



BUSINESS TALENT GROUP

2020 Talent Lens


EXAMINING THE STATE OF HIGH-END
INDEPENDENT TALENT IN TODAY'S
EVER-CHANGING NEW NORMAL

Expertise in a volatile world

2020 has been a year of massive change in all aspects of our lives, perhaps nowhere more apparent than in how we conduct business and go about our daily work. While companies rapidly cut spending, shuttered offices, and shifted to predominantly remote workforces, critical priorities remained. A safe, flexible, and cost-effective source of in-demand skills and expertise became more essential than ever before.

According to a recent study, 73% of hiring managers say they will continue or increase their usage of independent professionals.¹ An increasingly integral component of corporate workforce strategies, these talent enable top companies to adapt to difficult economic times and resource critical projects. As the leading platform for high-end independent talent who serve such needs, **Business Talent Group (BTG)** has tracked the rise of this dynamic talent segment for more than a decade.

So how are they faring in this turbulent time? Read on to learn how the economic volatility of 2020 has impacted these spectacular thinkers and doers, and discover opportunities for leading companies to leverage their considerable expertise to navigate today's unprecedented business challenges.



Business Talent Group (BTG) is the leading talent platform that connects independent management consultants, subject matter experts, project managers, and interim executives with top companies to address their biggest business opportunities and challenges.

BTG provides just the right on-demand talent needed: remote or on-site, part-time or full-time, individuals or teams, all around the world. That's why 50% of the F100 and hundreds of other leading companies trust BTG to curate, vet, and compliantly deliver talent who fuel growth, innovation, and performance improvement.

Find in-demand skills and expertise at businessstalentgroup.com

THE WORLD'S BEST INDEPENDENT TALENT

The BTG community of independent talent is filled with highly skilled experts possessing in-demand expertise and domain knowledge, including:

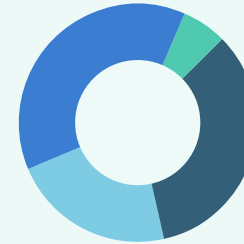
- **7,000+ management consultants** with classical big firm training, as well as boutique firms and pre-built teams ready to deploy
- **8,000+ executives** with hands-on operating experience
- **4,000+ project and program managers**
- **3,000+ hard-to-find talent** in emerging categories such as data science, Agile, artificial intelligence, and advanced analytics
- **10,000+ subject matter experts** with deep functional expertise and cross-industry insights

HOW IT'S GOING, FROM THOSE IN THE KNOW

In October 2020, we surveyed 1,671 independent BTG talent about their experience as consultants before and after March 2020 (pre-COVID vs. during COVID). Of the respondents:

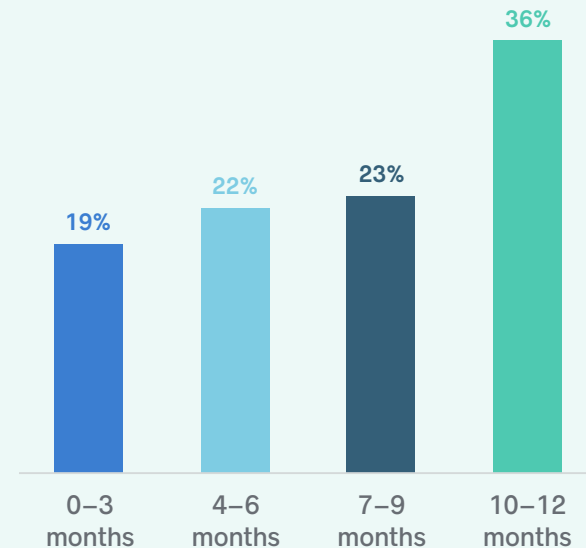
- **94%** were already working as an independent consultant for more than one year before the pandemic started
- **59%** were actively engaged on projects for seven or more months out of the past 12 months (October 2019–September 2020), compared to **41%** who were actively engaged for six or fewer months

HOW LONG HAVE YOU WORKED AS AN INDEPENDENT CONSULTANT?



- 6% Less than a year
- 34% 1–3 years
- 22% 4–6 years
- 38% 7+ years

IN THE PAST 12 MONTHS, HOW MANY MONTHS WERE YOU ACTIVELY WORKING ON PROJECTS?



PROJECT TRENDS

REMOTE WORK(S)!

Historically, questions about productivity have been top of mind for many business leaders when it came to remote work—for both their own employees as well as the independent talent they engage for project-specific needs. As we embarked on the Great Remote Work Experiment of 2020, many soon found that their productivity concerns were unfounded. While employees working from home reported only a 1% average negative impact on productivity,² BTG’s own project data showed that 95% of ongoing projects with independent talent continued seamlessly into remote work arrangements.³

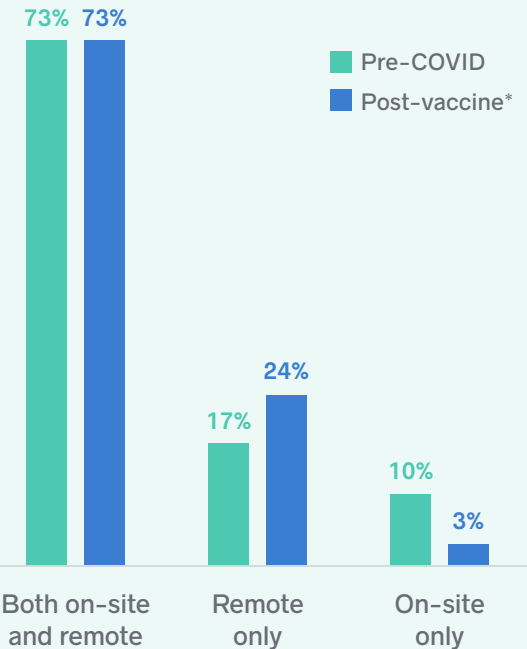
Prior to the pandemic, however, 73% of independent talent said that they preferred to tackle projects with a mix of on-site and remote work—and the percentage who indicated they’ll feel the same once a vaccine has been developed remains unchanged. That thinking aligns with our clients, who also demonstrated their preference for this hybrid model, as 83% of our pre-pandemic project requests were structured in this way.⁴

Among talent who expressed a preference for non-hybrid work arrangements, remote work wins out: 17% said they preferred to work remote-only pre-COVID, compared to 10% who preferred entirely on-site engagements.

Yet when asked how they would prefer to work once a vaccine is developed and other measures are taken to control the spread of COVID-19, only 3% of talent would choose to return to on-site-only engagements—compared to 24% who would prefer to stick with remote-only engagements.

Whether it’s because of lingering public health concerns or a newfound appreciation for remote work, it’s clear that the pandemic is driving long-term shifts in how and where we get work done. Remote work does, in fact, work, and the data shows that clients and talent alike have adapted to this new normal. However, the blend of on-site and remote is expected to re-emerge as the mode of choice for complicated, high-stakes projects once the pandemic subsides and the economy stabilizes.

PREFERRED PROJECT LOCATION



**Assuming a vaccine is developed, and other measures are taken to control the spread of COVID, where would you prefer to primarily work?*

OPERATIONS NEEDS ON THE RISE

Heading into 2020, leading companies tapped high-end independent talent to provide **expert strategic insights** and **hands-on project management** across a wide array of initiatives. Independents were also critical on projects to **optimize operations, boost performance, and advance marketing and sales efforts.**⁴

In late 2020, those priorities are still top-of-mind for the clients our talent serve. When asked what client pain points most of their projects addressed, independent consultants' responses varied little before and during COVID, though some differences can be found.

Strategy and planning projects—such as growth and innovation strategy, business plan development, and merger and acquisition needs—dominate both time periods. However, these projects saw a slight decline as companies shifted their attention to cost containment and optimizing operations in response to recessionary fears, the shift to a primarily remote workforce, and

increased risk across business sectors. Meanwhile, project and change management, technology, marketing and sales, interim leadership, and organizational design and effectiveness needs held relatively steady. Several interesting trends emerged within the Other category, with multiple talent noting increasing demand over the year on projects related to:



Diversity, equity, and inclusion (DE&I)



COVID planning and technologies



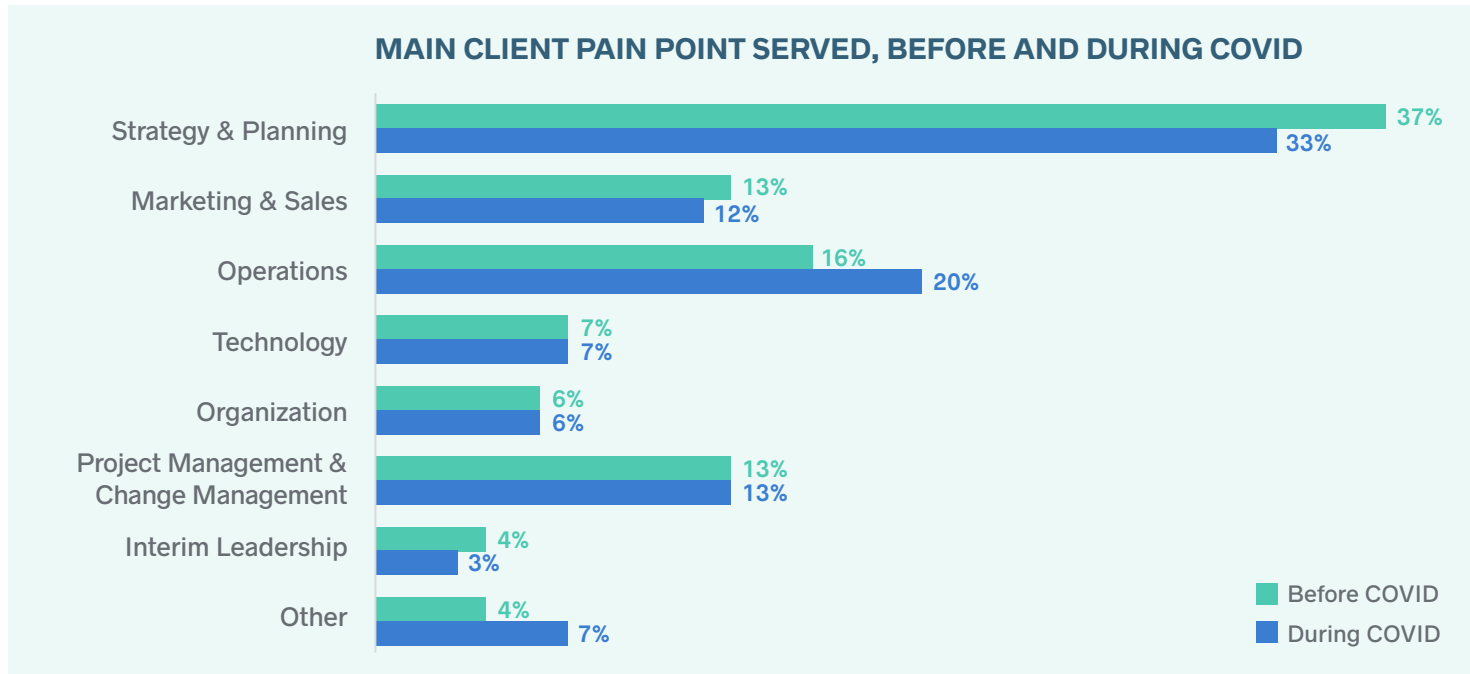
Employee health and wellness



Cybersecurity



Environmental sustainability



The trends align with what BTG has seen in our proprietary data on client project requests. By comparing projects initiated in the early days of the pandemic (March–June 2020) vs. the preceding four months,⁵ we found:

- A significant spike in demand for **eCommerce and Internet Strategy (+425%), Product Development (+350%), and Customer Experience and Insights (+160%)** as companies identified new areas to meet customer needs and shifted to serving customers through different, and often contactless, channels
- A rise in requests for experts in **Organizational Transformation (+225%)** to help companies adjust to the workforce impacts of the pandemic
- Increased demand for **Financial Controls, Accounting, and Audit (+200%)** to help companies cope with economic disruptions, cost containment modeling, and forecasting

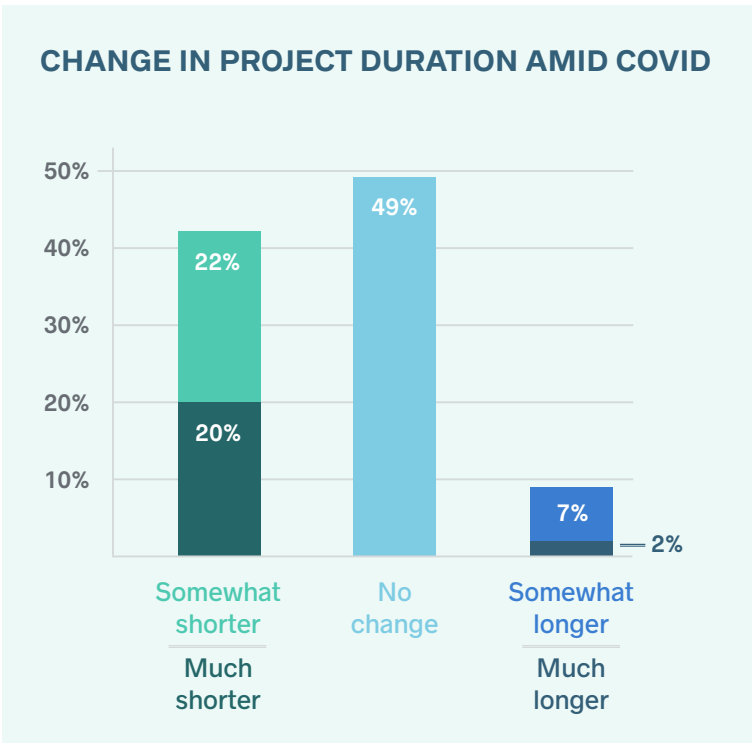
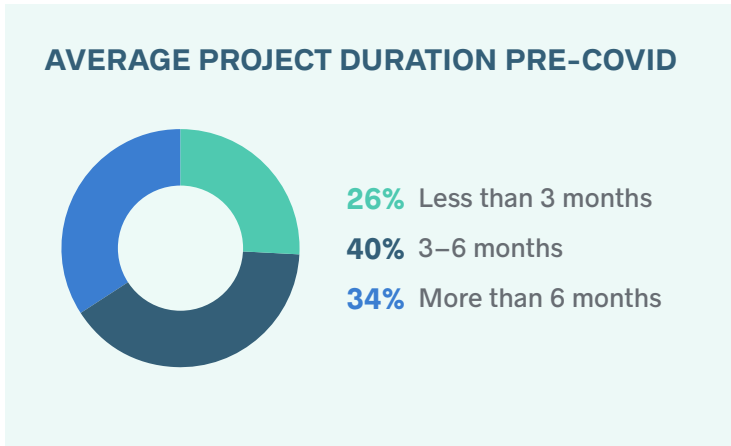
Taken together, the insights from both independent talent and proprietary project data point to the increasing importance of independent talent to help companies lead critical projects through this time of unprecedented volatility—from consistent needs like growth strategy and operational excellence to increasingly important DE&I, digital, and employee health and wellness initiatives.

CLIENTS TOOK SMALLER BITES TO STAY AGILE

Before the pandemic struck, projects tended toward the mid-term: 40% of projects lasted between three and six months, while 34% were longer than six months, and 26% were less than three months in duration.

During COVID, 42% of independents have seen a decrease in project length as leading companies—facing a wave of uncertainty—have continued to engage consultants, but in smaller bites that allow for increased flexibility until greater visibility can be attained.

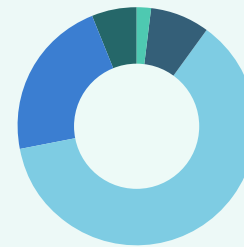
The unbundled nature of independent consulting allows companies to access much-needed expertise and highly specialized team configurations in hands-on, low-overhead, low-commitment engagements to solve specific problems. Clients are increasingly taking advantage of this resourcing option to stretch budgets, align projects with immediate business needs, and stay nimble in a fluctuating market.



RATES CONSISTENT FOR MANY

28% of independent talent experienced lower daily rates. However, 10% of independent talent—many possessing the technical and operational skill sets companies require in our new remote reality—have actually commanded higher daily rates since the start of the pandemic. Meanwhile, the vast majority of high-end independents (62%) have seen no material change to their daily rates.

CHANGE IN AVERAGE DAILY RATE SINCE MARCH 2020

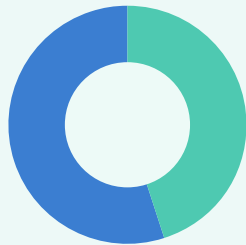


- 2%** Much higher
- 8%** Somewhat higher
- 62%** No change
- 22%** Somewhat lower
- 6%** Much lower

TALENT REMAIN OPTIMISTIC, THOUGH SATISFACTION HAS DIPPED

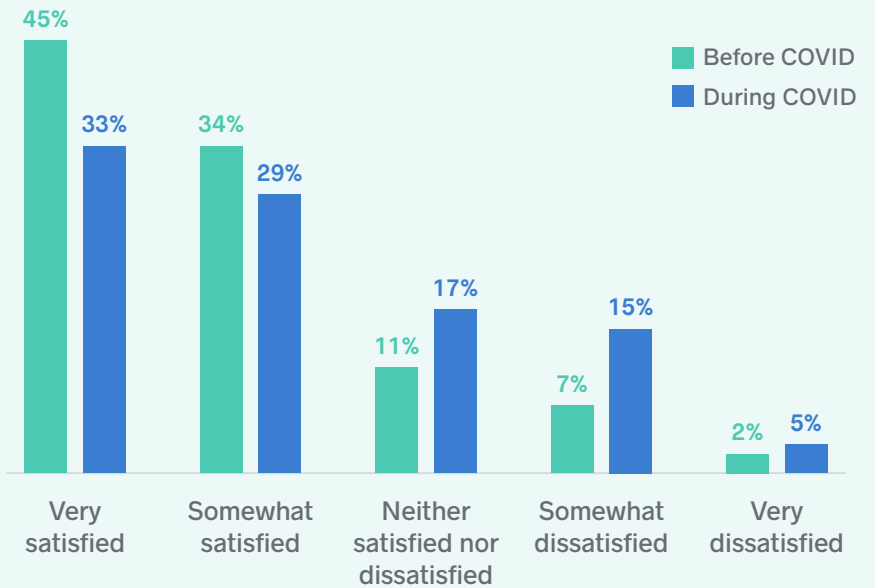
Satisfaction levels ran high for independents pre-COVID with 79% expressing overall satisfaction with being a full-time independent (45% very satisfied and 34% somewhat satisfied). As the pandemic and economic uncertainty trudged on across the summer months into the fall of 2020, dissatisfaction increased from 9% to 20%. Yet 55% of independent talent say they are no more likely to consider full-time employment now than they were before March 2020. And 86% of all freelancers believe that their best days lie ahead.¹

ARE YOU MORE LIKELY TO CONSIDER FULL-TIME EMPLOYMENT NOW THAN BEFORE MARCH 2020?



45% Yes
55% No

TALENT SATISFACTION WITH INDEPENDENT CONSULTING



THE PATH FORWARD

While 2020 has been a roller coaster for everyone, 67% of full-time freelancers said that freelancing has prepared them to cope with the uncertainty of the pandemic better than those in traditional jobs.¹

For companies, the shift to widespread remote work opens up a world of possibilities when it comes to resourcing critical projects. No longer are companies limited only to talent in the immediate vicinity of, or willing to travel to, their offices. With increased adoption of remote work, the scope widens, allowing business leaders to access a richer, more diverse pool of talent and find the absolute best person for the job—no matter where in the world they are located.

Throughout the pandemic, BTG has seen continuous, strong demand for highly skilled independents. As our clients' priorities changed from growth and innovation early in the year to corporate resilience and continuity as the scope of the pandemic widened, high-end independent talent have remained a critical piece of human capital for the world's leading companies. Looking forward—as the focus shifts to planning for a post-pandemic future and capturing competitive market share—it's clear that the need for a safe and flexible source of expert strategic thinking, hands-on execution, and in-demand skills will remain long into the next new normal and beyond.



“ Pre-COVID-19, managers might have been discouraged from working with outsiders, such as highly skilled freelancers, due to procedural issues, such as legal and compliance. Post-COVID-19, companies have stronger muscles for change management and workarounds in a crisis. As leaders prepare for a new normal and adapt their business models, they know they have an opportunity to think and act boldly. ”

— HARVARD BUSINESS SCHOOL AND BCG,
BUILDING THE ON-DEMAND WORKFORCE ⁶

SOURCES

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- 5 “2020 Skills Index.” Business Talent Group, July 2020.
<https://resources.businessstalentgroup.com/research/2020-skills-index>
- 6 “Building the On-Demand Workforce.” Harvard Business School Project on Managing the Future of Work and Boston Consulting Group Henderson Institute, November 2020.
https://www.hbs.edu/managing-the-future-of-work/Documents/Building_The_On_Demand_Workforce.pdf

READY FOR YOUR NEXT STEPS?

Independent consultants, executives, project managers, and subject matter experts offer a fast, flexible, and low-risk source of skills and expertise to help leading companies move through uncertainty and get the work done.

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