

Small Business

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Getting by with a skeleton staff

Small business staffs are still shrinking, a trend likely to continue even as the economy starts to thaw.

By [Catherine Clifford](#), CNNMoney.com staff reporter
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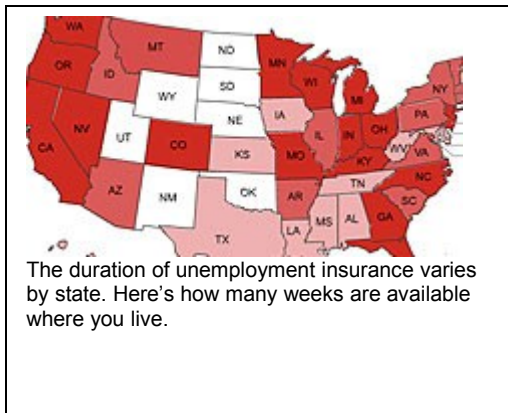
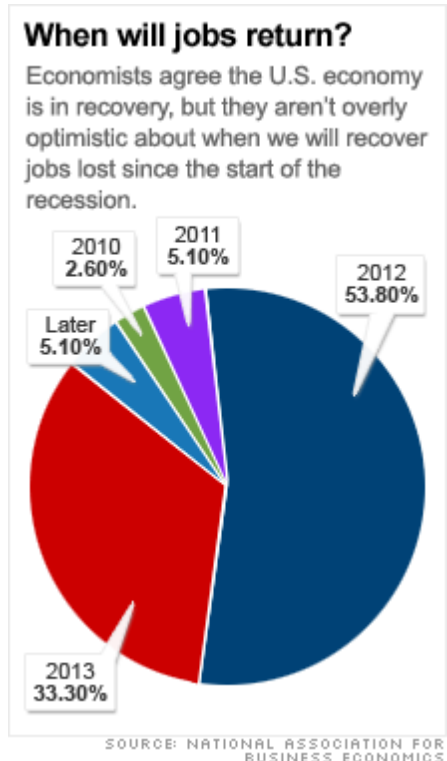
NEW YORK (CNNMoney.com) -- Small business owners are still whittling away at their payroll, but the deluge of pink slips on Main Street is slowing down.

Businesses with fewer than 50 employees cut another 75,000 workers in October, according to estimates released Wednesday from payroll processor ADP. October's job losses marked the smallest number job cuts in a single month since July 2008.

But [don't expect hiring](#) any time soon. "Losses are likely to continue for at least a few more months, but at a diminishing rate," Joel Prakken, chairman of ADP ([ADP](#), [Fortune 500](#)) research partner Macroeconomic Advisers, said in a written report.

A telephone survey of 830 small business owners conducted by management consulting firm George S. May International from Oct. 28-30 found that 74% of the owners polled do not plan to increase their staff headcount in the next 90 days.

"The term 'help wanted' has become obsolete," Paul Raused, managing director of the George S. May International Company, said in a statement accompanying the survey's release. "Small business owners feel they do not have the need for more employees and, in fact, see sizable portions of their staff as an unnecessary expense."



Small companies have been hit especially hard by a recession double whammy: Consumers and businesses have pared back their spending, while banks have tightened their lending standards. After three years of growth, sales at small companies -- those with annual revenue of less than \$10 million -- have declined by nearly 4% this year, according to a recent analysis by Sageworks, which tracks financial data at privately held companies.

