

Indiana

Small businesses totaled 474,239 in Indiana in 2009. They represent 97.4 percent of all employers and employ 48.4 percent of the private-sector workforce. Being such a large part of the state's economy, these businesses are central to Indiana's health and well-being.

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

- Indiana's economy was mixed in 2010, with real gross state product decreasing 2.4 percent and private-sector employment increasing 0.3 percent (Bureau of Economic Analysis, Bureau of Labor Statistics).
- Most of Indiana's small businesses are very small as 76.5 percent of all businesses did not have employees and most employers have fewer than 20 employees.
- Small businesses employed 1.2 million workers in 2009 (Table 1) with most of the employment coming from firms with 20-499 employees.
- While the employment situation in 2008-2009 was weak (Table 2), small businesses in Indiana represented all of the net new jobs from 2005-2008.
- Self-employment in Indiana declined over the last decade. Female self-employment fared the best compared with other demographic groups during the decade.*
- Throughout 2010, the number of opening establishments was lower than closing establishments and the net employment change from this turnover was negative (Table 3).

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 <http://web.sba.gov/list> to subscribe to Advocacy's Listservs.

* Because of the relatively low number of veterans in the survey data source, the veteran self-employment figure is susceptible to large fluctuations.

Indiana Small Business Facts

	2009*	2008	2000
Number of Businesses			
Small employers (<500 employees)	109,079	112,513	113,324
Large employers (500+ employees)	2,893	2,953	2,932
Nonemployers	365,160	371,621	319,415
Level in 2007* (000)			
	Firms	Employment	Receipts(\$M)
Business Owner Demographics			
Male-owned	244	888	181,241
Woman-owned	130	149	18,295
Equally male/female-owned	93	150	19,386
African American-owned	22	16	1,932
Asian-owned	9	25	3,143
Hispanic-owned	9	14	1,437
Native American/Alaskan-owned	2	1	194
Hawaiian/Pacific Islander-owned	0	1	40
Veteran-owned	71	181	33,866
Publicly held, unclassified	16	1,352	407,448
	Level in 2010*	% Change from 2009 2000	
Workforce (Thousands)			
Private-sector employment	2,355	0.3	-9.3
Government employment	438	0.0	8.2
Self-employed (incorp. & uninc.)	229	3.2	-4.8
Female self-employment	70	-4.4	1.4
Male self-employment	159	7.0	-7.4
Minority self-employment	20	40.9	-10.5
Veteran self-employment	23	23.7	-47.5
Unemployment Rate (Percent)	10.2	-0.2†	7.3‡
Business Turnover			
Quarterly establishment openings	24,086	2.1	8.2
Quarterly establishment closings	25,180	-9.1	4.4
Business bankruptcies	918	51.2	130.7
	2010*	2009	2000
Income and Finance			
Proprietors' income (\$billion)	13.7	14.6	11.9
Number of bank branches	2,400	2,425	2,247
No. of bus. loans under \$100,000‡	141,953	105,747	68,562
Total value of business loans under \$100,000 (\$million)‡	1,854	1,246	1,053
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 Indiana by Industry and Firm Size, 2009
(Nonfarm, Thousands)**

Industry	Nonemployer Firms	Employer Firms			Employment		
		Total	1-19 Employees	1-499 Employees	Total	1-19 Employees	1-499 Employees
Total	365.2	112.0	95.2	109.1	2,450.0	414.1	1,185.9
Forestry, etc. and agriculture support	3.7	0.2	0.2	0.2	2.1	0.6	1.2
Mining	0.8	0.2	0.1	0.2	5.9	0.6	2.7
Utilities	0.3	0.2	0.1	0.2	16.1	0.6	3.3
Construction	47.4	14.2	13.1	14.1	118.5	48.8	99.3
Manufacturing	6.4	7.5	4.7	6.9	442.4	28.7	168.4
Wholesale trade	6.1	6.4	4.7	6.0	109.0	20.7	67.1
Retail trade	37.3	13.1	11.2	12.7	314.4	52.7	117.5
Transportation and warehousing	19.6	4.4	3.5	4.1	110.7	13.6	39.1
Information	4.5	1.1	0.7	0.9	44.5	3.4	13.4
Finance and insurance	11.7	4.9	4.2	4.7	101.7	13.4	41.2
Real estate and rental and leasing	34.4	4.4	4.0	4.3	34.0	11.6	22.7
Professional, scientific, and technical svcs.	42.4	12.0	10.8	11.7	102.1	37.2	73.0
Management of companies and enterprises	--	0.6	0.1	0.4	46.8	D	6.9
Admin., support, waste mgt., remed. svcs.	31.0	6.2	5.2	6.0	149.7	20.0	64.6
Educational services	9.7	1.4	1.1	1.4	59.5	5.4	20.7
Health care and social assistance	27.9	10.6	8.8	10.3	382.0	45.9	171.4
Arts, entertainment, and recreation	17.0	2.1	1.7	2.0	35.3	7.5	23.6
Accommodation and food services	4.3	9.0	6.8	8.8	250.4	42.3	144.7
Other services (except public admin.)	60.7	15.2	13.9	15.0	124.7	60.8	104.8
Unclassified	--	0.1	0.1	0.1	0.2	0.2	0.2

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, 2005–2009 (Nonfarm)

	Total Net New Jobs	Employment Size of Firm						
		1-4	5-9	10-19	20-99	100-499	<500	500+
2005 - 2006	61,131	16,131	3,382	2,199	7,196	11,394	40,302	20,829
2006 - 2007	-23,058	14,296	-218	-1,866	-4,728	-11,470	-3,986	-19,072
2007 - 2008	-27,514	10,603	-2,997	-3,034	-5,651	-2,159	-3,238	-24,276
2008 - 2009	-163,648	9,009	-6,124	-10,172	-35,349	-35,972	-78,608	-85,040

Source: U.S. Dept. of Commerce, Bureau of the Census. (For more detailed data see www.sba.gov/advocacy/849/12162.)

Table 3: Establishment and Employment Turnover by Quarter, 2010 (Nonfarm, Thousands)

	Establishments				Employment			
	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Quarter 1	Quarter 2	Quarter 3	Quarter 4
Openings	5.4	5.7	6.0	7.0	17.5	21.5	21.2	27.2
Expansions	28.2	29.3	28.7	29.1	112.2	123.3	117.1	116.8
Contractions	30.1	28.5	28.7	28.5	106.7	107.7	106.4	108.1
Closings	6.2	6.5	6.3	6.2	18.5	22.3	23.4	23.3

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 2009 show that 85 percent of establishment births and deaths were in firms with fewer than 500 employees.