



A Workforce **Disruption**

Becoming an Employer of Choice in the Gig Economy



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Executive summary

Do you remember your very first job? Your first boss? If you're reading this, chances are you've been working in the business world for a while—and that means your professional life is probably different today than it was back then. Ironically, the only constant force in our lives is change.

The truth is that today's workplace continues to evolve. New behaviors and attitudes about work are prompting employees to seriously rethink their relationships with employers. While the workers of yesteryear spent their lives climbing the corporate ladder at a single company, today's job seekers value flexibility, meaningful interaction, and a genuine sense of purpose.

In this white paper, we're looking at what it takes to become an employer of choice in the gig economy.

This shift is driven in part by the rise of the **"gig economy"**: a work environment predominated by the self-employed. Today, more Americans are relying on "side hustles" to supplement their regular incomes.

As such, many businesses are changing their approaches to hiring and managing employees. Their goal? To attract and retain the very best talent. In this white paper, we're looking at what it takes to become an employer of choice in the gig economy.

Today's transformative workplace

As the gig economy inflates, forward-thinking employers are amending their policies and processes to give job seekers more autonomy. According to a 2018 Bureau of Labor Statistics study, approximately 10% of American workers in 2017 were employed through “alternative work arrangements.” For example, the number of Uber drivers, freelance writers, and contingent/temporary employees is poised to rise.

New behaviors and attitudes about work are prompting employees to seriously rethink their relationships with employers

- Source, screen, and onboard quickly
- Leverage decades of experience
- Improve the candidate experience
- Access large pools of talent
- Enhance employer branding
- New sourcing models

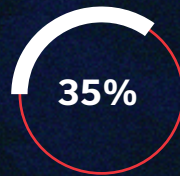
The gig economy at a **glance**

More people than ever are choosing to freelance—up to **55 million** this year, or 35% of the total U.S. workforce.

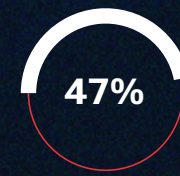
\$1.4 trillion

Freelancers and ICs contribute a staggering **\$1.4 trillion** in freelance earnings to the economy on an annual basis

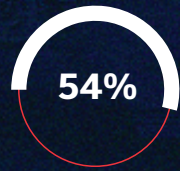
80 – 90% of the U.S. workforce say they'd like to work remotely at least some of the time



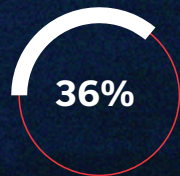
35% of the workforce in 2018 was comprised of freelancers and ICs



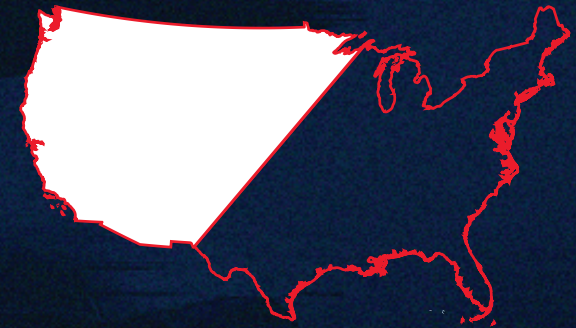
47% of millennials are engaging in some form of freelance work



54% of adults no longer want to work full-time jobs in a traditional setting



1 out of 3 workers say they have thought about quitting jobs to freelance



Some researchers project that **half the U.S. working** population will move into the gig economy within the next five years.

Retaining top talent

Securing talent is one thing; retaining it is quite another—especially when it comes to a younger workforce. A 2018 Deloitte study points out what the younger workforce is thinking (sidebar).

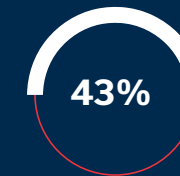
“One way to cultivate loyalty among employees is to give them open pathways to feedback within the organization. Workers want to feel heard and validated, but don’t always trust their feedback will be taken seriously.”

— John Morgan, Regional Director of Recruitment for Acara

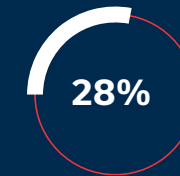
Interestingly, more experienced millennials can no longer be accused of job hopping any more than their Gen Z counterparts were at a similar age. As of 2016, 22% of millennial workers had been with their current employer for at least five years—in line with the 21% of Gen X workers in 2000, according to a Pew Research poll.

facts & figures

Millennials

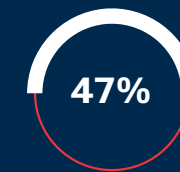


43% of millennials envision leaving their jobs within two years



28% of millennials seek to stay beyond five years

Gen Z



47% of Gen Z are engaging in some form of freelance work

What do workers want?

Given today's tight labor market, employers need to get creative with incentives and perks—something that equates to more than dollars and cents. One of the best things employers can offer their workforce is flexibility. Modern employees, regardless of age, all value that freedom.

Can't offer remote work opportunities? Consider allowing employees to:

- Set their own schedules
- Work in other environments
- Work at nearby locations off-site
- Create collaboration space
- Achieve a sense of community

A Gallup study surveyed individuals in more than 150 countries about all major aspects of wellbeing—career, social, financial, physical, community. The results upend the notion that having friends in the workplace and socializing during the workday makes employees less productive. According to the survey:

80 – 90% of the U.S. workforce say they'd like to work remotely at least some of the time

Despite remote work, mobile apps, smartphones, videoconferencing, and other technologies that offer employees a powerful mix of remote connectivity, employees aren't ready to do away with face-to-face interactions completely.

30% of workers who have a best friend are 7x more likely to be engaged at their jobs than those who don't.

5 ways to **modernize** the workplace

1

Open communication

Encourage open dialogue between employees, managers, and leadership.

2

Transparency

Keep employees in the loop to help them see the big picture.

3

Flexibility

Give workers more autonomy over where and how they work.

4

Intentional workspaces

Create physical workspaces that encourage communication, community, and collaboration.

5

Real-time feedback

Welcome real-time feedback among colleagues and managers, and take employee input to heart.



I choose business ethics

Millennials also care deeply about their employers' motivations and ethics. Sadly, skepticism is high. According to a recent Deloitte survey:

In 2017, 65% of millennials believed businesses behaved ethically versus **48% in 2018**

In 2017, 62% of millennials believed leaders were committed to helping society versus **47% in 2018**

Workers need to see the big picture, and company leadership must provide them with the opportunity to do so. Increased transparency also helps employees feel more connected, especially when 87% of employees worldwide still report not feeling engaged at work.

How can business leaders mitigate negative perceptions?

Greater transparency | **Open communication** | **Employee inclusion**

Onward and upward

As we've explored in this white paper, a major shift in our workforce is underway, and companies must adapt if they want to attract and retain the best talent. In closing, what does an employer of choice look like in today's gig economy? Here's a recap:

- | Employee input and feedback is valued at all levels
- | Workers understand their input matters
- | Professional growth and skills development are mutually beneficial
- | High performers are encouraged to explore new career paths and approaches
- | Workers believe their employers are ethical and accountable
- | Employees have a genuine sense of purpose in what they do
- | Open communication and transparency unveil the big picture to all

Is a workplace like this easier said than done? Maybe. But when implemented properly, the approaches explored in this paper can help companies establish themselves as employers of choice in the gig economy.



The Acara difference

For nearly 60 years, Acara has been a premier provider of talent and recruiting solutions trusted by companies in all industries. We work from a people-first perspective and employ a high-touch, consultative approach that seeks to gain a deep understanding of your needs, so we can swiftly, purposefully, and proactively provide the contingent staffing, direct placement, payrolling, contract-to-direct, and executive search services that make a real difference in your company.



Contact us today to learn how Acara can help you find the right fit for your company.

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