

NFIB Research Foundation



National Small Business Poll

NFIB National

Volume 5, Issue 4
2005

Small Business Poll

Political Participation

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. Eight reports are produced annually with the initial volume 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. 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. It must be emphasized that these data sets do NOT contain information that reveals the identity of any respondent. Custom cross-tabulations will be conducted at cost only for NFIB members on a time available basis. Individuals wishing to obtain a data set(s) should write the *Poll* at the above address identifying the prospective use of the set and the specific set desired.

NFIB National
Small Business
Poll



Political Participation

Volume 5, Issue 4
2005
ISSN - 1534-8326

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Series Editor

NFIB

The Voice of Small Business.®

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Washington, DC 20004
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National Small Business Poll



Political Participation

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Executive Summary

- Small-business owners express considerable interest in public affairs and politics. Forty-two (42) percent say they are highly interested and another 41 percent say they are somewhat interested.
- Disproportionately large percentages of small-business owners are registered to vote (95%), usually do vote (84%), and run for elective office (3%).
- The proportion of small-business owners who are active in public affairs and political activities is small compared to the number who avoid them (except voting). Most, however, periodically dabble in public affairs and politics, though less often in the campaign aspect. The activities they tend to prefer are more passive, less visible, and less time consuming.
- The most common public affairs and political activities in which small employers appear to engage include: initiating discussion(s) with an employee(s) regarding the impact of a policy issue on the firm, and membership(s) in an organization(s) with a policy/political bent. Less frequent are activities like lobbying public officials, circulating/signing petitions, or attending political speeches, rallies, or conventions. Least frequent are activities like canvassing or participating in a telephone bank.
- Forty-three (43) percent of small employers contributed financially to causes, candidates or PACs over the last four years. The median number supported during that time was two with more than half of contributors giving less than \$1,000.
- All three levels of government receive small-business owner attention. Interest in activities at one level does not appear to dominate that at the others. The division of interest between candidates and issues falls marginally towards candidates.
- The motivating concern to become involved in public affairs and politics for 39 percent of small employers is to improve the overall well-being of the area/state/country. Sixteen (16) percent cite a personal interest in these topics while 14 percent attribute it to business interests. Eleven (11) percent want to solve a particular problem(s). The remainder cannot explain their motivation.
- Despite frequent dabbling in public affairs and politics, small-business owners hold a decidedly mixed view regarding their repute and probity. Fifty-seven (57) percent agree or strongly agree that politics is sleazy.
- A sense of duty appears to be the prevailing attitude toward public affairs and politics. Ninety-six (96) percent believe that every citizen should participate, if only to vote. Eighty-two (82) percent agree that business owners are leaders, and leaders have a responsibility to lead in public affairs and elsewhere.
- Small-business owners overwhelmingly agree that positive change can result when good people participate in public affairs. They also overwhelmingly believe that achieving good public policy is a constant struggle.

Political Participation

Business people, including farmers and planters, have traditionally played a prominent role in the political leadership of the United States. From the country's earliest days, when the Continental Congress and the Constitutional Convention were largely populated by men who owned and operated their own businesses, business owners have participated extensively in public affairs at all levels of government. But over time, their position has eroded. They have been replaced, at least in part, by people from other backgrounds including the ubiquitous professional politician whose sole occupational function is to shape public affairs. Still, business owners continue to participate, if for no other reasons than civic duty and/or protection of their business interests. The questions are: How much? And, how often? Thus, this issue of the *National Small Business Poll* is devoted to Political Participation.

Small-business owners express considerable interest in public affairs and politics. Forty-two (42) percent say that they are highly interested (Q#1). Another 41 percent say that they are somewhat interested. (Public affairs and politics was defined for respondents as elections—partisan and non-partisan—referenda, bond issues, lobbying and other civic activities.) Thus, over four of five indicate more than a passing interest in the topics. Just 7 percent contend that they are not at all interested.

Voting and Office-Holding

Small-business owners participate in aspects of public affairs and politics extensively; in other aspects, they participate minimally. Most notably, small-business owners vote. Ninety-five (95) percent report that they are registered to vote (Q#2). Most who are registered to vote claim to do so regularly. Sixty-one (61) percent say that they always vote and another 23 percent say that they usually vote (Q#3). Those numbers add to 84 percent of the small employer population who say they typically vote. Even if a portion of these positive answers consist of socially desirable response, small-business owners vote considerably more frequently than the

public as a whole. In contrast, the Presidential elections, the elections most likely to generate a large turnout, result in about 50-60 percent of the adult population voting. Only 5 percent of small-business owners say that they never vote, about the same number as those who are not registered.

Small employers not only typically vote, they also run frequently for public office. Three percent say that they ran for public office in the last four years (Q#4). That means about 175,000 small employers have run in the period. The number of elected offices in the United States is huge, particularly at the local level. Estimates run as high as 520,000. Since running for office is not the same as being elected to office nor is the number of people running for them known (or at least cannot be found), it is not possible to estimate the proportion of either candidates or elected officials who are small-business owners. Still, it is fair to conclude that they are likely to be disproportionately represented (high) among both groups.

The survey did not determine what those offices were nor the level of government in which they were located.

Government has numerous boards, commissions, etc., that serve in an administrative

or advisory capacity and are appointed by elected officials or elected bodies. People appointed to those panels typically have some substantive qualifications and political connections. In other words, they usually have been politically active or, at least, financially supportive. Five percent of small employers have been appointed to such an office over the last four years (Q#5). The five percent is not mutually exclusive of those who have run for office.

Financial Contributions

Small employers often contribute financially to political activities. Forty-three (43) percent say that they have contributed to support or oppose a policy issue, a candidate for office, or a PAC (political action committee) over the last four years (Q#7). They contributed to a median of two different causes, candidates, etc., though the average number of contributions was somewhat higher. Twenty-four (24) percent gave to just one and another 28 percent to two (Q#7a). Seven percent say they gave to seven or more. These frequent givers constitute three percent of the population or 175,000 owners.

Most contributions are small. Fifty-three (53) percent gave less than \$1,000, which spread over four years amounts to less than \$250 a year (Q#7b). Just a small group appears to contribute large sums. Three percent of contributors, or about 1 percent of all owners, gave over \$10,000.

Political Activity

The participation of small-business owners in political campaign activities can be summarized in two observations: first, the proportion that is highly active is small contrasted to that which avoids them entirely. The largest proportion, however, does a little, on occasion. Second, small-business owners seem to prefer more passive, less visible, and less time-consuming types of activities to those exhibiting the opposite characteristics.

In addition to voting, running for elective office, holding appointive office, and financially contributing, the survey asked small employers about the extent (frequent, occasional, none/never) to which they participated in 12 different types of political activities over the prior four years (from mid-2002). These activities include: displaying a

bumper sticker or button; canvassing or participating in a telephone bank; lobbying a public official; engaging in a demonstration, boycott or protest; attending a political event such as a speech, rally or convention; circulating or signing a petition; asking friends/relatives for a vote/support; joining or renewing membership in a political party; displaying a sign on the premises; membership in organizations that take political/policy stands; writing letters-to-the-editor; and, initiating discussions with employees about a policy issue that impacts the business.

Most small-business owners involve themselves in modest amounts of political activity or none at all. Three percent report that they participated in at least six of these 12 activities frequently over the last four years. These are the “political junkies.” At the other extreme, 53 percent report that they did none of the 12 frequently and another 23 percent report that they did only one of them frequently. However, if the standard is lowered to include “occasional” as well as “frequent” participation, the number involved rises steeply. Nineteen (19) percent, under the changed standard, engage in at least six activities and only 30 percent one or none. The later figure rises to 45 percent if the number of activities is two or fewer.

The number of activities in which owners participate is highly correlated with voter registration, voting frequency and propensity to make financial contributions. The more different public affairs or political activities one participates in, the greater the likelihood that he or she will also do these more common things.

Small-business owners are more likely to participate in political campaigns or campaign-type activity in passive ways, particularly ways that do not consume much time, and are not visible. The most prevalent of these is the exception in that the activity is not passive. A form of political involvement, not necessarily unique to small-business owners, is engagement of employees (subordinates) in discussion of policy issues affecting an owner’s business. Twenty (20) percent say that within the last four years they frequently initiated discussion(s) with an employee or employees on a policy matter affecting their firms (Q#6L). Another 30 percent did so on occasion. Thus, about half took issues affecting the business directly to employees.

Membership in organizations with a policy bent also constitutes a means of political involvement in which a large share of small-business owners engage. One in five (20%) say they are frequently members of organizations that typically take stands on public issues (Q#6J). (The National Rifle Association, the Sierra Club, and NFIB among others, were provided as examples of such organizations.) Another 25 percent say that they belong to some. These figures correspond with an earlier poll in this series on membership in business organizations. However, an attraction of many organizations, even those with a policy bent, can be professional development or industry-specific knowledge rather than politics or policy. Membership is not necessarily stimulated by interest in public affairs, but in improving personal skills and business prospects, etc. Thus, while the frequency of such membership is a broad measure of political activity, it is also muddled.

Membership in political parties is a different matter. Twenty-five (25) percent contend they belong to a political party, an extraordinarily large number given that few Americans are formally a member of one (Q#6H). More likely, many who contribute to a partisan election campaign or who identify with a party claimed membership.

The most politically visible small-business owners tend to get is the passive display of political preference. For example, 7 percent frequently displayed a bumper sticker or wore a button for or against a candidate or an issue during the last four years (Q#6A). Another 19 percent say that they took such a visible public stance occasionally. Similarly, 14 percent claim to have frequently displayed a sign at home or on the business premises over the last four years supporting or opposing a candidate or a policy issue (Q#6I). Another 25 percent say they did so occasionally.

Small employers lobby public officials periodically. Nine percent report that they frequently lobbied a public official(s) for or against a public policy or policy issue over the last four years (Q#6D). Another 24 percent did so on occasion. In that time frame, therefore, just short of two million small-business owners chose to express a view directly to a public official. The survey did not determine whether those contacts were

written, made by telephone, or in person. However, a prior publication in this series suggests that the modes of communication with public officials are highly varied.

Other common political activities drew moderate amounts of interest. Seven percent claimed to have circulated or signed a petition frequently in the last four years (Q#6F). Another 28 percent did so on occasion. Seven percent frequently attended a political speech, campaign rally, or political convention in the last four years (Q#6E). This group of owners is likely the most committed. Speeches, conventions, etc., require time, and the individual must fit his schedule to the event rather than the opposite. They also typically involve expense. However, since it is almost impossible to avoid all political speeches if one participates in any community activity, another 25 percent say that they also attended such events on occasion. The third form of activity of this nature is telephoning or writing friends, family or associates asking for support or opposition to a candidate or policy. Six percent report they did so frequently with 25 percent less frequently (Q#6G).

Small-business owners participate in the most time consuming and visible political activities least frequently. For example, just 2 percent frequently canvassed or worked a telephone bank (Q#6B). Another 6 percent did so occasionally. Similar percentages took part in a political protest, demonstration or boycott (1% and 6% respectively) (Q#6C). Both consume considerable time and can be highly visible. A surprisingly large number, though small compared to other types of activity, wrote letters-to-the-editor. Five percent say that they have frequently written over the last four years and another 15 percent say they have occasionally (Q#6K). No data was collected on whether the letter(s) was printed.

Federal, State, or Local; Candidates or Issues

The political and policy interests of small-business owners appear broad and encompass activities at the federal, state, and local levels. They span jurisdictional boundaries and include candidates as well as issues. Fifty-two (52) percent of those who participated in any public affair or political activity within the last four years say that the activities in

which they participated involved federal candidates, elections, etc. (Q#9). The hotly contested Presidential election conducted less than a year prior to the survey may have temporarily boosted activity at the federal level. Still, the extent of activity at that level is consistent with activity at other levels suggesting last fall's influence on interest in federal activities, if present, added little.

Forty-nine (49) percent say they participated in elections, referenda, etc., at the local level (Q#8) while 48 percent say they did so with state level candidates and issues (Q#9). Owners of larger small businesses, that is to say, those employing 20 or more people, were much more likely to participate in local activity than others and much more likely to participate in local activity than in activity at other levels. Almost seven in 10 owners of these larger businesses did something locally in the last four years. The data offer no explanation for this behavior. However, it could reasonably be tied to greater leverage at the local level.

Just as small employer interests cross the levels of government, so do their priorities. Thirty (30) percent who participated in one or more of the listed political or policy activities over the last four years report that their efforts focused on federal level candidates and policy (Q#11). A similar number (29%) focused theirs on the local level. Fourteen (14) percent paid most attention to their state. But 19 percent volunteered that their activities were scattered across jurisdictions; their efforts were not directed at any particular level of government. Another 9 percent were undecided, implying that theirs, too, were scattered. All levels of government impact small business. It is, therefore, not unreasonable that owners focus on no particular level of government.

Small-business owner political activity was also spread between candidates for office and an issue or issues. Fifty (50) percent report most of their activities were directed to candidates and electing people (Q#12). Thirty-five (35) percent report their activities concentrated on an issue or issues. The remaining 15 percent could not decide which was prevalent. The recent Presidential election again may have tilted this distribution in favor of candidates. Still, small-business owners direct considerable attention to both.

Attitudes Toward Political Participation

Different influences motivate people to participate in public activities. While motivations are typically complex and not subject to a single reason, 39 percent of small-business owners report that their activities are stimulated primarily by an interest in improving the overall well-being of the area/state/country (Q#13). Improving conditions was mentioned more than twice as often as the next most frequently mentioned cause. The succeeding three were noted about equally often. Sixteen (16) percent cite a personal interest in politics or public affairs. Another 14 percent attribute their motivation to an interest in protecting or promoting their businesses. Eleven (11) percent want to solve a particular problem(s). However, 18 percent cannot cite a cause, suggesting that many have mixed motives or get involved without thinking about the reason for it.

Despite frequent dabbling in public affairs and politics, and for what they generally regard as selfless reasons, small-business owners hold a decidedly mixed view regarding their repute and probity. Most brutally, 57 percent agree or strongly agree with the assertion that politics is sleazy (Q#14A). Those who do not participate, or do so minimally, are no more negative than those who do. Exposure to the phenomenon, therefore, does not appear to influence one's views. Similarly, half believe that you are expected to pay to play. Fifty-one (51) percent agree or strongly agree that they are expected to contribute or pay if they want to be effective in politics; 47 percent disagree or disagree strongly (Q#14K). However, the same people do not necessarily hold the same views about both. Complicating matters is the fact that many consider politics a positive social outlet. Fifty-two (52) percent agree with the idea that politics can be lots of fun and a good social activity; however, only 5 percent agree strongly (Q#14G).

A sense of duty appears to be the prevailing attitude toward public affairs and politics. Ninety-six (96) percent agree that every citizen has a duty to participate in public affairs even if it is just voting (Q#14F). Half agree strongly. The share that agree is higher than the

proportion registered to vote. Even some of the non-registrants agree that they should at least vote, though some participate in ways other than voting. Small-business owners also believe their position in the community gives them a responsibility to participate. Eighty-two (82) percent agree with the proposition: business owners are leaders and leaders should lead in public affairs and elsewhere (Q#14J). Perhaps due to the question's novel approach to their sense of duty, those just agreeing were three times as numerous as those strongly agreeing.

Small-business owners also exhibit mixed feelings about the impact of public affairs and politics directly on their businesses. For example, 67 percent agree that being active in public affairs can generate business, though only 11 percent agree strongly (Q#14B). On the other hand, 51 percent believe being too closely identified with policy issues and politics is bad for business (Q#14I). Further, 64 percent agree that political activity takes productive time away from the business (Q#14D). These attitudes leave the impression that owners consider a little bit of public affairs and politics to be all right for the business, but a lot is not good; some exposure is helpful, but high visibility pushes people away and takes valuable time from primary business objectives. Yet, they may have no alternative to involvement - up to a point. Seventy-five (75) percent agree that business people must participate in politics to protect their business interests; 20 percent agree strongly (Q#14E).

One characteristic of business owners is that they think they have significant control over the factors that influence their businesses. They often hold similar views about public affairs. Ninety-four (94) percent agree that positive change can occur if good people participate in public affairs; 40 percent agree strongly (Q#14H). These people are not fatalists, even when it comes to policy matters. The term "good" as used here has many meanings, of course, ranging from competent to saintly. But if good, whatever meaning the respondent cares to attach, people get involved, good things can happen.

A majority disagree with the proposition that one person can do very little to

change the political landscape. Fifty-eight (58) percent disagree compared to 41 percent who agree (Q#14C). Here, too, small-business owners display their belief that people control outcomes. But, controlling outcomes is not necessarily easy. Ninety-two (92) percent agree with the proposition that ensuring good public policy is a constant struggle; 30 percent agree strongly (Q#14L). In other words, small-business owners believe positive change can be effectuated through the political system if good people participate.

Final Comments

While most small-business owners have an interest in public affairs and politics, it is the interest of a fan rather than a player. They sit on the sideline for the most part—watching, with an occasional foray into the game. Yet, they have a sense of duty to be present and do something to help their team. That spews forth on election day when small-business owners vote in huge numbers (relatively). Much less often, though still frequently, their interest and duty appear in the form of modest financial support for a candidate or a cause. It also commonly arises in the form of policy discussions with employees and membership in organizations with a policy bent. But when they do make forays into the game, those forays typically are passive with modest visibility and minimal time requirements.

About three percent are political junkies. These owners are intensely interested, frequently participate in many ways, and financially contribute larger sums to more candidates/causes. They find time to participate, initiate action, and may even relish the public exposure. Unfortunately, their small number in the population does not allow us to contrast their motivations for participation to other owners.

It is difficult to compare the public affairs and political activity of small-business owners to the general political apathy of the American public. The former vote with much greater frequency, contribute financially more often, and run for elective office in disproportionately large numbers. Small-business owners are also on the whole more educated than the American public,

and more educated people are more likely to participate. It is likely that small-business owners are more active regardless of education level, but how much more is an entirely different issue.

Political Participation

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

Employee Size of Firm
1-9 emp 10-19 emp 20-249 emp All Firms

The following refer to elections - partisan and non-partisan - referenda, bond issues, lobbying and other civic activities that can be termed public affairs or politics.

1. Are you highly interested, somewhat interested, not too interested, or not at all interested in public affairs and politics?

1. Highly interested	43.0%	40.0%	39.2%	42.3%
2. Somewhat interested	39.9	42.4	46.8	40.8
3. Not too interested	9.1	10.6	8.9	9.2
4. Not at all interested	7.7	7.1	5.1	7.4
5. (DK/Refuse)	0.3	—	—	0.2
Total	100.0%	100.0%	100.0%	100.0%
N	352	200	201	753

2. Are you currently registered to vote?

1. Yes	94.9%	94.1%	97.4%	95.0%
2. No	4.8	5.9	2.6	4.7
3. (DK/Refuse)	0.3	—	—	0.2
Total	100.0%	100.0%	100.0%	100.0%
N	352	200	201	753

3. Within the last four years or since mid-2002, how likely were you to vote in elections, referenda, or bond issues? Did you: ?

1. Always vote	60.1%	67.1%	65.4%	61.3%
2. Usually vote	23.6	16.5	23.1	22.8
3. Sometimes yes; sometimes no	9.4	8.2	7.7	9.1
4. Usually not vote	1.5	1.2	—	1.3
5. Never voted	5.4	5.9	3.8	5.3
6. (DK/Refuse)	—	1.2	—	0.1
Total	100.0%	100.0%	100.0%	100.0%
N	352	200	203	753

4. Within the last four years or since mid-2002, have you run for public office?

1. Yes	3.2%	3.5%	2.5%	3.2%
2. No	96.8	96.5	97.5	96.8
	—	—	—	—
Total	100.0%	100.0%	100.0%	100.0%
N	352	200	201	753

Employee Size of Firm
1-9 emp 10-19 emp 20-249 emp All Firms

5. In that time frame, were you appointed by a public official to a public office or position?

1. Yes	5.0%	4.7%	6.3%	5.1%
2. No	95.0	95.3	93.7	94.9
	—	—	—	—
<hr/>				
Total	100.0%	100.0%	100.0%	100.0%
N	352	200	201	753

6. In the last four years, or since mid-2002, have you often, occasionally, or not participated in the following public affairs or political activities?

A. Displayed a bumper sticker or wore a button for or against a political candidate or public policy position

1. Often	11.5%	7.1%	9.0%	10.8%
2. Occasionally	16.0	19.0	14.1	16.1
3. Did not	72.5	73.8	76.9	73.1
4. (DK/Refused)	—	—	—	—
<hr/>				
Total	100.0%	100.0%	100.0%	100.0%
N	352	200	201	753

B. Canvassed door-to-door or participated in a telephone bank advocating or opposing a candidate or issue

1. Often	1.8%	2.4%	2.5%	1.9%
2. Occasionally	5.3	6.0	7.6	5.6
3. Did not	92.6	91.7	89.9	92.2
4. (DK/Refused)	0.3	—	1.2	0.2
<hr/>				
Total	100.0%	100.0%	100.0%	100.0%
N	352	200	201	753

C. Took part in a political protest, demonstration, or boycott

1. Often	0.8%	—%	1.3%	0.7%
2. Occasionally	6.5	3.5	5.1	6.1
3. Did not	92.7	96.5	93.7	93.2
4. (DK/Refused)	—	—	—	—
<hr/>				
Total	100.0%	100.0%	100.0%	100.0%
N	352	200	201	753

	Employee Size of Firm			
	1-9 emp	10-19 emp	20-249 emp	All Firms

D. Lobbied a public official for or against a public policy or policy issue

1. Often	8.6%	5.9%	11.5%	8.6%
2. Occasionally	21.8	29.4	33.3	23.6
3. Did not	69.6	64.7	55.1	67.8
4. (DK/Refused)	—	—	—	—
Total	100.0%	100.0%	100.0%	100.0%
N	352	200	201	753

E. Attended a political speech, campaign rally, or political convention

1. Often	7.1%	4.8%	6.4%	6.8%
2. Occasionally	22.4	31.0	35.9	24.5
3. Did not	70.5	64.3	57.5	68.7
4. (DK/Refused)	—	—	—	—
Total	100.0%	100.0%	100.0%	100.0%
N	352	200	201	753

F. Signed or circulated a petition for a political candidate or policy issue

1. Often	6.8%	4.7%	6.4%	6.5%
2. Occasionally	26.7	32.9	29.5	27.6
3. Did not	66.2	62.4	64.1	65.6
4. (DK/Refused)	0.3	—	—	0.2
Total	100.0%	100.0%	100.0%	100.0%
N	352	200	201	753

G. Telephoned or wrote friends, family or associates asking for support or opposition to a candidate or an issue

1. Often	8.6%	5.9%	7.6%	8.2%
2. Occasionally	18.9	24.7	24.1	20.0
3. Did not	72.2	69.4	68.4	71.8
4. (DK/Refused)	—	—	—	—
Total	100.0%	100.0%	100.0%	100.0%
N	352	200	201	753

H. Joined or renewed membership in a political party

1. Often	13.4%	11.8%	20.5%	13.9%
2. Occasionally	11.5	12.9	10.3	11.5
3. Did not	72.2	72.9	66.7	71.8
4. (DK/Refused)	2.9	2.4	2.6	2.8
Total	100.0%	100.0%	100.0%	100.0%
N	352	200	201	753

	Employee Size of Firm			
	1-9 emp	10-19 emp	20-249 emp	All Firms

I. Displayed a sign at home or on your business premises supporting or opposing a candidate or policy issue

1. Often	13.9%	14.1%	11.4%	13.7%
2. Occasionally	24.2	25.9	26.6	24.6
3. Did not	61.9	60.0	62.0	61.7
4. (DK/Refused)	—	—	—	—
Total	100.0%	100.0%	100.0%	100.0%
N	352	200	201	753

J. Was a member of an organization that often takes stands on public policy issues. The National Rifle Association, the Sierra Club, the Chamber of Commerce or NFIB are examples

1. Often	18.3%	26.2%	28.2%	20.0%
2. Occasionally	24.3	25.0	30.8	25.0
3. Did not	57.1	47.6	41.0	54.6
4. (DK/Refused)	0.3	1.2	—	0.3
Total	100.0%	100.0%	100.0%	100.0%
N	352	200	201	753

K. Wrote letters-to-the-editor

1. Often	5.9%	2.3%	2.6%	5.2%
2. Occasionally	14.0	18.6	19.2	15.0
3. Did not	80.1	79.1	78.2	79.8
4. (DK/Refused)	—	—	—	—
Total	100.0%	100.0%	100.0%	100.0%
N	352	200	201	753

L. Initiated discussions with an employee or employees on a policy issue affecting your business

1. Often	19.2%	19.0%	23.1%	19.6%
2. Occasionally	29.7	39.3	35.9	31.2
3. Did not	51.1	41.7	41.0	49.2
4. (DK/Refused)	—	—	—	—
Total	100.0%	100.0%	100.0%	100.0%
N	352	200	201	753

	Employee Size of Firm			
	1-9 emp	10-19 emp	20-249 emp	All Firms

7. Within the last four years, since mid-2002, have you contributed financially to support or oppose a policy issue, a candidate for public office or a PAC?

1. Yes	40.6%	48.2%	57.7%	43.0%
2. No	58.5	51.8	42.3	56.2
3. (DK/Refuse)	0.9	—	—	0.7
Total	100.0%	100.0%	100.0%	100.0%
N	352	200	201	753

7a. About how many different causes, candidates or PACS did you financially contribute to? (If “Yes” in Q#7.)

1. One	23.5%	25.6%	26.1%	24.1%
2. Two	28.7	28.2	21.7	27.8
3. Three	19.0	25.6	13.0	19.0
4. Four	11.2	7.7	13.0	11.0
5. Five	4.5	7.7	6.5	5.1
6. Six	6.3	—	4.3	5.4
7. Seven or more	6.0	5.1	15.2	7.1
8. (DK/Refuse)	0.7	—	—	0.6
Total	100.0%	100.0%	100.0%	100.0%
N	138	94	114	346

7b. About how much in total did you contribute?

1. <\$250	31.6%	23.1%	10.9%	28.0%
2. \$250-999	25.3	25.6	26.1	25.4
3. \$1,000-2,449	21.6	23.1	23.9	22.0
4. \$2,500-9,999	6.3	10.3	19.6	8.5
5. \$10,000 or more	1.5	2.6	8.7	2.5
6. (DK/Refuse)	13.8	15.4	10.9	13.6
Total	100.0%	100.0%	100.0%	100.0%
N	138	94	114	346

8. Did any of the activities in which you participated involve LOCAL candidates, elections, referenda, and so forth? (If at least one activity in Q#6A-L.)

1. Yes	47.0%	51.3%	69.4%	48.7%
2. No	52.7	48.7	40.6	51.0
3. (DK/Refuse)	0.4	—	—	0.3
Total	100.0%	100.0%	100.0%	100.0%
N	287	175	177	639

Employee Size of Firm
 1-9 emp 10-19 emp 20-249 emp All Firms

9. Did any of the activities in which you participated involve STATE candidates, elections, referenda, and so forth?

1. Yes	47.0%	44.0%	58.0%	47.8%
2. No	53.0	56.0	42.0	52.2
3. (DK/Refuse)	—	—	—	—
Total	100.0%	100.0%	100.0%	100.0%
N	287	175	177	639

10. Did any of the activities in which you participated involve FEDERAL candidates, elections, referenda, and so forth?

1. Yes	51.6%	44.7%	59.4%	51.6%
2. No	48.1	55.3	40.6	48.1
3. (DK/Refuse)	0.4	—	—	0.3
Total	100.0%	100.0%	100.0%	100.0%
N	287	175	177	639

11. Did most of your political and public affairs activities over the last four years involve local, state, or federal issues and/or candidates?

1. Local	27.8%	36.0%	29.0%	28.8%
2. State	13.6	12.0	17.4	13.8
3. Federal	31.6	20.0	29.0	30.1
4. (Combination)	17.8	22.7	20.3	18.6
Total	100.0%	100.0%	100.0%	100.0%
N	287	175	177	639

12. Did most of those activities involve: ?

1. Candidate(s) for office	49.7%	48.0%	45.6%	49.7%
2. An issue or issues	33.6	40.0	42.6	35.2
3. (DK/Refuse)	16.0	12.0	11.7	15.1
Total	100.0%	100.0%	100.0%	100.0%
N	287	175	177	639

13. Were most of those activities stimulated by: ?

	1-9 emp	10-19 emp	20-249 emp	All Firms
1. An interest in protecting or promoting your business	13.8%	14.9%	22.1%	14.3%
2. An interest in solving a particular problem or problems	10.8	8.1	13.2	10.8
3. A personal interest in public affairs or politics	16.5	10.8	13.2	15.6
4. An interest in improving the overall well-being of the area/state/country	39.3	40.5	32.4	38.7
5. (Other)	2.8	1.4	—	2.3
6. (DK/Refuse)	17.4	24.4	19.1	18.1
Total	100.0%	100.0%	100.0%	100.0%
N	287	175	177	639

14. Do you _____ that: ?

A. Politics are sleazy

	1-9 emp	10-19 emp	20-249 emp	All Firms
1. Strongly agree	12.7%	14.0%	12.7%	12.8%
2. Agree	45.7	44.2	38.0	44.8
3. Disagree	34.1	34.9	39.2	34.7
4. Strongly disagree	4.5	3.5	6.3	4.6
5. (DK/Refuse)	3.0	3.5	3.8	3.1
Total	100.0%	100.0%	100.0%	100.0%
N	352	200	201	753

B. Being active in public affairs can generate business

	1-9 emp	10-19 emp	20-249 emp	All Firms
1. Strongly agree	10.7%	9.3%	11.4%	10.7%
2. Agree	57.8	55.8	50.6	56.9
3. Disagree	23.6	30.2	29.1	24.8
4. Strongly disagree	3.2	2.3	5.1	3.3
5. (DK/Refuse)	4.7	3.5	3.8	4.2
Total	100.0%	100.0%	100.0%	100.0%
N	352	200	201	753

C. One person can do very little to change the political landscape

	1-9 emp	10-19 emp	20-249 emp	All Firms
1. Strongly agree	7.3%	9.4%	9.0%	7.6%
2. Agree	34.5	32.9	28.2	33.7
3. Disagree	45.1	45.9	48.7	45.5
4. Strongly disagree	12.4	11.8	14.1	12.5
5. (DK/Refuse)	0.8	—	—	0.6
Total	100.0%	100.0%	100.0%	100.0%
N	352	200	201	753

	Employee Size of Firm			
	1-9 emp	10-19 emp	20-249 emp	All Firms

D. Political activity takes productive time away from your business

1. Strongly agree	13.2%	16.5%	13.9%	13.6%
2. Agree	51.0	51.8	43.0	50.3
3. Disagree	32.7	28.2	35.4	32.5
4. Strongly disagree	2.4	2.4	6.3	2.8
5. (DK/Refuse)	0.8	1.2	1.3	0.8
Total	100.0%	100.0%	100.0%	100.0%
N	352	200	201	753

E. Business people must participate in politics to protect their business interests

1. Strongly agree	19.8%	18.6%	22.8%	19.9%
2. Agree	54.6	58.1	51.9	54.7
3. Disagree	21.9	19.8	21.5	21.6
4. Strongly disagree	1.7	2.3	3.8	1.9
5. (DK/Refuse)	2.2	1.2	—	1.8
Total	100.0%	100.0%	100.0%	100.0%
N	352	200	201	753

F. Every citizen has a duty to participate in public affairs even if it is just voting

1. Strongly agree	49.8%	45.9%	55.1%	49.9%
2. Agree	46.1	50.6	42.3	46.2
3. Disagree	2.7	3.5	2.6	2.8
4. Strongly disagree	1.1	—	—	0.8
5. (DK/Refuse)	0.3	—	—	0.2
Total	100.0%	100.0%	100.0%	100.0%
N	352	200	201	753

G. Politics can be lots of fun and a good social activity

1. Strongly agree	5.4%	4.7%	5.2%	5.3%
2. Agree	47.7	44.7	45.5	47.1
3. Disagree	34.3	40.0	39.0	35.4
4. Strongly disagree	10.1	7.1	6.5	9.5
5. (DK/Refuse)	2.5	3.6	3.9	2.7
Total	100.0%	100.0%	100.0%	100.0%
N	352	200	201	753

H. Positive change can occur if good people participate in public affairs

1. Strongly agree	40.1%	35.7%	39.7%	39.6%
2. Agree	53.6	61.9	56.4	54.7
3. Disagree	5.1	1.2	3.8	4.8
4. Strongly disagree	0.3	1.2	—	0.4
5. (DK/Refuse)	0.9	—	—	0.7
Total	100.0%	100.0%	100.0%	100.0%
N	352	200	201	753

I. Being too closely identified with policy issues and politics is bad for business

1. Strongly agree	9.8%	10.6%	15.4%	10.4%
2. Agree	40.5	43.5	39.7	40.7
3. Disagree	41.1	37.6	38.5	40.5
4. Strongly disagree	4.5	3.5	6.4	4.6
5. (DK/Refuse)	4.4	4.7	—	3.7
Total	100.0%	100.0%	100.0%	100.0%
N	352	200	201	753

J. Business owners are leaders and leaders should lead, in public affairs and elsewhere

1. Strongly agree	20.7%	19.0%	19.0%	20.4%
2. Agree	60.2	66.7	63.3	61.2
3. Disagree	16.0	11.9	15.2	15.5
4. Strongly disagree	1.4	1.2	—	1.2
5. (DK/Refuse)	1.7	1.2	2.5	1.7
Total	100.0%	100.0%	100.0%	100.0%
N	352	200	201	753

K. You are expected to contribute or pay to be effective in politics

1. Strongly agree	11.3%	11.8%	12.5%	11.5%
2. Agree	39.0	41.2	45.0	39.8
3. Disagree	42.1	41.2	32.5	41.0
4. Strongly disagree	6.5	4.7	7.5	6.4
5. (DK/Refuse)	1.1	1.2	2.5	1.2
Total	100.0%	100.0%	100.0%	100.0%
N	352	200	201	753

	Employee Size of Firm			
	1-9 emp	10-19 emp	20-249 emp	All Firms

L. Ensuring public policy is a constant struggle

1. Strongly agree	29.8%	31.0%	32.5%	30.1%
2. Agree	61.6	60.7	63.6	61.7
3. Disagree	6.2	6.0	2.6	5.8
4. Strongly disagree	—	—	—	—
5. (DK/Refuse)	2.5	2.4	1.3	2.4
<hr/>				
Total	100.0%	100.0%	100.0%	100.0%
N	352	200	201	753

Demographics

D1. Which best describes your position in the business?

1. Owner/manager	87.9%	84.5%	75.9%	86.4%
2. Owner but NOT manager	5.1	8.3	7.6	5.7
3. Manager but NOT owner	6.9	7.1	16.5	7.9
4. (DK/Refuse)	—	—	—	—
Total	100.0%	100.0%	100.0%	100.0%
N	352	200	201	753

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

1. Agriculture, forestry, fishing	4.8%	2.4%	—%	4.1%
2. Construction	10.7	8.2	8.9	10.3
3. Manufacturing, mining	6.5	11.8	13.9	7.7
4. Wholesale trade	4.8	5.9	7.6	5.2
5. Retail trade	16.3	17.6	17.7	16.6
6. Transportation and warehousing	2.1	3.5	2.5	2.3
7. Information	1.1	3.5	2.5	1.5
8. Finance and insurance	3.9	2.4	5.1	3.9
9. Real estate and rental leasing	4.1	3.5	2.5	3.9
10. Professional/scientific/ technical services	19.8	11.8	5.1	17.6
11. Adm. support/waste management services	2.1	3.5	5.1	2.5
12. Educational services	0.6	—	1.3	0.6
13. Health care and social assistance	4.2	3.5	2.5	4.0
14. Arts, entertainment, or recreation	1.5	2.4	2.5	1.7
15. Accommodations or food service	4.8	9.4	16.5	6.4
16. Other service, incl. repair, personal care	9.8	9.4	3.8	9.2
17. (Other)	2.0	1.2	1.3	1.8
18. (DK/Refuse)	0.5	—	—	0.3
Total	100.0%	100.0%	100.0%	100.0%
N	352	200	201	753

	Employee Size of Firm			
	1-9 emp	10-19 emp	20-249 emp	All Firms

D3. Over the last two years, have your real volume sales:

1. Increased by 30 percent or more	15.5%	17.9%	17.7%	16.0%
2. Increased by 20 to 29 percent	13.1	13.1	10.1	12.8
3. Increased by 10 to 19 percent	27.3	34.5	26.6	28.0
4. Changed less than 10 percent one way or the other	24.4	21.4	27.8	24.5
5. Decreased by 10 percent or more	15.8	10.7	12.7	15.0
6. (DK/Refuse)	3.8	2.4	5.0	3.7
Total	100.0%	100.0%	100.0%	100.0%
N	352	200	201	753

D4. Is this business operated primarily from the home, including any associated structures such as a garage or a barn?

1. Yes	34.8%	8.2%	5.1%	29.2%
2. No	64.3	90.6	94.9	69.9
3. (DK/Refuse)	0.9	1.2	—	0.8
Total	100.0%	100.0%	100.0%	100.0%
N	352	200	201	753

D5. How long have you owned or operated this business?

1. < 6 years	25.6%	16.3%	16.7%	23.8%
2. 6-10 years	18.8	16.3	15.4	18.2
3. 11-20 years	21.5	34.9	32.1	23.9
4. 21-30 years	20.9	19.8	20.5	20.7
5. 31 years+	11.5	11.6	15.4	12.1
6. (DK/Refuse)	1.5	1.2	—	1.3
Total	100.0%	100.0%	100.0%	100.0%
N	352	200	201	753

D6. What is your highest level of formal education?

1. Did not complete high school	2.4%	1.2%	2.5%	2.3%
2. High school diploma/GED	22.2	23.8	16.3	21.8
3. Some college or an associates degree	24.5	22.6	22.5	24.1
4. Vocational or technical school degree	4.4	1.2	2.5	3.9
5. College diploma	31.4	33.3	37.5	32.2
6. Advanced or professional degree	14.0	16.7	18.8	14.8
7. (DK/Refuse)	1.1	1.2	—	1.0
Total	100.0%	100.0%	100.0%	100.0%
N	352	200	201	753

D8. Please tell me your age.

1. <25	0.8%	1.2%	—%	0.7%
2. 25-34	9.1	8.2	7.6	8.8
3. 35-44	17.8	16.5	22.8	18.2
4. 45-54	31.9	34.1	27.8	31.7
5. 55-64	26.9	27.1	31.6	27.4
6. 65+	12.2	10.6	10.1	11.9
7. (DK/Refuse)	1.4	2.4	—	1.3
Total	100.0%	100.0%	100.0%	100.0%
N	352	200	201	753

D9. What is the zip code of your business?

1. East (zips 010-219)	14.4%	16.7%	16.7%	14.8%
2. South (zips 220-427)	20.7	25.0	20.5	21.1
3. Mid-West (zips 430-567, 600-658)	24.6	26.2	29.5	25.2
4. Central (zips 570-599, 660-898)	25.8	20.2	20.5	24.8
5. West (zips 900-999)	13.0	10.7	12.8	12.7
6. (DK/Refuse)	1.5	1.2	—	1.3
Total	100.0%	100.0%	100.0%	100.0%
N	352	200	201	753

	Employee Size of Firm			
	1-9 emp	10-19 emp	20-249 emp	All Firms
D10. Urbanization (Derive from zip code)				
1. Highly Urban	12.9%	11.6%	8.9%	12.3%
2. Urban	18.9	18.6	24.1	19.4
3. Fringe Urban	19.5	14.0	20.3	19.0
4. Small Cities/Towns	19.4	22.1	19.0	19.6
5. Rural	23.9	27.9	22.8	24.2
6. (DK/Refuse)	5.4	5.8	5.1	5.4
<hr/>				
Total	100.0%	100.0%	100.0%	100.0%
N	352	200	201	753
D11. Sex				
Male	86.1%	82.4%	89.7%	86.1%
Female	13.9	17.6	10.3	13.9
<hr/>				
Total	100.0%	100.0%	100.0%	100.0%
N	352	200	201	753

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 the executive interviewing group of The Gallup Organization. The interviews for this edition of the *Poll* were conducted between July 11 - August 2, 2005 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 249.

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 was 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 were arbitrary but adequate to allow independent examination of the 10-19 and 20-249 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	352	47
10-19	82	11	200	27	200	27
20-249	75	10	200	27	201	27
All Firms	750	100	750	101	753	101

* Sample universe developed from special runs supplied the NFIB Research Foundation by the Bureau of the Census (1997 data).

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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. Included are analyses of selected proposed regulations using its Regulatory Impact Model (RIM). The Foundation's functions were recently transferred from the NFIB Education Foundation.



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