Gig economy is creating a new type of worker

Many graduates are sticking with a flexible, freelance working model, says Mark Frary

Students are increasingly swapping gig-going for the gig economy as they aim to keep their heads above water as both university fees and the cost of living rise.

The gig economy—a nebulous term that covers a wide range of short-term contract and freelance work and includes services such as Uber and Deliveroo and online platforms such as PeoplePerHour and Upwork—is growing fast.

According to PeoplePerHour.com, around 10 per cent of its 150,000 active users are students. Many are seeking work to fit around their studies but 65 per cent of I8 to 24-year-olds on the site say freelancing is part of their long-term plans.

The platform’s co-founder, Xenios Thrasyvoulou, says: “We have been brought up in previous generations to graduate, get a job and then gain experience before moving up the ladder. In the future, people will join what we call ‘human clouds’ while at university and get experience that way.”

Kevin Green, CEO of the Recruitment and Employment Confederation, says that while only 6 per cent of employers are currently using platforms like PeoplePerHour, 29 per cent said they plan to start using them in the next five years.

The appeal of gig workers is that they enable businesses to remain lean and bring in skills when they need them. Using a gig worker will also allow them to neatly sidestep any Brexit-imposed restrictions on bringing in foreign workers.

A growing anti-corporate feeling among young people and their desire for a better work-life balance may also be driving the rise in interest.

“We know that millennials are jaundiced about business,” Green says. “The gig economy enables them to earn a living without needing to buy into the values of the organisation they work for.”

Green believes the milk round—that is, visits to universities and colleges by recruiting staff—will remain a vital source of jobs for graduates. “Not everyone is going to be working in this way,” he says.

Although the gig economy is generally associated with unskilled roles, it is now creeping into sectors that traditionally attract graduates.

Doctaly, which launched in 2016, offers same-day GP appointments with part-time doctors paid to see patients privately. Ben Teichman, Doctaly’s co-founder and CEO, says the service is aimed at the one in four people who say they would pay to see their GP.

The site has successfully signed up GPs because of a growing disenchantment that is reducing the number of medical students who choose to enter general practice.

“Why would I become a partner and run my own business when the perks are not there?” Teichman says.

Ursula Huws, professor of labour and globalisation at the University of Hertfordshire, says her
department’s research into the gig economy reveals that most workers do not see it as a career option, and adds that around 85 per cent are using online job search platforms to look for “proper work.”

“The flexibility that the gig economy claims to offer is something of a mirage,” Huws says.

“What is flexible for the worker is hard for the manager to manage. And if employers have the flexibility, then workers cannot go out in case they are summoned to fulfil a zero-hours contract.”

Wheels of fortune: students form a considerable part of Deliveroo’s workforce