STAFFING INDUSTRY ANALYSTS

Just-in-Time Staffing

Thinning the line between the Human Cloud and traditional staffing

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Key Findings:

- This report is a first-look at the budding "Just-in-Time" staffing industry. Just-in-Time staffing refers to a distinct "breed" of online staffing platforms that facilitate short-term, shift-based, on-site, "blue collar" work engagements found and accepted via a smartphone application. Workers can "choose" the jobs they want more or less freely, as the platform vets workers prior to letting them work. In some cases, the company acts as the employer of record, just like a staffing firm.

- These companies are a relatively new phenomenon. The earliest known provider was founded in Switzerland in 2009. Half of the known providers were founded after 2013. Many of the founders/investors in these companies have backgrounds in staffing.

- Five firms in our report are US-based, four are based in Europe, and one firm is based in Australia.

- Global revenue was between USD 40 and 50 million in 2015, by our estimates, although the industry is so new several of the providers in the report only had their product deployed for part of the year in 2015. Despite the small size of the industry, companies have obtained substantial investments and are growing revenue 2X – 6X per year.

- Just-in-Time staffing firms have gross margins that are similar to traditional office/clerical & industrial staffing firms.

- For larger staffing firms that want to be a "one-stop-shop" to their clients for workforce solutions and total talent management, Just-in-Time staffing may be one piece of the puzzle to bring under their umbrella.

- This report assumes the reader is familiar with our Human Cloud taxonomy. If you are not familiar, please read our report, "The Workforce Solutions Ecosystem", published in September 2015.

- Unless otherwise indicated, all currency in the report is denominated in USD.

A detailed survey was sent to ten companies operating in the Just-in-Time staffing space in February 2016. Six firms completed the survey, two declined, and two did not respond to our request. Calls were held with the leadership of each of the six firms throughout the process for validation and additional insights. The firms that participated in the survey are:

- *BlueCrew*
- *Jobble*
- *Shiftgig*
- *Sidekicker*
- *Syft-App*
- *Wonolo*

Even if a company did not provide information or participate in the survey, we used several external sources and references to make estimates.

We acknowledge there may be other Just-in-Time staffing providers not covered in this report.

A note on the name, "Just-in-Time staffing"

Since managing variability in workforce demand is a key value proposition of any staffing firm, an argument could be made that all staffing firms are inherently "just in time", and that assigning the label "Just-in-Time" to a particular category of providers is a misnomer. When thinking of a name for this kind of platform, other options we considered included the slightly more cumbersome but specific "Web-based On-site Staffing" and "Web-based Traditional Staffing". Ultimately, we opted to go with Just-in-Time staffing, since it has already gained traction with providers and their customers, and because, given the nature of the work facilitated by these companies, it is a reasonable description of what they do. We acknowledge that there are many firms not in this report whose service could also reasonably be described as "just in time".

Where is Just-in-Time Staffing in The Workforce Solutions Ecosystem?

The chart to the right highlights interconnected components of the Staffing Industry and other types of Workforce Solutions. We put staffing in the middle of this chart, while the category "Talent Acquisition Technology" lies below it.

The **Human Cloud** is an emerging set of work intermediation models/businesses that enable work arrangements of various kinds to be established and completed (including payment of workers) entirely through a digital/online platform. It can be thought of as the global aggregate of all "gig economy" companies, from Upwork to Uber.

"**Online staffing**" is a Human Cloud business model that enables specific hirers and specific (typically contingent) workers to enter into, complete and transact work arrangements. It is the oldest Human Cloud model, arising in the early 2000s. There is a direct legal relationship between the hirer and worker, which the platform enables. Just-in-Time staffing firms fall within this sub-category.

Job boards do not fall within our definition of the Human Cloud, as while these platforms support the sourcing and recruitment of candidates, they do not further enable or support work arrangements through to their completion (including payments, tax filings, etc.). On page 12, we refer to some job board providers that are focused on "blue collar" occupations and have created mobile phone offerings. However, we note that these are not Just-in-Time staffing firms nor are they in the Human Cloud.

In the chart, there is not much space between the center circle representing staffing and the cloud where online staffing firms reside. It's fitting that the two are ecosystem neighbors, as their business models appear to be converging, and Just-in-Time staffing firms are certainly thinning the line between traditional staffing and the Human Cloud.

Source: Workforce Solutions Ecosystem, Staffing Industry Analysts

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The companies in this report: an overview

Below is a chart with key information about the Just-in-Time staffing firms we have identified, listed alphabetically. In this chart and throughout this report, we at times make estimates where full information was not provided by the company. Any figures estimated by Staffing Industry Analysts are noted where appropriate.

| Company | HQ | Regions | Year founded | Funding (USD millions)[1] | 2015 Revenue (USD millions)[2] | Temporary workforce | | Survey response[3] | Website |
						% W-2/temp agency worker	% 1099/self-employed		
BlueCrew	US	California	2015	2.7	< 1	100%	0	Yes	www.bluecrewjobs.com
Flexbook	Netherlands	Countrywide	na	na	< 1	na	na	None	www.flexbook.nl
Goworkabit	Estonia	Countrywide	2013	.021	< 1	na	na	Declined	www.goworkabit.com
Jobble	US	Boston, NYC	2015	.035	<1	0	100%	Yes	www.jobbleapp.com
Shiftgig	US	Atlanta, Chicago, Dallas, Houston, Memphis, Miami, NYC, Phoenix, Tampa	2012	36	10 - 15	95%	5%	Yes	www.shiftgig.com
Sidekicker	Australia	Australia, New Zealand	2012	.22	1.2	90%	10%	Yes	www.sidekicker.com.au
Staff-Finder	Switzerland	Countrywide	2010	na	25	100%	0	Declined	www.staff-finder.jobs
Syft-App[4]	UK	London	2015	na	0	100%	0	Yes	www.syft-app.com
Werkly[5]	US	na	2013	na	0	na	na	None	www.werkly.com
Wonolo[6]	US	California, New York, New Jersey	2013	9.1	< 10	0	100%[2]	Yes	www.wonolo.com

1. Source: Crunchbase, Angel.co, Staffing Industry Analysts
2. *Staffing Industry Analysts estimate*
3. *"Yes" indicates the company completed our survey. "None" indicates we received no response at all from a company. "Declined" indicates the company responded to our survey request, but declined to participate.*
4. *While Syft-App was founded in 2015, its product was not "launched" until January 2016. Thus, it had no revenue in 2015.*
5. *Company appears to still be building platform and/or populating its marketplace.*
6. *Wonolo has a SaaS-based business for companies to manage internal workforces. Our estimates (for both revenue and workforce) only apply to the "Just-in-Time staffing" business, and not to any other business line.*

Just-in-Time Staffing

Just-in-Time Staffing (JITS) is a subset of the roughly 160+ online staffing platforms[1] that provide on-site staff augmentation services (typically at the lower end of the skill spectrum, e.g. light industrial, office/clerical) via an online/smartphone-based digital platform. Often the company acts as the Employer of Record for the worker(s), either themselves (handling statutory employment taxes and workers' compensation as a traditional staffing firm would) or via a payrolling firm.
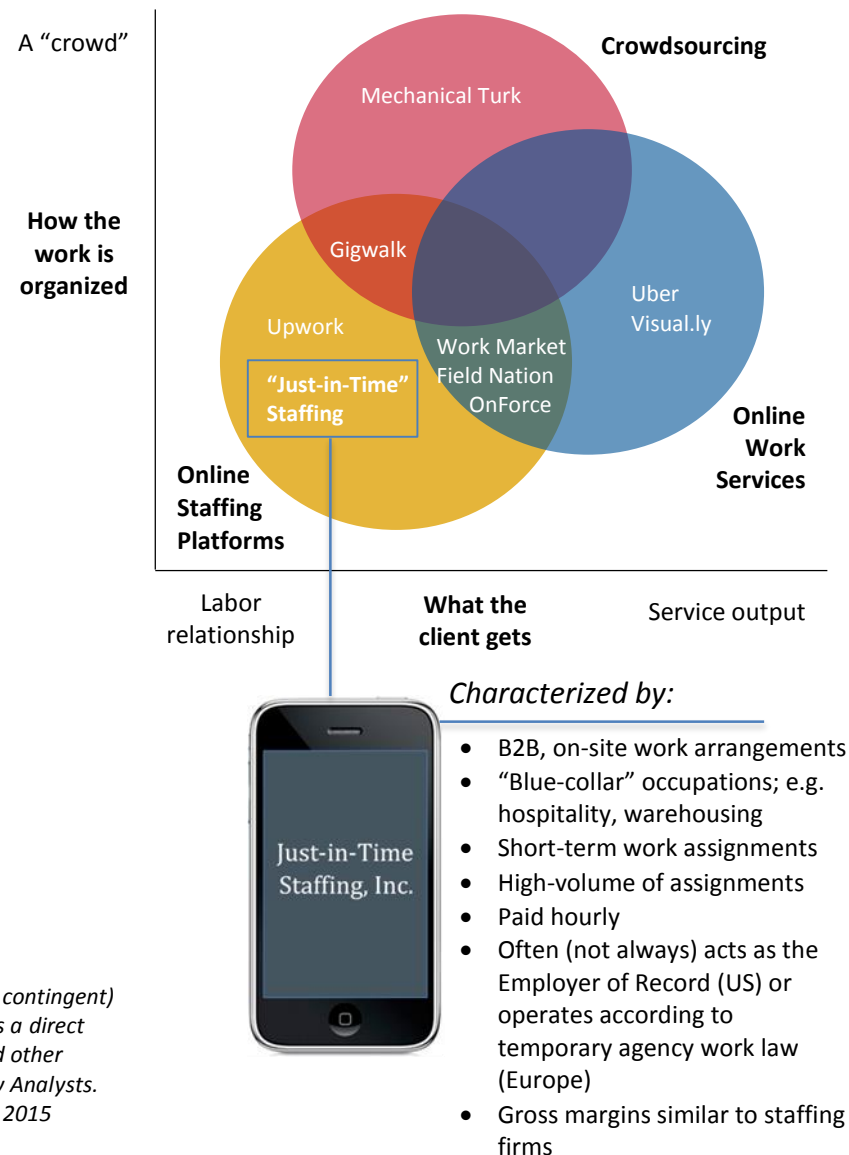
The work engagements are characterized by being very short-term in nature (the average length of assignment among participants in this survey is between four and eight hours), often done at scale (e.g. 50 – 100 event staff sent to a concert), paid hourly, and typically filled in a very short period of time (e.g. minutes to an hour); hence the acronym, "Just-in-Time".

These companies are unique in that they combine the technology of more typical freelancer marketplaces like Upwork (such as a two-sided digital labor marketplace, ratings system, and algorithmic recruiting, management, and matching) with services that are typical of a more "traditional" staffing firm. Essentially, these providers are a web/smartphone-enabled *staffing service* for on-site blue collar work*.

As can be seen from the chart on page 5, JITS tend to come in two distinct flavors: those that, in the US, act as the Employer of Record (or subcontract to payrolling firms) providing W2 workers, and those supplying 1099 independent contractors. The European version of Employer of Record is where the platform operates according to temporary agency work law and takes responsibility for paying the workers' tax and social charge obligations. For further information on this issue, see page 13.

1. *Online staffing platform: An online/digital platform (Human Cloud) model that enables specific hirers and specific (typically contingent) workers to enter into, complete and transact work arrangements. It is the oldest online work intermediation model. There is a direct legal relationship between the hirer and worker, which the platform enables. For more information on these companies and other online work platforms, please see "The Human Cloud Landscape: 2015 Update", published July 22, 2015 by Staffing Industry Analysts.*
2. *For more information on this framework and the companies in the Human Cloud, please see "The Human Cloud Landscape: 2015 Update", published July 22, 2015 by Staffing Industry Analysts.*

The Human Cloud framework and taxonomy[2]

Characterized by:

- B2B, on-site work arrangements
- "Blue-collar" occupations; e.g. hospitality, warehousing
- Short-term work assignments
- High-volume of assignments
- Paid hourly
- Often (not always) acts as the Employer of Record (US) or operates according to temporary agency work law (Europe)
- Gross margins similar to staffing firms

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Just-in-Time staffing vs. traditional staffing (even when they have mobile apps)

We note that many traditional staffing firms have websites, and some have even built smartphone applications (three examples include Randstad, Adecco, and Manpower, which all have a smartphone app of some kind at the time of this writing; below are screenshots of two of them). That said, these applications support those companies' core staffing business, and do not supplant a recruiter-based business model. JITS, on the other hand, automates recruiting by allowing workers to more or less freely choose their assignments, using data to steer jobs towards the best workers.

To illustrate, a temporary worker that downloads ManpowerGroup's app can find available jobs from Manpower, and even apply to those jobs through the company's mobile device by uploading a resume or submitting his work history. From there though, the process reverts to a staffing-centric one; a recruiter typically will review the application and reach out to the applicant if they feel the worker is qualified. In short, the mobile application serves more as a company-branded job board for its own requisitions than an "Uber-like" staffing service to automate the deployment of temps to very short-term assignments.
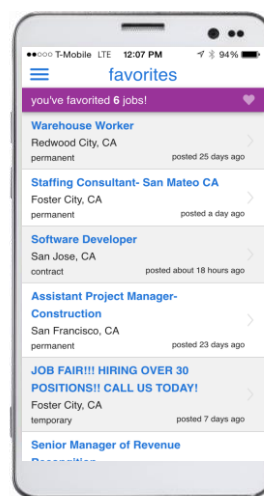
JITS mobile applications on the other hand, after having prescreened candidates, let the workers themselves more or less choose which open assignments they would like to perform. Workers are notified of (or can search for) jobs near them, and workers (as opposed to recruiters) "accept" jobs and manage their own schedules. In other words, with JITS, the *workers* on the platform largely make the decision of when and how much to work.

### Just-in-Time staffing mobile application
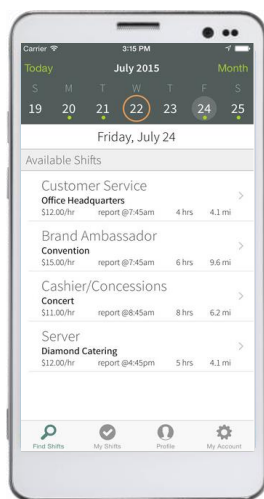
Source: Screenshot taken from
https://itunes.apple.com/us/app/shiftgig/id895564677?mt=8 on 3/9/2016

Randstad's mobile application

We note that we did not demo every mobile application offered by staffing firms. There may be more companies offering a mobile application. Also, Randstad and ManpowerGroup's mobile applications may have some attributes beyond those described here. This illustration is meant to convey what we view as the most typical example of a traditional staffing company's mobile application.

Source: Screenshot taken live from "Randstad Job Search" app, downloaded and accessed 3/9/2016

ManpowerGroup's mobile application
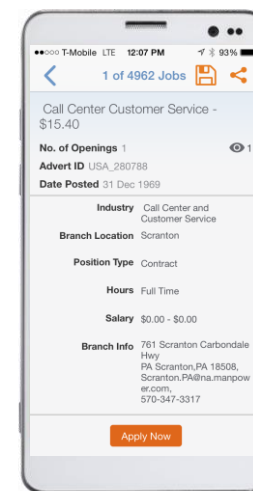
Source: Screenshot taken live from "Jobs – Manpower USA" app, downloaded and accessed 3/9/2016

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Just-in-Time Staffing vs. "typical freelancer marketplaces" and other 3rd party workforce management software

While Just-in-Time staffing firms share characteristics with online staffing platforms, they appear to be a new "breed" of online staffing platform, with significant differences from typical "freelancer marketplaces". First, while the majority of online staffing platforms remain focused on remotely performed work (often paid for on a project basis), Just-in-Time staffing firms are focused on hourly-based, on-site, geo-specific staff augmentation.

Another difference is that while (with some exceptions) most freelance marketplaces classify workers as independent contractors, many Just-in-Time staffing companies act as the Employer of Record for the temporary workforce, just as a staffing firm does. Lastly, while online staffing platforms often source creatives, writers, designers, IT/technology professionals, office/clerical and other "white collar" jobs, Just-in-Time staffing firms focus on light industrial/"blue-collar" jobs as well as office-clerical roles.

Some 3rd party software providers also offer technical functionalities similar to those offered by Just-in-Time staffing firms. That said, 3rd party software companies do not "own" or "actively manage" the workforce; they simply enable companies (such as a staffing firm) to use their software. For example, a staffing firm might buy 3rd party software to mimic some of the technical features of a company like Shiftgig, but the software provider is not servicing the end clients - the staffing firm is. Just-in-Time staffing companies, on the other hand, are both the servicers of the end-client and the technology provider that enables the delivery of such service.

	Just-in-Time Staffing	Typical "freelancer marketplace"-oriented online staffing platform
B2B or B2C?	B2B (Business to business)	B2B and B2C (Bus. to consumer)
Primarily on-site or remote?	On-site	Mostly remote
Method of recruitment and matching to assignments	Platform/algorithm finds candidates and makes the match. Limited use of recruiters.	Virtually no use of recruiters
Classification of workers	Often (not always): employees/temporary agency workers	Often (not always): independent contractors/self-employed
Arrangement of work	Mostly short-term, *shift-based work* (measured in hours)	Often short-term, *project-based work* (measured in deliverables)
Main industries served	Industrial, warehousing, office/clerical, food and hospitality, retail	IT, creative/marketing, design, content creation, office/clerical
Workers referred to in marketing as…	'Temp', 'staff', 'employee', 'temporary staff'	'Freelancer'
Thought of as primarily tech or service?	Hybrid	Tech

Key components of Just-in-Time staffing technology

To the right are some of the common technical features Just-in-Time staffing firms noted, displayed in aggregate. We show them as coming out from a smart-phone, since that is the primary method by which workers engage with Just-in-Time staffing firms to find jobs.

The functionalities to the right, especially when looked at simply as a list of "features", are at first glance perhaps not particularly unique or groundbreaking. Many kinds of software offer similar features, and online staffing platforms have offered ratings systems and online profiles for over a decade. Location-based matching technology is a relatively recent development (arising with the advent and adoption of smartphones that can be tracked by GPS), although the concept has been used by other "gig-economy" companies for at least five years.

The "special sauce" of this particular breed of platforms appears to be the degree to which they can automate the recruiting and placement of temporary workers (enabled by "proprietary" algorithms that incorporate a worker's history, performance ratings, location, preferences, cost, or other data), the speed and scale at which they can do so (i.e. placing 80 temps for a half-day shift), and the fact that similar to a staffing firm, the platform is accountable for the service outcome.

In other words, the ultimate purpose of the technology is to get more of the right temporary workers deployed faster and deliver fill rates close to 100% with as little human intervention as possible. Since the Just-in-Time staffing platform itself is ultimately responsible for the service outcome (as opposed to, for example, a 3rd party software company which might sell similar technology features to a staffing firm), what is unique about JITS firms is not just the technology itself, but the fact that the companies provide a technology platform while assuming responsibility for the service as well.

Technical functionalities of a Just-in-Time staffing firm

Smartphone application

Data driven job matching algorithm incorporating work history, ratings, worker location, client/worker preferences to "automate" recruitment/placement

Ratings system

Worker vetting, including background checks, paperwork, onboarding

Worker profile, resume

Time sheet submittal, approval; GPS validation

Messaging

Workforce management/analytics

Workforce scheduling, availability, etc.

Payments

Just-in-Time Staffing, Inc.
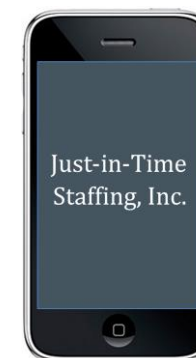
Ratings: opportunities for staffing firms

The ratings system of JITS warrants an additional note, since it largely enables the "paradigm" shift in power from recruiters to workers, allowing workers to self-select work assignments. This type of rating system - whereby clients "rate" workers after having performed an assignment – is less common in traditional staffing in this form. (For example, you wouldn't expect to go to a major staffing firm's website and see temporary worker ratings).

That's not to say temporary staffing firms do not rate workers at all. Temporary teachers and nurses, for example, are both pre-vetted based on work history and allowed in some cases to self-select assignments to a lesser or greater degree by staffing firms. As better data on temporary worker quality leads to more informed decisions, the ability to implement some kind of rating system is an opportunity for traditional staffing firms.

★★★★★ Excellent
★★★★★ Above Average
★★★★★ Average
★★★★★ Below Average
★★★★★ Poor

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2015 Global gross revenue: Less than USD 50 million, but some providers growing 2X – 6X

We estimate that the combined revenue of all providers was between USD 40 and 50 million in 2015, with Switzerland-based Staff-Finder the largest, generating revenue of approximately USD 25 million. To put those numbers in context, global temporary staffing revenue was USD 361 billion in 2015, by our estimates.

Although Staff-Finder was the largest provider in terms of revenue by our estimates in 2015, we note that it is also the "oldest" firm, founded in 2009, and thus had a head start. Data from other firms indicates that some are growing revenue at a rate of 2x – 6x per year, and at least three have raised substantial capital to help expand their business, as seen on the next page. Based on trends seen in the latter half of 2015 and the first two months of 2016, we expect one or two additional firms to break the USD 25 million mark in 2016.

We note that while the revenue amounts were small in 2015, the industry is nascent. Six of the ten firms were founded in or after 2013, and there is typically a 12 – 18 month development cycle to build these types of technology platforms.

	2015 Gross revenue (USD millions)	Year founded
BlueCrew	< 1	2015
Flexbook	< 1	na
Goworkabit	< 1	2013
Jobble	< 1	2015
Shiftgig	10 - 15	2012
Sidekicker	1.2	2012
Staff-Finder	25	2009
Syft-App	0	2015
Werkly	0	2013
Wonolo	< 10	2013

Source: Staffing Industry Analysts

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Despite nascence, "Blue-Collar"-focused online work platforms attracting investors

Despite the relatively small revenue these providers generated in 2015 as seen on the previous page, the potential of this kind of staffing solution has aroused investors. As seen to the right, firms have invested increasing amounts of money into these providers (sometimes in excess of their total revenue as estimated by Staffing Industry Analysts), as well as into other types of talent acquisition technology focusing on "blue-collar" work such as mobile-enabled job boards which serve the "blue collar"/light industrial/hourly workforce (see bottom graph).

While we don't consider the companies in the bottom graph JITS firms (as they only facilitate the sourcing of applicants and not a full work arrangement from sourcing to payment via their platform), it's not a stretch to imagine one of those companies building a Just-in-Time staffing offering.

These investments are important for two reasons. First, Just-in-Time staffing firms will be able to expand much quicker than otherwise possible. For example, Shiftgig, which has cumulatively raised USD 36 million, has expanded to nine US markets. Second, it means that there will likely be a flock of entrants in the coming months and years, making the space increasingly competitive, as tech entrepreneurs and other investors will be lured by the prospects of funding and growth.

Just-in-Time Staffing Firms				
Year	Month	Company	Raised (USD '000s)	Cumulative (USD '000s)
2012	November	Shiftgig	3,000	3,000
2013	-	-	-	-
2014	January	Sidekicker	220	220
	February	Goworkabit	21	21
	November	Shiftgig	11,000	14,000
2015	March	Jobble	35	35
	May	Wonolo	2,200	2,200
	October	BlueCrew	2,700	2,700
	November	Shiftgig	22,000	36,000
2016	February	Wonolo	5,700	7,900
	March	Staff-Finder	21,868[1]	21,868[1]
Cumulative to date:			**68,744**	

Sources: Crunchbase.com, Angel.co
1. Converted from Euro to USD at 1.0934 EUR/USD

Mobile enabled job boards for hourly/"blue collar" workers				
Year	Month	Company	Raised (USD '000s)	Cumulative (USD '000s)
2006	July	Snagajob	9,000	9,000
2009	January	Snagajob	5,000	14,000
2011	March	Snagajob	27,000	41,000
2016	January	Job Today	10,000	10,000
	February	Cornerjob	10,000	10,000
	February	Snagajob	100,000	141,000
Cumulative to date:			**161,000**	

Sources: Crunchbase.com, Angel.co

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Not just Independent Contractor Labor Arbitrage: At least five platforms provide Temporaries acting as the Employer of Record for majority of workers

We asked respondents to tell us how they handle the classification of workers on their platform, as well as the percentage of workers that are classified as "employed/agency temps" or "self-employed/independent contractors". BlueCrew, Syft-App, and Staff-Finder noted that they exclusively classify workers as "employed/agency temps". Shiftgig and Sidekicker noted that the vast majority (at least 90%) of their temp workforce was engaged as "employed/agency".

Jobble noted that it classified all workers as independent contractors, while Wonolo declined to answer this question. Based on the verbiage in the contract on Wonolo's website, we estimate that 100% of the workers on Wonolo's marketplace are also classified as independent contractors[1].

The fact that some Just-in-Time providers are classifying workers as "employed/agency temps" is important for two reasons. First, online staffing firms have been accused of being predicated on cost savings achieved in part by avoiding paying statutory expenses for workers engaged through their platforms. Yet, this argument is less applicable to JITS firms that act as the Employer of Record for their workforce and include such costs in their pricing.

Second, it makes these companies look more like staffing firms, as the notion of an online staffing firm classifying workers as "employed/agency", although not unheard of (Upwork, for example, pays a portion of its freelancers as employees), is still novel. When JITS firms act as the Employer of Record for workers, especially given the more "staffing-like" nature of the work actually being performed, it thins the line between what one might describe as a "traditional" staffing agency and an "online" staffing firm.

		% of temporary workforce "employed/agency worker"	% "self-employed/ independent contractor"
United States	BlueCrew	100	0
	Jobble	0	100
	ShiftGig	95	5
	Wonolo[1]	0	100
Europe	Staff-Finder	100	0
	Syft-App	100	0
APAC	Sidekicker	90	10

Source: Staffing Industry Analysts

1. Wonolo noted in their response that they also have a SaaS-based solution that clients can use to manage their own internal workforces. Workers engaged in this model would technically be classified as 'employed', since they are internal workers of the company using the platform to manage the workforce.

"Employer of Record" is a prevalent term in the US and is less common elsewhere. Even in markets where the term may not be used, JITS firms are still assuming responsibilities beyond the typical online staffing platform. For example, JITS firms providing temporary workers in Europe take on responsibility for paying the workers' taxes and social charges, as well as abide by local legislation relating to the supply of temporary agency workers as well as the EU Agency Work Directive.

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Average assignment lengths for Just-in-Time firms are generally shorter than assignment lengths of traditional staffing firms

We asked respondents to estimate the average length of assignment for jobs filled through their platforms. The results are shown to the immediate right. The longest average reported length was one week (BlueCrew), with other responses ranging between 4 and 8 hours.

For comparison, in our 2015 North America Staffing Company Survey we asked traditional staffing firms to estimate their average assignment length for temporary workers. The distribution of answers is given in the graph at the bottom (reported in weeks), organized by occupational segment focus (commercial vs. professional).

The clear difference between the two sets of responses is that Just-in-Time staffing firms generally facilitate much shorter work arrangements than do staffing firms. This may be because traditional staffing firms tend to focus their efforts on longer work assignments, as, for example, a four-month temporary assignment is likely more profitable than a four-hour shift.

Just-in-Time staffing firms, on the other hand, being mostly enabled by technology as opposed to manual recruitment processes, incur fewer additional costs for matching workers to additional assignments (regardless of length), and since they are able to fill assignments of very short duration in a more efficient manner, make up for in bulk what they lose in length.

Average assignment length, JITS		
United States	BlueCrew	1 week
	Jobble	4 - 8 hours
	ShiftGig	6.5 hours
	Wonolo	4 - 8 hours
Europe	Syft-App	6.8 hours
APAC	Sidekicker	6 hours

Source: Staffing Industry Analysts

Professional (weeks)			Commercial (weeks)			# of companies
25th	Median	75th	25th	Median	75th	
13	26	38	8	13	18	300

Source: 2015 North America Staffing Company Survey: Temporary worker assignment lengths and tenure discounts, Staffing Industry Analysts

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Most common occupations are food and hospitality, promotion/event staff, customer service/admin and distribution/logistics

We asked respondents to list the five most common occupations sourced through their platform (regardless of industry). The table below lists the responses. For Flexbook and Staff-Finder, occupational data was gathered from their websites. The five most common occupations noted by respondents fall broadly into one of four light industrial/office-clerical occupational categories, color coded below.

Data from the US Bureau of Labor Statistics (BLS) suggests that some of the occupations Just-in-Time staffing firms focus on are underserved by traditional staffing firms. For example, The BLS category "Food Preparation and Serving Related Occupations" (a proxy for hospitality-related jobs) had a temporary staffing penetration rate of just 0.3% in 2014[1]. This suggests both how hard it is to profitably staff these kinds of jobs via traditional methods, and the opportunity available to firms with a more efficient, technology-oriented solution.

Most common occupations					
United States	BlueCrew	Distribution center staff, e-commerce facility staff	Janitorial	Moving	Data entry	Customer support
	Jobble	Delivery drivers	Retail acquisition	Brand ambassadors	Street team	Tradeshow ambassadors
	ShiftGig	Banquet servers	Cooks	Bartenders	Call center agents	Cashiers
	Wonolo	Event Staff	Warehouse/distribution fulfillment center staff	Call-center staff	Food & hospitality staff	Retail staff
Europe	Staff Finder	Caterers, Chef, Barman	Sales assistants, Cashier, cleaning assistant	Promoters, receptionists	Financial, accounting, secretarial	Assembly/ dismantling
	Syft-App	Waiting staff	Bar backs	Bar staff	Hostess	Event staff
	Flexbook	Caterers				
APAC	Sidekicker	Business administration	Wait and bar staff	Promotion staff	Event staff	Customer service staff

We note that the four categories below may not be a "perfect fit" for every single response. Nonetheless, we feel the categorization is reasonable.

Food and hospitality
Promotional/event staff
Customer service/retail/admin
Distribution/logistics

Source: Staffing Industry Analysts
1. Source: US Bureau of Labor Statistics and Staffing Industry Analysts. For more information on employment levels and temporary staffing penetration rates by occupations in the US, please see "2015 US Staffing Occupational Markets Guidebook", an Excel-based tool published by Staffing Industry Analysts.

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Pricing model and gross margins similar to industrial & office/clerical staffing firms

We asked respondents to describe their pricing model and report their average gross margin in 2015. Just-in-Time staffing firms noted that they charge a percent of workers' wages as their fee, similar to a staffing firm. Respondents reported gross margins that ranged from the mid-teens to upwards of 30%, with most responses falling between 20% and 25%.

The fact that these firms have gross margins comparable to those of commercial staffing firms is important, as it suggests JITS firms can "have their cake and eat it, too". Despite operating efficiencies that arise from using a technology-based workforce deployment system (such as lack of overhead from additional offices, recruiters, etc.), the firms are commanding gross margins similar to (and in some cases in excess of) commercial staffing firms.

Sample of gross margins by business type

Online staffing (typical freelancer marketplaces):	Gross Margin
Upwork (marketplace only)[1]	10%
Traditional Staffing Firms	
Office clerical staffing (median)[2]	20.6%
Industrial staffing (median)[2]	15.6%
All staffing (median)[2]	23.3%
Just-in-Time Staffing Firms	
Just-in-Time Staffing (most responses)	20% - 25%

1. Source: https://support.upwork.com/hc/en-us/articles/211062538-Upwork-Service-Fee. We note that this gross margin is only reflective of Upwork's marketplace business, and not of its other business lines.
2. Source: SIBC Benchmarking Analysis, 2H14 v. 2H13
Source: Staffing Industry Analysts

Just-in-Time staffing not plugging in to MSP/VMS…. yet

We asked respondents several questions related to how they would work within large contingent workforce programs along with the technologies and processes that are typically associated with such programs, such as MSP[1] and VMS[2]. Our intent with the questions was to find out how this kind of solution provider would work inside of a large contingent workforce program that may have such technologies and processes in place.

Our finding was that respondents either did not have experience working within such programs, or noted they would service such programs directly as a standalone solution (e.g., an MSP could create a login via a JITS company's website and post jobs/source workers just as a customer would, with no special contract/agreement between the platform and MSP). There was no apparent ambition among any respondents to displace existing contingent workforce models such as VMS or MSP.

Thus, it appears Just-in-Time staffing companies are almost exclusively working in a direct manner with their clients, and for the time being any relationship with a VMS and/or MSP would have a similar structure. The finding is perhaps unsurprising given most firms' relatively small revenue size, although it will be interesting to see whether these platforms get incorporated into more sophisticated programs in the future.
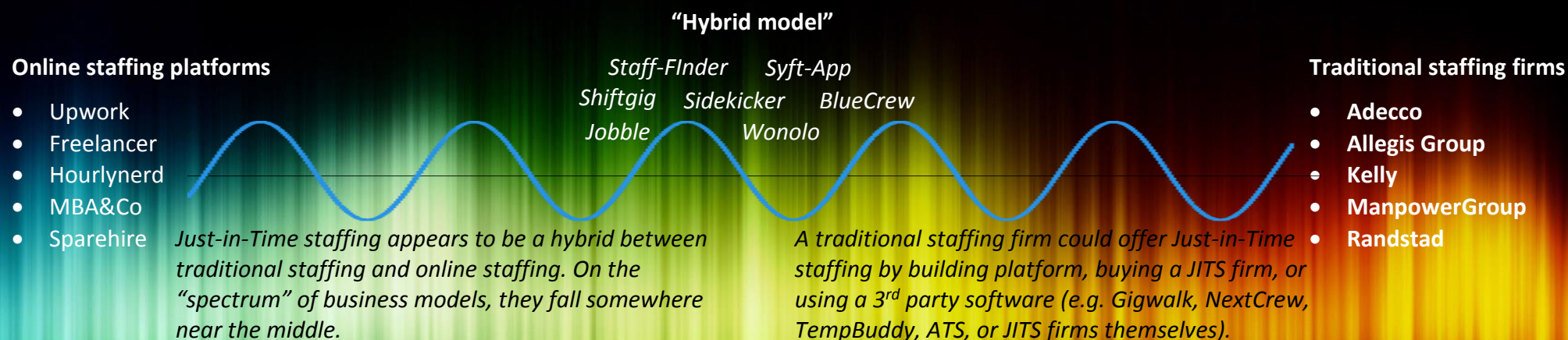
1. *Managed Service Provider*: A company that takes on primary responsibility for managing an organization's contingent workforce program. Typical responsibilities of an MSP include overall program management, reporting and tracking, supplier selection and management, order distribution and often consolidated billing. The vast majority of MSPs also provide their clients with a vendor management system (VMS) and may have a physical presence on the client's site. An MSP may or may not be independent of a staffing supplier.
2. *Vendor Management System*: Web-based application that acts as a mechanism for business to manage and procure staffing services (temporary help as well as, in some cases, permanent placement services) as well as outside contract or contingent labor. Typical features of a VMS include order distribution, consolidated billing and significant enhancements in reporting capability over manual systems and processes.

STAFFING INDUSTRY ANALYSTS

Online staffing platforms, traditional staffing and Just-in-Time staffing

Since JITS firms combine elements of online staffing and traditional staffing, they appear to be some of the first examples of a "hybrid" staffing model. In fact, these companies are the most "staffing-like" of all online staffing firms. At the same time, it's not difficult to imagine a traditional staffing firm developing a JITS-like offering for specific occupations. It's notable that some traditional staffing firms appear to be using technology to some degree, as evidenced by the mobile applications built by staffing firms as seen on page 7.

Traditional staffing firms who wish to enable this kind of solution for their own clients and temporary workforce could certainly do so, and a few likely will, though many staffing firms will likely be content to observe such developments from the sidelines. For those that wish to move towards the "hybrid zone", there are several options available to them. Since, as noted in this report, many Just-in-Time providers are still relatively small, staffing firms may be able to acquire a JITS platform for a reasonable price, and to the extent they have a large number of temporary workers and client demand for such a solution, could perhaps quickly gain some competitive advantage or market share by doing so. Some may opt to build their own platform, while another means by which staffing firms could offer such services is investing in 3rd party software (Gigwalk, NextCrew, TempBuddy, and some ATS all sell software that enables some of the capabilities of JITS). For those larger staffing firms that want to be a "one-stop-shop" for workforce solutions, Just-in-Time staffing may be one piece of the total talent management puzzle to bring under their umbrella.

"Hybrid model"

Online staffing platforms

- Upwork
- Freelancer
- Hourlynerd
- MBA&Co
- Sparehire

Staff-FInder   *Syft-App*
Shiftgig   *Sidekicker*   *BlueCrew*
Jobble   *Wonolo*

Traditional staffing firms

- **Adecco**
- **Allegis Group**
- **Kelly**
- **ManpowerGroup**
- **Randstad**

Just-in-Time staffing appears to be a hybrid between traditional staffing and online staffing. On the "spectrum" of business models, they fall somewhere near the middle.

A traditional staffing firm could offer Just-in-Time staffing by building platform, buying a JITS firm, or using a 3rd party software (e.g. Gigwalk, NextCrew, TempBuddy, ATS, or JITS firms themselves).

STAFFING INDUSTRY ANALYSTS

Appendix: Survey Respondent Profiles

Survey participation represents a significant investment of time. In return for this effort, and in order to enable readers of this report to contact the participating companies directly, we offered all participants in our survey the opportunity to provide short profiles of their companies. The information presented here was submitted by the providers and – with the exception of editing as needed for grammar, length and consistency – were not altered or amended by us. Staffing Industry Analysts does not warrant the validity of the information provided in these profiles.

The following company profiles are in alphabetical order.

Appendix: Survey Respondent Profiles

Company Name

BlueCrew

Corporate Headquarters:

San Francisco, CA

Web Address:

www.bluecrewjobs.com

Contact Name:

Gino Rooney, Co-Founder/CEO

Contact Email Address:

gino@bluecrewjobs.com

Company Description:

BlueCrew is a data-driven staffing platform for companies looking for temporary or seasonal workers for jobs including movers, drivers, forklift operators, warehouse staff, data entry personnel, and customer service reps. Using algorithms that factor in skills, experience and employer performance ratings, the BlueCrew staffing platform screens and identifies the most qualified candidates for specific positions. These candidates are then sent job requests through the BlueCrew mobile app on behalf of employers when they need to fill relevant positions. By combining smart staffing algorithms with mobile applications, BlueCrew cuts the time to fill open positions from days to minutes.

STAFFING INDUSTRY ANALYSTS

Appendix: Survey Respondent Profiles

jobble

Company Name:

Jobble

Corporate Headquarters:

Boston, MA

Web Address:

www.jobbleapp.com

Contact Name:

Corey Bober, VP of Sales

Contact Email Address:

corey@jobbleapp.com

Company Description:

Jobble's online and mobile platform connects businesses to a network of people looking to work gigs. Gig types include: Events, Guerrilla Marketing, Trade Shows/Conferences, Product Demos, Field Sales Activations, and more. The platform combats the headaches associated with using traditional ways of finding staff by providing a convenient and reliable way to find, hire, and manage help. Businesses simply post their needs, review their qualified applicants, hire, and pay seamlessly. Jobble shows the rating, recommendations, and past work of every applicant so companies can choose the best candidate for the gig.

Appendix: Survey Respondent Profiles

STAFFING INDUSTRY ANALYSTS

shiftgig

Company Name:
Shiftgig
Corporate Headquarters:
Chicago, IL
Web Address:
www.shiftgig.com
Contact Name:
Tricia Cagua, Director of Marketing
Contact Email Address:
tcagua@shiftgig.com

Company Description:

Shiftgig is an on-demand labor marketplace whose vision is to connect millions of people with millions of available shifts.

Pre-qualified workers (which we call Specialists) pick the shifts that interest them using the Shiftgig mobile app, and work when and where they want.

For businesses, Shiftgig makes life easier and more efficient by solving the labor management challenge directly from a smartphone. We utilize our powerful, proprietary technology to provide businesses with workers that are pre-qualified and fully vetted for jobs based on a role's specific needs. Businesses post available shifts on our platform, manage roster changes in real time, and communicate with teams directly through their smartphone. Shiftgig allows businesses to rate each specialist and take control of events from start to finish.

STAFFING INDUSTRY ANALYSTS

Appendix: Survey Respondent Profiles

SIDEKICKER

Company Name:

Sidekicker

Corporate Headquarters:

Melbourne, Australia

Web Address:

www.sidekicker.com.au

Contact Name:

Thomas Amos/CEO

Contact Email Address:

tom@sidekicker.com.au

Company Description:

Sidekicker is the fastest way to hire temporary staff, and we're revolutionizing the way clients hire staff for short-term jobs. Clients can scale up their workforce by requesting temporary staff through the Sidekicker website in minutes. Once a job is entered, our system will instantly notify the best staff from our pool of 2,500 Sidekicks about the job, and clients will receive applications from hand-picked, interviewed Sidekicks within hours. Clients can rate the performance of staff once a job is complete and leave a review for other businesses to see. This rating system ensures Sidekicks are accountable for doing a great job and that only the best Sidekicks continue working for you.

Appendix: Survey Respondent Profiles

Company Name:

Syft-App

Corporate Headquarters:

London, UK

Web Address:

www.syft-app.com

Contact Name:

Novo Akabare, CEO/Founder

Contact Email Address:

novo@syft-app.com

Company Description:

Syft is an on-demand staffing mobile app that provides clients with complete and transparent access to fully vetted and rated temporary staff. Whether clients are planning an event or need someone last minute, Syft offers an end to end automated solution leading to friction-less employment.

STAFFING INDUSTRY ANALYSTS

Appendix: Survey Respondent Profiles

Company Name:

Wonolo

Corporate Headquarters:

San Francisco, CA

Web Address:

www.wonolo.com

Contact Name:

Yong Kim, CEO/Co-Founder

Contact Email Address:

yong@wonolo.com

Company Description:

Wonolo powers the frontline workforce, with a B2B marketplace that allows businesses to find vetted talent immediately. Wonolo removes the friction for companies to find talent for on-demand hourly or daily job needs, while creating freedom through flexibility for job seekers. Our vision is for people to find work whenever, wherever and for whomever they want, and for companies to fill immediate needs with great people doing a great job, all within a moment's notice.

About Staffing Industry Analysts

Founded in 1989, Staffing Industry Analysts is the global advisor on staffing and workforce solutions. Our proprietary research covers all categories of employed and non-employed work including temporary staffing, independent contracting and other types of contingent labor. SIA's independent and objective analysis provides insights into the services and suppliers operating in the workforce solutions ecosystem including staffing firms, managed service providers, recruitment process outsourcers, payrolling/compliance firms and talent acquisition technology specialists such as vendor management systems, online staffing platforms, crowdsourcing and online work services. We also provide training and accreditation with our unique Certified Contingent Workforce Professional (CCWP) program.

Known for our award-winning content, data, support tools, publications, executive conferences and events, we help both suppliers and buyers of workforce solutions make better-informed decisions that improve business results and minimize risk. As a division of the international business media company, Crain Communications Inc., SIA is headquartered in Mountain View, California, with offices in London, England.

For more information: www.staffingindustry.com