

LAID OFF, LAID LOW BY DOWNTURN

by Jessica Guynn, Contra Costa Times

Published Sunday, December 30, 2001

For A.J. Kohn, the economic downturn means too many Magnum P.I. reruns. For Sheri Green, it means trimming her budget -- and her tiny Christmas tree with plastic ornaments. For Craig Williams, it means paying more than the occasional afternoon visit to a local bar to chase his misfortune with whiskey and beer. For Erica Gantz, it means contemplating the unthinkable: leaving California in search of a job.

'Tis the season of their discontent. For the pink-slipped and blue, the holidays arrived this year not with a jingle but with a thud. They are looking for work at what even in a booming economy is the toughest time of year. As layoffs spread across industries faster than a cold in kindergarten, the job market has cooled to arctic levels.

"The slowest time of year is December and January to find a job," said Joel Garfinkle, a career coach in San Leandro. "Employers cut down on hiring by 60 to 70 percent. It's a very tight market."

The United States is on pace to record more job losses in 2001 than it has in at least nine years, according to job placement firm Challenger, Gray & Christmas. The quickened pace of layoffs since Sept. 11 means competition is stiffer than ever. Since the terrorist attacks, U.S. companies have slashed 624,411 jobs, more than in most years. Through the end of November they have slashed 1.8 million jobs, the largest number since Challenger began tallying layoffs in 1993.

Nationally, employment prospects will plummet even further early next year as companies sharply curb hiring and roll out more layoffs, according to projections from a quarterly Bureau of National Affairs Inc. employment survey.

In the starkest evidence yet that California has followed the nation into recession, the state dropped more than 53,000 jobs last month, the sharpest decline in nearly a decade, pushing the unemployment rate to 6 percent. California's deepening economic retrenchment delivered pink slips to stockings in tens of thousands of households, white collar and blue collar alike. The tech-centric Bay Area has been particularly hard hit, shedding nearly 10,000 jobs alone in November.

While the more diversified East Bay economy has fared better, the number of unemployed has doubled since this time last year. And that has doled out plenty of anxiety.

"I don't know what to do with myself," said Green, 33, a Concord mother of two and a payroll manager laid off from a San Ramon company at the end of November. "I don't know how many

times people have said, 'Don't worry, you will find something. There are jobs out there.' It's frustrating."

Finding work can be a demanding job even for the most talented salesman. "It's very full-time," said Michael Murphy, 27, an ex-Internet executive looking for a business development or sales position.

Murphy and other job seekers spend their days fine-tuning their sonar to flush out job leads. They hit the phones and comb Internet job boards. They network through friends, former co-workers and professional organizations. They take classes in how to write a better resume or conduct a better interview.

Yet, with employers getting hundreds, even thousands, of resumes for every open position, job seekers must learn to deal with more rejection than Susan Lucci at the Emmys. After all, this is the time of year when resumes seem to vanish into the online ether or mailroom vortex. Calls to recruiters are perpetually routed into many rings of voice-mail hell. Ambitions and salaries fattened in the technocratic New Economy are downsized accordingly.

As a self-described techie guru, Michael Palfrey used to name his own price. Now his job posting reads: "Senior systems administrator (small price tag)." Palfrey, an Oakland resident who survived two rounds of layoffs at a technology company before he was let go in early October, says he has never been out of work for such a long stretch.

"It was really fun in the Internet days. Everyone was happy, the economy was going and you could choose the company you wanted," he said. "Now I'd work for free. I am just really bored, and I need something to do."

Feelings of tedium and isolation are common, especially when job seekers who manage their bottom lines as closely as the most ascetic chief financial officer can't afford to leave the house. Out of work for the longest stretch in their lives, some struggle to cope with worse: depression, anxiety, even health problems. And the longer the jobless are out of work, the more their savings drain, debts mount and confidence slips.

In California, which pays the fourth-lowest maximum unemployment benefits of any state but exacts among the highest cost of living in the nation, the unemployed face substantial financial pressures. Many are laid off with little or no severance. Kohn, 30, of Walnut Creek, got one month when his start-up went belly up. A one-time dot-commer on the verge, he has now joined the nouveau-not-rich set.

The facts of his life have changed dramatically. In his dot-com days, he used to pay off \$1,200 a month in credit card debt. Now he is an expert in which bills can be racked up on credit cards.

Out of work since May and just booted off the dole, his unease is as palpable as his feelings of merriment before the bull-to-bear market shift swiped his marketing job at the online arm of Kmart, Bluelight.com, and landed him in a new, new economy just as unforgiving as the old one.

"Job hunting is much more time consuming than I would have ever thought," he said. "I have done this before but never in a job market this depressed."

Now that the unemployment checks have stopped coming, a new reality has come into grim focus. "You need a job, that's the bottom line," he said. "Anything you can be qualified for you apply for."

Last Christmas he and his wife planned trips to Kauai and Tahoe. This year they must plan for survival. Too often Kohn finds himself checking his own personal gauge of the roiling economy, his Quicken account, to see how long he and his wife, a kindergarten teacher, can last before asking his parents to come to their financial aid. "It's bleak," he said. "When January rolls around, I really need to get that job."

Gantz, 33, a Martinez mother of two young boys going through a divorce, has found herself in a similar predicament. She has logged so many fruitless hours looking for work as a Web developer, she has switched gears to look for a job as an administrative assistant. Out of a job since November, she will take anything that will pay enough to cover her single-largest expense: day care.

"In the past I haven't had any trouble finding a job," Gantz said. "It's pretty crazy right now. If I don't get a job soon, I don't know what I will do."

Williams is another barometer of depression -- both economic and personal. Out of the hundreds of resumes he has sent to employers since he was laid off in late August, he has gotten just 20 responses, 15 interviews, seven second interviews and no job.

"Every time the phone rings, I jump and answer it with my fingers crossed," said Williams, a 39-year-old Pleasanton resident who spends his time learning new computer programs and volunteering to help the needy when he isn't hunting for a credit, collections or customer service job. "I need to be a productive member of society. It's in my blood."

He also just plain needs a job. Williams can stretch his savings into early February. If he borrows money and sells everything he owns, he thinks he can make it through March. Despite the financial vise squeezing his lifestyle, he remains upbeat. "Things will work out for me," he said.

February is the month that will usher in tougher times for Green if she doesn't find another job as a payroll manager or supervisor. That's when she has to start paying \$560 a month in health insurance for herself and the kids. She cuts coupons and corners wherever she can but still figures she and her husband, a mechanic, are going to run at a \$200 deficit each month. "We will be in trouble by April," she said.

Green hopes she can find a job as good as her old one, payroll and human resources manager at rStar Corp., where she enjoyed her work, had a caring boss and co-workers, a flexible schedule and a salary that covered the cost of daycare. "General consensus with recruiters is that because of my 10 years of experience, I should be able to find something after the first of the year," she said. "I have my hopes up on that."

Murphy is luckier than most. He has enough of a financial cushion to live for up to a year without working. But he knows for his own peace of mind he can't go that long. "If I am not contributing to the GNP and to the economy, that is distressful to me," said Murphy, who lives in Montclair. "Someone like me who is very driven, I literally define myself by what I do. That's when (being unemployed) really hits home. That's what gets me out of bed in the morning."

He is optimistic he will find work in his chosen field and "drive really good technologies to success."

"I wrote my senior thesis at Cal on the Internet as the next evolutionary step," Murphy said. "The Internet is not dead. It's just getting cleaned up."

Kohn, too, feels sanguine. He's glad he got a break from the dot-com treadmill. He has taken time out to read Truman Capote and Michael Chabon. He has jotted down some of his dot-com experiences for a novel. He's 20 pounds lighter and logging 500 miles a week on his bike, even conquering Mt. Diablo. Now he just has to conquer the job market.

"I hear a lot of people are really uptight about being out of work. Maybe because I've been through it a few times, I'm more philosophical. I know I am going to work again. I am not going to be unemployed forever. You just have to keep your perspective in tough times."

Gantz has a whole new perspective on life. This week she got what could be good news: A small electronics firm in Pleasant Hill that spotted her resume on community Web site Craigslist may offer her a job as an office manager.

"It's not concrete yet," Gantz said, "but I'm keeping my fingers crossed."

Jessica Guynn covers the workplace. Reach her at 925-952-2671 or jguynn@cctimes.com.