Leaders in philanthropy increasingly recognize the role of business in advancing their objectives. To date, the primary focus of most efforts to engage business has been on large companies. Yet, small businesses are an untapped resource and should be a valuable partner in creating opportunities to advance health, equity and an inclusive economy.

Over the last year, Public Private Strategies (PPS) conducted research funded by the Robert Wood Johnson Foundation to better understand opportunities for philanthropy to engage small business in advancing health equity, defined as creating equal opportunities for all individuals to achieve the healthiest life possible. The report details ways to effectively and efficiently engage small business owners in this work. As part of this research, PPS conducted more than 90 interviews with small business leaders across the country.

The report finds and lays out a roadmap for philanthropy. Key points regarding the importance of small business in their communities and top takeaways for engagement include:

- **Small businesses are numerous and diverse:** There are 30 million small businesses across the United States, representing over 90% of all businesses in the country. What’s more, 43% of small businesses are found in low-wealth communities. Diverse entrepreneurs are starting businesses at higher rates creating jobs and income in these economically-disadvantaged areas.

- **Business ownership is a driver of wealth creation** and is a proven path to addressing the racial wealth gap. On average, business-owning households hold more than twice the wealth of their wage-earning peers and the wealth-creation impact is more pronounced for business owners of color.

- **The voice of small business owners is trusted:** Knowing what is on the minds of small business owners can help identify priorities in a specific place or across the country. Additionally, support from small business can strengthen the case for policy proposals that advance healthy communities.

- **Efforts to engage small business owners have to make sense for them:** Small business owners are stretched thin and pressed for time. Business owners typically carefully choose where and how to engage, with an eye toward prioritizing activities that advance the business and address their pain points.

- **Rethink the current engagement model with “business” to include small business:** Absent purposeful action, the opportunity to harness the power of small businesses will be missed. Engaging small business in advancing health and equity objectives will require foundations to consider collaborations that move beyond the usual suspects to include nontraditional partners.

- **Listening between partners needs to improve:** Philanthropy needs to invest in infrastructure that allows them to listen to and engage small business. Additionally, foundations need to increase dialogue and identify opportunities for cross-sector funding collaboratives to amplify impact of traditional community development.
Small businesses advance healthy communities and health equity by virtue of the contributions they make to the economic and social fabric of the places they serve. At the same time, this highly trusted segment of businesses can provide valuable insights into the needs and priorities of communities, and can serve as an important advocate for policy. In this section, we outline seven ways to engage small business. These themes are derived from the ways that small business contributes to healthy communities and insights from interviews with almost 100 practitioners and thought-leaders across the country.

**7 Ways to Engage Small Business For Health and Equity**

- **COMMUNITY STABILIZATION**
  Catalyze economic development and mobilize investment pathways that create jobs and wealth, while building social and cultural capital.

- **WEALTH BUILDING**
  Generate income and build assets through entrepreneurship and business ownership, especially for diverse business owners and communities.

- **BUSINESS BUILDING**
  Create incentives and opportunities for small businesses to meet health and wellness needs.

- **BETTER BUSINESS, STRONGER FAMILIES**
  Help small business owners and their employees increase family economic stability.

- **POLICY & ADVOCACY**
  Engage small business in the public policy process, utilizing their voices to advocate for policies and programs that advance health equity.

- **LEADERSHIP & ENGAGEMENT**
  Advance strategies that deepen leadership capabilities, and connect small business leaders to each other and relevant stakeholders as part of a process to improve community health.

- **IDEAS & INFLUENCE**
  Shape the ways that the public thinks about and understands the role and value of small businesses, including to advance health equity.