

Geographies of Temporary Staffing Unit

Working Paper 1

The Changing Business of the UK Temporary Staffing Industry

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Abstract

This paper examines the changing structure of the UK temporary staffing industry. It argues that despite the research produced recently on the different non-standard employment contracts, such as fixed-term, part-time and temporary work, relatively little attention has been paid to the temporary staffing industry as an industry in itself. In light of this perceived gap in the literature, this paper first separates out the evolution of the temporary staffing industry in to three periods. Second it draws upon an on-going programme of research to analyse conceptually the restructuring of the temporary staffing industry. Third it places the UK temporary staffing industry in context, drawing upon a series of semi-structured interviews with temporary staffing agency owners and managers. In conclusion the paper argues the temporary staffing industry deserves more attention than it has so-far received from those with an interest in work and employment, particular as its global presence extends and its local presence deepens.

Keywords: temporary staffing industry; industrial restructuring; business logic; globalisation

1. Introduction

October 2001 saw Britain's first ever 'National Temps Week'. Aiming to 'raise the [temporary staffing] industry's profile and emphasise the contribution made to the economy by "flexible workers"' (Recruitment and Employment Confederation, 2001a: 1), it marked a new phase in the Industry's evolution. After decades of avoiding media coverage – largely because of the negative stereotypes that formed around it – the temporary staffing industry turned to courting it.¹ It was the culmination of a sustained attempt to transform the general perception of the temporary staffing industry. Temporary staffing agencies themselves have been around in the UK since 1930s. However, only at the end of the 1950s, when the likes of Kelly Services and Manpower, Inc. entered the market did business really take off. Over the next thirty years the UK became the first country the largest US temporary staffing agencies would enter after expanding out of their own domestic markets, as they rolled-out their model of labour market flexibility. Up to the 1970s the growth in the number of temporary staffing agencies was unspectacular. Where data are available it suggest steady growth before a period of rapid expansion in the 1980s and 1990s. By 2001 the sales of the UK temporary staffing industry was just over £21 billion, having grown by almost 23% in the previous year (Global Staffing Industry Report 2002a). This situation in the UK is mirrored across Western Europe (CIETT 2000a; Credit Suisse 2001; Ward 2002a). In the US on the other hand, expansion began earlier. Since the early 1970s the US temporary staffing industry has experienced double-digit growth rates (Carey and Hazelbaker 1986; Segal and Sullivan 1997). By 1976 the US temporary staffing payroll had reached \$1 billion. Having taken almost thirty years to top a billion dollars, the US industry reached a \$5 billion payroll in eight years, in 1984. Only four years later, and the revenues generated by the US industry were worth over \$10 billion. And so it goes on. By 1997 the US temporary staffing industry's payroll exceeded \$50 billion, and despite the on-set of recession, the payroll had almost doubled again by the end of 2001 (Staffing Industry Analysts, Inc. 2000; Ward 2001).²

¹ Despite the efforts of REC to change the public's perception of the temporary staffing industry, recent reporting of the use by schools of teachers placed through temporary staffing agencies continues to undermine its efforts (see for example 'Supply agencies get fat on teacher shortage', *The Guardian* 9 February 2002: 9; see also Morrison 1996).

² And of course, at the same time as the revenues being produced by temporary staffing agencies were escalating, so was the numbers of workers they placed (Applebaum and Golden 1992; Golden 1996).

Despite this rapid growth in the ‘developed’ world in the last thirty years – alongside the growing involvement of the Industry in the likes of East Asia and South America (Ward 2001) – there has been a surprising absence of local, national and global research on the temporary staffing industry.³ It is not that cognate research in work and employment has not been performed. Some debates even touch upon the growth in the industry but avoid dealing with it conceptually, choosing instead to emphasise other areas of employment change. This related work has focused on three concerns. First, a still-growing literature has emerged to seek to understand why companies use non-standard employment contracts, such as fixed-term workers or temporary hires (Cooper 1994; Feldman et al 1994; Mangum et al 1985; Meager 1985; Ward et al 2001). Emerging out of the earlier ‘flexibility’ debates, this work has sought to examine why companies increasingly rely on this heterogeneous group of workers to staff their workplaces, and the management issues that arise from their increased use. Second, attention has focused on the experiencing of non-standard work. Some have focused on the dynamics of ‘being just a temp’ (Henson 1994), while others have looked at ‘the betwixt and the between’ (Garsten 1999) of being a temporary agency worker at a workplace where your employment status means you are socially distanced from the rest of the workforce (see also Gottfried 1991, 1992; Rogers 1995, 1999, 2000; Smith 1998). Third, research has employed the employment conditions to ‘contingent’ or ‘non-standard’ work, often focusing specifically on those placed through temporary staffing agencies (Bronstein 1991; Cohen and Haberfeld 1993; Dale and Bamford 1988; European Foundation for the Improvement of Living and Working Conditions 2000; Carnoy et al 1997; Segal and Sullivan 1997; TUC 2001).

These studies have proved immensely illuminating. We are now more aware of the issues management face when having to manage those on non-standard employment contracts, and more attuned to what the immediate and longer-term effects are, in terms of access to training and skill acquisition, to not being employed by the company at which you perform your daily work. As other related issues continue to be explored we are likely to gain a firmer handle on the multiple dimensions to the demand for non-

³ It is now twenty years since Ricca (1982: 141) argued that ‘temporary work has been one of the most hotly debated topics of recent years. So spectacular has been its development that politicians and legislators have often been forced to come to grips with it even before economists and sociologists have had time to explain the phenomenon.’ Although more is now known about why companies use temporary agency workers, the conditions under which those placed perform their work and the regulatory issues that accompany this form of ‘non-standard’ or ‘atypical’ employment, relatively little is known about the industry itself.

standard employment contracts. There is however less of a literature on the dynamics of the supply of this type of labour. For example, while we know why companies use temporary agency workers and in which occupational categories and industrial sectors this growth is occurring, we know relatively little about the temporary staffing industry itself. With few exceptions the emphasis has been on temporary agency work, and the employment conditions that tend to accompany this employment status.⁴ Rather less time has been devoted to analysing the temporary staffing industry as just that: *an industry*. This gap in the various work and employment literatures is striking, given that the temporary staffing agencies are in the business of selling/placing a commodity unlike any other: labour. Moreover, and as the small amount of work in North America and Western Europe on the temporary staffing industry has demonstrated (Gottfried and Fasenfest 2001; Forde 2001; Gannon 1974; Henson 1996; Moore 1965; Parker 1994; Peck and Theodore 1998, 2001; Vosko 2000; Theodore and Peck 2002), temporary staffing agencies play an important role as labour market intermediaries. More than this, increasingly temporary staffing agencies are playing an *active role in the construction of labour markets*. For example, working alongside government and non-government banking and financial institutions the largest agencies – and their trade bodies – have been actively involved in ‘freeing-up’ labour markets in the ‘developing’ regions of the world, in the process also constructing markets for their own services (Ward 2002b). At the same time, in the ‘developed’ economies, where temporary staffing agencies have been active for more than four decades, the continued emphasis both on labour market flexibility as a means to securing economic competitiveness, and the increasing role of the private sector in providing services within the state apparatus – particularly in education and in healthcare -- creates and maintains a market for the business of temporary staffing agencies.

In this paper then I attempt to make a modest contribution to our understanding of the temporary staffing industry. I first offer a means of capturing the changing business performed by the temporary staffing industry. Working backwards, the paper sets out the global origins of the temporary staffing industry. After very localised and geographically uneven beginnings, temporary staffing agencies have in recent years rolled out their branch networks – and with it the industry’s message, methods and modes of

⁴ And this research will continue to be of immense use in light of the impending of a European Directive on temporary agency work (see for example ‘Temps may win equal rights’, *Financial Times* 18 February 2002: 1; ‘Fears over flexibility if temps get greater rights’, *Financial Times* 18

regulation -- with the United Kingdom one of the first markets to be entered, in the 1950s and 1960s. In the third stage, large national temporary staffing agencies are increasingly *going global*, although most are headquartered in the US or mainland Europe. In this sense, the UK is a *first wave receiver* of, rather than an *innovator* of, temporary staffing, an importer rather than an exporter of flexible labour, *a la* temporary staffing agencies. During this current era, temporary staffing agencies are also moving out of their traditional niches – such as clerical and light industrial – and moving up the value chain into the professional segments of the labour market. In the process the package of services offered by temporary staffing agencies has changed (Theodore and Peck 2002). And this is why the UK temporary staffing industry appears to be at the beginning of a new era in its relative short history. On the one hand the largest global agencies are busy involving themselves in the ‘developing’ world (Ward 2001). On the other hand their business strategies in the more established and mature markets, of which the UK is the second largest after the US (Deloitte and Touche 1998; Key Note 2001), are changing, with implications for how the labour markets are organised and function. The paper then turns briefly to issues of methodology, and some of the issues raised by the study of a dynamic and hard to measure industry, and in the process argues for a bottom-up analysis of the temporary staffing industry. The UK temporary staffing industry is then put in its place, in terms of its role in the wider global growth in the industry. With the largest eight temporary staffing agencies having together only a 25% share of the market, the UK industry remains highly fragmented, and is quite unlike any other temporary staffing industries in the ‘developed’ world (Credit Suisse 2001; Key Note 2001; Mintel 2000). Working forwards, I set out some of the issues that characterise the contemporary business of temporary staffing, focusing on current business strategies and corporate dynamics and drawing upon a programme of semi-structured interviews.⁵

2. The early origins of the temporary staffing industry

Since the formation of the first for-profit temporary staffing agencies in the United States just after the Second World War, the temporary staffing industry has experienced

February 2002: 3; ‘Battle to provide security for an army of temps’, *Financial Times* 22 February 2002: 16).

⁵ This is necessarily partial. Such is the extent of the changes underway within the temporary staffing industry – as the global business model interacts with individual nation’s particular configuration of business practices, legal frameworks and labour structures – that no one paper can capture fully the change. This paper focuses on one dimension: how temporary staffing

rapid growth, albeit interspersed with drops in demand, normally mirroring fluctuations in the economic cycle and Gross Domestic Product (GDP). Initially agencies in North America and Western Europe began to supply workers locally, on a day-to-day and week-to-week basis. From the 1950s to the 1980s, as the organisation of different national economies became increasingly inter-connected, so the large temporary staffing agencies opened up branch and franchise offices overseas. In the 1990s the previously rather slow move towards a truly global temporary staffing industry quickened, in part because in their more 'mature' markets the agencies began to encounter limits to growth (Theodore and Peck 2002). For the largest temporary staffing agencies this involved substantial corporate restructuring as they sought to maintain revenue, raise profit margins and keep shareholders happy. Newer entrants into the temporary staffing industry that gained a market-share through an Internet presence and who went public early on in their company history began to change the terms of competition across the industry. Hence, the traditional temporary staffing companies have strived to balance the old with the new, pursuing simultaneously a 'clicks and mortar' or 'clicks and bricks' approach to growth (Deutsche Bank 2000a, 2000b). In this section each of the three developmental periods are set out. This provides a conceptual framework into which to position particular countries or regions (Table 1).

Section 2.2.1 characterises the first 'wave' of public-floated temporary staffing agencies. This era really is the beginnings of what today is called the temporary staffing industry, when the 'titans of staffing' emerged. Taking their lead from the business of D. J. Nugent in Milwaukee, who in the late 1890s was the first to organise his staff into temporary placements, Aaron Scheinfeld and Elmer Winter formed Manpower, Inc., William Russell Kelly formed Kelly Services and William Olsten formed the Olsten Corporation. Here, the temporary staffing industry began to develop an industrial identity. In the US in 1966 the Institute of Temporary Services (ITS) was formed to lobby state and federal government on behalf of the temporary staffing agencies. The US industry continued to expand, as the number of temporary staffing agencies, and the business they did, escalated. Section 2.2.2 examines the move towards 'flexible staffing'. By now traditional notions of a 'job for life' had been challenge by the recruitment, and wider restructuring practices of companies, a transition in part made easier by the services offered by temporary staffing agencies. Non-standard or atypical employment

agencies are actively creating the conditions for their product through deepening their relationship with client companies.

forms, such as part-time, fixed-term and temporary contracts were increasingly how staff entered companies, as the recruitment onto full-time and permanent contracts became less of the norm. Temporary staffing agencies began to expand geographically, industrially and occupationally, as the limits to growth in their existing markets became a threat to continued profitability.

In the final period, section 2.2.3 sets out the most contemporary characteristics of the temporary staffing industry. In part, this latest period is still in the process of coming into being. There is widespread speculation over the long-term effect of the Internet on the Industry and on the future involvement of temporary staffing agencies in both the 'developed' and 'developing' worlds. More clear-cut is the impact the Internet is having on the branch networks of the largest temporary staffing agencies, and on the terms of competition in the Industry, as new E-Staffing agencies enter the market (Deutsche Bank 2000a).

Insert Table 1 about here

2.2.1 Local growth: the beginnings of the temporary staffing industry

The early history of the temporary staffing industry *is* the early history of the US temporary staffing industry. Despite Moore's (1965: 556) rather hesitant claim that 'the use of temporary help may have existed in England before it did in the United States ... [as] ... temporary help was supplied in London before World War I ... [and was] ... well established by the end of the 1930s', it is generally agreed that the first temporary staffing agencies were established in the US.⁶ The beginnings are one of well-connected businessmen starting up their own agencies to meet what they saw as gaps in the labour market. In some cases the 'gap' was the inability of workers to make enough money. So, in the case of Sam Workman, in 1928 he formed Workman Diversified Enterprises. This matched the needs of clients to have extra work performed on the newly invented calculators with the wants of salesman to work extra hours to supplement their incomes. In other cases it was the growing demand for clerical workers. Clifford L Stivers formed Stivers Office Service (SOS) in 1945, drawing upon his experience of the Chicago labour market to place housewives in a range of offices. Although the first few temporary staffing agencies were formed in the 1920s and 1930s, the Industry only really began to

⁶ However permanent staffing companies performed the placement of temps, and hence the term 'temporary help' was not used. Only with the arrival of the first US multinationals, such as Manpower, Inc, in the 1950s and 1960s did the term enter the UK.

expand and to shape the recruitment practices of American clients after the end of the Second World War. During the War a number of changes had been made in the world of work, in the US and beyond, one of the most important and far-reaching of which was that women had begun to enter the formal labour market.

During the 1940s and 1950s a number of temporary staffing agencies were formed in the American Mid West. In Chicago, Detroit, Milwaukee and Minneapolis temporary staffing agencies were set up to service the clerical and light industrial niches. Work was organized on a day-to-day and a week-to-week basis. Competition took place between one independent and another, with temporary staffing agencies securing clients and workers through first word of mouth and then later through local advertising campaigns. Gradually in the Mid West, the likes of SOS and Labor Pool rolled-out a local network of branch offices, with each one servicing a very local labour market.

After the initial evolution of the temporary staffing industry in the US Mid West, others around the US began to set up their own agencies. On the West Coast Robert Stover started up Western Employers Service in 1948, while on the East Coast, Robert Half formed Robert Half Personnel Agency (Finney and Dasch 1991; Staffing Industry Analysts, Inc. 2000). By the 1950s today's largest temporary staffing agencies had begun to do business. Kelly Services was started up in 1946, Manpower, Inc. was formed in 1948 and Olsten opened in New York in 1950. Each one began to expand out of the local markets they served, so by 1954 Manpower, Inc. had branch offices in 21 cities. Most expanded through organic branch office growth. Manpower, Inc. though conceived of another way of growing its business: the franchise. Driven forward by Manpower, Inc.'s expansion through franchising, which 'made everyone sit and up and take notice' (Terry Adderley Chair, President and Chief Executive, Kelly Services quoted in Finney and Dasche 1991: 46), its competitors began geographically to expand their network. As temporary staffing was still a relatively new experience for both client and worker, the industry largely remained beyond formal regulation and, as such, there was not yet a trade organisation to represent the views of the agencies. There was little by way of limits to growth in this initial period. And yet once US temporary staffing agencies began to expand into Western Europe the industry, and the logic upon which it was organised, began to change.

2.2.2 Flexible staffing: the first steps towards a global temporary staffing industry

Manpower, Inc. opened its first overseas offices in London, England and Paris, France in the late 1950s. During the 1960s the other large US temporary staffing agencies, Kelly Services and Olsten opened up branch offices in Western Europe. Having expanded out of their respective local labour markets, these agencies then took the next step and pushed at the frontiers of the temporary staffing industry. In their early days the agencies used the same business model that had worked in the US. Services were delivered through an increasingly international branch and franchise network. Later on, the model was adapted to reflect the employment system and labour market differences between Western Europe and North America. These included differences in the industrial organisation of the economies, labour market regulation, recruitment norms and state structures (see, for a discussion of recent changes, Christopherson 2002). While the US was 'exporting' the temporary staffing industry through the expansionary strategies of its largest temporary staffing agencies, a Swiss accountant, Henri-Ferdinand Lavanchy, formed Adia. This and the formation of Randstad in the Netherlands in 1960 reflected the growing acceptance of temporary staffing agencies outside of the US. Local independents began to form in a number of West European countries. During this period the concept of 'flexible labour' found acceptance in Europe in the way that it had in the US during the 1960s, and the large and increasingly multi-national temporary staffing agencies were at the fore of delivering flexibility. So, by the end of the 1960s Manpower, Inc. had over six hundred offices in thirty-five countries.

At the same time as the largest temporary staffing agencies were expanding into new national markets, the US industry continued to grow, as new temporary staffing agencies servicing the clerical and light industrial segments opened up on a regular basis around the country. As a result, the terms of competition began to shift. In US cities the international temporary staffing agencies came up against local independents, both competing for local clerical and light industrial contracts. The large temporary staffing agencies began to look for ways to protect their market share by cashing in on their increasingly national and international branch and franchise office networks and brands. The first national contract between a temporary staffing agency and a client was agreed in the mid-1960s. After staffing Shell's gas station in San Francisco, Employers Overload persuaded it that it should staff all of its gas stations. Although this first attempt by

temporary staffing agencies to deepen their relationship with clients did not catch on at first in the industry, it became more widespread in the 1990s.

As the US temporary staffing industry grew during the 1960s, 1970s and 1980s, expanding out of its traditional segments and into a range of new areas, such as engineering and healthcare, so the industry caught the attention of state and federal governments. And in turn the first trade body was formed in 1966 to present the views of the largest temporary staffing agencies. Representatives of the international companies, such as Kelly Services and Manpower, Inc. met with representatives of the large nationals, such as Executive Girls, Barrett Office Services and Labor Pool, to form the Institute of Temporary Services (ITS). A mark of the US industry's maturity, it lobbied legislators and set about trying to regulate itself, in particular targeting those temporary staffing agencies placing workers in the industrial sectors and involved in illegal practices. The formation of ITS provided the Industry with a sense of identity and accompanied a period of major upheaval. The US industry and those in Western Europe were beginning to undergo rapid expansion. And, as if to underscore the early internationalisation of the temporary staffing industry, only a year after the ITS formed, the International Confederation of Temporary Work Businesses (CIETT) was formed in May 1967. This international trade organisation, which now has 26 member federations⁷, one associate member⁸ and five corporate members⁹ was established to pull together the interests of the different national temporary staffing industries. With its mission to 'protect and promote the interests of temporary work businesses and their national associations, in order to ensure their long term survival and prosperity' (CIETT 2000a: 4), the CIETT has provided a voice for the industry as it goes global, expanding into new geographical markets.

2.2.3 Labor solutions: a global temporary staffing industry?

In the last five years the evolution of the temporary staffing industry has taken a number of new turns. After a period of corporate acquisitions, takeovers and organic growth the organisation of the temporary staffing industry is now quite different from what it was only ten years ago. Traditional temporary staffing agencies have looked to restructure their businesses in order to protect their existing markets and to expand into others. For

⁷ These are: Argentina, Australia, Austria, Belgium, Brazil, Canada, Chile, Denmark, France, Germany, Ireland, Italy, Japan, Luxembourg, Morocco, Netherlands, Norway, Portugal, South Africa, Spain, Sweden, Switzerland, Uruguay, United Kingdom, USA.

⁸ This is Cameroon.

example Adia and Ecco merged and then bought Olsten, BIS was bought by Vedior and the Corporate Services Group bought Blue Arrow. In addition to this high profile corporate restructuring, the large generalists temporary staffing agencies have bought a profile in smaller, niche markets. Whether in IT or healthcare, legal or education, a number of the larger agencies have expanded their businesses out of their traditional industrial segments and into lower-turnover, higher margins and more specialist segments. Put simply the make-up of the product delivered by temporary staffing agencies has been remade.

As part of this move up the value chain, a number of large temporary staffing agencies have also bought recruitment and staffing companies higher up the labour market mediation ladder. For the likes of Kelly Services and Manpower, Inc. while the revenues generated through the placement of temporary workers continue to constitute most of their turnover, other services, such as complete recruitment, project management and outsourcing are of increasing importance. In part this is behind the re-branding efforts of the agencies and those that represent them. Out is 'temporary' or 'flexible staffing' and in is 'staffing solutions', in order to reflect the remaking of the product offered by temporary staffing agencies. This remaking process is at work where the industry is more established, according to one of its analysts:

So the creative markets would be the UK and the US because they are more mature and more fragmented [Global consultant #2, July 2001].

The larger temporary staffing agencies have also expanded geographically – the industry's 'new frontiers' are Latin and South America and East Asia (Ward 2001). Moving into these emerging markets, the agencies have played an important role in re-shaping the labour markets in the likes of Chile, China, South Africa and Uruguay. In part the impetus for each of these strategies has been the overcoming of, or at least the management of, economic cycles, which sometimes differ from one industry to another and from one country to another. Through spreading risk the temporary staffing agencies are seeking to spread their incomes streams and smooth the ups and downs of the business cycles. As an analyst of the global temporary staffing industry argued:

One of the reasons why [temporary help companies] want to expand is not to be over reliant on any one economy or any one sector of the economy, don't want

⁹ These are Adecco, Kelly Services, Manpower, Inc., Randstad Holdings NV and Vedior NV.

to be exposed to IT or to be exposed to catering or to be exposed to blue collar or to be exposed to hospital ... the aim is to smooth its future earning stream by being diversified (Global consultant #1, July 2001).

Senior officials in the largest temporary staffing agencies have confirmed this logic:

The broad geographical and business diversification we have put in place over the last two years reduced our volatility dramatically. We are not dependent on one market or one single business line. We are a true global player with the necessary resources and positioning to counter market adversities and take advantage of changes in our business environment (John Bowmer, Chief Executive, Adecco, quoted in Adecco 2000a: 1).

Finally, the larger temporary staffing agencies have embraced the introduction of new technology, using it to brand and to sell their different services and to restructure their branch and franchise networks. These new technologies are questioning the existing status quo of the industry. According to one of the largest staffing agencies:

The Internet allows [temporary staffing agencies] to increase their revenues by providing improved services at a lower cost (through, for example, lower recruitment advertising costs, fewer branches and fewer internal staff members). Competition could intensify from on-line recruiters (i.e. Monster.com, CareerMosaic.com), resume distribution companies (i.e. resumeblaster.com) and employer websites (Adecco 2000b: 12).

Because of the way new technology has been introduced, agencies have begun to change the way they do business. Although most of the largest temporary staffing agencies have continued to expand their branch and, where appropriate, their franchise network, the role of the traditional office within the wider corporate structure has changed through the growing use of technology in the recruitment business. Moreover, since the very late 1990s a host of new Internet recruitment agencies have gone public. Changing the competitive environment in which the larger temporary staffing agencies have to perform their business, these smaller agencies have sought to change the services that both client companies and workers expect from the temporary staffing agencies. And as the Internet-based companies have gone public very early on, so they are subject to shareholder pressure to raise profit and gross margins, which has knock-on effects on larger agencies, who in turn have to respond to the changing competitive environment.

3. The UK temporary staffing industry

3.1 Measuring the temporary staffing industry

So, what is the size of the current UK temporary staffing industry? Academics, consultants and policy makers alike have been wrestling with this question for the last couple of years, as it has become apparent that something is going on in the UK industry (Department of Industry 1999; Forde and Slater 2001; Hotopp 2000; Keynote 2001; Recruitment and Employment Confederation 2001; Mintel 2000). Obtaining an accurate measurement of the size of the UK industry – however defined – and the underlying trends within it is a first step to a deeper analysis of its business dynamics. The difficulties of this ‘first step’ has recently been acknowledged by Hotopp (2000: 462), as the Department of Trade and Industry grappled with calibrating the UK industry’s growth:

The growth of the industry makes it increasingly important to have methodologically sound data on it. The absence of reliable information makes it difficult for both industry and policy makers to estimate the effects of outside changes on the industry.

The temporary staffing industry can be measured a number of different ways. If we first turn to measuring the number of people placed through temporary staffing agencies. In the US and where the industry receives regular publicity, the trade body – the American Staffing Association (ASA) — is highly proactive in lobbying on the US industry’s behalf and where generally temporary staffing agencies are a more expected part of doing business the Bureau of Labor Statistics (BLS) is charged to collect employment data on it. The BLS also collects data from workers, through its Contingent worker survey. In this way it mirrors the situation in the UK. NOMIS collects data through SIC7450 ‘Labour recruitment etc’ and the Labour Force Survey (LFS) asks individuals about their employment status. This means there are two ways of attempting to measure the temporary staffing industry – from the perspective of the industry (number of temporary staffing agencies, financial turnover etc) or from the perspective of workers. For the most part attention has focused on the latter – the number and type of people that are placed through temporary staffing agencies and in which occupational/industrial category they are placed (for an overview see Forde and Slater 2001). From this stance there are three conflicting measurements of the numbers people placed through

temporary staffing agencies in the UK at any one time: the Recruitment and Employment Confederation estimates there are 1.1 million in a given week (Recruitment and Employment Confederation 2000); the Labour Force Survey on the other hand estimates that there was only 270000 'agency temps' in a given week (Hotopp 2000)¹⁰; and finally, the Bostock Marketing Group (BMG) in a recent study on behalf of the Department of Trade and Industry estimated there to be 557000 worker placed through temporary staffing agencies each week.

These staggering differences reflect the lack of agreement over how best to measure the number of people placed through temporary staffing agencies, although Hotopp (2000: 461) comes to agree on a figure somewhere between 523000 and 529000. A fourth way of measuring the size of employment in the industry is through the use of NOMIS. Using SIC7450, the number employed in 'Labour recruitment etc.' in England has risen from 160 835 to 543 551 (or by 238%) between 1991 and 1998. During the same period in Scotland employment rose by 187% (from 12 554 to 36 135) and in Wales by 330% (from 3 352 to 14 406). If one leaves aside for a moment the precision or otherwise of these figures and instead looks at the *trends*, what is evident is the large growth in employment in the temporary staffing industry -- both in terms of direct employment and in terms of placements. As a proportion of the workforce, placement through temporary staffing agencies constitutes something between 1.1% (Department of Trade and Industry 1999) and almost 4% (Recruitment and Employment Confederation 2001a) of the workforce.

A second way of measuring the size of the temporary staffing industry is through the number of temporary staffing agencies and their joint turnovers. Reflecting that this method is a relatively new innovation -- for a number of years the attention has been on quantifying the number of temporary employment *per se* -- there are less data on this and what data there are reflects the difficulties of producing accurate figures. While for the Recruitment and Employment Confederation (REC) (2001a) and Mintel (2000) the number of 'recruitment consultancies' in the UK increased from 8342 to 11173 between 1992 and 1999 (a 34% increase) (see Figure 1), for the Bostock Marketing Group's work the more recent figure is considerably less, at 9900 (reported in Hotopp 2000: 461).

¹⁰ Purcell and Purcell (1998: 57) argue that 'labour force survey data does not allow for an exploration of the relationship between employers and employees and obscures the role of employment intermediaries'. It is with producing an analysis of the changing logic underscoring this latter relationship that this paper is concerned.

Figure 1 about here

Table 2 sets out the growth in the number of temporary staffing agencies in the six largest cities in England, outside of London. At the sub-national level these data confirms the rapid growth of the UK industry over the last thirty years, reinforcing the argument put forward by Key Note (2001: 12) that ‘much of [the growth] is focused around the large towns and cities’.

Table 2 about here

Figures 2 and 3 outline the growth in the business of temporary staffing agencies, and the industrial segments in which agencies are performing their business. As Figure 2 makes clear the sales in the UK industry rose by 115% in the last five years. And although the amount of business done in non-traditional industrial segments – i.e. not ‘blue collar’ or ‘clerical’ – is on the increase (Intel 2000; Recruitment and Employment Confederation 2001b), they remain where most temporary agency workers are placed.

Despite the difficulties associated with measuring the size of the temporary staffing industry, each of these findings point to an industry that has been experiencing rapid growth, at least since the early 1990s, and possibly beforehand. In light of this consensus over growth – if not over the rates of it – this paper draws a series of interviews with: (i) the managers and owners of a range of different sized temporary staffing agencies, placing workers in a number of industrial segments and; (ii) those inside and outside the industry whose business it is to monitor its evolution. Using these methods the paper presents an analysis of the UK temporary staffing industry from the ‘bottom up’, and offers a reading of industrial change that complements those produced by government and by trade bodies.

Inserts Figures 2 and 3 about here

3.2 Exploring the origins and the evolution of the UK temporary staffing industry

Temporary staffing agencies have existed in the UK since the first few decades of the twentieth century. Casual workers dominated the workforces of the construction and

dock industries. Government reforms of the dock industry during the 1920s centred on decasualisation efforts and involved the creation of Labour Exchanges (Philips and Whiteside 1985). Although state-run, these share some of the characteristics of the early private sector temporary staffing agencies that began to emerge in the 1950s and 1960s (Meager 1985). As Table 1 sets out, the UK was the first port of call for the largest US temporary staffing agencies when they began to roll their business model in to other markets. For example the *Economist* (1962: 705-706) reported that at the time London had over 320 temporary staffing agencies.¹¹

A few years later and Manpower, Inc. were advertising itself in the UK as the ‘the world’s largest temporary help service’. Alongside Kelly Services, the two agencies had entered the labour markets of the largest cities, Birmingham and Manchester, by 1971, while ten years later Ecco -- the forerunner of Adecco -- had joined the largest temporary staffing agencies in having a presence in the largest urban labour markets (Table 2). The temporary staffing industry’s origins in the clerical and secretarial segments of the economy were reflected in some of the names of the temporary staffing agencies of the time. In Birmingham for example one of the largest temporary staffing agencies was called ‘Girl Power’, while in Newcastle ‘Malestream’ promoted itself as ‘Newcastle’s first all male bureau’. The other industrial sector in which temporary staffing agencies did a large amount of their business was in light industrial. So, we had ‘HeMan’ in Leeds – to reflect the agency’s emphasis on industrial placements. Meanwhile by 1981 Kelly Services had introduced the first reference to the internationalising strategies of the largest temporary staffing agencies, promoting itself in Birmingham as ‘America’s top temp agency, now Britain’s brightest’.

By the beginning of the 1990s the UK industry began to experience high rates of growth (Keynote 2001). And as part of this expansion the temporary staffing industry began to push at its industrial, occupational and service limits, and in the process a number of new innovations were introduced. In essence what has been witnessed in the UK temporary staffing industry is the process of a three-pronged expansion, along industrial, occupational and service lines. Often importing practices from the US, through global networks through which conventions, norms and policies are diffused, the logic underlying these discrete changes is the process of remaking the product sold by temporary staffing agencies. In the following section the paper explores a number of

¹¹ The article actually quoted data from the Employment Agents Federation – the earliest forerunner of the Recruitment and Employment Confederation – who had at the time had 193

tendencies in the deepening relationship between temporary staffing agencies and client companies that goes with the selling and buying of the new bundle of services.

3.3 Deepening relations between temporary staffing agencies and client companies

In their study of Chicago Peck and Theodore (1998) found some evidence of the changing relationship between temporary staffing agencies and client companies, referring to it as symptomatic of the ever-increasing 'reflexive' relations between the two. In light of the ups and downs of the economic cycle, temporary staffing agencies have sought to involve themselves more deeply in the business performed by client companies – in part as a means of safeguarding their own business. The more complex the relationship between the two the less likely the client is to stop using the agency – even in economic downturns. As Ed Lenz (2000: 1), the Senior Vice President of the American Staffing Association, has recently set out when explaining the relationship between 'temporary' and 'staffing':

'Staffing' suggests a *less transient function*. Indeed, the practice of contracting with staffing firms to provide workers with the skills necessary to perform non-core functions on an on-going basis has become a fixed star in almost every business's economic constellation—a vital tool to achieve flexibility, productivity, and competitiveness.

It is certainly something noted by the largest temporary staffing agencies. For example, Randstad Holding NV (2000:1) a couple of years ago argued that 'the influence of the business cycle on [staffing] market development will become more limited as the staffing ratio – the number of staffing employees as a percentage of the working population – increases and staffing becomes a structural component of companies' strategic staffing plans'.

As part of the on going deepening of relationships between temporary staffing agencies and client companies one to five year contracts, to smooth their revenue streams over time, are becoming more widespread in the temporary staffing industry:

members, covering 60% of the London market. Hence, based on this, the total market is 322.

As staffing firms provide a structurally (larger) proportion of their clients' labor, dependence on cyclical fluctuations will decrease. In this way, products such as pool management and vendors on premise (units situated at client locations), large-scale staffing, will strengthen a staffing firm's position with its clients and consequently cyclical fluctuations will be of little influence (Randstad Holding NV: 2000: 2-3).

Another one of the largest temporary staffing agencies, Kelly Services, changed its revenue-mix to focus more on existing client companies. Ten years ago a quarter of its revenues were generated through its largest one hundred customers: by 2000 this had risen to 60% of revenues. That is a sevenfold increase from \$350 million to over \$2 billion. And this strategy is set to continue, exemplifying the wider trend in the temporary staffing industry:

Many of our corporate accounts adopt new products within the framework of our existing contracts. We have steadily increased the number of services used by our corporate accounts, and we will continue to focus on *deepening* these relationships (Kelly Services 2000: 5).

For Kelly Services (2000: 8) this strategy has two advantages. The large business clients tend to 'adopt new products within the framework of ... existing contracts.' This deepening of existing relations with clients offers it some protection from economic cycles, and in some cases widens the services delivered in already secured markets. In addition, large contracts, with low margins but high volumes, tend to take a couple of years before implementation costs are recovered, and hence tend to be organised over a three to ten year period. This also serves to tighten the relationship between the client and the temporary staffing agency:

The vast majority of our large accounts use two or more PTSA (Professional, Technical and Staffing Alternatives) services. During 2001 we have continued *to focus on deepening relationships* with these long-term accounts (Carl Camden, Chief Operating Officer, Kelly Services, quoted in Kelly Services 2001: 4).

Temporary staffing agencies have gone about deepening their relationship with client companies a number of ways. The rest of the paper focuses on how agencies are taking advantage of the regulatory space created by the changes in how the state regulates labour markets to change their product, with the result that the temporary staffing industry is becoming a highly differentiated industry. Through the empirical material, this

paper also reveals how a particular model of labour market flexibility – as delivered through temporary staffing agencies – has been imported into the UK.

The *first* way temporary staffing agencies have gone about deepening their relationship with client companies is through the entering into national and in some case, global agreements. In some parts of the industry these are referred to as ‘strategic contracts’. Manpower, Inc. has put great stock by its ability to widen its ‘global and multi-national service contracts’ (Manpower, Inc., 2001:1). Although very few global agreements currently exist, those inside the industry point to them as the natural progression from the national contracts that are becoming more widespread in the UK temporary staffing industry (Deutsche Bank 2000b; Staffing Industry Analysts, Inc. 2000). Both the client companies and the agencies see themselves as having something to gain from the national contracts. As the largest clients have centralised their human resource functions they have centralised their business with temporary staffing agencies. Rather than individual departments dealing directly with local agencies, companies now sign agreements that cover a number of workplaces and even a number of industrial segments. As one temporary staffing agency manager noted:

A lot of client companies have streamlined and said they no longer want separate department heads and team leaders to do recruitment because they are using five or six agencies and they can’t control the costs and don’t know what temps are from where. Certainly a lot more companies go through HR (Interviewee #7, October 2001).

These contracts are often for a large number of temporary workers and as such allow the client company to enter into negotiations with temporary staffing agencies over rates or margins. In effect the trade off is between volume and margins. Through the use of what are known as preferred supplier lists (Deutsche Bank 2000b) clients can create competition amongst agencies to get on the list, even before they enter into negotiations over the number of workers that are required and at what hourly rates. Taking a broad overview, a senior figure inside the UK temporary staffing industry argued that this restructuring is good for all involved:

There is money to be made for the smaller agencies even if they are not the front agency. And also there will be some specialists in this or that department ... who continue to take on other people directly from outside of that. Preferred supplier arrangements is something that is increasingly happening (Interviewee #1, June 2001)

For the temporary staffing agencies entering into national agreements means the risk attached to a certain amount of their business is reduced. Although often accompanying lower margins, they act as barriers to entry to local independents and guarantee market share, although low margins mean rates of profits can be next to nothing:

We would rather as an agency have more regional or retail business [non-national agreements]. But for any organisation you need a certain amount of stability and that's what [national agreements offer us]. I do know that the large national accounts we only want at the right price ...[and] ... that there have been occasions where we have large accounts and we don't make any money (Interviewee #8, October 2001).

One senior officer, when asked about national contracts explained, noted another spin-off of the creation of preferred supplier lists:

Yes we've got lots of national contracts. [A company] is a national contract and we've got agreements over all the sites in the UK that we are the only agency that deals with their temporary recruitment. We have a service level agreement with them that says 'we will respond to you in this amount of time, we'll get you the candidates'. If we can't then we second-tier out to other agencies, we have deals with competitors basically. [Effectively] the national deals are becoming more and more important (Interviewee #2, September 2001).

The emergence of 'second-tier' arrangements points to the wider regulatory implications of the introduction of national agreements. Smaller independents, some markets beyond their reach due to the boundaries erected and reinforced through national agreements, are entering into ad-hoc arrangements with the larger temporary staffing agencies. Here margins are lower – the preferred supplier taking a cut – and the smaller agencies have little opportunity to develop a relationship with the client company, who are often unaware of the preferred supplier's second tier agreement.

For some agencies this arrangement was a no-no. When asked about it one owner of an independent temporary staffing agency, placing workers in the construction industry outlined:

We wouldn't even entertain it. Say, if Blue Arrow had a national deal and were short, we wouldn't even look at it. Our business is our business, nobody else's (Interviewee #5, September 2001).

An owner of a legal temporary staffing agency also argued against working with 'competitors':

It's to dog eat dog ... I did try it once and got my fingers burned. You give them information and it's a very bitchy industry ... you give them an inch and they take a mile (Interviewee #12, October 2001).

Others complained that national agreements were changing the workings of the temporary staffing industry. They put the emphasis on cost, and the wider labour market effects:

It's what we are coming up against all the time ... the thing that happened to us last week was effectively a national agreement. Somebody has said to [the client company], 'give it all to us and we'll do it for nothing'. That's what is happening and it freezes you out of the market. Unless the [preferred supplier] really struggle they won't come back and even if [the client company] do they'll want you to do it ... for 50p ... the whole market changes (Interviewee #6, September 2001).

A *second* way that temporary staffing agencies have gone about deepening their relationship with client companies is through widening the range of services they offer. As Mintel (2000: 25) found in a recent study, 'the activities of many of the top companies stretch beyond recruitment to other business services related to an individual company's specialities.' Moving away from their traditional business, supplying 'just-in-time' labour, agencies have begun recently to offer a wider range of human resource functions. The largest agencies have adopted the language of high-end search companies – re-branding themselves as 'workforce architects' or 'human resource specialists'. And this trend is evident across Western Europe and in the US (CIETT 2000a, 2000b; Ward 2001). Agencies who have sought to make this shift have increasingly found themselves competing not only against other agencies but also the likes of Michael Page International. Behind this movement up the value-chain is the two-fold strategy of performing fewer placements but gaining higher margins and moving out of the more cyclical and competitive niches of the market. This change in the business performed by temporary staffing agencies is endemic within the industry.

The first area to grow was the lowest level ... and now these companies are trying to diversify into higher levels of working. What we call the higher titles, higher levels in the company ... Manpower supplying professional staffing with

more higher returns on capital. Less work for more money, it is pretty compelling (Global consultant #2, July 2001).

The first step in this movement is often the taking over of the recruitment functions of a client company. As one director of an agency explained:

It's happening already. At the end of the day the smart HR professional realise that theirs is a very complex multi-task job and recruitment forms a very small part of that. We are recruitment experts: that's what we do for a living. So it will pay [the client] to say 'go and do that for us' because they can concentrate on the more important issues like motivating the workforce they've got. So being bolted onto their armoury is definitely a trend (Interviewee #4, September 2001).

Once 'bolted on' the relationship between the client and the temporary staffing agency becomes more structural. The agency may begin to widen the services it provides to the client. As one senior officer explained:

The range of services that we offer has grown and grown. We're offering much more HR functions now. We do response handling for adverts when we do advertising on behalf of clients who ... don't want to deal with the response from the adverts (Interviewee #2, September 2001)

In some cases the embedding of the temporary staffing agency within the corporate structure of the client company goes beyond performing the odd HR function. It might involve managing a part of the client's business, as a manager of a large temporary staffing agency specialising in healthcare explained:

We ... provide a whole package and we work also with other agencies as well as within our own. We would rather work with a specialist division where we can pick up the HR side ... where we have individuals who have worked in the area (Interviewee #11, October 2001).

A *third* way the relationship between the temporary staffing agency and the client company is deepening is through the diffusion of the Vendor On Premise (VOP) model. Temporary staffing agencies often offer this service as they compete against each other for volume contracts. Although this model of management is not suitable for all industrial sectors, reflecting the heterogeneity of the temporary staffing industry, some of the changes over the last decades in the organisation of work have increased the demand for this service. Service centralisation into call centres, and the outsourcing of other

corporate functions, has allowed agencies to burrow their way into the core, where client companies make decisions.

At the beginning of the 1990s this model was not widespread, either in the US or the UK temporary staffing industry. The first companies to offer it used it as a means to gain – albeit temporally -- an advantage over rival agencies. By the end of the 1990s most temporary staffing agencies had begun to offer it to client companies – in part because it quickly became a service that the client would expect. Those temporary staffing agencies who did not offer the service ran the risk of losing clients. In the eight years between 1992 and 2000 the number of VOP sites in the US increased by over 2000%, while the total volume of business done through the provision of the service is estimated to have increased by just over 1900% during the period. Despite the absence of commensurate data on the UK Industry, qualitative evidence suggests that this model exists across a range of industrial sectors. A manager of one of the largest global temporary staffing agencies explained:

Our biggest [VOP arrangement] is in Warrington. There are 1200 temps there. That has a [temporary staffing agency] office on site. We have a [temporary staffing agency] office ... an interview room and a [temporary staffing agency] manager and about six consultants. We must have dozens of these across the country. It's quite cost effective for us because we haven't got the lease or lighting or telephone costs. It's more cost effective to be on site ... If you go on site you will find out exactly what is going on ... the client likes it (Interviewee #8, October 2001).

A director of a smaller industrial agency set out how being on site accompanied a taking over some of the HR functions:

As far as the [client company] were concerned they were comfortable because there was always somebody to talk about what was going on ... We set up systems whereby my man would sit in there and say 'this is what you sent this month, this is what you said you were going to spend, this is the difference' ... We did everything (Interviewee #6, September 2001).

Since the VOP model was established as a 'service' and began to be introduced through the industry, so it has become part of the norm, clients simply expecting that where appropriate the temporary staffing agency would provide a VOP, someone in the first instance to manage 'the hassle' (Peck and Theodore 1998), but as the relationship deepened, to take on board more and more of the HR functions. They now expect, as part of the VOP service, that temporary staffing agencies will clearly add value – 'to

understand their strategic goals and plans' (Frank Gonnella, Procurement Manager, SmithKline Beecham, quoted in Staffing Industry Analysts, Inc. 2000: 244-245).

4. Conclusion

In the last few years the numbers working in temporary employment in the UK have dipped (Forde and Slater 2001). And yet as Purcell and Purcell (1998: 56, emphasis added) have argued, 'the *structure* of the non-permanent workforce as well as the size has been changing.' Within the drop in total temporary employment the number of workers placed through temporary staffing agencies continues to grow, mirroring trends in other parts of the 'developed' world. Despite currently wrestling with the effects of a downturn in demand (Recruitment and Employment Confederation 2001)¹², the number of workers placed across a range of industries – from the most high-profile examples of nursing and teaching to the less-well documented likes of accountants and lawyers – continues to expand, albeit slowly.

In addition to this quantitative growth the last few years have seen a qualitative shift in the business performed by temporary staffing agencies. As the temporary staffing industry has matured in the US and the UK – as well as other Western European countries -- so its product has changed. While continuing to perform the 'just in time' supplying of labour, some in the UK industry have sought to re-position themselves alongside the executive search and HR consultancies. Agencies are also going about increasing their involvement in industrial segments traditionally sheltered from their business. As a result what has emerged in the last decade is a more diverse industry. The twin processes of 'restructuring up' and 'restructuring down' – as Peck and Theodore (1998) called them – has led to the emergence of an altogether more complex industry, a far cry from the one that in the UK in the 1950s consisted by and large of placing women in office jobs and men in construction or industrial work. As the boundaries that existed between the segments of the industry, such as 'generalist staffing' and 'executive search', or 'management selection' are blurred by agency's growth strategies there is little evidence as yet to suggest that a single business model is emerging. Each industrial segment – whether blue, pink or white collar – has its own

¹² There is no agreement over how the UK temporary staffing industry will perform over the next couple of years. Key Note (2001) forecasts a drop in the value of the UK temporary staffing industry of almost 3% in 2002, while Recruitment International magazine has forecast a decline in the overall market (most of which is in temporary recruitment) of 8.7%.

industrial logic, its own competitive terms, its own market structure, and hence the business performed in each by temporary staffing agencies differs considerably.

This on-going global restructuring of the temporary staffing industry, one important dimension of which is the deepening relations between agencies and client companies in the UK, should be of interest to those inside and outside the academy. As UK and EU policy-makers, labour unions and politicians find themselves grappling with the challenges thrown-up by new legislation, so a understanding of the wider restructuring logic at work in the temporary staffing industry might well lead to a more robust series of agreements.

Table 1: The evolution of a global temporary staffing industry

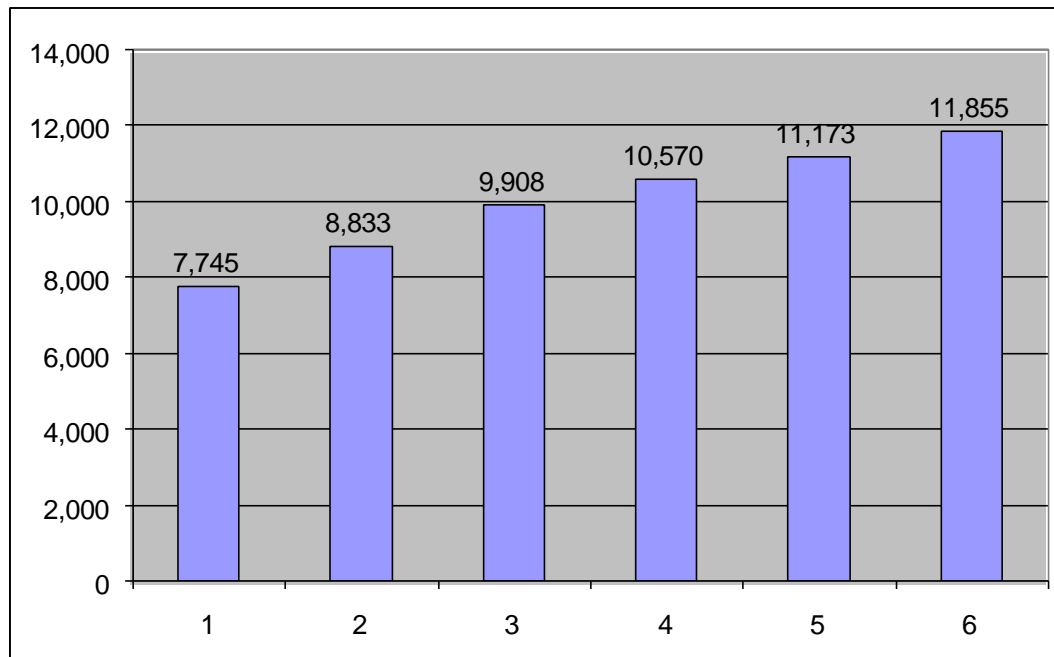
	Localised growth	Rolling-out nationally	Global tendencies
Industry structure	Limited – clerical and light industrial, with some generalist temporary staffing agencies	Still limited – but the growth in some specialist niches	Broadening; the Industry penetrating segments of the economy previously not serviced by temporary staffing agencies and developing longer-term relationships with clients
Characteristic of market	Fragmented	Fragmented, with some consolidation through takeovers and mergers	Intensified consolidation, possible oligopolies in some national markets alongside continued fragmented national markets, and early evidence of effects of the market power of global temporary staffing agencies
Regulatory framework	Weak	Uneven emerging of national regulatory frameworks	Increasing liberalisation, as the US/UK labour market model begins slowly to find favour at the European level and in Latin and South America and Asia, through the reforms introduced by the World Bank and the International Monetary Fund (IMF)
Functions supplied	Temporary filling of vacancies	Temporary filling of vacancies together with basic recruitment functions	Temporary filling of vacancies, growing range of recruitment functions, some provision of a range of human resource functions and limited evidence of the provision of the complete production process
Geographical frontiers of Industry	North America	Western Europe	Latin and South America, South East Asia
Segment frontiers of Industry	Clerical	Light industrial	IT, Accountants, senior management
Scale of competition	Independent versus independent	Independent versus national temporary staffing agencies	Independent versus national temporary staffing agencies versus global temporary staffing agencies
Business model	Local branch network	National branch/franchise network	Global branch/franchise network and service delivery through the Internet
Terms of competition	Local contracts	Local contracts and the emergence of national, multi-site agreements	Growth in national, multi-site agreements and the very slow emergence of global agreements
Formal representation of industry	Weak and un co-ordinated	Weak but getting stronger through formal institutions	Contested - overlapping national and supranational institutions
Discursive representation	Temporary staffing	Flexible staffing	Labour solutions

Table 2: Growth in urban England of temporary staffing agencies, 1971-2001

City/Year	1971	1981	1991	2001	% Change between 1971-2001
Birmingham	60	69	138	293	388
Bristol	26	49	108	212	175
Leeds	35	49	111	225	542
Liverpool	29	32	42	54	86
Manchester	65	89	168	252	287
Newcastle	18	31	78	75	316

Source: author's own calculations from British Telecom Yellow Pages, 1971-2001

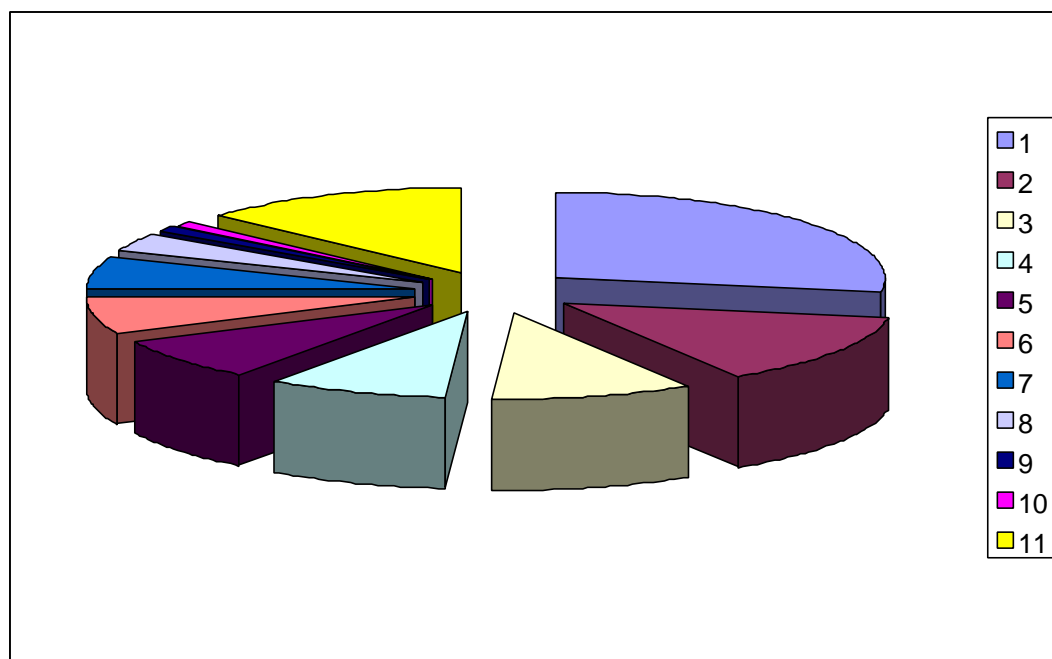
Figure 1: The growth in the number of temporary staffing agencies in the UK, January 1996 – January 2001



Source: Mintel (2000); Global Staffing Industry Report (2002b)

- 1 – 1996
- 2 – 1997
- 3 – 1998
- 4 – 1999
- 5 – 2000
- 6 – 2001

Figure 2: UK temporary staffing industry by revenues generated by industrial sectors, 2000

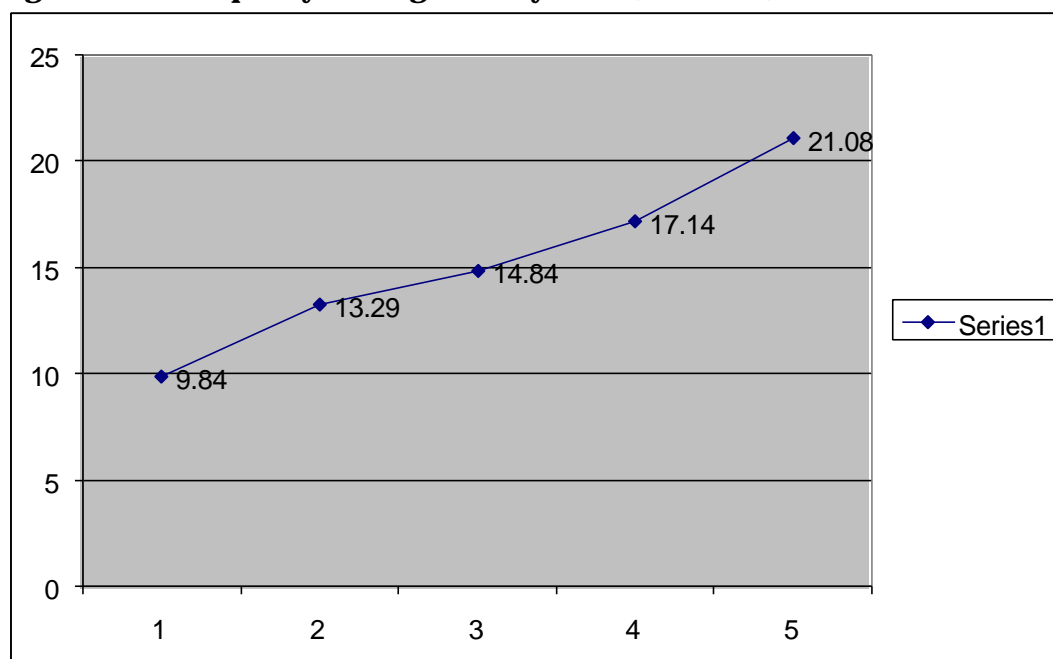


Key:

- | | |
|------------------------------------|---|
| 1: Blue collar (27.5%) | 2: Secretarial and Clerical (13.5%) |
| 3: Technical and Engineering (10%) | 4: Professional and Managerial (9%) |
| 5: Computing and IT(8%) | 6: Nursing and other Medical Sub-sectors (7%) |
| 7: Hotel and Catering (6%) | 8: Drivers (3.7%) |
| 9: Financial (1%) | 10: Education (1%) |
| 11: Other (13.3%) | |

Source: Keynote (2001: 3-4)

Figure 3: UK temporary staffing industry sales (£ billions), 1996/1997 – 2000/2001



Key:

- 1 – 1996/1997
- 2 – 1997/1998
- 3 – 1998/1999
- 4 – 1999/2000
- 5 – 2000/2001

Source: Global Staffing Industry Report (2002a); Recruitment and Employment Confederation (2000)

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