

Economic Recovery Outpaces Staffing Growth on Main Street

June 29, 2021

The CBIZ Main Street Index reports elevated bottom lines and concern over staffing among businesses

CLEVELAND--(BUSINESS WIRE)--Jun. 29, 2021-- [CBIZ, Inc.](#) (NYSE: CBZ), a leading provider of financial, insurance and advisory services, has released the Q2 2021 CBIZ Main Street Index to quantify the recovery of the small and mid-sized business (SMB) marketplace from the COVID-19 pandemic. The findings reveal that business owners are increasingly confident and the number of businesses reporting revenue growth has doubled, despite heightened challenges around reaching maximum staffing levels.

The survey, which was conducted between May 18 and May 27, 2021, analyzes responses from over 2,000 Main Street businesses with fewer than 100 employees, across the U.S. and within 27 industries.* The index assessed a range of timely trends, including business confidence, state of revenue, staffing needs, plans for remote work and approach to employee vaccination.

"The CBIZ Main Street Index recorded notable changes from Q1 to Q2, particularly when it came to revenue and staffing," said Philip Noftsinger, Executive Vice President, CBIZ, Inc. "The data tells us that within the last few months, both the number of businesses that grew revenue and the number that grew headcounts increased considerably. Even so, businesses are finding that they can't keep up with their hiring needs, especially for entry-level and associate-level roles."

The data was assessed from an overall perspective, as well as based on company size, region and industry. An interactive infographic with the results is available on [the CBIZ website](#). Key findings include:

- **Main Street business confidence jumps 11%, and revenues double in the quarter** — When asked to indicate their business confidence for 2021, 85% of respondents reported a positive or very positive level in Q2, up from 74% in Q1. Meanwhile, more businesses are seeing their bottom line improve, with 52% citing significant or modest revenue growth in Q2, up from 22% in Q1.
- **Challenges for business related to COVID-19 are declining** — The Q2 2021 CBIZ Main Street Index asked businesses to compare their recovery challenges six months ago to their recovery challenges today and their expectations for recovery challenges six months into the future. Four percent of businesses reported currently facing insurmountable challenges to the return to normal, 57% reported facing moderate challenges and 39% reported facing no challenges. Within six months, 36% expect to face moderate challenges, while 60% expect to face no challenges and operate in a "business as usual" capacity.
- **Twice the number of businesses have headcount growth, yet concern over hiring also increases** — 14% of businesses reported modest or significant growth in their employee headcounts in Q1. In Q2, this number rose to 32%. Yet, more businesses are concerned with staffing shortages; 27% noted these as a key concern in Q1, with the number climbing to 46% for Q2.
- **Businesses are confirming a permanent shift to remote or hybrid work** — 57% of respondents in the Q2 CBIZ Main Street Index indicated that a percentage of their workforce is currently working remotely, including part time and full time. Of those 57% of respondents with a percentage of their workforce working remotely, 74% said they plan to keep their workforce full- or part-time remote, or a combination thereof (hybrid), following the pandemic.
- **Nearly half of businesses are encouraging staff to get vaccinated, while far fewer are making it mandatory** — 5% of businesses have mandated vaccination for employees. Meanwhile, 48% of businesses surveyed said they are encouraging employees to get vaccinated. A small percentage of businesses specifically noted that they are offering incentives or taking additional measures like providing on-site vaccination or paid time off for employees receiving a dose.

"With employee vaccinations and plans for the work environment becoming more concrete, the focus for Main Street businesses has turned to staffing," Noftsinger added. "While concern over revenue outweighed concern over staffing shortages in Q1, the trend has taken a turn in Q2. The ability of businesses to quickly meet their staffing needs could significantly impact the trends we see for Q3."

**Note: Not all of those surveyed in the CBIZ Main Street Index are clients of CBIZ.*

About CBIZ

CBIZ, Inc. is a leading provider of financial, insurance and advisory services to businesses throughout the United States. Financial services include accounting, tax, government health care consulting, transaction advisory, risk advisory, and valuation services. Insurance services include employee benefits consulting, retirement plan consulting, property and casualty insurance, payroll, and human capital consulting. With more than 100 Company offices in 31 states, CBIZ is one of the largest accounting and insurance brokerage providers in the U.S. For more information, visit www.cbiz.com.

View source version on [businesswire.com](https://www.businesswire.com/news/home/20210629005142/en/): <https://www.businesswire.com/news/home/20210629005142/en/>

Media Contact

Sandy McKenzie

Gregory FCA for CBIZ

Sandy@GregoryFCA.com

610-228-2147

Source: CBIZ, Inc.