

State of WorkerTech in the UK

A 2024 Market Map



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Page 3

Introduction



Page 5

The challenges and
opportunities in WorkerTech



Page 7

2024 UK WorkerTech
Market Map



Page 11

Methodology



Page 14

Founder reflections



Page 15

Investor reflections



Introduction

Eight years ago, we first [partnered with the Resolution Foundation](#) (RF) to find and invest in startups that improve the lives of workers on low pay or in insecure employment. Fast forward to 2024, and our vision for a fairer future of work remains the same, though we find ourselves in a very different landscape from when we first started investing in what we call 'WorkerTech' ventures.

A significant proportion of workers are self-employed, in flexible or part-time work, doing job shares, or on zero-hours contracts.

“Informal employment poses a significant global challenge, with **over 2 billion workers in informal jobs lacking social protection** in 2023.”

UN SDG Report 2024

The issue of low pay and insecure work is widespread, exacerbated by the insecurity of working hours and a lack of choices or limited access to decent work. Globally, over 2 billion people were in informal employment in 2023, [comprising 58% of the global workforce](#) (UN SDG Report 2024). Regardless of the job or role anyone's in, **everyone has the right to decent and dignified work.**

Over the last seven years, together with Resolution Ventures, the venture arm of RF, we've backed numerous 'WorkerTech' ventures - **innovative start-ups that seek to change the world of work for the better and significantly improve the prospects of low and middle-income Britain.** Then in 2020, the team at Resolution Ventures created [the WorkerTech Partnership](#), the UK's first programme of social investment to improve the experiences of those in low-paid and precarious work. The aim of this partnership was to double down on companies that are seeking to create better, pay, progression, power and well-being for workers through technology, including investing at the early stages through BGV's flagship Tech for Good programme.

Needless to say, the world of work is going through dramatic shifts with the onset of technological advancements in artificial intelligence (AI), rapid automation and globalisation. Many industries are still reeling from the repercussions of the global pandemic and economic downturn, which in turn also affected many investors, tech companies, and startup founders. Now that our current partnership with Resolution Ventures is coming to a close, we were left with the question, what the state of WorkerTech in the UK is in 2024, with a view to understanding the funding landscape beyond our own respective funds as well. We scoured the likes of Dealroom, Crunchbase, CB Insights for comparable data into the state of WorkerTech, but current market definitions fail to capture the full scope.

That's why we set out to **create a market map showcasing the myriad of WorkerTech ventures contributing to a fairer future of work for low- and middle-income Britain.**

Over the years, we've only been able to support a small subset of founders through this partnership, with many still going from strength to strength - from one of our earliest

companies, [Organise](#), which now boasts over 1 million workers using its platform to win better pay and improve working conditions, to [TaskHer](#), which built a marketplace to address the gender imbalance in the trades industry and significantly improve the earning potential of women in this space, and many more. Founders, past and present, shared some valuable insights into the challenges of building WorkerTech ventures and highlighted opportunities that would create a better enabling environment for founders to succeed in this space.

We're incredibly lucky to have worked with Resolution Ventures and the wider Resolution Foundation team on this partnership and learned so much about the world of work and how informal and precarious workers are affected by some of the more systemic challenges in society. But more so, we've been extremely heartened by the sheer volume of founders wanting to use technology to improve workers' prospects and powers. We hope that this market map will leave you excited about the opportunities to invest in a world that enables everyone to have access to decent work and fair pay.

Challenges and opportunities in WorkerTech

Manual skills shortage is acute

Labour shortages are **persistent** across sectors requiring manual skills.

[European Commission](#)

01

Growing demand for care

7.7BN is needed annually to meet the growing **demand for care in the UK.**

[Health Foundation](#)

02

Greater demand for green jobs

The green transition can lead to the creation of up to **725,000 net new jobs by 2030 in low-carbon sectors.**

[The Climate Change Commission](#)

03

Reskilling & upskilling of net-zero workforce requires more capital

The investment needs for **retraining, reskilling and upskilling** in manufacturing of strategic net-zero technologies are estimated to be between **€1.7B-€4.1BN.**

[European Commission](#)

04

What does a
future of fair work
look like?

Can you imagine a
world where
**everyone has access
to decent work and
fair pay?**

How can technology
help **improve
workers' prospects
and power?**

The challenges

In the world of work

Rising work insecurity



Displacement and
change in the job market



Decline in worker voice
and empowerment



The opportunities

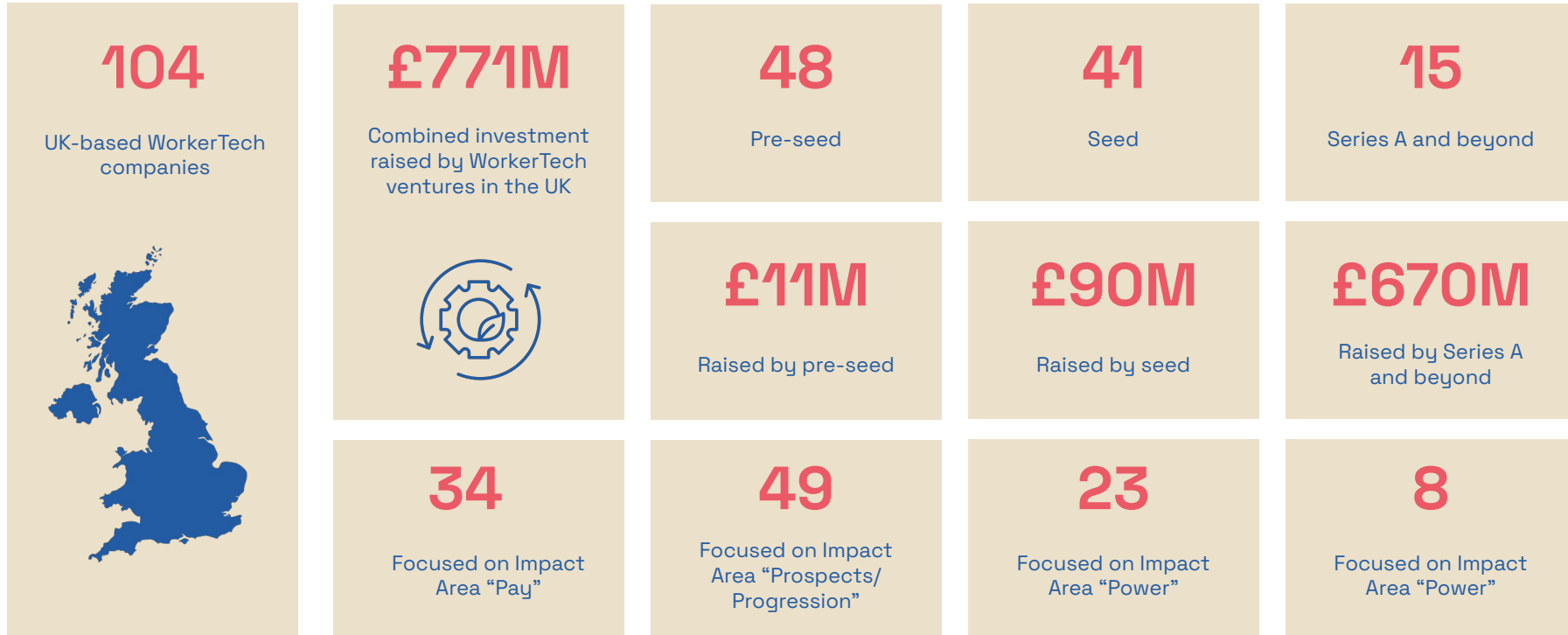
Where tech for good can make a
difference

New models that improve pay and
security

New ways to reskill and upskill workers

Tools for organising and knowledge
sharing

Key insights at a glance



Check out the [full market map here](#).

Please note that a WorkerTech venture might operate in more than one impact area.

Recent WorkerTech fundraising announcements

Earlybird, July 2024

With participation from **Resolution Ventures, Impact Shakers, Lightbulb Trust** and more.

“We’ve been impressed from the start by Claudine’s impact vision, and it’s great to see Earlybird applying cutting-edge AI and voice-recognition technology to improve employability support. We know they have much more to come, and it’s great to see the breadth of support they’ve secured in their recent funding round.”

Louise Marston, Resolution Ventures

£625k

Visibly, June 2024

Seed round led by **Creandum**.

“Visibly’s insight is to build for the customer and user experience in a market where the incumbents simply don’t care.”

Hanel Baveja, Creandum

£5.8M

Sona, May 2024

Series A led by [Felicis](#).

“Founders Steffen, Oli, and Ben understand what large enterprises need to succeed and have an incredible record of building cutting-edge technology. They worked together for many years at Catapult, a shift-based gig marketplace they founded, where they learned firsthand how good software can dramatically change the unit economics of a company with frontline workers.”

Niki Pezekhi, Felicis

£21.4M

Rodeo, April 2023

Seed round led by [LocalGlobe](#) with participation from [Form Ventures](#).

“Will and Alfie know the gig delivery space inside out, having spent years in the space. Their energy is undeniable and they have a relentless bias to action that makes us believe they could build the next huge gig platform. Both consumers and gig platforms get a great deal out of the gig model, but at times it has seemed drivers have lost out. Inevitably, as drivers are seen increasingly as standalone businesses, businesses like Rodeo will emerge that are built from the ground up to serve a gig driver’s interests.”

Patrick Newton, Form Ventures

£4M

Observations from findings

01

The majority of startups contribute to improved future potential for workers through the provision of better prospects or upskilling and reskilling.

02

Green transition and care workforce management are still largely underexplored and face some policy barriers – but more startups are emerging in the space and will hopefully find pathways to scale.

03

A mixture of financing structures (debt financing on top of equity investing) is becoming popular, particularly at the growth stages. Some B2C models have been effective in using crowdfunding as well, where the impact story can be especially compelling.

04

Growth stage capital is largely coming from US investors. Europe is not providing adequate capital for WorkerTech ventures at this stage.

Methodology

Given WorkerTech's unique positioning — to improve the prospects of low- and middle-income workers — we've chosen not to include large proportions of software tools for HR and workforce management unless the company specifically targets low-income workers (e.g. workforce management for frontline workers).

When we first set out to do this research, we looked to Dealroom and searched for startups tagged under Sustainable Development Goal 8 (Decent Work and Economic Growth), and expanded our search for specific WorkerTech-focused domains. You'll see an overview of the results to the right - however, many of the startups tagged have since closed or don't closely align with what we deem to be WorkerTech. As a result, we've scoured multiple databases, verified records on Companies House, and looked at social media activity and the overall online presence of respective organisations. We ultimately included 104 UK-based startups in our market map. However, from investing in companies at the very early stages, we know that many more startup ideas exist and might be missing from this map, due to a lack of online profiles on databases or company registration.

Category name	Funded companies	UK-funded companies	VC Investment (2023-24)	VC growth (2019-23)
Decent Work and Economic Growth (SDG 8)	646	107	\$836.9M	1x
Workforce management	57	21	\$159.8M	1x
Upskilling and reskilling	224	18	\$650.7M	1x
Worker Compensation Insurance	17	0	\$40.5M	0
Ride-sharing	582	48	\$800.5M	0

Table shows Dealroom findings by vertical.

We used Resolution Ventures' Impact Framework and categorisation of impact themes to further distinguish between the various WorkerTech applications.

For ease of use, we've tagged them under the categories of impact outcomes, excluding the depth of impact, given the early stages of companies and the dynamic nature of changes to startups at such a stage. But you can see what it might look like for BGV's and RV's combined WorkerTech portfolio on the following page.



Diagram of WorkerTech Impact Framework

Pay

Prospects/
Progression

Power

Wellbeing

Series A

Breakroom



Seed

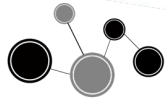
TalentSpaces

taskher.



Worker
Feedback
Club

Pre-seed



GREENWORKX

Ikigai Data

Earlybird

mobilise

planna

Skillhood



CURO Talia

workerbird

Founder reflections

2023 was a challenging year for founders, with [global VC investment dropping to the lowest in five years](#). Despite the challenges of raising investment in this climate, founders of WorkerTech businesses shared their insight as to what it's been like raising as a WorkerTech venture. With a conservative funding landscape, WorkerTech founders have noted the increased due diligence of investors and shifting goalposts to account for traction. One founder reflects that validating traction even with pre-seed investors has become prolonged with many demanding seed-stage metrics, making it harder for startups to get to product-market fit.

Founders who closed down their WorkerTech businesses shared common challenges, including the [product being too early, market demand problems](#), and [founder burnout](#) (amidst growing an impact-driven startup in a stagnant fundraising landscape during a global pandemic). The majority of founders expressed that VC is adequate to support WorkerTech ventures. However, they emphasised that building tech products and services aimed at insecure and precarious workers requires a co-design process, benefiting from tailored services that create a smooth route to testing with workers directly or co-design solutions with them, not just for them.



Photo by TaskHer

Investor reflections

In July of this year, we brought together investors to discuss early findings of our market map in a wider forum, with investors ranging from angels, to growth-stage investors and investors without an explicit WorkerTech focus or mandate.

When discussing challenges for scale, it was noted that many existing WorkerTech solutions were vertically applied in specific industries, which posed significant challenges of scale or made it harder to confer to investors what an industry-agnostic approach might take once the market's been validated. Similarly, WorkerTech startups operating in domains where regulation kicked in for specific industries but remain operating on a low margin, had a harder time selling their products than others (take the skills shortage in the hospitality sector vs the construction sector). The effects of a slowed VC investment environment also meant that more and more UK-based startups are looking to the US and other markets for capital to grow their businesses more effectively. Equally, a wide search of WorkerTech businesses receiving investment from US-based funds, revealed ample capital being deployed at and beyond Series A, with virtually no comparable Europe-based or UK investor leading rounds at this stage.



Photo by Irina on Unsplash

Opportunity for the future

A WorkerTech investor perspective from Louise Marston

There are some specific themes that are likely to increase the demand and potential for impact in WorkerTech in the future.

Workforce transitions

Climate transition, demographic changes, and the application of AI to many sectors will mean that large numbers of people need to train, upskill and adapt to a different way of working in future. Moving between sectors and increasing skills also presents the opportunity to increase present and future earnings for workers. Many sectors that are likely to have strong demand in the future also have current skills shortages (such as trades, construction and care), increasing the urgency of helping people acquire new skills. This also increases the needs of employers to attract, recruit and retain people in these sectors.

Training technologies

The use of AI, Augmented Reality (AR) and other new technologies creates the potential to bridge knowledge gaps in education and also in the workplace.

Different work priorities

The adjustment to more flexible work has been a persistent effect of the pandemic. But we still largely design jobs around a 40 hour workweek, and a 9-5 schedule. We have a pressing need to accommodate more women and those with disabilities and caring responsibilities into the workforce, and with greater flexibility and appropriate technology, there are opportunities to design work differently, in a way that includes more people, and creates a better experience of work.

Whilst BGV's and Resolution Ventures' partnership might have come to an end, it doesn't signal the end of investing in WorkerTech for either of us. Rather, we're now at a critical point, where we've seen the need for WorkerTech ventures to solve for needs, not wants and can see the depth of impact from our existing portfolio of ventures. What we now know is that there is a funding gap for new impact-driven WorkerTech ventures to emerge with a strong proposition at the early stages, and a need to address the funding inequities in early-stage VC to ensure WorkerTech founders are able to succeed in growing their businesses.

If you're like us and excited about tech for good in the world of work, please get in touch.

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Photo by BGV from the WorkerTech Unconference in June 2023

About Bethnal Green Ventures

Bethnal Green Ventures is Europe's leading early-stage tech for good VC.

We're for founders who understand real problems. Whether researched, witnessed, or lived. With big ambitions to build solutions at scale. We help them take the first jump, then join them on the journey. We're a team with integrity who walk the walk. Sharing our founders' vision for impact and helping to deliver on it. Because the world's most valuable companies will be the ones that improve millions of lives.

We're here to create a better future with tech for good.

bethnalgreenventures.com



About Resolution Ventures

Resolution Ventures exists to back innovative start-ups seeking to change the world of work for the better, and early-stage ventures seeking to improve the prospects of low-to-middle-income Britain. Our Ventures activity spans social investment, creating communities and networks of ventures and stakeholders in the areas we care about, and pioneering action-oriented research that bridges the gaps between RF analysis and practical solutions.

The Resolution Foundation is an independent research and policy organisation. Our goal is to improve the lives of people with low to middle incomes by delivering change in areas where they are currently disadvantaged. We do this by undertaking research and analysis to understand the challenges facing people on a low to middle income, developing practical and effective policy proposals; and engaging with policymakers and stakeholders to influence decision-making and bring about change.

resolutionfoundation.org/ventures





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