



WHAT IS THE FUTURE OF WORK IN SOUTH AFRICA? EXAMINING THE “SIDE HUSTLE” ECONOMY

A white paper from Henley Business School

In collaboration with our research partner, In On Africa



IN AFRICA
IOA

Connecting Africa's Potential



FOREWORD

WE SIT atop a timebomb of unemployment in South Africa. In the first quarter of this year 27.6% of South Africa's potential workforce was unemployed and more than half the youth – would-be first-time entrants to that same market.

Whichever way you look at it, the figures are ominous. It's a dire situation further bedevilled by the fact that our economy is sluggish at best, GDP contracting by 3.2% in the first quarter of this year, which means those who are employed find themselves caught in a vice of rising costs and near stagnant pay levels in real terms.

At the same time, we speak of entrepreneurs and of innovation and creativity to break the impasse in which we find ourselves and yet - thanks to a ground breaking study conducted earlier this year by Henley Business School Africa – perhaps that very answer lies right in front of us.

Working off the platform of the inaugural study conducted last year by our parent organisation Henley UK, our researchers went forth to explore the phenomenon of the gig economy; the Side Hustlers and Side Jobbers, as they are known.

Side Hustlers are defined as people who are employed but who run a business separately to their main income, they might even be self-employed but running one or more separate businesses on the side. A Side Jobber on the other hand is a person who is employed but offers the same services to other clients. These services, irrespective of whether they are performed by Side Hustlers or Side Jobbers are done after the normal nine-to-five window of the normal working day – and over weekends.

In a typical South African workplace, in all probability still staffed and run as if this was still the 1980s and our economy was premised on us digging precious metals out of the ground and selling them on a closed market, this kind of behaviour would be frowned on, outlawed actually. The truth though, as our study shows, is that these intra-entrepreneurs are actually far harder working than their non side-hustling or jobbing colleagues – averaging 53 hours a week on their main jobs, as opposed to the average of 43, before they even start on their other interests. Most of them are unlikely to leave those main jobs even if their side interests take off.

They employ people, some many more than one person. They upskill themselves at their own expense, they become less dependent on the company for those all-important annual cost-of-living expenses or life changing career pathing because they have literally taken control of their own destinies. And they're making it work: Side Jobbers are supplementing their monthly income by up to a quarter while Side Hustlers are earning up to 20% more.

So, why are they doing it? Some are doing it to make ends meet, others to pursue a passion. This is not an isolated phenomenon either: almost 30% of our respondents have a side hustle or side job and among those who have been in the same main job for more than 10 years, almost 78% of them have disclosed their side jobs to their employers, with more than 70% of Side Hustlers doing the same.

This shows us two salient things right from the outset: corporate South Africa is aware of the phenomenon and is neutral about it, but at the same time there is nothing to fear. On the contrary there is everything to be gained. We want to develop entrepreneurs, but as we all know the risk of failure – and financial loss – in start-ups is chillingly high in the first five years of operation.

It makes compelling business sense to regularise and legitimise this practice in companies to everyone's benefits because these side hustlers and side jobbers are incredibly innovative and creative and already among a company's greatest assets. They learn new skills that they bring back into their primary employment. Instead of developing national incubators, which are often seen to be of little value, we might incubate a whole new wave of entrepreneurs who are side hustling while working, and building economic value and jobs. It may open the door to more job sharing and shorter working weeks as side hustlers spend more time on their other ventures.

South Africa's economy has changed, dramatically and irrevocably, but we are also standing on the threshold of the fourth industrial revolution, the greatest disruptor any of us have ever known – but also potentially the greatest liberator. The problem is that we, and in particular corporate South Africa, have yet to change with it. Our economic landscape is still dominated, almost asphyxiated by the monolithic corporate practices of a bygone era – even if those self-same monoliths that birthed it have long become a footnote in history.

FOREWORD

We have to break this corporate conformity and conservatism if we are to stand any chance. We know that there is a direct correlation between economic growth and the growth of creative industries, especially in emerging economies. One of the most compelling studies has been done by Professor Clayton M Christensen, one of the doyens of the Harvard Business School and the theorist of disruptive innovation. If you build creatives you build economies, it's that simple.

Legitimizing and actively encouraging side hustling and side jobbing can help break that mould, shatter the greenhouse and create the conditions that nurture the growth of organic businesses that disrupt this outdated model, evolve the economy, creating wealth and jobs with a fraction of the risk of normal start-ups, but rather just scale up what is already happening in a managed Schumpeterian process of creative destruction, as we help the new economy be birthed through the active participation of the old.

This study gives us an inkling of the potential that lies beyond. We need to study more and widely, especially in the under-reported and under-served parts of this country to fully understand this phenomenon, but at this stage President Cyril Ramaphosa's quoting of Nigerian poet Ben Okri at his recent State of the Nation Address seems eerily prescient:

*Will you be at the harvest,
Among the gatherers of new fruits?
Then you must begin today to remake
Your mental and spiritual world,
And join the warriors and celebrants
Of freedom, realizers of great dreams.*

We can gather those new fruits, all of us, if only we can allow ourselves to envisage a different working model, an era of employed-preneurs – sooner rather than later.

Jon Foster-Pedley - Dean and Director of Henley Business School Africa



Jon Foster Pedley,
Dean & Director of Henley Business School, Africa



BURNING THE MIDNIGHT OIL

The gradual dissolution of traditional ways of work has paralleled the advent of the gig economy - a labour market defined by flexible, on demand freelance work. In Africa, it is estimated that nine out of ten people work precarious jobs and are compelled to take on additional work in order to make enough money to survive. The culture of side work in Africa is also driven by innovation and creativity, and has firm roots in the informal economy.

A side hustle is a form of employment that is taken in addition to one's full-time job. It is loosely defined as work that is done after the 9-to-5, after class and when the kids are asleep – burning the midnight oil.

The reasons for people engaging in the side hustle economy vary greatly. On one end of the spectrum, side hustling is a means of making ends meet, supplementing often inadequate income from full time jobs. On the other end, side hustling is driven by the pursuit of passion, allowing people to explore their interests or even their 'dream job', without forgoing a stable income.

In South Africa, side hustling is gaining popularity. It has been estimated that one in three South Africans are working additional jobs in order to supplement their income. Many of these individuals work side jobs that are vastly different to their main roles in order to make enough money to survive. A study conducted by Old Mutual's Savings and Investment Monitor (2017) reiterates that more South Africans are discovering resourceful ways of growing their income through working more than one job. Side Hustlers are on the increase, with many people having found multiple ways to earn a living.

Side hustling is becoming an integral part of the economy, with government, financial institutions and other key players in South Africa increasingly prioritising entrepreneurship and Small, Medium and Micro Enterprises (SMMEs) in their funding and skills development initiatives. Standard Bank, for example, launched a campaign called My Fearless Next to help entrepreneurs turn their side hustle into their main job, through providing entrepreneurs with a funding equivalent to their year's salary. Initiatives like this also demonstrate the value that side hustlers – who own businesses – can have when it comes to creating employment.

Preliminary desktop research on the side hustle economy in South Africa revealed the dearth of information on side hustling in the country. In recognising this, Henley Business School Africa and In On Africa (IOA) embarked upon a research study to examine the side hustle economy in South Africa. This study has aimed to illuminate insights and perceptions around the future of work, the demographics of the South African side hustler, the different types of side hustling, and the reasons people enter into the side hustle economy.

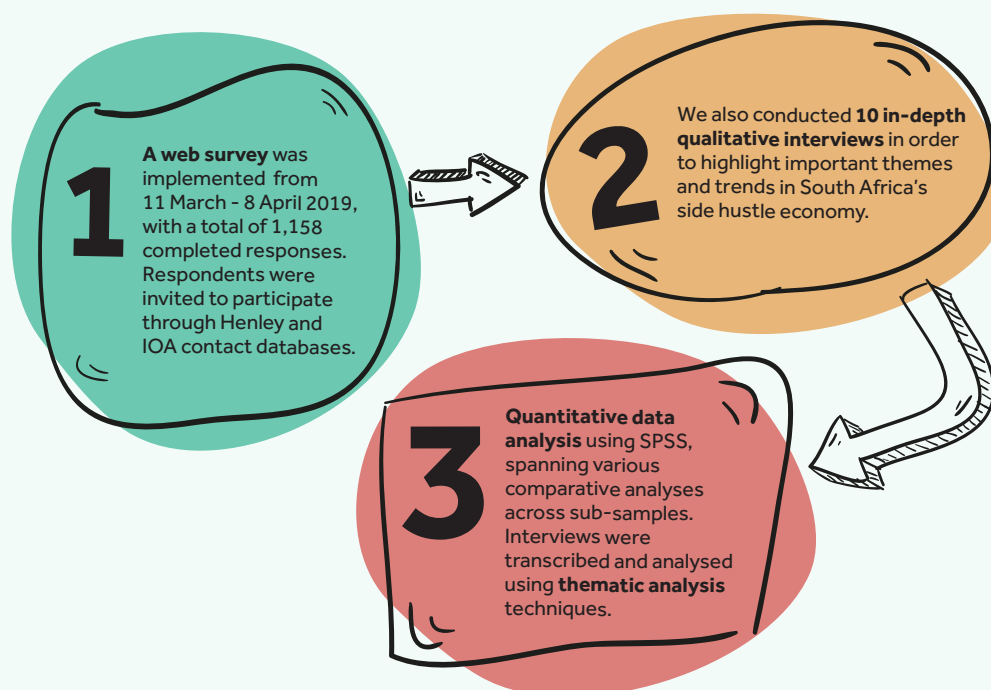
ABOUT THE RESEARCH

This study was implemented off the back of similar research conducted in the United Kingdom (UK) by Henley Business School UK in 2018, aiming to serve as a platform for future, more in-depth investigation into the trend of side hustling in South Africa and how the business community should respond to, support and collaborate with side hustlers.

Unemployment in South Africa coupled with the state of our economy make entrepreneurship development essential. The growth of side hustling is an inevitability that must be approached with foresight and a well-informed understanding of this new and important trend that will largely define the future world of work.

The research was implemented in the first several months of 2019. This included a national online survey of South African adults using Henley Africa and IOA's broad network. It was not the intention of this study to assess a nationally representative sample, but rather to focus on immediately accessible employed and self-employed individuals to provide an initial, high-level view of side hustling.

OUR METHODOLOGY



DEFINING OUR SIDE HUSTLE:

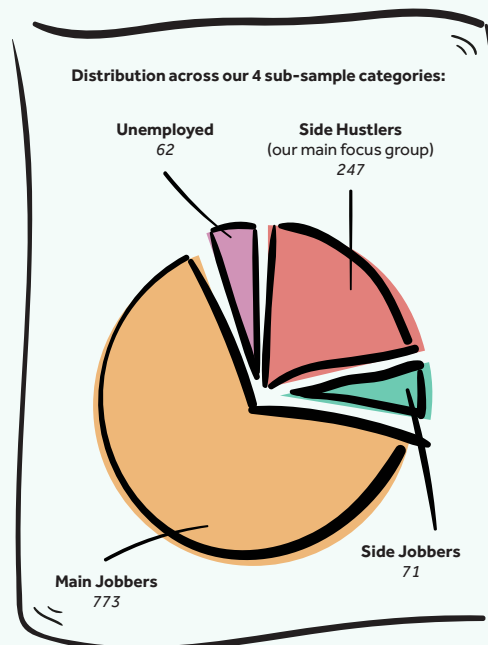
Side Hustlers were defined as having one or more of the following: (a) a job and their own business in different spheres; (b) a job and a 'side business' in different spheres (including activities not perceived as a formal business); (c) a self-employed business and a 'side business' in different spheres; and (d) a secondary job in a different sphere from their 'main' job.

Therefore, those who work in the same area of activity but across multiple employers/businesses are not included in our definition of Side Hustlers. We have termed these respondents Side Jobbers and we have termed respondents without any form of side work Main Jobbers.

Our total sample comprised of 1,158 respondents. Out of the total sample, 959 (82.8%) are employed, 137 (11.8%) are self-employed and 62 (5.4%) are unemployed.

Of those who are employed and self-employed, just under a third (318, 27.5%) indicated that they earn an income from another side job. Of those 318 respondents, 247 were defined as Side Hustlers (i.e. main job and side job not in the same field/industry) and 71 were defined as Side Jobbers (i.e. main job and side job in the same field/industry). The 773 respondents who have a main job but do not have a side job were defined as Main Jobbers and the remaining 62 respondents are Unemployed.

In summary, four key sub-samples make up the total sample of 1,158 respondents:



In On Africa (IOA) is one of the leading Africa-focused research, consulting and publishing firms, based in Africa and focused solely on Africa. IOA was founded in 2007 and aims to ensure data-driven decision making through quality research and analysis. IOA offers a wide range of services to help clients to better understand Africa and to accelerate growth on the continent.

FOR PASSION OR PROFIT:

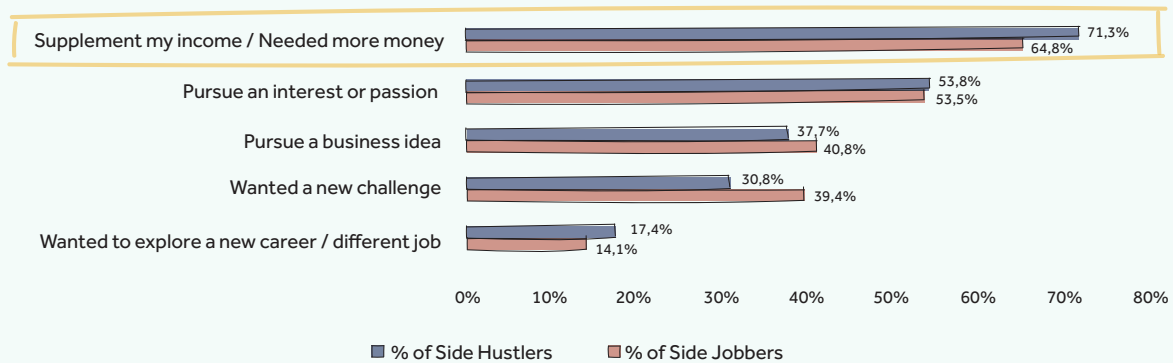
THAT IS THE QUESTION

Side hustling enables people to have multiple streams of income and can provide a sense of financial security. It also offers a change of pace to the everyday job and can potentially add more meaning to life. Notably, among surveyed Side Hustlers the need to earn additional income was the most common response (71.3%). This confirms what is commonly believed about side hustling. Pressure emanating as a result of the current economic climate was further highlighted during the course of the interviews with an emphasis on the need for additional income.

"We're seeing a shift in the middle market amongst the formally employed. With the poor economic climate ... with rising costs, you know... people are highly indebted. Many of them have started have two, three jobs".

Daisy Tihapane, Middle Market Segment Executive, Nedbank

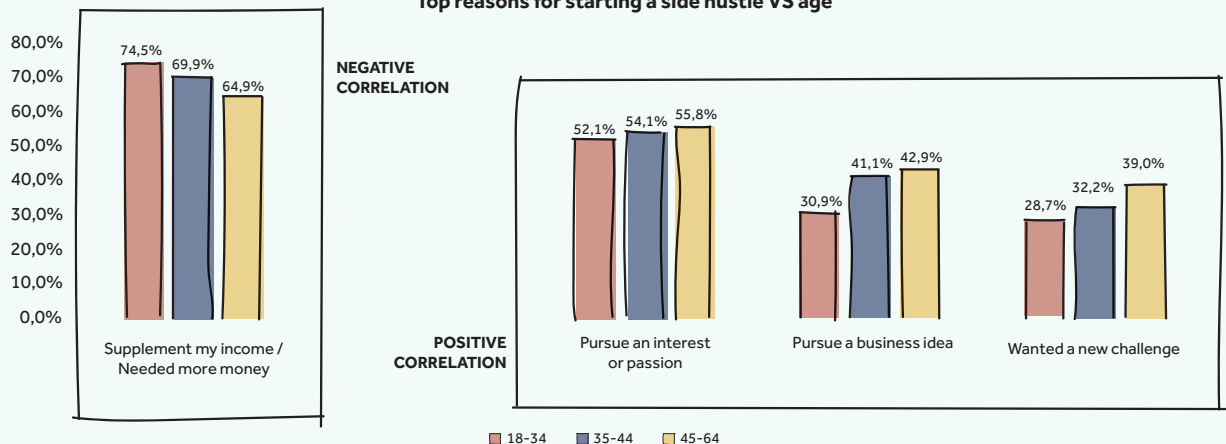
Top 5 reasons for deciding to start a side hustle Side Hustler v Side Jobber



Pursuing an interest or passion was the second most-popular response (53.8%) chosen by Side Hustlers while being able to pursue a business idea was the third (37.7%) and wanting a new challenge was fourth (30.8%). These reasons illustrate that people are also motivated to side hustle in order to find fulfilment that is not necessarily derived from their main job.

Age appears to have a direct influence on the reasons behind starting a side hustle/job, with a higher proportion of young respondents starting their hustle for income-related reasons compared to older respondents, and older respondents more likely to be looking for a new challenge or to be pursuing a business idea

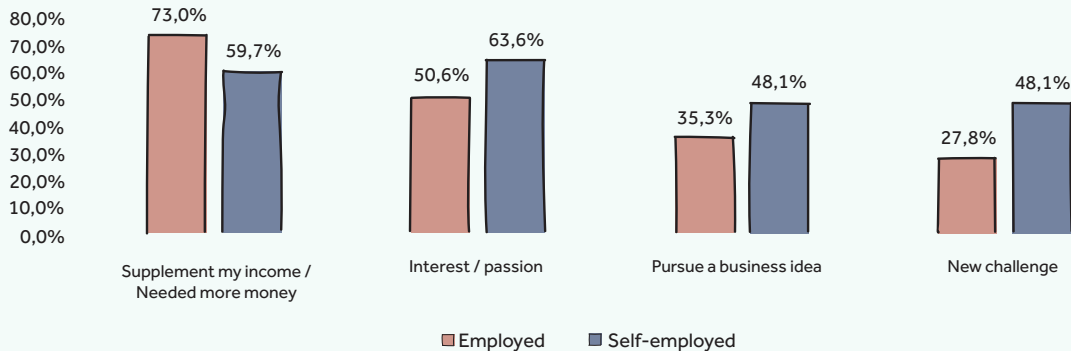
Top reasons for starting a side hustle VS age



SIDE HUSTLE MOTIVATIONS

There were similarly interesting differences between those who are employed versus those who are self-employed. Self-employed individuals are more likely than employed individuals to start a side hustle to pursue passion, a new business idea or a new challenge. Conversely, those who are employed are more likely to be looking to supplement their income than those who are their own bosses.

Top reasons for starting a side hustle VS Employment status

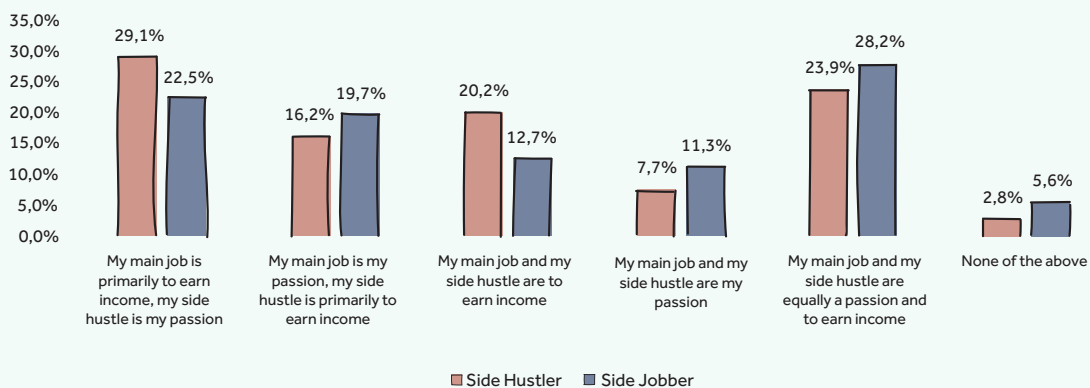


SENTIMENTS TOWARDS MAIN JOB AND SIDE HUSTLE

A comparison of Side Hustlers and Side Jobbers reveals that more Side Hustlers view their side hustle as their passion while more Side Jobbers view their side job as an additional source of income. The steady income from their main job affords Side Hustlers the opportunity to pursue their passion.

In contrast, the fact that more Side Jobbers are passionate about their main job enables them to pursue a side job as a means of earning additional income. The familiarity that comes with working a side job in the same industry as their main job might also be the reason for more Side Jobbers describing both their main job and side job as their passion (11.3%) in comparison to Side Hustlers (7.7%) - reiterated by the trend in side jobbing that has been observed in the technology industry.

Perceptions toward main job and side hustle



"The tech industry is quite niche... if you're a tech aficionado, and somebody who is in the industry, you kind of ensure that your hobbies, your interest, your things outside of the work that you do at Microsoft is all tech aligned. So you very rarely will find people who will do things outside of tech. If they do things outside of tech, like coaching, mentoring, lecturing, etc, it will still be very much tech-aligned".

Sameera Mohamed, Senior HR Manager, Microsoft

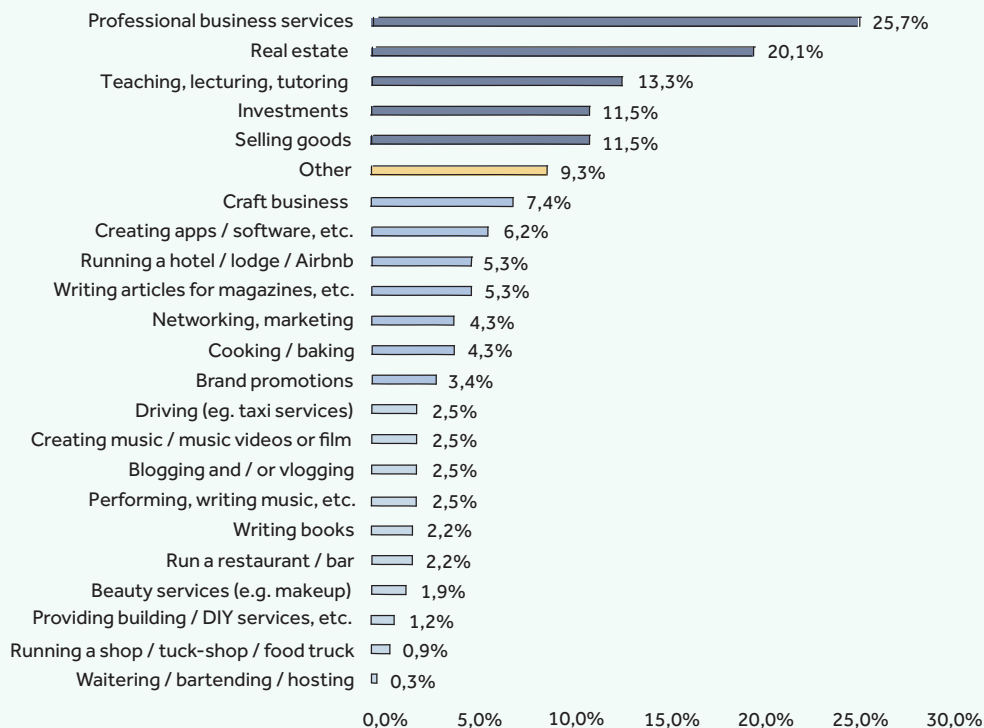
SIDE HUSTLING IN ALL SHAPES AND SIZES

TYPES OF SIDE HUSTLES

To gain a better understanding of the side hustle economy in South Africa, respondents were asked about the type of side hustle/job they are involved in. The most popular choice was professional business services such as consultancy, accounting and marketing (25.7%), consistent with the profile of our surveyed respondents with a side hustle/job (highly educated and in senior and mid-management positions within their main job).

Real estate (20.1%) was the second popular choice, which is likely the result of low barriers of entry. The process to become a real estate agent is relatively simple, making it more appealing for people to work on as a side job. The third most popular choice was teaching, lecturing and tutoring (13.3%), a reiteration of the healthy demand for qualified individuals who can tutor various subjects and teach different skills.

Side jobs or business activities engaged in
% share of Side Hustler and Side Jobber sample



"In the past what you'll see is if I'm an accountant... my side hustle would be tutoring for instance. But now, accountants are doing tax returns for people, doing books for small businesses and things like that. So people are now starting to tap into their own skills, you know professional skills, to unlock more earning potential for themselves".

Daisy Tlhapane, Middle Market Segment Executive, Nedbank

8 'How to become a real estate agent in SA', Skills Portal, 2018. <https://www.skillsportal.co.za/content/how-become-real-estate-agent-sa>

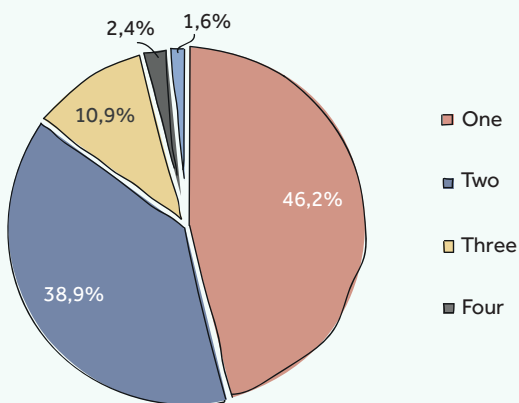
9 Crampton, N. '20 South African Side-Hustles You Can Start This Weekend', 2018. <https://www.entrepreneurmag.co.za/advice/starting-a-business/-types-of-businesses-to-start/20-south-african-side-hustles-you-can-start-this-weekend/5/>

NUMBER / YEARS OF SIDE HUSTLING

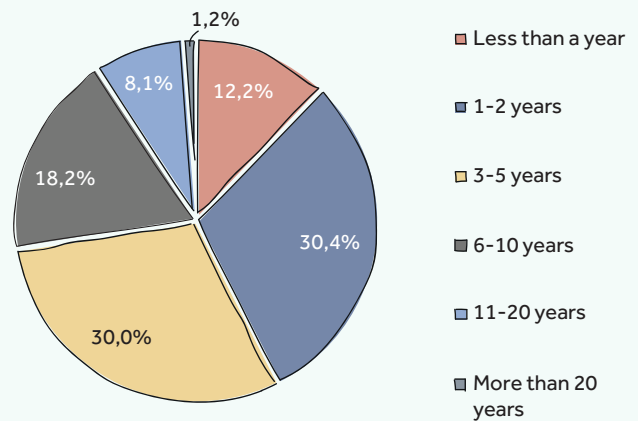
Nearly half of all surveyed Side Hustlers (46.2%) only have one side hustle. A further 38.8% have two side hustles and 10.9% have three side hustles. Only a small percentage of Side Hustlers indicate having four or more side hustles (4%).

Most Side Hustles appear to be in start-up phases, with more than 70% being in operation for less than 5 years. This would suggest that side hustling is still very much in its infancy in South Africa.

Number of side hustles

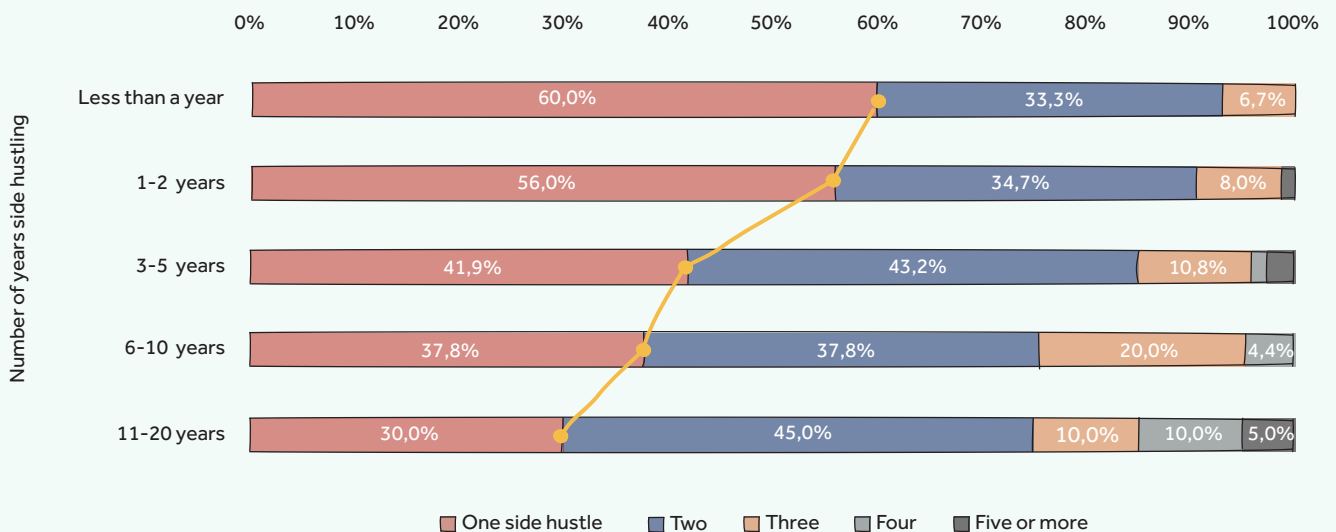


Number of years side hustling



The number of side hustles an individual has is positively correlated with the number of years that he/she has been side hustling. While an overwhelming 60% of new side hustlers understandably only operate a single side hustle, this number progressively drops down to as low as 30% for those who have been side hustling for 11-20 years.

**Number of years side hustling VS
Number of side hustles**



THE FUTURE OF WORK IN SA:

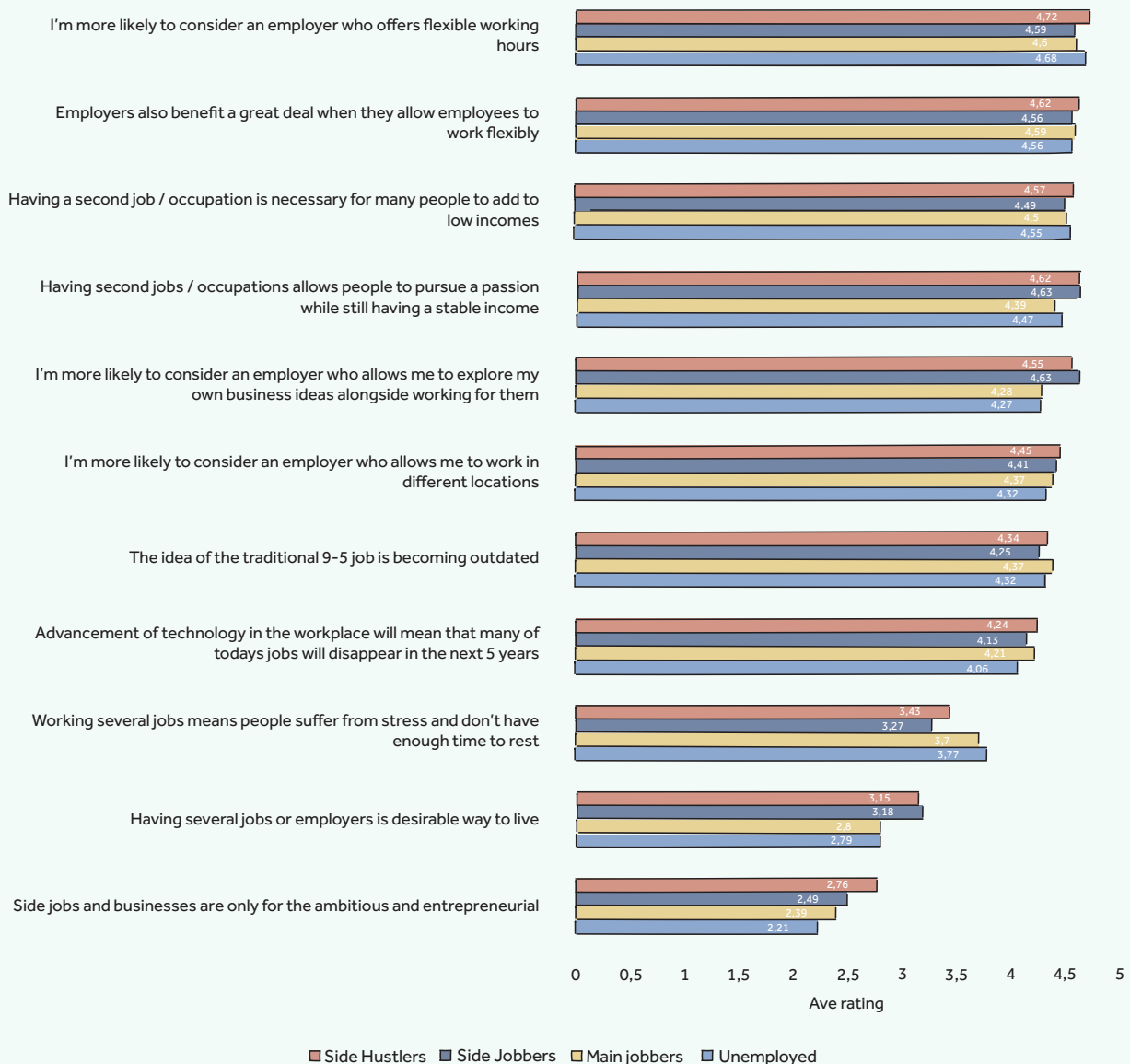
SIDE HUSTLING PERCEPTIONS

SIDE HUSTLING AND THE FUTURE OF WORK

In rating perceptions of respondent groups with regard to the future of work and side hustling some interesting trends emerged. From across Side Hustlers, Side Jobbers, Main

Jobbers and the Unemployed, there is a general consensus that highest consideration would be given to employers who offer flexible working hours (4.63/5), with the belief that those employers who do so would benefit considerably (4.59/5) – this last point is further supported by the general view that the 9-5 working routine is becoming increasingly outdated (4.35/5).

Perceptions towards side hustling and the future of work



THE FUTURE OF WORK IN SA:

All four respondent groups are also more likely to consider those employers who allow them to explore their own business ideas while working for them (4.63/5), though unsurprisingly this is rated higher by Side Jobbers (4.63/5) and Side

Hustlers (4.55/5) than Main Jobbers (4.28/5) or the Unemployed (4.27/5). Additionally, offering the opportunity to work in different locations (4.39/5) is viewed as considerably important by all respondents.

"I think we need to show that we're progressive and innovative and looking forward into the future. I also think we can set an example for our customers, and our students. That this is something that they can also take further into the organisation - I would like to see a short program coming out of this, that Henley offers to side hustlers.. These are some of the pros...The cons are that the minute you make it something official and visible, there might be people taking a bit of advantage of it where we still have a job to do here, and we are all always really busy at Henley, and you're not supposed to actually have spare time to do something else."

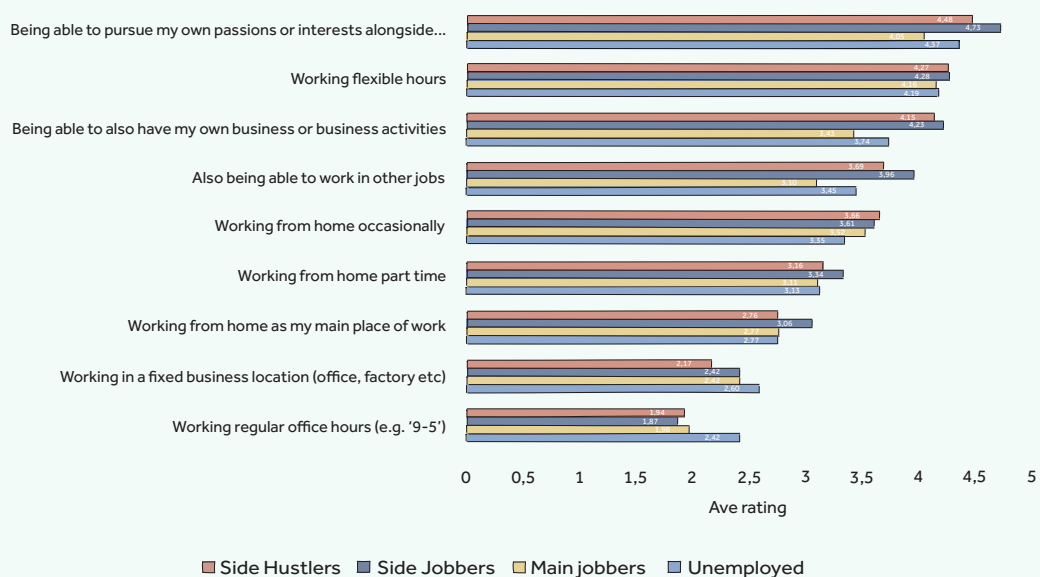
Dr Adri Drotskie: Head of Research and Faculty Development, Henley Business School Africa

FACTORS CONSIDERED WHEN CHOOSING AN EMPLOYER

In rating statements pertaining to important factors when deciding to work for an employer, both Side Hustlers and Side Jobbers feel strongly about the ability to pursue their passions (4.48/5 and 4.73/5), and additional work opportunities (3.69/5 and 3.96/5), while also having the ability to one day own their own business, whereas Main Jobbers and the Unemployed view these points of consideration as far less important – interestingly, Side Jobbers feel most strongly about these points, while Main Jobbers the least.

Working regular office hours seems to be rarely considered across all respondent groups (1.99/5), as is a fixed business location (2.37/5). In reverse fashion, however, flexible working hours look to be a highly desired factor across respondent groups (4.20/5). An interesting trend in this regard is that the Unemployed appear to be more concerned about regular working hours and a fixed business location than all other respondent groups. This highlights two very important points in South Africa's socio-economic divide which likely act as determining drivers in pursuing a main job by Unemployed, and similarly pursuing a side hustle by both Side Hustlers and Side Jobbers: 1) lacking access to technology – and potentially know how – to pursue work opportunities through digital means, and 2) personal transportation to allow for flexibility in pursuing (additional) work opportunities.

Important factors when deciding to work for an employer



EMPLOYEES AND EMPLOYERS:

THE MANY HATS OF A SIDE HUSTLER

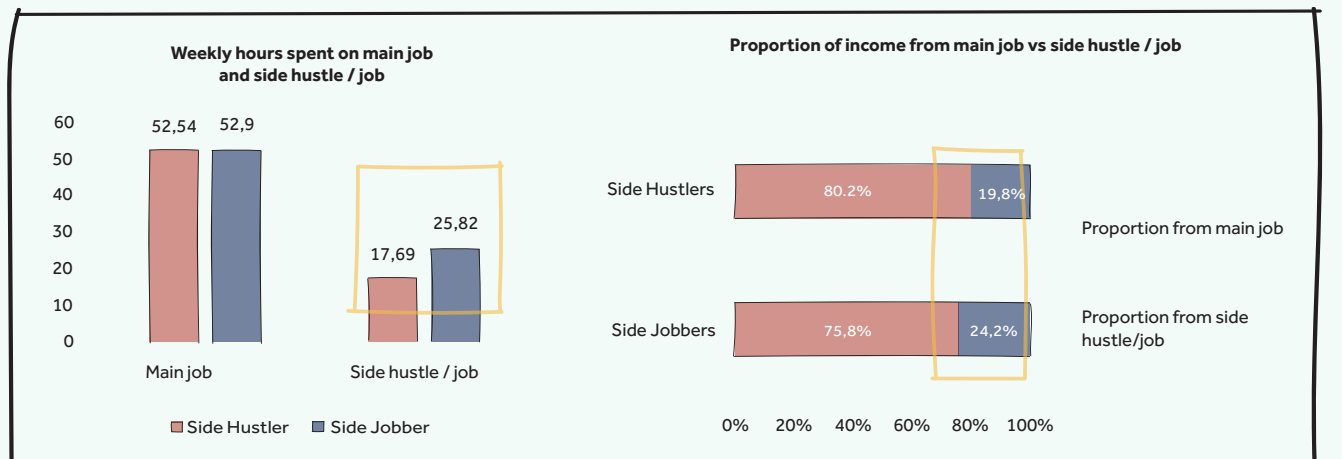
SIDE HUSTLE HOURS AND PROPORTION OF INCOME

The Basic Conditions of Employment Act (BCEA) stipulates that on average, the maximum number of hours that employees should work is 45 hours. It is held that on average, a South African employee will work 43.3 hours per week.

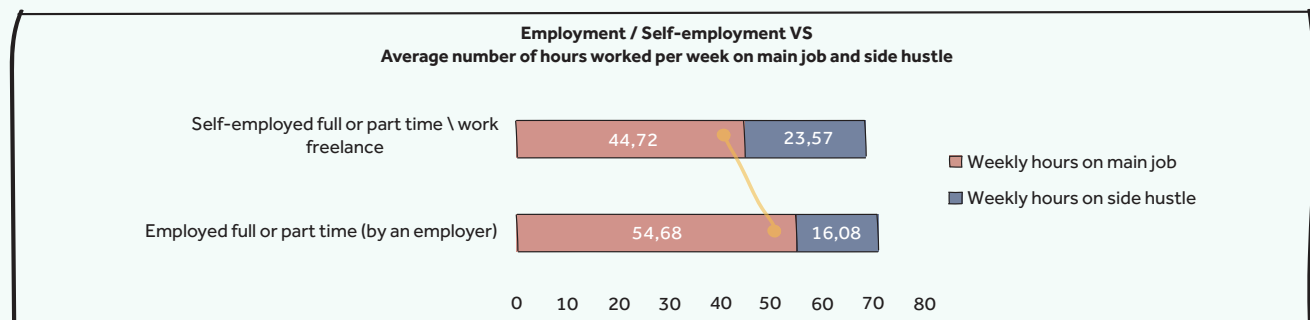
Side Hustlers and Side Jobbers spend far more hours per week than the average employee (+53 hrs). This is in addition to the hours spent on their side hustle / job. Side Jobbers spend more time on their side job (25.8 hrs) than Side Hustlers (17.7

hrs). It could be deduced that the Side Jobbers do not experience a marked difference when transitioning into their side job, and as such, are likely to spend more hours working their side job than Side Hustlers.

Almost a quarter of Side Jobbers' income comes from their side job (24.2%), with the majority stemming from their main job (75.7%). Interestingly, for Side Hustlers, only 19.8% of their income comes from their side hustle. This finding is consistent with previous findings suggesting that Side Jobbers are (a) more often conducting side work for additional income than Side Hustlers and (b) better equipped to generate income from their side work due to it being in an industry that they are intimately familiar with.



The nature of side hustling differs substantially depending on whether the Side Hustler is employed or self-employed in their main job. Self-employed Side Hustlers are able to commit more hours each week to their side hustle, having the flexibility that comes with being one's own boss. Relatedly, they also generate a higher proportion of their revenue through their side hustle compared to Side Hustlers who are employed.

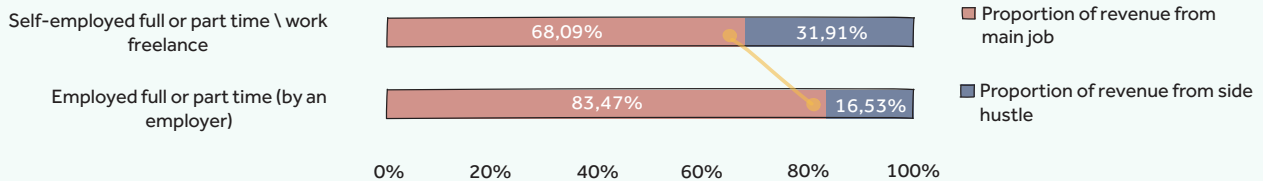


8 'How to become a real estate agent in SA', Skills Portal, 2018. <https://www.skillsportal.co.za/content/how-become-real-estate-agent-sa>

9 Crampton, N. '20 South African Side-Hustles You Can Start This Weekend', 2018. <https://www.entrepreneurmag.co.za/advice/starting-a-business/-types-of-businesses-to-start/20-south-african-side-hustles-you-can-start-this-weekend/5/>

EMPLOYEES AND EMPLOYERS:

**Employment / Self-employment VS
Proportion of revenue from main job and side hustle**



There is a direct correlation between the number of years side hustling and the number of hours per week invested in one's side hustle i.e. the longer a Side Hustler has been side hustling, the fewer the number of hours per week he/she invests. The average number of hours per week drops from 21.5 hours for those who have been side hustling for less than a year down to just 12 hours per week for those who have been side hustling for 11-20 years.

Concurrently, however, the proportion of revenue that Side Hustlers earn from their side hustle remains relatively stable – ranging from 20.31% for new Side Hustlers up to 23.75% for their more experienced counterparts. This suggests that Side Hustlers are able to work fewer hours for roughly the same (or even higher) proportion of income as they become more efficient in their hustling activities and build up more resources, skills, clients etc.

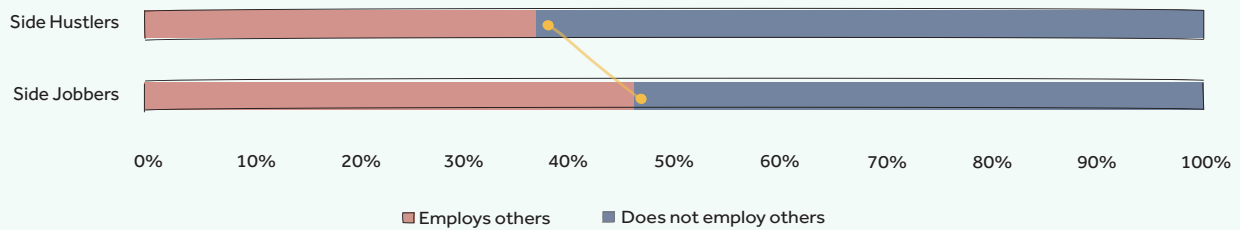
**Hours spent on side hustling and proportion of revenue VS
Years side hustling**



SIDE HUSTLERS AS EMPLOYERS

Side hustling presents an important avenue for new employment opportunities in South Africa. Our findings show that an encouraging percentage of Side Hustlers (37.2%) and Side Jobbers (46.5%) employ at least one other person. Side Jobbers are likely better positioned to employ others due to the fact that they tend to generate a higher proportion of revenue from their side job than Side Hustlers.

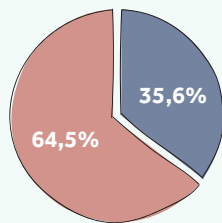
Side Hustlers and Side Jobbers who employ others



The majority of these Side Hustlers (85.9%) employ 1-4 people, and a further 7.6% employ 5-9 people. Self-employed Side Hustlers are more likely to employ others through their side hustle compared to those who are employed (43.4% versus 35.6%). This is likely due to a combination of factors,

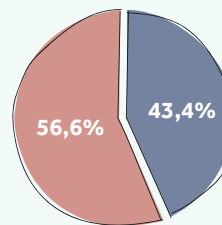
such as the fact that self-employed Side Hustlers spend more time each week on their side hustle than employed Side Hustlers (23.57 hrs versus 16.08 hrs) and also earn a higher proportion of their revenue from their side hustles (31.91% versus 16.53%).

Employed side hustlers who employ others



■ Employ someone in side hustle/s
■ Do not employ anyone in side hustle

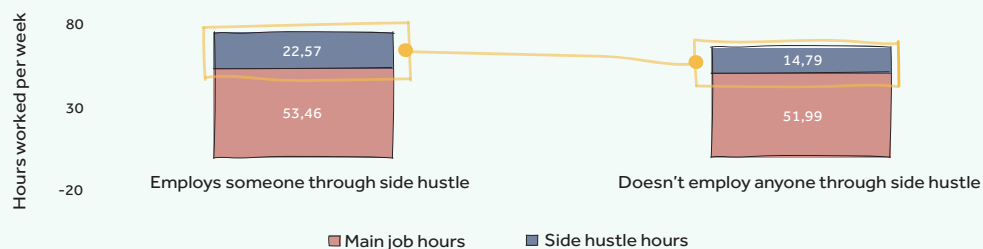
Self-employed side hustlers who employ others



■ Employ someone in side hustle/s
■ Do not employ anyone in side hustle

Side Hustlers who employ others through their side hustle tend to work substantially more hours per week than those who do not employ (22.57 hrs per week versus 14.79 hrs). The additional +-8 hours per week on their side hustle are likely an important factor in these side hustlers ability to employ others, both from a time and revenue perspective.

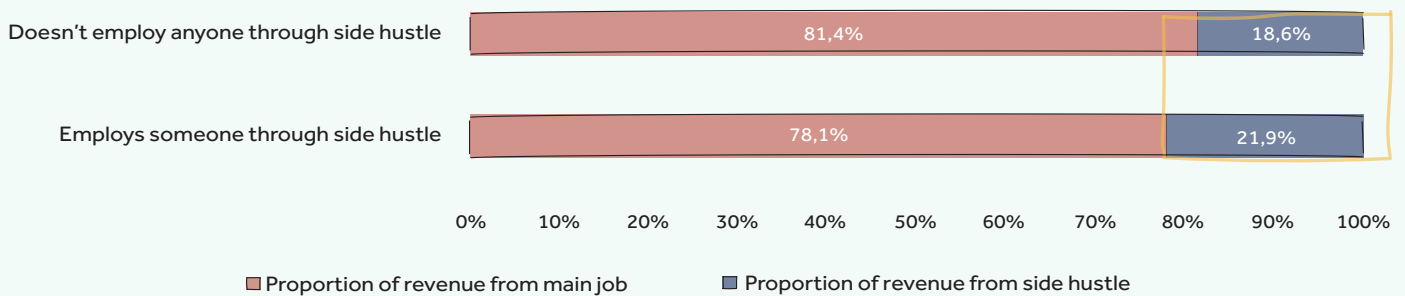
Hours worked on main job and side hustle VS Employment through side hustle



SIDE HUSTLERS AS EMPLOYERS

Related to the above finding, Side Hustlers who employ others through their side hustle also generate a larger proportion of revenue from their side hustle compared to those who do not employ (21.9% versus 18.6%).

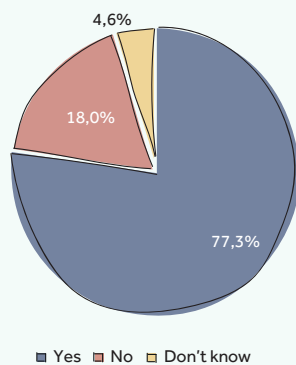
Proportion of revenue from main job and side hustle VS Employment through side hustle



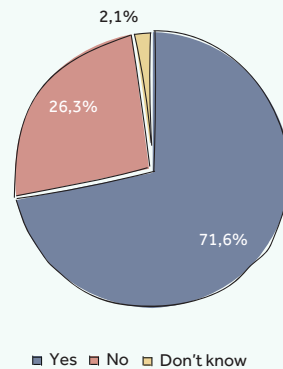
SIDE HUSTLERS AS EMPLOYEES

The majority of Side Hustlers (77.3%) indicated that their employers require them to inform them of their business activities taking place outside their main job. Most Side Hustlers (71.6%) also indicated that their employers are aware of their side hustle.

Requirement to inform employer of business activities outside of main job



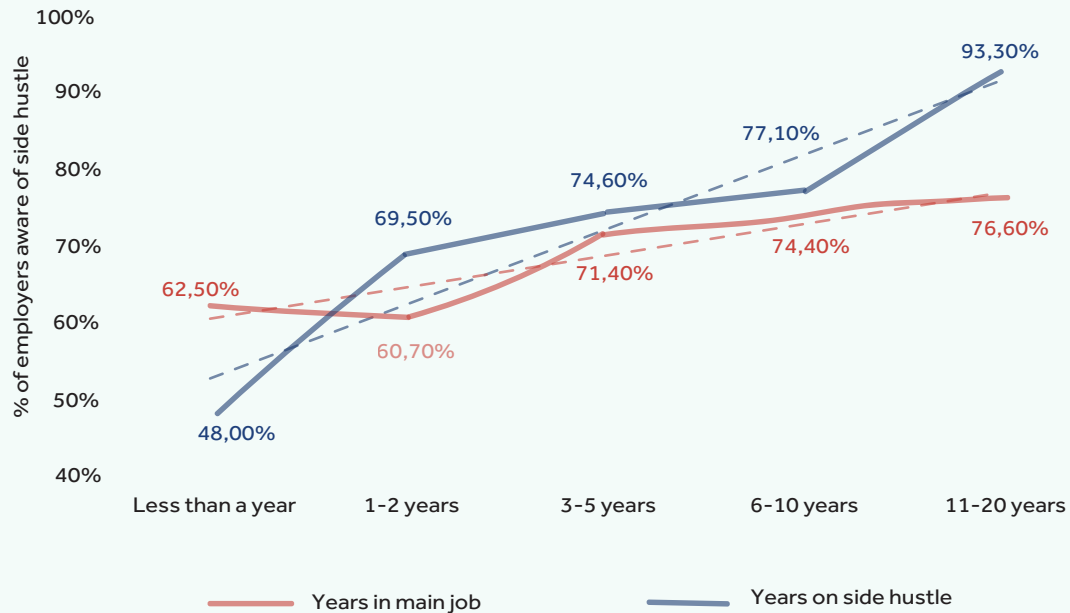
Main job employer awareness of side hustle/s



Time directly influences disclosure of side hustle activities to employers. This is particularly true when considering the length of time respondents have been working on their side hustle – just 48% disclosure among respondents who have been working on their side hustle for less than a year, increasing to 93.3% disclosure among respondents who have been side hustling for 11-20 years. While not as prominent, this trend is also observed in relation to the years working in their main job, increasing steadily from 62.5% disclosure (less than 1 year in main job) up to 76.6% disclosure (11-20 years in main job).

SIDE HUSTLERS AS EMPLOYEES

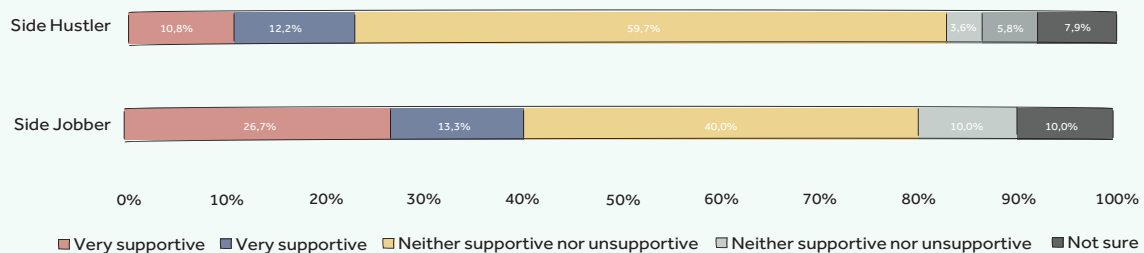
**Years in main job and side hustle VS
% employers aware of side hustle**



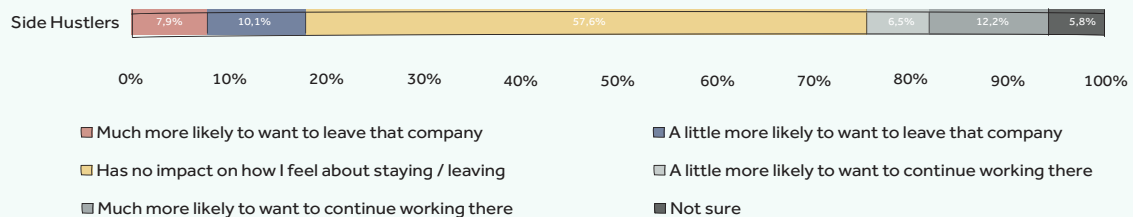
Of the surveyed Side Hustlers, a considerable percentage of respondents report that their employers are neither supportive nor unsupportive with regard to their side hustle (59.7%), while close to a quarter of Side Hustlers indicated that their employers are supportive of their side hustle (23%).

Notwithstanding the above findings, 57.6% of Side Hustlers indicated that their employers' support or lack of support towards their side hustle does not impact how they feel about continuing to work in their respective company/organisation.

Comparing levels of employer support between side hustlers and side jobbers



Impact of employers' attitude on continuing to work for the organisation

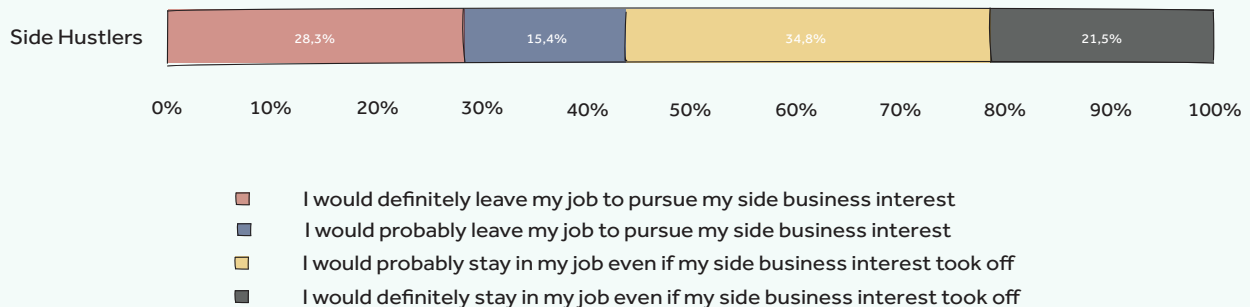


WHAT IF THE HUSTLE TAKES OFF?

Respondents were asked about the likelihood of them leaving their main job if their side hustle/s took off and started to generate substantially more income than currently. Our results show that more Side Hustlers (56.3%) would probably or definitely stay in their main job if their side hustle took off. The significant percentage of Side Hustlers indicating that they would stay in their main job demonstrates that for these

respondents, having a side hustle might just not be about generating profit. Their side hustle might be a vehicle through which financial stability can be built. Conversely, these Side Hustlers might also be hesitant about leaving their main job because of the precocity that comes with relying solely on a side hustle, a sentiment reiterated below.

Perceptions towards leaving main job if side hustle/s took off
% share of Side Hustler sample

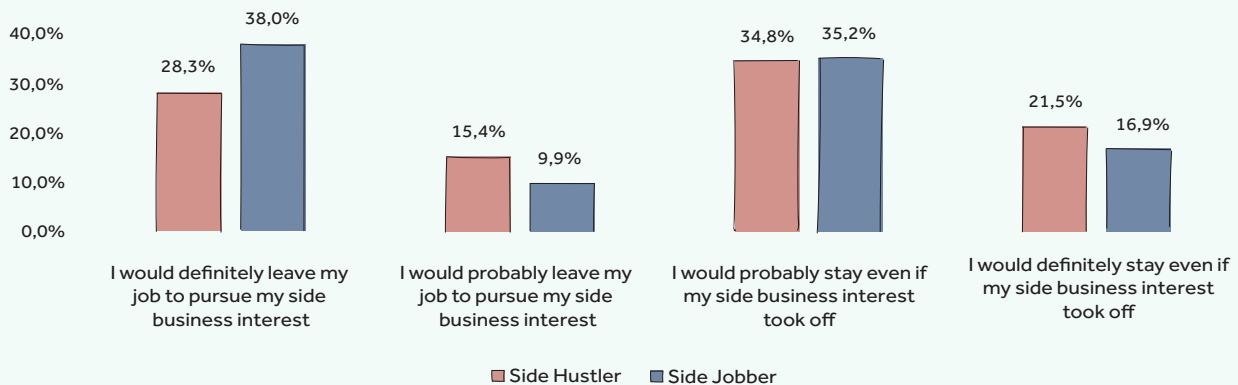


"It's the fear of loss of income. And with the loss of income is the fear of loss of lifestyle. It's because of their own fear and their narratives that are born out of that fear... it's the things they tell themselves, right? That it's only a side hustle. If you look at something as only a side hustle, it will always remain that... even when opportunities present themselves, you will never take those opportunities... the underlying fear of failing... fear of the unknown".

Daisy Tlhapane, Middle Market Segment Executive, Nedbank

A comparison of Side Hustlers and Side Jobbers reveals that more Side Jobbers would definitely leave their main job (38%) than Side Hustlers (28.3%). This is likely to be the result of the familiarity and sense of security that comes with having a side job in the same industry, as is the case with Side Jobbers. Conversely, Side Hustlers might equate leaving their main job to leaving an occupation with a stable income and job security for something insecure and as such, are more likely to perceive it as a risky endeavour.

Perceptions towards leaving main job if side hustle/s took off



CONCLUSIONS AND THE ROAD AHEAD

CONCLUDING REMARKS

Our research set out to better-understand the growing side hustle economy in South Africa. With the ever-changing nature of work and employment relationships, this study endeavoured to gain knowledge and insights surrounding people's motivations for side hustling, how many hours are dedicated to their side hustle, and employers' perceptions and responses to this phenomenon.

The side hustle culture in South Africa is denoted by the need to generate an additional income in tandem with pursuing a passion or interest. Side Hustlers work side hustles/jobs in different types of fields, with the most popular hustles mentioned through our research being in professional services, real estate and teaching. The side hustle economy contributes to job creation, with more than a third of Side

Hustlers employing at least one other person.

Side Hustlers prioritise work flexibility and posit that employers should be offering more flexible working hours to their employees, as well as the opportunity to work in alternative locations. Side Hustlers also believe that employers' will benefit from offering flexibility, and note that they are more likely to consider an employer that will allow them to explore their own business ideas.

Notwithstanding these preferences, Side Hustlers do not intend on leaving their main job if their side hustle were to take off, reiterated by the fact that Side Hustlers spend more time on their main job than the average South African employee. Even the overwhelming indifference of employers towards their side hustles does not impact how they feel about their main job or employer.

RECOMMENDATIONS

Despite the existing bias in terms of the sample, a number of key points were drawn from the research which should be taken into account as recommendations for the future.

1. Employers should be more supportive of employees with a side hustle – Side hustling allows people to gain new skills and knowledge which could enable them to better-contribute to their main job. Employers should look to be more cognizant of their employees' side hustles and where possible encourage and support them as they could contribute to a multi-skilled workforce.

2. Side Hustlers do not have their eyes set on the exit door – According to our research, most employees with a side hustle would not leave their job even if their side hustle took off. Side Hustlers are generally committed to their main job, engaging in side hustling primarily as an activity driven by passion rather than only as a need for additional income. It is important for employers to recognise this and not view side hustling as a threat to their company, but rather as an endeavour that could contribute to the growth of the company.

3. Allowing for side hustling, and even side jobbing, will mitigate rising company costs in the face of weak economic growth – The research findings suggest that among the surveyed sample there is a need for additional income, with the trend among the general population likely being more pronounced given high unemployment rates, especially among the youth. With weak economic growth in the country, corporates should allow employees to pursue additional work opportunities after hours.

4. With the overall changing nature of work, flexibility is key – The research findings show that surveyed respondents prefer more flexible work hours and work locations. This preference speaks to the changing nature of work and the labour market and should be encouraged in order to have a more productive and motivated workforce.

CONCLUSIONS AND THE ROAD AHEAD

While the intention of this research was not to assess a sample that is representative of broader trends, it is important to reiterate that the sample was skewed towards sourced databases from Henley Africa and IOA. The survey was distributed to the Henley Africa and IOA networks, which primarily consist of educated, working professionals.

Though it was further distributed to the broader population through social media platforms, the findings have noted a considerable proportion of Side Hustlers and Side Jobbers with post-graduate business education. The sample was also skewed towards Gauteng, with majority of the respondents having come from the province.

THE ROAD AHEAD

Notwithstanding the research that has been conducted on the side hustle economy in South Africa, there is still a dearth of research on side hustling. The road ahead to better understand the side hustle economy should take into consideration the following suggestions for additional research:

1. A study on the South African **side hustle economy within rural and other low income areas** to shed light on the growing trend of side hustling in these areas. As noted above, the key limitation of the current study was that our sample was skewed towards middle and upper-income side hustlers, and thus this would be a logical next step in deepening in the knowledge-base on South African side hustlers.
2. A more in-depth assessment of the **views, concerns and suggestions of corporate leaders** on side hustling within their organisations. This research would aim to inform the development and refinement of corporate policies around side hustling and side jobbing.
3. An assessment of **current policies and regulations relating to side hustling and side jobbing** in corporate environments across the country, as well as a broader investigation into 'best practices' being followed globally to help inform the way forward for side hustling in South Africa.
4. An assessment of **side hustling specifically within the public and NPO sectors** of the South African economy, coupled with an investigation into the views of government regarding the opportunities for side hustling to contribute to addressing unemployment and, more broadly, the current economic challenges that the country is facing.

Henley Africa and IOA would welcome collaboration with other partners on any of the above research topics. Those interested in working with us on the next steps should reach out to Henley Africa – see contact details on the following page.





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