



SMALL BUSINESSES HAVE WHAT IT TAKES
TO KEEP EMPLOYEES
HAPPY

Summary of the 2017
Aflac Happiness Report

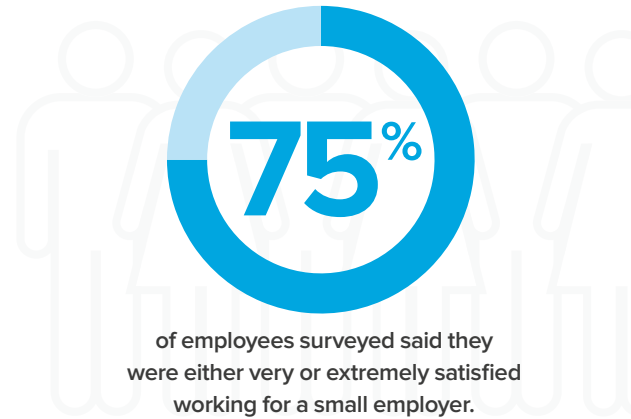


Whether you're a small-business owner or employee, you know there's something inherently special about working at a small-business. In fact, positivity abounds; small business optimism is currently the highest it's been in 43 years.¹

But optimism isn't a new feeling for small businesses. We conducted our second annual Aflac Happiness Report and found, once again, that both employees and owners have plenty to be happy about when it comes to their work lives. In this year's report, we surveyed 1,000 U.S. Small Business² employees and asked them to tell us what it was like working for a small business.

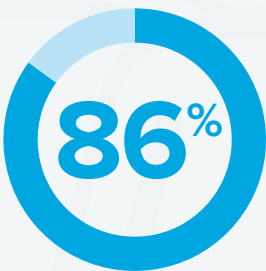
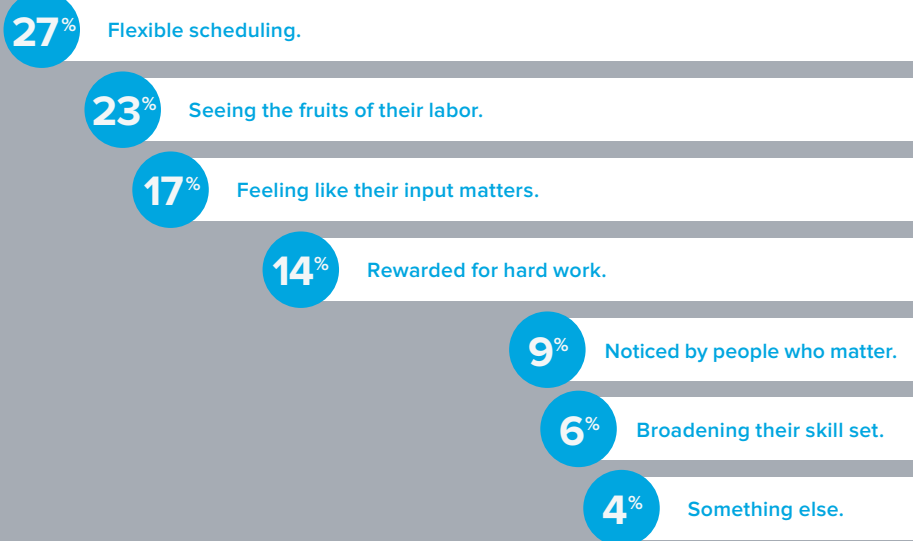
SMALL-BUSINESS SATISFACTION IS LINKED TO PERSONAL IMPACT

To conduct the 2017 Aflac Happiness Report, we surveyed adult employees over the age of 18. The respondents shared one common factor: overall, they are happy to be working for a small business. Seventy-five percent of employees surveyed said they were either very or extremely satisfied working for a small employer.

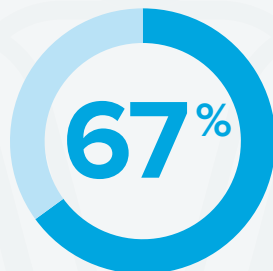


THE BEST PART OF WORKING FOR A SMALL BUSINESS EMPLOYER

One of the key factors driving this general satisfaction is employees having a real sense of their value within the company. When asked about their favorite part of working at a small business, participants cited being able to see the fruits of their labor and feeling like their input really mattered to the business as some of the most important factors.



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of employees said that feeling more appreciated was the biggest benefit of working for a small company versus a large one.

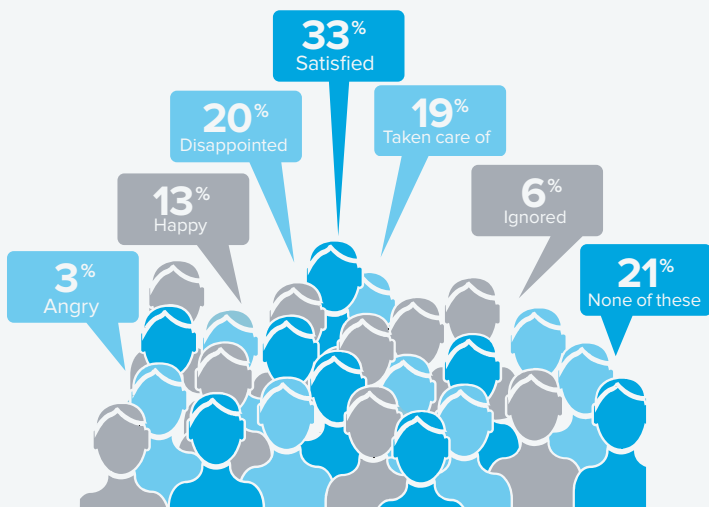
Small-business employees get satisfaction from envisioning their personal impact. Eighty-six percent said that they know how their job fits into the long-term plans of their employer. The sense of being able to make a difference at work isn't limited to small-business employees, but it's a major driving factor for them. Of the survey participants who have previously worked for a large company, 67 percent said that feeling more appreciated was a benefit of working for a small company versus a large one

SMALL BUSINESSES PROVIDE COMPETITIVE BENEFITS

Employer appreciation is a “soft” benefit, but it’s also an important one. There are other more tangible benefits that contribute to small-business employees’ happiness, too. For example, while feeling valued at work is certainly important, employees also like the flexible scheduling offered in small-business environments. Twenty-seven percent of respondents said that flexible scheduling was the best part about working for a small employer, versus 23 percent of respondents who said that seeing the fruits of their labor was the best part.

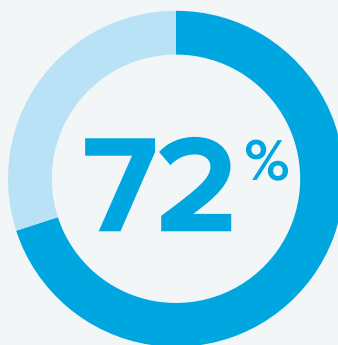
In general, flexible scheduling is on the rise, but according to a 2015 Issue Brief by the U.S. Department of Labor, small firms tend to provide more flexibility than large firms.³ Unique benefits like flexible scheduling can help give small businesses an edge when it comes to employee happiness.

FEELINGS ABOUT CURRENT HEALTH BENEFITS OFFERINGS



Another way employers of small companies keep employees happy is by offering competitive benefits. Major medical and other health insurance benefits are typically the most important benefits that employees consider when making a choice about where to work.⁴ Further, 50 percent of survey respondents said that having a benefits package is either extremely or very important to their happiness at a job, so it’s important that small-business employers provide comprehensive options to attract or retain employees. When asked what they think of the health benefits they’re currently offered relative to those offered to other small-business employees, only 33 percent of participants reported feeling satisfied, while 20 percent were disappointed. A few respondents—3 percent, in fact—reported feeling angry about their current benefits, with 13 percent claiming to be happy.

The level of satisfaction that our respondents felt varied across age ranges, but there was overwhelming agreement that improvements to benefits would be a welcome change: 72 percent of survey participants said that these kinds of improvements would make them a happier employee. Voluntary or supplemental insurance is often a great way to bridge the gap between the types of insurance small-business employers are able to provide and the type of insurance employees would like to have.⁵



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SMALL BUSINESSES OFFER **UNIQUE** INTANGIBLE BENEFITS

that employees know they can't find in any other workplace.

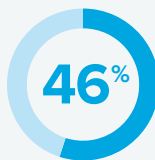
SMALL BUSINESSES PROVIDE POSITIVE WORK ENVIRONMENTS

Many Aflac Happiness Report participants said the happiness they feel in their current job is either mostly or somewhat due to the fact that they work for a small business. That's because small businesses offer unique, intangible benefits that employees know they can't find in other workplaces.

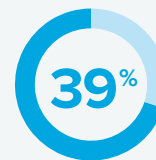
For example, being employed by a small business means working with fewer people and in closer proximity, and this kind of work environment often creates a sense of camaraderie. Thirty-one percent of respondents said that they and their colleagues would agree that feeling like a family was the best part of working at a small business, while 27 percent said it's that they are all working for the same goal.

In tight-knit environments, the idea that "everyone is in this together" even applies to management. An interesting finding in the 2017 Aflac Happiness Report was that 64 percent of survey respondents said they thought employee happiness was either extremely or very important to their company's leadership team. Also, 59 percent of participants said the thing they respected most about their employers is that they provided a pleasant work environment. The fact that employees perceive leadership to be caring and nurturing matters, because happy and engaged employees can be up to 12 percent more productive.⁶

HAPPINESS IN MY CURRENT JOB



SOME OF
my happiness in my current job is because I work for a small business.



MOST OF
my happiness in my current job is because I work for a small business.



ALL OF
my happiness in my current job is because I work for a small business.



NOT MUCH OF
my happiness in my current job is because I work for a small business.



NONE OF
my happiness in my current job is because I work for a small business.



SMALL BUSINESS EMPLOYEES FEEL EXCITED FOR WHAT LIES AHEAD

No matter the reasons small-business employees are keen on their employers, one thing is for sure: the future looks very bright. Fifty-six percent of respondents feel optimistic about the future of small business. This optimism is felt across generations, but participants ages 18 to 36 feel the most positive at 62 percent. With younger generations being more excited about the small businesses they are a part of, this bodes well for the future of these companies.

Small businesses are special places to work. They can provide respectful, positive workplaces where employees feel almost like family. The very nature of their size helps employees contribute more and by extension, leads to employees' gaining more personal satisfaction from their work.

These softer benefits, coupled with competitive health or other supplemental benefits options small businesses can offer, will help keep small companies in lockstep with their employees' happiness for the foreseeable future.



1. National Federation of Independent Business (2017). March 2017 Report: Small Business Optimism Index. <http://www.nfib.com/surveys/small-business-economic-trends>
2. Respondent qualifications include: at least 18 years old; employed for at least one month at a company in the United States with 3 to 49 employees; not employed in insurance, advertising/PR or market research.
3. U.S. Department of Labor (2015). Workplace Flexibility: Information and Options for Small Businesses. https://www.dol.gov/wb/WorkplaceFlexibility_508_FINAL.pdf
4. According to the 2017 Aflac Happiness Report, 58 percent of participants said that major medical/health insurance had the biggest influence on their decision to work at their current company, compared to all other potential health benefits.
5. Aflac (2016). The Value of Voluntary Benefits. <https://www.aflac.com/business/resources/aflac-workforces-report/articles/the-role-of-voluntary.aspx>
6. Warwick (2014). New Study Shows We Work Harder When We Are Happy. http://www2.warwick.ac.uk/newsandevents/pressreleases/new_study_shows/