

Temporary help workers: who they are, what jobs they hold

These workers are disproportionately female, young, and black; they are more likely to work part time and in clerical and industrial help jobs

WAYNE J. HOWE

Much attention, of late, has been given to the rapid employment growth in the temporary help supply service industry. This industry consists of businesses supplying temporary help to other establishments on a contractual basis.

For the most part, the focus has been on the conditions under which employers prefer to use temporary labor supplied by a temporary help supply agency.¹ For example, an employer with a fluctuating workload, particularly when unpredictable peakloads allow little time to recruit and hire directly, is likely to utilize this service. Also, if a need for additional workers is expected to be short term, a firm might find the costs involved in hiring, particularly those related to recruiting and training, to be excessive. The purchase of temporary help services allows the employer to incur labor costs for only the period the services are required, and to avoid any severance costs. In contrast to the employer-demand focus of earlier analyses, this article provides information about the composition of the temporary help supply service work force and the circumstances under which individuals are attracted to temporary employment.

Data on wage and salary employment in the temporary help supply service industry used in this article are obtained from the May 1985 supplement to the Current Population Survey (CPS), a monthly sample survey of households. This supplement included questions specifically designed to

identify workers who viewed their jobs as temporary and whose salaries were being paid by a temporary help supply agency. The characteristics of such workers could then be examined through the information normally collected for all persons in the CPS in terms of their age, sex, race, marital status, full- or part-time employment, and occupation.

It should be noted that the temporary help supply employment industry level derived from the CPS is not strictly comparable to that obtained from the Current Employment Statistics (CES) program. The monthly CES survey derives its estimates from the payroll records of a sample of establishments. In the case of temporary help workers, the CES estimates relate to the total number of jobs in the industry, including those of the personnel who operate the temporary help agencies. By contrast, the new CPS data relate only to those workers who view their jobs as temporary. Thus, these data exclude not only the permanent employees who staff the many agencies, but may also exclude many of the workers who do not view their jobs as temporary, as they have a fairly continuous attachment to the temporary help agency. This explains at least part of the reason the number of temporary help workers identified in the CPS in May 1985—455,000—was much lower than the number of jobs in the temporary help industry as measured through the CES—689,000. The CPS data, while not representative of all the employees in the industry, are representative of the preponderance of them, particularly of those whose jobs are truly temporary. And, the CPS supplies the only information available on the characteristics of these workers.

Wayne J. Howe is an economist in the Division of Employment and Unemployment Analysis, Office of Employment and Unemployment Statistics, Bureau of Labor Statistics.

Who are these workers?

Just as employer demand for temporary workers increases during times of uncertainty, many workers seek temporary employment due to transitory or uncertain circumstances. Such workers might include teachers and students out of school for the summer or other vacation periods, or persons entering or leaving the labor force gradually. Women and young persons are more likely than others to experience these transitory conditions. Therefore, it should not be surprising that there was a disproportionately high concentration of both groups employed by temporary help supply agencies in May 1985. Almost two-thirds of the industry's work force were women, in contrast to their 2 of 5 proportion of all wage and salary jobs. (See table 1.) This difference clearly reflects the benefits offered to many women by the temporary help supply service industry, particularly the combination of flexible work schedules and the opportunity to acquire needed experience and job market exposure. In addition, the industry has a large number of administrative support jobs, and a disproportionate number of women are traditionally employed in such clerical positions.

Women with family responsibilities are particularly attracted to temporary employment because it provides the flexible work schedules that allow them to reconcile work outside the home with family commitments. Women who reenter the labor force after a long absence may prefer temporary jobs until they are able to find suitable permanent

Table 2. Employed full- and part-time wage and salary workers in the temporary help supply industry, by selected characteristics, May 1985

[Percent distribution]

Characteristic	Full-time workers	Part-time workers
Age		
Total, 16 years and over	60.0	40.0
16 to 24	55.7	44.3
25 to 54	66.8	33.2
55 and over	(1)	(1)
Sex and race		
Men	64.4	35.6
Women ²	57.5	42.5
Single	64.9	35.1
Married, spouse present	50.7	49.3
White	62.7	37.3
Men	71.0	29.0
Women	58.5	41.5
Black	44.6	55.3
Men	(1)	(1)
Women	(1)	(1)
Occupations		
Technical sales, and administrative support	66.1	33.9
Administrative support, including clerical	66.6	33.4
Operators, fabricators, and laborers	55.3	44.7
All other occupations	51.8	48.2

¹ Data not shown where base is less than 75,000.
² Includes widowed, divorced, and separated women, not shown separately.

Table 1. Employed wage and salary workers in all industries and in the temporary help supply industry, by selected characteristics, May 1985

[Percent distribution]

Characteristic	All industries	Temporary help supply industry
Age		
Total, 16 years and over	100.0	100.0
16 to 24	20.1	32.7
25 to 54	67.4	57.6
55 and over	12.5	9.7
Sex and race		
Men	55.0	35.8
Women	45.0	64.2
White	86.9	75.4
Black	10.4	20.2
White	100.0	100.0
Men	55.7	33.2
Women	44.3	66.8
Black	100.0	100.0
Men	49.4	48.9
Women	50.6	51.1
Occupations		
Managerial and professional specialty	24.0	11.0
Technical, sales, and administrative support	31.6	52.1
Administrative support, including clerical	17.3	43.3
Service occupations	13.7	10.8
Precision production, craft, and repair	12.1	4.6
Operators, fabricators, and laborers	16.6	16.9
Farming, forestry, and fishing	2.1	4.4

employment. Employment through a temporary help supply agency enables them to test the market by sampling a range of work environments until they find the right employment situation. At the same time, temporary employment allows these workers to acquire needed skills and experience while building confidence and increasing their marketability. Such skills and confidence can be lost during years outside the labor force. Some women prefer the flexibility of the temporary help environment for the long term. In either case, the increasing tendency among firms to contract out for temporary employees, particularly to staff administrative support positions, has provided a growing temporary job market for women.

Temporary employment is also appealing to young workers (16–24 years old) who want flexible schedules, allowing time to attend school, or the opportunity to work during vacations. Young workers held 1 of 3 temporary help supply service jobs in May 1985, compared with 1 of 5 wage and salary jobs in all industries. (See table 1.) The representation of young workers in this industry increases during the summer months, when many working mothers leave the labor force to care for school age children and students step in to take their places.²

Young persons who have little work experience may also be attracted to employment in temporary help agencies as a means of attaining higher paying permanent positions. Job search costs, in terms of both time and money, can be reduced by allowing a temporary help agency to establish contact with potential employers. However, contracts

between employers and temporary help supply agencies may sometimes limit this type of job-switching.

In addition to the large concentration of women and youth, there is also a relatively high proportion of black temporary help workers. About 1 of 5 such workers is black, nearly twice the proportion found among all industries. (See table 1.) Only about half of the black workers in this industry were women, similar to the distribution of the black work force found in all industries. In contrast, among white workers, women accounted for two-thirds of the temporary help work force, but only 44 percent of wage and salary employment in all industries.

While the majority of temporary help supply employees work full time, a very large proportion, 2 of 5, work part time. (See table 2.) This was more than twice the average for all wage and salary workers. Women were less likely than men in this industry to work full time, but this depended largely on their marital status. Almost two-thirds of the single women in temporary help jobs worked full time, while only about half of the married women (with spouse present) did so. As would be expected, young people were less likely to work full time. Only 56 percent of youth age 16 to 24 were employed full time, while 67 percent of the temporary help work force age 25 to 54 were full-time workers.

What jobs do they hold?

Temporary help workers perform a variety of jobs, from service workers earning the minimum wage to highly paid technicians or administrators working as temporary specialists on specific projects. When compared with all industries, however, a particularly large concentration of temporary help workers were in the administrative support and industrial help occupations: indeed, 43 percent held clerical positions such as general office clerks, secretaries, typists, and receptionists—2¹/₂ times their proportion in all industries. (See table 1.)

More than 9 of 10 clerical jobs in the temporary help industry were filled by women. Skill requirements for many of these clerical positions are relatively low, but more highly

skilled clerical workers, particularly those with word-processing skills, are much in demand; consequently, pay for them is relatively high compared with other clericals. Overall, the demand for temporary workers in clerical positions is less sensitive to seasonal and cyclical changes than is the demand for workers in other occupations. Future job growth is expected to be particularly strong for highly skilled workers who can operate the latest office equipment.³

When compared with workers in other occupations within the industry, persons in clerical positions are more likely to work full time—two-thirds of them in May 1985. (See table 2.) Although many clerical workers fill in only for short assignments or for workers who are ill, it is not unusual to work in the same temporary job for weeks or even months. Some stay with the temporary agency until they find permanent employment.

The second largest occupational market in this industry is for industrial help workers—helpers, laborers, handlers, and equipment cleaners. Little work experience is required for many of these jobs, and the demand for these workers is both seasonal and cyclical.⁴ Many are employed as fill-ins to handle temporary work overloads or to step in when regular employees are ill or on vacation. Only 55 percent of the workers in these occupations were full time, somewhat lower than the proportion for administrative support workers. Moreover, just as women dominated the administrative support occupation, almost 90 percent of the operators, fabricators, and laborers were men. Finally, there are a large number of low skill, low paying laborer jobs in the temporary help industry, which may be responsible for the high concentration of black workers. Black men in particular are much more likely than their white counterparts to be employed in these jobs.⁵

IN SUMMARY, data from the May 1985 supplement to the CPS show that those temporary workers whose salaries are paid by temporary help firms are disproportionately female, young, and black. They are more likely than workers in other industries to work part time, and they are heavily concentrated in clerical and industrial help occupations. □

—FOOTNOTES—

¹ For a discussion of these issues, see Max L. Cary and Kim L. Hazelbaker, "Employment growth in the temporary help industry," *Monthly Labor Review*, April 1986, pp. 29–36; and "Temporary Help Services—Who Uses Them and Why," *The Office*, May 1984, pp. 135–40.

² David Schwartz, "Life in the Temp Lane," *City Paper*, Vol. 6, no. 28, July 11–17, 1986, pp. 12–13.

³ See Carey and Hazelbaker, "Employment growth," p. 38.

⁴ *Ibid.*, p. 40.

⁵ "Employment Conditions Among Black Americans," a paper prepared by the Division of Employment and Unemployment Analysis, Office of Employment and Unemployment Statistics (Bureau of Labor Statistics, February, 1986), p. 16.