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DIGITAL ERA AND PECULIARITIES OF GIG ECONOMY

Abstract. Digital transformation has no historical parallel in its global scale and pace of development. The evolution of techniques and technologies has led mankind to the creation of personal computers, mobile phones, and artificial intelligence. There is hardly any area untouched by the changes, affecting both business and informal relationships. Digital technologies impact various aspects, including the labor market, where the workforce periodically needs to acquire new knowledge and skills. Frequent and profound changes necessitate adjustments in production, consumption, exchange, distribution, thinking, behavior, and more. The format of labor relations is also shifting, with online employment, temporary, partial, and short-term remote labor activity, collectively known as the "gig economy" in modern theory and practice, gaining increasing prominence alongside traditional models. The article outlines the significance of digital advancements in addressing employment challenges, particularly for countries with significant emigration and youth unemployment issues. The paper delves into the features of the gig economy, its pros and cons, distribution areas, and perspectives. Through the gig economy, both individuals and countries can enhance their competitiveness and improve their standard of living.

Keywords: Digital, Transformation, Remote Work, Gig economy, Employment

Introduction. The social organization of the modern world, including countries, economic systems, and business relations, requires deep and often comprehensive changes. Emerging complex, multi-component systems, alongside the imperatives of sustainable economic development, encompass digital, global, networked, and innovative dimensions. Indeed, they are forging new economic connections for a sustainable and global economy. The "digital era" presents abundant opportunities for personal development within the global economy. However, capitalizing on these opportunities necessitates relevant knowledge, experience, improvements in the learning and teaching systems, and access to technical and educational resources. The internet, the fourth industrial revolution, the digital economy, artificial intelligence, block chain, wireless communication technologies, and similar innovations are swiftly and often irreversibly reshaping the present while forecasting further changes in the near or distant future. Digitalization, as both a process and a societal state, commands scientific interest from researchers worldwide.

The technical and technological advancements at the end of the 20th century and the beginning of the 21st century gave rise to numerous electronic services and introduced hundreds of new microeconomic or macroeconomic terms, while also imbuing existing terms with new meanings. Consequently, the recruitment process and procedures are undergoing significant transformations. Traditional employment realms and relationships are gradually evolving, a shift that resonates within the education system and the skillsets demanded by the digital era.

Discussion of an economy based on internet platforms is already pertinent. It represents a new economic paradigm—an economy of liberated production. In this context, individuals seek not a single employer but rather opportunities for temporary or fractional employment, enabling them to work independently and receive compensation accordingly.

The utilization of digital advancements holds particular importance for countries where a portion of the population seeks employment abroad due to limited opportunities domestically. Youth unemployment exacerbates the challenge further [5]. Proper management of new technologies, coupled with modern educational and scientific methods [8], can propel future development, thereby improving living standards in a relatively short span. Additionally, prioritizing digital security and literacy across all social and age groups is imperative.

Purpose. The research aims to elucidate the impact of the digital era on employment. Each industrial revolution has reshaped the labor market, with digital transformation arguably representing the most profound shift. Drawing from diverse national experiences, the study employs materials from regional associations, international organizations, IT firms, global institutions, consulting groups, and online resources.

Results. Digital transformation permeates various markets, including labor. Every employed individual, especially active job seekers, must periodically acquire new knowledge and skills to adapt to technological advancements. Rapid and substantial changes in digital technologies necessitate shifts in skills for production, consumption, exchange, distribution, cognition, and behavior. Moreover, the relationship dynamics between employers and employees are evolving. Online employment, temporary roles, part-time positions, and short-term remote work are increasingly prevalent alongside traditional employment models. These relationships, often termed the 'gig economy' or 'sharing economy,' involve the collaborative use of professional labor resources, allowing individuals to work independently or as part of globally distributed teams leveraging digital services [4], [9].

The genesis and evolution of the gig economy are intrinsically tied to the emergence of information technologies, facilitating the migration of production processes to the online sphere. The term "gig" originated from the jargon of jazz musicians a century ago, denoting a live musical performance or "engagement," which has since broadened to encompass various forms of paid work arrangements.

Within the free market system, the labor market increasingly embraces temporary or part-time employment models favored by self-employed individuals [1]. This shift has introduced novel employment paradigms, such as online platform work and mobile applications. Emerging employment modalities include freelancing and crowdsourcing. Freelancers undertake specific tasks for multiple organizations rather than committing to a single employer full-time, while crowdsourcing delegates tasks to a large pool of individuals or the general public via the internet, diverging from the traditional employee-centric approach within companies.

Crowdsourcing encompasses diverse forms, including passive (information gathering), active (interactive dialogue), traditional (selection of optimal ideas), and intellectual (collaborative ideation). It serves as a mechanism for generating intangible value, attracting additional financial resources, and fostering innovation. Major corporations like Microsoft, Nescafe, Nike, and Procter & Gamble leverage crowdsourcing technologies to drive creativity and problem-solving.

According to the International Labour Organization's classification [2], crowdsourcing within the gig economy represents a promising form of non-standard employment, steadily gaining traction across various sectors such as IT, manufacturing, commerce, healthcare, and media. Its application holds particular significance in startup ventures, where resource optimization and innovation are paramount.

The gig economy comprises three primary stakeholders: consumers seeking services, gig workers capable of providing those services, and gig work platforms acting as intermediaries. This setup grants job seekers access to flexible and remote earning opportunities, prioritizing work quality over traditional job perks. Examples of gig economy activities abound, including short-term apartment rentals, online product sales, transportation services like Amazon Flex, and various freelance tasks such as writing, tutoring, designing, and caregiving.

The gig economy yields several positive outcomes. It fosters less expensive, more

efficient, and adaptable services, offering businesses swift and personalized alternatives to conventional commerce. This leads to cost reductions, enhanced service efficiency, increased profitability, and heightened competitiveness. Moreover, the gig economy facilitates prompt problem-solving, broad audience engagement, and the payment only for satisfactory work, while also attracting innovative talent and driving product-oriented focus. Continuous learning is crucial in this dynamic environment, with intelligent software playing a pivotal role in enhancing labor productivity. Clear problem formulation, modular task breakdown, and efficient delivery mechanisms are essential for success. Labor providers monetize their expertise, realizing ideas and achieving self-fulfillment in the process [3].

According to McKinsey Global Institute [6], remote work constitutes 34-36% of the total workforce in the USA, underscoring the significant presence of flexible employment arrangements. Crowdsourcing hinges on the principle that a collective possesses more knowledge than an individual, yet conducive conditions are imperative for harnessing this collective wisdom.

An open labor market fosters easier and faster access to employment opportunities, particularly benefiting the populations of developing economies, where young individuals aged 18-34 are more likely to engage in the gig economy. This demographic trend is attributed to the pursuit of flexibility, coupled with an affinity for cutting-edge technology among younger workers. Conversely, individuals aged 55+ comprise only 11% of gig workers, indicating a lower adoption rate among older demographics.

However, several challenges impede the gig economy's growth. These include the absence of benefits, heightened stress levels, imperfect legal frameworks, asymmetric information, project ineffectiveness, and difficulties in determining adequate compensation. Efforts are underway to address these challenges, signaling potential mitigation or elimination in the future.

Recent statistical data underscore the burgeoning popularity of the gig economy. It is expanding three times faster than the total US workforce, with over 50% of the workforce projected to participate by 2027. Globally, the gig economy generates \$204 billion in gross volume, with a majority of gig workers expressing high satisfaction levels and happiness in their independent work arrangements. Furthermore, remote work is becoming increasingly prevalent, with 70% of people globally engaging in remote work at least once a week [10].

Conclusions. The global landscape has unequivocally demonstrated the evolution of work modalities, spurred by the emergence of digital platforms, the creation of new job sectors, and the rise of novel professions. In response, ensuring nationwide internet coverage, bolstering digital infrastructure, and fostering the growth of the digital economy are imperative steps.

The digital era has ushered in a new paradigm of work known as the gig economy, characterized by flexibility, remote engagement, and digital platforms. Several key features define the intersection of the digital era and the gig economy: Technology-enabled Work; Flexibility and Autonomy; Diverse Employment Opportunities; Demographic Shifts; Challenges and Opportunities; Impact on Traditional Employment. The digital era has catalyzed the emergence of the gig economy. While presenting both opportunities and challenges, the gig economy reflects the evolving dynamics of labor in an increasingly digitized world.

The establishment of an inclusive information society, enabling individual empowerment and enhancing economic competitiveness, stands as a paramount objective. Education systems must align with the demands of the digital era while preserving conducive environments for holistic human development.

As digitization pervades various systems, safeguarding personal data assumes heightened importance, necessitating robust cyber security measures at national, regional, and global levels to thwart cyber threats.

Strategic investment in information technology is essential for developing economies to retain skilled labor domestically, mitigating mass emigration and fostering sustainable economic growth. By anchoring the workforce within their borders, countries can harness the full potential

of digitalization to drive prosperity and progress.

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ARTIFICIAL INTELLIGENCE AND HIGHER EDUCATION CHALLENGES: SCIENTIFIC RESEARCH EMPHASIS

Abstract. The paper presents the results of the analysis of scientific articles published on the Scopus database. The challenges arising in the higher education system due to the development of artificial intelligence are identified in the results of scientific research; the summary is given in the form of a SWOT analysis; the focuses of further research are determined; and recommendations are offered. Artificial intelligence is revealed to be an important enabling mechanism for expanding teaching and learning opportunities, administering the educational process, and enhancing research potential. Higher education institutions can harness the transformative potential of artificial intelligence by using it responsibly and effectively. It is critical to address ethical issues, reduce the potential for the digital divide, and prioritize human-centered learning experiences.

Keywords: AI, Artificial Intelligence, Higher Education.

Introduction. There is great scientific interest in artificial intelligence, as its development affects many aspects of human life. It fundamentally changes the mechanisms of knowledge accumulation and transfer and thus affects the education system. Artificial Intelligence (AI) makes it easier to recognize existing information and create new knowledge through massive data analysis. By using the energy saved from conducting multidisciplinary research and collaborating across disciplines, it also has a synergistic effect.

The purpose of the paper is to identify the challenges arising in the higher education system due to the development of artificial intelligence in the results of scientific research, summarize them in the form of SWOT analysis, define further research focuses, and develop recommendations. This small study focuses on studies in the fields of business and management.