THE INFLUENCE OF GIG ECONOMY DYNAMICS ON THE BUSINESS PERFORMANCE OF WOMEN ENTREPRENEURS: AN EMPIRICAL ANALYSIS

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ABSTRACT

As a result of developments in digital information technology, shifts in industrial structure, and the expansion of internet and mobile information services, the share of economies dependent on part-time and freelance labor has been growing in recent years. A new economic model known as the "gig economy" has emerged, drastically altering the way companies throughout the world do business. By removing the barriers associated with traditional full-time employment, this economic model has opened up new opportunities for entrepreneurs to tap into a more diverse and dynamic workforce. The possibilities and challenges that women entrepreneurs face in the gig economy are particularly noteworthy, because they have the potential to greatly affect the way their businesses operate and the rate of development they achieve. The study explores the unique challenges and opportunities that women entrepreneurs encounter in this rapidly evolving economic environment. By examining both the opportunities and obstacles they encounter, the research seeks to provide a growing body of knowledge on gender and entrepreneurship in modern economic environments by offering practical insights and suggestions for female entrepreneurs to succeed in the gig economy.

Keywords: Gig economy, Gig workers, Women entrepreneurship, Challenges

INTRODUCTION

In recent years, the Indian economy has been driven by the Gig economy which has resulted in the creation of a wide range of skilled, semi-skilled, and unskilled occupations, thereby contributing to the growth of the country's GDP. The gig economy is a labor market that is defined by short-term, flexible jobs that are usually facilitated by internet platforms. This model involves individuals, commonly known as gig workers or freelancers, who engage in project-based or task-based work instead of being employed in typical full-time positions. Women entrepreneurs are autonomous persons who develop and manage their own enterprises, frequently with pioneering concepts or resolutions, with the objective of producing financial gain and making a positive impact on the economy.

The emergence of the gig economy has been driven by various causes, such as developments in digital technology, the widespread availability of online platforms, and shifting perspectives on employment. Specifically, women entrepreneurs have utilized these advancements to achieve increased autonomy in managing their business activities. Gig labor has various benefits, including the freedom to manage the workforce, the capacity to rapidly expand operations, and the opportunity to tap into a wide range of talented individuals. Women entrepreneurs can better manage their personal and professional life because to this flexibility, which also enables them to meet short-term requirements without committing to a long-term

job, and innovate in ways that traditional employment models would not allow.

However the gig economy has many positive aspects, it also brings distinct challenges that might have an impact on how well a business performs. The primary obstacles include quality and consistency of work, trust and reliability, effective communication and collaboration, and cost management. These elements are important in assessing the extent to which women entrepreneurs might utilize gig workers to improve their business results.

Quality and Consistency of Work: One of the primary issues for female entrepreneurs who employ gig workers is to ensure that the job satisfies their standards of quality. Gig workers, who are frequently hired for individual projects, may not consistently meet the level of quality needed for continuous business operations. Research by Behl et al. (2022) emphasizes how inconsistent job quality can have a negative impact on women-led firms' overall performance, which could result in unhappy customers and company interruptions.

Trust and Reliability: Trust is an essential factor that significantly impacts the assimilation of gig workers into business processes. Contrary to conventional employees, gig workers may lack the equivalent amount of responsibility or enduring dedication to the organization. Studies by Dokuka et al. points out the significance of establishing and sustaining trust with gig workers to guarantee dependable performance and reduce the dangers linked to irregular work habits.

Communication and Coordination: Effective communication and coordination are essential for managing a workforce that includes gig workers. The lack of face-to-face interactions and the transient nature of gig work can pose challenges in maintaining clear and effective communication channels. Research by Silva & Moreira (2022) indicates that communication obstacles may make cooperation more difficult, which could have an impact on project completion and business operations efficiency.

Cost Management: Managing costs associated with gig workers is another significant challenge. Although gig labor may provide cost savings in comparison to full-time employment, the fluctuation in rates and the requirement for potentially higher compensation for specialized talents might affect the overall management of one's budget. Fauzi, Harumain, and Dali (2022) discuss the financial consequences of employing gig workers and emphasizes the importance of using efficient cost management measures to enhance corporate success.

Business Performance: Business performance is the measure of the effectiveness and success of a business. It includes financial metrics (revenue, profit), operational efficiency (productivity, turnaround time), market performance (customer acquisition, market share), and overall business health. It is influenced by various factors, including the management of gig workers. The ability to maintain high-quality work, trust, effective communication, and cost efficiency directly impacts the business's success (Kasliwal, 2020; Chaudhary, 2021).

REVIEW OF LITERATURE
Joshi, A., Jain, S., & Gupta, P. K. (2024) in their study analyzed gig economy evolution, employment market impact, labor legislation, and laws. It examines strengths and weaknesses like flexibility, employment insecurity, and regulatory frameworks. New working paradigms like the gig economy require balancing flexibility with morality. The research shows that gig employment can empower people, especially women, but it also has negatives including job insecurity, bias, and social and moral dumping. The study indicates that while the gig economy has benefits, it also raises severe concerns that require careful examination and regulatory

adaptation to protect gig workers' fairness, equity, and well-being.

A. K. S. (2023) in their study investigated the experiences of skilled women in the gig economy and the challenges they encounter. The results show that women are highly engaged and satisfied with the gig economy; most of them choose it over regular full-time job because of its flexibility and improved work-life balance. However, the study also points out a number of important obstacles, such as employment insecurity, irregular income, social security issues, pay gaps based on gender, and privacy concerns. Finally, the study indicates that women have a good chance to attain financial independence and work-life balance through the gig economy.

Cho, W., & Cho, S. E. (2020) analyzed the current state of the gig economy, identify its business model issues, and propose research and business development to improve its social benefits. Digital advances are developing the gig economy, which is driven by on-demand, sharing, and platform economies and employs young/educated workers. Technological advances are needed to support varied public and social business models to complement the private sector. In conclusion, the gig economy is expected to dominate the labor market in the future, thus the business models must solve its obstacles and capitalise on its social effect while addressing legal, cultural, and technical factors.

STATEMENT OF THE PROBLEM

The gig economy has radically transformed the traditional labor market by giving firms with flexibility and cost effectiveness, while simultaneously offering individuals a wide range of work alternatives. Specifically, women entrepreneurs have been increasingly relying on gig workers to improve their business operations. However, the specific characteristics of the gig economy provide distinct obstacles and possibilities that have a substantial impact on the operational success of these firms managed by women. Despite there is an increasing dependence on gig workers, there is a lack of comprehensive knowledge regarding the specific factors that i the business performance of female entrepreneurs. The study aims to investigates how gig economy dynamics affect women entrepreneurs' business effectiveness.

CONCEPTUAL FRAMEWORK

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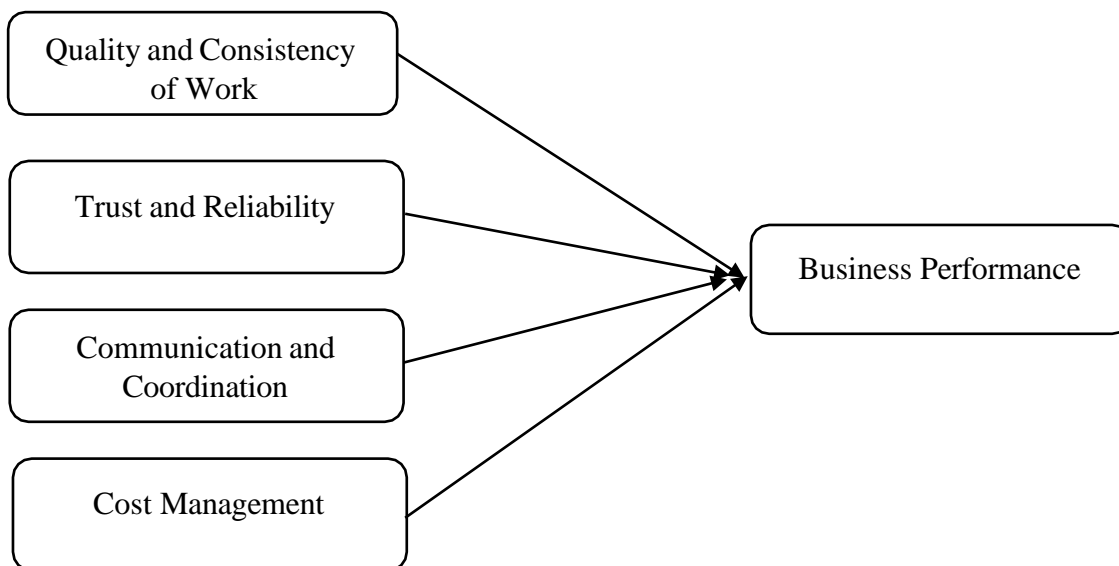
OBJECTIVES OF THE STUDY

1. To identify the benefits that influence the business performance of women entrepreneurs who manage gig workers.
2. To examine the challenges that impact the business performance of women entrepreneurs who employ gig workers.

RESEARCH METHODOLOGY

An empirical analysis was adopted to know the factors that influence the business performance of women entrepreneurs engaging with gig workers. In this study, interview scheduling method was adopted to collect the primary information from the respondents. Secondary data are collected from journals and publications, books, relevant websites etc. Tools and Techniques involves statistical tools like ANOVA and Regression used to analyse and interpret the obstacles faced by women entrepreneurs. A well-structured questionnaire was prepared and aimed to collect the required information from the participants. The sample size of the study is 100 and the area of the study chosen are Chengalpattu and Chennai district. Convenience sampling technique were used.

HYPOTHESIS

H_0: There is no significant relationship between the challenges and the business performance of women entrepreneurs who employ gig workers.

H_1: There is a significant relationship between the challenges and the business performance of women entrepreneurs who employ gig workers.

DATA ANALYSIS AND INTERPRETATION
AGE OF THE GIG WORKERS

Particulars	No of respondents	Percentage of respondents
18 – 27 years	22	22
28 – 37 years	35	35
38 – 47 years	26	26
48 years & above	17	17
Total	100	100

According to the percentage analysis, the demographics profile of the respondents indicates that out of 100 respondents, most of the gig force i.e.35% are belongs to the age group of 28-37 years.

LEVEL OF EDUCATION OF GIG WORKERS

Particulars	No of respondents	Percentage of respondents
Illiterate	25	25
Higher Secondary	41	41
Under graduation	24	24

Post graduation/ Professional degree	10	10
Total	100	100

Based on the analysis, it has been identified that the majority of gig workers have a qualification level of higher secondary education (41%).

DURATION OF WORKING TIME OF GIG WORKERS

Particulars	No of respondents	Percentage of respondents
Less than 2 hours	8	8
3 to 4 hours	35	35
5 to 6 hours	46	46
More than 6 hours	11	11
Total	100	100

According to the analysis, it has been identified that the majority of gig workers are working for 5 to 6 hours per day (46%).

BENEFITS IN HIRING GIG WORKERS

Benefits	Mean Score	Rank
Flexibility & Scalability	1.73	2
Cost efficiency	1.83	1
Access to a Diverse Talent Pool	1.02	7
Increased Productivity	1.60	3
Focus on Core Business Activities	1.05	6
Agility and Speed	1.51	4
Reduced Risk and Commitment	1.18	5

From the above table, it has been identified that Cost efficiency has the highest mean value of

1.83 and so, it has been ranked 1, followed by Flexibility& Scalability has the mean value of

1.73 and it has been ranked 2, Increased Productivity has the mean value of 1.60 and it has been ranked 3 and the least mean value of 1.02 is accessing a diverse talent pool and it has been ranked 7.

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HYPOTHESIS TESTING

REGRESSION ANALYSIS ON THE CHALLENGES THAT IMPACT THE BUSINESS PERFORMANCE OF WOMEN ENTREPRENEURS WHO EMPLOY GIG WORKERS

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.708	.501	.496	.690

   a. Predictors: (Constant), Quality & Consistency of work, Trust & Reliability, Communication & Coordination, Cost management

ANOVAª

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	191.690	4	47.923	100.800	.000ᵇ
	Residual	190.645	401	.475		
	Total	382.335	405			

   a. Dependent Variable: Business Performance
   b. Predictors: (Constant), Quality & Consistency of work, Trust & Reliability, Communication & Coordination, Cost management[b]

Coefficientsª

1	Model	Unstandardised Coefficients	Standardised Coefficients	T	Sig.

		B	Std. Error			
	(Constant)	.544	.213		2.556	0.01
	Quality & Consistency of work	.502	0.48	.451	10.446	.000
	Trust & Reliability	.197	.054	.179	3.674	.000

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Communication & Coordination	.094	.068	.085	1.383	.000
Cost management	.457	.066	.422	6.967	.000
a. Dependent Variable: Business Performance					

The table presents a regression analysis examining the challenges that impact the business performance of women entrepreneurs who employ gig workers. The research focuses on four predictor variables: quality of work and consistency, trust and reliability, communication and coordination, and cost management. These variables are tested against the business performance. Regression model summary shows multiple correlation coefficient (R) of.708, indicating a significant positive connection between predictors and dependent variable. The R Square score of.501 suggests that the four predictors explain 50% of Business Performance variation. The Adjusted R Square, which accounts for the model's predictors, is.496, suggesting a strong data fit. The Estimate Standard Error is.690, indicating the average distance observed values are from the regression line.

The ANOVA table demonstrates that the model is statistically significant, with an F value of 100.8 and a p-value less than 0.001. This indicates that the model as a whole is a significant predictor of business performance. The Coefficients table presents the individual effects of each predictor on business performance. The unstandardized coefficients (B) show that a one-unit increase in Quality & Consistency of work, Trust & Reliability, Communication & Coordination, Cost management is associated with a 0.502, 0.197, 0.094, and 0.457 increase in business performance, respectively. The standardized coefficients (Beta) indicate the relative importance of each predictor, with Quality & Consistency of work having the strongest effect (0.451), followed by Trust & Reliability (0.422), Communication & Coordination (0.179), and Cost management (0.085).

The significance values (Sig.) for Quality & Consistency of work, Trust & Reliability, Communication & Coordination and Cost management are all less than 0.05, indicating that these challenges significantly contribute to the prediction of business performance among women entrepreneurs who employ gig workers. Thus, the regression analysis suggests that the challenges significantly impact the business performance of women entrepreneurs. Hence, H_1 is accepted.

SUGGESTIONS

- Provide training and development opportunities for gig workers to enhance their skills and ensure consistent quality in their work.
- Establish clear expectations and guidelines for gig workers regarding their responsibilities and commitment to the work.
- Implement performance-based incentives and recognition programs to encourage reliable performance.
- Utilize communication tools and platforms that facilitate real-time interaction and collaboration among team members.

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- Develop a transparent and fair pricing structure that aligns with the value provided by gig workers.

LIMITATIONS OF THE STUDY

- The samples collected from people is limited to 100 due to time constraints.
- The sample is limited to Chengalpattu and Chennai district.

CONCLUSION

The conclusion of the study is that while the gig economy offers numerous benefits to women entrepreneurs, such as flexibility and cost efficiency, it also presents significant challenges that can impact business performance. The primary challenges include ensuring the quality and consistency of work, building trust and reliability, maintaining effective communication and coordination, and managing costs. The regression analysis reveals that these challenges significantly influence the business success of women-led enterprises, with quality and consistency of work having the strongest impact, followed by trust and reliability, communication and coordination, and cost management. Finally, the study suggests that addressing these challenges through training, clear guidelines, incentives, and effective communication tools can enhance the business success of women entrepreneurs in the gig economy.

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