

SNI COMPANIES



*Finding the perfect piece
for your staffing puzzles*

SNI CERTES

senior-level interim and project staffing

SNI FINANCIAL

customized direct hire solutions

ACCOUNTING NOW

staff-level contract and direct hire solutions

STAFFING NOW

office support and administrative staffing

SNI TECHNOLOGY

IT staffing and project services

Award-winning staffing

Contract • Project • Direct Hire



SNI CERTES – SNI FINANCIAL

The Talent Rental Economy

FEI Professional Development Session

January 26, 2016

SNI Certes – Rental Economy

FEI Presentation

January 26, 2016

SNI Certes – Rental Economy

- The economy is being reshaped – i.e., the “Netflix” economy
 - Lyft (General Motors invested \$500M in January 2016) → \$4B valuation
 - Uber → \$62B valuation
 - Airbnb → \$25B valuation
 - Pandora, Spotify, Apple Music, etc.
- The rental economy is driven by people renting what they used to own, creating new customer expectations:
 - On demand service
 - Variable consumption models (pay only for what you consume)
 - Low commitment levels (flexible agreements; no long-term commitments)

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- Other examples of the new economy:
 - TV streaming on the rise (cable subscriptions down, 'cord cutting' up)
 - Ford announced it will invest heavily in 2016 in transportation sharing services
 - SaaS – Software as a Service – variable consumption model
 - Salesforce, Microsoft, etc.
(47% of all CRM systems are SaaS based → 2014 Gartner Group study)
 - New car leases:
 - 31% in 2014 vs. 24% in 2010 → source: Experian
 - Housing: Rent vs. Own
 - New rental households increased 770,000 annually from 2004-2014
(source: 2015 Harvard University Joint Center for Housing Studies)

The rental economy is here to stay and numerous business models are being built to accommodate changing customer expectations.

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- Temporary staffing is on the rise as a percentage of total U.S. employment → Highest demand growth is for professional workers
 - Since U.S. employment bottomed in 2009, 9% of the 14 million net jobs created have been filled by temporary employees
(source: June 2015 study Staffing Industry Analysts)
 - U.S. Temporary Help Penetration Rate:
 - Hit all-time high of 2.4% in May 2015 = 2.9 million jobs
 - Up from 2005, when penetration rate was 1.8%
(source: U.S. Bureau of Labor Statistics)
- Past two decades have seen a shift toward higher-skilled temp workers
 - Professional staff is now 55% of total temp workforce vs. 36% in 2009

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- Other factors impacting transition to greater use of variable workforce:
 - Baby Boomer Generation retiring
 - Creating additional demand for skilled workers
 - Loss of technical & industry specific knowledge
 - Lack of transition planning creating a skill gap in many organizations
 - Regulatory burdens, such as Affordable Care Act, increasing costs of full-time employees, resulting in greater demand for contract resources
 - Specialized expertise needed to comply with new regulations:
 - Especially true in heavily regulated industries such as banking
 - Dodd-Frank Act (i.e., Stress Testing)
 - As a result of steady job creation, skilled workers are more likely to leave for new roles, creating higher levels of turnover in organizations

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- Current trends in contract labor market:
 - Continued IT spend on ERP systems is driving need for knowledge workers
 - “In house” talent does not have technical expertise required
 - Clients struggling to make use of all the data being accumulated
 - Clients needing ‘external’ perspective to guide best practices
 - Business Intelligence initiatives generating need for specialized expertise
 - Full-time employees being actively recruited for roles outside the organization generating higher turnover
 - Especially true at Senior Financial Analyst/Accountant & Manager levels
 - Projects delayed during economic downturn now being implemented
 - Projects consume greater variable resources vs. interim fills

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- Current trends in contract labor market (continued):
 - Project vs. Interim Fills
 - Prior to Great Recession, Project/Interim Fill ratio = 50%/50%
 - During Great Recession, Project/Interim Fill ratio = 10%/90%
 - Current Project/Interim Fill ratio = 40%/60%
 - Bill Rates → continue increasing as consultants have multiple options for their services and demand higher pay rates
 - Prior to recession: consulting attracted numerous candidates (some were of marginal quality)
 - During recession: marginal candidates left consulting and many talented consultants took perm roles
 - Post recession: a smaller, qualified consultant pool remains

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- Highest 'in-demand' consulting positions:
 - SOX Auditors
 - Senior Accountants
 - Accounting Managers/Controllers
 - Senior Financial Analysts
 - Data Analysts:
 - MS Access projects
 - Xcel, macro driven data projects
 - Strong ERP knowledge (i.e., SAP, etc.)

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- Career Advice:
 - **Network, Network, Network...**
 - Schedule at least one networking meeting per month
 - Network internally as well as externally
 - Prior Managers, Prospective Managers, people you admire, etc.
 - Put a reminder on your calendar to setup the networking meeting...or it will never happen
 - Remember, networking is a value-added activity → you are investing in your career

SNI Financial – Talent Movement

- Talent On The Move:

Are You At Risk?

Yes

Top reasons why people left their old job:



Source: LinkedIn survey, Why & How People Change Jobs, (Mar 2015). Showing global average.

Dale Carnegie Survey Results

10. THINK GRASS IS GREENER

9. VALUES DO NOT ALIGN TO THE COMPANY

8. YOU DON'T FEEL VALUED

7. JOB INSECURITY

6. NO ROOM FOR ADVANCEMENT

5. UNHAPPY WITH PAY

4. TOO MUCH RED TAPE

3. NOT BEING CHALLENGED

2. PASSION IS GONE

1. THEY HATE THEIR BOSS

Assumptions You Should Not Be Making

1. MY EMPLOYEES ARE HAPPY WITH THEIR JOB DUTIES/RESPONSIBILITIES
2. MY EMPLOYEES ARE HAPPY WITH ME OR THEIR IMMEDIATE SUPERVISOR
3. MY EMPLOYEES ARE HAPPY WITH THE COMPANY CULTURE/DIRECTION
4. MY EMPLOYEES ARE HAPPY WITH THEIR PAY/BENEFITS



Conversations YOU Need To Have With Your Employees

SEE PREVIOUS SLIDE!

Who Is Talking To Your Talent?

RECRUITERS!

- AGENCY RECRUITERS
- CORPORATE RECRUITERS
- PEERS
- THEIR NETWORK

Keeping Your Best Talent

- KEEPING YOUR TALENT OFTEN TIMES BOILS DOWN TO MANAGEMENT SKILLS
- PROFESSIONALS FREQUENTLY GET PROMOTED FOR BEING VERY GOOD AT THEIR CRAFT. THIS DOESN'T ALWAYS TRANSLATE INTO GOOD LEADERSHIP AND/OR MANAGEMENT SKILLS
- MANAGEMENT IS SIMPLE, BUT IT IS NOT EASY. BE HONEST WITH YOUR PEOPLE
- OFFER TRAINING FOR NEW SKILLS
- OFFER JOB ROTATIONS AND CROSS-TRAINING TO INCREASE LEARNING OPPORTUNITIES AND ENHANCE ENGAGEMENT
- VACATION AND TIME OFF CAN BE EASY INCENTIVES THAT COST LITTLE
- FLEXIBILITY, WHEN EARNED AND RESPECTED, CAN BE A BIG MOTIVATOR

SNI Financial – Direct Hire Demand

- Highest 'in-demand' direct hire positions:
 - SEC/External Reporting Accountants
 - Senior Accountants
 - Senior Financial Analysts
 - Internal Auditors
 - Accounting Managers/Controllers

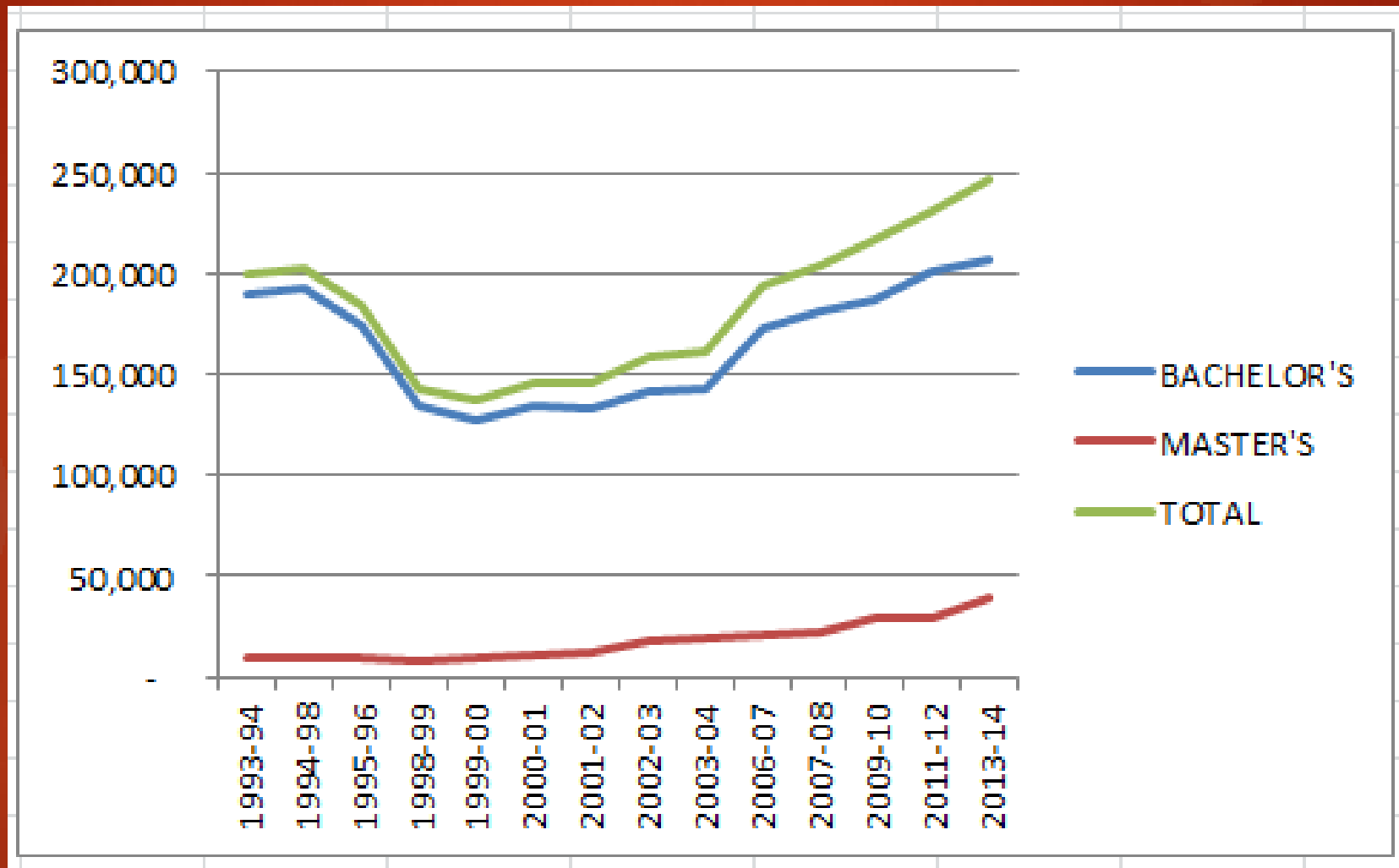
SNI Financial – Changes in the Direct Hire Landscape

- What is different today vs pre-Great Recession?
 - Drop off in FP&A roles
 - Especially at Manager and Director Levels
 - Senior Financial Analysts
 - Specific “Finance” experience required
 - Top Finance and Accounting roles slow to rebound
 - Small – mid size firms making due with Controller or CFO, not both

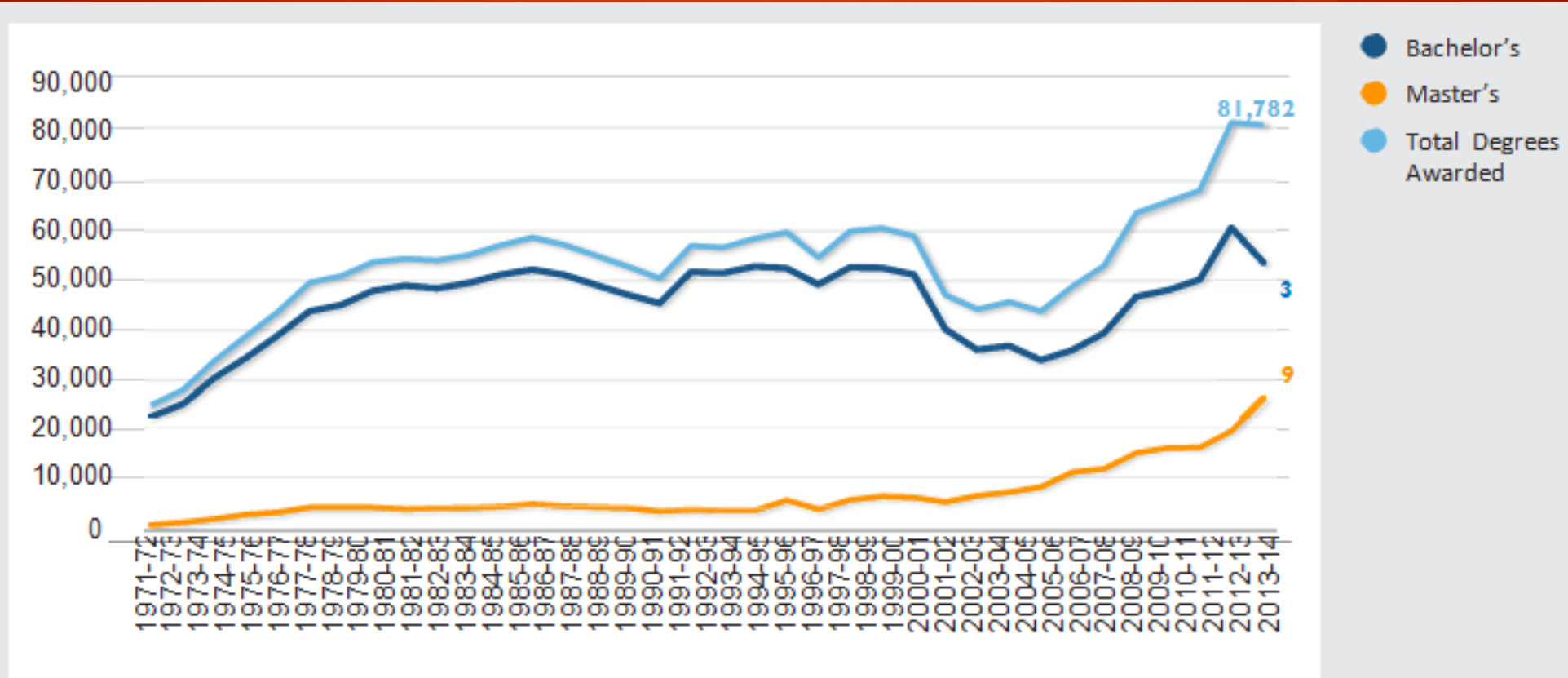
Trends In Total Enrollment In Accounting Programs 1993 - 2014

YEAR	BACHELOR'S	MASTER'S	TOTAL
1993-94	189,863	10,114	199,977
1994-98	192,870	10,010	202,880
1995-96	174,010	9,430	183,440
1998-99	134,050	8,620	142,670
1999-00	127,960	9,455	137,415
2000-01	134,775	10,375	145,150
2001-02	133,435	12,565	146,000
2002-03	141,175	17,540	158,715
2003-04	142,735	18,795	161,530
2006-07	173,299	21,253	194,552
2007-08	181,075	22,291	203,366
2009-10	187,534	29,464	216,998
2011-12	201,570	29,648	231,218
2013-14	207,071	39,641	246,712

Trends In Total Enrollment In Accounting Programs 1993 - 2014



Trends In Accounting Degrees Awarded



Total bachelor's and master's in accounting degrees awarded in the 2013-14 academic year held steady with less than a 1% decline from an all-time high in the 2011-12 academic year.



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Questions?