



# The Impact Entrepreneur: Building a New Platform for Economic Security in Work

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### **About the RSA Economic Security Impact Accelerator**

The RSA (Royal Society for the encouragement of Arts, Manufactures and Commerce) believes in a world where everyone is able to participate in creating a better future. Through our ideas, research and a 30,000-strong Fellowship we are a global community of proactive problem solvers, sharing powerful ideas, carrying out cutting-edge research and building networks and opportunities for people to collaborate, influence and demonstrate practical solutions to realise change. The RSA Action and Research Centre combines practical experimentation with rigorous research to achieve these goals.

### **About Alt/Now**

ALT/Now runs programmes for practical system innovation. They start by framing a big social challenge, and invite leaders, innovators and entrepreneurs from different parts of the landscape to come together to create working ventures and system-level initiatives that support the transition to new systems. They have applied this approach to addressing economic inequality, the future of work, and rethinking public services, in Europe and North America.

### **About the Mastercard Center for Inclusive Growth**

The Center for Inclusive Growth aims to advance sustainable and equitable economic growth and financial inclusion around the world. Established as an independent subsidiary of Mastercard, the Center seeks to deploy the company's core assets to catalyse action on inclusive growth through: research, data philanthropy, programs and engagement.

### **About the Economic Security Impact Accelerator**

The RSA Future Work Centre has partnered with Alt/Now and the Mastercard Center for Inclusive Growth to pilot an Economic Security Impact Accelerator over the summer and autumn of 2019. This accelerator is supporting a cohort of 12 changemakers to have greater individual and collective impact on the economic security of UK workers, through an intensive programme of learning, networking, reflection and development, augmented by the RSA's leading-edge research on the future of work.



# Foreword

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This is an important report on an important topic. On the one hand, the focus of this project comprises the two vital and interconnected issues of economic security and the future of work. Economic insecurity is perhaps one of the greatest social challenges we face. As past RSA work has shown<sup>1</sup>, economic insecurity both affects more people than is generally understood and is more complex in its causes and expressions than just income inequality. But good work is central to economic security and the RSA Future Work Centre is also providing an influential and distinctive voice on the future of work, taking forward some of the key themes in the report I produced for the UK Government in 2017.

As important as the subject is the method. The RSA's unerring focus is impact. This is why our major programmatic areas – like economic insecurity and Future of Work – involve multiple strands addressing policy, insight, engagement, innovation and practice. The Economic Security Impact Accelerator has been a joint effort in its design – working closely with Alt/Now and the Mastercard Center for Inclusive Growth, using a range of design, research and engagement methods.

This is a more labour intensive and a riskier way of working than the more conventional, think tank focus on desk research and expert seminars. This report shows that the effort has paid off. The project has already generated valuable insights, supported entrepreneurs looking to address precarious work and started to build a movement of innovators seeking not just the success of their own initiatives but wider system-change in pursuit of greater economic security.

The RSA at its best is a global community of proactive problem solvers. This programme exemplifies this spirit of fellowship and I am very grateful for the efforts of Rowan Conway and the RSA team, our research partners Jennie Winhall, Charles Leadbeater, and to Payal Dalal from the Mastercard Center for Inclusive Growth, who all entered into this partnership with a shared mission to strive relentlessly for social impact. This commitment and support gave the team the scope to be experimental but most importantly, supported the efforts of twelve committed and creative entrepreneurs who have given their valuable time and energy to exploring how their collective efforts can achieve the greatest positive impact.

**Matthew Taylor**  
Chief Executive, The RSA

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<sup>1</sup>Shafique, A. (2018) Addressing Economic Insecurity. [online] London, UK: RSA. Available at: [www.thersa.org/discover/publications-and-articles/reports/addressing-economic-insecurity](http://www.thersa.org/discover/publications-and-articles/reports/addressing-economic-insecurity)

# Executive Summary

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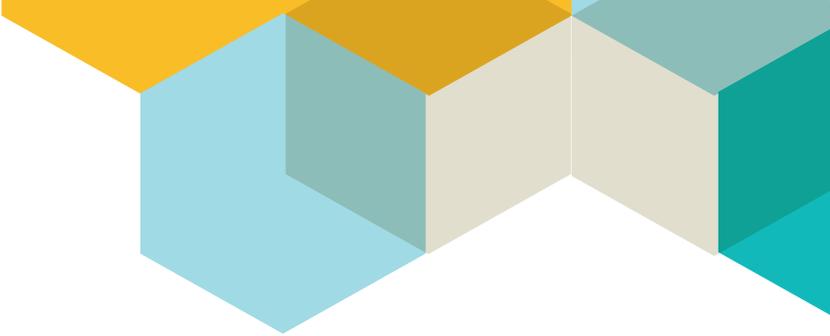
Some call it the 'fourth industrial revolution', others 'the age of automation', but what we are witnessing right now is a time of profound change. The shape of work is being refashioned in front of our eyes and predictions abound about the impacts of new technologies on jobs. Work is becoming more flexible, more independent and more tech-enabled. With these shifts, issues around economic security become more acute. This report describes how a unique partnership between the RSA, Alt/Now and the Mastercard Center for Inclusive Growth took on the challenge of exploring the action needed to combat economic insecurity in the future of work.

As the working landscape shifts, it is critical that society can respond and address urgent questions that arise from change. Chapter one summarises the problem: while the old model of a 'job for life' provided security for most of the workforce for nearly thirty years, now security has become a commodity increasingly reserved for the highly skilled and networked. People are now independents, contractors, part-timers, platform workers. The net result of this erosion of job security is that the fastest-growing forms of work are the most transactional and have the least security.

Chapter two explores the policy landscape and asks how we might move from research to action. To reimagine a safety net that is fit for modern workers we must look at both the policy and regulatory environment (the macro) alongside the individual efforts of businesses and entrepreneurs (the micro). But we do need both, as well as the 'meso level', of institutions and funding vehicles. New solutions won't come about unless bold ideas are married with practical activity – social ventures and policy experimentation that design new systems, services, laws and norms.

Chapter three outlines the case for the impact entrepreneur – entrepreneurs who want to take on population-level challenges. It describes how the RSA and Alt/Now designed an 'Economic Security Impact Accelerator' and selected a range of participants from the RSA Future Work Awards to form a cohort of early stage ventures, fast-growing start-ups, social innovation projects and established social enterprises all of whom were working on a part of the problem. Each participant focused on a significant challenge arising from modern work, and as a collective they covered the full gamut.

Chapter four focuses on 'building the field'. The design of an alternative system to the current model of security for workers cannot be the work of entrepreneurs alone. Institutions and regulation are part of what enable solutions to work. Our accelerator aimed to support successful ventures – but we were not solely focused on scale. We designed the Economic Security Impact Accelerator as an amplifier and set the goal for the programme to help forge partnerships, build networks, and use communications channels to shape the wider debate about the future of work. 'Field-building' is to social impact what market making is in purely commercial environments: it creates the enabling conditions into which innovations can grow and thrive.<sup>2</sup>



Chapter five looks at what a bright future of work might be – for everyone, not just those in paid employment. To get to a “parity of esteem between employees in corporate life and independent workers in the digital economy” requires a range of efforts to address the inequality in provision of services and benefits. This chapter reflects on the ways that the cohort broke down the problem into a series of “how might we?” questions and explores the finer detail around what’s needed to enable a 21<sup>st</sup> Century Safety Net.

Chapter six sets up next steps for the future. Setting impact goals is not simple when it comes to challenges like economic security in modern work. The numbers that businesses track such as business growth statistics, return on investment, contracts won, partnerships forged, social media hits or new customer conversions – may not necessarily equate to social impact. Designing solutions in the context of an emergent challenge requires perseverance and cooperation.

The future of work is a systems innovation challenge and its biggest test will be in orchestrating a large-scale collective effort. From this pilot programme we hoped to seed 'transformational coalitions' and 'impact partnerships' whose shared passion is economic security for all<sup>3</sup>. Success will come when workers feel more secure. The ultimate measure of success is not the fabled unicorn – but the creation of a new shared platform for economic security. If we want stable, inclusive growth then we need a way to generate secure, good work for all.

This is the work of a generation, a collective task for a transformational coalition. We hope it provides food for thought, ideas for action and inspiration to join the community in building a future of good work for all.

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<sup>2</sup> Robinson, C. (2018) Building the field? Medium, [blog] 15 June. Available at: <https://medium.com/thepeople/building-the-field-50c07a849db6>

<sup>3</sup> Nesta (2019) Impact Partnerships. [online] Available at: <https://www.nesta.org.uk/feature/innovation-methods/impact-partnerships/>

# 1. Work shift: the gradual decline of security at work

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We live in a time of huge contradictions. More people than ever are employed in the US and the UK, and western economies have been creating an abundance of new jobs for over a decade. And yet for millions of low and medium-skilled workers, pay has flatlined.<sup>4</sup> In this report we look at the growing problem of economic insecurity in the changing world of work and examine what it will take to design a 21st century safety net for those living at the sharp end of modern work. To do this, first we must understand the challenge and reconcile the paradox in the fact that we are experiencing both a surplus of new jobs and the end of ‘the job’ as we know it.

## The slow erosion of a very secure system

Until relatively recently, the large corporation was at the beating heart of the economy and its primary employer. Big companies provided jobs for large numbers of employees. These jobs involved a contract and conditions which were often negotiated by trade unions who represented the workers’ collective interests. The workers were paid a regular wage in return for their efforts.

That core relationship – a job with an employer that pays a steady wage – provided the basis for the design of our public welfare state of pensions and benefits, and the private financial system of loans and mortgages. Employers and the state each took on their side of the bargain: training and skills programmes prepared people for work. Employment law and human resources systems protected the exploitation or abuse of staff. Pensions systems afforded people with a liveable income at retirement age. Welfare systems provided a financial safety net when people became unemployed. The permanent contract and steady income that people received from jobs meant that they could take out loans to buy cars and mortgages to buy houses. It was a ‘win/win’ arrangement.

While it was never perfect, for three decades after the second world war this system was stable and productive. But it has unravelled in stages, starting in the 1970s and 80s with legislation that weakened trade unions and shifted the balance of power in the employment relationship. This was followed by globalisation, where national economies were opened up to the disorganising power of international markets alongside the destabilising effects of disruptive technology.

From the 90s onward, with the arrival of the dotcom era, a new spectre began to haunt large companies: the threat of challenger digital businesses that could collapse billion-dollar incumbents in record speed. Ever since, the corporation has been on edge, trying to work at the speed of tech and reimagine its business model to avoid obsolescence. This omnipresence of disruptive digital innovation makes it hard for businesses to plan with confidence and offer workers real security.

We are now in the age of the tech ‘unicorn’ (a tech company with a stock market valuation of more than \$1bn) and technology has rewritten the equations of corporate scale and customer/employee ratios. Big companies once needed to employ large numbers of people across all levels of skills to get work done. Successful firms today operate with incredibly lean resources. The big players: Google, Facebook, Apple, Amazon all have high market share and comparatively low labour costs.<sup>5</sup>

And yet there is much to celebrate. There are more jobs than ever.<sup>6</sup> More women are part of the workforce.<sup>7</sup> Highly skilled ‘talent’ is in demand especially in large urban centres that house big global firms<sup>8</sup>. Technological change has broadly redistributed rather than destroyed work – for example e-commerce has impacted retail jobs on the high street, but many new jobs in online retail have been created in logistics, distribution and supply chains. The fastest growing segment of the workforce is the self-employed.<sup>9</sup> More young people now identify as entrepreneurs and want flexibility to forge careers with purpose.<sup>10</sup> So what exactly is the problem with work now?

### Polarisation at work

As far back as the 80s, signals of a casualisation of labour were visible. In 1984’s *Flexibility, Uncertainty and Manpower Management*,<sup>11</sup> John Atkinson accurately predicted a shift to ever greater labour flexibility. His study observed firms restructuring their operations to make increasing use of part-time staff and temporary contractors in order to see productivity gains, weather market volatility and keep up with technological change.

Today, a new generation of organisations has emerged that take this flexibility further – digital platforms that can call on workers on demand. Regular wages are giving way to pay based on the completion of tasks. For many young people entering the labour market, a career is no longer a source of a stable identity but will require a series of transitions between overlapping projects, ‘gigs’ or ‘side hustles’.<sup>12</sup> Gig work offers people flexibility, but there is also a concern that it is ‘one-sided’ with employers seeking “to transfer all risk onto the shoulders of workers in ways which make people more insecure”.<sup>13</sup> Gig workers miss out on the sick pay, regular hours, mortgage verification, pension contributions, parental leave and paid holidays that employees take for granted.

<sup>4</sup> Collinson, A. (2019) Real pay cut for millions of people in working class jobs. TUC, [blog] 10 August. Available at: <https://www.tuc.org.uk/blogs/real-pay-cut-millions-people-working-class-jobs>.

<sup>5</sup> Barwise, P. (2018) Nine reasons why tech markets are winner-take-all. London Business School, [blog] 10 July. Available at: <https://www.london.edu/lbsr/nine-reasons-why-tech-markets-are-winner-take-all>

<sup>6</sup> BBC. (2019) UK employment total hits record high. BBC, [online] 22 January. Available at: <https://www.bbc.co.uk/news/business-46958560>

<sup>7</sup> Office for National Statistics. (2019) Labour Market Overview, UK: May 2019. [online] London: Office for National Statistics. Available at: <https://www.ons.gov.uk/employmentandlabourmarket/peopleinwork/employmentandemployeetypes/bulletins/uklabourmarket/may2019>

<sup>8</sup> Andreotti, A., Le Galès, P. and Moreno-Fuentes, F.J. (2015) *Globalised Minds, Roots in the City: Urban Upper Middle Classes in Europe*. Chichester: Wiley-Blackwell

<sup>9</sup> Volini, E., Schwartz, J., Roy, I., Hauptmann, M., Van Durme, Y., Denny, B. and Bersin, J. The alternative workforce: It’s now mainstream. Deloitte, [blog] 11 April. Available at: <https://www2.deloitte.com/us/en/insights/focus/human-capital-trends/2019/alternative-workforce-gig-economy.html>

<sup>10</sup> Jones, E. (2019) Inspiring a new generation of young entrepreneurs. Companies House, [blog] 30 August. Available at: <https://companieshouse.blog.gov.uk/2019/08/30/inspiring-a-new-generation-of-young-entrepreneurs/>

<sup>11</sup> Atkinson, J. (1985) *Flexibility, Uncertainty and Manpower Management*. Institute of Manpower Studies. (No. 89). Available at: <https://www.employment-studies.co.uk/system/files/resources/files/89.pdf>

<sup>12</sup> Guillebeau, C. (2019) *Side Hustle: Build a Side Business and Make Extra Money - Without Quitting Your Day Job*. London, UK: Pan MacMillan

<sup>13</sup> Taylor, M., Marsh, G., Nicol, D. and Broadbent, P. (2017) *Good work: The Taylor review of modern working practices*. [online] London, UK: RSA. Available at: <https://www.thersa.org/discover/publications-and-articles/matthew-taylor-blog/2017/07/the-taylor-review>

But it is not just gig workers who face economic insecurity. A chasm has emerged between high-skilled and low-skilled workers which contributes to a polarisation in society.<sup>14</sup> Brussels-based thinktank Bruegel produced research that shows that middle-skilled and educated workers are now more likely to be adversely affected by technological change.<sup>15</sup> Their findings show that growth in employment in the UK and US has been predominantly for the highest-skilled or the lowest-skilled occupations, with declining employment in the middle.<sup>16</sup> The authors put this down to the “the routine-biased technological change hypothesis”<sup>17</sup> and quote LSE research that found that middle-paying jobs requiring a moderate level of skills are declining by 5-15 percent for countries including France, Austria and the UK.<sup>18</sup>

According to other reports, this hits entry level workers hardest with “early career lawyers, lecturers, accountants or architects facing lower pay, less stable jobs, poorer working conditions and higher levels of freelancing than their older colleagues experienced”.<sup>19</sup>

The sense of insecurity that many feel is further compounded by the unfathomable threat of automation. Some claim the rise of robots, machine learning and artificial intelligence will eliminate the need for employees to do routine manual, service and clerical work. Whether or not the threat is real, automation anxiety is now widespread.<sup>20</sup> Technology often arrives in our lives first as a story or a myth before we see the reality. AI is currently being presented as a horror story for workers.

To summarise the problem, while the old model provided security for most of the workforce, now security has become a commodity increasingly reserved for the highly skilled and networked. New forms of work blur the line between employment and self-employment: people are independents, contractors, part-timers, platform workers. The net result of this erosion of job security is that we now live in a time where the fastest-growing forms of work are the most transactional and have the least security. [Figure 1](#), on the next page, takes a framework of 20th century worker typologies originally created by John Atkinson in 1984 and adds new forms of work that have emerged in the 21st century.<sup>21</sup> When we segment workers like this, we can see that new types of work assume that workers take accountability for their own social support, skills development and economic security.

**Figure 1: 21st century worker typologies (after atkinson 1984)**

GROUP	ROLES	BASIS FOR PAY	SKILLS	TRAINING AND RETENTION	JOB SECURITY
<b>High skilled full time employees ('Talent')</b>	Managers, designers, technically skilled practitioners and skilled craftspeople	Performance	High, firm-specific	Important to employer	High
<b>Support staff / full time employees</b>	Technical and support staff, routine workers	Hours worked	Moderate	Somewhat important to employer	Moderate
<b>Flexible contractual arrangements</b>	Part-time or temporary agency workers (nightshifts, routine work job sharers, interns)	Hours worked	Low	Unimportant to employer	Low
<b>Self employed</b>	Contractors, consultants, coaches, etc.	Tasks completed	High but task specific, not firm-specific	Unimportant to employer	Low/None
<b>Platform workers</b>	Drivers, riders, taskers, etc.	Tasks completed	Low but task specific, not firm-specific	Somewhat important to employer	None

### Rising to the challenge

Economic insecurity is not a simple problem. The RSA has previously conducted research with Nottingham Trent University and found that it is not just limited to job insecurity.<sup>22</sup> It arises from many issues beyond the workplace, encompassing the wider psychosocial wellbeing of families, communities and places. Security relies on the support of social networks and public services, as well as stable housing conditions and asset ownership. But work *is* a critical factor.

<sup>14</sup> Palier, B. (2018) The politics of social risks and social protection in digitalised economies. Policy Network, [blog] 17 May. Available at: <https://policynetwork.org/opinions/essays/politics-social-risks-social-protection-digitalised-economies/>

<sup>15</sup> Chiacchio, F., Petropoulos, G. and Pilcher, D. (2018) The impact of industrial robots on EU employment and wages: A local labour market approach. [online] Brussels: Bruegel. Available at: <https://bruegel.org/2018/04/the-impact-of-industrial-robots-on-eu-employment-and-wages-a-local-labour-market-approach/> ; Petropoulos, G., Marcus, J.S., Moës, N. and Bergamini, E. (2019) Digitalisation and European welfare states [online] Brussels: Bruegel. Available at: [https://bruegel.org/wp-content/uploads/2019/07/Bruegel\\_Blueprint\\_30\\_ONLINE.pdf](https://bruegel.org/wp-content/uploads/2019/07/Bruegel_Blueprint_30_ONLINE.pdf)

<sup>16</sup> Ibid.

<sup>17</sup> Sebastian Lago, R. and Biagi, F. (2018) The Routine Biased Technical Change hypothesis: a critical review. [online] Brussels: The Publications Office of the European Union. Available at: <https://ec.europa.eu/jrc/en/publication/routine-biased-technical-change-hypothesis-critical-review>

<sup>18</sup> Goos, M., Manning, A. and Salomons, A. (2014) Explaining job polarization: Routine-biased technological change and offshoring. *American Economic Review*, 104(8), pp.2509-26.

<sup>19</sup> Shenker, J. (2019) Strike 2.0: how gig economy workers are using tech to fight back. *The Guardian*, [online] 31 August. Available at: <https://www.theguardian.com/books/2019/aug/31/the-new-resistance-how-gig-economy-workers-are-fighting-back>

<sup>20</sup> Conway, R. and Wallace-Stephens, F. (2019) Rethinking the safety net for 21st century workers. RSA, [blog] 16 August. Available at: <https://www.thersa.org/discover/publications-and-articles/rsa-blogs/2019/08/economic-safety-net>

<sup>21</sup> Petropoulos, G., Marcus, J.S., Moës, N. and Bergamini, E. (2019) op cit.

<sup>22</sup> Shafique, A. (2018) op cit.

Shifting patterns of modern work pose a series of challenges for workers, employers and policy-makers which are as much conceptual as practical. The current narrative around the future of work is too alarmist, focusing on the number of jobs that will be automated, yet few practical efforts exist to combat the threat of systematic economic insecurity arising from modern working practices. It is now time to stop talking about an apocalyptic future of work, and recognise that jobs, wages, social security, retirement, pensions – or “the bundle” as Laetitia Vitaud calls it – all need recasting.<sup>23</sup>

So how do we do this? To get past the hyperbole and into action, the RSA and Alt/Now embarked upon a pilot programme to identify a set of ‘impact entrepreneurs’ and take on the challenge of co-designing a 21st century safety net for workers. Hosted by the RSA Future Work Centre and co-produced with Alt/Now in partnership with the Mastercard Center for Inclusive Growth, the “Economic Security Impact Accelerator” programme worked with a cohort of entrepreneurs to explore the challenges and opportunities presented by modern work. These are the questions we set out to explore:

- How can we provide most workers with a sense of security in an economy marked by volatility in which they are expected to act more like independent contractors?
- What new kinds of collective organisations do we need to represent workers? What kind of social safety net do we need?
- How best should we insure and protect one another against the risks of work in an economy that is constantly disrupted by radical technological innovation?
- How can we help to provide people security in the long term – with savings and pensions – when real wages for many are flat?
- What becomes of the idea of a career and a work identity when work becomes a shifting set of contracts and projects?
- What kinds of training and retraining, work search and psychological support will people need to survive and prosper in such a fluid labour market?
- How do we provide people the realistic aspiration of being able to engage in good work, which provides them with dignity and security?

Work is fundamental to our way of life and is how most people earn money and find their identity. The first question we are asked as a child is “what do you want to be when you grow up?” and as an adult “what do you do?” As the working landscape shifts so profoundly, addressing the above questions is now imperative. This report describes how this unique partnership between the RSA, Alt/Now and Mastercard Center for Inclusive Growth took on this challenge. We hope it might inform, enable or inspire further action to combat economic insecurity in the future of work.

## 2. Reimagining the 21st century safety net

There has been much research and debate around the future of work. In 2017, the Taylor Review of Modern Working Practices made 53 recommendations to the UK government (51 of which were adopted)<sup>24</sup> and this year the European Commission presented a set of proposals for access to social protection for workers and the self-employed.<sup>25</sup> In the US, policy ideas are developing at pace, with Senator Mark Warner introducing four bills to Congress: the Investing in American Workers Act, Lifelong Learning and Training Account Act, Self-Employed Mortgage Access Act, and Portable Benefits for Independent Workers Pilot Program Act.<sup>26</sup> US Cities and States have also begun efforts to tackle rising insecurity, launching efforts like the New Jersey Future of Work Task force.<sup>27</sup> Research into solutions and policy innovations such as universal basic income have been explored by the RSA<sup>28</sup> and others, and trialled by local governments in Scotland, Finland, Canada and the US. But change to tax and social security is just one part of a bigger system shift that must engage large and small employers, entrepreneurs, insurers, financial services providers, governments and workers themselves to unleash complementary reforms, services and innovations.

To reimagine the safety net holistically we must look at both the policy and regulatory environment (the macro) alongside the individual efforts of businesses and entrepreneurs (the micro) to create the components of a platform for security designed for the modern world of work. A new field of social support will not be able to grow its new solutions unless it marries bold ideas with practical activity: social ventures and policy experimentation that design new systems, services, laws and norms which aim to marry flexibility to security. This is why entrepreneurs, not just policy makers, have a key role in shaping the safety net for the 21st century. As Nicolas Colin, author of Hedge says:

**“Before the state can act, the field must be marked by a first generation of pioneers. Innovators and activists are the only ones capable of doing the hard work at the early stage, namely spotting the new economic and social challenges of the day and discovering the basics of the new mechanisms that can effectively tackle them”.**<sup>29</sup>

More entrepreneurs and social businesses are coming forward with what could provide the components for this platform, from fintech and ‘WorkerTech’ solutions, to digital learning platforms,<sup>30</sup> to new mutual forms of organisation. Unlike a typical tech accelerator, the aim of the Economic Insecurity Impact Accelerator was not just to catalyse individual ventures, but rather expose emergent solutions, explore how they fit into a wider system (see **Figure 2**, on the next page) and see how they might be combined to build a field.

<sup>23</sup> Vitaud, L. [online] available at: <https://medium.com/@Vitolae>

<sup>24</sup> Taylor, M., Marsh, G., Nicol, D. and Broadbent, P. (2017) op cit.

<sup>25</sup> European Commission (2018) Council recommendation on access to social protection for workers and the self-employed [online] Available at: <https://ec.europa.eu/social/main.jsp?catId=1312&langId=en>

<sup>26</sup> Reader, R. (2019) Senator Mark Warner has a new plan to protect gig economy workers. Fast Company, [online] 26 February. Available at: <https://www.fastcompany.com/90312184/senator-mark-warner-has-a-new-plan-to-protect-gig-economy-workers>

<sup>27</sup> Novek, B.S. (2018) Request For Proposals — New Jersey Future of Work Task Force Seeks Background Research and Analysis. Medium, [blog] 2 November. Available at: <https://medium.com/nj-future-of-work-task-force/rfp-nj-future-of-work-task-force-2c07abe5c795>

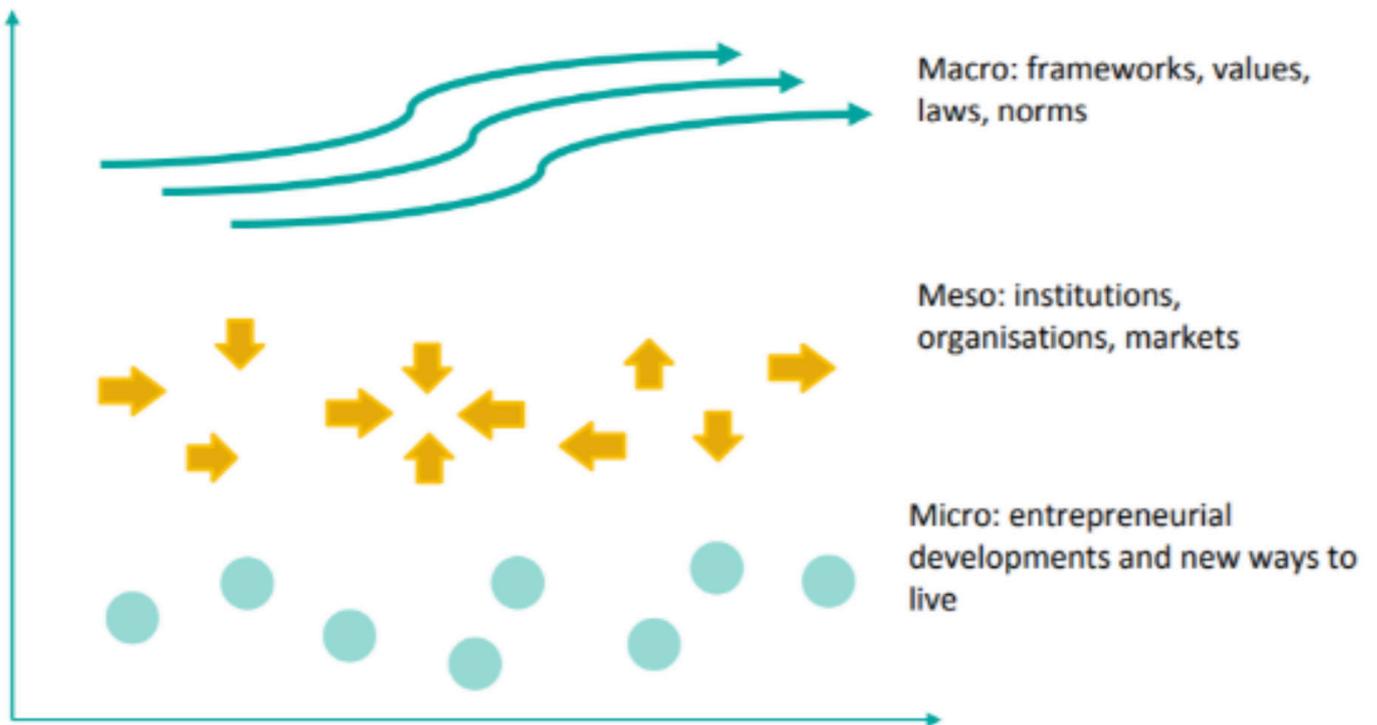
<sup>28</sup> Painter, A., Thorold, J. and Cooke, J. (2018) Pathways to Universal Basic Income: The case for a Universal Basic Opportunity Fund. [online] London: RSA. Available at: <https://www.thersa.org/discover/publications-and-articles/reports/pathways-to-universal-basic-income-the-case-for-a-universal-basic-opportunity-fund>

<sup>29</sup> Colin, N. (2018) Hedge: A greater safety net for the entrepreneurial age. California: CreateSpace Independent Publishing Platform.

<sup>30</sup> Clayton, R. (2018) Cities of learning named one of world's most inspiring education innovations. RSA, [blog] 13 November. Available at: <https://www.thersa.org/discover/publications-and-articles/rsa-blogs/2018/11/cities-of-learning-named-one-of-worlds-most-inspiring-education-innovations>

**Figure 2: The three levels of systems change (Macro, meso, micro)**

based on Frank Geels' Multi-Level Perspective on System Transition



## A learning journey

The success of individual entrepreneurial solutions depends in part on the success of the whole field. For entrepreneurs to have impact beyond their own product launches and investment rounds, we need them to immerse themselves in the wider landscape of modern work as it emerges, carefully consider their role within that landscape and the capabilities they would need as a collective to bring forward innovations to effect change.

This accelerator pilot was framed as a 'learning journey'. The goal was to identify and support a group of 12 entrepreneurs to join a six-month pilot to grow their impact through an intensive action learning process. Through the programme, we examined how ideas developed by entrepreneurs might inform the macro environment of laws, regulation and societal norms; the 'meso' environment of institutions and funding systems; as well as their own individual entrepreneurial efforts to support people in precarious and atypical work. We drew inspiration from the work of Frank Geels in creating this model of systems transitions.<sup>31</sup>

The design of an alternative system to the current fraying model of security for workers cannot be the work of entrepreneurs alone. Nor is it simply a task for design thinking applied to a big social challenge. Even well-designed solutions, which have been developed with the best human-centred design methodologies, can be rejected by systems which find them too challenging to absorb. Powerful solutions to social needs invariably require a set of complementary innovations – the jet airliner, needed not just jet engines, but longer, better runways and larger airports; an electric car will be useless without good batteries and an infrastructure of recharging points.

As Geoff Mulgan recently pointed out: “the fairy-tale stories of technological change in which technologies simply rain down onto a grateful population” fail to acknowledge the reality that institutions and regulation are part of what enable solutions to work.<sup>32</sup> In a 2019 blog, he notes that for social innovation to succeed new institutions need to emerge. The example he gives is of the gap in institutional support for lifelong learning: “there is a striking absence of effective institutions to provide funding, navigation, policy and problem solving, and again, the contrast with the institution-rich fields of primary, secondary and tertiary education is striking. The position on welfare is not so different, as is the absence of institutions fit for purpose in supporting people in precarious work”.<sup>33</sup>

The ideas emerging from the Economic Security Impact Accelerator will require new institutions and support systems to enable them. Those new shared infrastructures are invariably not the creation of a single venture but a collective undertaking. This accelerator was designed as a catalyst for impact entrepreneurs. It aimed to help the entrepreneurial cohort break free of the myopic venture funnel, where start-ups become obsessed with incremental improvements of their business models with relentless A/B testing and validation of their marketing tools. We wanted to open them up to seeing the role of their innovations in informing the development of wider systems change and creating impact at the meso and macro levels. These 'impact entrepreneurs' – we hoped – would join us in co-designing a comprehensive set of ingredients for a platform of economic security in work.<sup>34</sup> The following chapters outline what we did.

<sup>31</sup> Geels, W. (2002) Technological transitions as evolutionary reconfiguration processes: a multi-level perspective and a case-study. *Research Policy*, [e-journal], 31. Available at: <https://ris.utwente.nl/ws/files/6761018/Geels02technological.pdf>

<sup>32</sup> Mulgan, G. (2019) Governance sinkholes. Nesta, [blog] 19 August. Available at: <https://www.nesta.org.uk/blog/governance-sinkholes/>

<sup>33</sup> Ibid.

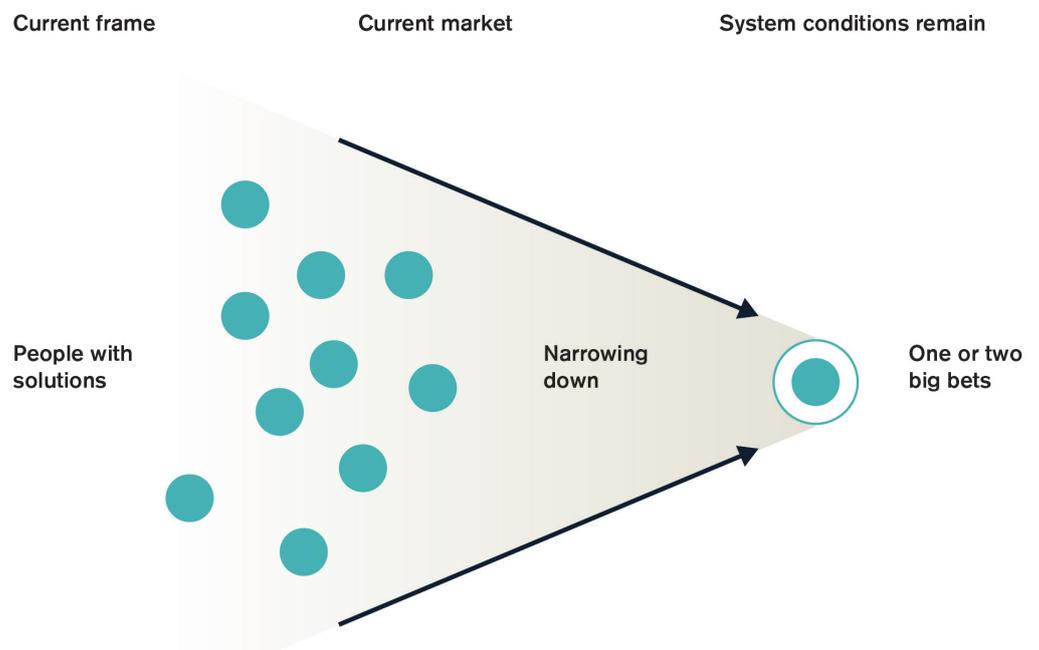
<sup>34</sup> The RSA defines economic security as “the degree of confidence that a person can have in maintaining a decent quality of life, now and in the future.”

## 3. Developing impact entrepreneurs

Solving societal problems is becoming an investable proposition – missions, moonshots and 'big bets' are the talk of policy-makers, philanthropists and venture capitalists alike.<sup>35</sup> Spurred on by the UN Sustainable Development Goals, there is a growing flow of investment into and from social impact funds that invest in technologies that aim to solve the world's most pressing problems.<sup>36</sup> Many dedicated social enterprise accelerators are growing on the back of this trend. The Impact Hub network, Social Enterprise UK, Ashoka, UnLtd and others are supporting a thriving entrepreneurial community,<sup>37,38</sup> and new investment funds Unreasonable<sup>39</sup> and the WeWork Creator Fund<sup>40</sup> are specifically directing funds at ventures focused on the future of work.

However, many venture funds are based on a portfolio approach to investing: the financial success of a few ventures earns investors the return they need to cover the costs of the failures. While social venture funds usually take a patient approach with their capital, they still take the shape of a funnel (see [Figure 3](#), below).

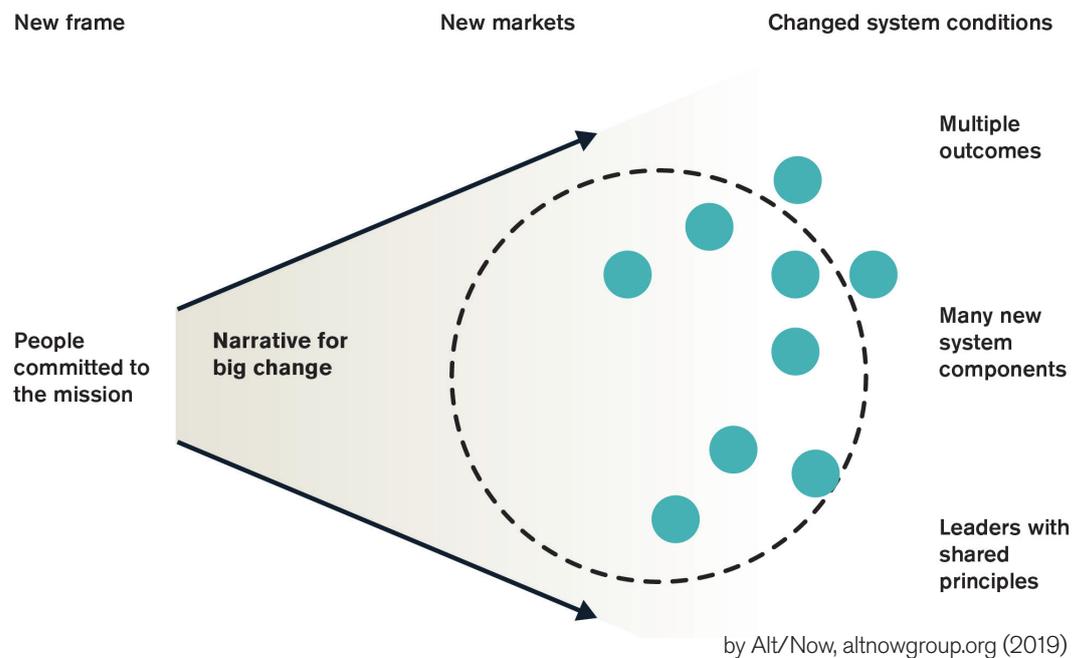
**Figure 3: The funnel approach to venture development**



by Alt/Now, [altnowgroup.org](http://altnowgroup.org) (2019)

While this type of investment is valuable and catalyses many successful start-ups, the RSA Alt/Now approach sought to complement these kinds of accelerators and operate more like an amplifier. Our accelerator does aim to produce successful ventures – but unlike venture capitalists, we were not solely focused on scale. Seeing the Economic Security Impact Accelerator as an amplifier set the goal for the programme to help forge partnerships, build networks, and use communications channels to shape the wider debate about the future of work. To do this the cohort underwent a process of innovation, design and development, at the end of which they considered multiple routes to change (see [Figure 4](#)).

**Figure 4: The amplifier approach to venture development**



To support this 'loud hailer effect', we conducted primary research into the lived experience of economic security for UK workers<sup>41</sup> and encouraged blogging from the cohort ventures to make the best use of the RSA and Mastercard Center's communications platforms and social media reach. The impact of the accelerator will to some extent be measured by the strength of its networks and increased awareness of the issues and trends in working practices and economic security. Public awareness is essential to create the space for debate and helps foster the conditions for changes in social norms or policy positions.

<sup>35</sup> Stanford Social Innovation Review. (2019) Unleashing Philanthropy's Big Bets for Social Change. [online] Available at: [https://ssir.org/supplement/unleashing\\_philanthropys\\_big\\_bets\\_for\\_social\\_change](https://ssir.org/supplement/unleashing_philanthropys_big_bets_for_social_change)

<sup>36</sup> Connaker, A and Madsbjerg, S. (2019) The State of Socially Responsible Investing. Harvard Business Review, [online] 17 January. Available at: <https://hbr.org/2019/01/the-state-of-socially-responsible-investing>

<sup>37</sup> Impact Hub Network (2019) Impact Hub [online] Available at: <https://impacthub.net/>

<sup>38</sup> Drury-Bradey, P. (2018) Getting to work: 18 social innovations get accelerator support to thrive. UnLtd, [blog] 9 July. Available at: <https://www.unltd.org.uk/blog/news/getting-to-work-18-social-innovations-get-accelerator-support-to-thrive>

<sup>39</sup> Unreasonable (2019) Unreasonable [online] Available at: <https://unreasonablegroup.com/>

<sup>40</sup> Chernova, Y. (2018) WeWork Is Launching a Venture Fund for the 'Future of Work'. Wall Street Journal, [online] 20 September. Available at: <https://www.wsj.com/articles/wework-is-launching-a-venture-fund-for-the-future-of-work-1537474210>

<sup>41</sup> Conway, R. and Wallace-Stephens, F. (2019) op cit.

## Developing creative capacities

The learning journey set participants the task of co-designing a positive vision for the future of work. Working with an emergent challenge like this requires creativity, so the accelerator used a pedagogy based on action research and exploratory design methods, combining learning, network development, experimentation and reflective practice. Participants built their capacity for “action inquiry” – a process of reflecting on their actions and probing deeply into feedback, then working through cycles of action and reflection.<sup>42</sup> These methods were augmented with peer mentorship from RSA Fellows and Mastercard experts on bespoke topics, action learning sets, and one to one innovation coaching. Our aim was for the programme to have tangible takeaways: participants would build their knowledge, define their own and their collective purpose, grow their networks and develop experiments to test in the real world and then reflect, synthesise and revise activity.

## Setting impact goals

Our model of change assumed that system impacts would occur over a much longer time period than the accelerator itself, but that the accelerator would help the cohort define impact goals and understand the dynamic indicators and feedback that would show that they were on course. We focused on developing capabilities for:

- ◆ **Business impact** – growing healthy, sustainable initiatives that meet the challenge.
- ◆ **Social impact** – direct outcomes for the people who benefit from our initiatives.
- ◆ **System impact** – changed system conditions that lead to wider benefit and enable further initiatives to take root.

Setting impact goals is not simple when it comes to challenges like economic security in modern work. The numbers that businesses track such as business growth, return on investment, contracts won, partnerships forged, social media hits or new customer conversions – may not equate to social impact. Even the data on beneficiaries and customers such as numbers of people attending training courses or moved out of unemployment may also not be real impact if the jobs are poor quality or the training does not serve individual needs. Numeric data do, however, provide dynamic feedback and signals that help an entrepreneur understand if they are on course toward social impact.

Impact will look different over time, which is why an adaptive approach to goal-setting is important. As Ann Mei Chang says in *Lean Impact*: “Fall in love with the problem, not the solution”.<sup>43</sup> Impact entrepreneurs are those who are personally invested in solving the problem and committed to a mission, rather than compulsively attached to their solution.

## 4. Building a Field

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Impact entrepreneurs cannot succeed in isolation. The challenges and opportunities posed by the future of work are so vast that tackling them will require more than a start-up or even networks of entrepreneurs. While high profile venture programmes such as the Y Combinator have catapulted social enterprises like the Lambda School into large scale entities,<sup>44</sup> in most scenarios, start-ups will provide a component among many that will enable system-level change.

As the RSA report “From Design Thinking to Systems Change”<sup>45</sup> noted, “problems are not the same as markets”. A better future of work will require not just new market solutions for workers but new laws, funding systems, regulations, norms and public services. Building a strong field of people working on all these elements is vital if we are to take on a population level challenge. As Cassie Robinson, founder of The Point People, has said: “Field-building” is to social impact what market-making is in purely commercial environments: it creates the enabling conditions into which innovations can grow and thrive.<sup>46</sup>

### Start-ups as systems changers

To gather a mix of entrepreneurs to form a cohort that could work on this challenge, we selected a range of participants from a pool containing 400 nominees as well as the winners of the RSA Future Work Awards and invited them to take part in the programme. The cohort was a diverse mix of early stage ventures, fast-growing start-ups, social innovation projects and established social enterprises all of whom were working on a part of the problem. Each participant focused on a significant challenge arising from modern work, as a collective, they covered the full gamut of the 21st century safety net (see [Figure 5](#), on the next page). It was necessary to ensure that they didn’t see themselves as competitors – to build an entire field of innovators, they must rail against a common enemy rather than compete. In this case, that enemy is a future of work in which insecurity is rife.

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<sup>42</sup> Reason, P., & Bradbury, H. (Eds.). (2001). *Handbook of Action Research: Participative inquiry and practice*. London: Sage Publications.

<sup>43</sup> Mei Chang, A. *Lean Impact: How to Innovate for Radically Greater Social Good*. Hoboken, NJ: Wiley

<sup>44</sup> Y Combinator. (2019) A CS Education That’s Free Until You Get a Job – Austen Allred of Lambda School. Y Combinator, [blog] 3 April. Available at: <https://blog.ycombinator.com/a-cs-education-thats-free-until-you-get-a-job-austen-allred-of-lambda-school/>

<sup>45</sup> Conway, R., Masters, J. and Thorold, J. (2017) *From Design Thinking to Systems Change* [online] London: RSA. Available at: <https://www.thersa.org/discover/publications-and-articles/reports/from-design-thinking-to-system-change>

<sup>46</sup> Robinson, C. (2018) op cit.

Figure 5: The cohort and components of a 21st century safety net



The participants on the programme all have initiatives that address different aspects of economic security, and our hope was that as a group they could create a prototype of the platform needed to enable economic security in work. The following initiatives took part in the programme:

### **Enrol Yourself, London, Birmingham, Bristol, England, Edinburgh, Scotland and Sofia, Bulgaria**

Enrol Yourself hosts inclusive, local peer groups that support adults at times of transition by building their personal and professional resilience over 6 months. Participants set their own learning question that they pursue as part of a mutually supporting cohort. This provides motivation and diverse perspectives, without the need for enrolling at an educational institution. Enrol Yourself has led programmes in London, Bristol, Edinburgh and Birmingham and supported a peer group of UK Government Digital Service content designers.

### **ProxyAddress, London, England**

An address is no longer just a location, it's now a de facto means of identification. This means that if a person becomes homeless they are immediately cut off from the basic services they need to recover such as benefits, a bank account, and employment. Those who might have otherwise been able to get back on their feet with the help of some early support are instead left to become entrenched. ProxyAddress uses existing records of empty properties to create a 'proxy' address that can be used to access services and provide identification regardless of location.

### **Rochdale New Pioneers Programme, Rochdale, Greater Manchester, England**

Rochdale Borough Housing is the first tenant and employee co-owned housing society with 13,000 homes. This pioneering model places members at the heart of decision-making, allowing everyone to enjoy a sense of security and belonging. The New Pioneers Programme will support residents from central Rochdale, one of the UK's most deprived areas, into better jobs and healthier lives. It is collaboratively designed to enable employment progression for residents who we know aspire for better jobs but are currently stuck in under-employment and often benefit dependence. The programme was set up to explore mutually supporting elements for thriving residents including: a basic income for financial stability, dedicated career brokerage offering personalised support and a physical hub "New Pioneers Space" creating a broader community of mutual support.

### **The Turnaround Project, Belfast, Northern Ireland**

Turnaround aims to help 'turn around' the futures of people serving sentences in prison or in the community and who want to leave offending behaviour behind. It also aims to 'turn around' the wider community, encouraging others to support those on their journey away from offending. Turnaround's holistic approach seeks to address the multiple factors impacting that journey. At its core are transitional training and employment opportunities provided within social enterprises established and run by Turnaround and offered before and after people complete their sentences.

### **Labour Xchange, London, England**

Labour Xchange is a platform where workplace excluded groups such as the underemployed, parents and carers can register their upcoming availability to work on an hour by hour basis. Local businesses can then use the platform to access the free time of individuals and fill ad hoc staffing requirements. The platform has been designed to remove the unnecessary barriers in the employment industry ensuring individuals can access opportunities from which they would otherwise be excluded. As the platform is fully automated and operating costs are low, Labour Xchange can ensure individuals are always paid at least the living wage.

### **ACH, Bristol, England**

ACH has been working with refugee communities since 2004, providing innovative work programmes which challenge the status quo. The organisation has changed in the past ten years from a small-scale housing provider in inner-city Bristol, to

a leading provider of resettlement and integration services for refugee and newly arrived communities. Now, ACH works with 2,500 people per year, delivering services in the West of England and West Midlands, and offering advice and assistance across the UK and beyond.

### **Dinghy, London, England**

Dinghy provides on-demand Professional Indemnity insurance cover, aimed at freelance professionals and the 'gig' economy. Its technology platform enables customers to flex their insurance coverage up and down to reflect their needs. This enables them to save money but remain fully covered when they are between projects or on holiday. Dinghy targets 'gig' workers and freelancers working in the media and creative industries who make up the largest and most dynamic segment of the UK's growing army of over 2 million freelancers and consultants.

### **earwig, London, England**

earwig is a reviews platform for construction workers on temporary contracts. It's the only platform of its kind in construction and shows relevant, detailed, worker-led intelligence about recruiters and workplaces so workers can share intelligence and feel secure when choosing jobs. The founder of earwig developed the concept based on his personal experiences as an electrician and temporary worker. He has begun to work with mainstream construction companies and assembled several advisors and supporters including Unite the Union, to inform earwig's development and impact.

### **Trezeo, Dublin, Ireland and London, England**

Trezeo is rebuilding the financial safety-net for the increasing number of self-employed and gig economy workers. Trezeo was set up to help the self-employed navigate uncertain and volatile income which lead to debilitating challenges for many self-employed workers and act as a barrier to accessing financial products that most employees take for granted. Trezeo's income smoothing account tops-up members' self-employed income interest-free during quiet periods, to ensure they receive consistent payments; provides interest-free income advances to help during emergencies; and helps build savings. This also provides a foundation to enable the self-employed to access financial products like income protection insurance, pensions and even mortgages with all Trezeo members now benefiting from personal accident insurance to protect their income if they can't work.

### **Indycube, Cardiff, Wales**

Indycube is a cooperative (Community Benefit Society) that supports freelancers and the self-employed. Founded nine years ago, the organisation started in Wales and is now across the UK. It offers a suite of benefits that help the self-employed be less isolated, work closer to home, and get supported with legal cover, late payments, HR advice and accountancy tools to make their businesses less precarious. Indycube is also trying to practice what it preaches. For the past two years the cooperative has

operated on a completely flat management structure (including flat pay structure) and has been running a 4 Day Week.

### **workerbird, London, England**

workerbird wants workers to realise the power in their data. Its platform helps workers collect what they deserve by understanding and improving data about their working conditions. On this platform workers track their own data, on their own terms, for their own benefit. This helps people understand their working patterns in a broader context. Where needed they provide relevant information on next steps, such as reporting or where to access further help.

### **Bob by Bayes Impact, Paris, France**

Many job seekers find themselves alone and disarmed. The job market is complex, constantly changing and it is difficult to find help online. Bob is a free online platform that uses AI to help jobseekers assess and improve their employability with data-driven advice. Bob's brokerage support is 100% free and open source, and offers a complete review of the jobseeker's profile, target market, and search techniques. Bob then gives a selection of personalised advice to no longer be alone in their search and find the next key steps to move forward.

## 5. A bright Future of Work?

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In his review of modern work for the UK Government, Matthew Taylor described good work as “work that is fair and decent, with realistic scope for development and fulfilment”.<sup>47</sup> This phrase served as a useful heuristic for the cohort to develop a vision for a healthy system that supports workers across the spectrum of working types. To do this we asked them to describe a 'good work future' and then work back to understand the current system conditions that are preventing its emergence.

### The good work future

They did not come up with a single definitive target, rather a good future of work was broadly defined as “parity of esteem between employees in corporate life and independent workers in the digital economy”. To get to this would require a range of efforts to address the inequality in provision of services and benefits. This exercise broke down the problem into a series of further 'how might we?' questions to probe the finer detail around what's needed to enable a 21st century safety net:

- ◆ **How can we support a new culture of lifelong learning?** A better future will rely on adaptive, portable skills acquired through a range of new methods (workplace training and recognition, online learning, MOOCs, digital badges,<sup>48</sup> and portable credit schemes). There are powerful cultural norms that mean that society favours the established traditional pathways for learning in higher education establishments post-school. What new institutions, cultural values and learning provision will it take to shift to learning as lifestyle?
- ◆ **How do we address the power imbalance in modern work?** There is a disparity between the power held by paid employees and independent workers. Those in non-standard work are more likely to miss out on key financial services and have less ability to direct or influence their employers or financial service providers to change this. To address this imbalance, they need new systems for loan verification and credit scores to give them access to financial services, and these will need to be backed by credible verification schemes and trusted industry bodies.
- ◆ **How do we enable career progression for gig workers?** Financial need and lack of time can trap platform workers in low paid, task driven work, leading to a vicious circle where there is no time or support for training or enterprise development. A better future is one where gig workers have more control over their working hours, have access to platforms for learning and development, can achieve their entrepreneurial aspirations.
- ◆ **How can we engage with the public sector on institutional reform not just venture development?** Governments around the world are challenged by the adoption of new technology at scale. While the UK Government is very keen to engage with entrepreneurs and there are many new programmes emerging in government focused on backing 'govtech' ventures,<sup>49</sup> there is less peer-level

engagement. To create the conditions for success, government also needs to engage in prototyping new institutional provision with entrepreneurs and others. New institutions need to be tested and grown to address the gap in provision for the modern workforce that prevents access to portable benefits for all.

- **How do we foster genuinely purpose-driven businesses?** Business will be vital in the development and supply of products and services that future workers will need. There is growing support for the idea of the corporation driven by purpose, rather than just profit.<sup>50</sup> But moving beyond corporate responsibility efforts will require that businesses work openly and collaboratively, rather than competitively, which is challenging for those operating in highly competitive and regulated markets such as insurance, health care and financial services. Public-spirited corporations will need to build capacity in new forms of innovation and recognise that this may test their proprietary R&D systems, new product development processes and require the design of new forms of private-private partnerships.

### Avoiding a bad future of work

An important part of this futures exercise was to explore the negative alternative – a ‘bad work’ future that could further compound economic insecurity if left unchecked. This exposed issues outside the cohort’s control but also in need of wider consideration. Questions were as follows:

- **How can we encourage new tech values based on transparency, data ownership and consent?** Digital business models are often reliant on the collection, processing and use of personal data. While the European Union’s new privacy rules, the General Data Protection Regulation (GDPR) were brought in to stem abuse of personal data, there is a high trust bar that new digital platforms will have to strive for if they want the legitimacy to act as providers for a 21st century safety net. Developers of any new platforms for economic security should be wary of business models that are reliant on monetising personal data and will need to set the highest standards in transparency.
- **How do we build demand for new kinds of security products when a steady job is what people really want?** There is strong evidence that the landscape of work is changing, but it doesn’t necessarily translate into a clear market for new ‘WorkerTech’ products. In our 2019 poll on economic security in the UK the preferred solution to economic insecurity for non-standard workers was “a contract that guarantees a certain number of working hours per week”.<sup>51</sup> The

<sup>47</sup> Taylor, M., Marsh, G., Nicol, D. and Broadbent, P. (2017) op cit.

<sup>48</sup> The RSA’s Cities of Learning programme is exploring this question in a range of UK cities. Learn more: <https://www.thersa.org/discover/publications-and-articles/rsa-blogs/2018/11/cities-of-learning-named-one-of-worlds-most-inspiring-education-innovations>

<sup>49</sup> Conway, R., Burbidge, I. and Timmons, L. (2018) Move fast and fix things: How to be a public entrepreneur. [online] London: RSA. Available at: <https://www.thersa.org/discover/publications-and-articles/reports/move-fast-and-fix-things>

<sup>50</sup> Wolf, M. (2018) We must rethink the purpose of the corporation. Financial Times, [online] 11 December. Available at: <https://www.ft.com/content/786144bc-fc93-11e8-ac00-57a2a826423e>

<sup>51</sup> Wallace-Stephens, F. (2019) Economic Insecurity: the case for a 21st century safety net. [online] London: RSA. Available at: <https://www.thersa.org/discover/publications-and-articles/reports/economic-insecurity>

survey showed much less demand for alternative solutions such as systems for savings support, income smoothing or worker voice. And yet the reality is that more and more people are now in non-standard work and will increasingly need products and services to help them mitigate insecurity. While there are many consumer fintech products that help people build up short-term savings, the demand for ‘WorkerTech’ platforms is still nascent. Many fintech products are themselves designed for those in paid employment and may not consider insecure workers as viable customers. How can we stimulate the appropriate market demand for portable benefits, flexible pensions provision or ‘WorkerTech’ products?



#### How can we ensure ethical practices in a new market for portable benefits?

Portable benefits are “connected to an individual, rather than a particular employer, so they can be taken from job to job without interruption in coverage or loss of funding”.<sup>52</sup> With the decline in big employers providing benefits such as pensions and health insurance, non-traditional workers now have some of the lowest rates of pension coverage.<sup>53</sup> Maintaining economic security requires that these workers value and prioritise their personal savings and pensions, but for those on low incomes, this is asking a lot. In our survey, 44 percent of non-standard workers said that they would struggle to pay an unexpected bill of £100.<sup>54</sup> The implicit bargain therefore between new businesses serving this emerging market and their low-income customers must be that they prioritise financial wellness, not just drive for consumption of products. Corporate governance will need to ensure that new suppliers incentivise the highest standards of sales and marketing practices in this emerging market.



**How do we combat increasingly stressful working lives?** Anxiety and depression are on the rise in our working lives.<sup>55</sup> Partly in response to this, mental health awareness and provision is improving for those in paid employment. However, low psychological support and high stress is common among workers in atypical work and families are increasingly under strain.<sup>56</sup> Freelance families are in a much weaker position than those with secure work. How do we help build communities of support, and how will we tackle the social isolation that can emerge from transactional task-based work? To thrive in the present economy – let alone a future one reshaped by automation – independent workers will need a better framework of psychological support and solid protections against the isolating features of flexible work.

These questions provide an agenda for future collaborations between institutions, employers and workers to come together to create and explore the conditions for a better future of work. To build a better future, we must understand these issues at a more granular level than we currently do and consider where is best for to take action. It prompts us to think: which of these issues is too big to take on in its entirety? Which of them can be tackled in smaller scale partnerships or prototypes? The final question is: where to start?

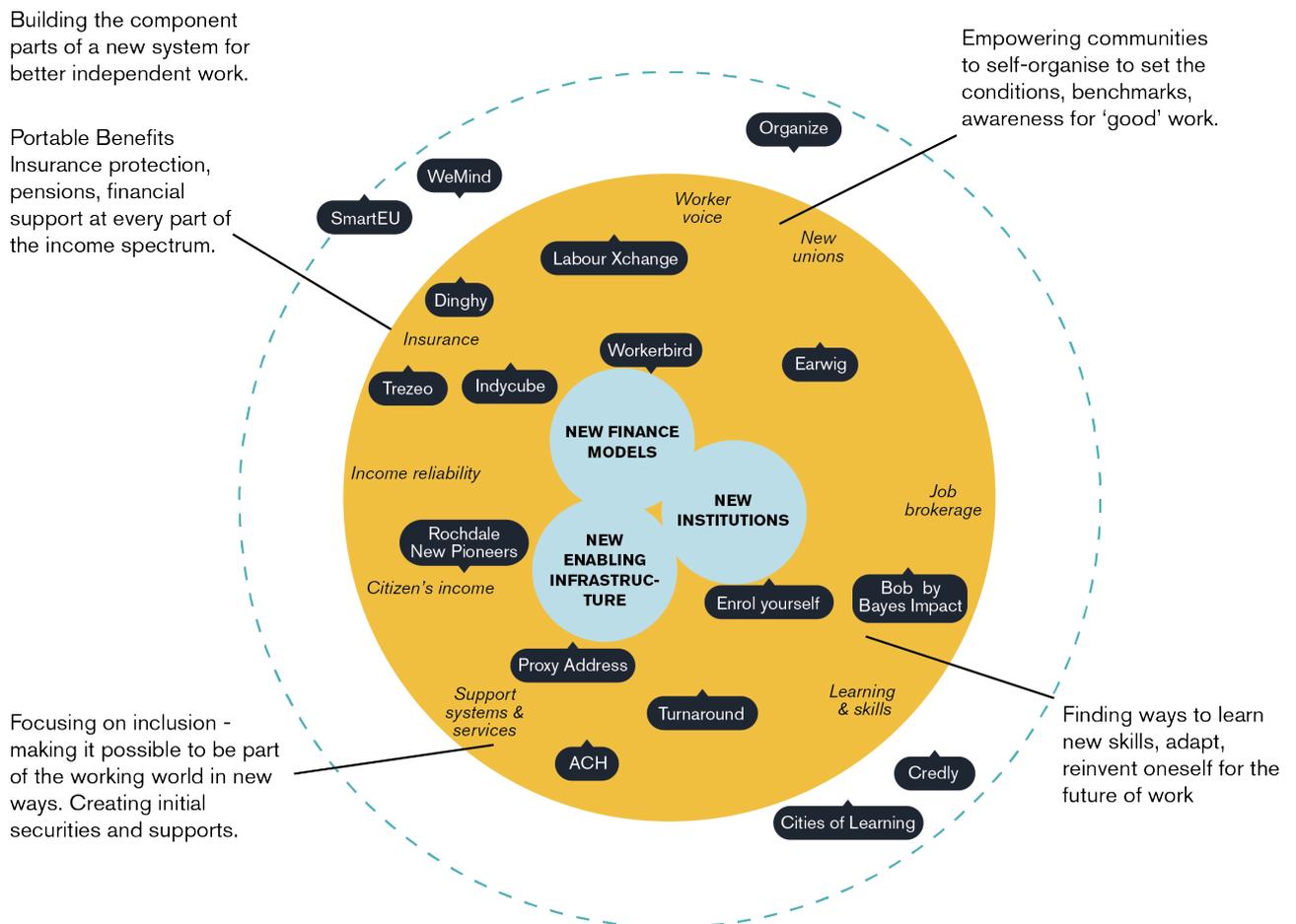
## 6. “Start where you are”

Designing solutions in the context of an emergent challenge requires perseverance and cooperation. The future of work is a systems innovation challenge and its biggest test will be in orchestrating a large-scale collective effort. From this pilot programme we hoped to seed 'transformational coalitions' and 'impact partnerships' to start working on ways to innovate and improve the way the system operates rather than merely fixing parts of it.<sup>57</sup>

Our transformational coalition had to build from the inside out and start with the cohort itself. As Dave Guarino at Code for America says in his advice for tech entrepreneurs wanting to change government, “start where you are”.<sup>58</sup> A common trap for entrepreneurs working on complex problems is to wait for institutions to get their house in order first. Only by starting to work on the problem will the pathway to solutions emerge.

The creation of a 21st century safety net and a good future of work will require many overlapping collaborations with different groups and enterprises and institutions outside the cohort (see [Figure 6](#), below), but we started the process by fostering partnerships within the cohort.

**Figure 6: An emerging field for economic security in work**



<sup>52</sup> The Aspen Institute (2019) Portable Benefits [online] Available at: <https://www.aspeninstitute.org/programs/future-of-work/nontraditional-work/>

<sup>53</sup> Ibid.

<sup>54</sup> Ibid.

<sup>55</sup> Fleming, S. (2019) This is the world's biggest mental health problem - and you might not have heard of it. World Economic Forum, [online] 14 January. Available at: <https://www.weforum.org/agenda/2019/01/this-is-the-worlds-biggest-mental-health-problem/>

<sup>56</sup> Plummer, R. (2019) I'm in work 'but still struggling to get by'. BBC, [online] 19 June. Available at: <https://www.bbc.co.uk/news/business-48677693>

<sup>57</sup> Nesta (2019) Impact Partnerships. Op cit.

<sup>58</sup> Guarino, D. (2019) I've been working on a piece of writing for some time, working title — "Start Where You Are" The thrust: people working in complex problem spaces like government sometimes err tactically in making a dependency that others do some change before getting to work, producing value. [Twitter] 3 September. Available at: <https://twitter.com/allafarce/status/1168941251812630529>

Different configurations came together to see how they might answer some of the questions posed in Chapter 5 by working collectively on the problem. Our end result is a series of potential groups, partnerships or prototypes ready to test their ideas in real-world environments. They are:

### **The coalition for gig worker power**

Dinghy, Trezeo, Labour Xchange and Indycube share the common view that it is important not to see independent workers as a minority to be “dealt with” but as a powerful force that will become a mainstream identity as more and more people take up flexible work. This reframes atypical work as a positive lifestyle choice that enables greater autonomy, but also flags critical questions around liveable incomes and conditions for security. 'Powerful gig workers' need a different way of accessing security that is flexible and empowered. This coalition could model what insurance protections, supports, benefits and communities are needed to enable people to thrive in 'independent by choice' lifestyles, at all parts of the income spectrum. Early conversations have turned into experiments: some of the group are exploring ideas like a sick pay card.

### **The self-organising self-employed coalition**

workerbird, earwig, Enrol yourself, and Labour Xchange all want to empower their users to understand their rights and labour conditions, benchmarks, and raise awareness for what ‘good’ work should look like in casual industries such as catering, construction work and social care. As Johanna Herman, Founder of workerbird states, in some casual roles, workers are not paid what they are due and have no evidence to prove this. She said:

“Often domiciliary care workers do not have their travel time accounted for in their shifts...they have to travel between appointments and cut appointments short, arriving and apologising. If they were able to track the time they’d been at the appointments, their travel time, this then becomes a tool to make the argument that either they are being paid under the minimum wage or they are not being paid what they are due. We’re really hoping that by putting their own data in their hands, they can make a difference to their working lives.”

This coalition could test what it takes to put knowledge and insights into the hands of the workers. Building skills should create resilience, but it is not just about capacity to weather difficult working conditions, but instead empowering workers with access to data, information, learning and supportive communities to strengthen their ability to adapt and increase their voice as workers, not just as consumers. The self-organising self employed should be a new type of networked worker.

### **The learning and reinvention coalition**

Bob by Bayes Impact, Enrol yourself, Turnaround, Rochdale Boroughwide Housing and ACH are all about enabling reinvention, providing transition support, ways to adapt, and joining the world of work using technology and social innovations in new ways. This group could support a new culture of 'learning as a lifestyle'. As Zahra Davidson, founder of Enrol Yourself, said, there is “a growing need for lifelong learning provision in an increasingly uncertain future of work” Helping people through transitions in their

working lives – changing career, starting out as self-employed, getting back on their feet after setbacks, setting up a venture or just progressing in their career, requires a new approach to building skills, resources and networks.

### **The institution shifting coalition**

ProxyAddress, ACH, and Turnaround are motivated by social justice for marginalised workers and seek to use cutting edge technology and innovative methods to rebalance the power asymmetry between institutions and those outside of the system such as ex-offenders, homeless people and refugees. ProxyAddress has started exploring technologies with the Big Issue – the magazine sold by homeless vendors – to explore solutions to problems presented by the societal move to a cashless economy. Vendors still operate with cash payments and this problem could lead to decreased revenues. ProxyAddress is also working with mainstream institutions, and financial service providers to create early prototypes for securities and support for homeless people. The Turnaround project based in Northern Ireland is working with people who are in the justice system, providing them with transitional training and employment to help them move on from the justice system. This is a long-standing problem – how to help people transition beyond the criminal justice system into more stable lives. The question now, in this different type of economy, is what opportunities are there emerging that haven't been there in the past? This group invites private sector institutions and state bodies to join the conversation about system change.

### **Don't just focus on broken systems, work on new ones**

So where does this leave our participants? At the end of the programme, we are working on building networks of support. Using connections from within the RSA Fellowship and the RSA Transform programme to support these innovations, working with practitioners to prototype new financial services ideas, and using the RSA platform to further support these efforts (many of the cohort have gone on to receive additional funding, recognition and new partnerships as a result of the programme). We also hope to use the convening power of the RSA to host events that continue to test ideas and engage with the private sector, the public sector and industry regulators on ideas for institutional reform. Mostly, we hope we have built a long-lasting set of relationships that can grow into a tribe. As Harrison Moore, founder of earwig says:

**“I guess the biggest takeaway for me is the knowledge that it's not just me that's interested in these ideas. I think that's the most impactful thing. Looking around the room and seeing that I've got sort of a tribe – I think the word tribe is the best word to use to describe this. It feels like these are a group of people and a group of organisations that I can relate to in a way that I can't on the other accelerator and that it's essentially an amazing group of people that I can stay in touch with and hopefully work with in the future. It feels as if I'm not alone in my quest”**

## Seeking impact, changing systems

If we want to achieve genuine social impact through innovation, it is not enough to fix the systems that we already have in place. They are ill designed for the world that we now live in. That mismatch is the reason why they are failing modern workers. Addressing a social challenge such as insecurity at work requires us to catalyse ventures but think broadly about society as well. To generate new solutions while changing the enabling frameworks and reforming institutions. Venturing to create a better future, rather than merely capturing a larger share of an existing market, requires new skills, ideas and connections.

Over one year, we examined the growing problem of economic insecurity arising in work and tested what “bold leadership and entrepreneurial spirit” for change might look like in action.<sup>59</sup> We explored efforts to design new systems of support and security for those living at the sharp end of modern working life and considered what it might take to create a holistic 21st century safety net. We conclude that we need many partners in this work and hope to build the field not just of ventures but of a whole community to take on this shared challenge.

Our failure to provide people with security at work is contributing to instability in wider society. Success will come not just when we have catalysed WorkerTech ventures, but when workers feel more secure. If we want stable, inclusive growth then we need a way to generate secure good work for all.

This is a system innovation challenge. It is the work of a generation, a collective task for a transformational coalition.

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<sup>59</sup> Centre for the New Economy and Society (2018). The Future of Jobs Report 2018. [online] Geneva: World Economic Forum. Available at: [http://www3.weforum.org/docs/WEF\\_Future\\_of\\_Jobs\\_2018.pdf](http://www3.weforum.org/docs/WEF_Future_of_Jobs_2018.pdf)

The RSA (Royal Society for the encouragement of Arts, Manufactures and Commerce) believes in a world where everyone is able to participate in creating a better future. Through our ideas, research and a 30,000 strong Fellowship we are a global community of proactive problem solvers, sharing powerful ideas, carrying out cutting-edge research and building networks and opportunities for people to collaborate, influence and demonstrate practical solutions to realise change.

The RSA has been at the forefront of social change for over 260 years. Today our work focuses on supporting innovation in three major areas; creative learning and development, public services and communities and economy, enterprise and manufacturing.

Central to the RSA's current work are the concepts of 'convening' and 'change making'. The RSA has also developed a distinctive approach to change: 'Think like a system, act like an entrepreneur' which now runs through our projects.

The RSA: uniting people and ideas to resolve the challenges of our time.

With the Economic Security Impact Accelerator programme we hope to catalyse a creative community with a cause. Find out more: [www.thersa.org/impact-accelerator](http://www.thersa.org/impact-accelerator)



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