

Impact of Gig Economy on Relationship-Management: The Case of Private Banking Sector, Sri Lanka

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Abstract

The gig economy refers to a labor market characterized by short-term, flexible jobs and workers who are hired for specific tasks or projects. However, there is a lack of research on how gig employees contribute to organizational success, particularly through relationship management. In private banking, young workers often join temporary positions, creating challenges for gig workers in maintaining relationships with long-term employees. The relationship management between gig workers and full-time employees impacts the organization's overall functioning, productivity, and success. The main objective of this research is to identify the impact of gig economy on relationship management in the private banking sector in Badulla district through the independent variables: the employee trust in the gig economy, work flexibility of the gig economy, and service quality of the gig economy, which effect on relationship management. In this study, Deductive, quantitative research approach was employed. Data were collected from all the permanent employees working in selected private banks: Hatton National banks, Commercial and Sampath banks in Badulla District. A Sample of 100 employees from three reputed private banks were recruited using non-probability convenience sampling technique and structured questionnaires were used for collecting primary data. The analysis involved descriptive statistics, correlation and multiple regression techniques. Findings show that work flexibility and service quality significantly and positively influence relationship management in the private banking sector. Although employee trust in the gig economy shows a positive correlation, it is not statistically significant. The results suggest that banks should prioritize flexible work policies, structured training, and quality monitoring to integrate gig workers, while using clear communication and fair practices to strengthen trust between gig and permanent employees. This study fills a gap on gig worker involvement in banking and offers recommendations for managers and policymakers to build cohesive workplaces and improve organizational outcomes.

Keywords: employee trust, gig economy, private banking sector, relationship management, work flexibility