

November 1, 2010



# Intuit Small Business Employment Index Reports Pick-Up in Job Growth for October

44,000 New Jobs Created; Wages and Hours Worked Show Healthy Rise

MOUNTAIN VIEW, Calif.--(BUSINESS WIRE)-- Small business employment growth and compensation picked up in October with a strong uptick in hours worked.

Those were 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 0.2 percent in October, equating to a 2.7 percent annual growth rate. This translates to approximately 44,000 new jobs created nationwide. The Index is based on figures from the country's smallest businesses that use Intuit [Online Payroll](#).

"October's employment numbers look better than they did last month - employment and compensation show a healthy rise, and hours worked are up sharply," said [Susan Woodward](#), the economist who worked with Intuit to create the Index. "The annual growth rate for employment will not drive us back to full employment soon, but it is very encouraging. A double-dip recession is looking less and less likely."

Based on this latest data, the employment growth rate for September was revised upward to 0.26 percent growth, equating to 52,000 jobs added and a 3.2 percent annual growth rate. Since the growth trend first began in October 2009, small business jobs have increased by a revised estimate of 530,000.

Compensation, Hours Worked Show Healthy Growth

Total compensation per employee and hours worked resumed their upward trend after being flat in September.

Average monthly pay for all small business employees was \$2,617 per month in October, a 0.3 percent increase from the revised September figure of \$2,609 per month. This translates to wages of about \$31,400 per year.

Small business hourly employees worked an average of 107.1 hours for the month of October, translating to a 24.7-hour work week. That was up by a substantial 0.7 percent from the revised 106.4 hours worked in September, a rise of about 9 percent at an annual rate.

"The increases in compensation and hours worked for October are impressive," Woodward said. "Compensation showed a solid year-over-year increase of about 3.7 percent per year. The extraordinary increase in hours worked may foretell an even stronger rise in employment next month. If small businesses are asking this much more of their people, they probably need more people."

## Small Business Employment by Geography

The Intuit Index also breaks down employment by census divisions and states across the country. In October, the West North Central division continued to see job losses, while the East North Central division showed employment growth for the first time in three months.

"It's uplifting to see slightly higher growth rates in small business employment across the U.S.," said Cameron Schmidt, vice president of Intuit's Employee Management Solutions division. "States that saw no growth or job losses last month, like Texas and New Jersey, saw employment growth this month. While we're well aware of the hardship small businesses are facing, our October report shows promise that the small business employment climate is slowly improving."

U.S. Census Division	Percent Change in Employment
East North Central	+0.2%
West North Central	-0.2%
Middle Atlantic	+0.3%
Mountain	+0.2%
New England	+0.3%
Pacific	+0.3%
South Atlantic	+0.3%
East South Central	+0.4%
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 59,000 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	0.4
California	0.2
Florida	0.3
Georgia	0.2
Illinois	-0.1
Maryland	0

Massachusetts	0.6
New Jersey	0.1
New York	0.4
North Carolina	0.5
Texas	0.1
Virginia	0.5
Washington	0.2

Small Business Employment by State is up for many states across the country with Massachusetts, North Carolina and Virginia seeing the greatest increases. Illinois was the only state that saw a slight decrease in employment. 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 59,000 small business employers, each with fewer than 20 employees. These small businesses use [Intuit Online Payroll](#) from Intuit, the No. 1 provider of [payroll software](#) 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](http://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](http://www.intuit.com).

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