

How the World Views Temporary Employment and Interim Management

Perceptions, practices and trends
in 17 countries worldwide



Global Insights by **PageInterim**

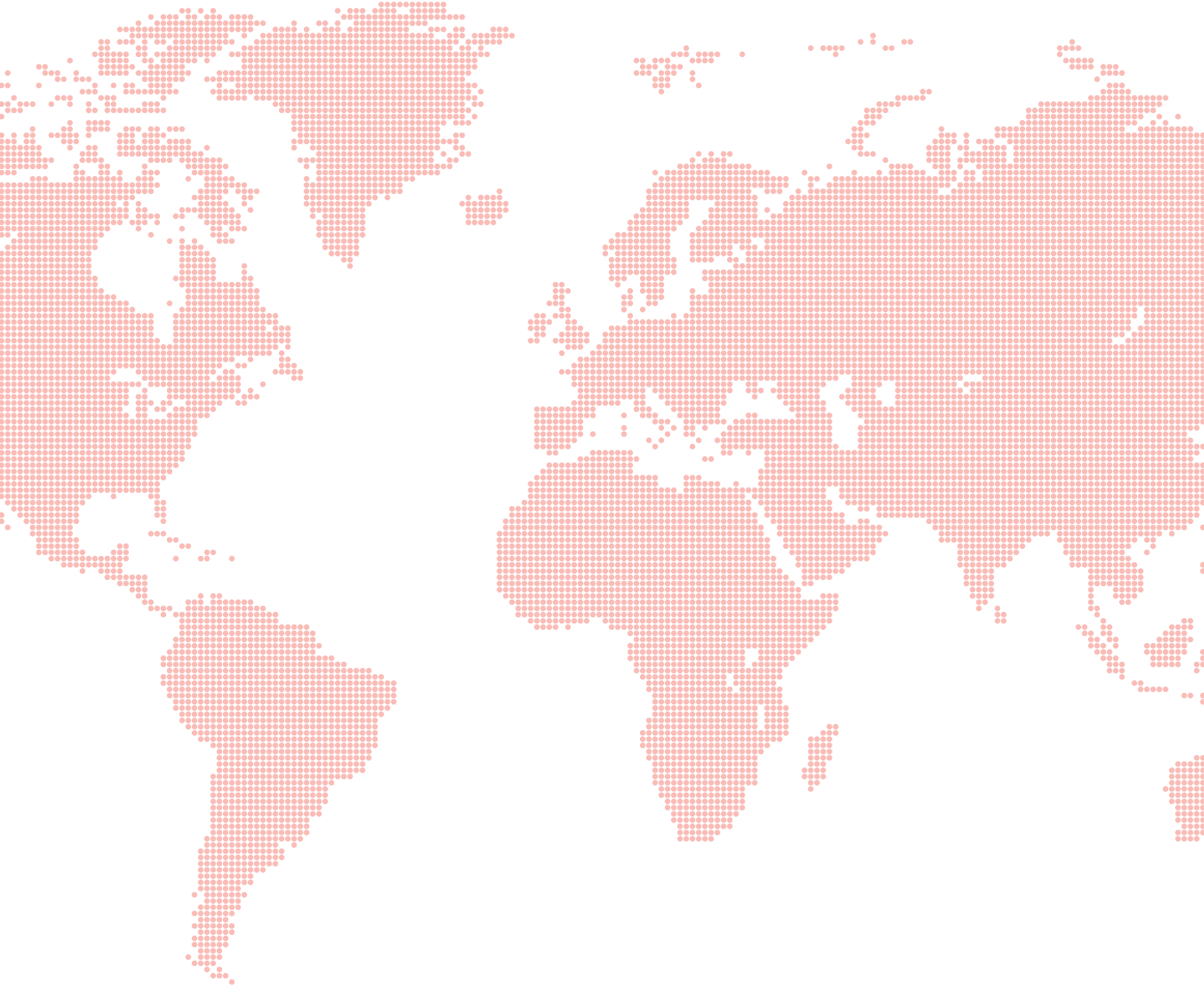




TABLE OF CONTENTS

Why this study matters 4

Executive Summary 6

PART 1

Background to the study 8

PART 2

Employers' perceptions and practices regarding temporary employment and interim management 12

PART 3

Professionals' perceptions and practices regarding temporary employment and interim management 19

Conclusions and projections 28

Bibliography 30

WHY THIS STUDY MATTERS

This report presents the results of a survey conducted by Page Interim of temporary employment and interim management practices and perceptions on an international scale. With major changes currently taking place in labour markets worldwide and in the socio-economic and technological environment in which companies operate, this has become a matter of critical importance.

The numbers are compelling...

Short-term recruitment has greatly increased over recent decades. International surveys have identified that some 46 million people used related professional services and temporary employment agencies in 2011. According to The International Confederation of Temporary Employment Agencies (CIETT, Confédération Internationale des ETT), an organisation representing the interests of private employment agencies across the world, these included 12.9 million people in the United States, 12.3 million in Brazil and 10.4 million in Europe (CIETT 2013).

In the temporary employee workforce market, Europe accounts for 32%, North America for 24%, Latin America for 14%, Asia-Pacific for 14% and rest of the world for 16% (CIETT 2013).

...and raise a number of interesting questions

The growing popularity of temporary employment and interim management raises a number of questions. How can we explain this development? How are we to

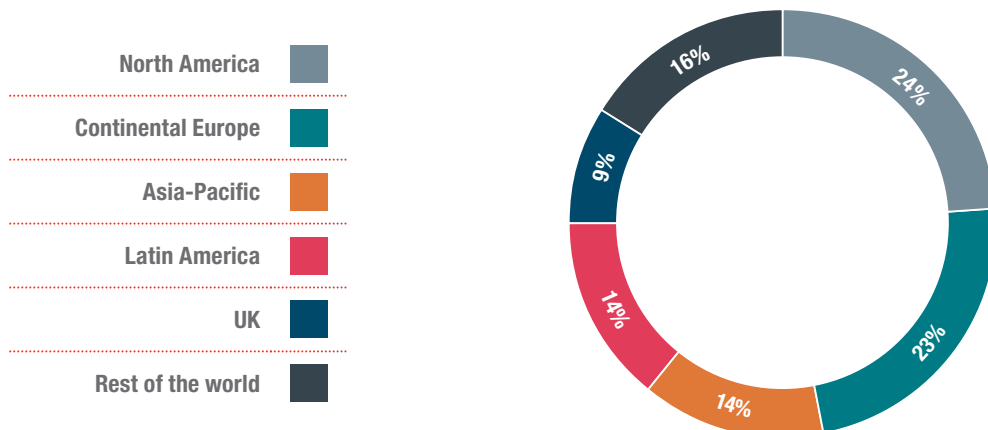
understand the transformation of temporary employment agencies from their original position as 'people merchants' on the margins of the recruitment scene to the status they have today as well regarded companies in the corporate mainstream?

This study was designed to answer such questions and, more specifically, provides an opportunity to clarify the following points:

- How are these forms of employment currently regarded by employers and by the temporary professionals they are recruiting?
- What are the key aspects of the practices adopted in the recruitment of temporary employees?
- Are there any identifiable national traits in the management of these employees – and where are international similarities to be found?
- What are the critical trends in temporary employment?

Where the world's temporary employee workforce is located

Source: CIETT 2013



Page Interim launched this study to better identify the characteristics of this type of employment in order to draw an international comparison.

After an Executive Summary giving a brief overview of the survey outcomes, the report outlines the key findings organised into three main parts:

- **Part 1** – describes the background to the study and the methodology used
- **Part 2** – outlines the findings for employers
- **Part 3** – outlines the findings for professionals, both those who have undertaken temporary employment assignments and those who have not

The conclusion summarises the basic lessons to be learnt from this study and suggests avenues for the development of temporary and interim employee recruitment practices.

A note on the terminology

'Temporary employment' is defined as a relationship between three players: the temporary employment agency, the employee who is on an assignment for a set period of time, and the employer.

'Interim management' relates to experienced senior executives on fixed-term assignments to manage periods of transition, crisis or change within an organisation.

For the sake of brevity, we also refer to both temporary employees and interim managers as 'professionals', 'employees' or 'candidates'.

EXECUTIVE SUMMARY

Despite variations in national practice, temporary employment has a firmly established place within labour markets worldwide. To look at how the world views temporary employment and interim management, Page Interim conducted a questionnaire-based study among both employers and professionals in 17 countries, including those that represent the main temporary employment markets.

High levels of satisfaction on both sides of the equation

Employers generally are confident about the value that temporary employment provides: four-fifths (80.4%) of all employers questioned had a positive or very positive perception, although this is noticeably higher in countries with a longer practice of temporary employment, such as Australia, the UK and Canada, and lower in nations such as Poland and Italy, where it is a more recent phenomenon.

Around six in ten professionals (58.9%) have a similarly positive view, again particularly in markets with a longer tradition of temporary employment.

Meanwhile, among those employers expressing an opinion, 77.2% had a positive or very positive perception of interim management, and the vast majority (85.0%) of employers reported being satisfied or even very satisfied with their recruitment of interim managers.

Across all countries, just over half of interim managers themselves also have a positive or very positive perception.

Flexible solutions to employers' challenges... and much more

The main motivator behind **employers'** use of temporary workers goes further than just answering short-term human resources (HR) management issues. They consistently include:

1. **Flexibility** (89.4% of employers)
2. **Value in answering short-term needs** (87.8%)
3. **Benefit in identifying candidates for long-term positions** (75.7%)

4. **Cost-effective solution to HR challenges** (61.2%)

5. **Bringing external expertise into the business** (49.1%)

Besides helping to answer short-term company needs (61.7%), **interim management** is seen as generating an influx of external expertise with 59.0% of employers agreeing. In addition 49.3% confirm that interim management accelerates corporate change and restructuring processes. Furthermore almost half of the employers (47.2%) consider interim management to be a source of candidates for permanent positions.

On the other hand, when **professionals** were asked their general reasons for choosing temporary employment or interim management, as opposed to accepting a specific assignment, they highlighted four pragmatic reasons:

1. **Availability of short-term employment positions even during times of economic difficulty** (cited by 72.0% for temporary employment; 70.9% for interim management)
2. **Opportunity for individuals to develop their professional network** (70.7% and 75.7%)
3. **Opportunity to develop professional skills** (66.7% and 68.4%)
4. **Possibility of finding stable employment** (59.1% and 60.0%)

The big picture – trends and perspectives

Additional outcomes identified in this study include:

- The global rise of temporary employment – 3 in 5 professionals and 1 in 3 employers worldwide expect to see a rise in the need for temporary

employment, with predictions of stronger growth in countries such as Portugal, Spain and Italy

- Diversification of temporary employment outside traditional sectors to almost all sectors of the economy, while maintaining its strong presence in the tertiary sector (business services, financial services, technology etc)
- Increasing importance of temporary employment for highly skilled and qualified positions – especially in the technical field, finance & accounting, and even at high management levels
- The strong evidence of integration of professionals into the company – 83.6% of professionals feel integrated during most of their assignments, whatever the reasons for their short-term recruitment
- The positive image of temporary employment and the excellent opportunities it offers
 - > 3 in 5 employers think that temporary employment has no negative impact on the company's image

- > Fewer than 20.0% of professionals who have not been on a temporary assignment in the last 12 months would not consider going on one in the future, while...
- > Almost 1 in 4 were offered a permanent contract at the end of their last assignment

As this study shows, there is no doubt that temporary employment is a quantitative tool for flexible employment, with the number of employees flexing to reflect the order books. However, the study also shows that it is increasingly used as a qualitative tool to bring in specific skills and to manage the risks associated with a company's operations.

Temporary employment is also a vibrant element in the employment scene worldwide. Even those countries where it has not historically been widely offered are beginning to grasp its utility, so that temporary opportunities for key professionals are both increasing in number and improving in quality. This makes temporary employment and interim management an integral part of the national economy and an essential factor in sustainability and growth.

” Temporary employment and interim management are an integral part of the national economy and an essential factor in sustainability and growth

PART 1

BACKGROUND TO THE STUDY

The speed and scale of economic, social and technological change today put pressure on companies across the world in the following ways:

- Heightened international competition creates markets that are more stressed and more volatile
- Scientific and technological innovation affects organisational models of production and employment and the expertise requirements of particular roles
- There is growing need for new professional skills that are more advanced, more specialised and at the same time cross-disciplinary
- Regulatory standards proliferate around sustainable development, social relations, trade and commerce, and production

These conditions combine to reduce stability in the operating environment, making temporary employment for fixed-term operations an attractive option.

The global rise of temporary employment

Since the practice of temporary employment was first introduced into the United States at the start of the last century and slightly later in the United Kingdom, there have been three key stages in the development of temporary employment agencies, these being as follows...

1. **The early years – being viewed with suspicion till the mid-20th century:** Initially, the practice of temporary employment was very poorly perceived, according to public opinion in Europe and North America. Despite this resistance, the concept of temporary employment went on to develop on the fringes of permanent employment, outside of any regulatory framework.
2. **Legal standardisation from the mid-1960s onwards:** It was only in the 1970s, and therefore long after the concept of temporary employment was first introduced, that countries established temporary employment regulations. Such legislation experienced varying degrees of stability over the years and varied greatly from one country to another.
3. **Recognition for the role of temporary employment agencies in the labour market:** In the 1990s, in the context of greatly increased unemployment, temporary employment agencies came to be recognised by the public authorities as partners providing a complementary service to public job centres. National legislation soon adapted to reflect this changing viewpoint.

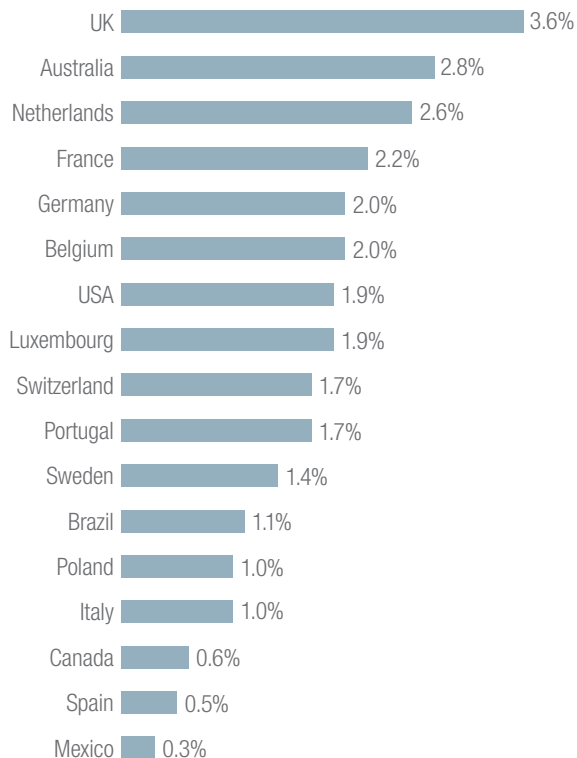
The picture today

Despite these differences in national practice, temporary employment is firmly established within the various national labour markets. It currently accounts for 1.6% of the working population in Europe and 1.9% in the United States for example.

The following graph shows the differing levels of temporary employment in the countries participating in the survey.

Temporary employees as a percentage of total working population in 2011

Source: CIETT, Economic Report, 2013



Temporary employment is the most deeply rooted in the economic and social fabric of the United Kingdom, accounting for some 3.6% of the working population.

In the rest of Europe, the countries with the lowest levels of temporary employment are Spain (0.5%), Italy (1.0%) and Poland (1.0%). In global terms, temporary employment has made the least impact on the economic landscape of Mexico (0.3%).

These differences can be explained by the history of temporary employment practices in the country in question. So, in those countries where the activity was only recently legalised (Spain, Portugal, Italy, and Poland since it joined the European Union in 2004), the sector is still taking shape but is rapidly expanding (Belkacem, Kornig and Michon, 2011).

In the early 2000s, Germany made it easier to adopt temporary employment practices, and consequently has seen very considerable growth in this sector, undoubtedly the most significant in Europe. The proportion of temporary employment among the German working population stood at 0.9% in 2003 and had more than doubled to 2.0% by 2011.

Temporary employment is very sensitive to the prevailing economic situation in every way. As a result, it often serves as an advanced indicator of economic change. A reduction in temporary employment levels clearly heralds a decline in economic activity, as during periods of poor activity, companies reduce their workforce by dismissing their temporary staff first. The economic crisis that unfolded in late 2007 struck the temporary employment sector first in the United States before spreading across the rest of the world.

How we conducted the survey

We conducted a questionnaire-based study among employers and professionals in different forms of employment (permanent, temporary, interim, job seekers etc) in 17 countries, including those that represent the main temporary employment markets. The results presented in this paper are based on responses gathered from our surveyed sample.

To create a representative picture, the results have been weighted according to the size of the temporary market in each country.

The questionnaires were circulated in the following 17 countries:

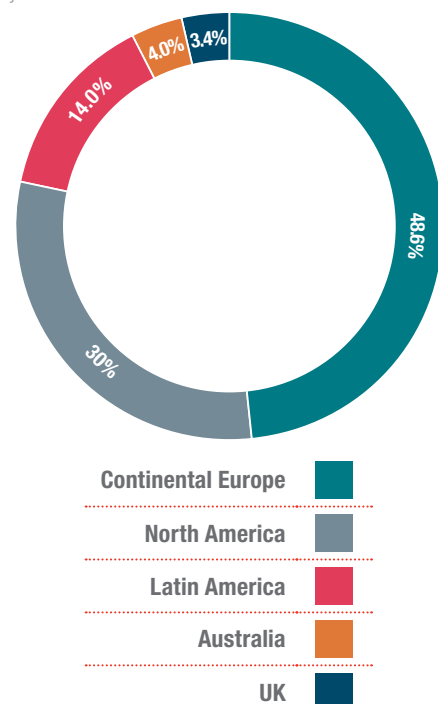
- 12 European countries: Portugal, Italy, Spain, Sweden, France, Germany, Poland, Belgium, the Netherlands, Luxembourg, the United Kingdom and Switzerland
- 2 North American countries: Canada and the United States
- 2 Latin American countries: Brazil and Mexico
- 1 southern hemisphere country: Australia

13,298 responses were collected and analysed, comprising:

- 11,244 from professionals
- 2,054 from employers

Countries where respondents work

Distribution of participants in the survey by country, professionals plus employers combined



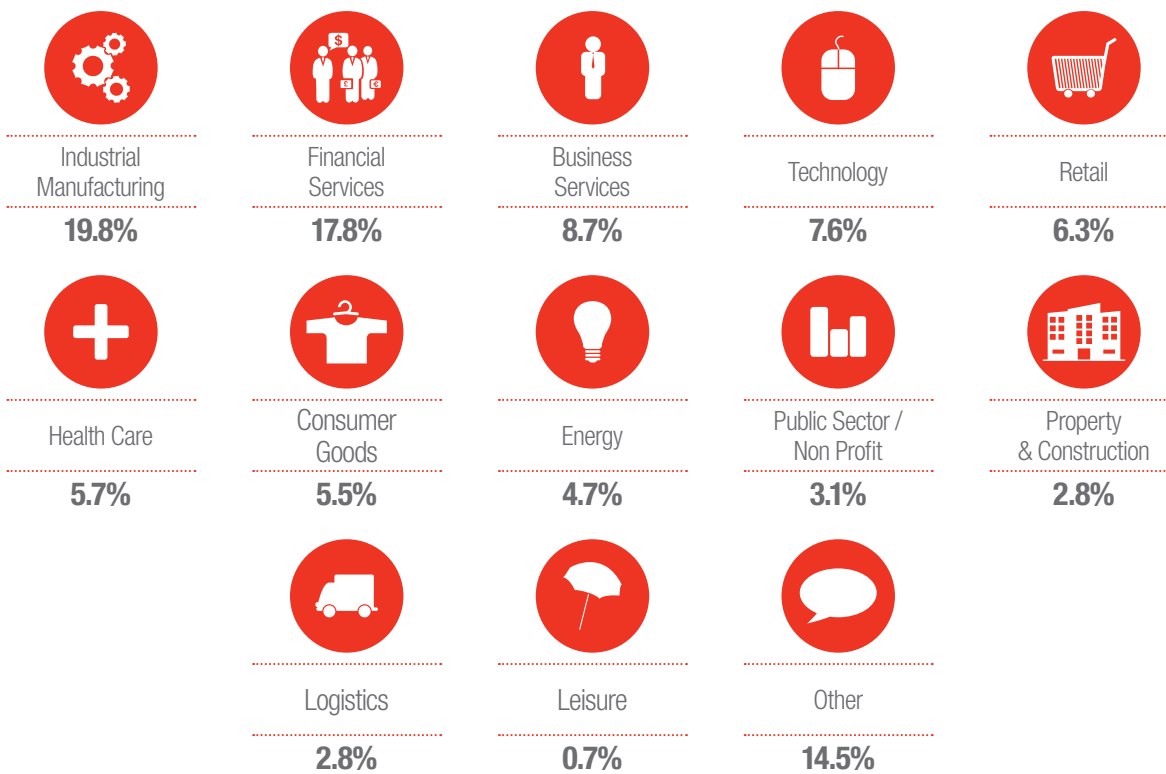
Global Insights - Part 1

How the World Views Temporary Employment and Interim Management

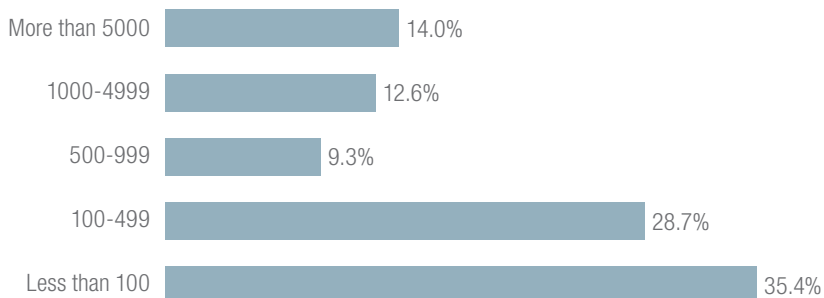
The **employers'** questionnaire was designed to gather information on:

- The profile of the respondent, their field of activity, the characteristics of their company
- Their perceptions of temporary employment and interim management
- Company practices around temporary and interim recruitment

Employers' industry sector



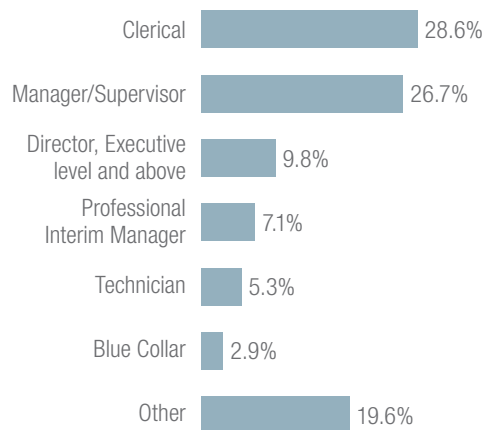
Size of company in which employers work



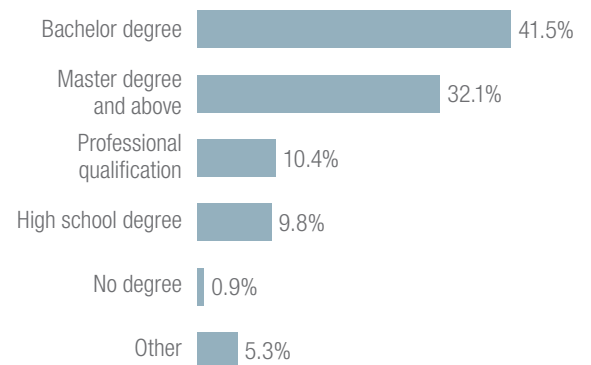
The **professionals'** questionnaire was designed to identify their:

- Experience of being a temporary employee
- Expectations, along with any challenges they have encountered as a temporary employee, and their reasons for making this occupational choice
- Socio-demographic profile
- Perceptions of temporary employment and interim management

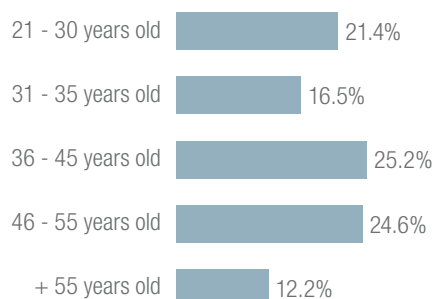
Job types of professionals



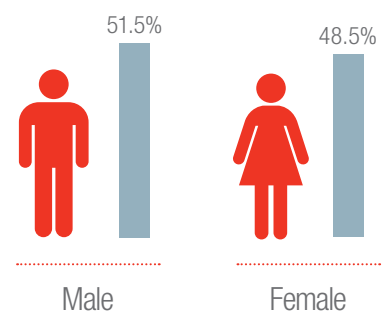
Professionals' qualification levels



Age



Gender



PART 2 EMPLOYERS' PERCEPTIONS AND PRACTICES REGARDING TEMPORARY EMPLOYMENT AND INTERIM MANAGEMENT

Temporary employment and interim management are viewed in a positive light by employers

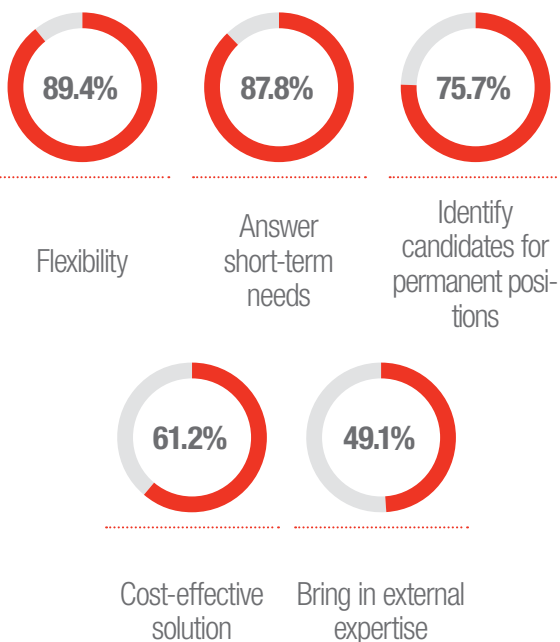
Within the various countries observed, a number of common trends have been identified in the use of such forms of employment, as well as certain specific national characteristics. Overall, temporary employment and interim management are perceived positively as tools for managing short-term risk, rather than as instruments for long-term corporate development.

Four-fifths (80.4%) of all of the employers questioned had a positive or very positive perception of temporary employment. This positive impression is particularly noticeable in some countries, such as:

- Belgium (92.9%)
- Sweden (91.8%)
- France (90.4%)

Irrespective of their location, there was overwhelming agreement among employers in the survey on the five key advantages of temporary employment:

Key employers' motivators



80.4% of employers have a positive or very positive perception of temporary employment

It is clear from these findings that temporary employment is perceived primarily by employers as an operational HR management tool. This perception is even stronger than average among employers from larger companies, especially those with between 1,000 and 4,999 employees, where 93.7% of all such employers questioned agree on its value in meeting short-term needs.

In contrast, only 26.9% of all employers saw the practice of recruiting temporary employees as being a factor in long-term company development.

One finding that reinforces this positive perception of temporary employment is the consensus (60.8% of employers) that adopting temporary employment practices does not in any way tarnish the company's reputation. For example, 76.5% of employers in the Netherlands agreed with this statement.

As we mentioned in Part 1, there is of course a major cultural dimension to using temporary employment practices. In the countries of northern Europe, the United States and the United Kingdom, temporary employment has become a fact of life, making a very useful contribution to day-to-day operations.

It is worth noting that interim management received a more nuanced response, with only four employers in ten expressing a favourable opinion. Nevertheless the perception of this activity in France (57.6% of employers), the Netherlands (54.3%) and Belgium (51.2%) is very clearly a positive one for more than one employer in two. This rises to two-thirds of employers in Mexico (65.4%). However, it must be taken into

” **Employers agree:** Temporary employment practices do not tarnish the company’s reputation in any way

consideration that half of employers did not have an opinion on the matter.

Among those employers expressing an opinion, 77.2% had a positive or very positive perception of interim management. This is because it enables companies to meet short-term needs, with 61.7% of employers citing this reason, and also, according to 59% of employers, because it provides an opportunity to source external expertise.

Temporary employment agencies: multifunctional players in the employment sector

Temporary employment agencies have continuously sought to diversify the range of services they offer, from placement and assignment to training, consultancy, sourcing, outplacement and even performing the role of umbrella company. All this has been with the goal of

forming lasting relationships with their client companies and becoming their valued business partner.

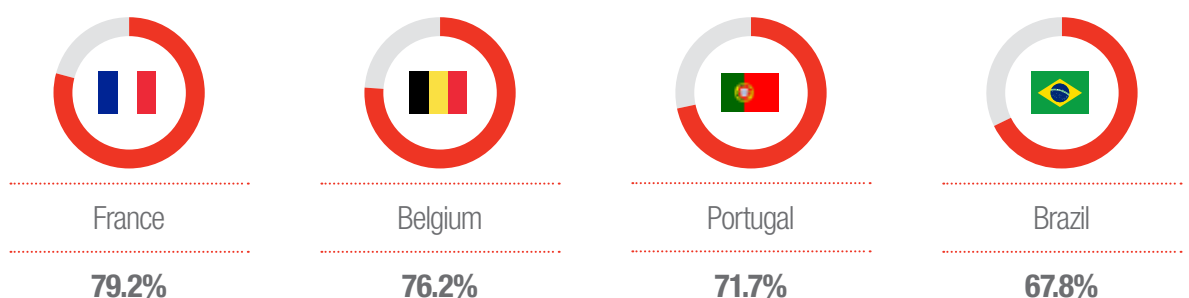
More than four-fifths (85.9%) of employers across the countries surveyed said they use temporary employment agencies and consultancies to recruit employees for fixed periods of time. This reflects their perceived value, particularly the ability to immediately respond to HR management issues. 74.8% of the employers questioned agreed or completely agreed that agencies help in managing short-term risk, with France and Sweden scoring highly at 92.0% and 86.9% respectively.

In addition, employers also appreciate the role of temporary employment agencies in helping job-seekers to integrate into the world of work (73.2% of employers). It is interesting to see that employers in southern European countries, where unemployment levels are at a record high, rated this aspect highly; for example Spain at 85.5%.

Indeed, temporary employment agencies perform other functions that are viewed positively by employers. The most obvious is their ability to help recent graduates enter the labour market (55% of employers), with 69.0% of Belgian and Swedish employers agreeing and 65.6% of Spanish employers.

These agencies are also considered a preferred point of contact for companies looking to recruit temporary staff (55.9% of employers), an opinion that is particularly widespread among employers in the energy sector (70.5%) and among employers generally in the following countries:

Agencies: preferred point of contact



Employers also acknowledge the ability of temporary employment agencies to provide a pool of skilled candidates (52.7% of all employers). At a country-level, this is clearly seen among German (67.6%), Dutch (66.1%) and French (64.0%) employers. Sectors where there is a constant need for employees with technical skills also rate this ability highly, including the energy sector at 66.4% and the health sector at 69.9%.

More than half of employers consider temporary employment agencies as their preferred point of contact

How do companies deploy their temporary employees and interim managers?

While the number of temporary employees recruited varies greatly from one country to the next, out of the companies that used temporary employment, just over half of the employers questioned (55%) had recruited fewer than five temporary employees over the course of the previous 12 months.

All economic sectors reported hiring temporary employees, both in traditional sectors such as industry and construction, and increasingly in service-related sectors such as trade and commerce, health, transport and administration.

As mentioned in Part 1, different national regulatory frameworks apply. In France, for example, a law introduced in 2009 authorised the appointment of temporary employees to civil service positions for the first time. Meanwhile, certain countries still impose sector-specific restrictions on hiring temporary employees, including the construction sector in Germany and the public, removals, storage and associated sectors in Belgium.

Despite these restrictions, the hiring of temporary employees is becoming more widespread in most countries. The factors at play include the microeconomic, those relating to the company itself, its sector of activity, its organisational and operational model, and the macroeconomic, those relating to the degree of economic development, level of economic uncertainty, prevailing culture and so on.

Growing specialisation to meet sector-specific needs

Long associated with secretarial work, temporary employment has spread into a diversity of sectors due to its ability to respond to HR management challenges.

While secretarial work still features strongly at 24.5%, our survey shows the high numbers of assignments among employers surveyed in the fields of finance and accounting, production and the technical sphere. However, temporary employees are very rarely found in positions of greater responsibility. Just 2.2% of employers surveyed reported using temporary employees in managerial roles.

The highest numbers of temporary employment assignments were found in ...



Finance & accounting

44.7%



Secretarial

24.5%



Technical

24.2%



Production

21.2%

A number of specific national traits can be identified in relation to whether a country's economy is more geared towards services or industry. In the case of businesses located in the United Kingdom, a greater proportion of employers (55.1%) were in favour of adopting temporary employment practices in the fields of finance and accounting. This is not surprising considering the importance of the country's service sector.

Conversely, as might be expected in an emerging industrial economy, a greater than average proportion (35.2%) of Mexican employers were in favour of adopting temporary employment practices for more technical positions.

For companies located in Germany, where the economy is industrialised and export-driven, a greater proportion of employers (31.9%) reported using temporary employees for production-related activities.

It is worth reiterating that despite these national variations, the adoption of temporary employment practices is becoming more widespread across all economic sectors. The CIETT data also confirms the widespread adoption of temporary employment practices across all economic sectors.

How do local culture and regulatory standards affect the picture?

In the Netherlands, the United Kingdom, the United States and Sweden temporary employment is regarded as having a perfectly respectable status, but this is not entirely the case in the Latin American countries.

Furthermore, on the regulatory front, temporary employees in the Netherlands, as well as in Germany and Italy, enjoy permanent employee status and can therefore be employed by their temporary employment agency on a long-term basis. It is also easier for such temporary employees to obtain the training they need to progress to a position of responsibility.

In addition, in being given more regular assignments, temporary employees can spend longer learning the job and improve their access to more highly skilled positions. As recently as July 2013, the French govern-

ment signed an agreement with the trade unions to introduce permanent employment contracts for certain temporary employees.

How do temporary assignments vary in length?

On the whole, almost all of the employers surveyed (94.9%) offer temporary assignments lasting longer than one month. Of the countries surveyed, France has the shortest assignment periods, with over half of the employers here (57.3%) offering assignment periods of less than three months, as opposed to 32.7% across all the countries surveyed.

Belgium (77.3% of employers) and Italy (78.9%), and generally those companies with over 5,000 employees (83.7%) offer the longest assignment periods, in relative terms, at over three months.

These findings reflect the statistical data available on an international scale; the majority of assignments last over a month (CIETT 2013).

Quantity and quality both matter

Just under two-thirds of employers (63.9%) across all countries did not employ temporary employees over the course of the previous 12 months, because there was no requirement to do so.

Temporary employment is both a quantitative tool for flexible employment, with the number of employees flexing to reflect the order books, and increasingly a qualitative tool to bring in specific skills and manage the risks associated with a company's operations.

The majority of employers shared two primary reasons for offering temporary employment:



To replace a member of staff taking leave

50.6%



To cope with an unexpected increase in activity

40.8%

Global Insights - Part 2

How the World Views Temporary Employment and Interim Management

The former reason is more prevalent among Belgian employers (61.3%), while in France over half of employers (54.7%) respond to an unexpected spike in activity by hiring temporary staff.

The ability of temporary recruitment to provide a quick fix to an HR problem is reflected in the low proportion of temporary employees who are offered permanent contracts at the end of their assignment. In fact, only 3.1% of employers claimed to systematically offer their temporary employees a permanent employment contract. However, 32.3% of employers do offer a permanent position at the end of the contract more than half of the time.

Agility, experience, speed – the key factors in agency selection

The Page Interim study shows that the vast majority of employers adopt targeted criteria for selecting temporary employment agencies. These were, in order of priority:

- The speed at which an agency can propose a number of appropriate candidates – 64.4% across the countries, rising to 77.8% in France
- The company’s previous experience with the agency – 52.3% across the countries and regarded as particularly important in Germany at 64.5%
- The cost of the agency’s services – 52.0% across the countries, with Mexico at 65.7% and Portugal at 66.7%
- The agency’s speed of response in helping resolve HR issues – 39.3% across the countries, with Belgian employers and German employers rating this criterion highly at 50.7% and 51.8% respectively, and French employers giving this even greater weight at 76.9%

” Speed of response in presenting appropriate candidates ranks first with **64.4% of employers**

The main reasons for recruiting interim managers

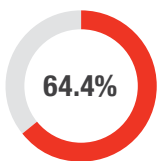
Reasons for recruiting interim managers are more diverse than for recruiting temporary employees. Here are the main reasons that our survey found:

- Replacing staff on leave was the most common reason – 41.8% of employers in all countries, with even more Dutch employers (58.4%), industrial employers (52.1%) and companies with between 1,000 and 4,999 employees (57.0%) citing this reason
- Implementation of a development project – 38.4%
- Restructuring plans – 36.8%
- An unexpected increase in activity – 28.4%

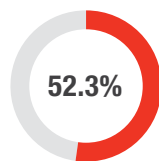
Interim managers were generally hired into positions requiring a higher level of skill or responsibility than those offered to temporary employees:

- Almost half of all the employers questioned (45.2%) recruited interim managers in the field of finance and accounting, rising to 55.8% among Dutch employers

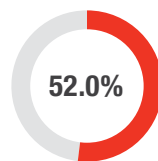
Employers’ criteria when choosing temporary employment agencies



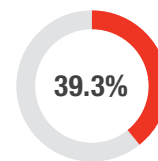
Speed of response in presenting appropriate candidates



Previous experience with the agency



Cost of the agency's services



Agency's speed of response in helping resolve HR issues

Main reasons for recruiting interim managers



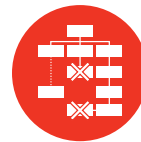
Replacing staff on leave was the most common reason

41.8%



Implementation of a development project

38.4%



Restructuring plans

36.8%



An unexpected increase in activity

28.4%

- Just over a fifth of all employers (22.5%) claimed to recruit interim managers in the technical field, with almost half of Mexican employers questioned (47.0%) recruiting in this sphere of activity

There is a more pressing need for skills in emerging countries, where basic and professional training systems are less likely to be in place. This is especially so in industries such as the aerospace, automotive, electrical and electronic goods and information technology sectors.

In Mexico, there is a desperate scarcity of skills in many sectors. Industries such as the ones referred to here are emerging as a consequence of foreign groups establishing a presence in Mexico, while the country's economy was significantly boosted by the 1994 signing of a free trade agreement with its American and Canadian neighbours.

Interim managers are retained for longer periods

Assignment periods for interim managers were found to be relatively longer than for temporary staff.

Indeed, four-fifths of all employers (80.1%) claimed to offer assignments lasting over four months for interim management purposes, as opposed to only two-thirds of employers for temporary employment (67.3%). An

even greater proportion of Dutch employers (93.5%) offer assignments lasting longer than this period.

The different channels for recruiting interim managers

With increasing numbers of temporary employees and interim managers in the labour market, methods for recruiting interim managers have also become more diverse. The channels of choice for recruiting staff to interim management positions are primarily recruitment firms (60.2% of all employers surveyed) and personal connections (54.8%).

Three-quarters of Dutch employers (74.0%) recruit through their personal network, as well as two-thirds of those employers representing large companies with between 1,000 and 4,999 employees (66.7%).

Mexican employers take a somewhat different approach to recruiting such employees, using both job boards (28.8% as opposed to an average 13.0% across all employers) and outplacement firms (33.3% as opposed to 19.5%); a level that is significantly above the average in both cases.

The vast majority (85.0%) of all employers reported being satisfied or even very satisfied with their recruitment of interim managers.

85.0% of employers report being satisfied with their interim managers

Outlook

A high number (78.1%) of employers believe that the need for temporary employees will stay the same or even increase in the future. Predictions of an increase were more prevalent among Italian employers, at 44.6% compared with 33.9% of total employers surveyed, and even higher among Portuguese employers, at 53.8%.

There are similar shades of difference regarding future recruitment trends in interim management. In Mexico and Italy, a third of employers believe that the need for interim managers will increase over the next 12 months at 33.1% and 30.4%, compared with 20.3% of total employers surveyed.

PART 3

PROFESSIONALS' PERCEPTIONS AND PRACTICES REGARDING TEMPORARY EMPLOYMENT AND INTERIM MANAGEMENT

Our study gathered comprehensive information relating to professionals' perceptions of temporary employment and interim management. The main findings are below, prefaced by some data on the global picture on temporary professionals worldwide and on this study.

How old? How qualified? A profile of temporary employees worldwide

According to CIETT 2013 data, temporary employees tend to be relatively young and have generally received low levels of training. The highest basic levels of training are observed in Sweden and Australia, with the lowest being found in France and Brazil.

However, it is a changing picture. The number of people over the age of 50 in temporary employment is rising, particularly in Italy and France. Between 2002 and 2011, the proportion of temporary employees over 50 increased from 2.5% to 7% in Italy and from 5.8% to 9.3% in France.

Internationally, and irrespective of the level of skills involved, temporary employees are granted very different status. There are generally three major approaches that are adopted worldwide:

1. The status of temporary employee, whereby the employment contract ends as soon as the assignment in question is over, as is the case in Belgium, Luxembourg, Spain and France, among others. Note that a recently signed agreement is affecting the situation in France (CDI intérim – temporary worker ongoing employment contract).

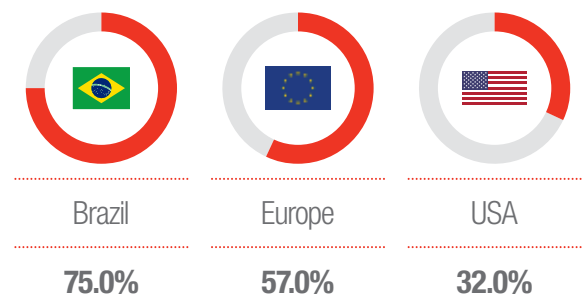
2. The status of permanent employee, referring to those employees who, after a legally specified period, are eventually covered by ongoing employment contracts. This is the case in Italy, the Netherlands and Germany, among others. In Italy and the Netherlands, access to such permanent contracts is governed by law according to the employee's length of service, while temporary employment contracts in Germany are classed as permanent contracts, granting employee status. In fact, in Germany a temporary (fixed-term) contract can be offered to any employee only once.

3. Mixed status: for those countries that have adopted a liberal approach to temporary employment, including Canada, Australia, the United States, the United Kingdom, Brazil and Mexico among others, the agreement between the employer and the employee determines the type of employment contract. The boundaries between permanent and temporary employment are also very blurred, with a myriad of possible situations.

Similarly, while the realities of temporary employment differ greatly from country to country, on the whole the skill levels required are rising. The numbers of temporary employees accepting assignments requiring average and high levels of skills confirm this.

Percentage of temporary employees under the age of 30

Source: CIETT



The Page Interim study received responses from 11,244 professionals across 17 countries, including those in active employment, candidates for temporary assignments and job-seekers. For the purposes of the study they are referred to as 'employees', although they fell into very different categories:

- 42.7% were in full or part-time employment
- 19.7% had just lost their permanent job and were seeking employment
- 13.1% were temporary employees currently on assignment
- 9.8% were seeking employment following a temporary assignment
- 5.9% were temporary employees awaiting a temporary assignment

The remainder (8.8%) fell into a number of categories, including recent young graduates seeking employment, students, and people looking to return to the world of work following parental leave.

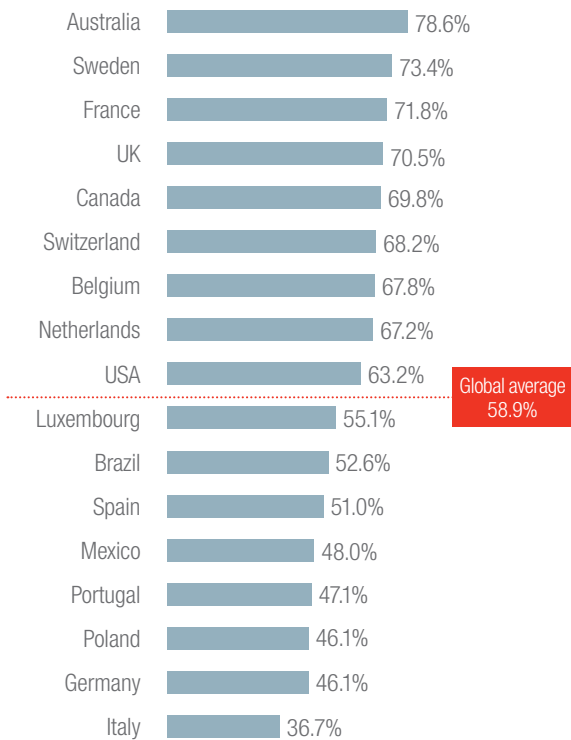
Global Insights - Part 3

How the World Views Temporary Employment and Interim Management

Positive perceptions of temporary employment and interim management

The vast majority (58.9%) of all the professionals in our study had a positive or even very positive perception of temporary employment. This was particularly true among Australian, Swedish, French, British, Canadian, Swiss, Belgian and Dutch employees. It was also more generally the case among the unqualified (75.7%).

Positive or very positive perception of temporary employment



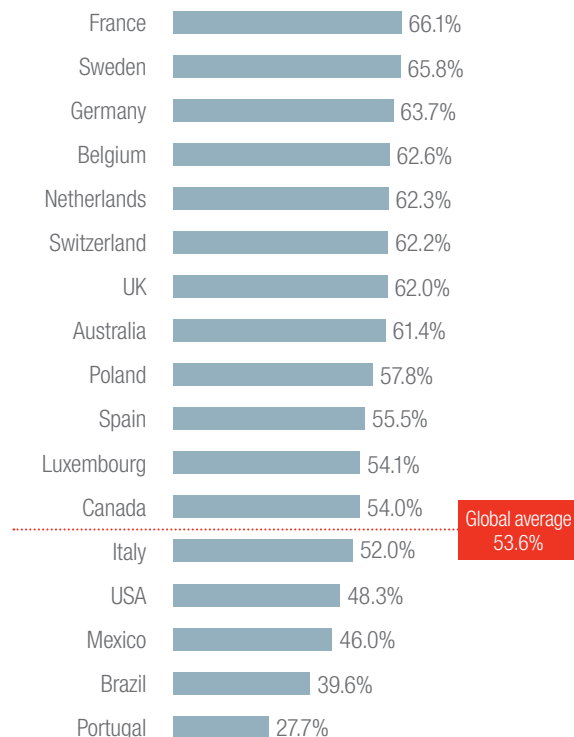
Conversely, significantly fewer employees in southern European countries expressed a positive opinion. In Italy, for example, opinions on temporary employment were frankly negative (61.5%), while over a third of the employees questioned in Portugal had no opinion on the matter, as opposed to 10.4% across all the countries.

These findings are hardly surprising: in those countries with a very long history of temporary employment, such as the United States, France, the United Kingdom, Canada and Belgium, the practice is better recognised

” 58.9% of professionals have a positive or very positive perception of temporary employment

and more widely accepted. And what do the interim managers say?

Positive or very positive perception of interim management



If we now look at interim managers, across all of the countries in the survey, just over half of the employees (53.6%) viewed the practice positively or very positively, especially

in France (66.1%), Sweden (65.8%), Germany (63.7%), Belgium (62.6%) and the Netherlands (62.3%), including those interim managers awaiting assignment (68.6%).

Positive opinions were, however, somewhat less forthcoming in Brazil (39.6%) and Portugal (27.7%).

Temporary employment and interim management – a pragmatic choice

Asked why they choose either temporary employment or interim management, professionals offered four main reasons, irrespective of the country. Here are the findings, with some key country results:

There are openings for short-term employment even during times of economic difficulty (cited by 72.0% for temporary employment; 70.9% for interim management)

More than four in five Portuguese employees viewed temporary employment positively because of its ability to keep them in work at all times, even during periods of economic stagnation.

The opportunity for individuals to develop their professional network (70.7% and 75.7%)

The vast majority of Swedish (85.3%) and Swiss (83.0%) employees, as well as three-quarters (74.7%) of employees with relatively low levels of professional experience, i.e. less than two years, agreed that temporary employment was a means for the individual to develop his or her professional network.

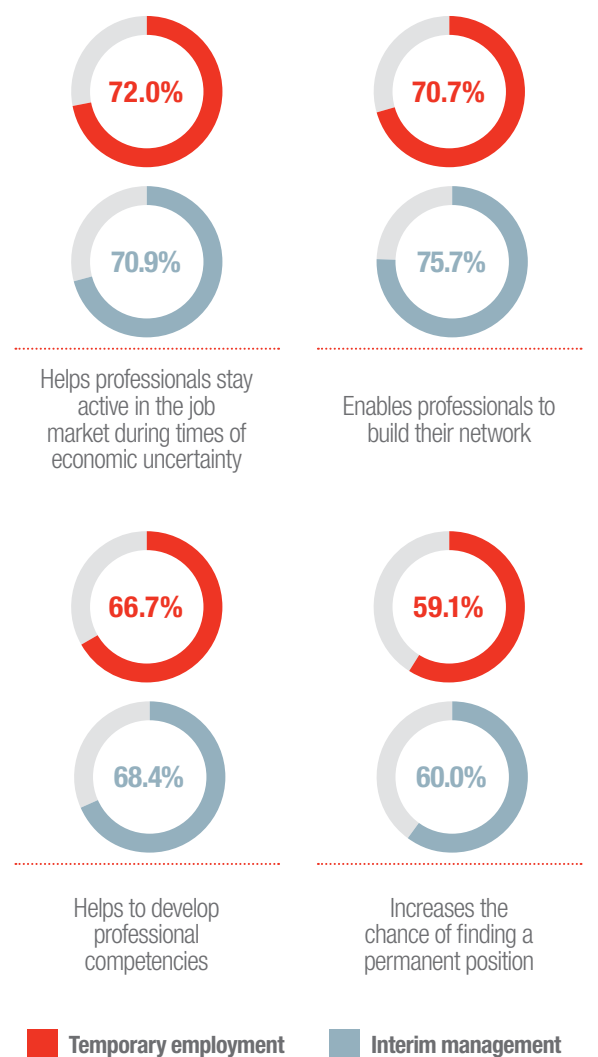
Three-quarters of all employees, including the vast majority of Belgian (88.5%), German (87.4%) and Swedish (87.3%) employees, and more generally those employees currently on assignment (87.8%), saw interim management assignments as an opportunity to extend their professional network.

The opportunity to develop professional skills (66.7% and 68.4%)

Just under nine Brazilian employees in ten (85.5%) and eight Portuguese employees in ten (79.7%) agreed or completely agreed that temporary employment repre-

sents an opportunity to acquire new professional skills.

Main reasons for choosing temporary employment / interim management



Two-thirds of all employees, the greatest proportions of whom were found in Brazil (79.8%) and more generally among employees in the commercial sector (80.4%), agreed that such interim opportunities helped them develop their professional skills.

The opportunity to receive professional training was another benefit of temporary employment that the

vast majority of Brazilian (89.3%), as well as around two-thirds of Swedish (68.9%), Mexican (63.5%), Portuguese (62.4%) and Spanish (61.0%) employees, agreed upon, compared to all temporary employees across the countries at 49.6%.

Unsurprisingly, young graduates seeking to increase their professional experience and skills (58.6%), students (61.4%), and employees with less than a year's experience (60.6%) cited this as a reason for their positive view of temporary employment.

Again, as might be expected, the issue of training was considered important by a greater proportion of interim managers aged 30 years and under (61.1%) and those with relatively little professional experience (70.4% for those with between one and two years' experience) compared to the average of 47.0%.

Access to professional training was another benefit of interim management, cited primarily by Brazilian (82.8%), Swedish (65.4%), Portuguese (58.6%) and Mexican (58.0%) employees. The issue of training is crucial in a context of rapidly changing working practices and the rate at which skills must be refreshed.

Chances of finding stable employment (59.1% and 60.0%)

Temporary employment is also seen as a means of finding stable employment, with a very high proportion of Swedish (75.8%), Brazilian (71.6%) and Swiss (71.1%) employees agreeing on this point. In terms of interim management, this is particular true for Swedish interim managers, with 75.8% agreeing on this point compared to 59.1% globally.

In addition, the balance between private life and professional life was a concern for almost half of UK interim managers questioned (48.1%) and a slightly lower proportion of Swedish interim managers (41.8%), reflecting national values and priorities (34.8% globally).

More than half of the Australian temporary employees share this point of view (51.7%).

Helping job-seekers to integrate into the workplace

The majority of employees (54.7%) acknowledged the positive role of temporary employment agencies. In particular, they value the contribution of these agencies in helping job-seekers to integrate into the world of work and, to a lesser extent, helping recent graduates to find employment (42.4%). These findings are perfectly consistent with the conclusions of national surveys.

It comes as no surprise that the contribution of agencies in helping the unemployed into work is given greatest weight in those countries with high levels of unemployment, particularly Spain (68.2%). A number of other benefits of temporary employment agencies were also cited; for example, the majority of Australian employees (51.7%) valued the speed at which agencies responded to their needs.

**Temporary
employment
agencies help in
providing social security
and health benefits**

Employees in Latin American economies viewed temporary employment agencies positively, which can be explained by their ability to enable recent graduates to integrate into the world of work. In Mexico and Brazil, for example, nearly 60% and two-thirds respectively of employees in these countries emphasised this element of the agency's role. Most Belgian (53.9%) and Portuguese (52.7%) employees, and those employees with less than a year's professional experience (61.5%) also agreed on this point.

Employees highlighted a number of other benefits that employment agencies bring. Almost half of those employees questioned in France (49.2%) and Luxembourg (44.4%) also recognised the usefulness of these employment intermediaries in providing social security and health benefits, whereas the global figure was 26.9%. For around a third of Brazilian employees (36.6%) and blue-collar workers (32.2%), an agency's ability to provide relevant professional training was also an important factor (globally 21.8%).

The trend to longer assignments

Just under half of the employees questioned (42.8%) were on assignment or had completed one or more assignments during the previous twelve months.

This figure is even higher in countries with a liberal approach to temporary employment, such as Australia (78.6%), the United Kingdom (61.3%), Canada (54.0%) and the United States (53.1%). In countries such as these, temporary employment has become accepted as a fact of working life. Here, members of the working population frequently take on a temporary position in addition to their main job, as a perfectly acceptable way of earning additional income.

On the whole, the vast majority (58.9%) of employees who had completed temporary employment or interim management assignments had completed only one assignment over the course of the previous 12 months. In Mexico and Spain, this rose to 71.5% and 71.4% respectively, and to 79% of employees with under a year's professional experience.

While one assignment a year sounds a low rate of temporary employment, we must take into account the duration of the assignments in question. The study shows that only 6.6% of employees overall had short-term assignments of under a month.

Furthermore, some countries have marginal rates for these brief assignments: in Sweden it is just 3.7%; 2.4% in the Netherlands; falling to as low as 0.9% in Italy. Indeed, the majority of employees in the latter countries reported having completed assignments lasting more than six months: 51.2% for Sweden, 50.4% for the Netherlands and 53.2% for Italy.

Findings congruent with the latest CIETT economic report

The Page Interim findings are consistent with the latest CIETT economic report, which shows that temporary employees in Sweden are believed to be in work as consistently as permanent employees.

This is also the case in Mexico, Germany and Brazil. In Italy, the average number of hours worked by temporary employees equates to three-quarters of the time worked by permanent employees. In the Netherlands it is more like half (CIETT 2013).

Professionals take on average one assignment per year with a length of 1 to 6 months

The CIETT study shows that conversely in Luxembourg, Portugal, Belgium, Spain, France, the United States and Switzerland, temporary employees appear to work significantly fewer hours than their permanent counterparts; less than a third of the time, on average.

In countries where temporary employees enjoy permanent employee status within temporary employment agencies, the agencies must be able to offer longer term, preferably uninterrupted, assignments in order to sustain continuity of employment. This is notably the case in Germany, Italy, the Netherlands and, to a lesser extent, Mexico and Brazil.

More than half of employees (55.9%) questioned as part of the Page Interim study reported having worked on medium-term assignments of between one and six months. Short-term placements of less than a month were relatively more widespread among those

” The main driver for temporary employment is to find a long-term job

employees with under a year’s professional experience (21.2%) and unqualified employees (18.7%).

Employment stability – the ideal outcome for many

As we have highlighted, the many and varied personal reasons for choosing temporary employment transcend national patterns. However, for the majority of employees surveyed the possibility of finding a long-term job was a huge driver, at 60.7% of all respondents.

Behind this fundamental reason for calling upon the services of temporary employment agencies, one employee in three across the countries cited the possibility of securing a permanent position within the current company (32.5%), or developing their professional experience (32.6% rising to 70.3% for employees with less than a year’s professional experience). A fifth of employees also stated that the temporary employment route helped them to build their professional network.

There were, however, other reasons for choosing temporary employment, such as taking a break from the monotony of a particular job, gaining familiarity with a variety of professional environments (21.8%), or even as a professional challenge (18.0%).

In this respect, a number of specific national characteristics can be identified:

- Just under half of the Brazilian employees questioned (47.4%) cited the development of professional experience, alongside ‘personal challenge’, as their main reason

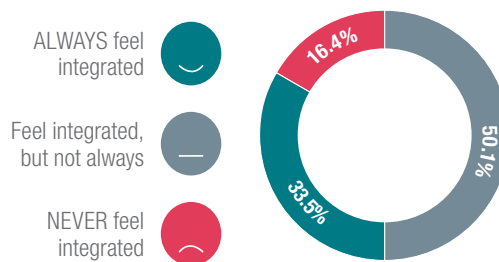
- For 41.6% of German employees, temporary employment is truly a professional choice, reflecting the status of temporary employees in Germany as permanent employees
- Three-quarters of Italian employees (72.2%) and employees from the United States (71.1%) placed the greatest importance on finding long-term employment while working

Polish (47.4%) and Portuguese (55.1%) employees saw the development of their professional experience as the main reasons for choosing temporary employment, with the Portuguese valuing the possibility of securing a position within the company (50.6%).

The prevailing challenges of temporary employment

A third of temporary employees in the survey had a consistently positive view of their integration within their client company, although half reported that this was not the case with all assignments. However 83.6% of the professionals generally experienced good integration.

Employees’ feeling of integration during their temporary / interim assignments



The highest proportions of employees for whom integration is always a good experience were found in Italy (48.6%), Belgium (46.7%), Australia (45.6%) and France (43.5%). The least positive are American employees, only 21.5% of whom claimed their integration within the company was always good. 28.0% of the Mexican employees and 33.4% of employees who were looking for another job after losing their previous

post reported having had a bad experience of integrating into the employing company, compared with 16.4% globally.

Temporary employment agencies are aware of the effort required to improve the integration and working conditions of temporary employees within their client companies. Indeed, there has been much debate on the matter in a number of countries.

23.1%
of temporary / interim assignments turn into permanent jobs

A permanent role is the outcome in around a quarter of cases

Nearly a quarter of the temporary employees questioned (23.1%) reported having been offered a permanent position upon completion of their temporary/interim assignment within the client company. This is more likely to occur among employees in Germany (43.8%), Brazil (37.9%) and Belgium (34.7%) and among very highly qualified employees, such as managers and supervisors (37.6%).

In this respect, temporary employment agencies serve as a filter for employee skills. Client companies are more likely to offer permanent employment contracts to the highly qualified or, more specifically, those whose skills are at a premium in the local labour market, or those who possess high levels of expertise and/or specific expertise. These, of course, are also the employees whom temporary employment agencies endeavour to retain to prevent their leaving to work for rival firms or being poached by client companies.

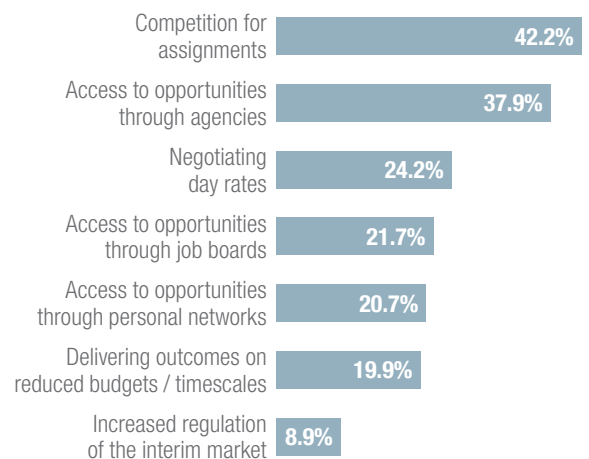
Accessing assignments to find stable employment – a motivator for nearly half of respondents

Temporary employee status can give rise to a number of challenges for the individual. The Page Interim study identified several. In a context where a large segment of temporary workers and interim managers comprises job-seekers, it is no surprise that nearly half of the employees surveyed (48.5%) reported difficulty in finding their next job. This proportion rises to 60.9% in Poland.

The priority for these groups was to find a job. This ranked above the other life challenges they face, such as difficulty in renting accommodation (16.3% of all temporary employees surveyed), obtaining a bank loan (11.1%), and managing their private lives (28.1%).

Here too, then, it would appear that access to or competition for employment (and consequently assignments) is by far the issue of greatest concern to interim managers, particularly those located in France (75.5%) and in the Netherlands (55.3%). The vast majority of these candidates would even be prepared to accept assignments abroad (60.8% of all of those concerned across the countries), particularly professionals in the Netherlands (75.4%).

Interim management - Challenges faced by interim managers



This concern regarding access to employment is rein-

forced by the following findings: irrespective of status, a clear majority of all temporary employee and interim manager candidates would be prepared to immediately accept an assignment (56.0% of candidates across the countries), especially the French (72.3%), Swiss (68.3%), Americans (67.6%) and those in the United Kingdom (67.4%).

Naturally, this readiness to accept an assignment immediately was found among almost all of those seeking an assignment (91.2%), either because they had recently completed an assignment (86.5%) or because they had lost their permanent job (78.5%). It also struck a chord with those who had been out of the labour market due to childcare responsibilities (69.5%) or who had embarked on a period of training that resulted in gaining a new qualification (69.5%).

Those candidates without any experience, whose concern was primarily to find employment, would also be prepared to accept an assignment (74.5% of such candidates irrespective of the country), as would the most experienced, particularly those with over 20 years' experience (69.4%), and candidates in the older age bracket, notably the over 55s (79.6%) or those between 46 and 55 years of age (68.7%).

Ultimately, temporary employees and interim managers who had not taken an assignment in the last 12 months had the following reasons for accepting an assignment:

- To research the labour market while working, with a view to finding stable employment (60.4% of all temporary employees and interim managers)
- To increase their chances of finding a job in a specific company (50.1%)
- To meet a personal challenge and develop their qualifications (49.5%)

These very practical reasons were relatively common across the countries, although a number of specific marginal characteristics also became apparent. For half of those Brazilian candidates questioned, for example, the opportunity to encounter a variety

of interesting working environments was an additional justification, while young people (62.1%) saw employment opportunities as being directly linked to developing their experience and qualifications, whereas the global figure was 49.5%.

Reasons for rejecting assignments

Among the reasons given by those who had not been on assignments in the last 12 months and who additionally would not consider one in the future (19.4% of all respondents), the risk of finding themselves regularly unemployed was the most common (53.3%), particularly among Polish respondents (68.2%).

The risk that accepting assignments could prove an obstacle to finding a permanent contract was cited as the second most significant reason by just under half of employee respondents (47.0% across all countries).

Outlook

More than six employees in ten believe that demand for temporary staff will increase. This opinion is even stronger among employees in the southern European countries such as Spain (75.7%) and Portugal (78.6%).

In these countries, temporary employment and its variations, such as ad hoc and seasonal employment, are particularly widespread in the black economy. This is despite attempts by legislators in the 1990s to make employment practices more transparent and to encourage employers to offer genuine opportunities, especially to young people.

CONCLUSIONS AND PROJECTIONS

What lessons can be learnt from this study?

An employer's decision to use temporary employment is primarily a response to an HR operational management issue, one that typically demands urgent resolution. This is a major take-away from this Page Interim study, particularly since it was a common viewpoint in all 17 of the countries in the survey.

The study also confirms that temporary employees are a diverse group in terms of their reasons for choosing this employment status. The temporary employee population comprises, for example, professionals for whom temporary employment is a personal choice; short-term temporary employees whose main goal is to find a permanent job; and occasional temporary employees, a sub-group that notably includes young people.

In the majority of cases, candidates approach temporary employment agencies for practical reasons. In southern European countries, temporary employment is primarily considered a route to a permanent job and a way of avoiding unemployment. In Scandinavia and Germany, temporary employment would appear to be an informed personal choice. In those countries that have adopted a liberal approach to temporary employment, such as the United Kingdom, the United States, Brazil, Mexico and Canada, it is perceived as freeing the individual to develop their professional experience or professional network.

Supporting major life changes

Irrespective of the national context, temporary employment agencies are recognised for their multiple functions in a variety of different fields: recruitment, pre-recruitment, outplacement, sourcing, consultancy, expertise and training among them.

From the employees' standpoint, the study shows that temporary employment agencies perform a decisive role in supporting the transition along various professional pathways:

- From schooling to employment for young first-time job-seekers

- Integration or reintegration back into employment for professionals
- From economic inactivity to employment for parents returning to the workplace after taking time out to raise their children
- Within the world of employment, with options such as training, refresher courses, continuing professional development or the acquisition of new qualifications

Temporary employment agencies play a key role by integrating the increasingly varied needs of the economy and these employees.

The future of temporary employment agencies

From their origins as a limited source of specific skills, such as providing stop-gap secretaries to local companies, temporary employment agencies have become valuable service providers in the diverse fields of HR management. Increasingly, they are providing sophisticated sectors with highly trained employees.

Furthermore, the growth of temporary employment agencies is expected to continue or even accelerate in all of the 17 countries included in the study, albeit at varying rates. In view of the findings of the study and of various publications on the subject there is a move to professionalise temporary employment agencies as they supply to higher status professions.

Let's consider the reasons for this upward trend...

First, companies today operate in an environment of economic and technological instability. There is heightened global competition, while sudden changes in consumer behaviour lead to fluctuating demand. The need to create a flexible, adaptable organisation will drive HR management strategies.

Second, the speed at which technological and scientific innovation drives change within production systems affects the requirements of particular roles, bringing intense demand for specific skills on a

temporary basis. Temporary employment will continue to become more widespread among the different socio-professional categories, and among those with intermediate or even high levels of training in particular, attracting middle managers, executives and supervisory staff.

These developments are already evident in those countries where temporary employment is now a well established practice. Executives and middle management professionals, already common in the field of temporary employment, will become key players in the future, while temporary employment agencies will perform a greater variety of functions to accommodate these individuals. They will offer placement, recruitment and training, and even perform the function of an umbrella company.

Finally, trends in the wider world and changing social aspirations have a knock-on effect on the world of work. These include the trade-off between work time and leisure time, the work-family balance, and developing employment opportunities for older workers.

By adapting their practices to reflect these various developments, temporary employment agencies will undoubtedly see their status rise from that of mere middle-man in the labour market to valuable employer of highly qualified staff. They will be required to manage these professionals, while safeguarding their interests by offering stability, training and the opportunity to complete short-term assignments with client companies.

In the light of the current trends observed in certain countries, such as the Netherlands, Germany, France, Italy and Sweden, this projected future is perfectly feasible.

BIBLIOGRAPHY

PRISME - SETT, Rapports économique et social 1999 à 2013, Professionnels de l'intérim, services et métiers de l'emploi, Paris

CIETT, 2013, Agency Work Industry around the World, Economic Report, 2013 Edition, page 60

OME / OpinionWay, 2011, 'Regards croisés sur l'intérim', Observatoire des métiers de l'emploi, juillet 2011

Belkacem R., Kornig C., 2011, 'La construction sociale du travail intérimaire: de ses origines aux États-Unis à son institutionnalisation en France', Socio-Économie du Travail n° 33 (Économies et Sociétés, tome XLV/8), août 2011, pages 1301-1327

Belkacem R., Kornig C. et Michon F. (Sld.), l'Harmattan, mars, page 455

Belkacem R., Kornig C. et Michon F. (Sld.), 2011, Visages de l'intérim en France et dans le Monde

Belkacem R., 2001, 'La normalisation du recours aux travailleurs précaires', Revue Travail Emploi Formation 'Permanences et Mutations des organisations: expériences et analyses', n°1-2/2000

Belkacem R., 1998, 'Institutionnalisation du travail intérimaire en France et en Allemagne : une étude empirique et théorique', Harmattan, collection 'Logiques économiques', Préface de F. Michon, mai 1998, Paris, page 256

Belkacem R., 1998, 'Le développement du travail intérimaire en Allemagne', Revue Travail et Emploi.- N° 75, 2/1998.- Direction de l'Animation de la Recherche, des Etudes et des Statistiques (DARES).- Ministère du Travail et de la Solidarité, pages 65-84

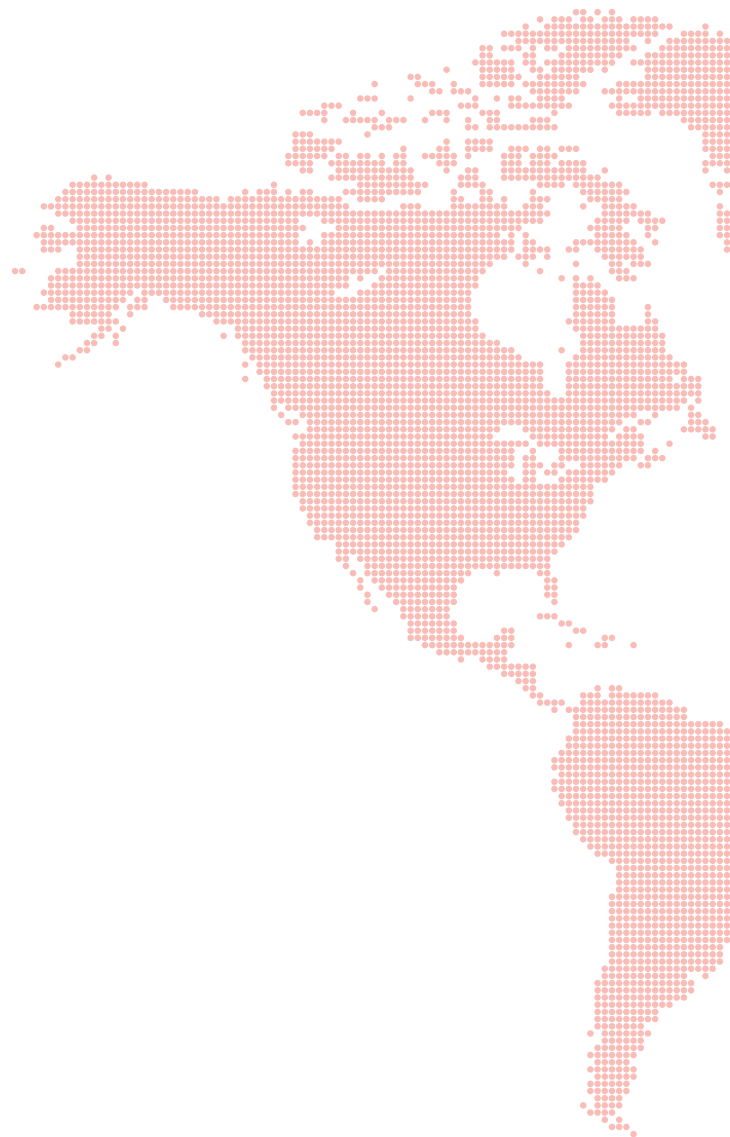
IMPRINT

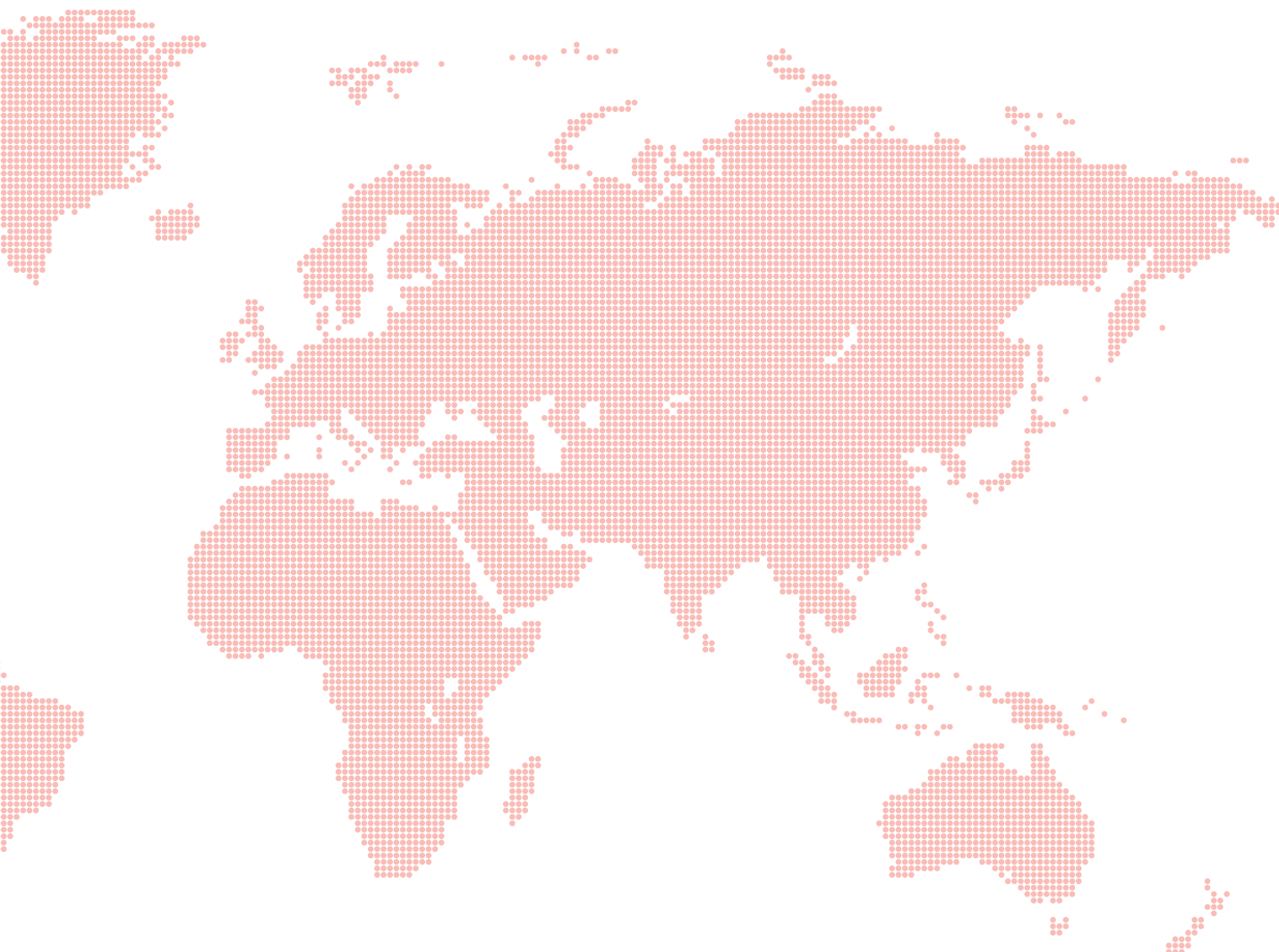
PUBLISHER

© PageGroup
January 2014
www.page.com

DISCLAIMER

The information provided in this publication has been carefully researched and compiled. Nevertheless, the authors and publishers take no responsibility for the correctness and completeness of the publication. Like any printed material, it may be superseded. All rights are reserved, including those pertaining to photo-mechanical reproduction and storage in electronic media





Page Interim