4 Skills You Need To Navigate The Gig Economy

JUNE 22ND, 2018

Preparing organisational leaders for the modern workforce

By LAURA YEE

"It's like walking on a tight-rope. You're always balancing time, money, and resources. But it's fulfilling and I feel that the work I choose to do reflects who I truly am and what I am passionate about."

That's how my best friend Alison Seow, 32, responded when asked to describe her work in the three years since she opted out of a traditional workforce to set out on her own.

Joshua, my Grab driver, shared that besides being a part-time driver, he also earns extra income by offering to buy groceries for people living close to his home by signing up for part-time errands on an application like GoGet.

Both Alison and Joshua are part of an ever-growing segment of the workforce loosely known as the gig economy.

It isn't just a buzzword. It's an accurate description of the state of the modern workforce.

The gig economy gets its name from each piece of work being akin to an individual 'gig' – although, such work can fall under multiple names.

It's a term that refers to the increased trend for organisations to hire independent contractors or freelancers, and the increased availability of these workers for these specific short-term arrangements.

Workers (particularly millennials) are expressing an increasing demand for flexible and autonomous work, prompting many to engage in freelancing.

Although this younger generation is the driving force behind flexible work demands, older workers also want to set their own schedules, choose their tasks, and work in an environment that suits them.

Globalisation and technology have somewhat redefined how we work, resulting in the diminishing appeal of long-term employment.

Part-time jobs are nothing new though. People have been supplementing their income through different means like selling insurance products, tutoring, or even dabbling in e-commerce stores.

These days, however, 24/7 mobile internet connectivity and social media platforms are providing even more avenues for earning extra income.

Global workforce solutions provider Kelly Services Inc says 31% of the global workforce are gig workers.

According to its *From Workforce to Workfit* 2017 <u>report</u>, 84% of talent managers in Asia-Pacific hire or use gig workers, higher compared to those in Europe, the Middle East, and Africa (80%), the Americas (53%), and the United States (47%). The high statistic is indicative that the gig economy is booming in this region.

What about Malaysia?

In Malaysia, crowdsourcing platforms such as <u>freelancing.my</u>, <u>maukerja.my</u>, and <u>truelancer.com</u>make it easier for organisations to contract with independent workers for short-term projects.

Government-owned Malaysia Digital Economy Corporation (MDEC), previously known as Multimedia Development Corporation, initiated *eRezeki.my* to provide additional income for households that generate less than RM4,000 per month.

With increasing opportunities for work and availability of workers, two things are clear: The gig economy is here, and it's continuing to grow.

Deloitte predicts that in 2020, 40% of the entire workforce will consist of freelancers.

How then can organisations prepare and ensure that they not only have the right talent but more importantly the right managers to manage these talents?

As the future of work changes, this means that the way we manage is also changing. Managing a team has never been easy, but throw together a combination of full-time employees, gig workers, and ever-evolving technology – you're in for a nightmare!

What does this mean for managers and organisations? How can they keep up with what seems to be a constantly changing landscape?

Let's look at the competencies that are needed to succeed in this emerging environment.

1. Big-picture and joining the dots

For managers, gaining a big-picture understanding of where the organisation is at, what the gaps are, and the resources needed to meet its target is a necessary first step.

It's important to have a clear picture of how you want to use gig workers for specific projects which are often short-term.

Maybe you're deploying a new enterprise software system and you need skills and experience that your information technology department doesn't have, or you need to hire 100 more people to work in Baskin Robbins during its 31st of the month ice cream promotion.

Managers have to join the dots to clearly define what organisations need in the short term. This may require organisations to take a serious look at their strategic workforce planning capabilities.

Organisations will need to assess what competencies they have now, what they will need in the future, and what category of workers is best suited for those needs.

Your chance of a happily-ever-after ending to a freelance engagement improves if both parties understand a project's entire scope from the get-go.

Don't hire a gig worker for a job that could be done by a current employee.

Have the creativity to hire specific skills on a contract basis, but also to discover and develop the hidden talents of those already in your organisation.

It boils down to understanding your needs. By plotting out exactly what has to happen and being flexible as to who will handle various tasks, you'll be able to find the right combination of workers for any project.

2. Embrace technology and mobility

Bill Gates once said, "Information technology and business are becoming inextricably interwoven. I don't think anybody can talk meaningfully about one without the talking about the other."

Technology has made communication and collaboration across space and time virtually effortless.

When working with freelancers, communication must always play a guiding role.

Without clear, consistent communication and regular feedback, expectations and accountability can be misaligned.

Using technology to create open lines of communication through different messaging platforms is able to mitigate that.

For freelancers, the world is their office.

It's no secret that they are increasingly mobile, often by choice. Technology plays a key role to help them stay connected and efficient.

Organisations should also develop new workforce and automation models that focus on increasing employee engagement which ultimately improve the quality, meaning, and value of the work of their employees – full-time or not.

3. Agility to adapt

A <u>PwC report</u> highlighted the importance of efficient systems and processes as well as maximum operational flexibility to properly integrate freelancers into the workforce.

Influencing skills and agility to adapt respective internal systems and processes to ensure these workers are included, are vital.

Teamwork is a crucial part of any company culture. Developing an environment where current employees and independent contractors work in alignment while collaborating and do not step on each other's toes is vital to improving productivity in the workplace.

Managers have to ensure that independent contractors don't feel like they are simply just a resource being shipped in and shipped out again when the job is done.

Instead, integrating them into the existing team and including them in any organised staff events will likely make your workforce happier and avoid any potential workplace clashes and maximise your company's efficiency.

Partner to include and collaborate with people rather than making them feel like a resource or an outsider.

4. Able to assess productivity and performance

As technology continues to develop, this will enable the collection of more relevant data on gig workers including their work patterns, needs, and preferences.

These modern algorithms will help organisations source talent that is aligned to the organisation's culture and needs, and this will enable your people to work in the most efficient way.

An efficient output-based performance management system will need to be introduced that will help you understand what's working well, or not, and will help you identify which freelancers you want to continue working with.

However, there is also a growing importance for freelancers to be managed on both a performance and a developmental mindset.

As continuous learning becomes a core competency in the future of work, coaching and effective feedback are instrumental in development.

Managers must be courageous to have open, honest conversations about people's aspirations for the future.

Top talent needs to be retained by moving to more challenging assignments, i.e. not to let go at the end of the gig.

Each time these people do something of genuine value, they must be rewarded through tangible or intangible means.

In summary

Tapping into the benefits of the gig economy certainly requires new strategies from organisations, and as the freelancing industry continues to grow, leaders need to adjust traditional structures.

This requires reframing careers, and designing new ways of working and learning – both in organisations and as individuals.

The gig economy isn't going anywhere anytime soon.

It is important that managers and organisations understand the benefits of this workforce and learn how to best integrate them.

This allows managers to build the strongest workforce they can for each individual project they undertake.

https://leaderonomics.com/leadership/competencies-navigate-gig-economy