

## Talent Managers Declare Gig Work the 'New Normal' According to Research from Kelly Services®

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### Research Also Shows Differences between Gig Laggards and Innovators

TROY, Mich., March 26, 2018 (GLOBE NEWSWIRE) -- New research from [Kelly Services®](#) provides insight into why companies hire gig workers and what the most innovative among them do differently from their peers. Surveying 2,100 talent managers worldwide—across industries and career disciplines—global workforce solutions provider, Kelly Services, uncovered new insights about gig adoption rates, the outlook for gig hiring, the growing influence of independents, and areas for competitive innovation. The most noteworthy survey findings include:

- **Gig work becoming the new normal:** 65% of talent/hiring managers say the gig economy is rapidly becoming the new normal for how businesses organize work.
- **A flexible workforce is the way forward:** Nearly 3 in 4 talent/hiring managers (73%) say a much more flexible and fluid workforce will emerge as a way to navigate an increasingly dynamic global business climate.
- **Workers are free agents\* by choice:** 75% of global free agents choose gig work for positive reasons, seeing it as a way to improve their personal and professional lives.
- **The advantages are clear:** 43% of organizations engaging gig workers experience at least a 20% labor cost savings and 72% say using gig workers/free agent talent gives their team/organization a competitive advantage.

"The research shows that hiring gig workers is pervasive across regions and industries, but there's still room for improvement," says [Amy Anger](#), vice president and global practice strategy lead, Gig Economy, for Kelly Services. "The majority of hiring managers say a flexible workforce will be a key way to differentiate and compete in the future, yet 39% of organizations are what we call gig-work laggards: they aren't currently using gig workers heavily nor strategically."

#### What factors are driving the gig economy?

- **Skills Gap:** Companies today need a ready supply of knowledge workers in emerging areas of expertise to stay competitive.
- **Work/life design:** More and more freelancers are opting for gig work *by choice* rather than economic necessity. As independents, they have greater autonomy about how, when and where to work—and employers are feeling pressure to adapt to these preferences. The research shows seven out of 10 talent managers using free agents see the employer-worker relationship shifting, with talent asserting more leverage.
- **Technology advancements:** The surge in the "human cloud" (technologies that enable virtual collaboration) have made gig work much more cost-effective and productive. Technological improvements, generally, have enabled more people to work from anywhere – creating a cycle of increasing demand to have more flexibility in their work style.
- **Economic pressure:** Volatile market conditions have made many employers wary of adding to their permanent payrolls and more receptive to the concept of a scalable, variable workforce in order to be competitive.

"The research findings are fascinating not just for global organizations seeking an edge over competitors, but for the entire gig economy ecosystem—from the growth of cloud-based technology solutions that power the independent workforce, to the growing interest among those seeking independent work to become 'digital nomads,' or professionals who work whenever and wherever they want, not tied to an office or even a city," says Anger.

#### Why do companies seek out gig labor? Most cite cost savings and filling talent gaps, but a large number point to knowledge transfer as a key benefit.

60% use gig labor to bridge a talent or capacity gap and 57% use it to realize cost savings and/or efficiencies. The research also shows that a significant portion of hiring managers see independent workers as a critical source of outside knowledge and experience; 49% use gig workers to infuse talent into their organizations and grow internal expertise.

"For some forward-thinking organizations, hiring independent workers is a way to import new and innovative ideas," explains Anger. "Independents tend to work across a higher number of organizations and industries. By soaking up knowledge and experience from multiple engagements, they can be tremendously valuable as innovative problem solvers. Our research shows that 75% of those who engage gig economy workers believe that free agency helps individuals build a skill repertoire through various gigs—skills they can infuse into the organizations that engage them."

#### To understand the full potential of the gig workforce, watch the innovators

The Kelly Services research includes a Workforce Optimization Maturity Index which provides insight into the maturity level with which firms currently leverage the gig workforce. Those that use gig workers less effectively than their peers are called *laggards*; those with stronger skills and commensurate benefits are *competents* and *differentiators*. The most-skilled organizations are *innovators*.

Innovators make up just 13% of all companies, but they can reap big rewards when it comes to deploying and leveraging gig labor. Innovators are heavy users of gig labor and tend to use independents for highly visible and strategic challenges. They view gig workers not as outsiders, but as a critical and valuable component of the overall workforce. And innovators are highly advanced in how they use technology to aid in the practices and processes of managing gig labor. (Not surprisingly, this group also reports the highest level of cost savings: innovators are nearly 3 times more likely than laggards to save over 30% on labor cost).

**Survey Methodology:** The 2017 Gig Economy Talent Manager Research was conducted online by Inavero on behalf of Kelly Services. The study surveyed over 2,100 talent managers from around the globe.

For additional information, please click [here](#).

**About Kelly Services**

As a global leader in providing workforce solutions, Kelly Services, Inc. (Nasdaq:KELYA) (Nasdaq:KELYB) and its subsidiaries, offer a comprehensive array of outsourcing and consulting services as well as world-class staffing on a temporary, temporary-to-hire, and direct-hire basis. Kelly® directly employs nearly 500,000 people around the world in addition to having a role in connecting thousands more with work through its global network of talent suppliers and partners. Revenue in 2017 was \$5.4 billion. Visit [kellyservices.com](http://kellyservices.com) and connect with us on [Facebook](#), [LinkedIn](#), and [Twitter](#).

**Contact:**

Jane Stehney  
Kelly Services.  
248-574-9800  
[stehnja@kellyservices.com](mailto:stehnja@kellyservices.com)

*\* Today there are 50 million free agents in the U.S., comprising 33% of the U.S. workforce. Globally, free agents/gig workers make up 31% of the workforce. Gig work describes any engagement for which talent is paid for a discrete task, project or period of time. Dozens of terms fall under the “gig work” umbrella—from freelancers and independent consultants, to micropreneurs and independent contractors. All of these are referred to as part of the gig economy or on-demand economy.*

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Source: Kelly Services, Inc.