

SUBMISSION

**The Inquiry in to The On-Demand Workforce in
Victoria**

**Provided by Jacinta Whelan, Partner
& Donna Burr, Associate Partner
Watermark Search International**

20 February 2018

Ms Natalie James
On-Demand Workforce in Victoria
Victorian Government
Vic

20th February 2019

Dear Ms James

Watermark are the market leading executive level Interim business in Australia. We are advocates for future of work models and our submission supports the importance of commercial structures that enable a vibrant and sustainable 'gig' economy. We suggest it is vital that the 'gig' market has regulation, governance and a framework.

While there are many access points for people to engage with the 'gig' economy such as on tech platforms, intermediaries or brokers, our focus in this submission is the executive level professional interim market. Watermark Executive Search Interim business focuses on the executive level market and we produce an annual survey which has come to be regarded as Australia's best data on the metric's within the executive level interim marketplace.

The benefits to broader society of an actively engaged executive level or mature cohort of works has the benefit of 'turning the dial' on many important social policies for Australia. The demographic or age profile of Watermark Interim Executives is generally baby boomers. Keeping this generation working has well published benefits around productivity, contribution to the tax systems, more self-funded retirees, less burden on the health and welfare systems and many other interlinked benefits by which society measures its success.

There is a wealth of misinformation about what the 'gig' economy is and what it is not. Watermark play a role in educating both the demand & supply side of the employment equation. We work with clients who want access to talent they can 'borrow' rather than 'buy' and we work with the growing number of people who are choosing project based work or a 'portfolio career'.

We present this submission as a proven working model of how the market is engaging with gig workers and welcome the opportunity to partner with the Australian government to understand what these new models mean to our society.

Regards



Jacinta Whelan
Partner
Watermark Search International



Donna Burr
Associate Partner
Watermark Search International

The Gig / Interim Market

Defining the Gig Economy

The 'gig' economy is "a labour market characterised by the prevalence of short-term contracts or freelance work, as opposed to permanent jobs".

Not Just Uber Drivers – encompasses people across professions and across income levels:

- Contractor
- Consultant
- Freelancer
- On-Demand Worker
- Part-time Worker

The Open / Gig economy

(source: Gallop Poll at [Forbes](https://www.forbes.com) .com)

- 57 million people took on Gig work in the US in 2019
- 36% of US workers did GIG work in 2019
- Total 2018 US Gig Economy Spending \$800 Billion ([Staffing Industry Analysts](#) (SIA))
- Total global Gig Economy spending at estimated \$3.7B

The New Social Contract

(source: Deloitte, *The Future of the Workforce – critical drivers and challenges*)

- There are major changes in the employer-employee relationship.
- The days when a majority of workers could expect to spend a career moving up or across the corporate ladder at one company are over.
- Young people anticipate working for many employers and demand an enriching experience at every stage. This leads to expectations for rapid career growth, a compelling and flexible workplace, and a sense of mission and purpose at work.
- In addition, contingent, contract, and part-time workers make up almost one-third of the workforce, although it is worth noting that many companies lack the human resource/talent practices, culture, or leadership support to manage this new workforce.

The Future of Work of in Australia

In 2016 Australian ASX data has the contingent workforce in ASX Top 200 at 16% and predicts an increase to 30% by 2020. Australia is following on from a trend that the USA and Europe embraced in the 1990's and gained further momentum at the time of the Global Financial Crisis (GFC). Figures from the American Bureau of Statistic have the contingent workforce at 40 – 45% of workforce.

Videos

- [The Rise of the portfolio career](#) – Interim Executive Partner, Jacinta Whelan talks about the future of work and the Rise of the Portfolio Career.
- [The 100 Year Life](#) – by London Business School, Lynda Gratton
- [Navigating the future of work](#) – Deloitte Insights - The future of work holds myriad possibilities for change.

Executive Level Interim Market

What's behind the growth in Executive Interim?

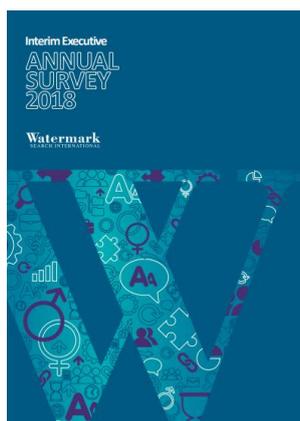
The executive labour market, like so many others has become 'contingent'. A report from Deloitte – [Navigating the future of work](#) sets out that:

- Baby boomers are working into their 70s and 80s, which is in the main driven by financial necessity and improved health.
- Nearly one-third of working Americans intend on working into their 80s, and a quarter of Australians (baby boomers).
- Almost half of the executives surveyed by Deloitte (42%) expect to increase or significantly increase the use of contingent workers in the next three to five years, while only 16% expect a decrease.
- Today, more than one in three US workers are freelancers—a figure expected to grow to 40% by 2020
- According to Deloitte's Human Capital Trends Report, 71% of executives believe their companies are "somewhat" or "very" able to manage contingent workers. The top three challenges cited include:
 - legal or regulatory uncertainty (20%),
 - a corporate culture unreceptive to part-time and contingent staff (18%), and
 - a lack of understanding among leadership (18%)

Watermark Search International 2018 Annual Interim Management Survey Results

Since our last report, we've seen some fascinating changes in the growth of the market, linked closely to the changing nature of the Australian workforce and in line with the more developed economies of the US and Europe.

In our most extensive survey to date, we've collated the data from close to 500 respondents from a wide range of Interim Executives. [View the Survey Results here.](#)



Key Findings:

- Interim is no longer the new kid on the block – mainstream approach
- Rise of the "Solutions Savvy" Interim – to future proof against disruptors
- Shift from individuals filling gaps to augmenting internal teams to drive productivity and growth
- Business transformation and change key driver for assignments

Watermark Search 'Interim Executive' practice

Watermark International Search is the largest dedicated 'interim management' practice in Australia. Established in 2009 we have four specialist partners focussed solely on meeting clients' requirements for shorter term placements. We have developed a pool of qualified senior executives, available immediately and from a wide variety of sectors and professional disciplines for flexible interim deployment.

What is Executive Interim Management?

Interim management is the temporary provision of management resources and specialist skills. It can be seen as the short-term assignment of a proven heavyweight interim executive manager to manage a period of transition, crisis or change within an organization who is available immediately.

What sectors utilise our interim 'pool' of executives

Our pool of interims is drawn from a range of sectors including:

- Private & Public Health
- NFP
- Professional services
- Education
- Human Services
- NGO & Voluntary
- Property and construction
- Energy & Renewables
- Retail
- FMCG
- Biotech
- Water and Utilities
- Logistics and Supply Chain
- Federal, State, Local Government
- Government agencies
- Infrastructure

We provide interim solutions across the 'C-Suite' functions for a range of specific business situations.

Our interims are typically engaged to cover an executive management gap; offer subject matter expertise; provide independent advice; deliver a project or program of work. Often the interim is overqualified for the role and is therefore capable of quick delivery.

Examples of functional roles are: CEO, COO, CFO, HRD, Chief Procurement Officers, Supply Chain Executives, Marketing Director, Chief Digital Officer, Corporate Director and Transformation Director.

Watermark Executive Interim model and governance framework

Our process offers companies assurance of a formal framework and governance around the process of appointing an interim or 'contingent' executives. Our process is as follows:

- Watermark search is appointed to recruit the position; we will act on the brief provided to shortlist a small number of suitable candidates who are available immediately from our existing talent pool.
- The client review the CVs and select all or several for an interview process to be conducted.
- Watermark will arrange interviews and manage feedback.
- Watermark will take up references on the selected candidate and manage the offer process.
- The selected candidate can either will work 'through' Watermark on an agreed 'day rate' or be engaged directly by the client.

Biography



Jacinta Whelan, Partner Exec Interim Management

A thought leader and popular speaker on the concept of Interim Management, Portfolio Careers and future ways of working. Jacinta has more than 20 years' experience starting and leading Interim businesses in Hong Kong, New York and Australia.

Jacinta leads the Melbourne business of Watermark Interim Management which focuses on interim appointments in both public and private sectors with a particular emphasis on CEOs and COOs, senior executives in IT&T, human resources specialists, project and program management experts and business turnaround and change consultants.

Jacinta hold a Bachelor's Degree (Marketing & Accounting) Charles Sturt University, Bathurst, is a graduate member of AICD (2008) and graduate of Harvard Executive Leadership School (2018).



Donna Burr, Partner Exec Interim Management

Donna's experience and passion for seeing businesses thrive has led her to this role at Watermark; brokering interim senior executives who chose a portfolio career into businesses who can benefit from their vast experience, professional guardianship and deep specialist skills.

Her background combines a career in Chartered Accounting, Assurance & Advisory and Human Resources. She has local and global experience across financial services, manufacturing, utilities and not for profit sectors and her passion for business improvement has seen her involved in major transformational and performance work for many corporates. She holds a Bachelor of Commerce and is a member of the Institute of Chartered Accountants.