

June Showed Hiring Growth for Small Businesses

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The CBIZ Small Business Employment Index reported a hiring increase in June with significant gains in Rental, Leasing and Real Estate

CLEVELAND--(BUSINESS WIRE)--Jul. 12, 2022-- The CBIZ Small Business Employment Index ("SBEI") reported a seasonally adjusted increase of 0.29% in May, a modest gain overall for June. The CBIZ SBEI tracks payroll and hiring trends for over 3,600 companies that have 300 or fewer employees, providing broad insight into small business trends.

"Discretionary spending has been significantly impacted by rising inflation as high cost of necessary and non-substitutable goods take up a higher percentage of disposable income," said Anna Rathbun, CFA, Chief Investment Officer, CBIZ, Inc. "The hiring trends are reflective of how Americans are spending money."

The Bureau of Labor Statistics' employment report indicated hiring growth. The June reading showed an overall increase of 372,000 private-sector jobs. Despite the overall hiring growth, the national unemployment rate remained unchanged from May at 3.6%. The report is inclusive of all non-farm private employers across all size businesses.

The CBIZ SBEI reported notable growth in the Northeast (1.28%). The Central (0.52%) and Southeast (0.12%) regions saw mild increases. The West (-2.35%) was the only region that saw a notable decline.

On an industry level, hiring increases were seen in Rental and Leasing Services, Arts and Entertainment, Recreation, and Real Estate. Industries that saw a decline include Retail and Accommodations and Food Services.

"Small businesses are continuing to show caution as the economy reacts to uncertainty and inflation," added Rathbun. "A notable increase was seen in rental and leasing, which is a reaction to a decline in affordability of housing. As mortgage rates have surged in recent weeks, numerous households have been priced out of the housing market and are turning to rental opportunities."

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

Additional takeaways from the June SBEI include:

June's snapshot: 29% of companies in the index increased staffing, 54% made no change to their headcounts and 17% reduced employment totals.

Industries at a glance: Rental and Leasing Services, Arts and Entertainment, Recreation, and Real Estate increased hiring totals. Retail and Accommodations and Food Services saw a decline.

Geographical hiring: The Northeast (1.28%), Central (0.52%) and Southeast (0.12%) regions all experienced hiring increases. The West (-2.35%) was the only region that had a decline.

What's next? Similar to previous months, small businesses are continuing to be affected by inflation and proceeding with caution.

Editor's note:

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