**RICH PICTURE, GROUP: 39**

**SEPTEMBER 13TH, 2019**

**1.- A BRIEF STORY THAT EXPLAINS THE CONTEXT AND BACKGROUND OF YOUR RICH PICTURE**

*Our How Might We question states: How might we improve the financial lives of Gig Workers (GW) so that they are financially healthy and more resilient to shocks?*

The Bureau of Labor Statistics defines a “gig” as “*a single project or task for which a worker is hired, often through a digital marketplace, to work on demand*.[1]” We therefore consider GW are defined It is of note that our How Might We statement specifically refers to the financial picture of GW. As a result, our rich picture focuses not only on the operational implications of the connections for the gig worker’s occupation, but also attempts to find for them the major financial expenses experienced.

The center of our rich picture revolves around the life and relationships of our generic gig worker. For this exercise, we are selecting our centerpiece to be an Uber driver, but these connection points and thoughts apply to any gig worker. For ease of writing, we will refer to our Uber driver as "Zach".

The rich picture that we’ve created showcases six main connection points for Zach. Although there are an incredible number of other interactions that a typical Uber driver can make within his direct and indirect sphere of influence, we’ve determined that these six groups hold the most weight in terms of affecting the driver’s actions. The six main points are as follows:

● Customers/clients;

● Competitors;

● Platforms/Employers/Startups;

● Suppliers/Services;

● Government and Policy Makers;

● Community.

One of the main interaction points that Zach would have is with his customers. Specifically, he needs to maintain a good relationship with the customer base to ensure that he can consistently match with riders, make money and receive tips. Within the Uber framework, this is easily quantified with the 5-star rating system in which riders rate the quality of their rides. Zach, therefore, has an active incentive to fulfill customer wishes such as providing timely arrival, a clean car, and a fast trip. If Zach is unable to do so, customers may rate him poorly which could affect the quality of his matches and also his potential tips. Additionally, in extreme cases, Zach may be removed from the platform if he were to fall below a threshold of star ratings.

Furthermore, Zach also interacts with his competitors. These competitors actively take away from Zach’s ride opportunities by either matching potential customers with other drivers or providing them with an alternative travel option. These competitors include but are not limited to:

● Other Uber and from other platforms drivers;

● Taxi cabs; and

● Subway/mass transit.

The competitors and Zach are both thinking similar thoughts: how can I increase my customer engagement and usage and thus, my revenue? These thoughts lead these actors and organizations to engage in tactics such as price discounting or improved service quality. For Zach and other Uber drivers, it is tough for these individuals to set themselves aside as superior transit options as their engagement is largely dictated by the platform and its algorithm. This leads us to the third interaction point.

Zach interacts with the Uber platform as his primary way to earn money. Uber as a company has many thoughts regarding its drivers and its riders. Specifically, the company hopes to maximize revenue, optimize their service algorithm, and promote brand intimacy to retain users, both drivers and riders. Zach sends Uber his data, such as driving and routing information, and both parties want to increase market accessibility. Zach wants a wider pool of customers to make money, and Uber wants to develop the technical capabilities to facilitate this for the same reasons.

In addition to these more obvious relationships, Zach also has to hold several relationships with the suppliers and services around him. Specifically, we are defining suppliers as organizations that provide Zach with the necessary items to continue working. These are things such as insurance, car maintenance, repair costs, depreciation costs, fuel, etc. These operational costs are a direct expense of operating a vehicle for Uber and, for many GW like Zach, can severely limit their personal profitability. Zach, and others like him, is constantly thinking about ways to reduce this overhead including solutions such as balancing renting a car and using his own car, renting a more gas efficient car, a hybrid one, and other things of that nature. Moreover, Zach also interacts with organizations that provide other necessary services such as tax services and bank fees. Zach is also always thinking of ways to reduce the cost of these services, while at the same time they are seeking to maximize revenue from its customers like Zach.

Zach and other Uber drivers are also affected by policy makers and by government regulations and authority’s control. For instance, New York City previously implemented a quantity cap of new Uber drivers within the city. Austin, Texas previously outright banned the ridesharing app within the city for a period of time. Although the Uber drivers do not directly influence these policies, the government’s policies directly affect Zach’s ability to work. The government’s thoughts consist of making sure that amenities, utilities, and general quality of life of its citizens are upheld, controlling risk and protecting customers, which in some cases may adversely affect GW.

Ultimately, Zach is also heavily involved within the community where he drives and lives in. The work that GW perform is directly contributing to the operation of the community whether it is transporting customers, delivering food, or helping customers build Ikea furniture. As an active member in the community, Zach wants to stay engaged and in high regard within the community by providing excellent service while not disrupting people’s lives. The community members enjoy having the convenience of Zach’s work.

**2.- A LIST OF PRIMARY AND SECONDARY STAKEHOLDERS AND THEIR MAJOR CONCERNS**

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| **Stakeholder** | **Type** | **Boundaries** | **Major Concerns** |
| GW (GW)  (E.g.: Uber drivers, Doordash delivery executives, daily wage workers, etc.) | Primary | Central part of our HMW ecosystem | Income levels are usually volatile with minimal employee benefits.  Lack of savings can lead to financial distress in times of emergency such as diseases, layoff, etc. |
| Platforms  (E.g.: Uber, Doordash)  (Same as Employer, Facilitator, Tech companies, Startups) | Direct interaction  with GW  Provide them livelihood  Non-contractual relationships | Mainly concerned about maximizing profits even at the cost of worker wages.  More focused on providing the best experience to customers. |
| Competitors  (E.g.: Other GW in the gig economy, traditional providers) | Adversely impact the finances of GW by directly competing for business | Gig economy boosted by tech endangers traditional businesses.  Competition among GW mean less bargaining power with employers. |
| Customers / Clients | Direct interaction with GW writ service but no financial transaction | Value experience and reliability  Price conscious so negatively affect (indirectly) final GW wages |
| Services  (E.g.: Insurance providers, Financial institutions, Fintech, Tax, Law and Compliance authorities) | GW enroll in these services independently of employers (Direct interaction).  Provides security | Concerned about profits.  Employer buys blanket cover for all employees whereas fewer sale with individual GW; Would prefer GW enroll as contractual employees |
| Suppliers  (Day to day operational necessity providers like vehicle maintenance services, Co-working spaces, rentals, subcontractors, etc.) | Support GW to perform daily tasks and involves direct financial transactions | Revenue is governed by successful functioning of GW so prefer financially healthy gig economy.  On the other hand, Squeeze GW to maximize their profits. |
| Local gig community (E.g.: GW associations, Tech community, unions) | Group of GW who support each other and strive to make work conditions better | Concerned about non-unionization tactics employed by tech firms and further squeeze of benefits and wages of GW |
| Government, Regulators and Policy Makers | Secondary | Collect taxes and form policies governing gig ecosystem | Financial crisis for GW translates to lesser tax collection and more benefits disbursal for government  Policy makers are concerned about exploitation of GW by employers |
| Social support groups (E.g.: NGOs, Academia, civic institutions or organizations like Bill and Melinda Gates Foundation) | Help in protecting rights of and improving lives of GW | Concerned about basic human rights violation of GW, provides support to defend GW interests and helps them in times of distress |

**3.- “RICH PICTURE” THAT COMBINES BOTH TEXT AND GRAPHICS AND SHOWS CONCERNS OF THE STAKEHOLDERS AND ANY CONFLICTS THAT OCCUR BETWEEN STAKEHOLDERS (GOOGLE SLIDES IS FINE TO USE FOR THIS, BUT FEEL FREE TO USE AN ACTUAL GRAPHIC EDITOR IF YOU PREFER).**

Please use the this [**LINK**](https://drive.google.com/file/d/1QpEzTpZWuxS6gxFWW6LWyqEy4Yp1idjS/view?usp=sharing) to access the Rich Picture

**4.- CONCLUSIONS AND LESSONS LEARNED FROM THE RICH PICTURE EXERCISE.**

* Our Product Challenge revolves around the standards of gig economy and the financial shocks GW often come across. After the research that we conducted, which also involved talking to a GW - Uber Driver - we came to our primary conclusion that the income of a GW is not substantial enough to sustain day to day life. Actually, it seems that drivers are failing to earn profit per mile.

* Our Rich Picture clearly describes the major touchpoints of a GW and the thought process behind every entity which is leaving a significant impact on the GW. These touchpoints are:

· Customers/Clients

· Competitors

· Platforms/Employers/Startups

· Suppliers/Services

· Government and Policy Makers

· Community

* After our interaction with Zach, Uber Driver, we identified that the job of a GW required tremendous amount of time dedicated from the worker’s end for a paltry income, which resulted in a constant switch of jobs. Although, there are certain days which are extremely fruitful for the worker, it’s almost impossible to maintain consistency.

* GW are extremely wary of the competition and threats posed from their own community for jobs which adversely impacts the financial dynamics of the GW as they won’t be able to bargain with their employers due to the abundance of work-force in the community.

* GW are highly prone to financial due to the financial distress and low employee benefits which led to an active participation in their community which thrives constantly to increase the standards of their living.

* GW are heavily dependent on the Financial Institutions and Insurance Providers in case of emergency or financial shock. The Government and Policy Makers regulate the tax processes and insurance systems to improve the gig economy, but it’s very difficult to control and to implement.

* Social support groups and NGOs play a considerable role in helping the GW by ensuring their safety and assisting them by protecting their rights.

* We realized that the life of GE involves a lot of secondary sources of income to supplement their primary inflow. So, the choice of jobs they opt for gives them the flexibility to work elsewhere to generate a secondary income.

* From the research that we have been conducting, we noticed that profits and costs that drivers have are complex and variable depending on many factors that might influence their income. There are multiple studies related to the profit for GW, based on different assumptions. At this stage we believe that the financial picture of GW seems to be very inconsistent, and it is influenced by multiple factors that we might analyze and consider.

[1] The Bureau of Labor Statistics:<https://www.bls.gov/careeroutlook/2016/article/what-is-the-gig-economy.htm>