



CBIZ Small Business Employment Index Surges to Close First Quarter

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- Small Business Hiring Swings Positively After a Mild Winter-

CLEVELAND--(BUSINESS WIRE)--Apr. 7, 2017-- The [CBIZ](#) Small Business Employment Index (SBEI), a barometer for hiring trends that surveys labor data from approximately 4,000 companies employing 300 or fewer people, posted a 1.66 percent month-over-month increase in hiring in March, a boost from the previous reading of 0.16 percent in February.

"Small business hiring is improving over the early part of 2017, despite what appears to be a larger than expected fight over fiscal policy changes," says [Philip Noftsinger](#), president of CBIZ Employee Services Organization. "However, as the NFIB Small Business Optimism Index also suggests, optimism will fade quickly if policy changes are not enacted as quickly and favorably as anticipated in the post-election environment."

ADP and Moody's Analytics also reported a larger than expected jump in hiring, coming in at 263,000 total jobs added in March. Economists expected the report to show 185,000 jobs added. Last month, ADP reported that companies added more than 100,000 jobs than economists anticipated.

To view an infographic with data from the employment index, [visit the CBIZ blog](#).¹

Additional takeaways from the March SBEI include:

- **March's snapshot:** Compared to the February reading of the SBEI, 30 percent of companies in the Index increased their employee counts, 52 percent made no change to staff totals and 18 percent cut headcounts. March has never realized a negative reading, averaging at a 1.1 percent increase since the Index's inception. This year's reading was one of the largest leaps in hiring for the period.
- **Industries at a glance:** Nearly every industry included in the SBEI showed mild to strong growth, with Arts, Entertainment and Recreation growing by 9.32 percent. Other sectors showing notable growth include Real Estate, Accommodation and Food Services, Professional Scientific and Technical Services, Construction, Retail, Transportation, Healthcare, Education, Professional and Financial Services and Wholesale Distribution. The only notable decrease came in the Non-Profit sector.
- **Geographical Hiring:** Regionally, all four areas of the country saw hiring pick up, with the Northeast posting 2.03 percent growth and the Central region showing 1.74 percent. The Southeast and West regions followed, posting a 1.47 and 1.33 percent increase, respectively.
- **What's next?** Following the failure of President Trump's healthcare reform legislation, all eyes will be turned toward tax reform legislation as administration officials have indicated that it is next on the list of policy reforms. Tax reform has the potential to impact small business owners' outlook on the economy and overall optimism. If the administration fails to accomplish what it promised in regards to corporate tax reform, small business hiring could certainly feel the pain in the short-term.

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 U.S., 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:

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