

2021 Small Business Profile

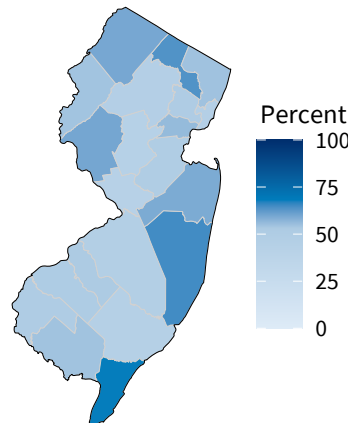
U.S. SMALL BUSINESS ADMINISTRATION
OFFICE OF ADVOCACY

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New Jersey

937,436 small businesses
99.6 percent of New Jersey businesses

1.9 million small business employees
49.5 percent of New Jersey employees



Share of employees working at small businesses by county

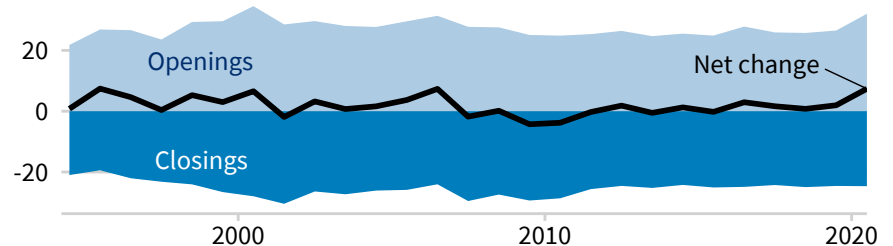
Source of data: [Statistics of US Businesses](#) (Census)

Business dynamics

Establishments

Between March 2019 and March 2020, 32,044 New Jersey establishments opened and 24,660 closed, for a net increase of 7,384. Employment expanded at 54,304 and contracted at 59,917. Small businesses accounted for 31,291 openings and 23,968 closings.

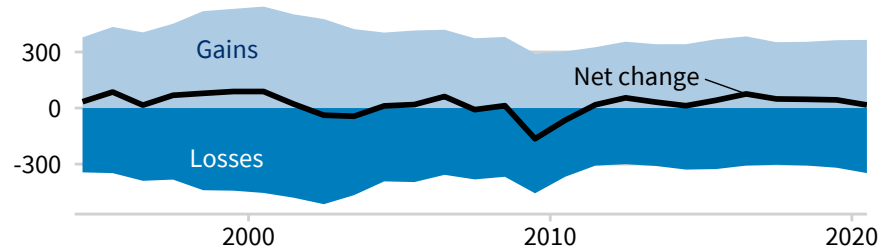
Thousands of establishments



Employment

Opening and expanding New Jersey establishments added 364,552 jobs, while closing and contracting establishments lost 348,208, for a net increase of 16,344 jobs. Small businesses gained 304,013 jobs and lost 279,470, for a net increase of 24,543 jobs.

Thousands of jobs



Counts include temporary closures and reopenings

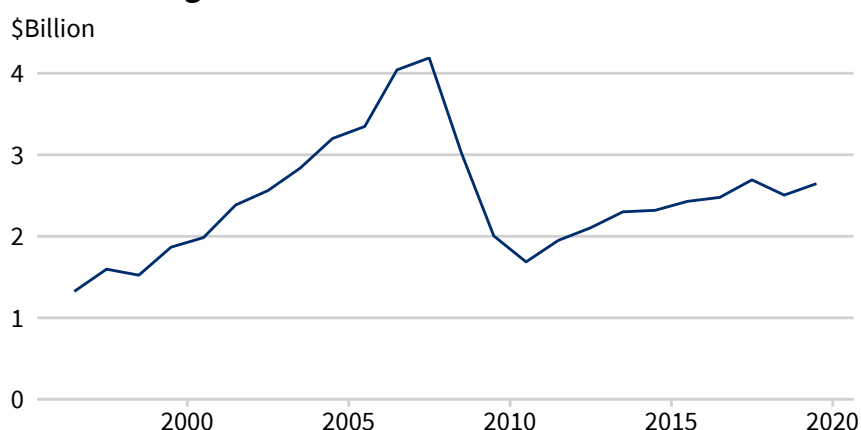
Source: [Business Employment Dynamics](#) (BLS)

Small business loans

The Community Reinvestment Act requires large banks to report new small business loans. In 2019, reporting banks issued \$2.6 billion in loans to New Jersey businesses with revenues of \$1 million or less. Total reported new lending to businesses through loans of \$100,000 or less was \$3.6 billion, and total reported new lending to businesses through loans of \$1 million or less was \$8.4 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	123,501	23,974	2,327	149,802
Real Estate and Rental and Leasing	106,173	7,084	476	113,733
Transportation and Warehousing	97,798	5,551	1,008	104,357
Other Services (except Public Administration)	58,064	21,669	1,477	81,210
Construction	58,530	20,116	1,427	80,073
Health Care and Social Assistance	57,470	18,069	3,089	78,628
Retail Trade	51,982	19,506	1,695	73,183
Administrative, Support, and Waste Management	53,346	10,991	1,373	65,710
Arts, Entertainment, and Recreation	41,064	2,940	630	44,634
Accommodation and Food Services	12,222	15,656	2,984	30,862
Educational Services	26,995	2,854	751	30,600
Finance and Insurance	23,990	5,072	638	29,700
Wholesale Trade	14,148	9,608	2,086	25,842
Manufacturing	6,841	4,829	1,735	13,405
Information	10,791	1,624	315	12,730
Agriculture, Forestry, Fishing and Hunting	2,102	205	10	2,317
Utilities	396	59	16	471
Management of Companies and Enterprises	*	125	323	448
Industries not classified	*	385	0	385
Mining, Quarrying, and Oil and Gas Extraction	70	29	11	110
Total	745,483	170,255	21,698	937,436

* Not reported by the Census Bureau

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



Small business exports

A total of 20,619 identified firms exported goods worth \$32.3 billion from New Jersey in 2019. Of those exporters, 18,887—or 91.6 percent—were small. Small firms exported goods worth \$13.7 billion, making up 42.6 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 39.6 percent of businesses.

Veterans



Veterans made up 2.8 percent of workers and owned 4.2 percent of businesses.

Hispanics



Hispanics made up 20.2 percent of workers and owned 14.2 percent of businesses.

Racial minorities



Racial minorities made up 30.9 percent of workers and owned 21.7 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

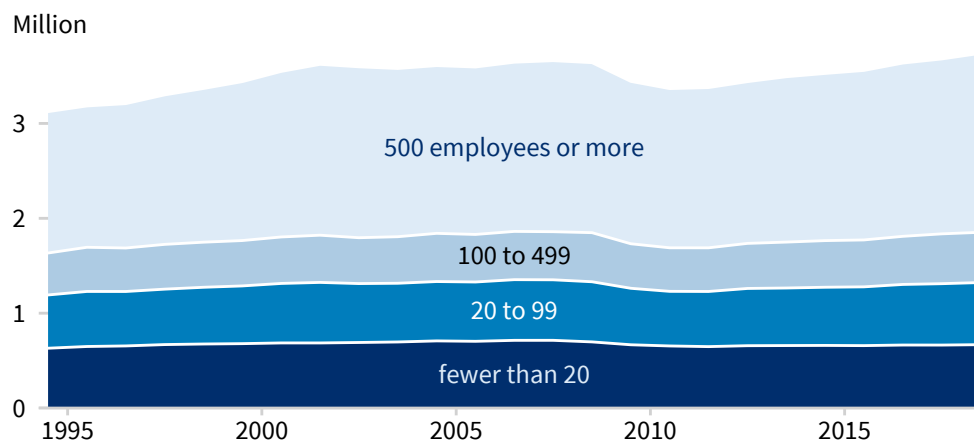
Ownership	Without employees	With employees	Total
Female	266,000	34,130	300,130
Male	405,000	123,705	528,705
Owned equally by both groups	25,500	20,318	45,818
Veteran	22,000	8,787	30,787
Not veteran	673,000	165,840	838,840
Owned equally by both groups	2,200	3,527	5,727
Hispanic	110,000	10,938	120,938
Not Hispanic	585,000	165,777	750,777
Owned equally by both groups	1,900	*	*
American Indian and Alaska Native	1,500	*	*
Asian	76,500	26,625	103,125
Black or African American	78,500	3,636	82,136
Native Hawaiian and Other Pacific Islander	500	132	632
White	538,000	147,291	685,291
Hispanic or racial minority	247,000	40,741	287,741
White and not Hispanic	447,000	135,205	582,205
Owned equally by both groups	3,100	2,205	5,305

* 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 New Jersey employment by business size

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



Small businesses accounted for 49.5 percent of New Jersey employment in 2018, which exceeded the national share.

Small business employment and payroll by industry

Industry	Employers		Employment		Payroll (\$1,000s)	
	Small	%	Small	%	Small	%
Professional, Scientific, and Technical Services	26,301	98.1	195,071	59.6	16,142,476	51.1
Other Services (except Public Administration)	23,146	99.4	144,972	91.4	4,448,936	87.6
Construction	21,543	99.5	140,450	87.0	9,928,972	83.6
Retail Trade	21,201	97.8	158,365	34.8	5,856,169	41.6
Health Care and Social Assistance	21,158	98.6	289,380	47.7	13,098,802	42.3
Accommodation and Food Services	18,640	99.0	209,265	64.0	4,297,626	60.6
Administrative, Support, and Waste Management	12,364	96.9	122,930	34.8	5,320,323	35.8
Wholesale Trade	11,694	95.2	147,178	53.4	10,411,548	39.8
Real Estate and Rental and Leasing	7,560	98.0	41,695	68.3	2,316,563	61.2
Manufacturing	6,564	94.7	135,124	60.8	7,874,349	53.3
Transportation and Warehousing	6,559	95.8	72,127	39.8	3,240,298	32.5
Finance and Insurance	5,710	94.0	46,807	24.0	4,174,597	16.5
Educational Services	3,605	98.2	63,203	58.4	2,254,075	55.5
Arts, Entertainment, and Recreation	3,570	98.4	49,276	71.3	1,541,934	72.6
Information	1,939	90.7	22,096	24.6	1,815,715	19.5
Management of Companies and Enterprises	448	50.3	11,983	9.6	1,169,214	6.9
Industries not classified	385	100.0	339	100.0	13,531	100.0
Agriculture, Forestry, Fishing and Hunting	215	99.1	914	96.9	38,034	92.3
Utilities	75	78.9	1,016	5.0	90,448	3.5
Mining, Quarrying, and Oil and Gas Extraction	40	80.0	485	42.6	36,841	44.6
Total	191,953	98.2	1,852,676	49.5	94,070,451	40.8

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>.