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# ANALYSIS OF FACTORS INFLUENCING STUDENTS' DECISIONS TO WORK IN THE GIG SECTOR

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**Abstract**

This study aims to analyze the factors that influence students' decisions to work in the gig sector, focusing on three main variables: risk perception, job flexibility, and offered incentives. The increasing number of students involved in gig work—such as freelancers, online drivers, and content creators—reflects a shift in employment preferences toward more dynamic and digitally driven work models. This research employs a quantitative approach using a survey method. Data were collected through questionnaires distributed to 120 university students across Indonesia who have experience working in the gig sector. The collected data were analyzed using multiple linear regression to examine the influence of each independent variable on students' work decisions. The results indicate that flexibility has the most significant and dominant influence on students' decisions to participate in gig work, followed by incentives. Meanwhile, risk perception shows a negative but statistically insignificant effect. These findings suggest that students tend to prioritize time autonomy and potential income over job uncertainty. In conclusion, the gig sector has become an attractive alternative for students as it offers a balance between study and work while providing early professional experience. The study contributes valuable insights for policymakers and gig platforms in designing more adaptive strategies and regulations that align with the needs and preferences of young workers in the digital economy era.

## Introduction

In recent years, the rapid growth of digital platforms has transformed the nature of employment worldwide. The rise of the "gig economy"—characterized by short-term, flexible, and task-based work arrangements—has created new opportunities for individuals seeking autonomy and additional income. Among these participants, "university students"represent a growing segment who view gig work as an attractive option to balance their academic responsibilities with financial and professional goals. Gig work includes a wide range of activities such as freelance design, online driving, digital marketing, and content creation, all of which provide greater flexibility compared to traditional part-time jobs.

However, the decision to engage in gig work is influenced by multiple factors, both positive and negative. On one hand, "flexibility" and "incentives" such as income potential and skill development make the gig sector appealing. On the other

hand, "risk perception", including job insecurity and income instability, may discourage participation. Understanding how these factors interact is essential to explain why many students increasingly choose to enter the gig economy despite its uncertainties. The objective of this study is to "analyze the influence of risk perception, flexibility, and incentives on students' decisions to work in the gig sector". By identifying the dominant factors, this research seeks to provide insights into the motivations and behaviors of student gig workers. This study is significant because it contributes to the growing body of literature on youth employment in the digital economy. It also offers practical implications for policymakers, educators, and gig platforms to design strategies that support students in managing flexible work without compromising their academic performance.

**Theoretical Framework**

The emergence of the "gig economy" has reshaped modern employment patterns by offering flexible, short-term, and technology-based work arrangements (De Stefano, 2016). This shift is particularly relevant to university students who seek flexible work opportunities compatible with their academic schedules. According to Wood, Graham, and Lehdonvirta (2019), participation in gig work is driven by both economic motives—such as income and incentives—and non-economic motives, including autonomy, skill development, and flexibility.

**1. Risk Perception and Work Decision**

"Risk perception theory" (Slovic, 1987) explains how individuals evaluate uncertainty and potential loss when making decisions. In the context of gig work, perceived risks may include income instability, lack of job security, and absence of formal employment benefits. Studies by Kuhn and Maleki (2017) and Tran and Sokas (2017) found that higher risk perception negatively affects individuals' willingness to engage in gig work. However, young workers, especially students, may underestimate risks due to lower dependency on stable income, creating mixed results in previous findings.

**2. Flexibility and Work Decision**

The "Self-Determination Theory"(Deci & Ryan, 2000) emphasizes autonomy as a key motivator in individual behavior. Gig work provides students with control over their schedules, which supports autonomy and intrinsic motivation. Research by Hall and Atkinson (2006) and Dunn (2020) confirms that flexibility is one of the most influential factors encouraging students to choose gig jobs, as it allows them to balance academic commitments with personal and professional development.

**3. Incentives and Work Decision**

According to "Expectancy Theory" (Vroom, 1964), individuals are motivated to act when they expect positive outcomes or rewards. In the gig context, financial incentives, skill acquisition, and networking opportunities serve as motivating factors. Studies by Broughton et al. (2018) and Anwar & Graham (2020) revealed that

incentives, particularly monetary rewards and experience-building potential, significantly impact the intention to work in the gig sector.

**4. Research Gap**

Although previous studies have explored motivations for gig work, limited research specifically focuses on "university students in developing countries" such as Indonesia, where cultural, economic, and educational contexts differ from those in Western nations. Existing studies also tend to analyze motivation and flexibility but rarely integrate "risk perception, flexibility, and incentives" into a single analytical model. Therefore, this study aims to fill this gap by simultaneously examining these three factors and identifying which has the strongest influence on students' decisions to work in the gig sector.

**5. Hypotheses Formulation**

Based on the literature review and theoretical framework, the following hypotheses are proposed:

- H1: Risk perception has a negative and significant influence on students' decisions to work in the gig sector.
- H2: Flexibility has a positive and significant influence on students' decisions to work in the gig sector.
- H3: Incentives have a positive and significant influence on students' decisions to work in the gig sector.

These hypotheses collectively aim to test the relationships among the key variables affecting students' participation in gig work, contributing to a deeper understanding of youth employment behavior in the digital economy.

**Method**

1. Research Design

This study employs a "quantitative research design" using a "descriptive and causal approach" to analyze the relationship between risk perception, flexibility, incentives, and students' decisions to work in the gig sector. The quantitative method was chosen because it enables statistical testing of hypotheses and allows for generalization of findings based on numerical data. A "survey method" was applied using structured questionnaires as the main instrument for primary data collection.

2. Population and Sample

The population of this study consists of "university students in Indonesia" who have experience working in the gig sector, including freelance, online driving, content creation, or other platform-based work. A "purposive sampling technique" was used to ensure that only respondents with relevant experience were included. The sample size was determined based on the formula of Hair et al. (2010), suggesting a minimum of 5–10 respondents per indicator variable. Thus, "120 respondents"were considered adequate for reliable analysis.

3. Data Collection Techniques

Data were collected through an "online questionnaire*" distributed via Google Forms and academic networks. The questionnaire consisted of two sections: (1) demographic information (gender, age, study program, and work experience), and (2) measurement items related to each variable, rated on a "five-point Likert scale" (1 = strongly disagree to 5 = strongly agree).

4. Research Instruments

The questionnaire items were adapted from validated instruments used in previous studies: "Risk Perception": adapted from Tran & Sokas (2017) "Flexibility": adapted from Hall & Atkinson (2006) "Incentives": adapted from Broughton et al. (2018) "Decision to Work in the Gig Sector": self-developed based on behavioral intention frameworks (Ajzen, 1991) Prior to distribution, a "pilot test" was conducted with 30 respondents to ensure the "validity and reliability"of the instrument. Cronbach's alpha values above 0.70 were considered acceptable.

5. Data Analysis Methods

Data were analyzed using "Multiple Linear Regression Analysis" with the help of "SPSS (Statistical Package for the Social Sciences)" . The analysis steps included:
1. "Descriptive statistics" to summarize demographic data.
2. "Validity and reliability testing" of questionnaire items.
3. "Classical assumption tests" (normality, multicollinearity, and heteroscedasticity).
4. "Regression analysis" to determine the effect of each independent variable (risk perception, flexibility, incentives) on the dependent variable (students' decision to work in the gig sector).
5. "Hypothesis testing" using t-tests and F-tests with a significance level of 0.05.

The quantitative results were then interpreted to identify the dominant factors influencing students' work decisions and to draw practical and theoretical conclusions.

**Results**

**Uji T Parsial**

**Coefficients[a]**

| Model | | Unstandardized Coefficients | | Standardized Coefficients | | |
|---|---|---|---|---|---|---|
| | | B | Std. Error | Beta | t | Sig. |
| 1 | (Constant) | 1.022 | 1.733 | | .590 | .557 |
| | Persepsi Risiko | .108 | .086 | .081 | 1.252 | .214 |
| | Flekbilitas | .955 | .072 | .857 | 13.199 | .000 |

a. Dependent Variable: Insentif

**(Constant) 1.022 0.590 0.557 Not significant**
**Risk Perception 0.108 1.252 0.214 Not significant (because > 0.05)**
**Flexibility 0.955 13.199 0.000 Highly significant**

**Uji F Simultan**

**ANOVA[a]**

| Model | | Sum of Squares | df | Mean Square | F | Sig. |
|---|---|---|---|---|---|---|
| 1 | Regression | 6179.015 | 2 | 3089.507 | 286.952 | .000[b] |
| | Residual | 1065.897 | 99 | 10.767 | | |
| | Total | 7244.912 | 101 | | | |

a. Dependent Variable: Insentif
b. Predictors: (Constant), Flekbilitas , Persepsi Risiko

Sig = 0.000 < 0.05, thus the regression model is simultaneously significant, meaning that flexibility and risk perception together have a significant effect on incentives.

**Uji Koefisien Determinasi**

Model Summary

| Model | R | R Square | Adjusted R Square | Std. Error of the Estimate |
|---|---|---|---|---|
| 1 | .924[a] | .853 | .850 | 3.281 |

a. Predictors: (Constant), Flekbilitas , Persepsi Risiko

**R = 0.924 There is a very strong correlation between flexibility and risk perception with incentives.**
**R Square = 0.853 This means that 85.3% of the variation in the incentive variable can be explained by flexibility and risk perception.**
**Adjusted R Square = 0.850 This value indicates that the model remains very good even after being adjusted for the number of variables.**
**Std. Error = 3.281 Indicates a relatively small prediction error**

**Discussion**

The results of the regression analysis show that flexibility has a positive and significant effect on incentives, while risk perception does not have a significant effect on incentives. The regression coefficient value for flexibility is 0.955 with a significance level of 0.000 (<0.05), indicating that the higher a person's level of flexibility (such as the ability to adapt, work dynamically, and adjust to changes), the higher the incentive they receive. This suggests that organizations or companies tend to reward individuals who can work flexibly in dealing with changing work situations.

Meanwhile, risk perception has a significance value of 0.214 (>0.05), which means it does not significantly affect incentives. This finding indicates that an individual's view or perception of risk does not directly influence the amount of incentive received. In other words, even though a person may have a certain level of awareness or concern about risk, it is not a primary consideration in determining incentives within the organization. The R Square value of 0.853 indicates that the two independent variables (flexibility and risk perception) explain 85.3% of the variation in incentives, while the remaining 14.7% is influenced by other factors outside the model, such as work motivation, performance, experience, or company policy.

Overall, the regression model is significant (F value = 286.952, Sig. = 0.000), meaning that flexibility and risk perception simultaneously affect incentives. However, when viewed partially, only flexibility has a significant effect. This reinforces the notion that the ability to adapt and work flexibly is an important factor in determining incentives, as flexibility is often associated with productivity and the ability to complete tasks efficiently.

## Conclusion

Based on the results of the multiple regression analysis, it can be concluded that:
1. Flexibility has a positive and significant effect on incentives, with a significance value of 0.000 (< 0.05) and a regression coefficient of 0.955. This indicates that the higher an individual's level of flexibility at work, the greater the incentive they receive.
2. Risk perception does not have a significant effect on incentives, with a significance value of 0.214 (> 0.05). This means that an individual's perception of risk does not directly influence the amount of incentive they receive.
3. Simultaneously, both variables — flexibility and risk perception — have a significant effect on incentives, with an F value of 286.952 and a significance level of 0.000.
4. The R Square value of 0.853 indicates that flexibility and risk perception together explain 85.3% of the variation in incentives, while the remaining 14.7% is influenced by other factors outside this study.

## References

The analysis results show that flexibility has a significant effect on incentives, in line with the views of Robbins & Judge (2017) and Dessler (2020), who emphasize the importance of employee adaptability to organizational change.

Risk perception is found to be insignificant, supporting the theory that an individual's perception of risk does not always have a direct impact on motivation or compensation (Ghozali, 2018).

The use of multiple regression analysis and the interpretation of results follow the statistical guidelines provided by Ghozali (2018) and Sugiyono (2019).
Dessler, G. (2020). Human Resource Management (16th ed.). Pearson Educatio