

JupViec

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Thay đổi cuộc sống phụ nữ Việt



The Care Economy
Knowledge Hub

the-care-economy-knowledge-hub.org

Profiling Businesses in the Care Economy

The care economy consists of paid and unpaid labor and services that support caregiving in all its forms. In Africa, Asia and Latin America, women spend between three to five times as many hours on unpaid care and domestic work as men. This represents 80 percent of a household's total hours devoted to unpaid care work.

Care economy businesses can help recognize, redistribute, reduce and reward – also known as the 4 Rs – unpaid and paid care and domestic work in the following ways:



Recognize: Initiatives that increase visibility and recognition of paid and unpaid care and domestic activity as "productive" work that creates real value and contributes to economies and societies.



Redistribute: Services and initiatives that redistribute care work from individuals to public and private sector entities, and redistribute care and domestic work within the household.



Reduce: Products and initiatives that reduce the time spent on and burden of unpaid care and domestic work.



Reward: Products, services and initiatives that ensure that care and domestic workers are paid fairly and have professional growth potential. This provides them with financial reward and security.

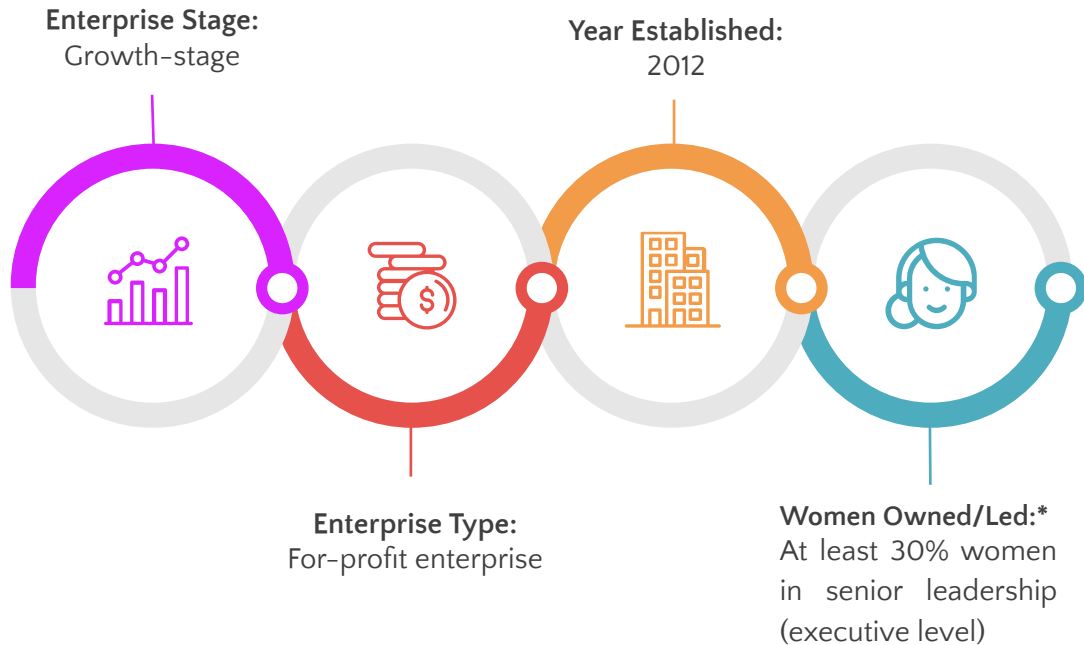
The Care Economy Knowledge Hub aims to address the knowledge gap around care businesses by showcasing various business models and creating a resource base for relevant stakeholders. It also aims to raise awareness and increase knowledge of the state of impact-driven care economy business models and attract a broad range of funders to invest in care economy solutions by showcasing opportunities. These business profiles are intended to showcase said potential investment opportunities. They have been created from information and data provided by the business itself.

This project is supported by Canada's International Development Research Center, in partnership with the Soros Economic Development Fund at the Open Society Foundations. Building on their track record and commitment to transforming the care economy and mobilizing finance for gender equality, they have jointly launched this action research program to help transform the care economy through impact business and investment.

Executive Summary



JupViec is a for-profit enterprise that offers cleaning services in Vietnam, by utilizing its platform to connect domestic workers to households and offices that require such services. JupViec recruits and up-skills domestic workers through training programs and ensures decent work conditions by providing insurance and safe work sites. Since 2012, JupViec has facilitated 2,000,000 transactions and served over 200,000 clients. In 2021, JupViec's revenue was US\$ 2,400,000. The enterprise has 50 full-time employees and 1,000 active cleaners.



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*According to 2X "women entrepreneurship" and "women leadership" criteria; [2X Challenge Criteria](#)

1. About The Enterprise

1.1 Problem

In Vietnam, 76% of the workforce is employed in the informal sector.¹ The informal sector is characterized by underpayment, overtime hours, isolation, and stigmatization of workers.² Domestic care workers make up a significant portion of the informal economy. It is estimated that there are 350,000 domestic workers in Vietnam, the majority of whom are women.³ Most of these workers migrate from rural to urban areas and possess low levels of education and little prior work experience. Without skills, women pick up domestic work as a source of income. Studies indicate that 51% of domestic workers are hired to undertake housework such as cleaning and cooking.⁴

Due to low literacy and awareness levels, domestic workers usually do not sign labor contracts with employers. A 2020 study indicated that only 10% of domestic workers had signed written labor contracts.⁵ The same study pointed out that 98.7% of domestic workers did not have access to social security measures, such as health insurance.⁶

The steady urbanization and growth of the middle class in big cities have increased the demand for paid domestic workers.⁷ Paid domestic workers positively impact employed households, as they reduce women's time spent on care and domestic work, enabling them to undertake professional jobs.⁸ In Vietnam, this is particularly significant, as women spend more than twice

¹ Women In Informal Employment Globalizing Organization- Workshop of informal workers in Vietnam. (2022) <https://www.wiego.org/content/international-workshop-informal-workers-vietnam>

² Women In Informal Employment Globalizing Organization- Workshop of informal workers in Vietnam. (2022) <https://www.wiego.org/content/international-workshop-informal-workers-vietnam>

³ General Statistics office-Gender equality in labor and access to management work in Viet Nam. (2021, November 19) <https://www.gso.gov.vn/en/data-and-statistics/2021/12/gender-equality-in-labor-and-access-to-management-work-in-viet-nam/>

⁴ Research Centre for Gender, Family and Community Development. (2020). "Assessment Report on the Implementation of Labour Laws and Policies Related to Domestic Workers". <https://www.rosalux.de/en/news/id/44473/protecting-the-rights-of-domestic-workers-in-vietnam>

⁵ Research Centre for Gender, Family and Community Development. (2020). "Assessment Report on the Implementation of Labour Laws and Policies Related to Domestic Workers". <https://www.rosalux.de/en/news/id/44473/protecting-the-rights-of-domestic-workers-in-vietnam>

⁶ Research Centre for Gender, Family and Community Development. (2020). "Assessment Report on the Implementation of Labour Laws and Policies Related to Domestic Workers". <https://www.rosalux.de/en/news/id/44473/protecting-the-rights-of-domestic-workers-in-vietnam>

⁷ Asia Foundation (2022). Protecting Domestic Workers with the Blockchain. <https://asiafoundation.org/2022/06/22/protecting-domestic-workers-with-the-blockchain/#:~:text=In%20Vietnam%2C%20a%20rapidly%20growing,part%20of%20the%20gig%20economy.>

⁸ UN Women (2016). DISCUSSION PAPER: Unpaid Care and Domestic Work: Issues and Suggestions for Viet Nam. <https://asiapacific.unwomen.org/sites/default/files/Field%20Office%20ESEA/Docs/Publications/2017/01/Unpaid-Care-and-Domestic-Work-EN.pdf>

the amount of time on unpaid care work as men. On average, women spend 5 hours per day on unpaid care and domestic work, while men spend only 2 hours.⁹ This study led to a recognition of the need to ease the inequitable distribution of unpaid care work in households. Nevertheless, domestic work is still not considered a “respectable profession.” Therefore, there is little awareness surrounding the need for training and the provision of safe working conditions for domestic workers.¹⁰

1.2 Solution

JupViec’s platform caters to the needs of households and offices, as well as domestic workers themselves. It does this through the following services.

Cleaning services for households through the platform: JupViec operates a mobile and web-based platform that links domestic workers with households and offices for their cleaning needs.

Recruitment, training, and employment of domestic workers: Recruitment is an extensive process involving interviews and verification of domestic workers’ identities. Interviews are held to understand workers’ preferences for hours of availability. Once verified, the workers are on-boarded on JupViec’s blockchain-backed platform. Post recruitment, the domestic workers undergo in-person training on various topics such as cleaning, communication, safety, and security. The training content is available to the workers on the platform, which they can access at their convenience. The platform also provides updated records of workers’ remuneration.

Workers can also use the digital platform for other products, such as micro-savings, salary advances, mobile top-ups, and utility bill payments. The blockchain-enabled platform likewise provides identity proof and proof of residential address to workers, so they can use it to open bank accounts and access other social security measures. Every domestic worker is assigned a QR code, through which they can generate an electronic training certificate describing their qualifications and work history.

JupViec provides liability insurance, which covers loss of property or material loss caused by domestic workers at customers’ premises. Domestic workers are linked to accidental insurance schemes through a partnership with National Trades Union Congress Singapore (NTUC). Under this, domestic workers can bear the cost of premiums through installments.

⁹ Action Aid. 2016. Make the house become home. Policy brief. Ha Noi, Viet Nam

¹⁰ Nguyen, T. (2022, June 22). Protecting domestic workers with Blockchain <https://asiafoundation.org/2022/06/22/protecting-domesticworkerswiththeblockchain/#:-:text=In%20Vietnam%2C%20a%20rapidly%20growing,part%20of%20the%20gig%20economy.>

1.3 Customer Segment

Customer Segment	Product / Service Provided	Paid / Unpaid
Households (middle to high-income)	<p>Cleaning services provided by trained and vetted domestic workers: Households can engage with reliable domestic workers through a mobile application that provides complete information about the services and the workers available. During the recruitment process of domestic workers, JupViec undertakes stringent legal and procedural compliances, such as reviews and verification of biometrics, identification cards, police clearances, and health assessments.</p> <p>Households can book cleaning services via on-demand or subscription models. Under the subscription model, customers may avail of services for 1, 3, 6, 9, or 12 months. In this model, the same worker is assigned to the household for each cleaning. Currently, 80% of JupViec’s customers make use of the subscription service, while 20% use on-demand services.</p>	<p>Paid</p> <p>Clients pay a fee per service and a 15% commission to JupViec for facilitating the transaction.</p>
Domestic workers	<p>Training, certification, employment, and social security schemes: Jupviec offers recruitment, training, worker management, and employment services to domestic workers.</p> <p>JupViec has a training module that is integrated into the mobile application. The module covers cleaning and cooking techniques, as well as other aspects: communication skills, worker’s rights, workplace safety, and financial management.</p>	<p>Unpaid</p> <p>JupViec does not charge any fees for the recruitment and training services provided to domestic workers.</p>

Customer Segment	Product / Service Provided	Paid / Unpaid
	<p>JupViec has a Cleaner Care department that manages workers’ rights, including insurance, occupational health, and safety. JupViec emphasizes worker safety through the following measures:</p> <ul style="list-style-type: none"> • The mobile application is equipped with a hotline number that workers can use during an emergency. • The rating system in the application allows customers (as well as workers) to rate each other. A customer who gets a negative review is blocked from the application. A weekly meeting is held to discuss grievances. Here, the supervisors meet with aggrieved domestic workers and senior leadership to discuss the challenges faced. 	

1.4 Team And Governance Structure

Jupviec has 50 full-time employees who work in recruitment, training, management, Cleaner Care, IT, marketing, quality assurance, and accounts. Currently, 50% of the full-time employees are women. JupViec has 1,000 contractors who work as active cleaners (i.e they have at least one job per week). All 1000 part-time employees are women. On average, domestic workers in JupViec work for 9 transactions (or jobs) per week. A team of 20 supervises the workers. JupViec’s board has 4 members, 2 of whom are women.

1.5 Enterprise Policies

Policy	Yes / No
Overall HR Policy	Yes
Equal pay for equivalent work policy	Yes
Non-discrimination / Equal employment opportunity / Diversity and inclusion policy (gender, LGBTQ, PWD, etc.)	Yes
Anti bullying and sexual harassment policy / Respectful workplaces	Yes
Whistleblower policy / Employee grievance mechanism	Yes
Maternity / Paternity leave policy	Yes
Safeguarding policies for vulnerable groups (children, elderly, PWDs)	Yes
Safeguarding policies for the environment or to reduce detrimental impact on the environment (covers reducing carbon footprint, reduced water consumption etc.)	No

2. Impact

2.1 Mission Statement

JupViec's mission is to change the lives of women, through women. It links women to opportunities that provide better working conditions and income. In urban areas, JupViec enables women to manage their time, by providing reliable domestic service helpers.

2.2 Intended Impact

JupViec's model of operation impacts three of the 4Rs:

- JupViec **rewards** domestic workers through market linkages with customers, increased income, improved work conditions, as well as training that enhances workers' skills and awareness about their rights. It also facilitates linkages to accident insurance and micro-loan schemes. For selected workers, JupViec also provides health insurance. All the cleaners are covered under liability insurance in order to protect them against any breakage or accidents at customers' homes.

- JupViec **reduces** the burden of cleaning homes, which largely falls on women and girls.
- JupViec's services have led to the **redistribution** of care work from households to third parties

2.3 Monitoring And Measurement

JupViec measures the following indicators:

- **Job transaction rates** are measured weekly (for every worker) through the mobile application. On average, each worker has 9 transactions. JupViec tracks any deviation from the average number.
- **Retention rates of domestic workers and customers** are measured both monthly and quarterly.
- **Ratings for domestic workers and customers** are undertaken after every job transaction by both the worker and the customer via the mobile application. If a cleaner or a customer rates the other as not satisfactory, then the mobile application automatically disconnects them from working together in the future. The management team holds weekly meetings to analyze these occurrences, understand the reasons, and establish an improvement mechanism for future job transactions.
- **Worker satisfaction** is tracked yearly through a survey. The survey covers satisfaction with work, training, and safety.
- **Income increases** are analyzed every month through data on the mobile application. The monitoring shows that workers associated with JupViec have a higher income than the average market rate.

2.4 Results To Date

Jupviec's beneficiaries are as follows:

- Number of domestic workers trained and linked to employment opportunities: 10,000
- Number of customers served: 200,000

JupViec's work is aligned with the following Sustainable Development Goals (SDGs):



3. Financials

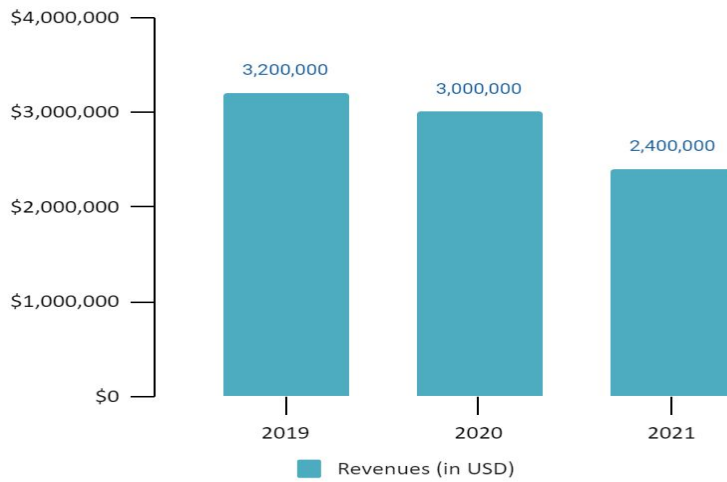
3.1 Financial Status

JupViec is not profitable yet, but is planning to become profitable in the next 3 years. JupViec's revenue decreased during the COVID-19 lockdown. However, its revenue steadily increased from 2012–2019 and again in 2022. In 2022 JupViec generated a revenue of US\$ 3.8 million.

(Amounts in US\$)	FY2019	FY2020	FY2021
Total Revenue	3,200,000	3,000,000	2,400,000
Total Expenses	3,800,000	3,300,000	2,600,000
EBITDA OR Profit/Loss	-600,000	-300,000	-200,000
EBITDA Margin	-18.7%	-10.0%	-8.3%

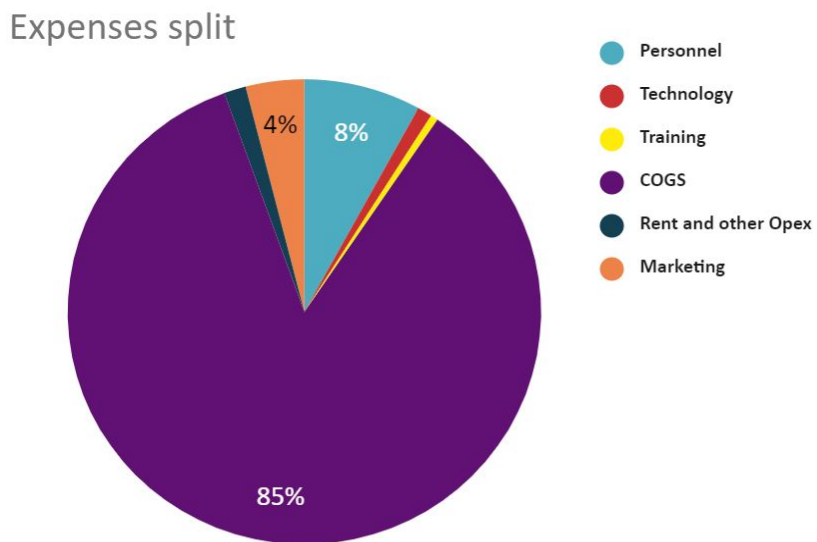
3.1.1 Revenue Streams

95% of JupViec’s revenue comes from sales of cleaning services. The remaining 5% comes from grants.



3.1.2 Expenses

The following chart depicts JupViec’s expenses in the year 2021.



COGS include payments made to part-time domestic workers.

3.2 External Funding Sources (Past and Current)

JupViec received grants from the United States and Australian governments in June 2020, all of which ended in May 2022. The Australian government funded the mobile application upgrade that enabled 2,000 domestic workers to access financial services from LienVietPostBank (the largest joint stock commercial bank in Vietnam).

In 2021, JupViec raised US\$ 120,000 from Mastercard in New Zealand to support 1,000 workers during the COVID-19 pandemic lockdown. JupViec has received various amounts of equity funding from venture capitalists to improve the platform's application and operational expenses. This includes an undisclosed investment from Vietnam's venture capital: Simple Tech Investment (2020), Patamar Capital (2018), and seed funding from Japan's CyberAgent Ventures (2015). JupViec also received a loan from Vietnam Commercial Bank.

3.3 Challenges Faced In Accessing Capital

- **Availability:** Post-COVID, it is becoming difficult to access venture capital funds in Vietnam, due to increased caution of investors.
- **Accessibility:** In Vietnam, JupViec has faced difficulties in accessing funding from social ventures (funds that have both technology and social impacts as focus areas). There are limited numbers of such investors in Vietnam and a growing number of businesses who want to attract said funding.

4. Path To Scalability

4.1 Potential Avenues For Growth

JupViec has identified the following avenues for growth:

- **Market expansion:** By 2023, JupViec plans to double the number of its workers to 2,000. It also intends to scale the customer acquisition to 20,000/month, from the current 10,000. It will do so by focusing on workers' recruitment and training. To garner more customers and workers, JupViec intends to invest in marketing strategies.
- **The new product line:** JupViec intends to sell cleaning products directly to customers.



4.2 Risks And Challenges

- **Operational:** JupViec faces difficulty managing 1,000–4,000 domestic workers and customers. While most coordination is undertaken through the application, JupViec focuses on weekly interaction with domestic workers to track their working conditions and environment.
- **Technology:** JupViec ensures a smooth user experience through the application and portal. As a result, it has to upgrade this technology frequently.
- **Regulatory:** Government policies mandate that domestic workers should be covered by insurance, such as health, social, and unemployment. A few workers wish to opt out of insurance (due to unaffordable premiums), which is challenging. JupViec, therefore, focuses on creating awareness around the importance of insurance.

4.3 COVID-19 Impact On The Enterprise

During the COVID-19 pandemic, Vietnam had a 4-month lockdown. Domestic workers were most affected, as there were no job transactions. Lack of income from JupViec job links forced cleaners to find alternative means of survival. As a result, the number of domestic workers associated with JupViec reduced from 4,000 to 1,000. JupViec mobilized US\$ 120,000 from MasterCard to support the cleaners during the lockdowns. The domestic workers received US\$ 80 – US\$ 150 as cash benefits over the course of the 4 months.

4.4 Support Received To Date

JupViec has not received any external support.

4.5 Inputs Required For Growth

Financial:

JupViec is seeking US\$ 3 million to grow. These funds will be used as follows:

- Increase the number of domestic workers
- Recruit more full-time employees, such as information technology experts
- Invest in improving the training of domestic workers
- Market JupViec's services among both households and workers

Non-financial

JupViec is seeking non-financial input in the following areas:

- Information technology, to improve the mobile application service
- Human resources, to support the cleaners