

## HR Expects to Continue Increasing Focus on Gig Economy Model

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Driven by a scarcity of qualified talent and the need for their companies to be increasingly agile and cost-effective, human resources (HR) leaders are increasing their focus on and preparing to embrace the mounting gig economy. According to software company Oracle, almost 40% of companies surveyed are currently hiring on a temporary or project basis, but that may be just the veritable tip of the iceberg. Half of HR decision makers <u>say they will be hiring more workers on a project basis by 2020</u>.

In this evolving area, various questions are also emerging. One of the most frequently asked question is: who will manage and finance training for gig employees? Not surprisingly, most employees believe the company should pay, while many HR leaders have a different opinion. Meanwhile, companies that need a more nimble recruitment pool are exploring ways to match talented freelancers with their upcoming assignment needs.

HR leaders are recognizing not just the benefits of recruiting talented workers – they are also improving organizational agility and cost-effectiveness. In other words, embracing the gig economy can <u>help companies gain competitive advantages</u>.

Another study, by Field Glass, shows a growing trend away from traditional full-time and part-time employees in favor of a model where <u>more contingent workers</u> are used. In part, this may be because more of today's workers are looking for opportunities to showcase their skills in non-traditional settings. Meanwhile, at least some companies' paradigms seem to be shifting away from *hiring a person*, toward *completing a given task*. Reflecting an emerging, adaptive mindset, even the term "contingent workforce" is increasingly referred to by using more descriptive terms, such as "agile talent."

An <u>estimated 55 million Americans</u> are now freelancing. Thus, HR leaders who do not embrace the gig economy and find effective ways to recruit freelancers will face disadvantages, such as a scarcity of talent to service their company's customers. In sum, according to those responsible for finding and recruiting workers to take care of their company's customers, the gig economy is becoming an increasingly greater factor in their activities. All signs point toward continued growth in this trend.

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