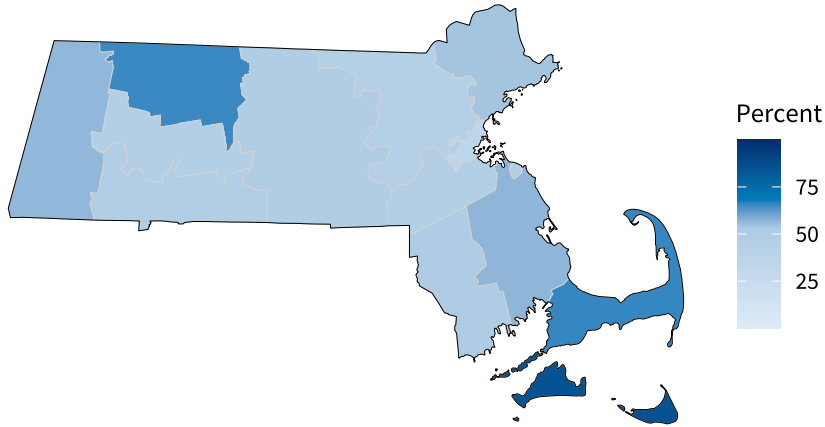


## Massachusetts

**697,585** small businesses  
**99.5 percent** of Massachusetts businesses

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



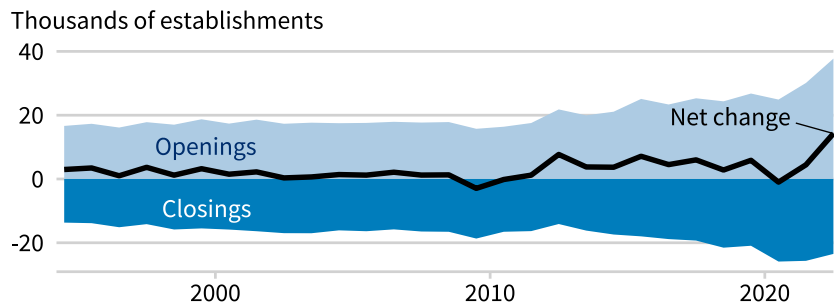
**Share of employees working at small businesses by county**

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

### Business dynamics

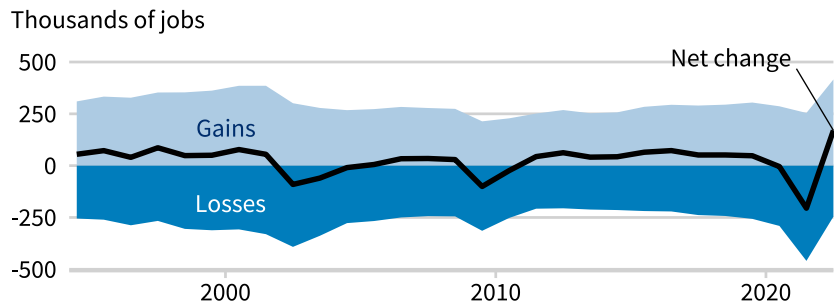
#### Establishments

Between March 2021 and March 2022, 37,739 Massachusetts establishments opened and 23,488 closed, for a net increase of 14,251. Employment expanded at 56,246 establishments and contracted at 39,715. Small businesses accounted for 36,985 openings and 22,784 closings.



#### Employment

Opening and expanding Massachusetts establishments added 415,699 jobs, while closing and contracting establishments lost 245,864, for a net increase of 169,835 jobs. Small businesses contributed a net increase of 143,605 jobs, or 84.6 percent of that total.



Counts include temporary closures and reopenings

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

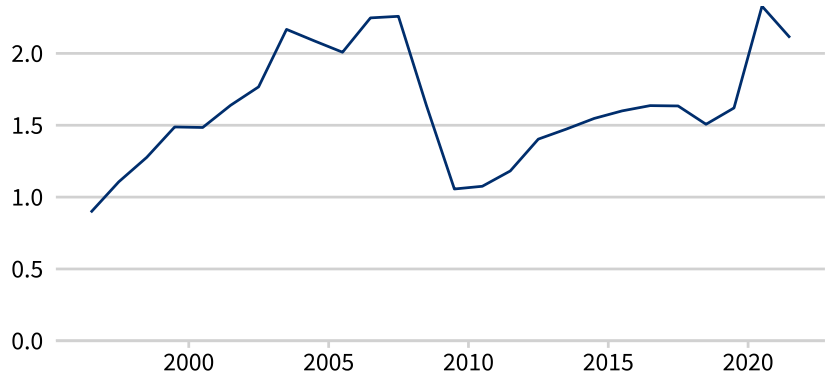
## Small business loans

The Community Reinvestment Act requires large banks to report new small business loans. In 2021, reporting banks issued \$2.1 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 \$3.0 billion. Total reported new lending to businesses through loans of \$1 million or less was \$8.3 billion.





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

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

\$Billion



## Small business count by size and industry

| Industry   |  |  |  |  |
|--|---|---|---|---|
|  | Without employees   | 1–19 employees  | 20–499 employees  | All small businesses  |
| Professional, Scientific, and Technical Services | 100,341   | 17,663  | 2,001   | 120,005   |
| Construction                                     | 59,357  | 18,607  | 1,283   | 79,247  |
| Transportation and Warehousing                   | 66,665  | 2,918   | 517   | 70,100  |
| Real Estate and Rental and Leasing               | 62,475  | 5,620   | 380   | 68,475  |
| Other Services (except Public Administration)    | 42,471  | 15,824  | 1,009   | 59,304  |
| Retail Trade                                     | 44,004  | 13,348  | 1,332   | 58,684  |
| Health Care and Social Assistance                | 41,574  | 10,206  | 2,341   | 54,121  |
| Administrative, Support, and Waste Management    | 38,849  | 8,637   | 982   | 48,468  |
| Arts, Entertainment, and Recreation              | 32,657  | 2,534   | 579   | 35,770  |
| Educational Services                             | 21,961  | 2,306   | 615   | 24,882  |
| Accommodation and Food Services                  | 6,602   | 10,240  | 3,190   | 20,032  |
| Finance and Insurance                            | 14,245  | 4,066   | 615   | 18,926  |
| Wholesale Trade                                  | 7,533   | 4,217   | 1,156   | 12,906  |
| Manufacturing                                    | 6,058   | 3,894   | 1,515   | 11,467  |
| Information                                      | 7,171   | 1,702   | 414   | 9,287   |
| Agriculture, Forestry, Fishing and Hunting       | 4,538   | 323   | 9   | 4,870   |
| Utilities  | 636   | 68  | 16  | 720   |
| Industries not classified                        | *   | 544   | 1   | 545   |
| Management of Companies and Enterprises          | *   | 108   | 270   | 378   |
| Mining, Quarrying, and Oil and Gas Extraction    | 80  | 29  | 13  | 122   |
| <b>Total</b>                                     | <b>557,217</b>  | <b>122,756</b>  | <b>17,612</b>   | <b>697,585</b>  |

\* Not reported by the Census Bureau

Sources: [Nonemployer Statistics](#), 2020 (Census); [Statistics of US Businesses](#), 2020 (Census)



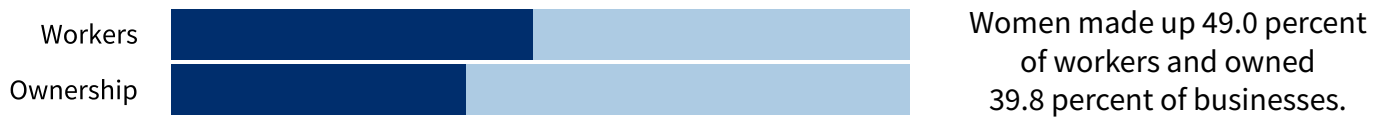
### Small business exports

A total of 10,372 identified firms exported goods worth \$30.8 billion from Massachusetts in 2021. Of those exporters, 9,191—or 88.6 percent—were small. Exports by small firms reached \$9.1 billion, making up 29.6 percent of exports by identified firms.

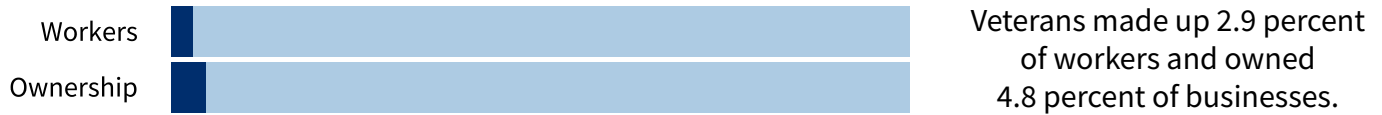
Source: [A profile of US importing and exporting companies, 2020-2021](#) (Census)

## Business ownership share by demographic group

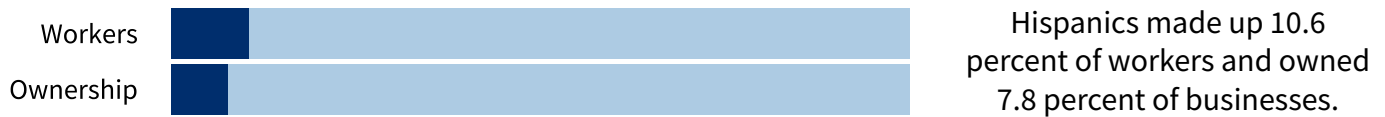
### Women



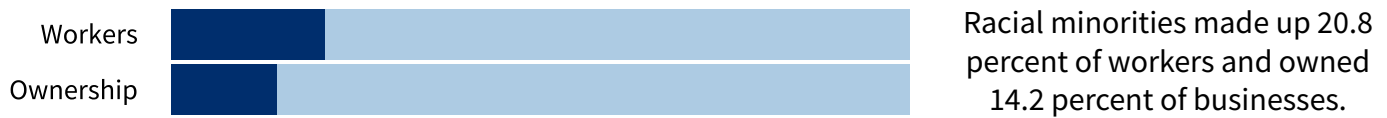
### Veterans



### Hispanics



### Racial minorities



Ownership shares include equal and majority ownership

Sources of original data: [American Community Survey, 2019 5-Year Data \(Census\)](#); [Annual Business Survey, 2019 \(Census\)](#); [Nonemployer Statistics by Demographics, 2019 \(Census\)](#)

## Business count by owner demographic group

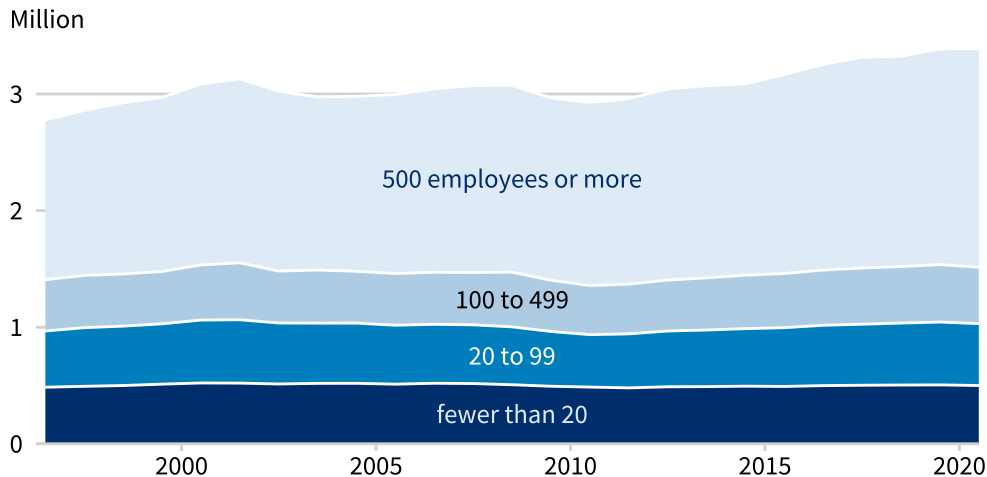
| Ownership                                  | Without employees | With employees | Total businesses |
|--|-------------------|----------------|------------------|
| Female                                     | 224,000           | 26,761         | 250,761          |
| Male                                       | 327,000           | 89,184         | 416,184          |
| Owned equally by both groups               | 11,000            | 13,701         | 24,701           |
| Veteran                                    | 21,500            | 7,743          | 29,243           |
| Not Veteran                                | 540,000           | 119,431        | 659,431          |
| Owned equally by both groups               | 1,400             | 2,470          | 3,870            |
| Hispanic                                   | 49,500            | 3,225          | 52,725           |
| Not Hispanic                               | 512,000           | 125,948        | 637,948          |
| Owned equally by both groups               | 500               | 471            | 971              |
| American Indian and Alaska Native          | 3,200             | 326            | 3,526            |
| Asian                                      | 41,500            | 10,402         | 51,902           |
| Black or African American                  | 47,500            | 2,082          | 49,582           |
| Native Hawaiian and Other Pacific Islander | 800               | 36             | 836              |
| White                                      | 476,000           | 117,168        | 593,168          |
| Hispanic or Racial Minority                | 129,000           | 15,642         | 144,642          |
| White and Not Hispanic                     | 432,000           | 112,786        | 544,786          |
| Owned equally by both groups               | 1,300             | 1,218          | 2,518            |

Counts include only businesses classifiable by owner demographic group

Sources: [Annual Business Survey, 2019 \(Census\)](#); [Nonemployer Statistics by Demographics, 2019 \(Census\)](#)

## Total Massachusetts employment by business size

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



Between 1996 and 2020, Massachusetts small business employment grew by 7.6 percent, reaching 1.5 million employees in 2020.

## Small business employment and payroll by industry

| Industry   | Employers      |             | Employees        |             | Payroll (\$1,000s) |             |
|--|----------------|-------------|------------------|-------------|--------------------|-------------|
|  | Small          | %           | Small            | %           | Small              | %           |
| Construction                                     | 19,890         | 99.4        | 132,248          | 85.5        | 9,746,172          | 81.7        |
| Professional, Scientific, and Technical Services | 19,664         | 97.0        | 168,265          | 51.5        | 19,217,880         | 45.5        |
| Other Services (except Public Administration)    | 16,833         | 99.2        | 110,319          | 86.7        | 3,820,674          | 80.9        |
| Retail Trade                                     | 14,680         | 97.0        | 117,513          | 32.2        | 4,857,127          | 38.9        |
| Accommodation and Food Services                  | 13,430         | 98.4        | 205,113          | 66.9        | 3,920,084          | 64.5        |
| Health Care and Social Assistance                | 12,547         | 97.6        | 227,919          | 36.5        | 10,299,635         | 29.5        |
| Administrative, Support, and Waste Management    | 9,619          | 96.5        | 93,100           | 45.3        | 4,787,502          | 43.7        |
| Real Estate and Rental and Leasing               | 6,000          | 97.8        | 34,077           | 62.4        | 2,252,865          | 56.1        |
| Manufacturing                                    | 5,409          | 93.7        | 115,127          | 49.0        | 7,332,275          | 38.6        |
| Wholesale Trade                                  | 5,373          | 91.5        | 73,613           | 49.4        | 5,882,432          | 39.4        |
| Finance and Insurance                            | 4,681          | 92.5        | 51,681           | 27.9        | 6,887,719          | 23.3        |
| Transportation and Warehousing                   | 3,435          | 94.0        | 37,792           | 35.2        | 1,498,085          | 29.1        |
| Arts, Entertainment, and Recreation              | 3,113          | 98.1        | 43,912           | 66.8        | 1,297,494          | 60.2        |
| Educational Services                             | 2,921          | 96.5        | 58,201           | 25.3        | 2,395,273          | 22.0        |
| Information                                      | 2,116          | 88.6        | 33,823           | 26.8        | 3,729,510          | 21.5        |
| Industries not classified                        | 545            | 100.0       | 901              | 100.0       | 36,892             | 100.0       |
| Management of Companies and Enterprises          | 378            | 50.1        | 8,667            | 7.7         | 748,696            | 5.2         |
| Agriculture, Forestry, Fishing and Hunting       | 332            | 99.7        | 1,081            | 99.4        | 51,801             | 98.5        |
| Utilities  | 84             | 75.0        | 697              | 5.7         | 77,662             | 4.8         |
| Mining, Quarrying, and Oil and Gas Extraction    | 42             | 84.0        | 587              | 68.7        | 41,898             | 51.7        |
| <b>Total</b>                                     | <b>140,368</b> | <b>97.6</b> | <b>1,514,636</b> | <b>44.7</b> | <b>88,881,676</b>  | <b>36.6</b> |

Source: [Statistics of US Businesses](#), 2020 (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](http://advocacy.sba.gov) for additional resources.