

Hiring jumps at small businesses in Atlanta, slows at large companies



BUSINESS

By **Michael E. Kanell**

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Metro Atlanta's job market is stronger today than a year ago. But for right now, analysts say, it seems that smaller companies are doing the heavy lifting.

From December 2018 through November, the area has added 61,200 jobs, 37% more than the year before. Larger companies still account for nearly half of all job listings. But, for the past several months, they have been posting significantly fewer jobs than during the same period a year earlier, according to an analysis by [Glassdoor](#), a California-based firm that tracks the labor market.

"The number of job openings is a forward-looking indicator of how employers are feeling about the economy," said Daniel Zhao, a senior economist at [Glassdoor](#). "But the flip side of the weakness among large companies is that small employers are doing very well nationally and in Atlanta."

It's a trend that likely means slower hiring overall this year, he said.

In December, job listings were down 15.6% among companies with more than 5,000 employees and down 22% among firms with 1,000 to 5,000 workers. Yet job openings were up 17.1% among companies with fewer than 200 workers and listings leaped 27.3% among firms of 51 employees or fewer, Glassdoor found.

Rajeev Dhawan, director of the [Economic Forecasting Center](#) at Georgia State University, said those numbers are the logical result of a slowdown in business investment. Companies – especially big ones – typically don't add workers until they have the infrastructure ready to support them.

"You don't hire new employees until you have a desk chair and a room and an internet connection," he said. "So when investment weakens, it is bad news for hiring."

Investment nationally has slipped. A year ago, it was up 0.5% compared to the previous year. The most recent report shows investment down 0.6%, according to [the Bureau of Economic Analysis](#).

"There are multiple reasons for this," Dhawan said.

Companies are often slow to invest if they are not confident about growing demand for their products or services. And the economic environment has been less encouraging than in past years, he said. "There has been a slowdown in the world economy. And there has been a slowdown in the U.S. economy."

But that current sluggishness has not affected all companies equally.

Companies whose customers or suppliers are abroad are increasingly uncertain about their ability to grow.

In contrast, American consumers have continued to spend, so smaller companies with robust domestic business may be doing very well, even if big firms stumble, said Jeff Humphreys, director of [the Selig Center for Economic Growth](#) at the University of Georgia. "The larger companies are more globalized, so they are more exposed to the trade war."

In the day-to-day needs of the metro Atlanta labor market, signs of the shift in big company attitudes are clear, said [Kim Wallace](#), an executive vice president with [Hire Dynamics](#), a Duluth-based staffing company.

Her firm places about 10,500 workers every week in a range of industries. She's found that "the larger companies are waiting. Instead of hiring, they are waiting. And there are some companies that are downsizing."

But small companies seem far more confident, said Aaron Daugherty, small business banker manager at Bank of America.

"People are very optimistic now and very optimistic about where 2020 is going."

That sentiment fits Bark, a small tech company with a decidedly American clientele, said Titania Jordan, chief marketing officer.

The four-year-old, [Atlanta-based](#) company has 44 full-time employees and 50 part-timers and uses artificial intelligence software to analyze children's use of social media and texts, aiming

to flag possible problems. [The company](#) sells its monitoring service to American parents and schools and alerts them if it sees an urge toward violence or suicide.

Bark expects to add 15 or 20 employees during the next year, Jordan said.

It doesn't generally draw workers from much bigger firms, she said. "To find people who fit in the start-up culture, that is the challenge."

Where the growth is

Metro Atlanta job listings today compared to a year ago, listed by size of company as measured in number of employees.

Less than 51: 27.3% up

51-200: 17.1% up

201-500: -1.5%

501-1,000: -0.4%

1,001-5,000: -22.0%

More than 5000: -15.6%

Source: Glassdoor

December snapshot

Number of job listings in metro Atlanta last month by size of company, as measured in number of employees.

Less than 51: 12,091

51-200: 11,088

201-500: 8,321

501-1000: 5,410

1001-5000: 18,723

More than 5000: 47,049

Source: Glassdoor

About the Author

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Michael E. Kanell, the AJC's economics writer, has been reporting on jobs, housing and the economy at the AJC for nearly two decades. He has appeared on television and radio to analyze and report on business and economic developments.

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