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RESEARCH IN OCCUPATIONAL STRESS AND WELL-BEING

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RESEARCH IN OCCUPATIONAL STRESS AND WELL-BEING VOLUME 18

ENTREPRENEURIAL AND SMALL BUSINESS STRESSORS, EXPERIENCED STRESS, AND WELL-BEING

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OVERVIEW

Volume 18 of *Research in Occupational Stress and Well-Being* is focused on the stress and well-being related to Entrepreneurship and Small Businesses. This volume focuses on entrepreneurial and small business owners’ stress, health, and well-being as it relates to personal, work, and success outcomes. The literature linking stress with entrepreneurship and small business has been somewhat scattered to date in that stress has been treated as an antecedent of decisions to create new ventures, a frequent outcome experienced by entrepreneurs and small business owners (or self-employed businesses), and a moderator of the entrepreneurial process. We attempt to resolve some of the inconsistencies theoretically and to better frame future research in this important area of study.

We have seven chapters that cover topics from theory-building to context in small businesses to utilizing resources. We have divided our seven chapters into three sections. In the first section, we include three chapters that examine new theories, frameworks, and future research agendas in entrepreneurship. Our lead chapter by Keith, Harms, and Long, is an examination of employee health and well-being in the gig economy. The authors put forth an interesting framework for understanding why individuals enter gig economies. Further, they discuss characteristics that are deemed demands and resources integral to gig economies and how these characteristics affect worker health and well-being. In our second chapter, Lerman, Munyon, and Carr develop a theoretical framework for better understanding the unique characteristics of entrepreneurial stress. They develop stress events theory that is grounded in both systems theory and affective events theory that depicts how entrepreneurs react and cope to specific events. Finally, White and Gupta provide a critical review of the stress and well-being literature in entrepreneurship. They also offer great insight into future research in this area.

In the second section, we have two chapters that examine contexts, specifically, heterogeneity and non-family membership in small businesses. Brawley takes an in-depth look at contextualizing stress theories to account for heterogeneity in small businesses. She discusses how the effects of heterogeneity in small businesses affect the business owners’ health and well-being. Finally, she connects her views to a wide variety of well-established stress theories. The next chapter by Butler and Martin examines another type of contextual factor in small businesses, that of non-family members versus family members. They argue that the dynamics between family and non-family members, if not managed well, will result in a negative impact on the firms’ ability to perform well and to survive.

In the final section, we have chapters that examine the important role of resources in entrepreneurship. Massar, Nübold, van Doorn, and Schelleman-Offermans examine the critical role of psychological capital when transitioning from long-term employment to entrepreneurship. They discuss how unemployment has
detrimental effects for health and well-being and examine current interventions aimed at assisting reemployment. Next, they explore how self-employment or entrepreneurship might be a solution to unemployment and examine the psychological variables most likely to increase the chances of entrepreneurial success. The final chapter in this volume is by Julie Broad who takes an in-depth and applied approach to managing stress in entrepreneurial ventures. She focuses on psychological capital, algorithmic leadership, and wearable technologies to enhance the likelihood that entrepreneurs can build and maintain their competitive edge.

We hope you enjoy this volume that is focused on occupational health and well-being in entrepreneurship and small businesses. We believe this volume offers critical analyses of research on stress and entrepreneurship as well as new frameworks for future research.

Pamela L. Perrewé, Peter D. Harms, and Chu-Hsiang (Daisy) Chang
CHAPTER 1

WORKER HEALTH AND WELL-BEING IN THE GIG ECONOMY: A PROPOSED FRAMEWORK AND RESEARCH AGENDA

Melissa G. Keith, Peter D. Harms and Alexander C. Long

ABSTRACT

Despite widespread interest in the gig economy, academic research on the topic has lagged behind. The present chapter applies organizational theory and research to compose a working model for understanding participation in the gig economy and how gig work may impact worker health and well-being. Drawing from past research this chapter defines the gig economy in all its diversity and advances a framework for understanding why individuals enter into gig economy. Next, the authors discuss how various characteristics of the gig economy and gig workers can be understood as both demands and resources that influence how gig work is likely to be experienced by the individual. To understand how these characteristics are likely to influence worker health and well-being, we draw from past research on alternative work arrangements and entrepreneurship, as well as the limited extant research on the gig economy. Finally, a research agenda is proposed to spur much needed research on the gig economy and its workers.

Keywords: Gig economy; gig work; stress; well-being; occupational health; alternative work arrangements
For better or worse, technology is rapidly transforming work and the labor market by changing the fundamental nature of certain jobs or eliminating jobs altogether (Cascio, 1995; Cascio & Montealegre, 2016). Whether by necessity or design, workers are increasingly responding to the changing labor market by moving toward forms of nonstandard work (Ashford, George, & Blatt, 2007; Cappelli & Keller, 2013; Spreitzer, Cameron, & Garrett, 2017). One form of nonstandard work that has received limited attention in the organizational literature is “gig work” or a type of short-term contract work mediated by a virtual platform (e.g., Amazon, Uber; Gallup, 2018; Kuhn, 2016; Kuhn & Maleki, 2017; Tran & Sokas, 2017). More broadly, the gig economy is characterized by domains of work where online platforms mediate a temporary working relationship between a consumer or employer and the gig worker (Duggan, Sherman, Carbery, & McDonnell, 2020). Given the nascence of this type of work, there is limited empirical research on the gig economy and its workers, much less the impact of these work arrangements on worker health and well-being outcomes. The lack of empirical research in the organizational sciences currently available is surprising considering the attention given to this topic in the popular press – as of October 2019, approximately 241,000 Google News results turn up using “gig economy” as a key word. Notably, many of these popular press articles paint a grim picture of the gig economy (e.g., Anderson, 2019; Hao, 2019). Yet, others forward a more positive or neutral perspective (e.g., Formichenko, 2019; Muhammed, 2019; Reich, 2019) which suggests more organizational research is needed to understand work experiences in the gig economy. Such research also has the potential to shape public policy and help organizational researchers remain relevant in the changing world of work (Ashford, Caza, & Reid, 2018; Cascio, 1995).

The aim of this chapter is to provide a better understanding of the gig economy and how gig work may impact worker health and well-being. In light of this goal, the current chapter is divided into three sections. The first section is devoted to defining the gig economy and what qualifies as gig work. We will distinguish between gig work and other types of alternative work arrangements and argue that making a clear distinction between these different types of work is essential for conceptual clarity and understanding experiences of gig workers. Moreover, we suggest that not all gig work is created equal. A recent Gallup poll found support for what they termed “a tale of two gig economies” (Gallup, 2018, p. 5). While independent gig workers taking part in online platforms may enjoy high levels of freedom and work-life balance, on-call or contract gig workers experienced less job control. Thus, the current chapter will stress the importance of distinguishing between different types of gig work when examining how these work arrangements impact outcomes of interest.

In the next section, we outline a working model that highlights important factors influencing worker experiences in the gig economy, as well as, outcomes relevant to occupational health researchers. Specifically, we suggest that one’s decision to engage in the gig economy is determined by push and pull motivations. In turn, worker health and well-being and continuation in the gig economy is influenced by demands and resources available in the gig economy, as well as, personal adaptation factors. We utilize the job demands–resources model of
burnout (JD-R model; Bakker & Demerouti, 2007, 2017; Demerouti, Bakker, Nachreiner, & Schaufeli, 2001) to provide a framework for understanding the different costs and benefits likely to be found in the gig economy. Given the similarities between gig work and other alternative work arrangements, we draw from past theory and research on contract work, temporary work, self-employment, and entrepreneurship more broadly to identify where the gig work will overlap with or diverge from this past research. We will also argue that the gig economy (like most progress) is sure to be a double-edged sword. We can easily imagine, for example, a gig worker who maintains a steady household income and enjoys the benefits of flexibility and supplementary income provided by various online platforms for gig work. This worker would likely have positive experiences from the nature of the gig economy and provide an example for the many benefits this kind of work can provide. Alternatively, it is equally viable that a gig worker may approach their gig work as a more full-time endeavor (e.g., a full-time Lyft or Uber driver) and would experience significant stress based on the precarious nature of their work; this worker might suffer from stress related to having an unreliable income, taking on substantial personal and financial risk to engage in this work, and experience burnout as a result of the many strains placed on them based on the nature of their gig work experience. Both examples that highlight “a tale of two gig economies” (Gallup, 2018) are common in the gig economy and both must be considered when discussing the nature of gig work and the relative impact it has on the health and well-being of gig workers. It is here, however, where we question the notion of “two gig economies.” Through our analysis of the gig economy, we suggest that dividing the gig economy into “two gig economies” – one good and one bad – may be overly simplistic and obfuscate the multidimensional and continuous nature of many of the factors influencing worker experiences in the gig economy as well as the constantly evolving nature of the gig economy itself.

In the final section, we summarize the framework outlined in the previous sections and offer an agenda for future research on the gig economy. The future research directions utilize our working model to accentuate gaps in our current understanding of gig workers, worker experiences, and how such factors influence the outcomes identified.

**GIG WORK AND GIG WORKERS**

*The Nature of Gig Work*

Before delving into stress and well-being in the gig economy, we must first develop an understanding of what gig work is and who gig workers are. Gig work is defined here as a type of short-term contract work mediated by a virtual platform such as Amazon, Uber, Lyft, Rover, Upwork, Fiverr, Instacart, and so forth (see also Kuhn, 2016; Tran & Sokas, 2017). In the gig economy, individual workers sell their services to either organizations or individuals; however, the intermediary platform controls aspects of the means of production or services rendered rather than the individual worker. In exchange, the gig worker is afforded a customer
base. For this reason, gig work has also been called micro-entrepreneurship and gig workers everyday entrepreneurs (Berger, Frey, Levin, & Danda, 2018; Kuhn & Maleki, 2017; Ravenelle, 2019; Stone, 2016) whereby individuals are able to reduce the risks inherent in entrepreneurial activity by keeping their “business” at a manageable size and using the intermediary platforms as built-in infrastructure. With the infrastructure in place and no formal commitment, the individual can then market their services on the virtual platform with little to no upfront risk or major capital investment. Importantly, we do not view gig work as synonymous with entrepreneurship. While also self-employed, gig work may resemble traditional entrepreneurship to varying degrees depending on the amount of control workers have relative to the gig platform (Ravenelle, 2019).

Gig work falls under the umbrella of alternative work arrangements including but not limited to temporary work, contingent work, part-time work, contract work, and freelance work (Spreitzer et al., 2017). Whereas typical or traditional employment involves long-term employment by single employer, a set working schedule, and payment via either an hourly wage or yearly salary, alternative work arrangements depart from these norms in one or more ways (Cappelli & Keller, 2013; Connelly & Gallagher, 2004; De Cuyper et al., 2008; Spreitzer et al., 2017). Indeed, gig work can be categorized as the newest iteration of contingent, contract, or freelance work (MacDonald & Giazitzoglou, 2020; Spreitzer et al., 2017). Each of these alternative work arrangements evolved to allow flexibility for businesses, the individual worker, or both.

Importantly, we view gig work as a type of contingent or contract work; however, when studying the gig economy in a research context, it is important not to conflate gig work with these other types of work arrangements. There are two main characteristics of gig work that distinguish such work from other types of alternative work arrangements: the intermediary platform and the temporary nature of the contract between workers and the employer.

First, gig work is mediated by an Internet platform such as Amazon, Upwork, Uber, Lyft, Rover, Fiverr, etc. Thus, contact with the employer is mediated by this platform. Notably, the role of the intermediary platform may vary. In some cases, the mediating platform exercises a degree of algorithmic control over certain processes such as work assignments and payment. Uber, for example, uses an algorithm that matches riders with drivers efficiently based on the driver(s) location and the rider(s) location. Payment is also determined through an algorithm based on supply and demand. Other mediating platforms do not use algorithms to match workers with an employer or assign payment. For example, on Amazon MTurk, workers are able to choose what work they want to do by sorting through a number of available options posted on the platform and payment amount is decided by the consumer/employer. Another common element to (most) gig platforms is the use of worker (and sometimes employer) rating systems as a proxy for trust. That is, the intermediary platform will often allow employers to rate their experiences with gig workers and such assignments may influence the worker’s ability to obtain future work.

Second, gig work involves “contracts that are as temporary as they could possibly be” (Webster, 2016, p. 60). That is, gig work may consist of work that
lasts minutes or even seconds. On Mechanical Turk, for example, workers may be paid to do micro-tasks that last mere seconds. Likewise, on Upwork, a graphic designer may be contracted by an organization to design a single logo. In each of these cases once the work desired by the employer is complete, the individual’s relationship with that employer has ended.\(^2\)

Work in the gig economy varies widely with respect to the nature of the tasks, level of skill involved, and even the working conditions. While a worker on Survey Junkie may complete a marketing survey for a market research company, a worker on Rover may watch someone’s dog while they are at work. Likewise, the amount of skill or education can range from unskilled labor such as transcription or coding tasks on Mechanical Turk to skilled labor on Upwork which connects clients with skilled professionals such as data scientists, engineers, writers, web developers, graphic designers, and so forth. Such differences also impact working conditions. Whereas Uber and Lyft drivers will spend a great deal of time in the car meeting people, Mechanical Turk workers will spend a great deal of time on a computer with little work-related social contact. The key connection between these different types of gig work is that individuals are self-employed and can decide when to work, where to work, and who to work for.

**Gig Workers**

Much like the gig economy itself, gig workers are not a homogenous group of individuals (Aspen Institute, 2019). Those taking part in this new world of work comprise a wide range of ages, races, educational backgrounds, and skill sets. Notably, many of the data sources available are based on surveys of contingent workers more generally (e.g., Bureau of Labor Statistics, 2018) or focus on individual sectors of the gig economy or specific platforms (e.g., Berger et al., 2018; Cook, Diamond, Hall, List, & Oyer, 2019; Keith, Tay, & Harms, 2017; Ophir, Sisso, Asterhan, Tikochinski, & Reichart, 2020). Such diversity in both individual workers and the gig economy at large makes it difficult to discuss the gig economy holistically. For example, men are more likely than women to participate in online labor platforms and have other full-time employment; women are more likely than men to use gig work part-time for supplemental income and sell goods online (Aspen Institute, 2019). Thus, any research on individual sectors of the gig economy may not translate to other sectors, and more research is needed to better understand who gravitates to certain types of gig work and why.

Determining how many individuals in the United States work in the gig economy, much less the rest of the world, is difficult to estimate. To begin, many estimates include other types of alternative work arrangements in estimates of gig economy labor force participation (e.g., Gallup, 2018). Moreover, gig work may not be perceived as a job (or at least a primary job) resulting in underreporting of participation (Brainard, 2017; Kuhn, 2016). Estimates of the actual labor force participation in the gig economy vary depending on where the boundaries between gig work and other alternative work arrangements are drawn, and there has been some debate surrounding whether the growth of the gig economy has been moderate or large or whether the gig economy has simply replaced other
forms of work in the informal economy (Appelbaum, Kalleberg, & Rho, 2019; Bureau of Labor Statistics, 2018; Katz & Krueger, 2017, 2019; Kuhn, 2016). With these caveats in mind, current estimates of gig worker representation are somewhere between 1% and 8% of the United States Workforce (Gallup, 2018; McKinsey Global Institute, 2016).

Though debatable in magnitude, growth is especially prevalent in certain developing nations such as India and Africa where jobs in the informal economy are much more common (Hruby, 2019). In developed countries such as the United States, growth in the gig economy sector tends to be concentrated in urban cities and on the Eastern and Western coasts where there is a sufficient demand for such workers (Holtz-Eakin, Gitis, & Rinehart, 2017). This could have significant implications for the economic strain experienced by those most likely to engage in gig economy labor, but the degree to which socioeconomic status might predict gig economy participation has yet to fully be extrapolated by the current research.

MODEL OF WORKER EXPERIENCES
AND OUTCOMES

Undoubtedly, the diversity of gig work and gig workers poses a challenge to organizational researchers hoping to understand how these new work arrangements function and how they impact worker health and well-being. To address this, we propose a working model (Fig. 1) to serve as a starting point for organizational researchers interested in studying gig worker experiences, particularly from an occupational health perspective. The working model should be viewed as just that – a working model – with room for improvement as research on the gig economy develops more fully. For example, we identify subjective well-being (i.e., general levels of high positive affect, low negative affect, and life satisfaction; Diener, 1984, 1994), psychological well-being (i.e., a multidimensional construct that include positive self-evaluations, a sense of purpose or meaning, positive relationships with others, self-determination, and environmental mastery; Ryff & Keyes, 1995), physical well-being (i.e., positive health outcomes such as longevity, absence of disease, and so forth), and continuation in the gig economy as potential outcomes to examine; however, there are other outcomes such as work-life balance and engagement that may also be relevant. In the sections below, we elucidate the various parts of this working model and how they are likely to influence the outcomes identified.

MOTIVATIONS OF WORKERS IN
THE GIG ECONOMY

The expansion of the gig economy can largely be attributed to many technological, economic, and social factors taking place in the past 50 years or so. First, the gig economy participation (particularly crowdsourcing and freelance platforms) is the result of an increasingly flat, technologically integrated world whereby
individuals from developing countries can be employed virtually anywhere in the world as long as they have access to the Internet (Cascio & Montealegre, 2016). Economically, the 2008 Great Recession left many people, particularly those in financially strained situations, seeking ways to make ends meet, resulting in the expansion of alternative forms of employment (Holtz-Eakin et al., 2017; Katz & Krueger, 2017, 2019). As many full-time jobs disappeared due to the Great Recession and technological changes, many individuals were pushed into part-time or gig work. At the same time, organizations increasingly hire gig workers or other temporary workers in lieu of full-time workers to increase flexibility, innovation, and reduce costs associated with full-time labor (De Cuyper et al., 2008; Fisher & Connelly, 2017; Kalleberg, 2003; MacDonald & Giazitzoglou, 2020). Finally, individuals may also be drawn to the flexibility available in the gig economy.

We divide the various motivations for participating in the gig economy into push and pull factors (McKeown, 2005). Push factors are external forces influencing one’s actions, and pull factors are more internal, typically reflecting personal preferences, values, or interests (Keith, Harms, & Tay, 2019). Push motivations in the gig economy are often economically related such as a lack of sufficient income, student loan debt, family pressure, and so forth. Pull motivations may include desires for flexibility or autonomy, enjoyment, or seeking variety in one’s work. Previous research on gig workers has distinguished between push and pull

![Working Model of Worker Well-being in the Gig Economy](image-url)
motivations to examine how such motivations impact other outcomes such as life satisfaction. Specifically, in a sample of Mechanical Turk workers, Keith et al. (2019) found that generally pull motivations were positively related to present and anticipated future life satisfaction, whereas push motivations generally were negatively related to present and anticipated future life satisfaction. Thus, understanding why individuals enter the gig economy may have an influence on important outcomes such as worker health and well-being.

**DEMANDS, RESOURCES, AND PERSONAL ADAPTATION FACTORS**

The experiences of gig workers are likely to be as diverse as the gig economy and the gig workers themselves. As such, stressors experienced in one sector of the gig economy may not translate or may be experienced differently in other sectors. We suggest that the nature of gig work and personal adaptation factors are likely to influence how one’s participation in the gig economy impacts important outcomes such as well-being (i.e., subjective well-being, psychological well-being, and physical well-being) and continuation in the gig economy.

Adopting the JD-R model (Bakker & Demerouti, 2007, 2017; Demerouti et al., 2001), we organize work experiences in the gig economy in terms of job demands and resources. The JD-R model has been widely applied in the organizational literature to examine particular working conditions as either job demands or job resources. Job demands are the “physical, social, or organizational aspects of the job that require sustained physical or mental effort and are therefore associated with certain physiological and psychological costs (e.g., exhaustion)” (Demerouti et al., 2001, p. 501). Although many potential job demands exist within the gig economy, we opted to examine demands that are likely to generalize to multiple sectors of the gig economy: job insecurity, precarious work situations, alienation, underemployment, and emotional labor. Job resources then are physical, psychological, social, or organizational aspects of the job that may do any of the following: (a) be functional in achieving work goals; (b) reduce job demands as associated with physiological and psychological costs; (c) stimulate personal growth and development. (Demerouti et al., 2001, p. 501)

We identify autonomy and skill/task variety as job resources, as well as human, social, and psychological capital, and tolerance for ambiguity as personal adaptation factors (i.e., individual resources) in the gig economy.

**JOB DEMANDS**

*Job Insecurity*

In the broader research, job insecurity has frequently been examined in relation to worker stress and well-being (Boswell, Olson-Buchanan, & Harris, 2014; De Witte, Pienaar, & De Cuyper, 2016; Jiang & Probst, 2017; Kinnunen, Määkikangas,