

## **Ride-Hailing Drivers' Preferences for Fairwork Principles of Satisfactory Working Conditions and Fair Pay-Profit Distribution and Willingness to Form and Join Worker-Platform Co-Operatives in Kenya**

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### **Abstract**

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Ride-hailing drivers (e-drivers) are among the platform workers who successfully embrace the worker-platform co-operative model's emergence to counter capitalistic ride-hailing platforms and their complex ecosystems, which align with fairwork principles of pay, condition, contracts and (platform) management. This study was conducted to determine the extent of ride-hailing drivers' preferences for satisfactory working conditions, fair pay-profit distribution and willingness to form and join worker-platform co-operatives in Kenya. The study was grounded in the social exchange theory, affective theory of social exchange, and utility theory. The researcher applied critical-realism research philosophy and multimethod research designs of discrete choice experiments and sequential explanatory mixed method research designs. Using the Yamane sampling formula, the study used quantitative data from 497 respondents from sampled 600 of the 20,000 e-drivers in the Nairobi Metropolitan Region. The quantitative data was analysed using multinomial logistic regression. Moreover, the study used qualitative data from 11 participants, which was analysed using thematic analysis. Results indicated that the two fairwork principles were statistically significant to e-drivers' willingness to form and join worker-platform co-operatives. fair pay-profits distribution (FPD) principle, in particular, was a highly preferred fairwork principle in terms of e-drivers' willingness to form and join the worker-platform co-operative model (Coeff=1.564, SE = 0.234, Z = 6.67,  $p < .001$ ), compared to the satisfactory working conditions (SWC) principle (Coeff=0.783, SE = 0.156, Z = 5.012,  $p < .001$ ). This study brings practical and theoretical contributions to improve the e-drivers' benefits from the ride-hailing sector. Policymakers, promoters, and platform workers like e-drivers could understand how best to promote worker-platform co-operatives to succeed in the country's societal context.

**Key Words:** Drivers' Preferences, Satisfactory Working Conditions, Fair Pay-Profit Distribution, Worker-Platform Co-Operatives

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## 1.0 Background

The platform or digital economic sector is growing worldwide, especially with corresponding Digital Labour Platforms (DLPs) used by myriad platform workers (Constantinides et al., 2018). The International Labour Organisation (ILO) recognises the potential of the platform gig economy to change how work is organised and performed and the quality and content of jobs (Johnston & Land-Kazlauskas, 2018). There were estimated to be up to 40 million platform workers in the Global South alone (Heeks, 2019). In the beginning, DLPs have been lauded for creating job opportunities and commodifying labour with a sense of ‘freedom’, ‘flexibility’, ‘inclusivity’ and ‘impartiality’ (Anwar & Graham, 2022; Anwar et al., 2022; Anwar & Graham, 2021), making workers more productive and formalised (Lakemann & Lay, 2019), enhancing institutionalisation of outsourcing and flexibilisation of labour (Herrera et al., 2020; Conaty et al., 2018), and transforming the future of work and facilitating the economic inclusivity of informal workers in the world (Rani et al., 2021).

The country’s Nairobi Metropolitan Region alone has approximately 20,000 e-drivers (Kiplagat, 2023). Okedi and Yano’s (2020) study on “sector forces influencing the performance of online application-based taxi drivers in Kenya revealed that the ride-hailing sector market is valued at USD 200 to 300 million annually. It is, therefore, considered among the fastest-growing industries in the country. However, e-drivers face challenges worldwide, including in Kenya (Saner et al., 2019; de Peuter et al., 2022). The increase in ride-hailing platforms does not mean that their quality and ethical standards are improving for favourable use by e-drivers. First, the unfair pay distribution, since there are no or there are limited and unenforced regulatory frameworks for employment standardisation and classification, minimum wage, lack of social protections, and risk-shift from investor owners to workers (Conaty et al., 2018; Eum, 2019). The ride-hailing platforms overcharge riders and underpay drivers (Montgomery, 2024). This reinforced Scholz’s (2018) observation that ‘platform capitalism’ has monopoly syndrome, and people who sign on to it still struggle to make a living. Second, the stressed working conditions, where workers experience negative fluctuating platform network effects (McCann & Yazici, 2018), unstable and insufficient work, low pay, late payment, high fees, long hours, isolation, and surveillance (Bellini & Lucciarini, 2019; Wood et al., 2019; Rani et al., 2021; CECOP, 2021).

Third, there is a lack of voice and transparency on digital labour platforms (DLPs) like ride-hailing platforms, given that the workers sign on these digital platforms as independent contractors, thus having one-sided service contracts (Schwettmann, 2020; Rani et al., 2021), they lack “bargaining and negotiation power” (de Peuter et al., 2022). Unclear algorithms also regulate them, and they have no control over their data (Bellini & Lucciarini, 2019; Borkin, 2019). Fourth, exclusion and discrimination, with notable cases of underrepresentation of women workers and racialised workers (Boyle & Oakley, 2018); occupational and task segregation based on gender (Rani et al., 2021); and service rating systems of ride-hailing platforms based on the worker’s skin colour (Schor & Eddy, 2020). Gurumurthy and Chami (2020) observe that platform capitalism is “intensifying informality” and compounding and concealing labour hierarchies along gender, class, and race dimensions. Due to the unfairness in the sector, issues

of fairwork principles emerged. According to Rogers and Richmond (2016), fair work offers a compelling voice, opportunity, security, fulfilment, and respect to workers.

Essentially, worker-platform co-operatives are emerging in line with the fairwork framework principle of ‘representation’ (Graham et al., 2020). Platform co-operatives embed co-operative identity’s six values (of self-help, self-responsibility, democracy, equality, equity, and solidarity), four ethical values (of honesty, openness, social responsibility, and caring for others), and seven principles (voluntary and open membership, democratic member control, members’ economic participation, autonomy and independence, education, information and training, cooperation among co-operatives, and concern form community) (International Co-operative Alliance, 1995 as cited by Muldoon, 2020).

Notably, worker-platform co-operatives benefit from platform work in several ways. Lawrence et al. (2019) state that co-operatives build justice and fairness goals into their mission and structure. They are “purposeful by design, established to serve specific socio-economic needs and populations, exhibiting fairwork principles’ outcomes”. First, worker-platform co-operatives counter various work-related problems in the digital economy and achieve several beneficial outcomes – such as resiliency, ameliorating and combating economic inequalities and injustices such as lower pay inequality and broader wealth spreads due to shared ownership (de Peuter et al., 2022). Second, worker-platform co-operatives address precarious work and the digitalisation of labour (Novkovic, 2019). Third, worker-platform co-operatives create a more humane and ethical digital economy (Chatterton & Pusey, 2019) and advance workers’ rights (Scholz et al., 2021). Worker-platform co-operatives benefit e-drivers by fostering solidarity and voluntary labour standards (Schor & Eddy, 2020).

This study examined the extent of ride-hailing drivers' preferences for fairwork principles of satisfactory working conditions, fair pay-profit distribution, and willingness to form and join worker-platform co-operatives in Kenya.

## **2.0 Literature Review**

### **2.1 Empirical Review**

In this study, satisfactory working conditions meant the positive emotional responses e-drivers experience when working or using the ride-hailing platform and the higher the level of contentment and security they feel about their work. This aligns with the 2<sup>nd</sup> fairwork ‘conditions’ principle for improved platform work (Graham et al., 2020), which addresses the issue of platform work’s risk mitigation and health and safety improvement of e-drivers. Platform co-operatives can improve working conditions (de Peuter et al., 2020). Studies reveal the inconveniences and deprivations the e-drivers face from capitalistic ride-hailing platforms (Friedrich-Ebert-Stiftung, 2021). Most capitalistic ride-hailing platforms lack protections for independent contractors like e-drivers. Mostly, they are not entitled to health-paid time off or insurance benefits (Rani et al., 2021). In contrast, worker-platform co-operatives can provide e-drivers with these medical and social security benefits (Sandoval, 2017) and better working conditions and protections (CECOP, 2021). They also advance workers’ rights (Scholz et al., 2021).

This has also been observed in several e-drivers’ worker-platform co-operatives. McCann and Yazici's (2018) study observed that Cabfair in London, UK, had about 10% of the 100,000

minicab drivers in the City. The co-operative members used multiple ride-hailing platforms to serve about 0.5 million riders and provided better conditions for the e-drivers. Ji (2020), in his work on platform worker organising, found that the ‘Alternate Drivers’ co-operative in Seoul, South Korea, had “significantly improved working conditions of the driver-members” by raising public awareness of drivers’ conditions by negotiating with the leading capitalistic ride-hailing platform in the country on drivers’ fees and lobbying for rest-centres for drivers. Parikh (2023) observed that Drivers’ co-operative (Co-Op Ride) in New York, United States, helps drivers acquire cars on credit.

Such actions by the worker-platform co-operatives create a more positive emotional response that e-drivers experience when working or using the ride-hailing platforms. The higher the level of contentment they feel about their work, the more This can, in turn, lead to more referrals for a more co-operative presence, as it reduces turnover. Additionally, worker-platform co-operatives allow fair pay and profit distribution to e-drivers. Co-operative studies reveal how co-operatives give the worker-user members economic power (Hall, 2021). Specifically, platform co-operatives share economic value more fairly with those in the platform ecosystem that generates it (Chatterton & Pusey, 2019). The co-operative shared ownership principle ensures the spread of wealth among members (Brodsky & Mason, 2021). Mannan’s (2020) qualitative study to “evaluate the legal and governance structures of shared-services platform co-operatives” found that ‘Eva’ from Quebec, Canada, provided more significant ‘financial benefit’ than incumbent capitalist ride-hailing platforms. ‘Eva’ had a lower transaction fee, where the drivers earn 10-15% more, and riders save about 5% more than they would on other capitalistic platforms. Parikh (2023) also observed that ‘Drivers’ co-operative (Co-Op Ride) in New York, United States, aimed to ensure that profits return to drivers by offering them 9-10% more to their drivers on each trip compared to Uber and Lyft and dividends paid as a share of its profits after loans and expenses are paid. This creates a more equitable system where an e-driver has a financial stake and support in the platform’s economic system.

## **2.2 Theoretical Review**

### **2.2.1 Social Exchange Theory and Fairwork Principles**

The Social Exchange Theory (SET) emerged in 1958 when American sociologist George Homans published the article ‘Social Behaviour as Exchange’. The scholar used a reductionist approach to explain the relationships between people (like in the ride-hailing worker-platform co-operative members) through reinforcement mechanisms, whereby the behaviour of social actors (like the e-drivers) is reinforced by rewards and inhibited by punishments. That stream of research viewed behaviour (of, for example, e-drivers working or not working together) as a result of a learning process through the positive and negative consequences that such behaviour entails (Homans, 1961, as cited by Davlembayeva & Alamanos, 2023).

To apply the SET theory in this study, the researcher conjectures a correspondence framework of the four SET dimensions to the four proposed independent variables of fairwork principles. SET is premised on four mechanisms. First is the social structure and social capital mechanism, in which social structures and capital factors stimulate social exchange relations. Second is the reciprocity mechanism, which creates obligations between the parties and the interdependence between social actors. Third is the exchange mechanism, where resources are exchanged based on the subjective cost-reward analysis. Fourth is the reinforcement mechanism, in which

exchanging rewards or benefits and resources underpins individuals' motivation to engage in social interaction. This study's four independent variables took the theoretical direction of the SET mechanisms.

### **2.2.2 Affective Theory of Social Exchange and E-Divers' Willingness to Form and Join Worker-Platform Co-operatives**

The affective theory of social exchange (ATSE) is an extension of social exchange theory (SET) (Davlembayeva & Alamanos, 2023). ATSE aimed to understand the conditions in which social exchange (like within the ride-hailing ecosystem) leads social actors (like e-drivers) towards attaching global negative and positive emotions (i.e. feeling good and feeling bad) to social objects (like owning ride-hailing platforms) and developing enduring negative and positive feelings toward them (like by forming or joining specific worker-platform co-operative subtype). ATSE contends that exchange (like within the ride-hailing ecosystem) almost invariably generates positive or negative individual (e-driver's) feelings. ATSE explains and predicts, through the endogenous process, how such individuals' (e-drivers') emotions and feelings impact social relations, networks, and groups (like worker-platform co-operatives) – from exchange to emotion to cohesion. The exchange structure (like worker-platform co-operatives) and its effects on social order (cohesion, commitment, and solidarity) are emphasised.

From the social exchange theory's (SET's) view, ATSE explains how rational choices (like by e-drivers) are interrelated with affective states (like their willingness to form and join worker-platform co-operatives), thus providing implications for developing social order. ATSE holds that structural dimensions (like worker-platform co-operative subtypes create variations in the jointness of exchange (like between the e-drivers and the ride-hailing platform owners and managers). The jointness of exchange takes precedence over repetitive or frequent exchange as a source of order. ATSE aims to explain person-to-unit (like the e-drivers to ride-hailing platform ecosystem) ties and theorise how these develop from person-to-person (like one e-driver to another) interactions. ATSE, therefore, distinguishes the primary social objects (like ride-hailing platforms) in exchange contexts (like ride-hailing ecosystem tasks, individual e-drivers, and other sector actors) and specifies the conditions in which positive or negative emotions (like e-drivers) are attributed to social units (like worker-platform co-operatives) rather than to self or other.

### **2.2.3 Utility Theory and E-Drivers' Preferences for Fairwork Principles and Willingness to Form and Join Worker-Platform Co-operatives**

The Utility Theory (UT) was initially hypothesised by Bernoulli (Bernoulli, 1738; 1954) as a solution to the St. Petersburg paradox, in which diminishing marginal utility explains human risk aversion in a game of chance. This hypothesis was later grounded by von Neumann and Morgenstern (VNM), such that as long as one's (like e-driver's) preferences satisfied certain rationality maxims, one's (e-driver's) behaviour could be explained as maximisation of some utility function (like willingness to form and join worker-platform co-operatives and subtypes) in expectation (of like the fulfilment of fairwork principles) (von Neumann & Morgenstern, 1947 as cited by Shakerinava & Ravanbakhsh, 2022). UT seeks to explain the individuals' (like e-drivers') observed behaviour and preferences. UT makes four assumptions (Shakerinava & Ravanbakhsh, 2022): completeness (individuals can rank order all possible preferences, irrespective of how many preferences are placed before); 'more-is-better' (individuals choose a

package which contains more of everything); ‘mix-is-better’ (individuals are indifferent to the choice between one or the other good); and rationality (individuals’ innate preferences are fixed, regardless of the context and time). UT has been applied in various preference studies, including marketing, labour, and investment studies. Ahlheim et al. (2017) developed a discussion paper on considering labour as a unit of measure based on UT. Shi and Wang (2019) applied UT in a study on the decision-making of marketing risk management. Omar (2023) applied UT in a study on investment decisions in Kenya. In essence, this study is focused on determining e-drivers’ utility expectation or decision (in terms of forming and joining worker-platform co-operatives) in a platform economic system (in terms of the ride-hailing ecosystem) in Kenya from the perspectives of the preferences of fairwork principles.

### 3.0 Methods

Based on the worker-platform co-operative study purpose, objectives, synthesised evidence from the literature, and pathway of the research paradigm typologies, the research paradigm was, therefore, the Realism Research Philosophy (RRP) (Park & Peter, 2022; Sturgiss & Clark, 2020), especially the Critical Realism Research Philosophy (Critical-RRP). The nature of Critical-Realism Research Philosophy (Critical-RRP) is a cyclical theory-led approach that tends towards mixed methods as each cycle involves new iterations of theory that require new testing methods using various methods, often combining qualitative and quantitative (Allmark & Machaczek (2018). This is to ensure methodological rigour and coherent interpretation of study findings.

This study's target population consisted of taxi drivers of 4-wheeler vehicles using ride-hailing platforms in the Nairobi Metropolitan Region (NMR). The study's ‘population of interest’ was the 4-wheeler vehicle e-drivers in Kenya using ride-hailing platforms to access taxiing jobs. In the Nairobi Metropolitan Region (NMR) alone, there are approximately 20,000 e-drivers (Kiplagat, 2023). The ‘accessible population’ was e-drivers as a ‘digital taxi group’ in the NMR and members of related e-driver organisations such as the Digital Taxi Association of Kenya (DTAK), Organisation of Online Drivers (OOD), and ‘Ubba’ Savings and Credit Co-operative Society (SACCO). The ‘accessible population’ constituted the ‘sampling frame’.

In this study, the ‘sampling frame’ was organised using existing ‘digital taxi groups’ such as the Digital Taxi Association of Kenya (DTAK), Organisation of Online Drivers (OOD), and ‘Ubba’ SACCO, and the geographical unit of Nairobi Metropolitan Region (NMR) and the names and positions of leaders in the e-driver’s groups (Casteel & Bridier, 2021). The study employed probabilistic and non-probabilistic techniques to select ‘samples’ for the quantitative and qualitative research. Probabilistic simple random sampling without replacement (SRSWR) was used for the quantitative part of this study (Tabachnick & Fidell, 2018). Non-probabilistic purposive sampling was used for the qualitative part of the study. The researcher intentionally selected e-drivers because of their characteristics and qualities, which interest the researcher and those in pre-co-operatives or related group leadership positions (Etikan et al., 2016, as cited by Casteel & Bridier, 2021). However, the qualitative text data from purposively sampled participants contributed to gaining more insights into the research problem, explaining the quantitative results per the DCE and SEMMR designs and not generalising results to the population of interest.

For the quantitative design, the researcher determined the sample size based on the population of interest, which was 20,000 e-drivers in the Nairobi Metropolitan Region (Kiplagat, 2023). The

researcher used the Yamane sampling formula (Olonite, 2022) to calculate the sample size. Therefore, the estimated sample size was to be at least 392.

The study relied on quantitative and qualitative data. Quantitative data were represented numerically, including anything that could be counted, measured, or given a numerical value. Qualitative (or categorical) data approximated and characterised and could be observed and recorded—to be arranged categorically based on the attributes and properties of a phenomenon. Moreover, the research used qualitative data to determine the particular frequency of traits or characteristics and allow the researchers to form parameters for more extensive data sets to be observed and quantified. Qualitative data was about people's emotions, perceptions, and feelings. Qualitative analysis was critical to getting valuable insights from the data, figuring out its rich context, and finding subtle patterns and themes. The researcher utilised questionnaires to collect quantitative primary data. Questionnaires provided structured and standardised responses, reducing biases and intrusiveness from many respondents. Within two weeks, they quickly resulted in a high rate of responses at a low cost and made the analysis process more streamlined and less time-consuming (Pozzo et al., 2019). While the respondents' opinions were not numerical, assigning a 'numerical value' allowed the researcher to perform tasks like finding their average opinions.

Both discrete choice experiment (DCE) and sequential explanatory mixed method research (SEMMR) designs have some advantages in terms of the reduction of sources of bias, where respondents can compensate between the various characteristics of the good, the breakdown of the significant variables into the more minor sub-variable questions, the obtainment of more information by the respondents, and a decreased incidence of ethical protests (Guerrero et al., 2020). Once the questionnaire had been designed, the researcher pre-tested it with the target group of e-drivers to validate it, providing the most direct evidence for the validity of the questionnaire data for most items (Hilton, 2017). The pilot test was conducted among 12 e-drivers in Nairobi City in June 2024 who were not included in the study sample. At this time, most e-drivers were sceptical of revealing their details, including telephone contacts, car registration numbers, and approximate incomes. The pilot-test participants offered several comments and suggestions regarding the questionnaire's areas of improvement. To ensure higher participants' receptiveness to the study and the subsequent security of the research assistants, other questions were expunged from the questionnaire. Some socio-economic characterisation questions were re-arranged for better flow. To ensure clarity, some questions were also reframed.

## 4.0 Results

### 4.1 Satisfactory Working Conditions Principle and Willingness to Form and Join Worker-Platform Co-operatives

*Table 1: Model of Fit Measure with only SWC Principle in the Model*

| Model Fit Measures |          |     |             |                    |    |        |
|--------------------|----------|-----|-------------|--------------------|----|--------|
| Model              | Deviance | AIC | $R^2_{McF}$ | Overall Model Test |    |        |
|                    |          |     |             | $\chi^2$           | df | p      |
| 1                  | 435      | 443 | 0.160       | 82.8               | 2  | < .001 |

Note. Models estimated using sample size of N=497

| Omnibus Likelihood Ratio Tests |          |    |        |
|--------------------------------|----------|----|--------|
| Predictor                      | $\chi^2$ | df | p      |
| SWC Principle                  | 82.8     | 2  | < .001 |

The variable had a significant p-value of <.001, indicating that as a predictor, it carries substantial weight and has a meaningful impact on the model, a finding of great importance. It significantly improved the model fit as an individual variable and was associated with the outcome of e-drivers' willingness to form or join worker-platform co-operatives, given the chi-square value of 82.8.

The Model Coefficients (Appendix 1) show that for the 'no preference' of the platform work-structure category relative to the 'investor-owned firm' (reference category), the coefficient for the SWC principle is -0.282 (SE = 0.184, Z = -1.536, p= 0.125), with a 95% confidence interval of (-0.6424, 0.0780). The corresponding odds ratio (OD) was 0.754. This means that for every agreement level decrease for the IOF's compliance with the SWC principle, the log odds of choosing to 'no preference' for platform-work structure decrease by 0.282 units (or odds ratio of 24.6%), holding all other variables constant.

On the other hand, the Model Coefficients (Appendix 1) show that for the 'worker-platform co-operative' category relative to the investor-owned firm' (reference category), the coefficient for the SWC principle is 0.783 (SE = 0.156, Z = 5.012, p< .001), with a 95% confidence interval of (0.4769, 1.0894). The corresponding odds ratio (OD) was 2.188. This means that for every e-drivers' agreement level decrease for the existing IOFs' compliance with the SWC principle, the log odds of choosing to form or join the worker-platform co-operative (as opposed to working directly with the investor-owned firms) increase by 0.783 units (or odds ratio of 118.8%), holding all other variables constant. Considering the relatively higher positive coefficients, p-values, and odds ratios in both comparisons, the results indicated that the SWC principle significantly affected e-drivers' willingness to form or join worker-platform co-operatives, compared to no preference and IOF choices.

The graphic results (Figure 1) showed the SWC principle's agreement levels determining the e-drivers' choice of platform work structures.

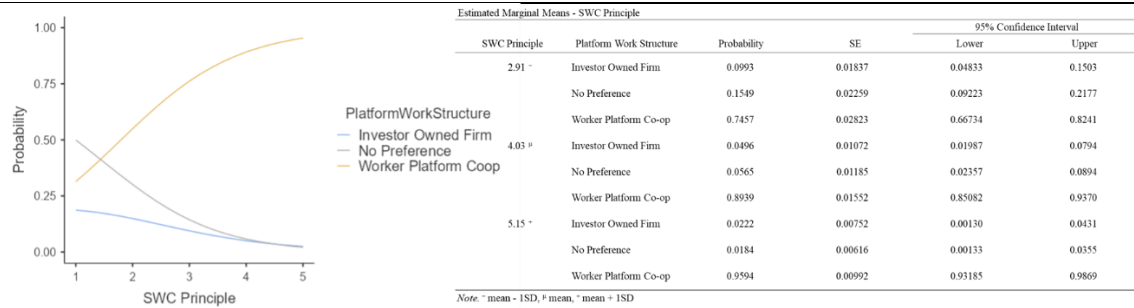


Figure 1: Probability Graph for Satisfactory Working Conditions Principle

The probability graph results show that as the SWC principle's compliance by existing IOFs deteriorates, the probability of e-drivers being 'strongly disagree' and 'disagree' increases for worker-platform co-operatives, while the probability of being 'strongly agree', 'agree' and 'neutral' declines for 'no-preference' and 'investor-owned firm'. This indicates a stronger disagreement level increase on the SWC principle's compliance by existing IOFs, strongly associated with increased e-drivers' choice of worker-platform co-operatives.

#### 4.2 Fair Pay-Profit Distribution Principle and Willingness to Form and Join Worker-Platform Co-operatives

Table 3: Model of Fit Measure with only FPD Principle in the Model

| Model Fit Measures |          |     |                               | Overall Model Test |    |        |
|--------------------|----------|-----|-------------------------------|--------------------|----|--------|
| Model              | Deviance | AIC | R <sup>2</sup> <sub>McF</sub> | χ <sup>2</sup>     | df | p      |
| 1                  | 445      | 453 | 0.141                         | 72.7               | 2  | < .001 |

Note. Models estimated using sample size of N=497

| Omnibus Likelihood Ratio Tests |                |    |        |
|--------------------------------|----------------|----|--------|
| Predictor                      | χ <sup>2</sup> | df | p      |
| FPD Principle                  | 72.7           | 2  | < .001 |

The variable had a significant p-value of <.001, indicating that as a predictor, it carries substantial weight and has a meaningful impact on the model, a finding of great importance. It significantly improved the model fit as an individual variable and was associated with the outcome of e-drivers' willingness to form or join worker-platform co-operatives, given the chi-square value of 72.7. The Model Coefficients (Appendix 2) show that for the 'no preference' of the platform work-structure category relative to the 'investor-owned firm' (reference category), the coefficient for the FPD principle is 0.435 (SE = 0.252, Z = 1.73, p= 0.084), with a 95% confidence interval of (-0.0578, 0.929). The corresponding odds ratio (OD) was 1.5457. This means that for every e-drivers' agreement level decrease for the IOF's compliance with the FPD principle, the log odds of choosing to 'no preference' for platform-work structure increase by 0.435 units (or odds ratio of 54.57%), holding all other variables constant. On the other hand, the Model Coefficients (in Table 4) show that for the 'worker-platform co-operative' category relative to the investor-owned firm' (reference category), the coefficient for the FPD principle is

1.564 (SE = 0.234, Z = 6.67,  $p < .001$ ), with a 95% confidence interval of (1.1051, 2.024). The corresponding odds ratio (OD) was 4.7800. This means that for every e-drivers' agreement level decrease for the existing IOFs' compliance with the FPD principle, the log odds of choosing to form or join the worker-platform co-operative (as opposed to working directly with the investor-owned firms) increase by 1.564 units (or odds ratio of 378.0%), holding all other variables constant. Considering the relatively higher positive coefficients, p-values, and odds ratios in both comparisons, the results indicated that the FPD principle significantly affected e-drivers' willingness to form or join worker-platform co-operatives, compared to no preference and IOF choices.

The graphic results (Figure 2) showed the FPD principle's agreement levels determining the e-drivers' choice of platform work structures.

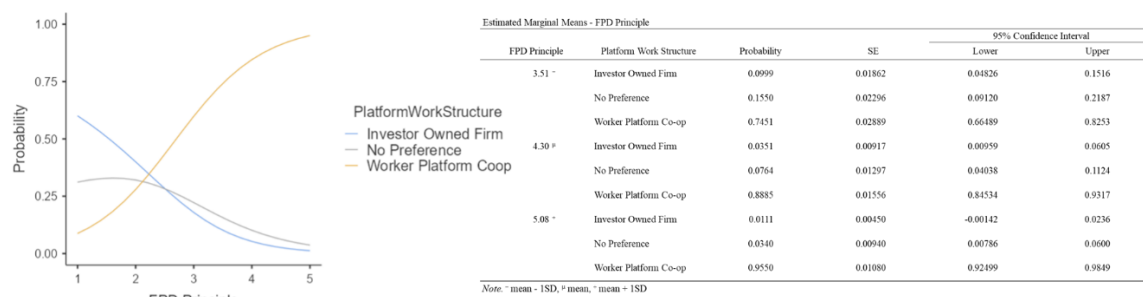


Figure 2: Probability Graph for Fair Pay-Profit Distribution Principle

The probability graph results show that as the FPD principle's compliance by existing IOFs deteriorates, the probability of e-drivers being 'strongly disagree' and 'disagree' increases for worker-platform co-operatives, while the probability of being 'strongly agree', 'agree' and 'neutral' declines for 'no-preference' and 'investor-owned firm'. This indicates a stronger disagreement level increase on the FPD principle's compliance by existing IOFs, strongly associated with increased e-drivers' choice of worker-platform co-operatives.

## 5.0 Conclusions and Recommendations

### 5.1 Conclusions

The study concludes that e-drivers in Kenya show a strong preference for fair work principles that address working conditions and fair pay-profit distribution, as these elements significantly influence their willingness to form and join worker-platform co-operatives. In particular, e-drivers are most likely to pursue co-operative models in response to low compliance with satisfactory working conditions and fair pay distributions. The study concludes that e-drivers are notably concerned with working conditions, seeking co-operative models that promise not only better physical and psychological work environments but also extended social benefits such as medical coverage, social security, and financial support, aligning with findings from Graham et al. (2020) and CECOP (2021). Additionally, the study concludes that fair pay-profit distribution (FPD) is critical, as e-drivers prefer a framework offering equitable pay, profit-sharing, and financial security—elements they believe are insufficiently addressed in traditional ride-hailing platforms. E-drivers view worker co-operatives as a viable path to better profit-sharing through dividends, bonuses, and other economic stakes, consistent with global findings (Parikh, 2023; Brodsky & Mason, 2021). Ultimately, the study affirms that the fairwork principles of fair pay-

profit distribution (FPD) and satisfactory working conditions (SWC) are significantly meaningful in reshaping the Kenyan ride-hailing landscape.

## 5.2 Recommendations

Co-operative development practitioners should continue advocating for ‘investor-owned firms’ that engage individual e-drivers directly to comply with the fairwork principles while lobbying for national and county government-level policymakers to develop and review laws that promote the labour rights of the e-drivers (Wambaa, 2018), and also promote the formation of worker-platform co-operatives through such incubation and acceleration programs, as envisaged in South Africa’s Start-up Act Position Paper and (Farouk, 2022).

Consequently, a robust operational framework could be developed that brings the ride-hailing sector stakeholders together, including government agencies. The main goal is for e-drivers to operate in a mechanism that protects them, as they benefit from quality jobs and fair incomes, and circumvents the role-set conflict (Mannan, 2022).

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**Appendices****Appendix 1: Model Coefficients – Preferred Platform Work Structure with only SWC Principle**

Model Coefficients – Platform Work Structure

| Platform Work Structure                              | Predictor     | Estimate | 95% Confidence Interval |        | SE    | Z      | p      | Odds ratio | 95% Confidence Interval |       |
|------------------------------------------------------|---------------|----------|-------------------------|--------|-------|--------|--------|------------|-------------------------|-------|
|                                                      |               |          | Lower                   | Upper  |       |        |        |            | Lower                   | Upper |
| No Preference<br>- Investor<br>Owned Firm            | Intercept     | 1.266    | 0.0930                  | 2.4392 | 0.599 | 2.115  | 0.034  | 3.547      | 1.097                   | 11.46 |
|                                                      | SWC Principle | -0.282   | -0.6424                 | 0.0780 | 0.184 | -1.536 | 0.125  | 0.754      | 0.526                   | 1.08  |
| Worker<br>Platform Co-op<br>- Investor<br>Owned Firm | Intercept     | -0.263   | -1.3548                 | 0.8281 | 0.557 | -0.473 | 0.636  | 0.768      | 0.258                   | 2.29  |
|                                                      | SWC Principle | 0.783    | 0.4769                  | 1.0894 | 0.156 | 5.012  | < .001 | 2.188      | 1.611                   | 2.97  |

**Appendix 2: Model Coefficients – Preferred Platform Work Structure with only FPD Principle**

Model Coefficients – Platform Work Structure

| Platform Work Structure                           | Predictor     | Estimate | 95% Confidence Interval |        | SE    | Z     | p      | Odds ratio | 95% Confidence Interval |       |
|---------------------------------------------------|---------------|----------|-------------------------|--------|-------|-------|--------|------------|-------------------------|-------|
|                                                   |               |          | Lower                   | Upper  |       |       |        |            | Lower                   | Upper |
| No Preference –<br>Investor-Owned Firm            | Intercept     | -1.091   | -2.8737                 | 0.691  | 0.909 | -1.20 | 0.230  | 0.3357     | 0.05649                 | 1.995 |
|                                                   | FPD Principle | 0.435    | -0.0578                 | 0.929  | 0.252 | 1.73  | 0.084  | 1.5457     | 0.94383                 | 2.531 |
| Worker Platform<br>Co-op - Investor<br>Owned Firm | Intercept     | -3.488   | -5.1789                 | -1.797 | 0.863 | -4.04 | < .001 | 0.0306     | 0.00563                 | 0.166 |
|                                                   | FPD Principle | 1.564    | 1.1051                  | 2.024  | 0.234 | 6.67  | < .001 | 4.7800     | 3.01944                 | 7.567 |

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The authors do not have permission to share data.

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**Declaration of Interest**

None.

**Author(s) Contributions Note**

Jared M.O. Matabi: Writing – original draft, methodology, investigation, formal analysis, data curation, conceptualisation. Prof. Esther Njoki Gicheru: Supervision. Prof. Lucy Maina Kiganane: Supervision.

**Compliance with Ethical Standards**

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**Declaration of generative Artificial Intelligence (AI) and AI- assisted technologies in the writing process.**

The author(s) used ChatGPT and Grammarly in preparation for this article to improve the article's readability. After using these tools and services, the author(s) reviewed and edited the content as needed and take(s) full responsibility for the publication's content.

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