



## Small Business Hiring Falls Throughout Third Quarter, According to CBIZ Small Business Employment Index

October 6, 2017

- SBEI records a decrease in hiring of 0.35 percent in September, following significant declines in August and July -

CLEVELAND--(BUSINESS WIRE)--Oct. 6, 2017-- The [CBIZ](#) Small Business Employment Index (SBEI), which tracks hiring trends among thousands of companies that employ 300 or fewer employees across the U.S., reported a decrease in hiring activity of 0.35 percent this September. This is the third consecutive negative monthly reading of the SBEI, following a decline of 2.27 percent in August.

"While there has never been a positive September SBEI report, this year's reading had the potential to be the first, had it not been for Hurricanes Harvey and Irma," says Philip Noftsinger, President of CBIZ Employee Services Organization. "Typically, the September period sees an employment drop off as seasonal businesses begin the process of reducing staff or closing for the winter."

ADP and Moody's Analytics reported that 133,000 new jobs were created in September, aligning with the SBEI's results but coming in slightly short of economists' expectations.

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

Additional takeaways from the September SBEI include:

- **September's snapshot:** Compared to the August reading of the SBEI, 48 percent of companies did not make employment changes, 27 percent cut headcounts and 25 percent bolstered their employee totals. September historically experiences hiring cuts, averaging a decline of 1.18 percent since 2009.
- **Industries at a glance:** The Education, Transportation and Utilities sectors led industry growth in September, while Construction maintained mild hiring growth. Notable industry hiring declines occurred in Arts and Entertainment, Insurance, Retail, Scientific and Non-Profits.
- **Geographical hiring:** Hiring in the Central region was flat, declining only 0.05 percent, while the Northeast saw a slight decline of 0.83 percent, which is typical this time of year. Meanwhile, the West posted a 0.13 percent growth in hiring. The Southeast experienced the most notable impact from the hurricanes, posting a 1.15 percent decline for the month.
- **What's next?** Whether or not regions impacted by Hurricanes Harvey and Irma ramp up hiring in the months ahead as recovery efforts draw more workers to the area is yet to be seen. However, it's difficult to get a read on what September's report says about the overall state of the U.S. economy, as the natural disasters facing the country have temporarily interrupted hiring patterns. Looking ahead to the fourth quarter, possible monetary policy change from the Federal Reserve also has the potential to impact small business hiring.

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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