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Intuit Small Business Employment Index Shows Mixed Signals for November

55,000 New Jobs Created; Decrease in Hours Worked, Compensation

MOUNTAIN VIEW, Calif.--(BUSINESS WIRE)-- Small businesses created 55,000 new jobs in November, but employees continued to work fewer hours and make less money.

These are among the results of this month's update of the [Intuit Inc.](#) (Nasdaq: INTU) [Small Business Employment Index](#), covering the period between Oct. 24 and Nov. 23. The monthly report found that small business employment grew by 0.3 percent in November, equating to an annual growth rate of 3.2 percent. Hours worked and compensation fell by 0.3 percent and 0.18 percent respectively.

Since the hiring trend began in October 2009, small businesses have created 1,155,000 new jobs. The Index is based on figures from small businesses with fewer than 20 employees that use Intuit [Online Payroll](#).

"The seasonally adjusted small business employment growth rate is up this month, but the overall signals are mixed," said [Susan Woodward](#), the economist who worked with Intuit to create the Index. "In addition to the rise in the employment growth rate, the hiring rate, or the proportion of new employee hires, is up also, as is the hourly wage. On the other hand, total compensation is down, part-time workers aren't getting as many hours, and there are fewer hourly employees who are working full time. Overall, this data is the best we could hope for given the uncertainty of the situation in Europe."

Based on November's numbers and revised national employment data from the Bureau of Labor Statistics, Intuit revised upward the previously reported growth rate for October to 0.3 percent from 0.14 percent. This equates to 60,000 jobs added in October, up from a previously reported 30,000 jobs.

Decrease in Hours Worked, Compensation

Small business hourly employees worked an average of 107.8 hours in November, making for a 24.9-hour workweek. This is a 0.3 percent decrease from the revised October figure of 108.1 hours.

Average monthly pay for all small business employees declined slightly to \$2,637 in November. This is a 0.18 percent decrease compared to the October revised estimate of \$2,642 per month. The equivalent annual wages would be about \$31,600 per year, which is part-time work for many small business employees.

Small Business Employment by Geography

The Intuit Index also breaks down employment by census divisions and states across the

country and shows slight gains across most of the nation.

“Small business employment continues to grow slightly in most divisions and states for which we measure employment,” said Ginny Lee, senior vice president and general manager of Intuit’s Employee Management Solutions division. “However, as reflected at a national level, overall signs are mixed as hours worked and compensation are both down in all divisions and most states.”

U.S. Census Division	Percent Change in Employment
East North Central	0.2%
West North Central	0.14%
Middle Atlantic	-0.01%
Mountain	0.6%
New England	0.17%
Pacific	0.2%
South Atlantic	0.3%
East South Central	0.2%
West South Central	0.5%

Small Business Employment by U.S. Census Division continues to grow in all parts of the country except the Middle Atlantic division, which is slightly down. The data reflects employment from approximately 71,000 small business employers who use Intuit Online Payroll. The month-to-month changes are seasonally-adjusted and informative about the overall economy.

State	Percent Change in Employment
Arizona	0.3
California	0.18
Florida	0.5
Georgia	0.2
Illinois	0.03
Maryland	0.3
Massachusetts	0.08
New Jersey	0.2
New York	-0.20
North Carolina	0.3
Oregon	-0.12
Pennsylvania	0.18
Texas	0.5
Virginia	0.15

Small Business Employment by State is up for most states in which Intuit Online Payroll has more than 1,000 small business firms represented. The month-to-month changes are seasonally adjusted and informative about the overall economy.

About the Index

The [Intuit Small Business Employment Index](#) is based on aggregate and anonymous online employment data from approximately 71,000 small business employers, each with fewer than 20 employees. These small business employers use [Intuit Online Payroll](#) and represent a subset of the total Intuit Online Payroll user base. These smallest employers are important to the economy as they comprise 87 percent of the total U.S. private employer base and employ nearly 20 million people. More information is available at: index.intuit.com.

Intuit reports data for three categories: small business employment, compensation and hours worked. Intuit analyzes and publishes the data at the beginning of each month. The Index also includes employment data broken down by geography. As with the government data, there may be revisions to the Intuit Index numbers. These revisions are partly due to calculations using the latest month of new Intuit data. These calculations include recomputing seasonal factors and the moving average process used to obtain the curve, which can change the values for previously reported months. Changes to the data also arise from revisions to the government employment data that are used as inputs to the Intuit Index.

While the Intuit Small Business Employment Index offers macroeconomic insight about the economy generally, it does not indicate or represent changes in Intuit's business results for any period.

The Index data reflects monthly employment activity in small businesses, and is adjusted to account for changes in Intuit's Online Payroll customer base. The percent change is measured monthly using the change in employment for existing Intuit Online Payroll customers from one month to the next. The set of customers changes each month so the measurement is the change, for each pair of months, for customers who are present in both the earlier and the later month.

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About Intuit Payroll

Intuit is the No. 1 [payroll provider](#) with more than 1 million customers. It provides a range of fast, easy and accurate payroll solutions to meet a variety of small business needs. These

include do-it-yourself payroll solutions such as Intuit Online Payroll as well as do-it-for-me solutions such as Intuit Full Service Payroll. Intuit also offers easy-to-understand and affordable small business employee benefits and insurance including employee healthcare, 401 (k) retirement plans and worker's compensation insurance.

About Intuit Inc.

[Intuit Inc.](#) is a leading provider of business and financial management solutions for small and mid-sized businesses; financial institutions, including banks and credit unions; consumers and accounting professionals. Its flagship products and services, including [QuickBooks®](#), [Quicken®](#) and [TurboTax®](#), simplify small business management and [payroll processing](#), personal finance, and tax preparation and filing. [ProSeries®](#) and [Lacerte®](#) are Intuit's leading tax preparation offerings for professional accountants. Intuit Financial Services helps banks and credit unions grow by providing on-demand solutions and services that make it easier for consumers and businesses to manage their money.

Founded in 1983, Intuit had annual revenue of \$3.9 billion in its fiscal year 2011. The company has approximately 8,000 employees with major offices in the United States, Canada, the United Kingdom, India and other locations. More information can be found at www.intuit.com.

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Intuit Inc.

Sharna Brockett, 650-944-3856

sharna_brockett@intuit.com

or

Access Communications

Anna Pignataro, 415-844-6216

apignataro@accesspr.com

Source: Intuit Inc.