

The gig economy's implications for management education

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Abstract:

Traditional employment is typically defined as ongoing full-time work for one employer. However, other employment relationships are becoming more prevalent, a phenomenon often called the “rise of the gig economy.” As much as one third of the adult workforce may already be involved in gig work, and this proportion is likely to grow. The increasing prevalence of gig work has implications for all aspects of organizing, including management education. In this essay, based on discussions I had about these issues at previous UnConference meetings, I describe some of the challenges and opportunities that the gig economy creates for the scholarship of teaching and learning. Combining employment statistics with preliminary research evidence, I highlight three broad areas for future investigation: how the gig economy may influence students, how it may influence faculty, and how it may influence universities. My hope is that this essay inspires new research and improved practice.

Keywords: gig economy | contingent work | teaching and learning | pedagogy | student outcomes

Article:

Before I attended the first UnConference in 2013, I was only vaguely aware of an important trend in employment relationships. My first serious discussions about what the media has labelled the “rise of the gig economy” (Garbutt, 2019; White, 2017; Wilson, 2017) happened at that first UnConference. The fact that the issue came up in three independent conversations suggested its importance, and I now realize that the so-called gig economy has significant implications for management education. I left that meeting at Bond University sensitized to the issue, though it took me several years to reach the point where I began collecting data and developed a more formal view on the matter for the sixth UnConference in 2018.

“Traditional” employment involves a person engaging in ongoing full-time work for a single employer (Kuhn & Galloway, 2019). Such employment has been the norm, both in terms of prevalence and cultural expectations, but other kinds of employment are increasingly common. Official government estimates of nontraditional employment, the “gig economy,” are conservative for a variety of reasons, such as excluding some seasonal workers, frequently missing second jobs, and not including undeclared income sources (Kuhn & Galloway, 2019). Yet even those conservative estimates suggest that more than one person in seven (14%) is a gig worker (U.S. Bureau of Labor Statistics, 2018). Alternative, more comprehensive estimates

suggest the proportion of workers in the gig economy is much higher, ranging from 20% to 30% (Manyika et al., 2016), to 28% (U.S. Federal Reserve, 2017), and even 36% (McFeely & Pendell, 2018). However, the exact rate of participation is not as important as that rate's growth. The prevalence of gig work in the United States has grown by at least 40% since the turn of the century (U.S. Bureau of Labor Statistics, 2001, 2018), and may be growing even faster in the United Kingdom (Partington, 2019). Moreover, with the abrupt and widespread changes created by COVID-19, it seems likely that gig work will grow in prevalence. Many full-time workers have been laid off, and when their duties are required again, that work may be done through more flexible gig assignments. Likewise, jobs previously assumed to require physical collocation of full-time workers have been changed to allow asynchronous working from home, and such changes may make it easier to shift that work to on-demand, ad hoc contracts in the future.

As a result, the gig economy has important implications for every aspect of management. Organizational structures and members' attendant relationships are changing, and we do not fully understand the implications of these changes. The roles of managers and subordinates increasingly are moving away from those of the "organization man" who was the foundation of most current theory and practice (Barley et al., 2017; Whyte, 1956). In addition, our efforts to understand are complicated by the diversity of the "gig" category, which includes multiple job-holding, independent contracting, temporary work, and many other kinds of employment relations (Keith et al., 2019). Since gig work is defined primarily by the absence of a traditional job, all gig experiences are not the same (Spreitzer et al., 2017), and each represents a unique mix of costs and benefits (Ashford et al., 2018). Employment law is struggling to catch up (Bimman, 2019; Gonzales, 2019), and others have already highlighted the need for basic research to expand current management theory (Ashford et al., 2018; Best, 2017; Bucher et al., 2019; Duggan et al., 2019; Kaine & Josserand, 2019). For example, as Ashford et al. (2018) note, most of the structural changes that are part of gig work—increased autonomy, instability, uncertainty, transience, and separation—have fundamental implications for individuals' sense of self, their security, their agency, and their relationships with others (also see Bellesia et al., 2019).

Within this pervasive need to revisit our thinking about employment, my focus is on what educators need to know when preparing students for their participation in an economy where independent, contract-based gig work is prevalent and growing. It is a complex problem, in large part because of the nascent nature of these new work roles and their unclear boundaries with organizations and clients. It has been noted that "we don't know all the requirements of our students' future roles, because they haven't been determined yet" (Caza & Brower, 2015, p. 103). This uncertainty highlights the need to understand, to ask what we need to know and do to educate students for the gig economy. Below, I consider three areas which deserve serious research attention from scholars of teaching and learning: students, faculty, and institutions.

Students and the Gig Economy

The first area to consider is student preparation. What do management students need to succeed in the gig economy? What knowledge, skills, and attitudes are required? In this matter, I believe that the essential first step is helping students understand the gig economy and its implications. Not only are many working adults currently involved in gig work of some sort (McFeely &

Pendell, 2018), but about 30% of gig workers are involved involuntarily (i.e., they would prefer to have traditional work; Manyika et al., 2016). In discussing this issue with my students recently, I polled them on their employment goals and found that their preferences may not align with the current distribution of work. Across 171 traditional, full-time undergraduate business majors in three different sections at a large public institution, 86% preferred traditional employment. The course in question was required of all majors and the students had demographic and educational qualities reflective of the business school as a whole, suggesting they may serve as a reasonable first approximation of undergraduate students' attitudes. To the extent that they do, the students' preferences suggest a potential mismatch. I admit that graduates with business majors may be more employable than the modal individual, so these students may not be subject to as much involuntary participation in the gig economy as less-educated individuals, but it still strikes me as improbable that six out of every seven of them will be able to avoid joining the gig economy. Current students may not have accurate beliefs about their future, and if so, educators need to know how to correct this discrepancy. How are our theories, and the ways in which teach them, causing students to misunderstand their future employment?

This issue is related to the point raised above, regarding work identity and the gig economy (Ashford et al., 2018). It is essential to understand how gig workers think of themselves in their employment roles and which ways of thinking best contribute to positive outcomes (as called for by Ashford et al., 2018), and also how we can help students develop these beneficial ways of thinking. Management education plays an important role in shaping students' sense of self (Petriglieri & Petriglieri, 2010), and we know that students' self-concepts and beliefs about their capabilities are important (Caza et al., 2015). Even in traditional work, career identity is an important contributor to student success (Paulsen & Betz, 2004), and leadership self-efficacy provides an essential foundation for the development of leadership skills (Machida & Schaubroeck, 2011). Since gig workers have more autonomy and more responsibility in the construction of their careers, and they cannot always rely on the tropes of traditional employment to define themselves (Ashford et al., 2018), it seems likely that issues of identity and self-concept will become even more important than they already are.

A part of my current research is examining this issue by looking at how students' thoughts about themselves as workers change with exposure to the gig economy. In particular, my discussions with students suggest that some of their reluctance about the gig economy reflects fear and their desire to avoid uncertainty. If so, it might be that exposure could reduce the fear, especially when that exposure challenges students' negative expectations (Craske & Mystkowski, 2006). It is not new to observe that undergraduate students' beliefs about work do not always reflect the realities of their future (e.g., Lizzio & Wilson, 2004; Ng & Burke, 2006; Posner, 1981), but my suspicion is that the gap between belief and reality may be especially large now, since the changes of the gig economy have left even experienced managers and scholars behind. It seems imperative to help students understand the many forms of gig work.

As a result, the 171 undergraduate students aforementioned have been conducting interviews with traditional workers and with gig workers. They listened to these experienced individuals tell them about work routines and career history, the good and bad elements of their work, and their goals for the future. The students drew conclusions from these interviews in a series of discussions and reflective papers contrasting the two types of work and their career implications.

My anecdotal observations from this process suggest a range of interesting responses: some students appear to regard learning about gig work as a revelation which they intend to embrace; some seem to view gig work as a “back-up plan” if they cannot get their preferred traditional job; and others appear to have strengthened their commitment to avoid being gig workers. Given the importance of identity in all work, and in gig work especially (Ashford et al., 2018), it seems crucial that we understand how students think about themselves and their careers in relation to the gig economy.

In addition to the issues of awareness and identity, there also will certainly be new skills and attitudes that students must develop to succeed in gig work. For example, Ashford et al. (2018) suggest issues such as holding attention, sustaining relationships, and emotion management are going to become far more central in workers’ lives. An important research objective for management education should be to determine what new capabilities are required and how to foster them among students.

It is worth noting that while my current research, and most of the speculation above, focuses on undergraduate students in their first jobs, the issues are relevant for students at all levels. Not only do professional students (and more seasoned undergraduates) have to negotiate their own careers amidst the gig economy, but they also are likely to find themselves managing gig workers; every aspect of their work is likely to be shaped by the gig economy. We do not know as much about the task of managing gig workers as we should, but both intuition and the available evidence suggest that it is not the same as managing traditional workers (Ravenelle, 2019). This discrepancy highlights the need to consider how our educational practices should be adapted.

Faculty and the Gig Economy

The second area that needs exploration concerns educators. It would behoove us to learn in what ways our current models of teaching, and of preparing educators to teach, are still valid. How might we need to change in order to prepare students for the gig economy? At the risk of oversimplifying, and recognizing that there have always been exceptions, we might say that in the past, management educators prepared students to fit into organizations, often with the goal of gaining status and influence after joining. Now, to the extent that we are preparing students for the gig economy, we are faced with a different task. Graduates will have more immediate influence over their own outcomes if they are building careers through bricolage, and they will perhaps be less influential in organizations if internal labor markets and organizational commitment are undermined by gig work. Our mental images and implicit goals concerning students’ futures may no longer be appropriate.

There is the obvious matter of educators having to learn and teach new content, such as changes in business practice (e.g., employment regulations regarding gig workers; Gonzales, 2019) or new basic theory that will presumably be forthcoming (e.g., Ashford et al., 2018). But beyond content, the gig economy may also have implications for how we teach. As a concrete example, consider the experiential teaching approach of classroom-as-organization (CAO; Cohen, 1976). CAO involves treating the class as a literal organization, assigning it collective tasks and requiring students, as members of that organization, to develop systems to complete the tasks.

Among other things, CAO provides opportunities to learn “how does work get allocated . . . how does one influence and motivate subordinates, peers and superiors . . . how can disagreements among coworkers be resolved; and how will decisions be made” (Cohen, 1976, p. 13). It seems inevitable that all of the items in this list will be influenced, and perhaps fundamentally changed, by widespread introduction of gig workers. As a result, we should perhaps ask whether independent gig workers could be introduced into the CAO framework. What effect might that introduction have? The CAO example highlights a situation that I believe is relevant for many established pedagogies (e.g., Caza et al., 2011). The gig economy has significant teaching implications.

Another important faculty-related consideration raised by the gig economy involves industry experience. Despite some debate about the actual classroom value of faculty members’ preacademic work experience, industry experience remains important, since it continues to be a hiring criterion in faculty searches (Lewis, 2019). Given that importance, what should be done about gig working experience? Many current faculty members may not have much personal experience with gig work. What do such faculty members need to know or do to help their students? I believe these questions are worth investigating, particularly since gig work is relatively new. We do not have the same wealth of cultural images and tropes to draw on, which might make faculty members’ personal experience more important in the classroom.

I must note that I made a statement above which should have been qualified. I wrote that most current faculty members may not have much gig working experience. It is more accurate to say that most *tenure-track* faculty do not have such experience. In contrast, most sessional lecturers will have current, intimate experience with gig work, since most of them are gig workers. Indeed, one could argue that higher education has been at the forefront of the organizational movement toward increasing use of gig workers. There is an opportunity here for institutions and their tenure-track faculty to learn from lecturers and other contingent university workers. Moreover, the rise of gig work may have implications for the relative status and perceived value of lecturers. Most universities already have multiple staff who know quite a bit about gig work, but it is not clear if that knowledge is currently translating to the classroom.

Institutions and the Gig Economy

Although attention tends to focus on classes and instructors, management education involves many other elements as well (Caza & Brower, 2015). Acknowledging that fact suggests many questions about what new or changed services and experiences should be provided to students. For example, what implications does the gig economy have for career and placement centers? For internship programs? For study-abroad and work service programs? Can institutions leverage some of these programs to better effect in the gig economy? Do some of them need to be changed to reflect the evolving needs of students?

Similarly, the gig economy may have important implications for preexisting issues at universities. For example, evidence suggests that an alarmingly high number of students are reporting mental health crises (Cooke & Huntley, 2015; Duffy, 2019; Wakeford, 2017), and one of the key contributing factors appears to be anxiety about employment and finances (Shackle, 2019). Given that gig work implies less stability in terms of work and income, there may be

consequential interactions between the increase in gig work and students' mental health. Likewise, if many students in other disciplines will find themselves involved in gig work, and thus in need of basic business literacy, how must the role of the business school change? There are many institutional practices that may be affected by gig work.

The growth of gig work also raises important questions about how to assess management education outcomes. For example, most business schools treat graduate job placements as a centrally important outcome in their performance measurements and their recruiting. For example, many programs report on the proportion of graduates who have full-time employment within 3 months of graduation. They may also report whether students are working in the field of their major, what sort of work they are doing, and which organizations hired the students. All of these metrics are complicated by gig work. Should a graduate with a 6-month full-time contract be treated as the same outcome as a graduate who has a traditional job? Should a graduate working full-time hours by combining three part-time positions count as having full-time employment? What field is this three-job individual considered to be working in? Which of the three organizations should be listed as hiring the graduate?

As these examples highlight, the meaning of existing metrics may be challenged by increasing levels of gig work. How to interpret and report outcomes will need to be revisited. More fundamentally, we may need to consider whether the current metrics are still the most relevant. If a significant number of graduates are going to be involved in gig work, are there better lead and lag indicators that could be used to assess the success of management education?

In sum, it seems that our graduates will be increasingly less likely to work fixed hours 5 days a week while colocated with long-term colleagues and reporting to a single, organizationally designated supervisor. Rather, the ways in which people work are becoming more diverse and variable. If such changes may already affect up to a third of workers, and will become even more widespread in the future, the gig economy has sweeping implications for management education. In the hope of attracting colleagues to investigate these potential implications, I have highlighted issues and opportunities regarding students, faculty, and institutions that seem to merit further study. It is my belief that management educators are well-positioned to play a central role here—not just in terms of preparing students for the changing nature of work but also in using their scholarship to contribute to our understanding of those changes.

Author's Note

Parts of the content were presented and discussed at previous Research in Management Learning and Education UnConferences.

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