

# FlexingIt

Business consultants & Experts.  
Curated. On-demand.

# Perspectives | The Impact of COVID-19 on the Professional Gig Economy

# Summary

- Growth in the global gig economy has historically been spurred by economic crises. The economic fallout of the Covid pandemic, expected to be far more severe than previous recessions, has also created **an increased demand for flexible, freelance, and remote work**. This need across sectors has **accelerated the transition to distributed teams, and sharpened focus on the strategic value of the the high end gig economy**.
- Post the economic crisis of 2008, the **increase of independent and self employed people , the emergence of gig platforms, the growth in the number of millenials freelancing and the adoption of flexible talent by large corporations were key drivers** of the rise of the gig economy. Further, **the enforced WFH experiment** of 2020 has made millions of employees and companies realise that the future of work will be more flexible, project based and remote.
- Business heads, HR thought leaders and consultants on Flexing It share their perspectives on challenges and opportunities in the **current economic climate and the longer term implications of remote, freelance, and flexible work**, including **hiring strategies, organizational systems & processes and ecosystem development** around a new breed of highly skilled freelance talent in India.



# KEY DRIVERS OF THE GIG ECONOMY

1

## GREATER AUTONOMY OVER OUR WORK LIVES

- 50% of freelancers state that the autonomy of freelancing is its greatest appeal (Paypal)
- 64 percent of male freelancers and 53% of female freelancers said they chose freelancing because they don't like answering to a boss (Statista)

2

## GROWTH IN THE NUMBER OF MILLENNIALS FREELANCING

- Millenials value the freedom and flexibility offered by Gig Work
- 42% of people aged 18-34 engaged in independent work (Upwork)
  - Millennials will form 75% of the global workforce by 2025 (Forbes)

3

## THE RISE OF ONLINE GIG PLATFORMS FUELLED BY SMARTPHONE AND INTERNET UBIQUITY

- More than three in four freelancers say technology makes it easier to find work (Upwork)
- More than 70% of freelancers find jobs through online markets and gig economy websites (Payoneer)

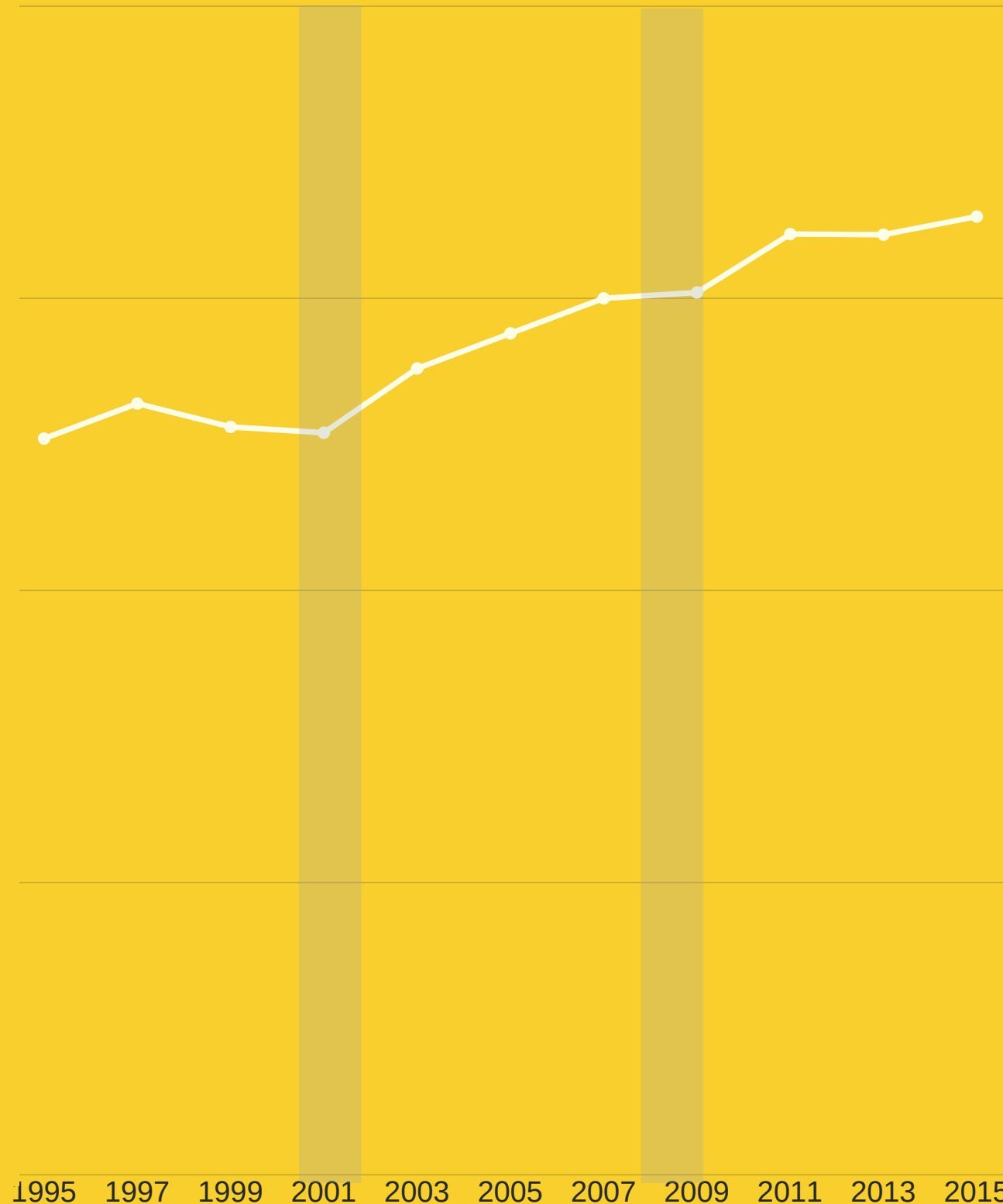
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## LARGE CORPORATES BEGIN TO LEVERAGE FLEXIBLE TALENT

- 50% of 6500 executives surveyed agreed that corporate adoption of gig platforms would be a significant trend (BCG)
- 1 in 2 organizations report a significant increase in use of gig workers over the last five years (EY)

# Self-employment grows globally and the gig economy surges after economic crises in the last decade

Trend line of self-employed in USA post recessions



From 2002 to 2014, growth in US gig economy workers was twice that of the increase in total employment

The number of freelancers in the UK rose by approximately 45% between 2008 and 2016

By 2015, 34 percent of the US workforce was already engaged in some nature of freelance work

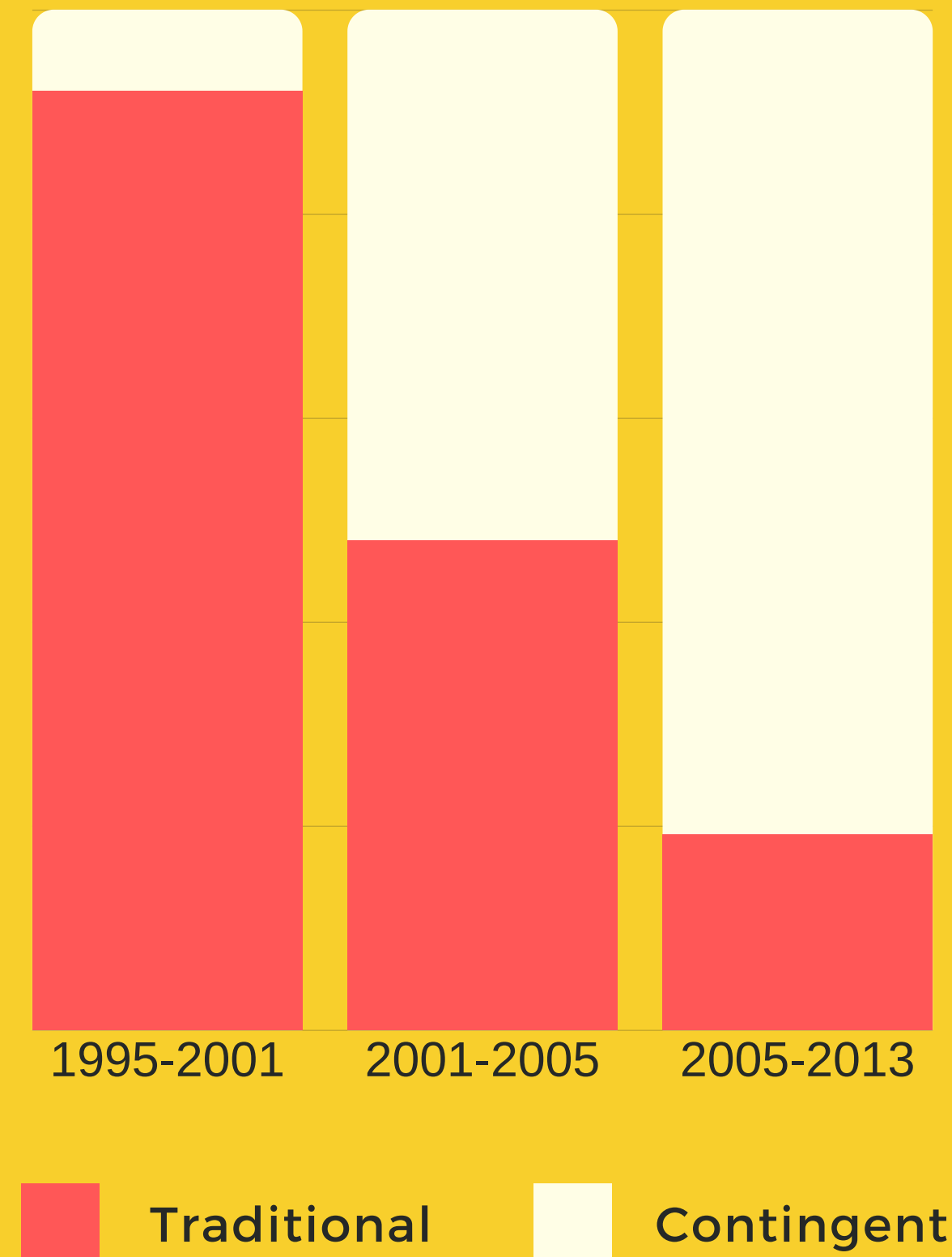
The number of independent workers in the European Union rose by 24% between 2008 and 2015

# Non - traditional (not full time) work drives net employment growth post 2008

Economists Larry Katz and Alan Krueger found that the share of workers in alternative work arrangements increased by nearly 50 percent from 2005 to 2015

Several Online gig startups such as Uber, Taskrabbit, Lyft, and AirBnB emerged out of the recession of 2008 and showed an impressive level of growth. As of 2019, Airbnb had 150 million users and Uber had 110 million users (ETN, Statista)

New Jobs: Traditional vs Contingent (USA)



# Covid 19 expected to have a far more severe impact on jobs and the economy



3%

DECLINE IN THE GLOBAL ECONOMY  
ESTIMATED BY THE IMF FOR FY 20-21

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45%

DECLINE IN THE INDIAN ECONOMY IN  
Q2 PREDICTED BY GOLDMAN SACHS

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-8 to -10%

INDIA'S PROJECTED GDP GROWTH  
ACCORDING TO A MCKINSEY SURVEY

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Economically speaking, India is faced today with perhaps its greatest emergency since independence. The global financial crisis in 2008-09 was a massive demand shock, but our workers could still go to work, our firms were coming off years of strong growth, our financial system was largely sound, and our government finances were healthy. None of this is true today as we fight the coronavirus pandemic

-RAGHURAM RAJAN

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# Global WFH experiment leads to permanent shifts towards remote, flexible and freelance talent across sectors

## Companies that have embraced remote work

- **Automattic**, the parent company of **Wordpress** has 1200 employees working in 75 countries and all employees operate completely remotely
- **Tata Consultancy Services** decided to make Work From Home the new normal, with 75% of their employees expected to continue working from home post COVID
- **Twitter** announced that their employees can continue working from home “forever”
- **Facebook** expects half of its employees to work remotely within the next 10 years

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We'll never probably be the same. People who were reticent to work remotely will find that they really thrive that way. Managers who didn't think they could manage teams that were remote will have a different perspective. I do think we won't go back

JENNIFER CHRISTIE, TWITTER'S HEAD OF HUMAN RESOURCES

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# Growth in freelancing spurred by the current crisis- Flexing It

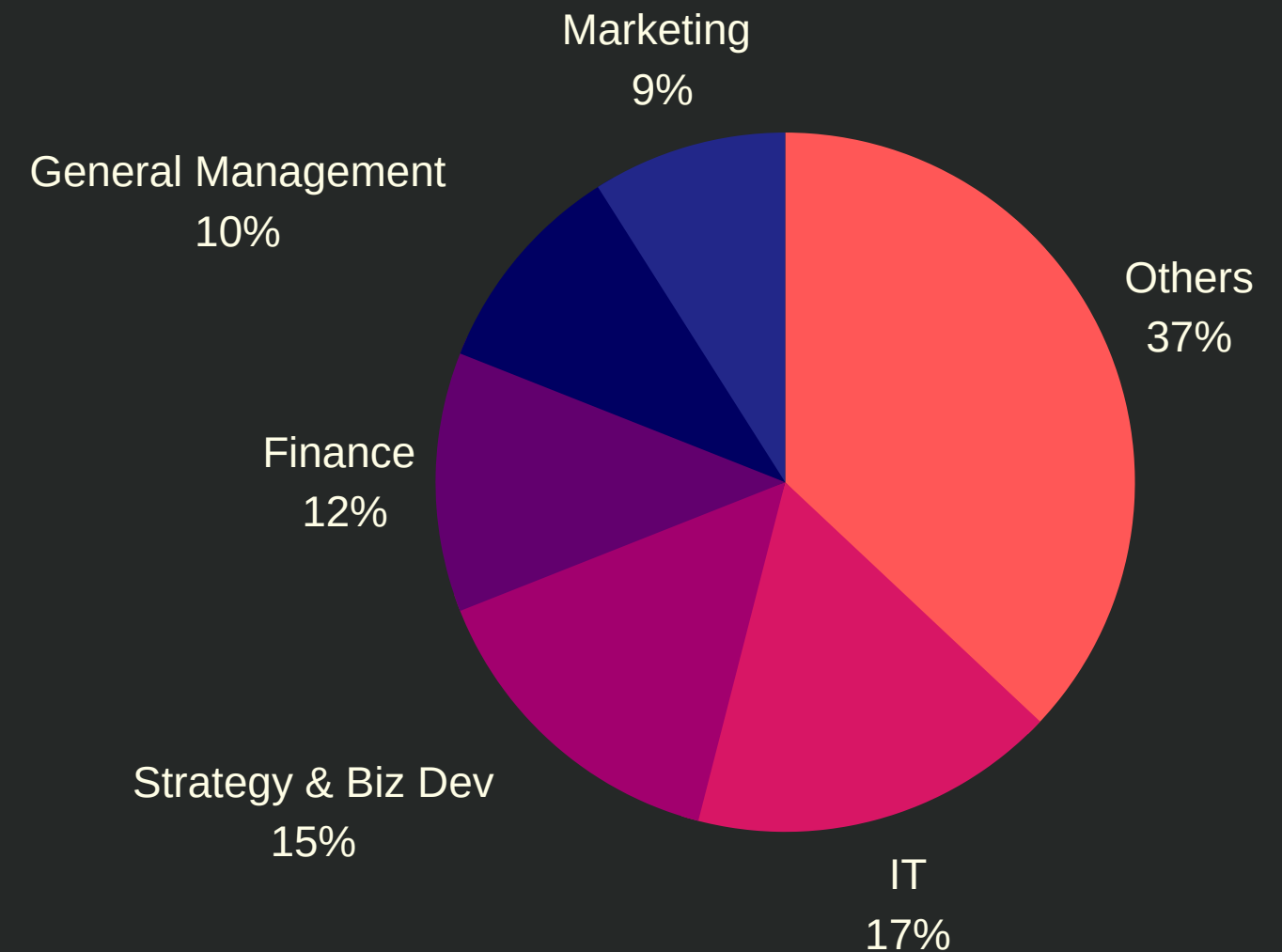
84%

GROWTH IN CONSULTANT REGISTRATIONS ON OUR PLATFORM BETWEEN MARCH AND APRIL 2020

1/3

OF NEW CONSULTANTS REGISTERING ON FLEXING IT HAVE LESS THAN 10 YEARS OF EXPERIENCE ANOTHER THIRD HAVE BETWEEN 10-20 YEARS EXPERIENCE

## SKILLSETS REPRESENTED IN NEW CONSULTANT REGISTRATIONS:





# Trends in remote & freelance work post Covid - Flexing It

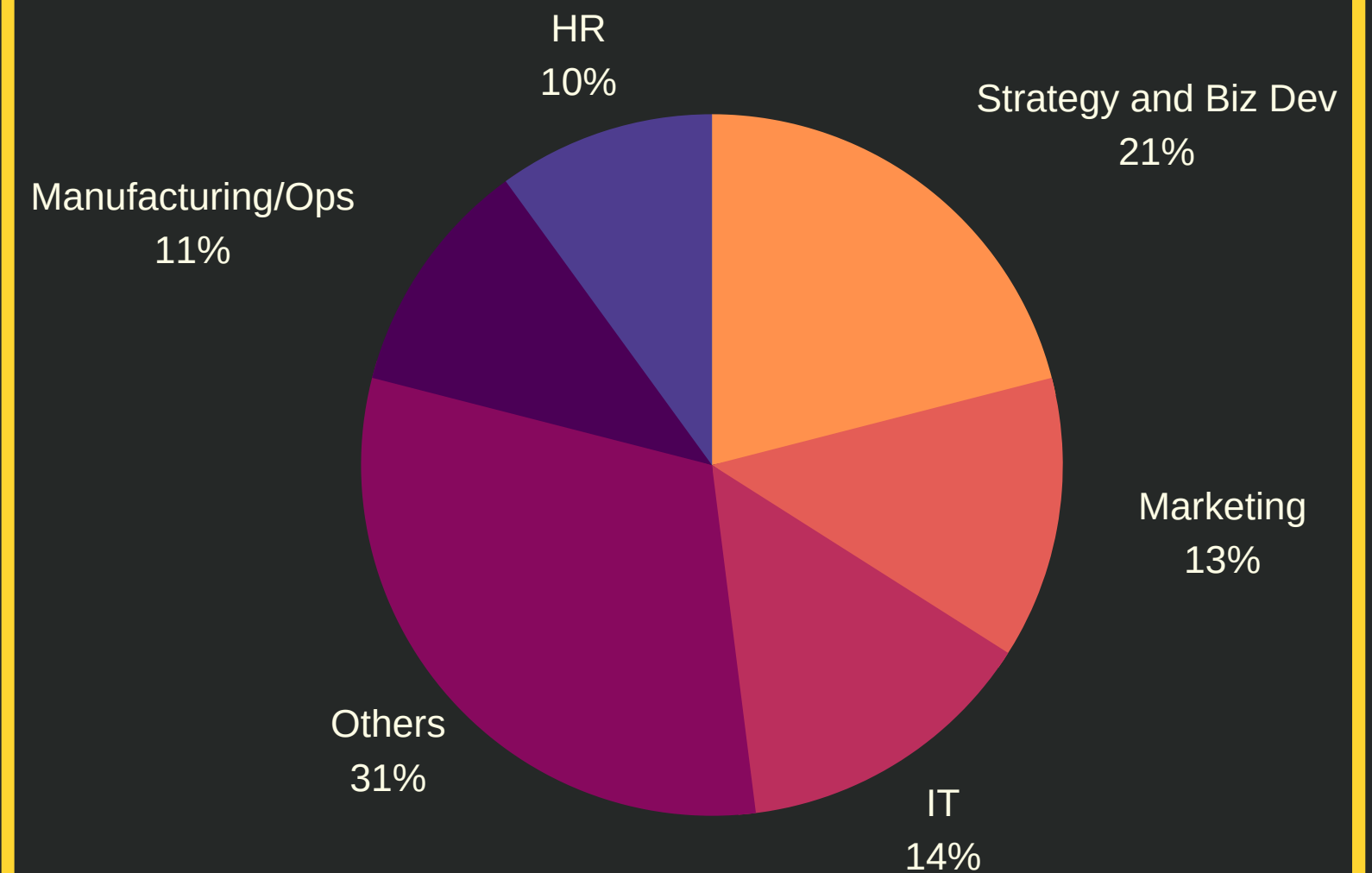
75%

RISE IN THE NUMBER OF  
FREELANCE POSITIONS POSTED  
ON FLEXING IT FROM MARCH –  
APRIL

2x

INCREASE IN NUMBER OF REMOTE  
PROJECTS

## TOP SKILLS IN DEMAND IN THE FIRST PHASE OF THE COVID CRISIS:





**Business & HR thought-  
leaders, companies &  
consultants share  
insights**

# ECOSYSTEM

- We're seeing the emergence of a new breed of talent that takes charge of his/her career and builds a portfolio of work based on expertise
- Companies will staff the best talent, internal or external, for the best opportunity leading to better outcomes

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**There will be a new breed of talent out there where the emphasis is on productivity and the scope of work is sharply defined. (Gig platforms) have allowed the independent talent market to become more competitive in terms of quality and more global in nature while remaining local. In uncertainty, no one wants to commit resources unless they are absolutely sure. So I expect more sub-contracted workers (in the next 12 months)**

SAMIR SATHE, EXECUTIVE VICE PRESIDENT, WADHWANI  
ADVANTAGE (WADHWANI FOUNDATION)

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**In the short term, helping MSMEs through transformation may be needed.** Longer term (6-12 months+) opportunities will open up across the board. Independent work arrangements are now on the fringes for large companies. The Government can help by allowing NPS, job sharing, part-timing etc. more easily

KRISH SHANKAR - PRESIDENT OF NATIONAL HRD NETWORK,  
INDIA

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# ECOSYSTEM

- Shifts in mindset and the adoption of remote, flexible and freelance work are here to stay and we are unlikely to go back
- The government can play a key enabling role by making flexible work structures easier; industry associations can have a powerful signaling effect

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For organizations, getting focused help and skills without holding them captive is a super win-win. I personally believe we shall not reverse this moment in the times to come. **The responsibility of careers shifts to the individual who delivers impact for a fair reward in a defined time frame. Better talent, fresh ideas and sharper accountabilities will all help companies become more impactful and efficient**

PRABIR JHA- FOUNDER & CEO AT PRABIR  
JHA PEOPLE ADVISORY

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# ORGANIZATIONS

- Freelance expertise and skills to be increasingly leveraged as industries respond to changes in demand

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**As businesses look to respond to opportunities and threats from the current situation, deep sector expertise and product skills will be invaluable. Currently, we are looking at leveraging our workforces to address new opportunities.** Offline teams have been converted to online teams – for e.g. our Online Events team has now developed interesting templates for webinars, product launches and so on. Post Covid, video-conference calls, flexible work weeks and remote recruiting will survive well into the future

VISHAL GUPTA, CO-FOUNDER & CEO – MYMONEY

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# ORGANIZATIONS

- Companies are currently focused on optimal utilisation of the existing workforce, as well as their safety and engagement

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**We have learnt as an organisation to be location agnostic. Our push on digital has meant we have had to learn digital performance marketing in 2 months. I think a lot of organisations will be in the exact same position and will either build the capability in house or get experts to come in and help from time to time. Top freelance talent requirements through the Covid crisis: cost cutting for large companies; digital strategy for both marketing and selling; technology solutions to enable digital commerce**

MEGHANA NARAYAN- CO FOUNDER AT SLURRP  
FARM

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# ORGANIZATIONS

- Top 3 practices that are expected to continue post Covid: Defined norms for much greater WFH processes, better work planning/tracking and the removal of location constraints while hiring

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I believe that the real skill that will be in demand will be the ability to be effective in a remote working situation; where effectiveness is about delivering results. **A focus on a better work life balance will remain alongside better scheduling, with people needing to be effective collaborators as well as very disciplined in time management**

ASHWIN RAMASWAMY - BUSINESS HEAD - STRATEGIC PARTNERSHIPS AT ACKO

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**We always had a good mix of freelance talent & internal employees. Typically, marketing, human resources, technology and product design are constantly needing freelance talent.** The freelance workforce is best for skills for which we have a short term requirement, and are niche

ALOK AGARWAL - CHIEF MARKETING OFFICER, ORIENT BELL

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# CONSULTANTS

- Aligning business development strategies to demand, focus on current clients and shorter projects

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**My approach has actually shifted from a full time pitch to better understanding and building a relationship with existing clients and focusing more on repeat assignments versus trying to open up a totally new client in these times**

NEEL G- STRATEGY AND IMPLEMENTATION CONSULTANT

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**It's important for any HR consultant to understand the current requirement of the market and prepare. Companies are looking for new innovative ideas and the focus is on Employee Engagement and Employee Enablement instead of Talent Acquisition. I'm now exploring opportunities which are high in demand, and on specific niche skills as there are fewer specialized experts in a field than there are generalists**

CHHAVI M- HR STRATEGY & PEOPLE MANAGEMENT  
CONSULTANT

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# CONSULTANTS

- A time for reinvention & an optimistic future
- Renewed focus on expertise and new service lines

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What's great is there is a shift even from the client stand point to use this time to leverage on future thinking post covid whether it is scaling up, developing a new business / vertical etc. **It's also a conscious shift that from the consulting stand point you need to make in the clients mind - to use this time which we otherwise would not have got to reinvent/re-imagine future plans, to not break pace and to be prepared for what's next.** I have also used this time to develop a new business vertical for myself - in the space of coaching and training and developed a training module in collaboration with partners

MAANSI G- BUSINESS STRATEGY, BRAND MARKETING &  
BUSINESS DEVELOPMENT EXPERT

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Clients are becoming increasingly open to the idea of executing projects remotely and I am emphasizing my remote work experience. **In the short term, freelancers will be able to deliver more value to projects because of their innate ability to effectively work remotely** which is a skill most other workers are learning now. Slowing economies are causing a slowdown in project pipelines in the short term, however, in the long term, organizations are likely to become more open to the idea of remotely executed projects

TUSHAR S - STRATEGY CONSULTANT

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# CONSULTANTS

- Platforms can play a key role in building trust around remote and freelance work

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**A lot of successful clients have used this time to explore short-term pivots (especially around going digital). There is a lot more interest around understanding and managing costs and resourcing these days and more interest in short-term practical work. From a policy perspective trends are such that automation and remote work will also push more people towards the gig economy**

ANUBHAV R- STRATEGY AND BUSINESS  
DEVELOPMENT CONSULTANT

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