

ISBN : 978-93-5679-949-3

75
Azadi Ka
Amrit Mahotsav

GG

ECONOMY

&

ATMANIRBHAR BHARAT

Challenges & Opportunities

Editor
Lt. Dr. M. Venkataramaiah

Gig Economy and Atmanirbhar Bharat Challenges and Opportunities

Editor

Lt. Dr. Venkataramanaiah Malepati

32	Influence of Generation Z in the Gig Economy on the Future of Work in Organizations <i>MS. DEEPA AGRAWAL & Dr. RAMULU BHUKYA</i>	182-196
33	Role of Gig Economy in Economic Development of India <i>Dr. SHVETA KAPOOR & Dr. SHEFALI SHARMA</i>	197-200
34	Gig Economy in India: Emerging Trends in Women Workforce <i>Dr. L. NARAYANASWAMY & V. SWARNALATHA</i>	201-205
35	Gig Economy Policies and Initiatives in India <i>Dr. K. SEKHARA, Dr. K. RAJESH KUMAR & Dr. M. RAGHAVA REDDY</i>	206-210
36	Potential of Gig Technology in the Indian Education Sector <i>MR. CHENNA UPENDRA MADDURI, MS. GERGI NEERAJANA SAI NIVEDITHA & DR. M. VENKATESWARLU</i>	211-215
37	Gig Economy: Shaping The Future of the Work-Prospects and Challenges in Indian Context <i>G. RAKESH NAIDU, K. NANDEESWARAIAH</i>	216-224
38	Prospects and Challenges of Gig Economy in India- An Overview <i>Dr. V. MASULAMANI & SRI. J. KRISHNA MURTHY</i>	225-227
39	Future of Work in Gig Economy with Special Focus to Challenges for Beauty and Wellness Workers <i>Dr. ANSHU YADAV, Dr. SHWETA AWASTHI & Dr. RICHA SHARMA</i>	228-236
40	Role of Gig Economy in Economic Development <i>Dr. K. V. S. N. JAWAHAR BABU & Dr. C. BHUPATHI</i>	237-240
41	The Role of Gig Economy Growth in Indian Economy <i>P. BALARAMUDU</i>	241-245
42	Work Life Balance: A Study on Gender Based Perception Among the Faculties of BPUT Affiliated Colleges <i>SUCHETA PANDA</i>	246-251
43	Role of Gig Economy in Economic Development of India <i>Dr. TARANGAN. P</i>	252-256
44	Recent Government Initiatives and Gig Economy <i>P. KEERTHI KUMARI</i>	257-260
45	Gig Economy in Indian Banking – An Appraisal <i>K. KEERTHI & Dr. P. V. NARASAI AH</i>	261-269
46	Booming Gig (Platform) Economy in India: A Pre and Post Covid scenario: Some Observations <i>Dr. M. SRIRAMULU & Dr. B. N. LALITHCHANDRA</i>	270-276
47	Gig Economy of India – An Overview <i>Dr. S. VIJAYULU REDDY & Dr. N. MURALI</i>	277-280
48	Gig Economy- Future model of Labour Market! <i>Dr. V. VASAVI</i>	281-284
49	Prospects and Challenges of Gig Economy in India <i>K. MUJAKAR & Dr. P. JYOSHNA</i>	285-289

PROSPECTS AND CHALLENGES OF GIG ECONOMY IN INDIA- AN OVERVIEW

Dr. V.MASULAMANI

Lecturer in Commerce, PVKN Govt. College (A), Chittoor, A.P.

SRI. J. KRISHNA MURTHY

Lecturer in Commerce, NTR Govt. College, Vayalpadu

ABSTRACT

The Gig economy is about individuals selling their skills to all-size companies, on a part-time basis, for the short-term and being paid per assignment. The sharing economy is a wider concept that comprises the gig economy and where people share their skills and assets, using large scale digital technology and data collection. Technology has changed a lot the way our economy and society work. The labour market isn't made of stable or permanent jobs where workers make out a career inside a company anymore.

According to the Report, the gig economy employed more than 7.5 million people in 2020-21. In the following eight years, the number of workers employed will increase to 23.5 million workers, accounting for 41% of all Indians' means of subsistence. The Report states that at the moment, medium-skilled occupations make up about 47% of gig work, high-skilled jobs make up about 22%, and low-skilled employment make up about 31%. Women are more likely to work in platform positions after getting their education and getting married, according to a survey done in urban areas of India.

A Gig economy is a free market system in which temporary positions are common and organisations contract with independent workers for short-term engagements. Gig workers can be divided into platform and non-platform workers. Platform workers are those whose jobs rely on digital platforms or online software apps such as Zomato, Ola, Uber etc. On the other hand, non-platform workers typically are casual wage earners and can work either full-time or

part-time. This article highlights the Gig economy India and its prospects and Challenges.

KEY WORDS: GIG ECONOMY, JOBS, GIG WORKER

1.INTRODUCTION

The gig economy can be characterized by temporary, flexible, and freelance jobs, and allows businesses to hire freelancers and independent contractors for short-term "gig" work. Workers who are interested in participating in the gig economy typically need to sign up to their platform(s) of choice by completing an application. Once accepted, they can choose work shifts or projects to complete. For instance, a mother working with Door Dash might decide to work for two to three hours while her children are in school, which allows her to keep her nights and weekends free. In contrast, a virtual assistant may choose to perform a traditional 9-to-5 workday for a company to complete a specific project. When the project is completed, so is their eight-hour shift.

A gig economy is a free market system in which temporary, flexible jobs are commonplace and companies tend toward hiring independent contractors and freelancers instead of full-time employees. It undermines the traditional economy of full-time workers who rarely change positions and instead focus on a lifetime career. Workers perform "gigs," in which they are employed for a specific task or time. This is done to achieve advantage of cost, quality, and flexibility. Once the task is complete, the worker is free to move on.

At its core are app-based platforms that dole out work in bits and pieces — making deliveries, driving passengers or cleaning homes - leading some to prefer the term "platform economy". Companies like Uber, Airbnb, Zomato have made a huge success with this concept. Not all gig economy roles are based around a technology platform. Gig economy workers can also work for more traditional companies, which have changed how their staffing system operates. Code on Social Security, 2019, introduced in Parliament defines gig workers as workers outside of the traditional employer-employee relationship freelancers.

2. TYPES OF GIG ECONOMY JOBS

There are many types of gig economy jobs offered by companies whose primary goal is to provide a convenient service to their customer base. Here are some examples of the different types of gig work and the companies involved:

1. **Virtual assistants:** Administrative assistants, receptionists, project managers can find convenient, flexible employment through Belay Solutions, VirtualAssistants.com, and Upwork.

2. **Ridesharing:** Platforms such as Lyft and Uber allow travelers the convenience of using an app to schedule a ride. All it generally takes to drive for these companies is having a smartphone and car.

3. **Creative freelancers:** If you have ever needed a graphic designer or content creator, online platforms such as Creative Market, Fiverr, Upwork, and Guru provide the opportunity for you to share your project and have freelancers send you pitches.

4. **Delivery services:** Companies such as Uber, DoorDash, Grubhub, Amazon, and Instacart are ready to meet the needs of consumers who want the convenience of staying home and having groceries or hot food delivered to their door.

5. **Labor support:** Platforms such as Task Rabbit and Handy provide clients with on-demand housekeepers, home improvement laborers, and errand runners.

3. SIZE OF GIG ECONOMY IN INDIA

According to NITI Aayog Report, India's gig workforce currently stands at 77 lakh (2020-21). It is expected to rise to 2.35 crore by 2029-30. By 2029-30, gig workers will form 4.1% of India's total workforce, rising from 1.5% in 2020-21. Currently 27 lakh gig workers (35% of gig workers) are engaged in retail trade and sale, while 13 lakh (17%) are engaged in transportation sector. There are 6 lakh workers (8%) in manufacturing and another 6 lakh (8%) in finance and insurance. However, a report by the Boston Consulting Group expects India's gig economy to rise to 90 million jobs (9 crore) in the next 8-10 years. Another industry report indicates that by 2024, more than 75% of the services industry will be staffed by gig workers. A report by Ernst and Young observed that Indian Freelancers hold a 24% share of the global online gig economy. According to a report by ASSOCHAM (Associated Chambers of Commerce and Industry of India), the gig sector has the potential to grow to US\$ 455 billion by 2024.

4. OBJECTIVES

- To know about the GIG Economy in India
- To analysis the consequences or situation arise in Indian economy as GIG economy
- To Know the factors effected in Labour market in GIG Economy.

5. CHALLENGES FROM GIG ECONOMY

A gig economy is a free market system in which temporary positions are common and organizations contract with independent workers for short-term engagements. This workforce has limited employment rights like minimum wages, health benefits, sick leaves or even retirement benefits to fall back on. Also, the payment is assured only on the completion of the project giving a sense of financial insecurity. The lack of any kind of protection was also deterring several talented workers against participating in the economy

1. Largely unregulated, therefore workers have little job security and fewer social security benefits like pension, gratuity etc

2. Lower bargaining power of employees:

3. Unless a person is extremely talented, his bargaining power will necessarily be limited.

4. Unionization of workers will be difficult.

5. Less scope for workers to get skill upgradation: while companies routinely invest in training employees, gig-economy workers will have to upgrade his skills on his own at his own cost.

6. Lower credit access to workers: financial institution resist extending credit when steady income is not assured

7. Demand-supply mismatch may results in fluctuating wages in labour market.

8. Companies like Uber demands obligations from its drivers as any full-time employer, but without any perks or protections

9. Uber insists that its drivers are independent contractors and not employees

10. Unstable income: As workers are paid based on the completion of task/project, the total amount a worker earns at the end of week/month remains uncertainty

11. Not flexible as it seems: Roles of workers aren't as flexible as they seem, as workers are incentivised or pressured to work when the companies need them.

12. Employees by law are guaranteed minimum wages, regulated hours of work, healthcare and other benefits.

13. Independent contractors, however, do not have a valid claim to these benefits, since they merely use the platform provided and do not work directly for the corporations.

14. This distinction has played a critical role in the emergence of the gig economy as it allows tech corporations to avoid labour regulation altogether.

15. Companies such as Uber have successfully avoided their contributions to employee benefits by reconfiguring the relationship and classifying workers as independent contractors

16. Regional disparity: Gig economy may not be accessible for people in many rural areas where internet connectivity and electricity is unavailable.

17. Inequality among gig economy workers: People with higher skill set (video producers, software engineers etc.) have higher bargaining power and hence earns fair remuneration, while people at lower strata (delivery boys, chauffeurs etc) have neither financial security nor dignity of labour

6. CONCLUSIONS

The gig economy and its workforce cannot be overlooked when we talk about the future of employment. With a population of over 1.3 billion, and a majority of them below the age of 35, relying on the "gig economy" is perhaps the only way to create employment for a large semi-skilled and unskilled workforce.

7. REFERENCES

1. EY & FICCI report Future of jobs in India: A 2022 perspective.
2. McKinsey (2016). Independent Work: Choice, Necessity and the Gig Economy (October, 2016).
3. Webster, J. (2016, September). Micro workers of the gig economy: Separate and precarious. In New Labor Forum (Vol. 25, No. 3, pp. 56-64). Sage CA: Los Angeles, CA: SAGE Publications.
4. Marr, Bernard (2016). Forbes (Jun 20, 2016). What Everyone Must Know About Industry 4.0
5. Salve, P. & Paliath, S. (June, 2019). India's Gig Workers: Overworked And Underpaid. Indiaspend
6. Boston Consulting Group. (2021). Unlocking the Potential of the Gig Economy in India. <https://media-publications.bcg.com/India-Gig-Economy-Report.pdf>



About the Editor

Lt. Dr. Venkataramanaiah Malepati is a top- notch academician, presently working as an Assistant Professor in Commerce at S.G.Government Degree and PG College, Piler. He has obtained his M.Com, MBA, M.Phil and Ph.D. from S.V .University, Tirupati and MBA from Pondicherry University. He has got through National Eligibility Test (NET) in Commerce and Management and SET in Commerce with distinction. He has bagged National Merit Scholarship in Graduation and Gold Medal in M.Com. He has also bagged Centrally Administrated Doctoral Fellowship from ICSSR, New Delhi for his research during 2010-13. Dr. Malepati has the rich experience of 18 years in both teaching and research. Being the passionate researcher and teacher, he traveled widely and tried out his wings in various positions in teaching across the countries. Dr. Malepati started his career as a lecturer in Dravidian University. Later he rendered his services in various capacities in the Premier Institutions like University of Gondar, Ethiopia, KMM Group of Institutions, Tirupati, Vignanasudha Institute of Management and Technology, Chittoor, University of Kurdistan, Iraq and Golden Valley Group of Institutions, Madanapalli. Being the top-notch researcher, he contributed significantly to the areas of Capital Markets, Agri Finance, MSMEs and Micro-finance. To his credit, there are 41 research papers published in National and International Journals listed in UGC Care List, Scopus Indexed and Web of Sciences. He has also been credited with four chapters in Edited Books. In addition to these, he has also 10 completed Edited Books and one edited book in the pipeline to his credit.

₹. 750

Published by



SG GOVT. DEGREE & PG COLLEGE, PILER

Affiliated to Sri Venkateswara University

ISBN : 978-93-5679-949-3



9 789356 799493