

# Exploring the Challenges and Opportunities of Gig Work: A Comprehensive Study of Gig Workers in the Modern Economy

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**Abstract:-** This paper gives us an idea of the opportunities and challenges faced by gig workers. There are opportunities that would help them financially and help the growth of the gig economy, as well as challenges faced during the work. This paper also measures the effectiveness of gig working by taking data from 110 responses and analysing it with a statistical tool (Pearson r or correlation), and ends with a conclusion from the analysis and recommendations to improve the effectiveness and reduce the challenges.

**Keywords:-** Gig work, contract, freelancing, effectiveness, motivation, job satisfaction, mental health, safety, corelation.

## I. INTRODUCTION

The world is modernising day by day. We have entered the fourth revolution era, where humans and their work are replaced by computers and machines. This modernization has a great impact on society, where it can be a boon, such as creating new jobs to invent more new things, while at the same time replacing humans with computers and increasing unemployment. As the world takes us into new phases, we need to update every day and move with the current trend. As the pandemic hit us and left us with irreplaceable losses, many had lost families, loved ones, and the people who were their only source of income. The emerging trend of independent working, freelancing, gig working, or working for gigs has increased over the years. As this trend had both pros and cons, it was followed by many countries, such as developed countries. It also hit India. As India with its demographic advantage, advancement in technology, and huge labour force are evolving, the overall job sector is evolving in India; traditional methods are changing in a modernised way, and globalisation is taking place.

(Dr. Vijeta Banwari, 2018) The idea of making a living with a 9-5 job is evolving, and people are opting for multiple jobs or gig working, especially youth, as India consists of 68% young generations. Gig working can also be temporary working for a certain period of time rather than as an employer. Gigs are tasks of work done part-time and paid separately. With rapid growth in technology, commerce and start-ups, freelancing and the gig economy are also growing at a rapid rate. Organisations are also using this opportunity in their favour to reduce the cost of hiring gig workers or freelancers.

Gig, which is also called contract working, is where a company or organisation signs a contract with the workers and its task for a short period of time. Work trends have been changing every day as traditional methods are replaced by

modern methods such as paying on an hourly basis for 9-5 jobs. Few organisations choose contract workers. These jobs are also divided into different categories, as an example, air BnB, where house owners could become mini hotel owners, Uber, where they can rent their car, etc. The evolution of the workplace has brought up innovative ideas to expand work cultures.

(Ria Kaisliwasl, may 2020) As per global freelancing (freelancer.com), India is one of those countries where there is a huge rise in the gig economy. According to the reports of EY, India stands in third place for being one of the largest online labour markets. India's gig economy is rapidly growing, has the largest number of English speakers, which is a great advantage, and has a huge IT background among its employees, which promotes the rise of the gig economy.

## II. OPPORTUNITIES AND CHALLENGES

(Dr. Vijeta Banwari, 2018) India being one of the fastest-moving nations in terms of technology and young brains, we are developing and growing every day, and even then, there are both opportunities and challenges for gig workers.

### III. OPPORTUNITIES

As there is huge advancement in artificial intelligence, many jobs are replaced by the technology, causing job destruction. This would be considered an advantage as companies could hire many online freelancers and contractors, which would help new young entrants with their livelihood. The gig economy or independent working could help in many ways, including increasing the economy, decreasing unemployment, improving participation, rising demand, and increasing productivity.

### IV. ADVANTAGES

- Helps in decreasing the unemployment rate: By providing various new opportunities to new entrants, India, with its huge population, faces many challenges in providing jobs, but gigs can help in overcoming the problem of unemployment.
- Helps in reduction of cost: Employees can reduce their costs by doing multiple or dual jobs, and from the point of view of companies, they can reduce costs by hiring a gig or contract worker for a certain period of time.
- Gives change for women's empowerment: helps women who are struggling financially get a chance to work and help themselves independently. As many educated women who are unable to continue their full-time jobs can opt for

these opportunities, there are other possibilities for them to work dual jobs or even do their passion jobs.

- Flexible arrangements of work: As gig working is not similar to a 9-5 job, we can do several jobs by making our own flexible time, especially for students who are willing to study and work. It's a great opportunity for them to study, earn, and manage their expenses.

## V. CHALLENGES

As every field has its own opportunities and challenges, even gig work has challenges such as fraud, scams, and abuse. When it comes to people from India, they would rather go with traditional 9-to-5 jobs than consider gig working jobs, as they don't promise us the benefits and are only for a certain period of time, making it very hard to find another such job. It would also give irregular income to such jobs as freelancing. It even doesn't promise any positive appraisal or compensation. Mainly, there would not be any benefits of retention, health insurance, or other helpful benefits that traditional jobs have; it would also affect them by giving them stress and an imbalance with their mental health. Many cases of online fraud and abuse are also found. From the perspective of the organisation, it would give them fewer advantages and more challenges, as many workers don't put effort into their work, and it would be a great loss for the company. There might be chances of fraud with contractors, which would lead to a lack of reliability, trust issues in the organization, a lack of maturity model, legal ambiguity, a varied compensation model, and disintegration in the work culture.

## VI. STATEMENT OF PROBLEM

"This paper, which would discuss the loopholes in the gig working system by using the data collected and analysis, would also explain the opportunities, challenges faced, and recommendations."

## VII. OBJECTIVES OF THE STUDY

- Do give an idea of current gig working systems and in detail information about opportunities and challenges faced by gig or contract workers.
- To measure the effectiveness of gig workers in the present world.
- To understand the field of gig workers.
- To give a clear idea of gig working by conducting a static test by testing the collected data.

## VIII. REVIEW OF LITERATURE

(Wenlong Liu,1,2 Changqing He,1 Yi Jiang,1 Rongrong Ji,1 and Xuesong Zhai3,, 2020) This paper tells us about the framework, which is based on the impact of psychological contract fulfilment on gig workers performances in the given tasks. The agenda of this study is the relationship between psychological contract to fulfil and how it effects their performance. The study is conducted by taking data from 223 Didi drivers (a Chinese taxi company), which shows the results were the psychological contract effects directly and indirectly in their performances. This study also tells how the drivers faced issues in achieving their tasks. The psychological contract fulfilment is stronger for

employees who are working less than a year and less strong for employees who work for a longer period of time. The findings from this paper have suggestions for the organisation of gig work in the current economy.

(Jacques Buffett, 2022) This paper gives an idea of how gig workers play a role in a growing economy. It also gives us the number of people who would opt for gig working and what companies offer gig working, how gig workers are satisfied with their financial satisfaction, the challenges they face, i.e., are they unsafe doing their work? Been mistreated during their work and gives an idea about the gig laws.

(DAYA PRAKASH , 2022) The author speaks about the opportunities that gig workers enjoy by meeting their financial needs and their job satisfaction, having the freedom to choose their choice of work, which might be their passion, and contributing to economic growth. From a company's point of view, it might lead to a shortage of talent because employees may not deliver 100% of their current work, which in turn reflects on the organisation's growth.

(Dr. Ramar Veluchamy,Pratulya Reddy,Ragini Pillai,Rashmi Singh, 2021) **By** taking India into consideration, we can consider the work-life balances and struggles and management of financial needs by gig working. This paper gives information on how gig working helps and what motivates people to choose it, and by taking the data from the courier industry to measure the effectiveness of the work, such as Zomato, Swiggy, Dunzo, Amazon etc.

(Watson, Gwendolyn Paige,Kistler, Lauren D.Graham, Baylor A.Graham, Sinclair, Robert R., 2023) This paper gives us current knowledge about gig working and how it became a recent trend. It compares and analyses the differences between gig and full-time workers. This paper gives clarity on gig work.

(Dr. Vijeta Banwari, 2018) This paper studies the opportunities and challenges faced by gig workers in India. These papers contain all the information on the pros and cons of gig-wage systems, which is like both the negative and positive sides of this working system. They also recommend how governments and organisations can help them influence them by giving chances to people who need help with financial needs.

(Katharine G. Abraham,John C. Haltiwanger,Kristin Sandusky,James R. Spletzer, 2018) This paper discusses current issues that new technology is creating that would have a great effect on both workers and organisations. This paper provides a comparison between gig activity and technology and gives suggestions on how to improve and overcome the issues faced.

(Ria Kasliwal, 2020) This paper provides information regarding the gender bias and problems faced by women gig workers in India, with brief explanations and graphs, as well as the proper recommendations mentioned in the paper.

(Timothy Aeppeal, 2016) This paper is about researchers and organisation leaders discussing the problems faced due to gig work and opportunities for the common man. This sector discusses how rapidly the growth of gig working has occurred yet it remains a small dot in the market as most prefer it as a side or part-time job and also mentions the change in nature of work.

(Senhu Wang , Lambert Zixin Li, Adam Coutts, 2022) This paper mainly focuses on mental health and satisfaction with the job role. As many lost their jobs after the pandemic, it was a great deal for the people to get back into proper jobs, in which most of them turned to gig workers and did part-time work and lived life. This also affected their mental health and satisfaction as the job only paid their bills and not satisfaction, and the author also mentioned loneliness and financial instability.

**IX. METHODOLOGY**

In this research, 110 responses were collected from different age groups and people who are currently in the gig working system: students who are pursuing their higher studies and working, experts who have experience in gig working, and also students who went abroad for their higher studies and worked as gigs to manage their expenses. The data is taken on a Likert scale, and each question on independent and dependent is floated, and the responses are calculated. The independent variables are job satisfaction, motivation, and demographical factors. The dependent variable is the measure of effectiveness. For concluding opportunities and challenges, various research and articles are referred to this Paper.

**X. ANALYSIS**

The collected data from 110 responses, which were given as Likert scale questions, showed that the options were strongly disagree, disagree, neutral, agree, and strongly agree. Which are scaled to strongly disagree-1, disagree-2, neutral-3, where this is taken when both agree and disagree, agree-4, and strongly agree-5. Questions based on demographics such as name, age, and gender and on psychographic factors such as job satisfaction and motivation were asked. Now the independent variables in the first five questions are taken as job satisfaction, motivation, and other independent factors that would show the effectiveness of gig working. The 110 responses taken are calculated by dividing 5 each of independent and dependent, where the number count of each option is taken and converted into a percentage. The total mean average is taken for both variables, and the Pearson's r, or correlation, is calculated.

The count of each response to the independent variable is:

strongly disagree	35
disagree	58
neutral	146
agree	246
strongly agree	65

When taken as Percentage:

strongly disagree	6%
disagree	11%
neutral	27%
agree	45%
strongly agree	12%

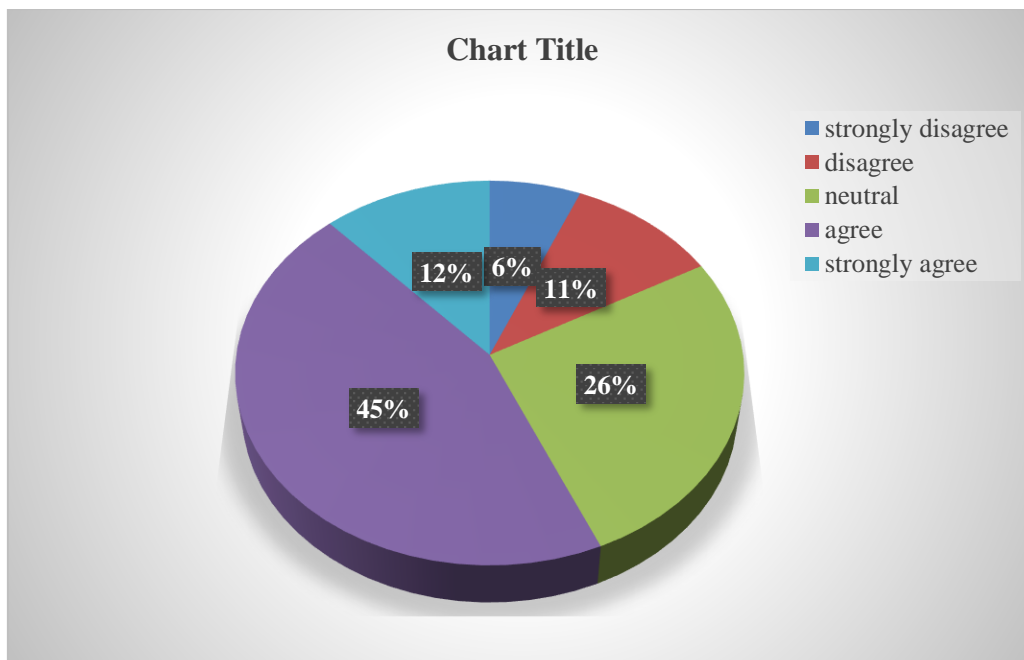


Chart 1: Analysis

In the given independent variable, the results are as shown in the pie chart: 6% strongly disagree, 11% disagree, 26% choose neutral, 45% agree, and 12% strongly agree.

When scaled down to percentage:  
 strongly disagree 5%  
 disagree 8%  
 neutral 25%  
 agree 45%  
 strongly agree 17%

The dependent variable where the count is taken as,

strongly disagree	26
disagree	42
neutral	140
agree	248
strongly agree	94

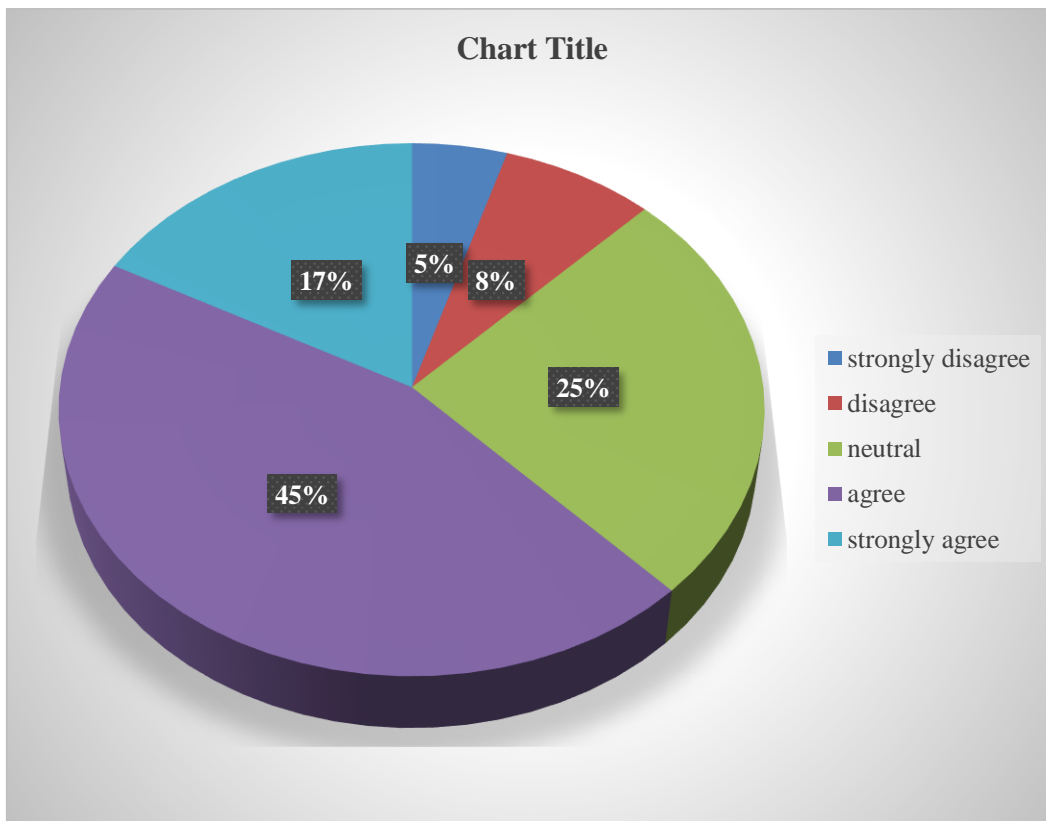


Chart 2: Analysis

The dependent variable shows how effectively the work is done and how the factors affect it.

Correlation:

Table 1: Analysis

	<i>satisfaction</i>	<i>effectiveness</i>
<i>satisfaction</i>	1	
<i>effectiveness</i>	0.977864678	1

**XI. FINDINGS**

- By considering independence as motivation and job satisfaction (X),
- Dependent being the effectiveness (Y).
- which when calculated the correlation or Pearson correlation coefficient, the obtained value is 0.97, which means it's strongly correlated or shows a strong positive correlation, which is like saying the more job satisfaction, the greater the effectiveness.

**XII. CONCLUSION**

As India is a spot for working flexible hours, in the current situation, it's better to consider gig working, which can leave a huge impact on the economy. From the above research, we can conclude that the more satisfaction there is in the job, the more it motivates with factors such as compensation and passion. The more effective the work, To make the work more effective, psychological factors also play a crucial role. Not only satisfaction is important here, but safety and mental health are also important.

### XIII. RECOMMENDATIONS

- **ENGAGE THE FLEXIBLE WORKING HOURS:** By providing better flexible working hours, it would be a great help to the workers who need them for their livelihood, and it would be really helpful for students who are studying and working. This would be a great advantage.
- **CONDUCTING A BACKGROUND CHECK:** By taking information about their background into consideration prior to assigning the task and checking twice before giving the contract. From the employee's or contractor's point of view, they can check before applying for the gig whether the work is fraud or safe.
- **PROVIDE SOCIAL SECURITY BENEFITS:** Companies can provide benefits such as security, which can attract more people to show interest in these works, by adding benefits like health insurance, transportation, or other such disability and life coverage. Which is very important for the common man.
- **SUPPORT FROM THE GOVERNMENT:** The government plays a significant role in making rules, which could have a beneficial impact on gig workers. It should give the organisation freedom to hire contractors or gig workers. The government also needs to check with the cyber security department whether the given tasks are safe or not.

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