

CBIZ Small Business Employment Index Indicates Hiring Increase in May

June 7, 2019

Return of seasonal workers drives hiring across all regions of the country

CLEVELAND--(BUSINESS WIRE)--Jun. 7, 2019-- The CBIZ Small Business Employment Index (SBEI) reported that small businesses, classified as having 300 or fewer employees, showed an increase in month-by-month hiring by 0.49% in May.

[Philip Noftsinger](#), Executive Vice President, CBIZ Employee Benefits, attributes these gains to the return of seasonal workers throughout all regions of the country. Arts and Entertainment, Transportation, Real Estate, Retail Trade, Construction, Accommodation and Food Services, and Insurance and Financial Services were among the industries that increased hiring during the month. Rental and Leasing Services was the only industry category showing a decline.

“May is typically a strong month for hiring. This has held true for another year, especially due to the traditional return of seasonal workers,” says Noftsinger. “But we could face some headwinds as the heated trade war talks with China and potentially Mexico might impact the small business sector in the coming months.”

ADP and Moody’s reported Wednesday that May saw a decrease of 52,000 private small business jobs compared to April. However, the ADP and Moody’s report classifies small businesses as companies with 49 or fewer employees.

The CBIZ SBEI tracks hiring trends for over 3,700 companies that have 300 or fewer employees, providing a broader insight into small business trends. CBIZ Inc. provides payroll management services for thousands of companies throughout the country.

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

Additional takeaways from the May SBEI include:

- **May’s snapshot:** When compared to the April SBEI, 30% of companies increased headcounts, 51% refrained from making labor changes and 19% decreased employee totals. Since the SBEI’s inception in June 2009, the May reading has seen an average hiring increase of 1.12%.
- **Industries at a glance:** Of the industries featured in the index, Arts and Entertainment, Transportation, Real Estate, Retail Trade, Construction, Accommodation and Food Services, Insurance and Financial Services all showed gains. Rental and Leasing Services was the only industry category showing a decline.
- **Geographical hiring:** In May, all four regions showed improvement. Hiring increases in the Northeast grew by 2.24%, the Central by 1.98%, the Southeast by 1.18% and the West by 0.63%.
- **What’s Next?** There is talk about the impact of trade war talk with China and now Mexico and its impact on the domestic economy and growth. We will continue to watch the macro environment and any affect on small businesses.

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:

(1) The SBEI illustration is licensed under a Creative Commons Attribution-NoDerivs 3.0 Unported License. Based on our work at <http://www.cbiz.com/insights-resources/blog>.

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CBIZ, Inc. provides professional business services that help clients better manage their finances and employees. CBIZ provides its clients with financial services including accounting, tax, financial advisory, government health care consulting, risk advisory, real estate consulting and valuation services. Employee services include employee benefits consulting, property and casualty insurance, retirement plan consulting, payroll, life insurance, HR consulting and executive recruitment. As one of the largest accounting, insurance brokerage and valuation companies in the United States, the company’s services are provided through more than 100 company offices in 33 states. CBIZ Employee Services Organization is a division of CBIZ Benefits & Insurance Services, Inc.

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