

2025 Small Business Profile

U.S. SMALL BUSINESS ADMINISTRATION

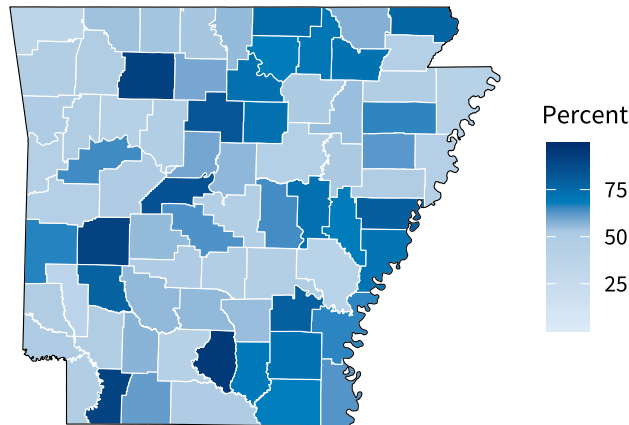
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Arkansas

292,728 small businesses
99.3 percent of Arkansas businesses

501,512 small business employees
46.1 percent of Arkansas employees



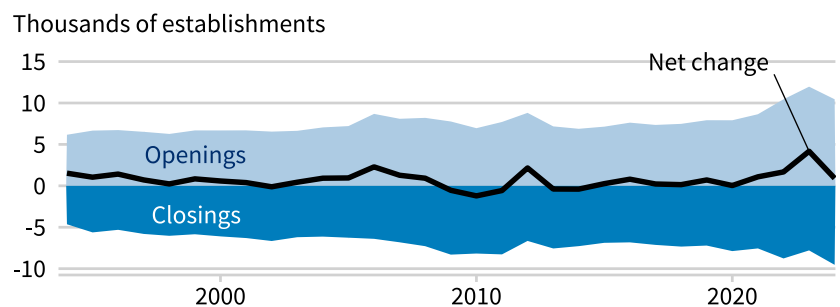
Share of employees working at small businesses by county

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

Employer and employment dynamics

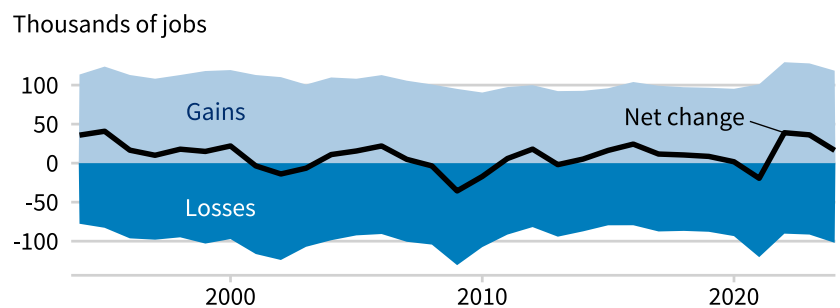
Establishments

Between March 2023 and March 2024, 10,446 Arkansas establishments opened and 9,538 closed, for a net increase of 908. Employment expanded at 19,638 establishments and contracted at 17,413. Small businesses accounted for 9,630 openings and for 8,949 closings.



Employment

Opening and expanding Arkansas establishments added 118,458 jobs, while closing and contracting establishments lost 102,091, for a net increase of 16,367 jobs. Small businesses contributed a net increase of 14,245 jobs, or 87.0 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 2023, reporting banks issued \$1.1 billion in loans to Arkansas businesses with revenues of \$1 million or less. Total reported new lending to businesses through loans of \$1 million or less was \$2.5 billion. Total reported new lending to businesses through loans of \$100,000 or less was \$848.9 million.

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
Construction	32,817	5,427	542	38,786
Other Services (except Public Administration)	32,078	6,059	352	38,489
Administrative, Support, and Waste Management	27,128	2,073	327	29,528
Professional, Scientific, and Technical Services	22,436	5,156	338	27,930
Retail Trade	20,710	5,654	635	26,999
Health Care and Social Assistance	20,289	5,115	977	26,381
Real Estate and Rental and Leasing	23,035	2,693	130	25,858
Transportation and Warehousing	20,798	1,719	267	22,784
Accommodation and Food Services	6,200	3,512	1,134	10,846
Arts, Entertainment, and Recreation	9,527	688	91	10,306
Finance and Insurance	6,198	2,155	184	8,537
Educational Services	5,433	484	132	6,049
Agriculture, Forestry, Fishing and Hunting	4,947	570	32	5,549
Wholesale Trade	3,290	1,545	515	5,350
Manufacturing	3,239	1,378	544	5,161
Information	2,171	386	82	2,639
Mining, Quarrying, and Oil and Gas Extraction	1,123	175	35	1,333
Utilities	200	99	24	323
Management of Companies and Enterprises	*	35	133	168
Industries not classified	*	65	1	66
All industries	241,619	44,937	6,172	292,728

* Not reported by the Census Bureau

Sources: [Nonemployer Statistics](#), 2022 (Census); [Statistics of U.S. Businesses](#), 2022 (Census)



Small business exports

A total of 2,167 identified firms exported goods worth \$5.5 billion from Arkansas in 2023. Of those exporters, 1,681—or 77.6 percent—were small. At \$1.3 billion, exports by small firms made up 24.3 percent of exports by identified firms.

Source: [A profile of U.S. importing and exporting companies, 2022-2023](#) (Census)

Business ownership share by demographic group

Women



Women made up 47.3 percent of workers and owned 45.8 percent of businesses.

Veterans



Veterans made up 5.0 percent of workers and owned 7.7 percent of businesses.

Hispanics



Hispanics made up 8.3 percent of workers and owned 6.8 percent of businesses.

Ownership shares include equal and majority ownership.

Sources of original data: [American Community Survey](#), 2022 5-Year Data (Census); [Annual Business Survey](#), 2022 (Census); [Nonemployer Statistics by Demographics](#), 2022 (Census)

Business count by owner demographic group or location type

Group	Without employees	%	With employees	%	Total businesses
Female	104,000	91.6	9,495	8.4	113,495
Male	126,000	82.4	26,885	17.6	152,885
Owned equally by both groups	7,700	49.3	7,926	50.7	15,626
Veteran	16,000	85.2	2,784	14.8	18,784
Not Veteran	220,000	84.6	40,031	15.4	260,031
Owned equally by both groups	1,300	46.6	1,491	53.4	2,791
Hispanic	17,500	93.4	1,237	6.6	18,737
Not Hispanic	220,000	83.7	42,833	16.3	262,833
Owned equally by both groups	300	56.0	236	44.0	536
Rural	87,000	86.4	13,747	13.6	100,747
Urban	120,000	79.9	30,269	20.1	150,269
American Indian and Alaska Native	3,600	*	*	*	*
Asian	7,000	73.1	2,577	26.9	9,577
Black or African American	35,000	97.2	998	2.8	35,998
Native Hawaiian and Other Pacific Islander	450	97.6	11	2.4	461
White	195,000	82.9	40,246	17.1	235,246
Hispanic or Racial Minority	61,000	91.9	5,407	8.1	66,407
White and Not Hispanic	176,000	82.1	38,293	17.9	214,293
Owned equally by both groups	850	58.4	606	41.6	1,456

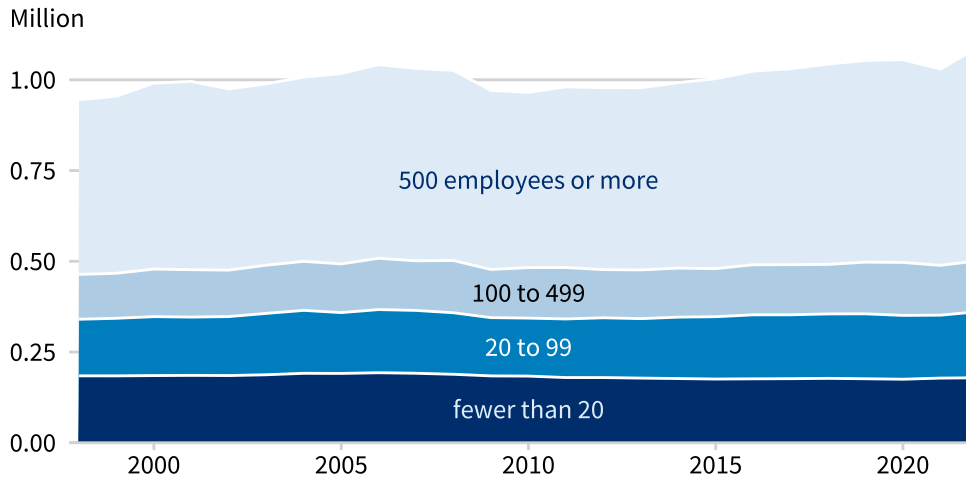
* Not available

Counts include only businesses classifiable by owner demographic group or location type.

Sources: [Annual Business Survey](#), 2022 (Census); [Nonemployer Statistics by Demographics](#), 2022 (Census)

Total Arkansas employment by business size

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



Small businesses accounted for 46.1 percent of Arkansas employment in 2022, which exceeded the national small business employment share.

Small business employment and payroll by industry

Industry	Employers		Employees		Payroll (\$1,000s)	
	Small	%	Small	%	Small	%
Other Services (except Public Administration)	6,411	98.8	37,270	92.6	1,208,389	90.1
Retail Trade	6,289	95.7	52,262	36.5	2,020,212	41.5
Health Care and Social Assistance	6,092	97.4	88,401	46.5	3,906,821	36.5
Construction	5,969	99.0	46,062	86.0	2,508,468	80.6
Professional, Scientific, and Technical Services	5,494	96.9	29,816	75.2	1,874,278	71.4
Accommodation and Food Services	4,646	97.1	74,300	67.7	1,511,817	67.7
Real Estate and Rental and Leasing	2,823	97.4	10,041	74.5	443,526	65.9
Administrative, Support, and Waste Management	2,400	93.6	24,040	29.7	990,172	32.8
Finance and Insurance	2,339	91.9	17,727	42.0	1,150,395	34.2
Wholesale Trade	2,060	84.9	25,166	48.6	1,594,214	47.3
Transportation and Warehousing	1,986	92.8	17,123	26.3	870,228	24.1
Manufacturing	1,922	86.6	41,497	25.7	2,050,861	22.6
Arts, Entertainment, and Recreation	779	97.6	8,097	74.4	210,672	72.9
Educational Services	616	96.1	12,113	73.9	397,602	78.7
Agriculture, Forestry, Fishing and Hunting	602	98.0	4,166	87.2	192,826	77.6
Information	468	81.0	5,474	29.0	365,631	25.1
Mining, Quarrying, and Oil and Gas Extraction	210	87.9	2,133	69.3	156,433	67.7
Management of Companies and Enterprises	168	59.8	3,174	8.9	240,054	4.7
Utilities	123	86.6	2,553	30.9	213,941	26.5
Industries not classified	66	100.0	97	100.0	2,177	100.0
All industries	51,109	96.2	501,512	46.1	21,908,717	38.7

Percentages were calculated by dividing industry totals for small employers by industry totals for all employers.

Source: [Statistics of U.S. Businesses](#), 2022 (Census)

About this profile

Small businesses are generally defined here as firms with fewer than 500 employees. Statistics of U.S. Businesses and Nonemployer Statistics by Demographics are produced through a partnership between the Office of Advocacy and the Census Bureau. Where notes say "Source of original data," values may have been approximated because of missing values in the original data. Electronic versions of this and other [geographic profiles](#) are available online, along with technical notes about data, methods, and definitions. Visit advocacy.sba.gov for additional resources.