

TABLE 61

Non-innovating companies that considered innovating, by factors preventing innovation and company size: 2015–17

(Percent)

Factors preventing innovation	All companies	Micro companies (1–9 employees)	Small companies (10–49 employees)	Medium companies (50–249 employees)	Large companies (250+ employees)
Non-innovating companies that considered innovating (number of companies)	43,615	32,826	8,833	1,663	293
Lack of internal finance	80.4	82.2	75.6	71.5	66.8
Lack of credit or private equity	60.6	62.9	55.2	49.1	41.2 r
Innovation costs too high	82.7	83.8	79.9	75.4	83.5
Lack of skilled employees within the business	75.1	74.5	77.3	75.9	74.6
Lack of collaboration partners	56.5	56.4	57.1	54.6	58.1 r
Difficulties in obtaining government grants or subsidies	39.8	41.4	36.6	29.0	22.3
Uncertain market demand for your ideas	63.6	63.9	62.8	64.1	60.7 r
Too much competition in your market	68.9	69.1	67.7	72.1	63.8 r
Legislation or regulation that generated excessive burden	51.8	52.0	52.3	45.9	52.2 r
Legislation or regulation that created uncertainty	52.4	52.6	52.3	49.8	51.7 r
Legislation or regulation that lacked consistency across the United States	46.1	46.4	45.9	41.8	41.3 r

r = relative standard error > 50%.

Note(s):

Detail may not add to total because of rounding. Non-innovating companies are defined here as those without product, process, marketing, or organizational innovation. Statistics are representative of companies located in the United States. Percent shares include companies indicating that the factor is very important and companies indicating that the factor is somewhat important.

Source(s):

National Center for Science and Engineering Statistics and U.S. Census Bureau, Annual Business Survey, 2017.