

# 2021 Small Business Profile

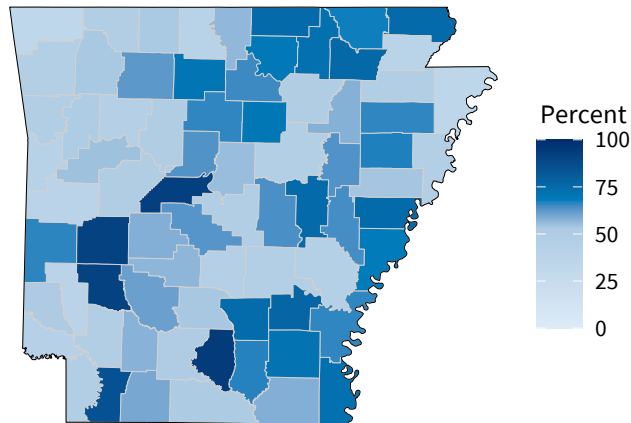
U.S. SMALL BUSINESS ADMINISTRATION  
**OFFICE OF ADVOCACY**

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## Arkansas

**258,552** small businesses  
**99.3 percent** of Arkansas businesses

**491,383** small business employees  
**47.1 percent** of Arkansas employees



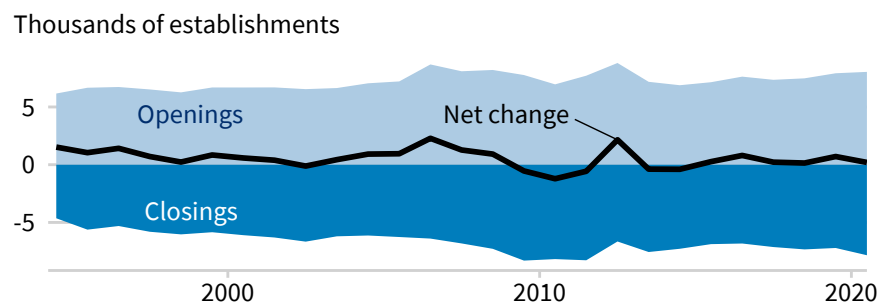
### Share of employees working at small businesses by county

Source of data: [Statistics of US Businesses](#) (Census)

## Business dynamics

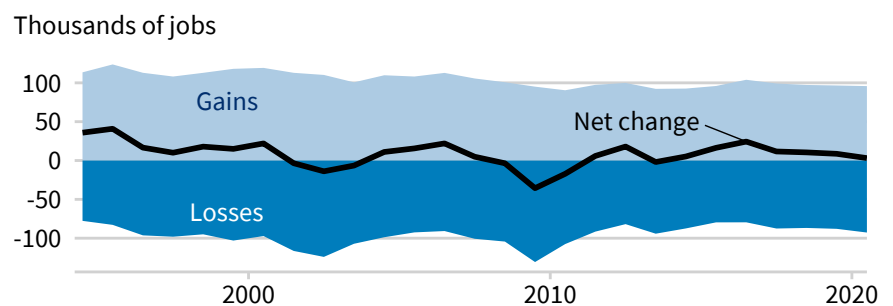
### Establishments

Between March 2019 and March 2020, 8,039 Arkansas establishments opened and 7,841 closed, for a net increase of 198. Employment expanded at 16,856 and contracted at 17,070. Small businesses accounted for 7,945 openings and 7,770 closings.



### Employment

Opening and expanding Arkansas establishments added 95,821 jobs, while closing and contracting establishments lost 92,721, for a net increase of 3,100 jobs. Small businesses contributed a net increase of 2,276 jobs, or 73.4 percent of that total.



Counts include temporary closures and reopenings

Source: [Business Employment Dynamics](#) (BLS)

## Small business loans

The Community Reinvestment Act requires large banks to report new small business loans. In 2019, reporting banks issued \$1.0 billion in loans to Arkansas businesses with revenues of \$1 million or less. Total reported new lending to businesses through loans of \$100,000 or less was \$737.5 million, and total reported new lending to businesses through loans of \$1 million or less was \$2.3 billion.

Source: [CRA Aggregate Data](#) (FFIEC)

### New lending to businesses with revenues under \$1 million



## Small business count by size and industry

Industry	No employees	1–19 employees	20–499 employees	All small businesses
Other Services (except Public Administration)	29,406	5,892	382	35,680
Construction	29,889	4,922	492	35,303
Administrative, Support, and Waste Management	24,208	1,945	275	26,428
Retail Trade	19,348	5,782	605	25,735
Professional, Scientific, and Technical Services	19,832	5,054	322	25,208
Health Care and Social Assistance	17,342	4,983	900	23,225
Real Estate and Rental and Leasing	19,839	2,270	131	22,240
Transportation and Warehousing	12,296	1,638	230	14,164
Arts, Entertainment, and Recreation	7,924	660	100	8,684
Finance and Insurance	5,910	2,140	186	8,236
Accommodation and Food Services	3,781	3,293	1,145	8,219
Educational Services	5,422	438	119	5,979
Agriculture, Forestry, Fishing and Hunting	5,016	577	41	5,634
Wholesale Trade	2,867	1,608	545	5,020
Manufacturing	2,797	1,462	516	4,775
Information	1,788	361	87	2,236
Mining, Quarrying, and Oil and Gas Extraction	1,382	201	29	1,612
Utilities	132	99	21	252
Management of Companies and Enterprises	*	33	142	175
Industries not classified	*	94	0	94
Total	209,179	43,409	5,964	258,552

\* Not reported by the Census Bureau

Sources: [Nonemployer Statistics](#), 2018 (Census); [Statistics of US Businesses](#), 2018 (Census)



### Small business exports

A total of 2,254 identified firms exported goods worth \$5.8 billion from Arkansas in 2019. Of those exporters, 1,721—or 76.4 percent—were small. Small firms exported goods worth \$1.1 billion, making up 18.7 percent of exports by identified firms.

Source: [A profile of US importing and exporting companies, 2018–2019](#) (Census)

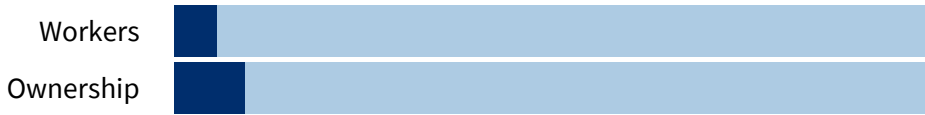
## Business ownership share by demographic group

### Women



Women made up 47.3 percent of workers and owned 43.1 percent of businesses.

### Veterans



Veterans made up 5.6 percent of workers and owned 9.3 percent of businesses.

### Hispanics



Hispanics made up 7.9 percent of workers and owned 4.7 percent of businesses.

### Racial minorities



Racial minorities made up 20.6 percent of workers and owned 12.8 percent of businesses.

Ownership shares include equal and majority ownership

Sources of data: [American Community Survey](#), 2018 (Census and IPUMS); [Annual Business Survey](#), 2018 (Census); [Nonemployer Statistics by Demographics](#), 2017 (Census)

## Business count by owner demographic group

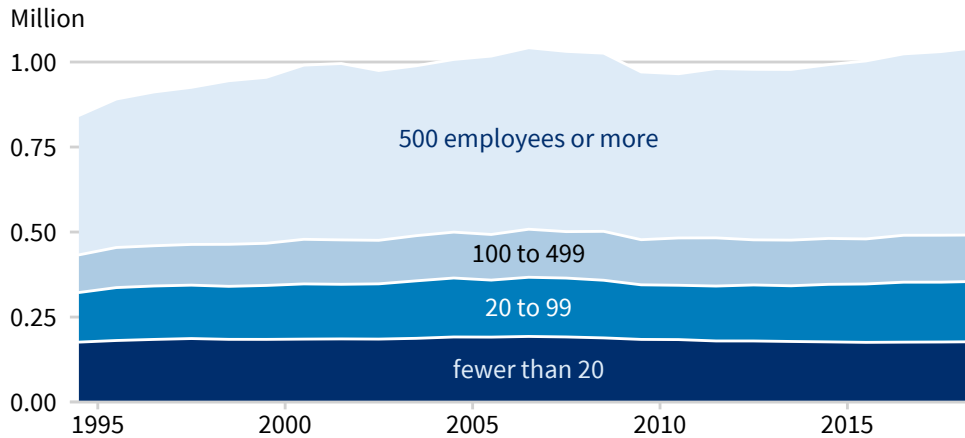
Ownership	Without employees	With employees	Total
Female	83,000	8,168	91,168
Male	113,000	26,877	139,877
Owned equally by both groups	6,200	8,481	14,681
Veteran	16,000	3,600	19,600
Not veteran	185,000	38,048	223,048
Owned equally by both groups	1,300	1,879	3,179
Hispanic	10,500	737	11,237
Not Hispanic	192,000	42,630	234,630
Owned equally by both groups	150	*	*
American Indian and Alaska Native	600	338	938
Asian	4,300	*	*
Black or African American	22,500	641	23,141
Native Hawaiian and Other Pacific Islander	250	*	*
White	175,000	39,965	214,965
Hispanic or racial minority	37,000	4,229	41,229
White and not Hispanic	165,000	38,563	203,563
Owned equally by both groups	350	*	*

\* Not reported by the Census Bureau; counts include only businesses classifiable by owner demographic group

Sources: [Annual Business Survey](#), 2018 (Census); [Nonemployer Statistics by Demographics](#), 2017 (Census)

## Total Arkansas employment by business size

Source of data: [Statistics of US Businesses](#) (Census)



Small businesses accounted for 47.1 percent of Arkansas employment in 2018, which exceeded the national share.

## Small business employment and payroll by industry

Industry	Employers		Employment		Payroll (\$1,000s)	
	Small	%	Small	%	Small	%
Retail Trade	6,387	95.6	51,692	37.0	1,536,127	41.8
Other Services (except Public Administration)	6,274	98.7	38,621	92.1	985,869	87.5
Health Care and Social Assistance	5,883	97.6	87,745	48.5	3,443,660	41.1
Construction	5,414	99.0	42,187	87.2	1,939,515	81.6
Professional, Scientific, and Technical Services	5,376	97.3	28,548	73.8	1,535,742	69.2
Accommodation and Food Services	4,438	96.8	72,652	66.5	1,131,687	65.9
Real Estate and Rental and Leasing	2,401	97.3	9,434	73.3	358,298	70.9
Finance and Insurance	2,326	93.4	16,921	44.6	910,129	35.8
Administrative, Support, and Waste Management	2,220	93.3	23,362	35.9	722,379	42.7
Wholesale Trade	2,153	86.2	26,814	53.3	1,421,638	53.0
Manufacturing	1,978	87.0	40,439	24.8	1,734,010	22.9
Transportation and Warehousing	1,868	92.6	16,304	30.6	674,743	26.3
Arts, Entertainment, and Recreation	760	97.8	8,464	80.1	168,888	76.8
Agriculture, Forestry, Fishing and Hunting	618	98.1	4,314	87.1	176,810	79.7
Educational Services	557	96.7	11,111	69.6	296,099	73.8
Information	448	83.1	5,305	25.3	349,564	22.1
Mining, Quarrying, and Oil and Gas Extraction	230	85.5	1,831	44.7	105,622	38.7
Management of Companies and Enterprises	175	59.3	3,012	7.9	180,579	4.5
Utilities	120	88.9	2,504	34.1	172,431	24.8
Industries not classified	94	100.0	123	100.0	2,280	100.0
Total	49,373	96.4	491,383	47.1	17,846,070	40.2

Source: [Statistics of US Businesses](#), 2018 (Census)

### About this profile

Small businesses are defined here as firms with fewer than 500 employees. Figures and statistics may incorporate approximations because of missing or otherwise problematic data. Data analyzed here predate the COVID-19 pandemic, the impacts of which have differed by industry, geography, and demographic group. More information about [the impacts of the pandemic](#), electronic versions of these and other [geographic profiles](#), and additional resources are available at <http://advocacy.sba.gov>.