



Industry Trends Driving Staffing Company Growth in 2018 and Beyond

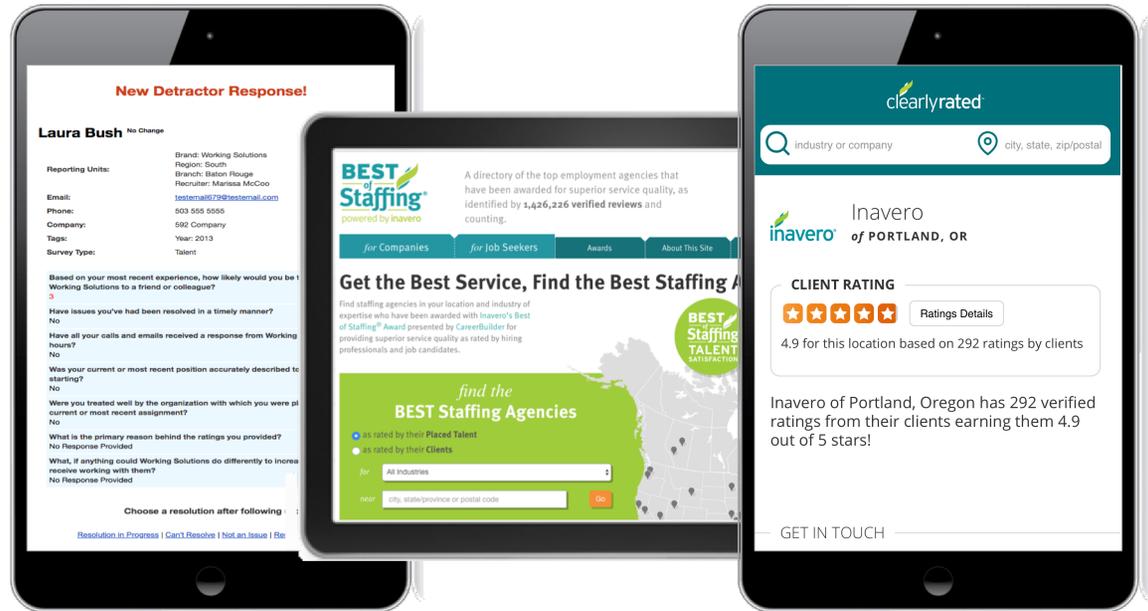
Presented by Eric Gregg, CEO & Founder, Inavero



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5 Facts About Inavero

- 1) We measure client experience for 350+ staffing firms
- 2) We are ASA's *Staffing Satisfaction Survey* partner
- 3) We will identify more than 15,000 at-risk clients and talent this year
- 4) BestofStaffing.com has more than 1.4+ million ratings and 142,000 monthly user sessions
- 5) Inavero has more than 275 testimonials from staffing firms on ClearlyRated.com



Measure client and talent satisfaction.
Build online reputation.
Differentiate on service quality.

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PARTNER

American Staffing Association



TAKE ACTION

There is no perfect time.
Start improving today.



FIXED GEAR BIKE POSEUR



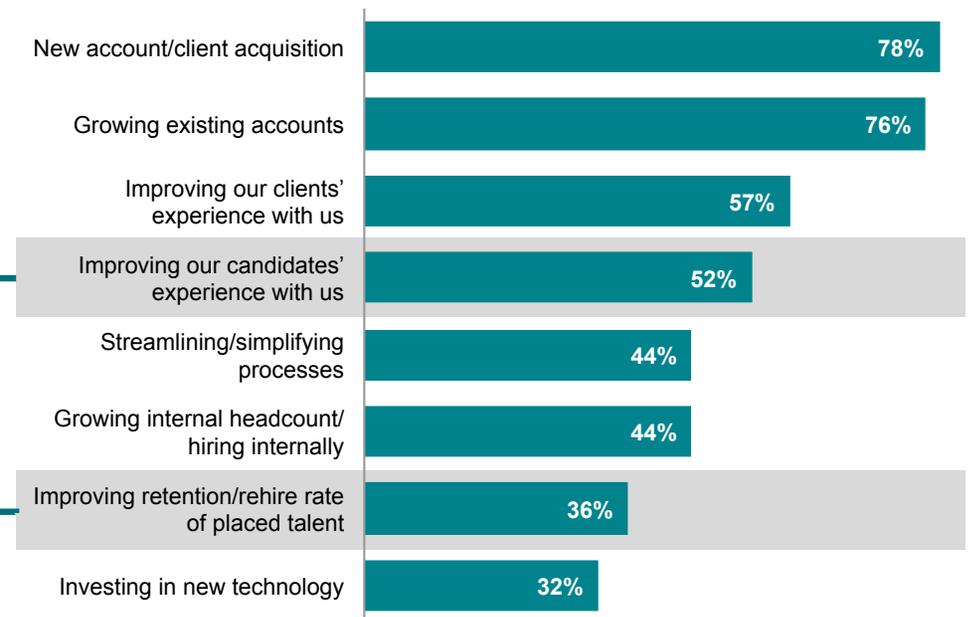


Finding talent to place is top concern, but not top initiative

Leaders - Biggest threats facing staffing firms



Leaders - Biggest initiatives in the next year



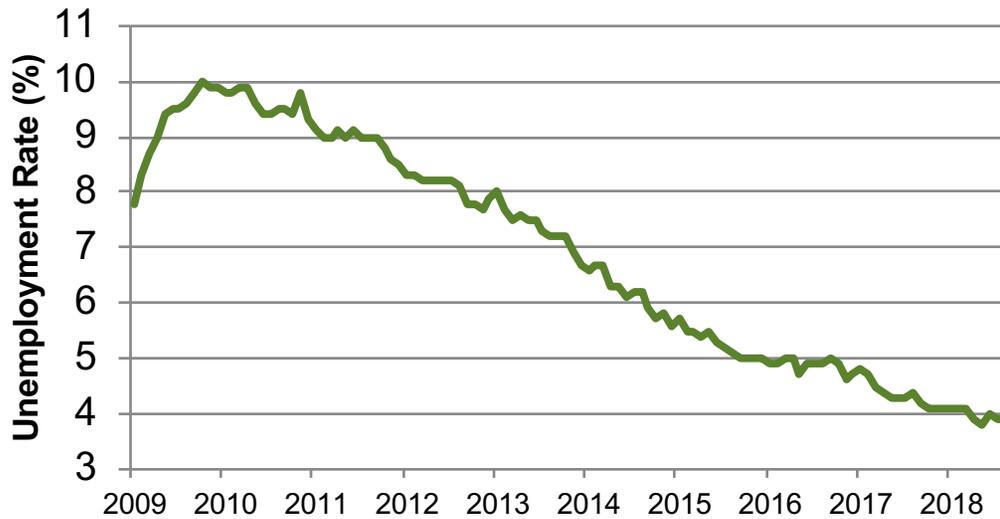
SOURCE: Inavero, CareerBuilder, and ASA



Measure client and talent satisfaction.
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Differentiate on service quality.

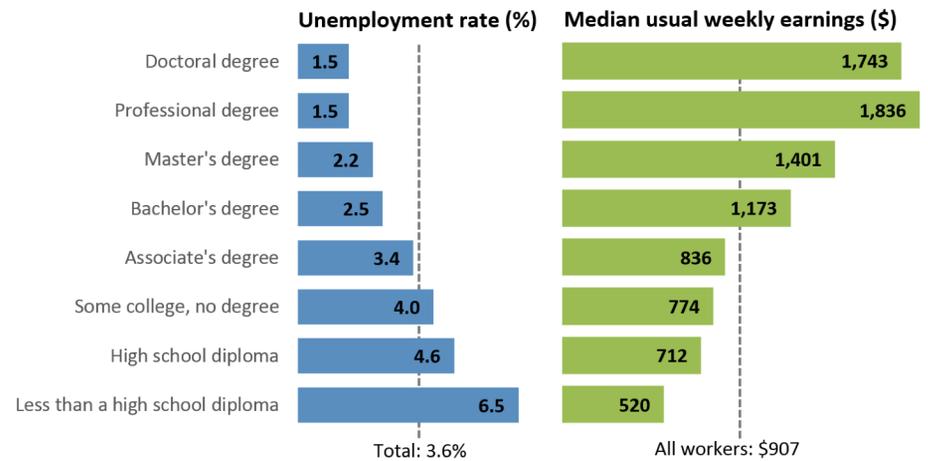
Availability of top talent at historical lows

U.S. unemployment rate following great recession



SOURCE: U.S. Bureau of Labor Statistics

Unemployment rates and earnings by educational attainment, 2017



Note: Data are for persons age 25 and over. Earnings are for full-time wage and salary workers.
Source: U.S. Bureau of Labor Statistics, Current Population Survey.

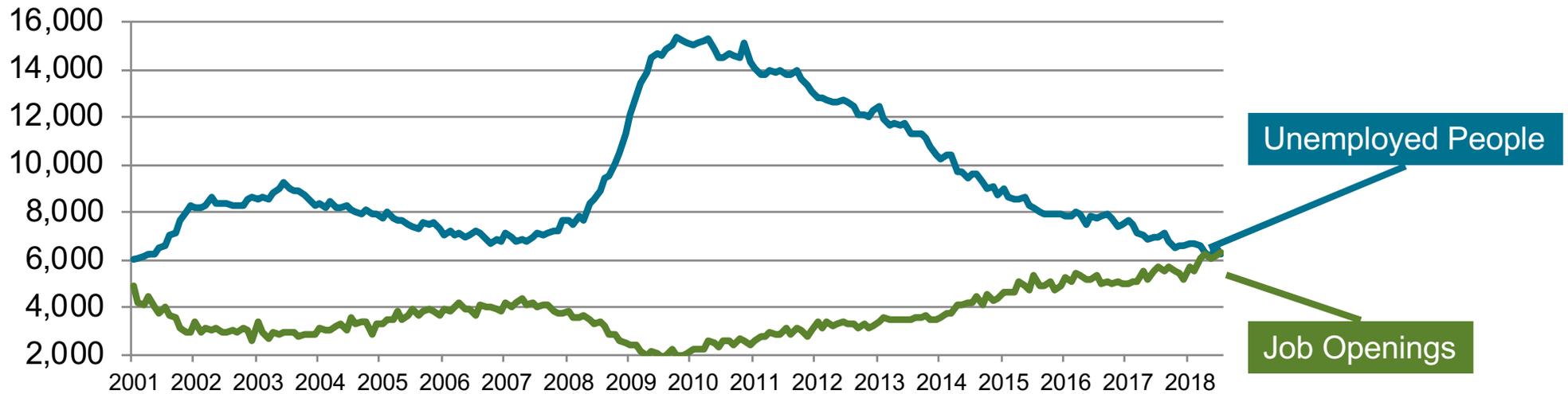


Measure client and talent satisfaction.
Build online reputation.
Differentiate on service quality.

Many of us
don't
remember
the last time
this
happened



There are literally not enough people to fill open jobs



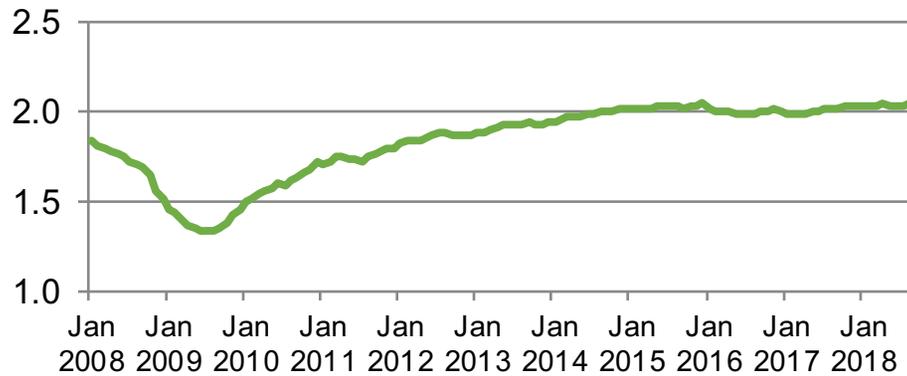
SOURCE: BLS Job Openings and Labor Turnover Survey



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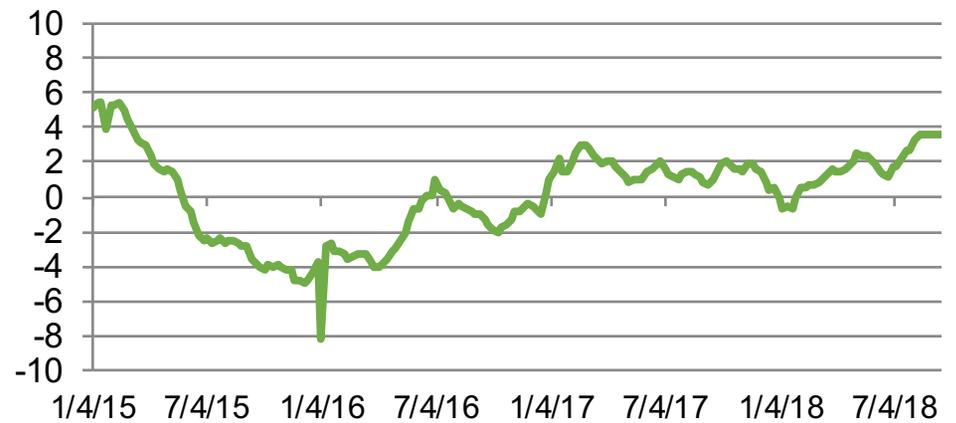
Demand for flexible talent at historical highs

Temporary Help Percent of Nonfarm Employment



SOURCE: U.S. Bureau of Labor Statistics

ASA Index Trailing 4 Weeks YoY

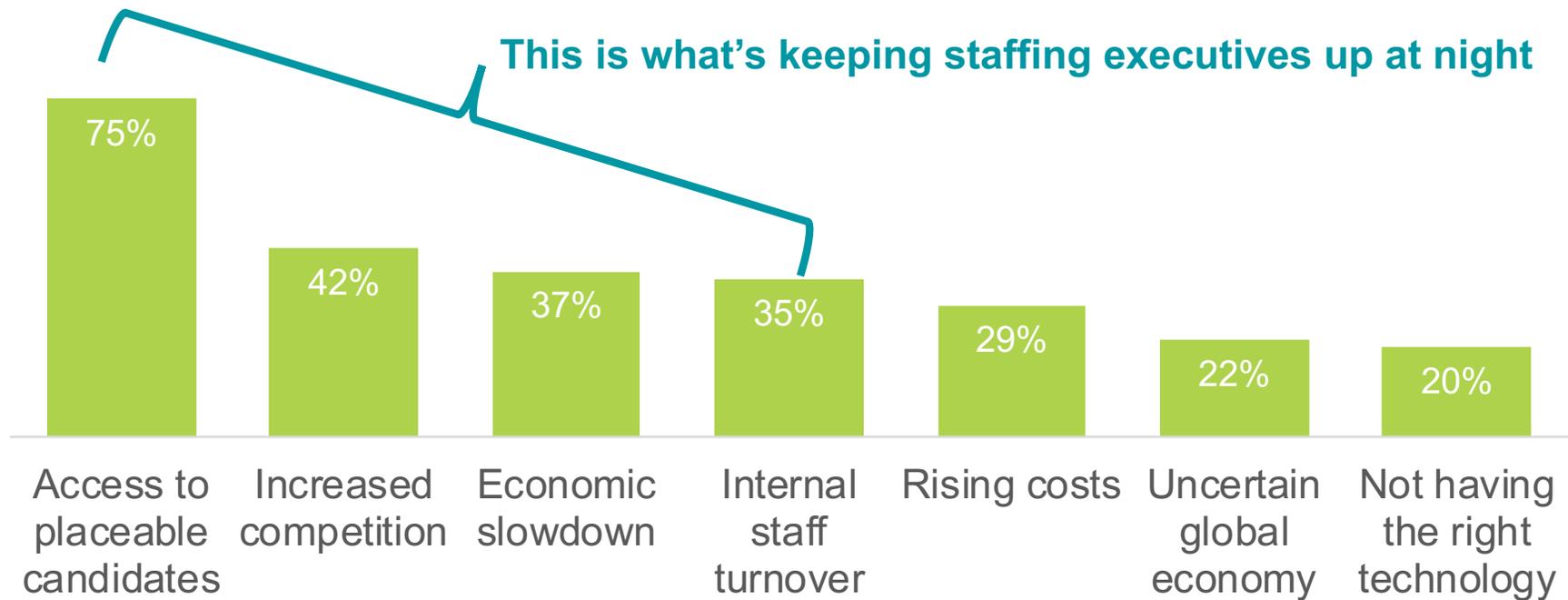


SOURCE: American Staffing Association



Measure client and talent satisfaction.
Build online reputation.
Differentiate on service quality.

Leaving staffing firm executives in pain



SOURCE: Inavero, CareerBuilder, and ASA



Measure client and talent satisfaction.
Build online reputation.
Differentiate on service quality.



Trend #2

Retention of Internal Staff More Difficult Than Ever

A lesson on Net Promoter Score® (NPS)

WHAT

is a Net Promoter Score?

A Net Promoter Score (NPS®) is an easily understandable metric based on likelihood to recommend using a company, product or service to a friend or colleague

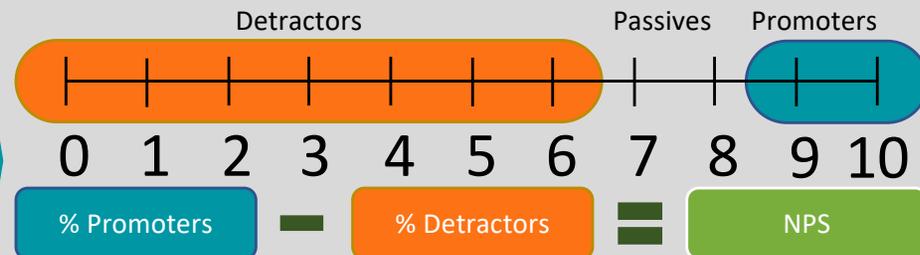
WHY

use a Net Promoter Score?

Companies often see a direct correlation between: Net Promoter Score, customer retention, & revenue growth

HOW

do we calculate Net Promoter Score?



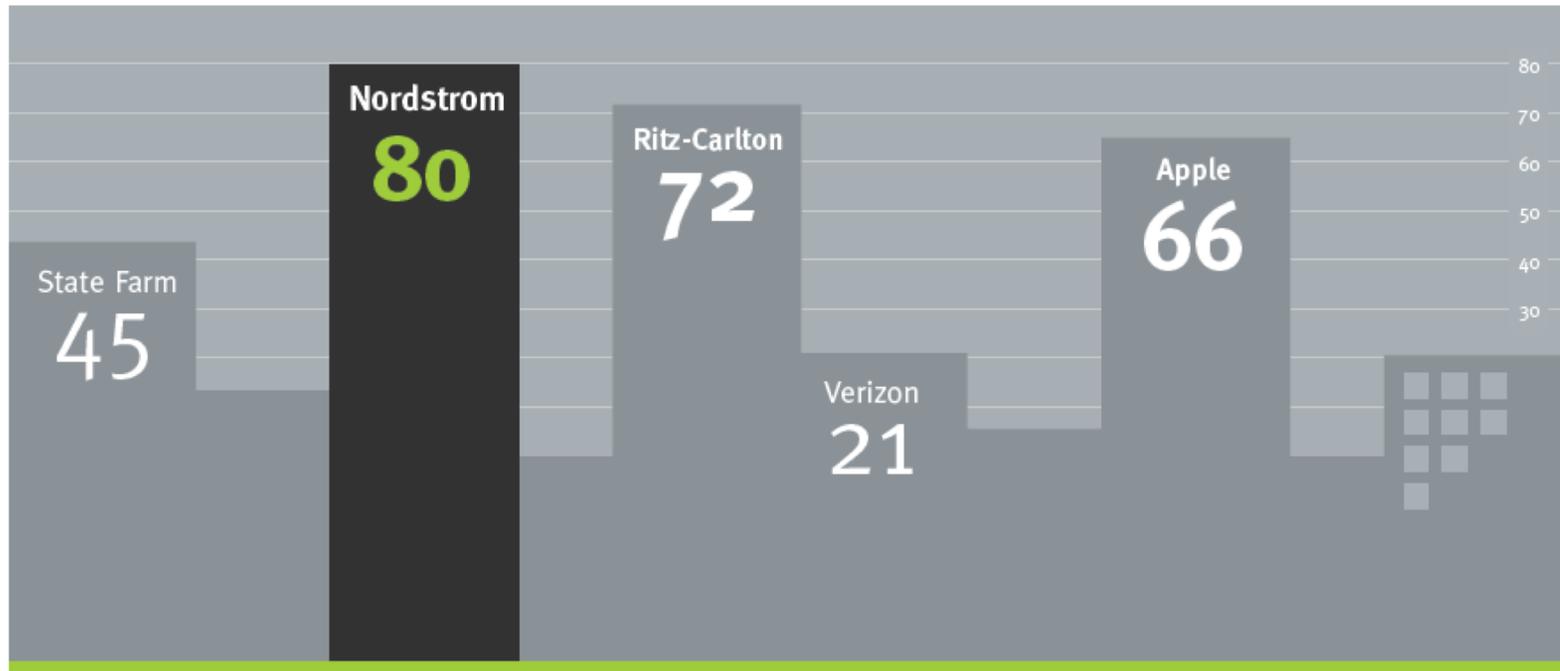
Promoters: Your firm's *strongest allies*; most likely to promote your firm to others

Detractors: Clients at risk of switching firms



Measure client and talent satisfaction.
Build online reputation.
Differentiate on service quality.

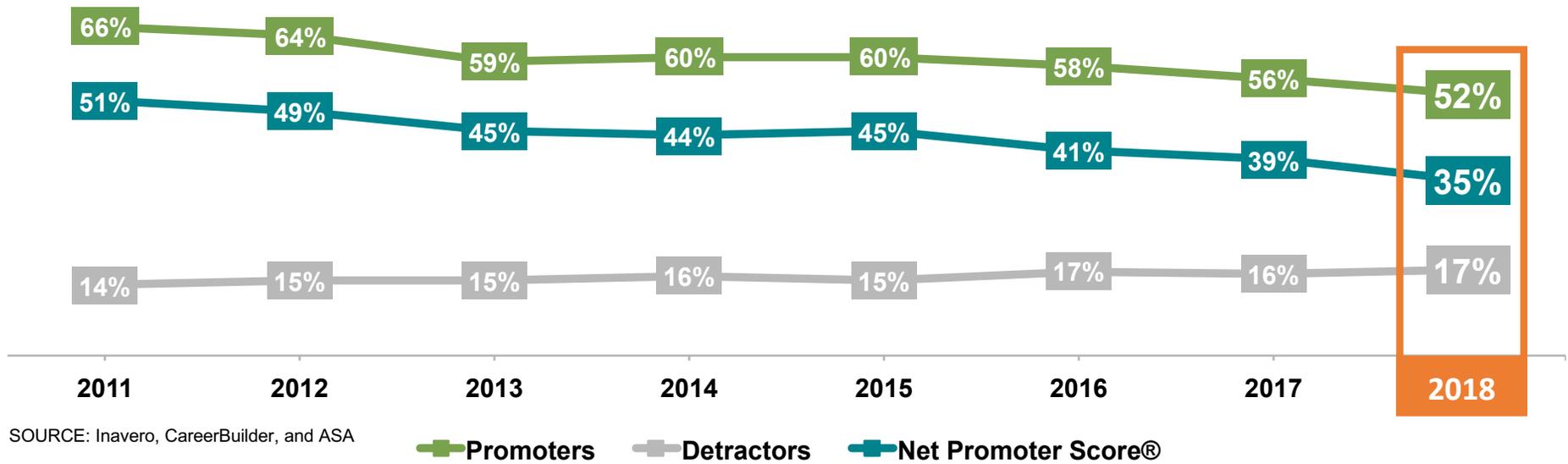
NPS benchmarks of well-known consumer brands



Measure client and talent satisfaction.
Build online reputation.
Differentiate on service quality.

Internal staff satisfaction continues slide

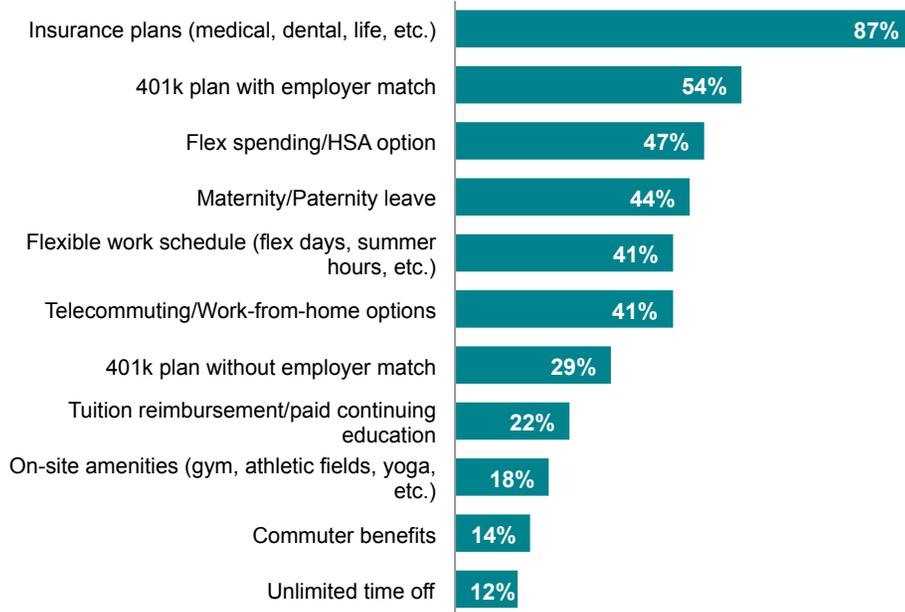
Staffing Employees: Likelihood to Recommend Working for Current Staffing Firm



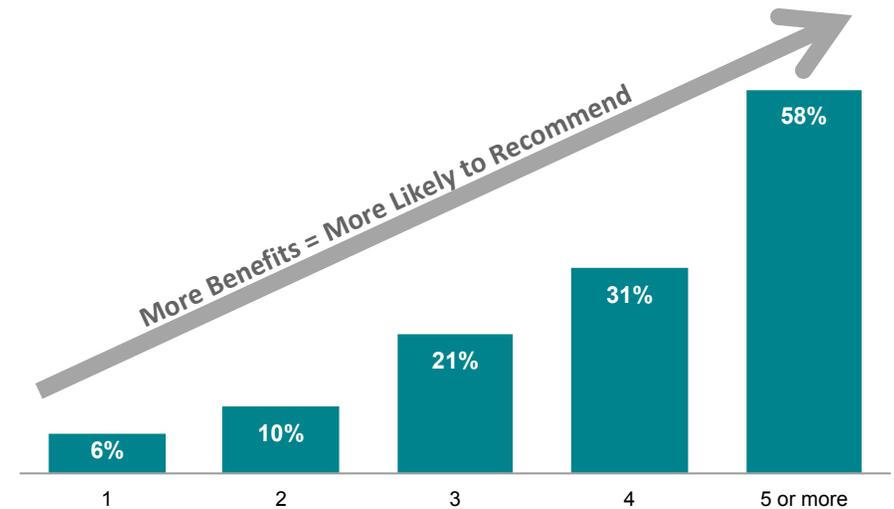
Measure client and talent satisfaction.
Build online reputation.
Differentiate on service quality.

Competition for benefits key driver for satisfaction

Common benefits offered by staffing firms



NPS by number of unique benefits received from staffing firm



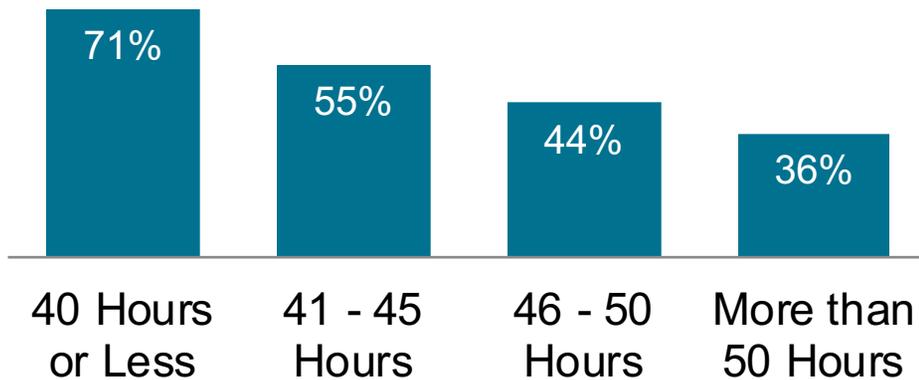
SOURCE: Inavero, CareerBuilder, and ASA



Measure client and talent satisfaction.
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Differentiate on service quality.

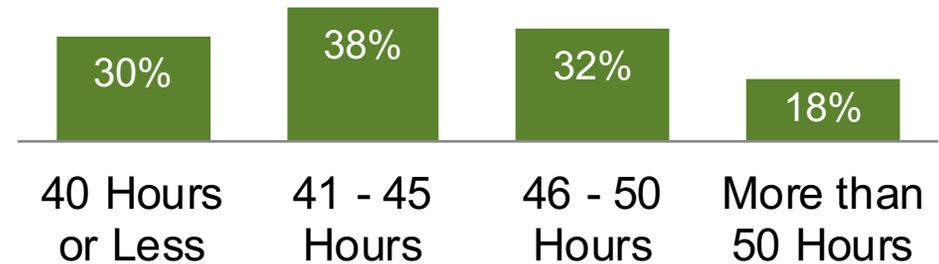
And satisfaction declines as hours increase

Leadership – NPS by hours worked



50 hours
Average hours worked per week by
staffing leadership

Field – NPS by hours worked



46 hours
Average hours worked per week by
staffing field employees

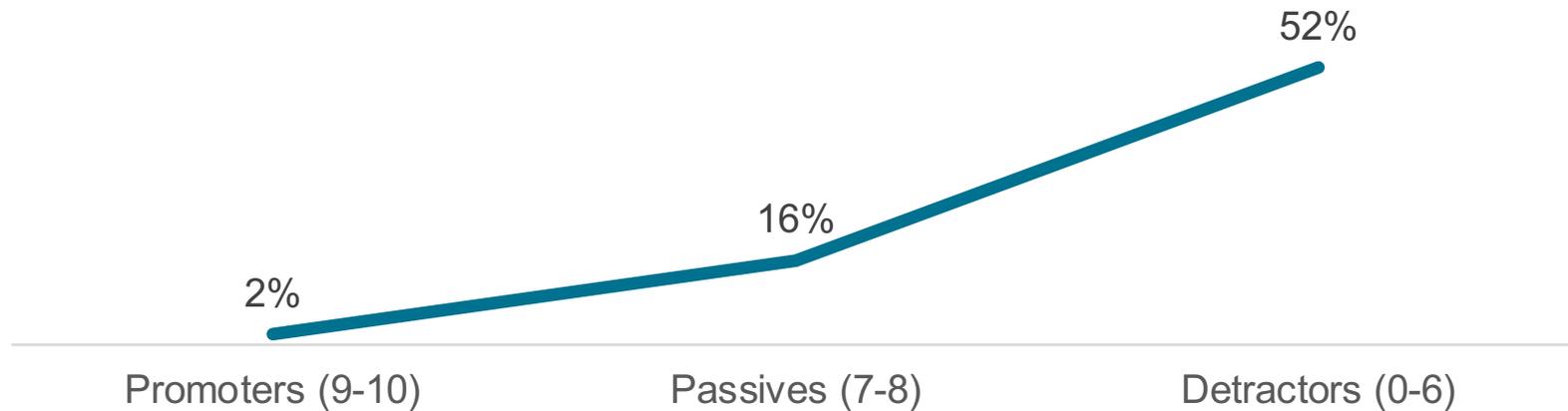
SOURCE: Inavero, CareerBuilder, and ASA



Measure client and talent satisfaction.
Build online reputation.
Differentiate on service quality.

NPS decline puts your firm at-risk of losing top talent

% Expecting to leave their staffing firm in next 12 months by NPS



SOURCE: Inavero, CareerBuilder, and ASA



Measure client and talent satisfaction.
Build online reputation.
Differentiate on service quality.

Pride and Team

Keys to Retention and Engagement



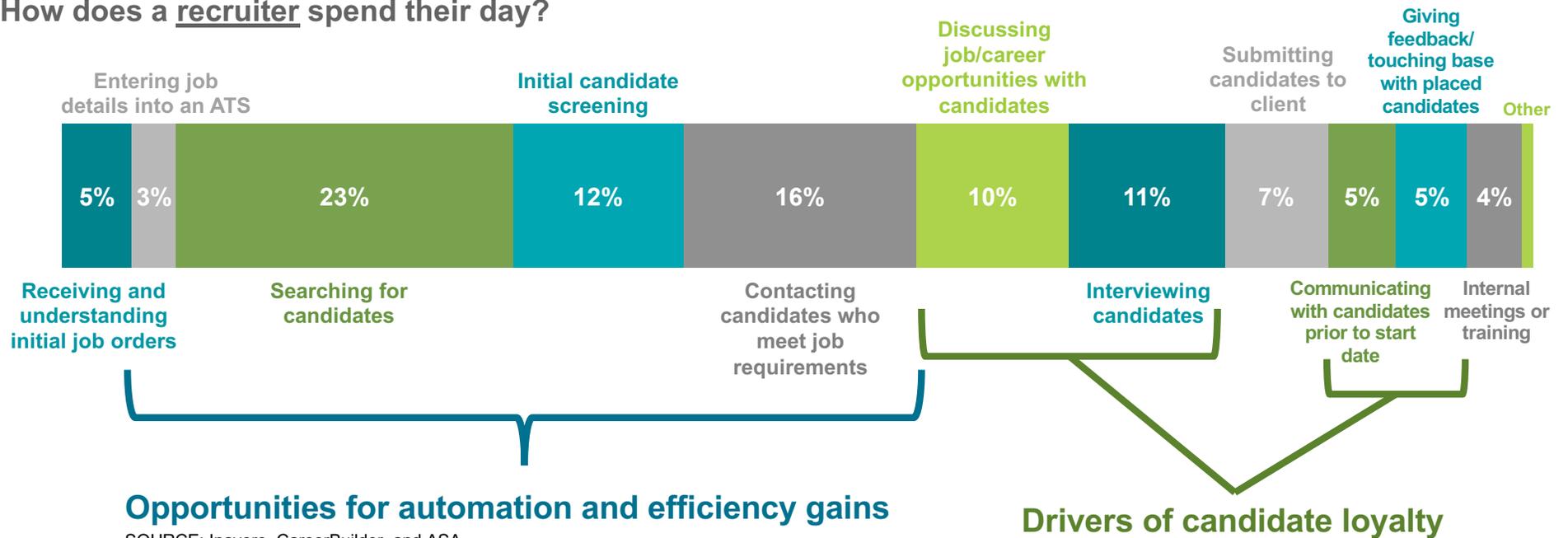
The background features a dark teal color with several faint, semi-transparent business-related graphics. On the left, there are three pie charts. In the center, a man in a suit sits on a tall, grey rectangular block. To his right, another man in a light-colored shirt and tie stands on a similar block, flexing his right arm. Further right, a man in a light-colored shirt and dark pants is pushing a large, reddish-brown rectangular block. A large, grey line graph with an upward-pointing arrow is positioned in the upper right quadrant. Below the line graph, there is a bar chart with several vertical bars of varying heights. The overall theme is business growth and productivity.

Trend #3

**Productivity of Internal Staff
Key to Growth**

Allocate recruiter time efficiently to increase output

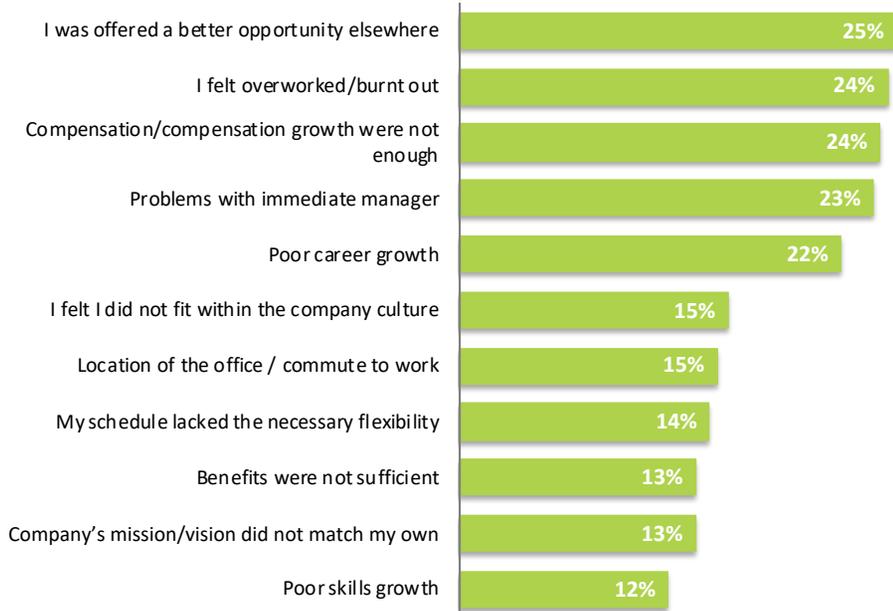
How does a recruiter spend their day?



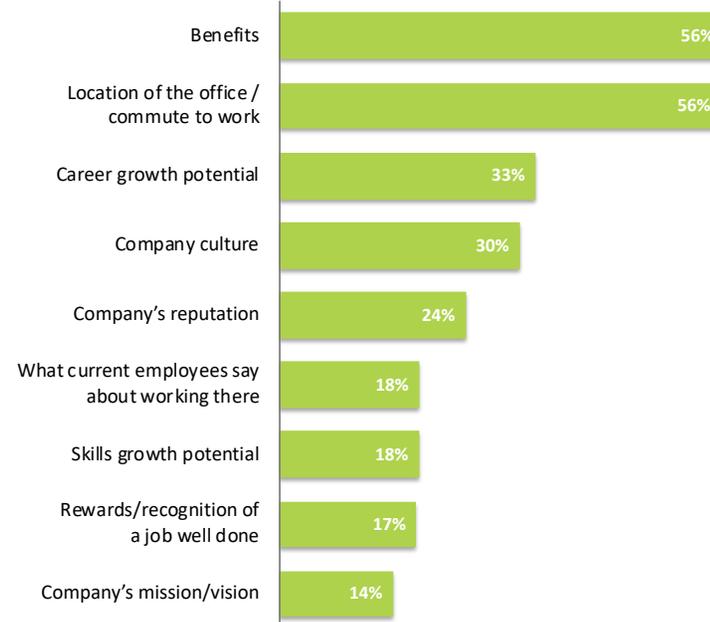
Measure client and talent satisfaction.
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 Differentiate on service quality.

Understand what drives candidates to place more of them

Reasons for Leaving Previous Job



Most Important Aspects of a Position, After Compensation



SOURCE: Inavero and ASA



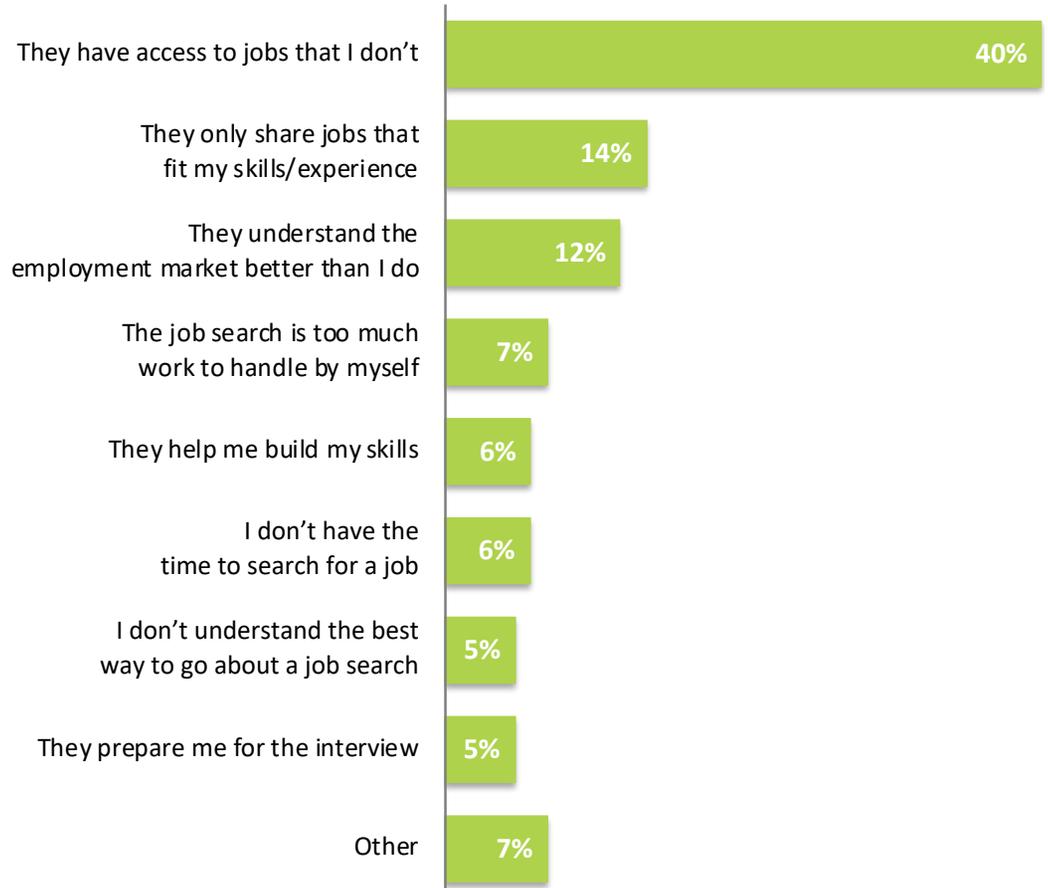
Measure client and talent satisfaction.
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Understanding Candidates

Expanding candidate opportunities and improving their employment prospects key to winning loyalty



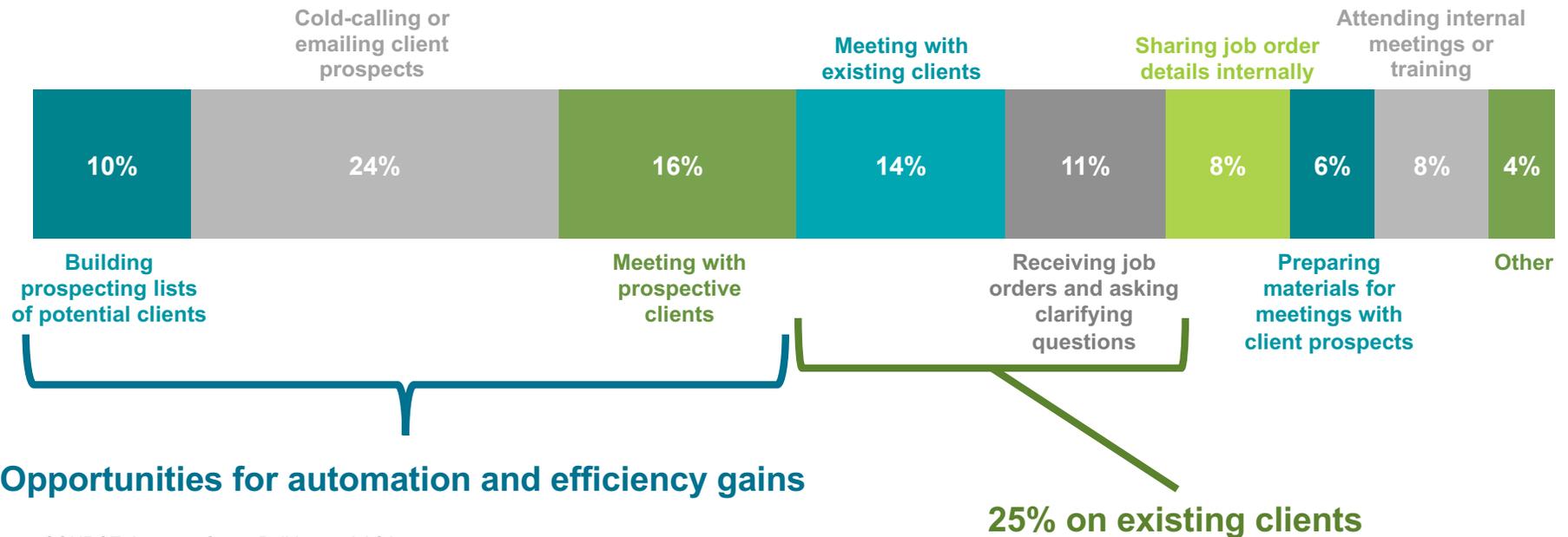
Top Reasons to Partner with Staffing or Recruiting Companies



SOURCE: Inavero and ASA

Many underestimate growth from existing clients

How does an account manager spend their day?



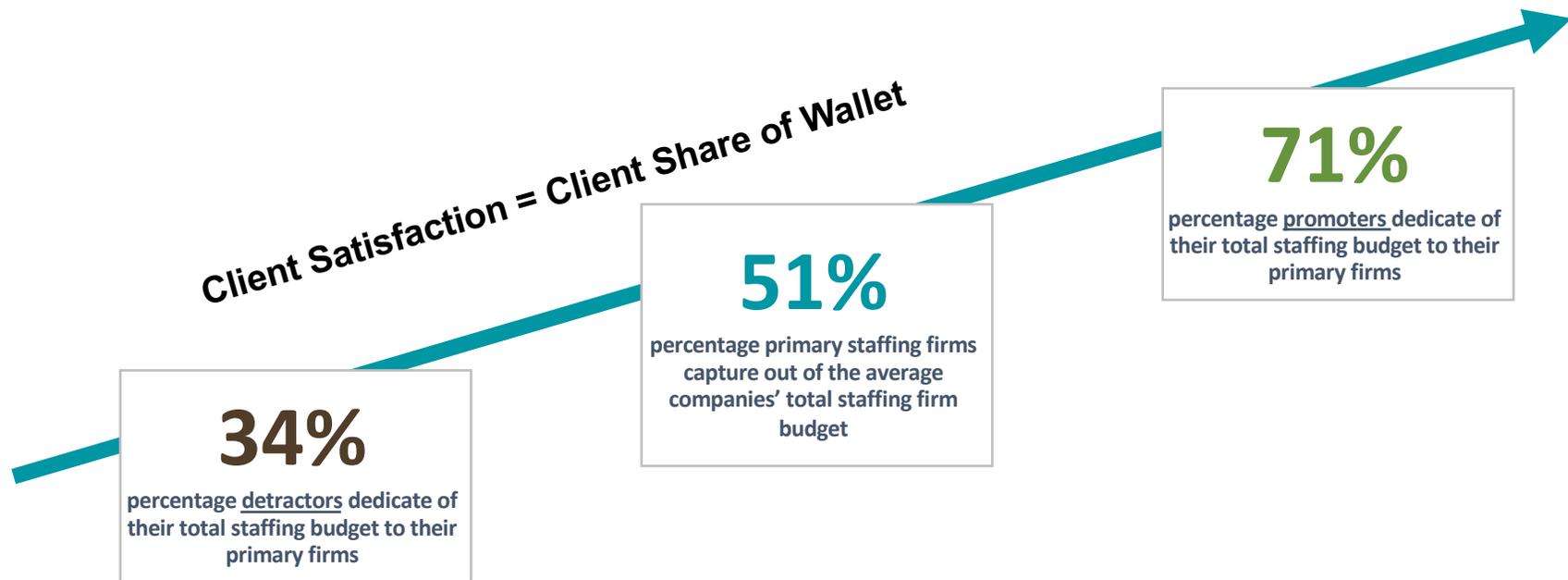
Opportunities for automation and efficiency gains

SOURCE: Inavero, CareerBuilder, and ASA



Measure client and talent satisfaction.
Build online reputation.
Differentiate on service quality.

Many underestimate growth from existing clients



SOURCE: Inavero, CareerBuilder, and ASA



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Trend #4

**Technology is Changing How
Staffing Firms Deliver Value**

The Technology Challenge

While most leaders accept that a transformation is happening, fewer are giving it the strategic focus it will likely command



71%

of leaders agree that the staffing industry will be transformed by technology and/or automation

But...

1 in 5

leaders believe that not having the right technology in place is one of the largest threats to their firm

SOURCE: Inavero, CareerBuilder, and ASA

Technology headaches differ between leadership and field

Top complaints from LEADERS	
29%	Outdated candidate data
27%	Lack of integration with other internal systems
27%	Slow systems
26%	Lacks a mobile app
25%	Poor searching capabilities

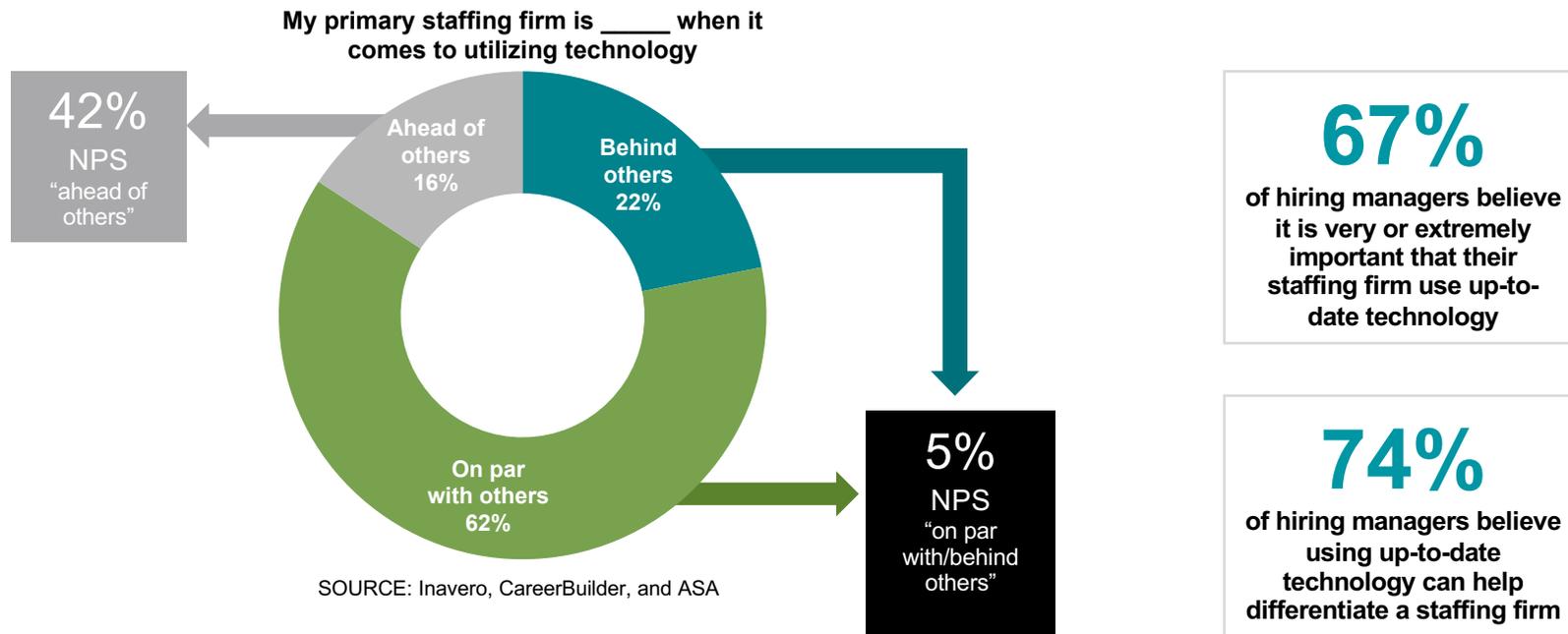
Top complaints from FIELD	
31%	System isn't used consistently
30%	Lack of integration with other internal systems
29%	Poor analytics/reporting
27%	Outdated candidate data
24%	Poor searching capabilities

SOURCE: Inavero, CareerBuilder, and ASA



Measure client and talent satisfaction.
Build online reputation.
Differentiate on service quality.

Client perceptions of firm's innovation key loyalty driver



Measure client and talent satisfaction.
Build online reputation.
Differentiate on service quality.

Effective technology implementation harder than it looks



Measure client and talent satisfaction.
Build online reputation.
Differentiate on service quality.

The background of the slide is a teal-tinted photograph of a person in a business suit pointing their right index finger upwards. In the background, a laptop is visible on a desk.

Trend #5

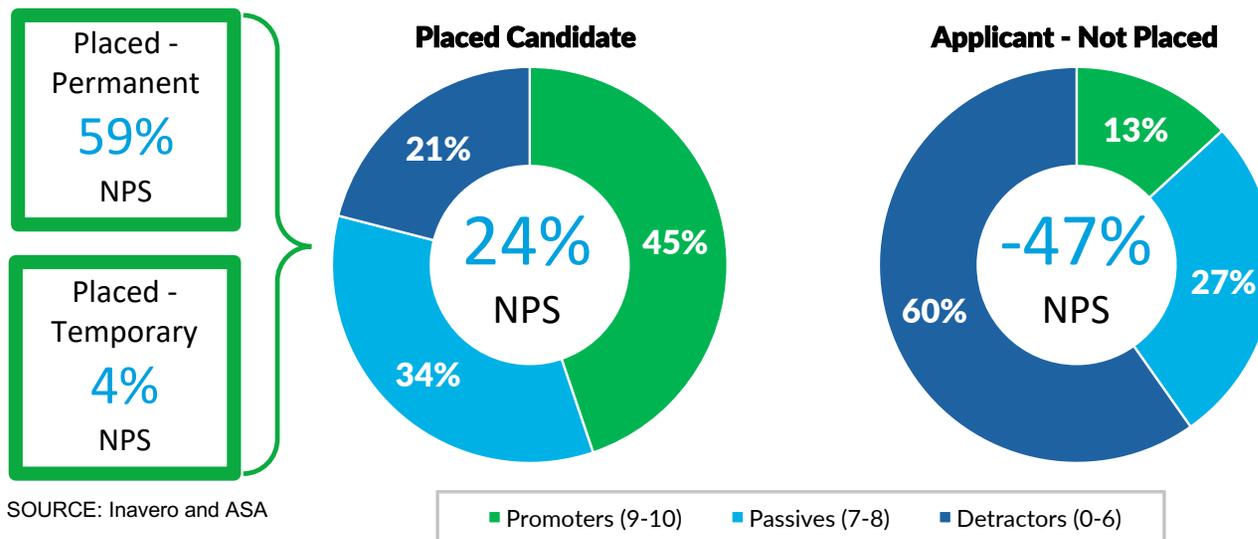
**Client and Candidate Expectations
Around Service are Increasing**

The **cost** of talent detractors...

Compared to promoters, **detractors are:**

- Twice as likely to quit an assignment before completion.
- 4x less likely to refer you to other job seekers or hiring managers.
- Nearly 3x less likely to accept a future assignment from your firm.

Candidate NPS for staffing firms is mixed

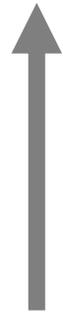


Measure client and talent satisfaction.
Build online reputation.
Differentiate on service quality.

Pre-placement is driven by helpfulness and empathy

Experiences Before Being Placed by a Staffing Firm (% "Yes")	NPS "Yes"	NPS "No"	NPS Impact	
They worked to get to know me as a person.	61%	18%	-47%	65%
They helped me prepare for the interview.	54%	23%	-39%	62%
They set expectations about how best to communicate with them throughout the process.	76%	11%	-51%	62%
They acknowledged they received my materials (application, resume, etc).	86%	2%	-34%	36%

EXCEEDING EXPECTATIONS



MEETING EXPECTATIONS

SOURCE: Inavero and ASA

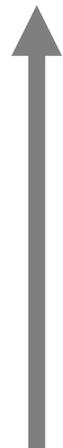


Measure client and talent satisfaction.
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Candidates want support throughout the assignment

Experiences While on Most Recent Assignment (% "Yes")	NPS "Yes"	NPS "No"	NPS Impact	
I was given feedback and coaching throughout the assignment.	50%	22%	-36%	58%
Any issues were resolved in a timely manner.	76%	14%	-41%	55%
Someone contacted me prior to the end of my assignment about the upcoming transition.	61%	19%	-33%	53%
I was treated well by the organization with which I was placed to work.	81%	8%	-40%	48%
Any emails or phone calls were returned within 24 hours.	72%	11%	-35%	46%
The position was accurately described to me prior to starting.	78%	4%	-34%	38%

EXCEEDING EXPECTATIONS



MEETING EXPECTATIONS

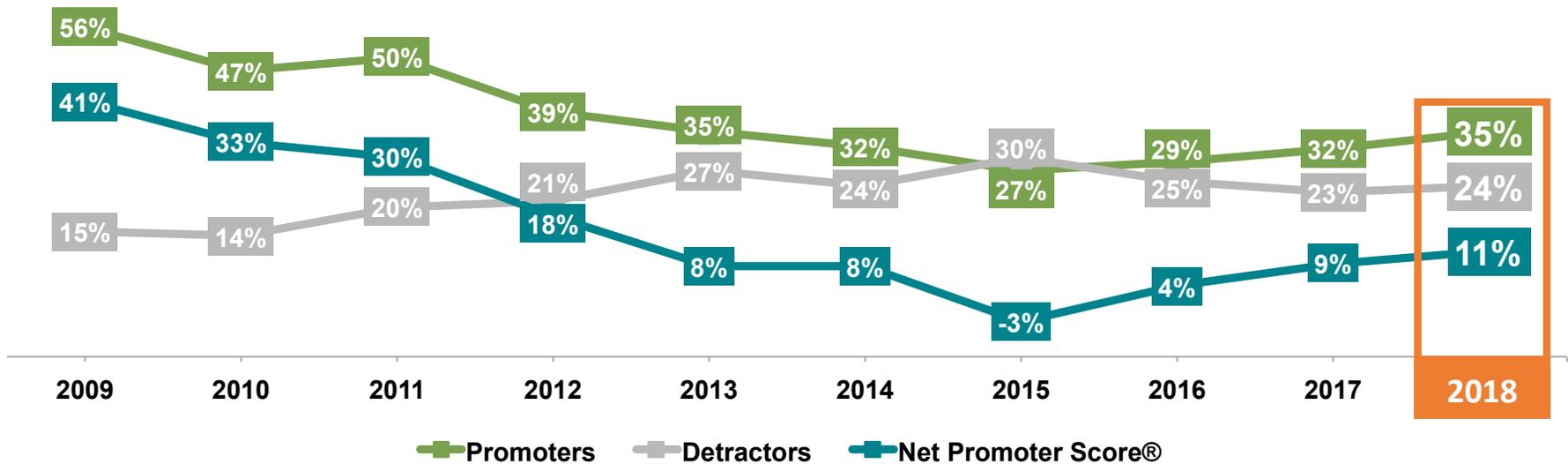
SOURCE: Inavero and ASA



Measure client and talent satisfaction.
Build online reputation.
Differentiate on service quality.

Client NPS continues to [slowly] improve

Clients: Likelihood to Recommend Working with Current Staffing Firm



SOURCE: Inavero, CareerBuilder, and ASA



Q20. How likely would you be to recommend your primary staffing firm to a friend or colleague?

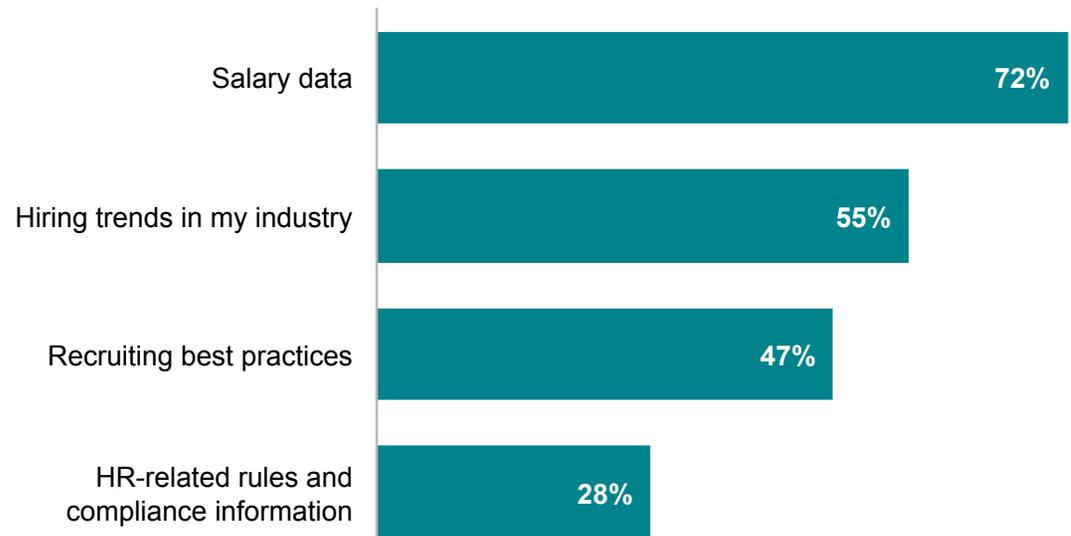
Measure client and talent satisfaction.
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Differentiate on service quality.

Content Clients Value

Educate clients and prospects to help them see your firm's unique value



Types of data a recruiter could provide that would be of value



SOURCE: Inavero, CareerBuilder, and ASA

Trend #6

**Competitive Differentiation Becoming
More and More Challenging**

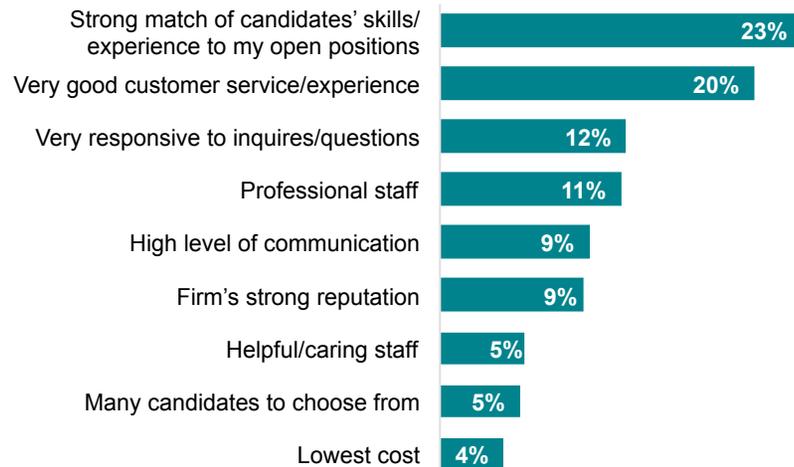


Quality is a perception, not a fact

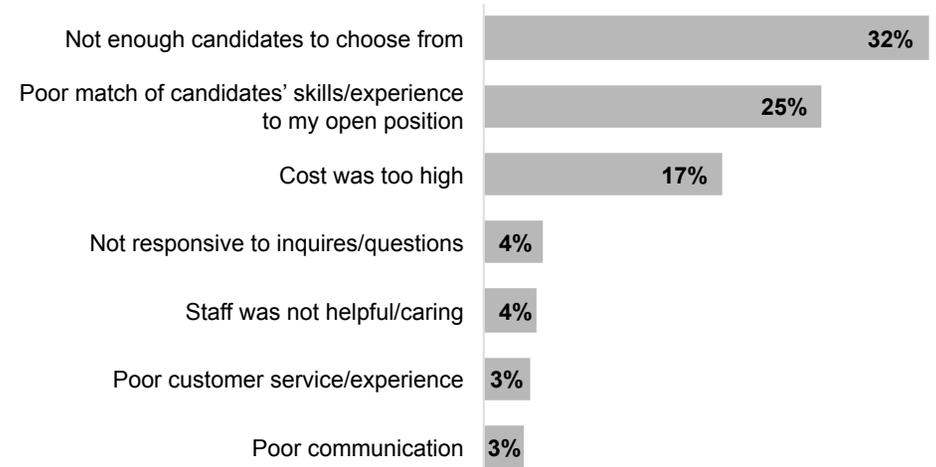


Candidate match and service quality drive NPS for clients

Promoter (9-10) reason for NPS rating



Detractor (0-6) reason for NPS rating

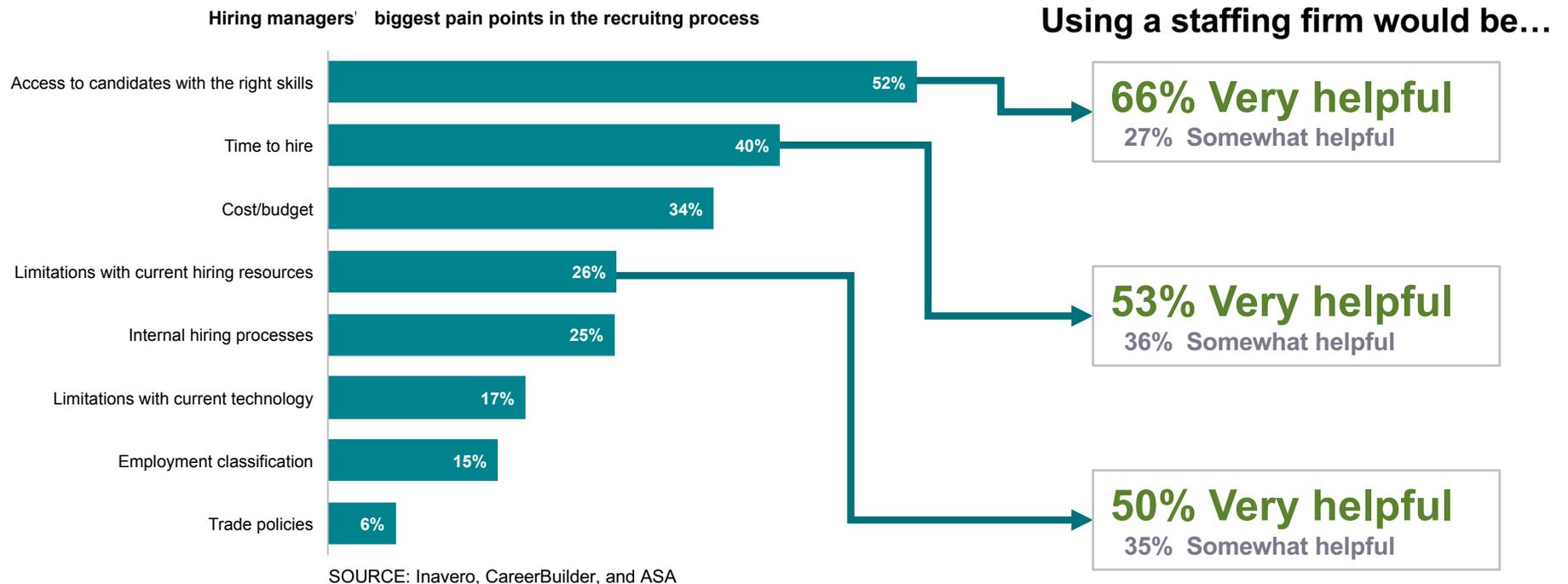


SOURCE: Inavero, CareerBuilder, and ASA



Measure client and talent satisfaction.
Build online reputation.
Differentiate on service quality.

Hiring managers believe staffing firms can alleviate pain



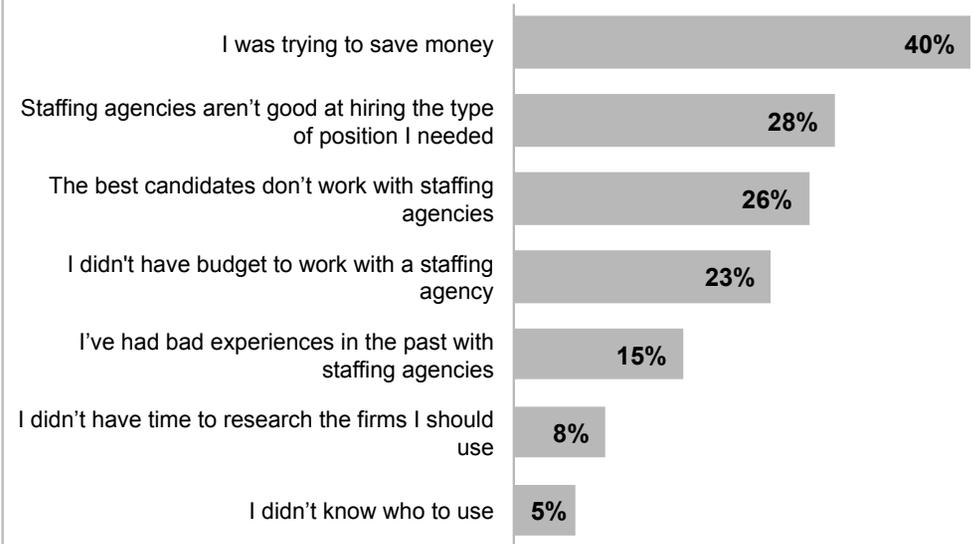
Measure client and talent satisfaction.
Build online reputation.
Differentiate on service quality.

Clients want speed, skill and specialization

Key reasons for working with a staffing firm



Key reasons for NOT working with a staffing firm



SOURCE: Inavero, CareerBuilder, and ASA



Measure client and talent satisfaction.
Build online reputation.
Differentiate on service quality.

Candidate perceptions staffing firms compete with



SOURCE: Inavero and ASA

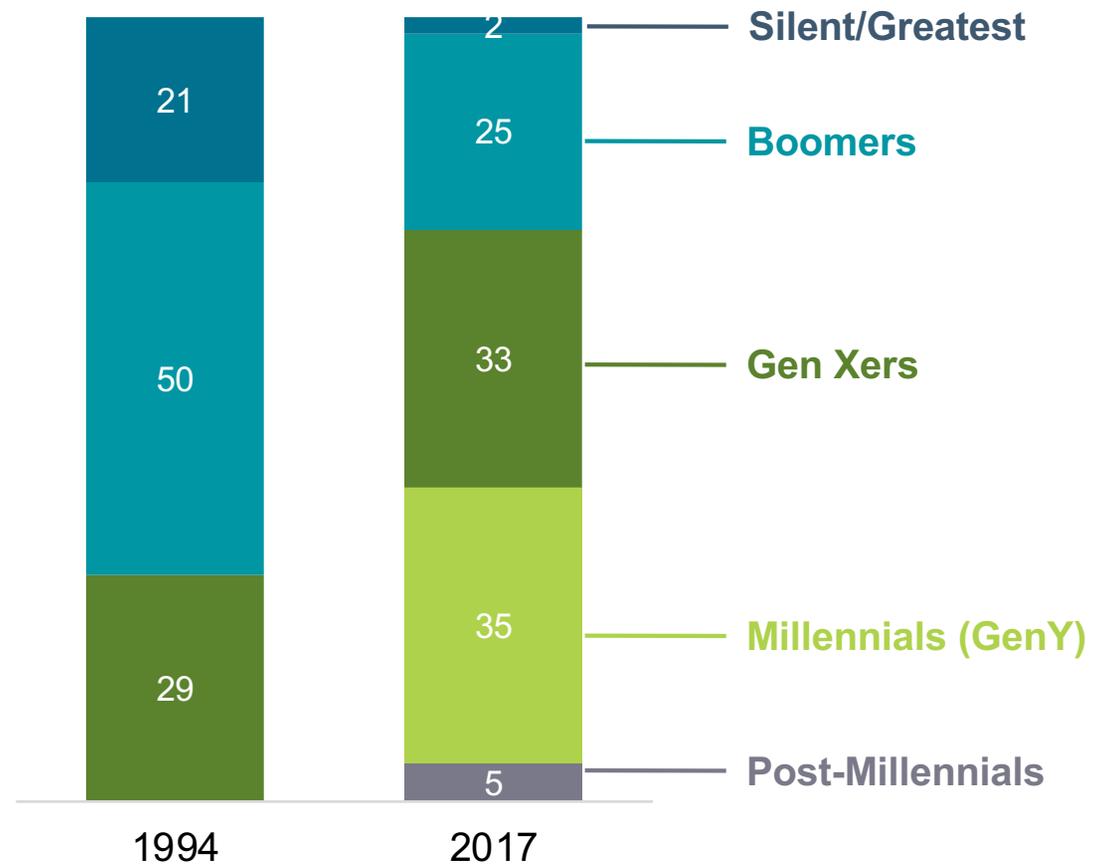


Trend #7

**They're Here: Generation Y Impact
On Staffing Firms Increasing**

Generation Y in the Workplace

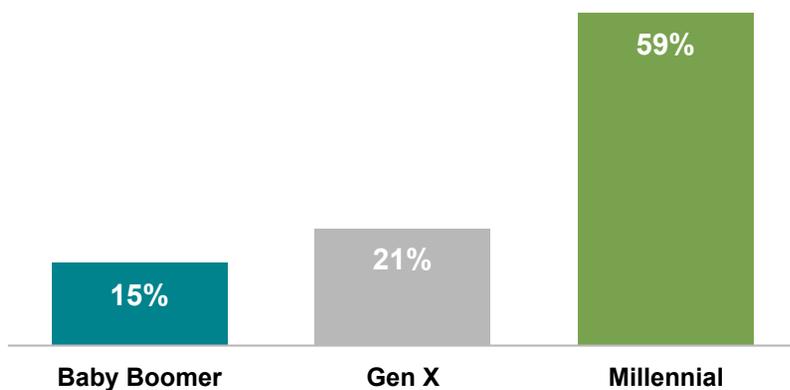
Millennials now represent the largest % of the U.S. workforce



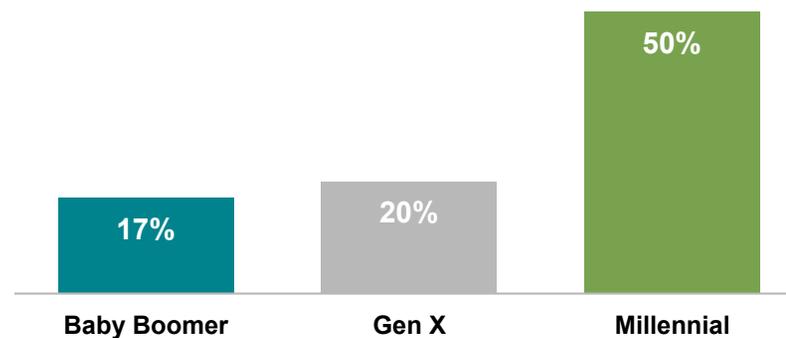
SOURCE: Pew Research Center

Millennials have different expectations for technology's role

Five years from now, recruiters will play a smaller role in my organization's talent acquisition process because of technology (% "Strongly agree")



I would prefer to place a job order online rather than talking to a recruiter by phone or in person (% "Strongly agree")



SOURCE: Inavero, CareerBuilder, and ASA



Measure client and talent satisfaction.
Build online reputation.
Differentiate on service quality.



Trend #8

Trust Of Marketing & Sales
Is At An All-Time Low

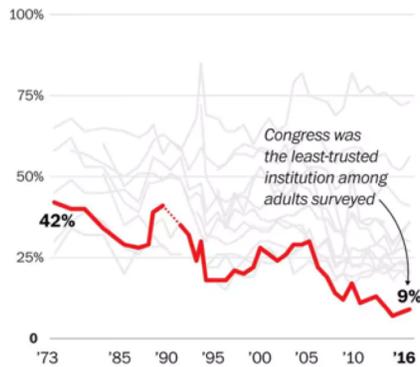
TRUST

is the bridge between
consideration and **selection**.

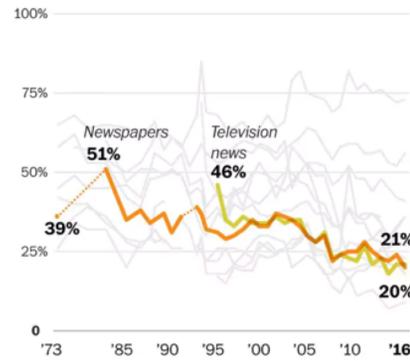


Trust is at a historically low level

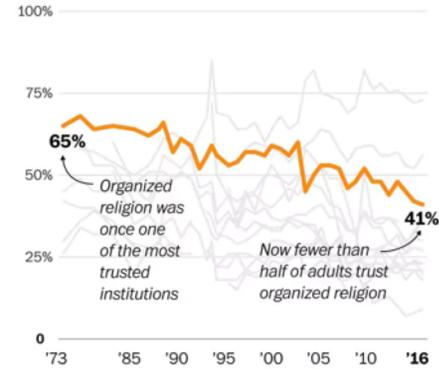
Congress



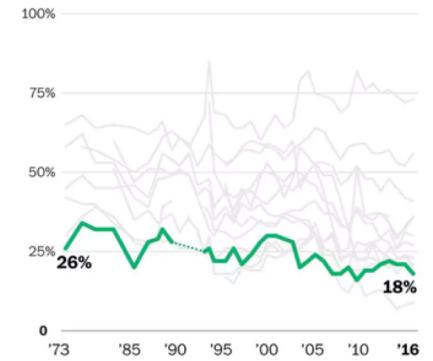
Media



The church or organized religion



Big business



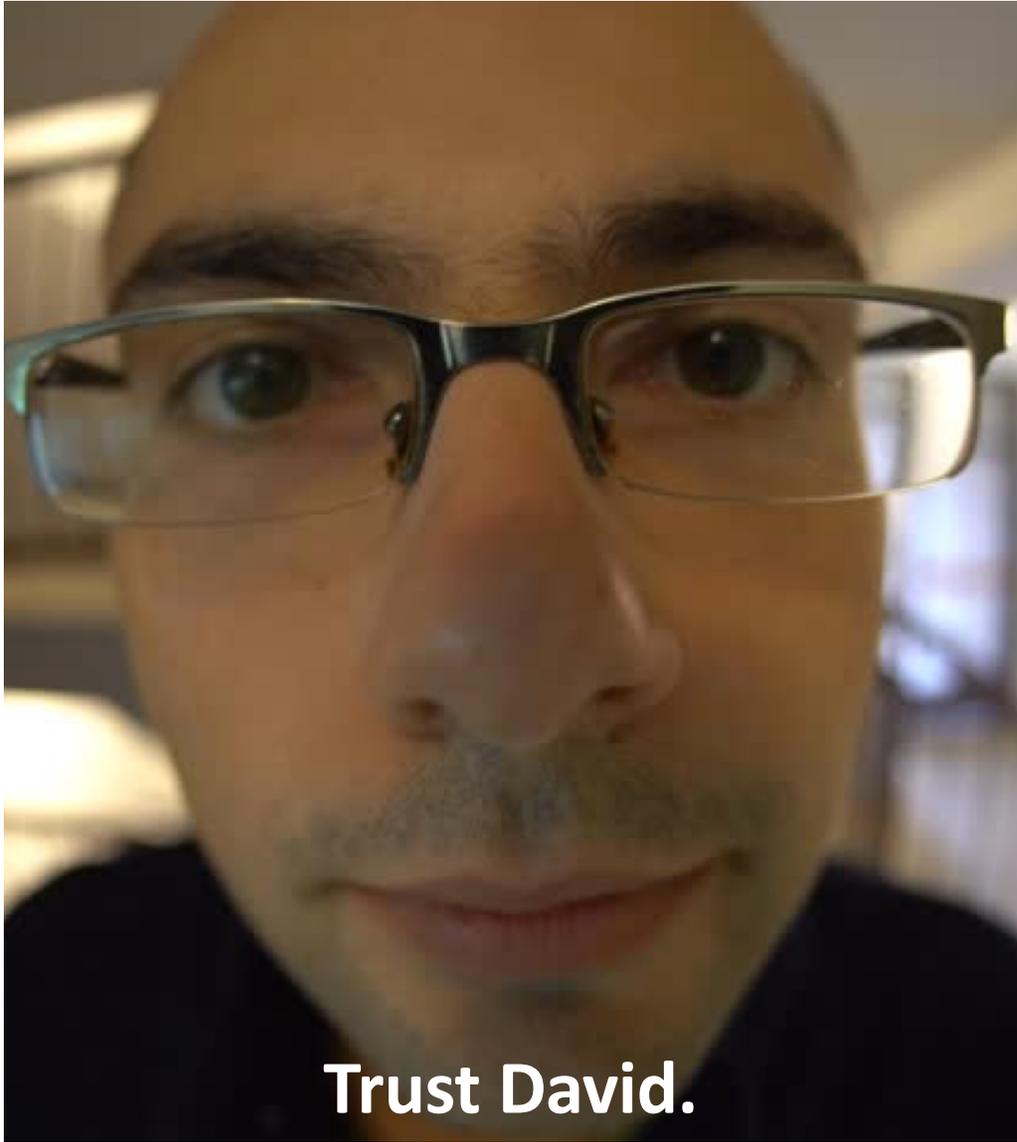
SOURCE: Gallup Organization



Measure client and talent satisfaction.
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Meet David.



Trust David.

A tablet displaying Airbnb reviews for David. The screen shows a list of reviews under the heading "Reviews (3)". The first review is from Nicole, dated January 2017, praising David as a great guest. The second review is from Baruch, praising David as a great guest and a fantastic host. Red boxes highlight the review titles and content for both Nicole and Baruch. Red arrows point from the review titles to the corresponding profile pictures of Nicole and Baruch.

Reviews (3)

Reviews From Hosts

 Nicole
David was a great guest. He was easy going, respectful of house/condo rules, and spotless. I would host him again any time.

David's Review for Nicole:
The place was very private and had everything I needed. Great location and Nicole was an amazing host.

January 2017 · 🗨

 Baruch
David was a great guest. He was clean, quiet, and friendly. He is always welcome.

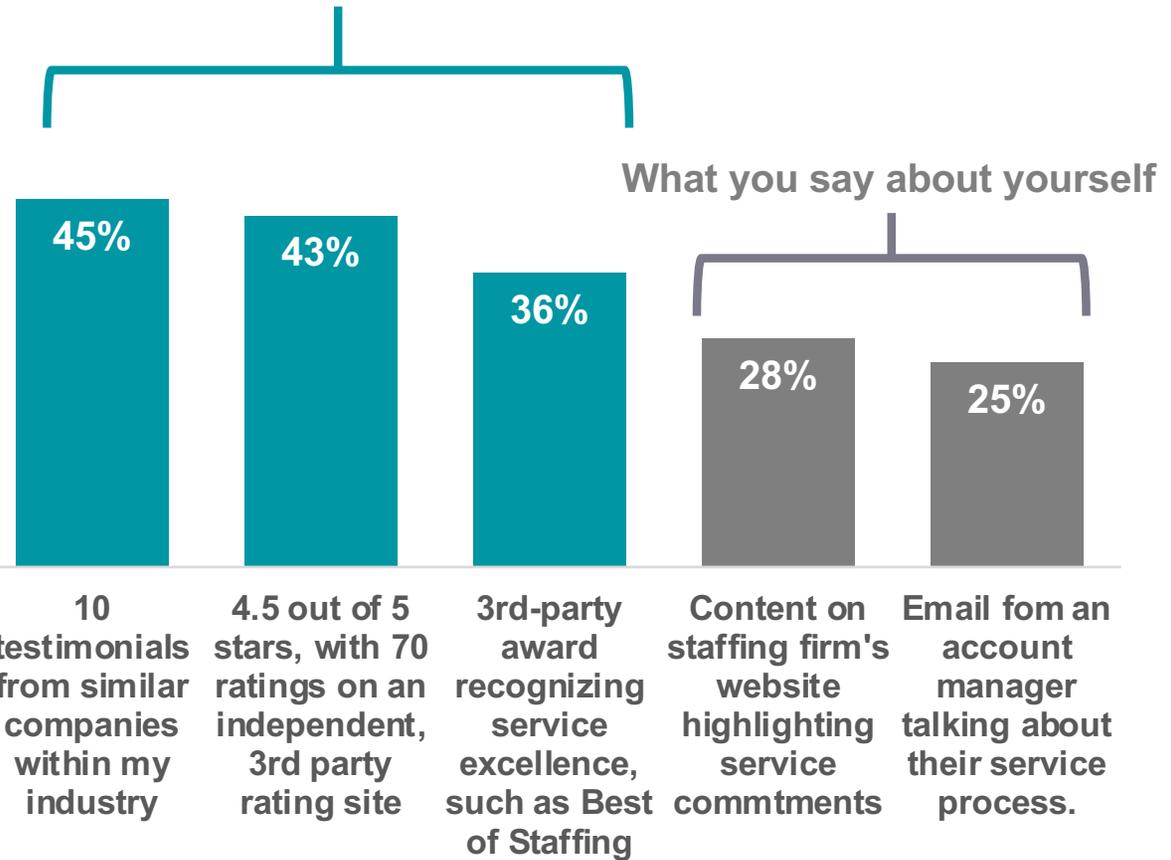
David's Review for Baruch:
Baruch was a fantastic host. Great communication, and very nice. The apartment location, super close to the subway. Everything was great.

Building Trust

You will never be as persuasive as the people who work with you. Help them tell your story.



What others say on your behalf



SOURCE: Inavero, CareerBuilder, and ASA

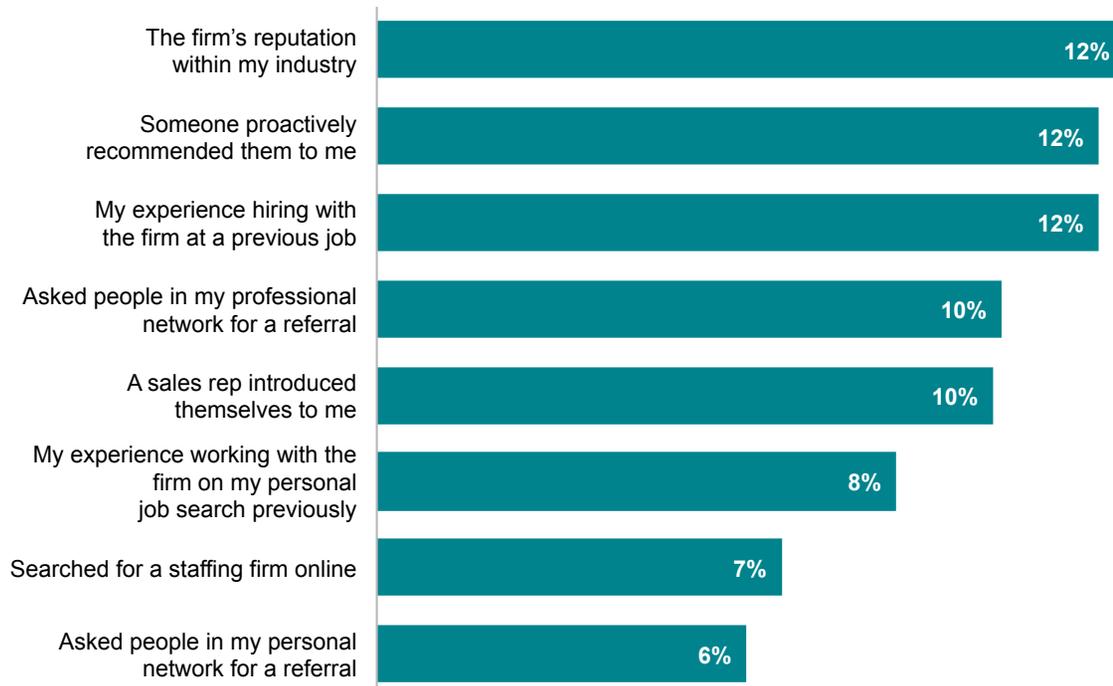
A person's hands are holding a tablet computer. The tablet screen is dark and features a row of five yellow stars. The entire image is overlaid with a semi-transparent green filter. The text 'Trend #9' is centered on the screen, with a white horizontal line below it. Below the line, the text 'Role of Online Reputation Continues To Increase' is displayed in white.

Trend #9

**Role of Online Reputation
Continues To Increase**

Reputation drives awareness and selection for clients

Source of initial awareness of primary staffing firm



9 in 10
Take at least one additional step to vet a firm, even if they receive a personal referral

1. 5 hours spent online researching (median)
2. Over half reach out to others they trust
3. 41 percent visit your website
4. 39 percent read online reviews

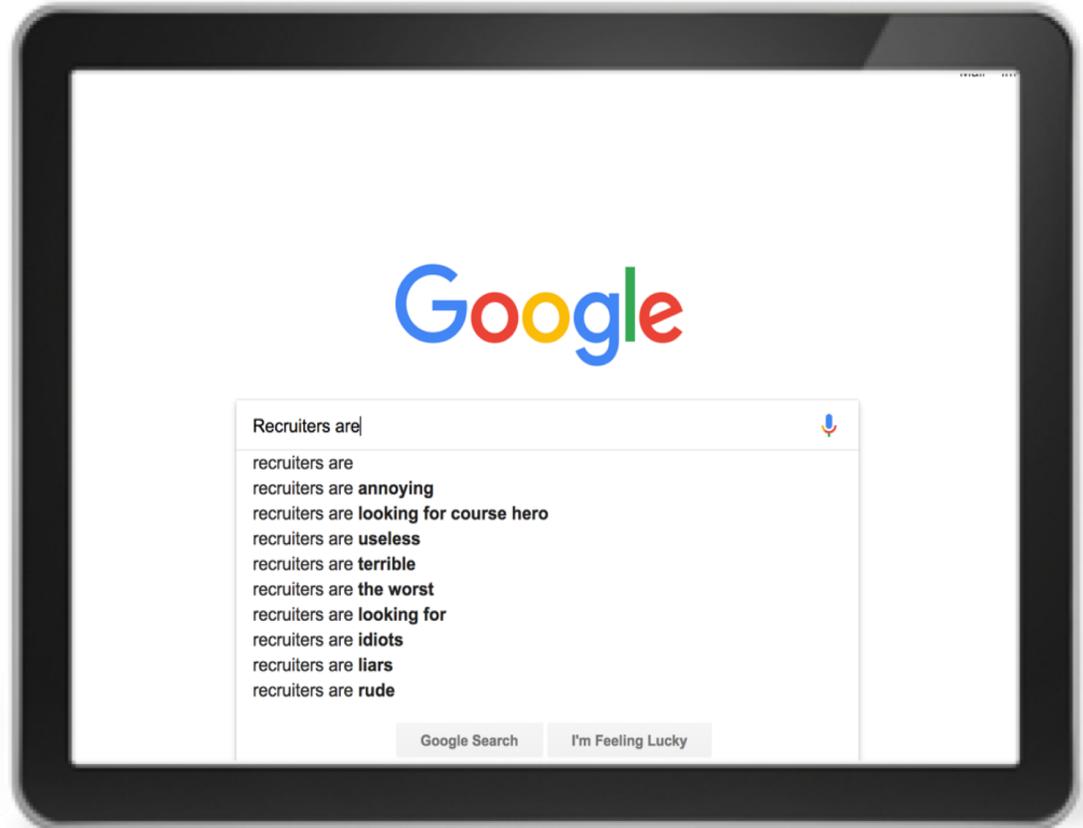
SOURCE: Inavero, CareerBuilder, and ASA



Measure client and talent satisfaction.
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Online Reputation

Staffing firms have to overcome common misperceptions

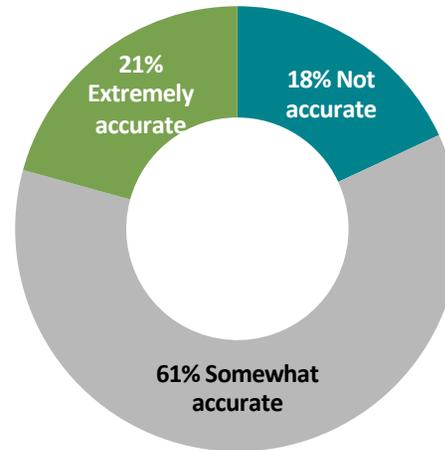


Online Reputation

Majority believe online reputation for their firm is less than completely accurate



Accuracy of your firm's online ratings/reivews in reflecting client/candidate experience

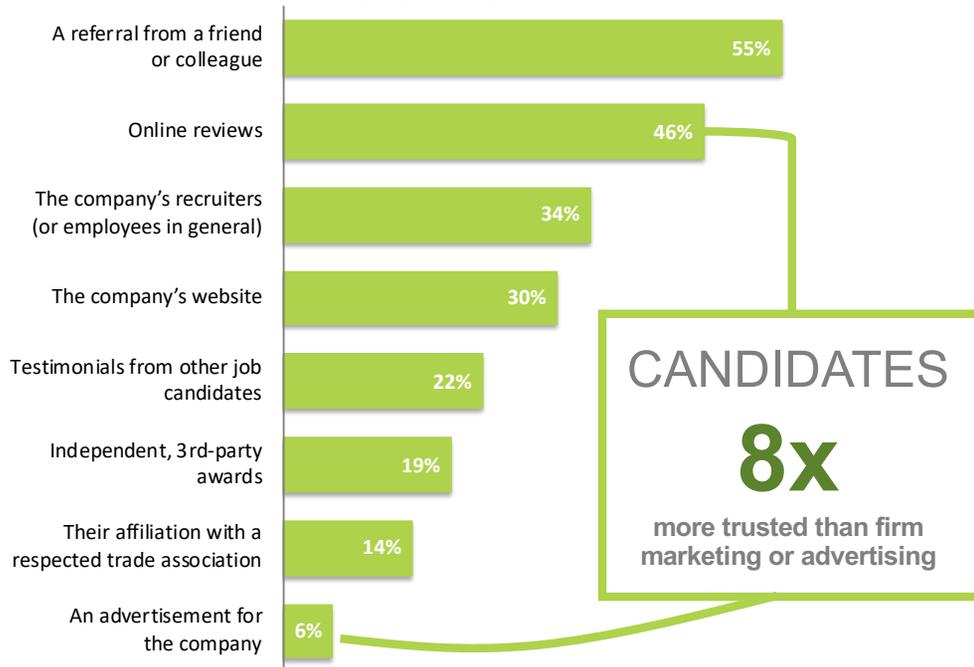


79%
Not Accurate
or
Somewhat Accurate

SOURCE: Inavero, CareerBuilder, and ASA

Reviews trusted second only to a personal referral

Trusted Sources of Information For Evaluating Staffing
Company Quality



SOURCE: Inavero and ASA



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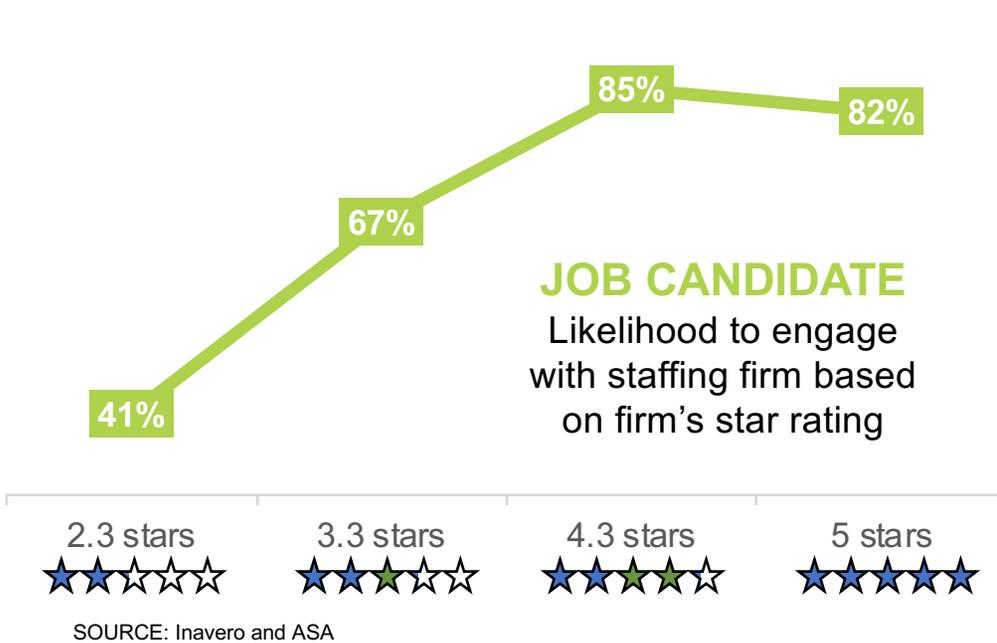
4 in 5 candidates believe online reviews are accurate

2 in 3 candidates are less likely to apply to a job with an employer that has negative online reviews.

SOURCE: Inavero and ASA



Online reviews offer valuable validation for prospects



Measure client and talent satisfaction.
Build online reputation.
Differentiate on service quality.

Final Thought:

People Love a Story.
Give them One.





Questions?

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