

Uber lesson

Why in news?

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Uber CEO has stepped down after a shareholder revolt.

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What is the issue involved?

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- Uber scenario is a perfect example of how a start-up ignored corporate governance in its pursuit of growth and valuation, and flouted ethical norms while hiding behind notions of disruption and innovation.

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- The trouble inside the company came out in the open early this year when a former engineer claimed that she was sexually harassed and discriminated.

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- This opened the floodgates for more such complaints and added fuel to the #DeleteUber campaign on social media.

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- Several labour organisations point out that Uber classifies its drivers as independent contractors and not employees, which deprives them of sundry benefits.

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- There have also been cases of sexual assault on passengers, which some activists have said happened because of insufficient background checks on drivers.

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- There have been accusations that employees have used some features on the app to track the movements of celebrities, politicians and journalists.

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- Earlier this month, a woman who was raped by her Uber driver in Delhi in 2014 filed a lawsuit against the company for obtaining and mishandling her medical records.

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Source: Business Standard

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