

Chapter 4

New forms of work

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Abstract

Technological, social and economic changes have given rise to new forms of work that coexist with more traditional and standard schemes, which are still predominant. Using the classification of the new forms of employment proposed by Eurofound (2015, 2020a) as a starting point, this chapter reviews them and discusses the challenges and opportunities that they may involve for employers and employees. Each of the new forms of work is firstly analysed. A strategic view is then taken to understand the changes that the diversification in the ways of working, as a whole, can bring about for human resource management. New ways of working add a high degree of complexity to organisational human resource architectures and human capital management.

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1. Introduction

In the last decades, technological, social and economic changes have given rise to new employment forms worldwide. These new forms of employment involve differences from traditional ones in many dimensions: their changing patterns, places of work, and the alteration of the conventional one-to-one relationship between employer and employee, which could lead to the ambiguity of workers' employment status. Moreover, policymakers, academics, and practitioners have raised their concerns regarding the effect of these new forms of employment. They could worsen working conditions, promote undeclared jobs, or hinder the adjustment of the traditional human resource management function, such as compensation, performance appraisal or recruitment systems. While these new forms of employment may help build a more flexible and inclusive labour market, it seems vital to ensure adequate social protection and acceptable working conditions that guarantee employees' commitment and satisfaction.

Despite all the previous discussions, the lack of consensus around concepts and definitions are a problem to ensure regulatory frameworks or addressing some challenges. Although some of these new forms of employment are not such new trends anymore, what seems clear is their increasing importance worldwide. For instance, the recent Eurofound report on new employment forms highlights the rise of platform work in Europe, which was present in about 40% of the countries in 2013–2014, and has increased to more than 95% of them in 2020 (Eurofound, 2020a).

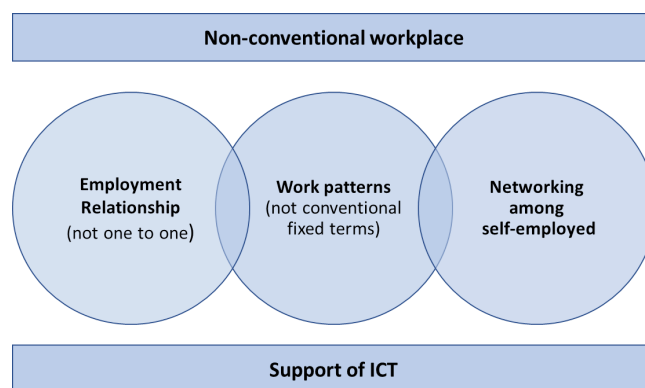
Although standard forms of employment are still dominant, many new ones are expected to continue their expansion. According to Balliester and Elsheikhi (2018) and Anner et al. (2019), the concept of the future of work involves the influence of technological, social/demographic (well-being), economic and political/institutional dimensions factors. Regarding the technological nature of work, elements such as automation, digitalisation and artificial intelligence have become relevant organisational resources that change how work is performed, employee roles and business models. Therefore, organisations and workers have to face all the challenges that these new

forms of work may involve, developing new competencies, such as resilience, problem-solving, creativity, information processing and communication, making use of big data, flexibility, readiness to learn and willingness to adopt responsibility or sociability (Santana & Cobo, 2020; Cascio & Aguinis, 2008). Connected with technological changes, the future of work will deal with relevant topics, such as job satisfaction, burnout, vulnerable workers, work-life conflicts, talent, careers, leader's values, corporate social responsibility and organisational commitment (Santana & Cobo, 2020). There is also an ongoing discussion about the quantity and the quality of jobs that the future of work may hold (Spencer, 2018). Wage inequality could be one of the consequences of the new forms of work, due to alterations in the supply and demand for low- and high-skilled employees (Acemoglu & Restrepo, 2017).

New forms of employment are characterised by one or several of the following elements, according to Eurofound (2015) (see Figure 1):

- The relationships between employers and employees are different from the traditional one established one-to-one employment relationship.
- They provide work on a sporadic or intermittent basis, or even for very limited periods, in contrast with the continuous or regular basis in traditional employment.
- There are possibilities of networking and cooperation between the self-employed.
- Employees may deploy their work out of the employer's premises, including different possibilities such as their own homes, the clients' facilities, or on means of transport during transfers.

Figure 1. General characteristics of new forms of employment



Source: Adapted from Eurofound (2020a).

Eurofound (2015) identified nine new forms of employment, which were reviewed in a recent update (Eurofound, 2020a): employee sharing, job sharing, voucher-based work, interim management, casual work, ICT-based mobile work, platform work, portfolio work and collaborative employment. Using the nine new forms of employment identified by Eurofound (2020a) as a starting point and incorporating teleworking due to the particular relevance of this form of work as a result of the COVID-19 pandemic (Eurofound, 2020b), we aim to explore these new options and to understand their implications for employers and employees further.

2. New forms of work and their potential impact on workers and employers

The new forms of work may be linked to the continued, growing interest in employment flexibility in business discourses. Flexible work forms may enable organisations to match their need for labour more closely with supply, allow them to be more responsive to changes in their environment, and to attract and retain groups with significant non-work commitments which may not wish to, or be able to, participate in traditional ways and thereby achieve greater diversity in their workforce (Kelliher & de Menezes, 2019). When flexible working practices are primarily concerned with efficiency, productivity, speed of response and competitiveness, they are called “employer-driven” or centred in “flexibility *from* workers”. On the other hand, when flexible work is intended to accommodate employees' non-work lives and help them achieve a satisfactory work-life balance, it is called “worker-driven” or centred in “flexibility *for* workers” (Zeytinoglu, Cooke & Mann, 2009). Many of the new forms of employment discussed in this chapter can be considered in an intermediate position, as they may offer advantages for employers and workers, if properly implemented and if adopted by choice of the worker.

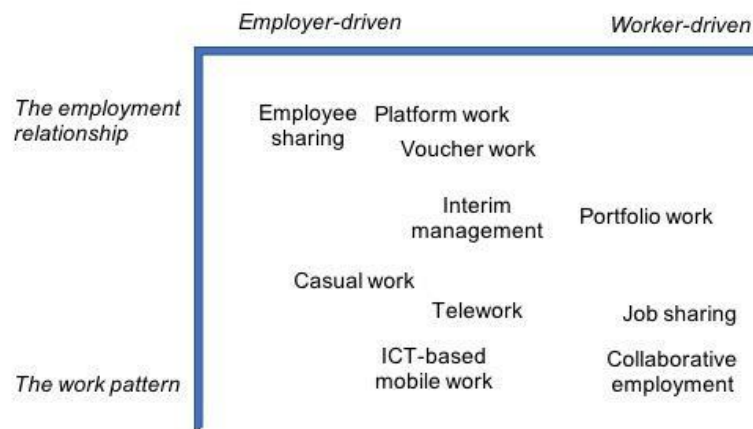
Also, the nine broad new work forms that have been described can be classified into two groups, which are sometimes interlinked (Eurofound, 2015):

- New models of the employment relationship between employer and employee, or client and worker. Employee sharing, platform work and voucher work fall clearly into this group.

- New work patterns, or new ways in which work is conducted, including ICT-based mobile work, collaborative employment and casual work.

Figure 2 classifies the new forms of work that this chapter analyses, according to what is changing or new (the employment relationship versus the work patterns) and their main goal (meeting employers' or workers' needs).

Figure 2. A classification of the new forms of work



Source: Own elaboration.

2.1. Employee sharing

Employee sharing designates the “joint hiring” of one worker by several employers. In other words, the formal employer is actually a “group of employers” (Marica, 2020). This employment form aims to balance the employers’ varying human resource needs while providing secure employment to workers.

There are two primary forms of employee sharing, attending to the regularity of the situation: strategic employee sharing and ad hoc sharing. Strategic employee sharing refers to a group of employers which form a network that hires one or several workers. The network is jointly responsible for these employees (Eurofound, 2016). Unlike temporary agency work, the workers regularly rotate among the participating employers included in the network, working exclusively for them, and the network itself does not aim to make a profit. In contrast, ad hoc employee sharing is a temporary solution, whereby an employer that temporarily cannot provide work for its staff sends them to

work at another company, with no changes in the employment contract. After that period, the workers would go back to the sending company to resume their previous duties.

Even though employee sharing is still a very marginal phenomenon, the last few years have seen an extension of this alternative model of employment. It has been used in different industries and contexts. The recent report from Eurofound (2020a) highlights its diffusion in such diverse cases such as in tourism, craft and trade, manufacturing and metalworking companies in Austria, or accounting, administration and counselling positions in Hungary. Moreover, the diffusion of employee sharing has been especially evident during the COVID-19 pandemic. Some companies have turned to ad hoc sharing to address a decrease in workload while other firms experienced a shortage of workers. Nevertheless, labour codes across the world have to be taken into account because they may impose some peculiarities and limitations on the management of employee sharing.

While employee sharing may offer positive outcomes for employers and employees, there is also the possibility of particular challenges or risks included in Table 1. For instance, in some cases, it has been overserved that employee sharing has caused disruption or problems in the workforce, and some employees have to face unfavourable requests for working time flexibility which may lead to higher stress and work-life conflict. Table 1 presents some of the consequences of employee sharing for employers and workers.

Table 1. Employee sharing: main positive and negative outcomes for employers and workers

	Potential positive outcomes	Potential negative outcomes
For workers	Employment security Full-time work More diverse experience and skills	High work intensity Work-life conflict Limited integration in organisations Limited possibilities of career advance Distance between employer organisations Potentially stressful
For employers	Flexibility to balance human resource needs	Joint responsibility/liability (in the case of strategically employee sharing)

	Streamlined cost of human resources Participation in regional networks	A decrease in individual productivity Decrease in quality Imperfect combination of needs between different employers
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Source: Own elaboration based on literature review.

2.2. Job sharing

This employment form consists of the hiring of several workers to jointly fill a single full-time position. It is essentially a form of part-time work, and its purpose is to ensure that the shared job is permanently staffed.

The prevalence of job sharing seems to vary considerably across countries, positions and industries. For instance, Eurofound (2020a) found that job sharing is mostly used in public companies and the education and care industries. However, there are many sectors in which this employment form is also present. It can be a useful scheme for mothers returning to the labour market after their maternity leave or older workers needing more flexibility and less extensive working hours. The following table provides an overview of the consequences of job sharing for employers and workers.

Table 2. Job sharing: positive and negative outcomes for employers and workers

	Potential positive outcomes	Potential negative outcomes
For workers	Work-life balance Supplementary income	Limited career progression Work-life balance Potential conflicts between sharing workers Work intensity
For employers	Job permanently staffed	Potential conflicts

Source: Own elaboration based on literature review.

2.3. Voucher-based work

Voucher-based work is a form of employment where an employer acquires a voucher from a third party to pay for a worker's service, instead of cash (Eurofound, 2015). Workers have a status between employee and self-employed, while the voucher

organisation is often a governmental authority, but it may also be a private company or a non-profit organisation.

Although its use has been limited to specific activities, such as household services and agriculture, there was an increasing relevance of these arrangements before the COVID-19 pandemic. After the spread of the pandemic, the diffusion of voucher-based work seems to have declined due to restrictions on mobility and gatherings.

These arrangements aim to contribute to legalising undeclared work by providing an unbureaucratic formal employment relationship (Eurofound, 2015). Labour codes may define the voucher system and set limits on its use. Moreover, some governments encourage their use by providing tax deductions for clients and subsidies for the sector. Trade unions do not always support this voucher system, as employers may lose interest in more standard employment arrangements.

Table 3. Voucher-based work: positive and negative outcomes for employers and workers

	Potential positive outcomes	Potential negative outcomes
For workers	The legalisation of undeclared work Work-life balance Social protection contributions	Job and income insecurity Limited career progression Lack of health and safety support
For employers	The low administrative burden in establishing and ending the employment relationship Covering urgent workforce needs	It tends to attract low skilled workers

Source: Own elaboration based on literature review.

2.4. Casual work

Casual work refers to those cases in which employment is not stable and continuous, and the employer has the flexibility of calling the employees in on-demand, without the obligation of regularity (Eurofound, 2019a). This employment form involves two types of agreement: intermittent work and on-call work, which is a less frequent option because, in some countries, the legislation obliges the employer to provide work continuously.

Intermittent casual work refers to those cases in which an employer approaches a worker to conduct a specific task, for a fixed-term period, which either involves fulfilling a task or completing a specific number of days' work. On the other hand, on-call work involves calling the employee in as and when needed. In some cases, the employment contracts indicate the minimum and the maximum number of working hours.

According to Eurofound (2020a), casual work represents up to 10% of the European Union workforce, although there are considerable variations across countries, industries and population groups. The prevalence of casual work among students in Croatia (65% of the students did casual work in 2014) or Slovenia (about 40% of the students in 2015-2016) is remarkable. Besides, in industries with fluctuating demand and workload -such as agriculture, tourism, care, retail and the entertainment industry-, casual work is more likely to be extensively used. For instance, 57% of the employers in the food service and hotel industries used it in Belgium in 2017. Casual work is very likely to appear in economically challenging times, making the uncertain moments in which we currently live the perfect scenario for its expansion.

Students combining their education requirements and their non-stable and continuous works may illustrate the positive side of casual work's flexibility. Nevertheless, not all casual workers may find this discontinuity appealing, and there are many possible drawbacks. In that sense, the lack of stable employment and job security, along with the decrease in income and, consequently, social protection are some of the main risks for casual workers and may affect their health and well-being, as well as their social and economic situation. Different individuals may perceive the impact of casual work differently, depending on whether they have an actual choice. Those employees who opt for casual work because it suits their situation will perceive different outcomes than those for whom casual work is the only option to participate in the labour market and want a more stable job (Eurofound, 2019a). Accordingly, whether the impact is perceived as positive or negative will strongly depend on the individual. For instance, the same flexibility and non-stable work may positively and negatively influence work-life balance, depending on the worker's personal situations and preferences.

In the same way, and although casual work may help employers manage fluctuations in their workload, there are possible downsides associated with it. For instance, it may impact the quality of the final products or services offered, while managing casual

workers may be challenging in terms of their engagement, commitment or fit to the company’s strategy. Table 4 includes some of the positive and negative consequences of casual work, including employers’ and employees’ perspectives.

Table 4. Casual work: positive and negative outcomes for employers and workers

	Potential positive outcomes	Potential negative outcomes
For workers	Improvement in well-being and work-life balance Supplementary income	Lower and unpredictable income Limited training and career progression A decline in well-being and work-life balance Higher health and safety risks Lower social protection
For employers	Higher productivity Efficient adaptation to variable workload	Lower productivity Lower product/service quality Difficult fit with innovative strategies Lower commitment and engagement

Source: Own elaboration based on literature review.

2.5. Interim management

This form of employment consists of the temporal “cession” of highly specialised workers to other companies. These workers are sent to the receiving companies with a specific purpose, such as solving a specific management or technical challenge or assisting during economically challenging times. The arrangement is similar to temporary agency work, but these workers are highly specialised experts. The expert worker usually has an employee’s status, but these arrangements are undertaken in some countries based on self-employment.

Although interim management is still marginal and is only suited to specific circumstances, its presence in the current labour market is growing. The opportunities and risks associated with it are quite similar to casual work: they are derived from flexibility and involve fluctuations in income and social protection (Nergaard et al., 2018). However, the level of job security tends to be higher, and the activities to be developed can favour the development of the worker's competences. On the other hand, it also poses similar problems of engagement or fit with the company.

2.6. Telework and ICT-based mobile work

Although telework is nothing new (the idea dates back to the 1970s), its recent evolution and unprecedented growth in the outbreak of the Covid-19 pandemic justify its inclusion in this chapter on new forms of employment.

Telework can be broadly defined as using information and communication technologies (such as smartphones, tablets, laptops or desktop computers) to perform work outside the employer's premises (Messenger, 2019), including working from home, working from anywhere and mobile work. Additionally, any of these forms of telework can be occasional or habitual. Currently, the technological possibilities have significantly increased the use of more occasional forms of teleworking (Messenger, 2019), while at the same time allowing for the existence of fully remote work relations. Often, occasional telework is not formally agreed upon between employer and employee but comes from an informal arrangement between the employee and their manager, which may fall off the corporate radar to ensure digital disconnection.

Before the Covid-19 pandemic, only 15% of EU employees had ever teleworked. In contrast, following the pandemic outbreak, around 40% of employees started teleworking (Eurofound, 2020b). Consequently, it can be assumed that many workers and employers faced difficulties in coping with the sudden shift to telework. However, the extent of these difficulties probably varied considerably according to telework experience, sector, and type of worker. In particular, readiness for large-scale telework was highest for people and industries with prior telework experience, in ICT and knowledge-intensive sectors, and for highly skilled workers, although there were large differences between countries (Milasi, González-Vázquez & Fernández-Macías, 2020).

After the surge in teleworking, its use will probably decline along with the remission of the pandemic. However, according to Foss (2021), it is likely that the ratio of on-site work to telework will not return to pre-pandemic levels, for several reasons. Firstly, many employees have discovered that their work can be done remotely and want to maintain this practice at least some of the time. Secondly, the technological tools on which teleworking is based are likely to improve rapidly and make it more productive

and facilitate its monitoring. Finally, telework fits in with the increasingly relevant policy agenda concerned with climate change.

As telework is the longest established of all the forms of employment analysed, it is also the one for which the most research on its impacts on employees and employers is available. Table 5 shows a summary of these impacts.

Table 5. Telework: positive and negative outcomes for employers and workers

	Potential positive outcomes	Potential negative outcomes
For workers	Access to the labour market for people with disabilities or without geographic mobility Improved work-life balance Reduced commuting time and costs Increased autonomy and flexibility	Poorer work-life balance Extended working hours Costs related to the telework setting and technology Loneliness, weakened social support, professional isolation Fewer training and development opportunities Health issues related to a sedentary lifestyle Technostress Advanced monitoring and control
For employers	Access to talent worldwide Attraction to highly skilled professionals Improved individual performance Reduced costs in real estate, office space, supplies and other overheads Lower absenteeism and turnover	Difficulties in maintaining organisational culture Lower trust, knowledge sharing, and innovation Difficulties in integrating in-office and teleworking employees

Source: Own elaboration based on literature review.

ICT-based mobile work is one of telework’s more recent manifestations. In this form of work, the employees or self-employed workers operate at least partly, but regularly, from various possible locations outside their employer’s premises, with the support of communication technologies (Eurofound, 2015). It is less “place-bound” than traditional teleworking and uses technology more intensely. The employees may work in ever-changing situations, including their homes, and on the road or at a clients’ premises (Eurofound, 2020a), but there is usually a need to collaborate with other workers or clients.

This form of work is most prevalent in the ICT sector, professional and scientific activities, real estate and financial services, and the self-employed (Eurofound, 2020c). It is the only new form of employment included in this chapter that was found in all EU countries in 2020 (Eurofound, 2020a), and the expectation is that it will continue to grow in the coming years, partly as a result of changes in work organisation triggered by the pandemic.

ICT-based mobile work shares advantages and disadvantages with teleworking, but it can magnify such impacts, mainly when worker mobility is very high. Specifically, the risk of work intensification, higher stress levels and working time, and the blurring of work-life boundaries are amplified in highly mobile, ICT-based work. (Eurofound, 2020c).

2.7. Platform work

Platform work involves matching supply and demand for paid labour through an online platform or an app. The term “gig economy” has been often used to refer to those online platform companies that provide a variety of personal labour services, such as food delivery services, pet care, health industry, accommodation or transport (Harris, 2018). This new form of work has challenged the traditional distinction of workers as either employees or independent contractors, to the point that the workers’ employment status is often being settled in the courts. However, in most cases, the workers consider themselves self-employees or freelancers (Eurofound, 2019b).

According to Eurofound (2020a), platform work entails providing services on demand, involving three parties: the online platform, the client and the worker. Therefore, a platform’s existence is an essential element to help organise these services, which aim to carry out specific tasks or solve particular problems.

Even though there is an evident overall growth of platform work, it has still gotten relatively little attention from researchers, and there is a lack of conceptual clarity around its concept, limits or implications (McDonnell, Burgess, Carbery, & Sherman, 2018). Although it seems clear that the gig economy will keep growing, and there are many reasons to find this appealing, the employment relationship has been dramatically

altered. There are significant concerns among governments and researchers on the risk, insecurities and inequalities for these new type of workers (Friedman, 2014).

Data on the number of platforms active or the number of platform workers are scarce, but it is clearly a growing phenomenon. Only in the United Kingdom, more than 1.1 million individuals were engaged in the platform economy in 2017, in a variety of jobs such as accountancy, legal work or other consultancies, plumbing, building and other skilled manual work, cleaning and other household services and delivery and courier services (Balaram, Warden, & Wallace-Stephens, 2017). Moreover, there is consensus on this trend's continuity, as many workers are increasingly open to jumping into the gig economy for their next positions (Hayzlett, 2018).

Nevertheless, economic and regulatory factors may affect the gig economy's growth (Healy, Nicholson, & Pekarek, 2017). When opportunities are lacking, workers may be forced to accept low-paid gig jobs which lead them to precarity and insecurity in the long run. In this sense, previous research has alerted about the lack of benefits such as health insurance or the payment of meagre wages, even below minimum wage (Bidwell, Briscoe, Fernandez-Mateo, & Sterling, 2013; Muhammed, 2018).

Additionally, these new business models demand new regulatory frameworks (Fabo et al., 2017), as are many issues related to regulation and taxation remain unresolved (Acquier et al., 2017). The challenge is beyond the mere compliance with the law because gig economy has to face human resource management challenges, such as fostering workers engagement (Crush, 2018), improving the recruitment and assignment processes, and fighting with unreceptive organisational cultures or the lack of understanding among leaders (Deloitte, 2018). For instance, the Employment Precarity Index (Lewchuk, 2017) measures how insecure gig work might affect well-being and social interactions, including health and domestic well-being. In the same line, Lehdonvirta (2018) found that, despite platform work provides with temporal flexibility arrangements, workers may encounter constraints when exercising this flexibility. They may face structural problems, related to the worker's dependence or work availability and cultural-cognitive limitations, such as presenteeism or procrastination, that cancel out their schedule control. Table 6 summarises some of the positive and negative outcomes of platform work stated by previous research.

Table 6. Platform work: positive and negative outcomes for employers and workers

	Potential positive outcomes	Potential negative outcomes
For workers	Working time flexibility Supplementary income Development of transversal skills Easy and unbureaucratic access to the labour market	Lower and unpredictable income Limited career progression High work intensity Ambiguous employment status Decreased social protection Lack of health and safety support
For employers	Higher productivity Efficient adaptation to variable workload Lack of commitment and engagement	Lower productivity Lower product/service quality Difficult fit with innovative strategies

Source: Own elaboration based on literature review.

2.8. Portfolio work

In portfolio work, freelancers, self-employed or micro-enterprises work for many clients, through small-scale contracts. Data on portfolio work are scarce, although it is clear that it was negatively affected by the COVID-19 pandemic. Previous studies have identified advantages for portfolio workers, such as flexibility, autonomy, interesting task content, skills development and better employability (Eurofound, 2015; Nergaard et al., 2018; Rimmel, 2019). However, this new form of work may involve drawbacks, such as job and income insecurity and the related lack of social protection, professional isolation and extended working time.

2.9. Collaborative employment

Collaborative employment involves cooperation or networking among the self-employed that go beyond traditional supply chain or business partner relationships. Eurofound (2015) differentiates three types of arrangements:

- Umbrella organisations offer specific administrative services to self-employed workers, who may not have the needed knowledge or resources. Examples of the services provided are invoicing clients or dealing with tax issues.
- Coworking, where self-employed workers, freelancers or micro-businesses share workspaces, and back-office and support tasks. The increasing number of

coworking spaces suggest the global diffusion of these networks. Nevertheless, the demand for coworking spaces decreased during 2020 due to the physical distance requisite in workplaces to avoid the spread of COVID-19.

- Worker cooperatives, the most frequent type and probably not so new anymore, where workers jointly own and democratically control organisations. Cooperatives have proven to be a useful tool for promoting wealth, sustainable development, and improving their members' quality of life thanks to the resulting cooperation. Commercial or agricultural associations are frequent and benefit from cooperation among the members in production, marketing and strategic management.

Although no specific legislation regulating work and employment exists for umbrella organisations and coworking, many countries have developed specific legislation for cooperatives.

The potential risks or benefits associated with these three forms of collaborative arrangement may vary for each of them, but the following table summarises the most common positive and negative outcomes for the involved workers.

Table 7. Collaborative employment: positive and negative outcomes

Potential positive outcomes	Potential negative outcomes
Flexibility Reduced entrepreneurial risk Learning Increased productivity	Unclear employment status and social protection coverage Loss of autonomy

Source: Own elaboration based on literature review.

3. Managing an increasingly diverse workforce ecosystem

The new ways of working described in this chapter show that, for many organisations, the current workforce is by no means made up of a single, homogeneous block of workers. The evolution towards a segmentation in the workforce was already pointed out decades ago by researchers such as Lepak and Snell (1999, 2002) with their HR architecture model, but received little attention in the practitioner literature at that time. With the emergence of new forms of work and the growth of some previously marginal forms of work, workforce diversification has become increasingly complex, and in

recent years has given rise to terms such as "extended workforce" or "workforce ecosystem".

In addition to the diversity in the types of employment relationships, the prior section has shown that various forms of teleworking have also increased recently, most notably since the coronavirus pandemic breakout. As a result, even the more traditional workforce segments are diversifying in terms of their ways of working. Some jobs are more suited to telework than others, and even within the same job, there may be people with different digital skills and personal preferences as to the amount and form of their telework.

The more diverse workforce ecosystem and its increasingly remote location pose challenges for human resource management. The vast diversity in the new forms of work makes an analysis of their managerial implications difficult. Still, this section will provide an overview of some aspects that managers need to consider. Since the analysis will focus on the implications for human resource management in organisations, the two forms of work specific to the self-employed, i.e. portfolio work and collaborative employment, will be left out.

3.1. Different policies for different segments

A key recommendation from both academic and practitioner literature when workforce diversification increases is to apply different HR policies to different worker groups. Therefore, HR managers first need to know which groups of workers their organisation has and under what conditions they are working. Secondly, they have to assess whether these practices are in line with the organisation's strategic interests and to redesign, if appropriate, both the composition of the workforce ecosystem and the policies applied to each segment.

The human resource architecture framework, proposed by Lepak and Snell (1999, 2002) allows distinguishing more homogeneous groups of workers to design HR support processes appropriate for each group. This theoretical model segments workers into four quadrants according to their human capital's uniqueness and their value concerning the "core processes" of the organisation. The first dimension in the framework, human capital value, refers to "the accumulated knowledge and skills of employees that enable a firm to enact strategies that improve efficiency and effectiveness, exploit market

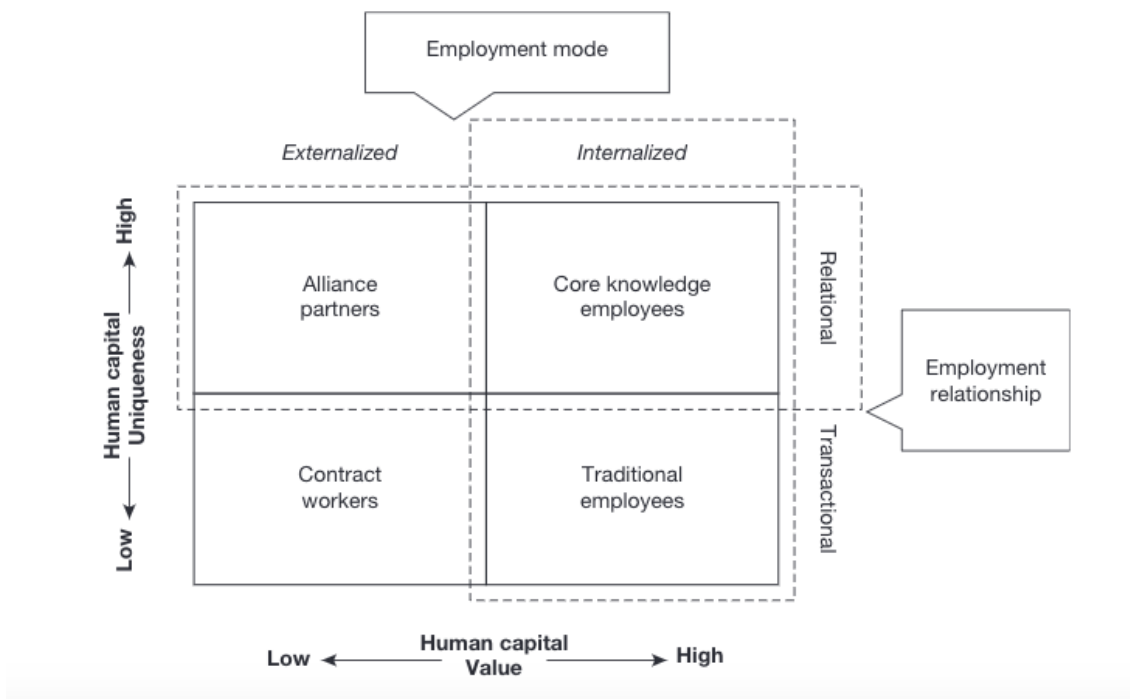
opportunities, or neutralise potential threats”. The second dimension, human capital uniqueness, is determined by “the extent to which knowledge and skills are specialised or firm-specific. Unique human capital may consist of tacit knowledge or deep experience and understanding that cannot be found in an open labour market” (Morris, Snell & Lepak, 2005: 59).

These two variables define four employee segments, which have been given different names, even by the same authors. We will adopt here the nomenclature used by Morris et al. (2005). According to this framework, each employee group corresponds to a human resource system consistent with the human capital characteristics of that segment (see Figure 3):

- Core knowledge employees possess knowledge with strategic value, since it is directly related to the organisation's core capabilities and is scarce in the market. Therefore, the company will hire them on an indefinite basis and invest in them through training and development, compensation and benefits, decision-sharing programmes, and loyalty programmes that will protect this investment.
- Traditional employees have valuable skills that are not unique to a particular organisation and are abundant in the labour market, so they cannot function as a competitive differentiation source. Workers are hired on a long-term basis to perform predetermined tasks, and companies will often not invest heavily in their development and retention.
- Contract workers possess skills of little relevance to creating customer value and are widely available in the labour market. These workers are prime candidates for outsourcing, through short-term contractual arrangements for tasks of defined scope, purpose and duration, and for which cost reductions and increased flexibility will be sought.
- Alliance partners provide knowledge-intensive services from external positions. They do not add value to core processes, and their competencies are scarce in the market. The company does not need their services often enough to justify their employment on a continuous or full-time basis. However, there is a need for joint production that requires sharing information and developing trust between the partners, so an effort to invest in the relationship is likely to take place.

The task of clearly establishing the number of people in each quadrant and their working conditions and their cost to the company, especially in externalised employment modes, can be quite complex (Dessain, 2014). Human resource departments often do not have information on all the contract and alliance workers who provide their services in the company, as they are hired directly by the individual departments or through the procurement area. However, this initial step is essential to establish a coherent framework of relations with each segment.

Figure 3: Human resource architecture framework



Source: Morris, Snell & Lepak (2005: 60).

As Figure 3 shows, each cell in the matrix differs in terms of employment modes and employment relationships. For lower-value human capital, employment will be outsourced and not invested in, while for high-value human capital, an internalised employment mode will be preferred. On the other hand, when human capital is more abundant in the market, the employment relationship will be transactional, with standardised jobs and focused on cost or performance, and it will be relational and based on trust when human capital is scarce or unique.

The various emerging forms of work described in this chapter find a place in the human resource architecture proposed by Lepak and Snell. Most of them correspond to outsourced work. Interim management corresponds perfectly to the alliance partners segment. Platform work, voucher-based work, casual work and ad-hoc employee sharing are clear examples of contract workers. Finally, job sharing and strategic employee sharing are forms of work typical of the traditional segment.

Given this diversity of forms of work, there is a clear need to develop the organisational capacity to adequately define the forms to be included in each of the segments, so as to favour the achievement of the organisation's goals. We know from previous research that greater use of core knowledge employees and contract workers is positively associated with firm performance and that both knowledge-based employment and contract work positively interact with traditional employment to impact firm performance (Lepak, Takeuchi, & Snell, 2003). However, when a wide and growing range of forms of work can be included within each of these segments - and in particular within the contract work segment - as we have seen in the second section of the chapter, decision-making becomes more complex.

On the other hand, once the company has defined the mix of work forms that it needs in accordance with its strategy, it will have to determine the human resources policies to be applied to each group of workers. This issue is more complex than the HR architecture model suggests. The HR architecture model presents a neat segmentation so that specific HR policies apply to each group of workers that differ from those of the other segments. This model is parsimonious and makes theoretical sense. Schematically, the HR architecture framework suggests applying a market logic to contract workers and a corporate logic to core knowledge and traditional employees. The market logic legitimises the achievement of profits through free competition between self-employed workers, while the corporate logic legitimises market share and revenue growth through coordination and control of employees by an employer (Meijerink, Keegan & Bondarouk, 2021: 2). However, both logics come into conflict when we approach organisational reality.

Available research suggests that when organisations actively invest in contract workers, they exhibit higher levels of job satisfaction, loyalty, commitment and prosocial behaviours (Van Dyne & Ang, 1998; Wilkin, 2013). For the specific case of labour platforms, Meijerink, Keegan & Bondarouk (2021) found that online labour platforms

apply to their platform workers some practices more typical of internalised modes of employment, combining market and corporate logics and generating institutional complexity and some tensions. On the one hand, online labour platforms emphasise market logic, as they are for-profit labour market intermediaries that create online marketplaces in which freelancers and requesters (organisations, consumers) transact. Consequently, platform workers are seen as freelancers working with a high degree of autonomy. On the other hand, online work platforms also use HR activities to control the performance of platform workers, such as implementing algorithm-based compensation and strictly defining jobs.

If contract workers' management systems that offer them a certain level of support and career development can improve labour productivity, turnover and profitability (Felstead & Gallie, 2004; Kwon, 2004), the separation between groups of workers and the corresponding differentiation of HR policies proposed by the HR architecture model breaks down. However, applying the corporate logic to groups of externalised workers can generate several difficulties, including problems to identify these workers. When supposedly self-employed workers are being instructed and controlled by an organisation to which they provide services on a preferential basis, they may claim to be incorporated into the company's internal workforce. This is currently happening, for example, with the riders of some delivery platforms, but has been occurring for years with other forms of contract work. Consequently, HR management is faced here with a tension between the legal requirements to separate internal and external workers, and the productivity potential that outsourced workers could develop if a corporate logic rather than a market logic focused on cost minimisation was applied to them.

3.2. Challenges caused by telework

In addition to the increasing diversity of work segments, there is another layer of complexity arising from the growth of telework. Telework, particularly ICT-mobile work, can exist in any of the segments described, as it is a work organisation mode and not a work relationship mode. However, telework is likely to be established for different reasons in different segments. Telework may take on an employee-driven flavour in internalised modes of employment and serve as a loyalty-building tool, as it promotes work-life balance. In contrast, in contract work it can be employer-driven because the company does not need these workers to come into contact with its internalised

employees, clearly separating the two forms of employment and avoiding having to dedicate space to them on its premises. For alliance partners, teleworking can simply be the partner's way of working, with the partner travelling to the client company only when necessary to develop the project.

When a significant number of workers (both internal and external) are not co-located at the same site, challenges at several levels emerge. At the organisational level, the top management has to decide about the intensity of telework that will be accepted or proposed for different groups of workers, taking into account the characteristics of the job, the preferences of the individual, and the organisational culture. It is likely that team leadership and how team members interact will need to change as teleworking becomes more widespread, involving a larger portion of the weekly or monthly schedule and a larger number of collaborators. Managers will no longer be able to evaluate their teams by what they see them doing in the office, but must learn to set and monitor goals and base relationships with their employees on autonomy and trust. Communication, collaboration, innovation and social support can no longer emerge from spontaneous conversations in the company's hallways. Consequently, new practices or new rituals will have to be developed within teams to make this happen more deliberately. Nevertheless, workspaces may maintain an essential role in these new circumstances, as long as they are reconfigured to support the interactions that teleworking makes difficult.

4. Conclusions

Despite the heterogeneity among the new forms of employment, they have a shared orientation towards flexibility, either employer- or employee-driven, or both. The degree to which this results in a win-win situation for both parties differs considerably across different employment forms. ICT-based mobile work, employee sharing and job sharing have the highest potential to result in a mutually beneficial outcome for employers and employees. The flexibility inherent in these work forms is counterbalanced by adequate protection of workers' employment and working conditions, including social protection and representation. In contrast, in platform work, casual work and voucher-based work, on average, employment and working conditions are less favourable than in standard employment, and workers' protections are more limited. Legislation or collective agreements to guarantee standards are either missing or limited to setting a minimum of

protection. Also, providing workers with a collective voice becomes more difficult because of their ambiguous employment status and their employment forms' fragmented nature.

The traditional employer-employee relationship is being replaced by the emergence of a diverse workforce ecosystem—a varied portfolio of external workers, shared employees, short term workers and service providers- that offers employers flexibility, capabilities, and the potential for exploring different models in sourcing talent. However, to reap these potential benefits, HR managers will need to consider the advantages and disadvantages of each way of working in order to make appropriate decisions. They will also need to consider the type of human capital that each group of workers can bring to the organisation and the HR policies applied to each group. As we have seen, this decision is far from straightforward given that contradictory logics may need to be applied to the same group of workers, particularly those in externalised relationships.

In short, business management - and particularly HR management - is currently facing an unprecedented coordination challenge, as it must harmonise the contribution of different segments of the workforce, which may also have different levels of physical presence on the organisation's premises. Developing this capability can foster the organisation's competitive advantage and long-term sustainability by adapting to its environment changes.

5. Implications

As new forms of work become more common, the question of their implications for both individuals and organisations becomes more relevant. As we have seen throughout this chapter, many new forms of work have potential negative effects on workers, such as work intensification, work-life conflict, limited career progression or increased safety risks and income insecurity. All these risks, although experienced at the individual level, at the aggregate level generate a significant social impact that neither governments nor companies should ignore. Only by tackling the risks both socially and organisationally, will it be possible to realise the potential positive outcomes of the new forms of work described above.

For governments, it becomes an urgent requirement to establish social protection systems for all people, irrespective of their affiliation to one form of work or another. For companies, it is now critical to effectively manage a workforce comprising internal and external players, as well as collocated and remote workers, in a way that is both aligned with the organisation's strategic goals and consistent with its values. Companies need to act in two directions. First, they must overcome an increasingly outdated view of the workforce -that it consists of a group of full-time employees performing on-site work along linear career paths to create value for their organisation. Secondly, companies must adopt a vision of human resource management that goes beyond the short term and is consistent with the concept of sustainability, along the lines proposed by Enhert (2011), which ensures long-term organisational viability. Even in the forms of work most closely linked to the market model, companies can implement policies that facilitate workers' planning and limit the intensification of their work. And also in the most skilled jobs, it is necessary to overcome the risk of exploitation and self-exploitation resulting from the possibilities of working from anywhere and at any time. Organisations must not only use their human resource base in an efficient and effective way, but must rethink the way they are using and managing it in a way that is sustainable.

Finally, the new ways of working raise a wide range of questions for human resource management researchers. For example, how do companies decide on the mix of forms of work they will use? How do they combine the corporate and market logics that different forms of work require? To what extent do they allow workers in one form of employment/relationship to move to another arrangement? What is the impact of the chosen mix and changes in it on different forms of organisational performance? And on employee satisfaction and commitment? And, how do the above issues change when more and more workers telework? What criteria have companies adopted to establish their telework/hybrid working policies? How have managers and employees -both those who telework and those who don't- received the increasing use of telework in their organisations? What has the overall impact on performance? How are organisations enhancing the positive and reducing the negative impacts of telework?

We hope that this chapter's description of the pros and cons of the new forms of work and their implications for management will be useful for policy makers, as well as human resource professionals and scholars facing this challenge in the near future.

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