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Small businesses face the most uncertain economic conditions in recent history; however, a new report from online accounting software company [Xero](#) reveals a common theme—small business owners are irrepressibly optimistic going into 2017.

According to Xero's second annual Make or Break Report, which examines the opinions and character traits of both small business owners and accountants in the U.S. and U.K., both owners (79 percent) and accountants (84 percent) feel more confident about 2017 than 2016.

Small business confidence is high, particularly with very young businesses and young business owners, despite economic uncertainty being the most pressing concern for U.S. and U.K. business owners. The vast majority of owners of one-year-old (94 percent) and two-year-old businesses (84 percent) said they feel more confident going into 2017 than the previous year, and over three quarters (79 percent) of small business owners said they feel confident about their business' survival in 2017. Additionally, more than half of millennial business owners reported they feel more confident about their business in 2017 compared to 2016.

For those going through a tougher time, nearly a fifth said they expect 2017 to be a turnaround year for their business. So why is it that small businesses are feeling so confident?

Small business owners are not overly concerned about regulatory changes

- 78 percent of U.S. small business owners said they remain confident about the

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Regulations will impact their business in 2017

- This is a stark contrast to the feelings of U.S. accountants that work with small businesses: 60 percent of accountants believe that the Affordable Care Act will impact their clients in the coming year, while only 2 percent of accountants responded that their clients will not be impacted by regulatory changes.

Small business owners are shunning traditional office structures to increase productivity

- Successful small business owners are shifting from working during fixed business hours to remote working arrangements and more flexible working hours—hailing this as the biggest driver of productivity for themselves and their staff in 2016.
- 94 percent of small business owners using cloud software report benefits, citing paperless systems, remote working and simplified software management.

Small business owners are prioritizing health and happiness

- Over three quarters of small business owners (78 percent) across the U.S. and U.K. believe their personal health as well as the health of their staff will directly impact the success of their business going into 2017.
- Getting enough sleep was revealed to be the most important factor for nearly two thirds (63 percent) of small business owners to stay healthy in body and mind.
- Exercising regularly, support from friends and family and adequate time off was also highlighted by small business owners—in the last year, 84 percent found ways to take a break over holidays and avoid the commuting headaches by working from home on occasion.
- In fact, slightly over half of small business owners (52 percent) said they want a better work-life balance in 2017 than they had in 2016.

Small business owners see themselves as being in control of their own destiny

- For successful business owners, risk is expected. 54 percent of those surveyed said

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administration we do have an impact on their business, while 57 percent believe the impact would be positive for their business; only one quarter of respondents believe the impact would be negative this coming year.

Small business owners are keeping grounded

While one prevailing theme from the report is a general sense of confidence and optimism from small businesses other important findings emerged as well, including how small business owners learn from their accountants and their outlook on upcoming tax policy changes.

- More than half (51 percent) of small business owners in the U.S. and U.K. consider their accountant to be a trusted business advisor or mentor, but only 21 percent of those respondents say they always take their advice.
- Almost half (49 percent) of the U.S. small business owners surveyed believe that the Trump administration's proposed changes to corporate tax policy will not impact their business, while 38 percent believe that their business will be impacted (13 percent of U.S. respondents were not familiar with the proposed changes). Meanwhile, 79 percent of accountants believe that proposed changes to corporate tax policy will impact small business.
- Chasing payments is still the biggest time waster for a fifth of small business owners across the U.S. and U.K. The threat is compounded by the importance small businesses put on cash flow in 2017—for over a third (34 percent), cash flow was said to be more important than ever.
- To ensure business owners understand tax policy changes, 79 percent discuss potential changes with their clients before they become law—just one example of how accountants can fulfill a trusted advisor role.

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