DaBounty

Decentralized Autonomous Bounties improving compensation discovery

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In your organization, there are a few members who set bounty compensation. You have confidence they are the best person to make these decisions. In reality, they are asking themselves “Is this enough to interest contributors to complete the work?”, “What level of expertise does somone need to perform this task?”, “How much time will this work take to complete?”. Individuals estimating these factors often have little or no experience to set proper compensation. They use “best guess methedology” and business driven metrics ignoring time, quality, and free market. Projects end up taking much longer than expected, waste funds or improperly compensate, and many times produce quality far from what is desired.

# Abstract

DaBounty provides a framework to discover free market compensation of bounties by averaging weighted metrics of each contributor’s economic pressures, experience level, and trust while under threat of award and punnishment.

## Globalization 3.0

In 2005 Thomas L. Friedman published the book “The World is Flat” in which he documents his observations of changes in how work is performed with the advancements of technology. Friedman identified our current period as Globalization 3.0. Prior periods were 200 to 300 years long which means we have just started in the web3 revolution of work. DaBounty is the first decentralized tool in this new period of globalization that facilitates compensation discovery using estimates, trust, seniority, and verifiable skillsets.

## Free Market Compensation

When a contractor creates an estimate of work many influences effect the outcome such as:

* Contractor’s local economy
* Compensation their counterparts are receiving on like projects
* Competition, supply and demand of skillsets
* Value of the project to the organization once completed
* Organization’s budget
* Contributor’s personal finances (Debt, wants, needs)
* Contributor’s desire to perform the task

True free markets are absent of regultion and full of influence. When a single individual sets the price of a bounty they are denying free market. They are not considering all of the participant’s economic influences. True global compensation discovery includes menut influences from all participants which impossible for a single person to know and consider.

## Cooperation

### Trust

The book “The Evolution of Cooperation” by Robert Axelrod, 1984 used game theory to determine when it is beneficial to trust and when it is better to cheat. Axelrod setup a series of studies to model multiple controlled interactions and determined trusting others outright was mathematially more benificial as long as there were mutliple interactions in which the threat of being punnished existed. DaBounty measures trust by seniority, or longevity participating with an organization without being distrustful. Estimates given by participants gain more weight as they gain more seniority. Participants with less seniorty have less weight and therefore less bearing on the final averaged estimate of a project.

### Punishment

Axelrod noted without punishment, cheaters would always gain. Without punishment, participants are not dicincentivized to become bad actors. When it is discovered a participate inflates esitmates or becomes a bad actor, they shall be punnished by a combination of the follwing:

* Reducing estimate weight
* Removal from future estimates for a specified amount of time
* Forced opt-out from a coordinape cirlce
* Delayed partial compensation
* Removed from the circle entirely
* Forced acceptance of a “Bad Actor” NFT which has no transfer rights

There are a number of ways to discover a bad actor such as a large divergence between the estimates or multiple participates raising question to the validity of an estimate.

## Skills

DaBounty searches participant wallets for skills based NFTs that pertain to a project and gives additional weight to their estimate. Realavent skills and their importance to projects are identified by contributors and set by the circle administrator.

## Circle administrator

Circle administrators are those appointed by an organization and manage the confines in which the circle operates. The administrator can allow or remove participants in a circle. They can set a maximum estimate amount, monthly budget, starting and maximum weight options, set weight values to acceptable skills-based NFTs which pertain to projects. It is the administrators job to take action on punishments by overiding weight values and ensuring compensation witholding is performed.