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November 3, 2011 | 11:15 – 12:30
HRO Summit, Barcelona

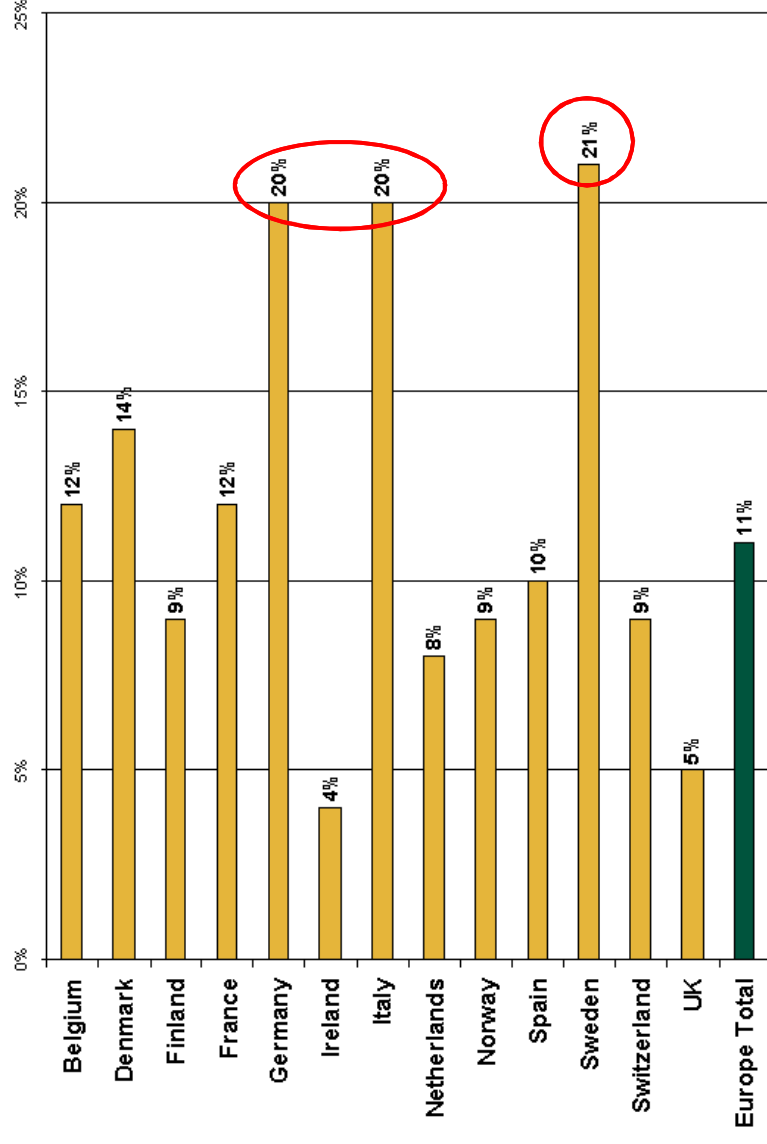
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European Contingent Workforce Market Overview

- According to an industry forecast (Staffing Industry Analysts, April 2011), the European temporary staffing market, as a whole, is expected to grow 11% this year
- Analysts project that Germany, Italy and Sweden will be the best performing staffing markets in Europe in 2011, with growth of more than 20%

European Temporary Staffing Forecast

2011 European Forecast Market Growth by Country



European Staffing Industry Projections

- ▲ According to industry research, the European staffing market is not expected to return to 2008 revenue levels until 2012
 - Staffing market peaked in 2008 at €104 billion before declining 20% in 2009
 - Followed by an increase of 9% to €91 billion in 2010
 - 2011 forecast is growth of 11% to €101 billion

- ▲ Staffing sector growth is expected across all major markets in 2011
 - Experts forecast that the hottest staffing sector in 2011 will be Clinical/Scientific, which is expected to grow more than 16% in all major staffing markets with the exception of Spain
 - IT and engineering/construction staffing is also projected to grow strongly in most markets
 - Commercial staffing (office/clerical and Industrial) is expected to remain stable during 2011
 - Professional staffing sectors will experience a gradual pick up in demand through 2011
 - Healthcare staffing in the U.K. is expected to be negatively impacted due to pressures on National Health Service budgets

- ▲ Legislative changes will have an impact on the demand for temporary staffing
 - All European Union countries are required to comply with the Agency Workers Directive (AWD) by the end of 2011
 - Regulations include sector prohibitions, limits on the length of assignment, and limits on the percentage of agency workers
 - Expected to have a positive impact on major European markets: Sweden, Italy, Germany, Belgium, Switzerland, the Netherlands, and Poland
 - Exception is in the U.K. and Ireland, where AWD may have a short-term negative effect

Temporary Staffing / MSP Trending Information

- ▲ Global business environment impacts workforce management strategies
 - Given the current economic climate, employers are considering more flexible workforce management strategies and options, including postponing commitments to permanent workers
 - We have seen an increase in the volume of temporary worker hiring within a number of European countries
 - According to industry research, the percentage of buyers that will include management of SOW consultants and contractors within their overall contingent workforce programs is projected to increase to 64% in 2012, up from only 39% in 2010

- ▲ Interest in MSPs has been rising, due to the compound effect of slow growth across Europe and the pressure on companies to reduce costs
 - Constant change in labor legislation across EMEA, more stringent checks and a higher level of end-user risk mean compliance has become the top priority for multinationals
 - MSP providers play a significant role in helping companies to operate compliantly while using a flexible workforce – offer cost control, efficiencies and risk mitigation
 - Companies are looking to MSP providers for help in training and developing their workforce in order to cover specific skills shortages across industries
 - Visibility of MSPs continues to increase – for example, the Association of Professional Staffing Companies (APSCO) is in advanced talks with RPO providers to create a comprehensive charter/code of conduct for RPOs & MSPs
 - Best-in-class MSP providers add value to their clients by managing the sourcing, compliance and invoicing processes from a centralized hub instead of through a network of branches