With 10 employees, payroll is no longer just a matter of sending money on payday. You also need accurate tax filings, employee onboarding, benefits administration, and a dependable way to answer questions about pay. The right **HR payroll** tool can bring those tasks together—but the best choice depends on how your business works, not just the price on a pricing page.

QuickBooks and Gusto are two tools small businesses often compare. QuickBooks may be a natural fit if your books already live in QuickBooks. Gusto is designed around payroll and people operations, including onboarding and benefits features. Their plans and included services change, so confirm current details directly with each vendor before deciding.

This guide walks through a practical comparison, including the costs a payroll subscription won't show, free small business calculators, and a back-of-the-napkin way to estimate hiring and turnover costs.

Start with What Your Business Needs

Before comparing features, write down the payroll and HR work you do now. A 10-person business may have one salaried team, hourly workers, contractors, employees in multiple states, or some combination. Each adds different requirements.

- **Payroll frequency:** Do you pay weekly, biweekly, semimonthly, or monthly?
- **Worker types:** Do you pay hourly and salaried employees, contractors, or both?
- **Locations:** Does anyone work in a state other than your primary business state?
- **Benefits:** Do you offer health insurance, retirement plans, paid time off, or other benefits?
- **Accounting workflow:** Who reconciles payroll, and what software do they use?
- **Hiring plans:** Will you add employees soon or need to streamline employee onboarding?

State differences matter. Registration, withholding, unemployment insurance, paid leave, and required notices can vary by state and sometimes by locality. If an employee works remotely across state lines, confirm that a vendor supports the relevant jurisdictions and understand what setup work remains yours.

Compare QuickBooks and Gusto on the Work They Actually Handle

Don't compare tools by counting feature names. Ask how each one handles your real payroll cycle, from collecting new-hire information to recording payroll expenses in your books.



Comparison area What to check in QuickBooks What to check in Gusto Payroll processing Confirm the plan's payroll features, tax filing responsibilities, and supported worker types. Confirm the plan's payroll features, tax filing responsibilities, and supported worker types. Accounting connection See how payroll transactions flow into your existing QuickBooks accounting setup and whether setup or plan limits apply. Check how payroll data syncs with your accounting software and which details require review or mapping. Employee onboarding Ask which onboarding steps are included, such as collecting employee details and tax forms. Review the current onboarding workflow and which employee records, forms, and tasks it supports. Benefits and HR Check availability, eligibility, integrations, and any separate fees for benefits or HR services. Check which benefits and HR features are included in the plan you are considering and what costs extra. States and support Verify support for every state where employees work and how help is provided during setup and tax issues. Verify support for every state where employees work and how help is provided during setup and tax issues.

QuickBooks can be convenient when you already use its accounting software, but don't assume every payroll or HR feature is bundled into your existing subscription. Gusto may appeal if you want payroll and employee onboarding in one system, but check the exact plan, integrations, benefits availability, and any per-employee costs.

For both vendors, ask for a written quote based on 10 employees and your actual states, pay schedule, and benefits. Also ask what happens if you add a worker, run an off-cycle payroll, need a year-end correction, or move into another state.

Calculate the True Cost of Payroll Software

A vendor's advertised monthly price is only one part of the bill. Keep a running list of fees and gotchas as you compare pricing pages and quotes. Look for:

- Base subscription fee and per-employee charges
- Costs for benefits administration, time tracking, or HR support
- State or local tax filing charges
- Fees for workers' compensation or retirement-plan connections
- Implementation, migration, or year-end service charges
- Price changes after a promotion ends

- Limits on support, integrations, or included payroll runs

For a quick annual comparison, use this formula:

Annual software cost = 12 × monthly base fee + 12 × (per-employee monthly fee × 10) + add-on and transaction fees

For example, if a hypothetical plan has a $50 monthly base fee and costs $8 per employee per month, the simple annual software total for 10 employees is $1,560: 12 × ($50 + $80). That is only an example—not a quote for QuickBooks or Gusto—and it leaves out add-ons, taxes, and implementation charges. Confirm whether quoted prices are per employee, per contractor, or per payroll run.

Estimate the True Cost of Hiring Employees

Payroll software does not calculate the whole cost of an employee. To budget a hire, add compensation, employer payroll taxes, benefits, insurance, equipment, and recruiting or training costs.

As a starting point, employers generally pay 7.65% for their share of Social Security and Medicare taxes on applicable wages: 6.2% for Social Security and 1.45% for Medicare. That is a useful baseline, not a complete tax estimate. Social Security has a wage limit, while Additional Medicare Tax rules can apply to certain high earners. Employers may also owe federal unemployment tax (FUTA), state unemployment insurance (SUTA), and other state or local taxes. Rates and taxable wage limits vary.

Back-of-the-napkin example: For a $60,000 salary, 7.65% is $4,590 in employer Social Security and Medicare taxes before considering wage limits or other adjustments. Add unemployment taxes, workers' compensation, benefits, and other costs. The actual total depends on the employee's location, industry, wage history, and benefit choices.

A useful hiring budget is:

First-year employee cost = wages + employer payroll taxes + benefits + workers' compensation + recruiting + equipment + onboarding and training

Use free small business calculators to estimate different parts of the total. A payroll tax calculator can provide a starting estimate of employer taxes; a salary-to-hourly calculator can help compare compensation formats; and a benefits or labor-cost calculator can show how assumptions affect a budget. Check whether a calculator is current, what state it covers, and which costs it excludes. Treat results as estimates—not a substitute for payroll or tax advice.



Use Paycheck Calculators Carefully

Take-home pay is not the same as gross pay. An employee's net paycheck usually starts with gross wages, then subtracts employee payroll taxes, federal and state income-tax withholding, benefit premiums, retirement contributions, and any other authorized deductions.

Net pay estimate = gross pay − employee taxes and withholding − deductions

For a rough example, an employee earning $2,000 gross in a pay period will not necessarily take home a fixed percentage of that amount. Federal and state withholding depends on their tax forms and situation; benefit deductions and retirement contributions also change the result. A calculator can show a plausible estimate only when you enter the correct pay frequency, state, filing information, and deductions.

When evaluating payroll tools, test a sample paycheck with realistic employee details. Ask whether the system clearly distinguishes employer payroll taxes from amounts withheld from employees. That distinction matters: employee withholding reduces take-home pay, while employer taxes are an additional business expense.

Estimate Employee Turnover Cost

Turnover can cost more than recruiting fees. A practical estimate includes the work required to recruit, interview, hire, onboard, and train a replacement, plus the temporary loss of productivity and any extra overtime or contractor coverage.

Turnover cost = recruiting and hiring costs + onboarding and training costs + vacancy coverage + lost productivity

For a simple example, suppose replacing an employee costs $2,000 in recruiting and hiring time, $1,500 in onboarding and training, and $3,000 in temporary coverage and lost productivity. The estimated replacement cost is $6,500. These are illustrative figures; your own calculation should use actual hours, rates, and recruiting expenses.

Some online calculators estimate turnover as a percentage of annual salary. That can be useful for quick planning, but it is a broad assumption—not a universal rule. A role that takes months to fill or employee turnover cost

calculator requires extensive training may cost more than a role with a short handoff. Track your own turnover costs over time and update the estimate by job type.

Compare Free Small Business Calculators

Free calculators are most useful when they answer a specific question and show their assumptions. Build a small worksheet with links to the calculators you use and record what each one includes.

Calculator Useful for Check before relying on it Employer payroll tax calculator Estimating employer taxes for a proposed salary or wage. State, local taxes, wage limits, and whether it includes unemployment taxes. Paycheck or take-home pay calculator Showing employees how gross pay may differ from net pay. Pay frequency, tax year, state, filing details, and benefit deductions. Employee cost calculator Budgeting wages plus taxes, benefits, and other employment costs. Whether benefits, insurance, recruiting, and training are included or optional. Turnover cost calculator Estimating the cost of replacing a role. Whether the estimate uses your actual data or a generic salary percentage.

Don't treat a calculator result as a vendor feature. A tool may estimate taxes without filing them, or estimate take-home pay without reflecting the employee's complete tax situation. Use calculators to compare scenarios, then confirm payroll obligations with a qualified professional or the relevant tax agency.

A Simple Evaluation Process for a 10-Person Team

1. **List your requirements.** Note employee locations, pay schedules, worker types, benefits, and accounting software.
2. **Get comparable quotes.** Ask QuickBooks and Gusto for pricing based on the same 10 employees and feature needs.
3. **Calculate the annual total.** Include subscription charges, add-ons, setup, and likely price changes.
4. **Test a payroll scenario.** Run through a regular paycheck, a new hire, a correction, and an off-cycle payment.
5. **Check state coverage.** Confirm tax registrations, filings, and support for each state where your team works.
6. **Ask about support and responsibility.** Find out what the vendor handles, what you must approve, and who helps resolve tax notices.
7. **Review the employee experience.** Test how employees access pay stubs, tax forms, onboarding tasks, and benefit information.

Which Tool Is Right for Your Business?

QuickBooks may be worth a closer look if accounting integration is your main priority and your bookkeeping is already organized there. Gusto may suit a business looking for a more people-focused workflow that combines payroll with employee onboarding and related HR tasks. Neither name alone tells you whether the plan fits: compare the specific features, total fees, state coverage, and support terms you will actually receive.

For a 10-person company, the best HR payroll choice is the one that handles your real payroll correctly, makes employee onboarding manageable, and gives you a clear picture of total costs—including payroll taxes, benefits, and the less visible costs of hiring and turnover. Use calculators to sanity-check the numbers, verify state-specific requirements, and get final pricing in writing before you commit.