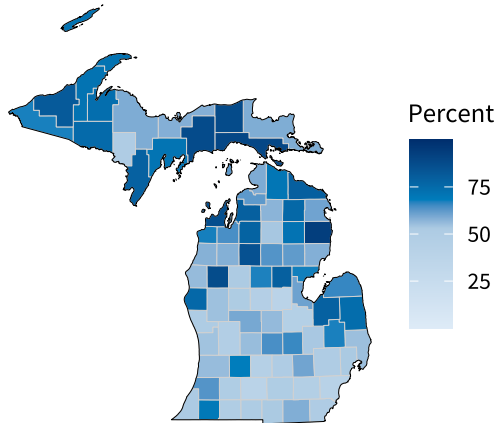


Michigan

911,914 small businesses
99.6 percent of Michigan businesses

1.9 million small business employees
47.9 percent of Michigan employees



Share of employees working at small businesses by county

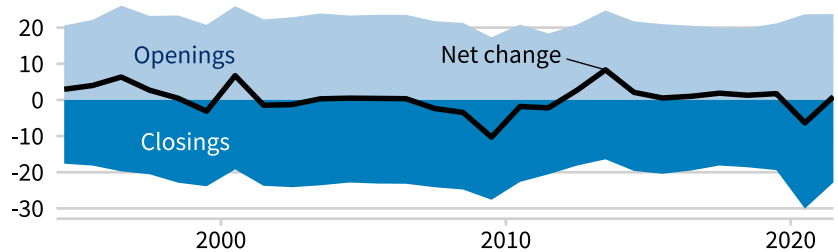
Source of data: [Statistics of US Businesses](#) (Census)

Business dynamics

Establishments

Between March 2020 and March 2021, 23,729 Michigan establishments opened and 22,834 closed, for a net increase of 895. Employment expanded at 43,009 establishments and contracted at 60,612. Small businesses accounted for 23,061 openings and 21,786 closings.

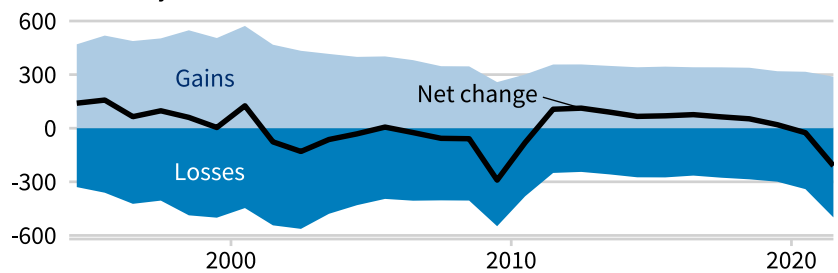
Thousands of establishments



Employment

Opening and expanding Michigan establishments added 288,899 jobs, while closing and contracting establishments lost 499,251, for a net decrease of 210,352 jobs. Small businesses gained 210,527 jobs and lost 331,462, for a net decrease of 120,935 jobs.

Thousands of jobs



Counts include temporary closures and reopenings

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

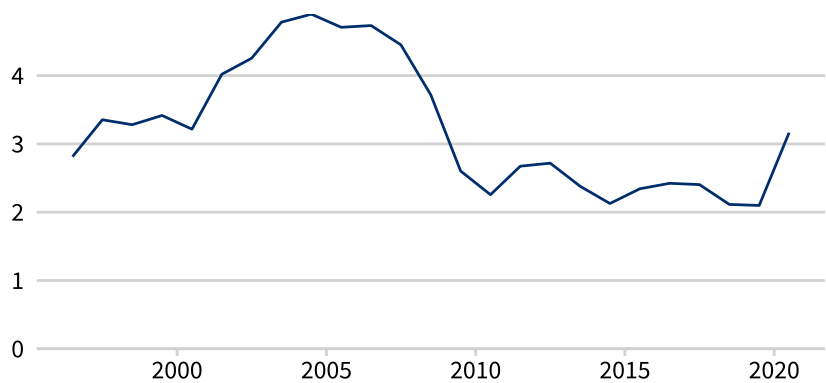
Small business loans

The Community Reinvestment Act requires large banks to report new small business loans. In 2020, reporting banks issued \$3.2 billion in loans to Michigan businesses with revenues of \$1 million or less. Total reported new lending to businesses through loans of \$100,000 or less was \$3.3 billion. Total reported new lending to businesses through loans of \$1 million or less was \$12.7 billion.





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

New lending to businesses with revenues under \$1 million

\$Billion



Small business count by size and industry

| Industry |  |  |  |  |
|--|---|---|---|---|
| | No employees | 1–19 employees | 20–499 employees | All small businesses |
| Other Services (except Public Administration) | 93,565 | 19,806 | 1,430 | 114,801 |
| Professional, Scientific, and Technical Services | 91,573 | 17,530 | 1,709 | 110,812 |
| Construction | 82,454 | 18,012 | 1,492 | 101,958 |
| Real Estate and Rental and Leasing | 82,817 | 5,896 | 401 | 89,114 |
| Retail Trade | 60,725 | 19,320 | 2,018 | 82,063 |
| Health Care and Social Assistance | 62,377 | 16,329 | 2,833 | 81,539 |
| Administrative, Support, and Waste Management | 70,999 | 8,216 | 1,271 | 80,486 |
| Transportation and Warehousing | 60,216 | 5,000 | 708 | 65,924 |
| Arts, Entertainment, and Recreation | 40,472 | 2,764 | 476 | 43,712 |
| Accommodation and Food Services | 13,435 | 11,563 | 4,040 | 29,038 |
| Educational Services | 26,584 | 1,660 | 438 | 28,682 |
| Finance and Insurance | 17,622 | 5,815 | 603 | 24,040 |
| Manufacturing | 12,148 | 7,359 | 3,175 | 22,682 |
| Wholesale Trade | 10,427 | 6,116 | 1,590 | 18,133 |
| Information | 8,416 | 1,907 | 301 | 10,624 |
| Agriculture, Forestry, Fishing and Hunting | 6,177 | 574 | 43 | 6,794 |
| Mining, Quarrying, and Oil and Gas Extraction | 1,263 | 211 | 40 | 1,514 |
| Management of Companies and Enterprises | * | 116 | 469 | 585 |
| Industries not classified | * | 327 | 3 | 330 |
| Utilities | 239 | 64 | 23 | 326 |
| Total | 741,509 | 148,435 | 21,970 | 911,914 |

* Not reported by the Census Bureau

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



Small business exports

A total of 13,861 identified firms exported goods worth \$41.6 billion from Michigan in 2020. Of those exporters, 12,241—or 88.3 percent—were small. Exports by small firms reached \$9.8 billion, making up 23.5 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



Women made up 47.7 percent of workers and owned 43.3 percent of businesses.

Veterans



Veterans made up 4.2 percent of workers and owned 5.8 percent of businesses.

Hispanics



Hispanics made up 4.9 percent of workers and owned 2.9 percent of businesses.

Racial minorities



Racial minorities made up 18.1 percent of workers and owned 15.5 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, 2018](#) (Census)

Business count by owner demographic group

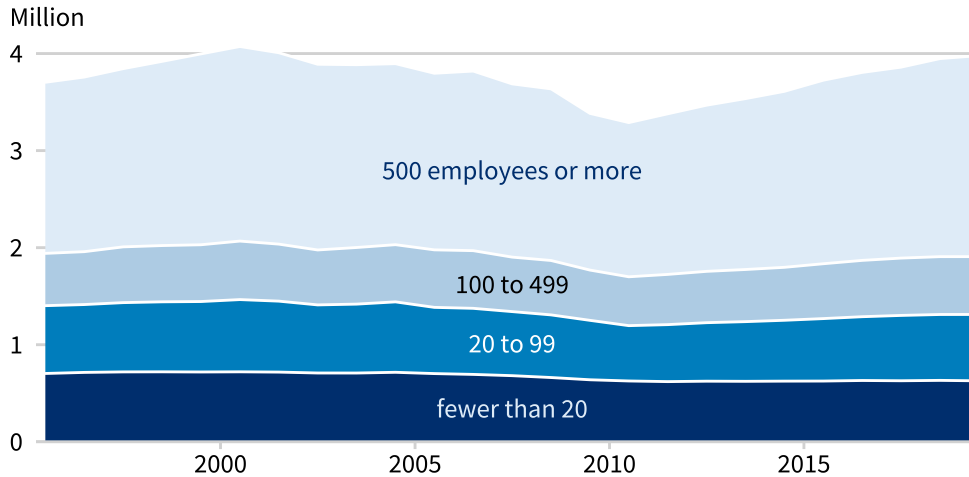
| | Without employees | With employees | Total businesses |
|--|-------------------|----------------|------------------|
| Ownership | | | |
| Female | 310,000 | 29,223 | 339,223 |
| Male | 388,000 | 105,494 | 493,494 |
| Owned equally by both groups | 18,000 | 20,349 | 38,349 |
| Veteran | 34,500 | 9,147 | 43,647 |
| Not Veteran | 678,000 | 142,376 | 820,376 |
| Owned equally by both groups | 2,900 | 3,545 | 6,445 |
| Hispanic | 22,000 | 2,108 | 24,108 |
| Not Hispanic | 693,000 | 152,543 | 845,543 |
| Owned equally by both groups | 600 | 415 | 1,015 |
| American Indian and Alaska Native | 1,900 | 522 | 2,422 |
| Asian | 26,000 | 8,542 | 34,542 |
| Black or African American | 96,000 | 2,613 | 98,613 |
| Native Hawaiian and Other Pacific Islander | 200 | 19 | 219 |
| White | 593,000 | 143,345 | 736,345 |
| Hispanic or Racial Minority | 143,000 | 13,627 | 156,627 |
| White and Not Hispanic | 572,000 | 140,162 | 712,162 |
| Owned equally by both groups | 1,400 | 1,277 | 2,677 |

Counts include only businesses classifiable by owner demographic group

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

Total Michigan employment by business size

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



Small businesses accounted for 47.9 percent of Michigan employment in 2019, which exceeded the national share.

Small business employment and payroll by industry

| Industry | Employers | | Employees | | Payroll (\$1,000s) | |
|--|----------------|-------------|------------------|-------------|--------------------|-------------|
| | Small | % | Small | % | Small | % |
| Retail Trade | 21,338 | 97.9 | 188,077 | 40.9 | 6,208,620 | 47.1 |
| Other Services (except Public Administration) | 21,236 | 99.3 | 142,966 | 88.2 | 4,308,290 | 83.2 |
| Construction | 19,504 | 99.6 | 138,987 | 87.9 | 9,035,003 | 84.4 |
| Professional, Scientific, and Technical Services | 19,239 | 97.4 | 150,726 | 52.2 | 10,623,393 | 44.3 |
| Health Care and Social Assistance | 19,162 | 98.6 | 277,731 | 43.2 | 11,799,904 | 37.1 |
| Accommodation and Food Services | 15,603 | 98.4 | 253,515 | 63.2 | 4,487,873 | 60.1 |
| Manufacturing | 10,534 | 94.5 | 267,878 | 43.6 | 14,101,896 | 38.6 |
| Administrative, Support, and Waste Management | 9,487 | 96.2 | 121,517 | 32.7 | 4,961,584 | 39.4 |
| Wholesale Trade | 7,706 | 92.8 | 102,427 | 56.0 | 6,578,151 | 50.9 |
| Finance and Insurance | 6,418 | 95.4 | 57,228 | 33.8 | 3,721,819 | 27.2 |
| Real Estate and Rental and Leasing | 6,297 | 97.9 | 36,568 | 66.2 | 1,745,510 | 65.9 |
| Transportation and Warehousing | 5,708 | 95.6 | 50,570 | 39.4 | 2,421,633 | 35.3 |
| Arts, Entertainment, and Recreation | 3,240 | 98.5 | 38,170 | 74.5 | 1,452,338 | 78.1 |
| Information | 2,208 | 91.9 | 23,869 | 35.4 | 1,447,889 | 27.4 |
| Educational Services | 2,098 | 97.0 | 35,789 | 51.1 | 1,058,964 | 48.6 |
| Agriculture, Forestry, Fishing and Hunting | 617 | 99.0 | 4,159 | 95.9 | 174,316 | 94.3 |
| Management of Companies and Enterprises | 585 | 56.7 | 12,411 | 10.0 | 910,114 | 6.8 |
| Industries not classified | 330 | 100.0 | 484 | 100.0 | 10,667 | 100.0 |
| Mining, Quarrying, and Oil and Gas Extraction | 251 | 91.9 | 2,612 | 59.7 | 207,544 | 57.6 |
| Utilities | 87 | 76.3 | 1,842 | 7.9 | 161,063 | 5.8 |
| Total | 170,405 | 98.0 | 1,907,526 | 47.9 | 85,416,571 | 42.0 |

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 for additional resources.