

# A Role of HR in Gig Economy with Special Reference to service based Industries in Bangalore



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*The advancement in technology has created a way forward for Gig economy, this has characterized by employment on temporary basis. In this context the present study is conducted with the objective to understand the Role of HR in managing Gig work force in service industries. The primary data is collected through a structured questionnaire 33 sample size of HR professionals selected for study. concluded that the HR professionals in the company must be proactive to understand the change taking place in the requirement of the workforce. And they must also constantly revamp the strategy to handle the challenges in managing the different type of employees in the organizations.*

**Keywords:** Gig economy, HRM, Service based Industry, Flexible working environment, Social Benefits.

## 1. Introduction

Today's manpower is becoming more mobile due to the developments in the technology, this has enabled gig platforms. The research has estimated 200 million people as part of Gig workforce in the globally. According to BCG report the Gig economy is higher in the developing countries. It is estimated that the Gig workforce will increase to 23.5 million by 2029-30.

In India 15 million Gig workers are working in across industries. 47% are part of mmedium skilled jobs, 22% are high skilled and 31% are part of the low skilled jobs. This indicates that there is high importance of gig workforce in Indian Economy. The BCG reports explains that the Gig Economy expected to create 90 million jobs in agriculture sectors, construction, real estates, manufacturing companies, retail, transportation and logistics company.

According to PayPal (2018) survey in India, Millennials are contributing to the growth of Freelancers. The widen opportunity provided in India for freelancers is giving a way for more Gig workers. Hence in this research paper the attempt has been made to identify the reason for growth of gig workers and what challenges are from by HR professionals to handle the Gig workforce.

### Systematic Review of literature

The following review has been conducted to find out the need for studying significance of HR role in the Gig economic system in India.

Research Paper	Author	Findings / Conclusions	Future research scope	Research gap
Social Security of Gig workers	Ms. Gayathri Rao., et,al	According to the study's findings, market structure and labour market data are needed for policymakers to create an effective strategy for promoting the gig economy as a new source of growth.	According to the research, the primary data has to be collected directly from the Gig workers and HR managers.	The study is limited to the gig economy without considering other significant sectors of the Indian economy. It is a computerized literature review was used for the study. The primary data is not collected for the study.
Future of Gig Economy: Opportunities and Challenges	Gobinda Roy, et al	Gig economy provides enormous benefits to the workers in terms of flexibility, employment, freedom, etc., at the same time it has an adverse impact on the industry working environment	Future study should include the important factors that influence marketing of freelance products and building strong brand in gig economy.	The future research may look into the role of data privacy and security issues in gig economy..
Agony and Ecstasy in the Gig Economy: Cultivating Holding Environments for Precarious and Personalized Work	Petriglieri G., et al	Deprived of the constraints and comforts an organization can offer. Suggestion: Person holding environment : Routine, spaces, people and purpose	According to the research, the primary data has to be collected directly from the Gig workers and HR manager	Limited empirical research on higher income professionals who utilize freelance labor platforms

Identified				
Gig Economy: A paradigm shift towards Digital HRM practices	Tripathi, et al, 2022	This paper focuses on introducing Digital HRM practices influencing Gig Economy. This paper brings insights into how H.R. practices should be built to accommodate the context of Gig Economy phasing through a digital atmosphere.	Future studies should focus on specific H.R. practices to understand who benefits from them, who is impacted by them, and how organisations promote these designs (Joshi, Liao, & Jackson, 2006; Wright & Boswell, 2002).	Limited empirical research
Themes and Narratives of Gig Economy: An Indian HR Perspective	Pant et,al, 2022	India can emerge as one of the largest markets for flexible staffing globally. To unlock the potential of the gig economy in India, there is a need to understand the expectations of the various stakeholders and come up with a set of standards, inventories and registries—protocols that can be used across platforms. This will enable us to create a conducive public policy, which will ensure that the rights of the workers are protected.	The HR needs to be aware of these changing expectations of both these parties to be able to create relevant policies for the gig workers and successfully manage this new employment model.	It is time for HR and policymakers to redesign policies and processes that will not just accommodate gig workers into the formal employment but also foster inclusion.
Gig Economy: Challenges and Opportunities in India	Banwari, V., (2018)	The study identifies the opportunities and challenges of Gig economy in India. The research finds that the India is one of the growing country where Gig economy is increasing. The advantages of gig economy to an country are employment generation, increase in productivity and greater services to consumers. But the challenges faced in this system are employment insecurity and lack of fringe befits.	The researcher has suggested to give suggestions to the government to revamp the labour laws to protect the interest of the Gig workers.	Limited empirical research

**Research Gaps**

The research gaps identified for the study are as follows

- There is a need to examine the quantitative and survey based research to be undertaken (Petriglier, et al 2019).
- The requirement to explore how digital platforms facilitate or hinder the ride of Gig workforce.

Electronically -mediated gig work poses unique challenges to human resource management theory and research (Aguinis & Lawal, 2013; Kuhn, 2016; Meijerink & Keegan, 2019).

- H.R. practices should be built to accommodate the context of Gig Economy phasing through a digital atmosphere (Tripathi., M.A., (2022))

**Research Objectives**

- To identify the reasons for the increasing number of Gig workers in India.
- To analyse the role of HR mangers in the Gig Economy.
- To offer suggestions to HR managers for effective management of Gig workers.

**Research Methodology**

**Research Design**

Descriptive Research study is adopted to describe systematically to find the Role of HR in Gig Economy. The samples taken for the study are HR professional employees working in service sectors in Bangalore. The Purposive Sampling Technique is adopted to select the sample size.

**Plan of Execution**

Sample Size: 100 questionnaires were distributed among the HR Professional employees and whereas 45 responses were collected. Out of which 33 were valid sample for the analysis.

**Construction of Questionnaire**

The survey has been collected adopting structured questionnaire. Questionnaires was prepared to measure the respondent’s perception on the Role of HR in the Gig economy. Nominal, ordinal and interval scale were used in the construction of

questionnaire. Likert’s scaling techniques and Multiple Choice Scales are adopted to collect the response from the respondents.

**Plan of Analysis**

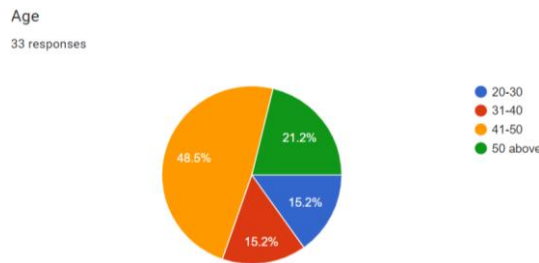
The data had been analysed by using both descriptive statistics. Demographic profile is analysed with percentage method.

**Limitations**

The study is limited to only to service sector HR professional employees working in Bangalore. The suggestions are developed based on the data collected. HR practices used for the study are confined only to 5 Functions of HRM. Only 33 sample size are used for the study.

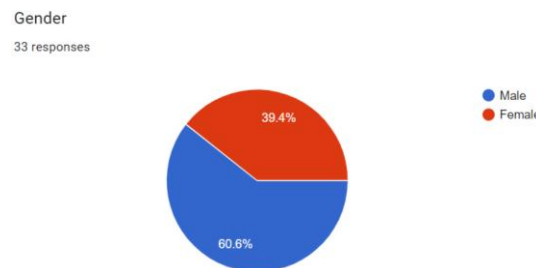
**2. Findings and Discussions**

**Chart: 1.1** Gender of the Respondents



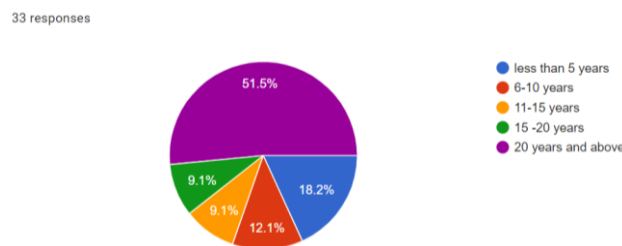
The above graph depicts that majority the HR professionals responded belong to 41 to 50 years of age group.

**Chart: 1.2.** Gender of the Respondents



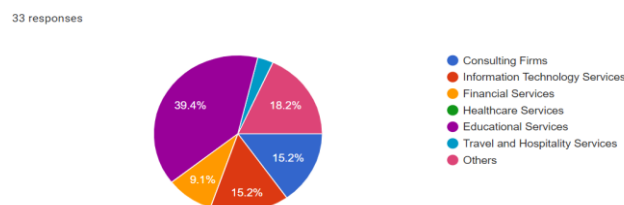
The chart number 1.2 identifies that male are the major respondents i.e 61% of the study.

**Chart 1.3** Current working Experience of Employees



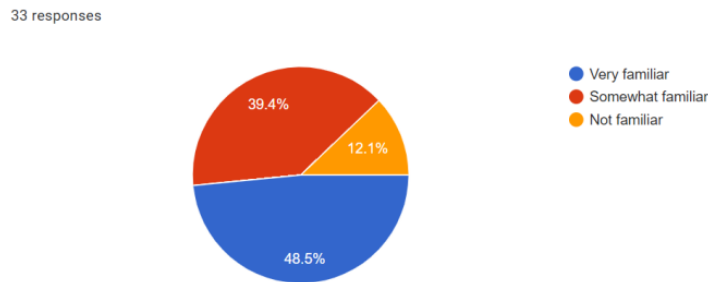
The Chart 1.3 explains that the majority of respondents have 20 and above experience.

**Chart 1.4:** The type of Company respondents are represented from.



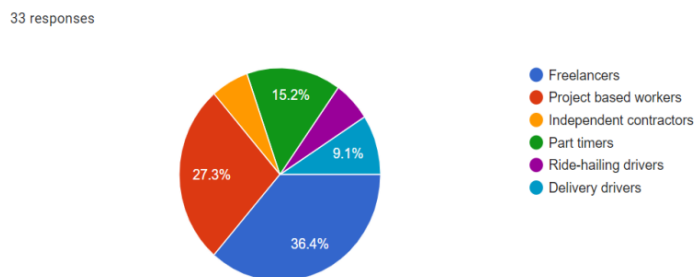
According to Chart no 1.4, The majority of the respondents i.e 39% represented from educational service institutions.

**Chart No: 1.5** Respondents awareness towards Gog Economy.



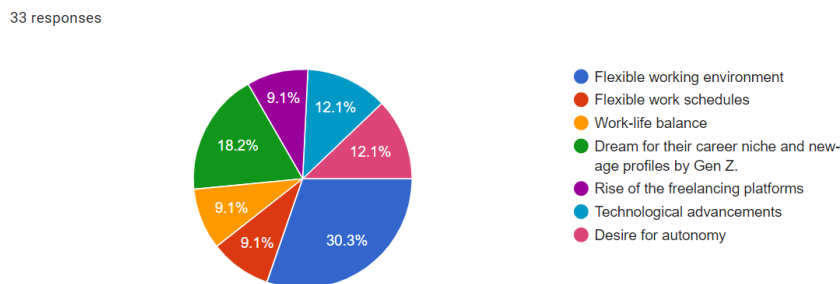
From the Chart no. 1.5 it is observed that 49% are familiar with the Gig economy.

**Chart No: 1.6** The type of Gig Workers are Hired by the Companies.



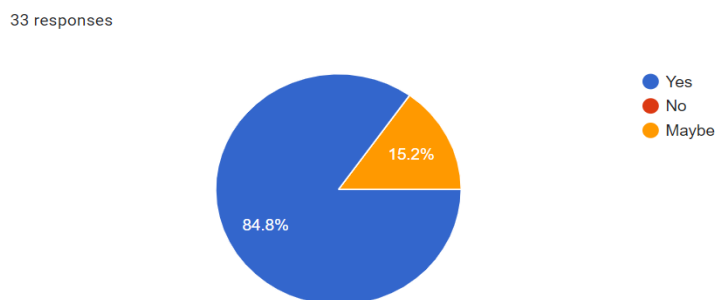
According to chart No: 1.6, The Freelancers i.e 36% and Project based workers i.e 27% are the major type of Gig workers hired by the companies.

**Chart No: 1.7** The reasons for increasing number of Gig workers in India.



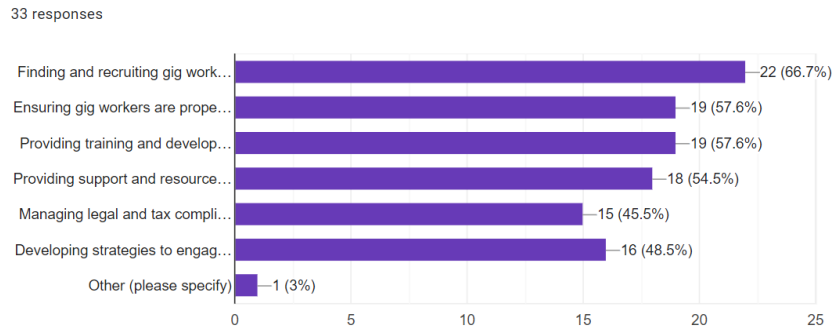
According to chart No: 1.7, the major reasons for increasing number of Gig workers in India are Flexible working environment (31%) and Dream for their career niche and new-age profiles by Gen Z (18%).

**Chart No: 1.8** The respondents believe that HR has a role to play in the Gig economy.



According to chart No: 1.8, the 85% of the respondents believe that HR has a role to play in the Gig economy.

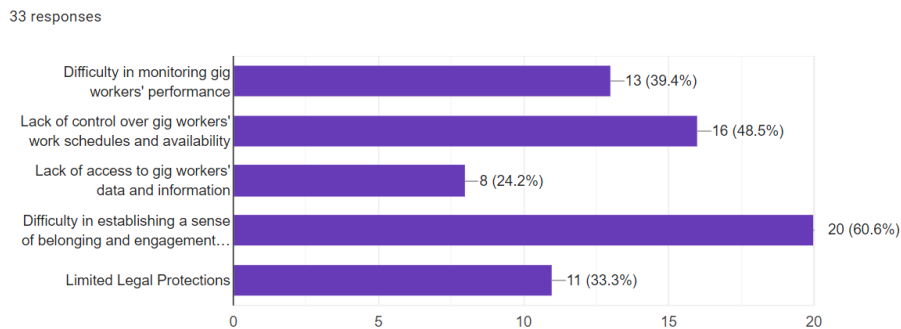
**Chart No: 1.9** The respondents perception towards the HR role to play in the Gig economy.



According to chart No: 1.9, The respondents believe that the HR to plays following role in the Gig economy.

- Finding and recruiting gig workers - 67%
- Ensuring that the Gig workers are properly compensated - 58%
- Providing training and development - 58%
- Providing the support and services to Gig workers - 55%

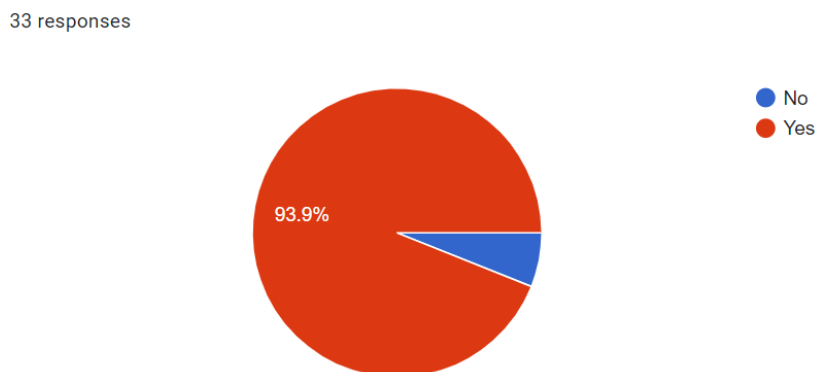
**Chart No: 1.10** The respondents perception towards the HR challenges in managing Gig workers.



According to chart No: 1.10 The respondents perceive that the HR professionals come across the following challenges while managing Gig workers.

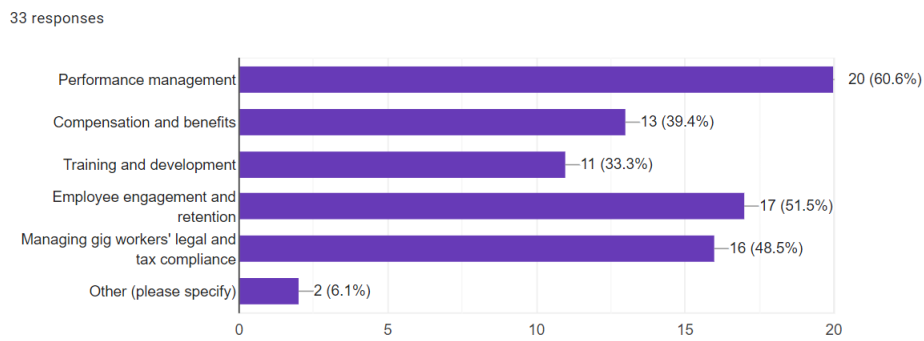
- Difficulty in establishing a sense of belonging and engagement among Gig workers - 61%
- Lack of control over gig workers work schedules and availability - 49%
- Difficulty in monitoring Gig workers' performance - 39%

**Chart No: 1.10** The respondents perception towards creating and implementing the HR practices according to the Gig workers.



According to chart No: 1.10, the majority of the respondents I.e 94% perceive that the HR practices should tailored according to the Gig workers.

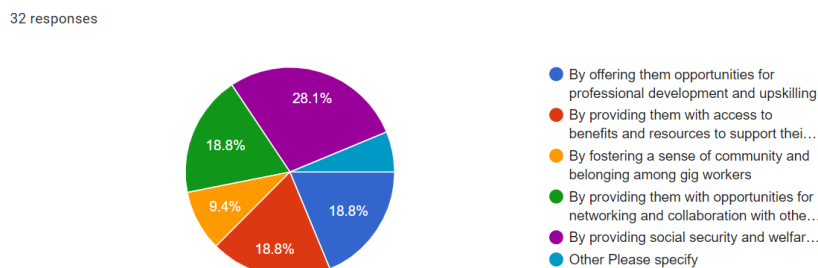
**Chart No 1.11**, The kind of HR practices respondents believe that the HR practices to be tailored ed according to Gig workers.



According to chart No 1.11, The following HR practices respondents believe that the HR practices to be tailored according to Gig workers.

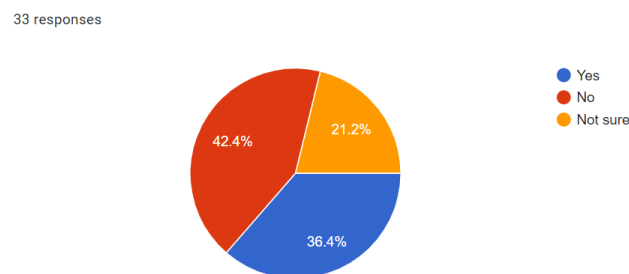
- Performance management - 61%
- Employee engagement and retention - 52%
- Managing gig workers' legal and tax compliance.

**Chart No 1.12** Respondents perception towards best HR support system towards Gig workers.



According to chart No 1.12 The best HR support system which can be provided towards Gig workers is Providing social security& welfare measures.

**Chart No 1.13** Replacement of Gig Jobs with Permanent Jobs



According to chart No 1.13, the 42% of the respondents perceive that the Gig jobs will not be replaced with Permanent Jobs. From the analysis it can be observed that the HR plays an pivotal role in Gig Economy in India. It also plays a important role customizing HR practices according to the kind of gig workers.

Based on the study the following recommendations are suggested to manage the Gig workers:

Gig opportunities to be encouraged since the regular workers don't have the expertise or to bridge the gap due to sudden or quickly changing areas.

Training to be provided to HR professionals to identify gig workers for various positions in different industries. General HR skills are not sufficient to hire gig workers.

Strategy to be created to make Gig workers feel wanted for the task/project is critical and showing them benefit of participating in growth of company in future, may be a future regular employment in case of HR finding them suitable.

Gig Opportunities are very beneficial for the employee hence organizations, should develop HR policies and practices to manage permanent and Gig workers.

### 3. Conclusion and Future Scope of the Study

From the study it can be concluded that the HR professionals in the company must be proactive to understand the change taking place in the requirement of the workforce. And they must also constantly revamp the strategy to manage the different type of employees in the organizations.

The future study should include empirical evidences to suggest the policy makers to develop suitable HR practices for nurturing present employees and capturing the skills and knowledge of Gig workers for the betterment of the company and country performance.

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