

November 30, 2010



Intuit Small Business Employment Index Shows 0.24 Percent Job Growth for November

49,000 New Jobs Created; Wages Slightly Down with Hours Worked Flat

MOUNTAIN VIEW, Calif.--(BUSINESS WIRE)-- Small business employment continued to show growth in November, although wages were down and hours worked remained flat.

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 0.24 percent in November, equating to an annual rate of about 3 percent. This translates to approximately 49,000 new jobs created nationwide. The Index is based on figures from the country's smallest businesses that use Intuit [Online Payroll](#).

"The recovery that began late last summer for small businesses is still underway," said [Susan Woodward](#), the economist who worked with Intuit to create the Index. "While employment at the national level for all businesses is barely rising, small businesses are showing a more robust increase. This is in line with what we've seen with past recessions -- small businesses are the first to hire when recovery begins."

Based on this latest data, the employment growth rate for October was revised upward to 0.26 percent, equating to 51,000 jobs added for the month and a 3 percent annual growth rate. Since the growth trend first began in October 2009, small business jobs have increased by a revised estimate of 670,000.

Compensation Down, Hours Worked Flat

Total compensation per employee fell in November while hours worked were flat, compared to October.

Average monthly pay for all small business employees was \$2,592 per month in November, a 0.3 percent decline from the revised October figure of \$2,600 per month. This translates to wages of about \$31,100 per year, which is part-time work for many small business employees.

"Compensation in small businesses has been down slightly over the last six months," said Woodward. "Small businesses are hiring at a disproportionate rate right now compared to big businesses and are taking advantage of the soft labor market in a way that big businesses are not."

Small business hourly employees worked an average of 105.9 hours in November, translating to a 24.4-hour work week. Hours worked remained flat for November following a sharp rise in hours worked in October.

"It's good to see that hours worked are still high despite a relatively strong rise in employment," added Woodward. "This means that small businesses are busy. Even though they are hiring more people, they haven't reduced the hours of their hourly employees."

Small Business Employment by Geography

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

"The West North Central division continued to see job losses while all other divisions continued to show employment growth," said Cameron Schmidt, vice president of Intuit's Employee Management Solutions division. "It's also good to see that states like Arizona, Massachusetts, New Jersey and Virginia all have strong increases in employment."

| U.S. Census Division | Percent Change in Employment |
|----------------------|------------------------------|
| East North Central | +0.2% |
| West North Central | -0.2% |
| Middle Atlantic | +0.3% |
| Mountain | +0% |
| New England | +0.4% |
| Pacific | +0.3% |
| 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 and Mountain divisions. 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 | +0.5% |
| California | +0.1% |
| Florida | +0.4% |
| Georgia | +0% |
| Illinois | +0% |
| Maryland | +0% |

| | |
|----------------|-------|
| Massachusetts | +0.7% |
| New Jersey | +0.5% |
| New York | +0.2% |
| North Carolina | +0.2% |
| Texas | +0.4% |
| Virginia | +0.5% |
| Washington | +0.3% |

Small Business Employment by State is up for many states across the country with the highest increases in Massachusetts, Arizona, New Jersey and Virginia. 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 [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.

Quick Links:

Intuit Small Business Employment Index: www.intuitinc.com/payrollindex

Follow Index News on Twitter: #SMBindex

Intuit on Twitter: www.twitter.com/Intuit

About Intuit Inc.

[Intuit Inc.](http://www.intuit.com) 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\(R\)](#), [Quicken\(R\)](#) and [TurboTax\(R\)](#), simplify small business management and [payroll processing](#), personal finance, and tax preparation and filing. [ProSeries\(R\)](#) and [Lacerte\(R\)](#) 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 \$3.5 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.

Intuit and the Intuit logo, among others, are registered trademarks and/or registered service marks of Intuit Inc. in the United States and other countries. Intuit Small Business Payroll Index is copyrighted by Intuit. Its contents may not be resold or modified in any way. It can be linked to and referenced with the following attribution: "Intuit Small Business Employment Index (C) Intuit Inc. All rights reserved." These Terms of Use supplement the Small Business Website Terms of Service at: http://smallbusiness.intuit.com/small-business/legal/index.jsp?_requestid=178246.

Source: Intuit Inc.