

CBIZ Small Business Employment Index Demonstrates Seasonal September Trend

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- Small business owners scale back hiring following a trend-defying August increase -

CLEVELAND--(BUSINESS WIRE)--Oct. 5, 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 decrease in hiring of 2.45 percent in September, following an increase in hiring of 2.29 percent in August.

"The September reading of the SBEI followed seasonal trends for this period," says [Philip Noftsinger](#), Executive Vice President, CBIZ Employee Benefits. "This report comes on the heels of a trend-defying August report, which suggested that small business owners increased hiring in light of strong economic momentum driving growth. However, September's volatile reading could be pointing to an ever-tightening labor market, which at some level will continue to push wages."

ADP and Moody's Analytics reported Wednesday that the private sector posted an employment increase of 230,000 jobs month-over-month, on a seasonally adjusted basis. Small businesses accounted for 56,000 of those jobs and the report found that almost all sectors reported an increase.

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

Additional takeaways from the September SBEI include:

- **September's snapshot:** When compared to the August SBEI reading, 20 percent of companies increased their headcounts, 48 percent refrained from making labor changes, and 32 percent decreased their employee totals. Since the SBEI's inception in June 2009, the September reading has seen an average hiring decrease of 1.31 percent; and this year's reading is the second-largest decrease during the September period.
- **Industries at a glance:** Of the industries reflected in the index, all but one category recorded declines in hiring. Arts and Entertainment, Real Estate, Non-Profits, and Financial Services all posted notable negative readings this month while Educational Services posted a 3.37 percent increase.
- **Geographical hiring:** In September, the Northeast, Central, and Southeast regions experienced hiring decreases of 4.09 percent, 2.61 percent, and 2.33 percent, respectively. The West demonstrated a relatively flat reading of 0.1 percent growth.
- **What's next?** Recent developments concerning trade deals for North America are likely to keep economic growth going for the foreseeable future. The need for labor will continue to grow and the United States will need to find a way to increase its legal employable workforce. The quickest solution to create that increase would be to address lingering immigration issues, in order to bolster the total workforce count.

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 Bureau of Labor Statistics employment reports.

Editor's note:

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