

Main Street Businesses Respond to Worker Demands Amid Changing Job Landscape

January 31, 2022

The CBIZ Main Street Index finds more small to medium-sized businesses are making changes to pay and benefits packages to recruit top talent

CLEVELAND--(BUSINESS WIRE)--Jan. 31, 2022-- [CBIZ, Inc.](#) (NYSE: CBZ), a leading provider of financial, insurance and advisory services, has released the Q4 2021 CBIZ Main Street Index, which takes the pulse of and gauges the outlook for small and mid-sized businesses (SMBs). The findings reveal an increasing number of employers are responding to worker demands for better pay and benefits, as changes to the job market landscape continue amid the ongoing pandemic. The survey also found nine of 10 SMBs are struggling to hire workers, inflation remains a top-of-mind issue, and the rising cost of goods and services is affecting the bottom line of many companies.

The survey, which was conducted between Nov. 30 and Dec. 31, 2021, analyzes responses from nearly 2,000 Main Street businesses with fewer than 100 employees in 27 industries across the U.S.* The index assesses a range of timely trends, including business confidence, staffing needs, areas of growth and decline, and adapting to a changing workplace.

"We are seeing employers implement both offensive and defensive strategies to combat the 'Great Resignation.' For example, many are making generous offers in an effort to attract exceptional talent. Others are offering stay bonuses that pay employees for simply remaining with the organization, typically for six months or a year," said Ed Rataj, Managing Director, Compensation Consulting, CBIZ, Inc. "Ensuring that your pay is market competitive is more important than ever. Falling behind the market during the Great Resignation could be disastrous."

"Employees and job seekers are benefiting from a robust economic recovery, dating back to the early months of the pandemic," added Phil Noftsinger, Executive Vice President, CBIZ, Inc. "Low unemployment and a greater appreciation for work-life balance are forcing the hands of these companies to respond to workers' demands."

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:

- **Companies are responding to demands to improve the employee experience** —As the pandemic and "Great Resignation" continue, employees are gaining more leverage over employers in the hiring and review processes. Employers are responding, with 18.5% of survey respondents saying they are focused on enhancing benefit changes, up more than 5% from Q3. Meanwhile, 27% say incorporating new compensation methods is also a priority, up nearly 6% from Q3.
- **Nine of 10 small businesses report trouble hiring staff** —Many small businesses are facing an uphill battle when it comes to attracting talent. An increasing number of workers are leaving jobs for better pay, as the hourly minimum wage rose at the start of 2022 in 25 states and Washington, D.C. This is putting stress on several industries, most notably food and hospitality. In fact, 51% of responding businesses report they are short-staffed by over 10%.
- **Demand continues to be a driver of positive business sentiment** —Americans are buying more as the economy improves from 2020 lows. With unemployment near record lows and most people spending more time at home due to continued pandemic concerns, the buying power of the consumer is strengthening. More than half (57%) of respondents report economic factors leading to high inflation are a top concern, eclipsing the surge in coronavirus cases (44%).

**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.

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Media

Rocco Aloe

Gregory FCA for CBIZ, Inc.

CBIZ@GregoryFCA.com

610-860-2075

Source: CBIZ, Inc.