

March 14, 2023



Intuit Launches New QuickBooks Small Business Index, Providing Unique and Up-To-Date Insight Into Small Business Economy Through Employment and Hiring Data

First Monthly Index Report Shows US Small Business Employment Drops 0.06% in February 2023 Compared to Previous Month

US Small Businesses with One to Nine Employees Still Account for Over 12.8 Million Jobs

MOUNTAIN VIEW, Calif.--(BUSINESS WIRE)-- Intuit Inc. (NASDAQ: INTU), the global financial technology platform that makes [TurboTax](#), [Credit Karma](#), [QuickBooks](#), and [Mailchimp](#), has launched the [Intuit QuickBooks Small Business Index](#), a powerful new monthly indicator of employment and hiring among small businesses in the US, Canada, and the UK developed in collaboration with leading global economist [Professor Ufuk Akcigit](#).

This press release features multimedia. View the full release here: <https://www.businesswire.com/news/home/20230314005522/en/>

The Intuit QuickBooks Small Business Index uses purpose-built economic models to normalize anonymized QuickBooks customer data against official government statistics to reflect the general population of small businesses in each country; it is not a reflection of Intuit's business. This robust methodology expands Intuit's ability to more clearly delineate between Intuit's small business customers and the small business community at large, while also providing a powerful new tool that can inform government policies that impact small businesses around the globe, as well as to help small businesses make key decisions.

The Index's primary benefit is its unparalleled focus on small businesses, which are vital to the current and future health of the economy, but often underrepresented in economic data. By shining a brighter light on small businesses with timely insights, Intuit hopes to increase small business growth and success rates throughout the US, Canada, and the UK.

Sasan Goodarzi, Intuit's Chief Executive Officer, said: "Up-to-date insights like those now available through our index will be invaluable to anyone focused on the success of small businesses, especially in the face of increasingly challenging economic conditions. We're excited for this unique index to become a key tool economists, policymakers, and small businesses themselves can use in making decisions that will help power small business prosperity around the world."

FRESH INSIGHTS ON US SMALL BUSINESS EMPLOYMENT

Intuit QuickBooks Small Business Index

USA | Total Employment | Businesses with 1-9 Employees



Total monthly employment for small businesses with 1-9 employees (seasonally adjusted), showing the number of people employed by businesses of this size. National sample: almost 333,000 small businesses that run payroll with QuickBooks. Note: the Index uses QuickBooks anonymized data to create aggregated data outputs which are normalized against official statistics to reflect the general population of small businesses, rather than the QuickBooks customer base. It is not a reflection of Intuit's business. Shaded area follows official employment statistics closely (in-sample). Area not shaded is the Index's prediction for what official statistics will show when published.

Source: Intuit QuickBooks Small Business Index



Employment and hiring is the bellwether for overall US economic health and the first monthly Index reveals:

- In the US in February 2023, small businesses with one to nine employees employed 7,600 fewer people nationally (seasonally adjusted) compared to the previous month, a monthly decrease of -0.06%. Total employment dropped to 12,812,700 jobs.

- Sectors that experienced the largest decrease in employment in the US were Information (-0.6%), Manufacturing (-0.33%), and Finance and Real Estate (-0.24%), while employment increased in the Utilities (0.56%), Natural Resources and Mining (0.29%), and Leisure and Hospitality (0.27%) sectors.

- The US region with the largest monthly drop in employment was the Mideast (Delaware, District of Columbia, Maryland, New Jersey, New York, Pennsylvania) at -0.18% while employment grew by 0.33% in New England (Connecticut, Maine, Massachusetts, New Hampshire, Rhode Island, Vermont).

Renowned global economist, and Arnold C. Harberger Professor of Economics at the University of Chicago, Ufuk Akcigit said: “Small and young businesses are essential for employment and productivity growth. During COVID-19, the US economy experienced a surge in small business growth as many adapted to start new businesses. Employment growth associated with this surge peaked toward the end of 2021 and began to decline at an average monthly rate of roughly -0.15% since then. We’re pleased to see the Intuit QuickBooks Small Business Index indicates this downward trend slowed in February 2023 with overall US small business employment declining just -0.06%, continuing to hold well above pre-pandemic levels. As small businesses and their activity continue to be an even larger part of the US jobs market, it makes it even more important we now have a tool like this Index that will focus on unearthing timely insights into their employment health overall and within specific sectors and regions.”

Alex Chriss, Executive Vice President and General Manager of Intuit’s Small Business and Self-Employed Group, added: “We know many small businesses face challenges as they build and grow. Our index will help unlock insights that can drive new innovations to help them succeed by providing a clear, up-to-date picture of US small business employment - a vital, yet often underreported segment of the US economy.”

NEW INSIGHTS PUBLISHED MONTHLY

New data insights will be added to the Intuit QuickBooks Small Business Index [dashboard](#) and published in regular [blog posts](#) at the earliest opportunity every month. To subscribe, and get a full list of publication dates for 2023, visit the [Intuit QuickBooks Small Business Index interactive hub](#).

In the US, the Intuit QuickBooks Small Business Index shows the number of people employed by small businesses with 1-9 employees in the previous month and how that number has changed since the month before. These data insights are available at the national, regional, state (when sample sizes are sufficient), and sector levels; based on a total sample of almost 333,000 businesses. Because the Index is powered by anonymized data from QuickBooks Online Payroll, its data insights are available up to nine months earlier than equivalent official statistics, giving a more up-to-date picture of small business employment.

In Canada, the Intuit QuickBooks Small Business Index shows the number of people employed by small businesses with 1-19 employees in the previous month and how that number has changed since the month before. These data insights are available at the national, regional, and sector levels; based on a total sample of almost 66,000 businesses. Typically, the Index will be published several days before Statistics Canada's Labour Force Survey is released.

In the UK, the Intuit QuickBooks Small Business Index shows the number of job vacancies at small businesses with 1-9 employees in the previous month and how that number has changed since the month before. These data insights are available at the national (UK), country (England, Wales, Scotland, Northern Ireland), and sector levels; based on a total sample of almost 25,000 businesses. Typically, the Index will be published around two weeks before the Office for National Statistics' monthly Vacancy Survey is released.

ROBUST METHODOLOGY

The Intuit QuickBooks Small Business Index methodology is robust and stands out from other reports in the market by being calibrated against official statistics and focusing exclusively on small businesses while also eliminating publication delays. Unlike other small business indexes, it does not rely exclusively on survey data. Instead, a sample of anonymized [QuickBooks Online Payroll](#) records are aggregated and normalized against official government statistics before publication using purpose-built economic models created by Professor Akcigit and his international team of independent economists. This means the Index can provide a near real-time reflection of hiring and employment in the broader small business economy — rather than the QuickBooks customer base — just a few days after small businesses run payroll.

Visit the [Intuit QuickBooks Small Business Index interactive hub](#) for further insights and to stay up to date on the latest Index releases.

Notes to Editors

METHODOLOGY

The Intuit QuickBooks Small Business Index creates aggregated data outputs from anonymized QuickBooks Online Payroll customer records which are calibrated using statistical methods to better reflect the general population of small businesses in each

country, as represented by published official statistics. Statistical adjustment ensures the Index truly reflects employment and job vacancy changes rather than changes in the QuickBooks customer base. Get [the full methodology](#) on the Intuit QuickBooks Small Business Index interactive hub.

Rounded values

Total and monthly changes in employment and job vacancies have been rounded to the nearest hundred. Monthly changes and growth rates are calculated before total employment or job vacancy values are rounded. Rates have been rounded to the nearest hundredth.

Seasonal adjustments

The Index's data insights are seasonally adjusted to limit the effect of seasonal patterns in employment and hiring throughout the year, which lead to regular fluctuations in workforce growth and contraction.

Time series

The Index uses data going back to January 2015 in the US and Canada and January 2018 in the UK. Published at the earliest opportunity every month, it shows the number of people employed by small businesses (US and Canada) or the number of job vacancies at small businesses (UK) in the previous month and how that number has changed since the month before. So, [in March](#), the Index shows total employment or job vacancies in February and the monthly growth rate — up or down — compared to January. It helps to eliminate almost all of the time lags in official statistics — of 7-9 months in the US, of several days in Canada, and up to 2 weeks in the UK — by providing estimated projections of what those statistics will ultimately show when they are published.

Sample sizes and target populations

The total sample across all three countries is around 424,000 small businesses. The US sample is almost 333,000 small businesses. The Canadian sample is almost 66,000 small businesses. The UK sample is almost 25,000 small businesses. In the US and UK, the Index reflects the population of small businesses with one to nine employees, while in Canada it reflects small businesses with one to 19 employees. The differences in target populations ensure the data insights are consistent with official statistics available for benchmarking during the calibration process. Data insights for these target populations are particularly valuable since most datasets fail to cover this portion of the economy well. Please note: Unlike the US and Canada Indexes, the UK Index uses job vacancy data for calibration rather than employment data because official employment statistics are not currently available on a monthly basis for small businesses.

External data sources

External data sources used alongside anonymized QuickBooks data include:

- US Bureau of Labor Statistics [Business Employment Dynamics](#) (BED) and [Job Openings and Labor Turnover Survey](#) (JOLTS)
- [US Bureau of Economic Analysis](#) regions
- Statistics Canada [Labour Force Survey](#) and [regions](#)
- UK Office of National Statistics [job vacancy data](#)

ABOUT PROFESSOR UFUK AKCIGIT

[Ufuk Akcigit](#) is the Arnold C. Harberger Professor of Economics at the University of Chicago.

He is an elected Research Associate at the National Bureau of Economic Research, Center for Economic Policy Research, and the Center for Economic Studies, and a Distinguished Research Fellow at Koc University. He has received a BA in economics at Koc University, 2003, and Ph.D. in economics at Massachusetts Institute of Technology in 2009.

As a macroeconomist, Akcigit's research centers on economic growth, technological creativity, innovation, entrepreneurship, productivity, and firm dynamics. His research has been repeatedly published in the top economics journals, cited by numerous policy reports, and the popular media.

The contributions of Akcigit's research has been recognised by the National Science Foundation with the CAREER Grant (NSF's most prestigious awards in support of early-career faculty), Kaufmann Foundation's Junior Faculty Grant, and Kiel Institute Excellence Award, among many other institutions. In 2019, Akcigit was named the winner of the Max Plank-Humboldt Research Award (endowed with 1.5 million euros and aimed at scientists with outstanding future potential). In 2021, Akcigit was awarded the prestigious Guggenheim Fellowship and was named a Fellow of the Econometric Society. In 2022, he received the Sakip Sabanci International Research Award and Kiel Institute's Global Economy Prize.

ABOUT INTUIT

[Intuit](#) is the global financial technology platform that powers prosperity for the people and communities we serve. With more than 100 million customers worldwide using [TurboTax](#), [Credit Karma](#), [QuickBooks](#), and [Mailchimp](#), we believe that everyone should have the opportunity to prosper. We never stop working to find new, innovative ways to make that possible. Please visit us for the latest information [about Intuit](#), our products and services, and find us on [social](#).

View source version on businesswire.com:

<https://www.businesswire.com/news/home/20230314005522/en/>

Intuit:

Dan Mahoney

Dan_Mahoney@intuit.com

Jen Garcia

jeng@accesstheagency.com

Source: Intuit Inc.