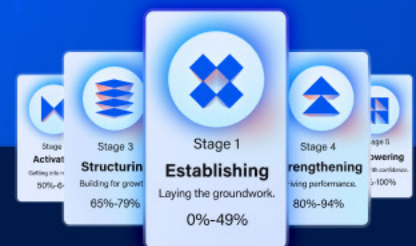


2026 SMB  
Technology Survey

# Built to Last: The Business Stability Report

rightworks.com



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## Demographics and Methodology

A 10-minute online survey was conducted in February 2026 among 733 decision makers/influencers at businesses in the U.S. with 0 to 500 employees. The survey measured the adoption of technology and workflows, IT and security infrastructure, and business management practices to benchmark performance across key indicators. **The majority of the respondents were from very small businesses (0-9 employees), similar to SMBs nationwide.**

75% identifying as very small businesses (0-9 employees)  
20% identifying as small businesses (10-50 employees)  
5% identifying as mid-sized businesses (51-500 employees)

Significance was tested at the 95% confidence level.

## Definitions

For the purpose of this survey, "Cloud" is defined as storing your business data and running your applications over the internet rather than on physical computers or servers at your location.

# The State of Business Stability in 2026

Running a small to medium-sized business (SMB) means juggling everything from turning a profit to navigating an evolving security landscape to the relentless push for growth. In the middle of it all, SMBs are faced with keeping up with the very technology that can make it all happen. Despite the challenges, America's SMBs are resilient. They're adapting, investing, and finding ways to succeed every day.

But resilience alone isn't enough. According to U.S. Bureau of Labor Statistics data, 49.4% of businesses fail within five years and 65.3% within ten.<sup>1</sup> The stakes are real, and beating the odds requires more than grit. It requires a strong foundation.

What's encouraging is the very concerns keeping SMB owners up at night—profitability, security risks, and growth—are precisely the areas where the right technology can make an immediate impact. This report examines both sides: where technology is moving the needle and where more work remains. To that end, we examined how 733 small and medium-sized businesses are performing across three pillars of business stability:

## The Three Pillars of Business Stability

- **Technology & Workflows**

How businesses are leveraging the cloud, AI, and digital tools to operate more efficiently and competitively.

- **Security & IT Administration**

Where businesses stand on protecting themselves from cyberthreats and where critical vulnerabilities remain.

- **Business Management**

The foundational planning, processes, and long-term vision that can create a profound shift in a business's trajectory.

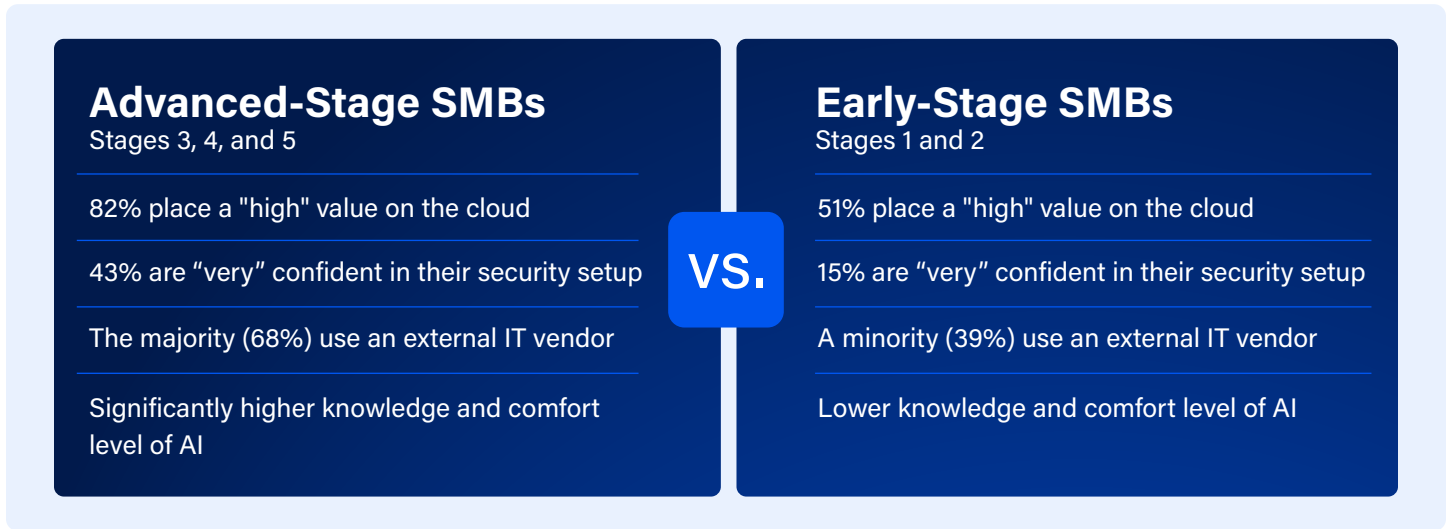
Together, these three pillars form the **Business Stability Scorecard**—a framework for measuring business health and charting a path forward. This report reveals for most SMBs, that work is still very much underway. And when you look at the data, the difference between early-stage and advanced-stage businesses is striking.



<sup>1</sup>Business Employment Dynamics: Establishment Age and Survival Data; 2025 U.S. Bureau of Labor Statistics

# Key Findings

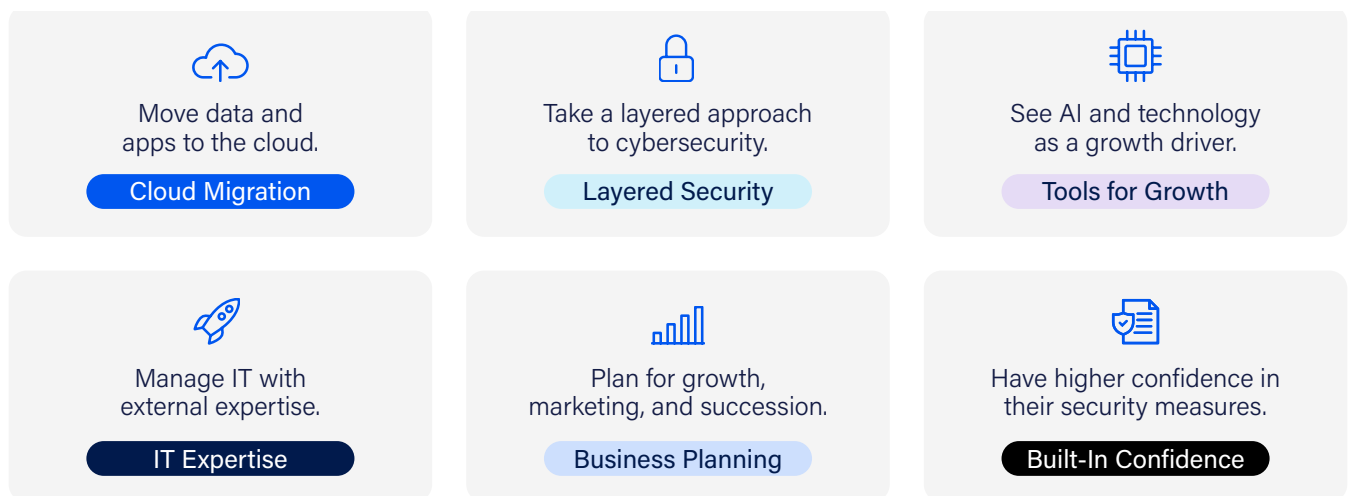
Measuring SMBs across the three pillars of business stability worked to assess the infrastructure behind healthy, resilient businesses. The scores placed each business across **5 Stages of Business Stability** from Stage 1: Establishing to Stage 5: Empowering. The data reveals a clear pattern: The further along a business is in its stability journey, the more intentionally it approaches technology, security, and IT.



The research also shows that businesses in the advanced stages of stability didn't get there by chance. They made deliberate choices to streamline, protect, and advance their operations. And it's paying off to the tune of 38% more revenue per employee, on average.<sup>2</sup>

 **Advanced-stage SMBs average 38% more revenue per employee.**

## What Advanced-Stage Businesses Do Differently



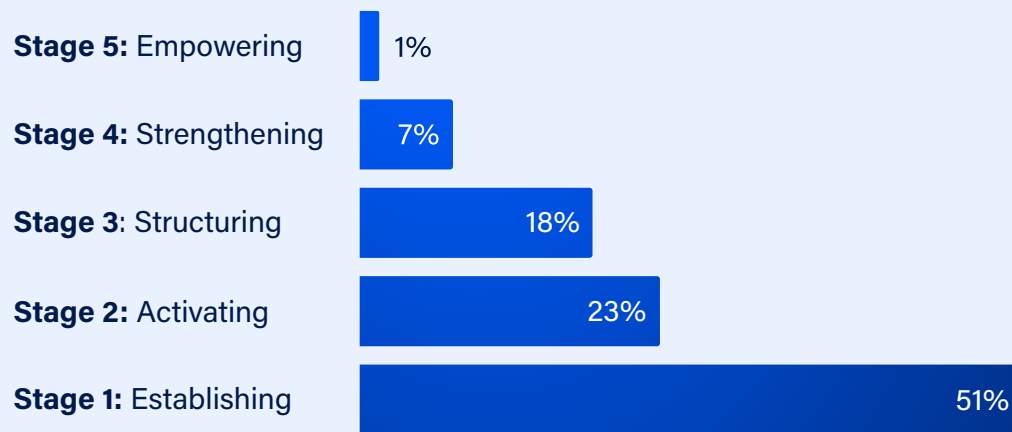
<sup>2</sup>Based on 531 SMB respondents who provided annual revenue data.

# Where SMBs Fall on the 5 Stages of Business Stability

Each business surveyed received a completion score based on how well they meet the criteria across the three pillars of stability. The criteria are weighted by importance, so the areas that matter most to long-term stability carry more influence over the final score. That score places each business across the Five Stages of Stability—from Stage 1: Establishing, where the groundwork begins, to Stage 5: Empowering, where a business is truly built to last. With **51% of SMBs landing in Stage 1**, the data reveals just how much room most businesses have to grow.

## Percentage of Survey Respondents by Stage of Stability

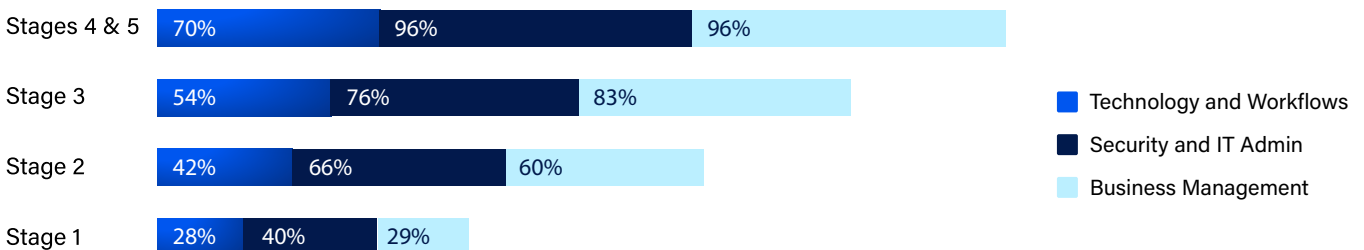
Based on total respondents (n=733)



## One Thing All Stages Agree On: Security Matters

Across most stages of stability, Security and IT Administration perform strongly among key assessment areas, suggesting that SMBs recognize the importance of protecting what they've built.

## Pillars of Stability Completion by Stage



Discover Your Business Stage

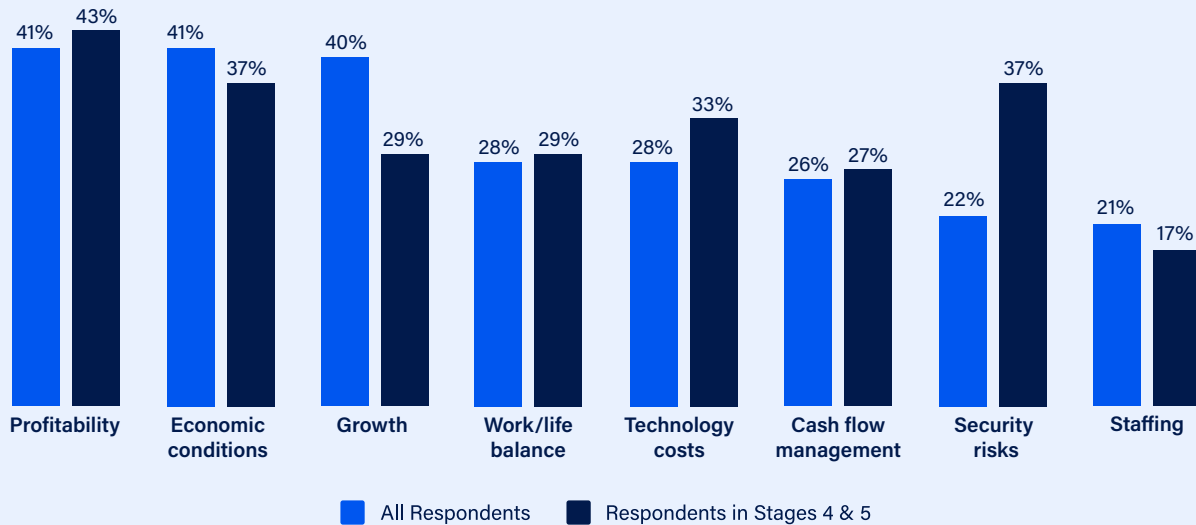
Get Your Scorecard



# The SMB State of Mind

What’s keeping business owners up at night? Profitability, security, and growth top the list for most SMBs, though priorities shift as a business matures. Higher-staged businesses are less focused on growth pressure and more attuned to security risks.

## Top Business Concerns: Past 12 Months



“Technology is opening doors to revenue, to scale, to working from anywhere. But it’s also raising the stakes. The more businesses rely on tech, the more there is to protect, manage, and get right.”

## What SMBs Want Most

When asked what would be the biggest game-changers for their business, SMBs were clear: efficiency, security, and growth—three areas where the right technology makes an immediate impact. Just 9% wouldn’t change a thing, proving that the appetite for improvement among SMB owners is nearly universal.

## Top-Ranked Game-Changers for SMBs



- 36%** Grow revenue without adding headcount.
- 27%** Know we’re safe from hackers and breaches.
- 23%** Attract better clients who value our work.

Only 9% said they wouldn’t change a thing.

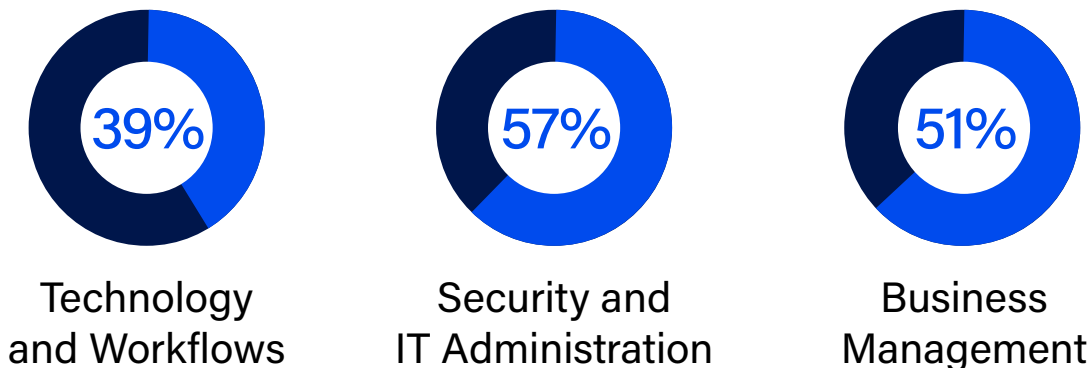
# The Three Pillars of Business Stability

## A Closer Look at the Data

The following pages dive deep into the three pillars we used to measure business stability across 733 U.S. SMBs, including how they leverage technology and workflows, how well they protect their operations, and how strategically they manage their business. Here's how all SMBs surveyed scored on average across each pillar.

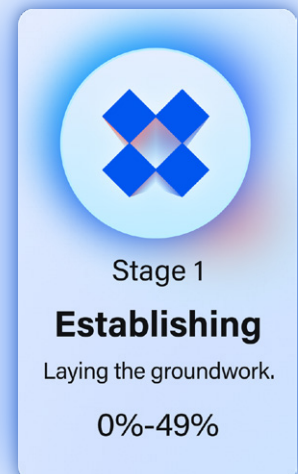
### Average Scores Across The Three Pillars of Stability

Based on total respondents (n=733)



The majority of SMBs have made meaningful progress in protecting their operations, but technology adoption and formal business planning still represent the greatest opportunities for advancement. In the sections ahead, we break down each pillar in detail—where SMBs are excelling, where critical gaps remain, and what the most stable businesses are doing differently.

When measured across all three pillars, **the average SMB stability score lands at 49%**—right at the doorstep of Stage 2. For most businesses, the next level isn't far off. It just takes knowing where to focus.



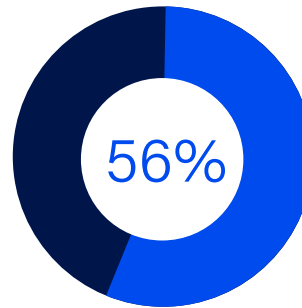
# Technology and Workflows

## Moving to the Cloud

The cloud is widely adopted but unevenly embraced. While 56% of SMBs have over half their data and apps in the cloud, smaller businesses with 1-9 employees are notably behind, with a quarter having little to no cloud presence at all.

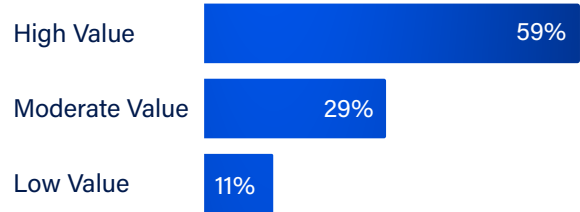
The desire to go further is there, as **62% say they'd be comfortable moving all of their data and apps to the cloud**, and the top reason is simple: the ability to work from anywhere. The biggest barrier holding businesses back is a lack of technical expertise, which points directly to the value of outside technology partners.

A notable difference among businesses in Stages 3, 4, and 5: 79% have over half their data in the cloud compared to just 47% of businesses in Stages 1 and 2.

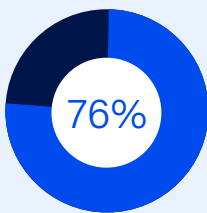


56% of all SMBs surveyed host over half their data and apps in the cloud.

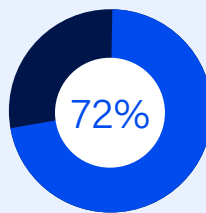
### Value of Moving to the Cloud



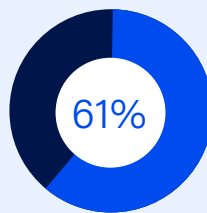
## SMBs Employ a Range of Cloud Services



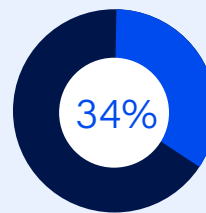
Email and communication tools



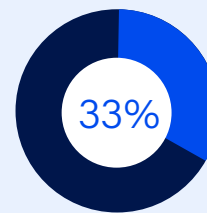
File storage and backup



Accounting and tax software



Data backup and disaster recovery services



Desktop app access via remote services

### Cloud Migration Sentiments

#### Top Challenges

Technical expertise/resources

Budget

Lack of time

#### Biggest Benefits

Accessible/remote access

Data backups

Ease of use



*Everything is SaaS or in the cloud, so we now work out of field offices, saving us a ton of money.*

## AI Adoption

AI adoption is still in its early stages for most SMBs, but the gap between business stages is telling. **Only 35% of businesses in Stage 1 feel comfortable with AI, compared to 81% in Stages 4 and 5.** Both larger businesses and those with more established stability practices have largely embraced AI. This is likely because they have the resources, experience, and infrastructure to support it or because the demands of their growth simply require it to maintain service levels and quality.

Concerns around data privacy and inaccuracy remain, but the businesses that have moved past them are reaping real rewards in the form of meaningful time savings and the ability to automate tasks that once consumed their day.

### How SMBs Are Using AI

Of total respondents who use AI



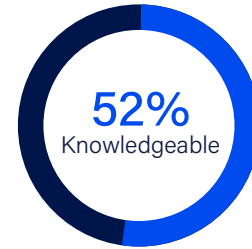
**75%** Researching general business topics

**59%** Customer communications (e.g., email/marketing content)

**48%** Automation of tasks/processes

**43%** Advanced data analytics to improve services/inform decisions

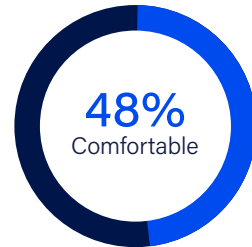
### AI Knowledge Levels



Knowledgeable: 52%

Little to no knowledge: 48%

### AI Comfort Levels



Comfortable: 48%

Little to no comfort: 52%



**91%** of SMBs acknowledge the **benefits** of AI



**93%** of SMBs have **concerns** about AI

#### Top AI Benefits

Time savings 60%

Task automation 53%

Ease of use 30%

#### Top AI Concerns

Data privacy 57%

Inaccuracy 50%

Lack of knowledge/training 36%



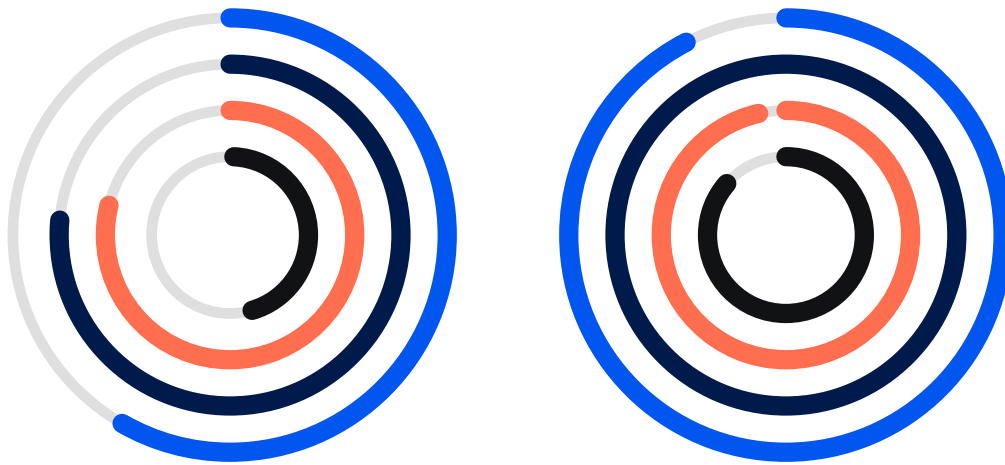
*AI has been a great advantage to my business. It streamlines my operations. I can automate emails and so much more in record time.*

## Top Performers Put Tech to Work

Businesses at the highest stages of stability are far more likely to access data and apps through a single portal, support remote workers, tightly control user access, and leverage single sign-on to secure and simplify workflows. This connected and secure technology foundation is the building block for a more resilient and stable business.

Many feel challenged by evolving technology, yet the data suggests that even incremental steps in the right direction can make a difference: **The most stable businesses generate 38% more revenue per employee**, and for businesses looking to close that gap, employing these tools and practices is a meaningful place to start.

“Over the last few years, technology has not just supported our business, it has redefined how we operate.”



All SMBs Surveyed

SMBs in Stages 4 & 5

**58%**

Access majority of data/apps via one website/online portal

**92%**

**76%**

Have ability to support remote workers

**100%**

**78%**

Can grant/restrict immediate user access

**99%**

**45%**

Access apps through single sign-on (SSO)

**86%**

## See How Your Business Stacks Up

Get your Business Stability Scorecard and the insights you need to keep your business going strong.

Get Your Scorecard

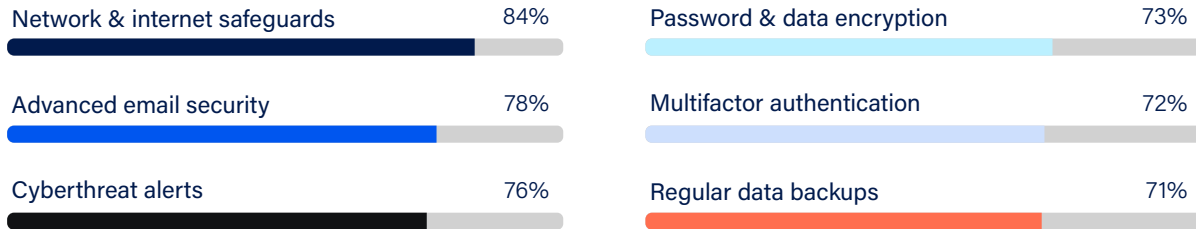


# Security and IT Administration

## Strong Approaches and Significant Gaps

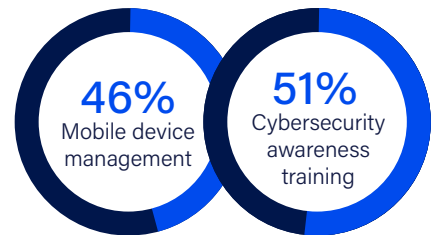
Most SMBs cover security basics, but gaps in mobile device management and awareness training leave them vulnerable to human error—a top cause of breaches. Of those offering training, quality varies: 37% use structured instruction, 49% include phishing simulations, and 68% tailor it to industry-specific risks.

### Top Security Measures: All SMBs



### SMB Perceived Security Gaps

“Criminal activity is a constant battle as [they] are increasingly creative.”



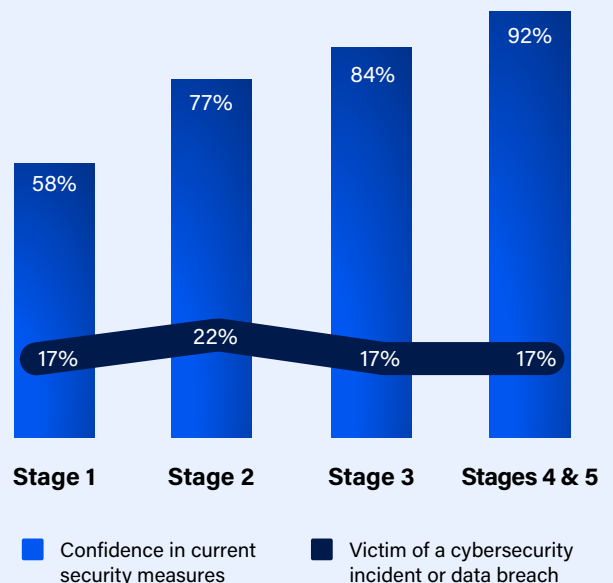
### Every Business Is a Target. Not Every Business Is Prepared.

Cybersecurity incidents impact roughly 1 in 5 SMBs regardless of stability stage—the threat doesn’t discriminate.

So what explains the rise in confidence between stages? Higher-staged SMBs are not attacked less. They simply have the systems in place to handle it better.

They rely on IT experts, layered safeguards, tested response plans, and targeted training, which means threats are caught, contained, and recovered from before they become disasters.

### Stronger Defenses Impact Confidence Levels

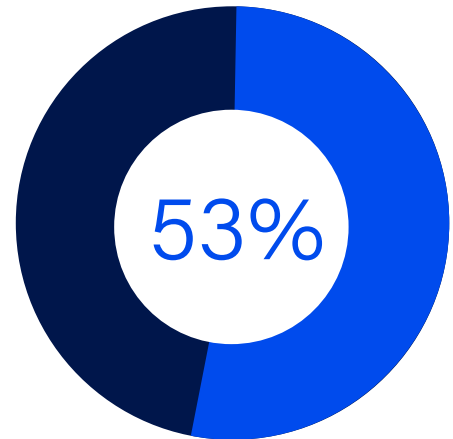


## IT Management

Almost all (96%) of SMBs in Stages 4 and 5 use some form of external IT support, whether fully outsourced or a hybrid approach, compared to just 32% of Stage 1 businesses. And, about half of SMBs are still managing IT completely in-house, but the data suggests that those businesses that have brought in outside help are reaping the rewards.

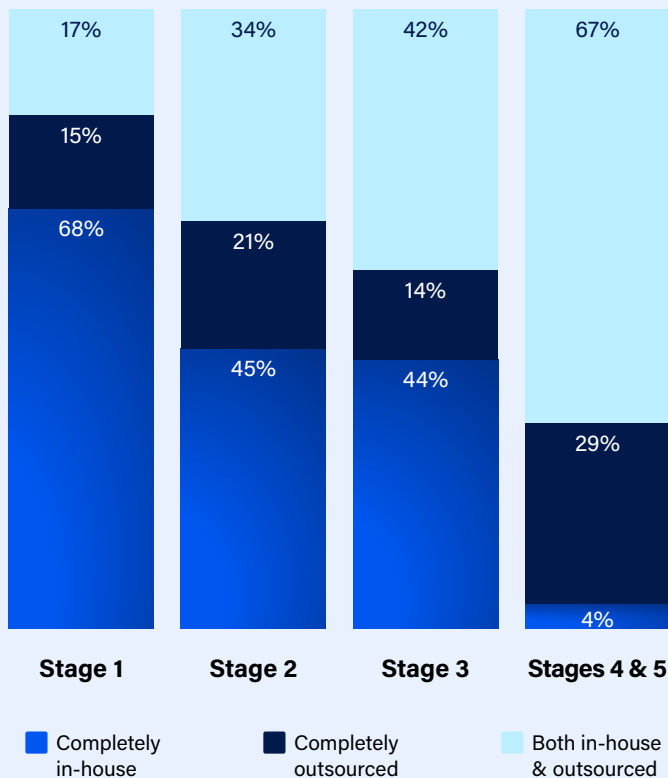
As businesses grow, IT becomes too critical and too complex to manage alone. External support helps businesses stay ahead of security threats, streamline workflows, and free up internal resources to focus on what they do best. For businesses still handling everything internally, bringing in even some level of outside expertise could be one of the most impactful steps toward greater stability and security.

53% of all SMBs manage IT completely in-house.



**“** *We have realized that we need to outsource tech expertise that is too complicated and time consuming for our small business.*

### How IT Is Managed by SMBs



Advanced-stage SMBs are 3x more likely to use external IT support.

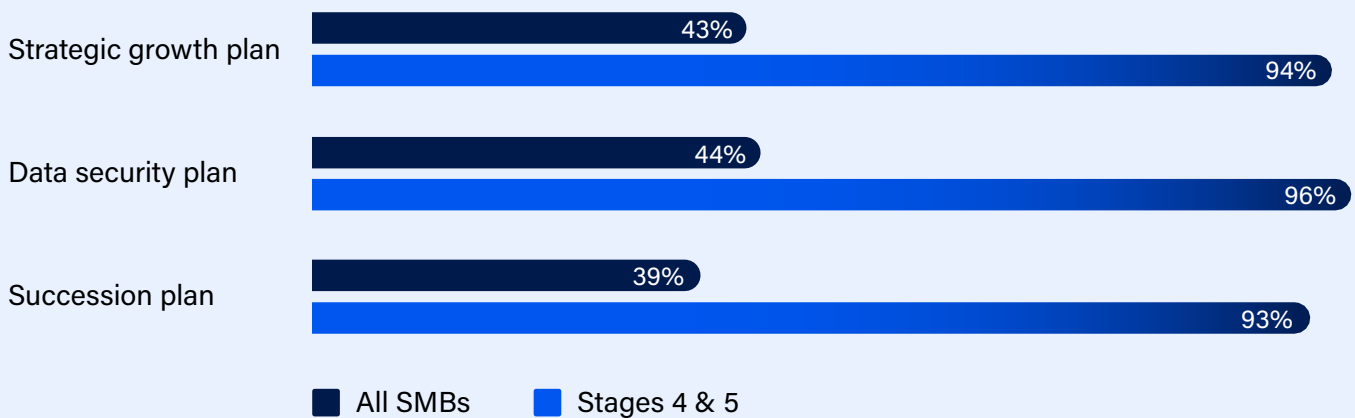
# Business Management

## The Roadmap Most SMBs Are Missing

More than half of SMBs are operating without a clear roadmap for growth, protection, or what happens next. Only 43% have a strategic growth plan, 44% have a documented data security plan, and just 39% have a succession plan in place. It's easy to get tunnel vision on the day-to-day tasks of running a business. But preparing for the future is the cornerstone of true stability, and it's where many SMBs are falling short.

Among businesses in Stages 4 and 5, that changes completely. Adoption of all three climbs to 93% or higher. The most stable businesses aren't just working *in* their business. They're working *on* it.

### Planning Practices: All SMBs vs. Stages 4 & 5



## The Client Connection

"Attract better clients who value our work" was rated the #3 game-changer, yet the three practices most likely to get them there remain underutilized. Following a marketing plan, reviewing client profitability, and defining an ideal client profile are exactly how businesses stop chasing the wrong clients and start attracting the right ones—yet adoption across all three remains below 60%.

### Client Strategy at a Glance



**58%** Follow a marketing plan/strategy.

**56%** Review client profitability to identify low-margin accounts.

**51%** Have an ideal client profile to guide new business decisions.

# What SMBs Are Saying About Technology

Growing revenue without adding headcount ranked as the #1 game-changer for SMBs, and technology is the clearest path to making it happen. The data shows this, and the business owners living it every day confirm it. When asked how technology has impacted their business, SMBs across the country were candid about both the wins and the work still ahead.

## For many SMBs technology has been transformational:



*Over the last few years, technology has not just supported our business, it has redefined how we operate.*

*Technology has greatly impacted the level with which I can scale my business to generate more revenue.*

*Technology, especially AI, has motivated me to become more financially independent, and to do more with less people.*

## For others, the pace of change is the biggest challenge:



*Technology has definitely improved our workflows, but now it's changing at such a rapid rate that it's hard for us to keep up.*

*Technology changes too quickly for it to be affordable.*

*The speed of innovation means we are losing customers due to an older interface and need to upgrade.*

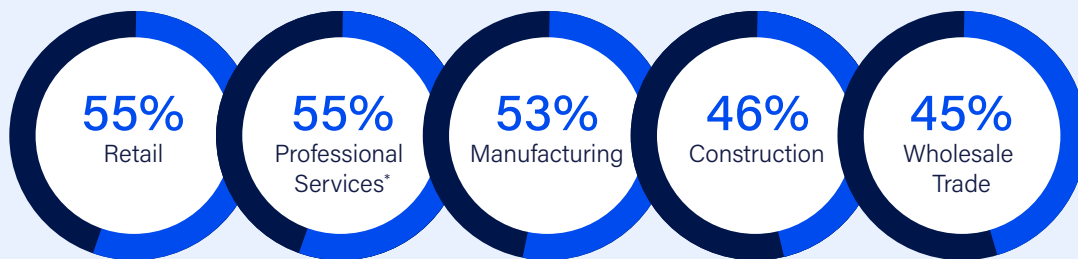
Regardless of stage, size, or industry, technology is no longer optional. Technology is the foundation every business is either building on or falling behind without. The businesses that embrace change, even incrementally, are the ones writing a different story. The question isn't whether to invest. The question is what's the cost of not investing.

# Top Industry Stability Metrics

We looked at how organizations across six key industries are holding up—examining the technology and workflows they rely on, how securely they manage data, and how effectively they run day-to-day operations. While most industries land in a similar range, no sector has fully cracked the code. Stability scores sit between 45% and 55%, leaving meaningful room to grow across the board.

The pages that follow take a closer look at each industry, breaking down where they're strongest and where the biggest opportunities lie.

## Total Stability Scores by Industry



## Key Takeaways



“ Access to online drives to pull up detailed job information while on a building site is extremely helpful.”

\*Professional services includes accounting/tax/bookkeeping, finance/insurance, real estate, legal, IT services, and other professional services.



Stage 2

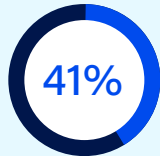
### Activating

Getting into motion.

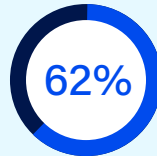
50%-64%

# Retail SMB Stability Score: 55%

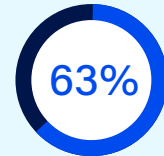
Retail SMBs are among the survey's top performers driven by impressive security and business management scores compared to the other industries we studied. This signals that retail businesses are managing both strategy and risk with confidence.



Technology and Workflows



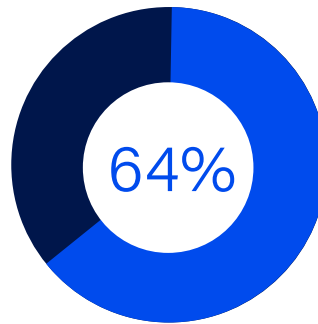
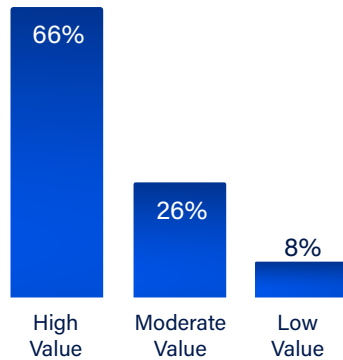
Security and IT Administration



Business Management

## The Foundations of a Stable Business

### Value of the Cloud: Retail SMBs



64% of retail businesses host over half their data and apps in the cloud.

## Retail Business Planning

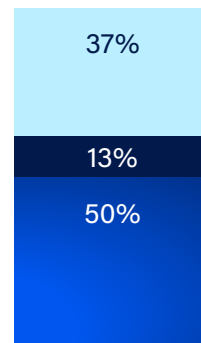


**48%** have a data security plan.

**59%** have a strategic growth plan.

**47%** have a succession plan.


## How IT Is Managed in Retail



- Both in-house and outsourced
- Completely outsourced
- Completely in-house

There's more to the story. Get all the details on retail SMBs.

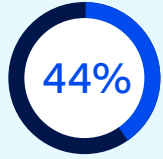
[Learn More](#)



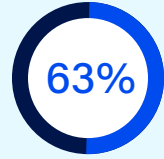
Stage 2  
**Activating**  
Getting into motion.  
50%-64%

# Professional Services Stability Score: 55%

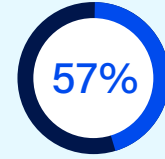
Professional services led all industries in data security planning—a reflection of the sector’s strong compliance culture. The foundation is solid, but technology and workflows still have room to grow.



Technology and Workflows

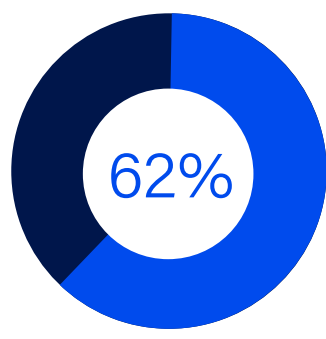
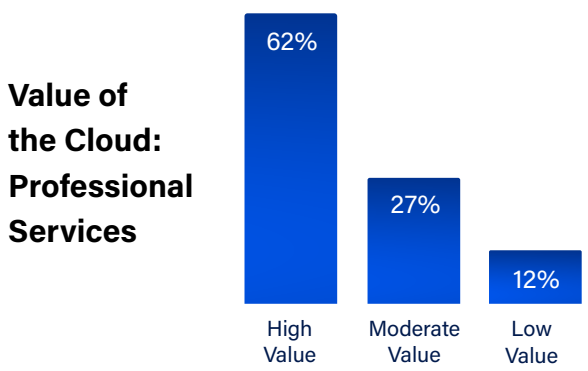


Security and IT Administration



Business Management

## The Foundations of a Stable Business



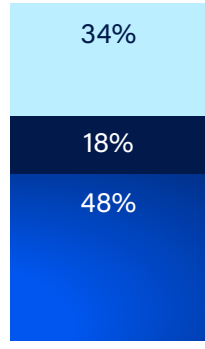
62% of SMBs in professional services host over half their data and apps in the cloud.

### Professional Services Business Planning



- 56%** have a data security plan.
- 45%** have a strategic growth plan.
- 45%** have a succession plan.

### How IT Is Managed in Professional Services



- Both in-house and outsourced
- Completely outsourced
- Completely in-house

Want to go deeper into the professional services data?

[Learn More](#)



Stage 2

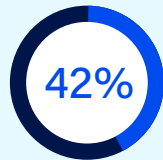
### Activating

Getting into motion.

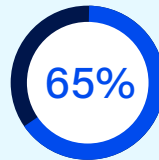
50%-64%

# Manufacturing SMB Stability Score: 53%

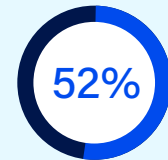
Manufacturing SMBs are gaining solid ground with a noteworthy security score of 65%—a sign the industry takes operational resilience seriously. Business management at 52% adds further confidence, and technology and workflows represents the biggest opportunity.



Technology and Workflows



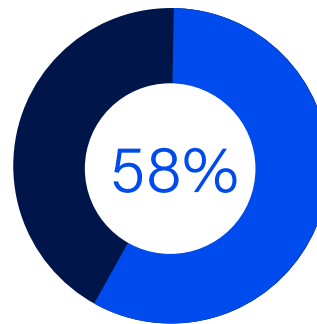
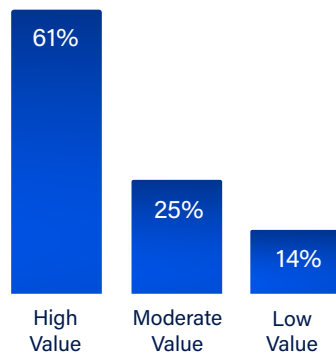
Security and IT Administration



Business Management

## The Foundations of a Stable Business

### Value of the Cloud: Manufacturing SMBs



58% of manufacturing businesses host over half their data and apps in the cloud.

## Manufacturing Business Planning

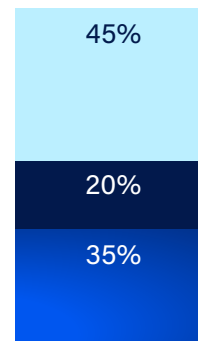


**39%** have a data security plan.

**48%** have a strategic growth plan.

**37%** have a succession plan.

## How IT Is Managed in Manufacturing



- Both in-house and outsourced
- Completely outsourced
- Completely in-house

Explore the full stability picture for manufacturing SMBs.

[Learn More](#)

# Construction SMB Stability Score: 46%

Construction SMBs show early-stage progress across all three pillars of stability, with security and IT administration leading at 54%, showing a growing awareness of operational risk. Business management and technology and workflows represent the clearest growth opportunities.

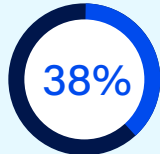


Stage 1

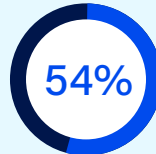
## Establishing

Laying the groundwork.

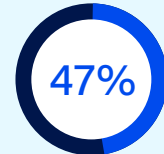
0%-49%



Technology and Workflows



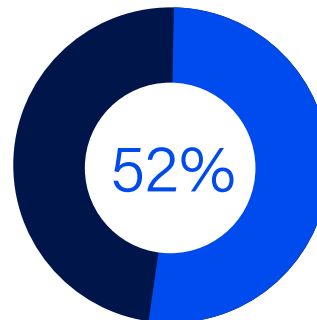
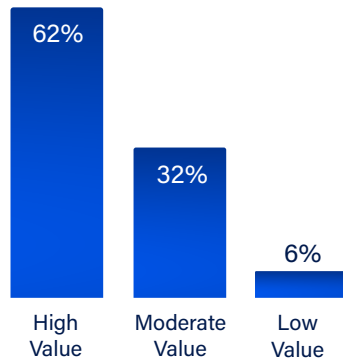
Security and IT Administration



Business Management

## The Foundations of a Stable Business

### Value of the Cloud: Construction SMBs



52% of construction businesses host over half their data and apps in the cloud.

## Construction Business Planning

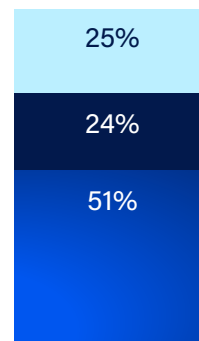


**42%** have a data security plan.

**38%** have a strategic growth plan.

**37%** have a succession plan.

## How IT Is Managed in Construction



- Both in-house and outsourced
- Completely outsourced
- Completely in-house

Get the full breakdown on construction SMBs.

[Learn More](#)

# Wholesale Trade SMB Stability Score: 45%



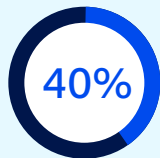
Stage 1

## Establishing

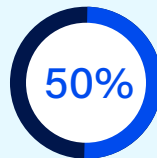
Laying the groundwork.

0%-49%

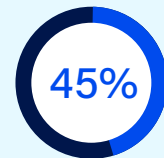
Wholesale trade is making good strides on the cloud adoption front. But with the lowest planning scores and the highest share of in-house IT management, that technology investment isn't yet backed by the strategy and outside expertise needed to fully capitalize on it.



Technology and Workflows



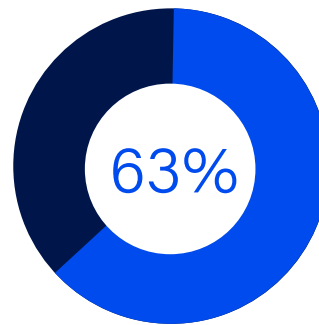
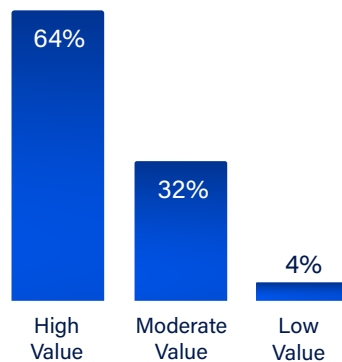
Security and IT Administration



Business Management

## The Foundations of a Stable Business

### Value of the Cloud: Wholesale Trade SMBs



63% of wholesale trade businesses host over half their data and apps in the cloud.

## Wholesale Trade Business Planning

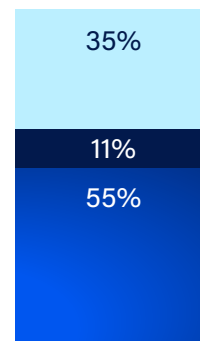


**23%** have a data security plan.

**29%** have a strategic growth plan.

**26%** have a succession plan.

## How IT Is Managed in Wholesale Trade



- Both in-house and outsourced
- Completely outsourced
- Completely in-house

Gain more insights into the wholesale trade industry.

[Learn More](#)

# Recommendations

The findings from this survey aren't just benchmarks. They're a blueprint. The gap between early-stage and advanced-stage businesses isn't a matter of luck or resources. It's a matter of decisions: the right technology, the right support structures, and the right plans made at the right time. For SMBs ready to close that gap, the path forward comes down to four clear priorities.

## 1. Move to a connected cloud environment.

Fifty-six percent of SMBs have over half their data and apps in the cloud, but for many, that migration has happened piecemeal with email here, file storage there, and accounting software somewhere else. The businesses generating the most revenue per employee aren't just in the cloud; they're operating from a **unified, accessible environment** where data flows seamlessly and teams can work from anywhere. If your cloud presence feels more like a collection of disconnected tools than an integrated foundation, consolidation is where the real efficiency gains begin.

## 2. Close your security gaps.

Every stage of business faces the same rate of cybersecurity incidents, roughly one in five. What separates confident businesses from vulnerable ones are the safeguards they proactively set in motion. **Mobile device management and cybersecurity awareness training** remain the two most commonly cited gaps. A layered approach that combines proactive monitoring, structured training, and tested response plans is what turns security from a source of anxiety into a genuine competitive advantage.

## 3. Stop managing IT alone.

Fifty-three percent of all SMBs still manage IT completely in-house. Among advanced-stage businesses, that number drops to just 4%. As operations grow more complex, IT becomes too critical and too time-intensive to handle without outside expertise. **External IT support** frees internal teams to focus on the work that actually drives the business forward, while staying ahead of the threats and complexity that in-house teams rarely have the bandwidth to manage alone.

## 4. Plan for the next stage.

Most SMBs are operating without a strategic growth plan, a documented data security plan, or a succession plan. Among businesses in Stages 4 and 5, adoption of all three exceeds 93%. Take the initiative and **make business planning a priority**—whether it's defining your ideal client, reviewing which accounts are actually profitable, or putting a growth strategy on paper.

# Built to Last: The Path Forward

The data is clear. Stability isn't something that happens by chance, and it isn't reserved for the biggest or most well-funded businesses. It's built deliberately, one decision at a time, across the technology you adopt, the security practices you put in place, and the plans you make for the future.

For the majority of SMBs in Stage 1, the opportunity ahead is real and attainable. Advanced-stage SMBs didn't get there overnight. They got there by making intentional choices, staying consistent, and recognizing that every step forward, no matter how small, adds up to something significant.

Whether that means moving more data to the cloud, bringing in outside IT support, putting a growth plan on paper, or defining what the ideal client looks like for your business, every step counts. And the businesses that take those steps consistently are the ones generating more revenue, attracting better clients, and building something that can withstand whatever comes next.

The question this report leaves every SMB owner with is a simple one: Is your business built to last? There's only one way to find out. And now you have the roadmap to get there.

“*Ultimately, technology has accelerated our operational maturity and reinforced a more disciplined, scalable, and strategically aligned business model. This shift has strengthened governance, protected margins, and reduced operational exposure.*”

rightworks

The Business Stability Scorecard

## Is your business built to last?

Find out in 5 minutes. Get your Business Stability Scorecard and the insights you need to keep your business going strong.

Get Your Scorecard





## **Built for where you are. Ready for where you're headed.**

While others patch together generic solutions, Rightworks has spent over 20 years building something better. A complete ecosystem designed specifically to support the kind of businesses that can't afford downtime, breaches, or complexity. Built to meet uncompromising security standards where failure isn't acceptable, we've proven ourselves protecting the data businesses depend on most.

The result? Over 70,000 businesses now run on Rightworks from finance teams and accountants to business owners who need technology they can actually count on. Our commitment to small business success is unwavering, and the results speak for themselves.

To learn more [visit Rightworks](#) today.