

# Paychex | IHS Small Business Jobs Index Continues to Show Mixed Results for Small Business Employment Growth in September

*Year-over-year index growth remains positive, but declined 0.22 percent for the quarter; East South Central region takes over top index spot; Wisconsin maintains as the top ranked state; Seattle rises to the top among metro areas*

ROCHESTER, N.Y.--(BUSINESS WIRE)-- While the **Paychex | IHS Small Business Jobs Index** grew 0.13 percent in the past 12 months through September, the national index decreased to 100.85 with the pace of small business employment growth continuing to slow slightly. Coming off its April peak of 101.26, the index is still trending higher than any quarter prior to 2014, indicating consistent employment growth conditions persist. An increase in small business job growth drove the East South Central region into the lead among regions. Wisconsin continues to lead the state index, and Seattle claimed the top spot among metro areas.

"Though still performing stronger than in 2013, the small business job market has cooled a bit in the second half of 2014. At 100.85, the Paychex | IHS Small Business Jobs Index contracted again in September, remaining below the 101 level it exceeded from January through July. Year-over-year gains continue to trend positively, 0.13 percent, as the index is higher than at any time in the second half of 2013," said James Diffley, chief regional economist at IHS.

"For the second consecutive month, the Paychex | IHS Small Business Jobs Index is showing a mixed story for small businesses employment growth," said Martin Mucci, president and CEO of Paychex. "While the growth rate has slowed in four of the past five months, the index continues to show positive year-over-year gains."

## The September 2014 Paychex | IHS Small Business Jobs Index

### National Index

The pace of employment growth continued to slow slightly as the Paychex | IHS Small Business Jobs Index fell 0.14 percent in September, marking the fourth decline in the last five months. However, at levels near 101, strong employment conditions persist.

### Regional Employment

The East South Central moved to the top spot at 102.16 and was the only region to see improvement in employment conditions in September. The South Central regions now have the highest index values, edging ahead of the Mountain region. At 99.52, the South Atlantic

remained the lowest regional index, as Georgia dropped 0.61 percent in September, consistent with the state experiencing the highest unemployment rate in the nation in August.

### **State Employment Trend**

Wisconsin posted its third consecutive large index gain, 0.45 percent, increasing its margin as the top performing state index. Monthly gains in New Jersey and Maryland merely offset large August declines as both states continue to trend below 100 and rank near the bottom of the state index. Analyzing long-term growth rates for the top 20 states, only nine states advanced during the past 12 months, while eleven declined.

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

### **Metropolitan Employment Trend**

Reaching 103.10, Seattle rose to the top metro index spot, gaining 0.32 percent during September. Despite declines this month, Houston and Dallas trail Seattle closely near the top. Baltimore saw a huge 1-month gain, 1.02 percent, though its index remains below 100 with the Maryland economy slumping this past summer.

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

Launched on April 1, 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 September 2014 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 information, insight and analytics in critical areas that shape today's business landscape. Businesses and governments in more than 165 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 more than 8,000 people in 31 countries around the world.

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