



STAFFING STATS

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First Quarter Report: What Is Driving a Tight Labor Market?

March 5, 2024, 2–3 p.m. Eastern time

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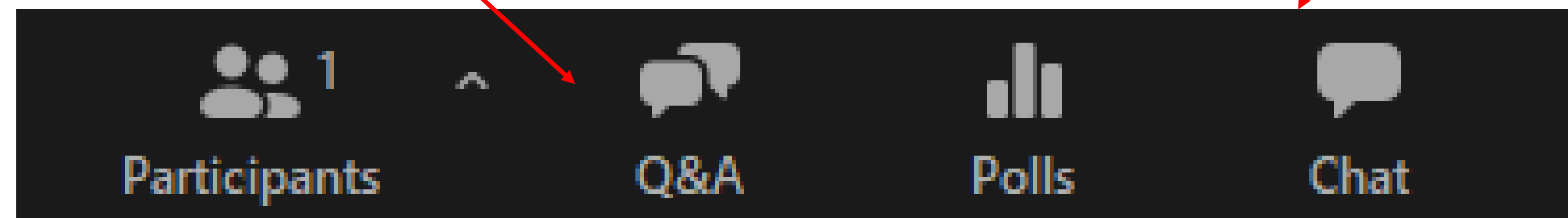
Ask a Question, Engage With Other Attendees

Q&A

Type your questions for the panel into the Q&A box

Chat

Start a conversation—say hello. Engage with panelists and other attendees.



Today's Host and Industry Guests



Noah Yosif

chief economist
American Staffing Association



Alicia Barker

chief operating officer
Staffing 360 Solutions Inc.



Lori Malett

president
Hatch Staffing Services

Introducing the ASA Weekly Economic & Business Outlook!

- Weekly updates
- Relevant data
- Expert insights
- Members ONLY

Weekly Economic & Business Outlook

LATEST STAFFING RESEARCH →

- Staffing employment declines sharply during the winter holidays to close each year, followed by a rebound in January.
- Analysis of the Weekly Staffing Index suggests that the market cooled more than usual in the fourth quarter of 2023.
- Despite exhibiting average growth to start 2024, staffing employment will require further momentum to offset declines from 2023.

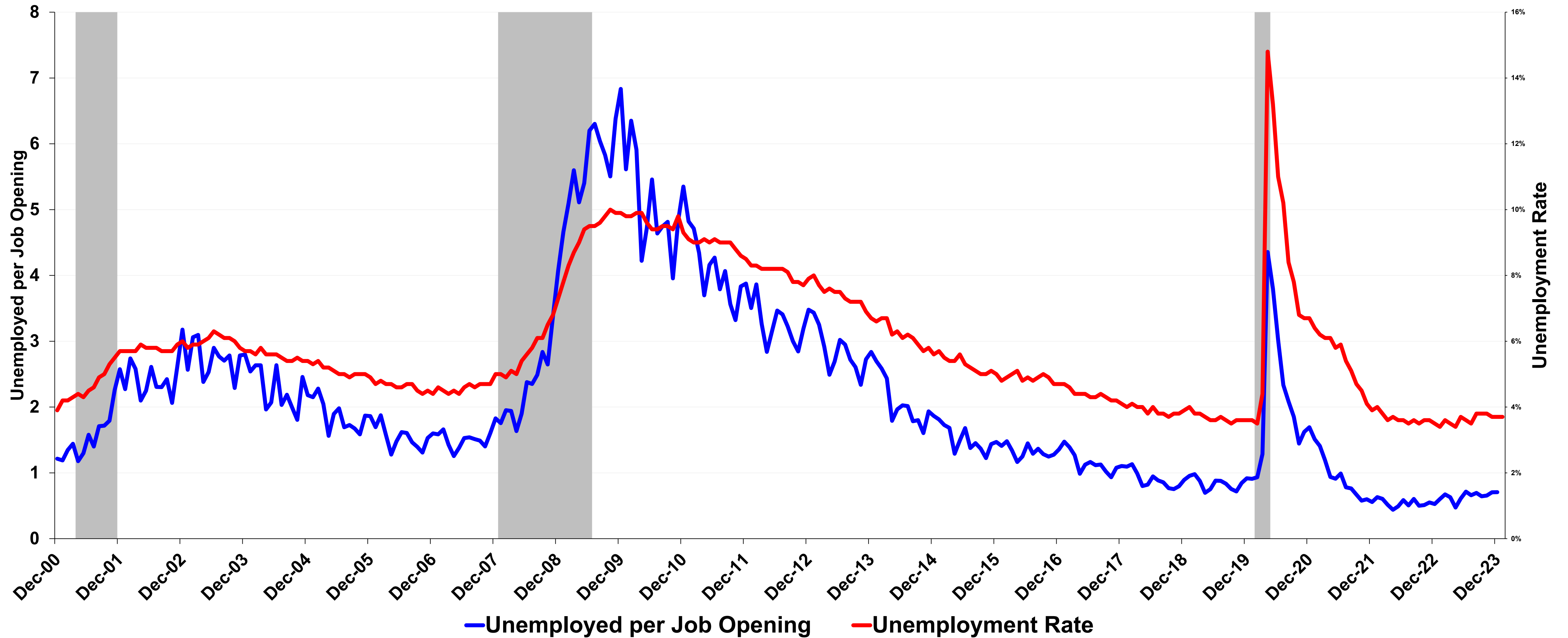
LATEST ECONOMIC OUTLOOK →

- Despite increased labor costs driven by historic levels of inflation and interest rates, the labor market has remained relatively resilient.
- Labor costs continue to grow, including layoffs concentrated within certain sectors.
- Layoffs are likely to follow a “last-in, first-out” order, in which sectors that hired the most workers are likely to see the most layoffs.

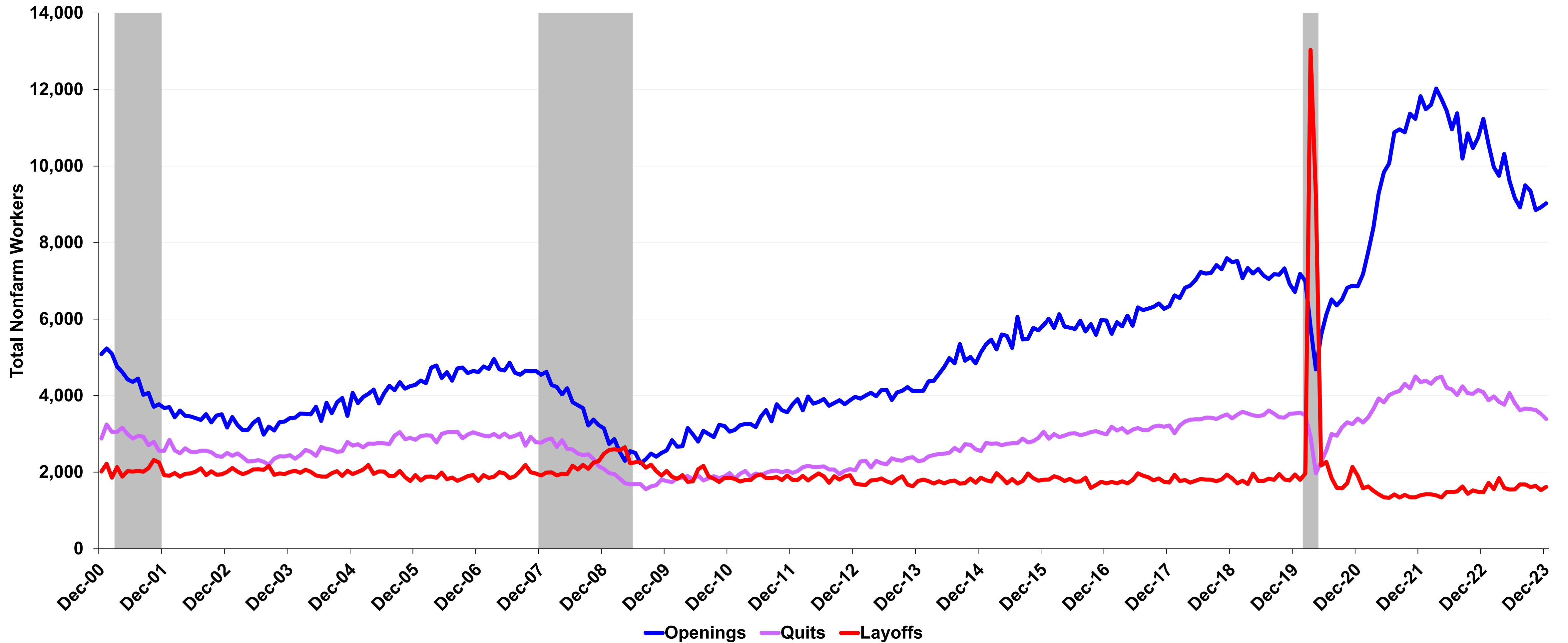
ASA Staffing Jobs →	BLS Temp Help Jobs →	ASA Staffing Index →	GDP Quarterly →
2.4M Weekly jobs	2.8K EEs	90 Index value	3.3% Real GDP (est.)
-14.1% 1-Y change	-7.0% 1-Y change	-11.0% 1-Y change	0.3% Q1 Forecast
Staffing employment in 3Q 2023 averaged 2,417,306 million per week, a -14.1% decrease from the same quarter last year.	Temporary help jobs in January decreased -7.0%, seasonally adjusted, from the same month last year.	Staffing jobs decreased -11.0% year-to-year, averaged over the four weeks ending 2/18/2024.	Real GDP increased 3.3% in 2023 Q4. Economists surveyed in February projected GDP in 1Q 2024 will increase 0.3%.
LAST QUARTER	LAST MONTH	RIGHT NOW	NEXT QUARTER



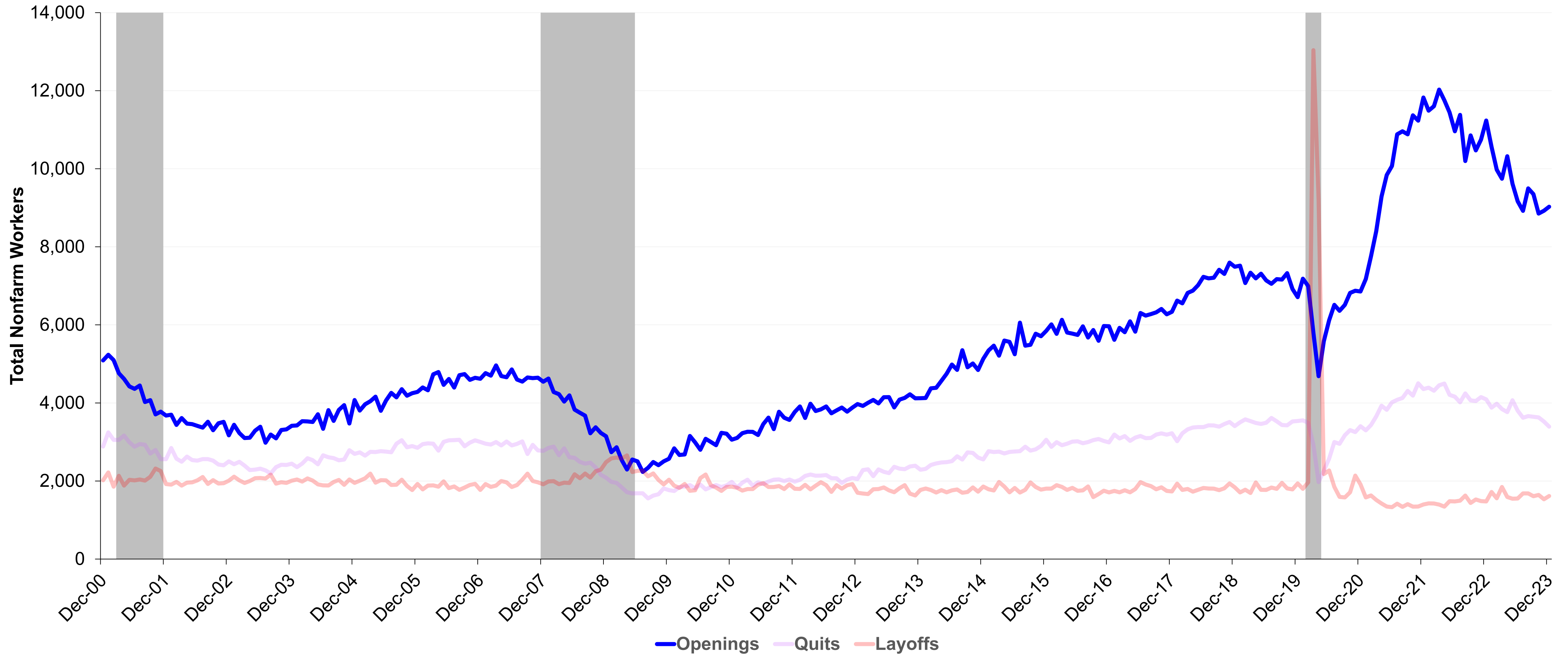
A Great Reversal in Labor Market Dynamics Between 2008 and 2020



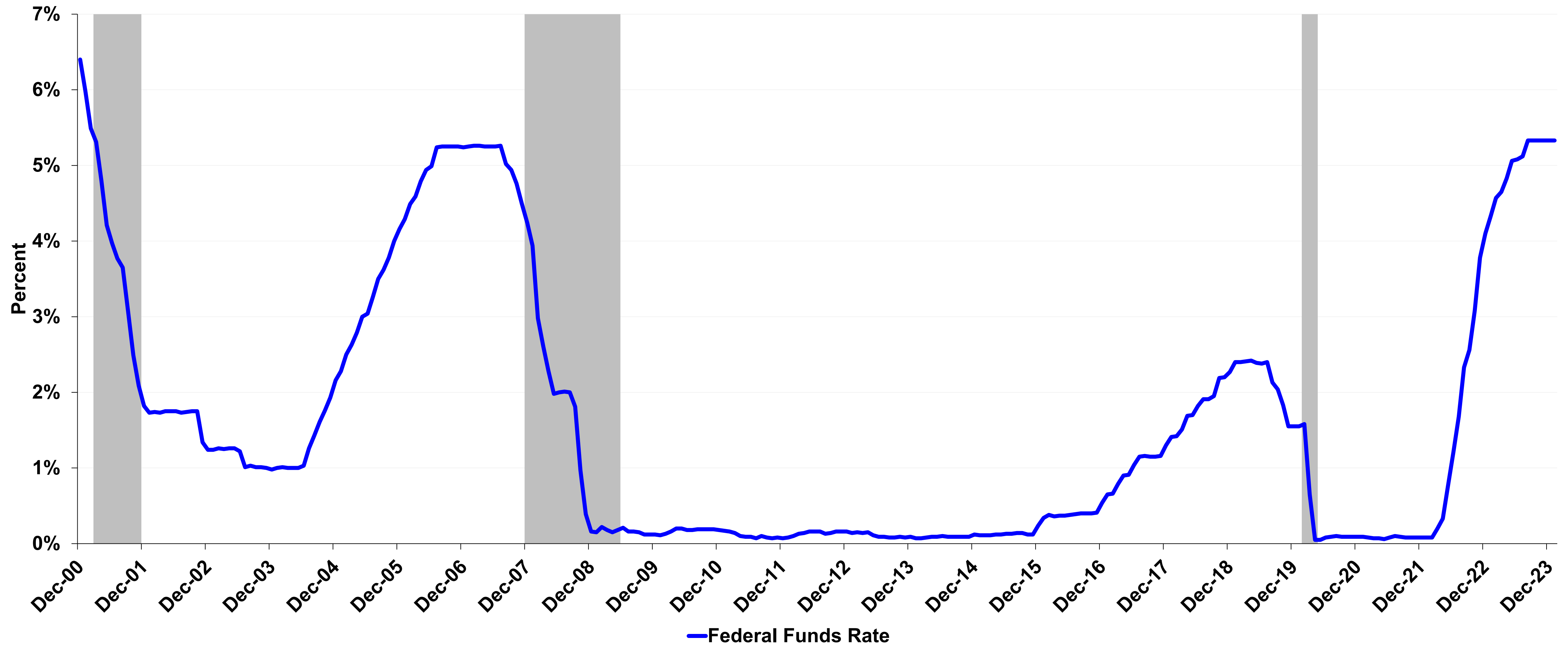
The Postpandemic Labor Market Remains Very Tight



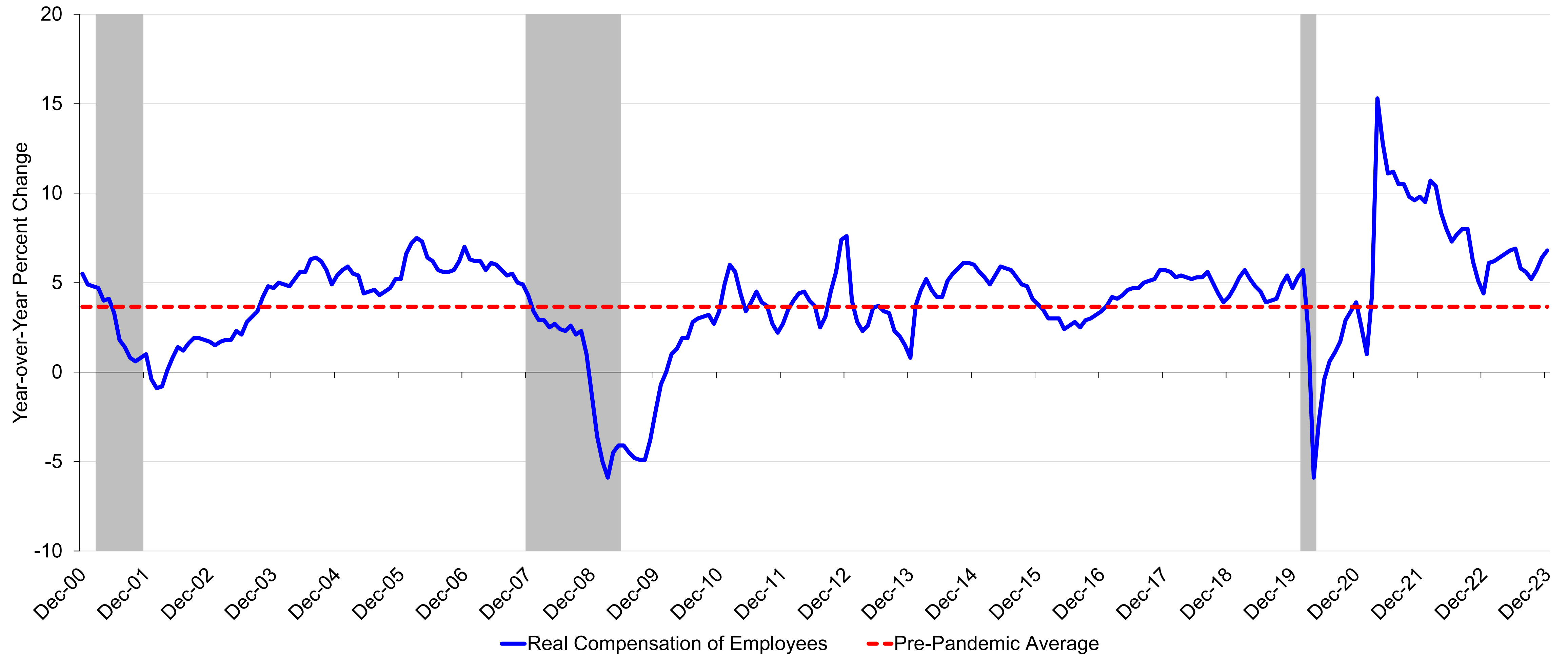
What Is Driving Job Openings?



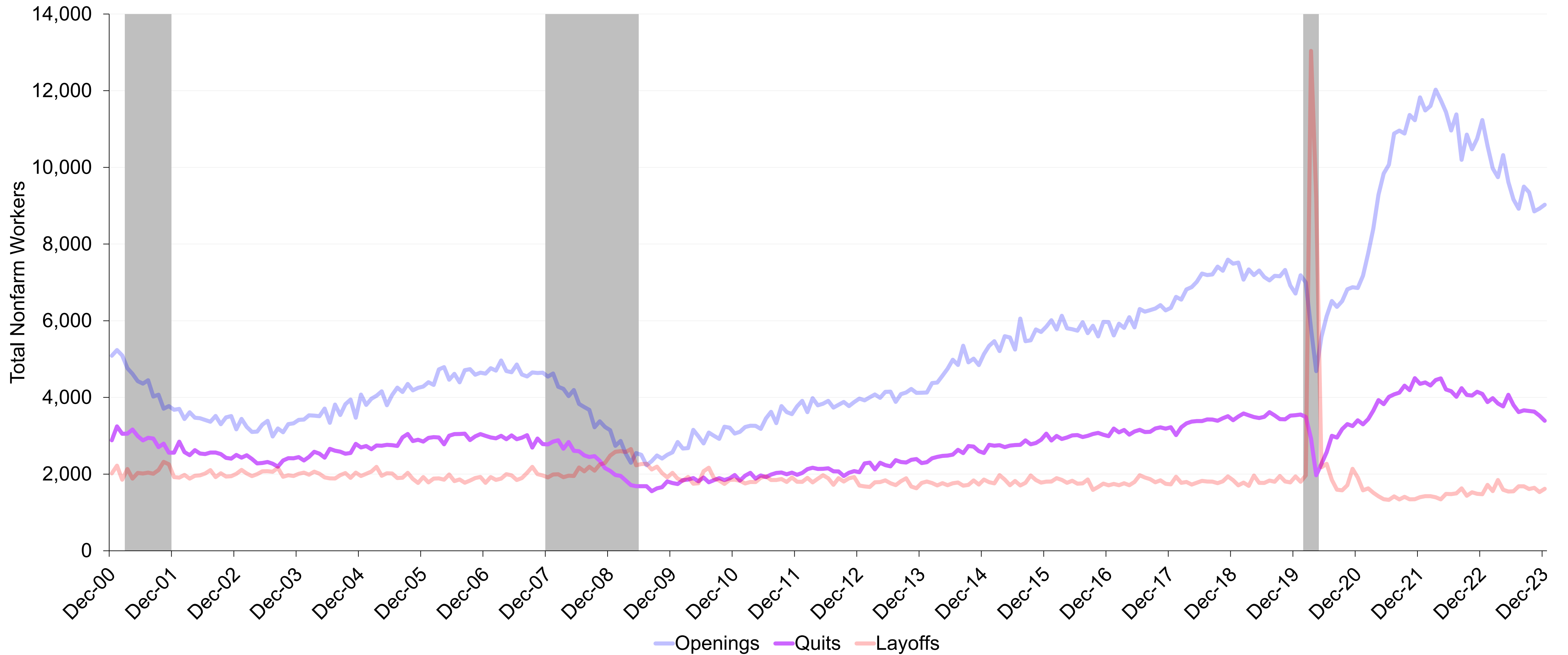
Higher Interest Rates Are Accelerating Labor Costs



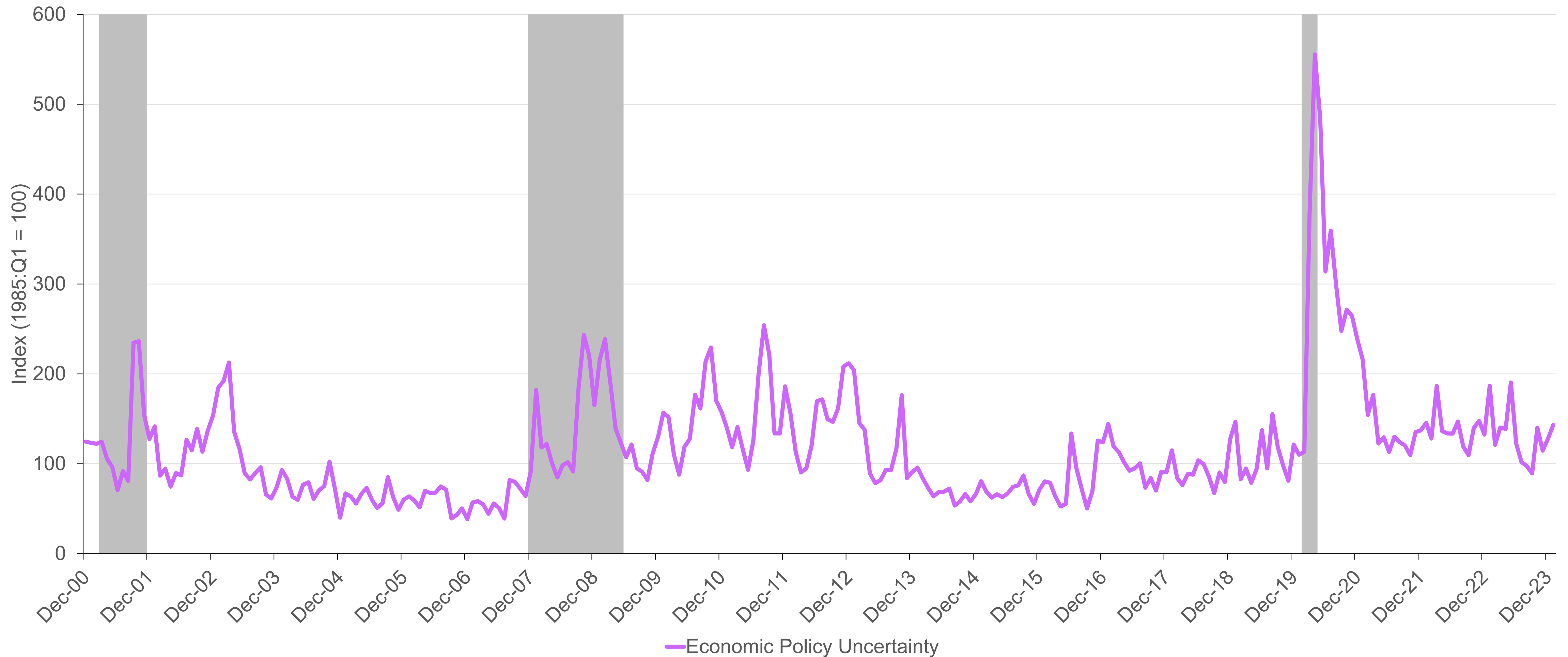
Salaries and Wages Are Elevated Above Prepandemic Levels



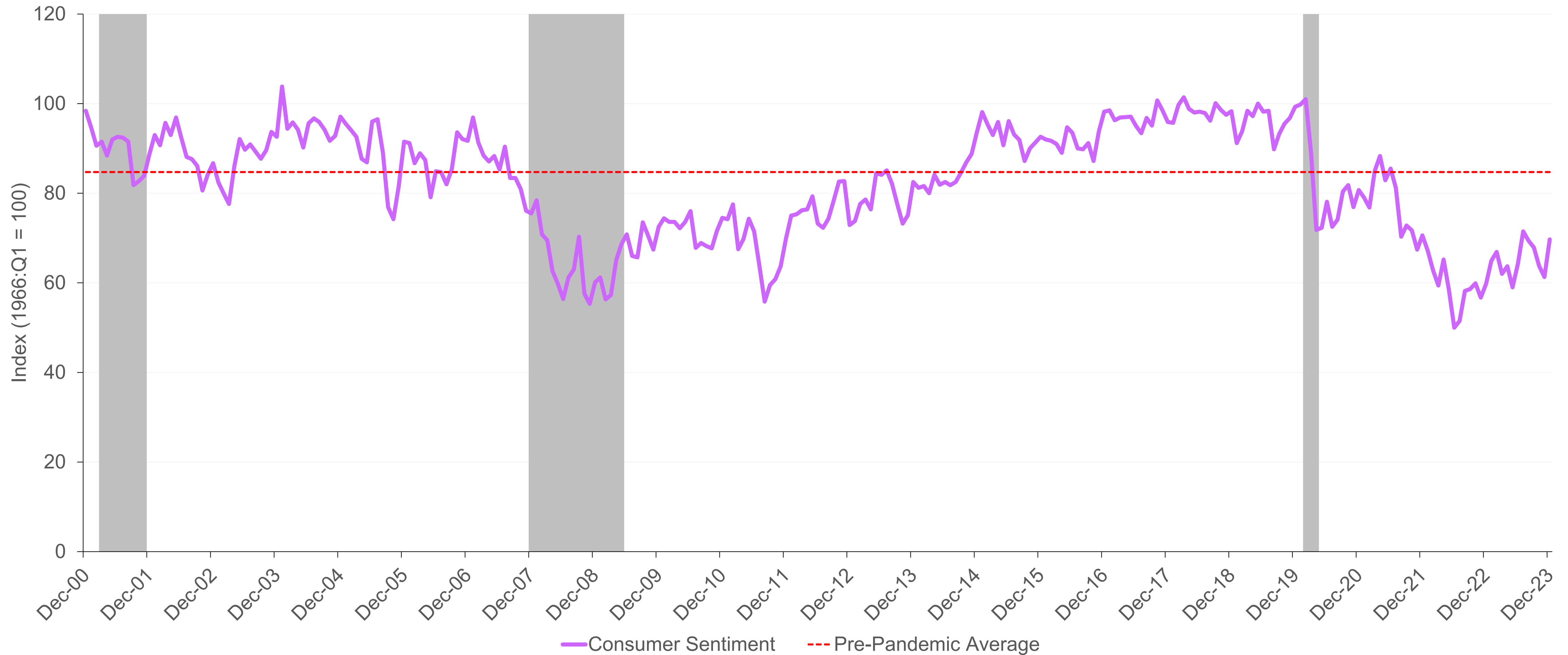
What Is Driving Quits?



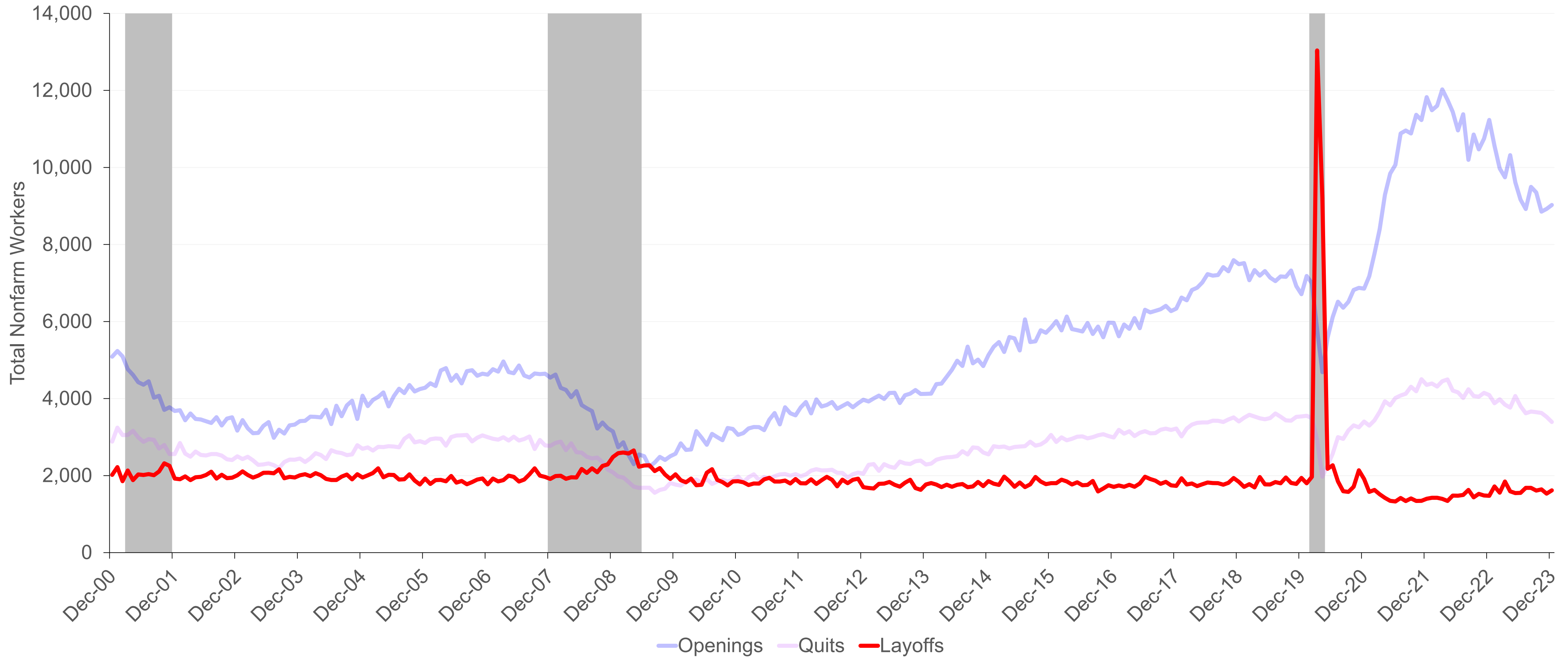
Anxieties About the Economy Are Limiting Voluntary Separations



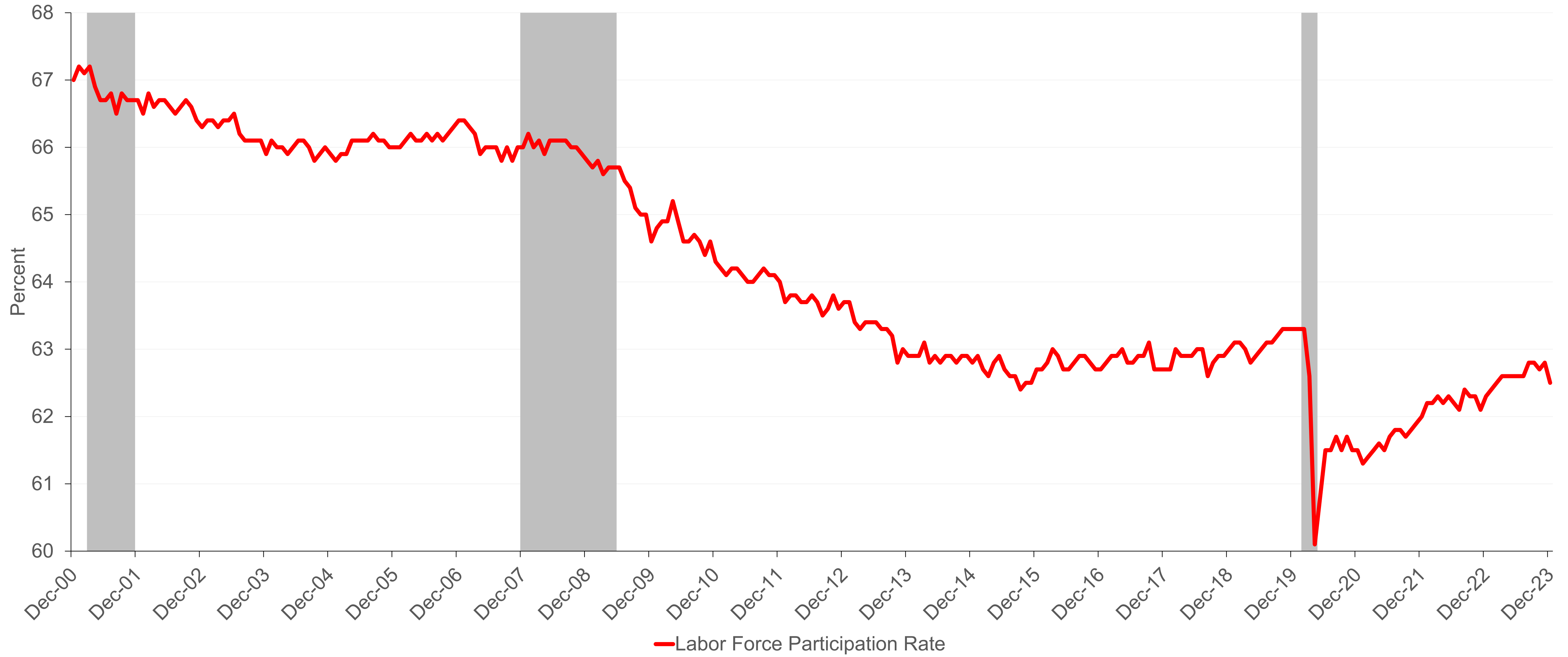
Consumer Sentiment Remains Below Prepandemic Levels



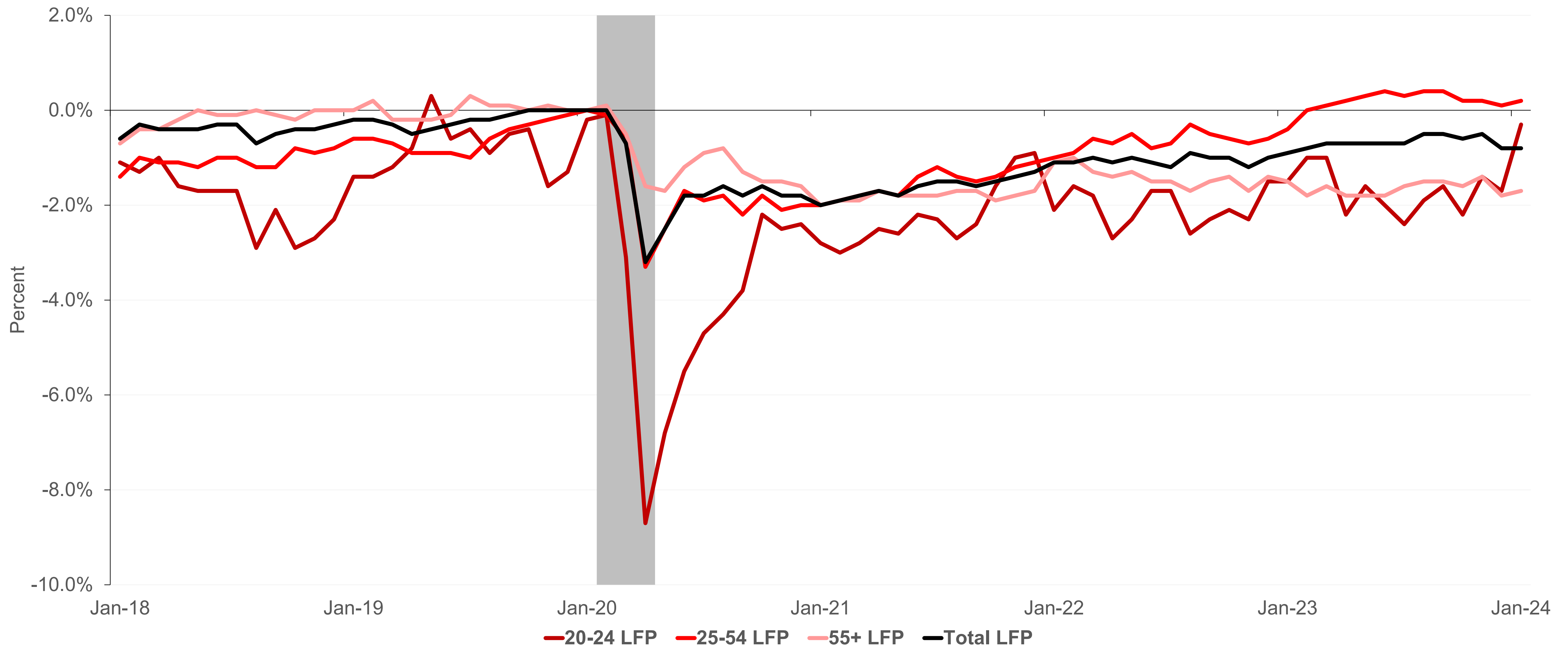
What Is Driving Layoffs?



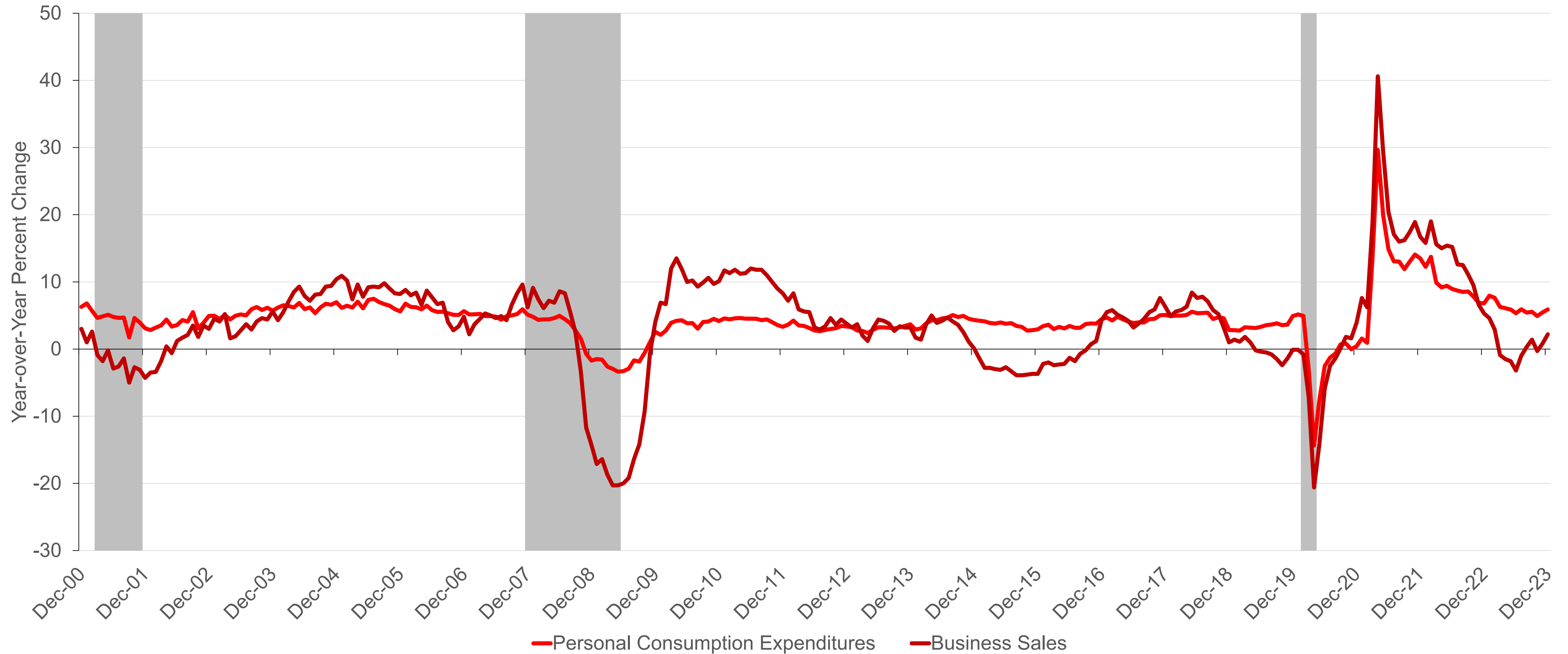
Reduced Labor Force Participation (LFP) Is Limiting Layoffs



LFP Slack Is Greatest Among Older Workers (Ages 55+)



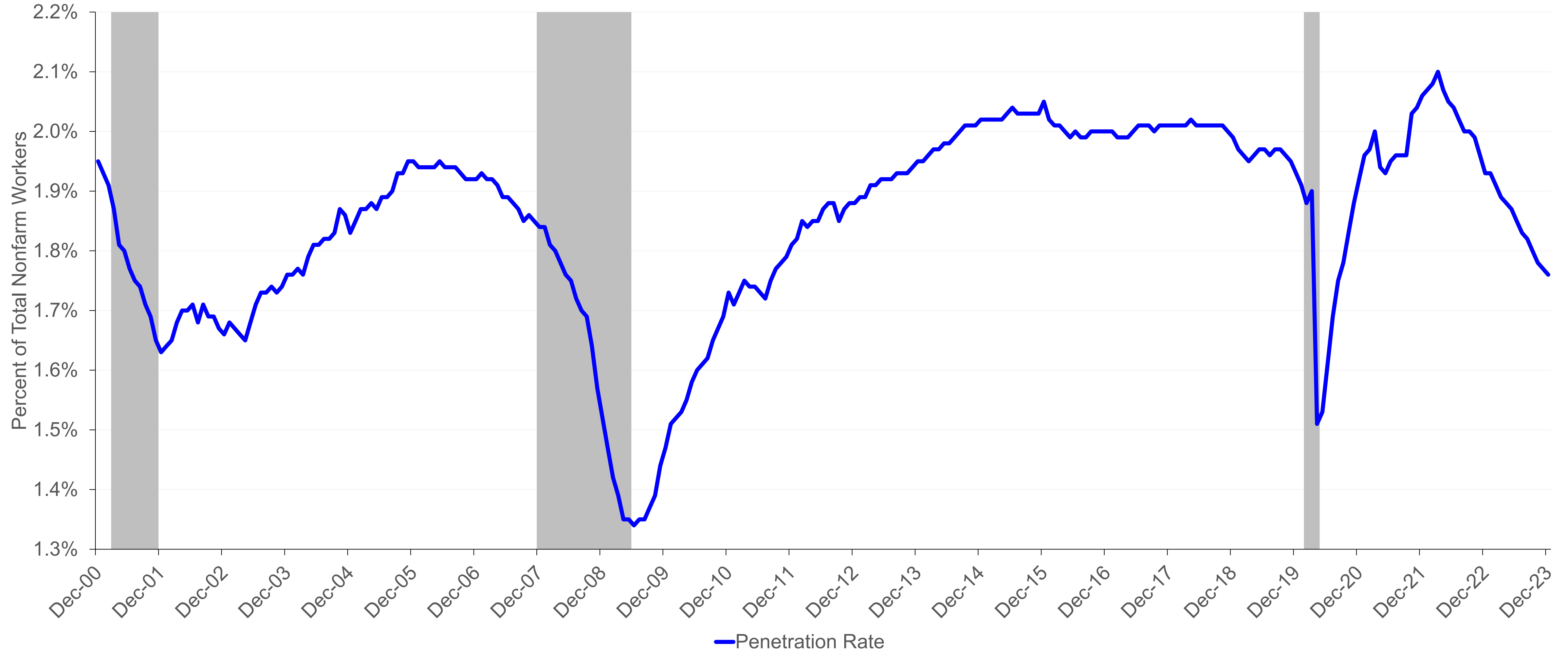
Robust Consumption Is Supporting Continued Business Sales



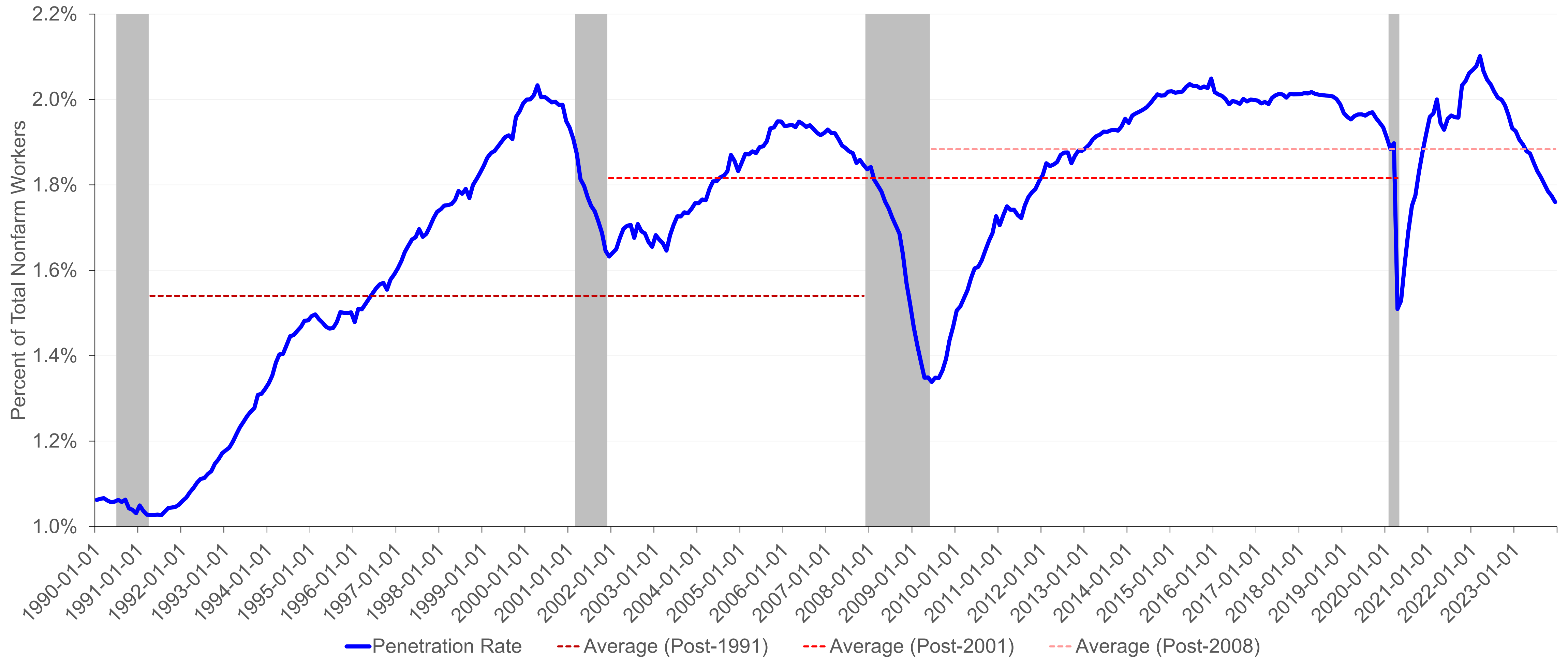
What Does a Tight Labor Market Mean for the Staffing Industry?



Reduced Labor Turnover Yields Reduced Staffing Employment



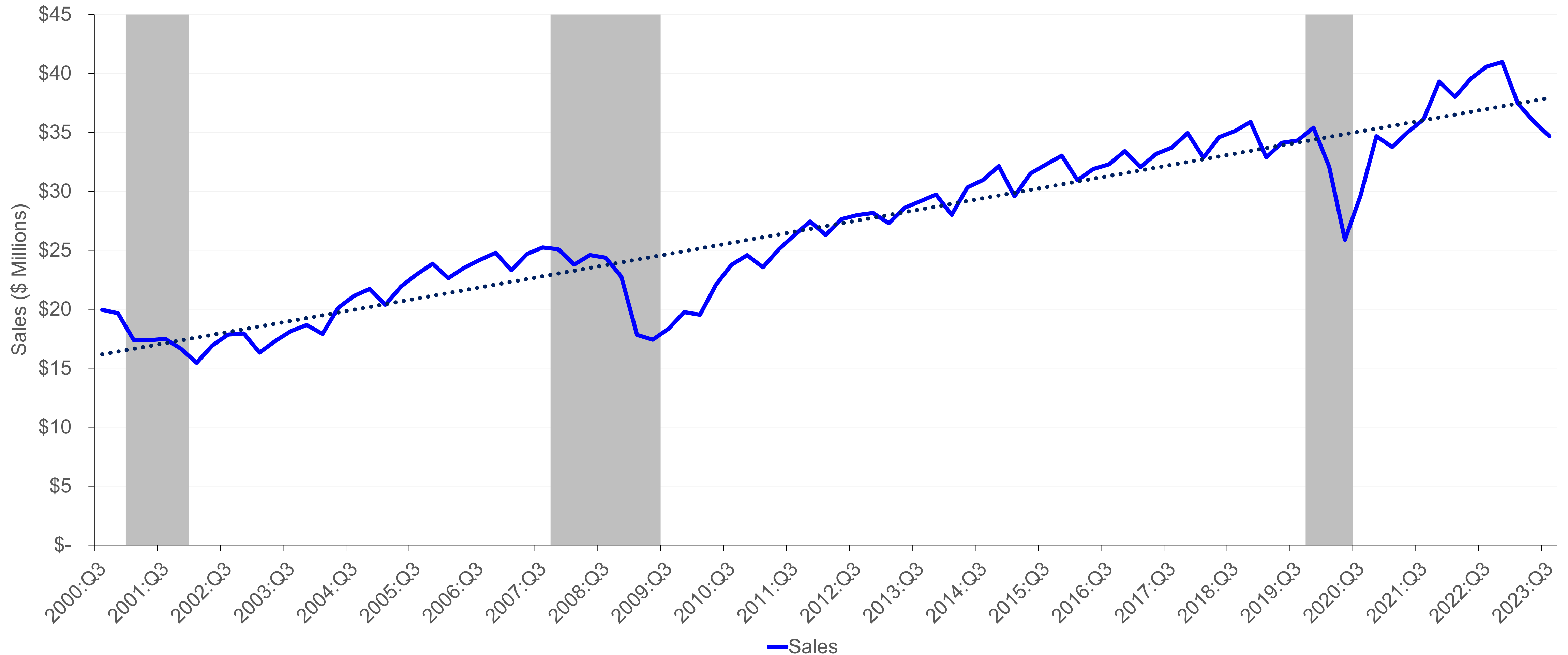
Swings in Staffing Employment Depend on the Business Cycle



— Penetration Rate - - - Average (Post-1991) - - - Average (Post-2001) - - - Average (Post-2008)



Staffing Industry Sales Are Trending at Historic Levels



What Does This Mean for Staffing Companies?

- Staffing industry thrives on more churn within the labor market at-large.
- Higher business costs depress demand among both clients and talent.
- Staffing companies must use the downtime to keep relationships active:
 - Understand the data to assuage concerns among clients.
 - Keep channels of communication open with candidates.
 - Proactively sell opportunities with a long-term outlook.

Discussion and Q&A



Noah Yosif

chief economist
American Staffing Association



Alicia Barker

chief operating officer
Staffing 360 Solutions Inc.



Lori Malett

president
Hatch Staffing Services

Questions?



Thank you!



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