**What does LinkedIn look like for the LinkedOut? Tech-enabled job matching for blue collar work in Africa**

A few years back, my friend Adam was working for Google in Kenya as a Product Manager. He had a cleaner, Ruth, who he found 'the normal way' - asking around for recommendations - and who worked for him two days a week. At least once a month, she would ask him for more money. What she really wanted was more work, but as a single man he just didn't have that many things that needed cleaning. Instead, he decided to help her find more work. She didn't have a CV, and there were no online job platforms for blue collar workers like Ruth. Even if they did exist, Ruth didn't know how to use a computer and, though she had a basic smart phone, didn't use the internet as data was too expensive. Seeing Ruth's predicament, Adam asked himself what a LinkedIn for the LinkedOut in Africa would look like. Shortly after, the social enterprise Lynk was born.

In this essay, I will present the context of the gig economy both in the global North and in Kenya, where Ruth's story is a common one. I will present how the African blue collar economy holds back human potential and limits career growth, and will demonstrate the opportunity to reform it through social enterprises like Lynk. Finally, I will look to lessons from Peter Drucker as guidance for how to seize the opportunity we have in advancing human capacity despite the threats of competing technologies which seek to extract from it.

Since its launch in 2004, professional social networking site LinkedIn has amassed over 500 million users in 200 countries, and become the "de facto tool for professional networking."[1] In the same period, a plethora of other online 'talent platforms' have popped up to solve the huge global information gap between labour demand and supply. While the majority of these vie for the scraps and niches in formal jobmatching left over from LinkedIn, the potentially more disruptive innovations have focussed on short-term jobs, freelancing, and *tasks*; collectively known as the 'gig economy'. US-based Thumbtack, for example, links individuals to skilled professionals from carpenters to landscape gardeners, and has achieved a billion dollar valuation. Another major US-based player, Taskrabbit (often affectionately nicknamed 'Hire-a-Stoner'), links clients to lower-skilled 'taskers' who can do anything from carrying boxes to waiting in line for concert tickets. Other niche talent platforms connect clients to freelance workers in every sector from graphic design to pet psychology.

Many are thrilled by the potential of this emerging sector, largely from its ability to increase access to quality talent, and to reduce HR and labour costs. McKinsey Global Institute claims that online talent platforms could positively impact 540 million people around the world and increase global GDP by up to $2.7 trillion by 2025.[2] Others claim that the gig economy 'perfectly suits' the millennial generation who favour control over their work lives, flexibility, and the ability to work remotely. Critics, however, have derided it for lowering wages, increasing worker

---

[1] Tech Republic. "Five Benefits of LinkedIn for Organizations (and IT Pros)". 9 May 2011.
[2] James Manyika, Susan Lund, Kelsey Robinson, John Valentino, and Richard Dobbs (2015) *Connecting talent with opportunity in the digital age* (McKinsey Global Institute)

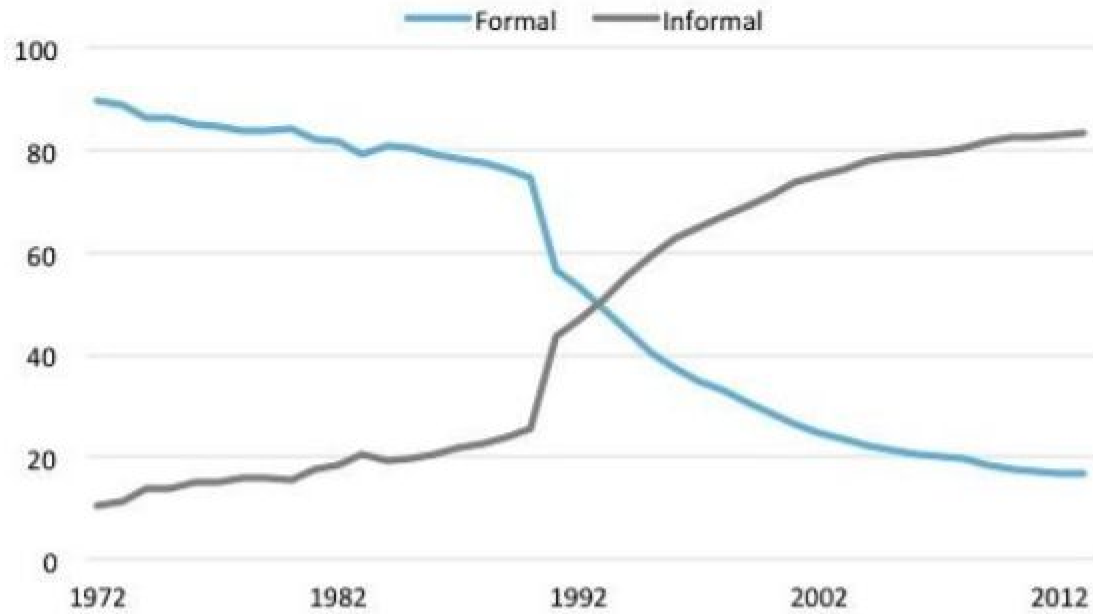
uncertainty, and shifting positions that used to be fulltime, well-paid, and with a range of benefits, into low-paid short-term contract work offering none of the above. Venture capitalist Nick Hanaur and labor union leader David Rolf went so far to say as the gig economy, “threatens to undermine the very foundation upon which middle-class America was built.”[3] An appropriate conclusion to these two competing hypotheses might be that we’re at a pivotal point to dictate whether technology plays a positive or negative role in the future of global labour markets; either making them more accessible and inclusive, or encouraging a ‘race to the bottom’ to find the lowest cost worker. This crossroads decision point is well summed by Richard Straub and Julia Kirby in the Harvard Business Review article for this year’s Drucker Forum: “The technologies our species is developing might either hold the keys to unlocking human potential - or to locking it up more tightly than ever.”[4]

Yet while this debate about the inclusiveness of these platforms rages in the thriving economies of the global North, it is only more complex in the global South, where inequality is yet greater, labor markets are even more broken, and society lacks the same checks and balances to host the same conversations described above. In this essay, I will be talking about Kenya, a lower-middle-income country, which has experienced significant economic growth over the past decade. It leads the continent for technological innovation, often referred to as ‘Silicon Savannah’. This growth, however, has not taken place equally. Economic growth is centered around the capital, Nairobi, and despite a well-regarded ‘growing middle class’, which is seen as an indicator of a more shared prosperity, it still lies in 145th place out of 187 countries in terms of human development. This is largely due to the fact that Kenya is still hugely unequal; 62% of the country’s wealth is controlled by 0.2% of the population. Only four percent have attended higher education, and over a third have not gone further than primary school.

Both a cause and result of this inequality is employment. Less than ten percent of the working age population has formal jobs. 83% of employment takes place in the informal economy, which includes subsistence agriculture, low-level self-employment, and informal wage labor. The informal sector continues to grow as well; while the number of people with salaried jobs increased by 28% from 2 million to 2.6 million between 2009 and 2015, the number of workers with informal jobs increased by 44% from 8.7 million to 12.6 million.

*Growth in Kenyan informal sector employment since 1972*[5]

[3] Nick Hanaur and David Rolf (2015) ‘Shared Security, Shared Growth’, *Democracy* (Summer 2015)
[4] Richard Straub and Julia Kirby (2017) ‘Meaningful Work Should Not Be a Privilege of the Elite’, *Harvard Business Review,* 4 April 2017.
[5] Jacob Omolo (2015) “The Dynamics and Trends of Employment in Kenya,” Institute of Economic Affairs-Kenya 2010; and National Bureau of Statistics, Economic Survey (various years) cited in *Workforce Connections: Kenya Youth Assessment.*




The service sector accounts for over a third of the informal economy in Kenya, including everything from cleaners and domestic workers - of whom there are almost 200,000 in urban areas alone - to plumbers, carpenters, hairdressers and electricians. While formal employment is well-protected under Kenyan law, with benefits similar to those in the Global North, no-one operating in the informal service sector has a contract, and their work is low-paid, irregular, and short-term. Given the temporary nature of this gig work, people in the blue collar service sector are constantly looking for work, but no-one has (or uses) CVs, few people have academic qualifications or trainings, and there are no platforms for finding quality service workers or building professional credibility. This results in few or no opportunities for career growth - good work doesn't result in more work, or in better pay.

From a customer perspective, these low wages and informal contracts are almost justifiable. For those unfamiliar with Sub-Saharan Africa, I will demonstrate using a personal past experience. For those who are experienced with the context, this may be painfully familiar. One day, the pipe under my sink broke - I needed a plumber. I did 'the normal thing' of asking around for recommendations, and got the number of a gentleman called Thomas. I didn't know anything about Thomas - no LinkedIn, no list of formally accredited plumbers - but there was no other option. I called Thomas and asked him to come over. He arrived 5 hours late, misdiagnosed the problem, and overcharged me. The next day, of course, the problem returned. I tried to call Thomas but he didn't pick up, and I called around again. I eventually got the number of another plumber called Jeremy, who arrived within an hour, brought his own tools, told me that the problem was actually with the boiler, and repaired the damage quickly. He was great, and charged a fraction of what I paid Thomas.

When the informal service sector lacks any form of quality assurance, the low wages that workers earn is almost understandable - people are only willing to pay for something if they know what they are getting. For Drucker, of course, every problem should be seen as an opportunity, and the greater the disparity, the greater the opportunity. With a problem so acute for both sides of this market, this opportunity is huge. So is this where online talent platforms like those discussed above could come in? Drucker always saw innovation as being about what was 'newly possible'. Could technological innovations help to overcome the information asymmetries that exist for blue collar workers in Africa? Could it enhance convenience of finding workers, at the click of an app, like Taskrabbit? Could it provide guarantees of track record through customer reviews like Thumbtack? Could it provide background on educational and training achievements like LinkedIn?

The challenge is that, as strategy consultants Daryl Twitchell, Kevin McDermott, and Jeremy Rabson, explain, "A gig economy works best for people who already have things."[6] Uber drivers need cars to become gig workers. Thumbtack professionals need registered businesses, formal qualifications, and recommendations. Even 'hire-a-stoner' Taskrabbit requires workers to have a smartphone, bank account, ID, and 'skills and capabilities' (whatever that means!). The online talent platforms of the global North cannot be cut-and-paste to work for the marginalized service workers of Sub-Saharan Africa. As Drucker wrote in *Landmarks of Tomorrow*, "...no civilization can clothe itself entirely in somebody else's cast-off garments" [7] Something more is needed. The question is; what does a LinkedIn for the LinkedOut look like?

Lynk is a social enterprise which builds technology to connect informal workers to jobs. Currently, it works in Nairobi, with a view to expanding to other urban centers in Kenya and across Sub-Saharan Africa. I've been working with the Lynk team for over the past year alongside my day job managing a charity youth employment programme across five African countries. Having worked in economic development and youth employment across Asia and Africa for 8 years, I have never seen anything with as much potential to drastically improve the nature of employment for those excluded from the benefits of economic growth. I recently quit my day job to focus on Lynk full-time.

So how does Lynk go about creating such a platform? How do we make sure that Jeremy is able to be appropriately paid for his work, get more work, and build his career over time? How do we incentivise Thomas to raise his game? At Lynk, we start with the problem from a customer perspective - an unreliable pool of blue collar professionals. We vet thousands of informal workers in over 140 categories - from plumbers to nannies - for both technical and soft skills. We currently use a 90 minute interview plus practical testing for each worker, prioritizing aptitude over age or years of experience (current proxies for quality which exclude the young and more vulnerable). We then provide each worker in the system with a publicly accessible digital profile - a living CV with information on their vetted skills, qualifications, and work history

---

[6] 'No More Moralizing About the Gig Economy,' Daryl Twitchell, Kevin McDermott, Jeremy Rabson, *Huffington Post* 09 Sept 2016.
[7] Peter F. Drucker (1957) *Landmarks of Tomorrow,* p247.

including photos of previous work and recommendations. Customers are then able to access this pool of verified workers - we currently have over 1,300 in our system - by requesting jobs through Lynk's website or app using a curated series of questions depending on the category of service required. Our platform shortlists the most suitable candidates based on geography and skills, and relays the request to those shortlisted workers through SMS - remember, the vast majority of blue collar workers don't yet have smartphones. Workers bid for the jobs by replying with a quote via SMS, and customers can review the bids they receive on their personal dashboard. They don't just compare the prices of the quotes, but can explore the worker profiles to see other reviews and pictures to make an informed decision.

Lynk's business model is structured around a basic 10% commission charged to the customer, whose ratings and comments for the jobs continue to grow workers' profiles over time. Ratings ensure that workers are held accountable for their work, and that well-delivered services result in more work in future. We have facilitated over 5,000 jobs to-date and paid out more than $300,000 to professionals. With our model validated, we are about to move from pilot into growth stage.

We are currently facilitating about 30 jobs per day. By contrast, some of the most established job matching platforms for the formal sector in Nairobi do about that many jobs per month. Our unit economics at the base of the pyramid mean that we need to be delivering over 2,000 jobs per day to be viable. With around 1.1 million casual jobs happening in Nairobi each month among our core customer base of middle income families and small businesses (and growing), we think that this is certainly achievable.

Our current offering is just the start - a LinkedIn is not just a matching platform after all, but a career identity. Many of the opportunities that we now see, we had no idea about when we started. As Drucker's collaborator, CK Prahalad, wrote "The Bottom of the Pyramid (BOP) is like a kaleidescope. No single view illuminates the total opportunity. Every twist helps focus on a specific facet of the opportunity or problem."[8] Based on proposals from workers, we are building a feature to book workers directly from their profiles rather than having to go through the request process, and another enabling workers to 'resell' products delivered through the platform (for example, a beautiful bespoke table) through their own personalized digital shopfronts. With time, and with a big enough user base, we can also begin using data on jobs delivered through the platform as credit scoring for workers, enabling them to buy tools needed for their work through installments, or indeed other socially beneficial products like solar lamps.

Lynk is not the only social enterprise seeking to improve labour markets in the global South, although there are few that have consolidated their places in the market. Babajob in India remains the outstanding success, spurred on by the size of the local market. Our Best in Show award at a recent competition in New York to find the most promising solutions to youth unemployment globally gave us some validation that we're on the right track, but we know that

---

[8] CK Prahalad (2002) *The Fortune at the Bottom of the Pyramid* (Wharton School Publishing), p6.

there will be a lot of challenges ahead. Many of these challenges are common to any business; getting the right processes, technology and marketing. This includes the need to radically change customers' expectations, which is something that Drucker saw as absolutely essential to any true innovation.

Our greater fear lies in a combination of two things: firstly, while Lynk has the potential to be what Drucker referred to as 'The Fustest with the Mostest'[9] (the market leader always one step ahead of the competition), our likely future threat comes from not a direct competitor, but a competitor in disguise - a digital platform matching workers to blue collar tasks which treats workers a resource, encouraging a race to the bottom for the lowest price worker. Moreover, the window within which we can dictate the trajectory of the sector is short. Drucker famously wrote, "Being 'Fustest with the Mostest' is very much like a moon shot: a deviation of a fraction of a minute of the arc and the missile disappears into outer space." CK Prahalad once said that 15 years of change in developed markets take place in 3-5 years in BOP markets.[10] Given the change in online talent platforms over the last 3-5 years in developed markets, we expect to have months not years within which to map out a positive future in the global South.

This returns us to the central theme of this essay; our current position at a crossroads where technological innovations either offer the game-changing potential to make economic growth and access to opportunities more inclusive, or to create disguised monopolies which make workers mere automated takers of low-level rates. How do we ensure that these tech solutions play a positive role?

Policymakers might err towards regulation as the solution. This can be a challenging fix in contexts like Kenya, with disempowered voices for blue collar workers and weak regulatory checks and balances. Worse still, there are risks that those checks and balances may be governed by people who seek to maintain these unequal divisions of wealth rather than disrupt them. Secondly, we are still unsure about what is going to happen in this sector. In *Managing for Results,* Drucker warned against predicting the future, and instead advocated for understanding the future that has already happened. We need to gain a better understanding of what a 'good platform' really looks like. Regulation can only play a useful role once we have a clearer understanding of what society will benefit from and what will cause harm. Drucker might see this as an opportunity for Lynk to be a leader in setting industry standards.

Therefore much of the onus will be on the entrepreneurs and managers of such social enterprises to demonstrate the positive social impacts of such platforms, as well as the viability of a more inclusive business model. Drucker always urged not to lose sight of the people. He saw relationships as critical to success (potentially more than any technical innovation itself), and this could be our most important piece of advice to consider at these crossroads. At Lynk, we see our ongoing engagement of workers as a key customer relationship, rather than as a

---

[9] Peter F Drucker (1985) *Innovation and Entrepreneurship* (Elsevir Ltd).
[10] CK Prahalad (2002) *The Fortune at the Bottom of the Pyramid.*

resource that needs to be managed. Our features and innovations will continue to be driven with the ideas of our workers as well as our customers. We may also explore moving beyond this consultation of workers to their deeper *engagement* within the formal governance framework of the company. We need to demonstrate that such an approach offers benefit to customers as well - that serving the needs of workers also offers customers a better value proposition. Hopefully this can provide evidence of what a ‘good platform’ looks like to regulators and others. Drucker famously wrote in *Management: Tasks, Responsibilities, Practices*, “If the managers of our major institutions, and especially of business, do not take responsibility for the common good, no one else can or will”.[11] It’s time for us to take that as inspiration to create platforms which advance human potential, rather than take advantage of it.

[11] Peter F. Drucker (1974) *Management: Tasks, Responsibilities, Practices* (Routledge).