

2020 Small Business Profile

U.S. SMALL BUSINESS ADMINISTRATION

OFFICE OF ADVOCACY

REGULATION • RESEARCH • OUTREACH

Nebraska



179,509 Small Businesses
99.1% of Nebraska Businesses

412,587 Small Business Employees
49.5% of Nebraska Employees



EMPLOYMENT
5,321
net new jobs



DIVERSITY
10,611
self-employed minorities



TRADE
1,488
small business exporters

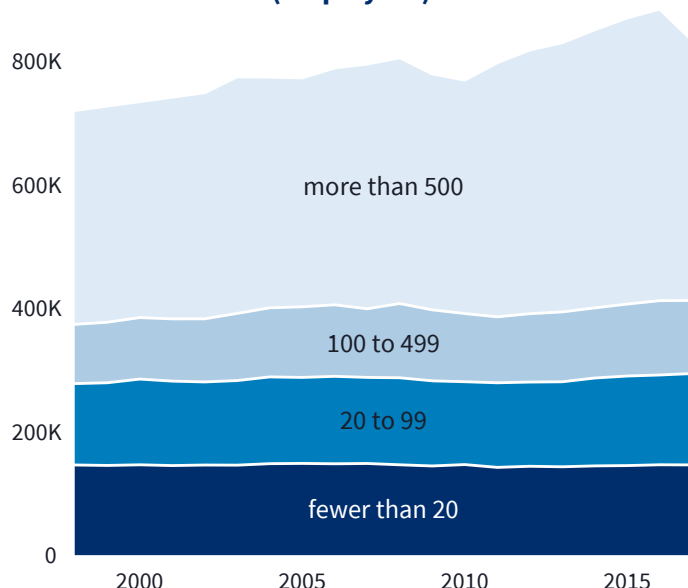
A note on COVID-19: This report uses the most up-to-date government data to present a unique snapshot of small businesses. The BLS employment estimates capture the early stages of the pandemic. All other sources reflect data collected prior to the pandemic.

Overall Economy

- In the fourth quarter of 2019, Nebraska grew at an annual rate of **2.6%**, which was faster than the overall US growth rate of **2.1%**. Nebraska's 2019 overall growth rate of **0.6%** was down from the 2018 rate of **0.9%**. (Source: [BEA](#))
- In April 2020, the unemployment rate was **8.3%**, up from **3.1%** in April 2019. This was below the April 2020 national unemployment rate of **14.7%**. (Source: [CPS](#))

Employment

Figure 1: Nebraska Employment by Business Size (Employees)



- Nebraska small businesses employed **412,587** people, or **49.5%** of the private workforce, in 2017. (Source: [SUSB](#))
- Firms with 20 to 99 employees have the largest share of small business employment. Figure 1 provides further details on firms with employees. (Source: [SUSB](#))
- Private-sector employment decreased **8.9%** during the 12-month period ending in April 2020. This was below the increase of **0.4%** during the prior 12-month period. (Source: [CES](#))
- The number of proprietors increased in 2018 by **2.4%** relative to the previous year. (Source: [BEA](#))
- Small businesses created **5,321** net jobs in 2019. Firms employing fewer than 20 employees experienced the largest gains, adding **3,442** net jobs. The largest losses were in firms employing 20 to 99 employees, which lost **330** net jobs. (Source: [BDM](#))

The Small Business Profiles are produced by the US Small Business Administration's Office of Advocacy (<http://advocacy.sba.gov>). These profiles define small businesses as firms with fewer than 500 employees. Net small business job change, self-employed minorities, and exporter share statistics are based on 2019 Business Employment Dynamics (BDM), 2018 American Community Survey (ACS), and 2018 International Trade Administration (ITA) data, respectively.

Income and Finance

- The median income for self-employed individuals at their own incorporated businesses was **\$43,040** in 2018. For self-employed individuals at their own unincorporated firms, median income was **\$27,440**. (Source: [ACS](#))
- The total number of banks decreased by **6** between June 2018 and June 2019 to **168** banks. During the same period, the number of banks with assets under \$1 billion decreased by **7** to **160** banks. (Source: [FDIC](#))
- In 2018, Nebraska lending institutions reporting under the Community Reinvestment Act issued **28,729** loans under \$100,000, a total value of **\$492.8 million**. (Source: [FFIEC](#))

Median income represents earnings from all sources. Unincorporated self-employment income includes unpaid family workers, a very small percent of the unincorporated self-employed. The decline in the number of banks with assets under \$1 billion may exceed the change in the total number of banks due to mergers and asset balance changes.

Self-Employment Demographics

Figure 2: Nebraska Self-Employment Rates by Gender & Demographic, 2018

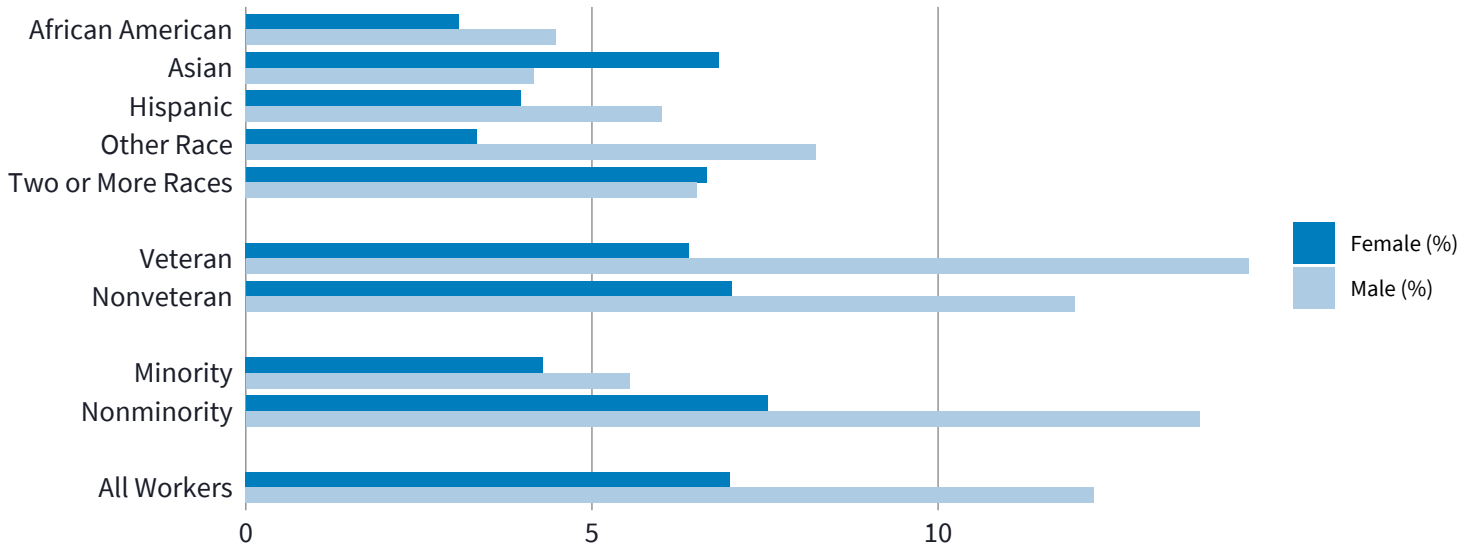
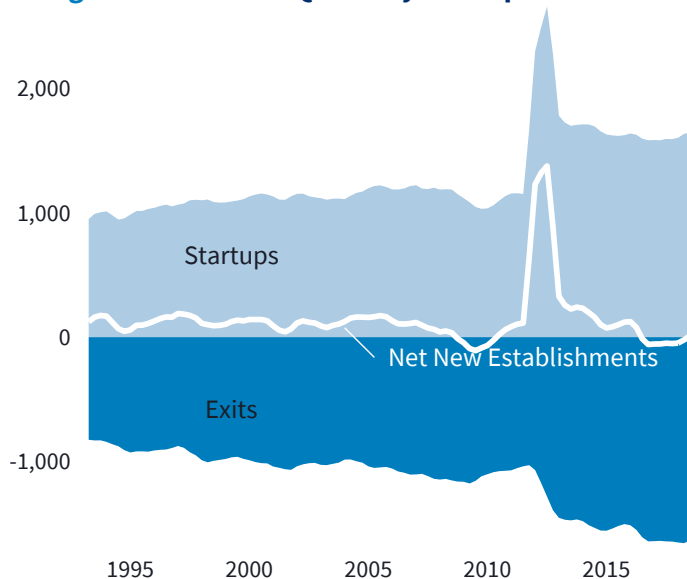


Figure 2 shows the self-employment rate for each demographic group by gender according to the 2018 American Community Survey (ACS). Other Race includes those who selected Alaska Native, American Indian, Native Hawaiian, Pacific Islander, or Some Other Race.

Turnover among Establishments with Employees

Figure 3: Nebraska Quarterly Startups and Exits



- In the fourth quarter of 2018, **1,582** establishments started up, generating **5,380** new jobs in Nebraska. Startups are counted when business establishments hire at least one employee for the first time. (Source: [BDM](#))
- In the same period, **1,621** establishments exited, resulting in **4,182** 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 1993 to 2018. Each series is smoothed across multiple quarters to highlight long-run trends. (Source: [BDM](#))

The BDM data covers only business establishments with employees. BDM refers to startups as births and exits as deaths. These terms are distinct from the BDM 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 1,870 firms exported goods from Nebraska in 2018. Of these, 1,488, or 79.6%, were small firms, which generated 17.6% of Nebraska's \$7.7 billion in total exports. (Source: ITA)

Small Business Employment by Industry and Self-Employment by County

Table 1: Nebraska Employment by Industry, 2017





 Industry	 Small Business Employment	 Total Private Employment	 Small Business Employment Share
Health Care and Social Assistance	69,530	133,276	52.2
Accommodation and Food Services	53,179	77,822	68.3
Retail Trade	44,157	109,010	40.5
Construction	42,012	48,084	87.4
Other Services (except Public Administration)	33,595	35,983	93.4
Manufacturing	29,927	96,270	31.1
Professional, Scientific, and Technical Services	25,237	39,047	64.6
Wholesale Trade	23,912	41,006	58.3
Administrative, Support, and Waste Management	19,543	64,726	30.2
Finance and Insurance	18,083	65,382	27.7
Transportation and Warehousing	14,472	30,707	47.1
Arts, Entertainment, and Recreation	10,360	14,765	70.2
Real Estate and Rental and Leasing	8,603	11,282	76.3
Educational Services	8,383	19,039	44.0
Information	7,131	21,232	33.6
Management of Companies and Enterprises	2,687	22,233	12.1
Agriculture, Forestry, and Fishing and Hunting	743	1,330	55.9
Mining, Quarrying, and Oil and Gas Extraction	731	1,057	69.2
Utilities	222	1,141	19.5
Industries Not Classified	80	80	100.0
Total	412,587	833,472	49.5

Figure 4: Nebraska Self-Employment Rates by County, 2018

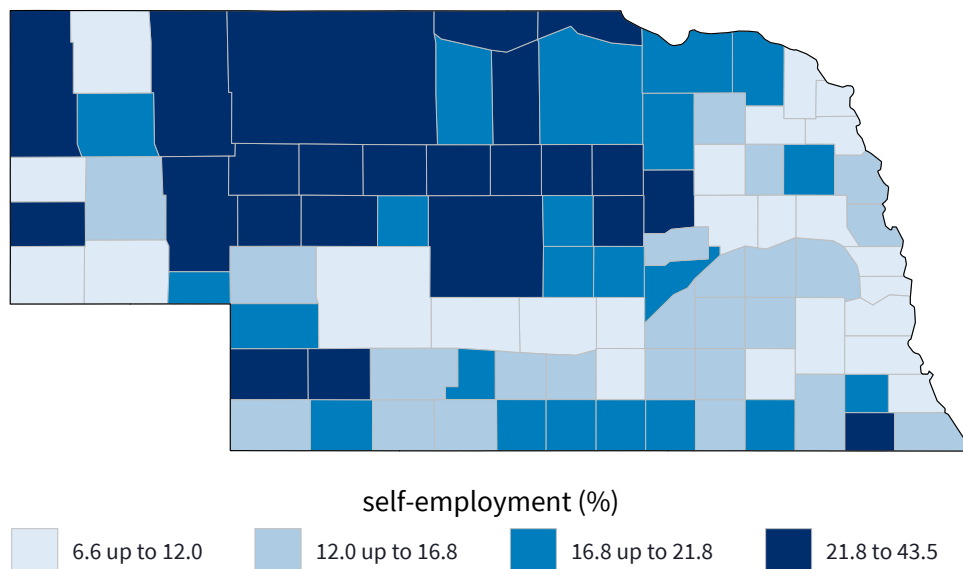







Table 2: Nebraska Small Businesses by Industry and Firm Size, 2017

 Industry	 1–19 Employees	 1–499 Employees	 Nonemployer Firms	 Total Small Firms
Other Services (except Public Administration)	4,983	5,355	20,614	25,969
Construction	5,904	6,368	15,472	21,840
Retail Trade	3,866	4,412	15,254	19,666
Real Estate and Rental and Leasing	1,829	1,933	16,290	18,223
Professional, Scientific, and Technical Services	3,872	4,199	14,015	18,214
Health Care and Social Assistance	3,582	4,383	11,544	15,927
Administrative, Support, and Waste Management	2,090	2,328	9,470	11,798
Transportation and Warehousing	1,937	2,100	9,077	11,177
Arts, Entertainment, and Recreation	723	854	6,878	7,732
Finance and Insurance	2,119	2,343	5,334	7,677
Accommodation and Food Services	2,560	3,379	1,718	5,097
Educational Services	369	494	3,587	4,081
Wholesale Trade	1,469	1,959	1,725	3,684
Agriculture, Forestry, and Fishing and Hunting	184	198	3,312	3,510
Manufacturing	1,029	1,402	1,551	2,953
Information	340	457	1,335	1,792
Mining, Quarrying, and Oil and Gas Extraction	79	88	164	252
Utilities	14	22	40	62
Total	36,999	42,129	137,380	179,509

Tables 1 and 2 display data from the 2017 Statistics of U.S. Businesses (SUSB). Table 2 includes additional data from the 2017 Nonemployer Statistics (NES). Figure 4 provides estimates of the rate of self-employment among employed civilians, 16 years and over, including both incorporated and unincorporated businesses, from the 2018 American Community Survey (ACS).

References

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

ACS	American Community Survey, 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
CES	Current Employment Statistics, BLS
CPS	Current Population Survey, BLS
FDIC	Federal Deposit Insurance Corporation
FFIEC	Federal Financial Institutions Examination Council
ITA	International Trade Administration, US Department of Commerce
NES	Nonemployer Statistics, US Census Bureau
SUSB	Statistics of US Businesses, US Census Bureau