

CBIZ Small Business Employment Index Retreats During July

August 3, 2012

- Following Five Months of Growth, Index Reveals Weakening Data -

CLEVELAND--(BUSINESS WIRE)--Aug. 3, 2012-- The [CBIZ Small Business Employment Index](#) (SBEI), a barometer for hiring trends among companies with 300 or fewer employees, decreased by 1.57 percent during July, following an increase of 1.38 percent in June.

ADP's July jobs survey revealed that the private sector added 163,000 jobs last month, which beat analysts' estimates. However, June's revised tally of 172,000 added jobs was not matched or surpassed.

CBIZ Payroll Services manages payroll services for more than 3,000 businesses. The survey reflects a broad array of industries and geographies corresponding to the markets across the United States where CBIZ provides human capital services. The data represented by the SBEI is derived from a segment of employers not completely accounted for by the ADP and Federal BLS employment reports.

"As we have seen in the previous two years, the SBEI metric has moved negative in the month of July. This year's data moved more negative than in the previous two years, possibly indicating that small business employers are not only feeling the economic slowdown that has been widely acknowledged, but may also be anticipating the slowdown continuing or increasing as we approach the fall and into the holiday shopping season," offered Philip Noftinger, business unit president for [CBIZ Payroll Services](#).

To view and/or use a graphic illustration that tracks and illustrates the employment index, [visit our blog here](#).¹ Additional take-away points from the July data set include:

- **At-a-glance:** Of the companies surveyed, the data shows that 29 percent reported a decrease in employee headcount while 22 percent increased staffing. 49 percent of the companies involved in the survey maintained their number of employees.
- **Small business sector:** As the presidential election heats up, the nation's unemployment rate will certainly be one of the most discussed economic indicators. Should the jobless rate remain unchanged at 8.2 percent, the small business sector could suffer further losses ahead. Coupled with rising costs of doing business, the sector faces uncertainty.
- **What-to-watch:** Concerns of global growth prospects weakening will indeed increase business pressures faced by companies in the U.S. Business owners should continually review fiscal controls, process evaluation and metrics management.

"Owners of businesses with less than 300 total employees are still focused on, and concerned with, anticipated sales, taxes and regulation. It is possible that if the entrepreneurs we work with were able to better predict the changes to the latter two items, via action by Congress, they may be willing to invest in additional labor. Predictability is extremely important for the small business owner, who after three years of slow economic activity, is operating with few resources," said Noftinger.

The small business sector of the economy continues to attract headline coverage as political and economic pundits stress that the small business owner is the driving force of the economy. The SBEI is focused on this portion of our economy and is a critical component to understanding domestic economic trends.

Editor's notes:

(1) The SBEI illustration is licensed under a Creative Commons Attribution-NoDerivs 3.0 Unported License. Based on a work at <http://blog.cbiz.com>.

(2) The United States Department of Labor's Bureau of Labor Statistics Employment Situation Summary is due to be released on Friday, August 3, at 8:30 a.m. ET. Mr. Noftinger is available for media interviews to discuss employment trends and other payroll matters impacting the American business environment.

About [CBIZ, Inc.](#) (NYSE:CBZ)

CBIZ, Inc. provides professional business services that help clients better manage their finances and employees. CBIZ provides its clients with financial services including accounting, tax and consulting, internal audit, merger and acquisition advisory and valuation services. Employee services include employee benefits consulting, property and casualty insurance, retirement plan consulting, payroll, life insurance, HR consulting, and executive recruitment. CBIZ also provides outsourced technology staffing and support services, healthcare consulting, and medical practice management. As one of the largest benefits specialists and one of the largest accounting, valuation, and medical practice management companies in the United States, the Company's services are provided through more than 130 Company offices in 37 states. Visit our website at www.cbiz.com and our blog, "Human Capitalizing," at <http://blog.cbiz.com>.



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