

# FREE AGENCY IS HERE

Are you ready to take on  
this strategic component  
of the future of work?

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# INTRODUCTION

**What will the employees of a scientific company look like in 10 or 20 years? Or those who work in other high-tech fields, like engineering or IT?**

Their work will probably be done in the cloud on a project-by-project basis. Their closest colleagues could be continents away. Many won't know what their offices look like, because they won't have them. After all, in the future it's about what you know, not where you sit.

Think of this as free agency, supercharged.

The concept certainly isn't new. Free agency, or hiring workers on a contingent or contract basis, has been a slow-burning trend for at least the past 10 years. But it's a hiring practice that also has traditionally been used as a gap-filling measure instead of a strategic move with the company's bottom line in mind. That will be old-fashioned thinking in as little as 10 years from now, and companies that don't start to use their talent in newer, more innovative ways will wonder sooner than later what they're missing.

This white paper, a part of the Kelly Scientific Resources® series on the scientific workforce of 2020 and beyond, will discuss the future of free agency and the strategic steps you can start taking now to make the most of this powerful component of the new world of work.

# PROOF IN NUMBERS.

Free agents will no longer be the exception. They will be the rule.

**For many people in the workforce today, a routine, 40-hour week in a brick and mortar office is still the reality.** For them free agency continues to be nebulous—the kind of thing they read about on futuristic blogs. Chances are this is the kind of employee you interact with the most at your company, too.

You might be surprised, then, at the latest numbers of an in-depth survey that indicates the strength of free agency in recent years.

The *Kelly Services® 2011 Free Agent Survey* found that **44 percent of American workers across all industries classify themselves**

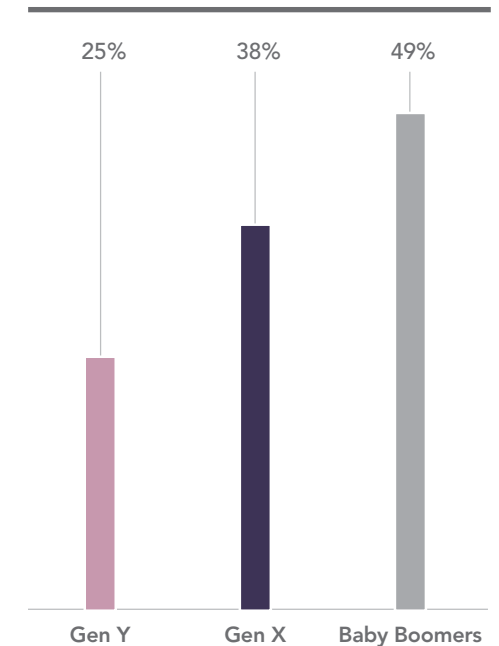
**as free agents today.** That's a 70 percent increase since 2008 according to the research, and it means that free agents—those who do not have full-time traditional employment with an organization—account for four out of every 10 workers employed in the U.S.

Internationally, the percentages are smaller, but growing. Kelly® research shows that the free agent population is now at least 20 to 30 percent of the entire global workforce.

**As soon as 2013, there will be 1.19 billion free agents, or about 35 percent of the worldwide workforce,** according to a study by global research firm IDC.

Know that free agency isn't just the domain of the young, either. The Kelly survey found that there is a significant increase in free agency across all generations in the U.S. since 2008, with the smallest increase surprisingly among Gen Y (age 18 – 31). Forty-nine percent of all Baby Boomers (age 47 – 65) and nearly 38 percent of all Gen X workers (age 32 – 46) now consider themselves free agents, compared with just 25 percent of Gen Y workers.

Free agents (by generation)



## NEW WORLD, NEW EXPECTATIONS.

The free agent workstyle already is nurturing cross-collaboration and shunning management hierarchies.

Free agency may be the business buzzword *du jour*, but as early as 1997, business thinkers had already identified how this bold new concept was redefining employees' notions of work. That's when Daniel Pink wrote his article "*Free Agent Nation*" for *Fast Company* magazine, turning it into a book in 2001. **Discussing a 10-year retrospective with Fast Company in late 2011, Pink said the causes of this phenomenon have "only intensified."**

"That notion of what a company does for people has profoundly changed," Pink

said during the interview. "It's kaput! It was evaporating back then, (and) now I think it's fully gone. The financial collapse has made people more cynical about trusting large institutions."

Put another way, **many workers today simply trust themselves more than their employers to know what is right for their career progression.** This is especially pronounced among workers in high-tech fields, like the sciences, who have valuable skills and are emboldened now more than ever by their knowledge and what they bring

to the table. They're not afraid to take risks, and why should they be? Though demand for their talent is high and supply is low, they also know that corporate paternalism is dead, along with illusions of lifetime employment and all the traditional benefits that used to come with it. These workers have therefore realized that it's no longer necessarily to their benefit to remain super loyal to an employer.

**With these new attitudes toward the workplace have come new expectations that are far more apparent than in years past.** Workers want more flexibility and

more freedom. They view management hierarchies as old-fashioned. They want empowerment to work collaboratively across every level of an organization. They want to be part of a less authoritative work culture that places value on ideas, not job titles or career climbing.

The most valuable free agents of today already demand such components in the workplace, and they will continue to do so in the future.



# THE CHALLENGE.

## Can organizations make the change?

Free agents are clearly leading the way in workforce change, but questions remain: Are employers willing to do the same? Are they ready for change—or even aware—of the need for it? And what makes a change in the talent game so crucial anyway?

**The long-term health of your company is perhaps the most important reason.**

Hiring for the person and what he or she knows—not just for the job or task at hand—will be the workforce goal of the future as companies begin to see that people and knowledge are the lifeblood of the organization and perhaps the most powerful drivers of the bottom line.

This means that hiring the right talent isn't just a means to an end anymore. And it's definitely not just about getting a body to fill a job description. Traditional job descriptions, in fact, can become obsolete the day someone starts. Yet there is still a disconnect in the hiring process for most companies. They are not yet treating talent, and especially free agents, as the valuable human capital and strategic assets that they've become.

**Companies who fail to do so will see valuable talent go elsewhere.** It's a fact that reinforces what is true for most companies as they continue to grapple with the

hypercompetitive nature of global business: **An organization's ability to recruit and retain talent is a vital indication of its ability to remain competitive and relevant.**

Some organizations certainly are ahead of the game by approaching their workforce in a more strategic way, embracing free agency, and being open to a new workplace culture. That's exactly where every organization should be headed, according to *Staffing Industry Analysts*. Yet SIA research indicates that **just 5 percent of the world's largest users of contingent labor are having these discussions**, while most continue to see free agents or contract-type workers as a simple gap-filling measure.

This can limit a company's vision and distort the talent perspective, especially if organizations continue to view the procurement and retention of talent only in terms of cutting costs or organizational governance. SIA contends that retention is not an FTE issue, but a talent issue, and that's what the most successful organizations will be thinking about in the future.



# STEPS TO TAKE NOW.

Taking action will put your organization in a better position to benefit from every aspect of the future workforce.

The strength of free agency points to a real need for organizations to change the structure of their workforce. It's a challenge for sure, but the steps to take are straightforward.

**1 | Identify strategic versus transactional processes within your company and what your truly core capabilities are.**

Could transactional processes be done on a project basis? Assess your workforce, and figure out how highly skilled free agents could add to your operations by contributing their specialized knowledge more efficiently and effectively.

**2 | Do a cultural and sociability audit.**

Is your company truly on board with the workplace reality of the future? Extreme competition for talent is dictating that companies must be able to meet workers' expectations in radically different ways and be open to different workstyles. Are you willing to nurture new workstyles in order to attract and retain the best employees?

**3 | Engage a strategic partner that can help your organization build a better workforce plan.**

Going it alone can be daunting. Kelly Scientific Resources, however, is at the forefront of workforce change in the scientific industry and has the expertise and experience to secure the right talent at the right time for the right processes. Partners like Kelly also remain involved in retention, giving your organization the ongoing power to keep engaging the best free agents for your most critical projects.



## CONCLUSION.

It's not a matter of if, but when, your organization must begin to embrace the workforce of the future and the dramatic way free agents are contributing their knowledge and resources all over the world. Assess the strengths and weaknesses of your workforce today, and reach for the right help in making it stronger. You'll find yourself in a powerful position to remain competitive and to attract your most valuable assets—the people who work for you.

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