

Paychex | IHS Small Business Jobs Index Shows Improved Employment Growth in February

- *National index increases by 0.10 percent to 100.75 from January to February*
- *Mountain remains top-ranked region with best 12-month growth rate; Washington remains in top spot among states as Tennessee and Florida overtake Texas*
- *Dallas tops metro areas with Seattle ranked second; Other Services leads industry sectors, followed by Construction*

ROCHESTER, N.Y.--(BUSINESS WIRE)-- The Paychex | IHS Small Business Jobs Index added to its January gain with a February increase of 0.10 percent. At 100.75, the national index is just 0.08 off the pace set a year ago in February, which represented the high point of 2015. The Mountain region remains the top-performing regional index while Washington retains the top spot among states for the second consecutive month. Dallas maintained its top ranking among metropolitan areas, while Seattle holds second place with another strong month. Other Services (except Public Administration)*, as defined by the [Bureau of Labor Statistics](#), ranked as the top industry sector, followed by Construction, which had the best one-month growth rate among industry sectors.

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The Paychex | IHS Small Business Jobs Index added to its January gain with a February increase of 0.10 percent. At 100.75, the national index is just 0.08 off the pace set a year ago in February, which represented the high point of 2015. (Graphic: Business Wire)

“After a strong start to 2016, the Paychex | IHS Small Business Jobs Index increased further in February as the pace of small business growth is up 0.33 percent in the last quarter,” said James Diffley, chief regional economist at IHS. “Moreover, the back-to-back gains in January and February were the first consecutive increases in a year.”

“The pace of small business job growth nationally continued on a positive trend,” said [Martin Mucci](#), president and CEO of Paychex. “A number of individual state and metro area results indicate stronger gains that we view as positive signs.”

National Index

Up 0.10 percent from January to February, small businesses were able to expand on the gains achieved the previous month. At 100.75, the Paychex | IHS Small Business Jobs Index has regained all of its losses since April 2015. Over 100 for the 53rd straight month, the national index continues to indicate a solid expansion of small business jobs. Eighteen of the 20 most populous states analyzed had an index level above 100 in February.

Regional Employment

Up 0.79 percent year-over-year, Mountain continues to lead among regions with an index level of 101.94. Following the Mountain, the top-ranked regions are all three southern and the Pacific, consistent with the strong Sun Belt general job growth in 2015-2016. With strong gains in recent months, the South Atlantic is up 0.58 percent from November, the fastest three-month growth rate since 2012. Likely stemming from oil prices, the West North Central is now the lowest ranked region at 99.93, and also claims the lowest one-month and 12-month growth rates.

Note: Percentages displayed in the regional heat map reflect 12-month changes.

State Employment Trend

Texas gained 0.21 percent from January to February, yet still managed to drop two spots to fourth place among states due to strong gains in Tennessee and Florida. According to the BLS, Tennessee and Florida ended 2015 with very strong gains in terms of total jobs. At 103.52, Washington experienced a one-month increase of 0.36 percent in February and remains the top-ranked state index. After falling below 99 in November 2015, Virginia has shown positive growth for four straight months and is back over 100 for the first time since June 2015. While a majority of states started 2016 with positive growth rates, employment gains in Massachusetts slowed further in February as its index fell below 100.

Note: Analysis is provided for the 20 largest states based on U.S. population. The chart's dark blue bars reflect the index level and the light blue diamonds reflect the 12-month change.

Metropolitan Employment Trend

Seattle had a one-month gain of 0.50 percent in February as it remains solidly in second place among metros at 103.58. Still the top-ranked metro, Dallas increased just 0.09 percent to 105.77 after the steep drop-off in January. Miami hit a new record pace of small business employment growth as its index increased 0.40 percent from the previous month to 102.21. New York City is up 1.25 percent during the past year and moved up to the 10th ranked metro in February.

Note: Analysis is provided for the 20 largest metro areas based on U.S. population. The chart's dark blue bars reflect the index level and the light blue diamonds reflect the 12-month change.

Industry Employment Trend

Up 0.37 percent from January to 102.49, the Construction industry had another gain in February, the fifth in the last six months. Education and Health Services ranks third among industries as its index climbed above 101 for the first time in two years. Other Services (except Public Administration) hit another new record high in February at 104.85 as small business employment growth continues to outpace other sectors. Manufacturing small business employment slowed 0.48 percent from the previous month as its index fell to 98.99, the lowest among industries.

Note: Analysis is provided for eight major industry sectors. The chart's dark blue bars reflect

the index level and the light blue diamonds reflect the 12-month change.

For more information about the Paychex | IHS Small Business Jobs Index, visit the index [website](#). Plus, view and download the February 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.ihc.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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