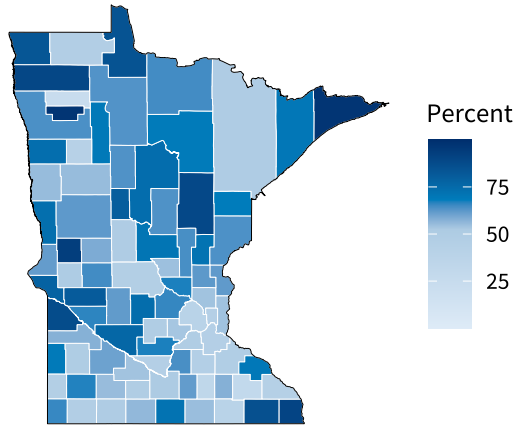


Minnesota

547,493 small businesses
99.5 percent of Minnesota businesses

1.2 million small business employees
45.4 percent of Minnesota employees



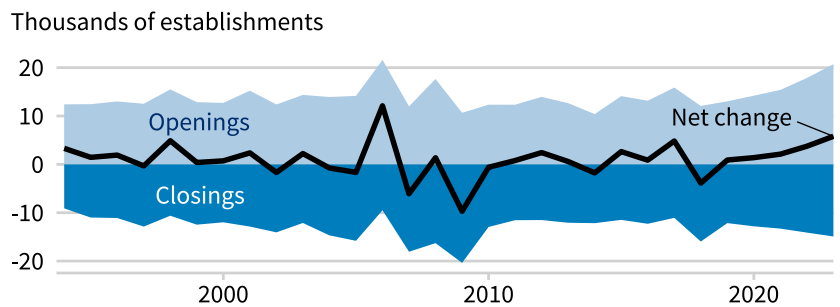
Share of employees working at small businesses by county

Sources of original data: [Nonemployer Statistics](#) (Census), [Statistics of U.S. Businesses](#) (Census)

Employer and employment dynamics

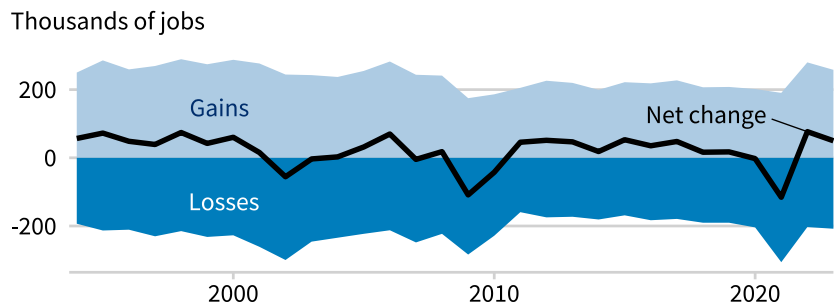
Establishments

Between March 2022 and March 2023, 20,719 Minnesota establishments opened and 14,917 closed, for a net increase of 5,802. Employment expanded at 38,917 establishments and contracted at 32,336. Small businesses accounted for 19,935 openings and 14,302 closings.



Employment

Opening and expanding Minnesota establishments added 257,979 jobs, while closing and contracting establishments lost 208,024, for a net increase of 49,955 jobs. Small businesses contributed a net increase of 44,328 jobs, or 88.7 percent of that total.



Counts include temporary closures and reopenings.

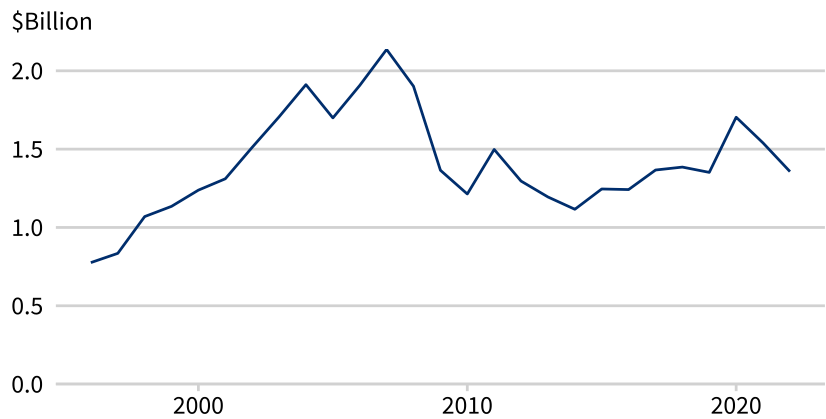
Source: [Business Employment Dynamics](#) (Bureau of Labor Statistics)

Small business loans

The Community Reinvestment Act requires large banks to report new small business loans. In 2022, reporting banks issued \$1.4 billion in loans to Minnesota businesses with revenues of \$1 million or less. Total reported new lending to businesses through loans of \$100,000 or less was \$1.4 billion. Total reported new lending to businesses through loans of \$1 million or less was \$4.2 billion.

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

New lending to businesses with revenues under \$1 million



Small business count by size and industry

Industry	Without employees	1–19 employees	20–499 employees	All small businesses
Professional, Scientific, and Technical Services	62,025	13,761	1,088	76,874
Transportation and Warehousing	58,990	3,744	584	63,318
Construction	39,882	16,013	1,080	56,975
Real Estate and Rental and Leasing	47,239	5,934	276	53,449
Retail Trade	40,669	9,538	1,280	51,487
Other Services (except Public Administration)	35,974	13,562	1,017	50,553
Health Care and Social Assistance	28,438	8,902	2,362	39,702
Administrative, Support, and Waste Management	28,682	6,062	708	35,452
Arts, Entertainment, and Recreation	30,408	2,582	284	33,274
Finance and Insurance	12,217	5,119	483	17,819
Educational Services	14,432	1,409	426	16,267
Accommodation and Food Services	6,432	6,740	1,870	15,042
Manufacturing	7,181	4,157	1,544	12,882
Wholesale Trade	5,608	4,237	1,087	10,932
Information	5,701	1,240	226	7,167
Agriculture, Forestry, Fishing and Hunting	5,383	526	27	5,936
Management of Companies and Enterprises	*	94	344	438
Utilities	240	59	51	350
Mining, Quarrying, and Oil and Gas Extraction	171	101	12	284
Industries not classified	*	133	1	134
All industries	429,672	103,823	13,998	547,493

* Not reported by the Census Bureau

Sources: [Nonemployer Statistics](#), 2021 (Census); [Statistics of U.S. Businesses](#), 2021 (Census)



Small business exports

A total of 8,121 identified firms exported goods worth \$26.0 billion from Minnesota in 2022. Of those exporters, 6,983—or 86.0 percent—were small. Exports by small firms reached \$6.9 billion, making up 26.4 percent of exports by identified firms.

Source: [A profile of U.S. importing and exporting companies, 2021-2022](#) (Census)

Business ownership share by demographic group

Women



Women made up 47.7 percent of workers and owned 42.1 percent of businesses.

Veterans



Veterans made up 3.4 percent of workers and owned 5.6 percent of businesses.

Hispanics



Hispanics made up 5.2 percent of workers and owned 3.4 percent of businesses.

Racial minorities



Racial minorities made up 17.4 percent of workers and owned 12.9 percent of businesses.

Ownership shares include equal and majority ownership.

Sources of original data: [American Community Survey, 2021 5-Year Data \(Census\)](#); [Annual Business Survey, 2021 \(Census\)](#); [Nonemployer Statistics by Demographics, 2021 \(Census\)](#)

Business count by owner demographic group

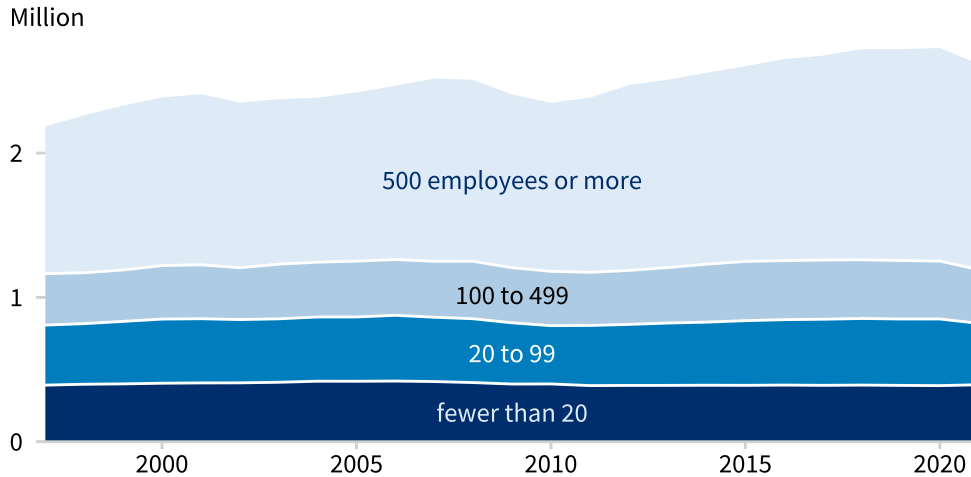
Ownership	Without employees	With employees	Total businesses
Female	173,000	21,529	194,529
Male	238,000	66,887	304,887
Owned equally by both groups	11,000	16,127	27,127
Veteran	20,000	5,641	25,641
Not Veteran	400,000	96,608	496,608
Owned equally by both groups	1,800	2,295	4,095
Hispanic	15,500	1,419	16,919
Not Hispanic	406,000	102,723	508,723
Owned equally by both groups	400	*	*
American Indian and Alaska Native	4,400	513	4,913
Asian	19,000	4,460	23,460
Black or African American	44,000	2,110	46,110
Native Hawaiian and Other Pacific Islander	450	*	*
White	361,000	97,742	458,742
Hispanic or Racial Minority	80,000	8,345	88,345
White and Not Hispanic	341,000	95,093	436,093
Owned equally by both groups	1,000	1,106	2,106

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

Sources: [Annual Business Survey, 2021 \(Census\)](#); [Nonemployer Statistics by Demographics, 2021 \(Census\)](#)

Total Minnesota employment by business size

Source of original data: [Statistics of U.S. Businesses](#) (Census)



Between 1997 and 2021, Minnesota small business employment grew by 2.4 percent, reaching 1.2 million employees in 2021.

Small business employment and payroll by industry

Industry	Employers		Employees		Payroll (\$1,000s)	
	Small	%	Small	%	Small	%
Construction	17,093	99.5	101,842	77.2	8,151,487	74.0
Professional, Scientific, and Technical Services	14,849	97.4	90,632	49.7	7,448,172	45.2
Other Services (except Public Administration)	14,579	99.2	98,132	91.5	3,451,589	86.8
Health Care and Social Assistance	11,264	98.1	220,178	47.3	9,165,664	38.0
Retail Trade	10,818	96.5	107,477	36.2	4,065,367	42.9
Accommodation and Food Services	8,610	97.9	121,834	61.2	2,937,738	63.4
Administrative, Support, and Waste Management	6,770	96.0	59,645	35.9	2,842,448	35.3
Real Estate and Rental and Leasing	6,210	98.0	25,621	68.2	1,441,539	61.5
Manufacturing	5,701	92.5	125,631	40.3	7,833,820	36.4
Finance and Insurance	5,602	94.5	43,343	25.9	3,866,308	20.1
Wholesale Trade	5,324	90.8	66,526	48.4	5,159,285	41.5
Transportation and Warehousing	4,328	95.4	39,671	42.5	1,883,146	37.2
Arts, Entertainment, and Recreation	2,866	98.7	23,323	65.4	1,081,832	65.4
Educational Services	1,835	97.1	33,606	48.7	1,246,401	49.6
Information	1,466	88.0	18,156	31.6	1,595,433	26.9
Agriculture, Forestry, Fishing and Hunting	553	99.3	2,669	96.4	124,231	93.5
Management of Companies and Enterprises	438	57.0	9,838	6.7	852,031	5.3
Industries not classified	134	100.0	168	100.0	4,395	100.0
Mining, Quarrying, and Oil and Gas Extraction	113	88.3	923	18.8	103,828	20.3
Utilities	110	80.3	2,702	21.3	248,865	16.9
All industries	117,821	97.6	1,191,917	45.4	63,503,579	38.1

Source: [Statistics of U.S. Businesses](#), 2021 (Census)

About this profile

Small businesses are generally defined here as firms with fewer than 500 employees. Figures or statistics may involve approximations because of missing or problematic data. Where notes identify the source of “original data,” a value is approximate in at least one profile. The Technical Notes provide details on data, methods, and definitions. Electronic versions of this and other [geographic profiles](#) are available online. Visit advocacy.sba.gov for additional resources.