

# 2021 Small Business Profile

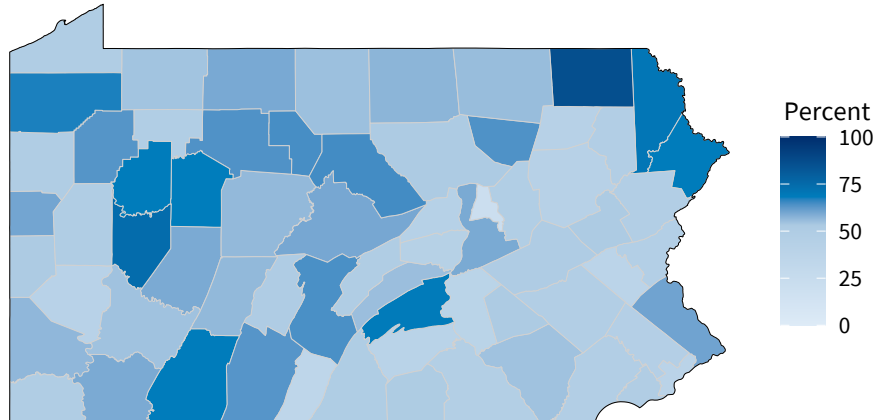
U.S. SMALL BUSINESS ADMINISTRATION  
**OFFICE OF ADVOCACY**

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## Pennsylvania

**1.1 million** small businesses  
**99.6 percent** of Pennsylvania businesses

**2.5 million** small business employees  
**46.3 percent** of Pennsylvania employees



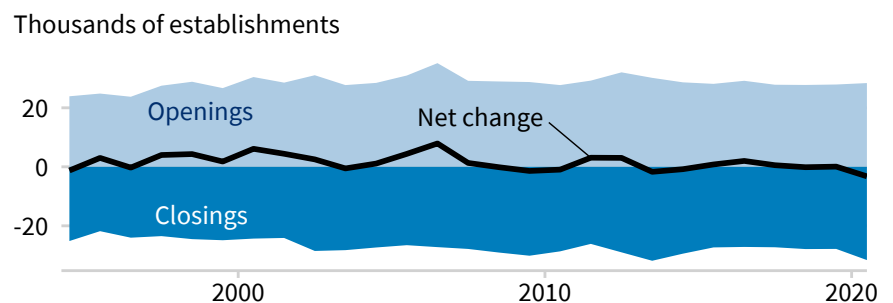
**Share of employees working at small businesses by county**

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

### Business dynamics

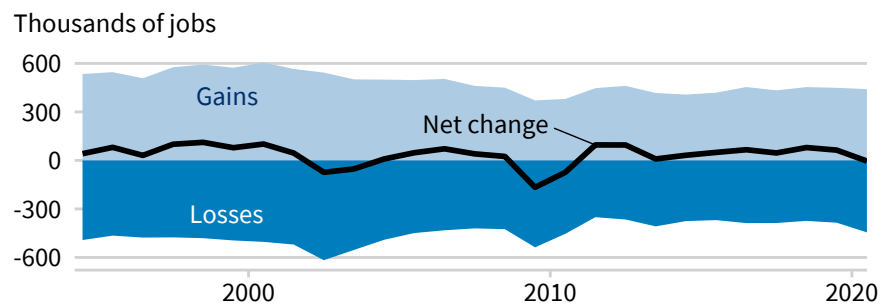
#### Establishments

Between March 2019 and March 2020, 28,383 Pennsylvania establishments opened and 31,609 closed, for a net decrease of 3,226. Employment expanded at 74,921 and contracted at 78,676. Small businesses accounted for 27,817 openings and 30,874 closings.



#### Employment

Opening and expanding Pennsylvania establishments added 441,071 jobs, while closing and contracting establishments lost 445,087, for a net decrease of 4,016 jobs. Small businesses gained 354,871 jobs and lost 350,924, for a net increase of 3,947 jobs.



Counts include temporary closures and reopenings

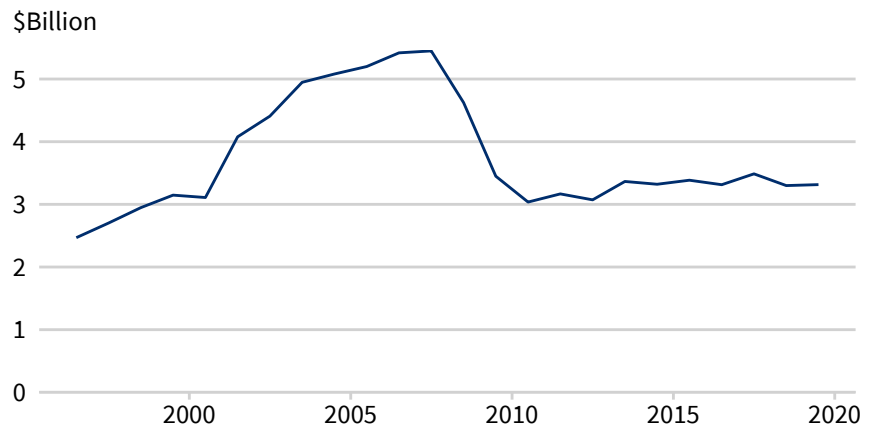
Source: [Business Employment Dynamics](#) (BLS)

## Small business loans





The Community Reinvestment Act requires large banks to report new small business loans. In 2019, reporting banks issued \$3.3 billion in loans to Pennsylvania businesses with revenues of \$1 million or less. Total reported new lending to businesses through loans of \$100,000 or less was \$3.2 billion, and total reported new lending to businesses through loans of \$1 million or less was \$9.3 billion.

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

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



## Small business count by size and industry

Industry	<div>     </div>			
	No employees	1–19 employees	20–499 employees	All small businesses
Professional, Scientific, and Technical Services	125,164	24,044	2,507	151,715
Construction	93,947	24,395	2,201	120,543
Other Services (except Public Administration)	82,743	31,482	2,072	116,297
Retail Trade	81,853	21,861	2,754	106,468
Real Estate and Rental and Leasing	96,046	7,013	550	103,609
Health Care and Social Assistance	65,295	18,922	4,305	88,522
Transportation and Warehousing	80,172	5,853	1,128	87,153
Administrative, Support, and Waste Management	67,179	11,426	1,657	80,262
Arts, Entertainment, and Recreation	51,690	3,798	762	56,250
Accommodation and Food Services	14,834	18,448	4,531	37,813
Finance and Insurance	26,189	7,879	770	34,838
Educational Services	30,913	2,441	918	34,272
Manufacturing	14,094	8,041	3,394	25,529
Wholesale Trade	13,315	8,148	2,149	23,612
Information	10,690	1,979	471	13,140
Agriculture, Forestry, Fishing and Hunting	8,434	503	23	8,960
Mining, Quarrying, and Oil and Gas Extraction	1,918	511	168	2,597
Management of Companies and Enterprises	*	133	615	748
Utilities	565	132	45	742
Industries not classified	*	233	0	233
Total	865,041	197,013	29,470	1,091,524

\* Not reported by the Census Bureau

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



### Small business exports

A total of 15,515 identified firms exported goods worth \$38.9 billion from Pennsylvania in 2019. Of those exporters, 13,690—or 88.2 percent—were small. Small firms exported goods worth \$12.5 billion, making up 32.0 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 48.2 percent of workers and owned 39.4 percent of businesses.

### Veterans



Veterans made up 4.9 percent of workers and owned 6.3 percent of businesses.

### Hispanics



Hispanics made up 6.9 percent of workers and owned 4.2 percent of businesses.

### Racial minorities



Racial minorities made up 16.6 percent of workers and owned 12.1 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

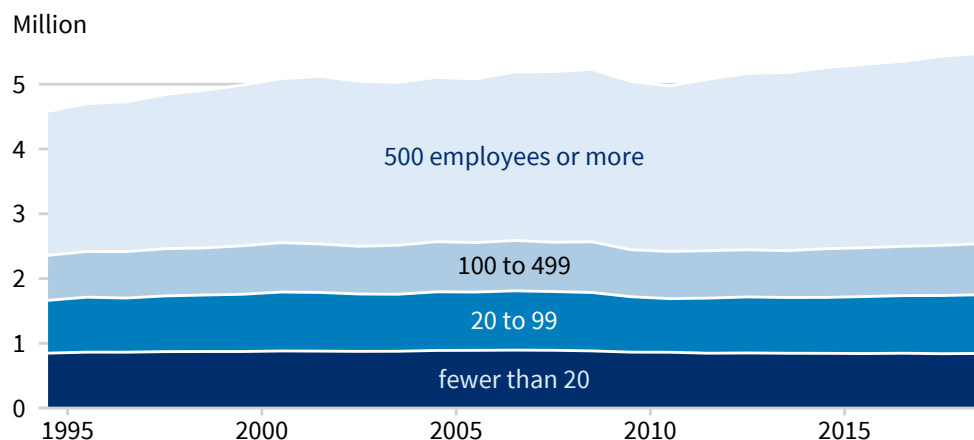
Ownership	Without employees	With employees	Total
Female	326,000	38,121	364,121
Male	489,000	138,766	627,766
Owned equally by both groups	19,500	24,908	44,408
Veteran	45,500	11,561	57,061
Not veteran	785,000	185,383	970,383
Owned equally by both groups	3,400	4,849	8,249
Hispanic	39,500	2,648	42,148
Not Hispanic	794,000	198,414	992,414
Owned equally by both groups	700	*	*
American Indian and Alaska Native	1,200	*	*
Asian	36,000	*	*
Black or African American	68,500	3,035	71,535
Native Hawaiian and Other Pacific Islander	400	161	561
White	727,000	183,168	910,168
Hispanic or racial minority	139,000	21,093	160,093
White and not Hispanic	694,000	179,217	873,217
Owned equally by both groups	1,600	1,484	3,084

\* 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 Pennsylvania 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	%
Other Services (except Public Administration)	33,554	99.4	216,041	88.6	6,117,049	84.8
Construction	26,596	99.5	202,405	83.3	12,877,360	79.9
Professional, Scientific, and Technical Services	26,551	97.8	198,401	59.7	14,937,483	54.2
Retail Trade	24,615	97.8	239,632	36.5	7,673,138	42.7
Health Care and Social Assistance	23,227	98.0	422,133	39.7	16,477,126	32.1
Accommodation and Food Services	22,979	98.7	311,326	63.5	5,145,250	59.4
Administrative, Support, and Waste Management	13,083	96.6	141,772	42.5	5,557,344	43.4
Manufacturing	11,435	93.8	264,480	47.7	13,521,941	41.6
Wholesale Trade	10,297	93.5	136,226	54.3	8,545,759	47.0
Finance and Insurance	8,649	95.5	73,530	25.8	5,539,323	20.7
Real Estate and Rental and Leasing	7,563	97.6	46,748	69.1	2,465,778	65.7
Transportation and Warehousing	6,981	94.2	81,230	34.9	3,289,130	30.4
Arts, Entertainment, and Recreation	4,560	98.3	60,969	55.6	2,044,016	57.0
Educational Services	3,359	95.9	74,687	27.8	2,753,563	24.1
Information	2,450	91.3	33,916	29.7	2,027,519	19.6
Management of Companies and Enterprises	748	54.4	19,111	10.9	1,501,963	8.5
Mining, Quarrying, and Oil and Gas Extraction	679	90.9	10,665	44.4	768,959	34.3
Agriculture, Forestry, Fishing and Hunting	526	99.4	2,650	99.3	104,460	98.4
Industries not classified	233	100.0	308	100.0	9,904	100.0
Utilities	177	78.7	2,257	7.3	177,867	5.1
Total	226,483	98.1	2,538,487	46.3	111,534,932	39.5

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>.