

North Dakota

Small businesses significantly impact North Dakota's economy. They represent 96.0 percent of all employers and employ 61.9 percent of the private-sector labor force. Small businesses are crucial to the fiscal condition of the state and numbered 65,218 in 2010.

This profile uses the latest available data to illustrate the status of North Dakota's small businesses. (Note that a small business is defined as one with fewer than 500 employees.)

- North Dakota's economy was strong in 2011, with real gross state product increasing 13.1 percent and private-sector employment increasing 6.3 percent (Bureau of Economic Analysis, Bureau of Labor Statistics).
- Small businesses employed 182,453 workers in 2010 (Table 1) with most of the employment coming from firms with 20-499 employees.
- The employment situation from 2007-2010 was up, and small businesses in North Dakota represented 81.1 percent of the net new private-sector jobs (Table 2). The unemployment rate in 2010-2011 decreased by 0.3 percent.
- Most of North Dakota's small businesses are very small as 72.4 percent of all businesses have no employees, and most employers have fewer than 20 employees.
- In 2011, the number of opening establishments was higher than closing establishments, and the net employment change from this turnover was positive (Table 3).
- Self-employment in North Dakota improved over the last decade. Minority self-employment fared the best compared with other demographic groups.

For Further Information

- Data on all states and territories are available at www.sba.gov/advocacy/848.
- For other small business data and analysis, visit www.sba.gov/advocacy/847, call (202) 205-6533, or email advocacy@sba.gov.
- Visit www.sba.gov/updates to subscribe to Advocacy's Listservs.

North Dakota Small Business Facts

	2010*	2009	2000
Number of Businesses			
Small employers (<500 employees)	17,448	17,137	16,593
Large employers (500+ employees)	721	708	570
Nonemployers	47,770	46,928	39,624
Level in 2007* (000)			
	Firms		Employment Receipts(\$M)
Business Owner Demographics			
Male-owned	28	105	19,556
Woman-owned	15	16	1,656
Equally male/female-owned	15	19	2,670
African American-owned	0	n.a.	n.a.
Asian-owned	0	1	145
Hispanic-owned	0	1	17
Native American/Alaskan-owned	1	1	185
Hawaiian/Pacific Islander-owned	-	-	-
Veteran-owned	10	23	4,232
Publicly held, unclassified	3	142	39,960
	Level in	% Change from	
	2011*	2010	2000
Workforce (Thousands)			
Private-sector employment	315	6.3	23.5
Government employment	79	-0.6	9.1
Self-employed (incorp. & uninc.)	49	6.5	18.5
Female self-employment	16	14.0	24.8
Male self-employment	33	3.2	15.6
Minority self-employment	2	78.2	317.7
Veteran self-employment	4	-18.2	-33.2
Unemployment Rate (Percent)	3.5	-0.3†	0.6‡
Business Turnover			
Quarterly establishment openings	5,289	23.4	62.7
Quarterly establishment closings	4,027	7.5	16.6
Business bankruptcies	47	-32.9	-48.9
	2011*	2010	2000
Income and Finance			
Proprietors' income (\$billion)	4.2	4.5	2.3
Number of bank branches	439	444	410
No. of bus. loans under \$100,000‡	10,329	9,911	4,225
Total value of business loans under \$100,000 (\$million)‡	194	183	131

Source: U.S. Dept. of Commerce, Census Bureau, Bureau of Economic Analysis; U.S. Dept. of Labor, Bureau of Labor Statistics; Admin. Office of the U.S. Courts; Federal Deposit Insurance Corporation; and U.S. Small Business Admin., Office of Advocacy.

* Latest available data. †Percentage point change. ‡Data are for CRA loans.

**Table 1: Firms and Employment in North Dakota by Industry and Firm Size, 2010
(Nonfarm, Thousands)**

Industry	Nonemployer Firms	Employer Firms			Employment		
		All Firms Total	1-19 Employees	1-499 Employees	All Firms Total	1-19 Employees	1-499 Employees
Total	47.8	18.2	15.2	17.4	294.9	64.8	182.5
Forestry, etc. and agriculture support	1.3	0.1	0.1	0.1	0.4	0.3	0.4
Mining	0.6	0.3	0.2	0.2	8.4	0.7	3.2
Utilities	0.0	0.0	0.0	0.0	D	0.1	1.1
Construction	5.2	2.5	2.3	2.5	18.7	8.7	16.4
Manufacturing	0.6	0.7	0.5	0.6	22.0	2.7	12.1
Wholesale trade	0.7	1.1	0.7	0.9	19.1	3.8	12.4
Retail trade	5.3	2.4	1.9	2.2	44.9	10.4	24.4
Transportation and warehousing	2.4	1.0	0.9	1.0	12.2	2.9	7.9
Information	0.4	0.2	0.1	0.2	7.3	0.9	3.5
Finance and insurance	2.2	1.1	0.9	1.0	17.1	2.8	8.2
Real estate and rental and leasing	5.6	0.7	0.6	0.7	3.7	1.7	3.2
Professional, scientific, and technical svcs.	4.7	1.5	1.3	1.4	11.2	4.6	8.2
Management of companies and enterprises	0.0	0.1	0.0	0.1	4.5	0.1	0.6
Admin., support, waste mgt., remed. svcs.	2.9	0.8	0.7	0.8	11.5	2.6	6.8
Educational services	1.1	0.1	0.1	0.1	4.7	0.5	3.7
Health care and social assistance	5.4	1.5	1.2	1.4	54.9	6.0	26.2
Arts, entertainment, and recreation	2.0	0.4	0.3	0.4	5.2	1.3	4.7
Accommodation and food services	0.6	1.6	1.1	1.6	32.0	6.5	27.1
Other services (except public admin.)	6.7	2.3	2.2	2.3	13.5	8.4	12.5
Unclassified	0.0	0.0	0.0	0.0	D	D	D

Source: U.S. Dept. of Commerce, Bureau of the Census, Statistics of U.S. Businesses. (See www.sba.gov/advocacy/849/12162 for data from other years, and for starts, closures, job creation and destruction by industry and by size category.)

(D) Data suppressed to protect the confidentiality of individual firms.

Table 2: Net Job Change by Firm Size, 2007–2010 (Nonfarm)

	Total Net New Jobs	Employment Size of Firm						
		1-4	5-9	10-19	20-99	100-499	<500	500+
2010	6,752	3,903	985	2,111	1,112	651	8,762	-2,010
2009	2,423	3,473	46	-588	-944	-1,397	590	1,833
2008	6,400	2,809	76	1,331	580	2,049	6,845	-445
2007	9,319	2,777	621	109	-76	550	3,981	5,338

Note: Data source differs from previous publications.

Source: U.S. Dept. of Commerce, Bureau of the Census, Business Dynamic Statistics. (For more detailed data see www.sba.gov/advocacy/849/12162.)

Table 3: Establishment and Employment Turnover by Quarter, 2011 (Nonfarm, Thousands)

	Establishments				Employment			
	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Quarter 1	Quarter 2	Quarter 3	Quarter 4
Openings	1.1	1.2	1.6	1.5	3.6	3.6	6.3	6.5
Expansions	5.3	5.2	5.9	5.8	20.7	18.4	24.7	25.7
Contractions	4.8	5.1	4.7	5.1	15.9	18.1	15.5	16.7
Closings	1.0	1.0	1.0	1.0	2.8	2.6	2.9	3.2

Source: U.S. Dept. of Labor, Bureau of Labor Statistics, Business Employment Dynamics. (For more detailed data see www.bls.gov/bdm/.)

Note: These figures contain all firm sizes; Census data from 2010 show that 87 percent of establishment births and deaths were in firms with fewer than 500 employees.