

## Optimistic Hiring Outlook Signals Potential for Unique Recession

***57% of U.S. Companies Will Continue Onboarding Workers Despite Downturn***

***Latest Results from The Harris Poll***

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**OKLAHOMA CITY, July 13, 2022**—In a recent study, 57% of American companies indicate they will forge ahead with hiring despite a looming recession, highlighting a stark departure from the Great Recession of 2008 when unemployment hit 10%.

This is according to a recent survey from The Harris Poll commissioned by Express Employment Professionals.

As consumer sentiment fades along with CEO confidence, just more than half (51%) of U.S. companies feel the next recession will happen within the next year. However, around 1 in 10 (12%) are optimistic that there will not be another recession.



Looking to the future, if a recession were to occur soon, more than 2 in 5 businesses (44%) feel their company won't survive much longer. Service industries are more likely than professional services and manufacturing industries to say their company won't be able to survive a recession (50% vs. 40% and 34%).

The impact of this potential recession could extend beyond the company in general. Sixty-four percent of businesses feel it would have a major/moderate impact on the overall business and the company's hiring/recruitment needs (61%).

But companies don't appear poised to pump the brakes on hiring like in previous recessions as 30% will continue hiring but cut back on the volume of workers, and 27% anticipate extending offers as planned.

For businesses that expect to continue hiring as planned if a recession were to happen (27%), 89% of those will be full-time positions, 30% part-time and 27% seasonal, temporary or contract. This will include recent college grads (61%), vocational/career tech grads (45%) and college students (43%).

In both New Jersey and Florida, Express franchise owners Mike Nolfo and Mike Brady, respectively, say from what their clients are experiencing, a recession is already here.

"I feel like we are actually in a recession right now, but nothing is 'official' yet," Nolfo said. "There is pessimism with the overall economy and clients are having a lot of trouble producing and transporting products right now. Labor and supply chain issues are huge right now."

Brady predicts that with rising costs across the board, he believes more industries will continue to slow down as evidenced by a decline in new home construction in Florida.

“I think by this fall, we will be in a full-blown recession,” he added.

A recession’s impact would vary by industry and demand, Nolfo says.

“We have several food manufacturers that should not be as affected by a downturn because their product is always essential,” he said. “But we also have a lighting company in our region that produces luxury/high-end lighting fixtures for commercial buildings. In the past during a recession, this business would be greatly affected due to a high price-point and lack of new commercial construction.”

While each recession historically involves a period of high unemployment, a shortage of available workers is one of the main factors propelling the country toward a recession.

“These next few months are going to be interesting because usually in a recession, companies lay off employees because of the economic downturn,” Nolfo said. “Direct hire staffing would slow down, and contract staffing would increase due to the uncertainty. However, right now, the labor market is one of the reasons why we are having a recession. Companies are already at bare-bones staffing levels, and you can’t lay off employees if you don’t have employees to lay off.”

Facing financial insecurity is a good opportunity for both job seekers and businesses to consider a contingent workforce.

“Using this flexible staffing option enables a company to control costs by adapting staff needs daily to the demand of their business,” said Stephanie Miller, Express Employment International Director of Talent and Acquisition. “While contingent work has long been referred to as ‘temporary,’ many companies and job seekers have established long-term employment relationships because of the initial arrangement.”

Navigating this time of uncertainty, Miller advises employees to assess their current employment situation at a macro level.

“Considering company culture, growth opportunity, business longevity and stability are as important as pay and benefits,” she said. “Before a recession occurs, job seekers need to position themselves with the right company. This will be the key to success in the right career opportunity.”

Increasing chatter around the possibility of a recession can be beneficial for workers and businesses to allow them time to prepare, according to Express Employment International CEO Bill Stoller.

“Predictions surrounding the length and impact of a recession vary widely, reinforcing the unusual hiring circumstances absent from previous economic slowdowns,” he said. “No matter

the conditions, it's wise to plan now for a likely recession ahead."

### **Survey Methodology**

The survey was conducted online within the United States by The Harris Poll on behalf of Express Employment Professionals between May 3 and May 23, 2022, among 1,003 U.S. hiring decision-makers (defined as adults ages 18+ in the U.S. who are employed full-time or self-employed, work at companies with more than one employee, and have full/significant involvement in hiring decisions at their company). Data were weighted where necessary by company size to bring them into line with their actual proportions in the population.

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If you would like to arrange for an interview with Bill Stoller to discuss this topic, please contact Sheena Hollander, Director of Corporate Communications and PR, at (405) 717-5966.

### **About Bill Stoller**

William H. "Bill" Stoller is chairman and chief executive officer of Express Employment International. Founded in Oklahoma City, Oklahoma, the international staffing franchisor supports the Express Employment Professionals franchise and related brands. The Express franchise brand is an industry-leading, international staffing company with franchise locations in the U.S., Canada, South Africa, Australia and New Zealand.

### **About Express Employment Professionals**

At Express Employment Professionals, we're in the business of people. From job seekers to client companies, Express helps people thrive and businesses grow. Our international network of franchises offers localized staffing solutions to the communities they serve across the U.S., Canada, South Africa, Australia and New Zealand, employing 586,000 people globally in 2021 and 10 million since its inception. For more information, visit [ExpressPros.com](https://ExpressPros.com).