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#GigResponsibly

The Rise of NextGen Work





Labor market dynamics are shifting rapidly: populations are aging and skills needs are changing faster than ever, driven by technological progress and globalization. The gap between the skills people have and those employers need is widening, polarizing workforces and populations around the world. Companies have to find talent from new sources and do more to develop and keep their people engaged.

At the same time, what people want is changing. They are working longer, learning more and seeking a better balance between work and home. Not everyone wants to engage as a full-time employee and organizations don't always want that either. The 'Monday-Friday 9-5 job for life' has moved on and much of the jobs growth over the last 10-15 years has occurred in non-traditional, alternative ways of working. While the uberization of work grabs the headlines, the number of people working in gigs is still only a small part of the labor force. However, those seeking flexible, non-traditional ways of working are significantly greater. **Today more people than ever want NextGen Work.**

People and business want new ways to get work done. It's time to shift the discussion from regulation and prevention to action: companies need to better understand how people want to participate and meet them where they are, with what they want. Flexibility, responsibility and employment security are not mutually exclusive. Employers need to become builders of talent, not just consumers of work. Individuals must nurture their learnability and develop in-demand skills today to stay employable for tomorrow. Policy makers need to develop new ways of providing employment security, enabling individuals to change careers and models of engagement during the course of their longer careers.

We need to enable NextGen Work. **In a world of accelerating change, it will be skills and new ways of working that will provide career security, opportunity for growth and prosperity for individuals and nations alike.**

Jonas Prising, Chairman & CEO, ManpowerGroup

NEXTGEN WORK

Noun: **1.** A new way of working. **2.** A new way of getting work done. **3.** Helps people earn more, upskill and achieve One Life that blends work and home. Examples include part-time, contingent, contract, temporary, freelance, permalance, independent contractor, on-demand online and platform working.



TO FIND OUT MORE ABOUT HOW PEOPLE WANT TO WORK WE SURVEYED MORE THAN 9,500 PEOPLE IN 12 COUNTRIES³ AND ASKED:

- How do you want to work and why?
- What motivates you and what influences your work choices?
- What experience got you where you are today?
- What are your views on NextGen Work?

A NEW WAY OF WORKING: NEXTGEN WORK

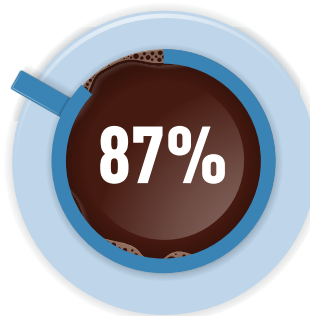
Today a growing number of people are opting for alternative models over traditional, full-time, permanent roles. Part-time, contingent, contract, temporary, freelance, independent contractor, on-demand online and platform working are on the rise.⁴

Businesses and people want choice, flexibility and alternative ways of working that build resilience for less predictable futures. Companies want workforce solutions that find them the best talent when business models and skills needs are changing faster than ever. People want opportunities to develop in-demand skills that will keep them employable for this job and the next, and they want workstyles that better balance caring responsibilities, upskilling and reskilling. This is how more people are choosing to work. This is **NextGen Work**.



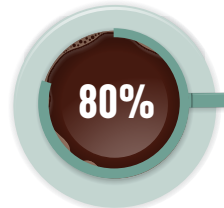
LEARNABILITY

the desire and ability to learn new skills to be employable for the long-term



PEOPLE ARE OPEN TO NEXTGEN WORK

87% of workers would do NextGen Work in the future



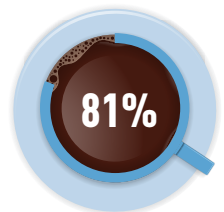
NEXTGEN WORK IS ABOUT DEVELOPING EMPLOYABILITY

80% say NextGen Work is about learning and using new skills



NEXTGEN WORKERS ENJOY IT

90% of NextGen Workers will continue to work this way



NEXTGEN WORK IS A CHOICE, NOT A LAST RESORT

81% of NextGen Workers choose it. Only 19% of NextGen Workers say they cannot find an alternative



³ Respondents were age 18-65 and included full time workers, part time workers, freelancers, staffing agency workers, students, retirees and unemployed.

⁴ Based on analysis of OECD, "Self-employment rate (indicator)" (2017) and ILOSTAT data.

ON-DEMAND IS IN-DEMAND: PROTECTION NOT PREVENTION IS THE SOLUTION

Uber, Lyft, Deliveroo and UpWork fueled the gig economy from San Fran to Sheffield, Saudi Arabia to São Paulo, changing the way we work. The largest, Uber, grew from a start-up to over one million active drivers in more than 350 cities in just six years.⁵ **Initially loved by consumers for app-based convenience and welcomed by workers for promising greater freedom and on-demand opportunities, these platforms have impacted traditional labor markets with a speed most were unprepared for.** Political and legislative hurdles have cost Uber more than \$60m in lawsuits since 2009 and created new work for lawyers and policymakers as far afield as France, India, U.S. and UK.⁶ As the gig economy matures, legal precedences are sought and regulatory reviews requested. People are asking: “who is looking out for these individuals?”; “are they really as independent as they seem?”; and “who is the employer?”.

“Who is looking out for these individuals?”



NEXTGEN WORK: A POSITIVE FUTURE BUILT ON STRONG FOUNDATIONS

Agency work and flexible working have existed for nearly 70 years. ManpowerGroup has been at the forefront, setting the highest industry standards and taking on full employer responsibility, HR management, provision of employment contracts, protection and benefits for millions of people every year.⁷ **Much can be learned from how those once alternative models have developed from the post-war era when female talent was at an abundance and Manpower placed thousands of women (and men) into work.** Today ManpowerGroup finds meaningful work for over three million people in 80 countries every year; as an industry that figure is 50 million.⁸ In fast-changing labor markets, with skills needs evolving faster than ever, our value has never been more relevant. **We must continue to ensure the protection of people but not through the prevention of emerging models of alternative work.**



⁵ Mark Harris, “Uber: why the world’s biggest ride-sharing company has no drivers,” The Guardian, (November 16, 2015).

⁶ Sam Levin, “Uber lawsuits timeline: company ordered to pay out \$161.9m since 2009,” The Guardian, (April 13, 2016).

⁷ National Academies of Sciences, Engineering, and Medicine, “Information Technology and the U.S. Workforce: Where Are We and Where Do We Go from Here?,” (2017).

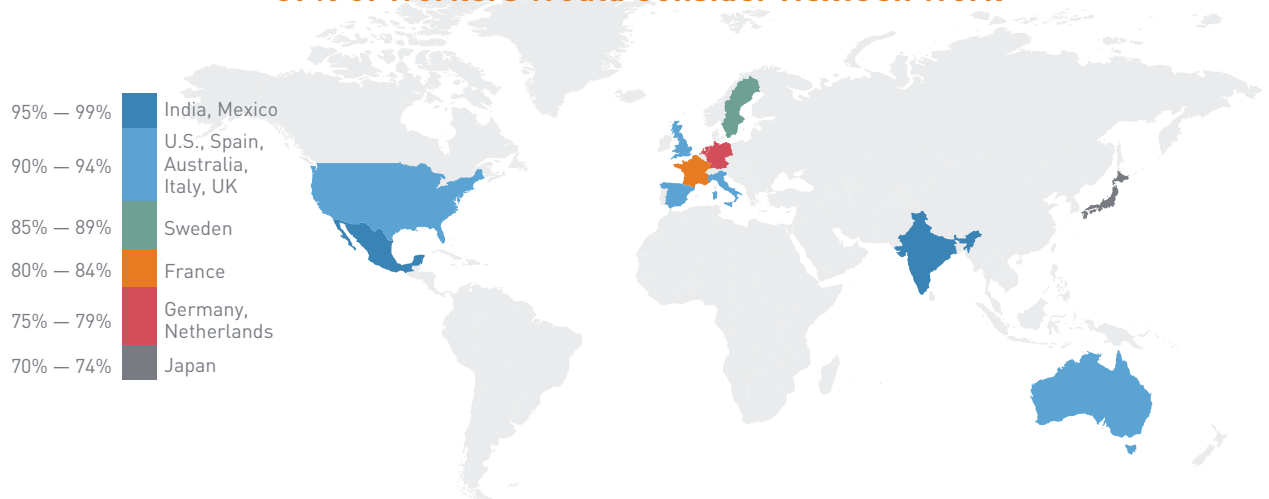
⁸ World Employment Confederation, Economic Report: 2017 Edition, (2017)



THE GLOBAL PHENOMENON: WHO IN THE WORLD IS CHOOSING NEXTGEN WORK?

NextGen Work is a global phenomenon, and from a worker's perspective, it's a positive one. Openness to alternative work models varies by country, impacted by a myriad of factors from the rigidity of labor regulations and the role of trade unions and collective bargaining, to the attitudes and mobility of workers. Age matters too. **Countries with a higher proportion of younger workers are more inclined to do NextGen Work, in particular younger Millennials (ages 18 - 24).**⁹

87% of Workers Would Consider NextGen Work



Emerging markets are most open to NextGen Work: India and Mexico are leading the way with 97% of people open to freelance, contract, temporary or independent contractor work.

Mature markets often with high levels of employment are close behind. The U.S. with decades of entrepreneurialism and dynamic job flows, together with the flexible labor markets of the UK, Italy and Australia all lean towards an openness to alternative work models, encouraging job creation and providing more pathways into the workforce.¹⁰

Germany, Netherlands and Japan are more resistant to NextGen Work, while others are warming to greater flexibility following the global recession. Spain's recent labor market reforms have lowered labor costs and increased flexibility in hiring, which created jobs, making them the fastest growing economy in the Eurozone.¹¹ Italy is similarly reform-minded, and French **President Macron has labor market reform at the top of the political, economic and social agendas.**

So watch this space: NextGen Work could continue to reduce unemployment, especially among youth, increase labor force participation, address skills shortages and close the gap between the Haves and Haves Nots. **It's not just workers that choose NextGen Work, business and political leaders see the value too.**

⁹ Analysis of ManpowerGroup and CIA World Factbook population data.

¹⁰ David Smith, "Job done: how we got down to work after the crisis," The Sunday Times, (August 13, 2017)

¹¹ Tobias Buck, "Spain: Boom to Bust and Back Again," Financial Times, (April 6, 2017).

WHY CHOOSE NEXTGEN? CASH, CAREER AND CONTROL

People want different types of careers at different times in their lives. **Eighty-seven percent of people would consider NextGen Work for their next job or in the future. And demand for NextGen Work has risen consistently for decades.** Across the EU, temporary work almost doubled from 8% to 14% from 1984-2016. In the U.S., it increased by 56% between 2005-2015 and continues to grow.¹² [Changing lifestyles and aging populations mean people are working later and caring responsibilities are lasting longer.](#) Technological change is shifting skills needs and growing consumerization means people expect choice – how they buy, sell, live and work. People are choosing NextGen Work for many reasons:



1 ► Boost My Bank Balance

The most popular reason people choose NextGen Work is to **earn extra money, to supplement their income and do the things they choose.** Sixty-five percent of households in developed countries were earning the same in 2014 as they were in 2005 — and the recession, automation and low productivity continue to impact wages around the world.¹³ Women choose NextGen Work to earn additional income slightly more than men (39% vs 37%) and young Millennials (18-24) are the most likely to choose NextGen to earn extra income. For many, NextGen Work helps supplement salaries, savings or pensions, so people can find the time and money to do the things they value most. For others, NextGen Work allows them to use in-demand skills and earn top dollars for highly skilled contract positions.

2 ► Develop My Skills

The second most popular reason people choose NextGen Work is to learn new skills. **Eighty percent of NextGen Workers see work as a place to learn and use new skills.** Whether formal company-driven development, on-the-job training or simply experience-based learning by doing, for most people work is a place to hone and improve skills. **In the midst of a Skills Revolution, when 40% of employers cannot find the skills they need and 65% of the jobs younger Millennials (18-24) will do don't even exist yet, acquiring new skills and experiences has never been more important to remain employable.**¹⁴ More older Millennials (25 - 34) say they choose NextGen Work to develop their skills than any other generation. Men also prioritize skills development slightly more than women, while women are more likely to choose NextGen Work to balance their time and try out different roles. It will be skills development too that helps the 19% who feel NextGen Work is their only option at the moment, to expand their employability and future choices.



¹² OECD, "Self-employment rate (indicator)" (2017), and Katz and Krueger, (March 2016)

¹³ Richard Dobbs et al, "Poorer than their parents? A new perspective on income inequality," McKinsey, (July 2016).

¹⁴ Talent Shortage Survey 2016-2017, ManpowerGroup, (2016).



3 ► Balance My Time, Feel In Control

The lines between home life and work life are increasingly blurred, so people are choosing more flexible work models that make it easier to manage and enjoy One Life. Globally, nearly **40% of people say schedule flexibility — especially flexible start and finish times and the ability to work from home — is one of the top three factors when making career decisions.**¹⁵ For many people, the ability to balance caring responsibilities can make the difference between working or not. Both men and women aged 25 - 39 years are just as likely to choose NextGen Work so they can spend more time with family. And while aging populations increase the need for eldercare, the numbers of grandparents raising children's children is also on the rise. Seven million U.S. grandparents are living with a child, up 22% from 2000 and of those, about 40%, or 2.7 million, are the primary caregivers.¹⁶

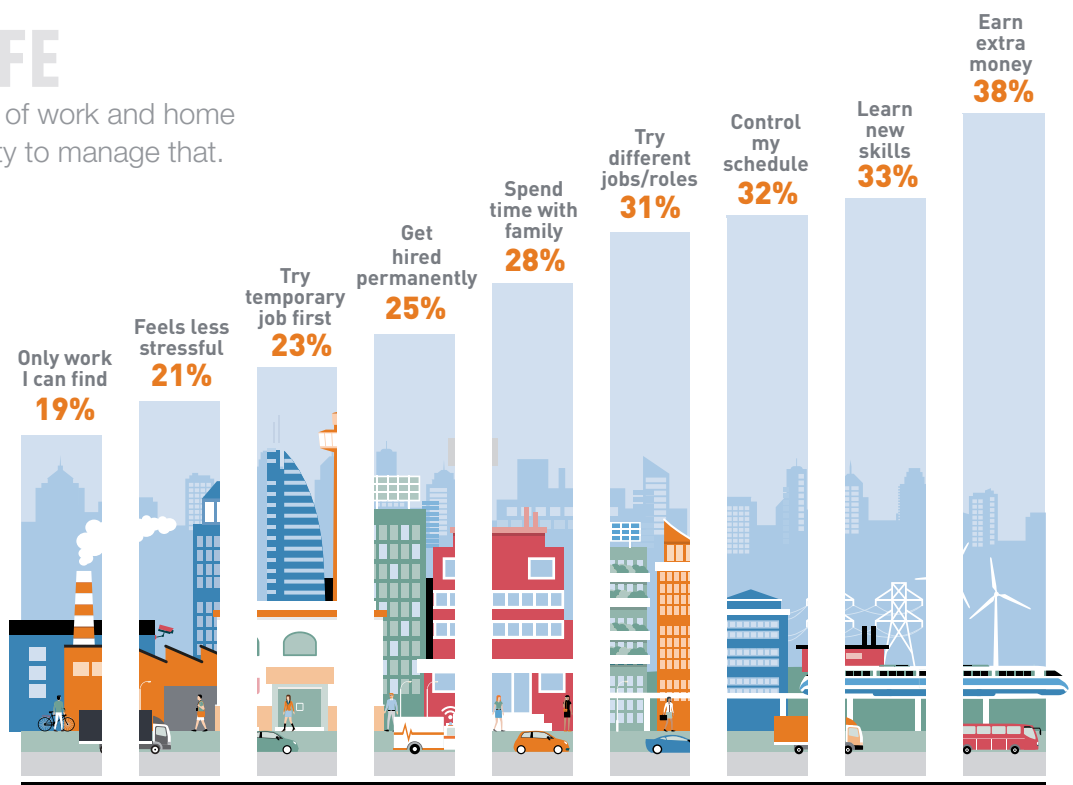


ONE LIFE

The integration of work and home and the flexibility to manage that.

Reasons People Choose NextGen Work

NextGen Work allows people to supplement incomes over the short-term, provides freedom to explore different roles and develop in-demand skills to be more employable over the long-term. People can also control where, when and how they work, reducing stress and allowing flexibility for Life Work Balance.



¹⁵ "Work, for Me: Understanding Candidate Demand for Flexibility," ManpowerGroup Solutions (2017).

¹⁶ Gretchen Livingston, "Grandparents Living with or Serving as Primary Caregivers for their Grandchildren," Pew Research Centre, (September 4, 2013).

WELLNESS AT WORK

Finding the balance between work and home has shifted from an impossible task or guilty secret to a hygiene factor. Today the business of wellness, fitness and mindfulness is a cash cow.¹⁷ [Much has been written about Millennials valuing personal time](#), but what works for one generation works for others. Older Millennials (25-34) are the generation mostly likely to choose NextGen Work because it's less stressful and gives them more time to spend with family. **All things are equal in how both genders want to manage stress, balance family commitments, while having the money to do the things they enjoy, build skills and earn more.**

PEACE OF MIND



MORE THAN ONE-FIFTH OF WOMEN AND MEN ARE CHOOSING NEXTGEN WORK BECAUSE IT IS LESS STRESSFUL

♀ 22% | 21% ♂

HE-SHE FLEX APPEAL



MALES AND FEMALES EQUALLY OPT FOR NEXTGEN WORK FOR THE FLEXIBILITY TO SPEND MORE TIME WITH FAMILY

♀ 29% | 29% ♂

ON HER TERMS



WOMEN ARE SEEKING CONTROL OVER THEIR SCHEDULE ONLY SLIGHTLY MORE THAN MEN

♀ 35% | 33% ♂

TALKIN' 'BOUT MY GENERATION: OLDER WORKERS VALUE PURPOSE AND BALANCE. FOR MILLENNIALS, IT'S SKILLS SKILLS SKILLS

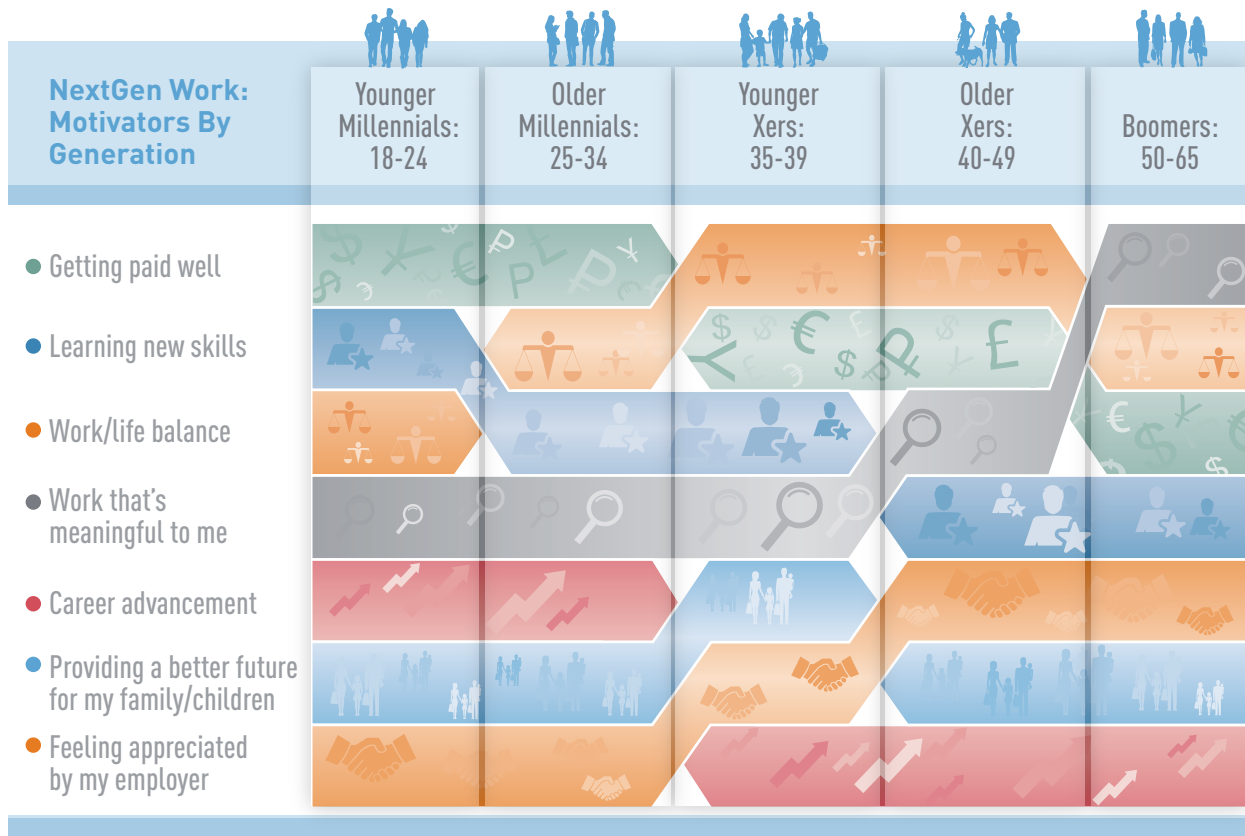
Consumers today expect customization: same-day delivery, 24-7 retail, tailored media in their newsfeed. Yet the traditional career model is still one-size-fits-all. **As people's work, home and personal lives change over time, they shift career priorities adjusting how, when and where they work.** For some that involves trade-offs between flexibility, security and benefits. Young parents may choose term time work only, earning less, caring more; retirees may choose an encore career of part-time working, more pension, less pressure. And the Millennial, self-employed IT contractor with in-demand Java skills may be opting for pay rates of \$800 a day for now, but when kids come along later, paid time off and pension contributions often become the priority.

The good news? NextGen Work is by no means ageist. **Ninety-five percent of younger Millennials (18-24) are open to working this way and Boomers are bucking the trend too: 80% of the over 50s say they are open to NextGen Work.**

¹⁷ "Global Spa & Wellness Economy Monitor," Global Wellness Institute, (September 2014).

Attitudes by Age: Would You Consider NextGen Work?

- 95%** **Younger Millennials (18-24)** are new to the labor market and want swift progression — they prize pay, learning and career advancement. They see NextGen Work as a way to help them move on and up. **By their late 20s, over 60% of Millennials have had the same number of jobs as the majority of their parents will in a lifetime.**
- 93%** **Older Millennials (25-34)** are most driven by career advancement and learning new skills, but they are also **starting to value balance and meaningful work almost as much as pay.**
- 90%** **Younger Gen X Workers (35-39)** are most focused on **work-life balance**, with some choosing to career plateau while they put family first and log-off at the end of the day.
- 83%** **Older Gen X Workers (40-49)** increasingly prioritize meaningful work and feeling appreciated by their employer, while pay, learning new skills and providing for children become less important.
- 80%** **Boomers (50-65)** get a second wind: with proven experience and fewer family obligations, they are choosing encore careers, some for pleasure, others to supplement pensions. They are more focused on quality — they want recognition for a job well done and work that's meaningful.



Whether it's young graduates trying to break into the workforce, mid-careers trying to balance caring for newborns, teenagers or older family members, people want careers that are more agile than the old job-for-life, full-time model. Appreciation and purpose aren't just a Millennial thing either — you're never too old for affirmation, praise and to change the world. **People of all ages are choosing NextGen Work.**



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THE BEST BLEND: A NEW MODEL TO #GIGRESPONSIBLY

Providing access to the labor market. Filling the void of career guidance. Boosting incomes. Supplementing pensions. Providing labor market mobility for people and business. Offering life-work balance for long careers. Nurturing learnability. Preparing people for disruption from technology, automation and globalization. Developing in-demand skills, on-the-job.

This is why people are choosing NextGen Work. And this is why business leaders and policy makers must collaborate to find the best balance of flexibility and responsibility. **Benefits that were once tied to jobs, now need to be NextGen too, able to travel across portfolio careers whether that's certifications, pensions, training funds and more.**

Leaders must enable, not prevent, NextGen Work, and must be responsive to what people want. People are choosing to work differently and new ways of getting work done are on the rise. All eyes are on the UK, U.S., France and others, trailblazing NextGen Work.^{18, 19, 20}

It's time to combine the choice and flexibility of new work models with the security of traditional work. It's time to #GigResponsibly. Now is the time for NextGen Work.



¹⁸ Szu Ping Chan, "Matthew Taylor defends zero-hours deals but paves way for employment tribunal shake-up," The Telegraph, (July 11, 2017).

¹⁹ Seth Harris and Alan Krueger, "A Proposal for Modernizing Labor Laws for Twenty-First Century Work," The Hamilton Project (December 2015)

²⁰ Leigh Thomas, "Workers wanted - French jobs unfilled despite high unemployment," Reuters, (May 30, 2017).

ABOUT MANPOWERGROUP

ManpowerGroup® (NYSE: MAN), the leading global workforce solutions company, helps organizations transform in a fast-changing world of work by sourcing, assessing, developing and managing the talent that enables them to win. We develop innovative solutions for over 400,000 clients and connect 3+ million people to meaningful, sustainable work across a wide range of industries and skills. Our expert family of brands – Manpower®, Experis®, Right Management® and ManpowerGroup® Solutions – creates substantially more value for candidates and clients across 80 countries and territories and has done so for nearly 70 years. In 2017, ManpowerGroup was named one of the World's Most Ethical Companies for the seventh consecutive year and one of Fortune's Most Admired Companies, confirming our position as the most trusted and admired brand in the industry. See how ManpowerGroup is powering the future of work: www.manpowergroup.com



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ABOUT THE RESEARCH

ManpowerGroup commissioned a quantitative global study by Three Group in November 2016, surveying 9,550 adults (18-65) across 12 countries: Australia, France, Germany, India, Italy, Japan, Mexico, Netherlands, Spain, Sweden, UK and U.S.. Respondents included full time workers, part time workers, freelancers, staffing agency workers, students, retirees and unemployed people. In addition, in March 2017, ManpowerGroup commissioned Reputation Leaders to host an online community focus group on NextGen Work with 75 temporary workers from the U.S., UK, Netherlands and Australia.



What are your thoughts on NextGen Work?
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