

(SELF-) MANAGEMENT OF THE ICT-SUPPORTED DIGITAL NOMADISM IN CREATIVE INDUSTRIES

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Abstract

The advance in technologies, especially in the ICT has facilitated new business practices in all areas of business, but it was particularly reflected in the creative industries, and much less in service industries and production industries. The Covid-19 pandemic only accelerated the process of inducing innovative practices, and one of them is remote working. The remote working can be performed from the home office, but once the working place was replaced by the home office, the location of the home office became irrelevant. It gave momentum to the rapid dislocation of the workers, to other cities and even other countries and continents. The creative industries especially proved to be the fertile ground for such practices, often called digital nomadism, and it is all supported by new ICTs. The digital nomad practices have brought rapidly different work environment, with increased productivity, influx of money to previously less developed regions in the world, accelerating their growth, and the freedom from tedious office practices, but they have also brought negative side-effects like loneliness, uncertainty, financial difficulties, increased risk, and transnational gentrification. Several countries stepped forward with facilitating digital nomadism, and managers have had to adapt to new business forms, including the HR management, new time schedules, motivational techniques and drastically changed models of organising tasks. This paper is the case study of digital nomadism in creative industries which were reshaped by the pandemic and the influx of the ex-USSR immigrants in Serbia as well as the management (and self-management) of digital nomad work.

Key words: digital nomadism, management, IT, remote work, nomads, digitization

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1. Introduction

1.1 Digital nomadism on the rise

The digital economy is seen as the future of economic growth worldwide (Bolesnikov et al., 2019), and the creative workers and especially the younger people have adopted the digital economy en masse. One of such adoptions is the rise of digital nomadism as a work practice. Digital nomads can be defined as location-independent remote workers, but some authors insist that there is a leisure factor included, so their definition include that they are also those who are simultaneously engaged in extensive leisure travel, while remaining at work digitally (Chevtava & Denizci-Guillet, 2021).

Their lifestyle is often described as (semi-)permanent (Hannonen, 2020), meaning that there are those who stay in one place almost permanently or indefinitely (it is just not their original home) and those who tend to roam, thus blending work and travel in a new form of both lifestyle and work style. Some authors define this situation as a “hybrid lifestyle” (Rainoldi, Buhalis, & Ladkin, 2022a).

Digital nomadism began to flourish during the 2010s, and the main reason for the “boom” was technological advancements (Cook, 2023). Later dynamics like Covid-19 pandemic, remote work (Zhou et al, 2024) and wars (especially Russian invasion of Ukraine) further propelled digital nomadism as a usual work practice, and the practice became subject of interest of both public and scientific communities (Hannonen, 2024).

It was first mentioned in detail by Sørensen more than 20 years ago, where it was described as a fluid mobile work practice (Sørensen, 2002), but it took some 15 years for digital nomadism to get to the point of being really noticed by academia and wider discourses (Hannonen, 2024).

There are various definitions of digital nomads, but the point and the bottomline is that digital nomads simultaneously work outside the office (remotely), but also live in a location that is not their primary home. This combination of “*working remotely*” and “*living outside the primary home*” makes their lives recognisable. The hypermobility combined with accelerated globalisation (D’Andrea, 2016) made digital nomads omnipresent. Some researchers underline their frequent constant presence in social media (Miguel et al, 2023).

Their remoteness can be diverse - because as defined by some authors – „to be remote is to be away — usually pointing to an alternate work location, such as a home, satellite office, coffee shop, or co-working location” (Spinuzzi, et al., 2019). It is important to say that the so-called *workcationers* are not included, since these are individuals who work from their holiday spot (Pecsek, 2018). Essentially, their area of expertise is also very specific since they predominantly or exclusively work within the *creative industries* (Milošević et al., 2024). This paper is orientated towards such digital nomads and this fact will be taken as a foundation and not be repeated – in further text “digital nomad” will be synonymous for the one in creative industries.

Frequently, digital nomads move to the countries where the costs of living are lower, like Serbia, Georgia or Uzbekistan for the Russian expats/digital nomads, so their standard of living (and profits) increases with wages they obtain from their remote employer (Hermann & Paris 2020).

Cybersecurity has become a new limiting factor in working remotely, including the work of digital nomads, and cybersecurity experts say that in this type of work, from different devices and for unsecured networks, new security flaws and breakthroughs can occur (Bispham et al, 2021), which may have either financial effects or disclosure of business secrets. There is an increased cybersecurity risk of data being handled by employees on their home computers and mobile devices where malicious hackers can compromise security measures is felt across industries (Rajkumar et al., 2023). This, and other problems and challenges, can be solved in co-working spaces (Howell, 2022).

If we move from technical issues to the issues of self-organisation, there are some other potential issues emerging from the digital nomad work style. Namely, it is most certainly not suited for everyone. There are many factors related to discipline and self-organisation that are not available to all individuals due to their mental or psychological characteristics and traits. In order to be a successful digital nomad, concentration, self-organisation of the work process, self-discipline and similar self-managing qualities are necessary - especially bearing in mind the potentially very different time zones if the digital nomad settles in a base that is very far away (Cook, 2023).

Also, a digital nomad must be sure that by going to another, distant place for work (and leisure/pleasure) they have not significantly lost the quality of life in terms of health care, that they have to chase money for survival and forget (or have no time for) business obligations, that they are able to find free time for work, a suitable internet link and connection, and, if required by the parent company, to coordinate their working hours with the company (Nash, 2018).

When they are left alone, without the supervision of middle management and without the supervision of superiors, remote workers, including digital nomads, have to find their own methods of work, patterns of business behaviour, but various psychological challenges often appear there - the two most common are that the digital nomads struggles to push themselves to work, and find motivation without supervision and company, or they work so hard and efficiently that they have a problem determining when enough is enough and "disconnect" from work, since they is not surrounded by people who simultaneously disconnect from work and from the work routine (Milošević, 2023).

Despite the advantages of digital nomadism (e.g. job flexibility, high mobility and leisure-orientated lifestyle), as well as the opportunities to meet like-minded people, one of the consequences of the lifestyle can be loneliness (Miguel et al, 2024). This can seriously compromise the effectiveness of digital nomads. Miguel and colleagues describe this with the phrase "alone on the road" (Miguel et al, 2024). Some believe that also this "breaking away from the old social fabric" and incorporation into the "new social fabric" can contribute to the problem of the lack of so-called "social citizenship" (Webb, 2024).

Also, it is very unpleasant for some people that the line between work and life is being erased, and every time becomes business time, so there can be "infinite availability" or so-called work-related extended availability (WREA), which negatively affects the well-being of the worker (Thörel et al, 2022).

What is extremely important in this paper and what is observed is that geographical distance and independence lead to new challenges for digital nomads, such as difficulties in relations with the environment, difficulties in financial stability and independence since their income often far too "random" and less steady - some of them can be left completely without means even to live or to return home (Thompson, 2018). This leads to increased stress, weak health care organisation that leads to more stress, then to high risks of integration and the like (Hermann & Paris 2020).

More recently Cook, in his four-year study of 16 digital nomads worldwide, concluded that the idealised image of stress-free work is largely a fantasy. Although some traditional office work challenges are mitigated, new ones emerge (Cook, 2023). Digital nomads can also encounter several other challenges, including the regulation of tax payments and financial contributions (such as retirement/pension fund contributions) in either their home country or the country where they are currently located, managing their pension status or so (Hall et al, 2019).

Many of the digital nomads adopt a "minimalist lifestyle" (Aroles et al, 2019), some of them feeling comfortably without their previous things and possessions, while other feel cut off from their objects and feel nostalgia. Some of digital nomads do not even maintain a "home base", preferring to "roam endlessly" (Nash et al, 2021). These are the main challenges that further complicate the superficially glamorous and shiny lifestyle and work practice for many.

1.2 Methods

The research used the questionnaire sent to digital nomads around the world. The majority of them were either Serbians living and working abroad or living in the other cities in Serbia, working remotely, or the Russians living in Serbia working remotely, thought there were others too. The questionnaire contained 10 questions in three languages: Serbian, Russian and English, with the answers ranging 1-5, Likert-scale style: the respondents were instructed to answer the statements numerically, from 1 to 5, where 1- absolutely disagree, 2- partially disagree, 3- not sure/neither agree nor disagree, 4- partially agree, 5- absolutely agree.

We adopted that any answer with coefficients over 2/3 is a sign of excellent self-management (average score 4), and those between 1/2 and 2/3 (between 3 and 4) are considered satisfactory. Those below 3 (below 50%) are considered poor. The questions were the following, all of the structured positively/affirmatively: 1) I manage to organise local tax obligations on time. 2) I manage to pay my bills (including rent) on time. 3) I manage to organise payments to the pension fund/to provide myself with an old-age pension. 4) I manage to organise health care for myself. 5) I find enough motivation for self-organisation, discipline and concentration even though I am far from the workplace. 6) I have financial security (I do not feel financially insecure). 7) I have psychological security (I do not feel

psychologically insecure). 8) I don't feel lonely/I feel integrated in the new environment. 9) I do not feel increased stress. 10) I don't miss things left at home/a minimalist lifestyle with few things suits me in a new location.

The hypothesis was that self-organisation of old-age pension (statement #3), health insurance (#4) and local taxes would show the poorest results (#1). We predicted the occurrence of the increased stress (statement #9) and financial insecurity (#6). Also, the hypothesis is that the digital nomads are self-assured that they can self-manage, find self-discipline and organisation (#5), they can pay the rent and bills (#2) and have psychological security (#7). The statements that were estimated to fare in the middle are that they are more or less integrated (#8) and they are satisfied with the minimalist lifestyle (#10).

2. Results

83 of the respondents gave answers, some of them through email, while many others gave their answers on Google Forms anonymously. The results are shown in the following graph.

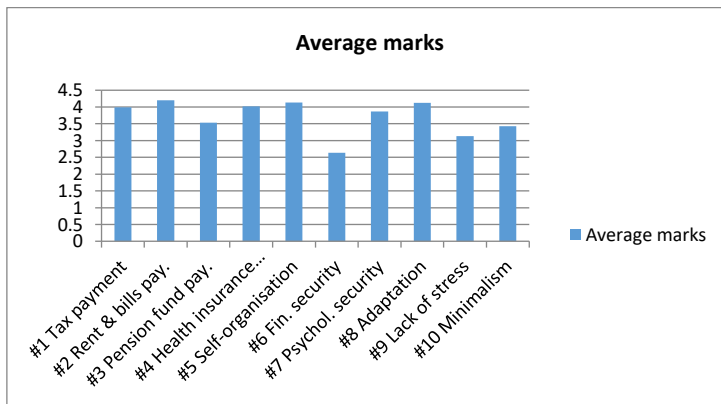


Figure 1: Average marks given to the 10 statements in the questionnaire

The results show that digital nomads do best in paying rent and bills in the place where they currently live (average mark 4.2), as well as in self-organisation of work even though they are far from the workplace and office (4.13) as well as in being integrated into the environment where they live and work (4.12). There are also very good results regarding the organisation of health care in the place of residence (4.02).

Answers that are satisfactory include managing to pay taxes and contributions in places of residence (borderline case with 3.99), while the psychological security is also solid, with 3.87. Pension insurance is regulated by a solid, while not so large number of respondents, and here the average score is 3.83, and a large number of them have an ambivalent attitude towards the things they left at home and getting used to a minimalist lifestyle (3.43). Stress is one of the biggest enemies of digital nomads, with a score of 3.13 for the statement "I don't feel

stressed", while the far worst is financial security, since the average score for the question "do you feel financially secure" was only 2.64.

3. Discussion

Since our hypothesis was that the digital nomads are well aware of what is needed to live outside your place and your "regular environment", it was presumed that they know how to organise themselves (or maybe they dislike being supervised by the middle management) and that they can pay the bills and the rent, since they choose the destinations for their life and work according to their financial estimation and the costs of living they can afford. This was proven right. Also, we presumed that digital nomads choose their destinations according to their like and taste, so they presume they will fit in. It was also proven right since the vast majority of them feel well integrated in the new environment.

The surprising result which is really comforting is that they value their health high, so in spite of our hypothesis that since they are predominantly young and adventurous, they would probably sideline health issues and therefore the health security/service payments, the digital nomads have proven the strong conscience and discipline, acting strongly in this field, regulating health services well.

The same applies to the payment of local taxes, which we presumed to be "a weak spot" for the respondent and digital nomads in whole, while the results returned a strong dedication to the matter. We also estimated that another "weak spot" would be regulation of the old-age pension, and the respondents assured us that they would not forget the old age in their young and leisure-inclining young age. This was also very encouraging. Psychological security fared poorer than in our hypothesis, proving the point of Miguel et al (2024) that they are indeed "alone on the road" sometimes.

The worst enemies of digital nomads are proven to be the minimalist lifestyle, and the randomness of their income – the things like financial security, increased stress were the true weak spots of digital nomadism, stress being the far worse adverse factor.

4. Conclusions

The research shows us that digital nomads are hard-working and responsible as workers and as people who want to take care of taxes, contributions and healthcare, that they are well integrated into new environments, but that things like financial security, increased stress and lack of items in a new place of living and working are the adverse factors since these are weak spots of digital nomadism.

The managers should not fear that the digital nomads would return poor business results, since it was one of their strongest spots. The destinations luring digital nomads can be rather satisfied with the new influx of their inhabitants, since their payments in the systemic areas like National Health Service and the Tax (Revenue) Service are proven to be stable, contrary to our negative presumption. Also, especially in the poor or run-down areas that have been depopulated, like

Serbia, Easter Europe and many other so-called “emerging economies” (from India and Asia to Africa and Latin America) the digital nomads can inject new energy and new money, so the destinations should work harder to attract them, building co-working spaces, good infrastructure and creating affordable digital nomad visa conditions.

The main adverse factors for digital nomads have proven to be stress in general and financial uncertainty, and these are the areas where the digital nomads themselves can help, while local authorities can lend a hand by creating centres for psychological support or already mentioned co-working spaces which can suppress loneliness, form friendships and alleviate stress.

The potential digital nomads should question themselves which are their psychological traits and if they are ready to become ones.

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