

Aflac and Black-owned businesses: how we can support your growth



Throughout the United States, Black-owned businesses have been growing in size and scope for years — especially among Black women. As of 2021, an astounding 17% of Black women are in the process of starting or running new businesses.¹

Yet as much success as Black businesses have had, they still have ample room to grow. And benefits are a proven way to help businesses do so.

Black businesses are rebounding — and growing

While the pandemic took a major toll on entrepreneurship throughout the country, the toll among Black-owned businesses has been especially significant. In 2019, Black women-owned businesses alone numbered nearly 2.7 million.¹ Yet by January 2021, 41% of all Black-owned businesses were closed during stay-at-home orders (compared with just 17% of white-owned businesses).² And in the time since, Black-owned businesses have remained the most likely to close down by a large margin.³

Despite these closures, the United States remains home to more than 2 million Black-owned businesses today. And while they collectively employ about 920,000 people,⁴ only 124,551 of the businesses actually serve as employers,⁵ with the rest of the 2 million being solo operations. But these numbers are bound to increase. A notable 55% of Black entrepreneurs want to grow their businesses as opposed to sustaining them, selling them or opening new locations. In fact, 46% plan to hire new staff.⁶

This is where benefits come in.

Employee benefits can help obtain and retain employees

A company's benefits options are heavily weighed by prospective and current employees alike. Benefits are so important that 61% of employees rank health benefits as one of their top three factors when looking for a new job, and 57% of employees report being somewhat likely to accept slightly lower compensation for a more robust benefits package. For employees looking to leave their current companies, 35% say improving their benefits package is the one of the most important things their employer could do to keep them in their jobs (second only to increasing their pay).⁷

Further, offering supplemental benefits, such as Aflac insurance policies, can help elevate a business's status in the eyes of current and prospective employees — paving the way for Black-owned businesses to continue to grow.



Employers offer supplemental insurance to satisfy employee need, interest or demand. And it does just that. An overwhelming 70% of employees enrolled in supplemental insurance are extremely or very satisfied with their benefits packages, a difference of 28 percentage points from those who aren't offered the plans. Additionally, 93% of employees enrolled in supplemental insurance report that these policies help protect their financial security.⁷

And just like other employee benefits, supplemental insurance helps employers keep and attract key talent. More specifically, while 19% say they're unsure, 60% of employers say supplemental insurance helps them retain employees. And 50% of employers say supplemental insurance helps them recruit employees.⁷

This boost in recruitment and employee retention can't be overstated. While talent can help you do a job and do it well, top talent can propel you to the point where you're hiring for a number of other jobs, helping your small business grow faster and stand out more than you ever thought possible.

The varying costs of employee benefits

Of course, while the research heavily supports the business case for offering a range of benefits, deciding whether to offer them — and which ones to offer — often comes down to one factor: cost. That's especially true for employee health benefits.

Among small businesses with three to 49 employees, 65% report never having offered employee health benefits. And of these employers, 65% cite cost as the primary factor.⁷ That's not surprising given the average cost for insurance benefits can be between \$400 to \$800 per employee per month.⁸ This is a substantial cost that not all businesses can afford.

But just because you can't offer your employees everything doesn't mean you can't offer them anything. Aflac's supplemental insurance policies can help cover dental, vision, critical illness and more, and they can be offered to employees at no direct cost to the employer. Additionally, perks such as the hybrid work flexibility that 48% of employees (and 59% of people of color) express a strong preference for⁹ can serve employees' needs without a big price tag for employers.

When it comes to employee benefits, there's no requirement on how much you have to spend. But offering what you can afford to offer can go a long way toward attracting top talent and keeping them happy. And if you can do that, your business is bound to elevate.

Want to take your small business to the next level? Contact your Aflac benefits advisor or visit [Aflac.com/business](https://www.aflac.com/business).

¹ The Harvard Business Review. "Black Women Are More Likely to Start a Business than White Men." Published May 11, 2021. [Accessed 07.22.2022](#).

² Small Business Majority. "Policy Agenda: The Agenda for America's Entrepreneurs of Color." Published 1.12.2021. [Accessed 6.9.2021](#).

³ Fortune. "Women and minority-owned small businesses aren't sharing in the U.S. recovery." Published 4.9.2021. [Accessed 6.9.2021](#).

⁴ Fundera. "20 Black-Owned Business Statistics for 2021." Published 12.16.2020. [Accessed 6.9.2021](#).

⁵ United States Census Bureau. "Annual Business Survey Release Provides Data on Minority-Owned, Veteran-Owned and Women-Owned Businesses." Published 1.28.2021. [Accessed 6.9.2021](#).

⁶ Guidant Financial. "Black Entrepreneurs — 2021 Trends." Published 2021. [Accessed 6.9.2021](#).

⁷ Aflac. "Aflac WorkForces Report: Workplace Benefits Trends Executive Summary." Published September 2020. [Accessed 6.9.2021](#).

⁸ ObsidianHR. "How Much Do Employee Benefits Cost Per Employee?" Published 03.22.2022. [Accessed 06.09.2022](#).

⁹ Envoy. "Envoy survey finds employees want companies to embrace hybrid work and mandate COVID vaccines." Published 3.16.2021. [Accessed 6.9.2021](#).

Content within this article is for informational purposes only and does not constitute legal or medical advice regarding any specific situation. Employers and employees and other individuals should consult their own legal or medical advisors about their situations.

Dental - In Idaho, Policies A82100RID–A82400RID. In Oklahoma, Policies A82100ROK–A82400ROK. In Virginia, Policies A82100RVA–A82400RVA.

Vision - In Idaho, Policy VSN100ID. In Oklahoma, Policy VSN100OKR. In Virginia, Policy VSN100VA.

Critical Illness - In Idaho, Policies A73100ID & A73100ID. In Oklahoma, Policies B71100OK & B71100HOK. In Virginia, Policy A73100VA.

This is a brief product overview only. Coverage may not be available in all states. Benefits/premium rates may vary based on plan selected. Optional riders may be available at an additional cost. Policies and riders may also contain a waiting period. Refer to the exact policies and riders for benefit details, definitions, limitations and exclusions. For availability and costs, please contact your local Aflac agent/producer.

Aflac insurance policies are underwritten by Aflac. In New York, coverage is underwritten by Aflac New York.

Aflac | WWWQ | 1932 Wynnton Road | Columbus, GA 31999