Gen Z Is Abandoning Conventional 9-to-5 Corporate Jobs for More Diverse, Flexible Careers in Freelancing, According to New Upwork Research

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Latest research reveals Gen Z's dominance in freelancing, career expectations, and growing desire to learn emerging skills like AI

SAN FRANCISCO, May 14, 2024 (GLOBE NEWSWIRE) -- Upwork Inc. (Nasdaq: UPWK), the world's work marketplace that connects businesses with independent talent, today released new research from The Upwork Research Institute revealing the ongoing growth of freelancing among Gen Z professionals along with their shifting priorities, expectations, and motivations for work.

A staggering 38% of the U.S. workforce, or 64 million Americans, performed freelance work in 2023. More than half (52%) of all Gen Z professionals surveyed freelanced, compared to 44% of Millennials, 30% of Gen X, and 26% of Boomers. As graduation season approaches and Gen Z represents the fastest-growing generation of workers, the new study, part of Upwork's UpNext 2024 campaign, indicates that this generation is increasingly rejecting conventional 9-to-5 jobs and fully embracing freelancing as a career choice. The findings highlight Gen Z's motivations behind freelancing and career expectations, helping businesses understand where this talent is concentrated so they can adapt and effectively leverage top talent.

Freelancing, defined

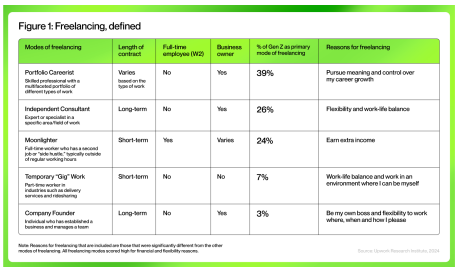


Figure 1: Freelancing, defined

Modes of freelancing	Length of contract	Full-time employee (W2)	Business owner	% of Gen Z as primary mode of freelancing	Reasons for freelancing
Portfolio Careerist Skilled professional with a multifaceted portfolio of different types of work	Varies based on the type of work	No	Yes	39%	Pursue meaning and control over my career growth
Independent Consultant Expert or specialist in a specific area/field of work	Long-term	No	Yes	26%	Flexibility and work-life balance
Moonlighter Full-time worker who has a second job or "side hustle," typically outside of regular working hours	Short-term	Yes	Varies	24%	Earn extra income
Temporary "Gig" Work Part-time worker in industries such as delivery services and ridesharing	Short-term	No	No	7%	Work-life balance and work in an environment where I can be myself
Company Founder Individual who has established a business and manages a team	Long-term	No	Yes	3%	Be my own boss and flexibility to work where, when and how I please

Note: Reasons for freelancing that are included are those that were significantly different from the other modes of freelancing. All freelancing modes scored high for financial and flexibility reasons.

Source: Upwork Research Institute, 2024

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For the first time, the research outlines five distinct modes of freelancing, or "freelance career types": Portfolio Careerist, Independent Consultant, Moonlighter, Temporary "Gig" Worker, and Company Founder. The largest cohort of Gen Z freelancers identifies as Portfolio Careerists (39%), skilled professionals who manage a multifaceted portfolio of different types of work across various clients, industries, and projects.

"Our research shows that the next generation of talent sees the modern career as much more diversified and dynamic than generations past. They want freedom, control, and autonomy that allows them to take advantage of new, distributed ways of working that ultimately impact their performance and financial stability," said Kelly Monahan, managing director of The Upwork Research Institute. "Many business leaders and professionals associate freelancing solely with short-term, transactional work; however, it's much more complex than that. The five distinct modes of freelancing show us that each of these work arrangements and preferences has unique underlying motivators, which inform clear implications for the evolving hiring landscape."

Key findings from the report include:

- **Majority of Gen Z professionals are choosing freelance careers over traditional 9-to-5 jobs:** More than half (53%) of Gen Z freelancers are performing freelance work for at least 40 hours per week across a portfolio of different types of work. A third of Gen Z freelancers who are working these hours have been doing so for over two years.
- **Gen Z has an entrepreneurial mindset when it comes to work, building more diverse, flexible careers by choice, not necessity:** Although Gen Z professionals across all modes of freelancing are motivated by financial stability, 70% of Gen Z freelancers say they freelance to have flexibility in their schedule; 64% to work in an environment not restricted by the limitations of age, race, or gender expectations; 64% to work from the location of their choosing; 62% to be able to pursue work they are passionate about or find meaningful; and 61% to take more control over their personal development and career path.
- **Gen Z freelancers are prioritizing learning and adopting new technologies like AI at the highest rate:** 51% of Gen Z professionals overall are adopting generative AI; however, Gen Z freelancers are adopting at even greater rates (61%), compared to their Gen Z full-time employee counterparts (41%). Notably, 39% of Gen Z freelancers have already obtained a specific certification for AI training.
- **"Portfolio Careerist" is the most favored mode of freelancing among Gen Z freelancers:** Across all Gen Z freelancers, 39% identify as Portfolio Careerists, 26% as Independent Consultants, 24% as Moonlighters, 7% as Temporary "Gig" Workers, and 3% as Company Founders.
- **Majority of Gen Z freelancers perform skilled work:** Gen Z freelancers are highly skilled, with 45% performing specialized tasks like computer programming, writing, and design, while 24% excel as social media experts and influencers, creating content for others.

For full findings and insights, visit: https://www.upwork.com/research/gen-z-work-requirements.

For more research from The Upwork Research Institute, visit: https://www.upwork.com/research.

About the Survey

The Upwork Research Institute partnered with Edelman DXI to survey 1,070 U.S. Generation Z workers, with 560 Gen Zers reporting freelance work and 510 reporting full-time or part-time employment. The survey was fielded online from October 24, 2023 to November 9, 2023. Correlational statistical analysis was conducted to determine significant differences between Gen Z freelancers and their full-time counterparts. In addition, this dataset was collected as part of Upwork's broader Freelance Forward 2023 survey efforts, enabling comparisons across all generations of workers.

About Upwork
Upwork is the world's work marketplace that connects businesses with independent talent from across the globe. We serve everyone from one-person startups to large, Fortune 100 enterprises with a powerful, trust-driven platform that enables companies and talent to work together in new ways that unlock their potential. Our talent community earned over $3.8 billion on Upwork in 2023 across more than 10,000 skills in categories including website & app development, creative & design, data science & analytics, customer support, finance & accounting, consulting, and operations. Learn more at upwork.com and join us on LinkedIn, Facebook, Instagram, TikTok and X.

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