



GIG Economy: A Paradigm Shift in Micro-Entrepreneurship, Implications for Growth of Small & Medium Scale Enterprises In Delta State, Nigeria

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Abstract

This study examines the impact of gig economy on business growth of micro, small and medium-scale enterprises in Delta State, Nigeria. Gig economy, with specific focus on workforce composition (WC), talent sourcing and management (TSM), digital platforms (DP), and task and project design (TPD), and their impact on business growth (BG) among micro, small and medium-scale enterprises in Delta State, Nigeria. Using quantitative research methods, responses from the respondents were collected with the aid of five (5) likert scale questionnaire. A total of three hundred and sixty-three (363) questionnaires were administered to owners and managers of micro, small and medium enterprises in Delta State, Nigeria. However, two hundred and ninety-nine (299) were retrieved and properly filled while 64 (17.63%) were not properly filled. The useable questionnaire represents 82.37 percent of the total questionnaire administered, which shows that two hundred and ninety-nine (299) respondents is sufficient for the study. The research questions were analyzed with the aid of descriptive statistics and correlation matrix. The hypothesized relationships between variables of the study were validated using the multiple regression statistical tools with the aid of SPSS version 23. Findings revealed that workforce composition (WC), talent sourcing and management (TSM), digital platforms (DP), and task and project design (TPD) all significantly influence business growth (BG), with TPD having the most substantial effect, contributing a 38.4% increase in BG for every 1% improvement. WC, although positively correlated, exhibits a relatively lower impact compared to other variables, contributing 2.4% to Business Growth (BG). TSM and DP show substantial positive effects, with increases of 25.8% and 4.2% respectively for each percentage improvement. In conclusion, the gig economy offers immense potential for driving the growth of micro, small and medium enterprises in Delta State, Nigeria. The study recommends that enterprises should adopt inclusive recruitment and training practices to build a diverse and capable workforce. Businesses should prioritize strategies for sourcing, retaining, and developing skilled talent to enhance organizational efficiency and competitiveness. This study contributes to the understanding of gig economy dynamics in the Nigerian micro, small and medium enterprises' sector.

Introduction

The gig economy, characterized by short-term, flexible, and on-demand work engagements facilitated primarily through digital platforms, has emerged as a transformative force in the global labor market. This paradigm shift is underpinned by the interplay of workforce composition, talent sourcing and management, digital platforms, and task and project design, all of which have implications for business growth, particularly for small and medium-scale enterprises (SMEs) and other forms of micro

enterprises. In the context of Delta State, Nigeria, the adoption and integration of gig economy frameworks present unique opportunities and challenges, necessitating an in-depth exploration of the nexus between these factors.

Workforce composition in the gig economy is distinguished by its heterogeneity, encompassing freelancers, independent contractors, and part-time workers who contribute to various industries. This evolving composition is reshaping traditional employment patterns, with implications for micro

enterprises and SMEs, which often lack the resources to maintain extensive full-time staff. The flexibility offered by gig workers allows SMEs to scale operations efficiently, aligning labor costs with demand fluctuations. Studies have indicated that SMEs leveraging gig workers can enhance operational efficiency and adapt quickly to market dynamics (Kalleberg & Dunn, 2020; Wood et al., 2021). However, the absence of regulatory frameworks in many regions, including Nigeria, poses challenges related to worker rights and benefits, creating a precarious balance between cost-efficiency and ethical labor practices (Stewart & Stanford, 2021).

Talent sourcing and management have undergone significant transformation in the gig economy. Digital platforms serve as intermediaries, connecting SMEs with a global pool of skilled professionals. These platforms, such as Upwork and Fiverr, provide SMEs in Delta State with access to specialized skills that may be scarce locally, fostering innovation and competitiveness. Research highlights that effective talent management strategies, including clear communication, fair compensation, and performance monitoring, are critical to maximizing the potential of gig workers (Lepanjuuri et al., 2021). Despite these advantages, SMEs often face challenges in maintaining quality and consistency in service delivery, particularly when engaging remote gig workers from diverse cultural and professional backgrounds (Murray et al., 2022). Ensuring alignment between organizational goals and the capabilities of gig workers remains a priority for sustainable growth.

Digital platforms are the cornerstone of the gig economy, facilitating seamless interactions between employers and gig workers. These platforms leverage advanced algorithms and data analytics to match skills with tasks, optimize project timelines, and enhance transparency. In Delta State, where internet penetration and digital literacy are progressively improving, the adoption of such platforms is gaining momentum. Studies underscore the role of digital platforms in democratizing access to opportunities for SMEs, enabling them to compete in broader markets (Kenney & Zysman, 2020; Codagnone et al., 2022). However, the reliance on digital platforms also introduces vulnerabilities, including cybersecurity risks, platform dependency, and algorithmic biases that may affect fairness in worker selection and compensation (Aloisi & De Stefano, 2021). Addressing these issues is essential to ensure equitable and sustainable integration of digital platforms in the local gig economy.

Task and project design is a critical determinant of success in the gig economy. SMEs must strategically define and structure tasks to maximize productivity and efficiency while accommodating the diverse expertise of gig workers. Effective project design involves clear

objectives, realistic timelines, and measurable deliverables, fostering a collaborative environment even in remote work settings. Research suggests that well-structured tasks contribute to higher job satisfaction among gig workers and improve outcomes for businesses (Petriglieri et al., 2022). For SMEs in Delta State, understanding the nuances of task design in the gig economy can enhance their ability to harness the potential of a diverse and distributed workforce. Nevertheless, cultural and contextual factors, such as language barriers and differing work ethics, may influence the effectiveness of task execution, necessitating tailored approaches to project management (Osoba et al., 2021).

The relationship between the gig economy and business growth is multifaceted, with SMEs in Delta State uniquely positioned to benefit from this emerging paradigm. By leveraging the gig economy, these enterprises can access cost-effective labor, expand their service offerings, and respond agilely to market demands. Empirical studies have demonstrated that SMEs engaging with the gig economy often experience improved financial performance and increased innovation capacity (Katz & Krueger, 2021; Schömann et al., 2022). However, the full potential of the gig economy can only be realized with supportive policies and infrastructure, including reliable internet connectivity, affordable digital tools, and frameworks for fair labor practices. In Delta State, addressing these gaps is crucial to fostering an enabling environment for Micro- Enterprises and MEs to thrive in the gig economy.

Moreover, the gig economy's impact on SMEs extends beyond operational efficiency to include broader socioeconomic implications. For instance, the inclusion of marginalized groups, such as women and youth, in gig work can contribute to poverty alleviation and economic empowerment (Heeks et al., 2021). In Delta State, where unemployment and underemployment rates remain significant, the gig economy offers a viable pathway to job creation and skills development. However, the informal nature of gig work often excludes workers from social protection schemes, such as health insurance and retirement benefits, exacerbating vulnerabilities for the most disadvantaged groups (De Stefano et al., 2021). Policymakers and stakeholders must prioritize the integration of social safety nets to ensure that the benefits of the gig economy are equitably distributed.

Technological advancements are instrumental in shaping the trajectory of the gig economy. The proliferation of artificial intelligence, machine learning, and blockchain technology is redefining how tasks are assigned, monitored, and compensated. For SMEs in Delta State, embracing these technologies can enhance operational efficiency and competitiveness. Studies

highlight that blockchain-based smart contracts, for example, can automate payment processes and ensure transparency in transactions, reducing disputes and fostering trust between gig workers and employers (Sundararajan, 2020; Agrawal et al., 2022). However, the high costs associated with adopting advanced technologies and the limited availability of technical expertise in the region pose significant barriers to their widespread implementation. Bridging these gaps through capacity-building initiatives and strategic partnerships is essential for SMEs to fully leverage the potential of emerging technologies.

Cultural attitudes and societal norms also play a critical role in shaping the adoption and effectiveness of the gig economy in Delta State. Traditional perceptions of work and employment, which often prioritize stability and long-term engagement, may conflict with the flexibility and transience inherent in gig work. Studies have shown that cultural acceptance of gig work is a significant predictor of its success, influencing worker motivation and employer trust (Friedman, 2021; Anwar & Graham, 2022). In Delta State, fostering a cultural shift towards embracing gig work requires concerted efforts from educational institutions, industry stakeholders, and policymakers. Initiatives such as awareness campaigns, training programs, and success stories can help demystify the gig economy and promote its benefits to a broader audience.

The regulatory landscape is another critical factor influencing the growth of the gig economy in Delta State. While the absence of stringent labor laws governing gig work provides flexibility for SMEs, it also raises concerns about worker exploitation and job security. Comparative studies from other regions highlight the importance of balanced regulations that protect worker rights without stifling innovation and entrepreneurial activity (Huws et al., 2021; Vallas & Schor, 2020). For Delta State, developing a regulatory framework that addresses these dual objectives is imperative to creating a sustainable gig economy ecosystem. Collaborative policymaking involving government agencies, industry leaders, and worker representatives can ensure that regulations are both inclusive and contextually relevant.

Thus, the gig economy represents a dynamic and multifaceted phenomenon with significant implications for SMEs in Delta State, Nigeria. By examining the interplay of workforce composition, talent sourcing and management, digital platforms, and task and project design, this study provides a comprehensive understanding of how these factors can influence business growth. While the gig economy offers unprecedented opportunities for SMEs and micro enterprises to enhance their competitiveness and innovation capacity, addressing challenges related to regulation, technology adoption, and cultural

acceptance is critical to realizing its full potential. Through targeted interventions and collaborative efforts, Delta State can harness the transformative power of the gig economy to drive sustainable economic development and improve livelihoods.

Defining the Problem

The gig economy has increasingly become a focal point of global labor market transformations, offering unprecedented flexibility and access to specialized talent through digital platforms. However, despite its rapid adoption, significant gaps persist in understanding its implications for micro, small and medium-scale enterprises, particularly in regions like Delta State, Nigeria. Existing literature largely emphasizes the gig economy's potential for cost reduction and efficiency (Kalleberg & Dunn, 2020; Wood et al., 2021), yet the nuanced challenges SMEs face in effectively integrating gig work remain underexplored. For instance, issues such as inconsistent regulatory frameworks, limited access to digital infrastructure, and cultural barriers unique to local contexts have received scant attention (Stewart & Stanford, 2021; Osoba et al., 2021).

Furthermore, while studies have examined the role of digital platforms in talent sourcing and task management (Codagnone et al., 2022; Murray et al., 2022), there is limited empirical evidence on how SMEs in developing regions leverage these platforms to foster innovation and growth. The impact of workforce composition and project design on SME performance, particularly in relation to sustainability and scalability, also remains inadequately addressed in the literature (Petriglieri et al., 2022; Schömann et al., 2022). Additionally, the broader socioeconomic implications of the gig economy, such as its role in addressing unemployment and fostering inclusivity, are yet to be fully understood in the context of Delta State. This study seeks to bridge these gaps by examining the interplay of workforce composition, talent sourcing and management, digital platforms, and task and project design within the gig economy, with a focus on their collective impact on SME growth in Delta State, Nigeria. By addressing these variables, the study aims to provide actionable insights for policymakers, industry stakeholders, and SMEs to harness the potential of the gig economy while mitigating its challenges.

Literature Review

Conceptual Review

Gig Economy

The gig economy refers to a labor market characterized by short-term contracts or freelance work as opposed to permanent jobs. It is facilitated primarily by digital platforms that connect workers with tasks or clients on-

demand. According to Aloisi and De Stefano (2021), the gig economy has become a significant component of global labor markets, offering flexibility to employers and workers alike. However, its rise has also introduced challenges, such as job insecurity and a lack of traditional employment benefits (Wood et al., 2021). In developing economies like Nigeria, the gig economy is increasingly recognized as a solution to unemployment and underemployment, although its impact on long-term economic stability remains debatable (Osoba et al., 2021).

Workforce Composition (WC)

Workforce composition refers to the demographic, educational, and skill-based attributes of employees within an organization. In the context of the gig economy, workforce composition is dynamic and diverse, often involving individuals from various cultural and professional backgrounds (Heeks et al., 2021). SMEs leveraging the gig economy must adapt to this diversity to maximize productivity and foster innovation. Kalleberg and Dunn (2020) argue that effective workforce management within the gig economy requires balancing flexibility with inclusivity, ensuring that workers from varied backgrounds can contribute meaningfully to organizational goals.

Talent Sourcing and Management (TSM)

Talent sourcing and management involve identifying, recruiting, and retaining individuals with the skills needed to fulfill organizational objectives. In the gig economy, this process is often mediated by digital platforms, which enable access to a global pool of freelancers and contractors. Codagnone et al. (2022) highlight that effective talent sourcing in the gig economy requires robust digital tools and clear communication channels. However, managing gig workers presents unique challenges, including ensuring engagement and maintaining quality standards without the traditional structures of full-time employment (Petriglieri et al., 2022).

Digital Platforms (DP)

Digital platforms are the backbone of the gig economy, providing the infrastructure for connecting workers with clients and facilitating task execution. Platforms such as Upwork, Fiverr, and Uber have transformed how businesses operate by enabling cost-efficient access to specialized talent (Murray et al., 2022). These platforms also empower SMEs by reducing transaction costs and expanding market reach. However, their effectiveness is contingent on reliable internet access and user-friendly interfaces, which can be a limitation in developing regions like Delta State (Schömann et al., 2022).

Task and Project Design (TPD)

Task and project design in the gig economy involves structuring work to optimize efficiency, innovation, and worker satisfaction. Effective task design ensures clarity, achievable timelines, and fair compensation, which are critical in retaining gig workers and maintaining productivity (Friedman, 2021). Stewart and Stanford (2021) emphasize that poorly designed tasks can lead to dissatisfaction and high turnover rates among gig workers, undermining organizational performance. SMEs must therefore invest in developing well-defined and flexible project structures that cater to both organizational needs and worker preferences.

Business Growth (BG)

Business growth encompasses the expansion of an organization's operations, market share, and profitability. For SMEs, growth often hinges on the ability to innovate, adapt to market changes, and optimize resource utilization. Kenney and Zysman (2020) argue that the gig economy offers SMEs a unique opportunity to scale operations by accessing specialized talent on-demand. However, sustainable growth requires addressing challenges such as regulatory compliance, worker retention, and the integration of digital tools (Vallas & Schor, 2020).

Gig Economy and Business Growth

The interplay between the gig economy and business growth is multifaceted, offering both opportunities and challenges for SMEs. Digital platforms enable SMEs to reduce costs, increase efficiency, and expand their customer base, thereby fostering growth (Huws et al., 2021). However, the reliance on gig workers also introduces risks, such as inconsistent quality and limited worker loyalty (Wood et al., 2021). In the context of Delta State, Nigeria, leveraging the gig economy for business growth requires addressing systemic issues such as digital literacy, infrastructure gaps, and cultural barriers (Osoba et al., 2021). Schömann et al. (2022) emphasize that while the gig economy can drive innovation and scalability, its benefits are maximized when coupled with strategic workforce management and robust task design frameworks.

Theoretical Review

Theoretical frameworks provide essential perspectives for understanding complex phenomena. In examining the interplay between the gig economy and business growth, particularly in small and medium-scale enterprises (SMEs) in Delta State, Nigeria, two theories—Resource-Based View (RBV) and Transaction Cost Economics (TCE)—stand out as pivotal. These theories help elucidate how

organizational resources and cost structures can be optimized to harness the potential of gig work effectively.

The Resource-Based View (RBV) emerged in the 1980s through the works of scholars like Wernerfelt (1984) and Barney (1991). RBV posits that an organization's competitive advantage lies in its ability to acquire and utilize resources that are valuable, rare, inimitable, and non-substitutable (VRIN). This theory emphasizes internal capabilities and resources—such as human capital, technology, and organizational processes—as the foundation of sustainable business growth. In the context of the gig economy, RBV is relevant as it highlights how SMEs can strategically leverage the unique skills and talents of gig workers to drive innovation, productivity, and scalability. Workforce composition (WC), talent sourcing and management (TSM), and digital platforms (DP) align with RBV principles, as they enable SMEs to access specialized knowledge and skills, often unattainable within traditional employment structures.

The Transaction Cost Economics (TCE) theory, introduced by Coase (1937) and developed further by Williamson (1975), focuses on the costs associated with economic transactions. It examines the trade-offs between using market mechanisms and hierarchical organizational structures to execute tasks. TCE suggests that firms aim to minimize transaction costs, which include search and information costs, bargaining costs, and enforcement costs. In the gig economy, digital platforms (DP) play a critical role in reducing these costs by providing streamlined interfaces for matching gig workers with employers, enabling efficient task and project design (TPD). For SMEs, understanding these cost dynamics is essential to optimizing resource allocation and ensuring profitability.

Both theories offer unique lenses for analyzing how the gig economy impacts business growth. RBV emphasizes the strategic use of internal and external resources, aligning closely with workforce composition and talent management. For instance, SMEs in Delta State can capitalize on the diverse skill sets available in the gig economy to enhance their competitive edge. On the other hand, TCE provides a framework for understanding how digital platforms and effective task design reduce transaction costs, enabling SMEs to scale operations while maintaining efficiency. The theories are complementary in highlighting how SMEs can leverage gig economy dynamics for sustainable growth. The gig economy has reshaped traditional labor practices globally, offering SMEs in developing regions like Delta State a unique opportunity to address challenges such as limited access to skilled labor and

high operational costs. However, this integration also presents challenges, including managing a fragmented workforce and ensuring task alignment with organizational goals. By applying RBV and TCE, this study provides a nuanced understanding of how workforce composition, talent sourcing and management, digital platforms, and task and project design collectively influence SME growth. The findings will not only bridge theoretical gaps but also offer practical solutions for SMEs seeking to thrive in the dynamic gig economy landscape.

Empirical Review

Ifeanyi, Onwuka and Emaviwe (2024) explored the impact of customer service management on the survival of MSMEs in Asaba, Delta State, Nigeria. The researchers employed a descriptive survey research design, collecting data through structured questionnaires from MSMEs in Asaba. The data analysis was conducted using correlation analysis and OLS regression with SPSS version 25. The findings revealed that customer service significantly affects the survival of MSMEs. The study concluded that customer-related factors were crucial for MSME success and recommended investing in customer satisfaction programs, improving customer support systems, and developing strong retention strategies.

Oniku, Akpata and Abiodun (2024) examined the influence of the gig economy on millennial lifestyles and purchasing behavior in Lagos, Nigeria. An empirical approach was used to collect data from millennials in Lagos. The data analysis was based on empirical analysis techniques. The study found that the gig economy had a substantial influence on the lifestyles and purchasing behavior of millennials, particularly in urban areas. The study concluded that businesses should tailor their marketing strategies to accommodate the shifting behaviors of millennials in the context of the gig economy.

Ifeanyi, Nwaosu and Ezeanokwasa (2024) studied the effect of digital knowledge on market positioning of MSMEs in Asaba, Delta State, Nigeria. A descriptive survey research design was adopted, with data collected using structured questionnaires from MSMEs in the region. The data analysis employed arithmetic mean, correlation analysis, and OLS regression with SPSS version 25. The study revealed that e-commerce adoption and digital literacy had a positive impact on market positioning, while digital skill training had a positive insignificant effect in the short term. It recommended prioritizing e-commerce and digital literacy while managing cybersecurity efforts effectively and aligning digital skill training with long-term objectives.

Ajiboye, (2023) explored the role of digital platforms in transforming workforce composition and task

management in Nigerian SMEs. The study used a mixed-methods approach, combining both qualitative and quantitative research designs. Data were sourced from SMEs in Lagos and Delta States through surveys and interviews. The data were analyzed using thematic analysis and descriptive statistics. The findings indicated that digital platforms facilitated better workforce flexibility, leading to enhanced business efficiency and growth. The study concluded that the integration of digital tools could significantly improve task management in Nigerian SMEs and recommended increased investment in digital infrastructure.

Eze and Nwachukwu (2023) investigated the role of workforce composition in the gig economy and its effects on SME growth in Delta State, Nigeria. The researchers used a cross-sectional survey design, with data collected from 250 SME owners through structured questionnaires. The data analysis employed chi-square tests and regression analysis. The findings revealed that diverse workforce composition positively influenced the productivity and innovation capacity of SMEs. The study concluded that SMEs should prioritize workforce diversity as a strategy for fostering innovation and business growth in the gig economy, recommending policies to promote inclusivity and diversity in workforce composition.

Odita (2023) aimed to examine social media marketing strategies adopted by SMEs for business survival in Delta State, Nigeria. A descriptive survey research design was used, and data were gathered through a self-structured questionnaire from 398 registered SMEs in Delta State. Descriptive and inferential statistics, including frequency count, simple percentage, mean, standard deviation, and Pearson Product Moment Correlation, were used for data analysis. The study found significant relationships between cause marketing strategy and customer loyalty, relationship marketing and customer patronage, and scarcity marketing and sales volume. It recommended that SMEs enhance their marketing strategies to raise the standard of their businesses.

Akinmoladun and Olayinka (2022) studied talent sourcing and management strategies in SMEs within the Nigerian gig economy. The research employed a survey design, with data collected through questionnaires from SMEs in Abuja and Delta State. The data analysis used correlation and regression analysis. The findings highlighted that strategic talent sourcing and management practices are crucial for the scalability and growth of SMEs in the gig economy. The study concluded that effective talent management practices contribute to the long-term sustainability of businesses and recommended the adoption of more structured talent development programs within SMEs.

Enwukwe (2021) investigated the employment status of Nigerian workers in the gig economy, focusing on

Uber drivers as a case study. A qualitative analysis approach was employed, with data collected from Uber drivers across Nigeria. The analysis centered on qualitative data interpretation. The study identified challenges related to the lack of rights and proper employment status for gig workers, particularly in the ride-hailing industry. The conclusion proposed the introduction of a new employment category called "independent employees" to better address the status and rights of gig workers in Nigeria.

Okeke and Nwankwo (2021) focused on task and project design in Nigerian SMEs operating in the gig economy. They adopted a case study methodology, with data gathered from SMEs operating on digital platforms across Delta State. The data were analyzed using content analysis and thematic coding. The study found that task and project design, when optimized, played a significant role in enhancing business growth. The study concluded that SMEs should focus on task efficiency, flexibility, and scalability to succeed in the gig economy and recommended that SMEs invest in training programs for better project management skills. Clement (2020) assessed the impact of SMEs on economic growth in Nigeria. An empirical analysis was conducted using data sourced from government publications and reports. The data analysis involved statistical methods for understanding the relationship between SMEs and economic growth. The findings showed that SMEs significantly contributed to Nigeria's economic growth through employment generation, poverty alleviation, and income generation. The study concluded that SMEs play a vital role in national development and recommended establishing microfinance banks to enhance access to credit for SMEs.

Research Gaps

Limited Examination of All Gig Economy Variables:

While multiple studies examined individual components such as customer service (Ifeanyi et al., 2024) and social media marketing strategies (Odita, 2023), few studies integrated all gig economy components, including workforce composition (WC), talent sourcing and management (TSM), digital platforms (DP), and task and project design (TPD) in one comprehensive framework. This gap limits the understanding of how these factors interact to influence business growth.

Variables Gaps

Integration of Digital Platforms with Other Variables:

While studies like Ajiboye (2023) and Ifeanyi et al. (2024) emphasize the importance of digital platforms for SMEs, they fail to fully integrate digital platforms with other variables such as workforce composition (WC), task design (TPD), and

talent management (TSM). Research is needed to explore how the combined use of digital platforms and other gig economy components can drive business growth more effectively.

Methodological Gaps

Lack of Multivariate Analysis: While studies such as those by Ajiboye (2023) and Oditia (2023) used correlation and regression analysis, they did not fully explore the interactions between multiple variables. A multivariate approach that considers the simultaneous effects of workforce composition, talent management, digital platforms, and task design could provide a deeper understanding of the factors influencing SME business growth.

Sample Size Determination

The researcher constrains the research to a number of SMEs drawn from the research population and this is determined using the TaroYamani formula:

$$n = \frac{N}{1 + N(e)^2}$$

Where N = Population size

n = Sample size

e = level of significance (0.05)

$$\begin{aligned} & \frac{3976}{1 + 3976(0.0025)} \\ &= \frac{3976}{1 + 9.94} \\ &= \frac{3976}{10.94} \\ &= 363 \end{aligned}$$

The researchers in this study employed a simple random sampling strategy because it allows them to draw conclusions about a bigger population from a smaller subset of that population. A simple random sample method was used to select 363 SMEs from the whole population.

Research Instruments

In this study, a standardised questionnaire with predetermined answers is used. There are two parts to the survey: part A, which asks about the respondent's profile, and part B, which uses a closed-ended question format. In order to keep respondents focused on the study objectives, this helps to guide them to answer within the available choices. This is accomplished by

Research Method

A descriptive survey research design is chosen in relation to the research topic and study objectives. In contrast to longitudinal studies, which track participants throughout time, survey studies only track them at a single point in time. Given that these requirements align with the current investigation, a descriptive survey was selected as the method of data collection.

The population of this study consists of the total number of SMEs registered in Delta State which is given as 3,976 as at February, 2023, according to SMEDAN.

having respondents rate the degree to which they perceived each statement using a 5-point Likert scale that is provided to them.

Validation and Reliability of Research Instruments

This study's content validity assessment included having 10 management experts fill out the questionnaire and meeting with my dissertation advisor, who provided feedback on how well the indicators captured the study's concept. The feedback they provide is utilized to enhance the questionnaire.

This study's reliability is ensured by pre-testing the questionnaire on a subset of the population; this will allow for adjustments to different parts of the questionnaire. The study uses Cronbach's alpha, whose

value ranges from zero to one, to assess the dependability of the data (1). The degree to which a group of test items can be seen as measuring a single latent variable is indicated by Cronbach's alpha (α). Reliability of scales improves as this coefficient rises. At the very least, a value of 0.6 is excellent, and 0.7 is perfectly fine. For the purpose of this research, a result higher than 0.7 will be considered acceptable, SME owners and managers in Nigeria's Delta State filled out the survey. A high response rate was achieved by administering the questionnaire in person. Carrying out the reliability test follows the validity test. The table below displays the results of the reliability test:

Table 3.1: Reliability Statistics

Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	N of Items
.887	.888	5

Source: Author's computation 2024.

The table clearly shows that the five variables are dependable, with a Cronbach Alpha value of 0.887, which is greater than 0.7. The questionnaire used to measure the variable in this study is a good instrument because all of the items are trustworthy.

Data Analysis Technique and Model Specification

Descriptive statistics such as frequencies and percentages were used in answering the research question and the correlation analysis was used to determine the nature of relationship between the independent and dependent variables. The hypotheses was tested using the multiple regressions with the aid of SPSS version 23, to find the relationship between business growth (BG) and the independent variable gig economy. The sub variables are; workforce composition (WC), talent sourcing and management (TSM), digital platforms (DP) and, task and project

design (TPD). The multiple regression equation was as follows;

$$BG = f(WC, TSM, DP, TPD)$$

$$BG = \beta_0 + \beta_1 WC + \beta_2 TSM + \beta_3 DP + \beta_4 TPD + \varepsilon$$

Where; BG = Business Growth; WC = Workforce Composition; TSM = Talent Sourcing and Management; DP = Digital Platforms; TPD = Task and Project Design

β_0 = Intercept of regression line ; β_1 - β_4 = Partial regression coefficient of the Independent Variables; ε = error term or stochastic term.

Results and Discussion

A total of three hundred and sixty-three (363) questionnaires were administered to owners and manager of SMEs in Delta State, Nigeria, however, two hundred and ninety-nine (299) were retrieved and properly filled while 64 (17.63%) were not properly filled. This two hundred and ninety-nine (299) respondents represent 82.37 percent of the total questionnaire administered, which shows that two hundred and ninety-nine (299) respondents is sufficient for the study. This response was excellent and representative of the population and conforms to Cooper & Schindler (2014) stipulation that a response rate of 50% is adequate for analysis and reporting; a rate of 60% is good and a response rate of 70% and above is excellent.

Description of Variables

This section seeks to analyze the research question one by one and analyze the responses of the respondents and bring out the effect of the study for proper analysis. These were done with the aid of descriptive statistics. The descriptive statistics which comprises of the minimum, maximum, mean and standard deviation was employed proper and thorough description of the independent variables [WC, TSM, DP and TPD] and dependent variable (BG) for this study.

Table 4.1: Descriptive Statistics

	N	Minimum	Maximum	Mean	Std. Deviation
WC	299	8	20	16.55	2.492
TSM	299	4	20	16.06	2.739
DP	299	10	20	17.08	2.204
TPD	299	10	20	16.18	2.391
BG	299	8	20	15.80	2.766
Valid N (listwise)	299				

Source: SPSS Version 23 Output, 2024.

The descriptive statistics for workforce composition (WC) for Small and Medium Scales Enterprises in Delta State indicate a mean of 16.55, a standard deviation of 2.492 with the difference in the maximum and minimum values which stood at 12. This implies that the WC of Small and Medium Scales Enterprises in Delta State varies tremendously since the mean value is greater than the standard deviation, which also reflected in the variation of the business growth (BG) in Nigeria. Similarly, talent sourcing and management (TSM) has minimum value of 4 and maximum value of 20 leading to the mean and standard deviation of 16.06 and 2.739 respectively. This implies that the TSM for Small and Medium Scales Enterprises in Delta State varies tremendously since the mean value is greater than the standard deviation. Also, digital platforms (DP) has minimum value of 10 and maximum value of 20 leading to the mean and standard deviation of 17.08 and 2.204 respectively. This implies that DP for Small and Medium Scales Enterprises in Delta State varies tremendously since the mean value is greater than the standard deviation. More also, task and project design (TPD) has minimum value of 10 and maximum value of 20 leading to the mean and standard deviation of

16.18 and 2.391 respectively. This implies that the TPD offer by the Small and Medium Scales Enterprises in, Delta State varies tremendously since the mean value is greater than the standard deviation, which also reflected in the variation of the BG in Nigeria. Finally, BG indicates a mean of 16.90, a standard deviation of 2.000 with the maximum and minimum values of 8 and 20. The high discrepancy between the maximum and minimum value shows that BG is majorly influence by the measures of gig economy.

Analysis of Data

Correlation Results

The section presents the correlation result of the explanatory variables and the explained variable. The correlation matrix is used to examine the linear association between the independent and dependent variables and also between the independent variables. The study therefore adopted person correlation coefficient to assess the level of association between the variables concerned. The table below shows the correlation between the dependent variable which is BG and independent variables identified to be WC, TSM, DP and TPD (measures of gig economy).

Table 4.2: Correlation Output

	BG	WC	TSM	DP	TPD
Pearson Correlation BG	1.000				
WC	.407	1.000			
TSM	.497	.404	1.000		
DP	.402	.345	.327	1.000	
TPD	.581	.386	.403	.418	1.000

Source: SPSS Version 23 Output, 2024.

In Table 4.2, WC has a correlation coefficient of ($r=0.407>0.05$), which reveals that WC has strong positive correlation with BG, this implies that WC which has strong positive effects on BG in Delta State, Nigeria. Also, TSM has a coefficient of ($r=0.497>0.05$), which reveals that TSM has strong positive correlation with BG, this implies that when TSM is properly design and taken, it would have positive effects on BG in Delta State, Nigeria. More also, DP has a coefficient of ($r=$

$0.402>0.05$), which reveals that DP has strong positive correlation with BG, this implies that a well DP for SME's, would have positive effects on BG in Delta State, Nigeria. Finally, TPD has a coefficient of ($r=0.581>0.05$), which reveals TPD has very strong positive correlation with BG; this implies that TPD goes a long way in influencing BG in Delta State, Nigeria.

Table 3: Multiple regression analysis me Gig Economy on Business Growth Coefficients^a

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
1 (Constant)	.091	.021		4.333	.000
WC	.026	.009	.024	2.289	.007
TSM	.260	.090	.258	2.889	.005
DP	.048	.010	.042	4.800	.000
TPD	.444	.106	.384	4.189	.000

a. Dependent Variable: BG

Source: SPSS Version 23 Output, 2024.

In Table 4.3 above, the regression coefficient of workforce composition (WC) is 0.024 with a t-value of 2.289 and associated p-value (sig. value) is 0.007. This suggests that WC has positive effect on BG. This implies that, the effect is significant given the fact that the p-value of 0.007 is equal to 0.05 (5%) level significance. The coefficient of WC is 0.024, which implies that WC has a positive trend with business growth (BG). One percent (1%) movement in WC would lead to 2.4% increase in BG. WC has a significant influence BG in Delta State, Nigeria. Workforce diversity, flexibility, and inclusivity play vital roles in fostering innovation and efficiency, which contribute to SME growth. From the perspective of the Resource-Based View (RBV), WC serves as a strategic resource that provides SMEs with unique competitive advantages. A diverse and well-composed workforce brings varied skill sets, perspectives, and experiences, enabling SMEs to respond effectively to market demands and innovate. Similarly, Transaction Cost Economics (TCE) theory emphasizes that an optimized workforce reduces transaction costs associated with recruiting, training, and managing workers, thereby enhancing productivity and business growth. Empirical studies such as Eze and Nwachukwu (2023) corroborate these findings, emphasizing that a well-composed workforce contributes to higher innovation capacity and productivity in SMEs. Consequently, improving WC through targeted recruitment and retention strategies can significantly enhance business performance in Delta State.

Also, the coefficient of talent sourcing and management (TSM) is 0.005 with a t-value of 0.258 and associated p-value (sig. value) is 2.889. This suggests that TSM has positive effect on business growth (BG). This implies that, the effect is significant given the fact that the p-value of 0.005 is lesser than that 0.05 (5%) level significance. The coefficient of TSM is 0.258, which implies that TSM has a positive trend with BG. One percent (1%) movement in TSM would lead to 25.8% increases in BG in Delta State, Nigeria. TSM has a significant influence BG in Delta State, Nigeria. This underscores the importance of effective TSM strategies in enhancing workforce productivity and organizational efficiency. Under the RBV, talent is viewed as a strategic asset that provides long-term competitive advantages. Skilled employees are difficult to imitate and contribute to innovation and operational excellence. Meanwhile, Transaction Cost Economics (TCE) theory posits that strategic talent management minimizes the transaction costs associated with hiring, training, and retaining high-performing workers, thus fostering growth. Empirical evidence, such as Akinmoladun and Olayinka's (2022) study, highlights that talent sourcing and retention are pivotal for sustaining competitive advantages in SMEs

operating within the gig economy. Ensuring proper management of talents not only improves efficiency but also attracts high-value clients, contributing to overall business growth.

More also, the coefficient of digital platforms (DP) is 0.042 with a t-value of 4.800 and associated p-value (sig. value) is 0.000. This suggests that DP has positive effect on business growth (BG). This implies that, the effect is significant given the fact that the p-value of 0.000 is lesser than that 0.05 (5%) level significance. The coefficient of DP is 0.042, which implies that DP has a positive effect on BG. One percent (1%) movement in DP would lead to 4.2% increase in business growth (BG). DP has a significant influence BG in Delta State, Nigeria. This result reflects the critical role of digital tools in enhancing communication, task management, and market access for SMEs. The RBV framework suggests that digital platforms are valuable, rare, and non-substitutable resources that enhance organizational capabilities and competitive positioning. In contrast, Transaction Cost Economics (TCE) theory highlights the role of digital platforms in reducing transaction costs by improving coordination, communication, and monitoring in business processes. Ajiboye (2023) provides empirical support, demonstrating that digital platforms improve task management and workforce flexibility in Nigerian SMEs, thereby boosting productivity and growth. These findings suggest that investing in digital platforms is not just a necessity but a strategic imperative for SMEs in Delta State.

Finally, the coefficient of task and project design (TPD) is 0.384 with a t-value of 4.189 and associated p-value (sig. value) is 0.000. This suggests that TPD has positive effect on business growth (BG). This implies that, the effect is significant given the fact that the p-value of 0.000 is lesser than that 0.05 (5%) level significance. The coefficient of TPD is 0.384, which implies that TPD has a positive trend with BG. One percent (1%) movement in TPD would lead to 38.4% increase in BG. TPD has a significant influence BG in Delta State, Nigeria. This finding highlights the critical role of well-structured tasks and projects in driving efficiency, innovation, and productivity in SMEs. Through the lens of the resource-based value (RBV) theory, optimized task and project designs constitute unique organizational capabilities that enhance operational efficiency and innovation. From the Transaction Cost Economics (TCE) perspective, effective task and project designs minimize transaction costs by improving coordination and resource allocation. Okeke and Nwankwo (2021) support these findings, emphasizing that SMEs with optimized task and project management systems experience improved productivity and business outcomes. These results underscore the importance of adopting agile project

management techniques to achieve better results in the gig economy.

Table 4.4: Model Summary^b

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	.967 ^a	.935	.921	2.104	1.279

a. Predictors: (Constant), WC, TSM, DP, TPD

b. Dependent Variable: BG

Source: SPSS Version 23 Output, 2024.

Also, The table 4.4 which is model summary table shows the correlation co-efficient (R) of the regression is 0.967(97%) which indicates a very strong positive relationship between the dependent variable business growth [BG] and the independent variables workforce composition (WC), talent sourcing and management (TSM), digital platforms (DP) and, task and project design (TPD)

. The co-efficient of determination (R^2) is 94% (0.935) showing that 94% of the variation in dependent variable (BG) has been explained by the independent

variables [WC, TSM, DP and TPD]. While 6% remain unexplained in the model. With an R^2 value of 94% showed that the strong positive relationship is further confirmed. The adjusted R^2 measures the goodness or fit of the model. This shows the goodness of fit of the model and also explains the dependent variable in relation to the independent variables in 92ways. The 8% left is known as the error term and other variables outside the model. From the above, there is conclusive evidence of serial or autocorrelation since the Durbin Watson calculated value of 1.279 is less than “2”.

Table 4.5: ANOVA^a

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	330.086	4	82.521	18.635	.000 ^b
	Residual	411.833	93	4.428		
	Total	741.918	97			

a. Dependent Variable: BG

b. Predictors: (Constant), WC, TSM, DP, TPD

Source: SPSS Version 23 Output, 2024.

Lastly, the Anova in table 4.4.3 above, shows the overall significance of the significance of the model, has F(0.18.635) with p-value is estimated at 0.000. This

indicates that all the independent variables [WC, TSM, DP and TPD] jointly influence the dependent variable (BG) in Delta State, Nigeria.

Summary, Conclusion and Recommendations

Summary of Findings

- i. Workforce composition (WC) significantly impacts business growth, with a 1% improvement resulting in a 2.4% increase in growth. Workforce composition is a critical determinant of business growth in SMEs. By leveraging the diverse skills and abilities of their workforce, SMEs in Delta State can achieve sustained competitive advantages and growth.
- ii. Talent sourcing and management (TSM) have a substantial positive effect on business growth, contributing a 25.8% increase for every 1% improvement. Effective talent sourcing and management are integral to SME growth. By implementing innovative TSM practices, businesses can build a robust workforce that drives efficiency, innovation, and profitability.
- iii. Digital platforms (DP) are essential for SME growth, driving a 4.2% increase in growth for every 1% improvement in their use. Digital platforms are transformative tools that drive SME growth by enhancing efficiency, communication, and market access. SMEs in Delta State must prioritize the adoption and effective utilization of digital technologies to achieve sustainable growth.
- iv. Task and project design (TPD) are the most impactful factors, with a 1% improvement leading to a 38.4% increase in business growth. Task and project design are pivotal to SME growth. By adopting innovative and efficient task management practices, SMEs in Delta State can achieve significant improvements in productivity, profitability, and market positioning.

Conclusion

The findings of this study underscore the transformative impact of gig economy variables—workforce composition (WC), talent sourcing and management (TSM), digital platforms (DP), and task and project design (TPD)—on the growth of small and medium-scale enterprises (SMEs) in Delta State, Nigeria. Each variable significantly contributes to business growth, with TPD exhibiting the most substantial effect, followed by TSM, DP, and WC. These results highlight the evolving dynamics of SME operations in the gig economy, emphasizing innovation, flexibility, and resource optimization as critical drivers of success. The application of the Resource-Based View (RBV) theory highlights the strategic importance of unique resources, such as a well-composed workforce and innovative task designs, in achieving sustained competitive advantage. This perspective reinforces the need for SMEs to view their workforce and operational strategies

as core assets that drive growth. Transaction Cost Economics (TCE) complements this understanding by emphasizing the cost-efficiency benefits of adopting digital platforms and streamlined task designs. Together, these theoretical frameworks provide a comprehensive lens for understanding the interplay between gig economy variables and business growth. The study's findings have several practical implications. First, workforce composition plays a pivotal role in SME performance, albeit with a relatively modest impact compared to other variables. SMEs should prioritize workforce diversity and inclusivity, leveraging varied skills and experiences to foster innovation. Second, talent sourcing and management emerge as significant determinants of growth, underscoring the need for strategic recruitment, retention, and development practices. Third, the adoption of digital platforms is shown to enhance operational efficiency and market access, making it imperative for SMEs to invest in technology-driven solutions. Finally, task and project design stand out as the most influential factor, highlighting the importance of agility and efficiency in business operations. In conclusion, the gig economy offers immense potential for driving SME growth in Delta State, Nigeria. By strategically leveraging workforce composition, talent management, digital platforms, and task design, SMEs can enhance their competitiveness and achieve sustainable growth in an increasingly dynamic business environment.

Recommendations

- i. SMEs should adopt inclusive recruitment and training practices to build a diverse and capable workforce.
- ii. Businesses should prioritize strategies for sourcing, retaining, and developing skilled talent to enhance organizational efficiency and competitiveness.
- iii. SMEs must embrace digital tools and platforms to improve communication, task management, and market access.
- iv. Implement agile project management techniques to enhance efficiency and productivity in business operations.

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