

Small Business Hiring Rebounds in March, According to CBIZ Small Business Employment Index

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- CBIZ's proprietary Small Business Employment Index demonstrates first positive reading of 2018 -

CLEVELAND--(BUSINESS WIRE)--Apr. 6, 2018-- 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 month-over-month increase in hiring activity of 1.39 percent in March, following a decrease in hiring of 0.20 percent in February.

"This may be the first sign of tax reform seeping into the small business labor market," says [Philip Noftinger](#), President of CBIZ Employee Services Organization. "As small business owners begin to realize the benefits of tax reform, they will likely translate to better wages and more jobs. Almost every industry represented in our SBEI grew their staff totals in March, so if this positive trend continues, the economy could be seeing solid growth across the board going forward."

ADP and Moody's Analytics reported Wednesday that the private sector added 241,000 jobs in March, exceeding economists' expectations of 210,000 job additions.

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

Additional takeaways from the March SBEI include:

- **March's snapshot:** Compared to the February reading of the SBEI, 29 percent of companies in the index increased their employee count, 52 percent did not change their staff totals and 19 percent decreased headcounts. Historically, March is a positive period for small business hiring, as the winter months give way to warmer weather and encourage Americans to get outside. The average increase for the March period over the past 9 years is 1.13 percent.
- **Industries at a glance:** Nearly every industry in the SBEI reflected job growth. Leading the way were Accommodation and Food Services, Arts and Entertainment, Recreation, Construction, Retail Trade, Healthcare, Manufacturing and Non-Profits. The only industry to retract in March was Financial Services.
- **Geographical hiring:** Regionally, the Northeast region showed the strongest growth at 1.87 percent, followed by the Central region at 1.59 percent, the Southeast at 0.94 percent and the West at 0.78 percent.
- **What's next?** The impact of tax reform is only beginning to show in the labor market. How small business owners choose to capitalize on tax cuts will continue to come into focus in the months ahead, but the fact that March demonstrates the first positive month for hiring in 2018 is promising.

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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