

# Employees v. entrepreneurs: Have the two categories become irrelevant?

[blogs.lse.ac.uk/businessreview/2017/03/08/employees-v-entrepreneurs-have-the-two-categories-become-irrelevant/](https://blogs.lse.ac.uk/businessreview/2017/03/08/employees-v-entrepreneurs-have-the-two-categories-become-irrelevant/)

3/8/2017



Most debates about work today focus on the joint evolution of entrepreneurs versus employees. Some academics believe we are moving towards an entrepreneurial society. Others focus on the increasing precariousness of work, but clearly qualify the thesis of a move towards an entrepreneurial society. In the context of this short reflexion, we simply want to question the categories themselves.

## Entrepreneurs AND employees?

The distinction between entrepreneurs (or freelancers) who work for themselves, and employees who sell their work hours to somebody else used to be clear-cut. Entrepreneurs and freelancers were adventurous people, gaining control over time and space at work by sacrificing security and stability. On the opposite, employees favoured the comfort of salaried work, at the expense of personal freedom and the ability to choose the way they work. Yet it seems that the lines between these two categories are blurring faster than ever. The old distinction makes less and less sense.

The distinction between entrepreneurs and employees in time and space was a central question for the [Research Group on Collaborative Spaces](#), an international academic network of scholars. RGCS is interested in studying new work practices, in particular how they emerge in the context of new entrepreneurial and innovative places (co-working spaces, maker spaces, fab labs, hacker spaces, innovation labs, incubators, etc.) and collaborative communities. Coordinators of the network visited more than 110 innovative places in more than 12 countries, compared the ethnographic studies carried out by members of the network and launched an extensive questionnaire to try and address the specific issue of work assumptions and experiences of entrepreneurs and employees.

The main results (detailed in [RGCS research note](#)) confirm that the difference between these two categories of workers are not as important as one could imagine, be it regarding the time spent at work, perceived work-life

balance etc. These observations seem to be particularly true in the context of the collaborative spaces and collaborative communities (e.g. co-workers, makers, hackers and fab lab members) that RGCS researchers analysed.

### **Forced entrepreneurship**

On the one hand, RGCS study shows that people may choose the path of entrepreneurship not out of choice but because of lack thereof. Firms increasingly outsource their activities, in particular those that are not at the core of their value chain; rising unemployment levels have also caused precarious forms of employment to flourish. Thus independent work is an increasingly popular channel of “recruitment”. This phenomenon has become known as “forced entrepreneurship”.

### **‘Slashers’ and alternate entrepreneurship**

On the other hand, companies are also encouraging their employees to take entrepreneurial initiatives within the boundaries of their organisations. Google was once famous for letting its employees work on “out-of-the-box” personal projects during their “20% time”. New managerial techniques and tools encourage employees to work more autonomously, propose new ideas, and gain control over their labour process. Some employees can choose to combine an entrepreneurial activity with a salaried job: more than 2 million workers in France are said to be “slashers” *(Editor’s note: Slasher is [French slang](#) describing people who hold more than one job)*.

RGCS research also reveals new career trajectories that transcend the boundaries of entrepreneurship and salaried work. Some individuals start out as entrepreneurs only to develop the proper skills to eventually be recruited by an organisation as a salaried worker while others have the reverse strategy: they decide to start in a traditional organisation in order to gain the experience and the network required to start their own project as entrepreneurs.

RGCS researchers thus met numerous young people who explained that they became entrepreneurs to increase their employability, and some key skills for companies (autonomy, project management, community management, collaborative modes of working, etc.). Some of them explained that their start-up was provisional, a space for learning. They “will not be the next Facebook”. In contrast, RGCS researchers also met other people (employees) who explained that their status was great to expand their network, which would be good then to set up their own company or to be involved in intrapreneurship. This cross-phenomena was called ‘[alternate entrepreneurship](#)’ by de Vaujany, Bohas, Fabbri and Laniray.

### **What is at stake?**

So what’s at stake for today’s and tomorrow’s managers? We see four key implications of this work, for collaborative spaces, emotions at work, third-places and community managers.

Consider collaborative spaces as places to hire. Given how thin the boundaries are between employee and entrepreneur, startup founders constitute a possible reservoir for recruitment. During our research, we encountered the animator of a third space who openly presented his role as that of a recruiting office. The profile of collaborative spaces’ members can indeed be interesting for recruiters (regardless of the specific projects or startups they are involved with). This animator said he hoped to organise more recruiting forums on his premises in the future. Even though he remains an isolated figure across the large number of spaces we have visited, he represents a “weak signal” of a potential opportunity for “traditional” organisations.

Invest in an emotional workplace. Taking care of employees and investing in the comfort of their work environment is not new (Google is a case in point). But the development of third places has increased young workers’ desire for more than just playful artefacts. Increasingly they express a need for a recomposed ‘family’, also called “community”, “group of buddies” or “tribe”. Third places are as much emotional communities as they are communities of practice (the two are often hard to distinguish). At the core of what these places have to offer, managers of third places mention reciprocal exchanges (47%), the space (20%), the technological dimension (13%)

and the organisation of events (13%). This attachment to the community is increasingly put forward by the coworkers who feel they “belong” to the community of their workspace — 58% mentioned it in 2011-2012, 70% in 2015-2016.

Create your own corporate third place. Episodic participation in the life of a third place (during a hackathon, a tour, a learning expedition or a training session...) is considered fun and “disruptive” by employees. Corporate third-places make it possible for “traditional” companies to welcome external innovators and entrepreneurs so they can mingle with the employees. They contribute to facilitating the geographical mobility of incoming employees (from local or international offices) and overcoming the challenges of remote work.

Turn your managers into community managers. Collaborative spaces are places where people mingle, innovate, share ideas and values... The key position to liberate all this potential is that of the community manager. This new job is about so much more than just managing computer platforms (social networks) and the day-to-day operations of shared offices. In modern organisations, every team manager should become a community manager, with all that it entails: the search for horizontality, the stimulation of gift/counter-gift interactions, the rejection of hierarchical postures. The community organiser is as much a facilitator as an organiser, constantly in search for win-win solutions... Up to now executives have mostly been focused on hierarchical and structural dimensions. Now they will have to focus on coordination as project managers and relations as community managers.

Yes, it is time to question the employee-entrepreneur categories themselves. Not only because the boundaries between these categories are increasingly blurred, but also because it can prompt companies to develop new strategies and states and cities to devise more relevant public policies, so the actual reality of today’s workers can be taken into account.

♣♣♣

Notes:

- This blog post is based on the authors’ paper [Nouvelles pratiques de travail: la fin du clivage salariat-entrepreneuriat?](#), November 2016
- The post gives the views of its author, not the position of LSE Business Review, the London School of Economics and Political Science.
- Featured image credit: [Techchill](#), by [Krista Luhaers](#), under a [CC-BY-2.0](#) licence
- Before commenting, please read our [Comment Policy](#).

---

**Pierre Laniray** is an Assistant Professor of Management & Organization Studies at Université de Poitiers (France). His research interests include the digitalisation of work and its influence on the construction, consolidation and evolution of professional identities. He is a member of the Research Group on Collaborative Spaces (RGCS) focused on collaborative communities and collaborative movements involved in new work practices (i.e. coworkers, makers, fabbers, makers...).



**François-Xavier de Vaujany** is a professor of Management & Organization Studies at PSL-Université Paris-Dauphine. Beyond discourses and discursive approaches, he is particularly interested in the role of embodiment, materiality, visibility and spatiality in the processes of communication and legitimization of new managerial practices (e.g. digital nomads, telework, co-working, distributed work, etc.). In late 2014 he set up an international academic network (RGCS: the [Research Group on Collaborative Spaces](#)) about collaborative communities and collaborative movements involved in new work practices (i.e. coworkers, makers, fabbers...). This network published its first White Paper in April 2016 (see [blog post](#)), which stresses the growing isomorphism between managerial and political agencies in the context of the collaborative economy.

**Laetitia Vitaud** is a speaker, writer and researcher, specialised in the future of work, organisations and consumption. She works with several organisations, including Switch Collective whose aim is to empower people to redesign their work lives, and the Consumer Goods Forum. She is a lecturer at Sciences-Po Paris and Université Paris Dauphine, and is the author with Nicolas Colin of a book titled "*Faut-il avoir peur du numérique?*" ("*Should you be afraid of digital?*") (Armand Colin, 2016). She lives in London.



- Copyright © 2015 London School of Economics

