

Externalizing Worker Qualifications

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Background

Labor market platforms ranging industries and styles of work (e.g. Uber, TaskRabbit, UpWork, and Amazon Mechanical Turk) have struggled for years with persistent and in some cases growing challenges relating to worker qualifications. These issues range a wide spectrum: in some cases, worker qualifications are non-transferable, leading requesters to “re-invent the wheel” as they attempt to determine in their own way whether a potential worker is qualified and reliable.

Problems determining a worker’s qualifications start on day 1; labor markets begin their relationships with new workers almost entirely uncertain about the worker’s competence in any type of task. Gathering this information through qualification exams is generally time-consuming and costly.

Challenges mount as workers’ skill sets develop; work requiring more training and skill (for example, translating or programming) are either verified by individual **requesters** (e.g. Amazon Mechanical Turk) or are verified by the **platform** itself (e.g. UpWork). While the **UpWork** model avoids needless repetitive work by generally consolidating qualifying exams at the platform level, these labor platforms nevertheless find themselves in the unenviable (and often unexpected) position of having to develop new qualifications exams to outpace would-be cheaters.

A (Potential) Solution

In offline labor markets involving skilled workers, credentials are sometimes managed by external, trusted organizations: the state requires electricians to serve in apprenticeships and pass licensing exams; lawyers take exams administered by the American Bar Association (ABA); doctors take similar exams given by their own oversight organization (the NBME).

This approach may prove useful in alleviating the burden online labor markets are increasingly taking on. By externalizing worker qualifications, a number of benefits can emerge:

1. New workers can provide some evidence of their work history to labor platforms, mitigating or even resolving the “cold start” problem of not knowing the trustworthiness or competence of a new user.
2. Aggregated (even heterogeneous) ratings sourced from differing labor markets can provide a more holistic picture of a worker’s areas of competence. Workers can use this information to identify specialization more easily, reducing wasted time **searching for** or **working on** suboptimal tasks. Requesters can benefit from this information by making more informed decisions about which worker to contract.
3. By turning the reputation management of workers into an external entity (agnostic to labor platform), designers and developers can focus more fully on the marketplace itself.

Measurable Variables

First Steps