

Career Trajectories in Online Freelance Platforms

Microsoft New Future of Work Workshop

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Abstract

Online freelance platforms have re-configured work in fundamental ways. Yet, despite the rapid growth of this new form of work, we have a limited understanding of its long-term experience, evolution or sustainability or how it influences freelancers' broader career goals. To address this gap, we conducted a set of surveys and longitudinal interviews with online freelancers. We find that online freelancing supports career transition, new career domain exploration, and entrepreneurial skill development. To realize these opportunities, online freelancers must develop strategies to combat a set of burdens that represent the overhead of maintaining an online freelancing career. As a growing number of organizations, clients and workers turn to online freelance platforms in the wake of the COVID-19 crisis, the challenges we identified have important implications for design and policy efforts to support a new future of online freelancing.

Introduction and Related Work

Careers no longer consist of a series of stable jobs within traditional organizations. Rather, careers are evolving to become task or project engagements across multiple employers, organizations and work contexts, in a short sequence, or even in parallel (e.g. Spreitzer 2017; Abraham et al. 2018; Katz & Krueger 2019). This fragmentation and taskification of careers is fueled in large part by the rise of the gig economy and “just-time-workforce” facilitated by digital labor platforms introduced over the last decade (De Stefano 2015).

Online freelance platforms like Upwork¹ and Fiverr² allow employers to connect with workers remotely and offer temporary positions (gigs). These platforms are a growing source of remote work for a large set of skilled occupations (e.g. software, sales and marketing support, writing and translation, data entry and professional services). Online freelancers are responsible for independently onboarding and learning how to start and navigate freelance platforms, selecting tasks and managing relationships with individual clients. Yet despite millions of workers turning to online freelance platforms (e.g. The Online Labour Index 2020), it is unknown how the precarious, independent, on-demand and platform-based nature of this work influences career experiences and evolution, specifically in the long term (e.g. Hirschi 2018, Ashford et al. 2018).

Previous work has largely described challenges online freelancers face in their day-to-day activities such as heightened uncertainty from algorithmically controlled reputation, or high commoditization

¹ <https://www.upwork.com/>

² <https://www.fiverr.com/>

of work and power asymmetries (e.g. Sutherland et al. 2019; Lehdonvirta et al. 2019; Rahman 2018). Further research has identified that some freelancers have career-growth orientated motivations for online freelancing—for example, skill development and entrepreneurship (e.g. Bellesia 2019; Margaryan et al. 2019). Yet, we do not know the extent to which these motivations are realized as individuals engage in online freelancing over many years, how their career challenges, goals and strategies evolve as a result of online freelancing and the practices they develop to participate in this form of work. To address this gap, we focus on the following research questions:

- What are the unmet information-seeking needs of early-stage online freelancers? (Blaising et al 2018; Blaising et al. 2019)
- What is the longer-term experience of online freelancing? (Blaising et al. 2020)
 - What challenges do online freelancers experience sustaining themselves through this form of work?
 - What strategies do online freelancers develop over time to manage their online freelance work?
 - How do online freelancing activities relate to broader career goals?

Over the last three years, our research has answered these questions through interviews with online freelancers over two time periods, complemented by a survey. We find that long-term engagement with online freelancing involves a unique set of financial, emotional, relational, and reputational burdens that represent the overhead of maintaining an online freelancing career. To cope with this overhead, we find that some online freelancers develop a set of strategies in an attempt to ensure security and sustainability within their career. Finally, we find that online freelancing shapes and supports longer-term career goals and development in unique ways. Specifically, we highlight three cross-cutting career development opportunities that emerged frequently in our longitudinal data: career domain exploration and transition, entrepreneurial training and reputation and skill transfer. Our findings raise critical questions about the potential and sustainability of online freelancing.

The economic impact of the COVID-19 pandemic has propelled many newcomers (previously laid off from traditional work) and organizations (needing to quickly adapt their workforce and mitigate risk) to turn to online freelance platforms (Stephany et al. 2020). This influx of newcomers raises questions about whether and how online freelance platforms can support temporary employment and career resilience in spite of the overhead workers must carry, and how organizations can leverage online freelance platforms to digitize their operations. In addition, new workers and clients may have shifted the nature of work itself. There is a need for continued investigation of the experience of online freelancers, and the opportunity to revise policy and design to minimize the challenges of online freelancing and amplify the career development benefits.

Prior Work: Online Freelancer Information Needs and Career Trajectories

Method

We conducted a set of interviews with online freelancers over two time periods complemented by a survey. In the first time period, from June to August 2017, we conducted in-depth interviews with 29 online freelancers and surveys with 198 online freelancers recruited from three online platforms:

Fiverr, Upwork and Etsy. Our interviews focused on participants' motivation for online freelancing, their initial work conditions and challenges. We conducted a qualitative analysis of our interviews and surveys to identify initial information needs (Blaising et al. 2018). Based on additional qualitative analysis of our interviews and surveys in the summer of 2019, we conducted longitudinal follow-up interviews with 20 online freelancers two and a half years later. Our interviews focused on the online freelancers current task management practices, their experiences (offline and online) over the two year period with skill development activities, strategies for managing their careers over time and across tasks, and future goals. We analyzed our longitudinal data by mapping online freelancers' career trajectories in terms of their activities, experiences and important events over the two year period, analytical memoing and qualitative coding (Blaising et al. 2020).

Results

Initial information-seeking needs

Our analysis suggested that the design of online freelance platforms often constrains opportunities to engage in traditional information-seeking behaviors (e.g. overt questions and observing) commonly used to reduce uncertainty and successfully navigate new roles and expectations (e.g. Morrison 1993; Miller & Jablin 1991). We found that online freelancers often lack critical information on client expectations, algorithmic ranking, reasons for other online freelancers' success and feedback necessary to improve their work (Blaising et al. 2018). Furthermore, we find that online freelancers navigate a set of critical events (e.g. working with online clients for the first time) that contribute to heightened uncertainty (Blaising et al. 2018, Blaising et al. 2019).

Our findings on online freelancers' information-seeking needs bring to light important social implications of information accessibility and asymmetries in online freelance platforms. For example, our findings highlight that accessing information necessary to reduce uncertainty and identify ingredients necessary to successfully launch one's online freelancing career is challenging for early-stage online freelancers. Some online freelancers who discover new tactics to obtain vital, yet often hidden information (e.g. successful practices, feedback to improve their work), are able to reach their financial and professional goals for their career (Blaising et al. 2018). Yet, others who fail to discover tactics to uncover this information, are often left behind, failing to make their work financially sustainable or reap the skill or career development potential from their online freelance work.

Maintaining an online freelancing career has financial, reputational emotional, and relational overheads

Our longitudinal analysis of participants' trajectories showed that online freelancing was not sustainable for many because of the additional labor and stress imposed by the nature of this work. The independent, temporary, taskified and platform-based nature of this work placed a financial, emotional, relational, and reputational overhead on online freelancers. Freelancers struggled with income uncertainty (financial overhead), the burden of self-management and difficulty balancing offline responsibilities (emotional overhead), lack of social support (relational overhead), and client relationship management (reputational overhead). This overhead either persisted, compounded, or

emerged since our initial interviews, limiting longer term financial success and exacting emotional costs such as burnout and work-related stress.

Overhead management strategies

Online freelancers in our sample developed a variety of practices to mitigate freelancing overhead including: diversifying their work sources, modulating their repertoire of online freelance domains based on market demand, client feedback and client relationship maintenance, delegating work to other online freelancers (or re-outsourcing), and increasing client and job vetting practices. For example, online freelancers in our study often reported learning new skills or expanding their domain of online freelance work behind-the-scenes to secure additional work from an existing client in order to guarantee an ongoing stream of income or to protect their reputation.

Career opportunities of online freelancing

Although online freelancing imposed substantial overhead, we found it also afforded three cross-cutting career opportunities: career domain exploration, entrepreneurial training, and reputation and skills transfer. For example, we found that our participants leveraged online freelance platforms to identify, explore and experiment with new online and offline domains as they considered alternative career paths. Additionally, we found that online freelance platforms enabled online freelancers to identify market gaps through tasks and exposure from clients on-platform. Online freelancing also served as a unique form of entrepreneurial training for some, supporting both domain-specific and business skill development relevant to entrepreneurial aspirations.

Ongoing Work: Career Resilience and Transitions

During the pandemic a large number of newcomers (previously laid off from traditional work) have flooded into online freelance platforms. This shift provides a timely opportunity to understand how these platforms, with their inherent flexibility, might cushion the economic blow in times of uncertainty. It is an opportunity as well to understand the access and sustainability challenges of remote work more broadly. Our prior data offers a unique baseline to compare the post-pandemic experiences of online freelancers.

Interviews and surveys with new and existing online freelancers

In our current research, we are planning to conduct interviews with newcomers on online freelance platforms to understand their experience during the transition to remote work during COVID-19, and with existing online freelancers to understand their experience in the face of shifting demand for skills and types of tasks. We will cover topics related to newcomers' career trajectories (including career exploration and resilience during unemployment), mentorship, self-presentation, and information needs. To build on our longitudinal findings, we will conduct additional interviews with existing online freelancers to learn how they are managing different forms of overhead identified in our preliminary work to understand how this crisis has affected their career as a whole. To validate our interview findings, we plan to conduct a large-scale survey with new and longer-term online freelancers. Our survey will allow us to expand and test findings from our studies

of career trajectories and information needs, as well as our interviews on career resilience and transitions in the wake of COVID-19.

Tool development

Based on the findings from our empirical work we plan to develop tool designs to reduce the overhead of online freelancing and better support long term career development. We will leverage participatory design methods to work directly with online freelancers to develop tools that help them mitigate the overhead of online freelance work and manage skill and business development activities.

Discussion: Implications for a New Future of Online Freelance Platform Work

Our research underscores the need for policy and design to improve the long term sustainability of online freelancing as a viable form of primary employment that does not incite burnout and stress (ILO 2018; Gray & Suri 2019). Effective change, however, will require a multifaceted approach including platform redesign, development of career support tools and resources, as well as new laws and regulation, freelancer organizing efforts (e.g. Gerber & Krzywdziński 2019; Gray & Suri 2019; Johnston & Land-Kazlauskas 2018). Technology and tooling should not be seen as a cure-all. Furthermore, the pandemic has exposed the “shadow labor market” and the lack of benefits for freelancers, presenting an opportunity to leverage this awareness to catalyze change at both a design and policy level (MIT 2020).

We believe our findings have direct implications for design and policy that improves the sustainability and accessibility of online freelancing (Blaising et al. 2020). Here, we draw attention to a subset of those implications for supporting online freelancing as a new form of work.

Designing to address information inaccessibility and online freelancers’ information-seeking needs

Our findings suggest that platforms and clients need to better support the information-seeking needs of newcomers in online freelance platforms. Algorithmic opacity, platform design and the absence of traditional colleagues or mentors in an online freelance setting constrain information-seeking opportunities. Our research shows that these constraints can make it difficult for newcomers to observe or get feedback on the ‘correct’ way to work in order to improve and make their online freelance career sustainable in the medium or long term. In our research we observed freelancers using workarounds like becoming clients themselves in order to observe the work patterns and practices of other freelancers. By putting out their own calls for work they were able to see typically hidden information (e.g. what successful proposals for different jobs looked like, or what stands out when comparing applicants), and key platform functions (e.g. how clients privately rate freelancers). Future work could investigate tools or systems that incentivize and scaffold peer mentorship as a means to provide accessible and critically absent social and career support at scale. Platform designs could also amplify and make more accessible novel and

successful information-seeking behaviors by allowing newcomers to observe the strategies and work of expert online freelancers in-situ.

Supporting the interaction between online freelancing and off-platform career goals

Our findings point to an increasing need for design, policy, and career support tools to mitigate risks associated with the interaction between online freelancing and off-platform career goals. We found freelancers struggled transferring skills or experience and gaining legitimacy off-platform or offline. For instance, in our research we observed that some freelancers' internal platform reputation and expertise (e.g. reviews, ratings) often held little signaling value or credibility as they attempted to transfer their experience across platforms or to a traditional employer, for example. Our findings point to an overarching need to understand and mitigate the barriers associated with transferring internal reputation off-platform through the design of new policy and tools.

We also observed freelancers leveraging online freelance platforms to explore new career domains with little explicit support to do so. As people increasingly turn to online freelancing for career development opportunities, and as freelancers attempt to adapt in the face of changing demand for certain skills, platforms should consider how to make exploration and experimentation more effective. For instance, platforms and tools might assist freelancers to identify pathways, gain necessary skills, secure opportunities (e.g. paid apprenticeship with other online freelancers) and access reliable feedback on their work in new domains. As many temporarily turn to online freelance platforms to manage unemployment, the connection to off-platform career opportunities is more important than ever. The pandemic accelerated surge in platform-based work presents an opportunity to deploy tools and introduce policy that supports the interaction between online freelancing and off-platform career goals.

Mitigating power asymmetries and scaffolding client-online freelancer relationships

Our findings suggest that some clients play a positive role in freelancers' "developmental network" (Higgins 2001). For example, in our research we observed that some freelancers' clients served as mentors by suggesting new skills to explore and providing learning opportunities. We even observed some freelancers' client relationships evolve from client-freelancer to entrepreneurial business partners. At the same time, client relations contributed more often (and even simultaneously) to the overhead freelancers had to manage. Our prior research points to several policy and design opportunities to address power asymmetries and support career development opportunities in client-freelancer interactions (Blaising et al. 2020). Platforms could scaffold and augment client mentorship behaviors to better support freelancers' career development and mitigate the reputational and relational overhead of client relationship management. For example, platforms could utilize simple checklists to encourage and incentivize mentorship behaviors in client messages to freelancers. Tools with natural language processing could provide real time feedback while clients craft messages to freelancers to encourage mentorship behaviors and content in their interactions.

Conclusion

Online freelancing represents an important future of work as organizations increasingly hire contractors and freelancers on digitally mediated labor platforms. Our research has two important

implications for this new future of work. First, to build a more sustainable future of work, we need to better support the information needs of new online freelancers and reduce the overhead of online freelancing careers through both design and policy. Second, there is an increasing need for designers and platform creators to better support career development activities through online freelancing.

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