

One-third of permanent staff consider taking on temporary roles this year for greater flexibility

11 months ago



New findings from global talent solutions provider [Robert Walters](#) show that this year may see a spike in permanent staff switching to contract roles.

Chris Eldridge, CEO of Robert Walters UK & Ireland: "We're noticing a shifting of values amongst professionals. Work-life balance and flexibility are increasingly prioritised, causing professionals to scope out opportunities in line with these values. It's principally this trend that's encouraging professionals to take on a contract or temporary role over a permanent one."

Contract roles offer attractive alternatives

In addition to the third of permanent professionals saying they'd consider taking on a contract position this year to gain more flexibility at work - almost a quarter (24%) also state that tighter company budgets have led to more pressure being placed on their workload and output by company leaders.

With cost cutting incentives, bonuses or pay rises lacking for many this year - it's unsurprising that some permanent staff are considering making the switch. Indeed, 30% also stated being more attracted to contract roles due to higher earning potential.

Nonetheless - challenges remain with considerable uncertainty around take home pay as companies continue to work out the cost of Government imposed National Insurance hikes and the transition of PAYE responsibilities to umbrella companies instead of independent contractors.

Chris comments: "Although contracting is typically viewed as a riskier option because of the absence of job security, recent high-profile layoffs and unsatisfactory bonus seasons have prompted professionals to reconsider this. Some individuals might opt for contract positions as a temporary fix or a way to enter a specific company, while others may view it as a more long-term career path."

"Professionals who take on contract roles quickly grow skills and experience which can align them to better levels of flexibility or pay in subsequent positions – having in-demand skills and varied experience is a crucial bargaining tool when negotiating more from future employers."

Gig economy set to influence

With recent announcements of further headcount cuts announced by various companies, including Sainsburys and Meta, pressure mounts on UK employers to pivot their hiring strategies to continue fulfilling business critical roles.

Indeed, a quarter of UK employers think that the gig economy could enhance workforce flexibility this year – with a further fifth thinking it could also increase market competition.

Nearly half (48%) of UK employers state they'd hire contractors this year to assist with specific projects. Meanwhile 20% say they'd consider temporary hires due to permanent headcount freezes, and a further 22% would do so to plug skills gaps.

Chris adds: "For employers, the short-term nature of contract roles allows for greater agility and quicker response times to market changes and business needs. Simultaneously, it means they can hire the necessary skillsets to finish projects without adding to their permanent headcount at a time when many are still considering cutbacks."

Change on the cards

Over recent years many 'career contractors' made the move to permanent roles for increased job stability.

However – this is set to change with upcoming policies ushering in raised National Insurance contributions for employers and continued economic instability, leading employers to increasingly opt for a more flexible, agile workforce.

Already, job listings for contract roles calling for skills in cybersecurity (+22%), JavaScript (+6%) and web development (+5%) have shown increases on last year.

More broadly, further data from Robert Walters shows that industry-specific (38%) and soft skills (31%) will remain the most vital skillsets for contractors in 2025.

Chris comments: "The dexterity of a flexible, skilled workforce can really come into play for many employers this year – especially in digital and tech fields.

"It is especially critical for leaders to ensure their tech infrastructure keeps up with the rate of change – temporary talent has the agility to help ensure company operations are secure from constantly evolving cyber-attacks and risks."

Key areas for contractors

Research from [Grant Thornton](#) found that 93% of finance leaders in the UK planning digital transformation projects for their finance function in the next 12 months – this could be a key area for contractors.

Indeed, job ads for contract and temporary staff within financial services are seeing year-on-year growth especially for skills like stakeholder management (+59%) and operational risk management (+18%).

Chris concludes: “As more businesses now understand that financial benefits are more significant outside of IR35, we have seen an increase in consultancy work as businesses continue to look at hiring for Tech projects, like digital transformations, that require specialist skill sets.

“For professionals, contract roles offer the opportunity to pick up key skills and experience at a faster pace – enabling them to futureproof their careers in an increasingly competitive market.”