

TOPIC 1. Sharing Economy (SHE) and New Forms of Employment (NFE)



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INDEX

<i>Introduction</i>	<i>2</i>
<i>Concepts and types of Sharing Economy (SHE) and New Forms of Employment (NFE) 4</i>	
Concepts, trends and types of Sharing Economy (SHE)	4
Categorization	5
Platforms.....	7
Concepts, trends and types of New Forms of Employment (NFE)	11
Employee sharing	13
Job sharing	14
Voucher-based work	14
Interim management	15
Casual work	15
ICT-based mobile work.....	16
Portfolio work	17
Collaborative work.....	18
Relationship between Sharing Economy (SHE) and New Forms of Employment (NFE)	19
<i>SHE and NFE Digital Platforms. Introduction to the main characteristics and trends 20</i>	
Relevance of Digital Platforms for SHE and NFE	20
<i>Opportunities for unemployed persons, barriers and drivers</i>	<i>21</i>
Barriers for SHE.....	21
Barriers for NFE.....	23
Drivers for SHE.....	24
Drivers for NFE.....	25
<i>Study cases.....</i>	<i>26</i>
<i>Videos</i>	<i>30</i>
<i>Complementary readings.....</i>	<i>31</i>



Introduction

What is this Topic about?


This first Topic aims at providing an overview of concepts of Sharing Economy and New Forms of Employment. In the first section we elaborate on the Platform Economy, or more precisely on paid work mediated over online platforms. The common theme of working over online platforms evolves around information and communication technologies (most notably the internet) that facilitate the matching of supply and demand.

The second section covers new forms of employment that emerged since the early 2000s. The umbrella term new forms of employment subsumes an undefined number of employment forms that alter traditional conceptions of employment, especially the notion of full-time employment and centre around flexibility and societal change. Especially after the economic crisis 2008 New Forms of Employment gained a fresh impetus.

Why is this Topic interesting?

The topic gives a first overview on the Platform Economy and on New Forms of Employment. It provides a basic understanding of contemporary developments in the field of work and employment, with emphasis to flexible employment forms and self-employment. Competitive and harsh economic environments with difficult employment projections may call for new or different employment structures. New Forms of Employment and a Platform Economy may provide possibilities for young people, unemployed persons or part-time worker to access the labour market. Flexible forms of entrepreneurship and employment may increase the labour market participation. A better allocation of resources also promises higher efficiency.

What are you going to learn here?



You learn about the basic concepts of both work over online platforms and new forms of employment. You also learn about the most important drivers and barriers of the Platform Economy.

You will learn to see what new developments affecting how we work there are and how they work, you will begin to explore what might be in it for you.

Added Value for

- **Unemployed persons**

You will gain an understanding of today's developments in work and employment, especially regarding online platforms, allowing you to grasp new employment forms in different areas. If you consider trying your hand in the Platform Economy, you learn about potential risks and benefits in the chapter on drivers and barriers.

- **Entrepreneurs**

You learn about the Platform Economy and New Forms of Employment. Those targeted at self-employment may be especially interesting. You may also learn to make use of New Forms of Employment or the Platform Economy in your existing company, such as outsourcing work over platforms or sharing employees with other companies.

- **Human Resources Staff**

You may be especially interested in the chapters on New Forms of Employment. You can learn about new ways to deploy staff more effectively, for instance in cooperation with other companies (employee sharing), using ICTs (ICT based mobile work) or issuing vouchers for smaller tasks (voucher based work).

What will you be able to do after work on this Topic?


Engage in online work and/or deploy new forms of employment in your company.



Concepts and types of Sharing Economy (SHE) and New Forms of Employment (NFE)

Concepts, trends and types of Sharing Economy (SHE)

The world of work has witnessed rapid changes over the past years, with new forms of work emerging and challenging present work organisation and the ways work is carried out. The ‘collaborative economy’, ‘gig-economy’ or the ‘sharing economy’ are only a few umbrella terms currently circulating in the scientific and non-scientific literature to describe a new form of work organisation, where work or services are being mediated through online platforms. There is no clear terminology; ‘crowdsourcing’, ‘crowdwork’, ‘cloudsourcing’, ‘co-creation’ and ‘prosumption’ are a few more of the terms currently in use to describe it (Huws, 2016; Huws et al., 2016). Existing in many different sectors and for a variety of services – space-bound and space-independent alike – this way of brokering work, services or tasks between outsourcers or employers and workers or employees increasingly impacts the world of work. The online platforms mediating the work or workers can be described as new forms of labour market intermediaries. Work mediated through such online platforms may be paid or unpaid and directed either to consumers or businesses. In recent years, online platforms have increased in economic significance and attracted widespread attention from policy-makers, media and industry (European Commission, 2016a, 2016b). At the centre of these developments are continuous improvements of information and communication technologies, especially the widespread availability of broadband connections and spread of smartphone usage. Through the integrating effects of information and communication technologies, outsourcing and relocation of labour is facilitated, and for digitizable goods the information space on the Internet becomes a new place of production. Many New Forms of Employment are subsumed under the broad umbrella of Sharing Economy, a term that does not encompass a set of similar forms of employment, but rather describes an array of paid and possibly unpaid occupations. These new dynamics of work do not only affect digitizable goods, such as software or products to





be created (graphics, websites, videos, etc.), but also affect services in accommodation, transportation, food delivery or handicraft and thus the mediation of manpower which is space-bound and cannot solely be performed over the Internet. Here, the Internet seizes the role of modern work agencies, connecting customers and service providers and skipping other intermediaries. Especially the space-bound services in accommodation, transportation and household work that are facilitated by (mobile) internet have soared since around 2010 and contributed substantially to revenues and commerce. However, many characteristics of the Sharing Economy overlap with ‘traditional’ employment forms.

Categorization

Although a categorization of concepts of crowd employment is difficult some resembling, and likewise discerning features are available: the **intermediation over the internet via an online platform between employers or clients and employees or workers** is shared by all forms of the Platform Economy. Another line of differentiation is along the services offered. Services may be of purely digital nature or may require some place to be carried out. In this subsection we elaborate on five broad concepts along the form of services that are carried out by workers:

1. There are services that are digital or can easily be digitalized and thus can be performed on a computer, laptop, tablet, etc. These services can basically be performed anywhere, meaning that people do not necessarily need an office, but could **work from home**. The services provided can be **very simple**, highly repetitive and may only take a short amount of time to finish; or services may be **more complex**, requiring knowledge and skills and stretch from hours to days or weeks.
 - *Examples are coding, administrative work, creative occupations such as design, animation, video, music, etc., or other tasks that can be performed online. This sector of the collaborative economy is already established and there are multiple, easily accessible options to engage in.*


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2. The **second** category of collaborative work covers services that are performed offline and that are not digital (but still mediated via online platforms of course). This set of services requires the work to be carried out at a **specific location** and it cannot be carried out somewhere else. Usually, such services require some form of **work equipment**, such as tools, car or bike and it is also crucial that the person performing the service is able and **qualified** to carry out the work, e.g. s/he needs to have a driving license or is qualified as a craftsperson. Besides, the tasks are short-term. Due to being bound to a location, this form of collaborative work is more common in agglomeration areas, whereas it may prove difficult to offer such services in rural areas.
- *Examples are transportation of people or goods, craftsmanship, construction, or household services. This is a very fast-growing sector within the collaborative economy and especially transportation, craftsmanship and household services are relatively easily accessible for people who want to be self-employed in the collaborative economy.*
3. The next option in the collaborative economy to generate income is through renting out real estate as accommodation, which does not necessarily involve labour. Of course, the access to real estate is a requirement, which only few people have. Also, it primarily works in big(ger) cities or touristic hubs.
- *Examples in this area received extensive attention in the media over the past years. Big international companies, such as Airbnb or Wimdoo, dominate the market.*
4. Not services, but physical products are sold over online platforms. These products **can be produced anywhere**, cannot be digitalized and are of physical nature. Products may be produced at home and are sent to the customer by mail. This category is not new per se and developed over the past decade, but it conveys the option for broadening customer bases and selling products over long distances. The place of production is not very relevant and could be in rural areas, where maintenance costs are low.
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- *Examples are hand-made products or products with low quantities produced and can be basically anything. Selling physical products online may be especially useful for people who already have experience in producing and selling goods and who lives at remote places with little access to a sufficient customer base.*

5. Another way how people might engage in the collaborative economy is via sharing platforms (we may call this the **true Sharing Economy**), this however won't allow to generate income, but rather is a way to minimize costs through sharing an office, or a ride. We think this is of minor importance for the ongoing *training course*, as it in itself does not provide a way to make an income. This sector, which can be seen as the blueprint for today's for-profit gig-economy platforms, is far less represented in media and scientific literature. In the scope of this *training course* non-profit sharing activities may be used by people to commute from and to the workplace, share office premises, access knowledge, or reduce other costs of daily life. Widespread usage of sharing platforms can be found in transportation (car sharing, carpooling/ride sharing, bicycle sharing, etc.), in accommodation (sharing flats or houses), for office space (co-working spaces) and for other services (this is a very broad category, i.e. time sharing, time banks, alternative currency platforms, collaborative financing, etc.). These forms of non-profit per se comprise no opportunity for self-employment in the collaborative economy, but rather allow reducing existing costs or access to knowledge and services otherwise inaccessible. There is little possibility to become self-employed in this area, except for founding sharing economy platforms. People cannot generate income with sharing these services, but only can use/provide services more efficiently and shared with others.


Platforms

Despite the vast number of crowdsourcing platforms popping up in the World Wide Web, with their multiple distinguishing features, essentially **four** different forms of



intermediary crowdsourcing platforms can be distinguished. First, there are **bid-based** and **contest-based** platforms:

1. On **bid-based platforms**, clients post short briefings and set a basic framework for the tasks, which might include a job description, a fixed or an hourly price, a time frame, possible milestones and maybe some reference work. Crowdworkers on the other side can apply for a job by responding to a briefing and by specifying their terms, including clarifications on the job, negotiations about price and time frame and the setting of milestones. Depending on which mode the parties agree on, there might be payments at specific milestones, usually, however, once the job is finished and the customer is satisfied, the payment is processed by the platform providers (by releasing the payment on the client's side and transmitting the final files on the crowdworker's side). Differing from platform to platform, a certain percentage of the volume of order and/or a flat rate is charged by the platform for providing their intermediary services. Some platforms also charge the crowdworkers for placing a bid on a job offer. Prominent bid-based platforms are "Upwork", "Freelancer" or "Peopleperhour". *A more detailed overview can be found in TOPIC 4.*
2. The second form of crowdsourcing platforms are **contest-based**. Clients post a briefing with a fixed prize money (e.g. by choosing a ready-made prize category set by the platform). Crowdworkers have the opportunity to submit finished or near-finished products to a client, hoping to win the contest. The clients, however, can choose from multiple submissions. To have a higher chance of being selected as the winner, crowdworkers often submit multiple versions. Usually, there are different stages of selecting a product. Shortlists with selected workers play an important role. These workers might be given feedback and/or suggestions for improvement, before the client makes his final choice. In some cases, crowdworkers on this shortlist already get some financial compensation. Once the winning design is selected, the client can only expect



minor changes to be implemented. After the product is accepted, the worker gets paid. Due to the slim chances of winning, contest-based platforms are not the favourite mode of working for many workers. Contest-based platforms are widely used in creative fields, such as design, architecture or audio/video work. Platforms are for instance “99designs” or “Designcrowd”.

3. In addition, some platforms offer **shop features** – often to complement the bid- or contest-based mediation of work –, where online workers can offer ready-made products for fixed prices. These may include both services and products, such as hand-made products, graphic designs, videos or audio products. Other platforms exclusively focus on offering ready-made work packages (e.g. fiverr). Another important feature is, regardless of the specific platform format, the possibility for clients to initiate a so-called ‘private project’. This tool allows them to directly contact workers, offer them specific jobs or invite them to participate in a contest and directly negotiate terms and conditions. Before being invited to such projects, crowdworkers usually have to establish a high reputation documented on their online profile by improving their ratings from clients. A platform solely focusing on selling ready-made products is “Fiverr”, where every job/product costs five dollars. However, on other multi-purpose platforms, such as “Freelancer”, or on specific platforms, such as “99designs”, people can also directly sell their products.
4. In addition to contest-based and bid-based mediation of work and platforms for ready-made services, there is **automated matching** on the basis of certain variables, i.e. service providers and customers are matched via an application according to distance to the location where the service is to be carried out (“Uber”, or similar transportation services). The workers (drivers in this example) receive a ping, and may choose to provide the service. At the time of writing we are not certain if any additional variables are taken into consideration, such as the driver’s online rating or experience. Pricing of the service again depends on several variables, such as the distance covered or the



actual demand in a certain area. When there is high demand and low driver density in an area, prices surge, and vice versa, if there is low demand, prices go down. This method is set to incentivise drivers to cover other areas and to keep waiting times for clients low.

Besides “Uber” this kind of matching is mainly used for location-based services in the area of transportation or delivery. Platform examples are “BlaBlaCar” (carpooling), “MyTaxi” for transportation, or “Foodora” and “Deliveroo” in food delivery. With apps such as “Airbnb” or “Wimdu” people can rent out real estate.

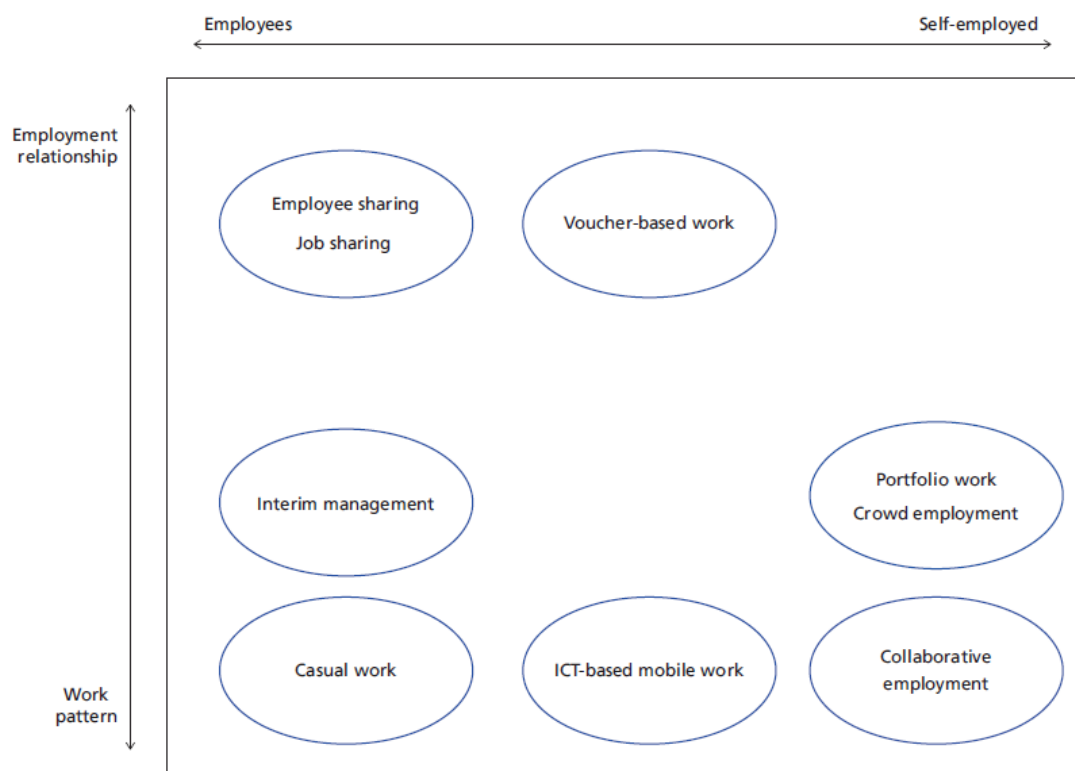


Concepts, trends and types of New Forms of Employment (NFE)

Another buzz over the recent years focused on work and employment forms that did not fit into schematics of traditional full-time employment. Under the term New Forms of Employment a number of concepts are subsumed centring around flexibility, the use of new information technologies and societal and economic changes emerging since around the year 2000. Also, in the aftermath of the 2008 economic crisis, policy developers seek ways to decrease unemployment and create jobs. Making use of increased employer and employee flexibility and exploring other forms of employment relationships has been one angle. The European Union fostered development in this area, as she “aims to explore the policy responses to these developments in the employment structure, to support employers and employees, with the overall objective of sustainable employment retention and job creation.” (Eurofound, 2015, p. 4). A report conducted by Eurofound(2015)identified nine new forms of employment that qualified because they represented a new employer/employee or client/worker relationship and new ways in which work is done. The nine categories are:


1. Employee sharing
2. Job sharing
3. Voucher-based work
4. Interim management
5. Casual work
6. ICT-based mobile work
7. Crowd employment
8. Portfolio work
9. Collaborative work

Figure 2: Classification of nine new forms of employment



Source: Eurofound

In the following section we briefly discuss eight of the nine work and employment forms. Detailed information on crowd employment (termed crowd work in this report) is provided in the previous section. Several reports conducted by Eurofound (Eurofound, 2015, 2016; Eurofound and the International Labour Office, 2017) looked for general evidence of new forms of employment in 25 EU Member States and Norway (in the 2015 report), made an in-depth report on strategic employee sharing in 2016 and another report on working anytime and anywhere (published in 2017). Not all new forms of employment did appear in all countries in 2015. The five countries covered in this paper (Spain, Greece, Slovenia, Bulgaria and Austria) had varying occurrence of new forms of employment: in Austria employee sharing, voucher-based work and collaborative employment were found; in Bulgaria only employee sharing seemed to be a factor; in Slovenia, there was evidence for job sharing, casual work and ICT-based mobile work; in Greece seven new forms of employment seem to be relevant, namely employee sharing, interim management,



ICT-based mobile work, voucher based work, portfolio work, crowd employment and collaborative employment; and in Spain ICT based mobile work, crowd employment and collaborative employment were identified. As the area over the past years seems to be in constant transition, this list is very likely to be outdated.

Employee sharing

The first type of new employment is employee sharing, where two or more employers jointly hire workers. This allows to flexibly distribute workers between the employers and to retain the employees. When employee sharing is approached strategically, companies establish a legal entity to form a collective staff, i.e. hire workers who may then work for all the companies involved. “The employer group becomes the legal employer of the shared workers, while the participating companies are responsible for work organisation, including matters such as health and safety measures”(Eurofound, 2015, p. 14). For the employees this offers permanent employment (for instance for seasonal workers, part-time staff, etc). In contrast, ad-hoc employee sharing is used, when a company temporarily assigns workers to work for other companies, for example when the sending company has too little work for too much manpower and vice versa, the receiving company has a lack of manpower. Employee sharing is found in a number of sectors, heavily depending on the country, where it is used. In France, where employee sharing is relatively common, agriculture is the dominating sector, in other countries, manufacturing, construction or retail are also common sectors for employee sharing. Employee sharing in Austria ascertains equal rights to shared workers and core staff.

Employee sharing, was one new form of employment also identified by partners of the co-Labourative Lab Project in their respective countries. Bulgaria reported it to be quite common in the IT sector. In Greece, they are not very common; from Spain and Slovenia, no specific information on employee sharing pools is available, which is possibly an indication that they aren’t very common in these countries either.



Job sharing


In job sharing, two or more workers are hired to fill in one position. Usually this means, that two workers fill in one full-time position. Depending on the country, the workers may get one contract including all the workers involved or they all receive single contracts. Job sharing allows employee flexibility and can be used when workers cannot or do not want to engage in full-time employment. At the same time, companies gain access to additional skills and qualifications. The specific layout of the contract regarding duration of the employment, working hours or work organisation, and so on is negotiated between employer and employees.

In Slovenia, for instance, job sharing is a new active labour market policy measure targeted at reducing unemployment. It does not specifically address workers who already have a job but rather is directed at unemployed people.

Voucher-based work

Voucher based work is defined as work that does not involve direct payment of cash between workers and clients. Rather, clients can buy vouchers from an official government organisation or another authorised organisation. Often these vouchers are valid for a specific task, usually in the household sector and in agriculture. One reasoning to enforce voucher-based work, is to provide means of supporting legal employment in sectors where undeclared work is common. The issued vouchers already include dues and taxes and facilitate an easy and legal possibility to employ workers for a single task or a fixed-term assignment. However, not all forms of voucher-based work cover social security contributions. Eurofound found evidence for voucher-based work in Greece and Austria, among others.

As voucher-based work targets short-term assignments it is not surprising that voucher-based work is found with worker groups outside the traditional labour force: the unemployed, students, pensioners and people previously working with no regular working contract, but also migrant workers. The occupations generally are in low-skill areas, without specific training requirements. Quite often, voucher-based work



overlaps with other new forms of employment, or example casual work and portfolio work might also work with a voucher-based payment system.


A prime goal for clients may be to establish a formal and declared work relationship with a worker. Also, voucher-based work does not entail any longer-term commitments towards the worker and does not require much administrative work. In contrast, voucher-based work offers workers opportunities for income and (temporary) employment. They might also benefit from flexibility, which, however, is not deliberately chosen but imposed by job opportunities and the clients' schedules. Compared to undeclared work, workers usually have some sort of social protection and guarantees for payment.

Interim management

Interim management is comparable to the activities of temporary work agencies: companies lease out their staff to other companies for a specified period and purpose. In contrast to work agencies, however, interim management applies to highly specialised experts. The distinction between temporary work agency and interim management are not always clear, but with interim management, the receiving company usually becomes the employer. This form of employment allows companies high flexibility in their employment contracts and does not require long-term commitments. As interim management mainly targets management experts, who are highly skilled and have experience in crisis management, it may be of lesser interest in the scope of the co-Labourative Lab project. It may be of interest for HR managers.

Casual work

Casual work is an umbrella term for employment that is unstable and discontinuous. In contrast to job sharing, it satisfies employer-flexibility as employers do not have to provide work regularly. Employees cannot expect work to be a continuous form of employment, but employment rather depends on the current workload. Casual work contracts have been rapidly growing since the 2008ff crisis. The Eurofound report further distinguishes between intermittent work, where workers perform a specific task in a defined time-span – as found in project-based work or seasonal work, and on-



call work, where there is a continuous employment relationship but no continuous work and pay. In the UK the latter is infamously known as zero-hour contracts, where employers do not need to provide any work at all.


For companies, a pool of casual workers has the benefit to quickly assign workers to a task at short notice, without having any long-term commitments to these workers. How far in advance workers are informed of their work varies considerably between countries and contracts, starting from one hour before the start of the assignment and ranging to four weeks. The management of the pool of workers is frequently done by temporary work agencies. Again, sectors and work types that benefit the most from casual work are those with seasonal activities or variable demand. In addition, casual work is used for occasional events, such as conferences or festivals, or when trained or specialised staff is needed. For workers, this kind of work offers little benefit and is rather accepted out of necessity, i.e. because of unemployment.

In Slovenia, for example, casual work is used for young people, trying to enter the labour market and to gain working experience. A Slovenian agency specialises on matching students with companies.

ICT-based mobile work

Advances in information and telecommunication technologies, and here especially the “new technologies” (Holtgrewe, 2014), facilitate a new degree of worker mobility. Digitalisation, omnipresent connectivity, cloud computing, and big data increasingly allow companies to demand their workers to be mobile and ever more flexible. Mobile broadband connections on laptops, smartphones or tablets contribute significantly to this development and makes it possible for workers to maintain their own virtual office. In addition, global value chains or production networks that become longer and more complex, ignoring boundaries and stretching over continents put further requirements on the mobility of workers and question the traditional perception of place, or locality.

For workers this means that their work is carried out, at least partly, outside an office. This makes a work ‘wherever and whenever’ possible. There are similarities to




teleworking, where workers do work outside the employers' premises, ICT-based mobile work implies more flexibility. The absence of a fixed office, internet-based work processes and a management support of mobility and mobile working culture are central elements of ICT-enabled mobile work (Schaffers et al., 2006). ICT-based mobile work is relevant for self-employed as well as for employees.

For this kind of work there are some prerequisites, as it must be possible to perform the work remotely. For employers ICT-based mobile work conveys the promises of more flexibility, higher efficiencies or lower costs (reduction of office space). For workers, on the other hand, mobile work allows reduced commuting times and possibly more autonomy to balance working-time and free-time.

Portfolio work

Portfolio work is nothing entirely new, but was already described in the 1990s (Handy, 1995) and depicts the practice of workers working for multiple clients and/or employers. It encompasses many forms of freelancing and self-employment, where workers are themselves responsible for acquiring work and for generating income. Jobs or projects are usually small-scale and temporary. Also, a portfolio career does not rely on a single client but workers rather have to maintain relationships with several clients. The terms of the work are agreed between client and worker per project in a contract. Payment is also per project; workers are themselves responsible for social security and taxes.

Portfolio work became increasingly important in many European countries during the past decade and since the 2008ff crisis the necessity to generate income through alternative channels rose again. However, in contrast to casual work, portfolio work is wide spread among professionals in the creative industries, real estate and information and communication, rather than in seasonal work. Drivers for workers to engage in portfolio work may be, among others, self-realisation or a flexible working day, for clients on the other hand, portfolio workers offer flexibility, i.e. people can be hired on short notice, for single projects and without any long-term commitments.



Problems with portfolio work show similarities to other self-dependent work forms, such as ICT-based mobile work or casual work, where people have to manage their working day themselves and have to carry all responsibilities. Working time length and regularity and the balance of work and leisure time are potentially difficult for portfolio workers.

Portfolio work is the most common NFE category in the countries involved in the project. It is reported to be quite common in all five countries.

Collaborative work

Collaborative employment is a general term for patterns, where self-employed, freelancers and small and medium enterprises (SMEs) team up to form a (limited) partnership to fare better against bigger-scale competition. Such a cooperation between the different actors may target a reduction of fixed costs through sharing office premises or it involves the pooling of know-how, or vice-versa the outsourcing of common tasks. According to Eurofound (2015) three types are characterised: **umbrella organisations**, offering administrative services to all cooperating members, such as invoicing, social security or tax issues; **co-working** (in so called co-working spaces) is the practice to jointly run an office to reduce costs and benefit from social effects of a shared milieu; another possible cooperation extends to joint production in **cooperatives**.

Main reasons to engage in collaborative work are efficiencies through consolidated administrative or strategic tasks, reduced costs through shared space and joint production. Co-working helps to overcome social isolation of the self-employed.

Regarding **collaborative work**, there is some evidence on coworking spaces. These seem to be particularly common in Bulgaria with special online platforms to look for available space. This is also true for Spain and Austria. In Greece, coworking spaces are less frequent. In Slovenia, there are initiatives to fund coworkingspaces, however there is relatively little use made of this potential.



Relationship between Sharing Economy (SHE) and New Forms of Employment (NFE)

Of the nine New Forms of Employment defined in the Eurofound report mentioned above, Sharing Economy as understood in this project is most closely related to crowd employment (see Eurofound, 2015). However, casual work, ICT-based mobile work, portfolio work, collaborative work and possibly also voucher-based work can also be carried out over online platforms. Thus, while digital platforms enabling matching processes between clients / customers / workers are not the only technical prerequisite of New Forms of Employment, they can be conceived as an important enabling technology for many of these new kinds of work.



SHE and NFE Digital Platforms. Introduction to the main characteristics and trends

Relevance of Digital Platforms for SHE and NFE

As mentioned in the previous chapter, digital platforms are an important enabling technology for NFEs. In the world of online work and ICT enabled work a great number of intermediary platforms exist, acting as a third party between clients or employers and workers or employees. Generally, there is a constant state of flux with mergers, acquisitions, takeovers and disappearances of smaller and medium sized platforms. Some big companies, often established in the English-speaking world, act on an international basis. While these platforms have a customer and worker base in many European countries, there is strong evidence that language plays a crucial role for the reach and spread of online platforms. As a result, there are frequently some international players and usually a number of platforms oriented along locality or language lines. For the European context important bid-based platforms are “Freelancer”, “Upwork”, “Crowdfunder”, “Topcoder”. For contest-based platforms “99designs”, “Jovoto”, “Local Motors”, and Threadless are crucial. Location-based services such as transportation can be carried out via platforms like “Uber” or “Lyft”, “BlaBlaCar” allows car sharing. For accommodation, “Airbnb” and “Wimdu” are the most relevant platforms. For professional services “TaskRabbit”, “Helpling” or “MyHammar” are big international platforms. An extended list of platforms found in the countries partnering for this project can be found in TOPIC 4.



Opportunities for unemployed persons, barriers and drivers


Barriers for SHE

The prerequisites for working on online platforms as a crowd worker are straightforward: an internet access and a device (usually a computer, but depending on the type of work a smartphone may suffice). In general, there are no specific skills needed, apart from a basic knowledge of and proficiency using the internet and computers. However, we can mention that some skills can help in the proper exploitation of SHE opportunities in benefit of Self-Employment. Some of these skills are covered by CO-LAB (Innovation, Personal Branding, Strategy...) in further Topics


Furthermore, there are little overarching laws that prohibit work over online platforms (with the exception of Uber and Airbnb, which are banned or restricted in some cities).

The major barriers for engaging in online platform work thus are connected to the work and work organisation and are often quite similar to problems associated with self-employment, freelance work or other new forms of employment. We identified the following problematic areas connected with online work that can act as barriers for workers:

- **Uncertain legal situation:** due to an unresolved status of some platforms people might hesitate to start working over platforms.
- **Low pay:** for the majority of crowd workers remuneration on platforms is rather low, compared to similar work performed offline. However, this is mainly valid for Northern- and Western European countries, where the income levels are high and the situation may look differently in Central-, Eastern and Southern European countries. Moreover, if the regional economic situation is dire, work over online platforms can be the only viable option for generating income.
- **Unsecure payment:** payment runs over the platform and should, in theory, be save, workers frequently report about payment default or fraud.

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- **Work security:** workers are themselves responsible for a secure working place and environment.
 - **Social security:** similar to other self-employed, online workers are themselves responsible for their social security contributions. Because work and payments over the internet is hard to track, the work often is not declared. This leads to people not having any form of social insurance.
 - **Taxes:** because transactions are frequently not declared, no taxes are paid. This reinforces the insecurity regarding the legal status, as governments will try to include online work into the tax regime.
 - **Working time:** work time has to be managed individually and, as research shows, this entails problematic working patterns. The workers' time schedule is aligned with the clients' demands and results in long working hours, night work, work during the weekend or on holidays. This becomes especially problematic, when worker and client are in different time zones.
 - **Surveillance and control:** through direct (webcam, screenshots, tracking) or indirect control (ratings and reviews) workers are under constant surveillance.
 - **Work intensity:** with closing deadlines or multiple jobs and tasks workloads and work intensity rises and may lead to long hours and high levels of stress.
 - **Global competition:** working over the internet means to compete with people from all over the world, with perhaps higher skillsets and working from countries with lower wage levels.
 - **Copyright issues:** uncertain/unresolved legal issues over the ownership of a product may entail problems for workers.
 - **Equipment needed:** while crowd work in general does not need high investments in equipment, for some platform work high initial investments are necessary, such as a car.
 - ...


Likewise, there are barriers for clients or companies deciding to outsource work over internet platforms:

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- **Task specification:** in crowd work clients and workers usually do not meet in person and hence the description of a task or job has to be very clear to minimise misunderstandings. This means a lot of work prior to outsourcing a job on the client's side. A complex job has to be standardised and modularised, which is not an easy task.
 - **Difficult administration and communication:** especially for more complex projects, communication extends beyond the initial specification of a task and one or more feedback loops are required.
 - **Quality of product/service:** the expertise of a worker is very difficult to assess, especially when the communication is only virtually. Moreover, because of low pay and uncertain skill-levels, the quality of products and services bought over online platforms is generally expected to be lower than in offline work.
 - **Copyright issues:** copyright issues may arise when not clearly regulated. This is problematic when copyright laws differ between the countries of worker and client.
 - For app-based work, such as transportation, **security** may be an issue.

Barriers for NFE

There may be legal restrictions in the specific countries regarding any individual new form of employment. General barriers for new forms of employment relate to (known) difficulties the self-employed or freelancers are facing, such as the requirement to self-manage the working life, administrative and marketing work, no fixed time schedule, uneven workloads, times with low payment, lack of career opportunities and so on.

More specifically, employee sharing requires companies to cooperate and jointly hire workers. The administrative extra work and costs have to be covered by the participating companies. For job sharing two or more employees have to be found whose skills are complementary. Voucher-based work can only be used for a defined set of tasks and jobs and is not available for a broader range of occupations. It is usually only available in lower-skill, seasonal or household work. Casual work is unstable and discontinuous and does not provide any long-term perspective for



workers and is usually connected to problematic working conditions. ICT-based mobile work is only viable for work that can be performed outside the office's premises and the workers have to be proficient in using mobile devices. The balancing of work and free-time is often a challenge for workers doing ICT-based mobile work. Similarly, portfolio work, a concept that evolved in the 1990ies may not offer stable income, involves uneven work-loads and order situations, leads to high levels of stress and pressure and – if not managed well – can undermine the work-life balance. For various forms of collaborative work partners are needed to share costs and responsibilities.

Drivers for SHE

In theory, this mode of work offers freelancers new job opportunities, the possibility to be one's own boss and to flexibly arrange working time, including when and how long to work, which jobs to accept and which to decline (Kittur et al., 2013). In addition, crowdsourcing may offer opportunities to cooperatively solve problems (Barnes et al., 2015). Overall, the platform economy may enhance competition, increase choices and lower prices (European Commission, 2016a). Furthermore, through platform work people can gain experience and training and they may work with international clients and cooperate with experts. The connectivity via mobile devices allows to be more flexible regarding the place of work and people can choose to work at home or at another location. The European Commission highlights the potential increase in the European markets competitiveness and growth, the consumers' access to goods and services and especially acknowledges new and flexible working opportunities (European Commission, 2016a). However, due to a lack of comprehensive cross-national quantitative or qualitative data the actual impact of online talent platforms on the transition from unemployment to work and on labour market participation remain uncertain.

For the European economy these new labour market intermediaries convey the promise of increased labour market participation and economic performance of specific regions and the European Union overall. Online talent platforms provide employers or customers with access to a large pool of labour, qualifications and



creativity but also the opportunity to profit from higher flexibility, often lower costs without long-term commitment to the workforce (Felstiner, 2011; Shepherd, 2012). Similar to outsourcing, this form of labour mediation allows companies to externalise costs of direct employment (Bergvall-Kåreborn & Howcroft, 2014).

Drivers for NFE


Drivers for NFE can be found in the chapter on **¡Error! No se encuentra el origen de la referencia.**



Study cases.


In the following, we briefly describe the cases of three crowdworkers interviewed at FORBA:

Alfred, 34 years old, trained sound engineer, used to work as a cutter for a TV station, quit this job about five years ago and has been registered at the employment office since then. Alfred works as a freelancer using different channels. He currently has four main sources of income: Unemployment benefits, marginal employment, freelance work over platforms and an association he has founded. Moreover, he recently joined a cooperative aimed at tackling the main risks of precarization for creative freelancers. His areas of work encompass different kinds of creative work including “graphic design, sound, video, web design, everything that occurs in this haze of new media or creative economy”. His daily working hours vary significantly, on some days he hardly works at all, on others 10 to 12 hours, and, when the shit hits the fan, “I work all the time for three or four days, 16 to 17 hours a day”. How he reacts to assignments offered on platforms depends on the size of the assignment, from quickly sending a short standard text to a detailed offer combined with links to some prior projects. Ratings are very important to Alfred as he sees a direct connection between being highly rated and new assignments. Ratings are especially important in the initial phase of working over a platform to build a prominent profile and get on the radar of potential clients. Alfred says that in the beginning, he did “everything” to get a good rating, like overinvesting in badly paid assignments and working in changes without extra charge. After a few ratings, a single rating isn’t as crucial as in the beginning and “you don’t have to put up with everything any more”. Still, Alfred perceives a significantly unequal distribution of power between crowdworkers and clients: “They outsource creativity to us, they outsource the risk and on top of that, they dump us pricewise. I mean, there’s hardly a more obvious path into slavery. It’s gotten worse




very quickly in our branch, the American expression *race to the bottom* fits very well. It's absurd, because there's more work than ever, that's the truth"

Julia, 40, studied painting, comes from Romania, has lived and worked in Austria for a few years but now returned. She works as a freelance graphic designer. She used to work for advertising agencies in Romania and Austria and used to run her own business. Currently, she only works over online platforms. Julia's portfolio includes logo design, flyers, brochures, illustrations, advertisements and posters. She completes about two to three assignments a day which adds up to between 20 and 30 a month, although her daily rate varies quite substantially so the monthly completion rate is probably lower than that: "It depends how lucky I am. On one day I write 100 proposals and get no job, on another day I write 15 proposals and get 3 Jobs. "She estimates the frequency of getting an assignment at about 1:15. She can't say how long she works on one assignment because that largely depends on clients' wishes and ranges from a few hours to several weeks. She only seldom takes part in competitions as she sees the danger of designs being stolen by other participants. To start working as a crowdworker was a positive challenge and an adventure for Julia. She stresses how hard she works and how good her ratings are: "It is really, really a hard work. It is not so easy as it looks and day by day I started to make money. And people start to talk very well about me and giving me reviews, very good reviews. I have in Freelancer[.com] also, I mean the most reviews, about 700 or 750 reviews. Always the best mark: 5,5 is the best. And everybody is saying only great words about my work and about me and is happy and pleased and this made me work every day more and more and here I am. "Julia works from her home in a small Romanian town. She likes working alone and not having to commute. She tries to keep her weekends free from work: "I have to. I have to do it. It is for my health. This is very important for my health. I realized that in the last time. "All in all, Julia works about 45 hours a week. She only communicates with clients by chat or mail to secure that all



agreements are available in written form. Insufficient briefings by clients can be a problem, so she tries to clearly communicate what she needs to know right from the beginning, otherwise the process of finding out what a client really wants can be very time-consuming. To avoid bad ratings, Julia sometimes accepts not being paid for an assignment. She is also willing to lower her price if there is a change to get follow-up assignments. Julia's monthly income is between \$600 und \$700 which is enough for her: "You can't live an expensive life, that's all. You have to live a normal life. It is not much, it is just decent. Here, life is almost as expensive as in Austria, I mean, it's not such a big difference between the costs here and the costs in Austria. In Austria I had like €1400 per month, that was okay, but now it is about half."

Anna, 55, trained actress who has played in theatres and movies. As these jobs became more scarce for her, she began working as a speaker. Currently, she has engagements at theatres about twice a year which take several weeks each time. However, her main occupation are speaking jobs both over, real and virtual channels (mainly online platforms). She also writes children's books and composes songs. Anna is listed at five platforms, most of them specialising in speaking assignments, and seven agencies. She gets payed comparatively well for most of her jobs, still she is continuously on the lookout for new offerings, mostly using her smartphone. As most assignments require a comprehensive application (sometimes including a voice sample), applying for jobs is very time-consuming for Anna. If assignments are hard to come at times, Anna lowers her demands and applies for jobs she would normally let pass and hopes being successful despite her higher price because of the high quality she offers. Anna has built her own studio at home and works from there. She is at a loss when asked her average working hours and shows a strong tendency to mix up work and free time – here days and weeks seem to be structured according to incoming assignments. This includes weekends ("I have no weekends!"). If her husband is home on a weekend, she tries not to work, but sometimes even then



completes assignments at night. Even on holiday, Anna has a hard time not looking for new jobs: “My daughter, who was in Greece with me, said to me: mum, leave your phone at the apartment for once! Because I had an internet package for Greece on my phone, and of course I was looking all the time“. Anna sees it as crucial to quickly react to job offerings, she thinks she wouldn’t get half of her jobs if she was slower; moreover, the more assignments she completes, the more new offerings she gets. At the same time, she enjoys being a freelancer because it means she can work from home in her pyjamas and is not dependent on a single employer. Anna confirms the significance of good ratings, especially when starting out on crowdworking platforms. In some cases, the rating system can be the reason for accepting being payed late or not getting paid at all for a job. Anna has had health problems related to working too much, but also in times with little work, Anna is burdened by the insecurity: “The pressure’s always on, whether in one direction or the other“.



Videos

Some introductory videos to the Sharing Economy

<https://www.youtube.com/watch?v=yy7MH9TyZck>

https://www.youtube.com/watch?v=OJ3m1FS_jjs

https://www.youtube.com/watch?v=I_hzH5imb_E

<https://www.youtube.com/watch?v=ya6zndBObHY>

<https://www.youtube.com/watch?v=Dm3ZDnT9Zag>

<https://www.youtube.com/watch?v=zKYMxdOSpo>



Complementary readings

A European agenda for the collaborative economy EUCOMMISSION

A European agenda for the collaborative economy SupportAnalysis EU COMMISSION.

New Forms of Employment._EUROFOUND

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Επιμελητήριο Αρκαδίας



COORDINA Organización de Empresas y Recursos Humanos, S.L.



CPU - Gospodarska zbornica Slovenije Center za poslovno usposabljanje



FORBA - Forschungs- und Beratungsstelle Arbeitswelt



RCCI - Ruse Chamber of Commerce and Industry



Cámara Oficial de Comercio, Industria, Servicios y Navegación de Valencia

