

# Make Your Publications Visible.

#### A Service of



Leibniz-Informationszentrum Wirtschaft Leibniz Information Centre for Feonomics

Galpaya, Helani; Senanayake, Laleema

#### **Conference Paper**

# Online freelancing: Potential for digital gig work in India, Sri Lanka and Myanmar

The 22nd Biennial Conference of the International Telecommunications Society: "Beyond the boundaries: Challenges for business, policy and society", June 24th - 27th, 2018, Seoul, Korea

#### **Provided in Cooperation with:**

International Telecommunications Society (ITS)

Suggested Citation: Galpaya, Helani; Senanayake, Laleema (2018): Online freelancing: Potential for digital gig work in India, Sri Lanka and Myanmar, The 22nd Biennial Conference of the International Telecommunications Society: "Beyond the boundaries: Challenges for business, policy and society", June 24th - 27th, 2018, Seoul, Korea, International Telecommunications Society (ITS), Seoul

This Version is available at: http://hdl.handle.net/10419/190388

#### Standard-Nutzungsbedingungen:

Die Dokumente auf EconStor dürfen zu eigenen wissenschaftlichen Zwecken und zum Privatgebrauch gespeichert und kopiert werden.

Sie dürfen die Dokumente nicht für öffentliche oder kommerzielle Zwecke vervielfältigen, öffentlich ausstellen, öffentlich zugänglich machen, vertreiben oder anderweitig nutzen.

Sofern die Verfasser die Dokumente unter Open-Content-Lizenzen (insbesondere CC-Lizenzen) zur Verfügung gestellt haben sollten, gelten abweichend von diesen Nutzungsbedingungen die in der dort genannten Lizenz gewährten Nutzungsrechte.

#### Terms of use:

Documents in EconStor may be saved and copied for your personal and scholarly purposes.

You are not to copy documents for public or commercial purposes, to exhibit the documents publicly, to make them publicly available on the internet, or to distribute or otherwise use the documents in public.

If the documents have been made available under an Open Content Licence (especially Creative Commons Licences), you may exercise further usage rights as specified in the indicated licence.



# Online freelancing: Potential for digital gig work in India, Sri Lanka and Mvanmar<sup>1</sup>

#### Helani Galpaya and Laleema Senanayake

#### **Abstract**

Nature of the work done is changing due to the advancement of information and communication technology. To gain the advantage of lower cost in developing countries business processes were outsourced from developed to developing countries by organizations during the late 20th and early 21st century. Now, with the digital economy<sup>2</sup> work is outsourced by organizations as well as individuals to anyone, anywhere around the globe over platforms or apps. These work are known as gig work/ cloud work. This research explored potential for gig work in India, Sri Lanka and Myanmar in terms of the labour market trends of these countries. It also looked at enabling factors and challenges of involving in gig work by online freelancers/digital workers.

Key words: Online freelancing, micro-work, digital labour, gig work, cloud work, India, Sri Lanka, Myanmar

#### 1. Introduction

Almost half (47%) of the world's population was using the Internet by the end of 2016 (ITU, 2016). A World Bank study in 2009 indicated that for every 10% increase in broadband penetration there is a 1.38% increase of economic growth in developing countries. Industries such as e-commerce, e/m banking and egovernance have emerged as the results of growth in the broadband sector. With the increase of broadband and the Internet, the nature of work and outsourcing is changing rapidly. Research has identified that Internet technologies have positive labour externalities but extremely dedicated towards skilled workers who will most likely be employed (Galperin and Viecens, 2014). By the advancement of technologies work was outsourced from developed to developing countries in the form of business process outsourcing (BPO) and rural outsourcing where a skilled worker base is available at a relatively lower cost. During the last two decades a new form of workplace has emerged in the form of online freelancing/micro-work where buyers and sellers can register as users on a digital labour platform and get their work done (gig work). Micro-work involves the breaking down of large chunks of work in to small and simple tasks that rely on human intelligence, and the distribution of these "micro tasks" among workers via the Internet; this enables greater cost efficiencies across geographic boundaries (Kuek et al., 2014). This helps buyers to break large chunks of work to small tasks and outsource as low value projects/gigs online. As the amount paid per task is extremely low, buyer can outsource the tasks to multiple workers online and get the work done.

<sup>&</sup>lt;sup>1</sup> This work was carried out with the help of a grant from the International Development Research Centre, Ottawa, Canada and the Department for International Development, UK.

Also known as platform economy in some places

These platforms have contributed to a global workplace where anyone can post or work from anywhere in the world at any time for an agreed fee/rate. Similar to this, online freelancing is comparatively high value and moderate/ high complexity tasks outsourced on digital labour platforms. By the emergence of online freelancing/micro-work, workers around the globe who were not able to work otherwise, unemployed, underemployed, people who are willing to work online to earn extra are starting to work online in digital labour platforms. Given the potential that online freelancing/ micro work has for increasing inclusion in labor markets, it is important for policymakers to understand the enabling factors as well as the barriers to its proliferation, so as to be able to create an enabling environment for the market to develop. In this context, this research looks at potential for gig work (working in digital labour platforms) in India, Sri Lanka and Myanmar.

#### 2. Research questions

This research explores the micro-work/ online freelancing contexts in India, Sri Lanka and Myanmar to understand the nature of the industry in each country. It specifically tries to address the following research questions:

- What are the factors that enable online freelancing?
- What are the barriers / constraints to involve in online freelancing?

## 3. Theoretical background

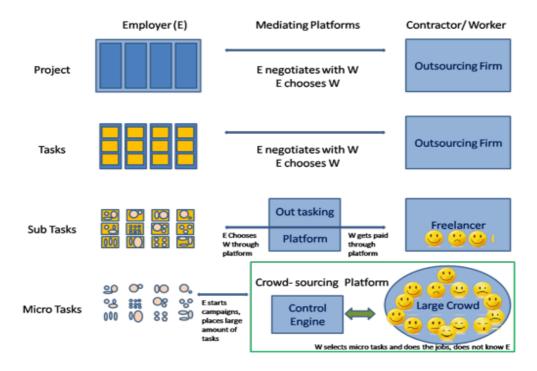
#### 3.1 Digital labour platforms

The contribution of technology to changing the boundaries of the firm was studied in the early twentieth century by Coarse (1937). Technology has changed the way people work and affected work dynamics immensely during the last century. Business processes of global multinational industries were outsourced to companies in developing countries with Internet facilitating the transfer of large amounts of data from one location to another. The low cost of skilled labour in developing countries added a competitive advantage to these organizations and business processes were outsourced to leverage this advantage and generate more profits to multinationals. Currently, a new form of outsourcing is taking place in the form of digital labour platforms<sup>3</sup> (Graham, Hjorth and Lehdonvirta, 2017). These platforms facilitate the meeting of buyers and sellers in an online workplace. Buyers post gigs/jobs on these platforms and sellers bid for these on the platform itself. The buyer selects a seller from the list of sellers bidding for the task. Then the buyer and seller agree on a payment and timeline and the seller delivers the work online through the platform accordingly. For sellers, online outsourcing has generated new opportunities to access work in a global market, anywhere at any time, as long as they have a computer, internet access and the necessary skills (Kuek et al., 2014).

<sup>&</sup>lt;sup>3</sup> These markets have also been named 'online labour markets.' This article only focus on Sri Lankans, Indians and Myanmar people working on cloud work platforms (web based digital labour)

These online platforms can be categorized based on location where the tasks are performed and the specific skill of the person who provide services over the digital labour platform (Schmidt, 2017). Based on this classification, two main types of digital labour platforms can be identified: cloud-work platforms (web-based digital labour) and gig work platforms (location-based digital labour). In this contribution, the focus is on digital work that takes place in cloud work platforms (web-based digital labour).

Figure 1: Graphical representation of crowd work (web based digital labour) platforms



Source: Tobias Hoßfeld, Matthias Hirth, Phuoc Tran-Gia, 2011

#### Labour market trends in India, Sri Lanka and Myanmar

Employment in the primary sector (agriculture) was declined during the last 5 years in India while that in secondary (manufacturing) and tertiary sectors (services) was increased. India also has the one of the lowest female labour force participation rates (LFPR) in the world exhibiting a declining trend since 2004-05. The increase in casual labours and contract workers is another challenge India face. It is seen that contract and casual labour in India are not complementing, but competing each other.

LFPR rate in Sri Lanka is low compared to its peers. This is mainly because female labor force participation is low in Sri Lanka. Central Bank of Sri Lanka (2015) reports that women's participation in the labor force has significantly increased after independence in 1948 compared with men. Yet, the female labor force participation rate in Sri Lanka was at 35.9 percent in 2016. Overall youth (15-24 years) unemployment rate in Sri Lanka was more than 4 times higher than

national average. Unemployment was higher among the educated youth in Sri Lanka.

Myanmar economy opened up on 2011 with a set of transformative political and economic reforms by the government at the time.<sup>4</sup> This had an effect on countries economic and social development. <sup>5</sup> Census of Myanmar reported more than half a million children in the 10-14 age-group were already working and seventy seven thousand were looking for work. International Labour Organization (ILO) defines persons in vulnerable employment as those who are employed as either own account workers or contributing family workers. These are employment types that are vulnerable due to economic risks because of weak employment arrangements. In Myanmar, there are 56.2 per cent of the country's working population was working in this category.

Overall, in all 3 countries female labour force participation was low and the vulnerable employment was high in India and Myanmar.

### Methodology

To answer the research qualitative data were collected in each of the three countries by the authors. To identify the factors enabling and challenges faced by freelancers focus group discussions (FGDs) and in-depth interviews (IDIs) were conducted among 32 respondents within the age of 16-40 and from urban locations in Sri Lanka were used. Current and potential freelancers were recruited using multiple approaches such as purposive sampling (posting on Facebook) and snowballing.

In India, 50 online freelancing firms were identified and 18 platforms were selected and expert interviews were conducted with the platform owners/representatives to identify the type of platform, task complexity, applicable sector, revenue model and availability of job seeking options. FGDs and IDIs similar to those conducted in Sri Lanka were conducted among a sample of 301 current and potential workers in India. Fifty-seven FGDs and 18 IDIs were conducted in urban and semi-urban India.

Similarly, in Myanmar, a sample of 92 current/ potential freelancers and three experts were interviewed. Research was conducted in two population centers, the Yangon division and Mandalay city.

#### Results and discussion

5.1 What are the factors that enable online freelancing?

A range of work are outsourced in platforms

<sup>&</sup>lt;sup>4</sup> https://thediplomat.com/2016/11/myanmars-opening-doing-business-in-asias-final-frontier/

https://myanmar.unfpa.org/sites/default/files/pub-pdf/4G Labour%20Force%209JUNE forWEB.pdf

Oxford Internet Institute iLabour project<sup>6</sup> revealed that digital workers in different countries are specialized in different types of work. iLabour project revealed digital workers in India mostly did software development and technology and Sri Lankans did creative and multimedia. This was confirmed in qualitative studies conducted in Sri Lanka and India. Workers from Myanmar mainly did writing and translation. There were a range of work to select from and the digital workers did the work that they are skilled and comfortable in.

#### Ability to build connections with offshore customers/large customer base

Digital workers prefer to work with clients with certain countries and regions. Successful digital workers were able to build relationships with their customers in platforms and start working with them away from the platforms. Most digital workers in Sri Lanka targeted US/ UK and Australian buyers while some workers worked for buyers from any country. Specific targeting of buyers from Western countries was because they pay for the work done and because it was easy to work with them. In India, digital workers worked for local as well as buyers from other countries whereas in Myanmar the digital workers mostly worked for local buyers.

"I worked for a New Zealand customer. Then he came out of Fiverr and contacted me directly and I continued to work with him"

R5, Male, Digital worker (cloud work platform), Colombo, Sri Lanka

#### Ability to outsource work/ can do business based on the platform

Some digital workers interviewed in studies in India and Sri Lanka acted as the middle person (intermediary), getting the job from the platform and outsourcing it to other digital workers. We came across a few emerging businesses based on these platforms, where registered high rated digital workers in these platforms hired others to do their work and paid them a lower rate for the work done.

"I created the profile and kept. I wrote everything. I try to get the job most of the time. I get the job and give some other person to do the job"

R5, Male, Digital worker (cloud work platform), Colombo, Sri Lanka

"He has a small company and he has 4 employees. He does logo design. He charges USD150 per logo. That is the thing with top seller. Everyone comes to him"

R6, Male, Digital worker (cloud work platform), Colombo, Sri Lanka

#### Flexible working hours

Digital workers in Sri Lanka, India and Myanmar emphasized the benefits of flexible working hours as a major advantage of working online. Having control

<sup>6</sup> http://ilabour.oii.ox.ac.uk/

over time (having the options of working at night from home/ working during office hours/ staying at home and working), ability to avoid rush hour traffic, scheduling work among the available free time were a few of the benefits that digital workers in all three countries mentioned.

## Work can be done from anywhere, at any time

Most digital workers do this work at night, after they go home from work. This is because their fulltime job or education needs their attention 8-5. Ability to work form anywhere at anytime was an enabling factor, as most digital workers did this work as a secondary source of income.

"I work at night most of the time. I go to university and come home and do this work in the evenings"

R1, Male, Digital worker (cloud work platform), Colombo, Sri Lanka

## Soft skills of digital workers were developed by working online

Digital workers in all three countries were in agreement that working online developed their soft skills.

"Yes, especially time management and also client relationship. It also helped me personally. Now if a person talks to me, I can guess what kind of person he is and what he wants to say. Because of the experiences I got as a digital worker, my communication skills has improved"

R7, Female, Digital worker (cloud work platform), Yangon, Myanmar

# Working online is seen as a way to earn much needed extra income

For already employed, unemployed and underemployed, working online was a way to earn extra. The amount earned online by digital workers were mostly in addition to a salary, since majority of them earned this amount while engaging in a full-time job. This additional earning has helped many digital workers to improve their living standards.

"I was saving up for a computer. So, I wanted to save a bit of cash. My friend had told [another mutual friend] about it, so, I called my friend and somehow got into it."

R 30, Female, Digital worker (cloud work platform), Colombo, Sri Lanka

Some digital workers started working online to get away from the underemployment and unemployment they face in the local job market.

"When I used to work in Thane, I had to spend around INR 50 – 70 (USD 0.7-1) rupees as my travelling expenses. I used to get INR 4000 (USD 60) rupees as my salary. More than half of my salary went on my travelling expenses. But still I used to work there because it does not look good for a young boy to sit

at home jobless in our society. So I worked there. I met one of my office clients there who told me about this work. He told me that I was wasting my time at that office. He asked me to go to him and learn this work and do it on my own"

R78, Male, Digital worker (social media platform), Mumbai, India

"One fine day, I quit my job and I started searching for a job. At that time, I couldn't get any job. So I started this and I was earning money. So I thought, instead of being jobless. I can do work online"

R21, Male, Digital worker (cloud work platform), Bangalore, India

Income from online work was often reported higher than full-time traditional work in Sri Lanka and Myanmar. Therefore, people who were not satisfied with payments and job conditions in full time traditional jobs entered working online.

"We can live on this, on platform work. We can earn double and triple what they pay in Lanka."

R6, Male, Digital worker (cloud work platform), Colombo, Sri Lanka

Table 1: Average income per month by working online

Type of work	Country	Examples of type of work	Earnings per	Earning per job	Platforms used
			month		
Professional	Sri Lanka	IT support	USD 70-	USD 15-20	Fiverr
services		Legal research	100	USD 100	Freelancer
			USD 100-		Upwork
			200		
	India	Project	USD 15-	USD 0.15 per	Facebook,
		management	230	sq.ft for	Frapp,
		Accounting		interior	Instagram
		Social media		designing	
		consultant			
	Myanmar	Architecture	USD 109-		ChateSat
		design	291		Facebook
		AutoCAD			
		design			
		Accounting			
		Travel and	USD 364-		
		tourism	437		
			USD 182-		
		Teacher	437		
			USD 218-		
		Model	364		
Clerical and	Sri Lanka	Data entry	USD 40		Fiverr
data entry	India	Translation	USD 15-	USD 0.1- 0.77	Translators
		Transcription	90	per word	café, Guru,
		Formatting		USD 6 per 1	Fiverr,
		documents		hour audio	Upwork,
		Audio			Freelancer
		transcription			

	Myanmar	Data entry	USD 36-		ChateSat
	0.17	, , , ,	218	1100 =	77
Creative and multimedia	Sri Lanka	Logo design	USD 100	USD 5	Fiverr Upwork
murumeura	India	Graphic design Photography Video production Video editing	USD 107- 586	USD 8- 77 per logo USD 60 per short film USD 150-300 per photo shoot	Behance, 99design
	Myanmar	Graphic design Photo journalism Street graffiti art	USD 633 USD 360 per 12 photos USD 218- 2,185		ChateSat freelancer.com designhill.com Facebook
Sales and marketing	Sri Lanka	Social media marketing	USD 200- 270	USD 5-10	Fiverr
support	India	Search engine optimization Ad posting Event promotion	USD 77- 230	USD 1.5 per 10 app referrals	Frapp, Facebook groups, Whatsapp
	Myanmar	Advertising	USD 14- 218		Facebook
Software	Sri Lanka	Web	USD 200-	USD 10-20	Fiverr
development and technology	India	Development  Mobile development Software development Web development App development	1,700 USD 77- 230	USD 46- 122 per website	Upwork, Freelancer, Fiverr
	Myanmar	Web development	USD 29- 582		ChateSat freelancer.com upwork.com
Writing and translation	Sri Lanka	Content writing	USD 100- 150	USD 5-10	Upwork
	India	Copywriting Creative writing Technical writing Translation	USD 15- 90	USD 0.03 per word	Guru, Fiverr, Upwork, Freelancer
	Myanmar	Translation Content writing Interpreter Writer/blogger	USD 14- 218 USD 479- 2,185 USD 509- 582		ChateSet Facebook

Source: Authors, based on qualitative data collected from 446 respondents in India, Sri Lanka and Myanmar

# Digital workers leverage on the advantage of earning in dollars by working online

Sri Lankan digital workers stated that that by working on cloud work platforms, they can earn more as they are paid in United States dollars.

"Frankly speaking, Fiverr is helping people in Asian countries. This is because, the price of the dollar matter to us. It doesn't matter to them. The payment received is tied with the dollar rates"

R4, Male, Digital worker (cloud work platform), Colombo, Sri Lanka

#### Focus on inclusion of women and marginalized

The focus on women empowerment was the primary focus of some cloud work platform organizations in India. Most of the models for cloud work platforms are based on an all female labour force recruited from local communities. Some cloud work platforms covered in our primary survey also focused only on women freelancers. Findings revealed that mothers with children who do not have a support network at home and who are not willing to send the children to child care are more interested in online work. Asian culture is such that they are reluctant to send children to child care or play schools. Therefore, young educated mothers are forced give up their day job and to stay at home to look after their children. As the flexibility is high in this type of work and as they can spend more time with their children and manage their home better, mothers prefer to work online on these platforms.

"You get that satisfaction of doing something and earning. You feel that you have some knowledge. Although I cannot go out and earn, I can take care of my family responsibility along with it. This is my money. I take clothes for myself and kids"

IDI6, Female, Digital worker (cloud work platform), Mumbai, India

# People who are unable to find traditional employment are finding work online

We came across digital workers whose only option was to work from home or online due to disability or family responsibilities.

"My physical condition was very bad so I was not able to do 12th, then I did typing course. I have speed of 60 words per minute..... I can't go very far (physically disabled) but there also I started getting some problem, I can't travel much so I sat at home and started working from home"

R, Male, Digital worker (cloud work platform), Mumbai, India (disabled)

#### Government encouraging work on platforms

Indian government has introduced digital India platform<sup>7</sup> to provide skilled Indians work online. Our research found Indian digital workers were using informal connections and networks to get work on government sites. Maharashtra state skill development society (MSSDS), Skill development initiative scheme (SDI) are among the platforms mentioned by Indian digital workers. As an example, MSSDS provides opportunities to low SEC digital workers in Maharashtra to enter data on the education institutes and students in Maharashtra in an online portal (MSSDS) for a fee.

#### 5.2 What are the barriers / constraints to involve in online freelancing?

#### Digital labour platforms are biased towards the buyer

Digital workers were of the opinion that platforms are biased towards the buyer. Platforms took time to get back to entry level workers during disputes. But once the workers have high ratings and at higher levels, they were able to communicate with the platforms during a dispute faster.

"This system is biased towards the buyer. If I didn't deliver a good product, the buyer can cancel. If the buyer cancels, I should approve the cancellation. If we provide a good product and if he cancels it, we can contact Fiverr directly. If you are a level I seller (entry level), they don't get back to you quickly. But if you are a level II seller (intermediate level), Fiverr will get back to you soon. And if your standards are good, they will insist the buyer to give you your money."

R6, Male, Digital worker (cloud work platform), Colombo, Sri Lanka

## Power cuts slows done effective work delivery

Digital workers from Sri Lanka and India said that power cuts effect their effective delivery of work. Working online requires self-discipline to deliver work on time. When the work is not delivered on time, customers gave digital workers low ratings. These low ratings affect their profile and their marketability in the long term.

"The power cuts in Sri Lanka are unannounced. It's really difficult when we have power cuts. The customers don't believe us when we say that we can't deliver work on time because we have power cuts. These are people who have never experienced power cuts in their entire life"

R4, Male, Digital worker (cloud work platform), Colombo, Sri Lanka

"Everything is about power. I thought Bangalore is a good City but it is worse than Delhi. In Delhi I was staying for more than 2 years and I have never seen

<sup>&</sup>lt;sup>7</sup> https://digitizeindia.gov.in/how-it-works

a power issue. I face much irritation because if I have a meeting with a client and I face a power cut then definitely I will lose the client"

R16, Male, Digital worker (cloud work platform), Bangalore, India

# Low job security and income stability

Most digital workers involve themselves in online work as part time work. This is because they are reluctant to start working online full time. They are unable to prove that they have a secure job and that they can earn a steady income. The banks in study countries do not issue loans for digital workers. Digital workers were not treated in the same way as the salaried employees even though they earn the same amount or even more by doing this work. This is because the digital workers were not able to prove their income and employment status.

"Digital workers are not given loans from local banks. The first question the officers ask us is whether EPF/ETF is deducted from our salary. This is how they understand whether we have a stable job or not. They refuse to issue us loans because we don't have a stable job. This is not the case in other countries"

R4, Male, Digital worker (cloud work platform), Colombo, Sri Lanka

"See basically one point- whoever has a secure job gets a loan and everything. People like us don't get loans"

R67, Male, Digital worker (cloud work platform), Mumbai, India

#### Cultural Barriers to Adopt Micro work / freelancing

Middle class and lower middle class community in the study countries are in favor of a day job, where you can work 9-5. They are biased towards working in the government sector, where job security is high and there is a secure income at the end of the month and on retirement. Therefore, there is a cultural barrier to adopt online work in study countries. When educated youth start working in these sites, they often face a lack of support form their immediate family, since the family fears that they will not have a secure income. Hence, digital worker use earnings in these platforms as their secondary income. They make it a point to have a day job, and do online work part time/ in their leisure time.

"My family is little scared"

R8, Male, Digital worker (cloud work platform), Pune, India

"They think that I do not have a fixed income. This is something very new for them. This is something that they are not used to. They are not comfortable with this"

R7, Male, Digital worker (cloud work platform), Pune

# Inward Remittance is a barrier for take off of online freelanicng in Sri Lanka and Myanmar

Sri Lankan and Myanmar digital workers face problems when receiving money earned through online work. PayPal inward remittance facilities had been holding back thousands of digital workers from capitalizing this opportunity. Fiverr, one of the popular digital labour platforms among Sri Lankan youth, provides two avenues to withdraw money, Paypal and "Fiverr Revenue card". Each time a payment is loaded USD 3 is charged from the Fiverr revenue card. Interestingly another USD 3 is changed per month if the account is inactive. In addition each and every time of ATM withdrawal or cash disbursements another USD 3.15 is charged. On the other hand Paypal impose standard rate of 3.4% + USD 0.30 per transaction for receiving inward payments for good and services. Fiverr revenue card is a viable option for the digital worker who has reached certain economies of scale. For starters it is definitely not an encouraging option. Therefore, there is a strong appeal for PayPal facility among digital workers. Thus, the restriction on inward remittance in Sri Lanka is a key barrier for growth of work online. Myanmar digital workers face the same issue as PayPal inward remittance is not available in Myanmar. Therefore, Myanmar digital workers cannot work in global platforms. It is also difficult to open foreign currency account in Myanmar as banks in Myanmar does not accept digital evidence (emails) as supportive documents to open accounts and receive money for the work done for foreigners. Hence, Myanmar digital workers are limited to work on local platforms most of the time.

## Low Internet upload speed and bandwidth by service providers

Digital workers stated the low Internet bandwidth and speed as a major issue when working in digital labour platforms. Their customers are from Europe or United States of America; The buyers in these countries have high Internet speed and bandwidth. When the buyer requests a sample video or a document, the digital worker should provide them with these in order to convince the buyer on his or her capacity. But, as the Internet is costly and slow, sharing these with the buyer negatively affects the digital worker due to the high cost attached. As the attached Internet costs are high the income attached with these tasks are low. Some digital workers in Myanmar stated that they can't do certain types of online work such as real time interpretation because the Internet speed is very low.

"When there is an Internet problem, I can't deliver the projects on time. It effects my work"

R83, Male, Digital worker (social media platform), Mumbai, India

#### Race to the bottom due to increased labor supply

Bidding low to get the work was emphasized by the digital workers in all three countries. Some jobs were done almost free by digital workers to get in to the market and increase their ratings and climb up the ladder (levels) in platforms.

This competition affected digital workers and qualified professionals, as they had to bid low, sometimes less than the pay level at the local market for the same job.

"The whole problem comes to bidding part only. The competition is too much, too much means it is huge. People bid for lower prices and some people do it for free"

R16, Male, Digital worker (cloud work platform), Bangalore, India

#### Getting the first job was difficult

Buyers of cloud work platforms prefer workers who have already sold work. Therefore, platforms are designed to reinforce and priorities the digital workers via rating systems. This challenges the digital workers who enter these platforms. As they have low ratings and platform algorithms does not prioritize them, digital workers find getting the first job difficult online.

"Getting first time job is very tough. It may take even up to 2 months to get the first job"

R11, Male, Digital worker (cloud work platform), Bangalore, India

# **Conclusion and policy recommendations**

Digital economy is paving way to new forms of employment which was not available before. If a digital worker is skilled, the worker can register in to platforms from anywhere at anytime from any geographical location and start working (cloud work also known as gig economy in some places<sup>8</sup>). This forms of work has formed the fourth industrial revolution and with this comes opportunities as well as challenges to the digital workers as well the clients and the economy as a whole.

As new forms of work are arising due to new technology and inventions, risk of job destruction due to digital technology could however be converted into an opportunity in which a percentage of the millions of new and young entrants to the labour force could be absorbed into the work online in study countries. Online freelancing provides an opportunity to the vast pool of informal labour, especially women. It paves way to work for retired professionals as well as students, who are looking for work to be done during free time or as extra income. The research highlights the expanding scope and scale of online freelancing to incorporate a wider variety of skills, work type and commitment to work online.

Building awareness among community of the work done and available online is important to enhance the social recognition of digital workers. Most digital workers were marginalized in their community as their immediate family

members were not aware about the work done online, mindset of working means going to work from 9-5 was challenging the digital workers who worked from home. Awareness building is important to start recognizing the digital workers and providing them the dignity they deserve.

Online freelancing has had an organic growth so far without any intervention from the states. In order to help the digital workers to have a secure employment and ensure the job security of digital workers, it is important to consider digital workers and their status in the labour policy design in study countries. Providing social recognition for digital workers in the form of including the workers in the tax system to recognize them is being tried out in developed countries<sup>910</sup>. This maybe a way to identify and recongnize digital workers and can be used to provide the workers with insurance solutions to protect them at an emergency situation. Also these tax documents can be used as a proof of employment/ income, which can be used to apply for loans and other benefits.

Better inward payment mechanisms to secure earnings of digital workers in Sri Lanka and Myanmar will also help to guide the digital workers on ways to withdraw money they've earned online, and help establish trust regarding available different payment methods.

There seems to be a large number of people that is willing to experiment with online jobs despite their lack of awareness. Clients, current digital workers, platforms and the government can collectively and simultaneously address this problem of awareness and incorrect perceptions. Digital India platform/MSSDS of Indian government provide online working opportunities to Indian digital workers. Similar policy directions can be adapted in Sri Lanka and Myanmar too. This will provide legitimacy to online work and much soughed after "government job is the best job" mentality in study countries.

Also, improving hard infrastructure (network infrastructure/ electricity) in study countries are important for the take off of online freelancing. Internet connectivity and uninterrupted electricity is a basic requirement.

If the challenges faced by digital workers are overcomed by interaction and involvement by different stakeholders, online work will help unemployed and underemployed as well as persons who are otherwise not able to find work to start working online and make a living. This will help to address unemployment and underemployment issues faced in the study countries.

#### References

Bulloch, G., & Long, J. (2012). Exploring the Value Proposition for Impact Sourcing; The Buyer's Perspective. Accenture (Working Paper). Retrieved from

https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment\_data/file/573483/OTS\_Gig economy Focus paper Nov16 final.pdf

http://theconversation.com/congress-failed-to-fix-tax-woes-for-gig-workers-90522

https://www.rockefellerfoundation.org/app/uploads/Exploring-the-Value-Propositionfor-Impact-for-Impact-Sourcing.pdf

Central Bank of Sri Lanka. (2015b). Economic and Social Statistics of Sri Lanka 2015 (Vol. XXXVIII). Retrieved July 4, 2016, from http://www.cbsl.gov.lk/pics\_n\_docs/10\_pub/\_docs/statistics/other/econ\_&\_ss\_20 15\_e.pdf

Central Bank of Sri Lanka. (2015-a ). Statistical appendix, July 4, 2016, from http://www.cbsl.gov.lk/pics\_n\_docs/10\_pub/\_docs/efr/annual\_report/AR2015/E nglish/17\_ Appendix.pdf

Coase, R. (1937). The Nature of the Firm. Economica. Volume 4, Issue 16. doi:10.1111/j.1468-0335.1937.tb00002.x

Galpaya H., Senanayake L., Perampalam S., Exploring the challenges faced by Sri Lankan workers in web based digital labour platforms. Paper presented at Communication Policy Research South, Yangon, Myanmar. 30th Audust-1st September 2017.

Galpaya, H. N., Suthaharan, P., & Senanayake, L. (2017). Exploring online freelance workforce in Sri Lanka. Colombo, Western Province: LIRNEasia

Galpaya H., Perampalam S., Senanayake L. (2018). Investigating the Potential for Micro-work and Online-Freelancing in Sri Lanka. In: Pupillo L., Noam E., Waverman L. (eds) Digitized Labor. Palgrave Macmillan, Cham

Galperin, H., Viecens, M. (2017). Connected for Development? Theory and Evidence About the Impact of Internet Technologies on Poverty Alleviation. Development Policy Review, 35 (3), 315-336, 2017. DOI: 10.1111/dpr.12210

Graham, M., Hjorth, I., & Lehdonvirta V. (2017). Digital labour and development: impacts of global labour platforms and the gig economy on worker livelihoods. Transfer: European Review of Labour and Research, 23(2), 135–162, DOI:

10.1177/1024258916687250 Industrial and Labor Relations Review 66(2), 315–345.

Hoßfeld, H, Hirth, M., Tran-Gia, P., (2011). Modeling of Crowdsourcing Platforms and Granularity of Work Organization in Future Internet. Paper presented at International Teletraffic Congress (ITC), San Francisco, USA. September 2011.

International Telecommunication Union (ITU). (n.d.). Retrieved May 13, 2016, from http://www.itu.int/en/ITU-D/Statistics/Pages/stat/default.aspx

Kathuria, R., Kedia, M., Varma, G., Bagchi, K., Khullar, S., (2017). Future of Work in a Digital Era: The Potential and Challenges for Online Freelancing and Microwork in India. New Delhi: ICRIER

Kuek, S. C., Paradi, G., Cecilia, M., Fayomi, T., Imaizumi, S., Ipeirotis, P. (2015) The global opportunity in online outsourcing. World Bank Group. Retrieved from http://documents.worldbank.org/curated/en/2015/06/24702763/global-opportunity-online-outsourcing

Labour Bureau. (2016). Fifth Employment Unemployment Survey. Government of India

Schmidt, F. A. (2017). Digital Labour Markets in the Platform Economy: Mapping the Political Challenges of Crowd Work and Gig Work. Retrieved from Friedrich-Ebert-Stiftung.

 $https://mail.google.com/mail/u/0/\#search/apa+citation/151332f3d9bc232f?projector=1\&m\ essagePartId=0.1$ 

Senanayake, L., Samarajiva, R., Suthaharan, P., Galpaya, H. (2017). Online freelancing as interim solution to youth unemployment problem, with particular relevance to the Northern Province. Paper presented at Jaffna Science Association Conference, Jaffna. 4th May 2017.

Suthaharan, P., Galpaya, H., Senanayake, L., Understanding the Factors Influencing the Take-Off of Online Freelancing in Sri Lanka. Paper presented at Communication Policy Research South, Yangon, Myanmar. 30th Audust-1st September 2017.

United Nations Development Program. (2015). Human Development Report 2015. Retrieved from file:///Users/LIRNEasia03/Downloads/Sri Lanka Explanatory Note.pdf