

Future of Work in a Digital Era: The Potential and Challenges for Online Freelancing and Microwork in India: Joint Research Dissemination by ICRIER and LIRNEasia

- The scope and scale of the online freelancing ecosystem is rapidly expanding to incorporate a wider variety of skills, work type and time committed
- It is an opportunity to the vast pool of informal labour in the country, especially women. The flexibility offered by online freelancing platforms could fit in well with the demands of an evolving society that is looking for fulfilling and independent opportunities of livelihood
- Policy can help enforce the idea of a mixed labour work force that picks between full time and contractual work based on personal preferences
- As bots take over a wide range of low skill repetitive tasks, skill development programs should focus beyond computer literacy for individuals to sustain the growth of online freelancing and microwork

Wednesday December 27th, 2017 ICRIER, one of India's leading think tanks, along with LIRNEasia, a regional ICT policy and regulation think tank across the Asia Pacific today disseminated their research findings of the study on “**The Potential and Challenges for Online Freelancing and Microwork in India**”. As per the study the risk of job destruction due to digital technology could be converted into an opportunity through online freelancing and microwork in which some percentage of the millions of new and young entrants to the labour force could find livelihood opportunities. Stakeholder interactions with online freelancing platforms such as Flexing It, Truelancer, Upwork, Croogster and Sheroes and microwork organizations like Datahalli, Vindhya and iMerit bring to fore the rapid innovation across different business models within the ecosystem.

Dr. K.P. Krishnan, Secretary, Ministry of Skill Development and Entrepreneurship, Government of India delivered the key note address. He emphasized on the three drivers of the rapidly changing work environment in India and in the rest of the world - technology, organization and employment patterns. He spoke about the need to challenge the conventional ideas of how and where work is done, alluding to the transformation of work life balance into work life integration. Many of these policy challenges for India are however not identical to that for the rest of the world, especially the developed countries.

“There is a need to build awareness and correct perceptions, indeed prejudices related to microwork and online freelancing in India. The traditional mindset that privileges full-time employment over freelancing is a hard nut to crack. The labour market like other markets exhibits dynamism and our own thinking ought to reflect the idea that a mixed labour force that picks between full time and contractual work based on personal preferences is the future.” said **Dr. Rajat Kathuria, Director and CE, ICRIER**.

The study used data collected through an online survey to capture general trends and perceptions related to online freelancing in India along with a comparison of student and non-student freelancers. With the rising scale and scope of the sector –range of skills and time required, online freelancing has become an opportunity for anyone and everyone. The flexibility to work from home is the highest reported advantage among both student and non-student freelancers. Among non-student potential freelancers, the ability to make extra income is also a reported advantage. On the other hand, fear of job security, inadequate income and issues related to the platform are some of the reported disadvantages by current freelancers. Among students who are not freelancers the perceived disadvantages include the lack of approval from friends and family.

“As part of the research, we conducted focus groups with over 300 current and potential freelancers in India. We find that online freelancing is a solution to underemployment, where people who are already working are using it to make additional and much needed income. For many women who are stay-at-home mothers, it was seen as an opportunity to make at least a little bit of money independently, without having to ask her husband for money. Unlike many other countries, India has large enough local market to create this type of work for its workers. This was in contrast to similar research we did in Sri Lanka, where majority of workers are serving overseas clients. And in India, it’s not just the traditional global platforms such as UpWork, Freelancer.com and others that draw workers. Many highly local and localized Indian platforms are used, and often preferred by workers in India. Furthermore, Facebook, LinkedIn and many other social- and professional-networking sites are used by buyers and sellers of online work to find each other. Variable income guarantee and lack of social security schemes (e.g. pensions) are keeping many from doing ore such work. Recognizing employment categories beyond the traditional “employed, unemployed, self-employed” would help these workers immensely in accessing financial services, as would contributory insurance schemes which help them save for the future.” said **Helani Galpaya, CEO of LIRNEasia.**

About ICRIER

ICRIER is an autonomous, policy-oriented, not-for-profit, economic policy think tank. ICRIER's main focus is to enhance the knowledge content of policy making by undertaking analytical research that is targeted at informing India's policy makers and also at improving the interface with the global economy. It has consistently been ranked among the top 3 Indian think tanks in the world. Particularly in areas of international and domestic economics, it is ranked number one.

About LIRNEasia

LIRNEasia is an independent, pro-poor, pro-market regional think tank. Its mission is catalyzing policy change through research to improve people's lives in the emerging Asia Pacific by facilitating their use of hard and soft infrastructures through the use of knowledge, information and technology