Upskilling and Reskilling of American Workers

Kelly McCreight, CSP
Chief Executive Officer, Hamilton-Ryker
ASA Board Chairman



Ralphie



Zasz



Audrey













Chairman Priorities

- Filling the Talent Pipeline
 - 2018 skills gap initiative
 - Collect examples and best practices of innovation
 - Promote member efforts
- Technology Education Initiative
 - Identify new talent technology solutions and programs
 - Provide insight on additive and disruptive technologies
- Update the Association's Strategic Plan



Key Issues

- New "Pass-Through" Tax Deduction
 - Provides a 20% tax deduction of an individual's domestic qualified business income from a partnership, S corporation, LLC, or sole proprietorship
 - Potential for significant tax savings
- Safety Standard of Excellence Program



2018 Priorities

Pass-Through Tax Deduction

- The new tax reform law provides a 20% tax deduction for income from businesses organized as partnerships,
 S corporations, LLCs, or sole proprietorships—generally smaller businesses that are taxed at individual, not corporate, tax rates
- The ability to take the tax deduction is a major issue for staffing firms that is worth millions to them
- Certain "specified trades or businesses" are excluded (e.g., law, accounting, and consulting firms—and firms whose principal asset is the "reputation or skill" of its owners or employees)



Pass-Through Tax Deduction

- At a recent meeting with top Treasury Department officials,
 ASA urged two main reasons why staffing firm owners should be able to take the deduction:
 - "staffing" is not on the list of businesses specifically excluded as "specified trades or businesses"
 - clients buy staffing services based on price, availability of talent, and quality of service—not the reputation or skill of individual owners or employees
- Proposed regulations likely will be out late summer
- ASA will be actively engaged throughout the rulemaking process and will keep members apprised of all developments



2018 Priorities

STAFFING SAFETY INDUSTRY BEST PRACTICES



AN INITIATIVE OF THE AMERICAN STAFFING ASSOCIATION AND NATIONAL SAFETY COUNCIL

A Real Differentiator in the Competitive Staffing Marketplace

When your company earns the <u>Safety Standard of Excellence</u> mark, it demonstrates that standards are in place to foster a safe workplace for temporary workers, that your firm is committed to worker safety, and that it is a trusted employer and business partner.



More than 20 staffing companies have earned the mark in the past year. Here is what some have said about their experience:

"We have made changes, such as moving to electronic training, because of the Safety Standard of Excellence assessment."

"It was recommended that we drug test everyone. Because of that, it has reduced our incidents and our turnover rate."

"We've made improvements based on our Safety Standard of Excellence report. We believe that the National Safety Council's opinion trumps all, and we want to follow NSC recommendations."





With Support From





CONGRATULATIONS!







The American Staffing Association congratulates this elite class of staffing companies for earning the prestigious Safety Standard of excellence mark. These companies have demonstrated the highest standards of safety and are recognized for making temporary worker safety an ongoing priority.

- 1. Aerotek
- 2. Allied Forces Temporary Services
- 3. Arizona Labor Force
- 4. Axcess Staffing
- 5. CoWorx Staffing Services LLC
- 6. DAVIS Staffing Inc.
- 7. Diamond ZB Staffing Services
- 8. Elwood Staffing Services
- 9. Elwood Tradesmen
- 10. Hamilton-Ryker
- 11. Helpmates Staffing Services

- 12. Integrity Staffing Services
- 13. Kelly Services
- 14. Labor Systems Temporary Services
- 15. MAU Workforce Solutions
- 16. Randstad
- 17. Reliance Staffing & Recruiting
- 18. Spherion
- 19. Taylor Smith Consulting LLC
- 20. TERRA Staffing Group
- 21. TOPS Staffing LLC

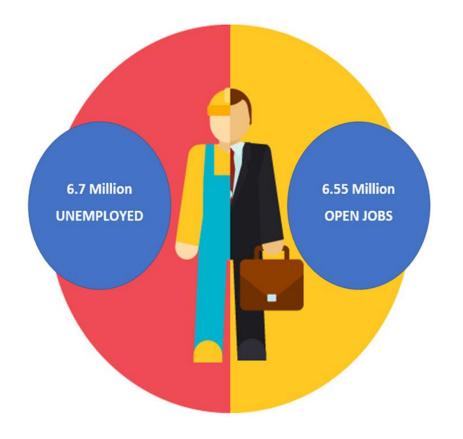


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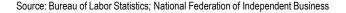


The Skills Gap: Perspectives



According to a February 2018 report from the National Federation of Independent Business:

- 52% of small business owners reported hiring or trying to hire
- 47% of owners reported that they had few or no qualified applicants for the positions they were trying to fill
- 34% of owners reported job openings they could not fill.





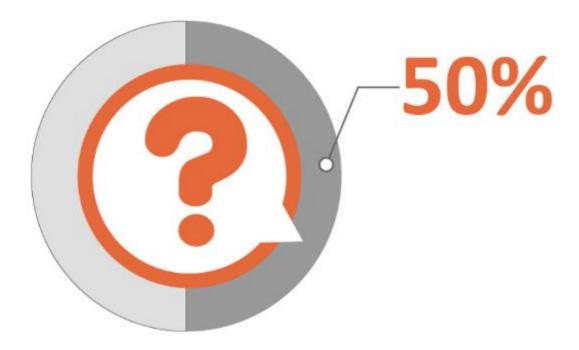


What Americans Are Saying About the Skills Gap



The Skills Gap: Perspectives

"Skills Gap" Is a Widely Unfamiliar Term



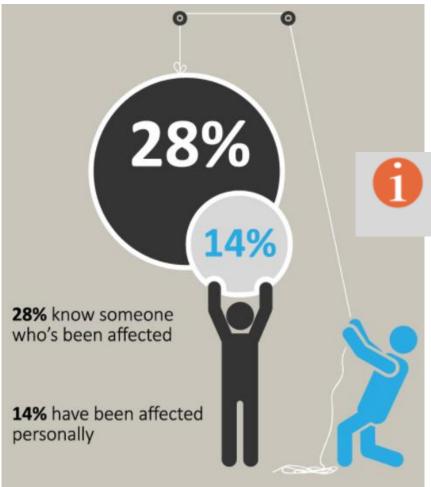
Half of U.S. adults say they have never heard of the term "skills gap."





The Skills Gap: Perspectives

Once Defined, Skills Gap Hits Home

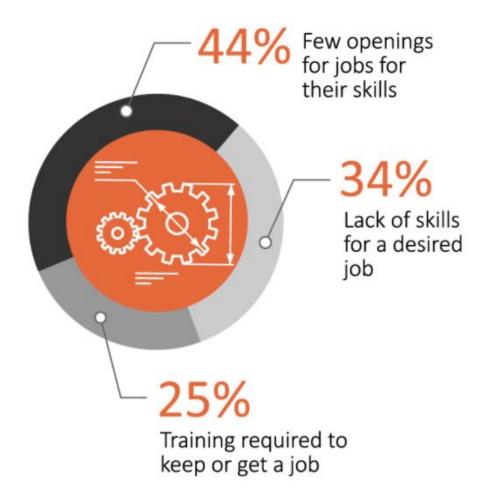


The term skills gap refers to the perceived difference between the skills employers require and the skills workers possess.





Skills Gap = Negative Effect on Workers





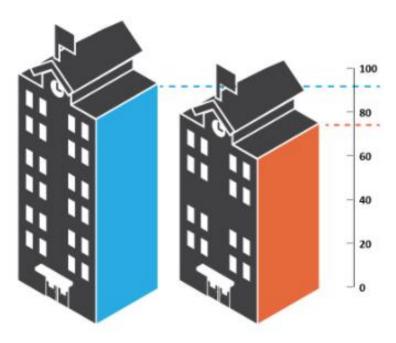




The Skills Gap: Who's to Blame?



Schools Need to Catch Up



93%

say schools need to do more to develop employable graduates

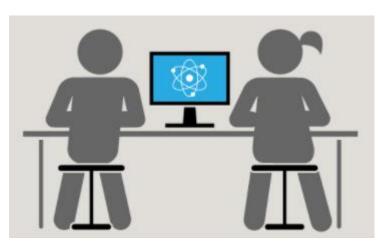
75%

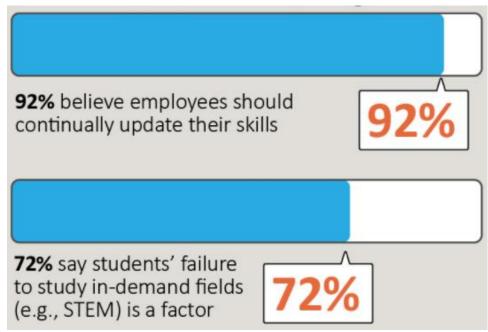
say inadequate education is a top factor responsible for the skills gap





Individual Inaction Is a Top Factor









Employer Training and Expectations Miss Mark

Failing to provide training



Not offering apprenticeship programs



Not communicating expectations to employees



Unrealistic expectations of job candidates' skills







Governments Can Do More



More than half assert that governments fail to offer sufficient training.

57%

54%

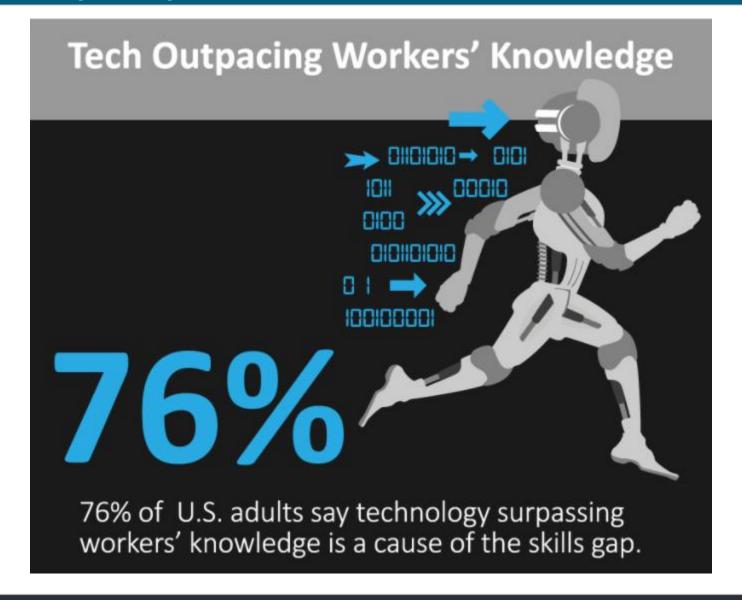
STATE AND LOCAL

FEDERAL





The Skills Gap: Perspectives







Automation, Robots, and Al

Automation Will Affect Number and Types of Jobs 72% Change the number Lead to higher of jobs available Change the types unemployment of jobs available





Focused Training Needed

87% agree:

Due to automation, additional training will be needed to get a job in the future.



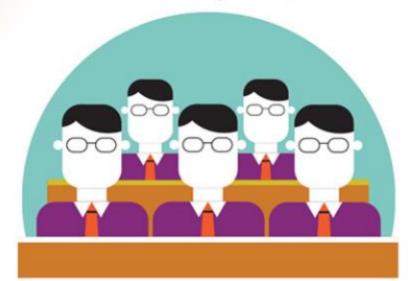




Unemployed Yearn for Training



Unemployed adults—especially those looking for work—would be willing to take a job in a new field if training were provided.



73% Unemployed and Not Looking

88%
Unemployed and Looking for Work





Solutions for Dealing With Skills Gap





















Training, Upskilling, and Re-training America's Workforce





Dept. of Labor Taskforce on Apprenticeship Expansion

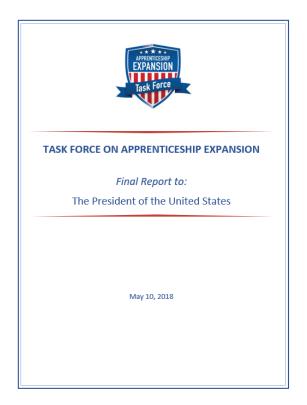
Training, Upskilling, and Re-training America's Workforce

- Executive Order: "Expanding Apprenticeship Programs in America"
- Mission: To identify strategies and proposals to promote new models for work-based learning, especially in sectors where current apprenticeship programs are insufficient.
- Staffing industry/ASA representation as part of the taskforce





Dept. of Labor Taskforce on Apprenticeship Expansion



The Task Force on Apprenticeship Expansion brought together business, labor unions, trade and industry groups, nonprofit organizations, educational institutions, and public officials to make recommendations on how to design and grow highquality Industry-Recognized Apprenticeship programs. It is an opportunity to make a difference for business and industries, as well as young students and lifelong learners to ensure they are prepared for the jobs of today and tomorrow.



Home · Research & Data · ASA Staffing Surveys & Data · ASA Skills Gap Index

ASA Skills Gap Index—Downloads ■

The ASA Skills Gap Index tracks the number of hardestto-fill occupations in the U.S.

The ASA Skills Gap Index report and companion presentation deck for clients and business groups are available to ASA members only. Download these files below.



Using ASA Research and Data

Latest ASA Skills Gap Index Report

This report details national and regional data by industry sector, including salary information.

Skills Gap Presentation

This deck combines ASA Skills Gap Index and other data to help you communicate with clients and other audiences about why the skills gap exists and how to address it.



Resources for Members on the Skills Gap



Educate Using ASA Research and Data



HARDEST-TO-FILL OCCUPATIONS—ALL SECTORS

NATIONWIDE—DECEMBER 2017



Top Two Hardest-to-Fill Occupations by Sector

| Sector | Occupation | Hiring Indicator | Average Salary \$ | 25th Percentile \$ | 50th Percentile \$ | 75th Percentile \$ |
|------------------------------------|---------------------------------------------------|---------------------|-------------------------|--------------------------|--------------------------|--------------------------|
| Engineering, IT, and Scientific | Computer and Information Research Scientists | 9 | 116,314 | 87,402 | 111,842 | 140,442 |
| Engineering, IT, and Scientific | Information Security Analysts | 11 | 96,034 | 69,846 | 92,602 | 119,018 |
| Health Care | Psychiatrists | 4 | 200,221 | 125,570 | 194,750 | 230,575 |
| Health Care | Internists, General | 6 | 201,843 | 119,746 | 196,394 | 232,443 |
| Industrial | Heavy and Tractor-Trailer Truck Drivers | 1 | 43,597 | 33,467 | 41,330 | 51,771 |
| Industrial | Food Service Managers | 11 | 56,014 | 38,272 | 50,814 | 66,997 |
| Office–Clerical and Administrative | First-Line Supervisors of Retail Sales Workers | 11 | 43,909 | 30,368 | 39,042 | 51,251 |
| Office–Clerical and Administrative | Parts Salespersons | 13 | 33,218 | 22,651 | 29,786 | 39,894 |
| Professional-Managerial | Tax Preparers | 13 | 45,344 | 24,544 | 36,546 | 57,886 |
| Professional–Managerial | Sales Engineers | 13 | 108,888 | 74,402 | 100,006 | 132,080 |

Note: Salary data in green text are from CareerBuilder—all other salary data are from EMSI. Source: ASA analysis of CareerBuilder and EMSI data.

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INDUSTRIAL

HARDEST-TO-FILL OCCUPATIONS—DECEMBER 2017



24

South Industrial

South

| Occupation | Hiring Indicator | Average Salary \$ | 25th Percentile \$ | 50th Percentile \$ | 75th Percentile \$ | National HI Comparison | National Avg. Salary Comparison |
|------------------------------------------------------------------------------------------------|---------------------|-------------------------|--------------------------|--------------------------|--------------------------|---------------------------|---------------------------------------|
| Heavy and Tractor-Trailer Truck Drivers | 1 | 41,385 | 31,465 | 39,029 | 49,535 | 0 | -5% |
| Food Service Managers | 12 | 55,855 | 38,525 | 51,287 | 67,053 | 1 | 0% |
| First-Line Supervisors of Food Preparation and Serving Workers | 15 | 34,194 | 23,814 | 31,285 | 42,172 | 2 | -1% |
| Bus and Truck Mechanics and Diesel Engine Specialists | 15 | 44,201 | 34,082 | 42,721 | 53,138 | 2 | -6% |
| Taxi Drivers and Chauffeurs | 18 | 24,654 | 18,997 | 22,779 | 28,422 | 0 | -9% |
| Driver/Sales Workers | 22 | 27,659 | 18,310 | 21,699 | 33,280 | 3 | -3% |
| Dishwashers | 22 | 19,671 | 17,660 | 19,089 | 21,579 | -4 | -8% |
| First-Line Supervisors of Transportation and Material- Moving Machine and Vehicle Operators | 23 | 58,614 | 42,983 | 55,657 | 70,520 | 6 | -2% |
| Baristas | 25 | 23,213 | 19,240 | 20,000 | 24,066 | 2 | -38% |
| Light Truck or Delivery Services Drivers | 26 | 33,129 | 21,801 | 29,188 | 39,211 | 2 | -5% |
| Dining Room and Cafeteria Attendants and Bartender Helpers | 26 | 20,520 | 17,607 | 18,948 | 21,493 | -4 | -9% |
| Hosts and Hostesses, Restaurant, Lounge, and Coffee Shop | 28 | 19,991 | 17,479 | 18,899 | 21,335 | 1 | -7% |
| Cooks, Restaurant | 29 | 23,825 | 19,326 | 22,778 | 27,384 | 1 | -7% |
| Food Servers, Nonrestaurant | 29 | 20,907 | 17,655 | 19,297 | 22,622 | -5 | -12% |
| Telecommunications Equipment Installers and Repairers, Except Line Installers | 30 | 51,016 | 36,484 | 49,418 | 66,256 | 3 | -7% |
| Bartenders | 30 | 25,355 | 17,813 | 19,566 | 26,995 | -6 | -1% |



INDUSTRIAL

HARDEST-TO-FILL OCCUPATIONS—DECEMBER 2017



24

South Industrial

South (continued)

| Occupation | Hiring Indicator | Average Salary \$ | 25th Percentile \$ | 50th Percentile \$ | 75th Percentile \$ | National HI Comparison | National Avg. Salary Comparison |
|--------------------------------------------------------------------|---------------------|-------------------------|--------------------------|--------------------------|--------------------------|---------------------------|---------------------------------------|
| Automotive Specialty Technicians | 33 | 43,138 | 26,500 | 35,880 | 59,560 | 1 | -12% |
| Combined Food Preparation and Serving Workers, Including Fast Food | 35 | 19,205 | 17,329 | 18,572 | 20,252 | 1 | -7% |
| Maintenance and Repair Workers, General | 36 | 36,257 | 26,405 | 34,139 | 43,922 | 0 | -9% |
| Food Preparation Workers | 38 | 21,199 | 17,874 | 19,829 | 23,714 | 2 | -8% |
| Automotive Master Mechanics | 42 | 50,163 | 48,500 | 48,500 | 48,500 | -1 | 2% |
| Waiters and Waitresses | 46 | 22,747 | 17,566 | 19,046 | 23,311 | 2 | -7% |
| Cleaners of Vehicles and Equipment | 47 | 23,056 | 18,341 | 20,827 | 25,554 | 0 | -7% |
| First-Line Supervisors of Mechanics, Installers, and Repairers | 50 | 64,086 | 47,084 | 60,864 | 77,718 | 1 | -4% |



Communication is Key

- Share the ASA Workforce Monitor and skills gap data with clients
- Speak the language that resonates most with job seekers
- Be a resource for both clients and job seekers





THEMES TO ELEVATE + TALKING POINTS

| JOB PLACEMENT COMPANIES | | | | | | | |
|----------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--|--|--|--|
| VALUE PROPOSITION | We help job seekers get noticed and land positions that match their qualifications at companies that are hiring | | | | | | |
| CORE PILLARS | HELP THEM GET NOTICED | MAKE IT EASY FOR THEM | PROVIDE PERSONAL SUPPORT | | | | |
| JOB SEEKERS' KEY PAIN POINTS | Job seekers think the process is a blackbox, and it's holding them back. With us, there's less guess work and more opportunities to get noticed by the right people. | Job seekers think finding a job is a drain of time and energy. We make the process easier, so they can get hired faster and start earning more quickly. | Job seekers think the process is impersonal. We provide personal support, partnering with them, so they can find the right job for their needs. | | | | |
| KEY TALKING POINTS THAT EXPRESS HOW THE INDUSTRY DELIVERS ON JOB SEEKERS' KEY CONCERNS | We have access to positions that otherwise may not have been available. We get résumés in front of the right people. We can't guarantee a candidate will get the position, but we can ensure they get noticed by the right people. | We use deep relationships with companies from a variety of industries to match job seekers to positions they're qualified for. That means job seekers don't have to spend as much time searching and sending résumés. | We work one-on-one with job seekers. We return phone calls and follow up on emails. We make support services available, like résumé revisions and interview prep workshops. | | | | |

The New Language of Staffing



JAG



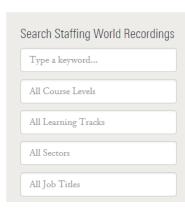












Home > Staffing World Recordings

Industrial—Upskilling: A Story of a Partnership Between Staffing Firms and Clients

SHARE:











October 25, 2017

Finding qualified, high-skilled candidates continues to be a top challenge for many industrial staffing firms. Hear from firms who have addressed the talent skills gap in their area by partnering with their clients to provide upskilling to candidates. These firms will weigh in on the benefits and challenges of starting an upskilling program and will share the value this program brings to their client relationships.







Course Learning Objectives



Forklift Qualification Course

Assess a candidate's ability to operate a forklift based on client's job description and qualifications.



Enhancement Course

Improve competency and job readiness for new hire material handlers, in a controlled environment, using both scenario and equipment training.



Fundamentals Course

Provide knowledge and instruction using practical exercises to develop the fundamental skills to competently operate a forklift.



APPRENTICESHIP PROGRAMS



teampeople

THE BENEFITS

APPRENTICES GAIN HANDS-ON EXPERIENCE

IMMERSED IN THE ORGANIZATION'S TEAM AND CULTURE

LEARN PRACTICAL &
THEORETICAL ASPECTS OF A
HIGHLY SKILLED OCCUPATION

CLIENTS "TEST-DRIVE" TALENT

SHORT-TERM OR PROJECT BASED SUPPORT





Work is our passion.

Candidate Training

What doesn't work:

- Trying to provide all training needed to qualify every candidate for any new role
- Each client need is different
- Cost and time
- Unless you can focus on one industry, what do you train on?

What we have focused on:

- Candidate preparation
- Client coaching
- Internal processes
- Leveraging technology for training

QPSWORKS.COM



Better WorkLife Academy



EmployBridge has partnered with online learning and skills training leader Penn Foster to launch Better WorkLife Academy, making a wide array of free career-focused courses available to its associates in 25 U.S. markets.

Penn Foster, a leading provider of skills development training and credentials for today's frontline workforce, delivers its courses in a self-paced, competency-based model wrapped by comprehensive academic, professional, and personal support and coaching.

The Penn Foster courses, offered to associates of most EmployBridge brands in the newly created Better WorkLife Academy, include a mix of administrative, manufacturing, and technical offerings.

Recognizing Member Efforts

NEW for 2018!



- Honors best member firm temporary and contract workforce skills development programs
- Deadline July 1
- Launching later this month: Check Staffing Today for details



Extraordinary Staffing Employees

National Staffing Employee of the Year & All-Stars



Fawaz Joseph
ettain group
Engineering, IT, & Scientific Sector All-Star



Tayvon SnowdenDelta Global Services
Industrial Sector All-Star



Brittany Bourgeois
Supplemental Health Care
2018 National Staffing Employee of the Year
Health Care Sector All-Star



Jessica Dorny
Parker Staffing Services
Office—Clerical & Administrative Sector All-Star



Ken MartinLaSalle Network
Professional—Managerial Sector All-Star





2017 ASA National Staffing Employee of the Year



Thank You

Questions?

