

The logo for Workana, featuring the word "WORKANA" in a bold, white, sans-serif font. The letter "O" is replaced by a circular icon with a rainbow gradient from red to purple.The background is a vibrant blue-to-purple gradient. It features several decorative elements: a pink and white striped sphere on the left, a solid blue sphere in the upper right, a large light blue sphere with a white ring on the right, and a red and white striped sphere in the lower right. A pattern of small white dots is visible in the bottom left corner. A white horizontal line is positioned below the title.

2019 Workana Report: Remote Work and Entrepreneurship

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Who is more prepared for the technological future: professionals or businesses?



This is the question that led us to create the new Workana Report 2019 for Freelance Work and Entrepreneurship, a deeper analysis into the relationship that is just maturing between freelancers around the world and their clients (mainly SMEs and large enterprises).

We embarked on a journey to understand the dynamics of the digital freelance world in Latin America: who the freelancers and clients are, how they behave, what their expectations are, and how they prepare for the future. Digital platforms are a fundamental part of the future of work and promote a new way to work which is different than the business models we've known up until a few years ago. These platforms allow freelancers to work from wherever and whenever, in addition to choosing the projects they want to take on.

Workana conducts this report annually to analyze, reflect, and share with the world how this type of work is evolving. It's a useful tool for workers, scholars, communicators, businesses, and the curious, as well as for those freelancers who are taking their first steps on this path that want to know how to project their work.

We hope that after you learn more about the data in this report that you become excited and board the rocket ship that is already on its way towards the future of work, keeping in mind that things change very quickly in the technological world and that is why it's important to be willing to learn something new every day. By doing so, you'll surely be more prepared for what's to come.

Will you join us on this journey?



REPORT METHODOLOGY

Workana conducted this investigative study to show the world the challenges and beauties of the freelance world, presenting the following objectives:

- > Understand the dynamics of the digital freelance world in Latin America
- > Get to know who freelancers and clients are as well as how they behave
- > Explore how they deal with technological transformations and digital innovations
- > Identify what their expectations are and how they prepare for the future of work
- > Get to know their opinion on digital platforms

As a complementary objective to the report, we believe the survey turned out to be a trigger for freelancers to consider their own practice, what situation they are in, and how they connect with clients. In turn, this allows them to project their work according to their preferences, needs, and opportunities.

Moreover, this study allowed for an analysis on the relationship between freelancers and clients, and what their perception is of one another. It's a relationship that requires construction and is a path that has already taken off.

The report has a quantitative approach and is organized in different sections to account for the scope of the objectives.

Online surveys were carried out through questionnaires that facilitated reaching a significant number of respondents who are participating in the Workana platform located all over the world:

- > **Freelancers: 2,091 responses**
- > **Clients: 162 responses**

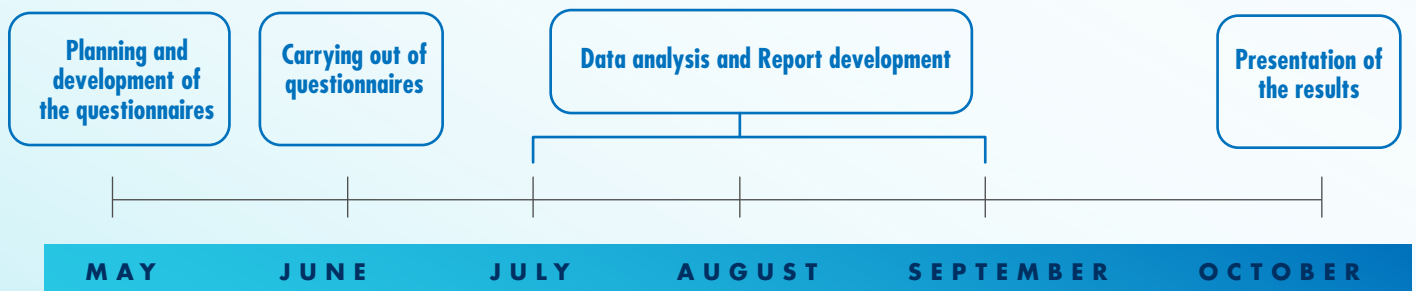
Countries where the respondents reside:

The Americas: Argentina, Bolivia, Brazil, Canada, Colombia, Costa Rica, Cuba, Chile, El Salvador, Ecuador, Guatemala, Honduras, Mexico, Nicaragua, Panama, Paraguay, Peru, Puerto Rico, Dominican Republic, Uruguay, U.S.A., Venezuela

Europe: Belgium, Germany, Hungary, Italy, The Netherlands, Portugal, Spain

For the data analysis, both quantitative (derived from close-ended questions) and qualitative (from open-ended questions), a systematization of the responses was performed in order to identify the central aspects.

STAGES OF THE RESEARCH PROCESS:



FIRST STOP: FREELANCERS

GETTING TO KNOW THE FREELANCERS

Freelancers develop their profession in an independent manner, working for third parties that require a particular service. In their work flow they have the autonomy to manage their schedule according to the projects they are working on.

At Workana we wanted to get to know them and learn more about their opinion regarding the freelance world and the future of work.

WHAT ARE THE FREELANCERS LIKE THAT ARE ON WORKANA?

There is gender equality in the freelance market. And this is seen throughout various age groups.

Regarding the areas of performances, we've seen that there is still greater male presence in the areas with higher average contract amounts (mainly in IT & coding, engineering, and manufacturing).

Women take precedence in areas such as legal, administrative support, translation and content, marketing, and sales.

On the other hand, those who predominate the freelance world are young adults between 21 and 30 years old, followed by adults (between 31 and 40 years old). Disproving some assumptions, among adults over 40, there is a tendency to be a part of freelance proposals, being that 30% of them were part of this experience.

The freelance work trend grows day by day. The majority of freelancers are still taking their first steps in their professional career: some decide to work full-time and others as a supplementary part-time in addition to the employment they already have.

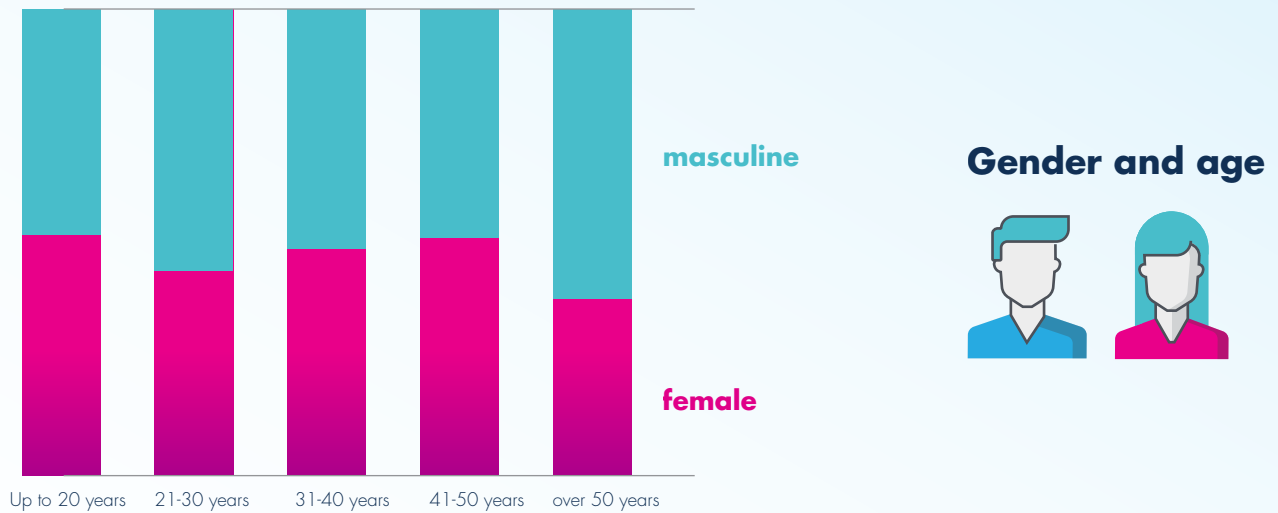
Freelancers' earnings are mostly (47%) less than \$300 and can go up to \$1,500, depending on whether they work part-time or full-time, their domain, as well as time and experience in the freelance market. In this sense, a small segment of approximately 7%, who are top freelancers, earn more than \$1,500.



To understand how much freelancers really earn it's important to keep in mind the following:

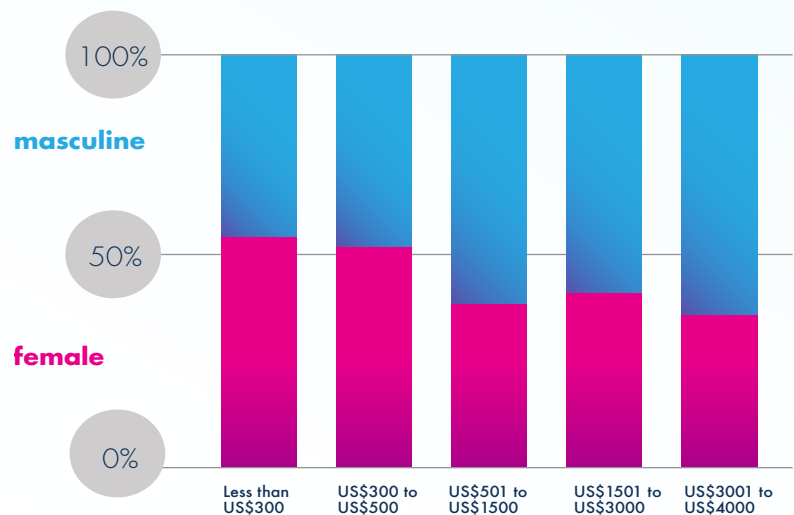
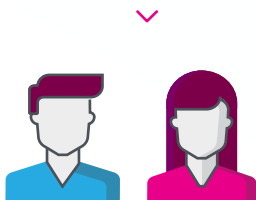
- > **45% of the projects done last less than 1 week; 31% last up to 4 weeks; only 16% last between 4-12 weeks.**
- > **94% of freelancers have done 3-10 projects in the last quarter, while 5% have done 11-20 projects.**

It's understood that freelance projects tend to have a short duration, and that the amount of projects completed depends on the freelancer's availability, whether they are part-time or full-time.



> Income according to sex

Men tend to earn more than women



PROS AND CONS OF FREELANCE WORK



If we focus on the pros and cons that respondents themselves express about freelance work, we can see that the pros are related to: not having to limit oneself to a fixed income, be able to choose the projects to work on, be able to work from wherever and earn an additional income.

Schedule management appears to be both a pro and con. On one hand, it's the most valued aspect to address the modality of these characteristics (56% consider it an advantage), but on the other hand, it's also viewed as a negative aspect – although to a lesser degree – due to the disorder it may cause, even for those who have chosen freelance work for that reason. Another aspect considered a con of freelance work – predominantly over other responses – refers to the work discontinuity that's caused by this type of work.

Freelancers' preferred workplace is their home (83% consider it their main location to carry out their professional activities). This preference is closely tied to the decision to work as a freelancer and be able to manage their own schedules – motivation that drove them to choose this methodology- (86% of those who chose to work freelance in order to manage their own schedule work at home).

In turn, this allows us to understand that in the freelance world there's a tendency to primarily work alone. Over 75% always or mostly always work alone.

The freelance population is educated (70% have college or post-graduate degrees and 24% are pursuing higher education). Moreover, they complement their formal education with other resources like books and magazines (58.5%) or courses (34.8%) to continue their specialization.

However, education through digital platforms or e-learning spaces is predominant, accounting for 73% of those surveyed who demonstrated a positive evaluation of this experience. This education is geared towards specialization and professionalization in their domain of expertise; thereby, out of those who consider themselves skilled but still need to prepare themselves for the technological future (53% of respondents), 72% found themselves building their skills on digital platforms or e-learning spaces. Likewise, those who believe they are prepared for the technological future (46%) also found themselves building their skills through these means (75%). The percentage of those who do not feel prepared for the technological future is insignificant.

PROJECT TYPES: HOURLY OR FIXED-PRICE?

When asked what type of projects they prefer to take on, the majority of freelancers responded that they prefer fixed-price projects rather than hourly ones. Each one had his/her own opinion regarding the different types of projects.

Freelancers that choose to take on fixed-price projects do so:

- > **It provides greater stability and security**, as freelancers mentioned: "From the get-go you know how much money you will earn", "One knows how much money to count on once the job is done" and "because the payment is secured by Workana".
- > **Organization**: "It allows me to better organize my time and resources"; "It's better for the client as well as for the freelancer to have a defined budget from the start", "It leaves little room for doubt, because it allows for proper planning"
- > **Loyalty and rehiring**: "I think it establishes a commitment from the start with the client, in a way that the client feels secure about the work to be performed and how much it will cost"
- > **Diversification, working on various projects at once**: "It allows me to work with multiple clients at the same time"
- > **Freedom to work**: "Having a set price and clarity around the project, one doesn't worry too much about the hours to be invested, but rather the quality of the work", "it's an easier way to work without keeping track of the time spent because you charge for the work to be completed without worrying about how much time you've worked"
- > **Payment**: "It doesn't cause as many problems when it comes to payment"

However, this type of project **implies being more specific when it comes to determining the scope** and estimating the amount of time the freelancer will dedicate to its development.

Freelancers who choose **to work on hourly projects** do so because:

- > **Payment:** "more profits", "the calculation is better for me", "you get a higher economic profit and it's a method of long-term collaboration"; "I can better calculate my income"
- > **Estimation:** "to better estimate the project according to the actual difficulties that one can encounter in the project; payment is received by effort"
- > **Proposals based on the work to be done:** "development is cyclical and there are always new characteristics that are not accounted for in a fixed-price proposal", "clients change the requirements and it takes you more time", "the effort I put in is what I will be compensated for", "that way I have more control over my hours"
- > **Diversification:** "I can take on various projects"
- > **Higher job valuation:** "The time dedicated to a project is valued more"
- > **Freedom to work:** "it allows me to have more freedom over my time and work from wherever I'd like"
- > **Organization:** "I can organize my time"
- > **Client relationship:** "It allows one to understand the client at the level of detail necessary to develop his/her idea or project", "it's more efficient for me as well as for the client"

REASONS FOR PREFERRING A PROJECT TYPE

	Fixed-price	Hourly
FREEDOM TO WORK	"Having a set price and clarity around the project, one doesn't worry too much about the hours to be invested, but rather the quality of the work", "it's an easier way to work without keeping track of the time spent because you charge for the work to be completed without worrying about how much time you've worked"	"It allows me to have more freedom over my time and work from wherever I'd like"
ORGANIZATION	"It allows me to better organize my time and resources"; "It's better for the client as well as for "I can organize my time" the freelancer to have a defined budget from the start", "It leaves little room for doubt, because it allows for proper planning"	"I can organize my time"
DIVERSIFICATION	"It allows me to work with multiple clients at the same time"	"I can take on various projects"
CLIENT RELATIONSHIP	"I think it establishes a commitment from the start with the client, in a way that the client feels secure about the work to be performed and how much it will cost"	"It allows one to understand the client at the level of detail necessary to develop his/her idea or project", "it's more efficient for me as well as for the client"
PAYMENT	"It doesn't cause as many problems when it comes to payment"	"more profits", "the calculation is better for me", "you get a higher economic profit and it's a method of long-term collaboration"; "I can better calculate my income"
PROPOSALS BASED ON THE WORK TO BE DONE		"development is cyclical and there are always new characteristics that are not accounted for in a fixed-price proposal", "clients change the requirements and it takes you more time", "the effort I put in is what I will be compensated. for", "that way I have more control over my hours"
ESTIMATION		"To better estimate the project according to the actual difficulties that one can encounter in the project; payment is received by effort"
IT PROVIDES GREATER STABILITY AND SECURITY	"From the get-go you know how much money you will earn", "One knows how much money to count on once the job is done" and "because the payment is secured by Workana".	

Source: proprietary elaboration, based on data obtained from the questionnaires

WHAT ABOUT THE PROFESSIONALS WHO DIDN'T GET TO START THEIR FREELANCE CAREER?

It's important to highlight that within the Workana universe, there are users that have yet to begin working as freelancers. The majority registered out of curiosity. But...what do they think their future holds?

91.5% of these professionals believe that they will soon begin to work in an independent manner and because of that they have inserted themselves into the world of digital platforms, realizing that it's a path towards the professional transition they're looking to make.



SECOND STOP: THE CLIENTS

WHAT ARE THE COMPANIES LIKE THAT LOOK TO WORKANA TO GET THEIR PROJECTS DONE?

The client population that participated in these questionnaires has a much higher percentage of women (67.5%) than men (32.5%). And the highest concentration for client age was those between 31 and 40 years old at 37.5%, with the other age ranges being distributed equally (21-30, 41-50, 50+).

The majority of clients are businesses (almost 60%), followed by individuals at 30%. There is also a small segment of NGOs and state entities that hire freelancers.

There is still a need for proper planning for the hiring of freelancers in the future. This can be due to various reasons: hiring is related to specific needs that arise (that have yet to be identified), they have a more "traditional" view when it comes to the need for having a permanent workforce (rather than remote), or because a high percentage of clients (70%) began to recently use this methodology and are still getting familiarized with it.

What brings companies to hire freelancers?

Digital platforms show an increase in the search for freelancers by companies. As a matter of fact, between 2012 and 2019 there were nearly 1 million projects published. Clients also have a positive outlook in this sense, being that 97.4% believe that freelance work will continue to increase in the next 5 years.

Clients hire freelancers – to a large extent – complementarily for timely projects, the work done by their permanent workforce, and to be able to focus on their priorities. Most are just starting to hire remotely, so more than 77% still do not have their own freelance team, but instead use the platform for specific projects.

The domains most hired by clients are IT and Coding (46.8%) followed by design and multimedia at 24.8%. To a lesser extent, the other services searched for are: translation and content (13.8%) and sales and marketing (11.9%).

What clients view as a challenge is finding the right profile they're looking for and maintaining open communication and interaction with their counterpart. Because of this, among other factors, when the time comes to choose which freelancer to hire, they mainly take note of the professional's experience as the most valued attribute. On the other hand, the attribute they consider the least important from those interviewed is the language spoken, which does not present itself as an obstacle when it comes to hiring.

WHAT COMPANIES VALUE WHEN WORKING WITH FREELANCERS:



Freelancer professionalism:

"The professional hired was diligent, competent, and very prepared", "I enjoyed very much the proposal I received, the work flowed well and it brought results", "The independent professional that serviced me delivered the work on time and with great competency"



Suitability for specific projects:

"We were able to hire the person who helped us on a specific project we had from another country, for the time and amount of work required with the desired result"





THIRD STOP: HOW WE TRAVEL - TECHNOLOGY

Technology is the main mediator and driving force towards the true future of working relationships between freelancers and clients.

Freelancers appear to be prepared or preparing themselves for the technological future. Practically all those surveyed (98.6%) believe the technological transformations will generate positive scenarios for their work in the future.

Both freelancers who feel they are prepared to the technological future, and those who consider themselves to have knowledge, but need training, greatly believe that technological innovations have already totally affected their career or had a certain influence in it.

For its part, a high percentage of clients say they've come across technological transformation processes in the last 5 years. Within companies, the preparation of their team members to adapt to the new technologies is diverse: around 45% of clients believe that their whole team or the majority of their team is ready, so the transformation processes require training and development of HR, a path they've already begun to follow. Anyway, the majority demonstrated positive reception of the transformations and close to 90% believe the technological innovation has already affected (totally or partially) the development of their business.

In this context they feel confident or excited for the trajectory they find themselves transitioning into, even for those who believe they have been affected by this process, as well as those who yet do not feel an impact. The percentage of clients that feel insecure about facing the impact to their management by technology is very low (6.4%)

Freelance work has definitely taken root in the digital world: practically all of the freelancers surveyed (98%) believe that the use of online resources increases their possibility of receiving this type of employment and prefer to work remotely. As a matter of fact, over 90% of these professionals use such online resources and 63.2% resorts to them rather than offline resources.

Remote work is actually highly valued and is a quality that facilitates freelance work. 72.5% of freelancers enjoy working remotely and noted they have great ease in developing close relationships with clients and other professionals. Close to 20% recognize that they encounter certain difficulties to develop close relationships through remote communication.

One of the aspects that identifies remote work is the type of meetings that they frequent. It turns out that those who choose to work remotely also prefer online meetings.

FREELANCERS + TECHNOLOGY

Freelancers believe that technological transformations will be positive for their work in the future for various reasons, such as:

- The possibility to make processes even more simple and efficient, streamline them, minimizing time and errors; "Everything tends to the evolution and simplification of processes".
- It allows for better communication and exchange of ideas, through a greater connection and access to information. "Every transformation improves the environment, facilitates communication and work tools; the best part is that companies increasingly value and adopt these transformations".
- It creates greater opportunities for work and a wider market, reaching even more clients. "I am all for the possibility to be anywhere and not have to limit myself physically"; "it opens doors to places that were not reachable just a couple of years ago"; "it helps us be more connected and get rid of the distance, making it possible to meet clients from all around the world"; "the options for remote work widen"; "the era of communications will completely affect our current work model"; "with technology, the methods of conducting business and hiring have changed. New opportunities in the virtual space continuously open up, without borders, nor fixed schedules, and no limits; that is a plus for my professional activities".
- Access to new online tools that allow me to improve my activities, with better applications for work and more ease in using them. "Because every time I have more and more tools to develop different strategies, I can improve my reach and the results of my services, and so my clients are more and more satisfied".
- It promotes a better quality of life, "it allows for parents to spend more time with their children"; "they generate better working conditions"

But in turn, these technological trends require greater efforts to prepare and train oneself; these transformations entail professionalization. According to freelance professionals, technological transformations: “demand you stay up to date with the latest trends”; “require people to continue learning”. “The intensive use of new technologies increases the challenges to stay competitive in the market”; “we must be prepared to evolve with the technology”; “I have large expectations that move me to always go a bit beyond just alongside the way technology is advancing. The challenge is to be prepared and train yourself continuously in order to not be left on the side of the road”.

Another important point is the need for strengthening relationships between freelancers and clients, although it shows that this path is already beginning to take place: “there is a big lack of confidence from clients to take advantage of technological transformations for their benefit”. “We can develop new skills such as organization, time management and improving our relationships with our clients”.

“Technological transformations develop at a high speed and are becoming a great source for laborious offers and demands”.

COMPANIES + TECHNOLOGY

What has been the biggest digital transformation for companies?



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FOURTH STOP: THE PLATFORMS

The platforms that connect freelancers with clients is part of the digital innovation and the work of the future and are highly valued by both parties. Nearly 70% of freelancers and over 60% of clients consider them excellent or very good.

For freelancers, having a secure payment is the most valued aspect of these platforms (62.2%). Following that is the possibility to easily access clients (47%). It's apparent that the platforms are not just work generators: 72% of those surveyed saw an increase, although varied – some by a lot (18.2%), others by some (16.3%), and others by a little (37.5%) – in the amount of projects that they take on through the platform; they are also a space where freelancers can promote contacts and networks with clients as referents of their fields.

As for clients, the most valued aspects are related to the large variety of proposals in one site, the ease of access to qualified freelancers and the simplification of payment.

The data show that these platforms have become an ally for freelancers, alongside the increase in number of projects that take on and promotion of loyalty (54.5% of freelancers were rehired by a client). It's also an important resource for clients because it allows them to get closer to skilled professionals to develop the projects that their business requires.

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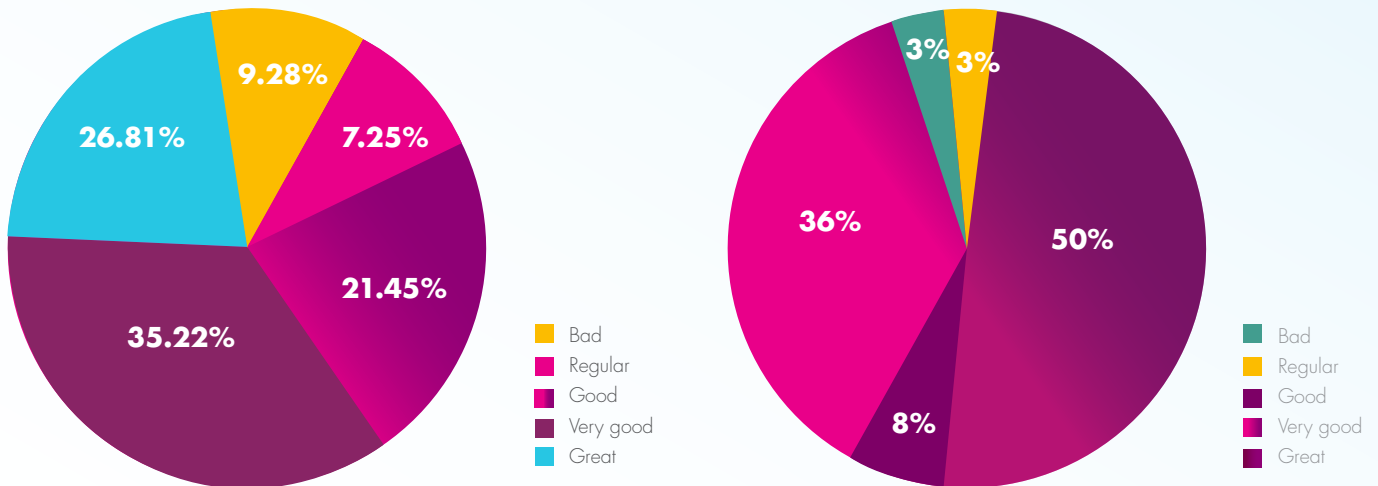
FINAL DESTINATION: WORKANA

This implies a challenge of generating new opportunities for freelancers.

Of the freelancers who did fixed-price projects on the platform, 74% want to continue in that fashion and 26% want to switch to hourly projects. On the other hand, those who do hourly projects, 37.5%, want to move to fixed-price projects and 62% want to remain doing hourly projects. Lastly, out of those who do both, 65% prefer fixed-price projects and 35% prefer hourly projects.



How do freelancers value the WORKANA experience?



THE IMPORTANCE OF THE PATH: LESSONS LEARNED

The future of work and the client-freelancer relationship

Thank you for joining us on this journey, where we got to know freelancer peculiarities, who they are, how they work, what their training and education is, and their perspective regarding the use of technology and digital innovation. We were also able to familiarize ourselves with the other side of the same coin: clients. The crosslink of information by these parties provides an account of each's perspective as well as their coincidences, from where it's important to build on.

Freelancers are motivated and excited of living the lives they want to regarding their work – a life that allows them to manage their own schedule, choose the projects they want to work on, work from wherever they want, among other things. On the other hand, clients are grateful for the provision of freelancers for their business, in relation to innovation, experience, and ideas they propose from an external view which allows the clients to focus on their priorities.

Part of this challenge requires freelancers partake in training related to their area of expertise, those that take into account soft skills and allow for enhanced client relationships (for example communication, empathy, positive attitude, good organization, among others). And clients, on their end, must understand the peculiarities of this modality, promoting the adoption of this change among themselves and within their organizations.

In a globalizing context, through technological transformation and digital innovation, favorable conditions are generated to develop this type of work, allowing for clients and freelancers to be connected from different points in the world and develop defiant and creative proposals. It's a great opportunity that presents itself for the future of work and its impact in the working world.

CHALLENGE: CONTINUE STRENGTHENING THE RELATIONSHIP BETWEEN FREELANCERS AND CLIENTS

Who is more prepared for remote work: freelancers or clients? How is this new type of work being adapted to and adopted? We are still on the journey, and as we progress through it more and more questions arise. Our greatest lesson learned is to do it from the vantage point of freelancers and clients, collaboratively. Workana is here to answer to and fill that gap, promote this dialogue and collaborate in the strengthening of this relationship. We hope this conversation transcends us and takes its own dimension.