	15.4
6. 25 or more per day	4.4	3.9	7.2	4.7
7. (DK/Refuse)	0.2	2.6	—	0.4
Total	100.0%	100.0%	100.0%	100.0%
N	329	191	192	712

8. About how many times on an average DAY do you make phone calls for business purposes on your mobile communications device? An estimate is fine.

1. None	13.3%	13.2%	10.0%	13.0%
2. 1 – 2 per day	16.9	9.2	12.9	15.7
3. 3 – 5 per day	19.5	23.7	12.9	19.3
4. 6 – 9 per day	8.9	6.6	5.7	8.3
5. 10 – 24 per day	27.4	31.6	35.7	28.6
6. 25 or more per day	12.4	13.2	21.4	13.4
7. (DK/Refuse)	1.6	2.6	1.4	1.7
Total	100.0%	100.0%	100.0%	100.0%
N	329	191	192	712

9. Do you personally use a computer in your business?

1. Yes	90.0%	96.3%	93.2%	91.0%
2. No	10.0	3.8	6.8	9.0
3. (DK/Refuse)	—	—	—	—
Total	100.0%	100.0%	100.0%	100.0%
N	350	201	200	751

Employee Size of Firm
1-9 emp 10-19 emp 20+ emp All Firms

10. When you are in the office, do you leave your computer “on” all day?

1. Yes	84.4%	90.9%	94.2%	86.1%
2. No	15.6	9.1	5.8	13.9
3. (DK/Refuse)	—	—	—	—
<hr/>				
Total	100.0%	100.0%	100.0%	100.0%
N	315	193	187	695

11. Which best describes the number of hours on a typical work day that you spend working on your computer for ANY business purpose?

1. < one half-hour	7.6%	3.9%	4.3%	6.9%
2. Half-hour – one hour	15.8	7.8	7.2	14.0
3. One – four hours	38.3	35.1	39.1	38.0
4. More than four hours	37.4	53.2	49.3	40.4
5. (DK/Refuse)	0.9	—	—	—
<hr/>				
Total	100.0%	100.0%	100.0%	100.0%
N	315	193	187	695

12. Which best describes the number of hours on a typical work day that you spend working ON THE INTERNET?

1. < one half-hour	29.0%	21.1%	22.1%	27.4%
2. Half-hour – one hour	23.6	25.0	27.9	24.2
3. One – four hours	31.2	38.2	35.3	32.4
4. More than four hours	15.2	15.8	14.7	15.2
5. (DK/Refuse)	1.0	—	—	0.7
<hr/>				
Total	100.0%	100.0%	100.0%	100.0%
N	315	193	187	695

13. Is the amount of SPAM you receive on your computer a real hassle, an annoyance, a minor annoyance, or don’t you even notice it?

1. Real hassle	13.4%	16.9%	14.7%	13.9%
2. Hassle	10.8	9.1	7.4	10.2
3. Annoyance	20.0	26.0	19.1	20.6
4. Minor annoyance	25.0	19.5	25.0	24.4
5. Don’t notice	28.9	27.3	32.4	29.1
6. (What is SPAM?)	1.3	—	—	—
7. (DK/Refuse)	0.6	1.3	1.5	0.7
<hr/>				
Total	100.0%	100.0%	100.0%	100.0%
N	315	193	187	695

Employee Size of Firm
1-9 emp 10-19 emp 20+ emp All Firms

14. Does your business use regular U.S. mail to:

A. Advertise or communicate with customers

1. Yes	51.3%	50.0%	54.1%	51.5%
2. No	48.7	50.0	44.6	48.4
3. (DK/Refuse)	—	—	1.4	0.1
Total	100.0%	100.0%	100.0%	100.0%
N	350	201	200	751

B. Send checks and/or make payments

1. Yes	82.4%	92.5%	91.8%	84.4%
2. No	17.6	7.5	8.2	15.6
3. (DK/Refuse)	—	—	—	—
Total	100.0%	100.0%	100.0%	100.0%
N	350	201	200	751

C. Order goods/services

1. Yes	49.3%	51.3%	56.2%	50.2%
2. No	50.3	48.8	43.8	49.5
3. (DK/Refuse)	0.3	—	—	0.3
Total	100.0%	100.0%	100.0%	100.0%
N	350	201	200	751

D. Receive payments

1. Yes	81.4%	87.5%	93.2%	83.2%
2. No	18.3	12.5	6.8	16.5
3. (DK/Refuse)	0.3	—	—	0.3
Total	100.0%	100.0%	100.0%	100.0%
N	350	201	200	751

E. Send documents, such as contracts

1. Yes	64.8%	71.3%	72.6%	66.3%
2. No	34.8	28.8	26.0	33.3
3. (DK/Refuse)	0.3	—	1.4	0.4
Total	100.0%	100.0%	100.0%	100.0%
N	350	201	200	751

Employee Size of Firm
1-9 emp 10-19 emp 20+ emp All Firms

15. Over the next three years, do you expect that the amount of regular mail your business sends will?:

1. Increase a lot	4.9%	2.5%	1.4%	4.3%
2. Increase	12.4	4.9	5.5	10.9
3. Decrease	22.9	37.0	35.6	25.7
4. Decrease a lot, OR	6.5	8.6	5.5	6.7
5. Stay about the same	55.6	44.4	50.7	51.5
6. (DK/Refuse)	0.7	2.5	1.4	0.9
<hr/>				
Total	100.0%	100.0%	100.0%	100.0%
N	350	201	200	751

16. Do you personally sort the mail your business receives or does someone else do that for you? Is that most of the time or all of the time?

1. You	68.8%	48.8%	30.6%	63.0%
(All of the time)	(48.0)	(27.5)	(19.4)	(43.0)
(Most of the time)	(20.7)	(21.3)	(11.1)	(19.9)
2. Someone else	30.0	50.0	69.4	35.9
(Most of the time)	(13.5)	(13.8)	(13.7)	(13.6)
(All of the time)	(16.4)	(36.3)	(55.5)	(22.4)
3. (DK/Refuse)	1.3	1.3	—	1.2
<hr/>				
Total	100.0%	100.0%	100.0%	100.0%
N	350	201	200	751

Employee Size of Firm
1-9 emp 10-19 emp 20+ emp All Firms

D1. Which best describes your position in the business?

1. Owner/Manager	87.4%	76.3%	76.7%	85.2%
2. Owner, but not manager	4.2	10.0	6.8	5.1
3. Manager, but not owner	8.4	13.8	16.4	9.7
<hr/>				
Total	100.0%	100.0%	100.0%	100.0%
N	350	200	201	751

D2. Is your primary business activity: (NAICs code)

1. Agriculture, forestry, fishing	3.5%	2.5%	2.8%	3.3%
2. Construction	11.9	13.8	15.5	12.4
3. Manufacturing, mining	5.5	10.1	12.7	6.7
4. Wholesale trade	4.5	10.0	5.6	5.2
5. Retail trade	11.9	11.3	11.3	11.7
6. Transportation and warehousing	3.3	1.3	4.2	3.2
7. Information	0.8	1.3	1.4	0.9
8. Finance and insurance	3.5	2.5	2.8	3.3
9. Real estate and rental/leasing	5.0	2.5	1.4	4.4
10. Professional/scientific/ technical services	12.0	8.8	5.6	11.1
11. Admin. support/waste management svcs.	8.3	5.0	4.2	7.6
12. Educational services	2.0	2.5	2.8	2.1
13. Health care and social assistance	5.7	5.0	11.3	6.1
14. Arts, entertainment or recreation	1.8	2.5	1.4	1.9
15. Accommodations or food service	6.0	11.3	15.5	7.5
16. Other service, incl. repair, personal svc.	12.9	8.8	1.4	11.3
17. Other	1.7	1.3	—	1.4
18. (DK/Refuse)	—	—	—	—
<hr/>				
Total	100.0%	100.0%	100.0%	100.0%
N	350	200	201	751

D3. Is this business operated primarily from the home, including any associated structures, such as a garage or a barn?

1. Yes	32.7%	5.0%	4.1%	26.9%
2. No	67.0	95.0	95.9	72.8
3. (DK/Refuse)	0.3	—	—	0.3
<hr/>				
Total	100.0%	100.0%	100.0%	100.0%
N	350	200	201	751

Employee Size of Firm
I-9 emp 10-19 emp 20+ emp All Firms

D4. Which of the following best describes the place your business is located?

1. Highly urban city	10.9%	11.4%	12.3%	11.1%
2. Suburb of highly urban city	19.5	15.2	17.8	18.9
3. Mid-sized city (250,000 people) or surrounding area	18.5	17.7	19.2	18.6
4. Small city (50,000 people) or surrounding area	15.2	18.8	20.5	16.0
5. Town or rural area	35.9	36.7	30.1	35.4
6. (DK/Refuse)	—	—	—	—
Total	100.0%	100.0%	100.0%	100.0%
N	350	200	201	751

D5. Regions (based on zip codes).

1. East (zips 010-219)	16.1%	17.5%	15.1%	16.1%
2. South (zips 220-427)	21.9	17.5	21.9	21.4
3. Mid-West (zips 430-567, 600-658)	20.9	21.3	23.3	21.2
4. Central (zips 570-599, 660-898)	24.6	25.0	24.7	24.6
5. West (zips 900-999)	16.6	18.8	15.1	16.6
6. (DK/Refuse)	—	—	—	—
Total	100.0%	100.0%	100.0%	100.0%
N	350	200	201	751

D6. How long have you owned/operated this business?

1. < 4 years	15.2%	10.1%	9.5%	14.1%
2. 4 – 6 years	15.7	13.9	9.5	14.9
3. 7 – 9 years	11.6	6.3	9.5	10.8
4. 10 – 14 years	11.9	24.1	14.9	13.5
5. 15 – 19 years	10.2	10.1	10.8	10.3
6. 20 – 29 years	16.9	20.3	24.3	18.0
7. 30 – 39 years	11.1	8.9	13.5	11.1
8. 40+ years	6.4	6.3	6.8	6.4
9. (DK/Refuse)	1.0	—	1.4	0.9
Total	100.0%	100.0%	100.0%	100.0%
N	350	200	201	751

Employee Size of Firm
1-9 emp 10-19 emp 20+ emp All Firms

D7. Please tell me your age.

1. < 25 years	0.5%	—%	1.4%	0.5%
2. 25 – 34 years	8.2	5.0	4.1	7.5
3. 35 – 44 years	14.6	13.8	16.2	14.6
4. 45 – 54 years	28.5	36.3	29.7	29.4
5. 55 – 64 years	25.6	31.3	32.4	26.9
6. 65 – 74 years	15.2	10.0	9.5	14.1
7. 75+ years	4.5	2.5	4.1	4.3
8. (Refuse)	2.8	1.3	2.7	2.7
Total	100.0%	100.0%	100.0%	100.0%
N	350	200	201	751

D8. Compared to last year at this time, is this business currently much more profitable, somewhat more profitable, about as profitable, somewhat less profitable, or much less profitable?

1. Much more profitable	8.5%	10.1%	9.5%	8.8%
2. Somewhat more profitable	19.8	20.3	33.8	21.2
3. About as profitable	41.0	39.2	29.7	39.7
4. Somewhat less profitable	19.4	17.7	13.5	18.7
5. Much less profitable	9.2	11.4	10.8	9.6
6. (DK/Refuse)	2.0	1.3	2.8	2.0
Total	100.0%	100.0%	100.0%	100.0%
N	300	200	201	751

D9. Net employment change over the last three years (Calculated. Only firms more than three years old.)

1. 10 or more employee gain	3.0%	8.2%	16.7%	5.0%
2. 5 - 9 employee gain	7.2	6.8	4.5	6.9
3. 1 - 4 employee gain	29.2	19.2	6.1	26.2
4. No change in employees	40.4	37.0	24.2	38.4
5. 1 - 4 employee loss	17.9	20.5	6.1	17.0
6. 5 - 9 employee loss	1.2	6.8	18.2	3.6
7. 10 employee or more loss	—	1.4	22.7	2.5
8. (DK/Refuse)	0.4	—	1.5	0.5
Total	100.0%	100.0%	100.0%	100.0%
N	293	180	180	653

Employee Size of Firm
1-9 emp 10-19 emp 20+ emp All Firms

D10. In the next three to five years, do you want this business to grow a lot, grow a little, stay about the same size, contract a little, or contract a lot?

1. Grow a lot	34.9%	49.3%	47.0%	37.8%
2. Grow a little	33.1	29.6	31.8	32.6
3. Stay the same	23.0	14.1	15.2	21.2
4. Contract a little	1.4	1.4	1.5	1.4
5. Contract a lot	5.8	1.4	3.0	5.0
6. (DK/Refuse)	1.8	4.2	1.5	2.1
Total	100.0%	100.0%	100.0%	100.0%
N	350	200	201	751

D11. Sex

1. Male	70.5%	67.5%	78.1%	70.9%
2. Female	29.5	32.5	21.9	29.1
Total	100.0%	100.0%	100.0%	100.0%
N	350	200	201	751

Table Notes

1. All percentages appearing are based on **weighted** data.
2. All "Ns" appearing are based on **unweighted** data.
3. Data are not presented where there are fewer than 50 unweighted cases.
4. ()s around an answer indicate a volunteered response.

WARNING – When reviewing the table, care should be taken to distinguish between the percentage of the population and the percentage of those asked a particular question. Not every respondent was asked every question. All percentages appearing on the table use the number asked the question as the denominator.

Data Collection Methods

The data for this survey report were collected for the NFIB Research Foundation by Left Right Research of Ronkonkoma, New York. The interviews for this edition of the *Poll* were conducted in September and October 2012 from a sample of small employers. “Small employer” was defined for purposes of this survey as a business owner employing no fewer than one individual in addition to the owner(s) and no more than 250.

The sampling frame used for the survey was drawn at the Foundation’s direction from the files of the Dun & Bradstreet Corporation, an imperfect file but the best currently available for public use. A random stratified sample design is typically employed to compensate for the highly skewed distribution of small-

business owners by employee size of firm (Table A1). Almost 60 percent of employers in the United States employ just one to four people meaning that a random sample would yield comparatively few larger, small employers to interview. Since size within the small-business population is often an important differentiating variable, it is important that an adequate number of interviews be conducted among those employing more than 10 people. The interview quotas established to achieve these added interviews from larger, small-business owners are arbitrary but adequate to allow independent examination of the 10-19 and 20-250 employee size classes as well as the 1-9 employee size group.

TABLE A1
SAMPLE COMPOSITION UNDER VARYING SCENARIOS

Employee Size of Firm	Expected from Random Sample*		Obtained from Stratified Random Sample			
	Interviews Expected	Percent Distribution	Interview Quotas	Percent Distribution	Completed Interviews	Percent Distribution
1-9	593	79	350	47	350	52
10-19	82	11	200	27	200	25
20+	75	10	200	27	201	23
All Firms	750	100	750	101	751	100

* Sample universe developed from the Bureau of the Census (2007 data) and published by the Office of Advocacy at the Small Business Administration.

The Sponsors

The **NFIB Research Foundation** is a small-business-oriented research and information organization affiliated with the National Federation of Independent Business, the nation's largest small and independent business advocacy organization. Located in Washington, DC, the Foundation's primary purpose is to explore the policy-related problems small-business owners encounter. Its periodic reports include **Small Business Economic Trends, Small Business Problems and Priorities**, and now the **National Small Business Poll**. The Foundation also publishes ad hoc reports on issues of concern to small-business owners.

The study was conducted with support from **Goldman Sachs 10,000 Small Businesses**, a \$500 million initiative designed to help small businesses create jobs and economic growth by providing greater access to business education, financial capital and business support services. More information about **10,000 Small Businesses** can be found at, gs.com/10000smallbusinesses.



The Goldman Sachs Foundation
 200 West Street
 New York, NY 10282
gs.com/10000smallbusinesses

1201 "F" Street, NW
 Suite 200
 Washington, DC 20004
nfib.com