

PROUnlimited

PRO UNLIMITED'S INDUSTRY REPORT:

THE CONTINGENT WORKFORCE

*Trends, strategies and understanding the non-employee
landscape in 2019*

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EXECUTIVE SUMMARY

Organizations worldwide are using greater percentages of contingent workers to meet their staffing needs. These contingent workers are not only more prevalent, but they are also used more frequently in highly skilled, mission-critical roles. The organizations that manage contingent labor effectively will find themselves in a stronger position to win the war for talent.

In preparing this report, PRO Unlimited draws upon its 28-plus years of contingent workforce management experience. PRO also taps its exclusive bank of workforce management data to provide expert insights that will help organizations understand and improve their contingent workforce programs.

This paper will examine the market conditions and provide the latest data and insights that surround the contingent workforce management ecosystem in the following areas:

- Continued growth of the contingent workforce industry and the benefits of outsourcing
- The importance of governance and data that drives business decisions
- Artificial intelligence (AI), mobile and self-sourcing and their impact on contingent workforce management
- International IT marketplace insights
- Challenges in hiring international workers for U.S. companies

A LETTER FROM OUR CEO

“As the war for talent continues to heat up, savvy organizations are using every possible tool at their disposal to identify, attract and retain top talent, all while managing risk and driving cost-effective behavior for the business.”

- Andrew Schultz

More than ever, organizations worldwide are exploring new avenues for leveraging the **advantages a contingent workforce offers, such as access to talent, greater flexibility, innovation, cost reduction and protection against financial risk.** At the same time, empowered knowledge workers have more employment choices, with many taking advantage of and pursuing contingent work opportunities. Today, more than half of millennials regard the gig economy as a viable alternative to full-time employment.¹

In this report, we provide the latest statistics, trends and takeaways across managed services, governance, vendor management system (VMS) software, international business and suppliers.

As the war for talent continues to heat up, savvy organizations are using every possible tool at their disposal to identify, attract and retain top talent, all while managing risk and driving cost-effective behavior for the business. You'll read some exciting strategies for how organizations can deploy best practices to optimize their contingent workforce.

I look forward to continuing the conversation with you.

- **Andrew Schultz**, Co-Founder and CEO, PRO Unlimited

THE CONTINGENT WORKFORCE TIDAL WAVE CONTINUES TO SWELL

The U.S. labor market in 2019 has seen a strong start with a steady addition of new jobs each month, unemployment rate just under 4 percent and wage growth at 3.3 percent, according to the Bureau of Labor Statistics (BLS).² With this type of growth and healthy job market, it has become increasingly difficult for organizations to find enough quality talent. According to a Gartner Survey, the talent shortage is the top concern for employers across the globe in 2019.³

A look forward indicates that overall demand is expected to continue to rise. **Based on BLS data, several critical occupations are forecasted to see high growth between 2019 and 2026**, including substantial growth in several IT and Professional Services roles. For example, Application Software Developers (plus 31 percent), Market Research Analysts and Marketing Specialists (plus 23 percent) and Financial Managers (plus 19 percent) will all see significant 10-year growth.

Additionally, there is projected growth for healthcare-specific roles such as Home Health Aides (plus 47 percent), Personal Care Aides (plus 39 percent), and Medical Assistants (plus 29 percent). Similarly, AI is expected to have a major impact on job growth going forward, creating 58 million new jobs by 2022.⁴

As the full-time workforce continues to grow, so does the use of non-employee labor. Large firms estimate 30 percent of their procurement spend goes toward contingent workers.⁵ For the past two decades, organizations representing all industry verticals have experienced a steady increase in the hiring and utilization of workers who are defined as “contingent” or “temporary.”

Commonly referred to as temps, freelancers, gig workers, independent contractors and consultants, today’s contingent workers make up more than 40 percent of the entire workforce and are no longer just entry-level administrative assistants or blue-collar light industrial production workers.

57

million people now
make up the U.S. gig
economy.⁶

In a decade, it is
predicted that Fortune
2000 companies will
have no employees
outside the C-suite,
which further
examines the move by
some of today's biggest
companies towards an
on-demand
workforce.⁷

In fact, many organizations viewed as being on the leading-edge of their respective industries source more than 50 percent of their workforce in non-permanent roles to leverage the flexibility, specialization and cost advantages. Across all white-collar contingent workforce job categories within PRO's client base, Engineering roles are currently the highest in demand followed by Manufacturing, IT and Professional Services.

As the composition of the workforce has shifted from the baby boomer generation to one reliant on millennials, savvy businesses have realized that tapping into this talent requires more flexibility in where, when and how the work is performed.

In an increasing number of cases, companies are recruiting contingent workers to perform highly specialized functions such as data science, advanced software programming, predictive analytics and several other white-collar roles requiring deep expertise from technology and banking, to pharmaceuticals and healthcare.

COMPLEXITIES, RISKS AND COSTS ASSOCIATED WITH THE CONTINGENT WORKFORCE

While the use of contingent workers might seem to be a convenient and cost-effective way to complete critical projects within a short timeframe, there are a number of well-documented risks, hidden costs and complexities that are important to recognize and address.

Risks include, but are not limited to:

- Non-compliance with governing laws, rules and regulations
- Non-compliance with company policies
- Improper FLSA status (exempt/non-exempt)
- Failure to properly manage co-employment concerns
- Exposure to potential loss of intellectual property

Costs include, but are not limited to:

- Significant fines and penalties
- Overpayment due to lack of guidance on pricing
- Unmanaged overtime and/or project creep
- Decentralized, rogue and duplicate engagements

THE CONTINGENT
WORKFORCE TIDAL WAVE
CONTINUES TO SWELL

“Gaining visibility to contingent spend and measuring supplier performance across our enterprise has helped us access top talent in the marketplace at 10 to 15% less than costs prior to implementing our MSP/VMS program.”

- Global Head of Talent Acquisition, Fortune 500 Financial Services Company

After recognizing the risks and costs associated with the use of contingent workers, companies that implement a formal contingent workforce management program and strong practices to adhere to policies **enjoy a clear competitive advantage** while saving significant hard dollars, improving quality, implementing efficiencies and mitigating risks.

Companies that deploy a formal program typically achieve annual year-one savings of 6 to 10 percent (depending on the pre-MSP environment, some companies have saved more than 15 percent in year one). The primary components of a best-in-class program include the combination of a high-touch, purely vendor-neutral Managed Service Provider (MSP) with a robust VMS.

The highly experienced MSP team delivers full-service support while also lending expertise to help companies navigate the complex rules and regulations mentioned above. The VMS becomes a centralized command center, which provides seamless automated workflows, enterprise visibility and actionable intelligence.

DATA IS DRIVING STRATEGIC BUSINESS DECISIONS NOW MORE THAN EVER

A strong VMS partnered with a consultative MSP team can enforce the governance structures established by leadership. And, the VMS can capture key data points and calculate true metrics that highlight where the program is running optimally and where there is room for improvement.

Good governance is a hallmark capability of a successful contingent labor program. A set of rigorous rules and regulations is essential for operational efficiency and effective risk management. Only through proper governance can all stakeholders within an organization know the most effective ways of sourcing talent. Documentation, communication and explanation can ensure that hiring managers know why certain governance structures exist and what benefits they are reaping by complying with the proposed policies.

Across PRO's clients, those programs that have established governance structures enjoy more efficient time to fill, increased cost savings and higher worker quality:

- **Time to Fill:** Leadership's decision to mandate the use of the structured contingent labor program across the organization has resulted in an average of 16.8 days to fill professional positions. Compare that to a non-mandated program where average time to fill is 3.2 days. One might think that given these figures, an unstructured program can source talent significantly faster. However, being unstructured means being unaware of key steps in the requisition process – interviewing, resume review and candidate selection.

While some roles can be filled within 3.2 days, the majority of roles cannot be filled within this timeframe. Through further investigation, much of the activity is taking place outside of the system – where governance is not in place and efficiencies are not realized or, at the very least, not documented.

- **Increased Cost Savings:** Self-sourcing candidates and competitively bidding requisitions are two of the key pillars in driving cost savings within contingent labor. Companies typically face mark-ups that can range from 35 to 50 percent for staffing agency-supplied workers, and this can be dramatically offset through self-sourcing. However, if managers are not made aware of the benefits, these cost savings measures (and how to apply them) will not be realized. Managers will continue to either go outside of the streamlined process or blindly

create requisitions without first assessing the most cost-efficient mode of sourcing for their current needs. Awareness is increased through proper education, communication, standards and oversight.

- **Worker Quality:** The market for talent is tightening and it's critical to be as timely as possible when sourcing contingent labor to ensure access to the best talent. The speed of the sourcing process underscores the importance of a strong governance structure between managers and staffing suppliers. Workers are in the power position and consider multiple permanent and contingent roles when determining the next step in their career path. Understanding best practices and expectations for resume review, interview methods and onboarding practices helps to reduce the risk that a top-quality candidate falls out of the sourcing process (e.g. too long to hear back from manager, turned off by too many interviews, rates not aligned with market for skillset).

PRO can share those structures that are most effective in optimizing a company's contingent labor program and strategy. Examples include **VMS utilization, competitive bidding, rate exception approvals, supplier scorecarding and self-sourcing**. Additionally, leveraging innovative technology (such as Wand Mobile) can drive efficiency across the program.

HOW AI IS IMPACTING CONTINGENT WORKFORCE MANAGEMENT

\$30,000

Potential per-worker annual savings that could be realized by expanding a candidate search to alternate locations through AI-based recommendations.

0

Potential time to fill that could be realized through AI-suggested proactive resource redeployment.

AI is a term that we see everywhere, and many applications that we use in our daily lives already include some components of AI technology. When we shop online, our computer or phone recommends similar products. When we get lost, our GPS quickly identifies where we are and the fastest route to get us where we're going. By 2020, 25 percent of customer service and support operations will integrate virtual customer assistant technology.⁸

AI is meant to drive speed and efficiencies within our lives, so why can't we take this and apply it to our work lives as well? For those of us trying to effectively manage contingent workers, this leads to all sorts of exciting innovations and game-changing applications.

Consider, for example, a hiring manager who logs into a VMS to create a new position where she needs a temporary worker. As she starts to create the requisition, the AI works behind the scenes to identify ways to optimize this job posting. Optimization could be in the form of getting her qualified candidates more quickly, helping her find candidates that will perform better than average, or even saving the company money.

And that's just the tip of the iceberg. Throughout the contingent workforce management lifecycle, there are opportunities for AI to help deliver data-driven, real-time analytics that provide significant value. Business processes, managerial preferences and company policies can be built into the system to help deliver more relevant suggestions, while machine learning provides a feedback loop that makes the system ever-smarter. Furthermore, to maximize usage and efficiency, leading-edge platforms will surface this actionable intelligence right within the user's natural workflow rather than requiring them to toggle between systems.

In 2019 and beyond, you can expect AI to continue to enhance contingent workforce management in new and exciting ways. At PRO, we've leveraged our 28-plus years of industry expertise to develop more than a dozen AI use cases through our industry-leading Wand VMS to drive speed, quality and cost savings for our clients.

MOBILE USE DRAMATICALLY IMPROVES TIME TO FILL

23.7%

The average improvement in time to fill for organizations using Wand Mobile.

In recent years, there's been an increasing business need for high-end, professional contingent workers with unique skillsets, which are often exceedingly difficult to find in the marketplace. To hire these workers, businesses need to move quickly. Put simply, faster execution can mean the difference between identifying, interviewing and securing highly sought-after candidates and losing them to the competition.

So, how can organizations that are already starved for resources improve efficiency in the hiring process? Across industries, the average employee is now using multiple devices to get work done on the go, whether they're commuting to work, en route from one meeting to the next, or scanning emails from the couch at night.⁹ This mobile, multi-device approach is driving a gain of almost an hour a day of productive work time on average.¹⁰

But how does this impact the contingent workforce management landscape? **PRO's data shows that in particular, mobile usage has had a direct and dramatic impact on speeding up time to fill, a key metric for organizations and one that's traditionally been challenging to improve.**

With this in mind, Wand Mobile (PRO's mobile VMS app) has incorporated robust functionality that enables managers to compare candidate profiles side-by-side, drill down into resumes and schedule candidate interviews from their smartphones or tablets. With the war for talent being measured in minutes and seconds now, as opposed to days, any advantage that a hiring manager can leverage to source quality talent needs to be fully exercised.

Across PRO's client base in the U.S., organizations that use Wand Mobile for their contingent workforce management have seen an average improvement in time to fill of 23.7 percent. Drilling down into specific stages of the requisition lifecycle process upon which managers have a direct impact, mobile use resulted in quicker time from candidate submittal to interview being scheduled, as well as quicker time from interview being scheduled to fill time.

7 days

The average time savings achieved by using mobile during the hiring process (for a job that historically takes 30 days to fill).

36%

Increase in same-organization U.S. workers who employed Wand Mobile from 2016 to 2018.

Using an example of a job that historically takes 30 days to fill, the impact in time savings by using mobile could be an entire week! Now consider the cost for that week of productivity, and multiply by every contingent need across the enterprise, and we're talking about material value.

At a more granular level, mobile successes across PRO clients include:

- At a life sciences client, managers who used Wand Mobile had an average time to fill of 12 days, while those that didn't filled their positions in 16.6 days on average – a difference of 38.5 percent.
- At a large pharmaceutical client, the average time to fill for a population of clinical managers not using Wand Mobile was 21 days. The average for the remaining managers in the same peer group that utilized Wand Mobile was 15.5 days – an efficiency and time savings of 35.4 percent.
- A large consumer products client saw a significant efficiency savings via Wand Mobile, with managers using the app seeing an average time to fill of 13.8 days versus 22.9 days for those who didn't.

While mobile has had a powerful effect on time to fill, its impact extends far beyond hiring. Savvy organizations are using mobile VMS technology to complete tasks such as approving time sheets and expense reports, reviewing engagement changes and approving budget additions. PRO has also seen a significant increase in worker feedback reporting via mobile.

Mobile's positive impact is not only being felt by organizations and their managers, but also by the suppliers and contingent workers they partner with. Suppliers, for example, are using mobile to more quickly respond to new requests, schedule candidate interviews and review expenses.

On the worker front, offering contingent employees a mobile mechanism for filling out time cards and leveraging their phone's built-in camera to quickly and easily submit expenses has opened up exciting paths for increasing efficiency and eliminating friction. To this end, workers eager to make the most of their time have increasingly utilized mobile VMS apps. From 2016 to 2018, PRO saw a 36 percent increase in same-organization U.S. workers who employed Wand Mobile.

In 2019 and beyond, look for this trend to continue as VMS mobile apps become even more sophisticated and organizations looking for an advantage increasingly leverage mobile to ensure they are landing the top talent available and optimizing contingent workforce management.

TECHNOLOGY ENHANCEMENTS DRIVE MORE SELF-SOURCING

~20% +
per order: Savings opportunity using self-sourcing compared to agency-sourced positions.

For decades, organizations have leveraged their brand to help with talent acquisition for full-time positions, but they've historically lacked the resources to fill contingent requisitions the same way. But with unemployment generally down and competition for talent high, many companies are starting to rethink this paradigm.

Increasingly, leading-edge VMS technologies like Wand VMS are helping organizations solve this challenge. They're enabling companies to tap into private pools of candidates that want to work for the organization to fill these positions at a payroll service markup that's typically a fraction of the cost charged by staffing agencies.

In short, forward-thinking organizations are using Wand to expand the private network of potential workers they can self-source, including referrals, alumni, retirees and silver medalists. **Industry-leading companies are also leveraging the power of their brand through their public website and other means to attract candidates interested in contingent opportunities at their organization.**

For instance, a Fortune 100 company receives 40,000 candidate resumes per month. While this is a passive source for candidates (the candidates are coming to the company, not the other way around), this particular organization wanted to ensure that this population of talent was properly monitored and cultivated. Many of these candidates were willing to take on a contingent assignment as either a means to a full-time role, or to try out the organization and culture before making a full-time commitment.

Wand surfaces and matches these self-sourced candidates from within the request creation workflow, enabling managers to easily identify potential fits and engage this talent, taking advantage of opportunities to avoid traditional vendor-sourced mark-ups.

For example, recently a multinational technology company was looking to better leverage self-sourcing to drive cost savings. Using PRO's Wand VMS and working with PRO's MSP team, the client was able to curate its private talent network. Then, as the client created new requisitions in

5 to 30%

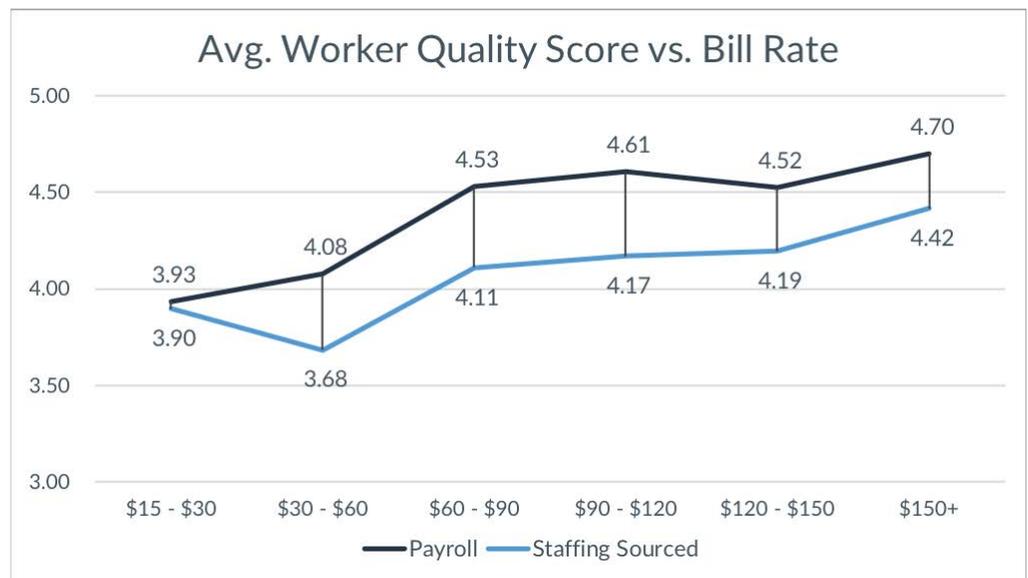
Increase in payrolled worker quality scores compared to other filled positions of similar hourly bill rates at a global life sciences company.

By filling more roles with self-sourced talent, the client has realized approximately \$565,000 in cost savings in the past year.

Wand, the technology helped identify candidates from its private talent pool that closely matched the position's requirements.

In another example, a global manufacturing and technology company implemented its talent network in late 2017 and has seen both fills and cost savings increase exponentially on this population. Averaging consistent placements through their talent network has enabled this client to save nearly \$500,000 per year, with plans to implement additional mechanisms to add workers to the pool in 2019.

Cost savings isn't the only advantage of self-sourcing, however. **Since direct-sourced workers are often known resources, organizations are also realizing improved talent quality through self-sourcing.** For example, a global life sciences client experienced payrolled worker quality scores 5 to 30 percent higher when comparing filled positions of comparable hourly bill rates across the organization. Likewise, a large pharmaceutical client experienced payrolled worker quality scores up to 11 percent higher for similar roles:



PRO is seeing similar cost savings and talent quality results across many clients, and you can expect this trend to continue as more organizations look to leverage private talent networks to help reduce costs, expedite time to fill and improve talent quality.

THE INTERNATIONAL IT MARKETPLACE

Whether companies are offshoring projects that are ultimately managed in the U.S. or are expanding to in-country offices in Bangalore, Pune or Chennai, India is reaping the benefits of the need for innovation. India continues its progressive charge toward becoming a dominant international technology hub. **However, the supply of talent cannot keep up with the increasing demand.**

The current IT talent shortage in India is already at 62,000 open positions. Demand for tech talent in India is expected to increase over the next three years by 90,000 positions. Over the same period, the supply of talent is expected to only increase by 12,000, which leaves a talent shortage of 140,000 by 2021.¹¹

To avoid being a victim of this talent shortage when sourcing positions in India, establish a strong culture and reputation that appeals to IT workers in India – career growth, perks and benefits. The candidates know that they are in demand and want to feel appreciated.

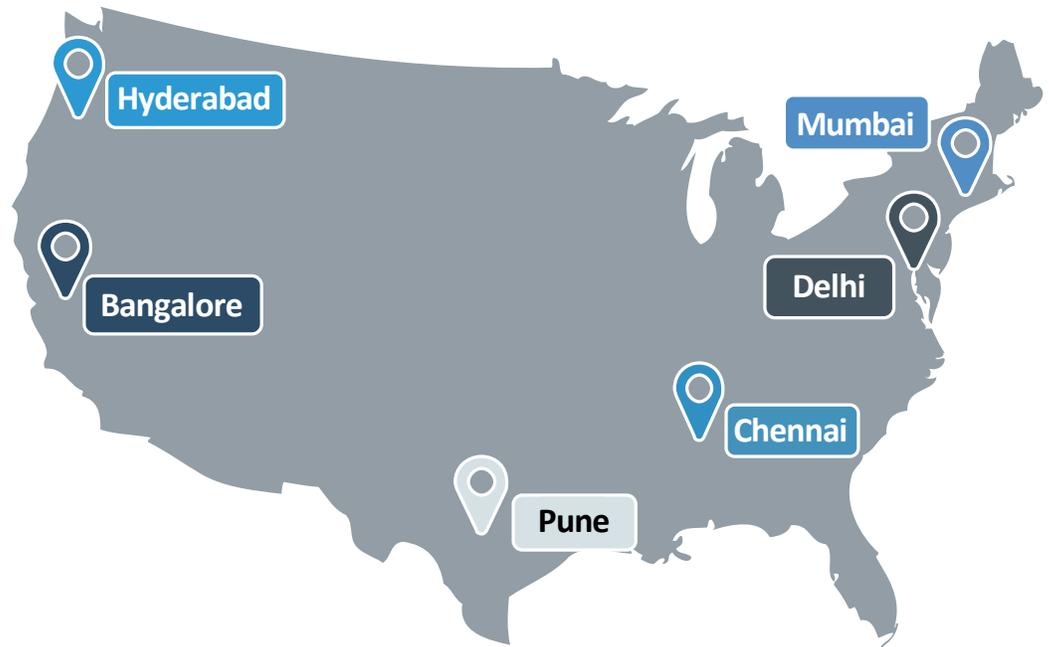
Job Title	Location	Potential Candidates	Salary Range (LPA)	
			25th%	95th%
Senior Software Engineer 8 -12 years of experience	Bangalore	2,600	12	26
	Hyderabad	1,400	16	26
	Mumbai	600	15	25
	Chennai	800	15	25
	Delhi / NCR	1,500	13	24
	Kolkata	250	12	20

Job Title	Location	Potential Candidates	Salary Range (LPA)	
			25th%	95th%
IT Solution Architect 9+ years of experience	Bangalore	750	13	42
	Mumbai	250	14	42
	Kolkata	80	12	42
	Chennai	200	13	40
	Hyderabad	200	13	40
	Delhi	600	11	40

LPA = Lakhs per annum where Lakh is equal to 100,000 INR

The supply of candidates is much greater for Senior Software Engineers versus IT Solution Architects, which is the primary driver for the rates variance even for candidates with the same years of experience.

INDIA COMPARED TO ANALOGOUS U.S. CITIES



HYDERABAD

U.S. Equivalent: Seattle, Washington

- Center of India's initial IT boom.
- Home to over 1,300 IT companies.
- Leading city in terms of GDP, revenue and taxes.
- 3,000+ jobs available for freshers across sectors.

BANGALORE

U.S. Equivalent: San Francisco, California

- A.K.A. Silicon Valley of India.
- Large volume of candidates in IT hiring space and has youngest tech talent.
- High cost of living – companies ready to offer competitive packages.
- Home to big foreign firms and 1,800 – 2,300 active startup firms.

PUNE

U.S. Equivalent: Austin, Texas

- Second-tier city that is growing in country and across PRO's client base.

CHENNAI

U.S. Equivalent: Nashville, Tennessee

- Popular in the industrial sector.
- Home to automobile, computer, technology, hardware manufacturing, communication and healthcare industries.
- Automobile sector accounts for 60 percent of India's auto exports.
- Business processes and IT services have increased its economic horizon.

DELHI

U.S. Equivalent: Washington D.C.

- Economic center, both corporate and entertainment hub.
- Significant industrial progress over the past 3 years.
- IT and manufacturing are the major sectors.
- 150,000+ IT professionals from neighboring states seek jobs here.
- Hub for domestic call centers.

MUMBAI

U.S. Equivalent: New York City, New York

- Commercial capital of India.
- Cost of living is high.
- Leading domains in production and manufacturing with major jobs in logistics, IT, healthcare and textiles.
- Trading hub of India – BSE (Bombay Stock Exchange).

EUROPE

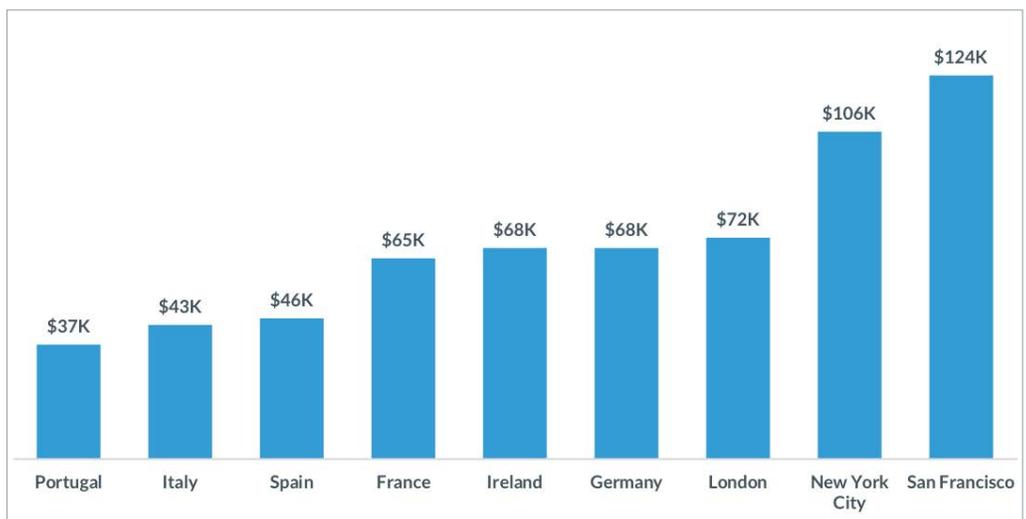
The uncertainty around Brexit has left many companies hesitant to commit long-term to establishing or continuing operations in London. In fact, many companies are preparing for Brexit by moving their operations elsewhere to cities such as Dublin, Warsaw or Berlin. Still others are treating Brexit almost as Y2K, reinforcing their infrastructures to prepare for the worst case scenario (although recent political votes appear to make a no deal Brexit unlikely). While London will remain a player on the international stage (Unilever recently cancelled its exit plan, opting to stay in London), a more competitive balance for economic activity can be expected between metropolitan regions across Europe.

- **Amsterdam, Netherlands:** Host of the FinTech conference Money20/20 in 2018 and 2019. Advantage of location and English-speaking population.
- **Eindhoven, Netherlands:** “Europe’s fastest growing technology hotspot” with a very high rate of patent applications.
- **Dublin, Ireland:** “Silicon Docks” area home to Google, Facebook, Accenture and Airbnb among others. Favorable corporate tax rates. Salesforce will soon open a new tower in the city center, which will be home to thousands of new tech jobs.
- **Barcelona, Spain:** Home to annual Mobile World Conference. Ranked 4th by Business Insider for top tech and innovation hub in Europe.
- **Paris, France:** Seen as the most promising tech city in Europe. Bolstered by President Macron’s desire to grow a major tech company in France and business incubators such as Station F (the world’s largest).
- **Berlin, Germany:** “Digital hotspot” for the last few years with many tech job opportunities. Living costs are 43 percent lower than London, Berlin’s main rival for tech activity.
- **Stockholm, Sweden:** Birthplace of Spotify and Soundcloud. It has been ranked above London, New York and Beijing as being the second best hub for tech startups.
- **Tallinn, Estonia:** Silicon Valley of Europe and where Skype was founded. Estonia is considered the most digital country in the world. Government has enabled the “Digital Startup Visa” to attract young tech talent.
- **Warsaw, Poland:** Poland was ranked third for best nations for coding skills. City is growing within the EU and will be home to the tallest building in the entire Union by 2020 with more expansion to follow.

Much of the IT activity and excitement in Europe revolves around startups and companies in their infancy trying to make a name for themselves. Young software engineers are excited about working in these fun, employee-friendly environments.

As more established companies expand to these emerging tech cities, they need to attract candidates using competitive perks and corporate cultures. Skilled workers need to feel comfortable leaving their dynamic, growing startup and joining up with a more established and stable company.

SENIOR SOFTWARE ENGINEER ANNUAL SALARIES BY LOCATION



Source: Atomico, Glassdoor, Startup Genome

INTERNATIONAL WORKERS: THE STRUGGLE IS REAL FOR U.S. STAFFING PROVIDERS

The popular H-1B visa, used to authorize workers from countries such as India and China for roles in technology and science, has become harder to secure.

4

Number of days it took for the 85,000 H-1B visas issued for 2019 to be exhausted.

With the “Buy American, Hire American” executive order from the presidential administration, U.S. staffing companies are seeing fresh challenges curtail efforts to engage international workers for their clients. In April 2018, the lottery for the 85,000 H-1B visas issued for 2019 was exhausted in just four days. While we’ve seen similar rushes to secure these visas in prior years, today’s international workforce faces additional challenges.

To ensure that U.S. workers receive the first option on jobs before companies hire international workers, there’s been increased scrutiny on all H-1B visa applications. This scrutiny hits the specialty occupations particularly hard, making it challenging to defend using visa workers for roles in technology and science.

These roles are traditionally hard to fill in today’s job market even before limiting the geographic scope that staffing agencies can use to find these resources. Don Godinez, Vice President of Strategic Accounts at Mindlance, shared that, “These roles especially limit resources available for positions in application development and maintenance, data management and big data, cloud security and mobile technology.”

Companies with a significant contingent workforce have traditionally remained “hands off” in the visa process, with staffing agencies fully owning the compliance and maintenance of international employees for whom they are the sole employer of record. **Today, however, client companies are required to provide more cooperation in regard to documentation and validation of business needs.** Elizabeth Deaton, Human Resources Manager at Latitude36, says, “There is increased scrutiny on the specialty occupation designation, which is requiring more cooperation from clients on documentation, detailed job descriptions and education requirements.”

PRO’s staffing partners are also seeing that international contingent workers themselves are often hesitant to move forward with new positions that might jeopardize their ability to live and work in the

H-1B processing timeline has had a major impact on an employer's ability to quickly engage a worker in a timely manner.

U.S. They are unwilling to resign from a role until their visa for a new role is approved and secure, as the outcome isn't as certain as it used to be. Often, the time it takes to become authorized to work in a new role is longer than the employing company is willing to wait.

Murali Krishna, Executive Vice President of Recruitment and Delivery at ICONMA, says, "Candidates who are on an H-1B are very cautious about H-1B transfers, with most wanting to wait for the H-1B transfer to be approved before making the move to join another employer."

These challenges create a deterrent for suppliers to engage international workers, with a significantly smaller pool of qualified resources for open positions. In addition, the H-1B processing timeline has had a major impact on an employer's ability to engage a worker quickly enough to satisfy the need of the client who requested the resource.

To ensure that staffing suppliers are able to continue providing the best available talent for clients, PRO recommends the following:

- Identify specific roles for which H-1B or other visa limitations prevent a supplier from identifying candidates.
- When sourcing a role known to have previously relied upon H-1B talent, be proactive in workforce planning to account for process challenges and ensure minimal delays.
- Review market rates that may have been undervalued due to the low cost associated with certain roles previously dominated by H-1B candidates. Rates should reflect the most competitive wages for the contemporary workforce.
- Further impacting this segment of the workforce is an anticipated ban on spousal work authorization expected to roll out in the coming months. As of May 2019, spouses of H-1B visa holders can also work in the United States under an H-4 visa. The removal of these visas impacts the household of those reliant upon H-1B visas, causing not only a financial impact that might impact the desired wage of a H-1B worker, but also a hesitancy to travel due to the uncertainty for a spouse's re-entry into the United States during the transition.

While PRO saw a small increase in visa workers from 2017 to 2018, the number remains just over 1 percent of the entire contingent workforce. PRO will continue to monitor this and other developments that impact our clients' ability to find the most qualified talent.

On the innovation front, staffing agencies are leveraging technology like never before. Account managers, sourcers and recruiters are constantly racing the competition to fill job requisitions. But given that new requests from top clients don't always wait until they're conveniently seated— how they can ensure a timely response? Enter PRO's Wand Mobile Supplier App, the first and only VMS app built with supplier users in mind.

Leveraging the industry-first Wand Mobile Supplier App, suppliers can manage candidate interviews, view requisitions and review/approve expenses from anywhere. **Wand's industry-leading Mobile Supplier App allows suppliers to:**

- React quickly to mobile push notification alerts of time-sensitive tasks, improving efficiency
- Schedule, manage and confirm candidate interviews, increasing speed to hire
- Review and approve expenses anytime and anywhere

For account managers sourcing talent, it's critical to deliver the best talent as quickly as possible. The Wand Mobile Supplier App drives incredible efficiency in this area by enabling users to easily submit candidates to requests. Using the app, users simply select the candidate they have in mind, add details pertinent to the request, and tap "submit." It's both a convenient and powerful way to improve response time and accelerate time to fill.

With a range of innovative, intuitive functionality designed to empower users to manage key items throughout the entire contingent workforce lifecycle while they're on the go, the Wand Mobile Supplier App is a true game-changer.

CONCLUSION

To help your organization ensure it continues to thrive in this evolving landscape, use the ideas and strategies covered in this report to launch new discussions and approaches aimed at optimizing your company's contingent workforce program.

For a further discussion about the state of contingent workforce management, an analysis of your current contingent workforce program or a Wand VMS demo, please contact PRO at (800) 291-1099 or information@prounlimited.com.

ABOUT PRO UNLIMITED

PRO Unlimited, through its purely vendor-neutral MSP and VMS solutions, helps organizations around the world address the costs, risks and quality issues associated with managing a contingent workforce. A pioneer and innovator in the VMS and MSP space, PRO offers solutions for e-procurement and management of contingent labor, 1099/co-employment risk management, and third-party payroll for client-sourced contract talent.

FOOTNOTES

1. Deloitte, [“2018 Deloitte Millennial Survey,”](#) 2018
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