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**DYNAMICS OF SELF-EMPLOYMENT IN THE  
CITY OF KAZAN: A CONTENT-RELATED  
ANALYSIS OF e-BUSINESS PROFILES ON A  
SPECIALIZED INTERNET SITE**

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**ABSTRACT**

This study is influent by the current trend of strengthening measures to legalize the activities of self-employed businessmen and the launch of pilot projects for their voluntary registration in Russian Federation four regions, including the Republic of Tatarstan. Since early 2019, the media announced the successful implementation of this pilot project in the Republic of Tatarstan, with a plan of having registrants 60 thousand self-employed citizens in a year. However, the latest data, for the first half of 2019 shows only 20 thousand registrants (including 499 minors). This is one-third of the plan, which indicates a lagging pace of its implementation. In this regard, the study of the qualitative and quantitative dynamics of the self-employment phenomenon is of great importance. This paper presents the results of the pilot self-employment study in the capital of the Republic of Tatarstan, implemented by the method of content analysis of questionnaires of participants on the YouDo website in Kazan during January-June 2018 and 2019. The practical significance of the results identifies trends in the number of self-employed Kazan citizens, as well as trends in the fundamental features of the social portrait of a self-employed in Kazan. Therefore, despite the change in Russian legislation and the introduction of a number of initiatives aimed at the legalization of self-employment, the number of self-employed Kazan citizens, which are traditionally middle-aged men offering their services on YouDo in Kazan, is growing just as the share of youth and women among them is growing.

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## 1. INTRODUCTION

The main condition for the effective functioning of the economy at any of its levels is the sustainable development of small and medium-sized businesses that generate a significant portion of GDP. Self-employed people pose a threat to the officially registered business, as they are an example of unfair competition: there are no taxes and costs associated with fulfilling the legal requirements of regulatory authorities in the cost structure of the products of the former.

The concept of ICT/e-business goes on in many countries like Pakistan (Ullah and Qureshi, 2019). The Government of the Russian Federation has been engaged in a thorough solution to the problem of uncontrolled self-employment of the population over the past five years. So, in 2014, a patent system was introduced for the taxation of self-employed people who register their business in the form of individual entrepreneurs and in 2017, legal registration of self-employment as a type of entrepreneurial activity has been entered into force. In November 2018, the president signed a package of laws on an experiment to introduce a tax on professional income, the so-called "tax for the self-employed." Since January 1, 2019, in 4 regions of the Russian Federation (Republic of Tatarstan, Moscow, Moscow and Kaluga regions) a pilot project is in place to register a self-employed population to pay professional income tax from 4 to 6%, depending on the chosen scenario (Prygunova & Nikiforova, 2018; Nikiforova & Prygunova, 2017; Korunova & Prygunova, 2018).

Meanwhile, the measures on the intensification of self-employment management in Russia should be accompanied, in our opinion, by a deeper measurement of its qualitative and quantitative dynamics, making it possible to evaluate from all sides the effectiveness of the implemented policy (Korunova & Prygunova, 2018; Prygunova & Nikiforova, 2019).

## 2. METHOD

This paper presents the result of the pilot study carried out by the method of content analysis when the material for the analysis are profiles of performers on the YouDo website in Kazan. This "daughter" platform for searching for work and performers was not chosen by us randomly. The capital city has traditionally been the center of concentration of labor (often push-pull) migration of residents of nearby settlements (Ganeeva et al., 2019), and in this sense, the dynamics of self-employment in Kazan reflects its dynamics in the republic as a whole.

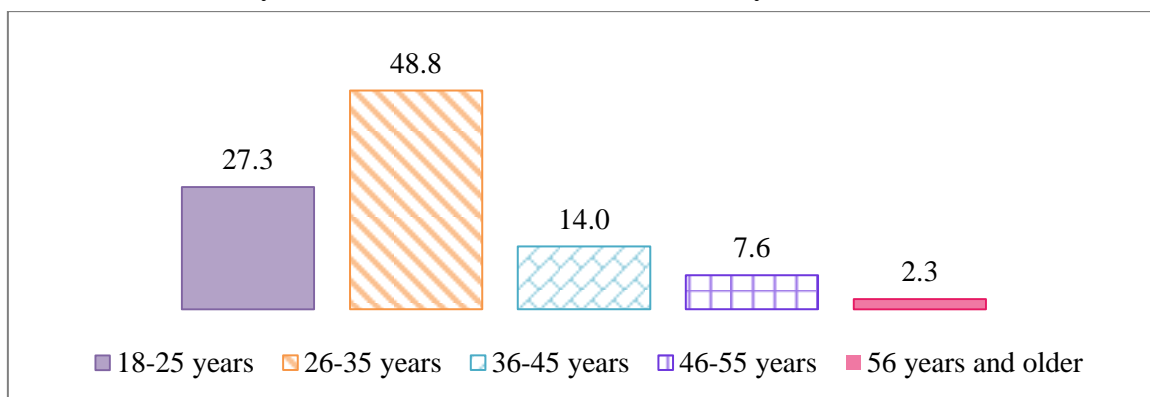
The content analysis method, as a tool for recording and statistical generalization of factual documentary information, allows us to "capture" the development trends of social phenomena. Directly in this situation, we capture trends in the number of self-employed citizens in the capital of the Republic of Tatarstan, as well as changes in the fundamental features of the social portrait of a Kazan self-employed people. The research field was compiled by performers' profiles on the official YouDo website in Kazan, which has been operating since September 2017 and is one of the most popular electronic job search platforms for both unregistered entrepreneurs and individual enterprise holders. However, the share of the latter, as measured by the 2017 measurements on YouDo.com, does not exceed 18%, which indicates the high value of the information base of this portal and its "subsidiaries" for studying the self-employment phenomenon.

The total number of reviewed profiles of performers is 608, among which we selected 172 profiles belonging to Kazan citizens who registered with YouDo in Kazan in the first half of 2018 or 2019 for further, deeper study. The choice of these periods provides the possibility of a comparative

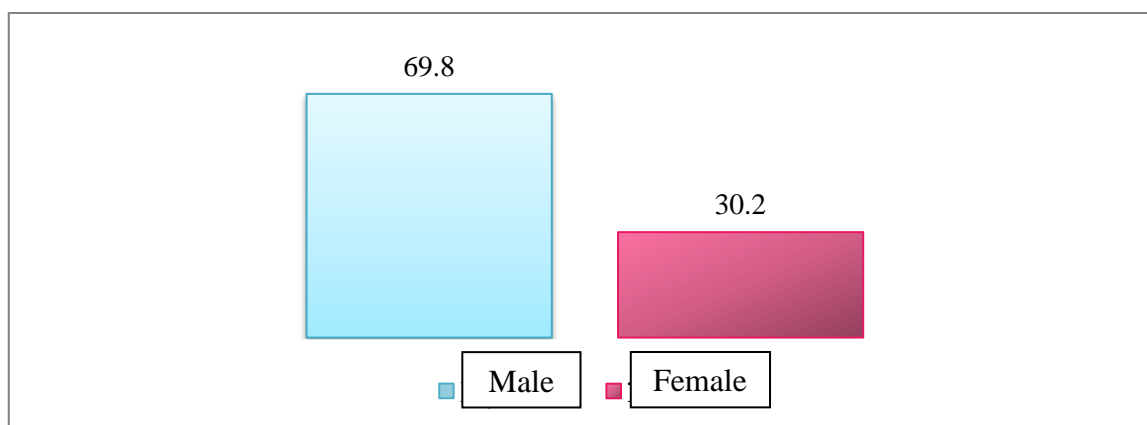
analysis devoted to the involvement of Kazan citizens in self-employment before and after the entry into force of the new laws, and their established duration (6 months each) is due to objective reasons. At this point in time, we cannot cover the entire 2019 with analysis, and the questionnaires considered only for the first half of 2018 are determined by the need to form the most uniform population under these conditions, subject to (due to its small volume) a continuous examination. The two-dimensional analysis within this volume does not allow us to draw conclusions and predictions regarding the dynamics of the self-employment phenomenon concerning Kazan citizens in general, however, it provides accurate registering of changes on the YouDo website in Kazan over the year, and also it provides unique empirical material that serves as a serious help for a theoretical interpretation of the phenomenon in a number of its aspects, especially in the context of the results of checking the conjugacy of certain signs with a chi-square coefficient.

### 3. RESULT AND DISCUSSION

In accordance with the results of studying electronic profiles of self-employed people in Kazan, for the first half of 2018, 79 questionnaires of performers were created on the YouDo website in Kazan, 93 profiles for the first half of 2019, showing an increase in the motivation for shadow entrepreneurship among Kazan users, despite the introduction of a new procedure for the legalization of self-employed activities. In general, among people registered on YouDo in January-June 2018 and 2019, there were significantly more men than women (69.8% and 30.2% respectively) in Kazan, as well as there were significantly more Kazan citizens aged 26-35 years (48.8%), followed by 18-25 years old - 27.3%, while 56 years old and older is the smallest group (Figure 1). The average age of performers from the YouDo website in Kazan is 30 years old, however, the values of this attribute are different in groups by gender: 32 years old among self-employed men, 26 years old among women. It should be noted that the data obtained correspond to the growing trend of the “household freelance market” localized on the YouDo.com website, identified in 2013-2015 (Zubareva, 2015). In dynamics, the average age of performers does not change significantly (from 30 years in 2018 to 31 years in 2019), in contrast to the percentage ratio of genders. The number of male users of the YouDo website in Kazan in the first half of 2019 is obviously less than in the first half of 2018, although it is still by an order of magnitude more than women (men - from 73.4% in 2018 to 66.7% in 2019, women - from 26.6% to 33.3%) (Figure 2). The change in the average age by gender is as follows: men - from 32 years in 2018 to 32.5 years in 2019, women - from 26 to 25 years.



**Figure 1:** The age structure of the YouDo website performers in Kazan, registered in January-June 2018 and 2019, %



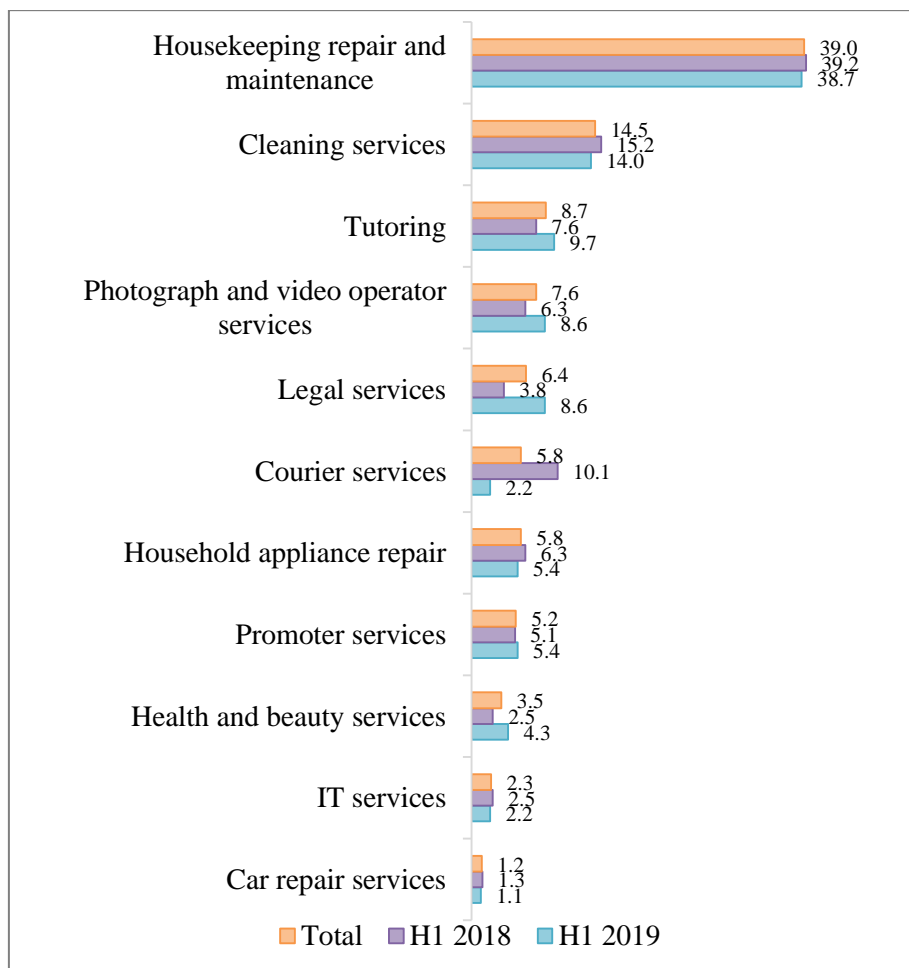
**Figure 2.** Gender ratio dynamics for the performers registered on YouDo website in Kazan in January-June 2018 and 2019, %

The YouDo website content in Kazan allows us to consider self-employment in the context of a wide range of activities. As part of our study, we analyzed applications for the following types of work: 1) household repairs (in particular, repair, construction, installation and finishing works), 2) provision of cleaning services (cleaning in apartments, offices, country houses, porches, house buildings territories, etc.), 3) repair of household appliances (including communication equipment - phones and smartphones), 4) provision of beauty and health services (spa treatments and cosmetology, services of a stylist, make-up artist, and hairdresser), 5) provision of courier service, 6) provision of the services of a photographer and video operator (including photo products and digitizing photos), 7) provision of IT services (assembling, setting up, repairing and maintaining a PC), 8) provision of legal services (notary services, business support, legal advice, arbitration, and criminal cases), 9) provision of promoter services (organization and conduct of promotions, events, holidays, distribution of materials, provision of mystery shopping services), 10) tutoring (including driving, as well as providing speech therapy services and assistance to students), 11), repair of motor vehicles (including tuning and pre-sale preparation of cars).

As the results of the content analysis showed, the largest of the above self-employment categories is the first: household repair services on the YouDo website in Kazan are offered by 39% of performers. The second, third and fourth places, respectively, are occupied by cleaning services (14.5%), tutoring services (8.7%), as well as photo and video shooting (7.6%). Least of all proposals from individuals goes to the provision of services in the categories of “car repair” (1.2%), “provision of IT services” (2.3%), “provision of beauty and health services” (3.5%), “provision of promoter services” (5.2%), “provision of courier services” (5.8%), “repairing household appliances” (5.8%), “provision of legal services” (6.4%). Meanwhile, the most popular from the point of view of customers - users of the YouDo website in Kazan are courier services; within this category, the largest average number of completed tasks is 3.5 (the average number of completed tasks in all categories as a whole is 2). User assessments of the quality of completed tasks are at the level of 5 points (both in general and in the context of categories; the exception is the category “car repair” - 4.65 points).

Of great interest is the age and gender specialization of self-employment on the YouDo website in Kazan. Thus, differences in the mastering of these categories by groups with regard to gender and age turn out to be highly significant (the asymptotic significance of the chi-square coefficient is 0.000

and 0.023, respectively - “the hypothesis of independence of signs is rejected”), and therefore we can talk about predominantly “male” or “female” self-employment categories, as well as categories for youth or older people. The “male” categories include household repairs (98.5% represented by men), household appliances repair (100%), courier services (90%) and IT services (100%). Among the “female” categories are beauty and health services (83.3% represented by women) and tutoring (80%). In other categories, the shares of male and female performers are almost equal: cleaning services (men - 44%, women - 56%), photo and video shooting (46.2% and 53.8% respectively), legal services (45.5% and 54.5%), promoter services (44.4% and 55.6%), car repair (50% each). Speaking about the age of performers, it is necessary, first of all, to single out the TOP-5 of the “youth” categories of self-employment. The first place is occupied by the promoter services, the average age is 24 years, the second is occupied by legal services (25 years), the third – by tutoring (26 years), the fourth place is shared by cleaning services and beauty and health services (28 years each), the fifth place is occupied by car repair (30.5 years). IT services can be called conventionally “age-related” (the average age of performers is 40.5 years), home appliance repair (40 years), courier services (33 years), as well as household repairs and photo and video shooting services (32 years each).



**Figure 3:** Dynamics of the number of performers of the YouDo website in Kazan, registered in January-June 2018 and 2019, classified by categories of activity, %

Largely due to the presence of “male” and “female” categories, as well as due to a change in the gender ratio of performers on the YouDo website in Kazan, their distribution by category in the context of the periods under consideration differs (Figure 3). Thus, in the “female” and some mixed



categories, there is an increase in the number of performers: beauty and health services - from 2.5% in 2018 to 4.3% in 2019, photo and video shooting - from 6.3% to 8.6%, legal services - from 3.8% to 8.6%, promoter services - from 5.1% to 5.4%, tutoring - from 7.6% to 9.7%. On the contrary, in the “male” and remaining mixed categories, the number of performers decreases: household repairs - from 39.2% to 38.7%, cleaning services - from 15.2% to 14%, repair of household appliances - from 6.3% up to 5.4%, courier services - from 10.1% to 2.2%, IT services - from 2.5% to 2.2%, car repair - from 1.3% to 1.1%.

#### 4. CONCLUSION

We have carried out the content analysis based on the data from profiles of performers on YouDo in Kazan registered in January-June 2018 and 2019. As results have shown, the Kazan self-employment' settings implemented within the framework of this site are not weakening, despite the introduction of a new procedure for their legalization in the Republic of Tatarstan. Moreover, they are strengthening, which is obvious based on the growth in the number of profiles in 2019. The social portrait of a self-employed citizen registered as a performer on the YouDo website in Kazan in the first half of 2018 or 2019 today depicts a 32-year-old man offering typically household repair, home appliance repair, courier or IT assistance services. The first of the indicated categories is, accordingly, the most numerous. However, today there is also an increase in interest in self-employment among women and especially girls focused on the provision of beauty and health services, as well as tutoring services. In this regard - and contrary to the studies of 2013-2015 - we can assume the future youthification of the shadow market. An additional argument in favor of this thesis is the predominant localization of the “business portfolio” of a significant part of all self-employed (primarily youth) in social networks, which makes it difficult to take them into account when conducting relevant studies.

Thus, the problem of informal employment in modern Russia does not receive an effective solution. An analysis of the self-employment dynamics in the capital of one of the regions where an experiment is currently being conducted to ensure the conditions for the voluntary legalization by self-employed of their business demonstrates the gradual growth and youthification of the shadow economy. At the same time, the results of a survey conducted by the content analysis method on the YouDo website in Kazan do not take into account the whole range of activities and specialties that are not presented on the site and are mainly localized on social networks. Meanwhile, the audience and users of the latter are also characterized by an increase in the number and rejuvenation of their composition, which makes them a significant object of research on this issue. In the future, as part of the development of the topic, we plan to turn to the analysis of business accounts in social networks in order to fill this gap in scientific and practical knowledge, as well as to develop separate work schedules for self-employed (for example, confectioners) for their further integration into My Tax mobile app.

In addition, in the future it is supposed to compare the data obtained for the city of Kazan, with an all-Russian portrait of a “self-employed citizen”, as well as making proposals based on an understanding of the trends in the qualitative and quantitative dynamics of the phenomenon to optimize the policy of removing self-employed from the shadows.

## 5. AVAILABILITY OF DATA AND MATERIAL

Data can be made available by contacting the corresponding authors

## 6. ACKNOWLEDGEMENT

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