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Paradoxical Tensions in Platform Co-ops: An Explorative Study of Perceptions and Responses

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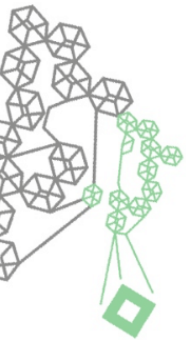
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Abstract

Platform co-ops (cooperatives) are gaining a lot of attention as a social answer to platform capitalism. At the same time, this study aims to explore what paradoxical tensions representatives of platform co-ops are perceiving. In addition, this study aims to investigate how these representatives deal with these tensions. For this purpose, an explorative qualitative study of 10 semi-structured interviews with representatives of platform co-ops was conducted. These interviews were analysed using the systematic method of Creswell (2002) for coding and analysing data. The findings indicate that tensions manifest themselves in three phases: setting up, designing and managing the platform. In addition, it is concluded that the manifestations of tensions differentiate according to the phases in which they emerge. Secondly, the findings indicated that tensions perceived by representatives all exemplify the main tension between the market and cooperative ideology. Thirdly, this study found that how representatives conform to the market and/or cooperative ideology is fundamental to how tensions are dealt with. These findings contribute to the literature by investigating tensions in the yet unexplored field of platform co-ops. This research moreover contributes by investigating how tensions are perceived by representatives of the platforms and dealt with practically. Important practical implications stem from the call for early discussion of tensions with co-initiators when setting up the platform. In addition, this research makes the statement to also reflect as representatives on the entrepreneurial skills needed to run such a platform. The empirical results show that these skills ensure that the elements of the tensions don't always have to be at odds with each other by aligning them.

Keywords: cooperative governance; gig economy; online labour platforms (OLPs); paradoxical tension; platform cooperative

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1. Introduction

1.1 Background

The platform economy received a growing amount of attention in the last decade. Amazon, Facebook, Google, and Uber are a few of the well-known giants that have built digital structures that give (new) opportunities to users (Kenney & Zysman, 2016). Regulatory issues have been addressed that come along with the generated work by these platforms (Collier et al., 2017). A specific subset of platforms that are examined in the current study, are online labour platforms (OLPs) which influence and eventually transform how people work. Regarding the transformation of work, there can be seen that more than 163 million self-employed individuals and freelancers work in Europe and the United States, accounting for 20-30% of those of working age (Manyika et al., 2018). OLPs such as Deliveroo, M-Turk, and Uber are utilized by workers to provide themselves with work assignments and secure their income (Möhlmann et al., 2021). Assisted by technology, these platforms create multisided online marketplaces that combined form the gig economy. Even though a uniform definition of the gig economy is lacking, it is mostly described as a system in which OLPs link on-demand workers with requesters. Connecting on-demand workers with requesters is especially the case within industries such as transportation, cleaning, and food delivery (Duggan et al., 2019; Meijerink & Keegan, 2019). Despite receiving payment for their services, gig workers do not have a formal employment relationship with a company (Aloisi, 2016; Daskalova, 2018). Several groups, including unions and online activists, have criticized the emergence of platforms like Uber and Deliveroo. These critical viewpoints are based on platforms that supervise employees without actually employing them, use algorithms and customer ratings to match demand and supply or rank gig workers (Bunders et al., 2022). Based on the wages, income security and risk of discrimination, there can be said that gig workers are left in often alarming positions (Schor, 2020).

Platform co-ops have been proposed as an alternative to the existing, criticized platforms as it addresses the insecurity and financially dependent situations of gig workers (Bunders, 2021; Johnston & Land-Kazlauskas, 2018; Schor, 2020). These ‘platform co-ops’ can be seen as a fairer approach compared to traditional financially driven platforms since gig workers can arrange better (economic) labour conditions for themselves as owners of these platforms (Scholz, 2016). A platform co-op is a combination of a traditional platform with its

online infrastructure to facilitate social and economic interaction and a cooperative with its collective ownership and democratic governance (Kenney & Zysman, 2016; Zamagni, 2012).

Notwithstanding the advances that platform co-ops bring, setting up and maintaining a platform co-op is challenging as this process is riveted with tensions between selected platform (cooperative) characteristics. Looking at the literature, it is outlined that the cooperative ideology clashes with the dominant market ideology, which is dominant in society nowadays (Levi & Davis, 2008). Moreover, specific tensions that OLPs have to navigate include autonomy vs. control (which in general means the difficulty to balance autonomy which may lead to self-management of employees and control which may enable managers to retain a goal-driven workforce), supply vs. demand (which is centred around the choices to ensure that supply and demand can find each other) and financial vs. social (pointing at the tensional weigh-offs between social objectives and financial obligations) (Meijerink et al., 2021a; Minter, 2017; Broves, 2022). The actions of leaders from OLPs to answer these tensions may be an essential factor in organizational longevity (Quinn, 1998).

Paradox literature suggests that organizations need to know if these aforementioned tensions are paradoxical since paradoxes demand specific response strategies to achieve organizational long-term success (Smith & Lewis, 2011). By analysing the paradox literature, this phenomenon consists of three main elements. A paradox consists of elements that are contradictory and interrelated, exist simultaneously and persist over time (Smith & Lewis, 2011). When considered separately, these elements seem often clear, but when juxtaposed, they appear illogical, contradictory, and preposterous (Lewis, 2000). Strategies of acceptance and resolution try to deal with conflicts so that sustainability is possible. Moreover, when paradoxes are not navigated, remain unnoticed or have been ignored it could lead to negative vicious cycles (Smith & Lewis, 2011). This makes it important to investigate whether tensions that occur within platform co-ops are paradoxical and explore how their representatives respond to these tensions.

1.2 Problem statement

Knowledge is plentiful on the broad scale of tensions that are navigated by OLPs within the platform economy literature. Similarly, previous research has shown which tensions are faced by co-ops. However, how such tensions come together in platform co-ops has received much less attention. Most importantly, it is unknown if these tensions are

paradoxical. If representatives of platform co-ops don't know that they deal with paradoxical tensions, they might not apply response strategies that could ensure their long-term success. Moreover, not applying strategies that paradoxical tensions demand might lead to negative vicious cycles (Smith & Lewis, 2011). Therefore, it is important to investigate whether the tensions that representatives of platform co-ops face are paradoxical. I tend to use the word representatives throughout this study since this covers all the different ways a platform can be governed. These representatives are founders, CEOs, board members or managers of online platforms which can provide us with (new) information about tensions they perceive.

1.3 Research goal

The goal of this study is to explore what paradoxical tensions representatives of platform co-ops perceive and investigate how they deal with these tensions. Explorative research should produce a number of interesting findings that can be used to inform future platform co-op studies.

1.4 Research question

To broaden the knowledge of paradoxes with their aspects in the context of platform co-ops, a literature study on platform co-ops and on navigating paradoxes and semi-structured interviews was conducted. The research question is answered by synthesizing both theory and empirical sections of the study.

The main research question is formulated as follows:

'What are paradoxical tensions that representatives of platform co-ops perceive and how do they respond to these?'

1.5 Theoretical relevance

A large body of literature has been published on OLPs and (paradoxical) tensions which keeps growing continuously (Gerber, 2020; Keegan & Meijerink, 2021; Minter, 2017). While platform co-ops are gaining popularity, empirical research on the nature and operations of these platforms is still limited available (Escobedo et al., 2018). Logically, there are still gaps in the literature which show that platform co-ops and their paradoxes are limited in their understanding. The paradox theory is regularly mentioned in the academic field of OLPs but is quite new in the field of platform co-ops. Broves (2022) is one of the few authors that

apply paradoxes to platform co-ops in his study. He mentioned the following paradoxical tensions in his study: democratisation vs. capitalisation, short-term rewards vs. long-term goals, economic goals vs. social goals and collaboration vs. control. By further investigating platform co-ops with a paradoxical lens, I might explore paradoxical tensions that remain unmentioned in existing research. It could plausibly be that already known tensions related to (platform) cooperative characteristics also manifest themselves in the context of platform co-ops. In addition, new tensions may occur in a context in which platforms and co-ops are merged in one business model. Moreover, I can explore how the representatives of platform co-ops respond to these tensions. Thereby, it could be possible that representatives of platforms of this specific nature have different ways of dealing with tensions than traditional platforms with more emphasis on social elements. Research should deliver several points of interest that contribute to further possible research in the academic field of platform co-ops, including insights on how tensions previously connected with OLPs and seen among co-ops meet in platform co-ops, and insights on which of these tensions are paradoxical, which in turn can result in insights on how representatives deal with these (paradoxical) tensions.

1.6 Practical relevance

There is continuous growth in the number of platform-based business models (Kenney & Zysman, 2016). This growth is illustrated by the 2017 unicorn list with start-ups and 60-70% being platform businesses (Cusumano et al., 2019). Platform co-ops can be seen as a more social alternative to investor-owned platforms since it addresses the problem of precarity and economic dependence (Bunders, 2021; Johnston & Land-Kazlauskas, 2018; Schor, 2020). Within these co-ops, gig workers can create better conditions for pay and job security themselves since they are owners of these platforms. Platform co-ops have wide support, but not many of them are seen. This study has to explain their rarity to consider platform co-ops as serious alternatives to investor-owned gig platforms (Bunders et al., 2022). To partially resolve this puzzle, this study needs to determine whether the tensions that are perceived by representatives of platform co-ops are paradoxical. It is important to investigate whether tensions are paradoxical since these require other strategies to navigate. Moreover, further knowledge of tensions in platform co-ops can offer practical insights into how these tensions can be navigated.

1.7 Thesis outline

This thesis is structured as follows. First, the available literature on tensions within platform co-ops is outlined. Also, the paradox theory is introduced. Second, the procedure of data collection and analysis of data is described in the methodology section. Third, I discuss the results of the explorative interviews and present the findings. In the discussion and conclusion section, I synthesize the findings with existing literature. In addition, a discussion and recommendations for future research will be provided.

2. Theory

In this theory section, I present a synthesis of existing research on Online Labour Platforms (OLPs), (platform) co-ops and specifically the tensions those organisational forms deal with. Next, I connect these findings to the paradox literature as this offers a starting point to study whether the tensions that are perceived by representatives of platform co-ops are paradoxical.

2.1 Online labour platforms

Although OLPs are growing in societal and academic interest, the literature lacks a consistent definition of this phenomenon. Platforms can broadly be defined as “the provision of Internet-based services and applications that facilitate interactions between two or more distinct but interdependent groups of users (either businesses or individuals) (OECD, 2019, p. 21).” Kuhn and Maleki (2017) define OLPs as companies that use technology to meet labour needs with independent contractors. OLPs rely on fee-based intermediation services as their business model (Kuhn & Maleki, 2017; Stanford, 2017). In practice, it implies that gig workers and/or requesters pay the platform for each accomplished match. Jobs on OLPs are generally short-term tasks that organizations or individuals rather want to outsource than do themselves (De Stefano, 2016). By definition, platforms serve as an online marketplace for matching supply (self-employed workers) with demand (those in need of goods or services) (Minter, 2017). Successful OLPs can correctly connect independent workers and clients (Gandini, 2018; Sutherland & Jarrahi, 2018; Lehdonvirta, 2018). In essence, OLPs share three essential characteristics: they allow contact between user groups, they allow users to complete set tasks, and they use technology to manage interactions (Cusumano et al., 2019; de Reuver et al., 2018; Gawer, 2009). OLPs capitalize on not formally engaging gig workers to protect their future profit (Meijerink et al., 2021b). By not employing workers but instead choosing independent contractors, OLPs do not have to adhere to labour laws and incur costs. Furthermore, it enables these companies to depart a market at affordable prices if required (Aloisi, 2016; Daskalova, 2018; Rosenblat & Stark, 2015). The emergence of platforms similar to Uber and Deliveroo has been criticized by a variety of groups, including unions and digital activists. This critical viewpoint is based on platforms that govern workers without hiring them, utilize algorithms and reviews to link gigs to workers, or rank them (Bunders et

al., 2022). Based on the wages, income security and risk of discrimination, it can be stated that gig workers are left in often 'alarming' positions (Schor, 2020).

2.2 Platform co-ops

As an alternative to capitalistic and criticized OLPs, platform co-ops have been seen as a fair and social option since it addresses the problem of precarity and economic dependence (Bunders, 2021; Johnston & Land-Kazlauskas, 2018; Schor, 2020). Economic dependency refers to the power that platforms exercise over gig workers through the use of algorithms and their accessibility to clients, whereas precarity refers to the risks that gig workers face (Drahokoupil & Piasna, 2017; Schor, 2020). Because gig employees can develop better (economic) circumstances for themselves as owners of these platforms, platform co-ops can be considered a more ethical alternative to capitalistic platforms. Furthermore, gig workers are able to keep working within worker co-ops and therefore legal issues regarding their freelance status are tackled (Bunders et al., 2022). As well as providing an online infrastructure for social and economic interaction, platform co-ops also provide shared ownership and governance with democratic values. (Kenney & Zysman, 2016; Zamagni, 2012). Platform co-ops lack a unified definition. Co-ops, however, can be defined as "an autonomous association of persons united voluntarily to meet their common economic, social, and cultural needs and aspirations through a jointly owned and democratically controlled enterprise" (ICA, 2019, p. 2). Based on a review of recent literature, platform co-ops contain three key components (Scholz, 2016). First, it is centred around a change of ownership adhering to democratic values. Second, solidarity is considered very important, and thus no one-dimensionally financially driven. Finally, it redefines concepts such as innovation and efficiency focussing on shared benefits (Scholz, 2016). These building parts reflect the different nature that platform co-ops have compared to platform capitalists such as Airbnb, Thuisbezorgd or Uber. To give a better idea of the concept of platform co-ops, the following paragraphs elaborate on Scholz's (2016) building blocks.

In the first building block, Scholz (2016) explains that platform cooperativism matches the technical core of traditional platforms with democratic values in ownership. This building block consists of two main parts: the technical core and the ownership model. An OLPs core value proposition consists of matching workers with those who need short-term labour (Keegan & Meijerink, 2023). Smartphone apps, software algorithms, and online databases are key components of digital infrastructures where labour supply and demand

meet (Kuhn and Maleki, 2017; Meijerink and Keegan, 2019). In this sense, platform co-ops embrace this technical core since they also facilitate workers with an online marketplace for the supply and demand of labour that relies on technology. The ownership model of platform co-ops differs however since it applies democratic values. In this sense, it focuses on a fundamental change of ownership, where co-ops are self-managed by those who work in them and advance the required capital (Scholz, 2016; Zamagni, 2012). Platform co-ops are democratically managed and offer a direct contrast to the capitalist form of the enterprise (Zamagni, 2012). Democratic governance limits the risk that leaders of organisations use their power mainly to be self-serving or commercially oriented (Spear, 2004). Democratic decision-making takes place using control and collaborative dynamics. An example of control dynamics is that members elect leaders for a predetermined term and that decisions of leaders require approval from members. An example of collaborative dynamics is that there is joint decision-making by members and owners based on agreed consensus (Spear, 2004).

In the second building block, platform cooperativism is about solidarity and not purely economy-driven (Scholz, 2016). As opposed to serving the population's needs, OLPs like Uber and Airbnb generally exacerbate inequality (Galdini & Nardis, 2021). Platform co-ops are driven by social motivations that empower excluded groups through solidarity (Galdini & Nardis, 2021; Scholz, 2017). For example, the process of value production enables underprivileged people to broaden social ties that empower them and their communities (Galdini & Nardis, 2021). This example of involvement is an implicit principle in the model of platform cooperativism (Scholz, 2016).

In the last building block, platform cooperativism is aimed at reshaping concepts such as innovation and efficiency to strive for benefits for everyone (Scholz, 2016). This stands in contrast with platform capitalism which focuses on benefiting a selected few (Scholz, 2017). It is the main job of platform co-ops to innovate with a focus on equality. In this regard, platform cooperative innovations should not be just about profits for the few at the expense of the majority, whose social protections are lacking (Scholz, 2016). Instead, platform co-ops attempt to create value for all, by means of three processes to establish and organize platform co-ops, namely creation, conversion, and coding (Como et al., 2021; Bunders, 2021). First, I can speak of creation when a platform co-op is built and organised from scratch. This process particularly relates to platforms that are completely new and have yet to be built and launched. Second, conversion is when a platform that already exists is mutualised by its workers. This process particularly concerns already existing platforms that are in

transformation to be run by workers. With this conversion the platform converts their governance structure (often into cooperative) giving more decision-making power to its members. Third, I can speak of coding when an existing worker cooperative embraces the infrastructure of a platform. This process particularly concerns co-ops that want to transform into platforms implementing their digital environment. The cooperative governance model thus embraces the platform as a digital infrastructure to bring supply and demand together (Bunders, 2021).

2.3 Tensions related to (platform) cooperative characteristics

Notwithstanding the advances that platform co-ops bring, this phenomenon is often described as challenging since (platform) cooperative characteristics are linked with tensions. In general, tensions can be defined as empirically detectable perceptions of problems and explanations of the actions of various actors. The different elements of tension are perceived by actors as different levels of importance or threat depending on the occasion. In turn, this leads to (re-)actions, which continue the sequence of actions, reactions, and events (Putnam et al., 2016; Smith et al., 2017; Mini & Widjaja, 2019). From the literature, the dual nature of co-ops is referred to as one of the causes of tensions. This dual nature includes the combination of functioning as a member community and as a profit-oriented enterprise, grounded in cooperative purpose and principles (ICA, 2021; Draheim, 1952). These organisational types, striving for economic and social objectives simultaneously, are contradictions to established economic models (Levi & Davis, 2008; Mazzarol et al., 2018). At the organizational level, the social associations component established and delimited the economic-enterprise component. While these movements have not paralleled the subordination of the economic component to the social, many other movements have occurred outside co-ops. Co-ops often integrate into dominant economic systems due to the pressure they experience (Levi & Davis, 2008). Based on this literature, it can be assumed that (platform) co-ops would perceive tensions with the cooperative ideology on one side, but the market-oriented ideology on the other side. In addition, the literature reveals that co-ops ultimately choose to conform (partly) to market ideology. Another tension related to co-ops is members' drives for homogeneity versus heterogeneity (also uniformity vs. diversity) (Cook & Burrell, 2009; Puusa et al., 2016; Audebrand et al., 2016). Individuals from co-ops might perceive a diversity of interests (over time). Due to the diversity of interests among the members, a cooperative organization may face problems regarding viability since competing

interests could lead to higher costs for collective decision-making (Hansmann, 1996). Moreover, heterogeneity in members has been suggested to undermine organizational processes by affecting investment behaviour, member commitment, and the probability of co-ops more generally (Hansmann, 1996; Chaddad and Cook, 2004; Cook & Burrell, 2009). Contradictory, diversity in member contexts may lead to creative problem-solving and unique ideas (Cook & Burrell, 2009). The various stated effects of membership diversity make it complicated for directors when a decision is demanded. In doing so, a director will need to consider situationally whether to strive for uniformity or embrace diversity.

Related to OLPs, literature outlined specific experienced tensions including supply vs. demand and autonomy vs. control (Keegan & Meijerink, 2021b; Meijerink & Keegan, 2019; Parker & Van Alstyne, 2008; Gerber, 2020). The tension of supply vs. demand is focused on the difficulties around the choices that representatives of platforms have to make to ensure that supply (independent contractors) and demand (people or companies in need of a good or service) can find each other (Minter, 2017). Platforms exist because they can connect the supply and demand of gig work better, faster, or cheaper than the actors in the environment could on their own (Schmidt, 2017). As shown by Meijerink et al. (2021b), the balance between supply and demand that OLPs try to achieve is difficult, particularly before a platform has achieved a core or monopoly position, and while it is still competing with other platforms for the same workers/requesters who are also navigating the tensions of balancing supply and demand. In this respect, and particularly in the early phases of their existence, OLPs are strongly rooted in the corporation logic under which growth is seen as a legitimate goal achieved using control and coordination. These forms of control and coordination are needed to manage the interdependencies among platform ecosystem actors and to create network effects (Keegan & Meijerink, 2019). To follow up on this, the tension of autonomy vs. control is summarised in the dilemma where representatives of platforms have to choose between shifting autonomy to the gig workers or retaining a certain degree of control. Platforms may delegate autonomy to users to mobilize consent, cover managerial shortages, and provide extra resources, all of which boost the labour process's security. As a result, they must relinquish control and develop more open communication spaces to allow for decentralization and self-organization. A negative outcome might be the strengthening of labour's voice and power, as well as waves of critical comments. Management, on the other hand, may opt to maintain a certain level of control to prevent this 'irresponsible autonomy'

and design some beneficial behaviours. This, however, has the potential to limit users' interactions and self-organization (Gerber, 2020).

The examined tensions related to OLPs and co-ops make 'platform co-ops' an extra interesting context since both elements are merged in them. Platform co-ops are facing specific tensions they have to deal with related to their nature. One of these tensions results in a balancing act where platform co-ops seek a balance between financial and social goals (Broves, 2022) The tension between the financial and social elements is focused on the alignment between the platforms' social ideologies and the financial obligations that are related to them as 'traditional' businesses. The social side of this tension is specifically related to platforms with a social or cooperative type of nature since their objectives are more heterogeneous than those of capitalistic platforms which simply prioritise profit (Belloc, 2017). Another tension related to platform co-ops is situated around the topic of limited resources. Platform coops face a situation where they face a limited availability of resources compared to investor-owned platforms (Bunders et al., 2022). The situation regarding limited resources calls for a consideration of where to allocate them, with two elements of the tension emerging. On the one side, there is the need to take a risk with an investment in the growth and development of the platform. It can be called risky because there is no guarantee of a return on investment beforehand. On the other side, there is the need to save enough money to meet recurring financial obligations and therefore demands a controlled attitude towards resources. Platform co-ops face a similar set of costs formed by the infrastructure itself, its maintenance, and further innovation (Lampinen et al., 2018). The difficulty of finding platform coops compared to capitalistic platforms is particularly noticeable when it comes to start-up investments. Furthermore, the profitability of these platforms has been questioned, given that many have trouble making substantial profits (Schor, 2020).

Specifically, the phases of setting up and managing a platform cooperative can be considered challenging as this process is riddled with tensions related to these situations. Firstly, the phase of setting up (also establishing) a platform co-op is referring to actions related to governance, technology, growth and capital (Borkin, 2019). Raising capital, organising collective decision-making among a group of diverse workers and developing a fitting institutional environment can be considered the biggest obstacles in setting up the platform co-op (Bunders et al., 2022). Secondly, managing the platform co-op is linked to all actions that affect organisational performance. Making appropriate decisions and acting upon behaviours concerning strategy, structure, management programs, and systems can directly

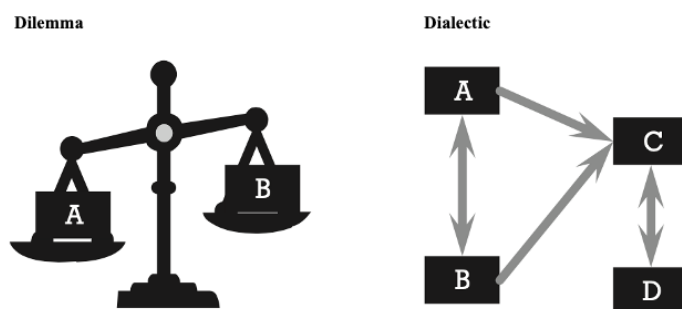
influence determinants of organizational performance (such as efficiency, innovative adaptation, and human capital) (Benabdallah, 2022). Competing demands are becoming more important and continuous for organizations due to the complexity of internal processes along with the rapid pace at which environments change (Lewis, 2000). The actions of organizational leaders to answer these tensions may be an essential factor in organizational longevity (Quinn, 1998).

2.4 Paradox theory

Paradox studies investigate possible ways for organizations to manage competing demands together (Smith & Lewis, 2011). Organizations need to know if these aforementioned tensions are paradoxical since paradoxes demand for response strategies to achieve organizational long-term success (Smith & Lewis, 2011). A paradox can be defined as “contradictory yet interrelated elements that exist simultaneously and persist over time” (Smith & Lewis, 2011, p. 382). When considered separately, these elements seem often clear, but when juxtaposed, they appear illogical, contradictory, and preposterous (Lewis, 2000). A paradox is one of the concepts, such as dilemma and dialectic, that is classified under the umbrella term ‘tensions’ (Haring et al., 2022). It is essential to understand how a paradox differs from the closely related concepts of dilemmas and dialectics (Smith & Lewis, 2011). A paradox is different from a dilemma but a dilemma can be paradoxical. A dilemma represents tensions with competing alternatives that present clear advantages and disadvantages (See Figure 1). Overthinking both the benefits and negatives is required to solve it (Smith & Lewis, 2011; McGrath, 1981). For example, a ‘make versus buy’ issue can be seen as a dilemma when there are (dis)advantages to either option (Smith & Lewis, 2011).

Figure 1:

Visual model of the concepts dilemma and dialectic



Note. Adapted from 'Toward A Theory of Paradox: A Dynamic Equilibrium Model of Organizing' by Smith, W. K., & Lewis, M. W. (2011).

Whenever two contradictory options are interconnected, the dilemma can be considered paradoxical (Smith & Lewis, 2011). Dialectic is another concept that needs to be distinguished from a paradox, integrating these opposing elements will result in new conflicts in time (Smith & Lewis, 2011). A dialectic is a continuous process of tension resolution through integration (see Figure 1). Elements A and B are divergent and can be resolved by merging into a single element C (synthesis). As synthesis emphasizes similarities and ignores valued differences, merging is non-permanent. Synthesis gradually favours one quality over another due to the need for contrasting qualities (Smith & Lewis, 2011). After having been synthesized, the resulting thesis (C), eventually becomes the subject of an antithesis (D), resulting in a new tension (Bledow et al., 2009; Nonaka & Toyama, 2002). Dialectics are paradoxical whenever two contradictory options are interconnected (Smith & Lewis, 2011). These examples made it clear that sometimes similar concepts as dilemmas and dialectics are hard to distinguish from paradoxes since they can be paradoxical themselves.

Both organizational issues and levels of analysis have been identified with clashing yet interrelated components (Smith & Lewis, 2011). Levels where tensions can exist are individual, dyad, group, project, and organization (Markus & Kitayama, 1991; Argyris, 1998; Smith & Berg, 1987; Van Marrewijk et al., 2008; Cameron & Quinn, 1988). It is possible for paradoxical tensions to cascade across levels as well, such that events on one level can contribute to (new) challenges on another (Smith & Lewis, 2011). For instance, leaders, (middle) managers, and individual employees experience tensions as a result of organizational efforts to explore and exploit (Smith & Tushman, 2005; Gibson & Birkinshaw, 2004; Huy, 2002). Furthermore, tensions nested in innovation are outlined: strategic intent (profit versus breakthrough), customer-oriented approach (tight versus loose coupling), and designer's motivations (discipline versus passion) (Andriopoulos & Lewis, 2009). Based on above mentioned literature, there can be concluded that tensions occur on different levels within organisations and might influence each other. Tensions that are observed on the organizational level could be created by tensions on the individual level or the other way around.

In the process of setting up organizations, leaders are confronted with situations where they have to answer fundamental questions (Ford & Backoff, 1988). As leaders develop organizations, they must decide when, how, and what there has to be done. Leaders simultaneously define what they aren't going to do by emphasizing both goals and strategies while simultaneously creating tensions (Smith & Lewis, 2011). At the same time, this raises

the question of what different ways an organization can navigate the occurring paradoxical tensions. Lewis and Smith (2011) developed a model of dynamic equilibrium to illustrate how paradoxical tensions can be overcome and eventually make sustainability possible through cyclical responses. This model makes a distinction between tensions that are latent and tensions that are salient. The latent tensions present in organizing processes are the contradictions and the interrelationships between them (Smith & Lewis, 2011). Tensions that are latent in organizations become salient when they are experienced by organizational actors as contradictory and inconsistent (Smith & Lewis, 2011). In response, managers began to embrace paradoxical thinking, recognizing that competing tensions couldn't be resolved between two options since each strengthens the needs of the other, resulting in both/and thinking (Smith & Lewis, 2011). It is more likely for actors to accept paradox by identifying both values differences and synergies between competing forces (Langer, 1989; Suedfeld et al., 1992). In addition, behavioural complexity facilitates the acceptance of paradoxical tensions through its ability to adopt contradictory behaviours (Denison et al., 1995). Although, repression, denial, and splitting are defensive strategies to avoid underlying tension (Vince & Broussine, 1996; Smith & Berg, 1987). Actors can investigate the tensions' compelling relationship by assuming they can coexist (Peng & Nisbett, 1999; Rothenberg, 1979; Langer, 1989). Not accepting occurring tensions can lead to vicious cycles caused by both individual and organisational factors (Smith & Lewis, 2011). By accepting tensions, actors can devise more complex and challenging strategies for resolving them. Four proposed strategic responses can be utilised to deal with tensions. Firstly, acceptance which focuses on separating tensions and appreciating their differences. Secondly, spatial separation which focuses on dividing opposing forces among different organisational units. Thirdly, temporal separation in which one pole of a tension is chosen at one moment in time and switched at another moment in time. The final response strategy is synthesis, this focuses on finding a vision that accommodates the opposing poles. Within this commonly used typology, the first strategy focuses on acceptance, while the last three strategies try to resolve the underlying tensions (Poole and Van de Ven, 1989). Generally, tension studies address either splitting or synergistic integration (Bledow et al., 2009; Jarzabkowski & Sillince, 2007; Tushman & Romanelli, 1985). These resolution strategies can be seen as exemplary types which can be used simultaneously (Poole & van de Ven, 1989). The dynamic equilibrium model suggests this pair of strategies where paradoxical resolution refers to iteratively addressing alternatives while ensuring continuity over time (Smith & Lewis, 2011). Managers frequently adjust decisions based on dynamic changes, resulting in inconsistency most of the time. Actors are

therefore cognizant of long-term contradictions while making short-term decisions (Smith & Lewis, 2011).

Taken together, this section discussed what platform co-ops are and how they differ from capitalistic labour platforms. Also, specific tensions related to the (platform) cooperative characteristics and phases were mentioned. Some of the tensions that are mentioned in this section are market vs. cooperative, financial vs. social, supply vs. demand (e.g., Meijerink & Keegan, 2021; Parker & Van Alstyne, 2008; Broves, 2022). Although tensions are discussed, it remains limited in understanding if these tensions can be seen as paradoxical. For this reason, I brought the paradox theory in and discussed how paradoxes can be navigated by response strategies to enable long-term organizational success (Smith & Lewis, 2011). To enrich the literature, I want to understand what tensions occur within platform co-ops, investigate whether these tensions are paradoxical and explore how platform co-ops respond to these tensions.

3. Methodology

3.1 Research design

To answer the research question, this study builds on a qualitative method with semi-structured interviews. Exploratory qualitative research can be described as a type of research design that aims to both explore and deeper understand a particular phenomenon. This study is characterized by its flexible and open-ended nature and makes it possible for the researcher to provide others with new insights, ideas and theories based on the perception and perspectives of individuals (Mason et al., 2009). Participants of these studies can thus be seen as experts on the phenomenon that a researcher wants to investigate. In the context of this research, I want to explore and gain a deeper understanding of the paradoxical tensions that are perceived by representatives of platform co-ops. Exploratory qualitative research is considered a suitable method to use when there is a lack of sufficient information about the topic (Sarantakos, 2005). This is in my context a reasonable argument since there limited understanding of paradoxical tensions in platform co-ops. Moreover, exploratory studies may be used to investigate the feasibility of a study of a particular phenomenon (Sarantakos, 2005). Lastly, an exploratory study may generate new ideas and opinions about the focus of the research and could help to operationalise important concepts in the research by explaining their structure (Sarantakos, 2005).

The process of designing the exploratory study has three main components: preparation, development and refinement (Mason et al., 2009). I started the process by completing an exploratory literature review followed by defining the research problem and aim, and the overall research approach. The process of the design of an exploratory qualitative study began with considering the type of information that was to be generated. More concretely, the research goal of this study is to explore if occurring tensions within platform co-ops are paradoxical and investigate how platform co-ops deal with these. Gaining insights into what instigates and characterizes paradoxical tension and how these are dealt with requires grounded reasoning on the type of study. For this reason, existing literature on paradox theory is reviewed although knowledge is limited on paradoxical tensions within the platform literature. To gain information about paradoxical tensions in platform co-ops, I used a cross-sectional design in which I analysed data at a single point in time. Longitudinal

studies where data is collected at multiple time point from the same representatives is beyond the timeframe of this research (Rosnow & Rosenthal, 2008). Through interviews, a more in-depth understanding is gained before conducting the coding process of the interviews. In the coding process, a thematic analysis of the interviews, the context, patterns and emergent themes are identified.

3.2 Selection of respondents

It was already explained that exploratory research is conducted due to investigate the phenomenon of paradoxical tensions. Within this research process selection can be seen as a crucial part of empirical research and largely determines the extent to which you can generalise your findings to the larger target population (Gerring, 2004). A stream of researchers argued that it is not important to choose rigorous or systematic sampling in qualitative studies since these can generally be seen as small-scale studies (Mason, 1996). Another stream of researchers highlights the importance of the sampling process to achieve the transferability of qualitative research findings (Malterud, 2001). To answer the research question, I have to interact with stakeholders to gain an initial insight into paradoxical tensions. Often this includes putting oneself deliberately in the field to gain an initial understanding of the context (Stebbins, 2001). The stakeholders that are selected for this research have been defined as ‘representatives of platform co-ops’. These representatives are founders, CEOs, board members or managers of online platforms which can provide us with new information about tensions that they perceived in setting up or running the platform. It is important to speak to specifically these representatives since I expect that they have to deal with paradoxical tensions that demand response strategies based on their position in the company. Looking at the governance structures of the platform co-ops, I see different ways of governing the platforms e.g., CEO, board of directors or member-owned structures. I tend to use the word representatives in the study since this includes all the different ways a platform can be governed. I deliberately do not mention the word ‘owners’ in the research question since it conflicts with the cooperative nature of the platforms.

To investigate the paradoxical tensions, I used a cross-sectional research design in which I analysed data at a single point in time. I already know from the literature that paradoxical tensions ‘persist over time’ (Smith & Lewis, 2011). I, therefore, selected seven different platforms and assume that tensions within these platforms are related to their respective nature and situation. The biggest group of these platforms are already operational

and therefore interesting to investigate which tensions they potentially face in managing the platform. One of the platforms is in transition to become a cooperative and therefore interesting to further investigate if they face tensions related to this transition. There is also a platform included that is currently not operational anymore and from this point of view interesting to further investigate. Regarding the type of platforms selected, they all share fundamental similarities. They are all platforms with cooperative nature (1), all of them are platforms which match the supply and demand of labour with their digital environment (2) and all of the platforms have at least one representative available to cooperate within this research (3). The exploratory interviews with the representatives of these platforms are primary data, which are collected first-hand (Yin, 2018).

3.3 Data collection

To collect data from representatives of platforms, semi-structured interviews are conducted. This data collection method relies on asking questions within a predetermined thematic framework and can be defined as an exploratory tool. An interview can be considered more interactive compared to a survey (Adler & Clark, 2014). By conducting an interview, I could ask questions directly to the respondent. Interviews often offer a more personalized exchange of information, as compared to surveys (Adams et al., 2007). All interviews were conducted online.

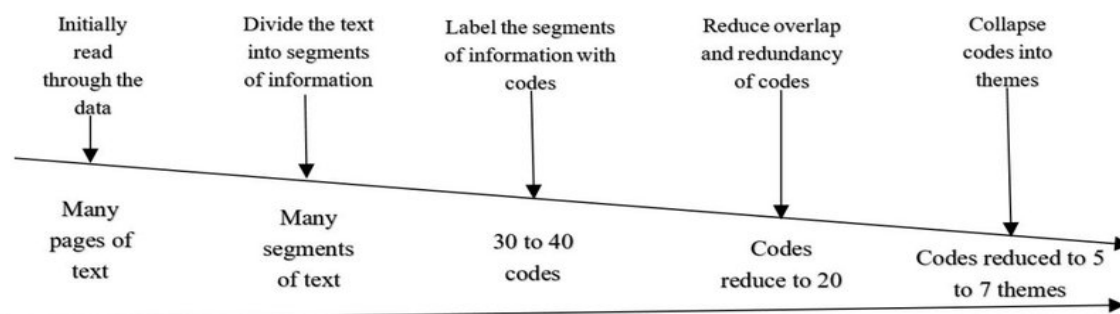
Since the research question is exploratory in nature, I choose to conduct semi-structured interviews. Combining elements of structured and unstructured interviews gives semi-structured interviews the advantages of both: comparable, reliable data, and the flexibility to ask follow-up questions. To guide these interviews as best as possible, an interview guide is made which covers theory-related themes (see appendix I). This interview guide consists of some fixed questions that are closely related to the already described theory on paradoxes. Apart from these fixed questions, there is the option to ask additional questions if the interviewer found causes within the interview to ask them.

3.4 Data analyses

Yin (2018) emphasizes the importance of a rigorous and organized data analysis approach. He suggests that researchers should follow 4 steps in analysing data: organize, code, analyse and present the data (Yin, 2018). Transcripts were used to organize the data that is collected from the interviews into manageable units. To create a coding scheme, the transcripts of the interviews were used. With the help of the coding scheme, important themes and patterns in the data can be identified and labelled. The key concepts and categories must be determined before applying a coding structure to the data (Yin, 2018). To structure the coding process, the model of Creswell (2002) is used (see Figure 2). The themes that are generated through this model illustrate characteristics of paradoxical tensions that platform co-ops face. The coding process identifies key factors and descriptive characteristics and can be partially based on the knowledge of the theoretical model (Creswell, 2002).

Figure 2:

The systematic method of segmenting data



Note. Adapted from 'Educational Research: Planning, Conducting, and Evaluating Quantitative and Qualitative Research' by Creswell, J. (2002).

To code qualitative data, Creswell (2002) uses a systematic method of segmenting the data, assigning codes to these segments, and organizing these codes into broad categories. Repeated readings of the data allow the coding scheme to be refined and revised, ultimately leading to a deeper understanding of the phenomenon by analysis. To analyse the data from the interviews I used the technique of looking for patterns and themes across and within the different transcripts and developing explanations or theories to explain the findings (Yin, 2018). Ultimately, the findings are presented clearly and organised by utilizing visual aids to support arguments.

4. Results

This section presents the results of the analysed data after coding the interview transcripts. For this research, 10 interviews were conducted with representatives of OLPs with a cooperative or social nature. These semi-structured interviews were all centred around the topic of paradoxical tensions that might occur and are perceived by these representatives. The section is structured as follows: first, a description of the platforms included in this study has been provided. This gives a better understanding of the organisational context in which the tensions were investigated. Second, it is explained that an overarching main tension emerged. Third, the sub-tensions are described according to the phases in which they manifest themselves.

4.1 Descriptions of the platforms

The results of this research are based on the 10 interviews that were conducted with representatives of seven different OLPs. All platforms are similar to each other due to three main elements: they have a cooperative or social nature, all of them match the supply and demand of labour and all platforms make use of a digital infrastructure. As already explained in the method section, not all participants are platform co-ops in the same form. Some platforms have their focus on the platform and others on the cooperative. What the platforms have in common is that somewhere on the scale between platform and cooperative, these character traits merge. What I now indicate per participant is what they do in broad terms and in what way they are or become cooperative. The information used to describe the platforms originates from interviews with the platform's representatives and their websites. To ensure respondents' anonymity, I chose to substitute the exact name of the platform for a collective name. To avoid any identification towards respondents, I will not refer to the websites of the OLPs. The different platforms with their specific traits are separately discussed in the following sections.

4.1.1 Hospitality platform #1

The first platform that is included in this research has been named 'hospitality platform #1'. Within this study, I spoke to two respondents from this platform. They are connecting travellers with local hosts, where half of the commission is redirected to local

community projects. In this way, hospitality platform #1 makes it possible for travellers to contribute with their travels directly to the sustainability and well-being of the local communities they visited. The headquarters is located in Bologna but hospitality platform #1 is operational in countries outside Italy for more than three years. The platform has a cooperative governance structure with a board of management and general assembly. One of the financial streams of the platform is provided by its members with their entrance fees. Apart from the deposit by members, the platform can find new investors, sponsors and sell their services.

4.1.2 Hospitality platform #2

The second platform is also active within the tourism industry and has therefore been named 'hospitality platform #2'. Within this study, I spoke with one representative from this platform. Hospitality platform #2 strives to make tourism more socially, environmentally sustainable and fairer. They made the choice, in this first stage, to promote and support the redistribution of another platform and make use of their online marketplace. Most of the redistribution goes to the local projects they support. Hospitality platform #2 is less than one year operational and located in Belgium. Hospitality platform #2 is in transition to become a cooperative with a member structure. The financial stream the platform does focus on is the search for (sustainable) investors and revenues.

4.1.3 Delivery platform

The third platform which is included in this research is given the name 'delivery platform'. This name is related to the delivery industry in which this platform operates for one to two years now. This platform can be defined as a grassroots meal delivery platform which is focused on the market in the Netherlands. Instead of having a traditional top-down structure like most of the competitors, the deliverers are also the entrepreneurs who run the business on this platform. Within this study, I spoke to one representative. This representative mentioned that the platform is currently in transition to become a cooperative. The platform has used private capital and a loan with flexible terms to establish the platform. Besides these financial flows, the platform also derives income from orders placed on the platform through commission. It is also interesting to mention that the majority of the people working for this platform also work for larger platforms such as Deliveroo and Thuisbezorgd. This means that

the income that individuals make does not only lean on the supply of work from the cooperative delivery platform.

4.1.4 Restauration platform

The fourth platform that is part of this research has been named ‘restauration platform’. Although the food delivers are an important party within this platform it cannot simply be called a delivery platform since more parties are involved. This platform connects deliverers, restaurants and food consumers from their headquarters in Montreal (Canada) and is two to three years involved in the ‘restauration’ industry. Within this study, I spoke to one representative from this platform. Looking at the information provided, the governance structure of the restauration platform is cooperative with both a global and regional board. The board is elected by the members and therefore democratically chosen. The platform's financial flows are formed by the commission affiliated parties pay per order and capital provided by investors.

4.1.5 Service platform #1

The fifth platform involved in this research has been named ‘service platform #1’. This name is based on the online marketplace created by this platform where products and services from local co-ops are offered. By purchasing on the platform, the customer supports individuals for whom the path to regular entrepreneurship or employment is not working. These individuals can still participate and use their (entrepreneurial) talents by using this platform to offer their service or products. Service platform #1 is located in the Netherlands and focused on local and national markets for one to three years. I spoke to two respondents, who together gave insights into the operations of this platform. Despite being cooperatively organised, this platform cannot yet be seen as cooperative. For example, although the platform works with a membership structure, it has yet to form a board to govern it. The platform was able to fund its start-up phase from the capital it won during a business challenge. Service platform #1 is now searching for additional funding and plans to ask its members to pay a contribution in the future.

4.1.6 Service platform #2

The sixth platform, like the previously described platform, focused on offering services through its digital environment and has therefore logically been named service

platform #2. Service platform #2 has one notable major difference from the other platforms since it is not operational anymore. The platform operated for 3 years locally in Pittsburgh (USA) where it provided a platform for self-employed people. Service platform #2 facilitated marketing, sales, payment, customer service ratings, and performance verification. The platform was designed to connect participating local businesses and customers to any other local members. In addition, they had workshops, and incubator-type sessions so that if people were interested in starting a cooperative business, they could do that with the help of this platform. Service platform #2 had two classes of members, one is the people that purchase services and the other is the people who offer their service within the platform. The platform was organised in a truly cooperative way with a membership structure. The financial streams of the platform were formed by the nominal fee that was paid by the users and investments done by investors.

4.1.7 Matchmaking platform

The last platform involved in this research has been named ‘matchmaking platform’ since it matches jobseekers with recruiters. The jobseekers have all in common that they have a distance from the labour market for a variety of reasons. The matchmaking platform gives jobseekers the chance to get guidance on barriers they perceive when executing their jobs. The matchmaking platform is located in the Netherlands and is focused on national markets for less than one year. I spoke to two respondents, who together gave insights into the operations of this platform. About the financial streams, these representatives said that the platform is in search of seed from fund parties such as Rabo Foundation. In addition, the platform gets revenue through monthly subscription fees paid by employers who are on the lookout for job seekers. The matchmaking platform is a cooperative in transition which demands the representatives to make choices. One of the choices that already has been made is to split the cooperative part from the matchmaking part, where the cooperative has no revenue model attached to it. An example of the choices that still have to be made is the formation of the board.

4.1.8 Characteristics across platforms

In the descriptions of the platforms, I see in almost all cases that the platforms are focused on making a social impact, doing fair business or striving for solidarity. These focus points make the involved platforms equal to each other in terms of their mission. The results

show that the platforms can be distinguished by their financial streams. For example, not all platforms are (yet) engaged with investors, receive subscription money from members or co-benefit from revenues. Moreover, not all platforms are yet cooperative in their governance structure. Apart from the similarities and differences that can be seen based on the characteristics of platforms, it is interesting to see what choices the representatives are making in light of these platforms. It is even more interesting what the underlying reasons are for the choices made by these representatives. It could be that the representatives make certain choices because of the manifested tensions in specific situations. In the next chapter, I will take a closer look at these tensions and describe how representatives deal with them.

4.2 Findings

To present the findings logically, first the phases in which tensions manifest are discussed. According to the literature, tensions manifest themselves in the phases of setting up and managing the platform (Benabdallah, 2022; Borkin, 2019; Bunders et al., 2022). In the context of the interviews, designing the platform is seen as a sub-phase of setting up. Even though designing is part of setting up the platform, I want to draw extra attention to this (sub-)phase as it recurred as a major theme within which tensions are perceived. Reference will be made to these three phases when discussing the tensions perceived by the representatives. In addition, it is important to note that not all platforms were able to respond to all phases. As explained in the description of the platforms, some platforms are still in the start-up phase or recently launched. This means that not everyone was able to give an insight into all phases. First, I take a closer look at the main tension reflected in the interviews with the representatives of platform co-ops. Second, the sub-tensions are explained according to the phase in which they manifest themselves.

4.2.1 Main tension

The main tension that emerged in the (sub-)findings was market vs cooperative. This tension was introduced in the theoretical framework and also empirically proved to be relevant in the context of platform co-ops. The tension focuses on the market ideology on one side and the cooperative ideology on the other side. The main characteristic of cooperative action, arising from its ideology, is the goal to serve the social and economic well-being of members. The importance of acting in the interest of the collective is central to this ideology (Mazzarol et al., 2018; Novkovic, 2008). Thinking and acting in line with the market

ideology focuses mainly on managing economic determinants such as profit, growth, or sales maximisation. This is, in contradiction to the cooperative ideology, mainly focused on benefiting the few (Robb et al., 2010; Scholz, 2016). The following quotes by the representatives reflect the perceived tension between both elements:

“We created a cooperative that provides our members with a lot of freedom and opportunities. Conversely, we do expect effort from them in maintaining and promoting our business. In practice, we see that this is not always aligned with each other. It sometimes seems as if members want all the advantages of a cooperative but are not willing to put energy into it. In addition, we don't see high loyalty from everyone either. For example, if there are greater (financial) benefits elsewhere, they easily decide to leave. In my opinion, this is a bigger problem in today's society.”

- Hospitality platform #1

“We are in the process of setting up a cooperative through which we want to make a social impact. Therefore, we try to surround ourselves with people who also pursue the same goal. We often see with similar initiatives that things go wrong at some point because there is friction over what should be targeted. For instance, shareholders and investors not acting out of social ideology but demanding a return on investment.”

- Hospitality platform #2

The market element can be seen in individualistic actions aimed at improving one's (financial) position. From the quotes, it became clear that an individual is not always looking for alignment with other people or considering if their actions contribute to the collective but opt for his or her own advantage. In contrast, the cooperative element focuses on acting collectively to achieve social impact. Here, the individual positions of members are subordinate to the larger collective goal being pursued. The representative of Hospitality platform #1 indicates that there is not always an equal 'give and take' relationship between the cooperative and its members. This is evident among members who receive benefits from the cooperative but do not put a similar effort in return. Where the cooperative ideology is driven by the achievement of joint results, the individuals show behaviour that is more in line with a market ideology. The individuals thereby prioritise their own benefits when a better opportunity arises elsewhere. The representative of Hospitality platform #2 indicates that this contradiction also emerges from shareholders and investors. Although they have not yet perceived this themselves, they see in similar initiatives that these stakeholders demonstrate behaviour that fits a market ideology by focusing purely on ROI. In doing so, Hospitality

platform #2 wants to do this differently by only engaging with people who have equivalent goals. It has emerged that the sub-tensions (that further will be discussed separately) have a strong connection to this main tension, in a way that the sub-tensions seem to be a manifestation of market vs. cooperative. In the remaining sections, the phases with their sub-tensions and their relationship to this main tension will be discussed.

4.2.1 Sub-tensions in setting up the platform

In this section, I elaborate on the sub-tensions perceived while setting up the platform. Based on the literature, this phase deals with all actions related to governance, technology, growth and capital (Borkin, 2019). As indicated earlier, the design (technology) is treated as a separate phase because it emerged as a higher-order theme in the coding process.

Investing vs. controlled attitude

The first tension identified in the setting up phase is an investing vs. controlled attitude towards the resources. From the interviews it can be seen that this tension is centred around the need that representatives of the platform co-ops are feeling to invest in starting, growing or professionalising the business by utilizing resources. However, they simultaneously deal with the limited availability of these resources. There is a key component of this tension that focuses on making an investment and thus taking a risk since investing does not guarantee success beforehand. Contradictory, limited resources demand a controlled attitude towards utilizing resources such as money. Representatives must have sufficient resources at their disposal to meet recurring financial obligations. One of the representatives is mentioning the following in light of this tension:

“Getting the technical side of the platform up to a good level is quite an important job. This actually takes a bit more time than we expected. And yes, we also have to build our community again which also takes quite some time to get that side right. Unfortunately, we don't have the unlimited resources to invest in both sides at the same time and therefore choose to focus on the technical core first.”

- Service platform #1

This quote highlights the limited resources tension perceived while setting up a platform co-op. Specifically, the tension the representative feels is in the need to invest resources to build and develop the technical core of the platform on one side. On the other side, this phase demands representatives to build on the community of the platform. The representative of

service platform #1 is in a situation where limited resources call for a controlled attitude towards expenses. However, the phase in which the platform finds itself requires investment to make a development. Two major investment opportunities arise where the platform does not have the luxury of investing in both opportunities simultaneously due the limited resources. This situation calls for a clear choice from the representative. Although it is indicated that there are limited resources, it is still chosen to invest. In addition, a choice is made to invest in one of two investment options. In doing so, the choice is made to invest mainly in the technical core of the platform. Two representatives add the following regarding this tension:

“The business plan has been made thoroughly, but the problem is taking that starting step to get that wheel going and spinning faster. Getting that wheel going is quite complex because we need resources to invest. We are looking for capital and that is where the chicken and egg problem rises. Before people want to invest their money, they want to see that our plan works. However, before we can show that our plan works, we also need their resources.”

- Hospitality platform #2

“I am convinced that we need upfront capital to show that our platform works. But investors don't want to provide us with that right now. So, we have chosen to put a lot of our own time and energy into everything related to setting up the platform. If we would have had a budget for that, we could have set it up in a more professional way with marketing professionals. Now we were forced to make cheaper choices.”

- Matchmaking platform

The representatives' perception describes the chicken and egg problem in light of this tension. The chicken-and-egg phenomenon in the start-up phase of a platform is a commonly described problem in the literature (Evans, 2009; Nguyen 2017, Wanner et al., 2019). It's a metaphoric adjective that describes a situation where there is unclarity which is the cause and effect (Wanner et al., 2019). The chicken-and-egg problem related to this tension emerges with potential investors that want to see if the model is feasible before they are investing their money. At the same time, the platform co-op needs funding to invest to get the process going and be able to show its feasibility. The quote of the representative of the matchmaking platform strengthens the chicken and egg problem that is mentioned earlier since the platforms need to have resources before they can show that their platform work. From an investor's point of view, it is important to see the feasibility of the platform before they will

invest. It moreover highlights the limited resources these representatives of platform co-ops have to deal with. The representative of the matchmaking platform specifically points out that investing more money in marketing will lead to more professional platforms and the ability to show the platform's potential. However, the limited resources of these platforms force them to make less cost-intensive choices. Based on this example, I see that the matchmaking platform chooses to focus on investing in cheaper alternatives. With this choice, the platform tries to balance both investment and limited resources sides since they do investments but requires them to be cost-effective.

There can be seen that in the set-up phase, all three representatives give evidence of the tensions they perceive around limited resources. Thereby, the situation in which the platform finds itself demands behaviour that typically suits market thinking namely investing. However, the platforms have to deal with limited resources and therefore demand a controlled attitude towards resources which can be linked to the cooperative or social nature of these platforms. In this situation investors are reluctant to step in because no financial successes can be presented yet. This also shows that this tension perceived by the representatives has a connection to market thinking on one side, and on the other side cooperative thinking. The limited budgets require well-considered choices from representatives who thereby generally choose to spend the money on a single aspect (e.g., the technology side). It is interesting to see that, although it is the same tension the way how the representatives perceive this tension differs.

Financial vs. social

The second tension that is mentioned frequently by representatives when setting up the platform is financial vs. social. Although both financial and social are very broad themes, this tension focuses on choosing and balancing financial and/or social objectives in the start-up phase of the platform. Choosing such objectives can be seen as a fundamental choice because these are the ultimate milestones an organisation wants to move towards. However, the field of tension is not always making a simple choice in formulating objectives. This tension is focused on the balancing act that representatives have to make between the platforms' social ideologies and the financial obligations that are related to them as 'traditional' businesses. One of the representatives is mentioning the following related to this tension:

“It is a combination of ideology on the one hand - we want to make the world a bit better with our product - and the reality that we live in a capitalist society. If we no longer pay the bill for our tools or people in the future, they pull the plug. So, it's just that simple.”

- Service platform #1

This quote highlights the field of tension that platform co-ops face in terms of financial vs social. Here, the representative of this platform mentions that they would like to contribute to making the world a better place with their platform. On the other hand, the reality is that they are positioned within a capitalist society that demands financial obligations. This makes it necessary to meet financial obligations and not purely focus on achieving social objectives. So, it seems there is no choice within this tension to focus primarily on social objectives over financial objectives, rather the challenge is to allow these two forces to coexist. The balancing act related to this tension looks differently based on the information that is provided by the representatives:

“We believe that the reliability we project to the outside world is very important. We always overthink things before we start something new. We can afford this because it is also a social goal. Of course, we also want a return on investment later on, and I am confident that we will succeed. But it is also really intended as a solution for a group of vulnerable people who want to do business and as a solution for companies to invest their money in an inspiring way.”

- Service platform #1

“We are eager for new hosts within our platform. They will strengthen the supply side and make us more attractive as a platform towards customers. However, I have already turned several of them down, based on the fundamental criteria that we maintain that they have to be fully legal.”

- Hospitality platform #2

This data again shows that the tension is particularly focused on balancing financial and social objectives. The pain point here is that organizations are founded on social ideals and therefore feel them intrinsically, but reality demands that financial obligations be met. When balancing, different choices are made by representatives of these platforms. For example, the representative of service platform #1 clearly shows they have both social and financial goals in mind. Although the platform believes that objectives are not mutually exclusive and can

coexist, there is a higher priority on social objectives. This is particularly visible in the representative's comment about obtaining a return on investment 'later on'. The representative of hospitality platform #2 indicates that the social side is emphatically considered when attracting new hosts. Even though the organization is expressly looking to supplement their supply to do business, I see a choice to guard the social goals. With this choice, the representative of the platform shows that financial and social elements are not necessarily mutually exclusive but do lead to making choices in situations where they are. For example, the platform's representative indicates that it will not take on new hosts, and thus not meet financial targets, if it conflicts with the organization's social goals.

This empirical data displays the difference in dealing with this tension by these representatives of platform co-ops. Although both representatives indicate seeking a balance between the financial and social elements, we see the representative of hospitality platform #2 clearly guarding the social objectives. The quotes also indicate a clear link to ideologies in this tension. Here, for example, the market ideology emerges with the realism that money has to be generated to keep the platform operating. The cooperative ideology emerges in the solution that the platform wants to provide for a group of vulnerable individuals. In doing so, it is striking to see that respondents seem intrinsically more focused on making social impact and achieving social goals but reality and the traditional economic system require market thinking.

Radical vs. incremental

The final field of tension that has been proven relevant when setting up the platform co-op is radical vs. incremental. Although also named differently (continuous vs. episodic) this dualism of change is already identified in the organizational context (Weick & Quinn, 1999). This tension is focused on change or growth that on one side has a more radical nature. The radical change in the scope of organizations can be defined as more drastic and fundamental changes in organizational elements such as structures, culture or objectives (Nadler, 1981). Incremental changes can be defined as slower and more continuous changes that are made by organizations (Brown & Eisenhardt, 1997). Both types of changes reflect the nature and pace of engaging new ideas (Smith & Lewis, 2011). The radical vs. incremental change is perceived differently by the representatives of platform co-ops:

“We are forced to build out in phases, by starting with local parties that are already known by us. This is more or less the low-hanging fruit to create some traction. In this first phase,

we can learn and improve to have a better story before going to big parties. Our story is very important so we have to build it up a bit more slowly.”

- Service platform #1

“We are choosing to grow more in phases. We do not have a large investment group behind us that gives us time and money to experiment and climb very quickly to the level of service we aim for compared to other platforms like Uber or Indeed. So, anything we change or optimise has to be done step by step.”

- Matchmaking platform

These results show the tension of incremental vs. radical that the representatives of these platforms are dealing with when setting up the platform. From the quote, it becomes clear that platform co-ops are keen to continue developing and growing. Both platforms choose to make a phased growth with the platform. The difference between the platforms' choices is their incentive. The representative of service platform #1 reveals the choice made for phased growth due to maintaining the story and trustworthiness of the platform towards stakeholders. As highlighted in the description I gave earlier, the platform focuses on people with a migration background who want to start a business in the Netherlands. The fact that storytelling and reliability are important for the platform can therefore be explained by the target group and the social mission the platform focuses on. Since the representative cites this as the main argument for choosing incremental change, it assumes that a radical change would compromise these elements which is in line with the social ideology. So, within this field of tension, the representative opts for slower and continuous growth to maintain the story and trustworthiness. It is clear from the quote from the matchmaking platform representative that the choice is made for incremental growth but there is an underlying desire for radical growth. The desire for radical growth is in line with a market ideology since the organization wants to develop its service to an equal level compared to competitors. The incentive to decide in favour of incremental growth is the lack of resources that radical growth requires. So here it can be seen that the choice the representative makes is not fully aligned with the intrinsic desire he feels. Without the representative indicating exactly how the tension is felt, this does seem to indicate that a choice is made by the individual because the tension was felt. Moreover, the argument from the matchmaking representative exposes that within a field of tensions, there can be an overlap with other elements and tensions. Thus, it becomes clear that this representative makes a choice based on limited resources which was one of the two elements from another tension discussed earlier. So, zooming in purely on this

tension, it can be seen that both platforms choose incremental change/growth but the arguments for doing so diverge.

4.2.3 Sub-tensions in designing the platform

In this section, I elaborate on the sub-tensions perceived while designing the platform. In general, this deals with all actions related to the questions of what elements have to be implemented in the technological infrastructure. As indicated earlier, the design of the platform is treated as a separate phase because it emerged as a higher-order theme in the coding process.

Financial vs. social

The first tension found in designing the platform is financial vs. social. The tension with the elements of financial and social is something also noticed in setting up the platform. Although it is a tension with the same thematic elements, it is interesting to see how the tension manifests itself in a different context. The tension between financial vs. social focuses, when designing the platform, on situations where representatives had to choose to implement their social ideologies in contrast to stimulate economic results with elements in the design. The complex part of this tension is that choices have to be made about how the design of the platform will look like. The choices themselves may not seem complex at first glance; for example, they may involve whether or not to introduce a review system. However, the argumentation and reasoning of the representative for the choice made is something that may stem from a perceived tension. The interviewed respondents made different choices in this regard and mentioned the following:

“For example, the option to implement reviews in our platform. We can ask for reviews, but it's not that people can put a review on our platform that will be visible immediately. Although they can also influence purchasing behaviour from consumers, we strive to protect the people that sell their products. If there is a bad review, we will definitely contact them or at least the corporation. But we don't want them to be immediately visible because of the vulnerability of the people. (...) We thereby accept that we deviate from the traditional layout in the platform world.”

- Service platform #1

“It's very important for us to understand user behaviours, which also explains the layout of the website. People are used to a standard layout of the website, so we have to facilitate them

with this same sort of interface. At the same time, we have a lot of things on our platform which doesn't exist on traditional booking platforms. They do not contribute to social projects and don't write about sustainability or how to become a fair and local host. So, I think we have a hybrid model.”

- Hospitality platform #1

The representatives' ways of dealing with this tension in the design phase differ from each other. The representative of service platform #1 chooses the social side over the financial side by not implementing the review system within the platform. Not implementing this review system in the platform has a social argument by protecting vulnerable sellers from bad reviews. With this choice, the platform intentionally skips the chance to stimulate the purchase behaviour of consumers. The quote of the representative of Hospitality platform #1 shows that this platform is trying to balance both the financial and social sides. They have chosen to adopt a similar design to traditional platforms. By doing so, the platform wants to align its platform to the standard user behaviour in the travel industry. At the same time, they want to educate their users with social and sustainable elements within the platform. So, although this seems to be about making a simple choice between implementing or not implementing things in the design of the platform, there is a deeper tension underneath. The choices the representatives of both platforms make are different, but the ultimate question they both face is 'Do I want to help achieve social or financial goals by implementing elements?' In doing so, you see a connection to the tension described earlier in setting up the platform where social objectives cannot simply be chosen alone because ultimately, the platform simply has to generate traffic. From this, I can again conclude that platform co-ops have to deal with the fact that they are situated in a system that demands market thinking. Although acting according to a market ideology is not always identical to a social ideology, I can see that respondents are searching for an ideal balance by implementing elements from both ideologies.

Control vs. Autonomy

The second tension found in the phase of designing is control vs. autonomy. This tension has not occurred in setting up the platform but has proved relevant in designing the platform. This tension in the phase of designing relates to the trade-off representatives had to make to implement control mechanisms in the design or give members autonomy. Controlling members or giving autonomy is also potentially connected to the management of

the platform which will be described later. Within the design phase, this tension is however more focused on implementing elements in the actual design of the platform and therefore the distinction can be made. One of the arguments that got the cooperative movement started was the negative comments around capitalist platforms restricting the autonomy and freedom of choice of their employees. Up front, this is a very interesting tension because the cases included in this research are all co-ops or in transition to becoming a co-op. The question here is how the platforms deal with these tensions, considering the fundamental elements underlying cooperativism (Scholz, 2016; Papadimitropoulos, 2021). Representatives of the platform co-ops mentioned the following in the scope of this tension:

*“We want the platform to be designed in a way that candidates and employers can make the match together, rather than us playing a dominant role in it. If you are a social platform like us, I think that also equates to autonomy as opposed to traditional controlling members. (...)
This means that we have to make conscious choices in our design.”*

- Matchmaking platform

“Colleagues from other platforms often try to monitor everything strictly. They, for example, give them fewer options to personalise their profile and prevent them in every way possible from doing business outside the platform. I wouldn't do it that way because we hear a strong argument from hosts on platforms that they get too much encouragement and too little ability to do their own thing. We then have to live with the fact that a small group is misusing our platform rather than controlling everybody to prevent it. (...) Although I have to admit that misuse of platforms is a big problem in our industry.”

- Hospitality platform #2

Both representatives of the platforms provided situations where they choose to give autonomy to their users or members. The representative of the Matchmaking platform told that they choose to design their platform in a way that the match between job seeker and recruiter can be made directly without the involvement of the platform. They concretely made it possible that these two stakeholders can have their conversations directly. From the choice made by the representative, it is clear that giving autonomy to the users of the platform is such a priority that it also means that the design is aligned accordingly. The representative of Hospitality platform #2 makes it clear that different choices are made by platforms on how much freedom members are given in creating their profiles. By giving strict frameworks, platforms try to counteract business outside their platforms. Hospitality platform #2 on the other hand, believes it is important to give as much freedom as possible to its members. This

means they consciously choose to be less controlling compared to colleague platforms and accept the higher risk of misuse of their platform.

The introduced risk of users misusing platforms is an interesting point which might refer to the behaviour of consumers that is more market than socially aligned. Where platform co-ops try to be an alternative to traditionally existing platforms, they still seem to be overtaken by reality where consumers continue to conform to market behaviour. This trigger seems to be the reason for representatives to think about integrating control mechanisms into their platforms. Controlling members or users is in line with the traditional way of running a platform and equals more or less the market ideology. Giving autonomy and control to members or users is in line with the social way of running the platform and thus theoretically more suitable for platform co-ops. However, the quotes provided insights that control mechanisms are still integrated due to intervening preventively. This scratches the pain point of the tension between control and autonomy that is perceived. Giving autonomy and freedom to users or members of a platform and thus not implementing a control mechanism equals not being able to control and intervene when needed. Where other platforms try to prevent business from being done outside the platform, it becomes clear that Hospitality platform #2 accepts that a small group might misuse the platform.

Uniformity vs. Diversity

The final area of tension that emerged in the design of the platform is uniformity vs. diversity. This tension is related to choices to strive for uniformity in design or respect the diversity of members. The design can, for example, be shaped in a way that the uniqueness of members is highlighted. In contrast, a platform can also choose to give strict frameworks to users of the platform to create a uniform design of profiles, for example. The balancing act within this tension looks differently based on the information that is provided by the representatives:

“We hired a copywriter because we noticed that the texts of members on the platform were very different from each other. We didn't show unity as a platform so that's why we searched for someone to transform their texts.”

- Service platform #1

“On the one hand, as a rule of thumb, people who belong to the vulnerable target group often don't like to show this off. On the other hand, employers do want to know this in advance, and

for reasons of efficiency and transparency, you shouldn't hide it away, causing them to drop out of the selection process later on. So, on the one hand, we actually have a fair amount of information according to a candidate, much more than most other platforms to fill in. But the candidate is always reminded that they just fill in what they inherently want to fill in. This is reflected in the few mandatory fields.”

- Matchmaking platform

From this data, it becomes clear that platforms are making attempts to balance both uniformity and diversity. However, when balancing, different choices are made by representatives of these platforms. For instance, the representative of Service platform #1 indicated that uniformity is important when designing the platform. Members of the platforms are writing their texts on the platform but the platform is transforming this text to a more uniform style. Whereas the representative of the matchmaking platform indicated that the diversity of their members is important to them. This results in a lot of freedom for the members to only deliver information that they want to deliver. On the other side is the platform trying to stimulate uniformity by the questions they ask to fill in related to their possibilities towards a potential employer. This empirical data displays the difference in dealing with this tension by these representatives of platform co-ops. In addition, from the quotes and choices both platforms make in terms of this tension, a key point can also be filtered out. When it comes to design, it shows what both platforms feel is important to convey. Thereby you can see that one of the two representatives finds it important to express uniformity and thus wants to have a more aligned and attractive design towards visitors of the platform. With this choice, the platform shows that having an attractive design is a higher priority than diversity. In addition, just as mentioned once before, you can see that there is an overlap with another tension namely control vs. autonomy. Namely, the moment the platform gives freedom to users, diversity can emerge because everyone is doing things their way. In contrast, when the platform tries to control the situation by exuding uniformity there is more limited freedom and diversity. These findings reveal an overlap with the tension of control and autonomy as discussed earlier. When platforms impart strict frameworks to their members to exude uniformity, this is more or less a control mechanism. When platforms give freedom to members, this can lead to diversity.

4.2.4 Sub-tensions in managing the platform

In this section, I elaborate on the sub-tensions perceived by representatives while managing the platform. Based on the literature managing the platform co-op is linked to all actions that affect organisational performance (Benabdallah, 2022).

Financial vs. Social

The first tension found in the phase of managing the platform is financial vs. social. I already touched upon this tension in setting up and designing the platform, this tension is once again proven to be relevant in this phase. The tension between financial vs. social focuses on situations where representatives had to make day-to-day decisions based on social and/or financial arguments. The respondents that were interviewed used different arguments in this regard, they mentioned the following:

‘On average these cooperatives are started by socially-minded people. But we are also talking about entrepreneurship here. There are more and more entrepreneurs who, say, either get involved in local cooperatives or take the lead in new cooperatives like me. So, at some point, we also expect a much more business-like attitude from those cooperatives. However, if we take everything away as at once in a more paternalistic approach, then the support base will be lost.’

- Service platform #1

“In case we manage to find a party willing to invest. And we are some years further and have made virtually no progress with our platform. Then the investor will start adding pressure to achieve some financial results. I could live with pulling the plug if it turns out not to be a workable system rather than changing our whole business plan towards financial results.”

- Hospitality platform #2

“I think everything we do is built around the fact that we want to create something that is socially advantageous for people but we try to lead with the economic arguments because they're more grounded. So, it's harder for people to dispute that. We need to be a better business and not just a charitable business, however, our actions are very clear socially underlined in the whole organization.”

- Restauration platform

“To me, financial and social objectives are not at odds with each other basically. It's just that they need to be aligned across the different member classes. I think a lot of businesses don't

seek that alignment, which is where issues come into play. In my opinion, this is because executives are unaware of this or have no idea how to get the alignment sorted out.”

- Restauration platform

These results show the different arguments and choices that representatives make in managing the platform cooperative. One of the representatives perceived a trend where more and more entrepreneurs work within a cooperative context. From the entrepreneurial perspective, co-ops have to show a more business-type of attitude which is closely connected to using financial arguments. However, it is important to do this balanced since these co-ops are often shaped by social ideologies. The representative is therefore seeking a balanced way of managing these co-ops with both financial and social arguments. The other representative is leading with social arguments since it is more realistic to pull the plug and stick with the original business plan than change it towards financial results. The quote from service platform #1 shows very nicely that, according to the representative, a mix of two ideologies emerges in managing the platform. Whereas the platform is often started by people who are socially oriented, at some point a market-oriented attitude is demanded. The representative of the restauration platform confirms this by saying that the platform is ultimately a business and not a charity and therefore they try to lead with economic arguments. The quote from hospitality platform #2 also confirms that at some point tension arises due to intensified pressure from investors with economic desires. In all cases, it can be said that there comes a point when the platform is confronted with the capitalist nature of the market. This can come, for instance, from investors who are putting pressure due to their financial expectations against their executed investment. How the platforms respond to this pressure with their choices varies. For instance, service platform #1 says it seeks an ideal balance between market and cooperative attitude when managing the platform. The hospitality platform #2 indicates that they do not want to move towards market acting and want to stay with their original value-driven acting. Instead, the restauration platform indicates that market and social action are not always mutually exclusive. Moreover, the representative of the restauration platform mentioned that in his perception financial and social sides don't have to be at odds with each other. The key to dealing with this tension is to align both elements with the member classes they influence. This quote indicates that an important part of dealing with tensions the entrepreneurial skill to seek alignment is. From the view of this representative when this skill or sensitivity toward the tension is lacking issues will arise. It is therefore

variable to what extent the representatives show social and/or market behaviour when this tension is felt.

Control vs. Autonomy

The second tension found in the phase of managing the platform is control vs. autonomy. Similar to the tension of financial vs social, this tension also emerged in the design phase. Within the phase of managing the platform, this tension is focused on making choices by representatives that either are done to control members or give them more autonomy. Representatives of the platform co-ops mentioned the following in the scope of this tension:

“In fact, we are almost turning it into a kind of franchise because we will soon have our cooperative in each city. So, the deliverers in Haarlem can determine the policy for Haarlem, Nijmegen for Nijmegen and so on. Of course, some fundamental things will be arranged centrally and we will also consult regularly with each other to learn, monitor and improve. The reason we want to create some sort of structure is that our pilot without any structure was a failure (...) But, the basic premise of each city is, you can function on your own.”

- Delivery platform

“We have a policy on the terms of use of our platform and there is an article where we allow our user to use the communication channel just to organize agreements inside the platform. If we don't respect these terms, it's not good. They are aware of these terms and know that we monitor this. So, if it is needed, we can intervene and talk with the host.”

- Hospitality platform #1

Both representatives of the platforms provided situations where they either choose to control their members or give them autonomy. The representative of the delivery platform noticed that they choose to give freedom to co-ops in different cities to work in the way they want to work. However, it is also mentioned that this is within centrally arranged frameworks and with the help of regular consults and structure. In this way, this platform is balancing the tension by giving them autonomy but also controlling them with the help of frameworks and regular meetings. The representative of Hospitality platform #1 clearly shows that the platform is trying to prevent people from not respecting the terms of use and therefore monitor them. The platform makes choices based on controlling users by giving them terms on how to use the platform and intervening if this is not respected by them.

The tension between control and autonomy manifests itself in a similar way to the platform design phase. It is noticeable that the representatives indicate that members and users are given a certain degree of freedom. However, one cannot speak of complete freedom because members and users can only move freely within predefined frameworks. Here, the platforms seem to make a conscious choice to keep a certain degree of control to be able to adjust when the situation demands it. This again involves consumer or user behaviour, which the platforms still try to control. This raises the question whether controlling suits a cooperative or is just the traditional way of market-oriented managing.

Supply vs. Demand

The last tension found in the phase of managing the platform is supply vs. demand. This tension is not earlier discussed within the other phases and is focused on balancing the supply and demand side of the platform. The supply side consists of everything that the platform has to offer towards its users, in the scope of this research this is focused on labour. The demand side of the platform is focused on the request for supply from consumers or users. The representatives are mentioning the following about this tension:

“At Deliveroo and especially Uber Eats, from the platform's point of view, the ideal situation is that you have more deliverers than orders. This means you always have someone available to take an order. But for us as delivery drivers that's not ideal because there is not enough work for everyone. We also try to make sure that there is a good balance between the number of work and the number of deliveries so that we can all get an income out of it in the end. (...) This is sometimes risky because having more orders than deliverers means that we have to say no to potential new customers.”

- Delivery platform

“In the historic centre of Genoa, more than half of the accommodations are managed by big enterprises which are multi-host. So, these are persons who manage more than one listing. Although we really need more supply on our platform, these are excluded due to our one-host-one-house policy. (...) We have to admit as tourism industry that we need supply to survive.”

- Hospitality platform #1

These results show the tension of supply vs. demand that the representatives of these platforms are dealing with during the management of the platform. The representative of the delivery platform makes it clear that the platform search for an optimal balance between

supply and demand. Compared to traditional platforms in the delivery industry this platform is taking more risk to balance this demand and supply which might lead to situations where there is more demand than supply. The argument for trying to balance this tension is to create equal opportunities for every driver on the platform. With this choice, the representative of the Delivery platform shows social-oriented behaviour. However, the representative of the delivery platform states that saying no to new customers due to their low supply is not beneficial for the platform. It would therefore be very interesting to see how the behaviour of the representatives would develop itself when the platform experiences some situations where there is more demand than supply. The representative might show market-oriented behaviour and make other choices in order to prevent customers from leaving or miss the opportunity to attract new ones. The representative from Hospitality platform #1 is choosing to not stimulate the supply side of the platform at any cost although the platform clearly demands it. The reason for not always including every host relies on the social impact that the platform wants to make. From the social point of view, the platform is making efforts to only include supply that meets criteria in line with the social goals they are aiming to achieve. It would also in this situation be very interesting to see how the behaviour of the representatives would develop itself when the platform is in a situation where the supply of the platform needs to grow to survive. Indeed, the representative of Hospitality platform #1 indicated that the tourism industry the platform is in needs to have a supply to be operational. So, there is a kind of dependency relationship with the supply that presents itself. And it will therefore be interesting to find out whether the representative will show more market-oriented behaviour when it comes to the ‘life and death’ of the platform. Moreover, this result shows clearly that tension between demand vs. supply sometimes can be interrelated with the tension between social vs. financial.

Figure 3:

Overview of findings based on the perception from representatives of platform co-ops

a.	Setting up		Designing		Managing	
b.	Market	Cooperative	Market	Cooperative	Market	Cooperative
c.	Radical	Incremental	Uniformity	Diversity	Demand	Supply
	Investing	Controlled attitude	Control	Autonomy	Control	Autonomy
	Financial	Social	Financial	Social	Financial	Social

Figure 3 gives an overview of the abovementioned findings based on the perceptions from the representatives of platform co-ops. Firstly, there are three phases in which tensions manifest themselves **setting-up, designing and managing (block a)**. The phases follow each other over time and therefore display a chronological timeframe. However, it has to be pointed out that from managing the platform, it is also possible to move backwards towards adjustments in design. Secondly, there is a main tension which consists of the **market vs. cooperative ideology (block b)**. Lastly, the main tension manifests itself in sub-tensions, these **sub-tensions (block c)** have been discussed separately. Thereby, it was noticed that the tensions have a certain degree of overlap with each other. How the tensions are perceived exactly by the representatives remains unclear in almost all cases, since representatives were unable to give concrete examples. In the interviews, the representatives do not express recognition of all of the paradoxical characteristics of the perceived tensions. Where they do indicate that the elements of tensions have an opposing and/or interrelated character, the recurring nature does not appear.

5. Discussion

The main goal of this research was to explore what paradoxical tensions representatives of platform co-ops are perceiving and to investigate how they respond to these tensions. By analysing the results of this study, the theoretical and practical implications of the findings are discussed in this section. Lastly, any limitations that may affect the reliability of the results are mentioned along with recommendations for future research.

5.1 Theoretical implications

As a result of the abovementioned findings, this study contributes new insights to the literature on tensions and platform co-ops. There is a worldwide set of capitalist platforms that are primarily focused on achieving financial objectives. The social answer to the capitalist type of platforms are platforms with a cooperative nature focusing on social objectives in addition to financial objectives (Bunders, 2021; Schor, 2020; Scholz, 2016). Despite trying to gain a foothold, the representatives of platform co-ops run into tensions they perceive.

Firstly, the findings of this research show that tensions do not just ‘happen’ but are linked to specific situations in which they manifest themselves. The three phases where tensions manifest and emerged in this research are: setting up, designing and managing the platform. It is important to examine tensions in specific contexts because the results show that they manifest themselves situationally. The finding of setting up and managing as phases where tensions manifest themselves is in line with the literature of Benabdallah (2022), Borkin (2019) and Bunders et al. (2022). They state in their research that setting up (including designing) and managing the platform is challenging as this process is riveted with tensions related to the platform (cooperative) characteristics. This research thus confirms the phases of setting up and managing the platform in which tensions arise. Additionally, the findings of this research call for extra attention to the phase of designing the platform where tensions manifest themselves. In this regard, it is notable that the existing literature gives limited attention to this context. This is surprising because a platform is an online tool where the design and its choices are fundamental for the core business. Therefore, the incentive for further research within the design phase is formed by the perceived tensions of respondents in this phase.

Secondly, the results show, at first sight, a wide range of different tensions manifesting in specific situations according to the perceptions of the representatives. Earlier studies e.g., Meijerink & Keegan (2019; 2021) and Parker & Van Alstyne (2008) mentioned specific tensions related to OLPs. This research confirms some of these tensions (see Figure 3) with the empirical findings and thus builds on the previously mentioned studies. In addition, this research noticed that the tensions within and across the three phases have a certain degree of overlap with each other. From this study, it is not yet clear how the different manifestations of tensions affect each other, it would be interesting for further studies to investigate this. This research has confirmed the previously investigated tensions and enriched them with a new context. Whereas e.g., Meijerink & Keegan's (2019) research has focused mainly on OLPs, this research focuses on OLPs with a social or cooperative nature. Thus, the inclusion of platform co-ops brings a new context to the table wherein tension manifests itself.

By zooming out, an overarching main tension can be observed in this study, where representatives run into the complexity to adopt a cooperative organisational style in a capitalist society. All the sub-tensions named in the results section seem to be manifestations of these big main tension, as displayed in Figure 3. How the different representatives perceive the tensions, in what situations they emerge, in what ways they deal with them and whether the tension contains paradoxical elements all seem to come together in the main tension between the ideologies of the market and cooperation. This could partly explain why the different sub-tensions have overlap with each other, as indicated earlier in this section. The tension of market vs. cooperative is not entirely new and has already been mentioned in the study of Levi & Davis (2008) in the context of co-ops. However, this study makes the statement that market ideology vs cooperative ideology is the 'overarching' main tension and thus adds something new to existing literature. In addition, this study confirms that these tensions manifest themselves in the platform context specifically within platforms with a social or cooperative nature.

It was unexpected that paradoxical tensions were not perceived by the representatives included in this research. However, when the results of the interviews are juxtaposed, paradoxical elements do emerge. The main tension market vs. cooperative recurred in all three phases (see Figure 3). From this point of view, the recurring element is present, thus satisfying one important core component that reflects the paradoxical nature of this tension. As discussed in the findings section, both contradictory and interrelated elements are also identified for this main tension. Thus, from a higher level of abstraction, it can be argued that the main tension between the market and cooperative element can be considered paradoxical. One explanation

for the fact that representatives did not recognise all the paradoxical elements could be that the platforms are situated in different phases. This also prevented representatives from experiencing how tensions develop over a longer term. Future research with a longitudinal design will give the researcher a chance to observe how tensions may manifest themselves over time. It also allows the representative of the platform co-op, in the context of this study, to develop awareness of tensions over a longer period of time.

Lastly, there is no uniform way in which representatives deal with the perceived tensions. From the findings, it appears that the market and cooperative ideology are essential principles on the basis of actions from representatives. The presence of a dominant market and/or the cooperative ideology of the representative will therefore, in my view, be an explanatory factor for how perceived tensions are dealt with. These findings call for further research into situations where these ideologies may clash. It is already known from the literature that tensions may manifest themselves on different levels such as the individual, dyad, group, project, and organization (E.g., Smith & Berg, 1987; Van Marrewijk et al., 2008; Cameron & Quinn, 1988). In doing so, it would be interesting to look at platform co-ops with a diverse composition of their boards. Based on the findings of this research, my expectation is that platforms with a board of individuals with both entrepreneurial backgrounds and more socially engaged backgrounds provide a rich breeding ground for the occurrence of paradoxical tensions. In this regard, it is interesting to see how a board composed of people, each with a different dominant ideology, will deal with situations that call for a joint decision.

Moreover, it is noticed that representatives perceive a varying degree of difficulty in dealing with these tensions. For example, it is indicated that elements of financial vs. social don't always have to be at odds with each other and are chosen to be aligned successfully. It stands out that the representatives use entrepreneurial skills such as communication to align the elements and deal with tensions. However, it can be seen that representatives with a dominant market ideology choose to focus on elements that are more financial or economic-oriented. The representatives who have a more cooperative-oriented ideology opt for the elements that are more focused on social or people related objectives. The moment a representative seeks a balance in both the market- and cooperative ideology, it can be seen that they also seek a balance in the sub-tensions related to these elements. Wherever uniformity is seen between dealing with sub-tensions in relation to the main tensions the

finding showed that dealing with sub-tensions depends on both situation and individual. For example, there are sub-tensions where representatives prioritise the elements because, in their view, they cannot be chosen to focus on at the same time. There is situational weighting by the representative as to which element has the highest priority at that moment. Thus, while setting up the platform, it may be the case that the choice is to focus primarily on social objectives but when designing the platform, the choice is made to give financial commitment a major priority. This way of dealing with the tensions is similar to the response strategy of ‘temporal separation’ as written by Smith & Lewis (2011). Within this response strategy specific elements are chosen to focus on temporally in a certain situation or point in time. It is surprising to see that although no paradoxical tensions were perceived by representatives, it is recognizable that representatives apply response strategies to deal with the tensions they perceive. In particular the strategies of temporal separation and synthesis can be identified from the examples given by representatives. Thus, despite the lack of clarity as to whether the (sub-)tensions are paradoxical, response strategies are recognizable. On the one hand, this reinforces the suspicion of a paradoxical main tension from this research. On the other hand, it could indicate that the response strategies apply to a wider range of tensions and do not only relate to tensions with a paradoxical nature. If future research succeeds in uncovering paradoxical tensions, it would be interesting to build on these strategies to see how platforms deal with these tensions. Moreover, it would be interesting to investigate if response strategies apply to a wider range of tensions such as dilemmas and dialectics.

5.2 Practical implications

In addition to the theoretical implications, the practical implications of this study will be further discussed. What did become clear from the results are the (main) tensions perceived by representatives of platform co-ops when setting up, designing and managing the platform. The results may inform entrepreneurs or entities planning to set up a platform of a cooperative or social nature. When making a business plan, earlier identified tensions can be discussed with co-initiators to prevent being surprised if tensions arise. It is worth noting here that evaluating tensions that might arise in advance does not automatically mean greater success for platforms. One argument for this is that tensions largely consist of the perception of the person experiencing them. Thus, tensions may be experienced more emphatically by one person than by others. However, the element of surprise when tensions arise can partly be prevented by discussing them in advance. In addition, several of the interviewed representatives of the

platforms in this study indicated that they were not aware of tensions arising beforehand. This confirms that not all platforms are aware in advance of the tensions that may arise.

It moreover became clear how representatives are dealing with tensions that they perceive. This study indicated that skills are used by representatives to handle and align elements of tensions. In many cases, it boils down to entrepreneurial skills and is thus an important condition for how well a platform deals with the tension. This finding indicates that entrepreneurial skills are an important requirement that key players within a platform co-op should possess. It can therefore be very useful for newly established platforms to make a good assessment of the skills available. This foresight by platforms can serve as an assessment of the degree of feasibility in advance.

5.3 Limitations and future research

As discussed in detail earlier, respondents within this study show situational tensions. Starting from the literature, the way the interviews proceeded was not entirely as expected. One conceivable reason for this is that interviews were not the most suitable way to find out about tensions. It emerged from this study that tensions cannot simply be revealed as objective truth. The best I have been able to do in this respect is to identify where the representatives perceived the tensions. At the same time, where tensions are perceived does not necessarily mean that there are tensions. For instance, different people in the same situation may have completely different perceptions of tensions. If, according to the literature, there should be tensions it does not mean that a respondent perceives it in a similar way. At the same time, some respondents perceived tensions but were not able to give a concrete example, whereas I would expect an example similar to the literature. This means it is difficult for me as a researcher to say where I have objectively identified tensions. However, I can indicate in which situations the representatives perceived the tensions. A different form of research would do a better job of bringing the tensions to the surface more concretely. Therefore, future research should be conducted with observations as a type of research. Observations allow the researcher to explore tensions in situations where choices by respondents have to be made. It could be interesting to observe within board meetings of platforms and see if people have a mismatch between what they say and what they do in practice. It may be the case that representatives have resigned themselves to a certain tension but this same tension comes back to the surface when choices have to be made. Thereby, it would be extra interesting to choose a design that investigates particular tensions over a longer period of time. Choosing a longitudinal study gives the

researcher a chance to observe how tensions may manifest themselves over time. This makes it easier to identify whether tensions can be considered paradoxical since the time element is taken into consideration.

In addition, this study focuses on single representatives which is one of the levels where tensions can occur. Despite considering all possible factors, data reliability can still be affected by the personal perception of the representatives. Future research could take into consideration other levels like group, project or more specifically board. In this way, the perceptions of more people are compared, creating a more reliable impression of the tensions. This research has shown that the design process is a phase where tensions manifest themselves. Building on this, it would be interesting to see what (paradoxical) tensions arise in the designing process of the platform. To include the perceptions of more people in this research, follow-up research could include web designers as they are often closely involved in this process. In addition, a better view emerges of how tensions manifest themselves on a different level. In doing so, it would also be interesting to see whether tensions affect various levels within platform co-ops. Although concrete indications are sometimes given that point towards tensions, it is not yet clear how the tensions exactly relate.

6. Conclusion

This research aimed to explore what paradoxical tensions representatives of platform co-ops are perceiving and investigate how they respond to these tensions. Based on the qualitative analysis of the interviews, it can be concluded that tensions manifest themselves in three phases: setting up, designing and managing the platform. These three phases emerged explicitly in the coding process as main themes. Secondly, this study highlighted that tensions manifest themselves differently in light of the phase in which they occur. Tensions thus differentiate themselves according to the situations in which they emerge. Thirdly, it is concluded that the overarching main tension is market vs. cooperative. This tension indicates a contradiction between thinking and acting towards the market ideology on one side and the cooperative ideology on the other side. From a higher level of abstraction, it can be argued that the main tension between the market and cooperative element can be considered paradoxical. Although the sub-tensions are all named differently by respondents, this study concludes that these are all manifestations of the main tension between market vs cooperation. Practically, representatives run into the complexity to adopt a cooperative organisational style in a capitalist society. Lastly, this study has identified that the representatives deal with perceived tensions differently. It is therefore not possible to draw an unambiguous conclusion. However, it can be seen that representatives with a more market-oriented ideology choose elements that are more focused on financial or economic results and objectives. The representatives who think more cooperatively opt for the elements that are more focused on social or people-oriented results and objectives. The moment a representative seeks a balance in both market- and cooperative-oriented ideology, you see that they also search for a balance in the sub-tensions related to these elements. Moreover, the results have shown that elements of tensions don't always have to be at odds with each other by aligning them successfully. It stands out that the representatives use entrepreneurial skills to align the elements.

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Appendices

Appendix I: Interview guide (English)

General questions:

- Who are you and what is your role within the platform/organisation?
- What characterises the platform/organisation?
- What are your main objectives?

Theoretical theme: platform cooperative

- What do you think is the main characteristic of a social/cooperative platform?
- What are the differences between a platform cooperative compared to traditional platforms?

Theoretical theme: tension during platform creation and design

- What are the different important choices you had to make while **setting up** the platform?
 - What did you have to choose from?
 - What are examples of difficult choices you had to make?
 - What made making these choices complex?
 - Can you give an example of conflicting choices?
 - What makes these choices contradictory?
 - Is this a recurring theme?
- Are there certain things in the creation of the platform that you considered but did not choose to implement?
 - What were the choices?
 - What made you have to consider these?
 - Can you give an example of conflicting choices?
 - What makes these choices contradictory?
 - Is this a recurring theme?
- Looking at **designing your platform** what were the challenges you experienced?
 - Why did you consider these as challenges?
 - Were there certain choices you had to make in designing such a platform?
 - Can you give an example of conflicting choices?
 - What makes these choices contradictory?
 - Is this a recurring theme?
- While setting up the platform, have you ever experienced standing at a crossroads where a choice had to be made between two conflicting solution directions (choosing between two evils)? Can you cite an example of this?
 - What makes these two options you had to choose between contradictories?
 - What makes these two conflicting choice directions a recurring theme (boomerang effect)?

Theoretical theme: tension/choices while managing the platform

- Are there any challenges/tensions that emerge when making decisions/choices in the **day-to-day management** of such a platform?
 - Can you cite an example of this?
 - Can you cite an example of conflicting choices?
 - What makes these options contradictory?
 - Is this a recurring theme?
- Are there any challenges or tensions that you could directly link to the **cooperative/social nature** of the platform?
 - What makes this a challenge?
 - What makes these choices contradictory?
 - How does this relate to the cooperative nature?
 - Are these tensions a recurring theme?
 - What makes making these choices easier/different for a traditional platform?
- Have you ever had a situation where you had to find a **balance between competing goals**? For example, social versus financial goals?
 - What makes these goals competitive?
 - Are the choices that have to be made to achieve these competing goals a recurring theme?
 - What specifically makes this different for a social/cooperative platform?
- Did you experience challenges or tensions related to the **cooperative governance structure**?
 - Which specific tensions?
 - Why would you consider these challenging?
 - Is this a recurring theme?
 - What did you do with it?
- In what situation have you felt you had to navigate between the **competing expectations of different stakeholders or parties**?
 - Has the tension led to changes in your behaviour? If so, which ones?
 - What were the different perspectives or values that were in tension with each other?
 - Are these tensions from various parties a recurring theme?

Theoretical theme: Managing paradoxical tensions

- Do you think there is a "perfect" solution for choosing between conflicting solutions, or is it always a matter of choosing the "least bad" solution?
 - If yes, which one?
 - If not, why is this the case?
- What were the results of how you dealt with conflicting solutions?

Closing-question

- Are there any important things that were not covered in the interview?