

# 2020 Small Business Profile

## Illinois

**1.2 million** Small Businesses  
**99.6%** of Illinois Businesses

**2.5 million** Small Business Employees  
**45.1%** of Illinois Employees



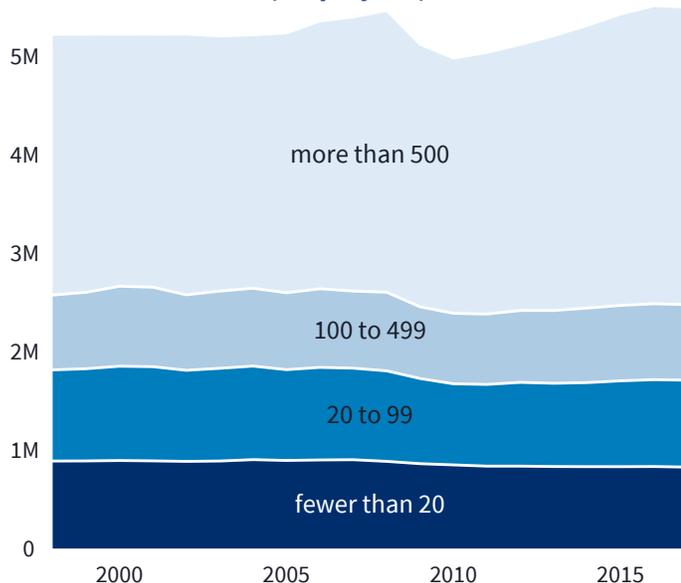
*A note on COVID-19: This report uses the most up-to-date government data to present a unique snapshot of small businesses. The BLS employment estimates capture the early stages of the pandemic. All other sources reflect data collected prior to the pandemic.*

### Overall Economy

- In the fourth quarter of 2019, Illinois grew at an annual rate of **1.9%**, which was slower than the overall US growth rate of **2.1%**. Illinois' 2019 overall growth rate of **1.6%** was down from the 2018 rate of **2.1%**. (Source: [BEA](#))
- In April 2020, the unemployment rate was **16.4%**, up from **4.2%** in April 2019. This was above the April 2020 national unemployment rate of **14.7%**. (Source: [CPS](#))

### Employment

**Figure 1: Illinois Employment by Business Size (Employees)**



- Illinois small businesses employed **2.5 million** people, or **45.1%** of the private workforce, in 2017. (Source: [SUSB](#))
- Firms with 20 to 99 employees have the largest share of small business employment. Figure 1 provides further details on firms with employees. (Source: [SUSB](#))
- Private-sector employment decreased **14.8%** during the 12-month period ending in April 2020. This was below the increase of **0.6%** during the prior 12-month period. (Source: [CES](#))
- The number of proprietors increased in 2018 by **3.5%** relative to the previous year. (Source: [BEA](#))
- Small businesses created **20,410** net jobs in 2019. Firms employing fewer than 20 employees experienced the largest gains, adding **24,301** net jobs. The largest losses were in firms employing 20 to 99 employees, which lost **2,899** net jobs. (Source: [BDM](#))

*The Small Business Profiles are produced by the US Small Business Administration's Office of Advocacy (<http://advocacy.sba.gov>). These profiles define small businesses as firms with fewer than 500 employees. Net small business job change, self-employed minorities, and exporter share statistics are based on 2019 Business Employment Dynamics (BDM), 2018 American Community Survey (ACS), and 2018 International Trade Administration (ITA) data, respectively.*

## Income and Finance

- The median income for self-employed individuals at their own incorporated businesses was **\$52,990** in 2018. For self-employed individuals at their own unincorporated firms, median income was **\$25,735**. (Source: [ACS](#))
- The total number of banks decreased by **22** between June 2018 and June 2019 to **424** banks. During the same period, the number of banks with assets under \$1 billion decreased by **24** to **375** banks. (Source: [FDIC](#))
- In 2018, Illinois lending institutions reporting under the Community Reinvestment Act issued **246,301** loans under \$100,000, a total value of **\$3.4 billion**. (Source: [FFIEC](#))

Median income represents earnings from all sources. Unincorporated self-employment income includes unpaid family workers, a very small percent of the unincorporated self-employed. The decline in the number of banks with assets under \$1 billion may exceed the change in the total number of banks due to mergers and asset balance changes.

## Self-Employment Demographics

**Figure 2: Illinois Self-Employment Rates by Gender & Demographic, 2018**

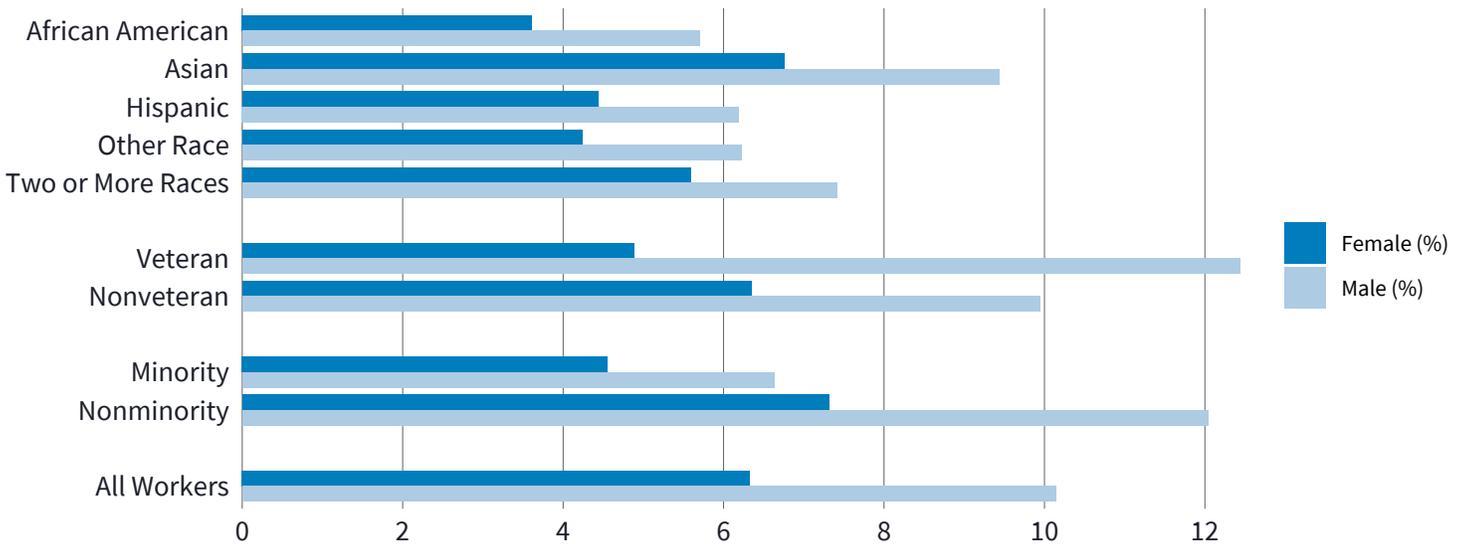
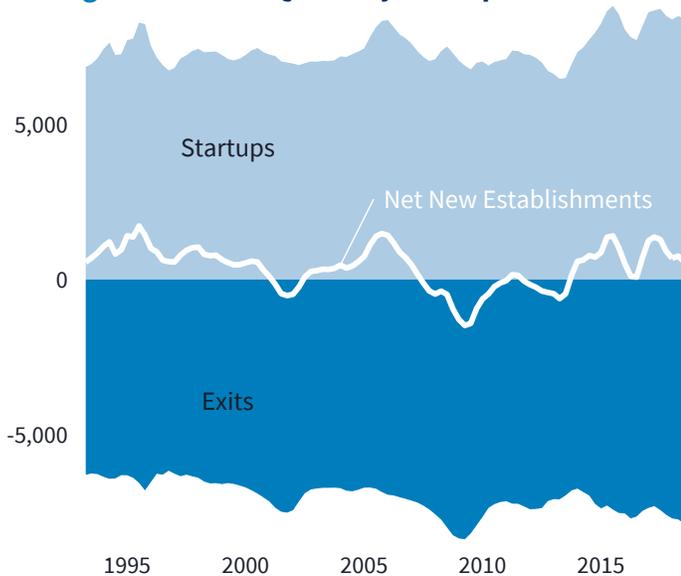


Figure 2 shows the self-employment rate for each demographic group by gender according to the 2018 American Community Survey (ACS). Other Race includes those who selected Alaska Native, American Indian, Native Hawaiian, Pacific Islander, or Some Other Race.

## Turnover among Establishments with Employees

**Figure 3: Illinois Quarterly Startups and Exits**



- In the fourth quarter of 2018, **8,012** establishments started up, generating **25,871** new jobs in Illinois. Startups are counted when business establishments hire at least one employee for the first time. (Source: [BDM](#))
- In the same period, **8,815** establishments exited, resulting in **39,931** 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 2018. Each series is smoothed across multiple quarters to highlight long-run trends. (Source: [BDM](#))

The BDM data covers only business establishments with employees. BDM refers to startups as births and exits as deaths. These terms are distinct from the BDM 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

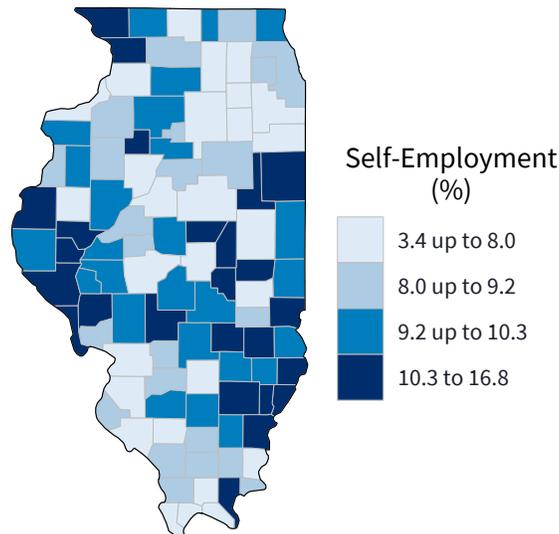
- A total of 23,635 firms exported goods from Illinois in 2018. Of these, 21,160, or 89.5%, were small firms, which generated 23.4% of Illinois' \$60.5 billion in total exports. (Source: ITA)

## Small Business Employment by Industry and Self-Employment by County

**Table 1: Illinois Employment by Industry, 2017**

Industry	Small Business Employment	Total Private Employment	Small Business Employment Share
Health Care and Social Assistance	350,657	807,541	43.4
Accommodation and Food Services	337,446	540,039	62.5
Manufacturing	254,360	534,047	47.6
Professional, Scientific, and Technical Services	217,704	390,595	55.7
Other Services (except Public Administration)	208,607	248,179	84.1
Retail Trade	201,096	611,277	32.9
Construction	172,110	208,103	82.7
Wholesale Trade	167,391	328,247	51.0
Administrative, Support, and Waste Management	144,982	524,433	27.6
Finance and Insurance	101,490	339,305	29.9
Transportation and Warehousing	78,904	255,727	30.9
Educational Services	68,015	168,411	40.4
Arts, Entertainment, and Recreation	54,192	89,093	60.8
Real Estate and Rental and Leasing	52,813	81,267	65.0
Information	40,026	125,797	31.8
Management of Companies and Enterprises	18,982	206,250	9.2
Mining, Quarrying, and Oil and Gas Extraction	4,424	7,631	58.0
Utilities	2,305	29,309	7.9
Agriculture, Forestry, and Fishing and Hunting	1,173	2,097	55.9
Industries Not Classified	281	281	100.0
<b>Total</b>	<b>2,476,958</b>	<b>5,497,629</b>	<b>45.1</b>

**Figure 4: Illinois Self-Employment Rates by County, 2018**



**Table 2: Illinois Small Businesses by Industry and Firm Size, 2017**

Industry	1-19 Employees	1-499 Employees	Nonemployer Firms	Total Small Firms
Other Services (except Public Administration)	27,611	29,831	145,504	175,335
Professional, Scientific, and Technical Services	32,981	35,653	127,364	163,017
Transportation and Warehousing	12,950	14,086	132,693	146,779
Construction	26,987	28,797	90,338	119,135
Health Care and Social Assistance	21,944	25,429	81,470	106,899
Real Estate and Rental and Leasing	9,525	10,188	95,155	105,343
Retail Trade	20,414	22,846	71,323	94,169
Administrative, Support, and Waste Management	12,525	14,217	73,573	87,790
Arts, Entertainment, and Recreation	3,927	4,590	52,379	56,969
Finance and Insurance	10,481	11,704	29,861	41,565
Accommodation and Food Services	17,088	22,018	13,270	35,288
Educational Services	3,027	3,892	29,917	33,809
Wholesale Trade	11,019	13,763	13,456	27,219
Manufacturing	8,096	11,345	10,173	21,518
Information	2,427	2,958	11,594	14,552
Agriculture, Forestry, and Fishing and Hunting	316	329	5,221	5,550
Mining, Quarrying, and Oil and Gas Extraction	341	392	1,620	2,012
Utilities	101	148	349	497
<b>Total</b>	<b>221,940</b>	<b>251,667</b>	<b>985,260</b>	<b>1,236,927</b>

Tables 1 and 2 display data from the 2017 Statistics of U.S. Businesses (SUSB). Table 2 includes additional data from the 2017 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 2018 American Community Survey (ACS).

**References**

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

- ACS American Community Survey, 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
- CES Current Employment Statistics, BLS
- CPS Current Population Survey, BLS
- FDIC 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