

CBIZ Small Business Employment Index Moves to Neutral Territory in November

December 2, 2016

- After an October decline, the SBEI rebounds to follow historically flat hiring pattern in November-

CLEVELAND--(BUSINESS WIRE)--Dec. 2, 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, posted a .17 percent decline after data showed that almost an identical number of companies cut staffing as those that grew headcount. While virtually neutral, the reading is the fifth consecutive negative reading for the index as the [October SBEI](#) saw a decrease in hiring of 1.61 percent.

"November has historically been a flat month for payroll changes, as the average reading for the past five years has seen no greater than a .1 percent decrease," says [Philip Noftsinger](#), president of CBIZ Employee Services Organization. "One of the big seasonal influences on payrolls can be the holiday shopping and entertainment season, and those in hospitality and retail have already hired most of their part-time help, so a flat reading for the month indicates the holiday season is meeting expectations thus far."

ADP and Moody's Analytics reported 216,000 jobs were added in, significantly beating economists' expectations of 165,000 gains.

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

Additional takeaways from the November SBEI include:

- **November's snapshot:** In comparison to the October reading, 24.4 percent of companies included in the index increased headcounts, 51 percent made no change and 24.6 percent decreased their staff count. On average, the November readings for the SBEI shows a .27 percent decline going back to the index's inception in 2009.
- **Industries at a glance:** Industry segments that showed the largest gains in employment include Information Management, Technology, Business Services, Insurance and Non-Profits. The largest declines were seen in Agriculture, Arts and Entertainment and Utilities. More so, the Non-Profit and Agriculture industries fell in line with expected seasonal trends.
- **Geographical Hiring:** The Central region was the most negatively impacted area of the country, registering a 0.69 percent decline, while the East region realized minimal impact at 0.01 percent decline. The Southeast and West regions grew slightly, showing 0.27 percent and 1.5 percent growth respectively.
- **What's next?** Small business owners are withholding labor market optimism following the Presidential election. Despite subsiding uncertainty surrounding the political landscape and its effect on fiscal policies, labor market improvements are more focused around core business and economic metrics. Ultimately, the impact of Trump's election on the labor markets is yet to be seen. And, as the Fed ponders a potential rate increase in December, small business owners are waiting to act until the economic picture comes into focus for 2017.

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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