

The Surge In Popularity With The Gig Economy

The “gig economy” is a growing trend that has become increasingly popular in recent years. It involves people working independently as an independent contractor or freelancer, often taking on short-term projects in place of traditional employment. The gig economy offers numerous advantages over traditional employment, and there are many motivating factors to becoming self-employed or working as an independent contractor within this type of economy.

Workers Want Flexibility & Autonomy

One major motivating factor to being self-employed or working as an independent contractor in the gig economy is the potential for greater flexibility and autonomy. By choosing to accept projects as an independent contractor rather than entering into a traditional employment agreement, individuals are able to enjoy the freedom of creating their own schedule and managing their own workload.

This allows them to decide when and how they want to work, enabling them to pursue other interests such as higher education, travel, family commitments or start up a business venture alongside their freelance career if desired.

In addition, many individuals choose to enter into the gig economy due to the potential for increased earning power. Whereas with some forms of traditional employment there can be limitations on how much money you can potentially earn, depending on your job role and level of experience, when working independently you can set your own rates based on your skills and expertise.

As long as you are able to consistently secure projects which pay enough for you to cover your bills and expenses then it is possible for those who work hard enough at freelancing or contracting work to increase their earning potential over time through building up a portfolio of clients who regularly hire them for projects.

And Some Gig Jobs Are More Interesting

Another key motivation factor is that many people find gigs more interesting than typical 9-to-5 jobs since they involve taking on different types of tasks from varying industries and sources every day.

This helps keep boredom at bay whilst also fostering personal growth from learning new skills along the way that could benefit future job prospects down the line. Furthermore, unlike with traditional roles where often times you need years of experience before being considered for more senior positions which can come with higher salaries, within the gig economy there's no limit on how much money you can make; even entry-level contractors who have minimal experience in certain areas have been known to snag high paying contracts if they possess valuable knowledge within that field or industry.

Finally, there's also great satisfaction that comes with running your own business; having total control over what projects you take on gives individuals a sense of pride knowing that they are accountable only for themselves rather than having somebody else tell them what work needs done every day.

Also many freelancers or contractors find it easier forming meaningful relationships with clients since they don't have any HR department telling either party what they should or shouldn't do - instead it's just a two way conversation between two professionals trying their best to get things done efficiently so that everyone involved benefits from working together.

But The Gig Economy Isn't Perfect

The gig economy is fraught with challenges for workers that are not always obvious. For example, the lack of a steady income can make it difficult to plan or budget and there is evidence that gig economy participants often earn less than they would in a traditional job.

A study conducted by Harvard University and Princeton University found that median monthly earnings are around \$945 for full-time workers in the gig economy, compared to approximately \$1,500 for those earning wages through traditional employment. This means that the average worker in the gig economy earns 35% less than their traditional employment counterpart.

Moreover, because of their freelance or independent contractor status, many gig workers can expect to pay higher taxes than traditional employees. Many also lack access to employer-sponsored health insurance or retirement plans and must pay out-of-pocket for these important benefits if they want them at all.

Additionally, workers in the gig economy are not offered standard labor protections like sick leave, overtime pay, parental leave and unemployment insurance – all of which can be extremely valuable during times of need.

Furthermore, many rely on online platforms to find work which may not always be reliable sources of income due to market fluctuations or shifting user demands. All of these factors combine to create an environment where income inequality is high and economic security is low for those who participate in the gig economy.

The Bottom Line On The

Despite the challenges associated with becoming self-employed – such as dealing with inconsistent income sources – there's no doubt that there are plenty of motivating factors which draw people towards taking advantage of opportunities available via the “gig” economy each day; including more flexible hours/workload management options alongside higher earning potential coupled with interesting assignments from varying industries - all topped off by having complete control over running one's own business at all times if desired!

National Financial Education Standards Addressed In This Article
1.8-9a