What the future holds for the self-employed?

Technological advancements, such as Artificial Intelligence, Robotic Process Automation or Big Data are often considered as major drivers for the future of work. Current debate on this topic mostly focuses on which tasks and jobs will be delegated to machines and how employees can deal with the uncertainty of career choice. In a recent report, the World Economic Forum provides an overview of industries that are most likely to be affected by job displacement and several technologies are named, including mobile internet, the cloud, increasing computing power, and even 3D printing as the catalyst for this disruption. Without a doubt, these technological advances have a significant, direct impact on the levels of employment in the industries they affect. However, technology also influences the future of work in an indirect way: by changing the nature of work itself.

In 2014 in the UK, over 4.5 million people registered as self-employed, reaching a record high. The financial crisis will have contributed to increases in self-employment, but many positive developments fuelled the boom, including governmental incentives and the advent of new technologies such as:

- Talent platforms, which make it easier to pair talent supply with demand and encourage companies to look for the right person to do the right job on a contract basis, and at the same time enable self-employed professionals to find contract work easier than before (e.g. PeoplePerHour, Upwork);
- Crowdsourcing platforms, which allow users to outsource small jobs to a crowd of users registered with the platform (e.g. Amazon Mechanical Turk) or collect funds from the crowd (e.g. Kickstarter);
- Sharing economy platforms, allowing users to share their resources, such as cars or flats, in their unused capacity directly with others (e.g. AirBnB or Uber).

While these developments seem to benefit both customers and self-employed workers –as the former can find talent or resources easier and cheaper and the latter can gain more flexibility and the opportunity to monetise their skills or property – technology-fuelled self-employment requires a more careful investigation of the future trends.

Different working patterns, IT skills development and task fragmentation



When I interviewed self-employed professionals working in the UK in 2014, many of the participants told me they were excited about the opportunities technology offered, with one of the interviewees revealing that talent platforms had saved her from unemployment. However, nearly all of the selfemployed I talked to agreed that being part of the 'gig economy' had changed the way they saw and engaged with work. Constant uncertainty, anxiety and compulsive email checking were just some of the behaviours these individuals had adopted and. Navigating from one job to another meant that

many self-employed workers blurred, or eradicated the boundaries between private and professional lives, often laughing at the idea of work-life balance. Research also points to the fact that the self-employed have **different work patterns**, with more interruptions and breaks in their work days, resulting in longer working days. Many of the interviewees admitted that they feel they have to be available and reachable at all times, as they do not want to miss an opportunity for a potential new job. While physical boundaries may be in place, technological devices make it difficult for the self-employed to finish their working days at specific times and in the future, with

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increased internet access and coverage, as well as the development of more powerful devices, it may become increasingly harder to set boundaries around work for the self-employed.

The interviewees also pointed out that technology-driven change required them to develop and master more skills outside of their core abilities. While the internet, talent platforms and the sharing economy facilitates the self-employed to monetise what they know or have, they are often required to learn additional skills to be competitive. A foreign language interpreter I spoke with admitted she had to train in a wide variety of disciplines, from graphic design, through search engine optimisation, to basic programming. Other sources report similar trends where the self-employed need to develop **IT skills** supporting their core business, regardless of its nature. IT literacy is likely to play an ever-increasing role in the competitive landscape of self-employment.

Finally, the same trends that enable the self-employed to find work lead to rapid fragmentation of contracted tasks. While previously one could hire a chauffeur, it is now possible to employ someone just to park your car (Luxe). Instead of hiring decorators for a full day of work, you can find someone to hang your bookshelf (Taskrabbit). Amazon Mechanical Turk will allow you to post a job to type the text from the images with allotted 10 minutes for \$0.01 in payment. A self-employed virtual assistant I interviewed admitted that in the past she was able to charge a minimum payment of one hour of work, while more recently many platforms she sources jobs from enable outsourcers to advertise very small tasks and it is no longer possible to justify minimum payments. Task fragmentation in a technology-fuelled environment may lead to even fiercer competition for smaller and smaller payments.

Changing work patterns, the need to develop IT skills and task fragmentation are among the less visible effects of technology on the changing landscape of work. While corporate environments often shelters employed workers from the effects of these changes, the self-employed are directly exposed to their impacts. As such, technology is likely to change the future of work for the self-employed quicker and more dramatically than for those in permanent employment.



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About Alina Vasile

Alina Valise was the editor of the Management with Impact blog between February 2016 – January 2017.

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