

Freelancing: The New American Workforce

Access to top talent has never been so easy...



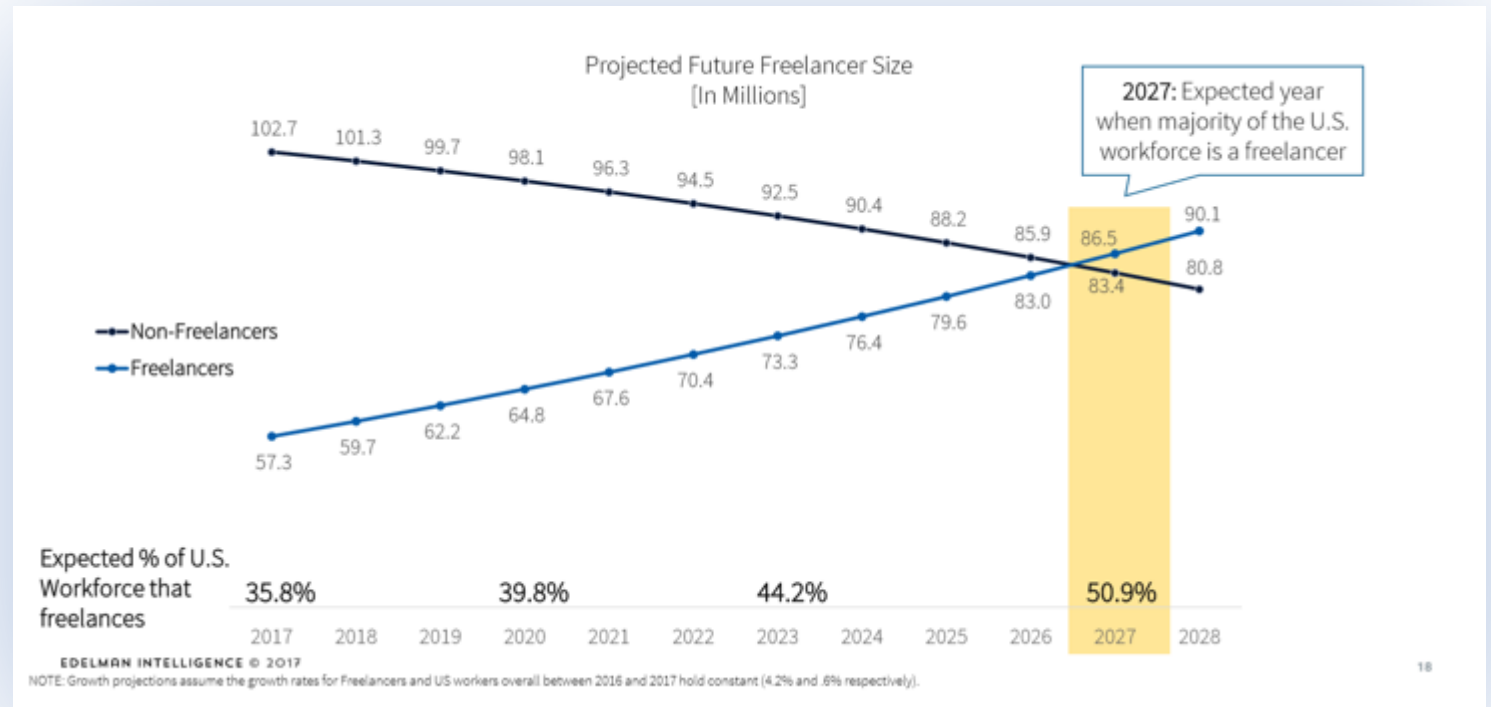
Recruiting talent is changing...



- 40% of the working population is now freelancing.
- Nearly half of working millennials (47%) freelance, more than any other generation.
- Startups are turning to outside recruiters to hire freelancers in an effort to control costs.
- Hiring freelancers gives smaller companies access to top talent who may have previously been unavailable to them.
- To keep up with growth in their industries, companies need to address the current shortage in skilled labor.

Why choose a Freelance workforce?

- 65% of freelancers update their skills regularly to meet the demands of the market.
- 55% report participating in skills-related education within the last 6 months.
- If trends continue, freelancers will make up the majority of the workforce by 2027.
- Top professionals are choosing to work independently for a portfolio of clients rather than for a single employer.

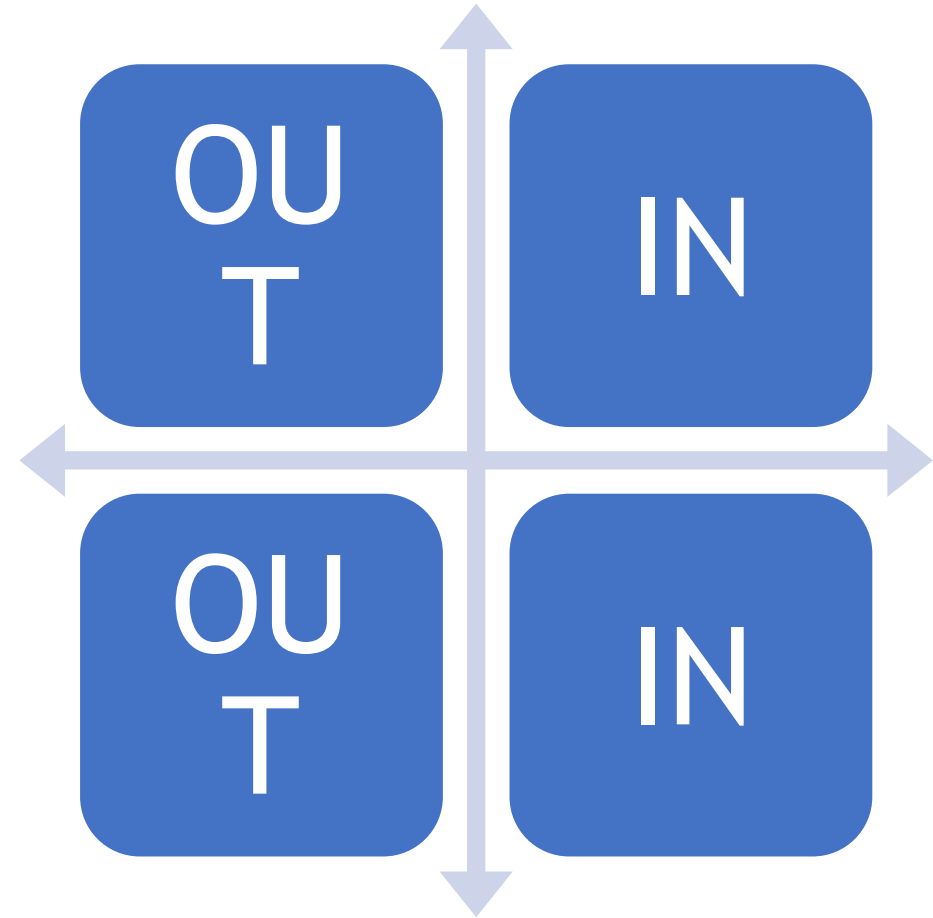


How should our approach to selection change?

- Clearly define expectations outlined in a contract.
- Instead of posting a position or job, hire for projects - The “project” requires...
- Recruit for the short term.
- Recruit for **specific skills** that are identified and confirmed - quickly.
- Determine what abilities are immediately important when evaluating the candidates. Can they
 - Learn a role quickly?
 - Work within a team?
 - Complete work efficiently?
 - Communicate effectively?

Skills Skills Skills

- What skills do you currently have?
- Can you leverage them?
- Where are they in the organization?
- Do you have access to the skills needed?
- Do you have time to train up?



Sourcing

Traditional

- Freelance sites
- Social media
- Job postings
- Craigslist
- Staffing agencies
- Consulting firms
- Word of mouth

Coming soon...

- Blockchain applications are comingthis will bring a whole new approach to recruiting in general.
 - Verified identification
 - Verified projects
 - Verified skills

Critical: Confirming the skills

Skills needed

- Written communication
- Software knowledge
- Reading comprehension
- Ability to produce spreadsheet analysis from database query results.

Proof of work

- Demonstration of ability to write a report
- Demonstration of knowledge of software
- Understanding basic written communication
- Demonstration of project management

Professional references

- Obtaining at least 3 professional references
- Recent clients
- Recent employers



Here is an idea...

Demonstrating the ability to get the work done.

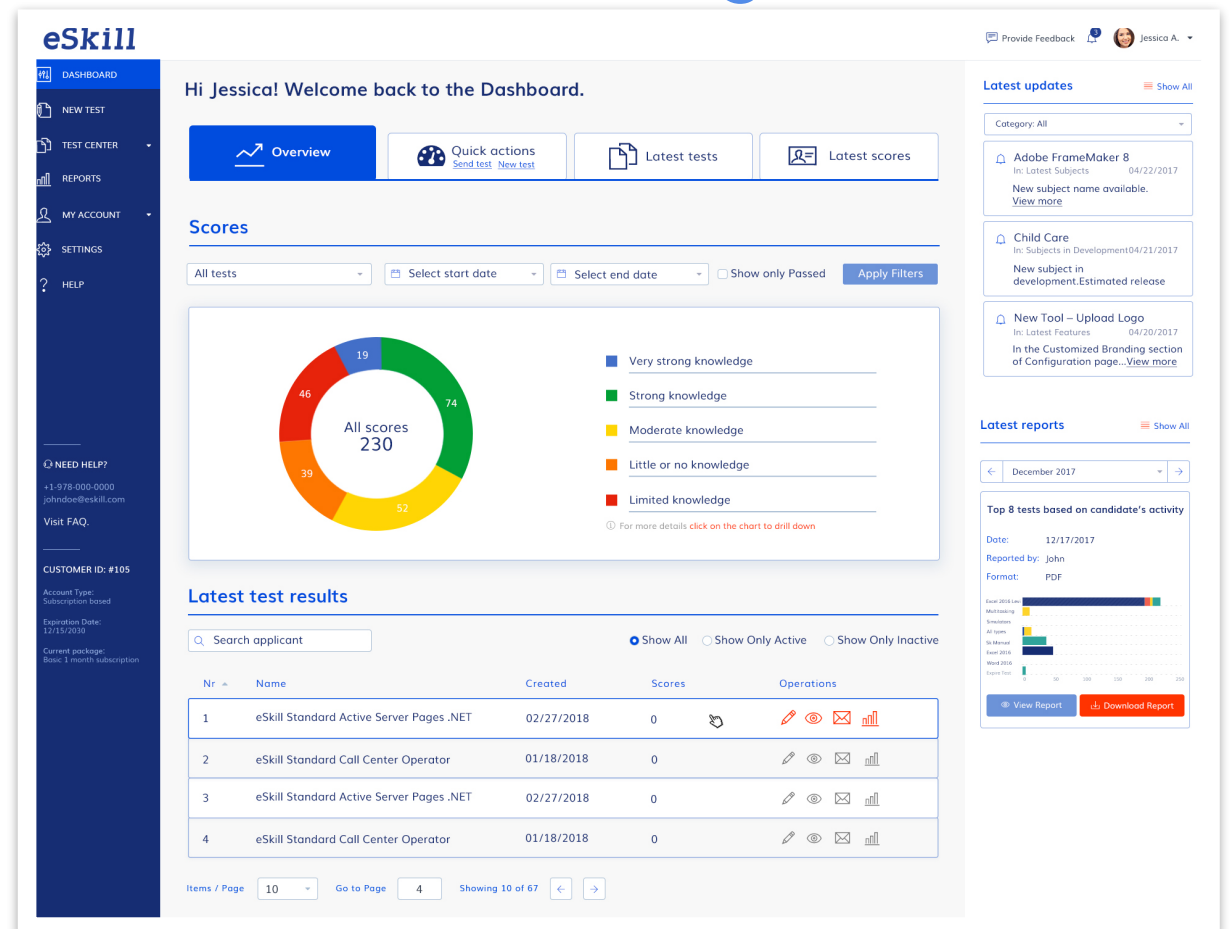


Tools can support these efforts

Collect candidate information

- Online / mobile application
- No additional software required by candidate
- Easy for candidate to access and navigate
- Real time reporting

Use an online testing center



Here is what it looks like ...

» QUESTION: 1 OF 1

119m 30s

Question Navigator

Legend

1

Please document all of your modeling work and calculations in excel.
Developer ABC sells e-cards via its FB Platform application at \$5 per card

- Users on FB Platform are 100MM at EOY 2016 and expected to grow 10% each year thereafter
- ABC's traffic is 10% of platform users at EOY 2016 and expected to grow 5% each year thereafter
- ABC's conversion (rate of purchase) is 0.5% of users
- ABC's only costs are server operations of \$10K per year plus \$0.01 per card sold and payment fees of 5% per card sold
- ABC pays no taxes, and its cost of capital is 15%

(a) Please give a concise picture of ABC's financial operations for the next 5 years. If continuing operations for the next 5 years requires a \$62K upfront investment, would you recommend that they continue operating or not?

(b) Facebook decides to offer a competing payments product that charges 10% per card sold. How much increased conversion does ABC need to experience in order to switch from its existing payments service to FB Payments?

(c) In order to improve its performance, ABC decides to run an ad campaign on FB for its cards. Assuming each ad click has a 50% likelihood of leading to a purchase, what CPC (cost per click) should ABC be willing to pay?

(d) A user loads a page on FB with 3 slots for ads and 4 advertisers bidding for those slots. The 4 advertisers are bidding CPMs of \$4, \$3, \$2, \$1, respectively, to show their ads. In this auction, the highest bidder will win the top ad slot, the 2nd highest bidder will win the second ad slot, and the 3rd highest bidder will win the 3rd ad slot while the lowest bidder's ad will not be shown. However, this is a second-price auction, which means that each advertiser will pay the next highest bidder's price.

a. Based on the CPC calculated in part (c), what are the lowest 3 CTRs at which ABC would win the top, middle and bottom slots, respectively?

b. For each such scenario (ABC is in the top slot, ABC is in the middle slot, ABC is in the bottom slot), what is the incremental revenue contribution of ABC's ad (vs. ABC not being shown at all) to Facebook's ad system?

Definitions:
CPM = cost per impression (one display of an ad)
CTR = click-through rate (clicks divided by impressions of an ad)
CPC = cost per click
CPM = CPC x CTR

Please note that (c) and (d) are independent of (b).

Type your response below

- **Timer** - Can they complete a project in a reasonable amount of time?
- **Directions** - Can they follow directions?
- **Project details** - Can they quickly read, understand the project and effectively carry out the task?

Completed work sample - *attached to a candidate's profile.*

- Allow candidates to work in the program / software needed for the freelance position.
- Allow them limited, but sufficient, time to demonstrate their abilities to complete tasks.
- Allow them to do more than respond to knowledge-based questions, which may not reflect their skill level.

Please note that (c) and (d) are independent of (b).

Type your response below

 [Select File](#) if you want to attach a file to your answer.

This is the last question of the test.
Click the "End Test and Submit Responses" button to end the test session and submit your results, or use the navigation buttons to review the previous questions.

[End Test and Submit Responses](#)

Assign specific assessment criteria

User Answer : a) If ABC plans to remain in operation for the next 5 years then it should continue operating since there is a projected positive cash flow. b) If ABC decides to switch to FB's payment service that charges 10% per card, their conversion rate would have to increase by 0.03 to a total of 0.53% c) In order for ABC to improve its performance, CPC can't exceed \$4.95. ABC should be willing to pay \$4.95 CPC. d)a. top is 25%, middle is 33%, bottom is 50% b.

Attachment: [196349839_Nanci FB analysis.xlsx](#)

Criteria	Grade	Maximum Grade	Comments
Continue Operations or Not	<input type="text" value="3.0"/>	5	<input type="text"/>
How much conversion is necessary?	<input type="text" value="4.0"/>	5	<input type="text"/>
How much CPC should ABC pay?	<input type="text" value="2.0"/>	5	<input type="text"/>
Calculating CTRs	<input type="text" value="1.0"/>	5	<input type="text"/>
Revenue Contributions	<input type="text" value="0.0"/>	5	<input type="text"/>
Model Quality	<input type="text" value="3.0"/>	5	<input type="text"/>

- Assign criteria to evaluate the project.
- Use point scoring to compare candidates.
- Comment to assist with the evaluation process and review.

Want to learn more?

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