

Small Businesses Report Hiring Growth in July

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The CBIZ Small Business Employment Index showed a marginal hiring uptick in July with industry trends underscoring consumer sentiment and ongoing shifts in economic trends

CLEVELAND--(BUSINESS WIRE)--Aug. 9, 2022-- The CBIZ Small Business Employment Index ("SBEI") (NYSE: CBZ) reported a seasonally-adjusted increase of 0.80% in July, continuing the upward trend from 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.

"July showed us that consumers are continuing to be cautious with their spending," said Anna Rathbun, CFA, Chief Investment Officer, CBIZ, Inc. "In turn, small businesses are reacting to market conditions and the looming recession fears during a time of year when hiring has historically been much stronger."

The Bureau of Labor Statistics' employment report indicated hiring growth that beat expectations. The July reading showed an overall increase of 528,000 private-sector jobs. Despite the overall hiring growth, the national unemployment rate remained stagnant with only a minor reduction to 3.5%. The report is inclusive of all non-farm private employers across all size businesses.

Regionally, the July results mirrored those from the previous month with notable growth in the Northeast (2.36%) and Southeast (1.49%) regions. The Central (0.66%) region saw a mild increase and the West (-1.15%) was the only region that saw hiring decline.

On an industry level, hiring increases were seen in Construction, as well as Rental and Leasing Services. Arts Entertainment and Recreation, Education Services and Not-For-Profit experienced reduced hiring totals.

"The regional hiring results are a positive indicator of small businesses adapting to changing headwinds," added Rathbun. "We are keeping a close eye on consumer sentiment and behavior amid ongoing economic changes, and the decreases seen in Not-For-Profit, and Arts Entertainment and Recreation point to consumers tightening their discretionary spending."

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

Additional takeaways from the July SBEI include:

July's snapshot: 24% of companies in the index increased staffing, 55% made no change to their headcounts and 21% reduced employment totals.

Industries at a glance: Construction and Rental and Leasing Services experienced hiring increases. Arts and Entertainment, Education Services, Not-For-Profit, and Recreation saw decline.

Geographical hiring: The Northeast (2.36%), Southeast (1.49%) and Central (0.66%) regions all experienced hiring increases. The West (-1.15%) was the only region that had a decline.

What's next? While news of large corporate layoffs make headlines, small businesses may prove more nimble in a turbulent economy. Industries like Education Services can expect to see hiring growth as students return to school in the coming months.

Editor's note:

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