

## **Small Business Profile**

Advocacy: the voice of small business in government

## Illinois

Illinois's 258,555 small employers and 885,589 nonemployers make significant contributions to the state's economy, and they bring innovative products and services to the marketplace.\* They are an important source of employment and opportunity throughout the state. This profile by the Office of Advocacy uses the latest statistics to describe the small business contribution in the greatest possible detail. (Note: A small business is defined as one with fewer than 500 employees.)

- Illinois's real gross state product increased by 0.3% and private-sector employment decreased by 0.7% in 2008. By comparison, real GDP growth in the United States was 0.7% and private-sector employment declined by 0.7%.
- The manufacturing industry was the state's largest small business employer in 2006; health care and social assistance was the largest overall employer (Table 1).
- Small businesses are a major force in the state's net job change, as shown in Table 2.
- The number of small employers in Illinois was 258,555 in 2006, accounting for 98.4% of the state's employers and 49.2% of its private-sector employment. (Source: U.S. Dept. of Commerce: Bureau of the Census.)

## For Further Information

- Data on all states and territories is available at **www.sba.gov/advo/research/profiles**.
- For other small business data and analysis, visit **www.sba.gov/advo/research**, call (202) 205-6533, or email **advocacy@sba.gov**.
- Visit <a href="http://web.sba.gov/list">http://web.sba.gov/list</a> to subscribe to listservs for Advocacy's newsletter, press releases, regulatory news, and research reports.
- For RSS feeds, visit www.sba.gov/advo/rsslibrary.html
- \* Small employer data from 2006; nonemployer from 2007.

Illinois Small Business Facts								
	2007†	2006	2000					
Number of Businesses	·							
Small employers (<500 employees)	n.a.	258,555	249,606					
Large employers (500+ employees)	n.a.	4,315	4,465					
Nonemployers	885,589	850,334	668,171					
	2002†	% Share in 2002	% Change 1997–2002					
<b>Business Owner Demographics</b>								
Male-owned	540,349	56.4	14.0					
Woman-owned	284,954	29.7	18.9					
Equally male/female-owned	104,266	10.9	-30.1					
African American-owned	68,699	7.2	66.6					
Asian-owned	44,477	4.6	22.6					
Hispanic-owned	39,539	4.1	27.5					
Native American/Alaskan-owned	3,379	0.4	n.a.					
Hawaiian and Pacific Islander-owned	656	0.1	16.1					
	20004	% Change from						
	2008†	2007	2000					
Workforce (Thousands) /Unemploys	ment (%)							
Private-sector employment	5,021	-0.7	-2.3					
Government employment	820	0.9	2.3					
Self-employed (incorp. & uninc.)	585	-0.8	9.0					
Female self-employment	182	-10.3	5.0					
Male self-employment	403	4.2	10.9					
Male self-employment Minority self-employment	403 72	4.2 4.2	10.9 64.3					
Minority self-employment								
	72	4.2	64.3					
Minority self-employment Veteran self-employment Unemployment rate (%)	72 50	4.2 11.7	64.3 -25.1					
Minority self-employment Veteran self-employment Unemployment rate (%) Business Turnover	72 50 6.5	4.2 11.7 1.4	64.3 -25.1 2.0					
Minority self-employment Veteran self-employment Unemployment rate (%) <b>Business Turnover</b> Quarterly establishment openings	72 50 6.5 59,627	4.2 11.7 1.4	64.3 -25.1 2.0					
Minority self-employment Veteran self-employment Unemployment rate (%) <b>Business Turnover</b> Quarterly establishment openings Quarterly establishment closings	72 50 6.5 59,627 62,530	4.2 11.7 1.4 4.1 7.8	64.3 -25.1 2.0					
Minority self-employment Veteran self-employment Unemployment rate (%) <b>Business Turnover</b> Quarterly establishment openings	72 50 6.5 59,627 62,530 1,557	4.2 11.7 1.4 4.1 7.8 49.7	64.3 -25.1 2.0 7.8 19.2 22.6					
Minority self-employment Veteran self-employment Unemployment rate (%)  Business Turnover Quarterly establishment openings Quarterly establishment closings Business bankruptcies	72 50 6.5 59,627 62,530	4.2 11.7 1.4 4.1 7.8	64.3 -25.1 2.0 7.8 19.2					
Minority self-employment Veteran self-employment Unemployment rate (%)  Business Turnover Quarterly establishment openings Quarterly establishment closings Business bankruptcies  Income and Finance	72 50 6.5 59,627 62,530 1,557 <b>2008</b> †	4.2 11.7 1.4 4.1 7.8 49.7 2007	64.3 -25.1 2.0 7.8 19.2 22.6 <b>2000</b>					
Minority self-employment Veteran self-employment Unemployment rate (%)  Business Turnover Quarterly establishment openings Quarterly establishment closings Business bankruptcies  Income and Finance Proprietors' income (\$billion)	72 50 6.5 59,627 62,530 1,557 <b>2008</b> †	4.2 11.7 1.4 4.1 7.8 49.7 <b>2007</b>	64.3 -25.1 2.0 7.8 19.2 22.6 <b>2000</b>					
Minority self-employment Veteran self-employment Unemployment rate (%)  Business Turnover Quarterly establishment openings Quarterly establishment closings Business bankruptcies  Income and Finance Proprietors' income (\$billion) Number of bank branches	72 50 6.5 59,627 62,530 1,557 <b>2008</b> † 48.8 5,046	4.2 11.7 1.4 4.1 7.8 49.7 <b>2007</b> 46.3 4,952	64.3 -25.1 2.0 7.8 19.2 22.6 <b>2000</b> 31.6 3,978					
Minority self-employment Veteran self-employment Unemployment rate (%)  Business Turnover Quarterly establishment openings Quarterly establishment closings Business bankruptcies  Income and Finance Proprietors' income (\$billion)	72 50 6.5 59,627 62,530 1,557 <b>2008</b> †	4.2 11.7 1.4 4.1 7.8 49.7 <b>2007</b>	64.3 -25.1 2.0 7.8 19.2 22.6 <b>2000</b>					

Source: U.S. Dept. of Commerce, Bureau of the Census and Bureau of Economic Analysis; U.S. Dept. of Labor, Bureau of Labor Statistics; Administrative Office of the U.S. Courts; Federal Deposit Insurance Corporation; and U.S. Small Business Administration, Office of Advocacy (www.sba.gov/advo/research/sbl\_08study.pdf, Table 4b.) n.a. not available.

† Latest available data; certain figures are economywide. ‡Data are for CRA loans.

Table 1. Firms and Employment in Illinois by Industry and Firm Size, 2006 and 2007 (Nonfarm, Thousands)

	_	Employer Firms (2006)			Employment (2006)			
	Nonemployer		1-19	1-499		1-19	1-499	
Industry	Firms (2007)	Total	Employees	Employees	Total	Employees	Employees	
Total	885.6	262.9	227.6	258.6	5,357.5	899.6	2,638.2	
Forestry, etc. and agriculture support	4.8	0.3	0.3	0.3	1.6	(D)	1.2	
Mining	2.3	0.5	0.4	0.5	10.2	1.7	4.6	
Utilities	0.5	0.2	0.1	0.2	26.0	0.5	2.6	
Construction	104.9	32.4	29.9	32.3	261.9	104.7	230.5	
Manufacturing	10.3	14.6	9.7	13.8	666.7	56.6	331.0	
Wholesale trade	14.8	17.1	13.3	16.2	315.5	56.8	180.5	
Retail trade	73.4	27.8	24.1	27.3	652.3	105.5	258.6	
Transportation and warehousing	57.0	9.8	8.3	9.4	224.9	25.9	77.4	
Information	11.8	3.3	2.5	3.0	129.1	9.5	35.1	
Finance and insurance	35.4	14.1	12.2	13.7	352.6	40.9	120.2	
Real estate and rental and leasing	90.7	11.3	10.5	11.2	87.5	28.8	58.7	
Professional, scientific, and technical svcs.	0.0	37.1	34.0	36.6	376.7	100.9	220.2	
Management of companies and enterprises		1.4	0.2	0.8	159.0	0.6	15.7	
Admin., support, waste mgt., remed. svcs.	70.5	14.1	11.8	13.6	460.8	40.1	169.5	
Educational services	23.1	3.1	2.2	3.0	139.7	10.1	54.3	
Health care and social assistance	87.3	24.4	20.9	24.1	703.0	99.6	329.4	
Arts, entertainment, and recreation	43.6	4.4	3.6	4.3	71.9	14.0	51.3	
Accommodation and food services	10.9	20.3	16.0	20.0	457.4	87.2	282.7	
Other services (except public admin.)	123.6	29.6	27.1	29.4	260.1	114.9	214.1	
Unclassified		0.6	0.6	0.6	0.7	(D)	0.7	

Source: U.S. Dept. of Commerce, Bureau of the Census, Statistics of U.S. Businesses. (See <a href="https://www.sba.gov/advo/research/data.html">www.sba.gov/advo/research/data.html</a> for data from other years, and for starts, closures, job creation and destruction by industry and by size category.)

Table 2: Net Job Change by Firm Size, 2003–2006 (Nonfarm)

	Total Net _	Employment Size of Firm						
	New Jobs	1-4	5-9	10-19	20-99	100-499	< 500	500+
2003 - 2004	8,295	41,799	11,726	9,060	-2,113	-6,986	53,486	-45,191
2004 - 2005	23,695	28,103	-1,390	-10,228	-20,918	-513	-4,946	28,641
2005 - 2006	123,753	36,405	9,081	9,178	18,531	20,102	93,297	30,456

Source: U.S. Dept. of Commerce, Bureau of the Census. (For more detailed data see www.sba.gov/advo/research/data.html.)

Table 3: Establishment and Employment Turnover by Quarter, 2008 (Nonfarm, Thousands)

		Establishments				Employment Change Due To:				
	Openings Ex	Openings Expansions Contractions				Openings	penings Expansions Contractio		s Closings	
Quarter 1	14.2	56.6	59.8	16.2		41.9	215.4	230.0	47.4	
Quarter 2	15.0	55.6	59.4	14.5		51.3	228.5	232.1	42.4	
Quarter 3	15.1	53.5	61.0	15.1		46.7	204.9	247.1	46.4	
Quarter 4	15.3	50.4	63.7	16.8		46.7	198.0	275.8	54.3	

Source: U.S. Dept. of Labor, Bureau of Labor Statistics, Business Employment Dynamics. (For more detailed data see <a href="https://www.bls.gov/bdm/home.htm">www.bls.gov/bdm/home.htm</a>.)

Note: These figures contain all firm sizes; Census data from 2006 show that 86 percent of establishment births and deaths were in firms with fewer than 500 employees.

<sup>(</sup>D) Data suppressed to protect the confidentiality of individual firms.