



Employment figures back recession-proof claim

By: Christian Moises, News Editor | March 16, 2009 | 0

New Orleans has been labeled recession-proof many times over.

Looking at the 2009 Top Private Companies list in this week's issue of CityBusiness supports that — if only just slightly.

Of the 100 listed companies that shared their revenue figures, 38 added to their staff rosters over numbers provided in 2008, while 34 made cuts and 10 remained at the same level.

Those numbers are pretty much on par when figures from 2007 were compared with those from 2008: 39 increased their staff count between 2007 and 2008, while 18 lost employees and nine remained flat.

But the real story comes from the numbers that companies have provided for the past two consecutive years: 21 companies have increased their staff count between 2007 and 2009, while eight have seen a decline and four have remained flat.

It could be argued that these companies are in high-demand industries or that their executives are smart when it comes to weathering a recession. Maybe both of those theories are true.

Simply put, it shows New Orleans still has companies — and quite a few — that are not only surviving, but growing amid the mass layoffs nationwide as the recession drags on.

Take Metairie-based ReadSoft North America, a document automation company whose parent company is in Sweden, for example.

Not only have ReadSoft's executives been able to add more than 50 employees during the past year and nearly 100 in the past two, but the company has added nearly 10,000 square feet to its office space.

ReadSoft is able to capitalize on the economic downturn by offering products to help make companies more efficient with fewer employees, look at the banking industry.

The local banking industry's health belies the national picture, skewed by ailing institutions reaching out to the federal government for financial help. All four banks on the list have added employees over the past year.

Of course, the employers who have had to make cuts and the employees who are no longer employed will beg to differ, but we should be happy that at the end of the day, there were more companies able to add to their staffs than have to make cuts.

One theory could be that companies had to downsize after Katrina and have been working with skeleton crews ever since, so the only options are to either stay flat or add employees.

Another could be that — contrary to popular belief — doing business in New Orleans is a good thing and companies are willing to invest and commit to the region.

But the recession-proof label, when looking at employment figures, can also be applied to Louisiana.

Based on Louisiana Department of Labor numbers released Wednesday, Louisiana was the only state in the country to see its unemployment rate drop from December to January. The figures also noted the largest civilian labor force and nonfarm employment level ever reported for a January in Louisiana.

While I empathize with those who have lost their jobs, the fact the metro region and state have been able to go against the national trend when it comes to job growth and retention shows we're doing something right.

It proves that despite the crazy decisions our elected officials often make that thrust the city and state into the national spotlight, there are still bright spots about living here during this recession.

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