



**WEBINARS**

**CONTINGENT WORKFORCE  
STRATEGIES COUNCIL**



# Lemons to Lemonade: Innovate Your CW Program During Economic Turmoil

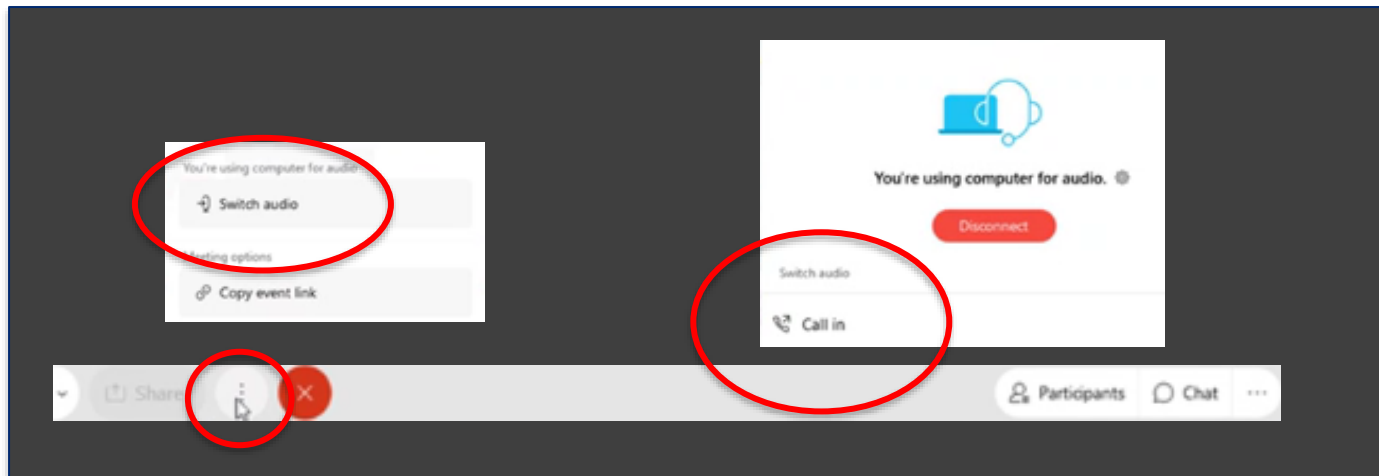
Sponsored and presented by:

**worksome**

**March 30, 2023**

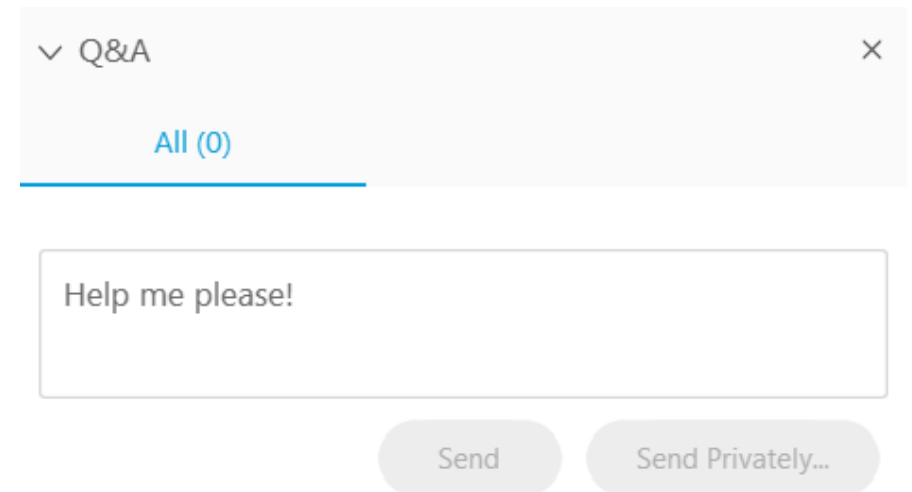
# Audio

- **Listen through your computer** through your speakers after you log into the event.
- **Want to change your audio?** Click **Audio** options, click **Switch audio**, and then choose the option that you want to use.
- **Need assistance?** Please send us a message in the Q&A section or email [memberservices@staffingindustry.com](mailto:memberservices@staffingindustry.com).



# Questions?

- Questions may be submitted at any time.
- Click on the **Question Mark section** to open the Q&A window.
- Type your question into the small dialog box and click the Send Button.
- The presentation will be shared with registrants.
- Questions? Please email [memberservices@staffingindustry.com](mailto:memberservices@staffingindustry.com)



Q&A

All (0)

Help me please!

Send Send Privately...

# Staffing Industry Analysts Product Overview



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

# CWS Council (partial list)





# Today's Speakers



- **Mathias Linnemann,**  
Co-founder & Chief  
Strategy Officer,  
Worksome



- **Shannon Swift,**  
Senior Procurement  
Manager at  
Accenture



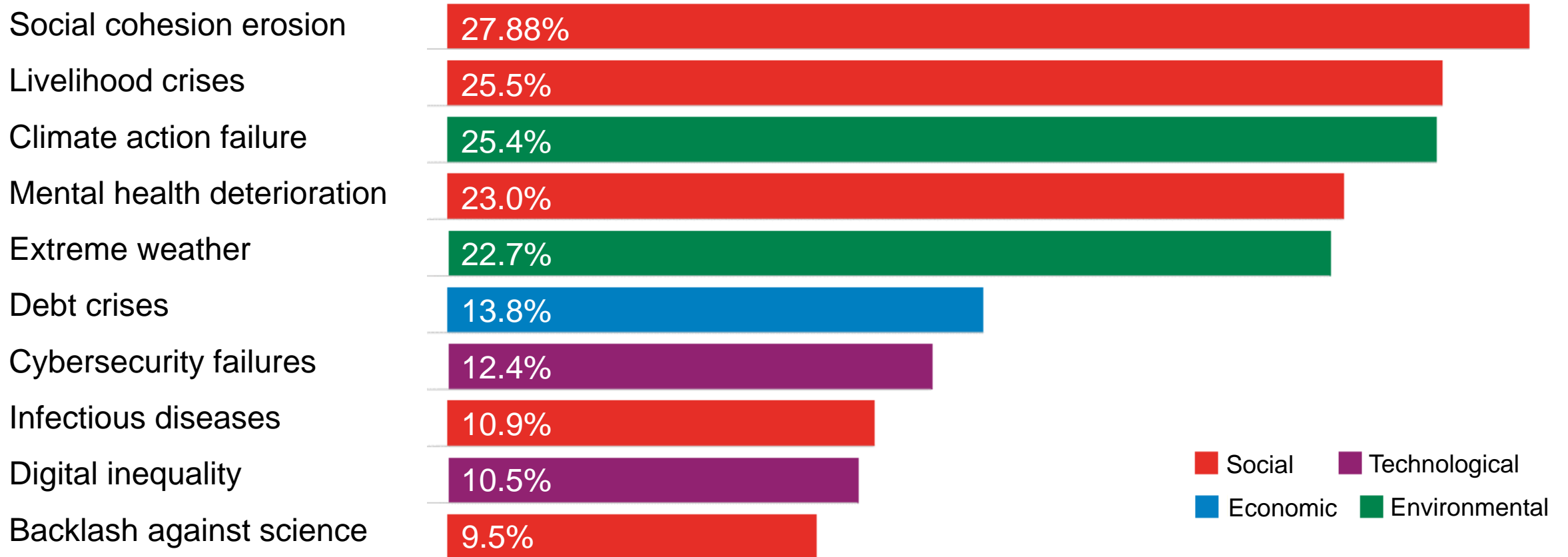
## Moderator

- **Peter Reagan,**  
Senior Director,  
CWS Council, SIA

# 2023 Potential Market Disruption



## Risks that worsened the most since the start of the COVID-19 crisis



Source: The Global Risks Report 2022, World Economic Forum

SIA | Staffing Industry Analysts **Contingent Workforce Strategies Council** Webinar

# European GDP Forecasts



	GDP Growth							
	Apr-22 IMF Outlook				Oct-22 IMF Outlook			
	2021	2022	2023	2024	2021	2022	2023	2024
UK	7.4%	3.7%	1.2%	1.5%	7.4%	3.6%	0.3%	0.6%
Germany	2.8%	2.1%	2.7%	1.5%	2.6%	1.5%	-0.3%	1.5%
France	7.0%	2.9%	1.4%	1.5%	6.8%	2.5%	0.7%	1.6%
Netherlands	5.0%	3.0%	2.0%	1.8%	4.9%	4.5%	0.8%	1.7%
Italy	6.6%	2.3%	1.7%	1.3%	6.6%	3.2%	-0.2%	1.3%
Spain	5.1%	4.8%	3.3%	3.1%	5.1%	4.3%	1.2%	2.6%
Switzerland	3.7%	2.2%	1.4%	1.8%	4.2%	2.2%	0.8%	1.8%
Belgium	6.3%	2.1%	1.4%	1.4%	6.2%	2.4%	0.4%	1.4%
Sweden	4.8%	2.9%	2.7%	2.3%	5.1%	2.6%	-0.1%	2.1%

Source: IMF



# SIA European Staffing Forecasts



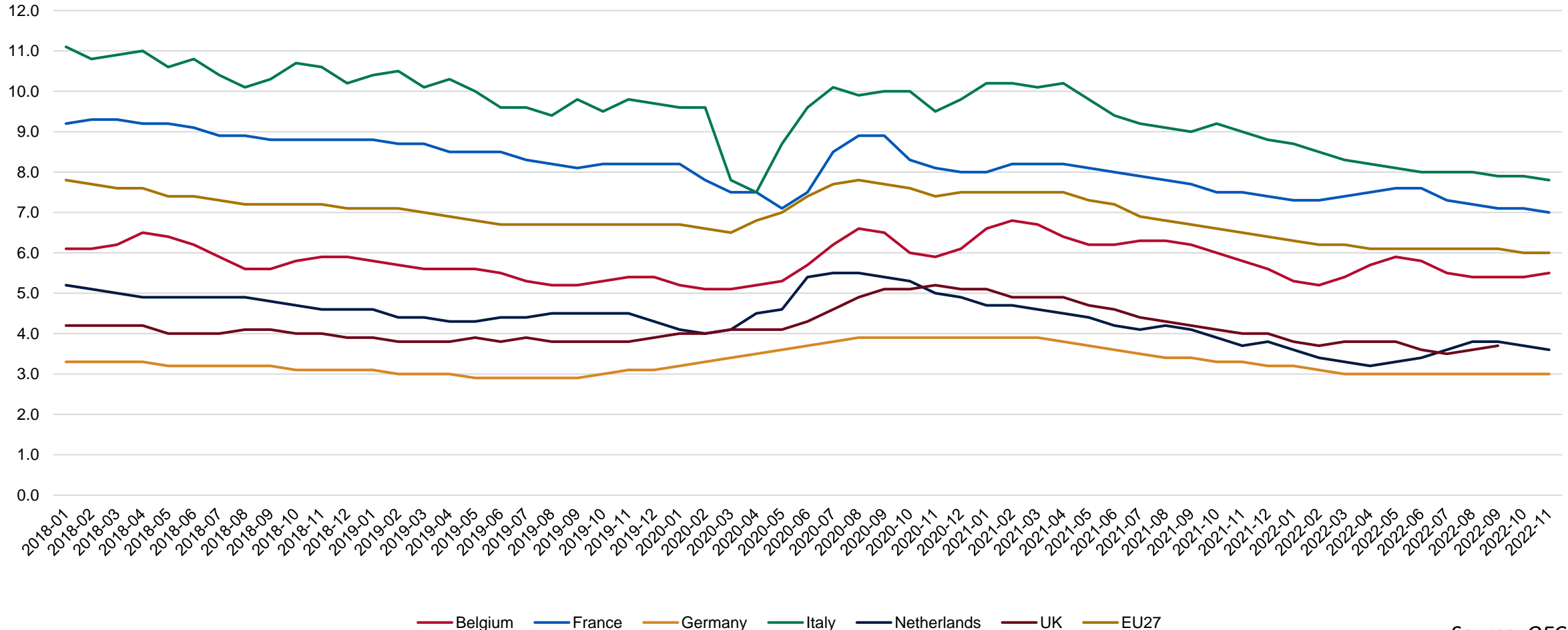
	2021 Staffing Revenue (Billions)				Staffing Revenue Y/Y Change			
	USD	EUR	LC	LC Symbol	2021	2022	2023	2024
UK	50.7	42.8	36.8	GBP	20%	11%	5%	3%
Germany	38.8	32.8	32.8	EUR	12%	5%	4%	7%
France	35.9	30.4	30.4	EUR	19%	6%	1%	3%
Netherlands	26.4	22.4	22.4	EUR	18%	5%	3%	3%
Italy	17.0	14.4	14.4	EUR	28%	13%	1%	2%
Switzerland	10.4	8.8	9.5	CHF	13%	5%	1%	3%
Spain	8.6	7.3	7.3	EUR	18%	3%	0%	4%
Belgium	10.1	8.6	8.6	EUR	18%	4%	6%	8%
Sweden	5.1	4.3	44.0	SEK	17%	11%	2%	3%

Source: SIA, Global Staffing Market Forecasts, November 2022

# The Return of Unemployment



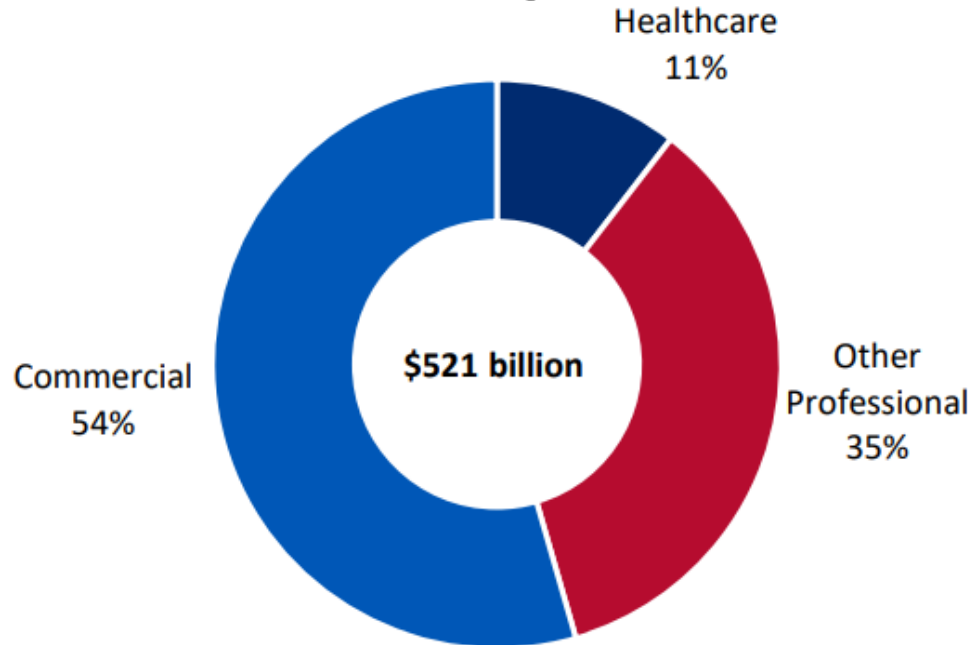
## Monthly Unemployment Rates (January 2018 to November 2022)



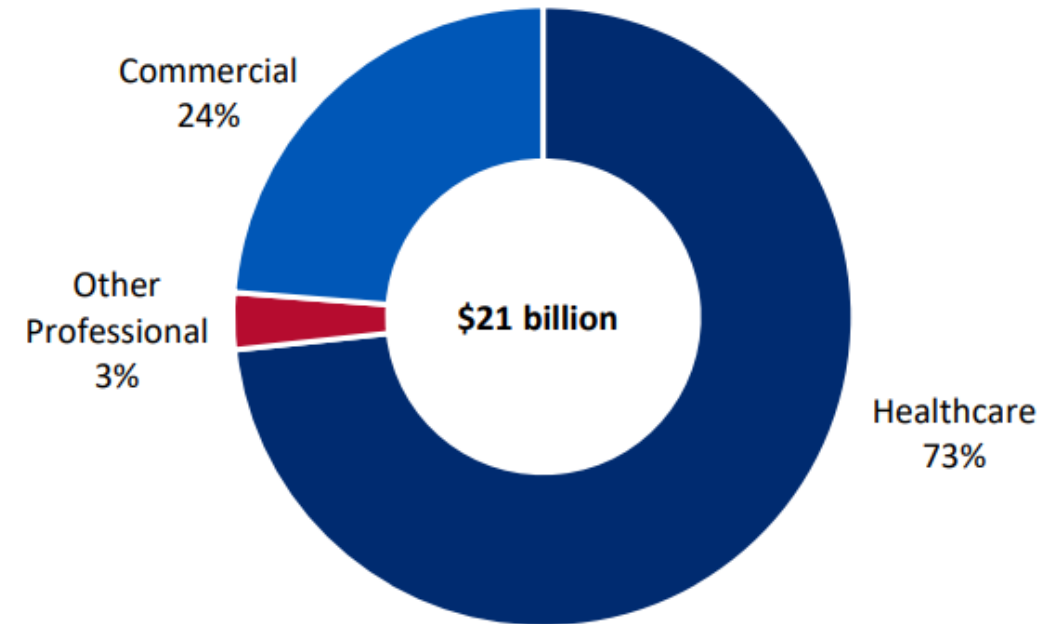
Source: OECD

# It's all About the Platforms

## Worldwide temporary staffing non-platform segments, 2022



## Worldwide temporary staffing platform segments, 2022



■ 2022 Growth +2.3%

■ 2022 Growth +75%

Source: Temporary Staffing Platform Update, 2023

# Return to Manual

**Automated Roller Car Wash in the UK**  
*2,000 machines*

**Down 50%**

2003 to 2018



**Hand Car Wash in the UK**  
*Between 10,000 to 20,000 businesses*

**Up 50%**

2003 to 2018



*Sources: The Atlantic Magazine and 2018 Parliamentary Committee*

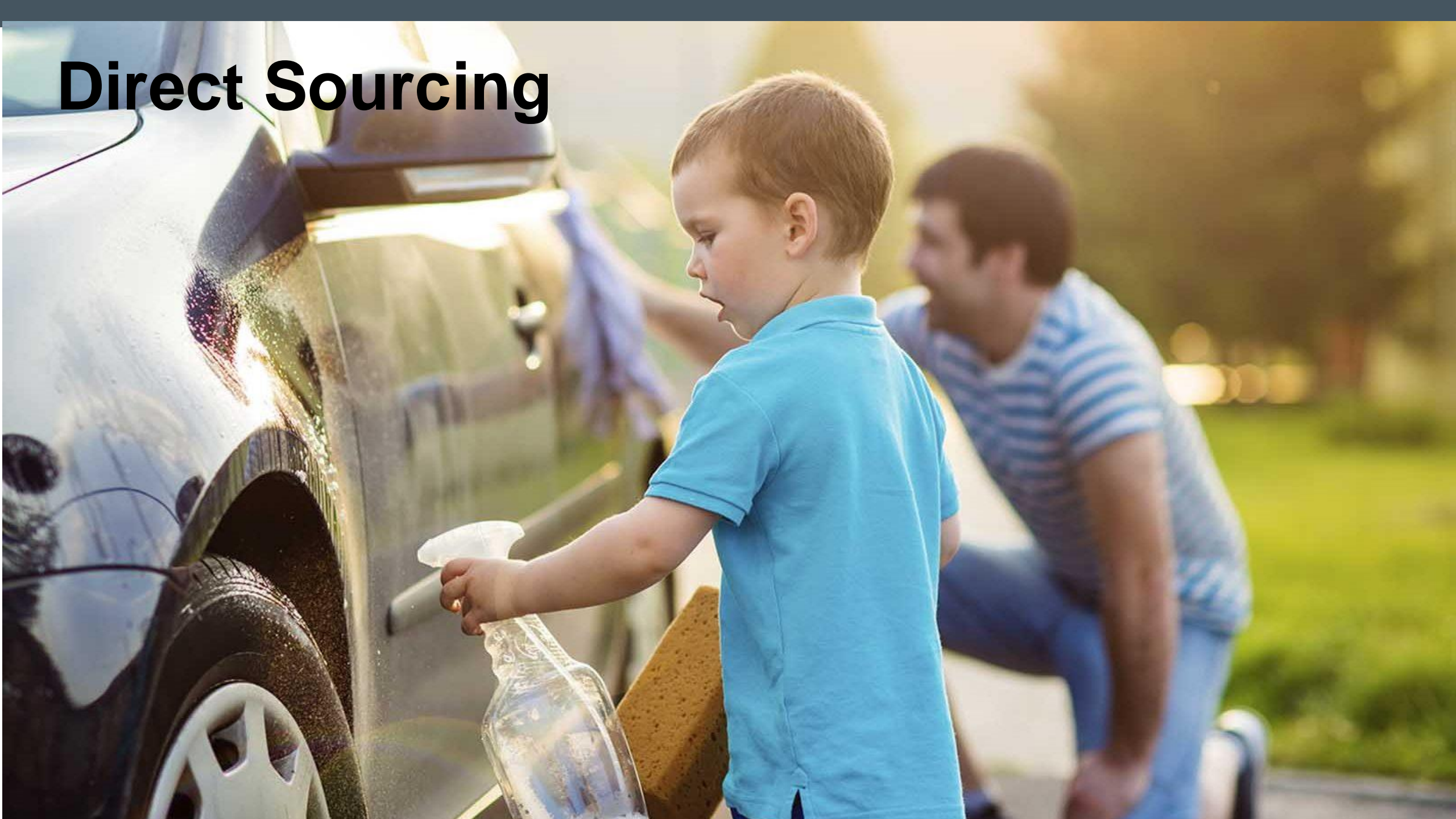


# Tech-Enhanced Services

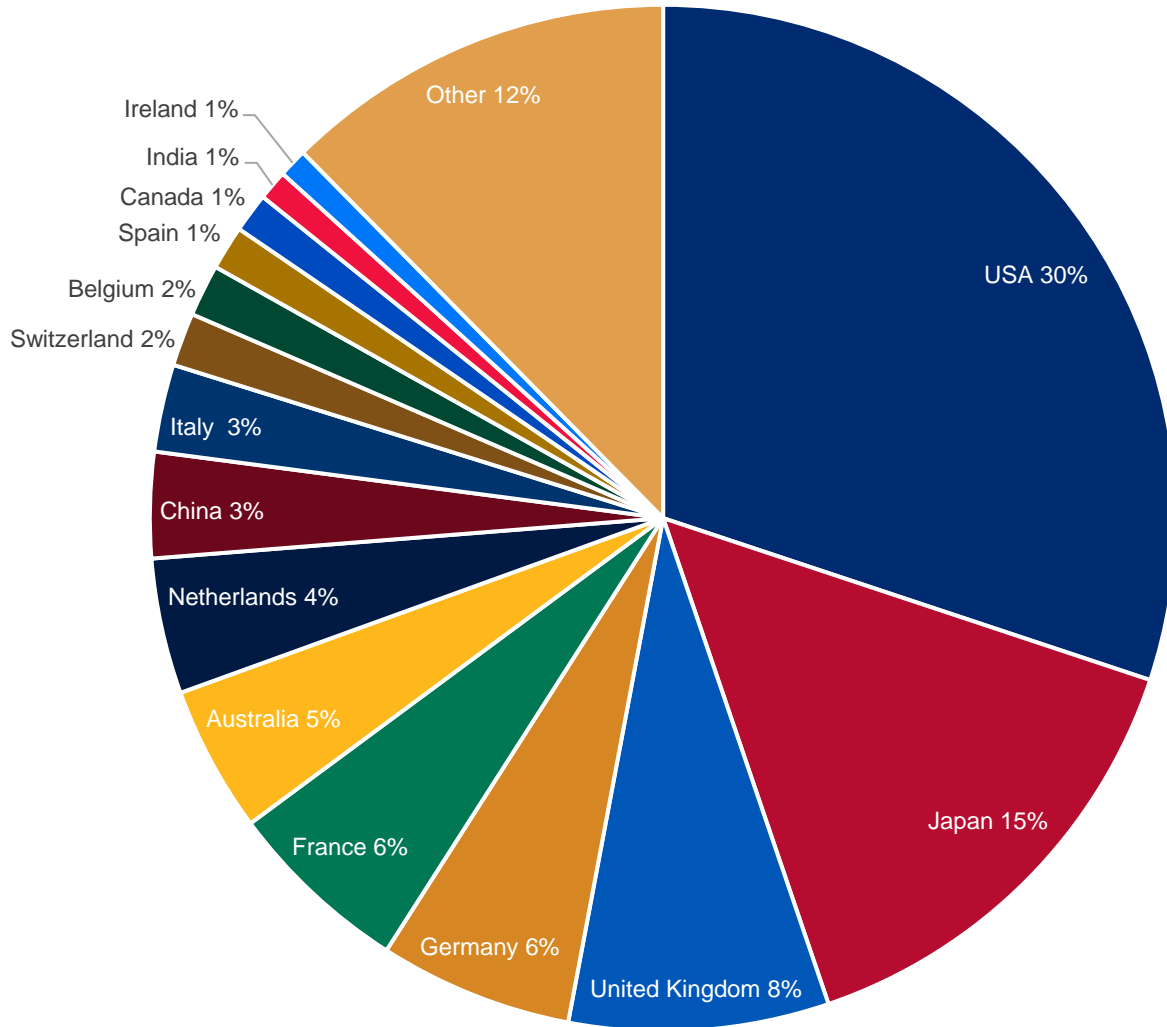




# Direct Sourcing



# 2021 Global Staffing Revenue by Country



	Staffing Revenue Y/Y Change		
	2021/2019	2022/2019	2023/2019
Australia	-5%	5%	11%
Belgium	1%	5%	7%
Canada	-3%	9%	15%
China	25%	42%	63%
France	-9%	-4%	-3%
Germany	-9%	-4%	0%
India	-3%	11%	26%
Italy	14%	28%	30%
Japan	23%	39%	50%
Netherlands	8%	13%	16%
Spain	6%	9%	9%
Sweden	0%	11%	13%
Switzerland	-1%	4%	5%
United Kingdom	-5%	5%	11%
USA	22%	39%	42%
<b>Global</b>	<b>12%</b>	<b>25%</b>	<b>30%</b>

Source: Staffing Industry Analysts

# Staffing Market Estimates & Projections

	2021 Staffing Revenue (Billions)				Staffing Revenue Y/Y Change			
	USD	EUR	LC	LC Symbol	2021	2022	2023	2024
Austria	4.7	4.0	4.0	EUR	18%	14%	6%	8%
Czech Republic	2.3	1.9	49.7	CZK	16%	12%	6%	15%
Denmark	2.8	2.4	17.7	DKK	35%	9%	5%	7%
Estonia	0.4	0.3	0.3	EUR	22%	5%	9%	12%
Finland	3.3	2.8	2.8	EUR	12%	15%	5%	6%
Greece	0.4	0.4	0.4	EUR	20%	10%	2%	4%
Hungary	1.7	1.4	516.9	HUF	31%	9%	4%	10%
Ireland	5.6	4.8	4.8	EUR	25%	16%	6%	4%
Latvia	0.1	0.1	0.1	EUR	14%	9%	7%	11%
Lithuania	0.4	0.4	0.4	EUR	17%	11%	9%	14%
Luxembourg	0.5	0.4	0.4	EUR	19%	5%	2%	5%
Norway	2.7	2.3	23.5	NOK	17%	11%	-20%	5%
Poland	4.7	4.0	18.3	PLN	23%	10%	4%	9%
Portugal	1.6	1.4	1.4	EUR	10%	10%	2%	4%
Romania	1.1	0.9	4.4	RON	17%	10%	9%	10%
Russia	0.3	0.2	20.5	RUB	15%	-22%	-16%	6%
Slovakia	0.4	0.4	0.4	EUR	10%	4%	1%	9%
Slovenia	0.4	0.3	0.3	EUR	-15%	-15%	-9%	9%
Other Europe	0.7	0.6	-	-	17%	7%	2%	7%
<b>Europe</b>	<b>251.3</b>	<b>212.5</b>	-	-	<b>23%</b>	<b>8%</b>	<b>3%</b>	<b>4%</b>

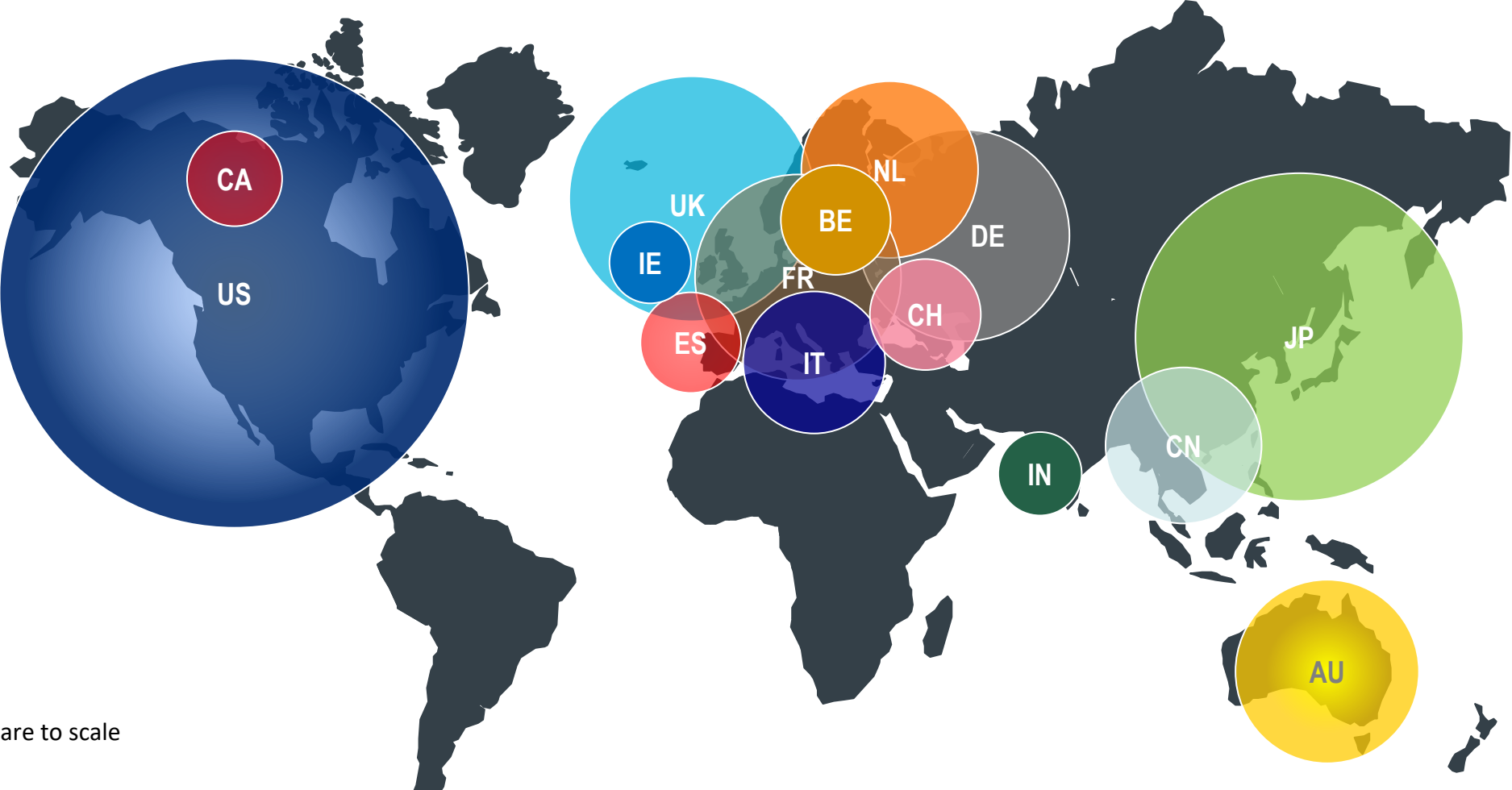
	2021 Staffing Revenue (Billions)				Staffing Revenue Y/Y Change			
	USD	EUR	LC	LC Symbol	2021	2022	2023	2024
UK	50.7	42.8	36.8	GBP	20%	11%	5%	3%
Germany	38.8	32.8	32.8	EUR	12%	5%	4%	7%
France	35.9	30.4	30.4	EUR	19%	6%	1%	3%
Netherlands	26.4	22.4	22.4	EUR	18%	5%	3%	3%
Italy	17.0	14.4	14.4	EUR	28%	13%	1%	2%
Switzerland	10.4	8.8	9.5	CHF	13%	5%	1%	3%
Spain	8.6	7.3	7.3	EUR	18%	3%	0%	4%
Belgium	10.1	8.6	8.6	EUR	18%	4%	6%	8%
Sweden	5.1	4.3	44.0	SEK	17%	11%	2%	3%

Source: Staffing Industry Analysts

© Crain Communications Inc. All rights reserved.

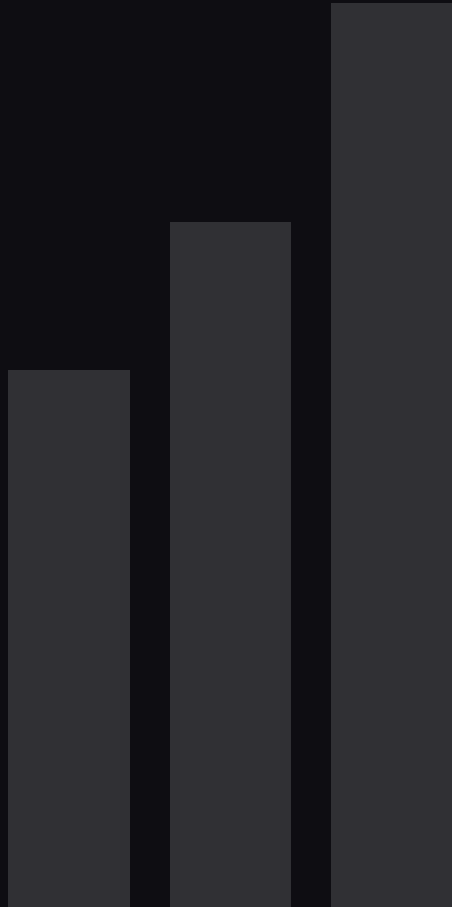


# Global Staffing Market 2021 Major Markets



Staffing markets are to scale

In 2021, these 15 countries had combined revenue of USD 542 billion representing 88% of global revenue



## What are the most important objectives for you in 2023? (Choose three)

- Implement direct sourcing
- Risk & compliance review (incl. IC compliance & management)
- Drive cost savings
- Reduce the contingent workforce
- Increase the contingent workforce
- Faster, more robust processes
- Better access to quality talent
- More visibility of costs and workers
- Expand our CW program scope
- Workforce solution technology review



# Today's Speakers



- **Mathias Linnemann,**  
Co-founder & Chief  
Strategy Officer,  
Worksome



- **Shannon Swift,**  
Senior Procurement  
Manager at  
Accenture



## Moderator

- **Peter Reagan,**  
Senior Director,  
CWS Council, SIA



worksome

# From Lemons to Lemonade How to Innovate your CW Program During a Market Downturn

THURSDAY 30TH MARCH, 2023





The global economy is slowing down 😞

2.9%

Global growth forecasted to slow in 2023  
↓6% from 2021



0.4%

Europe growth forecasted to slow in 2023  
↓5.5% from 2021



-0.3%

UK growth forecasted to slow in 2023  
↓7.6% from 2021



# But, the war for talent is still on



Home > News

## Talent War Set to Become Top Priority for CIOs in 2023, Study Reveals

By CEO.digital - 8th September 2022

## How to Win the Talent War in 2023: 10 Expert Tips for Today's Job Market

Tue, Feb 28, 2023 @ 11:00 AM | Strategies for Growth, Accountable Leaders & Teams

02-23-23 | IMPACT COUNCIL

## 4 rules for winning tech's talent war in 2023

Competition is still fierce and potential employees care about their work environment.

FORTUNE

SEARCH SIGN IN Sub

NEWSLETTERS · CFO DAILY

## The war for talent has turned into a 'war for skills'

BY SHERYL ESTRADA

January 17, 2023, 6:50 AM EST

## 3 essential strategies to win the war for talent

August 25, 2022

FORBES > LEADERSHIP > LEADERSHIP STRATEGY

## Learn To Win The Talent War Through A Compassionate And Evidence-Based Culture Renovation

Laurel Donnellan Contributor

I write about compassionate leadership.

Follow

## Five ways to win the war for talent in 2023

## 3 ways to strengthen your EX and win the war for talent

By Tom Starnier January 27, 2023

# Why now is the time to optimize your contingent workforce program

78%

Of companies will rely on freelancing in 2023 rather than adding staff

Forbes

40%

Plan to hire contractors to replace laid off talent

Human Resource  
Executive

83%

Global business leaders are increasingly turning to “contingent, intermittent, seasonal or consultant employees.”

Forbes

90m

Contractors in the U.S. by 2028  
↑33m from 2017

Forbes





So...just build a contingent workforce program and you're good to go?



# Afraid it's not that simple...using an external workforce comes with enormous **friction** for organizations

## 75%

of employers don't measure how much is spent on contingent labor and whether it is effectively spent

*OCG, The Rise of the Contingent Workforce*

## 22.7 Days

Average time to onboard a contingent worker, on admin tasks

*Ardent Partners, The State of Contingent Workforce Management 2018-2019*

## +50%

of CWS Summit Attendees cited efficiency as their main program challenge

*Staffing Industry Analysts, 2022*

## 44%

cited cost control is biggest challenge with the use of contingent workers

*TLNT, The Future Contingent Workforce Management*

# And, more dangers are looming...



## Compliance

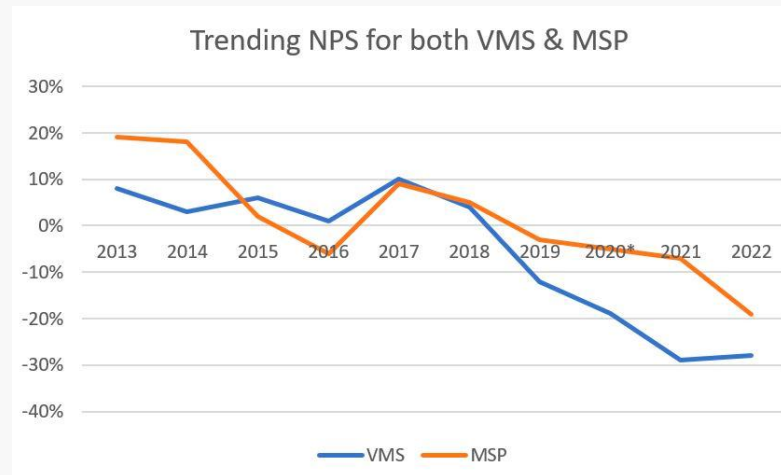
IR35  
DOL  
Dac7  
Audits

“Expect an increase in compliance audit activity, especially in a potentially slow macro-economic environment.”



## Legacy tech

Legacy CW programs can result in added complexity (rather than reducing it!)



Staffing Industry Analysts, 2022



## Legacy processes

Global teams, remote work and complex legal frameworks are putting CW programs under pressure

## Workers at \$12 billion HR startup Deel say they may have been misclassified as independent contractors. Deel says they have not.

Jenna Gyimesi and Rob Price Mar 23, 2023, 2:00 PM



Alex Bouaziz, CEO of Deel Deel

- Deel is one of the fastest-growing software-as-service startups worth over \$12 billion.

- Over half the company's workers are classified as independent contractors — including the CEO.

- Some workers worry about their labor rights and are concerned they've been misclassified.

- Over half the company's workers are classified as independent contractors — including the CEO.

# So companies are adding roadblocks to cope

We just put **everyone on payroll** to make sure we're compliant

We know we **miss out** on 50% of the freelancer market but have to stick to our W2 policy that our tax and legal team enforces

Using **vendors** gives us peace of mind that the contractors are compliant

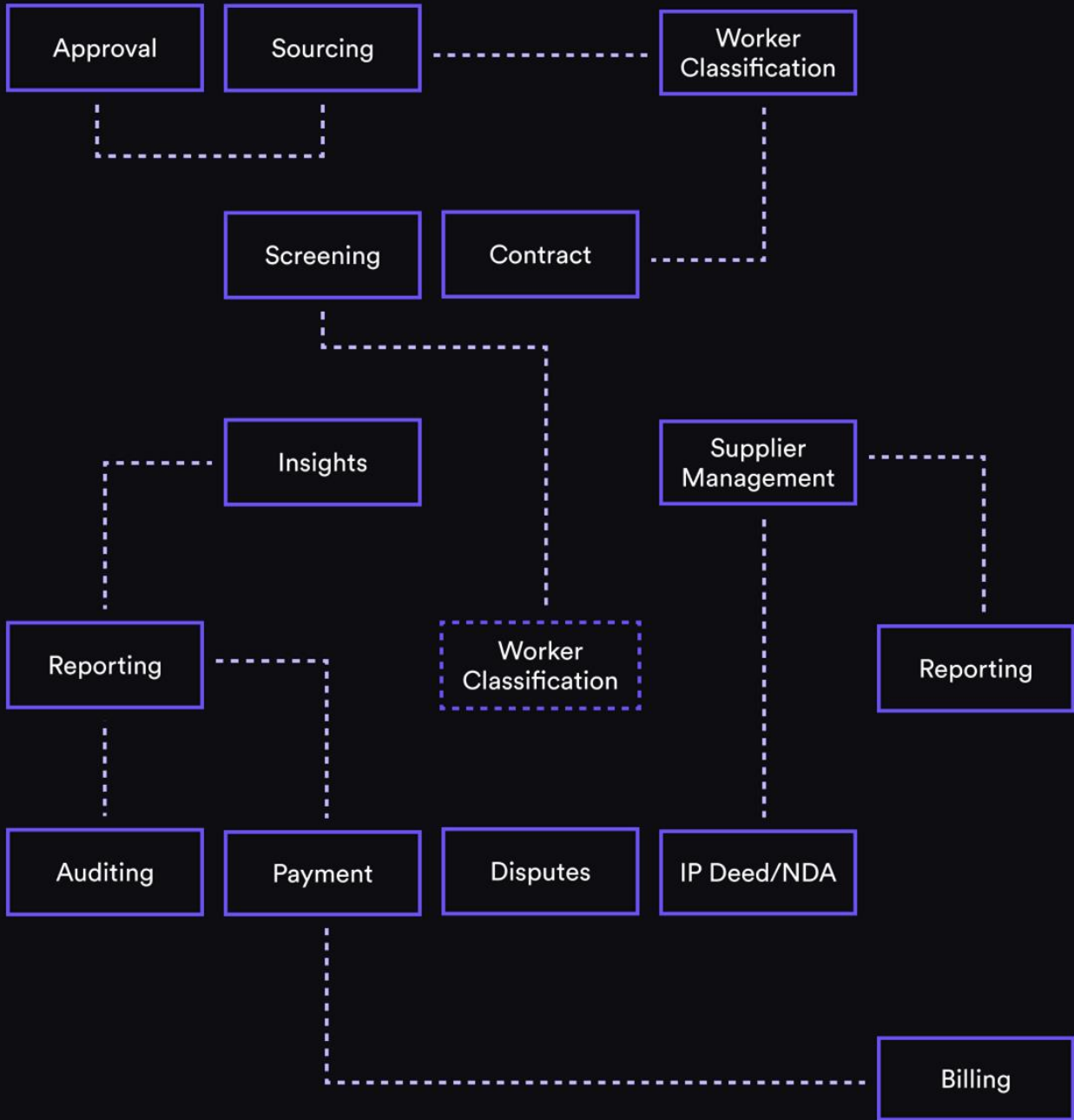
We **only hire on SOW's** to stay outside of IR35

We only engage external talent for **less than 6 months** to stay compliant

We **don't engage** with self-employed Sole Traders

We **only allow** hiring through our 8 preferred vendors





Disjointed tech



Low visibility,  
high risk,  
inefficient  
processes

 #SchittsCreek



# What a winning CW program can do to evolve during an economic downturn



## Direct sourcing

Ensure your team is enabled to access the skills they need for their projects, fast.

Curating your internal talent pool with the skills you rely on most to access when you need.



## IC compliance

Now is the time to clean the house!

Getting IC compliance right opens the floodgates to the best talent: Now is the time to clean the house!

Implement tools necessary to engage all types of talent, including ICs.



## Strong brand + Stellar experience

Engaging talent shouldn't be a friction-filled process. Give your team the tools they need to work with you and have a positive experience.

# People now **expect** more

95%

C-suite executives believe their company meet staff expectations with new technology



53%

Staff believe their company meet their expectations with new technology



People expect that finding, contracting and paying a freelancer is as easy as booking an...

## UBER

- Intuitive and super fast
- One unbroken process
- 100% correct and 100% compliant

# So, a new type of CW program design is emerging

*“Can I just please speak to the talent myself?”*

## No MSP



Hiring managers are “let loose” on the platform to engage directly with talent.

Platform deals with compliance, contracts and payroll automatically in seconds.

*It’s all about people, not vendors*

## No “traditional” VMS



Incumbent VMS’ are built for managing Vendors, not so much for the actual people. These new programs use platforms that establish an instant direct link between hiring manager and talent. Client becomes less vendor-reliant

*And BIG multinational companies too*

## Hybrid companies



(in need of fast-moving talent)

Adopted by fast moving companies across media, advertising, entertainment, gaming, and software, but gaining momentum in more traditional industries.



# But companies with mature programs can reap the same benefits

*Find a platform to curate your direct talent pool*

## Direct sourcing

Share talent pool between all your entities globally

Let both the MSP and hiring managers engage directly on the platform to source

*VMS handles vendors, new platforms handle also IC's*

## Independent Contractor Vetting

The biggest blocker to IC talent in mature programs legacy technology. Program innovators now adopt tools to access IC talent while mitigating the risk.

*Limit risk exposure*

## Legal & Business Risk Mitigation

Limit exposure to external worker risk including current external workers and proper classification.

Build their own (department) talent pool?

Can each department/office/location invite and **BUILD** up their external talent pool to always have the brightest brains readily available?

 Access a company-wide global talent pool

Can they source from and contribute to a company-wide global talent pool? Can you easily **REDEPLOY** vetted talent?

 Add new sourcing channels easily

Can they easily access and add or suggest **NEW SOURCING CHANNELS** such as freelance marketplaces, boutique recruiters etc?

 Rely on the tech to do the heavy lifting

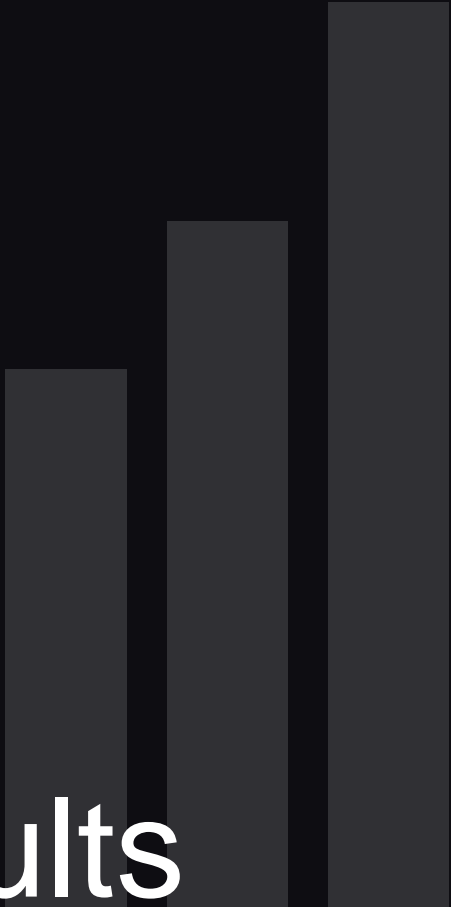
Can they rely on the tech to handle global **COMPLIANCE**, worker classification, background checks, contracts and payments?

↑  
This is where compliance sits!

## THE CHECKLIST

With your CW program today, can people in your company...

# Poll results



## What are the most important objectives for you in 2023? (Choose three)

- Implement direct sourcing
- Risk & compliance review (incl. IC compliance & management)
- Drive cost savings
- Reduce the contingent workforce
- Increase the contingent workforce
- Faster, more robust processes
- Better access to quality talent
- More visibility of costs and workers
- Expand our CW program scope
- Workforce solution technology review

# Time for your questions...



**Thank you to our sponsor...**



**worksome**



# SIA MEMBER RESOURCES



- [Global Staffing Market Forecast Nov 2022](#)

- **Not an SIA member?**

Contact the SIA Council team: [enterpriseservices@staffingindustry.com](mailto:enterpriseservices@staffingindustry.com)





**CWS SUMMIT  
EUROPE**

**9-10 MAY 2023**

**Royal Lancaster Hotel  
London, UK**

**in**  **#CWSSummit**

**Register at [www.cwssummitwe.eu](http://www.cwssummitwe.eu)**





**CWS SUMMIT  
NORTH AMERICA**

**18-19 SEPTEMBER 2023**  
**The Omni | Dallas, TX**

**in**  **#CWSSummit**

**Register at [www.cwssummit.com](http://www.cwssummit.com)**





- Copies of the slides and a link to the audio recording will be distributed to all attendees within 48 hours following the webinar.
- A replay of this webinar will be available for our CWS Council and Premium Corporate members at: [www.staffingindustry.com/webinars-buyer](http://www.staffingindustry.com/webinars-buyer)

# About Staffing Industry Analysts (SIA)



Founded in 1989, SIA 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 and connect via



PROPRIETARY DATA, DO NOT DISTRIBUTE OUTSIDE YOUR ORGANIZATION. Your company's use of this report precludes distribution of its contents, in whole or in part, to other companies or individuals outside your organization in any form – electronic, written or verbal – without the express written permission of Staffing Industry Analysts. It is your organization's responsibility to maintain and protect the confidentiality of this report.