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The pandemic disrupted businesses across all sectors and changed the course of how businesses are conducted; embedding into the new normal. Adapting to the new changes, the year is off to great start. The economy is rebounding from the sharp decline it witnessed. The employment statistics are improving, market is steady and businesses are ahead on the path of recovery.

Today, India roughly has a population of over 1 Billion people. Out of which, more than 40% account to be above the age of 14 and fall under the category of being employable.

Due to the abundance of working population and growing digital connect, India has found a growing acceptance towards gig work. Gig workers basically consist of independent, outworkers, self-contributors and part-time employees. They are in more control of the career decisions they make, the direction they want to go and are not bound by corporate dynamics. They have the liberty to choose the days they want to work, preferred projects, organization, number of working hours and can negotiate the payment they receive.

The concept ditches the traditional workplace approach and offers workers freedom, autonomy and flexibility. People are employed on the basis of their skillset and are offered wages for the period of time they are on boarded. In the past few years, the sector has boomed with more people opting to work as freelancers. India today constitutes for over 40% freelancing jobs offered globally and has over 15 million skilled professionals enlisted in the gig industry. Emerging as the 5th largest nation for flexi-staffing after US, China, Brazil and Japan. The range has diversified and includes professional, creative and skilled workers such as content writers, photographer, fitness instructors, web developers, beauticians, electrician, plumbers, technicians, etc.

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In a country like India, the scope for expanding gig economy is enormous. According to data released by ASSOCHAM in 2020, India has over 15 million freelance workers in the gig economy. Over 70% hirers having used gig workers once or twice to solving organizational issues in the last year. The report further stated that nearly 45% human resource heads wanted to hire gig workers to supplement skills of the existing workforce, 39% wanted to do so to reduce cost and 10% to fill in the temporary vacancies.

In the recent years there has been a steep increase in the hiring of independent and freelancer workers in organizations and projects. Some business models and startups have inculcated hiring a large percentage of gig workers as part of their workforce. A few including Uber, Swiggy, Zomato, Ola, Amazon, Flipkart, Urban Clap, etc.

The gig economy is very lucrative and has endless possibilities to explore. However, there is room to exploitation that puts gig workers at risk. That includes instability in job, unscheduled payments, instable workload and lack of benefits or statutory protection. Earlier they weren't eligible for social benefits such as insurance, medical benefits, bonuses or gratuity. When the pandemic hit, they were the most vulnerable, as they were left in complete uncertainty with no job security, partial or non-payment of dues.

Taking account of the situation the government introduced the new Security Code 2020, expanding its scope for gig workers, platform workers and unorganized workers. This is a significant step and assures gig workers an assortment of social benefits. Such as disability and life insurance benefits, accident cover, maternity coverage, crèche services, old-age protection, gratuity, provident fund contributions and other social security benefits. The Code also provides for a Social Security Fund comprising contributions from gig companies and the Centre or State government, with gig companies expected to allot 1-2% of their annual turnover. Apart from that, these companies are also expected to maintain a register of their gig workers and data pertaining to them.

Indian gig economy has numerous potential advantages to it and can help create more jobs and employment opportunities for the youth. With increasing projects, organization and business models tilting towards independent work culture, the future of gig economy seems very promising. The government must continue to empower them and amplify the sector.

About the Author: Mr. RP Yadav is the Founder of Genius Consultants Ltd. and has been heading the company for 28 years. He started Genius Consultants Ltd. with an objective to provide Smart HR solutions to the corporate world. Genius Consultants Ltd. is now a 1000 Cr plus company with 400 plus employees and 50,057 associates.