

## Upwork Report Finds U.S Businesses Increasingly Turn to Independent Talent as a Key Workforce Strategy

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Companies facing a protracted labor shortage use skilled independent professionals to win the war for talent, innovate their businesses and weather disruption

SAN FRANCISCO--(BUSINESS WIRE)--Aug. 25, 2022-- <u>Upwork</u> (NASDAQ: UPWK), the world's work marketplace, today released its seventh annual "Future Workforce Report." Reflecting survey data from over 1,000 U.S. hiring managers, the 2022 report finds that businesses are reevaluating longstanding notions around how to access talent as well as resource, construct and scale teams. In particular, businesses are using independent talent to build agility and adapt to economic uncertainty, solve critical talent and skills challenges, innovate, and move quickly to gain a competitive advantage.

Despite the robust labor market, businesses continue to face an historically difficult hiring landscape. As the number of available job seekers continues to decline, while the number of Americans who quit their jobs remains at a 20-year high, 60% of hiring managers cite difficulties finding quality talent to fill open positions. However, businesses that leverage independent talent as a core part of their workforce strategy feel better equipped to fill key roles, find the right talent and skill sets, and withstand disruptions when compared to businesses that do not.

"Businesses that engage independent talent are already seeing the benefits of embracing a more adaptable strategy," said Tony Buffum, VP of HR client strategy, Upwork. "Our research shows that not only are they more optimistic about the difficult hiring landscape, but they also feel more confident in their company's ability to respond to disruption, be it economic, geopolitical, or other global market forces. That's why we are seeing companies increasingly rely on more modern, flexible pools of talent."

Key findings from the Upwork Future Workforce Report 2022 reveal:

- Use of skilled independent professionals poised to accelerate: Nearly 60% of hiring managers who engage independent talent say they plan to increasingly rely on freelancers over the next six months (58%) as well as over the next two years (66%).
- A majority of businesses are hiring, but struggling to source talent: Nearly 70% of hiring managers (69%) say they anticipate staffing up over the next six months. At the same time, 60% cite difficulties finding quality talent to fill open positions.
- Freelancers help businesses solve the talent shortage: Nearly 80% of hiring managers who engage skilled freelancers say they are confident in their ability to find the talent they need, compared to just 63% of those who don't engage freelancers.
- Independent talent provides access to specialized skills: Of those who hire freelancers, 85% say that working with independent professionals allows them to access talent with specialized skills or expertise.
- Independent talent unlocks innovation: 79% of businesses agree that working with independent talent enables their business to be more innovative.
- Organizations that work with independent talent are more confident about withstanding turmoil: Among those hiring
  managers who use freelancers, 84% say they are confident in their company's ability to respond to disruption, compared to
  69% of those who do not use freelancers.
- Most in-demand roles: The top job categories hiring managers need to fill most urgently are Accounting (33%), IT & Networking (30%), and Operations (29%). Over the next six months, 52% say Customer Support will be a top position they seek to fill.
- Toughest roles to hire: Respondents report the roles that will be hardest to hire for are in Data Science and Analytics (60%), followed by Architecture and Engineering (58%), and IT & Networking (58%).

To read the full report, please visit www.upwork.com/research/future-workforce-report-2022.

## **About Upwork's Future Workforce Report**

The report was conducted by independent research firm ClearlyRated. This is the seventh 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 April 25, 2022 through May 10, 2022.

## **About Upwork**

Upwork is the world's work marketplace. We serve everyone from one-person startups to over 30% of the Fortune 100 with a powerful, trust-driven platform that enables companies and talent to work together in new ways that unlock their potential. Our talent community earned over \$3.3 billion on Upwork in 2021 across more than 10,000 skills in categories including website & app development, creative & design, customer support, finance & accounting, consulting, and operations. Learn more at <a href="mailto:upwork.com">upwork.com</a> and join us on <a href="mailto:LinkedIn">LinkedIn</a>, <a href="mailto:Twitter">Twitter</a>, <a href="Facebook">Facebook</a>, <a href="mailto:Instagram">Instagram</a>, and <a href="mailto:TikTok">TikTok</a>.

## **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 <a href="https://www.clearlyrated.com/">https://www.clearlyrated.com/</a>.

<sup>1</sup> https://fred.stlouisfed.org/series/JTSQUR

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