

# Maharashtra's Gig Economy: A Comprehensive Analysis Of Worker Experiences In Nagpur And Amravati

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## Abstract

A new sector of the labour market, the gig and platform economy, has developed, presenting workers with unique possibilities and problems. The towns of Nagpur and Amravati in the Indian state of Maharashtra are the centres of this economy, and the experiences of workers there are thoroughly examined in this research. This research takes a mixed-methods approach to studying gig workers' socio-economic origins, why they do gig labour, and what they get out of it. Concurrently, it delves into the difficulties they encounter, such as precarious employment, a lack of social safety nets, and problems with financial security and balancing work and personal life.

We used focus groups and in-depth interviews to glean qualitative insights, and we used structured surveys to get quantitative data from a cross-section of gig workers in both locations. The results show a complicated environment where independence and personal agency are highly prized, but where worries about financial instability and insufficient support networks are also prevalent. Findings from this research stress the need for legislative initiatives to enhance gig workers' living and working circumstances in Maharashtra. Fair salaries, social security, and opportunities to improve one's abilities are all included in the recommendations. This study adds to the ongoing conversation on fair and sustainable work practices in the digital era by providing a comprehensive analysis of the gig economy in Amravati and Nagpur.

**Keywords** – Gig Economy, Platform Economy, Worker Experiences, Job Insecurity, Socio-Economic Impact

## **Introduction**

In recent years, the rise of the gig and platform economies has shaken up the way people think about and approach work throughout the world. Jobs in this economy span from food delivery and ride-hailing to digital service freelancing and home-based gigs, all defined by short-term, flexible employment arrangements made possible by digital platforms. Due to factors such as rising internet penetration, shifting labour choices, and technological developments, India's gig economy has grown rapidly in recent years.

This economic transition is being spearheaded by the state of Maharashtra, which is among India's most industrialised regions. Cities in the state that have seen a rise in the gig economy include Amravati and Nagpur. Their varied economic foundations, different degrees of urbanisation, and distinctive socio-economic dynamics make these cities a special case study for the gig economy.

The purpose of this study is to examine the gig and platform economy in Nagpur and Amravati from every angle, including the pros and cons that these workers encounter. In order to better understand the larger effects of gig work on social fairness, labour policy, and economic growth in Maharashtra, this research aims to examine worker experiences in these cities.

Identifying important demographic trends and reasons for joining the gig economy, we will analyse the socio-economic characteristics of gig workers in Nagpur and Amravati. So that we may weigh the pros and cons of gig labour, including its potential to earn money, allow us more freedom, and teach us new skills. Job insecurity, a lack of social protection, income volatility, problems with work-life balance, and other hazards should be investigated in relation to gig labour. This study offers a detailed knowledge of the gig economy in these two locations by using a mixed-methods methodology that blends quantitative surveys with qualitative interviews and focus groups. The research will provide light on the present situation of Maharashtra's gig economy and help academics, stakeholders, and legislators determine where assistance is most desperately required.

What follows is an overview of the relevant literature on the gig economy, a description of the research methods, an

explanation of the main results, and a discussion of the policy and practical consequences of these findings. Our hope is that this in-depth research will add to the current conversation on how to make India's gig economy more welcoming, egalitarian, and long-term viable.

### **Literature review**

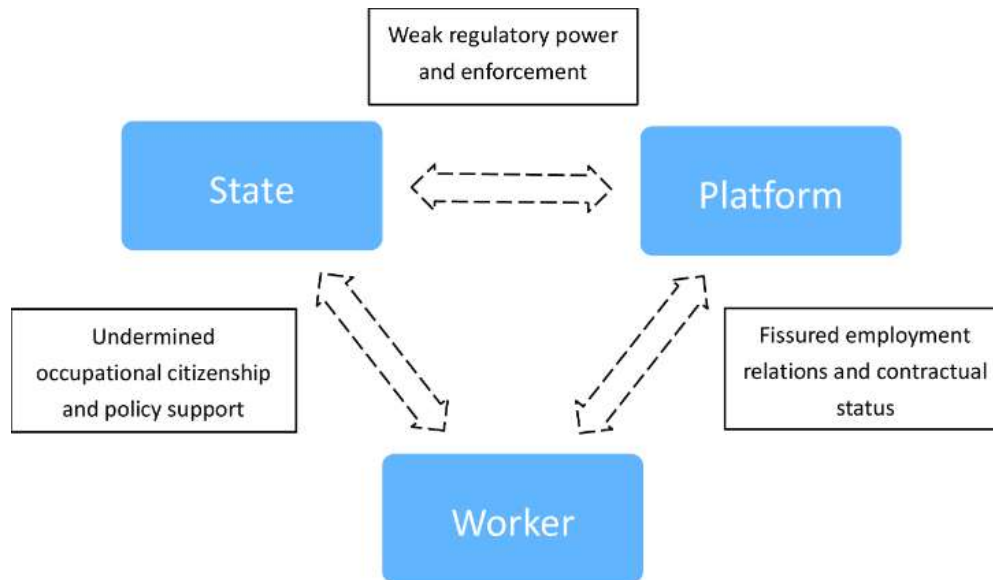
According to the proliferation of smartphones and other mobile devices, India's gig economy has been booming as of late. From 378 million in 2011–12 to 465 million in 2017–18, the number of individuals working in informal employment, including gig work, in India rose, according to a report by the National Sample Survey Organisation (NSSO, 2018). The need for adaptable work schedules in a dynamic labour market, the proliferation of new digital platforms, and the expansion of online shopping are all factors that have contributed to this expansion (Kumar & Pansari, 2021).

According to an additional research by the Indian Staffing Federation (ISF), women have shown a strong preference for the gig economy due to the increased freedom it provides them with regard to choosing their own schedules and locations. New positions in fields like logistics, education, and healthcare might be created by the gig economy, according to the report. Gig workers in India make far less than their regular job colleagues, according to a poll by the Centre for Monitoring the Indian Economy (CMIE). Gig workers in India have several difficulties, according to the poll, such as unpredictable schedules, insecure employment, and inadequate social security.

There may be some upsides to the gig economy, but there are also certain hazards and difficulties that have been pointed out in several studies. Gig workers in India, for instance, confront a number of problems, according to an ILO report (ILO, 2018), including as poor wages, a lack of social safeguards, and a dearth of opportunity to learn new skills. Azam (2019) notes that gig workers in India are subject to exploitation and discrimination, especially in the service and retail sectors.

The hazards and difficulties of India's gig economy disproportionately affect women and other marginalised groups, according to research. According to a World Bank report (World Bank, 2019), women are disproportionately represented in low-skilled gig jobs like data entry and

housekeeping, and they are often left out of higher-paying possibilities altogether. Equally vulnerable to exploitation and discrimination without legal or social safeguards are members of the Adivasi and Dalit communities who labour in the gig economy (Hindu Business Line, 2018).



**Figure 1. Occupational wellbeing for platform workers: the institutional foundations.**

#### **Objectives of the study**

- To examine the socio-economic profiles of gig workers in Nagpur and Amravati.
- To assess the benefits and opportunities provided by gig work.
- To investigate the challenges and risks associated with gig work.

#### **Research methodology**

In order to provide a thorough examination of the possibilities and obstacles encountered by gig and platform economy workers in Nagpur and Amravati, Maharashtra, this research uses a descriptive methodology. The approach is designed to gather quantitative data, providing a comprehensive picture of the experiences of workers. In order to get a wide range of opinions and detailed understandings, the research strategy combines quantitative surveys with qualitative interviews. The socio-economic characteristics, motives, rewards, and problems of gig employment may be thoroughly examined using this dual method. The gig workers of Amravati and Nagpur were selected using a stratified random selection technique. Workers from a wide range of gig platforms,

including those for food delivery, ridesharing, freelance employment, and more, make up the sample. Important topics included in the structured survey questionnaire include demographics, work habits, income, levels of job satisfaction, and difficulties encountered on the job. In order to collect quantitative data and first qualitative insights, the survey included both open-ended and closed-ended questions. To accommodate respondents with varied degrees of comfort with technology, surveys were given both online and in-person. Four hundred replies were tallied, with an equal distribution across the two urban centres.

### Data analysis and discussion

**Table 1: The Percentage of the Workforce Comprised of Gig Workers from 2011–12 to 2019–20**

Year	Overall Share of Gig Workers	Amravati	Nagpur
2011-12	0.75%	0.29%	0.65%
2017-18	1.29%	0.50%	1.27%
2018-19	1.29%	0.39%	1.28%
2019-20	1.48%	0.51%	1.44%

Table 1 illustrates that the percentage of the workforce that is composed of gig workers has been steadily increasing from 2011–2012 to 2019–2020. From 2011–12 to 2019–20, the total percentage rose from 0.75 percent to 1.48 percent. This expansion exemplifies how gig work has become more important in the labour market in the last ten years.

**Nagpur-Level Analysis:** From 2011–12 to 2017–18, the percentage of Nagpur residents who worked as gig workers increased from 0.65% to 1.27%, then increased slightly to 1.28% in 2018–19, and finally increased significantly to 1.44% in 2019–2020. With such a consistent uptick, it's clear that gig labour is becoming more important to Nagpur's economy.

**Amravati metropolitan area:** The proportion of Amravati residents who work as gig workers increased from 0.29 percent

in 2011–12 to 0.5 percent in 2017–18, then fell to 0.39 percent in 2018–19, and finally rose to 0.5 percent in 2019–20. The variations in Amravati suggest a less consistent uptake of gig labour, which may be affected by regional economic circumstances and the accessibility of gig possibilities.

**Evaluation in Comparison** - Gig workers make up a larger percentage of the workforce in Nagpur than in Amravati. In 2019–20, the gig workforce in Amravati was 0.51% while in Nagpur it was 1.44%. Maybe the two cities' different economic systems, degrees of urbanisation, and availability of internet infrastructure are to blame for the discrepancy. Since Nagpur is a more urbanised city, it's possible that there are more gig possibilities and that more people use gig platforms.

#### **Subject under consideration**

- The rising proportion of gig workers in Maharashtra's workforce is indicative of the state's increasing reliance on the gig and platform economies. This tendency is influenced by several factors:
- Due to technological advancements, more and more people have access to cellphones and the internet, which has facilitated the rise of gig employment via a variety of online platforms.
- Many people join the gig economy because they are financially strapped or because they need extra money. This pattern is seen in Amravati and Nagpur, however the former is expanding at a faster rate.
- A big appeal of gig employment for many people is the autonomy and flexibility it provides, which helps them to juggle their other commitments and interests.
- A key factor influencing the expansion of the gig economy is the state of municipal regulations. Gig employment is more common in cities that encourage digital and entrepreneurial endeavours.

**Table 2: Gig Workers: Formal and Informal Workers Share**

Year	Formal	Informal
2011-12	17.4	82.6
2017-18	19.3	80.7
2018-19	19.7	80.3
2019-20	18.6	81.4

From 2011–2012 to 2019–2020, the numbers in Table 2 show how the gig economy's official and informal workers were distributed. The proportion of the workforce engaged in gig labour has changed noticeably:

From 2011–12 to 2018–19, the proportion of people working as official gig workers increased 17.4%, then fell to 18.6% in 2019–20. Alternatively, the percentage of people who work as independent contractors fell from 82.6% in 2011–12 to 80.3% in 2018–19, and then rose little to 81.4% in 2019–20. Formal Gig Workers: An Examination of Their Early Expansion: From 2011–12 to 2018–19, the percentage of people who worked as official gig workers rose steadily, from 17.4% to 19.7%. This expansion is due to: Regulatory shifts and the initiatives of gig platforms to provide more organised work environments have prompted a movement towards formalising gig labour. Maturity of the Platform: In order to guarantee consistent and dependable service delivery, gig platforms often adopt more formal labour arrangements as they become older. More Lately: Possible difficulties in sustaining formal labour arrangements may be attributable to the little drop to 18.6% in 2019–20.

Market swings and international crises like the COVID-19 pandemic are examples of economic factors that might have prompted platforms to return to less formal, more flexible job arrangements. Some gig platforms may encourage less formal agreements that provide less stability but greater adaptability in order to prioritise cost-efficiency and flexibility. Examining the Decline in Informality among Informal Gig Workers: In 2018–19, the percentage of people working as independent contractors fell to 80.3%, down from 82.6% in 2011–12. According to this pattern, There has been less reliance on completely informal arrangements due to the growing movement to formalise gig labour. The amount of informality has been influenced by regulatory pressure, as governments and regulatory organisations have been pushing for or requiring improved working conditions. A recent uptick: It seems that informal employment is making a comeback, as shown by the little rise to 81.4% in 2019–20. This might be because:

Due to cost-cutting measures taken by companies and platforms, informal employment tends to rise during economic downturns. The Dynamics of Gig Work: Despite economic instability, many people are still drawn to informal gig labour

due to its reduced entry hurdles and natural flexibility. The data shows that the workforce composition of the gig economy is constantly changing, with a clear conflict between attempts to formalise and the continued presence of informal labour arrangements.

### **Conclusion**

Focusing on the cities of Nagpur and Amravati in particular, this research examines the gig and platform economies in Maharashtra in depth. Reflecting both national and regional trends, it delves into the pros and cons encountered by those working in this field.

There was a dramatic increase in the proportion of gig workers to the total workforce between 2011–2012 and 2019–2020. The growing importance of the gig economy in Maharashtra's job market is shown by this uptick. The involvement of gig workers is trending in diverse directions in Nagpur and Amravati. It is probable that Nagpur's more urbanised and economically varied environment explains why it consistently has a larger number of gig workers than Amravati. Formal and informal gig employment coexist in a complex way, according to the statistics. The sector's intrinsic flexibility and economic constraints have resulted in a large amount of gig labour being informal, even if there has been a rise in formal employment arrangements. Flexibility, extra cash, and independence are just a few of the many advantages of gig employment. Those looking for non-traditional work arrangements, including students, part-timers, and those juggling other commitments, may find these benefits especially attractive.

Job instability, income volatility, and a lack of social safety are some of the major issues gig workers confront, notwithstanding the advantages. In addition to these problems, many workers are exposed to economic volatility and exploitation due to the prevalence of informal labour. Opportunities and threats abound in Maharashtra's gig and platform economy, especially in major cities such as Nagpur and Amravati. There are still major problems with social safety and job stability, despite the fact that it provides more freedom and more ways to make money. To make sure the gig economy helps the economy grow and gives everyone a fair shot, we need to solve these problems with specific legislative actions. Maharashtra has the potential to build a gig economy that is more inclusive and long-lasting for everyone involved if it finds



the right balance between security and innovation while also regulating the sector.

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