The Trendlines series highlights findings drawn from FIELD, MicroTest, and other sources of data on the U.S. microenterprise industry. This issue examines employment outcomes generated by microenterprises both for the owner and for others. Paid workers include employees and contractors.

This fact sheet summarizes the experience of entrepreneurs in 2009 that were surveyed by 21 microenterprise programs in 2010. The mean and median to those entrepreneurs received services from the programs was 1.5 and 1.0 years.

Methodological Summary

Researchers conducted a survey of the business, household, and individual outcomes of microenterprise clients. This survey was conducted in 2010 in person, by telephone, by mail, and online. The sample was selected using probability sampling methods. The sample was selected to be nationally representative of the microenterprise industry. This issue highlights findings from the survey.

How Many Jobs?

879 clients had a business in 2009. 41% reported paying employees or working in their business. Including the owner, a total of 2,509 jobs were reported.

How Does Micro Compare?

In 2009, there were 1,630 paid workers employed by 359 micro enterprises for a mean of 1.0 paid job per business.

Mean Number of Jobs

Although U.S. Census data counts only employees as jobs and FIELD data includes paid and unpaid employment, both count paid employment. Microenterprise employment is not included in the U.S. Census because it is difficult to measure.

Businesses

- 1-4 Workers: 954
- 5-9 Workers: 38
- 10+ Workers: 4

Most Jobs Part-Time

66% Part-Time

44% Full-Time

The $11 median hourly wage reported for paid workers is 50% higher than the Federal minimum wage. Many paid workers are part-time.

How Much in WAGE$?

46% of paid workers had hourly wages that met or exceeded the federal poverty threshold for a household of four.

Full-Time Workers: Hourly Wages

$7.25 or Below

$7.25 - $15.95

$15.95 or Above

Median Without Paid Workers

Hourly Wages

Mean Without Paid Workers

Mean Median

53% of business owners were compensating themselves in the form of an owner's draw in 2009. For these owners, the median and mean owner's draw reported was $18,120 and $24,563. For 43% hourly wages were above the federal minimum wage and for 43% hourly wages met or exceeded the federal poverty threshold for a household of four owners with paid workers report median owner's draws 20 times higher than businesses without paid workers.

Owners and employees

- 95.9% of businesses had employees
- 4.1% of businesses had only one paid worker

in the form of

Among Wages

Businesses

- 1-4 Workers: 587
- 5-9 Workers: 37
- 10+ Workers: 1

Annual Wages

- $12,000 - $19,999: 35%
- $20,000 - $39,999: 27%
- $40,000 or Above: 6%

366 clients reported W2s. Mean annual wages for businesses were $13,000. Median annual wages for businesses were $12,000. Median annual wages were $10,000 for full-time workers and $6,000 for part-time workers.

Businesses Increased Paid Workers by 86%

1153 Clients

90% of Businesses Survive and add 366 Jobs — a 33% Increase

41% With a Business at Intake

10% New Jobs: Intake to 2009

90% New Jobs: Intake to 2009

59% of businesses add employees.

253 New Businesses Created

292 New Jobs

1.2 Jobs per Business

This fact sheet was prepared with data from MicroTest, a project of FIELD of the Aspen Institute.

For more information, visit www.fieldus.org