## Spring 2021 Research Sprint Digital Asia Hub Berkman Klein Center for Internet and Society Assignment – Session 4

# **Case Study**

Zenjob GmbH

In Berlin, over the past few months, I've been told repeatedly by student friends about spontaneous jobs arranged through the company Zenjob. To trace - and really grasp - its entrepreneurial DNA, I thought I would approach Zenjob in two ways:

Firstly, through abstract information researched by me, and secondly, by speaking to a good friend. Charlotte (23) studies law at Berlin's Humboldt University and has often accepted jobs through Zenjob in the recent months. She agreed to tell me about her experiences.

# What service does Zenjob offer and what is its model?

Zenjob provides short-term jobs to job-seeking students.

According to the German Student Union (Deutsches Studentenwerk), around 68 percent of the 2.8 million students in Germany finance their daily lives through so-called "mini-jobs". Many regular mini-jobs fell away at short notice due to the Covid-pandemic, leaving many students in financial difficulties. As a result, Zenjob's ran particularly high in demand.

On the other hand, Zenjob offers companies short-term personnel placement services. This is supposed to be particularly efficient due to a specially developed algorithmic matching system.

Algorithms make a selection of candidates by sorting students based on their qualifications, previous experience, job preferences and proximity to their place of residence. The weighting also includes the evaluation of shifts already completed, both by companies and students.

Zenjob CEO Fritz Trott says: "Our vision is that workplaces of the future will work like Netflix: You wake up in the morning, pick up your smartphone, and you can choose where and when you want to work today."

The service is free of charge for students. Companies pay the start-up a surcharge for each hour worked. In return, the Zenjob takes over the entire process for temporary staffing, from recruiting to invoicing.

At present, Zenjob is active in 13 cities, but the company has big plans: Founder Fritz Trott intends to expand to all of Germany first, and then to displace competitors like Adecco internationally. In the long term, Zenjob no longer wants to just provide short-term temporary jobs to students, but all kinds of positions.

#### What Charlotte has to say:

Due to the economic burdens caused by the pandemic, I lost my previous regular side job in a law firm. This brought me into financial difficulties because my parents are only able to finance a fraction of my everyday costs. I was able to secure a short-term income through Zenjob. That was a great economic relief for me. And it was also fun. Through Zenjob, I was able to get insights into jobs that I probably would never have had otherwise: I worked in a flower store, various supermarkets, a school and a machine factory.

## Are workers employers or independent contractors?

After a successful registration, Zenjob invites students to an initial introductory interview. If the interview is successful, a framework agreement ("Rahmenvereinbarung") is signed. When students are selected by employers for a job, students are sent a job application that students can sign. Therefore, students are parties to regular legal employment contracts, but being so-called short-term employment ("kurzfristige Beschäftigung"). However, these employments contain several disadvantages under social law. For example, there is no continued payment of wages in the event of illness ("Entgeltfortzahlung") and there are no tax breaks and benefits that are normally accorded to mini-jobbers.

Because the income generated through Zenjob will usually be below the statutory upper limit, all students remain covered by family insurance through their parents and thus have health, nursing care and pension insurance. In addition, they are insured against accidents at work via their respective employer.

## How are working conditions and how do workers participate?

Zenjob achieved second place in Fairwork's performance review with a score of 8 out of 10. It was therefore named a Fairwork Place.

<u>The researchers behind the Fairwork project particularly praised the fact that Zenjob's pay is</u> above the statutory minimum wage in Germany. In addition, the team highlighted that Zenjob places special emphasis on the safety and health of workers. The jobs offered in the app are continuously screened. If a job posting does not meet the internal specifications, it is removed. It is also important to Zenjob that students always have a helpful contact person at Zenjob via the app in case any problems arise.

In the future, Zenjob aims to proactively encourage students to form collective worker representation so that students can have a say in work processes.

#### What Charlotte has to say:

I was always competently looked after by the Zenjob staff. Once, I wasn't able to find a factory where I was supposed to work. I was able to call and reach a Zenjob employee via the app, who was able to help me immediately. On site at the jobs, the treatment varied; it was sometimes friendly and sometimes not so much. But all was within reasonable boundaries that I was otherwise used to from part-time jobs.

# Have you noticed any impacts for traditional workers in the space?

<u>Regular on-site staff report ambivalent experiences.</u> On the one hand, the additional staff provided by Zenjob can be a great relief. Zenjob was thus able to contribute to coping with the massive increase in demand that occured in some industries as a result of Covid, for example in logistics, retail and around the area of e-commerce.

On the other hand, it is often a great additional burden for existing staff to train new personnel. Frustrations often arise because the additional training work sometimes feels like not being worth the effort when students are only on-site for a very short time.

## What Charlotte has to say:

There was a very clear on-site hierarchy between Zenjob students and the regular staff. The reactions to my presence were sometimes gratitude and sometimes impatience because they had to train me. Overall, however, I did have the impression that I was able to contribute with my helping hand rather than hindering processes.