



## Majority of Companies (72%) Admit to Not Having Comprehensive Plans in Place Before Layoffs, According to New Fiverr Research

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**New technology and AI along with irrelevant skills were top reasons employees were laid off according to the report *Layoffs: In the Boardroom with Decision Makers***

NEW YORK, June 20, 2024 (GLOBE NEWSWIRE) -- To help both companies and employees navigate the complexities of work during a time of mass layoffs, today, Fiverr (NYSE: FVRR) released new research aimed at identifying what managers were considering during and after recent layoffs and how they are supporting teams in the aftermath.

In the first quarter of 2024 alone, [250,000+ employees were laid off](#) across the United States. The research, *Layoffs: In the Boardroom with Decision Makers*, found that 72% of leaders surveyed who played a role in layoff decisions over the last six months, admitted to not having a comprehensive plan in place for their remaining employees. Many admitted concern about the impact layoffs would have on their team's stress/burnout (89%<sup>1</sup>) as well as employee morale around overall job security (91%<sup>1</sup>).

"The findings showcase how companies are seeing the value of freelancers beyond reducing the workload," said Matti Yahav, Chief Marketing Officer at Fiverr. "From filling skill gaps to boosting morale among remaining employees, and perhaps even playing a role in lessening the possibility of future layoffs, this shift cements a place for freelancers as an integral part of a company's long-term structure."

Key findings from *Layoffs: In the Boardroom with Decision Makers* include:

### How managers decided which roles to layoff:

- The top reason for roles that were laid off was new technology, where AI could increase efficiencies and reduce headcount, at 44%, closely followed by employees whose responsibilities were the lightest (42%)
- 40% of the laid off roles were skills-based, identifying employees whose skills were no longer relevant to the business
- Over hiring and expanding too much were ranked the lowest reasons for layoffs (36%)

### How executives are supporting their employees post-layoff:

- Responses were tied when it came to how companies provided support, with 43% confirming their companies gave them access to freelancers, and reduced the workload to cope with layoffs
- 38% of respondents said they received added support from team members in other departments to help with the increased workload
- 69% of respondents confirmed they hired freelancers after layoffs
- 21% of respondents shared they are planning to hire freelancers within the next six months while 8% shared they will hire freelancers within the next twelve months
- Less than 1% of managers surveyed said they are not planning to hire freelancers in 2025

### How business leaders overwhelmingly admitted to feeling concerned about team impact:

- 89% of respondents were concerned<sup>1</sup> about the stress and burnout their teams may endure
- 91% of respondents were concerned<sup>1</sup> about overall job security at their company
- 83% of respondents felt that layoffs led to team turnover
- Respondents overwhelmingly felt that freelancers helped balance the additional workload for their teams (97%), boosted morale among remaining team members (95%), and allowed them to spend more time focusing on longer term solutions (96%)
- 72% of respondents felt that shifting part of the workforce to freelance would reduce the need for layoffs in the future

In relation to the new non-compete ban, an average of 34% of respondents shared that they are not willing to offer any additional benefits including higher salaries or bonuses, flexible working hours, flexible working location, or more PTO to retain or hire key talent.

Fiverr's *Layoffs: In the Boardroom with Decision Makers* survey was conducted by Censuwide. Insights were provided by 1,001 managers, business leaders, and decision-makers who are doing or have done layoffs within the past six months. All respondents work at mid-to-large sized companies with 250+ employees, in industries including technology, finance, legal, entertainment, healthcare, architecture, manufacturing, and retail across the US. The data was collected between May 17, 2024 and May 24, 2024. Censuwide abides by and employs members of the Market Research Society and follows the MRS code of conduct and ESOMAR principles. Censuwide is also a member of the British Polling Council.

<sup>1</sup> 'Very concerned' and 'Somewhat concerned' answers combined.

### About Fiverr

Fiverr's mission is to change how the world works together. We exist to democratize access to talent and to provide talent with access to opportunities so anyone can grow their business, brand, or dreams. From small businesses to Fortune 500, over 4 million customers worldwide worked with freelance talent on Fiverr in the past year, ensuring their workforces remain flexible, adaptive, and agile. With Fiverr Business Solutions, large companies can find the right talent and tools, tailored to their needs to help them thrive and grow. On Fiverr, you can find over 700 skills, ranging from AI, to programming and 3D design, digital marketing to content creation, from video animation to architecture.

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