

The Rise of Fractional Work

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Lisa Bauman & Vivek Sai

fractionalmanager.org

What every CDP needs to know about the agentic shift.

The story in five moves

1 Chat → Copilot → Agents → Swarm, in under four years

75% of knowledge workers already use generative AI at work; 62% of organisations are experimenting with agents — yet no more than 10% have scaled them in any single function. The capability is real; the deployment is messy — and that is where the human work is.

Microsoft & LinkedIn Work Trend Index 2024 · McKinsey State of AI 2026

2 AI didn't take jobs. It took the repeated parts of jobs.

Research: +40% quality inside AI's competence, -19% correct outside it. Sales: 28% of a rep's week is selling. Software: review time +91%. Finance: 72% of Canadian firms use AI in reporting. Support: novices +34%; Klarna rehired humans for the hard tier. Generation is cheap; verification, framing and relationship are the bottleneck.

Dell'Acqua et al. HBS/BCG 2023 · Salesforce State of Sales · Faros AI 2025 · KPMG Canada Feb 2026 · NBER w31161 · Klarna May 2025

3 Organisations respond: fewer juniors, more specialists on flexible terms

112,713 AI-attributed US job cuts Jan-Jul 2026, the #1 stated reason five months running. ~25% of organisations are reducing entry-level hiring because of AI. "AI orchestrator" listings +1,294 in a year; 77% of leaders say AI increases their need for fractional, specialised talent.

Challenger, Gray & Christmas Jul 2026 · Gartner 27 Jul 2026 · Lightcast Feb 2026 · Upwork 2026

4 The org chart changes shape: pyramid → humans + agents → one-person company

Span of control 7-8 → 12.1 in a decade; 20% of organisations use AI to cut more than half of middle management; ~60% of a manager's week was coordination — exactly what agents do. The ladder was also the training system.

Gartner Oct 2024 · Forbes May 2026 · Deloitte Human Capital Trends 2025

5 The reluctant independent

Full-time US independents doubled, 13.6M → 27.6M (2020-25); 37% say circumstance had a hand in it. AI is their staff: 74% use it, saving 9 hrs/week; AI-skilled freelancers earn +34% per hour. Canada: self-employment +44,000 in July 2026.

MBO Partners State of Independence 2025 · Upwork 2026 · Statistics Canada LFS Jul 2026

The new category

Fractional Manager (n.)

Not a consultant. Not a contractor. Not a freelancer. A domain expert who made a deliberate choice: to operate across multiple organisations simultaneously, deploying expertise and AI fluency where it creates the highest leverage.

The arrangement is fractional. The impact is not.

Five takeaways for practitioners

- **Execution is being automated.** Value now has to be *defined*, not just delivered — and defining it is our work.
- **The first rung is the one disappearing.** Young workers in AI-exposed roles are ~19% behind peers in the US; Canada shows the same age pattern. Build proof of orchestration before a first job.
- **Task, not occupation.** Exposure lives at the task level. A résumé says what someone did; the market buys what they can still do that the machine can't.
- **Evidence, not credential.** 70% of employers claim skills-based hiring; the measured effect is 0.14%. Show it: accomplishment statements with a metric, a named AI level.
- **Thirty days, not twelve months.** 39% of core skills change by 2030. Measure eleven things, work on three, re-rate in thirty days.

Why this lands on CDPs

84% of Canadian career practitioners already use AI with clients; 82% have had no formal training; 14% feel fully prepared. AI closes *information* deficits well. The confidence a person needs for a high-stakes change is still built by a human — that is the part of our work that does not automate.

CERIC / CareerWise national survey of 370 CDPs, 2026

Before the client arrives: know their exposure

The AI impact directory – 342 Canadian occupations

Every occupation in the Statistics Canada NOC 2021 classification, measured against real AI-usage data (Microsoft Research's 200,000-conversation study and Anthropic's Economic Index) and paired with the ESDC COPS 2024–2033 employment outlook. Each entry shows how much of the role's work is already done with AI, whether as automation or augmentation, and what the orchestrator pivot looks like for that role. Figures are labelled measured or modelled.

Insulated <15% automation

Reshaping 15–39%

High-risk ≥40%

Three-question qualifier: seniority · work mix · employer adoption

In a session: look up the client's job title before they arrive. Open with the number, then go to the task level – which parts of their week are repeated, which are judgement. No account needed: fractionalmanager.org/career-trends

Eleven things a thriving fractional career is made of

A fractional career is a small business with eleven moving parts. The client rates each 1–5 (*just starting* → *thriving*); the three lowest are the priority. No composite score – eleven honest ones.

Position 1 · 2 Identity & Positioning – articulate your niche, value proposition and signature strengths. Output & Credibility Assets – accomplishment statements and portfolio-ready examples. Ask: "What would a stranger hire you for, in one line?"	Capability 3 · 4 AI-Enabled Capability – efficiency and market value through AI-enhanced skills. Learning & Growth – new skills and expanded service offerings. Five levels of AI fluency: observer · practitioner · integrator · builder · orchestrator. Ask: "What did AI do for you this week that you used to do yourself?"
Relationships 5 · 6 · 7 Reputation & Influence – trusted relationships, referrals, testimonials. Relationship Quality – mentors, mentees, partners. Network Strength – a growing pipeline. 90% of fractional workers say client acquisition is the hardest part. Ask: "Who would vouch for you outside your last employer?"	Business 8 · 9 Opportunity Flow – a steady inflow of inquiries, referrals and aligned opportunities. Autonomy & Choice – the ability to choose clients and shape workload. Autonomy is proven by a "no". Ask: "Where did your last three opportunities come from?"
Sustainability 10 · 11 Wellbeing & Sustainability – energy management and healthy boundaries. Financial Health – revenue stability, diversified streams, competitive pricing. Both self-reported by design: no system can see them. The conversation is the instrument. Ask: "How many clients would you need to lose before it hurts?"	

Measuring movement: a number that moves when they do the work

Rate all eleven ten minutes · baseline	Pick three for the next 30 days	First step: 20 min a line written, a call made	Thirty days one cycle, not a year	Re-rate the rating has to move – not just the activity
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The six-stop journey a Fractional Manager takes

1 · Skill audit → skills map A résumé read into core, transferable and AI skills. ~7 min	2 · Personal skills What you love, what you're good at, what's needed, what pays. a conversation	3 · AI level Observer → Practitioner → Integrator → Builder → Agent Orchestrator. 3 min
4 · Brand & portfolio One positioning line, three accomplishment statements. 20 min	5 · Choose your eleven Rate, pick three, take the first rung. 30 days	6 · Upskill · network · build The loop that moves the number. ongoing

Readiness climbs Explorer → Optimizer → Fractional Manager. The eleven pillars, Skills Constellation™, AI Litmus and Personal Performance Indicators™ are from Fractional Manager™ – fractionalmanager.org. The audit, skills map and AI level are free.

Read more: the sources behind the numbers

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<https://www.upwork.com/research>

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<https://www.fractionaljobs.io/the-fractional-work-report>

Stay in touch

Lisa Bauman

Strategic advisor

[linkedin.com/in/lisabauman](https://www.linkedin.com/in/lisabauman)

Vivek Sai

Founder, Fractional Manager™

[linkedin.com/in/viveksai](https://www.linkedin.com/in/viveksai)