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# Advantages and Risks of New Forms of Employment in Conditions of **Development of the Digital Economy**

# **Dilmurod Nasimov**

DSc, Academy of Public Administration

#### **Zokir Artikov**

PhD. Samarkand State Institute of Economics and Services

#### ABSTRACT

The article discusses the trends in the transformation of the labor market under the influence of a change in HR management. It analyzes new forms of interaction between the employer and the employee. Considers the best experiences of the remote work. The advantages of remote work from the point of view of employees and employers are studied. In addition, it proposes directions and conclusions for further the development of new forms of employment.

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# ARTICLEINFO

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### INTRODUCTION

Globalization, the development of ICT technologies, and changes in relations between employers and employees require the emergence of new forms of employment for the most efficient use of the potential of the workforce, providing conditions for employees, and minimizing the costs of employers. The changes made it necessary to modify the usual labor relations so that they could more fully meet the needs of market participants, as well as increase labor efficiency. The emergence of new forms of employment in the labor market is considered a result of the impact of technological, economic, social, and political factors.

Over the last decade, many new forms of employment have emerged. This is due to a change

in HR management with the development of the digital economy. The new way is characterized by the expansion of the concepts of "workplace", "HR management," and "tools of HR management"; strengthening the coordination functions; replacing traditional hierarchical structures with network structures; changing dominance from the employer to the employee, and strengthening the role of competencies and information technology. Some of the new forms of employment offer some flexibility and security, and have the potential to transform the traditional relationship between employers and workers, while others reflect uncertainty.

Nowadays, reducing poverty, creating jobs, especially for young entrants to the labor market, and reducing informal employment are identified as urgent issues. Researchers consider the introduction of new and modern forms of employment as one of the main trends in ensuring the employment of the population, while the formation of a flexible labor market is considered a condition that ensures the competitiveness of the economy. The process of globalization, the increase in the number of labor migrations, and the increase in the scale of employment in large transnational enterprises lead to the expansion of the use of non-traditional forms of employment. In turn, increasing the efficiency and competitiveness of enterprises requires efficient use of employees' working time, the introduction of modern forms of employment, and the use of effective management methods.

The improvement of production technologies, the development of science and scientific and technical progress, the strengthening of competition on a global scale, the impact of the globalization process on the development of the world economy, and the reforms in the management and organization of production lead to the improvement of the labor market and the field of employment, and the emergence of new labor relations. From the point of view of the labor market and the field of employment, the globalization process manifests itself in the emergence of new forms of international and national labor distribution systems, the creation of new links between the improvement of technologies and the quality of jobs, and the transformation of traditional labor market institutions. Based on this, the new forms of employment in the labor market increase the importance of improving the methodological foundations.

At the stage of changing the technological structure, the labor market is transforming, accompanied by a change in both the content of labor processes and the forms of their organization. The emergence of new forms of employment in such conditions acts, on the one hand, as a manifestation of the digitalization of economic processes and, on the other hand, as a reaction to the crisis caused by the obsolescence of the outgoing technological modes of production.

#### LITERATURE REVIEW

The concept of "new forms of employment" was introduced into scientific circulation by specialists from the European Foundation for the Improvement of Living and Working Conditions (Eurofund) [6]. Employment flexibility was recognized as the most important characteristic of new forms of employment, the achievement of which became possible due to the widespread use of modern information and communication technologies in the labor sphere. At the same time, it was recognized that new forms of employment do not guarantee workers an adequate level of social protection, which may be largely due to the uncertainty of their legal status and the imperfection of the legal regulation of labor.

The development of new forms of employment in the economy was considered by many scientists, while a significant part of the research is devoted to the problems of distance (remote) employment [2], and employment on digital platforms [3], and other non-traditional forms of employment, such as job sharing [5].

Some authors consider that some of temporary workers may see temporary work as a transitional solution that helps them to find full-time or permanent employment options [10].

Studies of employment relations allow us to find new forms of employment. According to V. Smith, the growth of independent and other types of contracting creates opportunities for skilled workers to benefit from changing employment relations [9].

We should also note that new forms of labor relations lead to the development of precarious work, and studying precarious work is essential because it leads to significant work-related (e.g., job insecurity, economic insecurity, inequality) and non-work-related (e.g., individual, family, community) consequences [4].

# **METHODOLOGY**

The study is based on a methodological approach that takes into account the patterns of long-term technical and economic dynamics as well as methods of statistical observations and assessments, comparative and factor analysis, and the assessment of the consequences of increasing the flexibility and mobility of labor relations and the emergence of new forms of employment.

#### RESULTS

Technological changes in connection with the fourth industrial revolution made it possible to perform remotely many types of work that previously required the presence of an employee in the office. In this work, we will try to consider the problems of using new forms of employment.

In its report, the European Foundation for the Improvement of Living and Working Conditions (Eurofound) highlighted the following new forms of employment [7]:

- –employee sharing, an individual worker is jointly hired by several employers, which provides permanent full-time employment;
- —job sharing, an employer hires a group of workers to do a specific job together, combining multiple part-time jobs into one full-time job;
- -temporary employment, when workers are temporarily hired to perform a specific project or solve a specific problem, integrating external management capabilities within the organization;
- -casual work, when the employer is not obliged to provide the employee with regular work but has the flexibility to attract him on demand;
- -voucher-based work, the relationship between the employer and the employee is not based on an employment or civil law contract, but on a voucher that the employer buys from an authorized organization and transfers to the employee, this applies to wages and social protection;
- -portfolio work, in which self-employed persons work for a large number of clients and perform small tasks for each of them;
- -mass employment, when a virtual platform unites employers and workers, allowing them to solve larger tasks and divided into smaller jobs, with the division of labor between the "virtual

cloud" of workers:

—co-working, freelancers, self-employed people, or micro-enterprises collaborate to overcome the limitations of their small size and professional isolation;

-remote (mobile) work based on ICT, in which employees work not only at the premises of the employer or client but also from any place at any time, is supported by new technologies.

The signs of these forms of employment are: the nature of the relationship between employees and employers that is different from the traditional one; new models of labor organization that determine the mode of work and rest; and issues with using ICT. Many of the listed forms were widespread earlier, before the onset of the global recession and the digital transformation of the labor market, and have been studied quite well.

Of the listed forms of employment, in our opinion, mobile work based on ICT, employment on digital platforms, and the sharing of labor among employees have a great development prospect, as they are the result of the development of the digital economy and provide more opportunities for workers.

The features of the economic relations of "remote work", "mobile work based on ICT or remote form in the context of digitalization are: the distributed nature of interaction; the use of information: technologies for the implementation of work functions; and the "intellectualization" of labor. A remote worker is a knowledge worker whose activities are characterized by high added value and the skills to implement their job functions in an arbitrary spatial and temporal context.

It is worth emphasizing that this form of employment has advantages for both the employee and the employer. The main advantage of this form of employment is the reduction of time and money spent on the road to the office.

It also highlights the benefits:

- -ability to combine different types of activities;
- -flexible schedule;
- -opportunity to use other additional forms of employment;
- -ability to independently manage their workplace and time, and others.

From the point of view of employers, the advantages of this form of employment relationship are:

- -reduction of costs for the creation and maintenance of the workplace;
- -relative savings on the wage fund;
- -reduction of social costs;
- -opportunity to attract additional employees;
- -creation of effective communication;
- -increased competition between employees and others.

The positive aspects also reveal the negative features of remote work for employees and employers, which include:

- -reducing the possibility of personal communication;
- -absence or insufficiency of feedback;
- -lack of opportunity to gain experience from colleagues;

-the complexity of organizing the workplace and time due to a lack of skills, and others.

For employees, the negative features are:

- -risk of leakage of confidential data;
- -lack of physical security measures;
- -increase in the number of frauds in the network;
- -cyber-attacks on the Internet and others.

In our opinion, to effectively use the potential of remote workers, employers need to adjust to modern social and labor relations and use effective employee management tools. With modern forms of employment, the main tools of HR are communications, ensuring the flexibility of employees, developing technologies and developing tools for remote interaction by employees.

From April 30, 2023, a new Labor Code is in force in the Republic of Uzbekistan. This document complies with modern requirements and creates conditions for employers to choose simpler forms of attracting additional workers, and also takes into account the development of new forms of labor activity [1].

This document takes into account the expansion of the types of working time: shift work, flexible work schedule, division of the working day into parts, business trip time, working hours with the division of the working day into parts, total working time, shift method, digitalization of labor processes, maintenance of electronic labor books, creation of employment contracts in a single information base and the introduction of registration mechanisms, and others. The introduction of the norm of legal regulation of the work of remote workers is positive.

The above is an important step for the regulation of modern forms of labor relations, but it is worth emphasizing that further improvement of the institutional framework is necessary. The most important actions include:

- formation of curricula in universities, taking into account the requirements for modern forms of employment;
- formation of positions suitable for remote work. Potential employees should be informed which work functions are allowed for remote work and which are not for security purposes;
- potential tools and platforms that could be used. Online and offline workers must be on the same page and use the same approved tools such as cloud storage platforms, communication/video conferencing tools, project management tools, etc.;
- security measures for remote work, including the confidentiality of employer data, employee personal data and employee accounts.

These steps should be included in their mandatory cybersecurity training along with other subjects such as creating strong passwords and using security tools such as:

- 1) multi-factor authentication;
- 2) password manager;
- 3) VPN connections;
- 4) firewall and others.

# **Conclusions**

Despite the difficulties and risks of remote employment, its potential for further development is

very high. So, on online job platforms offering remote work, there is a big gap between demand and supply for remote work. The amount of demand for remote work exceeds the existing vacancy by several dozen times. Based on this, the issue of developing programs for the development of remote forms of employment at the administrative level at all levels of government becomes relevant.

New forms of employment are not amenable to unambiguous assessment, they have inherent inconsistencies. In particular, the precariat can perform a positive function, becoming an intermediate stage for the accumulation of industrial experience by young people, as well as a source of additional income for retired older people. In addition, they open up opportunities for the rational distribution of time between work and leisure. But mostly, precarious employment negatively affects the living conditions and the psychological state of a person, deepens social inequality, and can cause negative consequences.

In conclusion, it must be emphasized that measures must be taken to constantly reform the existing legislative framework and create conditions for the legal employment of large sections of the able-bodied population.

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