



Indian

companies say

IDO

to the
**freelance
economy**
A report by FlexingIt™



Organisations in India are starting to look at work differently, with

increased focus on skills and delivery rather than simply employment contracts.

We see project-based and freelance arrangements becoming a more integral part of business strategy to match evolving business needs with the best talent and at the right budget. The trend which began with start-ups and SMEs is being adopted by larger enterprises and consulting firms. Organisations are co-opting consultants and business freelancers to drive projects and new initiatives, access quality capacity during peak periods, retain flexibility, and of course source very specific skills and expertise.

Have the last two quarters brought more cheer or gloom for the freelance economy? How are our employment engagements getting transformed? We thought it would be interesting to step back to look forward.

In this report, we present some key trends on how the freelance economy has been shaping in India. These trends are borne out of the short-term, project based and consulting assignments posted on Flexing It™ over a period of six months from April 2016 to September 2016.

As technology, culture, demographics and what professionals want from their jobs today, undergo a rapid transformation, Indian companies are evolving their HR policies to embrace the freelance economy.

accenture

Within 10 years, we will see a new global 2000 company with no full time employees outside of the C-suite

Liquid Workforce - Building the workforce for today's digital demands, 2016

Deloitte.

Almost half of the executives expect to increase the use of contingent workers in the next three to five years

Global Human Capital Trends 2016

Ardent|Partners

Within the next few years, nearly 50% of the world's total workforce will be considered non-employee or contingent

Forbes

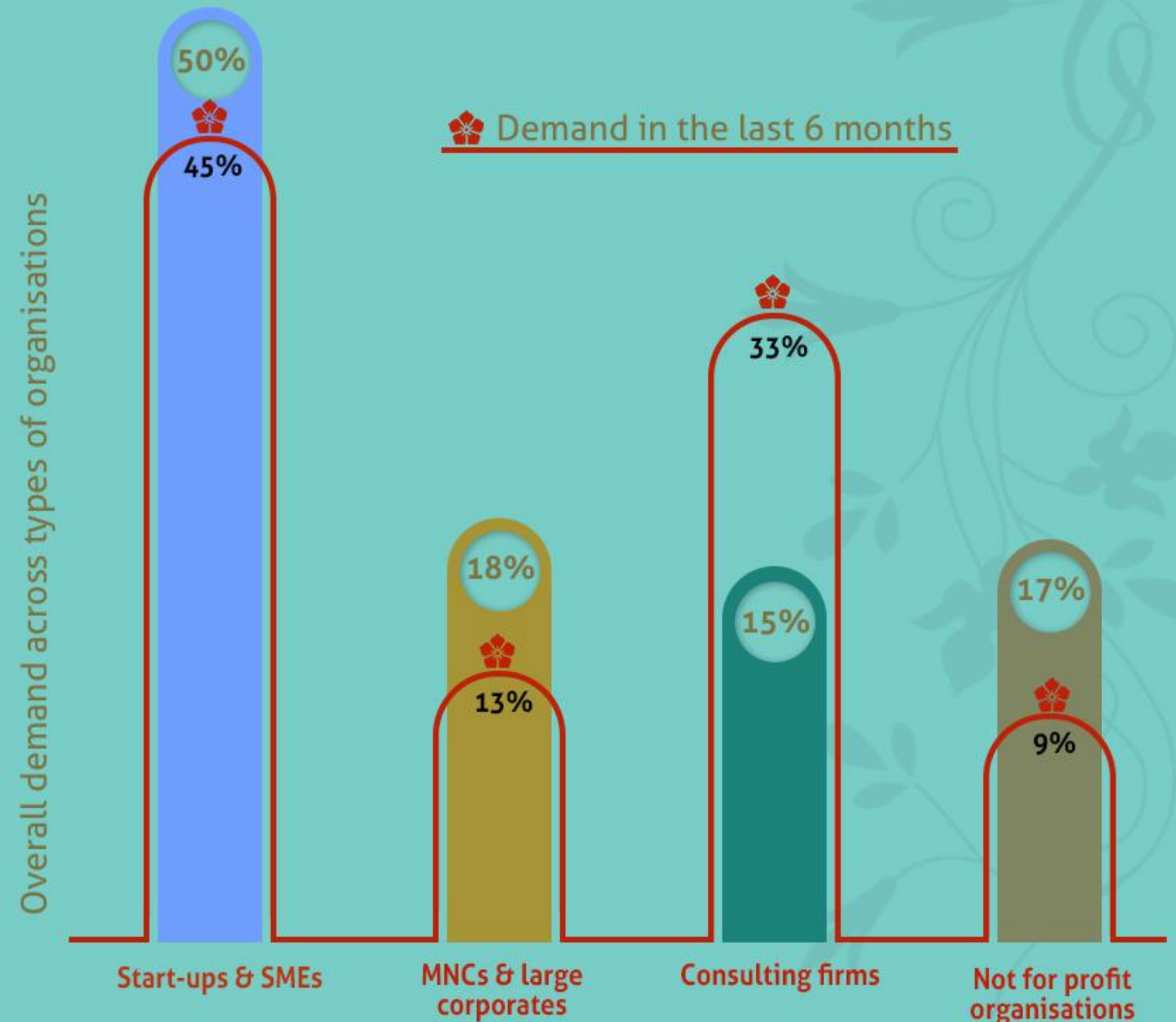
Worldwide contingent labor market to hit \$ 1 trillion by 2025

Everyone in the game

The trend from the last two quarters highlights the growing demand for business freelancers and independent consultants coming from consulting firms

From the 1700 organisations registered on Flexing It™, start-ups and SMEs is the largest segment amongst users that are innovating their hiring strategy to include flexible engagements. In the last six months, we have observed that consulting firms have also become very active users, in addition to start-ups and large corporates.

Organisations of all shapes and sizes are sourcing skilled, freelance professionals

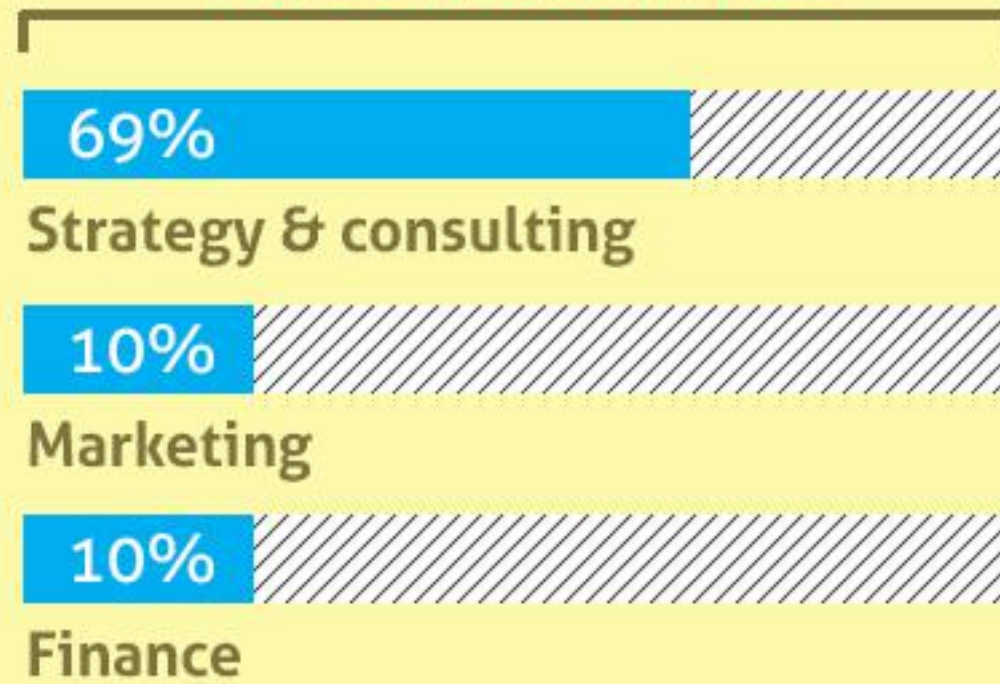


Made for each other

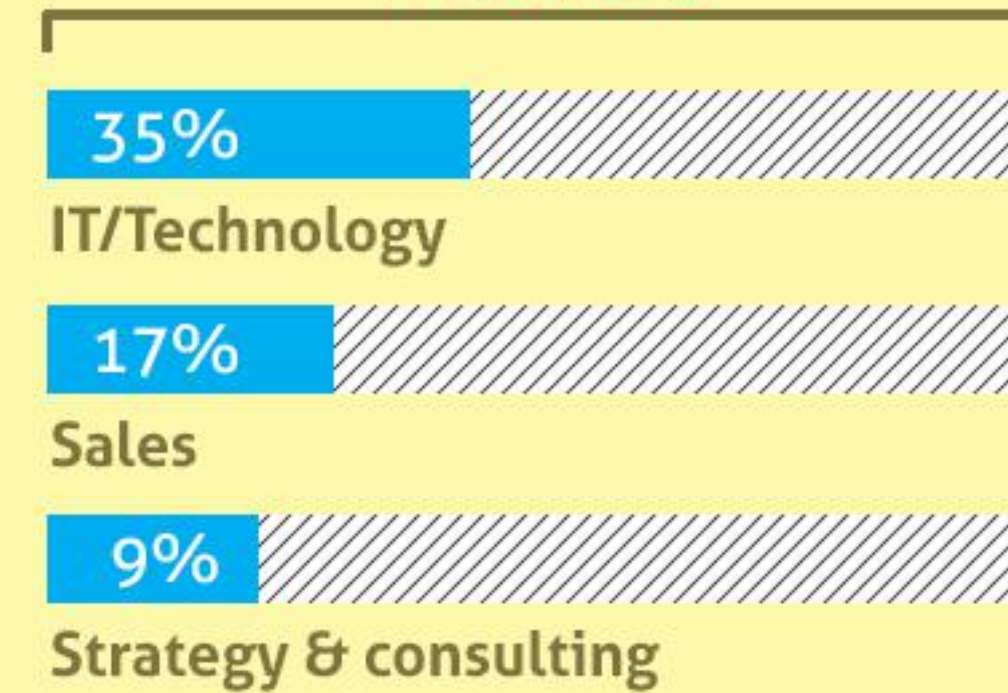
In this section, we present the top five industries that are hiring the highest number of business freelancers and independent consultants. We also take a look at the top skills in demand by these industries:



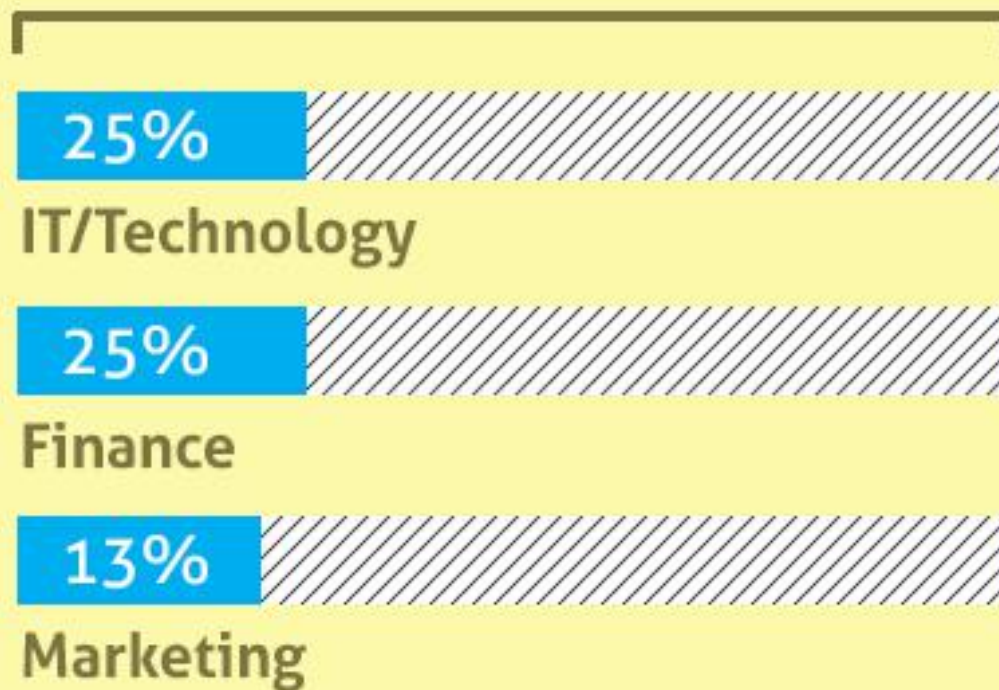
Professional Services



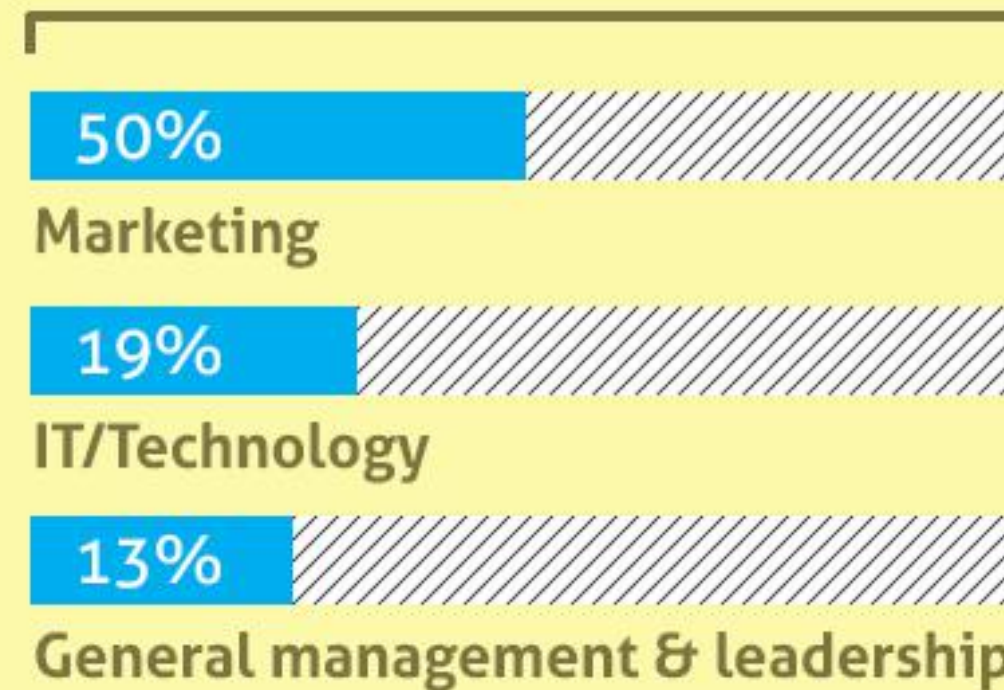
IT Services



Banks & Financials



E-commerce & Retail



FMCG



Skills that fit the bill

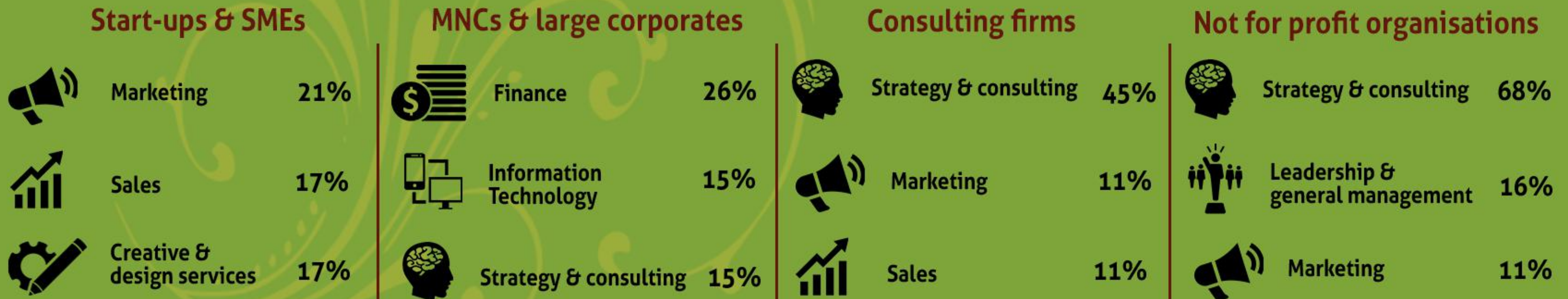
We observe different patterns of use and demand for independent professionals. Here is our analysis on the key skills that these organisations are demanding.

- Highest demand for strategy and consulting skills came from not for profits and consulting firms
- Start-ups are engaging with independent consultants in the fields of marketing , creative & design services and sales
- Finance, IT , strategy & consulting are the most sought after skills by MNCs & large corporates

Few example projects posted recently :

A business advisory firm looking for financial analysts in remote capacity	A consulting firm looking for consultants in healthcare for a 6 months project
A marketing and analytics consultancy looking for customer insights specialists	A chief marketing officer for an education start-up for a 3 months project
A business development consultant in part time capacity for a leading healthcare MNC	Business plan formulation support for a social enterprise for 2 months

Key skills in demand across types of organisations :



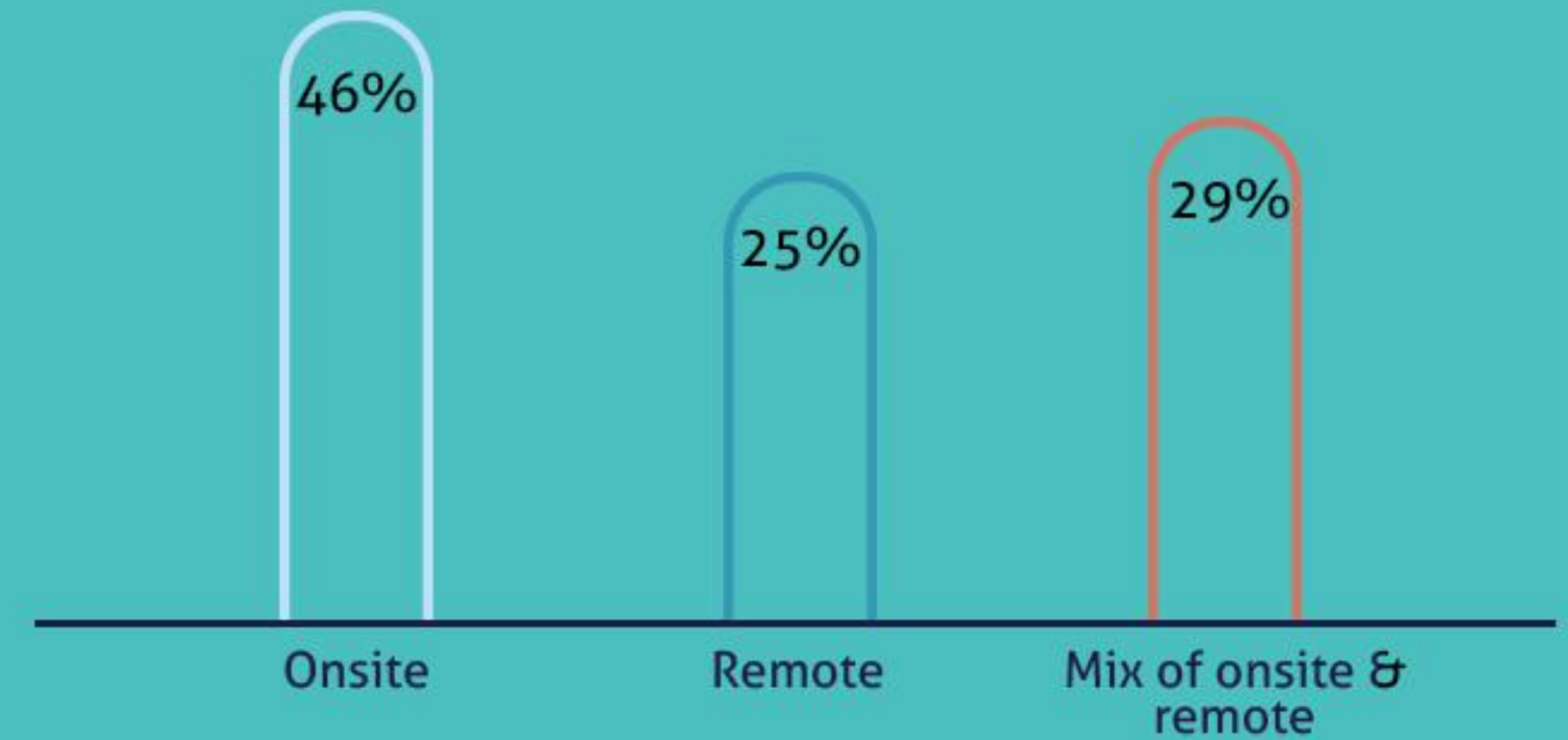
New work models at play

Forward looking organisations have realised the need to offer flexibility as a core strategy to attract high-performing talent. This flexibility varies in terms of capacity required (full time, part time), location (onsite, offsite) and project duration (short term, long term). Let's see how organisations in India have adopted each of these:

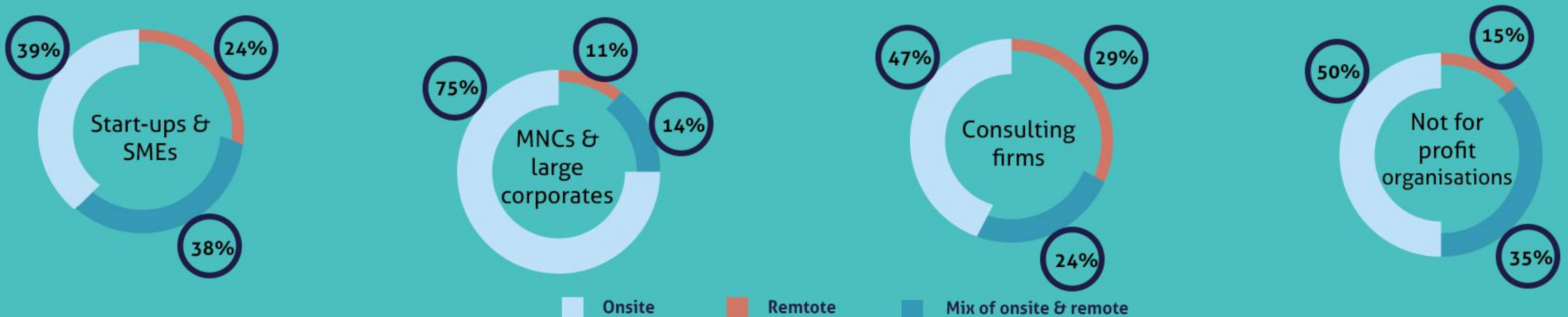
Work nature: Location

A large percentage of organisations using Flexing It™ have and prefer an on-site component to their projects. It is evident that flexible and independent working now goes much beyond working remotely. Large organisations prefer onsite work while start-ups are more agile and flexible. We also see consulting firms leading the way in engaging with independent consultants on remote projects.

Percentage of projects based on location



Location preference based on types of organisations



Work nature: Duration

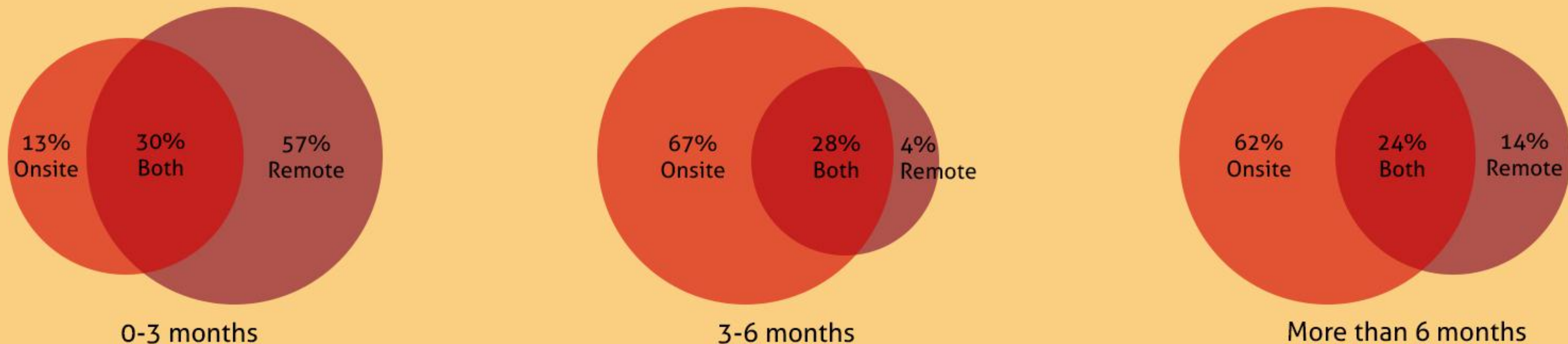
Firms hire independent professionals when certain requirements peak or to onboard specialised skills to fulfill key initiatives and meet critical targets. Majority of projects (61%) posted on Flexing It™ are 1-3 months in duration where companies hire high quality talent and expertise for a short burst and specific purpose. When we look at the compensation figures generated by FeeBee, a community driven smart fee-benchmarking tool, we observe that the daily fee received during longer projects is higher than for short-term projects. Despite this, a majority of professionals choose short-term projects indicating that they value flexibility and learning in their careers more than other factors including compensation growth.

From our analysis, we find that majority of shorter projects are remote, while longer projects tend to have a greater on-site component.

Percentage of projects based on duration



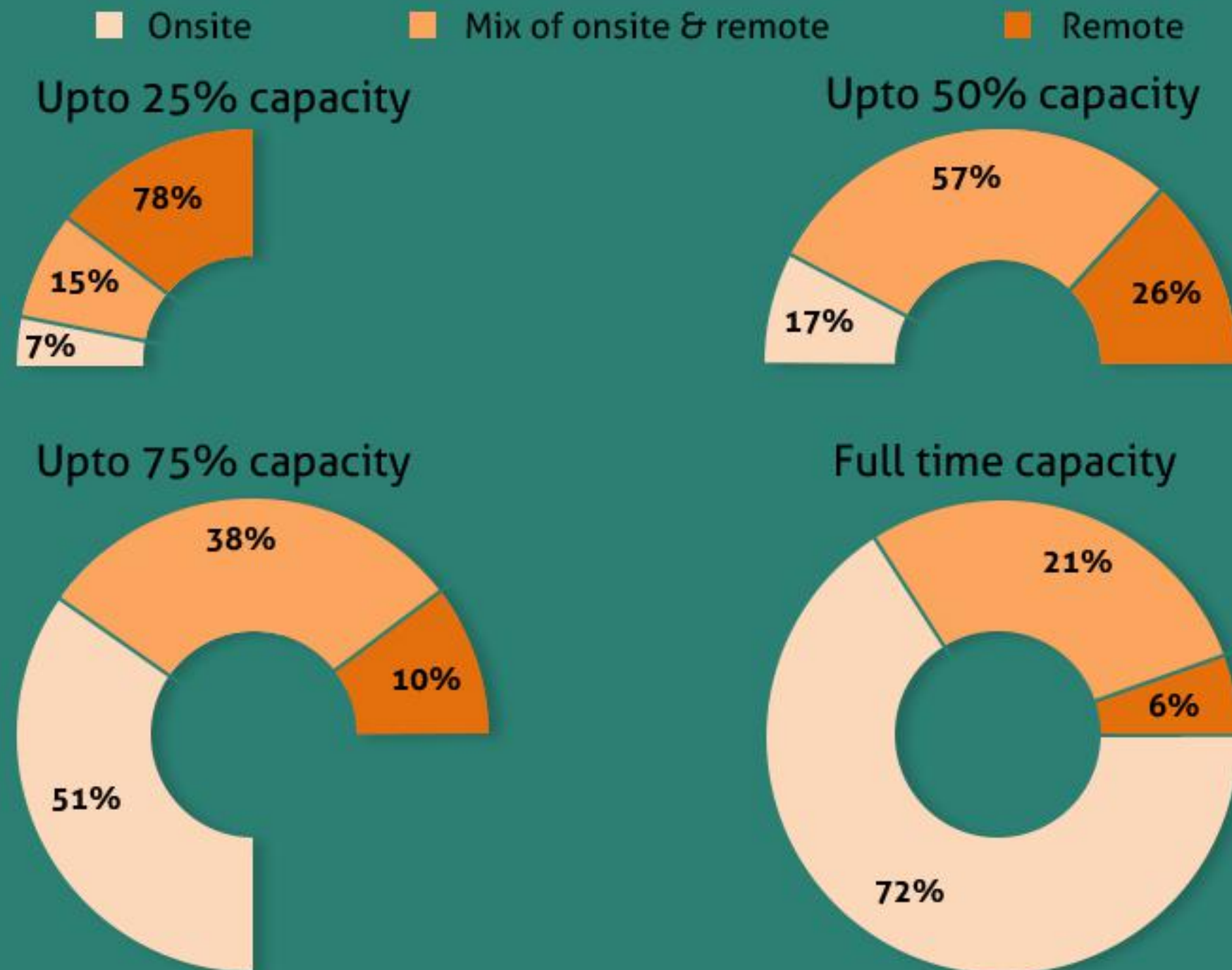
Location of projects based on duration



Work nature: Capacity

Organisations are no longer restricting their work to only those employees who can come in it to the office every day and clock 9 hours of work. Companies are devising creative ways to get work delivered by assessing what capacity is needed for base load delivery versus additional resources that can be brought onboard as needed. From the pattern of projects posted on Flexing It™, we find that 55% of projects requirements are for part-time resources (requiring less than 40 hours per week). As the capacity needed increases the component of on-site client interaction also goes up in an assignment.

Nature of assignments based on work capacity required



Top Indian cities for freelancers



Delhi NCR, Mumbai and Bangalore make up 2/3rd of the demand for independent professionals. This is similar to the pattern we see in start-ups according to the Tracxn analysis, which list Delhi NCR, Bangalore, Mumbai, Pune and Hyderabad as the top 5 start-up cities in India with Delhi NCR accounting for more than half the funding pie in 2016 so far.

Tying the knot: Indian companies and freelancing

Organisations are putting across new talent demands on the table. Here is our summary:

Disruptive undercurrents in large companies

It's not just the start-ups and SMEs that are choosing to hire independent consultants. MNCs & large corporates and consulting biggies too are realising the value of adopting non-traditional approaches of sourcing talent on-demand

Stalwarts of consulting exploring new models

Consulting firms are veering towards this trend too to get the external consulting support to access specific industry skills, add additional smart capacity as needed and experiment with new client service models that are flexible and agile

New work models that involve flexibility

Majority of demand for freelancers involves less than 3 months of commitment indicating that firms are hiring high quality talent and expertise for a short burst and specific purpose to fulfill key initiatives

Leading the way

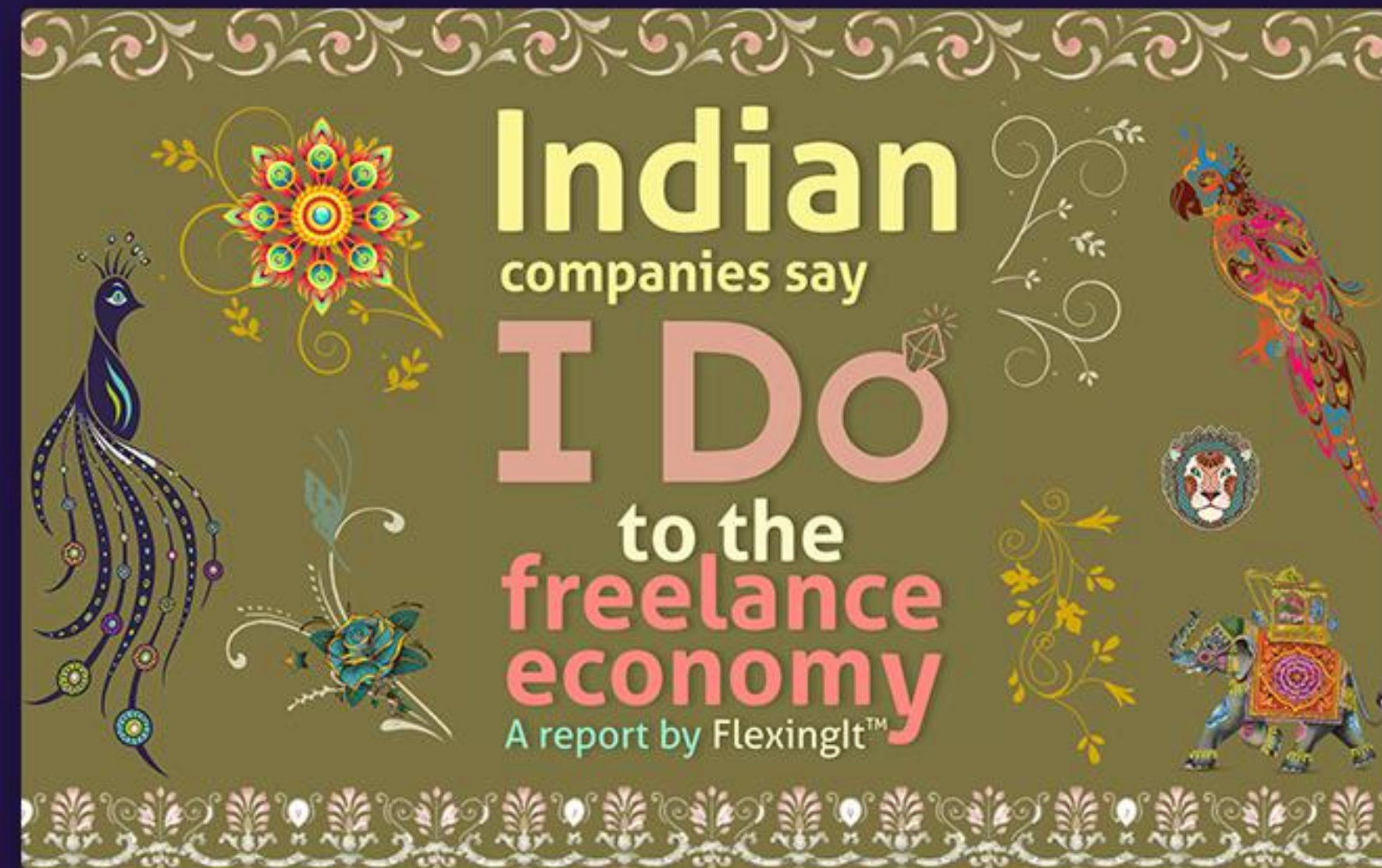
Delhi NCR, Mumbai, Bangalore mark 2/3rd of the market demand for business freelancers and independent consultants

Industries innovating it

Top five industries tapping the freelance workforce are: Professional Services, IT Services, Banks & Financials, E-commerce & Retail and FMCG

Flexible working goes beyond working remotely

46% of projects have an onsite component. While MNCs and large corporates prefer onsite work, start-ups are more agile and flexible creating more remote assignments



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FlexingIt™

Talent on demand.
Work on your terms.

Flexing It™ connects organisations to independent consultants and business freelancers for short-term, project based and consulting assignments. Flexing It™ works with 1700 organisations including Fortune 100s, start-ups, MNCs and development sector firms that can obtain skilled resources for the duration and intensity they need.

For more information, visit www.flexingit.com or write to us at info@flexingit.com.