

A Systematic Literature Review And Case Study On Influencing Factor And Consequences Of Freelancing In Pakistan

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ABSTRACT

With the passage of time, the scope of freelancing is increasing and so many people tend to prefer freelancing over a permanent job due to the ease it offers. Freelancing is helpful in earning additional money without going through the social biasness which is common in traditional organizational environment. In this paper, we performed a systematic literature review and conducted in-depth interviews to analyze the influencing factors for freelancing and the consequences people face when they do freelancing in Pakistan. This paper presents the influencing factors and consequences of freelancing separately for literature review and in-depth interviews. The results show that 69% people are motivated to opt freelancing as a permanent job due to the benefits they retrieve from working remotely as a freelancer while 31% people opt freelancing as a part time job along with their permanent.

Keywords: Freelancers, influencing factors, motivation, consequences, freelancing

1. INTRODUCTION

Online freelancing provides an opportunity all around the world to work through Internet. Freelancer is a self-employed person who provides services to the client, and frequently to multiple clients at a same time. For a freelancer, it is not required to be committed to a particular client for a long period of time. While the term 'independent worker' is also used for freelancer who gets paid for every job he performs. Online freelancing provides a freedom to do job whenever you want and enables the worker to earn money without any obligations as compared to traditional office job [1]. Some of the online job opportunities include graphic designing, digital marketing, writing and translation, programming and testing, virtual assistant, music video production etc. Online freelancing provides a benefit to access a global market and provides a chance to work with client belonging to all over the world. Freelancers have a wide variety of reason behind online freelancing. "Being your own boss" is one of the reasons behind people starting freelancing. People want to get rid of rules and strict policies of companies. Another reason is to choose the project of your own choice for example, if someone is a software engineer but does not want to do programming task. Freelancers have the freedom to work based on their interest and expertise and they also have an opportunity to choose the client they want to work with. Freelancers are not obliged to work with annoying clients and they can cancel or end the contract at any point of time.

Online freelancing market place has opened up the opportunities for both the sellers and buyers. Seller creates a profile on freelancing website and provides an explanation of the services they offer, by creating their work portfolio. Buyers register and complete their profile and post a job by indicating their job requirement. Seller bids for the posted jobs on fixed budget or hourly basis. In developed countries like US, UK, Canada, Australia, many large companies start outsourcing in order to decrease cost, increase productivity and minimize risk [2]. For instance, People in developing countries like Bangladesh, India, and Pakistan tend to become seller and provide services to the developed countries because of unemployment. The number of companies are not high to provide jobs that is why these countries face an

unemployment crisis and almost half of the graduates are unemployed which motivates them to start freelancing. According to the Express Tribune, Pakistan is ranked as the 4th largest country of freelancing. The Punjab IT Board chairman stated that 150,000 Pakistan freelancer, who earned a combined revenue of almost \$1 billion [3]. Out of over 23 million users all around the world, almost 860-thousands registered users on Freelancer.com belong from Pakistan. Average time worked by Pakistani freelancer is 34 hour per week [4]. Freelancer in Pakistan provides a services like Web development, Application development, graphic designing, proofreading, video and animation, sales and marketing support and data entry task. Pakistan is ranked as top positions for Internet communication and Technology (ICT) outsourcing as a result of aggressive growth of the IT sector.

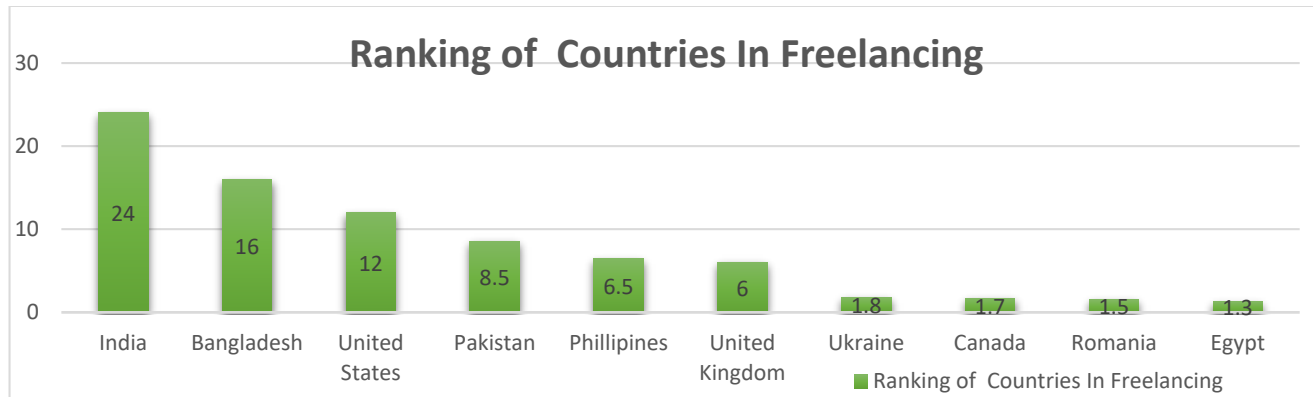
Online freelancing marketplace such as Fiverr.com, Upwork.com, Freelancer.com and Peopleperhour.com have been expanded quickly in the recent years. These sites provide an ease of additional income for seller community. The objective of this paper is (i) to study the influencing factor of freelancing. One of the influencing factor for a freelancer to do a particular job is hot skill opportunity. Hot skills are those skills that have higher number of requirement in the market place and paying a high revenue to the seller. It provides a freelancer an opportunity to enhance their skills by performing a job [5]. People are motivated to start freelancing due to the freedom of work i.e. no fixed working hours, they have more control over work, they work whenever they wants and no office rule and regulations so they don't need to dressed for a work [6] (ii) To investigate the consequences of doing a freelancing. In developing countries, there is better way of withdrawing money from the freelancing websites as seller need to pay tax each time they withdrawal money to their local bank [7]. Fiverr, an online market place is not allowed to transfer payment directly to local bank. Seller need to first transfer money to their Payoneer account and then transfer it to their local account. There may be uncertainty of income. People do not get a fixed income after each month rather their income may vary. One of the major challenge faced by freelancer is that they were unable to provide prove of their income when they tried to retrieve formal financial service [8].

From the last 20 years, online freelancing has been grown rapidly. It provides the opportunities for workers to earn additional income. Many workers start freelancing as a substitute for a permanent job. Sooner or later, online freelancing will become a best adopted techniques all around the world. Pakistan is ranked as 4th largest country in terms of freelancing and it is increasing at a very fast rate. Pakistan is 4th in ranking as compared to other developing countries such as India which stands at the top of the list because of economic factors. Existing literature does not focus on

freelancing in Pakistan that is why there is a need of systematic literature review and in depth interviews to cover this gap and investigating the influential factors of freelancing and consequences of freelancing in Pakistan. Figure 1 shows the graphical representation of top 10 countries in reference to freelancing.

Rest of the paper is presented as follow: Section 2 describes a methodology of the research. Section 3 discusses our results. Section 4 explain the discussion. Paper is concluded with a final remarks in Section 5.

Figure 1: Ranking of countries in freelancing



2. Research Methodology

Our research methodology has twofold. Firstly, we identified the influencing factors and consequences of freelancing that have been covered in the existing literature through systematic literature review. Secondly, we present a case study to uncover those influencing factors and consequences which were not addressed in the existing literature.

1.1. Systematic Literature Review Section

1.1.1. Systematic Literature Review

All the relevant literature has been assessed with the help of snowballing process [28]. Evaluation process has also been taken in to consideration for literature review. All the influencing factors and consequences resulting in freelancing will be outlined by output.

1.1.2. Planning of Mapping

We have performed current systematic review for analysing the relevant data for entailing the influencing factors and consequences of freelancing. The data representation is in scattered form so systematic literature review could be done for data gathering.

1.1.3. Research Questions

There are two research questions of the current study as shown in Table I.

1.1.4. Search Strings

The following search strings are used to extract relevant studies:

{FREELANCING}, {INFLUENCING FACTOR},
{MOTIVATION}, {CONSEQUENCES}, {EFFECTS}

1.1.5. Databases

We have found the maximum possible research papers by targeting all the search engines and most of the articles are taken from ACM, IEEE and Google scholar. It is taken into

account that the paper publishing date is from year 2000 to 2018.

1.1.6. Factor Mining

We wanted to present the maximum number of influencing factors for freelancing, so we have described the procedure for selecting the most relevant papers as per the search string in Table II.

1.1.7. Selection of Primary Study

For selection purpose, we analysed the title, abstract and conclusion of the paper and discarded the papers with unclear objectives.

1) Inclusion Criteria

The inclusion criteria consists of the following points:

- Published date must be after 2000.
- Medium of language is English
- Studies can solid accessible link.
- Must be published in Conference or Journal.
- Must be a research paper or magazine.

2) Exclusion Criteria

The exclusion criteria consist of the following points:

- Paper that have been published before 2000.
- Non-English language publications.
- Published thesis/dissertation are excluded.
- "Tutorial", "poster", presentations are excluded.
- All studies which are not available online.

1.1.8. Performing SLR

We have selected all the studies with a solid background regarding freelancing as shown in table III. All the selected conference and journal papers provide authentic freelancing background. Primarily, 24 studies have been used. However, we have extracted the following papers which we found to be most suitable for my search string.

Table 1: Research questions

S. No.	Research Questions	Motivation
RQ.1	What are the influencing factor of freelancing?	It is studied to provide a detailed list of influencing factors of freelancing.
RQ.2	What are the consequences of freelancing?	The motivation behind this research question is to highlight the consequences of freelancing.

Table 2: Paper selection procedure

Step No.	Description of the Step
Step 1.1	Read all the title and abstract and extract relevant papers
Step 1.2	Introduction and conclusion based selection
Step 1.3	Thoroughly read all the papers to remove any duplication in studies

Table 3: Research paper filtration

Databases	Papers	Title Filtration	Abstract Filtration	Selected	Reference
Google Scholar	723	65	32	15	[27], [7], [22], [21], [20], [19], [18], [17], [16], [14], [13], [2], [6], [8], [10],
ACM	40	23	07	02	[23], [1]
IEEE Xplorer	05	03	02	01	[5]
Science Direct	20	08	03	01	[11]
Other	350	53	14	05	[26], [25], [24], [15], [12]
Total	1138	152	58	24	

3. CASE STUDY

In-depth interview study was conducted for the purpose of identifying the influencing factors and consequences of freelancing in Pakistan. For this, 28 freelancers were randomly selected in order to conduct in-depth interviews. Out of this group, 13 freelancers were willing to contribute to our in-depth interview study: 8 males and 5 female with the age range from 22-28 years and others refused due to their own personal reasons. A list of 5 questions was prepared for the purpose of conducting interviews. Interviewees

were doing freelancing either as a part time job or a full time job. Interviewees were already informed about the time when interview was conducted. We started the interview in an informal way. Questionnaire was provided to all the 13 freelancers via email. Each interview lasted for a duration of 20 min. Interviewees gave us open answers to the asked questions. The entire session for all of the 13 freelancer were observed and the responses were noted. Collected information were used as an output for identifying the influencing factor and consequences of freelancing in Pakistan.

TABLE IV. LIST OF QUESTION FOR INTERVIEW

Table 4: List all the questions that were asked by all the 13 freelancer interviewees

Question NO.	DESCRIPTION
1	Are you a full time freelancer?
2.	Are you working in some organization other than freelancing?
3.	What is your motivation behind starting freelancing?
4.	What issues do you face while working as a freelancer?
5.	Why did you choose freelancing over traditional job?

4. RESULTS AND DISCUSSION

Case Study Results:

Among the freelancers we chose as a sample for conducting the interviews, 69% i.e. 9 respondents were full time freelancers while 31% i.e. 4 respondents were part time freelancers. We gathered this

information by asking them question that whether they have opted freelancing as a full time job or a part time job.

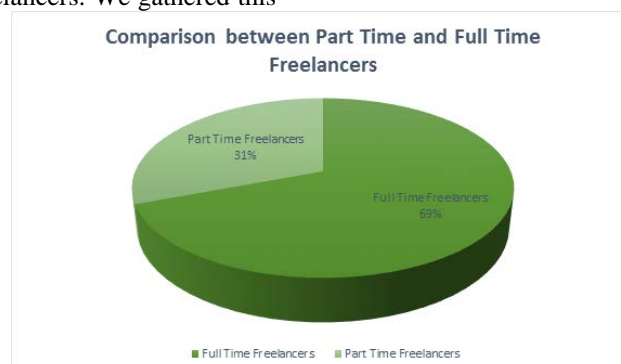


Figure 2: Comparison between part time freelancer and full time freelancer

Influencing Factor Extracted From Interview

The results of our research paper is based on the information extracted from the responses given by 13 freelancers. For this purpose we conducted in-depth interviews with freelancers. They were provided with the

questionnaires and their responses were considered as output. There were 16 influencing factors which motivate the people to start which are shown in Table V in more detail.

Table 5: Influencing factor extracted from interview

S. No.	Influencing Factor	Number of freelancers
1	No fixed working hour	12
2	To earn more money	8
3	Want to work with more than one company at a time	4
4	Do not want to get dressed for work	7
5	No need to prove education or experience	5
6	Want to earn while education	6
7	More control over work	9
8	Want to become independent	5
9	Substitute for a permanent job	7
10	No corporate expenses	6
11	No start-up cost is required	6
12	Want to spend time with family	3
13	Need to pick my children from school in the afternoon	1
14	Work life balance	4
15	Enhance skill	7
16	Get fed up with 9am to 5pm job	3

Consequences Extracted From Interviews

By going through the responses gathered from interviewing the freelancers, we extracted different consequences of freelancing. We

conducted the interviews with 13 individuals and gathered 16 consequences which have been shown in Table VII in detail.

Table 6: Consequences extracted from interviews

S. No.	Consequences	Number of freelancers
1	Need to work on weekend	10
2	Work in isolation	8
3	Freelancing experience does not count	5
4	Lack of loyalty with client	6
5	Lack of training	4
6	No fixed income	6
7	Not a permanent job	5
8	Need to reply email/client even on midnight	9
9	No guaranteed payment method	12
10	Need to work on public holidays	11
11	Chances of order cancellation	7
12	No dedicated time for family	5
13	Difficulty in getting job	4
14	Lack of separation between work and private life	3
15	Stress to meet deadlines	8
16	No face to face interaction	6

5. Systematic Literature Review Results

Influencing Factors extracted from Selected Paper

The results of our research paper is based on the information extracted from 24 research papers. There were 21 influencing factors which motivate the people to start freelancing for getting experience, earning more money and working according to their own interests etc. there are so many problem people feel while doing a permanent job but they do not have any opportunities or

resources to run their own business so they move towards freelancing as it offers less boundaries, rules, regulation and policies as compared to working in an organization. The results for influencing factors behind freelancing are shown in Table VII in more detail.

Table 7: Influencing factors extracted from selected papers

S. No.	Influencing Factor	References
1	Work based on their convenience	[23]
2	Ask for budget based on job complexity	[23]
3	Enhance earnings	[1], [14], [13], [17], [5]
4	Flexible working hour	[1], [15], [14], [13], [12], [17], [26], [25], [7], [27], [6], [2], [8], [22], [21]
5	New business development	[15]
6	Avoid unnecessary meeting	[15]
7	Be their own boss	[15], [14], [13], [12], [26]
8	No obligation of office policies	[15]
9	Did not find any suitable job as an employee	[14]
10	Unemployment	[13], [7], [2], [8]
11	Family obligation	[13]
12	Enhancing skills	[17], [5], [16]
13	Household having laptop	[17]
14	Awareness of freelancing	[17]
15	Work according to interest rather than field of study	[11]
16	Work with multiple client at a same time	[26], [7], [20]
17	Work life balance	[25]
18	No transportation expense is required	[2]
19	No start-up cost is required	[21]
20	Work whenever you want	[18], [27]
21	Freedom in work	[16], [2], [6], [12]

Consequences extracted from Selected Papers

By going through the existing literature on freelancing, we extracted different consequences of freelancing. We have gone through 20 research papers and gathered the following consequences. There are some pros and cons of everything and same is the case with freelancing. Freelancing is not the plate of sweets rather it has some difficulties for the freelancers. For instance, you do not know what amount you

are going to earn by the end of a month, you do not have a clue that when your client with end your contract, you might have to work for late hours and miss some of your family commitments, you do not get any allowances which you can get while working as a permanent employee etc. there are other consequences also which have been shown in Table 8 in detail.

Table 8: List of cinsequences extracted from selected paper

S. No.	Consequences	References
1	Social feedback impact on gaining job	[1]
2	Instable income	[15], [14], [12], [26], [25]
3	Issue while receiving payment	[15], [7], [27], [2], [8], [18]
4	No retirement benefit	[15], [14]
5	Too much marketplace competition	[14], [15]
6	Lack of bargaining power	[18], [14]
7	Irregular working hour	[17], [26], [25], [14], [27], [21], [16]
8	Lack of recognition	[14], [20]
9	Technical and creative skill gap	[7], [14]
10	Job insecurity	[13], [12], [26], [25], [27], [18]
11	No dedicated time for yourself	[26]
12	Lack of social colleague	[25], [18], [26]
13	Lack of communication skills	[7]
14	Risk of not get paid for work	[7]
15	Abusive mistake while completing task	[24]
16	Difficulties due to lack of experience	[24]
17	Failure in proving income to achieve financial service	[8]

6. CONCLUSION & FUTURE WORK:

We conclude that Freelancing marketplace is emerging at a fast pace and people tend to adopt freelancing rather than being a part of an organization. The reason is that, being formally attached to an organization offers so many difficulties in comparison to working remotely. When a person works as a freelancer he does not have to answer a large number of bosses, there is no complex organization hierarchy, earning increase, person can work on more than one project at a time and there is no 9-5 job timings. In addition there are no obligations for following organizational rules and policies, there is no start-up cost, so many platforms are available for applying jobs, no traveling is required and the person can work in any desired hour of the day to complete assigned task. A freelancer does not need to prove any past experience. In addition to influencing factors, freelancing offers some consequences like instable income, no retirement benefits, no job security, lack of bargaining power due to competition, late night working hours and lack of social interaction. In Future work, we will evaluate these identified influencing factors and consequences from Industry.

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