



FREELANCE & INTERIM REPORT

20

23

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INTRODUCTION

The freelance market has undergone seismic change over the past three years.

We last conducted a survey of our freelance consultants in 2019. This felt like the start of a shift in the market: freelance was finally being recognised as a legitimate career choice, with an increased level of control and flexibility attracting a wider, deeper talent pool.

Since then, this shift has rapidly accelerated. The "great resignation" has been written about widely; the knock-on impact to companies was one of the hardest labour markets seen for decades. PE and consultancies were the first to start fully leveraging the freelance market. Corporates and start-ups soon followed.

The drivers behind the "great resignation" were also perfectly aligned with the employee / freelancer side of the market: better work-life balance and more control over lifestyle.

"The great resignation drove exponential growth in both sides of the freelance market. Consultants were attracted by the freedom and control, and companies used freelancers to plug the gaps that couldn't be filled by recruitment or busy consultancies."

The following pages dig deeper into the data and interviews underpinning our conclusions and also cover the practical considerations of hiring freelancers, including speed and cost. We'd like to thank the 100s of professionals who shared their perspectives with us and hope the themes arising from their insights prove thought-provoking and impactful.

All the best,



Richard Rosser & Nick Patterson
Founding Directors of Movemeon

Deliver growth and commercial improvement with world-class freelance consultants and interim executives. We specialise in Strategy, Transformation, PMO and Due Diligence. We support PEs, Corporates, Scale-ups and Consultancies.

7,000+



Projects successfully completed with 2,000+ clients over 10 years.

60,000+



A carefully curated network of over 60,000 (ex-)consultants, worldwide.



GLOBAL REACH

2,000 CLIENTS

40% EX-MBB



With our powerful search tools and matching algorithms, you'll receive your first shortlist within **24 hours** of engagement.

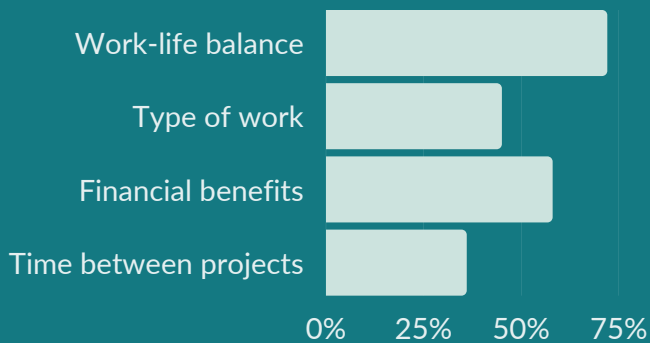


Save 60-70% of the cost of engaging a consultancy; flexible and global operating models to suit your needs.



Our consultants have **deep functional experience** (Strategy, Transformation, Marketing, Operations) and industry breadth (PE, Tech, Pharma, Healthcare, Consumer, Financial Services).

REPORT HIGHLIGHTS



The freelance market has been a beneficiary of the great resignation

- The drivers behind the great resignation were the main reasons for choosing freelance: work-life balance and control over work
- The biggest change is the increase in respondents going freelance for financial benefits, suggesting a more mature market / permanent salaries not growing fast enough

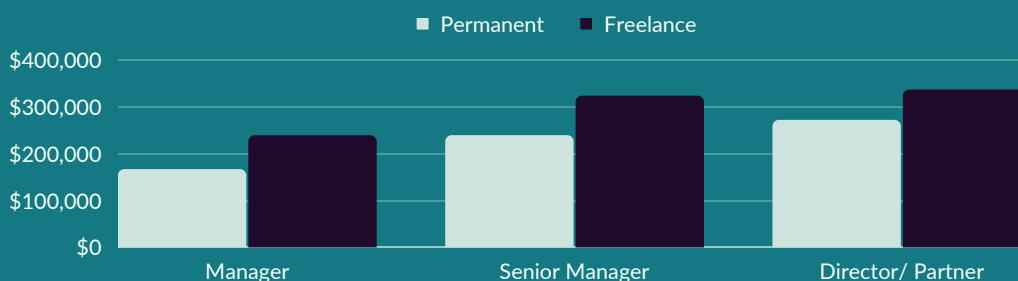
Senior consulting talent going freelance has resulted in a high-quality market with deep expertise

- 40% are ex-McKinsey, BCG, Bain; 35% are strategy and boutiques
- Freelancers are more experienced than before: the median level of experience is 17 years and on average, freelancers have left consulting at Manager level
- 81% of freelancers now have experience in industry as well as consulting (up from 75% in 2019)



Freelance compensation is higher than perm, despite day rates remaining relatively flat compared to 2019

- Day rates have remained relatively flat: 7% p.a. increase at Analyst; 1-3% at Manager
- However, overall compensation has increased as a result of high utilisation and is now much higher than permanent equivalent compensation



Platforms are increasingly becoming the place to find projects

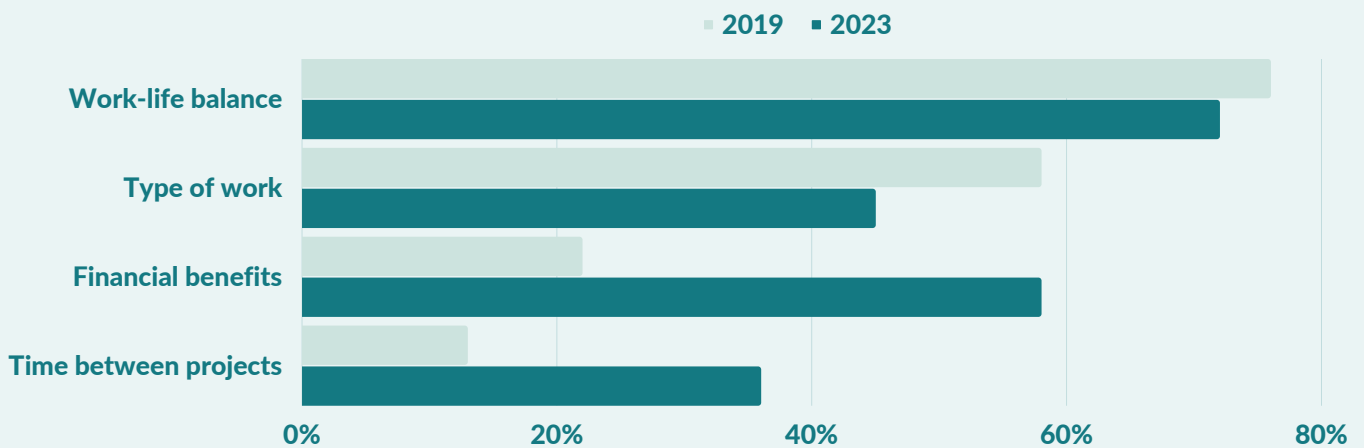
- 21% of freelancers now find their work through platforms
- This is up over 50% from 4 years ago and has overtaken agencies as the most common way, outside of personal networks, to find work

MOTIVATIONS

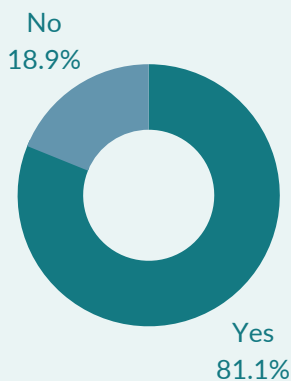
The drivers behind the "great resignation" align almost perfectly with a career in freelance. People continue to seek more control over their work-life balance but the biggest shift has been respondents citing the financial benefits of freelancing as a key driver. More and more consultants are now realising that freelancing can be just as lucrative, if not more, than a permanent career.

This has meant the quality and calibre of freelancers entering the market has improved exponentially. The very best consultants are now choosing freelance as their career path. 41% of freelancers on Movemeon have backgrounds from McKinsey, BCG & Bain. 81% of Movemeon's freelancers have experience in industry, in addition to their consulting background.

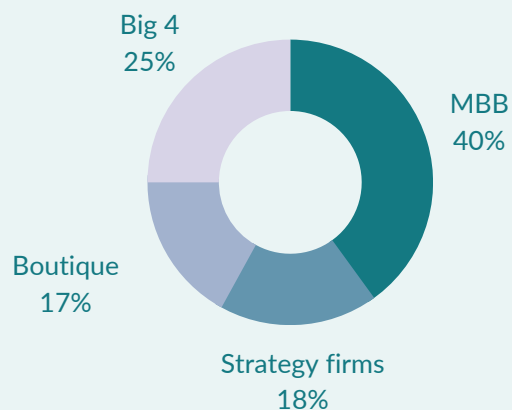
Motivations for freelancing 2019 vs 2023



81% of freelancers have industry experience post consulting



40% are ex-MBB; 18% are ex-strategy house



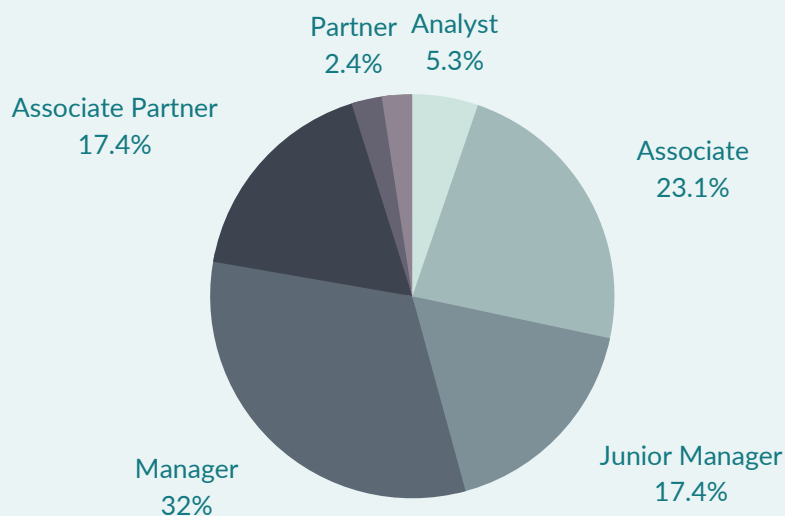
Control over work-life balance remains the biggest reason people freelance.

EXPERIENCE PRIOR TO FREELANCING

Alongside quality, the experience and depth of expertise of freelancers has grown considerably over the past few years. Freelancers surveyed had an average 4 years of consulting experience, having left at "Manager" level, and a subsequent 9 years of industry experience.



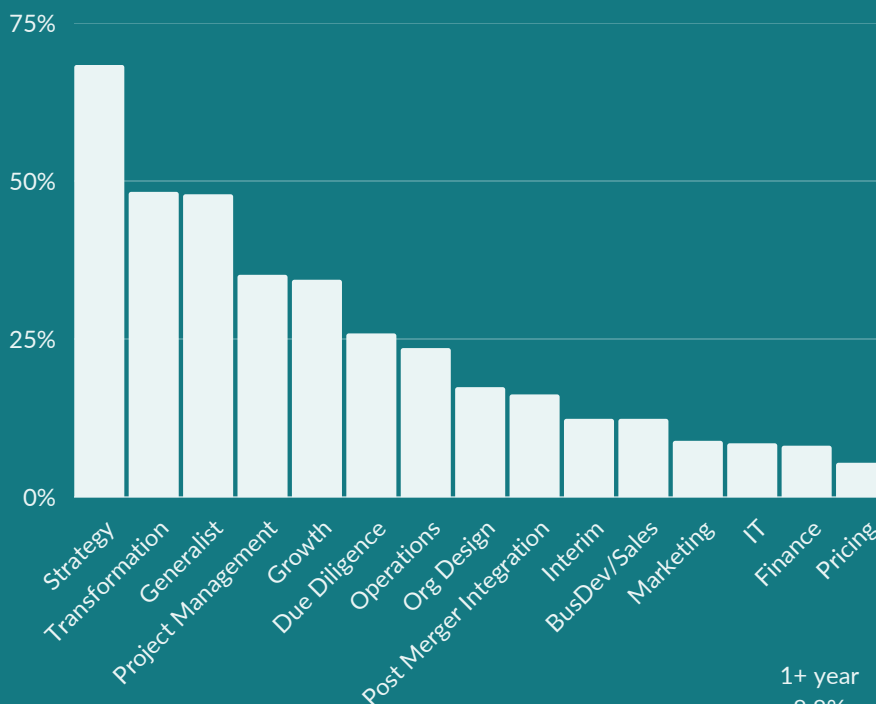
Seniority when leaving consulting



PROJECT ANALYSIS

It is now easier than ever to attract experienced freelance talent for a broadening range of projects, even the relatively new category of Generalist project work. This is driven by (1) increasing levels of industry experience among freelancers; (2) the increasing breadth of project expertise within that industry experience; and (3) the increasing popularity of fractional support.

TYPES OF PROJECTS CARRIED OUT IN THE LAST 12 MONTHS



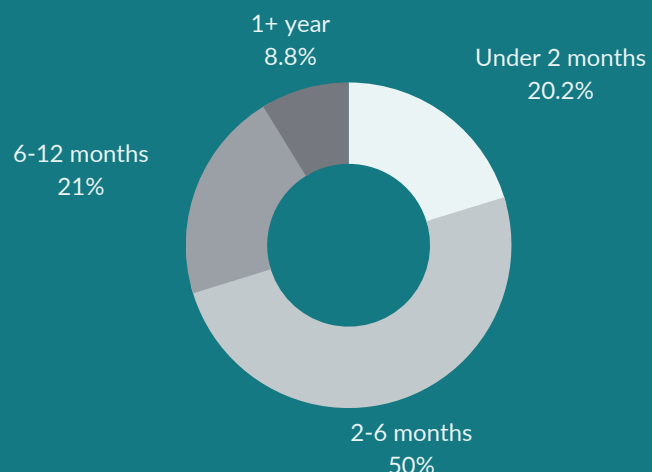
68%

of respondents specialise in projects relating to strategic functions

15%

increase in Generalist project work compared to 2019

AVERAGE LENGTH OF YOUR PROJECTS IN THE LAST 12 MONTHS



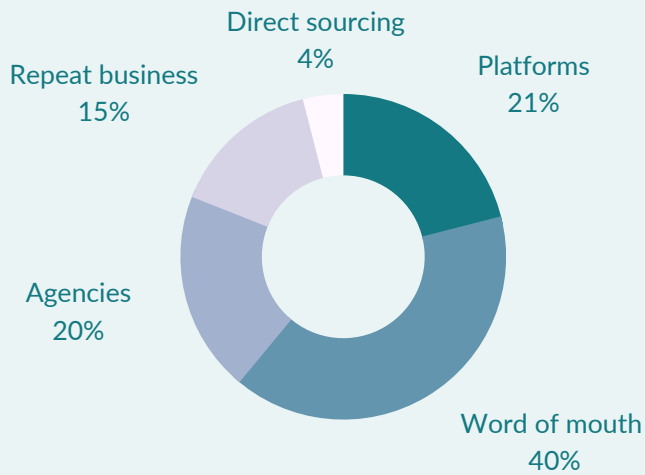
199

The average number of days worked by the Movemeon freelance network during 2022. This represents 76% utilisation.

PROJECT ANALYSIS

Since our last report in 2019, we've seen a large growth in the percentage of work found through online platforms: this is now the most common way outside of personal networks. The majority of projects have been with larger clients, with an even spread amongst PE, consultancies and scale-ups.

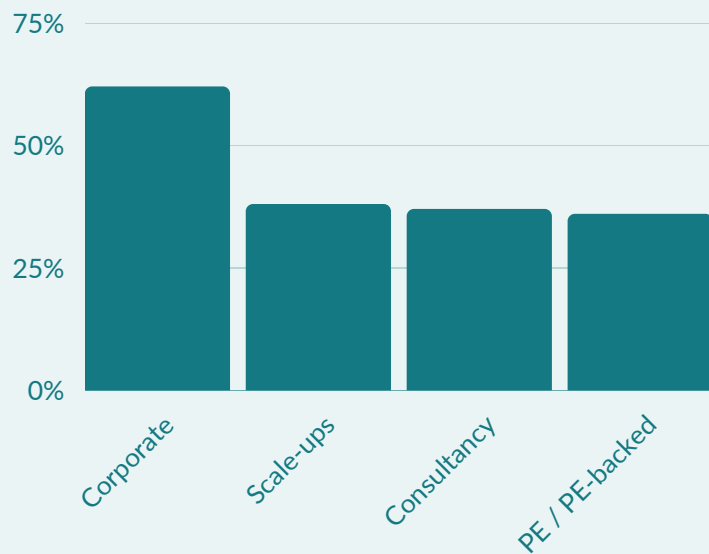
WHERE DO YOU FIND THE MAJORITY OF YOUR PROJECTS?



50%

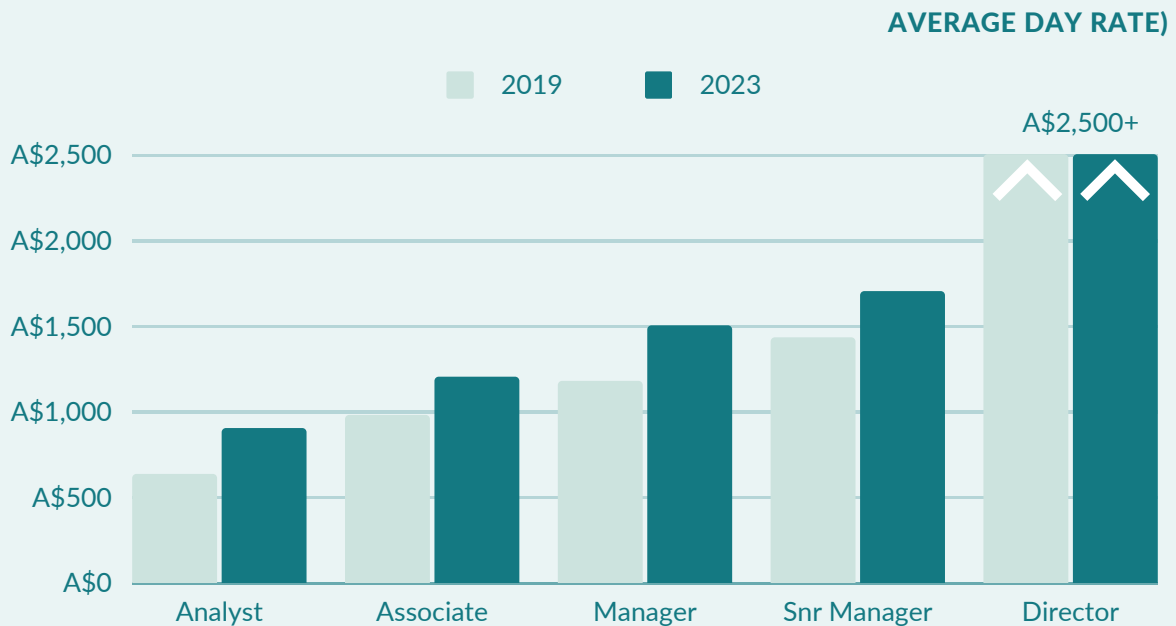
Increase in people finding freelance work via platforms; fastest growing segment

WHAT TYPES OF COMPANIES DID YOU FREELANCE FOR LAST YEAR?

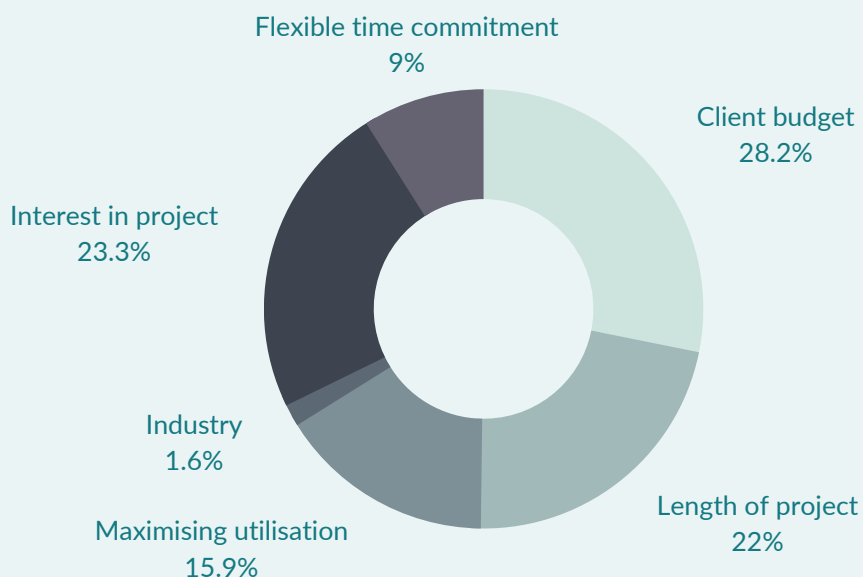


DAY RATE ANALYSIS

As a rule of thumb, a freelancer's day rate should be the annual basic salary of that person in a permanent role, divided by ~120 (this takes into account not having to pay other employment costs e.g, bonus, training costs, etc). At Director level, day rates vary more according to expertise and project length.

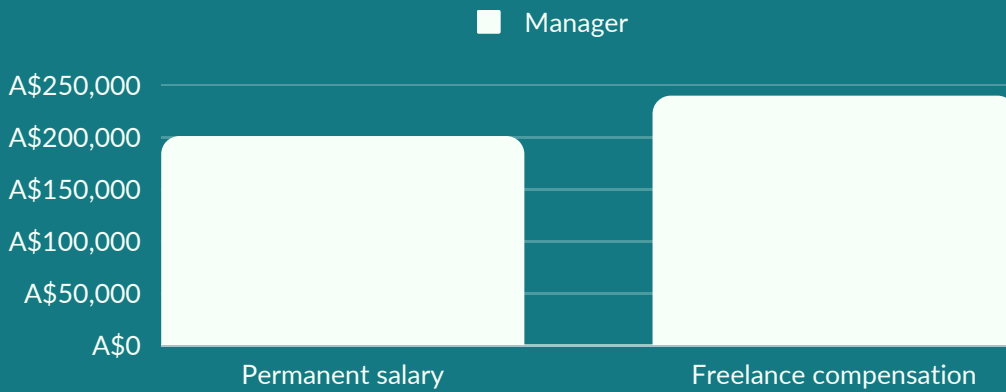


CLIENT BUDGET REMAINS THE MAIN REASON FOR REDUCING DAY RATE. ONLY 2% RESPONDED SAYING THEY WOULD NEVER NEGOTIATE ON THEIR DAY RATE



FREELANCER COMPENSATION

Freelancers get paid 25-45% more than they did as full time employees. The biggest differential is at Manager level.

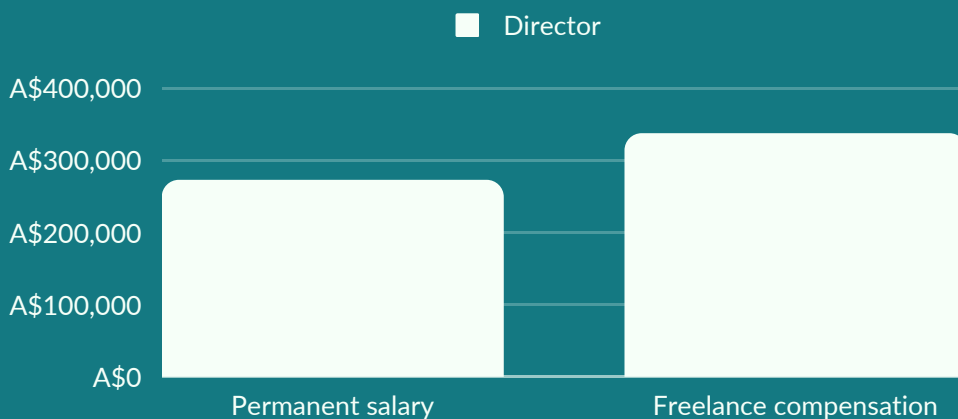
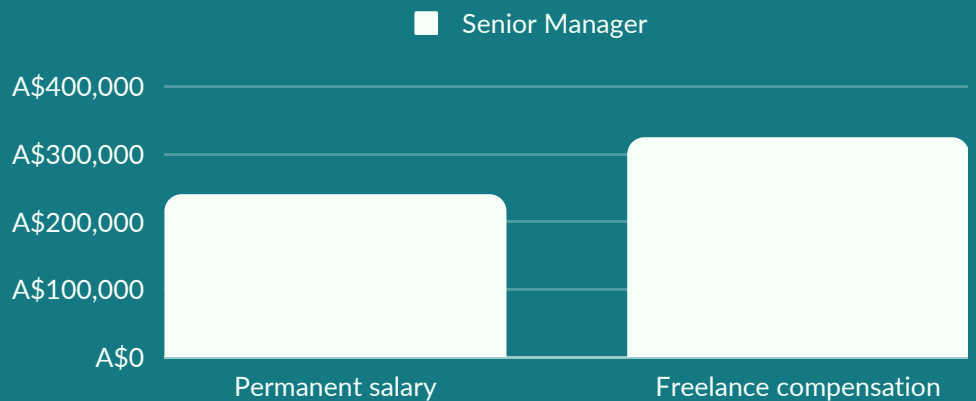


43%

higher pay as a freelancer than as permanent employee.

35%

higher pay as a freelancer than as permanent employee.



24%

higher pay as a freelancer than as permanent employee.

FREELANCER COST VS CONSULTING FIRMS

It's no secret that consultancies charge a high fee on consulting teams - for highly strategic, time critical projects, it makes sense to use them nonetheless.

However, for longer transformation projects or smaller pieces of work, you can realise huge savings using freelancers. Here are the average savings of using freelancers for 2 transformation projects over 6 months:



Day rate charged by seniority

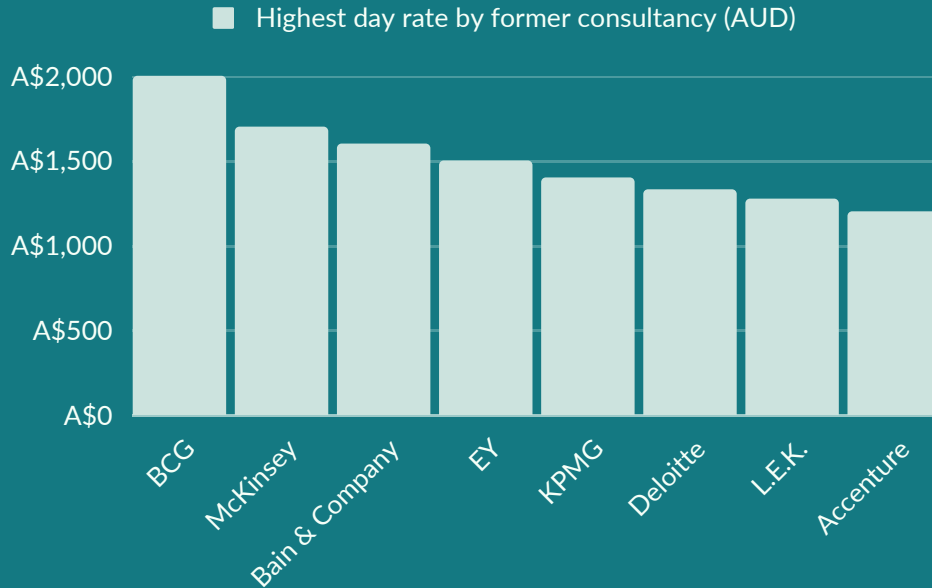


68%

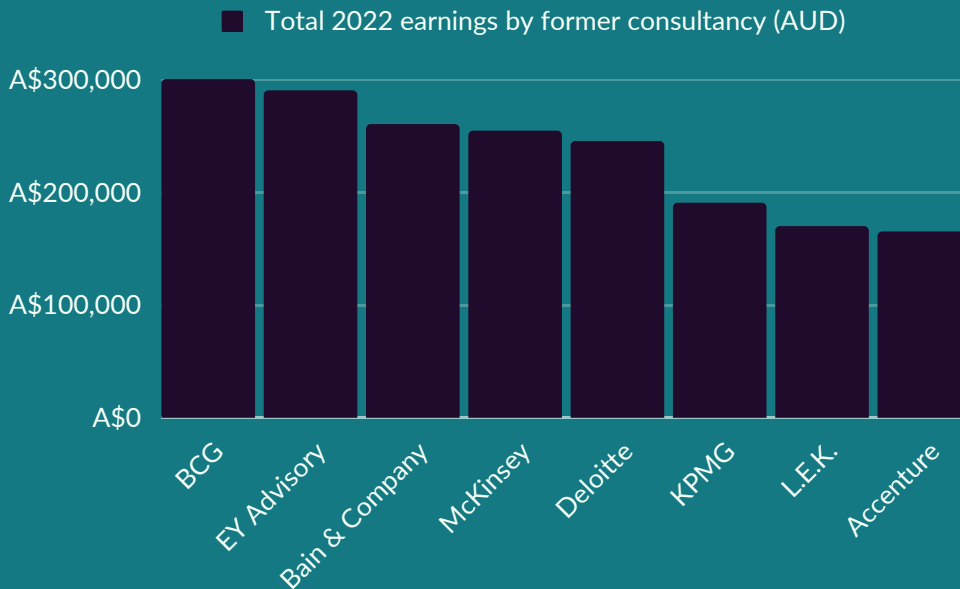
A freelance team costs 68% less than a consultancy team

CONSULTANCY TRENDS

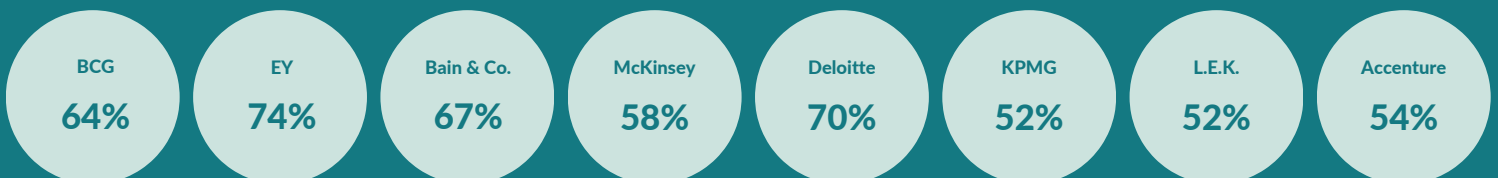
McKinsey, BCG and Bain alumni command slight premiums on their day rates. However, total compensation by consulting firm background is more varied and driven by utilisation.



High utilisation of ex-EY and Deloitte consultants results in high overall compensation

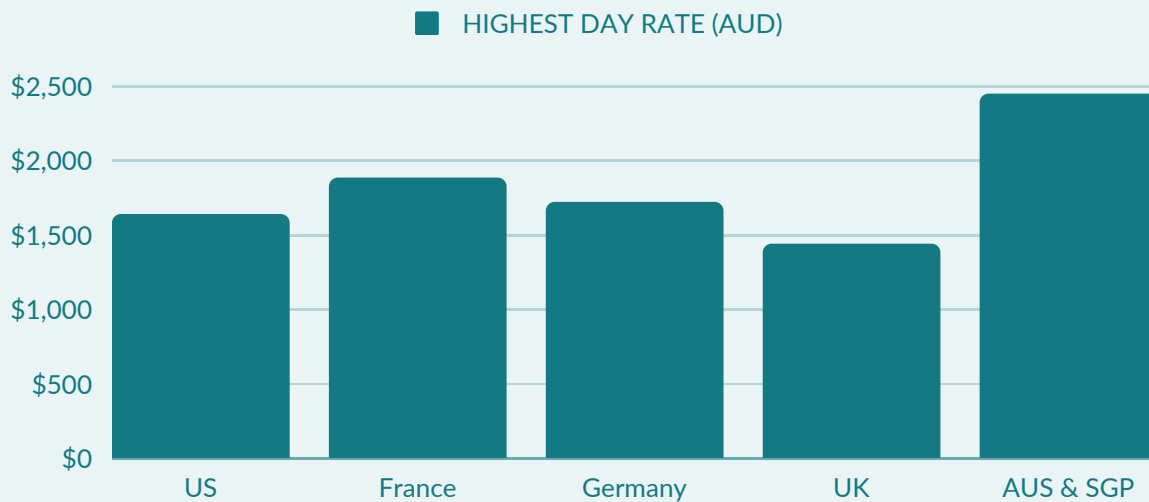
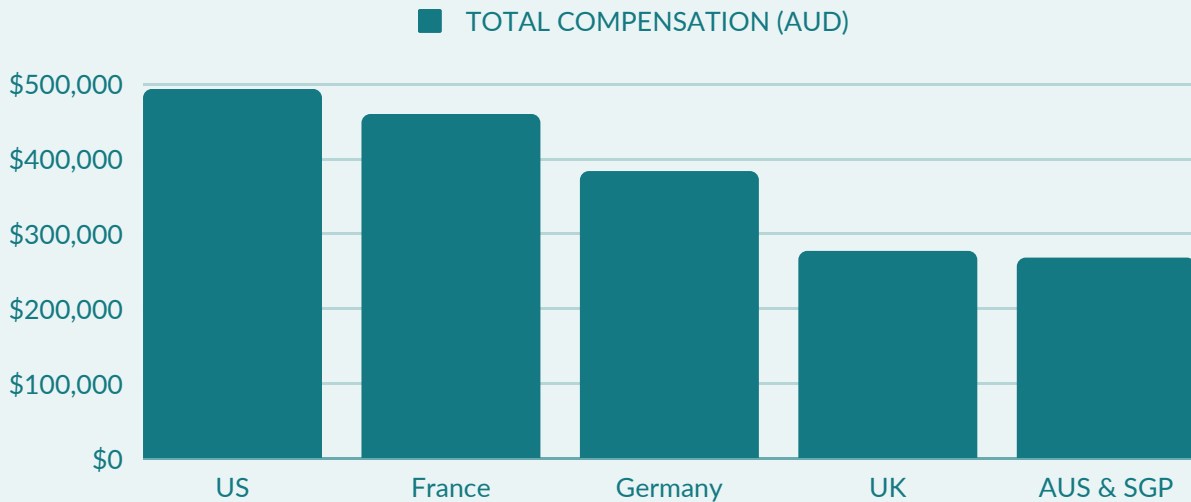


UTILISATION OF ALL FREELANCERS



COUNTRY TRENDS

Utilisation is the primary driver of total compensation for freelancers. Utilisation is highest in the US (average 81%) and corresponds to the maturity of the freelance market.



UTILISATION



CASE STUDIES

PRIVATE EQUITY



LIVINGBRIDGE

KKR

cerberus



BainCapital



Hg

Platinum Equity

Required: Operational Transformation Lead

Hired: 1-month project - A\$1600 p.d.

Required: Transformation Lead

Hired: 5-month project - A\$1600 p.d.

Required: PMO Director

Hired: Ex-BCG - 3-month project - A\$1700 p.d.

Required: Commercial Operations Consultant

Hired: Ex-Deloitte - 6-month project - A\$1700 p.d.

INDSUTRIALS, MANUFACTURING & CONSTRUCTION

KHovnanian
Homes

sanofi

RUBIX

RioTinto



AngloAmerican



TISHMAN SPEYER

Required: Corporate Strategy Consultant

Hired: Ex-BCG - 7-day project - A\$1200 p.d.

Required: Strategy & Market Mapping Consultant

Hired: Ex-Kearney - 3-week project - A\$1500 p.d.

Required: Transformation & Change Manager

Hired: Ex-Capgemini - 12-month project - A\$1100 p.d.

Required: Snr. Manager - Transformation

Hired: Ex-McKinsey - 12-month project - A\$1300 p.d.

CASE STUDIES

TMT (TELECOMMS, MEDIA & TECH)



Required: Interim Strategy Consultant

Hired: Ex-Accenture - 25-day project - A\$1100 p.d.

Required: Interim Engagement Manager

Hired: Ex-McKinsey - 30-day project - A\$2400 p.d.

Required: Interim Strategy Consultant

Hired: Ex-WPP - 12-day project - A\$1100 p.d.

Required: Commercial Operations Consultant

Hired: Ex-Deloitte - 6-month project - A\$1700 p.d.

START-UP/SCALE-UP



Required: Interim GTM & Commercial Strategy

Hired: Ex-BCG - 11-day project - A\$1600 p.d.

Required: Interim Engagement Manager

Hired: Ex-L.E.K. - 2-month project - A\$2400 p.d.

Required: Interim Strategy Consultant

Hired: Ex-Kearney - 13-day project - A\$2800 p.d.

CASE STUDIES

FINANCIAL SERVICES AND PAYMENTS



Required: GTM Strategy Consultant

Hired: Ex-KPMG - 6-month project - A\$1300 p.d.

Required: Growth Strategy Consultant

Hired: Ex-McKinsey - 30-day project - A\$3100 p.d.

Required: Integration PMO

Hired: Ex-Bain - 16-day project - A\$1000 p.d.

HEALTHCARE, PHARMA & LIFE SCIENCE



Required: Project Deliver & Operations

Hired: Ex-McKinsey - 22-day project - A\$950 p.d.

Required: Interim Strategy Consultant

Hired: Ex-EY-Parthenon - 13-week project - A\$1100 p.d.



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