

Education and Labour

Proliferation of New Employment Models

The National Research University Higher School of Economics Institute for Statistical Studies and Economics of Knowledge (HSE ISSEK) presents the results of a human capital trends study. The study methodology included big data mining using the HSE ISSEK-developed [iFORA system](#), expert sessions, and a Delphi survey of more than 400 leading international and Russian scientists specialising in human capital.

The project is being implemented by the World-Class Human Capital Multidisciplinary Research Centre and the UNESCO Futures Studies Chair (UNESCO Futures Literacy Chairs network). A complete list of trends is available in a unique open-access database at https://ncmu.hse.ru/chelpoten_trends.

The Trend's Structure

- **Emergence of flexible employment formats**

Some labour relations are currently being transferred to a digital environment which allows for the rapid exchange of information and intellectual property. At the same time, population mobility is growing, while people's attitudes towards work are changing. All this promotes the use of non-standard employment formats. Digital technologies allow workers and employers to communicate at any distance at any time and organise work in new ways. Part-time and remote employment, freelancing, platform employment, outsourcing, employee sharing, and so on are becoming increasingly common.

The ability to switch to flexible work formats is determined by many factors including activity type, the availability of advanced physical and information infrastructure, reliable internet access, and relevant electronic devices. Conventional labour relations established in society and at specific companies also play an important role. For example, in Latin American countries remote employment was not common before the COVID-19 pandemic due to the paternalistic attitudes of managers, who believed flexible employment formats could not possibly be productive.

- **Emergence of work opportunities for women, older people, and people with disabilities**

- **Increased importance of social protection under unconventional employment formats**

On the one hand, the use of unconventional employment formats leads to positive socio-economic changes, for example, the active involvement of women, older people, and people with disabilities. On the other hand, it is associated with labour market destabilisation and the emergence of new risks, primarily for employees. People become more vulnerable to losing jobs and social security, especially during a recession.

According to a study by the European Foundation for the Improvement of Living and Working Conditions (Eurofound), during the pandemic most jobs were created in the field of "compound non-standard employment". It means very marginal part-time work, very short-term contracts, working without any contract at all, and odd jobs (phone call work). Ineffective regulation of non-standard employment arrangements can lead to common, precarious labour arrangements, that is, workers, including highly skilled ones, losing their social and labour rights and guarantees.

- **Proliferation of precarious employment (the precarisation of labour)**

Key Estimates

13.8 trillion USD

The global freelance market may reach 13.8 trillion USD by 2025 (6.5 trillion USD in 2020)

The Trend's Characteristics



Impact on human capital¹

1

2

3



Weak signal²

Emergence of new employment models in the gig economy



Strongest manifestation period

2021–2025



Wild card³

Universal introduction of unconditional basic income



Effect of COVID-19 pandemic

Strengthened the trend



Consequences of the wild card event actually taking place

Complete transformation of the concepts of a "career" and "profession"



Presence in Russia

Comparable with the global level

¹ 1 – weak, 2 – medium, 3 – strong.

² Weak signals are insignificant (rarely mentioned or discussed) events which indicate the trend may radically change in the future.

³ Wild cards³ are difficult-to-predict events which, if they do happen, can significantly affect the trend.

Drivers and Barriers



Drivers

- Imbalanced supply and demand on the labour market
- Demand for flexible business models
- Transformation of approaches to labour management
- Increased productivity and easier employee retention with flexible employment formats
- Growth of the service sector



Barriers

- Rejection of new labour relations and work contract types by employers and employees alike
- Insufficient development of relevant legislation
- Risks of unstable financial circumstances for workers, aggravation of social guarantee issues

Trend Effects



Opportunities

- • Involvement in employment of women, older people, and people with disabilities
- • Finding the right work-life balance
- • Increasing organisations' adaptability to changes on the labour market
- • Implementing new corporate employee training programmes



Threats

- Reduced social protection of workers
- Negative social consequences, e.g., increased income inequality
- Increased workload under unconventional employment formats due to intensification of work
- Weakening of social connections under remote work arrangements (social isolation of workers)