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**SMALL BUSINESS**

# Intuit Connects Small Businesses and Lenders with QuickBooks Financing

Taija Sparkman • Sep. 12, 2014



The small business owner continues to be at the heart of the QuickBooks ecosystem. With every product, service and feature released, Intuit seems to be determined to make the next step even easier than the previous. So, it was no surprise when Intuit launched [QuickBooks Financing](#) to help with what remains a big challenge for small businesses.

In fact, for many small business owners, finding funding is the biggest hurdle in turning their passion into a reality. Intuit surveyed its QuickBooks users and found that 60 percent of its small business customers needed some type of additional funding for their business. On average, 70 percent of small business owners had been declined for business financing.

One reason that small business owners are denied financing is due to lack of complete and accurate data. The information financial institutions need to provide financing to small businesses differs from the information required for an individual to obtain personal credit. Unfortunately, many financial institutions are unable to get the data they need and tend to rely on other financial information when approving or denying credit to businesses.

This has led to many small business owners using their personal credit cards to fund their startup when they couldn't get funding otherwise. Intuit has recognized that many small business owners could indeed get financed for their business if financial institutions shifted the focus from the individual's financial situation to the business'. In fact, most of the data that lenders need to focus solely on the business already exists within QuickBooks. It's just a matter of making the data available to financial institutions.

That's where Intuit's QuickBooks Financing comes in. This service is designed to help the small business owner's chance of approval by helping them provide the right data to financial institutions. Through QB Financing, users are able to get pre-approval quotes from several financial institutions without having to physically visit several branches. Using the technology that already exists within QuickBooks, Intuit is able to send information instantly to their partner banks, reducing the time from application to funding.

"We could see in the market that the approval process took approximately 2-3 weeks, and in some cases, it could take months. However, by facilitating the delivery of information and getting it to lenders quicker, there are some lenders that can approve and release funding in as little as a few days," Jeffrey Kaufman, Group Product Manager, Small Business Group, Intuit.

To get started, users must provide financial information for their business, such as revenue for the previous year, the number of years in business and if the business was profitable the previous year. Applicants must also provide their personal credit score; though, this is the only personal information that is required. The rest of the criteria look at the business' financials. Once users provide their credit score and agree to

allow access to their QB data, they are provided with detailed interest rate offers and information.

QuickBooks Financing runs the user's information against its database to find the best possible matches. The results returned display the top lenders the small business owner is eligible for, the cost of the loan, the terms of the loan and the estimated approval time. For many businesses, the approval time can be the top deciding factor in choosing a lender. This is especially true for businesses looking to obtain financing for a particular project. Once a user decides upon a lender, they are then taken to that financial institution's website to complete the loan application.

Intuit looks for lenders that serve a number of industries. It also vets its lenders to ensure that the lender's systems are secure and can integrate into the QB ecosystem seamlessly.

“We try to partner with different lenders because we want to have diversity in terms of the products and services offered through QuickBooks Financing. But, we also want partners that are tech savvy. Our top priority is to take the pain out of the loan process for small businesses, as well as financial institutions. In order for us to successfully achieve this, we look for partners that can offer seamless integration into QuickBooks,” said Kaufman.

While Intuit works hard to help match small business owners and lenders to lower the denial rate, it does not guarantee that users will be approved. If someone is denied, they can return to the system and try again with a different lender. And, if a user has granted access to their QB data, applications can be pre-populated with the information the financial institution received – eliminating the need to manually complete multiple applications.

“Our goal is to reduce the pain of trying to choose between thousands of lenders. We want to present our small business customers with the best options based on their financial condition and how they want to use the funds. We work with our lending partners to ensure that each lender's approval rates are consistent with what's shown on the QuickBooks Financing site,” said Kaufman.

QuickBooks Financing has helped fund more than \$45 million to small businesses in the year since it was rolled out and it keeps growing. The service is expected to triple in the next year. As part of its growth strategy, Intuit plans to expand QuickBooks Financing to also include educational resources for small business owners. The content will focus on common terminology for small businesses, loan terminology,

SBA small business loans and government subsidized rates. The company also plans to release a guide that will help walk users through the various options they may have available.

“QuickBooks Financing was birthed because accountants wanted assistance in helping their clients obtain funding. At the same time, financial institutions wanted to be able to guarantee a return on their investment. We were able to help both sides by creating a solution that made it painless for small business owners to provide all the information lenders need. Our mantra is ‘one-click lending,’ and we have made it that easy for small business owners to get the funding they need by being able to provide the right information at the right time,” said Kaufman.

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