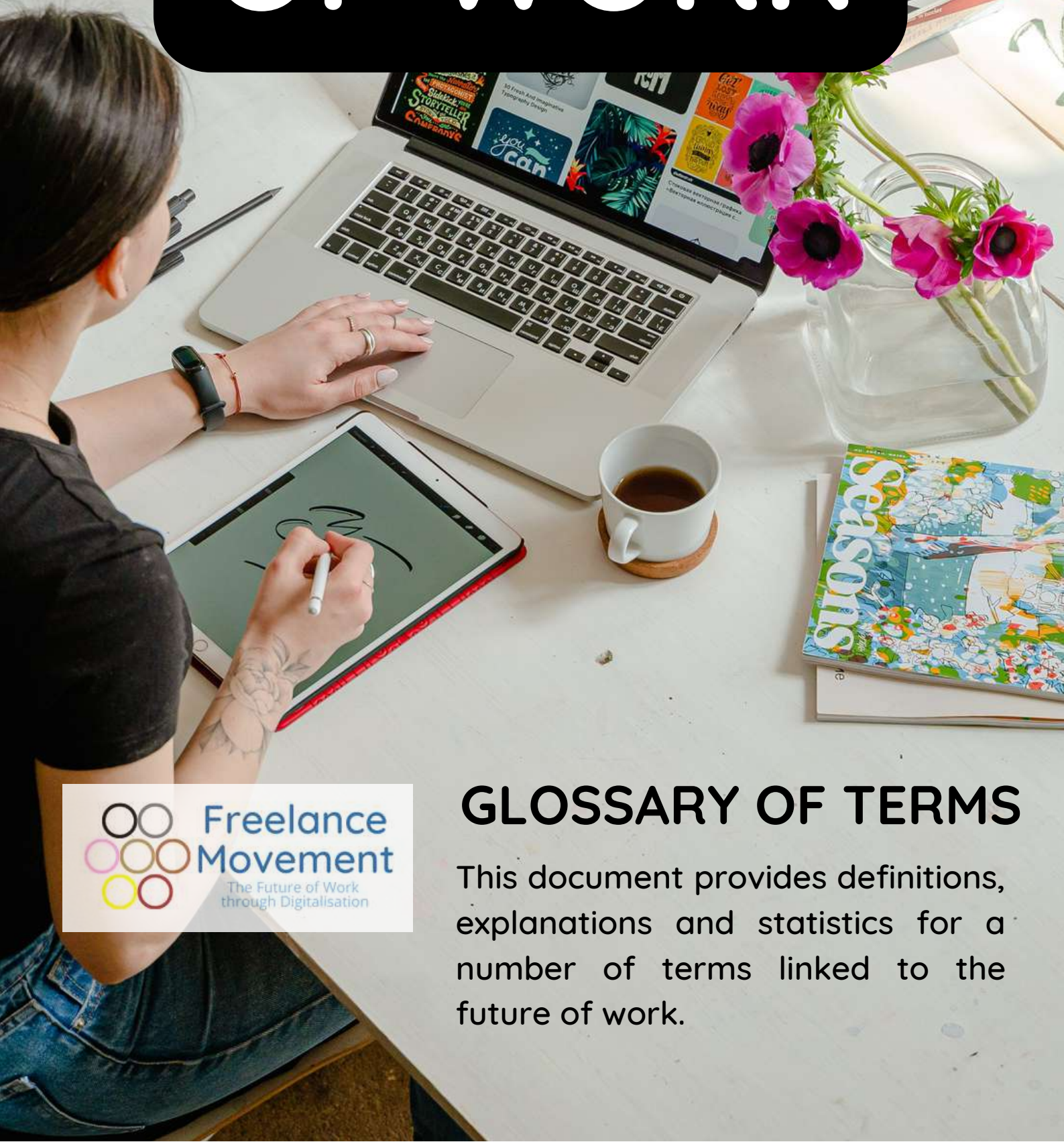


THE FUTURE OF WORK



GLOSSARY OF TERMS

This document provides definitions, explanations and statistics for a number of terms linked to the future of work.

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Broad Terms

GIG ECONOMY

The Gig economy refers to various forms of temporary jobs whereby organisations and independent workers engage in short-term work arrangements in a free market system. The definition covers freelancers, consultants, independent contractors and professionals. Some work through online platforms, while others connect with partners and contacts off-platform.

The term "gig work" has its origins in the US of the 1920s. This was originally used to refer to jazz club musicians who went from performance to performance and were paid accordingly. However, the term "Gig economy" became popular in the Great Depression as a way to describe workers juggling several part-time jobs or "gigs." Nowadays the term refers increasingly to app-based jobs or where those needing workers find those needing work on digital job centres/platforms. The tasks involved are also time-limited, and one-offs, so the relationship is transactional. Very often, gig workers compete on price. Increasingly this term has negative connotations when used in Europe and North America, becoming synonymous with low wages, immigrant labour and precarious working conditions.

As we define the Gig economy, an important sub-division is between local and remote Gig work. Local gigs require the worker to be present in person, while remote work, also known as the "human cloud", allows tasks to be done anywhere in the world.

Being such a broad category, the situation of Gig economy participants is particularly varied. Some workers treat their gigs as their main source of income, while others treat them as secondary. Some Gig workers are highly skilled and this mode of work is their choice, while some are unskilled and see no alternatives to Gig work.

PLATFORM ECONOMY

Platform work is a form of organising paid work through digital platforms.

The platform economy has many benefits for both workers and consumers. With low entry requirements and flexible working hours, digital platforms make it easier for people to become self-employed and earn income regardless of their social status.

According to the European Commission, revenues from the platform economy in the EU in 2020 were estimated to be as high as EUR 20 billion. In the EU alone, there are more than 500 digital labour platforms and more than 28 million platform workers. In 2025, their number is expected to have reached 43 million.

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Broad Terms

PROJECT ECONOMY

The Project Economy is where individuals focus on their skills, talents and capabilities, in order to carry out time-specific paid tasks, often for multiple employers. What is more, a key driver is flexibility and the desire to adjust “working life” to fit in with “private life” - and not the other way around.

Furthermore, the Project Economy can be differentiated from the Gig Economy by the nature of the actual work performed and by the individual doing it. While gig work is a short term transaction, often repetitive (e.g. delivering food or driving a car) with low barriers to entry, Project Economy work takes place over a longer period of time, as well as requires a specific and specialised skillset from the individual involved. It also often delivers substantial value to the business of the end client, resulting in higher remuneration for the individual carrying out the service.

The Project Economy also reflects changes in business operations and society more broadly, whereby work is increasingly done through specific, dedicated projects.

SHARING ECONOMY

The Sharing Economy can be characterised as only relating to activities that involve peer to peer transactions. This can, therefore, be defined as an economic system where assets or services are shared between private individuals, for compensation, facilitated by the use of the internet (e.g. renting out property).

The term sharing economy is therefore a collective name for activities aimed at reduced resource consumption through more efficient capacity utilization such as sharing access to goods and services. The idea of efficiency and employing underused resources is intrinsic to the idea of the Sharing Economy.

SELF-EMPLOYED

This is the practice of working for oneself to earn money, rather than an employer. In many countries, this entails a separate, specific tax regime too. Furthermore, self-employed workers can access an additional layer of service providers who support self-employed workers with administrative and support services.

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Broad Terms

SELF-EMPLOYMENT (EGENANSTÄLLNING)

This term refers to companies who allow workers to be self-employed (egenanställda) - a status which does not exist in countries such as Sweden. Self-employment companies allow individuals to send invoices and be paid for work without the need to have a company. The self-employment company takes care of paying taxes and social security as well as compliance and general responsibility for health and safety.

Industry data shows that the number of people using these companies stands at 44,000 (egenanställda) with over 200,000 signed up to self-employment platforms in Sweden. This represents around 4% of the Swedish population. Although currently small, growth is projected to be 20% per year, and the industry generates over SEK 750 million for welfare through taxes and fees.

OPEN TALENT

The open talent economy is a social environment where people can connect, share information, and build a sense of community outside of a rigid corporate structure. They can also work on different projects for a number of different companies and organisations. The open talent economy therefore gives employers the power to choose when and who they employ, while workers have the power to choose when they work, where and for whom. Open talent is also characterised by a shift from traditional organisational structures to dynamic networks.

ELASTIC TEAMS

This refers to the provision of skilled individuals and teams on-demand, via platforms. This allows companies to scale-up and down services such as marketing, sales, operations, software development and testing. This on-demand approach is rising in response to the lack of full time skilled talent in a number of fields.

BLENDED WORKFORCE

A workforce made up of a combination of permanent employees and freelancers on flexible contracts.

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Types of Worker

FREELANCER

This refers to a person who is self-employed and does not necessarily have a long-term contract with one specific employer. Freelancers can be represented by a company or an agency that resells freelance labour to clients, while others work independently or use professional associations, platforms or websites to find work. Freelancing covers all sectors as well as levels of skills and experience.

Freelancers may hold multiple roles at multiple businesses and may work in an advisory capacity or active operational role. The projects undertaken may be short (a few days) or long (over a year) in duration. In the European context, freelancers are often medium to high-skilled workers.

The origins of the term freelancer are rooted in medieval times when mercenaries would literally be a free "lance" for hire and not sworn to provide services to one specific lord.

INDEPENDENT CONTRACTOR

An independent contractor can be a synonym for a freelancer, and is necessarily self-employed.

Very often, independent contractors work across a number of clients and even sectors (e.g. IT, professional services and building sectors). Employed staff on full time contracts who are hired out to third-party companies and organisations are agency workers.

The general rule is that an individual is an independent contractor if the payer has the right to control or direct only the result of the work and not what will be done and how. While this term covers independent workers without a fixed term contract, in general terms, it can also refer to this type of individual's tax and employment status in some countries.

CONSULTANT

This is a person who provides expert advice to companies and organisations for a fee. This type of professional is an expert in a specific field and can work for a consultancy firm or be an independent contractor. In Europe, a consultant is often classed as being highly skilled and someone who carries out complex and well paid assignments.

AGENCY WORKER

This refers to a temporary employee, typically an office worker, who finds employment through a temporary staffing agency. Agency workers are usually brought in when another person is absent or when there is a period of extra work. In the US, the term "staffing" is used.

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Types of Worker

GIG WORKER

Someone who works part time, or full time, in the gig economy. In Europe and the US this has been used in the media as an umbrella term for low-skilled, low-paid workers in precarious situations who do not have a traditional job contract.

PLATFORM WORKER

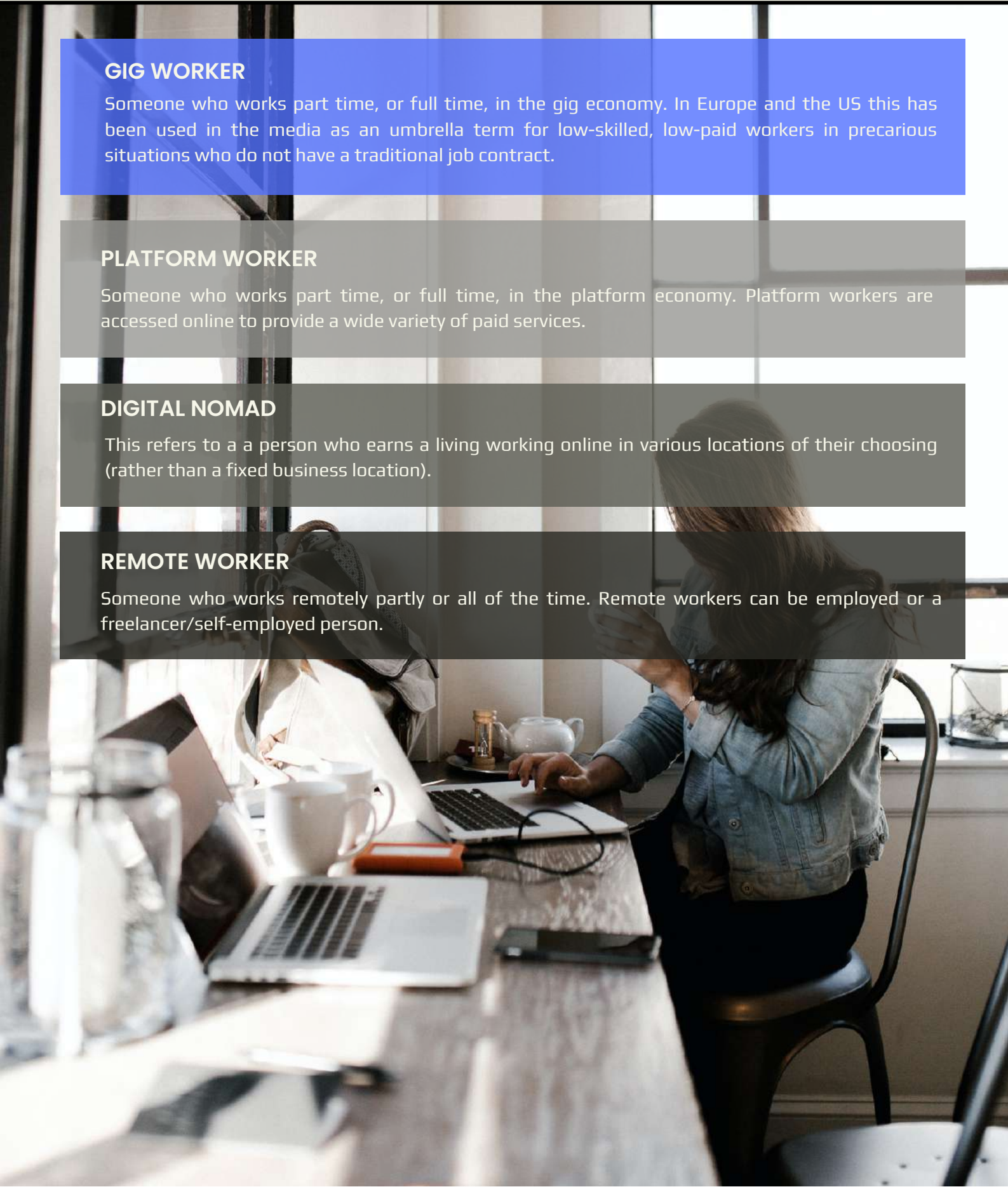
Someone who works part time, or full time, in the platform economy. Platform workers are accessed online to provide a wide variety of paid services.

DIGITAL NOMAD

This refers to a person who earns a living working online in various locations of their choosing (rather than a fixed business location).

REMOTE WORKER

Someone who works remotely partly or all of the time. Remote workers can be employed or a freelancer/self-employed person.



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Types of Work/businesses

9 TO 5 JOB

This refers to a work arrangement where employees turn up at a workplace and work set hours. These jobs mostly involve working five days a week in an office setting. The individual employed has a permanent employment contract, and a set salary as well as receives benefits including holiday pay, sick leave and a pension. In some quarters, the term is used pejoratively to describe uninspiring and dull traditional corporate set ups.

HYBRID WORK

This refers to a flexible work model that supports a blend of in-office, remote, and on-the-go workers. It offers employees the autonomy to choose to work wherever and however they are most productive. In some arrangements workers will be required to come to the office (normally 2-3 days a week).

SIDE HUSTLE

A side hustle is an umbrella term for all types of employment undertaken in addition to one's full-time job. A side hustle is generally freelance or project work which provides supplemental income. Side hustles are often - but not exclusively - things a person is passionate about, rather than a typical 9 to 5 day job which is taken to purely earn money and make ends meet.

MICROBUSINESS

A microbusiness is a company that employs 10 people or less, has less than EUR 50,000 in start-up funding and typically earns a modest yearly revenue (less than EUR 100,000). Microbusinesses often specialise in selling a product or service, and these can take different commercial forms: sole-proprietorship, partnership or corporation.

In the European Union, Eurostat figures show that companies with less than 10 persons employed account for 93 % of the total number of enterprises.

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Types of Work/businesses

SOLO ENTREPRENEUR/SOLOPRENEUR

This is someone who works independently and does not hire employees or other team members.

In the Nordic context, this refers to companies (aktiebolag or enskild firma) that only have one employee.

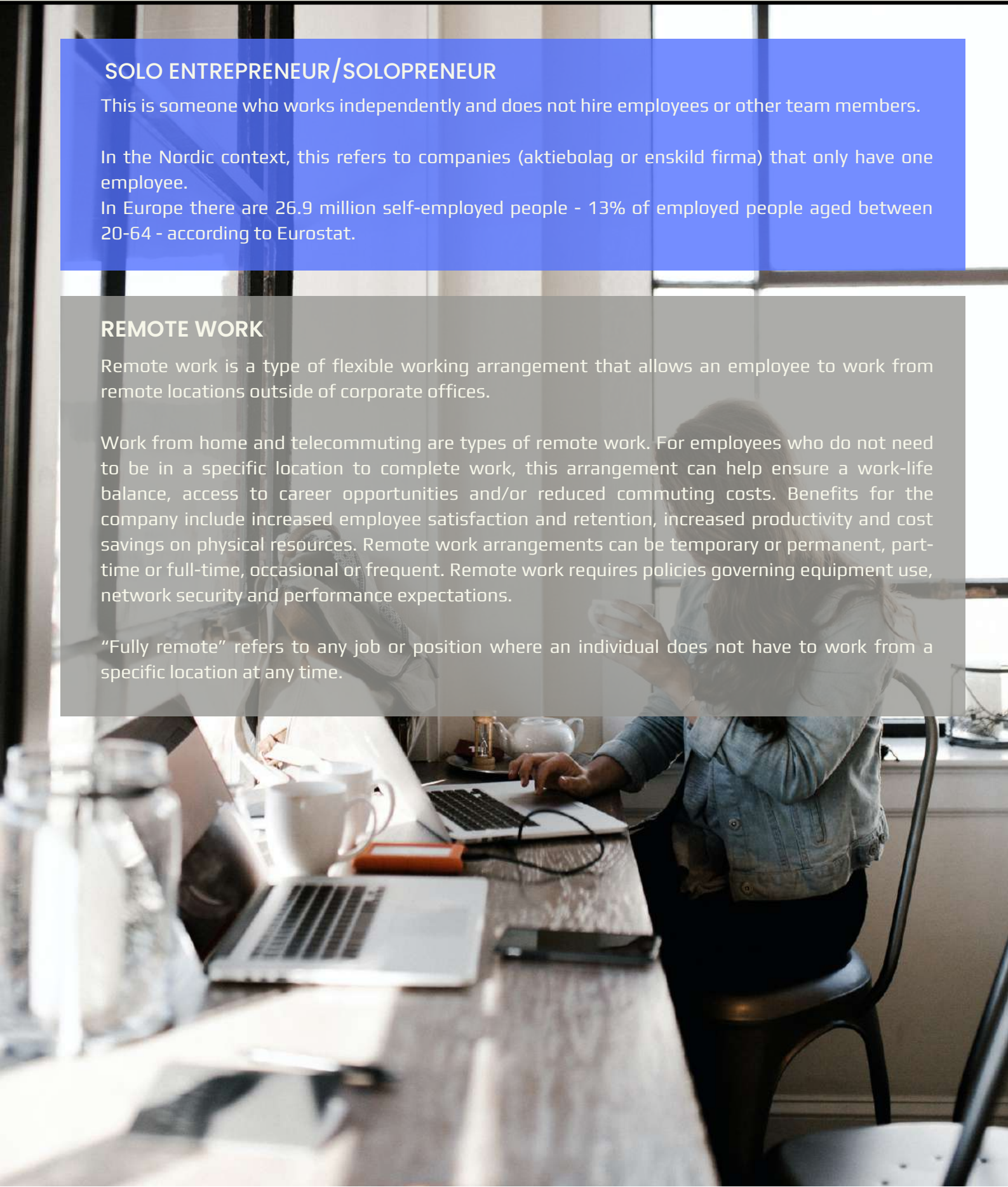
In Europe there are 26.9 million self-employed people - 13% of employed people aged between 20-64 - according to Eurostat.

REMOTE WORK

Remote work is a type of flexible working arrangement that allows an employee to work from remote locations outside of corporate offices.

Work from home and telecommuting are types of remote work. For employees who do not need to be in a specific location to complete work, this arrangement can help ensure a work-life balance, access to career opportunities and/or reduced commuting costs. Benefits for the company include increased employee satisfaction and retention, increased productivity and cost savings on physical resources. Remote work arrangements can be temporary or permanent, part-time or full-time, occasional or frequent. Remote work requires policies governing equipment use, network security and performance expectations.

“Fully remote” refers to any job or position where an individual does not have to work from a specific location at any time.



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Legal Terms

THERE ARE ONLY THREE CATEGORIES OF WORKER CURRENTLY RECOGNISED UNDER LAW IN EUROPE:

Directly employed - either short term or on an open-ended contract, either via a digital tool or offline.

Employed via an agency - either short term or on an open-ended contract, either via a digital tool or offline. What defines an agency worker is that they are employed by the agency, but work under the direction and supervision of a third party: the user company (and often at their work site).

Self-employed - finding clients for longer or shorter assignments, either via a digital tool or offline. This term is not recognised in all countries, e.g. Nordics.