

STAFFING Success

SPECIAL ISSUE | 2019

THE MAGAZINE OF THE AMERICAN STAFFING ASSOCIATION

ASA ANNUAL ECONOMIC ANALYSIS 2019

STAFFING INDUSTRY PLAYBOOK

Whether you're an economist, analyst, investor, or staffing professional, the data-driven information and insights delivered in this book are critical to strategic planning and business development. Here's what you need to know about the U.S. staffing and recruiting industry, where it's headed, and how you can make the most of this business intelligence.

PAGE 10

HERE IS YOUR ANNUAL ECONOMIC ANALYSIS

This special issue of *Staffing Success* delivers important economic and industry data you can use to hone operational strategies for your business.



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STAFFING SUCCESS

PUBLISHED BY THE AMERICAN STAFFING ASSOCIATION

ASA ANNUAL ECONOMIC ANALYSIS **2019**

STAFFING INDUSTRY PLAYBOOK

Welcome to your ASA annual economic analysis. This playbook is designed to maximize utility and value to staffing and recruiting professionals, analysts, economists, and all those who track the industry. There are dedicated spaces throughout this playbook for your own notes as well as a chart index, making it easy to find specific data points.



Contributors

This 2019 Staffing Industry Playbook is based on surveys and analysis conducted by the ASA research team, which throughout the year manages more than 30 research projects, including the ASA Staffing Index, ASA Staffing Employment & Sales Survey, ASA Workforce Monitor®, and ASA Temporary Help Wage Tool. Learn more at americanstaffing.net/research.

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COLUMN

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ASA President and CEO Richard Wahlquist

DEPARTMENTS

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These ASA corporate partners are among the industry's most valuable suppliers—each with distinct expertise and resources for staffing and recruiting companies. Learn more about them.

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60 Chart Index

Here is a quick reference tool for finding specific charts and data points in this year's playbook.

Get important industry data real-time and stay ahead of fluctuations and trends—follow the ASA research team on Twitter @StaffingData.



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DIGITAL EDITION

In addition to this print edition, *Staffing Success* magazine is also available as an interactive digital edition. Visit americanstaffing.net/digital to access this and past issues of the magazine.



American Staffing Association

The American Staffing Association is the voice of the U.S. staffing, recruiting, and workforce solutions industry. ASA advances the interests of staffing and recruiting firms of all sizes and across all sectors through legal and legislative advocacy, public relations, education, and the promotion of high standards of legal, ethical, and professional practices. ASA members provide the full range of employment and workforce services and solutions, including temporary and contract staffing, recruiting and permanent placement, outplacement and outsourcing, training, and human resource consulting.

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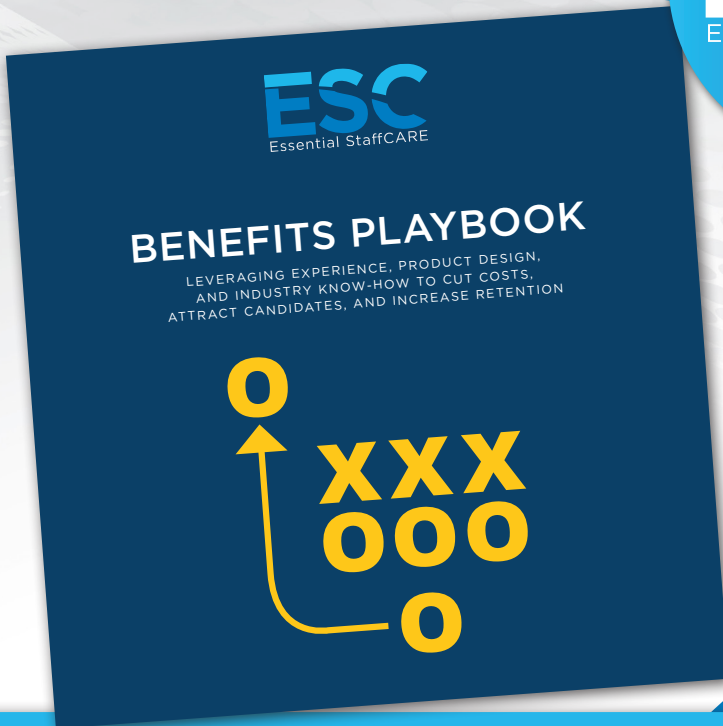
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YOUR PLAYBOOK FOR SUCCESS



By Richard Wahlquist,
President and CEO

This special issue of the association's magazine is a valuable tool, especially as staffing companies find they increasingly must help clients navigate the talent shortage amid changing economic trends.

It's been 10 years since the end of the Great Recession, and although global economic growth has slowed in 2019, U.S. businesses are still hiring—in a big way. In fact, U.S. employers reported that they were facing the problem of more than 7.3 million unfilled job openings.

At the same time, according to the Conference Board 2019 C-Suite Challenge survey of more than 1,000 business leaders, fears of a global recession are ticking up. It was the No. 3 external concern of executives in the U.S., according to that poll (cyber security was No. 1). However, for the second year in a row, their top internal concern was "the failure to attract and retain top talent." That was also the top hot-button issue throughout the c-suite, including chief human resource officers and chief financial officers.

"As global competition increases while the pool of available workers decreases, it comes as no surprise that executives cited talent as a top issue in 2019 that's keeping them up at night," said Rebecca Ray, Ph.D., a report author and the executive vice president of human capital at the Conference Board. "Moreover, they think talent shortages will only intensify beyond 2019, which underscores why organizations should constantly re-examine how they're attracting and retaining their best and brightest."

NAVIGATING THE WORKER SHORTAGE

Attracting and retaining talent is a concern shared by businesses of all sizes and across most sectors, as is evident by the Small Business Optimism Index, administered by the National Federation of Independent Business—which continued to be strong in July.

"The third-largest economy in the world [U.S. small businesses] continues to defy expectations, generating output, creating value, and expanding the economy,"

said NFIB president and chief executive officer Juanita D. Duggan. "Small business owners want to grow their operations, and the only thing stopping them is finding qualified workers."

Helping clients navigate through uncertainty and achieve the highest degrees of efficiency when it comes to their use of human capital is central to the staffing, recruiting, and workforce solutions industry's value proposition—today, and in the future.

PUTTING THE PLAYBOOK TO WORK

This special issue of *Staffing Success*—your 2019 *Staffing Industry Playbook*—distills decades of data and information about relevant industry and economic trends. **This playbook is an important resource to use internally and in consultations with clients about the development of new and improved workforce optimization strategies.** (This playbook, which is also available digitally with downloadable graphics, has received various national awards for publishing excellence—specifically for its user-friendly design, which succinctly and effectively presents data and analysis. Go to american-staffing.net/playbook for details.)

Of course, the growing list of unsettling geopolitical and economic developments makes forecasting what's around the corner more challenging than ever. Economic cycles are changing, and the world may be in the midst of defining a new normal.

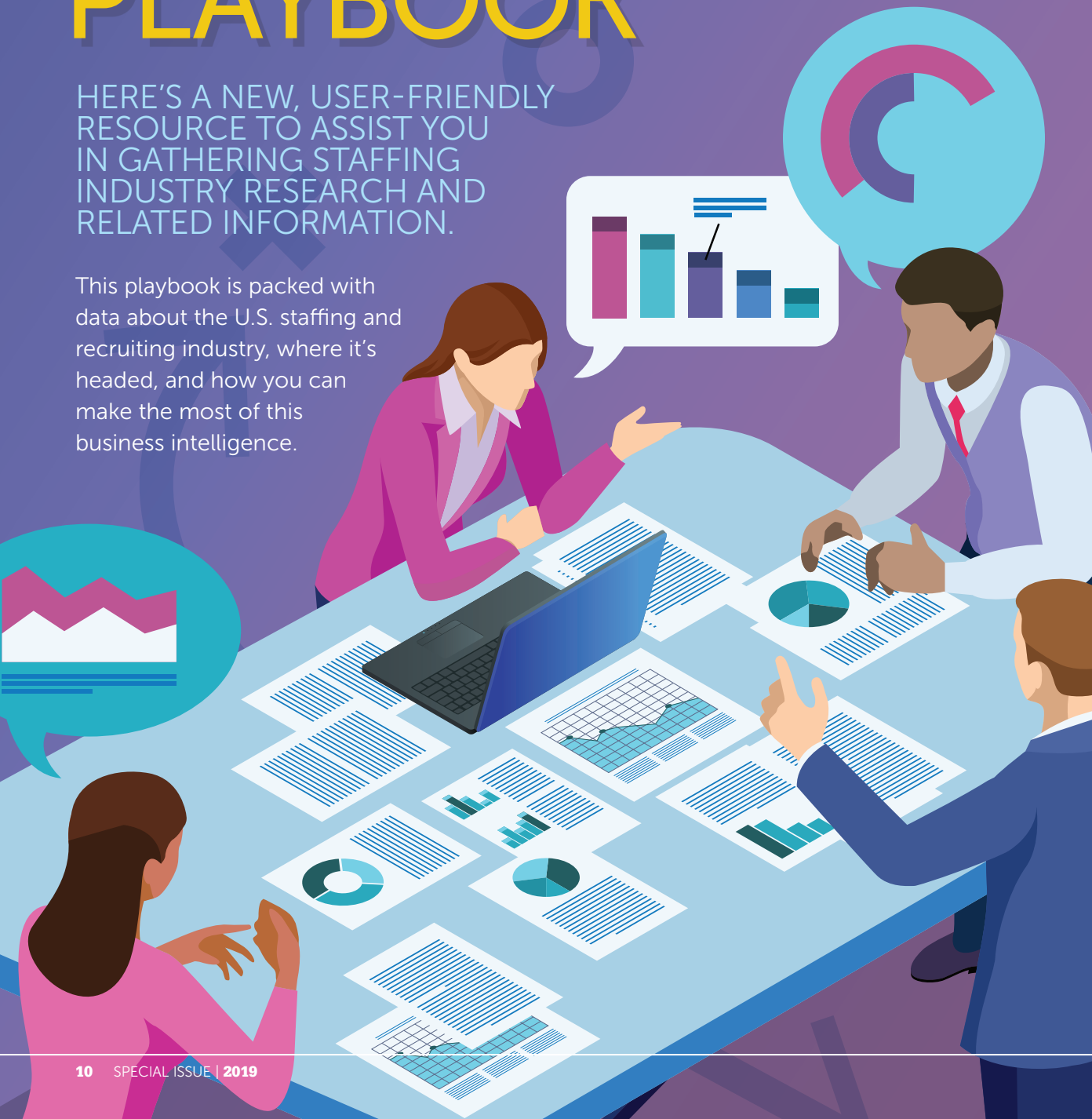
The one constant is that the need for qualified talent to drive business growth is not subject to the vagaries of economic cycles. **Strategic talent sourcing, deployment, retention, and development—including training, retraining, and upskilling—must be at the heart of every company's playbook for success.** ■

ASA ANNUAL ECONOMIC ANALYSIS 2019

STAFFING INDUSTRY PLAYBOOK

HERE'S A NEW, USER-FRIENDLY RESOURCE TO ASSIST YOU IN GATHERING STAFFING INDUSTRY RESEARCH AND RELATED INFORMATION.

This playbook is packed with data about the U.S. staffing and recruiting industry, where it's headed, and how you can make the most of this business intelligence.



Get important industry data real-time and stay ahead of trends—follow the ASA research team on Twitter @StaffingData.

Savvy staffing professionals, economists, analysts, investors, business development strategists, and other followers of the industry are in a constant state of reconnaissance. They use this playbook as part of their information-gathering and analysis activities to become more agile in their business decisions, keep ahead of employment trends, and allow them to capitalize on areas of opportunity.

Historical business cycles and patterns are changing in new and complex ways, and many economists say there are signs of an impending recession. Economic and population growth have slowed, and the labor force participation rate continues to decrease.

The U.S. has entered the longest expansion on record and is experiencing historically low unemployment, yet the labor market continues to tighten and the skills shortage

persists. In these conditions, effective recruiting and retention strategies are essential to ensuring that the talent pipeline is filled with qualified candidates to meet demands.

Though it has slowed in recent years, the demand for staffing services remains steady. Staffing employment is projected to continue to outpace the growth of the economy and is expected to add more jobs than most other industry sectors.

Further explore these trends and more in this overview of the size, scope, and dynamics of the U.S. staffing and recruiting industry. Each page of this playbook includes a brief analysis of trends and key take-aways.

Get important industry data real-time and stay ahead of trends—follow the ASA research team on Twitter @StaffingData.

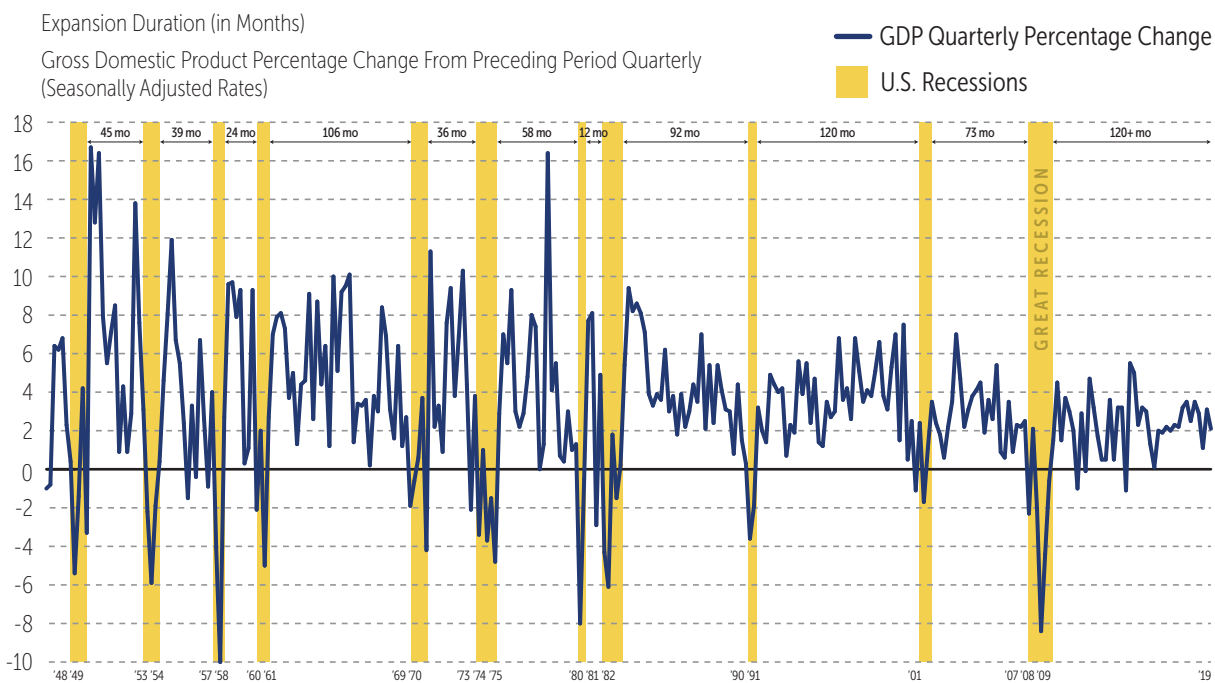


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ECONOMIC EXPANSION

THE LONGEST U.S. ECONOMIC EXPANSION IN HISTORY



Source: National Bureau of Economic Research, U.S. Bureau of Economic Analysis

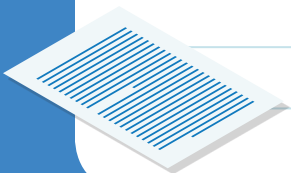
TRENDS:

At 18 months, the Great Recession was the longest—as well as the most severe—recession since World War II. It was considerably longer than the average of about 10 and a half months for the 10 prior post-war recessions. Many economists expected a rapid and robust recovery from the Great Recession, like that of 1957 when real GDP declined over eight months and fully recovered in four. Instead, recovery from the Great Recession was slow and weak. Real GDP did not return to pre-recession levels until 2013, three and a half years after the recession ended. Since WWII, the average expansion has been just under five years. The current expansion, at more than 120 months, is officially the longest in recorded history.

TAKE-AWAYS:

Weak economic growth in this current cycle has economists divided on when or whether a recession is imminent. Nearly all economists polled by the National Association for Business Economics in August anticipate a recession but were split on if the downturn will occur in 2020 or 2021. The consensus forecast from economists polled by the *Wall Street Journal* is a recession will occur within the next three years.

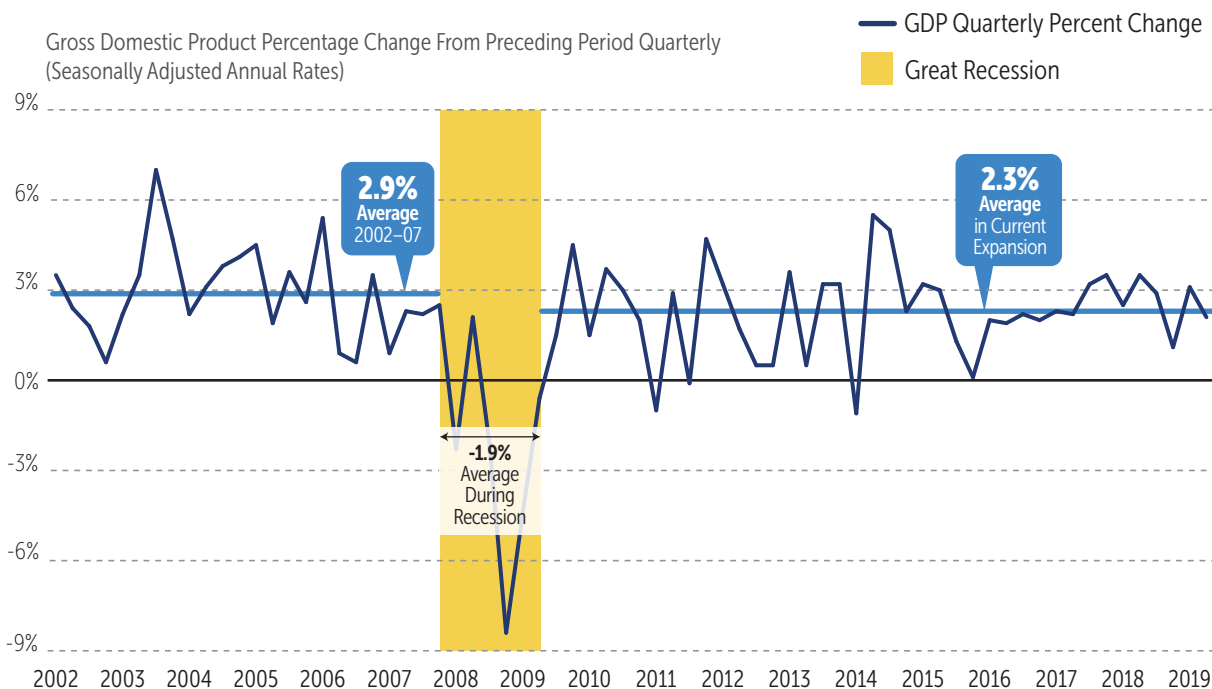
NOTES





GROSS DOMESTIC PRODUCT

GDP GROWTH IN CURENT EXPANSION REMAINS WEAK

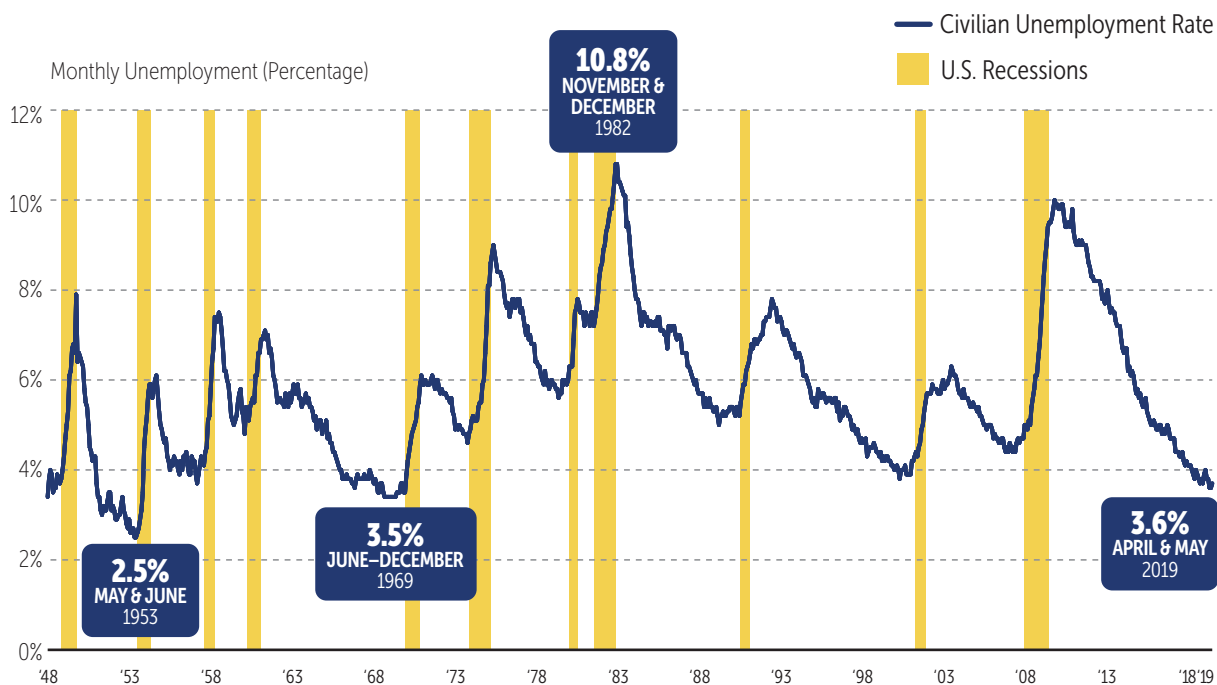


Source: U.S. Bureau of Economic Analysis



UNEMPLOYMENT RATE

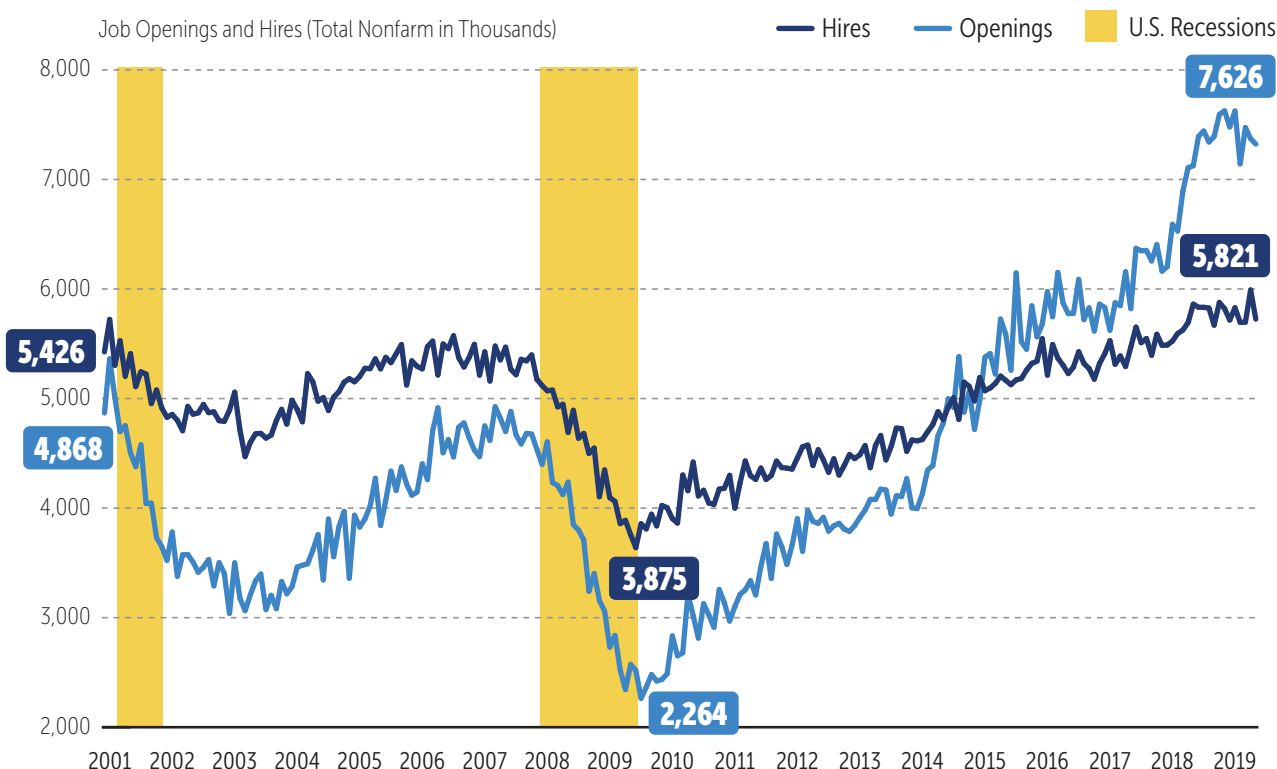
UNEMPLOYMENT REACHED A 50-YEAR LOW IN 2019





JOB OPENINGS AND HIRES

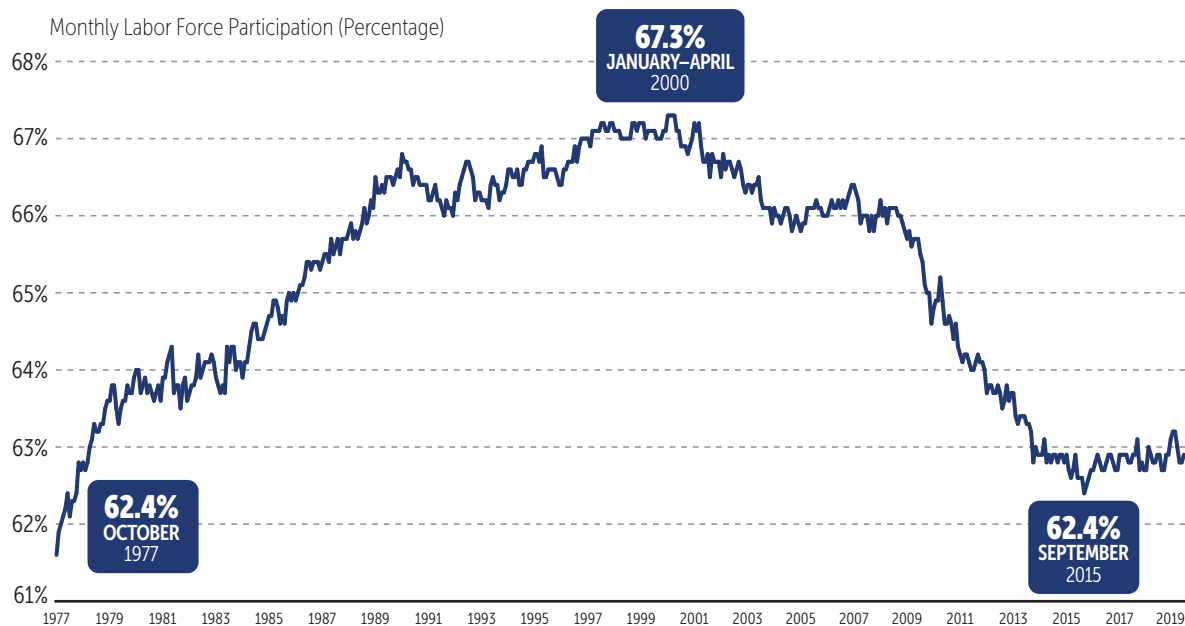
GAP SUSTAINED AS JOB OPENINGS CONTINUE TO EXCEED HIRES





LABOR FORCE PARTICIPATION RATE

WORKFORCE PARTICIPATION BECOMES STAGNANT



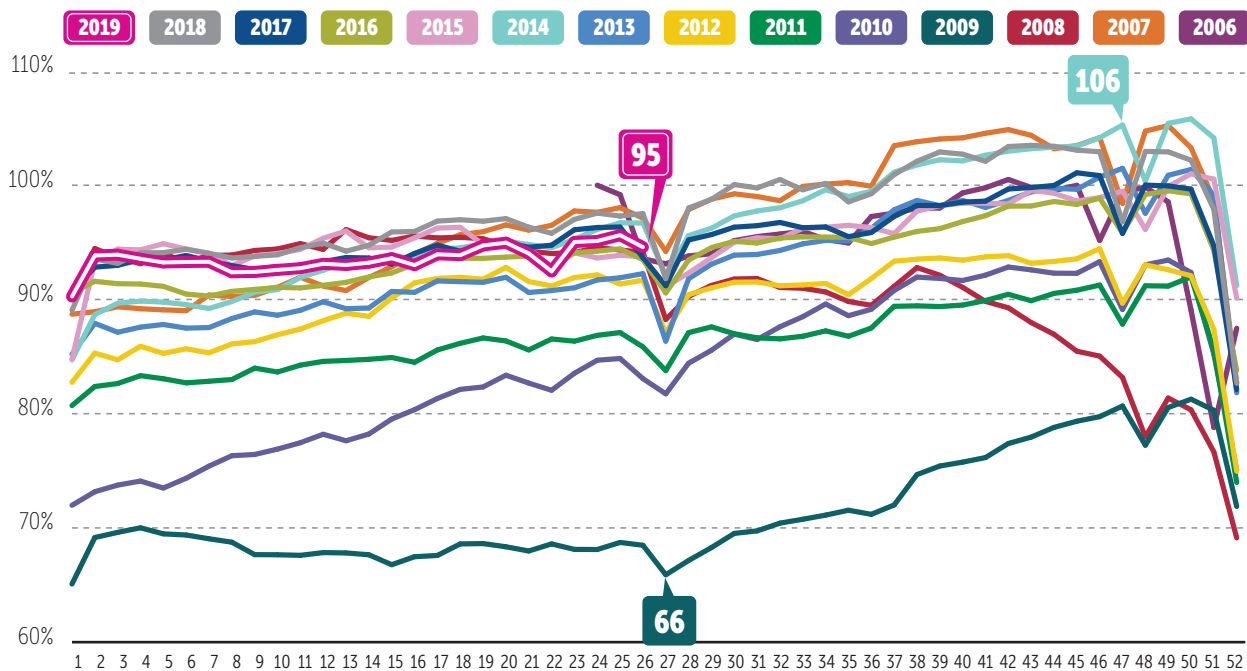
Source: U.S. Bureau of Labor Statistics



ASA STAFFING INDEX

STAFFING EMPLOYMENT SLOWS COMPARED WITH 2018 HIGHS

52 Weeks of ASA Staffing Index: June 2006 (When the Index Was Introduced at 100) Through July 2019

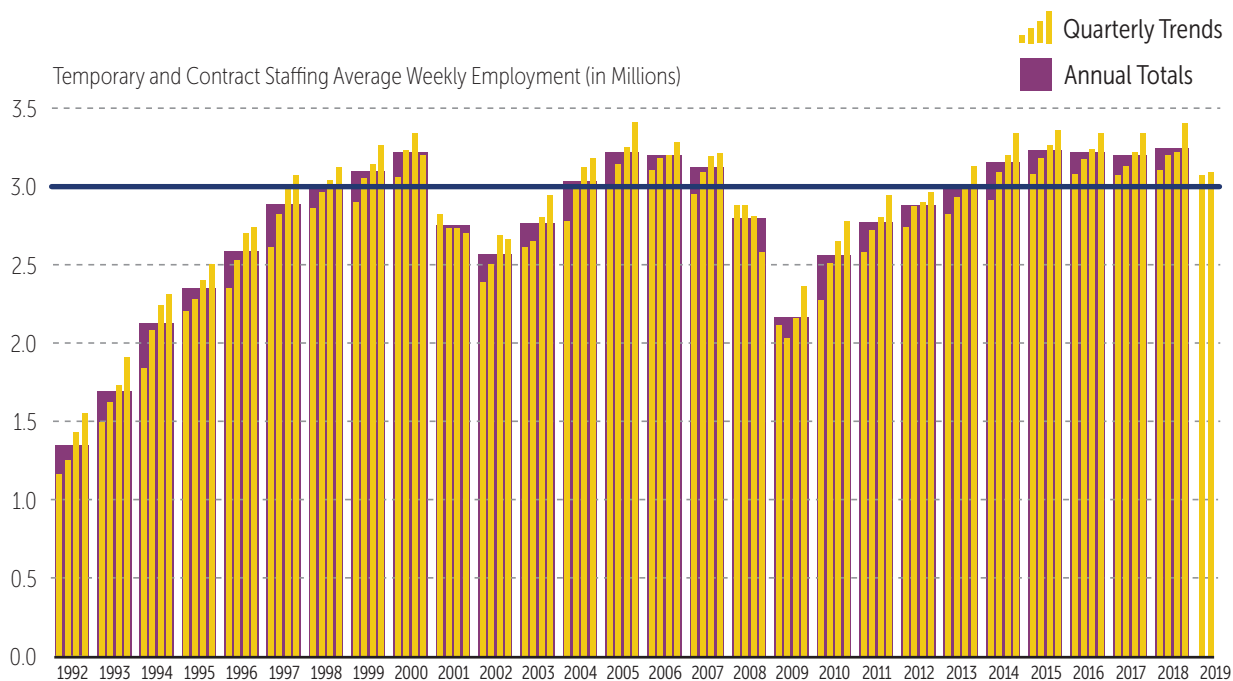


Source: American Staffing Association, Staffing Index



AVERAGE WEEKLY STAFFING EMPLOYMENT

U.S. STAFFING JOBS EXCEED THREE MILLION FOR FIVE YEARS IN A ROW



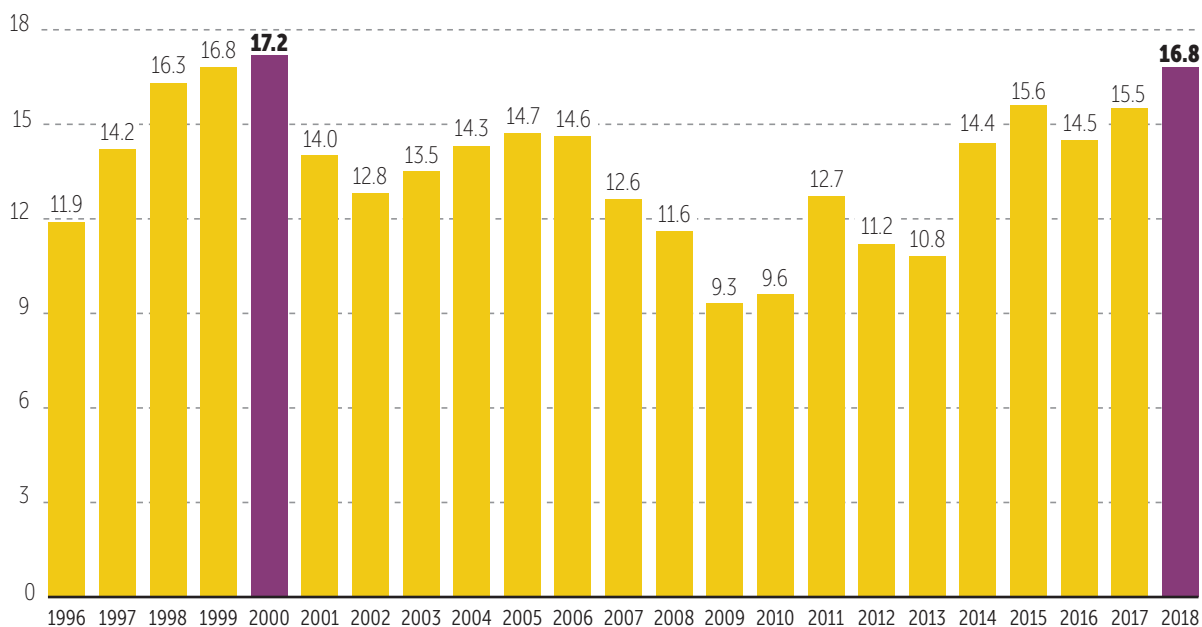
Source: American Staffing Association, Staffing Employment and Sales Survey



ANNUAL STAFFING EMPLOYMENT

U.S. STAFFING COMPANIES HIRED NEARLY 17 MILLION TEMPORARY AND CONTRACT EMPLOYEES DURING 2018

Total Annual Temporary and Contract Staffing Employment (in Millions)



Source: American Staffing Association, Staffing Employment and Sales Survey

TRENDS:

ASA estimates the total number of temporary and contract employees who have worked in the staffing industry for any period of time during the calendar year, using data from the quarterly ASA Staffing Employment and Sales Survey.

Over the course of 2018, U.S. staffing companies hired a total of 16.8 million temporary and contract employees. This is an 8% increase from 15.5 million in 2017 and a level not seen since the turn of this century.

TAKE-AWAYS:

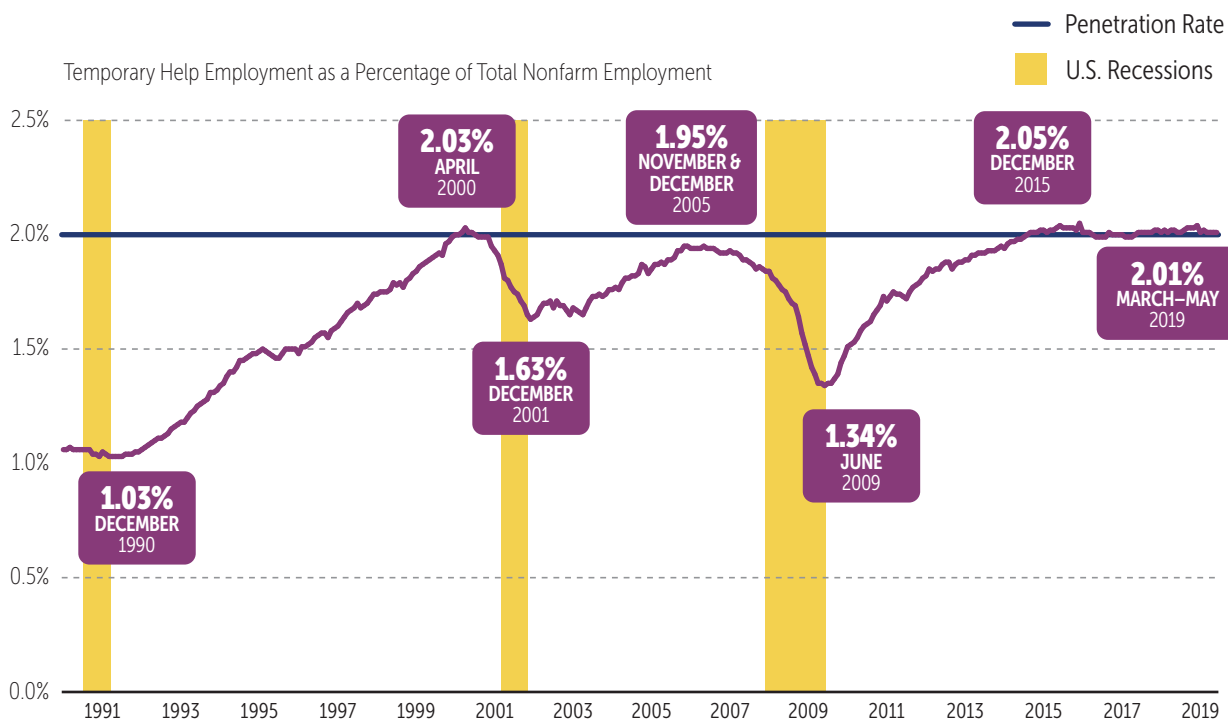
What's behind the sizable increase in the number of staffing employees during 2018? Turnover. The industry generally saw shorter assignments, and firms redeployed more workers on new ones. Staffing employment remains above prerecession levels, but competition for talent is stiffer than ever. With tight labor markets nationwide, now is the time for staffing companies to re-evaluate their recruiting strategies and ensure they are building a pipeline to meet client demand with qualified talent.

NOTES



STAFFING PENETRATION RATE

STAFFING PENETRATION RATE HOLDS STEADY AT 2%



Source: U.S. Bureau of Labor Statistics

TRENDS:

Until 2015, the staffing industry's longstanding peak penetration rate had been 2.03%, set in April 2000. (The penetration rate measures temporary help services employment as a percentage of the total nonfarm workforce.) The rate plunged during the recession that followed, dropping to 1.63% in December 2001. Though it rebounded to 1.95% in November 2005, it fell again during the Great Recession to a low of 1.34% in June 2009. Since reaching that low, the staffing penetration rate had been on an upward trend. It set a new record high of 2.05% in December 2015, then leveled at about 2%—and continues to hold steady, according to U.S. Bureau of Labor Statistics data.

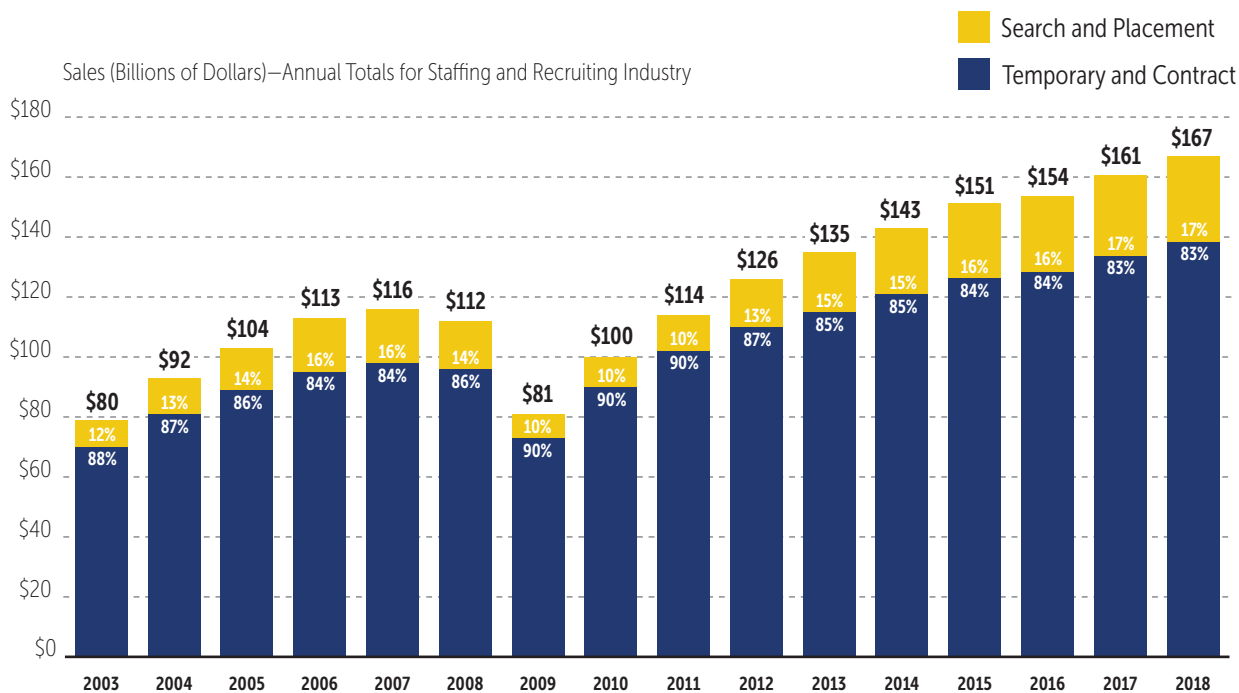
TAKE-AWAYS:

The role the staffing industry plays in the U.S. economy has continued to expand since the Great Recession. Many staffing industry observers assert that the recession paved the way for a structural shift in workforce management, with employers leveraging flexibility in fine-tuning their talent acquisitions. As more employers confront the challenges of filling job openings in the ever-tightening labor market, staffing companies have even more opportunities to partner with businesses to strategically source and deploy talent.

NOTES

STAFFING AND RECRUITING INDUSTRY SALES

STAFFING AND RECRUITING SALES INCREASED 3.4% TO \$167 BILLION IN 2018



Source: American Staffing Association, Staffing Industry Analysts Inc., U.S. Department of Commerce

TRENDS:

Temporary and contract staffing sales totaled \$138.5 billion in 2018, an increase of 3.4% from 2017, according to the latest annual data from the ASA Staffing Employment and Sales Survey. Search and placement sales grew 6.3%, according to Staffing Industry Analysts, totaling \$28.4 billion in 2018.

Considering temporary and contract staffing combined with search and placement services, U.S. staffing and recruiting industry sales totaled \$166.9 billion in 2018, 3.9% more than in 2017.

TAKE-AWAYS:

As with the economy overall, staffing industry sales continue to increase—although at a slower pace—despite the labor shortage. Even with the economic slowdown, staffing industry sales growth continues to outpace GDP growth. That trend is almost certain to continue, and industry sales could further improve as staffing firms enhance their performance in talent acquisition and retention. Near-term investments in training, developing candidates' soft skills, and adopting new technologies in the industry are imperative for continued growth.

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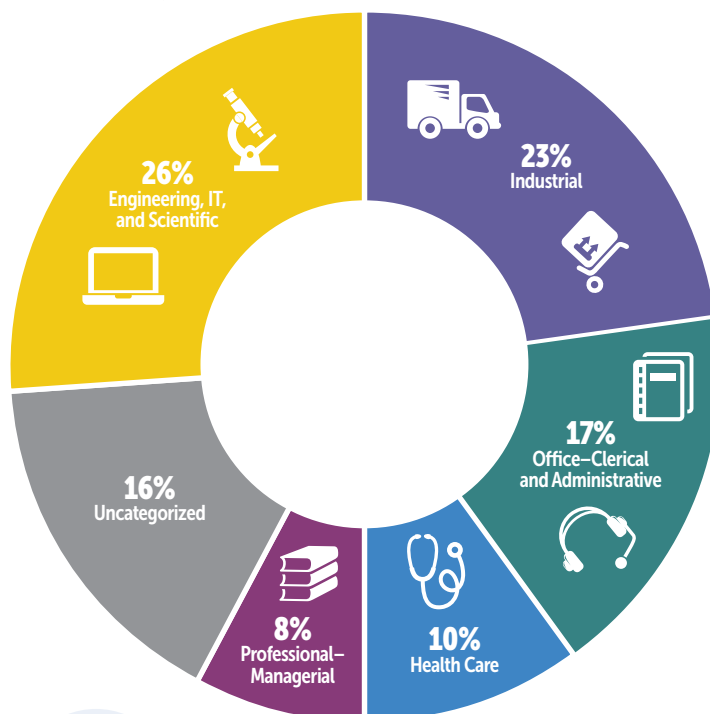




STAFFING SALES BY SECTOR

STAFFING COMPANIES SERVE ALL INDUSTRY SECTORS

Annual Sales (Percentage) by Sector—Temporary Help Services



Source: American Staffing Association, U.S. Census Bureau

TRENDS:

In the U.S., there are about 20,000 staffing and recruiting companies, which altogether operate around 39,000 offices. Approximately 55% of companies and 74% of offices provide temporary and contract staffing services. ASA relies on periodic benchmarks from the U.S. Census Bureau for its economic surveys and sector-level data.

About one-quarter of temporary staffing sales are in the engineering, information technology, and scientific sector (26%) and another quarter from the industrial sector (23%) of the industry, according to the latest Census data. The remaining sales come from office-clerical and administrative, health care, professional-managerial, and other staffing sectors.

TAKE-AWAYS:

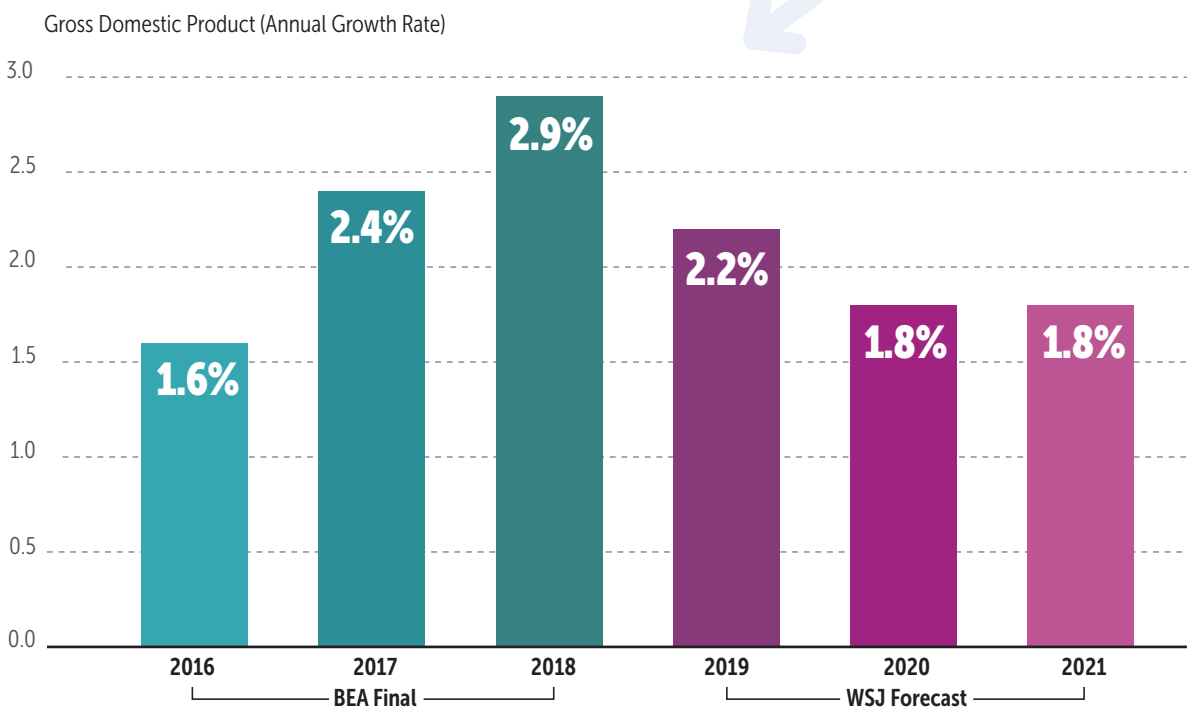
The staffing, recruiting, and workforce solutions industry makes a vital contribution to the U.S. economy, and provides job and career opportunities for nearly 17 million employees per year, while servicing businesses across virtually all industries.

NOTES



FORECASTING ECONOMIC GROWTH

GDP GROWTH EXPECTED TO SLOW



Source: U.S. Bureau of Economic Analysis, Wall Street Journal Economic Forecasting Survey



TRENDS:

Economic activity has been volatile over the past three years—which is historically the case during the first few years of a new president’s administration. Prior to Election Day 2016, in the October *Wall Street Journal* monthly survey of nearly 80 economists, the average forecast for the annual gross domestic product growth rate for the year was a paltry 1.8% and was reduced to 1.6% postelection. GDP growth accelerated in 2017 at a rate of 2.4% and jumped again in 2018—up 2.9%, according to the U.S. Bureau of Economic Analysis. Those same economists surveyed by the *Journal* are less optimistic about how 2019 will end. Consensus projections for full-year GDP growth sit at 2.2%, down from the 2.4% predicted last year; GDP is forecasted to then slow significantly to 1.8% in 2020 and 2021.



TAKE-AWAYS:



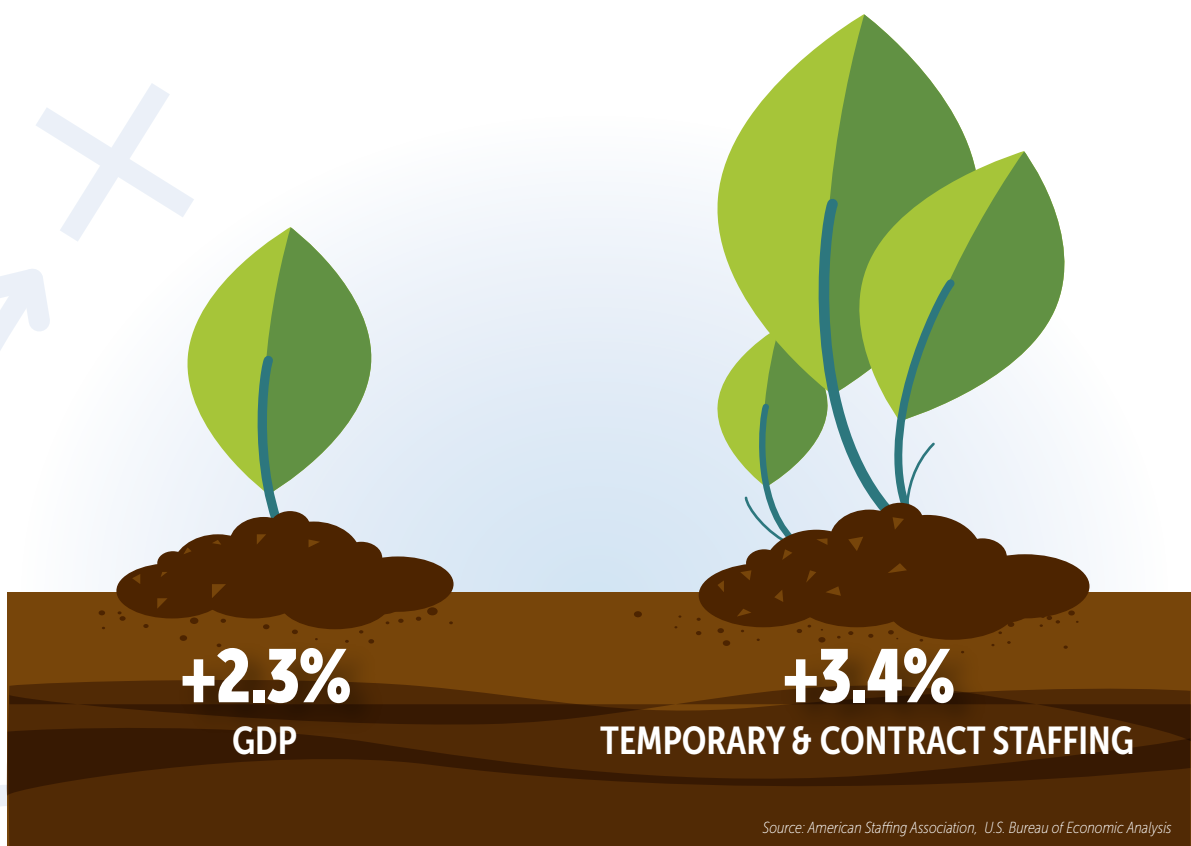
Measuring and forecasting GDP is a precarious endeavor. When the economy is advancing, staffing industry growth outpaces GDP. Historically, temporary and contract staffing employment has been a coincident economic indicator of GDP. Rather than rely on uncertain forecasts, and government estimates that may be delayed and seemingly are endlessly revised, follow the weekly ASA Staffing Index—it provides a near real-time barometer of current economic conditions. Visit americanstaffing.net/index.



NOTES

STAFFING GROWTH SURPASSES GDP

SINCE THE GREAT RECESSION, STAFFING
EMPLOYMENT HAS GROWN ONE AND ONE-
HALF TIMES FASTER THAN THE ECONOMY



Source: American Staffing Association, U.S. Bureau of Economic Analysis

TRENDS:

Although its growth has slowed in recent years, the staffing industry has been growing one and one-half times faster than the economy, on average, since the end of the Great Recession, according to ASA research and analysis of data from the U.S. Bureau of Economic Analysis. Quarterly temporary and contract staffing employment growth decelerated at the end of 2016 and through 2018, consistent with concurrent weak gross domestic product growth. Current weekly staffing employment trends indicate continuing and steady demand.

TAKE-AWAYS:

ASA research and economic trends point to continued, although slower, growth for the staffing and recruiting industry. Projections for more moderate GDP growth and shifts in employment patterns are tempering economic cycles. The skills gap and candidate supply shortages continue to constrain the rate of staffing industry expansion. To weather this macroeconomic cycle, progressive staffing company leaders are already focusing on filling the talent pipeline, bolstering retention, and improving operational efficiency.

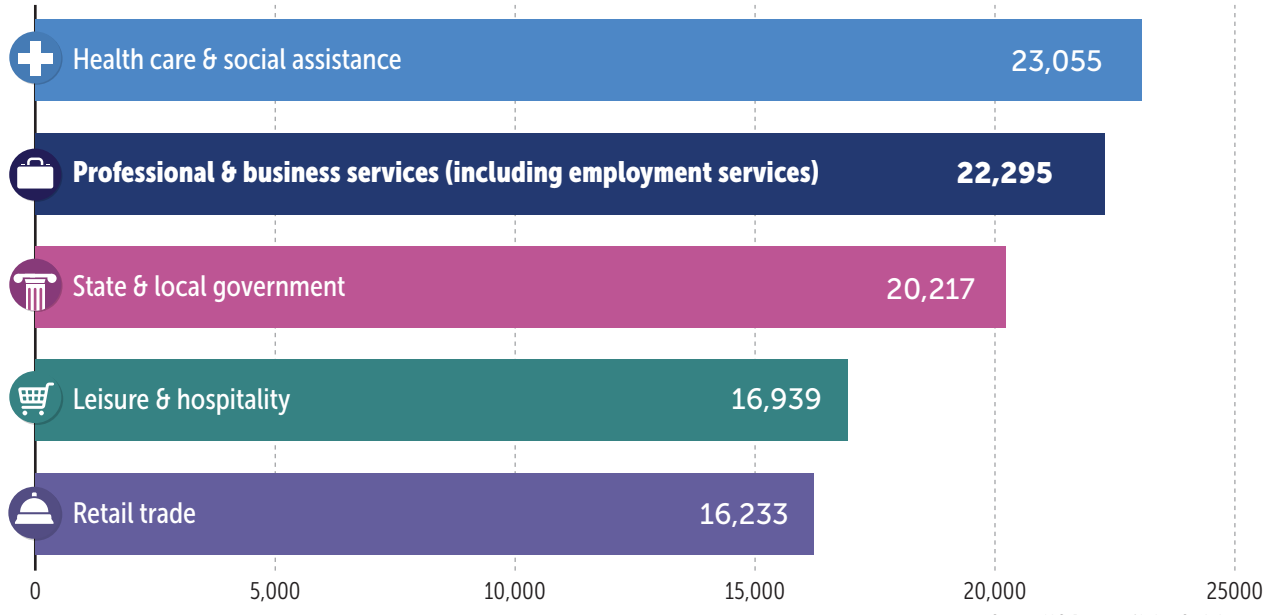
NOTES



EMPLOYMENT GROWTH BY INDUSTRY

TOP FIVE JOB-GROWTH SECTORS THROUGH 2026

Wage and Salary Jobs (in Thousands)

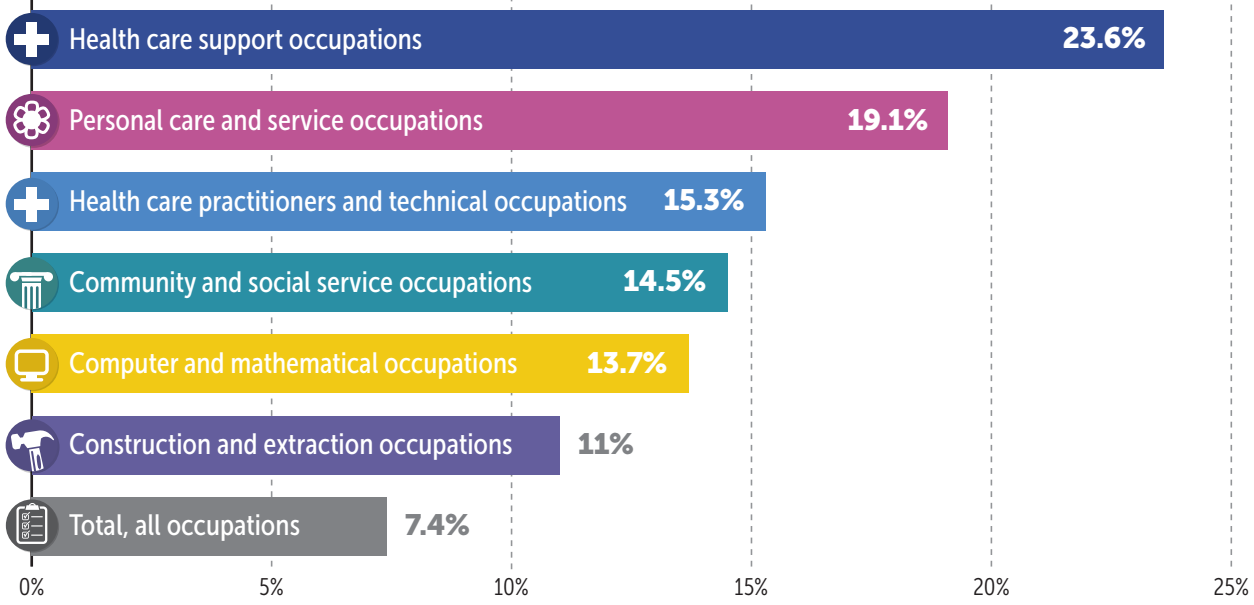


Source: U.S. Bureau of Labor Statistics

FASTEST-GROWING OCCUPATIONAL GROUPS

TOP JOB CATEGORIES WITH THE HIGHEST GROWTH RATES THROUGH 2026

Projected Job Growth (Percentage)



Source: U.S. Bureau of Labor Statistics



OCCUPATIONAL DISTRIBUTION OF STAFFING EMPLOYEES

TEMPORARY AND CONTRACT STAFFING ASSIGNMENTS SPAN VIRTUALLY ALL OCCUPATIONS

Staffing Employees by Sector (Percentage)



35%
OF STAFFING EMPLOYEES WORK IN HIGHER-SKILLED OCCUPATIONS

Source: American Staffing Association, Staffing Employee Survey

TRENDS:

Temporary and contract staffing employees work in a broad array of jobs, from industrial laborer to chief executive. Their individual characteristics, as well as how they view their work, vary just as widely as their occupational distribution, according to results from the latest ASA Staffing Employee Survey among nearly 12,000 temporary and contract workers. More than one-third (35%) work on assignments that require higher education and skills in the professional–managerial; engineering, information technology, and scientific; and health care sectors. About two-thirds work in the industrial and office–clerical and administrative sectors.

TAKE-AWAYS:

Staffing employees are quite diverse, but they share a common belief—temporary and contract work is a means to fulfilling their employment goals. To better engage candidates and retain staffing employees, staffing and recruiting professionals can gain a better understanding of their distinct characteristics by looking at profiles by sector—see “The Faces of Staffing” (americanstaffing.net/sector-profiles) or the *New Language of Staffing* handbook.

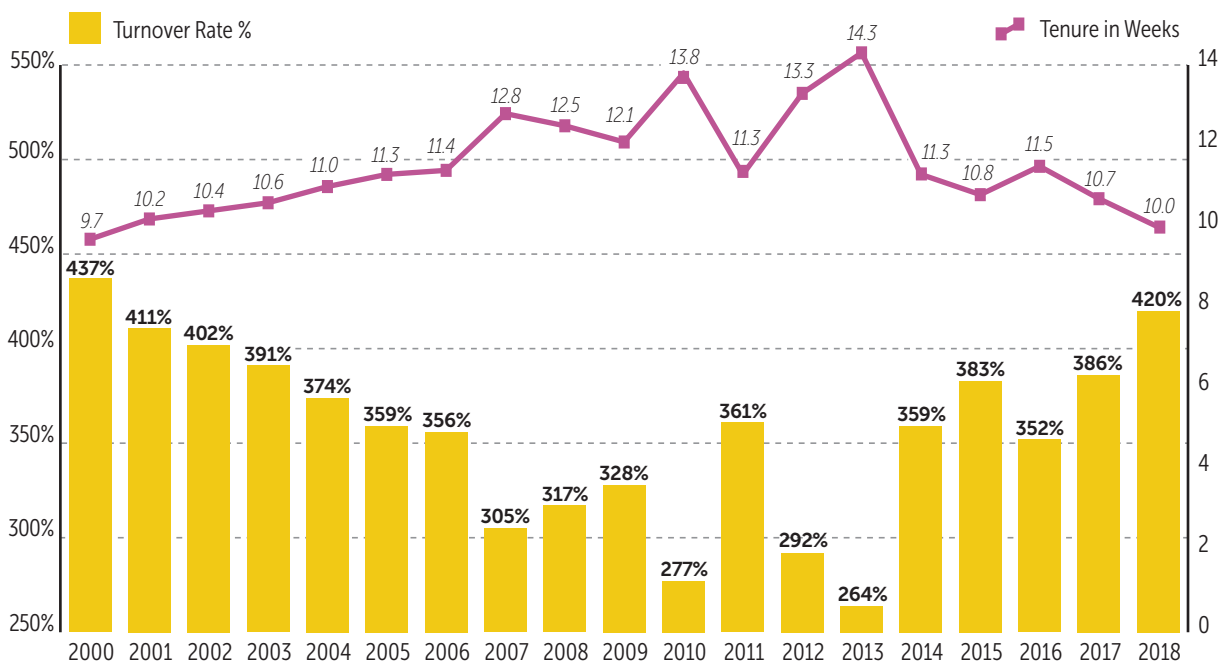
NOTES





STAFFING EMPLOYEE TURNOVER AND TENURE

STAFFING EMPLOYEE TURNOVER INCREASED TO 420% WHILE TENURE DECREASED TO 10 WEEKS



Source: American Staffing Association, Staffing Employment and Sales Survey

TRENDS:

The turnover rate for temporary and contract employees was 420% in 2018—up from 386% in 2017 and the highest rate since 2000. This increase in turnover translated to a decrease in tenure for staffing employment to an average of 10 weeks in 2018. The average tenure for temporary and contract employees in 2018 remained below three months for the fifth consecutive year and was in line with tenure around the turn of this century. Tenure—the duration of employment—is based on turnover. These two metrics are inversely related: the higher the turnover, the shorter the tenure, and vice versa.



TAKE-AWAYS:

Employee turnover is an important statistic for staffing firms—it reflects how often staffing companies need to hire new employees. A high turnover rate means that employees average a shorter tenure; when the turnover rate decreases, it means that average employee tenure is longer. The lower the turnover rate, the lower the costs associated with recruiting, bringing new hires on board, and training—and any other expenses associated with replacing employees. See examples and use the interactive calculator at americanstaffing.net/turnover.

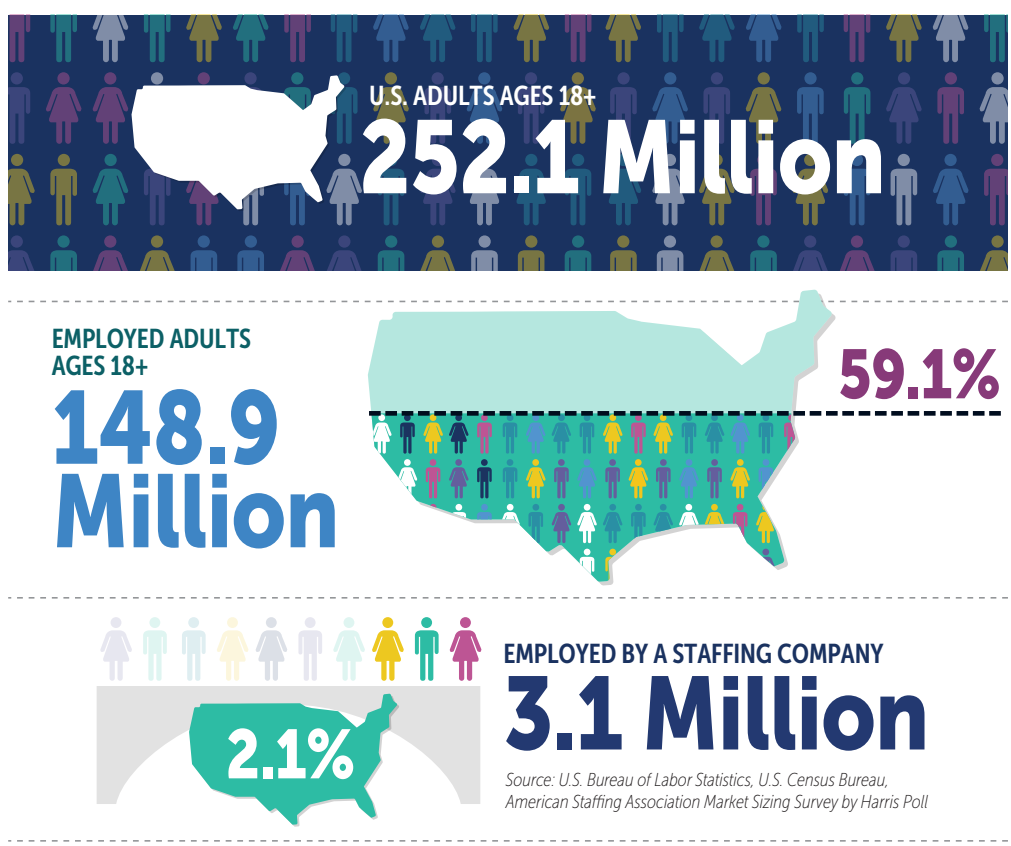


NOTES



STAFFING MARKET SIZE

ON AN AVERAGE DAY, STAFFING ASSIGNMENTS ENGAGE 1.9 MILLION TEMPORARY AND 1.2 MILLION CONTRACT EMPLOYEES



TRENDS:

Confusion persists regarding how many temporary and contract employees are working for staffing companies in the U.S. ASA research continues to show a larger and more stable number than the U.S. Bureau of Labor Statistics. Until recently, no one has had a solid estimate of how many Americans have used a staffing company to help them find employment. In a landmark study, ASA determined that there are approximately 3.1 million temporary and contract employees working in the staffing industry on any given business day—that is 2.1% of employed adults.

TAKE-AWAYS:

ASA has now established two complementary and reliable approaches for estimating staffing employment, both of which result in a consistent number of temporary and contract employees—just over three million per day. ASA has also established that 1.9 million (63%) of those are temporary employees and 1.2 million (37%) are contract workers. Temporary employees tend to work in lower-skilled jobs that do not require a college degree; contract workers typically are assigned to higher-skilled jobs that require a college education. See “The Faces of Staffing” (americanstaffing.net/sector-profiles) for more information on the similarities and differences in staffing employee characteristics.

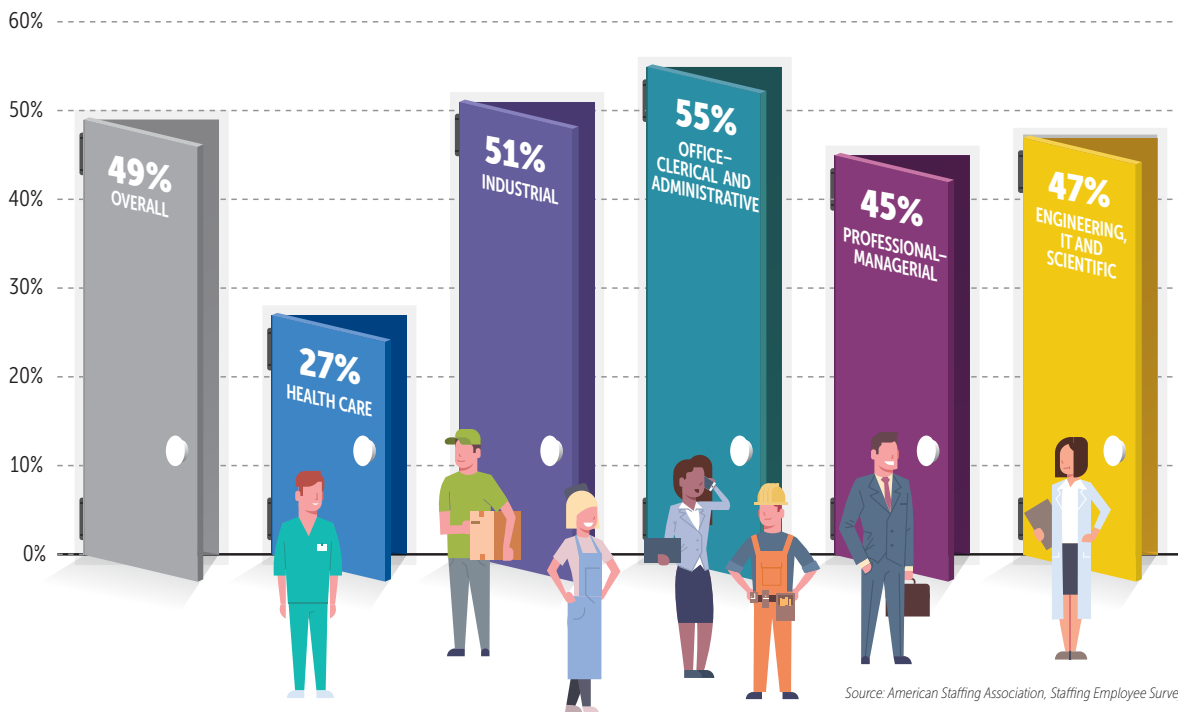
NOTES





KEY STAFFING DRIVER BY SECTOR

GETTING A PERMANENT JOB IS A KEY DRIVER FOR CHOOSING STAFFING EMPLOYMENT



TRENDS:

One of the top reasons motivating workers to become staffing employees is to find a permanent job, according to the results of the latest ASA Staffing Employee Survey. Almost all staffing employees surveyed say gaining permanent employment is important to them, and nearly half (49%) say this was a reason for choosing temporary or contract work. There is some variation by sector—workers in the office-clerical and administrative (55%); industrial (51%); engineering, IT, and scientific (47%); and professional-managerial (45%) sectors were all more likely than health care workers (27%) to cite “It’s a way to get a permanent job” as a reason for choosing temporary or contract work.

TAKE-AWAYS:

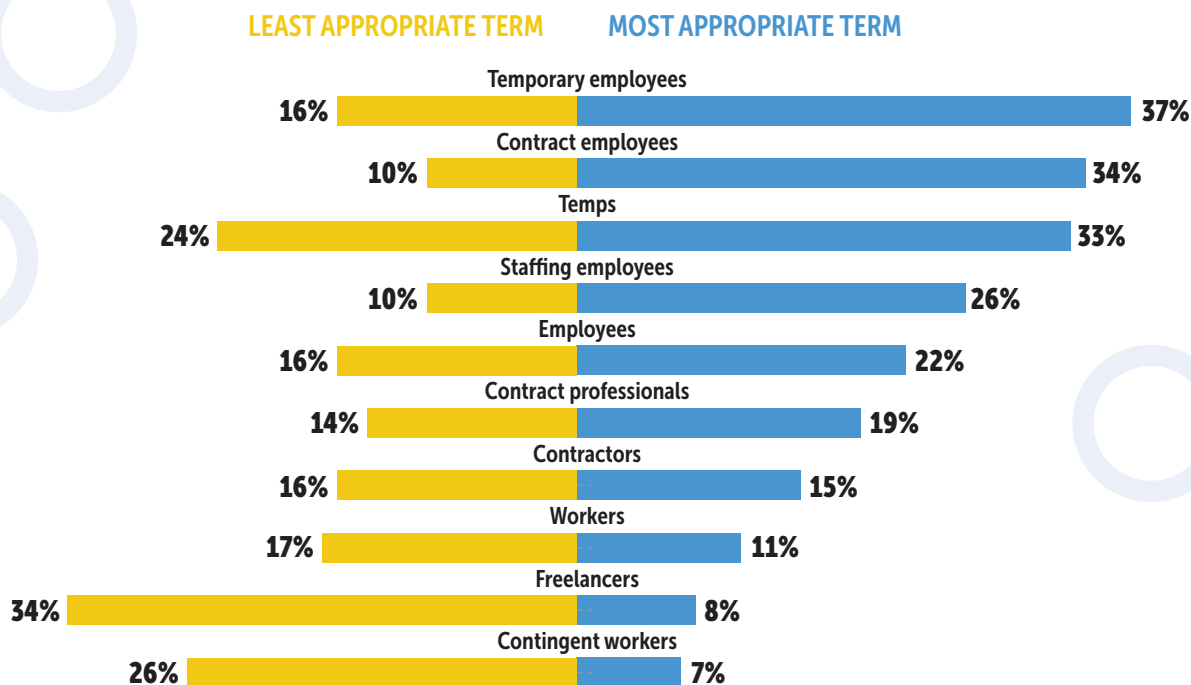
The staffing industry is a bridge to permanent employment for millions of workers every year. Promote this fact to talent and you’ll be tapping into one of the main factors motivating workers to turn to the staffing industry. See the *New Language of Staffing* handbook for details on how to effectively communicate with job seekers.

NOTES



SUITABLE TERMS FOR STAFFING EMPLOYEES

'TEMPORARY' AND 'CONTRACT' ARE THE MOST APPROPRIATE TERMS FOR STAFFING EMPLOYEES



Source: American Staffing Association, Message Testing Survey

TRENDS:

When asked what the most and least appropriate terms are to refer to people who are employed by a staffing company to work at another business, "temporary employees" and "contract employees" rose to the top among more than 4,100 U.S. adults in a recent ASA message testing survey. It is not a surprise that "contingent workers" and "freelancers" fell to the bottom of the list of appropriate terms.

TAKE-AWAYS:

To help fill the talent pipeline, staffing companies need to be conscious of, and carefully consider, the terminology used in marketing to potential candidates. Visit americanstaffing.net/new-language for ideas on how to effectively communicate with job seekers.

NOTES

METHODOLOGY OF ASA ECONOMIC SURVEYS



ASA STAFFING EMPLOYMENT AND SALES SURVEY

The American Staffing Association provides the only survey-based quarterly estimate of U.S. temporary and contract staffing sales. The quarterly ASA Staffing Employment and Sales Survey—which covers approximately 10,000 establishments (about a third of the industry)—also tracks employment and payroll, with results that parallel the establishment surveys of the U.S. Bureau of Labor Statistics. The survey is used to estimate total industry employment, sales, and payroll, based on a model developed for ASA by Standard & Poor's DRI / McGraw-Hill in 1992. DRI conducted a census of ASA members and a survey of selected nonmember firms. Using this and related government data, DRI prepared annual estimates for 1990 and 1991 and a stratified-panel, survey-based estimation model to be used quarterly from 1992 forward.

To preserve the confidentiality of individual company responses, a market research firm collects and tabulates the data and reports only aggregate results to ASA. Survey participants include more than 100 small, medium, and large staffing companies that together provide services in virtually all sectors of the industry. The participants enter data for employment, sales, and payroll for the most recent quarter and, to ensure validity and continuity, the relevant previous quarters. Responses are stratified by company size and used to derive growth rates for each stratum. Strata for each metric are weighted based on the proportionate market share of similarly sized companies. These growth rates are applied quarter by quarter to aggregate benchmark estimates for temporary and contract staffing employment, sales, and payroll. >>>



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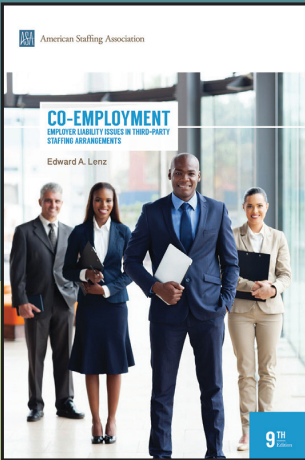
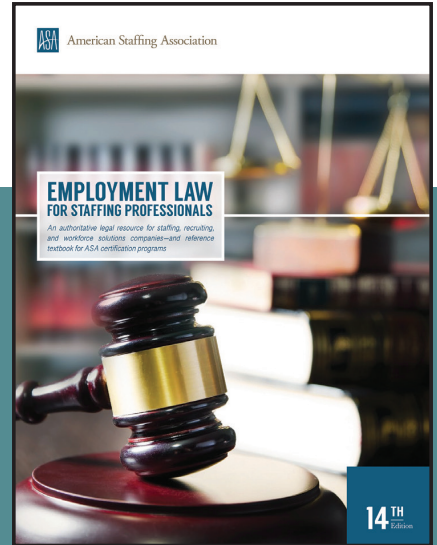
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ASA STAFFING INDEX

The ASA Staffing Index tracks temporary and contract employment trends. The index survey methodology essentially mirrors that of the quarterly ASA Staffing Employment and Sales Survey. ASA Staffing Index values, based on survey results, are typically posted nine days after the close of a given work-week, providing a near real-time gauge of staffing industry employment and overall economic activity. Participants include a stratified panel of small, medium, and large staffing companies that together provide services in virtually all sectors of the industry. Similar to the quarterly ASA Staffing Employment and Sales Survey, percentage changes in employment are derived by weighting responses according to company size categories.

Three metrics are published each week. The first is the index value itself, which depicts staffing employment trends over time. The second and third are the weekly and year-to-year percentage changes in staffing employment. All three numbers are posted throughout the ASA website, *americanstaffing.net*.

The index is calculated by applying the weekly percentage change in employment to a reference value set at 100 for the week of June 12, 2006. The index reflects the percentage change in employment since that reference week—so when the index reaches 200, it would indicate that staffing employment had doubled since June 2006. The index does not estimate total industry employment; the quarterly ASA Staffing Employment and Sales Survey provides that data. ASA developed the index with the expertise of the Lewin Group, an economic research firm.

BENCHMARKS

Both the quarterly ASA Staffing Employment and Sales Survey and the weekly ASA Staffing Index rely on periodic benchmarks from the U.S. Census Bureau. When developing the quarterly survey methodology in 1992, DRI used the 1987 Economic Census of service industries as well as several other sources in estimating industry size and market share weights—long before the introduction of the North American Industry Classification System. Data from



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the 1997 census, the first to use NAICS, delineated “temporary help services” more clearly than the Standard Industrial Classification it replaced. Using the 1997 NAICS-based census also provided better comparability and continuity of data for the 1990 to 2002 period than the original DRI estimates, particularly given that the principal interest in the results of the quarterly survey has been changes over time rather than absolute levels of employment, sales, and payroll.

Data from the 2002 census were used as benchmarks for the quarterly survey results from 2002 through 2006, while the 2007 census data were used to benchmark quarterly survey results from 2007 through 2011. The 2007 census data were also used as benchmarks for the index back to 2006; 2006 and 2007 were peak—and similar—years for the staffing industry, and the index covered only the last six and a half months of 2006, which were much more like 2007 than 2002, the previous census year (and hence the next available benchmark). In 2011, given newly released benchmark data from the 2007

Economic Census, ASA revised historical figures for staffing employment, sales, and payroll back to 1990 and ASA Staffing Index values to the index’s inception in 2006. The 2012 Economic Census Core Business Statistics Series, released in March 2016, was used to revise quarterly survey results from 2012 through 2015, and the index values were revised from its inception in 2006 through 2015.

COMPARISON WITH BLS

ASA and BLS have similar—but different—survey methodologies. The ASA quarterly survey and weekly index generally track with BLS monthly employment trends. However, because ASA benchmarks to the U.S. Economic Census and BLS uses its own benchmarks, each organization draws different conclusions on total staffing employment. Moreover, BLS seasonally adjusts its data—and makes numerous revisions—while ASA does not seasonally adjust and makes revisions only every five years, when benchmark census data become available. >>>



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Further complicating comparison, BLS counts corporate employees of staffing firms along with temporary employees, and it is unclear if or where contract employees are captured. ASA counts only temporary and contract staffing employees. As a point of comparison, BLS reported nonseasonally adjusted temporary help employment averaging 3.1 million per week in December 2018 prior to annual revisions; ASA counted an average of 3.4 million per week in the fourth quarter of 2018—a difference of nearly 10%, not taking into account the inclusion of corporate employees and possible exclusion of contract employees in the BLS number. ■

The quarterly ASA Staffing Employment and Sales Survey and the weekly ASA Staffing Index are administered by ASA corporate partner ClearlyRated.


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Just like other types of employees, temporary employees are protected by employment laws—including those pertaining to harassment.

ASA has partnered with Kantola Training Solutions to provide cost-effective and state-specific online training for the workers staffing companies employ. Plus—ASA members receive a discount.

ASA also offers a basic harassment prevention training product in collaboration with the New York Staffing Association. See nystaffing.org for details.

Kantola provides a full-service online training solution. This engaging online experience was co-developed with Littler, the world's largest labor and employment law firm.

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A CLOSER LOOK AT ASA CORPORATE PARTNERS

In 2007, the American Staffing Association introduced a comprehensive corporate partnership program. ASA now has multiyear corporate partnerships with six companies: Bullhorn, CareerBuilder, ClearlyRated (formerly Inavero), Essential

StaffCARE, Monster, and World Wide Specialty Programs Inc.

The ASA corporate partnerships go beyond traditional sponsorships. They involve mutual commitments to long-term working relationships focused on



Bullhorn, a proud corporate partner and longtime supporter of ASA, is a human-centric customer relationship management (CRM) company that helps businesses proactively manage relationships.

Bullhorn is a global leader in CRM and operations software for the recruitment industry. More than 10,000 recruitment companies rely on Bullhorn's cloud-based platform to drive sales, build relationships, and power their recruitment processes from end to end.

Headquartered in Boston, with offices around the world, Bullhorn is founder-led and employs more than 950 people globally. To learn more, visit bullhorn.com or follow @Bullhorn on Twitter.



CareerBuilder is a proud corporate partner of ASA, and it shares the association's commitment to promoting best practices for the staffing and recruiting industry.

CareerBuilder is a global technology company that provides end-to-end talent acquisition solutions to help employers find, hire, and onboard great talent, and to help job seekers build new skills and progressive careers. CareerBuilder offers both software and services for the "Hello to Hire" process. Visit hiring.careerbuilder.com to learn more.

ASA members can take advantage of dedicated industry research, data, and educational opportunities provided by CareerBuilder to help grow and differentiate their firms.

CareerBuilder also is the sponsor of the National Staffing Employee of the Year program.



ClearlyRated (powered by Inavero), the association's satisfaction survey partner, has worked with ASA since early 2007 to conduct surveys that gather information on trends in the staffing industry as well as feedback from ASA members on their membership experience.

ClearlyRated (powered by Inavero) is a leading provider of client and talent online feedback systems for the staffing industry, and administers the Best of Staffing competition to recognize the industry's top service performers.

The ClearlyRated (powered by Inavero) Net Promoter Score survey package is designed to help staffing firms leverage client and candidate feedback in a way that protects existing revenue, nurtures a high-caliber talent pipeline, celebrates service wins, and powers your firm's growth. Visit clearlyrated.com/solutions to learn more.

benefiting both ASA and the partners as organizations dedicated to advancing the interests and meeting the needs of ASA members and the staffing industry.

For the partnerships to truly succeed, however, members must do their part:

Please join the ASA board of directors and staff in thanking these corporate partners for their support of the association, its members, and the staffing industry.



Essential StaffCARE has been a sponsor of Staffing World, the ASA annual convention and expo, for 14 years; is actively involved with ASA-affiliated chapters across the country; and is proud to be an ASA corporate partner.

Essential StaffCARE is a leading provider of ACA-compliant health insurance and supplemental employee benefit plans to the staffing industry. Serving more than 1,800 clients, Essential StaffCARE offers ACA-compliant minimum essential coverage plans, fully insured major medical plans, supplemental fixed indemnity plans, and electronic enrollment technology.

Essential StaffCARE built its business from the ground up by developing innovative insurance products, benefits administration, and enrollment methods designed specifically for staffing companies. On the forefront of health care reform, Essential StaffCARE developed a new generation of health insurance benefits not subject to reform mandates.

Essential StaffCARE provides ASA members with new insurance products that deliver improved coverage, superior administration, and high enrollment results.



ASA corporate partner Monster—a global leader in connecting people to job opportunities—is the flagship brand of Monster Worldwide Inc.

Monster has working relationships with staffing firms all over the world and is dedicated to its alliance with ASA in order to provide better recruiting tools and knowledgeable support to Monster's customers and the entire staffing industry.

With technology at the center of Monster's award-winning innovations and market-leading solutions, Monster for Staffing empowers companies to recruit more efficiently and effectively than ever before. By delivering a comprehensive set of managing, matching, and advertising solutions for the staffing industry, Monster for Staffing offers custom solutions for companies of all sizes. It also gives companies access to Monster's extensive database of candidates and the full support of a dedicated staffing sales team



World Wide Specialty Programs Inc. offers a full range of insurance solutions for the staffing industry, from the simplest coverage needs to the most challenging risks. As an ASA partner with 50 years of experience, World Wide remains dedicated to the staffing industry's safety, growth, and everchanging challenges.

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