# Are young people aged 16-19 using or expecting to use the gig economy for their careers?

#### Esther Galfalvi, Tristram Hooley & Siobhan Neary

Amid growing precarity and zero hour contracts, the 'gig economy' represents a new way of working mediated by web technology. Workers can sign up to a work platform – a website or smartphone program that manages the work automatically – and take on work at the tap of a button. Some platforms manage labour, such as driving for Uber or delivering food for Deliveroo, while others manage retail activity, such as Ebay or Etsy.

Recent research has shown that a significant number of people are using platform work to earn money, with over half being young people aged 16-34. While there are some data regarding satisfaction levels and attractors, there is little research examining specific age segments of workers, or the relationship between platform work and career.

Using data from focus group interviews with school and Further Education college students, this paper will discuss findings from research investigating how young people in England aged 16-19 perceive the gig economy and whether they feel that it will be relevant to their careers, with a view to discussing whether it may be necessary to include in careers education programmes or guidance.

The interview data indicate that these participants were occasionally using platforms to make money, and a few were earning regularly, usually on retail platforms. While some interviewees appreciated the autonomy and flexibility promised by gig economy work, the uncertainty, perceived low status, and lack of career progression prevented them from taking it seriously as a career option. Instead, they preferred traditional forms of work that provide more stability and organisational support - an increasingly rare commodity in a labour market that is changing rapidly in the opposite direction. We conclude that while there may be little value in giving detailed individual guidance on the gig economy, it could be valuable to use it as a way of teaching young people about the labour market and different types of employment

#### Introduction

From food deliveries to Ikea furniture construction to selling hand-made socks on the internet, the online gig economy is becoming a small but significant fixture in the labour market. The power of digital technologies to connect people has caused an explosion in the number of websites and telephone applications<sup>1</sup> (apps) that facilitate work and commerce. One consequence of this is that it makes it possible for anyone with a skill or something to sell to find their market. Figures measuring participation vary according to the definition of 'gig economy work', but in the United Kingdom, between four and ten percent of the working population are involved (Huws et al., 2017; BEIS, 2018). There is also evidence that participation in the gig economy is growing at a significant rate with numbers doubling between 2016 and 2019 (TUC, 2019). Young people aged 16-25 make up one-fifth of gig economy participants (Huws et al., 2017).

In this article, we present 16-19 year olds' experiences and views of the gig economy and discuss whether it

I Applications (or apps) are software programs that run on smartphones to perform a specific function such as calendars, online shopping, or games

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should be addressed in schools and Further Education (FE) colleges.We examine data from eight focus group interviews in schools and FE colleges to see the extent to which they were using or were interested in platform work for their careers, and whether they wanted advice on the gig economy from advisers.

#### **Defining career**

It has often been pointed out that the notion of career itself is not fixed; it changes over time and according to context (Reid, 2016). Research on young people's attitudes towards career suggests that the word evokes some ambivalence, sometimes seeming too formal or demanding to accept fully (Moore & Hooley, 2012). The definition of career we use here is inferred from the responses of the participants themselves, which we summarise as 'a long-term progression of paid work'.

#### What is the gig economy?

The term 'gig economy' has been used to describe short-term freelance work and self-employment. Recently it has come to be used more specifically to describe freelance work using online websites and smartphone apps, sometimes known as 'platforms'. These platforms provide a way for people to monetise their unused assets - including their spare time. They are peer-to-peer, connecting individual users rather than matching companies with workers (as CV sites or traditional job-searching sites tend to do). Gig economy work usually fits into two or three categories: labour platforms (such as Uber<sup>2</sup>, Deliveroo<sup>3</sup>, and Fiverr<sup>4</sup>); retail platforms for new or second-hand items (such as Ebay<sup>5</sup>, Etsy<sup>6</sup>, and Depop<sup>7</sup>), or rental platforms (such as Airbnb<sup>8</sup>). Some research into the gig economy confines its focus to labour platforms (BEIS, 2018, for example), but in this paper, we define the

gig economy more widely to include retail platforms (as selling commodities is still a type of labour, even if it is not paid by the hour). Platforms that facilitate access to high-value goods and property have not been included because young people have not usually had time to accumulate such assets.

#### Background

Conventional forms of employment require both a legal and psychological contract that binds the employer and employee together beyond the performance of a single task. Theorists like Arthur and Rousseau (1996) and Hall (1996), have championed 'boundaryless' and 'protean' careers, arguing that the legal and psychological apparatus of conventional organisational relationships are limiting and need to be transcended by agentic and entrepreneurial workers. The development of the gig economy has been embraced by some of their followers who have seen it as a way to dissolve organisational boundaries and provide individuals with a mechanism to build portfolio careers which are no longer controlled by a single employer (Kost, Fieseler, & Wong, 2019).

Not everyone is as optimistic about the potential of the gig economy to transform the nature of career for the better. Gig work is by its nature insecure and temporary because of the way it is atomised into individual tasks or sales. Some have criticised the gig economy for a one-sided erosion of organisational relationships, resulting in a system that takes the worker's labour without offering much in return (Perera et al., 2020). Rather than heralding a new age of boundaryless careers, Gonzalez (2019), a politician from California, where the state government has sought to regulate the gig economy, describes it as 'nothing short of a modern-day sharecropping business', suggesting that it resembles feudal economic arrangements.

It has been a challenge for governments to identify and make decisions about the place of platform work in the labour market, partly owing to the comparative novelty of the online gig economy; its roots in the 'sharing economy' (Uber still sometimes styles itself as a 'ridesharing' platform); and the claims of platform organisations that they simply provide the infrastructure for people to organise their own work.

<sup>2</sup> Uber is an online provider of taxi services, food delivery and other logistical services. See https://www.uber.com/

<sup>3</sup> Deliveroo is an online food delivery service. See https:// deliveroo.co.uk/

<sup>4</sup> Fiverr is a matching site for a large variety of desk work on a task-by-task basis. See https://www.fiverr.com/

<sup>5</sup> Ebay is a retail auction site for new or used goods. See https://www.ebay.co.uk

<sup>6</sup> Etsy is a retail site for (usually but not exclusively) handmade goods. See https://www.etsy.com

<sup>7</sup> Depop is a retail site for new or second-hand fashion items. See https://www.depop.com

<sup>8</sup> Airbnb is a holiday letting site. See https://www.airbnb.co.uk/

One of the key debates in which this research sought to intervene was whether young people view the gig economy positively and are happy to accept precarity in pursuit of boundarylessness. It has been suggested that 'Generation Z' is uniquely adaptable in the workplace and labour market, and that this generation does not require the security sought by previous generations (Ekong, 2019). However, researchers are keen to point out the weak evidential basis of these generational generalisations and highlight the need for more evidence (Duffy et al., 2017). Generational narratives are just one explanation for why there might be differences between the perspectives of young people and older people, but there is very limited evidence about what young people think about the gig economy. In this article we provide insights from research that explores perceptions of the gig economy with young people.

#### Methodology

<u>Articles</u>

We were keen to find out what students thought about the gig economy, how this related to their life plans and career aspirations, and whether they felt that the gig economy would be a fruitful addition to their career education in school or college. This, we felt, would go some way to answering the question of whether it is necessary to update schools' careers strategies with guidance on the gig economy.

Data were gathered from eight focus group interviews with 16-19 year olds from eight schools and FE colleges in England. These were selected for diversity of geography and type of institution: four state schools, two independent (fee-paying) schools, and two FE colleges. The sample was recruited through a survey of careers practitioners prior to the main data collection, and through other network connections.

Focus group interviews were used to access multiple perspectives and explore 'group meanings, processes, and norms' (Bloor et al., 2001, p. 12). Interviews were conducted (and then analysed) using principles

drawn from mindfulness practices: trying to perceive reality with as few preconceived notions as possible; using (self-)reflective practice to perceive one's own preconceptions, judgments, and conditioning; and having an awareness of and compassion for the experience of others (Bentz & Shapiro, 1998). Interviews were transcribed verbatim and analysed in several cycles: first with a line-by-line coding approach resulting in 700 detailed codes, which were then grouped into categories and finally arranged according to larger themes. This level of detail was deemed necessary to understand participants' views more accurately and represent the multiplicity of perspectives (Charmaz, 2006). Numbers in groups ranged from 3 participants to 15. Some were classes of IT or Business students, which sometimes resulted in greater awareness of the gig economy as it is in the Business curriculum, but other groups were mixed. Pseudonyms have been used for all participants to preserve anonymity.

# Young people's views on gig economy and career

Participants in the group interviews reported a range of experiences associated with the gig economy, but few regarded the activity as suitable for their careers. Although a few interviewees could see the potential in the gig economy to provide lifelong work, they did not see it as applying to them personally, and were put off by the lack of stability, progression, and insufficient support from platform companies. Consequently, they were unsure about the value of careers professionals providing information and advice about the gig economy as a career choice.

#### Ways of earning online

Some participants reported using a variety of ways to earn money online, usually on retail platforms. While some reported being aware of peers using labour platforms such as Deliveroo, none reported using labour platforms themselves. Gaming, social media, and retail platforms were already being used by many participants as customers and adapted by some to earn money. Many participants had sold at least one item of unwanted clothing on social media or a retail platform; a small number had tried out their entrepreneurial skills with more regular selling of

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higher value items such as limited-edition clothing; and some participants reported earning or winning money on online games platforms.

#### A side-gig

Participants almost all felt that the gig economy was a useful tool that could be used in their spare time for extra money rather than a desirable career path. Interviewees usually spoke about the work in terms of its practical benefits: quick money, convenience, flexibility, and few demands on time or commitment: 'It's just a really quick way to make money without having a big commitment like a job' (Kevin). They saw these qualities as suiting the gig economy to take a supporting role in their careers, for example by allowing them to: save money for university, make their initial entry into the labour market, gain some experience or skills, or get extra money while studying. A few participants highlighted autonomy as a desirable feature; one participant expressed that 'You're the boss. You're in control of what you're doing' (Henry). However, though participants found these features attractive, they were not enough to entice them to consider the gig economy for their careers.

#### **Financial uncertainty**

Participants perceived several shortcomings when discussing the gig economy. These included a lack of financial stability, status, progression, and organisational support. As one interviewee put it, 'It doesn't feel like a reliable source of income, more a fill your spare time with stuff [...] to get some extra money, rather than make a career out of it' (Colin). The unreliability of income was concerning to many participants, both in providing a present sense of security and in planning for the future; as one participant said: 'If you had a family, you'd want to know that in five years I'm still going to have a job and still be earning money' (Bob).

#### Lack of status and legitimacy

Another feature missing from gig economy work was status and legitimacy. Participants notably contrasted the gig economy with a 'proper job' or their eventual 'actual job', a phrase laden with values of what constitutes desirable work, and often spoke of its value for 'others', but not for themselves. One participant said, '[It's] more aimed at the lower end, working class people [...] just wanna get the money because they want to see ends meet. [...] Whereas us coming out of A levels, we've got higher prospects...' (John). This sense among participants that gig work was of low status was linked to the beliefs that the work was unlikely to lead anywhere and that it was low-skill: 'Anyone could do it. You don't need any skills whatsoever' (Joy).

## No progression or organisational support

Several participants spoke about a lack of progression in platform work; as one interviewee put it, 'It's not really a career path [...] there's no clear progression. It's just a set job that you do' (Nyandak), suggesting that this was integral to their concept of career. No participants articulated the idea of the 'portfolio career' (Hopson, 2010) or described an ambition to self-author their own brand of progression; nor did it seem that participants had absorbed the cultural narrative of 'the heroic entrepreneur' (Dodd et al., 2013: p. 69).

There was also a concern over the lack of organisational support and the risks of self-employment:

It's high risk because if you're an Uber driver and your car's broken, then you're out of work until it's fixed or if you're sick you get no sick pay. You get no holiday pay either. (Jacob)

Some participants felt that the contact with the company was missing; one said, 'You probably never get to see or speak to anyone from that organisation' (John). The perception of little organisational support may have contributed to concerns around personal safety as well, with (usually female) participants frequently expressing concerns about contact with strangers.

#### Discussion

Rather than being happy to be set free in a shifting sea of digital possibility, our participants were not convinced by the trade-off between increased flexibility and a lack of progression, stability, and a sustained relationship with an employer. The motivational theories of Maslow and Herzberg can help us to understand why (Maslow, 1954; Herzberg, 1966). While Maslow's framework is not uncontested (see for example Hofstede, 1984), it can still provide a useful model for thinking about why the gig economy was not popular among our participants, presenting problems in all the categories in Maslow's hierarchy of needs (Maslow, 1954). Physiological and safety needs cannot reliably be met due to the gig economy's lack of financial stability and its issues around personal safety. Social needs cannot be met as workers do not have contact with each other or people in the organisation. Status and esteem needs cannot be met because of the low status of the work in the eyes of participants. Finally, self-actualisation needs cannot be met, as many participants perceived limited opportunity for career movement.

Herzberg's two-factor theory of motivation can add texture to this analysis. Most of the positive attributes of the gig economy could be considered 'motivators' (which promote satisfaction), while those that were absent are primarily 'hygiene factors' (the absence of which causes dissatisfaction) (Herzberg, 1966). Too many hygiene factors (perhaps better articulated here as 'must-haves') appeared to be absent, which could account for participants' reluctance to consider platform work for their careers. This could also explain why only a minority of gig economy workers more generally - not just young people - are prepared use platforms as their main source of income.

The youth of our participants may be significant in explaining their concern over organisational support. Brown et al. (2020) describe career capital as the 'resources necessary to make role transitions', which can broadly be categorised as 'knowing self', 'knowing how' and 'knowing whom' (DeFillippi and Arthur, 1994, cited in Brown et al., 2020, p. 4). Young people, with limited work experience and at the early stages of developing their networks, may use their first jobs to accumulate such capital. Although the gig economy provides some practical experience, as Kost et al. (2018) have observed, its flat hierarchical structure means that it does not allow for the accumulation of most kinds of career capital. The absence of the support of co-workers, management and mentoring, and the 'psychological contract' (Kost et al., 2018; Arthur & Rousseau, 1996) was perceived as undesirable and problematic by the participants in this study.

This lack of reciprocity between platform and individuals was not usually framed by participants as exploitation; it was rather seen as a standing quality of the gig economy, which they could take or - more likely - leave. Our participants' desire for more supportive relationships and stability contradicts media narratives about Generation Z's flexibility. Though many of our participants felt that the work was accessible, they did not see it as the start to their careers. As one participant summarised, 'if I think of career, it's long-term and stable, and [the gig economy] is not necessarily stable or long-term' (Zoe).

# Should the gig economy be addressed in schools and colleges?

#### The role of advisers

Participants usually did not want their careers advisers to advise them on the gig economy. While some said that it would be good to have the information available to 'someone' who needed it, this was rarely seen as relevant to themselves (with a few exceptions). Indeed, some even wanted their advisers to discourage them from using it. This may result from the perceived lack of relevance of the gig economy to their concept of career, meaning that they believed that it was not relevant to a careers adviser's role. One student said, 'You wouldn't go to your careers adviser to find a part time job. Because when you think of our careers adviser, you think universities, [...] what you want to do in the future'. Most students agreed that advisers should speak on the topic only if asked or if relevant - although one business student said that he would be 'pretty disappointed' if an adviser was not able to advise on gig economy work.

#### The gig economy as career currency

While participants saw little point in getting advice about pursuing work within the gig economy, some recognised that engagement with the gig economy could give them some currency for their CVs or act as a stepping-stone to better things, as this comment from an FE student demonstrates:

If you've done quite a while on using Taskrabbit [...], you could put on your CV the different

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things you'd have done. But if it was more one of the art-oriented ones, like Fiverr and doing graphic design, you could use them as examples when you go on to apply for a graphic design job. (Claire)

As Hooley (2012) has pointed out, 'digital career literacy' is increasingly necessary to navigate the requirements of new recruitment strategies in online environments, with one aspect of this being the need to curate an effective online presence (Hooley, 2012, p. 3). Platform work could be used to help students to develop their digital career literacy by helping them to identify career learning and experiences in their online activities, and provide evidence of their skills and capabilities to future employers and learning providers. However, this also raises concerns about surveillance and requires students to carefully manage their private online presence and consider its interaction with their nascent online professional or career-relevant online presence (Hooley & Cutts, 2018).

#### Teaching about the gig economy

Discussion of the gig economy could be helpful for young people to explore ideas about different models of work and career, helping them to develop their career management skills. Key to this is thinking about ideas like precarity and the psychological contract, both to explore what young people are looking for from work and to examine the ethical and political implications of different forms of work. These topics could be introduced in a wider careers education programme, where they could be explored as part of labour market intelligence (LMI) gathering and evaluation; some researchers have already proposed models that would accommodate this (McCash, 2010; Hooley, 2015). Awareness of the issues around the gig economy was varied between individuals and groups, but all groups were prepared to offer spontaneous views, many of which mirrored the main critical discussions of the gig economy in the media.

This study has helped us to understand young people's activities and views on the gig economy, towards answering whether schools and FE colleges should consider its inclusion in the curriculum. It does not seem necessary for advisers to be able to advise individuals on specific platforms, as few students are

using it on more than a casual basis. However, it is important to be aware of its position in the labour market, as online forms of work are likely to grow (particularly as the Covid-19 epidemic may push more work in this direction), and it also could prove a valuable heuristic tool with which to explore career definitions with young people.

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