

A study of the Relationship between Corporate Compliance and the Loyalty of Gig Practitioners --Takeaway Platform Enterprises as an Example

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Abstract. With the development of the digital economy, the structure of the labor force has been transformed, and the gig economy has become one of the new employment avenues in China. Influenced by the characteristics of the gig economy itself, gig practitioners present high turnover rates and difficulties in guaranteeing service quality. These problems reflect the lack of loyalty to the enterprise on the part of gig practitioners and the difficulty in managing the enterprise. This study uses psychological contract and social exchange theories to conduct research on the loyalty of gig practitioners by corporate organizational compliance of takeaway platform enterprises and introduces job security as a mediating variable. This paper analyzes three variables through the literature research method to explore the correlation between the dimensions of organizational compliance rights and benefits protection and value identity of takeaway platform enterprises and the loyalty of gig practitioners. Discusses the mediating role of job security of casual laborers in the influence of rights and benefits and value identity on their loyalty.

Keywords: Gig practitioner; job compliance; employee loyalty; job security.

1. Introduction

With the continuous development of mobile Internet technology and the deepening of the digital economy, the labor market has undergone structural changes. The forms of work have changed from online to offline, from single to multiple, and from fixed to flexible. Flexible employment, as represented by the gig economy, has become one of the main forms of "stable employment". This form of employment will remain stable for a long time. The Government's work report points out that it is necessary to broaden the means of employment. The Government will give full support to the construction of various kinds of labor markets, talent markets, and markets for gig jobs. This shows that the "gig economy" is both a promising form of economy and a new form of employment that benefits many people [1].

Due to the employment strategy of de-labor relations adopted by platform companies and the characteristics brought about by the gig economy itself, it has attracted a large number of practitioners but also brought a lot of uncertainty and insecurity. It is difficult to protect the rights and interests of some gig practitioners, and enterprises are unable to provide effective institutional measures, which brings new challenges to traditional human resource management. To a certain extent, the high turnover rate of gig practitioners and the difficulty in ensuring service quality reflect the lack of belonging and loyalty of gig workers to the company. Taking the takeaway industry as an example, this paper explores the countermeasures of human resource management in the gig practitioners' economy in terms of reducing practitioners' insecurity and enhancing practitioners' sense of belonging and corporate loyalty. It makes the platform enterprise employing workers more solid and the development more stable, and further promotes the development of the gig economy.

In previous studies, while most of the discussion on employee loyalty has started with traditional companies, there has been little research on emerging platform companies. In previous studies, scholars have analyzed and associated the aspects of leader behavioral style, corporate cultural environment, and personal factors of employees with employee loyalty. However, flexible employment in platform companies is a new form of work, which is still somewhat different from traditional companies, and thus there will be subtle differences in influencing employee loyalty.

Taking gig practitioners as the object of study, research on the impact of various dimensions of security on gig practitioners deepens the scope of research on the relationship between employee loyalties and provides new perspectives for thinking about the study of the gig economy in terms of management.

At present, the gig economy is developing well, with more and more gig enterprises participating in the market, and the size of gig practitioners has also risen. For gig practitioners, especially for takeaway platform companies, the practitioners (takeaway riders) are the relationship link between the company and consumers. The more loyal the takeaway rider is as a service provider, the more favorable the platform will be in terms of behavior. Takeaway riders as a service provider, the higher the loyalty of gig practitioners in terms of behavior and demeanor will also be subject to the platform constraints, the more conducive to the display of the company's image.

This study examines the impact of corporate organizational compliance on the loyalty of gig practitioners in the gig economy. The study selects takeaway platform companies as the focus of the study and discusses the mediating role that job security plays in it. Finally, based on the findings of the study, management policy recommendations for improving the loyalty of gig practitioners are proposed for takeaway platform companies.

2. Literature Review

2.1. Gig Economy and Human Resources Challenges

The gig economy is a new type of labor relationship based on the Internet platform, which has changed the traditional labor model. In this new type of economy, workers are no longer employed in a permanent working relationship with a company, but rather as independent individuals with the flexibility to organize specific tasks or work at specific times[2]. Formation of a new type of employment relationship based on the popularization and in-depth application of information technology on the Internet and on the basis of a combination of needs [3].

The gig economy has given rise to a large number of representative gig practitioners such as takeaway delivery workers, couriers, and online car drivers. Due to the characteristics of flexible employment, most gig practitioners do not have fixed remuneration and benefits, and their labor rights and interests are infringed upon to varying degrees through the lack of corresponding safeguards in the employing enterprises [4]. Thus, the irregularity of business management and the lack of social systems lead to the creation of a sense of insecurity among gig practitioners and a lack of belonging and loyalty to the organization [5]. Therefore, it is necessary for the organization to provide sufficient management and institutional support for a sense of security in order to increase the loyalty and sense of belonging of gig practitioners to the enterprise and improve the quality of service.

2.2. Job Insecurity

Job Insecurity From a stress perspective, job insecurity affects job satisfaction, organizational commitment, burnout, and creativity through job threats or frustrated demands. From a social exchange perspective, job insecurity affects job performance through, for example, psychological contract disruption or perceptions of unfairness [6]. Some scholars also believe that job insecurity is a feeling of worry and powerlessness that employees experience when they encounter changes in the work environment or the social environment, about the job itself and related features [7].

2.3. Employee Loyalty

Attitudinal loyalty is mainly reflected in the psychological level of employees, such as the recognition of corporate culture, lower willingness to leave, and high work enthusiasm. Behavioral loyalty is manifested in daily work, such as active participation, commuting on time, and completing tasks with high quality. Recognition of the enterprise culture is shown in the concern for the development of the enterprise and the initiative to put forward useful suggestions [8].

The loyalty of gig practitioners falls within the traditional scope of employee loyalty, but due to their unique employment model, it leads to the emergence of some new characteristics. But due to its unique labor model, some new characteristics emerge. Under the background of "Internet +", the boundaries between enterprises are becoming more and more blurred, and the connection between employees and enterprises is gradually weakening. Few employees will stay in the enterprise from the beginning to the end, so from an overall point of view, the loyalty of employees is on the decline [9].

3. Theoretical Foundation

Psychological contract in the field of business management refers to the unwritten mutual expectations formed between an employee and a company, which are based on commitments and perceptions, and carried by responsibilities and obligations. The psychological contract is closely related to employee loyalty and has a significant impact on employee loyalty [10]. In addition, Shore et al. argued that employees' personal career goals are also important elements that make up the psychological contract [11].

Social exchange theory suggests that when people engage in a transaction or exchange with another party, it is usually to achieve a goal or outcome that they cannot accomplish on their own. Over time, these interactions can build mutually beneficial deals and relationships. Therefore, if companies can take the initiative to care for their employees and provide them with the necessary help and support, employees will feel a high degree of support from the company, and they will reward the company with more positive work attitudes and behaviors, thus creating a strong sense of belonging and loyalty to the company.

4. The Relationship between Corporate Organizational Compliance and the Loyalty of Gig Practitioners

This study categorizes corporate compliance into institutional compliance including rights and benefits compliance and management mechanism integrity, and caring compliance including value recognition. According to the social exchange theory, gig practitioners will work harder to give back to the organization if they feel that the company provides strong institutional support for their work and that their efforts are rewarded and respected accordingly. As it continues to deepen, the sense of belonging and loyalty of gig practitioners to the company will also increase significantly. Therefore, when the enterprise gives gig practitioners perfect protection of rights and interests and value recognition, the practitioners will respond to the enterprise with more positive attitudes and behaviors. It will bring positive feedback to the internal and external environment of the enterprise. In the process, the loyalty of gig practitioners grows.

Gig practitioners appear to be more individualized formally. This can lead to problems such as the transfer of labor risks to the laborer and the lack of clarity in defining the relationship with the platform. This has led to increased difficulty for platform companies to manage practitioners, weakened management in terms of rights and interests protection, and even generated non-compliant management. In the absence of organizational management, employees develop anxiety and severe emotional tension that affects them personally and at work, and organizational compliance in management can mitigate the positive effects of occupational tension on overwork [12].

Although takeaway riders make up a large proportion of the population, both the riders themselves and society perceive the career prospects of takeaway riders as poor. The above cognitive errors lead to a low sense of social belonging and low self-worth recognition among riders. Therefore, enterprises need to take relevant management measures to make takeaway riders realize the value of their work and their importance to the platform enterprise. For gig practitioners, the value recognition they feel stems mainly from the care and support they experience from platform companies. Gig practitioners are influenced in their mindset and actions by the various messages conveyed by the organization.

Therefore, when there is a strong sense of organizational support, gig practitioners are more convinced that their contributions and values are valued by the company. This belief will inspire them to develop a strong sense of responsibility, prompting them to give back to the company with a more positive work attitude, which is reflected in their long-term commitment and deep loyalty to the company.

5. Hypothesizing the Mediating Role of Job Security among Gig Practitioners

Job security is a reflection of employees' positive psychological expectations and perceptions of job stability, career prospects, and work environment in work scenarios. However, the fragmentation of working hours and the flexibility of the working environment have reduced the sense of job security of casual workers. However, due to the unique employment pattern of the gig economy, the fragmentation of working hours and the flexibility of the working environment have reduced the sense of job security of gig practitioners, leaving them in a state of long-term worry and stress, which has led to dissatisfaction with the platform enterprise and thus lowered the sense of belonging to the enterprise and the degree of loyalty.

Takeaway riders as an example, due to the unequal power with the platform enterprise, the management lacks humanization, the pay system of takeaway riders is unreasonable income reduction, and social security is not relied on. Working in extreme environments constitutes a multifaceted stressor, causing gig practitioners to become dissatisfied with their businesses as a result of the instability of their income and working hours, which exacerbates job uncertainty. All of these further reduce the job security of gig practitioners, which in turn discourages them from enhancing their loyalty to the organization. Therefore, organizational compliance will give gig practitioners a strong sense of job security in terms of rights and interests protection and value recognition. As a result, they can effectively improve their work performance and continue to obtain more salary and promotion opportunities, which ultimately forms a virtuous cycle and ensures the loyalty of gig economy practitioners to the platform enterprise.

6. Results & Discussion

Based on the key assumptions about the relationship between the organizational compliance, the loyalty of gig practitioners and the job security of food delivery platform enterprises, a theoretical model is constructed.



Fig 1. Model of the relationship between organizational compliance and loyalty of gig practitioners.

As shown in Fig. 1, this study uses academic databases as the main source, and based on searching the literature on the gig economy, gig practitioners loyalty, and job insecurity, understanding the variables and sorting out the relationship between them, and then establishing a research theory.

This section starts from the two aspects of organizational compliance and proposes corresponding solutions to improve organizational compliance and increase the job security of gig practitioners. And take the delivery rider as an example to put forward specific suggestions for platform enterprises.

6.1. Optimize the Protection System

Basic coverage for gig practitioners can provide a sense of inner security while providing a degree of quality of life. For takeaway riders, it is crucial to improve the social security system for the group of takeaway riders. Platform companies should consider purchasing additional work injury insurance

for takeaway riders to further protect their rights and interests. At the same time, the policy should also appropriately reduce the contribution base, thereby alleviating the pressure on riders' contributions and thus increasing the participation rate. Not only this, it is also necessary to improve the commercial insurance mechanism for takeaway riders and ensure that the coverage can be continuously expanded, so as to better protect the rights and interests of gig practitioners.

6.2. Improve the Incentive System

A good incentive system can guide the practitioner to accomplish milestones step by step. Practitioners are motivated through planned steps combined with individual efforts to reach goals. In the process, practitioners can feel that team cohesion increases loyalty to the company. Incentives in terms of remuneration should ensure that there are clear rules and regulations for the issuance of standards, rewards, and punishments for takeaway riders to avoid disputes and increase the takeaway riders' recognition of the policies of the platform companies. At the same time, care should be taken that the prescribed penalties should not be disproportionately high so as to avoid anxiety and insecurity on the part of the riders.

6.3. Improve the Training System

In terms of content, the training enables takeaway riders to understand the basic information of the industry, the management system of the site, the assessment system, and the standardization of operation in terms of business. Let takeaway riders have specific concepts about the platform enterprise management, guide the compliance consciousness, and improve the binding force of the platform enterprise and the takeaway rider's sense of belonging to the platform enterprise. In terms of format, it is important to focus on the role of the training atmosphere in organizational cohesion and in shaping the rider. Training corrects cognitive biases and increases self-identification, which in turn increases loyalty.

6.4. Providing Humanistic Care

The need for humane care in the takeaway industry is tied to the industry. Delivery of food by takeaway riders is affected by the weather, the speed of delivery by merchants, the condition of the car, road conditions, distance, floor height, and other factors. These factors can lead to excessive psychological pressure on takeaway riders. Individual income and appraisal as well as the mechanism of poor customer evaluation can also increase the psychological pressure of riders and reduce their sense of job security. The platform enterprise gives humanistic care with a "humanized" management perspective, shows respect and understanding to the riders, and creates convenience and protection for the riders so that the takeaway riders can find a sense of belonging, enhance the sense of job security, and deepen the loyalty to their own work.

7. Conclusion

Starting from the psychological contract and social exchange theory, this paper discusses the mechanism of organizational compliance and job security of platform enterprises on the loyalty of gig practitioners and arrives at the two findings that organizational compliance has a positive effect on the loyalty of gig practitioners and that the job security of gig practitioners mediates the relationship between organizational compliance and loyalty. In view of the above results, suggestions are made to the platform enterprises from the four aspects of the protection system, incentive system, training system, and humanistic care in order to improve the organizational compliance and the sense of job security of gig practitioners so as to increase their loyalty to the enterprises.

Both dimensions of security of rights and benefits and value recognition can positively affect the loyalty of gig practitioners. This suggests that even though gig practitioners have flexible and fragmented working hours and working environments, and are not as closely connected to the platform enterprises as traditional workers, as long as the platform enterprises strengthen the

protection of workers' rights and interests, give gig practitioners professional recognition, and care about their interests, they will respond to the platform enterprises with a positive working attitude and increase their loyalty to the enterprises accordingly.

The sense of job security of gig practitioners plays a partially mediating role between the protection of rights and interests, value recognition, and loyalty, which suggests that the sense of job security of gig practitioners, mainly takeaway riders, comes more from the level of psychological and security needs. When companies provide substantial protection and support in terms of belonging and respect, the sense of job security of gig practitioners increases, which enhances the positive impact of rights and interests protection and value recognition on loyalty.

Due to limited resources, this study is only theoretically based on literature data and lacks quantitative research such as questionnaires and in-depth interviews. Future studies can use mature domestic and international scales to develop and distribute questionnaires and conduct interviews for the group of gig practitioners, such as takeaway riders, in order to make the study more comprehensive.

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