

The CBIZ Small Business Employment Index Shows Small Business Hiring Positive in December

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2014's Final Results Break a Three Months-Long Trend of Negative Job Readings for the SBEI

CLEVELAND--(BUSINESS WIRE)--Jan. 9, 2015-- [The CBIZ Small Business Employment Index \(SBEI\)](#), a barometer for hiring trends that surveys labor data from over 4,000 companies employing 300 or fewer people, increased by 1.22 percent during December. This follows a decrease of -1.04 percent during the month of November and marks the first positive gain in the SBEI since the reading for the period of August 2014.

Wednesday's jobs report from the payroll processor ADP also had a positive tone in that it offered that businesses added 241,000 jobs last month, surpassing the 225,000 threshold that was expected by surveyed economists.

"Small business owners appeared extremely optimistic according to the November NFIB report, which pinned its gains to business conditions six months from now. The December SBEI results indicate that hiring advanced for those businesses in December, perhaps a result of that optimism," says Philip Noftsinger, business unit president for [CBIZ Payroll Services](#).

To review an infographic with data from the employment index, [visit our blog](#).¹

Additional take-away points from the November SBEI include:

- **At-a-glance:** 28 percent of the companies included in the SBEI during December added staff during the period, while only 21 percent decreased payroll commitments. 51 percent of the small businesses in the Index made no change to their employee totals. More than 4,000 small businesses were included in the November and December periods of the SBEI.
- **Take-aways from Decembers past:** The December 2014 SBEI reading also exceeded the prior two December readings in 2013 and 2012, further supporting that the optimism felt in the November NFIB report may have translated to additional job growth beyond what should be seasonally expected for December.
- **What could the future bring?** There is still reason for caution though, as the details behind the November BLS numbers continue to show growth in sectors that traditionally represent part-time employment. For example, Food Services and Drinking Places grew by 26.5% while Employment Services (temporary labor) grew by 28.4%. These indicate that a good portion of Americans are supplementing their income through holding part-time or multiple jobs.

"The path to labor recovery does run through part-time growth, as employers step carefully back into investments in labor through part-time and temporary help. So, while job growth is being realized, full-time growth is still needed, and can reasonably be expected if the overall economic environment can support transition from part-time investments in labor to full-time commitments," continued Noftsinger.

CBIZ Payroll Services manages payroll services for more than 4,000 businesses. Its index 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.

Editor's note:

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[Gregory FCA](#) for [CBIZ, Inc.](#)
Jimmy Moock, 610-228-2125
jimmy@gregoryfca.com