

# Holistic Competency in Online Freelancing

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## Introduction

We focus on the evolving landscape of workers' competencies in online freelancing. Online freelancing is both growing quickly and becoming a more common approach to working. Online freelancers find their jobs and often do their work through digital labor platforms (DLPs) such as Upwork.com and Fiverr.com. While studies have shown that online freelancers face multiple challenges, they do not address how workers respond to those challenges, particularly in terms of identifying relevant skills and knowledge (Frenzel-Piasentin et al., 2022). To address this question, we report interim findings from an ongoing panel study of 51 online freelancers, focusing on their experience in recognizing and building competencies, or what we call "holistic freelance competency".

Our research is framed by three threads from the ongoing debates around competencies and the future of work: (1) the growing presence of workers seeking jobs online; (2) the evolving nature of work, and working; and (3) changing expectations for workers' competency. Like many, we view online freelancing as a window into one future of work due to its rapidly growing presence in the labor market. Indeed, there has been a three-fold increase in platform workers worldwide, increasing from 50 million in 2015 to 163 million in 2020 (Kässi et al., 2021; Kuek et al., 2015). And Upwork, one of the world's largest DLPs, announced a 67% growth rate in gross revenue since 2019 (Upwork, 2022).

The changing nature of work and working in this space can be characterized by flexibility, independence, project-based structures, and platform-mediation. Flexible work arrangements such as working from home are the norm for online freelancing (Warren, 2021). Being self-employed is a common form of employment (Drahokoupil & Fabo, 2016). And, this work is increasingly being decomposed into more granular units such as projects (Kalleberg & Dunn, 2016). Finally, the platform mediates the posting, seeking and securing work through its algorithms and design affordances (Jarrahi et al., 2020).

This ongoing transformation is shaping an environment in which online freelancers are expected to develop skills and knowledge to manage multiple aspects of their professional and personal lives (Caza et al., 2021). These include balancing work and life domains (Warren, 2021), managing career plans (Blaising et al., 2021), cultivating client relations (Alvarez de la Vega et al., 2021), building professional impressions (Blyth et al., 2022), and navigating platforms' surveillance mechanisms (Jarrahi et al., 2020).

In the face of these multiple expectations, online freelancers' competency-building is shifting from shared employee-employer efforts to worker-centered responsibility. And, online freelancers must fill the gap created by the lack of competency building opportunities that are typically available to workers in traditional organizations. These gaps include a lack of codified job roles and responsibilities, a predictable career ladder, employer-provided training, and peer learning opportunities through direct interaction with colleagues (Osterman, 2022; Petriglieri, 2019).

While extant studies largely address these challenges individually, they do not tell the full story of freelancers' reality, in which they strive to develop the competencies necessary to manage multiple roles, expectations, and relationships simultaneously (Fleming, 2017). Existing literature also calls for a more nuanced understanding of demographic factors that can influence disparities in freelancing experiences (Munoz et al., 2022). Informed by prior research, we developed two research questions: (RQ1) How do online freelancers experience and respond to competency needs in their personal and professional lives? (RQ2) How do online freelancers' competency demands vary based on their demographic status?

Our conceptual perspective is informed by insights drawn from two bodies of contemporary scholarship. First, drawing from information systems literature, holistic perspectives broaden the concept of competency. For example, Ho and Frampton (2010) include dispositions, attitudes, and values as co-constituting elements of competency. Similarly, Frenzel-Piasentin et al. (2022) highlight the non-technical aspects of competency for online freelancers, such as organizational skills. Second, drawing from management studies, the practice-based approach views competency as recognizable in the form of everyday practices (Sandberg & Pinnington, 2009). Building from this we focus on how online freelancers identify their competency needs and attempt to address them.

## **Method**

The empirical basis of our research is a longitudinal panel study of the U.S.-based online freelancers on Upwork.com that began in 2019. The panel study relies on a purposive sampling method to recruit freelancers from diverse backgrounds (based on gender, work experiences, and occupation). 65 participants were recruited on the platform and compensated for their participation in our study and 51 participant's contributions from the second round of the panel study serve as the empirical basis of the work reported here.

Three data sets were collected to give voice and visibility to the experience of freelancers. First, each participant was interviewed for approximately 45 minutes. Interview questions include family arrangements, daily routines, job search strategies, networking efforts, career plans, and interactions on the platform. Second, each participant completed a 15-minute survey. The survey was designed to supplement the data obtained from the interview. Survey questions ask about demographics, motivation for freelancing, and work experience. Last, we garnered each participant's profile which contains their work history, skills, client reviews and client feedback.

Interview transcripts and survey data were collated into the data analysis software Nvivo. The profile data were separately stored and used to complement the two data sets. We conducted a thematic analysis following the four stages: initialization, construction, rectification, and finalization (Vaismoradi et al., 2016). First, we coded interview transcripts based on meaning units. Second, we classified initial meaning units into higher-level categories. Third, we had multiple discussions to identify points of disagreement and alternative interpretations. Finally, we stabilized our interim findings and organized writing. After analyzing the 51 participants, we categorized them according to their family arrangement, occupation, and work experience. Then the analysis procedure was repeated.

## Preliminary Findings

Regarding RQ1, data analysis reveals five initial competency demands: managerial, social, career, platformic, and boundary-management, each described below.

**Managerial competencies** are derived from job seeking efforts, including setting pay rates and managing profiles on the platform. Our data shows that online freelancers often learn from trial and error by relying on (1) fellow freelancers (e.g., emulating other freelancers' rates and profiles) and (2) experimenting on their own (e.g., starting with the lowest rate). Online freelancers also attempt to determine how much they should earn by analyzing two additional costs: costs that employers would normally cover (e.g., health insurance) and Upwork fees (e.g., transaction fees).

**Social competencies** emerge from professional network building efforts. The precarious nature of online freelancing requires freelancers to constantly look for work, which necessitates continual efforts to build relationships with prospective clients. Online freelancers strive to (1) participate in professional networking events to extend their client base even outside the platform and (2) improve their professional presence on different social media platforms to attract potential clients.

**Career competencies** reflect the efforts of online freelancers to navigate and forecast their professional lives. Concerns over future changes in in-demand skills and the lack of a defined career path in online freelancing were identified as two drivers of career competency demands. For this reason, online freelancers strive to (1) develop job-specific skills by leveraging available training resources, (2) selectively accept jobs that are beneficial to their long-term career, and (3) obtain career advice from online communities.

**Platformic competencies** emerge from the freelancer's experiences interacting with platform features (e.g., algorithm, user interfaces, service policies). Online freelancers expressed difficulty in recognizing, comprehending, and staying up-to-date on how platforms influence their actions on Upwork. In response, they display two patterns: (1) increasing their sensitivity to platform updates to monitor potentially influential changes and (2) maintaining multiple accounts on other DLPs as a backup plan for Upwork changes.

**Boundary management competencies** reflect online freelancers' experiences accommodating the intrusion of work into the home while working from home. Freelancers strive to balance personal (e.g., childcare, housekeeping) and professional (e.g., tasks, meetings) responsibilities. Data show they attempt to deal with such challenges through (1) self-regulation (e.g., time management), (2) family support (e.g., sharing house chores with a partner), and (3) spatial separation (e.g., creating a separate workspace at home).

RQ2 reveals the differential freelancing experience based on family arrangement, occupation, and work experience on the platform.

**Family arrangements** are mainly associated with online freelancers' childcare responsibilities. We were able to classify freelancers into two distinct groups based on how they manage their parental responsibilities and freelance work: work-first and family-first. Work-first groups often do not have or share childcare responsibilities with their family members. This group often refers to themselves as "entrepreneurs." They focused on job-centric competencies such as managerial skills (e.g., how to get more jobs) and career

advancement (e.g., how to build a career portfolio with specialized project experiences). The family-first group, on the other hand, tends to be a primary caregiver for their children. This group often identifies themselves as "parents". They seek to develop boundary-management skills while emphasizing the need for prioritizing family over work (e.g., spending more time with their children while compromising job productivity).

**Occupational status** generated five online freelancer groups (writer and translator, admin assistant, consultant, designer, and data scientist). Online freelancers in each occupational group display distinct competency needs, due in part to the nature of their occupation-specific tasks. For example, translators and writers strive to build boundary management competency due to the decomposable unit of their work (e.g., translating a single paragraph). This nature of their job not only makes it possible for clients to send "a quick job offer", but also allows online freelancers to easily compromise their predetermined work-non work boundaries to take the offer. On the other hand, admin assistants often express a need for platformic competency. Since communicating with clients is a key aspect of their job, they pay close attention to the platform's communication features.

**Work experience** refers to the total number of hours worked on Upwork. This angle resulted in the identification of two groups: highly experienced freelancers and less experienced freelancers. The recognition of and response to the competency differ substantially between the two groups. While less experienced freelancers are interested in how to better use the platform, displaying their focus on platform competency, more experienced freelancers are interested in how to leave the platform, focusing on social competency to expand their professional network outside of the platform.

## **Discussion and Future Work**

Our research identified five competency demands among online freelancers. The multiple competency needs reflect the two realities of freelancers. First, online freelancers often describe their reality of having to be "a Genie in a bottle" with multiple skills and knowledge for their clients and families while simultaneously developing necessary competencies to adapt to rapidly changing labor platforms and precarious career paths. Second, online freelancers experience "radical responsabilization", whereby they are required to assume sole responsibility for identifying and acquiring relevant skills, knowledge, and abilities without systematic supports (Fleming, 2017). Future work is aimed at exploring pertinent supports to help improve their competency building experience (e.g., policy implications, training suggestions, platform design opportunities).

Next, we found that online freelancers' demographic characteristics, such as family arrangement, occupation, and work experience, mediate their recognition of and response to competency needs. Each demographic dimension helps identify distinct freelancer groups with varying aspirations and attitudes toward freelancing. Our preliminary findings indicate that there are numerous realities to online freelancing to be examined. Thus, we intend to continue our investigation into the three demographic factors as well as other indicators (e.g., gender, employment status) to better understand the heterogeneity of competency needs in online freelancing.

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