


How gig talent can make HR Agile

HR needs to adopt gig talent first
and then scale it for the organization

Hari Abburi 



GIG TALENT AS A KEY COMPONENT OF TALENT STRATEGY IS HERE

We hear a lot of buzz on the gig economy and gig workers. I prefer to refer these two as the gig talent economy. While it is easier for certain types of industries to adopt gig talent as a key component of talent strategy, for eg, consulting, it is a talent pool that all industries will find relevant. They may yet to have studied this as a strategy.

Take EY as an example. The [Gig Now](#) platform aims to create a dedicated and distinct identity for attracting gig talent:

GigNow

Log In Sign Up

You want career growth.
We have contract opportunities for you.

Find Your Next Gig Learn More

Access EY Contract Gigs
GigNow is the central place to discover exciting contract opportunities at EY.

Get Noticed By Recruiters
Applications are reviewed by our recruiting team. You can also track your status anytime.

Line Up Future Work
Explore contract gigs that excite you and match your schedule. We'll help you line up your next assignment.

“
I like having a variety of projects, because it gives me a chance to learn and explore new areas.
”

Sheryl

THE DEFINITION AND NUMBERS

The gig economy refers to the “urbanization” of the workforce, or the increase in the percentage of the workforce participating in contingent work. Contingent workers include²: Any employee paid by task or by project and considered to be in a temporary relationship with your organization, which could range from on-demand workers who perform a single-day job to long-term contractors even up to the senior executives brought in to manage a company transformation.

James Manyika, Susan Lund, in their paper “Independent Work: Choice, Necessity, and the Gig Economy” say “Some public estimates place the amount of the workforce involved in contingent work as high as 40%. Another recent study cites 20%–30% of the working-age population in the United States and the EU (as many as 162 million individuals) as engaging in contingent work”



UNDERSTANDING THE TREND

a. Jobs created per dollar earned is slower and lower

Since the last economic crisis driven by the sub-prime bubble, we have seen more of jobless economic recovery. For the same state of business health before the crisis and after the crisis, companies are growing with lesser number of employees.

In the just published article in the Inc., [Leigh Buchanan](#) writes about '[Why Companies are operating lean \(Even when they can afford to hire\)](#)'. She points out "The data shows that fast-growing companies are hiring fewer people, even as revenue swells--and even while it's the credo of politicians, the press, and entrepreneurs that starting companies means creating jobs."

b. The gap between education and employment

In his Wall Street Journal write-up, [Douglas Belkin](#), 'Why an Honors Student Wants to Skip College and Go to Trade School', points to an increasing trend of school students opting for vocational courses rather than 4 year degrees.

"These forces are leading to a course correction now rippling through U.S. high schools, which are beginning to re-emphasize vocational education, rebranded as career and technical education. Last year, 49 states enacted 241 policies to support it, according to the Association for Career and Technical Education, an advocacy group."

He continues, "The conversation is being fueled by questions about the declining value of a college degree as well as the rising cost of tuition and student debt. Low unemployment and a strong job market are exacerbating an already growing skills gap, raising prospects for tradespeople like welders who are in high demand."

United States is not alone in this. In a large population country like India, gig talent is a good answer to unemployment. Ruchira Chaudhury examines '[Is India ready for gig economy?](#)'. Such a focus on vocational education will only add to the increase of gig workforce available to both small businesses and large companies.

c. Automation and displacement of workforce

This is a widely discussed topic. The McKinsey Global Institute study '[A future that works: Automation, employment and productivity](#)' states that jobs with repeatable physicals, processing or collecting data will be automated. They estimate that about 60% of occupations have at least 30% of their activities that are automatable. This will lead to more of the employed shift to being gig workers. This also leads to future solutions such as [universal basic income](#).

Where are the people falling out of the organized employment sector and what are they doing? How can you find this talent pool and organize them to your benefit?



THE LINK BETWEEN GIG TALENT AND AGILE HR

In my earlier papers, [how agile companies need an agile HR first](#) and [how companies can integrate gig talent into strategic workforce planning](#), there is a clear understanding that gig talent is the new talent pool. Companies that cannot adapt their talent thinking to include gig talent will lose out on deep-expertise in their talent strategies.

In the Agile HR Thinking and Model explained in '[How Agile is your HR?](#)', there are multiple big shifts, one of which is of 20-40% of HR Function headcount being gig talent. This allows HR to be real time to deploy deep expertise and be present at the point of need anywhere globally (and in accordance with labour regulations)

So why does gig talent drive agility in HR?

1. Gig talent is about deep expertise. It is not a cost driven decision to hire gig talent. In fact, in most cases we found gig talent was paid similar to or higher for their specialization
2. Gig talent is everywhere – in each country, language and culture, you will find gig talent with expertise that can contribute with very little lag time
3. Gig talent is speed of expertise – delivers capability ahead of time
4. Gig talent is the best answer to expensive travel based talent deployment at either global or regional or country level
5. Gig talent as a % of HR headcount can change, adapt, scale rapidly based on the context – for eg. Turnarounds, growth or M&As or strategic projects etc

The best part is that Gig talent in HR does not need to be HR Talent. For example, if your HR Function wants to build an AR based training module, it can be done with far greater capability by hiring a AR design and delivery talent into HR rather than the learning function partnering with IT to get this done.

Simplicity is another big factor in HR Agility. The HR Function has become increasingly over-specialized and over-engineered. One of the reasons is that it continues to have headcount with at least 20% slack time. Gig talent will be key to driving simplicity in HR as they are not full time in a company. Full time HR headcount creates complexity in their slack time.

But the key is to understand the 'deep-expertise' aspect of gig talent and [integrating into your talent strategy and strategic workforce planning](#).

In a LinkedIn blog post by Janina Kugel, CHRO of Siemens, "[Core, Professional and Agile – The transformation of HR at Siemens](#)", she talks about being agile and deploying experts quickly to the point of need. However she does not mention or may not have considered having gig talent in HR as a core part transformation. This could be a game changer in deploying experts. Especially for a company that operates in multiple cultures, contexts and with multiple business imperatives.

Gig workforce is the third element of the future of workforce planning. The other two being Full Time Employees (FTEs) and Automation (AI & Robotics).



FINDING GIG TALENT FOR HR

I am a huge fan of Starbucks. For both their the hot soy chai tea latte and [training](#) me to be a customer. But more as an appreciation of how much of a hub it is for gig talent. May be an area for it to consider expanding to – a platform to find gig talent combined with co-working spaces. Here are few other existing platforms; [Up Work](#), [Fiver](#), [Task Rabbit](#), [Hire my mom](#)

On the HR front, we see the emergence of specialized firms. HR Builders based in Belgium and Noble House Asia from Singapore are two such examples. EIM too has a HR practice on interim executive staffing. While LinkedIn is a key platform, it is will be disrupted on the gig talent front if it does not adapt or evolve.

[Sofia Van Overmeire](#) from [HR Builders](#) explained that most of the need for gig talent in HR (Europe) is in the areas of HR Generalists (36%), Talent Acquisition (25%), Compensation & Benefits (10%), HRIS (7%). The Learning & Development area which was traditionally open to hiring freelancers or temporary staffing stood at just 4%.

She highlights that the UK, Netherlands and Nordic countries have easily to this talent pool. However the lack of social security and benefits plus the feeling of not having jobs security come in the way in German and France. This is also explained by [Helen Fouquet](#) in her article '[France's gig workers are desperate for Macron to fix the rules](#)'.

[Noble House Asia](#), a HR gig talent start up has seen a good response. [Sanjay Lakhotia](#), co-founder says the biggest demand for HR gig talent in Southeast Asia are in the areas of Training & Development, Leadership Development and Talent Acquisition. Sanjay goes on to highlight four big challenges he sees in adoption of gig talent in HR: Awareness and availability of such talent, quality of freelancers, Culture fit and Scoping of assignments accurately. He says “India HR Professionals still not ready to think how HR freelancers can fit and understand the organization culture”.

How do the gig talent perform as compared to full time employees? In my view far better. [Katherine Kuhn](#) of Elite HR Advisor and US Partner for HR Builders says it the best, “The free lance or gig worker in a company is held to far higher standard on performance than a regular full time employee. Also for gig talent, their work is their performance else they will not survive”. She believes that the learning curve of a gig talent is far better than a full time employee who has been with a company for a long time.

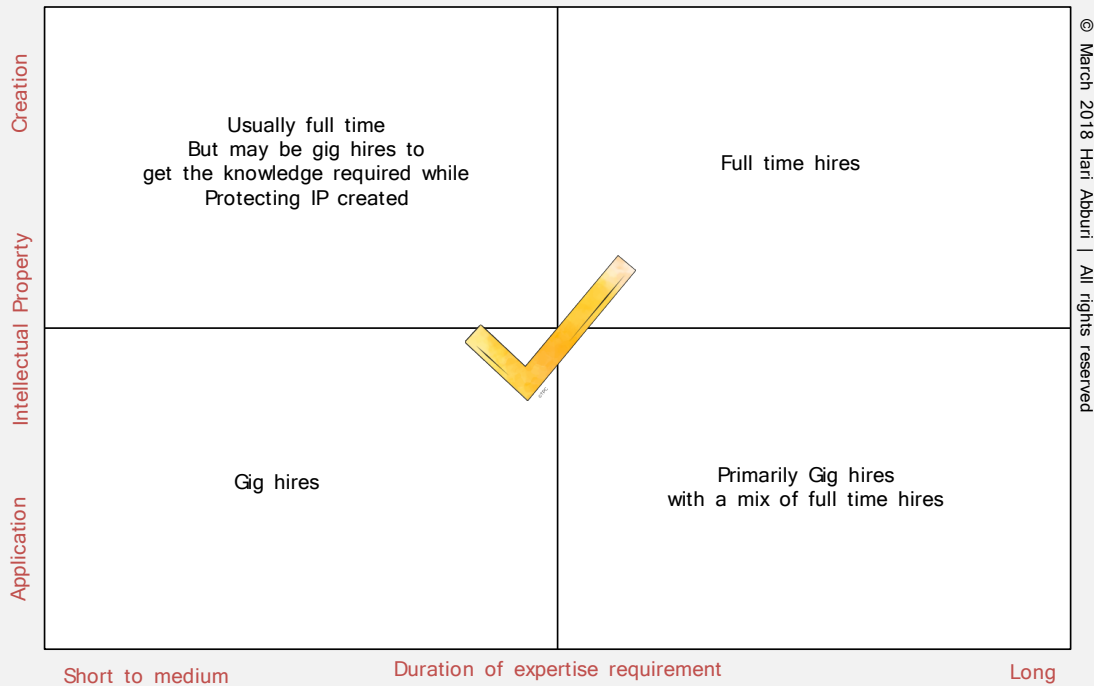
[Wolfgang Doerfler](#), Partner at [EIM](#) with whom I co-authored an earlier paper on [gig talent and workforce planning](#) says that there is significant demand for HR professionals in lower to mid levels. He also finds that companies are experiencing so much change that they lose staff and engaged employees. Hence scramble for interim staffing in key roles. However details like location, regulations etc play a role. He believes that ‘oversized’ (more than necessary experience) temporary managers create huge value like in the case of a project in the Romanian subsidiary of a global company with 350+ employees. An interim senior HR executive was sent in to manage a turnaround in the face of huge staff turnover, lack of engagement. He created significant value to the company in this situation.



IS THERE A MODEL WE CAN APPLY TO ADOPT GIG TALENT IN HR?

In my [earlier paper](#), w an approach was laid out to adopting gig talent through a comprehensive strategic workforce planning approach. You can adopt gig talent into the HR Function with these two broad steps. This can be further layered with location of the role/job or if this could be done virtually as well.

1. Understand the intellectual property impact of hiring gig talent



2. Know why you need the gig talent to replace a job typically done by a full time employee so far. (Reproduced from [Gig it up](#))

Plug'n'play	Turn-around specialists	Domain Specialists	General Management/Functional Management
The most common today where there is need for someone to hold the fort or fill the gap or vacancy temporarily, this is mostly reactive	These are typically in response to a crisis – for example an break-down in processes or operations, or when the whole company is at stake or specialist resources in cases of plant shut down or market or product closures	this is where specific specialization is needed to solve a problem or deliver a project or contribute to a high growth business. This has contours of a specific deliverable etc. This is not necessarily determined by time. Book editing, graphic designer, quality assessor employee benefit programs designer etc	These are experienced professionals who have the depth and gravitas to step into interim roles heading functions or business verticals either at CEO -1 or CEO -2 levels that bring in both strategy and implementation expertise in case of M&As, transformations, hive-off's etc.



IS GIG TALENT AN ANSWER TO ORGANIZATIONAL SLACK?

I recently had lunch with the very insightful [Robert Kazanjian](#), Asa Griggs Candler Professor of Organization and Management at Goizueta Business School of Emory University. In my enthusiastic way, I shared with him an example of a company that found an innovative way for their employees to 'gig' on projects.

He looked up and said, "Don't you think that is the level of organizational slack in that company?". He had a point. If gig talent fills the 'slack' in an organization, it adds to agility. Many companies have created seasonal workforce models to manage flexibility for their businesses.

However, I do believe that with all the market forces and trends, gig talent is a serious pool of talent to understand, plan for and integrate into a company's talent strategy. In the gig economy especially in the Uber's of the world, as Peter Campelli writes, [Are Algorithms Good Managers in the Gig Economy?](#)

Companies will need to adopt technology platforms to manage gig talent pools. A key element of this talent pool is the ability to deploy virtually across country boundaries. This combined with the need for a systematic approach to hiring, measuring performance and rewarding gig talent will necessitate implementation of such technology platforms within companies.

So designing an new integrated approach talent is essential starting pont.

FIVE CHANGES TO DO TO MAKE GIG TALENT A REALITY

Gig talent does add agility to HR – by bringing in deep expertise rather than the traditional full time talent route. Adoption of gig talent can be accelerated if HR can work upon these five areas:

1. Their own mindset rapidly. Often HR comes in its own way to accelerate innovation or new practices or new culture.
2. Create an focused and integrated to all types of talent - help managers adapt to the new pool of talent positively
3. Re-imagine the four areas of HR key to gig talent: Workforce Planning, Hiring, Performance Management and Rewards
4. Build a framework to retain knowledge in the company even though the work is done by gig talent
5. Look at gig talent as a potential pool of successors to key internal roles staffed by full time employees

Gig talent is a promising area of talent being truly global as it tears down talent availability and deployment without borders.

However, it has its share of challeges around IP protection, confidentiality, conflict of interest and labour regulations. It is only a matter of time before companies find smart approaches to these challenges rather than say no to an extra ordinary gig talent pool. Without doubt, HR must lead the way and be ahead of time in every industry, culture, market and company.



ABOUT THE AUTHOR



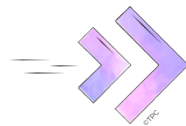
Hari Abburi is a Global HR Executive. He consults with CEOs and CHROs on agility and design thinking for Leaders, Cultures, Organizations and Human Resources.

His work is often described as futuristic, innovative and creative. His experience is both with industry and consulting in the context of M&As, Restructuring and Start-Ups. He is a keynote speaker at industry forums and involved as guest faculty in Universities.

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THE 3i AGILE HRSM DIAGNOSTIC AND GO AGILE ROADMAP SOLUTION

This solution adds value to

1. Demystify and jump-start transition to Future of HR state through a precise, easy-to-handle, change oriented roadmap
2. Identify and rapidly seize opportunities across business, geographies, frameworks or platforms
3. Identify opportunities beyond HR Structure oriented, eg. Employee Experiences driven HR Analytics or Redesign of Strategic Workforce Planning
4. Apply diagnostic to compare capabilities in M&A/Integration decisions to leverage opportunities or consolidate capabilities between entities
5. 'Warp Drive' HR capability by thinking through solutions and approaches for the Future of Work and Future of Business Models era

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