

Major Research Project Report on Gig Economy: How it has revolutionized the meaning of work

Submitted By:

Sraddha Hazarika

2K17/MBA/093

Under the Guidance of:

Dr. Meha Joshi

Assistant Professor



DELHI SCHOOL OF MANAGEMENT

Delhi Technological University

Bawana Road Delhi 110042

CERTIFICATE FROM INSTITUTE

This is to certify that the Project Report titled “**Gig Economy: How it has revolutionized the meaning of the work**”, is a bona fide work carried out by **Miss. Sraddha Hazarika** of M.B.A. 2017-19 and submitted to **Delhi School of Management, DTU, Bawana Road Delhi-110042**, in partial fulfilment of the requirement for the award of the Degree of Masters of Business Administration.

Signature of Guide

(Dr. Meha Joshi, Assistant Professor, DSM)

Signature of Head (DSM)

(Prof. Rajan Yadav)

Place:

Date:

Seal of Head

Acknowledgement

It is indeed my pleasure to have completed my major research project on one of the most trending topics not only in the field of Human Resources but also in understanding the labour market and designing public policy around this topic.

At the outset I am using this opportunity to express my deepest gratitude and extend special regards to my mentor Dr. Meha Joshi who has been instrumental in guiding me generously through the preparation of this report. It is because of her constant support that I could give a coherent structure to my project report. It is because of your constant and relentless guidance and reassurance during the research period. It was a great opportunity to work under your expert supervision that was instrumental in successfully providing the necessary on-field details about the topic and the right kind of information which has helped me in the completion of the report. Therefore, I really value your inputs and wisdom that you had provided at each step has greatly benefited in achieving the necessary conclusion of the report.

I would also like to extend my gratitude and mention a special thanks to all those professionals and workers that I had interacted with who helped me gain an insight into their daily lives and functioning of their workplace. In spite of being extraordinarily busy with their work commitments and duties, took time out to hear, guide and enlightened me towards the right direction during my preparation period. Your contribution has made a very positive influence in my project.

Lastly, I would also like to express my heartfelt thanks to all the faculty members of Delhi School of Management, DTU in general who were kind and patient enough to share some very essential information regarding the project. It has been genuinely helpful in preparing an analytical robust report and helped during my internship.

The research opportunity on understanding such a nascent topic has definitely given me a new tremendous knowledge and perspective at how I perceive work; it will surely be one of the milestones towards the development of my professional career. I will therefore, continue to work towards improving my skills and the learning experience that I had attained after working with this great institution towards achieving my desired goals.

EXECUTIVE SUMMARY

The evolution of labour market is not a very old phenomenon. The emergence of new technologies has always made the market for labour a dynamic one. The Industrial revolution created a structural change of how labour functioned in the U.K. within a generation. But the pace of rapid changes in technology today is unprecedented and has resulted in new forms of employment.

With the pressure of a dynamic labour market and precarious financial conditions, a culture of freelancing or gig economy has been on the rise and it is being often referred to as the 'Gig Economy'. The fast shift towards the gig economic system is seen on each a micro and macro level. On a client level, a desire to take an Uber to work versus a taxi cab is one example of how humans are using this model. Within a corporation, it may want to be a decision to shift from using in-house IT to enlisting the services of a freelance software developer in order to create a new Website.

Perhaps one of the triggers for the rise of the gig economy can be attributed to the 2008 global financial crisis. People were rendered jobless due to the meltdown and it made people resort to short term modes of employment for making ends meet.

While popular examples like Uber and TaskRabbit may initially come to mind, the gig economic system had reached way beyond our favorite smartphone apps with up to 57.3 million employees collaborating in 2017. Particularly with advances in technology, this permitting hundreds of thousands of humans round the globe to opt for increased independence in their work lives. Whether any person is absolutely devoted as an unbiased contractor or dabbling backyard of their full-time position, the gig surroundings has advanced and accelerated its opportunities over the years as a end result of elevated mobility and the rising digital age.

Gig opportunities and structures range from crowd sourcing, app or web-based bidding and task-based work activities, to the demand for outsourced companies with one-of-a-kind skills. For example, crowd sourcing invitations agencies or humans to get admission to an on line platform to outsource tasks to registered members. Others tap into the gig financial system thru advanced freelancer platforms which enable folks to set up a profile, bid on jobs relevant to their skills, and set their charges utilising a mobile bidding platform. With the benefits as a end result of this new dynamic, though, comes new challenges for many groups entrenched in the combat for talent.

To better apprehend the intelligence implications and proactive options groups be considering, it is important to first reply a few key questions: Who makes up the gig economy, why does it proceed to grow, and where is it headed?

These questions rightfully deserves to be understood in order for policy makers and researchers to design appropriate steps to regulate as well as make the environment conducive for the gig economy to thrive, Therefore, this paper attempts to unfold hidden aspects related to the gig economy and also tries to delve into the peripheral aspects of the functioning of the gig economy.

Contents

	Page No
Acknowledgement	3
Executive summary	4
Chapter 1: Introduction	7-11
Background of Gig Economy	
Factors involved	
Chapter 2: Literature Review and Conceptual Framework	12-15
Informal Economy and Uberisation	
Technology and Digital disruption	
Chapter 3: Methodology	16-24
Research Objectives	
Research Design	
Data Collection and focussed group discussion	
Excerpts from Focus group discussion	
Chapter 4: Results and Discussion	25-31
Factors that lead people to become freelancers	
Pay Structure	
Rise of Co-working spaces	
Case Studies	
Trend analysis from reports	
Chapter 5: India and the Gig Economy	32-38
Informal sector	
Anecdotes from people engaged in the sector	
Chapter 6: Implications	39-47
How companies adapt to this changing workforce dynamic	
Developing sourcing strategies	
Understanding the working of the Gig Economy	
Ways the emerging Gig Economy shape future work	
Chapter 7 Conclusion	48-50

Gig Economy and the future
Transition for Human Resources
Actions to adapt to the change

Bibliography 51-52

Chapter 1

Introduction

The freelance economy, in which workers support themselves with a variety of part-time jobs that do not provide traditional benefits such as healthcare, social security, leave allowances. The phrase “gig economy” was coined at the height of the financial crisis in early 2009, when the unemployed made a living by gigging, or working several part-time jobs, wherever they could. In the past few years the word has been in the news for a different reason, as the rise of so-called unicorn companies such as Uber and Airbnb has meant more and more people have started to work this way. In its earliest usage, gig work referred to jazz club musicians in the 1920s. Some features, such as the fact that workers do not get healthcare, pensions or paid holiday, have hardly changed since. But what is new in today’s gig economy is the way that technology has cast a wider net, drawing in people who would not otherwise be gigging at all. Think of the retired person who occasionally lets out a spare room on Airbnb, or the office worker who picks up an extra passenger on the morning commute by using a ride-hailing app.

The term gig economy refers to an increasing number of people who are working for themselves as freelancers for a range of different clients, rather than working in traditional nine to five employment. Advances in technology have given people the opportunity to choose their work location and hours, providing unprecedented flexibility, often without the need to compromise on financial security.

This change in working practices has been facilitated in part by the emergence of online marketplaces, which have connected freelancers with clients who are looking for specific knowledge and expertise, a 'talent on demand' approach.

Having full autonomy in the projects taken on, with a great deal of freedom when compared with employees, has significantly changed the working lives of many people.

Online talent marketplaces allow freelancers to demonstrate their expertise using portfolios of work and recommendations from former and current clients. Freelancers build a profile, and businesses search for a particular skill or level of expertise.

Forecasts by PwC show that global online marketplaces that fuel the gig economy could be worth around £43 billion by 2020. One of the largest freelancer marketplaces in the UK, People per Hour, reported an increase of 64 per cent in the number of UK freelancers using their platform between 2012 and 2015.

Significant savings can be made by businesses, in terms of time and money. There is no need to pay the often significant costs of recruitment, or conduct in-person interviews, when hiring within the gig economy.

An independent consultant describes his experience of working in the gig economy similar to being in a trapeze, she responded asked her to describe her work in the five years since she’d left a global consulting firm to set out on her own. She had recently tried the art, which she saw as a good metaphor for her life: the void she felt when between assignments; the exhilaration of landing the next engagement; the discipline, concentration, and grace that mastering her profession required. Trapeze artists seem to take huge risks, she explained, but a safety system including nets, equipment, and fellow performers supports them: “They appear to be on their own, but they’re not.”

Shipra (whose name, like others in this article, has been changed) is part of a burgeoning segment of the workforce loosely known as the gig economy. Approximately 150 million workers in Asia have left the relatively stable confines of organizational life — sometimes by choice, sometimes not — to work as independent contractors. Some of this growth reflects the emergence of ride-hailing and task-oriented service platforms, but a recent report by McKinsey found that knowledge-intensive industries and creative occupations are the largest and fastest-growing segments of the freelance economy (McKinsey Global Institute, 2016).

To learn what it takes to be successful in independent work, Harvard Business Review recently completed an in-depth study of 65 gig workers. They found remarkably similar sentiments across generations and occupations: All those who they studied acknowledged that they felt a host of personal, social, and economic anxieties without the cover and support of a traditional employer but they also claimed that their independence was a choice and that they would not give up the benefits that came with it. Although they worried about unpredictable schedules and finances, they also felt they had mustered more courage and were leading richer lives than their corporate counterparts (Brianna Caza, 2017).

They discovered that the most effective independent workers navigate this tension with common strategies. They cultivate four types of connections — **to place, routines, purpose, and people** that help them endure the emotional ups and downs of their work and gain energy and inspiration from their freedom. As the gig economy grows worldwide, these strategies are increasingly relevant. Indeed, we believe they may also be helpful to any corporate employees who are working more autonomously, from home or a remote office, or who feel they might one day want or need to jump into a freelance career (Brianna Caza, 2017).

Independent workers develop a “holding environment” for their work.

Produce or Perish

The first thing we realized when we began interviewing independent consultants and artists was that the stakes of independent work are enormously high — not just financially but also existentially. Unshackled from managers and corporate norms, people can choose assignments that make the most of their talents and reflect their true interests. They feel ownership over what they produce and over their entire professional lives. One study participant told us, “I can be the most I’ve ever been myself in any job.”

However, the price of such freedom is a precariousness that seems not to subside over time. Even the most successful, well-established people we interviewed still worry about money and reputation and sometimes feel that their identity is at stake. One can’t keep calling oneself a consultant, for example, if clients stop asking for the services. A well-published writer said One becomes their work. If they write a good book it’s really great, and when one doesn’t achieve it, they have to accept that failure might define who they are to themselves.

For this reason, productivity is an intense preoccupation for everyone we interviewed. It provides self-expression and an antidote to precariousness. Interestingly, however, the people we talked with aren’t just focusing on getting things done and sold. They care about both being at work having the discipline to regularly generate products or services that find a market and being into their work: having the courage to stay fully invested in the process and output of that labor.

Sustaining productivity is a constant struggle. Distress and distractions can erode it, and both impediments abound in people's working lives. One executive coach gave a poignant description of an unproductive day: "It's when there is so much to do that I'm disorganized and can't get my act together. [In the evening,] the same e-mails I opened in the morning are still open. The documents I wanted to get done are not done. I got distracted and feel like I wasted time." A day like that, he said, leaves him full of self-doubt.

When we asked interviewees the secret to getting through such days and ultimately sustaining productivity as they defined it, we discovered a paradox at the heart of their answers. They all want to preserve their independence and, in many cases, even their unsettledness (which one consultant described as the key to continued learning and "keeping my edge"), but they also spend a great deal of time developing a "holding environment" — a physical, social, and psychological space for their work.

This concept — first used by the British psychoanalyst Donald Winnicott to describe how attentive caregivers facilitate children's development by buffering them against distress and creating room for experimentation — has since been employed in the field of adult development to refer to conditions in which people can be their best and grow. Corporate employees, of course, can find them with a good boss in a solid organization. But for independent workers, a holding environment is less a gift than an accomplishment; it must be cultivated, and it can be lost.

So they create these environments for themselves by establishing and maintaining what we call "liberating connections" — because they both *free* people up to be individually creative and *bind* them to work so that their output doesn't wane.

The Four Connections

Place.

Disconnected from a corporate office, the people we interviewed find places to work that protect them from outside distractions and pressures and help them avoid feeling rootless. Though many claimed their work was portable, they all still seemed to have somewhere to retreat. One writer said that people fail because they don't create a space and time to do whatever it is they need to do.

The researchers of HBR visited many of these spaces in person and noticed several similarities among them. They feel confined almost uncomfortably so in the case of some artists. They are used consistently for all substantive work. They allow easy access to the tools of the owner's trade and to little else. And they're dedicated to work; people usually leave them once their daily tasks are done. One software engineer, whose home office has all these features, described it as a "fighter pilot cockpit," where everything he needs is within arm's reach and it can sometimes become claustrophobic but when one is working there, the open space is in their mind.

Despite these commonalities, each workspace is also unique, with a location, furniture, supplies, and decorations that reflect the idiosyncrasy of its owner's work. These places are not just protective cocoons for the working self — they evoke it, too. Karla, an independent consultant who initially felt she could do work wherever she showed up and believed that she

was doing something that has positive impact in the world eventually admitted that her home office is where she goes to avoid distraction and find inspiration, literally surrounded by her current and potential projects, arranged in visible and accessible piles. When she walks through the door, she steps into that space that embraces all the different aspects of her. Without that place and the space it gives her she explained, she would probably be too sensitive to external demands and thus less focused and free.

Routine

In organizations, routines are often associated with safety or boring bureaucracy. However, a growing body of research has shown that elite athletes, scientific geniuses, popular artists, and even everyday workers use routines to enhance focus and performance. The professionals we spoke with tend to rely on them in the same way.

Some routines improve people's workflow: keeping a schedule; following a to-do list; beginning the day with the most challenging work or with a client call; leaving a sentence incomplete in an unfinished manuscript to make an easy start the next day; sweeping the studio floor while reflecting on a new piece. Other routines, usually involving sleep, meditation, nutrition, or exercise, incorporate personal care into people's working lives. Both kinds often have a ritual element that enhances people's sense of order and control in uncertain circumstances.

One consultant we interviewed takes a bath every morning and visualizes what she wants to accomplish while she soaks. Another consultant, Matthew, who specializes in helping boards focus on innovation, keeps a strict daily schedule: "I'm up at 6:00 and there's exercise. I pack my wife's lunch. We pray. She's out the door around 8:00. I'm in my office by 8:30, and I do work where there's deeper thought required — design or writing — in the morning. That's when I'm at my best. Then in the afternoon I schedule phone calls, more of the business or financial things that need to be done." This discipline even extends to his wardrobe: "I always get dressed for the office. Most days in summer I wear shorts when I'm not on the road, but still I shower and shave as if I were going to a workplace separate from home."

That may sound rigid, but it helps Matthew pour himself into his work. He and other successful independent workers seem to follow the advice of the French novelist Gustave Flaubert: "Be regular and orderly in your life...so that you may be violent and original in your work."

Purpose

For most people in our study, striking out on their own initially involved doing whatever work would allow them to find a footing in the market. But they were adamant that succeeding means taking only work that clearly connects to a broader purpose. All could articulate why their work, or at least their best work — be it to empower women through film, expose harmful marketing practices, sustain the American folk music tradition, or help corporate leaders succeed with integrity — is more than a means of earning a living. Purpose creates a bridge between their personal interests and motivations and a need in the world. Matthew, for example, said that although at first he felt "a certain desperation around having clients and making an income," over time his view of success shifted "to one that is a lot about living a life of service to others and making the planet a better place."

An executive coach we interviewed told us that purpose keeps her steady, inspired, and inspiring. “A big distinction between successful independents and the ones who aren’t or go back [to corporate jobs] is getting to that place of knowing what you’re meant to do. That gives me resilience for the ups and downs. It gives me the strength to decline work that isn’t in alignment. It gives me a quality of authenticity and confidence that clients are drawn to. It’s helpful to building or maintaining the business and serving the people I am here to serve.”

We found that purpose, like the other connections, both binds and frees people by orienting and elevating their work.

People

Humans are social creatures. Studies in corporate settings have long demonstrated how important other people are to our careers — as role models who show us who we might become, and as peers who help us progress by sharing our path. Researchers have also warned about a “loneliness epidemic” hitting the workplace, for which independent workers can certainly be at even greater risk.

But those we interviewed are keenly aware of the dangers of social isolation and strive to avoid it. Though many are ambivalent about formal peer groups, which they often see as insipid substitutes for collegiality, all reported having people they turn to for reassurance and encouragement. Sometimes these are direct role models or supportive collaborators; in other cases they’re family members, friends, or contacts in similar fields, who can’t always offer specific work advice but nevertheless help our study participants push through challenging times and embolden them to take the risks their work entails.

Success in the gig economy comes from a balance between viability and vitality.

Chapter 2

Literature Review and Conceptual Framework

In the context of the gig economy it is important to understand the existing body of work in the subject in order to make more analytically robust implications. The conceptual framework is also very crucial to understand the critical underpinnings of the issue.

In this section the focus would be to discuss the various labour market theories and understand the linkages it has to the ever changing and emerging trends when it comes to labour market. The gig economy is the new emerging phenomenon in the context of employment in the world economy in general and India in particular. The interplay of technology and the penetration of the digital world has significantly changed how work is carried out in most places.

Scholars, in the past have defined labour market as place where potential employees interact with possible employers for a given wage in exchange of their labour. Now with the advent of the freelance economy it is essential to capture this evolving landscape in our analysis.

The emergence of online platforms and application based services has enabled a generation of workers who are less tied to the traditional mechanisms of livelihood and have geared towards the 'sharing economy' (McGovern, 2017).

Many scholars tend to suggest that the interplay of technology and skilled availability of young workers have led to the rise of the gig economy. A working paper of ILO suggested the rise of digital gig economy is the prime driver of the freelancing phenomenon. It argues that anyone can be part of the gig economy because platforms such as Uber, Air Bnb, Upwork, PeoplePerHour are absorbing people into its rapidly growing network. (HEEKS, 2017).

The biggest beneficiary of this rising trend is those belonging to the developing countries. These countries usually have a very large pool of labour force looking for employment opportunities and rampant poverty push people to take up part time gigs.

Many developed countries such as Britain have come up with legislation such as "Good Work Plan" which apparently wants to give more social security protection to flexible workers. The case of Britain is specifically important because about 1.1 million workers are considered gig economy workers in Britain (Varghese, 2018). The legislation argues that it will provide from stability to workers and more penalties for employers for violating the terms of service. This development is in view of the Taylor Review which was exercised by Mathew Taylor in 2017 which is a review of the working practices for better employment submitted to the U.K Government. Britain has a very flexible system of employment. As a result the Taylor review has received mixed responses across the political spectrum.

Alex Wood, who researches the gig economy at the Oxford Internet Institute, says that the report doesn't clarify much for people already in precarious work. The vagueness reminds him of the discussions around the border in Ireland, where they talked about a technological fix without much clarity. The discussion was around to support new technologies, but there's not really much detail.

Kate Bell, the head of economic and social affairs at the Trades Union Congress, says that there were welcome improvements, such as an end to Swedish derogation, which was a loophole that let companies pay agency workers less than full time staff. What they were hoping for, generally, was a shift from the presumption that people are self-employed, and instead putting that onus on the employers to prove that fact. The key for workers is the access to rights like joining a trade union, for organising and bargaining, and overall, it's a pretty weak package in those terms.

That fear is compounded by Brexit, which is also not discussed in great detail within the Good Work Plan. In late November, Deliveroo riders, for example, lost a case that appealed to the European Convention on Human Rights around having the ability to bargain collectively. A lot of the rights that they get as workers come from European directives and laws said James Farrar, general secretary of the United Private Hire Drivers, a trade union. So in that sense, Brexit is even more worrying from a worker's rights perspective.

Out of the 53 recommendations made by the Taylor Review in 2017, the government's Good Work Plan has accepted 51 of them. One of the recommendations which were rejected refers specifically to gig economy work. This was a proposal to amend legislation to make sure that "dependent contractors" (people who rely on a certain platform for their livelihood) could earn national minimum wage and enjoy the flexibility of the gig economy.

What's key with the gig economy is whether the platforms work from the premise that they're placing workers in a dependent situation. If workers are dependent on that platform for their livelihood, there aren't rival platforms they could work for, if they control their data, and if the reputation system locks them into the platform then that's when workers need labour protections and that's why they have labour laws. But the report do not touch upon these area at all.

Andy McAllister, deputy head of policy at the Association of Independent Professionals and the Self Employed, a trade association that lobbies on behalf of self-employed people, says that changing the legislation would have been an opportunity for the government to take decisive action. They are cautiously supportive of these reforms, and it's complicated legislation, but it is disappointing that they rejected that change. It could ensure that people are paid justly as per their contribution in the productivity.

The second recommendation which deals specifically with gig economy workers states that the government will encourage platforms to let gig economy workers take their "reputational history" between gig economy platforms, in order to bolster their employment chances. This is supposed to bolster the ability for workers to move between different platforms, as well as find other ways to supplement their income rather than being platform dependent.

"Surveys have shown that quite a few workers will do freelance gig economy type of work, and then kind of Deliveroo type of work, but taking your ratings from one and putting them on the other kind won't really work," says Wood. "That kind of algorithmic ranking is how platforms operate, so just giving people the right to take their data with them and saying that they don't need labour rights is kind of missing the point."

Perhaps most crucially, there is still little clarity around who can be considered a gig economy worker, either for companies or employers. That makes it difficult to regulate - but it also means that even in reports about the future of work, gig economy workers are left on the sidelines. "The gig economy didn't exist eight, ten years ago," says McAllister. "There's no real definition of what a gig worker is, and it gets applied where it doesn't need to be

applied. But I'm still not convinced that slapdash legislation would necessarily be the right way forward."

The unorganised or the informal sector in India accounts for 93% of the workforce. The government of India had set up National Commission for Enterprises in the Unorganised Sector (NCEUS) in 2004. The NCEUS adopted the following definition of the "unorganized sector." "The unorganized sector consists of all unincorporated private enterprises owned by individuals or households engaged in the sale and production of goods and services operated on a proprietary or partnership basis and with less than 10 total workers (Kamath, 2017).

The informal sector is fairly unregulated by labour legislation and that has resulted in the phenomenal growth of this sector. This sector is out of the tax net such as income tax and GST; combined with the stringent enforcement of labour laws in the formal sector has led to the increase in this sector.

The discussion of the informal sector is important because it is part of the gig economy. Although the gig economy is usually mentioned in the context of new technology driven jobs but many of these jobs are temporary, precarious and devoid of any social security benefits. Hence, it makes the case for understanding the informal economy while analysing the gig economy. The gig economy has three levels:

- 1) The first level consists of daily wage workers engaged in low paying jobs. These jobs in India are mired by marginalisation based on caste, community and religion.
- 2) The second level consists of those workers working through the digital platforms such as Uber drivers and online delivery chains it requires semi skills.
- 3) The third level consists of workers who are highly skilled such as consultants, financial advisors, project managers, health workers, journalists, etc. These workers generally have had vast domain expertise and now through the gig economy earn attractive remuneration without the obligation of a fixed tenure job (Torres, 2018).

In the lexicon of the gig economy the term 'Uberisation' is also very prominent development. The model of uberisation works similarly like the gig economy on a demand supply basis. The burst of Information & Technology based services has really expedited the growth of platform based services like Uber and Ola where aggregators are present in the entire service delivery mechanism (KPMG, 2018).

Organizations could dramatically cut their full-time roster, becoming more agile in the process working with rented tech teams and pre vetted talent instead. Uberisation is surely a win/win situation that works for your existing model. Indian IT companies like Infosys and Wipro are already exploring this idea and it's a clear indication that how the future of IT industry will take its shape and how it is going to get Uberised to some extent. Uberised workforce must work as a trusted partner, supporting businesses and the best outcomes can be achieved by a rented tech team who are experts and capable of working on various technologies and tech stack (Lal, 2015).

Digital Disruption

The role of technology is quite crucial in the emergence of the gig economy and has played a big role in bringing people and businesses to the fore front of this disruption. As the traditional model of work has been replaced by platform based applications the physical presence of the worker has become immaterial.

Heeks (2017) analyses the many different terminologies that can be used in this domain and concludes that the prime term from a work and labour focus would be “online labour”; from a client-side focus would be “online outsourcing” and as an overall domain would be “(digital) gig economy” (see Figure 1). Here, online labour is defined as contingent (task- or project-based) intangible work delivered digitally and done for money, organised via online outsourcing platforms that are marketplaces bringing together buyers and sellers (combining definitions from Horton (2010), Lehdonvirta et al (2014) and Graham et al (2017b)).

Schmidt (2017) provides a comprehensive taxonomy of online labour, and divides it into two types: Crowd work where tasks are not given to a specific individual and which is further subdivided into microwork (tiny units of piecemeal task as for Amazon Mechanical Turk or Crowdfunder) and contest-based (many compete for the task but “only one result is used and paid for” as for 99designs). Examples of microwork include data entry, tagging or interpretation of content, completion of surveys, and finding of information (Berg 2016). Examples of contest-based work include creation of a design such as a company logo.

Online freelancing relegates a substantial part of the task to an identified individual such as Upwork or Freelancer. Examples of the variety of online freelancing work include software development, web development, translation, transcription, data analytics, design, administrative support, and sales and marketing (Agrawal et al 2013, Margaryan 2016).

Chapter 3

Research Objectives

The understanding of the gig economy at a very fundamental level creates the need to assess the working of the entire system. It is therefore, important that we delve deeper into the subject of the gig economy. Its internal system and how it works in sync with the external economy of the world in general and India in particular. Following are the specific objectives of the paper; it is the broad contour which it will try to analyse:

- i) To develop an understanding of the level of penetration of the gig economy in India and how are people grappling with such a phenomenon.
- ii) To assess the levels at which it is present in our country with respect to the skill set of the country.
- iii) To create a socio-economic and demographic profile of the workers engaged in the gig economy which will help enable make further analysis.
- iv) To describe the factors that motivates people to get engaged in this form of employment.
- v) Lastly, the idea to identify presence or absence of social security and benefits in this kind of an employment structure and the implications on the Human Resource functions of organisations due to the presence of the gig economy.

Methodology

The methodology used in the paper is focused- group discussion as the nature of the paper is descriptive in nature. Since we want to understand the employment dynamics of a particular set of people with similar background FGD serves a very useful purpose. Through the opinions of the various members of the group the idea is to obtain crucial material for making robust analysis about the gig economy.

A focus group is a gathering of deliberately selected people who participate in a planned discussion intended to elicit consumer perceptions about a particular topic or area of interest in an environment that is nonthreatening and receptive. Focus groups are a collective on purpose. Unlike interviews, which usually occurs with an individual, the focus groups allow members of a group to interact and influence each other during the discussion and consideration of ideas and perspectives.

Advantages

Focus group techniques permit different ways of obtaining information from consumers without using a survey. Survey instruments although considered to be scientific, particularly when they produce quantitative data, but may be overused by those who prefer only certain specific market research strategies.

Focus groups have a specific advantage over certain other types of market research. They are flexible by framework; it capitalizes on the ability of decision-makers to speak to their respondents and their perception about their brands, products, or services. A good moderator who is well versed with the idea for a focus group will act as a facilitator for the decision makers.

Focus groups are conducted in a sequential manner in which the participants vary but the area of interest is constant. Conducting multiple focus groups can help smooth any kind of group differences, for example, when a particular group simply does not warm to the topic or to the moderator (or even to each other). In addition, environmental variables that may or may not be apparent to the market researcher can impact the focus group outcomes. Ensuring that several focus groups are conducted is a straightforward way to avoid this type of "noise."

The purpose of a focus group is not to arrive at a consensus, some level of agreement, or to decide what to do about something. Focus groups are designed to identify the feelings, perceptions, and thoughts of consumers about a particular product, service, or solution. It does that very well, in part, because focus groups utilize qualitative data collection methods. Just as in the dynamics of real life, the participants are able to interact, influence, and be influenced.

Successful Focus Groups

The quality of a focus group's outcomes depends on the discussion. If focus group participants become annoyed or intimidated by an upscale apparatus or even the standard supports to focus group research, they may be distracted from the task at hand—exploring their deep feelings, perceptions, and decisions about the research topic.

Participants must be comfortable enough to interact openly. The line of questioning used in focus groups, known as the questioning route or the interview guide or protocol, is predetermined and follows a logical sequence that is intended to mimic a natural exchange. Moderators avoid abrupt changes of direction or topic, and they are careful to ensure that all participants in the focus group have input and contribute as equally as possible. Focus group members must be able to interpret the context for the discussion and, as much as possible, find it logical and comfortable.

Focus group research findings are robust. When focus group participants are genuinely engaged in the study and the moderator is sufficiently skillful, the outcome can be clarity about major themes. A micro-analysis of the information that emerges from the study is not as easy to achieve through focus group methods. This simply points to the appropriate application of focus groups and does not mean that careful use of techniques and protocol should not proceed.

The Changing Nature of Focus Groups

The approaches used in focus group market research are changing.

Researchers are using smaller groups to conduct market research than they have in the past and with good results. The outcomes when using smaller numbers of participants in focus groups often are deeper and probe the unconscious or unexpressed preferences of consumers.

Some of the modes of analysis used for focus groups are radically different from the transcript-based analysis that was considered to be essential to focus group research.

Participants in focus groups also have become more diverse. This requires sensitivity and being self-aware so that people who may be marginalized in society are able to comfortably share their perceptions and opinions with people in power.

The case study method is a very popular form of qualitative analysis and involves a careful and complete observation of a social unit, be that unit a person, a family, an institution, a cultural group or even the entire community. It is a method of study in depth rather than breadth. The case study places more emphasis on the full analysis of a limited number of events or conditions and their interrelations. The case study deals with the processes that take place and their interrelationship. Thus, case study is essentially an intensive investigation of the particular unit under consideration. The object of the case study method is to locate the factors that account for the behaviour-patterns of the given unit as an integrated totality.

Case study method of Data Collection

As shown by H. Odum, "The logical examination methodology for data social occasion is a technique by which individual factor whether it be an association or just a scene in the life of an individual or a get-together is poor down in its relationship to some other in the get-together." Thus, a truly exhaustive examination of an individual (in regards to what he does and has done, what he guesses he does and had done and what he plans to do and says he ought to do) or assembling is known as a genuine presence or case history. Burgess has used the words "the social amplifying focal point" for the relevant examination methodology." Pauline V. Energetic depicts relevant examination as "a broad examination of a social unit be that unit an individual, a get-together, a social foundation, an area or a system." In brief, we can say that logical investigation procedure is a sort of emotional examination where in mindful and complete impression of an individual or a condition or an establishment is done; attempts are made to consider each and every piece of the concerning unit in minute nuances and after that from case data theories and determinations are drawn.

Characteristics of Case Study method

Evolution and scope: The case study method is a widely used systematic field research technique in sociology these days. The credit for introducing this method to the field of social investigation goes to Frederic Le Play who used it as a hand-maiden to statistics in his studies of family budgets. Herbert Spencer was the first to use case material in his comparative study of different cultures. Dr. William Healy resorted to this method in his study of juvenile delinquency, and considered it as a better method over and above the mere use of statistical data. Similarly, anthropologists, historians, novelists and dramatists have used this method concerning problems pertaining to their areas of interests. Even management experts use case

study methods for getting clues to several management problems. In brief, case study method is being used in several disciplines. Not only this, its use is increasing day by day.

Assumptions: The case study method is based on several assumptions. The important assumptions may be listed as follows:

1. The assumption of uniformity in the basic human nature in spite of the fact that human behaviour may vary according to situations.
2. The assumption of studying the natural history of the unit concerned.
3. The assumption of comprehensive study of the unit concerned.

Major phases involved: Major phases involved in case study are as follows:

1. Recognition and determination of the status of the phenomenon to be investigated or the unit of attention.
2. Collection of data, examination and history of the given phenomenon.
3. Diagnosis and identification of causal factors as a basis for remedial or developmental treatment.
4. Application of remedial measures i.e., treatment and therapy (this phase is often characterized as case work).
5. Follow-up programme to determine effectiveness of the treatment applied.

Advantages: There are several advantages of the case study method that follow from the various characteristics outlined above. Mention may be made here of the important advantages.

1. Being an exhaustive study of a social unit, the case study method enables us to understand fully the behaviour pattern of the concerned unit. In the words of Charles Horton Cooley, “case study deepens our perception and gives us a clearer insight into life.... It gets at behaviour directly and not by an indirect and abstract approach.”
2. Through case study a researcher can obtain a real and enlightened record of personal experiences which would reveal man’s inner strivings, tensions and motivations that drive him to action along with the forces that direct him to adopt a certain pattern of behaviour.
3. This method enables the researcher to trace out the natural history of the social unit and its relationship with the social factors and the forces involved in its surrounding environment.
4. It helps in formulating relevant hypotheses along with the data which may be helpful in testing them. Case studies, thus, enable the generalised knowledge to get richer and richer.
5. The method facilitates intensive study of social units which is generally not possible if we use either the observation method or the method of collecting information through schedules. This is the reason why case study method is being frequently used, particularly in social researches.

6. Information collected under the case study method helps a lot to the researcher in the task of constructing the appropriate questionnaire or schedule for the said task requires thorough knowledge of the concerning universe.
7. The researcher can use one or more of the several research methods under the case study method depending upon the prevalent circumstances. In other words, the use of different methods such as depth interviews, questionnaires, documents, study reports of individuals, letters, and the like is possible under case study method.
8. Case study method has proved beneficial in determining the nature of units to be studied along with the nature of the universe. This is the reason why at times the case study method is alternatively known as “mode of organising data”.
9. This method is a means to well understand the past of a social unit because of its emphasis of historical analysis. Besides, it is also a technique to suggest measures for improvement in the context of the present environment of the concerned social units.
10. Case studies constitute the perfect type of sociological material as they represent a real record of personal experiences which very often escape the attention of most of the skilled researchers using other techniques.
11. Case study method enhances the experience of the researcher and this in turn increases his analysing ability and skill.
12. This method makes possible the study of social changes. On account of the minute study of the different facets of a social unit, the researcher can well understand the social change then and now. This also facilitates the drawing of inferences and helps in maintaining the continuity of the research process. In fact, it may be considered the gateway to and at the same time the final destination of abstract knowledge.
13. Case study techniques are indispensable for therapeutic and administrative purposes. They are also of immense value in taking decisions regarding several management problems. Case data are quite useful for diagnosis, therapy and other practical case problems.

Limitations: Important limitations of the case study method may as well be highlighted.

1. Case situations are seldom comparable and as such the information gathered in case studies is often not comparable. Since the subject under case study tells history in his own words, logical concepts and units of scientific classification have to be read into it or out of it by the investigator.
2. Read Bain does not consider the case data as significant scientific data since they do not provide knowledge of the “impersonal, universal, non-ethical, non-practical, repetitive aspects of phenomena.” Real information is often not collected because the subjectivity of the researcher does enter in the collection of information in a case study.
3. The danger of false generalisation is always there in view of the fact that no set rules are followed in collection of the information and only few units are studied.
4. It consumes more time and requires lot of expenditure. More time is needed under case study method since one studies the natural history cycles of social units and that too minutely.
5. The case data are often vitiated because the subject, according to Read Bain, may write what he thinks the investigator wants; and the greater the rapport, the more subjective the whole process is.
6. Case study method is based on several assumptions which may not be very realistic at times, and as such the usefulness of case data is always subject to doubt.
7. Case study method can be used only in a limited sphere., it is not possible to use it in case of a big society. Sampling is also not possible under a case study method.

8. Response of the investigator is an important limitation of the case study method. He often thinks that he has full knowledge of the unit and can himself answer about it. In case the same is not true, then consequences follow. In fact, this is more the fault of the researcher rather than that of the case method.

The method used to analyse the underlying factors of the gig economy and to attain our research objectives a focussed group discussion of 8 members were conducted. The group was a similar as well as different at the same time. It was similar with respect to the fact that they all were part of the gig economy as in they were all engaged in some form of freelancing work or another. They were also heterogeneous in the sense that they worked for various platforms and online applications.

There was also an informal discussion with various Ola and Uber drivers/car owners who are at the centre of this new development with respect to the new work order.

Excerpts from Focus Group Discussions:

Abstract: The focus groups on which these excerpts are based were conducted in 2019 as part of research towards the understanding of the ‘Gig Economy’. The discussion was among three people who were respectively working as free lancers in their fields and earning reasonable livelihood.

Interviewer: What motivated you all to take up freelancing as a full time employment opportunity as opposed to a regular 9 to 5 job?

Respondent 1: The primary motivating factor for me was that being my own boss and have no accountability whatsoever apart from that related to the assignment was the primary reason why I chose freelancing as a career option.

Respondent 2: For me the kind of profession I am in which is so creative leaning being bound by deadlines and strict 9 to 5 job would stifle my creativity. In the area of content creation which I pursue being fluid and flexibility is key.

Respondent 3: Being able to balance my kids and my work was the reason why I opted to be a freelancer as it enabled me to undertake tasks which I could complete at the comfort of my home or when I was able to finish the job.

Interviewer: Do you all believe that freelancing as a profession is well paid or do you still feel that there is some room for improvement?

Respondent 1: I feel that the pay structure depends on the kind of work one is engaged in and also on the skills of the individuals. In my case I strongly feel that pay is reasonable enough and the quality of the output determines how much is paid to freelancers.

Respondent 2: I agree on that because independent content creators are paid according to their popularity and how much buzz is created on social media. But at the time I do feel that there is some room for improvement as far as compensation of freelancers are concerned.

Respondent 3: I personally feel that freelancing as an organised group is still at a very nascent stage in our country because there are not legislated law with respect to the gig economy. So there might be the issue of under payment of individual work. But for the those freelancers who are highly skilled compensation must not be a problem.

Interviewer: What do you kind that has facilitated this rapid increase of the gig economy across the globe?

Respondent 1: I strongly believe that the traditional notion of job security and loyalty towards the employer has undergone a sea change. Today the emergence of the gig economy is primarily because of the shift towards high quality job description and the conventional process of how job were defined has also gone a change.

Respondent 2: I feel the emergence of technology has proved to be the biggest catalyst towards the emergence of the freelancers. Before, the advent of technology also there were freelancers. But the surge of application based services has greatly facilitated this rise of the gigs. It has brought the freelancers and employers to interact in a mutually beneficial way.

Respondent 3: I feel the rise of the freelancers is now becoming apparent earlier their presence was not so much felt. But today 40% of the work is in the gig economy in India in some way or the other. The rise of Co-working facilities has also facilitated this trend. Many start-ups are today engaging gig workers for their assignments rather than regular employees.

Interviewer: What is the level of competition that one faces while being part of this world of gig economy?

Respondent 1: For me the constant need to stay abreast with new technology and learning new ways of performing those activities is key. Independent consultants like to try to create a repository of knowledge in our own place of work has really helped in gaining in terms of new contracts.

Respondent 2: The way to deal with competition is to always innovate in the way one conducts its work. For example content creators have to constantly keep on learning new ways of editing their videos and creative content. So, the need to come up with novel ways of doing their job is a crucial factor to manage one's market position.

Respondent 3: I firmly feel that the only way to combat competition to better one's own work because that is the only way to stay relevant in this rat race. Also, in the next five years I feel most of the jobs where being in a office space is not required to complete the job would be completely be dominated by freelancers.

Interviewer: With respect to the change in the role of the HR, what are your observations about it in the context of the gig economy?

Respondent 1: I am of the opinion that the traditional role of the Human Resource department has changed drastically over these years. One of the reasons is because of the way jobs are being done by freelancers. Many organisations outsource their Hr related work to third party platforms and Hr Tech firms.

Respondent 2: The role of training and development has changed and many jobs today do not require the traditional learning & development roles because people in the organisation have changed. Many firms today are dedicated to minimising the overhead cost of HR.

Respondent 3: Many organisations are completely revamping their HR department because the employees of the company are no longer engaged in regular terms of employment. It is important that people engaged in HR roles should factor in the changes brought in by the gig economy.

Interviewer: What are some of the downside risks that you all feel are inevitable being part of this freelancing job scenario?

Respondent 1: Every job entails some amount of downside risks but what is unique about the freelancing profession is that one continuously must look for new opportunities for surviving in the game. Opportunities are of course limited and there are many potential suppliers of labour.

Respondent 2: I feel that not being able to sustain the market position is a key risk that I would like to identify. The competition is very fierce and one never knows that clicks with the audience and what does not, therefore one should always be aware of any new development taking place in their work space.

Respondent 3: One of the key downside risks in this profession is the lack of regulatory frameworks. Regular employment has minimum wage laws but this kind of an employment scenario does not have any current legislations. Therefore, rampant exploitations especially at low skilled jobs would be much higher. In a way proper legislation with respect to the gig economy is an urgent need of the hour if this kind of a system needs to flourish.

Interviewer: Do you all have any other source of income or you are significantly dependent on freelancing for your livelihood?

Respondent 1: I completely rely on freelancing as my source of income and also one needs to invest judiciously while being part of the gig economy. That to a large extent solves the problem of managing the finances.

Respondent 2: My family has always been supportive in letting me pursue whatever career I had wanted. Although my prime job is to create content there are also other benefits arising out of it such as brand collaborations and events. As a result, finances have been stable.

Respondent 3: My husband and I both contribute to the finances of the house and as a result, freelancing has given me the financial independence of contributing tangibly to the household and further it has also helped me manage my own expenditure.

Chapter 4

Results and Discussion

The discussion with the freelancers were around various parameters viz. working environment, pay structure, motivation to engage in the gig economy, role of technology, barriers faced for better pay structure, work load, work life balance, etc.

This important to outline the contours of the discussion because in order to draw meaningful implications it is important to clearly work around the set boundaries of the research.

A survey carried out by LinkedIn in 2017 discovered that experts are most probable to enter the gig economic system in order to earn better salary, add larger flexibility in hours, set a stable work/life balance, and create more autonomy (Just how big is the 'gig economy'?, 2018). With many companies already trying out and realizing those benefits, it is not surprising that a similar survey found that sixty seven percent of expert freelancers had been both satisfied or been comfortable with their work. If the gig economy is permitting larger flexibility, another circulation of income, and higher pleasure in employees, there is little motive to expect a reduction in size or organizational have an effect on of the gig economic system

Factors that lead people to become freelancers

The most commonly discussed reason to be a freelancer is to be one's own boss. This is perhaps the single biggest reason why many highly skilled web developers, consultants; graphic designers take up freelancing as a serious career option. Many argued that the control over one's output and being accountable only to a select set of people gives a sense of purpose to these workers. According to them being the master of one's ship brings a sense of empowerment as well as a sense of purpose in their lives.

Someone mentioned the lesser likelihood of unhealthy competition that is normally found in a conventional office environment. Office politics can create unnecessary problems in the work front. They believed that when one works only for their fulfilment there no room for such negativity. Therefore, being part of the gig economy also helps them focus on more productivity enhancing activities and work with only a select set of employers.

The flexibility and control that gig economy brings along for its workers have significant impact on their lives. Many argued that many things such as dress code and fixed code of conduct limits creative freedom and as a result freelancing for many has become a liberating experience.

People who are content creators on platforms such as youtube, medium, writers quote that the fluidity of work space is an important reason for them to choose to be part of the gig economy. Their ability to work from cafes, hotel rooms and any other space that nurtures their creative expression is a definite reason to pursue freelancing. Many freelancers today are referred as "digital nomads" as they change their location of work depending on the kind of tasks that are delegated to them.

Pay Stucture

The gig economy works well for people in the creative field as it allows them to undertake projects of their choice and their compensation is linked to the deliverables of the project.

When having a discussion with my Uber driver I enquired whether driving was his full-time job or a side gig. He said he's a freelance graphic designer and works on projects for clients roughly three hours a day. The rest of his working hours, he drives Uber to keep himself occupied.

He was of the opinion that young workers just starting out gig economy can give the head start to their careers and also help them meet their expenses.

The gig economy allows creative people to pay the bills while also giving them time to pursue their passions. Visual artists like that Uber driver can supplement freelance design work by driving for rideshare services. Aspiring novelists can freelance as copywriters to make their rent payments.

Plus, one can do these jobs from almost anywhere. One could be in the North Pole as long as there is internet access. One can find work wherever you feel inspired.

Just make sure your artist's late nights don't keep you from turning projects around on time.

Apps such as WorknHire helps people sign up for free and can find jobs in the categories of IT and programming, graphic design, content writing, finance, sales and marketing, and data entry. Freelancers earn an average of ₹20 lakh annually, says PayPal study

You have to continuously up-level your skills and industry knowledge.

The workforce is becoming more advanced and educated by the day.

There's a high volume of overqualified candidates entering the job market every single year, so landing a job in a competitive field is tough. The idea that you can get a degree and expect to land your dream job right out of college is a thing of the past. You have to keep learning and keep up with industry trends to maintain a competitive edge.

This is true even for people in traditional office settings, but it's critical if one is their own boss. When one goes solo, you basically have to sell yourself. And to do that, you have to stay relevant. This means constantly educating oneself such as by taking online classes or buying the newest trade books relevant to your industry. There is no boss and no established rules to force you to stay up-to-date. The onus is on us. And if one wants to keep landing gigs, they have to keep up.

Relation between Co-working space and the rise of the gig economy

Coworking spaces are essentially shared workspaces. They offer affordable office space for those looking to escape the isolation of a home office or coffee shop. These shared workspaces offer a suite of office-like amenities such as hot-desks, private meeting rooms, kitchens, coffee and more. Often, they also offer a community.

Occupants typically are freelancers, entrepreneurs, start-ups and small teams who want to take advantage of a flexible space.

In addition to culture, cost is another big draw. One of the advantages of these spaces is the ability to rent out only what the clients need as opposed to an entire private office area, which is costly. Through different membership based models, costs vary and there is flexibility. These include options for daily fees or monthly fees. Membership costs also differ on the basis of whether one uses a shared desk or a dedicated one. Co-working spaces create the best of both worlds for gig workers: The ability of choosing their own hours and schedule without being isolated.

These shared spaces are thus great for independent workers. A sense of belongingness is created amongst the gig workers who otherwise feel isolated working independently out of coffee shops.

Many founders argue that freelancers find their clients while working in these co-working spaces according to CEO of a Co-working space in Bengaluru. According to Menda about 50 percent of his clients are large enterprises, while SMEs and startups comprises of 30 percent and the remaining 20 percent is gig workers a development that's the same across most co-working facilities in India (Dhamija, 2018).

The share of independent workers is higher in the US, where the gig workforce, comprising independent contractors, contract and temporary staffers and on-demand workers, comprised of about 10 percent of the overall workforce in 2017, as per data released by the US Labor Department. One reason for the higher share of a gig workforce in the US is because a freelancer has to pay less taxes in the U.S. Even though this is not yet the case in India, there is a growing demand for freelancers and short-term contract workers (Dhamija, 2018).

A closed-door conference with the HR heads of Infosys, Wipro, GE, Mindtree led to a very interesting development because many industry leaders clearly believed that a good part of their workforce is gig workers. Most large enterprises are looking at this kind of a workforce to expand their product and customer base in order to gain new market share.

The demand for workers in the gig economy, is mostly for specialised talent in the field of machine learning, robotics, artificial intelligence, UI and UX design, and digital marketing. Additionally, there is also a growing freelance workforce comprising of architects, lawyers and accountants. If one looks at startups, the amount of work performed by freelancers is very high because most firms want to keep their teams agile and lean. Many companies employ part-time CFOs and executives. A lot of companies in the travel industry in India are hiring a temporary workforce, mostly consisting of women who work out of their homes during the peak season months, which is similar to what happens in the US during the Christmas sale season.

While there isn't any official data on the size of the gig economy in India, signs of it becoming mainstream among the blue- and white-collar workforce are visible. At the blue-collar level, you have delivery executives of e-commerce-driven entities like Flipkart, Amazon India, Zomato and Swiggy, as well as the driver-partners of ride-sharing companies Uber and Ola. People who are in finance, human resources and legal functions are realising that growth in the corporate world is becoming stagnant. And these platforms are seeing these

people taking up freelancing work.

The mainstreaming of gig work over the last few years could also be attributed to the change in people's mindsets as, in India, jobs are coupled with social status. As a result, people have not been very excited about freelancing says Das. But the whole startup culture has changed people's attitude towards work from taking up a safe job to betting one's career on a fledgling venture that could go bust in under a year.

But, unlike in the West, the gig economy in India is not what's keeping co-working spaces afloat. Juggy Marwaha, executive managing director of property consultancy firm JLL India, who had setup WeWork's operations in India, says, "You can't just depend on the freelancing entrepreneurs and startups to survive in this business."

Social security and working conditions

Access to adequate social protection is at the core of the debate around the implications of the gig economy for the world's most marginalised and precarious workers – many of whom are women. Research has highlighted significant challenges; the rise of on-demand platform work is associated with an increase in the vulnerability of women gig workers.

Ravenelle interviewed men and women signed up to do tasks on Task Rabbit prior to its acquisition —and who drove for Uber, for example. They were not employees and so had no health insurance, workers' compensation protections, employer contributions to Social Security and payroll taxes, paid time off, family leave protections, discrimination protections, or unemployment insurance benefits.

The gig economy is mired with uncertainty at the lower rung of its pyramid. Because many small times gig workers point to the precarious working conditions, health hazards, tight schedules which takes a toll on the health of the workers. Analysts say that India's labour laws and social welfare schemes should incorporate the gig economy to make the environment conducive for those workers engaged in this kind of an employment.

Social security and minimum wages should be ensured to these kind of workers so that in contingent situations they can remain self sufficient.

Case Studies:

Matthew, for example, noted that reaching out to people in his inner circle helped him calm his anxiety: If he was just left on his own, he could sit here in the office and go down a rat hole. One is left to its own inner voice, and it spirals down into ruminating. Likewise Kanta also remarked that she, too, regularly turns to a handful of peers with whom she's close. All the work that she does in the independent economy comes through these connections. But their help goes well beyond referrals. Her ability to process, develop, and grow as a human being and understand who she is in the work she is doing comes from the conversations that she has with her folks.

According to the EY Global Contingent Workforce Study, the gig economy is growing and by 2020 almost one in five workers will be contingent (freelancer or contract) workers. The market is ripe for opportunity, yet freelancers are still facing uncertainties like irregular income and not being paid by commissioners.

At PayPal, we recognize the challenges that freelancers face when they pursue building their own company, including the need for the right resources and partners to keep their livelihood afloat. PayPal customer data reveals that countries like the U.S., Germany, Russia, Japan, Brazil, Netherlands, Mexico, Poland, and South Africa are seeing significant upticks in freelancer payments.

PayPal has launched results from its report to take a closer look at the needs of freelancers in 22 markets. Here are the top insights about freelancers around the globe:

- **Mobile compatibility is key:** Mobile transactions through mobile apps and communication continue to grow in importance and usage for freelancers. The gig workers surveyed cited having mobile tools, as well as the ability to invoice and receive payments via online platforms as crucial in their on-the-go world.
- **Security is top concern around the world:** 47% of gig workers surveyed attributed security as a primary concern when choosing a payment method.
- **Freelancers are an optimistic group, but irregular income is their biggest challenge:** The majority of gig workers studied globally expect their business to grow in the near future especially in India, Vietnam, the Philippines, Mexico and Argentina. However, more than 50% of gig workers surveyed in Russia, Hong Kong, R and South Africa said their biggest challenge is to generate regular income.

And while gig workers have similar preferences and challenges around the globe, each region's concerns vary as market varies and has resulted in varied trends across the countries surveyed.

TRENDS IN U.S.A.

A recent study predicts that 43% of the workforce in U.S.A will be freelancers by the year 2020. There's no denying the rise in freelancers and addressing their concerns will be paramount in the sustainability of the industry. U.S. freelancers are driving the global trends, and as a result, the U.S. freelancer's findings will, in large, trickle into other regions.

U.S. gig workers surveyed in PayPal's Report cite security (44%) and speed (38%) as the top two criteria when selecting the mode to accept payments from clients. As the most widely cited method of payment (70%) for U.S gig workers surveyed, PayPal offers familiarity, and is a secure, fast, and easy to use payment method. PayPal use on mobile was also cited as a key feature. In addition, U.S. freelancers surveyed are the most satisfied with PayPal as the payment method their clients use.

Three additional U.S. freelancer trends and opportunities include:

- **Opportunities to grow with international clients:** 97% of U.S. gig workers studied have domestic clients, but only 58% have international clients. There tremendous opportunity to grow international business, and gig workers can look to platforms to

help with that. Platforms – especially those that integrate with trusted tools such as PayPal – can expand business globally and accept local currencies.

- **Payments through platforms:** 85 percent of gig workers studied cite PayPal as the most frequently used way to transfer funds among workers across platforms they use, stating due to its ease of use.
- **Use appropriate software for invoicing:** 50 percent of U.S. gig workers studied have experienced non-payment of wages, and 44% believe it is because gig workers are not taken seriously. Six in ten gig workers cite that they use some form of account software to organize received payments and issue invoices. This saves time for them to focus on the work they've been assigned with while also creating a space for themselves as a legitimate business.

Redefining Success

In popular management lexicon, career success usually comes along with security and stability. For independent freelancers, however, both are ultimately elusive. And yet most of those we surveyed told us they feel successful.

The conclusion is that people in the gig economy must pursue a different type of success — one that comes from finding a balance between certainty and plausibility, between viability (the promise of continued work) and vitality (feeling present, authentic, and alive in one's work). Those who were interviewed do so by building firm environments around place, routines, purpose, and people, which help them attain productivity, undergo anxieties, and even harness those feelings into sources of creativity and productivity. People often refer to the fact that there's a sense of confidence that comes from a career as a self-employed person. A consultant pointed out that one can feel that things will fall into place no matter how bad it gets and one can change it. Additionally, the flexibility to operate from a place of choice as opposed to a place of obligation is what empowers people engaged in the gig economy.

Many we spoke to believe they wouldn't be able to find the same mental space or strength in a traditional workplace. Maria a consultant compared herself to a trapeze artist, recalled that she became "much more successful professionally" and "much more comfortable in her identity personally" when a trusted counsellor helped her reframe and own her struggle, rather than seek ways to evade it. She helped her understand that she could think of herself, which now she does. She feels she don't fit in any categories that exist in organizations, and it's more effective for me to be independent. Seen this way, discomfort and uncertainty were not just tolerable but affirming signs that she was just where she needed to be.

When we spoke, she portrayed employment as no longer an anchor she missed but a shackle she'd been fortunate enough to break. “

A recent study by McKinsey has estimated that up to 20-30% of the workforce in developed markets is engaged in independent work. Similar research by economists Lawrence Katz of Harvard University and Alan Krueger of Princeton University shows that from 2005-15, the proportion of Americans workers engaged in what they refer to as "alternative work", jumped from 10.7% to 15.8%. "We find that 94% of net job growth in the past decade was in the alternative work category," said Krueger.

In the consulting/knowledge working context, the gig economy is often referred to as the open talent economy, a term largely attributed to Deloitte Consulting. It's a way to work or conduct business in a borderless and technology-enabled market where businesses and professionals seek each other out to collaborate on a particular project.

In a gig economy, the job market is characterized by the dominance of limited-period contracts rather than permanent jobs. So, instead of a regular wage, workers get paid for "gigs". Though proponents of the gig economy claim people can benefit from flexible hours, it has its fair share of detractors, who consider it a form of exploitation, with very little workplace protection.

In Asia, the concept of the open-talent or gig economy is in its nascent stage though it has definitely emerging as a changing cultural and business environment. There is a definite shift in tenor and syntax, and we are seeing the emergence of a new cohort which seeks out people with high-end skills in marketing, human resources, finance, etc.

Why is it happening?

The reasons are many: A slowdown in both regional and global economies, organizational downsizing and cost-cutting have contributed to the rise of professionals opting for flexible arrangements, sometimes by design and sometimes owing to the lack of other options.

A highly connected, mobile workforce and the emergence of the millennial generation that values a flexible work schedule so strongly that it would be willing to give up higher pay and promotions for it, is driving the change in rules of the employment game. According to PwC's "Workforce Of The Future Report", the "desire for autonomy is strongest in China, especially among young people, indicating a generational shift in attitude towards greater freedom, entrepreneurship and specialist skills in this rapidly evolving economy".

In India too, this trend is on the rise. The **Pwc** survey shows that Indian knowledge workers are increasingly opting for independent gigs as a matter of choice and are seeking flexibility and purpose in their career responded the founder and chief executive officer of Flexing It, an online platform for independent consultants in India and South-East Asia.

Chapter 5

India and the gig economy

In India, while the early adopters were the start-ups and the multinational companies, consulting firms and large enterprises were embracing the concept. Flexing It's study indicates that over a third of the 500-plus organizations surveyed expect to rely up to 50% on flexible talent in the next five years

Wade Azmy , M.D. of ICG Singapore, an online platform and a network for independent consultants, believes the Indian market has many freelancers/non-employees ready to engage in short-term projects—but these have been focused primarily on lower-value projects. High-end skilled freelance work is on the cusp of take-off. Azmy believes freelancers and specialist boutique firms will need to network, integrate and organize themselves in order to fulfil complex client needs while guaranteeing the quality and security of client intellectual property and commercial information.

“India, for us, is more of a talent base than a client base,” says Vincent Casanova, a-connect's client partner for Asia, who is based in Singapore. A-connect is a Zurich-based global consultancy that provides employers with flexible and on-demand talent. Casanova classifies India as a highly competitive market with a large number of independent consultants with strong English proficiency whose skills can be utilized in other Asian markets (mainly the Middle East and South-East Asia). “This talent is available at low rates by regional standards, which makes it attractive and affordable,” says Casanova. “At the same time, it is important to note that the growing trend in most Asian markets—with the exception of the Middle East, Singapore and Hong Kong—is the high demand for consultants with strong local knowledge, network and language skills. This could potentially curtail the use and exportability of Indian independents,” he adds.

While global and regional consulting firms clearly envision a future in India, they are cautious in their approach. Sumer Datta and Sanjay Lakhota, the co-founders of Noble House, a network consulting outfit for independent HR professionals, say there are several reasons to celebrate the gig economy in India but there are practical challenges too: the traditional mindset, lack of networking platforms, a large variance in billing rates and a feeling of isolation (Aggarwal, 2019).

The work landscape in India is evolving rapidly. Digitalization, internet penetration and advancement in information technology have transformed the overall market dynamic across the globe. The digital disruption and booming start-up culture have propelled the evolution of the gig economy across the world. A Global Contingent Workforce Study by EY revealed that 20 percent of organizations globally with more than 1,000 employees have a workforce that is made up of 30 per cent or more contingent workers. Currently, freelancing is the hottest trend in India. According to a PayPal report, 1 in every four freelancers is from India. It also states that India accounts for 50% of the global freelancers, a majority of them are under the age of 40.

Women make up 80% of the 67 million domestic workers globally, increasing numbers of who are now turning to the rapidly-growing on-demand economy for domestic work in developing countries. The potential risks and benefits attached to this burgeoning form of work may therefore affect women disproportionately.

On-demand work is not automatically empowering, and can shift risk from employers onto domestic workers themselves. This report proposes that urgent action be taken to ensure that the 'Uberisation' of domestic work evolves to the benefit of all. The infancy of the on-demand domestic work economy in developing countries means it is not too late to raise standards. This will involve proactive efforts by companies to 'design-in' good practice, as well as by government to ensure an integrated future policy, legal, practice and research agenda.

Over the years, India has witnessed a massive increase in the number of workers contributing to the gig economy culture. Several factors which are contributing to this recent shift are – the rise of freelancing platforms (Designhill, Upwork, 99Designs, Freelancer.com etc. to name a few), the unconventional work approach of the millennials, the emergence of start-up culture, MNCs hiring contractual employees, recent demands of block-chain based payments etc. Today millennials in India are getting more inclined towards job satisfaction rather than any other parameter while choosing a perfect job for themselves. Career mobility, hyper-connectivity, flexible work dynamics are playing a vital role further contributing to the growth of the gig economy (Aggarwal, 2019).

A recent report from Bank of America on 2018 Better Money Habits Millennial Report reveals that, among millennials, 69 per cent wish they had chosen a job with better work/life balance, and 44 per cent wish they had chosen a job they enjoyed more. Another research study by 2018 APAC workforce insights reveals that 61 per cent of Gen Z professionals in APAC countries agree that job seekers are seeking flexible and contract-based roles. There is a 12 percent point gap between men and women in traditional full-time jobs but a five-point difference between men and women working in the gig economy. The emergence of crowdsourcing and freelancing platforms is revolutionising the work landscape in India and overseas to a large extent. Today in this era of competitive workspace, millennials are unable to maintain a work-life balance. Excessive work pressure and a lack of flexibility in working hours are among the top reasons making young professionals switch to freelancing.

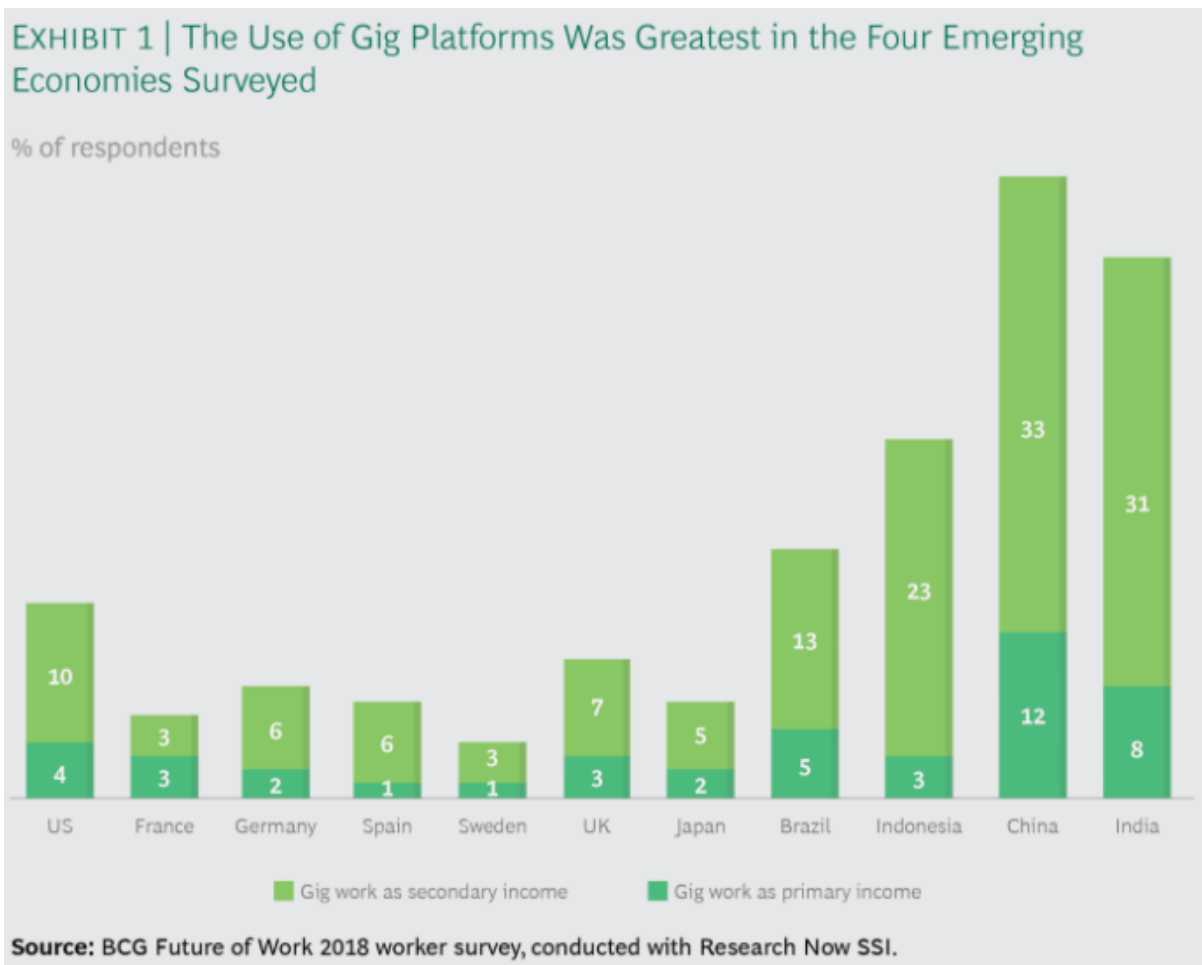
The gig wave is democratizing the workspace in India at a momentum pace. The rise of the concept of co-working spaces, increase in crowdsourcing platforms, efficient block-chain based payments, steady flow of work opportunities in the market are some of the driving bright and can expect an upward swing as India is among the top 10 countries for freelancer factors contributing towards this transformation

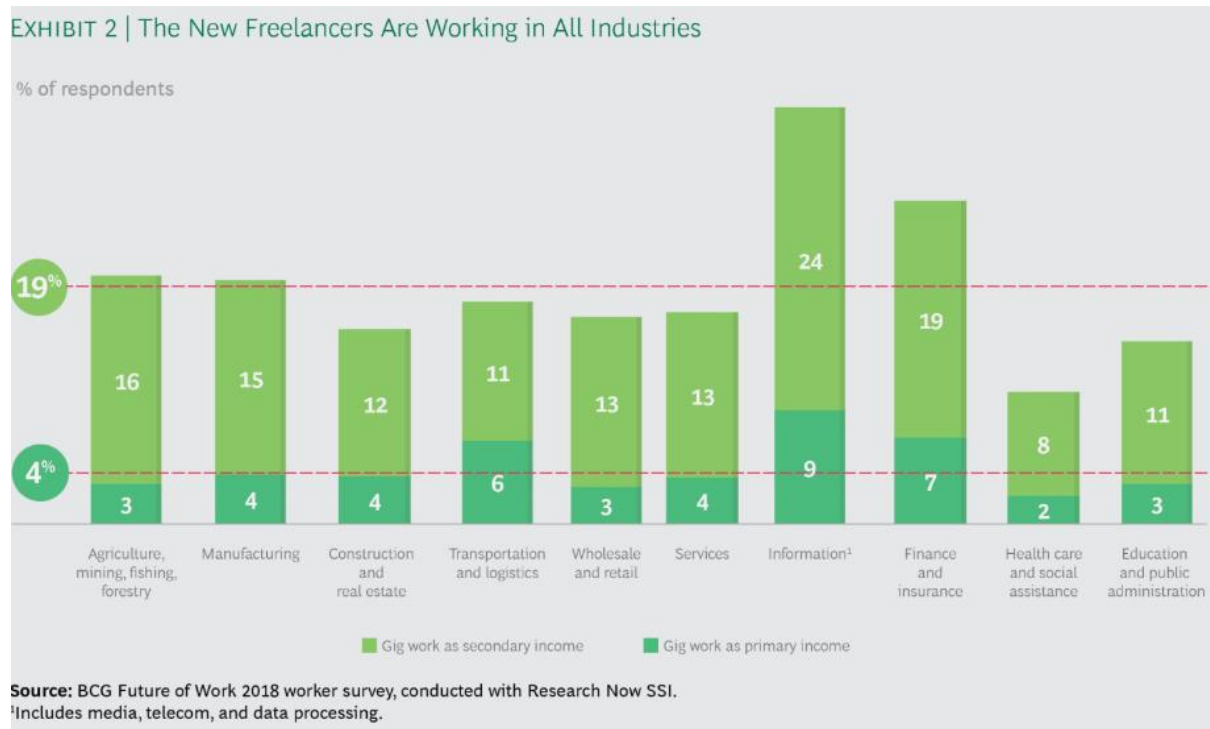
TAKING THE REAL MEASURE OF THE GIG ECONOMY

In the literature the gig economy is frequently described as a large and fast growing global phenomenon, but it still remains relatively small by some imperative measures. Our study shows that workers' use of on-demand platforms as their primary source of income is still relatively small, particularly in developed markets. Within the US, Germany, Sweden, the UK, and Spain, roughly 1% to 4% of workers cited gig platforms as their primary work source. The share of primary wage gig workers has remained stable across most of Europe for half a decade, according to a 2016 report by the OECD's Institute of Labor.

However, gig work's portion of the overall labor force was greater in the four developing markets in our survey—China, India, Indonesia, and Brazil. The share was biggest in China, where 12% of workers said they earned their primary income through digital platforms. This higher share no doubt reflects the larger proportion of informal employment in emerging markets. Still, it shows that workers in those markets have adopted labor-sharing platforms faster than workers in mature markets.

Measuring gig work only as a primary source of income, however, may underestimate its true size and growing global significance. An additional 3% to 10% of workers in mature economies, and more than 30% in some developing countries, reported using gig platforms as a secondary source of income.

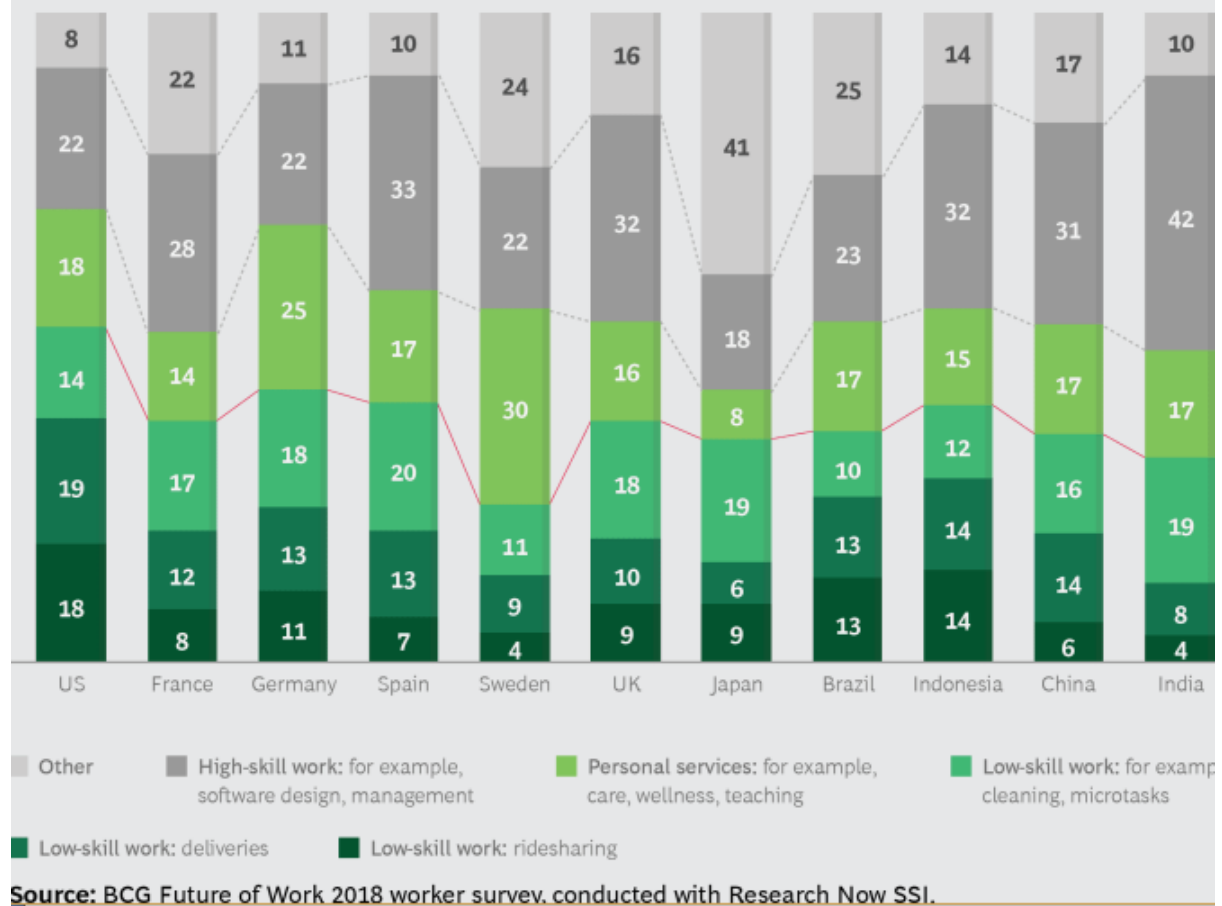




Many industry executives around the globe recognize that the spike of the new gig workers will have a significant effect on their workforces. A survey of 6,500 executives in 2018 worldwide, by BCG in association with Harvard Business School's initiative called Managing the Future of Work, finds 40% of respondents believed freelance workers proportion to increase in their composition of organization's workforce over the next five years. And 50% viewed the corporatisation of gig platforms would be an important or highly noteworthy trend. These results are in sync with research, by SAP Fieldglass, in May 2018 a company which provides cloud-based external workforce management solutions, in collaboration with Oxford Economics. 38% of the 800 global senior executives studied, were using on-demand, online marketplaces to source workers. The study also predicted that companies' incorporation of these platforms would nearly increase in three years.

Many of the public discourse of the gig market system often focuses on online-shared services, on-demand chores in delivery and mobility services like Uber and Lyft. The survey found that it is time to reboot that conversation. The new gig workers are present in all industries—including retail sales and B2B and education—not just in the conventional freelance strongholds of delivery, mobility, data processing, and IT.

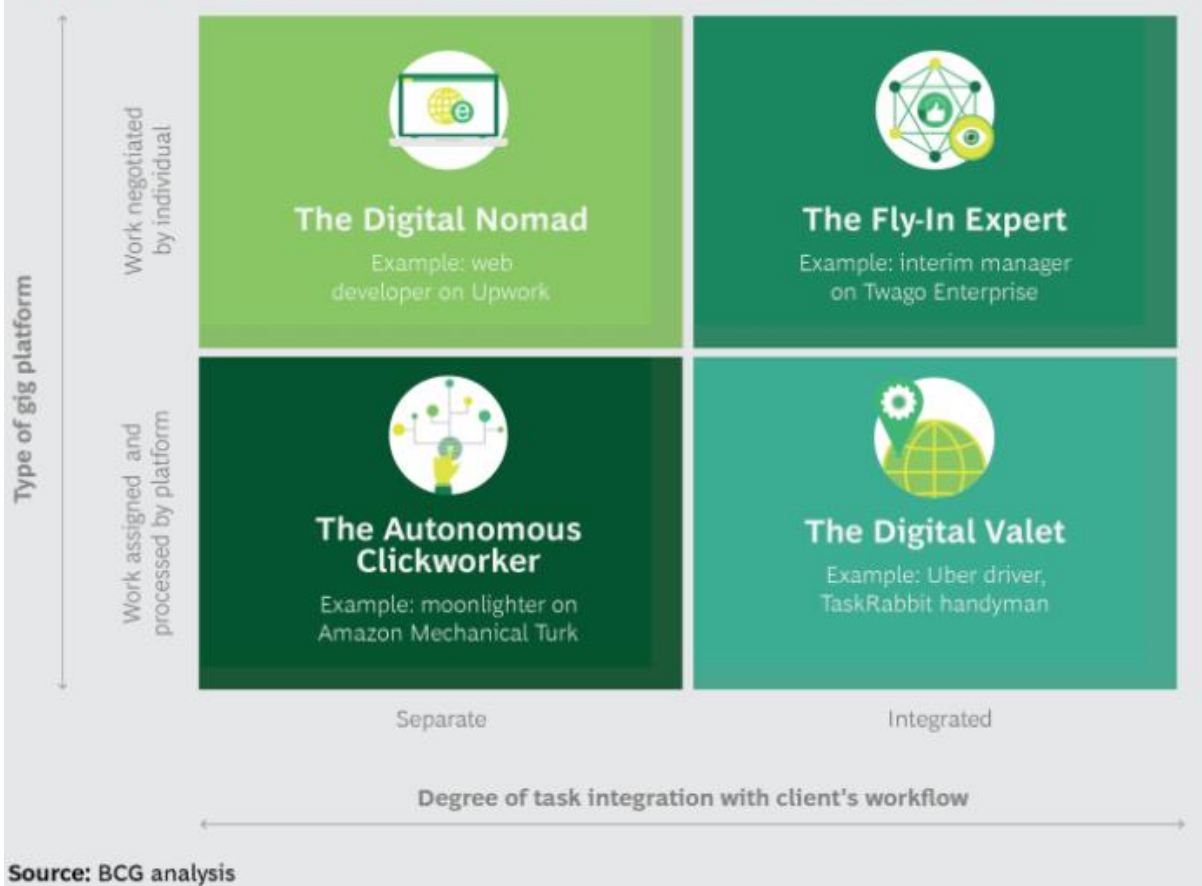
EXHIBIT 3 | Many Freelancers Find Work on Platforms That Seek Higher-Level Skills



In a nut shell, digital freelancing has evidently rose as a noteworthy source of primary and secondary employment in all major industries, giving access to new gig workers virtually to all companies.

The survey, as discussed earlier, was contoured to include a large sample of less-educated, lower-paid workers. Another notion that the gig economy is mostly comprised of poor and uneducated class engaged in services such as delivery, ridesharing, clickwork, and microtasks was also not true. Low-skill, low-wage gig workers accounted for only about 50% of the freelance work sourced through platforms. The remaining gigs comprised of high skilled, well paid work, such as software development and design.

EXHIBIT 4 | The Four Tribes of New Freelancers and Their Gig Platforms

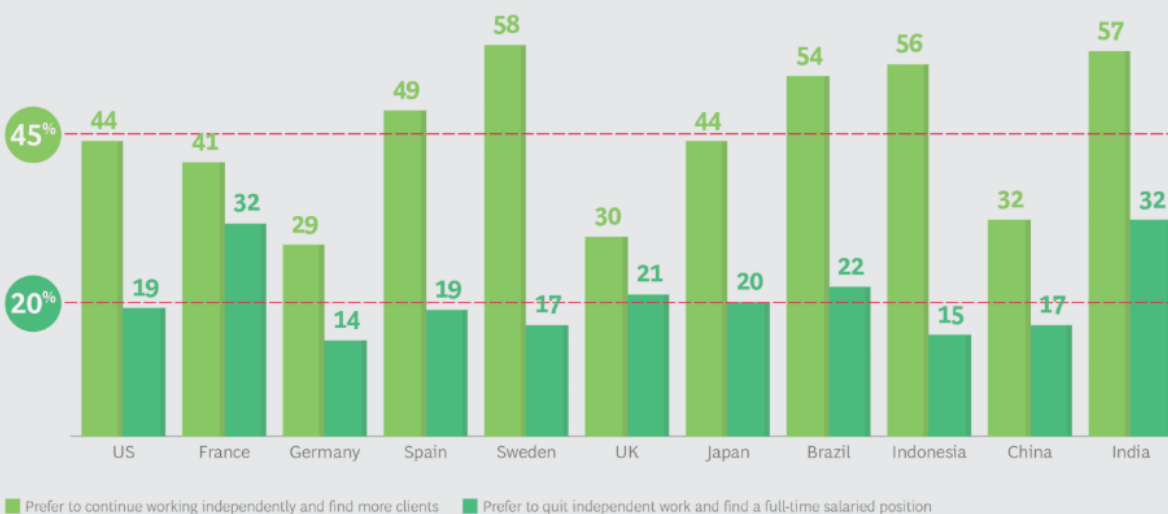


Gig platforms by their design were not created equal. They vary in structure and in other telling ways, including the type of work offered, the type of freelancer seeking work, and the nature of the work contract. Platforms often differentiated between those that possess the employer relationship and allocate and process work via the platform on behalf of the employer, and those individual gig workers and employers who negotiate terms.

There is also differences in the types of freelancers who use these digital platforms.. The survey has identified four “tribes” of new freelancers: Digital Nomads and Fly-In Experts, who negotiate individually, and Autonomous Clickworkers and Digital Valets, whose work is based on platform-set contracts.

EXHIBIT 5 | The New Freelancers, by More Than 2:1, Prefer Independent Work to Full-Time Salaried Employment

% of respondents



Source: BCG Future of Work 2018 worker survey, conducted with Research Now SSI.

In contrast to popular notion, most freelancers surveyed were of the opinion that they did not choose gig work for lack of better employment opportunities. Most of them freelance in addition to their full-time employment for extra wages. For many freelancers, independent platforms preferences, fulfil goals and needs which goes beyond compensation. These benefits include greater individual autonomy and flexibility in their work and personal lives and better work projects opportunities.

Most women and minorities had fewer employment opportunities but these online platforms expanded their opportunity set. They were able to engage in work of their choice through these platforms.

Independent workers mostly find work through various types of platforms in addition to networks of their own, and they typically work on multiple projects sequentially or simultaneously, as the need be. 45% when asked to define their future employment chose remaining independent and adding clients as required to supplement their income, compared with only about 20% who preferred a full-time fix salaried position.

Globally and across all workers in the study, worthwhile work ranked as a high priority, along with higher wages. The new gig workers were no exception. The three key benefits they cited are the opportunity to spend time on more meaningful and interesting tasks, to be self-employed, and to fit full-time work more flexibly around private needs.

Consequently, they were also more happy and satisfied with their work than people in conventional full-time employment, despite that fact that they were more likely to work 45 or even 60 hours a week, and to earn slightly lower salaries. The latter was especially the case when freelancing was the primary source of income.

Chapter 6

Implications:

Freelancing Evolves from Cheap Labor to Top Talent

Corporations have historically contracted freelancers to reap the cost benefit of using lower-skilled and lower-cost workers to execute noncore processes. In highly regulated labor markets such as France and Germany, hiring a freelancer doesn't entail providing the health care and pension benefits that salaried workers receive.

Today, freelancers are increasingly tapped as a source of scarce talent and expertise by companies that need to adapt to shifting customer demands.

Freelancers have been a readily available and flexible resource to staff projects quickly, plug capacity gaps, and cover peak demand. Today, however, freelancers are increasingly tapped as a source of scarce talent and expertise by companies that need to adapt to shifting customer demands. Labor-sharing platforms provide rare skills that companies struggle to source on the traditional labor market of full-time employees.

An executive at a leading European bank told us that hiring freelancers and other external workers is “no longer merely a cost solution to get through restructuring times; it is about bringing very specific skill sets to the organization.”

Another executive, in Germany, said he posted a full-time opening for a Java developer, offering a 20% pay premium and exceptional perks. He did not receive a single application in 18 months and was forced to hire a freelancer to complete the work.

Operators of labor-sharing platforms and workforce management service providers, pivoting to a new business opportunity, are targeting corporate clients with services that help them manage the shift to external freelance talent while retaining flexibility and work quality. (See “The Growing Business of Helping Companies Shift to Freelancers.”)

THE GROWING BUSINESS OF HELPING COMPANIES SHIFT TO FREELANCERS

The shift in corporate strategy toward embracing gig workers—despite the disruption to the company and to individual workers—shows that companies overall are attempting to become more adaptive and resilient in a fast-changing business environment.

How Companies Can Adapt to the Freelance Future

The gig economy seems to be here to stay, first and foremost because it satisfies the needs of individual workers and companies. Tapping the talent and capabilities of the new freelancers will impose a learning curve on corporations. The motivations and aspirations of gig workers often differ significantly from those of traditional employees—and therefore from the experience of most corporate employers.

To make the most of the new freelancers, executives in traditional companies will need to adapt their management practices and strategies to attract people who don't necessarily like large corporations and find ways to integrate them into their operations. Here are some steps companies can take to get up to speed in the gig economy.

Embrace gig work and labor-sharing platforms to increase your company's flexibility.

When it comes to sourcing scarce skills and talent, and responding to changing customer demands, these platforms can be valuable tools. Gig platforms already offer access to significant parts of the workforce in all industries.

Map the skills your organization has and those it lacks. Our client work in re-skilling has taught us that many companies lack the basic data needed to map current skills and a foresight function to determine future skill requirements. Those tools would enable leaders to source critical skills and determine where and why freelancers fit into the picture—for flexibility, speed, cost arbitration, or talent access.

As the European bank executive told us, “We need a map of skill sets, and a map of skills compatibility and transferability. Yet we probably don't even have the CVs of all our employees.”

Define your freelance sourcing strategy. You can either tap into existing labor-sharing platforms and networks or build your own. When using existing networks, companies should be deliberate in choosing those affiliated with high-quality freelancers who know the company's work processes and procedures.

Philips, the Dutch multinational technology company, is among companies that have created their own solution. Its platform, Philips Talent Pool, allows the company to address the dual challenge of maintaining a pool of freelancers familiar with the company and vetting the quality of their work.

Labor-sharing platforms, whether self-built or external, allow companies to cast a broader net for resources, specifically for scarce skills.

Don't just hire freelancers—integrate them. To get the most out of freelancers—and make them want a return engagement—companies need to adopt new capabilities, support systems, and ways of working. The workers in traditional corporate environments we surveyed often resented the friction, variable quality, and need for re-work created by the use of freelancers. “I had to redo all the poor work the freelancer did,” was a typical complaint.

Truly integrating temporary workers so that they can perform at a high level requires the willingness and the flexibility to create more adaptable workflows and processes. Companies must clearly articulate the role of these workers and the purpose of integrating them to gain broad internal support from and alignment with other workers.

Take advantage of new gig-economy support services. Investments related to the gig economy are shifting from the financing of marketplaces toward the development of adjacent technologies. The latter include such services as invoice processing and insurance provision for freelancers, and the development of shared online and offline work spaces. These moves into adjacent systems aren't limited to startups. Large multinationals are also taking part, and many are leading the way, as SAP's acquisition of Fieldglass demonstrates.

Engage in the regulatory dialogue. Regulation of the gig work domain is evolving rapidly. New Zealand has banned on-call work, Ireland has changed its legal definition of self-employment, US courts deal with lawsuits by Uber employees arguing for employee status, a UK parliament inquiry has called gig work “freeloading on the welfare state,” and strikes by Dutch gig workers have forced the Dutch government to establish a taskforce to study the phenomenon. While all these responses were triggered by situations involving lower-skill gig workers, companies might find they also face constraints and resistance when they contract higher-skill workers.

The best way for companies to stay on top of evolving regulation is to remain engaged in dialogue with regulators, legislators, labor platform owners, and opinion leaders. They should also monitor regulatory developments and shifts in public opinion and perception.

Freelancers aren’t the only option for companies looking to source critical talent in a flexible way and create a more adaptive employment model. But they can be an important part of the puzzle. Despite the challenges facing freelancers in many countries, gig work offers clear benefits to those in the workforce who value flexibility and self-directed work.

Whether to villagers in remote areas, homemakers with restricted working hours, or disabled people lacking access to the regular job market, gig work offers a significant chance for meaningful employment. Companies that are thoughtful and diligent in attracting, compensating, and retaining freelancers—in addition to traditional employees—fulfil an important social role as employers. At the same time, they strengthen the social and talent fabric of their own organization.

How the Gig economy works

Embracing the open-talent economy helps organizations blend full-time employees with short-term consultants, making them nimbler and more efficient. Unlike traditional consultants—such professionals often get embedded in the organization, assimilate its ways of working and cost a third of what a “traditional” consultant might, while bringing a wealth of experience and specialist skill sets.

It is a win-win for both the company and the independent consultant.

There are, of course, some challenges. For starters, how can companies and independent professionals be expected to find each other in an effective and efficient manner? From the organization’s perspective, the challenges centre mainly on the reputation of the consultant, and whether that person can meet the expectations of the task. From the consultant’s perspective, the “model” works on networking, word-of-mouth references and 24x7 business development. Some of the finest consultants (akin to other creative and knowledge workers) do not always make the best business developers. Often, senior professionals who decide to branch out on their own for lifestyle or downturn-related reasons find it tough to find business without the comfort of a strong brand, resources and an organization behind them. Besides, contracts are often skewed in favour of conglomerates, with little room for negotiation.

An organization’s ability to engage with talent on an on-demand basis could truly reshape the way businesses work. However, this needs to be implemented with an open mindset and well-articulated expectations. For the model of on-demand talent creates an ecosystem that

promotes super specialists who need clear direction and assimilation in the traditional organizational hierarchy (Chaudhary, Ruchira, 2018).

With the advent of start-ups there is a rise in gig economy and in India 70 percent corporates have used gig workers at least once for major organisational issues in 2018, according to a report.

The survey revealed that men and women both have an almost 50:50 split in the gig economy against the traditional workforce where the ratio is about 70:30, a report 'The Future of Work is Anywhere - Gig Workforce' by Noble House has revealed.

Gig economy workers vary across the spectrum of professions, from the highly paid to below-minimum-wage. Management consultants, video producers and software engineers may earn top dollar, while delivery boys and chauffeurs may be paid per package or by the hour. Here, at the bottom of the heap, there is neither financial security nor dignity of labour.

Shahudeen does not exactly know how the online food delivery system comes together, but he is hungry for work. He raises his phone to the sky every now and then, hoping for better reception from the cell tower, hoping to land a task faster. He is among thousands of others who found new opportunities in the gig economy and were quick to grab them. But they are fast realizing that this is not exactly what they expected. They are told they are their own bosses, but in reality, little distinguishes them from being a slave to their apps. Their days keep getting longer, the earnings fluctuate and the going gets harder.

The gig industry is defined as “a labour market characterized by the prevalence of short-term contracts or freelance work as opposed to permanent jobs”.

In an increasingly service-oriented job market, the delivery executives for startups such as Uber, Ola, Swiggy and Zomato have been the most visible segment where jobs were created. In fact, NITI Aayog chief executive Amitabh Kant said so in a recent press meet, while countering a leaked government report that stated unemployment in India in 2017-18 touched the highest mark in 45 years. Ola and Uber alone created 2.2 million jobs, Kant said.

Actually, a chunk of these gig economy jobs may not qualify as fresh employment, but what urban affairs expert V. Ravichandar terms “rotating attrition”.

If one looks at the profiles of people who are getting into Ola, Uber, Swiggy or even startups that offer elder care— these are reasonably educated people in a rotating attrition. People are coming and going from one job to another. People are desperate for jobs, so they take this up and work with some IT company (even if) it is not something they want to do. But they need the income. According to Ravichandar the chairman of Feedback Business Consulting, a business advisory firm they are forced to take that till they can get out of this and do what they want to do

For Shahudeen, the gig economy worked initially. He returned from Dubai some months back, like many fellow Keralites, after he lost his job to increased nationalization there. He then read in the papers that an online food delivery startup was hiring executives 140km away from his village, in Kochi. He was earning ₹10,000 per week earlier after that just about ₹800 per week. But these days, I don't get that many orders. Maybe because a large number of people are joining each month he thinks they are adding 500 more men. But this does not

mean a lighter workload. Most of them work from 12pm to 12am every day. Pulling up his phone a worker shows the screen which reflects his work log for the last three days of the week. Each day, he clocked between 16-21 hours of work, but his income for three days was below ₹1,000.

In Kerala, where the unemployment rate is 12.5%, double the national average of 5% according to the 2015 employment survey by India's labour bureau, the online economy taps into a labour pool willing to take up transient jobs due to lack of better opportunities. In other words, they are all searching for a dream job.

This guy (Shahudeen) may have switched on the app and it did not work for him chips in Ashkar C.A., who joined an online food startup after its competitor terminated his contract for failing to deliver a falooda to a far end of the city without melting, a humanly impossible task. The company has been really good for him, they even gave ₹35,000 as medical help during his wife's pregnancy.

Many are yet to come to terms with the fact that they are not employees of the startups they work for. Though they claim to be largely treated well by their employers, all of them agree that they usually labour in difficult conditions. Lack of decent wages, an absence of predefined hours and benefits; the physical strain associated with the work, with all the dust and the heat on the roads; abuse and harassment are among the issues they regularly face. Like many others, they are hit by rising petrol prices. In their case, the rising prices directly eat into their earnings.

This is apart from the usual violence on the streets. Roshin R., who is standing next to Shahudeen, recounts a story. He had an order to deliver to a suburb of the city at night last month, and when he reached the spot he was beaten up by a bunch of goons. They simply did not want to pay for the order. Roshin said he tried to complain to the company, but nobody listened.

Some like Jawahir, a food delivery executive whose ordeal was reported in the local media recently, are trying to channelize the pent-up anger and frustration by unionizing workers.

Some months back, Jawahir arrived at a restaurant to pick up an order and found the owner beating up an employee. He tried to intervene and the owner thrashed him too.

The whole system depends on how longer and faster you can work, and I am naturally disadvantaged remarks Mukesh who is recovering from a stroke that left him unemployed two years ago and could not find a job. His biggest discomfort is the lack of toilets or provision to drink water, something as common as pen and paper for any employee in an office. Rajesh E., another delivery executive, is struggling to find a balance. He lived a life of comfort until recently, when he moved out of Malaysia. He had lost his job and returned home.

There is pressure from the family to earn a salary. And many have to repay loans of about ₹20 lakh, which they took to migrate to Malaysia. Post midnight, around 1am, one by one, they begin to switch off their apps and leave for home. Like it happens after a factory shift ends, the workforce vanishes within minutes, only to regroup at the same spot the next day.

All they want to do is to lead an honest life, earn enough so that they don't have to worry about money, bills, food Shahudeen says.

Today millions of workers worldwide are drawn to the boundary less realm of independent work engagement with businesses, popularly known as the 'gig economy.' Thanks to the transformative gig economy platforms such as Airbnb, Uber, and Upwork, freelance workers now have access to larger, more transparent forums to ally with buyers of their services. Gig engagements are also growing in popularity as they provide a steady source of income, allowing employees to make more money as a result of multiple engagements. But the gig economy is a two-way exchange – while employees are seeking independent work, companies too are expanding their reach beyond traditional hires. Clearly, this growing trend will invariably affect workplaces and employer-employee relations.

Here are a few ways the emerging gig economy is likely to shape the future of work:

Millennial gig workforce will get attracted to employers providing education assistance

As per a study by Deloitte, a greater part of the gig economy workforce overall having a place with the millennial associate will join the work market even before they complete their training. This portion of the workforce commonly finishes training at its very own pace and many – particularly ladies - are probably going to drop out of the activity market to seek after further learning. This implies boss gave instruction help will be a significant advantage for the millennial gig specialists hoping to improve their profession congruity. Organization supported school training is one approach to guarantee that gig specialists stay in the work advertise by temperance of being attached to a specific business.

Specialized skill development across departments will rise

Many gig economy workers tend to look for work in key fields such as arts, maintenance and construction, and administrative roles - especially in the professional services and manufacturing sectors. However, owing to the advent of deep technologies such as artificial intelligence (AI), vacancies in administrative support roles such as receptionists and data entry, may decline. This will drive the gig workers to upskill and reskill themselves to become specialized in their respective fields across arts, manufacturing or professional services. To catch up with this trend, organizations too will offer specialized skill development opportunities to employees in these roles.

Entrepreneurial jobs will highly resonate with milenials

As compared to other generations, millennial gig workers are emotionally agile and hardworking, and are unafraid to break the rules. Many view themselves as dependable, self-disciplined, enthusiastic, and being open to new experiences. This means employee skills such as the ability to self-start or navigate through difficult issues independently will be available in abundance, making jobs which are entrepreneurial in nature more attractive to this segment of workers.

What does it mean for businesses?

As the current generation's obsession with freedom intensifies, the alternative or gig economy will continue to grow with each passing year, disrupting businesses. To be able to tap into this set of specialized talent, organizations will have to look beyond traditional resumes as a means to reach out to potential hires. Talent acquisition leaders will need to evolve and reorient their strategies to accommodate new enterprise employment models. Limiting selection criteria to conventional college degrees will mean employers losing out on a huge pool of talent that comes with expertise in specific fields.

The informal economy operates in a very different way from the formal economy. Whereas the latter is structured and governed by laws and regulations, the former operates pretty much

on the rules made by individual players and in a “make as you go” manner wherein on the spot rules and by the job rules are the norm.

Thus, human resources in the informal economy are managed differently from the formal economy. For instance, workers in the informal sector do not have health benefits, social security, salaries that are paid into bank accounts or even job security since they are hired for short-term work as well as are expected to work according to the norms of the employer rather than any adherence to Federal or State rules.

Economics of Employment in the Informal Economy

The economic aspect of managing human resources in the informal economy is based on the interaction of demand and how much supply of labour at that particular moment. As an example, think of a construction site where the Mason and the Contractors hire labour for the day or a week and at times, for a month.

Indeed, such hiring is always for the meeting immediate need and not for any long-term commitment by the employers. Thus, the term daily wage workers are used to describe the employment of casual nature which is on a short term basis.

Daily wage workers are paid according to daily basis, and they do not earn anything if they do not turn up for work the next day. Thus, they neither have the luxury of taking leaves nor have the protection of social security benefits to see them if they are on any medical emergency.

Therefore, daily wage and casual workers are usually those who live on the margins of the society in a very precarious situation, and this is the reason some contemporary sociologists and economists often refer to them as the Precariat Class or those whose work and lives are precarious and one who often migrate from other places to urban areas for better livelihood.

The Emergence of the Precariat Class

Without a doubt, a key element of the economics of labour in the casual economy and that work is contingent on moving of labour looking for areas where work is accessible, and henceforth, they owe no loyalty to a specific employer. This causes the undertaking of controlling the casual economy just as setting up shields to such To precariat to shield them from the fancies of occasional work substantially more troublesome. This Precariat was authored by noted development economist Guy Standing in his book.

The mass class is the precariat, described by shaky work, low and capricious wages, and loss of citizenship rights. It is the new "hazardous class," incompletely on the grounds that its weaknesses prompt the harshness, sick wellbeing, and outrage that can be the grub of conservative populism. However, it is additionally risky in the dynamic sense that numerous in it dismiss old focus left and focus right legislative issues. They are searching for the root-and-branch change of another "governmental issues of heaven," instead of an arrival to a "legislative issues of laborism" that looks for improvement inside prevailing foundations and power structures (Standing, 2011).

The precariat's needs can't be met by marginal changes to the current social and economic framework. It is the main transformative class in light of the fact that, naturally, it needs to

wind up sufficiently able to abrogate the conditions that characterize its reality and, all things considered, annul itself. All others need just to improve their situation in the social chain of command. This developing class is hence well-set to turn into the specialist of radical social change—in the event that it can compose and turn out to be adequately joined around a mutual personality, elective vision, and feasible political plan.

Discussing occasional business, the financial aspects of the casual economy is with the end goal that work is constantly decided on a regular premise wherein if the contractual worker has a requirement for a specific month or two, the person in question contracts the specialists, and on the off chance that they don't have any need amid a specific month, they basically don't employ anybody.

Multiple Layers of Intermediaries

In addition, the informal economy is also characterized by multiple layers of intermediaries and middle persons wherein it is often difficult to trace the actual hirer of the workers. For instance, a construction site might have a contractor who subcontracts the work to a Mason. The Mason, in turn, might outsource the work to another intermediary whose job is to find the workers who are needed.

This person might then contact the actual manager of the workers who can mobilize such workers from either his native place or through contacts with other labour providers.

This maze of intermediaries means that the workers get a fraction of the wages that formal economy workers earn. As the various intermediaries take their cuts, eventually, the workers get a raw deal.

This is also known as arbitrage of employment wherein intermediaries hire those workers who are cheaper from a particular place or from a subcontractor who can provide cheap labour and send them to sites where labour is expensive. The difference in the daily wages between these two places is what the arbitrage or the profit is for the eventual hirer.

Labour Pools are more Important than Individual Workers

As mentioned earlier, these aspects of the informal economy mean that labour is always on the move and has precarious employment that is seasonal in nature. Thus, this Precariat neither has a fixed place of residence nor do they have consistent work throughout the year.

The economics of the human resources in the informal economy is such that individual workers matter less than the combined labour pool from which such workers are hired. Further, with no protections, the workers too flit from site to site as well as from contractor to contractor thereby having no identity documents or address proofs leading to them being included in any governmental schemes that are much more challenging.

Chapter 7

Conclusion

The Gig Economy and the Future

For sure, while this is generally referenced about physical work workers, the developing advanced economy or the sharing or the gig economy may take a shot at comparative lines later on. At the end of the day, while these are early days for Uber drivers and Task Rabbit specialists, later on, they may too be in a circumstance similar to the day to day wage workers with no lasting advantages or safety net from the regular wage work.

All in all, the financial aspects of HR in the casual economy are with the end goal that work is adaptable and business is fungible - implying that nothing is lasting and the main objectives are the need to cut expenses and make benefits in as brief time as conceivable by every one of the partners.

With the coming of new companies there is an ascent in gig economy and in India 70 percent corporates have utilized gig specialists at any rate once for major authoritative issues in 2018, as per a report. The review uncovered that people both have a practically 50:50 part in the gig economy against the customary workforce where the proportion is about 70:30, a report 'The Future of Work is Anywhere - Gig Workforce' by Noble House has uncovered.

A near 70 percent of respondents from the procuring side has utilized gig specialists at any rate a few times for fathoming hierarchical issues in 2018.

For this report information was accumulated from more than 800 human asset (HR) experts and free specialists was assessed to comprehend viewpoints around the gig economy.

They found that a huge section (81 percent) has joined the gig temporary fad over the most recent five years. The information from the specialists enrolled on the Noble House stage recommends that the sorted out fragment is seeing more enthusiasm over the metro urban areas, with Delhi NCR at 43 percent rising as the greatest center point pursued by Mumbai at 19 percent and Bangalore at 18 percent.

Further, the report stated, almost 45 percent of the human asset (HR) heads overviewed need to contract a gig specialist with the goal that they can enhance abilities of the current workforce.

Tejaswi Bitra who is a coding master, had left his place of employment as an IT proficient when thought that it was hard to change with the inflexibility of his activity. In any case, at that point, cash evaporated, and confronting weight from the family, he settled on a choice to residue off an old long for working freely, and building something of his own. Today, Bitra, in his late twenties, is a specialist. He makes sites, does coding in PHP, plans logos and has his very own get together gathering for consultants in Bangalore. He concludes that working on his skills continuously can only help him up his game in this kind of business. It took one successful client to get him back his confidence. Bitra is part of the “freelance economy” of independent workers who have moved away from conventional definitions of “job”, and

work without being part of any formal organisation, based on their skill and competence. Thanks to the start-up culture and the wide reach of internet and technology, many 'e-trading' platforms are coming up to facilitate this trend.

Truelancer, a stage with 200,000 enlisted consultants of which about 65% are Indians evaluates that there are around 15 million specialists in India, next just to 53 million in the US. Taxi employing administrations, for example, Uber and Ola might be the best stages for this independent model truth be told, the West calls this pattern "Uberisation". Uber has piled on around 250,000 enlisted drivers in its 2 years in India, and Ola around 350,000.

As a Uber representative says that the drivers are not workers, they are self employed entity assembling their very own private companies utilizing their stage. Truelancer offers enlisting of consultants who do IT and Software administrations, versatile application advancement, planning and substance composing. The stage empowers rating of specialists and a simple installment strategy. Saying that it is a reality given the way that the normal life expectancy of numerous associations are lessening, he says that on the positive side the ascent of outsourcing would create diversity in organisations acquiring balance the work advertise and permitting more cooperation.

One should look also at the trend in association with the emerging start-up ecosystem Aditya Dev Sood, founder, Centre for Knowledge Societies, says as start-ups require affordable workers with the right skill. He says that the global nature of the freelancers also would lead to "a one world global economy of workers" where skill, competence, digital networking and profile building would assume much importance.

Transition for Human Resource

Disrupting the traditional talent model

The evolving work model is producing a ripple of talent and structural implications for many organizations. On one hand, some may feel the need to combat the growing popularity of the gig economy with a talent campaign that extenuates the full-time career benefits their organization can provide. Alternatively, some organizations have strategically embraced the gig economy as the new normal focusing efforts on how to effectively integrate gig workers into their talent ecosystem. Either way, having a greater understating of the specific talent implication brought on by the gig economy will help organizations make better talent decisions. Organizations taking the following actions will more effectively embrace and exploit this disruption.

- **Re-examine the workforce composition**
- **Infuse a "gig" culture into the work environment**
- **Redefine the Employee Value Proposition**
- **Evaluate HR policies**

Re-examine the workforce composition and the makeup of the workforce and the impact on the business as a whole. If there is a stronger desire for current and future employees to participate in gig work, organizations should ensure their number of full-time positions

reflect business needs. If the need for specific roles is likely to reduce due to automation for example, now may be a good time to revisit strategic workforce planning efforts.

Infuse a “gig” culture into the work environment Given the emphasis younger generations are placing on entrepreneurial spirit, incorporating more entrepreneurial aspects to existing roles in the organization and how they incorporate this to enhance the employee experience could reap major benefits for the growing Generation Z workforce. Where possible, offer more virtual flexibility and create new career paths where employees will develop skills such as autonomy, analytical thinking, and problem solving to name a few, which can be leveraged throughout various parts of the business.

Redefine the Employee Value Proposition Since gig employees do not have the same legal protections or benefits as full-timed salaried employees, organizations may consider revamping their Employee Value Proposition to shine light on this advantage, particularly for those talented employees they want to retain. Currently, many of the gig economy jobs require lower skill set to support transactional work, not requiring a degree or specialization. This not only puts some gig work at risk of being eliminated to automation, but also may limit those workers’ career development for a short-term paycheck. If organizations are able to articulate the value and opportunities to develop strategic capabilities and skills of the future, they may be more successful in retaining talent considering the jump to full-time gig work.

Evaluate HR policies Revisit HR policies and align them to their strategic talent efforts as it relates to the gig economy. Policies such as noncompetes and the benefit packages between full and part time employment may need to be modified to account for gig employment.

Bibliography

Aggarwal, R. (2019, February 11). *How The Gig Wave Is Democratizing Workspace In India*. Retrieved March 10, 2019, from BusinessWorld: <http://www.businessworld.in/article/How-The-Gig-Wave-Is-Democratizing-Workspace-In-India/11-02-2019-167052/>

Accenture (2017) Amplify You: Technology for People, Accenture, Dublin

Agrawal, A., Horton, J., Lacetera, N. & Lyons, E. (2013) Digitization and the Contract Labor Market: A Research Agenda, NBER Working Paper 19525, NBER, Cambridge, MA

Aloisi, A. (2015) Commoditized workers: case study research on labor law issues arising from a set of on-demand/gig economy platforms, *Comparative Labor Law & Policy Journal*, 37(3), 653-690

Anker, R., Chernyshev, I., Egger, P., Mehran, F. & Ritter, J.A. (2003) Measuring decent work with statistical indicators, *International Labour Review*, 142(2), 147-178

Babin, R. & Nicholson, B. (2009) Corporate social and environmental responsibility in global outsourcing, paper presented at 3rd Global Sourcing Workshop, Keystone, CO, 22-25 Mar

Barnes, S.A., Green, A. & Hoyos, M. (2015) Crowdsourcing and work: individual factors and circumstances influencing employability, *New Technology, Work and Employment*, 30(1), 1631

Barrow, R. (2015). *Injustice, Inequality and Ethics: A Philosophical Introduction to Moral Problems*, Routledge, Abingdon, UK

Beerepoot, N. & Lambregts, B. (2015) Competition in online job marketplaces: towards a global labour market for outsourcing services?, *Global Networks*, 15(2), 236-255

Berg, J. (2016) Income Security in the On-Demand Economy: Findings and Policy Lessons from a Survey of Crowdworkers, ILO, Geneva

Berg, J. & De Stefano, V. (2017) Regulating for a fairer world of work, in: *Towards a Fairer Gig Economy*, M. Graham & J. Shaw (eds), Meatspace Press, 32-34

Bergvall-Kareborn, B. & Howcroft, D. (2014) Amazon Mechanical Turk and the commodification of labour, *New Technology, Work and Employment*, 29(3), 213-223

Brawley, A.M. & Pury, C.L. (2016) Work experiences on MTurk: Job satisfaction, turnover, and information sharing, *Computers in Human Behavior*, 54, 531-546

Brinkley, I. (2016) *In Search of the Gig Economy*, The Work Foundation, London

Brianna Caza, H. C. (2017, October 27). *The Hardest Thing About Working in the Gig Economy? Forging a Cohesive Sense of Self*. Retrieved March 20, 2019, from Harvard Business Review: <https://hbr.org/2017/10/the-hardest-thing-about-working-in-the-gig-economy-forging-a-cohesive-sense-of-self>

Dhamija, A. (2018, August 8). *India's informal gig economy turns mainstream*. Retrieved March 8, 2019, from Forbes India: <http://www.forbesindia.com/article/future-of-work/indias-informal-gig-economy-turns-mainstream/50959/1>

HEEKS, R. (2017). Decent Work and the Digital Gig Economy: A Developing Country Perspective on Employment Impacts and Standards in Online Outsourcing, Crowdwork, etc . *Centre for Development Informatics Global Development Institute, SEED University of Manchester* .

Just how big is the 'gig economy'? (2018, March 23). Retrieved March 10, 2019, from LinkedIn: <https://www.linkedin.com/feed/news/just-how-big-is-the-gig-economy-1025969>

Kamath, R. (2017, June 15). *India's Informal sector: The vilified-glorified 'other' side of the Formal*. Retrieved March 15, 2019, from forbesindia: <http://www.forbesindia.com/article/iim-bangalore/indias-informal-sector-the-vilifiedglorified-other-side-of-the-formal/47245/1>

KPMG. (2018). *Plugging into the Gig Economy: The truth about the gig and how it is influencing the future of talent management*. U.S: KPMG International.

Lal, S. (2015, December 8). *Thanks to internet, India has most freelance professionals after US*. Retrieved March 10, 2019, from Hindustan Times: <https://www.hindustantimes.com/tech/tech-internet-combine-to-create-unconventional-career-options/story-1kHKXGcYpUiEMgyTYT9nNO.html>

McGovern, M. (2017). *Thriving in the Gig Economy: How to Capitalize and Compete in the New World of Work*. New York: Barnes & Noble.

Mckinsey Global Institute. (2016). *INDEPENDENT WORK: CHOICE, NECESSITY AND THE GIG ECONOMY*. New York: Mckinsey&Company.

Standing, G. (2011). *The Precariat: The New Dangerous Class*. New York: Bloomsbury Academic.

Torres, N. (2018, July-August). *Are There Good Jobs in the Gig Economy?* Retrieved March 15, 2019, from Harvard Business Review: <https://hbr.org/2018/07/are-there-good-jobs-in-the-gig-economy>

Varghese, S. (2018, December 18). *The government's Good Work Plan leaves the gig economy behind*. Retrieved March 20, 2019, from Wired: <https://www.wired.co.uk/article/good-work-plan-uk-gig-economy>