



August 3, 2017 10 am PDT/1 PM EST



STAFFING  
INDUSTRY  
ANALYSTS

# The Gig Economy and The Changing Workforce

Speakers:

Barry Asin, President, Staffing Industry Analysts

David Francis, Senior Research Analyst, Staffing Industry Analysts

Bryan Pena, SVP, Contingent Workforce Strategies, Staffing Industry Analysts



# Audio Controls

- **Listen through your computer** by turning on your speakers after you log into the event. Sound will be coming through this icon:

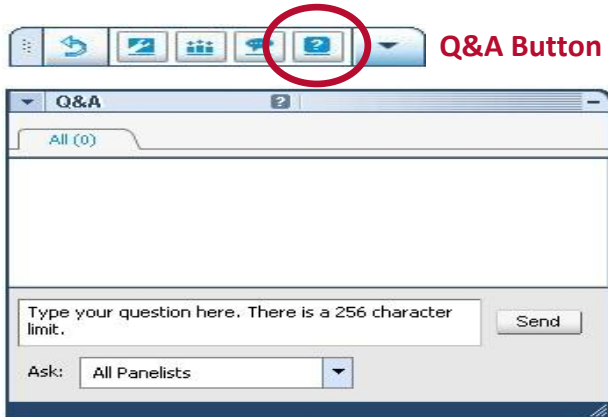


- **Do not** close this audio broadcast box.
- **To increase the volume of sound coming through your computer** speakers adjust the sound bar on the audio Broadcast box shown above.
- If you continue to have trouble, please submit your need for assistance in the Q&A section.

*You may dial into the call: US +1 650-479-3208 or UK +44-203-478-5287 or AUS +61-28518-1925 then enter access code 666 664 445* Please contact [memberservices@staffingindustry.com](mailto:memberservices@staffingindustry.com) if you need assistance. The presentation with audio will be sent 48 hours after the webinar.

# Questions?

- Questions may be submitted at any time during the presentation. To submit a question:



- Click on the Question Mark icon (?) on the floating toolbar (as shown above).
- This will open the Q&A window on your system only.
- Type your question into the small dialog box and click the Send Button.

***You may dial into the call: US +1 650-479-3208 or UK +44-203-478-5287 or AUS +61-28518-1925 then enter access code 666 664 445*** Please contact [memberservices@staffingindustry.com](mailto:memberservices@staffingindustry.com) if you need assistance. The presentation with audio will be sent 48 hours after the webinar.

# Staffing Industry Analysts Product Overview

	Products & Services for Suppliers	Products & Services for Buyers
<i>Research &amp; Advisory</i>		
<i>Events</i>	   	   
<i>Editorial</i>		 
<i>Certification &amp; Training</i>		

# CWS Council Members (partial public list)



# Today's Speakers



**Barry Asin**  
*President*  
Staffing Industry Analysts



**David Francis**  
*Senior Research Analyst*  
Staffing Industry Analysts



**Bryan Pena**  
*SVP, Contingent Workforce Strategies*  
Staffing Industry Analysts

# Agenda

- Where we've been (as-is state)
- Where we are now (transition state)
- Where we're going (Future state)



# This is Our Moment!

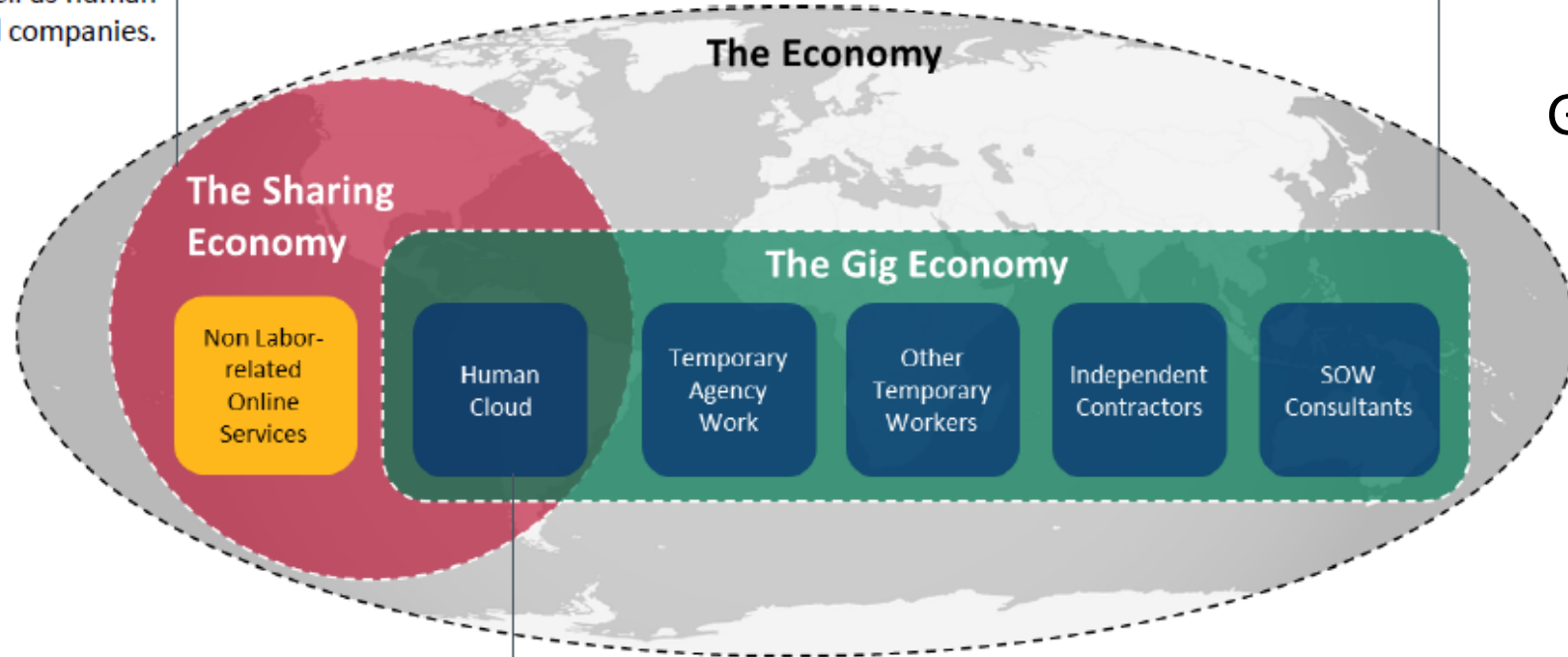




# What is The Gig Economy?

The **Sharing Economy** includes companies such as Airbnb and Zipcar, as well as human cloud companies.

The **Gig Economy** is synonymous with the contingent market. It includes the human cloud, as well as temporary agency work, other temporary workers, independent contractors, and SOW consultants. Traditionally employed workers are not included in the gig economy.



Gig = Contingent

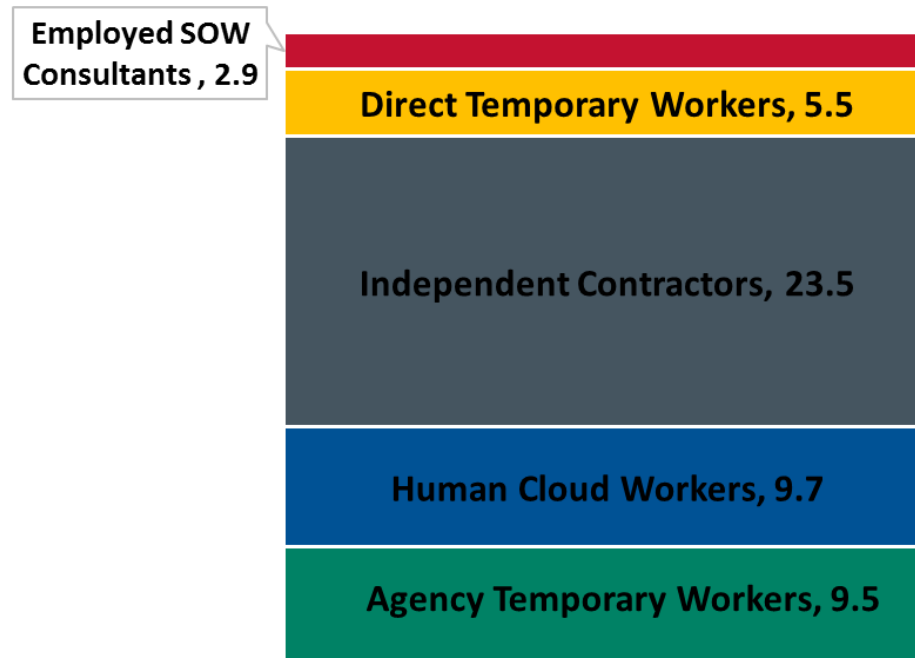
The **Human Cloud** is a subset of the gig economy, and is the only part of the contingent market that is also included in the “sharing economy”, a category where unutilized assets are leased in short-term transactions via a matching technology platform. In the case of human cloud companies, the unutilized assets are workers.

# Gig Economy and the Human Cloud is Part of the Workforce Solutions Ecosystem



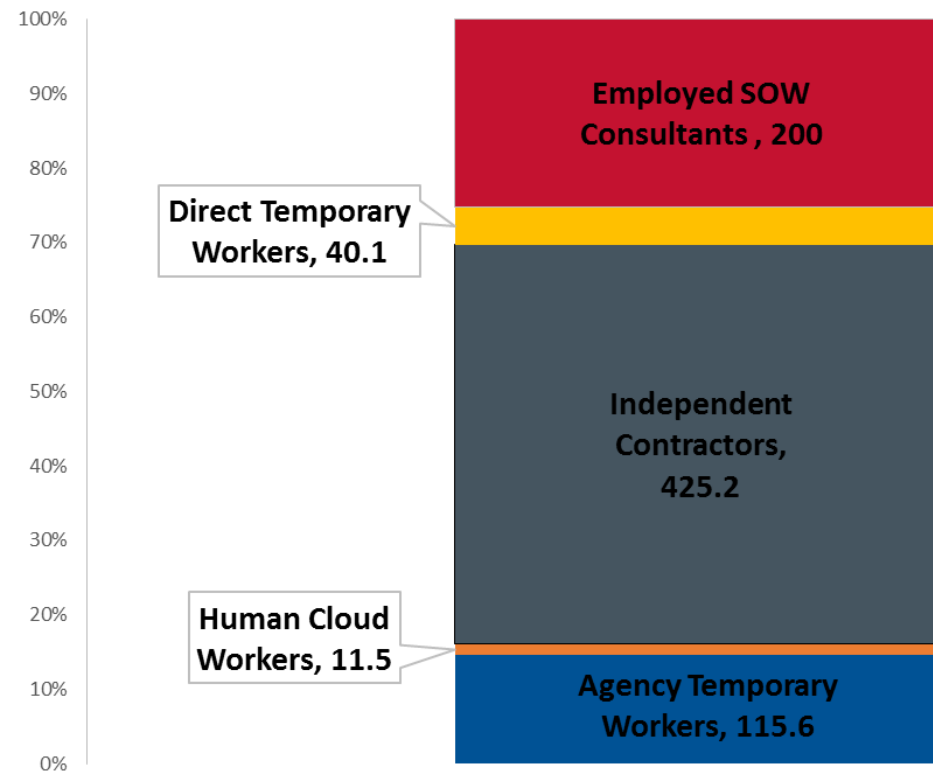
# More People Doing This Than Previously Thought 44 Million Americans Doing Contingent/Gig Work

2015 US Contingent/Gig Workforce by Work Arrangement



# The US Spent \$792 Billion on Contingent/Gig Work in 2015

2015 US Gig/Contingent Work Spend Estimates (\$ Billion)



Source: SIA The Gig Economy: Market Estimates and Features of the US Contingent Workforce, August 2015

# And it is growing: What Percent of your Organization's Workforce is Contingent?

- 2015 = 18%
- 2014 = 18%
- 2013 = 18%
- 2012 = 16%
- 2011 = 15%
- 2010 = 14%
- 2009 = 12%

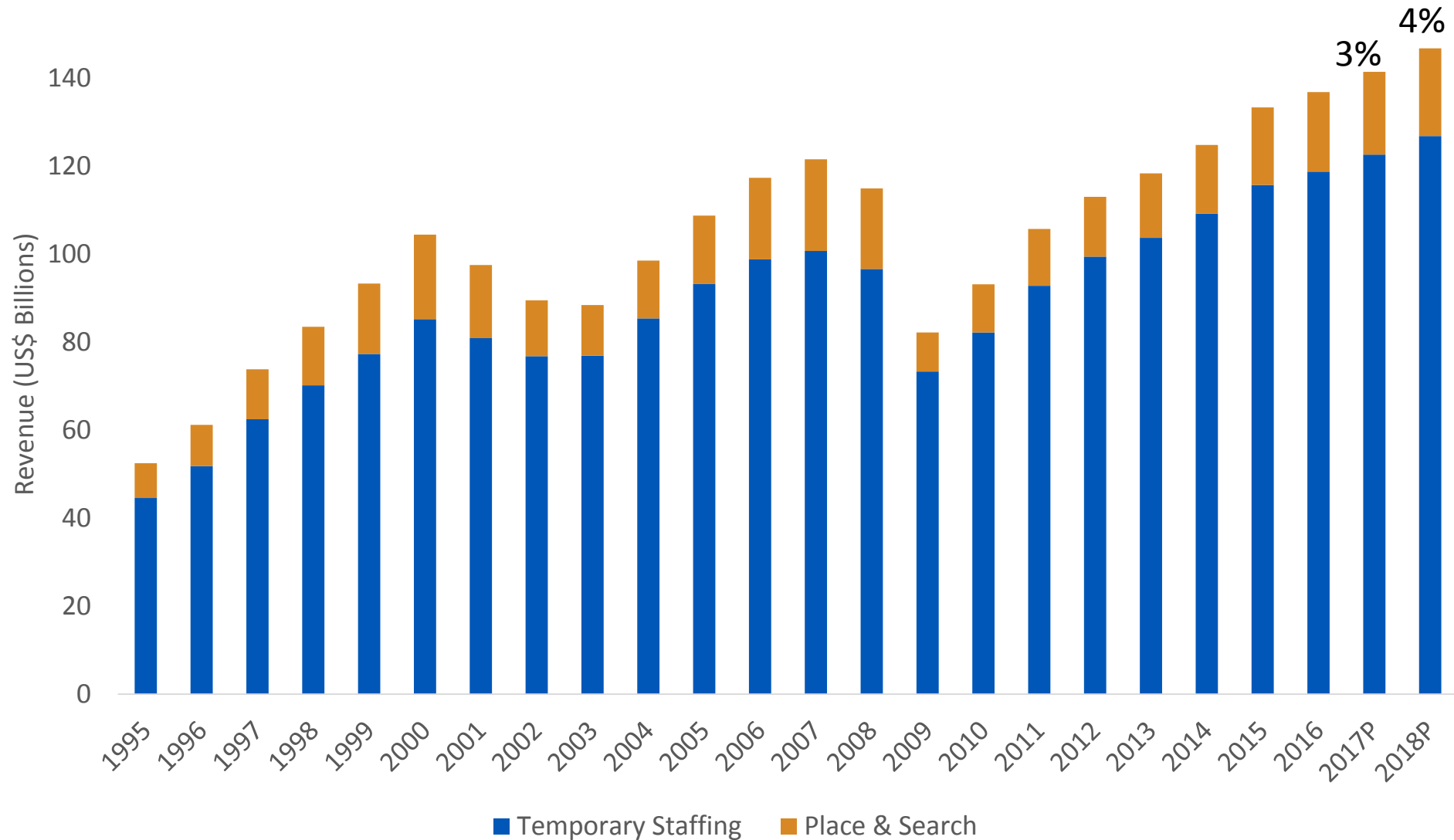
2016 = 22%

2026 = 29%

*All figures average response*



# Staffing Revenue at Historic Levels



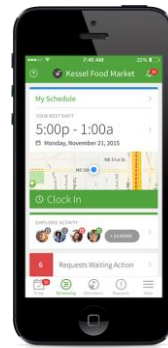


# Human Cloud Basics



Thousands to –  
millions of hirers

Two-sided marketplace  
(workers and hirers)...

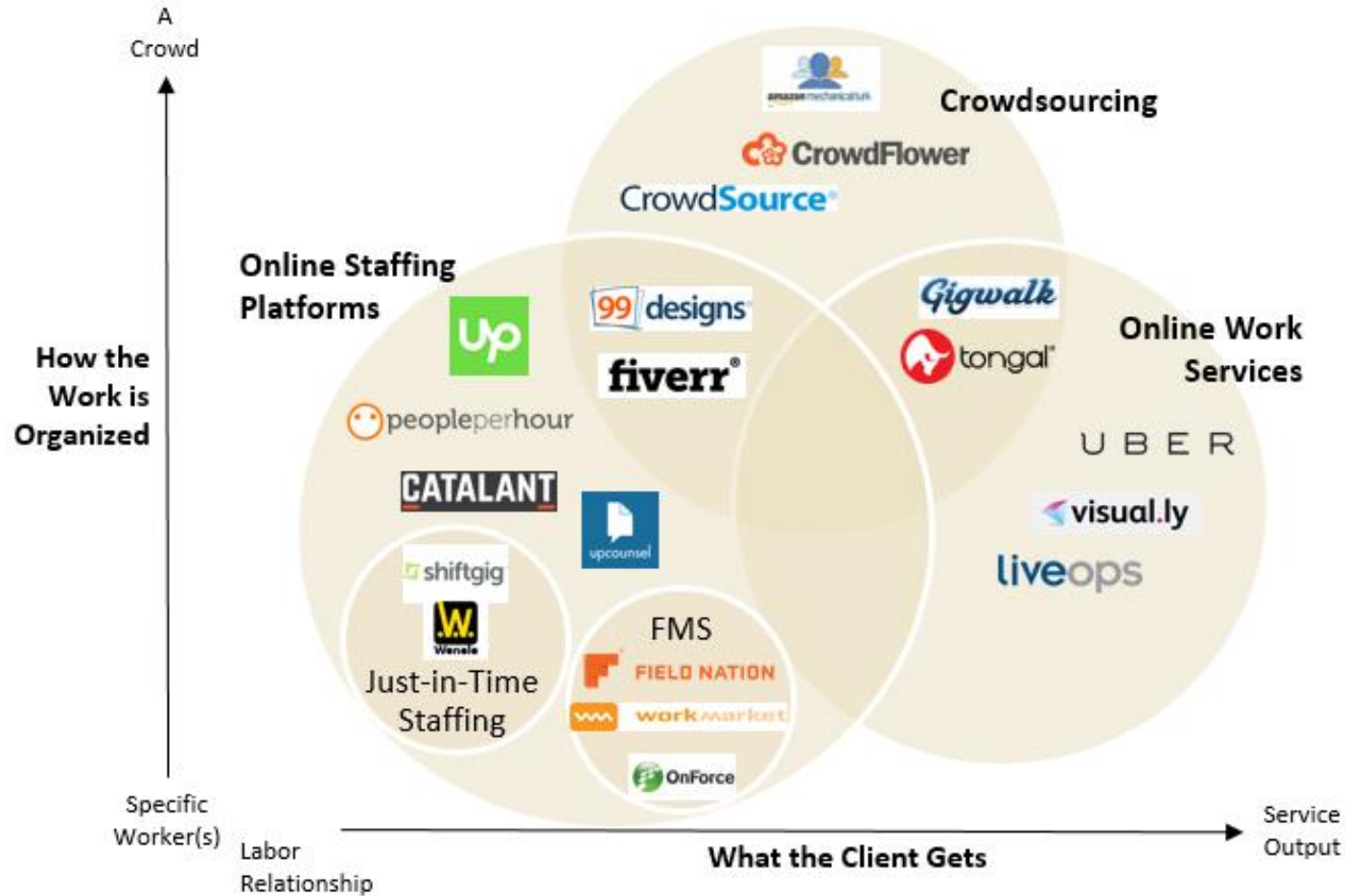


...with the tools to help the  
two sides connect and  
work together.



Thousands to –  
millions of workers

# Human Cloud Business Models



# Gig Economy is Next Stage in a Tech Revolution



# The Story of the Past Couple Decades

*Hiring Managers*



HR  
Procurement

*Intermediaries*

MSP/VMS/RPO

Payroll

IC Compliance

FMS

*Suppliers*

Staffing Firms

Human Cloud

- Online Staffing
- Online Services
- Crowdsourcing

SOW/Solutions Firms

Outsourced Services

*Talent*

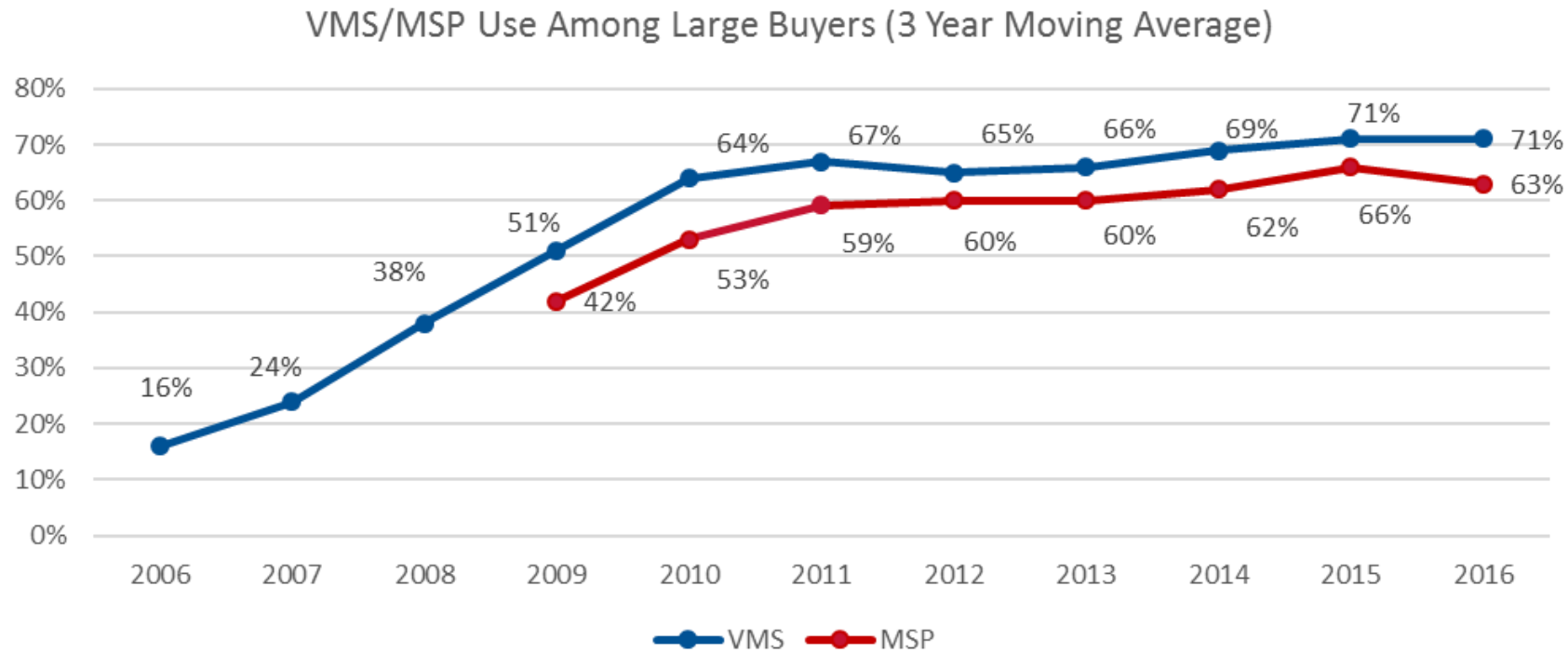


Inside

Outside

Job Boards

# The Past Decade: VMS Growth and Adoption With Enterprise Clients



Source: SIA 2016 Contingent Workforce Buyers Survey

# Agenda

- Where we've been (as-is state)
- Where we are now (transition state)
- Where we're going (Future state)



# The Staffing Industry in a Simpler Time



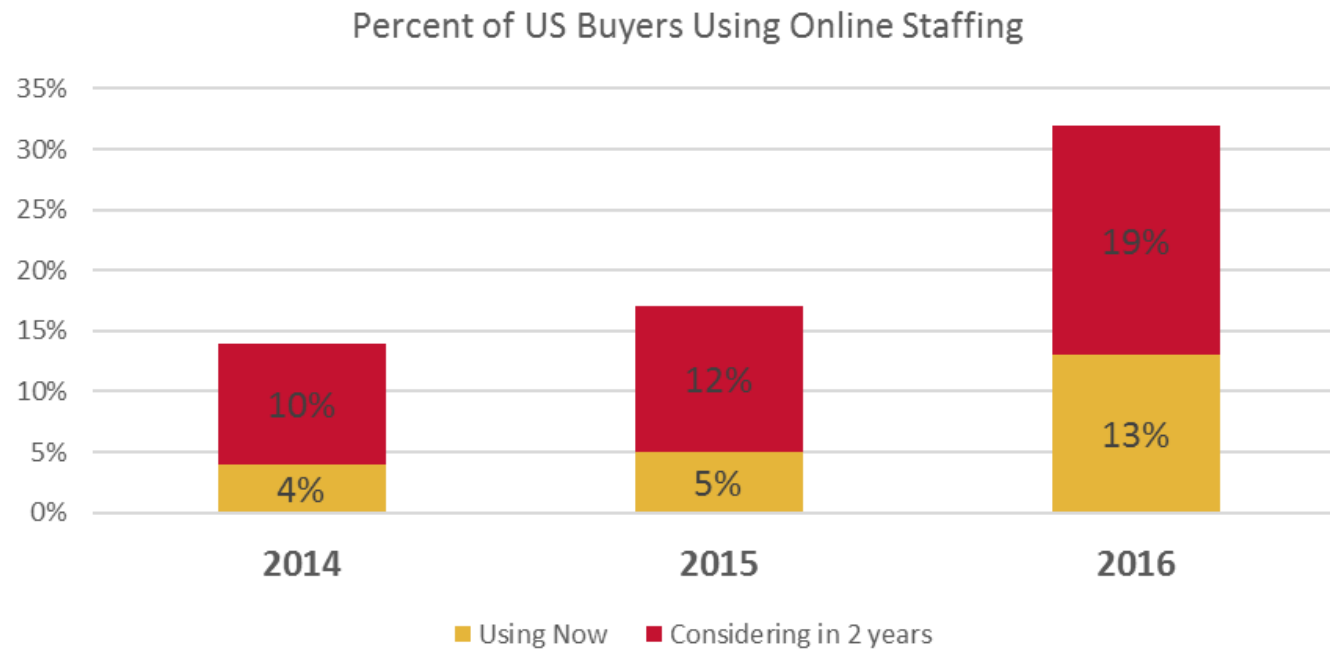
# New Options to Get Work Done: Remote Work



# A Blending of Models

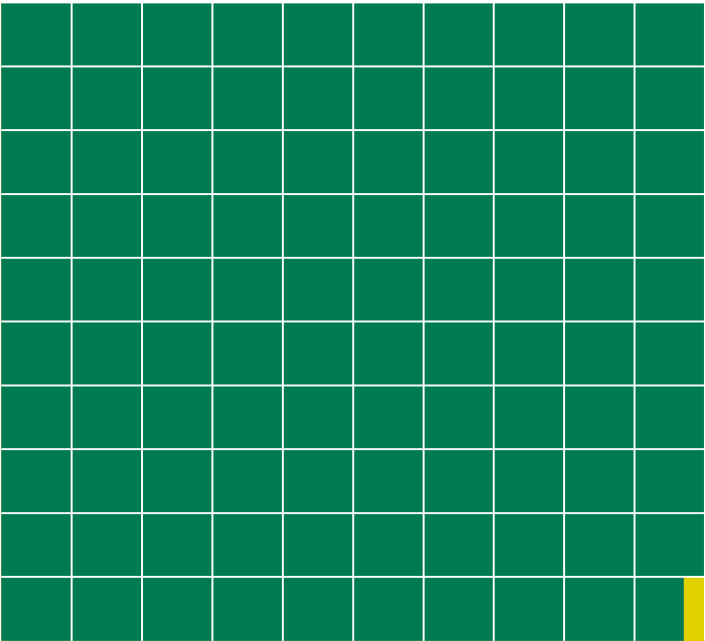


# Online Staffing Growing in Interest and Adoption



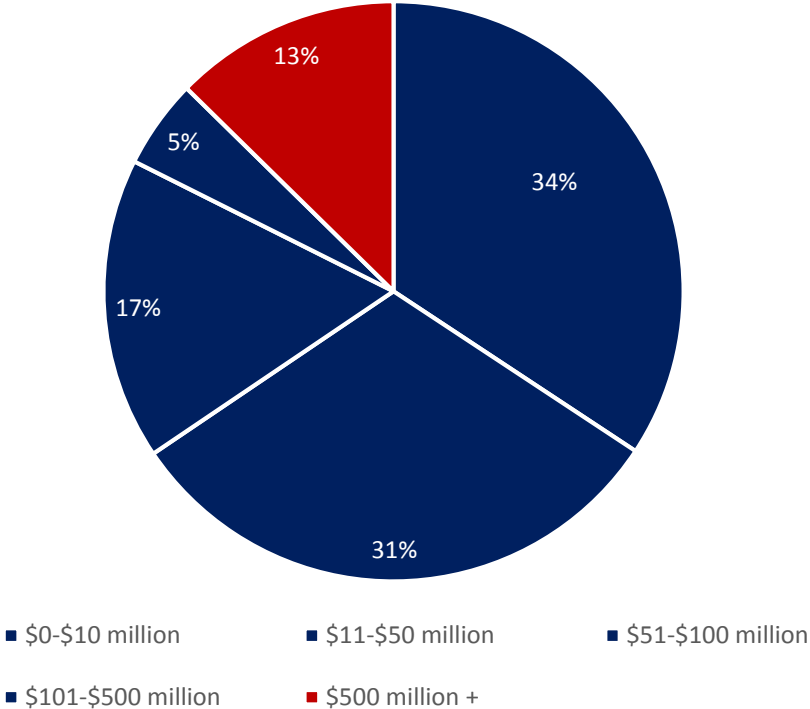
# But... Large Companies = Small Buyers? Why?

*% of contingent spend on human cloud (1,000+ employee co.'s)*



Source: Staffing Industry Analysts Contingent Workforce Buyers Survey 2016, Contingent Workforce Manager’s Guide to Human Cloud Engagements

*% of B2B human cloud revenue by client size, 2016*



Source: The Gig Economy and Human Cloud Landscape: 2017 Update

# Challenges With Gig Adoption

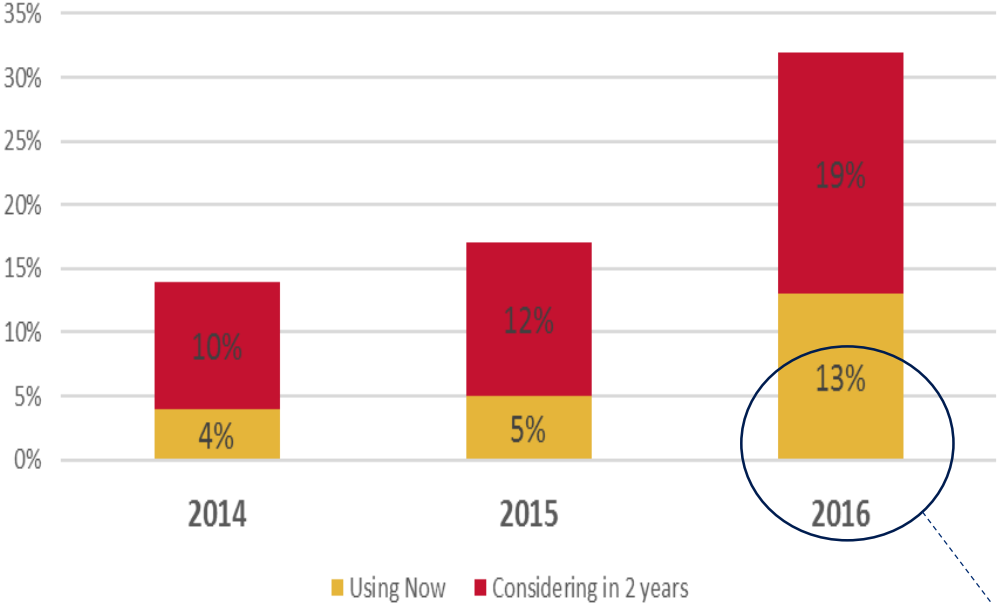
- Focus on technology, but clients want labor
- “You do it for me” – program mgmt. doesn’t want to work
- Perceived risks – worker classification, assets
- Perceived quality and loss of control
- Organizational need – no clear burning platform
- Comfort with remote work
- Can’t figure out how to fit in the program – (Maybe it shouldn’t be!)
- Crowded marketplace – market confusion
- Demographics

But remember...



# Human Cloud At Inflection Point?

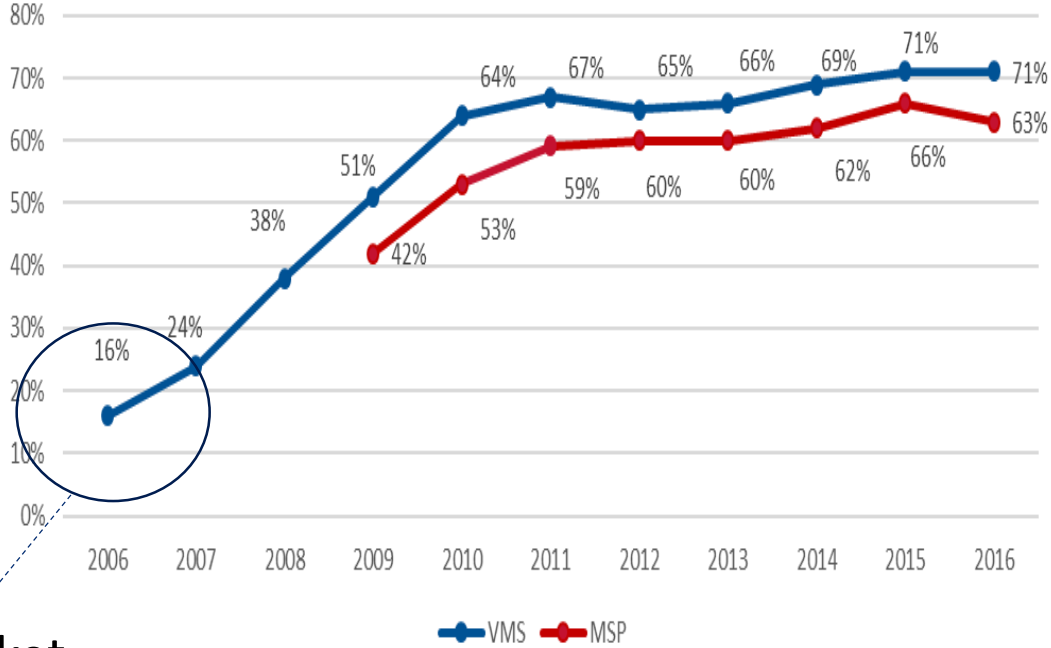
Percent of US Buyers Using Online Staffing



Source: SIA 2016 Contingent Workforce Buyers Survey

Both on market for ~10 years

VMS/MSP Use Among Large Buyers (3 Year Moving Average)



Source: SIA 2016 Contingent Workforce Buyers Survey

G<sup>20</sup><sub>17</sub>

STAFFING INDUSTRY ANALYSTS

# COLLABORATION IN THE GIG ECONOMY

September 13-14, 2017

Omni Dallas Hotel | Dallas, TX

[www.collaborationgigeconomy.com](http://www.collaborationgigeconomy.com)

 @SIAGigE #GigE2017

STAFFING  
INDUSTRY  
ANALYSTS



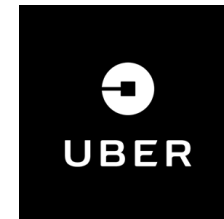
## *Connecting and Optimizing the Talent Supply Chain*

Collaboration in the Gig Economy brings together staffing suppliers, contingent workforce solutions buyers, VMS, MSP, RPO providers and gig economy/human cloud companies for an intensive look at maximizing value and optimizing the talent supply chain.

STAFFING  
INDUSTRY  
ANALYSTS

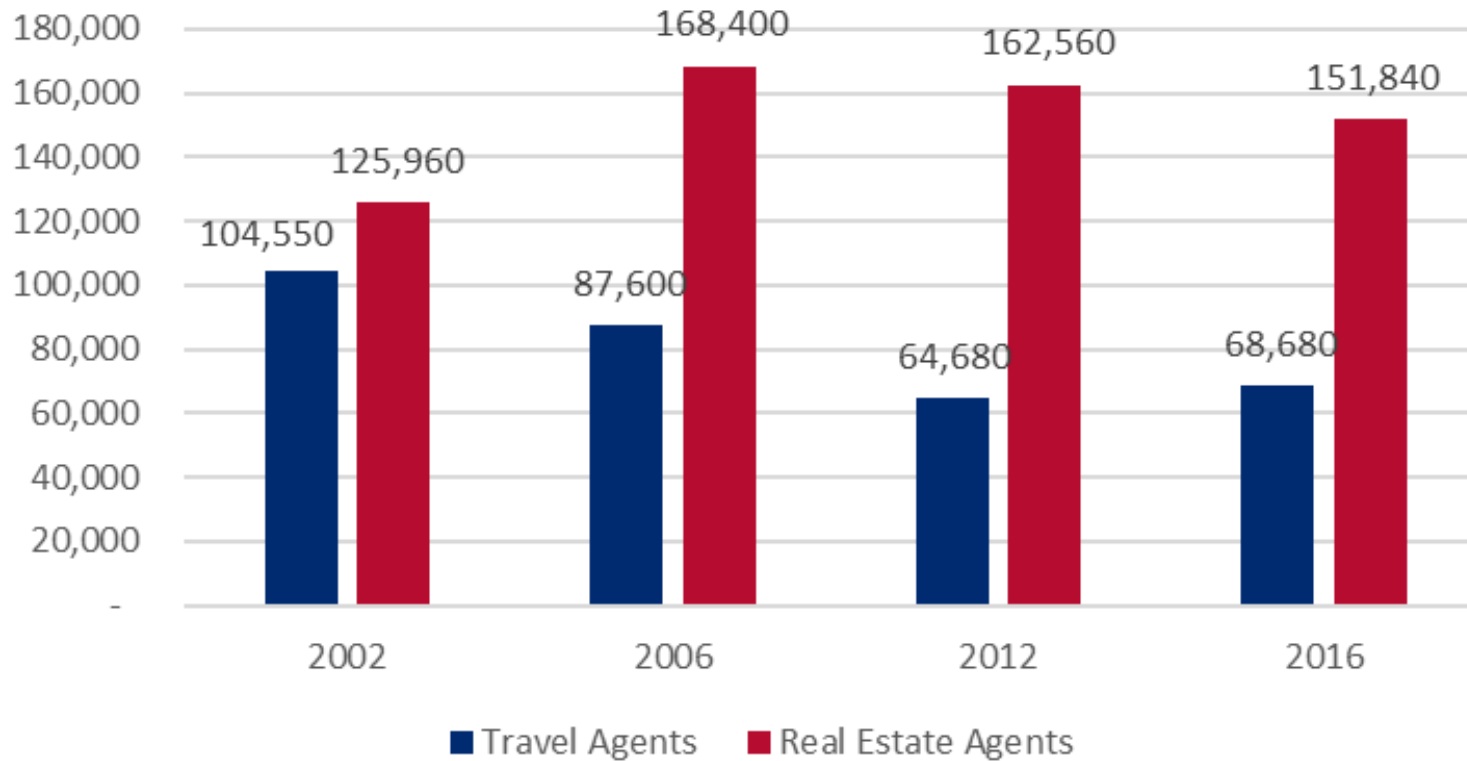
# To What Extent Will Gig Platforms Disrupt The Traditional Staffing Industry?

- Staffing – a brokerage/intermediary role
- Other Intermediaries to consider
  - Travel agents
  - Real Estate Brokers
  - Uber/Lyft and Taxi Companies



# Travel Agents vs. Real Estate Agents

Travel Agent Employment vs. Real Estate Agents



## Percent Change 2002 - 2016

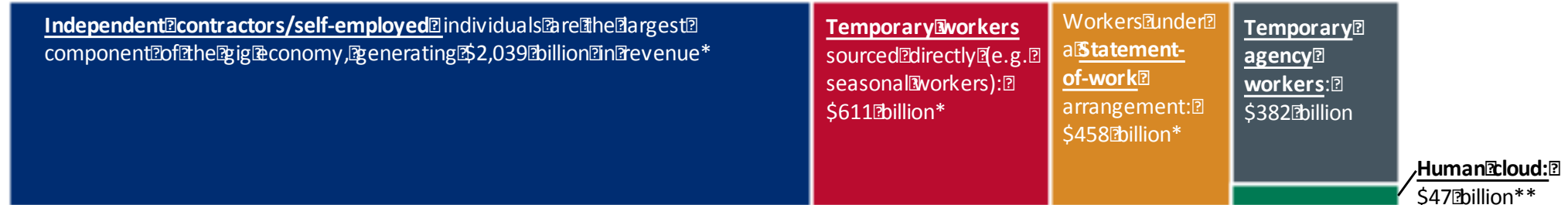
Travel Agents	-34%
Real Estate Agents	+21%

# WHY?



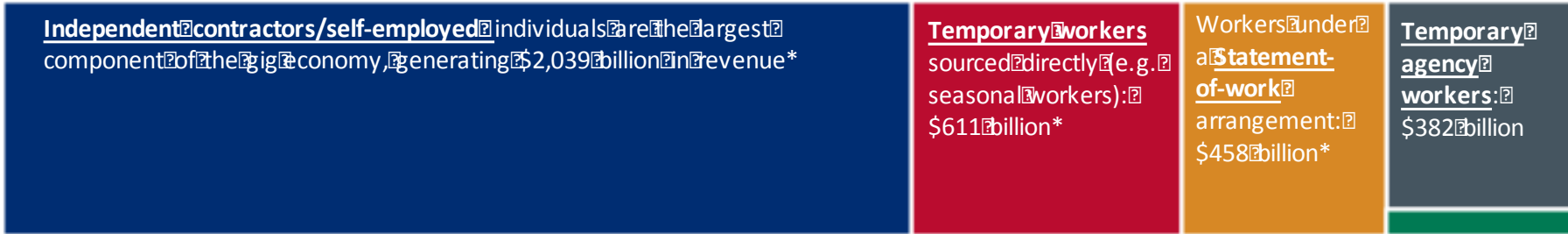
# The Human Cloud is a Small Part of Gig Economy

## Market Size and Features of the Gig Economy



# The Human Cloud is a Small Part of Gig Economy

Market Size and Features of the Gig Economy



**Human cloud:** \$47 billion\*\*

\*2015 revenue used as a proxy for 2016 revenue  
 \*\*\$47 billion for human cloud represents the minimum of our range estimate, as displayed on page 10

1. Grab Taxi, \$630 million;
2. Ola, \$583 million;
3. Ele.me, \$562 million;
4. Gett, \$500 million;
5. Instacart, \$479 million;
6. Go-jek, \$288 million;
7. DoorDash, \$171 million;
8. Postmates, \$171 million;
9. Care.com, \$162 million;
10. My Taxi, \$150 million;
11. Rest of B2C-focused human cloud firms, \$727 million;
12. Lancers, \$158 million;
13. Liveops, \$150 million;
14. Field Nation, \$120 million;
15. Fiverr, \$120 million;
16. Freelancer, \$119 million;
17. Toptal, \$105 million;
18. Work Market, \$102 million

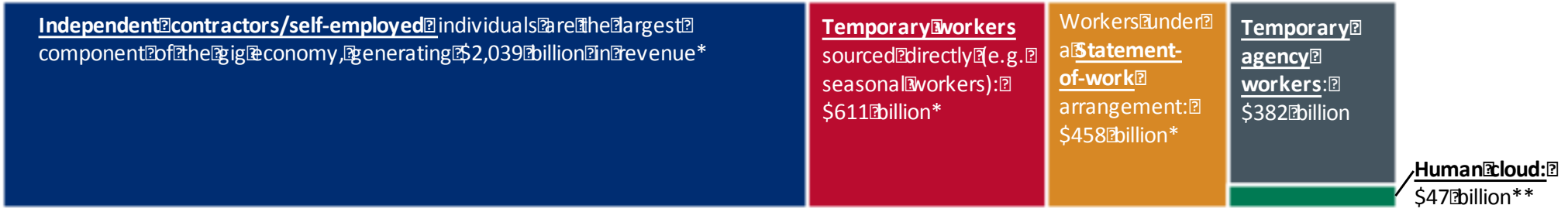
Market Size and Features of the Human Cloud





# The Human Cloud is a Small Part of Gig Economy

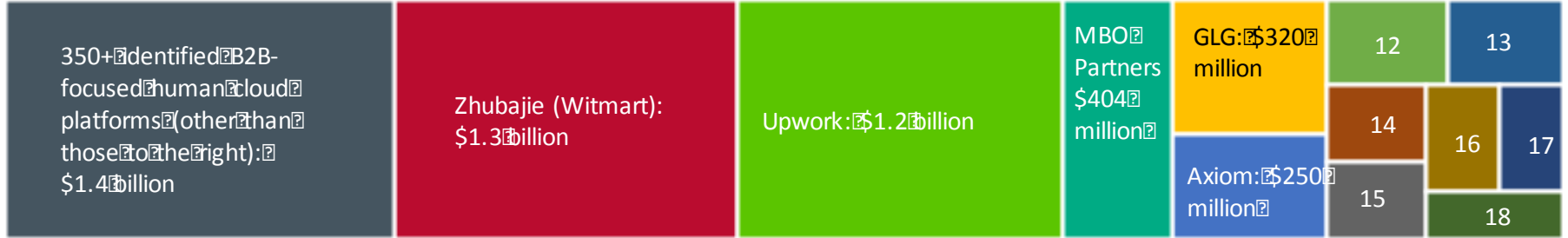
Market Size and Features of the Gig Economy



Market Size and Features of the Human Cloud



Market Size and Features of B2B Human Cloud Companies



\*2015 revenue used as a proxy for 2016 revenue  
 \*\*\$47 billion for human cloud represents the minimum of our range estimate, as displayed on page 10  
 1. Grab Taxi, \$630 million;  
 2. Ola, \$583 million;  
 3. Ele.me, \$562 million;  
 4. Gett, \$500 million;  
 5. Instacart, \$479 million;  
 6. Go-jek, \$288 million;  
 7. DoorDash, \$171 million;  
 8. Postmates, \$171 million;  
 9. Care.com, \$162 million;  
 10. My Taxi, \$150 million;  
 11. Rest of B2C-focused human cloud firms, \$727 million;  
 12. Lancers, \$158 million;  
 13. Liveops, \$150 million;  
 14. Field Nation, \$120 million;  
 15. Fiverr, \$120 million;  
 16. Freelancer, \$119 million;  
 17. Toptal, \$105 million;  
 18. Work Market, \$102 million



# Staffing Responds to Gig Economy

Need temps? [FIND OUT MORE](#) [UNITED KINGDOM](#)

Adia Jobseekers Employers About us Contact us EMPLOYER LOGIN

## HIRE TEMPS EASILY

With Adia you can easily access temporary staff in hospitality, catering and events from London, Manchester and York. Hire and chat with new staff, plan shifts, issue contracts and approve timesheets all from a single platform.

[REGISTER FOR FREE](#)

[SCHEDULE A DEMO](#)

peopleready INDUSTRIES LOCATIONS RESOURCES [LOOKING FOR STAFF?](#)

## LIFE MADE EASIER

JobStack was created to change the way job seekers find work and interact with their employers as well as to connect customers with a motivated and eager workforce that is ready to work.

Available on the [App Store](#) [ANDROID APP ON Google Play](#)

### LOOKING FOR WORK?

We have countless jobs that range from our seven different industries, which include general labor, manufacturing & logistics, hospitality, transportation, and many more.

[LEARN MORE](#)

### LOOKING FOR STAFF?

At PeopleReady, our specialists have been in your shoes. This helps us when serving as an extension of your business team. We connect you with the workers you need so you can get the job done.

[LEARN MORE](#)

genesys

Home Work Seekers Talent Seekers About News & Resources FAQs Contact

Find Work Find Talent

[Join Genesys](#) [Learn More](#) [Learn More](#)

A universe of talent and opportunity

talentnet Why Us Solutions About Us Contact [Get our Whitepaper](#) [Request a Demo](#)

## Save 40% on contingent talent

Learn how TalentNet enables powerful brands to build high-value, direct-sourced contingent workforces.

[Get our Whitepaper](#) [Request a Demo](#)

Integrity On-Demand BUSINESS LOGIN AGENT

## TAKE CONTROL OF YOUR WORK AND SCHEDULE.

[I WANT TO HIRE](#) [I WANT TO WORK](#)

Staffing on-demand that instantly connects open shifts with amazing talent. With Integrity On-Demand you are never more than a click away from filling an open shift.

randstad sourcright our solutions innovation center insights talent trends case studies about us careers contact us

integrated talent solutions managed services programs (MSP) recruitment process outsourcing (RPO) freelancer management systems (FMS)

home / our solutions / freelancer management systems (FMS)

## redefine your flexible talent strategy

make a Freelancer Management System (FMS) part of your successful workforce strategy.

how can your organization adjust to the opportunities of the growing on-demand economy?

recruitment process outsourcing (RPO) [>](#)  
 managed services program (MSP) [>](#)  
 integrated talent solutions [>](#)  
 payroll & independent contractor management [>](#)  
 our expertise [>](#)  
 case studies [>](#)

# Gig Tech for Staffing Firms

- Software for staffing companies to offer gig economy services
- Can play w/o building own software
- Vendor landscape: Some built just for staffing, some built for particular industry (e.g. retail, field service), some online staffing companies will lease underlying tech platform
- Just buying tech doesn't ensure success; expect 6-12 months to build marketplace + process change



WORKN

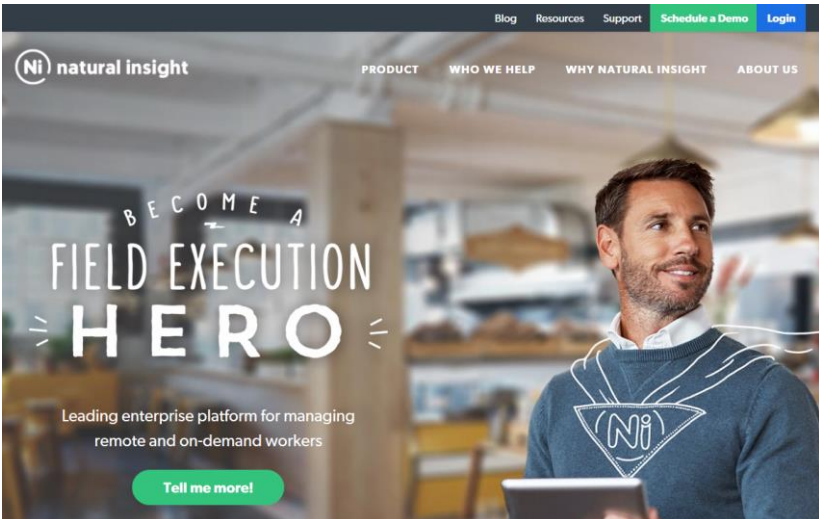
For Staffing Firms For Companies

TRANSFORMING STAFFING COMPANIES FOR THE ON-DEMAND ECONOMY

Schedule Demo

BE THE DISRUPTER, NOT THE DISRUPTEE

On-demand staffing requires a powerful marriage of mobile-first technology with industrial grade workforce management



Blog Resources Support Schedule a Demo Login

ni natural insight

PRODUCT WHO WE HELP WHY NATURAL INSIGHT ABOUT US

BECOME A  
FIELD EXECUTION  
HERO

Leading enterprise platform for managing  
remote and on-demand workers

Tell me more!

# Gig Tech for Staffing Firms: Examples

**HSS OnDemand**  
Serveture Business  
Everyone  
This app is compatible with your device.

Change the equation with our innovative staffing platform  
Request qualified Hospitality workers in a few clicks  
Workers receives offers on demand

HSS OnDemand provides customers and workers an ondemand work environment.  
Everyone benefits from the speed to fill, transparency and quality improvements using our platform.

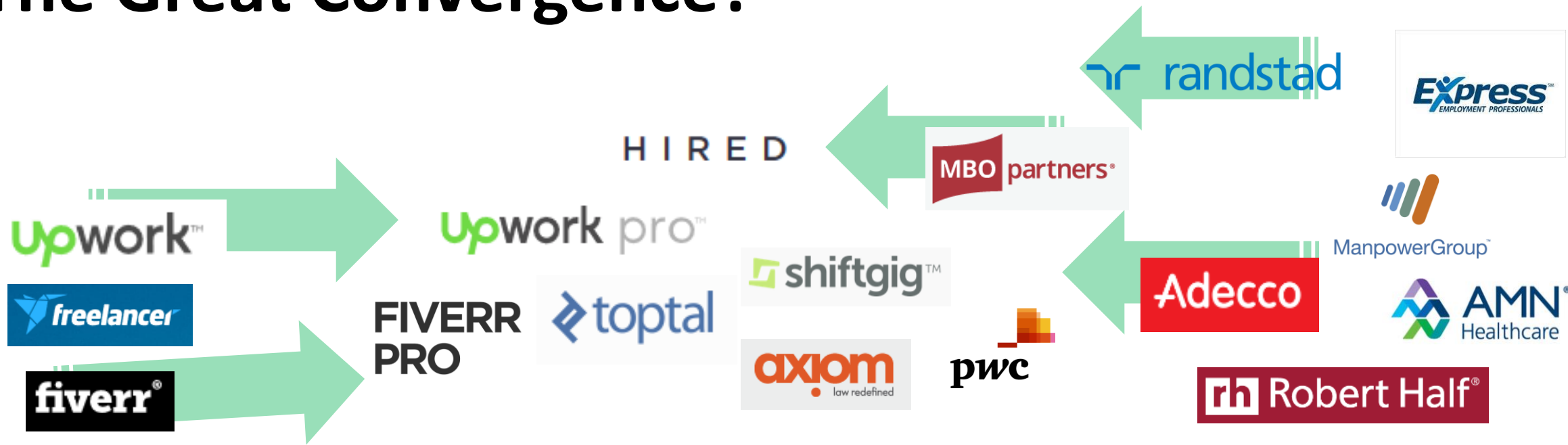
**Staffmark WorkNow**  
Serveture Business  
Everyone  
This app is compatible with your device.

Receive Job Offers  
Accept Jobs with one or multiple shifts  
Stay Organized

Staffmark is a revolutionary change in the staffing process for workers and employers allowing both real time access to accept and request work from oneanother.



# The Great Convergence?



Pure online  
marketplace/  
technology



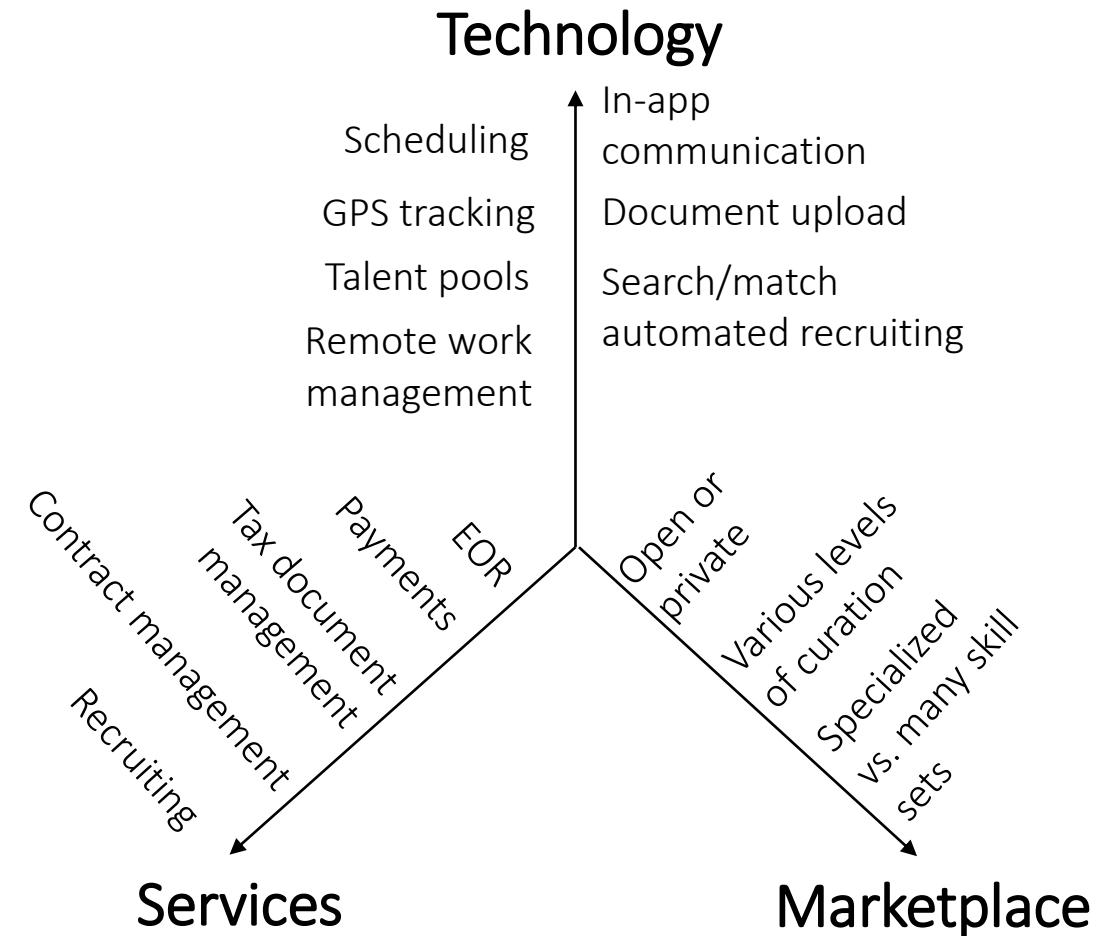
Hybrid  
model/offering



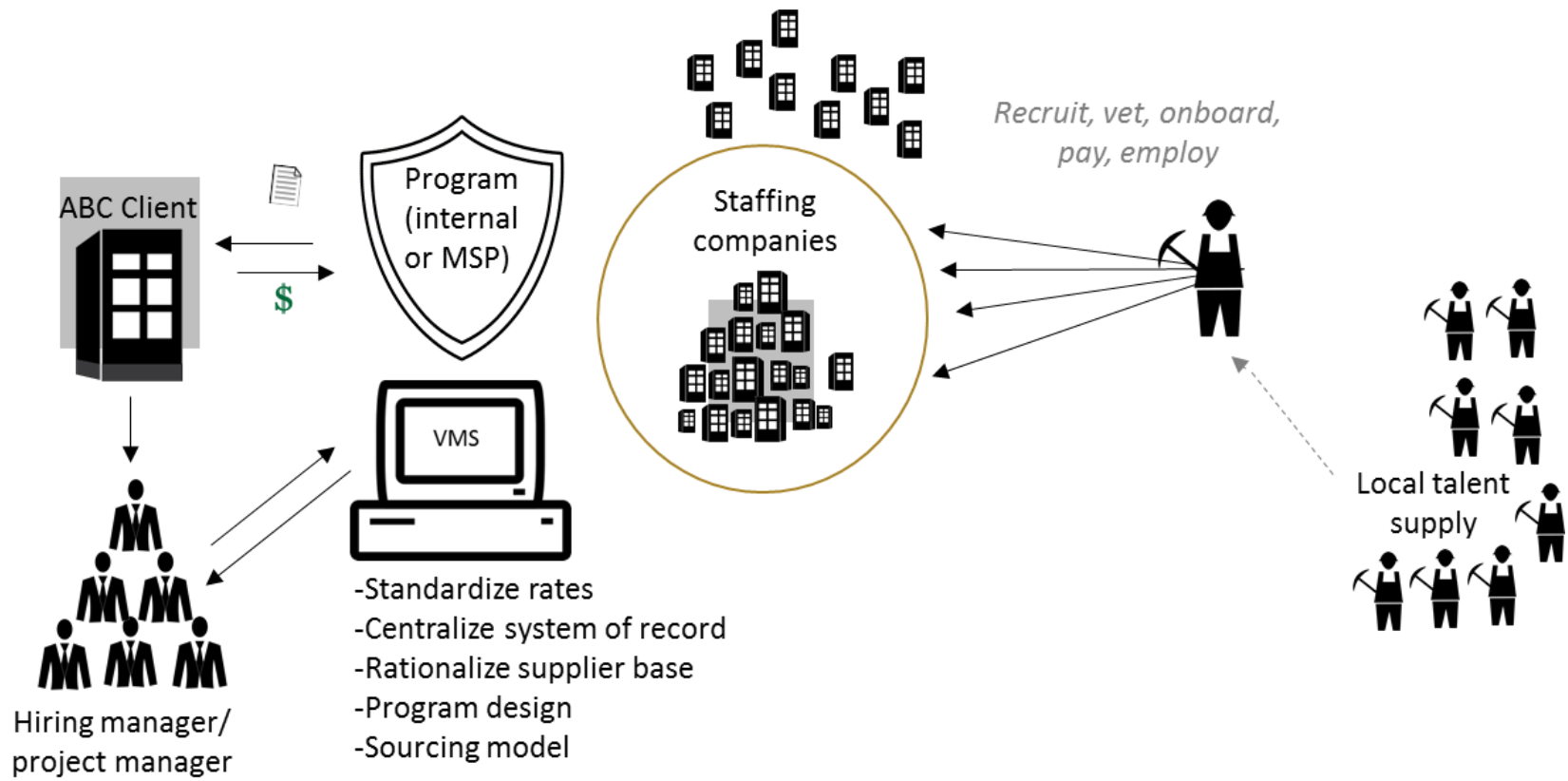
Traditional  
staffing/pure  
service provider

# Technology vs. Marketplace vs. Service

- If you're providing labor, you probably need some combination of tech, a marketplace, and service
- Can partner to plug gaps



# Talent Supply Chain: Standard Model

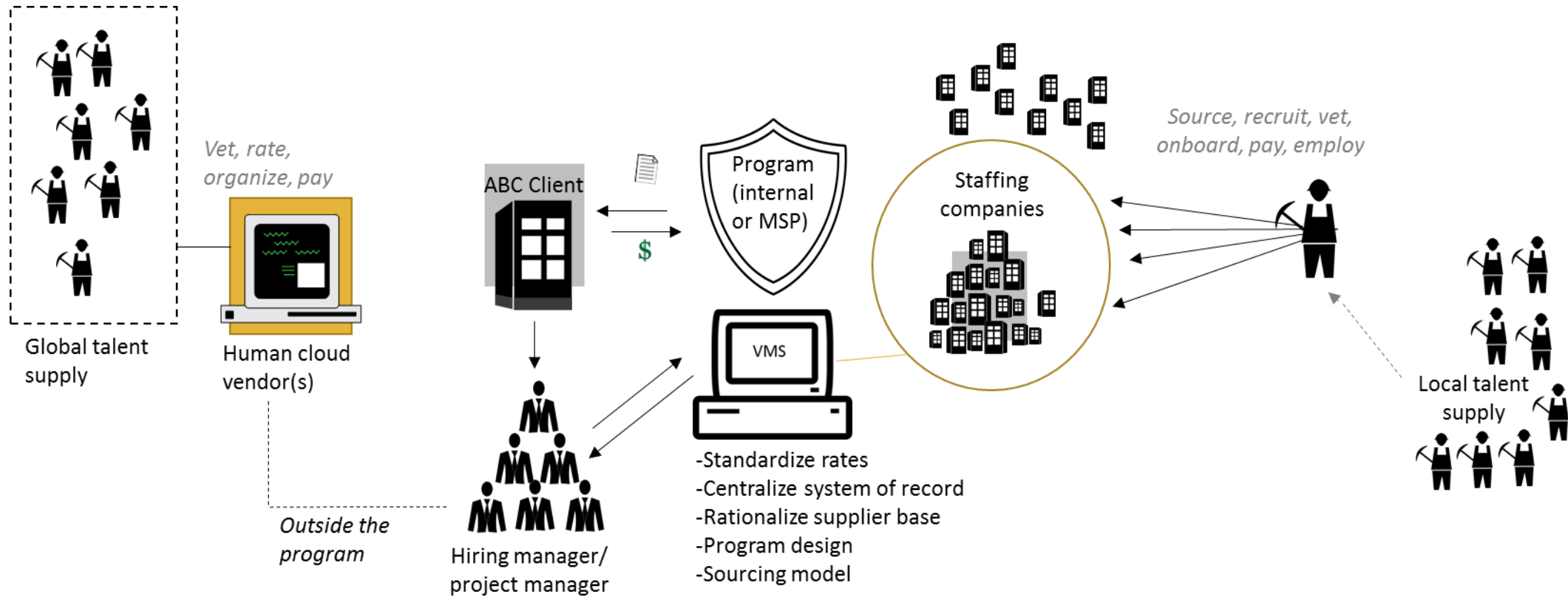


Client

Intermediaries

Candidates

# Talent Supply Chain With Human Cloud



Client

Intermediaries

Candidates












# Legal Issues With Gig Work

 **Inc.**  **iCONIC.** GET TICKETS!  **Q SEARCH**  **NEWSLETTERS**  **FOLLOW**  **SUBSCRIBE** 

VISION 2020

## Why the Next Uber Wannabe Is Already Dead






The most valuable startups in America rely on independent contracts. Antiquated labor laws protect employees. The on-demand economy hangs in the balance.

 **U.S. News**  **WORLD REPORT**  **HOME**  **OPINION**  **PHOTOS**  **VIDEO**  **BEST COUNTRIES**  **THE REPORT**  **Search**

## Uber Settles Driver Rights Lawsuit for \$100 Million


The labor dispute threatened the business model of much of the sharing economy.

By **Tom Risen** | Staff Writer April 22, 2016, at 12:51 p.m.

     **MORE**

## Handy Sued For Being a Hellscape of Labor Code Violations

 **Kevin Montgomery**  
11/12/14 2:20pm · Filed to: **HANDY**

 62.6K  208  18

**Forbes** / Tech

APR 7, 2016 @ 05:30 PM **1,382 VIEWS**


## Judge Says Lyft's Proposal 'Shortchanged' Drivers

### Settlement In Class Action Lawsuit

The Little Bl...

 **TheCLASSACTION**  
NEWS.com About / Types of Lawsuits

## DoorDash Independent Contractor Investigation

A top-down view of a business meeting around a wooden table. Several people in business attire are leaning over the table, holding up various cloud-shaped cutouts. A central light blue cloud cutout contains the text. Other cutouts in white and blue are scattered around, connected by blue lines. The scene is brightly lit, and the people appear engaged and collaborative.

**Are Human Cloud  
Workers Employees  
or Independent  
Contractors?**

# Are Human Cloud Workers Employees or Independent Contactors?

*Employment law is the same whether done onsite or in the cloud*

- **Looks like employment:**

- Employer controls *how* work is done
- Employer sets worker's schedule
- Employer sets workers' rates
- Worker uses company equipment
- Worker is dependent on company for income
- Company tells worker what to wear
- Worker has no other clients

- **Looks like self-employment:**

- Worker controls *how* work is done (responsible for outcome, not for method)
- Worker uses own equipment
- Worker earns income from multiple clients
- Worker sets own schedule

# Sourcing Channel Does not Dictate Employment Status!

- B2B human cloud companies=staffing suppliers (as far as employment law is concerned)
- Human cloud work does not preclude employment (many firms offer payroll services, themselves or via partner)
- Legal team should review type and manner of work procured, and assess whether warrants employment status (in many cases IC status is correct)
- Examples of IC status in staffing: Locum tenens



## Upwork Payroll Service

The Upwork Payroll program is for freelancers, and those working with freelancers, who live in the U.S. and Canada. It can help clients work with freelancers that they believe should be classified as employees.

If you determine the relationship with your U.S.-based worker is best [classified](#) as an employee, we offer the Upwork Payroll service through a trusted, third-party vendor. Once you sign up, our staffing partner will employ the freelancer and help all parties comply with tax laws and gain access to affordable benefits without increasing overall costs in most cases. Very little changes with the way you use Upwork, but our payroll partner will handle filing W-2 forms, withholding income tax, unemployment claims, and payment of the employer side of payroll taxes.

Tax laws vary from country to country, but clients working with U.S.-based workers should determine their proper classification based on [IRS guidelines](#) and other federal, state, and local regulations.

Additional information about Upwork Payroll is available for both [clients](#) and [freelancers](#).

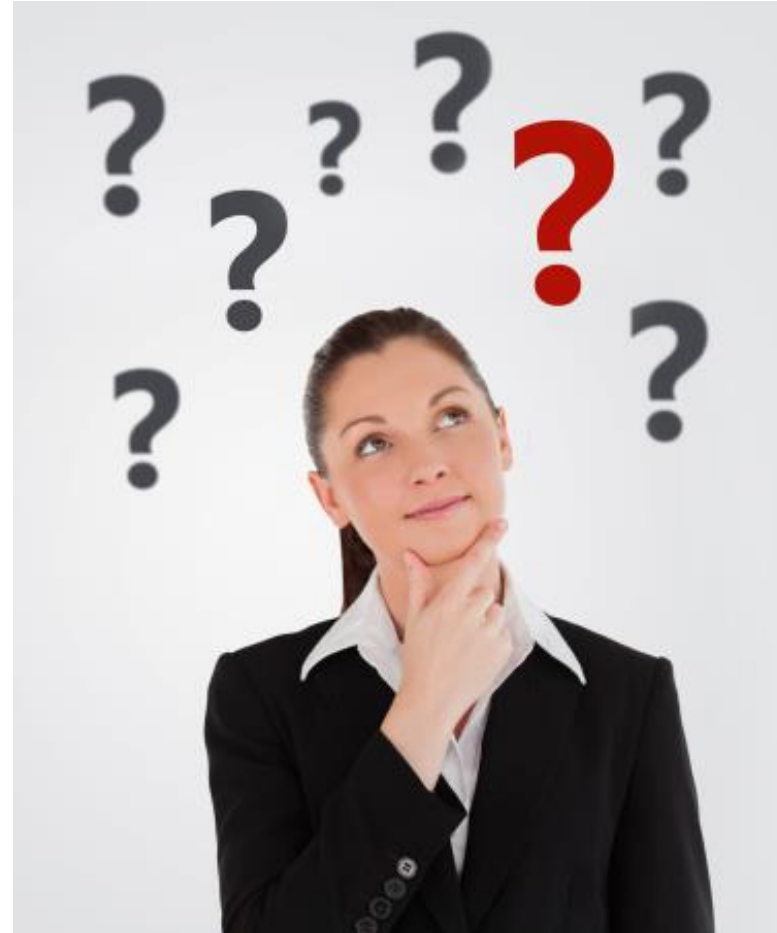
  Was this article helpful?

# Agenda

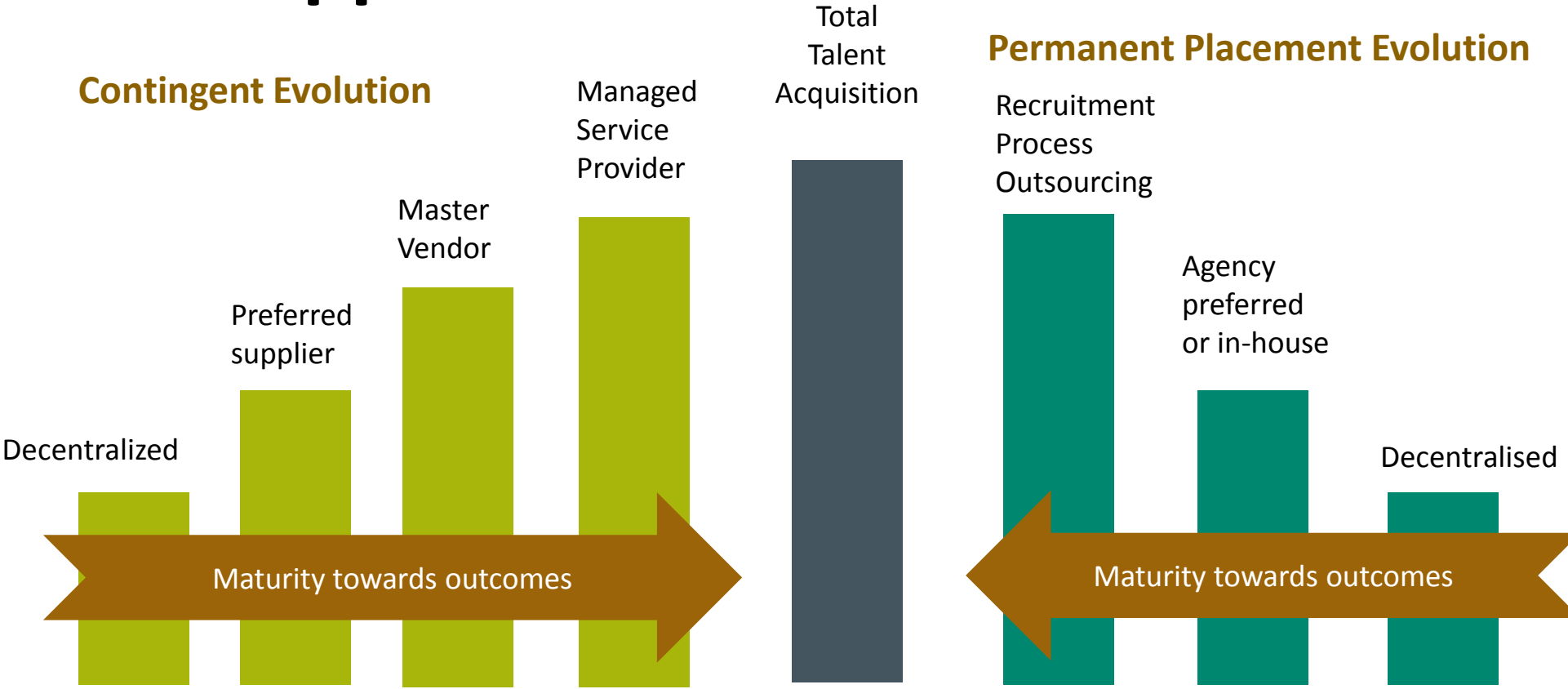
- Where we've been (as-is state)
- Where we are now (transition state)
- Where we're going (Future state)



WHERE DO  
WE GO  
FROM HERE?



# Talent Procurement Models Evolving Toward a Total Talent Approach



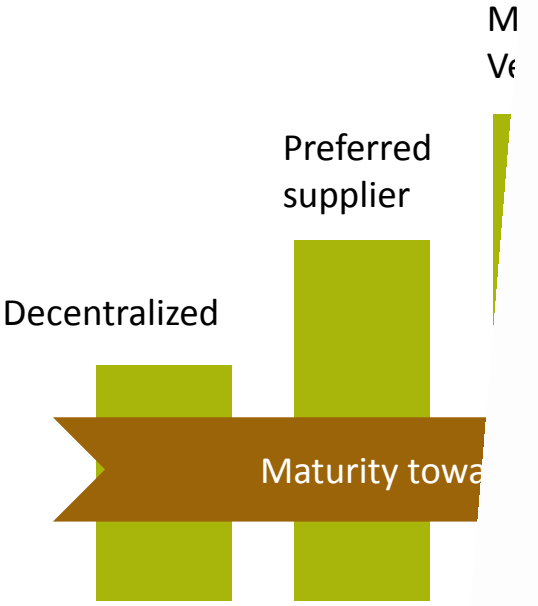
Source: Staffing Industry Analysts

**FLEXIBILITY v STABILITY**



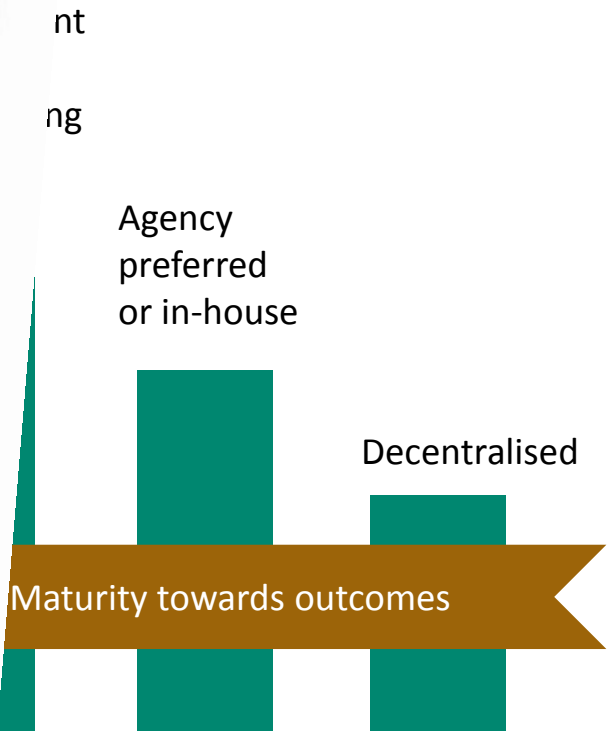
# Talent Procurement Total Talent Approach

## Contingent Evolution



# Toward a

## alent Placement Evolution



Source: Staffing Industry Analysts

FLEXIBILITY VS.





# Talent Pools



# What's Old is New?

## Decentralization Enabled by Technology

- Team ownership of hiring decisions
- Agility of hiring
- Technology supports global talent access, teams access talent on demand
- Aggregate spend across platforms to central system of record



# What's Next in Technology?

ARTIFICIAL  
INTELLIGENCE

CLOUD COMPUTING

QUANTUM COMPUTING

SELF-DRIVING CARS

3D PRINTING

PREDICTIVE  
ANALYTICS

VIRTUAL/  
AUGMENTED  
REALITY

BLOCK CHAIN

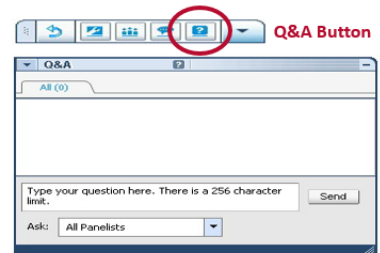
ROBOTICS

THE  
INTERNET  
OF THINGS

BIG DATA



STAFFING  
INDUSTRY  
ANALYSTS



- Click on the Question Mark icon (?) on the floating toolbar (as shown above).
- This will open the Q&A window on your system only.
- Type your question into the small dialog box and click the Send Button.



G<sup>20</sup><sub>17</sub>

STAFFING INDUSTRY ANALYSTS

# COLLABORATION IN THE GIG ECONOMY

September 13-14, 2017

Omni Dallas Hotel | Dallas, TX

[www.collaborationgigeconomy.com](http://www.collaborationgigeconomy.com)

 @SIAGigE #GigE2017

STAFFING  
INDUSTRY  
ANALYSTS



## *Connecting and Optimizing the Talent Supply Chain*

Collaboration in the Gig Economy brings together staffing suppliers, contingent workforce solutions buyers, VMS, MSP, RPO providers and gig economy/human cloud companies for an intensive look at maximizing value and optimizing the talent supply chain.

STAFFING  
INDUSTRY  
ANALYSTS



## Upcoming Webinars For Staffing Firms and Workforce Solutions Providers

August 8	Staffing Industry Report Webinar (North America)
August 23	5 Leadership Disciplines You Need To Know To Successfully Grow Your Business
September 5	Staffing Industry Report Webinar (APAC)
September 19	Staffing Industry Report Webinar (North America)
September 26	Profit Pitfalls: Do You Know How Much Your Back Office is Really Costing You? (North America)
October 10	Staffing Industry Report Webinar (North America)
November 7	Staffing Industry Report Webinar (North America)
November 14	Staffing Industry Report Webinar (Europe)

## Upcoming Webinars For Workforce Solutions Buyers

August 31	Workforce Solutions Webinar – Increasing Value in CW Programs
October 5	How to Launch a Successful Contingent Labor Program from Conception to Execution: A Practical Guide (Global)
November 9	Workforce Solutions Webinar – VMS/MSP Landscape
December 7	Workforce Solutions Webinar – 2017, Future Shock, The State of Workforce
December 14	Workforce Solutions Webinar – Lessons for CW Managers (Global)





# THANK YOU!

Want to learn more about SIA?

Contact [memberservices@staffingindustry.com](mailto:memberservices@staffingindustry.com) or go to  
[www.staffingindustry.com](http://www.staffingindustry.com)

## SIA Research Cited in Today's Webinar:


- [Human Cloud Landscape: 2017 Update](#)
- [Workforce Solutions Buyers Survey 2016 - North America - Cumulative Report](#)
- [Measuring the Gig Economy](#)
- [Total Talent Management](#)
- [Lexicon of Global Workforce-Related Terms](#)

# About Staffing Industry Analysts

Founded in 1989, Staffing Industry Analysts is the global advisor on staffing and workforce solutions. Our proprietary research covers all categories of employed and non-employed work including temporary staffing, independent contracting and other types of contingent labor. SIA's independent and objective analysis provides insights into the services and suppliers operating in the workforce solutions ecosystem including staffing firms, managed service providers, recruitment process outsourcers, payrolling/compliance firms and talent acquisition technology specialists such as vendor management systems, online staffing platforms, crowdsourcing and online work services. We also provide training and accreditation with our unique Certified Contingent Workforce Professional (CCWP) program.

Known for our award-winning content, data, support tools, publications, executive conferences and events, we help both suppliers and buyers of workforce solutions make better-informed decisions that improve business results and minimize risk. As a division of the international business media company, Crain Communications Inc., SIA is headquartered in Mountain View, California, with offices in London, England.

For more information: [www.staffingindustry.com](http://www.staffingindustry.com)

For global coverage across the workforce solutions ecosystem, follow us  @SIAResearch and connect via 