

## A CRUCIAL ANALYSIS OF THE GIG ECONOMY AND HOW IT'S RESHAPING THE REGULAR WORKFORCE

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### ABSTRACT:

The rapid growth of the gig economy has emerged, which is causing a huge threat to traditional employment. Short-term contracts such as technology freelancing and ride-sharing are gaining popularity due to the flexibility they offer employees and the cost-efficiency they bring to employers. However, this shift poses some basic concerns regarding the broader implications for the traditional conception. In this paper, we aim to discuss the impact of the gig economy on full-time employees, considering job security, work-life harmony, income adequacy, career growth, and overall health. This study looks into the overlap between the gig and the traditional employment models using secondary data and recent case studies to analyse whether the gig structure aids or replaces conventional job models. It also argues that how companies are reacting to the dual-employment contracts is discussed to explain the impact such a shift has on policy-makers, HR professionals, and employees in the modern context of changes in the employment landscape. This paper, thereby, aims to highlight in depth the imbalance between the adaptability and flexibility of the gig economy while delving into how the economy could reshape not only the workforce but also its functions, expectations, and future directives.

### OBJECTIVE:

- To investigate the effect of the gig economy on the job security of the traditional full-time worker.
- To research the effect of the growth of gig-based work on employee well-being, such as work-life balance, adequacy of income, and career development.
- To assess whether the gig economy itself is an opportunity or a threat to the traditional workforce.

- To focus on how businesses are applying the dual aspects and how they are planning to apply the HR policies in the organisation.
- To analyze the long-term impact of the gig economy on the future aspirations, jobs, and activities of the contemporary workforce.

## KEY WORDS

- Gig Economy
- Job Security
- Workforce Transformation
- Cost-Saving Strategies
- Employee Well-being
- Hybrid Workforce
- Career Development
- HR Policy Reform

## INTRODUCTION:

The evolution of the international workforce has been heavily influenced by the rapid spread of the gig economy, which is a type of employment based on short-term, flexible, and task-oriented contracts. Through technology and the growing need for flexible schedules, the gig economy has carved out a niche in the employment market which is reshaping how work is structured and done. Work has increasingly been redefined, from traditional full-time to part-time positions to ride-sharing apps and virtual freelancing, supporting gig positions which often supplement conventional jobs within many sectors. This change attributed to the gig economy offers additional opportunities but also brings up pressing concerns around the quality of work provided, income security, and the prospects for career development over the long haul. Although gig work provides businesses with lower overhead costs and increased autonomy, it challenges stability, protection, and career longevity that traditional employment has long promised. This research aims to examine the relationship between gig work and traditional work arrangements. It explores the influence this transformation has on the existing workforce, particularly in relation to their working conditions such as employment security, balance between work and life, income adequacy, career opportunities, and overall health and wellness of the employees. Additionally, the paper discusses how companies are dealing with these challenges designed to full fill the needs of.

## REVIEW OF LITERATURE:

1. According to **De Stefano & Aloisi (2024)**, the gig economy offers greater flexibility and autonomy to workers, allowing them to balance multiple jobs and personal commitments. This flexibility is especially attractive to younger professionals and those seeking non-traditional career paths.
2. Conversely, **Kässi, Lehdonvirta & Stephany (2023)** argue that gig workers often face job insecurity, inconsistent income, and a lack of access to benefits such as healthcare, paid leave, and retirement plans. These gaps widen the divide between traditional full-time employees and gig workers.

3. **Bajwa et al. (2023)** indicate that companies are increasingly restructuring their labour models, integrating gig workers for specific tasks or seasonal projects. This has led to a hybrid workforce model, blending permanent and temporary workers and challenging traditional HR
4. **As noted by Friedman (2023)**, gig workers often struggle with career progression and skill enhancement due to the isolated and task-based nature of their work. However, some platforms are beginning to offer training programs to increase worker retention and performance.
5. Legal scholars like **Woodcock & Graham (2024)** emphasize the growing need for updated labour laws that reflect the realities of gig work. Countries such as the UK and India have started implementing measures to classify gig workers under specific labour protections, though enforcement remains inconsistent.
6. **ILO (2023)** reports that the COVID-19 pandemic accelerated the growth of the gig economy, especially in delivery, remote services, and digital platforms. The rise in unemployment during lockdowns pushed many toward gig work, making it a primary income source rather than a side hustle.
7. Emerging technologies, such as AI and digital platforms, are enabling the gig economy's expansion. **Srnicek (2024)** discusses how platform capitalism allows companies to scale gig labour while minimizing costs, fundamentally altering how labour is sourced and managed.

## RESEARCH METHODOLOGY

### Research Design:

This study adopts a **descriptive research design** to systematically observe and analyze the current scenario of how the gig economy is influencing traditional workforce models. It aims to describe the characteristics, perceptions, and experiences of employees impacted by this shift.

### Population:

The population for this research includes **working professionals**, both **gig workers and full-time employees**, across various sectors. These individuals provide insights into how their job roles, security, and work conditions are affected by changing employment trends.

### Sample Size: 100

A total of **100 respondents** were selected for the study to ensure sufficient data for analysis. This sample size allows for meaningful comparisons between gig and regular employment experiences within the constraints of time and accessibility

### Sampling Method:

The study uses a **convenience sampling** technique, where participants are selected based on their accessibility and willingness to respond. This method is practical and effective for collecting data within a limited timeframe.

## HYPOTHESIS:

**NULL:** There is no significant difference in the perceived job security between gig workers and regular full-time employees, even with employer cost-saving strategies in place.

**ALTERNATIVE:** There is a significant difference in the perceived job security between gig workers and regular full-time employees, even with employer cost-saving strategies in place.

## DATA ANALYSIS & INTERPRETATION

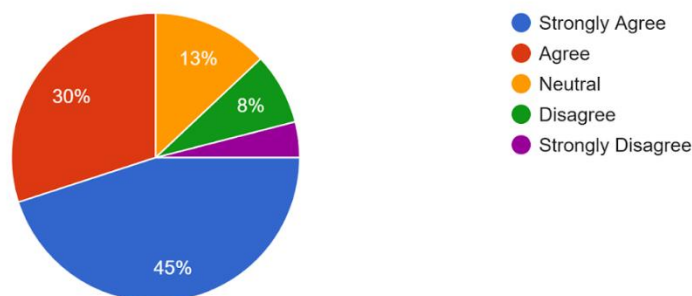
PARTICULARS	NO OF RESPONDENTS	PERCENTAGE
Strongly Agree	45	45%
Agree	30	30%
Neutral	13	13%
Disagree	8	8%
Strongly Disagree	4	4%

**Table 1.1.** *I feel that my job security is affected by the company's decision to cut costs by hiring gig workers*

From the above table, it can be interpreted that 45% of the respondents Strongly Agree, 30% of the respondents Agree, 13% of the respondents responded with Neutral, 8% of the respondents responded with Disagree, and 4% of the respondents responded with Strongly Disagree.

1. I feel that my job security is affected by the company's decision to cut costs by hiring gig workers.

100 responses



**Fig 1.1.** *I feel that my job security is affected by the company's decision to cut costs by hiring gig workers*

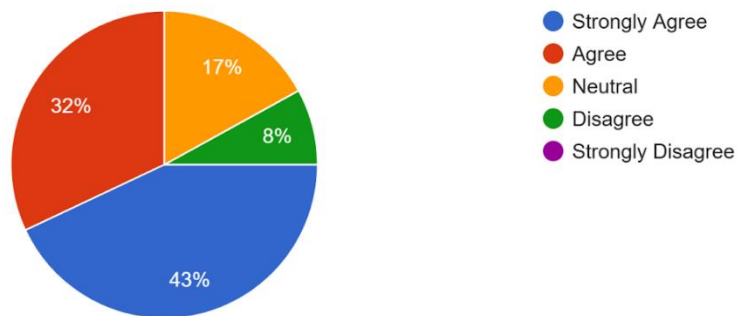
PARTICULARS	NO OF RESPONDENTS	PERCENTAGE
Strongly Agree	43	43%
Agree	32	32%
Neutral	17	17%
Disagree	8	8%
Strongly Disagree	-	-

**Table 1.2** Gig workers experience less job stability than full-time employees in my organization

From the above table, it can be interpreted that 42% of the respondents Strongly Agree, 32% of the respondents Agree, 17% of the respondents responded with Neutral, 8% of the respondents responded with Disagree, and 0% of the respondents responded with Strongly Disagree

## 2. Gig workers experience less job stability than full-time employees in my organization

100 responses



**Fig 1.2** Gig workers experience less job stability than full-time employees in my organization

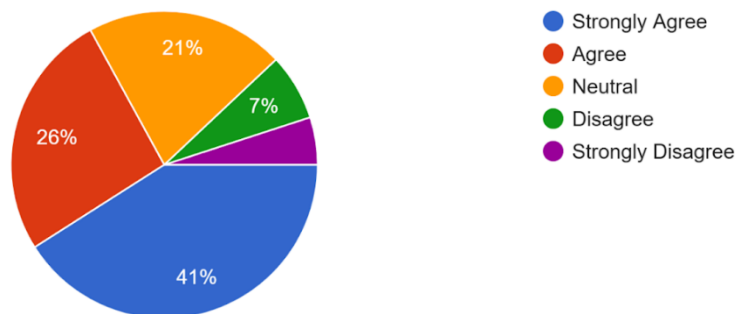
PARTICULARS	NO OF RESPONDENTS	PERCENTAGE
Strongly Agree	41	41%
Agree	26	26%
Neutral	21	21%
Disagree	7	7%
Strongly Disagree	5	5%

**Table 1.3** I believe that cost-saving strategies (e.g., hiring gig workers) increase the likelihood of job loss for regular employees

From the above table, it can be interpreted that 41% of the respondents Strongly Agree, 26% of the respondents Agree, 21% of the respondents responded with Neutral, 7% of the respondents responded with Disagree, and 5% of the respondents responded with Strongly Disagree

3. I believe that cost-saving strategies (e.g., hiring gig workers) increase the likelihood of job loss for regular employees.

100 responses



**Fig 1.3** I believe that cost-saving strategies (e.g., hiring gig workers) increase the likelihood of job loss for regular employees

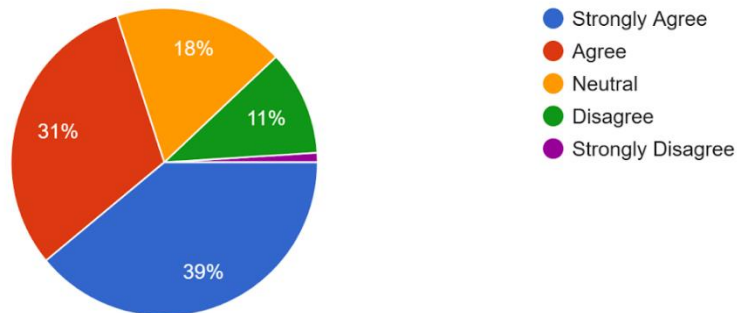
PARTICULARS	NO OF RESPONDENTS	PERCENTAGE
Strongly Agree	39	39%
Agree	31	31%
Neutral	18	18%
Disagree	11	11%
Strongly Disagree	1	1%

**Table 1.4** Gig workers in my company have less secure job roles compared to full-time employees

From the above table, it can be interpreted that 39% of the respondents Strongly Agree, 31% of the respondents Agree, 18% of the respondents responded with Neutral, 11% of the respondents responded with Disagree, and 1% of the respondents responded with Strongly Disagree

4. Gig workers in my company have less secure job roles compared to full-time employees.

100 responses



**Fig 1.4** Gig workers in my company have less secure job roles compared to full-time employees

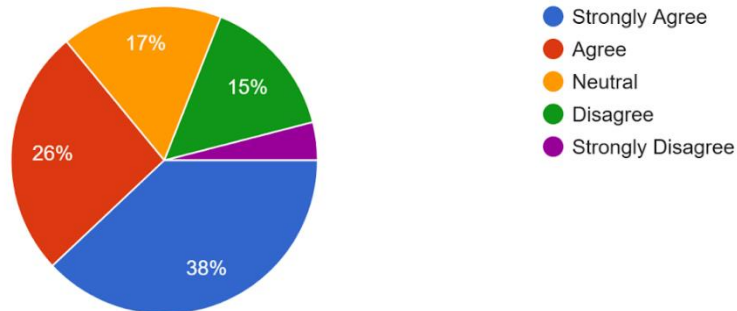
PARTICULARS	NO OF RESPONDENTS	PERCENTAGE
Strongly Agree	38	38%
Agree	26	26%
Neutral	17	17%
Disagree	15	15%
Strongly Disagree	4	4%

**Table 1.5** The use of gig workers in my company has caused concern about the future of full-time roles

From the above table, it can be interpreted that 38% of the respondents Strongly Agree, 26% of the respondents Agree, 17% of the respondents responded with Neutral, 15% of the respondents responded with Disagree, and 4% of the respondents responded with Strongly Disagree

5. The use of gig workers in my company has caused concern about the future of full-time roles.

100 responses



**Table 1.5** The use of gig workers in my company has caused concern about the future of full-time roles

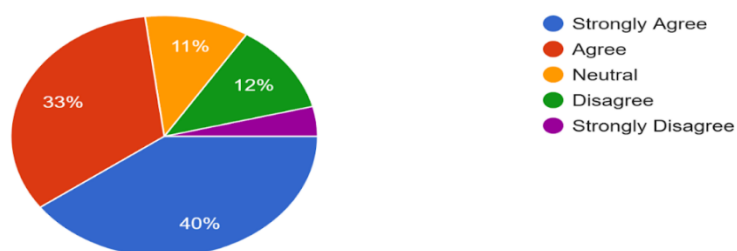
PARTICULARS	NO OF RESPONDENTS	PERCENTAGE
Strongly Agree	38	38%
Agree	26	26%
Neutral	17	17%
Disagree	15	15%
Strongly Disagree	4	4%

**Table 1.6** Employers are more likely to reduce full-time employee positions when they implement cost-saving strategies

From the above table, it can be interpreted that 38% of the respondents Strongly Agree, 26% of the respondents Agree, 17% of the respondents responded with Neutral, 15% of the respondents responded with Disagree, and 4% of the respondents responded with Strongly Disagree

6. Employers are more likely to reduce full-time employee positions when they implement cost-saving strategies.

100 responses



**Fig 1.6** Employers are more likely to reduce full-time employee positions when they implement cost-saving strategies



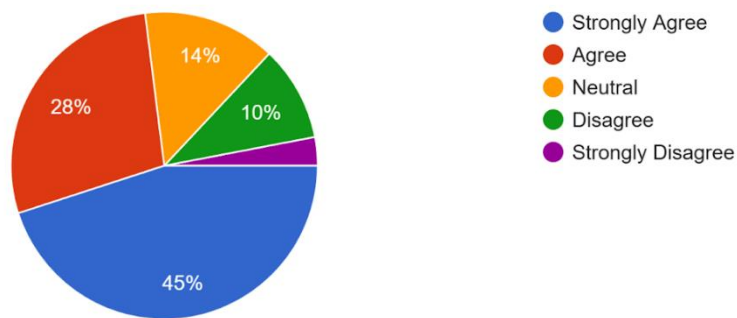
PARTICULARS	NO OF RESPONDENTS	PERCENTAGE
Strongly Agree	45	45%
Agree	28	28%
Neutral	14	14%
Disagree	10	10%
Strongly Disagree	3	3%

**Table 1.7** The cost-saving measures taken by employers have made my job feel less secure

From the above table, it can be interpreted that 45% of the respondents Strongly Agree, 28% of the respondents Agree, 14% of the respondents responded with Neutral, 10% of the respondents responded with Disagree, and 3% of the respondents responded with Strongly Disagree

7. The cost-saving measures taken by employers have made my job feel less secure.

100 responses



**Table 1.7** The cost-saving measures taken by employers have made my job feel less secure

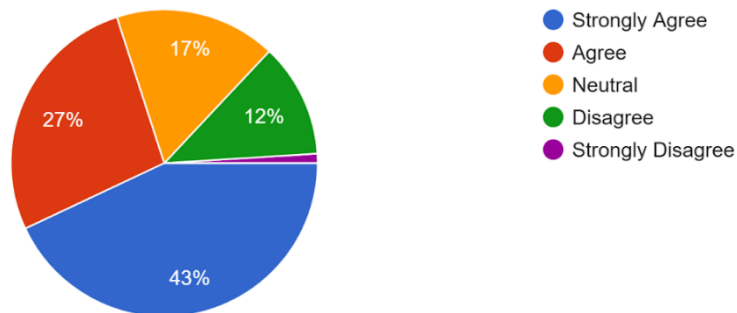
PARTICULARS	NO OF RESPONDENTS	PERCENTAGE
Strongly Agree	43	43%
Agree	27	27%
Neutral	17	17%
Disagree	12	12%
Strongly Disagree	1	1%

**Table 1.8** I feel that gig workers are more likely to be let go during a downturn or when cost-saving measures are implemented

From the above table, it can be interpreted that 43% of the respondents Strongly Agree, 27% of the respondents Agree, 17% of the respondents responded with Neutral, 12% of the respondents responded with Disagree, and 1% of the respondents responded with Strongly Disagree

8. I feel that gig workers are more likely to be let go during a downturn or when cost-saving measures are implemented.

100 responses



**Fig 1.8** I feel that gig workers are more likely to be let go during a downturn or when cost-saving measures are implemented

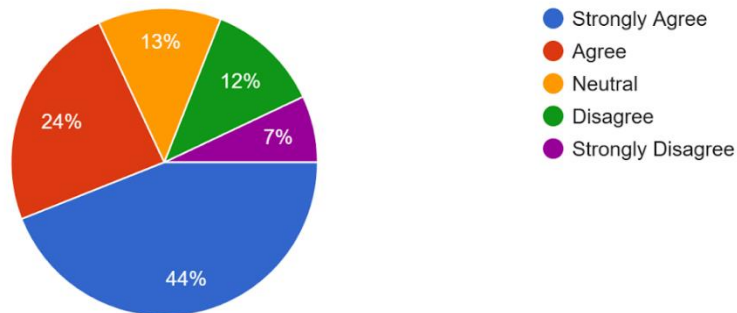
PARTICULARS	NO OF RESPONDENTS	PERCENTAGE
Strongly Agree	44	44%
Agree	24	24%
Neutral	13	13%
Disagree	12	12%
Strongly Disagree	7	7%

**Table 1.9** Full-time employees in my company experience more job security compared to gig workers

From the above table, it can be interpreted that 44% of the respondents Strongly Agree, 24% of the respondents Agree, 13% of the respondents responded with Neutral, 12% of the respondents responded with Disagree, and 7% of the respondents responded with Strongly Disagree

9. Full-time employees in my company experience more job security compared to gig workers.

100 responses



**Fig 1.9** Full-time employees in my company experience more job security compared to gig workers

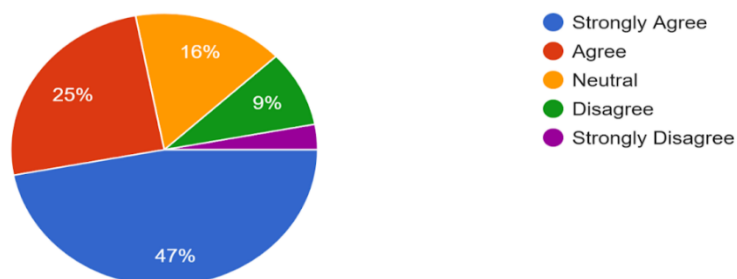
PARTICULARS	NO OF RESPONDENTS	PERCENTAGE
Strongly Agree	47	47%
Agree	25	25%
Neutral	16	16%
Disagree	9	9%
Strongly Disagree	3	3%

**Table 1.10** The company's cost-saving strategies, including the hiring of gig workers, make me feel more secure in my current job

From the above table, it can be interpreted that 47% of the respondents Strongly Agree, 25% of the respondents Agree, 16% of the respondents responded with Neutral, 9% of the respondents responded with Disagree, and 3% of the respondents responded with Strongly Disagree

10. The company's cost-saving strategies, including the hiring of gig workers, make me feel more secure in my current job.

100 responses



**1.10** The company's cost-saving strategies, including the hiring of gig workers, make me feel more secure in my current job

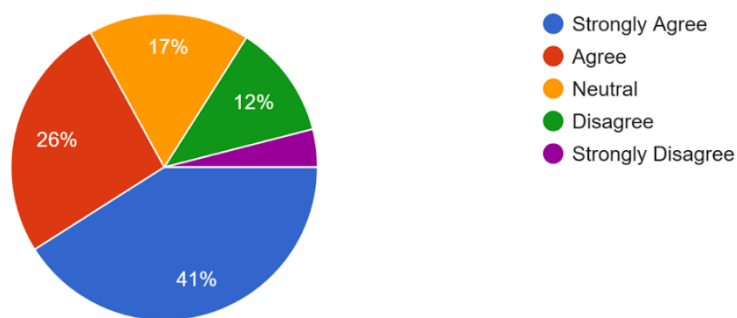
PARTICULARS	NO OF RESPONDENTS	PERCENTAGE
Strongly Agree	41	41%
Agree	26	26%
Neutral	17	17%
Disagree	12	12%
Strongly Disagree	4	4%

**Table 1.11** Gig workers are more easily replaced than full-time employees in my organization, affecting their job security

From the above table, it can be interpreted that 41% of the respondents Strongly Agree, 26% of the respondents Agree, 17% of the respondents responded with Neutral, 12% of the respondents responded with Disagree, and 4% of the respondents responded with Strongly Disagree

11. Gig workers are more easily replaced than full-time employees in my organization, affecting their job security.

100 responses



**Fig 1.11** Gig workers are more easily replaced than full-time employees in my organization, affecting their job security

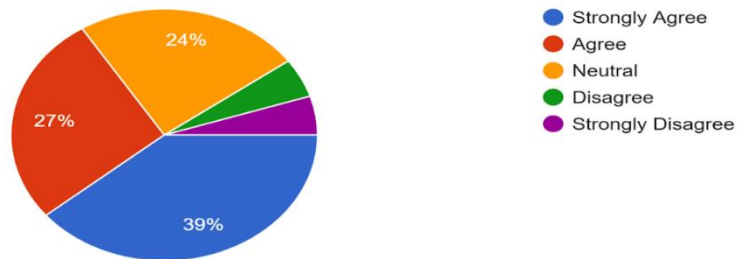
PARTICULARS	NO OF RESPONDENTS	PERCENTAGE
Strongly Agree	39	39%
Agree	27	27%
Neutral	24	24%
Disagree	5	5%
Strongly Disagree	5	5%

**Table 1.12** Gig workers are helps to enhance organisational performance

From the above table, it can be interpreted that 39% of the respondents Strongly Agree, 27% of the respondents Agree, 24% of the respondents responded with Neutral, 5% of the respondents responded with Disagree, and 5% of the respondents responded with Strongly Disagree

12. Gig workers are helps to enhance organizational performance

100 responses



**Table 1.12** Gig workers are helps to enhance organisational performance

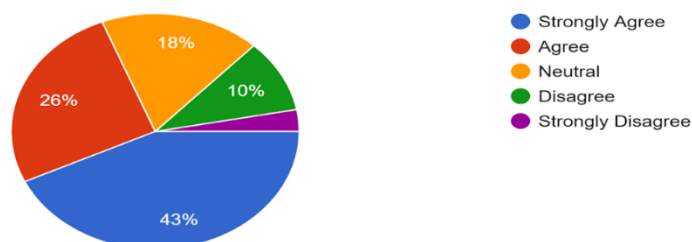
PARTICULARS	NO OF RESPONDENTS	PERCENTAGE
Strongly Agree	43	43%
Agree	26	26%
Neutral	18	18%
Disagree	10	10%
Strongly Disagree	3	3% <sup>s</sup>

**Table 1.13** The use of gig workers in my organization has not affected my job security as a full-time employee

From the above table, it can be interpreted that 43% of the respondents Strongly Agree, 26% of the respondents Agree, 18% of the respondents responded with Neutral, 10% of the respondents responded with Disagree, and 3% of the respondents responded with Strongly Disagree

13. The use of gig workers in my organization has not affected my job security as a full-time employee

100 responses



**Fig 1.13** The use of gig workers in my organization has not affected my job security as a full-time employee

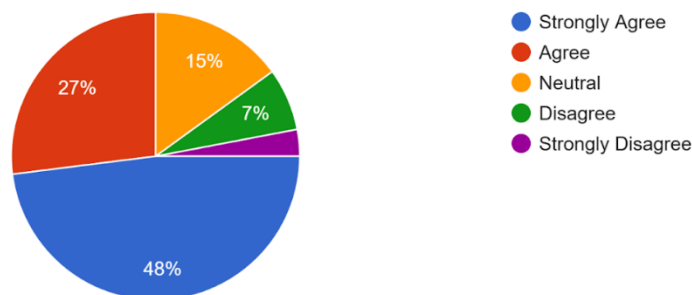
PARTICULARS	NO OF RESPONDENTS	PERCENTAGE
Strongly Agree	48	48%
Agree	27	27%
Neutral	15	15%
Disagree	7	7%
Strongly Disagree	3	3%

**Table 1.14** I feel that gig workers have fewer long-term career prospects in my company compared to full-time employees

From the above table, it can be interpreted that 48% of the respondents Strongly Agree, 27% of the respondents Agree, 15% of the respondents responded with Neutral, 7% of the respondents responded with Disagree, and 3% of the respondents responded with Strongly Disagree

14. I feel that gig workers have fewer long-term career prospects in my company compared to full-time employees.

100 responses



**Table 1.14** I feel that gig workers have fewer long-term career prospects in my company compared to full-time employees

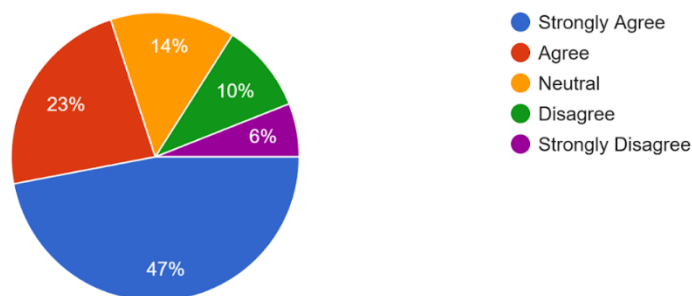
PARTICULARS	NO OF RESPONDENTS	PERCENTAGE
Strongly Agree	48	48%
Agree	27	27%
Neutral	15	15%
Disagree	7	7%
Strongly Disagree	3	3%

**Table 1.15** Cost-saving measures by employers, such as increasing the use of gig workers, have negatively impacted job security for both gig and regular employees

From the above table, it can be interpreted that 48% of the respondents Strongly Agree, 27% of the respondents Agree, 15% of the respondents responded with Neutral, 7% of the respondents responded with Disagree, and 3% of the respondents responded with Strongly Disagree

15. Cost-saving measures by employers, such as increasing the use of gig workers, have negatively impacted job security for both gig and regular employees.

100 responses



**Fig 1.15** Cost-saving measures by employers, such as increasing the use of gig workers, have negatively impacted job security for both gig and regular employees

## STATISTICAL ANALYSIS

### ANOVA TEST

#### Oneway

ANOVA					
1. I feel that my job security is affected by the company's decision to cut costs by hiring gig workers.					
	Sum of Squares	df	Mean Square	F	Sig.
Between Groups	37.885	5	9.471	10.230	<.001
Within Groups	87.955	95	.926		
Total	125.840	100			

From the above table, we can see that the F-value is greater than the significant value, so the null hypothesis is rejected and the alternative hypothesis is accepted.

There is a significant difference in the perceived job security between gig workers and regular full-time employees, even with employer cost-saving strategies in place.

## CORRELATION

**NULL:** There is no significant difference in the perceived job security between gig workers and regular full-time employees, even with employer cost-saving strategies in place.

**ALTERNATIVE:** There is a significant difference in the perceived job security between gig workers and regular full-time employees, even with employer cost-saving strategies in place.

Correlations				
			Job Security	Cost Saving
Spearman's rho	Job Security	Correlation Coefficient	1.000	.710**
		Sig. (2-tailed)	.	<.001
		N	100	100
	Cost Saving	Correlation Coefficient	.710**	1.000
		Sig. (2-tailed)	<.001	.
		N	100	100

\*\* . Correlation is significant at the 0.01 level (2-tailed).

From the above table, it is interpreted that the significant value is .001, which is less than .05 and less than the critical 1, so reject the null hypothesis and accept the alternative hypothesis.

## CONCLUSION

The gig economy is no longer at the periphery of work arrangements but has become a force which is sculpting the shape of employment in today's world. This study strongly establishes that while gig work offers flexibility, autonomy, and cost savings, it also poses serious issues of job security, career advancement, income stability, and long-term employee wellbeing.

An examination of responses by 100 experts indicates that the majority find gig-based employment a threat to regular employment. Over 40% of respondents affirmed strongly that cost-saving tactics incorporating gig employees are detrimental to their perception of job security. The ANOVA and correlation tests also revealed statistically significant disparity between perceived job security among gig employees and regular employees.

In addition, it's clear that as much as firms enjoy the economic advantages of gig work, workers—both gig and traditional—lack job continuity certainty as well as career opportunities in the future. Increased use of gig workers is bringing about a dual workforce model, where inequity in the form of benefits, protection, as well as opportunity for advancement remains.



## REFERENCE

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[ResearchGate](#): Unpacks the economic and social implications of the gig economy in India.

[Park University](#): Discusses popular gig economy platforms and their impact on the future of work.

[ResearchGate](#): A bibliometric analysis of gig economy research, including the growth of gig workers.