

STAFFING E-NEWS

Food for Thought:

“In life, as in football, you won’t go far unless you know where the goalposts are.”

...Arnold H Glasow

In this newsletter:

**Get Ready for a
‘Slowcession’ in 2023?**

Page 1 & 4

**Available Job
Candidates**

Page 2 - 3

**Blue Collar Resilience
Faces Test**

Page 5

**4 Out of 5 Midsize
Businesses Expect
Revenue to Grow**

Pages 6



GET READY FOR A ‘SLOWCESSION’ IN 2023

In the summer of 2022, politicians, economists and market professionals engaged in a great semantic debate over whether or not the U.S. economy was in recession. The argument, invariably influenced by politics, came down to how you defined the word recession.

According to the general definition—two consecutive quarters of negative gross domestic product (GDP)—the U.S. entered a recession in the summer of 2022.

The organization that defines U.S. business cycles, the National Bureau of Economic Research (NBER), takes a different view. According to the NBER’s definition of recession—a significant decline in economic activity that is spread across the economy and that lasts more than a few months—we were not in a recession in the summer of 2022.

Nevertheless, a recession is likely to arrive very soon as The Federal Reserve is determined to raise interest rates until inflation starts to moderate from sky-high levels. That may cause the economy to contract and enter recession.

To keep tabs on whether an economic contraction is imminent, we’ve devised the following recession tracker, which monitors 15 key indicators. Once most of the signs point downward, a recession is highly likely.

See ‘Slowcession’ on Page 4

JOB CANDIDATES Available Now – Call BBSI Modesto/Stockton Talent Acquisition Services at (209) 576-0322

➤ **Anthony – Modesto, Administrative Assistant**

Skills/Experience: Data Entry, Customer Service, Administrative Duties, Phone Etiquette, Scheduling, Office Supply Purchasing, Document Control

Positions Held: - 2019 / 2023

Administrative Assistant, Administrative Coordinator, Asset Protection Specialist

➤ **Joseph – Manteca, Maintenance Worker**

Skills/Experience: Maintain outside grounds, Cutting, trimming, removal, Inventory, Deliveries, Janitorial, Equipment Maintenance.

Positions Held: - 2009 / 2023

Delivery Driver, Maintenance Worker

➤ **Kevin – Modesto, Warehouse/Delivery Driver**

Skills/Experience: Assembly of cubicles & furniture, panels, electrical set up, blueprint reading, Delivery, shipping & Receiving, Valid Driver's License, Forklift.

Positions Held: - 2011 / 2023

Delivery Driver, Installer, Warehouse Worker

➤ **Tony A – Modesto, Shipping & Receiving Clerk**

Skills/Experience – Operate equipment such as forklifts, and balers to move outgoing shipments to loading area as well as manage incoming shipments.

Positions Held – 2001 - 2023

Inventory Control Clerk, Site Manager Logistics – Trainer, Distribution Coordinator, Logistics Coordinator

➤ **Adilene – Stockton, Human Resources Representative**

Skills/Experience – Ensure compliance for all employees with company policies, medical benefits, and handle payroll-related questions. Handle New Hire paperwork, Onboarding, Leave of Absences, Demotions, Terminations, Worker Comp claims, etc.

Positions Held – 2007 - 2023

Human Resource Coordinator & Onsite Supervisor.



➤ **Isabel – Lodi, Human Resources-Recruiting**

Skills/Experience: Billing, Data Entry, Bilingual English/Spanish, Payroll, Recruiting, Human Resources

Positions Held: 2007 -2023

Recruiter, Human Resources Generalist, Payroll Administrator.

➤ **Isabelle– Stockton, Bilingual Human Resources Generalist**

Skills/Experience: Billing, Data Entry, Bilingual English/Spanish, Recruiting, Human Resources.

Positions Held: 2013-2023

Human Resources Admin, Human Resources Generalist.

➤ **Charlene – Manteca, Office Administrator**

Skills/Experience: Answering phones, Clerical duties, Data Entry, Customer Service.

Positions Held: 2020 - 2023

Office Administrator, Administrative Assistant, Customer Service Representative.

➤ **Dawn – Tracy, Human Resources Generalist**

Skills/Experience – Develop HR policies, procedures, and best practices to assure compliance with State and Federal regulations, encompassing labor laws, health and safety, worker compensation, Compliance with COVID, ERISA AND HIPPA, Recruiting and On-boarding.

Positions Held – 1994 - 2023

Director of HR, HR Specialist, HR/Payroll Manager, HR/Safety Manager, Office Manager.

➤ **Elizabeth - Dispatcher**

Skills/Experience – Schedule day-to-day activities of incoming materials, schedule export shipments with outside carriers to meet the customer demand for on time shipments. Negotiated contracts with outside providers, Manage company drivers HOS logs and DVIR's. Scheduled maintenance and maintained maintenance records for equipment.

Positions Held – 2003 - 2023

Shipping Clerk, Export Clerk/Dispatcher, Dispatch Coordinator, Sales Manager.

➤ **Jose – Modesto, HR & Recruiting Manager**

Skills/Experience – Payroll processing, Employee Benefits Programs, Analyze Wage/Salary Reports, ensure compliance with federal and state law.

Positions Held: 2014 – 2023

Project Manager, Supervisor, Quality Control Auditor.

“Slowcession’ (Continued from Page 1)

Bank of America CEO Brian Moynihan recently told CNN’s Poppy Harlow that a “mild” recession is likely. Economists surveyed by Bloomberg see a 70% chance of a recession in 2023.

Moody’s, whose research is frequently cited by the White House, is not dismissing the risk of a downturn, warning that a recession remains a “serious threat” and saying the economy is “especially vulnerable” to a shock. The firm also expects unemployment will tick up to 4.2% by late 2023 from the current reading of 3.7%.

There is also a real risk of a self-fulfilling prophecy, where nervous business owners and consumers hunker down so much that they cause the very recession they fear.

Yet there are valid reasons to be cautiously optimistic about what lies ahead.

The jobs market remains historically strong, inflation is cooling, real wages are heating up, gas prices have plunged and the Fed could be preparing to pause its rate-hiking campaign.

Last week, Goldman Sachs said it still believes the US economy will avoid a recession and instead move towards a “soft landing” where inflation moderates but growth continues.

Why Moody’s is predicting No Recession

In addition to cooling inflation, Moody’s expressed optimism about the ability of consumers to weather the storm in 2023.

“Shoppers are the firewall between an economy in recession and an economy that skirts a downturn,” Moody’s Analytics chief economist Mark Zandi wrote. “While the firewall is sure to come under pressure, particularly as financially hard-pressed low-income households struggle, it should continue to hold.”

Zandi also pointed to relatively strong fundamentals in the US economy, including profitable businesses, healthy consumer balance sheets and a banking system that is “on about as strong financial ground as it has ever been.”

The Moody’s economist noted the economy is not plagued by troubling imbalances that were glaring before prior recessions, such as overbuilt real estate markets or massive asset bubbles.

“It is important not to be Pollyannish, but it also important not to convince ourselves that a recession is inevitable,” Zandi wrote. “It is not.”

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As White-Collar Layoffs Rise, Blue-Collar Resilience Faces Test in 2023

Layoffs at white-collar companies are beginning to increase. Now the question hanging over the economy in 2023 is whether that trend spreads to blue-collar industries as interest rates take a toll. Average layoffs in finance and insurance from September to November nearly doubled from a year ago, according to the U.S. Department of Labor. Job reductions rose by more than 20% among real-estate lessors, brokers, and agents over the same period, and by about 14% in the technology-heavy information sector.

One blue-collar sector that is particularly vulnerable to increasing interest rates is construction. “We seem to be going from a situation of huge excess demand for home purchases to one of excess supply in the housing market,” notes James Knightley, ING’s chief international economist. He says there could be big job losses in residential construction and retail related to housing, such as furniture, household appliances, and building supplies.

One early indicator is that average construction layoffs advanced 14.4% in the three months ending in November compared with a year earlier, outpacing the 2.0% rise in all private-sector layoffs. Losses in other blue-collar industries could be muted, though, because companies haven’t been able to source enough employees following layoffs during the recession in spring 2020. In December, the leisure and hospitality industry, for example, was still 932,000 jobs short of its February 2020 level.

**Courtesy of Wall Street Journal*

Economy Grew at Slower Pace at End of 2022, GDP Shows

MarketWatch

The economy grew a bit slower at a 2.7% annual pace at the end of 2022, revised government figures show, primarily because consumers reduced their spending. The rise in gross domestic product was lowered from an initial 2.9% growth rate. Consumer spending, the main driver of the economy, grew at a 1.4% annual rate instead of 2.1% as originally reported, which mostly explained the downgrade in GDP.

The slowdown in spending suggests 2023 got off to a tepid start. Economists say the U.S. will be hard-pressed to match even the modest performance of the fourth quarter in the first quarter of 2023. Early economic data indicate the country could expand at a far slower pace or even contract. However, consumers still are spending sufficient money to keep the economy afloat, even at the softer fourth-quarter rate. They’ve been helped by the job security deriving from the tightest labor market in modern times. The unemployment rate is near a 54-year low of 3.4%.

Four in Five Small to Mid-Sized Businesses Expect Revenue to Grow or Hold Steady Into Q2

Business Wire

Small and mid-sized businesses are preparing for the possibility of a recession but remain optimistic about their near-term future, according to the Q1 Main Street Index by CBIZ, a provider of financial, insurance, and advisory services. Business confidence rose slightly to just under 68 points. Despite economic uncertainty, four in five businesses expect revenue to remain steady or grow quarter to quarter, according to the survey of more than 700 businesses. A recession is the top concern, and 72% of businesses expect a downturn in the economy.

Half of small to mid-sized companies report they're at least slightly impacted by the rate of resignations and steady employee turnover within their business. While still significant, this figure dropped from 62% in the fourth quarter of last year. Additionally, the second-ranked concern among SMBs is hiring or maintaining an adequate number of skilled workers, with more than 55% indicating the issue persists.

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Historic Inflation and Labor Shortage Forcing Businesses to Raise Prices

Record low unemployment, coupled with stubbornly high inflation, is forcing companies to make difficult choices to stay afloat, according to a survey of 1,002 U.S. hiring decision-makers by Express Employment Professionals. Companies say that if the labor shortage continues, they will have to raise prices (30%). Around three in 10 hiring decision-makers also report their company plans to absorb some of the additional costs (29%), adopt new technology to automate tasks and processes (27%), or outsource a portion of their work (27%) as a result.

In the first half of 2022, 92% said their company had been impacted by the rise in inflation, with 65% reporting it had a major or moderate impact on their company. As a result, companies said they had to raise prices (40%) and absorb some of the additional costs (39%). In line with these sentiments, hiring managers report that if inflation continues, their company will raise prices (43%), absorb some of the additional costs (31%), adopt new technology to automate tasks and processes (23%), reduce staff (19%), or outsource a portion of their work (19%).