

# CBIZ Small Business Employment Index Shows Mild Slump in September

October 7, 2016

- *Small Business Owners Remain Cautious in Uncertain Economy* -

CLEVELAND--(BUSINESS WIRE)--Oct. 7, 2016-- 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, revealed a 0.23 percent month-over-month decrease in small business hiring in September. This reading shows the third consecutive decline in hiring, which follows several mild increases in hiring or flat readings. The [August SBEI](#) saw a decrease in hiring of 0.82 percent.

"There's little doubt that small business owners have hit the pause button on hiring as the rhetoric and tumultuous election cycle have left many dissecting headlines and tweets to figure out where the candidates stand on the issues that will affect them," says [Philip Noftsinger](#), president of CBIZ Employee Services Organization. "Three months of declines in employment totals for small business owners demonstrates a willingness among employers to allow natural attrition to reduce labor costs in advance of greater clarity being earned from the election itself."

ADP and Moody's Analytics reported private sector employment gains of 154,000, falling below economist expectations and showing the smallest increase since April of this year.

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

Additional takeaways from the September SBEI include:

- **September snapshot:** In comparison to the August SBEI, 25.7 percent of companies increased hiring while 26.2 percent decreased staff. Meanwhile, 48.1 percent of employers in the Index maintained headcounts without change. Historically, September is a negative month for hiring, averaging at -1.28 percent since the Index's inception. This reading has been the mildest September reading in the eight years since founding the SBEI.
- **What industries should we be watching?** The Arts & Entertainment industry led with the most headcount cuts this month, followed by Rental and Leasing Services, Non-Profits, Insurance, and Retail Trade. The industries that realized growth in September include Transportation, Education, Agriculture and Construction.
- **Geographical Hiring:** Regionally, the largest shift was a move negative for North Eastern employers. Meanwhile, the Central region saw a slight decline and The West and South East regions realized mild growth.
- **What's next?** As overseas banking issues, the impending presidential election, the direction of our country's monetary policy and the continued prognostication as to the global impact of Brexit continue to worry the financial world, small business owners seem to have a list of concerns impacting their hiring decisions here and abroad. However, the continued low price of oil is leaving consumers with greater discretionary income and suppliers with lower delivery costs; and, as we head toward the holiday shopping season, the impact of the consumer on the economic and employment situation remains to be seen.

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 U.S., 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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