

SMALL BUSINESS PROFILE

U.S. SMALL BUSINESS ADMINISTRATION

OFFICE OF ADVOCACY

REGULATION • RESEARCH • OUTREACH

KANSAS



246,833
96.4% Small Businesses
of Kansas Businesses

596,279
51.8% Small Business Employees
of Kansas Employees

596,279
51.8% Small Business Employees
of Kansas Employees



EMPLOYMENT
8,320
net new jobs¹



DIVERSITY
43.2%
increase in minority
ownership²



TRADE
83.1%
of Kansas exporters³

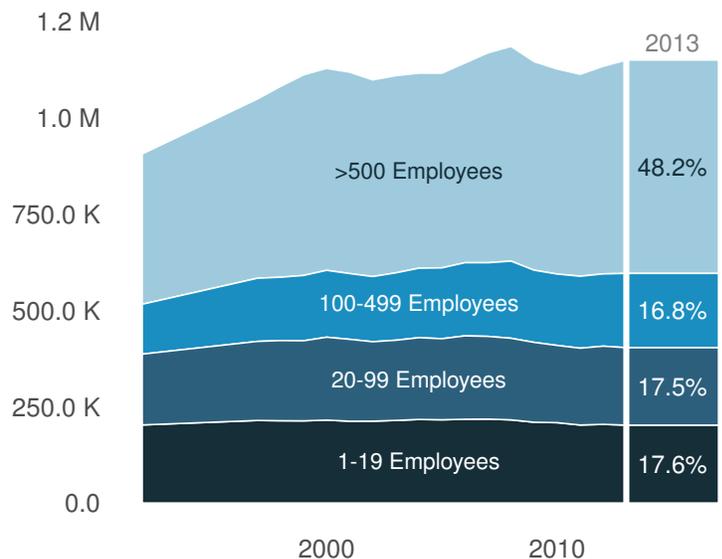
OVERALL KANSAS ECONOMY

- In the third quarter of 2015, Kansas grew at an annual rate of 6.5% which was faster than the overall US growth rate of 1.9%. By comparison, Kansas's 2014 growth of 2.8% was up from the 2013 level of 0.5%. (Source: BEA)
- The employment situation in Kansas improved. At the close of 2015, unemployment was 4.0%, down from 4.3% at the close of 2014. This was below the national unemployment rate of 5.0%. (Source: CPS)

EMPLOYMENT

- Kansas small businesses employed 596,279 people, or 51.8% of the private workforce, in 2013. (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)
- Private-sector employment increased 0.8% in 2015. This was below the previous year's increase of 1.7%. (Source: CES)
- The number of proprietors increased in 2014 by 1.2% relative to the previous year. (Source: BEA)
- Small businesses created 8,320 net jobs in 2013. Among the seven BDS size-classes, firms employing 250 to 499 employees experienced the largest gains, adding 5,920 net jobs. The largest losses were in firms employing 1 to 4 employees which lost 1,014 net jobs. (Source: BDS)

Figure 1: Kansas Employment by Firm Size



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.** Hyperlinks to data sources and report generation information are provided in Table 3.

^{1,3} Net small business jobs change and exporter share are based on newly released 2013 BDS and 2012 ITA data.

² Diversity statistic tracks changes between 2007 and 2012 based on the Survey of Business Owners (SBO) 2015 release.

INCOME AND FINANCE

- The number of banks reported in the Call Reports between June 2014 and June 2015 declined. (Source: FDIC)
- In 2014, 34,596 loans under \$100,000 (and valued at \$456.4 million) were issued by Kansas lending institutions reporting under the Community Reinvestment Act. (Source: FFIEC)
- The median income⁴ for individuals who were self-employed at their own incorporated businesses was \$48,172 in 2014. For individuals self-employed at their own unincorporated firms, this figure was \$22,417. (Source: ACS)

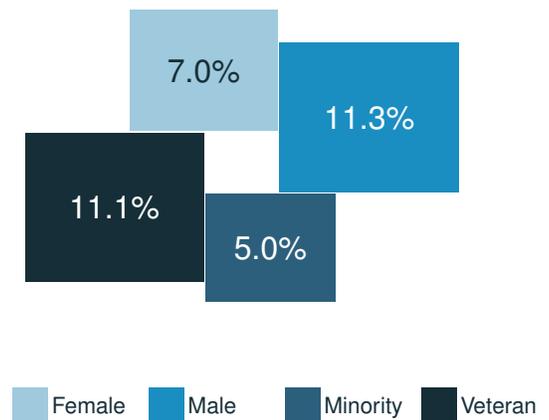
⁴ Median income represents earnings from all sources. Unincorporated self-employment income includes unpaid family workers, a very small percent of the unincorporated self-employed.

BUSINESS OWNER DEMOGRAPHICS

Figure 2: Kansas Changes in Business Ownership by Demographic Group

African American-owned	●	27.6%
Asian-owned	●	33.7%
Hawaiian/Pacific Islander-owned		-
Hispanic-owned	●	74.8%
Native American/Alaskan-owned	●	10.7%
Minority-owned	●	43.2%
Nonminority-owned	●	-0.9%

Figure 3: Kansas Self-Employment within Demographic Group

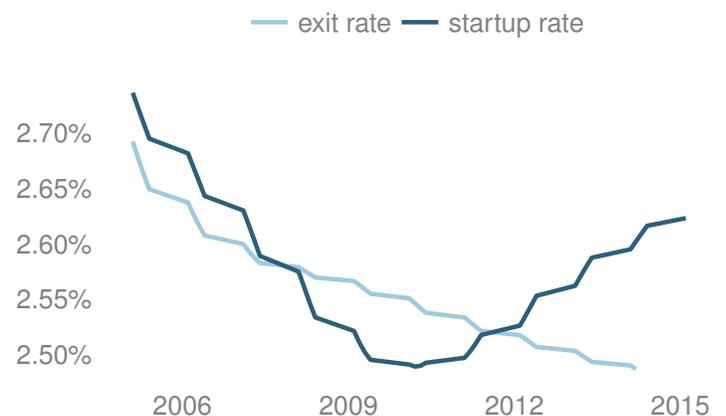


- Figure 2 displays the change in overall firm ownership for each demographic group from 2007 to 2012 based on the Survey of Business Owners (SBO) for Kansas, released in December 2015.
- Figure 3 displays the percent of each demographic group identified as self-employed according to the 2014 American Community Survey (ACS) 5-year estimates.

BUSINESS TURNOVER

- In the second quarter of 2014, 1,719 establishments started up⁵ in Kansas and 1,722 exited.⁶ Startups generated 7,164 new jobs while exits caused 6,213 job losses. (Source: BDM)
- Figure 4 displays startup and exit rates from 2005 to 2015. Each series is smoothed across multiple quarters to highlight long-run trends. (Source: BDM)

Figure 4: Kansas Private Startup and Exit Rates



⁵ **STARTUPS** are counted when business establishments hire at least one employee for the first time. The BLS terms these **births**, as distinct from the BLS **openings** category which includes seasonal re-openings.

⁶ **EXITS** occur when establishments go from having at least one employee to having none, and then remain closed for at least a year. The BLS terms these events **deaths**, as distinct from the **closings** category which includes seasonal shutterings.

INTERNATIONAL TRADE

- A total of 3,322 companies exported goods from Kansas in 2013. Among these, 2,760, or 83.1%, were small firms; they generated 22.7% of Kansas's total known export value. (Source: ITA)

SMALL BUSINESSES BY INDUSTRY

Table 1: Kansas Small Firms by Industry, 2013
(sorted by small employer firms)

				
Industry	1 – 499 Employees	1 – 19 Employees	Nonemployer Firms	Total Small Firms
Other Services (except Public Administration)	7,407	6,918	28,216	35,623
Retail Trade	6,683	5,956	19,980	26,663
Construction	6,655	6,131	20,198	26,853
Professional, Scientific, and Technical Services	6,370	5,897	23,914	30,284
Health Care and Social Assistance	5,599	4,555	15,766	21,365
Accommodation and Food Services	4,165	3,138	2,427	6,592
Finance and Insurance	3,329	2,979	7,603	10,932
Wholesale Trade	2,959	2,223	3,139	6,098
Administrative, Support, and Waste Management	2,941	2,574	15,029	17,970
Real Estate and Rental and Leasing	2,351	2,220	19,399	21,750
Manufacturing	2,345	1,661	2,857	5,202
Transportation and Warehousing	1,919	1,683	6,964	8,883
Mining, Quarrying, and Oil and Gas Extraction	944	839	6,265	7,209
Arts, Entertainment, and Recreation	941	799	9,075	10,016
Educational Services	640	492	4,437	5,077
Information	584	450	2,186	2,770
Agriculture, Forestry, Fishing and Hunting	207	200	3,230	3,437
Utilities	49	23	153	202
Total	56,088	48,738	190,838	246,926

Totals for Tables 1 and 2 differ from SUSB's statewide tallies due to firms with establishments in more than one industry and the omission of industry classifications not reported by NES. (Source: NES and SUSB)

s Indicates samples deemed too small to represent the population according to SUSB.

Table 2: Kansas Employment by Industry and Firm Size, 2013
(sorted by small firm employment)

Industry	Small Business Employment	Total Private Employment	Small Business Employment Share
Health Care and Social Assistance	106,358	191,966	55.4%
Accommodation and Food Services	64,840	108,236	59.9%
Retail Trade	58,185	147,038	39.6%
Manufacturing	58,175	160,314	36.3%
Construction	47,179	57,205	82.5%
Other Services (except Public Administration)	46,898	50,415	93.0%
Professional, Scientific, and Technical Services	41,599	60,445	68.8%
Wholesale Trade	37,823	62,678	60.3%
Administrative, Support, and Waste Management	32,272	72,164	44.7%
Finance and Insurance	28,200	62,203	45.3%
Transportation and Warehousing	16,091	49,763	32.3%
Educational Services	13,256	21,004	63.1%
Arts, Entertainment, and Recreation	11,140	15,085	73.8%
Real Estate and Rental and Leasing	10,698	14,969	71.5%
Information	8,240	38,725	21.3%
Mining, Quarrying, and Oil and Gas Extraction	7,865	10,200	77.1%
Utilities	1,823	7,214	25.3%
Agriculture, Forestry, Fishing and Hunting	836	869	96.2%
Total	591,478	1,130,493	52.3%

Figure 5: Kansas County-Level Job Changes, 2015 (CEW)

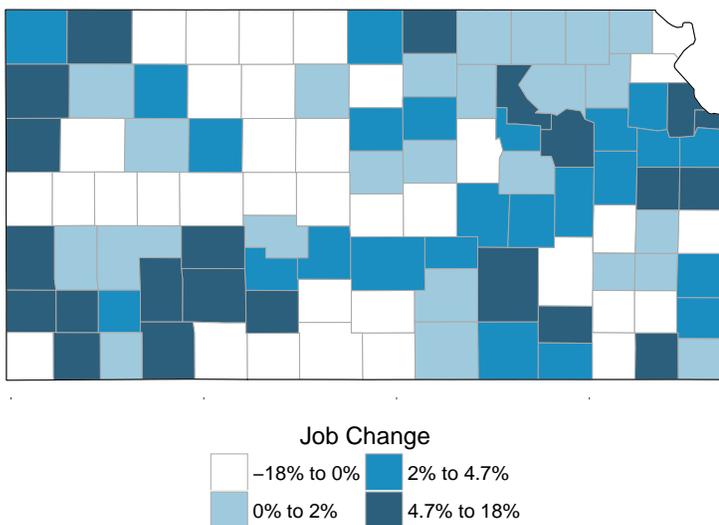


Table 3: Abbreviations and Resources

ACS	American Community Survey, US Census Bureau
BEA	Bureau of Economic Analysis
BDM	Business Employment Dynamics, BLS
BDS	Business Dynamics Statistics, US Census Bureau
BLS	Bureau of Labor Statistics, US 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, US Census Bureau
SBO	Survey of Business Owners, US Census Bureau
SUSB	Statistics of US Businesses, US Census Bureau

All profiles, source data, methodology notes, and county-level employment statistics are available at <http://go.usa.gov/cfKMd>

