

Small Businesses Report Increase Hiring in March

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The CBIZ Small Business Employment Index signaled towards hiring gains after two months of decline

CLEVELAND--(BUSINESS WIRE)--Apr. 4, 2022-- The CBIZ Small Business Employment Index ("SBEI") reported a seasonally adjusted increase of 0.1% in March, a reversal of the hiring declines seen over the previous two months. The CBIZ SBEI tracks payroll and hiring trends for over 3,700 companies that have 300 or fewer employees, providing broad insight into small business trends.

"Inflation concerns are eclipsing coronavirus-related worries among the public, driving more individuals into the workforce and prompting greater need among businesses as consumer demand rises," said Philip Noftsinger, Executive Vice President, CBIZ, Inc. "We are even seeing a boost in previously hard-hit sectors, with the Arts and Entertainment industry reporting its most significant hiring boost since the beginning of the pandemic."

The ADP and Moody's employment report indicated hiring growth among small, medium-sized and large companies. Its March reading showed an overall increase of 455,000 private-sector jobs for the month. Small businesses accounted for 90,000 of those jobs on a seasonally adjusted, month-over-month basis. The ADP and Moody's report counts small businesses as companies with 49 or fewer employees, while the CBIZ SBEI uses data from companies with 300 employees or fewer.

The CBIZ SBEI reported the largest hiring gain in the Northeast (0.71%) region. The Central (0.08%) and Southeast (0.03%) regions showed flat to little hiring gains, and the West (-0.82%) experienced a hiring decline.

At the industry level, the most notable hiring increases were seen in Arts and Entertainment, Accommodations and Food Services, and Construction. Technology and Life Science and Wholesale Distribution experienced hiring declines.

"March activity tends to signal the start of seasonal hiring increases, as businesses prepare for the summer months, so we expect the growth observed over the last month to be an annual trend," added Noftsinger. "While the report doesn't show staggering growth, it is an indicator of improvement for the labor market."

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

Additional takeaways from the March SBEI include:

March's snapshot: 25% of companies in the index increased staffing, 57% made no change to their headcounts and 18% reduced employment totals.

Industries at a glance: Hiring increases were seen in Arts and Entertainment, Accommodations and Food Services, and Construction. Technology and Life Science and Wholesale Distribution experienced hiring declines.

Geographical hiring: The Northeast (0.71%), Central (0.08%) and Southeast (0.03%) regions all experienced hiring increases. The West (-0.82%) saw a decline.

What's next? Small businesses are continuing to rebound from a labor shortage and economic headwinds. If coronavirus cases continue to remain low, the spring months may be an opportunity for continued hiring growth for small businesses.

Editor's note:

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