



2017 IEEE-USA Entrepreneurs and SBA Survey Report

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Requested by: IEEE-USA

Report Prepared by: IEEE Strategic Research

2017 IEEE-USA Entrepreneurs and SBA Survey¹

Executive Summary

The purpose of the 2017 IEEE-USA Entrepreneurs and SBA Survey was to understand the needs of entrepreneurs, small business owners, and small business employees in the United States. More than 8,000 IEEE members in the United States were surveyed.

What follows is a summary of key findings from the 2017 survey. Changes over the previous iteration are noted where the differences are significant.

Highlights of Survey Findings:

Business Characteristics:

- Nearly half (47%, up from 35% in 2016) owned a business.
 - 5% planned to start a business within the next 12 months.
- Nearly six in ten (58%) have been in business for more than ten years, compared to only 10% that have been in business for two years or less.
- Down slightly from 2016, more than a quarter (26%) of businesses are owned by a woman, minority or veteran.
- Bootstrap financing was the most likely source of funding for entrepreneurs, both pre-revenue and post-revenue.
- More than four in ten respondents' companies (43%) are actively developing new technology.
- 28% (down from 42% in 2016) currently export their products, while 13% plan to do so in the next twelve months. The remaining 59% (up from 49%) have no plans to do so.

Challenges:

- More than seven in ten (72%, up from 64%) respondents say their companies are not having difficulty finding and recruiting either engineering or production job talent.

¹ Survey conducted 7/31/17-8/21/17 by IEEE Strategic Research team. For questions or additional information, please contact via ieeeresearch@ieee.org.

- Nearly a quarter (24% in both cases) said the primary challenge to their company beginning or expanding its export activities was insufficient financial resources or a lack of company infrastructure to handle administrative requirements.
- Respondents were also asked to select the top four challenges to small innovation company growth. More than a third (34%) cited difficulty in getting customers to adopt new technology. Slightly fewer 33%, up from 27%) selected insufficient opportunities to sell products or services for small businesses. Just below three in ten (29%) cited difficulty in commercializing technology products. 29% also cited access to capital as a difficulty.
- Asked the biggest challenges in bringing new tech to market, more than four in ten cited a lack of sufficient funding (41%), while three in ten (30%, down from 36%) cited a lack of management knowledge with marketing/commercialization. Just below that was a lack of product validation in market (28%). A lack of technical talent was the least cited option, at 16%.

Attitudes Towards Government Intervention in Small Business:

- More than four in ten (44%) believe it would be fair for the government to receive royalties or licensing fees from patents it provides funds to help commercialize. 30% believe the amount should be capped.
- Nearly three in ten (29%) believe the government can best create additional market opportunities for small businesses by increasing the amount of business it does with small companies directly, while 20% support increasing the size of the SBIR program and 23% support incentivizing large federal contractors to work with small businesses.
- Respondents believe the government can help close the skills gap for production jobs via small business tax credits for training certain employees (42%, up from 37%), working with small companies to develop apprenticeship programs (34%, up from 28%), and supporting community college training programs (31%).