The Transformation of the Staffing Industry

Tammy Eallonardo
The Reserves Network
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Joined Tempo Help, Chillicothe, as clerical placement specialist.

Southern Ohio Staffing, Waverly
Managed a temporary workforce of 250-400 for Mills Pride.

Opened new branch offices:

   Ohio Valley Staffing, Hillsboro

   River Valley Staffing, Portsmouth

In 2002, all locations were acquired by The Reserves Network.
Chillicothe branch is TRN’s 2nd largest branch.
Before the Great Recession of 2009

Customer base: 8-10 major employers

Positions: Entry-level, unskilled jobs and a few clerical assignments

High rate of turnover (25%-35%) attributed to:

- Lifestyle of the temp worker (transient, unreliable transportation, legal issues, many without driver’s license).
- “Temp” stigma – treated as 2nd class citizens by permanent employees.
- Line-level supervisors felt that these workers were disposable and quickly replaced.
  - Some employers interviewed/hired outside candidates without considering the temporary employees for the opening.
  - Many times the temporary employee TRAINED the new hire, while earning a lower hourly wage.
Since the Recovery began in 2011

Customer base has become more diverse; from small business to large manufacturers.

Positions range from entry-level assemblers to production managers and engineers.

Turnover rate has dropped to below 15%
In a recent interview for Staffing Success magazine, Susan Salka stated:

“The industry has evolved from providers of particular candidates for particular jobs to a more holistic partnership. Staffing firms have become experts in workforce issues: hiring, safety, risk management.”

Susan Salka, CEO of AMN Healthcare
Yesterday’s *Temp Service* has become a Staffing Partner; an indispensable part of many companies’ growth strategies.

- **Recruiting: On-going & Targeted**
  - Temp-to-Perm ~ Structured path to hire
  - Direct Hire ~ Hard to fill positions and executive search

- **Hiring Compliance: EEOC & DHS’s E-Verify**

- **Focused on Safety:** The Reserves Network is self-insured with a Risk Department and Safety Director dedicated to education and training.

- **On-Site Management Programs – “On-Site Advantage”**
America's Skilled Trades Dilemma: Shortages Loom As Most-In-Demand Group Of Workers Ages

Forbes, 3-7-2013

Retiring Baby-Boomers

College vs. Trade School

Locally we see the greatest demand for:

Electrical & Mechanical Engineers

Maintenance Technicians (electrical, mechanical, hydraulic, pneumatic experience)

PLC Programmers

CNC Machinists
Since the end of the Great Recession, the U.S. staffing industry has created more jobs than any other single industry in America.

According to the U.S. Bureau of Labor Statistics, staffing firms added more than 768,000 jobs to the payrolls from June 2009 to July 2012, and industry growth has been more robust in the current economic recovery than it was in the years following the previous two recessions that ended in 2001 and 1991, respectively.
Forecasts Predict 8.5% Increase in Demand of Temporary Workers

According to a study by human capital advisory firm G. Palmer & Associates, demand for temporary workers in the U.S. was expected to increase 8.5% for the Q1 2014.

The Palmer Forecast had predicted an 8.2% increase in temporary help for Q4 2013. Actual results came in better than anticipated, at a 9.1% increase.

3 Million people work in temporary or contract positions every day.