

Skill Training for the Success of the Gig Economy

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Abstract

The world is currently witnessing a boom in the gig economy due to frequent market disruptions, technological advancement, and the aspirations of the millennials. There is a win-win situation for both employers and gig workers. Employers are excited about the reduced cost of employment and gig workers are excited due to increased freedom, flexibility, and finances. However, on the flip side is the lack of responsibility to manage the skill level with the technological advancement, and the future requirements of the market. The growing skill mismatch is obvious and calls for skill development of the gig workers for the success of the gig economy. The study has made an effort to understand the gig economy in India, its salient features and has deliberated on various aspects of the skill development for the gig workers like skill requirements, challenges involved and various strategies of skill development. The study has concluded that Gig workers need to understand their own responsibility towards upskilling themselves and keep learning to remain relevant. Employers should also understand their responsibility in skilling gig workers and familiarize them with the organization's goals, strategy, culture, and operations. At the same time, they need to train their regular employees on collaborating with the gig workers so that both these groups may operate cohesively while acknowledging and respecting one another's unique work ethos. The government needs to bring in the required policy framework to create a conducive environment for the gig economy. The success of the gig economy depends on the cohesive and collaborative efforts of both these groups of employees, employers and the Government.

Keywords: Skill Development, Online Education, Gig Economy, Gig Workers, Online Platform workers,

INTRODUCTION

The world is undergoing a tremendous transformation with technological advancements and disruptions in the market. Technological advancement, especially with the use of mobile gadgets and technical applications, has metamorphosed the service industry and has generated many gig services, which have made our lives easier & more comfortable. The companies/platforms offering gig services are flourishing as their easily accessible & cheap potential services have the edge over other traditional firms/competitors. The services provided by the gig service providers/platforms are more affordable due to lower overheads and fixed costs; even the compensation & rewards paid to gig workers are much less than the salary & benefits paid to regular employees. The rapid growth of the gig economy requires a workforce equipped with skill-based education to provide the necessary specialized services to consumers.

OBJECTIVE:

The aim of the study is to:

- (i) Comprehend India's gig economy and its salient features
- (ii) Identify the Skill requirements of gig workers,
- (iii) Deliberate on the challenges of gig workers and their employers
- (iv) Suggest Skill development strategies for gig workers.

RESEARCH METHODOLOGY

The study is exploratory in nature and based on the information collected from various secondary sources such as journals, articles, survey data, websites etc.

REVIEW OF LITERATURE

Over the past 20 years, there have been many variations in how non-standard labour are used in organizations. The usage of gig workers—workers who are employed on platforms mediated by technology—is a recent development in this sector. Due to a variety of factors—including the evolving nature of labour, the accessibility of technology, and employee preferences—the employment of gig workers has grown over time in both India and abroad (Dey, Ture, & Ravi, 2022). The gig economy, makes it easier for individuals to exchange skilled labour by giving them the chance to advertise and sell their abilities to a global market. In the gig economy, offering a set of skills that are highly correlated with one another is correlated with better overall performance, and when workers expand their skill sets, doing so to a new skill that is

highly correlated with their existing skills takes less time and is correlated with better performance on the new skill (Huang, Yao, & Yin, 2019). Today, businesses need to become more flexible and nimble by releasing themselves from bureaucratic restrictions. Numerous freelancers, who historically were seen as displaced and disenfranchised workers, are actually highly qualified experts who favor this type of work arrangement. Additionally, it is crucial and mutually beneficial for them to play a role in supplying the businesses they work with specialized knowledge and expertise, as doing so enables those businesses to adopt more adaptable and flexible business models that can take advantage of a dynamic and rapidly changing business environment (Burke & Cowling, 2020). The gig economy was formerly known as the freelance economy, agile workforce, or even temporary labour before apps popularised the concept of on-demand services and gig work. The underlying idea is that nowadays, people might have a second business or individuals leave their high-profile day jobs in favour of gig economy positions that offer the same money but less stress. Even though some people have successfully switched from "9-to-5ers" to "gig workers", the gig economy encompasses more than just on-demand employment. Post covid-19 pandemic, people have been forced to take on "gigs" as a source of income, which has caused significant job losses and unemployment across industries and sectors. Due to its nature, the gig economy is anything but stable, but it will always exist. (Biswas & Bathla, 2022). The gig economy will keep upsetting businesses as long as millennials' fixation with having the freedom to select their jobs grows. Future employment trends suggest that over 50% of the world's workforce will be made up of gig workers. To hire skill-based gig workers, firms must update their hiring procedures. The best long-term economic option is a hybrid approach where individuals on payroll and gig workers coexist. By evaluating gig workers alongside regular employees, the performance evaluation process for the human resources department could be made more inclusive (Chandra, 2020).

GIG ECONOMY:

The term "gig economy" refers to a pattern of work engagement where a consumer, on the one hand, reflects the demand for a specific task, and a gig worker, on the other end, is able to perform and complete the required task within a given period. The growth of tech-enabled platforms helps to link consumers with gig workers so that the former can retain the latter's services for a certain length of time. People belonging to several groups, such as independent contractors, self-employed individuals, freelancers, and part-time employees, are included among the gig workers. It is a complete transition from a regular "9-to-5" workday to an on-demand, freelance task-based economy. It is project-based in nature, which encourages service providers to reduce their overhead expenses. Rather than concentrating on earning a fixed income, a gig worker's earnings are based on how well he/she performs a particular task set. People who want to leave the regular or formal working world for a variety of reasons, including career burnout, workplace toxicity, or the demand for autonomy at work, might gain significantly from the gig economy.

India presently has 77 lakh gig workers, according to the NITI Aayog Report (2020-21). By 2029–30, it is projected to increase to 2.35 crore. The proportion of gig workers in India's workforce will increase from 1.5% in 2020–21 to 4.1% in 2029–30. Currently, the retail & sales industry employs 27 lakh (35%), the transportation industry employs 13 lakh (17%), manufacturing employs 6 lakh (8%), and banking & insurance employs an additional 6 lakh (8%) gig workers. The Boston Consulting Group opines that India's gig economy is projected to generate 9 crore jobs over the next 8–10 years. Another research predicts, more than 75% of the workforce in the services sector will be gig workers by 2024. As per Ernst & Young, Indian freelancers dominate 24% of the world's online gig economy.

Salient benefits of the gig economy:

Some salient benefits of the gig economy are:

1. Gig workers acquire the skill of creating a solid portfolio of possible clients or employers from which they can draw work at various periods of the year. It lessens the need for people to rely on just one employer, eliminating the job dangers connected to it.
2. The opportunity to work from anywhere is something that gig workers, particularly freelancers, earn. To satisfy their financial needs and complete their task, people can take holidays while also working a set number of hours. Additionally, working as a gig worker allows workers to earn money in a limitless way without being constrained by pay scale arrangements.
3. The ability to successfully develop a portfolio of several clients enables gig workers to secure employment on various projects. The workers are presented with fresher tasks to complete, which helps lower the boredom level.
4. Gig workers frequently have the chance to start their businesses. They do not need to construct websites to advertise their abilities, qualifications, and skills; instead, they develop the capabilities necessary to earn opportunities to be affiliated with various gig platforms. These platforms aid gig workers connect with a variety of clients looking for independent contractors to do their tasks. Saving time and money on purchasing and installing the resources required to further the entrepreneurial activity is made possible as a result.
5. Additionally, the gig economy gives people the perfect platform to use their skills to fulfill their professional ambitions, which is otherwise impossible when working as a formal employee. In addition to allowing people to use their skill sets to the fullest, it also enables them to act as a reliable source of additional revenue.

Getting ready for the Gig Economy:

One must possess the necessary abilities, attitude, expertise, and skills to carry out the occupations found in the gig economy. To get ready for the gig economy, the following challenges need special attention:

1. As the gig works are new, the gig worker must stay updated and on the continuous learning curve.

2. Gig workers need to take responsibility for their work and make good plans for their duties, so there is never a time when they are not employed.
3. Since gig employment lacks safety and security, they must prepare their finances carefully. Managing finances also becomes exceptionally crucial because it is a part-time job.
4. The globe is highly competitive. Therefore, the only factors that will bring the gig worker repeat business are the quality and consistency of their career, which is crucial.

Skills required for the Gig Economy:

The following are some of the skills the gig workers should possess to succeed in the current gig economy:

1. **Entrepreneurial skills** - Entrepreneurial abilities could aid low-skilled individuals in enhancing customer service and subsequently client ratings, comprehending promotions and profitably navigating them, and navigating chances on various platforms. For medium-skilled and highly-skilled individuals, entrepreneurial abilities could be useful for running, managing, and growing their businesses on platforms and incorporating feedback to improve the goods or services they provide.
2. **Communication Skills** - Gig workers need to interact with clients while providing services. They will be more prepared to handle issues if they possess the crucial communication skills of negotiation, branding and marketing themselves, conflict resolution, and decision-making.
3. **Interpersonal Skills** - Keeping a positive working relationship with coworkers and clients is crucial, as they will likely become repeat customers.
4. **Dynamic Learning** - In the gig economy, everything moves quickly, and most freelancers take on numerous tasks each day as opposed to typical employees who must concentrate on and think about just one business or one job. Quick learning is essential since it frees up time so freelancers may work on more tasks.
5. **Branding and self-promotion** - Being a gig worker also requires having the ability to identify their uniqueness and properly sell themselves to a variety of businesses searching for professionals as independent contractor.
6. **Clear & methodical Thinking** - It is important for gig workers to constantly balance problems and possibilities, and critical thinking will help in getting over the restrictions of irrational thinking.
7. **Digital fluency** - Gig workers working on platforms must be aware of issues such as security, privacy, and how online environments work, as well as how technology may connect, share, and organize them. Through social media and messaging services, digitally literate workers can interact with one another, share best practices, discuss their rights, and formally organize. They can also communicate about complaints.
8. **Financial literacy & Money Management** - Money management is a crucial ability to acquire in order to better handle obstacles. This can aid employees in understanding fundamental concepts like budgeting, investing, and setting up emergency funds. Since platforms do not provide workers with provident funds or pension plans, developing a habit of saving might be quite advantageous for them in the long run. Today's platform employees also needs to be financially literate in the digital age and be able to receive and process online payments as well as access their accounts through websites and apps.

Skill training of the gig workers:

Workflows in enterprises are changing due to the growth of the gig economy. Because they possess the necessary speed and agility skills, gig workers are quickly integrating into the mainstream workforce. This workforce group necessitates a different training outlook due to its new-age capabilities (like digital) and diverse working styles. Employing and involving this particular workforce requires organizations to reevaluate their current strategies. Whether gig workers should be trained in the first place is frequently more important than "how" one should teach them. It is frequently unclear whether they are treated as "employees" or "external persons," so their job status may remain confusing. Because of this, businesses often ignore the development needs of gig workers. The common notion that gig workers are employed on-demand for their current, specialized talents for a limited period makes it difficult to justify the training investments. Gig workers frequently work from home and at sporadic times. Businesses must use technology to make learning accessible and worthwhile for gig workers. It is a significant ask to invest in digital technologies, platforms, and resources to produce curated learning content (such as micro-learning nuggets) exclusively for gig workers. However, this mentality must alter if gig workers are to be fully engaged and fully utilized. Only then can gig workers truly benefit their employers. Promoting platform-led approaches of skill development and job creation is necessary for the gig and platform economy. Platforms can cooperate with the National Skill Development Corporation (NSDC) and the Ministry of Skill Development and Entrepreneurship to foster a skilled workforce and micro-entrepreneurship. Gig workers currently employed in the informal sector who wish to upskill in professions like driving, construction, and other services can do so. This will open doors for people to go up and down the corporate ladder and into gig and platform jobs, enabling them to increase their income.

Challenges in skilling the gig workers:

As with every endeavor, gig employment has its difficulties. Gig workers need to be inspired, involved, and imparted the required training to bridge the skill gap overcoming the associated challenges.

i. Challenges gig workers face in skilling:

- a) **Mindset:** It is obvious that skill matters in the gig economy skills as it has a direct relationship with the probability of making money. No one else would be interested in upskilling them, unlike regular employees where their employer takes the onus of training & development. Hence, the onus of upskilling is primarily on the gig workers themselves. However, there has to be a learning mindset and willingness to learn, considering various constraints, to upgrade the current skill level.
- b) **Time constraint:** Learning a new skill in a fast-changing environment requires dedication, focus, and time. As gig workers perform multiple jobs they find difficulty in taking out time for learning/skilling, from their daily schedule.
- c) **Financial constraint:** When gig workers for skill training, they experience a dip in their financial resources as training costs are borne by them and their earning hours also get reduced as the prime time is put to learning. In the case of low-skill gig work, the youth from lower-income backgrounds strive to merely survive with their gig work; they find it difficult to afford the skill training.
- d) **Physical constraint:** Sometimes skill training can cause physical & mental fatigue and gig workers may feel exhausted. The fatigue hampers the present work of the gig worker hence, they tend to avoid skill training.
- e) **Social Constraint:** Often, gig workers have to go for skill training beyond their usual work time by sacrificing their social or family life, resulting in a cut-off from socializing, recreation, and family expectations.
- f) **Productivity loss:** As the gig workers devote time to skill training they may experience a lack of concentration and their productivity in current jobs is reduced which impacts their day-to-day work.
- g) **Assertiveness:** - As a gig worker, one needs assertiveness as no one else will come forward to decide for them or advocate for them.
- h) **Consistency:** - Upskilling is a continuous process and requires a passion for the work. Gig workers lack that passion and consistency as they easily switch over to other jobs encountering the slightest difficulty, which proves to be a great hindrance in the learning process.

ii) The challenges employers face in training gig workers:

- a) **Return on Investment** - Companies neither keep a budget nor are interested in investing time or resources to train gig workers that are only around in the short term, as the return on investment is less certain. The challenge for the employer in delivering training to the gig workers is knowing how much to invest and finding the right balance.
- b) **Managing expectation** - In many companies, the regular employees work alongside the gig employees who earn more and enjoy a more flexible schedule. Those gig workers are not required to attend any departmental meeting, submit any performance reviews, or adhere to any dress code. The regular employee of the company gets mentally influenced due to the green side of their counterpart gig employees. It is very difficult and tricky in such case for the employer to manage the expectations of these two divergent sets of employees.
- c) **Motivating GIG worker:** The primary challenge is to develop the interest of the gig worker in upskilling himself. As the upskilling procedure will surely take his earning time, he will be least interested in going for the same till the time his skill is well in demand in the market. Another challenge in delivering skill training is in making the training content relevant and compelling enough to ensure that the gig workers are engaged with and completes the Skill Training.
- d) **Discontentment of regular employees:** When a gig worker is asked to undergo an upskilling exercise, a feeling of discontent may arise amongst regular employees and they may think this type of training, work and responsibility can very well be handled by him and he may start doubting his role and importance in the organization. Eventually his productivity will go down.
- e) **Responsibility fixing:** In case anything goes wrong or if the production quality falls from the pre-determined standards, it will be very difficult to fix responsibility and take penal action as the gig worker is not on the roles of the company and he cannot be held accountable for the mistake.
- f) **Loyalty concerns:** It will be very difficult to establish that the skills acquired through ways and means of one organization will not be used in another organization as the mobility of gig worker is well established. That means the resources put in by one organization may be used to benefit another organization.
- g) **Lack of confidence:** Individuals lacking confidence may undergo the skill training but actually will not be able to perform to the set standards leading to wastage of resources of the organization.
- h) **Perceived threat for regular employees:** The regular employees may have a perceived threat that if the gig upskilling venture turns out to be success, then the regular jobs may get diminished as the organization may think on lines of employing more gig workers than regular ones as the former carries minimal liability on the organization.
- i) **Compliance issues:** In regulated industries, it is a regulatory requirement to train all employees (regular as well as temporary). Compliance audits are conducted to ensure that all employees have been trained as per the legal and regulatory requirement. Hence, such companies need to analyze the training needs of their gig workers.

Skill Training strategy for gig workers:

The Skill Training strategy for gig workers should be according to the values of the gig economy. Learning must be accessible online and in a variety of media. Because gig workers are rarely physically present at work, encouraging self-learning must be enjoyable and stimulating. The following are some Skill Training strategies that can be adopted for the gig workers:

- i. **Training on demand** - Considering the requirement and constraints of the gig workers the skill trainings designed for them should be in small chunks, specific to their need.
- ii. **Digital Onboarding:** Gig workers must be onboarded just like traditional workers; however, it might not be practical to hold an in-person induction and onboarding event. To help the individual become productive from the very first day, digital onboarding must comprise joining formalities, company and leadership introductions, functional and process training, values and cultural orientations, etc. Additionally, digital onboarding and induction will keep the onboarding process consistent across locations.
- iii. **AI-based learning:** Gig workers already bring a variety of specialized abilities to the table, so L&D might need guidance on what to train them in. Artificial Intelligence and machine learning-based learning systems will be able to recommend the best pieces of training to contract workers so that these gig workers can assume the responsibility for their learning and contribute appropriately.
- iv. **E-learning:** With a gig workforce, a dynamic, adaptable learning management system becomes even more crucial. Because gig workers frequently utilize their systems and devices for work-related purposes, the LMS should be able to operate consistently and effectively across various hardware and software.
- v. **Gamified Video learning:** It is more entertaining and exciting and may more accurately communicate some learning outcomes. It can teach gig workers who work from home about the organization's vision, mission, and values. It could hasten the blending of cultures and improve their engagement.
- vi. **Micro-learning:** As gig employment entails no set downtime, content curation must be different. Gig workers can learn effectively according to their schedules and types of work by using bite-sized content that can be digested and used at the "time of need."
- vii. **Mobile-learning:** Learning opportunities for gig workers should also be portable due to the anytime, anywhere nature of the contingent workforce. Mobile learning modules that can be used anywhere with only a swipe or click must be available. The use of a Learning Management System (LMS) would enable organizations to deliver training to both regular and gig workers in a more effective and economical manner, eliminating the need to spend money on hiring and retraining temporary workers. The LMS that will be used to train the gig workers must be very mobile, adaptable, and extremely intuitive with zero learning curve

CONCLUSION

Gig workers need to keep learning to remain relevant. Organizations may attract the most incredible gig workers by providing excellent learning opportunities and learning experiences. Learning is a powerful engagement driver, requiring a shift in perspective from the prevalent view that gig workers are temporary employees. Only when the organizations prioritise the development of its gig workers can it establish a meaningful people advantage through using such individuals. Considering the sporadic nature of the gig work the Skill Training team must concentrate on how to effectively use the gig workers instead of just on how the gig worker is learning. Although technology can be utilized to deliver suitable learning materials, gig workers must operate efficiently as a cog in the organizational machine. Because the conflict between regular and gig workers may occur, this is not easy. For this reason, the Skill Development team must pay close attention to the learning components required for integrating gig workers with the general workforce. Employers should familiarize gig employees with the organization's goals, strategy, culture, and operations. Concurrently, train regular employees on collaborating with the gig team so that both employee groups may operate cohesively while acknowledging and respecting one another's unique work ethos. To create a more engaging experience, the skill development for gig workers may be made available on their mobile devices. The digital training will also help in integrating the training records into other management systems. The gig workers need to be continuously upskilled, technology empowerment must be scaled, and labour legislations must be periodically fine-tuned in order to achieve more sustainability in the gig ecosystem. Skill Development of gig workers can be feasible only with efforts from both the employers as well as government through initiatives like the Skill India Mission and India's National Policy for Skill Development and Entrepreneurship.

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