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# **The service platform as a dualistic meta-organisation: An ethnographic account of contingency work and its organisational cultures**

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**Abstract**

This study examines the character of service platforms in terms of economic and organisational sociology. It is based on an ethnographic study and semi-structured interviews at a delivery platform in Germany. The article argues that service platforms can be conceived of as dualistic meta-organisations. At the centre of the company is a complete organisation with membership rights and obligations. Beyond the centre of the organisation, there is a peripheral organisation which is a hybrid between organisation and market. This partial organisation only provides limited rights and duties to its members. These conditional labour relations in the digital economy can be seen as a modernized organisational match of precarious labour relations in the form of contingency work. Within this structure, employees thus experience new forms of insecurity.

**Key words**

**delivery, ethnography, organisational culture, platform economy, precarity**

## 1. Introduction

*Uber, Deliveroo, Care.com* and other digital platforms that mediate between supply and demand of services are not a new phenomenon anymore. The COVID-19 pandemic has further accelerated the rise of service platforms and a growing body of literature is discussing its implications for work and employment relations.

There is, however, still little systematic empirical research on specific organisational forms and organisational practices in platform work.<sup>1</sup> This article therefore develops an organisational sociology of service platforms by ethnographically analysing how the concrete type of organisation shapes the internal employment regimes. This article draws on an empirical case study of the German branch of a food delivery company that will be called ‘Smart Delivery’. Although the platform delivery sector is still in flux,<sup>2</sup> this case study could provide some general insights into the organisational structures and labour process of service platform companies. This is mainly due to the fact that food delivery can be identified as the organisational avant-garde of the platform economy and its corresponding techniques of algorithmic organizing (Cant, 2019).

Service platforms like Smart Delivery are typically secondary service providers or distributors that primarily restructure the trading of an externally-produced service. Workers, in the service platform (or ‘riders’ as they refer to themselves at Smart Delivery), are either employed with nonstandard (typically short-term) employment contracts or as formally independent contractors. In both cases, the platforms employ technical and organisational means to

coordinate and control the labour process just like any other company. However, as previous research has shown, this organisational coordination becomes a challenge, since platform-workers are decoupled from the company spatially as well as in organisational membership. This has sparked a debate about the characteristics of service platforms as a new type of organisation (Howcroft and Bergvall-Kåreborn, 2018; Kirchner, 2019; Kirchner and Beyer, 2016; Vallas and Schor, 2020). Yet, most of these approaches from organisational sociology lack empirical grounding. This article is therefore based on a five-month participant observation and a series of semi-structured interviews in order to develop an empirically grounded organisational analysis. This ethnographic approach allows us to reflect theoretically that service platforms can be characterized as *dualistic meta-organisations*. This means they are separated into an organisational centre, which constitutes a ‘complete’ organisation with formal membership, and a partial organisation at the periphery with limited membership-rights and market-like characteristics. In terms of the labour process, this leads to a new form of contingency in work in which workers have no permanent organisational membership. The dualistic meta-organisation manifests itself in a stark informational asymmetry between the office work at the headquarters (complete organisation) and the couriers (partial organisation). This also requires a thorough separation between the organisational cultures of the offices and the couriers.

The first section of this article argues for a combination of organisational sociology and labour process analysis as a basis for researching platform labour. The second

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<sup>1</sup> In recent research perspectives in organisational sociology such perspectives are not even mentioned (Besio et al., 2020).

<sup>2</sup> The company researched here was bought by a competitor after this study was finished.

section expands on the methodology of the study by arguing that ethnographic data is necessary to analyse organisational practices, which in turn is a prerequisite for establishing the key organisational features of platforms. Sections four and five present the empirical results of the study while using the aforementioned theoretical and methodological considerations. Section four shows how algorithmic work control enables a separation of the platform into a complete and a partial organisation. The following section demonstrates how flexibility, as a key feature of platform work, is turned into a new form of precarity that can be described as contingency work. Section six, using the empirical findings as a basis, develops the concept of the dualistic meta-organisation, drawing theoretically on the works of Ahrne and Brunsson (2005, 2011).

## **2. The labour process and organisation of platform work**

Platform companies are a specific form of development of the (historically not-so-new) flexibilisation of employment systems. Although major features of platform work were already known in early periods of capitalism, the ‘standard employment relationship’ of Fordist production organisations in the 20th century made it a marginal phenomenon (Stanford, 2017). Post-Fordist production gave rise to new networked organisations and a new corporate culture emphasising flexibility and autonomy (Boltanski and Chiapello, 2006).

Platform companies have taken up these aspects and radicalised them. They allow higher degrees of flexibility to both companies on the one hand and workers on the other. It was often assumed that platforms

give workers control over whether they work or not each hour and minute of the day (Malone, 2005; Sundararajan, 2016). In fact, however, employment relationships in platform companies are often precarious. From a historical perspective, the expansion of precarious forms of employment even represents the labour market policy prerequisite of platform enterprises. Platform enterprises then represent the most recent organisational form of the use of precarious employment<sup>3</sup>. Most studies agree that the distribution of ‘gigs’ to formally independent contractors brings about the threat of precarisation (Howcroft and Bergvall-Kåreborn, 2018; Ivanova et al., 2018; Kirchner, 2019; Scholz, 2017; Srnicek, 2017; Wood et al., 2019). Thus, minimum standards of occupational health and safety as well as forms of co-determination at the workplace are being challenged by platform work (De Stefano, 2016; Woodcock and Graham, 2020).

In the course of these new production models and their locally bound but at the same time mobile and digitally mediated labour processes, platform companies face new challenges of coordination and control, which they meet with new techniques of automated control. These may also be relevant for other work contexts in the future. Therefore, platforms in general, and lean platforms in particular, also present economic and organisational sociology with new empirical challenges. In the traditional view, organisations are formal entities based on individual membership (Luhmann, 2020; March and Simon, 1993). As Beyer and Kirchner point out, algorithmic management in digital platforms dissolves the traditional organisational coupling between company, location, labour and product (Kirchner and Beyer, 2016). It is,

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<sup>3</sup> Precarious employment can be understood as jobs that are often atypical, unstable and with a low

degree of job security that affects the well-being of workers (Kalleberg, 2003).

however, still quite unclear what consequences this decoupling has for organisational practices. For example, corporate culture is seen as a basic social precondition for organisational effectiveness (e.g. (Denison, 1990). But how can a coherent corporate culture be developed in the face of organisational decoupling? Thus, decoupling has further consequences for both the architecture of the organisation and the labour process which have not yet been analysed. To do so, we propose to combine the perspectives of organisational theory (e.g. (Ahrne and Brunsson, 2005; March and Simon, 1993) and labour process analysis (Braverman, 1974; Edwards, 1979). This allows us to take into account employment relations as well as organisational structures. We base these theoretical considerations on ethnographic fieldwork.

### 3. Methods

Most of the organisational sociological analyses of platform enterprises are theoretical in nature and generate typologies (Howcroft and Bergvall-Kåreborn, 2018; Kirchner, 2019; Srnicek, 2017; Vallas and Schor, 2020). Above all, these typologies are usually based on the relationship between company and market; the organisational prerequisites of the labour process are derived from this, but do not represent a dimension of their own. Here, the perspectives of the sociology of organisation and work are integrated. A case study of a food delivery platform can combine these theories most productively, as it contains a combination of organisational innovation, algorithmic distribution and control as well as physical and managerial work.

In his ethnographic work, Burawoy (2009) developed a method that specifically aims

at connecting empirical research on the micro level of social interactions with theoretical analysis of macro-forces external to, but also constitutive for, these micro processes. Thus, the main concern of his 'extended case method' is the dialogue between empirical and theoretical research. To connect the empirical and the theoretical level, Burawoy suggests investigating an empirical case in detail by means of participant observation and interviews and to confront the results with existing theoretical concepts. Thus, a series of semi-structured interviews was conducted with 12 people working in different positions in the delivery sector: eight riders, a rider captain<sup>4</sup>, a middle manager, a works council member and a union organizer. The semi-structured interviews were conducted according to the program of the 'comprehensive interview' (Kaufmann, 2015). That is, instead of strictly completing a standardized questionnaire, the aim was to create a conversation as naturally as possible by asking some general questions, followed by further inquiry into what had been said. The interviews were recorded and transcribed for analysis.

However, the research interest in practices of organisational control and its limits required more than the narrative dimension which can be achieved with an interview. In particular, organisational norms and practices are often non-explicit, being instead present as tacit knowledge (Polanyi, 2009). To gain access to this level, a participant observation was conducted at Smart Delivery from June to November 2018. This involved observing not only the labour process of the couriers but also their discussions in informal meetings, which made it possible to see their organisational culture. The participant observation was recorded

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<sup>4</sup> Couriers in the operational service with minor staff responsibilities.

in a detailed field diary. The collected qualitative data from the field notes and interviews were analysed according to the standards of qualitative content analysis (Schreier, 2012). The result of this analysis was then again brought into dialogue with the theoretical points of reference.

#### **4. Algorithmic work control and the organisational divide**

The central differentiating feature of platform-mediated work is its local ties (Schmidt, 2017; Woodcock and Graham, 2020). While ‘crowdwork’ or ‘clickwork’ work can be globally distributed due to its digital nature, other services are bound to concrete locations. The focus of this paper is on the latter with platform-mediated food courier work at Smart Delivery. While many other platforms use various forms of bogus self-employment (Woodcock and Graham, 2020), Smart Delivery's riders are usually hired as either mini- or part-time jobbers and are paid the German minimum wage. However, the turnover in personnel is still very high. A local rider captain estimates the average duration of employment in his city to be three months (I#5). To start their shifts, couriers have to be at the centre of their ‘zone’, i.e. the area in which they deliver. Then their smartphone buzzes and the app indicates that the courier has a new job. They accept the order, whereupon a countdown begins within which they are supposed to pick up food at a restaurant. When the food is ready, they store it in their thermal backpack and ride to the customer. There, they try to be as friendly as possible to get a tip. After hand-over, they confirm in the app that they have delivered the food. Then they get the next job and the process starts anew.

If the couriers do not complete their assignments fast enough, or do not accept the next order in an appropriate time, couriers

get a phone call from a robot voice saying, ‘please accept your delivery.’ If the pickup at the restaurant takes too long, the app will ask for an explanation, for example: ‘Pickup overdue, please ask for your delivery.’ To continue, the courier has to type in the app what caused the delay. If they do not react to messages in the app, riders are contacted via a messenger and asked if everything is alright. If they do not react again, their working time will be paused and they will not receive salary until they accept the next order.

The platform company's worldwide labour process is controlled from its headquarters in Berlin - not only regarding strategic issues, but right up to micro-managing the riders – for example if problems arise with delivery. In many cities, including the one where this ethnography was conducted, there are no administrative structures. Internally, this is referred to as ‘remote control cities’. The interface between the company and the couriers is one app for shift planning and another one for coordinating the deliveries. This makes the riders' labour process almost completely transparent for the company and metrically measurable. Everything, from the average speed to the time they spend with the customers, is tracked. On the basis of this data, every two weeks the couriers receive an automatic email in which their performance is evaluated and compared with the other riders. A senior rider captain in charge of controlling the riders explains that this evaluation and feedback are almost completely automated. That is, much of the control is based on the cybernetic model of automated data gathering and feedback that is supposed to keep riders self-regulating (Schaupp, 2020). Only extreme cases of deviation are filtered out by the administrative staff in the Berlin headquarters and personally contacted: ‘It is not as if there is someone sitting on the computer and



watching the riders. [Smart Delivery] really does not care how they drive around. [...] I sort out the extreme cases.' (I#6) For the riders who have never spoken to a company representative before, they are often surprised to be contacted by a supervisor: 'People always react in a very funny way because they only notice then, oh, there is somebody, that's not just the phone. At least someone who does not let everything go through.' (I#6)

The effect of this algorithm-based labour control is very ambivalent. Some riders prefer to be managed by algorithms, as they are less likely to feel at the mercy of human superiors: 'It's much [more] comfortable,' explains one of them. 'Because people are so moody, so you can see it with the dispatchers. But if you get directed by the application, it just gives you the orders. Pick up, drop off.' (I#2) However, many of the riders feel that algorithmic management makes it hard for them to understand what is going on. The app is a black box (c.f. Cant, 2019), although it takes over the coordination and disciplinary function of a human supervisor. The only output comes in the form of automated messages. Contextual information and explanations about how the respective decisions are made are completely lacking. This obscure structure in technically mediated work control seems to be a deliberate invention as riders say that the app provides less and less information over time. Even when asked, the rules underlying the algorithm are not communicated to the riders: 'I've always been interested in how that works, but that's the big secret of Smart Delivery,' one of them explains (I#5). In fact, as a result of this high level of automation, many inadequacies in work organisation are perceived by the riders as technical rather than human problems.

What is more, the administration systematically isolates itself from the workers: Face-to-face or even telephone contact between riders and management is systematically precluded. Instead, immediate coordination is conducted via a chat messenger in cases of complications in the labour process, and organisational questions regarding accidents, vacation, or sick-leave have to be posed via email. 'If you ask something, it will take a minimum of ten to fifteen days to get a proper answer' explains one rider (I#3).

This problem is exacerbated when it comes to questions about wages or vacation requests: 'You have a right to vacation,' explains a rider captain, 'but often vacation requests were not processed and you could not take your paid vacation.' (I#5) Similar things seem to happen with wages that are not correctly paid or not paid at all, a problem many riders complained about during the ethnography.

This structure does not only seem to affect the riders. Additionally, even the two hierarchical levels above, the Rider Captain and the Fleet Manager, usually have no way of directly reaching people with decision-making authority. Most riders have therefore given up, and do not even try to get in touch with representatives of the company: 'In the meantime, I don't do that anymore, because I think that's a waste of time [...] you never actually get anything.' (I#5)

This does not seem to be an isolated case in the platform economy (see e.g. Irani and Silberman, 2013; Rosenblat, 2018). The platform's lack of responsiveness towards its workers is rather a structural feature of the platform economy. The reason for this lies in the business model of the platforms themselves: The number of operative employees is simply so high and their

workload is usually so low that personnel support by (usually higher-paid) administrative or senior employees would seriously jeopardize the profitability of the companies. In addition to the automation of management work, a central motive for algorithmic management seems to be the simplification of the labour process akin to the Taylorism model (Staab and Nachtwey, 2016; Schreyer and Scharpe, 2018).

Overall, informational asymmetry is one of the key aspects of corporate governance in the platform economy. It fulfils two functions simultaneously: On the one hand, it saves a large part of the administrative work, and on the other, employees demands and criticism can be blocked by a wall of silence (Rosenblat and Stark, 2016; Veen et al., 2020). At the same time, Smart Delivery gives great importance to cultivating an image as a tech start-up (Schreyer and Scharpe, 2018) – a fact that seems to be at odds with the stark division between the couriers and management. At the Berlin headquarters of Smart Delivery, this start-up mentality defines the organisational culture. The senior rider captain explains that they have a

‘horizontal leadership strategy or whatever. So it’s all very equal. Of course, there are people who have more to say, people who have less to say, but you do not give them this feeling. [...] It feels like a student project. It’s all a bit more relaxed.’ (I#7)

Thus, the headquarters and subordinate local offices where administrative tasks are performed, constitute the organisational core of the platform companies. Accordingly, they define the official

organisational culture<sup>5</sup>, which can be identified here as a distinctive start-up culture.

The couriers, however, are not included in this start-up culture, as the senior rider captain confirms. This is partly due to the spatial separation of management from the couriers. The latter work in the public space of the city and do not even have access to the headquarters or offices. Thus, their culture is connected to the physical character of their work. In a normal shift the couriers typically ride about sixty kilometres on their bicycle.

‘The positive thing is you are cycling all the time; the negative thing is you are cycling all the time. It’s actually not that nice to cycle for like five hours. In theory it is but in practice it isn’t.’ (I#8)

However, this athletic aspect of being a courier is a central motivation for most of the riders. In their chat-groups, they often compare their speed and kilometres. Most of them perceive the office work of the administration as abstract and impractical. Thus, many announcements of changes in the labour process, which occur often, were registered by the riders with suspicion that this was ‘yet another absurd concept from a Berlin hipster’ (Ethnography).

Many riders do not feel respected by the administrative staff. Riders from Berlin reported that they once heard that the headquarters staff was going out for dinner together. When they asked if they could join, their request was explicitly denied. Many riders feel that they are treated as inferiors: ‘I must say I did not feel respected in a way [...] I really felt that they thought we were all stupid.’ (I#4) In particular, the replacement of human feedback for one’s own

5 The official organisational culture can be understood as an ‘arbitrary set of symbols and

meaning structures arranged according to top management preferences’ (Jermier et al., 1991).

work by digital evaluations is perceived by the riders as non-appreciative:

'You see okay, I make like fourteen percent more deliveries per hour, and I am like, yeah! But then you get that other voice that's like, well, [...] it just means you are working way harder for the same money than someone else. For I don't know if you can grow in this company.' (I#1)

The same rider explains that this has drastically reduced his motivation for work:

'There is not a lot of motivation to work a lot harder than you should. That might be because you are so far away from the actual company. Like, it's a faceless company. I have no idea. I am never gonna meet [my supervisor] actually.' (I#1)

Instead of human recognition, Smart Delivery tries to induce motivation through a simple incentive system: If they are among the fastest riders, the couriers get a bonus. One rider explicitly describes the bonus as a failed attempt by the company to compensate for the lack of human recognition: 'They have this bonus thing but I do not see any kind of validation or recognition.' (I#4)

This indicates that the workforce is divided, not only materially but also culturally, into a small number of administrative employees in the core organisation and a large number of precarious couriers in the partial organisation. Subsequently, while the office staff seem to have a high level of identification with their work that is typical for start-up employees (Pein, 2018), this does not apply to the riders. Instead, their level of identification with their job is extremely low: 61% state that they identify themselves only very little or not at all with

their job. In the German national average, the corresponding value is as low as 13% (Heiland and Schaupp, 2020). This means that there is a stark separation between the official organisational culture and the organisational subculture<sup>6</sup> of the couriers.

To sum it up, the organisation of work at Smart Delivery is characterized by a stark division between management and workers. It's the same dichotomy as found with Uber and Lyft drivers in the US - with the difference that the riders could not identify with the start-up culture as a whole (Malin and Chandler, 2017). Digital information asymmetry is a key feature for holding up this organisational dichotomy: The platform can be decoupled from its workforce via algorithmic management and at the same time exercise extensive control over them. This, in turn, has strong effects on the organisational culture. We have seen that the official organisational culture of Smart Delivery is a 'start-up-spirit', which is also used in the company's PR. However, because of the material decoupling of management and workers, this culture only spreads within the management offices. The couriers instead develop their own organisational culture, which is radically different from or even defined by their opposition to the official organisational culture.

## 5. Flexibility and Contingency work

Flexibility in the provision of services is one of the central features of the platform economy. However, flexibility is by no means only upheld by the platform as a maxim - for the riders, too, flexible working hours are one of the central advantages of platform work. It is important to note, however, that both the riders and the company have different interests in

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<sup>6</sup> Organisational subcultures can be understood as shared cultural practices within organisations that

deviate from the official organisational culture (Jermier et al., 1991).

interpreting the meaning of flexibility, and this leads to conflicts on a regular basis.

When recruiting the riders, Smart Delivery likes to advertise their flexible working hours. Indeed, this flexibility is perceived by the riders as a benefit of working at Smart Delivery: 'The best point is flexibility. It's just necessary for me and I can't do that in other jobs.' (I#6) However, the real flexibility for the riders is limited. On the one hand, employment contracts are almost always limited to one year in order to respond to longer-term fluctuations. In the negotiations between the grassroots union FAU (Freie Arbeiter Union) and the company, dismissals and non-extensions of employment contracts were justified as the 'removal of winter fat' (I#9).

On the other hand, most of the riders only see their job as a temporary solution. As discussed above, the riders hardly identify themselves with the company. The ever-repeated phrase 'It's only temporary' seems to fulfill an important function of subjective distancing. This seems to be in accordance with the company's strategy to accept high turnover in order to maintain a cheap workforce. The 'exit option' (Hirschman, 1970) as a form of workers resistance, does not seem to be a threat for the platform company. For many riders, it is precisely the flexible character of working as a courier that has them take the job:

'For some people it is difficult, like for me as well, to get a job, only temporary, like just for a month or two. You don't go to a place and say like, hey, do you want to hire me for two months? And with [Smart Delivery] it doesn't matter that much.' (I#1)

The flexible working hours are necessary for the riders first and foremost, because many of them also pursue other jobs and activities. One of them explains that in

addition to his studies in Germany, he still works at home for a research institute in Libya. Because of these commitments, he relies on a flexible job like this one (I#8). However, riders often have far less sovereignty over their time than they hope.

In regards to what flexibility means for the company, the shift planning systems seem to be even more important than the limitations on the employment contracts: The company gives the riders no guarantee of getting a certain number of working hours every week, but plans the operations in response to short-term fluctuations in demand, for example following advertisement campaigns.

Shift planning takes place via a separate mobile app. Based on the performance evaluation, riders are divided into different status groups which have privileged or non-privileged access to flexibility. They are unlocked one after the other for the selection of shifts. The better the evaluation, the earlier they can select their shifts. Sometimes, however, the shifts are simply assigned. The system behind it is not apparent to the riders:

'At the beginning, we were selecting our shifts. And after that they used to assign us their shifts by their own. And now they turn to make select us the shifts again. But last week they assigned us the shifts. And this week we have to select it again. So it's kind of confusing.' (I#7)

But even if the riders have been assigned specific shifts, their duration is often unpredictable. Through the control of the application the management has power over the 'uncertainty zones' (Crozier and Friedberg, 1980). The riders are therefore obliged to work overtime because they have to accept new orders, even just one minute before the end of their shift. This often results

in working hours being extended by up to 40 minutes. However, the biggest problem is that most riders do not know in advance if they will be able to get their expected number of hours. “We do not know at all how we will work in the following week”, explains one of them (I#12). The rider captain adds: ‘You just never know how much you can work. [...] There were times when you only got half of the shifts you wanted.’ (I#5) This creates problems for the rider’s whole life: ‘If you have to cover your rent and living expenses, I think this is an absurdity. Actually, you should be able to work 40 hours, but you get only ten hours a week and are paid only this sum.’ (I#5) This can lead to existential financial bottlenecks: ‘I hope that my landlord will be as flexible [as the company] if I will not be able to pay my rent’, says one rider (cited in (Nowak, 2017).

Additional uncertainty arises from the requirement for the workers to provide their working material themselves. When beginning their job, riders are asked to sign a leasing contract for their uniform, normally consisting of a T-shirt, a backpack and a helmet, for which they have to pay a deposit. The riders themselves have to provide bicycles and mobile phones, the two central working tools, and pay for their maintenance. This fact is seen by most riders as one of the key disadvantages of the job, in particular, if the bicycle or mobile phone is damaged at work, which often occurs. One rider explains:

‘Last month I had an accident. My mobile was not working anymore and I was not able to work anymore. In the accident my screen got cracked and they were only asking me, what happened exactly. [...] I asked whether it is possible for me to get some refund for this because it happened while working. But they did not respond.’ (I#4)

If the phone fails, there is no way for the riders to continue their work – and as a consequence they do not receive any pay. The riders also have to pay for the maintenance of the bicycles themselves. Thus, the entrepreneurial risk of loss due to damaged tools is outsourced to the riders.

All in all, it can be said that both the company and the riders are interested in a specific form of flexibility. The central question is, of course, *flexibility for whom?* On the one hand, the company wants to adapt the work input to the market needs in each case. On the other hand, the riders are given the promise of being able to plan their work flexibly. Both forms of flexibility, however, are partially incompatible, which is why, for riders, flexibility is often a negotiated element (for frequent riders) or available at a price. Since the company management is in the superior position, its definition of flexibility is usually the dominant one. In most cases, this flexibility from above then takes the form of contingency work for the riders, dominated by a wide array of uncertainties (cf. Wood, 2020). This affects both the overall duration of employment and the planning of the shifts. Material uncertainty arises above all from the requirement to introduce one’s own tools (smartphone and bicycle) into the labour process.

## **6. Dualistic Meta-Organisations and Contingency Work**

The previous sections have shown that algorithmic work control makes it possible to keep platform workers at a distance from the company, spatially, legally and culturally, while at the same time maintaining control over the labour process. This has important implications for the status of organisation membership in service platforms. From an organisational-sociological perspective, membership

represents a special form of control. By making membership conditional, organisations can generate conformity in the behaviour of their members. Organisational membership is determined by the rules of the organisation (Kühl 2017; Kirchner 2019). Based on our empirical findings, we propose an understanding of service platforms as ‘dualistic meta-organisations’. Meta-organisations were originally conceived by Ahrne and Brunsson as associations of organisations (2005). Here, this term is applied in a modified form to adapt to the characteristics of lean platforms as meta-organisations. They have a lean centre with hybrid-dualistic organisational boundaries: At their core, they are ‘complete’ (Ahrne and Brunsson, 2011) organisations that combine membership, hierarchy, rule, control, and decision-making. In the case of Smart Delivery, this is represented by the administrative offices. Beyond the organisational boundaries of the complete core, they are ‘partial’ organisations (Ahrne and Brunsson, 2011), in which the forms of membership and control are more hybrid and loosely regulated. In the case of Smart Delivery, this applies above all to the couriers, who are both socially and spatially distant to the organisational core. A similar divide can be identified in all service platforms like Uber, Care.com and others.

We propose the term *dualistic* to underscore the character of the organisational boundaries in the meta-organisation. One boundary runs between the complete and partial organisation, another between the meta-organisation and the customer. From a socio-economic point of view, partial organisations constitute markets outside the formal organisation (Ahrne et al., 2015). But our research reveals a specific configuration of complete and partial organisation. The partial organisation is loosely coupled to the complete organisation and the

customer. In particular it is organized and controlled by a ‘socio-technical ecosystem’ (Staab and Nachtwey, 2016), which regulates the interactions of the primary producers, consumers and workers in work and service processes. A socio-technical ecosystem sets the rules for the inclusion and intermediation of the actors. In our case, the complete organisation dominates the partial organisation and the workers involved in it - not through personal hierarchies, but through algorithms that are the technological basis for the socio-economic ecosystem. This is particularly important for the internal employment regimes of the meta-organisations. They are constituted by segmented organisational employment systems with a division between organisational insiders in the complete organisation with standard employment relations and outsiders in the partial organisation with nonstandard work arrangements (c.f. Kalleberg, 2003). In recent decades, segmented organisational units and workforces, which indicate the distinction between partial and complete organisation used here, have also developed in traditional industrial companies, such as the automotive industry (Holst/Nachtwey/Dörre 2010). However, in platform companies a new level of separation has emerged: The organisational decoupling between the complete organisation at the core and the partial organisation has reached a point of nearly complete organisational and communicative separation. In the case of Smart Delivery, this division is also manifested on a cultural level as a stark difference between the official organisational culture in the complete organisation and organisational subcultures in the partial organisation. As we have seen in section 4, however, the decoupling between complete and partial organisation structurally requires the possibility of the emergence of deviant organisational subcultures

(Fantasia, 1989; Schaupp, 2021; Jermier et al., 1991).

Overall, our approach presents an antidote to the view that an information-driven economy will tear down organisational boundaries (Boes et al., 2017). Instead, the boundaries will be rendered to a certain degree and shaped by the demands of the flexibility of the platform economy. These demands for flexibility constitute a specific employment regime that can best be described as digital 'contingency work' (Staab and Nachtwey, 2016). We suggest this term because it seems more adequate than the common term "gig work" (Graham et al., 2017; Herr, 2017; Kirchner, 2019; Schreyer & Scharpe, 2018; Stanford, 2017; Wood et al., 2019; Woodcock & Graham, 2020). Gig work is used to describe the labour process itself, but the relationship to the organisation is usually ignored. The term contingency work allows us to combine the perspective of (internal) employment relations and the sociology of organisations (Freedman, 1996). As pointed out above, service platforms have specific, mostly segmented employment regimes. In the partial organisations, membership within them is loosely coupled or hybridized, since the workers are integrated only partially, temporarily or as self-employed. These contingency workers represent a type of workforce that is characterized by the combination of the worker's integration, organisationally and through domination, into the production of services provided by the company, but without the worker being given the formal membership that is usually associated with an employment relationship. If workers are not members of the company, they also lack the associated employment and social integration rights (Lockwood, 1996), for example in terms of

employee participation, company employment law and inclusion into social security systems (c.f. Woodcock and Graham, 2020). In terms of the labour market, the contingency workers of the partial organisation can only expect modest stability in their employment relationship. In contrast, the employee in the complete organisation can expect greater integration and stability in the company.<sup>7</sup>

The contingency workers have no permanent membership in the organisation of the platform company. In extreme cases, they are registered users who may offer their labour on the platform as part of the partial organisation. Yet, even if the platform uses (nonstandard) employment contracts, algorithmic work control allows for a high degree of decoupling between the partial and the complete organisation, as we have seen in sections 4 and 5. Thus, service platforms combine organisational decoupling with increasing informational asymmetries in regards to the labour process. Unlike a self-employed person, contingency workers do not determine how they do their work themselves, but are rather as-if employees who are subject to the operational regime of labour control. The contingency workers are placed in a context of double contingency: On the one hand, they are subject to a conjuncture of the systematic dependency on demand (orders) and supply (availability of labour at the required conditions); on the other hand, they neither have the means to effectively influence their wages nor the labour process itself. It also follows from this that membership in the partial organisation in particular, which is also mediated via the socio-technical ecosystem, is dependent on the rule-setting formal organisation. In this sense, contingency work in platform

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<sup>7</sup> This relationship resembles the divide between external and internal labour markets (Doogan, 2009).

companies is not only characterized by narrow membership, but also by asymmetric communication channels and data-driven work control.

## 7. Conclusion

Despite the growing literature on the platform economy, the relationship between organisation and labour process in the platform economy is still under-determined. This study examined the labour process of couriers within digital service-platforms. To this end, the article reconstructed the character of service platforms in terms of economic and organisational sociology. The food delivery platform Smart Delivery (but also other service platforms), as we have shown empirically and theoretically, can be conceived as a dualistic meta-organisation. At the centre of the company is a complete organisation with membership rights and obligations, in most cases the administrative offices. Beyond the centre of the organisation there is a peripheral organisation (in the case of Smart Delivery the local riders of each city). This peripheral organisation is a hybrid between organisation and market, which only provides its members with limited rights and duties.

This separation inside the meta-organisation reproduces the old division of labour between manual and knowledge work in traditional Fordist enterprises, (white- and blue-collar workers) or between permanent and precarious workers. The conditional labour relations of the platform economy can be seen as a modernized organisational match of precarious labour relations. Yet, the Fordist separation has been transformed in many ways. The central role of the platform and the new organisational possibilities of algorithmic work control represent qualitative innovations, described here as contingency work. First, the

riders are regularly qualified workers or future skilled workers, most of whom are only looking for a temporary job. Second, the socio-political-spatial organisation of the digital platform is especially important. At Smart Delivery, the organisational centre is almost completely separated from the local couriers. While in the Fordist and Post-Fordist organisations the internal hierarchies have been distributed by the division of labour, in service platforms the centre organisation *dominates* the peripheral organisation, in particular through algorithmic control. While the control of the labour process during Fordism was carried out locally by supervisors, algorithmic control of the labour process is completely centralized. Middle management is eliminated in its role of mediating work relations .

At Smart Delivery, workers experience a new form of insecurity, which is coupled with an anonymous form of control. The contingent nature of work was evidenced here by workers having to bring their own equipment and struggling with the development of the new flexibility of their work: is flexibility the courier's autonomy over their working time or, or does it instead amount to the company's autonomy in the deployment of their labour force? Workers' grievances, or forms of concession negotiations are today more than ever embedded in asymmetric work, information and communication relationships with no direct economic citizenship rights. This has led to various forms of protest from riders and other platform workers (Cant, 2019; Heiland and Schaupp, 2020; Leonardi et al., 2019; Tassinari & Maccarrone, 2019).

These developments are not a simple step backwards into the work organisation of early capitalism. Instead, the process corresponds to a development of 'regressive modernisation' (Nachtwey, 2016). Basic economic and social rights remain, and to a



certain extent the flexible forms of work also meet the wishes of the workers. However, contingency work's structural uncertainty and the workers' lack of co-determination represent a new deficit in economic citizenship rights. The importance of these developments is likely to increase in the future, as the COVID-19 pandemic did not

only contribute to a further acceleration of the rise of service platforms but also contributes to the spread of the organizational divide observed here beyond the platform economy in the form of algorithmically controlled telework. Yet, the extent of this tendency cannot yet be fully evaluated and needs further research.

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