

2020 Small Business Profile

Kansas



256,950 Small Businesses
99.1% of Kansas Businesses

605,147 Small Business Employees
50.5% of Kansas Employees



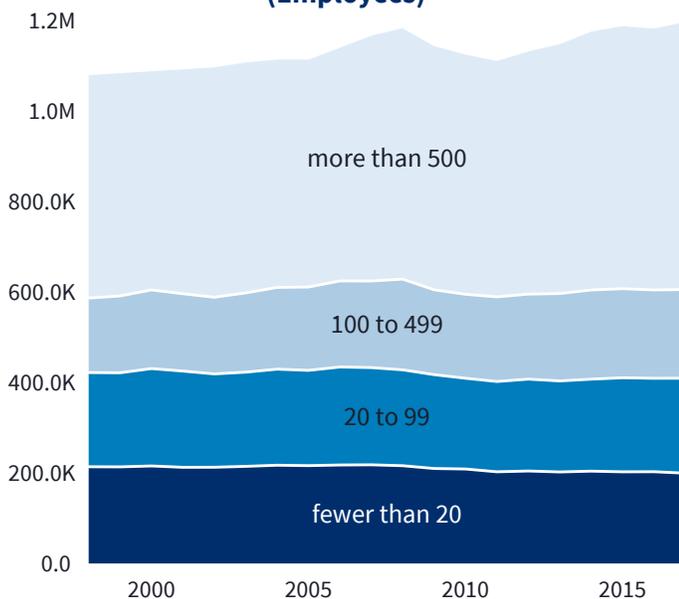
A note on COVID-19: This report uses the most up-to-date government data to present a unique snapshot of small businesses. The BLS employment estimates capture the early stages of the pandemic. All other sources reflect data collected prior to the pandemic.

Overall Economy

- In the fourth quarter of 2019, Kansas grew at an annual rate of **2.1%**, which was the same as the overall US growth rate. Kansas' 2019 overall growth rate of **0.9%** was down from the 2018 rate of **2.1%**. (Source: [BEA](#))
- In April 2020, the unemployment rate was **11.2%**, up from **3.2%** in April 2019. This was below the April 2020 national unemployment rate of **14.7%**. (Source: [CPS](#))

Employment

Figure 1: Kansas Employment by Business Size (Employees)



- Kansas small businesses employed **605,147** people, or **50.5%** 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 **10.8%** during the 12-month period ending in April 2020. This was below the increase of **1.0%** during the prior 12-month period. (Source: [CES](#))
- The number of proprietors increased in 2018 by **2.3%** relative to the previous year. (Source: [BEA](#))
- Small businesses created **5,784** net jobs in 2019. Firms employing fewer than 20 employees experienced the largest gains, adding **2,944** net jobs. The smallest gains were in firms employing 20 to 99 employees, which added **1,147** 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 **\$51,889** in 2018. For self-employed individuals at their own unincorporated firms, median income was **\$26,060**. (Source: [ACS](#))
- The total number of banks decreased by **11** between June 2018 and June 2019 to **229** banks. During the same period, the number of banks with assets under \$1 billion decreased by **12** to **218** banks. (Source: [FDIC](#))
- In 2018, Kansas lending institutions reporting under the Community Reinvestment Act issued **38,548** loans under \$100,000, a total value of **\$567.0 million**. (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: Kansas Self-Employment Rates by Gender & Demographic, 2018

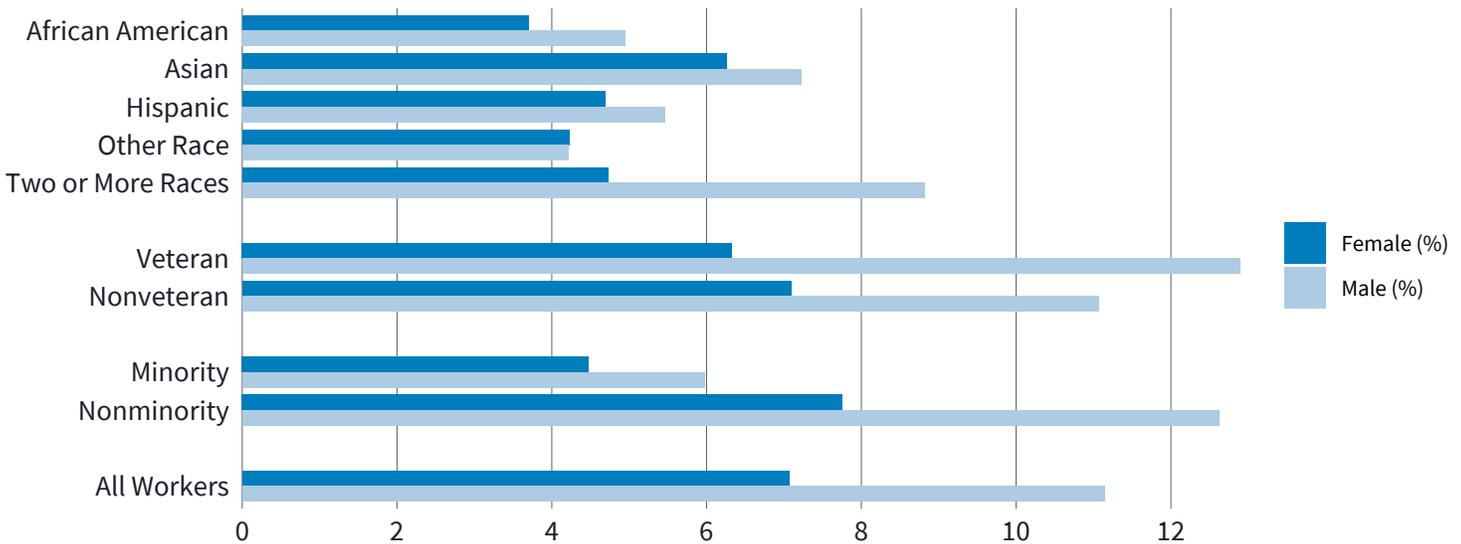
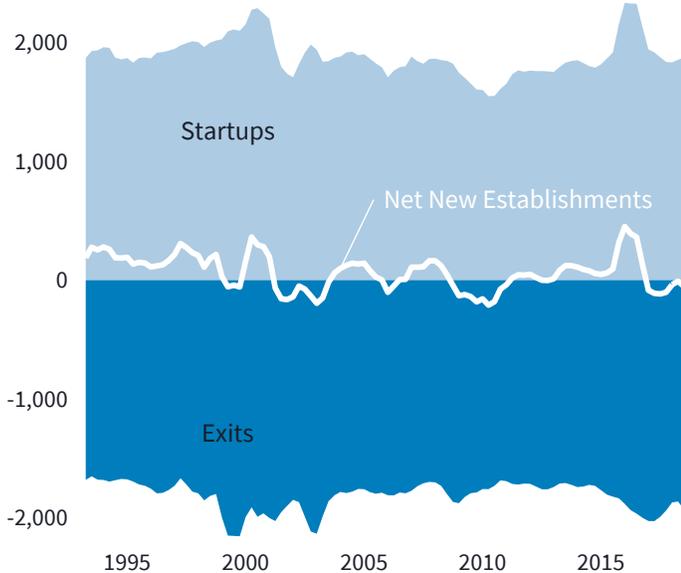


Figure 2 shows the self-employment rate for each demographic group by gender according to the 2018 American Community Survey (ACS). Other Race includes those who selected Alaska Native, American Indian, Native Hawaiian, Pacific Islander, or Some Other Race.

Turnover among Establishments with Employees

Figure 3: Kansas Quarterly Startups and Exits



- In the fourth quarter of 2018, **1,863** establishments started up, generating **7,125** new jobs in Kansas. Startups are counted when business establishments hire at least one employee for the first time. (Source: [BDM](#))
- In the same period, **2,009** establishments exited, resulting in **7,038** 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 3,341 firms exported goods from Kansas in 2018. Of these, 2,770, or 82.9%, were small firms, which generated 25.6% of Kansas' \$10.2 billion in total exports. (Source: ITA)

Small Business Employment by Industry and Self-Employment by County

Table 1: Kansas Employment by Industry, 2017

Industry	Small Business Employment	Total Private Employment	Small Business Employment Share
Health Care and Social Assistance	103,515	193,428	53.5
Accommodation and Food Services	69,998	121,061	57.8
Manufacturing	57,501	159,506	36.0
Retail Trade	56,755	148,253	38.3
Construction	54,509	66,066	82.5
Other Services (except Public Administration)	46,545	50,325	92.5
Professional, Scientific, and Technical Services	40,099	65,817	60.9
Wholesale Trade	36,305	63,396	57.3
Administrative, Support, and Waste Management	35,623	89,830	39.7
Finance and Insurance	28,136	60,542	46.5
Transportation and Warehousing	16,607	58,357	28.5
Educational Services	14,286	21,111	67.7
Arts, Entertainment, and Recreation	11,864	17,513	67.7
Real Estate and Rental and Leasing	10,958	14,560	75.3
Information	9,131	29,913	30.5
Mining, Quarrying, and Oil and Gas Extraction	5,561	6,889	80.7
Management of Companies and Enterprises	5,119	24,547	20.9
Utilities	1,729	7,119	24.3
Agriculture, Forestry, and Fishing and Hunting	836	859	97.3
Industries Not Classified	70	70	100.0
Total	605,147	1,199,162	50.5

Figure 4: Kansas Self-Employment Rates by County, 2018

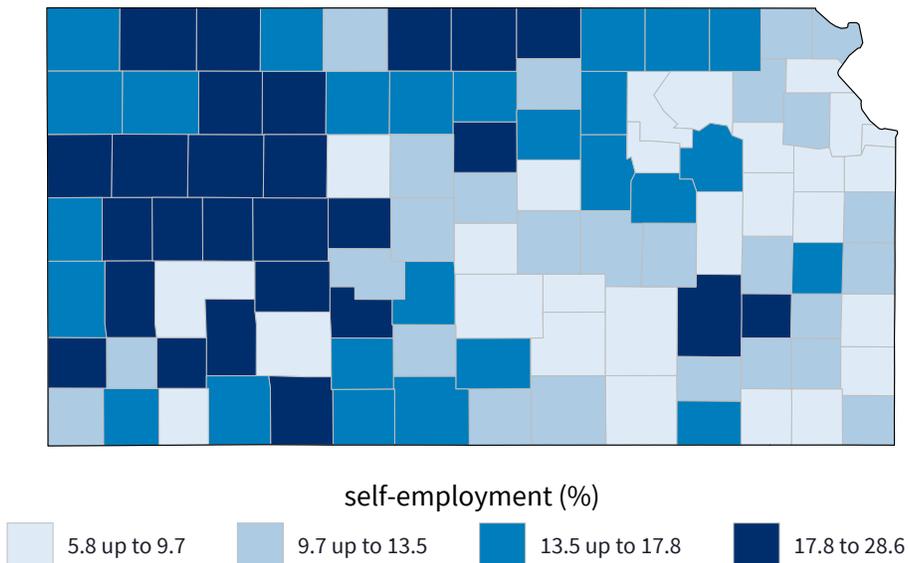


Table 2: Kansas Small Businesses by Industry and Firm Size, 2017

Industry	1-19 Employees	1-499 Employees	Nonemployer Firms	Total Small Firms
Other Services (except Public Administration)	6,837	7,323	28,449	35,772
Professional, Scientific, and Technical Services	5,783	6,267	24,941	31,208
Retail Trade	5,521	6,253	21,467	27,720
Construction	6,266	6,881	20,633	27,514
Real Estate and Rental and Leasing	2,440	2,582	21,908	24,490
Health Care and Social Assistance	4,496	5,573	15,065	20,638
Administrative, Support, and Waste Management	2,658	3,076	14,892	17,968
Transportation and Warehousing	1,718	1,971	10,822	12,793
Arts, Entertainment, and Recreation	852	994	10,420	11,414
Finance and Insurance	3,000	3,356	7,554	10,910
Accommodation and Food Services	3,096	4,212	2,545	6,757
Mining, Quarrying, and Oil and Gas Extraction	765	834	5,411	6,245
Educational Services	493	646	5,211	5,857
Wholesale Trade	2,047	2,757	2,996	5,753
Manufacturing	1,565	2,242	2,907	5,149
Agriculture, Forestry, and Fishing and Hunting	180	193	3,737	3,930
Information	470	621	2,205	2,826
Utilities	25	47	105	152
Total	48,293	55,682	201,268	256,950

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