

2019 Small Business Profile

Nebraska



176,358 Small Businesses
99.1% of Nebraska Businesses

412,291 Small Business Employees
46.6% of Nebraska Employees



EMPLOYMENT
8,828
net new jobs



DIVERSITY
21,562
minority-owned
business employees



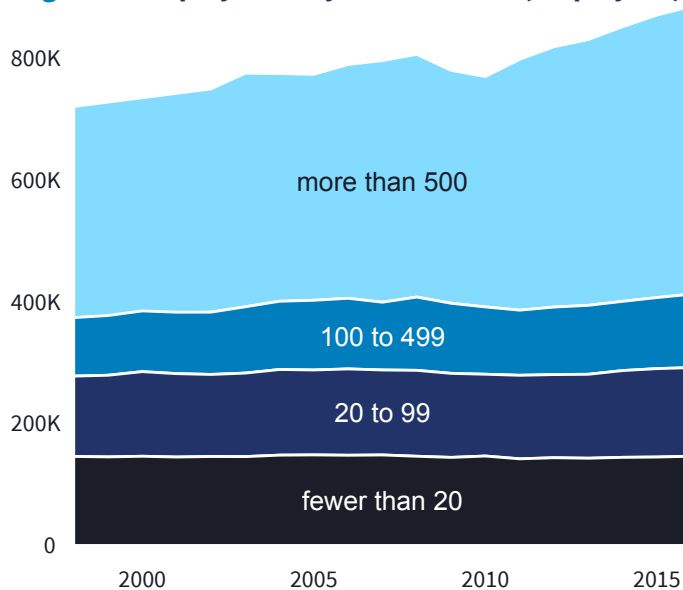
TRADE
1,467
small business
exporters

Overall Nebraska Economy

- In the third quarter of 2018, Nebraska grew at an annual rate of **3.6%**, which was faster than the overall US growth rate of **3.4%**. Nebraska's 2017 growth rate of **0.9%** was up from the 2016 rate of less than **0.1%**. (Source: [BEA](#))
- In February 2019, the unemployment rate was **2.8%**, down from **2.9%** in February 2018. This was below the February 2019 national unemployment rate of **3.8%**. (Source: [CPS](#))

Employment

Figure 1: Employment by Business Size (Employees)



- Nebraska small businesses employed **412,291** people, or **46.6%** of the private workforce, in 2016. (Source: [SUSB](#))
- Firms with fewer than 100 employees have the largest share of small business employment. Figure 1 provides further details on firms with employees. (Source: [SUSB](#))
- Private-sector employment increased **1.1%** during the 12-month period ending in February 2019. This was above the increase of **0.9%** during the prior 12-month period. (Source: [CPS](#))
- The number of proprietors increased in 2017 by **1.2%** relative to the previous year. (Source: [BEA](#))
- Small businesses created **8,828** net jobs in 2016. Firms employing fewer than 20 employees experienced the largest gains, adding **6,220** net jobs. The smallest gains were in firms employing 100 to 499 employees, which added **1,126** net jobs. (Source: [SUSB](#))

The Small Business Profiles are produced by the US Small Business Administration's Office of Advocacy (<http://advocacy.sba.gov>). Each report incorporates the most up-to-date government data to present a unique snapshot of small businesses. Small businesses are defined for this profile as firms employing fewer than 500 employees. Net small business job change, employees of minority-owned businesses, and exporter share statistics are based on the 2016 Statistics of US Businesses (SUSB), 2016 Annual Survey of Entrepreneurs (ASE), and 2016 International Trade Administration (ITA) data, respectively.

Income and Finance

- The number of banks decreased by 8 between June 2016 and June 2017 to 179 banks. (Source: FDIC)
- In 2017, 27,239 loans under \$100,000 (valued at \$464.9 million) were issued by Nebraska lending institutions reporting under the Community Reinvestment Act. (Source: FFIEC)
- The median income for individuals self-employed at their own incorporated businesses was \$51,624 in 2017. For individuals self-employed at their own unincorporated firms, this figure was \$27,445. (Source: ACS)

Median income represents earnings from all sources. Unincorporated self-employment income includes unpaid family workers, a very small percent of the unincorporated self-employed.

Employer Business Owner Demographics

Figure 2: Nebraska Employees per Business by Owner's Demographic, 2016

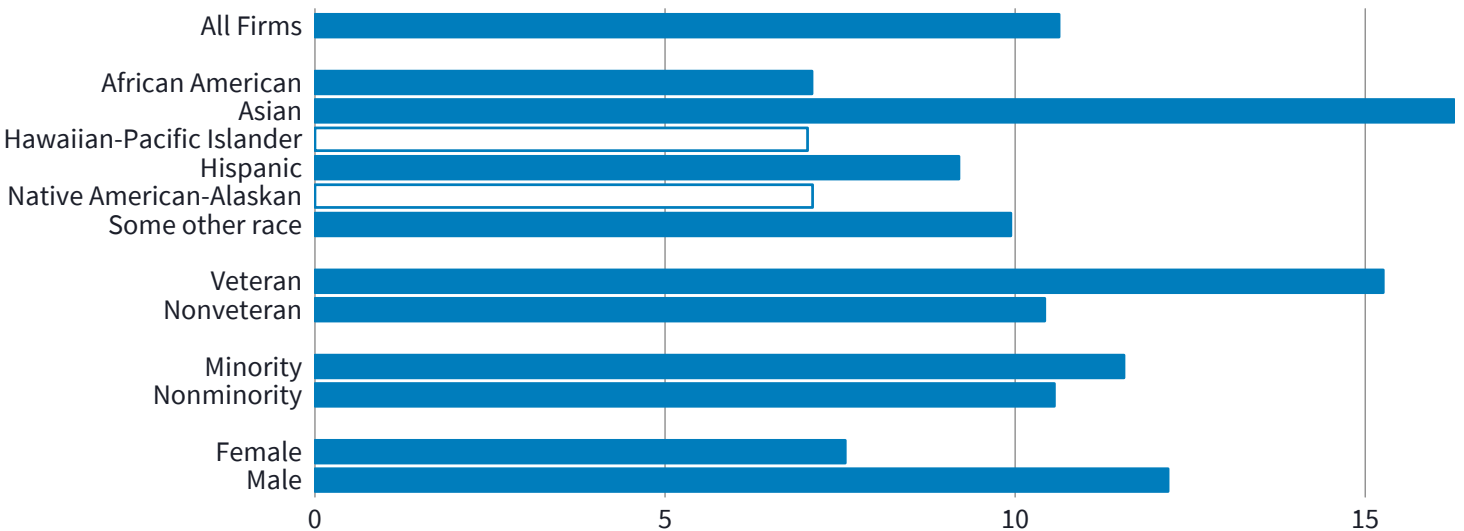
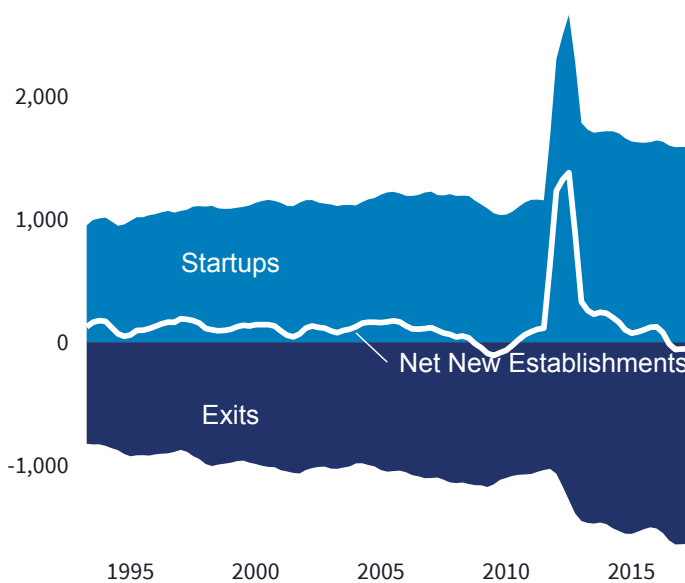


Figure 2 shows the average number of employees per employer business by owner's demographic group according to the 2016 Annual Survey of Entrepreneurs (ASE). Unshaded bars display US values; data were withheld because they do not meet Census Bureau publication standards or could disclose information regarding individual businesses.

Turnover among Establishments with Employees

Figure 3: Nebraska Quarterly Startups and Exits



- In the third quarter of 2017, 1,553 establishments started up, generating 4,841 new jobs in Nebraska. Startups are counted when business establishments hire at least one employee for the first time. (Source: BDM)
- In the same period, 1,716 establishments exited resulting in 4,628 jobs lost. Exits occur when establishments go from having at least one employee to having none, and then remain closed for at least one year. (Source: BDM)
- Figure 3 displays quarterly startups and exits from 1993 to 2017. Each series is smoothed across multiple quarters to highlight long-run trends. (Source: BDM)

The BLS data covers only business establishments with employees. BLS refers to startups as births and exits as deaths. These terms are distinct from the BLS openings and closings categories. Openings include seasonal re-openings and closings include seasonal shutterings. Quarterly startup and exit values may not align with Figure 3 due to smoothing.

International Trade

- A total of 1,822 companies exported goods from Nebraska in 2016. Of these, 1,467, or 80.5%, were small firms; they generated 22.8% of Nebraska's \$6.2 billion in total exports. (Source: ITA)

Small Business Employment by Industry and Self-Employment by County

Table 1: Nebraska Employment by Industry, 2016

Industry	Small Business Employment	Total Private Employment	Small Business Employment Share
Health Care and Social Assistance	67,492	129,977	51.9
Accommodation and Food Services	53,107	77,384	68.6
Retail Trade	44,714	112,718	39.7
Construction	40,739	45,909	88.7
Other Services (except Public Administration)	33,603	36,181	92.9
Manufacturing	29,138	91,984	31.7
Professional, Scientific, and Technical Services	26,671	40,375	66.1
Wholesale Trade	24,712	42,001	58.8
Administrative, Support, and Waste Management	20,725	125,407	16.5
Finance and Insurance	18,304	63,100	29.0
Transportation and Warehousing	14,909	30,505	48.9
Arts, Entertainment, and Recreation	9,878	14,252	69.3
Educational Services	8,689	18,990	45.8
Real Estate and Rental and Leasing	8,161	11,284	72.3
Information	6,582	19,203	34.3
Management of Companies and Enterprises	3,051	21,719	14.0
Mining, Quarrying, and Oil and Gas Extraction	813	1,188	68.4
Agriculture, Forestry, and Fishing and Hunting	721	1,236	58.3
Utilities	182	937	19.4
Industries not classified	100	100	100.0
Total	412,291	884,450	46.6

Figure 4: Nebraska Self-Employment Rates by County, 2017

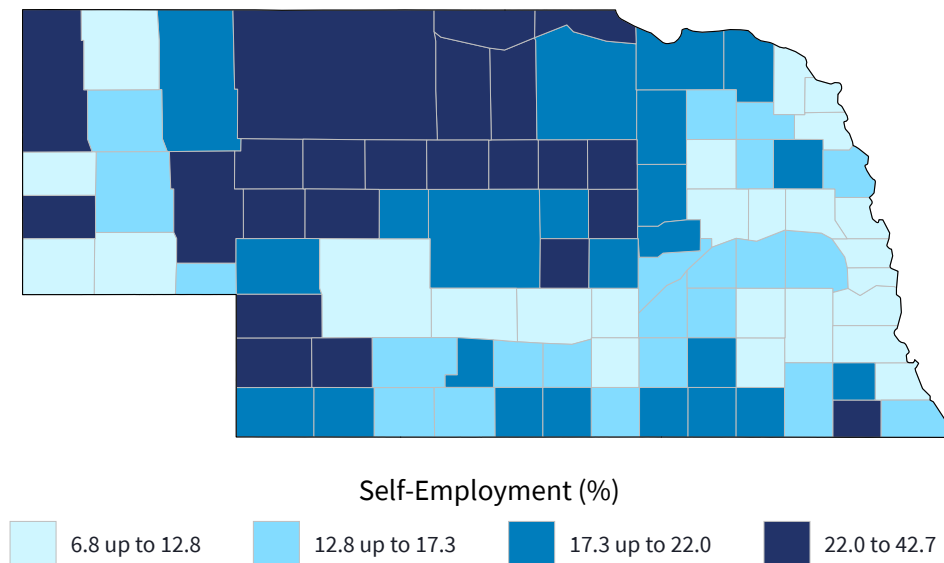







Table 2: Nebraska Small Businesses by Industry and Firm Size, 2016

 Industry	 1-499 Employees	 1-19 Employees	 Nonemployer Firms	 Total Small Firms
Other Services (except Public Administration)	5,353	4,995	20,639	25,992
Construction	6,251	5,802	15,558	21,809
Retail Trade	4,512	3,947	14,454	18,966
Professional, Scientific, and Technical Services	4,187	3,860	13,878	18,065
Real Estate and Rental and Leasing	1,860	1,756	15,734	17,594
Health Care and Social Assistance	4,301	3,548	11,809	16,110
Administrative, Support, and Waste Management	2,280	2,053	9,319	11,599
Transportation and Warehousing	2,061	1,895	7,978	10,039
Finance and Insurance	2,361	2,146	5,390	7,751
Arts, Entertainment, and Recreation	838	714	6,561	7,399
Accommodation and Food Services	3,323	2,531	1,680	5,003
Educational Services	492	371	3,522	4,014
Wholesale Trade	1,962	1,468	1,755	3,717
Agriculture, Forestry, and Fishing and Hunting	180	168	3,150	3,330
Manufacturing	1,426	1,051	1,540	2,966
Information	449	342	1,338	1,787
Mining, Quarrying, and Oil and Gas Extraction	98	86	148	246
Utilities	19	12	71	90
Total	41,834	36,823	134,524	176,358

Tables 1 and 2 display data from the 2016 SUSB. Table 2 includes additional data from the 2016 Nonemployer Statistics (NES). Figure 4 provides estimates of the rate of self-employment among employed civilians, 16 years and over, including both incorporated and unincorporated businesses, from the 2017 American Community Survey (ACS).

References

The Small Business Profiles, source data, and methodology are available at <https://go.usa.gov/xmb5R>.

- ACS American Community Survey, US Census Bureau
- ASE Annual Survey of Entrepreneurs, US Census Bureau
- BEA Bureau of Economic Analysis, US Department of Commerce
- BDM Business Employment Dynamics, BLS
- BLS Bureau of Labor Statistics, US Department of Labor
- CPS Current Population Survey, BLS
- FDIC Call Reports, Federal Deposit Insurance Corporation
- FFIEC Federal Financial Institutions Examination Council
- ITA International Trade Administration, US Department of Commerce
- NES Nonemployer Statistics, US Census Bureau
- SUSB Statistics of US Businesses, US Census Bureau