

A photograph of a male worker in a blue hard hat, safety glasses, and a yellow shirt working in a factory. He is focused on his task, with his hands on a piece of machinery. The background shows industrial equipment and bright lights.

Kelly

Flexing Forward: Optimizing Your Workforce for an Uncertain Economy

October 2023

Today's Agenda



Welcome



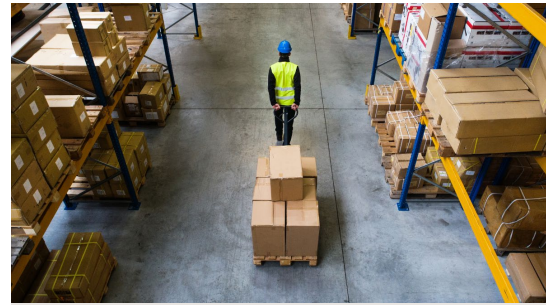
State of the Labor Market



Hiring & Developing Contingent Talent



Building a Resilient Workforce



Removing Hiring Barriers



Q&A

Welcome

Introductions



Stephen White, Chief of Staff, Business Unit Growth Kelly Professional & Industrial

Based in Chicago, Stephen oversees client solutioning, internal/external data intelligence and product development and implementation. With over 25 years of experience in the global workforce development space, Stephen is an industry leader assisting companies with creative and data driven solutions to meet the demands of the changing workforce.

What you'll learn

Why now is a great time to **flex forward**

- The current state of the labor market
- Eye-opening findings from the new global survey of executives and talent

Three specific workforce strategies to **flex forward**

1. Hire and develop the workforce you need
2. Utilize enhanced hiring models
3. Remove hiring barriers to find the talent you need



State of the Labor Market



The positives... for manufacturing and distribution

1.4%



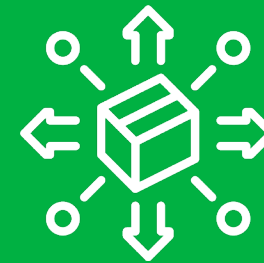
Manufacturing revenue is projected to trend around \$2,293B in 2024 – about 1.4% growth from 2023

70%



70% of manufacturers are set to expand operations in 2024

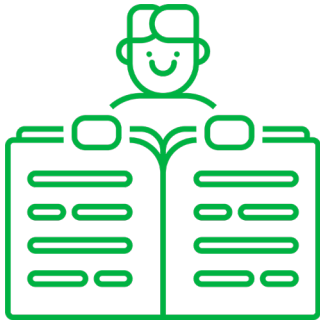
4.5%



The North American contract logistics market is predicted to grow 4.5% through 2026

On the other hand...

employers are dealing with rising inflation and the shadow of a potential recession.



There are still almost two open jobs for every job seeker



Employers need the right talent mix for the long-term



Job seekers have the upper hand in the current jobs market

Disruption is everywhere.

The **Great Resignation and Quiet Quitting** will continue in 2024 as **1/3 of Blue-Collar Workers** will leave for higher pay

“US Unemployment rate in manufacturing in September is at **3.20%**, compared to 3.10% last year. ”

More **Retirees** Will Likely Return to the Workforce in 2024. **Can you get them back?**

Job switching is often attributed to Millennials and Gen Z. But distrust in corporate business practices over the last few years have all generations of workers questioning the benefits of company loyalty

“Traditional **Blue-Collar** Roles are Now Migrating to **New-Collar** Roles. Employers more than ever need to source deep into communities with a local presence to set themselves apart as an employer of Choice”

“**Contract Labor, including Contract Executives** will emerge as companies prioritize agility”

“**The Power Shift Of Labor: Who Controls The Work Schedule?**”

“**Hiring Pressures Mount As Talent Supply Tightens**”

“**Talent search:** As need for expertise grows, so do staffing challenges”

How do you build a resilient workforce when it's unclear what the future will look like?



The 2023 Kelly Global Re:work Report

The Reach



1,500



Senior Executives

4,200



Workers

11



Countries

9



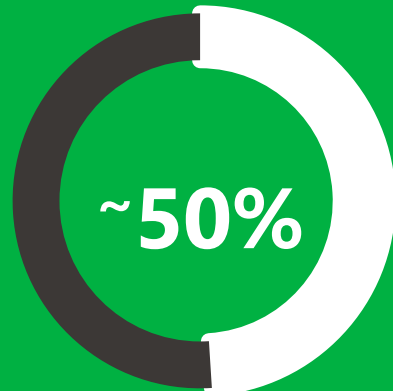
Industries

2023 Kelly Global Re:work Report

The Findings



Nearly a third of workers are planning to leave their employer in the next 12 months



Nearly half of workers told us they are "quiet quitting"



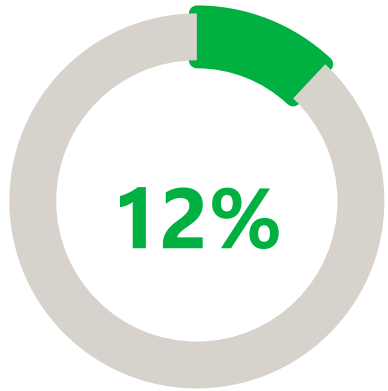
Almost half of executives report they have been affected by "quiet quitting" in the past 12 months



Almost half of executives say they are struggling to find and retain talent leading to missed business opportunities

2023 Kelly Global Re:work Report

The Leaders

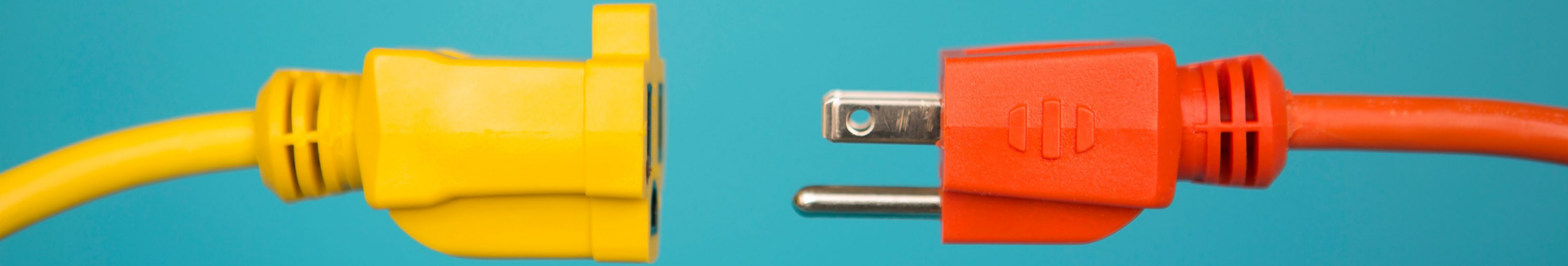


12% of companies are thriving and have built resilient workforces despite turmoil. We call them the “resilience leaders” and they point the way forward.

They are more likely to:

- recruit and develop temporary talent than their peers
- have implemented training programs to upskill talent
- automate tasks to free up talent for more meaningful work
- hire for skills rather than educational qualifications
- be focused on diversity, equity, and inclusion initiatives

The Question is, How Do You Create a Resilient Workforce?



Accept that the Workers You Want
and Need, May Not Want to Work for
You in the Way that You Want Them
To Work

-OR-

Be Prepared to Win the Bidding War
Against Your Competitors to Attract
the Talent You Need

Hiring & Developing Contingent Talent





When economic conditions are uncertain and the talent market is challenging, workforce flexibility is key.

Turnover can be one of the most expensive problems at a company.

Shawn Achor, Author



Operating in our Customers Reality

- **SPS** is a solution that leads with talent attraction and retention as the foundation. It is a bridge between traditional staffing and outsourcing where the client maintains control of the daily direction of the workforce. With a leading benefit and management program, we deepen the access to your market's talent pool.
- **BPO** is an incremental solution that allows us to operate in our customer's evolving reality. BPO from a Kelly perspective is often a solution where the productivity, training and performance are the responsibility of Kelly and promotes the growth of our talent.
- Our competitors within staffing and outsourcing cannot offer this type of scalability.

Your Full-Time Population

Temporary

Client needs supplemental labor for short-term fluctuations in workload or a feeder pool to their full-time workforce



Skilled Professional Solutions

Client needs skilled labor for an extended time-period; may be more than one worker.



Business Professional Outsourcing

Client transitions responsibility of hiring and day-to-day management to Kelly.



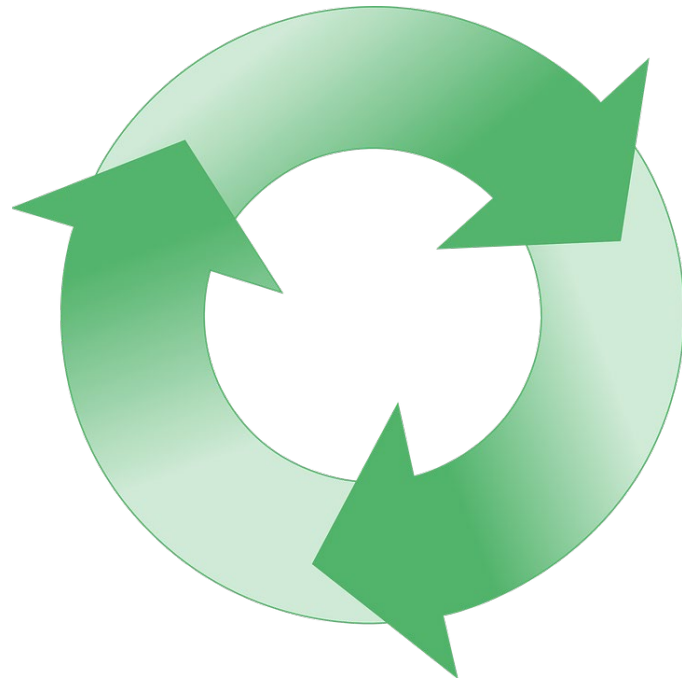
A photograph of three men in a factory setting. The man on the left is wearing a light blue polo shirt and holding a silver mug. The man in the middle is wearing an orange safety vest over a dark blue shirt. The man on the right is wearing an orange safety vest over a light blue shirt. They are all smiling and appear to be in conversation. The background shows industrial equipment and a yellow structure.

The Emergence of the “New Collar” Worker

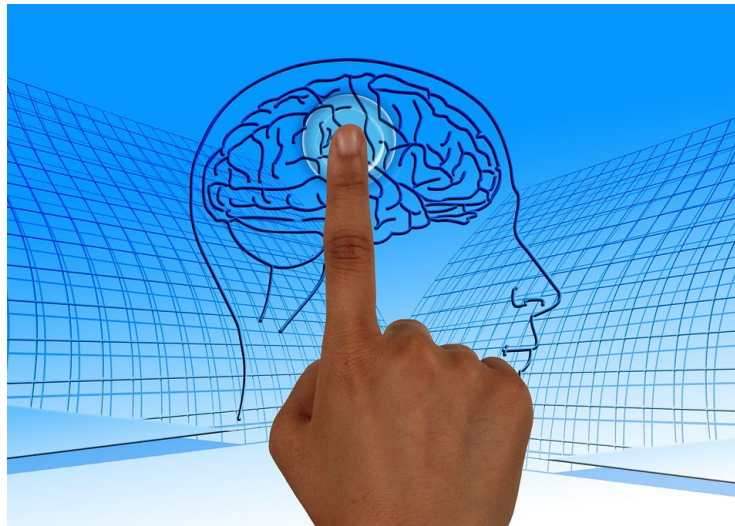
A New Type of Manufacturing Worker

Why Talent Chooses to Work on an Outsourced Team

Stability



Upskilling Opportunities



Non-Traditional Career Paths



Why Kelly SPS May Be Right for You

Imagine if you could take your current contractor monthly retention rate from 40 to 90+ percent - Kelly SPS has changed the game in talent attraction and retention by viewing the world of work from the lens of our talent. With a current retention rate of **96.1%**, we are creating the future for contingent workers.

Kelly has a solution that bridges the gap between temporary and full-time employment, taking the complexity out of contracting high-value workers in the light industrial and professional space



Why Kelly BPO May Be Right for You

Kelly Business Process Outsourcing (BPO) is **a solution that allows you to spend more time working on your business and less time working in it.** Many customers fear that outsourcing a function or task means giving up all control over the outputs of the work.

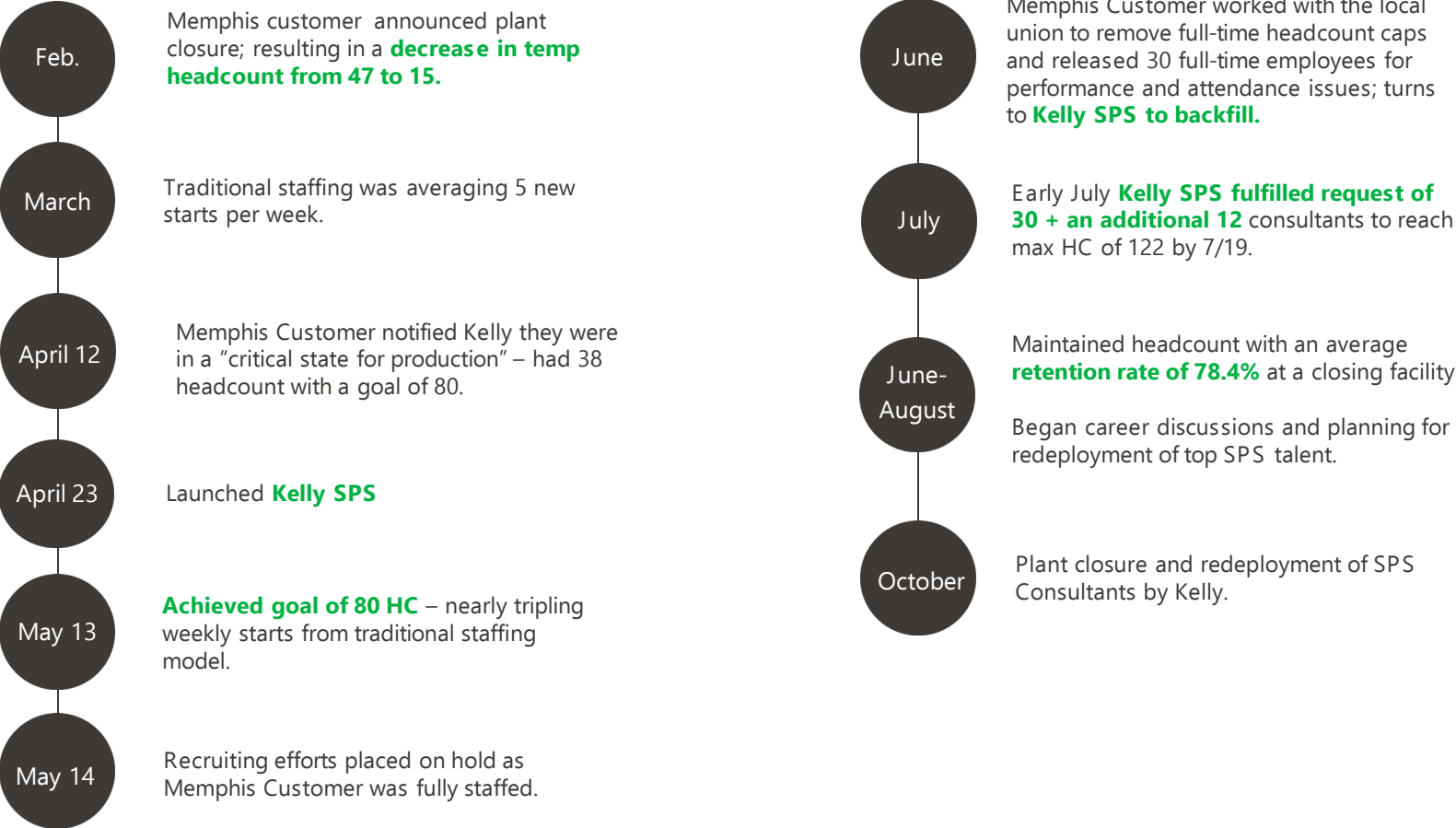
What if training, productivity and turnover management became the responsibility of your supplier? Kelly BPO's leading management structure, coupled with our proprietary "Optimized" tool will help drive improvements in your worker culture and ultimately lead to cost savings within your organization. Improving turnover and efficiency is what we do best.



Kelly[®] optimize



Customer Timeline



Removing Hiring Barriers





- Rethink unnecessary education requirements
- Be a more diverse and inclusive employer
- Embrace and support temporary workers

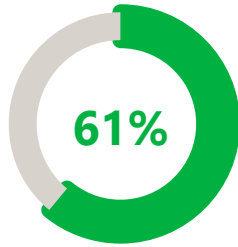
Q&A



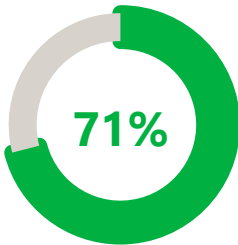
Appendix

Deploying Automation can improve the employee experience

There is a lot of talk about AI and automation these days. Many businesses have likely already deployed these tools to save time and money.



61% of Resilience Leaders are successfully automating aspects of their business to improve workforce resilience, versus just 33% of organizations that are struggling.



Employees see the advantages of automation too, with **71%** saying automation is positive for business.

Why Kelly?



We're proud to have just been named **America's Best Temporary Staffing Firm** by Forbes

Kelly Science, Engineering, Technology & Telecom Kelly Education Kelly Professional & Industrial

KellyOCG International

Let's tear down unjust barriers to work

[JOIN US](#)

We connect more than **450,000** people with some of the best companies around the world every year



Kelly invented the staffing industry in **1946** by founder William Kelly

Forbes **2023**
**AMERICA'S BEST
TEMPORARY
STAFFING FIRMS**

POWERED BY STATISTA

Kelly operates as **five specialty business units** – laser-focused on our clients' and candidates' needs

Work that works for you

Progress and growth can best be achieved when a career is in motion. We're here to help ensure your career journey aligns with your preferred workstyle and lifestyle.

Search by keyword
What kind of job do you want?

[SEARCH JOBS](#)



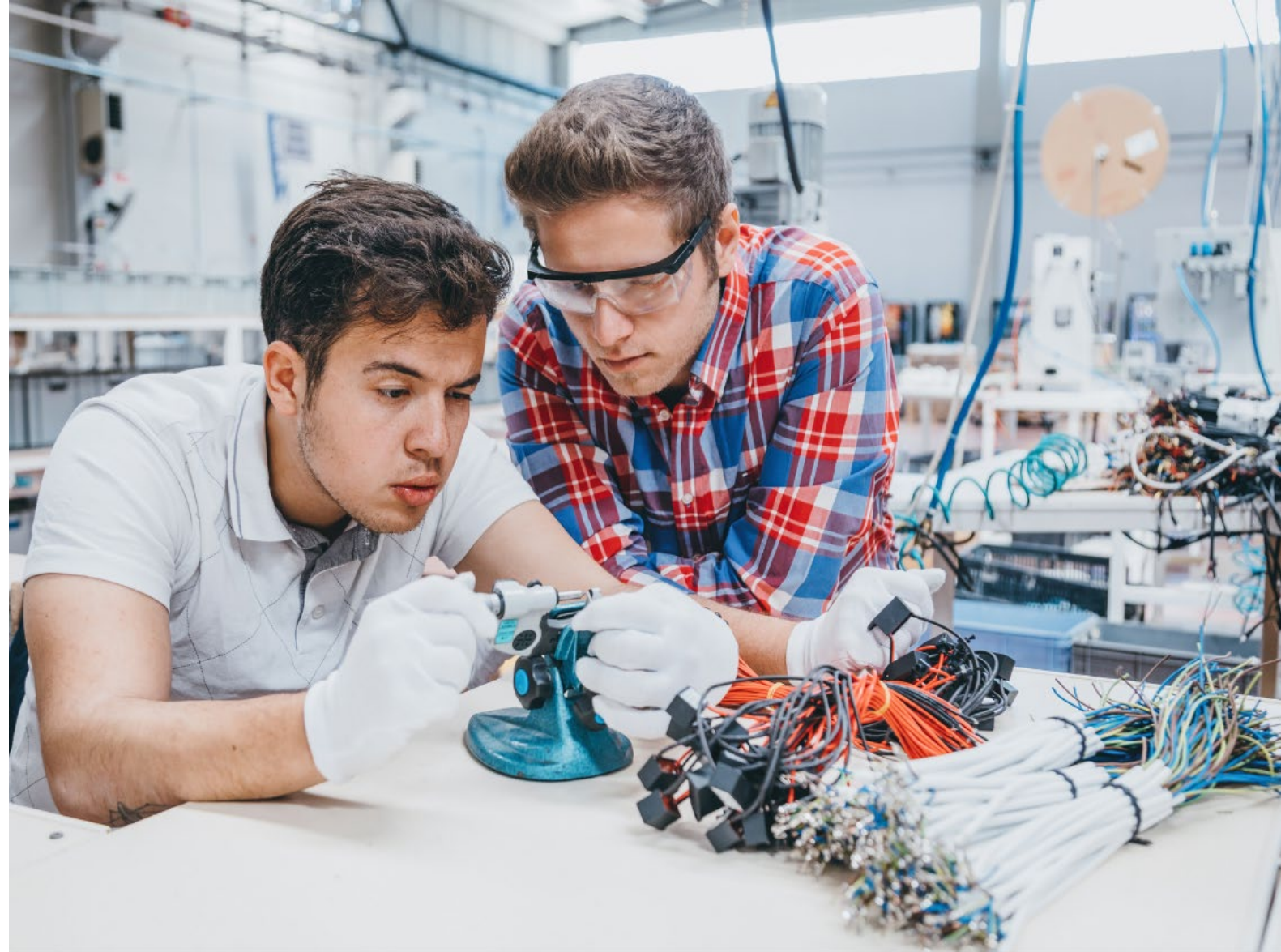
What's next in your car

Keeping your career in motion is the best. Find out what's next in your career by taking

[TAKE OUR QUIZ TO FIND OUT](#)



Deploying Automation to Improve the Employee Experience



WHAT IS KELLY BUSINESS PROCESS OUTSOURCING?

Kelly Business Process Outsourcing (BPO) is **a solution that allows you to spend more time working on your business and less time working in it.** Our BPO-led engagements are committed to sequential business process improvement for you and the workstreams you oversee. Our reliable and highly engaged workforce is a talent pool that looks to improve your processes, create more efficient environments and reduce turnover within your facilities.

Many customers fear that outsourcing a function or task means giving up all control over the outputs of the work. A partnership with **Kelly BPO becomes an extension of your operations** and **turnover, training, and managing headcount becomes our responsibility, allowing you to focus on your production outputs and fine-tuning your business.** Our engaged workforce allows talent growth opportunities to become shift leaders, operations supervisors, trainers and gain new skills, helping to give talent the growth and diversity of duties.

With our proprietary Kelly Optimize tool, Kelly BPO can increase meaningful productivity through deep visibility into where workers are spending their time, allowing you to create innovation and efficiency.

From a talent perspective, working with Kelly BPO allows the talent to develop new skills and provides them with non-traditional career paths. As full-time Kelly Employees, our BPO team consultants are cross trained on every aspect of the work process, giving a sense of ownership to ensure their function is exceeding the customer's expectations. They become true partners, ensuring that are exceeding the KPI's and SLA's of your engagement.

AREAS THAT A KELLY BPO ENGAGEMENT CAN IMPACT YOUR WORKFORCE

- Management of lines
- Training to Productivity
- Non-Traditional Career Paths
- Workforce Build in Talent-Challenged Markets
- Retention Initiatives
- Upskilling Initiatives
- Reducing Turnover
- Automation

KELLY SPS: Career Stability for our Workforce

Kelly has a solution that bridges the gap between temporary and full-time employment, taking the complexity out of contracting high-value workers in the light industrial and professional space. **Skilled Professional Solutions (SPS)** allows companies to engage career professionals not just as consultants, but as subject matter experts who actually perform the work. This solution brings talent with hands-on experience to your organization for the duration of a project, regardless of its length. With a **96.1% monthly retention rate** and a track record of **reliability and shortened productivity curves**, this talent can be invested in to learn new skills and experiences within an organization, allowing the consultant to fill gaps for positions where talent supply in your given market may be difficult to procure. Kelly's management of these professionals coupled with a leading benefit package—makes it easier for companies to **retain or reengage** them, bringing greater continuity to your workforce. Once the SPS consultant completes their engagement, they are given **priority redeployment** to new projects, and can be brought back to your organization for future project needs.



TARGET SCENARIO AND ROLE EXAMPLES OF SPS CONSULTANTS

- High Turnover Roles
- Pre-Identified Talent
- Workforce Build
- Automation Initiatives
- Closing/Opening of Facilities
- Retention of Critical Contractors
- Retiree Reengagement
- Automation Initiatives
- Project Work
- Difficult to Staff Shifts
- Tenure Limits
- Market Competitive Roles
- Extended Leaves
- Reassignment of Existing Staff to Complete Projects
- Contract Recruiting Roles
- HR Roles
- MFG and Assembly Roles
- Skilled Trade Roles
- Training Roles
- Accounting/Finance Roles
- Purchasing/Procurement Roles
- Workforce Development Roles
- Administrative/Clerical Roles