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Characterizing The Youth Predisposition Toward Employment in The Gig Economy in Kenya.

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ABSTRACT

This article explores the predisposition of Kenyan youth to employment in the gig economy focusing on socio-economic, educational, and institutional factors that influence participation. The objectives of the study include: to evaluate the socioeconomic factors that promote sustainable gig employment among Kenyan youth, analyze the existing policy and institutional enablers supporting the sustainable gig economy in Kenya and establish the challenges facing the sustainable gig economy in Kenya. The paper shall use evolutionary game theory, risk return trade off theory and social exchange theory. The study employed a cross sectional research design with quantitative and qualitative approach using a structured google form questionnaire administered to 350 youths engaged in various forms of gig work across sampled urban centres in Kenya. Data were analyzed using correlation analysis and multi regression analysis to determine the relationships and assess the predictive effect of gig economy on youth predisposition at 0.05 significance level. Results revealed that there was a positive correlation between enablers of sustainable gig employment among Kenyan youth ($r = .90$), challenges facing a sustainable gig economy in Kenya ($r = .87$) and existing policy and institutional enablers supporting the sustainable gig economy in Kenya ($r = .93$). The study found that the majority of the challenges faced by Kenya youth in the gig economy include: income instability, regulatory and policy gaps, difficult to form unions amongst other challenges. The study also indicated that with favorable existing policies and institutional enablers, the chances of the gig economy to thrive amongst Kenya youth are very high. It recommends that the age of youth participating in the gig economy be reviewed as currently the ages of people being considered as youth is between 18 to 35 years as opposed to the recommended age of youth being from 15 to 24 years old globally.

Keywords: Gig Economy, evolutionary game theory, risk trade off theory, social exchange theory, employment dynamics.

INTRODUCTION

A gig generally refers to a short-term job or engagement often on a project or task basis. It involves a labor market characterized by short-term contracts with freelance work. Gig tasks are offered on an on-demand basis. It is a departure from traditional employment where people have permanent, in-house jobs. The gig encompasses non-standard employment that includes independent contracting, freelancing, share economy, platform work and on-demand workers. The gig economy generally includes two forms namely crowd-work and work on demand via apps (De Stefano, 2016; Smith and Leberstein, 2015).

Crowdwork is executed through online platforms that put in contact an indefinite number of organizations to solve problems or provide services in exchange for payment. It's a way for businesses and individuals to leverage the collective skills and resources of the internet for various tasks. The nature of tasks performed on crowdwork platforms may vary considerably, (Irani, 2015). In work on demand via apps, jobs related to traditional working activities such as transport, cleaning and forms of clerical works are offered and assigned through mobile apps. Businesses running these apps normally intervene in setting minimum quality standards of service and in the selection and management of the workforce.

The gig work is executed on a platform that hosts an indefinite number of actors all solving problems or providing services for a fee (Kinder, *et al.*, 2019). The business actors use their individual skills and resources of the internet for various tasks. The tasks are performed on this wide platform through digital applications on jobs such as transport, cleaning and forms of clerical work. The advent of mobile applications has expanded their use for crowdwork. Businesses running these apps normally intervene in setting minimum quality standards of service and in the selection and management of the workforce.

The growth of the gig economy globally reflects structural transformation of the global labor market. New technologies such as blockchain, smart contracts, and AI, have given workers greater autonomy and flexibility in task selection, shorter recruitment periods, and lower barriers to entry, enabling participation from diverse backgrounds. Further, increased technological changes exposed workers in low- and middle-income countries to increased job insecurity due to uncertainty in task assignment and demand, social isolation, intense working schedules, and prolonged periods of social alienation among the remote workers. Gig workers can either work on contracts or as self-employed individuals (Todolí-Signes, 2017). These forms of employment deny workers incentives and benefits that conventional jobs offer workers. Gig employees thus face income insecurity, poor working conditions and uncertain social protections.

The gig economy continues to offer workers good employment opportunities that are flexible. This is because of the inherent benefits associated with gig work unlike the traditional work agencies that charge them a fee to access jobs. Gig work environments significantly enable workers to plan their schedules on workloads based on personal preferences and situations. The workers are able to determine their work hours hence contributing to improved work-life balance (Basid & Atmaja, 2022: Healy, Nicholson, & Pekarek, 2017). In addition, individuals engaged in gig work are able to earn additional income or different work options (Chen, 2024).

The growth of the gig economy created 163 million profiles of registered workers on digital platforms globally by 2021. According to Alauddin, et al., (2025) the World Bank estimates that the global online gig workforce ranges between 154 million and 435 million individuals, constituting 4.4 %–12.5 % of the global labor force. This increase underscores the growing demand for flexible, digitally connected work arrangements worldwide. The phenomenal growth of the gig economy across the African continent is, driven by rapid diffusion of digital technologies and increased access to smartphones and internet connectivity.

In Kenya, the digital economy contributes about 2 billion and employs 2.4 million people in (90% of the over 780,000 new jobs created annually. Technology has thus enabled individuals to participate in freelance and on-demand work through digital platforms generating new economic activities (Anwar and Graham, 2020; Kuek *et al.*, 2015)

Increased preference for the gig work as a solution to unemployment in Africa could imply that the working conditions in traditional work environments are further limited by structural challenges in their local labor markets. A few studies have shown that the gig economy activities carry a number of risks and can lead to increasing casualization and commodification of jobs (De Stefano, 2016; Wood et al., 2019a). This is akin to Marxism, where the link between the employee and employer (Capitalist) is a platform that gives gig workers little say over the benefit sharing on the platform (Edward, 2021).

In Kenya, the growth of traditional employment contracts has slowed down and is indeed facing erosion despite efforts by the current national development framework, the Medium-Term Economic Development Framework (MTEF) IV or Bottom Economic Transformation Agenda (BETA) under Vision 2030 (Datche, 2015). The gig work sector provides for flexibility and increased use of independent contractors. Over the last decade, the online gig economy has grown in Kenya, transforming how Kenyan's access work.

To understand the implication of the gig work in Kenya's economy, a systematic review that synthesizes evidence on how the youth are engaged in gainful employment in the digital platforms (Okeyo, 2022). The review will establish and contribute to important discourse on sustainable and inclusive economic development in the digital age, as policymakers, and researchers grapple with how to ensure the benefits of technological innovation in the platform economy are shared more equitably.

Problem Statement

Kenya's gig economy is rapidly evolving and contributes about KES 2 billion to the GDP while employing over 2.4 million people. The combination of improved internet infrastructure, a well-educated youth workforce, a large and growing market, and increasing cross-border demand for online platform services driven by remote working has created significant new employment opportunities. The gig economy is a magnet that brings together diverse talents to a global work platform. It has the potential to drive employment, social mobility, and economic growth across countries. According to Farrell and Grieg, (2016), the gig economy can rapidly change the way work is organized and performed to alter content and quality of jobs and to reshape industries.

The evolution of the gig economy in Kenya has been characterized with low unstable incomes, changing policy environment and volatile resource costs. These expose employees to challenges in accessing the formal credit market, use expensive informal loans, face high operational costs and job insecurity. Gig work is often characterized by short term tasks, high worker turnover rates and lacks social safety nets such as health insurance, pensions, or paid leave (Rotich, 2022; Farrell & Grieg, 2016).

The gig work environment is largely unregulated under Kenya's labour laws. They operate in an environment with no regulatory framework and no benefits such as social protection and lack representation at the national level. (Lazar, Ribak, & Davidson, 2020). The existing laws are outdated, or vague and not aligned with the level of ever-changing technological progress. This exposes workers to vulnerabilities and exploitation (ILO, 2020). The digital platforms operate as quasi-employers. They exercise employer-level control over workers' recruitment, pay structures, and working conditions, while avoiding corresponding legal responsibilities. Wood et al. (2021) observed that the existence of such platforms denied workers the expected freedom in the work environment as the platforms positioned themselves as market intermediaries matching labour supply to demand, thereby evading employment regulations. The platforms in actual sense-controlled access to job opportunities, income levels and employment conditions. These structural and regulatory weaknesses undermine the sustainability of gig work as a pathway for youth employment and inclusive economic growth.

Addressing the gaps created by an unfavorable regulatory framework requires a coherent stable regulatory mechanism that will balance the platform's innovation with worker protection. This may provide an enabling environment that would contribute to sustainable youth employment in Kenya. Countries such as Spain and Chile have improved conditions for gig workers by enacting laws that classify them as employees of the platforms they work for, granting them stronger social protections and employment benefits (Caballero, 2025).

This study therefore employs a systematic review to examine the enablers of sustainable gig employment among Kenyan youth, identifies challenges faced by key stakeholders, and recommends pathways for inclusivity and sustainability of the gig economy. (Lazar, Ribak, & Davidson, 2020) To address these gaps, a coherent regulatory framework that balances platform innovation with worker protection is required. This raises a question on how well have the existing enablers contributed to sustainable youth employment in Kenya.

Objective of this Review

The main objective of this study is to examine the youth predisposition toward employment in the Gig Economy in Kenya

Specific Objectives

1. To evaluate the socioeconomic factors that promote sustainable gig employment among youth in Kenya.
2. To analyze the existing policy and institutional environment supporting the youth employment in the gig economy in Kenya.
3. To establish the challenges facing the sustainable youth employment in the gig economy in Kenya.

Research Questions

1. What socio economic factors promote sustainable gig employment among Kenyan youth?
2. What are the existing policies and institutional environment supporting the youth employment in the gig economy in Kenya?
3. What are the challenges facing a sustainable youth employment in the gig economy in Kenya.?

Scope of the Study

The scope of the study will mostly target the youths who make up the majority of workers undertaking gig work. A review of sustainable gig economy publications among Kenyan youth for the period 2015 and 2026. These had been used to synthesize scholarly literature, policy documents, institutional reports, and empirical studies related to gig employment in Kenya. A sample will however be used in the study.

Youths in Kenya

The findings of the study will assist the youths in Kenya in determining which form of work will be best suited for them. Is it the traditional employment or the gig work and how best they can navigate in order to eradicate the massive unemployment and underemployment as they are the most affected.

LITERATURE REVIEW

In this section, the paper shall use evolutionary game theory, risk return tradeoffs and social exchange theory for its theoretical framework. The evolutionary game theory combines game theory, evolutionary biology and dynamical systems to understand how populations of interacting agents evolve strategies over time. It differs from classical game theory focusing more on the dynamic of strategy change (Newton, 2018). This framework helps analyze the interaction between workers and firms and how these interactions shape the overall gig economy landscape.

Evolutionary game theory

A game describes the interaction of two or more agents (players) in which the outcome of each player depends not only on their own decision, but also on the strategies adopted by the co-players. Game theory is therefore, a mathematical analysis of any social situation in which one player or actor, but possibly a firm or nation—tries to figure out what other players will do, and choose the best strategy given those guesses about others. (Von Neumann & Morgenstern, 2007).

The theory can be applied to understand the dynamics of the gig economy through examining how different strategies for example choosing gig work versus traditional employment evolve based on factors such as technology, policy and market conditions. In evolutionary game theory the payoffs are assigned to each strategy reflecting factors like income, job security and work-life balance. (Dong and Yan, 2022)

A core concept of the theory is replicator dynamics which describes how the proportion of individuals adopting a particular strategy change based on its payoff relative to other strategies in the population. The strategies become more or less common based on their payoffs or fitness. (Roca, et al., 2009). EGT can incorporate the influence of technology (e.g., new platforms, automation), policy (e.g., regulations on gig work), and market conditions (e.g., demand for different types of labor) on the evolution of strategies. The replicator dynamics formula is given by:

$$\frac{ds_k}{d_t} = s_k\,[g(k,s) - g(s,s)]$$

Where s be a set of mixed strategies and expected payoff from mixed strategy profile (s, s) which is denoted g (s, s). A strategy may represent a mode of delivery or characteristics and each individual is genetically programmed to choose a particular strategy. The payoff g is interpreted as the number of offspring that is the outcome of various forms of gig economy, k is the population strategy and t is time.

This can be further illustrated by table 2.1 below showing a comparison of traditional employment versus gig economy, how they interact and preference by workers on the type of work they may incorporate.

Table 2.1: Matrix Between Traditional Employment and Gig Work

Worker Skill Level	Traditional Employment (A)	Gig Work (B)
LS (Low Skill)	AHBL	ALBH
	ALBL	AHBH
HS (High Skill)	AHBH	ALBH
	ALBL	AHHL

Where,

A -Traditional Work
B- Gig work
L- Low skill workers
H – High skill workers

According to one study that uses EGT to examine how technology, policy and market conditions affect the preferences of firms and workers for gig work. The study found that high skill workers might be more sensitive to market driven consumer demand and financial incentive when deciding between gig work and traditional employment. Low skill workers might be more influenced by factors like job security and benefits when making the same decision. Policy changes such as stricter or more lenient regulations could significantly alter the balance between gig and traditional strategies. (Allon, *et al*., 2023).

According to KNBS (2020) Statistical abstract findings gig work which comprised of short-term accommodation activities, other telecommunication activities and activities of extraterritorial organization and bodies period from 2015 to 2019 wage employment totaled to 1426 -1654 for short term accommodation activities, (223-245) other telecommunication activities, (2452-2345)

Risk-Return Trade off Theory

It is a fundamental principle of finance that potential returns rise as the level of risk increases. Investors must accept a higher probability of loss to achieve greater profits. Low-risk investments offer stable, modest returns, while higher-risk investments like stocks can deliver larger gains but come with greater volatility (Liu, 2025). Therefore, this means that financial managers or entrepreneurs must evaluate this balance when making decisions ensuring that potential rewards justify the associated risks. Gig work also depends largely on the risk-return trade off principles particularly on the on-demand work. Gig work increases the granularity of work contracts; work is sold in ever smaller quantities and, in extremis, firms only buy the exact amount of labour they need, at the particular moment they need it (Bieber and Moggia, 2021). Businesses such as Uber in the United States of America best embody this trend through paying their rides by the rides and only if they are rides. Many firms are gradually moving away from the paradigmatic form of employment in the industrial age whereby a job with a fixed number of hours, worked in set shifts, in one place, and for a predetermined salary towards work that is contracted at short notice on the basis of current demand.

Workers participate in a shared labour pool utilized by multiple firms. The firms must make a tradeoff when setting pay rates. Higher pay rates are necessary to maintain a larger worker pool and reduce the likelihood of lost demand. However, they also have lower profit margins. This shows that gig workers will accept any job paying more than their reservation wage rate. (Lian, et al., 2025). Gig economy is modeled as a set of N firms that use workers from a common pool. Each firm receives stochastic arrivals of potential demand (jobs) and seeks to maximize its profit. Firm profit depends on several components. First, each job served generates revenue from the customer and incurs labor costs, which the firm pays to the worker who completes the job. The number of jobs a firm serves depends on both demand and supply: on the demand side, the arrival rate of jobs follows a demand curve and is determined jointly by the pricing decisions of all firms; on the supply side, if a job arrives but no worker is available, it is

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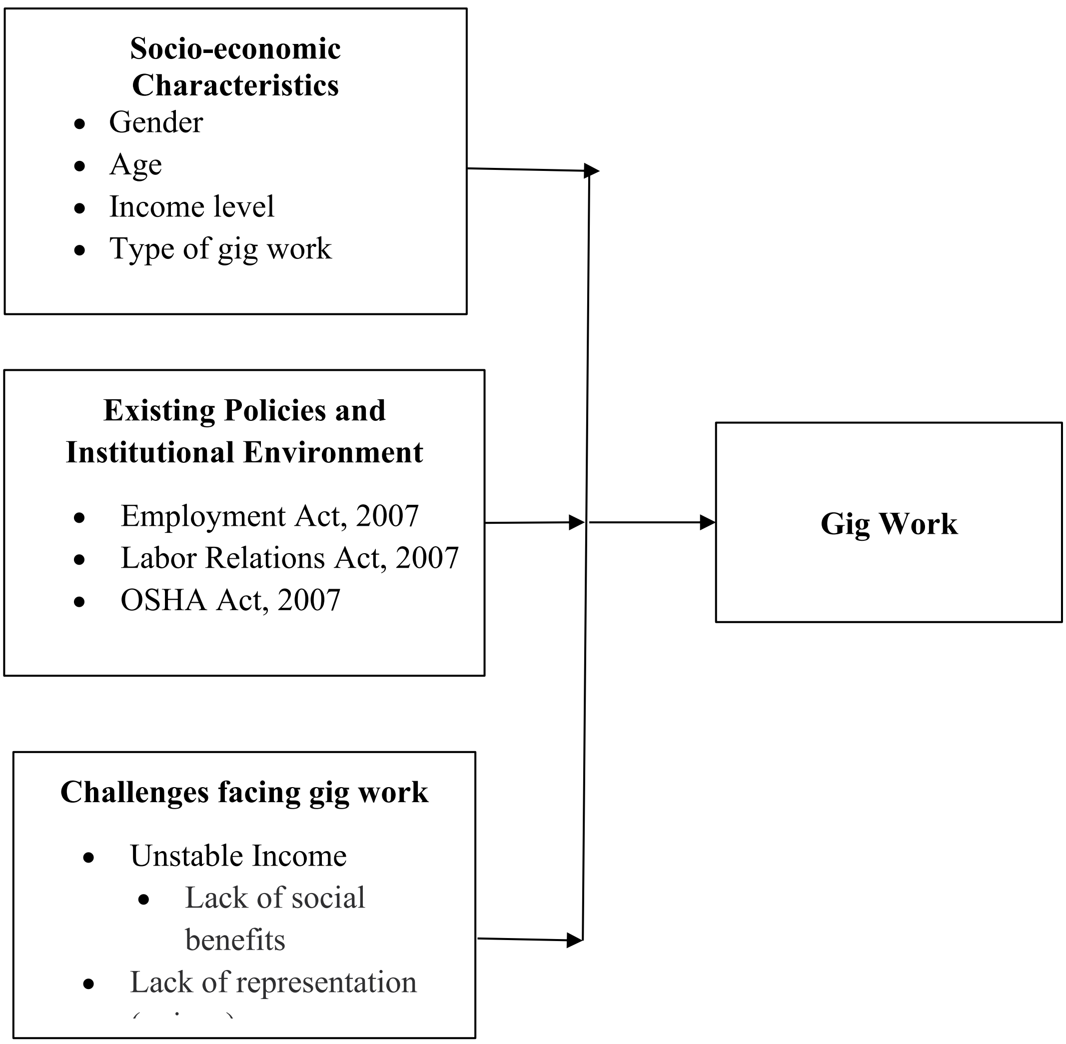
assumed to be lost, an outcome more likely when the worker pool is smaller. In addition, workers make rational decisions about which jobs to accept, requiring firms to set pay high enough to attract workers.

Social Exchange Theory

It proposes that individuals evaluate their relationships through a subconscious cost-benefit analysis. People aim to maximize rewards (like support, love, or status) while minimizing costs (such as time, emotional energy, or financial strain), continuing interactions only when the perceived benefits outweigh the drawbacks (Eichelberger, 2023). This is particularly true when it comes to gig work. The gig workers are faced with a vulnerable, fragile and precarious digital platform work environment whereby they remain highly willing to show good task performance as long as they maximize rewards while minimizing expenses. The digital platform work is monitored by algorithms that are increasingly supplementing or substituting standard employment. Gig platforms develop an affective trust relationship with gig workers, thus encouraging them to repay the platform by performing platform tasks well. Algorithmic monitoring shows a "double-edged sword" moderating role since it weakens the indirectly positive relationship between platform work remuneration and task performance via affective trust but enhances the indirectly positive relationship between platform work flexibility and task performance via affective trust (Chen & Chen, 2025)

Conceptual Framework



RESEARCH METHODOLOGY

Study Design, Sampling and Data Collection Methods

The study used a mixed method approach where qualitative and quantitative data drawn mainly from existing studies used to synthesize new knowledge. The study shall use quantitative metrics for sizing the economy while qualitative data to capture live experiences such as income volatility, algorithm driven labour dynamics and regulatory impacts.

Sampling

In addition, PRISMA methodology was used to identify documents and screen them for eligibility and data extraction under systematic review (Omar and Jamil, 2025). The selected documents reported on socioeconomic characteristics of the youth, the economic benefits of the gig economy and, the regulatory and policy environment in which they operate. The study preferred PRISMA because the approach offers randomization of the selected papers thereby reducing bias and providing robust evidence that strengthens the credibility of the findings and fosters clarity, thoroughness, and consistency in the research process (Omar and Jamil, 2025). While a large number of documents were retrieved, the study used 15 documents that were closely related Eligibility and screening was done and restricted to literature not older than 10 years the following key related to gig economy, evolutionary game theory, risk trade off theory, social exchange theory, employment dynamics.

An additional sample was drawn from gig workers in urban areas to provide data on predisposition to gig employment. The sample was for interview engagement to generate control primary level data such as willingness to join gig work, career preference, autonomy motivation, entrepreneurial orientation, technology acceptance and perceived employability. This group was selected purposive from different gig activities.

Data Collection and Analysis

Data was collected using a response category checklist capturing demographics, gig economy participation platforms, nature of work engagement, economic and income benefits and regulatory and policy frameworks in Kenya. Primary data was collected using a 5-point likert scale from youth selected in enterprises that operate on digital platforms.

These were selected purposively from the list of 20 digital gig employment platforms were converted into two levels for positive and negative responses and weighted for decision making. The neutral option was eliminated as part of respondent indecision. The collected data was analyzed using Excel and SPSS version 27 to generate both descriptive and inferential statistics that summarized the characteristics of respondents, correlation between variables and their elasticity response to variation in regression analysis.

Reliability and Validity of the Study

Reliability and validity of the study was also established whereby reliability was measured through Cronbach's alpha (≥ 0.7) and validity was ensured through alignment of various existing literature.

After calculating the Cronbach's alpha coefficient was found to be 0.82 which fell above 0.7. Therefore, the study was found to be reliable.

Ethical Consideration

The study also employed ethical consideration by requesting for informed consent, confidentiality and voluntary participation that was observed strictly. (Appendix I)

RESULTS AND DISCUSSIONS

Results

The data was analyzed using descriptive and inferential statistics as shown in the table below:

Table 4.1 Demographic Characteristics of Respondents

Variable	Category	Frequency	Percentage (%)
Gender	Male	189	54.12
	Female	161	45.88
Age	18-23	161	45.7
	24-29	129	36.98
	30-35	60	17.28
Education Level	Secondary	74	28.3
	Diploma	94	28.7
	Bachelors	157	36.5
	Post graduate	23	5.45
Location	Nairobi	150	42.86
	Mombasa	100	28.57
	Kisumu	75	21.43
	Nakuru	25	7.14
Type of gig work	Content Developer	100	28.57
	Self employed (Uber)	150	42.86
	Goods/Food Delivery worker	60	17.14
	E commerce/sales	30	8.57
	Graphic Designer	10	2.86
Type of employment	Full time	178	51
	Part time	121	35
	Seasonal	51	14
Level of Income	Less than 10,000Ksh	23	6.57
	10,001-20,000 Ksh	117	33.43
	20,001-30,000 Ksh	145	41.43
	30,001-40,000 Ksh	26	7.43
	40,001-50,000 Ksh	30	8.57
	Above 50000 Ksh	9	2.57

According to Table 4.1 majority of the respondents were male representing 54.12% in the gender distribution reflecting male dominated gig activities in Kenya. In terms of age, the majority of the respondents were between the age bracket of (18-23yrs) representing 45.7% of the population followed closely by youths aged (24-29 yrs) representing 36.98%. This shows that a large majority of employees in the gig economy sector are the younger generation. In terms of education, a significant number of respondents (65.2%) had bachelor's degree and diploma certificates highlighting that the gig economy participation is largely among educated youths. Holders of higher-level postgraduate degrees engage in very high skilled gigs that bachelors tend to avoid. When gender is considered, female participation declines with age. Majority of the females in gig employment are aged below 30 years of age. The table shows that the gig economy influences the working age individuals by decreasing the workers bargaining power. The older more experienced workers tend to gain more than the inexperienced younger workers (Wang et al, 2025).

The distribution of gig employees in urban areas showed a higher concentration in Nairobi County representing 42.86% of the sampled population followed closely by Mombasa County with 28.57%. The lowest percentage of respondents was recorded in Nakuru county (7.14%). A significant number of respondents (51%) did their gig work on a full-time basis with 14% undertaking their gig work on a seasonal basis. Self-employed (Uber drivers) made up a significant number of respondents with 42.86% followed by content developers (28.57%). Majority of the respondents (41.43%) had their income level between Ksh 20,001 to Ksh. 30,000 from their gig work and those above Ksh 50,000 were the least representing 2.57% of the respondents. These gig workers fall under four mutually exclusive groups: aspiring entrepreneurs, struggling workers, side hustling students, and reluctant gig workers.

Table 4.2 Economic benefits of the gig economy.

Response	Disagree	Agree	Gap
Low cost	22.4	77.6	Large
Better product quality	10.4	89.6	Large
Company gains	38.6	61.4	Large
Skills upgrades	23.6	76.4	Large
Increased labor force	76.8	23.2	Large
Labor rights violation	37.7	62.3	Narrow
Lack of permanent jobs	40.2	59.8	Narrow
Increased competition	44.4	55.6	Narrow

On economic benefits, the gig workers were asked to establish their level of agreement to a set of question that quantified their levels of motivation, willingness to work, willingness to join gig work, career preference, autonomy motivation, entrepreneurial orientation, technology acceptance, and perceived employability. These responses were assessed for divergence associated with the established utility. Neutrality was taken to be the bench mark. The Table 4.2 above shows that the benefits gap in terms of utility differences among employees in the gig economy is larger than the corresponding risk gap. This suggests that employees perceive substantially greater variation in the advantages gained from gig work compared to the differences in risks experienced. The explanation is based on the theory of bargaining power. One possible explanation for these findings is that gig economy opportunities provide unequal access to benefits such as income flexibility, autonomy, skill development, and work-life balance, depending on the nature of tasks, digital access, and worker capabilities. In contrast, risks such as income instability, lack of social protection, and job insecurity tend to be more uniformly experienced across employees, resulting in a relatively smaller variation in perceived risk. These results were supported by chi square analysis in earlier studies which showed the existence of a significant relationship between worklife balance and a number of variables.

Existing policy and institutional enablers supporting the sustainable gig economy in Kenya

The study found out that the existing policies in Kenya's economy fail to address the unique challenges faced by gig workers such as fair pay, social protection and legal clarity. The common policies such as Employment Act (2007), Labour Relations Act (2007) and OSHA Act (2007) do not cater for gig workers as they are only recognized for formal employees thus excluding them from protection such as getting minimum wage and a safe working environment. They also experience limited social safety nets whereby they lack income security and benefits such as pensions and health insurance. The study also found out that due to the variety of type of gig work that gig workers are engaged in, they hardly come together to form unions which might advocate their issues.

The fragmented nature of the gig work undermines the workers' bargaining power through algorithmic control and digital surveillance which compel workers to strictly adhere to platform demands (Feng and Zhan, 2019; Kuhn and Maleki, 2017). They have no control and lose various labor rights and legal protections, including wage guarantees, working hours restrictions, and working conditions (Steinbaum, 2019; Stewart and Stanford, 2017). While traditional workers can enhance their bargaining power through union-based collective action, gig workers lack the ability to engage in collective bargaining (Johnston et al., 2024). They become more vulnerable to bargaining pressures and weakening their market leverage. These concerns confirm that gig economy development has negative implications on individual employment.

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This argument aligns with the theory by Sheling in 1956 on how asymmetric information skews bargaining power between negotiating parties away from objectivity and logic (Wang, et al, 2025) The power relation gives advantage to the party with a stronger position, who are more likely to achieve their negotiation objectives. Differential power relations arise from differences in their resource allocation, market position, and information advantages shaping the negotiation dynamics.

Challenges faced by the gig workers in Kenya

The study found that some of the challenges faced by gig workers include: unpredictable incomes, lack of benefits such as health insurance, paid leave, pensions etc, lack of representation i.e. unions as illustrated in the table below:

Table 4.3 Challenges faced by gig workers

Variable	Strongly Agree	Agree	Disagree	Strongly Disagree
Does your gig work provide a stable income	10 (4.2)	20 (5.5)	200 (52.9%)	100 (37.4)
Do you enjoy social benefits such as health insurance, paid leave, pension etc	10 (4.7)	40 (12)	100 (35)	150 (48.3)
Does your gig work have representation such as joining a union	20 (6)	30 (7.7)	50 (29.6)	250 (56.7)
Do you experience high operational cost	10 (2.86%)	10 (2.86%)	20 (5.71%)	300 (85.71%)

There is little variation in the responses implying that the respondents had consistent perception during the interviews.

Figure 4.1 Challenges of Gig Workers by Mean

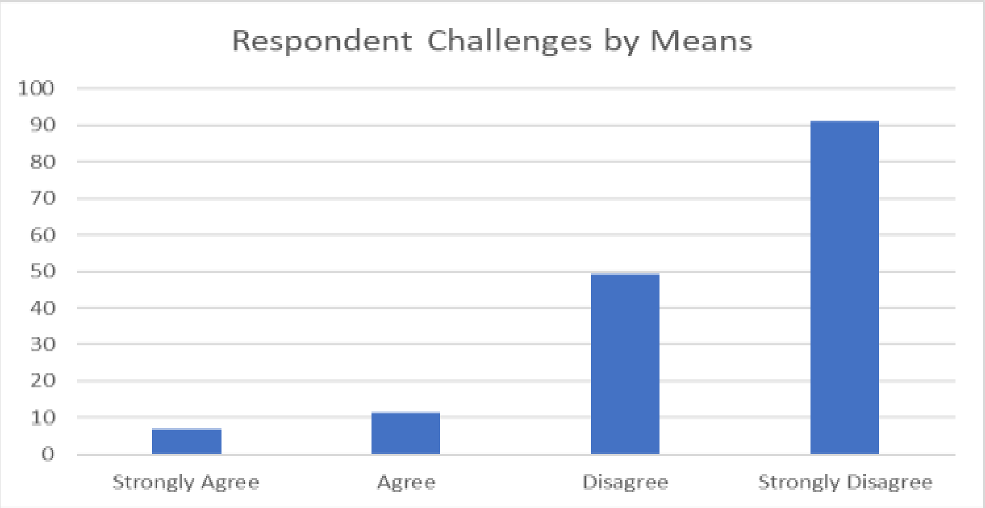

Figure 4.1 shows the respondents reaction to challenges which were presented as positive questions and the respondents were required to show their level of agreement. The figure demonstrates that the respondents agreed that the challenges had strong effects on gig work. This is supported by high levels of disagreement with the positive question posed to the respondents.

The study also looked at drivers of employment with gigs as a factor alongside three control variables of age, experience with policy and regulatory environment and year as variables. Previous studies revealed that gig work had a significant effect on employment alongside age, and experience. The policy and regulatory environment have a significant negative effect (Wang et al, 2025).

DISCUSSION

Discussion I: Socio Economic Factors Promote Sustainable Gig Employment Among Kenyan Youth

Considering the age and the type of work engagement, gig workers have very clear career goals though they engage in supplementary gig jobs that fall under four mutually exclusive groups. This study identifies four clear categories of gig workers: mutually exclusive groups are: Aspiring entrepreneurs, struggling workers, side-hustling students, and reluctant gig workers (Table 4.2 above). This is unlike most studies that use the employee category to classify employees, (Pugu, 2025), this study identifies four categories of employees on the basis of their level of education and the length of period they have worked. The aspiring entrepreneurs are characterized by engaging in content creation and e-commerce. They intentionally use gig opportunities to build skills and develop networks that they believe will help them start their own business someday.

Most of them started the gig work while still in college and their age bracket is mostly over 20 years of age and have been engaged in gig work for at least two years, and have identified very specific career goals, such as starting a theater company, photography studio, or social media business. Struggling workers engage in part time gig jobs to supplement the low wages that their traditional work pays. They are self-employed and in goods/food deliveries. Most of them drive or cycle in uber cars or motorcycles. They are educated to degree level and earn about 42,000 at their regular jobs, whether part time or full time. A similar proportion say their gig jobs provide less than 25 percent of their income and they do gig work less than 20 hours per week. The majority have been in these jobs for less than a year at the time of the study. Reluctant gig workers are those who have been engaged in gig work for over four years and they find they have no alternative other than to do gig work. The majority are in graphic design and earn over KES 40,000. They are well educated and view gig work as full-time engagement.

Undergraduate and diploma students also engage in gig work as a side-hustle, some in low skilled jobs and others in specialized areas where they continue learning as they work to raise funds to cover their school necessities and spending money. Nearly all earn not more than 600,000 per year; they work for about 20 hrs a week and maintain very clear career goals, ranging from becoming an editor to a music therapist. For them, gig work is a short-term hustle while in school, not a step toward a career. They are just pleased to be able to easily and quickly earn extra cash they can use to cover school costs, such as food or books, or spending money to use to go out with friends.

Discussion On Existing Policy and Institutional Enablers Supporting The Sustainable Gig Economy in Kenya

Gig work runs across the border yet payments are done online and, in some instances, there are countries that have no regulatory framework for taxing and controlling the development of this subsector. The sector poses a serious challenge and complex regulatory framework control or access. The high rate of youth unemployment in Kenya has pushed them to join the gig economy which has low barriers to entry yet offers employment in a country where formal employment opportunities are few. Many are willingly engaged in online freelancing, digital marketing , and content creation for low payment. The low barriers to entry mean youth can be engaged unequally and the terms and conditions of work are defined within the platform and are not negotiable.

According to Otieno, (2024) , youths are normally attracted to jobs that offer quick money freedom and offer flexible working hours and independence. Such jobs are easily contracted in smart phones and a host of digital devices nowadays. The work environment in most cases is remote which, while covered by the OSHA Act, 2007, is not effective since the relationship between the employee and employer is minimal. Gig work often lacks job security in terms of lack of permanent contracts, pensions, paid leave, health insurance and social protection. The platforms control the price, visibility, task allocation, ratings and incentives to work. It is noteworthy to say that inequality in gig work is associated with a high degree of skill mismatch that consequently led to underemployment, skill utilization and weak career progression in the long run. The skills mismatch is a recipe for exploitation of the gig workers who work for long hours, on multiple platforms. The flexibility becomes disguised overwork causing burnout, stress, fatigue and psychological pressure. Digital technology has been used to create work and at the same time to control labour. The youths easily access jobs quickly, connect to clients and participate in global labor markets. However, they are under constant surveillance. The existing labour laws in Kenya have not sufficiently regulated these platforms and the classification of workers on these platforms is not clear. They are thus vulnerable to unfair work conditions.

The regulatory environment remains inadequate, with no specific laws recognizing gig workers as employees, leaving them vulnerable to exploitation (Pugu et. al, 2025). This regulatory gap hinders the sustainable growth of Kenya's digital labour market and the protection of workers' rights. Therefore adaptive regulatory reforms and international collaboration that is able to identify and link the employer and the worker on the platform may create an inclusive and equitable legal framework supporting a sustainable growth of the gig economy and protect workers rights (Pugu et al, 2025).

Discussion on Challenges Facing the Sustainable Gig Economy in Kenya

The challenges faced by the youth employed in the gig economy follow the pattern of benefits-risk gap identified in table 4.2 and can be explained in terms of utility differences among employees in the gig economy. Many workers are employed in jobs that veer off from their professional and academic training lines. As such, they face job mismatch at their work place, are not specialized and lack a clear career growth path. Consequently, the majority of them are thus eager to improve on their skills through participating in occupational training programs, including those that teach entrepreneurship.

Gig work does not offer them permanent and sustainable job opportunities. Youths choosing to remain in the gig work base their decision on the benefit-risk tradeoff embedded in ability to develop sufficient skills to land a better paying traditional job before trying to launch their own business. They buy the idea that better pay attracts more people to gig work hence building a large pool of workers ready to accept work that meet their reservation wage and work conditions and reduce the likelihood of shirking (Lian, et al., 2025). This argument is aligned with the earlier recommendation in a study by Otieno, (2024) who concluded that firms engaging youths in gig work should offer them an opportunity for advancement to gain experience before fully joining the industry.

Efforts by the government to address the challenges faced by the gig workers would then build skills required for full time jobs. It is noteworthy that gig workers over time no longer have the flexibility to choose those based on their expertise and interests. This explains the narrowing risk gap for all of them, unlike the wide gap in the benefits they enjoyed earlier, Table 4.2 These employees are also more concerned about job security, transitioning to full-time work, and the potential loss of income-generating work. Women are the most concerned because they lack social insurance protection that covers workers in the event of income shocks such as unemployment, work injury, or disability. Therefore, in addition to providing options to build employable skills in preparation for full time jobs are critical, the government has to develop policies that offer these employees benefits under labour regulations (Otieno, 2024), and enact laws that offers social protection covers for this group of employees and otherwise we see the gig workers trapped in uncertain jobs, with limited skills and with no transition paths to full time gainful employment. Key among these efforts is to enact policies that expand access and coverage of traditional social insurance schemes to the most vulnerable segments of the workforce.

CONCLUSION AND RECOMMENDATION

Active youth participation promises to transform Kenya's gig economy into a sustainable and equitable source of livelihood for millions, supporting the country's digital transition and socio-economic development.

Conclusion

We must agree that the gig economy is here to stay. Therefore, the ever-growing population of the youth serve as a clear foundation to affirm sustainable development through the gig economy. This can be achieved through harnessing the youths' participation in the gig economy through a variety of ways. Although there are many challenges that prevent youths from participating, appropriate and definite strategies need to be deployed to achieve a thriving economy. Government support through social protection policies, capacity building and research can go a further way in ensuring that the challenges that youth face in the gig economy are tackled effectively. Other ways that the government can harness youths' participation include: offering reliable internet access, digital skill literacy and provision of micro-loans and grants.

This study argues that while the gig economy creates employment opportunities, it functions primarily as a substitution mechanism, shifting labor from formal to informal employment rather than expanding aggregate labor demand in certain contexts. The substitution effect is driven by the combination of factors, including technological advancement, structural transfer of labor from traditional manufacturing to platform-based sectors, employers' cost-minimization strategies, and ongoing erosion of workers' bargaining power.

Recommendations

The study recommends the following: comprehensive regulatory framework for gig economy, lower the operational cost, ensure employee turnover is minimized, include social safety nets such as gig worker insurance, pension or having them get paid leave. One key recommendation that the study is proposing is establishing an income insurance fund that stabilizes the worker's income during the low seasons. Another recommendation is the age of youth participating in the gig economy be reviewed as currently the ages of people being considered as youth is between 18 to 35 years as opposed to the recommended age of youth being from 15 to 24 years old.

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Appendix I: Ethical Consideration

Characterizing the youth predisposition toward employment in the Gig Economy in Kenya Procedures to be followed

Participation in this study will require that I ask you some questions about gig work. I will record the information from you in a questionnaire.

You have the right to refuse participation in this study. Please remember that participation in this study is voluntary. You may ask questions related to the study at any time.

You may refuse to respond to any questions and you stop an interview at any time. You may also stop being in the study at any time without any consequences to your work in this organization.

Discomfort and Risks

Some of the questions may make you uncomfortable. If this happens, you may refuse to answer these questions if you so choose. You may also stop the interview at any time. The interview may interfere with the time you devote to your work.

Reward

No reward will be provided for agreeing to participate in this study, but we shall say thank you.

Confidentiality

The interviews will be conducted in a private setting within the industry. Your name will not be recorded on the questionnaire. Everything will be kept private.

Participant's Statement

The above information regarding my participation in the study is clear to me. I have been given a chance to ask questions and my questions have been answered to my satisfaction. My participation in this study is entirely voluntary.
I understand that my records will be kept private and that I can leave the study at any time. I understand that I will not be implicated whether I decide to leave the study or not and my decision will not change conditions of work in industry at any other time

Name of participant ---

Signature or Thumbprint -------------------------------- Date ---------------------------

Investigator's Statement

I the undersigned have explained to the volunteer in a language s/he understands, the procedures to be followed in the study and the risks and benefits involved.

Name of interviewer ---
Interviewer signature -- Date ---------------------

APPENDIX II: QUESTIONNAIRE

Instruction: Please (√) where necessary and explain where applicable

SECTION A: SOCIO-ECONOMIC AND DEMOGRAPHIC CHARACTERISTICS

1. What is your gender?
   ☐ Male ☐ Female
2. What is your age (years)?
   ☐
3. What is your level of education?
   ☐ Secondary ☐ Diploma ☐ Bachelor ☐ Postgraduate
4. Where is your gig work located?
   ☐ Nairobi ☐ Kisumu ☐ Mombasa ☐ Nakuru
5. What type of gig work do you undertake?
   ☐ Content Developer ☐ Self Employed (Uber) ☐ Goods/Food Delivery
   ☐ E commerce/sales ☐ Graphic designer ☐ Others Specify ……….
6. What type of employment are you engaged in?
   ☐ Full time ☐ Part time ☐ Seasonal ☐ Others Specify ……….
7. What is your level of income?
   ☐ Less than 10,000 Ksh ☐ 10,001- 20,000 Ksh
   ☐ 20,001- 30,000Ksh ☐ 30,001 - 40,000 Ksh
   ☐ 40,001 -50,000 Ksh ☐ Above 50,000 Ksh

Section B: Existing Policy and Institutional Enablers Supporting The Sustainable Gig Economy in Kenya

8. Do you know any existing policies regulating gig work in Kenya?
   ☐ Yes ☐ No

9. If yes, which of these existing policies are you conversant with ?
   a. Employment Act, 2007
   b. Labour Relation Act, 2007
   c. Occupation Safety Health Act, 2007
   d. Others Specify………………
10. Why do you think the policies mentioned above do not cater for gig workers?
   a. Outdated
   b. Recognize formal employees only
   c. Exclude gig workers from social benefits e.g. pensions, health insurance, leave etc.
   d. Others Specify …………………….

10. In your opinion, what is the government doing to improve working conditions for gig workers?

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SECTION C: CHALLENGES FACED BY GIG WORKERS (Please (√) where necessary and explain where applicable)

S/No.	Question	Strongly Agree	Agree	Not Sure	Strongly Disagree	Disagree
12.	Does your gig work provide a stable income?					
13.	Do you enjoy social benefits such as health insurance, paid leave, pension etc					
14.	Does your gig work have representation such as joining a union					
15.	Do you experience high operational cost					