

# Exploring the relationship between Gig Economy and Employment Stability in Pakistan

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## Abstract:

It is currently essential to look into alternative employment models due to the rise in joblessness, financial uncertainty, and the shortcomings of traditional employment systems. Such serious issues seemed to have a solution in the "gig economy," which is characterized by numerous employment possibilities. This study explores the relationship between employment stability and gig economy participation, considering the role of technology advancement and job creation. The study looks at the current rapid growth, especially in Pakistan, where there are few job opportunities and the gig economy provides a vital safety net for youngsters with no jobs. This study is based on primary data gathered through questionnaires. A total of **616 responses** were collected. The data are interpreted using descriptive statistics, which shed light on the connections between employment stability and participation in the gig economy. The descriptive stats indicate that the gig economy has a positive effect on employment stability. The average mean for gig economy participation is **5.8417**, with a standard deviation of **1.92584**, shows people are highly engage in gig base work. Responses indicate a strong agreement that gig work offers a stable form of employment. The mean value for employment stability (D.V) is **2.2695** with a smaller standard deviation of **0.45669**. Respondents seem to agree that it provides a sense of job security despite the flexible nature of gig base work. The findings highlight the gig economy's potential to stabilize employment, create global channels, and offer reliable sources of income. This study points out the revolutionary effects of the gig economy on youth unemployment and fostering economic growth in Pakistan. In conclusion, adopting the gig economy could boost financial stability, promote innovative thinking, and widen the range of opportunities for employment, offering meaningful and lasting benefits to the labor force and individuals nationwide.

## Keywords:

Gig Economy, Employment Stability, Job Creation, Technological Advancements, Youth Unemployment, Pakistan

## 1. Introduction:

The world of work is changing rapidly. In recent years, the gig economy has grown significantly as more and more people are choosing to work as freelancers or contractors. This trend is being driven by several factors, including the rise of technology and the lack of job opportunities (McElheran, 2016). Automation and Artificial intelligence (AI) are already having a significant impact on the workforce, and this trend is only going to accelerate in the years to come. However, AI will also create new jobs in other sectors, such as software development and data science (Bessen, 2019). Traditionally, firms face many challenges with employment and more recently in COVID-19. As a result, the gig economy, or the freelance economy, has become increasingly popular as a method of employment after the pandemic (Wu, 2023). The pandemic led to widespread job losses and unemployment across various industries in Pakistan, pushing many individuals to seek out gig work as a necessary source of income. The term might appear to be a new thing but however it truly isn't. The gig economy was frequently referring to as the independent economy, coordinated labor force, or even brief work (Samad, Wiquar, & Ciddikie, 2022). There are currently between 8 to 18 million gig economy jobs estimated. It has been projected that the gig economy could create up to 9 crore jobs in the future. (Tiwari, Ram & Roy, 2019).

The last two decades has witnessed the growth of the gig economy as freelance white collar professionals like translators, software developers, data entry operators, creative writers and multimedia professionals, online sales and marketing professionals have found new ways of being a part of the gig economy. Because of this trend an exceptional growth is expected to be seen in the gig-based market model in the near future (Samad, Wiquar, & Ciddikie, 2022). The growing number of people who are working as freelancers or contractors and assignment-based works, these workers typically complete short-term projects or tasks for different clients, and they are not typically employed by a single company. This major shift in the employment trend has given rise to a new trend called gig economy (Wu, 2023).

In today's world, many people are turning to freelance work and the gig economy. This means they're doing short-term jobs or projects rather than working for one company full-time. This trend opens up new opportunities for businesses to create online platforms where people from all over the world can work together ((Kässi & Lehdonvirta, 2018). The global Gig Economy in 2018 generated \$204B in Gross Volume, and in 2023 this number is expected to be around \$455B (Mastercard, 2019). Imagine you have a project, like designing a website or writing articles. Instead of hiring someone full-time for it, you can use this global platform to find freelancers who are skilled and can work quickly. These freelancers might even be better suited for the job than traditional employees because they specialize in specific tasks and can focus solely on them. By tapping into this pool of talented freelancers, businesses can build a global network while still operating from their local base. It's like having access to a worldwide team of experts right from your own country. This approach not only offers flexibility but also allows companies to take advantage of diverse skill sets and expertise from around the globe (Choudhury, Foroughi, & Larson, 2019).

There are a few variables driving the development of the gig economy in Pakistan. In the first place, the internet and the rise of technology has made it more straightforward than any time in recent for individuals to find and associate with clients. Secondly, many young people in Pakistan lack the specialized skills needed for traditional 9–5 jobs as a result of the country's current educational system. The demand for skills in technology and data is growing rapidly. Because these skills are essential for businesses to succeed in the digitalization. As a result, there will be a growing need for workers with these skills in the future (World Economic Forum, 2020). It is essential that the government and educational institutions make investments in enhancing education and training if they are to take advantage of the benefits of the gig economy in Pakistan. Many of the curriculum in use today do not fully reflect the demands of the labor market, which can limit opportunities for educators and young people. We may better prepare the next generation of laborers for success in the gig economy by upgrading our educational programs and offering them appropriate instruction or training. This strategy can boost economic growth, create new job opportunities, and contribute people in realizing their full potential. For those seeking independent employment, the gig economy presents a viable path that promotes both career and financial growth (Deloitte, 2018), which contribute to the overall economic growth.

The gig economy has become an important factor in today's labor market, providing flexible and diverse possibilities for people looking for other sources of income. Understanding the effects of gig work on employment stability is crucial as the world of work keeps changing. This study emphasizes how the gig economy can help reduce unemployment, particularly in developing nations like Pakistan. The gig economy can contribute significantly to economic growth and stability by adopting technological advancements and fostering jobs creation. It also offers people an opportunity to secure a sustainable income in a world that is changing quickly.

### **Problem Statement:**

This study explores the relationship between the gig economy and the employment stability, concentrating on the reasons behind the growing popularity of gig-based work. It highlights key factors such as technological advancements, artificial intelligence, and a lack of job opportunities that make gig work essential for stable employment in Pakistan. Gig employment provides a crucial safety net as the country face high youth unemployment. The study suggests that utilizing the gig economy could reduce unemployment by stabilizing employment and opening up global opportunities. By analyzing the statistics, we will explore these factors impact employment stability in Pakistan.

### **Research Objective:**

This study has the following objective;

- To explore the relationship between gig economy and employment stability.

### **Research Question:**

This study has following research question;

- How the gig economy connected to the employment stability?

## 2. Literature Review:

As global structures, technologies, and community values have evolved, the gig economy—where people work as independent contractors, temporary employees, or contract workers—has recently emerged, blurring traditional lines of work (Jin & Liu-Lastres, 2024). This development can be followed across several historical eras: This development can be followed across several historical eras:

The word "gig" was used to describe jazz performers' engagements in the 20th century (Cropanzano et al., 2023). The gig economy's context starts to shape his current situation with those historical backgrounds, even though gig-type work relations have existed since the turn of the century as day laborers, seasonal workers, and other temporal types of work. Therefore, industries that are inherently project-based and fluctuating, such as construction, trades, or agriculture, developed this kind of employment independent of job structure (Zhidkova, 2022). Rapid technological advancements in recent decades have made it possible for contractual agreements and freelance work to be conducted internationally. Two significant components of the development of digital culture are the Internet and mobile technology. The gig economy was founded in the late 1990s to assist individuals in offering goods and services on an individual basis through online marketplaces, through platforms such as eBay (Van Dusen, 2022) and already-existing organizations like Craigslist (craigslist.org, founded in 1996) (Alvarez De La Vega et al., 2023). As the "gig economy" gained popularity in the 2010s and beyond, debates over what constitutes a gig worker and what benefits they should receive from their job grew. In nations where legal prolongation disputes are common, the complicated situation has somewhat altered the current system. Another example is the 2020 decision by the UK Supreme Court that Uber drivers should be regarded as "workers," a significant legal advance that has improved working conditions (Gupta, 2024).

Due to the inherent flexibility of gig work and the growing demand for jobs that are completed independently and remotely, the novel coronavirus disease (COVID-19) continued to be a major factor in the rise of the so-called gig economy (Alanezi & Alanzi, 2020). The need for gig workers was increasing, and companies were being forced to use them in place of full-time employees as they reorganized to withstand closures and economic downturns (Williams et al., 2021). In industries like delivery services, remote tutoring, and critical business operations, where gig work could be readily incorporated to meet the shifting demand trend, it became evident that this shift was particularly noticeable (Huang et al., 2020). In addition, the pandemic brought to light serious problems pertaining to the susceptible group of gig workers. Without the protections afforded to regular employees, many of these workers usually found themselves in a vulnerable position. Uneven access to healthcare and other benefits like job security, sick leave, and no unemployment benefits exposed this disparity, resulting in pandemic-related crises and mayhem (Grimmer & Vorobjovas-Pinta, 2020). The difficulties led to a clear mobilization of legislative and societal institutions, which promoted a review and reinterpretation of the legal rights and positions of independent workers. They marked a shift in the regulatory community's perception of the gig economy during this time, which may have long-term implications and result in labor laws being changed to better reflect the nature of contemporary work (Wong, 2020).

The challenges posed by the nontraditional employment pattern are addressed by a multifunctional combination of management, human resources, and legal considerations in the strategic approach to managing freelance workforces, particularly in the gig economy (Hickson, 2024).

The potential of the gig economy to promote inclusivity and alleviate poverty is consistent with Sustainable Development Goals 1 and 8. It provides opportunities for additional income, which especially benefits those with lower incomes and helps to reduce poverty and promote financial stability. For example, approximately 36% of American workers performed gig work in 2020, making up 5.7% of the nation's GDP (Fennell, 2021). According to Upwork's Freelance Forward survey from 2022, the shift away from traditional employment contributed \$1.35 trillion to the US economy through freelancers. Growing gig work has the potential to increase overall workforce participation, absorb labor, lower unemployment, and indirectly lower poverty rates. The desire for time flexibility (73%) and additional income (83%) are the main drivers of gig work.

These results were supported by a 2020 study of 200 freelancers in Slovenia, which emphasized the potential for project selection and idea realization (Hudek & Širec, 2023, p. 71). By enabling people to become micro entrepreneurs and use their skills for business endeavors, the gig economy has the potential to end the poverty cycle. The gig economy offers worldwide participation in areas with few employment options, which eventually improves living conditions. As it grows, a variety of skills are needed, which promotes lifelong learning, increased employability, and the fight against poverty.

According to some researchers (e.g. De Stefano, 2016), gig workers will primarily be viewed as an extension of platforms, apps, and IT devices until app-based gig work is legally recognized as work. Because gig workers are considered self-employed, they are in charge of organizing and scheduling their work, which offers little to none of the benefits and security of other traditional forms of work that are common in developed nations (Kost et al., 2020).

Woodcock and M Graham, (2019) have investigated that the remarkable development of the gig economy is a consequence of the evolving work culture which is experiencing a rise in short-term contracts instead of long lasting secure jobs, as gigs give significant ease for laborers, managers and clients instead of the inflexible and limiting person of the ordinary work arrangements. The advantages of gig economy are that the businesses get to choose when and how they need to enlist laborers. Furthermore, the clients and clients can likewise profit the upsides of this smoothness. Wood et al., 2019 saw that the strategy producers of nations with major league salary are with the impacts of gig economy.

According to Edison Research (2018), individuals whose primary source of income is from working in the gig economy report zero levels of anxiety because they feel stable and secure about their personal financial situation. Furthermore, young adults around the age of 18-34 as well as African-American adults are more likely to depend on gig employment as their primary source of income. With ongoing technological advancements, the gig economy will undoubtedly flourish in the near future. Since technology has become an integral part of life, the general masses have become greater users of internet. With the help of technology, demand and supply in the gig market has become better.

The Pakistan market has an extensive number of gig workers and companies are not obliged anymore to recruit a permanent employee and give them a monthly paycheck so the government should take security measures for the gig workers. The gig economy has flexible work hours, and it can attract those who are not inclined towards doing the conventional nine-to-five job. Technology based gig work can enhance output in diverse areas in the market which can lead to lasting growth in employment and financial prospective.

### ***Different Segments of Gig Works in Pakistan***

- Freelancers

Independent professionals offering services in various fields, such as writing, graphic design, programming, and digital marketing, often through online platforms like Up work, Fiverr and Freelancer.

- Ride- Share Drivers

People who provide flexible transportation services as drivers for ride-sharing companies such as Careem, InDrive, Yango and Uber.

- Delivery Partners

Employees who transport goods and services, such as food delivery drivers and courier services, are frequently linked to websites such as Foodpanda, Careem Now, and others.

- Online Sellers

Business owners and private sellers who use the gig model for product listings and delivery on e-commerce sites such as Daraz, OLX, and others.

- Content Creators

Individuals creating content on platforms like YouTube, Instagram, and TikTok, earning revenue through advertisements, brand collaborations, and sponsorships.

- Virtual Assistant

Remote employees who manage emails, enter data, and assist customers are offering administrative and support services to companies and entrepreneurs such as Amazon Virtual Assistant.

- Task Based Platforms

Workers on platforms like TaskRabbit or Fiverr, offering a variety of small, task-based services such as household chores, administrative tasks, and more.

- Skill Specific Professionals

Specialized gig workers who provide their services on a project basis, like IT specialists, translators, and consultants.

- Students

Students who must support their families financially and pay for their own education look for jobs with flexible and temporary work schedules and a sufficient wage. E.g. Data entry operators, package delivery agents and food delivery.

### ***COVID-19 and Gig Economy***

Work from home became commonplace against the backdrop of the global COVID-19 pandemic, providing a sense of normalcy for gig economy workers. Since they made it through the COVID crisis and continued to operate when everything else came to a halt, their services are now recognized. During the pandemic around the world, gig workers were found to provide many vital services, including delivering essential contactless food and medications at the

doorstep and offering online teaching services. Furthermore, a growing number of people moved to the gig economy to quickly supplement their reduced income after being fired from their jobs or having their working hours reduced.

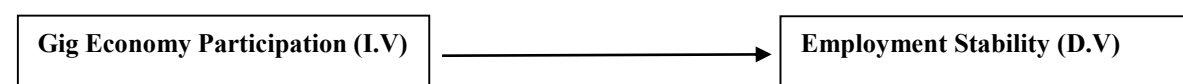
These days, it's not unusual to hear of people who, in addition to their regular jobs as contract employees, also work as freelancers on the side to supplement their income. Live event coordinators who changed careers to host on demand online conferences and content writers who worked full-time for one business but freelanced for several other clients are two examples of this. During the lockdown, the gig economy also played a crucial role in maintaining restaurant operations. While employees lost their jobs because restaurants couldn't operate during the lockdown, delivery agents stepped in to bring food from the restaurant to customers' homes (Samad, Wiquar, & Ciddikie, 2022). The gig economy has altered the conventional work environment in India. There are currently between 8 and 18 million gig economy jobs estimated. According to estimates, the gig economy could create up to 9 crore non-agricultural jobs in the future. In 2019, Tiwari, Ram, and Roy (2019). This decade, deals valued at US\$ 250 billion could be made in India's gig economy, which would represent 1.25 percent of the nation's GDP. From the standpoint of the gig economy, India could see the creation of previously unheard-of levels of employment in the following four key industries: manufacturing, retail, transportation, and logistics. Anyone who works in the informal sector and participates in income-earning activities outside of a traditional employer-employee relationship is considered a freelance employee. When gig workers utilize platform websites or applications such as Uber, Ola, Zomato and Swiggy.

Gig and informal economies have been widely and quickly promoted globally over the last ten years (**Freni-Sterrantino and Salerno, 2021**). According to the most recent data, there are an estimated 7.25 million regular gig workers in the UK, making up roughly 22.1% of the workforce overall. This figure is higher than the estimated 14.7% in 2021, when women earned 10% less on average than men (**Office for National Statistical, 2023**). Following previous studies gig work is defined as "contingent work that is transacted on a digital marketplace," in line with earlier research (**Wang et al., 2022**). While numerous studies indicate that promoting employment is crucial for safeguarding the public's mental health (**Kamerāde et al., 2019**) (**Wang et al., 2021, 2022**), there is continuous discussion about whether gig-type jobs can be promoted as a substitute for those making the move from no paid work to paid work. On the other hand, the gig economy helps those without paid employment move more smoothly into gainful employment by providing more flexibility in their work schedules (Donovan et al., 2016). The gig economy has grown rapidly in the twenty-first century. Although there is a wide range of irregular and non-traditional work that falls under the umbrella of gig work, including "on demand work," "crowd work," and "internet mediated freelance work" (De Stefano, 2016, p. 471). An increasing number of people are working gig jobs through apps many of these individuals are migrants from developing countries, sometimes known as the global south, and reside in developed western nations like Australia, the United States of America, Canada, and the United Kingdom, sometimes referred to as the global north (**Pautuzzi & Benton, 2019; van Doorn et al., 2020; Victorian Government, 2020**). Gig workers are regarded as selfemployed and thus, are responsible for organizing and planning their work which offers little, if any, of the security and benefits provided through other forms of traditional work found in developed countries (**Kost et al., 2020**).

The largest source of app-based gig work is the ride-sharing sector, and it was estimated that by the end of 2019, Uber had more than 5 million drivers **globally (Uber, 2020)** and other platforms such as Didi or Lyft had similar numbers across different countries. Over the past ten years, the platform economy has grown rapidly in India due to the adoption and expansion of digitalization in the country's economy. Through digital platforms (apps or websites) that connect platforms and clients with laborers, this new economy runs algorithmically (Muldoon and Raekstad 2022). According to recent research (Hunt et al. 2019; ILO 2021; Rani and Singh 2019), these jobs are precarious and are characterized by irregular and low incomes, a lack of social protection, long working hours, and few opportunities for upskilling. The low female labor force participation rates in India and the lack of data indicating an increase in women's participation in gig platforms in India (Soni 2021) have raised doubts about the ability of these platforms to close gender gaps in participation rates, despite their claims to have created opportunities to re-evaluate and restructure the increasingly male-centric ecosystem of work and create a "gender-equal space" (Rubery 2019). Furthermore, women view the platform economy as a lucrative opportunity, with flexible work schedules serving as a helpful tool to balance work at home and paid employment, thereby increasing their chances of economic participation (Kasliwal 2020). People can work independently and take on several projects or gigs at once thanks to the gig economy. Because of their flexibility, they may be able to make more money than they would from a regular full-time job. The gig economy provides a way for workers in nations like Pakistan, where there might be economic difficulties or a lack of job opportunities, to boost their income and financial security. The gig economy makes it possible to create international channels where people can offer their services to clients anywhere in the world through online platforms and marketplaces. This implies that proficient workers in a variety of fields, including writing, graphic design, IT, and digital marketing, can communicate with clients both domestically and abroad. This worldwide reach creates new opportunities for revenue growth and business expansion. In the context of the digital economy, freelancers' services via online platforms can be viewed as a type of export. For example, a freelance graphic designer from Pakistan who designs logos for customers in the US or Europe is effectively exporting their skills. Pakistan can enhance its exports of digital services and contribute to economic growth and foreign exchange earnings by leveraging the gig economy and online platforms. The flexibility offered by the gig economy is one of its main benefits, especially for women. Women frequently encounter barriers to traditional employment opportunities in many societies, including Pakistan, as a result of cultural norms, caregiving obligations, or mobility limitations. Women can work remotely from home or other convenient locations thanks to the gig economy, which helps them balance work and family obligations.

### **Research Framework**

Research framework comprises of what type of data and variables we took for the study. In this study the independent variable is Gig Economy participation and dependent variables are Employment stability. The study examines how the job creation driven by the gig economy impacts employment stability, while considering the role of technological advancements.





**Nature of Data:**

This research utilizes primary data, which means that we collect data from first hand rather than relying on secondary sources. Primary data was conducted through structured questionnaire from specific area. We collected 616 respondent's data on the basis of survey we conduct on google form to explore the positive relation between gig economy or freelance economy and employment stability and how this connected to the employment stability especially for the developing country like Pakistan. For this we collect data from both sides that is traditional work such as 9 to 5 workers and gig based worker such as freelancers and workers on Fiverr etc. This approach allows us to capture both perspective and viewpoint related to employment stability. Overall, this research offers insightful information about the relationship between the gig economy and stable employment, giving readers an advanced perspective on the ways in which gig work may affect people's financial and job security.

**Nature of variable:**

This research examines the gig economy participation as independent variable and employment stability as dependent variable. To show how much independent variable influence the dependent variable we consider the role of Job Creation and Technological Advancement. Now we explain each variable along with their potential effect;

**Gig Economy Participation as independent variable**

People who participate in the gig economy work as independent contractors, temporary employees, or workers on a project basis via websites or other channels. By giving people more freedom to select their projects, working hours, and clients, this approach improves flexibility and can help in improving work-life balance. People can connect with clients worldwide and boost their earning potential across national or regional borders because of the gig economy access to global markets.

**Employment Stability as dependent variable**

Employment Stability refers to people's sense of security and consistency in their jobs, including their ability to take advantage of benefits, a consistent income, and a stable job. Technological advancements such as artificial intelligence (AI) have a significant impact on the employment stability of gig workers by increasing the variety and effectiveness of gig work. Furthermore, the gig economy plays an essential part in the creation of jobs. By encouraging different work choices, it creates new opportunities and makes it possible for people to have steady sources of income even in a labor market that is changing quickly.

**3. Methodology****Research Design**

With the objective to explore the effect of gig economy participation on employment stability in Pakistan, this study uses a quantitative descriptive design. The study considers the role of technological advancements like artificial intelligence and role of job creation. This study, which aims to explore how the gig economy can address employment challenges in a developing country, is based on primary data gathered through questionnaires. The study used a cross-sectional design, indicating that open-ended questions were used to gather data at a single point in time. The data are interpreted using descriptive statistics, which shed light on the connections between employment stability and participation in the gig economy.

## Sampling

With a sample size of 616 participants—including full-time workers and gig economy freelancers—the study used a purposive sampling approach. Accessible online resources like social media, professional networks, and email invitations were used to choose participants. Even though this approach made it easier to gather a lot of responses from a variety of job sectors, it is not consistent with random sampling, which gives each member of the population an equal chance of being chosen.

## Data Collection

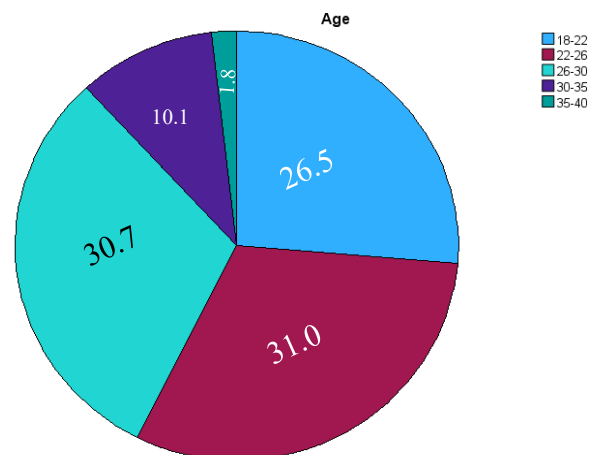
The questionnaire was designed to collect comprehensive information about the experiences of the participants with employment stability (a dependent variable), participation in the gig economy (an independent variable), included multiple choice questions designed to measure the variables. A total of 616 responses were collected, which helped identify patterns and relationships between the variables and provided sufficient data for statistical analysis. The respondents were asked to discuss how working gigs has affected their chances for job creation, income stability, and job security. They were also asked to share their opinions on how technology is changing the workplace and creates job opportunities. The questionnaire was distributed from online channels including email and social media platforms such as Instagram, Facebook etc, to reach a broad audience of freelancers, gig workers and full time employees in Pakistan. This method ensured wide participation and quick data collection.

## 4. Results and Discussions

### Frequency Distribution Table

#### Demographics

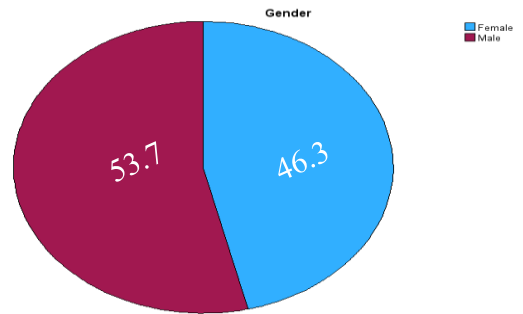
		AGE			
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	18-22	163	26.5	26.5	26.5
	22-26	191	31.0	31.0	57.5
	26-30	189	30.7	30.7	88.1
	30-35	62	10.1	10.1	98.2
	35-40	11	1.8	1.8	100.0
	Total	616	100.0	100.0	



A total of 616 responses to the survey were gathered, and the respondents' age distribution was broken down into five different age groups. The first age group, which included people between the ages of 18 and 22, accounted for 26.5% of the respondents, or roughly 163 out of the 616 participants who took the survey. With 31.0% of all responses, the second age group—those between the ages of 22 and 26—had the highest participation rate. This corresponds to roughly 191 responders in this age range. The third age group—those between the ages of 26 and 30—came in second highest responses with 30.7%, or about 189 participants. The fourth age group, which included people between the ages of 30 and 35, accounted for 10.1% of survey respondents, or about 62 people. Lastly, the fifth age group, which consists of people in their 35s to 40s, accounted for approximately 11 participants or 1.8% of all responses. The majority of survey participants are in the younger age groups, with a particular percentage of respondents falling into this group, especially those between the ages of 18 and 30.

**GENDER**

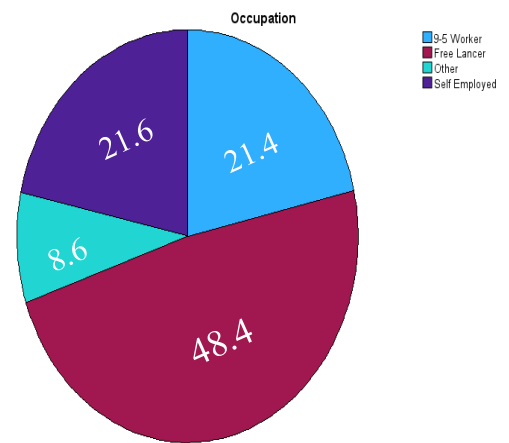
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Female	285	46.3	46.3	46.3
	Male	331	53.7	53.7	100.0
	Total	616	100.0	100.0	



The gender distribution of the 616 respondents to the survey was as follows: 53.7% of respondents were male, or about 331 people, and 46.3% of respondents, or about 285 people, were female. Although there were slightly more male than female, there was a fairly equal distribution of participation by gender. Amazingly, even though male dominated, female also made up a sizable portion of the participant base, indicating high levels of engagement from both genders

**OCCUPATION**

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	9-5 Worker	132	21.4	21.4	21.4
	Free Lancer	298	48.4	48.4	69.8
	Other	53	8.6	8.6	78.4
	Self Employed	133	21.6	21.6	100.0
	Total	616	100.0	100.0	



Four main groups were created based on the occupations of the survey participants. Freelancers made up the biggest group of respondents (48.4%), which is indicative of the growing trend of independent work. After that, 21.6% of participants reported being self-employed, indicating their involvement in business ownership. A sizable percentage of traditional employment was indicated by the 21.4% of respondents who worked from 9 to 5. Lastly, 8.6% of the respondents were classified as "others," which could refer to a variety of unconventional or uncommon job types. With a focus on freelance and independently-employed jobs, this distribution emphasizes the variety of work arrangements among survey respondents.

## Descriptive Statistics

**Descriptive Statistics**

	N	Minimum	Maximum	Mean	Std. Deviation
GIGE	616	1.25	12.25	5.8417	1.92584
EPS	616	1.00	3.25	2.2695	.45669
TA	616	1.20	3.40	2.4127	.41473
JC	616	1.00	3.00	2.3601	.37728
Valid N (listwise)	616				

## **Interpretation**

The descriptive stats indicate that the gig economy has a noticeable effect on employment stability and other factors. The average value (mean) for gig economy participation (I.V) denoted as (GIGE) is **5.8417**, with a standard deviation of **1.92584**, shows people are highly engage in gig base work, and many gig workers feel confident and secure in their job. Responses indicate a strong agreement that gig work offers a stable form of employment. Despite the flexible nature of gig work, most respondents feel it provides reliable job security. The mean value for employment stability (D.V) denoted as (EPS) is **2.2695** with a smaller standard deviation of **0.45669**. This indicate that the most gig worker feels secure and stable in their work and their responses are quite similar. Respondents seem to agree that it provides a sense of job security despite the flexible nature of gig base work. For the considering, job creation denoted as (JC) the mean value is **2.3601** with a standard deviation of **0.37728** indicate that people believes that gig base work helps in the creation of jobs and their answers are fairly consistent. For technological advancement denoted as (TA) has a mean value of **2.4127** and a standard deviation of **0.41473** it means that people are highly agree that technology like AI is affecting gig work and their responses don't differ too much from each other. In conclusion the descriptive stats show that the gig economy has a positive impact of employment stability, job creation while the technology playing an important role in this relationship.

## **Correlation Analysis**

The findings show that employment stability (the dependent variable) and the gig economy (the independent variable) have a significant positive correlation (0.67). According to this research, job stability tends to improve considerably as gig economy participation rises. This positive connection demonstrates how the gig economy has transformed the way that employment issues are handled. Particularly in economies like Pakistan, where conventional employment structures frequently fail to meet the demands of an expanding workforce, it provides flexible work opportunities. The correlation highlights how the gig economy contributes to overall economic stability by generating new revenue streams, lowering unemployment risks, and acting as a buffer against job insecurity.

Additionally, this finding also fits with global trends, where the gig economy is becoming more and more acknowledged for empowering people through technology-driven platforms that allow for stable employment and financial security. In order to further improve long-term job stability, it emphasizes the necessity of policies that assist gig workers and guarantee that they have access to fair pay, benefits, and job protections.

Flexible and tech-driven work models are becoming increasingly important in promoting economic resilience, as evidenced by the strong positive correlation between the gig economy and employment stability. This relationship suggests that as more people participate in the gig economy, they are better equipped to obtain steady income and adjust to shifting market demands, which lessens the impact of unemployment. In Pakistan, where traditional job markets frequently encounter constraints, the gig economy provides a crucial substitute for workers seeking stability and fostering economic expansion. The potential of gig platforms to close employment gaps and guarantee stable livelihoods in a changing economic environment is highlighted by this finding.

## 5. Conclusion

The findings and conclusions of the study highlight that involvement in the gig economy, especially in developing nations like Pakistan, significantly increases employment stability. The gig economy provides a flexible work model which allows people to take advantage of a variety of job opportunities, promoting stability and strength in the economy. Gig work addresses a variety of personal and financial needs by allowing workers select their own projects and set their own schedules. This provides a stable source of income throughout times of recession. Globally, there are numerous benefits to the gig economy. It gives businesses access to an international pool of talent and enables them to integrate specialized expertise and skills from around the world. This promotes innovation and competitiveness in addition to improving business operations. Working with foreign clients allows freelancers to expand their reach beyond local markets and creates opportunities for job as well as opportunities for development in their fields. However, a number of developing nations confront serious challenges to traditional employment, such as low economic growth, unemployment, and a lack of jobs. These problems emphasize the necessity of finding other sources of employment. By providing flexible and adaptable work options that accommodate transforming market conditions and personal needs, the gig economy addresses these issues. It offers an efficient solution for areas faced by insufficient creation of jobs and economies that are unstable.

According to the descriptive statistics, the average participation in the gig economy is **5.8417**, which implies that workers are highly engaged. As indicated by the mean value of **2.2695**, this is associated with employment stability, indicating that gig workers feel relatively safe in their jobs despite the flexible nature of their work. Additionally, the analysis highlighted the critical role that job creation plays between employment stability and participation in the gig economy. This illustrates how the gig economy helps the economy create more jobs overall while also providing stability for individual workers. Technology development also plays an essential role, enhancing the positive aspects of gig work for job stability. Technology innovation, particularly artificial intelligence (AI), makes it possible for gig workers to work more efficiently and allows businesses to make greater use of their skills, which boosts economic stability. This approach not only offers flexibility but also allows businesses to take advantage of diverse skill sets and expertise from around the globe.

It's like having access to a worldwide team of experts right from your own country. freelancers, businesses can build a global network while still operating from their local base. As a whole, the results suggest that, especially for workers in nations like Pakistan, the gig economy offers a reliable source of income and stable employment. In addition, it promotes creation of jobs and is strengthened by continuous technological progress. Businesses should take advantage of the gig economy's potential to address employment issues and stimulate growth in the economy. In light of the difficulties associated with traditional employment, the gig economy emerges as a crucial alternative source of employment, providing opportunities for growth and stability. Adopting this approach could be beneficial in addressing employment concerns and promoting economic growth by utilizing its worldwide reach and technological advantages to create a workforce that is more flexible, adaptable and forward-thinking towards the better future for Pakistan.

### **Policy Implication:**

This study highlights the urgency of policy changes are needed to support Pakistan's freelance economy. The primary implications are;

1. **Developing Supporting Policies for Freelancers:** Since freelancers are becoming a growing part of the workforce, the government needs to pass such laws, rules and regulations that promote and protect them. These policies should make it easier for freelancers to register and obtain financial service access and receive social security benefits. To promote gig base work, ensure fairness, tax incentives and subsidies should also be considered.
2. **Collaborate with International Platforms:** The recent announcement by Fiverr regarding the limitation of interaction with Pakistani freelancers due to server problems points out the necessity of stronger collaborations between the government and telecom companies like PTCL. To ensure freelancers can compete globally, the government must engage with international platforms to address these concerns. Creating official communication channels between international platforms, telecom companies, and the government will help to resolve these issues and create a more supportive environment for gig workers

### **Future Recommendations**

Given the growing importance of the gig economy, especially in developing countries like Pakistan, it is crucial to explore various aspects that impact its effectiveness and sustainability. The study highlights the significant role of gig work in providing flexible employment opportunities and enhancing economic stability. However, challenges such as internet infrastructure, policy support, and technological advancements need further investigation. To build these findings and address existing gaps, future research should focus on how developing internet infrastructure standards can help freelancers become more productive and competitive worldwide. Examine how improving connectivity affects independent contractors' capacity to collaborate with clients around the world and complete tasks quickly. Furthermore, investigate the ways in which cooperation between international platforms like Fiverr and the government can resolve connectivity problems and facilitate freelancers' access to international markets. Comprehending these dynamics are useful in formulating strategies to enhance internet services and cultivate effective collaborations, ultimately enhancing the competitive advantage of freelancers in developing nations.

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