

SMALL BUSINESS PROFILE

U.S. SMALL BUSINESS ADMINISTRATION

OFFICE OF ADVOCACY

REGULATION • RESEARCH • OUTREACH

ILLINOIS



1.2 million
99.6%

Small Businesses
of Illinois Businesses

2.4 million
46.0%

Small Business Employees
of Illinois Employees



EMPLOYMENT
43,836
net new jobs



DIVERSITY
311,609
minority-owned
businesses



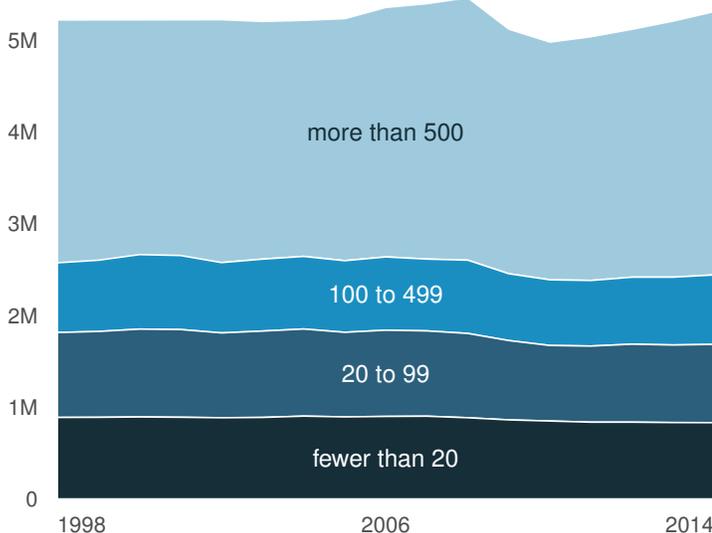
TRADE
90.0%
of Illinois exporters

OVERALL ILLINOIS ECONOMY

- In the second quarter of 2016, Illinois grew at an annual rate of **1.0%**, which was slower than the overall US growth rate of **1.2%**. Illinois's 2015 growth rate of **1.8%** was up from the 2014 rate of **1.1%**. (Source: [BEA](#))
- In November 2016, the unemployment rate was **5.6%**, down from **6.1%** at the close of 2015. This was above the November 2016 national unemployment rate of **4.6%**. (Source: [CPS](#))

EMPLOYMENT

Figure 1: Illinois Employment by Business Size (Employees)



- Illinois small businesses employed **2.4 million** people, or **46.0%** 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 increased **0.9%**. This was above the previous year's increase of **0.8%**. (Source: [CPS](#))
- The number of proprietors increased in 2015 by **2.8%** relative to the previous year. (Source: [BEA](#))
- Small businesses created **43,836** net jobs in 2014. Among the seven BDS size-classes, firms employing 250 to 499 employees experienced the largest gains, adding **15,992** net jobs. The smallest gains were in firms employing 1 to 4 employees, which added **496** 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, **192,611** loans under \$100,000 (valued at **\$2.5 billion**) were issued by Illinois lending institutions reporting under the Community Reinvestment Act. (Source: [FFIEC](#))
- The median income for individuals self-employed at their own incorporated businesses was **\$51,161** in 2015. For individuals self-employed at their own unincorporated firms, this figure was **\$23,481**. (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: Illinois Small Business Ownership, 2012

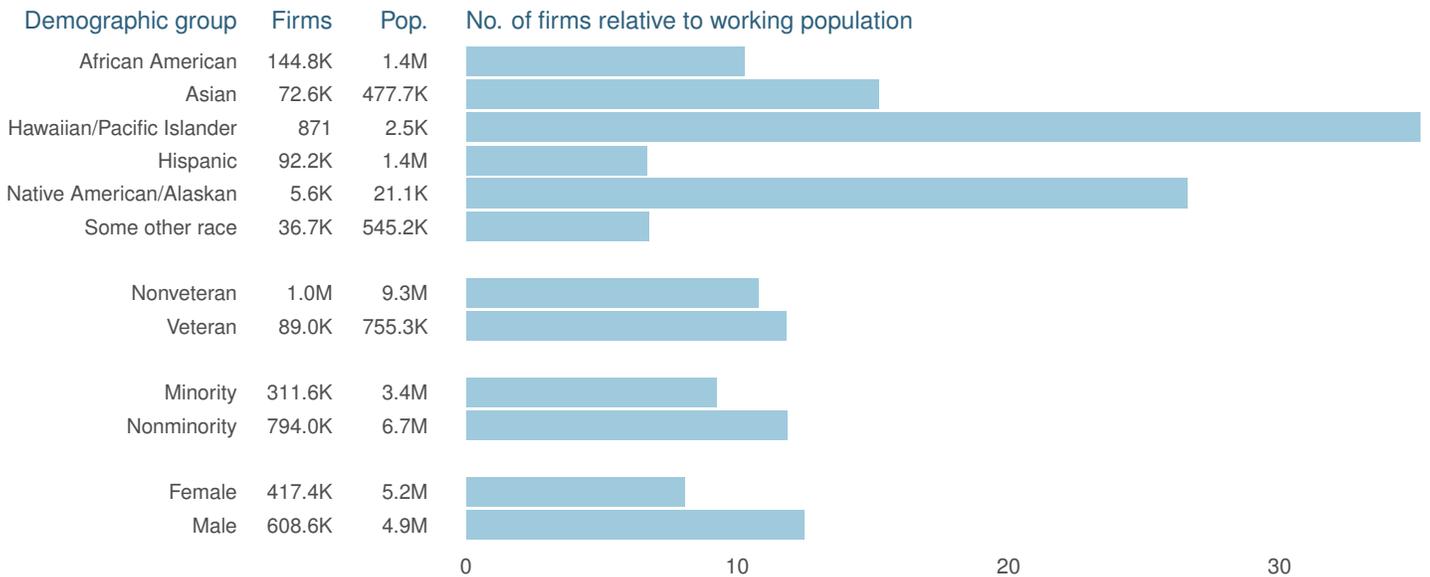
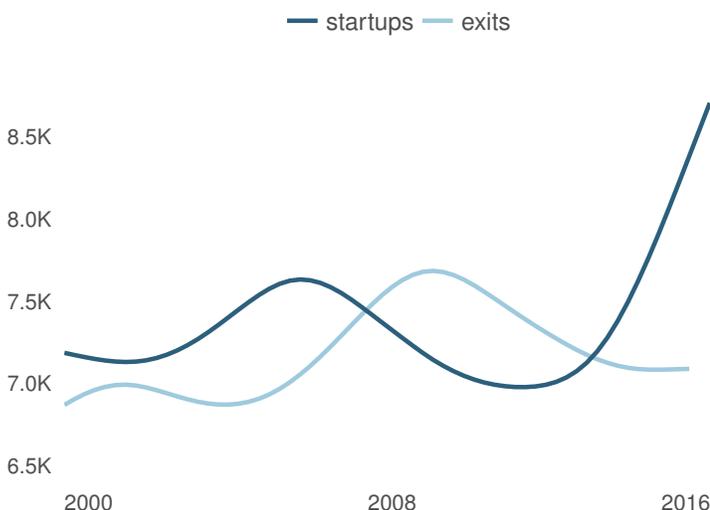


Figure 2 displays the number of small firms (SBO) per 100 people 16 years and over (ACS). For example, there are approximately 8 female-owned firms per 100 working age females or $417.4K \div 5.2M \times 100$. ACS and SBO differ in their classifications of individuals reporting more than one race. ACS provides a distinct category for two or more races while SBO tabulates these businesses into more than one group.

BUSINESS TURNOVER

Figure 3: Illinois Quarterly Startups and Exits



- In the second quarter of 2015, **9,675** establishments started up, generating **39,402** new jobs in Illinois. Startups are counted when business establishments hire at least one employee for the first time. (Source: [BDM](#))
- In the same period, **7,103** establishments exited resulting in **26,767** 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 23,252 companies exported goods from Illinois in 2014. Among these, 20,926, or 90.0%, were small firms; they generated 24.6% of Illinois's \$60.8 billion in total known exports. (Source: ITA)

SMALL BUSINESS EMPLOYMENT BY INDUSTRY AND COUNTY

Table 1: Illinois Employment by Industry, 2014

 Industry	 Small Business Employment	 Total Private Employment	 Small Business Employment Share
Health Care and Social Assistance	350,892	787,928	45%
Accommodation and Food Services	303,329	498,190	61%
Manufacturing	265,564	544,488	49%
Professional, Scientific, and Technical Services	217,579	419,062	52%
Other Services (Except Public Administration)	207,766	244,981	85%
Retail Trade	202,551	605,655	33%
Wholesale Trade	171,295	314,398	54%
Construction	156,609	182,749	86%
Administrative, Support, and Waste Management	152,153	471,702	32%
Finance and Insurance	104,641	328,292	32%
Transportation and Warehousing	76,973	231,473	33%
Educational Services	70,145	164,407	43%
Real Estate and Rental and Leasing	50,923	76,466	67%
Arts, Entertainment, and Recreation	49,282	78,114	63%
Information	35,181	124,909	28%
Mining, Quarrying, and Oil and Gas Extraction	5,375	9,089	59%
Utilities	3,282	28,412	12%
Agriculture, Forestry, and Fishing and Hunting	1,285	2,020	64%
Total	2,441,995	5,312,290	46%

Figure 4: Illinois Small Business Percent of Employment by County

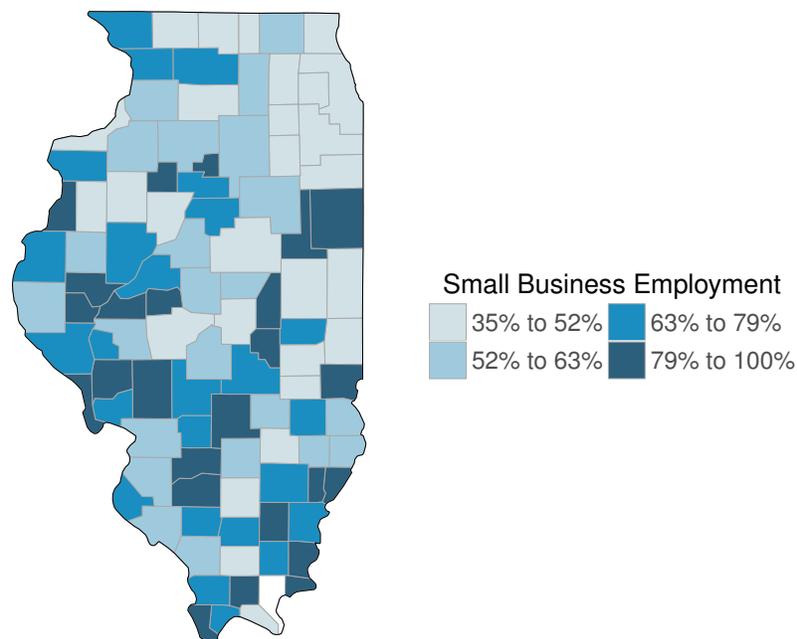
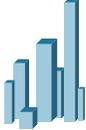


Table 2: Illinois Small Businesses by Industry and Firm Size, 2014

				
Industry	1-499 Employees	1-20 Employees	Nonemployer Firms	Total Small Firms
Other Services (Except Public Administration)	29,237	27,076	154,196	183,433
Professional, Scientific, and Technical Services	36,191	33,595	127,454	163,645
Health Care and Social Assistance	25,855	22,442	95,732	121,587
Construction	27,954	26,333	93,264	121,218
Real Estate and Rental and Leasing	9,679	9,024	89,810	99,489
Transportation and Warehousing	12,504	11,398	82,046	94,550
Retail Trade	23,440	21,034	69,005	92,445
Administrative, Support, and Waste Management	14,103	12,390	76,565	90,668
Arts, Entertainment, and Recreation	4,199	3,582	49,077	53,276
Finance and Insurance	11,853	10,599	30,675	42,528
Accommodation and Food Services	20,760	16,363	13,124	33,884
Educational Services	3,757	2,888	29,372	33,129
Wholesale Trade	14,716	11,909	14,550	29,266
Manufacturing	11,785	8,416	10,574	22,359
Information	2,785	2,280	11,744	14,529
Agriculture, Forestry, and Fishing and Hunting	293	278	5,095	5,388
Mining, Quarrying, and Oil and Gas Extraction	452	395	2,320	2,772
Utilities	151	105	550	701
Total	249,505	220,543	955,153	1,204,658

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

