



TOP 10 STAFFING TRENDS for 2025



To help you navigate market uncertainty and maximize growth, the American Staffing Association compiled Top 10 Trends in Staffing for 2025 and provided curated resources for each.



TREND

1

ECONOMIC VOLATILITY



Changes in the economic landscape will require staffing firms to be agile and prepared for the ebbs and flows of business. Data analytics will offer insights into market trends, candidate behavior, and industry benchmarks that can guide decision-making amid volatility.





HOW ECONOMIC VOLATILITY AFFECTS STAFFING FIRMS

- Staffing firms should expect economic changes to have a direct impact on business growth, operations, and strategy.
- 2025 will see further volatility due to potential inflationary headwinds fostered by geopolitical and regulatory uncertainties.
- Along with volatility comes business development opportunities. Partnerships with clients can be leveraged to sell on service and delivery, not price.
- Staffing firms can also use volatility as a catalyst to find ways to mitigate risks, focus on their strengths, and develop a strong internal team.

TOP RESOURCES

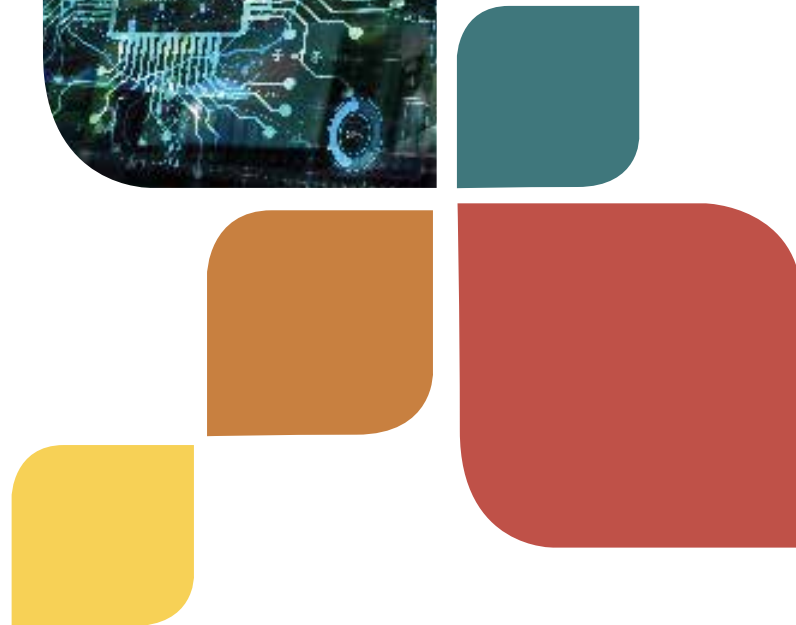
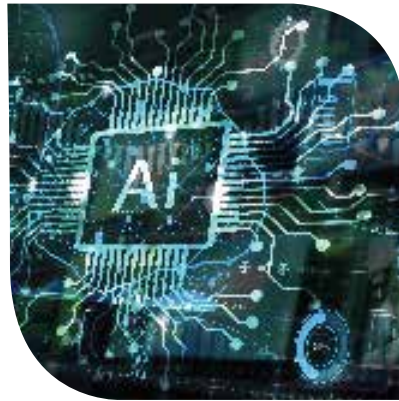
- ASA Staffing Industry Playbook and Webinar
- ASA Weekly Economic & Business Outlook
- ASA Data Dashboard



TREND

2

AI AND AUTOMATION



The use of artificial intelligence (AI) and automation continues to expand in virtually every industry, and staffing is no exception. The progress and potential of this technology is tremendous. However, it also requires staffing firms to deal with associated disruption, change, and risks.





HOW AI AND AUTOMATION AFFECT STAFFING FIRMS

- Staffing firms are using AI to source candidates, write job descriptions, reduce bias, streamline interviewing, improve onboarding, drive sales, and more.
- Staffing leaders will need to acquire new mindsets, skills, and management approaches to maximize the benefits and minimize the challenges of AI.
- While AI and automation can improve productivity, they also raise concerns about job displacement if new technology replaces humans. CEOs need to ensure employees are reskilled and that new roles are created as their current roles are automated.
- Even with new tech constantly emerging, staffing firms are looking to simplify their tech stacks whenever possible.
- Staffing firms should view technology as a tool to improve performance, productivity, outcomes for clients, candidates, and internal operations.
- As a best practice, staffing firms should train employees to identify AI-related risks and to follow company policy.

TOP RESOURCES

- Artificial Intelligence in Staffing: How to Maximize Benefits and Minimize Risk
- *Staffing Success*: Are You a Responsible AI User?
- *Staffing Success*: 6 New Tech-Powered Recruiting Strategies



TREND

3

REGULATORY UNCERTAINTY



The increasingly complex regulatory landscape continues to impact operations, job creation, and economic growth for businesses, including staffing firms. Compliance across multiple states and jurisdictions is also difficult. The new administration and congressional changes could bring additional changes to taxes, trade, and regulations.





HOW REGULATORY UNCERTAINTY AFFECTS STAFFING FIRMS

- A fragmented landscape of multistate regulations adds complexity to business operations and requires a renewed emphasis on compliance.
- Key regulatory issues to watch include wage and hour, paid leave, data privacy, pay transparency, noncompete agreements, AI, worker classification, I-9, and immigration.
- Staffing firms will need to deepen their ties with clients and educate them on labor and employment issues and help with compliance. Equal pay and benefits litigation in New Jersey and Illinois could influence what other states do.
- Legislation on Automated Employment Decision Tools is important to watch due to the sheer volume of résumés the staffing industry receives.
- There will be a continued focus on compliance with AI and classification of workers (1099 vs. W-2).
- ASA and member companies will play an important role in sharing success stories that positively impact job creation and economic growth.



TOP RESOURCES

- ASA Grassroots Tool Kit
- Legal News and Issue Papers
- ASA Fact Sheets
- Why Staffing? Video Series

TREND

4

FOCUS ON DIFFERENTIATION



Growth is imperative in today's competitive environment. With numerous firms vying for the same clients and candidates, differentiation helps a firm stand out, build a unique identity, and attract more business. Differentiation is also a key for resilience in a fluctuating economy.

HOW DIFFERENTIATION AFFECTS STAFFING FIRMS



- Differentiation strategies will include improved skills matching, new revenue streams, a focus on value vs. price, new client servicing models, and increased efficiency and productivity.
- To overcome cost pressures from clients, firms will need to understand clients' specific goals and offer more strategic services that align with those specific goals.
- Competitiveness will come through innovation, adapting to changing customer behaviors and market dynamics, and adopting new business models.
- Adaptability to changing client demands will also be key to maintaining market relevance.

TOP RESOURCES

- *Staffing Success: Elevate Your Sales Game—Strategies to Spark Growth*
- *Promote Your ASA Membership*



TREND

5

STAFFING AND TALENT PLATFORMS



The rise of staffing and talent platforms will challenge traditional staffing models in 2025 and beyond. These tech solutions will streamline processes, improve operational efficiencies, and speed access to talent. However, staffing firms should be aware of potential pitfalls related to culture, brand, and compliance.



HOW STAFFING AND TALENT PLATFORMS AFFECT STAFFING FIRMS

- More staffing firms will leverage technology to efficiently connect job seekers with employers, streamlining and accelerating the job-matching process.
- Benefits of staffing platforms include improved experience for job seekers and clients, competitive advantage and differentiation, automation of recruitment tasks, finding talent with specialized skills, and increased brand awareness.
- While the mobile-first approach gives staffing firms access to a broader talent pool, it also raises concerns about quality, culture fit, and brand if infrastructure is not effectively aligned with operational processes.
- These solutions pose compliance and legal considerations.
- Ten states have codified the independent contractor status of platform workers. On the other hand, state regulators—with ASA assistance—have stepped up enforcement against platforms for misclassifying workers.



TOP RESOURCES

- Tech Talk From Staffing World®: Apps and Staffing Platforms—Game-Changer or Hype?
- ASA Issue Paper: Misclassification of Industrial Workers

TREND

6

FLEXIBLE WORK MODELS



Workforce changes make job seekers reconsider what they want in their next position. As a result, companies will need to prioritize flexibility and continued collaboration in 2025. While remote and hybrid work models are more the norm, employers and employees are still divided on the topic.



HOW FLEXIBLE WORK MODELS AFFECT STAFFING FIRMS

- Staffing firms should be aware of the flexibility needs of their internal team, as well as external talent for clients. For example, scaling work during high- and low-demand times.
- Flexibility will have practical and economic advantages within the overall workforce for both candidates and employers.
- Virtual onboarding, connectedness, and remote training should be prioritized in 2025.
- With the potential for a global talent pool, staffing firms will need to be ready for complexities that come with managing teams and compliance across multiple states or countries.
- Staffing companies that can strategically align with high-demand professions and worker preferences can ensure readiness to compete in a changing economic landscape.
- The topic of classification of workers, including 1099 issues, will continue.
- Employment trend data can help staffing companies determine better solutions for clients that will result in higher staffing growth.
- Flexibility will create a more productive, engaged workforce that will ensure better results—both top and bottom line revenue growth.

TOP RESOURCES

- KPMG: Beyond the Office: Embracing the Hybrid Future
- *Staffing Success: The Telework-Staffing Connection*
- ASA Workforce Monitor—Return to Office

TREND

7

EMPLOYEE EXPERIENCE



As in 2024, employee experience will be essential for productivity, engagement, and talent retention in 2025.

Staffing firms will need to focus on a strong employer brand that communicates core company values to ensure a positive experience for internal staff and placed talent.



HOW EMPLOYEE EXPERIENCE AFFECTS STAFFING FIRMS

- A recent Gallup poll shows employee engagement is up slightly over recent years, though numbers are still dismally low.
- Staffing companies will need to keep in mind that external employees simultaneously represent the staffing firm's brand and the client's brand.
- Strategic and thoughtful conversations are key to aligning needs and delivering exceptional experiences for both clients and candidates.
- A positive employee experience can provide firms access to talent amid the changing workforce.
- Firms that focus on engagement and development will see higher productivity, better performance, and increased innovation.
- Upskilling and reskilling will be necessary components of the employee experience.

TOP RESOURCES

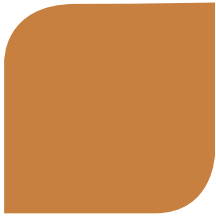
- *Staffing Success: Reputation Matters: Crafting a Positive Online Presence*
- *Staffing World® Session: Employer and Personal Branding—Stand Out, Compete, and Win*



TREND

8

INCLUSIVE CULTURE



Inclusion will be a top value for staffing firms in 2025 as they seek competitive advantage and better decision-making, innovation, and engagement. An inclusive culture that embraces employees of all backgrounds, generations, and abilities can best serve clients while driving growth for staffing firms.



HOW AN INCLUSIVE CULTURE AFFECTS STAFFING FIRMS

- Inclusive workplaces enjoy higher levels of employee engagement and motivation. They also more easily attract and retain talent.
- Inclusive hiring practices can help assemble a diverse, vibrant, and skilled team that contributes to company growth.
- An inclusive culture opens the door to deeper and broader client engagements that can drive innovation, market expansion, and a competitive edge.
- Savvy firms continuously look for ways to find diverse skill sets in employees that can drive productivity.
- Staffing firms interested in improving inclusivity are investing in training and sponsoring employee resource groups with internal staff and contract employees.
- Clients need to participate in efforts for inclusion practices and corporate social responsibility activities.

TOP RESOURCES

- ASA Webinar: Beyond the DEI Department—Integrating Inclusivity Across Your Organization
- *Staffing Success: The Staffing Firm Way—Creating and Maintaining a Strong Company Culture*



TREND

9 CYBER
THREAT



The threat landscape is evolving to become more sophisticated in 2025. Cyberattacks—including ransomware, phishing scams, and data breaches—are on the rise, and cybercriminals continue to develop new tactics. Staffing firms will need to be increasingly vigilant to secure their digital infrastructure, protect their business, and guard their reputation.

HOW CYBER THREAT AFFECTS STAFFING FIRMS



- Increased reliance on digital systems requires stronger cybersecurity measures.
- Data privacy issues will continue into 2025 and beyond as bad actors seek to profit from personally identifiable information and companies' intellectual property.
- Damages from cyberattacks pose financial, operational, and reputational risks.
- Staffing firms can better protect themselves by investing in training programs, automation, and outsourcing to fill gaps.
- A culture of continuous learning can ensure teams are prepared for emerging cyberthreats.
- Business continuity planning is a must amid a constant barrage of cyberthreats.

TOP RESOURCES

- ASA Webinar: Cybersecurity Best Practices for Staffing Agencies
- ASA Webinar: Cybersecurity—Protecting Your Staffing Business Against Online Threats



TREND

10

MARKET CONSOLIDATION



To drive growth in 2025, many staffing firms are considering mergers, acquisitions, and strategic partnerships. Whether buying or selling, firms should focus on optimizing operational efficiencies and profitability while growing their business.





HOW MARKET CONSOLIDATION AFFECTS STAFFING FIRMS

- Pent up demand will likely lead to a boom in the mergers and acquisitions market in 2025.
- Some staffing firms are seeking deals as a play to enter new markets and diversify their businesses.
- Mergers, acquisitions, and strategic partnerships will enhance solutions for clients, as the strengths of each entity can be leveraged to deliver new or better products and services.
- Staffing firms looking to sell could benefit from engaging with private equity firms, who typically bring significant capital and expertise to a transaction.
- Firms should continue to differentiate themselves from competitors to be a more attractive merger, acquisition, or partner.
- Firms should consider the legal issues, risk mitigation, and compliance strategies needed for a merger or acquisition.
- A strong management team in place can make for a smoother transaction, as can strong client relationships.

TOP RESOURCES

- ASA Webinar: Keys to Preparing for a Successful M&A Transaction
- Staffing World® Session: Best Practices for Buying a Staffing Company





LOOKING FOR MORE STAFFING-SPECIFIC INSIGHTS AND TOOLS?

JOIN THE AMERICAN STAFFING ASSOCIATION.

ASA exists to help staffing firms grow and thrive. We work tirelessly at the national and local levels to advance the industry and protect your ability to do business. Click below to see the full range of member benefits, including best practices, market intelligence, compliance resources, and a community of influential leaders to help empower growth for your firm.

Let's Connect

Get to Know ASA

ALREADY A MEMBER?

- **Contact us** to explore ways to maximize your membership. We can point you toward the specific ASA resources that will most benefit your business in the year ahead.

