



Gig economy in Romania. Insights from a preliminary qualitative study with gig workers

Corina BUZOIANU
Monica BÎRĂ
Maria IGNAT
Andrei GHEȚU

National University of Political Studies and Public Administration
Bucharest, Romania

corina.buzoianu@comunicare.ro
monica.bira@comunicare.ro
maria.ignat@comunicare.ro
andreiogt@gmail.com



Abstract. *The rising trend of the gig economy significantly influences the labor market and work culture, as an increasing number of individuals seek out flexible work arrangements and participate in on-demand work opportunities. This shift has profoundly impacted societies and economies, particularly in light of the COVID-19 pandemic. Additionally, new forms of work and entrepreneurship within the gig economy have disrupted conventional notions of employment and raised questions about traditional employer-employee relationships.*

This article presents initial findings from a qualitative study exploring the difficulties encountered by gig workers in Romania. Its objective is to understand how these challenges impact gig workers' lives and career paths, who represent a new generation of employees. Currently, information and studies on the gig economy and gig work in Romania are limited, and therefore, extant regulatory policies and mechanisms may be adapted to answering emergent work relationships. The current research aims to emphasize the necessity of a shared conceptual framework and the development of regulations and public policies concerning the gig economy and gig work in Romania, with the aim to be instrumental to policymakers, organizations, labor market specialists, scholars, and other interested parties in enhancing their understanding of gig workers in emerging economies.

Keywords: *Gig work, Gig economy, Qualitative analysis, Independent worker in Romania.*

JEL: C35, E02, J81.

1. Work in the realm of the gig economy

In 2016, the International Labor Organization anticipated that the gig economy would change the way people perform labor and change their expectations from organizations in terms of work-related activities. Today, although the exact number of people who engage in gig work is not known, it is estimated that worldwide, there are millions of gig workers (Pew Research Center, 2021; Statista, 2022). The increased practice and activities related to the gig economy have a direct impact on both the work and labor market, with more people now preferring flexibility and engaging in on-demand work arrangements. With the spread of this phenomenon, mainly in the context of the COVID-19 pandemic, economies and societies have been subject to change (Campion et al., 2020; Caza et al., 2022). In addition, the new forms of labor and business that emerged during the recent years under the umbrella of the gig economy and gig work disrupted traditional ways of understanding employment and challenged traditional employer-employee relationships. Consequently, exploring the gig economy and gig work should be part of any consistent attempt to understand the current anatomy of the labor market, business, and the economy at large (see Healy et al., 2017) and its direct impact on individuals and organizations.

Extant studies on the gig economy and gig work (Donovan et al., 2016; Weil, 2017; Fabo et al., 2017; Caza et al., 2022) stress the importance of developing a solid conceptual framework and delving deeper into the obstacles caused by gig work and different forms of independent work. Although it is acknowledged that gig and independent work are not the only new forms of work (Ashford et al., 2018; Goods et al., 2019) and that it is important to investigate and understand their mechanisms and features, until now, the conceptual consensus is scarce (Fabo et al., 2017). Drawing on the literature in the field and on reports and available data on the gig economy, gig workers are referred to as self-employees, freelancers, independent contractors, and individuals working on their own (Healy et al., 2017, Wood & Lehdonvirta, 2021; Caza et al., 2022; Pew Research Center, 2021; Statista, 2022). Mainly described as independent work mediated by online platforms (see De Stefano, 2016; Veen et al., 2020), gig work is typically associated with labor performed on specialized platforms, although its manifestations may vary, and gig-related work can be carried out through various means. Thus, some studies suggest an appropriate lens through which to view gig work is independent work, characterized by short-term engagements and payment based on tasks or projects.

(Donovan et al., 2016; Campion et al., 2020). Whether using facilitation platforms or not, gig workers are individuals who sign up for tasks or projects for which they are paid on a task or project-based basis rather than receiving a salary (Weil, 2017; Caza et al., 2022). Consequently, gig workers face significantly more challenges compared with employees, as their work is paid only per task or project, which leads to financial insecurity. Moreover, as it is pointed out (Duggan et al., 2020), gig and independent workers have not only to contend with volatile income, but they are also not afforded social and health insurance benefits, as is typically the case for regular employees.

This paper presents some of the preliminary results of a qualitative study seeking to examine the existing challenges faced by gig workers in Romania. Its aim is to gain a deeper insight into how these challenges affect the lives and career trajectories of gig workers as a new generation of workers. To our knowledge, at this moment, data and reports on gig work and the economy in Romania are scarce, and, consequently, regulatory policies and mechanisms are also in their very beginnings. In this line, the study aims to highlight the importance of a shared conceptual framework and the development of regulations and public policy regarding the gig economy and gig work in Romania.

The paper hopes to support policymakers, organizations, experts in the labor market, scholars, and other stakeholders in enhancing their understanding of gig workers in emerging markets.

2. Method

The present paper is grounded in a larger qualitative study that we conducted on Romanian gig workers, looking to unveil the mechanisms, features, and unique aspects of gig work as perceived by our participants. In doing so, we delved into how the interviewees describe their personal experience with the gig work and gig economy by addressing the working routine, perceived advantages and motivation mechanisms. We developed a semi-structured interview guide, organized in four dimensions looking to explore how participants started to engage in the gig economy, their experience and motifs for continuing, the challenges they faced and their current needs. We also examined how our interviewees define their work and perceive their roles in an effort to understand the meanings they attribute to gig work. We conducted nine semi-structured interviews, labeled numerically. The

interviews were primarily conducted in December 2022 in the Romanian language and lasted from 60 to 95 minutes each. All interviews were audio recorded with the informed consent of participants.

One of the initial challenges in conducting the study was linked to the selection of participants, as in Romania, gig work and the gig economy are less used. Consequently, we had difficulty distinguishing gig workers from freelancers and independent contractors, like self-employees. To overcome these difficulties, we selected only participants who performed independent work mediated by platforms, as this may be considered, based on extant studies and reports, one of the characteristics that differentiate gig work from other similar work. When selecting the interviewees, we asked them if they performed work in Upwork or Fiverr or any other similar platforms. Of the nine participants in our study, two were currently full-time employees and had engaged in gig work in the past. Their work experience ranged from 4 to 19 years. They had different backgrounds and expertise areas from marketing & communication, coaching, project management, eLearning, video editing, graphic design, video animation, art direction, multimedia design, SEO, and digital strategy.

Data emerging from the semi-structured interviews were subject to open coding, used to identify the ways in which our participants give meaning to gig work and the gig economy and how they perceive the obstacles and challenges, the impact on their daily life and the benefits of this type of work, when compared with employees' benefits. In our data analysis process, we employed axial coding in conjunction with open coding to further categorize and subcategorize the data. Axial coding was employed to identify common themes and the relationship between the concepts emerging from data.

3. Data analysis

The preliminary results of our study, based on the semi-structured interviews, reveal some interesting elements regarding the way our interviewees perceive themselves and refer to the work they perform in the gig economy. Also, data emerging from our research points to the mechanisms of gig work and the main challenges that individuals who engage in these activities face.

Not a gig worker but rather self-employed

Drawing on data from the current study, we observed that the taxonomy of gig work is consistent with elements already noticed in the preliminary stages of the research. Although interviewees use the term gig economy and acknowledge the multidimensional changes brought by new forms of work and new ways of being paid for performing work, they do not refer to themselves as gig workers. Instead, they consider themselves as self-employed and independent workers, most of the time using the word freelancer. Participants perceive themselves as freelancers running their own businesses, as they are responsible for the entire process of signing up for a job, getting it assigned, completing the work, and receiving payment. However, unlike regular employees, gig workers often face challenges such as financial instability and lack of social and health insurance. Despite these differences, gig workers consider themselves independent contractors who manage their own work, finances, and risks associated with their gig work. They consider themselves as “freelancer”, “entrepreneurs”, and “self-employed”, mentioning that their activity is more complex and difficult compared to an employee. According to our participants, the complexity and high level of challenge are linked to the need for extended knowledge and expertise compared to working in a conventional employment setting. As some of them mention, various skills and knowledge are needed for the work performed in the gig economy: “You need to have more knowledge than just your job to make it work”.

Multitasking and using different skills and knowledge are considered key for working in the gig economy and building a portfolio of clients. Among the required skills, all participants mentioned the importance of building a reputation and self-promoting on the platforms. Highlighting personal expertise, knowledge, and capabilities in the cover letter submitted by workers to secure a job on the platform is deemed indispensable.

Flexibility, uncertainty, and financial insecurity

Both advantages and disadvantages were mentioned compared with working as an employee. In the majority of cases, our interviewees used the traditional employer-employee relationships and classical labor framework as a reference. During the interviews, participants stressed the importance of flexibility and remote work. These two are considered the main benefits of working in the gig economy, along

with empowerment and a feeling of independence in one's own work. To set one's own schedule and sign up for jobs or projects, as opposed to being assigned tasks within a traditional job, is often referred to as a significant advantage. The most frequently named disadvantages are linked to financial insecurity, unstable income and low predictability. This situation is looked to as critical in the early stages for someone working in the gig economy and is considered to be the cause of many people giving up on this type of work and getting a full-time job. This is due to the fact that financial instability triggers uncertainty and anxiety, which is hard to navigate through.

Some rules and no regulation

A gig worker, as well as the organization announcing a project or task on a gig platform, has to observe the rules imposed by the platform. With each platform organizing the different stages of announcing and, respectively embarking on a new project/task, the precedence in rules and regulation to be respected seems to be entirely dependent on the platform. Regardless of the economic environment where workers – and organizations – are placed, platforms rules are the main rules. Outside ensuring that some work result is delivered, there isn't a specific regulation of this type of activity, nor a mechanism to ensure that both rights and obligations are respected by all parties involved.

4. Discussion

The preliminary findings of our research point out that the terminology used to describe the gig economy and gig work lacks consensus or consistency. In line with the extant conceptualization of the terms, we notice that instead of gig work, participants in our study use freelancers, self-employed, independent workers, and sometimes entrepreneurs. They perceive their work as complex, as it demands a diverse set of skills and expertise that surpasses the requirements typically seen in traditional work environments.

The work mediated by platforms like Fiverr and Upwork needs constant and solid self-promotion and marketing strategies, as in the case of freelancers and small businesses using direct marketing (“you need personal branding”; “promote your business”). Devoting time and effort to build a reputable personal brand is seen as

a key aspect and sometimes even more important than possessing the actual skills to deliver the project. To all these, it is worth mentioning that taking care of accountability, insurance and administrative and legal requirements needs much effort and project management skills. Basically, the gig worker has to deal with all the aspects that regulate a small business in relation to authorities and public administration.

Adhering to legal requirements is considered by respondent through the lens of business and entrepreneurship and it usually refers to paying taxes. As one respondent frames the issue: “you have to deliver an invoice if you want to be perceived as a serious business, and, also, important company will not want to associate with you if you don’t act legally”. The discussion about advantages and disadvantages of independent/gig work opens a window in understanding how workers perceive their relation to work relations in general, and with social and health benefits as a resultant of their work. With income instability considered one of the main disadvantages of freelancing and independent work, not much space is allowed for social security or health problems. Of their own initiative, respondents did not address these topics during the interviews.

Also, most of them were focused on adhering to the rules of platforms and discussing provisions to ensure they receive the payment initially agreed upon: concern for regulations did not exceed these two realms: acting legally in relation to the State (on concerns based on reputation) and acting in accordance with platform rules and getting good reviews.

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