

2021 Small Business Profile

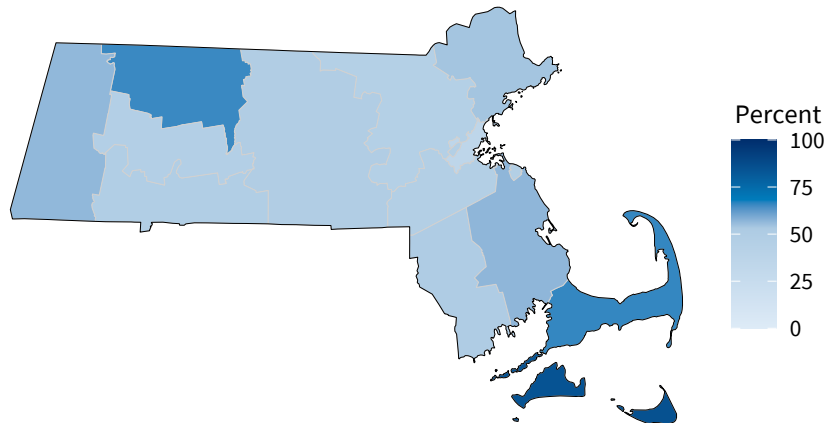
U.S. SMALL BUSINESS ADMINISTRATION
OFFICE OF ADVOCACY

REGULATION • RESEARCH • OUTREACH

Massachusetts

715,425 small businesses
99.5 percent of Massachusetts businesses

1.5 million small business employees
45.7 percent of Massachusetts employees



Share of employees working at small businesses by county

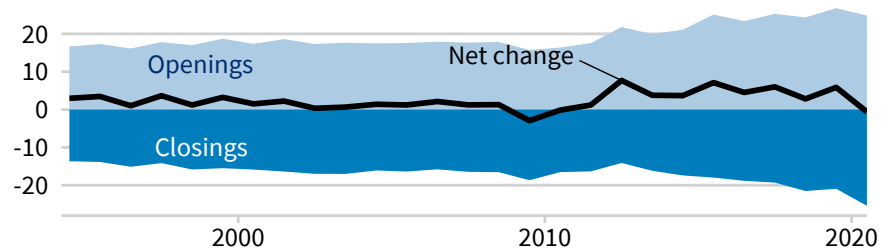
Source of data: [Statistics of US Businesses](#) (Census)

Business dynamics

Establishments

Between March 2019 and March 2020, 24,833 Massachusetts establishments opened and 25,429 closed, for a net decrease of 596. Employment expanded at 45,313 and contracted at 47,511. Small businesses accounted for 24,605 openings and 25,103 closings.

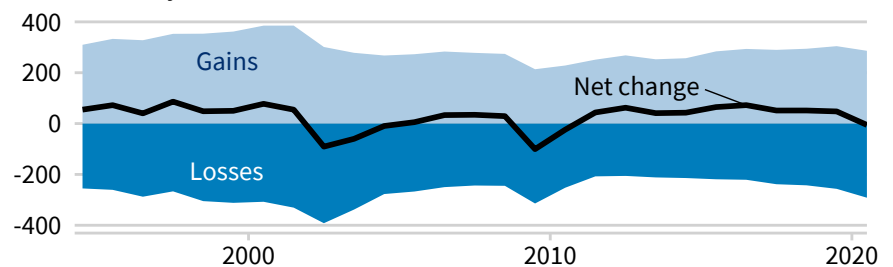
Thousands of establishments



Employment

Opening and expanding Massachusetts establishments added 286,224 jobs, while closing and contracting establishments lost 291,610, for a net decrease of 5,386 jobs. Small businesses gained 239,623 jobs and lost 243,648, for a net decrease of 4,025 jobs.

Thousands of jobs



Counts include temporary closures and reopenings

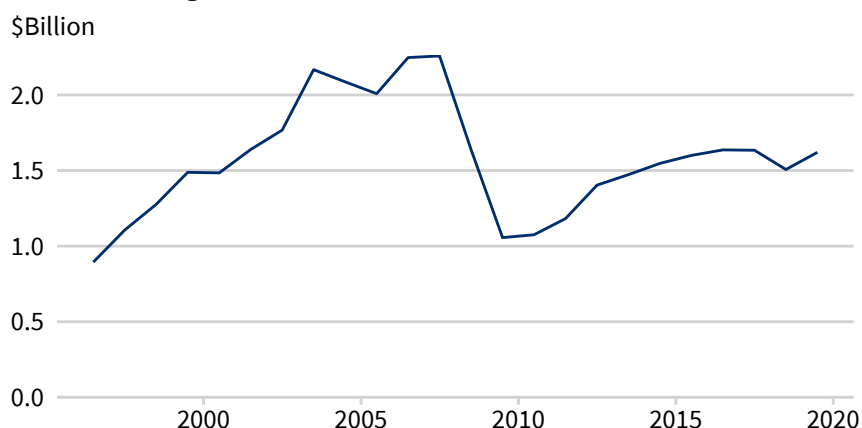
Source: [Business Employment Dynamics](#) (BLS)

Small business loans

The Community Reinvestment Act requires large banks to report new small business loans. In 2019, reporting banks issued \$1.6 billion in loans to Massachusetts businesses with revenues of \$1 million or less. Total reported new lending to businesses through loans of \$100,000 or less was \$2.1 billion, and total reported new lending to businesses through loans of \$1 million or less was \$5.1 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
Professional, Scientific, and Technical Services	105,886	17,908	1,955	125,749
Construction	58,069	18,265	1,238	77,572
Real Estate and Rental and Leasing	62,089	5,314	367	67,770
Other Services (except Public Administration)	48,895	15,906	1,004	65,805
Transportation and Warehousing	62,306	2,819	560	65,685
Health Care and Social Assistance	43,119	10,284	2,343	55,746
Retail Trade	39,447	13,817	1,382	54,646
Administrative, Support, and Waste Management	40,360	8,625	1,016	50,001
Arts, Entertainment, and Recreation	39,624	2,602	581	42,807
Educational Services	24,141	2,264	626	27,031
Accommodation and Food Services	7,375	10,650	3,265	21,290
Finance and Insurance	14,836	4,112	628	19,576
Wholesale Trade	7,773	4,546	1,191	13,510
Manufacturing	6,162	4,099	1,558	11,819
Information	8,305	1,662	442	10,409
Agriculture, Forestry, Fishing and Hunting	4,813	336	9	5,158
Industries not classified	*	573	5	578
Utilities	467	56	19	542
Management of Companies and Enterprises	*	103	285	388
Mining, Quarrying, and Oil and Gas Extraction	87	31	12	130
Total	573,754	123,885	17,786	715,425

* Not reported by the Census Bureau

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



Small business exports

A total of 10,089 identified firms exported goods worth \$24.8 billion from Massachusetts in 2019. Of those exporters, 8,885—or 88.1 percent—were small. Small firms exported goods worth \$9.4 billion, making up 37.8 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 49.2 percent of workers and owned 39.6 percent of businesses.

Veterans



Veterans made up 3.4 percent of workers and owned 5.4 percent of businesses.

Hispanics



Hispanics made up 11.0 percent of workers and owned 6.6 percent of businesses.

Racial minorities



Racial minorities made up 19.6 percent of workers and owned 13.3 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

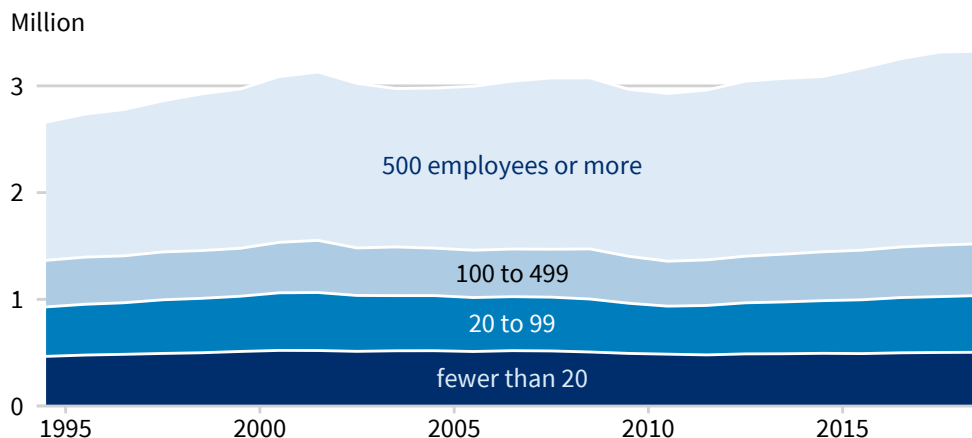
Ownership	Without employees	With employees	Total
Female	218,000	25,200	243,200
Male	320,000	88,304	408,304
Owned equally by both groups	10,000	14,343	24,343
Veteran	23,000	9,248	32,248
Not veteran	523,000	115,866	638,866
Owned equally by both groups	1,400	2,734	4,134
Hispanic	40,000	3,457	43,457
Not Hispanic	507,000	123,960	630,960
Owned equally by both groups	400	429	829
American Indian and Alaska Native	850	211	1,061
Asian	36,000	10,970	46,970
Black or African American	38,500	2,052	40,552
Native Hawaiian and Other Pacific Islander	350	141	491
White	472,000	114,020	586,020
Hispanic or racial minority	108,000	16,299	124,299
White and not Hispanic	439,000	109,814	548,814
Owned equally by both groups	1,000	1,734	2,734

Counts include only businesses classifiable by owner demographic group

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

Total Massachusetts employment by business size

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



Small business employment and payroll by industry

Industry	Employers		Employment		Payroll (\$1,000s)	
	Small	%	Small	%	Small	%
Professional, Scientific, and Technical Services	19,863	97.1	160,161	52.3	16,912,626	46.2
Construction	19,503	99.5	124,975	86.3	9,399,507	82.6
Other Services (except Public Administration)	16,910	99.2	109,995	86.9	3,919,629	81.9
Retail Trade	15,199	97.1	119,699	33.6	4,813,163	42.0
Accommodation and Food Services	13,915	98.5	210,357	67.2	4,914,228	65.7
Health Care and Social Assistance	12,627	97.8	232,838	37.6	10,601,673	31.7
Administrative, Support, and Waste Management	9,641	96.7	95,076	45.7	4,805,153	46.3
Wholesale Trade	5,737	92.0	75,048	50.6	5,812,760	41.7
Real Estate and Rental and Leasing	5,681	97.7	32,845	65.2	2,154,335	61.2
Manufacturing	5,657	94.1	117,654	52.0	7,254,317	41.6
Finance and Insurance	4,740	92.6	53,474	28.1	6,572,755	22.8
Transportation and Warehousing	3,379	93.9	39,336	41.1	1,632,627	34.4
Arts, Entertainment, and Recreation	3,183	98.2	42,899	66.4	1,521,734	60.2
Educational Services	2,890	96.6	59,254	26.3	2,401,714	23.0
Information	2,104	88.8	34,370	28.1	3,614,639	24.0
Industries not classified	578	100.0	717	100.0	51,428	100.0
Management of Companies and Enterprises	388	50.4	9,056	8.3	787,080	5.6
Agriculture, Forestry, Fishing and Hunting	345	99.7	1,134	99.3	46,933	98.1
Utilities	75	72.8	725	5.6	101,661	6.2
Mining, Quarrying, and Oil and Gas Extraction	43	87.8	606	71.3	42,398	58.8
Total	141,671	97.7	1,520,219	45.7	87,360,360	38.3

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>.