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and plenty of signs remain muddled. For example, stocks are in bear territory, but corporate earnings (and cash) are topping records. Real gross domestic product growth is declining, but the unemployment rate continues to be low—and hours worked (another measure of a slowdown) are strong. One thing to keep in mind is that if a recession happens, that doesn't mean it'll look like any recession of the past. Downturns have hit in all sorts of job markets and inflationary periods, for one, and they can be either deep or shallow, short or long. Recession or not, we're all learning, in real time, about a challenging economic outlook that isn't as simple to fix as we might have thought (or hoped).

Your wallet: Paying attention to your retirement accounts at regular intervals is something you can do no matter whether it's boom times or down times. Do you need to reallocate your retirement savings assets, or adjust your risk profile? Those are concrete actions that offer a foundational check-in for every person.

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August Economic Outlook: How to Outbox Whatever Comes Next

Quick takeaways

- **What are your real-life responses to inflation?** No one is sure when price pressures will ease, and only you can adjust your budget—more bulk purchases at the grocery store, walking or biking in lieu of driving—to focus on the things that are important to you.

• **Whether or not a recession happens is anyone's guess.** Some signs point to a downturn, while others are less clear. Before you jump to conclusions about the state of the world tomorrow (or next month), find a trusted, unbiased source to help you understand a key economic or financial term so you're better informed before you click on an alarmist headline.

It feels like the economic blows keep coming. Your grocery bills are up. It takes a small fortune to fill a gas tank. The stock market won't stop yo-yoing. The Federal Reserve will probably hike interest rates again soon. All those hits can have you feeling like a boxer in the ring, taking one too many punches, looking for a way out of the fight. But maybe, instead of escaping, you can stay in the ring. To do so, you might need to learn from one of the greatest boxers in history, Muhammad Ali: Float like a butterfly, sting like a bee.

Floating With Inflation Inflation is a tricky problem: It seems to go up overnight, but doesn't come down all that quickly, even when institutions and governments execute big policy shifts. For example, when the Fed raised interest rates this spring, the cost to own a home or a car immediately got more spendy. That made a lot of people think differently about, and perhaps delay, big outlays. But to really tame inflation, we have to slow the giant engine of consumer demand. And that takes time. For many of us, this bout of inflation is our only experience with sustained, impactful, across-the-board price increases. In fact, inflation has been extraordinarily low in recent history; not since the 1970s has it edged above 6%. For some people, current inflationary pressures are unpleasant; for those facing heightened financial insecurity, price increases can be destabilizing. But for all of us, the stickiness of inflation may be a time for reflection.

Your Wallet: Adjusting temporarily can help, so that you don't have to change permanently when it comes to your short- and long-term financial goals. For example, maybe you're saving for a house and are wary of rising interest rates. If home ownership is the goal, how can you pivot knowing the mortgage will cost more for the foreseeable future? Are the houses you look at smaller, or can you wait a little longer to save a bigger down payment?

Avoiding the Sting of a Recession Lately, experts and pundits are pontificating a lot more about a recession. They've put their bets on the likelihood of it happening in the next year or two, and that's causing much consumer anxiety. Do any of them know for sure? Not really,

Is the US in a Recession? If So, It's Not Like Any We've Seen Before

Is the United States in a recession? Some signals indicate yes, yet the latest employment report from the Bureau of Labor Statistics (BLS) is strong evidence against being on the cusp of a looming recession—at least not in the way they've historically been experienced. U.S. employers added over half a million new jobs in July, far surpassing economists' forecasts, and the unemployment rate ticked down to 3.5 percent, close to what is considered full employment and a half-century low. Overall employment has finally returned to its pre-pandemic level, and private-sector payrolls are now larger than in February 2020.

On the other hand, the latest gross domestic product (GDP) report, which tracks the overall health of the economy, showed a second consecutive quarter of negative growth, meeting the textbook definition of a recession. And headwinds from the highest inflation in four decades and rising interest rates may be starting to influence other employment metrics, which have started to soften. Jobless claims have been steadily edging higher this year, and some companies have announced hiring freezes or layoffs in recent weeks. But employers typically stop hiring in a recession, and the latest jobs report shows the opposite. "This is a job market that just won't quit," said Becky Frankiewicz, chief commercial officer and president, North America at ManpowerGroup. "It's challenging the rules of economics. The economic indicators are signaling caution, yet U.S. employers are signaling confidence. The GDP is shrinking, yet corporate earnings keep growing. Consumer confidence is falling, yet employee turnover remains high. Job openings still outnumber job seekers. Meanwhile, inflation is surging, and wages keep rising. If a slowdown is coming, employers certainly haven't gotten the memo," she said.

What Recession?

Daniel Zhao, senior economist at Glassdoor, said the job market is pushing ahead, despite a rising tide of recession fears. "Even as the broader economy shows signs of slowing, the labor market remains a pillar of strength," he said. "The labor market is likely to slow in the coming months, but for now, it remains red-hot." There are no signs of a recession in the labor market data, agreed Nick Bunker, economic research director for North America at the Indeed Hiring Lab. "Over the past three months, employers have added an average of 437,000 jobs a month, a remarkable indication of a tight labor market with exceptionally strong demand for workers." Julia Pollak, chief economist at ZipRecruiter, noted that upward revisions to employment in May and June combined for 28,000 more jobs in the second quarter than previously thought. "Job gains remain well above their 2011-2019 pace, when 194,000 payrolls were added per month, on average," she said. "Job gains are profound and pervasive." Despite some high-profile cases of layoffs, job cuts are not a trend, said Rucha Vankudre, senior economist at labor market analytics firm Lightcast. "We are not seeing,

HUMAN RESOURCES



for the most part, increases in layoffs at all," she said. "There are a few companies that really built up their labor force and so now maybe they're cutting back to regular levels, but that doesn't necessarily signal anything for the labor force as a whole. It's more likely that employers are taking down job postings for positions they couldn't fill."

Inflation Tensions

The tension between high demand for labor and declining labor-force participation continues to make wage inflation—and a possible recession—a key concern. The labor-force participation rate—or the share of adults working or seeking a job—ticked down to 62.1 percent in July from 62.2 percent a month earlier. Average hourly earnings grew 5.2 percent year over year in July, putting pressure on the Federal Reserve to continue tightening. "With demand for workers so high, and wage growth continuing to be strong, the risk is that the Fed is going to interpret that as pushing up inflation and continue to hike interest rates very, very quickly, pushing the economy into a recession," Bunker said. Pollak cited another troubling data point in the July employment report: the number of people working part time for economic reasons moved in the wrong direction, increasing by over 300,000 to 3.9 million.

'A Unique Time'

Yet economists seem to agree that if the U.S. is in a recession, it's unlike any previous one. "This is going to be about the most pleasant way to go through a recession," said Ron Hetrick, senior economist at Lightcast. "Employers are still starving to get employees. They were never able to hire them when they had so much demand. I absolutely believe this is not going to be the kind of pain that we usually associate with a recession, historically speaking." The Biden administration and the majority of economists have said that a cooling labor market is inevitable and that monthly job growth must begin to slow down, but July's BLS report shows that that transition has not yet occurred. "This just really continues to be a sign that there is sort of a disconnect between what we're seeing in the larger economy versus the labor market," Vankudre said. "In the labor market, hiring is still very high. Quits are still at pretty high levels. Layoffs are not coming up the way people expected. And this jobs number was really huge. I think it really just points out what a unique time we're in right now and that predictions are going to be hard to make."

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Forget Multitasking — the Latest Trend is Multiple Job Holding

Remote work has given many employees increased flexibility, allowing them to perfect the art of multitasking. But have some employees taken this too far? A new trend is emerging of employees working two full-time jobs. Beyond a “side-hustle,” these employees are clocking in from 9-to-5 at two separate companies, made possible by the flexibility of the virtual work world.

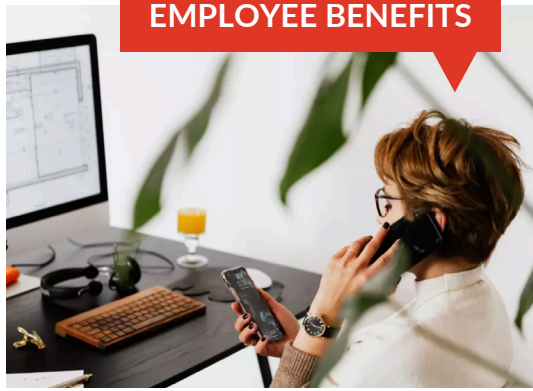
“The availability of spare time we usually use to commute for work and other in-person activities really contributed a lot to this trend.” says Maria Flores, COO at MediaPeanut, a media and technology blog. For one employee, who agreed to speak to EBN under the condition of anonymity, her day is filled to the brim with two full-time roles. Neither of her employers know she’s working for two companies at once, but the schedule allows her to maximize her day — and her paycheck.

“I usually have a block of three-hour meetings, then I take a break and then I’ll work in two or three hour sprints. If I’m tired, I’ll delegate quite a bit,” she says. “I’m a financially driven person in every job that I take. Jobs are temporary, so I treat every one like, ‘OK, I want to be VP in this amount of time.’” She’s not the only one who has taken to this trend. According to the U.S. Census Bureau, the percentage of U.S. workers who hold more than one job has increased during the past 20 years. Additionally, women hold multiple jobs at a higher rate than men. And amid an uncertain economy, doubling your job security has its benefits, too, says Flores.

“Some of the corporate professionals I have known that have multiple jobs do so because they want to have a fallback when one job ends,” Flores says. “Given the volatility and unpredictability of the job market and the current economy, I think most workers want to have a Plan B or C for their careers.” The anonymous employee says that “doomsday prepping” is her overarching strategy when it comes to her employment. She’s learned not to rely on one employer alone or to put all her efforts into a single role.

“I’ve been laid off two times,” she says. “I’ve had too many things happen at companies to be fiercely loyal or to kill myself on one job.” She also points to a hard truth that companies do not always promote internally, despite data showing that candidates stay 41% longer than workers at companies with lower internal hiring rates, according to LinkedIn’s 2020 Global Talent Trends report.

EMPLOYEE BENEFITS



“Sometimes no matter how good you are, you’re still not going to get promoted,” she says. “So instead of killing yourself, be a little bit more likable and you’ll get a lot further than beating yourself over the head about a project.” And by “likability” she is referring to developing soft skills and emotional intelligence, as opposed to only perfecting hard, technical skills. That relationship building goes hand-in-hand with high-level roles. While career advancement is a major driver for working multiple roles, over-work could lead to a higher risk for burnout, which has already run rampant through the workforce. According to the American Psychological Association’s 2021 work and well-being survey, 79% of employees have experienced work-related stress, and nearly 3 in 5 employees reported negative impacts like increased mental distance from one’s job. But the anonymous source insists that hasn’t been an issue for her; instead, she’s found support from her managers and communicates openly around her work load.

“I don’t necessarily feel any more stressed (than with one job),” she says. “I have pretty easy-to-manage managers — if I tell them I need more time, they’re not freaking out.” But while she says she has a high level of trust with her managers, she has yet to reveal that she’s working double-time. She’s confident as long as her output stays high, how she spends those hours is up to her. “I think the idea of working hourly is so antiquated in this type of industry,” she says. “I’m paid for the value that I add, I’m not paid for the hours I work. You want to be paid for your value creation.” However, some employers are already putting guidelines in place to prevent this trend from gaining a stronghold, Flores says, even writing it into their application process.

Yet as the trend gains footing among younger corporate professionals, employers may have to make adjustments to their expectations. The anonymous source says that working two jobs is something her fellow MBA graduates are aware of and also participate in. “Most of my colleagues from school know about this. A few people that I talked to, who are very high achievers, put in their contract, ‘I need to be able to do other jobs that are not competitors,’” she says. “Most of us are working remotely — it’s very doable.”

WORKERS’ COMP



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HR REMINDERS



August is the Perfect Time to Take Your Kiddos to get an Annual Physical, Right Before School Starts!

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