Building Collective Institutional Infrastructures for Decent Platform Work: The Development of a Crowdwork Agreement in Germany

Thomas Gegenhuber – JKU Linz & Leuphana University Lüneburg
Elke Schüßler – JKU Linz
Georg Reischauer – WU Vienna & JKU Linz
Laura Thäter – Hertie School Berlin

Digital platforms are a new form of organizing which permeate many societal domains (Cusumano et al., 2019; Kenney & Zysman, 2016; Sundararajan, 2017). A particularly salient form are crowdworking platforms (henceforth called platforms) that intermediate between firms requiring a workforce for a specific task (e.g., designing a new logo) and individuals constituting a crowd that is willing to work on these tasks (Kuhn & Maleki, 2017). Some platforms specialize in work that individuals can perform online, thereby creating global labor markets (“cloud work”) (Bauer & Gegenhuber, 2015; Howcroft & Bergvall-Kåreborn, 2018). In contrast, other platforms provide an infrastructure through which individuals offer spatially bound services (e.g., providing physical services, “gig work” or “peer-to-peer sharing”; Kirchner & Schüßler, 2019; Reischauer & Mair, 2018b). Platforms tend to emphasize the advantages of their model for crowdworkers: they provide an alternative for individuals who cannot find jobs in traditional offline labor markets or have care responsibilities (Huang et al., 2020). Crowdworkers enjoy a high degree of flexibility and autonomy, especially with respect to when and (at least in the case of cloud work) where to work (Ghezzi et al., 2017).

Despite these advantages, platforms have increasingly been criticized for fueling the grand challenge of establishing decent digital work (e.g., Berg et al., 2018; Schor & Attwood-Charles, 2017). Three issues are critical. First, especially platforms with strong bargaining power tend towards exploitative work practices, unclear governance structures and ignorance of worker concerns because of their dominant position (Barzilay & Ben-David, 2017; Wood et al., 2019a). Second, platforms tend to nurture low-wage jobs that reinforce existing inequalities (Johnston & Land-Kazlauskas, 2018; Wood et al., 2019b). Third, platforms may follow a dominant pathway of venture-capital driven “ultra-fast growth at all costs,” thereby disregarding workers’ interests in to order reduce costs (Kenney & Zysman, 2019; Petriglieri et al., 2018).

Different actors have responded to this criticism. Public regulators on the state and local level have used a variety of more accommodating (e.g., information exchange) and more restrictive responses (e.g., bans) (Frenken et al., forthcoming; Gorwa, 2019). However, researchers have pointed to a delay in public reactions towards rapidly growing platforms (Hinings et al., 2018; Kirchner & Schüßler, 2020). Another set of actors responding to platforms are associations and civil society groups that develop private regulations. Examples include business associations and trade unions in established markets such as transportation (Thelen, 2018), grassroots activism by workers, sometimes supported by consumer groups (Healy et al., 2020), and even collective action by workers, unions and platforms themselves (Cutolo & Kenney, forthcoming).

In the realm of global supply chains, sometimes seen as a precursor to the highly decentralized work relations organized by platforms (Davis, 2016; Kirchner & Schüßler, 2020), so-called private regulation of labor standards is widespread (Bartley, 2018). Whereas unilateral,
voluntary self-regulation efforts of corporations are typically ineffective in ensuring decent work standards (Locke, 2013), more collective and union-inclusive governance approaches have gained traction, particularly in the garment industry (Ashwin et al., 2020; Reinecke & Donaghey, 2015). To date, we know little about collective private regulatory initiatives for platform work; i.e., initiatives that go beyond the algorithmic work regimes developed by the platforms themselves (e.g., Kornberger et al., 2017), let alone collective initiatives involving trade unions. Following the call by Trittin-Ulbrich et al. (forthcoming) to shed more light on the governance and regulation of platforms, in this chapter we aim to better understand how such initiatives can develop despite the facts that crowdworkers are typically not unionized, unions have little experience in organizing in non-traditional markets and platforms do not consider themselves employers and have little interest in collective work regulation.

To answer our research question, we draw on the institutional infrastructure concept. As recent advances have shown, nationally embedded actors and institutions play a strong role in governing platform work (Frenken et al., 2020; Hotho & Saka-Helmhout, 2017). Here a field perspective is particularly useful to understand the dynamics of contestation between platforms and established actors (Johnston & Pernicka, 2020; Kirchner & Schüßler, 2020; Wruk et al., 2020). Institutional infrastructures then point to the “cultural, structural and relational elements that generate the normative, cognitive and regulative forces that reinforce field governance” (Hinings et al., 2017:163). An institutional infrastructure is the “set of actors and structures, which have the role of judging, governing or organizing” a field (Hinings et al., 2017:174). As the institutional infrastructure perspective focuses on both formal and informal rules of governance arrangements, it allows a holistic view of the purposeful actions used to reshape fields, not least those forming around platforms (Logue & Grimes, forthcoming).

We qualitatively examine the emergence of a collective institutional infrastructure to regulate platform work in Germany. This initiative, which we call the “Crowdwork Agreement,” was jointly developed by platforms and the German trade union IG Metall, making it a revealing case for how private collective platform regulation can develop. We trace the antecedents of this initiative by triangulating interview, archival and observational data. We found that the Crowdwork Agreement was fueled by two drivers: platforms’ motivations to avoid public regulation while, at the same time, differentiating themselves from exploitative American platforms, and the union’s interest in playing a role in shaping new, digital work arrangements. In developing this agreement, the actors mobilized different “old economy” templates which were ultimately combined: the corporate social responsibility (CSR) template of voluntary self-regulation, and the social partnership template of cooperative relations between capital and labor (Behrens & Helfen, 2016: 334). The Crowdworker Agreement is a compromise between the two templates (itself another characteristic of social partnership). We theorize these insights with regard to the literature on institutional infrastructures, platform work regulation and decent platform work as a grand challenge.
References


