

2013 PRIDESTAFF HIRING SURVEY



PRIDESTAFF®

About PrideStaff

PrideStaff was founded in the 1970s as a 100% company-owned staffing and recruiting firm. The company began franchising in 1995 and now has over 50 offices operating nationally to serve over 3,500 clients.

With 40 years in the staffing business, headquartered in Fresno, CA, PrideStaff offers the resources and expertise of a national firm with the spirit, dedication and personal service of smaller, entrepreneurial firms. For more information on our services or for franchise information, visit www.pridestaff.com.

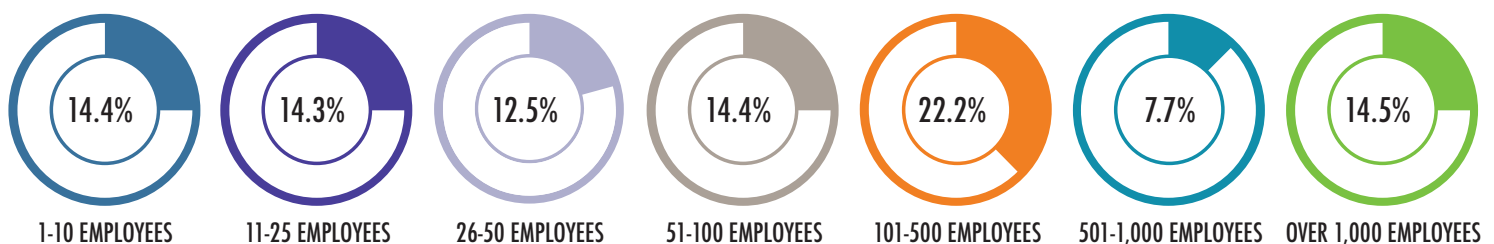
About This Study

In June 2013, PrideStaff conducted an online survey to gauge workforce and hiring trends across the U.S. The survey was completed by 840 individuals located throughout the U.S. across a wide range of industries and company sizes.

Industry Breakdown:

INDUSTRY	PERCENTAGE
MANUFACTURING	31.1%
HEALTH CARE	12.4%
FINANCE, INSURANCE, REAL ESTATE	11.0%
PROFESSIONAL SERVICES	8.6%
RETAIL	7.2%
CONSTRUCTION	6.3%
NONPROFIT	6.3%
TRANSPORTATION	3.9%
HOSPITALITY	3.6%
OTHER	3.3%
INTERNET/TECHNOLOGY	3.2%
COMMUNICATIONS, UTILITIES	2.6%
GOVERNMENT	2.4%
AGRICULTURE, MINING	1.3%

Organization Size:



Key Findings

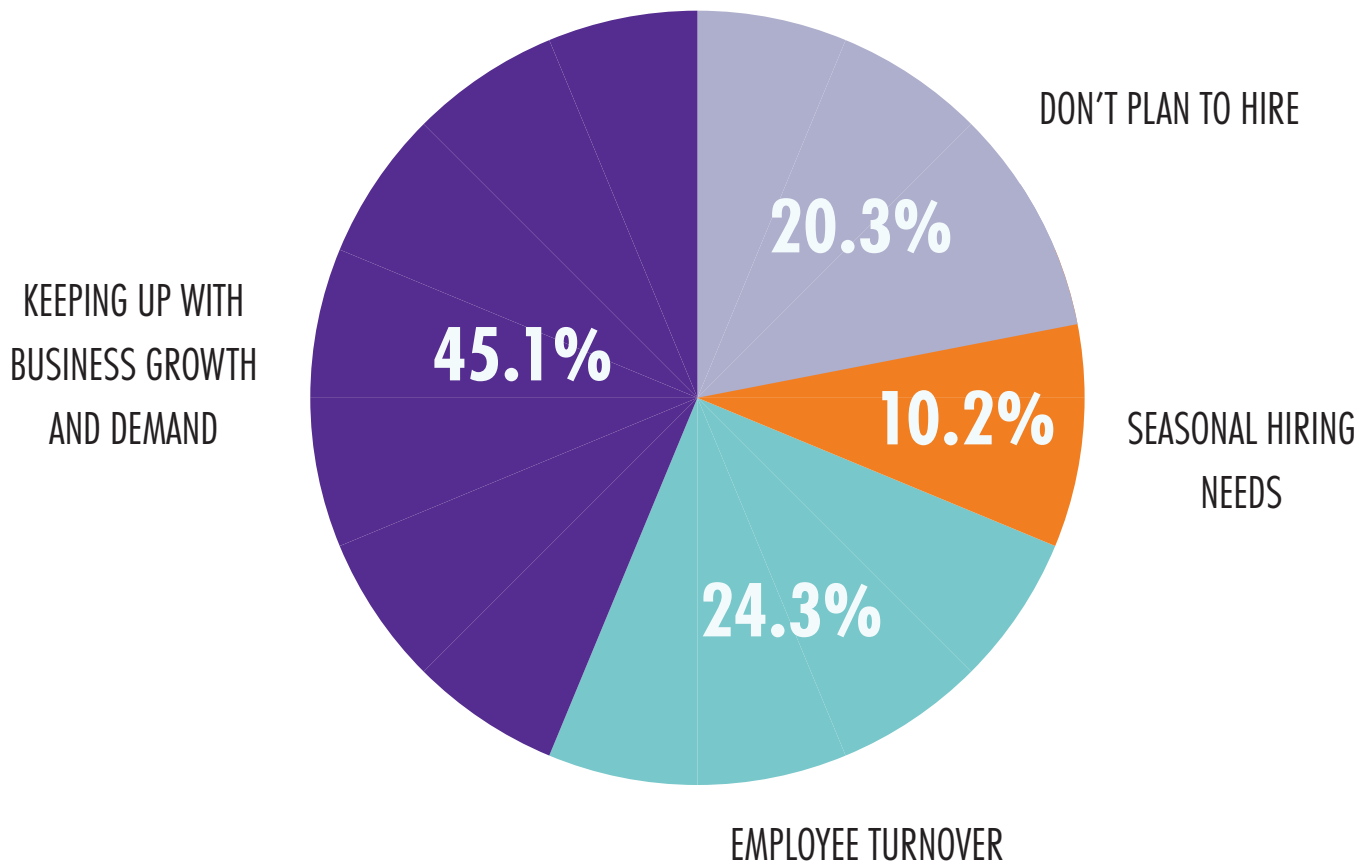
The latter part of 2008 saw a huge economic shift with the financial crisis causing companies to halt hiring, decrease headcount, and streamline costs. Since that time, hiring has been rather stagnant and companies have been more cautious in their hiring and growth projections.

However, in the first half of 2013 we saw consumer confidence building and companies began preparing for increased demand and production levels. Unemployment rates continue to creep lower as manufacturing has continued to climb through 2013.

Business Growth & Increased Demand Drives Hiring

The results from the first question in our survey support this positive economic shift. Nearly half of all respondents (45.1%) see **“Keeping up with business growth and demand”** as the key driver for hiring.

IN THE NEXT SIX MONTHS, WHAT DO YOU SEE AS THE BIGGEST DRIVERS FOR HIRING?

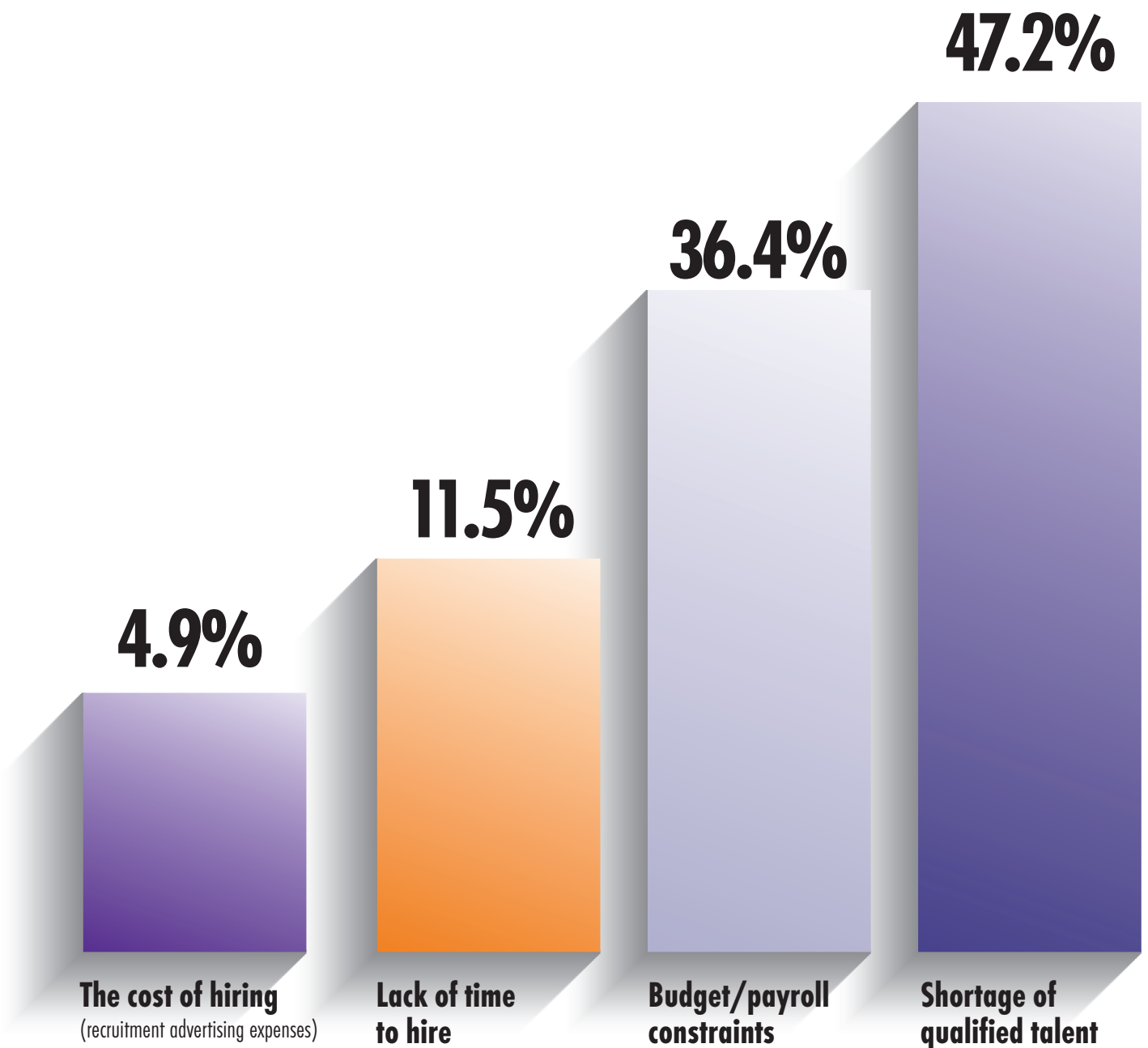


Budget and Payroll Constraints Still a Concern

Even with positive economic indicators and growing consumer demand, hiring managers are still faced with budgetary and payroll constraints. Over 40% of respondents reported that internal budget restrictions and the high cost of hiring were the biggest hiring challenges they face.

At PrideStaff, we've seen an increase in demand for skilled temporary staff. Many hiring managers are transitioning to a more flexible workforce in which temporary staff is used to meet demand fluctuations without adding to the permanent headcount.

WHAT IS YOUR BIGGEST HIRING CHALLENGE RIGHT NOW?



Shortage of Qualified Talent a Major Concern

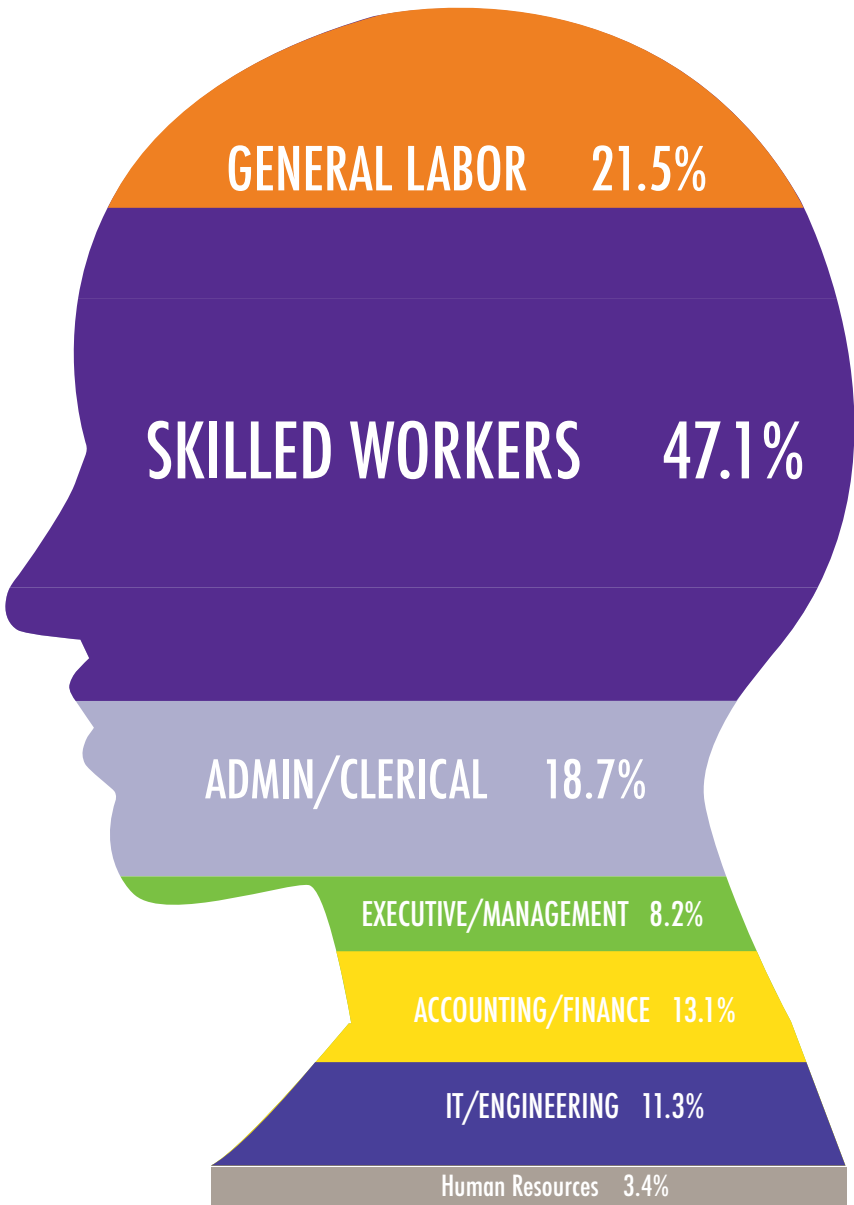
In addition to budget constraints, lack of qualified talent is a key hurdle facing HR and hiring managers. In fact, nearly half (47.2%) of all hiring managers surveyed reported that lack of qualified talent was their biggest hiring challenge.

The areas with the largest reported skills gap included skilled workers and general labor. With recent increases in offshore labor costs, more manufacturing has been shipped back to the U.S. This shift, coupled with increased consumer confidence has led to more hiring demand for skilled workers such as CNC machinists, welders, machine operators, forklift drivers and general labor skills.

IN WHAT SPECIFIC AREAS ARE YOU SEEING THE BIGGEST SKILLS GAP WITH AVAILABLE JOB CANDIDATES?

Companies that plan to hire skilled and general labor should consider developing a more proactive recruitment strategy and begin sourcing talent well in advance of actual needs.

Partnering with a proven staffing and recruiting firm is key. A true consultative partner will take the time to learn about your true business goals, analyze your existing workforce plan, and develop a staffing strategy that limits overhead expenses while providing access to the specialized talent needed to grow the business.



Staffing & Recruiting Firms Seen as Most Effective Recruitment Tool

To help gauge the effectiveness of different recruitment tools, we asked respondents to rate a variety of tools. Responses ranged from “Extremely Effective” to “Not at all Effective.”

Nearly 80% of respondents reported that staffing and recruiting firms were either an extremely or somewhat effective recruiting tool. Staffing and recruiting firms also received the lowest percentage of people reporting them as a tool that was not effective.

Classified Ads Considered Not Effective

More than half of all respondents that have used classified ads reported them as not effective. Additionally, 30% of respondents reported that they have never used classified ads to recruit.

Large Job Boards and Social Media Still Underutilized

According to the survey data, the majority of responders report they have not used the major job boards or social media as recruiting tools. Higher job posting costs, lack of time and lack of knowledge may be holding hiring managers back in this area.

HOW EFFECTIVE ARE EACH OF THE FOLLOWING RECRUITMENT TOOLS?

RECRUITMENT TOOL	EXTREMELY EFFECTIVE	SOMEWHAT EFFECTIVE	NOT VERY EFFECTIVE	NOT AT ALL EFFECTIVE	UNSURE - HAVE NEVER USED
IN HOUSE RECRUITERS	20%	40%	10%	4%	25%
STAFFING/RECRUITING FIRMS	22%	57%	8%	2%	11%
MONSTER	3%	24%	22%	8%	43%
CAREERBUILDER	6%	29%	19%	6%	40%
INDEED	4%	19%	10%	4%	63%
SIMPLY HIRED	1%	12%	12%	3%	72%
LINKEDIN	7%	24%	13%	5%	51%
FACEBOOK	2%	7%	14%	10%	67%
TWITTER	1%	5%	12%	8%	74%
CLASSIFIED ADS	3%	30%	25%	11%	30%
JOB FAIRS	4%	24%	16%	6%	50%
REFERRALS	30%	50%	9%	2%	9%
COMPANY JOB BOARD	11%	37%	15%	3%	34%

To improve recruiting, cast a wider net. Employ a broader range of sourcing tools, or better yet, partner with a professional staffing firm that knows how to use each of these tools effectively. This will also help to drastically reduce your own recruitment advertising costs.

Hiring Managers are Cautiously Optimistic for the Short Term

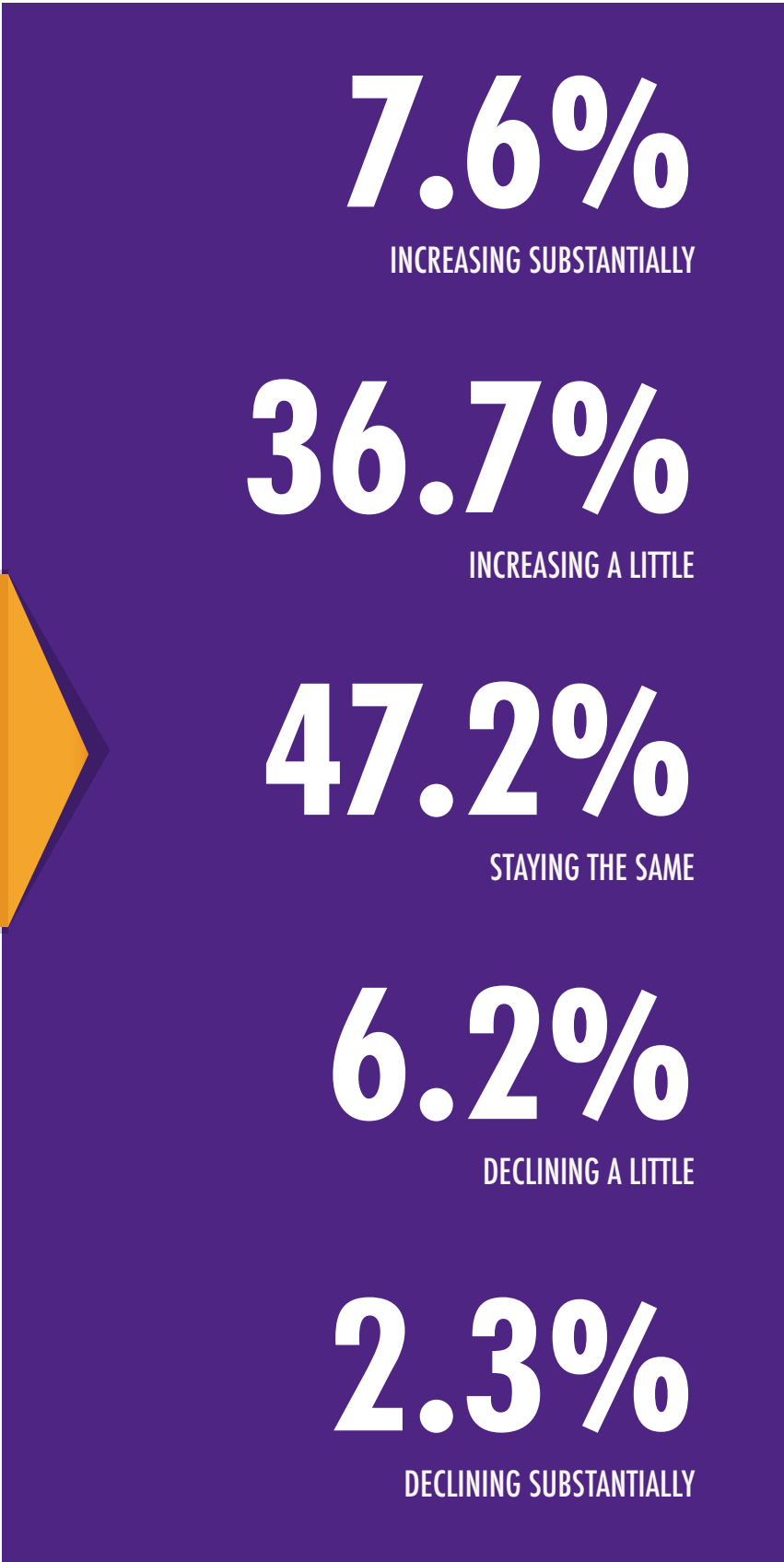
Over 44% of hiring managers expect their hiring needs to increase within the next six months with nearly 37% projecting small increases in hiring demand.

47.2% of hiring managers expect hiring needs to remain the same for the next six months. Only 8.5% of respondents expect a decline in hiring over the next six months.

HOW DO YOU SEE YOUR HIRING NEEDS CHANGING IN THE NEXT SIX MONTHS?

While most companies are dealing with a shortage of talent, only 7.6% are expecting substantial increases in short-term hiring.

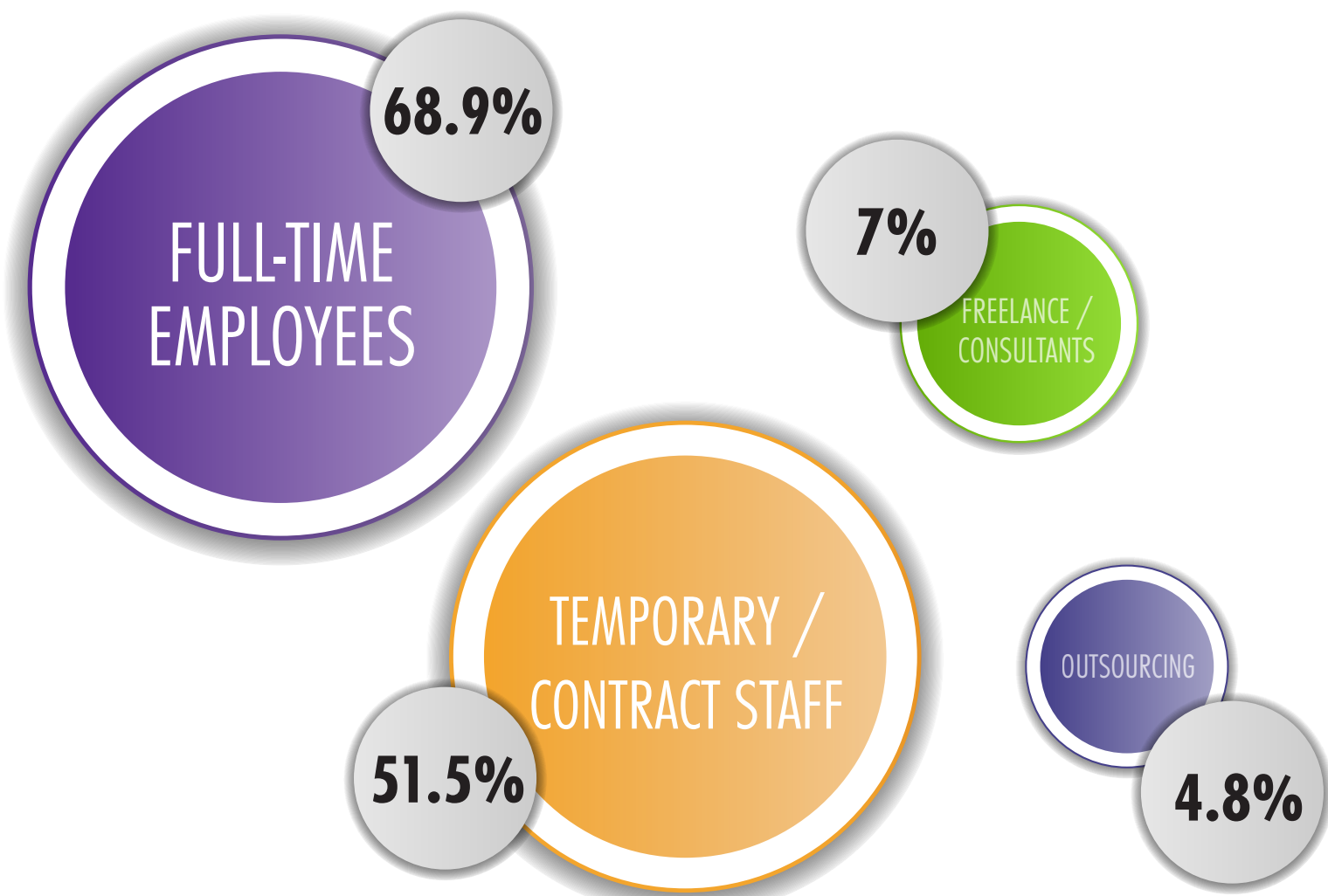
Companies that do actively recruit and continually source new talent will gain a competitive advantage.



Majority of Employers Still Considering Full-Time Hires but Temporary Staffing is Gaining Momentum

Even with budgetary and payroll constraints in place for many employers, full-time employees still represent the most popular solution for hiring needs. With that said, over half of survey respondents plan to supplement their full-time staff by using temporary and contract workers.

WHAT TYPES OF EMPLOYMENT SOLUTIONS WILL YOU USE TO FILL YOUR HIRING NEEDS?



TEMPS GOOD FOR MORE THAN JUST FILL-INS

In the past, temporary employees were used primarily as fill-ins for illness or vacations. However, companies are becoming more strategic and embracing a more flexible staffing model.

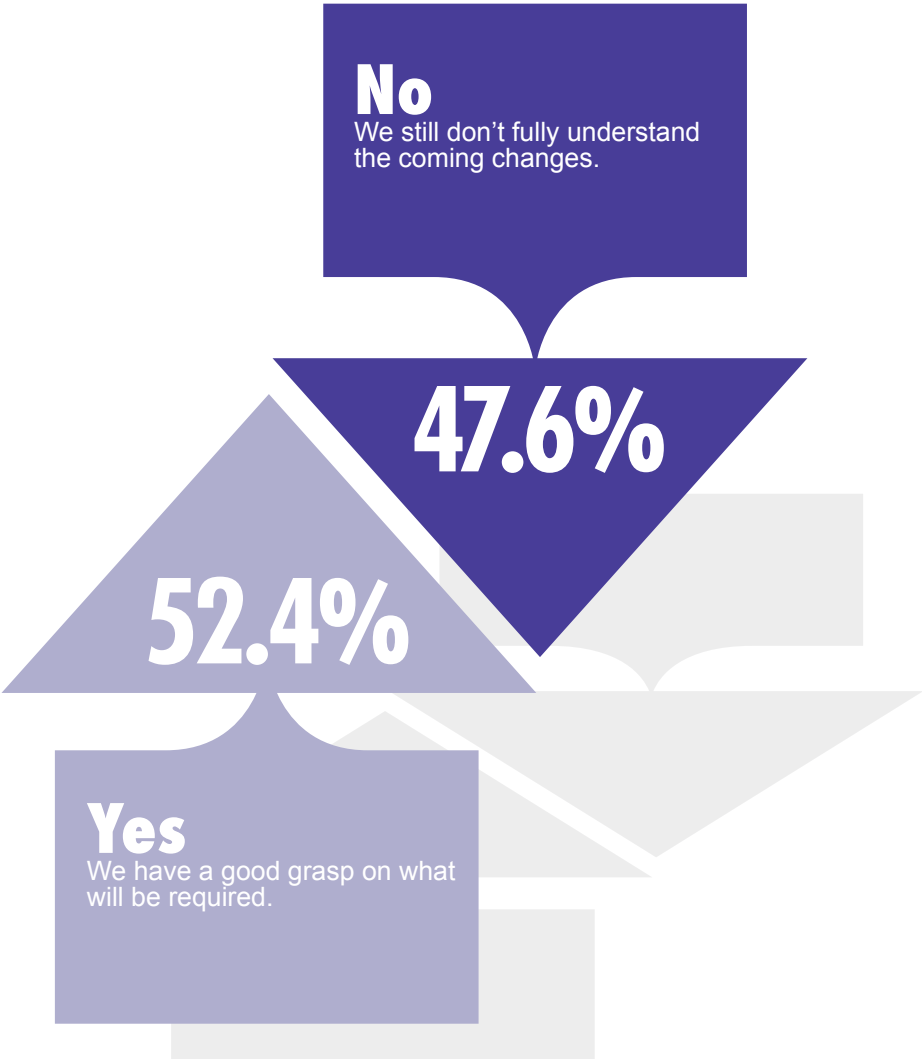
By keeping full-time headcounts at a base level and supplementing staff when needed, companies are able to eliminate the need for overtime pay and drastically reduce overhead expenses.

Hiring Managers Split on The Affordable Care Act

Of those surveyed, 48% of respondents still weren't comfortable with the coming changes tied to The Affordable Care Act. To help better prepare their organizations, many respondents noted that their internal HR team or benefits coordinators are working with outside vendors to develop a strategy. These vendors included payroll companies, insurance providers, Professional Employer Organizations (PEOs), healthcare brokers and legal counsel.

Few respondents reported they were planning to cut benefits and instead pay penalties. Several respondents reported the recent announcement pushing back compliance dates will allow them the option to "wait and see" what happens with the state exchanges.

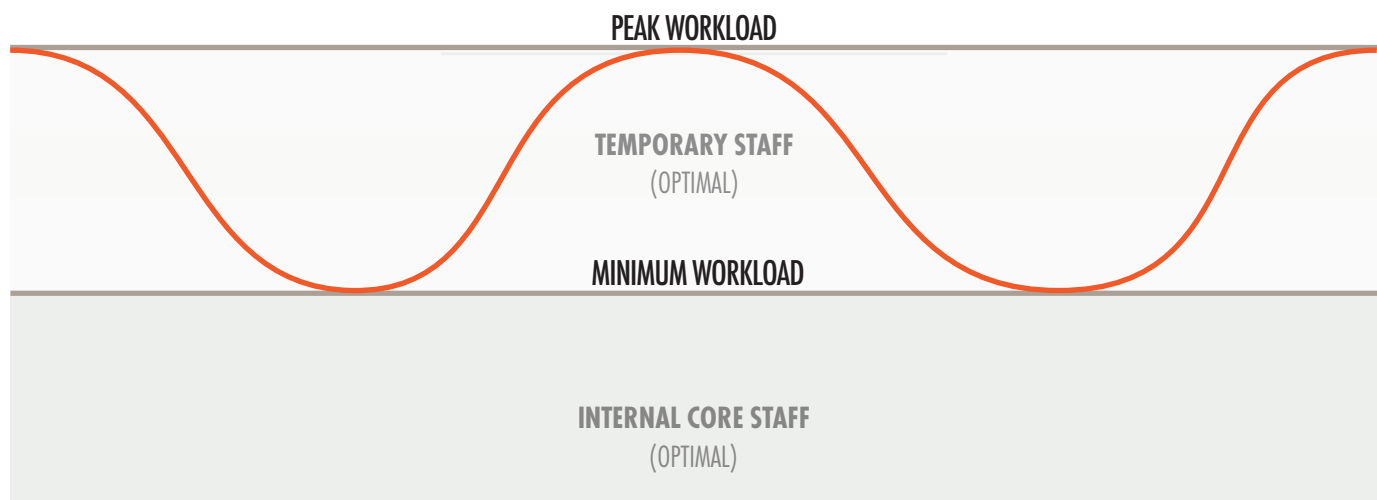
DO YOU FEEL YOU HAVE ENOUGH INFORMATION TO PREPARE FOR THE COMING CHANGES WITH THE AFFORDABLE CARE ACT?



Planning to Hire? Need Help Developing a Strategic Workforce Strategy?

PrideStaff helps organizations manage workflow peaks and capture new opportunities. Using our Workforce Growth Solutions, you can staff strategically with qualified temporary employees on a just-in-time basis.

STAFFING FOR WORKFLOW FLUCTUATIONS



Using this proven approach, your organization can:

- Reduce personnel expenses
- Reduce unemployment liability
- Control benefit costs
- Meet project deadlines
- Minimize employment risks
- Manage resource constraints
- Stay focused on top priorities
- Avoid hiring mistakes
- Reduce turnover
- Improve morale
- Test new ideas
- Improve profitability

PrideStaff is a smart choice when faced with the following staffing issues:

- Fill-ins for support and professional personnel
- On-site staff management
- Project specialists
- Temporary employees for seasonal and peak workloads
- Vacation and extended leave coverage

PRIDESTAFF[®]

QUICKER PLACEMENTS. **BETTER** EMPLOYEES. **ACHIEVED** GOALS.

OUR MISSION:

Consistently provide client experiences focused on what they value most.

Contact us today: 1-800-774-3316

www.pridestaff.com