

10 years ago, a ‘freelancer’ was someone between jobs or who was “genetically unemployable”. Today the Fractional Workforce powerfully engages freelance talent in everything from Web Design, Event Management to C-level position like CMO and CFO.

The Seismic Shift in the Freelance Economy

Officially, the most recent Great Recession began in late 2007 and ended in June 2009. Just don't tell graduating college seniors that the recession is over – when they realize they will be pouring coffee by day and driving for Lyft at night to make their student loan payments. The “Friends and Family” indicators – “Did Bill find a job yet?” underline that our neighborhood living standards for the vast majority of working-age households—jobs and wages—have seen miserably slow progress toward full recovery. In a report from the Economic Policy Institute written by Heidi Shierholz, she notes that the number of jobs needed to return to full employment is just below 8 million. And while the job forecast has improved, Shierholz adds that “...at 200,000 jobs per month, pre-recession labor market conditions would not be regained for another five years.” Americans have responded by freelancing.

Why Choose to Freelance?

Whether driven by the desire to be your own boss, to earn extra money for a child's college fund, or to cover the income gap from a job loss or reduction in hours / pay, freelance work is easier to acquire than ever before. Pre-recession, tech consultants traded in work contracts at Upwork (formerly Odesk / e-Lance) but this work-style was largely limited to consultants in particular job sectors like enterprise software solutions. Fiverr, an online agency for offering freelance talent, has grown at a record pace. A recent visit displayed 20,000 video and animation providers, 80,000 people to help write a marketing plan, 20,000 ready to assist with logo design, and one fellow who teaches how to win at the blackjack tables! In my work in the freelance community, I find there are three main categories of folks who have entered the freelance market. The Breakdown:

- Responding to a job loss ... “I have bills to pay!”
- Retiring Talent ... “I refuse to retire!”
- Millennials ... “I will make my own work!”

53 Million

1 in 3 Americans workers are now a part of the Freelance economy.

Work & Freedom

As an efficient marketplace for a newly free talent pool continues to develop, more talent is drawn to this pool. Executives may be referred to as On Demand or Fractional hires, but their expertise at an affordable price point has never been greater. You may not want to create a full blown consulting practice, but your retired CFO's are in demand for new start ups and companies at a growth curve that require that level of experience, but cannot yet hire full time. For a retired CFO, a fractional work opportunity at a start up can keep his or her "hand in the game" while allowing the freedom of a limited work schedule and time for retirement travel.

The other side of the transactions – the consumers and employers of the freelance and on-demand economies, are in full growth mode too. From the Small Biz Labs research report "research showing the on-demand economy is attracting more than 22.4 million consumers annually and \$57.6 billion in spending. More interesting is the data on who these consumers are. Consumer use of on-demand services is widespread and has entered the mainstream." Steve King, SmallBizLabs.com

Conclusion

The seismic shift in the way we work today bodes well for our overall happiness quotient. According to a recent survey by the Freelancers Union, nearly 9 in 10 (88%) freelancers said they would continue to freelance even if they were offered a regular full-time job.

About the Author:



Emily Leach is the Founder The Freelance Conference in Austin, TX. She welcomes you to join other happy Freelancers at her conference February 16-18 in Austin, TX. Please reach her at: <http://www.emilyleach.com/contact>

Footnotes:

<https://www.fiverr.com/>

<https://www.austintexas.gov/department/small-business-development-program>

<http://www.epi.org/publication/years-beginning-great-recessions-shadow/>

<http://www.smallbizlabs.com/2016/04/consumers-embracing-the-on-demand-economy.html>

https://fu-web-storage-prod.s3.amazonaws.com/content/filer_public/8f/d7/8fd7d4cef714-486e-b2d5-80e190b0ce70/fu_surveyinfographics_workandlife_v3.pdf