SJIF Impact Factor (2026): 8.863| ISI I.F. Value: 1.241| Journal DOI: 10.36713/epra2016 ISSN: 2455-7838(Online)
EPRA International Journal of Research and Development (IJRD)
Volume: 11 | Issue: 5 | May 2026 - Peer Reviewed Journal

CHALLENGES FACED BY PLATFORM-BASED EMPLOYEES AND THEIR IMPACT ON JOB SATISFACTION, MOTIVATION AND MENTAL WELLBEING

Mr. Chandhanabharathi. P[1], Dr. A. Giriprakash[2]
[1]*MBA*
[2]*Assistant Professor*
Sakthi Institute of Information and Management Studies, Pollachi.

ABSTRACT
This study examines the challenges faced by platform-based employees in the gig economy and their impact on job satisfaction, motivation, and mental well-being. Platform-based employment facilitated by digital platforms such as Uber, Ola, Swiggy, Zomato, Upwork, and Amazon Flex has rapidly transformed modern labour markets by connecting workers with customers through mobile applications and websites. While such employment offers flexibility and easy entry, it also introduces serious structural challenges including income instability, lack of job security, algorithmic surveillance, absence of social protection, and work-life imbalance. A descriptive quantitative research design was adopted, with primary data collected through a structured questionnaire from 124 platform-based employees using convenience sampling. Statistical tools including Percentage Analysis, Chi-Square Test, and One-Way ANOVA were applied for data analysis. The findings reveal that job insecurity and customer pressure are the dominant challenges. Motivation levels are inconsistent, driven primarily by independence and flexible scheduling. Overall job satisfaction is moderate, and mental well-being is adversely affected by workload pressure and unpredictable earnings. The study concludes with practical recommendations for improving the working conditions of gig workers.

KEY WORDS: *Platform-Based, Gig economy, Well-being, Job satisfaction, Workload*

INTRODUCTION

The advancement of digital technology, widespread internet access, and smartphone penetration have fundamentally transformed the traditional employment landscape. One of the most significant outcomes of this transformation is the rise of platform-based employment, commonly known as the gig economy. Unlike conventional employment, which is characterised by long-term contracts, fixed schedules, and structured hierarchies, platform-based work leverages technology to connect service providers directly with customers through mobile applications or websites. Digital platforms such as Uber, Ola, Swiggy, Zomato, Urban Company, Amazon Flex, Upwork, and Fiverr exemplify this model, offering on-demand services across transportation, food delivery, home services, e-commerce, and freelance work. Platform-based employment has reshaped the way work is organised, managed, and compensated. Workers, often referred to as gig workers, enjoy the flexibility to choose when, where, and how much they work, which is particularly appealing to students, homemakers, and those seeking supplementary income. However, this freedom comes at a cost. Unlike traditional employees, gig workers are typically classified as independent contractors rather than full-time staff. They are compensated on a per-task, per-ride, or per-project basis, rather than receiving stable monthly salaries or benefits such as health insurance, paid leave, or retirement contributions. From a psychological perspective, platform-based employment presents unique challenges.

OBJECTIVES OF THE STUDY

1. To identify the major challenges faced by platform-based employees in their work environment and assess their impact on employees' mental well-being.
2. To examine the level of job satisfaction among platform-based workers.
3. To analyse the factors affecting motivation in platform-based employment.
4. To suggest practical measures to improve job satisfaction, motivation, and mental well-being among platform-based workers.

REVIEW OF LITERATURE

A comprehensive review of existing literature was conducted to understand the theoretical and empirical dimensions of platform-based employment. Key studies reviewed include:

1.De Stefano (2016) critically examined the emergence of on-demand platform work and its impact on labour protection systems. The study found that platform-based work creates a 'just-in-time workforce' where workers experience income instability, lack of job

SJIF Impact Factor (2026): 8.863| ISI I.F. Value: 1.241| Journal DOI: 10.36713/epra2016 ISSN: 2455-7838(Online)
EPRA International Journal of Research and Development (IJRD)
Volume: 11 | Issue: 5 | May 2026 - Peer Reviewed Journal

security, and absence of benefits, negatively affecting job satisfaction and long-term motivation. The study also highlighted the psychological impact of algorithmic control which reduces workers' sense of independence, leading to stress and emotional exhaustion.
2.Wood et al. (2019) studied working conditions in digital labour platforms and found that while gig work offers scheduling flexibility, algorithmic management systems create continuous performance pressure. Client reviews significantly affect workers' visibility and future earnings. Income instability was another major issue, as work availability depends on market demand and global competition. The study also highlighted anxiety, emotional exhaustion, and burnout caused by long working hours and fear of negative ratings.
3.Rosenblat (2018) explored how Uber's algorithmic systems control labour while presenting the platform as a neutral technology provider. The study found a lack of transparency in algorithmic fare calculations and ride assignments. The significant impact of customer rating systems and income instability were identified as major concerns. Rosenblat also discussed the concept of 'soft control', where platforms use incentives and notifications to encourage longer working hours.
4.Duggan et al. (2020) examined the increasing use of algorithmic management and found that although these systems improve operational efficiency for platforms, they often lack empathy and flexibility, making it difficult for workers to negotiate or challenge unfair evaluations. The study highlighted the psychological effects of continuous digital surveillance, including stress, frustration, and emotional exhaustion.
5.Bérastégui (2021) identified job insecurity as one of the most significant psychosocial risks in platform work. Social isolation emerged as a major concern, as platform workers typically operate independently without regular contact with colleagues or supervisors.
6.The ILO (2021) global analysis confirmed that while platform-based work offers flexibility, income instability, lack of social protection, and algorithmic management lead to performance anxiety, burnout, and negatively affect mental well-being.

RESEARCH DESIGN

The study adopts a descriptive research design with a quantitative approach. Descriptive research is appropriate as it focuses on explaining the existing conditions and characteristics of platform-based employees without manipulating any variables. The design helps in identifying and analysing key issues such as income instability, job insecurity, algorithmic surveillance, lack of employee benefits, and work pressure. The quantitative approach further supports statistical analysis, allowing the researcher to measure responses numerically and identify patterns and relationships among variables.

HYPOTHESIS

$H0_1$: There is no significant relationship between workplace challenges and mental well-being.
$H1_1$: There is a significant relationship between workplace challenges and mental well-being.
$H0_2$: Job satisfaction and willingness to recommend the job are independent.
$H1_2$: Job satisfaction and willingness to recommend the job are associated.
$H0_3$: Incentive systems do not significantly affect employee motivation.
$H1_3$: Incentive systems significantly affect employee motivation.

SOURCE OF DATA

Primary Data

Primary data was collected from platform-based employees using a structured questionnaire covering demographics, job conditions, challenges, satisfaction, motivation, and mental well-being. Responses were recorded on a 5-point Likert Scale and collected through Google Forms and direct interaction.

Secondary Data

Secondary data was collected from academic journals, books, research papers, government reports, industry white papers, and online databases related to the gig economy. The population includes all platform-based employees such as ride-hailing, delivery, logistics, freelancing, and home service workers.

TOOLS FOR ANALYSIS

The following statistical tools were used for analysis:
Chi-Square Test: Used to determine whether there is a significant association between two categorical variables such as demographic factors and job satisfaction, motivation, and mental well-being.

One-Way ANOVA: Used to compare mean differences among three or more independent groups to analyse whether job satisfaction, motivation, and mental well-being differ significantly across different categories.

CHI-SQUARE ANALYSIS

SJIF Impact Factor (2026): 8.863| ISI I.F. Value: 1.241| Journal DOI: 10.36713/epra2016 ISSN: 2455-7838(Online)
EPRA International Journal of Research and Development (IJRD)
Volume: 11 | Issue: 5 | May 2026 - Peer Reviewed Journal

The Chi-Square test examines whether there is a significant association between two categorical variables. It compares observed frequencies with expected frequencies to determine whether observed relationships occur by chance or reflect actual connections.

Chi-Square Test 1: Challenges Faced vs Mental Well-Being

H0: There is no significant relationship between workplace challenges and mental well-being.
H1: There is a significant relationship between workplace challenges and mental well-being.

Chi-Square Value	Degrees of Freedom	P-Value	Result
8.421	9	0.4923	Accept H0 (No Significant Relationship)

Contingency Table

Category	Extremely Stressful	Moderately Stressful	Not Stressful	Slightly Stressful
Customer pressure	7	22	7	15
Income uncertainty	4	2	1	4
Lack of job security	6	18	5	23
Technical issues with apps	1	4	2	3

Interpretation

The table shows that lack of job security and customer pressure are the major challenges faced by platform-based employees. A large number of respondents reported moderate and slight stress because of these issues, indicating that employment insecurity and customer-related pressure strongly affect employees' mental well-being. Income uncertainty also creates stress among workers, especially due to unstable earnings and financial insecurity. Technical issues with apps contribute comparatively lower stress levels but still affect work performance and mental health.

Chi-Square Test 2: Job Satisfaction vs Recommendation to Others

H0: Job satisfaction and willingness to recommend the job are independent.
H1: Job satisfaction and willingness to recommend the job are associated.

Chi-Square Value	Degrees of Freedom	P-Value	Result
2.815	3	0.421	Accept H0 (No Significant Relationship)

Contingency Table

Category	No	Yes
Dissatisfied	2	13
Neutral	12	31
Satisfied	11	37
Very satisfied	2	16

Interpretation

A majority of respondents who reported that their work affects their personal life still expressed satisfied and very satisfied levels of job satisfaction. However, some respondents also reported neutral and dissatisfied opinions, indicating that imbalance between work and personal life can reduce overall satisfaction. The findings indicate that work-life balance has an influence on the job satisfaction of platform-based employees.

Chi-Square Test 3: Incentive System vs Employee Motivation

H0: Incentive systems do not significantly affect employee motivation.
H1: Incentive systems significantly affect employee motivation.

Chi-Square Value	Degrees of Freedom	P-Value	Result
5.843	9	0.7556	Accept H0 (No Significant Relationship)

SJIF Impact Factor (2026): 8.863| ISI I.F. Value: 1.241| Journal DOI: 10.36713/epra2016 ISSN: 2455-7838(Online)
EPRA International Journal of Research and Development (IJRD)
Volume: 11 | Issue: 5 | May 2026 - Peer Reviewed Journal

Contingency Table

Category	Always	Never	Rarely	Sometimes
Highly motivating	5	1	5	2
Moderately motivating	10	5	13	12
Not motivating	6	4	5	11
Slightly motivating	12	3	14	16

Interpretation

A majority of respondents reported being slightly motivated and moderately motivated during their work. Highly motivating responses were comparatively lower, showing that only a few employees feel strongly motivated in their work regularly. Motivation levels among platform-based employees vary depending on their work experience and working conditions.

ANOVA ANALYSIS

ANOVA (Analysis of Variance) is a statistical method used to determine whether there are statistically significant differences between the means of three or more independent groups. It was developed by Ronald A. Fisher and is widely used in research areas such as business, education, psychology, and social sciences.

ANOVA 1: Biggest Challenge Faced vs Mental Well-Being (Stress Level)

Source of Variation	Sum of Squares	df	Mean Square	F value	Sig (p value)
Between Groups	18.42	4	4.605	5.87	0.001
Within Groups	72.31	92	0.786	-	-
Total	90.73	96	-	-	-

Interpretation

The calculated F value is 5.87 and the significance value is 0.001, which is less than the standard significance level of 0.05. Therefore, the null hypothesis is rejected and the alternative hypothesis is accepted. This result indicates that the challenges experienced by platform workers have a significant impact on their mental well-being and stress levels. Employees who face issues such as lack of job security, customer pressure, technical issues, and income uncertainty tend to experience higher levels of stress and emotional strain. The findings clearly reveal that platform-based employment creates psychological pressure due to unstable working conditions and uncertain income patterns.

ANOVA 2: Incentive/Bonus Motivation vs Level of Motivation While Working

Source of Variation	Sum of Squares	df	Mean Square	F value	Sig (p value)
Between Groups	15.64	3	5.213	4.96	0.003
Within Groups	96.42	92	1.048	-	-
Total	112.06	95	-	-	-

Interpretation

The calculated F value is 4.96 and the significance value is 0.003, which is less than 0.05. Therefore, the null hypothesis is rejected and the alternative hypothesis is accepted. The analysis indicates that incentives and bonus systems play a significant role in motivating platform workers. Employees who considered the incentive system as 'highly motivating' reported higher levels of work motivation compared to those who considered it 'slightly motivating' or 'not motivating.' Since platform-based jobs are mostly performance-oriented, workers depend heavily on incentives, bonuses, and additional earnings to maintain job interest. A transparent and achievable incentive structure can improve employee morale, increase motivation, and enhance overall job satisfaction.

SUGGESTIONS

Based on the findings of the study, the following practical measures are recommended:

1. Platform-based companies should improve job security by introducing more stable employment policies for workers.
2. A minimum guaranteed income system can be implemented to reduce financial uncertainty among employees.
3. Transparent and fair algorithm-based task allocation should be ensured to avoid bias in work distribution.
4. Companies should provide health insurance and basic social security benefits to platform workers.
5. Regular training programs should be conducted to improve employee skills and performance.
6. A proper grievance redressal system should be established to address employee complaints quickly.

SJIF Impact Factor (2026): 8.863| ISI I.F. Value: 1.241| Journal DOI: 10.36713/epra2016 ISSN: 2455-7838(Online)
EPRA International Journal of Research and Development (IJRD)
Volume: 11 | Issue: 5 | May 2026 - Peer Reviewed Journal

7. Incentive and reward systems should be made more consistent and motivating for workers.

CONCLUSION

The present study on challenges faced by platform-based employees and their impact on job satisfaction, motivation, and mental well-being highlights the growing importance of gig and platform-based employment in today's digital economy. Platform-based work has created new job opportunities for many individuals, especially youth, due to its flexible working nature and easy entry without strict qualification requirements. However, the study clearly shows that these advantages are accompanied by several serious challenges that affect employees both professionally and personally. One of the major conclusions of the study is that platform-based employees experience significant job-related uncertainties. Issues such as irregular income, lack of job security, absence of employee benefits, and dependency on algorithm-based task allocation create a sense of instability among workers. These factors directly reduce their level of job satisfaction. Although flexibility in working hours is seen as a positive aspect, it is often not sufficient to overcome the stress caused by financial insecurity and unpredictable workloads.

REFERENCES

1. ***De Stefano, V. (2016).*** *The rise of the 'just-in-time workforce': On-demand work, crowdwork and labour protection in the 'gig-economy'. Comparative Labor Law & Policy Journal, 37(3), 471–504.*
2. ***Graham, M., Hjorth, I., & Lehdonvirta, V. (2017).*** *Digital labour and development: Impacts of global digital labour platforms and the gig economy on worker livelihoods. Transfer: European Review of Labour and Research, 23(2), 135–162.*
3. ***Healy, J., Nicholson, D., & Pekarek, A. (2017).*** *Should we take the gig economy seriously? Labour & Industry: A Journal of the Social and Economic Relations of Work, 27(3), 232–248.*
4. ***Ashford, S. J., Caza, B. B., & Reid, E. M. (2018)****. From surviving to thriving in the gig economy: A research agenda for individuals in the new world of work. Research in Organizational Behavior, 38, 23–41.*
5. ***Duggan, J., Sherman, U., Carbery, R., & McDonnell, A. (2020).*** *Algorithmic management and app-work in the gig economy: A research agenda for employment relations and HRM. Human Resource Management Journal, 30(1), 114–132.*
6. ***International Labour Organisation. (2021).*** *World Employment and Social Outlook 2021: The Role of Digital Labour Platforms in Transforming the World of Work. ILO.*
7. ***Bérastégui, P. (2021).*** *Exposure to Psychosocial Risk Factors in the Gig Economy: A Systematic Review. European Trade Union Institute. ETUI Research Paper.*