

Indian Staffing Federation
Quarter 1 Report
Flexi Staffing Industry
2023-24

2024



Highlights

Indian Staffing Federation
Quarter 1 : Flexi Staffing
Employment Trend Report
Q124 (Apr- Jun)



Staffing Industry Growth Rate



- Flexi Staffing Industry overall continued a double digit new employment growth trend at **12.5% YoY(Q1 vs Q1)**
- Overall the Flexi Staffing Industry came back with a Quarter on Quarter (Nett employment) **growth at 5.6% in Q123 -24.**
- **General Flexi Staffing industry** witnessed new employment growth at **13.7% YoY**, whereas maintained growth at **6.1% in Q1 2023-24 (QoQ)**
- **IT Flexi Staffing industry** continued to witness a sharp drop at **-9.5% YoY**, while slightly improving from past quarters in Q1 2023-24 that came at **-4.7% (QoQ)**

Flexi Employment Added

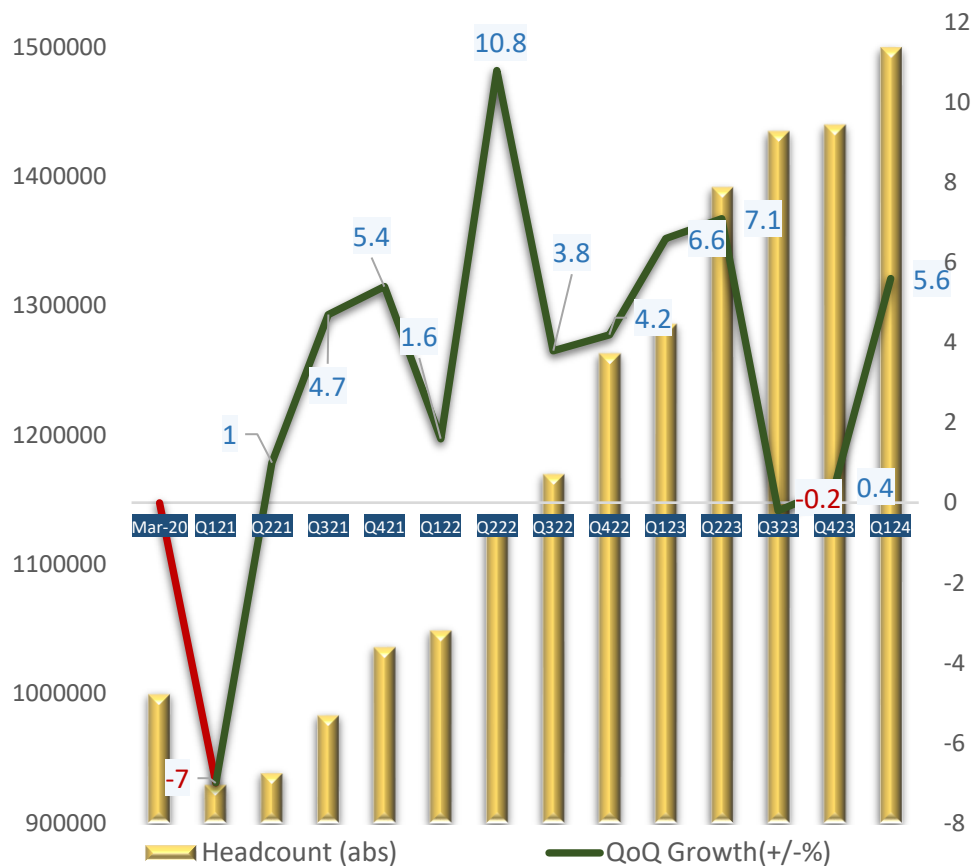


- Staffing members of ISF added **1.31 lakhs new formal workforce in 2023-24 (YoY).**
- The 110+ members of Indian Staffing Federation **employ 1.5 mn flexi workforce (June 2024)**
- **General Staffing Industry** nett new employment added was at **1.34 lakhs new formal workforce in 2023-24 (YoY)**, while IT staffing continued to lose workforce albeit minor rate.
- **Employment demands** were primarily driven from sectors like FMCG, E-commerce, Manufacturing, Healthcare, Retail, Logistics, Banking, Energy etc.

Staffing Industry Grew at 5.6% QoQ and significant 12.5% YoY (Q1 vs Q1)

Flexi Staffing Industry
New Employment Growth QoQ (Q1 23-24)

12.5% YoY (Q1 23-24 vs Q1 22-23)



>> Overall staffing industry witnessed a growth at **5.6%** in Q124 with **~60K** new flexi employment created QoQ.

>> Staffing industry had a robust New Employment (Flexi) growth at **12.5% YoY** (Q1 23-24 vs Q1 22-23)

>> ISF Members added **1.31 lakhs New Formal Flexi Workforce** in last four qtrs.

>> ISF Members represent **1.5 mn Formal Flexi Workforce** Q124

YoY : Overall Staffing industry grew at 12.5% YoY(Q1 vs Q1)

- The markets opened up hiring in Q124 after the last few quarters of slow growth. New employment was comparatively higher than previous quarters across sectors.
- Nett new employment generated with staffing Industry (represented by ISF members) in the last 4 qtrs, was 1.31 lakhs indicating continued new demand for flexi staffing.
- ISF members represent 1.5 mn flexi workforce at the end of Q1 23-24.
- General Flexi Staffing industry witnessed new employment growth at 13.7% YoY (Q1 vs Q1), whereas IT Staffing industry continues in red at -9.5% YoY.

Q124: QoQ Overall Staffing industry grew at 5.6%

- Overall Staffing Industry had a robust growth at **5.6% QoQ (Q124)** aided by general staffing across sectors.
- General Flexi Staffing industry witnessed new employment growth with a sharp upturn at 6.1% in QoQ for Q1 2023-24.
- IT Staffing witnessed a slightly better quarter compared to past Qtrs, where it is showing signs of recovery coming out of red at -4.5% QoQ.
- Markets are gradually warming up and opening with new employment opportunities. The impact from global developments definitely are an important event to watchout as they continue to play a role with a caution sentiment in IT industry.

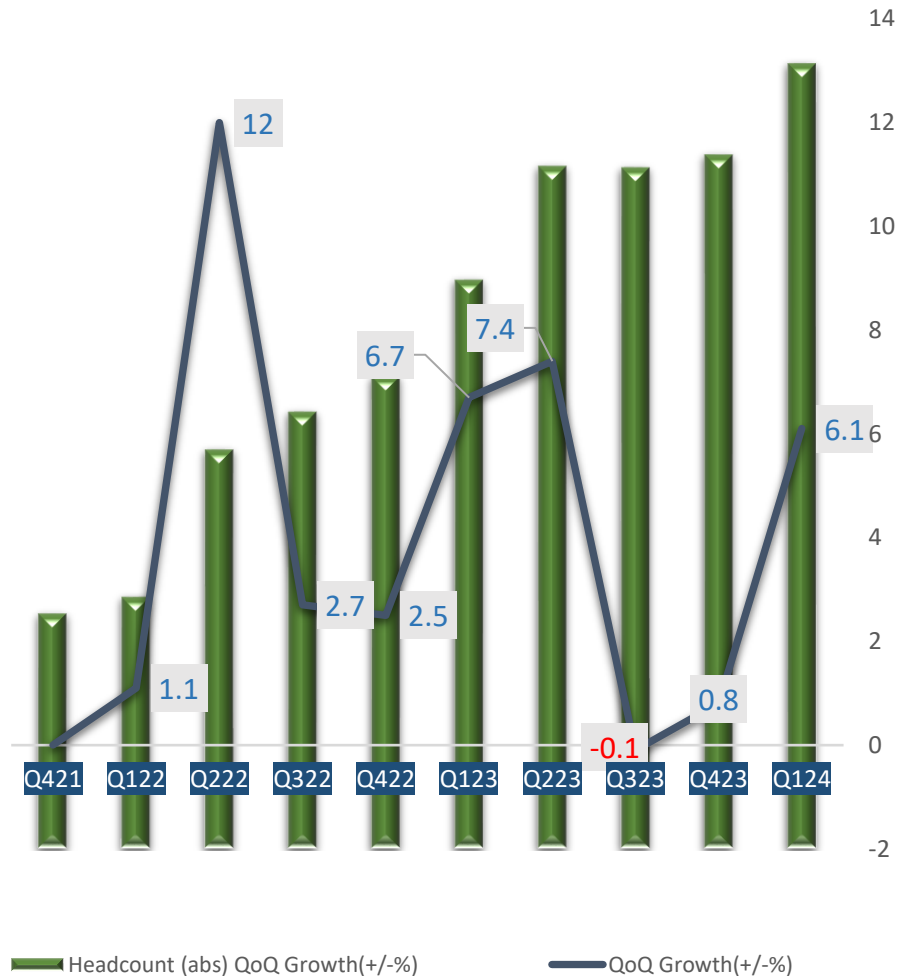
REFERENCE: YoY is the headcount growth between Q124 vs Q123

REFERENCE: Q124: Apr- Jun 23-24



General Staffing Industry grew at 6.1% in 23-24 (QoQ) ; 13.7% YoY (Q1 2024 vs Q1 2023)

General Staffing Industry Employment Growth Trend QoQ (Q124)



>> General Staffing industry contributed with new employment growth at **6.1% growth in Q124**. This is highest in last 3 Qtrs, with a sharp upturn since prev Qtr. This complements the sentiment of robust new employment growth across sectors. Sametime last year was also in the same range of growth.

>> General Staffing Industry continued to witness a sharp growth at **13.7% YoY (Q1 23-24 vs Q1 22-23)**.



>> General Staffing Industry was primarily driven by demands from FMCG, E-commerce, Manufacturing, Retail, Logistics, Banking, Insurance, Infrastructure etc.

>> ISF members added **1.34 Lakhs new employment** across General staffing roles in last rolling YoY (Last 4 Qtrs). There is a significant **60k** new employment generated in Q1



13.7% YoY (Q1 23-24 vs Q1 22-23)

REFERENCE: Q124: Apr – Jun 23-24

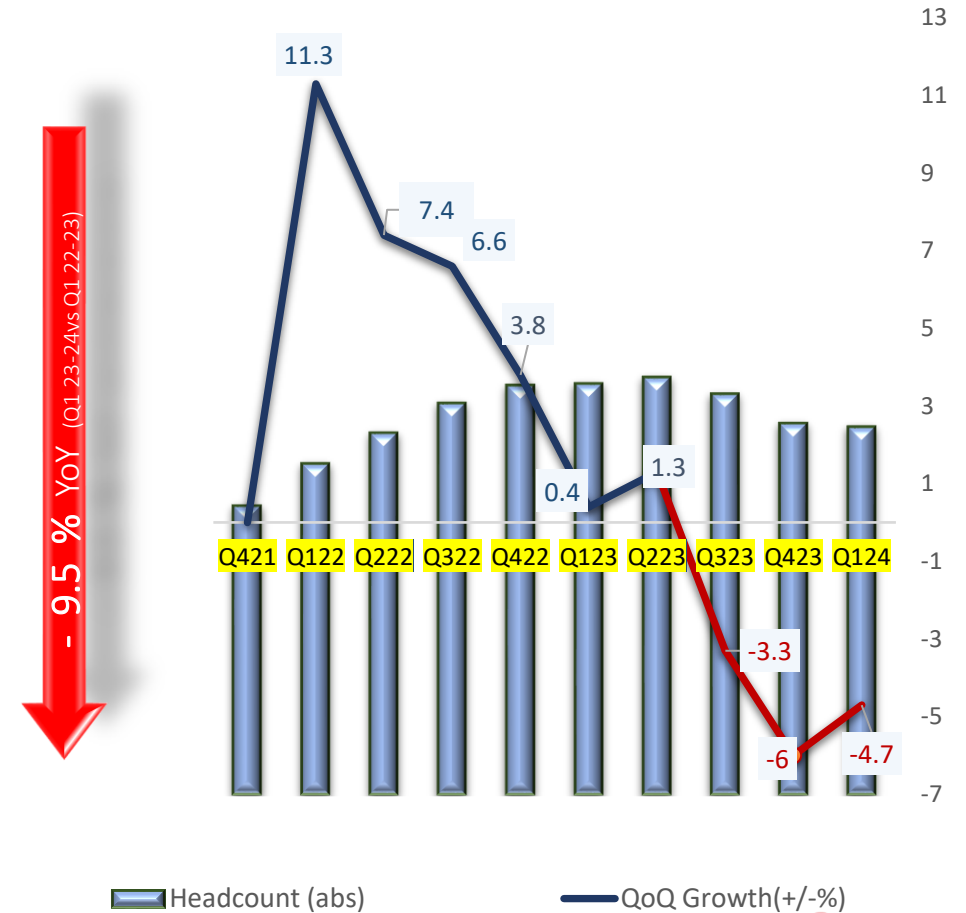
>> IT Staffing Industry witnessed a slight growth with new employment demand since last Qtr, while still not fully out of red at **-4.7%** at Q1 23-24 (QoQ).

>> While the IT Services continues to be cautious on hiring, the expansion of GCC base has shown some green shoots in hiring although the numbers in GCC may not make up for the dip in IT Services due to high volumes. The new employment witnessed additional boost with mild employment trend changes (growth) from BFSI, Fintech, IT Infra, Cloud, Cybersecurity, Data analytics etc.

>> IT Staffing industry starts to show slow recovery from previous quarters. However, new employment numbers were not added as many to pull the industry in complete recovery, thus still in red at -9.5% (YoY) ie. Q1 23-24 vs Q1 22-23.

>> IT staffing industry witnesses a near **stabilisation and slow recovery with new employment demand** in Q1. The global scenario continues impact across the world from the impact of global financial markets, among others that continues to keep a slow pace and cautious approach.

IT Staffing Industry
Employment Growth Trend QoQ (Q124)



Disclaimer

The research is a property of Indian Staffing Federation (ISF), apex body of the Flexi staffing Industry in India.

The research report has been produced with no biases towards any person/company/industry, however, has not been conducted in controlled environment with the respondents. The respondents were free to reply basis their experience to the defined and close ended questions, executed and collected via a survey. The report published is for the consumption - partners, media, federation members and respondents only. This may not be used in any part for commercial purposes without prior consent from ISF. Anyone using the report for reproduction, will need to seek consent from ISF and attribute the credits accordingly.

About Indian Staffing Federation

Indian Staffing Federation (ISF) was formed with one common goal - Staffing India's Growth. The purpose of ISF is to enhance long-term growth of the staffing industry and to ensure its continued ability to make positive contributions to the economy and society. The principal focus of the Federation's activities is to strengthen triangular employment relationships, in which the staffing company is the employer of the temporary worker, who works under the supervision of the user company. ISF represents close to about 100 staffing companies as its members. Further details www.isf.org.in

About the Research

Indian Staffing Federation (ISF) conducts its quarterly research, to explore the growth of flexi staffing employment through organised staffing companies. Through a survey based research ISF has tried to understand the employment generated in the quarters and gathered a sentiment of the next quarter, to come up with annual report. The survey also covered various dimensions of employment factors impacting across top 15 sectors.

Methodology

The research is based on primary email sent to over 100 staffing members across the country for data collection in a span of 60 days, every Qtr. The research was completed with online input collection from staffing operations/leaders within their company. The data has been closely evaluated to avoid any misrepresentation and avoid manual biases.

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