Is It Really Ride Share If There's No Driver?

Insights
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In January, Lyft began offering rides in prototype autonomous cars from Aptiv's test fleet in Las Vegas. Since then, Lyft claims to have completed more than 5,000 rides in these self-driving cars. The rides are offered between 20 pickup and drop off locations around the Vegas strip. If a customer is traveling along an approved route, they have the option to ride in a self-driving car. The fare price of the rides –with and without a live driver—is the same. But don't worry, the self-driving cars have two human safety drivers onboard. Lyft has hopes of automating a sizable portion of its fleet over the next few years. Reportedly, Lyft's competitors, Uber and Waymo, are not having the same success.

Companies like Lyft are the "fore-fathers" of the Gig Economy, but the proliferation of self-driving cars may directly impact the gig economy. Will "gigging" be attractive if the person just sits there? Or ultimately is replaced by the car once the use of autonomous vehicles is further developed? Obviously, a fleet that does not require drivers removes a large portion of a workforce and opportunities to gig. Fewer gig opportunities could make the company less attractive to individuals looking for a gig and those consumers who like supporting the gig economy. However, from the business' perspective, automation may remove those "pesky" wage and hour problems and employment liability issues that have been plaguing the gig economy of late.

Companies exploring automation of this sort should consider the wage and hour implications involved in the testing and ultimate implementation of such a program. Those two drivers who are "monitoring" the car's driving for safety, should be compensated. What the company stands to lose in the short-term by having double the drivers in the vehicle, they may recoup in the long-term when self-driving is so prolific and safe that a human driver is not needed at all.

Moreover, companies should consider what the "role" of these drivers who are monitoring the cars may truly be to avoid misclassification issues. Do the live drivers still have the option to create their own schedules? Can they select the rides they take? In this particular instance, the driver is no longer using his or her own vehicle to complete the rides. These details, which are often used to support the position that gig drivers are independent contractors and not employees, seem to disappear in this scenario. Employers would be wise to think through the implications of having a "standby" driver in terms of classification.

Employers should also consider the employee relations issues that may arise as they begin to automate their workforce or automate tasks previously completed by their workforce. Employees automate their workforce or automate tasks previously completed by their workforce. Employees may feel that they are being replaced or have concerns about job security. This can lead to higher turnover and morale issues. Employers should ensure that their messaging and strategies with regard to their employee's factors in the real concerns their employers may have.

So, maybe, for now, having that enthusiastic driver to speak to you isn't that big a problem. But, if it is, help is on the way.

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