

THE IMPACT OF THE GIG ECONOMY ON TRADITIONAL EMPLOYMENT MODELS

Monika Rawat,

Asst. Professor, Department of Commerce, Graphic Era Hill University,
Dehradun Uttarakhand India

Abstract

Work for many has shifted in recent years due to the rise of the "gig economy." Many researchers from many disciplines have been drawn to this new area of study. There is an urgent need to compile and link research results that serve as a foundation for future conversations, given the topic's reality and the range of opinions surrounding it. First, we establish a starting point by reviewing the literature on the gig economy, gig work, and related subjects. In particular, we classify gig workers, gig jobs, and digital platforms within the gig economy literature and draw various applicable findings. Finally, we suggest directions for further study by pointing out key omissions from the current body of literature on gig economy employment.

Keywords: gig work, gig economy, sharing economy, platform work, literature review

Introduction

Regular work opportunities are dwindling, so many are turning to the gig economy to make ends meet. There will always be individuals and young people looking for work, but the current job market is precarious at best. In light of the current employment climate, it is clear that the gig economy has tremendous promise for young people. A "Gig" might be anything from a one-time job to a series of temporary assignments. The gig economy helps people transition from unemployment to full-time work. In this system, digital platforms perform the majority of the labor. The open-talent economy goes under many names, including the platform economy, sharing economy, collaborative economy, and open-source economy. The phrase "Gig Economy" refers to a kind of corporate structure in which transient workers or freelancers are employed rather than permanent employees.

A "Gig" might be anything from a one-time job to a series of temporary assignments. The gig economy helps people transition from unemployment to full-time work. In this system, digital platforms perform the majority of the labor. The open-talent economy goes under many names, including the platform economy, sharing economy, collaborative economy, and open-source economy. Regular work opportunities are dwindling, so many are turning to the gig economy to make ends meet. There will always be individuals and young people looking for work, but the current job market is precarious at best. When it is difficult to hire young people, as is often the case, gig workers provide a huge opportunity.

This has caused the gig economy to concentrate in metropolitan areas. Workers who rely on the gig economy are not protected by laws that guarantee minimum salaries, safe working conditions, or the ability to form a union. Various workplace safety, security, and health issues affect employees in the digital platform economy, especially women in the app-based taxi and delivery sectors. The global labor market has seen dramatic shifts in recent decades as a result of technological development, rising desire for flexible work, and rising unemployment. The rise of the gig economy poses a threat to the traditional job market (Veluchamy et al., 2021).

However, NITI Aayog's research said that 77 lakh (7.7 million) people were working in the gig economy in 2020–21. By 2029–2030, the number of people employed in the gig economy would have risen to 2.35 crore (23.5 million), accounting for 1.5% of India's total labor force or 2.6% of the non-agricultural sector. Perform their services in the Gig Economy using online platforms. ASSOCHAM forecasts that by 2024, India's gig economy would be worth more than \$455 billion, thus the country is clearly on the right track.

Both businesses and workers may reap many rewards from current economic climate. There is no need for large staffing spaces, training programs, etc., It is a big reason why so many young people choose to work gigs. Some of the drawbacks include uncertainty, personnel who are resistant to corporate culture, lack of workers' compensation and protection, irregular working hours, and

isolation. The evolving factors fueling the gig economy, together with its possibilities and challenges in the Indian setting.

Literature review

Banik N., Padalkar M. (2021) Because of advances in internet communication tools, a new economic model known as the "gig economy" has emerged. A new economic paradigm that recognizes several types of temporary work is quickly expanding, becoming commonplace, and reshaping the global labor market. This article examines the dynamics of this process and its primary impacts, and the variables that affect them. Despite its significance, the testing of the primary hypothesis revealed that the varying penetration of the gig economy and its influence on various industries, professions, and skill levels cannot be attributed only to the evolution of technical infrastructure. Although the factors that fuel the gig economy are still being investigated, we can clearly establish the need of specific actions to adjust the economy to the new model, such as retraining or offering alternative employment chances for "traditional" employees who are leaving regular jobs in favor of gig employed ones.

YOGESH.M (2022) Challenges encountered by gig economy workers in the Indian facility management sector in Chennai and its suburbs are the focus of this research. The primary goal of this research is to better understand the unique experiences of temporary and contract workers in the Gig Economy, including the difficulties they confront, the effects on their personal lives, and their level of contentment with the income they get. The research included a descriptive methodology and a quantitative survey technique, with participants filling out a Google Forms form on their experiences in the workforce. There were 130 people in the sample. According to the results, 58% of the workforce is made up of temporary workers. This research also looked at how pleased gig workers are with their pay, and discovered that 47.7% are receiving the income as they expect and are happy about it, while 26.9% are getting less than they expect and are unhappy. Additionally, thirty-eight percent of those who answered the survey found it to be fairly difficult to get a new contract once their current one expired. The majority of respondents cite the promise of new contracts upon expiration of the previous one as the most important aspect in maintaining productivity, with others adding that adequate wages and financial incentives are also important.

Veluchamy, R., Reddy, (2021) We want to learn more about the effectiveness, efficiency, and work-life balance of gig workers. In a developing nation like India, where unemployment is rampant, the gig economy is where most people make their living. A worker's perspective on the long-term viability of this employment arrangement is crucial, even if it helps to reduce unemployment rates nationally. In order to determine what factors most affect gig workers' productivity, understanding their psychological requirements is essential. In this abstract, we want to discuss the many influences on the efficiency of gig workers. In this theoretical setting, researchers evaluate success by contrasting two factors: job stability and motivation, both of which have been linked to improved work-life harmony and productivity. This study analyzes the variables that affect the efficiency of gig workers in the food and courier businesses, including Swiggy and Amazon Prime Now delivery. Using information gleaned from focus groups, we extrapolated our sample to account for the full local population. The main procedure involves the researcher actively collecting data. Our investigation showed that the factors we looked at had no effect on production. The freedom to choose their own schedules and not answer to a superior both contribute to a high degree of job satisfaction. The happiness of the gig worker may be improved by considering the two factors described above. The gig worker's ability to strike a work-life balance may not change regardless of the other considerations.

Rukhsar, Umaima (2019). The changing nature of labor and the emergence of the GIG Economy are having a significant influence on the traditional definition of employment. A few other names for the GIG Economy include the flex economy, the mobile economy, the open talent economy, and the freelancer economy. A new working paradigm, if you will. The GIG Economy is based on temporary workers and temporary contracts between businesses and their employees. Companies and employees alike may reap the rewards of the GIG Economy since it transcends borders. Employers should not worry about losing personnel. The approach is useful in cutting down on the money spent on training and at the office. Personal time may be donated, and the technology also facilitates enhanced internal and external connections. Workers benefit because they are able to more accurately price their services and projects. The GIG system doesn't put a cap on talent by dictating things like how long they can work or how much they are paid. When a corporation sticks to its tried-and-true methods, it

risks losing sight of its long-term goals. The growth of the so-called "GIG Economy" may be traced back to the widespread use of computers and the advent of online social networks.

Research methodology

The goals of this review are (i) to get a comprehensive understanding of the gig economy, and (ii) to provide some structure to the material that has been written on it. So, we looked for articles on the gig economy, freelancers, contract employment, online work platforms, and similar topics. We used the criteria established by von Brocke et al. and Webster and Watson to filter relevant publications, and we organized the resulting literature into sections on gig economy workers, gig labor, gig platforms, and the gig economy as a whole.

We used the AIS Senior Scholars' Basket of 8 and the FT50 management journal rating to identify the IS and management publications in our sample. But we haven't confined our investigation to only those periodicals. Not only were IS-related journal articles cited, but also articles from other journals covering related aspects of the gig economy.

After reading the titles and abstracts of all 380 papers in this dataset, we were able to narrow it down to 122 publications of interest. We then conducted a forward and backward search using the accumulated publications, focusing on finding theoretical underpinnings, further novel applications, and outcomes. There were 17 more papers published as a consequence of this. There are 139 articles in total in the sample.

Data analysis

The paper's last part provides a summary and integration of the literature review's findings on the phenomenon of the gig economy along the four primary coding parameters.

Gig Worker

There are two features of the gig economy that have been studied (see Table 1).

Table 1 Summary of the results for the gig workers

Dimension	Characteristics		Aspects (illustrative citation)
gig worker	individual character-istics	background	gender, social class & religion, education, race, family
		personal traits	risk propensity, indiv. attributes
	motivators (Drivers, benefits)		autonomy, flexibility, monetary compensation, self-growth task variety, low entry barriers

Many studies look at the gender bias in the history of those who went into business for themselves. In addition, as pointed out by Audre's et al., although certain faiths encourage self-employment, others discourage it. Additionally, those from lower socioeconomic strata are statistically less likely to be their own boss. When it comes to formal training, those with the most education tend to go into business for themselves. Separate research explores how racial factors play into the freelancing choice.

Personality factors, in addition to employees' histories, help determine who goes into business for themselves. According to Patel and Thatcher, those who are more open to new experiences and value their independence is more likely to stay in their line of work, while those who are more prone to anxiety and worry are less likely to do so. In addition, Keith and Harms analyze the roles played by a wide range of gig workers in today's economy. The authors differentiate between those who consider gig work to be their primary source of income and those who do not.

Gig Work

Work in the gig economy has unique features that set it apart from more conventional employment. Based on our research, we've determined that gig employment is characterized by the following three features: (i) working for oneself, (ii) doing labor in the form of discrete, standardized tasks (gigs), and (iii) managing one's career digitally (see Table 2).

Table 2. Summary of the results for the gig work

Dimension	Characteristics	Aspects (illustrative citation)
gig work	work characteristics	self-employment, work in form of pre-defined small tasks , digital organization of the work
	challenges	high personal responsibility, lack of career-paths, financial instability, precarity, perceived fairness, high costs & time expenditure, the transience of work, social isolation, emotional tensions, communication problems
	responses	holding environment, resilience, proactivity, self-organization, new application of skills & expertise

Workers in the "gig economy" tend to be self-employed for just a few projects at a time. People aren't working in the same place for the same firm for the same length of time as they formerly did. They have short contracts and operate on a project-by-project basis, doing "gigs" or predefined little tasks. In addition, they can only work for a certain amount of time or until a given job is finished. Gig workers often use online digital labor platforms like Uber and TaskRabbit to coordinate their employment. So, this job is mediated through technology. These sites serve as intermediaries between employees and the customers or businesses that need work done.

Several consequences and difficulties for work and employees follow from these traits. Petriglieri et al. note in their research that gig workers have psychological, social, and economic anxieties due to the lack of protection and support from a typical employer. As independent contractors, gig workers are responsible for arranging their own health insurance, education, and advancement opportunities. One of the biggest problems is the absence of defined and accessible professional options. The career routes that employees might anticipate to advance along within an organization are something that companies can shed light on. However, gig workers lack this certainty.

Workers take up more of the economic risk. Therefore, employees' viability in the gig economy is threatened by financial volatility, precarity, and job insecurity. Those who participate in the "gig economy" often report feeling financially precarious, since they have trouble planning for the future and their income is very variable. Furthermore, many people have a negative opinion of the fairness of the gig economy. There are a lot of hidden charges and fees associated with working in the gig economy. Any necessary tools must be purchased by the gig worker. In addition, creating a profile, searching for work, and registering for various gig platforms all take time that isn't compensated. The transience of gig employment is another difficulty, given that gig work comprises of short-term contracts. Additionally, the employees' computerized organization of work leads to emotional difficulties and social isolation. Gig workers have a unique set of challenges due to their isolation, including a lack of role models and mentors in their chosen fields. This means they are exposed to fewer learning chances. Because gig workers often coordinate their work via an online platform, they seldom have face-to-face contact with either their employer or their customers.

Gig Platform

Gig platforms need to find ways to encourage and reward gig workers so that they continue using the platform. However, platform providers have a number of challenges when it comes to managing, controlling, and monitoring gig activity.

Table 3. Summary of the results for the gig platform

Dimension	Characteristics	Aspects (illustrative citation)
gig platform	motivate	employee engagement, feelings of pride & respect, social dialog & communication, perceived fairness in pay
	workers	platform architecture, career anchors, reputation
	manage work	regulation, governance, control

Business models of location-based platforms (like Uber's) place a premium on factors like staff retention, engagement, and motivation. For instance, in the race to hire new drivers, Uber and Lyft are fierce rivals. Boons et al. also note that pride motivates members to keep working on an online crowdsourcing platform, and that the platform may boost employees' pride and respect via the implementation of certain corporate communication techniques. In addition, Gegenhuber et al. investigate how platform-worker interaction is impacted by two-way communication. The availability of crowd workers and the quality of their labor must be ensured, the authors investigate systems that allow crowd workers to discuss task-related subjects. One last consideration is how gig workers are compensated. Crowd employees may put in less effort or even abandon a platform if they believe they will be paid less than they are worth. How may the design of digital labor platforms affect workers' intrinsic motivation? This is the question that Jabagi et al. set out to answer. Taylor and Joshi's research also shows how the career pillars of IT employees who engage in crowdsourcing are changing in response to the shifting dynamics of the IT labor market. Benson et al. are now investigating reputation systems to help job-seekers identify trustworthy employers. In order to attract and retain gig workers at a competitive wage, gig platforms need to establish a positive reputation.

Gig Economy

Table 4 displays the results of an examination of the gig economy as a whole, which revealed three key aspects.

Table 4. Summary of the results for the gig economy

Dimension	Characteristics	Aspects (illustrative citation)
gig economy	impacts on traditional markets and industries	disruption, demand, market competition
	impacts on labor market	unemployment, wage, participation
	societal impacts	crime rate, cohesion & trustworthiness of online information, discrimination, privacy

The gig or sharing economy has disrupted or supplanted several industries and established business methods. Marketplace participants may interact and do business more easily thanks to digital platforms. Established businesses need to adapt to the challenges posed by these platforms. Competition from new entrants, such as gig or sharing platforms, changes the dynamics of established marketplaces, influencing things like pricing and demand. Traditional sectors with established enterprises that have fixed capacity and fluctuating demand have also been affected by the new gig economy.

The job market is also seeing the effects of the gig economy. For local labor markets, the growth of gig platforms presents both new possibilities and new constraints. They can either operate in tandem with offline employees by making it easier to coordinate services and create new employment, or they may compete with offline workers and drive them out of business. Li et al. analyze how Uber and other sharing economy platforms affect low-skilled employees' access to the labor market, unemployment rates, supply of available jobs, and earnings. The findings of the authors demonstrate that the use of Uber promotes labor force participation and decreases the unemployment rate among

those earning less than the federal poverty level. Researchers have shown that those who are out of job in the traditional labor market are more likely to take part in the gig economy.

In conclusion, the growth of the gig economy may have certain societal consequences. Commercial house sharing was linked by Han and Wang to a rise in criminal activity. Crowdsourcing is a sort of cyber fraud that has negative effects on online communities and the reliability of data. Guests of various races have been the target of rampant prejudice by hosts in online markets, according to recent studies. Last but not least, privacy is very crucial in the sharing economy since it is inextricably linked to the online marketing of personal resources and the revealing of personal and often sensitive information.

The Form of Work and the Nature of the Work Tasks

According to our research, there are 139 publications covering different topics related to the gig economy. Because not all studies accurately classified gig economy work, we recommend further studies be done on the various types and responsibilities of gig economy jobs. We suggest a distinction of gig labor in Table 5 to help distinguish between the many types of employment available in the gig economy.

Table 5. Classification of work forms in the gig economy.

		location dependency	
		location-based (offline, physical)	not location-based (online, virtual)
dependence	bound to person	gig work task to an individual hospitality services (e.g., Airbnb) transport services (e.g., Uber) logistic services (e.g., Deliveroo) households' services (e.g., Taskrabbit)	freelancing-based crowd work task to an individual freelancing (e.g., Upwork, Fiverr)
	not bound to person	gig work task to many individuals local micro-tasking (e.g., Streetspotr)	competition-based crowd work task to many individuals micro-tasking (e.g., Amazon MTurk) creative contests (e.g., 99designs)

All types of employment, including self-employment, "gig" labor, and work organized digitally via online platforms have the aforementioned three criteria. The forms may be further subdivided as follows, depending on factors such as geography and individual need. The number of studies in the literature that focus on gig work (as defined by Table 5) is modest (just 18 papers out of 139 were included in this study). Differentiating gig employment might lead to fascinating outcomes.

Conclusion

comprehensive review of the literature on the gig economy and its core themes, synthesizing the findings across many theoretical frameworks. Particularly helpful in organizing the aforementioned data is the framework on study issues shown in Figure 1, which provides a framework for the gig economy and the associated viewpoints. Second, we clarify the significant consequences of this kind of labor from diverse vantage points, which contributes to the IS literature by improving understanding of the views of the gig worker, the gig job, the gig platform, and the gig economy. Due to the lack of a consensus in the literature, we also created a differentiation between gig work and crowd labor. Finally, we pinpoint important research voids.

Reference

1. Rukhsar, umaima (2019). A study on perception of employees towards gig system: 4, 5349–5368.

2. Veluchamy, r., reddy, p., pillai, r., & singh, r. (2021). A study on work life integration of gig workers. An anthology of multi-functional perspectives in business and management research, 1(volume 1), 23–32.
3. Yogesh.m (2022),” a study on the challenges faced by gig economy workers in indian facility management industry with special reference to chennai city,” © 2022 ijert | volume 10, issue 5 may 2022 | issn: 2320-2882
4. Banik n., padalkar m. (2021),” the spread of gig economy: trends and effects. Foresight and sti governance, 15(1), 28–38. Doi: 10.17323/2500-2597.2021.1.19.29
5. Bulian, luka. (2021). The gig is up: who does gig economy actually benefit? Interdisciplinary description of complex systems. 19. 106-119. 10.7906/indecs.19.1.9.
6. Aloisi, a. (2015). Commoditized workers: case study research on labor law issues arising from a set of on-demand/gig economy platforms. *Comp. Lab. L. And pol'y j.*, 37, 653.
7. Cherry, m. A. (2016). Gig economy: settlements leave labor issues unsettled. Saint louis u. Legal studies research paper, (2016-9).
8. De stefano, v. (2015). The rise of the just-in-time workforce: on-demand work, crowd work, and labor protection in the gig-economy. *Comp. Lab. L. And pol'y j.*, 37, 471.
9. Doody, s., chen, v. T., and Goldstein, j. (2016). Varieties of entrepreneurial capitalism: the culture of entrepreneurship and structural inequalities of work and business creation. *Sociology compass*, 10(10), 858-876.
10. Donovan, s. A., bradley, d. H., and shimabukuru, j. O. (2016). What does the gig economy mean for workers?
11. Gandini, a. (2018). Labor process theory and the gig economy. *Human relations*, 72(6), 1039-1056.
12. Kalleberg, a. L., and dunn, m. (2016). Good jobs, bad jobs in the gig economy. *Lera for libraries*, 20(1-2).