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Small Business Employment Continues Tepid Growth

Revenues Drop, Construction Revenues Increase

MOUNTAIN VIEW, Calif.--(BUSINESS WIRE)-- U.S. small business employment increased slightly in March, with employees earning more money and working more hours. Small business revenues continued to drop in February, while the construction industry was the sole sector to see an increase.

Those are among the findings of the monthly [Intuit Inc.](#) (Nasdaq: INTU) [Small Business Employment and Revenue Indexes](#). The report found that:

- Employment increased by 0.06 percent in March, adding 10,000 new jobs, for an annualized growth rate of 0.7 percent. About 20 million people are now employed in businesses with 1 to 19 employees.
- Average monthly compensation grew by 0.4 percent in March on a seasonally adjusted basis, or \$12, the same increase reported in February.
- Average monthly hours worked increased by 0.2 percent, or 18 minutes, compared to the increase of 12 minutes reported in February.

This employment index is based on data from [Intuit Online Payroll](#) and [QuickBooks Online Payroll](#), covering the period from Feb. 24 through March 23.

“National employment is growing slowly, and small business employment is growing even more slowly,” said [Susan Woodward](#), the economist who worked with Intuit to create the indexes. “While overall employment has risen 4.5 percent in three years, small business employment has risen only 1.4 percent over the same three years—an annual rise of half a percent per year.”

As small businesses slowly recover, Intuit and LinkedIn are hosting the [Hire Smart Small Business Event](#) to help employers make the right decisions when hiring workers. Hire Smart is a free event that will be held at Intuit’s Mountain View, Calif. campus on April 27 and will be streamed live online. The event will offer guest speakers, expert advisors, and free resources to assist new and growing businesses. To register, visit: www.HireSmartNow.com.

Increase in Hours Worked, Compensation

Small business hourly employees worked an average of 108.3 hours in March, up slightly from the revised figure of 108 hours in February, making for a 25-hour work week.

Average monthly pay for small business employees increased to \$2,741 in March, up 0.4 percent from the February revised figure of \$2,729 per month. The equivalent yearly wages would be about \$32,900 per year, which is part-time work for almost half of small business

employees.

Small Business Employment by Geography

A state-by-state breakdown of employment growth showed most states saw increases in March. Among the 34 states tracked by Intuit's Small Business Employment Index, employment increased in 24, remained flat in one and declined in nine. Continuing a trend seen in the February findings, Nevada saw the largest increase. Alabama, Wisconsin and Illinois showed the greatest declines.

State	Change in Employment (%)
Alabama	-0.04
Arizona	0.01
Arkansas	-0.01
California	0
Colorado	0.09
Connecticut	-0.01
Florida	0.05
Georgia	0.13
Illinois	-0.04
Indiana	0.05
Iowa	0.02
Kansas	0.1
Kentucky	0.11
Louisiana	0.05
Maryland	0.02
Massachusetts	0.05
Michigan	0.06
Minnesota	0.08
Missouri	0.01
Nevada	0.2
New Jersey	0.12
New York	-0.01
North Carolina	0.18
Ohio	-0.03
Oklahoma	-0.02
Oregon	0.02
Pennsylvania	0.01
South Carolina	0.11
Tennessee	0.13
Texas	0.12

Utah	0.08
Virginia	-0.02
Washington	0.08
Wisconsin	-0.04

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.

February Small Business Revenue Decline

The February Small Business Revenue Index showed a 0.6 percent overall revenue decline on a per business basis.

“The only two industry sectors where average revenue rose over the last year and last month are the construction and real estate services industries. They both benefit from the small but clear recovery in construction,” said Woodward.

The retail and professional services industries saw the greatest revenue declines in February, at 0.9 percent each. Health care revenues declined the least in February, at 0.13 percent. This index is based on data from [QuickBooks Online](#), covering the period from Feb. 1-28.

Sector	February Change in Revenue (%)
All	-0.6
Construction	+0.3
Retail trade	-0.9
Professional, scientific, and technical services	-0.9
Real estate and rental and leasing	-0.8
Health care and social assistance	-0.13
Accommodation, food services, and drinking places	-0.5
Other sectors	-0.2

The Intuit Small Business Revenue Index is based on data from more than 150,000 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, non-identifiable aggregated data from 180,000 small business employers, a subset of users that use [Intuit](#)

[Online Payroll](#) and [QuickBooks Online Payroll](#). The Revenue Index is based on anonymized, non-identifiable aggregated data from approximately 150,000 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 8,500 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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