

Skill and Career Development in the Gig Economy: A Review with Special Reference to Youth Employment

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Abstract

The gig economy has emerged as a significant employment model in the contemporary labour market, particularly for young individuals seeking flexible and skill-based work opportunities. Driven by digital platforms and technological advancements, gig work has transformed traditional notions of employment, career progression, and skill acquisition. This study aims to review and synthesise existing literature on skill development and career growth in the gig economy and examine its implications for youth employment. The study adopts a review-based research design and relies exclusively on secondary data collected from academic journals, books, policy reports, and published research studies. The paper highlights that the gig economy provides youth with opportunities for skill enhancement, income generation, and flexible career pathways; however, it also presents challenges such as job insecurity, informal skill recognition, limited career advancement, and lack of social protection. The study identifies key research gaps related to long-term career sustainability, structured skill development, and youth employability in the gig economy. The findings of this study contribute to a better understanding of the role of the gig economy in shaping youth employment and offer directions for future research and policy interventions.

Keywords: *Gig Economy, Skill Development, Career Development, Youth Employment*

Objectives

The present study aims to review and synthesise existing literature on skill and career development in the gig economy with special reference to youth employment. It seeks to examine the opportunities and challenges associated with gig-based work for young workers and to analyse its implications for employability and career sustainability. Further, the study aims to identify major patterns, emerging issues, and research gaps in the existing literature in

order to provide directions for future research and policy interventions related to youth employment in the gig economy.

Introduction

In the present era, employment patterns are undergoing rapid transformation due to technological advancements, the expansion of digital platforms, and changing work preferences. One of the most significant outcomes of these changes is the emergence and growth of the gig economy. The gig economy refers to a work arrangement in which individuals engage in short-term, task-based, freelance, or project-based employment instead of traditional full-time jobs. Such work is largely facilitated through digital platforms and online applications, offering flexibility in terms of working hours, work location, and the nature of tasks performed. According to the International Labour Organization (ILO), the gig economy involves short-term and task-based work arrangements, often mediated by digital labour platforms, where workers are generally classified as independent contractors rather than permanent employees (International Labour Organization [ILO], 2021).

The gig economy has become particularly significant for youth employment. Young people across the world face challenges such as limited formal job opportunities, skill mismatch, and intense competition in the traditional labour market. In this context, gig work provides an alternative entry point into employment with relatively low entry barriers. Many young individuals participate in platform-based activities such as ride-sharing, food delivery, online freelancing, digital marketing, and content creation. The Organisation for Economic Co-operation and Development (OECD) also highlights that digital labour platforms have become an important source of employment for youth, especially in economies experiencing employment pressures and skill mismatches (OECD, 2019).

Skill development and career growth are critical for long-term employability, particularly for youth. Participation in the gig economy enables young workers to gain practical experience, develop technical and digital skills, and improve adaptability. However, existing literature also highlights key challenges associated with gig-based employment, such as informal skill acquisition, uncertain career progression, income instability, and limited social protection, raising concerns about the long-term sustainability of gig work as a career option. With the growing participation of youth in the gig economy, it is important to examine its influence on skill development and career growth. Although existing studies discuss various aspects of the gig economy, focused reviews linking skill and career development with youth

employment remain limited. Hence, the present study reviews existing literature to analyse trends, opportunities, challenges, and research gaps related to skill and career development in the gig economy and its implications for youth employment. In this context, a review of existing literature is essential to understand how gig-based employment influences skill development and career growth among youth, as well as to identify key research gaps.

Literature Review

Rathod and Khan (2025) examined the growing role of the gig economy among students entering the labour market using a qualitative research design based on surveys and in-depth interviews. The study identifies essential competencies required for effective participation in gig work, including digital literacy, self-management, entrepreneurial orientation, financial awareness, and networking skills. The findings highlight that gig work offers flexibility, income-generation opportunities, and skill enhancement for students. However, issues related to income instability, job insecurity, and the absence of long-term career protection were also observed. The study emphasises the need for structured skill development initiatives, institutional support mechanisms, and policy interventions to enhance career sustainability within the gig economy.

Adjaino and Adekunle (2025) analysed the relationship between gig work participation and career intentions among university students in Nigeria through a cross-sectional survey of 355 respondents. Using correlation and multivariate regression analysis, the study reveals that flexibility, job autonomy, and inclusiveness significantly influence students' career intentions, with flexibility emerging as the strongest predictor. The findings suggest that gig work plays a meaningful role in shaping students' career aspirations by providing flexible and autonomous employment opportunities.

Sowmya et al. (2025) explored the key challenges faced by gig workers, particularly income instability, limited access to financial resources, and restricted career growth. The study proposes an integrated Smart Loan and Upskilling Platform that combines artificial intelligence-based financial support with targeted skill development and career guidance. The findings indicate that structured skill enhancement and economic support mechanisms are crucial for improving employability, financial stability, and long-term career outcomes for gig workers.

Mimi and Mani (2024) investigated the impact of the gig economy on career development among young workers in an emerging economy using a mixed-method approach

involving university students and graduates in Bangladesh. The study shows that youth increasingly perceive gig work as an entry point into the labour market due to its flexibility, autonomy, and income potential. The findings highlight the importance of technical, interpersonal, and problem-solving skills in gig work while also identifying challenges such as income instability, lack of social security, and limited career progression. The study concludes that although the gig economy supports skill development and labour market entry, it poses risks to long-term career sustainability.

Suryavanshi and Soni (2023) analysed emerging trends in the gig economy in India and its contribution to employment generation through an exploratory study based on both primary and secondary data. The findings reveal that gig platforms have expanded flexible and autonomous work opportunities, particularly for millennials, thereby supporting employment creation. However, the study also identifies challenges related to job insecurity, unregulated working conditions, and the increasing demand for digital and technical skills, indicating a mixed impact of the gig economy on career stability and skill development.

Bekal et al. (2023) reviewed the growth of the gig economy in India and its impact on changing employment patterns. The study highlights that while gig work offers flexibility and employment opportunities, workers face significant challenges such as job insecurity, lack of social benefits, and intense competition. The authors emphasise the importance of supportive policy frameworks and focused skill development initiatives to enhance employability and ensure long-term career sustainability in the gig economy.

Behera and Gaur (2022) examined the role of skill training in strengthening the sustainability of the gig economy in India using an exploratory approach based on secondary data. The study highlights the rapid expansion of gig work, existing skill mismatches, and the growing need for continuous upskilling to keep pace with technological advancements and market dynamics. The findings conclude that skill development is essential not only for improving gig workers' employability but also for ensuring the long-term effectiveness and sustainability of the gig economy.

The reviewed studies collectively highlight that while the gig economy offers flexibility and skill exposure for youth, concerns related to career sustainability, structured skill development, and social protection remain insufficiently addressed. These limitations underline the need for further review-based analysis focusing specifically on youth employment in the gig economy.

Research Methodology

The present study is a review-based research paper and relies entirely on secondary data. Data have been collected from academic journals, books, policy documents, government reports, and previously published research studies related to the gig economy, skill development, career growth, and youth employment. The collected literature has been analysed and synthesised to identify key themes, opportunities, challenges, implications, and research gaps.

Opportunities of The Gig Economy for Youth

- 1. Skill Development Opportunities:** The gig economy enables youth to acquire digital, technical, and task-specific skills through real-time work experience. Engagement in platform-based work enhances adaptability, problem-solving ability, and self-learning skills.
- 2. Income Generation:** Gig work provides youth with immediate income opportunities, especially for those facing unemployment or underemployment in the formal sector. It also supports supplementary income while pursuing education.
- 3. Flexible Work Arrangements:** Flexibility in working hours and location allows youth to balance education, personal responsibilities, and work, making gig employment attractive to students and early-career individuals.
- 4. Low Entry Barriers:** Most gig platforms require minimal formal qualifications, enabling youth to enter the labour market easily and gain initial work exposure.
- 5. Entrepreneurial Exposure:** Gig work encourages entrepreneurial thinking by allowing youth to manage clients, pricing, time, and service quality, thereby fostering self-employment orientation and business-related skills.
- 6. Platform-Based Learning:** Digital platforms often provide in-built learning resources, ratings, and feedback systems that help youth continuously improve performance and acquire market-relevant skills.
- 7. Geographic Mobility and Global Access:** Online gig platforms enable youth to access national and international markets without physical relocation, expanding employment opportunities beyond local labour markets.
- 8. Portfolio Career Development:** Gig work allows youth to engage in multiple projects across different domains, helping them build diversified career portfolios and explore varied career interests.

Challenges Faced By Youth in the Gig Economy:

- 1. Job Insecurity:** Gig work is largely short-term and task-based, resulting in uncertain and unstable employment for young workers.
- 2. Informal Skill Recognition:** Skills gained through gig work are often not formally certified or recognised, limiting mobility into traditional employment sectors.
- 3. Limited Career Advancement:** The absence of structured career paths, promotions, and long-term contracts restricts career growth and progression in gig-based work.
- 4. Lack of Social Protection:** Gig workers generally do not receive benefits such as health insurance, paid leave, or retirement security, increasing economic vulnerability.
- 5. Income Instability:** Earnings depend on platform algorithms, demand, and customer ratings, leading to fluctuating and unpredictable income.

Implications of Gig Economy For Youth Employment

- 1. Employment Generation:** The gig economy acts as an alternative employment avenue for youth facing limited opportunities in the formal labour market.
- 2. Changing Nature of Careers:** Gig work promotes non-linear and portfolio careers, altering traditional notions of long-term employment and career stability.
- 3. Employability Enhancement:** Exposure to diverse tasks improves short-term employability, though long-term sustainability remains uncertain.

Findings of The Review:

- The gig economy offers youth flexibility, skill exposure, and income opportunities.
- Skill development in gig work is largely informal and experience-based.
- Career growth and employment security remain limited and uncertain.
- The absence of social protection increases employment precarity among youth.
- Existing literature highlights the need for policy intervention and structured support systems.

Based on the above findings, several gaps emerge in the existing literature that require further academic attention.

Research Gaps Identified in Existing Literature

- 1. Long-Term Career Sustainability:** Limited studies examine the long-term career outcomes of youth engaged in gig work.

2. Structured Skill Development Mechanisms: There is a lack of research on formal training, certification, and skill recognition systems within the gig economy.

3. Youth-Centric Policy Analysis: Few studies focus specifically on youth-oriented labour policies and social protection frameworks for gig workers.

Addressing these gaps is essential for strengthening youth employability and ensuring sustainable career development in the gig economy, which highlights the future requirements for young gig workers.

Future Requirement for Youth in The Gig Economy:

1. Structured Skill Development: Formal training programs and recognised certification systems are essential to improve career mobility and employability.

2. Social Security Measures: Policies ensuring health insurance, income protection, and retirement benefits for gig workers are necessary.

3. Career Guidance and Support: Youth require career counselling and long-term planning support to transition from gig work to sustainable careers.

4. Youth-Focused Policy Frameworks: Labour policies must address the specific needs and vulnerabilities of young gig workers.

Conclusion

The study highlights that the gig economy has emerged as an important employment avenue for youth by offering flexible work arrangements, income opportunities, and exposure to digital and technical skills, thereby supporting short-term employability and labour market entry. However, existing literature also highlights critical challenges, including informal skill acquisition, income instability, lack of social protection, and uncertain career progression, which limit the long-term sustainability of gig work as a career option for young workers. While the gig economy addresses immediate employment needs, it remains insufficient for ensuring stable career growth without supportive policy frameworks, structured skill development mechanisms, and social security provisions. Therefore, coordinated efforts by policymakers, digital platforms, and educational institutions are necessary to enhance youth employability and promote sustainable career development within the gig economy.

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