

THE GIG ECONOMY IN THE INDIAN IT/ITES SECTOR



Rise of the Gig Economy in India



Recognised by the Indian Labour Code

For the first time, the new labour codes of 2019, have defined a gig worker as “A person who performs work or participates in a work arrangement and earns from such activities outside of a traditional employer-employee relationship”.



New Avenues for Freelancers

India constitutes about 40% of the freelance jobs offered globally, and freelancers are attracted to the gig economy because they can follow their niche and, at the same time, leverage the flexibility and independence that comes with it.



Flexibility and Cost-Saving for Employers

For companies, a cheap labour market, higher productivity, opportunity costs, operational savings, remain the major reasons to take over the gig economy concept in India.

Possible Roadblocks for Gig in IT/ITES

01

Lack of Relevant Technology

While industries such as agriculture and logistics have already developed their gig ecosystems, tracking and managing gig workers in the Indian IT/ITES as a sector is still a long shot, especially so with the lack of the right HR Tech solutions.

02

Two-Punch-One-Lunch

90% of Indian IT/ITES companies are still looking at the full-time employment angle and even the remaining 10% are not looking for completely independent gig workers but contract workers through third-party vendors.

03

Lack of a Gig Eco-System

There is a lack of policies, frame-works and social security norms for skilled workers looking to be gig workers. There is also still a lack of a proper ecosystem for employees within the IT/ITES to promote their skills, bid for & easily find work.

04

Cultural Disconnect

In India, there are major cultural changes in order, before the gig economy can become a norm. For eg: A gig worker still finds it harder to get bank loans. This is also driving employees including millennials to still seek out the security of a full-time job.

Looking to the Future



Pioneering the Virtual Workforce

With the rise of the virtual workforce, the gig economy too will see an uptake in the near future. Gig workers who account for 75% of the freelance workforce across the world will have a major role to play in the virtual labour market.



Ideal for Hiring for Niche Skillsets

Indian IT/ITES companies will be looking at hiring gig workers who are ideal for highly specific or niche skills that could be relevant only for specific projects. Same goes for outdated technology & experts, who would be needed just for specific projects.



Global Talent Pools

The talent pool within the industry is growing to be stagnant and ageing, with new hires coming from similar experiences and backgrounds. Instead, the talent pool can be expanded by hiring individuals from diverse sectors or backgrounds.