

# Small Business Employment Growth Strong in First Quarter of 2015, According to Paychex | IHS Small Business Jobs Index

*National index decreased slightly in March, but is up 0.23 percent through first three months of the year; West North Central maintains top index spot; Texas falls to third-ranked state, trailing Indiana and Washington; Dallas remains highest-performing metro area for sixth straight month*

ROCHESTER, N.Y.--(BUSINESS WIRE)-- The **Paychex | IHS Small Business Jobs Index** declined 0.05 percent during the past month, bringing the national index to 100.79 in March. The minor retreat, however, did not halt the positive momentum generated in January and February. The national index is up 0.23 percent for the first quarter of 2015, representing the best three-month gain since the index was publicly released last year. The West North Central region continued its strong showing and remains the top-ranked regional index. Indiana and Washington lead the state index ranking, with Texas falling to third. Dallas extends its streak to six consecutive months in the top spot among metro areas.

"At 100.79, the Paychex | IHS Small Business Jobs Index matches levels seen last fall, indicating strong job gains, though not as strong as the gains seen during last spring and summer," said James Diffley, chief regional economist at IHS.

"Even with the March growth rate slowing slightly, the first three months of 2015 were the best quarter of small business job growth that we've seen in the past year," said Martin Mucci, president and CEO of Paychex.

## **The March 2015 Paychex | IHS Small Business Jobs Index**

### **National Index**

With the national index at 100.79, employment conditions in the U.S. remain strong despite a slowdown of 0.36 percent since last March. While the pace of job growth increased for a majority of the regions during the first quarter of 2015, the New England and Middle Atlantic regions declined further, possibly related to one of the harshest winters on record.

### **Regional Employment**

At 102.81, the West North Central increased its lead as the top-ranked regional index, spiking 0.41 percent in March and 1.55 percent in the past 12 months, despite weak overall jobs data per the BLS. The Pacific region had its best three-month growth rate in more than two years at 0.63 percent, boosting the national index in 2015. While most regions have rebounded in the first three months of 2015, New England has weakened further with the

lowest regional index at 99.74.

## **State Employment Trend**

The rate of employment growth in Texas, specifically Houston, decreased in March, and Texas is now the third-ranked state, trailing Indiana and Washington. Tennessee followed a strong gain in February with a large setback in March, falling 0.46 percent. Michigan shot up to the fourth-ranked state in March as new BLS data shows Michigan 16th best among states in the past year. Missouri led all gains in March with very strong one-month and 12-month growth rates.

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

## **Metropolitan Employment Trend**

At 103.74, Dallas maintained its top ranking among metro areas for the sixth straight month. Meanwhile, Houston employment conditions continue to fluctuate month to month as March followed February's gain with a decrease of 0.67 percent. Detroit has made solid gains, improving 0.74 percent in March and 1.21 percent over the past year. New York and Boston metros fell further in March as the pace of employment has slowed roughly two percent since last year.

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

Launched on April 1, 2014, the monthly index from 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, provides 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, and metro employment activity. The index uses a base year of 2004, a period of expansion before the start of the economic downturn. When the index trends up it is a sign of a strengthening job market, and when it trends down it is a sign of a slowdown.

For more information about the Paychex | IHS Small Business Jobs Index, please visit the jobs index [website](#). Plus, view and download the March 2015 Paychex | IHS Small Business Jobs Index [infographic](#). Or, [sign up](#) to receive monthly alerts on the Paychex | IHS Small Business Jobs Index.

## **About Paychex**

Paychex, Inc. (NASDAQ:PAYX) is a leading provider of payroll, human resource, and benefits outsourcing solutions for small- to medium-sized businesses. The company offers comprehensive payroll services, including payroll processing, payroll tax administration, and employee pay services, including direct deposit, check signing, and Readychex®. Human resource services include 401(k) plan recordkeeping, section 125 plans, a professional

employer organization, time and attendance solutions, and other administrative services for business. A variety of business insurance products, including group health and workers' compensation, are made available through Paychex Insurance Agency, Inc. Paychex was founded in 1971. With headquarters in Rochester, New York, the company has more than 100 offices serving approximately 580,000 payroll clients as of May 31, 2014. For more information about Paychex and our products, visit [www.paychex.com](http://www.paychex.com).

### **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 150 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 8,800 people in 32 countries around the world.

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