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Empowering the Gig Workforce in India: Digital Platforms and Evolving Skill Requirements in Platform-Based Services

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Abstract

Over the last ten years, the gig economy in India has grown at a phenomenal pace, particularly due to the spread of online platforms that match workforce with task-based jobs, even on a temporary basis. Professionals have used such platforms as Swiggy, Ola, and Uber Company to transform the nature of employment by providing flexibility, low barriers to entry, and a set of new dependencies and uncertainties. Such platforms give power to workers by providing them with access to employment at the same time they manipulate conditions of work by using algorithms to manage and monitor workers. In changing gig work, the credentials also change, including the skills needed to navigate in a digital environment, in addition to the more customer-focused expertise, as well as self-management. There is an increasingly widening disparity between these changing requirements and the readiness of formal training especially among employees of informal and marginalised origins. The present skilling is also in fragments where platform-led training is insufficient and without depth in the long term. This gap must be addressed when seeking to achieve a sustainable, inclusive growth in the gig economy, which should be undertaken through a coordinated effort of digital platforms, government-owned institutions, and skill development agencies.

Keywords: *Gig Economy, Sustainable Growth, Inclusive Growth.*

Introduction

The world of work has experienced an unprecedented shift in the last 20 years with the emergence of the gig economy that has eliminated long term employment with flexible, short term, and task-based jobs. Digital-powered, as the examples of Uber, TaskRabbit, Swiggy, and Urban Company, the gig work is an alternate work

arrangement where independent workers can access customers through algorithms that determine job allocation, remuneration, and performance. The gig economy is growing very fast in India, mainly employed in the food delivery, ride-hailing, personal care, and home services environments. Such platforms are based on a decentralized workforce that is mostly composed of migrants, school dropouts, and rural-based workers who are led to these platforms by the flexibility and the ability to make money daily. Based on this, however, gig workers are usually considered independent contractors and have limited access to labour rights when compared to the minimum wage, health benefits, and collective bargaining. Besides, even though such work requires physical activity, time management, rudimentary digital literacy and customer service skills, any sort of training is limited and mostly compliance-driven. It forms a digital labour ghetto particularly to those workers who are illiterate or have poor access to technology. With programs such as Digital India, Skill India, and e-SHRAM, as India continues to progress, the need to match these programs with the requirements of the platform-based workers is part of the inclusive growth and employment opportunities.

Literature Review

Platforms, Skills, and the Empowerment of India's Gig Workforce

The emergence of platform given services has severely transformed the labour markets and positioned gig workers in India. This change has aroused academic curiosity in various fields that include labour economics, digital studies and development policy. This section summarizes the main themes of the world and Indian literature on gigs, platform work and changing skill needs.

Conceptualising the Gig Economy

The gig economy is a temporary task work aided with digital technologies. The author refers to it as the platform economy and states that digital mediators substitute traditional employers (De Stefano, 2016). Although gig work is flexible and affords one more autonomy, it does not come with job security and, usually, without social protections (Scholz, 2017; Rosenblat & Stark, 2016). It is unclear whether the gig work brings more freedom or roots precarity.

Platforms as Labour Intermediaries

Apps such as Swiggy, Ola, and Urban Company are not only physical spaces where one can go shopping, but also platforms of algorithmic governance. Research (Wood et al., 2019; ILO, 2021) indicates that ratings and automated systems allow these platforms to determine visibility, wages, and performance, and reduces agency and transparency by workers. The fact that they hire gig workers as independent contractors is opposed to regulating or ethical considerations as it permits platforms to avoid labour regulations (Kabra, 2021).

Skills and Labour Transitions

The work of gig requires physical, digital and emotional dexterity- the so-called digital craftsmanship (Broughton et al., 2018). Nonetheless, a large proportion of Indian gig workers are rural or semi-urban dwellers whose mismatch with work opportunities is the result of language issues, poor digital literacy, and their low levels of education. According to NSDC and IWWAGE (2022) reports, the existing skilling programs lack skills that fall under soft skills, which include customer handling, negotiation, and time management, and such programs have a very limited scope with technical skills only.

Training Gaps and Platform Responsibility

It is not very clear who should skill gig workers. Although platforms stipulate the terms of jobs, the majority of them make few investments in training, typically to ensure compliance only. Only one-third of the gig workers have any sort of formal training, according to KPMG (2021). A lot of people are out of the running in terms of their access to the certification and training programs in the country due to unclarified employment status. Such scholars as Mehta and Ahuja (2022) provide the idea of making the platforms and the state share the responsibility in developing the accessible and modular system of skilling. Without this coordination, the gig economy will contribute to a digital divide in the workforce between high-skill and low-skill employees.

Policy and Regulatory Landscape

In India, gig workers are just starting to be acknowledged in policy such as the 2020 Code on Social Security, and it is weakly implemented where there is minimal coverage of benefits such as insurance or pensions. One of the efforts is e-SHRAM that aims to enrol informal workers, and ONDC that aims to democratize digital commerce, yet the results are not uniform. Although policies have been taking place, the majority of the skilling programs fail to capture gig workers, and the accountability of the platforms is unclarified. Evidence-based policymaking is also inhibited by a shortage of responsive data on the needs of workers and shortages in skill levels.

Methodology

The article uses a qualitative-descriptive method to study the opportunities of the digital platform to support the gig work and the evolution of skill demands within the platform-based service industry in India. It is targeting mainly the cities and semi-urban locations, especially with the industries of food delivery, ride-hailing, and home services where Swiggy, Ola and Urban Company lead the race.

The study relies on the secondary data and the analysis of documents. The main sources are government reports (chiefly, the NITI Aayog and the Ministry of Labour), labour surveys (PLFS), institutional reports (ILO, IWWAGE and NSDC), and

other academic and industry publications. The media articles and case studies are used as well to learn the experience of workers and the changing skill ecosystem.

Thematic analysis is done to establish main trends revolving around platform work, skills required, barriers to entry, and policy-based intervention. An evaluation of the existing government initiatives like e-SHRAM and Skill India is done through a policy review lens.

The Gig Economy and Digital Platforms in India

India has experienced a mushrooming of the gig economy as a result of a seismic shift in demographic, technological, as well as, economic changes. India offers a profitable environment in terms of large working-age population, and elevated unemployment rate among the young population, as well as smartphone penetration. NITI Aayog (2022) reported that in 2020-21, there were approximately 7.7 million workers in the gig and platform economy which is expected to expand to 23.5 million by 2029-30. The growth is driven by the escalating consumer desire to receive on demand services as well as a change in work access and management.

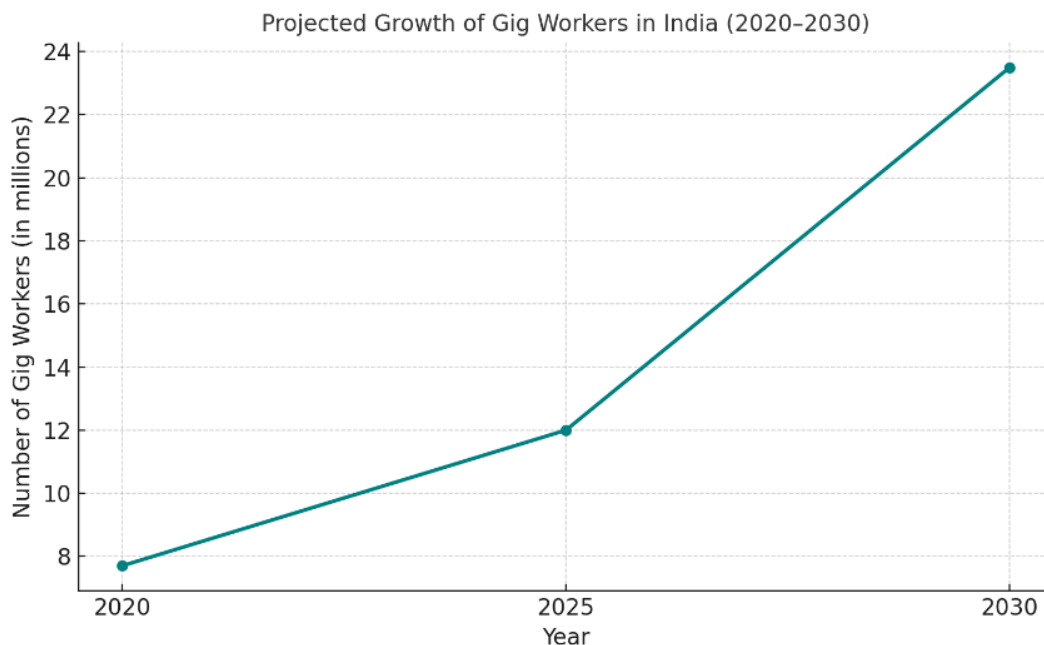


Fig. 1

The digital platforms are the key to organizing the gig work. Such businesses as Swiggy, Zomato, Ola, Uber, Urban Company, and Dunzo, serve as mediators between the service providers and the audience by arranging their interactions with the help of app-based structures. Such platforms present flexible jobs which attract various categories of employees such as migrants, young people and those who

cannot access mainstream jobs. Usually, it is easy to start platform work with few qualification standards or previous experience, which allows a significant portion of the population to be employed. Nevertheless, algorithmic management contributes to the character of work at the platforms. Users can work, log their performance, and manage their income using mobile applications. Ability to access future work and incentives is based on customer ratings, delivery timelines and cancellation rates. Although this type of control works efficiently on the platforms, it adds confusion and pressure on the workers who are not under the legal protection of employment.

The platform-based service sector in India is dominated by roles such as food delivery executives, ride-hailing drivers, beauticians, domestic service providers, and technicians.

Sectoral Composition of Gig Workers in India

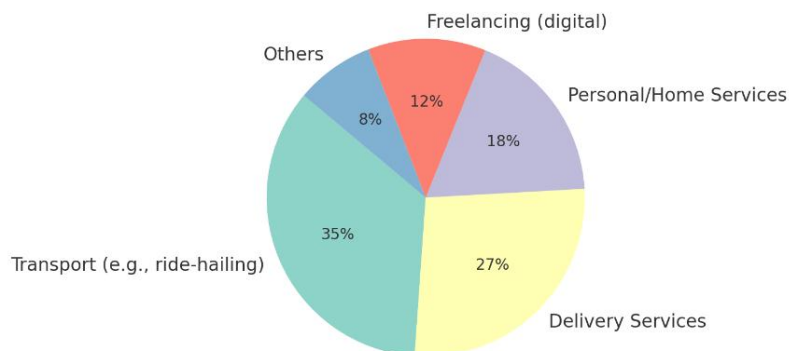
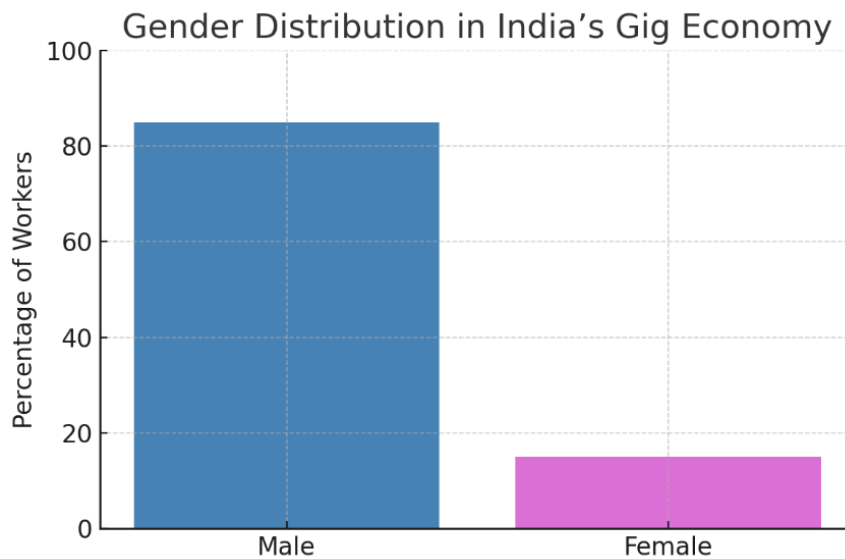


Fig. 2

These are jobs that are normally associated with a lot of working hours, physical work, and close contact with the customers. Still, circumstances in which they are fulfilled differ greatly according to the terms and conditions of platforms, presence of urban infrastructures, and the background of workers. Although there is the prospect of flexibility and fast money, gig work on the platform can be characterized by income insecurity, job precariousness, and social precariousness. The majority of the workers are regarded as independent contractors, and therefore they do not receive their benefits, such as health insurance, paid leaves, or pension plans. The initiatives such as e-SHRAM- the government platform to enrol the unorganised workers must do so, although implementation is shaky. Besides, platform work is also unequally distributed in terms of gender and geography. Women are underrepresented in sectors like ride-hailing and delivery due to safety concerns, mobility constraints, and social norms. Participation is higher in platforms offering domestic services or beauty work, though these are often undervalued and informal.

**Fig. 3**

The platform based gig economy in India is both an opening and a challenge. It opens up career opportunities to millions; however, there is no labour protection and learning progression that assists the sustainability of the industry. The second part of the paper discusses the effect of such platforms on the capabilities of employees, and any deficits related to their demands.

Skill Requirements and Gaps Among Gig Workers

The model of rapid delivery of service, real-time matching of tasks and flexible labour is used in the gig economy. Such structure introduces a special requirement of both hard and soft skills. In contrast to regular jobs, to work in gigs, little or no formal education or credentials may be necessary, but a keen grasp of work-specific abilities, digital fluency, social customer interaction aptitudes may be much more important. To illustrate, a so-called food delivery worker has to utilize digital maps effectively, communicate with clients, and operate mobile pay systems, and all these actions demand the particular level of the basic proficiency in the field of technology and interpersonal relations. Nevertheless, entry into the gig platforms is low, which means that the underlying cause of this problem is really the lack of the visibility of skills. The employees are hardly evaluated or trained formally, and the upskilling is informal, which means considerable gaps in the skill levels. As the National Skill Development Corporation (NSDC) shares, numerous gig workers deal without much understanding of digital safety, algorithms of the platform, or technological standards of the services. This has impact on quality of services and retention of workers.

Also, the training contrary to the platform may be limited. Onboarding modules are offered by companies such as Swiggy or Urban Company, although they are

largely functional in terms of covering platform usage, dress code or general etiquette, yet do not prepare workers to have long-term skill mobility or career path. Portable credentials or stackable credentials are not available, i.e. the experience and skills of workers cannot be carried onto many platforms or sectors. Language and regional disparity is another big challenge. Employees in a Tier-II city and Tier-III city may end up having difficulty with English-based inter or urban clients. This strengthens disparity when enjoying higher paying gigs, particularly in digital freelancing or line-specific offerings. Gig workers in the female category have an extra struggle. Among other industries where their level of participation is high such as personal care, the grooming, beauty and client relations skills are widely self-taught or transferred. Very little of them receives vocational training certified which restrains their possibility to expand or diversify their activities at the work. Also, the training on safety, the skills of negotiation and financial literacy are often lacking and this makes women more prone to being exploited.

One of the biggest policy gaps is the absence of a national skills framework that fits the gig economy. Other ways aimed at formalizing informal work such as the Skill India and e-SHRAM programs rarely include the ability to incorporate platform-specific competencies and micro-credentials. This prevents the possibility of the gig workforce to ascend the value chain particularly in digital and tech-enabled services. In order to mitigate these concerns, there is an urgent requirement to transform skilling ecosystem in a manner that is consistent with platform-based work environment. Employability as well as internal mobility may be increased by developing modular, accredited skill paths that are geared to particular gig jobs. The facilitation of platform-neutral digital literacy and soft skills are equally important so that workers can get familiar with different apps, communicate efficiently, manage activities on different platforms. The incorporation of gig work in national vocational education systems will not only make the sector official, but will also allow the sector to contribute towards standardized skill recognition. Lastly, community-based groups (like PPPs) should be encouraged to establish inclusive and accessible programs that help individuals to be skilled (and especially women and vulnerable groups, who are burdened with the combination of several barriers to participation in the gig economy).

Policy Landscape and Institutional Responses

The growth of gig economy in India has grown so rapidly that it has not managed to develop a strong policy ecosystem that can support and strengthen gig workers. The ability to define and control gig work and its flexibility is commonly touted as a virtue; but it is coupled with a combination of social insecurity, job instability, and consistent guidelines to skilling. In understanding these issues, the policymakers and institutions are now seeing the importance of more organised interventions but there is still a big gap.

Among them, is the other significant event, namely, the introduction of the Code on Social Security, 2020, which regularised the status of gig and platform workers as characteristically different labour. This marked a historical milestone in securing the status of their jobs and allowing them to enjoy certain social security perks. This has however not been rolled out fast and most of the workers have not been registered or are even unaware of a national database of unorganized workers in India, e-SHRAM. By mid-2024, more than 290 million workers have registered on e-SHRAM, but the coverage of the platform workers remains low because of low awareness, digital accessibility issues, and low interest in platform compliance. Various governments at the state level have also made some moves to assist gig workers. Indicatively, Rajasthan and Telangana have declared a welfare scheme and insurance cover to the providers of the service that are based on platforms. But these are half-baked ventures which are usually reliant on the political will of the states. Our current system lacks a national policy that guarantees consistency in protections and this puts big parts of gig workers at risk of being exploited and in poor financial standing.

Regarding the enhancement of skills, there are already some government programs like Skill India, PMKVY (Pradhan Mantri Kaushal Vikas Yojana), and Digital Saksharta Abhiyan (DISHA) but none of them are highly specific to the context of the gig workers and provide only general modules of skilling. Even more unlikely to be taught in these programs are platform-specific digital tools, algorithmic literacy, or the safety of urban mobility, which are becoming ever more important skills in a tech-mediated work environment. Furthermore, the schemes are mostly irrelevant to the platform economy and the relevant certification by the schemes is not recognized by the platform economy hence its hard for workers to demonstrate or transfer their competencies. The individual platforms have also come up with their training and welfare schemes. As an example, Urban Company has tested insurance, training and soft-skill development services of its service providers, and Swiggy has tested financial inclusion, such as micro-credit, and accidental cover. However, they can be voluntary, unequally spread, not related to the idea of equity labour standards mainly but dependant on business models. Little outside accountability structure with the virtues of the gains being spread across the many platforms of gig workers being few and far between.

The only thing that is needed as soon as possible is a collaborative regulation model that would entail government, online sites, and civil society. This must preferably consist of compulsory social security, the system of skills and systems of fair wages and redress along with complaints. The next generation of Digital Public Infrastructure (DPI) in India provides a possible pathway to bring gig workers into the formal economy in a safer way, via interoperable identities, portable benefit accounts,

and skill registries. India finds itself at a cross roads on policy: its decision today will determine whether an increasingly large part of its working population, on gig platforms, will emerge as a precariat, struggling to stay afloat amidst insecurity or productive, self-powered, generation of labour and add value to the digital economy.

Conclusion

The gig economy is reshaping the nature of job and the activities that fall within it include ride-hailing and food delivery to personal care and digital freelancing activities as the sector rapidly expands in India. But this is a change that has not been accompanied by suppliers of appropriate institutional support to workers who have found themselves in the realm of new forms of precarity. The gig workers tend to work without well-defined employment relationship, social protection or chances of acquiring intended skills that can help to gain economic mobility or long term security. Since the many changes in the labour market are still taking place shortly in the digital space, the increasing loss of labour market fit between work gig demands and workplace readiness needs a serious solution. The majority of gig workers have no access to formal training, no acknowledgement of their own abilities, or a means of getting into more expensive roles. These are also resolved in gender gaps, geographic inequalities, and online breakdowns, which further create a skewed state of participation that is uncertain. In the absence of direct policy action and well-coordinated institutional action, the growth of the gig economy threatens to institutionalise a new mode of informal work a digitalised, but structurally precarious mode of work. To augment the gig workforce, it is necessary not only to invest technologically, but also to build systems of skill pathways, social protection, and labour provisions. This is the only way, in which India can finally unleash the power of inclusivity in the form of platform-based employment and make sure, that flexibility does not turn out to be unfair.

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