

# 2025 Small Business Profile

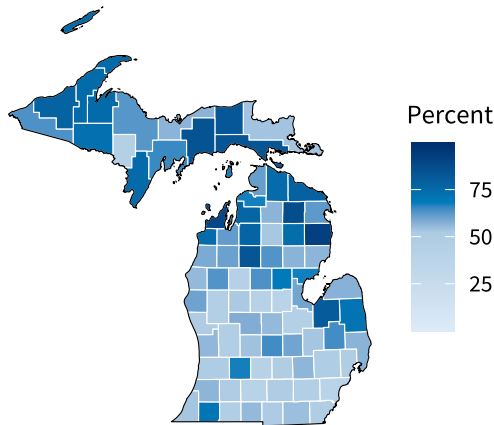
U.S. SMALL BUSINESS ADMINISTRATION  
**OFFICE OF ADVOCACY**

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## Michigan

**983,079** small businesses  
**99.6 percent** of Michigan businesses

**1.9 million** small business employees  
**47.7 percent** of Michigan employees



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

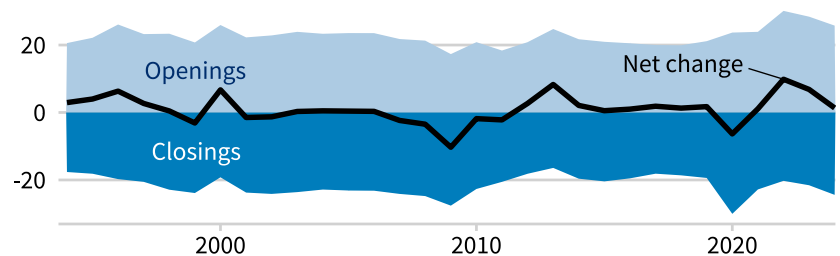
Sources of original data: [Nonemployer Statistics](#) (Census), [Statistics of U.S. Businesses](#) (Census)

## Employer and employment dynamics

### Establishments

Between March 2023 and March 2024, 25,756 Michigan establishments opened and 24,412 closed, for a net increase of 1,344. Employment expanded at 54,245 establishments and contracted at 50,855. Small businesses accounted for 24,975 openings and for 23,578 closings.

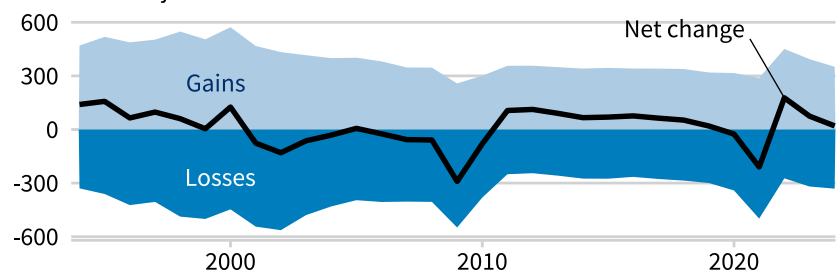
Thousands of establishments



### Employment

Opening and expanding Michigan establishments added 350,997 jobs, while closing and contracting establishments lost 331,059, for a net increase of 19,938 jobs. Small businesses gained 265,544 jobs and lost 237,597, for a net increase of 27,947 jobs.

Thousands of jobs



Counts include temporary closures and reopenings.

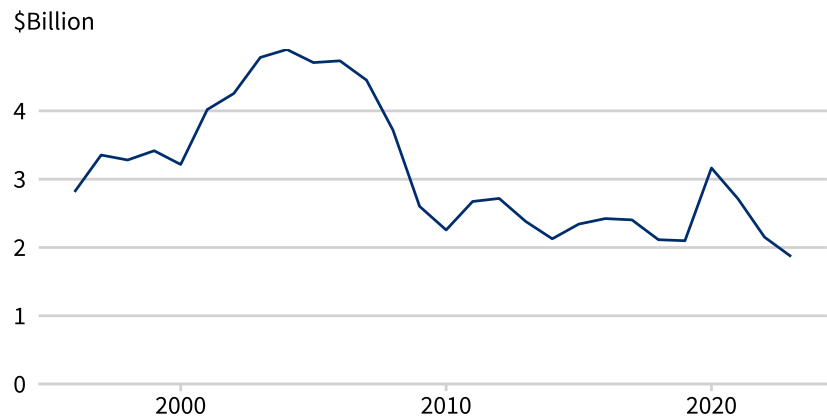
Source: [Business Employment Dynamics](#) (Bureau of Labor Statistics)

## Small business loans

The Community Reinvestment Act requires large banks to report new small business loans. In 2023, reporting banks issued \$1.9 billion in loans to Michigan businesses with revenues of \$1 million or less. Total reported new lending to businesses through loans of \$1 million or less was \$6.1 billion. Total reported new lending to businesses through loans of \$100,000 or less was \$2.3 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 |
|--|-------------------|----------------|------------------|----------------------|
| Other Services (except Public Administration)    | 101,325           | 19,865         | 1,387            | 122,577              |
| Professional, Scientific, and Technical Services | 96,829            | 17,854         | 1,760            | 116,443              |
| Construction                                     | 85,152            | 19,068         | 1,566            | 105,786              |
| Transportation and Warehousing                   | 89,128            | 5,797          | 806              | 95,731               |
| Real Estate and Rental and Leasing               | 85,845            | 6,318          | 423              | 92,586               |
| Administrative, Support, and Waste Management    | 76,832            | 8,779          | 1,273            | 86,884               |
| Health Care and Social Assistance                | 65,087            | 16,429         | 2,948            | 84,464               |
| Retail Trade                                     | 61,460            | 18,913         | 2,095            | 82,468               |
| Arts, Entertainment, and Recreation              | 44,226            | 2,892          | 448              | 47,566               |
| Accommodation and Food Services                  | 17,774            | 12,140         | 3,866            | 33,780               |
| Educational Services                             | 24,779            | 1,724          | 431              | 26,934               |
| Finance and Insurance                            | 18,036            | 5,921          | 599              | 24,556               |
| Manufacturing                                    | 13,385            | 7,209          | 3,073            | 23,667               |
| Wholesale Trade                                  | 12,118            | 5,832          | 1,534            | 19,484               |
| Information                                      | 9,238             | 1,882          | 279              | 11,399               |
| Agriculture, Forestry, Fishing and Hunting       | 6,857             | 588            | 49               | 7,494                |
| Mining, Quarrying, and Oil and Gas Extraction    | 1,093             | 209            | 41               | 1,343                |
| Management of Companies and Enterprises          | *                 | 121            | 473              | 594                  |
| Utilities  | 262               | 83             | 23               | 368                  |
| Industries not classified                        | *                 | 197            | 0                | 197                  |
| All industries                                   | 809,426           | 151,687        | 21,966           | 983,079              |

\* Not reported by the Census Bureau

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



### Small business exports

A total of 13,885 identified firms exported goods worth \$61.4 billion from Michigan in 2023. Of those exporters, 12,294—or 88.5 percent—were small. At \$12.9 billion, exports by small firms made up 20.9 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 47.1 percent of workers and owned 44.6 percent of businesses.

### Veterans



Veterans made up 3.6 percent of workers and owned 4.5 percent of businesses.

### Hispanics



Hispanics made up 5.3 percent of workers and owned 3.8 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                                     | 357,000           | 91.9 | 31,497         | 8.1  | 388,497          |
| Male                                       | 420,000           | 79.8 | 106,444        | 20.2 | 526,444          |
| Owned equally by both groups               | 18,500            | 53.1 | 16,332         | 46.9 | 34,832           |
| Veteran                                    | 32,000            | 85.4 | 5,465          | 14.6 | 37,465           |
| Not Veteran                                | 760,000           | 83.8 | 146,553        | 16.2 | 906,553          |
| Owned equally by both groups               | 2,600             | 53.6 | 2,255          | 46.4 | 4,855            |
| Hispanic                                   | 32,000            | 91.8 | 2,875          | 8.2  | 34,875           |
| Not Hispanic                               | 762,000           | 83.5 | 150,930        | 16.5 | 912,930          |
| Owned equally by both groups               | 750               | 61.6 | 468            | 38.4 | 1,218            |
| Rural                                      | 187,000           | 85.2 | 32,545         | 14.8 | 219,545          |
| Urban                                      | 585,000           | 82.4 | 124,718        | 17.6 | 709,718          |
| American Indian and Alaska Native          | 8,700             | 91.5 | 809            | 8.5  | 9,509            |
| Asian                                      | 37,500            | 80.2 | 9,251          | 19.8 | 46,751           |
| Black or African American                  | 131,000           | 97.1 | 3,892          | 2.9  | 134,892          |
| Native Hawaiian and Other Pacific Islander | 850               | 90.7 | *              | *    | 937              |
| White                                      | 631,000           | 81.8 | 140,757        | 18.2 | 771,757          |
| Hispanic or Racial Minority                | 201,000           | 92.4 | 16,643         | 7.6  | 217,643          |
| White and Not Hispanic                     | 591,000           | 81.3 | 136,115        | 18.7 | 727,115          |
| Owned equally by both groups               | 2,300             | 60.3 | 1,515          | 39.7 | 3,815            |

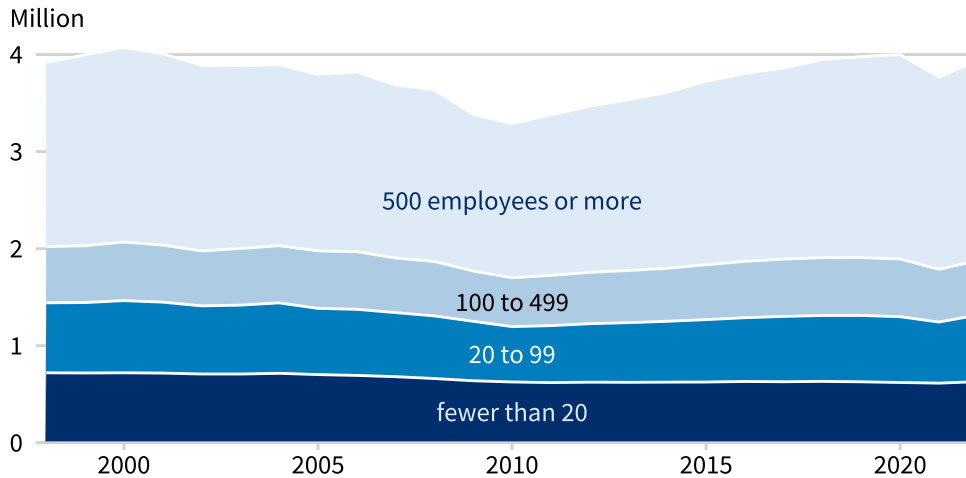
\* Not available

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 Michigan employment by business size

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



Small businesses accounted for 47.7 percent of Michigan 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)    | 21,252    | 99.3  | 137,948   | 86.9  | 4,952,253          | 81.1  |
| Retail Trade                                     | 21,008    | 97.9  | 189,852   | 41.0  | 7,719,285          | 46.8  |
| Construction                                     | 20,634    | 99.5  | 147,092   | 85.4  | 10,734,832         | 82.4  |
| Professional, Scientific, and Technical Services | 19,614    | 97.3  | 153,283   | 49.9  | 12,260,473         | 42.0  |
| Health Care and Social Assistance                | 19,377    | 98.6  | 270,839   | 44.1  | 13,248,285         | 37.6  |
| Accommodation and Food Services                  | 16,006    | 98.5  | 241,634   | 64.7  | 5,264,179          | 62.8  |
| Manufacturing                                    | 10,282    | 94.2  | 256,182   | 43.0  | 15,444,320         | 39.4  |
| Administrative, Support, and Waste Management    | 10,052    | 96.2  | 118,878   | 32.5  | 5,741,843          | 36.2  |
| Wholesale Trade                                  | 7,366     | 92.5  | 95,961    | 51.5  | 7,282,200          | 48.2  |
| Real Estate and Rental and Leasing               | 6,741     | 98.1  | 36,386    | 66.2  | 2,023,866          | 63.8  |
| Transportation and Warehousing                   | 6,603     | 96.0  | 57,972    | 41.2  | 3,191,390          | 39.4  |
| Finance and Insurance                            | 6,520     | 95.0  | 57,030    | 31.9  | 4,170,841          | 26.2  |
| Arts, Entertainment, and Recreation              | 3,340     | 98.5  | 36,104    | 76.3  | 1,657,988          | 77.2  |
| Information                                      | 2,161     | 91.0  | 22,229    | 36.4  | 1,646,321          | 29.9  |
| Educational Services                             | 2,155     | 97.0  | 34,961    | 52.3  | 1,180,179          | 48.2  |
| Agriculture, Forestry, Fishing and Hunting       | 637       | 99.5  | 4,196     | 97.6  | 237,866            | 96.8  |
| Management of Companies and Enterprises          | 594       | 58.1  | 13,786    | 11.5  | 1,133,584          | 8.6   |
| Mining, Quarrying, and Oil and Gas Extraction    | 250       | 91.2  | 2,733     | 56.9  | 229,779            | 56.7  |
| Industries not classified                        | 197       | 100.0 | 224       | 100.0 | 11,241             | 100.0 |
| Utilities  | 106       | 78.5  | 1,954     | 8.2   | 201,391            | 6.5   |
| All industries                                   | 173,653   | 98.0  | 1,879,244 | 47.7  | 98,332,116         | 42.3  |

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](https://advocacy.sba.gov) for additional resources.