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GEORGIA EMPLOYMENT

Tech firms struggle: OTP or ITP?

Companies choose among metro locations to get, keep best workers.

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The hunt for where to base tech jobs in metro Atlanta is getting more confounding.

For years, employers have hungered for employees who can be tech stars. Some have moved part or all of their business to have a better shot at hiring and retaining the talent they need.

But the decision has grown more complex than whether to stay in metro Atlanta or head to big tech centers like Silicon Valley, where talent is abundant but hard to hold on to. Increasingly, the fight for tech workers isn't only a debate over West Coast versus East Coast, or Boston compared to Austin. It's also Alpharetta versus Midtown Atlanta, Duluth or Sandy Springs.

Traffic has made it uglier to work in one part of metro Atlanta and commute to a job in another. And employees may be less likely to move for a job in another area of the market if they are underwater on their mortgage or loving rejuvenated community identities and improved neighborhood amenities. Think the Beltline or rebuilt suburban town centers.

That's left employers torn over where to locate their offices. A lot hangs in the balance: jobs, commute times, millions of dollars in corporate investments, the growth trajectory of companies and economic ramifications for communities that win or lose employers.

Big moves have been afoot in the last two years. Fortune 500 company NCR has looked at leaving its Duluth base for an intown spot near Georgia Tech. WorldPay's U.S. chief executive recently asked an Atlanta Journal-Constitution reporter what might be a hot spot for attracting tech talent. He considered intown Atlanta, potentially moving his entire headquarters operation and hundreds of jobs from Sandy Springs.

And two weeks ago, athenahealth, a Massachusetts-based medical services and tech company, moved its Atlanta area offices from Alpharetta to Midtown's Ponce City Market beside the Beltline. The relocation shifted 200 people, and the company said it expects to have a total of 600 local employees by 2017.

A crucial reason for the suburbs-to-intown move?

"We are trying to attract the best and brightest, the very tech savvy," said David Harvey, athenahealth's vice president of product innovation and a Buckhead resident. "We believe Midtown is the area they want to be."

The workers he's looking for want to have the option of biking or taking public transportation to work, Harvey said. They want lots of networking and social opportunities nearby, which tend to be intown, he said. Before, the company was "in a shiny glass building in the middle of woods out in Alpharetta. If you needed to go anywhere, you had to get in a car."

But the decision wasn't clear cut, Harvey said. "We wrestled with it a lot."

Leaders considered 70 locations, both intown and suburban, he said. "We realize the importance of site selection for our future growth."

The move will worsen the commute for a third of the company's local employees, he said, so staff has been looking into bus options, ride sharing, flexible work hours and allowing more work-from-home days.

Executives at several tech companies said they think young tech workers prefer in-town. And city locations have gotten more appealing, with development around Georgia Tech and new startup gathering spots such as Atlanta Tech Village in Buckhead.

But executives also said seasoned tech workers are often in the suburbs, where they have built comfortable lifestyles.

What to do?

Some have looked for a middle ground.

AirWatch, a fast-growing mobile security and technology company, launched in Midtown. Then, about two years ago when it needed more room, it packed up for Sandy Springs. Chairman Alan Dabbiere said the strategic shift allows it to draw intowners seeking a MAR-TA connection and attract suburban software employees along the Georgia 400 corridor.

The company is adding hundreds of jobs and is on pace to have 2,200 employees by the end of the year.

AirWatch executives have considered eventually creating a satellite location “for the cool kids” near Georgia Tech, Dabbiere recently told the AJC. But he said he expects to keep the company’s core in the area it is now.

Braxton Jarratt has grappled with the location issue. He is chief executive of Duluth-based Clearleap, which has about 150 employees and helps deliver TV programming to devices via the Internet.

They are struggling with the decision to stay in the suburbs or go intown, Jarratt said.

“Every company looking at leases in the tech space is having that debate now,” Jarratt said. The conclusion each comes to “depends on the kind of talent they are trying to attract and what the existing employee base cares about.”

Two-thirds of Jarratt’s existing employees live near the Gwinnett headquarters. He was convinced that some valued workers would quit rather than deal with ballooning commute times if the company relocated intown.

But being farther out makes it harder to attract people just graduating from college, Jarratt said. “They don’t know where Duluth is. When they find out it’s outside of the Perimeter, they are not interested.”

Jarratt said if he can convince them to visit the office, though, their resistance usually disappears.

“We did this hybrid,” he said. “Our strategy was: Let’s make our facility in Duluth so extraordinary that you forget that you are not intown and next to Georgia Tech.”

He moved the company into a bigger and more decked-out Duluth space. It is still more affordable than what he said was available intown. But he also hedged: He signed a contract to lease a small space near Georgia Tech, hoping it could be an oasis both for visiting out-of-town customers and, sometimes, intown workers.

Communities go gaga for tech jobs because of the relatively high salaries many carry and the image boost that often comes with them.

But being able to attract tech companies increasingly means first attracting potential tech employees.

“The Number One issue with any tech company is workforce,” Peter Tokar, Alpharetta’s economic development director, said earlier this year. “Everyone is fighting for employees.”

Leaders trumpeted the recent creation of the Greater Alpharetta Tech Network, which aims to build closer connections among the hundreds of technology companies already in north Fulton and south Forsyth counties.

Said Tokar, “Our dedication is to create the tech cultures which will then bring the tech workers, as opposed to just recruiting the tech companies.”