

An Analysis of Income Stability and Employment Risks in the Coimbatore City Gig Workforce

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Abstract

The growth of the gig economy in urban centres such as Coimbatore has transformed traditional employment patterns by increasing demand for flexible, platform-based work. While gig work offers autonomy and accessible income opportunities, it also raises concerns regarding job security, unstable earnings, and limited social protection. Gig workers often operate without formal contracts, fixed schedules, or employment benefits, making them vulnerable to income volatility, poor working conditions, and financial insecurity. These challenges significantly affect their work–life balance, long-term career prospects, and ability to manage financial emergencies. Understanding these issues is essential for developing policies that support the economic stability and well-being of gig workers. This study therefore examines the employment stability, working conditions, and financial health of gig workers in Coimbatore to provide insights that can guide future regulatory and social interventions.

Keywords: Gig economy, Job security, Employment stability, Income volatility, Labour protections.

1. Introduction

The gig economy has transformed the global labor market, characterized by short-term, flexible jobs often facilitated by digital platforms. Workers function as independent contractors, lacking traditional benefits like health insurance or job security, but gaining flexibility in their work schedules. This model attracts individuals seeking alternative employment arrangements that prioritize work-life balance and autonomy, particularly among younger generations. While gig work offers opportunities, it has also become a necessity for some, especially during economic downturns like the COVID-19 pandemic, providing income for displaced workers and those facing employment barriers.

The gig economy's roots trace back to informal labor practices pre-Industrial Revolution, with a resurgence in flexible work arrangements driven by globalization and changing attitudes towards traditional jobs. Companies benefit from a global talent pool, often at lower costs. Despite the appeal of gig work, challenges persist, notably the lack of social protections for workers.

To address these issues, worker cooperatives and alternative models are emerging, offering more control and equitable profit distribution for gig workers. These cooperatives, owned by the workers, strive to compete with existing platforms while ensuring fair treatment and decision-making power. However, scalability remains a challenge due to capital-intensive platform development.

The gig economy's future will depend on technological advancements, regulatory measures, and evolving worker preferences. As automation and AI impact job availability, policies must ensure fair wages and social protections for gig workers. A sustainable gig economy can harness its potential while safeguarding participants' rights and wellbeing.

2. Evaluating the Employment Stability and Job Security of Gig Workers:

The gig economy has experienced rapid growth in recent years, driven by technological advancements and the increasing demand for flexible, on-demand services. However, this economic model also raises concerns about employment stability and job security for gig workers. These workers, who often operate as independent contractors rather than traditional employees, face unique challenges in maintaining consistent employment opportunities. By evaluating their employment stability, we can better understand the reliability of gig work as a sustainable career option. Key factors to consider include the availability of consistent work, the frequency of job opportunities, and the predictability of income streams. Job security is another crucial aspect to assess. Unlike traditional employees, gig workers typically lack the protections afforded by labour laws, such as unemployment benefits, health insurance, and demand. By examining these issues, we can identify the extent to which gig workers feel secure in their roles and the strategies they employ to navigate periods of uncertainty. Ultimately, understanding employment stability and job security will help policymakers and organizations create initiatives to support gig workers more effectively.

3. Assessing the Typical Working Conditions and Work-Life Balance of Gig Workers:

Gig workers often face unique working conditions that differ significantly from those of traditional employees. These conditions include irregular working hours, fluctuating workloads, and varying degrees of control over their schedules. While the flexibility of gig work is often touted as a major advantage, it can also lead to challenges such as unpredictable income, difficulty setting boundaries between work and personal life, an potential exploitation through extended hours or unsafe working environments. Work-life balance is an important factor to assess, as it significantly affects the overall well-being of gig workers. Many gig workers struggle to find time for personal commitments, family, or leisure due to the demands of their work. Additionally, the absence of standardized working hours can blur the line between work and personal time, contributing to burnout and stress. By investigating these aspects, we can identify patterns and trends in the working conditions of gig workers and explore ways to improve their quality of life.

4. Investigating the Overall Financial Well-Being of Gig Workers:

Financial well-being is a critical component of any worker's quality of life, and gig workers are no exception. Due to the nature of their work, many gig workers experience fluctuating incomes, which can complicate their ability to save, manage debt, and handle financial emergencies. Unlike traditional employees who may receive a steady pay check, gig workers often face income volatility, making it challenging to budget effectively or plan for the future. Savings and debt management are crucial areas of concern for gig workers. Many struggle to build an adequate financial safety net, leaving them vulnerable to unexpected expenses such as medical bills or vehicle repairs. Additionally, the lack of employer-provided benefits, such as retirement plans or health insurance, places an added financial burden on gig workers, forcing them to allocate a larger portion of their income to these necessities. Another important aspect of financial well-being is the ability to respond to financial emergencies.

Statement of problem

One of the main issues is the lack of employment stability and job security. Gig workers often operate without contracts or long-term commitments, making their income highly unpredictable. This instability not only creates financial stress but also limits their ability to plan for the future. Additionally, the absence of labour protections leaves gig workers vulnerable to exploitation and economic downturns, further exacerbating their precarious position in the workforce. Another major problem is the poor working conditions and lack of work-life balance experienced by gig workers. Irregular hours, high workloads, and the absence of standardized schedules make it difficult for workers to maintain a healthy balance between their professional and personal lives. These challenges can lead to burnout, mental health issues, and reduced overall quality of life. Financial instability is another pressing issue. Gig workers often face income volatility, making it difficult to save for emergencies or manage debt effectively. The lack of access to traditional employee benefits, such as health insurance or retirement plans, places an additional financial burden on them. This situation leaves gig workers particularly vulnerable to financial shocks and emergencies, perpetuating a cycle of instability. The significance of addressing these problems lies in the potential to improve the lives of millions of gig workers worldwide. By understanding the challenges, they face, policymakers, organizations, and stakeholders can develop targeted solutions to enhance their employment stability, working conditions, and financial well-being.

Significance of study

The gig economy has transformed the landscape of work, providing flexible opportunities for millions globally. However, this shift has also raised significant concerns regarding the job security of gig workers. Unlike traditional employees, gig workers often lack essential benefits such as health insurance, retirement plans, and job stability, placing them in precarious financial situations. This project aims to explore the economic challenges faced by gig workers, assess their vulnerabilities, and identify potential policy solutions to enhance their security. By understanding the economic implications of gig work, we can promote fair labour practices and foster a more inclusive and resilient workforce.

Objectives

- To evaluate the employment stability and job security of gig workers.
- To assess the typical working conditions and work-life balance experienced by gig workers.
- To investigate the overall financial well-being of gig workers, including their management of savings, debt, and responses to financial emergencies.

Research methodology

Selection of the area of study:

The research discusses and analyses the job security and financial stability of the Gig workers. The gig workers working in the Peelamedu area of Coimbatore district have been selected for the research purpose.

Selection of the sample:

The study was about 100 respondents who are the gig workers working in Food delivery, Ride sharing and Product/ goods delivery.

Source of data:

In this study, primary data was collected from the respondents who were working in the economy. It is done using the questionnaire method where the researcher had a direct contact with the respondents and the questions were being filled out by the respondents. This method was adopted to avoid any inaccurate answers by the respondents.

Tools for analysis:

The primary data collected has been using SPSS software. They were further tabulated and being analysed by percentage, bar diagrams.

Percentage:

Percentage can be obtained by dividing the actual value by the total value and multiplying it by 100.

Formula of Percentage:

Actual value X 100

—————
Total value

Karl Pearson's coefficient of correlation:

Karl Pearson's coefficient of correlation is a quantitative method that offers the numerical value to form the intensity of the linear relationship between two variables. This study examined the linear relationship between economic security and its factors. Formula:

$$r = \frac{n(\sum xy) - (\sum x)(\sum y)}{\sqrt{[n\sum x^2 - (\sum x)^2][n\sum y^2 - (\sum y)^2]}}$$

Where,

Period of study:

The data for the study were collected from the respondents from the month of September 2025 to October 2025.

Limitations of the study

- Lack of Reliable Data: Comprehensive and reliable data on gig workers is often unavailable, making it difficult to analyse their employment patterns and challenges accurately.
- Geographic Variations: The experiences of gig workers can vary significantly across different regions and economic conditions.
- Limited Scope of Financial Analysis: The financial well-being of gig workers is complex and influenced by numerous factors, including personal financial habits and external economic conditions, which may not be fully captured in the analysis.
- Short-Term Focus: Many studies on gig work focus on immediate challenges and outcomes, overlooking the long-term implications for workers' careers and well-being.

REVIEW OF LITERATURE

In India, studies by **Ariffa & Kaleeswari (2024)** and **Mehta (2022)** identify unstable earnings, limited benefits, and high stress among gig workers such as drivers and delivery personnel, though many value autonomy. **Chaudhary (2021)** emphasizes that the gig economy can improve women's labor participation but remains constrained by low wages and safety issues. **Jiashuo (2024)** stresses the importance of internet technologies in improving gig worker skills and efficiency, while **Joshi et al. (2024)** call for balanced regulations to address ethical concerns such as discrimination and “social dumping.” “Health-related studies—including **Gordon (2023)**, **Hafeez et al. (2021)**, **Davis & Hoyt (2020)**, and **Morita et al. (2020)**—show that gig workers face increased stress, injuries, and long-term health risks, especially under piece-rate pay or during crises like COVID-19. Mental well-being research in France (**Stabile et al., 2020**) reveals income precarity but mixed stress outcomes.

Studies in other global contexts highlight diverse impacts. **Alexander et al. (2022)** find that only a small share of Australians rely on gig work full-time, with earnings and job satisfaction varying widely. **Minten et al. (2020)** show how gig-like agricultural labor structures in Ethiopia were disrupted during COVID19. **Harpur & Blanck (2020)** and **Patel & David (2022)** explore gig work's implications for workers with disabilities, finding potential opportunities but also health and inequality risks.

Several studies examine structural and policy issues. **Wenlong et al. (2020)** highlight how psychological contract fulfilment shapes gig workers' performance, while **Cherry & Aloisi (2017)** and **Graham et al. (2017)** argue for new regulatory categories and improved worker protections. **Oswald (2017)** connects the roots of gig-like precarity to agriculture, emphasizing how globalization and weak regulation drive instability. Across the literature, scholars agree that while the gig economy offers flexibility and economic opportunities, it requires **stronger regulation, better protections, algorithmic transparency, and support systems** to ensure fair and sustainable working conditions.

Analysis

Table 4.5.1

Relationship between Economic security and Consistency of Income

Variables	Economic security			Consistency of Income		
Economic Security	Pearson correlation	Sig. (2 tailed)	N	Pearson correlation	Sig. (2 tailed)	N
	1		100	.879**	.000	100

Consistency of Income	Pearson correlation	Sig. (2 tailed)	N	Pearson correlation	Sig. (2 tailed)	N
	.879**	.000	100	1		100

**Significant at the 0.01 level (2-tailed), *Significant at the 0.01 level (2-tailed)

Table 4.5.2

Relationship between Economic security and Choice as Long-term Career

Variables	Economic security			Consistency of Income		
	Pearson correlation	Sig. (2 tailed)	N	Pearson correlation	Sig. (2 tailed)	N
Economic Security						
	1		100	.533**	.000	100
Choice as Long-term Career	Pearson correlation	Sig. (2 tailed)	N	Pearson correlation	Sig. (2 tailed)	N
	.533**	.000	100	1		100

**Significant at the 0.01 level (2-tailed), *Significant at the 0.01 level (2-tailed)

Table 4.5.3

Relationship between Economic security and Ability to handle Financial Emergencies

Variables	Economic security			Ability to handle Financial Emergencies		
Economic Security	Pearson correlation	Sig. (2 tailed)	N	Pearson correlation	Sig. (2 tailed)	N
	1		100	.863**	.000	100
Ability to handle Financial Emergencies	Pearson correlation	Sig. (2 tailed)	N	Pearson correlation	Sig. (2 tailed)	N
	.863**	.000	100	1		100

**Significant at the 0.01 level (2-tailed), *Significant at the 0.01 level (2-tailed)

Suggestions:

Firstly, the Government should focus on categorizing gig workers into formal employment status, this ensures various benefits and workers' rights to the gig workers. The Government must focus on creating a framework for gig workers where they can address their issues and access to benefits like health insurance, paid leave, and retirement plans would significantly improve job security. The gig platforms must provide skills and rights to its workers and create awareness to develop emergency funds and provide resources for saving to improve their overall financial health and preparedness for unexpected expenses. Policymakers, Gig platforms and Gig workers together must address the unique challenges faced by gig workers which is crucial for creating a more equitable and supportive working environment.

Conclusion:

This study highlights the multifaceted experiences of gig workers, revealing their working conditions, job satisfaction, and financial stability. The findings indicate that while gig work offers flexibility and opportunities for personal growth, it also presents significant challenges, including income inconsistency, limited job security, and inadequate access to benefits. The underutilization of skills and the lack of

longterm career prospects further doubts the potential of gig employment. Additionally, the impact of gig work on personal and family life can be both positive and negative, emphasizing the need for a balanced approach to work-life integration. By addressing the financial, health, and well-being concerns of gig workers, the economy and Government can foster a more sustainable and equitable gig economy. The study calls for the need to address the contribution and work of Gig workers, also including the work reforms by policymakers and benefits to be provided by the Gig platforms, which ultimately contributes to the advancement of the work forces of an economy.

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