

CloudFactory and the Global eWorker Revolution

CloudFactory is the biggest story that the U.S. economy has never heard of. But that's going to change as implications become clear. The company just received \$700,000 in seed funding, which will dramatically boost its progress.

CloudFactory's goal is to create one million eWorkers in the developing world — working from home, from Internet cafes, etc. — fed by workflow from the U.S. and other "first world" nations. This model, and the forces behind it, has tremendous implications for

—The U.S. workforce and economy

—Developing economies and their workforces

—Global warming

"Onshore-Offshore" Replaced by "Online"

In bringing massive numbers of "offshore" workers online, CloudFactory is administering the coup de grace to the fading distinction between onshore and offshore. (Initially, workers are focusing primarily on business-process tasks, such as data entry and data processing.)

As the web proved long ago, "information wants to spread," and a lot of work now is simply information. Companies, for their part, will seek the cheapest sources of competent labor they can conveniently get. The results won't be plain for a few years, but putting the two together invites massive change.

Leveraging Telework in Kathmandu

CloudFactory is a 50-person team of Canadians, Americans and other nationalities based in Kathmandu, Nepal, and at CloudFactory.com. We recently spoke to founder and CEO Mark Sears in Kathmandu by phone to find out more.

He explained that in "CloudFactory 1.0," the company put roughly 65,000 people to work through such online job marketplaces as Amazon's Mechanical Turk. There, projects are divided into micro tasks and "crowdsourced" to an unlimited number of workers.

In its second phase, the company is building its workforce more organically. "We're at 145 contractors now," Sears explained. "We're going to 300 to November, and we'll continue to scale."

A recent blog entry shows how CloudFactory has combined telework with a larger social mission: "The company organizes its workforce into teams of five workers that meet face-to-face every week to review their accuracy, discuss one of the 40 CloudFactory principles (integrity, dependability, productivity, ownership, etc.) and serve their community by doing things such as cleaning up public parks or volunteering at local orphanages."

The "Green" Payoff — Avoiding the "Suburbs" Phase

One of the biggest green and social benefits of the CloudFactory model may be that it makes first-world suburbs — car-centric, largely empty by day, with few local businesses and a spotty civic life — unnecessary.

If people can "work from home and their local cafe," they don't need to commute; the colossal (and decaying) "commuter infrastructure" that burdens developed economies is minimized or avoided.

And by day, workers can spend their money locally, supporting a local economy — a lynchpin of sustainable

living.

Their social lives, too, will not be cubicle-fed — a model which weakens communities by centering emotional life at a distant "office." With the "work from home and local cafe" model, people can "socialize where they live," reinforcing community life.

A Wake-Up Call for the U.S.

Here in the U.S., where we seem to be getting a new wake-up call every day, CloudFactory is a loud one. The world — and its workers — are coming online, and the less prepared we are, the more wrenching the effects will be.

Here at home, the entrepreneurial spirit has become dormant, in part because of school systems that hew to their original mission of forming "good employees" for factory work. Moreover, entrepreneurship by definition is disruptive — the last thing a teacher or principal in a crowded school wants to deal with.

By contrast, developing countries are throbbing with entrepreneurship and a hunger for work of any kind. CloudFactory's model is not a panacea — the world is too complex for that — but it's an example well worth the study, and a bold call to innovation.

Christine Durst and Michael Haaren are leaders in the work-at-home movement and advocates of de-rat-raced living. Their latest book is "Work at Home Now," a guide to finding home-based jobs. They offer additional guidance on finding home-based work at www.RatRaceRebellion.com. To read features by other Creators Syndicate writers and cartoonists, visit the Creators Syndicate Web page at www.creators.com.