

# SMALL BUSINESS PROFILE

U.S. SMALL BUSINESS ADMINISTRATION

## OFFICE OF ADVOCACY

REGULATION • RESEARCH • OUTREACH

### KANSAS



250,021  
99.2%

Small Businesses  
of Kansas Businesses

604,206  
51.3%

Small Business Employees  
of Kansas Employees



**EMPLOYMENT**  
10,723  
net new jobs



**DIVERSITY**  
26,104  
minority-owned  
businesses



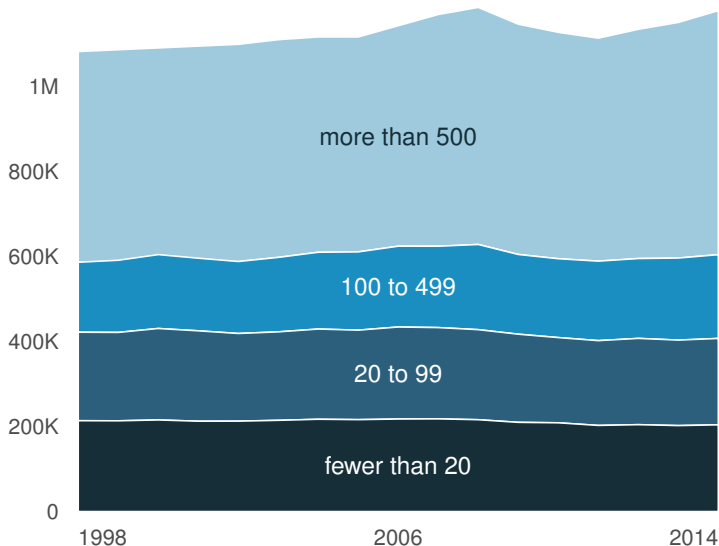
**TRADE**  
82.6%  
of Kansas exporters

#### OVERALL KANSAS ECONOMY

- In the second quarter of 2016, Kansas grew at an annual rate of 2.3%, which was faster than the overall US growth rate of 1.2%. Kansas's 2015 growth rate of 0.8% was down from the 2014 rate of 1.3%. (Source: BEA)
- In November 2016, the unemployment rate was 4.3%, up from 4.0% at the close of 2015. This was below the November 2016 national unemployment rate of 4.6%. (Source: CPS)

#### EMPLOYMENT

Figure 1: Kansas Employment by Business Size (Employees)



- Kansas small businesses employed 604,206 people, or 51.3% of the private workforce, in 2014. (Source: SUSB)
- Firms with fewer than 100 employees have the largest share of small business employment. See Figure 1 for further details on firms with employees. (Source: SUSB)
- During the year ending November 2016, private-sector employment decreased 1.7%. This was below the previous year's increase of 1.0%. (Source: CPS)
- The number of proprietors increased in 2015 by 2.1% relative to the previous year. (Source: BEA)
- Small businesses created 10,723 net jobs in 2014. Among the seven BDS size-classes, firms employing 100 to 249 employees experienced the largest gains, adding 2,707 net jobs. The smallest gains were in firms employing 1 to 4 employees, which added 812 net jobs. (Source: BDS)

The Small Business Profiles are produced by the US Small Business Administration's Office of Advocacy. Each report incorporates the most up-to-date government data to present a unique snapshot of small businesses. Small businesses are defined as firms employing fewer than 500 employees. Net small business job change, minority small business ownership, and exporter share statistics are based on the 2014 Business Dynamics Statistics (BDS), 2012 Survey of Business Owners (SBO), and 2014 International Trade Administration (ITA) data, respectively.

## INCOME AND FINANCE

- The number of banks reported in the Call Reports between June 2015 and June 2016 declined. (Source: [FDIC](#))
- In 2014, **34,596** loans under \$100,000 (valued at **\$456.4 million**) were issued by Kansas lending institutions reporting under the Community Reinvestment Act. (Source: [FFIEC](#))
- The median income for individuals self-employed at their own incorporated businesses was **\$49,471** in 2015. For individuals self-employed at their own unincorporated firms, this figure was **\$23,297**. (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.*

## BUSINESS OWNER DEMOGRAPHICS

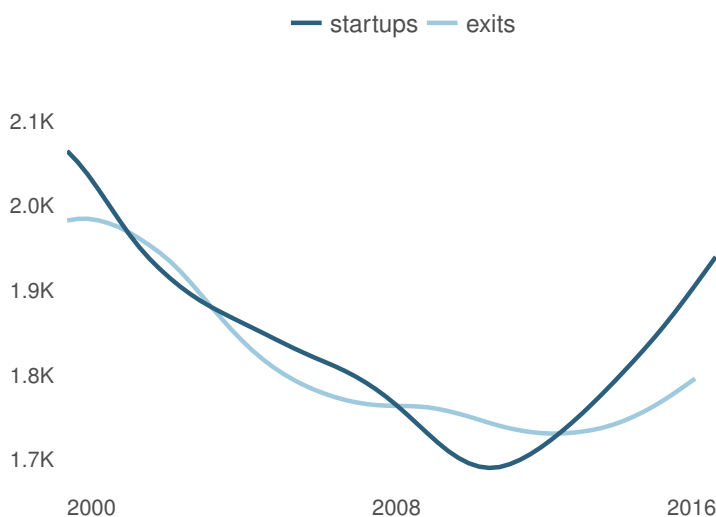
Figure 2: Kansas Small Business Ownership, 2012



Figure 2 displays the number of small firms (SBO) per 100 people 16 years and over (ACS). For example, there are approximately 7 female-owned firms per 100 working age females or  $77.2K \div 1.1M \times 100$ . ACS and SBO differ in their classifications of individuals reporting more than one race. ACS provides a distinct category for two or more races while SBO tabulates these businesses into more than one group.

## BUSINESS TURNOVER

Figure 3: Kansas Quarterly Startups and Exits



- In the second quarter of 2015, **1,962** establishments started up, generating **7,204** 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, **1,952** establishments exited resulting in **7,527** 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 2000 to 2016. Each series is smoothed across multiple quarters to highlight long-run trends.

*The 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.*

## INTERNATIONAL TRADE

- A total of 3,366 companies exported goods from Kansas in 2014. Among these, 2,781, or 82.6%, were small firms; they generated 23.9% of Kansas's \$10.0 billion in total known exports. (Source: ITA)

## SMALL BUSINESS EMPLOYMENT BY INDUSTRY AND COUNTY

Table 1: Kansas Employment by Industry, 2014





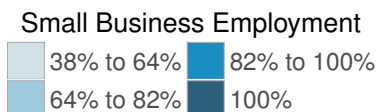
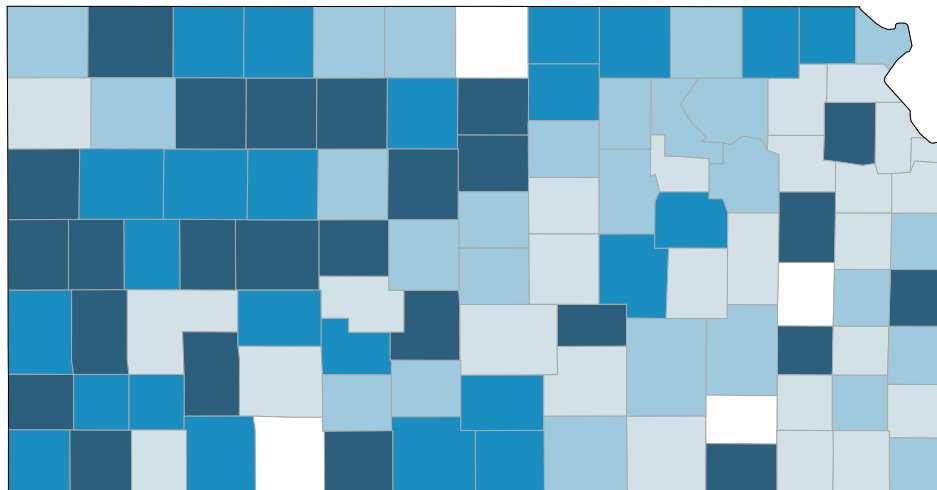
 Industry	 Small Business Employment	 Total Private Employment	 Small Business Employment Share
Health Care and Social Assistance	104,270	195,155	53%
Accommodation and Food Services	66,837	110,809	60%
Manufacturing	59,801	164,749	36%
Retail Trade	58,032	150,237	39%
Construction	49,872	62,086	80%
Other Services (Except Public Administration)	47,181	51,378	92%
Professional, Scientific, and Technical Services	42,658	63,836	67%
Wholesale Trade	36,995	64,845	57%
Administrative, Support, and Waste Management	33,180	74,392	45%
Finance and Insurance	27,968	62,642	45%
Transportation and Warehousing	16,393	50,389	33%
Educational Services	13,439	21,388	63%
Arts, Entertainment, and Recreation	11,330	15,264	74%
Real Estate and Rental and Leasing	10,971	14,874	74%
Information	9,237	34,552	27%
Mining, Quarrying, and Oil and Gas Extraction	8,521	10,988	78%
Utilities	1,844	7,117	26%
Agriculture, Forestry, and Fishing and Hunting	923	954	97%
<b>Total</b>	<b>604,206</b>	<b>1,178,062</b>	<b>51%</b>

Figure 4: Kansas Small Business Percent of Employment by County



## SMALL BUSINESSES BY INDUSTRY

Table 2: Kansas Small Businesses by Industry and Firm Size, 2014

Industry	1-499 Employees	1-20 Employees	Nonemployer Firms	Total Small Firms
Other Services (Except Public Administration)	7,399	6,912	28,454	35,853
Professional, Scientific, and Technical Services	6,387	5,895	24,452	30,839
Construction	6,771	6,226	20,466	27,237
Retail Trade	6,621	5,898	20,080	26,701
Real Estate and Rental and Leasing	2,426	2,283	20,009	22,435
Health Care and Social Assistance	5,558	4,541	15,628	21,186
Administrative, Support, and Waste Management	3,012	2,632	15,158	18,170
Finance and Insurance	3,326	2,984	7,562	10,888
Arts, Entertainment, and Recreation	947	803	9,481	10,428
Transportation and Warehousing	1,916	1,679	7,298	9,214
Mining, Quarrying, and Oil and Gas Extraction	982	870	6,521	7,503
Accommodation and Food Services	4,126	3,072	2,401	6,527
Wholesale Trade	2,913	2,194	3,200	6,113
Educational Services	635	492	4,784	5,419
Manufacturing	2,332	1,649	2,900	5,232
Agriculture, Forestry, and Fishing and Hunting	193	182	3,201	3,394
Information	594	458	2,181	2,775
Utilities	48	23	143	191
<b>Total</b>	<b>56,102</b>	<b>48,919</b>	<b>193,919</b>	<b>250,021</b>

Data for counties shown in white in Figure 4 and values labeled "s" in Tables 1 and 2 were withheld by the Census Bureau because they do not meet publication standards or could disclose information regarding individual businesses. (Source: SUSB, NES)

## REFERENCES

The Small Business Profiles, source data, and methodology are available at <http://go.usa.gov/x9yxK>.

ACS	American Community Survey, 5-year estimates, U.S. Census Bureau
BEA	Bureau of Economic Analysis
BDM	Business Employment Dynamics, BLS
BDS	Business Dynamics Statistics, U.S. Census Bureau
BLS	Bureau of Labor Statistics, U.S. Department of Labor
CES	Current Employment Statistics, BLS
CEW	Census of Employment and Wages, BLS
CPS	Current Population Survey, BLS
FDIC	Federal Deposit Insurance Corporation
FFIEC	Federal Financial Institutions Examination Council
ITA	International Trade Administration
NES	Nonemployer Statistics, U.S. Census Bureau
SBO	Survey of Business Owners, U.S. Census Bureau
SUSB	Statistics of U.S. Businesses, U.S. Census Bureau

