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A Study On Perception Of Employees Towards Gig System

ANCY S.S

UMAIMA RUKHSAR

(2nd M.COM IB)

UNDER THE GUIDANCE OF

SOLOMON JAYAKUMAR

PG DEPARTMENT COMMERCE AND

MANAGEMENT



MOUNT CARMEL COLLEGE, AUTONOMOUS

#58, PALACE ROAD, VASANTHNAGAR, BANGALORE-560052

ABSTRACT:

The concept of work is changing on the key impact on the nature of work and GIG Economy is emerging as trend in the world economy. GIG Economy is also called as flex economy or mobile economy or open talent economy or freelance economy. It is considered as new paradigm of work. GIG Economy is the temporary work-force that works on the short term relationship between workers and companies. The GIG Economy benefits both the companies and workers with the geographical boundaries being no barrier. Companies hire workers without any fear of attrition. The system helps to lower the training overhead and saves office cost. The system allows to give personal time and also to have better network in and out of the organization. It is beneficial for the workers as they quote the price for their work or on the projects. The GIG system doesn't restrict the talent by setting limitations such as working hours, the wage cost or

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remuneration, work pressure etc. When the company goes on traditional style their strategic vision may become obscure. Digitization, advancement in information technology, increased usage of internet is the reasons for the rise of GIG Economy.

This study is set out to analyze the employees' awareness and perception towards GIG System. It also looks at the problems faced and some potential solutions. The data was collected both from primary and secondary sources.

Through this study it was found that many employees are aware about GIG system and if given an opportunity they would adapt to the GIG system in near future.

Keywords: GIG system, GIG Economy, freelancing, contract workers, short-term contract, long-term contract, Independent worker.

INTRODUCTION:

GIG Economy is a way of working where people take up temporary jobs for a short period of time. In this system the companies hire independent contractor and freelancer for certain duration. Here the people tend to do separate pieces of work rather working under one employer. Gig economy is also known as 'sharing economy', 'independent workforce', 'freelancer economy' etc. It helps the GIG workers to have work-life balance. In this system the workers work independently where they are not bound legally with the long term contract. They are the owners of their own piece of work and they take payments based on the services rendered by them. The increase in freelancers not only benefits the workers but also to the organization or the companies to cut down the costs in terms of recruiting, hiring, training and development etc. Through this system the companies always get the skilled and competent workforce to complete the task efficiently. One of the reason for the rise in gig system is digitization among millennial. Gig can be considered as the new evolutionary trend and it promotes the employees to take up the job they are interested in rather forcing them to do that the workers are not interested in, thus this results in efficiency of work.

BENEFITS OF GIG SYSTEM:

- The GIG system allows the employees to have flexibility in their working hours, they desire their working hours, where they want to work there are options where the GIG workers. This system also allows the workers to work from home or remote office.
- The GIG workers are given independence to complete their work based on their schedule. This could increase the confidence among workers to work and also the ability to finish the work.

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- GIG system allows and serves the wide variety of the jobs to complete instead of similar kind of tasks that they follow every day. Each project will be filled with different element that would make the workers feel interesting to work.
- The payment system in GIG Economy differs from one company to another company. Some company pay high and some low more often they charge on the hourly basis. This shows that they have proper control over their job.
- It provides platform to help the workers to build an attractive and well-designed profile that makes it easy for potential clients to find and hire the worker.

REVIEW OF LITERATURE:

1. "As ever more policy-makers, governments and organizations turn to the gig economy and digital labour as an economic development strategy to bring jobs to places that need them, it becomes important to understand better how this might influence the livelihood of workers." **Mark Graham**, **Isis Hjorth**, **Vili Lehdonvirta 2016**
2. Just as employers face uncertainty when hiring workers, workers also face uncertainty when accepting employment, and bad employers may opportunistically depart from expectations, norms, and laws. However, prior research in economics and information sciences has focused sharply on the employer's problem of identifying good workers rather than vice versa. This issue is especially pronounced in markets for gig work, including online labor markets, where platforms are developing strategies to help workers identify good employers.

   Alan Benson, **Aaron Sojourner**, **Akhmed Umyarov 2019**
3. A growing number of American workers are no longer employed in 'jobs' with a long-term connection with a company but are hired for 'gigs' under 'flexible' arrangements as 'independent contractors' or 'consultants,' working only to complete a particular task or for defined time and with no more connection with their employer than there might be between a consumer and a particular brand. While the rise of this 'gig' economy is praised by some as a response to the wishes of a more entrepreneurial generation, it is more likely that it is driven by the concerns of businesses to lower wages and benefit costs during business down-turns while also reducing their vulnerability to unfair

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dismissal lawsuits. The rise of gig labor calls for new initiatives in social policy because it shifts more of the burden of economic risk onto workers even while removing gig workers from many of the employment-bound New-Deal-era social insurance programs.

Gerald Friedman 2014

STATEMENT OF PROBLEM:

We are in the era of globalization and digitization but most of the employees are not aware about Gig system. The Gig system is considered as the emerging, evolutionary trend under HR but the implementation and adaption to this is at a very low pace. Therefore this study was conducted to know the perception of employees towards the gig system and also the possible problems faced by them in this system.

OBJECTIVES OF THE STUDY:

- To study the employees perception towards Freelancing and short-term contracts.
- To study the problems faced by employees and solutions for the same.

RESEARCH METHODOLOGY:

It is a research based on primary data and secondary data with proper analysis and findings. Primary data was collected by circulating Google forms to the employees from various sectors. A sample of 100 respondents was considered for the study. Simple statistical tools like tables, pie charts and bar graph were used for analysis and interpretation of data.

SCOPE OF STUDY:

The research paper limits its study only to the employees at middle level. The middle level in this study consists of managers and supervisors from different fields. The importance was given only to manufacturing and service sector employees.

LIMITATIONS OF THE STUDY:

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- Study is based on the information provided by limited number of employees from different organisations.
- The accuracy of analysis depends on the objectivity of the respondents which could be biased.
- The finding of the study cannot be generalized to other areas of research.

ANALYSIS AND INTERPRETATION OF THE DATA:

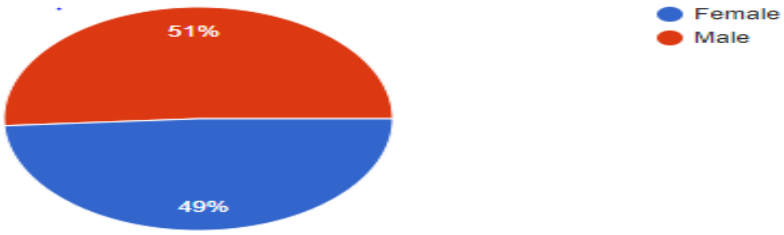
Table no 1 showing the gender of the respondents.

Gender	Percentage
Male	51%
Female	49%

From the above table it can be seen that there is almost equal number of responses from male and females.

Through this it can be interpreted that there is increased in number of working women.

Chart no 1 shows the gender of the respondents



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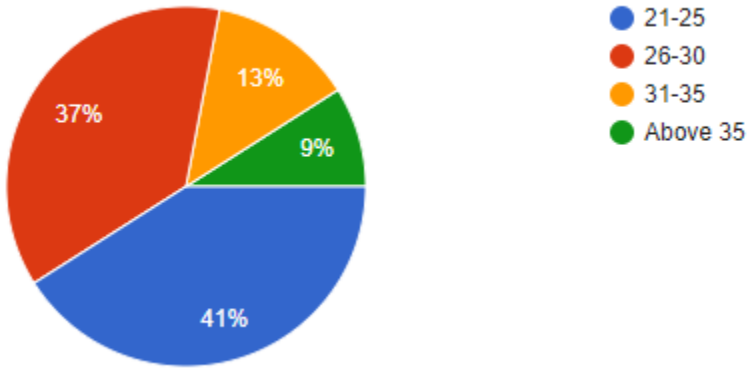
Table no 2 showing the age of respondents.

Age	Percentage
21-25	41%
26-30	37%
31-35	13%
Above 35	9%

From the above table its can be analysed that majority of the respondents are in the age group 21-25, where as the other majority group is from 26-30.

It can be interpreted that most of the employees are in their early twenties and are working.

Chart no 2 shows the Age of respondents



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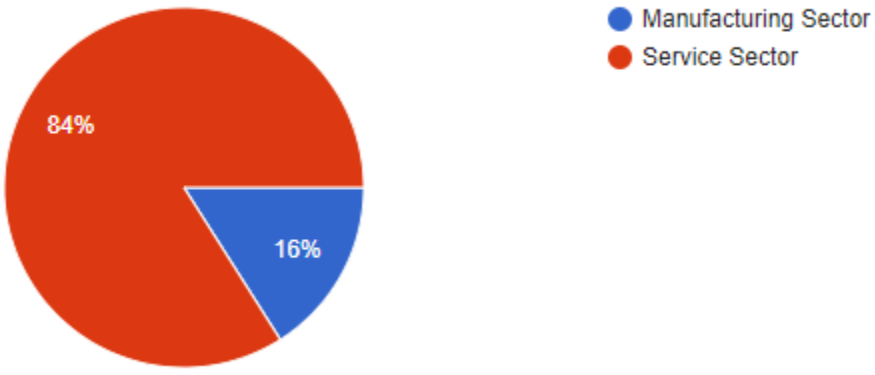
Table no 3 showing the responses about the sector they are working in

Sector	Percentage
Manufacturing	16%
Service	84%

From the above table it can be analyzed that the employee (respondents) are majorly from service sector than manufacturing sector.

From the data it can be interpreted that there is huge demand for service sector employment than manufacturing sector. Therefore it can be inferred that service sector is emerging as employees want to take up service employment unlike the traditional manufacturing jobs.

Chart no 3 showing the sector they are working in



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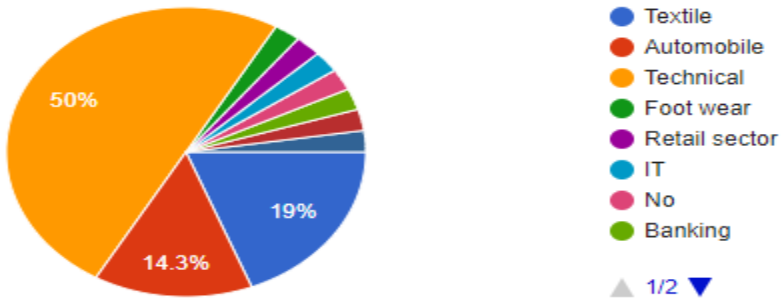
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Table no 4 showing the type of manufacturing industry

Industry	Percentage
Textile	19%
Automobile	14.3%
Technical	50%
Footwear	2.4%
Others	14.3%

From the above table shows the various jobs of employees under manufacturing sector. So it can be seen that majority of employees are from technical background automobile and textile manufacturing. Therefore it can be inferred that most of the employees are in the technical division in the manufacturing sector.

Chart no 4 showing the type of manufacturing industry



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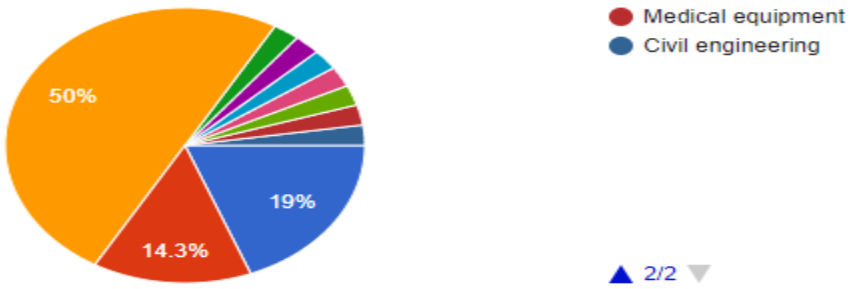


Table no 5 showing the types of service they are in:

Service	Percentage
IT	50.5%
Consultancy/legal	4.4%
Bank	14.3%
Educational Institutions	16.5%
Hospital/ Pharmacy	2.2%
Retail industry	2.2%
Service	1.1%
Construction	2.2%
Airlines	1.1%
Designing	1.1%
Facilities	1.1%
Real estate	1.1%
Others	1.1%

From the above table it can be seen that the majority of employees are software employees.

Therefore it can be inferred that IT is the emerging industry in the service sector

Chart no 5 showing the types of service they are in:

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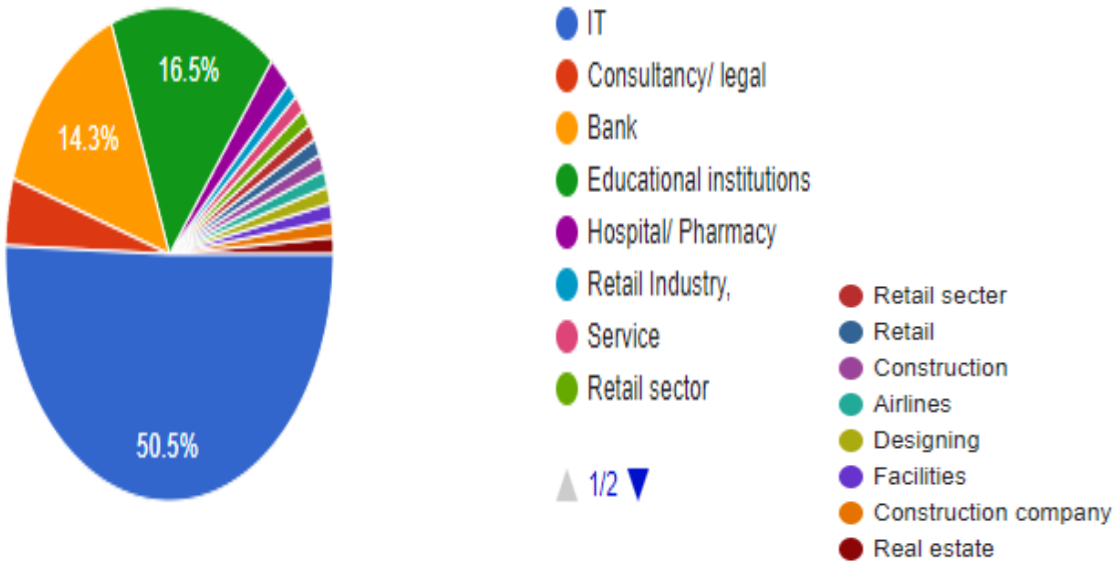


Table no 6 showing the awareness of GIG Economy

Response	Percentage
Yes	40%
No	60%

The above table shows the awareness among the employees. It can be seen that not every employees is aware about GIG Economy.

It can be interpreted that there is lack of awareness about GIG Economy and not every employee is familiar with the concept of GIG Economy.

Chart no 6 showing the awareness of GIG Economy

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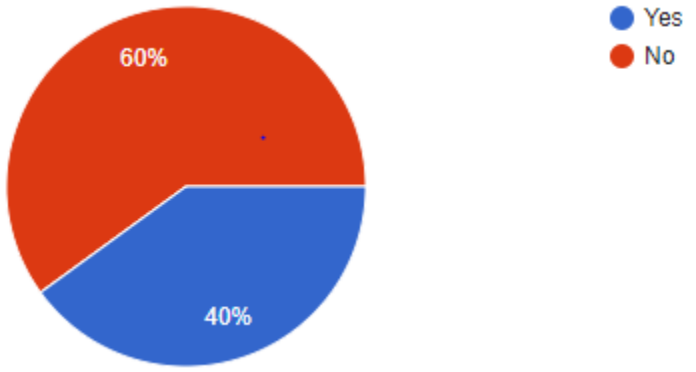


Table no 7 showing the response of the employees if they are on contract employment

Response	Percentage
Yes	16%
No	84%

The above table shows the data on contract employment. It can be seen that majority of the employees are not under any contract terms.

Therefore it can be inferred that employees are given flexibility on the working choices.

Chart no 7 showing the response of the employees if they are on contract employment

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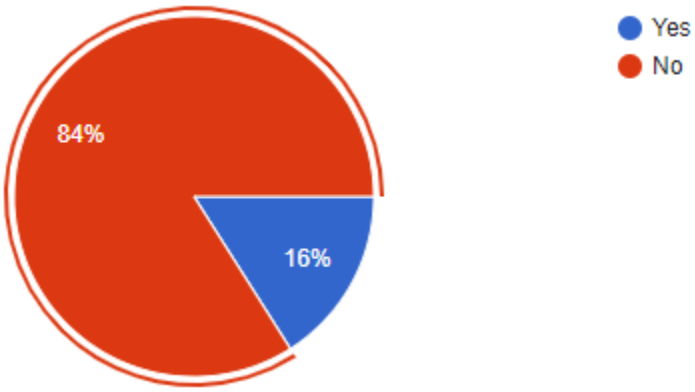


Table no 8 showing the response of the employees on their contact duration

Response	Percentage
Short-term	65.2%
Long-term	34.8%

From the above table it can be seen that the employees are on contract basis, are mostly under short term contract.

It can be inferred that the employees prefer exploring various kind of jobs. Therefore employees look for more relaxed contract or agreement of work.

Chart no 8 showing the response of the employees on their contact duration



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Table no 9 showing the response on the short term contract duration

Months	Percentage
0-5	42.9%
6-10	14.3%
Up to 1 year	42.9%

From the above table it can be seen that most of the employees tend to take up jobs for a period of five months or one year.

It can be interpreted that employees wish to take up jobs for a shorter period of time, that gives them the opportunity to explore various workplaces.

Chart no 9 showing the response on the short term contract duration

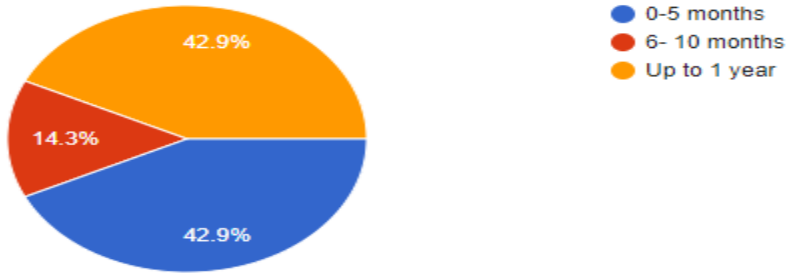


Table no 10 showing the response of the employee, if they are in freelancing

Response	Percentage
Yes	9%
No	91%

From the above data it can be seen that not many employees are into freelancing.

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It can be inferred that the employees are not ready to take up freelancing due to reasons such as: lack of job security, lack of opportunities, work pressure etc.

Chart no 10 showing the response of the employee, if they are in freelancing

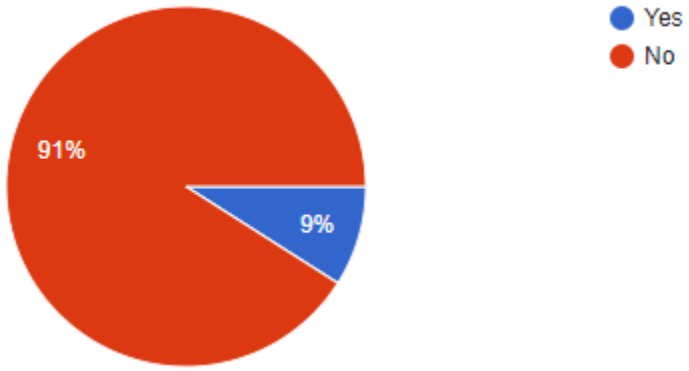


Table no 11 showing the benefits of freelancing according to employees

Response	Percentage
Exploring Opportunities	68%
Increased income	48%
Flexibility of work	64%
Own schedule	53%
Job security	21%
Self satisfaction	43%

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The above data shows that majority of employees take up freelancing due to the various benefits such as, exploring opportunities, flexibility of work, etc.

Therefore it can be inferred that many employees would like to explore various opportunities and not just stick to one job.

Chart no 11 showing the benefits of freelancing according to employees

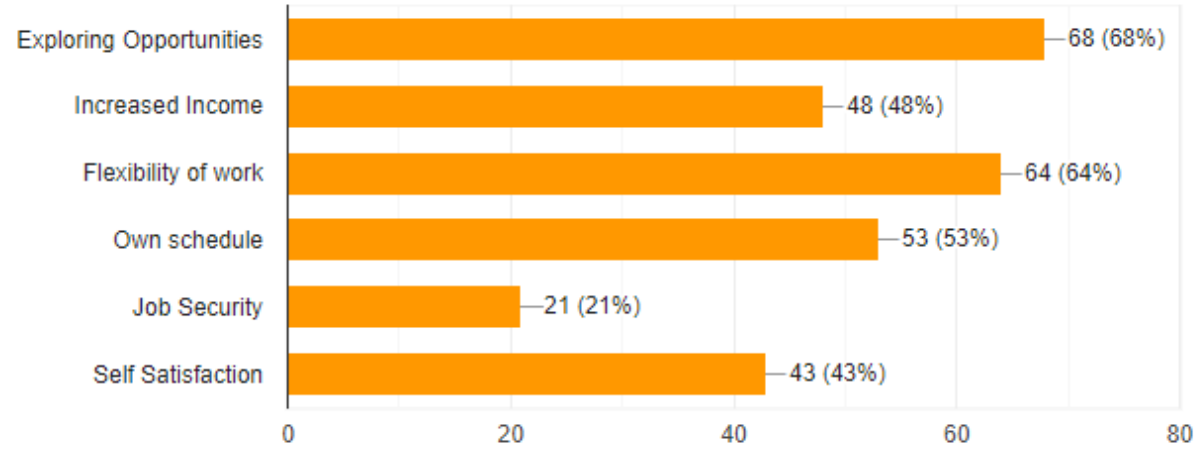


Table no 12 showing the responses on if there are opportunities for freelancing

Response	Percentage
Yes	36%
No	64%

The above table shows the data regarding the opportunities given to the freelancers, it is seen that not many employees if interested get an opportunity for freelancing.

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It can be inferred that employers are not comfortable giving freelancer jobs.

Chart no 12 showing the responses on if there are opportunities for freelancing

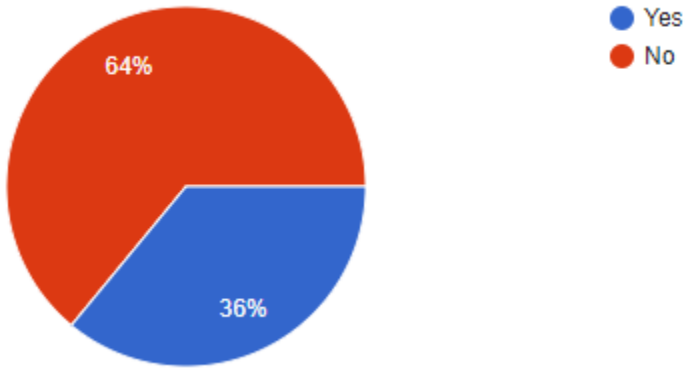


Table no 13 showing the feedback of respondents to take freelancing if given an opportunity

Response	Percentage
Yes	60%
No	40%

The table it can be seen that if given an opportunity majority of employees would take up freelancing.

It can be inferred that employees are interested in taking up freelancing jobs due to the various advantages.

Chart no 13 showing the feedback of respondents to take freelancing if given an opportunity

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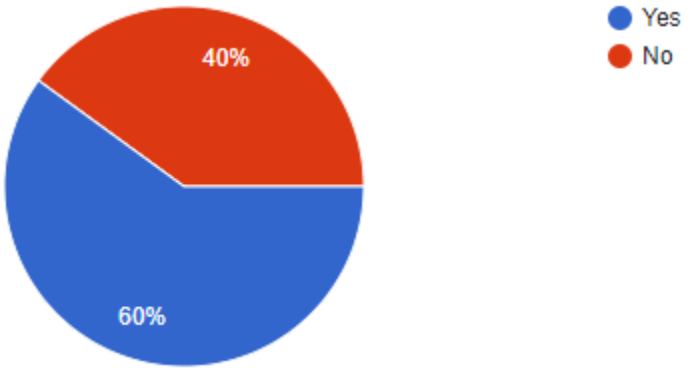


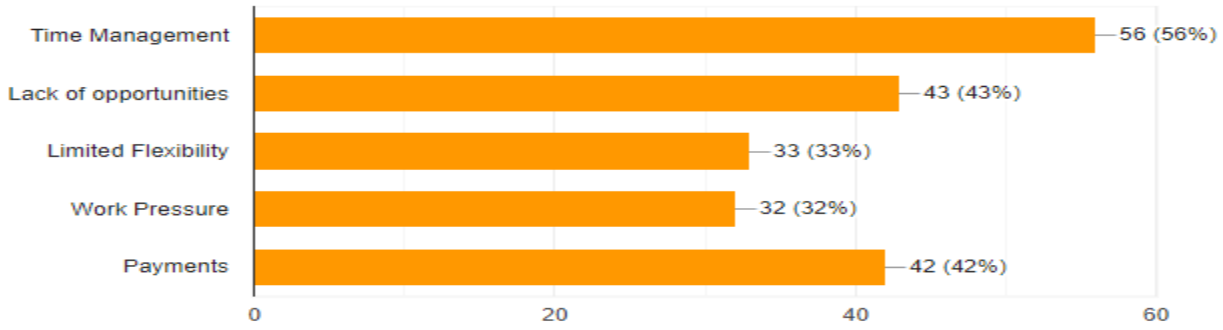
Table no 14 showing the response on the problems faced due to freelancing

Response	Percentage
Time management	58%
Lack of Opportunities	43%
Limited flexibility	33%
Work pressure	32%
Payments	42%

From the above table it can be seen that the major problem faced by employees to take up freelancing is that of time management, it is the major problem faced by employees.

Therefore it can be inferred that employers are not confident in the time management skills, the payment options and other benefits that should be given to the employees.

Chart no 14 showing the response on the problems faced due to freelancing



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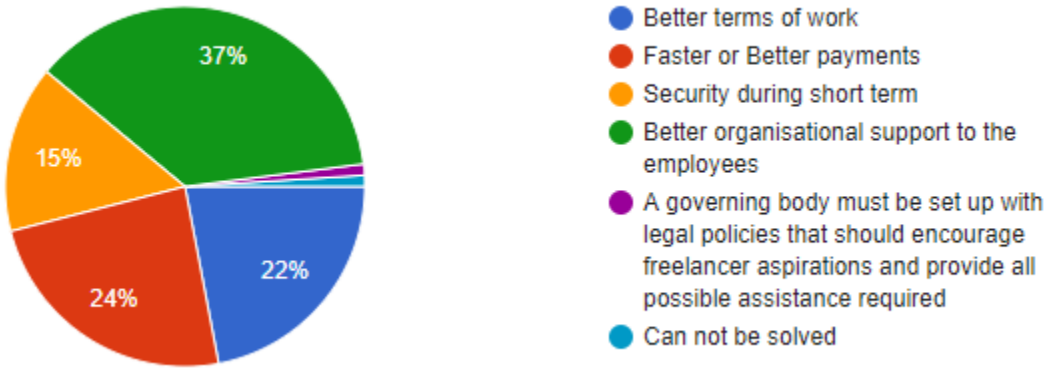
Table no 15 showing the response on the methods of solving problems of freelancing

Response	Percentage
Better organizational support	37%
Faster payments	24%
Better terms of work	22%
Security	15%
Others	2%

From the above table it can be seen that majority of the employees feel that better organisational support, paying them on time and giving them better terms of work would solve the problems faced in freelancing.

Therefore it can be inferred that employees still look for job security and security of payments.

Chart no 15 showing the response on the problems faced due to freelancing



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FINDINGS:

- More number of employees is working in the service sector than the manufacturing sector.
- From the study it was found that the employees working in the manufacturing sector are from the technical industry and followed by the other industry like automobile, textiles, footwear manufacturing etc.
- It was found that employees working in the service sector found that many are working in the IT sector and followed by the other services like consultancy/ legal, bank, educational institutions, hospital/pharmacy etc.
- From the study it was found that most of the employees were not found aware about the GIG Economy.
- The study showed that many employees were non-contract employees.
- From employees' responses, it was found that the contract employees are working on the short-term durations.
- It was found that the time period of the workers working on the contract basis was found equal to five months and up to one year.
- From the study it was found that many of the employees are not into to freelancing and only few employees are into freelancing.
- The employees who are into freelancing, many of the employees were found they are into event management, graphic designing, facility consultant, marketing, and teaching.
- In the study it was found that benefits of freelancing or gig system according to the employees are: exploring opportunities, flexibility of work, own schedule, increased income etc.
- It was found that not many organisations are encouraging the employees to take up Freelancing or GIG System.
- Most of the employees are waiting for the opportunity for getting into freelancing.
- The respondents who would take freelancing wanted to earn extra income, self-satisfaction, for opportunities of growth, gives freedom of opportunity, better learning exposure, utilization of time more effectively, helps in time management, career growth,

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will be able to follow the passion, helps to prove what we are good in, most of the responses where to earn more income, stress and flexibility.

- It was found that most of employees in GIG System or freelancing face problems such as time management, lack of opportunities, payments etc.
- In the study it was found that employees' problems in freelancing can be solved by better organisational support to the employees and faster or better payments.

RECOMMENDATIONS:

- Employees should be given awareness about gig system or freelancing.
- Employers can provide various job opportunities to the employees.
- Freelancing should be encouraged as it can help the organization to achieve in efficiency.
- Employers should provide better support to encourage freelancing.

CONCLUSION:

Based on the study on perception of Employees towards GIG System, this will help the aspiring employees with many more opportunities to implement their ideas in various innovative ways that would help them to follow what they want to do. GIG System or Freelancing can create many new businesses that would help starting new projects. The companies should be including freelancing or GIG Economy and provide their employees with proper facilities to develop their skills as a Freelancer or non-Freelancer. The initiatives by companies or industry are most helpful for the employees as they will be getting such opportunities to improve themselves in the work. The initiative by companies will help the employees in encouraging them to do what they like and implementing their ideas can be a great step towards making a better future for the growth of the economy. Gig system is still a growing system in India. Most of the employees are not open the gig system because of the security of job and payment.

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