

# THE RHODE ISLAND SMALL BUSINESS COALITION

**Voices of Rhode Island Small Business:  
Survey Report**

*Winter 2026*



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# 1. Executive Summary

The Rhode Island Small Business Coalition's Winter 2026 survey collected 101 responses from small businesses across 25 municipalities, with a strong concentration in Providence (36%). Most respondents are very small businesses, with about 70% employing fewer than 15 people.

Business performance in 2025 was generally strong, with 81% reporting positive results. Looking ahead, 56% of respondents are optimistic about the next year, though views on the broader business climate are more mixed, 41% rate Rhode Island as a poor place to own a small business, compared with 59% who rate it positively.

Costs are the dominant challenge facing small businesses. The cost of doing business was the most frequently cited issue, followed by energy costs, economic uncertainty, workforce challenges, regulatory burdens, and access to capital.

These same concerns shape advocacy priorities for 2026. Respondents most want action on reducing the cost of doing business, along with tax relief, expanded access to grants and financing, energy cost relief, and streamlined permitting. Workforce development, including AI and digital skills, is also a notable but secondary priority.

At the same time, respondents identify clear advantages to operating in Rhode Island: primarily its accessibility, proximity to customers, and quality of life. These strengths are more relational than structural, suggesting that while the state offers strong networks and connectivity, cost and policy challenges remain significant barriers.

On workforce and technology, respondents express more interest in guidance than widespread adoption. Many are seeking practical support to better understand and implement AI, citing concerns around cost, training, and maintaining human connection in their businesses.

**Disclaimer:** This report was prepared with the assistance of AI tools to help draft and edit text. All analyses and conclusions were reviewed and verified by the authors.

## 2. Introduction

### Overview of the Coalition

The Rhode Island Small Business Coalition (RISBC) is a 501(c)(6) nonprofit organization organized to promote the general welfare, interests, and prosperity of Rhode Island's small business community.

Small businesses are defined as Rhode Island-headquartered businesses with 500 or fewer employees.

RISBC exists to:

- Advance the interests of small businesses statewide
- Shape public policy that impacts business growth and sustainability
- Provide a credible, unified voice in legislative and regulatory matters
- Host public forums, job fairs, and candidate events
- Build a connected and informed small business community

We are a working, advocacy-driven board. Board members are not ceremonial; they actively shape policy priorities, public voice, and strategic direction.

### Purpose of the Report

The purpose of this report is to present key findings from the RISBC Winter 2026 Survey and provide a data-driven understanding of the current challenges, opportunities, and outlook facing small businesses across Rhode Island. The report aims to inform stakeholders—including policymakers, business leaders, and community partners—on the most pressing issues impacting the statewide small business community.

Additionally, this report evaluates how effectively RISBC is supporting and advocating for its members, while identifying areas where further action, resources, and policy intervention may be needed. The insights gathered will guide RISBC's strategic direction and strengthen its role as a representative voice for small businesses in Rhode Island.

# 2. Introduction

## Research Objectives

The primary objectives of the RISBC Winter 2026 Survey are to:

- Identify the most urgent challenges facing small businesses in Rhode Island, including economic, regulatory, and operational barriers
- Assess overall business performance and future outlook among respondents
- Understand business perceptions of Rhode Island as an environment for operating and growing a business
- Evaluate key benefits and competitive advantages of doing business in the state
- Gather input on priority advocacy issues to inform RISBC's 2026 legislative agenda
- Assess awareness, adoption, and attitudes toward emerging topics such as workforce development and artificial intelligence
- Evaluate member satisfaction with RISBC and its effectiveness in supporting the small business community
- Collect qualitative insights to capture nuanced perspectives, unmet needs, and opportunities for improvement

# 3. Methodology

## Survey Design

The RISBC Winter 2026 Survey was designed to capture both quantitative and qualitative insights into the experiences, challenges, and priorities of small businesses across Rhode Island. The survey was developed by Trailblaze Marketing in collaboration with RISBC, building on elements from previous RISBC surveys while incorporating new areas of focus, including emerging topics such as artificial intelligence and workforce development.

The survey was administered using Google Forms and consisted of 13 questions. Question formats included a mix of multiple-choice and open-ended responses, allowing for both structured data collection and deeper qualitative insights. The survey followed a linear structure without skip logic, ensuring all respondents were presented with the same set of questions.

The estimated completion time for the survey was between 5–10 minutes, balancing depth of insight with accessibility to encourage participation.

## Sample & Respondent Profile

A total of 101 responses were collected from a diverse group of small businesses across Rhode Island. Respondents were recruited through a multi-channel approach, including email outreach, RISBC newsletters, social media, the RISBC website, networking events (via QR codes at check-in), word-of-mouth referrals, and personal outreach.

The sample includes a mix of RISBC members and non-members, providing a broader perspective on the small business landscape. As such, the findings should be interpreted as directional insights from engaged businesses, rather than a fully representative sample of all Rhode Island businesses.

Respondents represent a range of geographic locations, industries, and business sizes, with particularly strong representation from urban areas such as Providence, Pawtucket, and Cranston, as well as key sectors including hospitality, professional services, events/media, and retail. The majority of respondents are small or micro-businesses, with approximately 70% employing fewer than 15 individuals.

# 3. Methodology

## Data Collection Process

The survey was open from January 22, 2026, through March 18, 2026. Responses were collected anonymously to encourage candid feedback.

Data collection was conducted digitally through Google Forms, with responses automatically recorded and compiled. Following the close of the survey, the dataset was reviewed and cleaned to ensure quality and reliability. This process included the removal of incomplete responses and entries deemed invalid or nonsensical.

Data analysis was conducted internally by the RISBC team using Microsoft Excel, focusing on identifying key trends, response distributions, and recurring themes within both quantitative and qualitative data.

## Limitations

While the survey provides valuable insights into the Rhode Island small business community, several limitations should be considered when interpreting the findings.

First, the sample size (n=101) is relatively modest and may not fully capture the diversity of all businesses across the state. Additionally, responses are likely biased toward businesses that are already engaged with RISBC or connected to its network, which may influence perspectives on advocacy, awareness, and participation.

There is also a degree of geographic concentration, with stronger representation from certain municipalities such as Providence, which may limit the generalizability of findings to more rural or less represented areas.

Finally, the survey relies on self-reported data, which may be subject to personal interpretation, recall bias, or differing understandings of survey questions. Despite these limitations, the findings offer meaningful directional insights into the current environment, challenges, and priorities of engaged small businesses in Rhode Island.

# 4. Respondent Overview

## Geographic Distribution (see Figure 4.1)

Survey respondents represent a broad cross-section of Rhode Island, with participation from 25 municipalities. The highest concentration of responses came from Providence (36%), followed by Pawtucket (9%), Cranston (7%), East Greenwich (6%), Warwick (5%), and Coventry (4%).

Additional representation was distributed across smaller municipalities, including Narragansett, East Providence, North Kingstown, Lincoln, Johnston, Newport, Bristol, Portsmouth, Tiverton, and others.

This distribution highlights a strong urban core in the dataset, while still capturing perspectives from suburban and coastal business communities across the state.

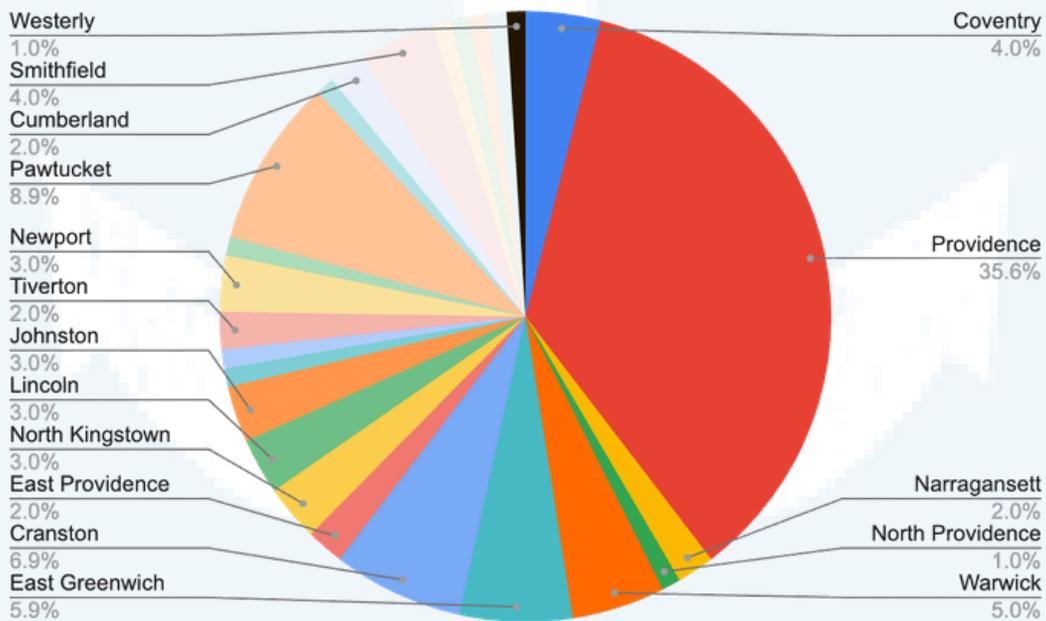


Figure 4.1

Note: All towns are represented in the pie chart. Labels for towns with smaller shares have been omitted for clarity: Bristol, Portsmouth, Richmond, Jamestown, North Smithfield, West Warwick, Little Compton, New Shoreham (Block Island)

# 4. Respondent Overview

## Industry Breakdown

Respondents represent a diverse range of industries, with the largest segments concentrated in:

- Hospitality, Food & Beverage (29%)
- Professional Services & Consulting (16%)
- Events, Media & Entertainment (14%)
- Retail & Consumer Goods (11%)
- Personal Care & Beauty Services (10%)

Additional industries represented include manufacturing, transportation and facility services, healthcare and wellness, technology and software, and pet services.

The strong presence of service-oriented and customer-facing industries reflects the composition of Rhode Island's small business ecosystem.

## Business Size *(see Figure 4.2)*

The majority of survey respondents are small or micro-businesses:

- 1 employee: 23%
- 2–5 employees: 29%
- 6–14 employees: 19%

Combined, approximately 70% of respondents employ fewer than 15 individuals.

Larger businesses are less represented, with:

- 15–24 employees: 10%
- 25–100 employees: 17%
- 100+ employees: 3%

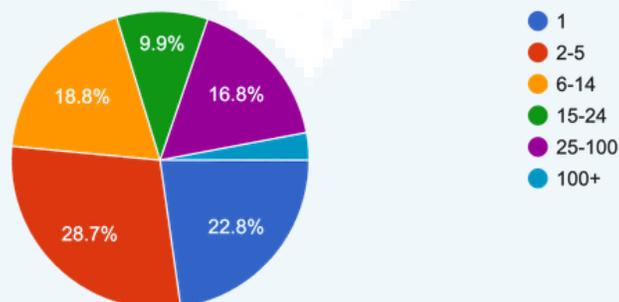


Figure 4.2

# 5. Business Performance & Outlook

## Performance in 2025 (see Figure 5.1)

Overall, respondents report strong business performance in 2025. A majority (81%) indicated that their business performed either “good” (64%) or “excellent” (17%), while 19% reported poor performance.

These findings suggest that, despite ongoing challenges, many businesses have maintained stability or growth over the past year.

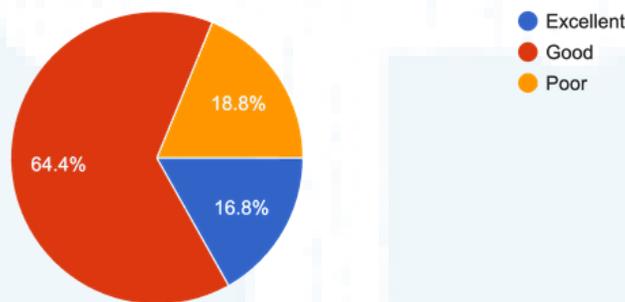


Figure 5.1

## 12-Month Outlook (see Figure 5.2)

Looking ahead, business sentiment remains largely optimistic.

- 56% of respondents report feeling optimistic about the next 12 months
- 29% feel neutral
- 15% feel pessimistic

In total, 85% of respondents express either a positive or neutral outlook.

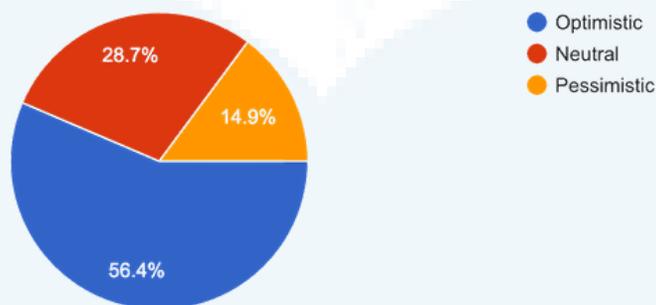


Figure 5.2

# 6. Operating Environment in Rhode Island

## Key Challenges (see Figure 6.1)

The cost of doing business is the most significant challenge facing Rhode Island small businesses, cited by 70% of respondents. This includes taxes, rent, insurance, and utility expenses.

Other major challenges (participants select multiple answers) include:

- Energy and utility costs (52%)
- Customer demand and economic uncertainty (38%)
- Hiring and retaining workers (37%)
- State regulations and compliance (31%)
- Access to capital or financing (29%)
- Municipal fees, permits, and licensing (22%)
- Transportation and infrastructure issues (22%)

Open-ended responses further highlight concerns around limited access to funding, frustration with state and local systems, construction-related disruptions, safety concerns, and increasing competition from online businesses and neighboring states.

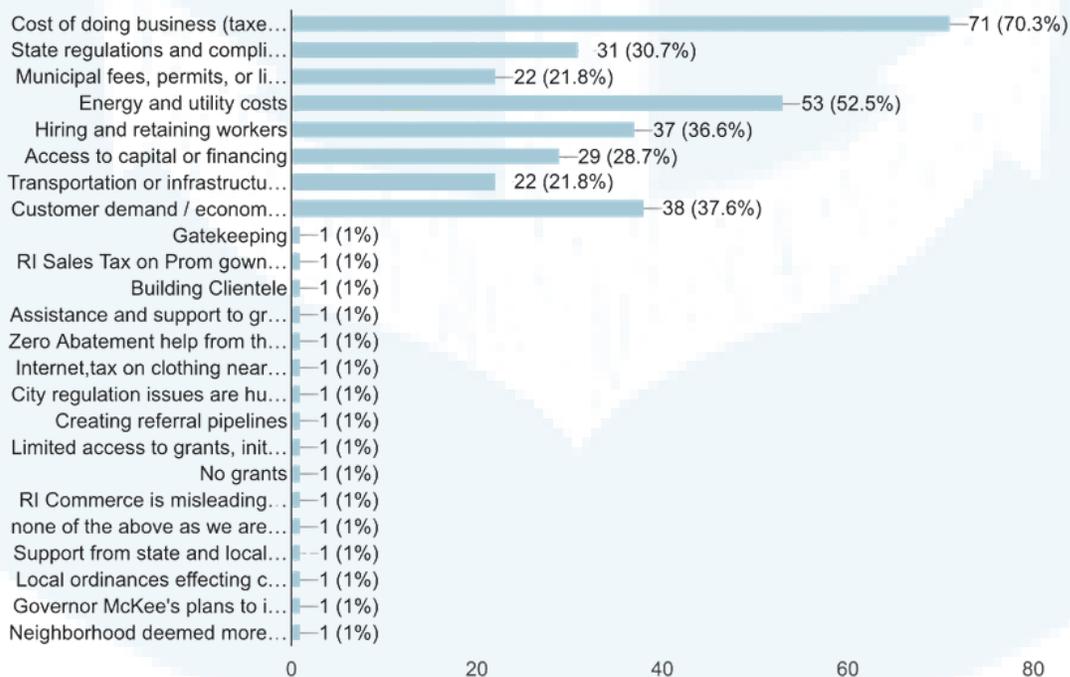


Figure 6.1

# 6. Operating Environment in Rhode Island

## Key Benefits (see Figure 6.2)

Despite challenges, respondents identified several advantages to operating in Rhode Island (participants select multiple answers):

- Small-state accessibility and strong relationship networks (58%)
- Proximity to customers (46%)
- Quality of life (36%)
- Access to universities and local institutions (26%)
- Proximity to Northeast markets (17%)

Qualitative responses emphasized the importance of community, local support networks, and personal connections as key drivers of business success.

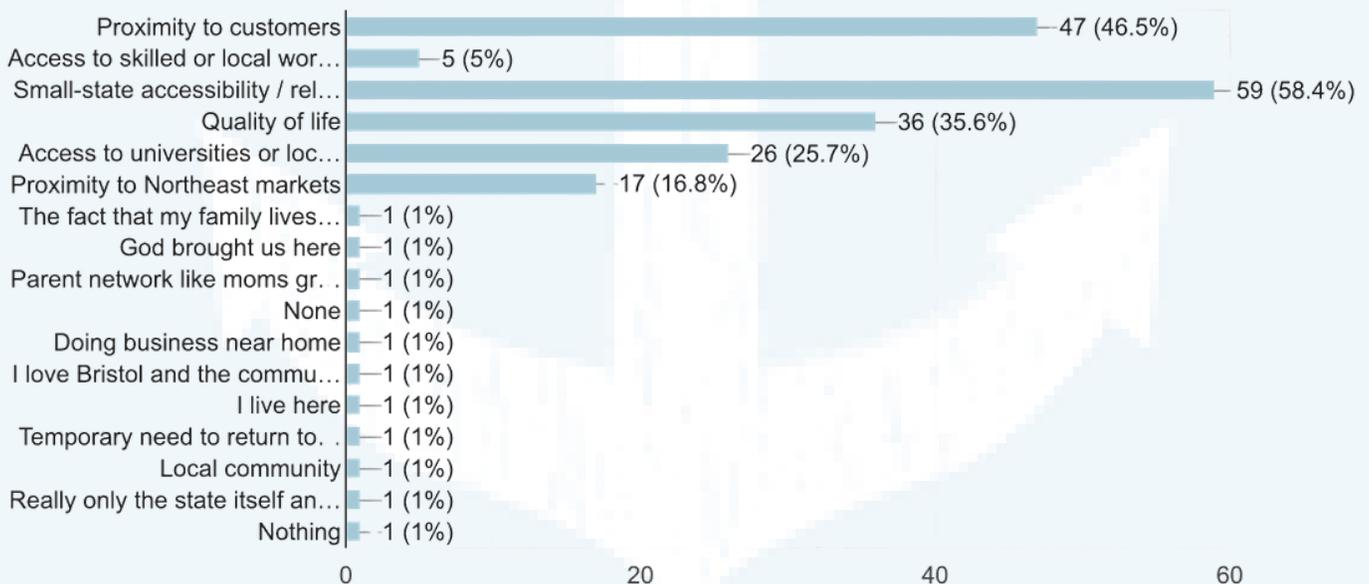


Figure 6.2

# 6. Operating Environment in Rhode Island

## Perception of Rhode Island as a Business Environment (see Figure 6.3)

Perceptions of Rhode Island as a place to own a business are mixed:

- 50% rated it as “good”
- 9% as “excellent”
- 41% as “poor”

Negative perceptions are driven by several key factors, including high operating costs, limited access to funding and support, complex regulatory requirements, and broader economic challenges. Many respondents also noted competitive disadvantages compared to neighboring states and online businesses.

These findings suggest a disconnect between business performance and overall sentiment about the state’s business climate.

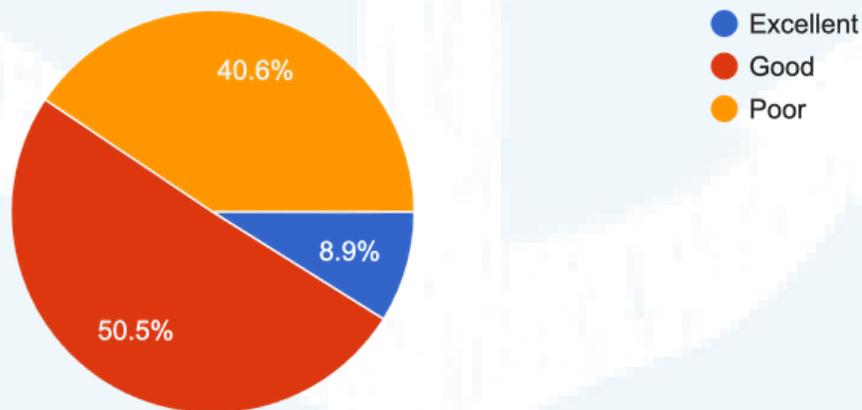


Figure 6.3

# 7. Policy & Advocacy Priorities

## Top Advocacy Issues (see Figure 7.1)

Respondents identified several priority areas for advocacy in 2026 (participants select multiple answers)::

- Reducing the cost of doing business (69%)
- Tax relief and credits (66%)
- Grants and low-interest loan programs (51%)
- Energy cost relief (44%)
- Streamlined permitting processes (33%)
- Workforce development, including AI (26%)
- Transportation and infrastructure improvements (13%)

## Business Needs & Recommendations

Qualitative open-ended responses emphasized:

- Address regulatory burdens (e.g., hiring red tape, Sunday pay rules)
- Increase access to grants and economic hardship funding
- Reevaluate climate-related policies
- Improve RIDOT-related impacts
- Driving more traffic to neighborhoods
- Enhance neighborhood safety, cleanliness, and noise control

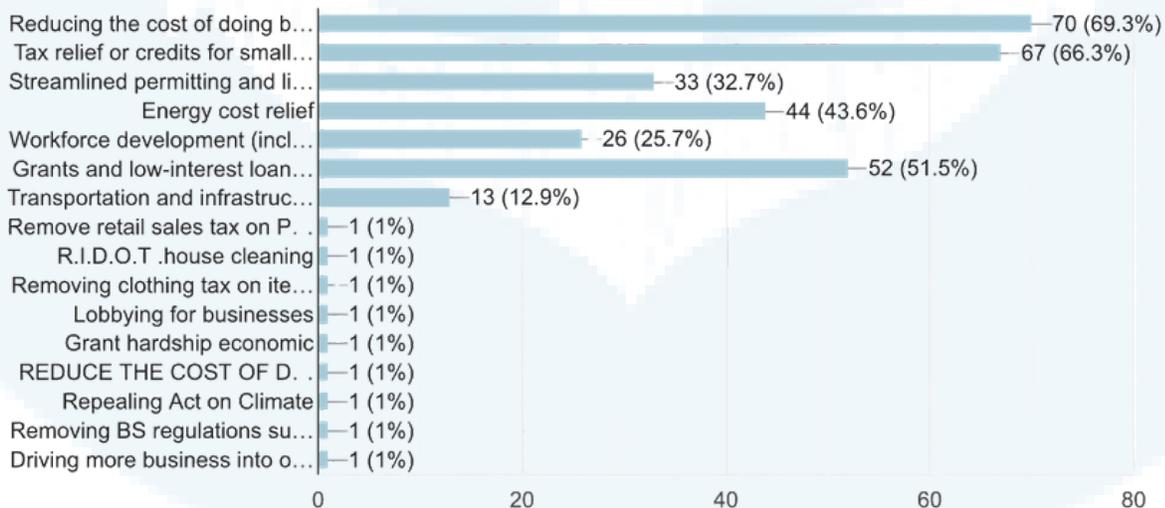


Figure 7.1

# 8. Workforce & AI Readiness

## Workforce Challenges

Hiring and retaining workers remains a significant challenge for 37% of respondents. Businesses also expressed concerns about the lack of a consistent talent pipeline, particularly in relation to internships, training programs, and entry-level workforce development.

These challenges point to a disconnect between workforce supply and business needs, particularly among small businesses with limited resources.

## AI Awareness & Adoption

Survey findings indicate that awareness and adoption of artificial intelligence among small businesses remain low. Many respondents reported limited understanding of available tools and uncertainty about how AI could be integrated into their operations.

Common barriers include:

- Lack of training and education
- Limited time and internal capacity
- Cost constraints
- Concerns about workforce impact and job displacement
- Hesitation to replace human interaction in customer-facing roles

Despite these barriers, there is cautious optimism about AI's potential to improve efficiency and productivity.

## Opportunities for Support

The findings highlight a clear opportunity for targeted support initiatives, including:

- Educational programs focused on practical AI applications
- Hands-on training and implementation support
- Resources tailored to small business needs and constraints
- Workforce development programs aligned with emerging technologies

Providing accessible, actionable support in these areas could significantly improve adoption and overall competitiveness.

# 9. Key Insights & Strategic Implications

## 1. **Small Businesses Dominate—and Are Fragile**

Approximately 70% of respondents employ fewer than 15 individuals, reinforcing that Rhode Island's economy is heavily driven by micro-businesses. While these businesses are essential to the state's economic fabric, they are also more vulnerable to external shocks, rising costs, and resource limitations.

## 2. **Strong Performance, But Underlying Strain**

While 81% of businesses report good or excellent performance and 85% express optimism about the future, these positive indicators mask deeper structural challenges. Many businesses describe themselves as operating in “survival mode,” with limited ability to scale. This suggests that, despite surface-level stability, long-term growth remains constrained.

## 3. **Cost of Doing Business Is the Central Pressure Point**

The cost of doing business—cited by 70% of respondents—is the most significant and far-reaching challenge. Expenses related to taxes, rent, utilities, and insurance impact nearly every aspect of operations, including hiring, expansion, and the ability to invest in innovation such as AI and new technologies. This issue serves as a foundational barrier that amplifies other challenges across the ecosystem.

## 4. **Growth Is Constrained by Funding and Regulatory Barriers**

In addition to high operating costs, businesses face persistent challenges in accessing funding. Respondents report difficulty identifying and navigating grant and loan opportunities, limiting their ability to invest in growth.

Regulatory and licensing barriers further compound this issue, particularly for culturally driven and creative businesses. Structural hurdles are not only slowing expansion but, in some cases, restricting the ability of businesses to fully operate or innovate within their industries.

# 9. Key Insights & Strategic Implications

## 5. Rhode Island's Advantage Is Relationship-Driven, Not System-Driven

The state's greatest strength lies in its accessibility and strong relationship networks, with 58% of respondents identifying this as a key benefit. Proximity to customers and a sense of community create meaningful advantages for small businesses.

However, these strengths are largely informal and relationship-based, rather than supported by strong systems or policies. This creates a reliance on networks rather than scalable, institutional support.

## 6. Workforce Gaps Highlight a Broken Talent Pipeline

Workforce challenges remain a significant concern, with 37% of businesses reporting difficulty hiring and retaining employees. At the same time, qualitative feedback highlights a strong demand for internships, training programs, and entry-level talent pipelines—particularly in emerging areas such as AI and technology.

This reveals a clear disconnect between workforce supply and business needs. Businesses are seeking talent, while also lacking structured pathways to access and develop that talent.

## 7. Equity & Inclusion Remain Critical Gaps

Respondents emphasized the need for more intentional support for underserved and culturally diverse businesses. Barriers to funding, visibility, and resources disproportionately impact these groups, limiting their ability to grow and compete.

Addressing these disparities represents both a challenge and an opportunity to create a more inclusive and equitable small business ecosystem.

# 9. Key Insights & Strategic Implications

## 8. Collaboration Is an Untapped Opportunity for Growth

There is strong interest in increased collaboration across industries, particularly through cross-promotion among restaurants, retail, and tourism-related businesses. Respondents see value in more connected networks and community-driven initiatives that can drive foot traffic and shared visibility.

Given Rhode Island's close-knit business environment, expanding these collaborative efforts presents a meaningful opportunity to strengthen the broader ecosystem.

## 9. The Core Tension: Resilient but Constrained

Taken together, the findings reveal a central tension within Rhode Island's small business landscape: businesses are resilient and optimistic, yet constrained by systemic barriers.

While community, relationships, and entrepreneurial drive remain strong, long-term growth will depend on addressing structural challenges—particularly around cost, funding access, workforce development, and regulatory complexity.

# 10. Appendix

**Survey Instrument:** *The following survey instrument was administered via Google Sheets as part of the RISBC Winter 2026 Survey.*

1. What town/city is your business located in? (Required)
  - a. Response type: Dropdown (single selection)
  - b. Options included all Rhode Island municipalities, including but not limited to: Barrington, Bristol, Burrillville, Central Falls, Charlestown, Coventry, Cranston, Cumberland, East Greenwich, East Providence, Exeter, Foster, Glocester, Hopkinton, Jamestown, Johnston, Lincoln, Little Compton, Middletown, Narragansett, Newport, New Shoreham (Block Island), North Kingstown, North Providence, North Smithfield, Pawtucket, Portsmouth, Providence, Richmond, Scituate, Smithfield, South Kingstown, Tiverton, Warren, Warwick, West Greenwich, West Warwick, Westerly, and Woonsocket.
2. What industry is your business? (Required)
  - a. Response type: Open-ended
3. How many employees do you have (including yourself)? (Required)
  - b. Response type: Multiple choice (single selection)
    - i. 1
    - ii. 2–5
    - iii. 6–14
    - iv. 15–24
    - v. 25–100
    - vi. 100+
4. Overall business performance in 2025 (Required)
  - a. Response type: Multiple choice (single selection)
    - i. Excellent
    - ii. Good
    - iii. Poor
5. Your outlook for your business over the next 12 months (Required)
  - a. Response type: Multiple choice (single selection)
    - i. Optimistic
    - ii. Neutral
    - iii. Pessimistic

# 10. Appendix

6. What are the biggest challenges to operating your business in Rhode Island?  
(Required)

- a. Response type: Multiple choice (select all that apply)
  - i. Cost of doing business (taxes, fees, insurance)
  - ii. State regulations and compliance
  - iii. Municipal fees, permits, or licensing
  - iv. Energy and utility costs
  - v. Hiring and retaining workers
  - vi. Access to capital or financing
  - vii. Transportation or infrastructure issues (e.g., Washington Bridge impacts)
  - viii. Customer demand / economic uncertainty
  - ix. Other (please specify)

7. What are the biggest benefits of operating a business in Rhode Island?  
(Required)

- a. Response type: Multiple choice (select all that apply)
  - i. Proximity to customers
  - ii. Access to skilled or local workforce
  - iii. Small-state accessibility / relationships
  - iv. Quality of life
  - v. Access to universities or local institutions
  - vi. Proximity to Northeast markets
  - vii. Other (please specify)

8. Which issues should RISBC prioritize advocating for in 2026? (Required)

- a. Response type: Multiple choice (select all that apply)
  - i. Reducing the cost of doing business
  - ii. Tax relief or credits for small businesses
  - iii. Streamlined permitting and licensing
  - iv. Energy cost relief
  - v. Workforce development (including AI & digital skills)
  - vi. Grants and low-interest loan programs
  - vii. Transportation and infrastructure improvements
  - viii. Other (please specify)

# 10. Appendix

9. How would you rate Rhode Island as a place to own a small business?

(Required)

a. Response type: Multiple choice (single selection)

i. Excellent

ii. Good

iii. Poor

10. If you answered "Poor," please tell us why.

a. Response type: Open-ended

11. How satisfied are you with RISBC's advocacy and communication? (Required)

a. Response type: Multiple choice (single selection)

vi. Satisfied

vi. Neutral

vi. Dissatisfied

12. What are your biggest concerns or needs related to building an AI-ready or tech-enabled workforce? (Required)

f. Response type: Open-ended

13. Any additional comments or issues RISBC should be aware of?

g. Response type: Open-ended

**“Leading a statewide movement that elevates the pride and power of the Ocean State's small businesses.**

**The RISBC transforms individual business challenges into statewide solutions, ensuring the smallest state delivers the biggest opportunities.”**

