

# The CBIZ Small Business Employment Index Tumbles As Business Outlook Weakens

September 4, 2015

*Small Business Employment Posts Negative Reading for the First Time in Five Months*

CLEVELAND--(BUSINESS WIRE)--Sep. 4, 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, decreased by -0.78 percent for the August reporting period, following five consecutive months of positive readings for the index.

"Small business owners are feeling the ripple effect of global economies in transition. Though August is a historically positive month, this negative reading – which can be seasonally adjusted to reflect a -1.22 percent decline – is fairly significant as we head into fall. As negative market news continues to make headlines, it seems that small business owners are proceeding with caution and taking pause in terms of hiring," says Philip Noftinger, business unit president for [CBIZ Payroll Services](#).

"After ADP revised its jobs number to 177,000 positions created in July, business hiring may be slowing along with the signs that the global economy may be pulling back as well."

To review an infographic with data from the employment index, [visit the CBIZ blog](#).<sup>1</sup>

Additional takeaways from the August SBEI include:

- **August snapshot:** This month, 28 percent of companies included in the SBEI reduced headcounts, 22 percent increased payroll commitments, and 50 percent of the small businesses in the index made no change to their employee totals. As the equity market has experienced notable volatility this month, small business owners are guarded moving into the fall and are not rehiring immediately.
- **What industries should we be watching?** This month, only Information Services and Educational Services saw growth in hiring, and the latter is likely seasonal. However, the Healthcare, Professional Services, Administrative and Support Services, and Art, Education and Recreation industries all saw declines. We'll need to stay attentive to industry trends as we head toward a potential rate rise and further market volatility.
- **What's next?** Small business owners are far more observant to the macro numbers than they were prior to 2007. We will need to continue to see the fall bring stability to all economic indicators, or it's going to continue to be a difficult third and fourth quarter.

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:**

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

Follow CBIZ on Twitter at [@CBZ](#) or on [Facebook](#).

## **About CBIZ, Inc.**

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, financial advisory, government health care consulting, risk advisory, merger and acquisition advisory, real estate consulting, and valuation services. Employee services include employee benefits consulting, property and casualty insurance, retirement plan consulting, payroll, life insurance, HR consulting, and executive recruitment. As one of the nation's largest brokers of employee benefits and property and casualty insurance, and one of the largest accounting and valuation companies in the United States, the Company's services are provided through nearly 100 Company offices in 32 states. <http://cbiz.com>



View source version on businesswire.com: <http://www.businesswire.com/news/home/20150904005034/en/>

Source: CBIZ, Inc.

[Gregory FCA](#) for [CBIZ, Inc.](#)  
Kelly Forst, 610-228-2396

[kellyf@gregoryfca.com](mailto:kellyf@gregoryfca.com)