

• A BRIGHTBOX PAPER

The Economic Benefits of On-demand Tech Skills for Companies in the AI Age

Forward

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This paper explores the economic case for on demand tech skills and the new Liquid Workforce Operating Model. It introduces the concept of the Workforce Value Chasm, the measurable gap between the business value an organisation could capture from emerging opportunities and the value it actually realises because it cannot access the right skills fast enough.

Recent research underscores the urgency for change. In 2025, 71 percent of CEOs prioritised simultaneous investment in AI and workforce agility¹, while a ServiceNow Workforce Skills Forecast found that AI will amplify productivity but intensify human-talent shortages for at least the next five years². These findings reinforce the need for new ways to access skills rapidly and intelligently.

Organisations that adopt on demand models close this gap. They lower total workforce cost, increase utilisation and accelerate innovation. The data and scenarios in this paper show reductions of 40 to 50 percent in total cost of workforce ownership and 2 to 3 times improvement in productivity ROI when compared with traditional models.

Arthur J. O'Connor, DPS

CUNY School of Professional Studies
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Executive Summary

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The Workforce Value Chasm

Across every industry, workforce planning has failed to keep pace with the speed of technological change. Recruitment cycles that take weeks or months, high turnover and the hidden costs of under-utilised talent all create a drag on business performance.

According to the Chartered Institute of Personnel and Development (CIPD)³ and Talent Insight Group⁴, the average cost to fill a vacancy in the United Kingdom is around £6,125, and for technical and engineering positions it can stretch beyond 40 days⁵. During that period, projects slow or stall, teams become over-extended and revenue opportunities are lost.

Add to this the hidden costs of employment, including benefits, taxes, training, management overhead, attrition and idle time, and the real cost of a full-time employee can be 1.8 to 2.2 times their base salary⁶. For example, an engineer earning £80,000 per year can cost an organisation more than £150,000 annually when all factors are considered.

This inefficiency represents the Workforce Value Chasm, the widening gap between what a business could achieve and what it actually delivers because its workforce model cannot scale with the market.

The Growing Workforce Value Chasm

Workforce design has become a board-level concern. Three forces are now exposing the limits of traditional workforce models and widening the gap between strategy and execution.

Artificial intelligence is accelerating change

AI has moved from being a back-office tool to a central driver of business performance. McKinsey reports that 71 percent of organisations now use generative AI in at least one business function, up from 65 percent in 2024⁷. The ability to set new strategies in days contrasts sharply with workforce systems that still operate on monthly or quarterly cycles.



Regulatory and cost pressures are rising

In the United Kingdom, employment-law reform is expanding employer liabilities from day one of hire. Across Europe, AI-system regulation and data-protection requirements continue to tighten. Meanwhile, wage inflation and national-insurance increases add cost, and the World Economic Forum Future of Jobs Report 2025⁸ shows that 39 percent of core skills will change by 2030.





Traditional workforce models are no longer viable

Most companies can now set a new strategy in weeks, yet it still takes months to hire, train and deploy the people needed to deliver it. LinkedIn's Global Talent Trends⁹ puts average global time-to-hire at 44 days, while product-launch windows are often just 90 days.

Outsourcing was built for cost control, not speed. Contracts run 12 to 24 months¹⁰, while modern product windows demand agility in a quarter or less. Contractor pools provide individuals, not integrated capability, and static annual plans cannot react to shifting customer or regulatory conditions.

Executives recognise the urgency. Only 19 percent of business leaders believe traditional workforce models remain fit for purpose, and 85 percent say their organisations urgently need more agile methods¹¹.

Recent surveys confirm the same trend. The British Chambers of Commerce 2025 Workforce Report found that 48 percent of UK firms expect full-time on-site models to return, up from 27 percent a year earlier¹² – evidence of tension between workforce expectations and operational agility. Meanwhile, a Dayforce 2025 Survey reported that fewer than 20 percent of workers have received AI-skills training even as 40 percent expect their roles to change¹³. The imbalance between technological readiness and human capability continues to widen the Workforce Value Chasm.

Comparing Workforce Models

Model	Full-time Employees	Fractional or Contract	Outsourcing	On demand tech skills
Definition	Permanent staff on payroll	Part-time or project specialists	Third-party service contracts	Pre-vetted digital, software and AI talent as required
Time to value	8 to 12 weeks	4 to 8 weeks	12 to 24 months	1 week
Typical Total Cost	1.8 to 2.2 × salary	1.3 to 1.5 × salary	1.6 × salary equivalent	0.9 to 1.1 × salary
Benefits	Stability, cultural continuity	Flexibility, short commitment	Efficiency, cost control	Agility, precision, pay-for-value
Limitations	Slow to scale, high fixed cost	Coordination effort	Limited control, long cycles	Requires digital coordination
Tangible Outcomes	Continuity but low agility	15 percent faster delivery	Cost savings but speed loss	60 to 90 percent faster time-to-value; 40 to 50 percent lower cost

On demand tech skills increase time-to-value by up to 90 percent compared with traditional hiring and cut total workforce cost almost in half.

The Economic Cost of the Workforce Value Chasm

Economic Cost = Opportunity Value per Month × Months of Delay

A scale-up expecting **£500,000** monthly revenue but delayed **two months** through hiring lag loses **£1 million**. Multiply across multiple projects and the unrealised value rapidly compounds.

How On Demand Tech Skills Create Value

The benefits of on-demand tech skills are clear, helping businesses, including:

Cost Efficiency

Total workforce cost typically falls 40 to 50 percent¹⁴; utilisation rises from 65 to 95 percent.

Productivity and Speed

McKinsey shows agile resourcing lifts throughput 20 to 30 percent¹⁵.

Quality and Innovation

Access to current, vetted skills enables faster iteration and continuous learning.

Risk and Resilience

Variable-cost structures protect against downturns and reduce dependency on single locations.

The Liquid Workforce™ Operating Model

The Liquid Workforce Operating Model aligns human and AI capability with business demand in real time. It enables executives to:

Discover

Discover skill gaps and project needs through continuous data analysis.

Deploy

Deploy verified talent immediately, matching expertise to outcomes.

Deliver

Deliver measurable results while tracking utilisation and cost.

Develop

Develop workforce composition through feedback and automation.

LiquidSkills Agentic AI platforms enhance this model by predicting skill needs, matching talent dynamically and continuously optimising performance. It turns workforce planning from a static annual, semi-annual or quarterly process into a continuous, adaptive capability.

Making the Business Case



Assess your baseline

Measure current time-to-hire, total workforce cost and project delay.



Quantify your Workforce Value Chasm

Deploy verified talent immediately, matching expertise to outcomes.



Pilot an on-demand approach

Apply on demand tech skills to one high-impact initiative.



Adopt the Liquid Workforce Operating Model

Integrate data, AI matching and feedback loops to institutionalise agility matching expertise to outcomes.



Build your financial case

Use a simple calculator to model savings and ROI



Organisations that close the Workforce Value Chasm through on-demand tech skills and a Liquid Workforce Operating Model achieve measurable advantage: they deliver faster, operate leaner and innovate continuously than traditional resourcing models – and this is needed more than ever before due to the pace and uncertainty of change caused by AI.



BrightBox, the global provider of on-demand tech skills, is the pioneer of the Liquid Skills Workforce. BrightBox leverages its proprietary LiquidSkills Agentic AI Platform to connect scale-ups, enterprises, software agencies, and consultancies with pre-vetted software, digital, and AI talent on-demand skills that enable them to capture opportunities, accelerate innovation, and rapidly deliver measurable business impact.

+44 (0)161 631 2858
info@brightboxgrp.com
www.brightboxgrp.com

Addendum

Assessing and Building the Business Case for On Demand Tech Skills

Executives seeking to transform how their organisations access and apply technology skills must ground their decisions in measurable outcomes. This Addendum provides a practical checklist to evaluate current workforce performance and to quantify the economic and operational benefits of adopting on demand tech skills through a Liquid Workforce Operating Model. It is intended to support financial planning, board discussions and performance benchmarking across small, medium and large enterprises.

1. Assess Your Current Workforce Performance

Begin by capturing the key quantitative and qualitative metrics that describe your existing workforce performance. Use the table below as a baseline for comparison across different resourcing models.

Focus Area	Key Metrics to Measure	Current Model (Baseline)	Target (On Demand / Liquid Model)
Cost Efficiency	Labour cost per output unit; time to hire; onboarding cost; idle time	e.g. £150,000 per engineer; 44-day average hire	Reduce total cost by 40–50%; hire within one week
Productivity	Revenue per employee; project throughput; utilisation rate	£200,000 per employee; 65% utilisation	£250,000+ per employee; 90–95% utilisation
Speed and Responsiveness	Time to market; adaptability to market change	90–120 days to deliver	30–45 days to deliver
Quality and Performance	Error rates; rework costs; customer satisfaction (CSAT/NPS)	25% rework; CSAT +68	Reduce rework 30–40%; improve CSAT +10 points
Risk Reduction	Attrition; continuity risk; delivery reliability	Attrition 18%; dependency on individuals	Attrition <10%; built-in continuity and flexibility

By reviewing these dimensions, executives can create a balanced picture of performance that combines financial efficiency with operational agility and workforce wellbeing.

2. Quantify Your Workforce Value Chasm

The Workforce Value Chasm represents the measurable gap between what your organisation could achieve and what it actually delivers because of workforce delays or inefficiencies.

Use the simple equation below to quantify the scale of the gap:

$$\text{Workforce Value Chasm (£)} = \text{Opportunity Value per Month} \times \text{Average Hiring or Delivery Delay (Months)}$$

For example, a company expecting £500,000 in monthly revenue from a new digital product but facing a two-month delay in resourcing incurs a £1 million opportunity loss. Repeating this calculation across multiple programmes reveals the cumulative business value lost to traditional, slow workforce models.

3. Model Your Return on Investment

Create a basic financial model comparing traditional and on demand approaches. Focus on both direct and indirect ROI levers:

Direct cost savings from reduced overhead, idle time and attrition.

Productivity gains through higher throughput and utilisation.

Revenue uplift from accelerated launches and shorter project cycles.

Risk mitigation through flexible resourcing and continuity planning.

Typical organisations report a 40–50% total cost reduction, 60–90% faster time to market, and 2–3× improvement in productivity ROI after adopting an on demand model.

4. Build and Execute an Action Plan

- 1) **Benchmark performance** across at least two workforce models (e.g. outsourcing, full-time employment, on demand).
- 2) **Select a pilot initiative** where speed and flexibility directly affect business value.
- 3) **Deploy on demand tech skills** and measure impact using the metrics outlined above.

- 4) **Compare baseline and pilot results** focusing on cost, speed, quality and productivity.
- 5) **Scale success** through a Liquid Workforce Operating Model, integrating AI-enabled skill matching, performance data and continuous optimisation

5. Report to the Board

When presenting the business case, link data to tangible economic outcomes:

Time to market reduced by 70-90%..

Total workforce cost lowered by 40-50%.

Project throughput increased by 20-30%.

Revenue per employee up by 15-25%.

Attrition reduced by 10-15%.

This evidence positions workforce agility not simply as an HR initiative but as a core business performance driver.

6. Use the Addendum as a Living Framework

This framework can evolve with the organisation. As AI maturity increases and more skills are accessed on demand, the metrics can be refined to include::

AI agent utilisation and contribution to output.

Ratio of human to digital workforce hours.

Predictive workforce planning accuracy.

The purpose is to establish an ongoing cycle of measurement and improvement so that workforce agility becomes an embedded organisational capability, not a one-off initiative. Organisations that measure, model and act on these metrics close the Workforce Value Chasm first, and stay ahead of those still relying on traditional models

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