

The December Jobs Report was released January 8, 2021. Despite the headlines, the results were decidedly mixed, and continue to prove out the notion of a “K-shaped” recovery. For the first time in seven months, the U.S. experienced additional job losses, yet college-degreed workers continued to post employment gains:

- Overall unemployment remained unchanged from November at **6.7%**
- The rate for college-degreed workers aged 25+ fell to **3.8%** from **4.2%** in September
- **140,000** jobs were lost in December, ending seven consecutive months of job growth
- Revisions to November figures showed that **336,000** jobs were added that month, a significant increase over the **245,000** that were initially reported

Most of the decline was driven by the leisure and hospitality sectors, as cold weather forced restaurants and bars to eliminate outdoor dining options. Additionally, a resurgence in coronavirus infections caused some consumers to avoid public places, depressing demand for service that require person-to-person interaction. In fact, according to a report by the Wall Street Journal, sectors most sensitive to the state of the business cycle (construction, manufacturing, retail trade) actually *grew*. This morning’s report also provided some year-end statistics illustrating that 2020 was the worst year of job loss on record by a wide margin. The net 9.4 million jobs lost are nearly double the 5 million jobs that were eliminated in 2009, the previous low point.

That said, there is increasing optimism about the economic outlook for 2021 and beyond. The development of several viable COVID-19 vaccines in such a short timeline has raised hopes for a speedy recovery, and many analysts believe that the Biden/Harris administration will prove itself capable of executing a widespread rollout. While it remains to be seen whether or not the public will embrace the vaccine, markets have reacted positively to recent political and medical news and are pricing in a relatively near-term return to normal.

Nobody truly knows what a return to normal might look like, so businesses must continue to stay agile. Our consulting arm, **Protiviti**, recently released the results of their Finance Trends Survey. The key takeaway: *“Major crises expose the true nature of things. In the face of extreme pressure, organizations discover how digital, agile and resilient they really are. CFOs and finance leaders are leveraging hard-earned lessons from the worldwide pandemic to strengthen organizational agility and resilience.”* Please find attached a link to the full results of the survey: [Finance Priorities in the COVID Era](#).

**As always, please let me know if there’s anything we can do to assist from a personnel standpoint – whether it’s direct hire, temp-to-hire, contractor or consultant, I’d be more than happy to help.**

**Hunter Lent, CPA**

Client Service Director

Phone: (419) 297-5841

Connect with us: [LinkedIn](#) | [Facebook](#) | [Twitter](#) | [Instagram](#) | [YouTube](#)

