

A circular illustration depicting various gig economy activities. At the top left, a woman sits in a chair with a laptop. At the top right, a man sits at a desk with a computer monitor. In the middle left, two people sit at a desk with a laptop, and a man stands next to a presentation board. In the middle right, a woman lies on a couch using a smartphone. At the bottom, a man sits at a desk with a laptop while a woman stands next to him. Clocks and potted plants are also included in the scene.

ULTIMATE GIG

Flexibility, Freedom, Rewards

John T. Fleming

Lauren Lawley Head
Ultimate Gig Team

ULTIMATE GIG

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ULTIMATE GIG

Flexibility, Freedom, Rewards

BY

JOHN T. FLEMING

Ideas & Design Group, USA

WITH

LAUREN LAWLEY HEAD

Lawley Head Media, USA



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INVESTOR IN PEOPLE

ABSTRACT

Author – John T. Fleming
Editor – Lauren Lawley Head
August 27, 2020

Context: The gig economy has become a popular subject in mature markets throughout the world, especially the United States. The words were even used by the United States Congress when recently addressing the different classification of workers impacted by COVID-19. The gig economy has become a new phenomenon attracting record numbers of people to the possibility of part-time work or work that offers flexibility in how and where the work is being done. Some gig workers turn gigs into a preferred way of earning full-time income.

Gigs are not new. Part-time work has always been a possibility for those who sought incremental work opportunities. What is different about the gig economy is its innovative use of technology in connecting gig workers with a source of product, service, or client, and a consumer who is interested in making a purchase. Many gig workers now find technology to be the enabler in turning underutilized assets such as homes, rooms, and cars into income-earning opportunities. The choices in how we work, when we work, and where we work from have never been greater!

Information relative to the gig economy, the definitions and understanding of gig economy, motivations for working a gig, selecting a gig, and working a gig can be difficult to find; therefore, *Ultimate Gig* can help to eliminate misunderstanding and confusion when seeking to better understand the gig economy.

Ultimate Gig	Title	Description
Dedication		Gig workers
Acknowledgments		Those who make this book possible
Preface		What the book is all about
Chapter 1	Welcome	Defining the gig economy and types of gigs
Chapter 2	Academic Perspective	Making sense of the gig economy
Chapter 3	Motivations	Why people from all walks of life work gigs
Chapter 4	Gigs Redefine Entrepreneurship	Gigs make microentrepreneurship easily available
Chapter 5	How Technology Is Shaping Gigs	The gig economy leverages technology effectively
Chapter 6	Direct Selling – The First Gig	The 100-year-plus channel of distribution is a gig
Chapter 7	Women and the Future of Gigs	We explain why women appear to be the future of gigs
Chapter 8	Defining the Ultimate Gig	Leverage your strengths and passions – your ultimate gig
Chapter 9	Maximizing the Potential of a Gig	The guidance all gig workers need
Chapter 10	A Perspective on Challenges	Identification of the obvious, solutions, resolutions
Chapter 11	Research Findings and Insights	The most current research and insights on gig economy
Chapter 12	Game Changers	Companies and individuals who are changing the game
Epilogue	Glimpse of the Future	A summary of the book, our experiences, future of work

This book is about better understanding the gig economy conversation. It is also about understanding one of the most significant labor revolutions in the past 100 years as to how work can be done. *Ultimate Gig* is about the value of microentrepreneurship and putting entrepreneurship tools into the hands of the masses, the crowd. This book will inspire, inform, and educate. It will help gig

workers and potential gig workers better understand the incredible value of new choices that allow anyone – regardless of age or walk of life and irrespective of experience or inexperience – opportunities to leverage time and convert hours into meaningful and fulfilling work in a flexible manner.

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DEDICATION

Today, people of all ages and from all walks of life find it possible to work in a new way. They are independent contractors using various labels to describe their approach to working when they wish and, often, from wherever they choose. These are not contractors filling typical job functions. We are referring to a new breed of workers.

Ultimate Gig is about the millions of people (approximately 60 million in the United States alone) who have embraced a new way of working. Perhaps more so than any other type of worker, gig workers have decided to bet on themselves. Gig workers understand that their success will depend on the quality of the service and products they provide to others.

We dedicate this book to the gig-providing companies and their founders who envisioned work differently, and to the new army of microentrepreneurs who bring positive change to their personal lives and the lives of those they serve.

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ABOUT THE AUTHOR



John T. Fleming has always embraced a belief that being the first to do something different is always a choice. His parents, both educators, encouraged a belief that you accomplish what you think you can. This belief is foundational to everything John has accomplished from high school to engineering school, to working in the office of Mies Van der Rohe – the German architect recognized as being one of the “masters” of modern architecture, to direct selling entrepreneur, to an officer in one of the world’s largest and most notable direct selling company’s brands, to publisher and editor of a trade publication, to founder of Ideas & Design Group, LLC, to consultant, speaker, writer, student, researcher, advocate of microenterprise, and now author of this book.

John is also the author of *The One Course*, a course written to stress the importance of personal development beyond what is offered in our traditional educational system and served as a co-author with New York Times best-selling author Robert Kiyosaki (Rich Dad Poor Dad) on the book, *The Business of the 21st Century*.

John remains one of our country's strongest advocates for the selling profession, the gig economy, and the independent contractors who benefit from what gig-providing companies make possible. He consistently speaks and writes about "work" being redefined and the new choices which enable people from all walks of life, regardless of age, past experience or inexperience, the opportunity to learn basic skills associated with selling and/or serving customers, and the opportunity to engage in the free enterprise system. His recognition includes Direct Selling Association Hall of Fame, Direct Selling Education Foundation Circle of Honor and Direct Selling News Lifetime Achiever.

ABOUT THE EDITOR



Lauren Lawley Head became intrigued by the power of storytelling at an early age and has spent her career immersed in the craft.

She earned two degrees from the University of Missouri-Columbia, one in journalism and one in economics. After graduation, she combined the two in her work as a business reporter, covering retail, technology, and health care. She worked her way up through multiple newsrooms, developing a passion for interviewing entrepreneurs and sharing stories that inspire others to embrace innovation and positive change.

After a 20+ year career in journalism, Lauren took the entrepreneurial plunge herself, founding Lawley Head Media, LLC to help organizations, authors, and entrepreneurs use the power of their stories to create and launch new products, streamline content development, and implement effective marketing practices.

She is a former Senior Vice President of *SUCCESS* magazine, Publisher and Editor in Chief of *Direct Selling News*, and Editor for American City Business Journals' *Dallas Business Journal* and *Pittsburgh Business Times*.

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PREFACE

Ultimate Gig is about helping people better understand what the gig economy is all about. Our research and thoughts have always been focused on why gigs fuel new values, such as the desire for more flexibility and freedom in how we work. There are solid reasons why a diverse population gravitates toward work that focuses more on flexibility and freedom and the potential rewards that can be achieved.

Traditional companies embraced the idea of flextime many years ago. Once considered a risky experiment, human resource professionals found ways to bolster their company culture by offering flexible work opportunities. The idea is no longer an experiment. A growing percentage of job applicants will not be interested in traditional nine-to-five working hours. Many employees now complete part of their job during set hours in the office and the remainder when and where they choose. In some cases, employees do not work in a fixed facility at all. This type of flexible work and those who perform it are often defined as “the alternative workforce.”

COVID-19 increased the value of flexibility in how work is done. With states and countries enforcing stay-at-home orders, many businesses were forced to close their physical locations and adapt to find ways to allow people to work from their homes. The value of gig work increased as the unemployment rate soared very quickly from an all-time low to an all-time high in the United States. Some organizations even began to abandon an office-centric work environment altogether, as they found that the benefits of virtual working outweighed the disadvantages.

While the gig economy is considered a new phenomenon, the concept of gig work has been around for more than 100 years.

Direct selling companies, which utilize independent contractors to handle the primary responsibility of acquiring, selling, and serving customers, offer one of the first forms of gig work. In the traditional nine-to-five work culture, the direct selling opportunities created by such trailblazing brands as Amway, Avon, Mary Kay, and Tupperware stood out. When these companies began, they offered unique opportunities for people to earn money with immense flexibility and freedom in how they completed the work. These characteristics made direct selling very attractive to women, representing approximately 75% of direct selling participants.

Today, the growing number of gigs produces even more work choices and more flexibility. The opportunity to work following personal preferences has never been more numerous. Being limited to a single source of income no longer exists. An individual's ability to increase his or her income potential is only limited by the person's objectives and the number of hours available to embrace a new activity.

There are many types of gig opportunities, and nearly as many names used to describe them. You will learn about each as you continue to read. The gig economy has provided all ages and backgrounds with opportunities that are not linked to the qualifications you would typically find on a résumé.

This book will take you on a journey, one that is easy-to-read at times, and more academic in approach at other times. We tell a story based on personal and collective perspectives gained from many years of working as an independent contractor and in support of independent contractors. Our work began with natural curiosity, study, and ultimately the formal research we just completed.

This story is about the revolution taking place in how work is performed and the diverse motivations that have attracted more people to part-time work than perhaps any other time in history. We are focused on making sense out of the gig economy to benefit those who seek gigs and provide gigs. We think you will find the information we share to be very valuable to the objectives that caused you to acquire a book such as this one.

This book will inform, inspire, and motivate. It may serve to answer questions, and it may help confirm decisions that gig-providing companies are evaluating. It will provide insights and

guidance to those working or seeking a gig. Parts of this book may serve as a teaching tool or a means to confirm your decision about engaging in a gig opportunity.

This book is about understanding the conversation and understanding one of the most significant revolutions in the past 100 years as to how work can be done. It is about the value of micro-entrepreneurship and putting entrepreneurial tools into the hands of the masses. It may trigger discussions that need to be scheduled, and it may trigger the reexamination of strategic plans. This book will help gig workers better understand the incredible value of new choices that allow anyone – regardless of age or walk of life and irrespective of experience or inexperience – to leverage time and convert hours into meaningful and fulfilling work.

Many of us have lived through times when, regardless of our experience or educational background, we could not leverage more hours into more possibilities because we could not find the flexibility we needed. Perhaps you have experienced a time when pre-defined work schedules did not fit within your life's constraints or conflicted with your chosen values, such as how you wished to care for your family. You may have experienced times when a flexible work arrangement would have served as a bridge between the last job and the next long-term opportunity you were pursuing. You may have determined you needed to work again after formally retiring because your retirement plan did not work as you had envisioned. Or you may have been looking for an entrepreneurial opportunity that offered minimal risk.

Today's gig-providing companies have created what past generations hoped to find: flexible work opportunities that can be engaged by the masses. The dreams of yesteryear have become today's realities and possibilities. This book is about the gig economy. We hope you enjoy the journey.

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ACKNOWLEDGMENTS

We might readily agree that ideas fuel the evolution of wisdom and knowledge. This book is the result of ideas shared by a multitude of others who, perhaps, never realized the meaning to me of the thoughts they shared.

Capturing and recording ideas is hard work. As an architectural student, I learned quickly that every idea could not be transformed into real design and real plans that lead to the construction of actual structures. Therefore, writing a book on the gig economy phenomena was both a big and scary idea.

When I shared the idea with a couple of close friends, Kate Gardner and Alan Luce, they said, “Let’s do this!” Alan Luce is a principal of Strategic Choice Partners and an attorney with many years of experience working within and in support of the direct selling model. He is a dear friend who I first met when he was chief legal officer at Tupperware Brands. Over the years, I have had many conversations with Alan relative to independent contractors and how best to support their efforts. Alan shared much insight into the topic and contributed specifically to the thoughts and insights shared in Chapter 6. Kate Gardner, principal of GardnerCo, LLC, is another exceptional friend. Kate was enthusiastic about this project from the beginning and facilitated the capturing of many of the testimonials sprinkled throughout the book. Kate also helped open many doors, introducing us to many others who became supportive of what we were doing.

Next, I knew I would need the input of a few academics. I called my friend, Dr. Greg Marshall, the Charles Harwood Professor of Marketing and Strategy at Rollins College’s Crummer Graduate School of Business in Winter Park, Florida. I shared the idea of writing a book on the gig economy phenomenon and its impact on

redefining work and the composition of the labor force. I asked Greg if he would be interested. When he also said, “Let’s do this!” I knew that we were on to something that could be meaningful to everyone seeking to make sense of the gig economy, its impact on the marketplace, and, most importantly, the labor force. Greg wrote Chapter 2.

When Lauren Lawley Head, principal of Lawley Head Media, became interested in the role of *Ultimate Gig* Project Manager, I knew we had a core team that could do the work. Lauren is the ultimate project manager. She brings the poise, experience, and a very organized approach to the reporting and storytelling associated with this project. We were fortunate that Lauren, also a dear friend, was available to assume the role of editor and project leader. Lauren has read and reread every word of every chapter. The fine-tuning only ended when the manuscript was submitted to our publisher.

We are also very proud of the core team, including two graduate students, Christian Panier and Christina Schreiber of Rollins College’s Crummer Graduate School of Business, who contributed to this work. Lauren worked with the graduate students weekly to ensure their experience with the project was a gratifying learning experience. There are so many details to be covered when writing a book and so many questions. Christian and Christina helped a lot, and we are grateful for their contributions and to Dr. Deborah Crown, Dean of the Crummer Graduate School of Business at Rollins College, for considering work on our project worthy of the time invested by two outstanding graduate students.

Our publisher, Emerald Publishing Limited, United Kingdom, is precisely the type of publisher we sought. I was introduced to Emerald Publishing and Senior Publisher Andrew Pert over a dinner suggested by Dr. Marshall. Emerald is a global publisher known for its focus on research. Emerald CEO Vicky Williams shares in a statement on the Emerald website: “At Emerald we’re all guided by one thing which is to find and share research which challenges, disrupts and changes the world – little by little – for the better.” I knew we had a story to tell from a unique perspective. The possibility of being in the Emerald community of outstanding writers

and researchers kept us awake for a few nights. We are proud to be in the Emerald community.

We are also profoundly grateful to those who became sponsors of our efforts. The support of Robert Cavitt, CEO of Jenkon Inc., has been invaluable. His visionary leadership and willingness to participate served to inspire us to take on the project. I have known Robert for close to 20 years. Throughout the tenure of our friendship, I always found Robert to be very interested in sharing his wisdom or, as the expression goes, paying it forward. Robert always wants to make a personal contribution to the welfare of others, the education of others, and the future of others. I know Robert runs a very successful company; however, I never hear him talk that much about his success. He is always more comfortable talking about what the future will be like. His company is a technology company, so it was most fitting for Robert to become the primary contributor to the chapter on technology.

John Parks, of John A Parks Company, Inc. – Insurance Agency, a long-time friend, who has always been innovative in seeking and providing insurance products and services to support independent contractors also contributed to the ideas we explored relative to the new type of safety-net gig workers will need in the future to enhance and encourage participation in the gig economy as a gig worker.

Stephanie McVeigh, Founder, and CEO of Strategic Incentive Solutions, Inc., a travel incentive company based in Canada, brought to us insights relative to the importance of incentives in inspiring human behavior. We were grateful to be introduced to Stephanie by Kate Gardner.

Toward the end of our quest to identify needed support for the project, we were fortunate to meet Paul Beldham, CEO, and Karen Dworaczyk, Chief Revenue Officer, at PayQuicker. Good friend Kelly Thayer made the introduction. Both Karen and Paul have been a joy to work with. Our relationship will yield much more information and data as we continue our work long after publishing this book. Their contribution to the chapter on technology enlightened us to the importance of prompt compensation once work is done, which is also a part of the labor revolution we are experiencing.

In this book, we tell a story. It is based on personal and collective perspectives gained from many years of working as an independent contractor and in support of independent contractors. And it would not have been possible without the dozens of gig workers who were willing to share their personal stories and experiences with us. You will find glimpses of these conversations throughout the book, but the depth and breadth of their contributions are infused throughout our work.

As of this writing, our research is the most current and insightful conducted on the gig economy. In this book, we share highlights. We also acknowledge the importance of the contributions of Dr. Robert A. Peterson for encouraging us to conduct formal research to gain empirical data to support the ultimate gig project, and we did. Dr. Peterson is a professor at The University of Texas at Austin, where he holds the John T. Stuart III Chair in Business Administration. A former vice president of the university, he was recently honored by the government of Portugal when it named the first supercomputer in Portugal after him (“BOB”). Working with Dr. Peterson has been one of the great experiences of this project, and we are grateful for the time he gave us.

Others who contributed their time, insights, helped to arrange conferences, provided interviews, contributed to articles, and helped to connect our dots when we needed, included: Kerry Tassopoulos Esq., The Tassopoulos Law Firm, Yogi Shankar, Founder and CEO Prescriptive Insights, Inc., Vince Han, Founder, CEO Mobile Coach, Lori Bush, Cofounder, CEO of Solvasa Beauty, Inc., Janet Meeks, Author of *Gracious Leadership: Lead Like You Have Never Led Before*, Maria Locker, Founder, CEO, RevolutionHER, Milind Pant, CEO, Amway Corporation, Sheryl Adkins-Green, CMO, Mary Kay, Kevin Guest, Chairman, CEO, USANA Health Sciences, Cindy Droog, Amway Corporation, and Melissa Fields, USANA Health Sciences and Margaret Jones, Mary Kay. Our conversations with each provided value beyond their actual contributions.

There are also friends, new and enduring, who impacted our thinking. I remember listening to Dr. Keenan Yo Ho, Crummer

Graduate School of Business, Rollins College, speak on innovation and creativity. Dr. Yo Ho helped me to understand real innovation better. That understanding transferred to an even greater appreciation for the innovation gig providing companies bring to the subject of work and how it can be done. Stuart Johnson, Founder and CEO of SUCCESS Partners, a long-time dear friend, keeps me inspired simply through our conversations relative to what inspires others to do what they do. Stuart remains a positive source of information, education, and inspiration available through both the *SUCCESS* and *Direct Selling News* brands. Teresa Craighead, Publisher of *Social Selling News*, is another who serves to keep us informed and inspired through the work that they do. Brett Duncan and his team at Strategic Choice Partners, especially Brooke Hawkins, a talented graphic artist and digital asset builder, and Clark Diemer, Left Hook Videos, stepped up at the very beginning and said, we support you. We are indebted to them for their ongoing support of our website, video, and social media work. Bobbie Wasserman, principal and owner of Wave 2 Alliances, has always been there when I had a question or needed guidance on how to find the answer to a question. Marcia Allen, principal and owner of Marci Designs, helped us launch our first publication, the *Ultimate Gig Special Report*. It was Marci's very creative and unique approach to design and layout that made the *Ultimate Gig Special Report* interesting, appealing, and easy-to-read.

I also acknowledge the personal experience gained from being able to work with Cindy and Scott Monroe, founders of Thirty-One Gifts. During what became many years of association, I learned firsthand how owners of a direct selling company approached the founding and management of their business in a manner that always focused on strong principles and values and the people who represented the brand. Through the association with Thirty-One Gifts, I also met two extraordinary people: Janet Meeks, author and former chief executive of a large and well-respected medical complex, and Kerri Anderson, former Chief Financial Officer and Chief Executive Officer at Wendy's International. The working relationship and friendship impacted personal thinking about many things, this book included.

I would like to thank those who invited me to speak on the subject of gig economy when we first started our research: Kate Gardner and Bret Duncan, founders of theJuice networking breakfasts for executives; Al Bala and Landen Fredrick, the CEO and CSO of Mannatech Inc.; Peter Maddox, president of the Canadian Direct Selling Association; Joe Mariano and Melissa Brunton, president and vice president of the U.S. Direct Selling Association. Thanks also to Sonya Cooper Turner, a personal consultant and friend over many years, for your encouraging support. Brian Connolly and Larry Thompson, the conversations always mean more than you know. Larry, your invitations to speak at your Gig Summits provided opportunities to share research and gain the feedback of an audience. Your events definitely impacted my thinking.

Special acknowledgment is extended to family members who often wondered, “What in the world are they doing?” A project such as this requires work beyond traditional working hours. There are long days and some nights that turn into days. The sunrise is most amazing after a long night. Lauren’s husband, David, is an invaluable support and creative sounding board. Their two sons, David and Alexander, are growing up alongside the gig economy. Seeing the world’s possibilities and optimism through their eyes is inspiring, and getting to enjoy their smiles and laughter makes every day brighter.

Personally, I hope that my family – my wife, Joyce, my son John and his wife Nicole, my daughter Cassandra and her husband Mel, and our grandchildren Kennedy and Hunter – will one day realize their pop-pop gathered together a great group of people who researched and wrote about a subject beginning to change and revolutionize the way we work. My oldest granddaughter Kennedy will graduate from Southern Methodist University with one of her first degrees within a couple of years. I do not expect her to work in a traditional format. The format will be quite different. The youngest granddaughter, Hunter (10 years), is way too smart ever to be confined nine to five! It just will not happen, or at least that is my prediction.

My personal friends also mean a lot to me, more than they will ever know. It is through special friendships and the interaction that

thoughts are formed, sometimes cultivated but always encouraging. I am now talking about those friends who I hold in a category far beyond friendship. I love that even though we do not physically see one another often, we always know what we mean to each other. Our conversations inspire me to think differently and always be full of gratitude for so many things that we experience. A few of us go back to first grade; others go back to times when we rode stick horses and played with whatever we could find. Remember marbles??? I doubt that you do. Bobby, Clem, Willie B., Willie D., Charles, Delores, Armenta, Vondell, Ralph, Elaine, Thomas, Jim T. all of these special friends have impacted my life and my way of thinking, and I am grateful. Joanne, my first cousin and retired educator, loves to write poems. They have always inspired me to capture thoughts in words.

My last acknowledgment is extended to everyone I have had to pleasure of interacting. Your stories and experiences helped to shape my experiences and the contributions I have attempted to make. I close with the last paragraph of the poem *Desiderata*.

And whether or not it is clear to you, no doubt the universe is unfolding as it should. Therefore be at peace with God, whatever you conceive Him to be. And whatever your labors and aspirations, in the noisy confusion of life, keep peace in your soul. With all its sham, drudgery and broken dreams, it is still a beautiful world. Be cheerful. Strive to be happy.

— Max Ehrmann © 1927

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WELCOME TO THE GIG ECONOMY

The “gig economy” is a popular topic that has the trappings of a new phenomenon. The phrase is often used in the context of prominent online platforms, such as Uber, Fiverr, and TaskRabbit, which make it easier for clients and gig workers to find each other. These new kinds of technology platforms readily connect individuals in need of personal services with those who will provide them. Accompanied by economic shifts and changing attitudes, these technology platforms have fueled the advancement of the gig workforce.

– ADP Research Institute, Ahu Yildirmaz, Sarah Klein,
February 2020.

The way we work is changing, and it has been changing for more years than we may have been counting. The future is always coming faster than we think!

Thanks to advances in technology, we can now take more control over how we work and, consequently, the way we live. We can work flexible hours from a location of choice, earn a side income, or build a career from freelance work. As technology continues to evolve, the options will continue to expand for both work flexibility and the rewards received for time invested, thus allowing for a more robust definition of work.

What started out as subtle waves of change have grown to be seismic shifts in the structure of the world of work. Employers and workers alike have access to new paths for delivering value to the market. If these changes have not reached you personally, it is just a matter of time.

If no one has said this to you yet, let me be the first: Welcome to the gig economy.

It may feel new, but the gig economy has been around for a long time. The word “gig” has been used for many years by musicians, who referred to their part-time, temporary performance work as gigs. But until recently, few people outside the music industry would say they worked a gig. They may have had a part-time job, but those were very much like full-time jobs, except with fewer hours and generally lower wages. Part-time jobs typically required spending a fixed amount of time working at a specific location. People who worked them usually did so solely for the extra income, and there was virtually no entrepreneurial spirit involved.

The financial reasons for working part-time are as strong as they ever were and undoubtedly are one of the motivations for working a gig. But there is much more to gig work than the opportunity to earn part-time income. The ability to work when you desire fulfills a need, such as making it easier to juggle work and childcare. Younger generations consider flexibility essential. The ideal job, or the way we work, is no longer confined to a definition associated with the hours of 9 a.m. to 5 p.m. Millions of people are now attracted to the many choices offered by companies that we describe as being gig providers. These gig-providing companies have changed the way we view work.

As we began our study of the gig economy, we found impressive perspectives and estimates from many sources.

- 57 million Americans involved
- Contributing \$1.4 trillion to the US economy
- 40+ % of the US workforce is currently involved
- Up to 80% may be interested
- Growing at a rate of 8.1% per year, while the traditional workforce growth is 2.6% per year (pre-COVID-19)

Assuming the growth continues, the gig economy could contribute to a workforce dominated by independent contractors within the next decade, creating a growing interest in flexible income opportunities.

The terms “gig economy” and “sharing economy” are often used interchangeably and have rapidly become a part of mainstream business conversations; however, they are very different in many ways. The sharing economy is not the focus of this book. In the gig economy, the focus is on flexibility in how work is done. In the sharing economy, an asset is often used to activate a gig, the perfect examples being offering a home or even a room as a short-term rental property or using a car to provide a delivery or transportation service.

Gig economy companies such as Airbnb have become competitors to hoteliers. The hotelier must satisfy stringent standards of expectation, even rules, laws, and regulations, not to mention the enormous investments in real estate and construction. Meanwhile, there are now millions of property hosts who represent a new chain of entrepreneurs who use the asset of a home to accommodate those interested in a place to stay and perhaps a home-cooked meal to go with it. The story is similar for Uber, Lyft, TaskRabbit, Thumbtack, Fiverr, Upwork, and so many others. These companies do not make significant investments in assets. Instead, they use technology to connect expertise and assets to consumers or potential clients through independent contractors recognized as gig workers.

As we dug deeper into understanding the gig economy, we began to see that it may represent far more than the opportunity of providing people with flexibility, freedom, and fair rewards for the effort they invest. Adam Smith, the 18th century philosopher often recognized as the father of modern economics and a major proponent of free markets, posited the belief that *“left to their own devices, people will always act in their self-interest, and those interests will inadvertently level out to create the best outcome for all.”* Smith felt that a free marketplace would serve to support the creation of better and higher quality products and services. We see these ideas at work within the gig economy. Many gig economy providers and workers solicit almost immediate feedback from their customers. Consumers rate their service providers via an app that makes a simple request once the transaction is complete: rate the

service provider with one to five stars. There is no waiting for the traditional quarterly, semiannual, or annual performance appraisal typical of conventional jobs. The service, product, and the worker are evaluated immediately. In many cases, the gig provider also rates the consumer. This simple process serves to encourage higher quality all around.

Gig work opportunities and the choices available are not limited by specific and designated hours one may have or the need to be physically present at a fixed facility in order to do the work. The gig worker participating in the Etsy global online marketplace ([etsy.com](https://www.etsy.com)) can be located anywhere in the world and market their products around the globe through the Etsy platform. Etsy has more than 1 million small business owners/independent contractors involved and has become one of the most popular global online shopping malls. Etsy ads can now be found on many national and global television channels. Etsy is just one example.

The gig choices available are very numerous. Our research reveals that there are thousands of gig opportunities, perhaps many multiples of such a figure. The impact on labor statistics is staggering and game-changing. More than 40% of the current labor force is involved in some type of gig, and we are rapidly approaching a 50% participation rate within a few years here in the United States. We find estimates that as much as 80% of the current labor force may be receptive to gig work.

What are the primary reasons for the growing interest in gig work? And why is this ever-increasing interest more than just another part-time income opportunity with a new and fancy label? Our quest for answers led to some remarkably interesting books and articles on the subject. One book, *The Sharing Economy*, published by the MIT Press in 2017, impacted our thinking about the relevance of the gig economy. The author, Arun Sundararajan, Harold Price Professor of Entrepreneurship and Professor of Technology, Operations and Statistics at New York University's (NYU) Stern School of Business, has done extensive research on the sharing economy and probably interviewed more sharing economy founders, co-founders, and chief executive officers of new innovative companies than any other author with whom we are familiar. In his book, Sundararajan reminds us that there are trends to be aware of:

...personal assets, brick and mortar institutions, hard currency, salaried, permanent jobs are on their way out and virtual exchange, and flexible on demand work are in. The 'crowd' is replacing the corporation at the center of capitalism.

The Industrial Revolution created significant wealth for a small percentage of the population. This era was known to be asset-heavy. In the new economy that is emerging, companies that we put into a gig economy category are asset-light, representing a significant shift in how products and services are marketed and how consumers are engaged. In Sundararajan's book, we are also reminded of a seldom exposed stat that becomes particularly important in understanding the gig economy phenomenon.

At the turn of the 20th century, almost half of the compensated U.S. workforce was self-employed. By 1960, this number shrank to less than 15% because of the Industrial Revolution. It is also highly likely that the self-employed constituted more than half of the compensated workforce at some point prior to 1900. For the 50 years since 1960, the percentage of self-employed in the U.S. economy has been approximately 10%.

It now becomes evident that our economy has been dominated, for over 100 years, by large corporations and a very traditional form of work – the nine to five. In many ways, Sundararajan's book supports our thoughts relative to defining the gig economy as much more than making part-time work more appealing via the use of technology.

Dr. Paul Oyer, the Mary and Rankine Van Anda Entrepreneurial Professor and Professor of Economics, Senior Associate Dean for Academic Affairs and Senior Fellow, Stanford Institute for Economic Policy Research, also influenced our thinking through his papers and lectures about the gig economy. Oyer is also a Research Associate with the National Bureau of Economic Research and the Editor-in-Chief of the Journal of Labor Economics. In 2016, Upwork retained Professor Oyer to conduct research on the Independent Workforce in America. Upwork is world-renowned for its ability to connect a company's needs with a freelance professional. The company and

freelancer do not need to be near each other; in fact, they can be in different countries. Upwork has served over 5 million businesses that desired to connect with a freelancer who could fill a short-term need. The study conducted by Oyer remains available online and provides incredible insight into what we sought to better understand in the publishing of this book. The following is what he shares in the opening paragraph of the research done for Upwork:

The composition of the US workforce is changing as demographic shifts impact labor supply and demand, interstate commerce and international trade grow, and technology makes it easier for people to work independently. The independent workforce ("I.W.") has grown to become a sizable share of the American labor pool and is widely expected to grow even more significant in the coming years. This growth has created (and will continue to create) considerable benefits for the US economy, both for the I.W. itself and the buyers of their services.

We refer to the I.W. as the gig economy.

The study was focused mostly on independent workers who were engaged in freelance work of a professional nature. The study serves to broaden an understanding of how broad the gig economy has become, who is involved, and their reasons for involvement. In reviewing the research conducted by Oyer, we were led to a survey conducted each year since 2014 by Upwork and the Freelancers Union titled Freelancing in America (FIA) <https://www.upwork.com/i/freelancing-in-america/>. The most recent report was issued in October of 2019. This report is excellent reading for business leaders who engage independent contractors for any portion of their labor force. Freelancers who use a platform like Upwork to connect with a business that needs their services are well paid in comparison to their counterparts earning at a median rate of \$28.00 per hour, which is more per hour than what 70% of workers earn in the overall US economy. For the first time, the survey reported that as many freelancers said they view freelancing as a long-term career choice as they do a temporary way to earn money. In addition, the share of those who freelance full time increased from 17% in 2014 to 28% in 2019.

If, as we believe, the gig economy phenomenon is more than part-time work appeal, we may very well be experiencing a return to entrepreneurship as a preferred way to work. When thinking of becoming an entrepreneur, the cost and associated risk of an entrepreneurial pathway usually required a considerable investment of capital. For small businesses, effective marketing has always been challenging, expensive, or prohibitive. Granted, the direct selling model of distribution of products and services by independent contractors has been around for over 100 years, and so has the franchising model even though its popularity and rapid growth did not occur until the 1980s and 1990s. Getting started as a direct seller is relatively inexpensive, and support is generally supplied via free to minimal investment in initial training. A franchise model requires a more significant investment; however, both models work for the entrepreneurs involved because engagement provides affiliation with a brand and a proven process for business success.

Now comes the gig economy. With, generally, no upfront investment, possibly a reasonable subscription fee, a gig worker can become a microentrepreneur and engage the often very sophisticated support of a gig-providing company. The gig economy label represents new terminology but more of an evolution versus an invention.

We describe this evolution as a phenomenon because the asset of flexibility in how work can be done via gig work is also built upon *trust!* When we as a consumer choose to rent a room or couch in someone's home over the brand identity of a hotel chain, we are trusting considerably basic instincts associated with a belief in the goodness of people and the possibility of enjoying a more personal experience. The same is true when we connect with a transportation service that connects us with a car and driver that will have very little signage. The car might be new or one that is a few years old; hopefully, it is clean, but it may be dirty. Once again, we trust our fundamental beliefs in the brand and the intent of another person to provide a quality product, service, or experience. The same is true of the freelancer who performs a very sophisticated professional service that a company has never used before when it needs short-term assistance instead of engaging a long-term employee.

Something else is happening here. Labor is being provided on demand; therefore, efficiency is gained for all involved. Assets utilized in the gig economy are owned by the crowd versus a select few. Labor is used, perhaps, more equitably and definitely more efficiently. The company does not have to engage in long-term commitments. Gig workers consider the ability to quit work when they want to, even terminate the relationship when they want to, an asset, not a negative. The use of instant performance ratings through technology serves to keep a focus on quality and self-regulation. The consumer wins as quality improves. Pricing also becomes more competitive because more people are involved in delivering products or services. The growth of the gig economy is proof that the entrepreneurial spirit is alive and well around the world, and trust is playing a significant role in making the concept of working with flexibility and freedom more popular than ever! The gig economy is changing the game relative to free enterprise opportunities, especially microenterprise opportunities.

As more and more gig opportunities become available, we may be living through not only a gig economy phenomenon but also a labor revolution. The gig economy will dramatically shift the numbers toward entrepreneurship. With more than 50% of the current workforce forecasted to be engaged in gig work in the next few years, how many will opt to explore their gig and turn it into a full-time endeavor? This is already happening. Living in a COVID-19 environment has triggered many significant business decisions that are far-reaching into organizations, school systems, the way we shop, and, of course, the way we work. Companies are moving beyond the “office-centric” environment as we learn that productivity does not have to diminish in the absence of physical presence. New regulatory oversight and innovation will support the creation of unique work opportunities in support of the most diverse workforce ever. Older workers will not have a fear of being pushed out of the workforce earlier than they would like. The younger generations will find their new and very different definition of work–life balance. More women will find their “dream come true” work opportunities.

Welcome again to the gig economy!