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WORKERS

The emergence of on-demand companies has sparked a burgeoning rise of a new type of entrepreneur, creating a new type of economy: a Workforce of the Future. This new workforce is disrupting and reshaping the traditional workweek as we know it.

Taija Sparkman • May. 23, 2016



The emergence of popular on-demand companies like Uber and Lyft have sparked the rise of a new type of entrepreneur, creating a new type of economy: a Workforce of the Future. This new, burgeoning workforce is disrupting and reshaping the

traditional workweek as we know it. This significant disruption of the economy

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“The on-demand economy is the latest acceleration of a long-term transformation of the labor market. The number of people engaging in full- or part-time self-employment has grown from 6 percent of the workforce in 1989 to 34 percent today – and we expect it to reach well over 40 percent by 2020,” said Alex Chriss, Vice President and General Manager of Self-Employed Solutions, Intuit Small Business.

The rapidly growing on-demand economy is also reshaping the way people can earn a living and support their families. There are now more opportunities than ever for people to supplement existing income streams or to take the leap into being their own boss. On-demand service providers work in a broad range of industries – from transportation and delivery jobs to legal and consulting services – and are typically identified as belonging to one of [five key groups](#) based on our study:

- Business Builders – workers primarily driven by the desire to be their own boss
- Career Freelancers – workers focused on building a career through independent work
- Side Giggers – workers seeking financial stability by supplementing their existing income
- Passionistas – workers who want flexibility to do something they love
- Substituters – workers who replacing a traditional job that is no longer available

Regardless of which group an individual may fall into, it's clear that on-demand workers value the independence and flexibility that comes with being self-employed. According to Intuit's study, more than 90 percent of on-demand workers reported that they like the fact that the on-demand economy gives them control over where, when and how they work. This independence does, of course, also come with challenges, such as the need to self-manage annual and quarterly taxes, healthcare, compliance regulations and other things that are typically handled by employers – leaving many solopreneurs and their accounting professionals on their own to deal

with tax headaches, industry regulations and a lack of visibility into their real

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professionals countless hours of manually sorting through data and receipts when tax season rolls around. The solution seeks to make these critical tasks easy with features such as the new automatic mileage tracking feature, which allows self-employed individuals to instantly record the number of miles driven for business and personal trips. Users can categorize trips with a swipe and see their tax deductions in real-time. With a click, a full log of all miles can be sent to their accounting professionals – easing the burden of compliance and tax regulations on accounting professionals.

“We must recognize the shadows that have emerged from the on-demand workforce. The benefits infrastructure of a generation ago was not built to accommodate the reality of work today. That’s why my team is committed to building new solutions that deliver certainty and stability for self-employed people who are stitching together different income streams,” said Chriss.

These shadows, and the challenges presented by the increase in self-employment, create a huge opportunity for accountants and tax professionals. Accountants are uniquely positioned to become strategic advisors on matters such as co-mingled personal and business bank accounts, uncertainty over tax obligations and a general lack of clarity their clients have about their real income. Plus, when self-employed workers are looking to start a new venture or continue to grow their current work, accountants will be the ones who can provide value-added advice and recommendations on how best to plan for the future. As the workforce continues to evolve, it will be even more important for accountants to embrace the three pillars of the Firm of the Future – getting online, becoming a trusted advisor and growing your practice.

“Getting online not only allows accountants to work anytime, anywhere, but it is often the best way to get in touch with their clients who don’t have a traditional desk

job. With non-fixed schedules, self-employed workers often depend on their mobile

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not only understand the drive behind these independent, self-motivated workers, but are also tuned in to their clients' concerns around transitioning to a new way of working. More than half of on-demand workers worry about finding enough work or having an unpredictable income, especially when they're used to earning stable income from a traditional job. With QuickBooks Self-Employed, accountants get a view into the comprehensive, trusted data they need to best advise their clients on which jobs they should or shouldn't be spending time on, and how best to maximize the benefits of a flexible schedule – a challenge that most accounting professionals are familiar with themselves.

“Accounting professionals who embrace and implement the three Firm of the Future pillars are better positioned to serve the on-demand workforce. Accounting firms who have embraced the cloud no longer have to worry about manual data entry and are able to focus on helping their self-employed clients identify new areas to find work and empower them to be their own boss,” said Chriss.

It's important for accounting professionals to recognize that people working in the on-demand economy value the freedom and flexibility of their work above all else, so their job is to help self-employed workers find stability and security to maximize the benefits of a flexible work schedule, while minimizing the downsides of less predictable income and benefits. Likewise, on-demand workers also need to understand that accounting and tax professionals are the best possible strategic advisors who can help them navigate through the often confusing and unpredictable world of self-employment. With a mutual understanding between them, the Workforce of the Future and a Firm of the Future can be the perfect match – a team centered on the greater flexibility and the ability to remain connected anytime, anywhere, that technology affords.

“Because self-employed workers don’t work under a traditional managerial

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