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## Are We Working Ourselves Out of Jobs?

By Jeanine Skowronski



NEW YORK ([MainStreet](#)) — Employees have become more productive during the past 10 years, an efficiency that could make many companies slow to hire.

According to financial analysis company Sageworks, profit per employee at privately-held companies has increased, going from \$12,488.02 per worker in 2010 to \$15,278.27 this year. In 2009 company profits per employee stood at \$10,045.56, and way back in 2001, they stood at \$9,998.21.

As we have [previously reported](#), Sageworks can determine how businesses are performing because private industry certified public accountants use the company's analysis software to benchmark their own financial performance against competitors. Profit and loss information is entered into a central database, then aggregated by company.

Sageworks says the escalating numbers indicate that companies are managing their employee counts efficiently now as jobs have tumbled and unemployment numbers remain high.

“These businesses may find that the ‘new found efficiency’ is cost effective, and that may deter them from bringing on new hires in the short term until sales prove to be sustainable,” Sageworks wrote in a [blog post](#).

Sageworks also says that small businesses are increasingly reluctant to hire in light of the nation's [recent economic setbacks](#).

“Small businesses have gained ground over the last year as sales revenues have increased, but these firms are bracing now for headwinds being created via uncertainty over the debt crisis, market turmoil, and sustained high unemployment numbers,” the company said.

For the full story featuring [Sageworks](#)' private company data, please visit Main Street – [Are We Working Ourselves Out of Jobs?](#)