YOUR DRIVER IS DIDI AND MINUTES AWAY FROM YOUR PICK-UP POINT': UNDERSTANDING EMPLOYEE MOTIVATION IN THE GIG ECONOMY OF CHINA

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ABSTRACT: *In recognition of importance and expansion of the gig economy, largely in developed and BRICs economies along with the growing literature surrounding it, this research contributes towards an empirical and conceptual understanding of how employee motivation and retention are managed by the mobile-app based multiple payment-enabled car-pooling Chinese giant DiDi. Both the exponential usage and evidently a diversified range of services offered by Didi has not only transformed the Chinese perception of using cabs over personal vehicle in the 1.4b populated country in the world, but also invites new research in learning the employee retention tools of a company with such a high regional scale of operations across nearly all provinces in China. While the company employs over a million employees at various contractual levels, the objective of this paper is to evaluate how levels of employee motivation, in a gig economy setting, largely affects the efforts and long hours of performance of DiDi drivers in major Chinese cities. The objective of this research is to qualitatively investigate the nature and effectiveness of Didi as a customer customiser using a thematic analysis and a conceptual framework; while also adding contextual knowledge on how a relatively new transport company with mass public use options retain employees in a major BRIC economy that is embedded with many faces of gig economy.*

KEY WORDS: gig economy; employee motivation; China; innovation and enterprise; DiDi; mobile app-based enterprises; employee performance, ERG theory

INTRODUCTION

This research looks at the largest ride-hailing, mobile-app managed, Chinese company DiDi that recruits millions of mainland Chinese as drivers and how the latter's motivation levels are managed over time as the company continue to expand their operations in the gig economy. Existing and contemporary literature in organisational behaviour provides sufficient theoretical models to better understand employee *needs* and *wants* while attempting to identify drivers of motivation at workplace. While money, bonus and pay would fall under recognised tangible motivation drivers, additionally the aspects of safety and belongingness at work goes under intangible ones. This research looks at the gig economy in particular and therefore the study of motivation contextualised in this setting makes it a new field of study as the aspirations, worker motivation, work-output expectations can be viewed differently than conventional formal full/part-time jobs. The research uses a conceptual framework to better understand the findings using a thematic analysis with a qualitative approach studying DiDi drivers. The analytical

rigour of the discussion filtered through the lens of a conceptual framework has managerial and policy implications along with theoretical uses of the proposed framework for similar studies.

Background

"*A healthy, fully engaged workforce is one that has collectively reached level five, or self-actualisation. This occurs in organisations that have built a line of sight between where the company is going and each employee's job or role*" - Kelleher (2014). While more than 35% of the U.S. workforce (Hyken, 2018), around 55 million individuals, are 'gig workers' and this is estimated to increase to 43% by end of 2020. In North America and Western Europe, the gig economy already reports having about 150m workers who are classified as independent contractors. 'Gig work' can be described as an independent contract or part-time job, like driving for Uber or/and freelance copywriting as a side gig. The person may simultaneously bring in additional income from a freelance graphic designer job or/and working on projects for clients roughly three hours a day. The rest of his/her working hours, s/he drives Uber to keep him/herself occupied. The balance of pros and cons working in the gig economy could be argued. While traditional jobs often provide employees with a range of protections such as health benefits and a 401k, worker in gig economy would need to figure out their retirement plan and buy healthcare on their own; these could be time-consuming and expensive. Going freelance also means an individual would no longer have paid sick days or vacation time. Since the term 'gig economy' was popularized during post 2008-2009 financial crisis, task-based labour has evolved and has become a significant factor in the overall economy leading to increasing forms of employment contracts like 'zero-hour'.

The many faces and pay scales of gig economy would range from senior executives who travel to major cities to ply their trade to the workers who make a little extra income by picking up ride-hailing fares in his or her community. The two major segments appear to be *knowledge-based* gigs (such as independent management consultants or machine learning data scientists) to *service-based* ones (such as tradespeople and delivery drivers). A sizeable portion of the economy is driven by technology, software platforms (Frazer, 2019) that enable the sharing economy, e.g., Uber, Bird, AirBnB and the like. The gig economy is made up of three main components: the independent workers paid by the gig (*i.e.,* a task or a project) as opposed to those workers who receive a salary or hourly wage; the consumers who need a specific service, for example, a ride to their next destination, or a particular item delivered; and the companies that connect the worker to the consumer in a direct manner, including app-based technology platforms. These companies make it easier for workers to find a quick, temporary job (*i.e.,* a gig), which can include any kind of work, from a musical performance to fixing a leaky faucet. One of the main differences between a gig and traditional work arrangements, however, is that a gig is a temporary work engagement, and the worker is paid only for that specific job. (Harris, 2017)

The nested institutional partnership connection here can be identified in this context by looking at *technology platform companies* that facilitate direct transactions between consumer and producer (including managing online profiles and reviews), the *gig workers* who would normally involve labour workers (drivers, delivery men) or/and goods worker (artists, clothing retailers), and finally the *consumers*. In 2016, 24 percent of Americans reported earning some money from the 'digital platform economy' during the previous year (Harris, 2017). Intuit and

Emergent Research predicted that the number of people working on-demand [gig] jobs will grow from 3.9 million Americans in 2016 to 9.2 million by 2021. One of the biggest gig economy markets, however, is China when looked at the sheer number of mobile app managed electronic retails (or as mentioned above, technology platform companies), and the several millions of gig workers across e-tails, telecom, D2D food delivery, ride-hailing, or personalised restaurant experiences (e.g., _Hi Di Lao_ chain of hotpot service).

The exponential billion-dollar sales within 24 hrs on Chinese website _Taobao_ (a wing of Jack Ma led _Alibaba_) on Chinese singles day (11th November), every year, has become nothing less than a phenomenon when it comes to e-tails (i.e., online retail businesses) and redefining the way e-ecommerce has been commonly understood. TechNode (2019) shows that Beijing's e-commerce industry has grown from an annual turnover of RMB 12 billion (around $1.78 billion) in 2010 to RMB 263 billion (around $39 billion). It now accounts for 22.4% of total retail sales in the city. A closer look at the Chinese e-tails, along with logistics and food delivery companies that are largely mobile-app based and managed, has become a key industry in China within a few years over the last decade. Statistics from the State Post Bureau show that over 50 billion goods were delivered over the past year, a 26.6% year-on-year increase (Technode, 2019). All these contributed towards China counting more than 70 million gig-economy workers, including express couriers. For the tax man, this also means a loss of taxable, and traceable income. Taking a quick reference to the gig economy tax consequences in the UK, the annual loss to government coffers is estimated at £4 billion, because people work gigs now, instead of full-time registered jobs. Nowhere is this more apparent than in China, the world's largest smartphone and internet market, where 713 million citizens within a rapidly growing economy homogenized by a common language compresses the time for these trends to take shape.

Demand management strategies have become particularly important in heavily congested urban areas where the conventional supply side or traffic engineering TSM options have already been widely implemented. In major traffic-congested cities, reduction of peak vehicle trips is perceived to be the only short-term solution available (Giuliano and Golob, 1990). Demand management programs also may be favoured in areas where TSM options are available concerns. Ridesharing programs have become one of the favoured mitigation strategies for new commercial developments (Deakin, 1988). These programs are intended to reduce peak period trips and thus reduce the impact of new development on the local transportation system. Several studies have found that car-poolers travel significantly further to work than do commuters who drive alone (Kendall, 1975; Margolin and Misch, 1978; Richardson and Young, 1982; Teal, 1987; Giuliano, Levine, and Teal, 1990). Teal (1987). Travel time has been identified as the single most important factor in determining _mode_ choice, given access to a private auto (Valdez and Arce, 1990). Ridesharing modes are inferior to driving alone because of the extra time required to pick up or drop off passengers, or to wait to be picked up. As household incomes increase, value of time increases, and time considerations play an increasing role in mode choice decisions. Meyer et al. (2012) claims that technical solutions cannot pave the way to sustainable transport alone, it is also necessary to disconnect mobility from private travel modes towards shared travel solutions such as public transportation and car- or ride- sharing. Different 'hard' measure policies, with the aim to reduce the amount of traffic, such as road taxation, showed a certain success in small areas (Eliasson, 2017). However, they could not achieve a satisfactory decrease in car-use.

Stockholm for example introduced congestion charges in 2007 before several other developed countries did. However, the exclusive charging system did not reduce the amount of traffic as expected (Börjesson & Kristoffersson, 2017). Tier 1 and 2 cities in China, however, puts in place various such restrictions however that still doesn't much create traffic convenience overall.

THEORETICAL FRAMEWORKS

Vroom's theory provides a process of cognitive variables that reflects individual differences in work motivation. From a standpoint to perceive managerial implications for motivating employees, the expectancy theory identifies several important things that can be done to motivate employees by altering the person's *effort-to-performance* expectancy, *performance-to-reward* expectancy, and reward valences. The Need theories of motivation (Alderfer, 1972; Herzberg, 1968; Maslow, 1970; McClelland, 1976) explains how workers are motivated at a workplace. Expectancy theory, on the other hand, identifies the cognitive antecedents that go into motivation and the way they relate to each other. That is, expectancy theory is a cognitive process theory of motivation. It works on the principle that people believe there are relationships between the effort they put forth at work, the performance they achieve from that effort, and the rewards they receive from their effort and performance. In other words, people work under the principle that their level of motivation would be higher if they can believe that strong effort will lead to good performance and good performance will lead to desired rewards. Victor Vroom (1964) proposed this theory with direct application to work settings. This was subsequently refined by Porter and Lawler (1968) and others (Pinder, 1987).

Expectancy theory is based on four assumptions (Vroom, 1964). One assumption is that people join organizations with expectations about their needs, motivations, and past experiences; second assumption is that an individual's behaviour is a consequence of conscious choice; third one assumes that people want different things from the organization (e.g., good salary, challenge, fast progress, security and belonginess). The fourth and final assumption is that people will choose among alternatives so as to optimize outcomes for them personally. The expectancy theory based on these assumptions has three key elements: *expectancy, instrumentality, and valence.* A person is motivated to the degree that he or she believes that (a) effort will lead to acceptable performance (expectancy), (b) performance will be rewarded (instrumentality), and (c) the value of the rewards is highly positive (valence). (See Figure 1.)
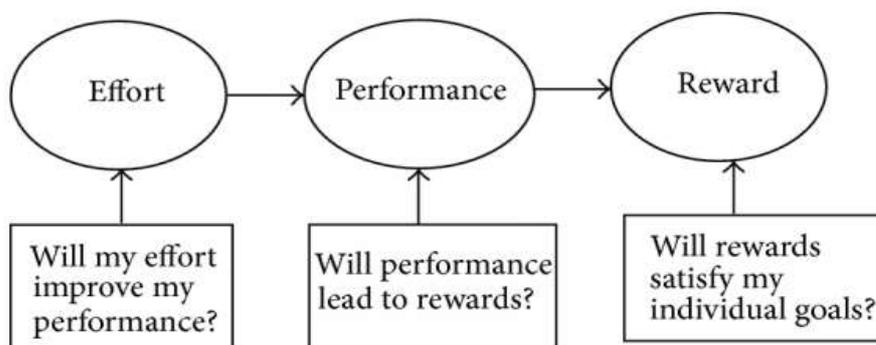

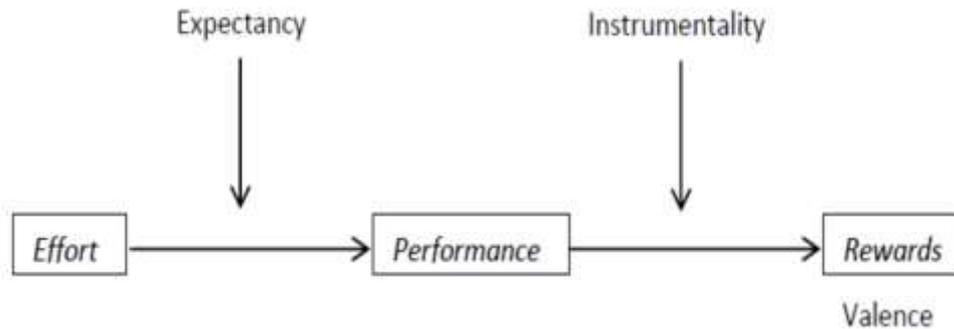Figure 1. Basic expectancy model illustration 1

Figure 2: Basic Expectancy model illustration 2

The managerial implications of this model would be to draw on the useful applications for understanding employee motivation better is because it provides guidelines for enhancing employee motivation by altering the individual's effort-to-performance expectancy, performance-to-reward expectancy, and reward valences. Several practical implications of expectancy theory are described next (Greenberg, 2011; Hellriegel & Slocum, 2011; McShane & Von Glinow, 2011; Nadler & Lawler, 1983). Expectancy is a person's estimate of the probability that job-related effort will result in a given level of performance. Instrumentality is an individual's estimate of the probability that a given level of achieved task performance will lead to various work outcomes. Valence is the strength of an employee's preference for a particular reward. Thus, salary increases, promotion, peer acceptance, recognition by supervisors, or any other reward might have more or less value to individual employees. Unlike expectancy and instrumentality, valences can be either positive or negative. Theoretically, a reward has a valence because it is related to an employee's needs. Valence, then, provides a link to the need theories of motivation (Alderfer, Herzberg, Maslow, and McClelland). Vroom suggests the interconnection of the three variables by an equation.

Motivation = Expectancy x Instrumentality x Valence.   *(1)*

The multiplier effect in the equation is significant. It means that higher levels of motivation will result when expectancy, instrumentality, and valence are all high than when they are all low. The multiplier assumption of the theory also implies that if any one of the three factors is zero, the overall level of motivation is zero. Therefore, for example, even if an employee believes that his/her effort will result in performance, which will result in reward, motivation will be zero if the valence of the reward he/she expects to receive is zero (i.e. if he/she believes that the reward he/she will receive for his/her effort has no value to him/her.

In this scenario, compensation mechanisms can be a powerful incentive in linking performance to rewards. Compensation systems that reward people directly based on how well they perform their jobs are known as pay-for-performance plans (Berger, 2009). These may take such forms as "commission plans" used for sales personnel, "piece-rate systems" used for factory workers and field hands, and "incentive stock option (ISO) plans" for executives (Dunn, 2009; Mercer, Carpenter, & Wyman, 2010) and other employees (Baker, 2011). However, rewards linked to performance need not be monetary. Symbolic and verbal forms of recognition for good performance can be very effective as well (Markham, Dow, & McKee, 2002). All employees may not have the time, willingness, favourable situation, resources or even the adequate ability to calculate motivation in the way this theory assumes. Similarly, the managers also may be

lacking one or more of the above parameters to take a decision of what motivates a particular employee.

The second theory in literature that this research draws on is the *Existence, Relatedness* and *Growth* (or more popularly, ERG) theory proposed by Alderfer (1972). Existence level covers the first two levels of Maslow's hierarchy (Safety & Physiological needs). It refers to the need of an individual to stay alive and safe at present as well as in the future; it suggests that when a person satisfies his/her existence needs, s/he feels physically comfortable to strive for the fulfilment of other needs. Relatedness level also covers the third and fourth levels of Maslow's hierarchy (Social needs & Self-esteem). It suggests that when an individual feel physiologically safe and feels secure, the individual then starts looking into fulfilling the social needs, s/he suddenly becomes interested in maintaining important interpersonal relationships with other people such as friends, family, co-workers and employers. Relatedness gives the individual a sense of identity and acceptance, and thus, the individual experiences a sense of belonging within his/her immediate society. Growth level covers the highest level of the hierarchy (Self-actualization). It suggests that when the individual feels safe, secure and has recognized his/her own identity then s/he can seek to grow by being creative and productive, by expressing and implementing his/her own ideas in the working environment making him/her feel that his input is an important element in the achievement of meaningful tasks within the organisation.
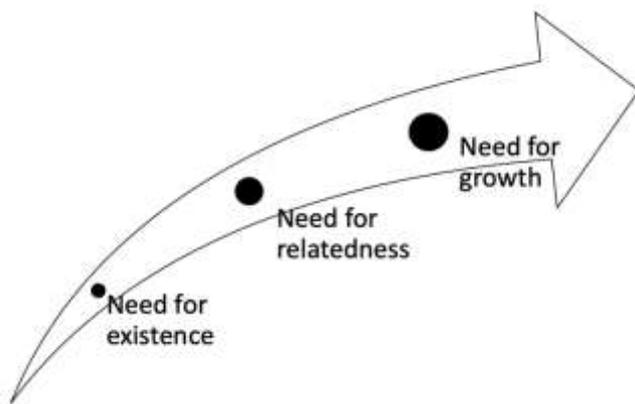

Figure 3: Alderfer's ERG Theory

Alderfer's theory has also being criticized for not having extensive research that supports its suggested re-arrangements to Maslow's hierarchy (Ivancevich and Matteson 1999), however it is considered as a more valid version of the hierarchy and has received more support from contemporary researchers in relation to motivation in the workplace because it is more focused in job-related circumstances (Luthans, 1998). The theory highlights elements such as pay and fringe benefits, the importance of interpersonal relations with colleagues and management as well as the opportunity to grow within the workplace and the satisfaction it brings to the individual. These aspects make the theory relevant for the purpose of this research and therefore considers the variables for the proposed framework to follow.

Conceptual Framework
The conceptual framework used for this research connects both the ERG and Vroom's theory with the essence that 'outcome' can be perceived in several forms. Therefore, the paper

considers 'existence', 'relatedness' and 'growth' can be the three of many expected outcome variables of the DiDi drivers wherein instrumentality and valence plays the role in pre-outcome or performance determining stages. This is important and reemphasised from the findings when we look at how rewards and financial motivation plays the most important factor when a driver is working for Didi; and the level of extra work that they are willing to do in order to be eligible for the bonus payments at peak hours. Evidently, there is substantial distress that is noted in drivers when they feel that DiDi did not enrich them, financially and also in terms of 'psychological contract', for certain benefits on particular occasions where they felt rather unjustly and unfairly deprived.
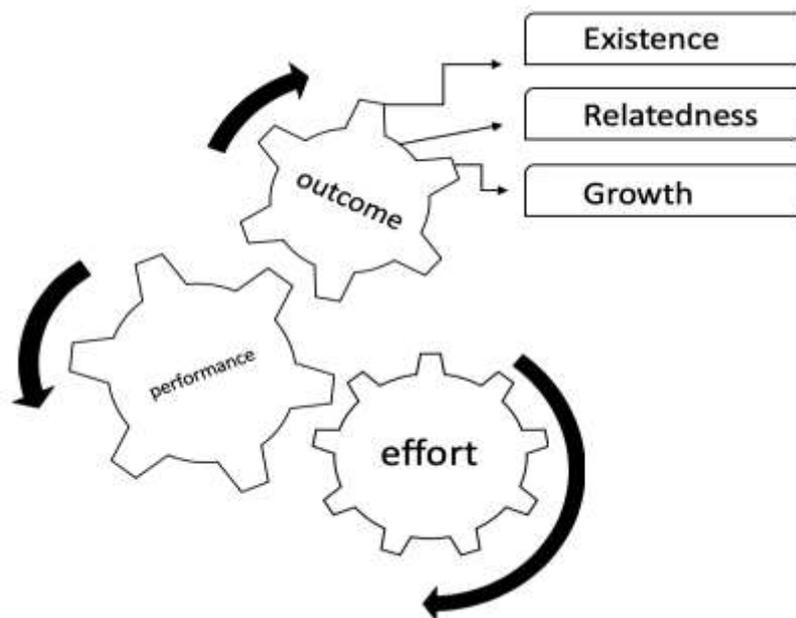

Figure 4: Proposed Conceptual Framework for this research

This framework can help to understand worker motivation in the gig economy in general and more specifically for this research. On one hand, it better understands the key aspects of expectancy, instrumentality and valence which determines either ex-poste or ex-ante outcomes that the worker or employer may set; while the other hand outcome can tailor to aspects like existence, relatedness and growth which are as understood from literature key considerations for workers particularly in the gig economy. For this research, the self-starter DiDi driver outcomes necessarily related to growth and existence as elucidated in the findings. It is important to note however, the role of employer organisation (in this case, DiDi) is crucial in this discussion because both the models by Vroom and Alderfer have it under theoretical assumptions.

METHODOLOGY

A total of 64 DiDi drivers were interviewed in the cities of Shanghai, Suzhou, Jilin and Shenyang. The age range of the drivers is 19-42 years, 80% of them being males and 20% female drivers. A vast majority of them were not originally from where they live and work; the

provinces where most drivers hailed from were Shandong, Hebei, Anhui and also Guangdong provinces. Of these, 72% were from Shandong and Anhui provinces. The results were screened from a pool of driver interviews and those a) with over 2 years of experiences, b) worked part-time for DiDi (and had other jobs on the side), c) drive the express and platinum category rides, and d) had scored over 4.2 of out 5 on the mobile app for DiDi – were considered for the purpose of the research. The average number of hours that the drivers worked is between 5-10 hours in a given working day with payments offered on Tuesday end of day. It was important to look at part-time drivers for DiDi or if they had anything else on the side as a source of income to have a better understanding of the Gig economy, additionally having at least 2 years of experience would give them enough rides, experiences, understanding of DiDi as their employer. The average number of years that the interviewed drivers had worked for DiDi was 3. The driver rating factor was important to better understand motivation of the drivers, and more specifically what organisational and operational factors affect them positively or otherwise.

FINDINGS AND ANALYSIS

Owing to a large number of orders every day and being the most popular mobile-app for ride-hailing, DiDi attracts more gig drivers than other competitors (_meituan, caocao_, etc.) in mainland China. While the a) _incentive structure_ and also b) _entry conditions_ are both generally favourable factors, as considered by largely all drivers interviewed, there is still a lot that the company could consider in regards to _employee safety, transparency in ride order allocation_ and having a _structured reward mechanism_ in place. The drivers own the cars, making the cars (along with maintenance and servicing) a significant investment for themselves. On average, drivers pay 19% to DiDi from every order that they receive and complete, which on a global scale is a comparable percentage of fees that a _technology platform_ in the ride-hailing component of gig economy get paid. Most drivers interviewed seemed happy with the reward system though not very comfortable with how many rides are allocated to them by DiDi's centrally managed order servicing unit. In terms of driver safety or employee safety (contrary to customer safety as addressed by very many literatures), some drivers though felt that they felt vulnerable on several occasions and that DiDi didn't do sufficient enough to look after their welfare, this did affect their _effort-performance_ and also _relevance/growth_ outcome potential. There are several aspects in which the conceptual framework plays a pivotal role in understanding the motivation factors. While some are happy with the reward structure, others complain about the big percentage that DiDi takes away every day as a part of their profit. Therefore, they complained that the daily profit does not seem to satisfy them. In the past two years, there have been quite a lot of negative news on social media leading to a large number of drivers leaving the platform. As a result, Didi began to increase the frequency and structure of rewards, such as financial bonus of 20 RMB for completing five orders within a specified time, but this does not seem very attractive for quite a lot of drivers. It is not always the bonus amount and structure but the lack of transparency in order allocation from the DiDi central server, which also de-stabilises the overall _effort-performance-reward_ structure.

Much ado about…transparency in reward structure
"_The driver should be treated fairly, because the platform software is not accurate, many things need to be communicated to the company for 6 to 7 days before an outcome. Moreover, the reward policy is not perfect. For example, it is agreed that 11 yuan will be awarded if 4 orders_

are completed during the peak period. However, when the third order is completed, the company does not give the fourth order, but after the first minute of the peak period they give the fourth order…"

An express category DiDi driver with two years of experience recalled this, he also happens to have a small grocery store, which his wife manages while he covers several hours of the day driving passengers. The dissatisfaction evident from his quote above is consequential because he would otherwise be driving less hours every day if he wins the bonus during peak hours; this driver from Jilin also preferred being at the grocery store for half a day, which doesn't always happen because of his engagements with DiDi and for which he invested in buying his own car.

There are some inferences that can be made from the organisational perspective however, firstly to increase worker numbers during the off-peak hours or in order to smooth out the total drivers available in a region during a day the company may decide to spread out the bonus orders, seemingly unevenly in the eyes of the driver though. Also, it is evident that the _performance-reward_ factor is dominant in this case since several drivers do eye at the peak hours regardless whether they are driving in a tier 1 or lower-tiered cities. Traffic management and car availability is a delicate balance to maintain, so on one hand the possibility of a bonus is clearly a motivational factor for the drivers while on the other satisfying the drivers with a regular bonus would potentially lead to a lesser supply of drivers in a given period in a given city of operation during off-peak hours (i.e. a bigger part of the working hours).

While looking at some of the factors that create dissatisfaction, the drivers consider the distance from their current location to a pick-up point to be something that could be better managed by DiDi. Critically, this can be a factor creating dissatisfaction for the customers as well since the waiting period is a significant variable when choosing a ride-hailing platform and the option to cancel the ride if the waiting period is seemingly too long for a customer.

"Sometimes, because the system sends orders too far and the passengers have to wait for a long time…so they cancel the orders and then give me a bad evaluation"

"Cancellation due to an unavoidable delay in picking up a customer is bad, traffic in Shanghai is a big problem even if it is not a peak hour... customers would rather bet on cancelling rather than sticking to a driver who is on his way and have committed to the order already"

The two above quotes are from DiDi drivers in Jilin and Shanghai respectively. Quite significantly, cancellation of an order as well as a negative driver review on the DiDi mobile app are two most distress causing factors for a driver in the ride-hailing industry. Firstly, the traffic is an unavoidable reality in (almost) any city in mainland China and then the distance covered from the driver's location to the pick-up is a waste if the order is cancelled on the way. Though sometimes there is a cancellation fee that a customer has to pay to cover the loss for DiDi, some drivers said that the cancellation fee goes to DiDi and not to the drivers. DiDi charges the same for operational expenses and also to re-allocate a given driver to another order in the vicinity to maintain the average total rides made available during the day. Cancellations on many occasions can be both practical or/and psychological reasons. Busy traffic hours in cities like Shanghai or Beijing, regardless it is peak hour or not, causes an added waiting time

for the customers and rather than sticking to the same driver who would (may) eventually make it to the pick-up point; customers may cancel with a hope that reordering the ride could give them a closely located DiDi driver instead. This does affect the *reward-performance* relationship as conceptualised in the framework used for this research.

The dominant user group for DiDi happens to be students and young workers and in the age range of 18-36 mainly with an average ride that tends to take between 20-30 minutes. Airport and train station journeys are however longer by distance. One observation however, in this regard is that due to the fact that an increasing number of students are increasing the usage of DiDi it can be assumed that the general risk expectation of using DiDi is rather low. This is not always the case (statistically) when compared with *Uber* or *OlaCabs* in many other countries.

The importance of being and feeling 'safe'

Safety and comfort go hand in hand when it comes to platforms such as DiDi or Uber, and this is something that DiDi in China has considered seriously. In the past couple of years, a couple of reports of young women passengers being assaulted (and also murdered, in one case) by the DiDi drivers raised a lot of concerns and social media outcry on Chinese media *weibo* and mainstream news (accessible in and limited to mainland China only though) channels. Following the incidents, DiDi updated the mobile app functions and security options for passenger safety. Two such examples are a) a red button on app to call Police immediately, b) option to audio/video record the entire trip and send live feed to DiDi, made available if demanded later upon trip completion. The number of such assault cases reported are however not comparable to other countries and therefore the overall level of safety is perceived better in China, as felt by some drivers. This opinion or mindset amongst either the drivers or users, however, may not be considered to be the right line of thinking because even if there is one person being assaulted, that should be addressed very seriously. In addition to adding security options for customers, to reduce distress and discomfort questions such as "*did the driver force you to give a higher rating*" or "*did the driver maintain politeness/not use a loud conversation over the phone during ride*" were added as a follow-up ride question on the mobile-app DiDi in recent months. On the other hand, driver safety has emerged to be a big issue as some drivers shared during their interviews. While the usual taxis (green and red coloured cabs that do not require pre-booking) have a glass-case fitted around the driver seat to protect from abusive/assaulting passengers, the same is not the reality for DiDi drivers who come in clean and comfortable interior-looking car.

"Harassment with female passengers for ride-sharing calls are a frequent thing to experience in my car... some of them don't threaten me but threaten my guests. On several occasions, I have seen drunk male passengers abusing or misbehaving with girls."

In such rides, the drivers generally have the right to stop driving and ask the passengers to leave the ride or they would call the police. However, such situations do not go very well since the passengers get furious and start damaging the car and, in the end, give a negative review to the driver. The structure of reporting such incidents are not very well built, as some drivers expressed and this is a problem that threatens them. This incidents and lack of support from the 'employer' may have a strong eventual impact on *effort-performance* as well as *existence* and *relevance* outcomes. On top of that, in some cases the drivers had to intervene if the abuse between the passengers got physical at some point.

As you like it…Working hours

There were a high number of responses when drivers mentioned why they would rather drive more for DiDi than competitors like _Wanshun, caocao_ or _meituan_. In addition to flexibility in terms of work hours, drivers felt that DiDi allows quite a big free allocation time which is a period when drivers may choose rides or distances at specific hours. Also, the way the working hours and contractual arrangements work for DiDi, drivers feel that it allows for maximum utilisation of private cars. The cars that the drivers for DiDi use are their own and therefore a self-investment and an asset. In addition to driving for DiDi for varying hours in a day, drivers have side jobs as well. While some have a grocery store to manage, others worked for a prominent retail outlet (car showroom, Walmart, H&M) in town, some drivers interviewed were college students and the rest have other gigs online or for providing D2D delivery of goods. The flexible working hours facilitates the demand of other jobs and time factor, this overall feeds to their _growth_ needs for a better life. Better the balance, one could argue _the effort-performance_ cycle promises a better quality of work.

Conceptualising the Conceptual Framework - Existence, Relevance and Growth

"Yes, I remember driving a student to the college entrance examination last year who was going to be late. At that time, I ran three red lights, although I got some punishment afterwards, I was still very happy. The experience is still fresh in my mind."

The experiences a driver shares with several passengers are also about their personal journey and not simply _effort-performance-reward_ connected. _Existence_ and the _relevance_ of their role as drivers also gives them a sense of purpose in their job. As one of the drivers recall when he was driving a student to an examination in time, he had forgone his own penalties. This suggests that although the overall idea of the job develops a _reward_-based attitude, there are occurrences of personal relevance and existential elements that shadows the former attitude. This observation is important on various grounds, firstly from DiDi's organisational standpoint where they don't necessarily 'train' the freelance drivers nor is there a particular set of norms and culture that employees need to embrace and follow – certain behaviour by drivers, as above, adds positive credit (or reviews, technically) to their name. In this scenario, the _relevance_ as pointed out in the conceptual framework becomes a strong outcome in the end. Secondly, positive reviews for the driver due to good behaviour or customer personal experience keeps the workers in the good books of the company which is a plus for long term _existential_ and _growth_ needs. While a high positive rating for the drivers is a plus on many grounds, _growth_ is determined by more than the explicit and tangible results. This also can partially explain why most drivers, as the research findings show, would choose to work for DiDi and not their competitors such as _meituan_ or _caocao_ for example. Thirdly, for management learning, it is a win-win option since most DiDi drivers are part-time workers and having a motivated staff force is an asset for any organisation, big or small. The human approach to management is something which is appreciated all round and particularly when customers can feel that in intangible forms.

The conceptual framework brings together a set of consequential outcomes that can be viewed as components of rewards. As mentioned above, the elements of _existence, relevance_ and _growth_ matter significantly in a positive way, however there are cases when these outcomes

may be negative due to experiences of the drivers. One such case can be reviewed on the basis of what the following driver recalled.

"Yes, it's a good company to work for but there have been disappointments…After the new rules came out, DiDi's crackdown gradually increased and was accompanied by high fines. Sometimes DiDi should also listen to drivers as much as they prioritise passengers, with nearly half of the latter slamming doors! Sometimes the quality of the passengers is too poor. After a long time, the door becomes loose and these wastes our efforts to buy a car. Didi does not have good reputation control and rating for its passengers."

Customer is the king. This marketing truth, since the 70s, has now been deeply embedded in organisations from almost every industry. Recent management studies on stakeholder management theories show the importance of maintaining a harmony in managing all stakeholder groups including prioritising employees as much as customers. While driver rating is very important for future ride-hailing passengers since they judge their foreseeable cab experience from what the mobile-app says about their allocated driver, the drivers on the other hand are almost left in the dark in terms of their knowledge of customers. Cases of drunk passengers after dark, or passengers yelling at the drivers including abuse, are not reported in a systematic way to DiDi. After these experiences, the customers would usually give a negative rating anyway on top of their disturbing behaviour. These experiences may lead to negative *existence* or *relevance* need reading by the drivers from their job and employer DiDi.

"We should have a better platform for drivers' feedback information, listen to and combine the opinions of drivers more, and give more benefits to drivers while giving discounts to passengers, so as to enhance drivers' enthusiasm…continue to do it, mainly to see their own development after."

Workplace dissatisfaction as understood in the gig economy or as experienced by freelance gig workers are not always fundamentally different than conventional workers at their workplace. Better grievance redressal systems need to be put in place, this requires a structure and advanced management information systems, this is something vitally missing in the case of DiDi. *Growth* outcomes are therefore negatively impacted in the long run by the lack of communication between the employer and the employee. The matter can be extended more by the fact that part-time employees are not given much importance, but in DiDi's case as understood from various other findings above they do rely on the availability of quality drivers in regions at all hours. So, in essence the quality of high-quality drivers would be more sustainable if they are managed with more attention and support. A stable functioning reporting system would help the company management in the long run as much as it would ensure a transparent and fair '*working environment'* for the employees, part or full-time.

The Good, The Bad, and the Ugly - Traffic authorities, Time and Passenger reactions
Traffic congestion control and maintaining a stable demand/supply of DiDi cars remains the core focus as shared above, there are specific technicalities in the way driving license work in mainland China. A vast majority of the drivers interviewed came from Shandong, Jiangsu and Anhui provinces of China whereas just a few came from Yunnan while the interviews were taken place in DiDi rides in the cities of Changchun and Shanghai. So, to drive in these cities where the drivers are not originally from and to work for a ride-hailing company is not very

convenient in China since there are legal restrictions as to where and how long an 'outsider' from a given province can drive and also the routes that these drivers can take during the week and weekends. Some drivers reported that at times, they had to stop and pay the traffic authorities since the latter considered the cars to be illegal. This is one of the considerations that some drivers have when they use their cars. Drivers also resented the fact that DiDi doesn't provide any support with these matters as they feel it is the responsibility of the driver to make sure these aspects are considered and understood before they sign up with DiDi. The plus side, however, of this is the drivers feel the 'recruitment barrier' is low while working for DiDi. On the flip side, it also means less verification and authentication of the right legal documents, driving permit and other necessary aspects. The apparent lack of need for DiDi to extend support on these technical and legal matters can be explained by the fact that most drivers are recruited on a part-time basis and therefore from the company's standpoint they simply would like to ensure the continuity and stable supply of cars/drivers in a given region. This does raise concerns on company's fairness, transparency and deeper governance issues, which is outside the realm of this research but more research on how similar firms (providing the _technology platform_ for the _gig workers_) can better improve the organisational structure, culture and working principles, would be beneficial.

"I had an order in the winter, but car got some problems, need 5 mins to warm the car, I made a call to passenger to ask her wait for a few minutes or cancel to get a new driver. The customer gives me one-star review at the end...I already make a phone call to explain…"

One rule for DiDi however is after the driver accepts an order, s/he needs to pick up the passenger within the next 15mins. However, in extreme winter location such as the _dongbei_ region of mainland China, where temperature may go down to even -30 or lower, car problems are common. At the same time, one may argue on the grounds that the passenger might also, for the very same reason (i.e. the weather) not be able to wait longer than necessary. The reaction from the driver is clearly understandable at the same time, making it difficult to conclude whether most passengers would deliberately present a lower level of understanding of genuine problems or some situational factors can also affect a final outcome, whether it is more serious for one party more than the other.

"The treatment of driver is becoming more and more unfair and they ask for so many certificates for driving online car-hailing service operators, and getting stricter with time. Didi shouldn't cancel the 'Hitchhiking' ride option. It was cheaper for passengers and more convenient than doing the express car. For example, the work place is far, not easy for some worker to get taxi and when the weather is bad, they don't want to take bus. 'Hitchhiking car' is more convenient for both drivers to make money and for passenger to go back to home easily"
"Do not make so many certificates for DiDi driver…what's the point for driver to choose DiDi… because is not complicated. If need too many certificates then I won't do it anymore"

This would certainly sacrifice the safety perception of the customers and clearly this is not something that any such industry would forego if they would like to sustain and expand their operations in a target market. Clearly, the Chinese mainland ride-hailing is one of world's largest. DiDi needs to continually ensure that the paperwork, driver identification and verification process is enforced with the highest certainty and security. It is clearly a topic of

distress for the drivers, however, there is a bigger concern here than managing driver motivation.

For a list of verification, DiDi was approached to comment on their rewards policy for their drivers considering a vast majority of the drivers felt that despite reporting the company did not adequately improve issues such as the transparency of allocation of rides or improving the bonus and total percentage of ride pay allocated to drivers.

"One of the things that is important is that Passengers pay all kinds of fees such as remote dispatching fees, dynamic price adjustments, parking fees if there is a toll area, and also a big amount that is reportedly paid in red envelopes via wechat or alipay that goes directly to the drivers. There are additional incomes that our part-time drivers can earn. DiDi offers various incentives and subsidies in additional to including the drivers in product development training programmes and offline operating expenses. Taxes, handling fees and other rigid expenses all add up, and DiDi's fixed cost per order will be 21% of the order amount. 7% for driver payment, 10% operating cost and 4% tax payment… However, drivers have been receiving 19% so far, resulting in DiDi's loss of 2% in recent times"

DISCUSSION AND CONCLUSION

As the country attains its new ambitions with an impressive growth in infrastructure facilities, mainland China has been managing its governance aspects differently with new rules to limit corrupt practices, ensuring the birth of new of supply chain lines, as e-tail giants such as *Alibaba* or *Jindong* continues to expand unchecked. More equitable regulations for public safety with a transparent organisational risk management system are a direct outcome of the country's development. The paper looks at a wide range of tacit and explicit motivational factors through the lens of a conceptual framework that identifies the faces of rewards such as existence, relevance and growth needs. While the driver motivation in most cases, as seen above, comes from pay and a good reward system, it is equally important not to ignore the case where drivers go an extra mile (not literally) to make a rushed passenger happy during times of need. Some actions are self-rewarding and cannot be driven by monetary goals alone. Therefore, whereas some drivers felt that monetary reward structure is either good or can be better as that is the primary motivation for their *effort-performance-reward* cycle, others seek personal growth and relevance as motivational drivers behind their action (effort-performance).
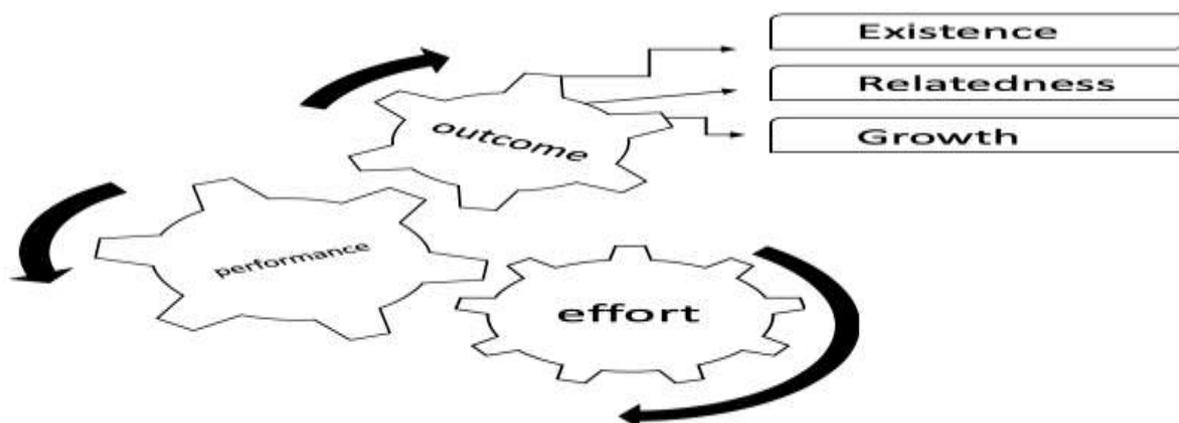
Ref: Figure 4

The reward takes many forms, though monetary gains remain the key motivation factor for most drivers interviewed. Given the research is studying worker motivation in the gig economy in particular, the monetary reward does take into consideration of a possible 'opportunity cost' as used in Economics (the next best alternative foregone). As most workers have more than two side gigs running besides driving for DiDi, they have to constantly compare their value of 'time' in money. However, this research also shows that value of time in money is only one component if understood from an 'opportunity cost' standpoint. Drivers also have the incessant need to feel secure in their 'workplace' given their concerns of e.g., drunk and misbehaving passengers or (*the psychological security*) to know that the platform is fair in allocating rides and reward dispatch. These give them rewards such as recognising *existence* and *relevance* apart from an overall sense of *growth* in this work/gig.

Implications and Future Research

It would be useful to further find out how full-time and part-time DiDi drivers compare to one another when understanding their needs and motivation. Although, a vast majority of the drivers are part-time, there is also a small percentage in tier-1 cities who are full-time engaged with DiDi. This is becoming a reality because DiDi as an organisation is offering a lot more than ride-hailing services in the past year, and with more competitors in ride-hailing they are offering their workers chances for job rotation and job revolvement. Additionally, research on DiDi customers to assess how their expectations have changed since ride-hailing has increasing competition and everybody is eyeing the same group of target customers by offering them ride discounts, event tickets, refer-a-friend, and even free rides. It is essential to know how the stakeholder expectations, customer and employee, have developed for DiDi given its exponential regular usage in mainland China.

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