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The Modern Manager's Guide

TO A FLEXIBLE WORKFORCE

Creating a Fast, Nimble Marketing Team
through a Talent-on-Demand Approach

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Introduction




As a manager, building a team that gets the job done may be keeping you up at night. The pressure is on—move faster, cover new responsibilities, meet goals, the list goes on. You require specialized skills for a new project but it's tough to find quality training resources; not to mention your team doesn't have the bandwidth as it is, and you're already behind on your timeline. You posted an open role, thinking that'd be the solution but it's gone unfilled for months. There are signs of burn-out and turnover on your team with no easy answers.

It's a common management conundrum that leaves you feeling frustrated and anxious. And hiring hasn't become any easier. In fact, 40% of U.S. companies can't fill open positions according to a 2017 McKinsey report, *Jobs Lost, Jobs Gained: Workforce Transitions in a Time of Automation*.

But in the midst of these challenges, there's good news for you and your team. It's called the flexible workforce and it's giving modern managers the much needed agility, productivity and expertise their teams need to be successful.

You've probably heard the buzz. Flexible models, on-demand talent, gig economy, independent workers. And maybe even embraced the trend by supplementing your team with the growing number of independent contractors out there.



But for you to rest assured at night that you've built a high impact team, it's time to go further. A modern flexible workforce strategy can bring multiple benefits.

In this guide for managers, you'll discover a path for transforming to a contingent workforce model, including:

- ✓ The need for contingent workforce models
- ✓ Trends: fast growth, high satisfaction
- ✓ Guiding the shift from traditional to contingent
- ✓ A path laid out in 5 key steps
- ✓ 7 actions to take today

FLEXIBLE WORKFORCE BENEFITS: CREATE FAST, NIMBLE TEAMS TODAY

- Skilled workers to meet faster less predictable cycles
- Using the best resources for the job, eliminating skill limitations
- Exposure to best practices and ideas from experts working in different contexts
- Agility, freedom to expand into new initiatives
- Fresh perspectives on long-standing or problem programs
- Coverage for staff shortages
- Strong ROI—right resources, right project, right need

The Need for Contingent Workforce Models

THE NEED FOR FLEXIBLE WORKFORCE MODELS— LET’S START WITH THE DATA

As you assess moving to a new flexible workforce model or perhaps even introducing the concept to your colleagues, these industry trends offer a great perspective to jumpstart your thinking.

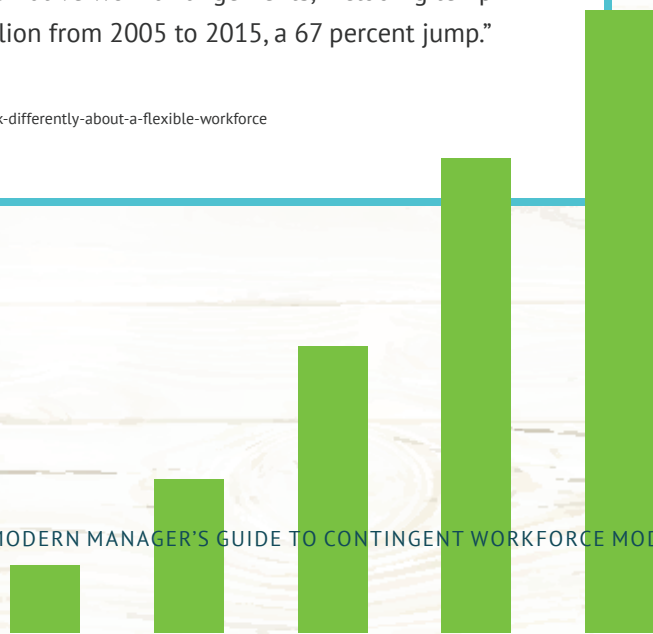
The bottom line—use of independent workers is growing. In fact, with the competition for talent, it’s become an essential workforce strategy for success.

Harvard Business Review

“In today’s rapidly changing business environment, companies that rely solely on full-time employees are finding they have neither the skills nor the agility to sustain success. For instance, 40 percent of U.S. companies can’t fill their open positions, according to a McKinsey Global Institute study that found that analytical, engineering, and management roles are the hardest to fill.

With those gaps, companies must now focus less on the fixed supply of in-house people and more on the capabilities they need to get work done. And a pool of independent and highly skilled workers who can fill those needs is growing. Economists Lawrence Katz and Alan Krueger found that American workers in alternative work arrangements, including temp workers, increased by 9.4 million from 2005 to 2015, a 67 percent jump.”

<https://hbr.org/sponsored/2017/09/how-to-think-differently-about-a-flexible-workforce>





“The freelance workforce grew from 53 million in 2014 to 55 million in 2016, and those employees now represent 35 percent of the U.S. workforce, according to research from Upwork and Freelancer’s Union.”

Embracing the Freelance Talent Model, SHRM, July 2017

<https://www.shrm.org/resourcesandtools/hr-topics/talent-acquisition/pages/embracing-freelance-talent-model.aspx>

Forbes

“... **The blended workforce is on the rise.** In the past five years, the gig economy has become a major trend impacting the global workforce, and has created a new kind of diversity, with full-time permanent employees working side-by-side with freelancers. A study exploring the gig economy found that 93% of companies already identify the blended workforce as they’re seeing freelance workers teaming up with employees to work on projects together.”

10 Workplace Trends You’ll See in 2017, Forbes, November 2016

<https://www.forbes.com/sites/danschawbel/2016/11/01/workplace-trends-2017/#7a6a483b56bd>



Trends: Fast Growth, High Satisfaction



FLEXIBLE WORKFORCE TRENDS: DATA SHOWS SATISFACTION HIGH

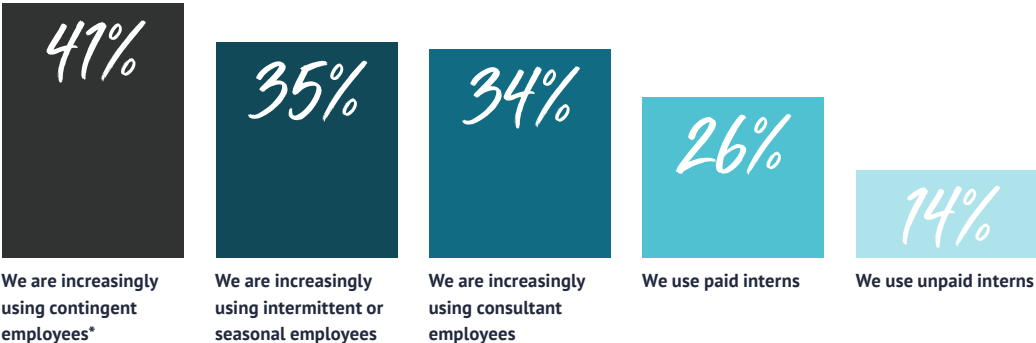
The statistics show a clear trend. Use of the flexible workforce is growing. More importantly, companies report high satisfaction with independent workers.

FLEXIBLE MODELS CONTINUE TO FIRE UP. WHY?

Best resources for the job, ability to move faster, fresh perspectives.

THE CHANGING NATURE OF WORK

Which of the following statements about employment are true at your company?
Select all that apply.



The Looming Talent Crisis, Workforce 2020

<https://www.inc.com/kathy-rapp/flexible-workforce-talent-strategy.html>

* Independent contractors, part-timers, or temporary or leased employees

Satisfaction is high with companies who have implemented. Why?
Flexibility, new ideas, strong ROI.

FIRMS UTILIZING ON-DEMAND WORKERS TO STAFF KEY BUSINESS INITIATIVES REPORT HIGH LEVELS OF SATISFACTION.

Base: 40 US-based hiring and strategy decision-makers at firms with 1,000 or more employees who currently use on-demand knowledge workers.



78% Satisfied

Source: A commissioned study conducted by Forrester Consulting on behalf of Catalant, May 2017

Address Critical Skill Gaps with On-Demand Knowledge, Forrester, June 2017 (commissioned by Catalant)
<http://pages.gocatalant.com/rs/846-NRA-671/images/Address%20Critical%20Skill%20Gaps%20With%20On-Demand%20Knowledge.pdf>

The Business Case is Compelling

But what is different about a flexible workforce model?

Guiding the Shift from Traditional to Contingent

GUIDING THE SHIFT

A Traditional Model to a Talent-on-Demand Model

The traditional view of a staffing model includes identifying the responsibilities for a department and hiring a team to deliver on those responsibilities throughout the year. But there's a challenge. As business needs change or new initiatives arise, new staffing needs emerge which can require new skills or different experience levels. A team member may need training, employees may need to take on new responsibilities without the qualifications or the team may simply not be able to absorb a new initiative. In a traditional model, it's not easy to adapt.

A flexible workforce strategy changes this dynamic with a new model—talent-on-demand. To supplement a team, managers build a pool of resources that can be called upon for different needs at different times.

WHAT'S DIFFERENT?

- Agile, nimble team that supports changing needs
- Prepared for “now, new and unexpected”
- Shift from a fixed supply of employees to multiple resources

BIG MANAGER WIN!

Expand the possibilities of what can be achieved.

“This was (and is) a new way to think about your workforce. Need to staff a drill ship quickly? Hire a contract recruiter with the expertise and industry connections, and then release her once the ship is ready to go. Need an interim executive while a 6-9 month search process plays out? Hire and then watch as productivity doesn't dip and employees feel relief that there is someone giving direction. Need a SWAT team to conduct due diligence on a major acquisition so your regular staff stays peacefully unaware? Call in a contract M&A expert and team.”

Why Your Workforce Muscle Could Use More Flex, Inc., May 2014

(Kathy Rapp, hrQ) <https://www.inc.com/kathy-rapp/flexible-workforce-talent-strategy.html>



On the surface, it might appear easy to shift to a flexible workforce model. The reality is that it requires a completely different way of thinking about recruiting and managing a team.

In fact, executives were asked in a recent survey how they rate their company's management of independent workers.

The response— 53% indicated weak capabilities with gig resources.

THE CHALLENGE:
Companies Struggle
with Finding and
Managing Gig Workers

“More than half of surveyed global business leaders (53 percent) report weak capabilities in relation to gig and talent economy resources, and only 8 percent rate their companies' ability to manage crowdsourcing as excellent.”

Enter the cognitive recruiter, Deloitte Insights, February 2017

A Path Laid Out in 5 Key Steps

IT'S TIME TO TAKE A STEP BACK. IT'S TIME FOR A DIFFERENT APPROACH.

Flexible Workforce Models— A Guide to a Comprehensive Strategy

Use of on-demand talent continues to grow. Satisfaction scores high and companies are seeing results.

So, what's behind the challenges in managing contractor resources? And how can managers experience the full benefits of this highly productive approach?

It's time to take this fast-growing approach back to basics—thinking out needs, identifying goals, defining the best model for the team and creating the infrastructure to support it all.

Now, here's the big question. How do you transform to a talent-on-demand model? Let's check out these 5 steps to get there.

STEP
1

Think out your
needs

STEP
2

Find the right
independent
workers

STEP
3

Create an
infrastructure to
fire up success

STEP
4

Partner with HR

STEP
5

Monitor your
transformation



STEP
1

Think Out Your Needs

A well thought-out contingent workforce strategy takes into consideration internal business needs and the current employment landscape. Given the growing gig economy, many managers have been taking a fresh look at their teams. What's the right mix? Some positions are best suited for a direct hire, but others can be outsourced to support projects as needed.

It's a great exercise to regularly evaluate the right blend of internal hires, consultants and outsourced business solutions for your organization's changing needs. Getting an outside perspective of a talent consultant can offer new ideas, tips and even connections to find what you need.

HOT TIP.

Consider a staffing consultant experienced in a creating a flexible workforce model. They know what works and what doesn't from working with other companies.

This series of questions can help you structure your workforce planning.

- What business needs will I need to support in the next 1-3 years?
- Would these new needs benefit from new perspectives or deeper experience?
- What skills will need to be in place that do not exist today?
- How are they different from what my team has provided?
- What would best fill the need—a full-time employee or outsourcing? Will projects be static throughout the year or evolving frequently?

Through exploring these questions, you can build the best model for your team.



“Other household names like Samsung have addressed “capability gaps” through the utilization of freelance platforms. Cathleen Nilson, who leads on-demand talent at Samsung, has said she really believes this is the future.

I’ve found that in many companies, a senior executive on the business side is convinced that his or her brand doesn’t have the talent it needs to execute a specific strategy. With today’s on-demand marketplace, the future of work is helping to solve this problem. Early adoption is driven by companies carrying strong internal knowledge of exactly what they want to get done and why.

Once the skill sets for those roles are identified, forward-thinking companies can utilize on-demand platforms to locate the talent they need without delaying their timelines or breaking the bank. They can add members to their team for a specific project or to meet cyclical needs, and they can scale up or down, depending on the impact of the task.

The key, of course, is for business leaders to understand their skill gaps—and be willing to address them differently than they have in the past. Those are the companies that will reap the benefits of a flexible workforce and ultimately thrive in the future of work.”

The Future of Work: Solving Problems through a Flexible Workforce, Entrepreneur, Dec. 2017 (writer is from Catalant)

<https://www.entrepreneur.com/article/305429>



STEP
2

Find the Right Independent Workers

Once you've outlined the best flexible model for your team, it's time to find specialized contractors for your specific projects, needs, and timeframes. Since you'll need to recruit for different types of talent, you'll need a broader talent acquisition approach that takes into account how the modern workforce operates and what motivates them.

Tip #1

Be open to industry transfers

LinkedIn's *2016 Talent Trends Reports* shows that 70% of contractors who switched jobs moved to a different industry. That means many freelancers offer diverse experience and have exposure to solving problems in multiple ways. This fresh perspective transcends industries and can infuse much needed creativity into your team.

Tip #2

Consider a range of experience levels

According to the same LinkedIn reports, 31% of contractors have been in their careers for four years or fewer and 27% for five to nine years. By working with multiple companies and industries, independent contractors often gain a wealth of experience in shorter timeframes. Your team benefits from a resource with deep exposure to the latest best practices.

“Broaden and expand sourcing channels: Open up talent **pipelines to nontraditional sources**. Think about how best to source and recruit for the many types of talent needed, both on and off the balance sheet, including full-time and part-time employees, freelancers, gig workers, and crowds.”

Talent acquisition-Enter the cognitive recruiter,
Deloitte Insights

<https://www.deloitte.com/insights/us/en/focus/human-capital-trends/2016/gig-economy-freelance-workforce.html>

Tip #3

Search outside of traditional hiring spots

When you lift geographic limits, there's more opportunities to find great talent. Think outside of your geographic location and consider if you'd be willing to let a contractor work partially or fully remotely. You gain a bigger pool of candidates. Plus, the competition for contractor talent may be less in cities where demand is less.

Tip #4

Appeal to what contractors want from their careers

As the gig economy continues to grow, so does the competition for freelancers. To get their attention, emphasize what motivates them to stand out from other companies.

Tip #5

Partner with an agency experienced in contingent recruiting and workforce management

As you shift to an on-demand talent model, the guidance of an agency with a fresh perspective plays an important role. You'll benefit from their experience in working with other companies and avoid the pitfalls others have discovered. Plus, agencies often have a ready-to-go network of independent workers.

Among the **600 RESPONDENTS** to LinkedIn's 2016 Talent Trends survey who identified themselves as contractors, a desire for more **CHALLENGING WORK** (30%), **CAREER GROWTH** and **ADVANCEMENT** (26%), and finding a **CULTURE** and work environment they enjoy (23%) were the leading causes cited. They also value being able to **CONTRIBUTE TO THE ORGANIZATION**: 40% of contractors look for the ability to make an impact when considering a new role.



STEP

3

Create an Infrastructure to Fire Up Success

“But making the most of flexible talent-access platforms is not as simple as adding a solution into an existing organization. Old ways of thinking and working designed to support an internal-only workforce need to change. Winning in the future will require a rigorous approach to accessing and managing independent workers.

Companies therefore need to adapt their various processes—strategy, budgeting, talent—to this reality. They should employ objective-based planning and start by prioritizing the work that needs to get done separately from whether it’s executed by a full-time employee or external talent. Companies should adjust budgeting so that managers are focused on the best ways to meet their objectives and not given implicit or explicit incentives to increase full-time head count.”

How to Think Differently About a Flexible Workforce, Harvard Business Review

<https://hbr.org/sponsored/2017/09/how-to-think-differently-about-a-flexible-workforce>

As you change your team model and how you recruit, it's also important to take a fresh look at how to shift from managing an internal-only workforce to an internal/external team. Independent workers require a different structure to ensure success.

PLANNING

- ❑ Identify the capabilities to complete work vs. what's available from the in-house team
- ❑ Define project objectives so contractor deliverables are clear
- ❑ Outline priorities to ensure internal and external teams focus on top projects

BUDGETING AND PROCESSES

- ❑ Set up new procurement, legal policies and procedures for a blended internal/external team
- ❑ At a minimum, address compensation, hiring, payroll, counseling, and assignment status for co-employment
- ❑ Incentivize accomplishing objectives vs. incentives for increasing or decreasing headcount

MANAGEMENT TRAINING

- ❑ Enable managers to contract, pay and manage networks of individual contributors
- ❑ Coach on managing scope and billable hours
- ❑ Set up communication tools for virtual meetings and shared drives for accessing information

MANAGING FLEXIBLE TEAMS

- ❑ Train on providing feedback to individuals managers don't "formally control"
- ❑ Facilitate relationships between internal and external team members
- ❑ Encourage teamwork among project staff who haven't worked together

There's much more involved than collecting resumes and referrals. A flexible workforce requires a plan and infrastructure for success.

Recommended Actions

- Find a peer who recently went through a similar transition. What did they learn?
- Move faster by working with a staffing consultant experienced in these transitions. You'll leap ahead by tapping into the benefits and pitfalls uncovered during work with other companies.



STEP
4

Partner with HR

“Managing diverse groups of on-site and remote employees will be challenging in a world where the composition of teams changes rapidly as project-based contractors and temporary staff come and go. Managers must become nimble coordinators and better coaches to ensure that all tasks, wherever they occur, mesh smoothly and that information is shared effectively among colleagues. Group interactions, in particular, will require more careful planning and structuring.”

Preparing for a New Era of Work, McKinsey & Company, Nov. 2012

<https://www.mckinsey.com/business-functions/organization/our-insights/preparing-for-a-new-era-of-work>

While big wins exist in shifting to a talent-on-demand model, it’s also a huge organizational change. For that change to be successful, HR plays a significant role in working closely with business areas to establish a structure for success.

With experience in matching a people strategy to organizational goals, the HR team is in a critical position to drive this change by teaming closely with managers on key issues:

Capabilities definition. Talent strategy. Operational changes. Documentation of processes. Training. Benchmarks. Goals. Buy-in.

Most importantly, HR plays an important role in setting up contingent workforce models as a serious initiative that truly supports the organization. A structured, deliberate program that makes a difference.

The Harvard Business Review article, *How to Think Differently About a Flexible Workforce*, describes a “purposeful” program as follows:

“A purposeful ‘future of work’ initiative that incorporates the above best practices should have the following components:

- ✓ **Stakeholder Buy-in** Engage employees in a discussion about the intent to work in a new way, including why it makes sense for the organization—the value the company expects to derive—and what these new ways of working will mean both operationally and behaviorally.
- ✓ **Adaptable Processes** Identify and modify key business processes, policies, and procedures to align with the new ways of operating. This needs to be a serious initiative to ensure that the organization supports rather than hinders the overall effort.
- ✓ **Platform Adoption** Identify and implement an appropriate technology solution to support the identification, sourcing, and management of independent labor.
- ✓ **Change Documentation** Develop and implement a standard set of training modules on key skills-based aspects of the new way of working.
- ✓ **Testing and Learning** Identify—and actively communicate and learn from—short-term wins.
- ✓ **Benchmarks for Success** Measure progress toward the goal. For example, companies can examine how much work external talent does, how key business processes have changed, and changes in the behaviors of people as they plan for work and deliver on their objectives.”

HOT TIP.

Get this topic on the senior management agenda. Ask consultants for case studies to show the business impact.

With HR leadership in these key areas, both managers as well as the organization will experience the agile, nimble benefits that a flexible workforce model brings.



STEP
5

Monitor Your Transformation

You answered key questions. You developed your flexible workforce model. Your company has an infrastructure in place. It's go time.

But how do you know when you're there? What does a modern talent-on-demand model look like in action?

TRADITIONAL WORKFORCE	MODERN TALENT-ON-DEMAND
Finding talent through procurement or HR departments	Middle managers networking and relationship-building with a talent network and agency partners
One-size-fits all onboarding experience that doesn't account for varying employee types and needs	Efficient onboarding where clear goals, schedules, and performance milestones are discussed and agreed upon
Internal employees perceive contingent talent as a cost-saving benefit for the organization	Employees understand strategic benefits of agile talent as improving efficiency, expertise, and flexibility
Believe external talent is working "for" you	Mutual partnership is established where both parties feel stake in one another's success
Managers only develop internal people	Managers coach and invest in development of external experts

When you see these signs, you will have transformed your team into a highly agile force, combining the strength of your internal resources with the fresh energy and flexibility of a contract workforce. You'll be able to fire up results while keeping your team modern and lean.

7 Actions to Take Today

GET STARTED— 7 ACTIONS TO TAKE TODAY

1. **Think out your needs.** Explore the series of questions provided earlier to consider multiple angles. Write down what your flexible model should include.
2. **Consider involving an experienced workforce consultant.** Check out what other companies are doing, what works and what to avoid.
3. **Try new recruiting techniques that tap into contractor networks.** Present benefits that on-demand workers consider important.
4. **Develop an infrastructure that supports a talent-on-demand model.** Reconsider how you plan, prioritize and budget. Provide training on working with contractors and flexible teams.
5. **Look to HR for leadership in driving this change.** Tap into their experience in managing people, process and performance transformation.
6. **Start the discussion internally.** Share data on the flexible workforce model growth. Hold brainstorming discussions with managers. Create an initiative on senior management's agenda.
7. **Be purposeful.** Create a formal plan and structure. Measure results.

“Ultimately, the new world of work requires executives to completely revise their relationship with talent. For those companies that navigate this transformation, the payoff will be substantial—not just in terms of new growth opportunities, but also in terms of new efficiencies. They will be able to think more broadly about the business, and they will be exposed to best practices and ideas from people who have thought about tough problems in different contexts.”

How to Think Differently About a Flexible Workforce, Harvard Business Review

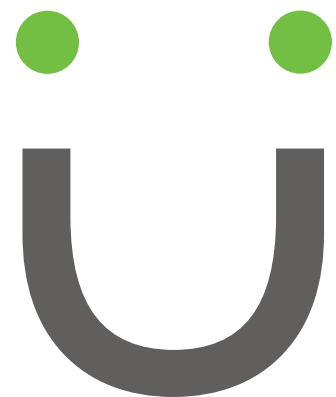
<https://hbr.org/sponsored/2017/09/how-to-think-differently-about-a-flexible-workforce>

A TRUSTED PARTNER TO HELP YOU COMBAT THE TALENT SHORTAGE—WUNDERLAND GROUP

Leaders across the country face a critical juncture in the changing employment landscape. A critical element to manage your turnover risk is having a trusted partner who is always thinking about the talent your company will want to hire and should hire in the future – even when you're not. What does working with a trusted partner really mean?

- ✓ A consultative business partner (not a requisition filler) who knows your company's long-term plans, knows the current talent in your organization and the potential talent gaps
- ✓ An expert who knows the competitive landscape, understands who the key players are and follows the trends in the market
- ✓ Someone who has strong industry knowledge and can engage in meaningful conversations with your business to help make smart hiring decisions
- ✓ A proven professional who has respect from talent in the industry and will represent your company's employer brand well

WUNDERLAND GROUP IS THE DESTINATION FOR CREATIVE, DIGITAL, AND MARKETING TALENT, providing companies with in-demand, highly-qualified talent for contract and full-time positions. The industry has verified WunderLand Group's reputation for loyalty and quality through numerous awards and recognitions, most recently the Best of Staffing® Client Award and Talent Award. WunderLand Group services clients in Chicago, San Francisco, Seattle, Connecticut, New York, New Jersey, Rhode Island, and Boston.



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