

State of Small Business 2022

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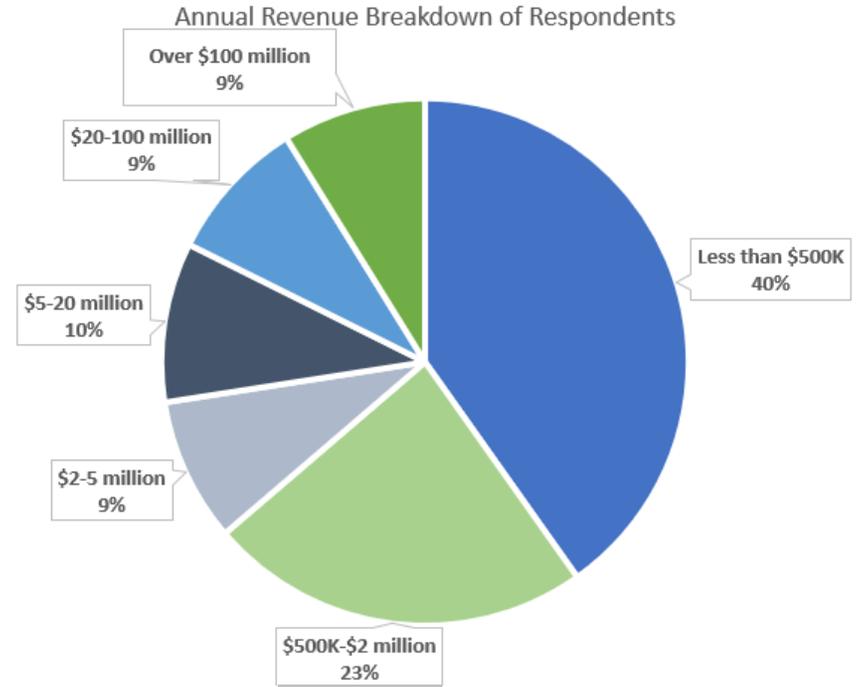
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For more information call us at 866.928.8208 or email info@turnkey.pro.

Who We Surveyed...

TURNkey is pleased to produce the results of our annual State of Small Business 2022 survey. We surveyed a wide variety of roles which included over a hundred small business owners, executives, managers, directors, and other small business staff members. The first set of questions centered around the respondent, their role and their company's annual revenue. This year, responses came from a broad array of companies, with CEOs & Owners representing the largest portion of the respondents.



“What is your current role?”

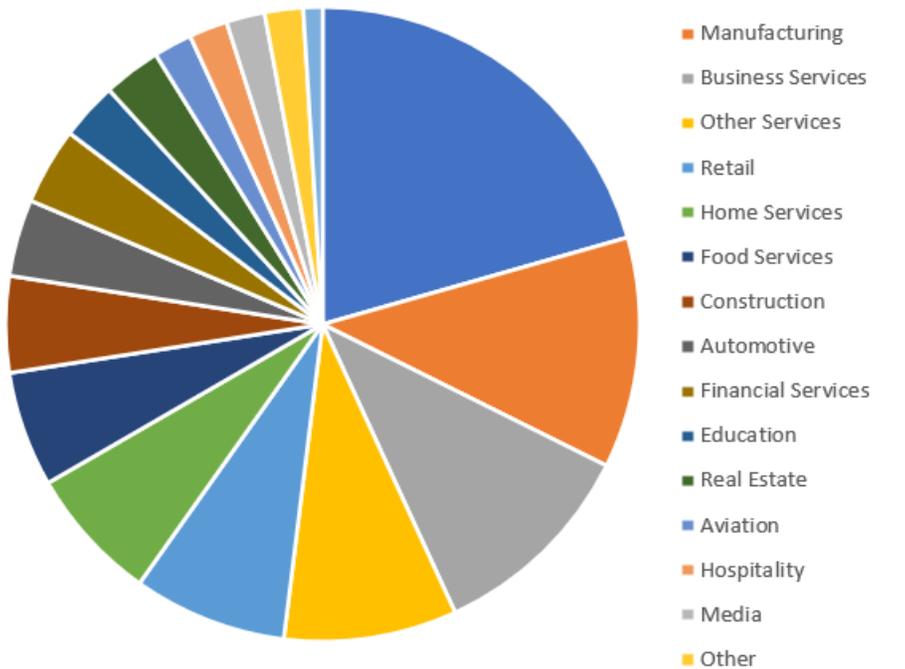


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Who We Surveyed...

The 2022 survey responses came from a variety of industries, including professional services, manufacturing, business services, retail/restaurants and many others. There was also a mix of thriving vs. surviving businesses. About 1/3 of the sample describes themselves as “growing”, 1/3 as “declining” and 1/3 as “about the same.”

Industries in the 2022 Survey



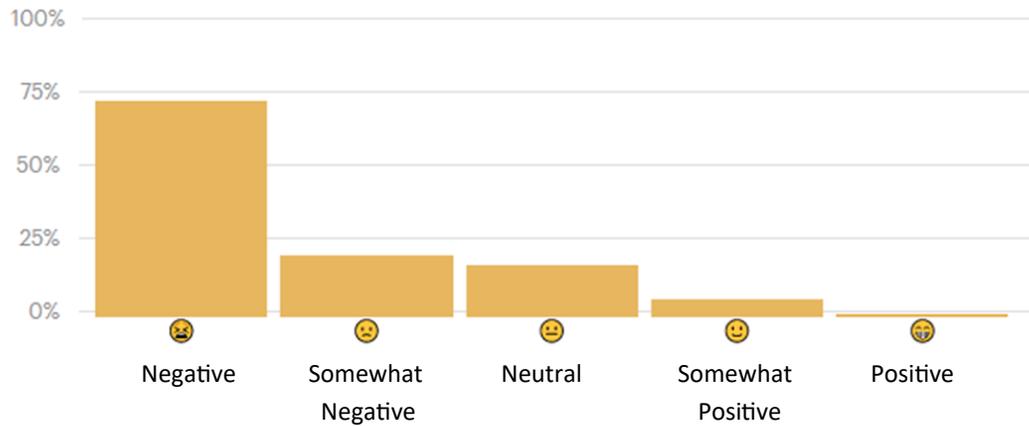
“Overall, which of the following best describes the state of YOUR BUSINESS, as compared to 2020?”



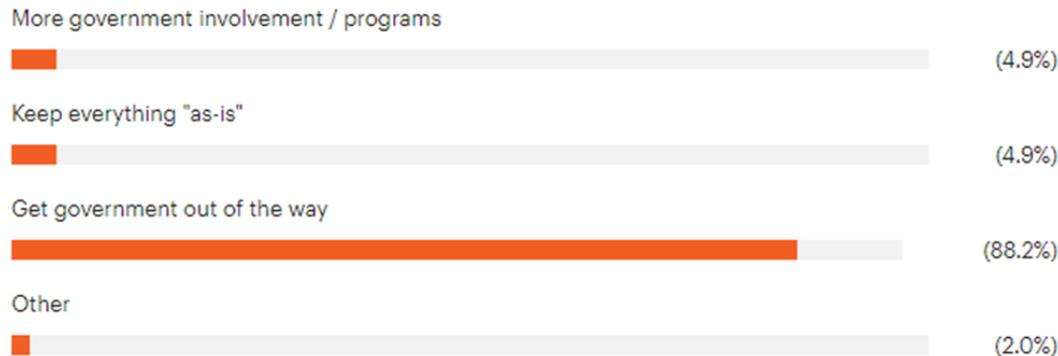
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What people think about the role of government...

“How would you characterize the DIRECTION OF THE COUNTRY as it relates to a healthy business environment for small business?”



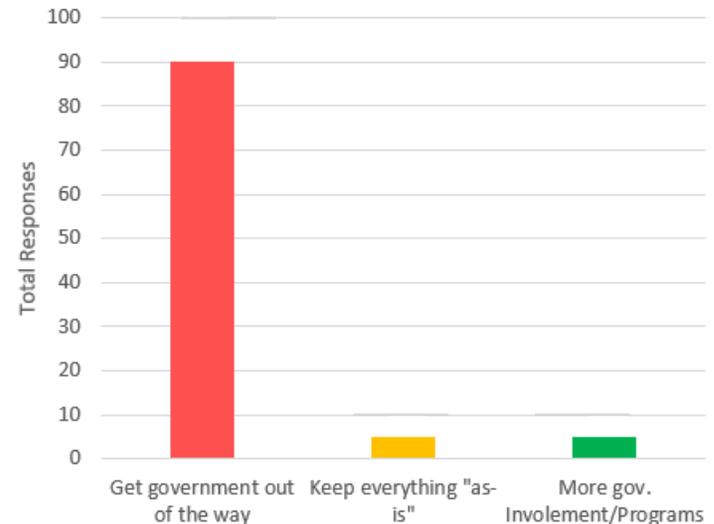
“What kind of support would you like to see from your local / state / national leaders as it relates to SMALL BUSINESS?”



Over the past few years the government played a much larger role as it relates to small business than it had in the past.

Beginning with mandates, to lockdowns, to PPP loans, to new rules and regulations, small business leaders expressed a unified opinion about the role that government should play in 'supporting' their business. They are also concerned about the direction of the country and the impact it is having on the small business environment. See [page 10](#) for additional respondent comments on this topic.

Range of Desired Government Support for Small Business

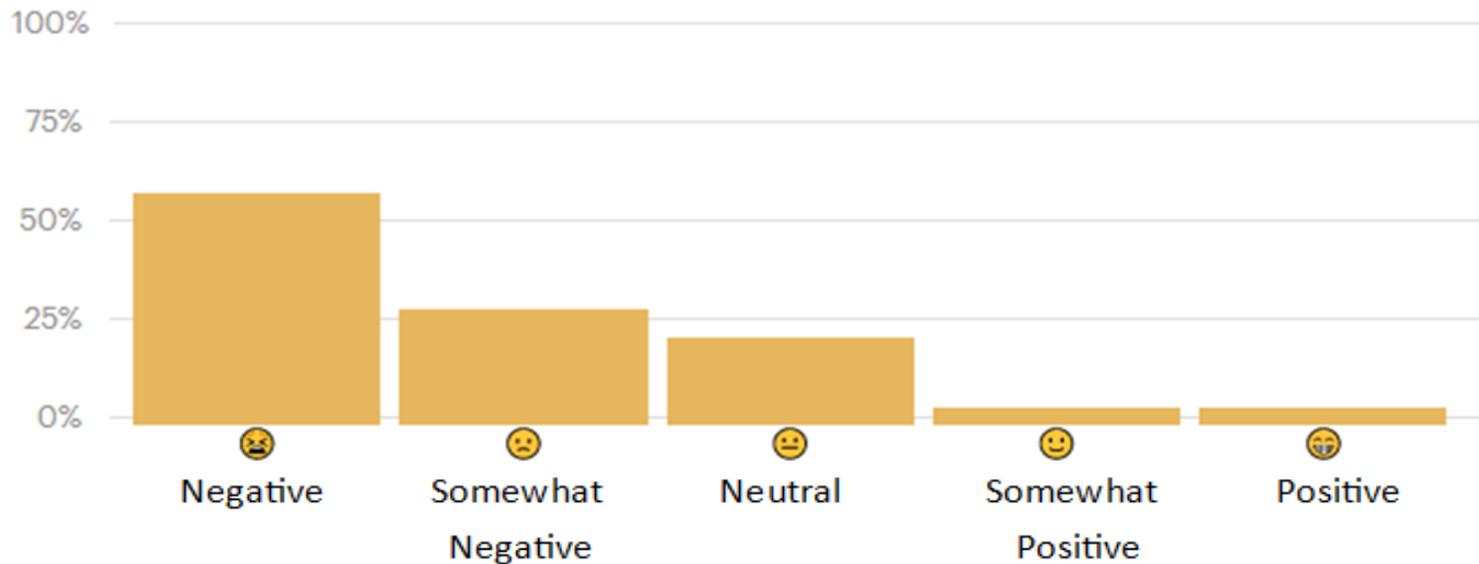


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What people think about the Business Environment...

In 2022, 3 out of every 4 small business leaders believe that the business environment is worse than it was a couple years ago. Only 8% believe the business environment is better (or even slightly better) than a couple years ago. Though some are reporting success, the vast majority of small business leaders are clearly not flourishing in the current business environment.

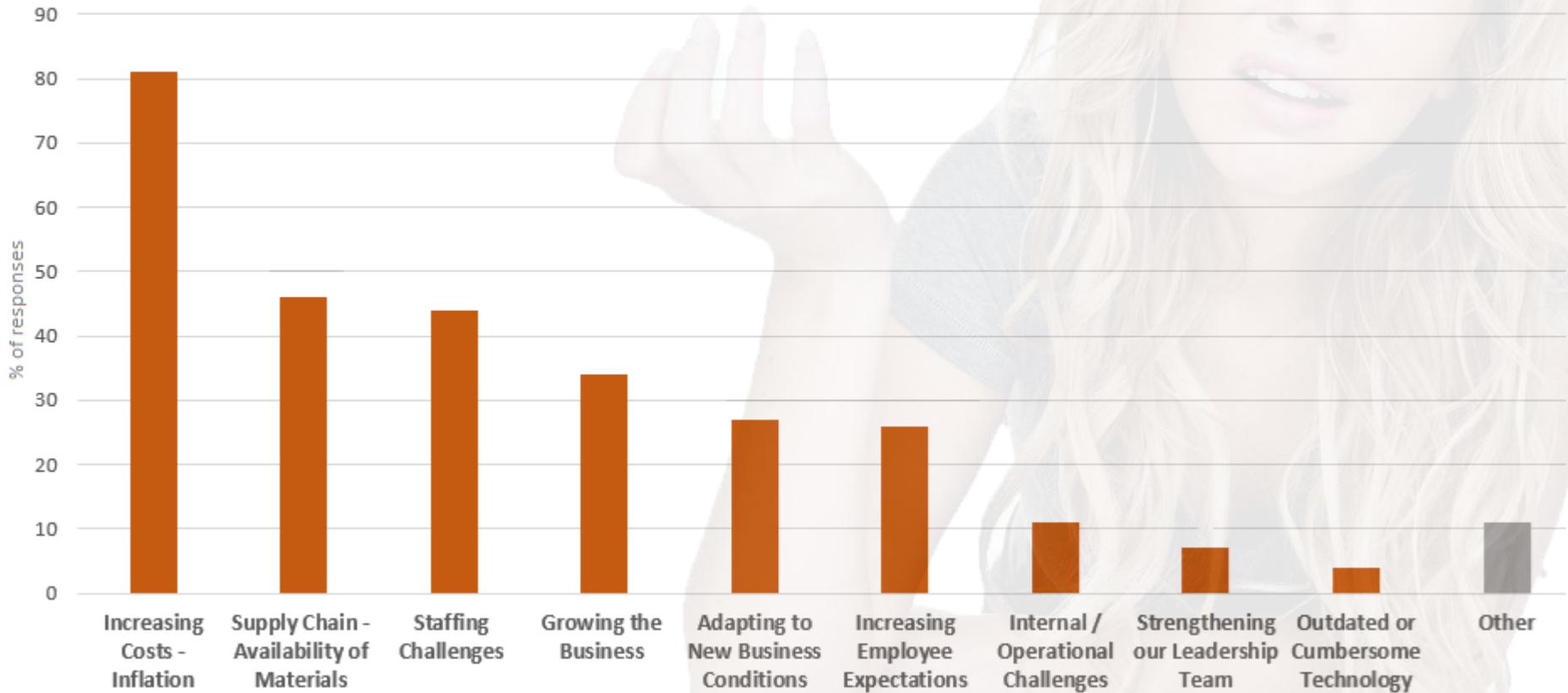
“How would you characterize the BUSINESS ENVIRONMENT as compared to a couple years ago?”



Current Business Challenges...

“What are your most pressing business challenges right now? (please select the top 3-4 challenges for YOUR BUSINESS)”

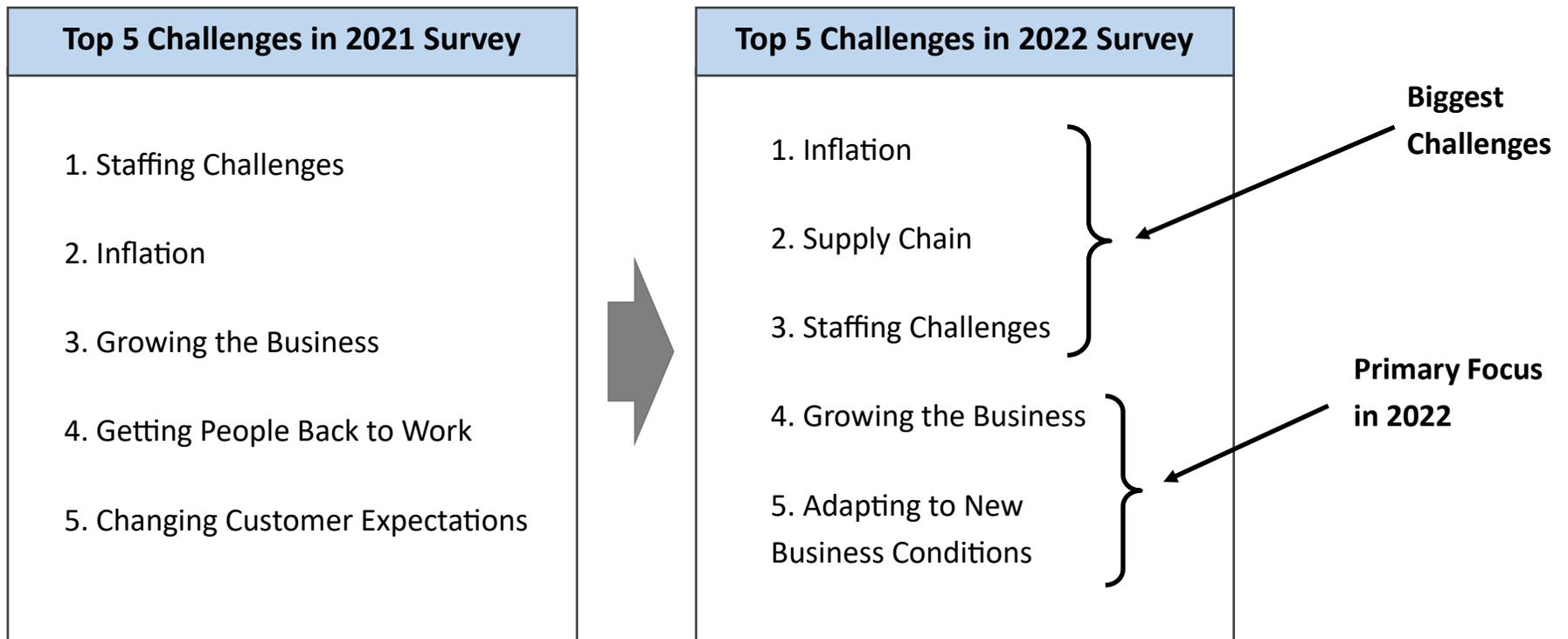
Most Pressing Business Challenges



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Compared to Last Year...

Concerns about external challenges have increased this year, as inflation and supply chain challenges move to the top of the list. Staffing challenges remain a concern for the second year in a row. In response to these challenges, small business leaders are reacting to the current situation by looking for ways to adapt and grow.

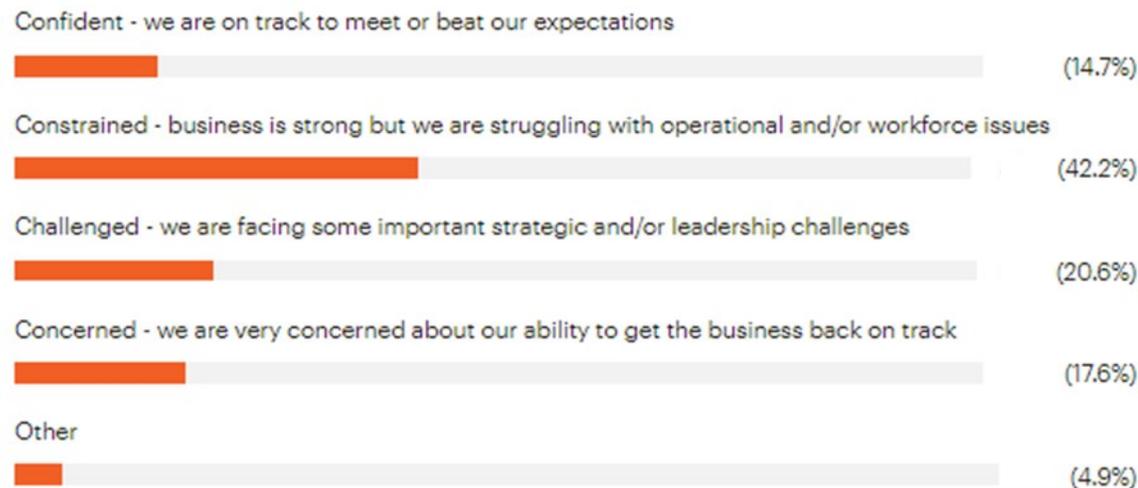


Business Outlook...

“Overall, which of the following best describes the state of YOUR BUSINESS, as compared to 2020?”

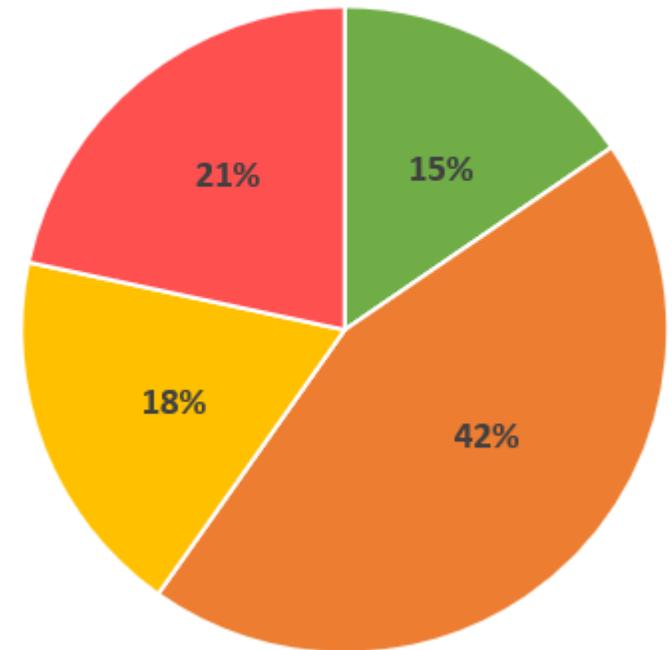


“Which of the following BEST DESCRIBES your perspective about the year ahead?”



Range of Perspectives on the Year Ahead

■ Confident ■ Constrained ■ Concerned ■ Challenged



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“What would you say is the most important thing you could do to improve your business this year?”

"Fill the employment need at the manufacturing plant"

"streamline processes "

"Hire some more people."

"Show people it's still worthwhile to delegate routine tasks so they can concentrate on growing. "

"More staff. "

"Get a new president "

"Improve employee retention"

"Strengthen relationships with existing clients to... (a) continually remind them that we're part of their team and in this together, and (b) to prevent them from questioning our value."

"Cut costs on raw materials."

"Keep at least a small growth of revenue over last year and hold on til 2024"

"Properly and fully staff every available position and keep them all gainfully employed with full benefits, and care them as if the business depends on them, because it does. And get EVERYONE rowing in the same direction!"

"Get out of Illinois "

"Add capacity to better serve the customer"

"Lower inflation"

"Make sure we can handle the people we serve and find a few new customers"

"Lower fuel costs."

"Advertising "

"Pay off debts "

"Get fully staffed. Collecting outstanding accounts receivables."

"Find and hire competent hard working people."

"Raise prices....."

"Retain knowledgeable employees "

"Social Media Marketing"

"Expand/relocate"

"Continue adapting new technologies "

"Create a prospecting system/process that has a consistent inflow of quality prospects."

"Find competent help"

"Align ourselves with like-minded customers and employees so we can weather the next storm (whatever they try to throw at us next)..."

"Fix immigration so we can get legal workers and teach them trades this are desperately needed. We need to increase the work force "

"Speed up workflow either with staff or technology"

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Conclusions...

Awake and Aligned

Though we expected a certain level of discontent, it was surprising to us that nearly 90% of respondents thought the US was on the wrong track and so insistent that the government should get out of the way. Even across a variety of industries, locations, and business challenges, the small business community is highly unified and seemingly very motivated to change direction and improve the overall business environment.

Time to Play Defense

This unified mindset largely comes from the full onslaught of external challenges like inflation, supply chain problems and staffing shortages, all of which are out of their control and the result of poor fiscal and governmental policy. This has put the business owner “on defense” with most businesses struggling to fill open positions, hang onto customers and just cover the increasing cost of running a business.

Help Needed —Everywhere!

The largest challenge from our 2021 survey has continued into 2022: finding and keeping good people. Help Wanted signs are common in nearly every business, as employers wrestle to find qualified and motivated staff members. This year small businesses are not only feeling the pain at the staff level, but increasingly at the leadership level. As workers either switch jobs or exit the workforce altogether, many businesses are struggling because of unfilled positions, but also because of new gaps in leadership that have recently come to light.

Determined in the Face of Adversity

Although small businesses are faced with a variety of challenges, their responses demonstrate a determination and self-sufficient attitude that will help them sustain their businesses through the next business cycle. In the face of these challenges, we did not see a lot of pessimism, nor did we see businesses looking for more handouts. Rather, we saw a commitment to adapt to current conditions, find creative solutions and figure out how to survive, and even grow in the face of adversity.

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Recommendations...

As a small business serving other small businesses, we understand the challenges, but we also know the strength of the small business community. As you work through your circumstances, how you will respond in light of the adversity and business conditions facing your business? Here are a few thoughts for you to consider:

1. Find your Tribe

The last two years have brought much to light, including the clash of worldviews in the marketplace. As you consider who to serve, who to hire and who to partner with, look to align yourself with likeminded people and companies. Though it may not be possible across the board, it can be done incrementally. As you fill positions, swap out vendors and navigate your customer relationships over time. Principled connections with employees, partners and customers are not a panacea, but they will help us sustain the next downturn, and they're a lot more satisfying.

2. Get on the Field

If you are part of the 90% that is upset with the current state and wanting things to be different, consider how you might get involved to be a force for change. This is an election year, so make a point to meet the candidates in your area and ask them about their commitment to small business. If you find a candidate you like, get involved in their campaign. Aside from that, attend a village meeting, join a school board, make connections with other small businesses, or just find a way to make a difference in the culture and the community where you live and work. Use your influence as a small business leader to get involved!

3. Make a Plan

Given the intensity of the business challenges today and the compounding stress of staffing shortages and profitability challenges, it's vitally important to have a plan in place to address these challenges and to communicate that plan to your team. If you are part of the 80% that are concerned, challenged, or constrained as a business ([see page 9](#)), it's important that you know what problem(s) you need to solve, and how you will get it done. If you are "too busy to plan" or are not sure your team will be able to execute your plan, see #4, below.

4. Don't be Afraid to Ask for Help

If you have a gap in your business, especially on your leadership team, it's important that you find someone who can help you assess your situation and/or fill that critical role to get things done. Sometimes the hardest thing to do as a business leader is to stop and ask for help. Here at TURNkey, we have a team of experienced business leaders and advisors who can help, whether your problem is strategic or operational, or you just want to grow your business faster. For more information you can reach us at **866.928.8208** or info@turnkey.pro. You can also click [here](#) to request a phone call from us. We'd love to hear from you, but either way you should find someone in your tribe who can help.

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