

A STUDY OF GIG ECONOMY AND ITS IMPACT ON FUTURE EMPLOYMENT**Dr. Asha S**Associate Professor & HOD, Department of Management,
Acharya Institute of Graduate Studies, Soladevanahalli, Bengaluru-560107
ashas@acharya.ac.in**Mrs. Vineela**Assistant Professor, Department of Management,
Acharya Institute of Graduate Studies, Soladevanahalli, Bengaluru-560107
Vineela15@acharya.ac.in**Mrs. Sowmya**Assistant Professor, Department of Management,
Acharya Institute of Graduate Studies, Soladevanahalli, Bengaluru-560107
Sowmyan09@acharya.ac.in**ABSTRACT**

The gig economy has emerged as a transformative force in the global labor market, characterized by short-term, flexible, and platform-based employment. This research paper examines the growth of the gig economy and its implications for future employment patterns using secondary data sources such as government reports, academic journals, and industry analyses. The study highlights the increasing reliance on gig work, driven by digitalization, flexibility, and cost-efficiency for businesses. However, it also identifies significant challenges, including income instability, lack of social security, and regulatory gaps. The findings suggest that while the gig economy offers opportunities for employment generation and skill development, it simultaneously raises concerns about job security and worker welfare. The study concludes with recommendations for policymakers and organizations to ensure sustainable and inclusive growth of gig employment.

Keywords:

Gig Economy, Future of Work, Employment Trends, Freelancing, Digital Platforms, Labor Market, Job Security, Flexible Work

INTRODUCTION

The gig economy refers to a labor market characterized by short-term contracts, freelance work, and platform-based employment rather than traditional full-time jobs. With the rise of digital platforms, individuals can provide services on-demand, transforming how employment is structured.

Globally and in India, the gig economy has experienced rapid expansion. India alone has approximately 15 million gig workers, expected to reach 23.5 million by 2030. This shift reflects a broader transformation in employment patterns driven by technological advancements, changing workforce preferences, and organizational needs for flexibility.

The gig economy is increasingly seen as a key component of the future of work, offering both opportunities (flexibility, autonomy) and challenges (income insecurity, lack of benefits).

REVIEW OF LITERATURE

Several studies have explored the implications of the gig economy:

- Wang, Gao, and Zhang (2025) examined the impact of the gig economy on employment using empirical data and found that the gig economy significantly reshapes labor market structures by promoting flexible and fragmented work patterns. Their study suggests that while gig work creates employment opportunities and enhances income diversification, it may also reduce overall employment stability due to weakened bargaining power of workers.

- Hussain-Khan, Reuben, and Meyer-Weitz (2026) conducted a global scoping review and concluded that the gig economy is expanding rapidly due to technological advancements and digital platforms. Their findings reveal that gig work offers flexibility and autonomy but is often associated with job insecurity, precarious working conditions, and lack of formal employment protections.
- Omar (2025) carried out a systematic literature review focusing on worker well-being and policy implications. The study highlights that gig workers frequently experience job insecurity, lack of social protection, and mental health challenges due to algorithmic management and absence of regulatory frameworks, particularly in developing economies.
- Yuliantina et al. (2025) analyzed 157 research articles to identify trends in gig economy studies. The review found that the gig economy is strongly linked with digital platforms and has significantly transformed traditional employment relationships by promoting independent, task-based work arrangements.
- Wu (2023) emphasized that the gig economy gained momentum post-pandemic due to increased digitalization and demand for flexible work. The study suggests that gig work improves accessibility to employment and helps organizations efficiently allocate resources, but also shifts employment away from traditional job structures.
- Berg et al. (2018) and Codagnone et al. (2016) (as cited in Wang et al., 2025) argue that gig economy platforms often weaken labor rights by reducing worker bargaining power and increasing dependency on digital platforms, leading to precarious employment conditions.
- De Stefano (2016) highlighted that gig work challenges traditional labor laws, particularly in terms of worker classification, as gig workers are often treated as independent contractors rather than employees, limiting their access to social security benefits.
- Katz and Krueger (2019) noted that alternative work arrangements, including gig work, have significantly increased over the past decade, contributing to structural changes in employment patterns and signaling a shift toward more flexible labor markets.
- Greenwood et al. (2017) found that gig platforms improve job matching efficiency and income opportunities, particularly for individuals seeking supplementary income or flexible work schedules.
- Meijerink and Keegan (2019) emphasized that organizations benefit from gig employment through cost reduction, operational flexibility, and access to a diverse talent pool, but these advantages often come at the cost of worker security and long-term employment stability.

OBJECTIVES OF THE STUDY

- To understand the concept and growth of the gig economy
- To analyze the impact of the gig economy on future employment
- To examine the opportunities and challenges associated with gig work
- To suggest measures for improving gig workers' conditions

RESEARCH METHODOLOGY

- Research Design: Descriptive research
- Data Type: Secondary data
- Sources of Data:
 - Research journals
 - Government reports (Economic Survey, NITI Aayog)
 - Industry reports (BCG, NASSCOM)
 - Online articles and databases
- Method of Analysis: Qualitative analysis of existing literature and statistical data

IMPACT OF GIG ECONOMY ON FUTURE EMPLOYMENT

POSITIVE IMPACT

1. **Employment Generation:** The gig economy is creating millions of jobs and contributing significantly to GDP growth. It is expected to contribute nearly 4% to GDP by 2030.
2. **Flexibility and Work-Life Balance:** Workers can choose working hours and projects, enhancing autonomy.

IJETRM

International Journal of Engineering Technology Research & Management (IJETRM)

Journal Article

<https://ijetrm.com/issue/>

3. Skill Development: Gig work enables individuals to develop multiple skills across industries.
4. Entrepreneurial Opportunities: Encourages self-employment and innovation.

NEGATIVE IMPACT

1. Income Instability: Gig workers face irregular income and financial uncertainty.
2. Lack of Social Security: Absence of benefits like insurance, pensions, and paid leave .
3. Job Insecurity: No long-term employment guarantees.
4. Algorithmic Control: Workers are often controlled by platform algorithms affecting job allocation.

FINDINGS

- The gig economy is growing rapidly and becoming a significant part of the labor market
- It provides employment opportunities, especially for youth and urban workers
- Flexibility is the most attractive feature of gig work
- However, lack of job security and income instability remain major concerns
- The gig economy is shifting traditional employment structures toward more flexible and digital models

SUGGESTIONS

- Policy Framework Development
- Governments should introduce laws to protect gig workers' rights
- Social Security Benefits
- Provide insurance, pension, and healthcare benefits
- Skill Development Programs
- Enhance employability through training initiatives
- Platform Regulation
- Ensure transparency in payment and work allocation
- Financial Inclusion
- Improve access to credit and financial services

CONCLUSION

The gig economy represents a paradigm shift in employment, offering flexibility, innovation, and new income opportunities. However, it also presents challenges related to job security, income stability, and worker protection. As the gig economy continues to expand, it is crucial for policymakers, organizations, and stakeholders to develop inclusive strategies that balance flexibility with security. The future of employment will likely be a hybrid model combining traditional and gig-based work, making it essential to create a sustainable ecosystem for all workers.

REFERENCES

- 1) Hussain-Khan, S., Reuben, S., & Meyer-Weitz, A. (2026). Exploring the work perceptions and experiences of gig workers globally: A scoping review. *Administrative Sciences*, 16(2), 98.
- 2) Omar, N. (2025). A systematic literature review of the gig economy: Insights into worker experiences, policy implications, and the impact of digitalization. *International Journal of Research and Innovation in Social Science*, 9(2), 2136–2156.
- 3) Wang, J., Gao, Q., & Zhang, R. (2025). Gig economy and its impact on individual employment: An empirical analysis. *Humanities and Social Sciences Communications*, 12, 1703.
- 4) Wu, H. (2023). The future of work: A comprehensive study of the gig economy beyond low labor-value added jobs. *Advances in Economics, Management and Political Sciences*.
- 5) Yuliantina, D., Fatmawati, Y., & Jariah, A. (2025). Gig economy workers: A systematic literature review. *PESHUM Journal of Social and Humanities Education*, 4(4), 6178–6189.
- 6) De Stefano, V. (2016). The rise of the “just-in-time workforce”: On-demand work, crowd work, and labor protection in the gig economy. *Comparative Labor Law & Policy Journal*.
- 7) Katz, L. F., & Krueger, A. B. (2019). The rise and nature of alternative work arrangements in the United States. *Industrial and Labor Relations Review*.

IJETRM

International Journal of Engineering Technology Research & Management (IJETRM)

Journal Article

<https://ijetrm.com/issue/>

- 8) Greenwood, B. N., Burtch, G., & Carnahan, S. (2017). Unknowns of the gig economy. *Communications of the ACM*.
- 9) Meijerink, J., & Keegan, A. (2019). Conceptualizing human resource management in the gig economy. *Journal of Managerial Psychology*.