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New ways of organizing work – the sharing economy and its impact on the Norwegian labor market

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The sharing economy - with new, app-based platform companies that match demanders and suppliers of work and resources - has quickly become a buzzword. This article focuses on sharing economy-companies in Norway, and seeks to describe the characteristics of the way of organizing work and the employment relationships within such companies in the context of the Norwegian labor market. Based on a desk review and interviews with CEOs of four Norwegian-based companies within the sharing economy, this paper explores: (a) how the CEOs view the organization of work within their companies, and (2) what the wider implications are of these employment relationships asserting themselves in the Norwegian labor market. The preliminary results show that companies within the sharing economy do not regard themselves as employers, but rather as *intermediaries* that specialize in matching people with specialized skills and businesses, or persons that offer services and other persons that demand those services. The way in which the companies conduct the role as an intermediary varies, but they all offer or take responsibility for some services, such as insurance, payment solutions, the possibility of rating the supplier of work. Another tendency observed is that these companies differ in the extent to which they operate a stable, limited pool of agents and customers, or service a wide range of actors on both sides. The employment relationships vary, but diverge from the traditional notions of employee-employer relations. Contributing to a more complex and diverse labor market, this phenomenon makes it easier for companies to externalize work and to use alternatives to standard employment relationships. Currently, this phenomenon only includes a small part of the Norwegian labor market, but if it develops it might have considerable impacts on labor conditions in Norway. The paper concludes by pointing out information gaps and suggesting relevant issues that need further attention.

New ways of organizing work – the sharing economy and its impact on the Norwegian labor market

Introduction

The sharing economy - with new, app-based platform companies that match demanders and suppliers of work and resources - has quickly become a buzzword. The optimistic view is that the sharing economy will lead to workers having a more flexible schedule, with fewer working hours and more control over when and where they work. The more negative view is that the sharing economy will challenge traditional notions of employee-employer relationships, which will result in deteriorating labor conditions. A characteristic of such companies is that they recruit freelancers or self-employed. Many argue that those who provide work in the sharing economy are incorrectly classified as self-employed and that these workers might end up without the freedom of the self-employed and without the income security and job protection of an employee. Either way, work in the sharing economy often consists of short-term engagements and could be classified as non-standard work, which is, according to Kalleberg (2000), the opposite of standard work, which is performed full time, continues indefinitely and is performed at the employer's place of business under the employer's supervision (341). In the well-regulated Norwegian labor market, the share of self-employed without own employees and other forms of non-standard employment has remained unchanged in the new millennium. However, a plethora of new app-based international companies such as Uber and Airbnb have taken a foothold in Norway and Norwegian entrepreneurs are establishing similar companies. Therefore it is interesting to explore this new phenomenon also in Norway. What are the characteristics of the relationship between the companies and those who provide labor in these companies? What are the wider implications of these employment relationships asserting themselves in the Norwegian labor market?

Non-standard work in Norway is still uncommon, and it is therefore limited what existing data can tell us about new forms of non-standard work. Therefore, this paper provides five exploratory case studies within the sharing economy, and explores how the CEOs perceive the way of organizing work within their companies, and the wider implications of these relationships becoming more salient in the Norwegian labor market. The preliminary results show that companies within the sharing economy do not regard themselves as employers, but rather as *intermediaries* that specialize in matching people with specialized skills and businesses, or persons that offer services and other persons that demand those services.

The way in which the companies conduct the role as an intermediary varies, but they all offer or take responsibility for some services, such as insurance, payment solutions, the possibility of rating the supplier of work. Another tendency observed is that these companies differ in the extent to which they operate a stable, limited pool of agents and customers, or service a wide range of actors on both sides. The employment relationships vary, but diverge from the traditional notions of employee-employer relations. Contributing to a more complex and diverse labor market, this phenomenon makes it easier for companies to externalize work and to use alternatives to standard employment relationships. Currently, this phenomenon only includes a small part of the Norwegian labor market, but if it develops it might have considerable impacts on labor conditions in Norway.

The structure of the article is as follows: First, we discuss the term *sharing economy* in light of national and international literature, and the size of the sharing economy in the Norwegian labor market. Second, we outline the methodology. Third, we describe the preliminary results from the case studies. Lastly we explore the implications that spread of this phenomenon may entail for working conditions and the labor market.

1. Background - How to define the sharing economy?

Airbnb connects homeowners with people that want a place to stay. Uber lets you hail a ride from drivers in their personal vehicles. These are well-known examples of the sharing economy. There is little consensus on how to define the term “sharing economy” (see for instance Sundararajan 2016: 27 and Kalleberg & Dunn 2016: 2). Researchers, authorities and intergovernmental organizations (such as the European Union) emphasize different traits and characteristics for its definition. This reflects that the phenomenon is still quite new, and not homogenous. There are variations concerning the actors involved on the customer and the supply side (individuals or companies). There are variations in which branches the companies operate, and whether they offer commercial or non-commercial services. Other umbrella terms describe the same phenomena, while focusing on different traits and characteristics. These include: “collaborative consumption” (Botsman 2013), “collaborative economy” (EU-Commission 2016), “the gig economy”, “crowd-based capitalism” (Sundararajan 2016) and “on-demand economy”.

The term “sharing economy” became a buzzword in the Norwegian media at the end of 2015, and has since been object of debate and controversies. The Norwegian Productivity Commission¹ notes that the sharing economy is «characterized....by mobile based applications that makes it easier, cheaper and faster for providers and customers to find each other. This is also referred to as intermediation economy or platform economy, since it is the intermediation or platform, and not sharing, which particularly distinguishes these services from other services” (Produktivitetskommisjonen, 2016).² Launching the term “intermediation economy”, Jesnes and Nesheim (2015, 2016) put forth three elements that characterize the sharing economy. The three elements are as follows: (i) an intermediary in the form of a digital platform (ii) which helps connect a provider and a consumer/client (crowdsourcer) that (iii) perform transactions (services, sharing of assets/property, skills or labor).

An important distinction between sharing economy platforms is between those involving some form of labor, and those not involving labor, but rather trading or renting of resources such as homes and cars. Andreassen (2016) divides the sharing economy platforms into *labor* platforms and *capital* platforms. On the one hand, a labor platform is a platform where labor is placed at the disposal of others (examples: TaskRabbit³, Finn.no småjobber⁴, Upwork⁵). On the other hand, a capital platform is a platform where an underutilized resource (such as a car, boat or an

¹ Produktivitetskommisjonen

² Own translation

³ TaskRabbit is an online marketplace for buying and selling of services between individuals, such as walking the dog, washing the windows etc.

⁴ Finn.no småjobber (small jobs) is an online marketplace for buying and selling of services between individuals in Norway.

⁵ The world's largest online platform for intermediation of freelancers and assignments to freelancers, mostly office tasks.

apartment) is put at the disposal of others (examples: Airbnb, Nabobil⁶). Other definitions are more precise in defining what type of work the sharing economy companies generate. De Stefano (2016) argues for a division between crowdwork and work-on demand. Crowdwork is «working activities that imply completing a series of tasks through online platforms» (p.1) and work-on-demand via apps are “jobs that are related to traditional activities such as transport, cleaning and running errands» (p. 3). Kalleberg and Dunn (2016) argues that the sharing economy is not new, but that we are observing “a digital version of the offline atypical, casual, freelance, or contingent work arrangements characteristic of much of the economy prior to the middle of the 20th century” (p. 2). What is new is that work is managed through online platforms, which broker or intermediate between employers and workers.

Another approach to understanding the varieties of work in the sharing economy is by use of Eurofound’s report *New forms of employment* (2015). In a mapping of emerging trends in Europe, Eurofound identifies nine new forms of atypical work⁷. Four of these categories are varieties of work similar to that of the work we find in the sharing economy; these are ICT-based mobile work, portfolio work, crowd employment and collaborative employment. First, *ICT-based mobile work* is a job performed from any place at any time on a computer. Second, when self-employed work on small tasks for a large number of clients, it is called *portfolio work*. Third, *crowd employment* is characterized as work where an online platform matches companies that want a specific task to be conducted with a pool of freelancers. Fourth, *collaborative employment* is work where freelancers or self-employed cooperate to overcome limitations of size and professional isolation. Two of the ways to cooperate are through co-working and umbrella organizations (Eurofound 2015). Co-working spaces offers office space to freelancers, networks, social gatherings etc. which is an attractive offer among entrepreneurs and freelancers (Agenda 2016:26). Umbrella organizations can offer specific administrative services, such as invoicing clients or dealing with tax issues (Eurofound 2015). The four categories are not mutually exclusive and they often intermix. As such, Eurofound’s categories do not represent a complete typology of new forms of work. According to Irene Mandl, the author of the report,⁸ only two of the nine new forms of atypical work are to be identified with the sharing economy; crowd employment and ICT-based mobile work. However, recognizing the plethora of company practices, we would argue that the four categories are recognizable within the sharing economy.

The size of the sharing economy in Norway

In this paper, we are primarily interested in how many that provides labor through a sharing economy platform. Preliminary studies about the sharing economy indicate that the business model of the labor platforms is based on recruiting self-employed and freelancers. Nergaard (2016) has explored Norwegian Labor Force Survey (LFS) data on the different types of non-standard forms of work⁹. She finds that the rate of atypical work in Norway remains stable

⁶ Nabobil is an online marketplace where you can rent out or rent a car (in Norway).

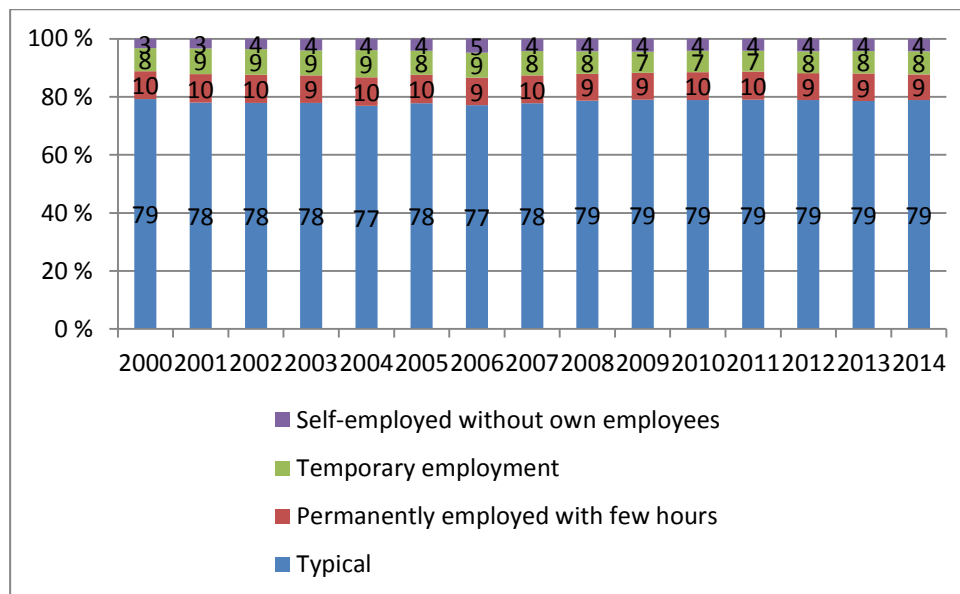
⁷ The nine forms are: ICT based mobile work, employee sharing, job sharing, interim management, casual work, voucher-based work, portfolio work, crowd employment and collaborative employment.

⁸ Irene Mandl at the conference Shaping the new world of work – the impacts of digitalization and robotisation. ETUI-ETUC conference, 27-29 June 2016, Brussels.

⁹ Nergaard (2016) defines typical or traditional forms of employment as permanent contracts, self-employment in the primary industries and self-employed with employees. Furthermore, she defines self-employment with no employees and temporary employment as atypical work. Also, permanent employment with few working hours (less than 20) is defined as a group in-between atypical and typical.

around 20 percent across the years from 2000 to 2014 (see figure 1). The workers' employment relationships in the sharing economy companies will most likely be categorized as non-standard, as many are temporary workers, permanent employees with few working hours or self-employed without any employees.

Figure 1: Forms of employment in Norway (Nergaard 2016/LFS). 2015.



Nergaard (2016) also explored the sectors in which atypical work is most common.¹⁰ The companies included in this research are registered two sectors: *Information and communication (IC)* and *Professional, scientific and technical activities (PST)*. From 2009 to 2014, there is no change in the share of atypical work in the sectors where the companies in this study are registered. This indicates that there was no rise in workers using sharing economy platforms prior to 2014. However, by use of LFS data, we will not necessarily be able to identify new and different types of atypical employment relationships. There are several reasons for this. Firstly, the phenomenon currently concerns few workers, and will therefore not appear in the LFS. Secondly, most of the workers engaged in the sharing economy might do this as a secondary job. Thirdly, the work might be irregular and task based (Huws and Joyce 2016a, 2016b). The workers might also be working for several companies at the same time (see for instance De Stefano 2016: 1). Based on these reasons, the workers in the sharing economy will not necessarily be covered by regular statistics and surveys.

Huws and Joyce (2016a, 2016b) explore how many works in the sharing economy, or what the authors call the "gig economy", in Sweden and in England¹¹. In Sweden, they find that 12 percent of the labor force, occasionally work for online platforms, while 3 percent (245 000)

¹⁰ Within Arts, entertainment and recreation and other service activities, more than 50 percent have atypical working contracts. In the Accommodation and food service activities industry, about 45 percent have atypical working contracts. More than 20 percent in the Professional, scientific and technical activities and Transportation and storage have atypical working contracts. Within Information and communication slightly more than 10 percent have atypical contracts. These rates have also been quite stable over the time period.

¹¹ Basert på en online studie av 2146 respondenter mellom 16 og 64 år.

work for online platforms at least once a month. The same percentages are found in the UK. This shows that the phenomenon is still relatively marginal in terms of employment.

The estimated size of the sharing economy is dependent on which definition is being used. For instance, Harris and Krueger (2015) estimate that about 600000, or 0.4 percent, of the labor force in the United States work for online platforms. However, a study by Berland commissioned by the Freelancers Union suggest that up to 53 million, or 34 percent, of the US labor force are freelancers (in Agenda 2016:8).

2. Methodology and data

Due to the low prevalence of atypical work in Norway, it is limited what existing statistics can tell us about this type of work, especially about new forms of atypical work. Furthermore, as Capelli and Keller argue, “surveys of employers/organizations provide more accurate reports of the incidence of alternative arrangements than do surveys of individuals because employer respondents are more likely to understand the distinction between different arrangements and can report how often work is actually being performed” (2013: 577). Therefore, we conducted five exploratory case studies from the employers/CEOs point of view. Four of the five companies in our study reflect the work described in Eurofound’s report on *New Forms of Employment* (2015) as ICT-based work, portfolio work, crowd- and collaborative employment. The last case does not involve labor, but is included in order to illustrate the differences between sharing economy platforms.

Semi-structured interviews were conducted with the CEOs of the following companies: Konsus, Uber, Nabobil (“neighbor’s car”) and Welance. The main interview questions explored what characterizes the relationship between the companies and the workers, what motivation the companies have for using this form of employment, and what challenges do this form of employment present for working conditions and the labor market in Norway. Moreover, we have included an additional company – Upwork Norway - where we have not interviewed the CEO, but where we have found sufficient sources on the internet to include the case (Olsen, 2015). The interviews are complemented by a desk review study of newspaper articles found on Retriever¹² and searches in Proff¹³. Table 1, contains a description of the companies.

Table 1: Detailed description of the five case studies

Company	About the company	Size of the company	Form of employment	Assignments and payment	Eurofound category
Konsus, Management consultancy activities (PST)	Outsources office tasks for Crowdsourcers in the Scandinavian countries (similar to an outsourcing firm or an enterprise).	About 50 employees and 500 companies have used the service (Forbes 2016).	Freelancer contracts with Konsus, mostly persons working from abroad, but also Norwegians	Tasks are made available to Konsus’ pool of freelancers that can choose to perform a task or not. Paid per hour by Konsus.	ICT-based work, Crowd sourcing, Collaborative employment
Upwork Norway, Norwegian-foreign company, former	Matches freelancers with Crowdsourcers (on a global basis). Facilitates the work between the two parties.	94 000 registered companies and 9500 posted jobs in 2015. 7900 registered freelancers and 100 freelancers per	Freelancer contracts with the Crowdsourcer, not Upwork	Freelancers get a contract with the Crowdsourcer to perform a particular task. Paid per task by client. Upwork takes	ICT-based work, portfolio work, crowd sourcing.

¹² Media monitoring in Norway

¹³ Processed version of the information found in the Norwegian Company Register (Brønnøysundregisteret).

Elance.		months who earns money through Upwork (Olsen, 2015).		a % of the fee.	
Nabobil , Computer consultancy activities (IC).	Facilitates car renting between individuals. Nabobil also provides insurance (similar to a rental agency).	More than 12 000 registered members and more than 15 000 cars for rent. ¹⁴	None. “Airbnb for cars”		None, similar to crowd sourcing.
Uber Norway , Web-portal (IC).	Matches Uber drivers with passengers in Oslo (similar to a taxi company).	Less than 500 drivers in Oslo and 13 000 active riders (data from January 2016).	Self-employed or none.	Uber drivers log on to the app and choose when to drive passengers. Uber takes a % of the fee.	Crowd sourcing, Collaborative employment (umbrella organization)
Welance , Advertising (PST).	Matches employers with freelancers in advertising, media and communication.	2500 freelancers and about 100 Crowdsourcers (60 big companies).	Freelancers.	Contracts with Welance and the Crowdsourcer. Welance takes a % of the fee.	Portfolio work, Crowd sourcing, Collaborative employment

3. Preliminary findings: Empirical tendencies

In this section we present the preliminary results from the case studies. Two tendencies can be pointed out: First, the companies in the sharing economy have different forms of employment relationships with those who perform work through the platform. Second, the companies have in common an intermediation aspect, and a prevalent tendency for the companies is not to consider themselves as employers, but rather as agents or intermediaries that match needs and demands. A presumption of the companies is that the new ways of organizing work will lead to perfect matching between those who provide labor and those who are in need of labor. In the following we will elaborate on these findings.

i) Different forms of employment relationships

Platform companies that cater and intermediate labor to businesses do not necessarily have similar employment relationships with the freelancers/self-employed that perform the work. Looking at the three labor suppliers – Konsus, Upwork and Welance – they all link freelancers with companies that want a specific task performed. However, they differ in the extent to which they operate a stable, limited pool of agents and customers, or service actors on both sides. One of the companies, Konsus, maintains enduring relationships with the freelancers and wants them to earn a high share of their income through their company. This is in order to promote quality, continuous skill formation, and work incentives. Another company, Upwork, is operates differently, as it links a large numbers of world-wide actors on both sides, and serves mainly as a technical solution to match the two sides. A third company, Welance falls somewhat in between the two previous cases. It provides freelancers with more specialized skills and therefore specializes in tailored matching to ensure that freelancers fulfill the specific skill requirements of the user. We will have a closer look at the variations in the relationships that these three companies have with those who provide labor.

¹⁴ As of January 2016, <http://www.dn.no/grunder/2016/06/13/0820/Nabobil/investorer-putter-nye-millioner-i-nabobil>

Konsus

Konsus maintains enduring relationships with the freelancers. The company has a contract with a fixed number of freelancers who are given work based on whether Konsus gets a new contract with a company. When Konsus gets an assignment from a company, Konsus will assemble a team out of the pool of freelancers who each carry out specific sub-tasks on the assignment. Konsus appoints a project leader that is responsible for the full assignment. Konsus is responsible for the final product and pays the salary. The fixed number of persons who provide work through Konsus have freelance contracts, and they each work up to 50 hours a month. The freelancers do not have fixed hours to work, but work when they choose to perform a task posted by Konsus to the pool of freelancers. The contract is permanent in the sense that it is not a fixed term contract and it is an enduring relationship. According to the company, there are two reasons for choosing this form of association with the freelancers. The first reason is that the company aims to provide a large part of the freelancers' incomes, in order to solve incentive and quality issues. In other words, the company seeks to retain the best freelancers in their platform in order to provide the best quality. According to the company, the incentives for providing good quality work are higher when working for Konsus than for other labor platforms. The second reason the company chooses to have a more permanent form of association, is that they are accordingly investing in worker skill formation. Through a more permanent form of relationship with those who provide labor, the company is able to invest in developing skills among the employees.

Upwork

Upwork operates in a slightly different manner than Konsus as it links a large number of actors world-wide, both clients and providers of work, and the company appears to serve a purely technical matching function. The freelancers do not have a contract with Upwork, but Upwork matches freelancers with clients globally. The working relationship is established between the client (company that gives the assignment) and the freelancer. Upwork takes a certain proportion of the single mission in exchange for the matching of clients and freelancers. In sum, Upwork offers three functions: (1) matching clients with freelancers, (2) enabling payment and (3) offering a standard contract between the freelancer and the client. Upwork places no constraints on the work of the freelancers and is not responsible for the final product. As such, Upwork can more readily disseminate labor and tasks through an online platform.

Welance

Welance falls somewhat in-between the two previous cases. It provides freelancers with more specialized skills and therefore engages in tailored matching to ensure that the freelancers fulfill the specific skill requirements of the user firm. This function is similar to headhunter companies or agency worker firms. Welance offers three functions: (1) they set up contracts between the three parties (the Crowdsourcers, the freelancers, and Welance), (2) they provide payment services, and (3) they offer the competence of matching freelancers and clients. Welance takes a proportion of transaction from the clients and freelancers for the services they provide. Even though Welance operates with a three-party contract, Welance does not take responsibility for the final product supplied by the freelancers.

Uber

Uber Norway started its activity late 2014. Uber Norway offers two services: (1) UberPOP¹⁵, where individuals use their own cars and drive unlicensed, and (2) UberBlack, where the driver has a more exclusive car and a license. The company claims to be a technology supplier whereby the drivers are not employed, but clients of Uber Norway, as the CEO explains:

“The drivers are independent contract partners, and they purchase a service from Uber which is the dissemination of demand, payment services and insurance”.

By referring to the drivers as “clients” instead of workers, the company creates a distance between the company and those who provide labor, and sheds traditional employer responsibility, such as ensuring employment protection, paid sick leave, and other associated rights. The drivers are not considered as workers; they are buying a service from Uber Norway that the drivers again sell to the customers, almost as if each driver was an independent contractor – except there are no requirements from the company for the drivers to be registered as self-employed. Hotvedt (2016) has analyzed Uber Norway’s contract, and on the basis of the contract, she discusses whether Uber has a responsibility as an employer or not, and concludes that the contract implies that the form of employment relationship used by Uber Norway is in the gray area between an employee and a self-employed.

Nabobil

The amount of “work” involved in Nabobil is considerably less than in the case of Uber, and also it cannot be considered as paid work. Individuals rent out their cars through the online service, and do not perform any work in the traditional sense. Nabobil claims that this is carpooling and part of the sharing economy where individuals share a product, that is, the use of a car. However, the car-owners extract revenue and they are in charge of services often associated with the services of rental agencies, such as approving the drivers and organizing the handover of keys. In this way, what the car-owners do bears resemblance to work. One can also imagine that the car-owner outsources this work to someone who arranges for the practicalities when hiring a car through Nabobil. Only then can one say that labor is involved. This is the case for two Norwegian companies, Inkeys, Lotel and EasyBnb, which work to facilitate rentals through Airbnb. In connection with this study, Nabobil is not relevant to the discussion of employment-employee relations, but it is a good illustration to enable us to understand the differences between sharing economy platforms that involve work, and those who do not involve work as well as the border lines.

Hence, we see that these platforms have different forms of employment relationships with those who perform work. As we have seen, some companies have closer relations with those who provide work, and a consequence of this is that it might blur the difference between what is an employment – employee relationship and what is a self-employment. Some companies also refuse to be associated with anything reminding of an employment responsibilities.

¹⁵ The legality of UberPop’s operations in Oslo is still under scrutiny: a dozen of Uber drivers have been stopped by the police and suspected of illegal taxi operations (DN, 2016a, Osloby.no, 2015). Meanwhile, the Prime Minister has publicly supported the service (DN 2016b). A committee for the sharing economy was established by the government in March 2016, and is likely to address these issues in its final report expected in February 2017 (Government of Norway, 2016).

ii) *Blurred boundaries between intermediation, facilitation and production*

Considering that the companies in the sharing economy differ when it comes to employment relations, what are the similarities between them? All of the CEOs interviewed, of both labor and capital platforms, consider their companies to be technology providers, labor suppliers, or facilitators of products and services and have registered their companies accordingly. None of them regard themselves as employers; their purpose is to organize contracts between freelancers and users. One characteristic these companies have in common is that they perceive themselves as intermediaries. This implies that they offer some additional services such as insurance, payment solutions, the possibility of rating the supplier of work. What type of services they offer also vary between the companies.

In addition, this matching of clients in need of labor and those who provide labor is considered ideal, as this citation from one of the CEOs illustrates:

“If one looks into the future it will be possible to just sit down on the computer, whenever you want, wherever you want, and there will be a task that you are good at, waiting for you. And it is paid, better than you'd get paid otherwise. Then you just start performing the task. This is the reality that our designers [workers] meet. If one looks into the future, this type of work will be available for more people”¹⁶

The opportunities following this way of organizing work – through intermediaries - is described by the companies as ideal: you can work whenever you want, wherever you want, and you will even get a higher income than you would otherwise, according to the companies. This is the core of the business idea of the labor platforms in the sharing economy. For instance, Konsus desires to create what the CEOs call a “friction free” work life, whereby they, by working in the “labor space”, match workers with employers, and hence make it easier to work and easier to find skilled persons to perform a specific job. Upwork aims to change the ways in which we work, by creating a global labor market and match freelancers and employers on a global basis. Nabobil stresses the green aspect of the sharing economy, whereby the need to own is replaced by sharing, and whereby they as a company enable this form of sharing. This form of matching is the future of work, also in Norway, according to one of the CEOs:

“Why we lag behind [the U.S.]? People move over there. It is so safe and well in Norway. People thrive in the jobs they have from eight to four, but then one is bound to find new methods and to make things easier and better. What I like about the new mentality is that there is a focus on results, rather than that workers should work on a recurring basis. When I work with freelancers I'm not thinking about how much they should be working, but that they will deliver the best possible product”¹⁷

This citation also illustrates that the new ways of organizing work and of matching those who provide labor and the clients is considered to be ideal. Hence, a common feature between the companies in the sharing economy is that their stated purpose is to match need and demand;

¹⁶ Own translation

¹⁷ Own translation

they are intermediaries and not employers. This appears to be the core business idea of the companies within the sharing economy, and the core of the new way of organizing work.

4) Implications for working conditions

Employment protection legislation in Norway – as well as collective agreement regulations – tend to take as a starting point the distinction between dependent employees and self-employed, and in the former group fixed term vs. permanent contracts. The rights you have derive from this employment relationship, and the rights of an employee is considerably better than the rights of a self-employed (see table 2 for a descriptions of the rights of an employee versus the rights of a self-employed). Some of the new forms of organizing work challenge the traditional concepts of employer-employee relationship – and the persons who perform the work might end up without the freedom of the self-employed and without the income security and job protection of an employee.

Table 2. Forms of employment and worker protection

Form of employment	Definition	Worker protection rights
Traditional/typical forms of work	Performed full time, continues indefinitely and is performed at the employer's place of business under the employer's supervision	
Permanent employment	Contract of unlimited duration. Full time: 37 and over working hours Part time: 1-36 working hours	Guaranteed salary, sickness benefits (100 percent coverage of the income – first 16 days are covered by the employer, the remaining days are covered by national insurance), occupational injury insurance, vacation pay. The employee is under the protection of the Working Environment Act which gives the employee job protection (protection against dismissal for unjust causes, during sickness or maternal/paternal leave).
Self-employed with employees	Runs a business with employees on his own account and risk	The rights of the self-employed diverge from the rights of the employed. Insurance etc. on own responsibility.
Self-employed in the primary industries	Farmers etc.	Insurance etc. on own responsibility. Sick pay from day 17 (65 percent coverage of the income)
Atypical	Opposite of traditional employment	
Temporary employment	A work contract of limited duration	Same rights as permanent employment, except that temporary employees do not enjoy the same employment protection.
Self-employed without employees	Independent contractors. Runs a business on his own account and risk, but with no employees.	Insurance etc. on own responsibility. Sick pay from day 17 (65 percent coverage of the income)
Non-employee workers/freelancers.	Whoever is wage earner, but not employed. Performs individual tasks.	Right to unemployment benefits. No guaranteed salary, no vacation pay, no occupational injury insurance, sick pay from day 17, no employment protection.

Source: Taxnorway 2007 and Statistics Norway 2015

By distancing themselves from the role of an employer, the companies keep the relationship with the freelancers or self-employed in their pool at arm-length distance. As a contracting party committed to fulfill the demands of the customers purchasing the deliveries of their freelancers, the ambiguous roles of the intermediaries in these triangular relationships entail a blurring of conventional relations between employers, customers, and the producing employees (Evju, 2012). Masking the ambiguity inherent in the dependency relationships

between the actors, who are indeed asymmetrically situated as far as market power resources are concerned, the companies typically idealize the upside of the deal by emphasizing the promise of a “friction free” working life with not only unlimited flexibility and liberty to choose when, where, and how you work, but also opportunities to boost your income and job satisfaction by getting in touch with more interesting, better paying customers and working more than what is possible in a standard A4 job. What is evidently paid less attention to is how the distribution of risk and vulnerability in such triangular relationships are transferred onto the producers who ultimately are at the mercy of the matching market when it comes to whether there is work and income to be found, and who is carrying the costs if not (Aloisi, 2015).

The working conditions of the producers in such contexts are as far as we are aware of not studied in Nordic contexts. However, the Norwegian think tank Agenda has studied the situation of freelancers in general, which might be useful in this context. In their qualitative study, they have interviewed 28 freelancers, and the results indicate that the freelancers value the freedom they have, however, this freedom is constrained by poor payment, extra work on administrative issues and worries about whether they will have a job tomorrow or not (Agenda 2016:12). Eurofound (2015) underlines that the working conditions accompanied with the new forms of work are poor. Two issues stand out: low wages and insecurity of payment and scant opportunities of voice. First, the earnings of crowd workers are very low, for instance the hourly rate on Amazon Mechanical Turk is less than 2 dollars (p. 115). The companies included in this study appears to pay the freelancers more than Amazon Mechanical Turk, one of them referring that they pay between 10 and 20 dollars an hour, which is definitely not much for skilled work in a Norwegian context. A related issue is insecurity with regards to payment; the crowdsourcer might hold back pay until satisfied with the result with the product (Prassl & Risak 2016:8). In addition, the rating system in place in many companies, where the crowdsourcer and the freelancer rate each other after the job is performed, also raises some issues (Ibid: 8). The most attractive jobs are assigned to those with the best reputation, which leads to a competition on prize and quality between freelancers that do not have information on what the others are offering. Second, As the most vulnerable contracting part, the producers have scant opportunities for voice regarding the content of the assignments, the quality required, or the terms offered for delivering it, not to speak of the protections and rights associated with ordinary employment. Normally, there is no reliable dispute resolution system that can be invoked if the producer and the client disagree about the conduct of the task (Eurofound 2015: 115). The companies in our study were not aware of the workers organizing through trade unions among those who provided work. In addition, crowdsourcers outsourcing tasks to freelancers abroad through intermediaries have little knowledge of the actual working conditions of the producer. Preliminary studies indicate that there are some concerns with regards to payment, insecurity and scant opportunities of voice, but the working conditions of producers within companies in the sharing economy definitely need further scrutiny.

iii) Implications for the labor market

The concepts of freelancing and independent contract work are not new in Norway, but what is new is the professionalization of the intermediaries. This implies that it might be easier for companies to outsource activities that they would traditionally hire in-house employees to perform. And as we have indicated in the section above, the sharing economy makes it easier

to use alternatives to standard employment relationships. There are also other issues of concern that should be raised: Will the sharing economy, with an increasing amount of freelancers, lead to a more unorganized working life? Will we see more informal work? Will the sharing economy solve issues of matching? Who will be responsible for competence-building?

Freelancers and self-employed are, to a greater extent unorganized than regular employees. In Norway, about 60 percent of the labor force is organized in trade unions, and the labor market is considered to be well organized partly because of the balance between the employer organizations and the trade unions. This balance might shift in disfavor of employees if a lower percentage of the labor force is unorganized. Agenda (2016) indicates that freelancers do not consider that the trade unions cover their needs, and some of them rather seek to cover their needs through co-working spaces or companies set up to cater to the needs of freelancers. Cool Company is one such example, which offers freelancers a permanent contract in Cool Company while the freelancers have missions. While the freelancers have a mission, Cool Company pays taxes, employment fees and insurances that are valid as long as the freelancers have a mission (Agenda 2016:26). There is currently no evidence that this is a radical trend of an increase in freelancers in the Norwegian labor market, but one might imagine that this will change slowly as these intermediaries make this form of work more attractive. This again might have consequences for the organized working life in Norway, if the trade unions do not find strategies to cater to the freelancers.

Another issue of concern is the formalization of this type of work. According to Eurofound (2015), it is a general characteristic of crowd employment that the online platforms/companies do not check the legal status of the worker, that is, whether they are registered as either freelancers or self-employed. Neither, the companies see it as their responsibility to ensure that those who provide work pay their taxes or that they have social protection (p. 110). Crudely put, they claim to be facilitating exchange of labor services, but deny any responsibilities for screening seeing to that these exchanges (which they are in charge of) are legally performed. This is the case for some of the companies interviewed in this research as well, although some of the companies do state that they inform or have the intention of informing those who provide work through their platform about taxation, social protection schemes and even about the possibility of union membership. Whether or not the sharing economy leads to an increasing amount of informal work is uncertain, but it is an issue of concern.

In terms of the broader consequences to the labor market, the logic implied by the new forms of matching is the principle for organization of work becomes more directly shaped by market dynamics. This strengthens structural pressures towards externalization and splitting of jobs into parcels of standardized tasks, or mini-jobs, suited for universal subcontracting. A possible consequence is that work becomes more fragmented and subjected to control, providing fewer opportunities for continuity, learning, and cooperation also among those employed by the crowdsourcers. A question arising is thus how the improved conditions for matching of business demanders and atomized, individual suppliers in the markets concerned affect the overall matching of labor, skills, and jobs/tasks in the respective industries. Beyond the matching aspects of such new forms of work organization, a further question is to what extent they contribute to creation of value added in terms of jobs, employment, and production – nationally and in the international economy – or mainly contribute to a reshuffling of jobs and incomes alongside fiercer cost/pay competition among those bidding for them across a broader

range of national job markets. If the former tends to be the case, the new matching intermediaries may be regarded as a welcome vehicle to boost employment and improve labor market adjustment. If the latter is the case the imminent risk is that they, in the name of matching, mainly serve to shift work from traditional jobs to more vulnerable and precarious forms of work subject to unfettered job-competition. The main winners in such a scenario is indeed the intermediaries themselves, while the main losers are those left to bid for freelance assignments under deteriorating circumstances determined by crude market forces – globally or locally.

While the global market for freelancing is often associated with skilled or semi-skilled professional services that can be transferred around the globe digitally, the emerging local markets for exchange of fringe service jobs in the civil society – such as lawn-moving, shopping, dog walking previously labelled informal work – will usually require minimal skills. The “app-market” for work can thus be expected to strengthen present tendencies towards polarization of skills and job structures. In the Norwegian labor market, with high employment rates, the potential for formation of low-skilled “mini-jobs” is presumably quite limited. Yet, in a context of increased unemployment and marginalization especially among unskilled groups – typically school drop-outs, immigrants, and youth – one cannot preclude that new concepts of intermediation of such mini-jobs will flourish. Adding to the picture the difficult debates about how to integrate the newly arrived refugees in working life, including proposals to introduce lower-paid “entrance jobs” for hard-to-employ groups, there is certainly a case for comparing developments in this area even in Norway.

Although LFS data indicate that atypical work is not on the rise in Norway, new forms of employment might prove more important over time, also in other sectors than what we have observed so far. This study highlights that there is a strong tendency amongst intermediaries to distance themselves from their roles as employers. The companies studied in this paper are consistently registered in sectors such as; professional, scientific and technical activities, or information and communication. Nonetheless, they clearly compete with companies in more traditional sectors. For instance, Uber Norway competes with the taxi sector by reducing transaction costs and benefitting from much lower (indirect) labor costs. The development of new forms of atypical work can be expected to replace an increasing number of regular jobs in the more traditional sectors (rental agencies, hotel, and taxi industry). To date, the amount of such intermediaries in Norway is limited. And many of those who provide work through sharing economy platforms are working from abroad. Although, the effects on the Norwegian labor market are rather limited, further development of this form of employment will represent a growing challenge both to companies and workers especially in labor-intensive service sectors where the costs of regular labor is high in the egalitarian Norwegian labor market.

Conclusion

The topic of this paper is new forms of organizing work in view of the sharing economy. Based on five case studies, we have described how companies in the sharing economy in Norway relate to their employees and explored the implications this might have for the Norwegian labor market. The preliminary results show that companies within the sharing economy do not regard themselves as employers, but rather as *intermediaries* that specialize in matching people with specialized skills and businesses, or persons that offer services and other persons that demand those services. The way in which the companies conduct the role as an intermediary varies, but they all offer or take responsibility for some services, such as

insurance, payment solutions, the possibility of rating the supplier of work. Another tendency observed is that these companies differ in the extent to which they operate a stable, limited pool of agents and customers, or service a wide range of actors on both sides. The employment relationships vary, but diverge from the traditional notions of employee-employer relations. Contributing to a more complex and diverse labor market, this phenomenon makes it easier for companies to externalize work and to use alternatives to standard employment relationships. Currently, this phenomenon only includes a small part of the Norwegian labor market, but if it develops it might have considerable impacts on labor conditions in Norway. More research is needed to explore and comprehend the working conditions of those who provide work through sharing economy platforms.

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