

# The CBIZ Small Business Employment Index Reveals Net Payroll Cuts During November

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*Data Shows Small Businesses Less Active in Seasonal Hiring, Counter to Previous Years*

CLEVELAND--(BUSINESS WIRE)--Dec. 5, 2014-- The [CBIZ Small Business Employment Index](#) (SBEI), a barometer for hiring trends that surveys labor data from over 4,000 companies with 300 or fewer employees, decreased by -1.04 percent during the month of November. This follows a decline of -.17 percent during the month of October.

Wednesday's jobs report from the payroll processor ADP revealed that the labor market added 208,000 jobs for the month of November, though economists surveyed anticipated 226,000 private sector jobs to be awarded. The company's October figures were also revised up by 3,000 to 233,000.

"The November reading for the CBIZ Small Business Employment Index shows another decline, which represents the third consecutive month and the first net reduction in employee headcount for this group in November since 2010. Over the past three years, November has been a month of mild headcount increases for small businesses, but in 2014, it would appear that owners are either waiting longer to increase or have a more pessimistic view of the holiday shopping season," says Philip Noftsinger, business unit president for [CBIZ Payroll Services](#). "Early retail reports seem to indicate a much higher on-line volume and lower total sales due to discounts and earlier shopping. It is possible that much of this activity is trickling down to the small business level."

To review an infographic with data from the employment index, visit our [blog](#).<sup>1</sup>

Additional take-away points from the November SBEI include:

- **At-a-glance:** 20 percent of the companies included in the SBEI during November added staff during the period, while 28 percent decreased payroll commitments. 52 percent of the small businesses in the Index made no change to their employee totals. More than 4,000 small businesses were included in the October and November periods of the SBEI.
- **The past three months:** We have now reported three straight months of stagnant hiring in the small business sector, according to the SBEI. In order to support the more optimistic growth economists expect in 2015, small business owners are going to need to contribute to the overall hiring trend in order to meet these expectations.
- **Is there a catalyst for a bounce-back with lower oil prices?** With down-trending oil prices driving down transportation costs, this is a real stimulus that should continue to help provide the consumer with more discretionary income; at the same time, small business owners may see the benefit trickle through to their businesses' overall outlook.

CBIZ Payroll Services manages payroll services for more than 4,000 businesses. Its index reflects a broad array of industries and geographies corresponding to the markets across the United States where CBIZ provides human capital services. The data represented by the SBEI is derived from a segment of employers not completely accounted for by the ADP and Federal BLS employment reports.

## **Editor's note:**

(1) The SBEI illustration is licensed under a [Creative Commons Attribution-NoDerivs 3.0 Unported License](#). Based on a work at <http://www.cbiz.com/insights-resources/blog>.

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