



Drivers Get a Lyft to Higher Education

Insights

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While the national debate rages on among policymakers, gig businesses, and worker advocates about whether and how to offer benefits to gig workers, some gig businesses are coming up with creative benefit offerings to meet at least some of the needs of gig workers.

Lyft, for example, recently announced the addition of Guild Education as a benefit for its gig drivers. Now Lyft drivers will have access to tuition discounts (5 to 20%) for online classes and a personal education mentor. Drivers can use this benefit to pursue college degrees, master's programs, language, and vocational courses.

Lyft added this benefit when they discovered that most of their gig drivers were using Lyft “as a way to earn money while pursuing other interests.” As it turns out, online college course enrollment overall is on the rise, even while college enrollment overall is falling. A new report issued earlier this year found that, for the first time, private nonprofit schools enrolled more online students than for-profit schools, with online offerings from public universities being the most popular. In other words, the flexibility that fuels the gig economy is now breathing new life into higher education.

Many gig workers are looking for more financial stability, and as Anant Agarwal, CEO of edX recently commented, higher education provides “the surest path to career success.” Online learning platforms can render higher education more accessible to more people by providing flexible schedules, more accessible learning opportunities, and a wider variety of courses and degrees.

Whether gig workers overall will increasingly pursue four-year degrees – and, if so, whether having those degrees will lead gig workers to increasingly pursue more traditional jobs – is not at all clear. As Cathy Davidson, professor at the Graduate Center of the City University of New York recently noted, “We are again in the midst of cataclysmic shifts in how we live and work, and, as a society, we’ve not begun to adjust these realities.”

While we wait for the future to unfold, the US labor market is heating up. Employers can take a page from the gig economy playbook and get creative with their benefits offerings to recruit and hold onto the talented workforce that drives their business forward. And gig businesses may want to consider keeping up with companies like Lyft by offering creative benefit concepts for their workers (understanding, of course, the misclassification risk that could accompany such offerings and working closely with experienced counsel to structure any such benefits).

