



# Baseline Measurement of Social Purpose Businesses Among Canadian SMEs

Topline Insights on Social Purpose SMEs

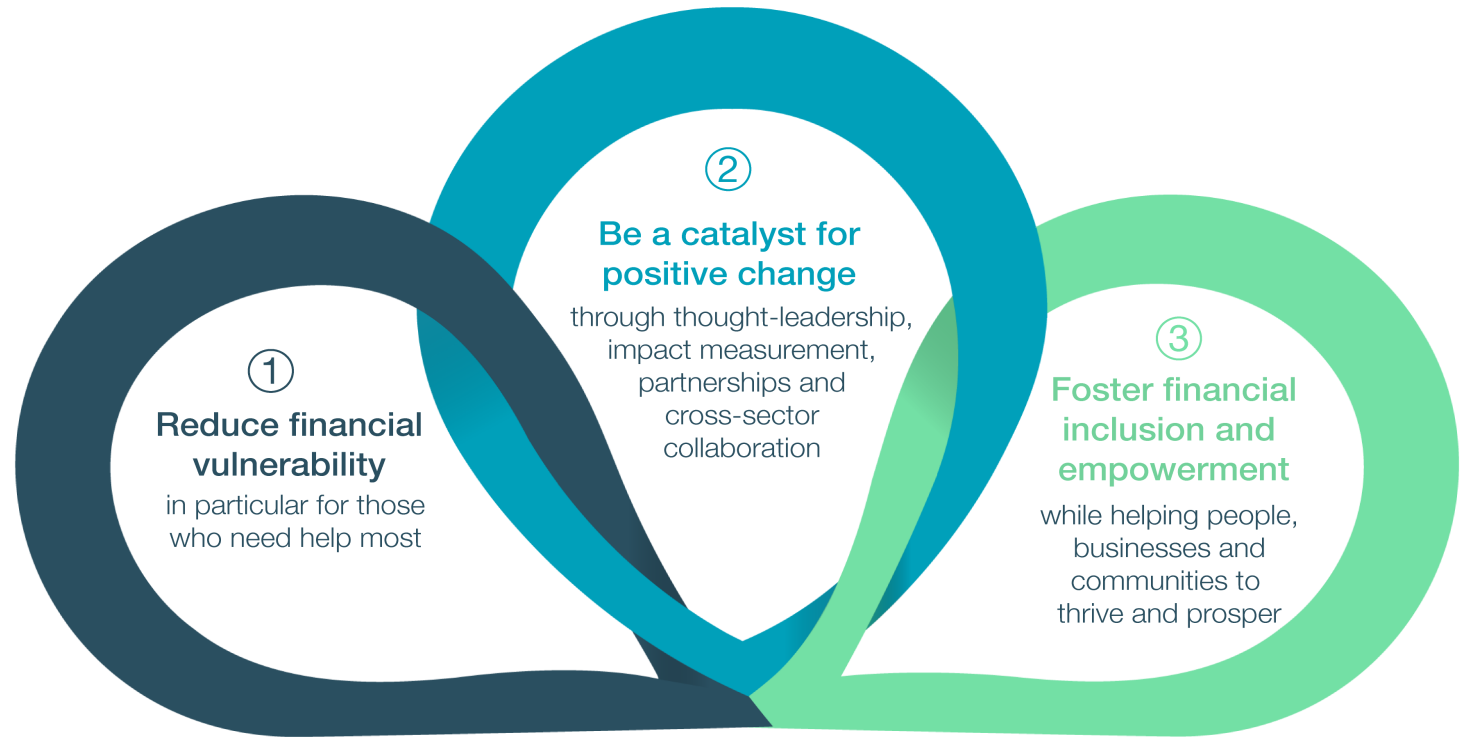
Authors: Eloise Duncan and Patrice Mirindi  
Financial Resilience Institute

May 2026



## Improving Financial Resilience and Well-Being For All

We partner with financial services leaders, policymakers, innovators and employers to design and implement solutions that improve financial resilience, health and well-being for all – especially the most vulnerable among us.



**We believe in the power of evidence to build resilience, improve lives and strengthen communities.**

Financial services innovation, public policy and programs work best when rooted in data and facts. Our research and impact measurement, and cross-sector collaboration spark solutions in programs and practice. We're working to help people, businesses and communities to thrive and prosper.

## How Purpose helps builds a resilient economy

### What is a Social Purpose Business?

A business whose reason for being is to create a better world - profitably solving problems for people and planet and contributing to long-term well-being for all.

### What is the Purpose Economy?

An economy powered by the pursuit of long-term well-being for all, in which business, regulatory, and financial systems foster an equitable, flourishing, and resilient future.

### How social purpose businesses build resilience

- Strengthen local social capital
- Enable faster, more agile decision-making
- Build loyal supply chains and customer relationships
- Earn trust in times of crisis
- Foster collaborative problem-solving networks

Social purpose SMEs also help support a more inclusive, resilient economy by being deeply embedded in local ecosystems as local businesses, re-investing revenues and generating employment locally. They can create more inclusive, stable income pathways, including by employing underserved groups (such as newcomers or low-income individuals), supporting household financial resilience, and strengthening social capital through trust, networks and community connections. Many social purpose SMEs operate in essential, resilience-building sectors, enabling economic inclusion and mobility while driving purpose-led innovation.

As more social purpose SMEs operate this way, they help build a more inclusive, resilient and trusted economy.

## Context and Collaboration

### The Role of Financial Resilience Institute and the Canadian Purpose Economy Project in Catalyzing Positive Change

Financial Resilience Institute is a Canadian non-profit and the leading authority on financial resilience and financial health in Canada. As a social purpose organization, we are helping to drive systems change and improve financial resilience and well-being for all. We understand the benefits of having thriving social purpose businesses in our communities to drive more resilient economies.

Financial Resilience Institute is proud to collaborate with the Canadian Purpose Economy Project (CPEP) to bring baseline measurement for the first time on Canadian SMEs that report having a social purpose, combined with insights related to some of the key drivers for SMEs adopting a social purpose. This aligns with our impact goal to be a catalyst for positive change, through thought leadership, partnerships and cross-sector collaboration.

As a collaborative partner, CPEP accelerates the shift towards a purpose economy by creating the conditions for social purpose businesses to start, transition, thrive and grow.

This report and data, building on the Institute's Canadian SME Business Financial Health and Resilience Study, provides baseline impact measurement of Canadian SMEs with a social purpose as of December 2025. It represents the first measurement of social purpose among Canadian SMEs, offering early insights into SME adoption and enabling ongoing tracking of progress toward a Purpose Economy.



We collaborated with the Canadian Purpose Economy Project (CPEP) to establish a baseline measurement of Canadian small and medium-sized enterprises (SMEs) that report having a social purpose and the drivers behind this



Our social-purpose non-profit Institute did this leveraging our Canada 2026 SME Business Financial Health and Resilience Study, with additional questions designed to enable, for the first time in Canada, measurement of social purpose among SMEs. This Study was designed (with input from the Canadian Purpose Economy Project on the social purpose measurement questions) and conducted by Financial Resilience Institute with 600 SMEs in December 2025 [1,2].

# CANADIAN PURPOSE ECONOMY PROJECT

## BUILDING A CANADIAN PURPOSE ECONOMY

Imagine an economy powered by the pursuit of long-term well-being for all in which business and regulatory and financial systems foster an equitable, flourishing, resilient future.

That's the economy Canadians want.

Let's work together to build it.

The vision for the Canadian Purpose Economy Project is that by 2030, **at least 25% of Canadian businesses are adopting, disclosing, and authentically embedding a social purpose** across their operations and relationships, and collaborating with others to achieve it.

This study provides the first baseline data on the proportion of SMEs in Canada that report having a social purpose, helping CPEP track progress toward its 2030 vision.

To understand how this is taking shape in Canada, we established a baseline measurement of SMEs with a social purpose.

The findings show robust uptake of social purpose by SMEs across Canada.

**We would like to thank the Canadian Purpose Economy Project for its valuable contribution to this work.**

Source: Financial Resilience Institute

[1] The Canadian SMEs 2026: Business Financial Health and Resilience Report (April 2026) is at: <https://www.finresilienceinstitute.org/canada-business-financial-health-and-resilience-report/>

[2] More reports published by our organization since 2017 are at: <https://www.finresilienceinstitute.org/all-reports/>

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# About the Institute's Canadian SMEs 2026 Business Financial Health and Resilience Study

The Institute's Canadian SME Business Financial Health and Resilience Study is a market-leading study conducted with 600 Small and Medium Enterprises (SMEs) by Financial Resilience Institute [1].

The Study builds on the Institute's Small Business Financial Health and Resilience Framework published in 2025, previous work in the small business space and India SMEs 2025 Business Financial Health and Resilience Study and Report published in 2025.

The online study, designed by Financial Resilience Institute, was conducted in Canada between December 9th and December 18th, 2025, with a robust sample size of 600 SMEs.

- All SMEs have annual revenues between Canadian \$250,000 and \$5MM+.
- All are primary or joint financial decision makers of their small and medium-sized business (SME) operating in Canada.
- Survey data is weighted to represent the Canadian SME market based on the proportion of SMEs by FTE and province, with a good diversity of sectors represented [2].
- Startups that have been in business for less than one year are excluded.
- 23% of survey respondents are Women-Owned/ Women-Led SMEs [3].



## **SMEs are central to building the Purpose Economy.**

Small and Medium-Sized Businesses represent 99.7% of all businesses in Canada. How they define and act on social purpose will shape the scale and speed of adoption across the economy.

Source: Financial Resilience Institute

[1] Further information on firmographics of SME survey respondents in terms of annual revenues, number of employees, industries and more are in the Appendices on pages 17 to 19.

[2] The Canada SME Survey data is weighted to represent the SME market, based on the total number of SMEs with different ranges of Full Time Equivalent (FTE) Employees and based on SMEs by province (Statistics Canada, Key Small Business Statistics 2024.) <https://ised-isde.canada.ca/site/sme-research-statistics/en/key-small-business-statistics/key-small-business-statistics-2024>

[3] Women-Owned or Women-Led SMEs are defined as businesses where a woman owns a majority stake in the business of greater than 51%.

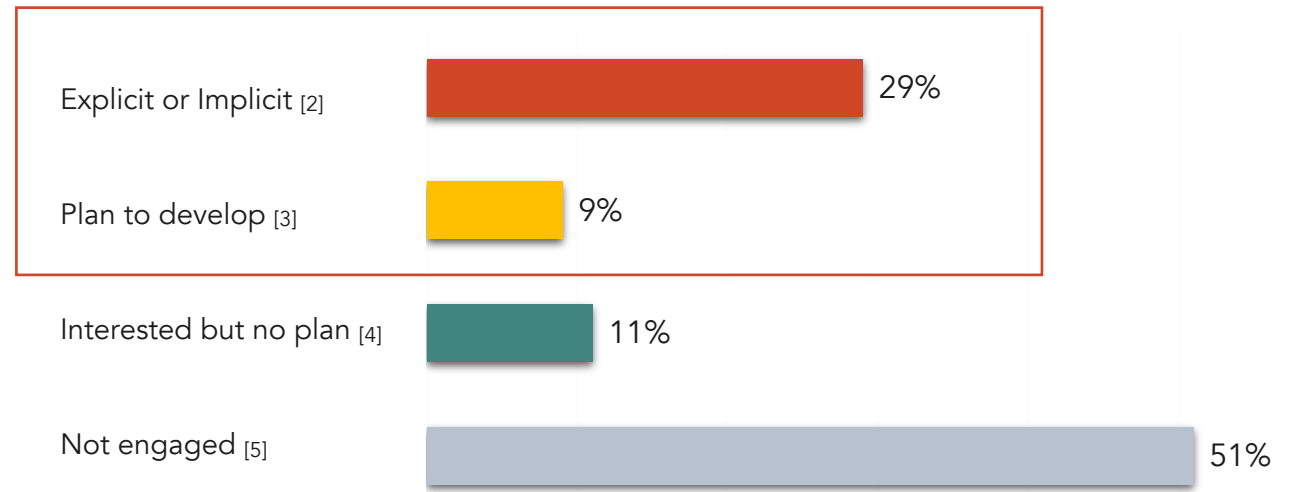
[4] The Canadian SMEs 2026: Business Financial Health and Resilience Ecosystem Report is available here: <https://www.finresilienceinstitute.org/canada-business-financial-health-and-resilience-report/>

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# 38% of Canadian SMEs have or are planning to develop a social purpose

Proportion of Businesses that report they have an explicit or implicit Social Purpose; are planning or would like to develop one; are interested but are not planning to develop one or do not have a Social Purpose  
(Financial Resilience Institute, Small Business Financial Health and Resilience Study, December 2025) [1]



Source: Financial Resilience Institute, Small Business Financial Health and Resilience Study (December 2025).

[1] The Study, designed and conducted by Financial Resilience Institute, was conducted with 600 SMEs in December 2025. Survey data is weighted by SMEs based on the number of FTE and SMEs by province to reflect the SME Canada Market based on Statistics Canada data (Key Small Business Statistics 2024). <https://ised-isde.canada.ca/site/sme-research-statistics/en/key-small-business-statistics/key-small-business-statistics-2024>

[2] 11% of SMEs report they have an explicit written social purpose statement focused on contributing to a better world as the reason they exist, with it publicly available. 18% of SMEs report they have an implicit social purpose to create a better world, but it is not formally defined or on their website.

[3] 4% of SMEs report they are planning to develop a social purpose for their business over the next year, and another 5% report they would like to develop a social purpose for their business over the next 2 to 5 years.

[4] 11% of SMEs report they are interested in the idea of a social purpose but have no plans to pursue one at this time.

[5] 51% of SMEs report they do not have a Social Purpose.

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## Key Insights: Canadian SMEs with a social purpose

### > Current Adoption of Social Purpose:

Approximately three in ten SMEs report an explicit or implicit social purpose. 11% have a written social purpose statement and 18% have an implicit one.

### > Near-Term Opportunity for Growth:

A further 9% of SMEs either plan to or are interested in developing a social purpose.

### > Adoption is Consistent Across Regions and Sectors:

Social purpose business adoption levels are broadly similar across geographies and industries (29% overall; 36% in B.C., 31% in the Prairies, 29% in Ontario; 29% in Professional Services and 27% in Consumer sectors), indicating an economy-wide shift.

### > Top Drivers of Social Purpose Adoption:

Customer engagement, trust, employee attraction, and social impact are the most commonly cited benefits of having a social purpose for SMEs.

### > Women-Owned SMEs Lead in Social Purpose Adoption:

42% of Women-Owned SMEs report a social purpose, compared to 25% of men-owned SMEs. Higher uptake among women-owned SMEs points to an opportunity to accelerate adoption by prioritizing engagement with women-led businesses and networks.

### > Progress Toward CPEP's 2030 Vision:

The 2030 target of 25% adoption appears achievable based on current levels of adoption.

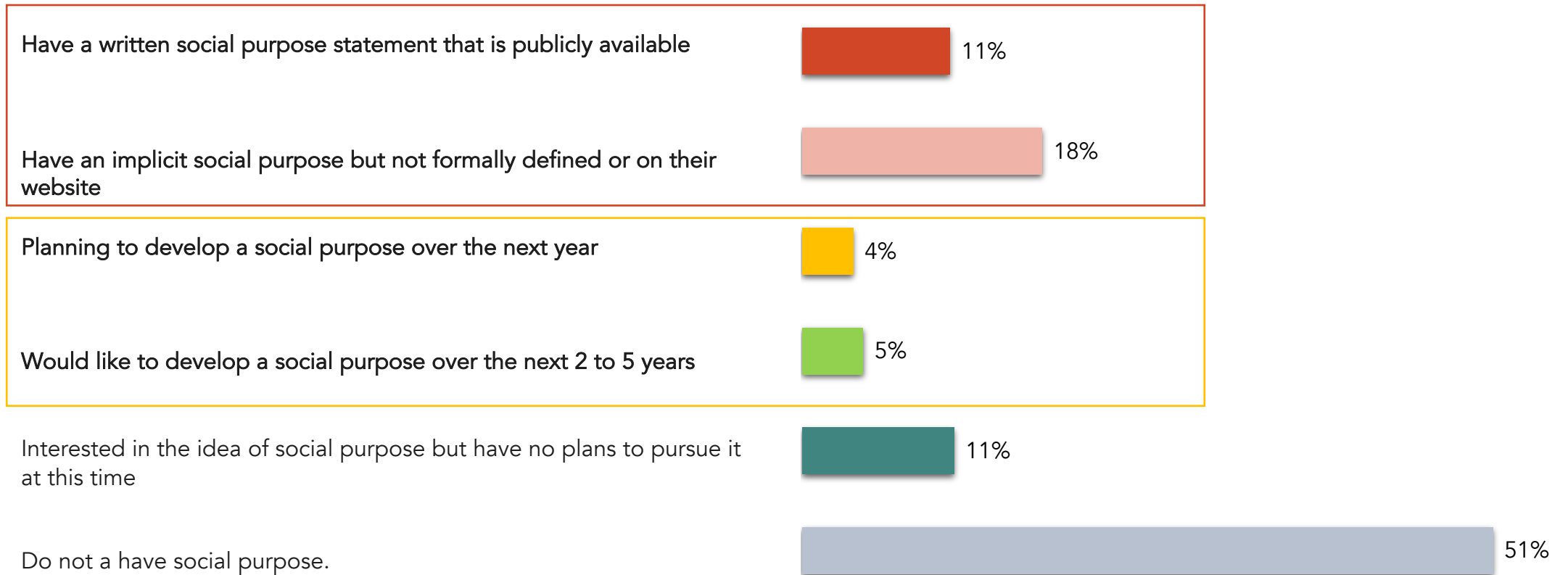
Source: Financial Resilience Institute, Small Business Financial Health and Resilience Study (December 2025).

[1] The Study, designed and conducted by Financial Resilience Institute, was conducted with 600 SMEs in December 2025. Survey data is weighted by SMEs based on the number of FTE and SMEs by province to reflect the SME Canada Market based on Statistics Canada data (Key Small Business Statistics 2024). <https://ised-isde.canada.ca/site/sme-research-statistics/en/key-small-business-statistics/key-small-business-statistics-2024>) Seymour Financial Resilience Index ® is a registered trademark used under license by the Canadian Purpose Economy Project (a project hosted by Canadian Business for Social Responsibility Education Foundation) and the Financial Resilience Society. © 2026 Financial Resilience Society. All rights reserved.

# Where SME businesses are on their social purpose journey

11% of businesses have a written social purpose, while 18% have an implicit purpose that could be more clearly defined. A further 9% represent a near-term opportunity to develop a social purpose.

Proportion of Businesses that report they have an explicit or implicit Social Purpose; are planning or would like to develop one; are interested but are not planning to develop one or do not have a Social Purpose  
(Financial Resilience Institute, Small Business Financial Health and Resilience Study, December 2025) [1]



Source: Financial Resilience Institute, Small Business Financial Health and Resilience Study (December 2025).

[1] The Study, designed and conducted by Financial Resilience Institute, was conducted with 600 SMEs in December 2025. Survey data is weighted by SMEs based on the number of FTE and SMEs by province to reflect the SME Canada Market based on Statistics Canada data (Key Small Business Statistics 2024). <https://ised-isde.canada.ca/site/sme-research-statistics/en/key-small-business-statistics-2024>

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[3] 4% of SMEs report they are planning to develop a social purpose for their business over the next year, and another 5% report they would like to develop a social purpose for their business over the next 2 to 5 years.

[4] 11% of SMEs report they are interested in the idea of a social purpose but have no plans to pursue it at this time. [5] 51% of SMEs report they do not have a social purpose.

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# The top four drivers for SMEs having a social purpose are to attract, retain and engage customers; to increase trust; to achieve greater social impact; and to attract, retain and engage employees

Proportion of SMEs that have a written or implicit Social Purpose that report the following as the top drivers for having a Social Purpose [1]  
(Financial Resilience Institute, Small Business Financial Health and Resilience Study, December 2025)



Source: Financial Resilience Institute, Small Business Financial Health and Resilience Study (December 2025).

[1] Data is provided for the 29% of survey respondents that reported that they have either an explicit or implicit Social Purpose statement top four drivers for having a social purpose for their business.

[2] To strengthen relations with other external stakeholders (e.g. business partners)

[3] To improve agility (i.e. having a social purpose enables faster decision-making).

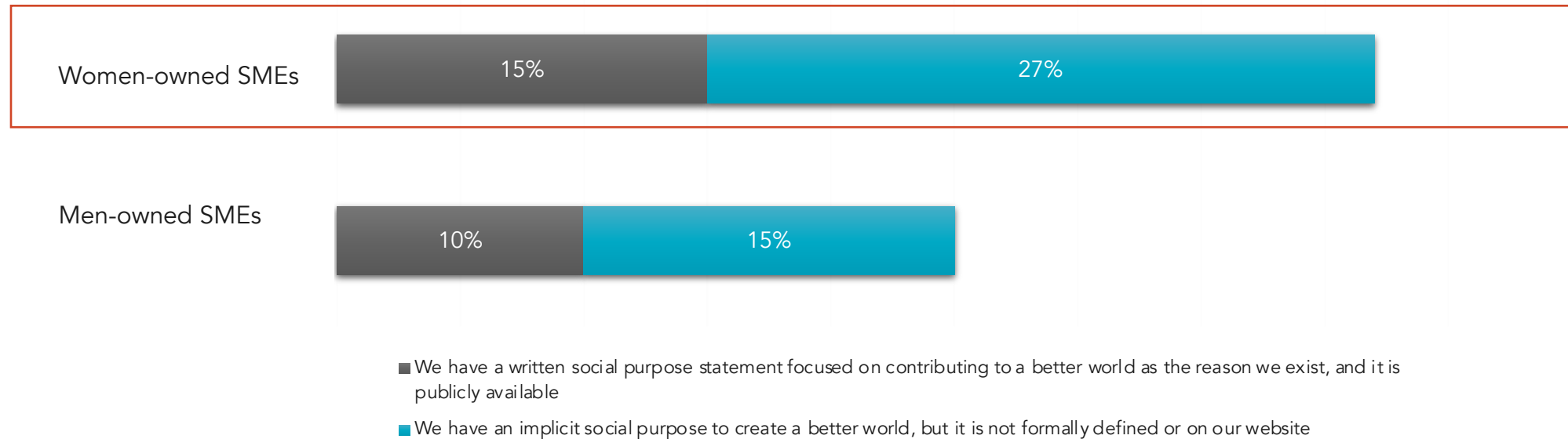
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# Women-Owned SMEs (42%) are significantly more likely than Men-Owned SMEs (25%) to report they have an explicit or implicit Social Purpose Statement

Significantly more Women-Owned SMEs (27%) have an opportunity to make their Social Purpose Statement explicit and published, with this the case for 15% of Men-Owned SMEs. 15% of Women-Owned SMEs currently have an explicit Social Purpose Statement for their business compared to 10% of Men-Owned SMEs.

Proportion of Women-Owned and Men-Owned SMEs that report they have an explicit or implicit Social Purpose Statement  
(Financial Resilience Institute, Small Business Financial Health and Resilience Study, December 2025)



Source: Financial Resilience Institute, Small Business Financial Health and Resilience Study (December 2025).

[1] The Study, designed and conducted by Financial Resilience Institute, was conducted with 600 SMEs in December 2025. The total sample size includes 138 Women-Led SMEs (23%) and 462 Men-Led SMEs (77%).

The total sample size of Women-Led SMES that report they have an explicit or implicit social purpose is 63 and 124 for Men-Owned SMEs.

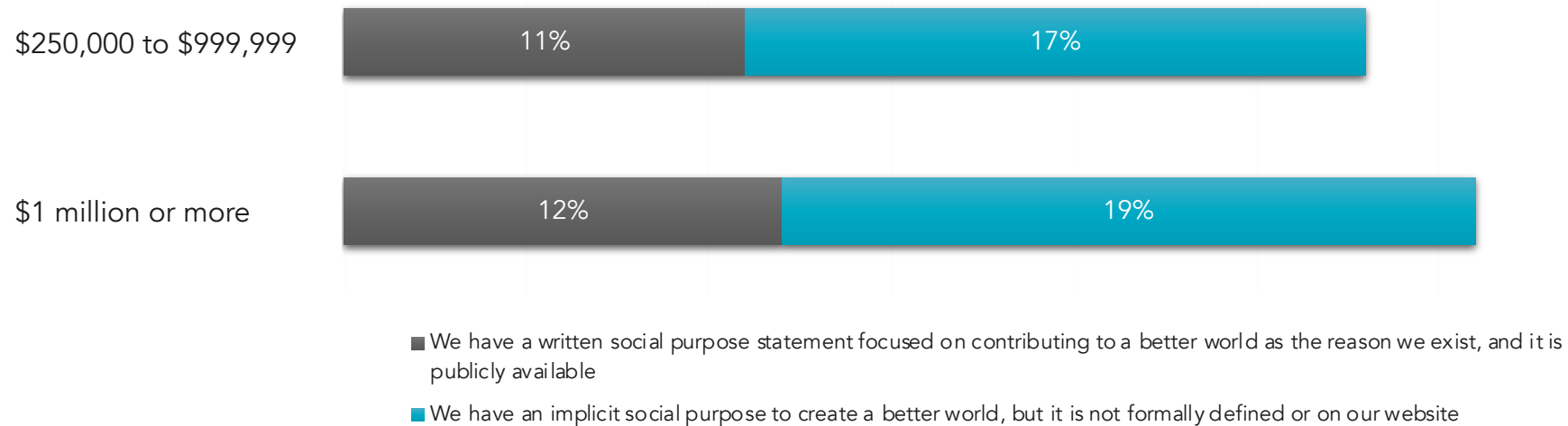
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# Regardless of revenue size, social purpose is relevant to SMEs

28% of SMEs with revenue of \$250k–\$999,999 compared to 31% of those with revenue of \$1 million or more report they have an explicit or implicit Social Purpose statement, with social purpose relevant for SMEs of all sizes.

Proportion of SMEs by revenue size that report they have an explicit or implicit Social Purpose Statement  
(Financial Resilience Institute, Small Business Financial Health and Resilience Study, December 2025)



Source: Financial Resilience Institute, Small Business Financial Health and Resilience Study (December 2025).

[1] The Study, designed and conducted by Financial Resilience Institute, was conducted with 600 SMEs in December 2025. Survey data is weighted by SMEs based on the number of FTE and SMEs by province to reflect the SME Canada Market based on Statistics Canada data (Key Small Business Statistics 2024). <https://ised-isde.canada.ca/site/sme-research-statistics/en/key-small-business-statistics/key-small-business-statistics-2024>

[2] SME survey respondents have annual revenues between \$250,000 and \$5MM +

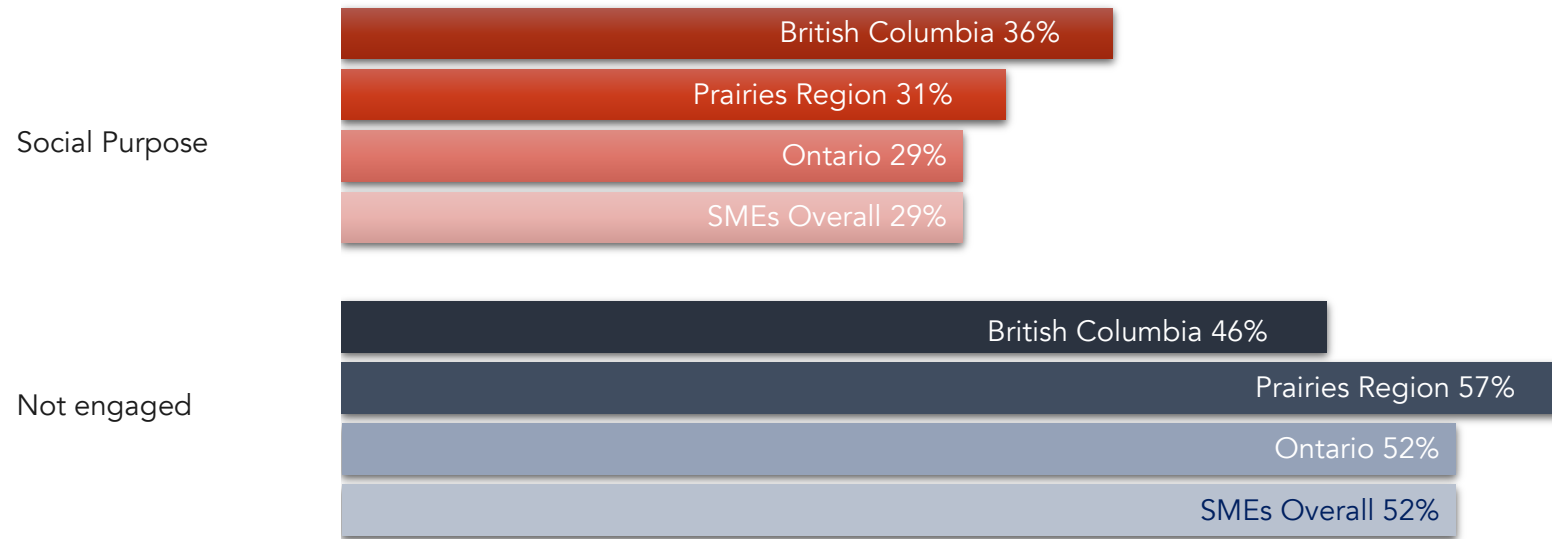
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## British Columbian SMEs lead the way in terms of having a social purpose, with 36% of them reporting having an explicit or implicit one

31% of businesses in the Prairies (Alberta, Manitoba and Saskatchewan) and 29% in Ontario report an explicit or implicit purpose, indicating a modest regional difference and broadly similar levels of adoption across Canada [1].

Proportion of SMEs that report they have a social purpose for British Columbia, the Prairies, Ontario and Canada Overall  
(Financial Resilience Institute, Small Business Financial Health and Resilience Study, December 2025)



Source: Financial Resilience Institute, Small Business Financial Health and Resilience Study (December 2025).

[1] In British Columbia, 14% of businesses report they have an explicit social purpose and 22% an implicit one.

[2] The Prairies region includes the provinces of Alberta, Manitoba and Saskatchewan. In the Prairies, 10% report they have an explicit social purpose and 21% an implicit one.

[3] In Ontario, 9% of businesses report they have an explicit social purpose and 20% an implicit one.

[4] In The total sample sizes for Ontario SMEs reporting an explicit or implicit social purpose are 54, 64 for the Prairies and 48 for B.C.

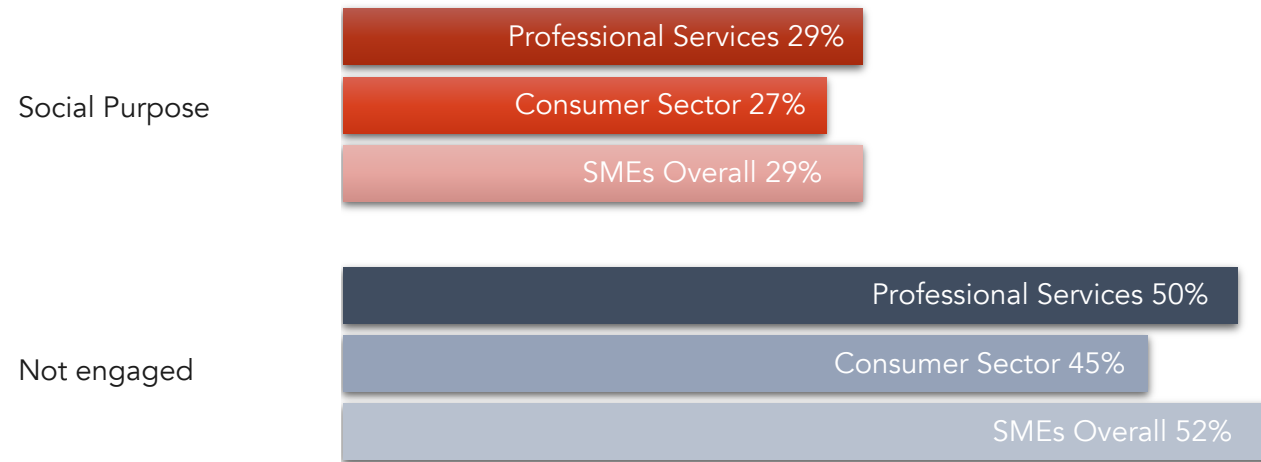
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# Social Purpose adoption among SMEs is consistent across sectors

29% of Professional Services and 27% of Consumer businesses report having an explicit or implicit social purpose - similar to SMEs overall at 29% - indicating an economy-wide trend rather than sector-specific adoption [1,2,3].

Proportion of SMEs that report they have a social purpose (explicit or implicit) and those that do have one by Sector: Professional Services, Consumer Sector (Financial Resilience Institute, Small Business Financial Health and Resilience Study, December 2025)



Source: Financial Resilience Institute, Small Business Financial Health and Resilience Study (December 2025).

[1] Consumer sector includes Retail/Wholesale Trade and Accommodation & Food sectors combined. 8% of Consumer businesses report they have an explicit social purpose and 19% an implicit one.

See slide 16 in the appendices for SME survey respondents by sector.

[2] 9% of Professional businesses report they have an explicit social purpose and 20% an implicit one.

[3] The total sample sizes for Professional Services SMEs reporting an explicit or implicit social purpose are 44 and 37 for the Consumer Sector.

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## Implications for the Purpose Economy

### > One in Three Canadian SMEs Now Have a Social Purpose

Nearly one in three SMEs report an explicit or implicit social purpose. Combined with near-term interest from additional businesses, this points to growing momentum for broader uptake across the economy.

### > The Opportunity is to Make Purpose Explicit and Embedded

Many businesses already operate with an implicit social purpose. The opportunity now is to articulate it and strengthen how it is embedded, disclosed, and delivered.

### > The Case for Social Purpose Is Both Business and Social

SMEs report that social purpose supports customer engagement, trust, talent attraction and social impact, highlighting both business and societal value.

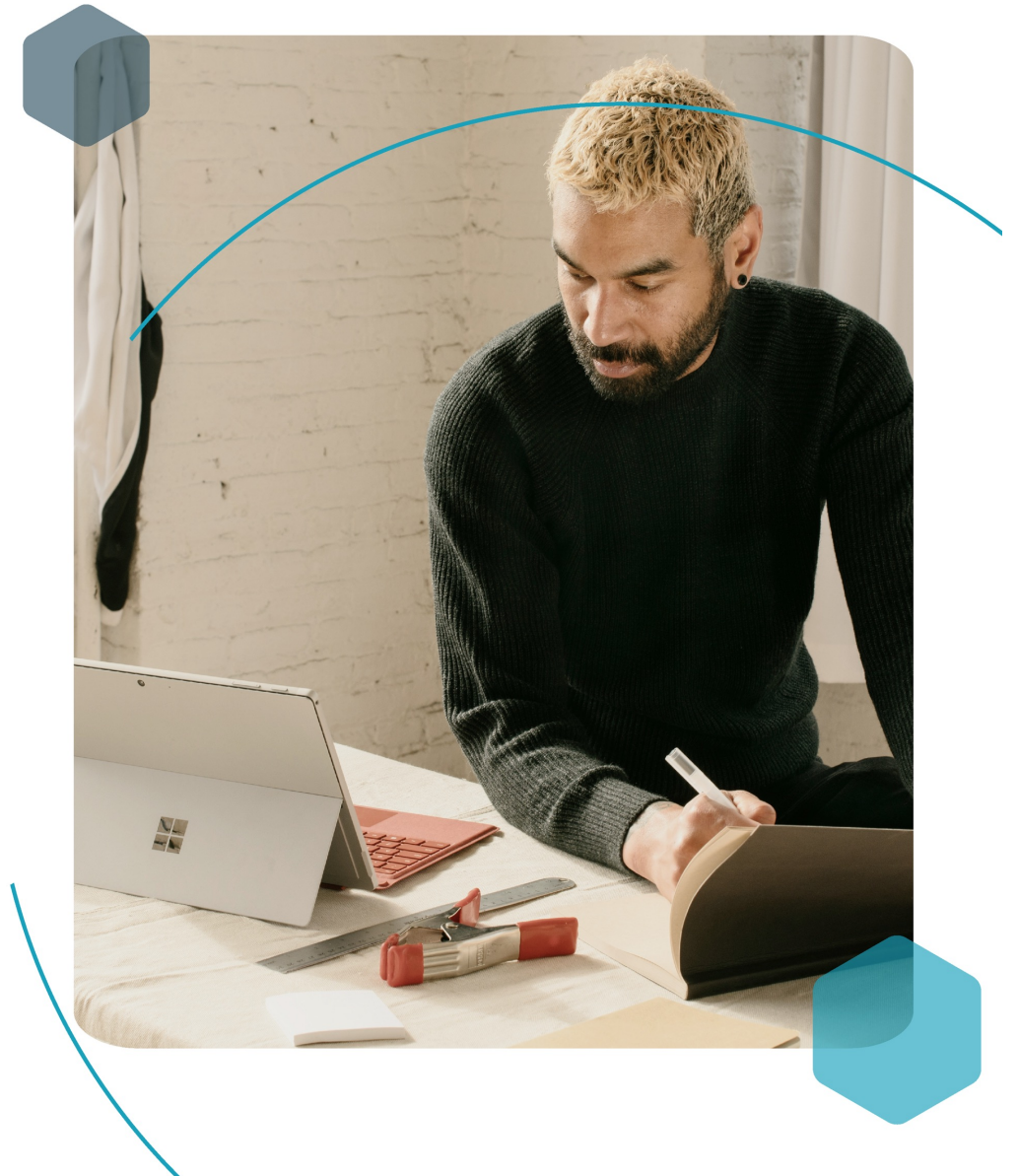
### > Targeted Efforts Can Accelerate Adoption

Higher uptake among Women-Owned SMEs suggests strong alignment with values-driven leadership, highlighting an opportunity where adoption can be accelerated.

### > With the right support, Canada is well positioned to accelerate progress toward a Purpose Economy.



# Appendices

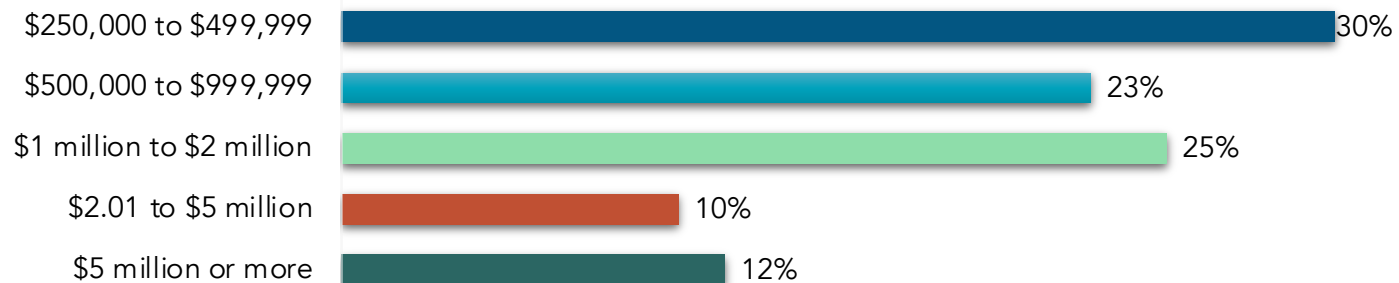


# Canada SMEs 2026: Business Financial Health and Resilience Study

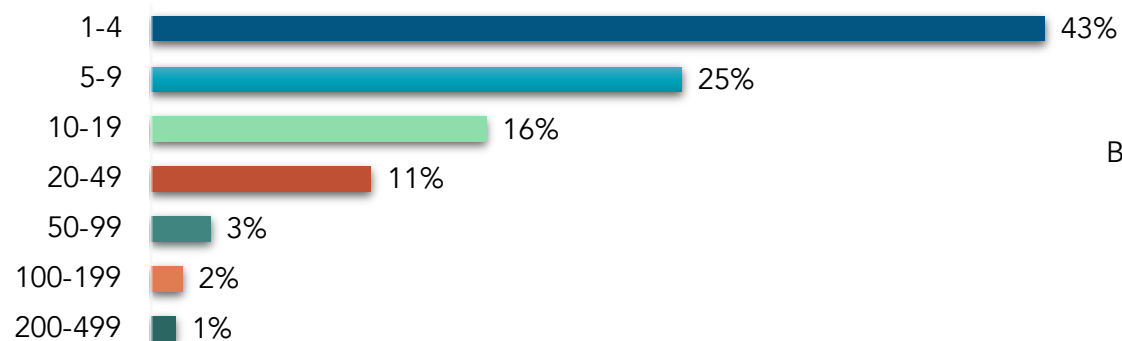
## Survey Respondent Firmographics

With survey data weighted to reflect the Canada SME market based on number of Full Time Employees and SMEs by province [1,2]

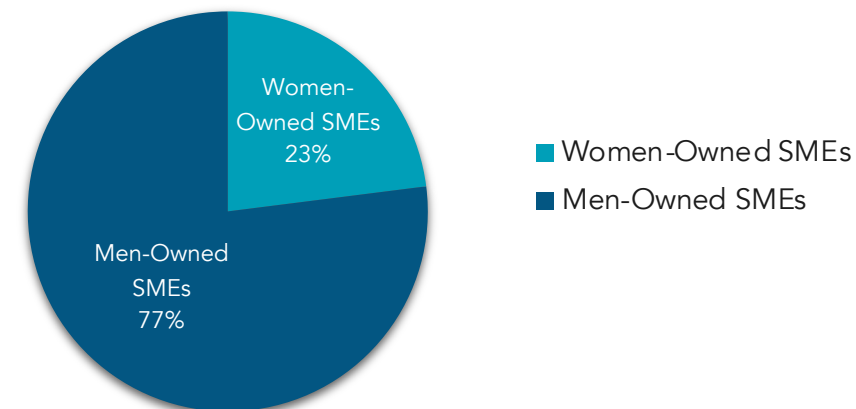
Annual Revenues in 2024 or at Fiscal Year End [3]



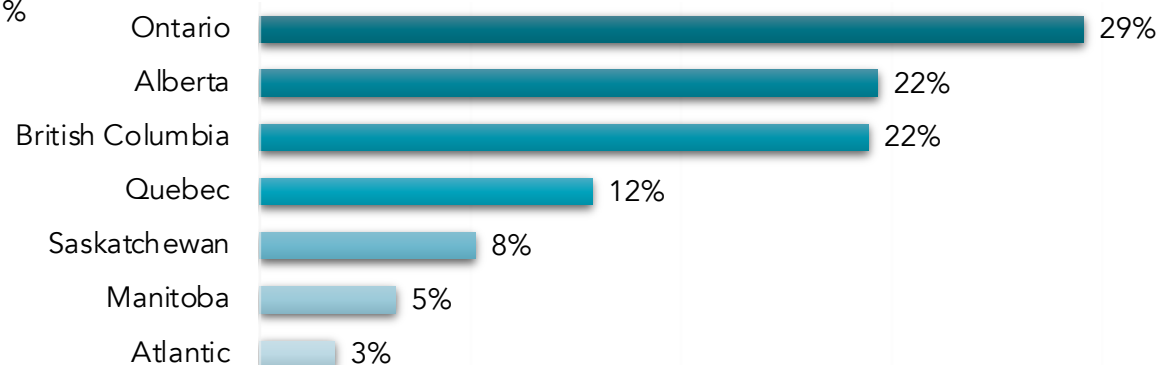
Number of Employees [2]



Women-Owned and Men-Owned SMEs [1]



SMEs by Province [2]



Source: Financial Resilience Institute, December 2025 Small Business Financial Health and Resilience Study (December 2025).

[1] 68% of survey respondents are primary SME financial decision makers, and 32% are joint financial decision makers (with financial decisions made jointly with business partners)

[2] The Canada SME Survey data is weighted by # of FTE and by province to reflect the SME Canada Market based on data from Statistics Canada data September 2024 (Key Small Business Statistics 2024. <https://ised-isde.canada.ca/site/sme-research-statistics/en/key-small-business-statistics/key-small-business-statistics-2024>)

[3] Annual revenues are as of 2024 or at the businesses' last fiscal year end

[4] Women-Owned or Women-Led SMEs are defined as businesses where a woman owns a majority stake in the business of greater than 51%.

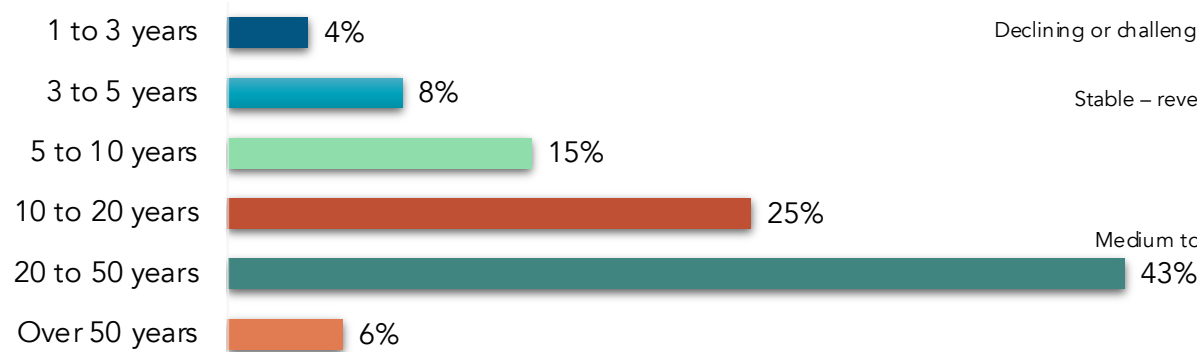
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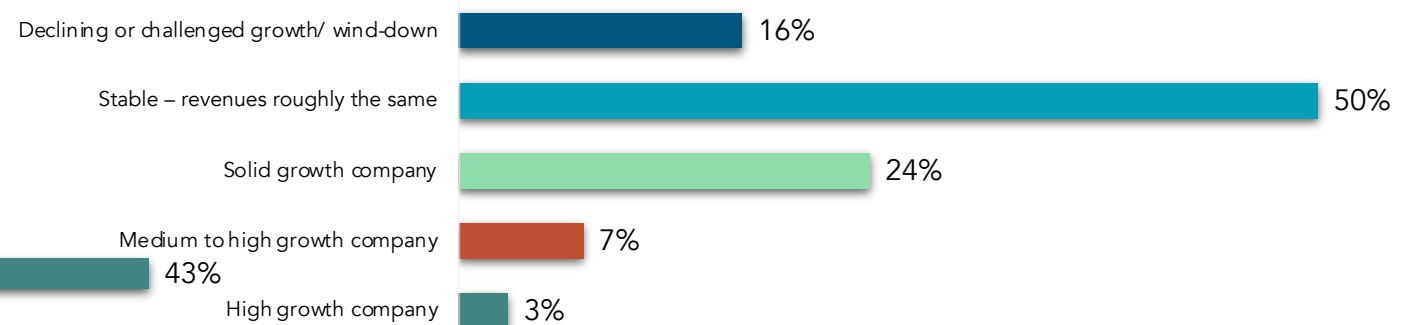
# Canada SMEs 2026: Business Financial Health and Resilience Study

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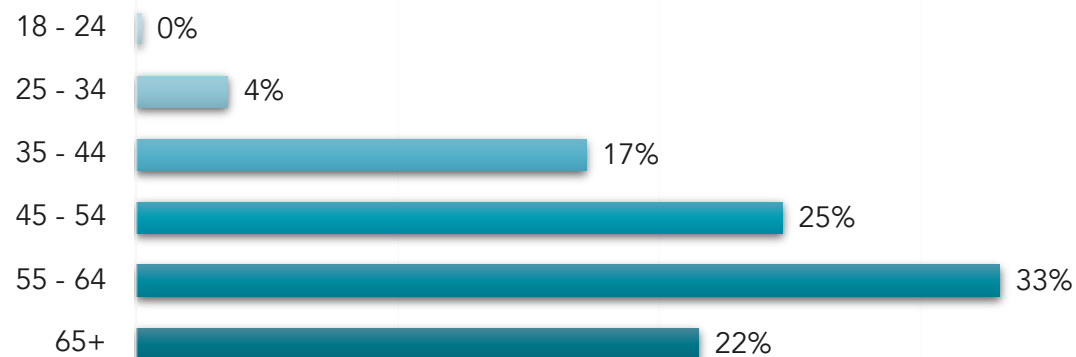
### Years in Business



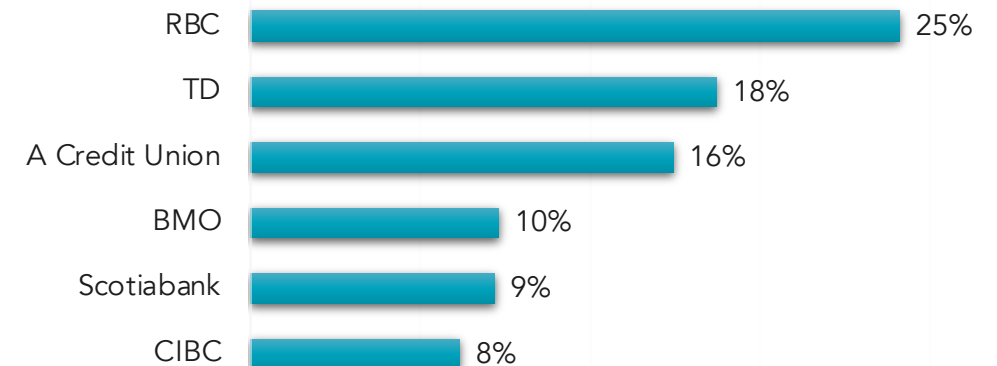
### Annual Revenue Growth in 2024 or at Fiscal Year End <sup>[1]</sup>



### Age of Business Owners



### Proportion of SME survey respondents that report the following to be their primary SME FI



Source: Financial Resilience Institute, December 2025 Small Business Financial Health and Resilience Study (December 2025).

[1] Declining or challenged growth/ wind-down (annual sales decreasing 10% or more year over year), Stable – revenues roughly the same (with growth not necessarily being a goal), Solid growth company (10-24% annual sales growth year over year), Medium to high growth company (with annual sales growth 25-49% year over year), High growth company (with annual sales growing 50% or more year over year)

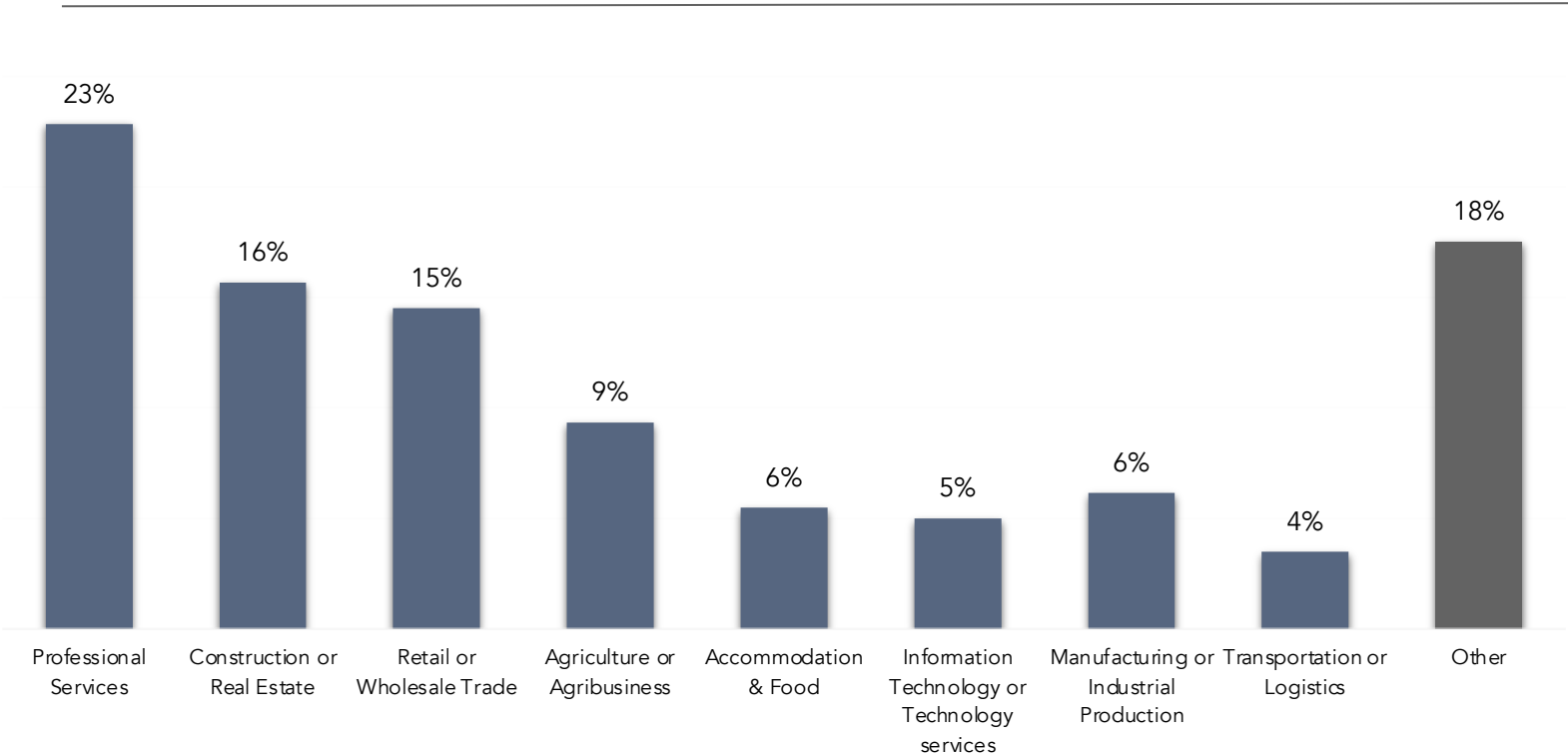
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# SME Survey Respondents by Sector

Approximately 50% of SME survey respondents report operating in Professional Services, Construction or Real Estate and Retail or Wholesale Trade.

Proportion of SMEs Survey Respondents by Sector (December 2025)



Source: Financial Resilience Institute, December 2025 Small Business Financial Health and Resilience Study(December 2025).

[1] Statistics Canada 2020 data reported the following sectors:16.3% Constructions, 14.6% Industries, professional, scientific and technical services, 11.0% retail trade, 7.8% accommodation and food. Statistics Canada. [Table 33-10-0466-01 Weighted enterprise counts](https://doi.org/10.25318/3310046601-eng) DOI: <https://doi.org/10.25318/3310046601-eng>

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For questions or feedback on this report or to explore collaboration opportunities, get in touch.

## For more information

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