

# TWIN SMALL BUSINESS CRISES

We need decisive action to preserve Minnesota's small businesses and jobs

## COVID-19

As of July 2021, **over 60% of businesses** in Minnesota have been negatively affected. Around 40% still believe it will take six months or more to return to normal.



## SILVER TSUNAMI

Retiring baby boomers own half of all small businesses, **over 52,300 in Minnesota**. 6 out of 10 will try to sell their business in the coming decade, and many won't find buyers.



## EMPLOYEE OWNERSHIP

can support business continuity, preserve good jobs and rebuild local economies in Minnesota.



## Local businesses are the lifeblood of our economy

Small businesses employ nearly half of Minnesota's private sector workforce. In addition, **local businesses circulate 3x more money back into their communities** than absentee-owned businesses and corporate chains.

## Investing in employee ownership

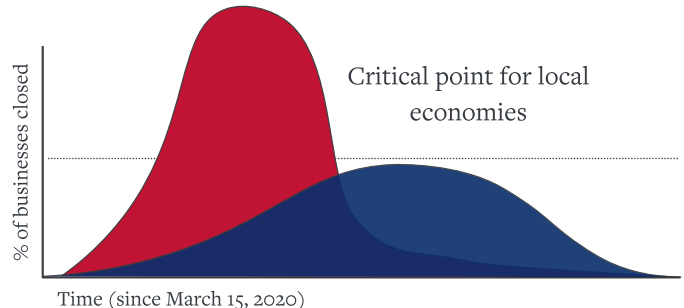
as part of Minnesota's recovery agenda creates more resilient local economies with stronger small businesses and higher quality jobs. In addition to temporary relief measures, we need cost effective strategies that build truly resilient economies.

# THE EMPLOYEE OWNERSHIP SOLUTION

Keeps local businesses open and grows good jobs

## EMPLOYEE ENGAGEMENT HELPS FLATTEN THE CLOSURE CURVE FOR BUSINESSES




Employee ownership increases engagement, dedication and ingenuity, which are key to business success. During this uncertain time, businesses must respond quickly to change. By embedding employee ownership into the recovery, we can help Minnesota's small businesses get through the crisis and help build their resilience for the future.



## EMPLOYEE OWNERSHIP CREATES MORE RESILIENT BUSINESSES

- ✓ **Higher sales and growth**  
2% higher sales and employment growth year after year (NCEO).
- ✓ **Lower unemployment**  
In normal times, employee-owners are six times less likely to be laid off; 50% less likely in the last two recessions (Rutgers).

## EMPLOYEE OWNERSHIP CREATES HIGH QUALITY JOBS

-  Median wage income is **33% higher**
-  Median job tenure is **53% higher**
-  Household net worth is **92% higher**

*Based on a 2017 study by the National Center for Employee Ownership*

## WE CAN HELP

Join us in advancing a two-pronged small business recovery agenda that supports business continuity and incorporates employee ownership. With our partners, we are accelerating our efforts and working across Minnesota to help business owners who are considering closing their businesses for good or looking for a succession solution that preserves their legacy and yields benefits for all.

**We must rebuild with more resiliency and equity for workers, businesses and communities.**



### BUSINESS IMPACTS

- Higher productivity & growth
- Lower employee turnover
- Improved lifespan
- Owner receives market value



### EMPLOYEE BENEFITS

- Better pay & benefits
- Build assets & equity
- Have a voice in key decisions
- Grow leadership skills



### COMMUNITY ADVANTAGES

- Retain good businesses & jobs
- Greater civic engagement
- More resilient local economy