

Paychex | IHS Small Business Jobs Index Rebounds in January

- *National index increases by 0.28 percent from December to 100.65 in January*
- *Washington passes Texas for the top spot among states*
- *Mountain remains top-ranked region; Dallas tops metro areas for sixteenth consecutive month; Other Services leads industry sectors, followed by Construction*

ROCHESTER, N.Y.--(BUSINESS WIRE)-- At 100.65, the [Paychex | IHS Small Business Jobs Index](#) rebounded 0.28 percent from the previous month to begin 2016. The January index indicates an increase in the rate of small business hiring, matching the highest level since May of 2015, and offsetting the growth rate declines of 2015. The Mountain region remains the top-performing regional index with the best year-over-year growth rate. Washington surpassed Texas to take the lead among states. Despite a drop in January, Dallas maintained its top ranking among metropolitan areas for the sixteenth consecutive month. Other Services (except Public Administration)*, as defined by the [Bureau of Labor Statistics](#), ranked as the top industry sector, followed by Construction.

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“Following little movement during the last several months of 2015, the national index surged 0.28 percent in January,” said James Diffley, chief regional economist at IHS. “This marks the strongest one-month gain in two years.”

“With the one-month gain, small businesses continue to hire, and at a faster pace, to begin 2016,” said [Martin Mucci](#), president and CEO of Paychex. “Hopefully, this will be the start of a positive employment trend for the new year.”

National Index

Employment conditions strengthened 0.31 percent during the last quarter as January 2016 marks the best three-month growth rate since March 2014, one month before the index peaked. Though the rate of employment growth steadily slowed through the last three quarters of 2015, the spike this January brought the national index back in line with January 2015 at 100.65. The 12-month growth rate is flat, after trending negatively through all of 2015.

Regional Employment

Down marginally to 101.70, the Mountain region was one of only two regions to decrease in January, yet it still remains the top-ranked region and also leads in year-over-year growth. Jumping to 100.24, the Middle Atlantic spiked 0.53 percent from the previous month and 0.90 percent during the past three months as its index is back over 100 for the first time in

over a year. In fact, all regions were above the national baseline of 100 in January. Similar to the national index, New England is adding jobs at the same pace this January compared to last, albeit slightly slower than the national pace.

State Employment Trend

Texas lost 0.47 percent from December to January to cede first place among states to Washington as the impact of even lower oil prices is taking its toll. Ohio and Indiana led the one-month gains among states in January, perhaps aided by the mild winter. Texas, Massachusetts, and California were the only states to decline as 17 of 20 states had positive growth in January. Despite the 0.22 percent downturn to begin 2016, Massachusetts remains above 100 and is adding jobs 0.43 percent faster than in January 2015. New Jersey gained 0.42 percent in January and 2.25 percent year-over-year to continue the momentum created during 2015.

Note: Analysis is provided for the 20 largest states based on U.S. population.

Metropolitan Employment Trend

Falling 1.28 percent from the previous month to 105.67, Dallas was not able to maintain the exceptionally fast pace of job growth achieved at the end of 2015 when its index reached 107.04. At 103.06, Seattle is ranked second among metros and has returned to its January 2015 level. With the best 12-month growth rate of 1.60 percent, Miami moved to third place among metros. New York City is up 0.67 percent from December and 1.48 percent during the past three months and, at 100.42, is over 100 for the first time in more than a year.

Note: Analysis is provided for the 20 largest metro areas based on U.S. population.

Industry Employment Trend

Up 0.44 percent in January and firmly in second place among industries, Construction had its strongest one-month gain in nearly three years, likely aided by the unusually warm winter in the East. Leisure and Hospitality had the best one-month growth rate among industries, increasing 0.60 percent and is at its highest level, 101.09, since summer 2014. Trade, Transportation and Utilities, Professional and Business Services, and Manufacturing all fell below 100 during the past year and are trending similarly to begin 2016, between 99 and 100. Professional and Business Services was the only industry to slow in January, albeit just 0.01 percent. At 104.64, Other Services remains the top-ranked index, gaining 1.63 percent since last January.

Note: Analysis is provided for eight major industry sectors.

For more information about the Paychex | IHS Small Business Jobs Index, visit the index [website](#). Plus, view and download the January 2016 Paychex | IHS Small Business Jobs Index [infographic](#). Or, [sign up](#) to receive monthly alerts on the Paychex | IHS Small Business Jobs Index.

**Information regarding the professions included in the industry data can be found at the [Bureau of Labor Statistics website](#).*

About the Paychex | IHS Small Business Jobs Index

The Paychex | IHS Small Business Jobs Index is released each month by Paychex, Inc., a leading provider of payroll, human resource, insurance, and benefits outsourcing solutions for small-to medium-sized businesses, and IHS, Inc., a leading global source of critical information and insight, providing analysis of small business employment trends across the U.S.

The index analyzes same-store, year-over-year worker count changes to identify and track small business employment trends using real small business payroll data from the Paychex client base. The index is based on aggregated data from approximately 350,000 small businesses with fewer than 50 workers across the United States, one of the largest sample sizes of any small business index or report in the country, and provides timely, accurate insight into national, regional, state, metro, and industry employment activity.

About Paychex

Paychex, Inc. (NASDAQ: PAYX) is a leading provider of integrated human capital management solutions for payroll, HR, retirement, and insurance services. By combining its innovative software-as-a-service technology and mobility platform with dedicated, personal service, Paychex empowers small- and medium-sized business owners to focus on the growth and management of their business. Backed by more than 40 years of industry expertise, Paychex serves approximately 590,000 payroll clients across 100 locations and pays one out of every 15 American private sector employees. Learn more about Paychex by visiting www.paychex.com, and stay connected on [Twitter](#) and [LinkedIn](#).

About IHS (www.ihs.com)

IHS (NYSE: IHS) is the leading source of insight, analytics and expertise in critical areas that shape today's business landscape. Businesses and governments in more than 140 countries around the globe rely on the comprehensive content, expert independent analysis and flexible delivery methods of IHS to make high-impact decisions and develop strategies with speed and confidence. IHS has been in business since 1959 and became a publicly traded company on the New York Stock Exchange in 2005. Headquartered in Englewood, Colorado, USA, IHS is committed to sustainable, profitable growth and employs about 8,600 people in 32 countries around the world.

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