

“ESCAPING THE RAT RACE”: JUSTIFICATIONS IN DIGITAL NOMADISM

Research in Progress

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Abstract

*In the domain of digital work, a new phenomenon has emerged that is increasingly referred to as “digital nomadism”. Digital nomadism involves mostly Western professionals using a range of information systems (IS) and information technology (IT) tools to work digitally over the Internet while travelling perpetually in typically exotic locations. Existing theories of reasons for IS/IT use seem to have limited applicability to digital nomadism because technological and economic aspects need to be considered jointly with sociological and anthropological aspects for a comprehensive theoretical understanding of digital nomadism. Grounded in the findings of in-depth ethnographic and digital-ethnographic research, the study presented here develops theory and generates new knowledge in regard to the justification used in digital nomadism. It answers to the research question: Why do people engage in digital nomadism? The preliminary data analysis reveals three themes that explain how people justify their engagement in digital nomadism. The theoretical analysis positions these three themes in wider value systems (orders of worth).
Keywords: digital work, digital nomadism, orders of worth, qualitative research, ethnographic research.*

1 Introduction

“Digital nomadism” is the phenomenon of concern to this paper. Digital nomadism refers to professionals using a range of information systems (IS) and information technology (IT) tools to perform work digitally over the Internet so to enable a lifestyle of perpetual travelling and expat living. Preferred work locations for digital nomads are countries such as Indonesia or Thailand, where thousands of digital nomads have migrated or are passing through during their travels (Carter 2016; Hynes 2016; Schlagwein 2017). Digital nomads are typically highly-qualified Western individuals with desired skills (e.g., software developers, graphic designers and tech entrepreneurs). They source their work and hence their income over the Internet while travelling.

Surprisingly, as of the time of writing, the digital nomadism phenomenon has seen virtually no research (Müller 2016). We know little about why digital nomadism has emerged or why people engage it. Early reports on the phenomenon (Altringer 2015; Sutherland and Jarrahi 2017) and my own research suggest that digital nomadism is substantially different from previously conceptualized phenomena such as prior forms of “telework” (Garrett and Danziger 2007). These differences include the motivations for and justifications of digital nomadism, which are the focus of this paper.

Why do people engage in digital nomadism? The reasons for participants to engage in digital nomadism may include some of the reasons for telework (e.g., saving commuting time). However, very different reasons and justifications may also play a role in digital nomadism. For example, digital nomadism is typically a form of (solo-)entrepreneurship or “electronic” freelancing (Aguinis and Lawal 2013; Malone and Laubacher 1998). It may be reasonable to expect some of the same reasons for engaging in entrepreneurship and freelancing to apply (e.g., achieving higher levels of autonomy). Further, digital nomadism also includes aspects of lifestyle choice (Benson and O’Reilly 2009; Ferriss 2007) and the backpacking and flashpacking travel movements (MacRae 2016; Molz and Paris 2015). Again, it may be reasonable to expect some of the reasons for such travelling to apply (e.g., postcolonial desire to experience the occident). While such references can be drawn, none of these existing framings promises a full explanation of digital nomadism and empirical accounts are missing. We need research to answer fundamental questions such as why people engage this emerging form of digital work.

The purpose of this paper is to tentatively answer the question posed above. The focus is identifying the underlying justifications and values that drive digital nomadism. The question is answered through (in-

progress) field research.

2 Literature Review

2.1 Digital Work and Digital Nomadism

The use of IS/IT transforms conditions in various social and economic domains. One of the domains transformed is “work”. The corresponding discourse is often using labels such as “the future of work” (Forman et al. 2014) or “digital work” (Orlikowski and Scott 2016). Digital nomadism is a new, IT-enabled form of working.

Early on, the IS and business literature predicted the emergence of an “e-lance economy” (Malone and Laubacher 1998). This e-lance economy would be based on the transaction cost efficiencies electronic markets (Malone et al. 1987) and online communities (Benkler 2002) offer. Work in such models is allocated through digital platforms in often ad-hoc and non-employment arrangements. Electronic freelancing and Internet platform-based work have been predicted to rapidly increase over the coming decade reaching an estimated 70 million full-time equivalent workers in 2025 (McKinsey Global Institute 2015).

Digital nomadism is a form of digital work combined with overseas travel and expat living. Digital nomadism has increasingly emerged over the past few years and is now a recognized global phenomenon (Müller 2016). There are no definite numbers available, but some press reports suggest digital nomads to number around 500,000 (Carter 2016) (my own estimate, based on various sources, is a somewhat lower number, around 200,000). Digital nomad conferences and coworking spaces are increasingly emerging globally since 2014/15.

Digital nomads create a form of work-life that is substantially different from any conventional forms. They work digitally over the Internet in freelance, project-based arrangements or run their own online businesses. Freelance digital workers are able to source such work through online marketplaces (Aguinis and Lawal 2013). Digital nomads, in contrast to other freelancers, combine digital work with perpetual travelling and expat living. The phenomenon appears to be driven by both economic reasons as well as a desire to travel and a search for “a better life”. However, why people engage in digital nomadism remains to be fully understood in the literature.

2.2 Justification Theory

There are different ways and theoretical framings in relation to the research question (why people engage in digital nomadism). For example, drivers of people to engage in particular activities are often understood in terms of individual-level “motivations” (Deci and Ryan 1990). This individual and micro-level analysis is useful; however, such an analysis sheds less light on wider value systems that underlie new work-life practices (e.g., digital nomadism), which as collective phenomena are more meaningfully understood at the sociological rather than the psychological level. In other words, while motivations are the immediate drivers of individual actions, we are here more interested in understanding the underlying collective and shared value systems.

What emerged as a particularly useful “theoretical lens” for this study during analysis is the “justification theory” or “orders of worth” theory (Boltanski and Thévenot 1991; Boltanski and Thévenot 2006). The orders of worth theory centres on an analysis of the different orders of worth, value systems or economies of worth that constitute modern societies. They are then drawn upon by individuals to justify their actions and choices. In contrast to similar theories sometimes referred to under the umbrella of “institutional logics” (Thornton et al. 2015), justification theory does not bind these different orders of worth to societal institutions.

There are several core ideas of the theory relevant for this study. In particular, the theory holds that society does not have a single value system but, instead, it has a set of interwoven and often conflicting systems. Justifications (of actions and decisions) of individuals are based on different orders of worth. If different agents (e.g., persons involved in conversation, discussion or dispute) agree on the value system applicable to the situation (e.g., the decision to give become a digital nomad), then the legitimacy of the justifications

can be challenged based on whether they are in accord with that value system (they can be tested for legitimacy). However, if different agents refer to different value systems, then no test of universal legitimacy is available. The theoretical approach of orders of worth helps us to understand how individuals justify their actions based on shared value systems and how they reconcile and compromise between these value systems to arrive at a concrete course of action.

Hence, and of importance for this research study, orders of worth theory provides a theoretical foundation that helps us to understand the different types of explanation and justification (in the sense of legitimacy) of digital nomads. By recognizing widely shared, overlapping and sometimes conflicting value systems, I found that the theory provided a well-suited analytical tool. The theory was not used for upfront framing of data collection but was identified as an informative theoretical framing in the data analysis.

3 Research Method

The purpose of this in-progress study is to build theory and develop new knowledge. Due to the complex nature and novelty of digital nomadism, the research approach has an exploratory, qualitative and interpretivist nature and focuses on field data and lived experiences (Silverman 2011).

The study follows a research design that supports an abductive reasoning approach to theory building. The claims first and foremost grounded in the empirical data, then “bringing in” (prior) theory as appropriate at a later analytical stage (Charmaz 2014; Gioia et al. 2013; Urquhart and Fernández 2013). The reason for choosing this approach is that, to fully appreciate the complex practices of digital nomadism, the research needs to be sufficiently open to enabled discovery and to allow for unexpected insights and findings (Charmaz 2014; Locke 2011). At the same time, building on prior theory in the analysis is useful if such theory, as it does, has strong explanatory power in relation to the research question (Flyvbjerg 2001; Klein and Myers 1999).

The data collection for this study involves two main areas. The first is field data collection on site (e.g., Thailand and Indonesia). The second is online data collection on digital platforms (e.g., nomadlist, Facebook groups). Field research is being conducted through interviews, observation, participation and other ethnographic methods (Locke 2011). Data are also being collected through observation and interaction on the relevant digital platforms using digital-ethnographic methods (Kozinets 2015). The sampling strategy is based on theoretical sampling (focusing on including new data that is likely to advance theorising); quality criteria for inclusion of data are their relevance, detailedness and credibility.

The data analysis began open-ended, focused on understanding the reasoning, interpretations and sense-making of the people involved. Interviews are transcribed for analysis. Grounded analysis of these data is performed through open coding of the data, and then increased abstraction of the codes to higher-order concepts (Charmaz 2014; Gioia 2014; Gioia et al. 2013). The higher-order concepts of relevance to a theoretical answer to the research questions may involve both new concepts grounded in the data and existing theoretical concepts (cp. Gioia et al. 2010). Through the data analysis, the orders of worth theory (Boltanski and Thévenot 2006) emerged as a useful theoretical framing. Although orders of worth theory has not been used much in IS research to date (exceptions: Bergquist et al. 2012; Ekbia and Evans 2009), it is relevant for the research aim of this study. Data collection and data analysis in the study are iterative and mutually informative.

Some preliminary findings and analytical insights of this study are presented and discussed below.

4 Preliminary Findings and Analysis

In relation to the research question, three themes can be identified in the data.

4.1 Inspirational Justifications of Digital Nomadism: Desire for Cultural and Personal Experience

A clear and recurring theme in the data was that participants have a desire for travelling and new cultural and personal experiences. Participants were regularly stunned by even being asked why they would want to travel. Travelling and exploring were seen as rewarding and “awesome”. “Escaping the rat race” and instead travelling the world was seen as an end in and of itself. One participant explained: *“It’s great! I*

think that adventure ... plays a huge part, because almost every day can be an adventure, every day I can learn a new Chinese word. Every day I can learn something new about the [Chinese] culture which I didn't know before”.

Participants took it as a given that a travelling lifestyle is a valuable experience. One participant explained referred to a gradual development of a love for travelling when asked why he became a digital nomad: *“For the first year or so ... I was [just] travelling. And then, I guess six months after, a few months after I started, I was like, I made my decision [to] travel for six [more] months and then go back home and keep working. I just quit my job and I just travelled for a while. And then I was like: ‘Well, I've got to figure out how to extend this. It's like ... (laughs) This is pretty good!’”.*

Within the same theme, digital nomads related external, cultural experiences to inner growth. For example, one participant considered that *“[travelling is] just the external adventure. Then there's the internal adventure, so what's going on in my mind”*, further explaining how the digital nomad lifestyle has impacted on the widening of his horizon and the ability to focus on key interests beyond work.

Many of the participants were originally inspired by reading books and blogs. A participant from Germany, now in Bangkok, identified the seed of the idea that led to becoming a digital nomad: *“Yeah, I got inspired by a blog about doing it and I read a few books and then I saw the opportunity. Then I found it's a perfect way for myself, because if I'm not only bound to one specific country, then I can just travel globally and yeah, it's a big freedom kind of thing”*. The most commonly referenced book was “lifehacker” Tim Ferriss' book, *The 4-hour Workweek: Escape the 9-5, Live Anywhere and Join the New Rich*. However, while acknowledging the book's central role, a participant qualified this by stating that: *“There are kinds of different groups of digital nomad types. There's like the Chiang Mai types and then the types who live in more expensive countries and they tend to have a lot of different behaviour. The ‘4-hour Workweek’ tends to be the Thailand crowd”*. Other common inspirations were Mark Manson and the TropicalMBA blog.

4.2 Civic Justifications of Digital Nomadism (Participating in a Community of Like-Minded, Interesting People)

Another central theme in the justifications for engagement in digital nomadism was belonging to a community of like-minded, interesting people. While not all digital nomads identified themselves as digital nomads (*“it is like, don't call me a hipster”*), participants acknowledged the existence of a growing online and offline digital nomad community. It was evident that many digital nomads oriented their explanations towards others in the community. Expectations were expressed of being helpful to other digital nomads, from helping them to settle in a new place, to sharing information, educating one another and, in some cases, sharing clients and work. Open invitations on community websites (*“always happy to catch-up other digital nomads, please contact me when you are coming to KL”*) were common. Digital nomads articulated that meeting “interesting people” was central to living an “interesting life” as a digital nomad.

The emergence of digital-nomad-centric coworking spaces and hubs was described as instrumental for fostering the community and identity of digital nomads. Coworking spaces provide stylish, clean and open work environments for digital nomads, and are characterized by professional IT infrastructure such as high-speed Internet, printers and Skype-meeting rooms. Coworking spaces are reminiscent of conventional offices—but with all workers being independent from one another. The emergence of coworking spaces, however, was primarily related to a desire for social interaction. One participant remembered that before coworking spaces emerged, *“I [had to] start a Twitter handle—[city]coworker. And people who were interested in coworking would tweet to that nickname, [city]coworker. They'd tweet to that account and say where they were working for the day. ... So, it's a nice way of coordinating people who you've seen in the past and would not mind being around for the day, joining them in some cafe”*.

4.3 Market Justifications of Digital Nomadism (Lower Costs of Living)

A third central theme in the justifications for engagement in digital nomadism related to the cheaper costs of living overseas. Popular destinations for digital nomads are low-cost countries such as Thailand, Indonesia, Portugal and Columbia. Several participants emphasized that, even with perpetual travelling (which, in most cases, manifested as a series of short-term stays, such as several weeks or months, and then moving on), the costs were much lower compared to their typical Western countries of origin. Several

participants said that without the lower costs, they would have insufficient income and could not afford their current lifestyle, had lower quality of life, would not be able to be a freelancer or would have to work longer hours.

In addition to such personal quality of life impacts, other participant more functionally related lower costs to the ability to create a new business in a competitive marketplace. For example, one digital nomad, when asked why he was running a startup in Thailand, instead of his native Western country, explained: “Yeah. That [lower costs] is the reason why, yes. There’s this concept called ‘bootstrapping’, where people just come here, live very inexpensively. I think Chiang Mai is a very famous hub for bootstrappers and they just start up with their business, and then they can save a lot of money”. Some digital nomads had built startups in low-cost environments out of economic reasons, but later were less driven by such considerations.

4.4 Summary of Preliminary Analysis

The findings above help us to shed light on the research question. The preliminary analysis reveals that digital nomads refer to different, interwoven value systems in explaining and justifying their lifestyle choice. What legitimizes digital nomadism is (a) the inspirational order of worth in which value is placed on creativity and individualism. Digital nomads find travelling and experiencing different cultures inherently interesting. The opportunity provided by a lifestyle focused on personal growth, development, experience and challenge is highly valued. Furthermore, (b) the civic order of worth provides legitimacy for “acting as a digital nomad”. Shared, reciprocal expectations were expressed of being helpful (digital nomads not helping others were frowned upon), with an identity emerging of digital nomadism as a distinct work-life culture, along with the notion of an online and an offline “community”. The participants often stated that they were interested in meeting “interesting people”, such as other digital nomads. Finally, (c) the market order of worth was referenced as a legitimization for digital nomadism. Digital nomads saw this as a rationale for taking advantage of living in a cheaper location, often in the developing world, while receiving professional pay rates from, typically, developed world locations. Other digital nomads described this as a rational move for their business and startup, allowing them to have the necessary time to develop the business.

Table 1 summarizes the orders of worth, their generic description and the concrete justifications (legitimizations) used in digital nomadism. The classification, naming and descriptions are based on the orders of worth theory as introduced above (Boltanski and Thévenot 2006), and the literature that has used the theory (e.g., Patriotta et al. 2011).

Order of Worth	Generic Description	Justifications in Digital Nomadism
Inspirational order of worth	The inspirational order of worth is based on art and taste. Authenticity, creativity and individualism are valued. An action is justified through the greater artistic achievement or through the better sense for the “art of living” demonstrated.	Inherent attractiveness of travelling and experiencing different cultures. Personal growth, development experience and challenge.
Civic order of worth	In the civic order of worth, actions are justified based on being in accord with a collective. Shared identity, representativeness and acting in line with the collective are valued. Justification is provided based on acting in alignment with the relevant collective.	Experience of digital nomads being helpful and “good team players” and desire to participate in a community of like-minded people. Interest in meeting, interaction with and learning from “interesting people”.
Market order of worth	The market order of worth values abilities, merit, rationality and competition. Buying and selling according to economic mechanisms are legitimized. Actions are justified based on a markets/economic optimization making them “most rational”.	Lower living costs in one country, while being paid at the pay rate of another country (personal level). Ability to “bootstrap” one’s venture/s or shared ventures (business level).

Table 1: Summary of Orders of Worth and Justification in Digital Nomadism

5 Conclusion and Outlook

Digital nomadism is a novel and interesting phenomenon. It is important to understand the reasons for and implications of the rapid emergence of Internet-based forms of digital work (Colbert et al. 2016; McKinsey Global Institute 2015), including digital nomadism. The relevance of researching digital nomadism as in this research-in-progress study is justified by the several hundreds of thousands of people now engaged in digital nomadism, its impact visible in the emerging global industry of coworking spaces, hubs, coliving spaces, conferences etc. being set up for digital nomads, and its potential impact on the power of corporations over workers and nation states over citizens. Despite early predictions of the emergence of this phenomenon (Makimoto and Manners 1997; Malone and Laubacher 1998), scholarly understanding and theorizing are lacking behind the development in practice (Aguinis and Lawal 2013; Müller 2016; Weitzel and Niehaves 2017). Recently, calls have been explicitly made for such research (Colbert et al. 2016; Nickerson et al. 2016; Orlikowski and Scott 2016; Weitzel and Niehaves 2017). This study provides initial insights towards responding to these calls, in particular in relation to understanding how different orders of worth are underlying digital nomadism.

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