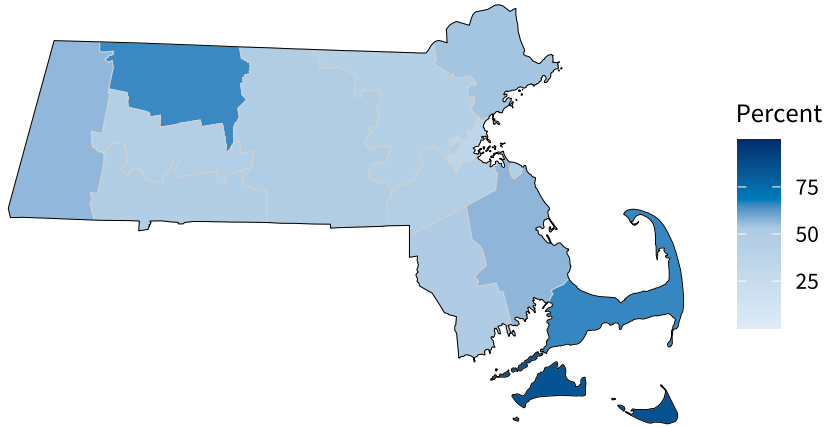


## Massachusetts

**718,467** small businesses  
**99.5 percent** of Massachusetts businesses

**1.5 million** small business employees  
**45.4 percent** of Massachusetts employees



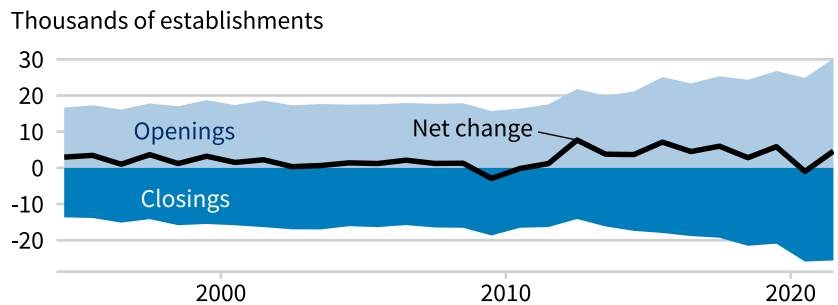
**Share of employees working at small businesses by county**

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

### Business dynamics

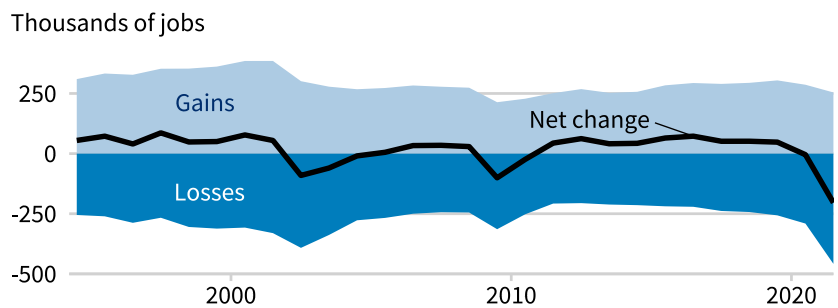
#### Establishments

Between March 2020 and March 2021, 30,196 Massachusetts establishments opened and 25,574 closed, for a net increase of 4,622. Employment expanded at 38,201 establishments and contracted at 58,335. Small businesses accounted for 29,501 openings and 24,458 closings.



#### Employment

Opening and expanding Massachusetts establishments added 254,295 jobs, while closing and contracting establishments lost 458,441, for a net decrease of 204,146 jobs. Small businesses gained 191,276 jobs and lost 320,427, for a net decrease of 129,151 jobs.



Counts include temporary closures and reopenings

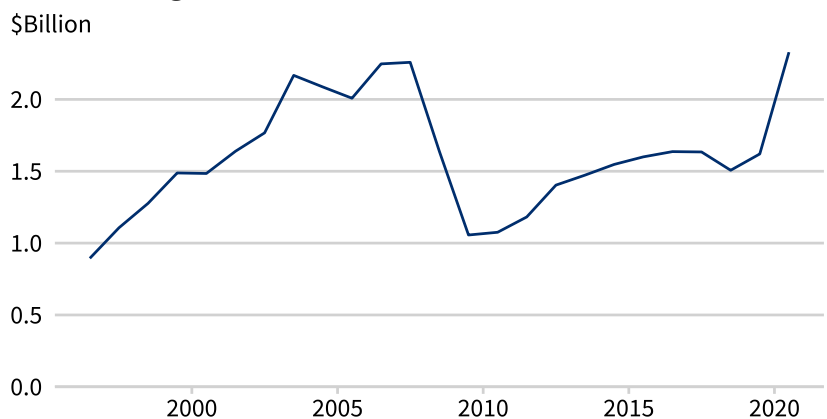
Source: [Business Employment Dynamics](#) (BLS)

## Small business loans





The Community Reinvestment Act requires large banks to report new small business loans. In 2020, reporting banks issued \$2.3 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 \$3.4 billion. Total reported new lending to businesses through loans of \$1 million or less was \$10.9 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 | 104,436   | 17,881         | 1,995            | 124,312              |
| Construction                                     | 58,073  | 18,634         | 1,283            | 77,990               |
| Transportation and Warehousing                   | 69,378  | 2,836          | 540              | 72,754               |
| Real Estate and Rental and Leasing               | 62,493  | 5,480          | 376              | 68,349               |
| Other Services (except Public Administration)    | 44,382  | 15,930         | 1,022            | 61,334               |
| Health Care and Social Assistance                | 42,164  | 10,306         | 2,373            | 54,843               |
| Retail Trade                                     | 39,676  | 13,725         | 1,368            | 54,769               |
| Administrative, Support, and Waste Management    | 40,445  | 8,710          | 1,016            | 50,171               |
| Arts, Entertainment, and Recreation              | 40,724  | 2,590          | 582              | 43,896               |
| Educational Services                             | 26,290  | 2,281          | 626              | 29,197               |
| Accommodation and Food Services                  | 7,307   | 10,629         | 3,313            | 21,249               |
| Finance and Insurance                            | 14,416  | 4,038          | 627              | 19,081               |
| Wholesale Trade                                  | 7,495   | 4,393          | 1,182            | 13,070               |
| Manufacturing                                    | 6,011   | 4,009          | 1,562            | 11,582               |
| Information                                      | 8,009   | 1,709          | 417              | 10,135               |
| Agriculture, Forestry, Fishing and Hunting       | 4,619   | 315            | 7                | 4,941                |
| Utilities  | 536   | 61             | 18               | 615                  |
| Industries not classified                        | *   | 445            | 2                | 447                  |
| Management of Companies and Enterprises          | *   | 113            | 281              | 394                  |
| Mining, Quarrying, and Oil and Gas Extraction    | 74  | 33             | 12               | 119                  |
| <b>Total</b>                                     | <b>576,528</b>  | <b>124,022</b> | <b>17,917</b>    | <b>718,467</b>       |

\* Not reported by the Census Bureau

Sources: [Nonemployer Statistics](#), 2019 (Census); [Statistics of US Businesses](#), 2019 (Census)



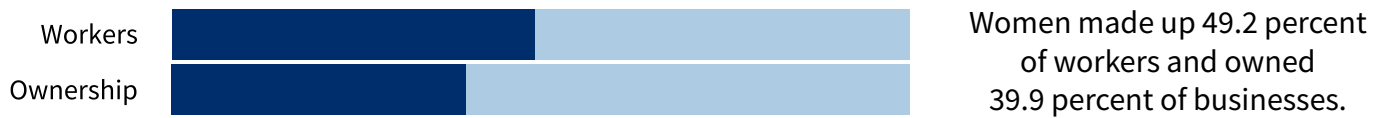
### Small business exports

A total of 9,521 identified firms exported goods worth \$23.6 billion from Massachusetts in 2020. Of those exporters, 8,376—or 88.0 percent—were small. Exports by small firms reached \$8.0 billion, making up 33.8 percent of exports by identified firms.

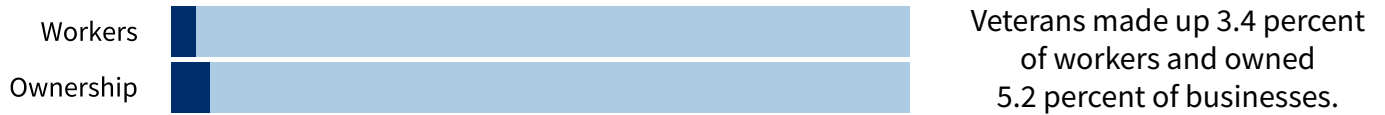
Source: [A profile of US importing and exporting companies, 2019-2020](#) (Census)

## Business ownership share by demographic group

### Women



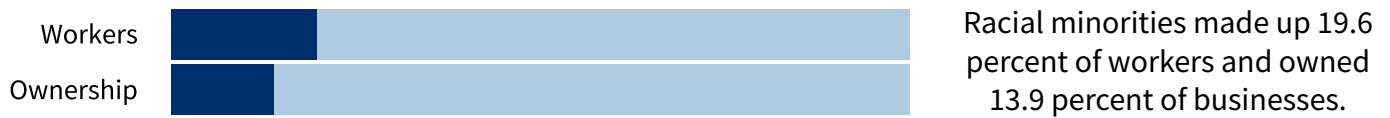
### Veterans



### Hispanics



### Racial minorities



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, 2018](#) (Census)

## Business count by owner demographic group

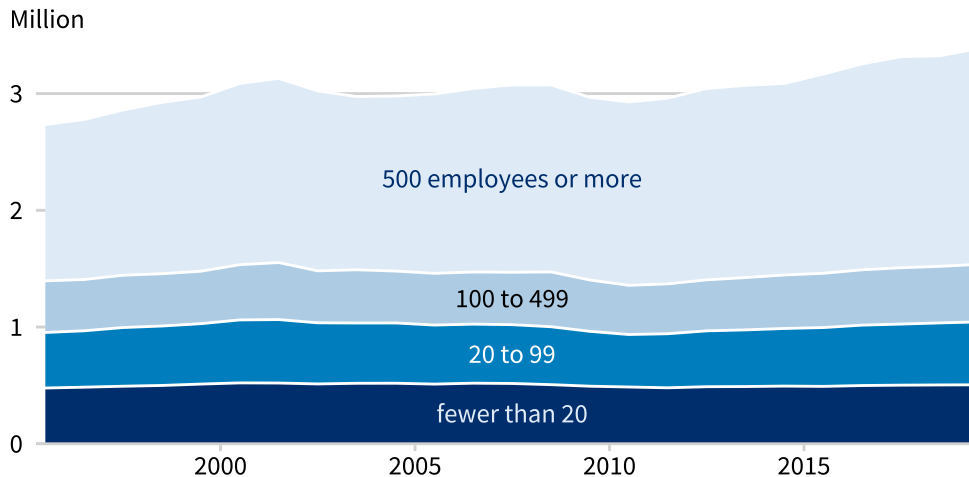
|  | Without employees | With employees | Total businesses |
|--|-------------------|----------------|------------------|
| <b>Ownership</b>                           |                   |                |                  |
| Female                                     | 224,000           | 25,200         | 249,200          |
| Male                                       | 326,000           | 88,304         | 414,304          |
| Owned equally by both groups               | 11,000            | 14,343         | 25,343           |
| <b>Veteran</b>                             |                   |                |                  |
| Not Veteran                                | 22,500            | 9,248          | 31,748           |
| Owned equally by both groups               | 537,000           | 115,866        | 652,866          |
| Hispanic                                   | 1,400             | 2,734          | 4,134            |
| Not Hispanic                               | 45,000            | 3,457          | 48,457           |
| Owned equally by both groups               | 515,000           | 123,960        | 638,960          |
| American Indian and Alaska Native          | 450               | 429            | 879              |
| Asian                                      | 950               | 211            | 1,161            |
| Black or African American                  | 38,000            | 10,970         | 48,970           |
| Native Hawaiian and Other Pacific Islander | 42,000            | 2,052          | 44,052           |
| White                                      | 350               | 141            | 491              |
| Hispanic or Racial Minority                | 479,000           | 114,020        | 593,020          |
| White and Not Hispanic                     | 117,000           | 16,299         | 133,299          |
| Owned equally by both groups               | 443,000           | 109,814        | 552,814          |
|  | 1,100             | 1,734          | 2,834            |

Counts include only businesses classifiable by owner demographic group

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

## Total Massachusetts employment by business size

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



Between 1995 and 2019, Massachusetts small business employment grew by 10.1 percent, reaching 1.5 million employees in 2019.

### Small business employment and payroll by industry

| Industry   | Employers      |             | Employees        |             | Payroll (\$1,000s) |             |
|--|----------------|-------------|------------------|-------------|--------------------|-------------|
|  | Small          | %           | Small            | %           | Small              | %           |
| Construction                                     | 19,917         | 99.5        | 130,486          | 86.2        | 10,062,936         | 82.9        |
| Professional, Scientific, and Technical Services | 19,876         | 97.0        | 163,662          | 51.8        | 17,671,259         | 45.0        |
| Other Services (except Public Administration)    | 16,952         | 99.2        | 111,350          | 87.0        | 4,121,953          | 82.6        |
| Retail Trade                                     | 15,093         | 97.1        | 120,695          | 33.2        | 4,980,255          | 39.5        |
| Accommodation and Food Services                  | 13,942         | 98.5        | 214,069          | 67.7        | 5,224,269          | 64.3        |
| Health Care and Social Assistance                | 12,679         | 97.7        | 233,527          | 37.3        | 10,773,877         | 31.3        |
| Administrative, Support, and Waste Management    | 9,726          | 96.7        | 96,306           | 45.0        | 5,211,310          | 46.0        |
| Real Estate and Rental and Leasing               | 5,856          | 97.8        | 33,125           | 63.5        | 2,210,312          | 60.0        |
| Wholesale Trade                                  | 5,575          | 91.7        | 74,243           | 49.2        | 6,039,633          | 40.4        |
| Manufacturing                                    | 5,571          | 94.0        | 117,282          | 50.2        | 7,525,881          | 41.4        |
| Finance and Insurance                            | 4,665          | 92.6        | 52,707           | 28.2        | 6,604,186          | 23.0        |
| Transportation and Warehousing                   | 3,376          | 93.9        | 39,273           | 38.4        | 1,688,358          | 33.4        |
| Arts, Entertainment, and Recreation              | 3,172          | 98.2        | 44,234           | 66.9        | 1,573,876          | 60.8        |
| Educational Services                             | 2,907          | 96.6        | 59,726           | 26.0        | 2,480,165          | 22.9        |
| Information                                      | 2,126          | 88.9        | 33,717           | 27.3        | 3,604,669          | 22.7        |
| Industries not classified                        | 447            | 100.0       | 688              | 100.0       | 29,738             | 100.0       |
| Management of Companies and Enterprises          | 394            | 51.5        | 9,339            | 8.4         | 875,636            | 6.1         |
| Agriculture, Forestry, Fishing and Hunting       | 322            | 99.7        | 1,144            | 99.3        | 50,498             | 98.5        |
| Utilities  | 79             | 73.8        | 743              | 5.9         | 93,636             | 5.8         |
| Mining, Quarrying, and Oil and Gas Extraction    | 45             | 86.5        | 596              | 73.7        | 46,720             | 57.7        |
| <b>Total</b>                                     | <b>141,939</b> | <b>97.7</b> | <b>1,536,912</b> | <b>45.4</b> | <b>90,869,167</b>  | <b>38.0</b> |

Source: [Statistics of US Businesses](#), 2019 (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 problematic data. Data analyzed here largely predate the COVID-19 pandemic, which has had [impacts on businesses](#) that have differed by industry, geography, and demographic group. Electronic versions of this and other [geographic profiles](#) are available online. Visit [advocacy.sba.gov](http://advocacy.sba.gov) for additional resources.