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Intuit Small Business Employment Index Shows 0.3 Percent Job Growth for February

50,000 New Jobs Created; Continued Increase in Hours Worked with Wages Remaining Flat

MOUNTAIN VIEW, Calif.--(BUSINESS WIRE)-- Small business employment and hours worked continued to grow in February with wages remaining flat.

These are among the results of this month's update of the [Intuit Inc.](#) (Nasdaq:INTU) [Small Business Employment Index](#). The monthly report found that small business employment grew by 0.3 percent in February, equating to an annual growth rate of more than 3 percent. This translates to approximately 50,000 new jobs created nationwide. The Index is based on figures from the country's smallest businesses that use Intuit [Online Payroll](#).

"This month's report is a lot like last month's," said [Susan Woodward](#), the economist who worked with Intuit to create the Index. "Small businesses are hiring and their people are working more hours, but measures of compensation are pretty flat, showing that the labor market is still soft. While the rise in employment is good news, this rate of increase is still not going to get us back to full employment very fast."

Based on this latest data, the employment growth rate for January was revised down slightly to just under 0.3 percent, equating to 60,000 jobs added for the month and a 3.5 percent annual growth rate. Since the growth trend first began in October 2009, small business jobs have increased by a revised estimate of 800,000.

The time to hire has arrived for many small business owners including Amber Schweitzer, owner of [PEP Club Sports](#) in Parker, Colorado: "I'm currently the only paid employee. We've outgrown our location and are expanding to more sites to accommodate more sports. I need to hire site managers to run the other venues. I haven't slept in weeks because of worrying about this."

Hours Worked Up; Compensation Flat

Small business hourly employees worked an average of 107.6 hours in February, translating to a 24.8-hour work week. This is a 0.1 percent increase from the revised January figure of 107.5 hours.

"Hours worked continue to go up, which is another good sign," Woodward said. "Based on other analysis we have done on the data, we think that we are seeing higher hours because small businesses are increasing the fraction of their hourly workers who work full time. Hours worked are up about 3 percent over the last year."

Average monthly pay for all small business employees was \$2,612 per month in February, a

0.1 percent decrease, which is essentially flat, compared to the January revised estimate of \$2,614 per month. This translates to wages of about \$31,300 per year, which is part-time work for many small business employees.

"Compensation and the hourly wages for hourly workers are essentially flat as they were last month, and have been for a year," continued Woodward. "This is a sign that the labor market is still soft. Small businesses are hiring, but they do not have to pay up to get people."

Small Business Employment by Geography

The Intuit Index also breaks down employment by census divisions and states across the country, with growth in most regions.

"All divisions continued to show employment growth except for the West North Central division, which has not seen growth for eight months in a row," said Cameron Schmidt, vice president of Intuit's Employee Management Solutions division. "Most states saw increases in employment, with slight decreases in Georgia, New York and North Carolina."

U.S. Census Division	Percent Change in Employment
East North Central	0.1%
West North Central	-0.0%
Middle Atlantic	0.2%
Mountain	0.5%
New England	0.2%
Pacific	0.5%
South Atlantic	0.3%
East South Central	0.2%
West South Central	0.3%

Small Business Employment by U.S. Census Division continues to grow in most parts of the country except for the West North Central division. The data reflects employment from approximately 60,000 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	0.7
California	0.4
Florida	0.5
Georgia	-0.2

Illinois	0.3
Maryland	0.8
Massachusetts	0.2
New Jersey	0.6
New York	-0.4
North Carolina	-0.1
Texas	0.2
Virginia	0.4
Washington	0.6

Small Business Employment by State is up for many states across the country. The states above reflect those for 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 60,000 small business employers, each with fewer than 20 employees. These small businesses use [Intuit Online Payroll](#) from Intuit, the No. 1 [payroll provider](#) with more than 1 million customers. 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: www.intuitinc.com/payrollindex.

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 re-computing 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 are also due to revisions to the government employment data, which is used to calculate 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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Founded in 1983, Intuit had annual revenue of \$3.5 billion in its fiscal year 2010. The company has approximately 7,700 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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