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# Human Resource Management Perceptions in the Algorithm-driven Platform Economy

An Exploratory Study on the Role of Key Actors in the Food Delivery Sector

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Master Thesis in Strategy and Management

# NORWEGIAN SCHOOL OF ECONOMICS

This thesis was written as a part of the Master of Science in Economics and Business Administration at NHH. Please note that neither the institution nor the examiners are responsible – through the approval of this thesis – for the theories and methods used, or results and conclusions drawn in this work.

# Preface

This thesis is written as part of our Master's of Science in Economics and Business Administration at the Norwegian School of Economics (NHH) and the CEMS's Master's in International Management.

This study was conducted in collaboration with the Future-Oriented Corporate Solutions (FOCUS) research program at NHH. The program aims to develop novel insights and theories on corporate solutions, establish a new ground for collaboration between academia and practitioners and create practically relevant knowledge. We would like to thank everyone in the program for continuously assisting us with all our inquiries and giving us precious feedback during the production of this research.

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# Abstract

This study is an examination of human resource management (HRM) in the platform-driven gig economy. More specifically, this research aims to answer the following question:

How do different actors in the algorithm-driven platform economy influence HRM perceptions of gig workers?

A qualitative method is used to collect and analyse non-numerical data from interviews with gig workers in the food delivery sector. The research scope is narrowed down to Europe, and the participants interviewed are residents in the Netherlands, Norway and Germany. The gig workers interviewed have worked for Uber Eats, Foodora and Deliveroo.

Human research management can contribute greatly to a firm's performance and competitive advantage. However, past research on HRM has mainly been conducted in more traditional sectors, which are not based on algorithms and technology. Furthermore, an increasing number of companies use automated, less human-based approaches in managing their workforce. This study thus aims to understand which actors affect the gig worker's perception of HRM and how they do so.

The results of this research found differences in the perceptions of riders across gig companies, depending not only on the company they work at but also on the country they are working in. The main finding of the research is that seven key actors play major influencing roles in developing HRM perceptions of the riders. The actors are the companies, merchants, customers, fellow riders, tax offices, trade unions and the riders themselves. The strongest factors influencing HRM perceptions are money, flexibility, rewards, customer tips, the unpredictability of waiting time, solidarity with other riders, employee support from trade unions and self-motivation of the riders.

Thus, the research provides interesting and relevant primary evidence showing that multiple actors influence the positive and negative perceptions for riders working in the food delivery sector in the platform economy.

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# **1** Introduction

The continuous technological advances that exist today have provided countless opportunities for companies in various sectors to make their businesses more efficient and profitable. Moreover, they allow for the rise of new sectors and industries that would not have been imaginable a decade ago. This is especially true of the platform-based companies that have been on the rise in recent years and that leverage technology to connect freelancers with customers worldwide. In so doing, they also change how the workforce is managed (Duggan, Sherman, Carbery & McDonnell, 2019, 2019).

Human resource (HR) systems are at the core of many companies and play an integral part in their ability to achieve effective operations and competitive advantage (Becker & Huselid, 1998). With the rise of platform-based business models and the ever-growing number of workers to be organised, human resource management (HRM) tasks have been increasingly outsourced to technology, reducing the need for human management. One of the sectors that has been heavily reliant on technology in recent years is the gig economy, a sector in which freelancers provide services (i.e., gigs) to customers, increasingly so through a platform (Duggan et al., 2019).

Human resource management in the food delivery sector of the gig economy tends to strongly favour algorithmic management to coordinate, monitor and manage workers due to efficiencyand cost-related reasons, challenging traditional understandings of HR practices. Companies in the food delivery sector connect customers with restaurants and riders, who are gig workers delivering the food (Duggan et al., 2019). While this has proved to be a popular method for companies in this sector to manage their workforce, there has been little research on how riders feel about the combination of technological and human interaction, what the different factors shaping their perceptions are and if this setup can be a valid approach for HRM in the future. Thus, this qualitative exploratory study examines the following research question:

How do different actors in the algorithm-driven platform economy influence HRM perceptions of gig workers?

#### **1.1 Disposition**

This research starts with an introduction to the gig economy and its workers to provide background information about the sector. The paper further touches upon algorithmic management and later provides a thorough overview of HRM literature. This is followed by a discussion of the methodology, strength and weaknesses of the research and ethical considerations. Then, an exploratory model together with the findings and illustrative quotes are presented. This is followed by a discussion of the model, the findings and implications of the research. The last part of this paper contains conclusions in relation to the research question, practical implications for actors in the field and suggestions for future research in the field.

# 2 Theory

This section provides the theoretical background to the research. This assists with an understanding of the research field and with maintaining a balanced and adequate knowledgebase. Additionally, it is also useful to evaluate the research gaps and to get an overview of contemporary work in this field of study. The section begins with the research context followed by a brief theoretical insight on algorithm management and HRM in the platform economy. This is then followed by a subsection on HR systems as perceptions and finally a theoretical overview of sensemaking and sense-giving of HR perceptions in the platform economy.

#### 2.1 Research Context

First, this chapter reviews the algorithm-driven platform economy. The 'platform economy' – also referred to as the gig, sharing or freelance economy – refers to an economic system whereby freelancers provide services to their clients through gigs, which are temporary jobs or engagements (Duggan et al., 2019). In its basic form, the sharing economy has always been existent, as people have done freelance work with short-term gigs or long-term projects. In the last couple of decades, however, the gig economic system has started to leverage online platforms to create marketplaces to connect freelancers (i.e., individual service providers) with customers. The disruptive nature of this modern economy, with its on-demand and work-as-required aspects, is providing a new paradigm that is replacing traditional work arrangements (Duggan et al., 2019).

In this study, the platform economy is referred to as the world of digital freelancer services; that is, the economy where digital platforms are used by independent freelancers to find and service individuals or business clients on short-term gigs or asset-sharing. The main aspect of this is that the transaction between the freelancer and customer happens on an online or digital platform (Duggan et al., 2019). For instance, a freelance rider providing food delivery services through a food delivery app to a customer would be considered a part of the platform-based gig economy, whereas a freelancer acting as a food delivery agent through a direct in-person market without using any platform is not considered a part of the platform-based gig economy.

These workers in the platform economy are referred to as gig workers. The size of the gig economy in gross volume currently stands at  $\in$ 183 billion and is projected to rise to  $\in$ 409 billion by 2023 at a compound annual growth rate of 17%, with a five-year growth rate of 123% (Mastercard & Kaiser Associates, 2019). Due to the increasing profitability of the platform economy, traditional working arrangements have been overhauled, giving rise to independent contractors and temporary workers. There is no universally agreed classification of work for gig workers. The industry is very diverse, and the nature of work varies across business sectors and sometimes even within sectors. The nature of the work of freelancers, who, for example, provide services through Airbnb, is essentially different from that of drivers or riders working with ride-hailing or food delivery apps. Unlike traditional workers, some gig workers are not directly supervised or do not need to follow strict employee regulations; for instance, in the case of apps like Uber, the drivers are gig workers and are not required to wear a uniform or a badge, which is instead sometimes a requirement for traditional taxi drivers (Duggan et al., 2019).

The platform for gig workers is provided by gig companies. Gig companies act as the intermediary between the freelancer and the customer by providing a marketplace through their platform in return for a commission. Platform-based gig companies can be segregated per the mode of delivery and customer segment (European Commission, 2019).

	Mode of Delivery of Service			
		Online	Physical	
Customer segment	Individual	Lifekeys.no	Foodora	
	Group	Clickworker	FieldAgent	

Table 1: Types of gig companies.

As shown in the table above, some companies deliver their services online and some physically. Some companies target individual customers, whereas some target customer groups. The scope of this research is limited to the platform companies that provide services through the physical mode of delivery and who serve individual customers. More specifically, it is limited to the platform food delivery sector in Europe.

The food delivery sector accounts for 1% of the worldwide food market. The food delivery sector has embraced the advances in platform technology, and innovative food delivery platform companies have emerged globally. These companies can be categorised into two groups - the first being the aggregators who provide a platform for the customers to order food while the restaurants deliver the food themselves, and the second being the new delivery players who provide a platform and riders to complete the food delivery process (Hirschberg, Rajko, Schumacher & Wrulich, 2016). Companies such as Foodpanda, Delivery Hero, Just Eat and GrubHub are aggregators, whereas companies such as Uber Eats, Foodora, Deliveroo and Lieferando are the new delivery players. In this research, the scope is further narrowed down to the new delivery players. Thus, the gig workers in this research are the riders who provide a food delivery service using the platform apps of these companies.

As the platform economy and the food delivery sector grows, so do the number of gig workers associated with this economy. As more Millennials and Gen Z enter the job market, the number of gig workers is expected to grow further. Studies have found that by 2030, 75% of the workforce will be composed of tech-savvy, hyper-connected Millennials and 0.37 billion new jobs will be created due to technological advances (European Commission, 2019), which can

be further leveraged by these tech-savvy individuals. Soon, even Generation Alpha will be actively participating in the workforce. With more people valuing flexibility, freedom and autonomy and attributing these to the dignity and meaning of work, the platform economy can suit this burgeoning workforce very well (Griesbach, Reich, Elliott-Negri, & Milkman, 2019).

Additionally, regions which have been historically behind in this digital revolution are also expected to see an increase in the platform economy soon. In developing countries in Asia, there is an increasing incidence and impact of the rise of the platform economy. Africa – which is the continent with both the youngest population of the world and the highest youth unemployment in the world – is also expected to have a surge in the platform economy. This can potentially pave the path for the alleviation of the youth unemployment rates and the general socio-economic development of the continent (Tsibolane, Van Belle & Mudavanhu, 2018).

Thus, the platform economy, including the platform food delivery industry, has huge growth potential, affecting many people not just in the developed world but globally. However, there are also concerns associated with this economy. The non-standard nature of the work can lead to concerns such as less predictability of working hours, reduced wages, lack of insurance, sick pay and old-age benefits, and continual risk of unemployment (Pilaar, 2019). Some researchers have argued that high-pressure work environments for gig workers harm their health and wellbeing (Wood, Graham, Lehdonvirta & Hjorth, 2019). These concerns may apply to varying levels across different platform companies, as some gig companies treat gig workers as employees and some do not. For instance, Deliveroo has 2,000 registered employees, while the actual number of food delivery riders is more than 35,000. Furthermore, even in the ride-hailing world of platform companies, companies like Lyft and Uber have 5,000 and 22,000 legally registered employees, respectively, while overall they have 2 million drivers and 4 million drivers, respectively (Duggan et al., 2019).

Additionally, reports from the European Commission show that 40% of gig workers surveyed are not covered by any health insurance and 65% have no future pension plans, resulting in considerable economic insecurity among the gig workers. This issue arises due to the nature of contracts used in the platform economy. The boundaries of what constitutes an employee are being stretched through these contracts, with some gig workers considered employees and some partners. With the rising trend of part-time jobs in Europe, the number of people with

multiple jobs is increasing. One in six French people now has multiple jobs and one in three European working-age people has some sort of independent job. This has increased concerns such as the lack of unemployment benefits in countries like the UK, where more than half of workers do not have unemployment benefits (European Commission, 2019). Employee turnover and churn are also of concern in the gig economy, as they result in a lack of long-term stability for gig workers. A study conducted on UberX and UberPool drivers by the National Bureau of Economic Research in the United States estimated that less than 40% of drivers who started driving were active on the platform six months after starting (Cook, Diamond, Hall, List & Oyer, 2018).

Lastly, there is also a concern related to the gender gap in the platform economy. The gender gap, which is the lack of female participation in relation to male participation in the workforce, is a possible concern because women gig workers are underrepresented and thus are unable to fully benefit from this growing and blooming platform economy. A study in the UK showed that there was significant underrepresentation of women, with less than one in three gig workers being female, thus showing a strong gender imbalance in the platform economy (Kovács, 2018).

This exploratory analysis pertains to platform food delivery companies in Europe, specifically Uber Eats, Foodora and Deliveroo. A brief background of the companies is provided to give context to the research.

Uber Eats is the food delivery wing of the Uber brand. Uber Eats was launched in Europe in early 2019 with operations beginning in Ireland, the UK and the Netherlands (Prodhan, 2019). The food delivery app is based on a three-step process: browsing for restaurants, ordering the food and tracking the order. On its website, Uber Eats' message is that it is *the easy way for getting food you (the customer) love(s) delivered* (Uber Eats, 2020).

Deliveroo was launched in the UK in 2013 with the aim of transforming the way customers eat. The company focuses on providing an arrangement of the most popular restaurants for customers to choose from. Deliveroo uses an algorithm, which leverages predictive technology and machine learning, and states that its primary goal is to make delivery times as short as possible so that customers can get prompt delivery of the food they ordered (Deliveroo, 2020).

Foodora was formerly called Volo and was launched in 2014 in Germany before being acquired by e-commerce giant Rocket Internet in 2015 (O'Hear, 2015). Later in the same year, Delivery Hero acquired Foodora (Delivery Hero, 2015). Today, Foodora operates in 15 countries. Foodora started operations in Norway in 2015, where it faced an effective strike led by the riders in the fall of 2019 (Lindahl, 2019).

The platform food delivery industry is an exciting and far-reaching economy that shows promising signs of rapidly growing in the coming years. A vast swathe of the world population, from the Organisation for Economic Co-operation and Development (OECD) countries and the developing world, across genders and demographics, will be directly or indirectly impacted by this economy. Companies such as Uber Eats, Foodora and Deliveroo are major players in this economy and are expanding across different countries. However, there are also multiple potential pitfalls associated with the platform economy which can directly or indirectly affect many people. Thus, with this research context as the backdrop, this paper aims to study how the different actors in this food delivery economy interact and influence the HRM perceptions of gig workers and how this is associated with the company-designed algorithmic platforms.

# 2.2 Algorithmic Management and its Human Resource Management (HRM) Interaction with Different Actors

In this section, the theoretical underpinning of algorithmic management and HRM and how different actors in the food delivery platform economy interact with them is outlined.

Although the platform-based gig economy is a novel concept arising from the boom of platform devices and gig jobs in the past couple of decades, it has been widely researched and analysed by many scholars globally. Researchers have identified multiple principal actors that influence HRM perceptions of food delivery riders. Meijerink and Keegan (2019) argue that the implementation of HRM practices in the gig economy is closely tied to the activities and involvement of three actors: the customers, the gig workers and the platform companies. The authors propose that the actors are vital cogs and not just recipients of HRM practices but rather that they participate, engage and drive the implementation of the HRM activities (Meijerink & Keegan, 2019). However, Gervald (2019) proposes four principal actors that are relevant within the food delivery platform economy: the customer, the worker, the platform company and the merchants or restaurants. All these actors are argued to provide HRM practices to each other in a dynamic and fluid system (Gervald, 2019). Thus, from the literature there appear to be four

principle actors (restaurants, companies, workers and customers) which influence the HRM perceptions of the riders and algorithmic management plays a key role in building these perceptions.

The phrase 'algorithmic management' derives from the algorithms used by the platform companies. An algorithm is a set of rules and formulas used for programmed decision making that guides the riders with the tasks to perform. Machine learning and artificial intelligence have further allowed these algorithms to learn and adapt to complex problems. These algorithms, which are embedded in the platforms, facilitate efficient transactions between the different actors with automatic coordination and by matching the supply and demand, tracking and assigning work, evaluating performance and incentivising riders for higher performances (Duggan et al., 2019).

Typical HRM tasks, such as assigning work and rating performance, which traditionally required face-to-face interactions, are being automated by algorithmic management. Unlike traditional companies, gig economy workers do not fall directly under the ambit of the internal HR. The individuals responsible for programming recruitment policies and coordinating and managing gig workers may not even be HR professionals in the traditional sense (Meijerink & Keegan, 2019). Traditional jobs have a major interpersonal and empathetic element toward people management. However, with automation through algorithmic management, these elements are eliminated, leading to some construing algorithmic management being like a "boss from hell" (Slee, 2017). Algorithmic management through the platforms helps companies provide gig worker guidelines, which would traditionally fall under the purview of HRM (e.g., instructing the riders about maintaining professional behaviour with customers). Furthermore, it helps companies maintain good work quality by empowering customers to rate gig workers (Steinberger, 2018).

Thus, this exploratory research aims to further understand the role of the different actors and algorithmic management in developing HRM perceptions of gig workers. This research complements the contemporary and historical research literature and aims to provide additional depth to the overall analysis of HRM in the platform economy sphere.

#### 2.3 Human Resources (HR) Systems as Perceptions

This section begins by presenting the relevance and criticality of HR systems and HRM generally. Then, it provides a theoretical overview of sustainable HRM and its relevance in the food delivery industry. This is followed by an outline of how HRM perceptions link with the organisational climate, which in turn correlate with organisational performance. Finally, it presents the theoretical background of how having high degrees of distinctiveness, consistency and consensus can help create strong positive perceptions about the organisational climate further leading to better organisational performance.

Human resource systems are crucial for firms to improve their effectiveness and performance and achieve a competitive advantage (Wright, McMahan & Mcwilliams, 1994; Becker & Huselid, 1998). Human resource management is also vital to retain employees and enhance the overall performance of the organisation (Leghari, Suleman, Leghari & Aslam, 2014). Traditionally, it is believed that focusing on human capital can enhance the firm's performance, especially for firm-specific human capital. Such firm-specific human capital is an intrinsic asset for firms and the time-compression diseconomies involved in accumulating such human capital make imitation difficult for rivals. However, increased employee turnover erodes this competitive advantage, making it difficult to ensure the sustainability of the firm's competitive advantage (Hatch & Dyer, 2004). The social complexity and intricacy of HRM make it rare and difficult for competing firms to imitate and substitute it (Barney, 1991; Boxall, 1996; Ferris, Hochwarter, Buckley, Harrell-Cook & Frink, 1999). Hence, research which refines theory and develops detailed and holistic models of HR systems should be a high priority of researchers. Furthermore, HRM practices are quite different in the platform economy than in traditional workspaces (Barley, Bechky & Milliken, 2017). Hence, this research aims to develop an HRM theory through the paradigm of the rider's HRM perceptions in the platform economy.

These HRM perceptions are also explored from the perspective of sustainable HRM. Sustainable HRM is becoming increasingly relevant in the modern economy. Companies are becoming more aware and socially responsible and are designing more future-oriented sustainable HRM systems, with a focus on achieving efficiencies in training, recruitment and retention processes (Zaugg & Thom, 2001). Sustainable HRM mandates organisations to have a holistic outlook and a social and environmental conscience (Stankevičiūtė & Savanevičienė,

2018). However, many times the actions best-suited to achieve short-term goals may not align with those best-suited for the long-term (Laverty, 1996). Thus, to have sustainable HRM, companies may need to look beyond the short-term and have a more sustainable and future-oriented outlook. Having a sustainable outlook involves understanding the outcomes of current decisions and their impact. Sustainable HRM requires futurity (maintaining concern about the future), continuity (between past and future) and perseverance (Lumpkin, Brigham & Moss, 2010).

For the food delivery sector, good sustainable HRM will provide higher equity and wellbeing to riders and provide them opportunities for development (Cohen, Taylor & Muller-Camen, 2012). Furthermore, sustainable HRM entails giving the riders better working conditions by giving them more flexibility, individual responsibility, employability, work-life balance, voice and participation. It also entails that companies build trust with the riders and focus on the competency and the knowledge of the riders (Zaugg & Thom, 2001). Lastly, it is vital to provide continuity by giving avenues for the riders to have sustainable careers (De Prins, Van Beirendonck, De Vos & Segers, 2014). Sustainable HRM also entails that companies groom their riders and make them empowered to contribute to the company's future. Sustainable HRM does not align with HRM strategies such as 'hire and fire' (Ehnert, Harry & Zink, 2014).

HRM plays an important role in developing the perceptions of the organisational climate. Organisational climate refers to the perceptions of the expectations of the management and how the expectations are pursued (Schneider, Brief & Guzzo, 1996). Organisation climate is derived from the shared perceptions (James, 1982) of the HRM content (policies, procedures, penalties and rewards) and HRM processes (needed to create shared meaning of the content). The strength of the organisational climate depends on the extent of the shared perceptions. The more these perceptions are shared by all workers, the stronger the signals sent by the organisation are, which then lead toward attainment of the organisational goals (Bowen & Ostroff, 2004).

HRM practices can be construed as the organisation's way to communicate with workers. Reception (i.e., comprehending the content) and yielding (i.e., accepting the message) are two steps required to achieve this communication (McGuire, 1972). To understand this further, attribution theory can be helpful. Attribution theory argues that workers must get apt and clear information to correctly attribute the situation. However, even with well-defined content and processes, idiosyncratic aspects may cause variations in the perceptions of the organisational climate and understanding of the situations. This leads to situationism which is the way individuals perceive the situations (Drazin, Glynn, & Kazanjian, 1999). Thus, to have clarity of information, it is imperative to have 'strong' situations. This can be achieved by maintaining high degrees of distinctiveness, consistency and consensus (Kelley, 1967; Mischel, 1977). Such high degrees can strengthen the HRM systems and enhance their effectiveness in conveying the requisite information (Bowen & Ostroff, 2004).

Distinctiveness stands for how distinct the information is and consists of visibility, understandability, legitimacy of authority and relevance. Visibility describes how observable the HRM practices are. Understandability describes clarity and the reduction of ambiguity while understanding HRM practices. Without understandability, HRM communications loses its authority (Barnard, 1938). The legitimacy of authority entails that workers accept that the HRM practices are formal and are authoritative (Bowen & Ostroff, 2004). Relevance entails that the workers see the HRM practices as relevant (Kelman & Hamilton, 1989). Gig workers may perceive HRM practices like continual monitoring or customer ratings as irrelevant (Tran & Sokas, 2017; Kuhn & Maleki, 2017; Gramano, 2019). This may affect the workers' morale especially if the HRM practices are perceived to be influenced by uncontrollable externalities (Alcover, Rico, Turnley & Bolino, 2017). Thus, relevance is key to align workers with the HRM goals; and thus is important for effective functioning of the firm and for attaining the firm's goals (Kelman & Hamilton, 1989; Vancouver & Schmitt, 1991).

Consistency is another important factor and pertains to consistency in the HRM practices. Consistency includes instrumentality, validity and consistent HRM messages. Instrumentality pertains to establishing the cause-and-effect relationship of the HRM practice. For instance, many gig companies share their performance metrics as it helps convey what ratings the workers can expect based on the metrics; this clarifies the direction of the cause-and-effect of the HRM practice (Kassin & Pryor, 1985; Van Doorn, 2017). Apart from instrumentality, validity is also important, as workers need to understand the validity of messages (Fiske & Taylor, 1991). Lastly, consistent HRM messages signal that there is compatibility and stability of the HR signals. Consistency of messages is desired by workers in their organisational life and lack of it may lead to cognitive dissonance (Siehl, 1985). When a worker receives double-bind messages – two contradictory messages in the same content area – this may result in severe inconsistencies (Lidz, 1973).

Consensus measures whether the shared meaning of the HRM practices is agreed upon. It includes agreement among principal HRM decisionmakers and fairness in the HRM policies and actions. If there is a lack of consensus among message senders, then it is not realistic to expect consensus among message recipients (Fiske & Taylor, 1991). An instance of fairness in the gig economies is the policies that gig companies have on tardiness. Tardiness, which is an important aspect for ensuring good customer service, can be monitored through the platforms (Gramano, 2019). If the tardiness policies are not perceived as fair by all gig workers then there will be loss of consensus.

Thus, this section has discussed how platform economy actors can influence the formation of HRM perceptions. When viewed through the lenses of the degrees of distinctiveness, consistency and consensus, these HRM perceptions show how favourably the HR systems and organisational climate is perceived by the riders, which would then lead to organisational performance.

# 2.4 Sensemaking and Sense-giving of HR Perceptions in the Gig Economy

This section provides a theoretical overview of sense-giving by the different principal actors which influence sensemaking among the riders.

HRM perceptions are interrelated with sensemaking (Schneider, 2000) Perceptions help individuals make sense of reality. Such sensemaking through perceptions can help construct meaning via interpretation and finding explanations of the varied cues that workers are exposed to (Gioia & Chittipeddi, 1991). Such interpretation helps workers comprehend and predict their environment (Ring & Rands, 1989; Weick, 1995; Bingham & Kahl, 2013).

Individuals who are part of the workforce try to understand their reality by adjusting contemporary schemas or by producing new ones in their process of interpretation, using either internal or external cues. Thus, schemas manifest themselves through the sensemaking of individual and shared experiences, norms and values of the firms and formal and informal interactions. If workers have consistent schemas, as is desired by their organisations, then that would entail a positive attitude toward the organisation (Balogun & Johnson, 2005). Hence, organisations try to influence the sensemaking of their workforce through sense-giving, as

sensemaking is a crucial process which helps firms achieve their desired outcomes (Maitlis, 2005).

This research aims to understand how HRM sensemaking of riders through their perceptions are influenced by the different actors which are the sense-givers.

# 3 Methodology

This section discusses the methodology used to answer the research question. First, the research design is presented, followed by a description of the data collection and an explanation of the research method.

## 3.1 Research Design

The research design details the approach used to answer the research question and to structure the study. Even though the platform-based gig economy is a relatively young sector, a significant amount of research has been conducted on the sector. However, this study aims to examine in-depth how gig workers in the algorithm-driven platform economy perceive HRM.

In this field of research, there are still many unexplored areas. Therefore, this thesis utilises exploratory research methods. These are regarded as useful for gaining new insights into and explaining a phenomenon or a problem. They also allow for a flexible and adaptable approach, which is essential as the focus of the research is usually broad at the beginning and then narrowed down in later parts of the study (Saunders, Lewin & Thornhill, 2016).

This thesis consists of semi-structured, qualitative interviews with freelancers of digitally driven gig economy companies in Europe. This type of interview usually consists of open questions on the topic, as opposed to narrow questions. The interview is thus modelled as a discussion rather than having a question-and-answer format, leaving room for extensive and thorough answers. This way, the researcher can gain an in-depth understanding of the respondent's answers, their perceptions and exact meanings and build on their answers. Moreover, this approach allows the interviewees to lead researchers into areas they would not have considered before but that are relevant to understanding the underlying phenomenon; therefore, this helps researchers answer the research question (Saunders, et al., 2016).

## 3.2 Research Approach

In this study, an inductive research approach is used. An inductive approach is especially appropriate if a researcher seeks to explore a phenomenon and then build a theory out of the data collected; this is in contrast to a model in which the theory is specified at the beginning and tested throughout the study. This allows for results and insights beyond what was originally considered relevant. A deductive approach is more suitable for studies seeking to test theories set by the researcher at the beginning, thus naturally limiting the scope of the results (Saunders, et al., 2016).

As mentioned, this research is based on the sector of the gig economy. Companies in this field usually have many freelancers they need to manage. For this, they use new, digital methods of managing their workforce, which differ in many aspects from approaches used in more traditional sectors. The main aspect they differ in is most likely the lack of human interaction that freelancers experience in their everyday work life. As stressed in the literature review, firms can achieve competitive advantage and improve their overall performance through HRM (Wright et al.,1994). To examine this phenomenon, this research focuses on the freelancer's perception of digital HRM methods. The exploratory research design chosen for this study combined with an inductive approach enabled the study to use dimensions from existing HRM theory to structure the interview questions and include topics in the interviews that were regarded as essential for the understanding of the perception of gig workers. However, the discussions touched upon other areas apart from existing theory, which were not defined before the interviews. This was essential to gather new insights in the field, contributing to an understanding of how gig workers see, experience and perceive these novel HRM approaches. This allowed for in-depth answers to this research question.

# 3.3 Research Objective and Strategy

A research strategy specifies the approach that a study takes to answering the research question (Saunders, et al., 2016).

This thesis comprises a qualitative approach as opposed to a quantitative one. This is because it allows the study to generate new insights, which is more suitable for this type of study. For this, non-numerical data in the form of qualitative interviews was gathered (Saunders, et al., 2016). To fully understand the gig workers' perspective of working with algorithms and dealing with the lack of human interaction and to understand their views of these new kinds of approaches to HRM, freelancers in selected food delivery companies were interviewed. This provided a clear understanding of the positive aspects and shortcomings of newly, digitally driven platform-based business models of HRM.

The gig workers interviewed for this thesis work or worked in different food delivery companies in the Netherlands, Norway and Germany. Thus, this study focuses on the European market. These gig workers are generally referred to as "riders," since they usually deliver food by riding bicycles, motorbikes or scooters. All participants were in the same hierarchy level in their organisation. This narrow focus allowed for various views of a similar situation, but in different companies and countries, and thus brought about an even clearer understanding of the matter.

### 3.4 Data Collection

This research was conducted in the context of the Future-Oriented Corporate Solutions (FOCUS) program at NHH. The following section outlines the type of data used, how it was collected and how it was processed. The supervisor of this thesis, Peter Kalum Schou, was of continuous assistance during the process.

#### 3.4.1 Data Sources

The study aims to collect and analyse primary, non-numerical data. Data from different companies and countries was gathered to create a basis for the theory and the model constructed.

The primary data was collected through semi-structured interviews. The method allows for follow-up questions and a greater explanation of certain answers. This enables the researchers to get a better understanding of the reasoning of participants and in turn provide a solid data foundation for answering the research question (Saunders, et al., 2016).

#### 3.4.2 Sample

For this paper, non-probability purposive sampling was used. This sampling method focuses on the judgement of the researchers in choosing the most relevant and suitable participants for answering the research question. The method is fitting when working with small samples in exploratory studies. The sampling was homogenous, which means the participants interviewed shared similar characteristics, as the study focuses on gig economy companies in the food delivery sector within Europe. While this approach allowed for an in-depth research of the matter, the findings also allow for generalisations and the creation of a theory, but not one applicable to a greater population (Saunders, et al., 2016). In this study, interviews with 14 freelancers from three companies were conducted. All gig workers worked at a similar hierarchical level. This allowed for an in-depth understanding of the matter. Furthermore, it showed how individual companies in the same sector applied digital HRM principles in various ways and how differently these were perceived by gig workers.

The interviewees worked different amounts of time each week in their role as gig workers. Some of the riders worked full-time, while others perceived their work as a side job. Moreover, the participants also worked for their companies for varying amounts of time, ranging from one week to two years. Some participants had previous experience of full-time jobs, while some had worked as freelancers before. For this research, interviews with riders from Foodora, Uber Eats and Deliveroo were conducted. The table below gives an overview of the number of riders interviewed and the order in which they were questioned. It also shows the country and company distribution. The table further states the number of interviews, the approximate experience participants had in the job at the time of the interview, the length of the interviews and the country they were working in.

Interview number	Pseudonym	Experience as a rider	Interview length	Country
1	Foodora Rider 1	Approx. 8 months	Approx. 45 min.	The Netherlands
2	Uber Eats Rider 1	Approx. 1 year	Approx. 38 min.	The Netherlands
3	Uber Eats Rider 2	Approx. 2 weeks	Approx. 46 min.	The Netherlands
4	Uber Eats Rider 3	Approx. 3 months	Approx. 32 min.	The Netherlands

5	Uber Eats Rider 4	Approx. 9 months	Approx. 29 min.	The Netherlands
6	Uber Eats Rider 5	Approx. 1.5 years	Approx. 42 min.	The Netherlands
7	Uber Eats Rider 6	Approx. 1.5 years	Approx. 42 min.	The Netherlands
8	Deliveroo Rider	Approx. 10 months	Approx. 35 min.	Germany
9	Foodora Rider 2	Approx. 5 months	Approx. 45 min.	Germany
10	Uber Eats Rider 7	Approx. 2 weeks	Approx. 49 min.	The Netherlands
11	Foodora Rider 3	Approx. 3 years	Approx. 59 min.	Norway
12	Foodora Rider 4	n/a	Approx. 40 min.	Norway
13	Foodora Rider 5	Approx. 1 year	Approx. 38 min.	Norway
14	Foodora Rider 6	Approx. 9 months	Approx. 59 min.	Norway

Table 2: Interview participants.

# 3.5 Qualitative Semi-Structured Interviews

For the primary data collection, qualitative semi-structured interviews were used. A list of predetermined themes and open-ended questions was created. Due to the flexibility of the structure, participants were given room to speak freely and lead the interview in a direction that was, in their view, most relevant for answering the research question. The questions posed were based on the dimensions discussed in the paper "Understanding HRM-Firm Performance Linkages: The Role of the "Strength" of the HRM System", written by Bowen and Ostroff

(2004). The paper discusses different areas of HRM perception and how these can contribute to a more successful firm but focuses on traditional HRM.

The interview guide was reviewed and refined several times by the researchers to ensure a discussion could be had instead of a straightforward question-and-answer interview. Furthermore, a pilot interview was conducted with a gig worker who is active outside the food delivery sector. Moreover, the list of questions was continuously refined and expanded throughout the interviewing process. The interviews were recorded and later transcribed. The interviews would have been preferably conducted in-person to increase trust among the researchers and the participants. However, due to the COVID-19 pandemic, which caused major travel restrictions, lockdowns in Europe and meeting restrictions, all interviews took place as video calls conducted via Skype or Zoom (Saunders, et al., 2016).

#### 3.5.1 Interviewing Process

Initially, the aim was to conduct interviews with both gig companies and gig workers to get different views on digitally driven HRM methods in the gig economy. For this, various gig companies were contacted via email, and written requests were sent to HR representatives on LinkedIn. However, partly because of the Covid-19 pandemic, conducting interviews with representatives of the companies was very difficult. Due to this, the research focused on the freelancer side, which also resulted in a refinement of the research question.

To contact gig workers, posts were drafted in various Facebook groups in which riders connect to share tips and information. This method proved to be the most successful one. Additionally, a snowballing technique, outlined by Sanders et al. (2016), was used for LinkedIn. First, connections with gig workers were made on the platform. Then, further workers were found by using the level two and level three connections in the profiles of the primary contacts. The increased network helped to find additional interviewees. Furthermore, a free ad was created on the platform "Upwork" and the researchers' private networks were used to scout friends working in the gig economy. The ad and the private network, however, were of little success.

Through Facebook and LinkedIn, several people contacted the researchers, as they were interested in the interview. These prospective participants were then briefed about the content of the research. An appointment was scheduled with the ones who agreed to conduct the interview. Furthermore, before the interview, they had to sign a letter of consent regarding the

use of their interviews, which was provided from the FOCUS program at NHH (see Appendix). The form contained information about FOCUS and how the data would be used and specified that any data on the participant would be anonymised and only viewed by people in the program.

Before the interviews, any information about the participants' companies was gathered to gain a better understanding of the goals of these businesses and how they portray themselves to the outside world. In the interviews, theoretical frameworks and terms were not used to ensure simplicity.

The interviews started with a short introduction of the topic and the researchers. Then, the participants would introduce themselves. Afterward, they were asked questions on their previous work experience, how they started in the gig economy, how much they work on average in their job as freelancers and how long they have been working for their company. Later, the questions focused on their general life as a gig worker, their perception of the algorithm and the app they work with and their general views of the company they work for (see Appendix for the list of questions). The semi-structured interviews gave both sides the flexibility to have an open conversation about various topics and allowed the participants to lead the discussion to areas they found most relevant to answering the questions. Participants were encouraged to speak freely and were given time to talk as they wished. The researchers asked follow-up questions, focused on certain aspects if needed and talked about topics that arose spontaneously. This approach was suitable for understanding both the positive and negative aspects of HRM in algorithm-driven platform companies, the challenges gig workers face in their everyday life, flaws in the apps and suggestions on how HRM could be improved from a freelancer's point of view. Furthermore, the researchers identified what motivates the workers and how they view the gig company they work for. The order of the questions differed. At the end of the interviews, participants were asked if they wanted to add anything they found relevant to the discussion but that had not been covered. This ensured that any topics that participants found relevant and important for research were not overlooked.

The interviews lasted approximately 35-45 minutes, and some took as long as an hour to complete. The examinations were conducted within a timeframe of ten days. In later interviews, input from previous participants was incorporated into the discussions to gain an in-depth view of the topics classified as relevant for the study.

## 3.6 Data Analysis

Clear guidelines for analysing qualitative data outlined by Saunders et al. (2016) and Charmaz (2006) were followed in this paper. As described, the data used in this study is primary, non-numerical data taken from qualitative, semi-structured interviews.

The data gathered was first prepared by transcribing the recorded interviews and afterward analysed in two steps: first, using the method of line-by-line coding (i.e., initial coding) and second, using the method of focused coding, as described by Charmaz (2006). This step-by-step approach was extremely helpful in comprehending the significant amount of information gathered through the interviews.

#### **3.6.1 Data Preparation**

The recorded interviews were transcribed entirely. The focus during the transcribing process was on the participants' answers. Emotions and the way the interviewees answered were not included in the transcripts, as the participants were neutral in their responses. Therefore, it was regarded as sufficient to only transcribe what the participants said (Saunders, et al., 2016).

#### 3.6.2 Initial Coding and Data Analysis

After transcribing the interviews, line-by-line coding was used in a first step to critically analyse the data. This form of coding, being an open approach to data analysis, assists the researcher in exploring the information and gaining an insight into how participants feel (both positively and negatively) and what their concerns are for the matter researched (Charmaz, 2006).

In a lengthy process, codes were added to single or consecutive sentences that had a similar meaning in each interview. These codes contained a summary of the meaning underlying the sentence. This approach supported the process of viewing the data more thoroughly, gathering first insights and creating dimensions for the second stage of coding. Throughout this process, Charmaz's (2006) guidelines for coding were followed closely.

MH: So, regarding customer satisfaction, employee satisfaction and things like these, would you say this approach is good? Would you say this is only beneficial for them to save costs but the rest, other factors, suffer? What is your opinion on this?

I don't know if I'd say, if you talk to the end customer that is buying the service, if they really suffer from it. [They might not really have any impact.] It depends on how easy it is to employ people. But of course, as an employee, at least for me, I would have been less happy with that. It's definitely easier to motivate myself if I knew that I had a fixed contract and all, that I have some idea of what I'm earning. If it's all flexible, sure, there might be days where it's really good and then there's other days where it's not that great.] just enjoy the higher predictability of it. Of course, I think it depends on the person how it would be

MH: Okay. So, can you share your thoughts on the algorithm and working with the app?

There were quite a few updates to the app while I was working there. I think one of the things they learned quite quickly was that it was maybe not the best idea that you could see how far away you needed to pick up something so you could decline it. It was really nice for us as a rider, but it didn't make sense overall. I think it worked much better when you just got told where the next one was and you didn't have any idea beforehand how far away it was. The algorithm was really good for most part when I was there. The only issue was the restaurants themselves, I think that would be hard to do anything with. Anyway, that's the only concern I had: that when we had to wait for our restaurant to do an order and if they were delayed by half an hour, an hour sometimes, then everything gets screwed up in the app and then the app doesn't do that. So, you have to go in and speak with tech support, kind of to say "hey, I'm still delayed here." So that is probably the only negative thing I had about it because it would have been easier for me to then go to say to tell the app how much longer it's going to be delayed, and then it reroutes me to go deliver orders or something else.

Maximilian He... Being self-employed worse for Maximilian He Not sure if customer Maximilian He... Customers might not have Maximilian He... Depends how easy it is to 🔻 Maximilian He... Less happy with being self-Maximilian He... Easier to motivate if you are Maximilian He... Lower predictability of income Maximilian He... Enjoys predictability of income Maximilian He... Preferences in contracts vary Maximilian He... App often updated Maximilian He... Company learned to not show Maximilian He... To see distance is good for a Maximilian He... Worked better when riders Maximilian He... Algrithm was really god Maximilian He... Restaurants were only Maximilian He... App sometimes got confused Maximilian He... Had to contact tech support V Maximilian He Couldn't tell the app that there

Figure 1: Example of initial coding.

#### 3.6.3 Focused Coding and Data Analysis

In this research, Charmaz's (2006) approach to focused coding was followed. This assisted in determining which of the codes would be used to gather exploratory insights and inductively generate a model. This approach was intensive and lengthy but also reflective and insightful.

After thoroughly reviewing the initial codes and conversation segments, categories that supported the answering of the research question with exploratory insights were constructed. Afterward, the initial codes and the associated conversation segments were colour-coded into similar themes and moved into separate files. After another thorough reviewing process of the codes and broader themes, a model with a set of greater dimensions was inductively generated, reflecting the purpose of the research question. After reviewing the data another time, it was determined where each of the themes defined in the focused coding stage were located in the model. Several codes are used in more than one part of the model.

Throughout the focused coding process, the research question was finalised.

## 3.7 Research Quality

This section illustrates how the overall quality of the research was ensured by assessing the methods that were used to gather and evaluate the data. For this, Saunders et al. mention the terms 'reliability' and 'validity' (Saunders, et al., 2016). Reliability focuses on ensuring that the findings are both replicable and consistent, which means that the findings remain consistent regardless of when the research is conducted and who conducts it (i.e., the researcher). The former is often referred to as internal reliability and the latter as external reliability (Saunders, et al., 2016). Validity is established by determining three different aspects: measurement validity, internal validity and external validity. Measurement validity consists of face validity, content validity, predictive validity and construct validity, while the latter three are usually referred to by researchers when analysing the validity of questions. Content validity refers to the ability of the questionnaire to make precise predictions. Construct validity ensures that the concepts studied are measured appropriately. Internal validity is achieved when there are causal relationships between variables. External validity addresses the possibility of generalising the findings to a broader group (e.g., other companies; Saunders, et al., 2016).

For qualitative research, however, Lincoln and Guba (1985) formulated different terms for validity and reliability that were adjusted to its different nature. For reliability, they use the term dependability; for internal validity, they use credibility; and for external validity, they use the term transferability (Lincoln & Guba, 1985). Lincoln and Guba's definitions are deemed to be more suitable for this qualitative paper and will thus be used to assess the research quality.

#### 3.7.1 Credibility

Credibility determines whether the researcher's view of the participants' answers corresponds to what they intended to express. To establish high credibility, a researcher can reflect on and interpret the answers with another person. Furthermore, after interpreting the answers, the findings can be sent to participants to confirm the alignment of the interviewee's and the interviewer's views (Saunders, et al., 2016). In addition to continuous dialogue with the supervisor, the research approach and initial findings were presented to faculty members, professors and fellow students at a FOCUS program event, which took place as a video conference via Zoom due to COVID-19. This allowed for a review of the study in the form of feedback and constructive criticism, which helped in sharpening the research focus and improving the research approach.

During the interviews, participants were asked follow-up questions to confirm the meaning of their answers. Furthermore, their replies were often summarised during the interview to allow them to respond to the interpretation given immediately and correct it if wrong. Immediately after the interviews, the researchers reflected upon the answers of the participants to establish a mutual understanding. After transcribing the data, the documents were sent to the participants to give them another opportunity to review their answers.

All those interviewed held similar positions in different food delivery companies across Europe. This ensured that the study used different views from the same perspective and that additional dimensions and topics were incorporated in later interviews. Some participants were no longer actively pursuing their role as gig workers. This could be considered a weakness of the study, as they might not have recalled experiences and organisational structures correctly. However, they had time to reflect on their time as a gig worker and compare it to their current (employment) situation. Many of the riders interviewed were still pursuing their role in the gig economy, which contributed to a thorough and diverse view of the gig workers' perceptions.

#### 3.7.2 Transferability

As the research is inductive and exploratory and has a non-probability, purposive sample, the findings were never intended to be fully transferable to a wider population. The interviewees were solely chosen based on their general characteristics, as explained in the sampling section. This study aims to gain an in-depth and thorough insight into the gig workers' perspectives of being "managed" by algorithms as opposed to by a human counterpart. The insights and conclusions of this study should allow readers to come up with their interpretation of the study's transferability to other settings. The findings can, for example, hint toward the suitability of algorithmic management in other fields of the gig economy or more traditional sectors, which are currently more focused on human interaction. Moreover, it can provide insights for gig companies in the food delivery sector to understand how to further improve

their HRM. Furthermore, the findings can be interesting for policymakers and trade unions, and it should offer ground for future research in the field (Saunders, et al., 2016).

#### 3.7.3 Dependability

Dependability is concerned with clearly establishing how the focus of the research evolved and why it did so and how data was collected, analysed, interpreted and concluded. In exploratory research, where the focus is on interpreting the gathered data, dependability plays an essential role (Saunders, et al., 2016).

Therefore, the different steps and phases of this research are documented and described in this paper. Additionally, the researchers worked with their supervisor to have the methods and interpretations assessed and to further ensure transparency throughout the paper.

#### **3.7.4** Ethical Standards

Ethical concerns can arise throughout all phases of a research project and thus there are different measures that one can take to ensure high ethical standards (Saunders, et al., 2016).

During all steps of the research process, utmost importance was placed on following high ethical standards. Before the interviews, the researchers learned about the university's regulations on how to properly handle the research data. Furthermore, they applied to the Norsk senter for forskningsdata (NSD) to obtain legal permission to gather and analyse the data for the study and, therefore, comply with Norwegian data protection legislation. This was especially essential because, due to COVID-19, all data had to be processed on private devices. Furthermore, the interviews were conducted via Zoom and Skype, and the researchers got permission to do so from both their supervisor and the NSD.

Lastly, high transparency towards the participants was ensured. Participants were briefed on the research area and goal and on how their data would be handled before they agreed to be part of the study and immediately before the interview. Moreover, they were sent a letter of consent, provided by the FOCUS research program, which they had to sign before the interview. This letter contained a brief description of the program, explained that the interviews were to be recorded and outlined the approximate duration of the discussion. They were also informed of how the data would be handled and were told that all information regarding their identity (e.g., name, gender, age, country of origin, etc.) would be removed, that participation was completely voluntary and that they could withdraw from participation at any time. While interacting with the interviewees, a high degree of professionalism was ensured, and participants were treated fairly and respectfully.

During the process, the data was handled with the utmost caution. Moreover, it was ensured that only the researchers had access to the data and that the participants' identities were not revealed at any time. After completion of the thesis, all data on the personal devices will be deleted and delivered to the FOCUS program at NHH.

# 4 Findings

This section presents an overview of the findings gathered from the in-depth analysis of the interviews conducted. The section begins with a summary and a presentation of the research model followed by the findings. The findings are explained along with illustrative quotes from the interviews.

## 4.1 Summary

This section presents the key insights into how gig workers (that is, the riders) in the food delivery sector perceive HRM. Based on the analysis of the interviews conducted, the HRM perspectives of the gig workers are primarily influenced by the company, the customers and the merchants (restaurants) via the platform. The platform, (i.e., the algorithm-driven app) is thus central to the development of HRM perceptions of the gig workers. Thus, with the platform at the centre, the three actors - the company, the customers and the restaurants - influence how HRM aspects are perceived by the riders. Furthermore, other actors, albeit to a lesser extent, also influence the perspectives of the gig workers. From the research analysis, these have been identified as the trade unions, the rider community, the tax offices and the riders themselves.

As covered in the theory section, these principal actors act as the sense-giving agents who influence sensemaking via the perceptions developed by the riders. (Balogun & Johnson, 2005; Maitlis, 2005). These HRM perceptions are then analysed based on the degrees of distinctiveness, consistency and consensus, which signal the strengths of HR systems and organisational climate, which in turn leads to organisational performance (Bowen & Ostroff, 2004).

The model in Figure 2 below provides the pictorial representation of the findings. To support the findings and to provide first-hand perspectives of the interviewees, quotes from multiple interviewees have been included in the next section. To maintain the confidentiality of the interviewees, the quotes are anonymised.

# 4.2 Model

This model in the figure below is presented to give a visual outlook of how HRM perspectives are developed among the gig workers in the algorithmic platform-based food delivery industry. This model intends to display the centrality of the algorithm driven platform in developing the HRM perspectives while, at the same time, showing the significance of the other influencing actors lying outside the circle of influence via the platform.

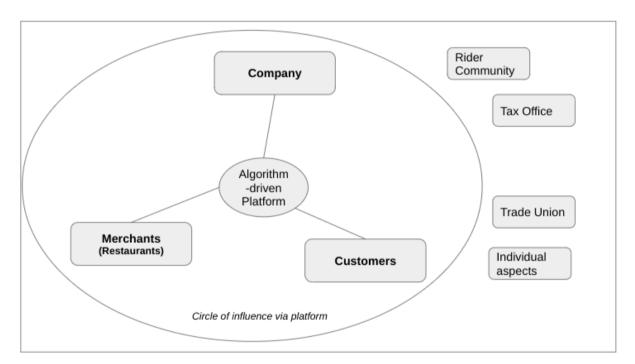


Figure 2: HRM perception model for riders.

# 4.3 Inside the Circle

The following section gives an overview of gig workers' perceptions of the three actors inside the circle of this model: the company, the merchants and the customers

#### 4.3.1 Company

The analysis of the interviews conducted shows that the company is the primary influencer of HRM perspectives of the riders. Thus, it is the main sense-giving agent. The company's HRM practices are the way they communicate with the riders. The riders, in turn, form perceptions through the HRM messages they receive and yield (McGuire, 1972). The riders' HRM perceptions are greatly influenced by overt company-related aspects, including the employment status, reward systems and performance evaluations, and by soft aspects such as transparency, consistency and fairness displayed by the company and loyalty developed toward the company.

These perceptions of the riders assist with sensemaking and help them understand their reality, which they do by interpreting the cues provided by the company (Ring & Rands, 1989; Gioia & Chittipeddi, 1991; Weick, 1995; Bingham & Kahl, 2013), such as the performance evaluations, onboarding, rewards and penalties. The strength of the HRM system leveraged by the companies varies with the degrees of distinctiveness, consistency and consensus of the information conveyed (Kelley, 1967; Mischel, 1977; Bowen & Ostroff, 2004). Thus, this signals that sense-giving from the companies is fragmented in its nature (Maitlis, 2005).

#### **Employment Status**

Multiple types of employment methods are used by the food delivery companies. Some companies prefer to call their riders partners and treat them as entrepreneurs, whereas other companies employ their riders.

"...so, it is a bit different (among companies). With Deliveroo, apparently, you are employed, but depends on the amount of work you do. With Uber Eats no, you don't work for Uber Eats, you work with Uber Eats."

Thus, Uber Eats considers the riders as partners. They do not need to sign a contract, but the company provides basic information to them before they start. The riders have to open their own business. To get paid, the riders have to invoice the company, which many riders perceive as a cumbersome process. Few riders appear to have a negative perception of the partnership model. The riders perceive this model as a cost-saving measure used by the company whereby the company saves money by not giving adequate salaries or insurance.

"So they don't see the Uber Eats drivers, they don't see them as clients or they don't see them as part of their company. They just see them as business partners. So that is the main trick from Uber Eats in general. Right. So they can have a baby salary or minimum wage or they don't pay insurance. So, yeah, that can be bad for some people that only rely on Uber Eats. For me, I had my student insurance and I have my savings, my scholarship. So for me, it's not a problem. But some people really struggle."

Another common employment method used by the food delivery companies is the zero-hour contract system. In this system, the rider is not obliged to work for any minimum number of hours and the company is not required to provide any minimum number of hours of work to the rider. Thus, the rider is paid only for the number of hours worked.

"We have, you know, a zero-hour contract... You want to get a job anywhere, at the beginning, they offer you a zero-hour contract... Because they make a lot of money with this because of the fact that for example, in a month if I only work two weeks in a month and two weeks I'm sick I have a problem. I can't ride. Next month, I will get paid for two weeks for the hours that I work. That's a zero-hour contract. You (are) only paid to work, get paid for the amount of hours that you work... That means if I went on vacation, (then) I am not paid. If I don't work, (then) I don't get paid for the days... So that's what I didn't like about them, to be honest guys because it's a small contract and it happened to me. I went back home for the holidays. I went for two weeks. When I got paid, I got paid only for what I worked for two weeks."

Some riders perceive the zero-hour contract to be restrictive as it reduces the flexibility of changing shifts. Some riders feel that the companies use these contracts to save money.

"They love it (zero hour contracts) because they hustle you with the money and the taxes... Look, I'm not going to lie, if you want to get a job - it's better to get a full contract so that you have some rights."

Another employment system used by some food delivery companies is a minimum hour contract. In such a contract, the rider must work a minimum number of hours every week. Their earnings are based on the number of hours worked and additional bonuses received per delivery.

"I had a contract when I was working. There was a fixed contract that was like a minimum of ten hours a week... it was a base salary and then there was a bonus on how many deliveries I did."

With this type of contract, riders are eligible to earn money even if no deliveries are made within the shift hours, but bonuses per delivery incentivise the riders to complete more deliveries. However, there is no guarantee that there will be additional hours of work beyond the minimum of ten hours.

"...with Foodora I get ten hours a week...any extra hours mean you're lucky, it is not certain."

Some companies change their employment strategy over time; for instance, in Norway Foodora changed its employment model from a contract-based employee model to a self-employed freelance model. The prior contract had a mixed pay scheme per hour and per delivery, whereas the new contract is based on pay per delivery only. This entails that the newer self-employed riders can get higher pay depending on the demand, whereas the older riders (full-time employed riders) had a fixed guaranteed pay. However, self-employed riders have more flexibility with regards to choosing a mode of transport, whereas for the older riders it is mandatory to use bikes. The self-employed riders have limited rights compared to the full-time employed riders, who instead have benefits such as sick pay leave. Some riders perceive that a self-employed freelance model is a hands-off approach from the company.

"...right now they have two models. One where it's easy freelance but they are kinda actually employees... and then there's the real freelance. (For real freelance) you don't have security. They can throw you out anytime. So the company can make more money with (real) freelancers. So, yeah, and I think they tried to get freelancer's instead of employees."

Thus, there are multiple ways the food delivery companies employ (or partner with) the riders. Some riders feel that the employment status is in a grey area as they are supposed to be selfemployed entrepreneurs but they also work just with one company, whereas normally entrepreneurial freelancers can choose to have many clients at the same time. Therefore, regardless of the actual employment status, most of the riders perceive themselves to be employees of the company even though they might be legally termed as entrepreneurs.

"I feel like an employee. I know that legally I'm an entrepreneur. But that's not how I feel about it. Because I feel that I work for Uber Eats and I don't feel that I work for all the restaurants. If you look at the bills because every time you complete a ride, you automatically send a bill to that restaurant but let's say there's a Pizzeria A and Sushi restaurant B. I don't feel that I work for them. You know what I mean? I work for Uber Eats. That's it. I wear their bag on my back. And, you know, I just happened to go to that Pizzeria or that Sushi bar. I don't work for them at all."

Thus, the feeling among some riders is that the company should take responsibility and call the riders employees. There is also a perception that the companies tend to term the riders as entrepreneurs to give them a sense of ownership and an idea that the riders are working for themselves.

"Oh. I definitely considered the whole idea of this, of being an entrepreneur ... I feel like it's just a made-up concept, like a feel good concept. That's a sort of ecosystem to give people the sense that they were working for themselves. And I didn't feel like that was necessarily the case."

Some riders feel that calling themselves entrepreneurs or partners is exaggerated and considerably inaccurate and consider themselves simply employees of the food delivery companies.

"I think it's a bit exaggerated (to be called 'partner') because there's not any business personally running as a driver, a rider. I consider myself a simple employee. And not more, not less... to me, an entrepreneur is somebody who runs his own business, even if it's only one person, it doesn't matter. But (the riders are) using the platform of Uber Eats and they didn't find their own platforms. That would be something entrepreneurial in my opinion, that's more something for your Instagram bio.... But I associate an entrepreneur with somebody who starts his own business, has its own business concept."

Although most riders who are termed partners or entrepreneurs by the companies that they work with tend to feel that they are employees, some do consider themselves entrepreneurs. This is because they are their boss and they are the only ones responsible if there is any problem or issue. They are also the ones who decide how many hours to work and when to take a break.

"I would say (I'm) more of an entrepreneur. I don't really have a boss on top of me... overall, it's up to the rider, what you're going to do, how much money you want to make." Additionally, a common system of employment in companies using contract systems are parttime and full-time contracts. Generally, full-time riders have better benefits such as scheduling priorities and a higher overall income. Furthermore, part-time riders need to return their equipment after their shift, while full-time riders can take their equipment home. Contract employment also comes with responsibility, and missing work three times could lead to the agreement being terminated.

With regards to the payment system tied to the employment status, some riders get paid on an hourly basis, some per delivery and some through a combination of both. The riders perceive that pay on an hourly basis is better if there are not many orders available, as they get paid even for the waiting time between two deliveries. However, pay per delivery is better on peak days, as they can get back-to-back deliveries and optimise their work schedule.

"In busy months, it's definitely better to get paid for delivery... Now, there's times like - this winter February was a really tough month because there weren't any orders... So, it would've been better if we were getting paid per hour because there's been hours that we've done one delivery. And, you know, you're sitting in the cold waiting. So, it would have been nicer for some months, but overall, I think it's better getting paid per delivery than by hour."

Thus, different riders prefer different employment models. Some prefer the Uber Eats model (delivery-based riders) to the shift-based model. Some riders, on the other hand, prefer the shift-based model because when there is less demand there is stability and certainty of payment. Furthermore, some feel that companies such as Uber Eats have difficulties planning demand and supply, as it is a free-for-all model in which riders can start and end work at any time.

#### Income as the Primary Motivator

The primary motivator for riders is gaining an income. Most riders work in food delivery to gain an income, and, as long as they are paid, other aspects do not matter because the general feeling is that this job is not a career but is simply a way to gain an income. Some riders state that they did not join because they wanted to but just because they needed to pay their bills.

Many riders feel that the job is easy and the money earned is quite good. The earnings seem to be dependent on the size of the city, with more money earned in larger cities. Students working as riders perceive the income to be fair for students, especially when including tips.

Some riders perceive the income to be very good, especially in larger cities because there is a higher number of deliveries.

"...got a paycheck of 1000 euros, which for Amsterdam at that time was one of the biggest"

However, many other riders feel that the pay is very low and only sufficient for students and young adults. Some riders felt that the companies' promises - "earn great money" - in the hiring advertisements did not align to reality. Many riders work more because of the low pay while the perception among some Uber Eats riders is that the payment system at Uber Eats is unfair compared to other food delivery companies. Due to the low pay, some riders work more than 40 hours a week and even up to 70 hours a week.

"But there were a few people out there (who did) maybe ten hours a day, so that's almost 70 hours in a week. Of course, it helps because you are paid per hour so you do gain more salary, but it's, I wouldn't say it's well paid for 70 hours of work, in a sense."

Furthermore, some riders feel that there are other issues with the payments, as some contractually employed riders feel that legally they are supposed to be paid until they have the company equipment, but the company pays them until they are logged on the app. Riders also perceive it to be unfair that they are not paid for the data usage on their phones even though it is a critical part of the job.

Furthermore, some riders are not satisfied with the uncertain income of the job. A pay raise is also important for some riders: riders in Foodora Norway went on strike, and one of the main issues they protested was that the company had not increased their salary for a while. Some Uber Eats riders think that the company spends a significant amount of money on advertising managerial vacancies, for example, but not on the riders, who are the key component of the food delivery business.

With regards to receiving the payment, different companies use different payment mechanisms, with some companies paying weekly whereas some pay fortnightly or monthly. Riders who are paid more frequently are more content because they do not have to wait 15 days or a month for their payment. Some riders feel that getting the payment can be difficult and tiring, and sometimes the riders may not even be accurately paid.

However, some riders think that the payment is transparent and that the company makes the payment process very clear. However, others feel that the company plays psychological tricks by hiding the money earned from the previous day and resetting the money display on the app back to zero every morning to make the riders work more. Some riders also seem to have figured out ways to maximise the money they can make through deliveries.

Many non-student riders perceive the job to be more of a complementary income stream than a substitute income. Some do it as a side job for fun and to gain more money, whereas some prefer a single full-time salaried job and do the food delivery job as they are job-hunting for another full-time job. However, some riders feel that it can become very tiring and stressful to simultaneously be a rider and have a full-time job.

As well as the money, some riders are concerned with insurance. However, some riders have another form of insurance and are not dependent on the company providing it; thus, this is not concerning for them. Some companies only provide insurance while the riders are on the shift, so the riders are no longer eligible for insurance as soon as they are logged off. Some Uber Eats riders perceived that the company was fair and told the riders about the insurance when signing up for the job, while others feel that they were not made aware of the company insurance and that the company does not inform them clearly about it. Some riders felt that non-European riders working in Europe may not be aware of the insurance details and so the company should provide more guidance in such cases.

## Rewards as an Additional Motivator

A key method used by the food delivery companies to motivate the riders is to use rewards. Rewards are deployed differently by different companies, and the nature of the rewards vary. A common reward used by most companies is the referral reward - rewarding for referring a friend to become a rider. Depending on the expansion strategies of the companies, the amount of the rewards can vary. Some riders felt that the referral rewards were very important, while some felt that the rewards were not high enough.

Another reward, albeit not so commonly used, is a seniority bonus. Most riders value this reward. Foodora riders in Norway perceived that the company was not willing to give the seniority bonus and that they had to fight to get it. They felt that riders should not need to fight to receive such basic work benefits.

Companies in which riders are contractual employees offer extra pay on weekends and holidays, such as Christmas, as a reward mechanism. However, the nature of the rewards also depends on the nature of the contract of the rider: not all riders are eligible for pre-fixed bonuses on holidays. Some companies also pay extra for working during peak hours in the evenings.

Some companies offer quests or promotions, such as earning a certain amount of money for a certain number of deliveries. Such quests are appreciated by many riders who feel that they are a positive way to earn money. Some riders perceived that the promotions were fair and welltimed. However, these promotions are not offered to everyone but mostly only to freelance riders (partners or self-employed riders). Uber Eats uses these promotions to attract riders and cope with increased demand by giving additional bonuses during busy times. For many riders, promotions are an important source of motivation. However, such bonuses are more relevant for full-time riders than for part-time riders, as part-time riders may not have enough work hours to complete the quests or get the full promotion benefit. Additionally, some riders perceive the promotions are psychological tricks used by the companies to motivate the riders on peak hours but that the benefits given are not that significant enough to motivate them. Furthermore, the level of promotions is a crucial motivating factor – for example, doubling the per hour or per delivery rate is a great incentive, whereas increasing the per delivery income by a euro does not motivate the riders as much. Some riders feel that the quests or promotions are not a significant enough incentive to make them leave their homes just for the quest bonus. There also is more competition on the days with higher bonuses, with too many riders working. Furthermore, such promotions did not foster loyalty to the company or provide any additional motivation to perform well for some riders.

"They weren't really much of an incentive to develop much of an attachment to the company or to attempt to develop much of an attachment to the job. I felt like they were sort of "nice to haves" at the end of the day. But they weren't of enough substantial value to entice someone, to foster any sort of company loyalty or anything, to incentivize you to perform well or anything."

Most riders perceive the promotions and rewards to be clear in the app and well-advertised, sometimes a week beforehand. However, this is not always the case, as some companies seem to hide their quests or promotion bonuses from the riders, who are not able to plan for the

quests; some riders only realise about the ongoing promotions through the customer app when they order food for themselves.

"They (quests) are mostly nice, but - you say I had the ones where I found out afterwards that, oh, I received eight euros extra because I completed the quest. But you have to kind of look if the quests are active, you don't do it all the time... they hide it quite, quite well. And I honestly don't really know why they hide them so much. It's not like you get a notification (for the quests)."

Quests and promotions have some limitations. Some riders feel that there are physical limitations to getting the full benefit from the promotions, with some riders working for up to 12 hours a day during promotions, making it a very exhausting cycling day. Furthermore, there is a kind of selection bias, as people that get promotions already perform well and do not lack motivation. Since there is no customisation of the quests, there is also a lack of personal incentive for riders to finish the quests. Furthermore, as the quests are time-constrained, riders find them difficult to complete within time. Sometimes, the riders may not be able to benefit from the promotions simply because of the nature of the job.

"when you are riding the bike and then you get a request that you're not answering because you're in the middle of delivering to another person or it's raining, or your hands are busy. That will count as a non-reply order so you will not get the promotion. And there are several of these little things that can turn down the promotion."

Companies offer other kinds of rewards to motivate the riders. Some offer competitions for the riders, whereas some give presents for filling out surveys. Some offer differential rewards based on the area that riders deliver to. Thus, companies try to provide additional motivations to their riders through multiple avenues.

Lastly, many Uber Eats riders also appreciate unplanned rewards from the company such as free meals, which are a big reward for some riders.

"So, one huge, let's say bonus, with working with Uber is that if the customer screws up, wrong delivery time or wrong address (or) customer notes are unclear, you have five minutes to find the customer or make the customer find you, actually. Then (if the customer cannot be located) you can just walk away with the food. This happens a lot, I am not joking. Now especially with the situation that they also pay less than they did before, this is a, let's say, 25 percent reason I do Uber Eats. For example, two days ago I got two meals for free, I also brought them to friends."

## Performance Evaluation

Performance evaluation of the riders is another major factor of HRM perception among the riders. Understandability, attained through clarity and reduced ambiguity of the HRM practices, is key for achieving a higher degree of distinctiveness (Bowen and Ostroff, 2004). The performance of the riders is primarily tracked using metrics such as customer ratings, restaurant ratings, acceptance rates and speed of delivery.

A common perception among riders is that the performance evaluation system used by companies is not clear. Most riders do not seem to understand how performance ratings work and how and if they have an impact. Some riders try to find online information, some get information from other riders and others to try to guess how the ratings impact the algorithms. Some riders guess that the ratings are linked to promotions. A few riders complained that the company hides old customer ratings and acceptance rate statistics and makes only the last 100 ratings visible. Due to the lack of clarity about the ratings, some riders do not truly care about the ratings and some perceive performance ratings as purely symbolic.

"I don't know if high ratings will lead you to have better reception of orders for requests. I don't know if a user with low ratings will have the same opportunities to get requests as a user with high ratings, I think it doesn't matter. So for now, the ratings in Uber Eats it's just a symbolical thing."

Foodora riders in Norway lack trust in the company management with regards to how the ratings are used. The general feeling is that the company is not completely transparent, as the company shows the performance ratings on the app but claims that they are not using them.

"...we get numbers (ratings) and the management in Norway - they say these numbers, they are not in use in Norway, but only in other countries. But we still think that they are being used. Yeah. So I think I had all numbers from one to four (rating)... We think that it is a difference to (it matters for) shift allocation. So if you're one, you get better shifts... I had three I think when I was sick and on four when I was on strike. And then I had two. I'm not quite sure. Maybe I logged in a bit late or something a few times or I just had a low energy hour. There could be many reasons. Yeah, but management has not agreed that the numbers are being used. But we think they are... I can see them on the app - we were not supposed to see that. But, you know, we can see it on the app when we log in. They said the numbers they use in other countries, but not in Norway. And then they said that several times."

Some riders prefer not to have ratings to treat all riders equally, as they feel that ratings can be more demotivating for some riders. Other riders feel that there is no overt benefit of the ratings as no monetary bonus is attached to them. They feel that it would make more sense if some rewards were connected to the ratings.

"Yeah. I think it would be a good motivational point if they could do that (getting rewards for better ratings). Yeah. I think the more money we can get with the reward thing, much more is better because now we really rely on customers' tips. So it depends, some of them give tips and some of them don't. So if we get rewards and we are more motivated to deliver faster and smarter as well."

Foodora does not seem to use customer or restaurant ratings in certain areas but primarily uses other statistics to monitor the riders.

"At the end of the month, you are able to know your statistics, how good you were, how fast, how efficient you were, but this is basically based on the time. But the customers are not able to rate, yeah. And restaurants also don't have a rating system."

Foodora rider performances in Norway are tracked through the 'Dispatch' unit, which continuously monitors how fast they are or if they are ignoring their duties.

"You know, and it's (food delivery) all about time...the dispatch asks - 'hey what's happening. I see you're still there. Anything wrong?' Because you know that they ask questions, always ask questions. When I had a delay, for example, 'hey anything wrong?' 'Yeah I'm still here because they are slow.' (or) 'I can't find the address' or 'I can't find it'. They see everything."

Thus, all riders are monitored for their performance by the food delivery companies, albeit in different ways. Companies sometimes also use negative reinforcements if the performance is not satisfactory. Some riders perceive that the company ignores their mistakes at times. However, some riders feel that the company can be strict with regards to performance. Some

Uber Eats riders fear getting warnings if something is wrong with a delivery, and their accounts can even be suspended for a period if they get a certain number of warnings. Generally, some riders feel that ratings are currently a part of everyday life - everyone does it for everything.

## **Onboarding**

Different food delivery companies use different methods to onboard riders. The referral method is a common one. At Uber Eats, riders can sign up and begin working instantaneously. They only need basic documents to begin. The process is not perceived to be complicated, and anybody can start regardless of qualifications. The only issue is ensuring riders have all the necessary legal documents. Lack of interviews or bureaucracy makes the onboarding process attractive for some riders.

"And I just kind of thought I was able to start without having to enter my tax number in order to apply for tax. So I kind of started. And then I applied for my tax number, and that's still coming through. And then it kind of still works out. So I think that's kind of the biggest advantage for me and as well I'm happy that a company like that exists where you just can kind of pick up jobs quickly without having to interview or anything like that. I think that's quite useful for some people in some situations."

Some other food delivery companies, such as Foodora, have a more detailed onboarding process in some countries - they need their riders to send their CVs and then conduct an interview. Interviews involve questions about safety regulations and their riding experience. Then, riders must go through video training and conduct a practical simulated delivery test physically before they can begin. The best candidates are selected after careful filtering and testing. The rider captains act as mentors once hired. The company provides a small training guide at the beginning and then provides the delivery bag.

The onboarding training is quite simple. Some riders feel that more training would be better. Some Uber Eats riders feel that the company is not very good at giving training and guidance at the beginning of the job, and they would like more training and guidance from Uber Eats.

Lastly, the main training is on-the-job at most of the companies. Some riders feel that there is a learning curve to the job and with more experience, the riders can understand the job better and also learn more shortcuts and earn more money.

## <u>Dispatch</u>

Foodora in Norway has a 'Dispatch' department, which coordinates and monitors the riders. Companies which implement hourly wage systems use a dispatch. The dispatch influences the HRM perceptions of riders who work with it in their daily work life.

The dispatch constantly monitors rider metrics, such as the speed of the rider, whether they are intentionally delaying their routes and their halt times. Some riders also have their primary human interaction in the job with the dispatch. Riders can connect with the dispatch if they are facing any problems or issues or if there are some complications such as rider faults or missing food items. The common perception among Foodora riders who deal with the dispatch is that there are no problems dealing with it and normally it replies to rider queries in a short time. Thus, riders perceive that it is easy to communicate with it.

# <u>Flexibility</u>

Most riders perceive flexibility to be the best aspect of the job, especially for riders working on a per delivery basis, such as those working for Uber Eats. Riders seem to like that Uber Eats does not tell them when to work and when not to. For some riders, the flexibility of their schedule was a reason they began working in these companies. The freedom to start and stop whenever they want is highly valued.

"We were hired based on our passports. You know what I mean? So that's also the nice thing about it is anybody can just ride. See if he likes it, she likes it. And then stop for a whole day or whatever."

Flexibility is also important for riders on a minimum hour contract, although to a lesser extent. They can reschedule their work according to their availability. However, Uber Eats riders do not need to book shifts and can work spontaneously, thereby choosing when to work. Some Uber Eats riders feel that their company is perfect for people looking for flexibility - for whom freedom is essential - who want to be independent and self-employed and earn money.

Due to the flexibility of the work, many riders perceive the job to be less stressful, easier and more enjoyable than other jobs, as normally there is more responsibility in regular jobs. Some riders also like that there is no cap on how many hours one can work.

"It's actually pretty amazing because you're completely free. Like, if one day I don't want to work, I don't have to, I don't need to explain to anyone why or if I don't feel like it or if I'm sick. You go on vacation whenever you want. The money is actually better than even the manager's position in a restaurant. And overall, I like being outside and kind of being my own boss. So, it was a lot easier for me and more enjoyable to work for Uber Eats compared to working in a restaurant, where it is very stressful. You have a lot more responsibility. Yeah. So, it's a lot easier for me and more enjoyable."

Thus, flexibility and freedom associated with food delivery jobs play a vital role in developing positive HRM perceptions of gig workers.

# 4.3.2 Soft Perceptions of the Company

This section provides an overview of several "soft perceptions" of the riders, based on Bowen and Ostroff (2004).

As discussed in the theory section, this study attempts to understand the perceptions of the riders through sensemaking using the riders' personal experiences (Schneider, 2000). 'Soft perceptions' describe sensemaking via perceptions of the organisational climates, which is what the company management truly intends and how this is understood and pursued (Schneider et al., 1996) by the riders. Through this analysis, it is clear that the key soft perceptions of riders are fairness, transparency, consistency and loyalty.

#### <u>Fairness</u>

A crucial soft HRM aspect is how riders perceive the fairness of a company. Fairness is an important element for attaining a high degree of consensus, with a lack of perceived fairness among the riders resulting in a loss of consensus (Fiske & Taylor, 1991; Gramano, 2019).

Some riders perceive their company to be mostly fair in their treatment of riders. Fairness of the company appears to vary between countries: a rider who works in the Netherlands feels that Uber Eats is not as fair in his country of origin (Peru) but is fairer in the Netherlands due to regulations in the country. Some riders perceive their companies to be unfair, as the company does not take any responsibility and uses a hands-off approach. A common concern among riders is that the company does not provide the necessary equipment for free, such as bags and

safety gear, thereby expecting the riders to invest and buy these things, which is perceived to be unfair.

"So, like, if you don't have a bike, you'll pay seventy-five euros for an electric bike your first month and then you will pay 80 euros for a Uber Eats bag and bike stuff. So like, just to begin with, you're already in the negative basically as a steward for Uber Eats. So it's really like in the beginning it really feels like an MLM or pyramid scheme or something. And that's what I was scared about in the beginning. It was like, well you know, I'm investing all this money into it. And what if I go outside and then get no deliveries? So I think, yeah, that's kind of unfair that Uber Eats drivers have to pay for all of that."

Many riders feel that the company is not fair in terms of work distribution of long-distance rides, as sometimes they get orders that take them outside the city, which is tiring and not fair. Riders who are students also perceive these long deliveries as extremely unfair as they are tiring and stressful for them and they are not able to focus on school-related issues after work.

Some riders also to find the scheduling of hours unfair.

"I felt like some of the math, the system (Deliveroo shift scheduling system) where the riders had to book the shifts on, wasn't very fair at times in that at times you couldn't get enough hours."

Riders working on hourly shifts sometimes receive long-distance orders just before the end of the shift.

"I used to finish my shift at half past nine. You know, nine thirty. But yeah, if at 9.29 you get an order, you have to take it. That's one of the things that I didn't like... one minute before I got an order, I had to take it. And that means, sometimes I had to go over the ring (ring of the city limits), I had a delivery over that ring. And I had to go all the way there. There I finished. So you finish, you click on the drop off and you'll see. So then I had to bike all the way from there to home, which was far. That was the thing that I didn't like."

Some riders perceive that the companies are unfair as they do not have good control on who uses the app.

"I saw a few times this very young guy, you know, he was, he looked like a 10ish. And Uber Eats cannot control that because, OK, actually, they can because you have to sometimes make a picture. I had to do it this morning. Make a picture to prove that I still have the phone. Because actually, this (the phone) is the only thing standing between Uber Eats and me. So I can give this to my eleven year old son (and) say, 'make some money'. And they cannot control that and they should actually, because they are the one making this possible. This whole system. So that's why I don't think it's so fair."

Finally, some riders seem to simply accept that the job is not fair.

### **Transparency**

Transparency is vital from an HRM perspective, as it develops trust among riders. Transparency, understood as visibility, is a significant factor in ensuring a high degree of distinctiveness (Bowen and Ostroff, 2004). The more visible and transparent the HRM practices are to the riders, the better the perceptions are, and, thus, the better the sensemaking.

Some riders are happy with the transparency of the company and feel that it provides adequate information and clarity about the payment systems and the rating systems.

"They provide us the internal payment system, we can choose to receive our payment once a week or once a month and in terms of operating, we can even see how the customers graded us, their comments, why they'd rate us one star or five stars, something like that."

Some riders feel that there is no hidden information on the app and the promotions and rewards are clear to everyone. Some feel that the biggest advantage of working as a rider are clarity and full transparency, as there are few misconceptions and miscommunications.

"It's also very nice to just know what you have to do. It's of course - it's very easy. You just drive somewhere and then drive somewhere else and drop the package off and that's it. And the best thing is that it's really clear - there are no misconceptions - no miscommunications. And it's just very clear... It's all crystal clear. That's the biggest advantage I would say there's no mood swings or any of those things. You know, it is all very clear."

However, most riders feel that the companies could improve their transparency. The companies appear to implement many changes often and quickly and do not warn the riders about the upcoming changes but still expect them to be flexible.

"So talking from level to level it can be improved, can be much improved. So yeah, they used to for example, that they used to have an Internet page. It's teamfoodora. And then they had an online chat. Then they use Slack. And then they switched from slack to rocketchat. But that rocketchat was because they said it was easier or something. But I think it was because on Slack, you have to pay.. at rocketchat they don't have to pay. So they choose that one. But it was really not good. So I stop using rocketchat because it was just confusing and really confusing, but it was not really good. And now they stopped having that at all."

Some riders perceive that the company wants to keep a distance from the riders by not disclosing key information. There is a perception that the company does not convey their goals or values to the riders and only expects them to pick up the food and bring it to the customer. Riders perceive that the company makes no effort to make the company hierarchy transparent or to improve communication between the riders and the management. Some riders feel that finding information about the company is hard even though they work with them.

Another common concern among the riders is the lack of clarity when needing assistance. Many riders feel that it is not easy to find what they are looking for, and sometimes the information is outdated. Some companies seem to be using bots to answer queries. However, the perception is that bots only give simplistic answers and that the information is not customised to the questions asked.

#### **Consistency**

The degree of consistency is another important soft aspect of HRM perception of the riders and HRM sensemaking, along with the degree of distinctiveness (Bowen and Ostroff, 2004).

Due to the straightforward nature of the job and lack of first-hand interaction among riders, there are not many avenues to check if companies were consistent and delivered what they promised. Some riders feel that their company is consistent with what they promised and that even the apps have been consistent and work predictably.

A few riders feel that the companies can improve on consistency. Some perceive that in the past, their company was more honest and fulfilled their promises, but, currently, they do not. Some riders have lost trust in the management of the company; in one instance, the company sent an email stating they would try to increase transparency, but the riders saw no results in nearly half a year. Some riders felt that the company was not consistent because they gave riders orders from outside the defined radius of delivery.

"when we started that was actually recently that they told us that the radius of delivery was 4 km... Recently when they started expansion in most of the cities, they did not communicate to us that they're expanding the zones for delivery and stuff. So we riders were not happy with the algorithm because we get very long deliveries. That is up to five kilometres... the longer you go... the less money you get basically. So it was a bit of a problem. They tried to solve that. But yeah, it only worked...after we complained."

### *Loyalty*

Loyalty toward the company is developed through the rider's personal experiences and their interactions with the company.

To begin with, a feeling of affection may be developed toward the company due to a sense of empowerment because of the image of the brand.

"I remember one time I was riding and there were some children, they saw me and they just shouted: "Good work, good work". So, when people see us (Foodora riders) riding, there is respect. You are kind of a hero or something because you're doing something which not everyone is willing to do and even in good or bad weather. Yeah. So, there is this kind of respect to you. I don't know if it is based on the Norwegian culture or if it is just because we are riding bicycles. But there is this kind of respect."

Instead, some riders feel the opposite way, due to stereotypes related to the brand or the perceptions of the job in society.

"(I feel) empowered in the sense I get to go outside quickly and make money if I want to and make those kinds of decisions... But at the end of the day, it is like a delivery job. So I understand how people see me a lot of the time. It's like when I'm dressed normally just living my life, like people don't even think about me. But all of a sudden when I'm wearing my Uber Eats bag, like I know there's a certain stereotype attached to it and like, people will view me differently. So in that sense, I don't think I'm empowered because I represent the Uber Eats brand or anything like that. If anything, I think it makes me feel maybe lower."

Another factor influencing rider perceptions of loyalty toward a company is how riders perceive the availability of the management. If riders are more able to be heard, they have a more positive perception of the company. However, some riders think that the company is not available, and they can call only in case of accidents but not for general help or information. Some riders feel that their companies are open to feedback but are often non-responsive, as they never receive a response after giving feedback. Delay in getting responses is another common concern, as some riders state that the company takes up to two days to give an adequate reply. Some riders expressed concerns that the company does not take their complaints seriously, is hard to reach and is often not available on the phone.

In contrast, some riders do perceive that their company is available when needed and that issues can be resolved easily. Some Uber Eats riders feel that they can call or check the self-help sections on the app if needed. It also appears that Foodora riders can approach their rider captains (if they are a part of teams) or their trade unions (if they are a part of unions) to resolve any issues. Having this voice makes riders feel valued by the company.

"Whenever there is any issue, it's very easy to resolve. So, first, you speak with your captain. If it doesn't work out, you can speak with the manager we have in Stavanger, you can message and call him anytime. And he gives the response. You can also contact the company online. So, yeah, we feel the value working with Foodora."

The sense of loyalty is also influenced by the perceived sense of care among the riders. Some companies provide support and care to the riders by providing safety equipment such as helmets and tools, sponsoring the team-building activities or providing discounts for repairs for the riders.

"Now they have insurance for phones and bicycles, before there was nothing like that, but I think they brought that in. This makes us see that they care for us. And also, when you're coming to work, they provide you with the correct gear, you have a helmet. Yeah. Just the bicycle you have to provide yourself. But you have everything, the clothes, the helmets and they always say "safety first, safety first." So, when there is bad weather, they are not inclined for you to deliver on time. But basically, they say you have to make sure you are safe, that is the first thing they told us when we had the meeting before becoming an employee. So, I think that makes us feel valued by the company."

Some Foodora riders in Norway feel appreciated by the company, as they feel the company delivered what they promised and more. Furthermore, some riders feel lucky that they kept their jobs during the pandemic, as others have lost their jobs. The coronavirus pandemic has also given some riders new perspectives. Perceptions may be developed on how much the companies care in comparison to other companies. One rider felt that Lieferando cared less, as they did not provide disinfectants or masks during the pandemic for their riders. Thus, there is some appreciation for the support, sick pay and care that companies have shown during the pandemic.

"One day there was a corona scare - when they just did the lockdown. I remember I just woke up and I was feeling like I had a little bit of a headache and stuff. I said, oh, maybe I have the virus. I sent a message to the dispatch. They were like, OK, sit at home. We will pay you for the next 16 days. And then when you feel better, then you can start... So even though I didn't get coronavirus still, they made provision for each rider. So the moment you feel like you have that slight symptoms of the virus, then it doesn't matter if you used up all your free days or paid leaves they'll give you automatically 16 days. So like 14 days plus two extra days to just see that is if you have the virus... and they pay you (sick pay) the average pay you got the last three months... the pay per day and then multiply it by the 16."

Thus, it appears that if the riders perceive that the company is caring, then they feel that there is no reason to be disloyal to the company. Some riders feel that the company management has improved, which has also changed their perceptions of the company. Foodora riders in Norway feel that the national strike in 2019 has improved their working conditions, which made them feel more valued by the company and more loyal toward it.

"(After the national strike in Norway last year) the communication has been really great. And I mean, it's not perfect, but it's at least mostly I just feel like more valued. We don't complain so much when we sit together to discuss issues. It's more like we appreciate what is being done... last Friday we got a message from Oslo, Norway, like just to congratulate us and let us know what they are doing. So that's a start. That was the first like in years. So this is it looks more it's much better now. Also, during the pandemic, it was I mean, they brought out some set of rules, they told us you cannot touch any customer. Did you leave it at the door? And call the customer to pick it up (the food delivered) and stand far away and all that stuff. Then they gave us sanitizers - they distributed that for free and I mean, we've seen the improvements. So hopefully it gets much better. But so far, I think if they have shown that that we have more value. But if you ask me maybe. A year ago, three years ago, I would have denied it."

In contrast, some riders feel that their companies do not care for them or prioritise them, as they are too big to be concerned with the issues of individual riders. There is also a feeling among some Uber Eats riders that the competitors care more about their riders, as they see riders with better equipment on the streets.

"Other companies provide electric bicycles, which is pretty convenient. They save you a lot of energy. A normal bicycle costs a lot of energy when you drive, like, four or five hours a day. So that's one thing that I also hope that Uber Eats will change, that they will buy more equipment for the partners."

Some Foodora riders feel that the company is chaotic in its operations and equipment provision, which creates dissatisfaction. Furthermore, a common concern of riders is that the companies do not have any personal contact and lack real communication, which makes riders feel detached. Some Foodora riders feel that the company is simply interested in profit and does not value the riders.

"if you look at the economy, it's the income of the company (which) is the most important (for the company). They don't really care about your feelings or if you're not satisfied. They just look - OK we need to make money like that at almost all costs. But yeah, they care about money. And if they for example, if they don't need workers they're just. Yeah. I could make them quit or something."

Some riders have mixed feelings about their company, as they like the job and the company but feel that the company could care more for the riders.

"I really liked the flexibility; the application was running smoothly. But I was also a bit disappointed by them. At one time I had an accident with another bicyclist. It was unlucky and the other person had to go to the hospital. I got sued for it because you automatically get sued if somebody gets injured. I mean, I'm not going to go too much into German law. But they asked me after half an hour 'Can you keep working?' and they asked me, 'Is your order OK? Can you finish your order?' They didn't consider even asking if I was OK, if I was still in the condition to finish my shift. On top of that, they also didn't help me with the legal consequences. I was pretty much on my own. And in that case, I would have liked a little bit more support from their side."

High turnover appears to be a common issue due to a lack of loyalty toward the company. Many riders feel that it is easy for companies to replace a rider. Some riders feel that the company would not care if they left and that if the company increased the benefits a little, employee turnover may decrease. However, it appears that companies may favour higher turnover even if riders do not.

"So it (turnover) works in favor maybe for Foodora. Because they can just use the riders. And as soon as you realize as a rider what rights you have, you're gone already. And like going up to the union, doing a strike, improving the working rights takes time. So if you only work for one year that these things are not going to happen. And in that way, it works for Foodora or for the gig economy, for the companies. And that is it. Yeah. Bad for the workers."

Some riders may not be loyal to the company regardless of benefits, as they may have other plans or priorities. Some desire stability of income and thus would leave their job as a rider if they were employed in a stable job. Many riders are international students who look for parttime gigs until they are studying. For some, their job is primarily a stop-gap job as they are trying to figure out their career options. Some people leave and come back as and when they wish to earn additional income. Some riders are primarily motivated by income and are willing to switch if a competitor pays more.

"I mean, I feel respect and I'm grateful, of course but if I find another out that's been more and it's giving more benefits, I will not stick with it. I also had some problems with Uber Eats. So, yeah, there is some other company in town and they are paying more - I will switch. Yeah." Some riders feel they do not owe their company any loyalty, as they see it as a transaction. A few riders even use multiple food delivery apps at the same time and work for the company that offers the best promotion.

"Yeah. Actually, a lot of riders I met work for three companies at the same time. So, it depends on what type of promotion they have. So, if they feel another company has a better promotion, for example Deliveroo, they will work for the other company. A lot of people work for three companies at the same time."

Nonetheless, if the company overall appears to care for the rider, the sense of loyalty increases among riders.

"I think if any company is generous to give you a job, which helps you to survive, it means you have to be very loyal to them. And because we are the forefront of the company, we are meeting the consumers, so it's very important how we present the company to the customers, even how we interact in the restaurant and everything. So, once you're on the road with the shirts already, with the uniform, you feel like you are now representing a whole company. So, it makes you feel very, very loyal to the company in that way."

Thus, there seems to be a trade-off between the perceived advantages and disadvantages of the different companies.

"It is a balance you know... I mean the end result is the same: bringing the food."

While the result of delivering food is the same, the HRM perceptions developed among the riders seem to vary. Nonetheless, companies are the main actors that influence how gig workers perceive HRM.

# **4.3.3** Merchants (Restaurants)

Merchants (that is, restaurants) are another key sense-giving agent influencing HRM perceptions of gig workers via the algorithm-driven platforms (Balogun & Johnson, 2005; Maitlis, 2005). The customer chooses the restaurant and places the order. The order then gets routed to the rider who needs to collect the delivery from the restaurant and deliver it to the

customer. Riders are responsible for the deliveries. The riders' interaction with the restaurants is a key source of HRM perception among the riders.

## <u>Rating</u>

A major interaction point in the relationship between the rider and the restaurants is the ratings. Most companies allow the riders to rate the restaurants and vice versa.

The fact that restaurants can rate riders impacts the riders and the companies. There is a perception that the merchant ratings are more important for the companies to maintain a good quality of riders than for the riders themselves. Some riders do not care about the ratings received from restaurants, as they feel that it does not matter and they do not change their behaviour to please the restaurants. They are not particularly motivated by high ratings from the restaurants. Most restaurants do not rate the riders often unless riders break rules or enter the cafes. Riders themselves also do not rate the restaurants, as the perception is that the riders' ratings would not matter to the restaurants.

"Yeah, usually restaurants, they don't, they don't rate you so much. I think their app it's like automatically rating four for most of them, like McDonald's, KFC is huge companies that they won't spend time rating the drivers, but some restaurants, they rate you negatively if, for example, you you came inside the restaurant or your a little late or you don't obey the rules, (then) they write you in the app. So yeah, (and) yeah, I don't think how my rating is going to affect a huge company like McDonald's. Like it won't matter."

Some Foodora riders say that they cannot rate the restaurants. Moreover, some riders are unsure about what can be rated, as the interaction is minimal. Thus, there are not many ways to get higher ratings. Some riders thus do not appreciate the ratings, as they feel it makes more sense for other services but not for food delivery companies.

"Well I mean, what do they rate you on? Get into the restaurant, you say 'hi', you take the thing and you make your way to the customer... I mean, you can put on an extra smile and stuff, but if you don't screw up completely, there's not too much to rate about. You could say the same about Uber (taxi) and stuff. But to me personally, I think it would be a bit too like watching somebody else. I don't know, I'm not a big fan of this." Riders generally lack clarity on how restaurant ratings affect the algorithm, if at all. Some say that they would appreciate it if the rating affected the number of orders received or the distance of deliveries. Some Uber Eats riders say that although the company asks the rider to explain why they gave a low rating to a restaurant, they do not know how it impacts the restaurants, and, thus, there is a desire for more transparency.

## Waiting Times

A common issue while working with restaurants is the waiting period for the deliveries. Waiting time is a significant issue for riders who do not work on an hourly basis, as they do not get paid while they are waiting for the delivery and only get paid once the package is delivered. Waiting at the restaurants thus appears to be a major source of frustration for many riders. Some riders feel that the restaurants ought to call the riders when the food is ready instead of expecting the riders to wait.

"The biggest problem in my opinion is not related to Uber Eats or to the app. It is the restaurants. So, they should call you when the food is almost ready or ready, but (only) some do, most don't. Now, with the lockdown I can decide to not go to the ones that don't follow the rule because there are so many orders now, so I just skip them and others do it. But sometimes you have waiting times of 20 minutes and once even half an hour. It is not acceptable because I don't get paid for this. Other companies get paid while waiting so they don't mind. But I mind"

Some riders feel frustrated when they see other riders get their parcel before them while they continue to wait.

Some riders feel frustrated, as sometimes the app gets confused when there are long waiting times and the riders struggle to tell the app that there are delays. As a result, the riders are forced to contact tech support although it is not their fault.

Some speculate that the waiting time may be influenced by the algorithm.

"If it affects the algorithm I'm not sure because I've questioned this before as we've seen examples - three or four of us waiting at a restaurant, trying to get an order. And it's usually that the order will go to the person that's closest to the restaurant. And then we were all sitting there and then four of us were waiting for maybe 20 minutes. I had arrived last of the four and I received the order first. And then we opened apps to see if maybe it's because of the ratings - and I had 100 percent ratings and then the other people were a little bit less. I think it (rating) does affect it (the waiting time)."

### **Delivery Destination**

Another issue indirectly related to restaurants is that the riders need to accept and collect the order from the restaurant before they know the final destination of delivery. This is especially frustrating for some riders if they are planning to go home after the delivery but do not know where the delivery is going to be. If the delivery is in a different part of the city, it might take them a considerable amount of time to return home.

"When you get an initial request, you get like three minutes and then first you go to the restaurant and then you're in the restaurant. You pick up the meal and then they tell you - only then - where you actually drop it off, which is like really terrible. It's like completely in the wrong direction. And you wanted to go home after this. So, like, that's kind of how I have to be from now on. It's never like, oh, I'll just do one more trip. It's like once you decide you're going home, just go home. There's like, do not hope that, you know, you will have a delivery on your way to home... The restaurant is like max five minutes cycle away from you. So you go to a restaurant, you're even waiting for food, but you still don't know who you're going to deliver it to or where you're going to go after that. And then only when you have the food in your bag, you mark as delivered. And then, of course, it loads. And then you're told to go to, you know, to the next place."

Many riders expressed that they were highly dissatisfied by the decision to not disclose the delivery location; however, some riders stated that the company learned to not show the distance as it is disadvantageous to the company.

"I think that's kind of like the biggest change I would want is to kind of have transparency - transparency and visibility into at least what kind of zone I will end up at the end of this trip before I accept it or reject it. So that's the biggest thing. Or maybe to kind of be able to specify I only want to work in this zone as well, because, like, I've ended up in another city cycling, which is like, yeah, I, I mean, I signed up for this, sure! But like, now all of a sudden I'm in the middle of nowhere where I'm going to get like no trips. So I have to cycle all the way back and I lose in the end."

# Restaurant Promotions

Sometimes, companies run promotions with the restaurants and give free deliveries from the restaurants to customers. Some riders argue that these promotions are not beneficial for them. Moreover, some riders feel that they are not provided with many details on these promotions. Riders also feel that their choices are restricted as they do not have the option to reject orders that have free delivery promotions, thus limiting their options.

### Human Interaction

Restaurant-rider interactions, though limited, are a vital source of human interaction for many riders. Riders who do not work in teams or with rider captains only interact with customers and restaurants. For some, the best part of being a rider is getting acquainted with the restaurants. A few riders also empathise with the restaurants. They feel that restaurants work with multiple apps and solely with these apps and, therefore, they too have infrequent direct contact with the company or customer. Riders generally try to be nice with the restaurant staff as they realise how stressful their job can be.

"I am quite nice to them because I used to work in a restaurant before. So, I know how stressful it is for them when it's rush hour."

There is also a perception that there is not much solidarity among the riders, customers and restaurants and they would like more cohesion between these three actors.

## 4.3.4 Customers

Customers are another major actor that influences sensemaking via the formation of HRM perceptions of the riders (Balogun & Johnson, 2005; Maitlis, 2005). The most important factors in the customer-rider relation are the tips, customer ratings and the interactions among the riders and the customers.

### <u>Tipping</u>

Tips from customers form a major component of the riders' overall pay (which includes the per delivery wage, bonuses and tips), and thus riders perceive them as being crucial.

"Actually when we started, even the pay per hour we thought were going to get less, but by the end of the month when the tips come in, when the weekend bonuses come in and everything comes in, it gets higher than what you were actually expecting." Some riders can make considerable earnings through the tips they receive from the customers.

"The good thing was that if the customer liked me or I don't know, (if) he was in a good mood, he could have tipped me cash like two euro coin, for example. I used to save up. I had a piggy bank, you know, a piggy bank where I used to put all my coins. And when I went for a holiday, I had in it 200 euros!"

Some riders perceive tips to be considerably more important and relevant than the promotions or quests or other bonus schemes run by the companies, especially if the riders are working limited hours and thus unable to complete the bonus schemes.

"We had a bonus scheme. I don't know exactly how it was, but it was pretty much once you fulfilled one hundred orders, you get one euro on top of every order you've made already and that you make in the future. And once you get to 200 orders, you get two euros for every order you fulfill...for me, it was very hard to reach a huge amount of orders because, I mean, technically, it's very hard to make more than three orders an hour, so to me, it wasn't this huge incentivizing factor. But if you have a part time contract or even a full-time contract - I heard from colleagues that they were always asking themselves 'hey how many orders have you already made?' And that was sort of an extra incentive (for them), but for me, tipping was more like the additional income I was interested in, rather than those bonus schemes because I was limited in my hours."

As tips are perceived to be vital, many riders try to put in an extra effort and be nice while meeting and greeting the customers.

"if you're very polite to the customer, there is a possibility that they'll leave the tip because they can still tip through the app or they can give you a tip at the door. So, sometimes if you want to say something funny or you make a joke, it works out pretty well."

Some Foodora riders say that they have shared tips, whereby all tips go into a common pot and then are shared among all the riders. Some of the riders may work less but still get the shared tips - especially students on hourly contracts - and do not seem to care much for tips as they can still get the minimum guaranteed hourly pay.

"I mean, look, I did my job and ride, and I have to be honest with you. I didn't have time for bullshit. I saw a lot of colleagues like they stayed on the phone, smoking. And they tried to slack off, you know, making a 20-minute delivery 30 and blah, blah, blah. No, I finish my delivery and I go straight to the other one, but they only had four hours of work. I said, you know what? I give my best and I go home. I don't want to lose (tips) because - the more deliveries that I took, the more chances I (would have) had to get more tips. So, for me, it was OK. No, but there were the students who would - they just needed some extra money. But they didn't care that much because... they get paid for hours. They didn't make tips. Even though they didn't, we share our tips with everyone. But I was never that guy (to say) - You let us down."

Some companies offer options for customers to tip the riders on the apps and some do not.

Most riders care about tips from the customers and try to complete as many deliveries as they can with promptness to get more tips. Some riders perceive customer tips as a fluctuating source of income and the tipping culture as unpredictable, with some customers being more inclined to give tips than others. Furthermore, some riders feel that there are not many ways to improve tipping, except for doing the delivery well. The tips primarily depend on the customer rather than the quality of the work.

# <u>Rating</u>

Another influencing factor is the ratings. Some companies let the riders rate the customers and the customers rate the riders, while some do not. Some Uber Eats riders rate the customers only in exceptional situations, such as if the customers were rude.

"And I did a (gave a) customer thumbs down because he was quite rude. Well, it was the only customer I rated, so I just had to do the extremes, I think."

Though some riders can rate the customers, the primary factor influencing the development of perceptions of the riders is the customer ratings of the riders. Some riders perceive the ratings to be primarily dependent on how late the delivery was.

"In terms of customers, when I deliver, and I am slow or I get lost especially with people who are in the apartments as there's a lot of buildings in the area and I cannot find which one, then I deliver late and they get frustrated. So, they rate me two or three stars." However, riders who have low customer ratings can easily increase their ratings by smiling, saying "have a good meal" and acting as if they are not in a rush. Furthermore, the app seems to only consider the last 100 ratings, and if the riders nicely ask the customers to give them a 'thumbs up', the ratings can increase.

"It's very easy to bring your ratings high because it always goes based on the last 100 ratings. So, if you, for one day, ask all your customers "if you're happy, just give me a thumbs up on Uber.", you'll get your ratings back to 100 percent."

However, some riders feel that there is no incentive to be nicer to the customers for ratings, as there are no bonuses or money attached to good ratings. Other riders say that they tend to be always nice with the customers for tips, and others again state that they are always nice regardless of tips or ratings. Some Uber Eats riders feel that the company monitors the customer rating to see if the riders are nice to the customers, with potential account suspensions in the case of multiple warnings.

Customer ratings do not matter for most riders and they are not very motivated to achieve the highest ratings. Some perceive the ratings to be irrelevant, as the customers do not get to choose the riders or see the riders' ratings.

"Users, clients - they don't get to choose their driver. It's just a random assignment."

Furthermore, the riders do not get to choose the deliveries.

"I mean I have 95 good ratings. It doesn't affect (anything) at all. You don't choose the delivery."

The common perception is that ratings are not very relevant and may be more relevant for other services where there is a choice given to the customers to pick the service provider based on the ratings.

"I didn't care (about the rating), to be honest, as long as it's not terrible. I wouldn't have felt more motivated to get, let's say, a four point nine out of five then if I had four point five. They don't pick me anyway. The customer doesn't pick who they are wanting to deliver the food. I think it makes sense for car service, such as Uber Eats where you can kind of pick the person you want to come, pick you up. But for here, I don't think people really cared who it was that delivered the food to them. They just wanted the food as quick as possible."

Some riders feel that ratings would make more sense if they were aligned to rewards or benefits for the riders, such as the best riders getting more deliveries.

"People that have high ratings and people that have more time in the service like seniority or they should be able to have like more requests or at least to deliver to the VIP customers, you know, people that order like six times a week or something like that. They should be assigned to better quality of drivers because there are different types of drivers. Those drivers that don't speak Dutch or speak in English. The drivers that have very slow bikes and take a lot of time to make those deliveries. There are other drivers that are super pro and they're super fast and they know the city. So it should matter."

Some riders also feel that they do not get to see all information about the customer ratings, such as the reasons for a low rating.

"I only see thumbs up or thumbs down. But I know if somebody does a thumbs down that they will get a list of, like, reasons why somebody gave me a thumbs down. But I don't think I will see that actually based on how the app is structured."

Some companies do not offer the option to the customers to rate the riders, although they can complain in case of any issues with the delivery or the rider. Some riders from these companies state that they would love to get ratings as that would help them get feedback, which could help them provide a better service.

However, customer ratings, though used by most companies, are not perceived as relevant by the riders especially in comparison to customer tips.

## **Rider Interaction**

Another crucial element of the rider-customer relation is the interaction among the two parties. Some riders miss human interaction while on the delivery job and appreciate their interactions with the customers. Some riders also perceive customer satisfaction as a source of joy and feel valued for being able to be of service to the customers. "When you deliver and you see the smile on the customer's face and you see the contentment. Being able to provide a service. I think you feel really grateful. One time, I delivered (a meal) to a hospital. So, when you're able to do such deliveries and you see that look on the customers face (it) makes you feel very happy, feel content."

Thus, some riders feel positive about interacting with customers and giving them meals. Some also appreciate how different this job is from other jobs, as they are making customers happy one delivery at a time. Some riders try to make human connections with the customers to ensure more customer satisfaction. For some riders, the possibility of combining exercising, meeting people and getting paid is great and the best part of the job. Being respected for the service also provides contentment for riders, as they feel pride in contributing to society through their work.

However, some riders feel that there are customers who are very rude or disrespectful to the riders. Some customers do not care about the riders and just want food without being concerned with who brought it.

"You could meet very bad customers, too, who are a bit rude. And so that can basically spoil your doing, your day and your motivation."

# 4.3.5 Algorithm-Driven Platform App

The app is a platform which is driven by the algorithm designed by the company. The food delivery companies use the algorithms to manage the riders, and thus algorithmic management plays a crucial role in the overall food delivery sector (Duggan et al., 2019). Algorithmic management can be perceived like having a hellish boss (Slee, 2017) by the riders; however, this study does not support the literature, as most riders are comfortable working with the algorithms.

The riders interact primarily with the platform, and thus it is at the core of the development of the perception of the riders. Most riders feel that the app is quite good and easy to use. A few riders feel that the app does not show all the information, but most riders think that most of the time the app is clear with the information provided.

"You sort of had to figure that out on the (Deliveroo) app, but, yes, it was pretty transparent. There was a page on the app where you could see that... Sometimes that

was pretty predictable in terms of which areas you had to be in to be able to receive the most amount of deliveries, (and) sometimes that wasn't (predictable)."

The general perception is that the company is not interested in providing training on how the algorithm or the app works. Uber Eats riders feel that the company is very secretive about the app and algorithm and the common feeling is that one can only guess what the algorithm does. Experienced riders try to make sense of the algorithm, but mostly there are rumours and no firm understanding of it. Thus, understanding the algorithm is elusive as most riders are aware of the front end of the app but have no clear idea of the algorithm behind the app.

"No, I don't know if there is an algorithm, just the app."

Some riders feel that they are left alone with the app and they do not have a clear understanding of the app's expectations.

"Well, for example nowadays with the lockdown some people ask for a contactless delivery, whatever that means. And you have to take a picture of the food but I still don't know (how it works) because it is not written anywhere and nobody answers my call. (I don't know) if I have to wait for the customers to take the food or if I just have to leave. This is the main example. I mean I am asking myself should I leave the food there and go away because this is what the app tells me, but yeah."

Some riders feel that the company app is very predictable and thus also very vulnerable to manipulation from riders.

"Yes, yes. It is very predictable, and this is also why you can play around with it."

A few riders also try to cheat the system by using the predictability of the app for their benefit; for example, they get more benefits out of referral systems and promotions or trick the app and thus get free food for themselves. Some riders perceive that their company app just uses location as an input for the algorithm and thus manipulate the app by changing their location. For this, some riders use GPS spoofing. Some Uber Eats riders feel that there are many ways to work around the system and that riders are manipulating the system as the company pays very little and therefore does not provide financial incentives. Some riders, however, feel it is wrong to cheat the algorithm; this is especially true of foreign resident riders, who fear losing their residence permit and thus avoid manipulation. However, many riders manipulate the system to get more benefits.

"No, the only thing I try is I use my old bank account to order something to my home and I just stand very near the restaurant and I just pick it up and eat it there. The fee I earn from Uber Eats and the fee I have to pay for the restaurant are equal. So, that I don't have to pay for the food, free food."

A common complaint that riders have of the apps is the bugs. A few riders complained that the app malfunctions too many times and sometimes the app gives them large orders that they would need a car for and that are not possible on a bike. Furthermore, sometimes the app gives three orders in different directions at the same time. Some riders feel that it is understandable that there is human error, and therefore bugs, in the development of the algorithm. Some Uber Eats riders feel that the app was not very good and crashed due to bugs in the system. Some riders stated that such bugs may take two days to resolve, in which time they might lose some income.

# 4.4 Outside the Circle

This section provides an overview of gig workers' perceptions of the four actors outside the circle presented previously in the model: rider community, tax office, trade union and the individual aspects (rider themselves).

# 4.4.1 Rider Community

The rider community is a major actor and important sense-giver (Balogun & Johnson, 2005; Maitlis, 2005) lying outside of the direct circle of influence of the algorithm-driven platform.

## **Bonding between Riders**

Bonding between riders plays a vital role in motivating some riders in their work lives. Some riders believe that it is good to bond with the other riders due to the nature of their work. In their work lives, if the riders face any issues, they can leverage the team spirit and seek help from other riders. This can occur if the bike is broken or if there is an accident. The importance of bonding and interactions between riders varies from person to person. However, most riders view bonding in a positive light.

Interactions among riders varies across the companies. Some companies have very little interactions among riders and the companies do not get involved to increase these interactions. Other companies work toward increasing rider interactions and trying to form a bond among them. Some companies have a structure where the riders are a part of teams led by the rider captains, while others have their riders operating as individuals and solo players.

There are multiple rider forums and platforms which are leveraged by riders to a different extent to get information, tips or to interact with other riders; these include Facebook or Reddit groups. Some riders perceive the rider platforms as a good way to connect to other riders. Some use WhatsApp groups to communicate with others, to discuss issues and for scheduling. Riders who are part of teams also have access to WhatsApp team group chats, with around 14 members on the chat. Those who are members of unions get access to platforms such as a union Slack, which is perceived as useful to connect with other riders across the country (the union Slack in Norway has more than 500 riders). Some Uber Eats riders form group chats with friends who also work as riders for Uber Eats to share concerns and get updates about promotions.

Some riders highly appreciate the opportunities they get to have human interactions on the job. Some riders feel very motivated due to the long-term bonds they form with others. Furthermore, the opportunity to interact with somebody, especially during the pandemic, is something that some riders appreciate.

"Yes, actually, human interaction is one of the main stuff - I mean, great to meet your fellow riders and I mean, talk to them sometimes. You just need to I mean, meet up with your colleagues and stuff. It's fun, too. I mean, if you have the same (delivery) order with your fellow rider and (you are) going (to) deliver the food and stuff, and especially during the pandemic, you is (are) always looking forward to meet somebody - that is just sit and chill with them sometimes or just talk with them. It's one of the main reasons why I'm still there. You'll make some long-time friends."

Some riders perceive team events as positive and fun, as they can meet other riders and build camaraderie. Some companies organise events such as parties, yoga events, photoshoots and football games. Some riders, however, feel that there are not as many team events that occur, even though the company encourages the riders to have team events every month. Some riders organise team events with their money. It is perceived that team events help create a greater sense of community and improve motivation, as getting to know other riders helps them in their

work life. Furthermore, some riders like team events as they can share thoughts and feel more united. They say that it feels better on shifts when they see other riders they know; it makes the job more exciting. Mostly it seems that a bond is created between the riders at such team events. However, it is easier for social people to make relationships, as the riders need to take initiative to interact with others if they want to.

"Yeah, there were some other human interactions when Foodora organized team events, and I attended one of them, that was laser tech. It was pretty fun, I got to know some drivers and it was nice because I could say "hi" to them on the road, have a little chit chat about how it's going. But if I hadn't attended those events, I would probably never have met somebody. And then there was a shooting, photo-shoot for the winter collection of Foodora. I also took part in that. That's how I got to know some drivers. But again, there was something that came from my own initiative because I had to apply for this shooting. And again, the team events are voluntary. So, if you don't feel like socializing with other riders, you really don't have to."

For some riders, most of the communication happens at the beginning and end of the shifts while picking and dropping off their equipment. Apart from that, they feel that there is very limited social interaction with fellow riders. They perceive that the limited social interactions at the start and end of the shifts make the job more humane. Some Uber Eats riders feel that they have no connection with other Uber Eats employees and that there is a lack of communication and coherence between riders with the only interactions, if any, occurring outside of restaurants. The perception riders have is that it can get very lonely on the job and that may be one reason, a rider speculates, for the low entry bar for the job. Thus, they would like to have more team spirit, like other companies do, as they can be alone in the job for hours at times, which can be difficult for some riders. Some say that they miss working in teams and would appreciate more team bonding. Currently, the only interaction they have with other riders occurs while they wait for orders at the restaurants.

"Well, I think in the sense of being in the team and have other colleagues would be much nicer because sometimes it feels lonely in a way. I don't know. Yeah. So I think if Uber Eats can do it as like as the other app does with how they could like distribute the team and those kind of things, I think it's pretty cool... I think the most of 'human interactions' I have is when I see other Uber Eats drivers who wait in the restaurant and then we would talk but it's just small talk. But it's still cool... with the app, I think if they can change it to how, you say, the sense of the team, like making a team like Foodora then I think it would much be much helpful for us like financially. And also, time management and human resource (wise) as well."

Another advantage of the bonding between riders occurs for the ones who are a part of a team already. Their teams get rated and each of the riders in the team is responsible for the team performance, as there is a shared goal which brings the team together. The team supports the riders who are not doing well because they need to be successful as a team.

Thus, many riders would prefer a sense of cohort in their job and would like to have more interaction and team solidarity. Otherwise, riders feel as if they are alone in their daily work life.

"Sometimes you might run into them (other Deliveroo riders) when you were both at a restaurant at the same time, but that was pretty much it. You are pretty much on your own, 99 percent of the time... Yeah. I mean, for the most part, I felt like you were basically being treated like a lone wolf in your day to day work life. I felt like at the end of the day that wouldn't be me in the long run. I would much prefer working with a human company and amongst others, at the company of other people... I would definitely try to foster a bigger sense of cohort amongst my staff."

However, some riders prioritise their freedom, flexibility and anonymity, and they are fine with not having a team or more bonding with other riders. Some say they prefer to work alone instead of in teams to avoid the possibility of having bad colleagues. Some feel that working with other people may stop them from getting higher pay, so it is better to work alone and not interact with humans, as they can communicate with the app if there is an issue. There also is a perception among some riders that there is less of a need for human interaction due to the temporary nature of the job while having more human interaction would be good for long-term jobs. Thus, some Uber Eats riders feel that the Uber system is better than other companies for teams. Furthermore, some riders feel that they are generally reserved and do not interact often, so they do not care about talking to other riders. Some riders feel that there is no benefit of talking to fellow riders and no incentive to share tips, as the aim is to maximise tips for oneself and hence the perception is that riders do not share information on how to work around the system. Some feel that more bonding can lead to more stress and work pressures and would also create a feeling of guilt if they had to cover for somebody in their absence.

"I really wanted to be flexible... (but) having this feeling 'OK, I got a team (so) I need to work today because somebody (else) couldn't work'. Once you know somebody personally, you get into this thinking - 'OK, maybe I have to take over for him because it's too stressful for him'. I mean, I've worked in offices as well, and you get this feeling after some time. I think most of the people will get it. And with this anonymous (Uber Eats delivery) business, with this application, I really didn't have any guilt feeling if I didn't work, a bad feeling. And I liked it because I needed this as sometimes, I had exams and I really needed to study full time. And then I had no pressure whatsoever."

Some riders are not interested in team events, as they feel that team interaction is not important and that events are not special. There is a perception that the companies use team social events when they feel employee turnover is increasing to build some loyalty at a small cost.

Some riders perceive that some of the company's policies hamper the bonding between the riders, as the companies treat different riders differently, such as by treating those who started later worse. This difference in treatment can create a gap between riders, as some are made to feel worse than their fellow riders due to the differential treatment whereby others are treated better.

## **Supervision**

Supervision is one aspect which influences the development of HRM perception among riders. Some riders like the idea of being supervised while others do not. Some companies, especially those treating their riders as partners or self-employed freelancers, let them operate individually while others have teams and team captains.

Some riders perceive supervision positively because they miss human interaction; this is especially the case because if there is any problem with the app they lose time and therefore income. They feel that it would be easier to communicate the problem to a human as that would lead to a quicker resolution. Furthermore, some feel that the apps do not consider everything, whereas a human supervisor can examine the problem more holistically. Some riders feel that having more of a hierarchy can bring riders together and make the company more available to their need.

The perception among some riders is that rider captains are more like HR leaders, mentoring and instructing new riders, motivating riders to learn local languages, ensuring riders follow safety rules (like wearing helmets), coordinating and bringing riders together, evaluating monthly rider performances and working with riders who are not doing well in their performance statistics. Riders feel that they can also approach their rider captains to make their shifts flexible or if they need some information. Some riders think that the rider captains give a positive human touch to the job. Some feel it is easier for other riders to take advantage of the app with human supervision. However, riders do not see the rider captains as bosses; they see them as team leaders or supervisors who can guide or supervise the riders. Some riders feel that they are providing a delicate service (food), so it is better to have guidance from rider captains about the rules and regulations on food delivery to ensure hygienic delivery of the meal to the customer.

"...human interaction (rather) than algorithmic (interaction) are very important in this. I mean,... because firstly, we are dealing with a delicate service, which is food, and that is good to maintain hygiene and safety and everything. And you can't learn all of that through the algorithm. Basically, you need that stage of a rider captain or a senior guy in the company teaching you about. I mean, a safety rule, rules, regulations about I mean, the rules and paths to take when you are delivering, like get to areas like what to do when you go to the restaurant"

One rider expressed that they would like to have some supervision or rider captains particularly during the pandemic to make sure that the riders follow the basic safety and social distancing requirements for safe and infection-free food delivery.

"I actually thought that that would have been great for Uber, to have certain shift leaders working in the city just as Uber Eats riders ... the reason why I thought it would be good is, when the Coronavirus started, there was supposed to be one and a half meter distance, everybody had to be taking care and washing hands, wearing masks, wearing gloves. I started seeing a lot of other Uber Eats riders were not paying attention to the rules. And I found myself saying, "Guys, stay apart a bit, it's safer for all of us." We are supposed to deliver the food as safely as possible, but if we're all standing on top of each other trying to get our order, it's not going to help. So, I thought it would have been nice that Uber Eats had certain shift leaders in the city." Of those riders who are associated with unions, some feel that the power of the rider captains has decreased due to the unions, so that management does not take the captains as seriously. Thus, there is less of a need for the rider captains.

"I also heard that management is not - so if when the rider captains have a meeting and they have suggestions or they want to talk about something, the management is not taking the suggestions very seriously now."

Some rider captains try to motivate the riders during peak hours. However, some riders think of the captains as "teacher's pets" and motivational talks as "air talk" given to convey the management's message.

"You know, when they were telling us, like all hands-on deck when we had the peak... They had, for example, they had in August one week the gay pride. And because of tourists, they say that we need to be prepared. Everything subtle, you know like - 'would be nice if everybody get some rest'... 'Stay safe'. 'Be careful out there'. 'Let's give it a push'. 'Let's work together'. 'Do you need something else? Call us. We are here to assist'. It's kind of to be honest - for me - it is basic bullshit. They tried to be nice and they just tell you to work more but they cannot say like we talk - 'hey get your ass to work and I want you to make good 20 rides today'. They say it nicely. Let's work as a team... 'You need something Let us know. We are here to support' - you know, sugar coating."

Many riders do not like the idea of supervision. They like the anonymity and freedom that allows them to make their own decisions. Some Uber Eats riders feel that team leaders would not work well in the company and that the biggest perks of working for the company are that they can work whenever they want and that nobody supervises them. Some riders feel that supervisors are only needed to send out weekly statistics on performance, which the app can easily do; all that the supervisors can do can be automated through the app and any queries they have can be directed to the support team. Overall, they feel it is the rider's responsibility to decide how to shape their job. A few riders feel that supervision would entail following orders, which would not allow them to work on their own and improve their efficiency as they want to and may also limit transparency.

"I actually prefer working alone more, because when I was working in the restaurant, I felt that I had to listen to other people, and I had to do what I was told. I couldn't improve my efficiency. But when working alone as an Uber Eats rider, I can just do what I want. It has more transparency. I would prefer to work alone. I like that. I'm the only one boss so it's much easier for me. I take my own risks and my own decisions, and I am happy with it."

Thus, supervision, although valued by a few people, is not appreciated by others. There is a trade-off between the freedom that comes from being one's boss and guidance from a supervisor.

## Gender Balance

Gender balance among the riders in the food delivery companies (Kovács, 2018) contributes towards influencing HRM perceptions of the riders. Some female riders feel left out or somewhat alienated from groups of male riders and feel that it might be nicer if there were more female riders.

"I've worked with Uber Eats for more than three months, but I only met I have only met one female Uber Eats driver once and I only see males. And so it's a bit awkward because they kinda know each other before. So they grew up with each other and they talk when they are waiting for orders. And I just sit there by myself, awkwardly look at them from afar. So I think if there are more females then it would be nicer I guess."

Some Uber Eats riders feel that there are more female riders in other companies. Furthermore, there is a perception that women do not want to join, possibly due to cold weather conditions.

"I always wondered why there are so many (guys). In Rotterdam, I think we only have two or three girls actually that work every day, like I do. I don't know why that is. I don't know. Maybe it's because we have to be outside all the time in the cold, though. Maybe they get colder or I don't know. I don't know what to say. I don't know why exactly there are more male than female riders. I've noticed though in other companies there are more female riders. Maybe in the future there'll be more female riders for Uber Eats as well, or maybe in the summertime when it is nicer outside." Trade unions help reduce the alienation among female riders and make the riders feel more included. However, some have stated that management does not seem concerned about female riders feeling isolated.

"No, I feel. I feel included. I have not had any problems. No communication. I think one of the main reasons also is the union. Because everyone can talk to the union and they will talk to everyone and they take time for everyone. So if there is some problem, you can talk to them. Management, I don't think they care that much. I mean, as I said, they don't care about feelings. And if you feel that - you may be bit lonely as a female. They would, I don't think they would care. But yeah, but you know that there is the union and you can always talk to them."

Sometimes, the restaurant staff sexually harass female riders, but they are immediately reported and the company acts to remedy this.

"We had some cases where restaurants, they treated, they just started hitting on some girls. But then they got reported and then there was fine."

A possible reason for the lack of women is that the job involves riding alone, which may be a barrier, especially during the long winter nights.

"My girlfriend. She is a female driver. So actually in this household, it's 50/50. Now, that's a good question. I think this question has to do also with your own beliefs. If you think that all jobs should be 50-50, but I think this also involves riding late at night. And I understand that that can scare off some ladies that don't want that, especially in wintertime. You know, like now it's still sunny at eight o'clock in the evening, but the wintertime should get dark at 6.30 or 6.40. So then you have to drive in the dark. And I think that's one of the things that maybe causes the guys to sign up more often."

The common perception among the riders for the low female-to-male gender ratio is that the physical nature of the work discourages women from working.

"This (is) actually physical work. Actually I had an order from a liquor shop and it was two orders at once. And I was like, seriously! I had to drive for seven kms. And then I was thinking, my girlfriend... I was thinking (that) I'm happy that I did this and not her because (if) she had to do this - that was actually a very heavy (delivery)." A female rider stated that it is common to have fewer women in other fields as well, such as physics; however, while she believes that a rider's job is physical, women can easily do it if they are determined to it.

"Yes, so we're about 90 percent, maybe 10 percent femaleish. It could be more balanced but it's, I feel, fine. It's, I mean, I studied Physics before, and that's also very few girls and a lot of guys. So I'm used to it. It might be because females think that it's just too physically demanding. But everyone can do it. I mean, that's how I felt when I started... in the interview he (interviewer) said - 'yeah, so it's physically quite a challenging job' and I felt very weak. I was like, okay. And I was sitting there with other three guys -You have to be maybe a bit tough or just think that you can do it. So maybe there's some girls that think they don't, they can't - It's too hard. But then it is a physical job and a lot of guys prefer that maybe."

Thus, gender balance seems to be an influencing aspect of HRM, especially for female riders; however, some female riders perceive it to be less of an issue and simply see it as a matter of fact.

## "I don't think it's a problem, but it's a situation!"

However, most riders do not see the gender ratio as a concern as there are no restrictions on female riders being able to join, and the company allows anybody who wants to join to apply for the job. Furthermore, some feel that forced gender balance does not make sense because there does not need to be a gender balance in all jobs: for them, it makes sense if men do more physical jobs.

"When I was outside, there were really few female riders. It wasn't really anything that I thought about a lot. Because it made sense that there were more guys doing this kind of job, it's a more physical job. And I don't see why there should be a 50:50 as an example, it makes no sense to me. It should just be about who wants to do the job and less about the gender of them."

## **Conflicts with Other Riders**

Conflicts among riders, though rare, also influence the perceptions of the gig workers working with the food delivery companies. Conflicts may arise from riders desiring new orders for themselves. Some riders prefer to stay outside popular restaurants as the algorithms appear to send orders to the rider nearest to the restaurant. Therefore, if a rider is waiting outside a restaurant to get a new order and sees another rider try to do the same, this may lead to a potential conflict.

"There's a lot of riders that decide to just sit outside of a McDonald's all day and wait for orders rather than going through the city, which is fine. It doesn't say anywhere that you're not allowed to do it as long as you're not disrupting the restaurant in any way. But there was a day where there was this one rider, that (who) always sits outside the McDonald's that's near my house, and one of my Uber Eats friends was also waiting for an order. And then the other Uber Eats rider went up to him and he was like "listen, do you mind going somewhere else? Because I'm waiting to get an order." He's like "I've been here for two years". (But) You can't do that! You can't tell people to leave because you want to be close to the restaurant... you can always report someone if you see something that is not right.. So, the guy was warned and to tell a long story short, we told him to have more respect for everyone and then if you don't like that I'm standing here, you can go to a different location."

Conflicts among the riders can be resolved by the rider captains, or riders can lodge complaints to the company.

## 4.4.2 Trade Unions

Trade unions are a key sense-giver (Balogun & Johnson, 2005; Maitlis, 2005) for riders who are part of a union. Some riders feel that they were already happy with the work and the company but that trade unions make their job easier. Riders also state that trade unions make the company feel fairer. Some riders feel that the company treats them like a number, so the trade unions make them feel more valued.

"Sometimes you feel like a number. With the union, you feel like a person or like an employee."

Trade unions also help disseminate information and provide transparency to the riders, which is perceived positively by some riders.

"We have a really active union. And they for example, last year they did information booklets which were really nice - they did that twice. And then in one of them - that was just to inform the riders about the economy. And then some stories about a few riders, which was really nice. And in that, they also wrote a bit about their work, what they did... two (members) of the union, they went to Berlin and they talked to two of the developers of the app, and then they just wrote about the interview. And us riders - we could read about it and figure out a bit more about how it works. And that was really nice."

Riders have also stated that trade unions help improve their work conditions. Although not every country has trade unions, the riders from countries which do have them are happy to have a trade union that is fighting for their rights.

"Foodora is in different countries. Here in Norway we have the union. So we have representatives and they fight for rights. That is Norway where we can join the union and they work for us. That is not the same in the rest of the world. There are countries where people are not even allowed to join the union. So here we have the best conditions for working in the economy."

Foodora riders from Norway also appreciate how trade unions led the strike last year to demand better working conditions for the riders.

However, some riders feel that the trade unions also have undermined the authority of rider captains, as there is a perception that the management considers trade unions more powerful and, therefore, takes them more seriously than rider captains. Therefore, if the riders have any issue they can reach out to the trade union, which can raise it in their monthly meetings with the management.

## 4.4.3 Tax Office

The tax office is an indirect actor that influences HRM sensemaking via development of rider perceptions (Balogun & Johnson, 2005; Maitlis, 2005). Riders, especially partners or self-employed riders who are not considered official employees by the companies, need to pay their own taxes. Riders are vulnerable to penalties from the tax office if they miss the deadline for filing the tax returns. With the complicated and unclear nature of the tax formalities, many riders are concerned with dealing with the tax office.

Some riders perceive the tax procedures as difficult and complicated to some extent.

"There is no contract (with the company) of course. Basically, you apply for a VAT number and you are your one-person company. So, the difficult part is that you have to pay your own taxes, which in Italy would be fine but here (Netherlands) it is complicated, but not so much."

Some riders feel that there is not enough information available on the tax system of the country, which is especially difficult for foreigners. The perception is that the information is not very transparent and sometimes is hard to find. Some riders try to find information online, from riders' forums, or through colleagues. However, due to the lack of clarity, many riders miss the deadline for filing their tax returns and thus need to pay fines.

"I think the only thing Uber Eats can do better is with the VAT tax return because for some of us we are foreigners. So we are not familiar at all with the Dutch tax system. So most of us, we have to rely on each other, like to ask for help and support. And even though Uber Eats also explain how it works with their VAT tax return on their website, but it's not as clear for us somehow. And I also know several Uber Eats drivers who missed filing their tax returns. So they have a fine for that. And I don't think any of us want to have those kinds of fines."

A common perception among riders is one of annoyance towards the company, as it is perceived to be unreasonable for the company to expect the riders to pay their taxes even though they work for the company. Thus, some riders would prefer to be salaried to avoid having to deal with the tax office.

"I much prefer that it was where I get a paid salary and then I don't have to worry about the taxes of it. I don't see any benefits of me having to do the taxes other than me having to spend more time on things that I don't really enjoy. If I wanted to do my own taxes, I would start my own company. I would not do it for someone else."

Riders also need to pay taxes on the tips which they get online through the app.

"You have to pay tax on the tips... If you get it in cash, then it means you don't pay any tax. But if you get it on the app then you're going to be taxed."

Some Uber Eats riders feel that the company shirks from their responsibilities by putting their civic responsibility of paying taxes on the riders. Some riders, especially younger adults and

teenagers, are not aware of taxes and thus not everyone pays their taxes, which causes dissatisfaction among the riders due to the penalties from the tax office.

## 4.4.4 Individual Aspects

This section gives a brief overview of individual aspects mentioned by the riders which do not fit in other categories but are important for the analysis. Rider idiosyncrasies' play a role in sensemaking (Drazin et al., 1999).

### <u>Motivation</u>

Self-motivation of riders also plays a role in the development of HRM perceptions. Some riders who like to bike around the city and explore the streets are motivated by the job itself.

"At first it was really exciting because you can earn money and cycle around. It was a new city. Yeah. And then I started studying. And that is part time studies, you know, so. And so that's why I work a bit less full throttle. And also because I've been through it now for sometime. And it is not a very complicated job or it can get boring. I like cycling. So that makes me very motivated."

Sometimes, riders join or leave the job on their own accord and not for reasons tied to the nature of the job or the company. This depends on the riders' plans and personal motivations. Some riders are motivated to work and take the job very seriously. For some, the job of a rider was not their first choice, but they started doing it to earn some quick money or to do something in the day.

"I was interviewing for some jobs and I was working towards that just before the pandemic had started, just before it kind of started to rock Europe. And I think a week in to like my interviewing process for a job - everything, everything got paused and stopped for the time being. Just because companies weren't sure if they're going to be hiring anymore. But to kind of have something to do at the end of the day - I just kind of needed something quick and something easy to kind of make money for the time being...So that's kind of why I do it. I don't know if that's like a very common reason nowadays (for other riders to join) because yeah, I would say now a lot of people will be changing their direction of career just because of the whole crisis."

Some riders are interested in the job because it allows them to exercise and stay healthy while on the job and also to learn to fix bikes, which motivates the riders to continue working.

"The best part to me has been getting to know much about the city, basically, like I mean, the street names, getting to meet good customers and all those stuff. And secondly, health wise and I get to use that as an excuse for training and stuff. So I keep fit mostly with that. That's really helped me leave my room and free my mind on the bike. Also, get to learn how to fix bikes and stuff"

Some riders have their own plans and wish to learn more about the food delivery business, the restaurant market or the city. This opportunity to learn while on the job is perceived by some to be crucial to fulfil their plans.

"I consider myself an entrepreneur in this type of business because I'm just starting to learn how the food system works in the Netherlands... And I would like to start a business with the food delivery as well, because the food in the Netherlands is really bad. Yeah, it's something that has caught my eye, especially in the quarantine days where people are not going to restaurants anymore...Now everyone is ordering food. So I think it's a business opportunity. I mean, to have a business you have to first understand how the business works and then to start looking at it from the lowest floor. Right. (the job) Gave me maybe an idea - notion of what the people are ordering... Sometimes they order milkshakes and they order burritos for one euro and people just order them because they're lazy. I mean that the app makes you lazy."

Weather is a factor which influences the riders. Some riders are highly self-motivated and work both in pleasant and rough weather conditions, whereas others prefer to work only if the weather is good. Some riders state that some months are tougher in terms of delivery business and the weather worsens this, so they consider quitting during the difficult months. Weather is thus one common factor which concerns most riders to varying degrees.

"Negative is the weather. If it's raining, if you're working and it started raining, well, good luck. You're going to get wet."

Ensuring the bikes are well maintained is a very important part of the job and some riders are not motivated to continue as riders because maintaining the bikes takes time and money and the company does not pay for it.

## Career Growth

Career growth is also an important factor that influences HRM perceptions of the riders. Some companies offer career growth for the riders, allowing them to go from rider to rider captains and from rider captains to senior rider captains. Some Foodora riders in Norway feel that there has been no benefit of promotion to the captain role since the introduction of self-employed riders, as rider captains are no longer needed. They state that the company used to have competitions for best teams and best riders at the local and national levels based on speed, delivery time and customer satisfaction, with rewards for the best teams and captains. However, with the new business model, the position of rider captains is devalued, and, thus, some riders do not feel motivated to get promoted to that position.

Some riders feel that they would like to grow as shift leaders and would like to manage people, but their companies do not offer growth opportunities to the riders, and, thus, they feel they do not have the opportunity to get a raise and instead have a permanent cap on their income.

There is also a perception among some workers that being a rider is a temporary job and growing in this role is not a career ambition. Therefore, some riders do not care about career opportunities and do not aspire to grow in the company, as the potential growth positions do not align with their life goals. Some riders feel that they would like to grow within the company if roles were offered in the company office but that the company does not leverage the skills of the riders. Riders are usually not hired by the company after they are done and there seems to be no route to become a regular employee as a rider.

"They have people that are doing all kinds of different studies, why not invite these people in for more of an internship or doing something extra with them? Pay them a little bit for some extra hours they can do and come up with new ideas. They have a lot of young, bright minds in these companies and then they're not using them for anything. I think that it's a bit foolish. That's the whole idea, have new interns, new students coming into jobs. That's what all the big tech companies do. They hire people and then they fire them after a couple of years because they want new, fresh ideas. Why not do the same here? It would be good."

# **5** Discussion

This section presents an analytical discussion of the findings in light of the literature reviewed in the theory section, beginning with a summary of the findings. The most relevant and interesting insights from the research have also been highlighted.

This study presents in-depth exploratory research on how different actors in the algorithmdriven food delivery platform economy influence HRM perceptions of riders. Primary research was conducted using exploratory interviews to gather a database of first-hand information, which was analysed and coded systematically to derive findings based on a structured inductive model.

A pictorial model was created that includes the relevant actors responsible for the development of HRM perceptions of riders. The model developed provides a clear and comprehensive understanding of the key actors and how they influence HRM perceptions. The platform company, the customers and the restaurants influence HRM perceptions of riders via the algorithm-based platforms, thus forming the circle of influence connected by the app. Outside this circle lie the other key actors, which include the trade unions, tax offices, other riders (rider community) and the riders themselves. The primary sense-givers for HRM sensemaking of the riders are the company and the rider community, as they are key in developing HRM perceptions of riders (Gioia & Chittipeddi, 1991). The figure below summarises the findings by showing the key actors and the related factors that influence the formation of HRM perceptions of riders.

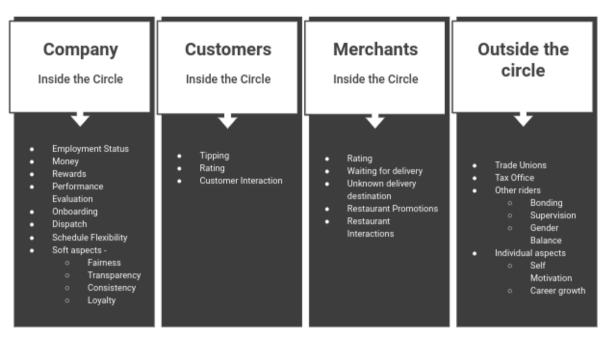


Figure 3: Descriptive grid of how the actors influence HRM perceptions.

One of the main findings of the research is that multiple actors play a role in influencing HRM perceptions, and some do so via the algorithm. The findings partly support the arguments made by Meijerink and Keegan (2019) and Gervald (2019), presented earlier in the theory section, that the customers, restaurants, platform and riders are the primary actors involved in the development of HRM perceptions (Meijerink & Keegan, 2019; Gervald, 2019). However, this research also provides the novel insight that other actors also influence the development of HRM perceptions of the riders, including trade unions, the tax offices, the rider community and the riders themselves. The research shows that the relevance of these actors for the development of HRM perception varies between companies and countries. For example, trade unions significantly influence HRM perceptions of the Foodora riders in Norway but not for Uber Eats riders.

Another key finding from the analysis is that although there are multiple points of interaction between the riders and actors (as shown in the figure above), not all aspects are equally relevant for the development of HRM perceptions. Of all the aspects shown in the grid above, the most significant influencing factors are

- income, flexibility and rewards from the companies,
- customer tips,
- the unpredictability of waiting times and delivery destinations,

- employee support from trade unions,
- bonding between the rider community, and
- self-motivation of the riders.

These findings support the theory on the influence of algorithmic management to a significant extent. Indeed, many food delivery companies use algorithms to automate HR work, including the tracking and scheduling of riders (Duggan et al., 2019). However, some companies are an exception and use a human-monitored dispatch division to track and schedule riders.

Based on the analysis of the primary data, the most important actor which influences the HRM perceptions is the platform company. The company influences the riders through direct aspects, including employment status, pay, rewards, performance evaluations, onboarding routines and scheduling. Additionally, riders develop perceptions based on soft aspects including fairness, transparency and consistency of the company and loyalty toward the company.

The analysis also provides empirical evidence to show that customers and restaurants are major players that influence HRM perspectives. Tipping is the factor that most affects the influence of customers. Most riders perceive tips to be a major motivating factor and strive to get more tips. Some companies require riders to share their tips.

Regarding sustainable HRM, the findings show that the HRM cues transmitted by the food delivery companies partially align with the sustainable HRM theories. Some companies, such as Foodora in Norway, do provide equity, wellbeing and opportunities for development for their riders (Cohen, Taylor & Muller-Camen, 2012). Furthermore, the findings provide evidence that many of the riders from Uber Eats and Foodora are happy with their working conditions, the flexibility, their levels of individual responsibility and the work-life balance (Zaugg & Thom, 2001). Thus, food delivery companies have some positive foundations to work with to achieve sustainable HRM.

However, being future-oriented and socially responsible and focusing on training, recruitment and employee retention (Zaugg & Thom, 2001; Stankevičiūtė & Savanevičienė, 2018) are not priorities for most companies. Moreover, the HRM perceptions developed by the riders show that the HRM sense-giving of the company does not coincide with perseverance, futurity and continuity, which are key requisites for sustainable HRM (Lumpkin et al., 2010). The analysis also shows that most food delivery companies do not work toward building trust with their riders or giving them more of a voice and more opportunity for participation (Zaugg & Thom, 2001). The possibilities of sustainable careers of the riders are also limited (De Prins et al., 2014). The findings also present evidence for the lack of training and empowerment of the riders by the companies (Ehnert, Harry & Zink, 2014). Therefore, these findings do not support the idea that these companies have a well-established sustainable HRM philosophy.

This study supports the literature on gender gap issues in the platform economy; gender imbalance in food delivery companies is a common issue across companies and countries (Kovács, 2018). Some female riders feel excluded because of female underrepresentation. Lesser female participation rates are posited to be due to the physical nature of the work. Technological improvements such as electric bikes may be an avenue to improve the gender balance in food delivery companies by reducing the physical aspect of the work.

The findings show that multiple employment mechanisms are deployed by the companies, such as partnership agreements with the riders, zero-hour contracts, part-time contracts and full-hour contracts (full-time employment agreements). These employment statuses are perceived differently, with many riders content with the partnership agreements whereas others desire full-time employment agreements.

For most riders, the primary driver for beginning the job is receiving an income. As a result, lesser pay than expected, inadequate raises or difficulties in invoicing are major sources of dissonance for the riders. Thus, the findings support the idea that income is a primary motivator for most riders. Thus, organisational climate is very relevant as the riders have a strong shared perception (James, 1982), which will entail that the signals sent by the companies on money or payments are critical for the company to attain its organisational goals (McGuire, 1972). Therefore, the findings support the literature, as riders react significantly to any monetary signals sent by the food delivery companies.

After pay, the most important aspects for many riders are the flexibility, freedom and autonomy associated with the job. Most riders attribute this autonomy to having more dignity and a feeling that their work is significant, and, thus, these findings concur with the theory presented (Griesbach et al., 2019). However, some riders, especially those working in teams, prefer higher team solidarity and guided supervision and thus seem to be willing to sacrifice part of their autonomy and flexibility.

The findings also concur with the theory that idiosyncratic perceptions cause variations in the perceptions of the organisational climate (Drazin et al., 1999). As shown in the model, the individual aspects of the riders influence the development of HRM perceptions. Such aspects arise from idiosyncratic perceptions that influence the perceptions of the organisational climate.

Furthermore, the findings do not support the literature that the morale of gig workers and motivation for future work may be affected by the customer ratings, especially since the relevance of the performance ratings is not very clear (Alcover et al., 2017; Kuhn & Maleki, 2017). Some studies also suggest that gig workers with low customer ratings may face significant stress due to a fear of being disbarred from the app (Tran & Sokas, 2017; Kuhn & Maleki, 2017). However, the analysis shows that riders generally do not care about customer ratings and restaurant ratings even if they do not fully understand the relevance of the ratings. Riders do not care about low ratings especially as the perception is that it is not difficult to recover from bad ratings.

Following Bowen and Ostroff (2004), the food delivery companies can leverage the skills, motivation levels and knowledge of employees to attain a competitive advantage. Based on the perceptions of the riders, the findings show that the companies leverage the motivation levels of the riders by using positive reinforcements such as quests, promotions, rewards and peak hour pay to motivate the riders to perform better. This can help the companies' competitive advantage (Bowen & Ostroff, 2004). However, the skills and knowledge of the riders are not significantly used by the companies.

The strength of the HR systems and organizational climate can be evaluated using the degrees of distinctiveness, consistency and consensus (Bowen & Ostroff, 2004). The findings provide evidence of low degrees of distinctiveness and consensus and moderate degrees of consistency, thus providing evidence for weak HR systems and organizational climate in the food delivery sector.

With regards to distinctiveness: the findings support the theory that the HRM message is lost if the employees do not understand it (Barnard, 1938). Lack of transparency and misunderstanding of the algorithms' functions are a wide-spread issue for the riders interpreting the sense-giving cues of the companies. Lack of understanding and visibility, as can be seen from the analysis, especially of the rating systems and algorithmic management, provides evidence that there is a low degree of distinctiveness of HRM situations among the food delivery companies. Another key factor for the degree of distinctiveness is relevance. Studies have found that algorithmic management may cause stress; for example, continual monitoring through the platforms may result in a feeling of being under never-ending probation (Gramano, 2019). The findings do not align with this argument, as most riders are content or at least not concerned with algorithmic management and platform monitoring.

With regards to consistency: the nature of the riders' jobs does not allow for an analysis of the concept of 'consistency' as described in the theory (Bowen and Ostroff, 2004). However, the findings provide enough evidence to support the idea that the riders perceive the HRM messages as consistent. The findings do support the theory that lack of consistency may lead to cognitive dissonance (Siehl, 1985), as double-bind HRM messages create inconsistencies (Lidz, 1973) in the riders' perceptions.

With regards to consensus: as mentioned in the literature review, a high degree of consensus can be attained through an agreement among principal decisionmakers and fairness in the HRM policies and action. The findings suggest that there is limited interaction and agreement among the different sense-giving actors. Furthermore, the analysis shows that the fairness of HRM policies and actions is not perceived consistently by riders, with some riders perceiving the HR systems as fair and others disagreeing with this assessment. This lack of consensus among the HRM message senders and the variability of perceptions of fairness results in a lack of consensus among the perceptions formed by the riders and thus a lack of consensus on the sensemaking of the riders (Fiske & Taylor, 1991).

# 6 Conclusion

Overall, the food delivery platform economy offers something for everybody, and many aspects of it are perceived positively. The riders have differing perceptions of the platform. Some riders negatively assess some aspects of the job, including a perceived lack of transparency, care and empathy from the company, long waiting times at the restaurants, information asymmetry regarding the delivery destination, the gender gap, issues pertaining to employment status including lack of insurance and other social security and tax-related issues. Some riders positively assess aspects of the job, such as autonomy, flexibility, freedom, rewards and promotions; many enjoy riding or the lack of human interaction and enjoy working

independently with algorithms. Other riders have developed positive perceptions of the job due to the team spirit and bonding among the riders and the sense of serving the community through their work.

The practical implications of this study are relevant to different actors. The research provides insights for managers in the food delivery sector on how major players in the industry organise and manage their gig workers and which measures might be perceived as more positive by freelancers. This can be of support to them in refining their own HRM and, therefore, in contributing to their firm's competitive advantage. Moreover, the companies mentioned in this study might use these insights to gain a first-hand understanding of how their gig workers perceive HRM methods and, therefore, refine their HRM methods. Finally, lawmakers might gain a rare insight into the working conditions of gig workers, their contracts and complaints. This can be of assistance in formulating future legislation for this sector.

There are some limitations to this study. First, only 14 interviews with people working in three countries were conducted for this study, making generalisations to a wider population not possible. Furthermore, many riders interviewed were not pursuing the job full-time anymore, whereas other participants did not work for the companies anymore at all. This might have diluted their views over time, and they might have forgotten certain aspects of the job. Companies in this sector also tend to continuously implement changes in managing their gig workers, possibly making certain perspectives obsolete. Another limitation is that gig workers from three countries were interviewed. As the food delivery companies operate in varying environments (e.g., legal regulations) in different countries, their HRM methods tend to differ as well. Future research would benefit from a more focused study (e.g., only one company) with a higher number of interview participants.

Lastly, this paper aimed to contribute to the theoretical groundwork which future researchers could use. This study explores and models new insights into the role of different actors in the development of HRM perceptions and sensemaking among gig workers in the food delivery industry via algorithmic management. Further research can be done to deductively evaluate the causality and statistical significance of the influence of the different actors and modes of perception development. Future research can also be conducted to widen the scope of research geographically to include other OECD countries or to conduct a longitudinal study to observe the development and transformation of HRM perceptions of the riders over time. Furthermore,

as new generations and developing markets embrace the platform economy, future research can be conducted on how these HRM perceptions are influenced by the different actors and what role algorithms play among the Gen Z and Gen Alpha and in developing markets in Asia, Africa or South America.

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# 8 Appendix

# 8.1 Appendix A – Consent Form

# Informed consent form – FOCUS research program NHH Norwegian School of Economics

The FOCUS-program is a collaboration between NHH Norwegian School of Economics and Norwegian-based multinational firms. One goal of the research program is to develop knowledge on the topics of international integration, managing knowledge workers, dynamic control systems and change capacity.

We invite you to participate in an interview lasting around 45 minutes. The interview will be recorded and notes will be taken during the interview. The interview will then be transcribed. Any information that could identify individuals will be removed (eg your name). Only persons participating in the interviews will have access to material that can identify informants.

Participating in the project is voluntary. You can withdraw at any time. The researchers in the FOCUS program will have access to the transcribed interviews, and they have signed confidentiality agreements. In some cases a follow-up study will be carried out. If so, you will receive new information and a new invitation to participate.

The data will be used for research, i.e. production of scientific articles and reports.

By signing this form you consent to participate in the study. If you have any questions regarding this invitation, or you wish to be informed about the results of the study, please contact me at the address below.

# 8.2 Appendix B – Interview Guide

This is the original version of the interview guide. As elaborated in the research method part, the interview guides were focused and refined to compare the responses and evaluate the themes and insights across the interviewees. Questions were intentionally kept open-ended enabling the interviewees to speak openly about themes which they perceived to be the most vital.

Thank you for your participation in the interview. This is an exploratory research interview with a flexible structure aiming towards developing a conversation.

## **Starting Questions:**

- Can you tell us a bit about yourself? (\*follow up questions where are you from, about your work background)
- 2. How did you get engaged with your gig role?
- 3. Have you worked in a traditional full-time job? (\*follow up questions how was your experience working there)

## Main Questions:

- 1. What, in your opinion, is the best / worst of working as a freelancer? (how does it compare with traditional job)
- 2. Can you share your thoughts about the algorithm and the reward system?
- 3. Can you share some experiences about the rating system and work distribution? (how easy was it to understand)
- 4. We would love to know how your experience of working with the app has been. (how different is it from working with a human counterpart)
- Can you share some experiences about how consistent you feel the company is? (in what they say and what they really do and over time)
- 6. We would like to know your general views about the company. (values / goals of the company and are they successfully replicated on the algorithm)
- Do you interact with other freelancers in the company? (\*follow up questions is there a common perception among the freelancers or is it varies)
- 8. Can you talk about how fair, credible and transparent do you think the company is? (with regards to ratings, rewards, job distribution etc.)
- 9. Do you feel you are empowered in the company? (How much voice do you have)

Is there anything you would like to add regarding your experience as a freelancer in the gig economy?

# 8.3 Appendix C – NSD Approval

# NORSK SENTER FOR FORSKNINGSDATA

#### NSD's assessment

#### Project title

Masters Thesis at NHH - Department of Strategy and Management

#### Reference number

143917

#### Registered

22.04.2020 av Sagar Dilip Gaikwad - Sagar.Gaikwad@student.nhh.no

#### Data controller (institution responsible for the project)

Norges Handelshøyskole / Institutt for strategi og ledelse

#### Project leader (academic employee/supervisor or PhD candidate)

Peter Schou, Peter.Schou@nhh.no, tlf: 4755959361

#### Type of project

Student project, Master's thesis

#### Contact information, student

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#### Project period

22.04.2020 - 26.06.2020

Status

15.05.2020 - Assessed with conditions

#### Assessment (1)

#### 15.05.2020 - Assessed with conditions

#### SIMPLIFIED ASSESSMENT WITH CONDITIONS

Having reviewed the information registered in the Notification Form with attachments, we find that this project presents a low risk to the rights and freedoms of data subjects. This assessment is based on the project not processing special categories of personal data or personal data relating to criminal convictions and offences, and not including vulnerable groups. The duration of the project is reasonable and the processing of personal data is based on consent. We have therefore given a simplified assessment with conditions.

You have an independent responsibility to meet the conditions and follow the guidance given in this

assessment. If you meet the conditions and the project is carried out in line with what is documented in the Notification Form, the processing of personal data will comply with data protection legislation.

#### CONDITIONS

Our assessment presupposes:

1. That you carry out the project in line with the requirements of informed consent

2. That you do not collect special categories of personal data or personal data relating to criminal convictions and offences

3. That you follow the guidelines for information security as set out by the institution responsible for the project (i.e. the institution where you are studying/carrying out research)

4. That you upload the revised information letter(s) for each sample in the Notification Form so that documentation is correct and then select "Confirm send in". NSD will not carry out a new assessment of the revised information letter(s).

5. If you are a student it is mandatory to share the Notification form with the project leader (your supervisor). You can do this by clicking on "Share project" in the upper left corner of the Notification form.

#### 1. REQUIREMENTS FOR INFORMED CONSENT

The data subject should receive written and/or oral information about the project and consent to participation. You must ensure that the information at least includes the following:

· The purpose of the project and what the collected personal data will be used for

• Which institution is responsible for the project (the data controller)

· What types of data will be collected and how the data will be collected

 That participation is voluntary and that participants may withdraw their consent, without giving a reason, as long as their personal data are being processed

 The end date of the project and what will happen with the collected personal data; whether it will be erased, anonymised or stored for further use

- · That you will be processing personal data based on the consent of the data subject
- · The right to request access, correction, deletion, limitation and data portability
- The right to send a complaint to The Norwegian Data Protection Authority (Datatilsynet)
- Contact information for the project leader (or supervisor and student)

Contact information for the Data Protection Officer (Personvernombudet) at the institution responsible for the project

On our website you will find more information and a template for the information letter: http://www.nsd.uib.no/personvernombud/en/help/information\_consent/information\_requirements.html

It is your responsibility to ensure that the information given in the information letter corresponds to what is documented in the Notification Form.

#### 2. TYPE OF DATA AND DURATION OF PROJECT

The project will be processing general categories of personal data until 26.06.2020.

#### 3. FOLLOW YOUR INSTITUTION'S GUIDELINES

NSD presupposes that the project will meet the requirements of accuracy (art. 5.1 d), integrity and confidentiality (art. 5.1 f) and security (art. 32) when processing personal data.

If you will be using a data processor in the project, the processing of personal data must meet the legal requirements for use of a data processor, cf. arts. 28 and 29.

To ensure that these requirements are met you must follow your institution's internal guidelines and/or consult with your institution (i.e. the institution responsible for the project).

#### NSD's ASSESSMENT

Our assessment of the legal basis for processing personal data, of the principles relating to this processing and of the rights of data subjects, follows below, but presupposes that the conditions stated above are met.

#### LEGAL BASIS

The project will gain consent from data subjects to process their personal data. Presupposing that conditions

1 and 4 are met, we find that consent will meet the necessary requirements under art. 4 (11) and 7, in that it will be a freely given, specific, informed and unambiguous statement or action, which will be documented and can be withdrawn. The legal basis for processing personal data is therefore consent given by the data subject, cf. the General Data Protection Regulation art. 6.1 a).

#### PRINCIPLES RELATING TO PROCESSING PERSONAL DATA

Presupposing that conditions 1-4 are met, NSD finds that the planned processing of personal data will be in accordance with the principles under the General Data Protection Regulation regarding:

 lawfulness, fairness and transparency (art. 5.1 a), in that data subjects will receive sufficient information about the processing and will give their consent

 purpose limitation (art. 5.1 b), in that personal data will be collected for specified, explicit and legitimate purposes, and will not be processed for new, incompatible purposes

• data minimisation (art. 5.1 c), in that only personal data which are adequate, relevant and necessary for the purpose of the project will be processed

 storage limitation (art. 5.1 e), in that personal data will not be stored for longer than is necessary to fulfil the purpose of the project

#### THE RIGHTS OF DATA SUBJECTS

So longs as data subjects can be identified in the collected data, they will have the following rights: transparency (art. 12), information (art. 13), access (art. 15), rectification (art. 16), erasure (art. 17), restriction of processing (art. 18), notification (art. 19), data portability (art. 20).

Presupposing that the information meets the requirements in condition 1, NSD finds that the information given to data subjects about the processing of their personal data will meet the legal requirements for form and content, cf. art. 12.1 and art. 13.

We remind you that if a data subject contacts you about their rights, the data controller has a duty to reply within a month.

#### NOTIFY CHANGES

If you intend to make changes to the processing of personal data in this project it may be necessary to notify NSD. This is done by updating the information registered in the Notification Form. On our website we explain which changes must be notified. Wait until you receive an answer from us before you carry out the changes.

#### FOLLOW-UP OF THE PROJECT

NSD will follow up the progress of the project at the planned end date in order to determine whether the processing of personal data has been concluded.

Good luck with the project!

Contact person at NSD: Tore A. K. Fjeldsbø Data Protection Services for Research: +47 55 58 21 17 (press 1)