

WICPA Business & Industry Spring Conference

The Economic and Market Outlook
2022 – 2028

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Brookfield Conference Center
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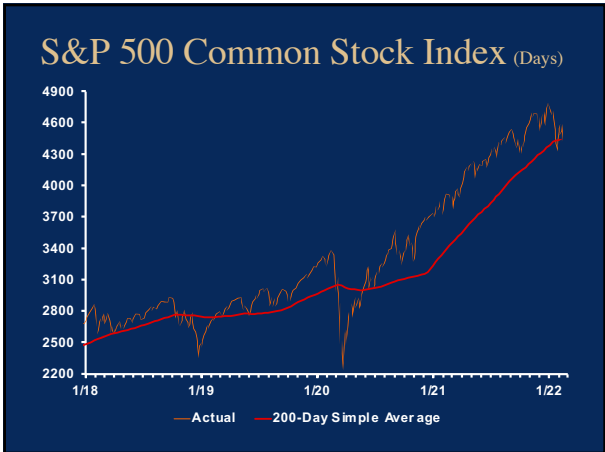
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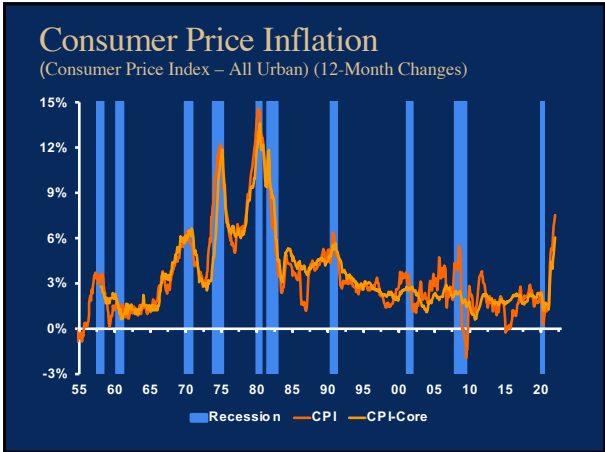
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Some Troublesome Trends

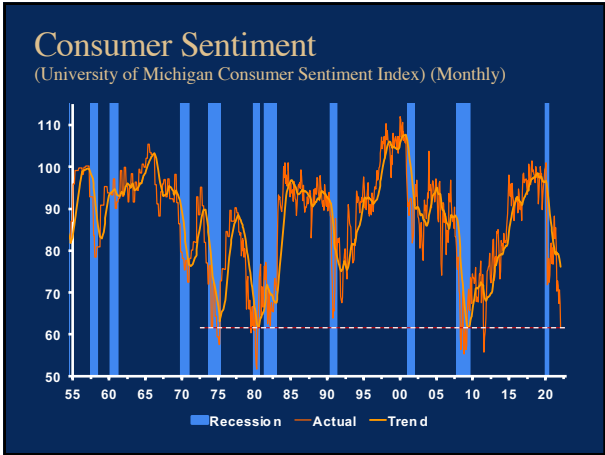
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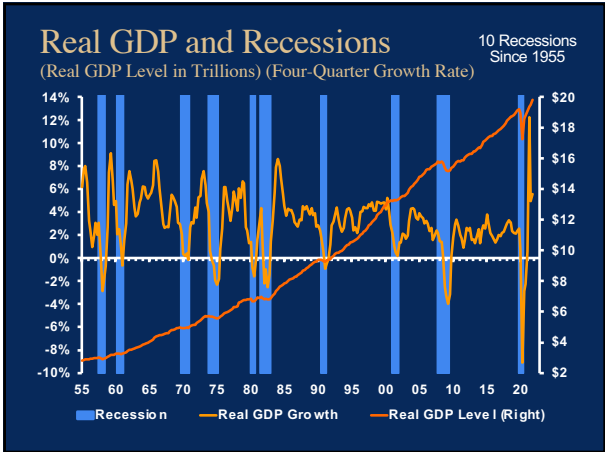
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- Recession Risks
- Recession Signals
- Slowdown Signals
- Oil Price Effects
- Recession-Slowdown Risks Now

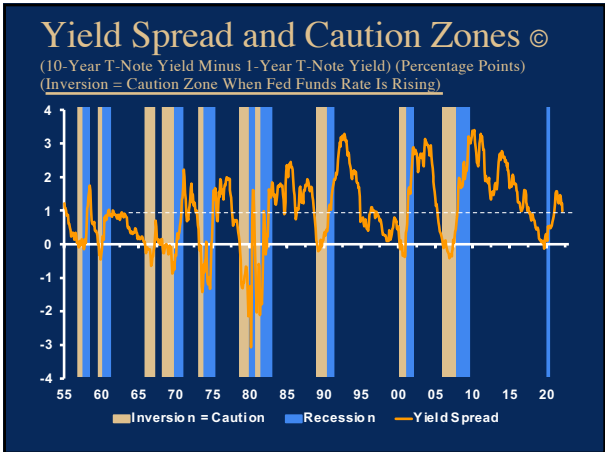
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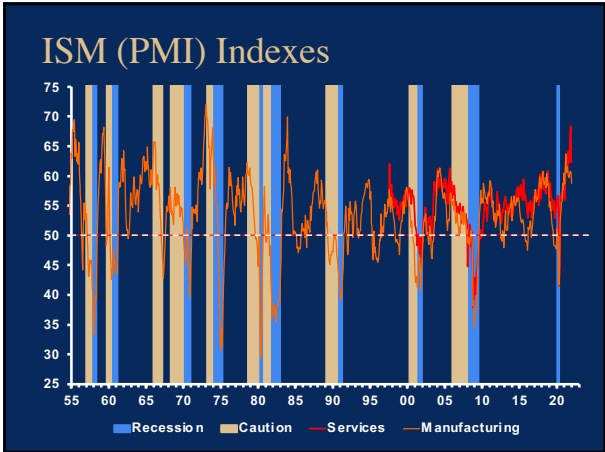
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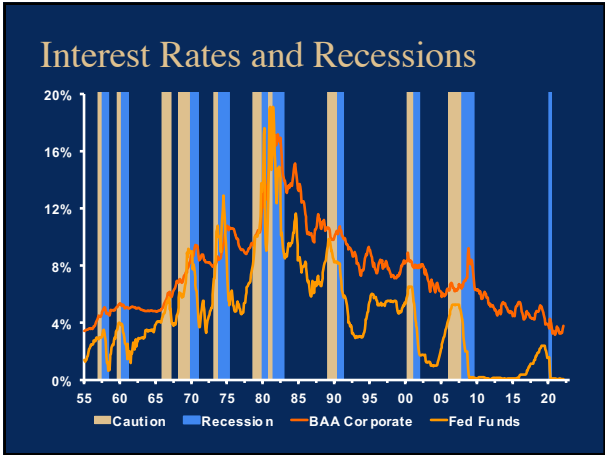
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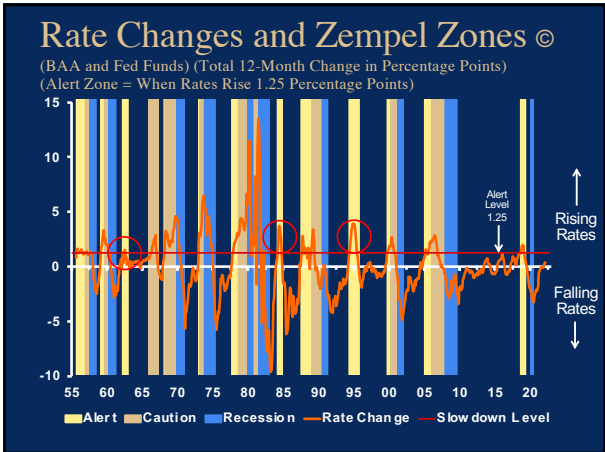
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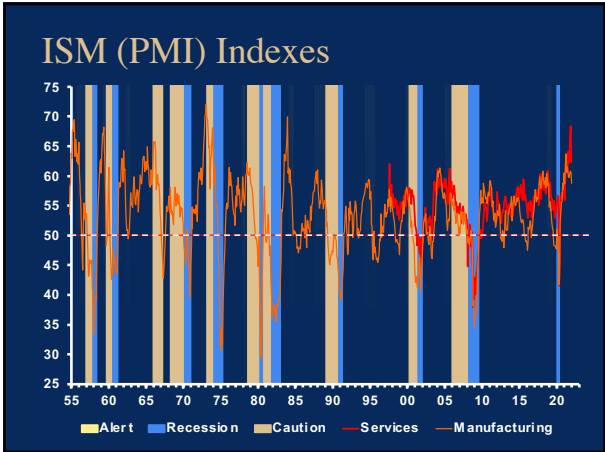
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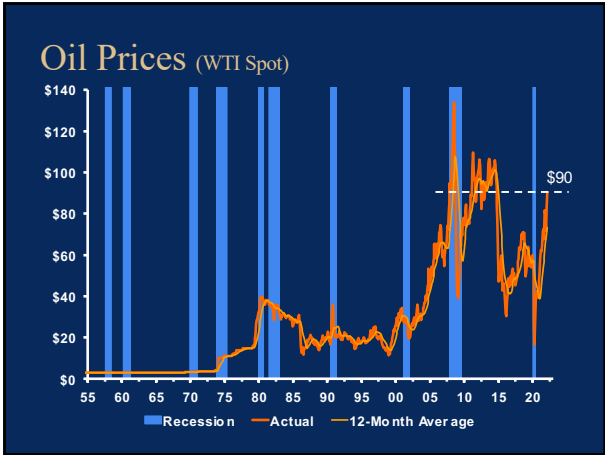
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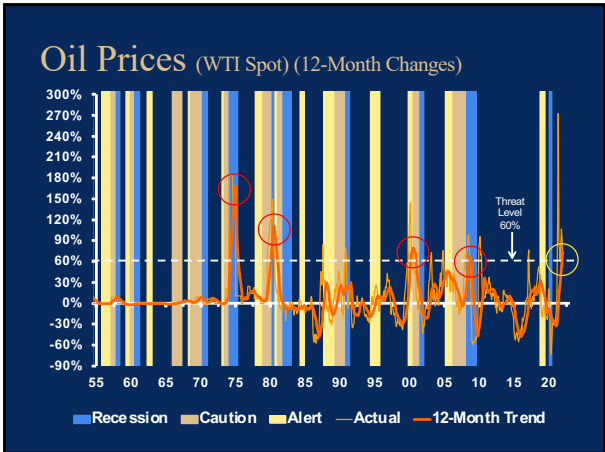
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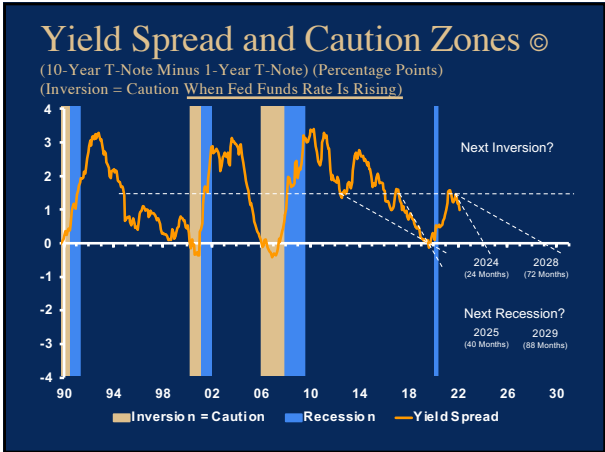
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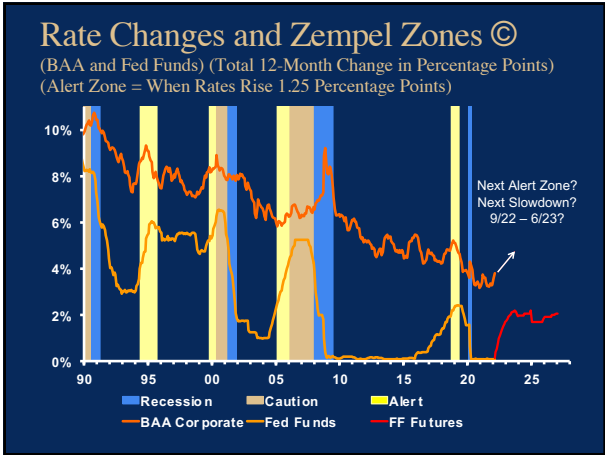
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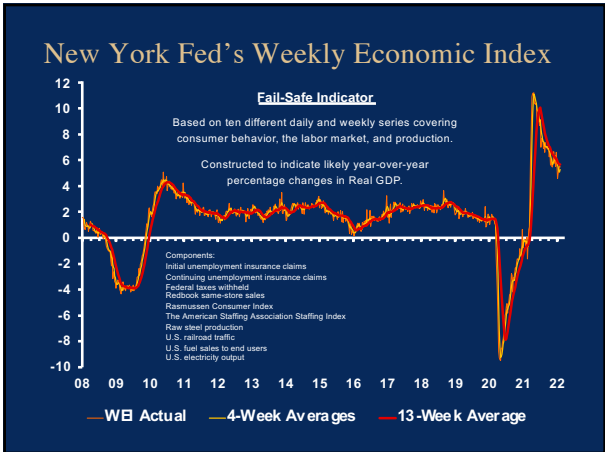
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Summary So Far

Inversion When Fed Funds Rate Is Rising Signal Caution Zones
Caution Zones Preceded 9/10 Recessions Since 1955

Sharp Interest-Rate Increases Signal Alert Zones
Alert Zones Preceded Slowdowns and Caution Zones

Sharp Oil-Price Increases Worsen Recessions

Fed Funds Rate Will Likely Reach 2% Next Winter
Fed Tightening Will Trigger Alert Zone (Slowdown) This Fall

2022-2024 Recession Unlikely
2025 Recession Possible If Yield Spread Inverts

New York Fed's Weekly Economic Index – Best Fail-Safe Guide

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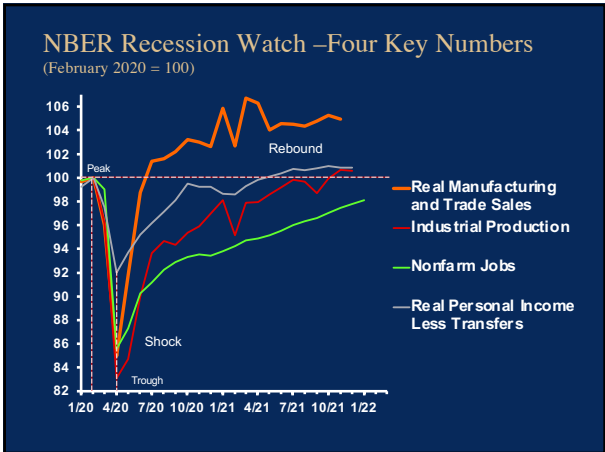


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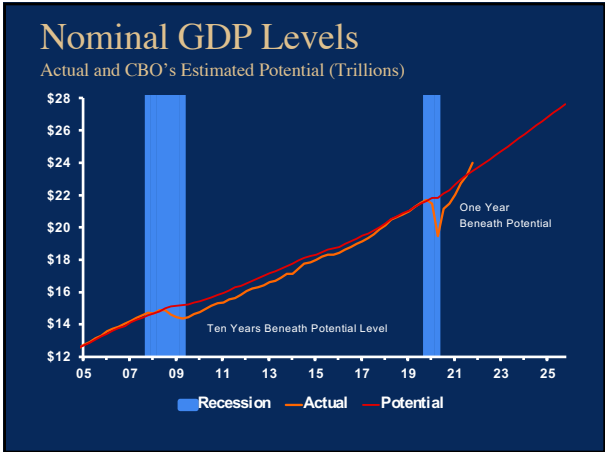
Federal Reserve Policy Pressures

Employment
Inflation
Fiscal-Political
Implications

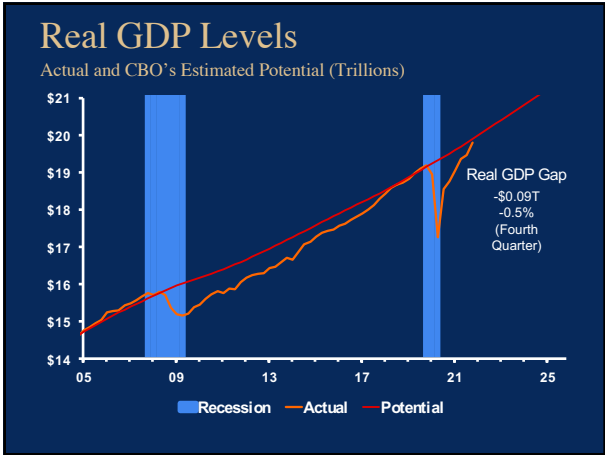
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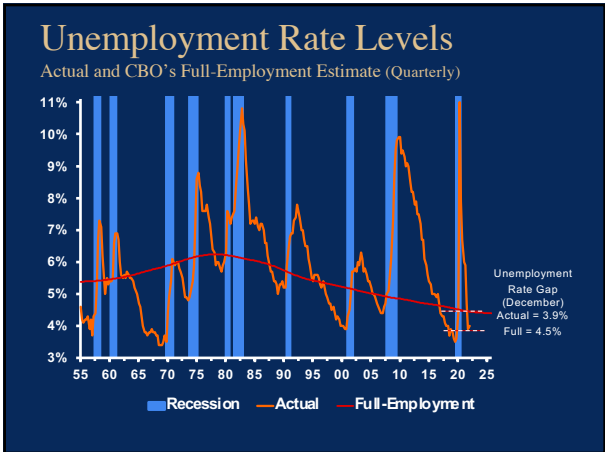
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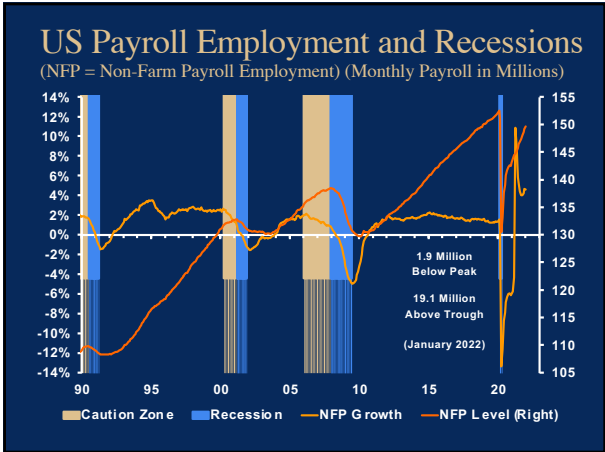
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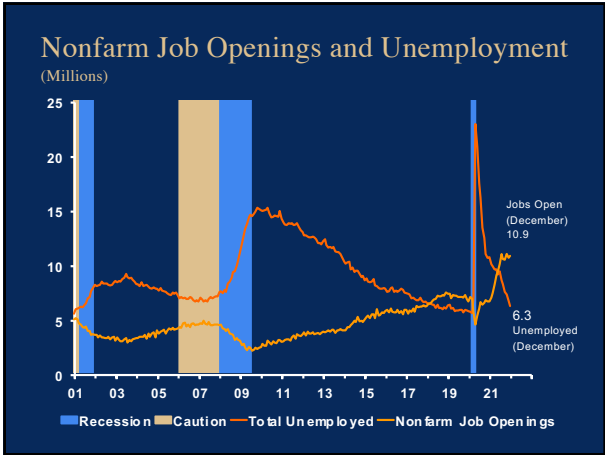
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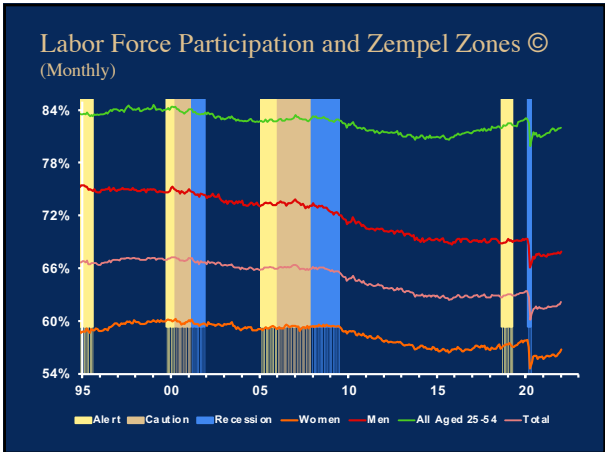
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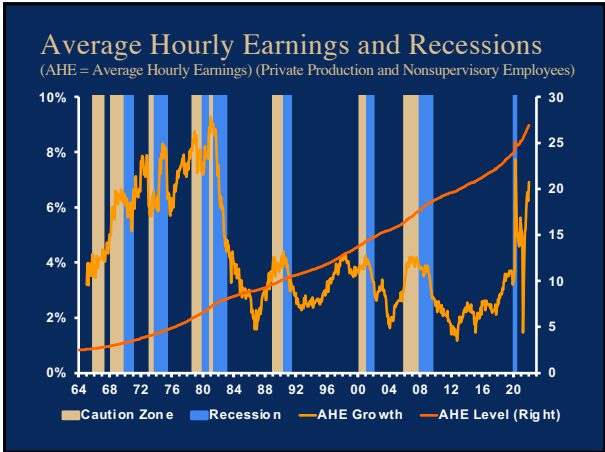
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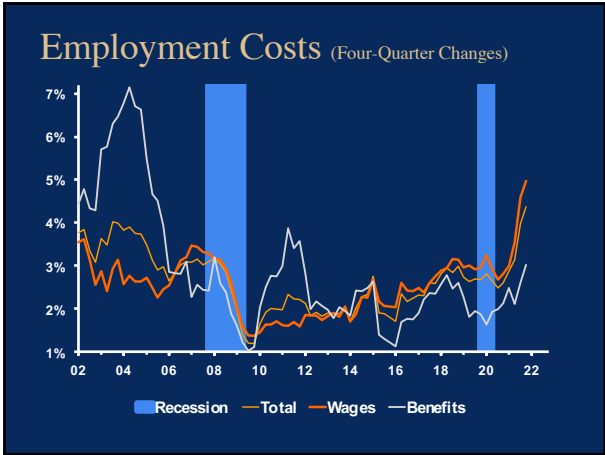
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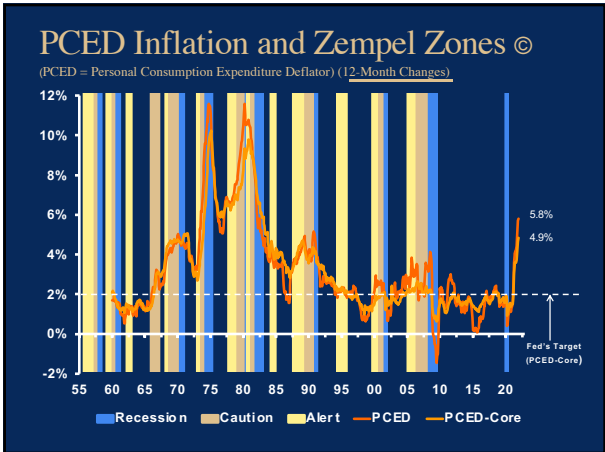
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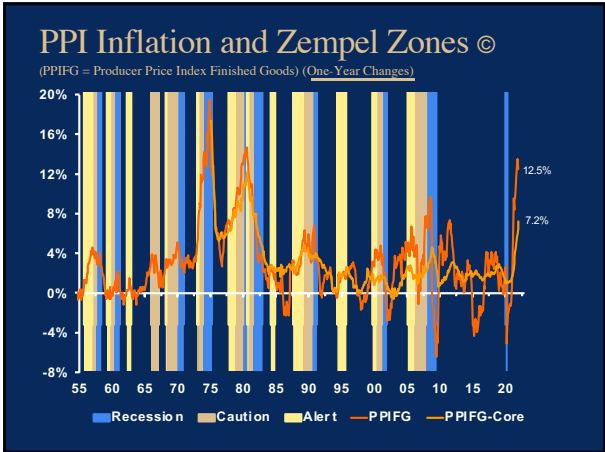
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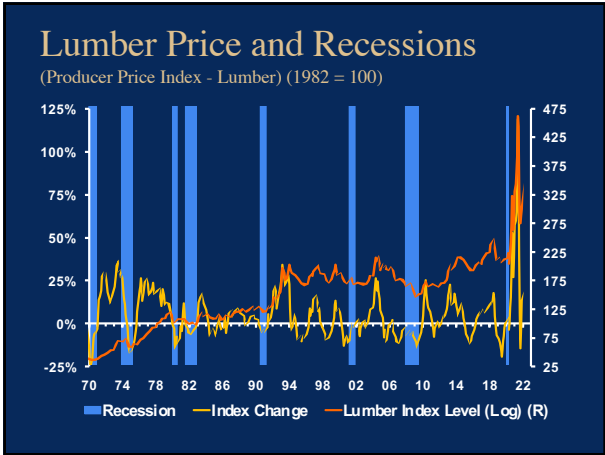
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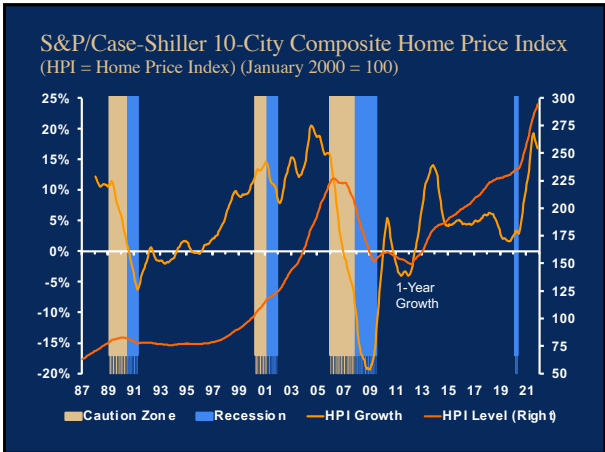
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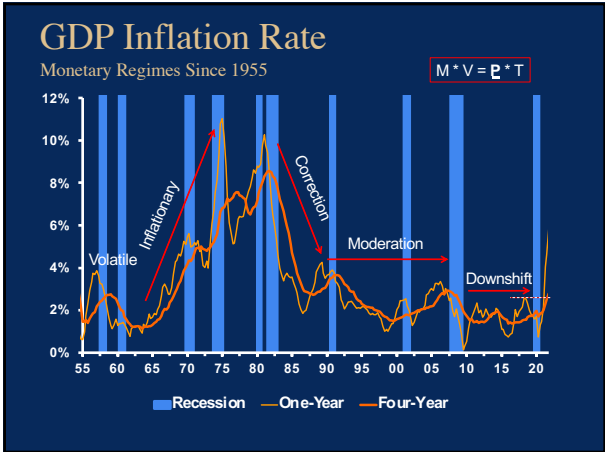
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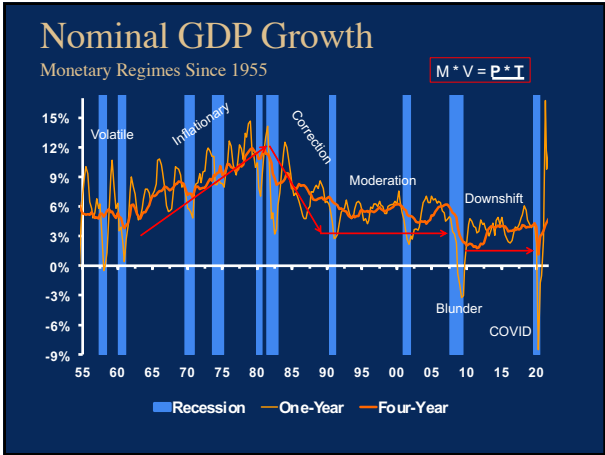
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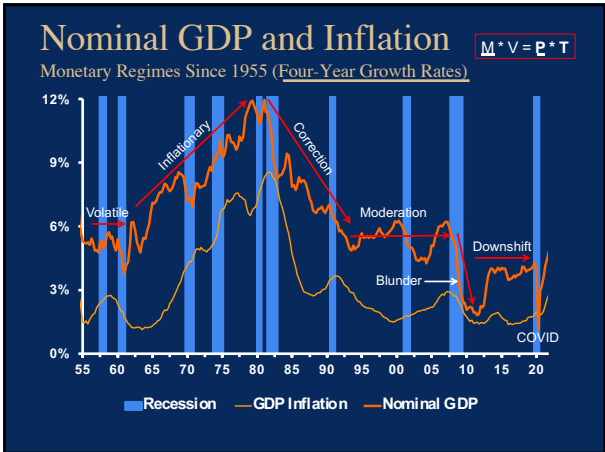
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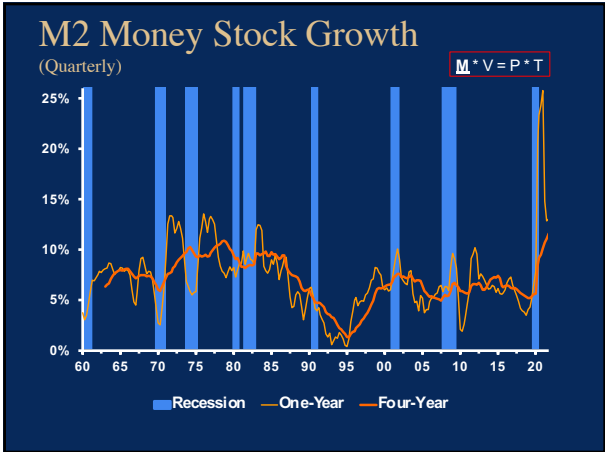
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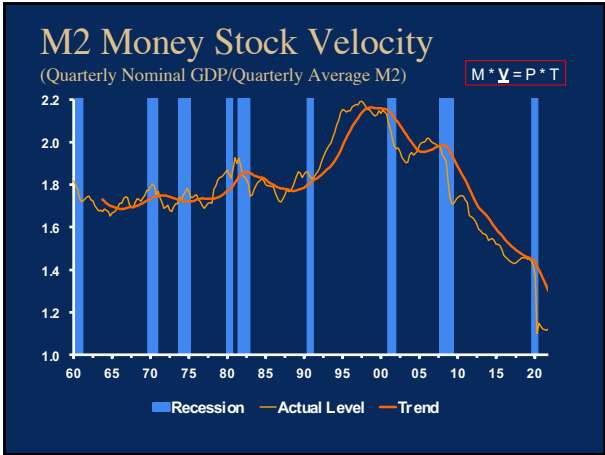
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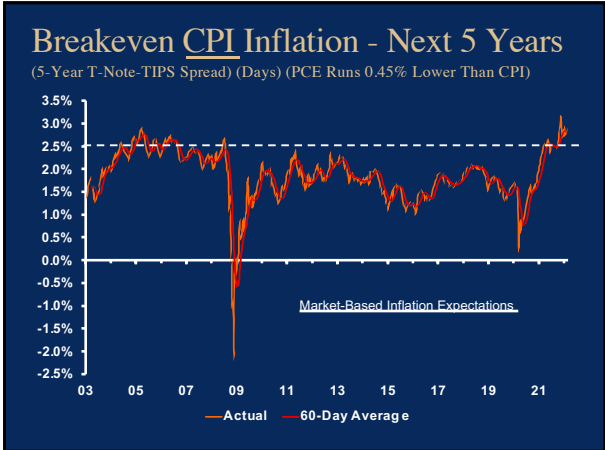
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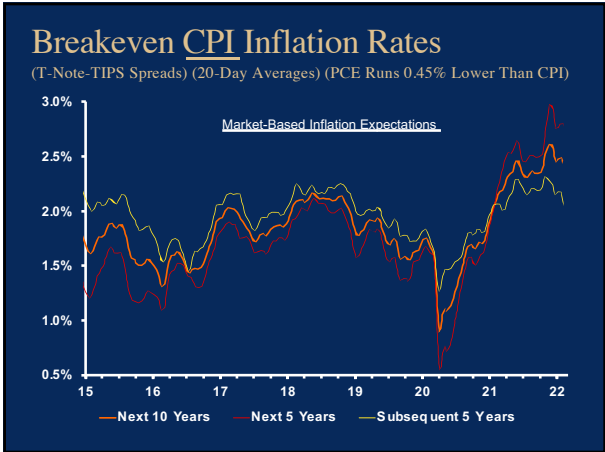
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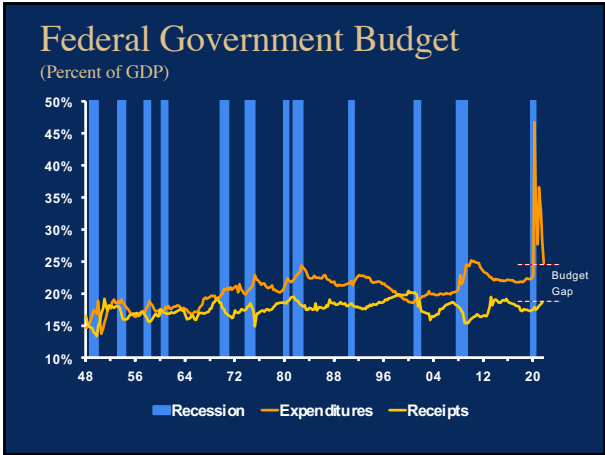
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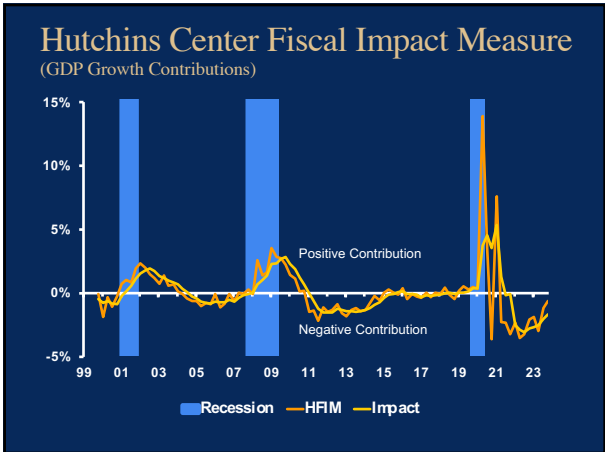
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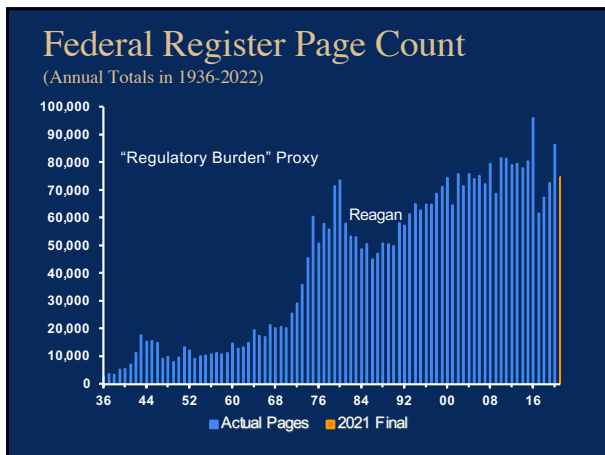
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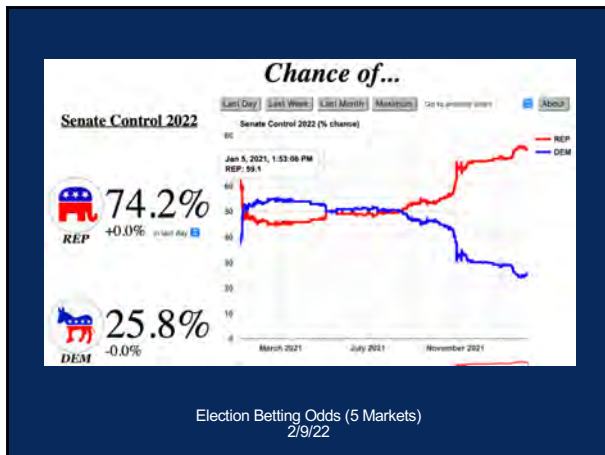
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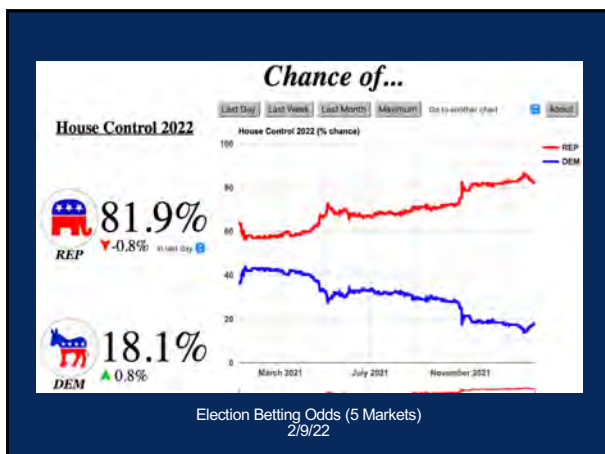
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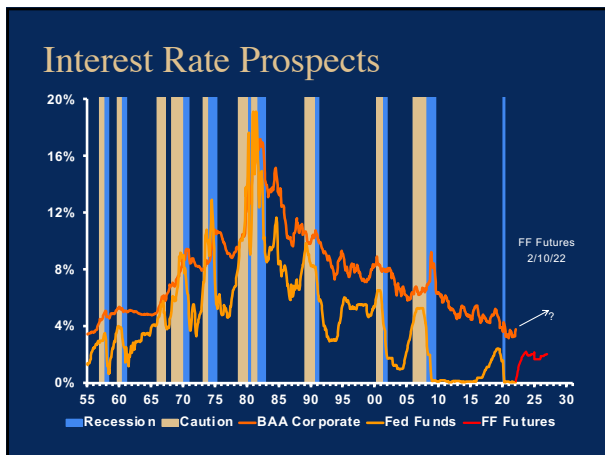
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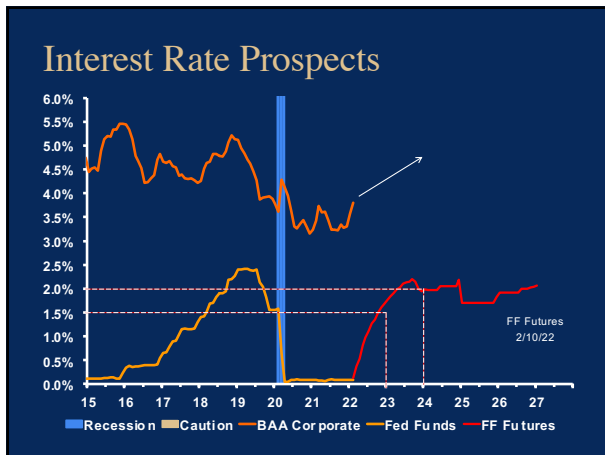
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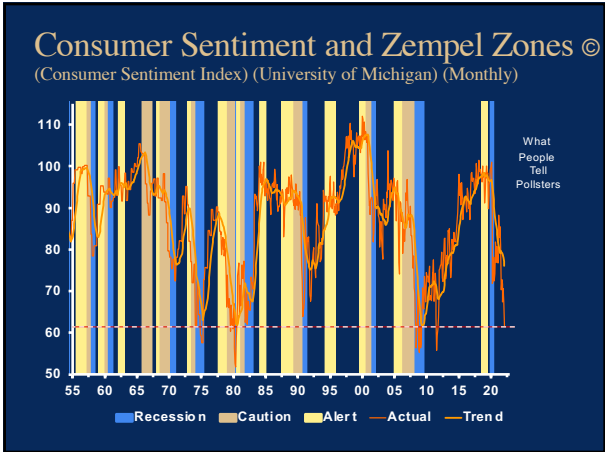
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Economic Sectors
Consumer Spending
Housing Activity
Business Investment
International Trends
Stock Market Valuation

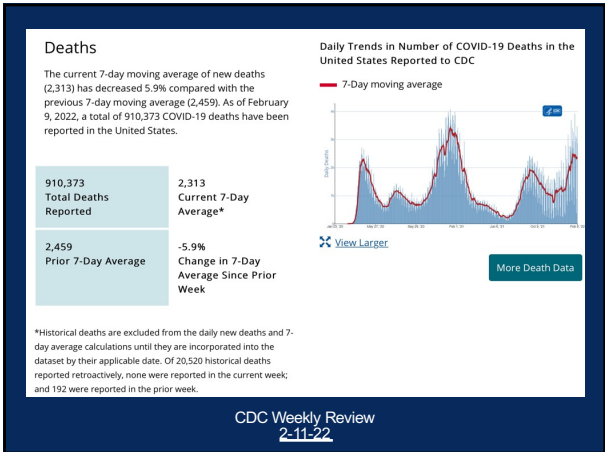
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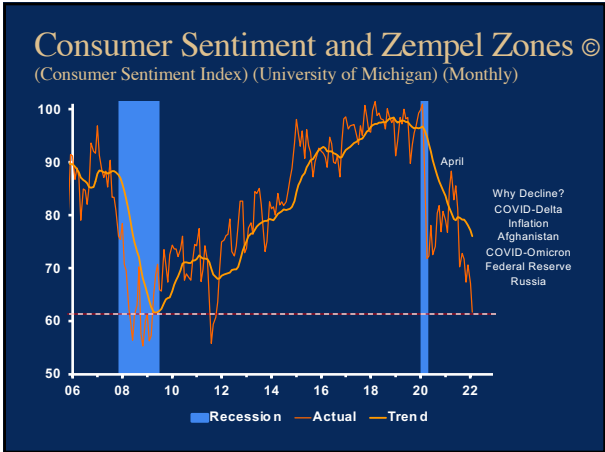
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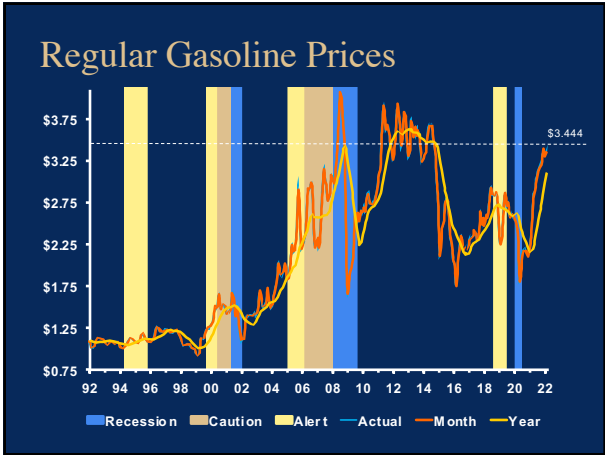
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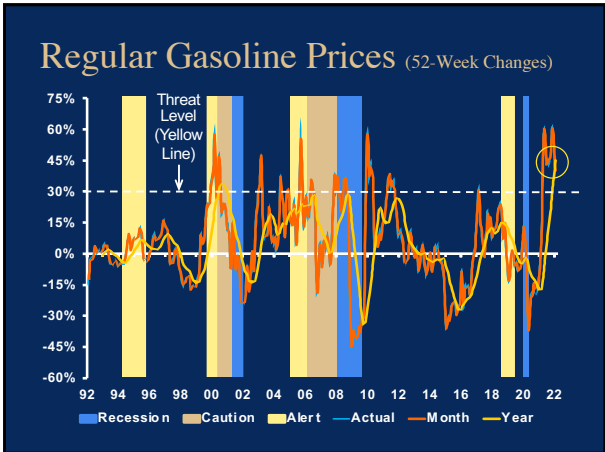
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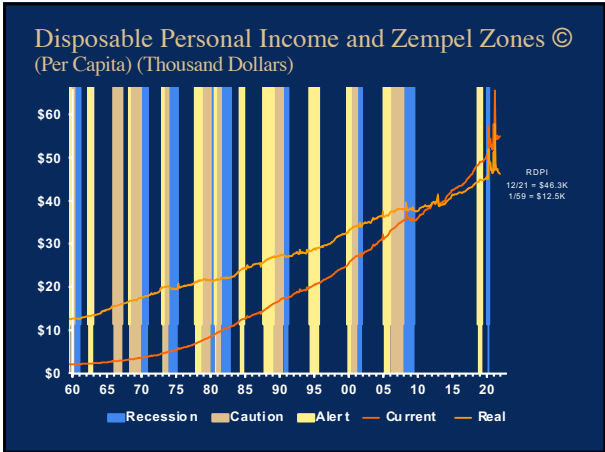
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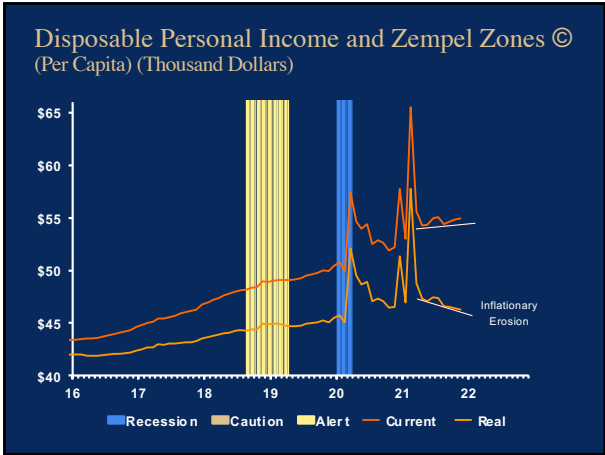


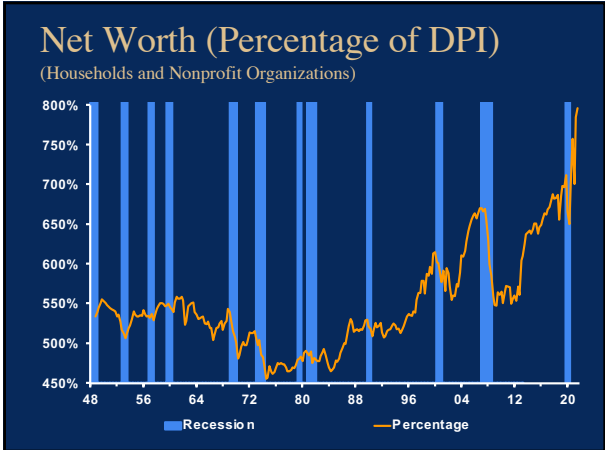
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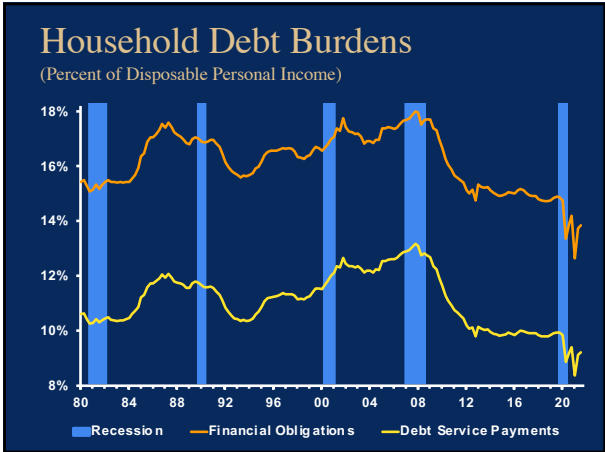


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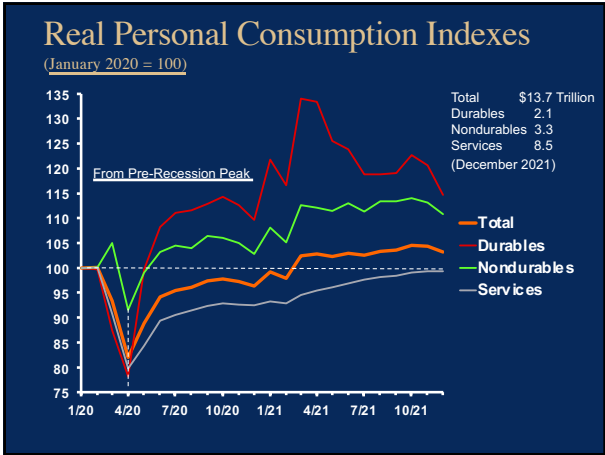




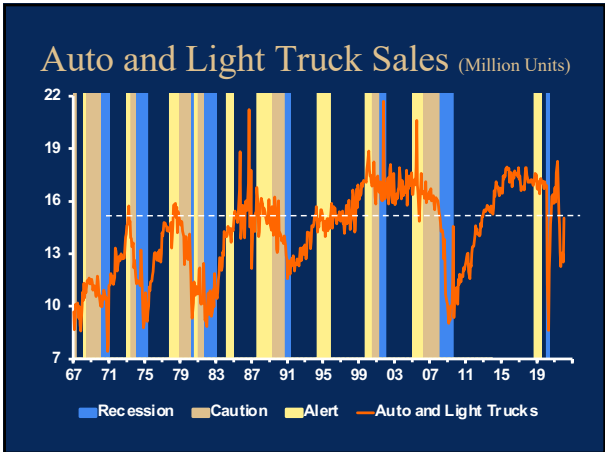




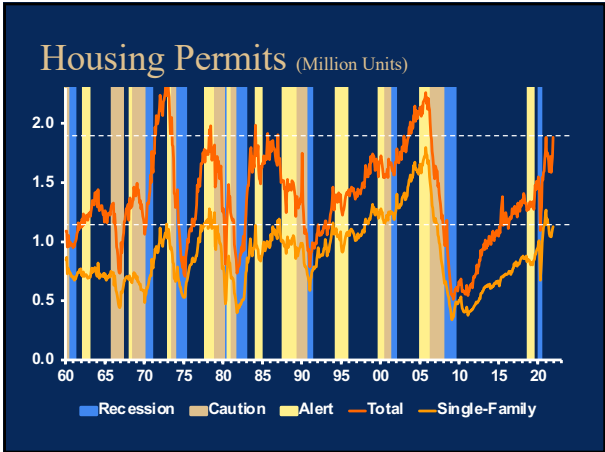
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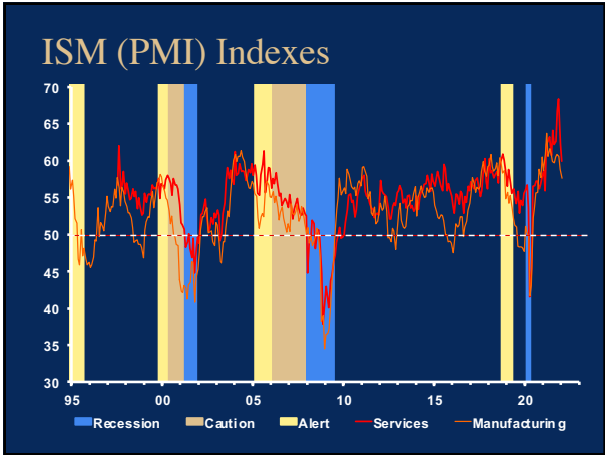
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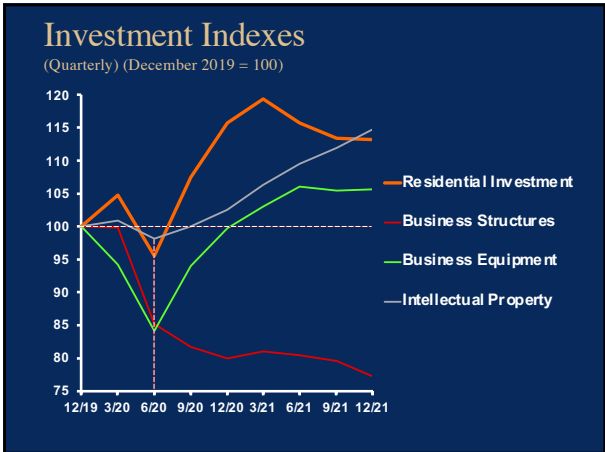
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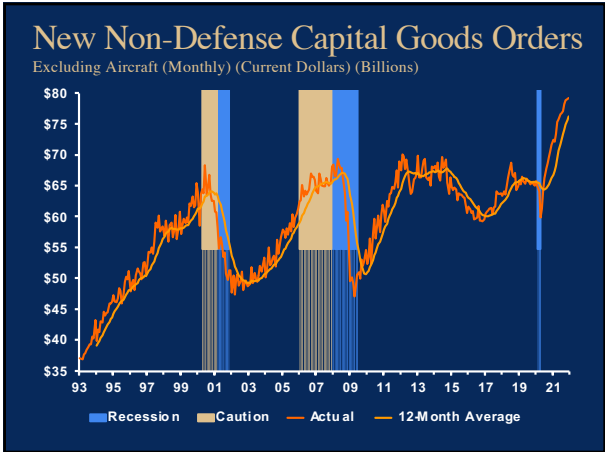
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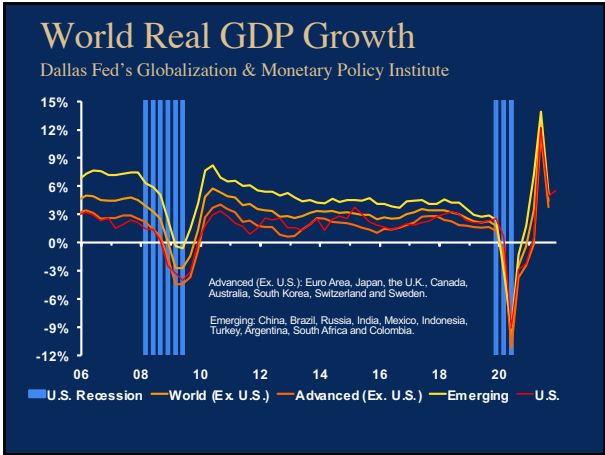
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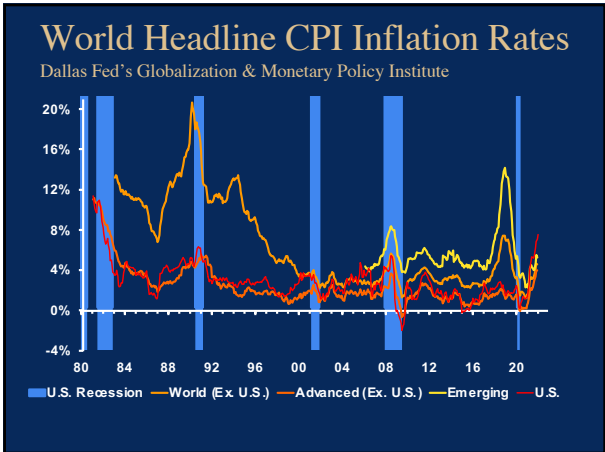
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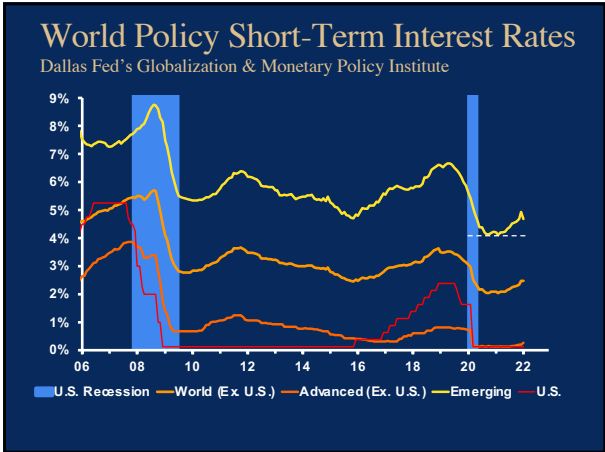
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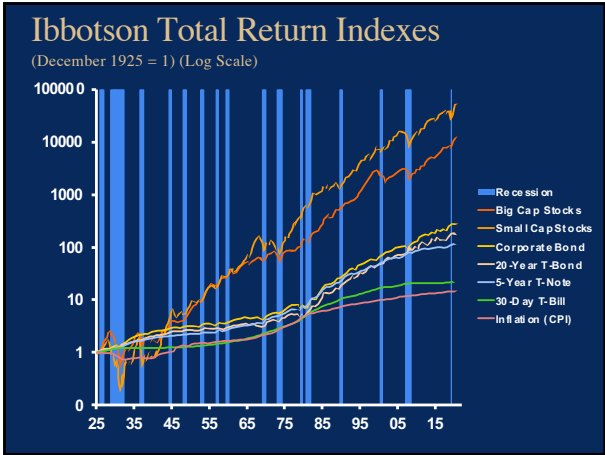
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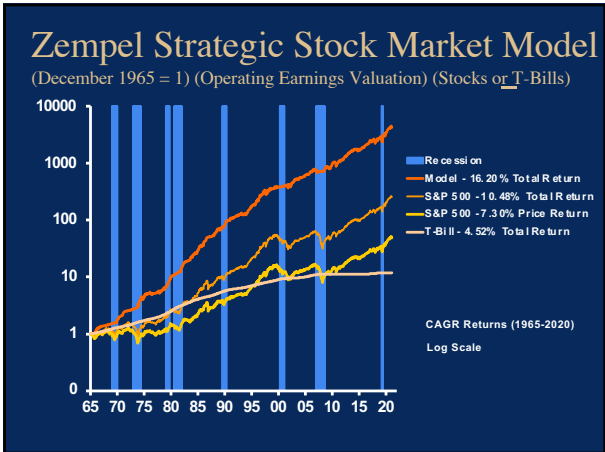
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Stock Market Model Components

- Market Momentum
- Interest-Rate Changes
- Valuation Index

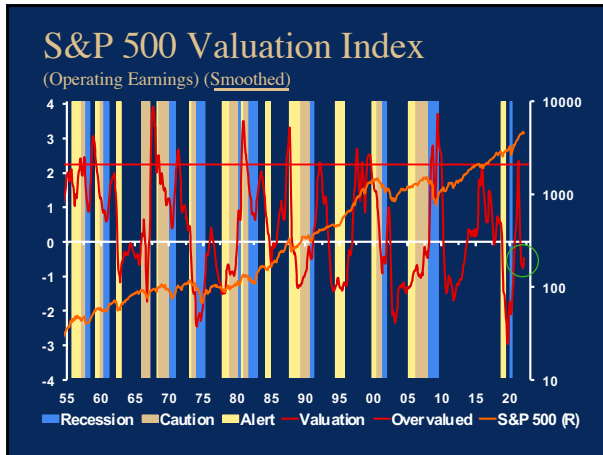
Stock Market Valuation Index Concepts

Ratio = Bond Yield / Earnings Yield
 Earnings Yield = E/P
 Valuation Index = Normalized Ratio

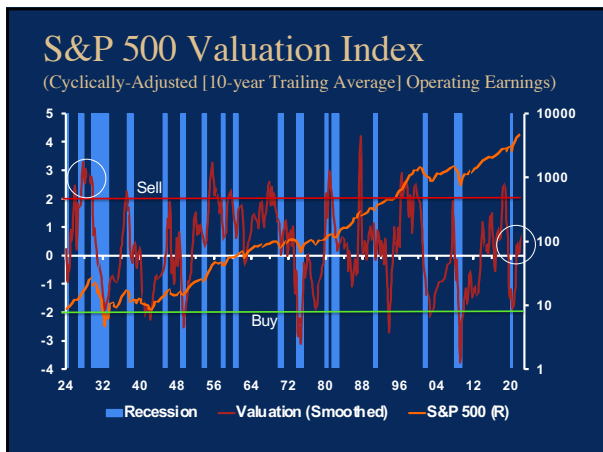
Definitions

Bond Yield = Moody's BAA Corporate Bond Yield
 E = Trailing 12-Month Operating Earnings
 P = S&P 500 Index
 Normalization = (Actual - Mean) / Standard Deviation

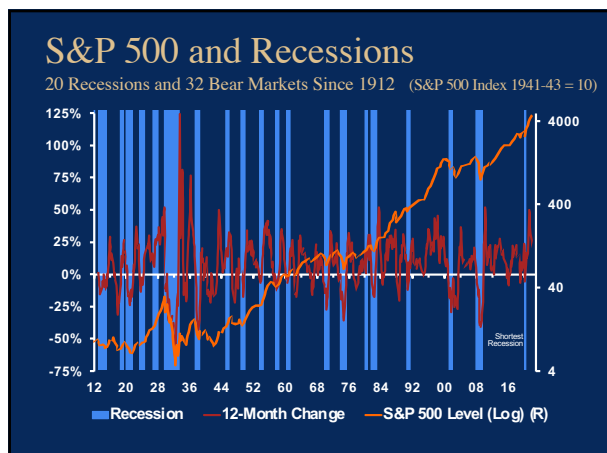
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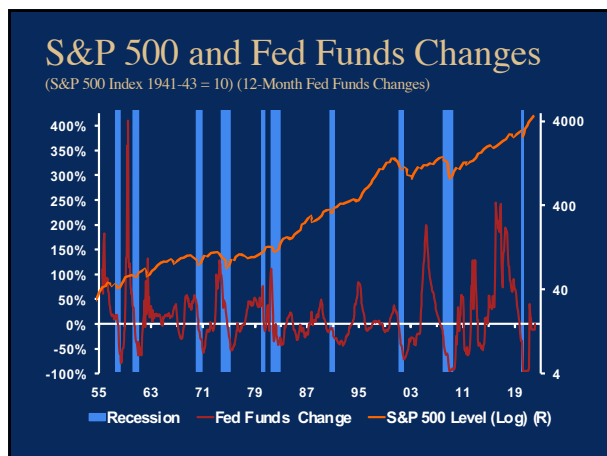
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Outlook


- Fed Funds Rate Will Reach 2% Next Winter
- Fed Tightening Implies Slowdown This Fall
- Inflation Is Peaking Now
- 2022-2024 Recession Unlikely
- 2025 Recession Possible If Yield Spread Inverts
- Bear Stock Market Unlikely Until Valuation Spikes

Watch List

- Yield Spread (10-Year Minus 1-Year T-Note Yields)
- Interest Rate Changes (BAA Bond + Fed Funds)
- Oil Price Trend Changes
- Election Betting Odds

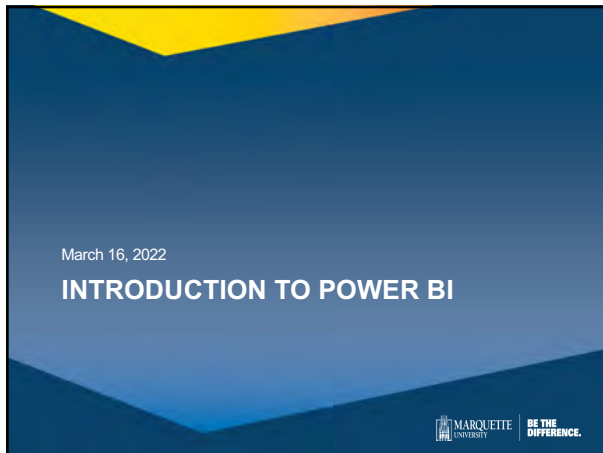
Some Suggested Data Sources:
 FRED: <https://fred.stlouisfed.com>
 Election Odds: <https://electionbettingodds.com>

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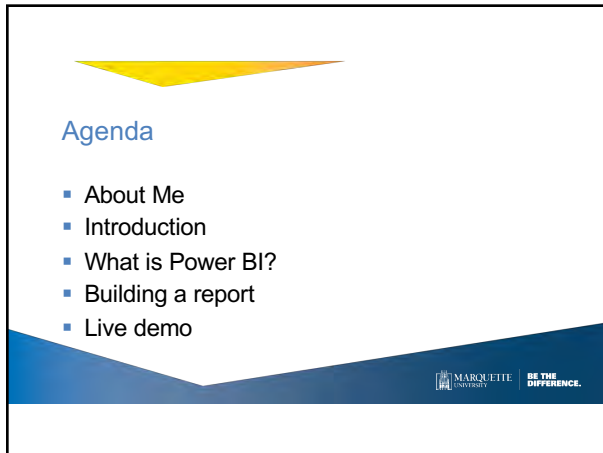


Questions...

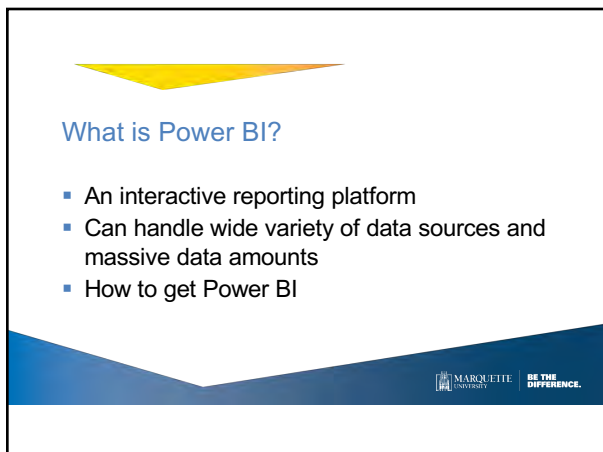
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Slide 4 features a white background with a yellow chevron pointing down at the top. The title "Building a Report" is in blue. Below it is a bulleted list: "Get data", "Transform data", "Model and optimize", and "Visualize your data". The Marquette University logo and "BE THE DIFFERENCE." are in the bottom right corner.

Building a Report

- Get data
- Transform data
- Model and optimize
- Visualize your data

MARQUETTE UNIVERSITY BE THE DIFFERENCE.

4

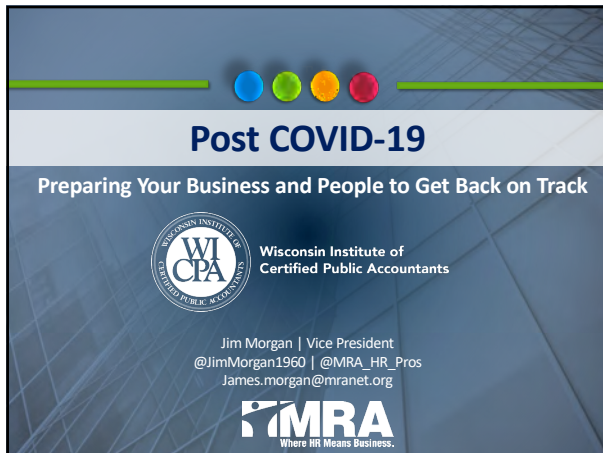


Slide 5 has a dark blue background with a yellow chevron pointing down at the top. The text "LIVE DEMO" is in white. The Marquette University logo and "BE THE DIFFERENCE." are in the bottom right corner.

LIVE DEMO

MARQUETTE UNIVERSITY BE THE DIFFERENCE.

5



Post COVID-19

Preparing Your Business and People to Get Back on Track

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WISCONSIN INSTITUTE OF
CERTIFIED PUBLIC ACCOUNTANTS

Jim Morgan | Vice President
@JimMorgan1960 | @MRA_HR_Pro
James.morgan@mraneet.org

MRA
Where HR Means Business.

1



HR Services

- 24/7 HR Hotline
- HR Online Resources
- HR Business Partners
- Employee Handbooks/Policies
- Employee Payroll Administration
- Audits (HR, I-9, Payroll)
- Employment Investigations
- Affirmative Action
- Labor Relations
- Safety
- Publications
- Conflict Resolution

Learning & Organization Development

- Strategic Planning
- HR & Leadership Training
- Employee Engagement & Assessments
- Coaching
- Succession Planning
- Conferences & Events
- Executive & Professional Roundtables
- Distance Learning
- C-YOU Create Your Own University
- Conference Center Room Rentals

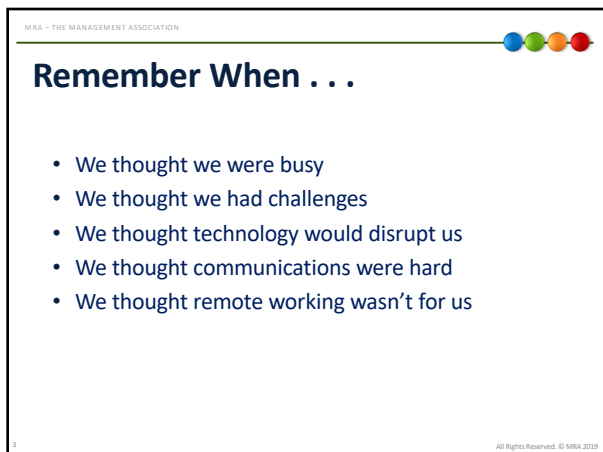
Talent Management

- Recruiting
- Reference & Background Investigations
- Talent Management
- Retention Services
- Outplacement & Career Management

Total Rewards

- Compensation Planning
- Benefits Benchmarking
- Hot Topic Surveys
- Compensation, Benefits, & Business Trends Data
- Custom Surveys
- Total Compensation Statements

2



MRA – THE MANAGEMENT ASSOCIATION

Remember When . . .

- We thought we were busy
- We thought we had challenges
- We thought technology would disrupt us
- We thought communications were hard
- We thought remote working wasn't for us

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3

MRA – THE MANAGEMENT ASSOCIATION

What just happened??

- Our world changed almost overnight
- How we work changed
- How we behave changed
- What we can/cannot do changed
- How we communicate changed
- How we meet, eat, shop changed

4

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4

Now What?

Getting Your Business and People Back on Track


(Let's Play Twenty (One) Questions)



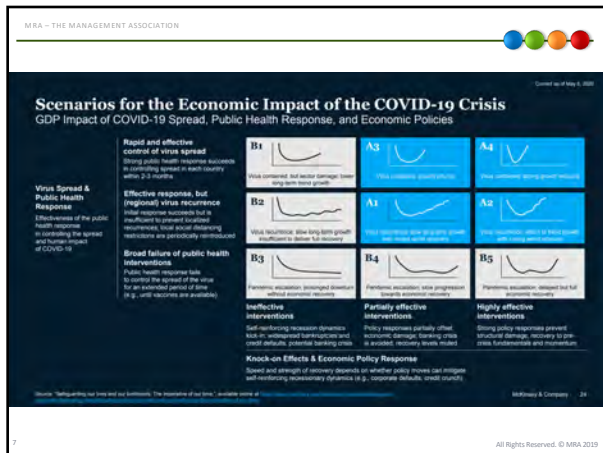
Where HR Means Business.

5

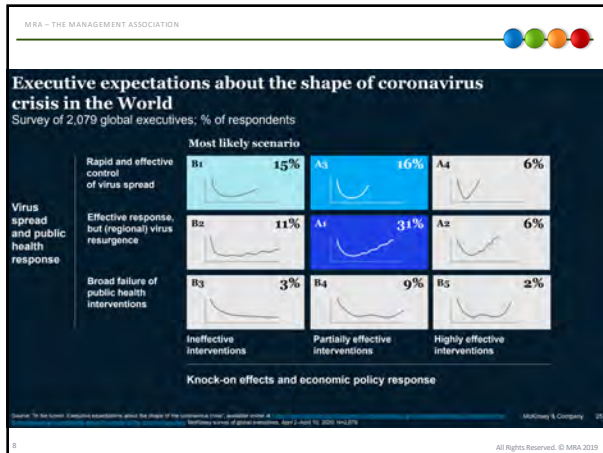
MRA – THE MANAGEMENT ASSOCIATION



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8



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10

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Assessment for Recovery

What's working?

What's stuck?

What's missing?

What's confused?

WHAT DID WE LEARN???

11

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11

MRA - THE MANAGEMENT ASSOCIATION

Employee Experience

12

12

MRA – THE MANAGEMENT ASSOCIATION

Employee Experience

1

How is your company evaluating, and potentially changing, the way you communicate?

2

How are you assessing holistic employee well-being?

3

What talent upskilling and reskilling are needed for the future?

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Engagement and Retention





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Engagement & Retention

4

How are you engaging new or more remote employees?

5

How is your senior leadership reacting to the “new normal”?

6

What is being done to re-engage your employees?

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Policies/Practices

10

How have you modified your compensation and benefits strategies to meet the current needs of your workforce?

11

How are you changing how you gather employee feedback?

12

What altered or new policies need to be considered for the future?

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Technology



20

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Technology

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What changes are you making in technology, or what new technology is needed?

14

How are you evaluating remote work engagement and productivity?

15

How do you measure the efficiency of technology?

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Workforce



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Workforce

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How have you transformed your talent acquisition and retention strategies?

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What is the current status of your candidate pool – both internal and external?

18

What modifications will you need to make to your succession plan?



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Workspace




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Workspace



19 How are you ensuring a secure and healthful workspace?



20 How will you reimagine office design, functionality and equipment to ensure safety?



21 What will your office meetings and events look like, post-pandemic?

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What are Leaders Thinking?

- Cleanliness is next to Godliness
- Recovery is hard!
- Communicate clearly
- Listen/Pulse Surveys
- Strategy and Transparency
- Strategic Workforce Planning
- Stay Vigilant
- Be able to answer “WHY?”

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What's Next? Who Knows!!

- Summer?
- Flare Ups?
- Any more variants?
- Quarantine State of Mind?
- Mental health?
- Can't we just be done?

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What's Next? Bet On It!

- Safety
 - Policies and the new way work is done
- Upskilling and reskilling
 - Career transition, succession planning
- Staying vigilant
- Strategic Workforce Planning
 - Recruitment, engagement and communication
- The workforce is not going back to 2019

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This Just In! HR 2022

- HR is at the Table
- Data matters
- The workforce looks different
- Workplace fluidity is everywhere
- Perks have changed
- Leadership turnover is everywhere
- Mental health is top of mind
- Productivity and performance are key

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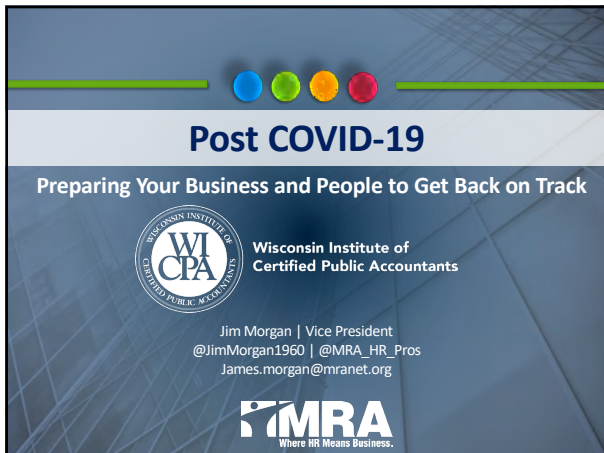
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What did we learn?

- We CAN work remotely
- There are other ways to meet than face-to-face
- Our travel expenses can be reduced
- There are many ways to train our people
- Bad “in-person” managers are even worse “remote” managers
- The state of our technology

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The slide features a blue background with a grid pattern. At the top, there is a horizontal line with four colored circles (blue, green, yellow, red) in the center. Below this, the title "Post COVID-19" is written in a large, bold, white font. Underneath the title, the subtitle "Preparing Your Business and People to Get Back on Track" is written in a smaller, white font. To the left of the subtitle is the Wisconsin Institute of Certified Public Accountants (WICPA) logo, which is a circular seal with "WICPA" in the center and "WISCONSIN INSTITUTE OF CERTIFIED PUBLIC ACCOUNTANTS" around the perimeter. To the right of the logo, the text "Wisconsin Institute of Certified Public Accountants" is written in a white font. Below the logo and text, the name "Jim Morgan | Vice President" is written, followed by his social media handles "@JimMorgan1960 | @IMRA_HR_Pro" and his email address "James.morgan@mrnet.org". At the bottom of the slide, the IMRA logo is displayed, consisting of the letters "IMRA" in a bold, white font with a stylized "I" and "M", and the tagline "Where HR Means Business." below it.

Post COVID-19

Preparing Your Business and People to Get Back on Track

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 **IMRA**
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