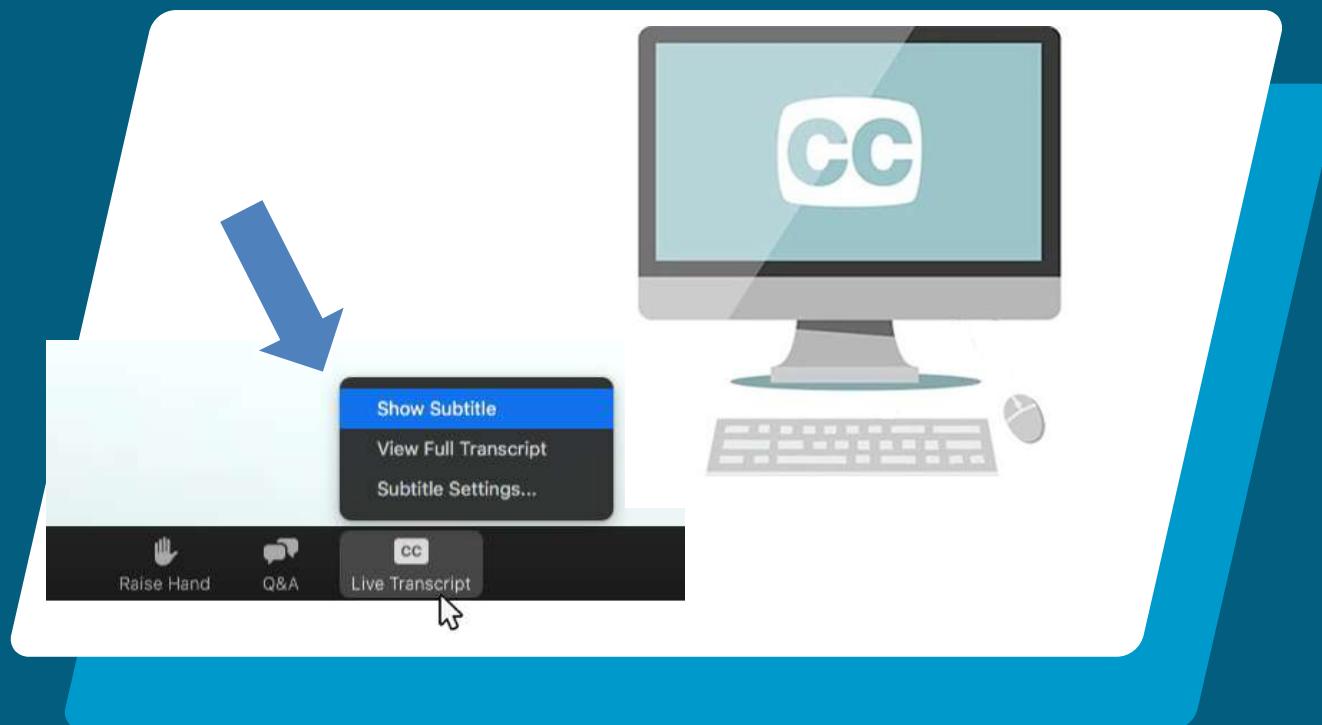


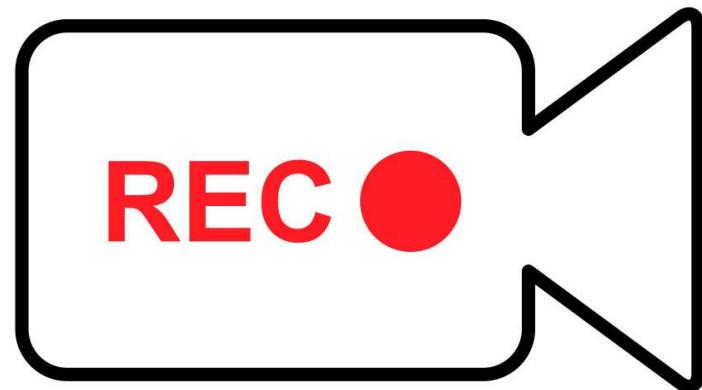
2026 Staffing Trends: Projections and Reflections From Industry Leaders

Tuesday, Jan. 20, 2026, 2 p.m. Eastern time

Welcome!







Q&A

Type your questions into the Q&A box

Chat

Start a conversation—say hello. Engage with presenter/s and other attendees.



Participants



Q&A



Polls



Chat

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TOP 5 STAFFING TRENDS TO WATCH FOR 2026



Trend 1: **Cautious Commitments:** Hiring Fluctuations Amid Economic Uncertainty

Trend 2: **Balancing Act:** AI's Dual Impact on Labor Demand

Trend 3: **Growing Competitive Pressures:** Conveying the Industry's Value Proposition

Trend 4: **Skills Over School:** The Rise of Competency-Based Hiring

Trend 5: **The Next Fiscal Battleground:** States on the Legal Front Lines

Today's Presenters



Baljit Gill
founder and chief
operating officer
TalentBurst



Wendy Kennah
COO
Procom



Toby Malara, Esq.
vice president,
government relations
ASA



Sid Mitchener
executive vice president of
strategy and operations
Vaco



Michelle Sims
chief operating officer
YUPRO Placement



Noah Yosif
chief economist
ASA

TREND
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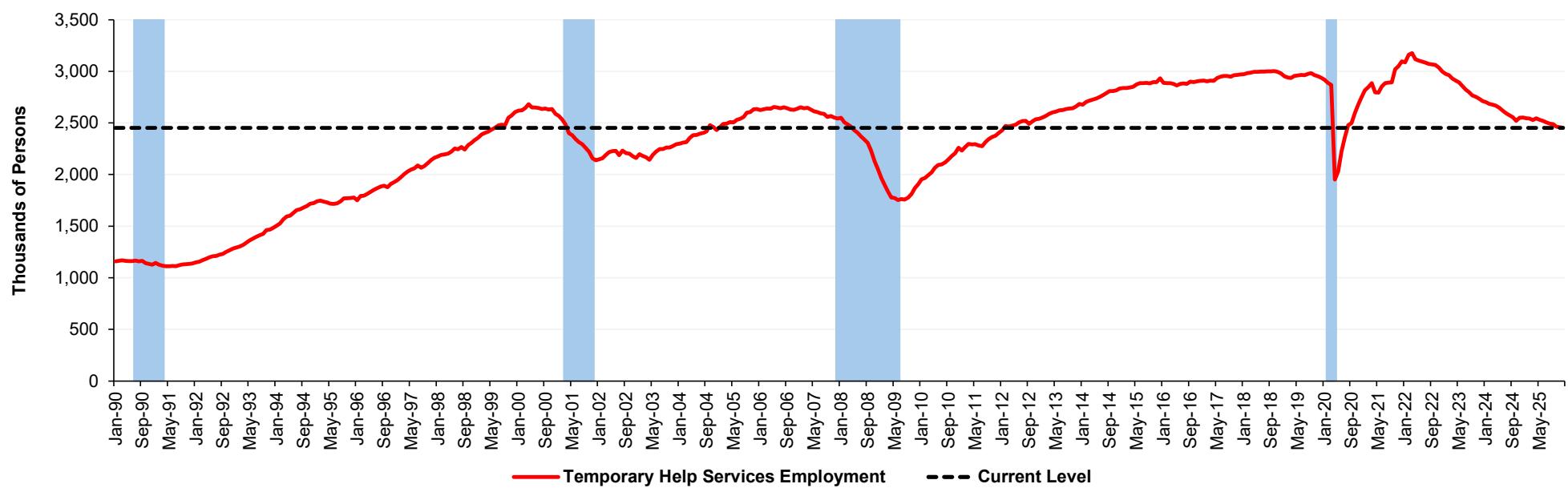
Cautious Commitments: Hiring Fluctuations Amid Economic Uncertainty



Noah Yosif
Chief Economist
American Staffing Association

Temporary Employment Has Not Recovered Like Many Expected it to in 2025

Temporary Help Services Employment

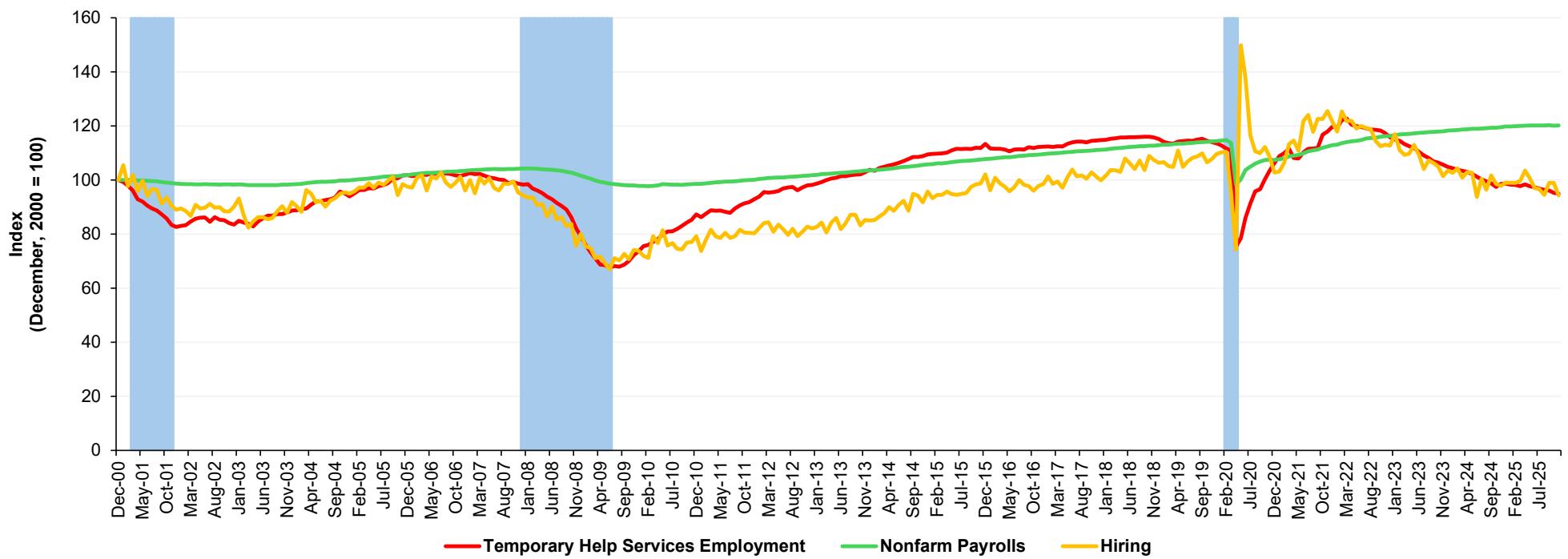


Source: US Bureau of Labor Statistics

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Temporary Employment Depends on a Strong, Not Just Stable, Labor Market via Hiring

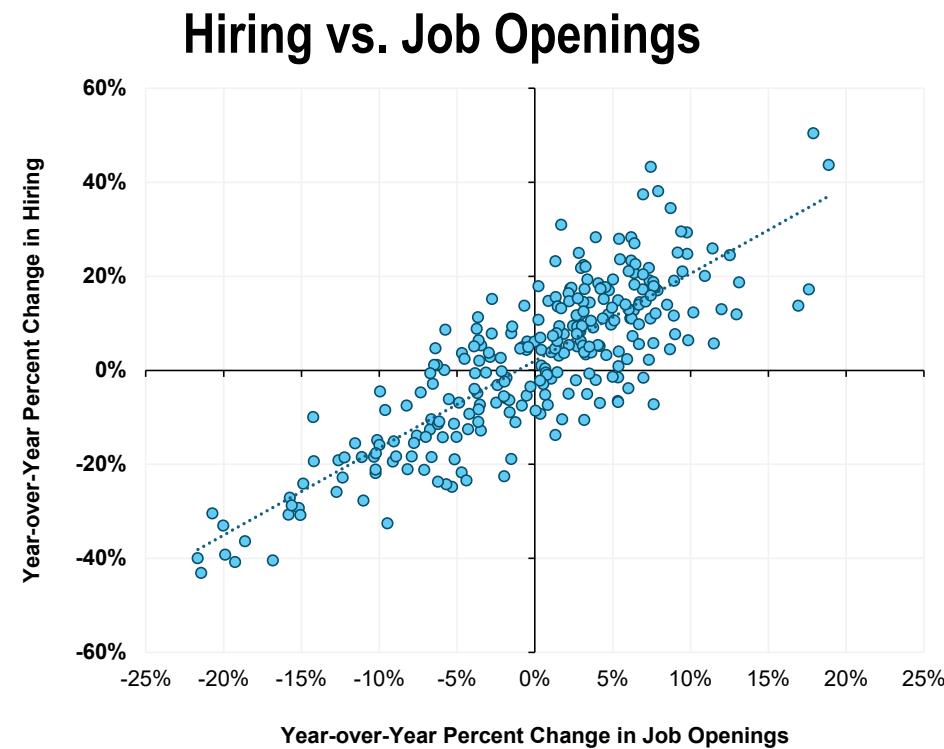
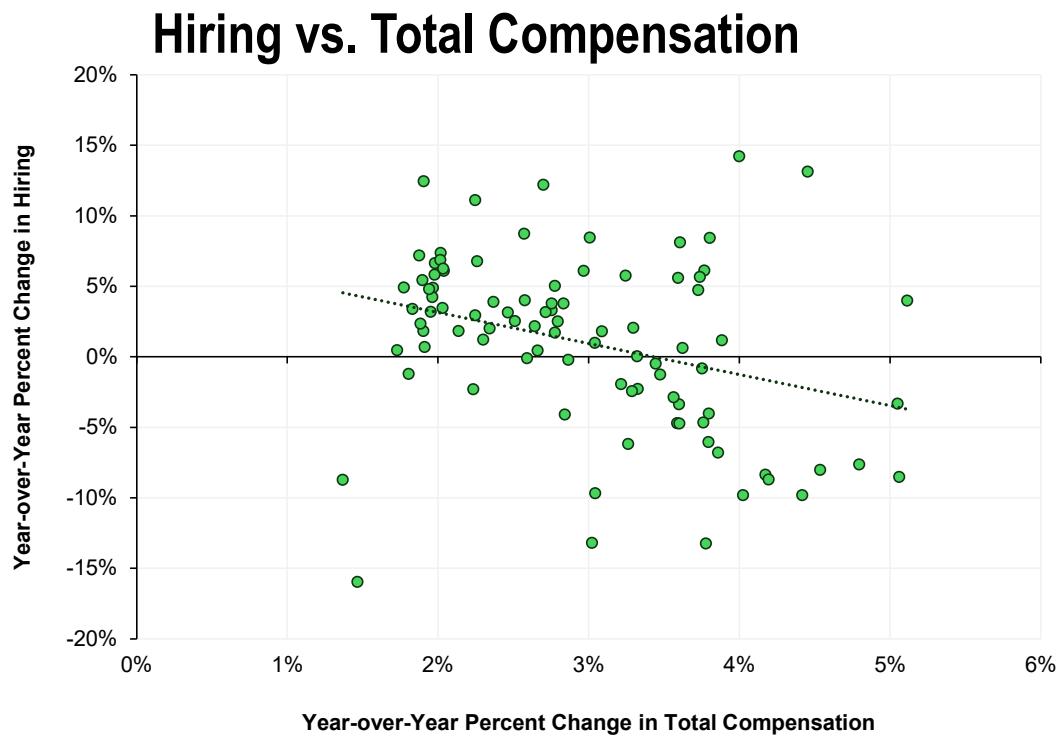
Temporary Help Services Employment vs. Nonfarm Payrolls and Hiring



Source: US Bureau of Labor Statistics

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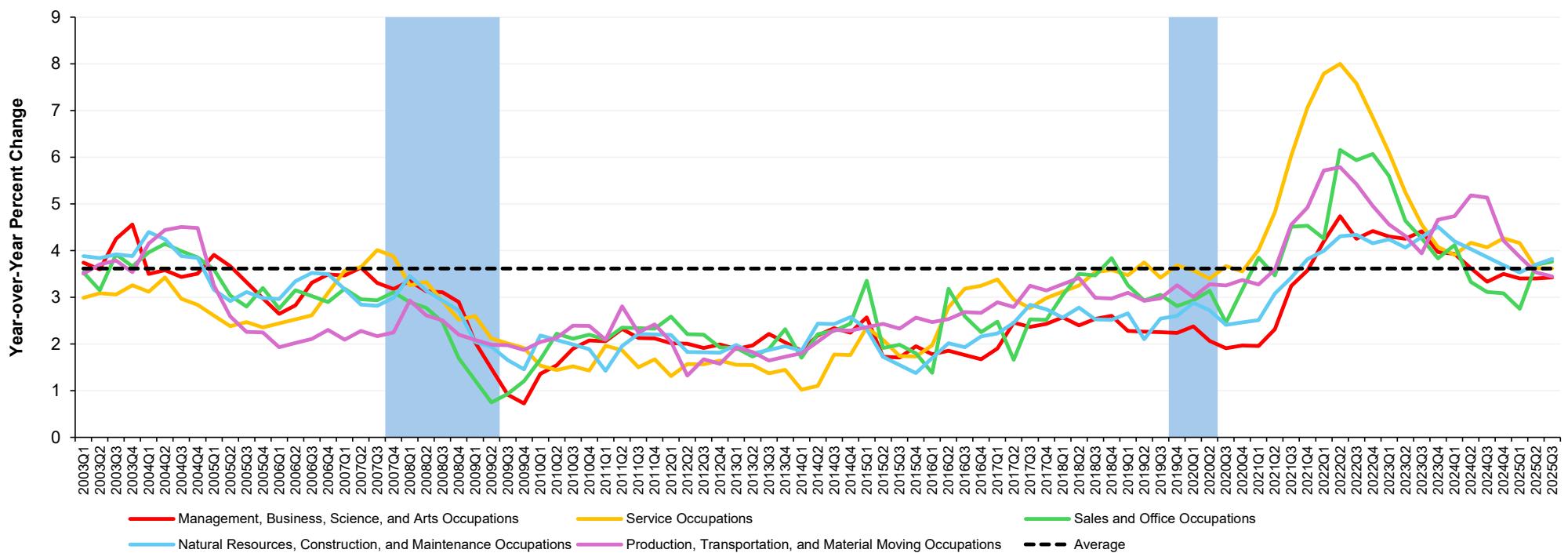
Total Compensation and Job Openings Are Each a Major Influence on Hiring



Source: US Bureau of Labor Statistics, ASA Research Department

Compensation Costs Still Remain Much Too High in Most Occupations

Employment Cost Index by Occupation Group

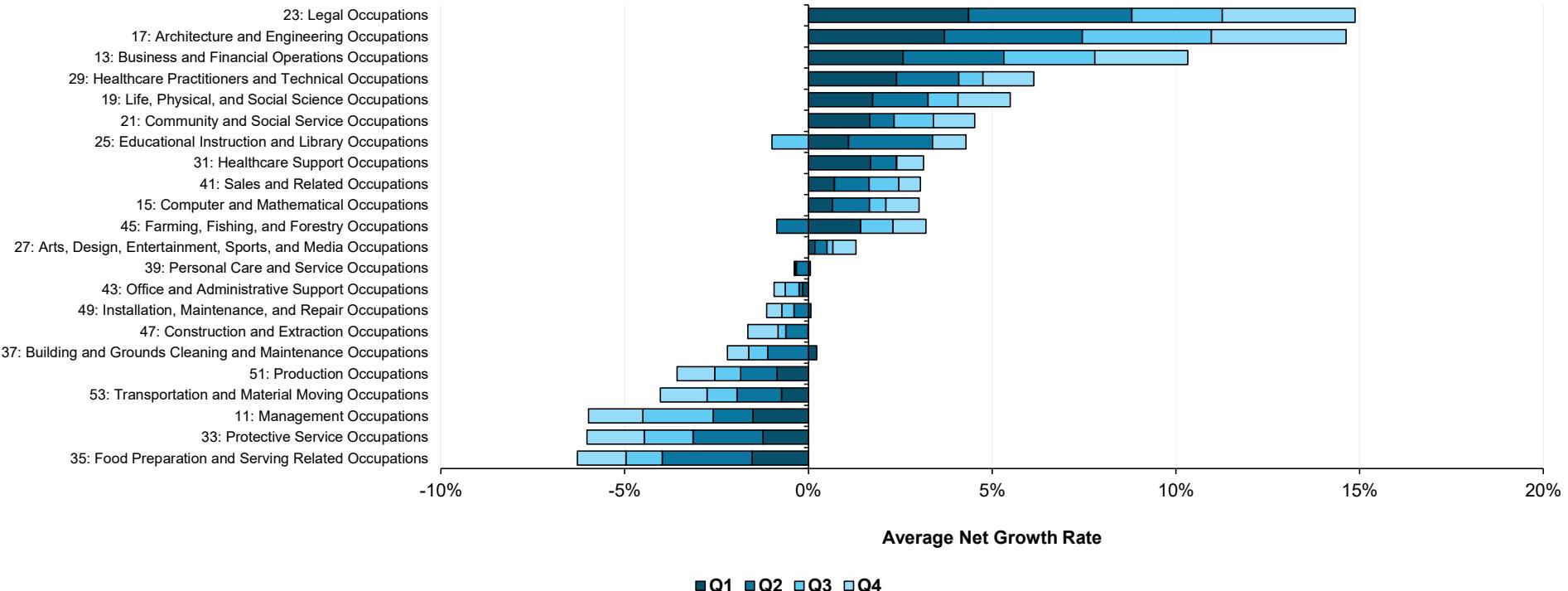


Source: US Bureau of Labor Statistics



Certain Sectors Experienced Consistent Growth in Job Openings Over 2025

Net Growth Rate by Occupation



Source: US Bureau of Labor Statistics, US Census Bureau, Revelio Labs, ASA Research Department

One-Year Trend: Immigration Enforcement Will Likely Have a Small Impact on Temporary Employment

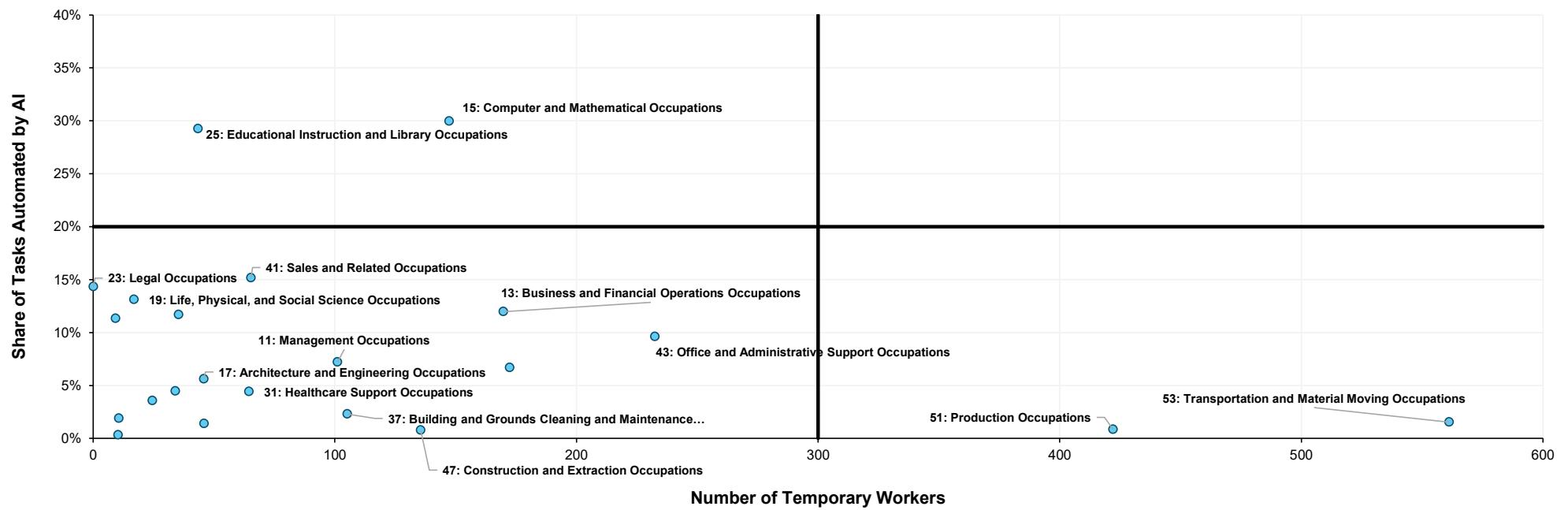
Temporary Workers, Undocumented Workers, and Job Openings by Occupation Group



Source: US Bureau of Labor Statistics, US Census Bureau, Migration Policy Institute, ASA Research Department

Three-Year Trend: AI Will Likely Have a Modest Impact on Temporary Work

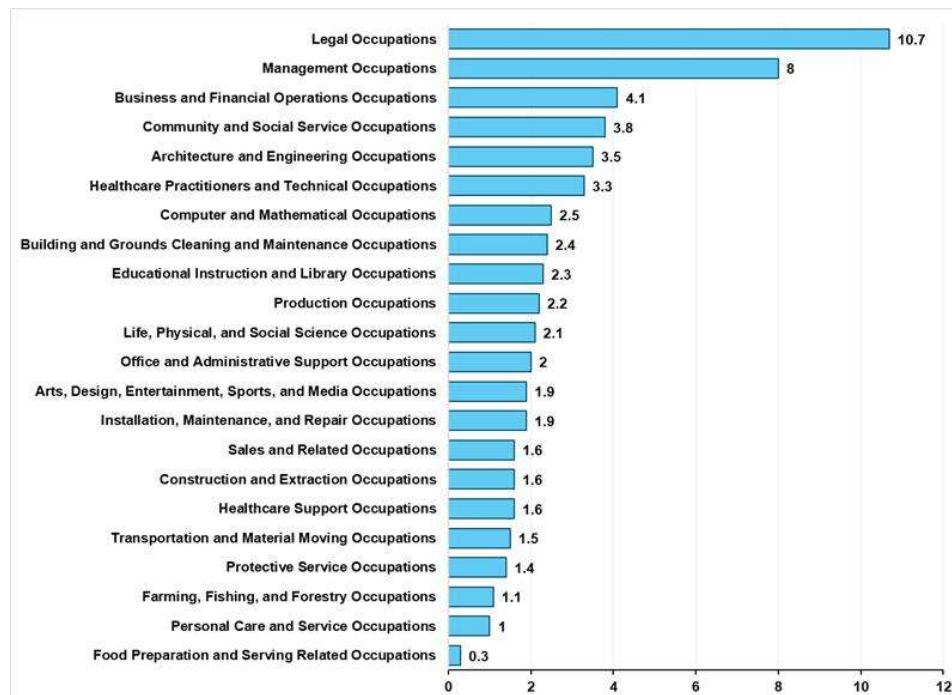
Current Skill Displacement From AI by Occupation for Temporary Help Services Employees



Source: US Bureau of Labor Statistics, US Census Bureau, Felten et. al. (2021), ASA Research Department

Five-Year Trend: Demographic Disparities Will Drive Increased Demand for Temporary Work

Change in Replacement of Oldest Workers by Youngest Workers, by Occupation



Source: US Bureau of Labor Statistics, ASA Research Department

TREND
2

Balancing Act: AI's Dual Impact on Labor Demand



Baljit Gill
Founder and COO
TalentBurst



Wendy Kennah
COO
Procom

Trends
2026

AI Is Not a Trend

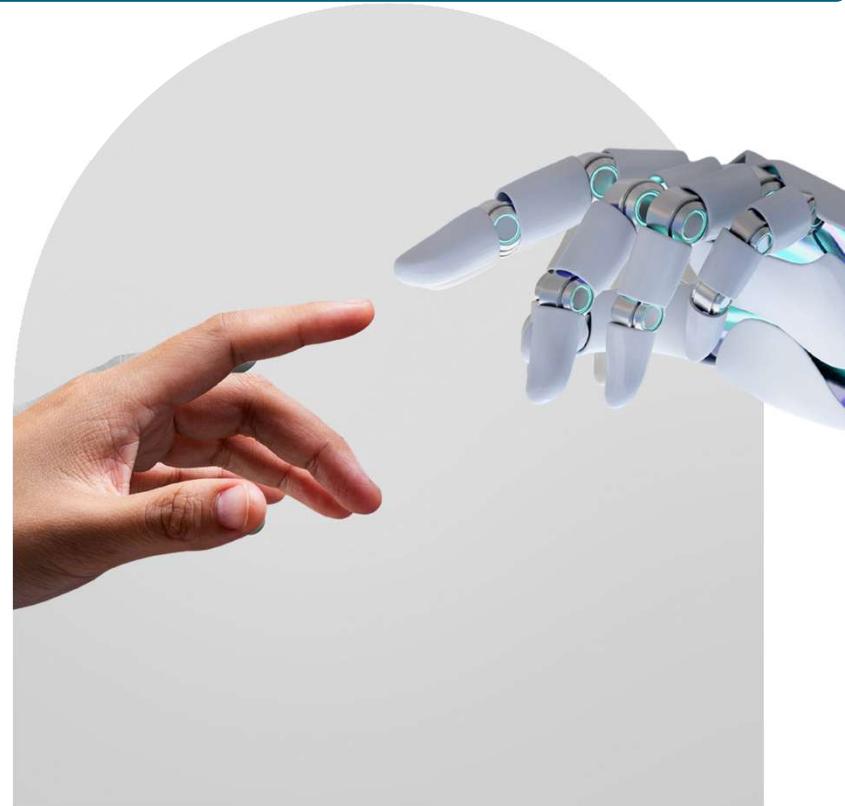
It's the New Operating Model



The Inflection Point

- AI is no longer a differentiator
- It's the cost of doing business in 2026
- The gap is speed of adoption, not company size

What is your 2026 plan?
Embrace or Ignore AI



Myth

AI is
taking jobs.

vs.

Reality

AI is
transforming jobs.

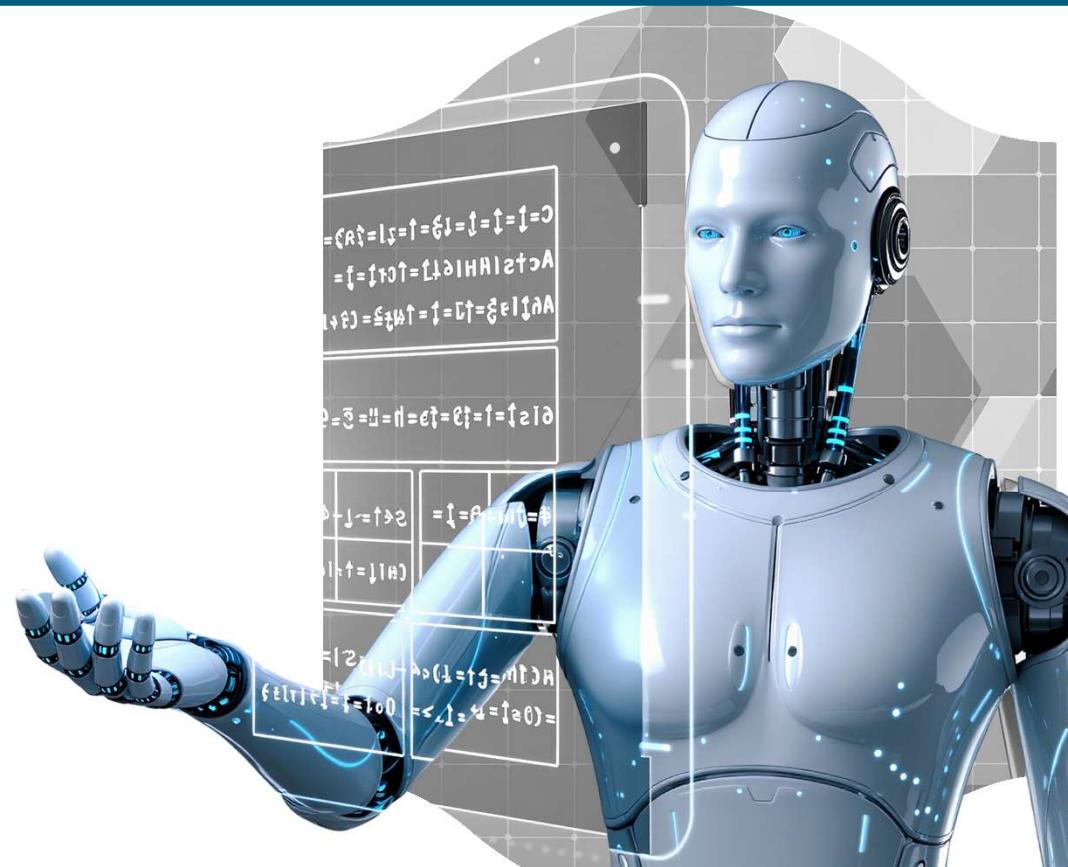
AI handles tasks.
Humans provide judgment,
context, and empathy.

Turning AI Into Operating Advantage

1. Lead the change
2. Start with pain points, not tools
3. Build governance, not friction
4. Balance speed with risk
5. Move the metrics

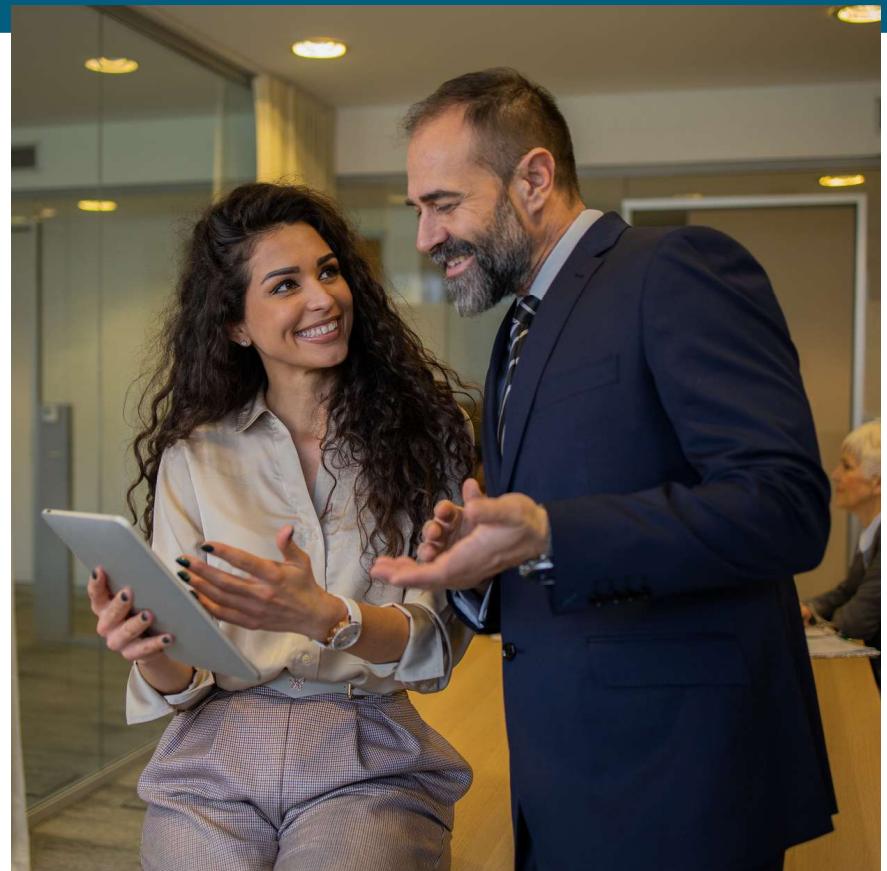


AI should remove the friction—so
your people can create value



External Lens: What's Changing at the Client?

Clients don't just need talent. They need help understanding what talent even looks like now.



What Can You Do in 90 Days?

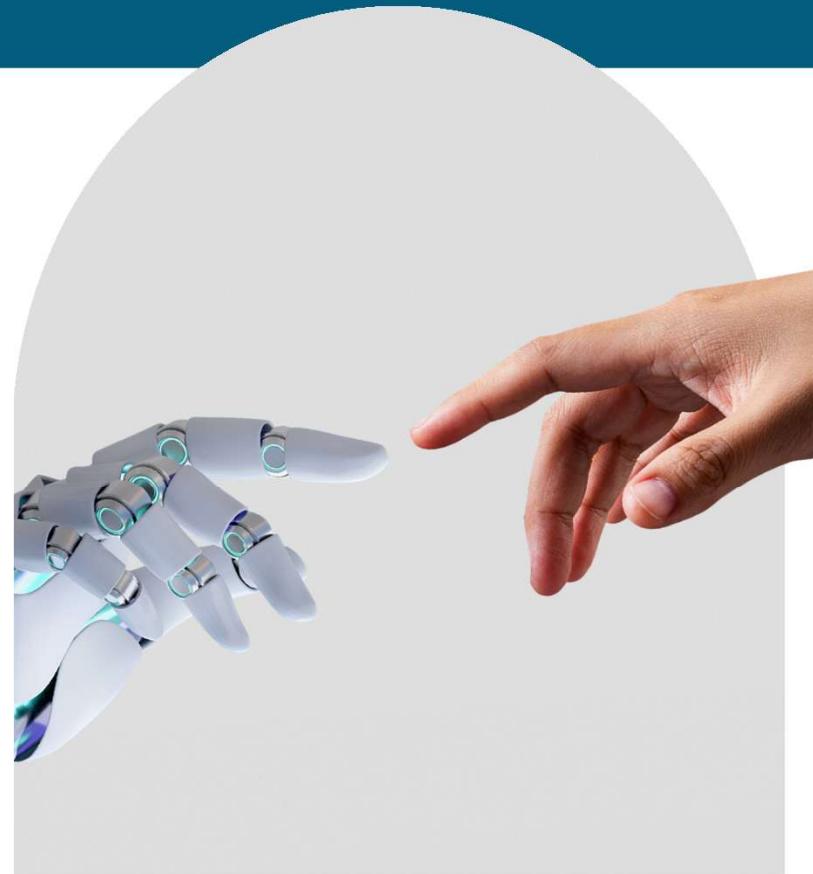
Quick Wins

1. Job descriptions generator
2. Interview question generator
3. Sales call prep plans
4. Call transcript action plan
5. Résumé formatting
6. Content generation
7. Data enrichment and cleansing



Closing Thought

The winners will be the ones that combine a human relationship with smart, intentional AI.



TREND
3

Growing Competitive Pressures: Conveying the Industry's Value Proposition



Sid Mitchener
Executive Vice President of Strategy and Operations
Vaco

Buyer Decision Making

The Evolving Talent Landscape

Clients seek partners that serve as strategic talent advisers, delivering value and insights, and talent with proven skills and experience.



Strategic Advisers Clients want strategic talent advisers, not just transactional support.



Focus on Demonstrable Value
Seek partners that provide clear value beyond filling roles.



Prioritize Proven Talent
Clients need proven resources for critical projects.



Demand Market Insights
Hiring managers want strategic guidance and market intelligence.

Optimizing Your Organization

Driving Better Business Outcomes Through Your...



People



Process



Technology

People: Cultural Readiness and Human Adoption

- Establish a clear vision for AI adoption aligned to organizational culture
- Support innovators and early adopters to drive momentum
- Encourage habit building through daily prompting and experimentation
- Reinforce: AI is built to enhance—not eliminate—human work



Process



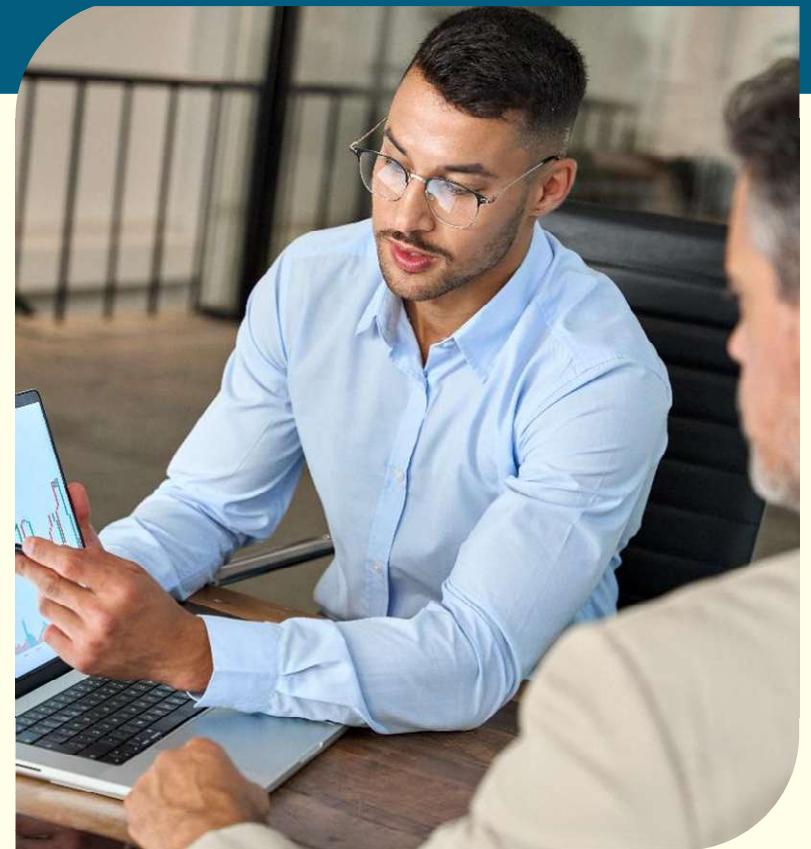
Process: Unlocking High-Value Work

- Break down and modernize the manual workflows
- Shift focus toward client and candidate engagement
- Key impact areas:
 - Candidate sourcing
 - Target account research
 - Résumé and write-up production
 - Client and consultant interaction

Technology

Technology: Tools, Data, and Security

- Assess existing SaaS platforms for embedded AI capabilities
- Strengthen data quality in CRM and ATS systems
- Confirm security and governance compliance



Remaining Competitive Customer Trends and Obstacles

01

Automated screening
and AI-driven interviews

02

Rising demand for
adaptable, learning-
driven talent

03

Higher-value roles are
expanding

04

Exploration of
technology-enabled
alternatives to staffing
partners

Remaining Competitive

How to Differentiate



Advise clients on data, governance, change management, technology selection



Train teams to be labor market experts, not transactional recruiters



Evolve beyond traditional recruiting to more integrated service offering



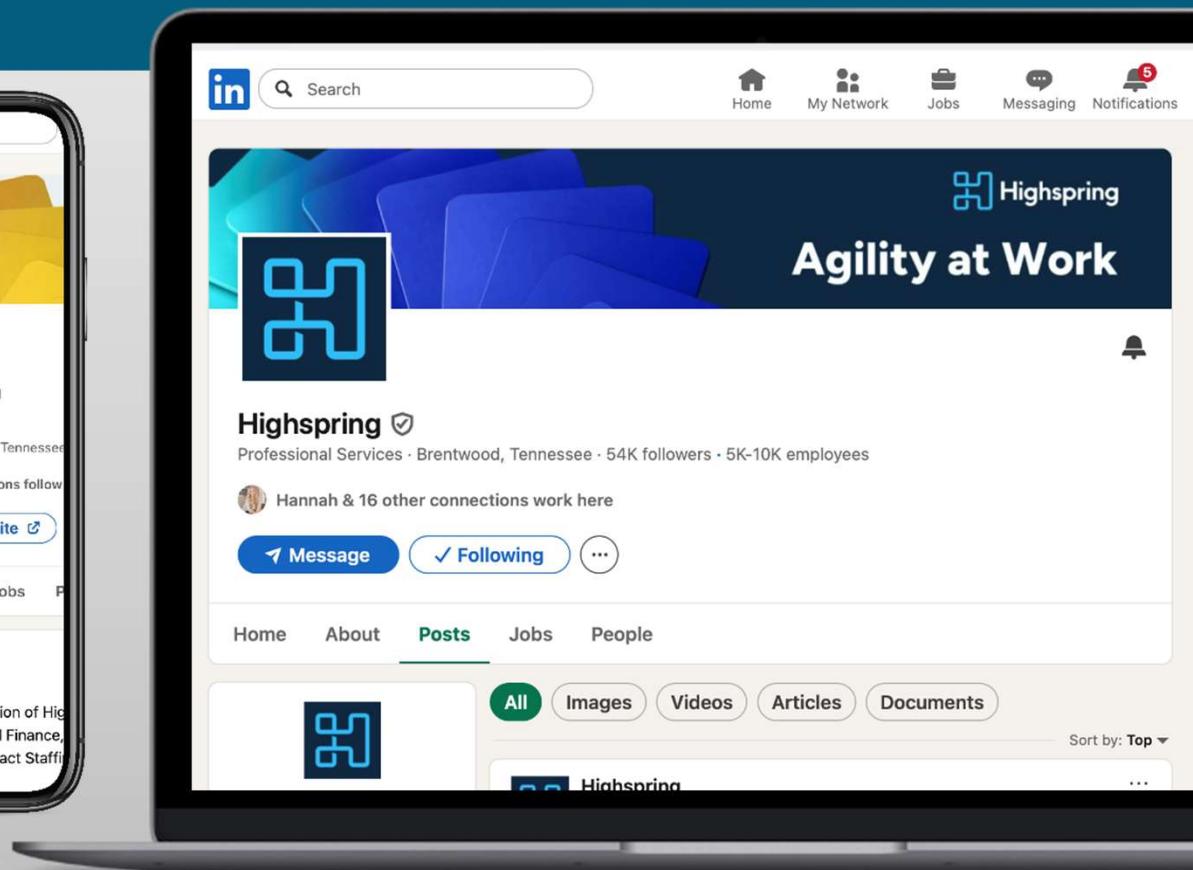
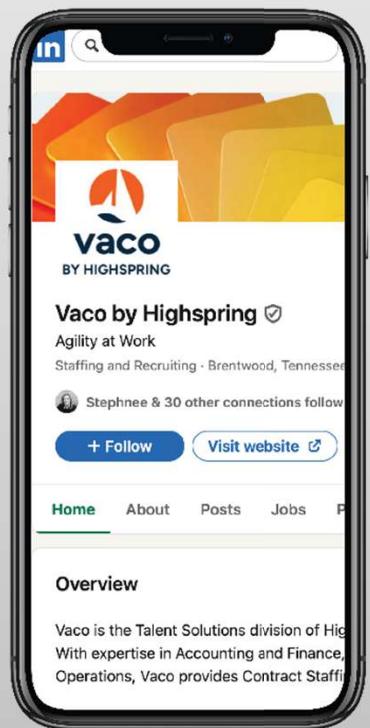
Deliver high-quality talent faster and more accurately with AI



THANK YOU FOR JOINING!
**Continue the
conversation.**

Sid Mitchener
919-671-6211
sid.mitchener@vaco.com

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TREND
4

Skills Over School: The Rise of Competency-Based Hiring



Michelle Sims
CEO
YUPRO Placement

Skills Over School: The Rise of Competency-Based Hiring

Hiring Criteria	Before Covid	After Covid / 2025–26 Trends
Four-year degree requirement	Default; preferred and common in majority of JDs	Often dropped for non-specialized and entry to midlevel jobs Skills-based hiring is now a 'thing'
Certifications or specialization	Preferred and align with job titles	Skills or experience valued Competency-based hiring in practice
Trainability and Adaptability	Less emphasized	Highly valued; In most JDs
Gig opportunities Fractional expertise Freelance work	Limited; not seen as a stable career but instead stop gaps	Growing, flexible, era of influencers AI predicted to create billionaire solopreneurs
Upskilling or reskilling	Rare; linear careers dominate; put in the work and get promoted	Competitive advantage; project work is powerful; continuous learning is table stakes for professional growth

Skills-Based Hiring as a Competitive Advantage

If you don't solve for your client, someone else will



SKILLS TRAINING

Develop training programs by partnering with nonprofits in your area to offer training that meets client needs.
Start small; start with one or two roles and build on this or you will be behind.



SKILLS STRATEGY

Be a strategic partner with clients to identify their skills gaps and partner to design contract-to-hire, on-the-job learning programs that align with their workforce needs.



CERTIFICATIONS

Build branded certification programs that allow workers to quickly acquire new skills for temporary roles.
There are many free online courses that workers can take in your office or at home.
Build learning paths with courses available for free.



LEVERAGE AI

Leverage AI to identify skills gaps; recommend training paths based on these skills gaps.
Then, create and deliver branded, personalized learnings in short bites to workers either at home or in your office.



TALENT POOL

Tap into nontraditional talent pools such as skilled trade programs, local nonprofits, the workforce commission, and second-chance programs.
Offer trainings and support for specific roles in partnership with these organizations and market this to your clients.



UPSKILLING

Build a value proposition around upskilling or reskilling as a solution provider, not an order filler.
Build table stakes training courses for creative thinking, adaptability, resilience, leadership, and teamwork to stay ahead.

Staffing Firms as Strategic Partners

'No Hire, No Fire' Theme of 2026 Requires a Strategy Refresh for Staffing Firms

Empower the Job Seeker

- *Offer webinar workshops
- *Provide free upskilling resources
- *Go after gig or project work so your talent pipeline continuously gains skills to be more competitive

Résumé Reframing

- *Create skills-based résumé templates
- *Translate non-job experience to skills so you match employer competency-based language in JDs

Advocate Skills-Based Hiring to Clients

- *Work with HR and clients to remove degrees for nonspecialized roles
- *Replace years of experience with performance benchmarks and competencies and potential

SWAP MVPs With 'Candidate Skill Profiles'

- *MVPs are out—skills are in, so reframe your outreach to focus on skills that meet client demand

Expand Your Talent Pool

- *Stop fishing in the same pond for the same pool of talent
- *Research boot camps, nonprofits, and workforce development in your area to access nontraditional talent

Invest in Skills Assessments

- *Employers want proof, so give them competency proof through completed assessments, project work, and real examples of skills

TREND
5

The Next Fiscal Battleground: States on the Legal Front Lines



Toby Malara, Esq.
Vice President, Government Relations
American Staffing Association

Federal vs. State Government

- Historically, the staffing industry has been affected much more by state legislatures than by Congress
- Congress has never passed legislation **targeting** the staffing industry—some federal legislation or laws have had a disproportionate effect on staffing firms
 - Immigration: I-9 process
 - ACA
- States are continually targeting the industry with **staffing-specific** legislation
 - Registration and licensing requirements
 - Temporary worker right-to-know laws

Federal vs. State Government

- In 2025, Congress passed HR 1, the budget reconciliation bill (a.k.a. the "One Big Beautiful Bill")
- The bill contains provisions that could affect state funding from the federal government in several areas, including
 - Medicaid funding
 - Children's Health Insurance Program (CHIP)
 - Supplemental Nutrition Assistance Program (SNAP)
 - ACA marketplace affordability and coverage dynamics
 - Education

What States Will Soon Be Facing

- **CONCERN:** In the next two to three years, states could see substantial differences in funding from the federal government for several longstanding programs
- **PROBLEM:** Faced with growing budget shortfalls, due to several factors, states will be faced with the following decisions:
 - Cut programs
 - Cut back on services
- **POTENTIAL SOLUTION:** States looking to preserve programs will have to find sources of revenue to replace lost federal funding

Potential Sources of Funding

- States looking for sources of revenue that do not include the federal government are generally left to look at taxes
- Individual or personal taxes
 - Most states already dealing with decreased personal tax revenue
 - States hesitant to raise, especially in election year
- Sales tax
 - Too closely tied families since this tax is focused on consumers
- Business taxes
 - Most states currently tax businesses—slippery slope
 - Many hesitant to increase business taxes for fear the businesses will leave the state

Potential Sources of Funding

- Business service taxes
 - Most state business taxes are based upon goods
 - Services is an area more states are looking into as a way to generate more tax revenue
 - Temporary staffing services often fall into services
- Do any states currently tax temporary staffing services? YES
- 2025 state sales tax legislative efforts
 - Maryland
 - Washington

Concern for the Staffing Industry

- A majority of states currently do **NOT** tax temporary staffing services
- As states start diving into their FY 2027 and FY 2028 budgets, most will need major influx of revenue—increases in individual payments cannot be counted on
- Staffing industry is a prime target for legislators
- What should you be doing?
 - Do NOT talk about taxing staffing services with your representative unless there has been a bill introduced
 - Discuss your business with legislators. Let them know what you do and where you do.
 - Stress the amount of people you place in jobs. Employed people=tax-paying citizens.
 - Get involved with the various state business groups (Chamber, NFIB, etc.)
 - Stay in touch with ASA for all of the latest legislative activity in your state

Questions?



Thank you



Baljit Gill
Founder and
COO
TalentBurst



Wendy Kennah
COO
Procom



Toby Malara, Esq.
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Government Relations
ASA



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to a brief survey**