

# 2018 SMALL BUSINESS PROFILE

## OFFICE OF ADVOCACY

REGULATION • RESEARCH • OUTREACH

### KANSAS



**251,985** Small Businesses  
**99.1%** of Kansas Businesses

**606,966** Small Business Employees  
**51.0%** of Kansas Employees

**EMPLOYMENT**  
**15,474**  
net new jobs

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

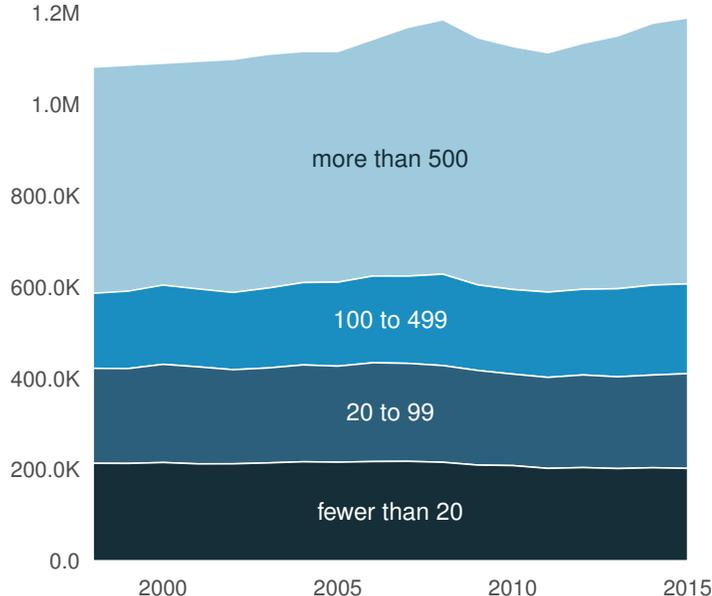
**TRADE**  
**2,682**  
small business  
exporters

### OVERALL KANSAS ECONOMY

- In the third quarter of 2017, Kansas grew at an annual rate of **2.1%**, which was slower than the overall US growth rate of **3.4%**. Kansas's 2016 growth rate of **-0.9%** was down from the 2015 rate of **1.1%**. (Source: [BEA](#))
- In January 2018, the unemployment rate was **3.5%**, down from **3.9%** in January 2017. This was below the January 2018 national unemployment rate of **4.1%**. (Source: [CPS](#))

### EMPLOYMENT

Figure 1: Kansas Employment by Business Size (Employees)



- Kansas small businesses employed **606,966** people, or **51.0%** of the private workforce, in 2015. (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 **0.2%** during the 12-month period ending in January 2018. This was above the decrease of **0.6%** during the prior 12-month period. (Source: [CPS](#))
- The number of proprietors increased in 2016 by **1.6%** relative to the previous year. (Source: [BEA](#))
- Small businesses created **15,474** net jobs in 2015. Firms employing fewer than 20 employees experienced the largest gains, adding **6,757** net jobs. The smallest gains were in firms employing 100 to 499 employees, which added **3,737** net jobs. (Source: [SUSB](#))

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 for this profile as firms employing fewer than 500 employees. Net small business job change, minority small business ownership, and exporter share statistics are based on the 2015 Statistics of US Businesses (SUSB), 2012 Survey of Business Owners (SBO), and 2015 International Trade Administration (ITA) data, respectively.

## INCOME AND FINANCE

- The number of banks decreased by 17 between June 2016 and June 2017 to 252 banks. (Source: FDIC)
- In 2016, 35,355 loans under \$100,000 (valued at \$487.3 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 \$49,950 in 2016. For individuals self-employed at their own unincorporated firms, this figure was \$24,514. (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: Kansas Employees per Business by Owner's Demographic, 2015

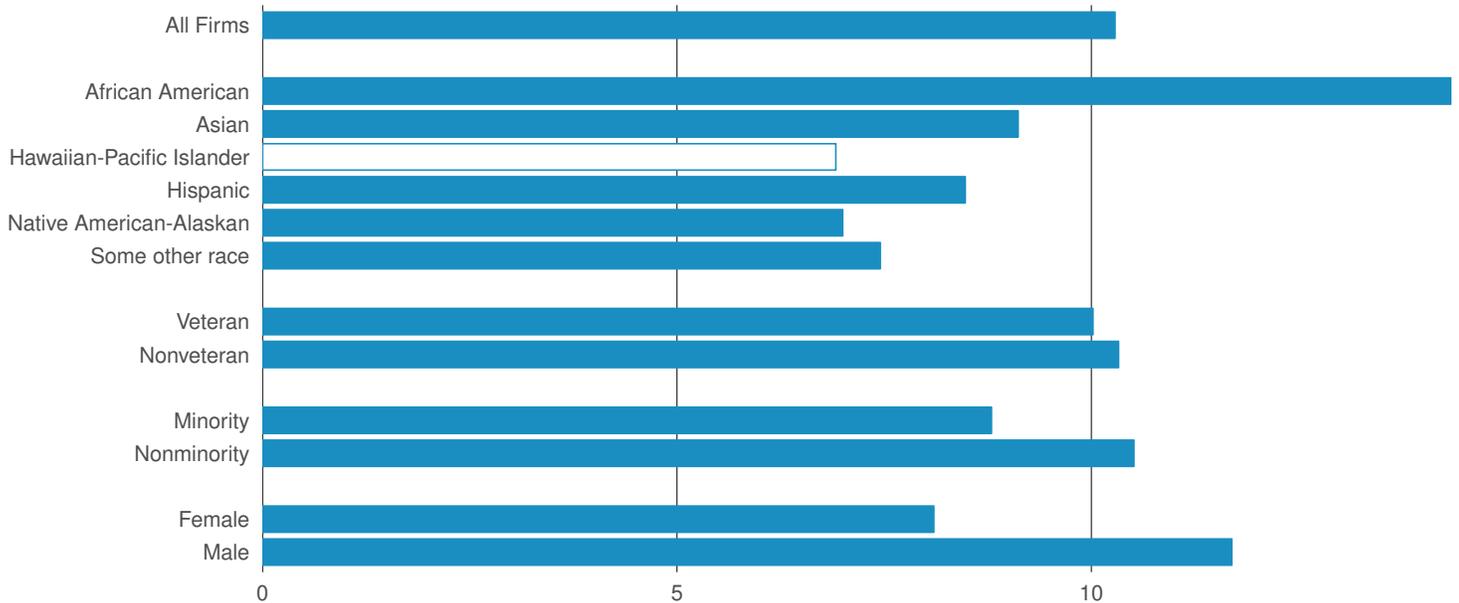
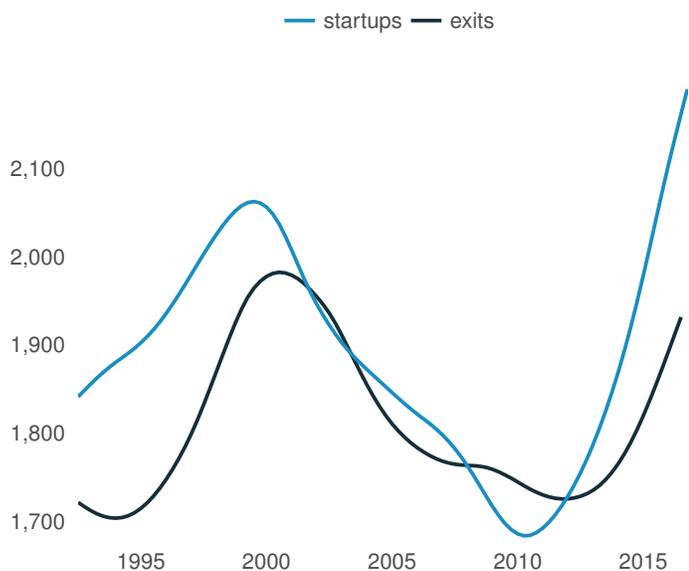


Figure 2 shows the average number of employees per employer business by owner's demographic group according to the Annual Survey of Entrepreneurs (ASE). Unshaded bars display US values; data were withheld because they do not meet Census Bureau publication standards or could disclose information regarding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

## TURNOVER AMONG ESTABLISHMENTS WITH EMPLOYEES

Figure 3: Kansas Quarterly Startups and Exits



- In the third quarter of 2016, 2,054 establishments started up, generating 7,439 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, 1,840 establishments exited resulting in 6,328 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 1992 to 2016. 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

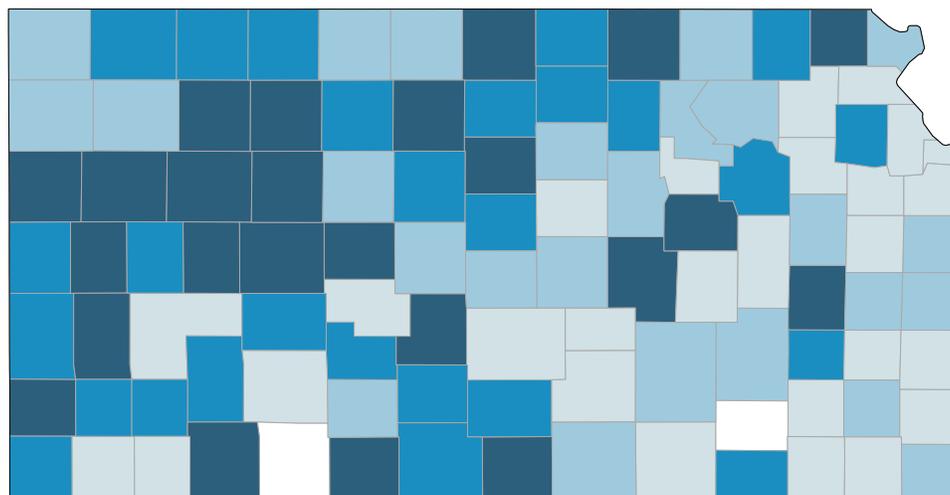
- A total of 3,263 companies exported goods from Kansas in 2015. Of these, 2,682, or 82.2%, were small firms; they generated 22.1% of Kansas's \$8.9 billion in total exports. (Source: ITA)

## SMALL BUSINESS EMPLOYMENT BY INDUSTRY AND COUNTY

Table 1: Kansas Employment by Industry, 2015

 Industry	 Small Business Employment	 Total Private Employment	 Small Business Employment Share
Health Care and Social Assistance	103,490	193,684	53.4
Accommodation and Food Services	68,282	113,938	59.9
Manufacturing	60,520	167,014	36.2
Retail Trade	58,049	150,465	38.6
Construction	52,181	63,486	82.2
Other Services (except Public Administration)	46,997	51,664	91.0
Professional, Scientific, and Technical Services	42,130	64,246	65.6
Wholesale Trade	36,639	63,422	57.8
Administrative, Support, and Waste Management	33,432	77,049	43.4
Finance and Insurance	28,550	61,271	46.6
Transportation and Warehousing	16,462	52,669	31.3
Educational Services	13,864	20,871	66.4
Arts, Entertainment, and Recreation	10,981	15,304	71.8
Real Estate and Rental and Leasing	10,942	14,950	73.2
Information	9,521	34,674	27.5
Mining, Quarrying, and Oil and Gas Extraction	7,017	10,012	70.1
Management of Companies and Enterprises	4,967	26,671	18.6
Utilities	1,791	7,291	24.6
Agriculture, Forestry, and Fishing and Hunting	967	1,011	95.6
Industries not classified	184	184	100.0
<b>Total</b>	<b>606,966</b>	<b>1,189,876</b>	<b>51.0</b>

Figure 4: Kansas Small Business Employment by County, 2015



### Small Business Employment (%)



Table 2: Kansas Small Businesses by Industry and Firm Size, 2015

Industry	1-499 Employees	1-20 Employees	Nonemployer Firms	Total Small Firms
Other Services (except Public Administration)	7,335	6,847	28,692	36,027
Construction	6,859	6,303	20,440	27,299
Retail Trade	6,497	5,768	20,532	27,029
Professional, Scientific, and Technical Services	6,338	5,840	24,683	31,021
Health Care and Social Assistance	5,758	4,717	15,396	21,154
Accommodation and Food Services	4,148	3,064	2,479	6,627
Finance and Insurance	3,345	3,002	7,487	10,832
Administrative, Support, and Waste Management	3,014	2,626	14,909	17,923
Wholesale Trade	2,839	2,129	3,203	6,042
Real Estate and Rental and Leasing	2,466	2,323	20,779	23,245
Manufacturing	2,312	1,606	2,867	5,179
Transportation and Warehousing	1,933	1,690	8,231	10,164
Arts, Entertainment, and Recreation	952	813	9,628	10,580
Mining, Quarrying, and Oil and Gas Extraction	947	853	6,000	6,947
Educational Services	666	523	4,914	5,580
Information	600	460	2,112	2,712
Agriculture, Forestry, and Fishing and Hunting	191	179	3,276	3,467
Utilities	49	25	149	198
<b>Total</b>	<b>56,208</b>	<b>48,930</b>	<b>195,777</b>	<b>251,985</b>

Figure 4 and Tables 1 and 2 display data from the 2015 SUSB. Table 2 includes additional data from the 2015 Nonemployer Statistics (NES). Data for counties shown in white in Figure 4 were withheld by the Census Bureau because they do not meet publication standards or could disclose information regarding individual businesses.

**REFERENCES**

The Small Business Profiles, source data, and methodology are available at <https://go.usa.gov/xQT4w>.

- 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
- SBO Survey of Business Owners, US Census Bureau
- SUSB Statistics of US Businesses, US Census Bureau