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Small Business Employment Increases, but Revenue Falls for Eighth Consecutive Month

Real Estate, Health Care Industries See Biggest Revenue Declines

MOUNTAIN VIEW, Calif.--(BUSINESS WIRE)-- U.S. small business employment saw an increase of 30,000 jobs in November, while hours worked and compensation also rose. Small business revenue fell 0.3 percent in October, continuing a decline that began in February.

These are among the results for the monthly [Intuit Inc.](#) (Nasdaq: INTU) [Small Business Employment and Revenue Indexes](#), which together provide a current picture of the economic health of the nation's small businesses.

The Small Business Employment Index indicates that employment rose by 0.14 percent in November, equating to an annualized growth rate of 1.7 percent. Average monthly compensation grew by 0.5 percent, or \$14. Average monthly hours worked increased by 0.11 percent, or six minutes. The index is based on data from [Intuit Online Payroll](#) and [QuickBooks Online Payroll](#), covering the period from January 2007 through Nov. 23.

"The results are definitely mixed for small businesses," said [Susan Woodward](#), the economist who worked with Intuit to create the indexes. "We began seeing some employment gains in April 2010, but between March and September 2012, the numbers began to drop again. The good news is they are back up for October and November."

Increase in Hours Worked, Compensation

Small business hourly employees worked an average of 110.1 hours in November, up slightly from the revised figure of 110 hours in October, making for a 25.4-hour workweek.

Average monthly pay for small business employees rose to \$2,861 in November, up 0.5 percent from the October revised figure of \$2,847 per month. This equates to an increase of \$14, up from the decrease of \$3 seen from September to October. The equivalent annual wages would be about \$34,300 per year, which is part-time work for many small business employees.

Small Business Employment by Geography

The Employment Index showed growth in all U.S. census divisions, except the West North Central, East North Central and New England regions, where the number of jobs declined. A breakdown of states tracked by the index showed the largest employment increases in Maryland and Utah, while Michigan and Kansas saw the largest decreases.

U.S. Census Division	Percent Change in Employment
East North Central	- 0.05%
West North Central	- 0.02%
Middle Atlantic	+ 0.01%
Mountain	+ 0.07%
New England	- 0.1%
Pacific	+ 0.04%
South Atlantic	+ 0.01%
East South Central	+ 0.03%
West South Central	+ 0.06%

Small Business Employment by U.S. Census Division saw growth in most parts of the country. The data reflects employment from approximately 170,000 small business employers, a subset of small businesses that use Intuit Online Payroll and QuickBooks Online Payroll. The month-to-month changes are seasonally adjusted and informative about the overall economy.

State	Change in Employment (%)
Alabama	0.06
Arizona	0.11
California	0.05
Colorado	0.09
Connecticut	-0.11
Florida	0.02
Georgia	0.02
Illinois	-0.01
Indiana	0.06
Iowa	-0.03
Kansas	-0.16
Kentucky	0.03
Louisiana	-0.11
Maryland	0.15
Massachusetts	-0.11
Michigan	-0.19
Minnesota	-0.02
Missouri	0.12
Nevada	0.04
New Jersey	-0.08

New York	0.01
North Carolina	-0.03
Ohio	-0.09
Oklahoma	0.12
Oregon	-0.02
Pennsylvania	0.06
South Carolina	0.08
Tennessee	0
Texas	0.08
Utah	0.13
Virginia	-0.11
Washington	0.02
Wisconsin	-0.07

Small Business Employment results were mixed for the states in which Intuit Online Payroll and QuickBooks Online Payroll has more than 1,000 small business firms. The month-to-month changes are seasonally adjusted and informative about the overall economy.

Small Business Revenue Index

The October Small Business Revenue Index shows a 0.3 percent decline from the previous month. The real estate and health care industries saw the biggest drop-offs, at 0.9 and 0.7 percent respectively. Professional services followed with a decline of 0.6 percent. The index is based on data from [QuickBooks Online](#) and covers the period from January 2005 through Oct. 31.

“The decline in small business revenue is disheartening, and appears to be happening despite a rise in single-family construction and existing home sales,” said Woodward. “There has also been a 4.4 percent increase in the number of people who are self-employed since November 2011. That brings new entrants to compete with incumbents and may explain the steady decrease in revenue per small business.”

Sector	October Change in Revenue (%)
All	-0.3
Real estate and rental and leasing	-0.9
Health care and social assistance	-0.7
Other services	-0.6
Professional, scientific, and technical services	-0.6
Accommodation, food services, and drinking places	-0.5
Retail trade	-0.5
Construction	-0.4

The Intuit Small Business Revenue Index is based on data from more than 100,000 small businesses, a subset of the total QuickBooks Online financial management user base.

About The Intuit Small Business Indexes

The Intuit Small Business Indexes provide unique, near real-time information each month on the activity of the smallest businesses in the U.S. in terms of revenue, hiring and compensation trends. The Employment Index is based on anonymized, aggregated data from 170,000 small business employers, a subset of users that use [Intuit Online Payroll](#) and [QuickBooks Online Payroll](#). The Revenue Index is based on anonymized, aggregated data from approximately 100,000 small businesses, a subset of users that use Intuit's [QuickBooks Online](#) financial management offering and are matched in [Dun & Bradstreet's](#) small business industry classifications. Together, the indexes provide a more complete picture of the economic health of the nation's small businesses. More information on the Intuit Small Business Indexes is available at index.intuit.com.

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 \$4.15 billion in its fiscal year 2012. 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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