



The Rise of Freelancing and its Impact in Socio-Economic Development

Megha CS¹, Vishruth²

¹PG Student, SRN: PES1202202937, PES University

²Associate Professor, PES University

ABSTRACT

With the passage of time, the scope of freelancing is increasing and so many people tend to prefer freelancing over a permanent job due to the ease it offers. Freelancing is helpful in earning additional money without going through the social biasness which is common in traditional organizational environment. Many people now choose freelancing as an alternative to traditional 9 to 5 work. People who work for themselves have an independent lifestyle, a good salary, the chance to network with smart people, and the possibility to establish themselves as authority in a certain subject very rapidly. Even if there is a great need for labor, there are so many freelancers in the many online markets that it is quite difficult to get employment after finishing one. As a developing nation, youth are particularly interested in working as freelance workers online. However, poor working conditions, an inability to access affordable internet, and the costly price of technological components already qualify as freelancers. The social factors are also more difficult because so many individuals in this area oppose seeking a demanding career in favor of a government position. In this research, the societal, monetary, and cultural facets of freelancing are examined, as well as any present implications it may be having on society. Additionally, it has been questioned how the government may assist freelancers more and how this would affect society as a whole. The features and services that freelancing makes possible can be used to justify its rise. There are many advantages to freelancing for today's workforce, but flexibility in terms of hours and location ranks at the top. Freelancers have the freedom to choose where they work from and how much they are paid because their employment is not reliant on a fixed location or regular working hours. Digitalization, which creates new opportunities, has made this relationship feasible.

The study's key conclusions included the following: the government should place greater attention on assisting the freelancing community, and appropriate internet prices should be implemented. Freelancing is directly and favorably associated to lowering the unemployment rate in the nation.

INTRODUCTION

Freelancing has become one of the most important job options in the frequently developing the surroundings. Due to the advantages shorter hours than other occupations, and payment for the number of hours done each day, half of youngsters work as freelancers since it is simple and convenient for them. ones, especially young ones, are no longer interested in working 9 to 5 jobs. They prefer jobs with flexible hours. As a result, the total virtualization of technology will undoubtedly lead to an increase in the number of freelancers all over the world. Freelance workers, on the other hand, can add flexibility and mobility to any organisation. As a result, freelancing employment is becoming more and more prevalent. And first-world nations are already feeling the effects. Despite the fact that there is a great need for labour, In the numerous internet markets, there are so many freelancers. that it is quite challenging to get another employment after finishing one. India, a growing nation, and its young are especially interested in working as independent contractors online. Because many people are discouraged from taking up a difficult job instead of working for the government, the social components are more challenging. Understanding the complete picture of rising freelancing is the main objective. The government should focus more on supporting the freelancing community and implementing reasonable internet pricing because freelancing is directly and favourably linked to decreasing the country's unemployment rate. For new freelancers, time management is a regular problem. Stress at work as a freelancer is a result of time underestimating and deadline pressure. The work-life balance of freelancers can be impacted by time management.

The Internet, as a social mobility channel, provides an infinite number of chances for an individual's social growth, including education, professional development, remote job, direct Internet activities, and much more.

Among other things, we should not forget about the wide-ranging possibilities in the search for traditional work. Despite this mundane option, its effective use is extremely important for the successful professional mobility of individuals

LITERATURE REVIEW

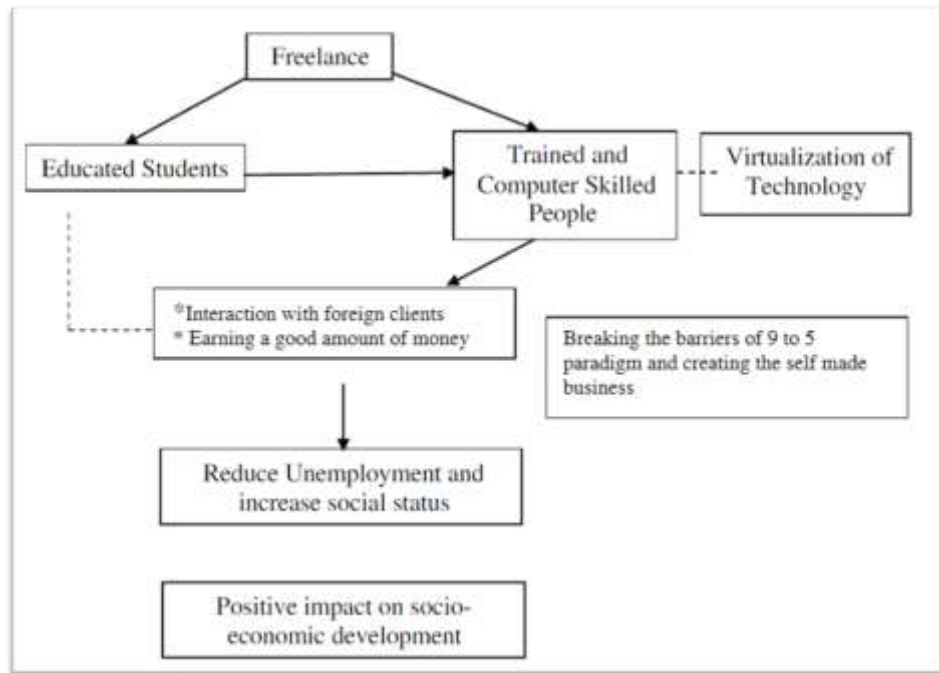
- The term "freelancer" originated in the early 1800s and may be informally translated as "mediaeval mercenary" In today's world, freelancing entails working for several organizations on an as-needed basis. As a result, these workers are also dependent on the opening of many other jobs in which they may participate as experts. "Doing specific pieces of work for different organizations, rather than working all the time for

a single organization," according to Cambridge. The Oxford definition is nearly identical: "Self-employed and hired to work for various companies on specific assignments"

- The generation of persons born between the early 1980s and the middle of the 1990s is referred to as Millennials (Gen y). The word originally related to the arrival of the third millennium. According to research, William Strauss and Neil Howe's book "Generations: History of America's Future, 1584 to 2069" is credited with popularising the phrase (Martin, 2017). The generations now represented in the workforce, according to Kuligowski (2021), include the Baby Boomers (1946–1965), Generation X (1965–1980), Millennials (1981–1996), and Generation Z (1996–2020).
- Given the traits of employees that have been disclosed, it is not surprising that freelancing is highly common among them. They genuinely think that they can work whenever and wherever they choose, that working for themselves as a freelancer would improve their work-life balance, link them to others, and keep them from burning out (Slade, 2018). Although choosing to work as a freelancer may be seen as a chance for millennials, traditional businesses may discover this phenomena has a significant impact on their workforce.
- The millennial generation will be crucial to the future of the global workforce since baby boomers are gradually leaving the workforce. And in order for an organization to effectively manage each generation in the workplace, it is crucial to understand their unique traits. By the year 2025, millennials will make up around 43% of the world's workforce (Lett ink, 2019). This suggests that millennial workers will rule the workplace, and company executives must learn how to effectively manage this generation.
- Freelancing is already widespread over the world. Freelancing, sometimes known as "gig work," is a common practice in both large and small businesses. As of 2015, freelancers made up 35% of the workforce in the United States. And this figure is increasing year after year. Asia, particularly the south-eastern and southern regions, is a hub for independent workers. PayPal's "Global Freelancer Survey" questioned 11,324 freelancers from 22 markets throughout the world, with 1,602 from Singapore, Indonesia, Vietnam, and the Philippines. This brisk growth in the freelance economy is owing to the fact that the face of industries is constantly changing. Even positions with such high pay rates did not exist ten years ago. More businesses are recognizing the advantages of an on-demand workforce of highly qualified people, such as speedier service and cheaper prices. Furthermore, industries that cannot afford large sums of money for their technical responsibilities can simply do so with part-time freelancers and expand.
- Globally, freelance labour is already well-liked. Freelancing, also referred to as "gig work," is a mainstay of both large and small enterprises. According to 2015 statistics, 35% of Americans work as independent contractors (Source: <https://www.upwork.com/press/2016/10/06/freelancing-in-America-2016/>). And each year, this number rises even further. Asia, particularly the south and southeast area, is a hidden jewel for independent contractors. 1,602 of the 11,324 freelancers surveyed in PayPal's "Global Freelancer Survey" came from Singapore, Indonesia, Vietnam, and the Philippines (Source: <http://english.vov.vn/society/freelancing-a-future-career-trend-for-the-global-economy-370039.vov>).
- The rapidly expanding freelance economy is a result of the way in which many businesses are evolving. Merely the jobs that pay so well didn't exist merely 10 years ago. More businesses are beginning to realise the advantages of having a highly educated staff available on demand, including faster service and reduced costs. Additionally, businesses that cannot afford to pay large sums of money for their technical tasks can simply develop by hiring part-time freelancers.
- On a personal level, freelancing could be beneficial for your health. Noting that while working a nine-to-five desk job might occasionally be laborious and time-consuming, the set amount of income is also an issue. According to a Danish study, these activities also made it easier for people to get sick. Because commuting may increase blood pressure and cholesterol levels, freelancers tend to be less stressed, receive adequate sleep for the start of the next workday, and commute less frequently. Additionally, having time to exercise increases a freelancer's likelihood of being in good health.

CONCEPTUAL FRAMEWORK

On the basis of the literature review and theoretical framework, it can be said that freelancer's are reshaping their career plan as independent workers. reshaping their career plan as independent workers.



Researchers attempt to deduce from this number that educated and computer-skilled people may

readily learn diverse activities and strategies using virtualization over the internet. People who have learned or have in-depth information from being schooled might apply for a specialized freelancing job online. This might be their back-up strategy for their profession. They may earn independently by breaking down the boundaries of the 9 to 5 paradigm and starting their own business. This can serve to minimize unemployment, open up new avenues for income, and contribute to a good

PROS AND CONS OF FREELANCING AND ITS IMPACT ON SOCIO ECONOMIC DEVELOPMENT

➤ PROCS:

- Flexibility and independence: Freelancers create their own schedules, select their tasks, and work from anywhere with an internet connection. This provides them with more freedom and control over their professional lives, which is great for individuals looking for work-life balance or unique work arrangements.
- Income potential: Depending on abilities and experience, freelancers can make competitive or even higher-than-average salaries. This revenue is not restricted by a corporate structure, which might result in huge financial benefits.
- Learning and skill development: Freelancing exposes individuals to a variety of tasks and clientele, necessitating ongoing learning and adaptability. This sharpens abilities, promotes invention, and creates expertise in specialized areas.
- Social impact: By providing economic possibilities and flexible work arrangements, freelancing may empower disadvantaged populations such as remote workers, women with childcare obligations, and those with impairments.

➤ CONS:

- Income insecurity and uncertainty: Freelancing frequently results in irregular income, which is contingent on locating and securing recurring engagements. This economic insecurity can lead to financial insecurity and make it harder to prepare for the future.
- Inadequate benefits and social security: Freelancers may be unable to get benefits such as health insurance, paid leave, and retirement plans, creating long-term health and financial hazards.
- Exploitation and unfair practices: Due to their limited negotiating power and legal safeguards, freelancers might be subject to unfair payment conditions, late payments, or intellectual property theft.
- Stress and workload management: Freelancers must locate employment, manage their time, and meet deadlines, which can contribute to stress and trouble maintaining a healthy work-life balance.

Freelancing offers individual freedoms and potential economic benefits, but also comes with challenges and risks. Recognizing both sides and addressing the challenges through policy initiatives and infrastructure development are crucial to maximizing the positive socioeconomic impact of this evolving work model and ensuring a fair and thriving freelance.

OBJECTIVE OF THE STUDY

1. To learn about freelance work in India right now – what jobs people do, what Fields they work in, and how much they get paid.
2. To find come out the problems Indian freelancers have, care about a lot of people doing the same job if they wish to keep their subcontract for a long time, get new clients, and deal with acquiring paid and taxes.
3. We are looking at how technology, wish online websites, has affected the number of populate workings as freelancers in India.
4. To undefined the rules and laws that freelancers must follow, such as taxes and process regulations.
5. We require to find ways to help freelancers in India undefined improve and grow. We'll look at what's sledging on in the industry and think of things we can do to help.
6. Workload varies from field to field and with time. It persists throughout the time that certain fields are competitive and have more jobs than others. Therefore, it is possible that work may not be as frequent as expected.
7. To have a general understanding of the educational backgrounds of freelancers.
8. To look into the revenue streams of freelance workers.

RESEARCH METHODOLOGY

- The methodology outlines the steps taken to collect and examine data when the study is finished. Numerous studies, including inquiries, gathering data, evaluation of the collected data, and assessment, must be conducted in order to achieve these goals. This inquiry has used the survey technique. First, information has been obtained from people who currently or in the past have worked as independent contractors. The study's data on the pertinent concepts will be collected using appropriate questions (variables) in the questionnaire, and will then be analysed and interpreted using the descriptive technique. TABLE4.1 RESPONDANTS ARE COLLECTED BASED ON THEIR AGE GROUP

Age	Frequency	Percentage
18-22	6	24
22-27	7	28
27-32	10	40
32-37	0	0
37 and above	2	8
Total	25	100.0

- The total frequency and percentage distribution of responses by age group are shown in figure 4.1. It shows that out of 25 respondents, 24% are between the ages of 18 and 21, 28% are between the ages of 22 and 25, and 40% are between the ages of 26 and 29. However, 8% of responders are older than 33, making up this age group.
- TABLE 4.2

Method of getting to know	Frequency	Percentage
Self-searching from the internet	6	22.26
Inspired by someone	8	29.68
Inspired by freelancing blogs	9	33.39
Trained and started from an institute	2	7.42
Total	25	100.0

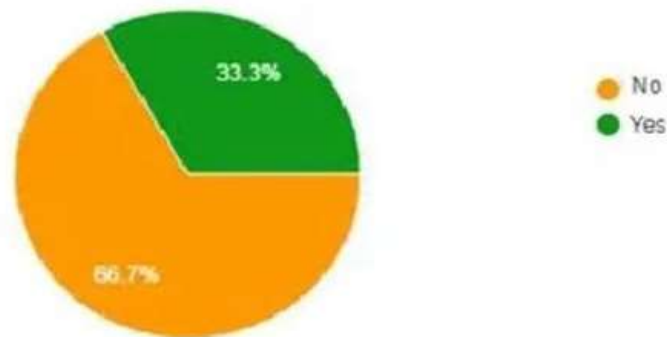
How the respondents learnt about freelancing is shown in figure 4.2 below. Since there is a majority of freelance blogs in the study (33.39%), many of these have been inspirational. Friends and family members were a big source of inspiration for a lot of people (29.68%). Additionally, learning and viewing films for self-learning were included (22.26%). A small number of persons (7.42%) have attended any institution for training in a particular field.

➤ TABLE 4.3

RESPONDANTS ARE MADE BASED ON THEIR TRAINING PROGRAMME

Involvement in any training program?	Frequency	Percentage
Yes	9	33.3
No	16	66.7
Total	25	100.0

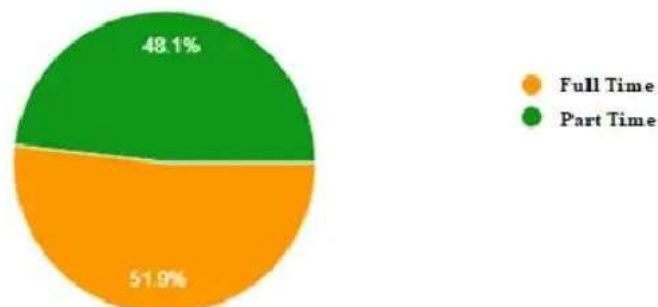
Before starting freelancing, have you taken any course?



➤ Table 4.3 above and figure 4.3 indicate that only 33.3% of the 25 respondents claimed they had participated in any training programme prior to entering the workforce. However, a sizable portion of respondents—roughly 66.67%—said they had not participated in any programmes.

➤ FIGURE 4.4 “THE RESPONDENTS’ DISTRIBUTION BY THEIR FREELAUNCHING WORK, EITHER FULL-TIME OR PART-TIME”

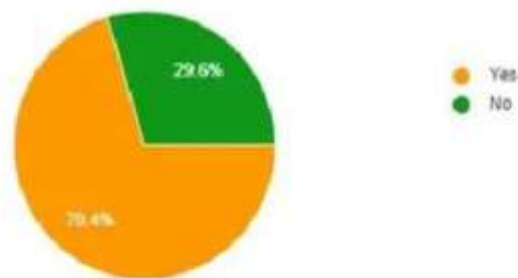
Do you Freelance Full time or Part time?



- Only 48.1% of the 25 respondents—shown in figure 4.4 below—said they had part-time occupations in addition to their regular jobs or businesses. However, a significant portion of respondents—about 51.9%—said they work full-time employment in a variety of markets.
- TABLE 4.5 “RESPONDENTS ARE MADE IF THEY HAVE INSPIRED ANYONE FOR OUTSOURCING”

If they inspired anyone	Frequency	Percentage
Yes	19	70.4
No	6	29.6
Total	25	100.0

Have you inspired anyone for choosing freelancing as a career?



- Distribution of responders asked if they had inspired anybody to outsource illustrate how respondents have persuaded others to look for freelance work. When it comes to encouraging people to work independently, the majority seems (70.4%).
- FIGURE 4.6

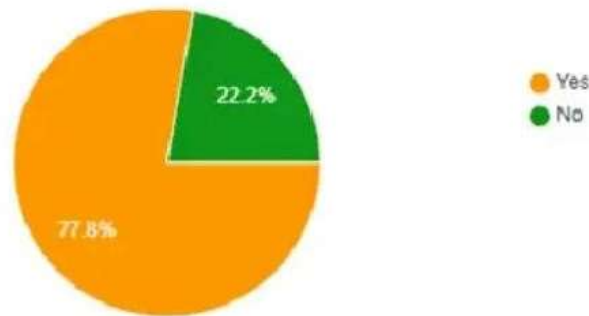
Do you think being freelancer, the status of your family have increased?



Figure 4.6 below illustrates the positive and negative effects that respondents' pay may have had. In most instances, a favourable approach (85.2%) has been seen, while just a small number (14.8%) have expressed their displeasure towards this subject.

➤ TABLE 4.7

Do you think that after being a freelancer, your living standard has increased?



A table 4.7 indicate how respondents have persuaded others to look for independent work. When it comes to encouraging people to work independently, the majority seems to be on the favorable side (77.8%).

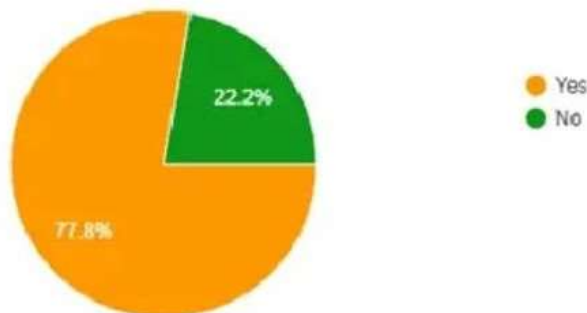
➤ FIGURE 4.8

If the social status has been improved	Frequency	Percentage
Yes	10	44.4
No	15	55.6
Total	25	100.0

Table 4.8 below shows how respondents responded to the question of whether or not their social position had improved. Freelancers believe that their social position has not altered as a result of social bias towards those who work from home without venturing outside, according to a significant percentage (55.6%) of them. However , the other share (44.4%) is a promising indication that things are changing quickly.

➤ FIGURE 4.9

Do you think Government is taking right steps to create new freelancers?



The figures above and 4.9 below shows whether respondents believe the government is taking the right steps to develop new freelancers. About 22.2% of individuals believe that recent efforts to increase the number of freelancers and training facilities have significantly influenced the decision of young people to become independent contractors. While the majority of 77.8% of individuals believe that import taxes on any type of IT product should be lower because of the high cost of goods on the internet.

RECOMMADATIONS AND KEY SUCCESS OF FREELANCING:

- The internet bill should be reduced.
- The tax on Personal computer accessories and laptops should be taken down to 0%
- The government should emphasize on more well-prepared training centers rather than just any training centers for beginners.
- There should be a more flexible money transfer system so that freelancers can easily take courses or buy virtual tools from the marketplaces.
- Raise Social Awareness on how Freelancing can be effective

KEY SUCCESS OF FREELANCING:

- Having a place to promote and showcase your work online is critical: Most clients research on the background and qualifications of their potential vendors. It is important for freelancers to showcase their portfolio and qualifications online
- Build relationships: As a freelancer, it is best to build extensive network. Prospects who come through referrals are most likely to convert to clients.
- An early agreement on rates is crucial: If your rates aren't in line with a client's budget, the chances of landing the gig are minuscule. Consider being very transparent with your rates and listing them on your website and/or third-party portfolio. This also helps with early identification of clients who intend to ask for a discount, allowing you to end those relationships before they begin.

CONCLUSION

Freelancers are finding success in a variety of markets. Furthermore, a large number of freelance consultants are working with numerous prestigious institutions, making INDIA proud. Not only does freelance work contribute financially, but it also has a significant social impact. Because the freelancing sector differs from the corporate industry, this study investigated industry-specific features that differ from the corporate industry. Employee value propositions include social, economic, departmental, application, and interest value. To build relationships with freelancers and remain competitive in the business, freelancing platforms must maximise overall freelancer value while minimising job stress. Though some people believe that freelancers do not work and simply sit in front of a computer, labelling them as socially inactive and lazy, freelancers are earning a very acceptable amount of foreign remittance and opening up new job opportunities for students and part-time workers. This flow of work encourages people to become more interested in freelancing work and more active. This trend is easily exploitable, but the government is just emphasizing the number of freelancers who can simply register an account on marketplaces. Some persons are not provided with adequate training or learning opportunities in order to be prepared. As a result, the market is becoming oversaturated with unskilled labor, harming the reputation of in the virtual labour market. Despite this, freelancers work with pride and delight, representing their country on the global stage and demonstrating that, despite having fewer possibilities and resources, they can still succeed in this profession.

REFERENCE

1. VOV - VOV Online Newspaper. (2018). Freelancing A future career trend for the global economy. [online] Available at: <http://english.vov.vn/society/freelancing-a-future-career-trend-for-the-global-economy-370039.vov> [Accessed 13 Aug. 2018].
2. M. Hoehner, E. Barlow, Allen, Schootman. (2012). Commuting Distance, Cardiorespiratory Fitness, and Metabolic Risk. [online]. Available at: <https://www.ajpmonline.org/article/S0749-3797%2812%2900167-5/abstract> [Accessed 13 Aug. 2018].
3. Nextworm. (2018). History of freelancing and why it's getting famous | Nextworm. [online] Available at: <https://www.nextworm.com/history-freelancing-getting-famous/> [Accessed 13 Aug. 2018].
4. Vandelay Design. (2018). The History of the Freelance Evolution. [online] Available at: <https://www.vandelaydesign.com/freelance-defintion/> [Accessed 13 Aug. 2018].
5. 5.En.wikipedia.org. (2018). Outsourcing. [online] Available at: <https://en.wikipedia.org/wiki/Outsourcing> [Accessed 13 Aug. 2018].
6. bdnews24.com. (2015). 2-3 percent of GDP lost to corruption: Muhith. [online] Available at: <https://bdnews24.com/economy/2015/07/09/2-3-percent-of-gdp-lost-to-corruption-muhith> [Accessed 13 Aug. 2018].
7. Alamgir, M. (2018). Outflux of students doubles in 10 years. [online] New Age | TheOutspoken Daily. Available at: <http://www.newagebd.net/article/32507/outflux-of-students-doubles-in-10-years> [Accessed 13 Aug. 2018].
8. Al Hasnat, M. (2018). Student exodus doubles in a decade. [online] Dhaka Tribune. Available at: <https://www.dhakatribune.com/opinion/special/2018/01/28/student-exodus-doubles-decade/> [Accessed 13 Aug. 2018]