Humanistic Goals’ Role in Sustaining a Digital Labour Platform

Samps Suurivuo, Aalto University, sampsa.suvivuo@aalto.fi
Tapani Rinta-Kahila, The University of Queensland, t.rintakahila@uq.edu.au
Virpi Kristiina Tuunainen, Aalto University, virpi.tuunainen@aalto.fi

Introduction

The gig economy is seen as a significant form of future labour (Anderson, McClain, & Nolan, 2021; Barcevičius et al., 2021; Gawer & Srnicek, 2021). However, digital labour platforms such as Foodora, Fiverr and Uber acting as intermediaries between buyers and sellers attract much criticism. Often there is no employment relationship between the seller and the platform and a non-standard employment is a prominent feature of the gig economy (Gawer & Srnicek, 2021). Furthermore, the platforms are seen to benefit and capitalize on regulation arbitrage (Anderson, McClain, & Nolan, 2021; Barcevičius et al., 2021), to unfairly transfer all economic risk to sellers (Gawer & Srnicek, 2021), to misclassify employees into independent contractors (Barcevičius et al., 2021), to employ dehumanizing and manipulative algorithmic management without recourse to appeal (Barcevičius et al., 2021; Gawer & Srnicek, 2021; Möhlmann et al., 2021) and to engage in aggressive tax planning (Barcevičius et al., 2021; Gawer & Srnicek, 2021) leading up to erosion of social contract (Gawer & Srnicek, 2021).

Since the number of digital labour platforms and the amount of labour sold and purchased through the platforms is increasing (Barcevičius et al., 2021), the issues affect a growing number of people. However, the digital gig platforms have benefits which should be preserved. Those who engage in the gig economy willingly, mention flexibility, autonomy, easy extra income, low barrier of entry and being one’s own boss not permitted by traditional employment as attractive features (Anderson, McClain, & Nolan, 2021; Schlagwein, Cecez-Kecmanovic, & Hanckel, 2019) and steadily report higher levels of work satisfaction than traditionally employed (Schlagwein, Cecez-Kecmanovic, & Hanckel, 2019). The platforms also offer easy access to the labour market to many demographics that have difficulties finding employment such as immigrants and those with care duties (Barcevičius et al., 2021; Schlagwein, Cecez-Kecmanovic, & Hanckel, 2019). This creates a situation where we should solve or at least alleviate issues within the gig economy and its platforms while maintaining the nature of platform work and the benefits it engenders.

The digital labour platforms once admired for their capability to disrupt incumbent companies and industries are no longer unreservedly celebrated. There is increasing evidence that digital labour platforms cannot keep operating in current fashion (see e.g., European Commission, 2021). If the platforms are not sufficiently regulated and held accountable, Gawer and Srnicek (2021) note that this may lead to ubiquitous surveillance, disempowerment and societal polarisation by the platforms. Cusumano, Gawer and Yoffie
(2021) ask whether self-regulation can save platforms as the repeated privacy and tax scandals have eroded the public’s trust towards the platforms causing a tragedy of commons. Zhu, Walker and Alstyne (2022) in turn ask if Magna Carta limiting platforms' power and obligating them to uphold principles such as transparency, accountability and fair sharing of wealth is required. At the same time, instrumental goals (e.g., efficiency, productivity) dominate over humanistic goals (e.g., well-being, job satisfaction) in IS literature (Sarker et al., 2019) and digital labour platform research (Möhlmann et al., 2021). Sarker et al. (2019) emphasise the need to balance both instrumental and humanistic goals. Otherwise, IS research might be unable to contribute to society’s betterment. Thus, we ask: how can digital gig platforms treat workers responsibly while still benefitting from gig labour? For answers, we draw on Braverman’s (1974) criticism of labour and monopoly capital to analyse a digital labour platform that wants to revolutionize how employment is done while being mindful of the surrounding society.

Answering the research question will hopefully identify principles or practices that can be used to improve the digital sustainability of digital labour platforms helping in the “development and deployment of digital resources and artifacts toward improving environment, society and economic welfare” (Kotlarsky, Oshri, & Sekulic, 2023, p. 942) and answers the call by Reuver, Sørensen and Basole (2018) to conduct research on platforms’ sustainability or how to ensure that all sides keep participating.

Method

The study implements a single case study setting (Myers, 2009) collecting data through semi-structured interviews (Myers & Newman, 2007) and applying reflexive thematic analysis (Braun & Clarke, 2006, 2021) to the collected data. The case platform, FairGig (pseudonym), is a job-matching platform operating in Northern Europe focusing on on-demand, on-location gigs such as retail, restaurant, and warehouse work. FairGig was selected because, unlike most of its peers, it employs its sellers for the duration of the gig and takes care of many employer duties such as insurance, sick pay, pension payments and vacation remuneration. Note that this does not mean that FairGig would be able to order sellers to take certain gigs or control sellers’ availability. We see FairGig’s approach fairer to sellers than the intermediary-not-an-employer approach. However, this has not prevented running a profitable business as FairGig (founded in 2015) achieved profitability in 2022. FairGig consistently achieves over 90 % shift fulfilment rate and can reliably serve in ad hoc labour needs which is attractive for buyers. As a digital labour platform, FairGig offers many benefits over incumbent staffing companies related to ease of use, how fast sellers can begin to apply for gigs, variety of gigs and fast payments. In its home market, FairGig offers a unique combination of a traditional staffing company and a digital labour platform using the strengths of each model to address the weaknesses in the other model.

So far, we have interviewed FairGig’s managers and platform workers i.e., sellers (Table 1). The manager interviews were carried out in May 2023. The overarching theme was
finding out what, how, why and with what consequences FairGig does things differently to its peers. The worker interviews were conducted in October 2023 to bring their perspectives and experiences into the discussion and see if they corroborate what the managers have raised as the advantages and benefits of working through FairGig. Next, we plan to interview FairGig’s customers i.e., buyers. Again, we are interested in the buyers’ motivations for using FairGig, what benefits it has over other channels of purchasing gig labour and if FairGig’s managers and buyers have similar perceptions.

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<thead>
<tr>
<th>Management interviews</th>
<th>Platform worker interviews</th>
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<tbody>
<tr>
<td>Role</td>
<td>Duration</td>
</tr>
<tr>
<td>Co-founder 1</td>
<td>56 min</td>
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<tr>
<td>Co-founder 2</td>
<td>56 min</td>
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<tr>
<td>Country lead 1</td>
<td>74 min</td>
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<tr>
<td>Country lead 2</td>
<td>42 min</td>
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<td>Technology manager</td>
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<td>Customer success manager</td>
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Table 1. Pseudonymised interviews

Findings

According to the Co-founder 2, FairGig was founded to offer a better worker experience so that there is less stress and more financial security for workers (humanistic goal) and that a commercially viable business (instrumental goal) is the fastest way to change the world. We used reflexive thematic analysis (Braun & Clarke, 2006, 2021) to generate three themes of practices FairGig has come up to pursue its humanistic goal.

The practices under theme Distancing from unfair employment practices stem from FairGig’s founding ethos and environment’s influence. FairGig believes that prioritising workers’ needs helps them attract labour and avoid bottlenecks in workforce availability which, in the end, serves also buyers better. Because of this, FairGig employs workers for the gig’s duration. This has made FairGig a viable choice for buyers who are otherwise afraid of stigma that might come with using gig work. Employment also suits workers who want to have flexibility and possibility to determine when, where and what kind of work they do, but don’t want to assume risk and obligations that come with being a freelancer or entrepreneur. As workers are under no obligation to apply for gigs, FairGig has moved away from the employment practice where the employer expects the employee to be on constant standby but does not guarantee certain number of hours per week.

Streamlining operations theme consists of practices that while fair for workers, also decrease the need for administration on FairGig’s end and result in faster processes and
better user experience. FairGig pays each week’s earnings by the next week’s Wednesday. This has been achieved so that if the buyer has not verified the hours by the deadline or raised concerns, FairGig pays if the worker has marked the gig as done in the app. According to Co-founder 2, this saves FairGig considerable amount of administration and ensures workers are paid on time. Employing workers also contributes to fast payment processing. FairGig also believes interviews to be biased and poor determinant of the worker’s capabilities in general for the type of work FairGig intermediates. As such, FairGig does not limit access to the platform like traditional staffing companies do, instead opting to verify that each worker has a valid ID, local bank account, tax card and any certifications. This way a worker can register today and began applying for gigs tomorrow. A buyer may still interview an applicant if they wish.

**Minimal platform control** theme captures FairGig’s practices to empower workers and buyers by giving them as much freedom and information as possible. Traditional staffing companies often “pool” their workforce meaning that if one is recruited to do restaurant work, it is difficult for them to apply, for example, warehouse work if they want to. FairGig has no such limitations and sellers are free to apply all the gigs they like and many sellers like do different gigs for the sake of variety and curiosity. FairGig has automated and digitised many aspects of gig work, but it deliberately doesn’t use algorithmic controls to remove people from the platform. Instead, worker is contacted and given guidance if needed, giving them a chance to provide nuance and contextualise their situation.

**Discussion**

For Braverman (1974), management control’s function was to fit the worker to the machine disempowering them. For FairGig, fitting machine to the worker, so to speak, appears to have worked well. In pursuing its humanistic goal, FairGig has created practices that enable it to reach high shift fulfilment rate and reliably serve in ad hoc labour needs which can be seen as instrumental outcomes contributing to FairGig’s profitability. As being profitable allows FairGig to keep pursuing its humanistic goal, the combined goals allow FairGig to sustain its operations, but neither goal alone suffices. Sarker et al. (2019) referred this as the goals’ recursive linkage or virtuous cycle.

Furthermore, we see the practices under the three themes as distinct but similarly mutually reinforcing. Distancing from unfair employment practices brings efficiency benefits helping to streamline operations which in turn help to distance from unfair employment practices by setting low barriers of entry and ensuring timely payments, for example. Employing workers offers them empowering flexibility without entrepreneur’s risk and requires fewer controls and administrative measures from FairGig than if the workers were freelancer or entrepreneurs, contributing to minimal platform control. In the other direction, minimal controls decrease power asymmetry between the worker and platform/buyer. Streamlining operations requires fewer controls and makes FairGig easy to use while minimal interference from FairGig makes for efficient platform use.
References


