

Paychex | IHS Small Business Jobs Index Signals Continued Employment Growth

- *Index expands to include new data and analysis, including reporting across eight industry sectors and updated methodology*
- *National index was 100.44 in September; index has now been over 100 for 48 consecutive months*
- *Mountain leads as top-ranked region; Texas rises to the top among states; Dallas continues to lead metro areas for 12th straight month; Other Services tops industry sectors*

ROCHESTER, N.Y.--(BUSINESS WIRE)-- The [Paychex | IHS Small Business Jobs Index](#) decreased slightly in September, moving from 100.48 to 100.44. After increasing the first quarter of 2015, the pace of employment growth has moderated during the second and third quarters of 2015. The Mountain region was the top-performing regional index. Texas surpassed Washington and Georgia to lead among states tracked by the index, while Dallas continues as the top-ranked metro area for the twelfth straight month. Other Services (except Public Administration)*, as defined by the Bureau of Labor Statistics, ranks as the top industry sector for small business employment growth at 103.95.

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Beginning today, the Small Business Jobs Index has expanded to include reporting on eight major industry sectors. In addition, the index for each region, state, metro, and industry is now being reported using a national baseline, which allows users to better compare employment activity on a relative basis across all categories. Details of the updated methodology can be found in the "[Understanding the Index](#)" section of the Small Business Jobs Index website.

"The index continues to show positive employment growth versus the base year, and now we can measure that growth across eight industry sectors," said [Martin Mucci](#), president and CEO of Paychex. "This additional data provides even greater insight and perspective on the small business employment trends that are critical to understanding the health of the U.S. economy."

"The Paychex | IHS Small Business Jobs Index fell slightly from August to September as employment growth conditions remained stable," said James Diffley, chief regional economist at IHS. "At 100.44 in September, the national index stands at its lowest level since the end of 2011, yet small business job gains proceed at a pace 0.44 percent faster than during the base year in 2004."

National Index

While the national index is moderating, decreasing 0.40 percent in the past 12 months, an index level over 100 signals continued hiring for small businesses. At 100.44, the national index has indicated positive job growth for the past four years as the index has now been over 100 for 48 consecutive months dating back to October 2011. Still, after two months of positive gains to start 2015, small business employment growth has slowed in five of the last seven months.

Regional Employment

Climbing to 101.69, the Mountain Region gained 0.14 percent from August to September, finishing first among regions. Up 0.18 percent over the past year, East North Central was the only region to show a positive 12-month growth rate. West North Central (WNC) dropped off 0.81 percent from August to September, where the oil price collapse has led to large retrenchment in North Dakota. At 99.99, the WNC index level is below 100 for the first time in four years, falling 2.44 percent over the past six months. Employment conditions strengthened in New England for the fourth consecutive month as the index level (100.06) is back over 100 for the first time since February 2015.

State Employment Trend

At 102.62, Texas moved up to the top-ranked state with a 0.15 percent gain from August to September. Texas overtook Washington and Georgia as both states slowed 0.31 percent, yet remain over 102. The Washington index has fallen quickly over the past several months, but has been a top ten performer in the general economy, according to the BLS. With only four state indices under 100, New York is the lowest at 99.25. Down 1.26 percent from September 2014, the New York index has also fallen the furthest during the past year. In contrast, Michigan has increased small business employment growth at the fastest pace with a 1.16 percent 12-month growth rate.

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

Metropolitan Employment Trend

At 105.84, Dallas has a significant lead among metros, with Atlanta and Seattle rounding out the top three with levels over 102. The performance in Texas could not be more disparate; Dallas has the largest gains, up 2.27 percent, while Houston fell 2.64 percent during the past 12 months, likely tied to the impact of low oil prices. Chicago and Boston experienced strong one-month growth in September, while Minneapolis and San Diego had the weakest one-month growth rates, falling 1.28 percent and 0.91 percent, respectively. In fact, Minneapolis is down 4.00 percent since last year, retreating from near record highs to the lowest metro index at 98.07.

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

Industry Employment Trend

Other Services (except Public Administration)* is the top industry at 103.95, with solid one-month gains of 0.41 percent in September and 1.34 percent over the past 12 months. Leisure and Hospitality surged 0.44 percent from August to September, improving to an index level of 100.68. After a tough second half of 2014, Leisure and Hospitality has steadily

increased the pace of employment growth during the first three quarters of 2015. Following low oil prices and the high value of the dollar, Manufacturing dropped the most over the last year, 1.20 percent. At 99.32, Manufacturing is the lowest industry index and is trending at levels not seen since 2010.

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 September 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, 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 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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Paychex, Inc.

Lisa Fleming, 585-387-6402

lfleming@paychex.com

[@PaychexNews](#)

or

IHS

Kate Smith, 781-301-9311

Kate.smith@ihs.com

or

Eric Mower + Associates

Emily Bowe, 315-413-4236

ebowe@mower.com

Source: Paychex