Business Use of Freelancers Accelerates Amidst the Pandemic, Finds Upwork Report

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Remote work has led to more change in the workforce, and as a result, 53% of businesses have used more remote freelancers

SAN FRANCISCO--(BUSINESS WIRE)--Sep. 29, 2021-- Upwork Inc. (Nasdaq: UPWK), the world's work marketplace that connects businesses with independent talent, today released a new research report, the "Future Workforce Pulse Report," examining how businesses are approaching hiring. Utilizing survey data from over 1,000 U.S. hiring managers, the report finds that the use of remote freelancing has dramatically increased as a result of the pandemic, and will continue to rise in the future.

The change to fully remote workforces has led to changes across organizations, far beyond where their workforce is located. In fact, 67% of businesses reported that there were more changes to long-term management practices than a normal year, excluding temporary pandemic-led changes. These changes are broad and impact everything from how work gets done, to who is doing the work.

"Remote work has become, what economists call, a general purpose technology," says Upwork Chief Economist Adam Ozimek. "It has a wide range of uses that is embraced across the economy and creates a variety of spillover effects and we are already seeing the signs of these effects. The embrace of a more fully remote workforce has enabled businesses to embrace new technology, reimagine how they onboard and train, and even allowed hiring managers to embrace the use of freelancers."

Key findings reveal:

- **Remote Work Projections are Strong**: 27.7%, or 40.7 million Americans, will be fully remote in the next five years, which is up from 22.9% in our last survey conducted in November 2020.
- **Remote Has Changed Management Practices**: 67% of businesses reported that there were more changes to long-term management practices than a normal year, excluding temporary changes caused by the pandemic. Of those, 26% of businesses reported that there were many more changes and another 41% said that there were somewhat more changes than normal.
- **COVID Accelerated Remote Freelancer Adoption**: As a result of the pandemic, over half, 53%, of businesses say that remote work has increased their willingness to use freelancers.
- **Businesses Plan to Continue Engaging Remote Freelancers**: 71% of hiring managers plan to sustain or increase their use of freelancers in the next 6 months.
- **Strong Demand for Skilled Tech Freelancers**: The largest increase in freelancer usage has been in the Web, Mobile, and Software Development category, with 80% of hiring managers stating they have increased their use of freelancers in the category since the onset of COVID.
- **Tech Freelance Talent will Remain in Demand**: Similarly, this demand for freelancers in the tech category will continue, as nearly two thirds of hiring managers plan to increase their use of freelancers in the tech category in the next 12 months.

To read the full report, please www.upwork.com/research/future-workforce-report.

About Upwork's Future Workforce Report

The report was conducted by independent research firm ClearlyRated. This is the sixth year the survey has been conducted. This report uses survey data to understand hiring trends and sentiments among hiring managers. More than 1,000 U.S. hiring managers were surveyed through a third-party, independent online sample between June 24, 2021 and July 21, 2021. Overall margin of error of ±3.06% at 95% confidence level.

About Upwork

Upwork is the world's work marketplace that connects businesses with independent talent. We serve everyone from one-person startups to 30% of the Fortune 100 with a powerful, trust-driven platform that enables companies and freelancers to work together in new ways that unlock their potential. Our talent community earned over $2.3 billion on Upwork in 2020 across more than 10,000 skills in categories including website & app development, creative & design, customer support, finance & accounting, consulting, and operations. Learn more at www.upwork.com and join us on LinkedIn, Twitter, Facebook, and Instagram.

About ClearlyRated

ClearlyRated is a global leader in human capital management research. The firm powers satisfaction and thought leadership studies for hundreds of top firms within the space and leverages more than 300,000 survey responses annually to provide insight into the millions who work in the gig economy and the companies who hire them. For more information, visit https://www.clearlyrated.com/.

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Katie Gallagher
press@upwork.com

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