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# Newsletter

*The Independent Recruiter's Resource for Temporary and Contract Placements*

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## TFI COMMUNITY SERVICE AWARDS

This year's 2005 TFI/TAPC Community Service Award was presented to Valerie Smith of Meador Staffing. The award was given to Val by **Judy Collins** of TFI at the TAPC Awards Luncheon in Austin, Texas in April along with a \$1000 donation to Val's charity of choice--the San Jacinto College Foundation. Valerie is an incredible volunteer and an asset to her community!



TFI recognized James Lenhardt of Harrison Personnel/Hire Priority as the 2005 HAAPC Community Service Award winner for his many hours of service donated to several local charities. The award was presented to Mr. Lenhardt at the HAAPC Awards Banquet held at the Junior League on March 11, 2005. A \$500 donation was made to the Rise School of Houston at James' request. TFI is proud to support local community service volunteers.

## ADDITIONAL SERVICES....

Over the past year TFI has introduced several new services including job posting and resume search capabilities through CareerBuilder and skills testing services through Kenexa ProveIt! We are very pleased to report that the response has been overwhelmingly positive! If you haven't signed up and would like to, please let

us know. If you have any suggestions regarding services that you would like for us to explore, call and discuss your ideas with Kim Horrell.

## OUT AND ABOUT.....

Don't forget to take a quick look at our schedule for the 3<sup>rd</sup> and 4<sup>th</sup> quarter to see if we are going to be in your area. As always, we would love to see you!

**September 13:** IRG/MAPC/SERC—Mini Conference; Prestonwood Country Club, Dallas, Texas.

**September 16:** HAAPC Mini Conference; Alamo Draft House; Houston, Texas.

**September 21-24:** National Association of Personnel Services Annual Conference; The Baltimore Marriott Waterfront; Baltimore, Maryland.

**October 6:** New Jersey Staffing Alliance; State Conference; Woodbridge Hilton; Iselin, New Jersey.

**October 19-22:** American Staffing Association Convention; Orlando World Center Marriott Resort; Orlando, Florida.

**October 28-29:** California Staffing Professionals 5<sup>th</sup> Annual Owner's Retreat; Sycuan Resort & Casino; San Diego, California.

## HERE WE GROW AGAIN!



*Rachael Owens*

**Rachael** has been part of the TFI team since July, 2004. For the past year, Rae has been an account representative in our payroll department and is now taking on various administrative tasks. Although many of you will miss having her as your processor, she will still be with us!



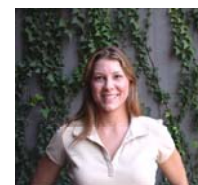
*Roxane VanDelden*

**Roxane** joined our payroll department in August, 2004. Her experience in the banking industry helped make for a smooth transition into payroll processing. Roxane is a graduate of the University of Houston with a bachelors degree in business administration.



*Joanie Herold*

**Joanie** also became a part of our payroll team in August, 2004. Joanie received her bachelors degree from The University of Texas at Austin. Her years of experience in sales and customer service, combined with her background in finance, have made her a great addition to TFI.



*Jamie Banks*

**Jamie** joined TFI in November, 2004 and brings with her three years experience in the accounts payable field and a BBA in Management. Jamie is a native Houstonian who graduated from Southwest Texas State University and is a valuable new member of our company.

## TFI TIDBITS.....

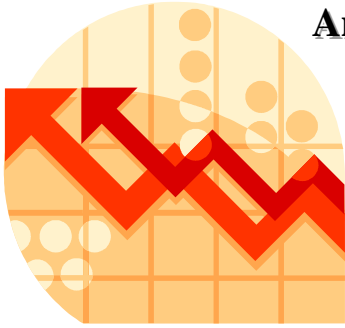


In April TFI sponsored the Georgia Association of Personnel Associates' annual meeting. The meeting was held in Lake Lanier



*Michelle Evans*

Islands, Georgia. Michelle Evans, TFI's payroll supervisor, had a great time introducing our services to the Association and personally meeting some of our recruiters.



## An Upswing for Staffing

In the wake of the 2001 economic recession, the recuperating staffing industry continues its triumphant return to pre-recession levels. Without question, the staffing industry felt the impact of the economic doldrums experienced by the

U.S. economy at large as it suffered a steep 27.3% decline in employees hired in 2001 and stagnation in 2002. Since then, the winds of the economy have shifted for the better and the staffing industry has reason to celebrate. U.S. staffing firms enjoyed marked growth prospects in 2003 and 2004, which respectively yielded 10.3% and 9.3% increases in employees hired. Compared to the reduced 9.6 million employees hired in 2001, the staffing industry employed over 11.7 million in 2004.<sup>1</sup>

## An Overview of 2004

On the whole, the staffing industry employed about 1.9% of the workforce. Over the course of the year, one in eleven employees worked for a staffing firm at some point that year. U.S. staffing companies employed a daily average of 2.55 million temporaries and contract workers.

The revenues for the staffing industry soared 13.1% from 2003, totaling \$70.6 billion—\$63.3 billion of which came from temporary staffing services. After a period of recession, pronounced growth tends to take place, though following 2001 the rebound of staffing industry revenue was more delayed than after previous recessions.

The fourth quarter was especially remarkable as average daily employment exceeded 2.7 million workers breaking the record of 2.65 million in the third quarter of 2000. In addition, the final quarter witnessed another record as temporary help sales totaled \$16.9 billion.



<sup>1</sup> American Staffing Association, Employment and Sales Survey

## Staffing Forecast—2005 and Beyond

These days, the staffing industry looks primed for sustained growth despite a structural shift toward labor flexibility. Many companies still appear reluctant to take on new additions to their regular staff and have remained focused on cost containment thereby increasing the demand for temporary and contract workers. The growth of the economy will bring about increased interest rates, and historically, increased interest rates have been coupled with staffing industry growth. Also, while the unemployment rate falls, the labor market typically becomes tighter and fewer qualified workers will be available to employers. Additionally, consider the fact that three-quarters of employees are looking for new jobs according to a study done by the Society for Human Resource Management. As employees leave their current jobs in search for greener pastures, employee turnover will increase, and as a result, this will leave vacancies which require filling.



Of the 11.7 million employees hired by staffing companies in 2004, 8 million of those transitioned to permanent jobs which is consistent with previous ASA estimates that about three-quarters of temporary employees go on to permanent jobs when they leave the staffing industry.

In sum, as the economy grows, skilled employees will be in greater demand as growing businesses will require more support. However, since the labor market is tightening and employee turnover is expected to increase, businesses will not only be short of help but they will also be unable to find it. With an ultimate shortage of skilled labor, businesses will seek the aid of staffing companies in an attempt to adequately staff their growing companies. The future of staffing is bright once again.

*The information from the previous article was taken from:*  
 Stephen P Berchem's "Rebound" published in Staffing Success by the American Staffing Association, Issue May-June 2005

## Wanted: Skilled Workers

In a poll of 103 corporate planners and financial analysts, the National Association for Business Economics discovered that more than a third of firms surveyed have reported experiencing difficulty in finding skilled workers. This shortage marks a four year high and indicates that the labor market is improving even with irregular job creation. Regardless of the shortage, businesses continue to stay optimistic as 56% of the respondents in the same poll expected the economy to grow 3-4% for the balance of the year, the same rate as the first half of the year. Unless rising oil prices result in depressing economic activity, the U. S. economy should see slow but steady economic growth for at least the next decade.

Dow Jones News Service, "Survey Finds Shortage of Skilled Workers" published in Houston Chronicle, July 19, 2005.