



CONTINGENT WORK OPPORTUNITIES FOR WOMEN: SOLVING TALENT SCARCITY WHILE MEETING BUSINESS GOALS

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Document Date: March 23, 2022



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INTRODUCTION

Working women are the lynchpin for overcoming talent scarcity and meeting diversity and other business goals. Yet in the two years since the start of the pandemic in February 2020 more than one million women who left the labor force have not yet returned.¹

Or have they?



Each month, the U.S. Bureau of Labor Statistics reports that job openings far exceed the number of hires. Virtually every industry is experiencing difficulties in finding qualified staff. And, while the U.S. economy has recovered at a faster pace than anticipated, the impact on the supply chain, the service industry, healthcare, and more is significant. Positions historically held by women are hardest hit, with women losing 58% of the total jobs lost in America² during the pandemic. Today, their participation in the labor force remains well below pre-pandemic levels and Bureau of Labor Standards (BLS) data indicates it is at the lowest point in thirty years. But does this data tell the whole story?

HAVE WOMEN LEFT THE LABOR FORCE, OR ARE THEY HIDING IN PLAIN SIGHT?

Many women used this period to evaluate their work and career goals and concluded that while they wanted to continue to be members of the workforce, they would seek environments that more closely align with their goals and values. While two-thirds of the women who left the workforce plan to return, seventy-eight percent (78%) of women are seeking more flexibility, and three out of four are looking for career progression and upskilling opportunities. More than half say they've considered a career change during the pandemic³.

In many cases, this has led to a decision to pursue temporary assignments typically engaged per project. Individuals working as consultants, independent contractors, freelancers, agency-sourced contractors, payrolled workers under an Employer of Record arrangement, and other outsourced employees are referred to as *contingent workers*.

A pre-pandemic Gallup⁴ poll found that 36% of all U.S. workers — or 57 million Americans — participate in contingent work. Other surveys estimate that 40% of all white-collar business professionals are working on a contingent basis, and the number is growing each year. Many workers are simultaneously on more than one assignment,

¹ [National Women's Law Center](#)

² [Fast Company](#)

³ [Fast Company](#)

⁴ [Gallup](#)

and contingent work is also frequently used to augment income derived from “permanent” employment. While males between ages 18 and 34 have historically dominated the number of American contingent workers **as the age grows, women take the lead**. Over the past year the growth in the number of women has significantly surpassed the male growth rate.

When women were asked why they chose to move from a permanent position to a contingent one, 74% said they prioritize flexibility over all else. But for these women, flexibility goes beyond work environments that accommodate remote work, time off, and non-standard work hours. Contingent engagements are viewed as a way to build new skills by taking on increasingly challenging assignments, to take a break between engagements, to set their own compensation rates, and to avoid the “broken rung” of the advancement ladder⁵.

THE IMPACT ON DIVERSITY

While virtually all companies express concern regarding the shrinking labor force, less attention has been paid to the direct correlation between the reduction in the number of working women and the ability to meet corporate diversity, equity, and inclusion (DEI) initiatives. Numerous studies indicate that prior to the pandemic, senior level women were twice as likely as men in similar positions to dedicate time each week to DEI work that falls outside their formal job responsibilities, such as recruiting employees from underrepresented groups, serving as mentors to people of color, supporting employee resource groups, and acting as corporate watchdogs against discrimination.

STRATEGIES FOR ENCOURAGING WOMEN TO CONSIDER CONTINGENT OPPORTUNITIES

Research conducted by nextSource provides insight into the shift toward contingent work. When asked about the benefits of temporary engagement vs. permanent employment, the majority cited the attributes listed above. But survey respondents also offered some advice regarding ways to make contingent assignments more attractive:

1. **Apply your company’s DEI program to your entire workforce.** Most companies do not factor contingent workers into its diversity and inclusion program despite the growing percentage of total workers within the organization who are on a contingent assignment. Few companies have established DEI criteria to its contingent selection criteria. Having spend quotas that are met by including diverse staffing agencies in the talent supply chain does not necessarily translate into a diverse workforce. All suppliers must demonstrate their shared commitment to diversity through established goals and programs for sourcing diverse candidates. Key Performance Indicators can also aid in driving inclusion. We encourage clients to include KPIs for the percentage of contingent workers

⁵ [McKinsey](#)

who are converted to full-time employees, are offered and accept follow-on engagements, complete assignments, and more. In each case, we suggest that the data is broken down by gender, race, age, and ethnicity.

2. **Connect with your contingent workers.** A recent study by Deloitte⁶ found that 93% of respondents reported a direct correlation between a sense of belonging and organizational performance. They reported higher rates of repeat assignments, greater participation in the company's social and community initiatives, and higher referral rates. At nextSource, we suggest ways in which contingent workers can be included in company-wide communications and activities and can gain access to training programs and other resources without increasing exposure to co-employment claims.
3. **Enforce your Zero Tolerance policy.** Every company has one, most attempt to enforce the policy, but few proactively seek out and eliminate the subtle forms of workforce aggression experienced by contingent workers, and women in particular. When serving as a client's Managed Services Provider, nextSource conducts exit interviews at the end of every worker engagement. We also conduct regular worker satisfaction surveys. When asked why a worker would not accept a follow-on engagement with a company, the primary reasons given are harassment and neglect, and a general climate in which contingent workers are not accepted or valued. This is particularly experienced by women, who are more likely to encounter behavior that reduce them to negative stereotypes with frequent comments regarding their contingent status being an indicator of lack of career commitment or capability. Virtually all women over the age of 50 report at least one experience in which their skills were questioned. And women of color are the most likely to experience disrespectful and isolating behavior. And while more White employees see themselves as allies to women of color, few will speak out against discrimination, coach, or advocate for them.
4. **Expand your wellness programs to include contingent workers.** Women who are responsible for the care of children or other family members are significantly more likely to experience burnout or to consider leaving their companies. They are also more likely to hesitate taking advantage of options that



⁶ Deloitte

make it easier to balance work and life, such as working from home or working nonstandard hours, for fear of being feel judged. They are less likely to feel comfortable sharing their personal challenges with colleagues, which means they're less likely to get the support they need. When working on a contingent assignment, these fears increase dramatically. We encourage our staffing partners to develop proactive wellness programs. Benefits may include offering tele-health services or expanding their employee assistance program (EAP) to include counseling sessions at no cost. Many companies offer extensive onsite services to permanent employees, including on-site daycare centers, fitness centers and health clinics. We explore the possibility of extending these services to contingent personnel. We also suggest services that reduce their personal tasks, such as laundry or house cleaning services. A critical cause of stress for female contingent workers is isolation. We foster connections with mentoring programs, employee resource groups, and online networking opportunities.

5. **Enable continuous learning.** Career development is equally important to women in contingent roles. By shifting career advancement emphasis from traditional roles to skills, women are given greater opportunities. Upskilling can then be offered through access to highly focused, short-term learning courses that take only weeks or days to complete. These courses can be completed online at the student's own pace through flexible attendance options such as on weekends.

Today's leaders must deal with today's market forces, pivoting talent policy, practice, and compensation to meet talent needs. Competitive advance comes from understanding, anticipating and adapting to these forces, creating a culture that taps into and connects with all sources of the talent needed today and in the decade ahead.

LEARN MORE

For additional insight into how to build a workforce inclusive of highly qualified women [contact us](#).

About nextSource: nextSource advances the way the world connects with talent. As a privately held, woman-owned business with over 20 years' experience, nextSource provides a personalized, intelligent approach to workforce solutions driven by high impact, strong results, and continuous growth. We offer innovative workforce solutions that deliver extraordinary service, efficiency, analytical insight, risk mitigation and improved access to talent that enhances a unified workforce. Solutions offerings include Managed Services Program, Direct Sourcing solutions, Employer of Record services, Independent Contractor Compliance Management, Agent of Record Services, Statement of Work based Project Services Management and Workforce Consulting and Advisory services. For more information, visit <http://www.nextSource.com>.