LinkedIn Pulse



How Small Businesses Can Win in 2027

The New Playbook for Small Business Success: AI, Authenticity, and a Strong Network

Founder growth spikes, and the pipeline shows no signs of slowing

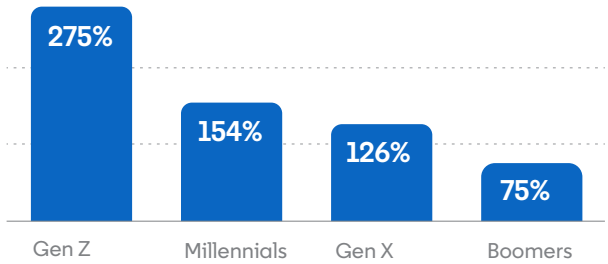
Entrepreneurship is becoming a mainstream career path in the U.S. as more people move away from the traditional corporate career ladder. The shift is driven by younger professionals seeking more freedom and flexibility, pursuing their passions and earnings potential.

Nearly half of Americans surveyed **(48%[1])** now have entrepreneurial ambitions, led by **67%** of Gen Z and **66%** of Millennials expressing a desire to start a business, compared to 44% of Gen X and 19% of Boomers. And these aren't far-off plans; almost **1 in 2** Millennials **(49%[2])** and Gen Z **(47%[2])** plan to launch their own business or start a side hustle within the next three years.

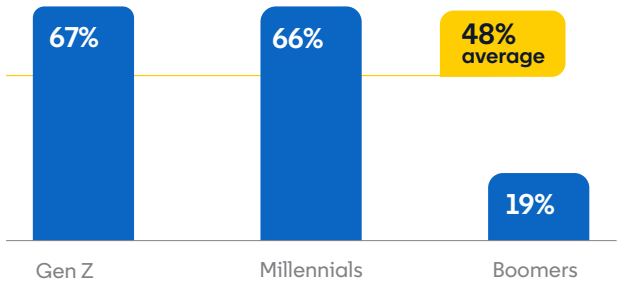
LinkedIn data shows these ambitions are turning into action, with new founders **more than doubling** since 2022 **(125%)**, driven by a **275%** surge in Gen Z new founder profiles* over the same time period. While the momentum comes from Gen Z, Millennials remain the backbone of U.S. small businesses, representing **54%** of all active founders.

Founder Growth by Generation

(since 2022)*



Entrepreneurial Ambition by Generation



The top reasons driving entrepreneurial intent in the U.S.

- Freedom to do things their own way — 50%
- More control and flexibility — 49%
- Pursuing a passion — 45%
- Earning potential — 38%

Small business growth fueled by more opportunities

This growth is also fueled by confidence in the market, with **61%**[3] of Americans surveyed say there are more opportunities to become an entrepreneur compared to 5 years ago, pointing to social media's ability to reach new customers (64%), more accessible business knowledge (58%) and emerging technology that reduces the need to learn new technical skills (31%). AI in particular stands out for younger U.S. founders, with over a third of Millennials and Gen Z (34%) citing it as a primary motivation to launch.

Beyond launching single ventures, modern founders are abandoning the "primary career" model in favor of the "portfolio career," running multiple income streams to build personal resilience against macroeconomic volatility. LinkedIn's data shows a **32%** increase in members becoming founders in the last year alone*, and of the U.S. small business owners surveyed, **78%**[2] said they operate multiple income streams.

Women who want to become entrepreneurs are just as driven as men: **79%**[3] expect to start a business within the next few years, compared with **78%**[3] of men.

But that conviction isn't translating into action at the same rate. In the U.S., monthly founder-start activity grew 23% year over year among women, versus 36% among men. The gap suggests the challenge isn't building women's entrepreneurial ambitions; it's helping them act on the interest they already have.

Top three 2027 founder priorities



Building networks to find new customers



Improving profitability



Using AI

AI is essential small business infrastructure

AI is no longer an experimental tool; it has become operational infrastructure and a great equalizer for small businesses. **Nine out of ten** (90%[4]) U.S. small business owners surveyed use AI. Of those who said AI and digital tools have enabled them to start or run their business, 35% say they launched faster or only launched because AI made it possible, 33% say it helped them serve more clients, 28% said it let them start with less capital, and 27% say it removed the need for technical co-founders.

The top three uses of AI tools are for brainstorming new ideas (30%), data analysis and reporting (28%), and customer service (26%).

This technological reliance is reflected in how founders are upskilling too: Prompt engineering as a skill has more than doubled **(+100% YoY)*** to become the #1 fastest-growing skill listed by founders in the U.S., followed by working with large language models (+65% YoY) and AI (+57% YoY)*. And AI has become increasingly core to the U.S. founder skill set: founders with AI skills are up **3x since 2022**.* Furthermore, U.S. founders are also 10 times more likely than the average LinkedIn member to have an AI skill*.



of U.S. small business founders surveyed use AI, and 93% of users call it important to running their business



of AI-using founders launched faster or only because of AI

100%

AI adoption among first with 30-39 employees

3x

increase in AI skills among founders since 2022

The Rise of 'Creator-Founders': AI is making personal networks and branding more important

As AI-generated content and automated outreach increasingly crowd the business landscape, human relationships and trusted professional credibility are helping small businesses stand out. Nearly **8 in 10 (79%[5])** small business owners agree that as AI plays a larger role in operations, having a strong professional network will become more valuable.

To establish professional credibility, **80%[3]** of founders have become 'creator-founders,' using authentic personal branding to win clients, demonstrate expertise, and attract talent. This is a 30% increase in just six months, up from 61% of all founders earlier in the year**. In fact, 84%[3] say their personal brand directly adds credibility, 83%[3] equate showing up authentically online with in-person presence, and 84%[3] call brand reputation key to achieving their 3–5 year goals.

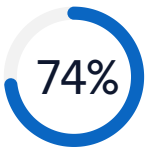
More than four in five (82%) of small business owners agree that their professional network has been important to starting or growing their business, and when making critical decisions, they turn to the trusted connections in their networks first (36%).



of U.S. small business founders say professional networks become more valuable as AI adoption grows



of founders say they've become content creators



say hiring is harder than 3 years ago, but just as many agree that AI can help them compete with larger companies for talent

More than 18+ million small businesses on LinkedIn are already preparing for what comes next. To learn more about how to grow your business with LinkedIn, visit https://business.linkedin.com/small-business.

Methodology

*Platform data from LinkedIn.

LinkedIn data is based on member profile information, including founder roles, skills and demographic attributes. The U.S. analysis covers members who list a founder role on their LinkedIn profile. Founder growth compares the first three quarters of 2026 (January–September) with the same period in 2022. It measures changes in the rate at which members become founders, accounting for growth in LinkedIn's member base. Founder growth does not measure business registrations or growth in raw founder counts. The generational composition reflects members with founder roles active on September 30, 2026. Skill metrics reflect skills listed on profiles, not verified proficiency or AI-tool usage. The AI skill comparisons between founders and LinkedIn members overall are based on refreshed data from LinkedIn's AI Labor Market Update.

The research was conducted by Censuswide, among a sample of 2,000 nationally representative respondents across the U.S.A. The data was collected between 09.10.2026 - 14.10.2026. A separate study was conducted among 1000 U.S. Founders/Entrepreneurs/Small Business Owners in Businesses with under 50 Employees (aged 18+) between 06.10.2026 - 09.10.2026. Censuswide is a member of the Market Research Society (MRS) and the British Polling Council (BPC), and a signatory of the Global Data Quality Pledge. We adhere to the MRS Code of Conduct and ESOMAR principles.

**The research was conducted by Censuswide, among a sample of 3,501 small business owners, entrepreneurs, solopreneurs, etc: (18+) in the UK, U.S., France, Germany, India, and Australia. The data was collected between 08.04.2026 - 16.04.2026. Censuswide is a member of the Market Research Society (MRS) and the British Polling Council (BPC), and a signatory of the Global Data Quality Pledge. We adhere to the MRS Code of Conduct and ESOMAR principles.

[1] Those who said 'Yes, definitely' or 'Yes, probably' when asked if they would like to start their own business or become an entrepreneur at some point in their career
[2] 'I plan to start a side hustle or business in the next 12 months' and 'I plan to start a side hustle or business in the next 2–3 years' responses combined
[3] 'Yes, definitely' and 'Yes, probably' responses combined
[4] Inverse of those who selected "N/A Not using AI in my business"
[5] 'It will become much more valuable' and 'It will become somewhat more valuable' responses combined

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