

Small Business Profile

Advocacy: the voice of small business in government

Kansas

Small businesses significantly impact Kansas's economy. They represent 96.6 percent of all employers and employ 52.8 percent of the private-sector labor force. Small businesses are crucial to the fiscal condition of the state and numbered 240,815 in 2010.

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

- Kansas's economy was strong in 2011, with real gross state product increasing 3.8 percent and private-sector employment increasing 1.1 percent (Bureau of Economic Analysis, Bureau of Labor Statistics).
- Small businesses employed 594,623 workers in 2010 (Table 1) with most of the employment coming from firms with 20-499 employees.
- The employment situation from 2007-2010 was weak, yet small businesses in Kansas represented all of the net new jobs (Table 2). The unemployment rate in 2010-2011decreased by 0.5 percent.
- Most of Kansas's small businesses are very small as 75.6 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 Kansas 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.

| Kansas Small | Busines | s Facts | |
|---|--|---|---|
| | 2010* | 2009 | 2000 |
| Number of Businesses | | | |
| Small employers (<500 employees) | 57,173 | 57,697 | 59,623 |
| Large employers (500+ employees) | 1,997 | 1,970 | 1,928 |
| Nonemployers | 183,642 | 181,334 | 156,897 |
| | Level | in 2007* (000 |) |
| | Firms I | Employment R | eceipts(\$M |
| Business Owner Demographics | | | |
| Male-owned | 105 | 380 | 84,433 |
| Woman-owned | 65 | 67 | 7,908 |
| Equally male/female-owned | 58 | 100 | 12,559 |
| African American-owned | 6 | 4 | 316 |
| Asian-owned | 5 | 13 | 1,271 |
| Hispanic-owned | 6 | 8 | 1,065 |
| Native American/Alaskan-owned | 2 | 3 | 473 |
| Hawaiian/Pacific Islander-owned | - | - | |
| Veteran-owned | 39 | 79 | 15,217 |
| Publicly held, unclassified | 9 | 586 | 189,811 |
| | Level in _ | % Chang | ge from |
| | 2011* | 2010 | 2000 |
| Workforce (Thousands) | | | |
| Private-sector employment | 1,078 | 1.1 | -2.1 |
| Government employment | 258 | -1.6 | 5.3 |
| Self-employed (incorp. & uninc.) | | 12.0 | 1.5 |
| Sen-employed (meorp. & dime.) | 146 | -13.0 | 1.3 |
| Female self-employment | 146 48 | -13.0 -20.8 | |
| | | | -6.1 |
| Female self-employment | 48 | -20.8 | -6.1 5.6 |
| Female self-employment Male self-employment | 48 99 | -20.8 -8.6 | -6.1 5.6 250.2 |
| Female self-employment Male self-employment Minority self-employment | 48 99 13 | -20.8 -8.6 -31.6 | -6.1 5.6 250.2 -50.7 |
| Female self-employment Male self-employment Minority self-employment Veteran self-employment Unemployment Rate (Percent) | 48 99 13 17 | -20.8 -8.6 -31.6 -1.4 | -6.1 5.6 250.2 -50.7 |
| Female self-employment Male self-employment Minority self-employment Veteran self-employment Unemployment Rate (Percent) Business Turnover | 48 99 13 17 | -20.8 -8.6 -31.6 -1.4 | -6.1 5.6 250.2 -50.7 2.9† |
| Female self-employment Male self-employment Minority self-employment Veteran self-employment Unemployment Rate (Percent) Business Turnover Quarterly establishment openings | 48 99 13 17 6.7 | -20.8 -8.6 -31.6 -1.4 -0.5† | -6.1 5.6 250.2 -50.7 2.9† |
| Female self-employment Male self-employment Minority self-employment Veteran self-employment Unemployment Rate (Percent) Business Turnover | 48 99 13 17 6.7 | -20.8 -8.6 -31.6 -1.4 -0.5† | -6.1 5.6 250.2 -50.7 2.9† -4.1 3.3 |
| Female self-employment Male self-employment Minority self-employment Veteran self-employment Unemployment Rate (Percent) Business Turnover Quarterly establishment openings Quarterly establishment closings | 48 99 13 17 6.7 12,893 12,706 | -20.8 -8.6 -31.6 -1.4 -0.5† -3.2 -6.4 | 1.5 -6.1 5.6 250.2 -50.7 2.9† -4.1 3.3 76.3 |
| Female self-employment Male self-employment Minority self-employment Veteran self-employment Unemployment Rate (Percent) Business Turnover Quarterly establishment openings Quarterly establishment closings Business bankruptcies | 48 99 13 17 6.7 12,893 12,706 298 | -20.8 -8.6 -31.6 -1.4 -0.5† -3.2 -6.4 -9.4 | -6.1 5.6 250.2 -50.7 2.9† -4.1 3.3 76.3 |
| Female self-employment Male self-employment Minority self-employment Veteran self-employment Unemployment Rate (Percent) Business Turnover Quarterly establishment openings Quarterly establishment closings Business bankruptcies Income and Finance | 48 99 13 17 6.7 12,893 12,706 298 2011* | -20.8 -8.6 -31.6 -1.4 -0.5† -3.2 -6.4 -9.4 | -6.1 5.6 250.2 -50.7 2.9† -4.1 3.3 76.3 |
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| Female self-employment Male self-employment Minority self-employment Veteran self-employment Unemployment Rate (Percent) Business Turnover Quarterly establishment openings Quarterly establishment closings Business bankruptcies Income and Finance Proprietors' income (\$billion) | 48 99 13 17 6.7 12,893 12,706 298 2011* | -20.8 -8.6 -31.6 -1.4 -0.5† -3.2 -6.4 -9.4 | -6.1 5.6 250.2 -50.7 2.9† -4.1 3.3 76.3 |

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 Kansas by Industry and Firm Size, 2010 (Nonfarm, Thousands)

| | | Employer Firms | | | Employment | | |
|---|-------------|----------------|-----------|-----------|------------|-----------|-----------|
| | Nonemployer | All Firms | 1-19 | 1-499 | All Firms | 1-19 | 1-499 |
| Industry | Firms | Total | Employees | Employees | Total | Employees | Employees |
| Total | 183.6 | 59.2 | 50.0 | 57.2 | 1,127.2 | 208.7 | 594.6 |
| Forestry, etc. and agriculture support | 2.9 | 0.2 | 0.2 | 0.2 | 0.7 | 0.5 | 0.7 |
| Mining | 6.0 | 0.9 | 0.8 | 0.9 | 9.2 | 3.4 | 7.0 |
| Utilities | 0.1 | 0.1 | 0.0 | 0.1 | 6.5 | 0.2 | 1.9 |
| Construction | 20.0 | 7.0 | 6.4 | 6.9 | 56.1 | 24.1 | 49.9 |
| Manufacturing | 2.7 | 2.7 | 1.7 | 2.4 | 157.7 | 10.0 | 54.7 |
| Wholesale trade | 3.0 | 3.3 | 2.3 | 3.0 | 61.0 | 10.4 | 36.3 |
| Retail trade | 19.1 | 7.5 | 6.3 | 7.1 | 146.6 | 30.1 | 63.2 |
| Transportation and warehousing | 6.8 | 2.2 | 1.8 | 2.0 | 46.0 | 6.4 | 15.4 |
| Information | 2.2 | 0.7 | 0.5 | 0.6 | 39.3 | 2.1 | 9.4 |
| Finance and insurance | 7.4 | 3.6 | 3.0 | 3.4 | 59.3 | 10.0 | 28.3 |
| Real estate and rental and leasing | 18.3 | 2.4 | 2.2 | 2.3 | 15.4 | 6.0 | 10.8 |
| Professional, scientific, and technical svcs. | 22.3 | 6.6 | 6.0 | 6.4 | 58.5 | 20.0 | 41.4 |
| Management of companies and enterprises | 0.0 | 0.4 | 0.1 | 0.3 | 24.8 | 0.1 | 4.7 |
| Admin., support, waste mgt., remed. svcs. | 14.1 | 3.2 | 2.6 | 3.0 | 70.5 | 9.8 | 29.7 |
| Educational services | 4.2 | 0.6 | 0.5 | 0.6 | 19.5 | 2.1 | 12.9 |
| Health care and social assistance | 16.7 | 5.8 | 4.6 | 5.6 | 186.8 | 23.3 | 106.5 |
| Arts, entertainment, and recreation | 8.4 | 1.0 | 0.8 | 1.0 | 13.8 | 3.5 | 11.4 |
| Accommodation and food services | 2.4 | 4.3 | 3.2 | 4.1 | 102.4 | 19.1 | 62.2 |
| Other services (except public admin.) | 27.1 | 7.6 | 7.0 | 7.5 | 52.9 | 27.3 | 48.2 |
| Unclassified | 0.0 | 0.2 | 0.2 | 0.2 | 0.1 | 0.1 | 0.1 |

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.)

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

| | Total Net | Total Net Employment Size of Firm | | | | | | | |
|------|-----------|-----------------------------------|--------|--------|--------|---------|---------|---------|--|
| | New Jobs | 1-4 | 5-9 | 10-19 | 20-99 | 100-499 | < 500 | 500+ | |
| 2010 | -18,931 | 6,205 | -162 | -1,987 | -6,969 | -667 | -3,580 | -15,351 | |
| 2009 | -40,910 | 4,931 | -1,899 | -4,647 | -5,907 | -12,749 | -20,271 | -20,639 | |
| 2008 | 33,845 | 6,980 | 673 | 1,102 | 2,065 | 2,971 | 13,791 | 20,054 | |
| 2007 | 21,736 | 8,242 | 130 | -1,386 | 3,356 | 3,691 | 14,033 | 7,703 | |

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 | 3.0 | 3.2 | 3.2 | 3.5 | | 11.0 | 12.3 | 12.8 | 13.1 |
| Expansions | 14.2 | 14.7 | 14.9 | 14.8 | | 48.0 | 51.3 | 53.2 | 51.9 |
| Contractions | 15.2 | 14.8 | 14.7 | 14.7 | | 49.9 | 51.0 | 50.3 | 50.9 |
| Closings | 3.3 | 3.3 | 3.0 | 3.1 | | 11.0 | 11.4 | 11.1 | 10.8 |

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.