

Richard
King
Mellon
Foundation

**Employment in the New Economy:
Supporting Disconnected and Gig Economy Workers**

Request for Proposals

Application Deadlines

Round 1: Wednesday, April 20, 2022. Noon (12:00 PM). Eastern Standard Time.

Round 2: Friday, September 9, 2022. Noon (12:00 PM). Eastern Standard Time.

Contents

Introduction to the Richard King Mellon Foundation.....	3
Background: Engaging Disconnected and Independent, Gig Contract Workers.....	3
Request for Proposals	4
Examples.....	4
Eligibility Criteria	5
Funding Guidelines: Nonprofit or Public Sector Organizations.....	6
Funding Guidelines: For-profit Companies and Entrepreneurs with a Social Mission.....	6
What the Foundation Will Not Fund	7
Application Timeline.....	7
Inquiries.....	7

Introduction to the Richard King Mellon Foundation

The Richard King Mellon Foundation's (Foundation) mission is to improve the competitive position of the region; strengthen the vitality of southwestern Pennsylvania, particularly the City of Pittsburgh and its neighborhoods; and protect important habitats and amenities in western Pennsylvania and other key landscapes. Founded in 1947, the Foundation is the largest foundation in southwestern Pennsylvania, and one of the 50 largest in the world. The Foundation's 2020 year-end endowment was \$3.1 billion, and its Trustees in 2020 disbursed \$130 million in grants and program-related investments. The Foundation focuses its funding on six mutually reinforcing funding programs, delineated in [its 2021-2030 Strategic Plan](#). These funding programs are: Conservation; Economic Development; Economic Mobility; Health and Well-Being; Organizational Effectiveness; and Social-Impact Investments. All six programs invest in bold, evidence-informed solutions that align with the Foundation's mission and contribute to positive change.

Background: Engaging Disconnected and Independent, Gig Contract Workers

Through this Request for Proposals, the Foundation welcomes creative, collaborative, and innovative proposals for services, products, or technologies that aim to benefit disconnected workers – those who have left the labor force – become gainfully employed in the new economy and gig economy workers—those whose work often provides limited access to traditional employment-related benefits such as internal job ladders, health and pension benefits, or access to on-the-job-training.

The Richard King Mellon Foundation's aspiration is for people of all ages in Allegheny and Westmoreland counties to be able to access their most promising and prosperous futures. We strongly believe that the region's long-term economic prosperity is best achieved by economic growth and by fostering broad participation of all individuals in that growth.

The new economy is marked by continual technological disruption and innovation that is empowering people to transform our world. As technologies change, so do the skill sets that are in high demand as well as the definitions of employment and work. Unfortunately, the region's economic prosperity is hindered by a widening gap in economic opportunities among residents, education systems that are not keeping pace with what the workforce of the future needs to compete in the new economy, and a large number of workers who have dropped out of the workforce altogether or who hold tenuous contract or gig-based work to make ends meet.

Disconnected Workers

Increasing numbers of people are left out of the "formal" economy; recent estimates report that one in three prime working age (25-54) Black men and one in six white men are disconnected from the formal labor force. This is also the case for women, as the COVID-19 pandemic has had a disproportionate effect on women's labor force participation. In 2020, 2 million women left the workforce because of reported challenges in finding stable and quality childcare, wage reductions, inability to work from home, school closures, or lack of benefits. This resulted in \$64.5 billion dollars in lost wages.

Independent, Gig, Contract Workers

Independent, gig, contract work is often considered tenuous and unstable because of the impermanence of "jobs." Yet, these workers make up a relatively large portion of our workforce: in July 2020, [41 percent of Americans on unemployment insurance](#)—nearly 13 million people—were people who had been "self-employed, independent contractors, gig-economy workers, those with limited recent work history, and those looking for part-time work, among others." And, a 2021 study by Pew Research Center found that [16% of U.S. adults](#) have ever earned money through an online gig platform, with 31% of current or recent gig workers – representing 3% of U.S. adults overall – say this has been their main job over the past 12 months. The growth of nontraditional work arrangements such as freelance employment and contract employment has brought

about concomitant [challenges](#) since the current labor market and workplace is not keeping pace with the shifting nature of this [flexible workforce](#). This places more of the onus on workers to anticipate changes in job requirements. However, there are some positive elements to independent work that could be more deeply supported: freelance type work supports a person-centered economy in which workers have control over the type and flow of tasks.

Request for Proposals

Through this Request for Proposals, the Richard King Mellon Foundation seeks bold ideas and innovative approaches that aim to strengthen the wide range of opportunities for adult residents in Allegheny and Westmoreland counties to succeed in the new economy. Proposals should focus on propelling individuals' equitable opportunities for employment, gaining income and wealth, and movement toward economic independence for those who are transitioning back to employment or who engage in independent, gig work.

Ideas and approaches could be products, services, or technologies that, for example:

- support the re-entry of women or vulnerable populations who have left the labor force or who are underemployed;
- match disconnected, underemployed, independent, and gig economy workers to flexible education, training, upskilling, and ultimately employment opportunities that best fit their life goals and needs;
- help individuals to find and retain meaningful and fulfilling careers in the gig economy (rather than in piecemeal jobs);
- relieve stressors of gig economy workers by supporting connections to the social safety net, improving financial literacy, lessening social isolation, or cultivating resilience in the face of constant change and uncertainty;
- enhance adaptations that are needed as we move toward remote work in the COVID economy or toward ways to “work” that have not yet been invented, as a way to support an increasingly flexible workforce.

Examples

The Foundation welcomes a range of ideas and encourages thoughtful experimentation. Below are examples of efforts and strategies that demonstrate the types of creative and collaborative approaches the Foundation seeks to fund. These are solely illustrative and not proscriptive.

Example 1. “Job Crafting” To Help Gig Workers Build Resilience and Economic Well-Being

A recent study on digital laborers in a U.S. based crowdsourcing platform found that “job crafting” improved gig workers’ general wellbeing and commitment to their careers. Job crafting is the act of proactively looked for new approaches to tasks, processes, or workspaces; gig economy workers who undertook this process reported greater levels of well-being after one year of the study. This was particularly the case for gig workers who could engage in community job crafting in which the workers could learn from one another, feel a sense of belonging, and learn about career opportunities. In the gig economy, workers typically have to proactively find (or build) their own communities to help them job craft. An example strategy could thus be to support community job crafting in the form of a built platform or forum (whether virtual or in-person) to enhance gig workers’ efforts to job craft and share knowledge.

For more information, see:

<https://hbr.org/2022/01/job-crafting-can-help-digital-gig-workers-build-resilience>;

<https://onlinelibrary.wiley.com/share/WNSGI2REKKSRRWNNCRYK?target=10.1111/1748-8583.12342>

Example 2: A Tech Solution to Improve Gig Workers' Income Reporting to Access Timely and Accurate Benefits

The Workers Lab, an organization that invests in entrepreneurs, community organizers, and government leaders to create solutions that improve conditions for low-wage workers, developed and tested a technology solution that aims to solve the challenge of verifying income from gig work, paving the way for gig workers to access timely and accurate benefits. This resulted in a public-private partnership between the Philadelphia Drivers Union, Gig Workers Rising, Philadelphia Legal Assistance, consultants, and technology partner Steady.

For more information, see:

<https://www.theworkerslab.com/hubfs/TWL%20Benefits%20for%20Gig%20Workers-Report%20Part%201.pdf?hsCtaTracking=7e708395-9fe3-4d15-bb87-f585b502f1e7%7Cc45f0276-c000-44cc-9a20-41ee88ec7bc2>

Example 3: Supporting Financial Health of Gig Workers in Malaysia

In March 2020, the United Nations Capital Development Fund (UNCDF) partnered with APEC Malaysia 2020, Bank Negara Malaysia (BNM), and the Malaysia Digital Economy Corporation (MDEC) to launch the *Financial Innovation Gig Economy Challenge* seeking innovative solutions to improve the financial health of gig economy workers, reduce the economic risks of gig workers, and improve their labor mobility. The challenge resulted in three finalists:

- **PAY:WATCH** partners with employers and banks to provide workers instant access to earned wages, in real time (before pay day), thereby increasing the use of formal banking and reducing the use of informal, predatory lenders.
- **Versa** is a digital cash management platform that provides returns on par with fixed deposits, but with similar liquidity as a savings account. This helps gig workers get the best out of their idle cash responsibly without reducing liquidity.
- **GetHyred** launched ZassS marketplace to match gig workers to income-generating opportunities. ZassS is an addition to GetHyred's existing skill-building platform that encourages young gig workers to develop a variety of skills and expertise.

For more information, see:

<https://www.uncdf.org/article/6111/top-three-solutions-of-the-gig-economy-challenge>

Eligibility Criteria

For the purposes of this RFP, the Foundation welcomes proposals from nonprofit, public sector, and entrepreneurs or for-profit companies that have a social mission.

- Nonprofit and public sector organizations are invited to submit for a grant within the [Economic Development program](#).
- Entrepreneurs and for-profit companies with a social-mission are invited to submit for a program-related investment (PRI) within the [Social-Impact Investment program](#).

The Foundation's general eligibility criteria apply to this RFP. Please review the Funding Policies on the [Apply](#) page of the Foundation's website, the [General FAQs](#) found on the Foundation's Nonprofit and Public Sector Partners webpage, and the information found on our webpage for [For-Profit Partners](#).

Proposed ideas and approaches must support individuals in Allegheny and/ or Westmoreland counties.

Funding Guidelines: Nonprofit or Public Sector Organizations

The Foundation expects to provide three types of support for nonprofit or public sector organizations through this RFP.

Planning and Innovation grants focus on experimentation and the development of new ideas. Recipients might describe activities such as piloting services or completing a feasibility study. Any evaluation activities should focus on understanding successes, challenges, and future possibilities resulting from the initial project.

Implementation grants are for more developed concepts and services that are currently being conducted and need further infusion of funds to support reaching populations more deeply or with further intentionality. Recipients of this funding often have demonstrated past successes and have capacity to engage in iteration and evaluation.

Scalability grants are focused on projects and ideas that have been tested within one population group or in one geographic area with promising success; they need an infusion of funds to expand the reach of the program to other population groups or geographic areas. This funding supports extending the reach of a promising model or project.

Grant funds awarded through this RFP may be used for a variety of expenses such as program and service delivery, consultant fees, evaluation, or “overhead” or administrative expenses.

For all types of grants awarded to nonprofit and public sector organizations through the RFP, the Foundation expects to fund projects in the range of \$200,000-\$500,000, depending on the complexity of the proposed project, the number of collaborators, and the stage (Planning and Innovation, Implementation, or Scalability). If an application is truly exceptional, the Foundation may consider providing more funding than this range. Successful grants may be invited to apply for follow-on funding or additional capacity-building funding opportunities at the conclusion of the grant.

The funded activities must be conducted within 6-18 months.

The Foundation will give priority consideration to creative collaborations, efforts that engage the public and private sectors, or that serve populations that are currently experiencing poverty or have historically encountered systemic barriers to employment and prosperity.

Funding Guidelines: Entrepreneurs and For-profit Companies with a Social Mission

The Foundation expects to provide two types of support for entrepreneurs and for-profit companies with a social mission through this RFP.

Implementation-focused program-related investments are for entrepreneurs or businesses that have developed at least a minimum viable product but are still seeking product-market fit and need further infusion of funds to support reaching populations more deeply or with further intentionality.

Scalability-focused program-related investments are for entrepreneurs or businesses with well-developed products or services and have established relationships with their customers and end-users; they need an infusion of funds to expand to additional customer segments or geographic areas.

The Foundation expects to fund businesses in the range of \$200,000-\$500,000 as a convertible instrument. For more information about the Foundation’s social-impact investment program and PRIs, please click [here](#).

What the Foundation Will Not Fund

The Foundation will not consider funding any of the following items through this RFP:

- Endowments or capital campaigns
- Capital expenses, construction projects, or purchases of large equipment
- Advocacy, political causes, or events
- Existing deficits or retroactive funding
- Event sponsorships

Application Timeline

Funding is expected to be awarded in two rounds during 2022. Applications for all stages of support (grant requests for Planning and Innovation and grant or program-related investment requests for Implementation or Scalability) will be accepted in both rounds.

Round 1	
Wednesday, April 20, 2022. Noon (12:00 PM) EST.	Applications are due. Nonprofit and public sector organizations can submit proposals: https://www.grantrequest.com/SID_5499?SA=SNA&FID=35046 For-profit companies can submit proposals here: https://www.grantrequest.com/SID_5499?SA=SNA&FID=35047
Thursday, June 30, 2022	Funding status notification
Friday, July 15, 2022	Funds issued for awarded grants to nonprofit and public sector organizations.*
Round 2	
Friday, September 9, 2022 Noon (12:00 PM) EST.	Applications are due. Nonprofit and public sector organizations can submit proposals: https://www.grantrequest.com/SID_5499?SA=SNA&FID=35046 For-profit companies can submit proposals here: https://www.grantrequest.com/SID_5499?SA=SNA&FID=35047
Wednesday, December 21, 2022	Funding status notification
Friday, December 23, 2022	Funds issued for awarded grants to nonprofit and public sector organizations.*

*NOTE: Funds for awarded program-related investments to for-profit companies will be released upon execution of final term sheets.

Inquiries

Nonprofit and public sector applicants for a grant: Please contact Gabriella Gonzalez (ggonzalez@rkmf.org) if you have any questions.

For-profit companies and entrepreneur applicants for a PRI: Please contact Bobby Zappala (bzappala@rkmf.org) if you have any questions.

Please note that we cannot provide substantive input on proposals prior to their submission.