

# Can your business benefit from the gig economy?

The digital age has seen smaller businesses compete effectively with their bigger counterparts thanks to business agility. This buzzword refers to the ability to adapt and respond to the rapid rate of change in today's business environment.



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Smaller businesses have the important advantage of not having to check with their shareholders before implementing quick-turnaround changes that keep them on the cutting edge. Our understanding of what workforce agility entails is also constantly changing, as new technologies open up new possibilities. Yannick Decaux, country manager, South Africa, and sales director, sub-Saharan Africa, at Orange Business Services, explains that one aspect of business agility that is starting to transform the very fibre of how a business is set up is workforce agility.

## Labour force flexibility

This drive to create labour force flexibility has helped fuel the growth of freelancing sites like Upwork, Freelancer.com or People per Hour. This is the so-called 'gig economy', where employees are matched to short-term work via online platforms. Millions of talented freelancers worldwide are using the internet to find work. Changing expectations for employment means employees are more willing to explore on-demand work and employers seek the benefits this flexibility provides.

The trend is informing the expectation of those entering the labour market: 74% of Freelancer.com users are Millennials (people aged between 18 and 34 years old). However, mature skills are also available - Upwork claims [nearly a third](#) of freelancers are 55 years old and above.

Dcaux explains that one of the driving forces behind this trend is the ability to build a flexible career on your own terms. They have the power to prioritise personal experiences if they so choose, as well as matching their work to their passions. In addition, they are connected to a much greater pool of opportunities from around the globe. While employee benefits and guaranteed employment are absent, a large number of workers have gravitated towards structuring their careers in this fashion.

The percentages of people going into freelance work by choice are increasing all the time, as are the percentage who are finding their work online. A substantial collection of skills are being made available through these online marketplaces: architecture to CAD design, e-commerce to accountancy, creative design, writing, photography, technical skills, web design and more, according to Freelancer.com.

## **Increasing benefits**

The range of work that can be performed by freelancers is also increasing. Fast-growing categories such as admin support, writing, and translating, have been around for some time, but one can even find doctors (Medicast) and lawyers (Axiom) online.

The benefits of the gig economy to an employer are numerous. With a few clicks, one could hire an expert with years of experience, or a relatively unskilled novice, who competes with others online on the basis of price. Another benefit is that one could have four freelance employees working on different aspects of a project and finish it in a week, where one permanent employee might have taken a month to complete the same task at the same cost to the company.

Business owners should, however, keep in mind that there are pitfalls associated with entrusting work to a new person. Your recourse may be limited if you are let down by a freelancer, especially if the individual is from a different country. One might first get a less business-critical task achieved by a freelancer and, if it is performed to satisfaction, employ that individual to something more challenging. In doing so, the business builds up a list of the best contractors to call upon when the need arises.

While the on-demand economy is bound to face strong opposition from unions, businesses might well find that some outsourced work makes the company more profitable and more agile.

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