

The state of independent contracting in field services

Growth in independent contracting changes how businesses and field service professionals connect to get work done.

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The workforce across all industries has transformed significantly in the past few years. This fundamental shift in the way we work has forced businesses and workers to rethink types of employment, job norms, and work-life priorities.

Recent events have accelerated these changes, but the evolution of work has been underway for quite some time—championed, in part, by the tech industry's push toward alternative work styles that optimize access to high-value workers.

The nature of contract work has evolved, posing new opportunities.

Across many industries, workers now choose in great numbers to work as independent contractors despite ample full-time, salaried opportunities in the traditional workspace. This is also true in the field service space, where experienced employees self-select independent contractor roles to have more control over the work they do and how they do it.

Only a few years ago, the IT workforce perceived contract work as an alternative only if full-time employment wasn't available or as an option to augment income. But the model has changed as more workers embrace flexibility and autonomy.

As a result, workers note a higher degree of personal and work-related satisfaction, and say their new work style will remain their long-term preference.

Businesses and contractors that embrace the trend are finding success.

Businesses quickly realize the immense value of engaging experienced, professional independent contractors. By augmenting their full-time staff with independent contractors, they can create more agile workflows and meet growing IT demand.

New technologies speed the process by offering agile workforce solutions.

In the past, when looking for IT field service contractors, businesses would turn to local staffing agencies, which can have limited networks, or third parties that typically take responsibility for the entire project beyond just the labor. But new options have emerged to connect businesses with contractors. At the center of this evolution are on-demand labor platforms that make high-quality contract work more accessible and easier to source.



Meeting increased demand for skilled labor is a formidable challenge

To attract skilled talent, businesses are reconsidering traditional workforce models that rely on permanent full-time employees. They're finding that a blended workforce including seasonal, temporary, and part-time workers, along with contractors and freelancers, can expand their reach and agility.

A blended workforce offers strong advantages to businesses that find the right mix.

The shift toward contract labor is already underway. According to the [Contingent Labor Imperative Report](#), the average contingent (non-permanent) labor share of enterprise workforces is expected to increase from 28% today to 33% in 18 months and 36% in five years. The report also notes that most organizations' share of skilled contingent labor is substantial.

Businesses recognize the [blended workforce model](#) helps them meet temporary workload needs, increases productivity, provides a reliable solution for completing tasks, and keeps costs down. Most importantly, through a contract-based model, businesses can access specialized skills and hard-to-hire talent, nationwide.



Businesses that adapt to new work styles will be future-ready.

The need for skilled IT professionals is at an all-time high due to an unprecedented, [transformational investment in tech to address digitization trends](#). Businesses have relied more on contract labor solutions to meet this demand.

The stress for businesses is real. Data from research and advisory firm IHL Group demonstrates that IT spend as a factor of revenue has increased by 40 to 50% since 2019. Additionally, there is an increased need for on-demand skilled IT field service personnel, available across locations, often simultaneously, and these demands are often geographically spread. For example, the financial services industry is under pressure to maintain high

security standards. As a bank updates security, it may need to upgrade hardware at each branch location nationally, at roughly the same time.

This presents an ideal situation for hiring IT field service contractors who are up to the task.

Labor platforms help hiring managers find and build new connections with contractors.

The need for skilled independent IT field service contractors will continue to increase. Talent managers must broaden their reach to meet the demand. Platforms that connect businesses with skilled contractors are becoming more valuable by offering an easily navigable space where hiring managers can search for professionals with specific skill sets where and when needed.



The need for skilled IT professionals is at an all-time high due to an **unprecedented, transformational investment in tech to address digitization trends.**





More high-quality IT field service professionals opt for contract work

A recent [MBO Partners' State of Independence in America 2022](#) report confirms that independent contractors are establishing a more central role in the economy as the pool of full-time independent workers has increased from 38.2 million in 2020 to 64.6 million in 2022.

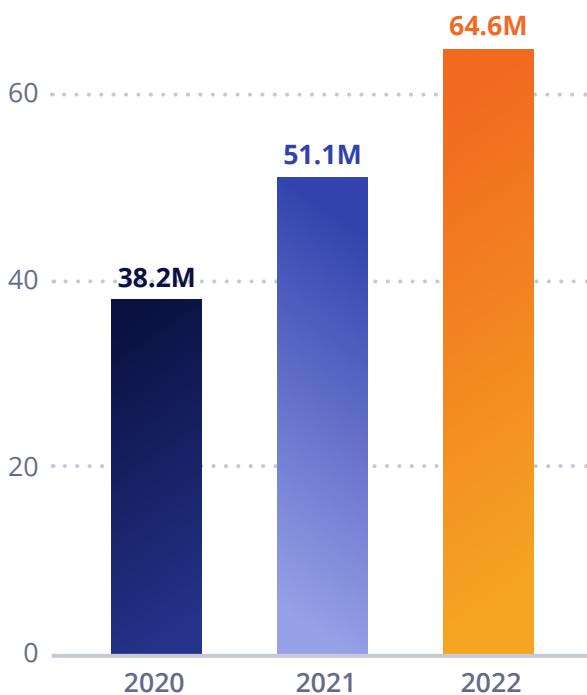
As more work becomes available, skilled contractors discover new work options and projects that fit their skills. These opportunities foster a more profound sense of career opportunity and afford contractors better lifestyle choices.



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Number of full-time independent workers



Source:
MBO Partners' State of Independence in America 2022 report

Market demand for skilled IT field contractors gives contractors more choices.

In late 2022, the [Computing Technology Industry Association \(CompTIA\)](#) cited the 25th straight month of net employment growth for the U.S. tech industry. The report's analysis of the U.S. Bureau of Labor Statistics (BLS) Jobs Report showed that the industry's unemployment rate in the U.S. was 1.8% (as compared with an overall national rate of 3.5%). It also noted that 30% of all tech job postings are for positions in emerging technologies, such as artificial intelligence, or roles requiring specialized tech skills.

Professional field service independent contractors confirm the trend on labor platforms like Field Nation, which adds more than 600 qualified IT field service professionals nationwide each week.



In IT field services, experience reigns.

The workforce choosing IT field services contract work is highly experienced, with an overwhelming majority having a decade or more of experience.

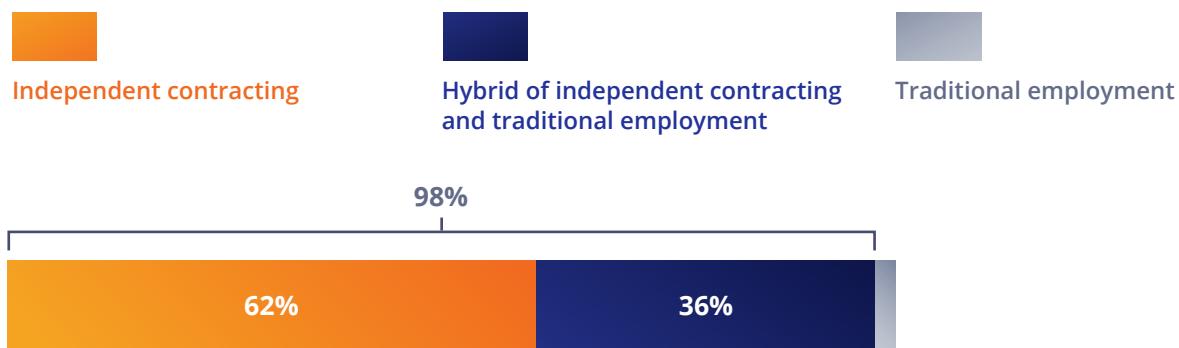
Years of experience



Source: Radius - Field Nation 2022 Independent Contractor Study
Q. How many years of experience, if any, do you have doing on-site IT work?

Skilled IT professionals can command high salaries and attractive perks as full-time, salaried employees. Still, they intentionally choose field service contracting positions instead to support the new way they want to work. Additional work opportunities make a contracting career more feasible.

Contract work preferences



Source: Radius - Field Nation 2022 Independent Contractor Study
Q. Regardless of what you do currently, do you prefer to work as an independent contractor for a traditional employer, or for both?

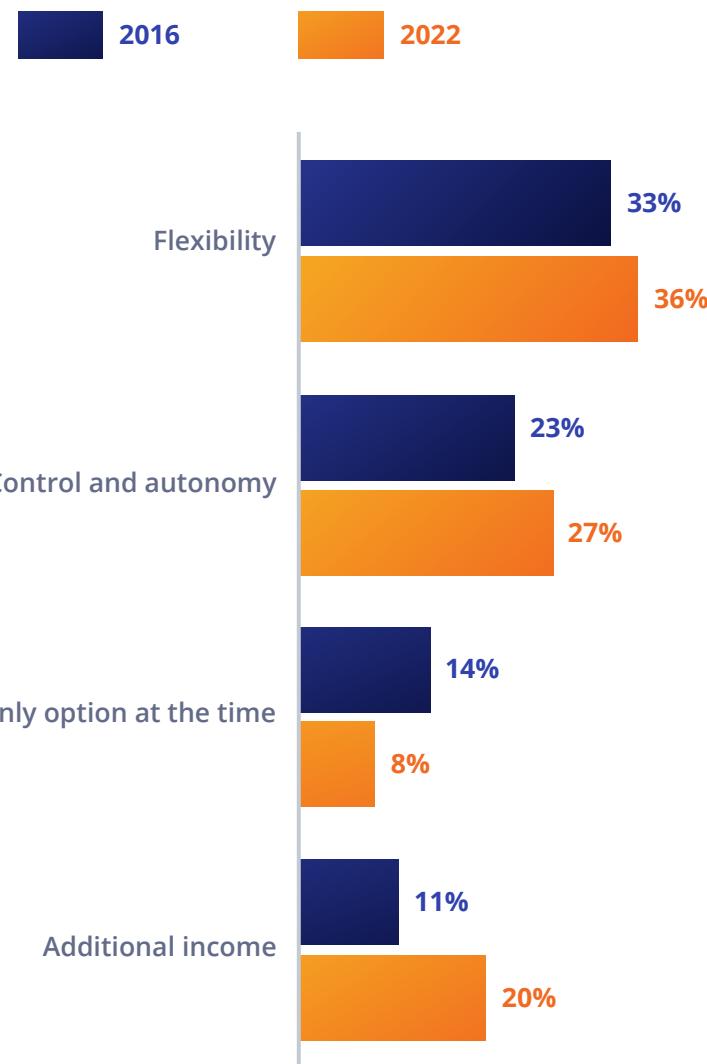




Another key driver for contract workers: better options.

Reflecting strong national trends, contract workers also report workstyle-based reasons for opting to contract. Flexibility, time management, and control of the type of work are important factors. The availability of more choices means they can also have more control over their career path.

Reasons to work as an independent contractor



Source: Radius - Field Nation 2022 Independent Contractor Study,
The 2016 Field Nation Freelancer Study

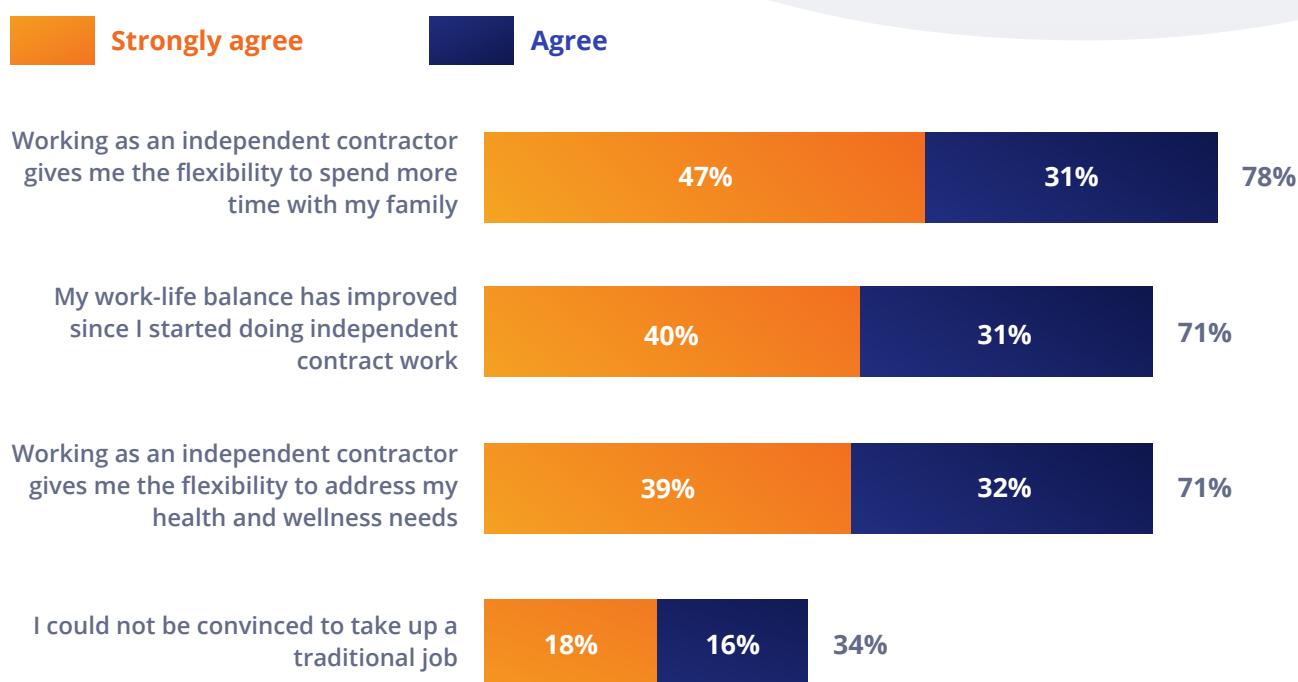
Q. Which of the following best describes why you are an independent contractor?

Increased autonomy leads to higher job satisfaction for contractors.

Contractors express high satisfaction levels on work/life balance, placing value on more family time or the ability to address health and wellness needs.

Overall, contractors find it easier to align their work with their top priorities, leading to increased job engagement and a willingness to continue their work.

Work preference



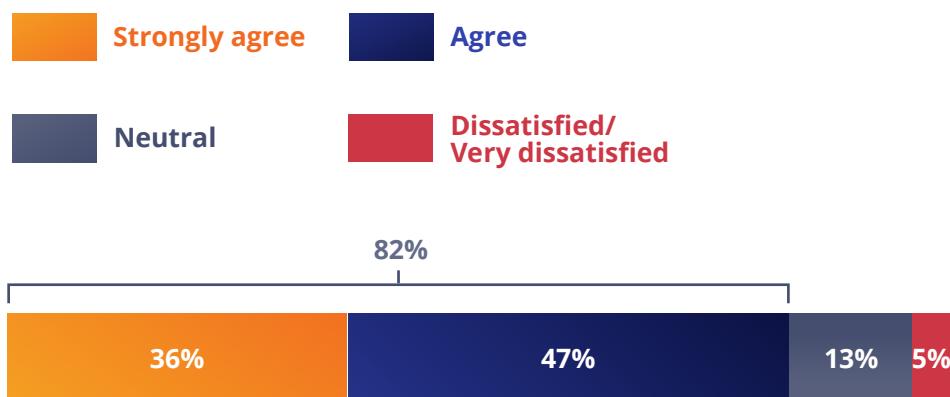
Source: Radius - Field Nation 2022 Independent Contractor Study

Q. How strongly do you agree or disagree with the following statements?
(based on 5-point scale)

Overall, contractors find it easier to align their work with their top priorities, **leading to increased job engagement and a willingness to continue their work.**



Work satisfaction



Source: Radius - Field Nation 2022 Independent Contractor Study
Q. How satisfied are you with the work you do on a daily basis?

The growth in contract work creates a need for smarter points of connection.

The development of a permanent and growing contracting sector is leading to positive change industry-wide. Contractors can now be more strategic about how they look for work and identify projects that hold the highest value. Labor platforms play a central role in helping contractors market themselves for the work they want to do. Through platforms, contractors can establish direct connections with hiring managers in the industries and markets where they're most eager to work.





Labor platforms connect businesses and skilled IT professionals

The availability of digital labor platforms has increased fivefold in the last 10 years, and contractors and businesses are widely adopting the platforms.

According to [MBO Partners' State of Independence in America Report 2022](#), 4 in 10 (41%) independents who provide services to businesses reported finding work on labor platforms, up from 15% in 2015 and just 3% in 2012. Labor platforms make independent contractors more accessible and easier to source.

Businesses that leverage labor platforms gain a competitive advantage.

The fast increase of platform usage by IT field service contractors creates a large talent pool where businesses can find the high-quality IT professionals they need. These platforms offer an ideal solution for service delivery leaders looking for:

1. Highly experienced IT field service professionals.

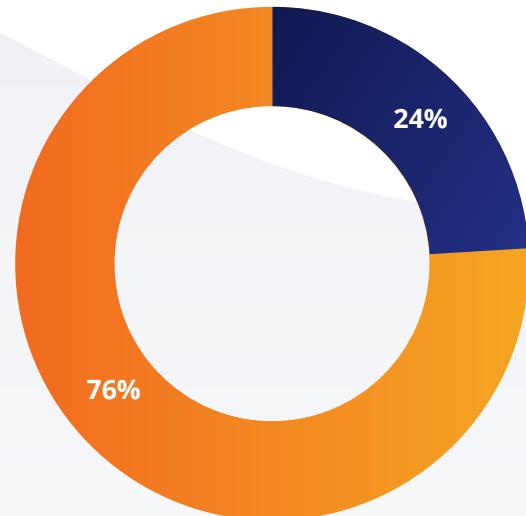
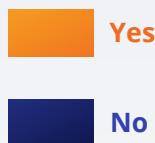
The [Radius - Field Nation 2022 Independent Contractor study](#) found that over 67% of independent contractors on labor platforms have been doing on-site IT work for over a decade, making it easier for hiring managers to find experienced professionals to support their work.



2. Access to IT contractors who are trained and certified.

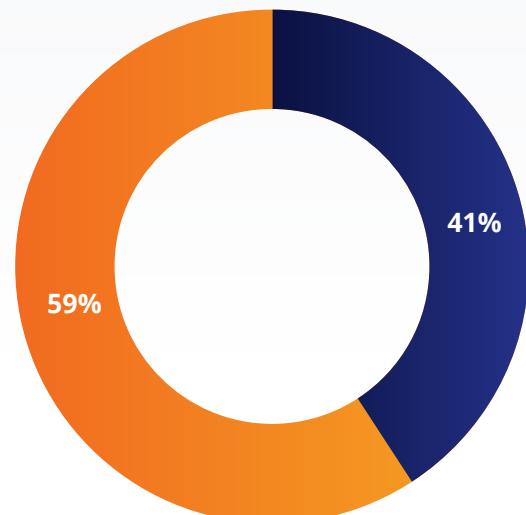
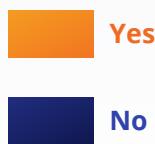
Platforms make it easy for contractors to highlight their specific skills and certifications so hiring managers can zero in on the skill sets they're looking for. Technicians that use platforms are highly skilled, with 3 in 4 reporting formal IT-related training and education, and 3 in 5 reporting an IT-related certification according to the *Radius - Field Nation 2022 Independent Contractor study*.

Has formal IT-related training/education



Source: Radius - Field Nation 2022 Independent Contractor Study
Q. What is the highest IT-related formal training or education you have, if any?

Has an IT-related certification

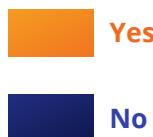


Source: Radius - Field Nation 2022 Independent Contractor Study
Q. What IT-related certifications, if any, do you have?

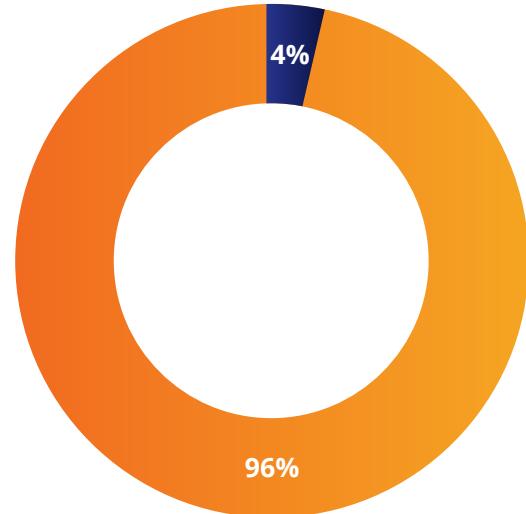
3. Contractors are highly engaged and satisfied with their work.

Job satisfaction rates are high for users in the *Radius - Field Nation 2022 Independent Contractor study*, with 4 out of 5 IT field service independent contractors signaling satisfaction with their current work and almost all expressing interest in more independent contract work.

Interest in more independent contract work



Source: *Radius - Field Nation 2022 Independent Contractor Study*
Q. Are you interested in getting more independent contract work?



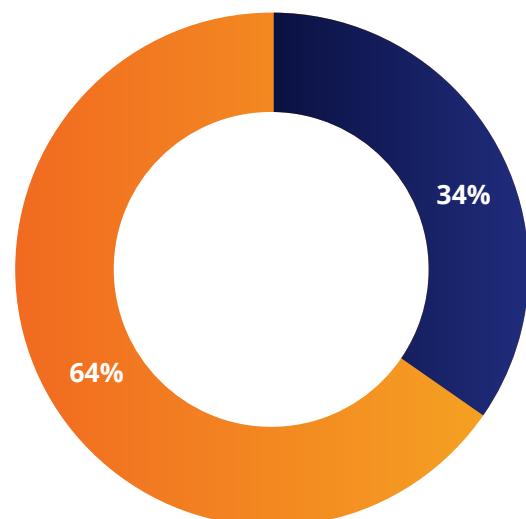
Here to stay—contractors are committed to growth and new opportunities.

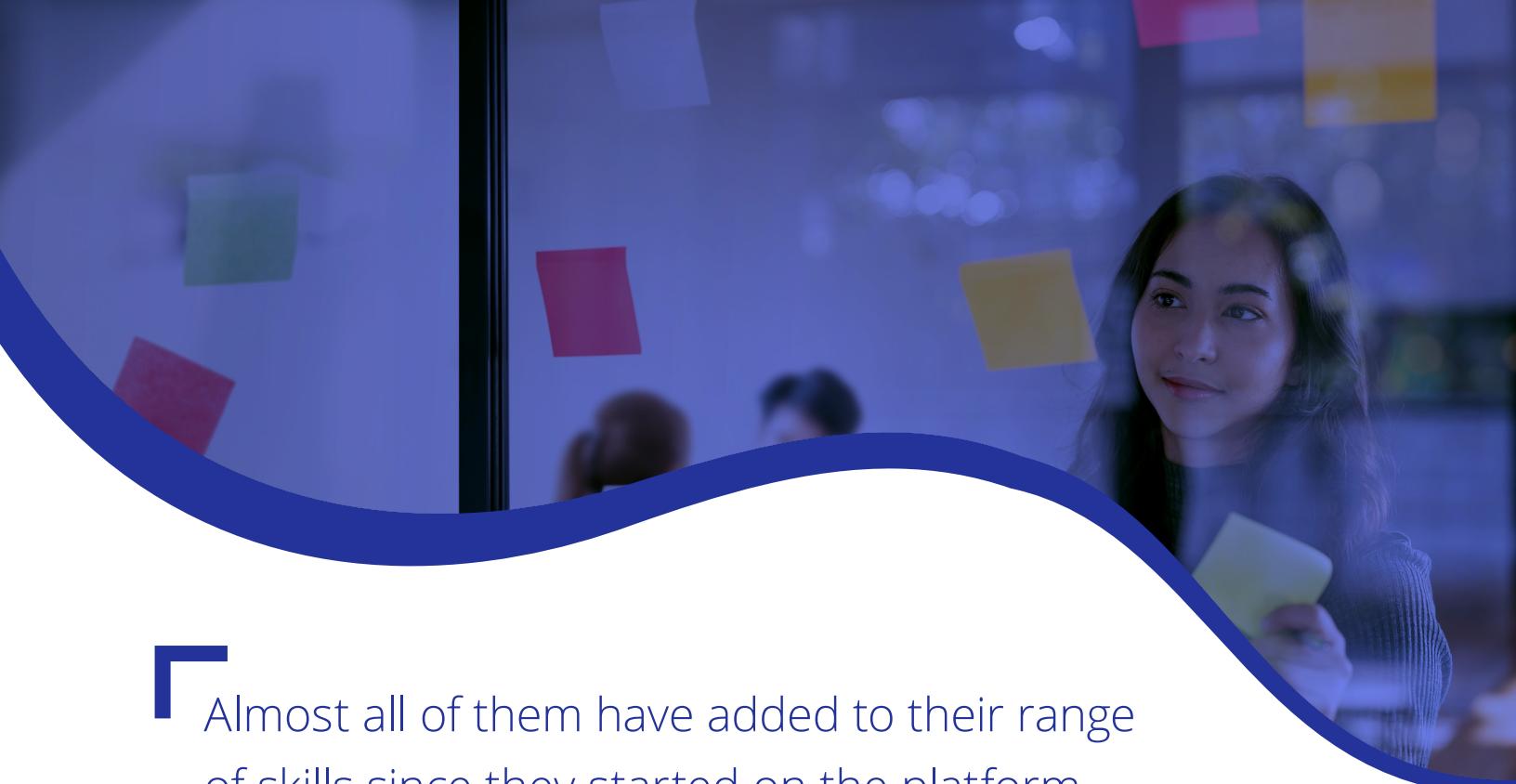
The growing community of IT field service contractors on the Field Nation platform includes highly skilled professionals who make contract work their career of choice. In fact, the *Radius - Field Nation 2022 Independent Contractor study* confirms a majority of these contractors—64%—have been contracting for more than 5 years.

Years freelancing/contracting/running own business



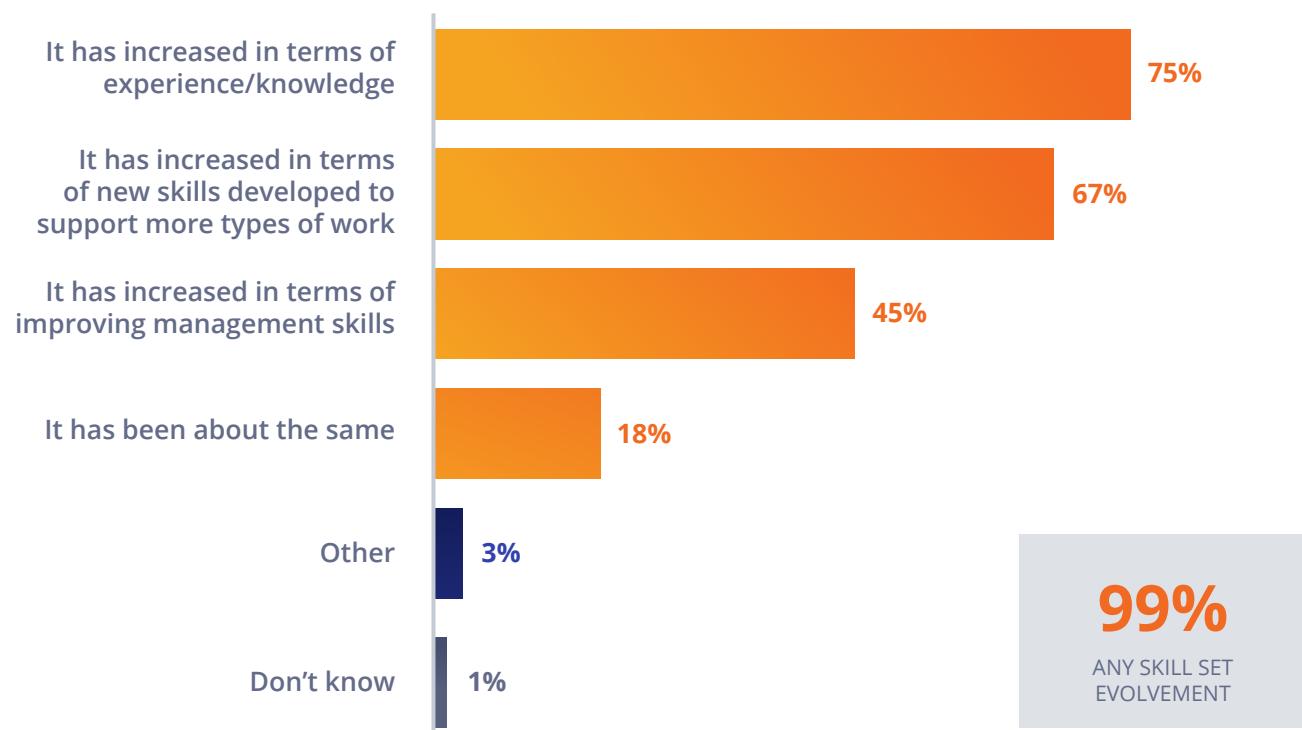
Source: *Radius - Field Nation 2022 Independent Contractor Study*
Q. How many years have you been freelancing/contracting/running your own business?





Almost all of them have added to their range of skills since they started on the platform.

Skill set evolution with Field Nation platform

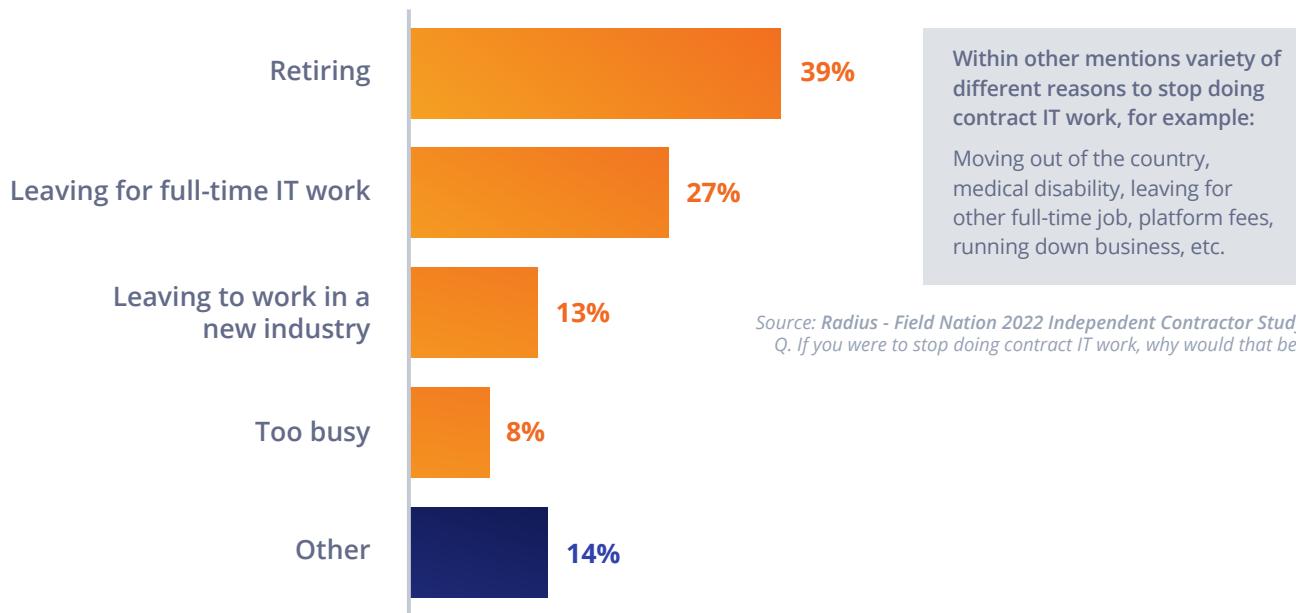


Source: Radius - Field Nation 2022 Independent Contractor Study
Q. How, if at all, has your skill set evolved since you started on the Field Nation platform?

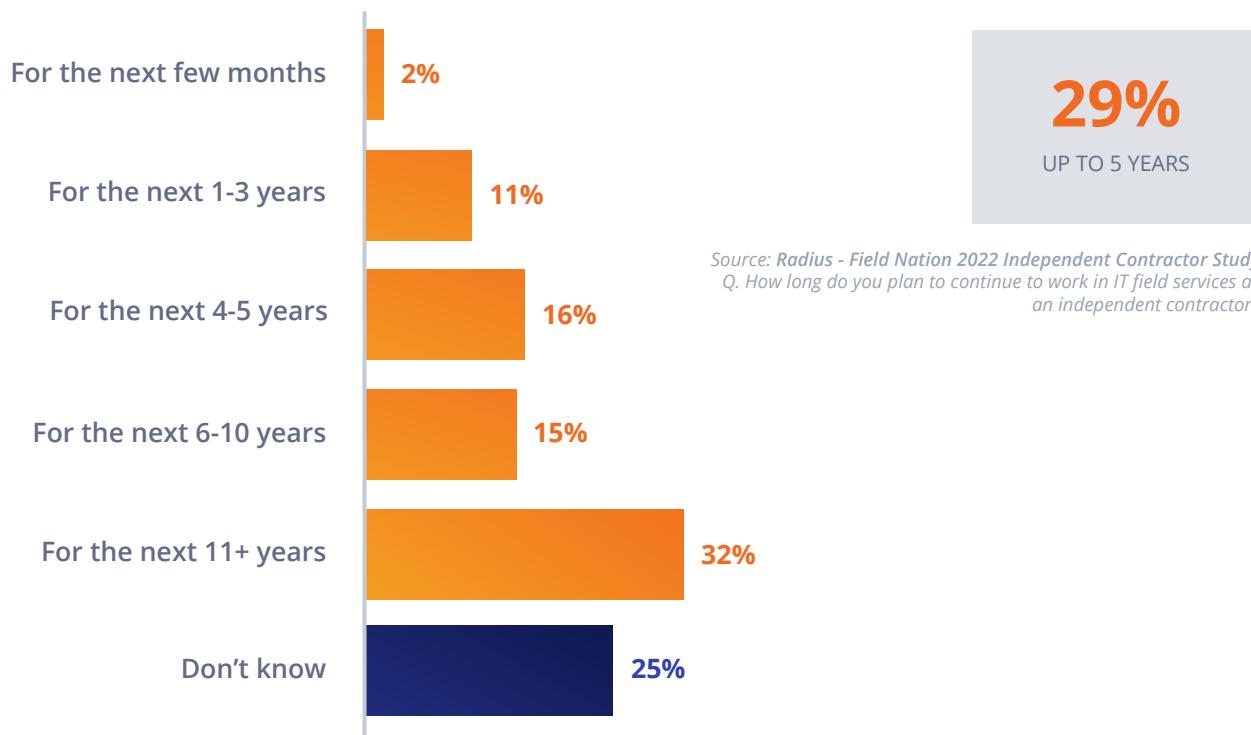
According to the *Radius - Field Nation 2022 Independent Contractor study*, when asked for reasons that might compel them to stop contracting, a full 39% of IT field contractors cited “retirement” as their main reason, indicating an “all-in” attitude for a large number of contractors.

From early-stage career growth to a healthy retirement, contractors are using labor platforms to advance their careers, project-by-project, with an eye on longevity.

Reasons to stop doing contract IT work



Years independent contractors will continue to work in IT field services



Key takeaways

Increased market demand is driving the need for new staffing solutions. With the increased application of technology solutions across industries, the demand for tech support, particularly on-site, has grown. **The tech sector has seen 25 months of unprecedented employment growth**, and is experiencing a **low unemployment rate of 1.8%**, along with a growing need for highly skilled IT contractors to support new and emerging technologies.

Labor platforms enable access to highly skilled technical professionals. 67% of respondents have more than a decade of experience, and more than 75% have some formal training or education. Labor platforms are uniquely positioned to solve staffing crisis for businesses that need to send skilled and experienced technicians to thousands of geographically dispersed sites at once.

A desire for flexibility is driving changes in the workforce. 36% of IT field service professionals surveyed want to gain flexibility, and 27% cite autonomy in their careers as top drivers. These contractors are here to stay, and businesses need to quickly understand how to access them.

Businesses must adapt to new workforce models. Businesses have realized that using a blended work model (combination of full-time employees and contractors) offers benefits that a traditional work format cannot. **IT spend as a factor of revenue has increased 40 to 50% since 2019**, and businesses will need to find new ways to ensure schedule flexibility and widespread availability of IT professionals across locations.

Early adopters are gaining a competitive advantage. The non-permanent labor share of enterprise workforces is expected to **increase from 28% today to 33% in 18 months and 36% in 5 years**. Businesses gain an advantage from the speed, quality, efficiency, and availability of IT contractors, which their on-site full-time IT service employees cannot always provide. Businesses are also finding that engaging contractors for IT field service helps get the right people at the right time, regardless of location. Businesses that embed this agility into their processes now will gain the early-adopter advantage.

Businesses must move fast to keep up with change. It is essential for firms seeking IT field service to understand the advantage that platforms provide and leverage it as soon as possible to stay ahead of the curve.

study methodology

The State of Independent Contracting in Field Services reviews contractors' perceptions of field service contracting, including assessing the barriers and benefits. This report also incorporates secondary research on current workforce market status, trends, and the impact of recent economic events on the workforce and independent contract work.

WHEN

The research was conducted by independent research firm Radius in October and November, 2022.

WHO

All respondents are current users of Field Nation.

SAMPLE SIZE

889 respondents.

HOW

10-minute online survey. Radius sent invitations to current independent contractors using Field Nation. Field Nation sent a message to these contractors prior to the survey start to inform them about the survey.

About Field Nation

[Field Nation](#) is the leading on-site talent platform connecting businesses and service professionals to get work done.

Learn more at [fieldnation.com](#)

About Radius

[Radius](#) is a full-service marketing research company and consultancy that focuses on understanding the critical points of a brand's growth journey to help drive long term success.

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