

Gig economy: Youth self reliant strategy

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Abstract

Over the past decade, the gig economy has significantly transformed the world of work. Whether it's graduates exploring prospects on social media or high school students picking jobs off delivery apps in their spare time, the gig economy has become a favored source of work, notably among the youth. The young graduates of the country already in the hot soup of unemployment and this pandemic through them into fire. The graduates are suffering to get suitable jobs for their qualification. Due to its unmatched merits, the number of gig workers will keep growing, as many of the best and brightest workers turn to gig for their primary employment. Though gig economy provides enormous benefits to the workers in terms of flexibility, employment, freedom, etc., at the same time it has an adverse impact on the industry working environment. The gig economy or free-lance working nature is looks like a lamp in the dark for them. Indian freelancers are mainly joining the gig economy due to work hour flexibility, opportunity of being their own boss, option to choose the job based on their interest and workload. Interestingly, 41 per cent of Indian gig workers are engaged in Information Technology (IT) and/or related jobs while recruited by their local and global clients.

Keywords: Income, family needs, economy, shortspan

Introduction

A gig is an economy that operates flexibly, involving exchanges of labor and resources through digital platforms that actively facilitate buyer and seller matching. In this model, individuals work as independent contractors or freelancers, performing tasks or projects on a temporary basis rather than being employed full-time by a single employer. For example: uber, food delivery platforms like doordash, uber eats and airbnb. The gig economy offers both opportunities and challenges, providing flexibility for workers but also raising concerns about job security, benefits, and labor rights. It also offers opportunities for those who may have difficulty accessing traditional employment due to factors like location, schedule constraints, or skill level. However, it can also be characterized by unstable income, lack of benefits such as health insurance or retirement savings plans, and uncertainty about job security. For businesses, the gig economy can offer cost savings, as they often don't have to provide benefits or pay traditional employment taxes for gig workers. It can also provide access to a broader pool of talent and resources on an as-needed basis. However, it may also present challenges in terms of managing a dispersed workforce, ensuring quality and consistency, and navigating legal and regulatory issues surrounding independent contractors.

The recent downsizing of talented professionals and the power of globalization to provide opportunities for more underdeveloped countries, the gig economy is a source of influence in today's generation of professional's Online outsourcing media have shown to be valuable resources for companies who need a specific set of skills for a limited period. The term Gig means specified period of time and is typically used in Lab our force. In Gig Economy, companies tend towards hiring independent Contractors and free lancers instead of full time Employees. A Gig Economy undermines the traditional Economy of full time workers

who rarely change positions and instead focus on a life time Carrier. The Gig Economy is based on flexible temporary or freelance job often involving connecting with customers through an online plat form.

Rising of Gig Economy

The gig economy refers to a sector of informally-employed workers working under zero-hour or short-term contracts, engaging in casual jobs rather than formal employment. Jobs considered under the gig economy include freelance writing, online tutoring, social media influencing, and e-hailing and p-hailing services. Thanks to the increasing influence of technology, this workforce is becoming more mobile — free to work from anywhere and at any time! With a simple tap on apps like Uber, Grab, and Upwork, gig workers are granted easy access to a range of jobs requiring little to no qualifications.

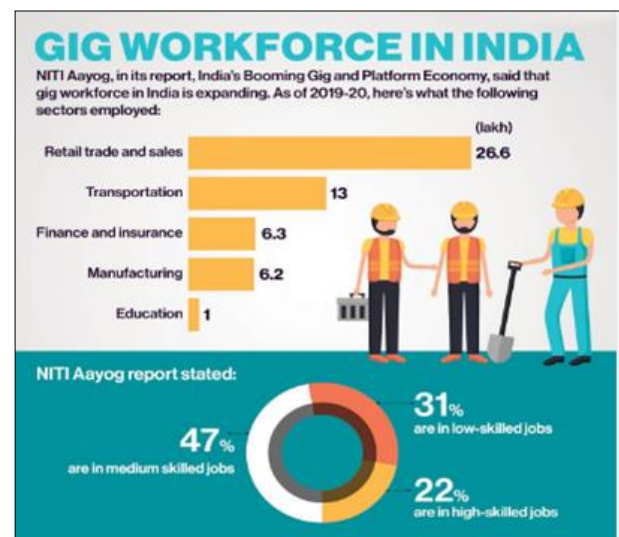


Fig 1

Apart from work preferences, economic factors also contribute to the rise of the gig economy, a trend that has become prominently evident since the pandemic. In times of economic uncertainty, individuals may lean towards gig work as a means to generate income and overcome unemployment. One factor contributing to the current unemployment rate is the mismatch between available jobs and individuals' skills. Graduates holding academic qualifications in a specialized field may face intense competition in their industry, leading them to accept work for which they are overqualified.

Literature

Chaudhary, (2021) explained the women's enhancing participation and opportunities for work in the gig economy. The author has found that the participation of women in labour force participation rate [LFPR] is very low and there is a large gap that exists in India which is all-time low.

Pal (2021) ^[4] raised an issue of the raising popularity of the gig economy, and its advantages and disadvantages in both the global and Indian contexts. In the study, the author discussed the recent initiative taken by Central Government of India.

Code on Social Security, (2020) - The enactment of the Code on Social Security, 2020 has made understanding of the scope and ambit of social security laws easier by consolidating the pre-existing laws. The Code also defined the various terms like gig workers and platform workers which were not previously defined. The Code will help in increasing employment opportunities by engaging workers on temporary basis and also providing them with the social security.

Mukherjee & Sujatha (2020) Study has examined the process of construction of professional identity over organizational identity by independent workers and understands the impact of learning agility on professional identity while engaging in the Gig Economy.

Rukhsar, (2019) ^[6] The study analyzed the employee's awareness and perception towards Gig system. The authors also looked at the problems faced and some potential solutions. They have found that the Gig system doesn't restrict the talent by setting any kind of limitations and the system also allows having a better network in and out of the organization.

Banwari, (2018) examined the trend of Gig Economy which is promptly increasing in every sector in the country with the fast-growing Gig Economy which is based on technological platforms. The author has found that this economy has potential benefits and challenges that may convert into opportunities with the collaboration of government and educational institutes. → (Caza, 2020) ^[7]

The study focused on the prevalence of gig work which is also being implemented in management education with all aspects of organizing and highlighted three broad areas for future investigation that is- how the gig economy may influence students, faculties and universities also. → Sargeant, (2017) has brought insight into the advancement of the Gig Economy and the improvement of labour market due to expansion in contingent work. The study analyzed the size and status of the Gig Economy and also analyzed the issues raised by lawsuits [litigation] in relation to the employment status of workers employed in the developing Gig Economy.

Objectives

1. To know the reasons for growth of Gig Economy in Indian market.
2. To identify contribution of Gig jobs for your self-reliant in market.
3. To know various factors influencing to adopt gig jobs by youth in India.

Currently, India has 15 million freelance workers engaged in various projects across sectors. Bengaluru tops the chart with the highest number of blue-collared workers related to gig economy, followed by Delhi, Mumbai and Pune. Most of the gig workers are in the 24–38-year age group. The gig economy will be US\$445 billion by 2024, increasing at a compound annual growth rate (CAGR) of 17%. One million jobs can be created, and gig economy will contribute an incremental 1.25% to India's GDP over the long term (ASSOCHAM-Primus Report, 2020; BCG, 2021; *Business Standard*, 2021, March 31). The current study synthesises the themes and narratives around gig work both from the perspective of the worker and from the organisations to give a more accurate picture of the gig economy in India from the HR's perspective. In the first section, we discuss secondary research from newspapers, magazines, blogs and research journals about the landscape of the gig economy in India, the opportunities and challenges of the new employment model, the profile of the gig worker and the impact of the pandemic on the gig economy. In the second section, we present an analysis of the perception of gig economy from the perspective of the Indian corporation. Using machine learning, we analyse the comments posted in social media like LinkedIn and Twitter, etc., and draw inferences. We integrate these themes with the concept of psychological contract and build a case for decoding the new psychological contract expectations in the gig ecosystem.

What are the Growth Drivers of the Gig Economy in India?

- **Rise of the Internet and Mobile Technology:** The widespread adoption of smartphones and the availability of high-speed internet has made it easier for workers and businesses to connect through online platforms, facilitating the growth of the gig economy.
- **Economic Liberalisation:** The Indian government's economic liberalisation policies have led to increased competition and a more open market, which has encouraged the growth of the gig economy.
- **Increasing Demand for Flexible Work:** The gig economy is particularly attractive for Indian workers who are looking for flexible work arrangements that allow them to balance their personal and professional lives.
- **Demographic factors:** The gig economy is also driven by the large and growing number of young, educated and ambitious Indians who are seeking to improve their livelihoods with side income generation.
- **Growth of E-commerce:** The rapid growth of e-commerce in India has led to a significant increase in demand for delivery and logistics services, which has

in turn led to the growth of the gig economy in these sectors.

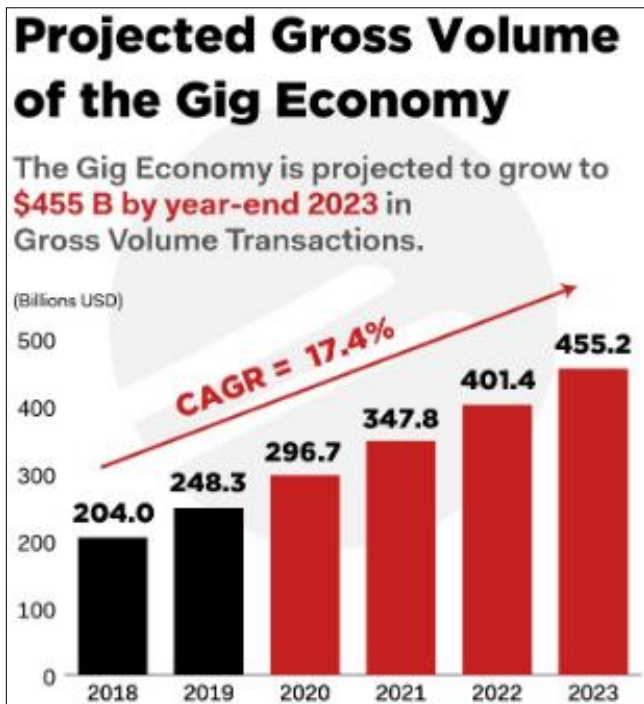


Fig 2

What are the Issues Associated with the Gig Economy in India?

- **Lack of Job and Social Security:** Many gig workers in India are not covered by labour codes and do not have access to benefits such as health insurance and retirement plans.
 - Additionally, gig workers often do not receive the same level of protection as traditional employees in the event of injury or illness.
- **Digital Divide:** The gig economy heavily relies on technology and internet access, this creates a barrier for those who lack access to these resources, and further exacerbates income inequality.
- **Lack of Data:** There is a lack of data and research on the gig economy in India which makes it difficult for policy makers to understand its size, scope, and impact on the economy and workforce.
- **Exploitation by Companies:** Gig workers in India are often paid less than traditional employees and may not have the same legal protections.
 - Some companies may also exploit gig workers by misclassifying them as independent contractors to avoid liability and avoid paying taxes.
- **Social Isolation:** Gig workers may not have the same social connections and support systems as traditional employees, as they often work independently and may not have a physical workplace.

Pandemic as a Catalyst of Change

Pandemic has accelerated the gig economy. Nirmitt Parikh of ‘Apna mobile app’, which is India’s largest professional networking platform, believes that platforms can bring more

workers into the organised paid economy. It ensures that the gig worker has access to hyperlocal opportunities, large markets for sales and a secured livelihood. With the pandemic, the entire recruitment process got digitised with digital assessments and direct connect with HR via the app itself. The Coronavirus Disease 2019 (COVID-19) pandemic led to the creation of twice the number of jobs in e-commerce, delivery logistics and the healthcare sector with the rise in demand in these essential services. Companies such as Apollo Hospital, Columbia Asia Hospital, 1Mg, PharmEasy, Swiggy and Zomato have used this platform to hire talented resources. Soon, this will create more jobs than the pre-COVID era in tier 2 and tier 3 cities. With the rise in work from home jobs, gig workers have become a normal in most organisations. The workers have also got used to splitting their time across various jobs. Their partnership with National Skill Development Corporation (NSDC) aims to create a professional network of gig workers and enhance collaboration within the community (Sarkar, 2021).

The gig economy presents an opportunity for India to drive job creation and economic growth. Technology platforms operating at scale within an ecosystem of information and services can help unlock efficiency, bring in demand-supply transparency, and drive greater formalization and financial inclusion," said Rajah Augustinraj, principal, BCG, and the lead author of the report.

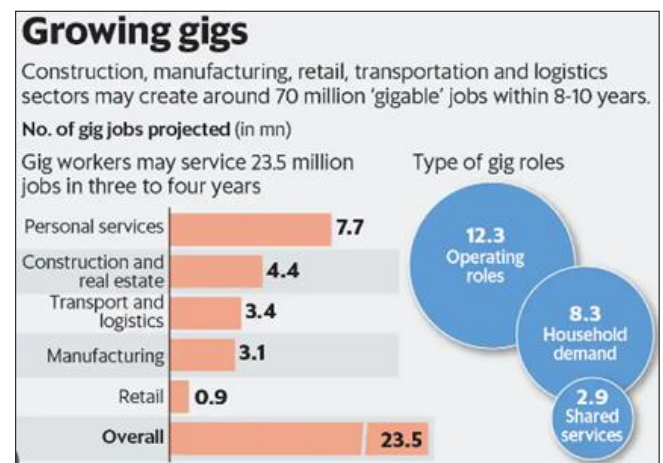


Fig 3

“During the lockdown, we saw a steady increase in the number of gig workers in India. People who had lost jobs were finding gig opportunities closer home. The gig economy has the potential to help people in the unorganized sector learn new skills and help them build a better quality of life for themselves and their families,"

Out of the 90 million job opportunities, nearly 35 million gig jobs will be available for skilled and semi-skilled professionals and household demand for gig workers will be high both in the short- and long-term, it projected. Construction, manufacturing, retail, transportation, and logistics will be the largest industry sectors with a potential to create around 70 million jobs for gig workers in next eight to 10 years.

Conclusion

The low-skilled workers perform manual labour and earn on the basis of every task they perform. Mid-skilled workers are good with administrative skills, and to augment their

overall income, they look for gig work. The highly skilled category includes the most experienced and qualified professionals. To create a personal brand beyond their regular work, they take up short-term work outside their organisation. About 39% of mid-skilled workers work for large enterprises, and 15% work for start-ups. Due to the government's initiatives like Skill India, Start-up India and Digital India, the Indian gig economy is growing rapidly from a less skilled service to more skilled jobs. Digital transformation, an aspiration to work independently, a large unemployed population and an increased demand for independent services have fuelled this growth. Sectors like information technology (IT), content creation, social media marketing, communications, food and beverages, art and design, construction, manufacturing, transportation and logistics, retail and personal services sectors have been using this work model. Internet penetration and smartphones have created a huge demand for e-commerce. All major e-commerce companies, food and cab aggregators like Ola, Uber and Swiggy need gig workers, thereby creating one of the largest markets for flexible staffing.

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