

Gig Economy

A gig economy is a free market system in which temporary positions are common and organizations contract with independent workers instead of hiring full or part-time employees. The term gig, which has its roots in jazz music, is slang for «job that pays.»

There are a number of forces behind the increased use of freelancers, independent contractors and project-based workers,

including:

- An increasingly mobile workforce.
- Improved broadband internet connectivity.
- Maturity of the Software-as-a-Service (SaaS) delivery model.
- Trust in digital payment systems.
- A cultural shift away from employees working one or two jobs until retirement.

From a worker's point of view, the gig

economy can be seen as a way to improve work-life balance. When independent workers are able to select jobs they are interested in, it's more likely they will complete those jobs successfully. The challenge, however, is for the independent worker to get enough short-term work to support his or her desired style of living.

From the employer's point of view, the gig economy allows businesses to save resources in terms of benefits, office space and training. It also gives employers the ability to contract with experts for specific projects who might be too high-priced to maintain on staff. The challenge for businesses, however, is to make sure the status of contractors as non-employees is always legally clear.