

# Top Staffing Trends You Need to Be Aware Of

You likely spend a large part of your day worrying about how to address the ever-changing challenges in the staffing industry, including new technological advances and employees who want greater job flexibility and career mobility.

Keep ahead of these challenges!

Here's a list of the top four trends affecting your industry and how to capitalize on them.

## 1. Skilled workforce shortage

Staffing firms believe talent scarcity is the biggest hindrance to their business today and for the next decade.<sup>1</sup> Currently, there are more open jobs each month than the number of individuals looking for work — an industry first.



Of staffing employers say their biggest challenge is finding relevant candidates<sup>2</sup>



Retain top talent by keeping employees happy, motivated, and engaged.



Estimated number of gig workers in the U.S. by 2027<sup>3</sup>, an increase of 27 million from 2020.<sup>4</sup>

## 2. The gig economy

A significant portion of the workforce no longer wants to be tied down to a 9-to-5 office job.

Gen Y and Gen Z workers will make up **64% of the global workforce by 2025**, and they expect **freedom and flexibility** at work.<sup>5</sup>



Focus on offerings that are highly coveted by gig workers, including flexibility, part-time work, project work, and the ability to allocate time to passion projects.

## 3. Compliance issues

Federal and state employment laws and regulations are growing more complex, increasing the risk of violations and lawsuits.



Increase in employment lawsuits in the last 20 years.<sup>6</sup>



Avoid costly errors and huge fines by arming your team with automated workforce management tools that meet in-depth compliance requirements.



Companies that say the hardest part of recruitment is screening candidates from a large applicant pool.<sup>7</sup>

## 4. Automation and artificial intelligence

The most successful and profitable staffing firms are using a wide range of technologies and leveraging automation to offer differentiated services, faster operations, and lower costs.



Combine the power of humans and technology for greater efficiency and improved quality of work.

## Conclusion

If you play it safe in the staffing industry, you run the risk of becoming outdated or obsolete.

The **UKG Dimensions™ suite from UKG®** is built to manage the workforce of the future — today.

Want to learn more about top staffing industry trends? Take a deeper dive into the subject with our [blog](#).

<sup>1</sup> SIA, *Staffing Trends in 2019* (February 4, 2019), found at <https://www2.staffingindustry.com/Research/Research-Reports/Americas/Staffing-Trends-in-2019>.

<sup>2</sup> Roy Maurer, *Recruiting Is Tougher in 2019*, SHRM (February 22, 2019), found at <https://www.shrm.org/resourcesandtools/hr-topics/talent-acquisition/pages/recruiting-is-tougher-2019.aspx>.

<sup>3</sup> Kris Broda, *Gig Economy: Economic Backbone of the Future?*, Brodmin (July 31, 2021) found at <https://brodmin.com/case-studies/gig-economy-case-study/>.

<sup>4</sup> Statista, *Number of Freelance Workers in the United States from 2014 to 2020* (October 11, 2021), found at <https://www.statista.com/statistics/685468/amount-of-people-freelancing-us/>.

<sup>5</sup> Anita Lettink, *No, Millennials will NOT be 75% of the Workforce in 2025 (or ever)!* (September 17, 2019) found at <https://www.linkedin.com/pulse/millennials-75-workforce-2025-ever-anita-lettink/>.

<sup>6</sup> Christine Lacagnina, *How Employment Practices Liability Insurance Has Your Back*, Trusted Choice (July 14, 2021), found at <https://www.trustedchoice.com/business-insurance/liability/epli/#targetText=Over%20the%20last%2020%20>.

<sup>7</sup> Ideal, *AI for Recruiting: A Definitive Guide for HR Professionals*, found at <https://ideal.com/resources/simple-ai-for-recruiting-guide/>.