

## NOTES AND REFLECTIONS

### THE NEW WORK CULTURE OF THE GIG ECONOMY - AN ANALYSIS OF HOW THE GIG ECONOMY IS ALTERING EMPLOYMENT PROSPECTS AND EXTENDING TALENT POOLS

**JOSÉ NORONHA RODRIGUES**

[jose.n.rodrigues@uac.pt](mailto:jose.n.rodrigues@uac.pt)

Doctor in Law (PhD) "CUM LAUDE", by the University of Santiago de Compostela (Spain), recognized the equivalence of degree of Doctor in Law by the Lisbon University Faculty of Law, DEA in European Union Law (2008), Master in International Relations (2004), Post-Graduate in Regional Law (1998), Post-Graduate in Labor Law (2003) and Graduated in Law (1996). He is Vice-President of the School of Business and Economics and member of the Centre of Applied Economics Studies of the Atlantic (CEEApIA) - University of the Azores (Portugal), Scientific Coordinator of the Master's Degree in Company and Employment Law, as well as of the Degree in Law at the University of Santiago - Cape Verde, Visiting Professor in the Master's Degree in Civil Law and in the Master's Degree in Tax Law at the Catholic University of Mozambique, Delegate for the Azores of the Instituto de Derecho Iberoamericano. He also holds the Chair of the Policy Center for the United Nations Convention on the Rights of the Child

**SUMANTA BHATTACHARYA**

[sumanta.21394@gmail.com](mailto:sumanta.21394@gmail.com)

Research scholar at Maulana Abul Kalam Azad University of Technology, West Bengal (India) and a policy Analyst. He completed his B.Tech , M.Tech in Textile Technology and currently pursuing his ph.d (2) in Tech, along with that he has MA in development studies, LLB, MA in security and defence law, PGDESD, MPI (Oxford University). Being a research scholar he has 194 research papers published in International and Scopus index journal, wiley, Springer, Hindawi in various sectors like law, economic, Development studies, Textiles, Climate Change, SDGs, Public policy, Nanotechnology, Biotechnology ,cancer, environment studies, 34 Book chapters published, 36 patents International and National, 4 copyrights, attained 60 International and National conference and presented papers and won 18 awards for his excellent in education, policy making and innovation.

**DORA CRISTINA RIBEIRO CABETE**

[dora.cr.rodrigues@uac.pt](mailto:dora.cr.rodrigues@uac.pt)

PhD candidate in Law at the Nova University of Lisbon - Nova School of Law, PhD candidate in Business Economic Sciences at the School of Business and Economics of the University of the Azores, Master's and postgraduate degree in Social Sciences at the University of the Azores, Degree in Sociology (UAc) and in Law (UAL). She is a guest lecturer at the Azores University (Portugal), a guest lecturer at the University of Santiago - Cape Verde and a lawyer.



## Introduction

India has a sizable population that engages in the gig economy, which is supported by a developing digital platform. The gigs consist of temporary, freelance, or sharing economy positions. But the gig economy is expanding as a result of the epidemic and the growing trend of working from home. There is no sign that it will slow down when it integrates into the larger economy. It is the outcome of a sizable technological, artificial intelligence, and machine learning progress. As of 2019, some of the most popular platforms in India include Zomato, Swiggy, Uber, BigBasket, and Foodpanda.

In 1920, musicians who received payment for their performances popularised the phrase "gig economy." Startups started creating websites and apps in the 1990s with the introduction of Internet services. Finally, the gig economy underwent fresh developments and alterations when Uber was introduced in 2010. Gig workers, often referred to as independent contractors or on-call workers, sign a formal contract with on-demand businesses in order to offer services to the businesses' clients. The gig economy, which has currently given the majority of India's young jobs in the form of part-time or full-time labour, is supported and acknowledged by the Indian government.

In order to boost social services during the epidemic, the federal and state governments negotiated memorandums of understanding (MOU) with a number of gig platforms. The gig economy's greatest benefit is that it promotes job growth, entrepreneurship, and skill development. Ola and Uber have poor gig-work circumstances, whereas Flipkart ranks highest in India for fair work. The fair work India grade is based on fair compensation, fair conditions, fair contracts, fair management, and fair representation. Due to allowances and low compensation, gig workers in India have had to overcome several obstacles and put in an extra 8 to 9 hours of work each day in order to make ends meet. There is minimal to no job security and little perks compared to other employment in the sector.

## Literature Review

The supply of gig work often comes from developing nations like India, the Philippines, Pakistan, and others, while demand typically comes from developed nations like the United States, United Kingdom, Australia, and Canada. But when it comes to employment, affluent nations rely on their own citizens, whereas underdeveloped nations receive 90% of their gig work from other nations (Roy and Shrivastava, 2020). The gig economy is significantly contributing to the rise in the GDP of the nation as there are more jobs available online. In India, there are 15 million independent contractors, which is promoting the expansion of new businesses. India has the second-largest market for independent contractors after the United States (Kasliwal, 2020)

Many Indian women now have the opportunity to work remotely and on digital platforms. Women now have thousands of work opportunities thanks to the gig economy alone. Due to social or familial constraints, women who were previously unable to work outside the



home can now do so while sitting at home, juggling paid and unpaid work at the same time. However, a major obstacle to women's engagement in the gig economy is a lack of computer literacy or unequal access to these platforms (Kasliwal, 2020)

Women's participation in the work force has declined from 30.27 percent in 1990 to 20.8 percent in 2019, according to World Bank statistics (Nain and Kasliwal, 2021). Social security, societal norms, and family allowances all play a significant role in how much women participate in the workforce. Inequality against women is rife across the Indian subcontinent. Women only have potential in the gig economy in urban areas, they need computer literacy, and males need to embrace them as equal members of contemporary society where they are needed in the labour to advance a nation. Digital workers are now eligible for benefits, including employment injury benefits, old age protection, provident fund, maternity benefits, and many more, according to the new labour codes of 2020, which introduced the social security bill.

People are eligible but not guaranteed the rights, according to the bills. Gig workers frequently struggle with difficulties like viability, identity challenges, and career insecurity (Caza, Reid, Ashford and Granger, 2021). The COVID has been problematic for the gig workers. The delivery order cost for Swiggy was decreased from 35 to 10 per delivery charge with 19 individuals working day and night to reach out to the public and supply food goods and essential ancillaries.

Although they are not required to work in a specific area or for a set amount of time, gig workers do not receive fixed pay. Because there will be more jobs in the gig economy for both men and women, it is essential that these employees have access to security insurance. For example, owing of their poor wages, these delivery guys who work for Zomato, Uber Eats, Swiggy, and other companies often put in longer hours each day.

In this industry, there is no set salary. The same problems affect Uber drivers as well. Because neither is allocated evenly and these workers' rights are not protected, they must work two jobs to make even the minimum wage for survival. Although it appears to be a win-win scenario, the actual situation is quite different. Platform-enabled gig economy workers, who fall into two categories — highly skilled gig workers and low-skilled gig workers — are one of the main issues. Because they are less numerous than the low-skilled gig workers, the highly skilled gig workers have more negotiating power and more clout.

### **Research Methodology and Objective**

For the exploration of these subjects, secondary data was gathered from a variety of journals, websites, and an interview in which delivery staff from Swiggy and Zomato were questioned about their jobs and the challenges they encounter in this industry with the aim to

1. A study of the gig economy and the rising demand for it;
2. What obstacles gig workers must overcome and what opportunities exist for women in the gig economy;
3. Future of the gig economy.



## Result and Discussion

### Why more people are working as gig workers today

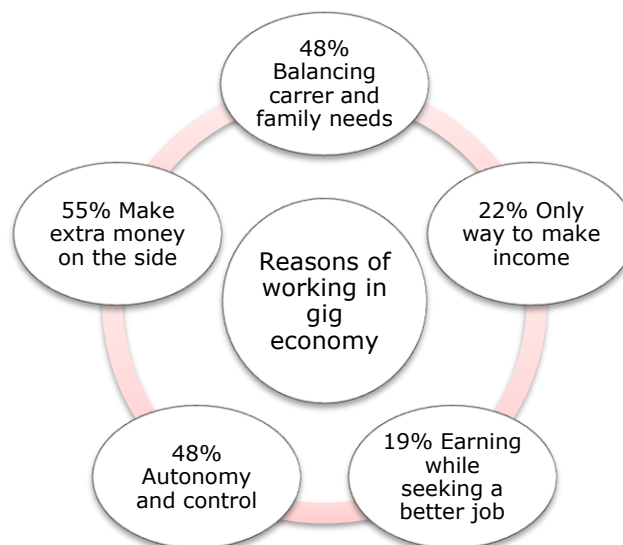
Today's gig economy has given us the opportunity to work as per our requirements, time and days, and from any place. This is primarily due to the trend of remote working that has been made possible. The 10 to 5 daily routine, the office shift that one has been following for ages, working 5 days a week, and even something called the graveyard shift, earlier these questions had no answers.

During the gig economy era, a gig was an artist's performance; however, in the modern age, a gig is any Talent's performance. A lawyer or financial consultant, but you collaborate with the firm on a specific project, presentation, or piece of work as an outside resource rather than joining the firm. In the United States, 57.3 million people currently work gigs; by 2027, gig workers will make up half of the labour force. There are 15 million gig workers in India, the gig economy in the UK has doubled in size over the last three years, and by 2023, the gig economy will be worth \$455 billion globally.

There are 24 million persons in the European Union who have reportedly worked jobs at least once. Uber drivers and delivery personnel are not usually gig workers. Any person who works can be a gig worker, including journalists, writers, photographers, realtors, wedding planners, software engineers, and others. A gig worker might be an independent contractor, a project-based worker, a freelancer, or an employee who both works full-time and works as a gig worker.

In order to participate in the gig economy, you must have a smartphone and fast Internet access. There are many sites available now that connect gig workers to complete this task for us. Project, presentation, or day rates are used to pay gig workers. In general, freelancers bill about \$ 21 per hour. Some independent contractors make \$100,000 annually, according to US figures.

Figure 1 : Indicates some of the facts why people prefer to work as gig workers



Source: Authors

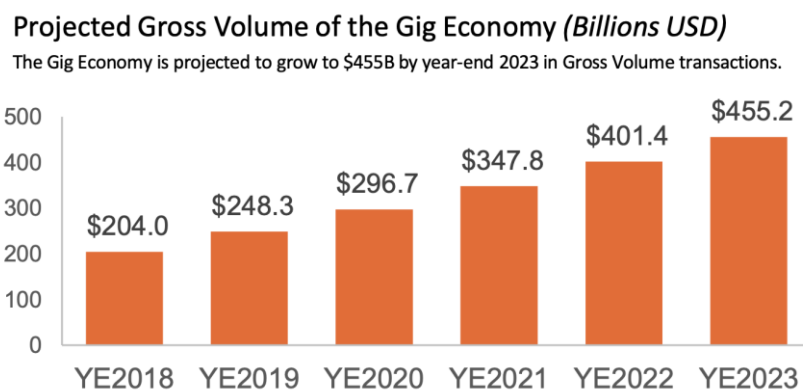


The employment market nowadays is changing as well since no one stays in one position for very long and because there are so many opportunities. Talent abounds as well, and social media has connected the two. Digitalization has led to a rise in the popularity of the gig economy. Everybody aspires to be their own boss. Time is more significant than stability in the modern society. Gigs are preferred by most people over corporate 10-5 or 9-5 jobs. Because it offers flexibility and long-term work balance, the gig economy, according to 26% of millennials, is more secure than traditional employment.

Work-life balance is no longer negotiable, and the gig economy promises it through technology with no time restrictions. Because of the ability of technology to connect teams in different time zones, gig workers have relatively flexible work schedules. The telecommuting era has arrived.

A Deloitte survey found that 64% of adults desire to take up side employment to increase their income. Gig Workers receive pay dependent on how well they work. In the Philippines, 62% of all freelance employees are women. Women's economic empowerment and income maximization are being aided by the gig economy. We increasingly use services from the gig economy in our daily lives, and the term has grown popular among young urban entrepreneurs. In the US in 2018, 36% of the workforce participated in the gig economy.

Figure 2 : Show the rise in Gig economy in the world



Source : World Economic Forum

The majority of people move to countries like Saudi Arabia, Germany, and the United States in quest of better prospects. There is a sizable Indian Diaspora, and the bulk of people move to the US in pursuit of better prospects. The gig economy is also helping to put an end to colonialism in India; Bharat is a nation that values innovation and entrepreneurship. The gig economy now provides the primary, secondary, and tertiary sectors with a supplementary job environment. The employer-employee barrier, which is pervasive in Indian office culture, is eliminated by this new working system (Nanda, 2021).



Over the past twenty years, the concept of work from anywhere, from home, has progressively gained traction, allowing more women to become entrepreneurs around the globe. Urban women play a significant role in the gig economy, working as independent contractors, advancing women and putting them on an equal footing with men. The Indian government has introduced new programmes for the digital empowerment of women in both rural and urban areas, and rural women can also participate in the gig economy. Due to the fact that anyone in the globe can contact you via a digital platform, the gig economy knows no borders.

The effectiveness, efficiency, and work performance in the gig economy are higher than those of workers in a stable economy; they also save money and resources in terms of benefits, training, and office space; they are more cost-effective for employers because they hire people for specific projects instead of hiring full-time employees; and retired people can avoid active retirement by working as gig workers with limited travel.

The emerging ecosystem of start-ups is currently looking to hire skilled technology freelancers in fields such as data science and engineering to boost Tech Platform. MNCs are also looking for contractual hiring, which is contributing to the gig culture in India. The gig economy reduces the hectic lifestyle of traditional workers in India with a flexible outlook. Platforms for freelance employment like Upwork, Truelancer, and Guru help the gig economy expand.

Figure 3 : Shows the gap in income for gig workers and traditional workers in different industries

### Gig and Traditional Worker Incomes by Industry

The average monthly income of 1099-MISC workers, short-term W-2 workers and traditional employees in 2019 in the industries that employ the most gig workers is shown below. The average monthly income is calculated by the total income the worker earned, divided by the number of months worked.

Industry	Gig Worker Share of Workforce	Average Monthly Income		
		1099-MISC Workers	Short-Term W-2 Workers	Traditional W-2 Employees
Recreation	38%	\$7,620	\$1,400	\$5,090
Construction	33%	\$5,090	\$2,600	\$5,120
Business Services	30%	\$5,190	\$2,110	\$4,020
Finance	25%	\$5,440	\$2,860	\$9,640
Transportation/Warehousing	24%	\$7,250	\$2,730	\$4,590
Information	22%	\$2,290	\$3,710	\$9,000
Education	20%	\$1,090	\$1,080	\$3,970
Professional/Technical Services	19%	\$9,180	\$3,230	\$8,890
Accommodation/Food Service	19%	\$4,200	\$1,220	\$2,710
Retail Trade	16%	\$6,020	\$2,200	\$7,220
Health Care	13%	\$4,590	\$1,810	\$3,530

Source: ADP Research Institute report, *Illuminating the Shadow Workforce: Insights into the Gig Workforce in Businesses*.

Source : ADP Research Institute Report

Gig workers face inequality when it comes to income and a number of provision compared to regular job workers. However if we look at the upwork side, the buyers on the Upwork





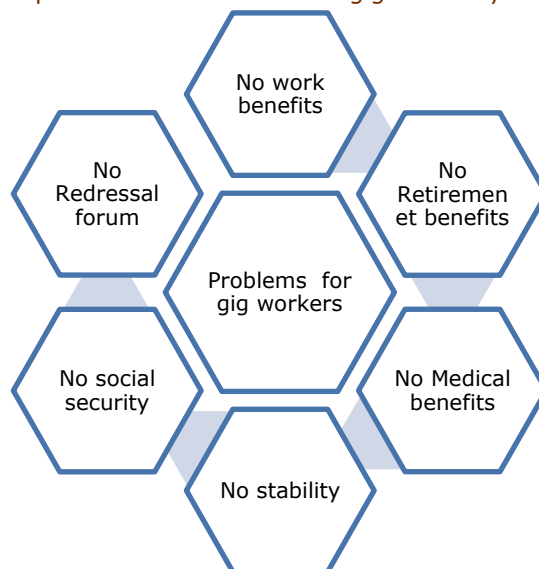
side are companies or small business which are looking for someone to do search engine optimization work, web development, translation things and many more, if we look at the zip code where those people who are buying services are they are very rich zip codes, the average income in the zip code of a buyer on the Upwork site is 36% greater than the average income for the US as a whole, so upwork is helping to reduce inequality for the gig workers in a way.

A gig worker make 6% less per year and make 15% more per hour compared to a regular job worker and our independent workers. Moreover the instability in the income of gig workers can be recovered faster as it differs from month to month and weak to week, where as in the case of regular workers, the impact of an economic loss is way longer.

From 80 in 2009 to 330 in 2021, the number has increased. The time and effort model comes in second place to the fixed-fee model in terms of popularity. 135 million Indians lost their employment during the pandemic, which is anticipated to cause a shift in the full-time labour force to the gig economy, where individuals are placing a greater emphasis on gaining skills and practical knowledge than on theory.

Ever more people prefer to work in this new work culture, but there are significant drawbacks, including lack of work perks, retirement benefits, medical benefits, stability, and a forum for dispute resolution (Kapoor, 2021). A gig economy lacks stability, which is an issue in many nations. For instance, it is impossible to obtain a loan in France without a job contract, and it is challenging to locate an apartment.

Figure 4 : Indicates the problems associated with gig economy



Source: Authors

Standard employee contracts do not apply to gig workers. (Banik, 2022). If a worker is unable to execute their job because of something like illness or a general economic crisis that affects business, there is no room for sympathy. Due to the commoditization of labour, gig workers are susceptible to changes in demand. For gig workers, matters are made worse by the lack of social security. People who work gigs full-time are not even



firm workers, therefore they are not eligible for benefits like health insurance, paid time off, family leave protection, etc. that are offered to employees.

### **Future of gig economy**

To create social impact and gain widespread support for different labour policies, we must reframe a number of labour regulations. By using an advanced statistical data analysis method to examine past and present law enforcement practices and the effects they had on labour society, it is possible to provide a concise report on how such changes were received by the general public. Create a dedicated commission for labour pay to assure wages and other payments without impeding production and industrial progress. We must improve the labour management system to create effective contractual labour agencies that will give workers multiple possibilities to work for both public and commercial organizations.

Digitalization must be available to everyone, regardless of gender. To inform people about the use of technology and cellphones, special programmes and workshops should be organized in each district as well as in villages with internet connection. The digital economy and all actions that come from digitization must be known to the public. The gig economy should be embraced in rural India. There should be career counselling, possibilities for students in the gig economy, specialized courses on gig working, and openings in a range of industries. Since this is the age of technology and gigs and the majority of people in India will be gig workers by 2025, entrepreneurship and management courses should be offered in schools for a deeper understanding.

We must adopt labour laws, social security, and benefits (medical, retirement, and insurance) for gig workers since the gig economy is the future. Uber and Ola have experienced severe problems in India. Due to a lack of funding or unfair treatment, Zomato and Swiggy frequently go on strike. Today, gig workers play a significant role in our daily lives. For those who consistently place food orders, food delivery services are necessary (older people and college students). The gig economy, especially in the domain of jewellery creation where internet connectivity is available, can support rural women's economic emancipation.

### **Conclusion**

Modern technologies and the gig economy are in full swing. The culture at work is changing. Flexibility is regarded less than stability. The majority of people do not want to go back to the previous system of doing things. The latest societal tendency is to work remotely, from anyplace. The gig platform enables people to discover their potential and work accordingly because the world is full of talented people. But even in the twenty-first century, some ways of thinking — like discrimination against women — remain the same. Because most women are excluded from this type of labour, especially in South Asia, the gig economy is expanding in one way. For instance, if we look at the number of nations where women drive for Uber, the majority only have 2–4% of them (Bansal, 2021). Lack of computer literacy among women is a significant obstacle to their participation, and this constrained viewpoint has an impact on a nation's economy as a whole, not just on





women. The unemployment rate in India is going down. The epidemic has led to a large number of job changes and entry into the gig economy. The number of startups and entrepreneurs is increasing.

## References

- Roy, G; Shrivastava, AK (2020). Future of Gig Economy: Opportunities and challenges, IMI Konnect, Vol 9, Issue 1. March.
- Kasliwal, R (2020). Gender and the gig economy: A Qualitative Study of gig economy platforms for women workers, ORF, May.
- Nain, G; Kasliwal, R (2021). How India can ensure a female-Friendly future of work in its booming gig economy. Scroll, August.
- Caza, BB; Reid, EM; Ashford, S J; Granger S (2021). Working on my own: Measuring the challenges of gig work, SAGE Journals, July.
- Ashford, S; Michael, and Susan (2021) Challenges of being gig worker during the COVID -19 pandemic, August, 6.
- Kapoor A (2021). The challenge with the gig economy, The Economics Times, August.
- Augustinraj, Rajah; Jain, Vikash; Bansal, Seema (2021). Unlocking the potential of the GIG economy in India, BCG, Michael & Susan Dell Foundation.
- Kumar, D (2021). Here's how India's gig economy and its \$ 5-trn goal by 2025 are connected, Business standard, December.
- Nanda, K P (2021). India's gig workers may service 90 million jobs in next 8 to 10 years, the mint. March.
- Bansal, P (2021). No Woman's Land: Female Cab Drivers on Indian Roads. Outlook, August.
- Kapoor, A (2021). The Challenge with gig economy, The Economics Times, August.
- Nikore, M; Uppadhaya (2021). India's gendered digital divide : How the absence of digital access is leaving women behind, ORF, August.
- Kumar, H (2021). How India is taking over the gig economy on a global Stage, Financial express, November.
- Banik, N (2022) All is Not Well With India's Gig Economy, The Wire, May.

### How to cite this note

Rodrigues, José Noronha; Bhattacharya, Sumanta; Cabete, Dora Cristina Ribeiro (2022). The New Work Culture of the Gig Economy - An analysis of how the gig economy is altering employment prospects and extending talent pools. Notes and Reflections in *Janus.net, e-journal of international relations*. Vol. 13, Nº 2, November 2022-April 2023. Consulted [online] on date of last visit, <https://doi.org/10.26619/1647-7251.13.2.03>

