

GIG ECONOMY: THE NEW TREND THAT WILL TAKE THE WORLD



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Sharon was hitting the keyboard with her exhausted fingers when her phone let out a single beep. She ignored it and continued her frantic typing. It was almost 6 p.m., and she was already nearly twenty minutes late for her meeting with Kylie. The phone beeped once again. She ignored it once more. She knew it was Kylie asking where she was. She heavily sighed as she noticed the clock arms gap increasing. The phone beeped once again. Sharon was already 45 minutes late. She hurriedly got up, gathered her stuff, and ran out of the door. Sharon threw herself out into the cold January evening. She almost ran towards the diner around the corner in her well-known fast pace. Kylie waved to Sharon the minute she entered the restaurant so she would see her. Sharon approached the table and tiredly threw her stuff on the sofa next to Kylie. She sat there apologetically as Kylie looked back at her angrily.

Sharon explained that her boss asked her to enter some data into the system almost last minute. She had to work on it frantically as her boss explained that it was urgent. "Mike is always an urgent last-minute guy. Zero planning skills," She added to Kylie. Every time Mike failed to plan, Sharon paid the price. Kylie listened annoyedly. She waited for Sharon for 45 minutes without any reply from Sharon's side. She sat there impatiently, listening to Sharon's venting. "Stop it"! Kylie suddenly yelled at the top of her lungs. The entire diner fell into silence as they turned their necks towards the two ladies. Sharon stared back at Kylie with shocked eyes, who looked embarrassed and shocked herself. She cleared her throat, took a couple of water sips as people went back to their business.

"I'm sorry," she said while she hugged Sharon. "It's just that this time it's Mike. A few months ago, Derek never gave you time off and had you working over weekends. A couple of years ago, it was John who always put you down. A few years back, it was Amanda, "Sharon interrupted her annoyedly "this is work, Kylie! A job looks like this." Kylie sighed desperately, "A full-time job looks like this." Sharon looked perplexedly at Kylie. "What do you mean?" Sharon asked. "Hello Sharon! it's 2021! Why answer to a boss?" Kylie replied at the top of her lungs, to which the diner fell into one more awkward silence. This time people looked annoyedly back at them before they went back to their food. Kylie looked back at Sharon, who still had that curious look on her face.

“The Gig Economy Sharon, Hello!” Kylie replied to that question on Sharon’s face. Kylie herself never had a full-time job for the past five years. “Tell me more about it,” inquired Sharon. To which Kylie’s face relaxed and started to explain as they finally had their meal.

What is the Gig Economy?

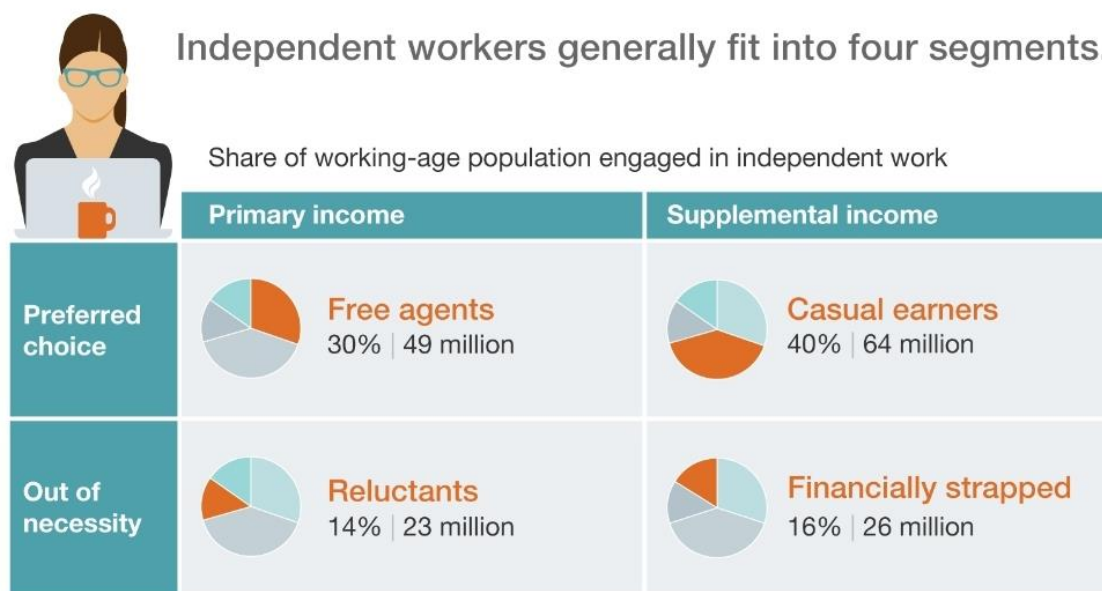
The gig economy refers to a labor market that consists of freelancing or part-time jobs rather than full-time, fixed contracts. Gig workers can work in various areas, including driving a cab or delivering packages, market development, editing documents, providing technical help, or performing arts. The fact that individuals work on a short-term project basis rather than as long-term employees of one firm defines a person as part of the gig economy, not their background or chosen sector.

It is also feasible to participate in the gig economy while working full-time as an employee. For example, you could work as a human resources officer during the day and supplement your income by doing some photography or graphic designing in your leisure time. Gig workers are more likely to perform a wide range of jobs than employees who work full-time for a single organization.¹

¹ Investopedia, 4 February 2021, Investopedia Team, Gig Economy, Accessed 19 September 2021, <<https://www.investopedia.com/terms/g/gig-economy.asp>>

N26, 10 March 2021, Accessed, N26 Team, The Rise of the GIG economy has changed the way we work forever, Accessed 19 September 2021, <https://n26.com/en-eu/blog/gig-economy>

The McKinsey Global Institute polled 8,000 people in Europe and the United States to understand the gig economy better. They inquired about their earnings over the last 12 months, including their principal work and any other sources of money. According to the survey, almost 162 million people in Europe and the United States, or 20 to 30% of the working-age population, engage in self-employment. While independent workers are diverse in terms of demographics, they can be divided into four categories (exhibit): **free agents**, who actively seek out independent work and rely on it for their primary source of income; **casual earners**, who are dependent on independent work for supplemental income but do not rely on it for their primary source of income; **reluctants**, who get their primary living from independent work but would like to work in a traditional job; and **the financially squeezed**, who supplement their income with independent work out of need. ²



Source: 2016 McKinsey Global Institute survey of ~8,000 US and European respondents

McKinsey&Company

² McKinsey Global Institute, 10 October 2016, James Manyika, Susan Lund, Jacques Bughin, Kelsey Robinson, Jan Mischke, and Deepa Mahajan, Independent Work: Choice, necessity, and the Gig Economy, 19 September 2021 <https://www.mckinsey.com/featured-insights/employment-and-growth/independent-work-choice-necessity-and-the-gig-economy#>

What do the Numbers Say?

- About 36% of US workers are part of the gig economy.
- 12% of the US workforce started taking freelance jobs during the pandemic.
- 10% of the US workforce was forced to pause freelancing because of the global health crisis.
- 86% of freelancers think the industry has an even brighter future ahead of it, despite the health crisis.
- If the gig economy keeps growing at its current rate, more than 50% of the US workforce will participate in it by 2027.
- In 2018, US independent workers spent a billion hours per week freelancing.
- 41% of postgraduates freelance.³

According to the most recent statistics on the gig economy, things aren't just changing; they've already transformed. Gone are the days of working a job from 9 a.m. to 5 p.m. Nowadays, it's more typical to juggle multiple sources of income and work when you want, rather than when your company instructs you to.

Seven Reasons the Gig Economy is becoming our new reality⁴

The traditional job market arose from necessity and convenience. Before the internet, and even before (reliable) mass transit, the only way to get a job was to find a company that could provide you with stable long-term labor near your home. It became the industry standard not because it was the best option but because it was the only one available. That has changed and will continue to change as technology advances. The GIG economy has evolved from a marginal source of income to presently employing over a third of all workers in the United States (36 percent). In fact, according to Statista Research Department data from May 2021, 86.5 million people in the United States will be freelancing in 2027. That's 50.9 percent of the total workforce in the United States.

³ SmallBizGenius, 26 May 2021, Damjan Jugovic Spajic, The Future Of Employment-30 Telling Gig Economy Statistics, Accessed 30 September 2021, < <https://www.smallbizgenius.net/by-the-numbers/gig-economy-statistics/>>

⁴ CXC Global, 1 September 2021, Connor Heaney, 10 reasons the Gig Economy will increase its disruption of the working world, 19 September 2021, <https://www.cxcglobal.com/10-reasons-the-gig-economy-will-only-get-bigger> Forbes, 27 March 2020, Mike Volkin, Why the Gig Economy will drive the future of employment, 19 September 2021, <https://www.forbes.com/sites/forbescoachescouncil/2020/03/27/why-the-gig-economy-will-drive-the-future-of-employment/?sh=635753124f52>

But what are the reasons leading to the change from the traditional job market to the Gig economy?

1. *The Evolution of the Internet*

High-speed internet present in most countries has enabled remote working. Not just within the same country, however in different countries. You can be in Africa and accept a job in Asia. And it doesn't apply only to employment but also to training and development opportunities, where you can attend world-class training anywhere in the World. Hence the internet has enabled a world without borders.

2. *Ease of Entering the Gig Market*

Even for low-paying, manual work, an applicant may be required to submit a CV and engage in an interview to gain traditional employment. Qualifications and experience are needed for the higher levels. At the same time, typical self-employment necessitates incurring the expenditures of starting a business and building a client base. Licensing restrictions can also hamper it. Gig economy platforms can use alternatives to formal qualifications, such as reputation rating techniques, to lower such obstacles to work. Furthermore, workers are usually exempt from the costs of starting a business.

3. *What the brain has to Say*

In the last decade, new science about the brain has proven that the human brain does not function at its best when it works for eight hours straight. Numerous studies have shown that working in short bursts increases productivity and efficiency. According to a productivity study conducted by Ohio University, the top 10% of highly productive workers do not work eight-hour shifts. They discovered that for the human brain to perform at its best, it requires 15-minute pauses every hour of work. Many freelancers who make up the gig economy understand and know this well. Thus, adopting techniques such as the Pomodoro and adapt their work according to their conditions and style.

4. *Multi-talented Individuals*

Many people possess various talents and skills that might not be utilized by one single job. For example, someone might have a secretarial position while having a knack for writing. Another might be good as an instructor while having a good talent as a photographer. And much more. Therefore, the Gig economy is suitable for people to experience some freelancing options, develop a good portfolio, and then maybe decide whether to quit their full-time job altogether or not. It also allows them to do something they enjoy with some extra income.

5. *The Benefit of Autonomy*

Freelancing gives individuals more autonomy. Thus, working at their own pace and choosing their suitable workload. Not having a boss makes the person their boss. It also allows individuals to make their own decisions, according to their working style, values, and conditions.

6. *The High Cost of Full-time Employment*

Companies are pressured all the time to make a profit. Therefore, they need to save as much as possible. Therefore, some companies resort to hiring freelancers as it saves recruiting and onboarding costs. In addition, freelancers work remotely. They save office space, benefits, and any other fee paid to a full-time employee.

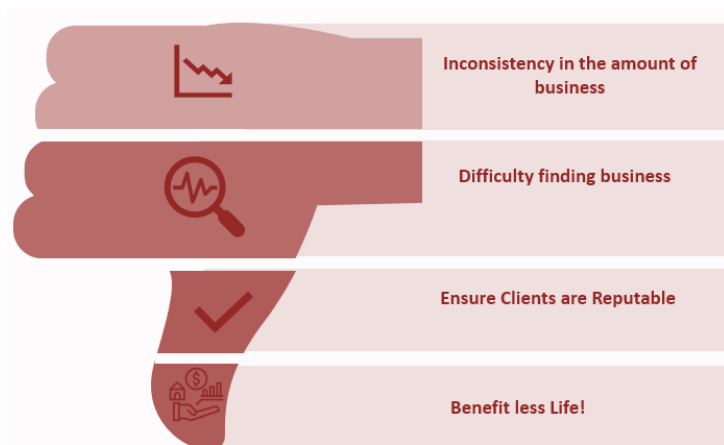
7. *The Satisfaction of Independence*

Individuals who choose independent employment as their primary source of income expressed better satisfaction with their output than typical workers, according to a McKinsey study from 2016.⁵

⁵ Accessed 20 September 2021, <
<https://www.mckinsey.com/~media/mckinsey/featured%20insights/employment%20and%20growth/independent%20work%20choice%20necessity%20and%20the%20gig%20economy/independent-work-choice-necessity-and-the-gig-economy-full-report.pdf>>

The Pros and Cons of Freelancing or Independent Working

Sharon was blankly staring into nowhere as her mind wandered and contemplated the idea of resigning. She thought about Kylie, her best friend who did not have a full-time job for the past five years. Kylie seemed to be doing fine. Why doesn't she follow suit? Her eyes suddenly hit Veronica! Shawn let out a startled gasp! "Since when have you been sitting there?" Sharon asked with a shocked look on her face. Veronica giggled. "Since you've been drawing all those circles on the paper." Sharon looked down to find her blank piece of paper covered in all-sized circles. Sharon confided to Veronica all the thoughts that had been going on in her mind. Veronica leaned



Sorry I might have missed that: "do you mean Repeatable or you really mean Reputable?"

back in her seat, took a deep breath as she squinted her eyes and looked right into Sharon's eyes, and whispered, "are you out of your mind?." Sharon listened eagerly as Veronica listed all the cons of going into the gig economy and having an independent job.

1. *Inconsistency in the amount of business*

During some months, you might experience a load of business and lots of projects, while during others, you might be striving to get at least one project. The workload is inconsistent and depends highly on market demand regarding the service you're providing. For example, photographers might experience a business surplus during summer, as many prefer summer weddings to winter ones.

2. *Difficulty finding business*

It would help if you were outgoing with some good networking skills to have the capacity to put yourself out there, search and ask for business. When you freelance, you are your marketer and salesperson. You need to dedicate time to that and learn the skills of doing so.

3. *Ensure Clients are Reputable*

Since you are on your own, you don't want to make an effort only to be rewarded with a scam. Therefore, part of your job is to make sure your client is reliable and pay you back for your efforts. The gig economy is full of stories about individuals you put in lots of work only to find out they have been conned. Hence, your job is not only about finding business. It's also about finding a reputable and reliable company to work with.

4. *Benefit less Life!*

As a freelancer, you need to take care of yourself. You'll have to pay for your insurance and plan for your retirement on your own. There is also no paid vacation or sick time. Even though you have complete control over your schedule, you may need to work on your vacation or when you are ill.

Sharon lowered her gaze to the floor. She was lost. Her mind recalled what Kylie told her earlier. She remembers how enthusiastic and passionate Kylie talked about being independent. What Kylie said to her that night was almost the complete opposite. “it’s really astonishing how people’s views could be the complete opposite,” Sharon told herself. Once finished, Veronica asked her about her say on what she just said. “I’m perplexed,” Sharon replied. She explained to Veronica that she understood her view. However, there’s another side of the coin.



1. *A Flexible Lifestyle*

The beauty of accepting projects and tasks that are suitable for you. Unlike full-time jobs, where you have to take what your boss assigns to you. In a gig economy, you are your own boss. Moreover, you work according to your schedule. You can deal with whatever comes up during the day and then get back to work. Maintaining a decent work-life balance may be easier with this flexibility.

2. *The World is Your Office*

You can work from anywhere. Are you tired of working from home? Then you can grab your laptop and head wherever you want, be it a coffee shop, a park, or anywhere. You not only save time and money commuting, but you also get to enjoy working at your comfort.

3. *A Higher Pay Rate*

Freelance compensation is frequently better than permanent employment, and your earnings depend on how much work you choose to take on. While there may be some hidden costs, such as travel expenditures, marketing, and off-the-clock preparations, you may be able to account for these costs by setting your pay rates.

4. *Broader Exposure*

When you work as a full-time employee, you are entitled to exposure to the specific clients of that particular organization in its particular industry. However, as a freelancer, you get much broader exposure. You get to know and work with clients from various sectors and profiles, leading to an in-depth experience that encompasses a wide range of clients.

5. A Cut Back on the Office Politics

A freelancer's life is a hectic one. However, the pain does not come from the office! As a freelancer, you have your pains and gains, but consuming your energy trying to protect your position or getting drained as you escape the latest rumors and gossip is not one of them. You get to use your energy where it's needed the most: Work.

Veronica cracked her knuckles in irritation. What Sharon was presenting was a solid case. How come she never thought of it this way? Sharon smiled triumphantly. She knew she made an impression on Veronica, who stood up nervously. Veronica headed to the door and gave Sharon an angry look as she slammed the door behind. Sharon threw her head back as she burst into laughter.

Is Freelancing for Everyone? ⁶

Veronica threw her purse on the table as she finally returned home after a long hectic working day. Her mind wandered. She grabbed a chair and sat at the table, resting her chin in her palms. Veronica unconsciously started coiling her hair around her fingers as that puzzled look drew on her face. She dragged her feet to answer the insistingly ringing phone. Yet, she grabbed it quickly as the screen flashed with Sharon's name. Sharon was laughing on the other side as Veronica's face drew an angry look. "I know how confused you are. I am aware of all the zillion questions swimming in your head," Sharon replied as she continued to laugh hysterically. She had the same questions after dinner with Kylie. She told Veronica the same things Kylie told her. After they hung up, Veronica was very exhausted. Her mind raced with thoughts as she recalled what Sharon told her:

⁶ Harvard Business Review, 6 August 2009, Ariana Green, Is Freelancing right for you?, Accessed 20 September 2021, < <https://hbr.org/2009/08/is-freelancing-right-for-you.html>>
Jobs, 13 February 2019, Marina Vorontsova, this is why freelancing is not for everyone, Accessed 20 September 2021, < <https://soshace.com/5-lessons-i-learned-as-a-freelancer/>>
Forbes, 8 Jan 2019, Quora Contributor, What are the pros and cons of the gig economy, accessed 20 September 2021, < <https://www.forbes.com/sites/quora/2019/01/08/what-are-the-pros-and-cons-of-the-gig-economy/?sh=63485d521388>>

Consider how well-established you are in your field and how in-demand your abilities are before quitting your job or ending your job search. Is what you have to offer still in demand when money is tight? Freelancing may not be a realistic option if this is not the case.

After that, have a look at your financial status. Consider how much money you'll need to support yourself and your dependents. Do you have money set aside, a financial backer, or a partner with whom you can split expenses? If that's the case, you'll be able to take greater chances than individuals with fewer resources. Those with lower expenditures may be better equipped to persist with freelancing for the long haul, even if it takes some time to earn substantial money.

To be a successful and happy freelancer, you must be honest about what interests you the most. Perhaps you'd like more independence, flexibility, or variety in your life. You may desire to pursue your business interests or despise reporting to a supervisor or working for a corporation. Rank the importance of your desires and aversions on a scale of one to ten. When compared to a hypothetically stable, paying employment, how much do you value each? What are you ready to put up with in exchange for a freelancer's lifestyle?

Those were many questions that Veronica needed to answer. Thirty minutes away from Veronica, Sharon sat on her sofa, contemplating answers to those same questions. Sharon moved her eyes around her messy room. She recalled what Kylie told her about the need to be organized, motivated, and disciplined. She knows she loves learning and upskilling herself, which is essential for any freelancer because you have to market yourself practically when you do it alone. And to do so, you must remain current. This entails continuing your education by enrolling in online classes or purchasing the most recent trade publications in your field. There is no one to hold you accountable and no defined regulations to keep you up to date. It is up to you to bear the brunt of the responsibility. And you must stay up if you want to keep getting work. Veronica rubbed her eyes as she thought to herself, "I'm creative. I've always enjoyed doing things differently. This should be helpful?" she asked herself. Sharon replied to herself as she thought about her capacity to spin things around and come up with innovative solutions, a knack her managers always praised her and tolerated her mood swings for. "I can use some of my creativity to do something on the side of my job if I cannot entirely quit," Sharon thought to herself. Veronica held her head

in both hands. She felt her mind will explode. The more Veronica thought of it, the more confused she became. She is committed and disciplined, which are two essential ingredients for all freelancers out there. Otherwise, she will spend her days and nights rolling in bed and getting nothing done. Sharon was highly accountable. When she said she would do something, then she definitely will. Veronica jumped up and down in excitement. She was enthusiastic about the idea despite being unable to make up her mind yet. “It’s ok,” Sharon told herself, “This is a tough decision. It could still wait.” Sharon closed her eyes and called it a day.

Maneuvering through the Gig Economy using THE Wheel ⁷

It was a sunny January morning. Sharon dropped by Veronica’s place as they walked together to meet Kylie at their favorite coffee shop. The three of them wrapped in their sweaters and winter scarves as steam blew out of their hot chocolate mugs as they wrapped their fingers around them for warmth. The meeting was not just a girly chit-chat meeting. The key reason for their gathering was for Veronica and Sharon to listen to what Kylie has to say about freelancing. What do they need to enter the Gig economy? What skills do they need? Kylie had a lot to say in that area, primarily because she had just attended an online course with BCon about THE-The Human Element, a systematic and scientific approach that helps individuals understand themselves and others. This course helped her a lot. Now she was on a quest to explain it to her friends.

⁷ The Human Element, Part One, Cornerstone Participant Guide, BCon (Business Consultants, Inc)



1. **Known Yourself**

According to THE, everything starts with Self-Awareness. When it comes to freelancing, we cannot stress enough how much Self-Awareness is essential. Let us first define what Self-Awareness is according to THE definition:

*“The aspect of my experience that I have made known to me. My unaware part, also known as my unconscious, is the part of my experience that I do not choose to be aware of. My unconscious contains both negative and positive elements, such as things I’m afraid of, ashamed of, or feel guilty about, as well as positive qualities I’ve yet to embrace, such as **creativity, initiative, honesty, or courage**. When I am aware of my experience, I can choose how I wish to act intentionally. My unconscious may influence me in ways I don’t comprehend when I’m not aware of myself.”*

Examining the above definition, we can conclude that self-awareness is vital to freelancing. First, through self-awareness, you will understand what you are good at and what you are passionate about. Your different experiences at work and through life will give you a guiding compass as to how much energy and enthusiasm you put into which tasks in particular and which do not motivate or interest you. It will be a waste of time and energy to quit your full-time job and throw yourself into the Gig economy only to realize you are again not doing what you love or want. Second, self-awareness will help you understand what about a full-time job annoys you. Thus, helping you know whether freelancing is suitable for you and on which basis you should build it.

2. Love yourself

The concept of self-esteem is at the heart of a freelancer. Self-esteem is primarily how you feel about yourself. According to THE, when you feel good about yourself, you're inspired to reach your full potential, form positive relationships with coworkers, family, and friends, and apply all of your skills and energies to your work. Some individuals possess unique talents. However, due to lack or low self-esteem, they lack belief in themselves and their capacity to achieve their potential and dreams. Thus, they spend their lives in jobs they loathe as they do not see themselves doing any better.

3. Speak highly to yourself

According to psychologists and neuroscientists, human beings have a constant inner dialogue, or self-talk, of between 150 and 300 words per minute, translating to 45,000 to 51,000 thoughts every day. What you tell yourself becomes your reality. If you tell yourself that you are a failure, your subconscious mind will believe your thoughts, and your actions will start to follow. Imagine being out and about in the Gig economy, totally on your own, and your only supporter who is yourself keeps putting you down with negative thoughts.

4. Acknowledge that You have a Choice

You make decisions daily, such as what to say, where to go, and what to do. Therefore, when a decision goes wrong, learn from it, and move on. Do not spend your time assigning self-blame. This behavior will only push you into the guilt trap. Choice is a practical tool. It refocuses our concentration on understanding our choices and making intentional decisions that help us reach our objectives. As a freelancer, you're making choices all the time. Whether about the clients you work with, the projects you take on, your timings and schedules, and so on. Understanding that you have a choice will help you understand yourself and learn from your decisions, whether right or wrong. Moreover, acknowledging that you have a choice will help balance your life instead of taking on a workload and ruining your work/life balance.

5. *Flex your Muscles*

Being a freelancer means you are your own boss. You get to choose when and how to work, and with whom. As much as this is a privilege, it also needs flexibility from your side. For sometimes, you will need to stand up for yourself. Other times, your client will change their mind regarding a deadline or how they need a specific project. You need to be flexible enough and manage yourself and your clients' expectations. Moreover, it would be best if you adapt your communication style and preferences according to your clients. Rigidity in a Gig economy will lead to loss of clients and business.

6. *Exercise Openness*

As a freelancer, you are responsible for attracting your clients and building a relationship with them to sustain and maintain your business. Choosing your degree of openness is vital in making connections (relationships) and reputation (branding). It would help if you were open to creating relations and communications that will help your business. In addition, as an independent worker, you do not belong to an organization. Therefore, you might lack this sense of belonging to an entity and a group of colleagues to share your morning coffee and some quick chat after some time. Hence, it's beneficial to open up to some supportive relationships that surround you that might act as your support group when the ride gets tough.

Exercising openness will help you get business and support you when needed, and it will help you know more about yourself as you open yourself up to feedback. Thus, feeding into your self-awareness.

Kylie gasped as she explained her points. She was talking with excitement as Veronica and Sharon exchanged enthusiastic looks. The three of them giggled with happiness as they stood up and hugged each other. Sharon and Veronica headed their way back as they left Kylie sitting around at the coffee, watching her friends trot in excitement. Sharon pulled out her phone and showed Veronica her resignation draft letter. Veronica's eyes lit with enthusiasm. Sharon confided to her that she felt worried, yet she was willing to take the risk. The two ladies parted as Veronica strolled down the tree path. She wished she had this adventurous spirit of Sharon's. However, she felt she was not ready yet to take such a leap. The Gig economy is just like rolling the dice. Sometimes you will get the numbers you need, while other times it will not be in your favor. It comes with a risk, but a good preparation will help you be in the safe place.

Whether the risk is worth it or not, it's your call. Veronica tossed her purse back and forth as she briskly walked, enjoying the chill in the air.