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# Paychex | IHS Small Business Jobs Index Remains Positive, Yet Reflects Lower Rates of Employment Growth in 2015

- *National index was 100.37 in December, down 0.05 percent from the previous month and 0.19 percent from the previous year*
- *Mountain remains top-ranked region; Texas rises to lead among states; Dallas again tops metro areas*
- *Other Services leads industry sectors, followed by Construction*

ROCHESTER, N.Y.--(BUSINESS WIRE)-- To close 2015, the [Paychex | IHS Small Business Jobs Index](#) decreased to 100.37, down 0.05 percent from November and 0.19 percent from 2014. The Mountain region was the top-performing regional index and had the strongest 12-month growth rate. Texas surpassed Washington to lead states tracked by the index. Dallas remained the top-ranked metro area, outpacing other metros throughout 2015. 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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"December 2015 marks the 51st consecutive month job gains have exceeded the pace of our base year over a decade ago," said James Diffley, chief regional economist at IHS. "Nevertheless, 2015 was the softest year for small business employment growth since 2011."

"The national index steadily trended downward throughout much of the 2015. What that tells us is that while small businesses certainly added jobs this year, the pace at which they did so slowed," said [Martin Mucci](#), president and CEO of Paychex.

## National Index

The Paychex | IHS Small Business Jobs Index decreased to 100.37 in December as 2015 ended consistently with a downward trend since the index peaked in April 2014 (101.26). Though expansion is still evident, the 12-month growth rate is -0.19 percent with gains continuing to slow each of the past five years following the low point of the recession. Analyzing the national index in 2015, there were increases in the first quarter, followed by consecutive declines in the second and third quarters, capped with little movement in the fourth quarter.

## Regional Employment

With its eighth increase of 2015, Mountain is the top-ranked regional index and boasts the

best 12-month growth rate at 0.48 percent. The Mountain and West South Central lead growth with index levels above 101, while the Middle Atlantic and East North Central remain below 100. After a large jump in November, the pace of employment growth in the Middle Atlantic slowed slightly in December as it fell back to the lowest index among regions, 99.71. After falling below 100 for the first time in three years last month, East South Central rebounded 0.58 percent in December.

### **State Employment Trend**

Washington dropped 0.76 percent in December as Texas overtook the top spot among states at 102.61. Florida and Georgia, the two southernmost states in the South Atlantic region, are ranked third and fourth at 101.50 and 101.47, respectively. Conversely, the two northernmost South Atlantic states analyzed, Virginia and Maryland, have the lowest-ranked state indexes, slightly above 99. Despite a drop in December, New Jersey remains above 100 with the best 12-month growth rate, 2.25 percent. After trending below 100 for most of 2015, Massachusetts increased to 100.31 in December to firmly close the year above the national baseline.

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

### **Metropolitan Employment Trend**

Small business job growth in Dallas continues to surge as the index jumped 0.47 percent in December to 107.04. While growth has slowed for most metros over the past year, employment conditions have improved 3.50 percent in Dallas. After dropping 4.66 percent during the first three quarters of 2015, Minneapolis has improved 0.37 percent in the last quarter of 2015. Conversely, Baltimore had the poorest performing fourth quarter of 2015, falling 1.39 percent to the lowest-ranked metro index at 98.37. Miami has improved 1.16 percent over the past 12 months, despite the 0.45 decline in December.

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

### **Industry Employment Trend**

Improving to 104.35, Other Services (except Public Administration), which includes offerings as varied as repair and maintenance to personal and laundry services, remains the top-ranked industry, followed by Construction at 101.66. Outpacing employment growth at the national level, the Construction index has been above 101 for more than four years. Rising to the third spot among industries at 100.49, Leisure and Hospitality improved 0.26 percent in December. Ranked last among the industries tracked by the index, Manufacturing has been the weak spot of the U.S. economy due to the high value of the dollar. The Manufacturing index is down 1.16 percent over the past year and fell below 99 for the first time in five years to close 2015.

*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 December 2015 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](http://www.paychex.com), and stay connected on [Twitter](#) and [LinkedIn](#).

## **About IHS ([www.ihs.com](http://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 approximately 8,600 people in 32 countries around the world.

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## **Media:**

Paychex, Inc.

Lisa Fleming, 585-387-6402

[lfleming@paychex.com](mailto:lfleming@paychex.com)

[@PaychexNews](#)

or

IHS

Kate Smith, 781-301-9311

[Kate.smith@ihs.com](mailto:Kate.smith@ihs.com)

or

Eric Mower + Associates

Emily Bowe, 315-413-4236

[ebowe@mower.com](mailto:ebowe@mower.com)

Source: Paychex, Inc.