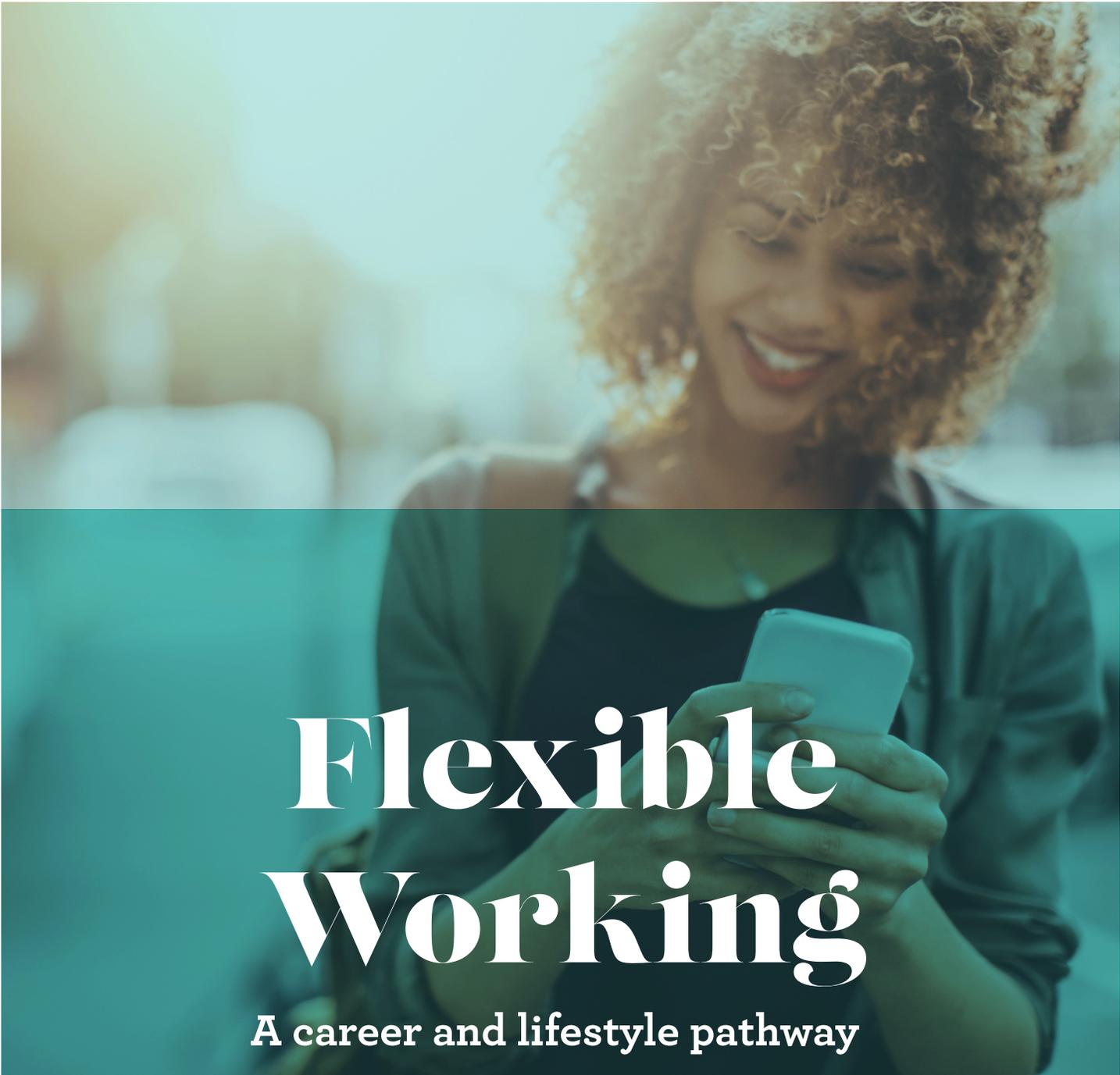




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**THE ADECCO GROUP**



# Flexible Working

A career and lifestyle pathway

**Linked in**

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# Executive Summary

Flexible, contingent, independent, contract, or gig work\* – it goes by many names, but it is reshaping labour markets and the economy. By some estimates, 20–30% of the working-age population in developed countries are involved in flexible labour to some extent. Of these, nearly half pursue it full time. In the past year, this kind of work added \$1.4 trillion to the US economy alone; in Europe the annual figure is €270 billion.

Dramatic change often leaves fear in its wake, and this so-called gig economy is no exception, with public commentary full of warning of problems and abuses.

This report from the Adecco Group, in collaboration with LinkedIn, meanwhile, looks at the facts. It finds that those who take on flexible work are embracing it as a way to pursue their own goals.

The study is a joint enterprise, drawing on several pieces of previously unpublished research undertaken by the two companies. These include Adecco's Global Satisfaction survey of well over 100,000 of its associates,<sup>†</sup> LinkedIn's analysis of more than 4 million contract workers who are its members, as well as the responses from contract workers to LinkedIn's annual member survey – all of which covered 38 countries<sup>1</sup> – and an in-depth, qualitative survey of attitudes toward independent work among people aged 18–26 (see 'Research Methodology' for more details). To put the findings from these surveys into context, this report also benefits from in depth interviews with senior executives from relevant Adecco Group companies as well as substantial desk research, all conducted by Longitude Research.

## What we found

### Flexible work allows people to pursue a range of goals

The majority (54%) of those involved in flexible work say that they are doing so in order to pursue their own particular interests. In the survey of 100,000 Adecco

associates, 7% report that flexible working is a way to earn while studying, 29% that it is a stepping stone to a full-time position in their chosen field, 13% that it is a way to maintain flexibility, and 5% that it gives them the chance to pursue project-based work.

Only a minority (36%) say that temporary work is a stop-gap while they seek permanent employment. Many of these respondents, however, come from countries with high general unemployment, which indicates that instead of corroding permanent employment, flexible employment can be a safety valve in poor labour markets.

### The young see flexible work as positive

A qualitative survey conducted for the Adecco Group of 18–26-year-olds around the world shows unambiguously that, among this demographic, flexible, independent work has a strong image. They are aware of the challenges but, of those who are currently contingent workers, 82% have always wanted flexible employment. Of the survey participants who are unemployed or in traditional jobs, nearly half had considered shifting to flexible work and only 23% see it as a last resort. While not necessarily ready to engage in it themselves, 76% of this latter group have a positive image of independent work, against just 7% who have a negative view. All of those engaged in flexible work, meanwhile, have a positive image of it, and 89% think of it as a long-term career option.

### Flexible employment is allowing a rapid increase in independent professionals taking on senior roles

Independent professionals – highly skilled, self-employed individuals, often contractors without employees of their own – are one of the most rapidly growing parts of the gig economy, with over 15 million active in Europe and the US.

According to LinkedIn data and research, a large share of contract workers on its platform report having a higher education degree. They seek both high income

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\* In this study, we define “flexible work” as “working without an open-ended contract, as an agency worker, self-employed independent individual, freelancer, consultant, contract worker, contingent/flexible worker, or in a similar position.” To avoid undue repetition, we also use as synonyms the terms “independent work,” “contingent work,” and “gig work.”

<sup>†</sup> “Associates” are individuals who are selected and recruited by Adecco and placed under agency contracts at client companies.

and good work-life balance and, on average work in roles with greater seniority sooner than their peers with open-ended employment contracts.

The increase in people choosing flexible careers requires modernisation of employer strategies, labour market policies and education systems

The increase of flexible contract forms comes with challenges:

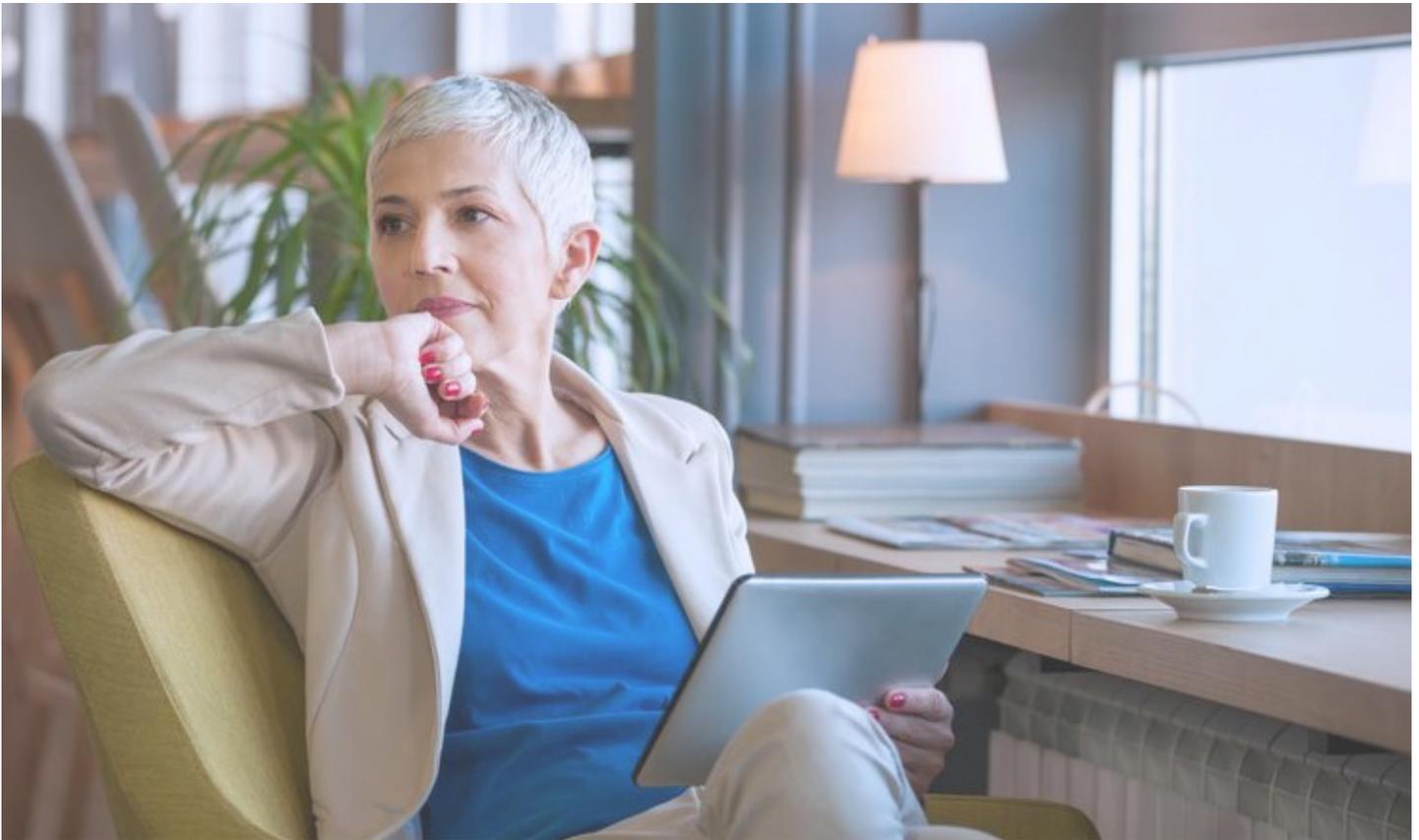
- Employers will need to reassess how they approach talent management, and consider how they access the human capacity to get different business tasks done rather than simply hiring in-house employees to do so.
- Governments, meanwhile, will need to create regulatory system that allow for diverse forms of work and contracts. Moreover, workers under all contracts need to be on a level playing field in terms of social security systems so that contingent workers can have the necessary protections without undermining the benefits of flexibility.
- Education systems will also need to embrace new forms of education alongside traditional ones in order to give to students the networking and project-based skills required in today's economy.

## Research Methodology

This study draws on three previously unpublished surveys conducted by the Adecco Group and LinkedIn:

- The Adecco Group's Global Satisfaction Survey, which in spring 2017 asked 102,161 company associates in 38 countries and 48 business units their motivations for engaging in short term employment.
- "Understanding What Working Independently Means" – a qualitative survey, undertaken by InSites Consulting on behalf of the Adecco Group, which asked 90 people aged 18-26, who came from every global region, about their views of independent work and independent workers.
- LinkedIn's analysis of 4 million members, in the same 38 countries, who have: self-identified as contractors; indicated they are looking for contracting work; or were identified by LinkedIn's proprietary algorithm as being contractors – based on profile elements and job seeking patterns that suggest engagement in short-term, professional engagements outside of full-time employment. The profiles analysed were a representative subset of the full contractor member base on LinkedIn, with sufficiently complete profiles to take part in the study. The analysis looked at aggregated data from LinkedIn on these members' demographics, professional and academic backgrounds, skills, and engagement within the platform - as well as professional ambitions captured from LinkedIn's annual member survey "LinkedIn Global Talent Trends." This information was also compared to a demographically similar group of professionals with open-ended employment contracts.

The surveys were analysed by Longitude Research, which also interviewed five relevant experts from Adecco Group companies and conducted substantial further desk research to place the research in context.



## Key Messages

1. The large majority of those involved in flexible work do so through active choice in order to meet current personal needs or career ambitions.
2. Young adults (aged 18-26) have a very positive view of independent work and independent workers, and a majority aspire to such employment.
3. A rapidly expanding new class of independent professionals, through the gig economy, are creating financially and professionally rewarding careers with a more desirable work/life balance.
4. Flexible work is a positive development for workers, companies, and society and an integral part of today's technology-driven transformation of the global economy. Nevertheless, it presents challenges: corporate executives, government labour and education policy-makers, as well as individuals themselves all need to update thinking formed in a world where permanent employment predominated and address the opportunities and risks of one where independent work is increasingly common.

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# Introduction: Growing rapidly but misunderstood

It takes time for reality to clear away entrenched misperceptions, and this will be the case for the rise of flexible work in the modern economy.

Flexible workers have long been a feature of the labour market. The growth of the gig economy, however, in which digital technology rapidly matches short-term employment needs with willing labour, is reshaping the employment landscape.

Robust data on this phenomenon is scant, but what does exist points to rapid growth. The OECD, for example, looked at two leading job-matching platforms and found a 15-times increase in the number of gig, or contingent, workers between 2005 and 2015.<sup>2</sup> In those same years, a Harvard University study unearthed a lower, but still substantial, rise of 66% in the number of flexible workers in the US economy. As an Adecco Group and INSEAD study reports, this represents “almost all net employment growth in the United States since 2005”.<sup>3</sup>

The trend started later in Europe, but has been catching up. Guillaume Herrnberger, COO and Co-founder of YOSS – a new digital platform for independent professionals and a brand of the Adecco Group – reports that the number of freelancers in France has nearly doubled in the past five years. This is especially true among the young: according to France’s Institut national de la statistique et des études économique (INSEE) 35% of the country’s millennials are freelancers.

Such growth means that a substantial number of workers are already involved in the flexible economy. In 2016, McKinsey & Co estimated that 162 million people in Europe and the US – between 20% and 30% of the working population – were engaged in some type of flexible work. Of these, 44% earned their main income from such activity.<sup>4</sup>

Many of these flexible workers are finding jobs not just with individuals but also with companies. In France, a 2016 survey YOSS survey found that 85% of large companies in that country use independent workers. Similarly, recent EY research reported that, on average, US employers describe 17% of their workforces as contingent.<sup>5</sup> Why is this? Bettina Schaller, the Adecco Group’s Director of Public Affairs explains that in

today’s volatile global economy, organisations which want to be competitive need to be flexible.

For a small company, says Schaller, a contingent worker meets “specific needs, for a project or temporary problem, such as when you are experiencing a seasonal peak of workload or where you don’t have the talent.” “Larger companies look for flexibility when hiring, so they can scale up or back according to the business needs and opportunities “ says Marcus Sawyerr, President of AGX, the Adecco Group’s digital innovation unit. This gives them “agility and the ability to pick up new business, not turn it down.”

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**66%** *Increase in the number of flexible workers in the US between 2005 and 2015*

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The potential profits from flexibility are more valuable than reduced expenses. McKinsey research estimates that, while flexible labour can reduce costs by up to 7% on average in large US companies it has an even greater impact on increased productivity (9%).<sup>6</sup>

The aggregate economic impact is already huge: Edelman calculates, for example, that freelance activity has added \$1.4 trillion to the US economy in the past year,<sup>7</sup> while France’s Institut national de la statistique et des études économique (INSEE) puts the value

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**\$1.4 TRILLION** *Amount added to the US economy by freelance work in the past year*

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for Europe at €270 billion. Looking ahead, McKinsey believes that digital labour platforms on their own have the potential to increase the world’s GDP by 2% between 2015 and 2025.<sup>8</sup>



## Imbalanced benefits?

So flexible work can be a boon to companies and the economy overall, but what about the potential danger of such arrangements to workers? “Sometimes you don’t feel human’ - how the gig economy chews up and spits out millennials”,<sup>9</sup> “Inside the gig economy: the ‘vulnerable human underbelly’ of UK’s labour market”,<sup>10</sup> and “Gig workers are easy prey for bullies and gangmasters”<sup>11</sup> are three headlines from major newspapers in 2017 that illustrate the hostility.

Bettina Schaller says that there is a common “belief in the policy world and in academic work that everything except open direct employment contracts with the worker is non-standard work,” and is therefore suspect.

Too often, adds Ernesto Lamaina, founder and CEO of Adia, a digital contingent labour platform, this reflects historical concerns rather than the present reality. “In many markets, flexibility is seen as instability and therefore something chaotic,” he says. “This is a big misconception.”

Such criticisms fuel widespread, fundamental mistakes about the benefits to the individual of flexible employment. Wikipedia reflects the conventional wisdom: “Contingent work is usually not considered to be a career or part of a career. One of the features of contingent work is that it usually offers little or no opportunity for career development.”<sup>12</sup>

Any substantial economic change, including the growth of flexible work, brings challenges. With so many people choosing this kind of employment, governments and other relevant stakeholders need to look again at social protections and employment rights.

Yet nobody is served well by the perpetuation of myths. As this report shows, flexible working is not a step backwards to Dickensian labour conditions, nor a dead-end street chosen as a last resort. Instead, most of those taking on this work see it as a way to meet their needs at a given stage of life, and for a rapidly increasing number it is a route to rewarding, well-paid professional careers.

# 1. Flexible work as a lifestyle choice

Among the most powerful antidotes to common misconceptions about flexible work are the workers' own views.

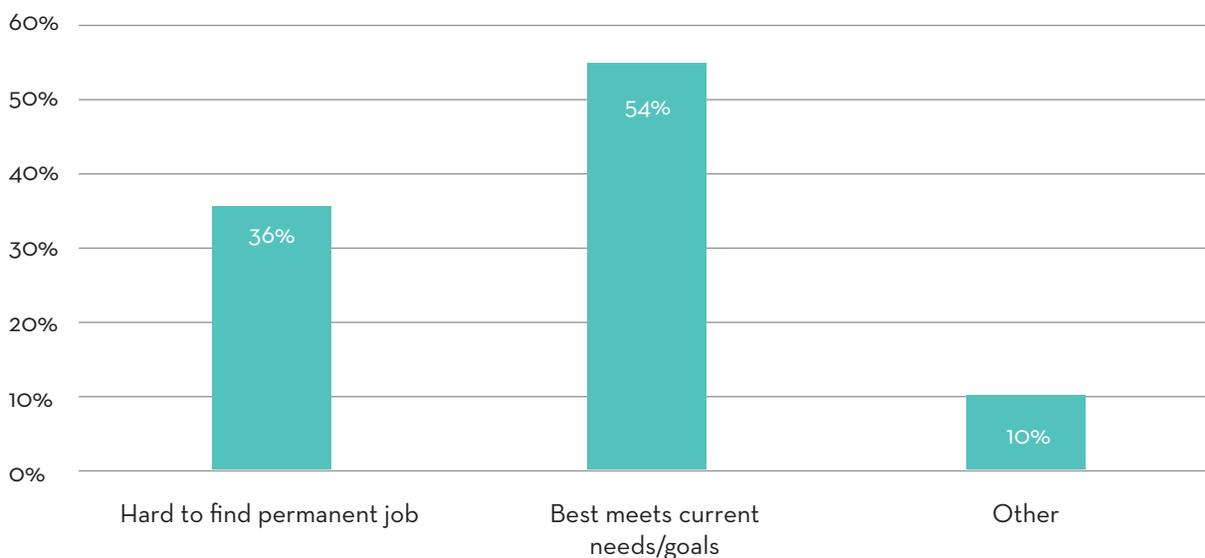
Adecco's Global Satisfaction Survey, from the spring of 2017, which had responses from over 100,000 company associates in 38 countries, reveals a nuanced picture of why people choose flexible working.

It is not the preferred option for some. Over a third (36%) of respondents say they seek such work because they are unable to find a permanent job. However, the national figures expose a common source of this problem. Three of the four countries where the desire

for permanent work is highest - Portugal (where 54% give this reason), Italy (54%), and Spain (42%) - also had, in spring 2017, the fourth, second, and third highest unemployment rates in the EU respectively.<sup>13</sup> Data from the US also suggests that, as unemployment rates drop, so does the proportion of those involved in flexible work who consider it to be a last resort.<sup>14</sup>

In other words, the gig economy is not undermining other jobs. Instead, for those who choose flexible work because they are struggling to find a permanent job, this new way of working is a safety net that provides a way to stay active in a labour market that cannot find room for them.

Motivations for flexible work



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## Choosing independence

The bigger message from the survey data, however, is that flexible work is not a second best to be used when other employment is unavailable: those involved see it as inherently valuable. In the words of YOSS's Guillaume Herrnberger, "most freelancers want to live as independents. That is their choice."

The majority use flexible work as a way to meet specific needs at different points in their lives. "Many different types of people choose such work for completely different reasons," says Jérick Develle, VP Strategic Marcom Products at the Adecco Group. "More and more, this is a choice of agility and capacity to manage their lives as they want."

The breakdown of this majority group shows that in some cases the need they are meeting is clear and for

a defined period: 7% of all respondents, and 16% of millennials (those aged 18-30), are students looking for part-time work to supplement their income.

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*"Most freelancers want to live as independents. That is their choice."*

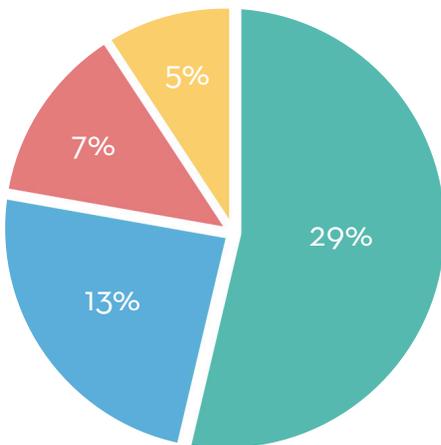
*– Guillaume Herrnberger,  
COO and Co-founder, YOSS*

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For more people, however, it is a way of building a career that meets their own life needs. Overall, nearly half of all respondents (47%) see it as a stepping stone to a full-time position in their chosen field (29%), a way to maintain flexibility in life (13%), or a chance to pursue project-based work (5%).

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### Breakdown of those who answer 'flexible working meets my current needs/goals'



- Stepping stone to full-time position in my chosen field
- Way to maintain flexibility in my life
- Student and temporary work fits my needs
- Like to work on projects

NB: Figures are percentage of total survey respondents choosing these answers, and so add up to 54%, not 100%.

These motives evolve over time. Younger respondents – the millennials and generation X (for this survey, those who are aged between 31 and 50) – are more likely than older respondents to see flexible work as a route to a permanent position.

## Accelerated learning

Their strategy does not surprise Adia’s Ernesto Lamaina. “Flexible work gives you a much steeper learning curve than when you have a single job or employer,” he says. “Most new learning on a job happens in the first six months. With flexible working you have the possibility to learn from many people about concepts and business ideas. That attracts young people.”

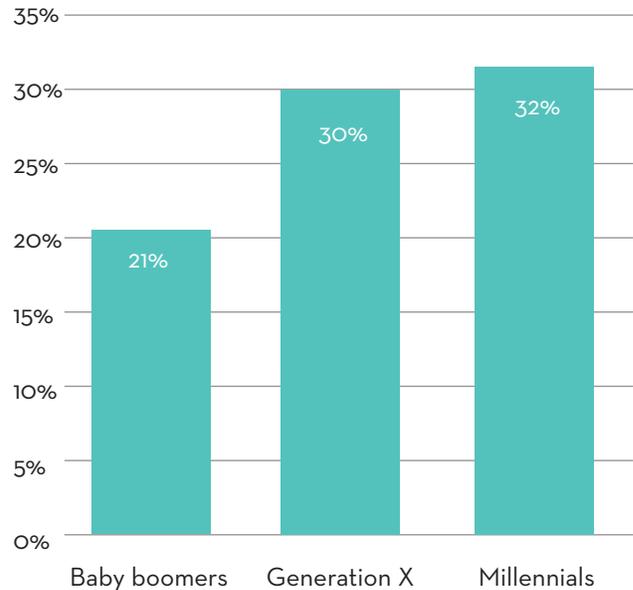
As well as providing personal career development, this accelerated learning from flexible work can play an important social role. The Adecco Group’s recent report on breaking down barriers to youth employment makes it clear that one of the key difficulties faced by young people is their lack of hard and soft skills needed for the workplace.<sup>15</sup> It also notes that high youth unemployment exists despite 40% of employers saying they cannot find young people with the right skills for their companies. The way in which contingent working allows young people to accumulate skills more rapidly than does other forms of work will therefore help to meet a pressing economic need and reduce a key cause of youth unemployment.

Flexible work, however, is not simply for the young. Older individuals involved in such arrangements increasingly value flexibility as a way to shape their own lifestyles and pursue project-based employment. In fact, as we will see later, this trend is particularly visible among older professionals who, rather than seeing flexible work as a stepping stone to a permanent job, treat it as a desirable goal in itself. Indeed, given ageing populations in much of the world, and rising retirement ages, flexible work will be an important way for older individuals to remain active in the workforce in a way that suits their own needs and wishes. As one Australian respondent to the Global Satisfaction Survey explained, “I am retired and travel a lot, [but] I enjoy the mental stimulation of learning new skills [through employment].”

*“Flexible work gives you a much steeper learning curve than when you have a single job or employer.”*

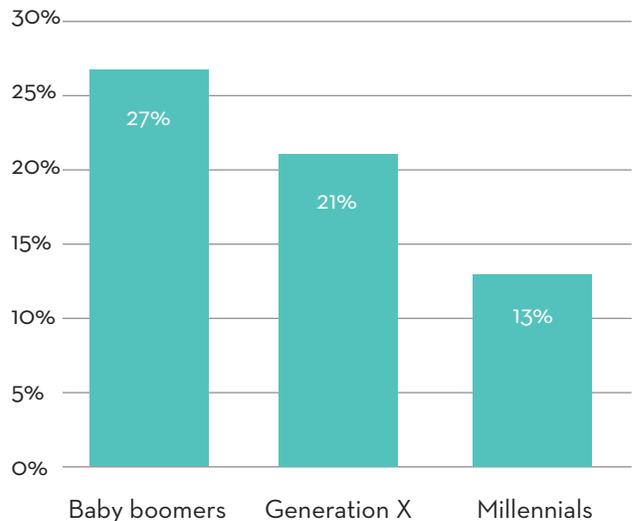
– Ernesto Lamaina,  
founder and CEO, Adia

## Flexible working is a stepping stone to a full-time position in my chosen career



So rather than a last resort, flexible work is most often used as a choice to meet lifestyle and career goals – goals that are as diverse as the individuals themselves. One thing unites most of them, though: 74% of French freelancers polled by YOSS reported that they are happier than when they were on traditional permanent employment contracts.<sup>16</sup>

## Flexibility or projects are the main drivers



## 2. The young view flexible work positively

A qualitative study of 90 individuals aged 18-26 from every region of the world looked in depth at perceptions of independent, flexible work. Conducted for the Adecco Group, the research found that respondents' understanding of the motivations of contingent employment reflected those from our larger survey (see Section 1).

Even among those who are not engaged in flexible work, just 10% see it as a last resort for those who would otherwise be unemployed. Instead, 20% see it as a way for students to earn money, 30% as a way for those starting out in the workplace to build a career, and 40% as a way for financially secure older experts to develop independent practices.

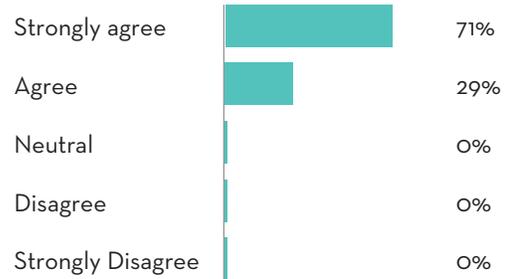
In fact, the independence of flexible work is a common aspiration among these young people. Of those who are currently involved in this kind of employment, 82% have always wanted flexible work.

Among those who are unemployed or in traditional jobs, meanwhile, nearly half have considered shifting to flexible work, and only 23% consider it to be a last resort. They may not necessarily be ready to engage in it themselves, but 76% of this latter group have a positive image of independent work, against just 7% who have a negative view.

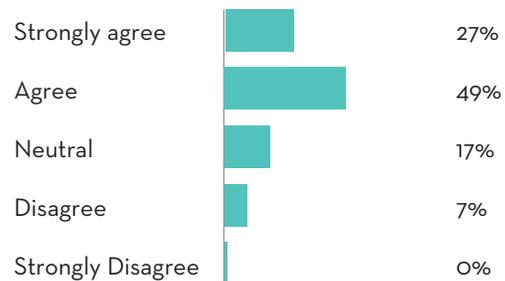
In individual interviews, they show that they are well aware of the challenges of flexible work, such as uncertainty, financial risk, and the increased responsibility of self-employment. Yet more than twice as many of both those involved in it and those who are not agree that the advantages of flexible work outweigh the potential stumbling blocks.

Perhaps the most striking survey result is the universally positive views of those who have direct experience of flexible work: every one of the respondents in this group views flexible work positively (71% strongly) and 89% see it as a potential long-term career option. Only 2% believe that the negatives outweigh the positives.

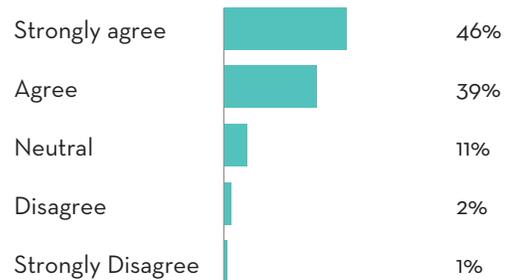
### I view independent work positively (independent worker respondents)



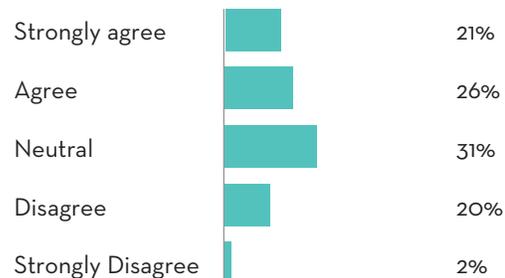
### I view independent work positively (non-independent respondents)



### The advantages of independent work outweigh the disadvantages (independent worker respondents)



### The advantages of independent work outweigh the disadvantages (non-independent respondents)





As one respondent says, “The advantages [of flexible work] are decision-making freedom and, if you work well, you earn well.”

These upbeat attitudes towards flexible work help to explain the rapid increase in workers engaged in the gig economy.

And they are consistent with other, less age-focused research. An EY survey of 1,000 contingent workers in the US found that 66% felt that the advantages of gig employment outweighed any disadvantages all or most of the time, and 56% said that contingent work is “how they want their careers to progress”.<sup>17</sup> Similarly, a McKinsey study of 8,000 people has found that,

of those for whom flexible work is the main source of income, more than twice as many said it was their preferred choice of employment than said it was adopted out of necessity.<sup>18</sup>

Such positive attitudes – particularly among younger generations – give every reason to expect the growth of flexible work to continue.

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*“The advantages [of flexible work] are decision-making freedom and, if you work well, you earn well.”*

– Survey respondent

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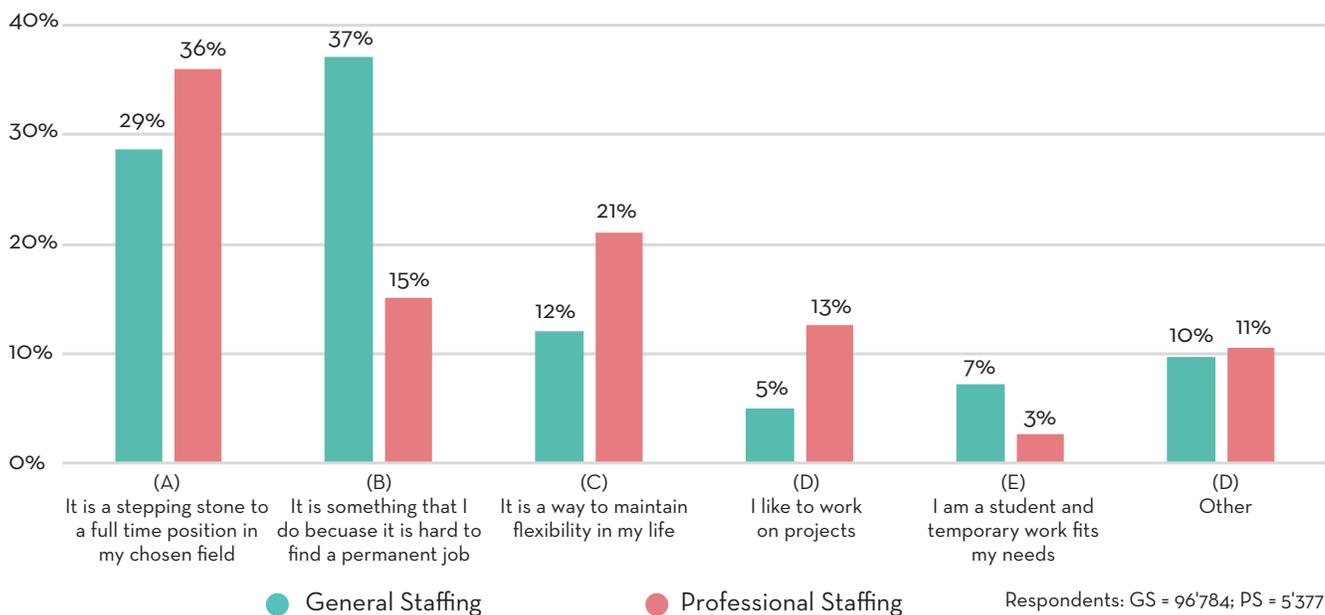
# 3. The new independent professional

The rise of the gig economy is not only transforming the ways in which potential employers and employees find each other. It has also contributed to the rapid increase in the numbers of a previously uncommon member of the employment market: the independent professional. These are highly skilled, self-employed individuals without employees of their own.

light on some of this group’s characteristics. Professional respondents – who include a wide range of experts, from IT and engineering, through medical, to general business managers – are much more likely than general staff\* to see flexible work as a way to advance their careers or to let them shape their own employment conditions by maintaining flexibility and pursuing projects. Only 15% of this group say they have no other options.

Data from Adecco’s Global Satisfaction Survey shed

Motivations for temporary work General vs. Professional Staffing (%)



The change in motivations among professionals as they age is similar to that discussed in Section 1, but is more pronounced.

flexible jobs as stepping stones to a full-time job (42%) or are still students (7%). Among baby boomers, meanwhile, about half (47%) see it as a way to maintain their own flexibility or to pursue a preference for project-based work.

Nearly half of professional millennials are either using

\*The Adecco Group has two business lines, and the survey includes answers from associates in both. One line is **General Staffing**, which provides candidates with generalist skills to clients, mainly through flexible staffing, permanent placement and outsourcing services. The two General Staffing business lines are Office (including clerical and support personnel in all areas of office-based employment) and Industrial (including candidates for blue collar job profiles across many industrial sectors). The Adecco Group’s other major business line is **Professional Staffing** which supports companies in finding and attracting talent with professional qualifications and highly sought-after skills. Professional Staffing has four business lines: Information Technology; Engineering and Technical; Finance and Legal; and Medical and Science.

## Freedom to choose

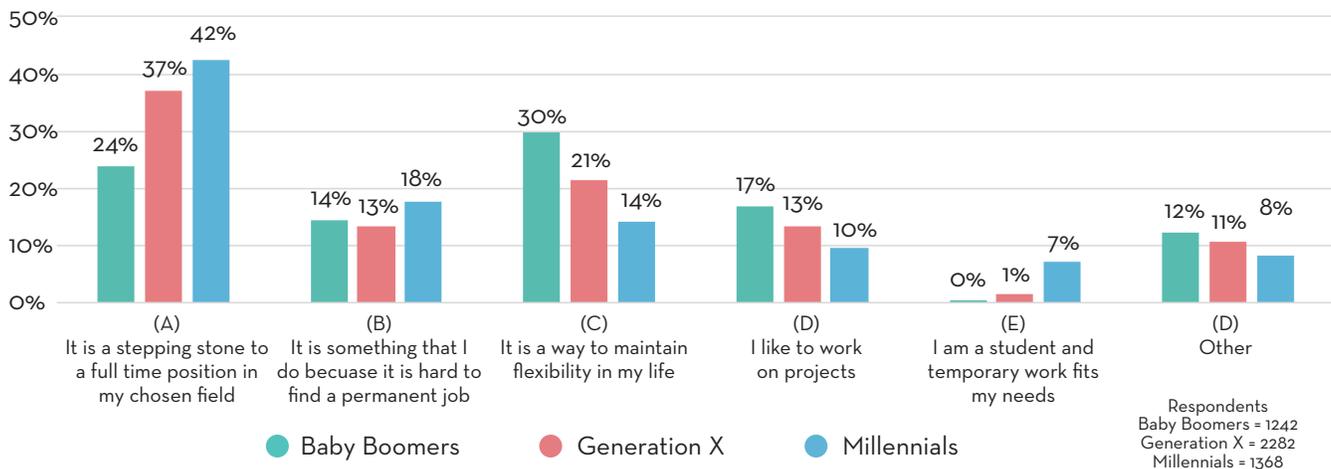
This is consistent with a Financial Times survey that finds that older independent professionals in the UK are more than twice as likely as those under the age of 40 to expect to still be independent in three years' time.<sup>19</sup> "It is not a question of choosing between independence and full-time employment," explains YOSS's Guillaume Herrnberger. "You can shift between them. It all depends on the time of life you are in and how you want to live."

Adia's Ernesto Lamaina explains that this is a common transition as more experienced, highly paid employees seek to take control greater of their own work lives. "Many professionals who have been in jobs for 10 to

15 years and are experts in a particular area, are now looking for flexibility," he says. "They want to take their careers to a new level, providing the deep knowledge and skills they have obtained to different employers."

*"It is not a question of choosing between independence and full-time employment. You can shift between them. It all depends on the time of life you are in and how you want to live."*  
 – Guillaume Herrnberger, COO YOSS

### Motivations for temporary work by generation (%) - Professional Staffing



As one such individual explained to the Global Satisfaction Survey team: "I'm a career consultant, and there are many reasons [to rely on contingent employment]: higher pay, more flexibility, as well as more autonomy over choosing project location and subject."

The Adecco Group's Jérick Develle claims that this trend "has increased a lot and will do so more and more." And the data back him up.

Research by Patricia Leighton of IPAG Business School in France has found that, as early as 2013, independent professionals made up a quarter of those working in professional, scientific and technical jobs and 22% of those in arts and entertainment. Between 2004 and 2013, the size of this group in the EU jumped from 6.2

million people to 8.9 million, which made them the fastest-growing labour market segment.<sup>20</sup> In the US, meanwhile, in 2015 6.4 million independents provided companies with some form of professional service, and comprised 21% of all contingent workers.<sup>21</sup>

*"I'm a career consultant, and there are many reasons [to rely on contingent employment]: higher pay, more flexibility, as well as more autonomy over choosing project location and subject."*  
 – Survey respondent



## Higher education

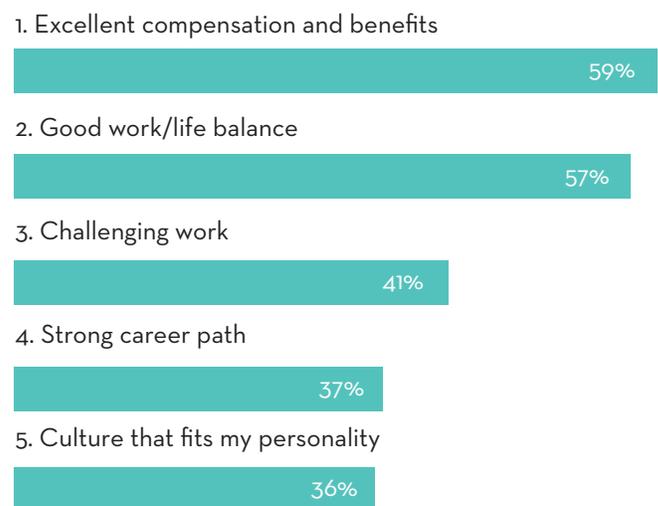
Independent professionals are not only growing in number, they are flourishing. In August 2017, LinkedIn conducted an analysis of contract workers on the platform – defined as those engaged in short-term, professional engagements. The data showed that most (91%) are in their middle to late careers, and the majority spend an average of one year or less at any given job. Contractors on average also have more formal education: 73% have reported a higher education degree or qualification, compared to 45% of a comparative group of LinkedIn members who were not identified as contract workers.

Herrnberger is not surprised by that, saying that with more education it is easier to obtain the wider range of skills independent workers need and sell oneself to potential employers.

This higher level of education indicates that independent professionals do not choose this life for lack of options. According to LinkedIn’s annual member survey, when seeking work opportunities, contract workers most value a combination of excellent compensation and good work-life balance, along with challenging work and a clear career path.

As a result, these professionals cast their nets more widely than their peers. On average, independent professionals in the LinkedIn sample have worked in 2.9 industries, compared with 1.6 among full-time peers. They are also geographically mobile: 11% of those who had changed companies in the past year had also gone to a new region; among their peers this was 8%.

## What they want in a job



Percent (%) indicates how many candidates selected the attribute as a priority.

Respondents: 36,835

Source: Annual survey of 300K+ LinkedIn members, in which respondents were asked to identify the 5 most important attributes when considering a job opportunity.

## Rapid progression

Even more striking is the evidence that these individuals rise up the professional ladder faster than those who work in traditional, open-ended, employment .

According to LinkedIn’s global dataset, independent professionals work in higher seniority roles sooner than peers in open-ended employment. In fact, contract workers in entry, senior and managerial level roles, on average have one year less experience compared to their peers in open-ended employment. “People moving between one job and another learn faster and therefore have more skills and competencies,” explains Lamaina. This attracts employers and allows these professionals to fill senior positions earlier than full-time employee. Herrnberger agrees, and adds that independents also take more risks in their work lives, which prepares them for positions of responsibility earlier.

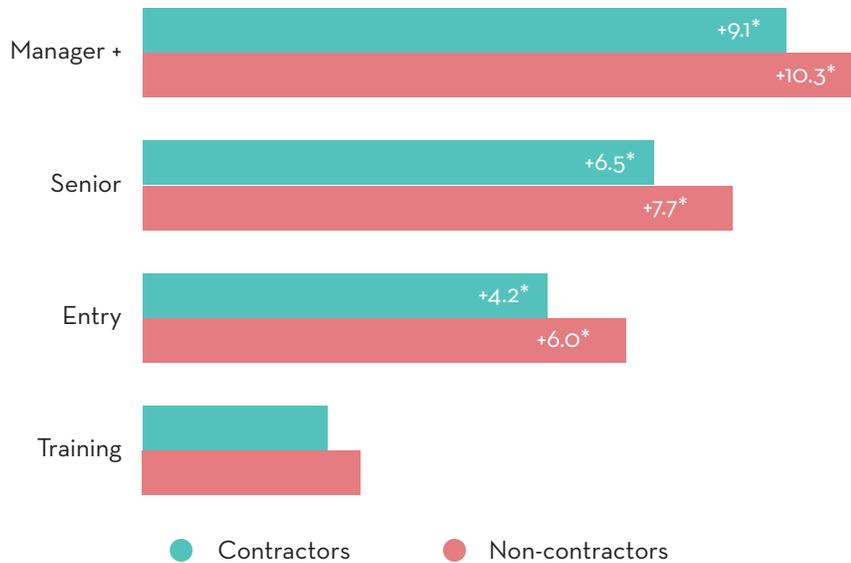
## Time as currency

“Learning curve and earning curves generally go side by side,” says Lamaina. And although direct comparisons are unavailable, there is every sign that independent professionals do at least as well financially as their full-time peers.

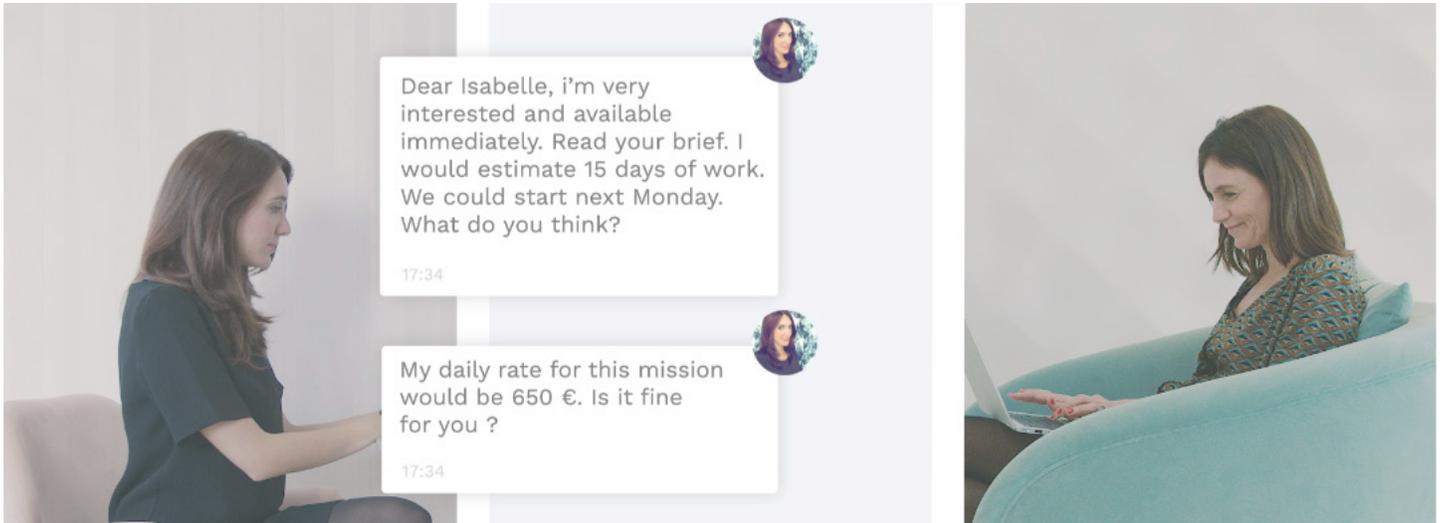
In the US, for example, 20% of full-time contingent workers earn more than \$100,000 per year. For the population as a whole, that figure is just 8%.<sup>22</sup> In another US study, 62% of freelancers who had left full employment said that they were now making more money than before, and a further 10% said that they were earning the same.<sup>23</sup> “Companies pay for agility,” explains Develle. “In today’s world, the new currency is not data, it is time. If you can hire people ready to work quicker, you will pay for that.”

### Average years of experience by seniority level

Contractors work in higher seniority roles sooner than full-time workers



\* Incremental years of experience relative to Training Professionals



## Conclusion: Valuable opportunities, surmountable challenges

Flexible working should be embraced, not feared. Rather than a last resort, it is a welcome choice for a majority of flexible workers, allowing them to achieve a better work-life balance and access a wider range of opportunities. Moreover, for an increasing number of people, flexible, independent work is a route to creating fulfilling, economically rewarding careers.

We need to move beyond the prevalent negative perceptions of the gig economy and flexible working in order to understand the opportunities they present for businesses, for individuals and the economy as a whole.

But it is also crucial for the long-term sustainability of flexible employment that key stakeholders acknowledge and address the challenges it represents.

### Employers need new strategies

Employers – both public and private sector – will have to rethink talent strategies. “If you bring unmanaged flexibility into your company, you are bringing in chaos,” says Ernesto Lamaina, founder and CEO of Adia. “You need the right tools and the right planning.”

In making these plans, “organisations should think less about the mode of employment and more about the business problems they want to solve and getting the right talent – which will come in many different forms,” says Marcus Sawyerr, President of the Adecco Group’s digital innovation unit, AGX.” The future will

belong to companies with integrated workforces that leverage these new forms of work, treating the available sources of talent and contractual arrangements as an opportunity for enhancing agility.”

This will involve changing mindsets, adds Mr Herrnberger. It is time for them to move beyond the idea of a full-time internal labour force and towards an ecosystem of talent within and around the organisation.

This will constitute a network on which it can draw to address the peaks and troughs of the global economy or specific needs, but will require employers to embrace flexibility instead of simply turning to it when no other options exist.

*“If you bring unmanaged flexibility into your company, you are bringing in chaos. You need the right tools and the right planning.”*

*– Ernesto Lamaina, CEO, Adia*

The ongoing ability to attract flexible workers will also depend on inclusive employment environments that appeal to both permanent and contingent staff of all generations at all points in their careers. Finally, organisations will need to invest in innovation and new solutions that capitalise on the potential to enhance

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employee mobility and hyper connectivity in order to allow businesses to draw the best workers from global talent pools.

## **Governments need new labour market and social policies**

There are also pressing challenges at the level of government policy. “Literally every regulator in the field of employment – and beyond it often seems – is looking to find the magic bullet of how to shape an appropriate policy framework for these new forms of work. But so far, nobody has” says Bettina Schaller, the Adecco Group’s Director of Public Affairs.

As with employers, part of any policy solution will be a shift by regulators away from an excessive focus on traditional, open-ended direct employment relationship. “Worker classification is an area where there is huge ignorance,” explains Schaller. “Many labour markets have unhelpful restrictions on certain types of contracts, but you need biodiversity in the labour market – a full range of labour contracts. Then, you need to put these contracts on the same footing. Right now, open-ended direct employment contracts get more credit from regulators.”<sup>24</sup>

Workers’ protections, most public pension schemes and employment support such as unemployment insurance and retraining were designed for a world of traditional employment. Nevertheless, best practices for when balancing flexibility and security do exist. For example, agency work, such as the Adecco Group provides, in many countries offers access to various portable rights. How such right and other protections can serve flexible workers are detailed on our briefing note, *The Adecco Group Stands Up for Workers’ Rights*.<sup>25</sup> It is no coincidence that Guy Ryder, Director General of the International Labour Organisation, recently suggested that the international principles which govern agency work, could serve as an example to create appropriate regulation on other forms of flexible work too.<sup>26</sup>

Governments would do well to invest in innovative ways of regulation, to ensure labour markets are fit for purpose in the 21st century. “When we can have appropriate regulation, benefits and security for workers in flexible arrangements, then we will have cracked the code. That’s where a big part of our focus is right now” says Schaller.

What that will look like, however, is still a work in progress and any result must seek a balance. “You need some legislation to protect the worker, the company, and any provider of flexibility,” says Lamaina. “You don’t want chaos from a lack of regulation. On the other hand, if you regulate every single aspect of the relationship, by definition you take away flexibility.”

## **Policy-makers and individuals need new approaches to education**

Another policy field requiring attention is education, so that individuals have the necessary skills to pursue an independent career if they so choose. Educational systems need to embrace new forms of education alongside traditional education pathways, to equip students with the skills and competencies required to work as an independent if they so wish. Many countries have put in place policies that encourage entrepreneurship, but often these are detached from the world of education.

In principle, education needs to shift from rote, authoritarian learning styles to focus on, or at least also offer strategies to apply, problem solving and social skills, developed through project-based learning.

For educational institutions, this often means collaborating with external stakeholders to equip students with what the market needs, including the flexibility and agility to adapt continuously, as well as to collaborate with others in different disciplines or in different locations.

Such change will help more than just those students who may one day seek to be flexible workers. It is at the core of the so-called 21st Century Skills agenda which the OECD is promoting as necessary to make education systems relevant to the world of today and the future.

Finally, flexible workers themselves will need to see education in a new light. The careers they envisage will require personal investment in lifelong learning as well as the nurturing and expansion of collaboration and networking skills.

Millions of people around the world are trying to seize the benefits and opportunities of flexible employment. It is time for us to dispel the myths, remove the barriers, and help them get there.

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# About

## The Adecco Group

The Adecco Group is the world's leading workforce solutions partner. We provide more than 700,000 people with permanent and flexible employment every day. With more than 33,000 employees in 60 countries, we transform the world of work one job at a time. Our colleagues serve more than 100,000 organisations with the talent, HR services and cutting-edge technology they need to succeed in an ever-changing global economy. As a Fortune Global 500 company, we lead by example, creating shared value that meets social needs while driving business innovation. Our culture of inclusivity, fairness and teamwork empowers individuals and organisations, fuels economies, and builds better societies. These values resonate with our employees, who voted us number 2 on the Great Place to Work® - World's Best Workplaces 2017 list. We make the future work for everyone.

The Adecco Group is based in Zurich, Switzerland. Adecco Group AG is registered in Switzerland (ISIN: CH0012138605) and listed on the SIX Swiss Exchange (ADEN). The group is powered by seven lead brands: Adecco, Modis, Badenoch & Clark, Spring Professional, Lee Hecht Harrison, Pontoon and Adia.

Learn more at [www.adecgroup.com](http://www.adecgroup.com)

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