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*Building the future of work together*

## **The rise of online platforms reflects the changing nature of work**

**By Denis Pennel**

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**In today's labour markets workers and work are increasingly being matched through online platforms.** Their proliferation illustrates the growing diversity of work and in many ways the platforms have become an essential component in supporting this diversity, both in terms of work opportunities and workforce profile and aspirations.

**The success of online platforms reflects the changing nature of work and also the shift in what is *classified* as work.** While arguably *jobs* are less plentiful than a generation ago, there is still plenty of *work* around. The difference is that work is no longer packaged into our classic view of a job. Instead it is being broken down into its constituent parts, and contracted as a series of tasks to be performed. In the future, people might be jobless but not workless.

**It is important to recognise that not all online platforms offer the same service or client/customer relationship.** They can be broadly broken down into four groups: There are the purely **online employment agencies** such as Adia or Ploy which source and employ jobseekers in a model very similar to their high-street counterparts; then there are the job boards such as Monster or Indeed which are essentially a database of candidates matching work with workers (interestingly enough, some **social networking sites** such as LinkedIn and facebook@work are now also offering this kind of service); next come the **marketplace** platforms such as Upwork and Malt that seek to match organisations with freelancers able to undertake work in a host of different areas; and finally there are what I call the **crowdsourcing** platforms such as Amazon MechanicalTurk and CrowdFlower which advertise for people to undertake a host of on-demand micro-tasks from tagging photos to word translation.

**Increasingly, people don't hire a company to mow their lawn or configure their new computer but instead hire an expert directly through online platforms.** In this new talent-as-a-service model, the traditional employer/worker relationship is replaced by a client/supplier relationship where we are all both employers and workers, depending on what service we need or are offering.

**In many ways this new work reality suits people well. Take the ‘Millennials ’ for example: they are impatient and individualist and don’t want to be tied down to a job-for-life and a career path stretching ahead for decades.** They find it easier to find a client than an employer, and want to gain more control over their work relationship. They are also looking for balance in their lives and perhaps they have a point: in the developed world, anybody entering the labour market today has a life expectancy of 90 years plus and may well be working into their mid-70’s. Hence it makes sense to space out that work and take time to live their lives along the way.

**This ‘Slasher generation’ - as they are sometimes known - will often be juggling three different jobs – eg a contract for two days a week as an IT consultant for a company;** freelance troubleshooter helping individuals with their IT problems and a couple of days in a music studio playing bass and trying to launch a band. Online platforms allow them to do this and to work as much or as little as they like. As our working and home lives become increasingly blurred it is difficult to determine where work stops and leisure starts. Many of us handle online banking whilst at work and similarly far too many of us check emails at weekends and on holiday.

**The evolution of work contracts echoes this new reality.** While once the standard work contract was open-ended, year-upon-year, today we see people employed on three-four month contracts and even contracts where crowdworkers are hired by the hour or even the minute.

**In my opinion there are many advantages to this new approach to work.** Networking and word of mouth recommendations are growing in importance and replacing the master & servant relationship that constitutes the legal basis of wage employment. In a world where confidence in large organisations is waning, it is crucial that we reconcile individualism with collectivism in order to achieve a win-win situation for everyone.

Work contracts are becoming less relational and more transactional, with wages paid not for time spent but for results delivered.

**In short, work is becoming a commodity.** Permanent, open-ended contracts are being replaced by a series of short-term arrangements contacted with someone who you trust to deliver and with whom you enjoy working. While this represents a significant departure from the norm of 50 years ago, it also offers a far more democratic approach with workers involved in the client-supplier relationship and engaged and motivated to deliver a good job.

**Online platforms have challenged the traditional social partnership model for both workers and employers.** Work today can be contracted in a variety of different ways and we need to embrace this diversity and ensure that all workers are classified correctly – self-employed, employed full-time, part-time etc. As trade union membership falls, it is important to still foster dialogue between workers and users in the absence of collective bargaining.

**I believe that this marks a significant opportunity for labour markets.** The way forward is to improve dialogue and understanding on all sides and to undertake research in order to understand the facts and the trends. This way we can be sure to set in place policies that promote diversity and entrepreneurship while also upholding protection and predictability for all workers throughout their working lives.

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