RESPONSE TO THE PUBLIC CONSULTATION ON "REGULATORY ENVIRONMENT FOR PLATFORMS, ONLINE INTERMEDIARIES DATA CLOUD COMPUTING AND THE COLLABORSTIVE ECONOMY"

Initiatives about online platforms should consider the online services developed by the employment industry to lead in the changing world of work[1]

General Assessment on the consultation launched:

The World Employment Confederation–Europe, as the voice for the employment industry in Europe, would like to contribute to the public consultation on "Regulatory environment for platforms, online intermediaries, data and cloud computing and the collaborative economy".

The consultation points to online intermediaries as mainly online services providers and websites for sharing content; while in the context of the collaborative economy, it identifies platforms such as Uber, AirBnb and Task rabbit.

For the World Employment Confederation-Europe it is essential to underline that the picture is broader than this and it includes other services. Online staffing and on-line job boards are also part of the conversation and should be recognised as key stakeholders, especially when it comes to the impact of the collaborative economy on traditional forms of work organisation.

The innovative business models of the collaborative economy are a part of a wider wave of change that is affecting the world of work. Globalisation, technology and demographic shifts are turning the world into a more interconnected market place. On top of that, new preferences and attitudes of people and the way they choose to work has also an impact on the traditional forms of work.

Employment services are at the forefront of this change and they are innovating to meet the needs of jobseekers and companies to help them be competitive and successful in the labour market.

For example, looking at the preference of jobseekers, social media are becoming more and more part of the recruitment process: in a 2013 survey in 31 countries around the world, Kelly Services finds that 44% of candidates were contacted about potential jobs via social media in the previous 12 months, and 16% got a new job that originated via social media site/network in the same period[2].

Although the use of social media remains in the development phase of recruitment, it is clear that online platforms to check vacancies and submit applications are the most used method: 94% of applicants in EMEA and 91% in APAC have used an online application system or an electronic resumé[3].

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[1] The initial contribution to this consultation was done under the name of Eurociett, the former name of the World Employment Confederation–Europe.
[2] Kelly Services, The Kelly Global Workforce Index, 2013; available here.
[3] Kelly Services, The Kelly Global Workforce Index, 2014, available here.

However, digital platforms for recruitment not only are developed for jobseekers but also for the user companies in order to facilitate how they manage their workforce solutions.
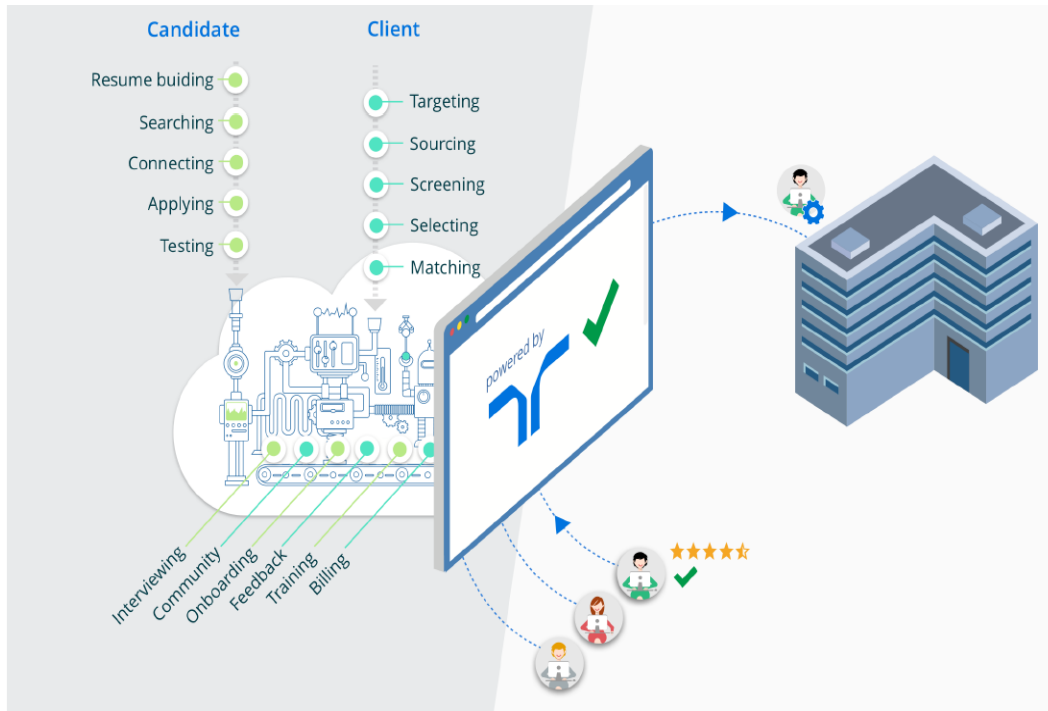

Figure 1: An example of online recruitment platform from one of the corporate members of the World Employment Confederation-Europe[4]

The platforms can be for online recruitment but they can also include much more comprehensive workforce solutions. In the figures below there is a plethora of services that private employment agencies can offer to their candidates and user clients.

The services offered under the "talent acquisition technology" are particularly relevant to this consultation.

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[4] Jacques van den Broek, Capital Markets Day, Randstad, November 2015, available here.

Figure 2: Workforce solutions ecosystems – Staffing Industry Analysts, September 2015

Figure 3: Workforce solutions ecosystems, with brands examples – Staffing Industry Analysts, September 2015

The talent acquisition technology is a broad category of online services that enable companies to attract talent, network and build relations with potential candidate communities as a way to continually manage, build and enhance their talent pool. The technology can include job boards for advertising vacancies online,

applicant tracking systems for processing new hires, vendor management systems for managing suppliers of agency work and the online services of the so-called "human cloud"[5].

The human cloud encompasses a set of work intermediation models that enable work arrangements of various kinds to be established and completed entirely through a digital/online platform.

Some examples of these services that our members can offer are described below:

Online Staffing Platforms enable specific clients and specific (typically agency) workers to enter into work arrangements, complete and transact work assignments. There is typically a direct legal relationship between the hirer and worker.

As subset of the online staffing platform, the *Freelance Management System* (FMS) is a cloud-based workforce management platform that helps businesses initiate, manage, complete, track and analyse engagements with individual independent workers, who may be sourced by the provider of the business itself. An FMS must provide a complete, end-to-end technology system that allows users in a user company to search for and find a particular worker and activate, complete, and pay for the work engagement within the system.

Online Work Services is an online platform model that enables the delivery of certain specialised services, including customer service, translation, writing, etc., performed by a group of online workers that are organised/managed by the platform provider. The client is purchasing "an outcome" and as such there is no employment relationship.

Crowdsourcing is an online platform model that enables work assignments to get parsed out and performed, often as disaggregated "microtasks" by a far-flung "crowd" of independent workers who perform paid or otherwise compensated work at will. Typically, the client of a "crowdsourcing" platform is purchasing "an outcome" and as such there is no employment relationship. Crowdsourcing also includes work arrangements where a "crowd" of workers compete or bid against one another to solve problems or tasks, with winner(s) selected and compensated based on the merit of their submissions[6].

In light of these trends, the World Employment Confederation-Europe and its members are an important stakeholder to consider and consult when it comes to initiatives regarding online platforms. This is particularly true when the European Commission consults stakeholders with a view to take initiatives linked to the labour market and its ongoing developments.

About the World Employment Confederation – Europe (formerly Eurociett): The World Employment Confederation-Europe is the voice of the employment industry at European level, representing labour market enablers.

With 29 countries and 7 of the largest international workforce solutions companies as members, the World Employment Confederation–Europe is fully representative of the industry, both in size and diversity. It brings a unique access to and engagement with European policymakers (EU Commission, European Parliament, Council) and stakeholders (trade unions, academic world, think tanks).
The World Employment Confederation-Europe strives for a recognition of the economic and social role played by the industry in enabling work, adaptation, security and prosperity in our societies. Its members provide access to the labour market and meaningful work to more than 11,6 millions of people in Europe and serve around 1,5 millions organisations on a yearly basis.

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[5] Staffing Industry Analysts, Workforce solutions ecosystems, September 2015, available here.
[6] Ibid.