



Small Business Owners Navigate Uncertainty with Resilience Ahead of Monumental General Election

Findings from the KeyBank Fall 2024 Small Business Flash Poll

This election year, small business owners are facing uncertainty with characteristic resilience and confidence. Despite the challenges posed by potential policy shifts and persistently high interest rates, they remain focused on safeguarding their operations and positioning themselves for future growth. By delaying major decisions, increasing cash reserves, and adjusting business strategies, these owners are not only managing current economic pressures but also preparing to navigate whatever changes may arise.

“While the upcoming election brings challenges and uncertainty, small business owners continue to demonstrate remarkable resilience. Their proactive approach to managing cash flow, adapting to high interest rates, and addressing fraud concerns reflects a strong foundation that will help them weather the economic environment, regardless of election outcomes.”

Mike Walters,
President of Business
Banking at KeyBank

The KeyBank 2024 Small Business Flash Poll found that 61% of small business owners plan to delay making major business decisions until after the November general election results are known.

Bracing for Policy Changes

In anticipation of potential policy shifts that could impact their operations following the election, owners are:

38%

increasing cash reserves

36%

delaying major investments or expansions

31%

diversifying product or service offerings

In response to heightened uncertainty, **Women business owners** are more likely to adjust pricing strategies (27%), while **male business owners** lean towards diversifying offerings (35%).

Cash Flow

72%

of owners are confident that they could fund their operating expenses for a month—up from 64% in March 2024.

Tax Changes

45%

of owners believe changes in taxation will have the most significant impact on their businesses—up from 38% in March 2024.

Fraud Prevention

49%

of owners continue to express concerns about payment fraud as operations become increasingly digitized, followed by identify theft (29%), aligning with data from the March 2024 Small Business Survey (44% and 37%, respectively).

High Interest Rates Pose Challenges

Due to high interest rates, owners have faced reduced profit margins (38%), increased borrowing costs (37%), and deferred capital investment (31%).

Challenges Faced Due to High Interest Rates



Resilient Owners Express Optimism for Rate Cuts

56%

of owners expect interest rate changes to positively impact their businesses in the year ahead, highlighting optimism for potential rate cuts.

Small businesses are adapting to interest rates by increasing cash reserves (43%), reducing reliance on debt (36%), and diversifying funding sources (32%).

Actions Small Businesses are Taking to Adapt to Interest Rates

