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medium-sized companies and 215,100 W-2 and 1099 workers included in this dataset.

Isaac M. O'Bannon • Jan. 23, 2024

Patriot Software, a national accounting and payroll software company, has released its inaugural Small Business Payroll Index, which will be published monthly. This index represents the monthly percentage change in the number of workers who were added to or removed from Patriot's payroll software.

"I love this index report because it gives me a super simple visual of the rate at which U.S. small businesses are either adding or eliminating workers," says Patriot Software's CEO, Mike Kappel. "Having been a small business employer for over 35 years, I know that increases or decreases in employees at a small business are a great

indicator of the health of that small business. So, being able to get a pulse on over

significant dip taking place at the onset of the COVID-19 pandemic. Since mid-2022, the graph indicates that small businesses experienced sporadic reductions in their number of workers.

Kappel states, "When I look at the last 18 months, I can easily see that small businesses eliminated workers from their payrolls in nine of those months. This tells me that these small businesses are struggling and in some cases contracting more than they are growing. Of course, this bothers me, which is why I can't wait to see what January 2024 ends up looking like. I pray that it will be positive, but I'm concerned that it might be negative."

Patriot's Payroll Index methodology looks at small and medium-sized employers across all 50 states who are currently using Patriot Software to pay their workers. The data is not designed to predict, project, or clarify economic shifts in the United States.

Payroll

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