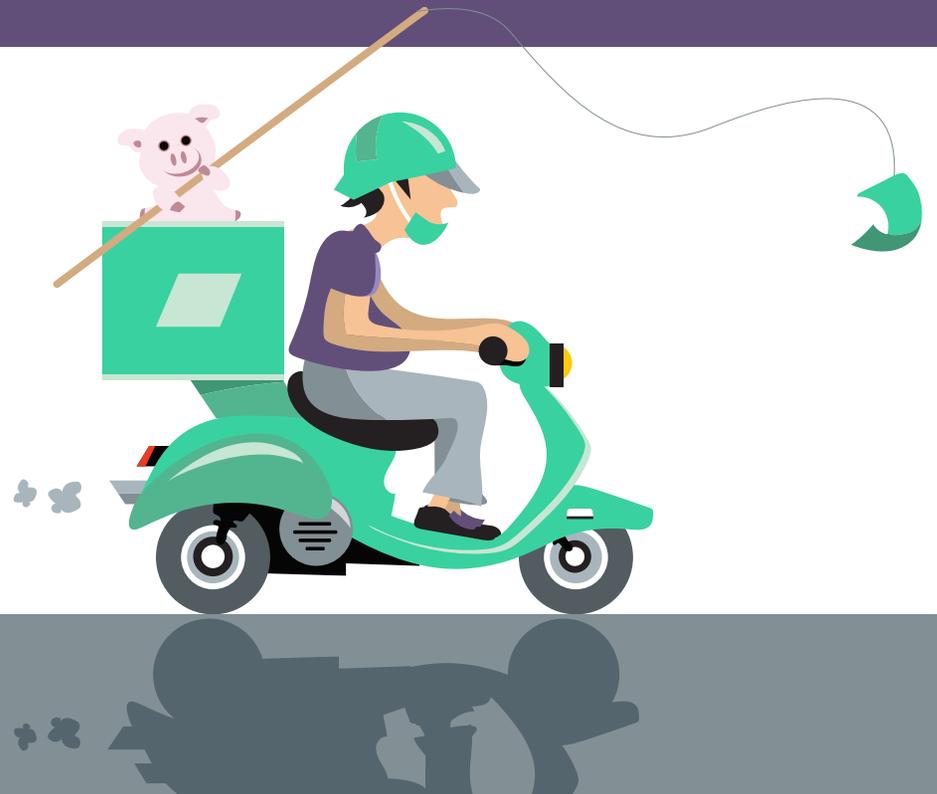




Gig worker survey report

2021



Executive summary

The gig economy is having a moment. A lasting moment.

Remote connectivity, workplace flexibility, and geographic mobility make gig work inherently convenient. As a result, more and more workers are opting for the freedom that working independently offers.

Companies, too, greatly benefit from having a flexible workforce, improving the ability to scale when needed, manage benefits and training costs, and derive value from the unique skill sets that gig workers have to offer.

Everee's first-ever Gig Worker Survey Report unearths valuable insights into the wants and needs of the newest essential workforce. Our goal: to help businesses like yours take action to support your gig workers and attract a flexible workforce today and in the future.

Our November 2020 survey of more than 400 independent contractors throughout the United States found that:

59%

of gig workers work for more than one company.

40%

of workers would be more motivated to work for a company if it offered same-day pay.

15%

of gig workers have enough savings to cover emergency expenses.

91%

of gig workers prefer a pay frequency faster than the standard, bi-weekly cycle.

Executive summary

These findings are significant in a number of ways.

The survey results show that these workers often contract with multiple companies. Independent contractors with hard-to-find skillsets or geographic areas with low unemployment may be particularly in demand.

Just like the regular workforce, making your company attractive to contract workers is important.

Not surprisingly, given the impact of the global COVID-19 pandemic, our survey found that gig workers are under more financial strain than they were 12 months ago. And very few of them say they have the money to cover emergency expenses.

That's important to businesses for a number of reasons. When faced with a financial emergency, gig workers may be prevented from taking or keeping jobs. While workers may turn to friends, family and payday loans as a lifeboat, the mental burden remains. Financial instability can lead to increased stress, which is harmful to workers' health and productivity.

At the same time, our survey finds that the vast majority of gig workers are unhappy with the traditional pay cycle and want a different pay frequency. The ability to pay workers faster is one way a company can become more attractive to regular employees, too. Especially if it's a benefit that workers can access when they need it.

Current trends indicate that the gig economy will continue to undergo change as regulation becomes more common and companies prioritize meeting workers' wants and needs in order to attract talent.

Bottom line:

Businesses that deploy proactive strategies to attract and retain independent contractors and other flexible workers will best position themselves to benefit from and grow the gig economy.

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Our Survey Methodology

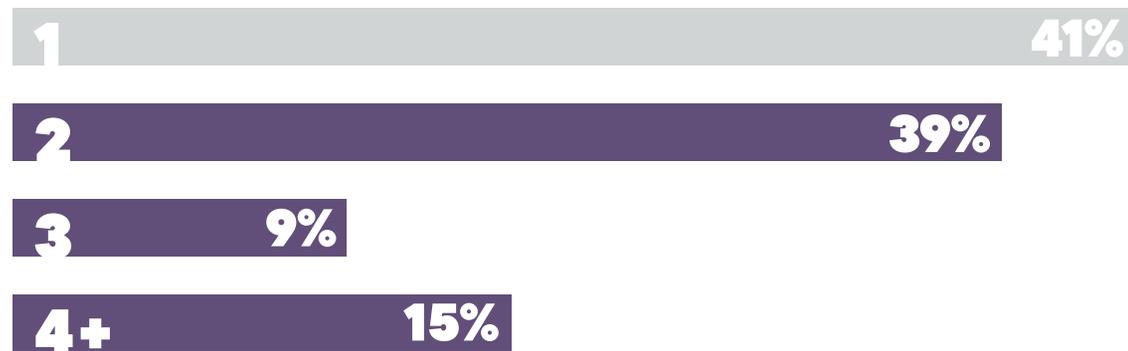
We worked with survey panel company *Centiment* to survey approximately 400 independent contractors working for U.S.-based companies. Respondents were surveyed based on employment status and were contacted via a paid survey. Results were completed in Q4 2020.

1

One worker, multiple jobs

Today's gig workers are working for multiple companies.

How many companies do you do contract work for?



That's according to our survey, which found that 59% of independent contractors work for more than one company, and 24% work for three or more companies.

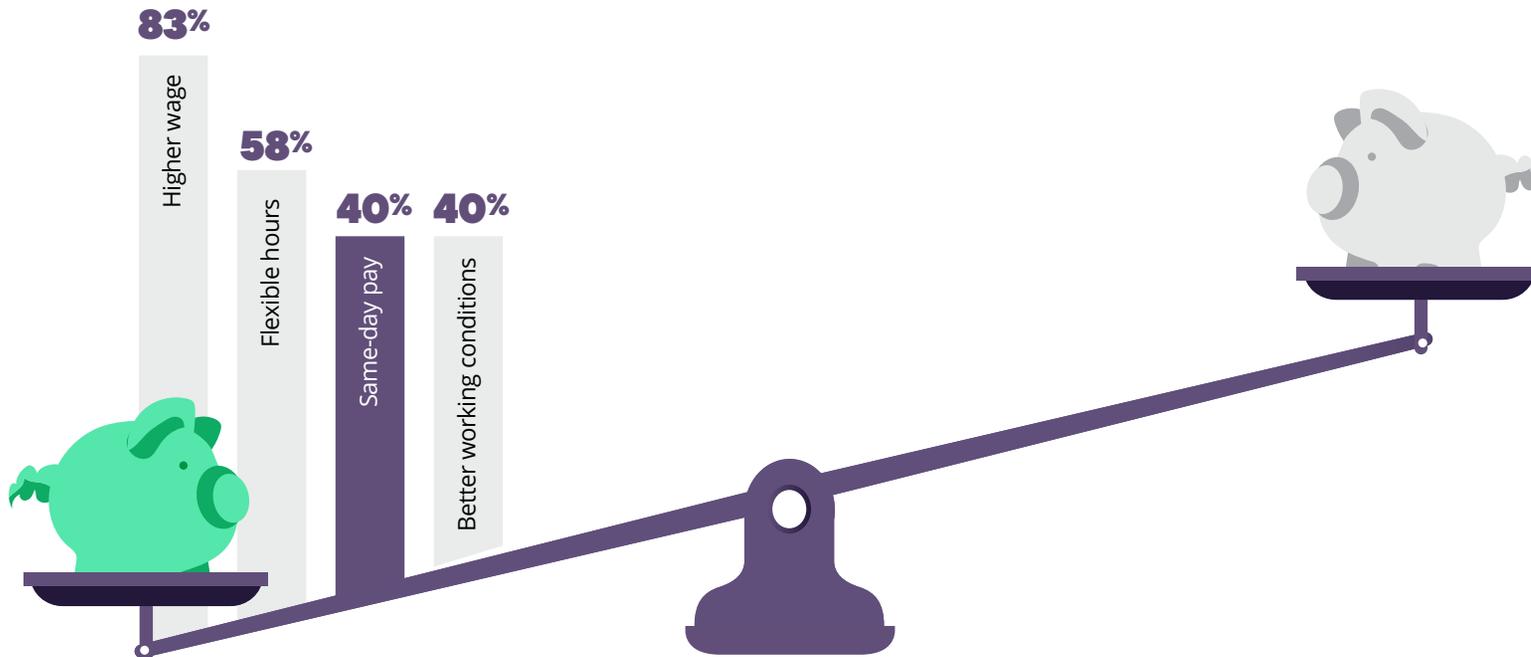
As a result, competition for workers may be higher than expected, especially if gig workers are making themselves more available for lucrative clients and projects.

Section 1: One worker, multiple jobs

Companies should consider what motivates independent workers to choose one company over another. Not surprisingly, 83% of survey respondents indicate that higher wages are a leading factor in this decision, with flexible hours also preferred and expected from gig workers (58%).

40% of gig workers would also be more motivated to work for a company if it offered same-day pay. Fortunately, some same-day pay tools can be installed without impacting a company's cash flow.

What would motivate you to spend more time working for one than the other?



2

Gig workers need ways to improve financial health

Like many traditional employees, the pandemic is making an impact on the financial well-being of gig workers.

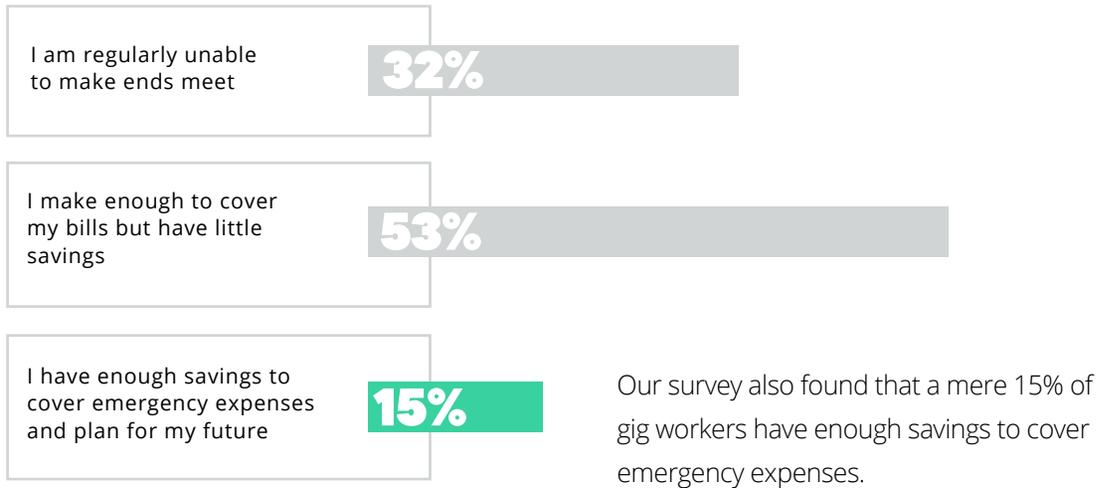
Are you in a better financial position right now compared to the same time last year?



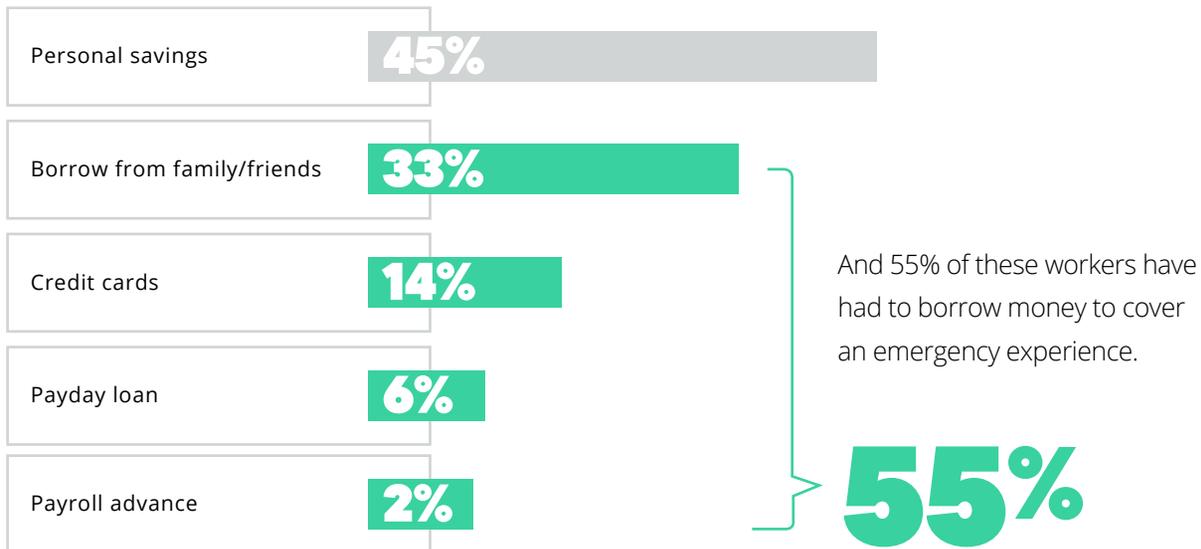
Nearly 60% of gig workers say they're in the same or worse financial situation than this time last year.

Section 2: Gig workers need ways to improve financial health

How would you best classify your financial position?



How are you most likely to cover an emergency expense?



Have you taken out a payday loan in the last 12 months?



Emergencies can also hurt a worker's ability to consistently show up for shifts or perform work. For example, a delivery driver experiencing car trouble cannot complete their duties.

3

Workers want flexible schedules, more payday choices

Flexibility is a key driver in the decision to participate in the gig workforce.

In terms of the benefits gig workers find desirable, schedule flexibility tops the charts with 83% of respondents indicating that this benefit is very valuable to them. This is followed by healthcare benefits (72%), and same-day pay (65%).

Indicate how valuable these benefits would be to you:

Schedule flexibility - 83% very valuable

Healthcare benefits - 72% very valuable

Same-day pay - 65% very valuable

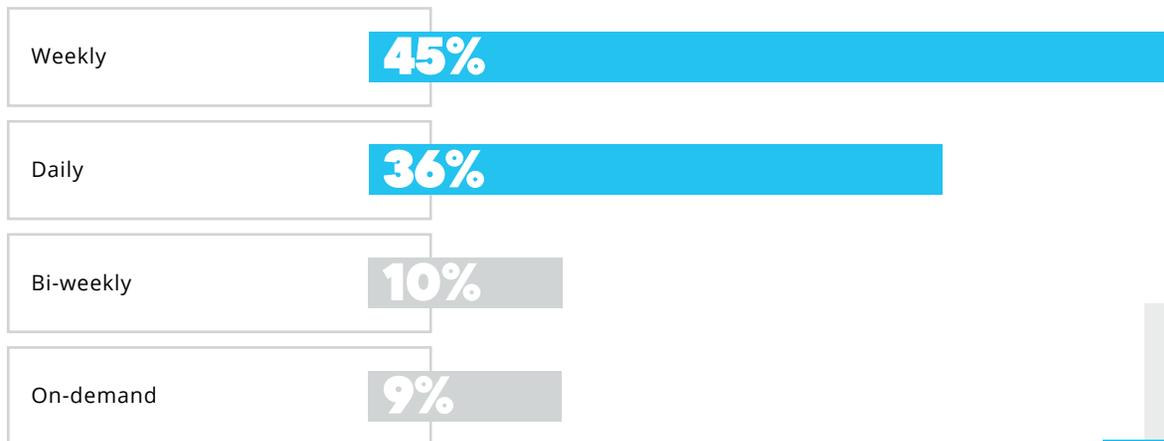
Product discounts - 64% very valuable

Similarly, these workers appreciate flexibility when it comes to how and when they're paid. In fact, 91% of gig workers would like a pay frequency other than bi-weekly (the most common payroll frequency today). And 36% of these workers would choose daily pay.

Section 2: Gig workers need ways to improve financial health

Conversely, less than 10% of our survey respondents said they would choose on-demand pay options, perhaps because it's not currently all that common. Faster pay cycles could indicate a ripe opportunity for companies to reimagine options and freedom around pay frequency for their contingent workers. On-demand pay, for example, could help make emergency expense coverage possible or free the worker from having to borrow money to get by.

If you had a choice in how often you could get paid, what would you choose?



Faster pay cycles could indicate a ripe opportunity for companies to reimagine options and freedom around pay frequency for their contingent workers.

4

Gig work in 2021: 4 trends to watch

These survey results bring important points to the fore. When placed in the context of gig work trends for 2021, they're even more relevant.

1. Increased legislation governing the classification of independent contractors

The passing of Proposition 22 in California in the 2020 election means that gig workers can continue to be classified as independent contractors. It also requires health, disability and earnings benefits for certain individuals working for app-based rideshare and delivery companies.

Additionally, according to the [National Law Review](#), it “may allow for additional companies to pursue similar models.” While the implications of this legislation will continue to shake out over the coming months, watch for more states to consider new regulations governing the gig economy in the near future.

2. The rise of better gig management tools

The gig worker population is growing and with it, the demand for better services to support them. A range of mobile- and cloud-based tools are now available to help keep the workforce productive, minimize administrative time and costs, and streamline the way work gets done.

These tools are highly focused on the user experience, and are built by taking a simplified approach to traditional ways of paying and managing contractors. Many can tap into more complex systems using APIs to help make systems and processes interoperable. Additionally, they are increasingly mobile, to give workers the same ease of use that they have in their personal lives.

3. More demand (pandemic behaviors are here to stay)

The workforce changed dramatically as a result of the global pandemic. The rapid shift to remote work, combined with an economic downturn, has propelled companies and workers to consider new ways of hiring, staffing and working.

Of course, the gig economy was already thriving before the pandemic, with somewhere between 20-30 percent of the working age population engaging in some form of independent work, according to a [2016 McKinsey study](#).

Still, the indications are that it will continue to expand.

Workers, too, see the value of remaining independent now and after the pandemic subsides. In fact, 92% think that now is the time to look for gig work, according to a December 2020 report from [TechRepublic and Monster](#).

A December 2020 article published in [Forbes](#) highlights the need for job flexibility as “more appealing, and potentially more necessary, than ever.”

— **32%**
of organizations are replacing full-time employees with contingent workers as a cost-saving measure, according to a [2020 Gartner report](#) on the future of work.

4. Growing complexity

Increasing the percentage of gig workers can also bring additional complexity for businesses as they begin to develop models to make gig workforce employment scalable and sustainable.

Companies will need to grapple with a range of concerns – from keeping data, systems and IP secure when accessed by workers outside of the network, to managing daily projects and larger strategic planning efforts when using a combination of full-time employees and contingent workforce. Compliance, too, becomes more complex when adding more gig workers to the pool of available team members.

Ultimately, companies will need to define and manage their gig workforce approach to ensure business continuity and minimize risk.



5

Worker retention checklist

A flexible strategy can help you support an industry undergoing significant change.

Ultimately, businesses that are prepared with proactive strategies to attract and retain independent contractors and other flexible workers will best position themselves to benefit from the gig economy.

Use the checklist on the next page to get started.

Worker retention checklist



Review your pay and benefits plans regularly to ensure you're offering competitive wages for your flexible workforce.



Implement modern and flexible pay options, which can be deployed with minimal impact to your company's financial operations and cash flow, and can help you:

- Offer simple, same-day pay for contractors and gig workers
 - Manage W-9 and 1099 compliance and automatic filing with the IRS
 - Review and run payments using your mobile device
 - Provide workers a mobile time clock that also makes approval and reconciliation easy
 - Streamline costs and deliver a solution that scales with your business
-



Consider ways to streamline other processes that make things easier for you and your contingent workforce, such as onboarding, management, project tracking, asset management and more to build a more sustainable gig economy practice.



Everee is a payments and payroll platform that lets you pay people fast and easy while maintaining your current cash flow cycle. Started in 2018 by financial leaders who were tired of outdated payroll software, Everee's platform includes a mobile app to run payments from anywhere, automated tax filings, simplified payments via bulk upload or an API, contractor time clock and more. It's the only platform that offers same-day contractor payments at a low, per ACH price with no hidden fees.

everee.com/gig