Factors Affecting Freelancing Success: Evidence from Youth of Hyderabad, Pakistan

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ARTICLE DETAILS

ABSTRACT

Purpose: Freelancing has really become popular in the recent years due to unemployment and also due to other benefits which people enjoy from freelancing, like flexible timings, good quality work, working on your own terms, work-life balance. The aim of this study is to determine the factors affecting career satisfaction of freelancers among the youth of Hyderabad.

Design/Methodology/Approach: Due to restrictions placed by covid, data was collected by online survey. Data was collected from a sample of 210 potential freelancers and currently working freelancers of Hyderabad. Convenient sampling was used to collect the data. Multiple regression analysis in SPSS Statistics 25 was used to analyze the collected data.

Findings: According to the results of hypothesis testing, proactive personality, self-efficacy (personal factors) and digital technology support (environmental factor) have a positive and significant effect on career satisfaction of freelancers.

Implications/Originality/Value: Freelancing has become popular not only globally but also in Pakistan, but only few studies have been performed in Pakistan and none in Hyderabad. In order to people for a successful freelancing career, the authors recommend awareness on freelancing, motivational sessions, career counselling, creation of business incubators and individuals should focus on the above mention personal factors to be successful in the field.

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Introduction
In this changing world, freelancing has become very popular among individuals as an option for the traditional work. Other than that, it is also a solution for those organizations who wants part time employees for work (Gandini, 2016; Yusoff et al., 2014). The freelancer than start looking for new contract to sign (Storey et al., 2005). A skillful individual who is willing to provide services to employers on a contract basis that is short-term, is defined as a freelancer (Burke, 2008). Freelancers refers to those people who work independently and act as their own boss or either they are working as entrepreneur (Gandini, 2016). Due to these technological platform freelancers can easily enter in to new work markets around the world (McKeown & Leighton, 2016). In this global online marketplace, every worker now competes with the same job from any part of the world (Beerepoot & Lambregts, 2015). The personal factors such as proactive personality, self-efficacy (Cromie, 2000; Casson, 2003) and the environmental factor such as digital support technology (Hudek et al., 2021) may create motivation for self-employed endeavors.

The world is changing to digitalization and many traditional tasks are being replaced by digital technology. Meanwhile fulltime work life is also being replaced by short term or part time work life (Shariff et al., 2017). In this changing world, freelancing has become very popular among individuals as an option for the traditional work. Other than that, it is also a solution for those organizations who wants part time employees for work. Pakistan is one of the developing countries in the world and it has a struggling economy. The economic conditions of Pakistan are usually unstable and unemployment is one of the main concerns of Pakistan economy. There are different reasons of unemployment in Pakistan that includes: limited resources, lack of investment, less opportunities and energy crisis. The number of unemployed people in Pakistan is also increased due to the adverse effect of covid-19 Freelancing is one solution to this problem of unemployment (John & Mahmood, 2022). In light of freelancing being the one source of employment in recent years and also because of its popularity among the youth of Pakistan. We realize that it is important to determine the factors which can impact the success of freelancers.

In past research according to Hudek et al., (2021), they limited their study to environmental factors only, but we have incorporated environmental factor which is digital technology support and personal factors such as proactive personality and self-efficacy both which have an impact on freelancers. Similarly, Qeshta, (2017) in this study the impact of personal and organizational factor on freelancing success was limited to freelancers of translation companies only. Whereas in this research we will consider all types of freelancers. There is not much literature on freelancer’s activity in Pakistan context in general and in Hyderabad context in particular, so this research will fill that gap.

Related Studies
Self-Efficacy and Freelancing Success
Eliyana et al., (2020) studied the factors which has positive impact on success of entrepreneurs. The study identified the purpose that how self-efficacy creates impact on motivation and achievement of entrepreneur. Thirty students of Universitas Airlangga, who have been in entrepreneur business, were selected to collect the relevant data for the study. Questionnaire was distributed to collect the data later analyzed by Partial Least Square (PLS). The result of the study manifested the impact of self-efficacy on achievements of entrepreneurial students. Lisbona et al., (2018) in their study included self-efficacy as an antecedent of personal initiative and how in turn it influences the job performance. To test the hypothesis two different studies were performed. In study 1 there was cross-sectional design in which data were collected from three hundred and ninety-six participants of twenty-two organizations. Whereas in study 2 there was a longitudinal design and the data were collected from one hundred and eighteen participants of fifteen organizations. The results concluded that Self-Efficacy has positive impact on personal initiative, which have positive influence on job performance. Sultana et al., (2018) in their studied the impact
of entrepreneurship theory on IT freelancing. In this study it was examined how IT self-efficacy affect entrepreneur behavior of IT freelancers and how it influences their performance. In this study the data was collected from the freelancers working at Upwork. The result of the research shown that the performance of IT freelancers is positively influenced by the IT self-efficacy and also that IT self-efficacy is the key determinant of entrepreneur behavior.

Yalalova & Zhang (2017), studied the impact of self-efficacy on career satisfaction and the mediating role of high level of work effort. In this study the data was collected from four hundred and twenty-two employees including both males and females working at different organizations in Russia. The result of the study manifested the strong impact of self-efficacy on career satisfaction and it also indicated that the employees’ work effort partially mediates the relationship between two variables. Türek et al., (2017) studied the impact of elf-efficacy on job satisfaction of teachers. The study took place in Istanbul where data were collected from four hundred and eighty-nine teachers belong to elementary, middle and high schools. The result of the study showed the positive and significant impact of self-efficacy on job satisfaction of teachers. Thus, based past studies following hypothesis have been suggested.

**H1:** Self-efficacy positively related to freelancing success.

**Proactive Personality and Freelancing Success**

The study was performed to check the role of organizational identification, work engagement and proactive personality on employee performance. A sample of 323 frontline hotel employees was taken and data was collected and then it was analyzed by using partial least square regression. The result of the study manifested the impact of organizational identification and work engagement on employee performance which is made stronger by the proactive personality (Buil et al., 2018). The study was performed to examine different personal and organizational factors that influence the success of freelancers. Personal factor also includes proactive personality. The method of study was descriptive and analytical. The data were collected with the help of online questionnaire and individual interview. The data was collected from 200 freelancers working at different translation companies at Gaza Strip and it was analyzed with the help of SPSS. The result of the study revealed that there is strong correlation between proactive personality and freelancing success (Qeshta, 2017). The was conducted to find out, that when and how proactive employees perform their jobs effectively through work engagement. Researchers have defined that there is direct relationship between proactive personality with job performance in the presence of work engagement as, employee’s drive. It was concluded that proactive employees will perform their jobs effectively when they have high empathy towards the targeted audience, which the ability to understand the customers and work effectively to satisfy them (Chong et al., 2017).

Another study was done to examine the influence of subordinate proactive personality on career success. Also find out the effect of leader-member exchange and power distance orientation on this relation. Two-wave survey research design was used as a method to collect data. Sample was drawn from China Mainland. Pairs of 360 supervisor-subordinate were chosen to select participants from. It was found from the study that LMX work as a mediator and bring about positive impact of proactive personality on career success but it can be influenced by power distance orientation, the relationship of LMX and proactive personality with career success will be stronger when power distance orientation will be lower (Yang & Chau, 2016). The study was conducted to find out how proactive personality impacts career success. There are certain mediating factors which bring about this relationship, which are mentoring received and organizational knowledge. A sample of 333 employees of different professions was taken. The findings of the study depicted that extroversion and proactive personality have positive impact on career success in the presence of adequate mentoring received and organizational knowledge (Turban et al., 2017). Thus, based past studies following hypothesis have been developed.
H2: Proactive Personality positively related to freelancing success.

**Digital Technology Support and Freelancing Success**

Bolli & Pusterla, (2021) studied and analyze different channels due to which digitalization affects job satisfaction. In their conceptual framework the examined four different channels that includes: change in time use, creation of new activities, access to information, and adoption of communication tools. For research purpose, the case study was based on pass outs of different training and formal education institutes in Switzerland. The results showed that there is positive impact of digitalization on job satisfaction. The positive impact on job satisfaction is mainly because of creation of new activities and specially if work is made more interesting and productivity is increased. Hudek et al., (2021) the study was performed to determine the influence of different factors on job and career satisfaction of freelancers, amongst which one factor was, “Digital Technology Support”. A sample of 200 freelancers was taken from Slovenia. Data was collected by means of survey. Data was analyzed according to the measurement instrument created in the GEM research. Other tools for data analysis were also used like, Factor analysis and structural equation modelling. The findings were that digital technology support have direct influence on job and career satisfaction of freelancers.

Guzmán-Ortiz et al., (2020) studied and analyzed the impact of digital transformation on individual job performance and research was based on insurance companies in Peru. For the purpose of study, the deductive inferential scientific method was used whereas the research design was non-experimental. The data was collected from four insurance companies. The findings showed that task performance and contextual performance are positively influenced by customer service experience, collaborator’s capabilities and processes which are based on digital transformation. The study showed how digital transformation affects the performance of workers in insurance companies of Peru. Li et al., (2020) researched the impact of digital technology in the context of Industry 4.0, in the study it was examine how digital technology impact economic and environmental performance. Chinese manufacturing firms were surveyed for research purpose. The findings showed that both economic and environmental performance are positive impacted by digital technology. The study provides the understanding about how mangers can promote economic and environmental performance by the use of digital technologies in this era of industry 4.0.

Gal et al., (2019) studied how adopting new digital technologies can impact firm productivity. In this study cross-country data was combined. For the study purpose, data had to be collected on productivity at a firm-level and on digital technology at an industry-level. The findings distinctly showed that the productivity of firm is increased by adoption of digital technology. The result showed that the impact of digital technology adoption is more on manufacturing and routine-intensive activities. The study concluded that digital technology is contributing positively towards firm productivity.

H3: Digital technology support positively related to freelancing success.

**Methods**

**Data Source**

We used primary source to collect the data. The data that the researcher collects himself, is known as the first-hand data and it is defined as the primary data. Because the researcher is collecting the data himself, so he only collects the data according to his needs, which makes primary data particular to the researcher’s needs as told by (Ajayi, 2017). To collect the data for analysis, we took help of questionnaire, because it is easy for the respondents to understand, handle, and react to it because the format is familiar to most respondents, and it is not mandatory for them to respond right away, they can take their time to do so. Based on the factors influencing freelancing success
of freelancers in Hyderabad, an adopted questionnaire was used.

**Population of the Study**

Avwokeni (2006) defined the population of the study as all those people who are qualified to be part of study will be treated as population of the study. Population of study includes all the items that are part of universe of study. It can also be defined as all those members that will take part in study according to its aims and objectives. Since our study is about the factors affecting freelancing success in the context of Hyderabad, so the population of our study includes the youth of Hyderabad studying in higher education institute and are potential freelancers or currently working as freelancers.

**Sampling Strategy**

According to Creswell (2012) sample can be defined as sub group with in the population of the study, that can be used by researcher to generalize the population of the study. Sampling can be defined as process of choosing a sub group to conclude the result rather than choosing a larger population to conclude the same result (Glicken, 2003). Due to different constrains like time, geography as well as budget, it is impossible for researcher to choose the entire population of the study. For this reason, the subset known as sample with in the population is chose by using different sampling technique by a researcher. The sampling technique used in this research is “convenience sampling” which is a type of “non-probability sampling”. According to Dörnyei (2007) convenience sampling is a type of non-probability sampling in which subgroup from the population of study is selected on the basis of some practical criteria. That criteria can be accessibility with easy or availability at certain time, and also the geography and willingness of the individuals with in the population.

**Sample Size**

When researcher opt for collecting data to conduct the research it is not possible for the researcher to collect data from whole population of the study. Due to different reasons, instead of collecting data from whole population, researcher collects data from the small sub group within that population known as sample which represents the entire population of the study. Salkind (2010) explained the importance of sample size in any research. He argues that too small sample size is not adequate for the research purpose as it does not represent the whole population. If the sample size of research is too small, it may also result in Type I error. An error in which findings that should be accepted are rejected by the researcher (Sekaran, 2013). Also, Sekaran (2013) explained why it is not good to have a too large sample size. According to him it might lead to Type II error, in which researcher accept the findings that should be rejected otherwise. We chose our sample size according to the rule of thumb. Rule of thumb says that the total sample size should be equal to “No: of items in the questionnaire multiply by 10” (Hair et al., 2011). In our questionnaire we have total of 16 items. Therefore, our sample size will be 16*10=160. But to increase the reliability of our results we increase the sample size to 210.

**Research Instrument**

Data for this research has been collected through primary source that is questionnaire. A questionnaire is an instrument used for research which consist of a series of a questions that is to be filled to gather information from respondents. Questionnaire can be said as a type of written interview (McLeod, 2019). The survey is based on a five-point Likert scale. It is measured as follows: Strongly Disagree, Disagree, Neutral Agree Strongly Agree. This study comprises of a research instrument which has a single-source that is questionnaire that assesses freelancing success in coordination with Self-efficacy, Proactive Personality, Digital Technology Support. See the Table 1 which is given below.

| Table 1. Layout of Questionnaire | 419 |
Results
Reliability Analysis
The Table 2 illustrates the inter item consistency of all of the survey instrument’s items. Reliability analysis is conducted to check the data’s reliability and, on that basis, final decision is taken regarding data to be treated as good or bad. The Cronbach’s Alpha value is shown in the Reliability Analysis table. The Cronbach’s Alpha for the Self-efficacy is 0.827, The Cronbach’s Alpha for the Proactive Personality is 0.819 and The Cronbach’s Alpha for the digital technology support is 0.750, while Cronbach’s Alpha for Freelancing Success is 0.865. Sarstedt et al., (2017) said if Cronbach’s Alpha is equal or greater than 0.70, the instrument is considered as reliable. Since the reliability values for all of the survey indicators are greater than this limit (0.70). As a result, the instruments are highly reliable.

Table 2. Summary of Reliability Statistics

<table>
<thead>
<tr>
<th>Section</th>
<th>Variable</th>
<th>Number of Items</th>
<th>Scale</th>
<th>Source</th>
</tr>
</thead>
<tbody>
<tr>
<td>01</td>
<td>Freelancing Success</td>
<td>04</td>
<td>Five-Likert</td>
<td>Qeshta, (2017)</td>
</tr>
<tr>
<td>02</td>
<td>Self-Efficacy</td>
<td>04</td>
<td>Five-Likert</td>
<td>Qeshta, (2017)</td>
</tr>
<tr>
<td>03</td>
<td>Proactive Personality</td>
<td>04</td>
<td>Five-Likert</td>
<td>Qeshta, (2017)</td>
</tr>
<tr>
<td>04</td>
<td>Digital Technology</td>
<td>04</td>
<td>Five-Likert</td>
<td>Hudek et al., (2021)</td>
</tr>
</tbody>
</table>

Hypothesis Testing
The objective of this regression analysis is to show how dependent variables and independent variables have impact over each other. The table below shows the value of beta and p-value. The relationship between the dependent and independent variables is indicated by beta value, while the p-value indicates the degree of significance. The results show that Self-efficacy (β = 0.303, p<0.05), Proactive Personality (β = 0.329, p<0.05) and Digital Technology Support (β = 0.128, p<0.05) they all have a positive and significant impact on Freelancing Success.

The VIF values for our variables are Self-efficacy (1.942), Proactive Personality (1.944) and Digital Technology Support (1.112). According to (Gareth et al., 2013) the threshold is VIF > 5 or VIF > 10 is problematic. If VIF value increases, it is a sign of multicollinearity and regression become less reliable. The value less than 5 indicates that independent variables does not correlate with each other and the regression results are reliable with less chance of error.

The R square in the table 3 shows the relationship between the estimated value of the dependent variable and independent variable. The value of r-square determines the fitness of the model and also the how all the dependent variable is explained by the independent variables. In our research model the value for r-square is 0.402 whereas as adjusted r-square is 0.393.
Table 3. Summary of Multiple Regression Analysis

<table>
<thead>
<tr>
<th>Dependent Variable</th>
<th>Independent Variable</th>
<th>Value of Beta</th>
<th>P-Value</th>
<th>VIF</th>
<th>Remarks</th>
</tr>
</thead>
<tbody>
<tr>
<td>Freelancing Success</td>
<td>Self-Efficacy</td>
<td>0.303</td>
<td>0.000</td>
<td>1.942</td>
<td>Accepted</td>
</tr>
<tr>
<td></td>
<td>Proactive Personality</td>
<td>0.329</td>
<td>0.000</td>
<td>1.944</td>
<td>Accepted</td>
</tr>
<tr>
<td></td>
<td>Digital Technology</td>
<td>0.128</td>
<td>0.025</td>
<td>1.112</td>
<td>Accepted</td>
</tr>
<tr>
<td>R-Square</td>
<td></td>
<td>0.402</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Adjusted R-Square</td>
<td></td>
<td>0.393</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Discussion

Self-Efficacy
Regression analysis showed that the null hypothesis is rejected, while the alternative hypothesis is accepted. The value of $\beta$ is 0.303 and $p$-value is 0.000 which clearly indicates that Self-efficacy has a positive and significant impact over Freelancing Success of youth of Hyderabad Pakistan. This identifies that freelancing success would be impacted by self-efficacy by 30.3%. In previous study of Eliyana et al., (2020), they studied the impact of self-efficacy on the entrepreneur success. Their study was based on the students of Universitas Airlangga who were doing the entrepreneur business. The results of this study indicated that the self-efficacy has positive and significant impact on success of entrepreneurs. The purpose of study was to identify how self-efficacy impact motivation and achievement of entrepreneur. In another study of Türkoğlu et al., (2017) they studied the relationship between self-efficacy and job satisfaction of teachers. Their study was based on the teachers of Istanbul. The result of this study also indicated that there exists a positive relationship between self-efficacy and job performance. Previous studies show the same results as us which indicates that there is the positive impact of self-efficacy on freelancing success.

Proactive Personality
The values in above table have clearly declared that Proactive Personality has positive and significant impact over Freelancing success of youth of Hyderabad Pakistan, as measured value of $\beta$= 0.329 and $p$-value is 0.000. Therefore, the null hypothesis is rejected and alternative hypothesis is accepted. This means that Freelancing Success would be impacted by Proactive Personality at 32.9%. In previous study (Qeshta, 2017) determines the impact of some factors on freelancing success. The one factor was proactive personality. The study was based on the freelancer translators of Gaza Strip. The result of this study showed the positive impact of proactive personality on freelancing success. In another study (Turban, 2016) determine the impact of proactive personality on career success. The data was collected from the employees belongs to different professions. The result of study indicates the positive impact of proactive personality on career success. Previous studies show the same results as us which indicates that there is the positive impact of proactive personality on freelancing success.

Digital Technology Support
Digital Technology Support had a positively significant impact on Freelancing Success according to third hypothesis. Regression analysis showed that the null hypothesis is rejected, while the alternative hypothesis is accepted. The value of $\beta$ is 0.128 and $p$-value is 0.025 which clearly indicates that Digital Technology Support has a positive and significant impact over Freelancing Success of youth of Hyderabad Pakistan. This identifies that freelancing success would be impacted by Digital Technology Support by 12.8%. In a study (Hudek et al., 2021; Hoe et al., 2019) studied the impact of different factors on job and career satisfaction of freelancers and one of the factors
of study was digital technology support. Study was conducted by taking a sample of 200 freelancers from Slovenia and the results concluded a direct influence of digital technology support on job and career satisfaction of freelancers. Bolli & Pusterla., (2021) studied and analyze different channels due to which digitalization impacts job satisfaction. The study was conducted in Switzerland from graduates of different professional education and training colleges. The results of study show a positive impact of digitalization on job satisfaction. Previous studies show the same results as us which indicates that there is the positive impact of digital technology support on freelancing success.

Conclusions
This study was conducted to determine what are the factors according to population Hyderabad, Sindh which affect the success of freelancers. Data was collected through primary source and tests were run to test the hypothesis. Hypothesis testing showed positive and significant impact of proactive personality, self-efficacy and digital technology support on career success of freelancers. Since, it is proved by the study that the above-mentioned variables have positive and significant impact so worked should be done on these variables. Proactive personality and self-efficacy are personal variables; therefore, individuals should try to work on these and government or private institute should increase the digital technology support to facilitate the concept of freelancing in Hyderabad. This will encourage people to opt for freelancing as a career choice and not depend on fixed income jobs only and become successful in freelancing.

Managerial Implications
After knowing the significance of impact of the independent variables i.e., proactive personality, self-efficacy and digital technology support on career success of freelancers, work should be done in these areas so that people can have a successful career in freelancing. In the face of unemployment, people are opting for different employment options and amongst which freelancing is also an option which has apparently gained limelight in the recent years and not only worldwide but also in Pakistan. Freelancing is one solution to unemployment and in order to make the most out of it and use it to solve employment and economic problems of Pakistan, first and foremost awareness should be spread regarding freelancing and ways to succeed in it. Training programs to teach productive skills should be held, so that people can use it to make a career out of it in freelancing. Motivational sessions should be held to encourage and motivate youth to work on themselves and their personal factors such as proactive personality and self-efficacy, so that they can use these to impact their environment and have a successful career in freelancing. Freelancing can only be successful when there is digital technology support, because it is an online platform and digital technology support is of utmost importance.

Private institutions or government should promote business incubators where they can come and work according to their time and convenience. Career counselling should be done of students so that their thinking is not limited to salaried jobs only together with this self-awareness counselling will help them to get to know about themselves more and what kind of employment will suit their personality. Universities should invite successful freelancers to share their success stories with students, so they get inspired and motivated to make a career out of freelancing.

Theoretical Contribution
The theories that we have discussed in theoretical framework has been proven in our research as in the social cognitive theory by (Bandura, 1977) concluded that self-efficacy shape your desired behavior to achieve a goal. In that theory he has determined that its only person believes that help them to decide what to choose according to his capabilities and what not, or self-efficacy is influenced by success and failure so when people have self-efficacy, they can be successful in every aspect, they can achieve whatever they want and it’s also proven in our research through results that self-efficacy has significant impact over the freelancing success.
The trait theory by (Bateman & Crant, 1993) which says that proactive people are always in search of new opportunities, always take initiatives and remains consistent until they achieve their desired goal so that is same with the freelancing. Freelancing is an opportunity which only proactive people try to avail and it requires a lot of patience to get success in freelancing and the people who want success they remain consistent. Our research results show that proactive personalities are the one who get successful in freelancing and proactive personality has also significant impact on freelancing success.

Digital technology has made the working environment easier and convenient this is also supported in theory by Castells (2010) in which he has told that digitalization is being the best tool in creating new employment opportunities and it is also increasing environmental sustainability.

Future Research Directions
Recommendations for future research could be that we have limited our research to only Hyderabad, Pakistan while other researchers can do research in other geographic locations as well. Our research was based on youth only those ages between 18-30 while other can do research on overall freelancers and see its impact. Our research is on small population of 210 respondents but in future researchers can also do research on large scale and larger population. In our research we have studied personal and environmental factors whereas in future other researchers can also include other factors like organizational factors and then see the results.

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