

## Reforming Social Protection for Gig Workers in Malaysia: An Institutional Approach

Nur Hazwani Zolkifly<sup>1\*</sup>, Shahrel Nizar Baharom<sup>2</sup>

<sup>1</sup> Department of Business Management, Universiti Teknologi MARA (UiTM) Perak branch, 32610, Seri Iskandar, Perak, Malaysia

<sup>2</sup> Faculty of Art and Design, Universiti Teknologi MARA (UiTM) Perak branch, 32610 Seri Iskandar, Perak, Malaysia

\*Corresponding author email: nurha743@uitm.edu.my

### ARTICLE HISTORY

Received: 04th June 2025

Revised: 16th August 2025

Accepted: 30th January 2026

Published: 14th April 2026

### KEYWORDS

Social Protection

Gig Workers

Institutional Approach

Good Health and Well-being

Decent Work and Economic Growth

**ABSTRACT** - The gig economy has transformed employment landscapes by offering flexible work opportunities but has also exposed workers to vulnerabilities due to limited access to social protections, such as health insurance and retirement benefits. This conceptual research adopts Scott's Three Pillars of Institutions (regulative, normative, and cultural-cognitive) to comprehensively analyze the gaps in Malaysia's social protection system for gig workers and provides actionable recommendations. By reviewing academic publications, policy documents, and international best practices, the study identifies key challenges, including fragmented regulations, inconsistent industry norms, and negative cultural perceptions towards social protection. The research employs a literature-based methodology by drawing comparative insights from international practices like Singapore and the EU and demonstrate adaptable policy models for Malaysia's socio-economic context. The paper offers broad recommendations, including gradual mandatory contributions and standardizing voluntary schemes. These findings aim to contribute to ongoing policy discussions and encourage collaborative efforts among policymakers, industry players, and civil society to develop an inclusive and resilient social protection framework for gig workers. Additionally, the study contributes to the field of business education by linking institutional theory with real-world labor market challenges, thereby enriching management and entrepreneurship curriculum with insights into inclusive workforce practices. While this study provides a theoretical and policy-based analysis, the primary limitation is the lack of empirical validation through primary data collection. Future research should incorporate qualitative insights from gig workers and industry stakeholders to assess the practical implementation of proposed policy recommendations.

## INTRODUCTION

The Labor Force Survey Report for the third quarter of 2024 indicates that the number of own-account workers rose to 3.09 million, up from 2.93 million in the first quarter of 2023 (Fuad, 2024). Own-account workers refer to a person who operates his own farm, business or trade without employing any hired workers in the execution of his farm, trade or business (Department of Statistics Malaysia, 2024). As of

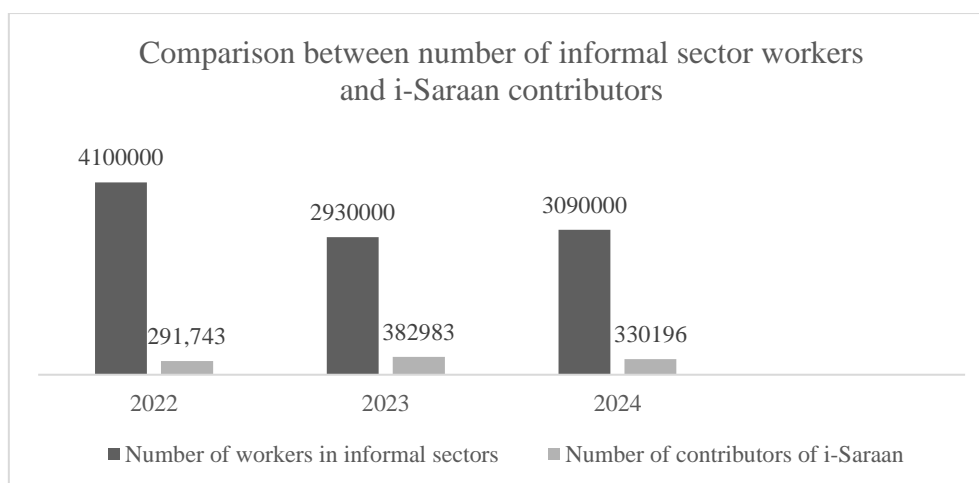
September 2024, Malaysia's gig economy had over three million own-account workers, including gig workers (Fuad, 2024). The development reflects gig work's growing popularity, flexibility, and digital economy.

Nevertheless, gig workers frequently encounter uncertain working conditions. They face challenges such as job insecurity (Mugambwa et al., 2024; Nagina, 2025), income uncertainty (Mugambwa et al., 2024; Nagina, 2025), and lack of social protection, highlighting the need for a regulatory framework to protect the rights and well-being of workers (Zolkify et al., 2024; Sankararaman et al., 2024; Joshi et al., 2024; Tran & Sokas, 2017). The increasing reliance on gig work in Malaysia has highlighted critical gaps in traditional social protection systems, such as Employees Provident Fund (EPF) and Social Security Organization (SOCSO). Gig workers who operate as independent contractors, often have limited access to social insurance systems, resulting in considerable financial vulnerability (Ghorpade et al., 2024; Yaroshenko et al., 2024). This exclusion exacerbates income insecurity and economic vulnerability, particularly for low-income and marginalized groups consists of women, youth, less educated and, lower income households (Abdur Rahman et al., 2024). Moreover, they often lack access to benefits like retirement savings and healthcare (Mugambwa et al., 2024; Nagina, 2025) which leaves them particularly vulnerable during times of crisis or health emergency (Öçal & Kutlu, 2025; Uchiyama et al., 2022).

Although the government has introduced a special pension (i-Saraan) and social protection scheme (Skim Keselamatan Sosial Pekerjaan Sendiri - SKSPS), there is no enforcement from the government because it is voluntary thus only about 27% of self-employed workers are registered as contributors (Leong & Ghazali, 2022). As can be seen in figure 1, there was a huge gap between the number of workers engaged in informal sector with the number of contributors of i-Saraan scheme. Informal employment in Malaysia primarily denotes employment that lacks social insurance benefits and protection against risks through programs managed by EPF and SOCSO (Abdur Rahman et al., 2024). Similarly, in nations such as China, optional social insurance enrolment has demonstrated worse effectiveness compared to mandated systems, leading to reduced coverage rates for gig workers (Zhang & Liu, 2024). Similar to findings in other employment-related policy studies, the absence of a clear regulatory mandate often leaves vulnerable workers without adequate protection, as voluntary schemes alone are insufficient to ensure widespread coverage (Law et al., 2022). Hence, the absence of an inclusive framework raises urgent questions about how to ensure social protection aligns with the realities of a digitized and flexible labor market.

**Table 1.** Numbers of workers in informal sectors and contributors of i-Saraan 2022-2024

Year	Number of workers in informal sectors	Number of contributors of i-Saraan
2022	4.1million	291,743
2023	2.93million (3 <sup>rd</sup> quarter)	382,983
2024	3.09million (3 <sup>rd</sup> quarter)	330,196 (half-year)



**Figure 1.** Comparison between the number of informal sector workers and i-Saraan contributors (2022-2024)

Besides, there is a significant inclination among gig workers to invest in personalized insurance alternatives, including unemployment and injury coverage, indicating a demand for more accessible and flexible solutions (Ghorpade et al., 2024). Despite policy discussions and some industry initiatives, substantial gaps persist, highlighting the urgent need for adaptable reforms and comprehensive solutions tailored to the socio-economic landscape of Malaysia. Therefore, this research aims to explore the challenges faced by gig workers and examine potential solutions for enhancing social protection, guided by the following questions: 1) what are the gaps in social protection systems for gig workers in Malaysia? And 2) how can policy models be adapted to fit Malaysia's socio-economic context?

## LITERATURE REVIEW

### 2.1 Existing Social Protection Systems

Social protection in Malaysia comprises various policies and programs designed to assist vulnerable populations, ensuring the fulfilment of their basic needs and fostering social inclusion. It is characterized as a system of public and private initiatives that provide income or consumption transfers to the impoverished, safeguard against livelihood risks, and promote the rights of marginalized groups (Devereux & Sabates-Wheeler, 2004). The aims of social protection include poverty alleviation, addressing inequality, and enhancing economic stability. Principal elements of Malaysia's social protection framework consist of public assistance programs, social security schemes, and employer liability schemes (Ragayah, 2012).

Social Protection can be defined as a comprehensive framework designed to protect individuals from economic and social vulnerabilities. Its objectives are to mitigate poverty, diminish inequality, and foster social inclusion and economic stability. Social Protection Systems typically consist public assistance which refer to direct financial aid for low-income individuals, social security schemes initiatives such as the Employees Provident Fund (EPF) and Social Security Organization (SOCSSO) that offer insurance and pensions (Ragayah, 2012), and employee insurance scheme (EIS) to provide income replacement due to job loss. The social protection landscape has undergone substantial transformation, particularly in response to economic challenges and the necessity for inclusive policies.

Gig workers in Malaysia encounter numerous issues that profoundly affect their work-life balance, financial security, and overall well-being. The issue arises from the inherent characteristics of gig employment, which frequently lacks sufficient support structures and regulatory safeguards. Gig workers encounter challenges in task management, which is essential for sustaining a healthy work-life balance (Yusof et al., 2024). The lack of social support systems intensifies their struggles, resulting in heightened stress and burnout (Yusof et al., 2024). As a result, it can affects their productivity (Law et al., 2022). Moreover, income volatility poses a significant issue, with numerous gig workers indicating low financial resilience and insufficient savings for emergencies (Daud et al., 2024). The absence of

retirement security and health benefits further complicates their financial circumstances, hindering future planning (Abd Samad et al., 2023). Additionally, insufficient regulatory frameworks cause gig workers vulnerable, lacking critical protections such as social security and equitable remuneration (Makhtar et al., 2024). Moreover, the lack of collective bargaining mechanisms restricts their capacity to advocate for improved working conditions (Radzi et al., 2022).

The existing social protection systems impose considerable obstacles to the engagement of gig workers, mainly because they are structured on conventional employment models. These systems frequently neglect to address the distinctive characteristics of gig employment, which is defined by independent contractors and freelance agreements. This ambiguous occupational status means they are often being excluded from traditional employment protection and social security schemes like health insurance, unemployment compensation, and pensions (Abd Razak, 2024; Au-Yeung et al., 2025). As a result, gig workers have increased economic risks and uncertainties. This exclusion impacts their financial stability and shapes their political beliefs and engagement, leading them to more actively support social programs (Bae, 2024; Yaroshenko et al., 2024).

Gig workers frequently do not have access to conventional social insurance schemes, which are generally associated with full-time employment. The outdated welfare systems are incompatible with the flexible and non-traditional characteristics of gig work, rendering workers vulnerable to numerous risks (Bae, 2024; Yaroshenko et al., 2024). In Malaysia, although there is a significant desire to pay for social insurance, gig workers encounter obstacles stemming from the rigidity and inaccessibility of existing insurance mechanisms (Ghorpade et al., 2023, 2024). Besides, gig workers frequently encounter difficulties in fulfilling essential social insurance obligations because of inconsistent earning patterns. There is a necessity for more adaptable and customised social insurance alternatives that specifically address the gig economy (Ghorpade et al., 2023, 2024). The absence of a transferable benefits system intensifies the problem, as gig workers often transition between employers and projects (Yaroshenko et al., 2024).

Moreover, current legislative frameworks insufficiently meet the requirements of gig workers, resulting in deficiencies in social protection coverage. The gig economy presents opportunities for profitable employment, although it also introduces considerable difficulties for social protection frameworks. Policymakers must integrate gig workers into these systems while avoiding the unintended promotion of self-employment, which could restrict job growth and lead to tax compliance challenges (Matsaganis, 2022). Overcoming these obstacles necessitates a thorough reassessment of social protection legislation to more effectively align with the changing dynamics of the labor market.

## 2.2 International Comparison

The safeguarding of gig workers has been addressed variably in different nations, with significant case studies illustrating effective solutions. The European Union (EU) framework has enacted extensive labor protections for gig workers. The framework comprises transparency where precise delineation of job status are defined to guarantee the protection of rights, algorithmic oversight where regulations to supervise platform algorithms impacting workplace conditions are incorporated and social security access in terms of improved access to unemployment insurance and pensions for gig workers (Nur et al., 2023).

In China, a voluntary self-sponsorship framework permits gig workers to participate in social insurance. Employees may voluntarily enroll in social insurance, however, the benefits are lesser than those provided under compulsory systems (Zhang & Liu, 2024). Moreover, the acquisition of local citizenship enhances access to protections, underscoring the significance of regulatory context (Zhang & Liu, 2024). Meanwhile, the UK exhibits a dichotomous environment in which gig workers encounter both obstacles and a degree of stability. According to Alturkey (2024), in terms of employment stability, certain employees indicate extended tenures and job satisfaction notwithstanding insufficient protections. Based on the results, there is an urgent necessity for revised labor regulations to enhance the protection of gig workers (Alturkey, 2024).

Singapore's recent Platforms Workers Bill, implemented in January 2025, introduces key protections for gig workers, including mandatory Central Provident Fund (CPF) contributions by both platform companies and workers, workplace injury compensation, and anti-discrimination measures (Medina, 2025). For example, platform operators can purchase workplace injury compensation (WIC) for their

workers (Ministry of Manpower of Singapore, 2024). These measures aim to address long-standing challenges in the gig economy by providing financial security and fair treatment while maintaining job flexibility. Singapore's initiative highlights the importance of structured regulations in creating a more sustainable gig economy.

Despite the potential of these models, obstacles persist, especially in areas with limited regulatory control, such as ASEAN nations, where varied socio-economic situations hinder the implementation of adequate regulations (Nur et al., 2023).

### 2.3 Theoretical Framework

This study employs Scott's Institutional Theory as its principal theoretical framework to examine the problems and potential for enhancing social security for gig workers in Malaysia. Scott (2014) defines institutions as consisting of three interdependent pillars: the regulative pillar (laws and formal regulations), the normative pillar (industry standards and professional norms), and the cultural-cognitive pillar (common beliefs and perceptions). This approach is extensively utilized to elucidate how formal structures and informal norms influence organizational practices and human actions (Suchman, 1995). Scott's model is especially suitable for addressing the fragmented and evolving nature of gig work, as it elucidates how deficiencies in formal regulations, absence of industry standards, and societal perceptions of informal work collectively impede the establishment of comprehensive social protection for gig workers (Lin, 2016).

This approach rigorously evaluates institutional deficiencies and recommends measures that encompass policy reforms, industry partnership, and awareness enhancement, ensuring that proposals are congruent with Malaysia's distinct socio-economic setting.

The regulative pillar emphasizes formal rules and regulations that govern social protection systems. For instance, in Zambia, the government's failure to allocate necessary funding for social protection programs illustrates how regulatory frameworks can be undermined by political priorities (Siachiwena & Seekings, 2024). In Kenya, the dynamics of social protection reforms reveal how regulatory changes can lead to varying degrees of institutional change across different social protection pillars, such as cash transfers and health insurance (Bender et al., 2021).

The normative pillar focuses on values and norms that shape social expectations. In Latin America, social protection institutions are seen as mechanisms for stratifying wage earners, reflecting societal values around employment and protection (Barrientos, 2024). The role of policy coalitions in promoting social protection highlights how normative beliefs can influence the prioritization of social programs over others, as seen in Zambia (Siachiwena & Seekings, 2024).

The cognitive pillar pertains to shared understandings and frameworks that shape perceptions of social protection. In Kenya, the complexity of social protection concepts, such as 'insurance', affects how reforms are interpreted and implemented (Bender et al., 2021). The cognitive aspect also plays a role in how institutions adapt during crises, as seen in the case studies of social movements in Taiwan and Hong Kong, which illustrate shifts in institutional responses (Lin, 2016). As Bisht and Pattanaik (2021) demonstrate in the Indian context, labor market inclusivity is shaped by macro (state), meso (household), and micro (individual) determinants, which correspond to Scott's (1995) regulative, normative, and cultural-cognitive institutional pillars. A similar multi-level analysis is necessary to conceptualize social protection for gig workers in Malaysia.

While the application of Scott's theory provides valuable insights into social protection, it is essential to recognize that institutional dynamics can also lead to resistance and conflict among actors, complicating the implementation of reforms. This complexity underscores the need for a nuanced understanding of institutional interactions in social protection contexts.

## METHODS AND MATERIALS

This study employs a conceptual research design to examine social protection systems for gig workers in Malaysia within the framework of Scott's Three Pillars of Institutions. The study used a literature-based methodology, gathering data from scholarly articles, policy documents, and industry reports. The data collecting process entailed focused keyword searches utilizing terms such as "gig economy social

protection," "gig workers' rights," and "policy frameworks for gig workers" across databases. The criteria for source selection encompassed relevance to gig worker protections, contemporary policy discourse, and international best practices.

The nations included for comparison research were chosen based on their existing or developing gig worker protection legislation. Malaysia was selected as the principal case, while Singapore, OECD countries, the EU, the Netherlands, and Germany were incorporated for their varied regulatory frameworks and policy changes. The Regulative Pillar emphasizes the assessment of current legislative frameworks and governmental rules on social protection for gig workers. The Normative Pillar analyses practices pushed by the industry and collaborative efforts between platform firms and policymakers. The Cultural-Cognitive Pillar evaluates stakeholder perspectives, encompassing gig workers, governments, and platform businesses, regarding social protection.

Scott's Three Pillars of Institutions provides the foundational theoretical framework for structuring the investigation and synthesizing findings. Due to the theoretical focus of this work, no primary empirical data was gathered. The conclusions are exclusively derived from secondary sources and may necessitate subsequent verification through empirical investigation.

## RESULTS AND DISCUSSION

### 4.1 Regulative Gaps

The gig economy has considerable regulatory deficiencies in social protection, mostly attributable to the distinctive characteristics of gig employment, which frequently results in workers lacking necessary benefits. Addressing these deficiencies necessitates innovative policy proposals that can adjust to the changing labor environment. The existing regulatory framework in Malaysia is predominantly tailored for conventional employment models, resulting in insufficient provisions for gig workers regarding health insurance, retirement savings, and compensation for workplace injuries. The subsequent sections delineate the principal elements of these deficiencies and suggestions.

The comparative analysis of regulatory frameworks for gig worker safety demonstrates notable discrepancies among countries, especially between the EU and ASEAN, as well as within specific nations such as Indonesia and the UK. This analysis underscores the diverse legal statuses, protections, and obstacles encountered by gig workers, accentuating the necessity for customized regulatory strategies. Firstly, legal status of gig workers varied between countries. For instance, in Indonesia, gig workers are designated as work partners, resulting in ambiguous legal rights (Fadhulloh & Azhari, 2023). In contrast, the UK and the Netherlands classify gig workers as employees, hence affording them enhanced rights and protections (Fadhulloh & Azhari, 2023).

In terms of social protection policy, the EU has established extensive labor rights, encompassing access to social security and health benefits for gig workers (Nur et al., 2023). However, ASEAN nations encounter difficulties stemming from varied socio-economic conditions, leading to an absence of unified protection measures (Nur et al., 2023). To date, one of ASEAN countries, Singapore has implemented the platform workers bill to recognize and protect the gig workers in the country. Singapore's Platform Workers Bill (2025), require CPF payments for gig workers and ensures occupational accident compensation, presenting a thorough strategy for worker protection. Whereas, in Malaysia, the special social protection scheme (i-Saraan and SKPSS) for gig workers are introduced but not mandated and the comprehensive framework has yet to be released.

Moreover, in terms of collective bargaining and negotiations, a significant number of gig workers are incorrectly classed as independent contractors, so restricting their access to collective bargaining and employment protections (Stewart & Stanford, 2022). Regulatory frameworks in certain regions are developing to enhance representation and collective action for gig workers, tackling their specific difficulties (Stewart & Stanford, 2022).

In sum, the EU exhibits a more organized strategy for gig worker protection, but the fragmented rules in ASEAN and the unclear status in Indonesia highlight the persistent necessity for reform and adaptation to guarantee equitable treatment of gig workers worldwide.

#### **4.2 Normative gaps: the role of industry norms in shaping social protection practices**

Industry norms greatly impact social protection procedures for gig workers across countries, shaped by local labor laws, social dialogue, and collective bargaining frameworks. This diversity is apparent in the case studies of Germany, Greece, Switzerland, and the United Kingdom, which underscore the problems and potential in tackling the precarious employment status of gig workers and their access to social security. In Germany, strong labor unions and collective bargaining have contributed to enhanced social protection systems for gig workers; however, gaps in coverage for platform employment remain (Bonvin et al., 2023). In contrast, Greece lacks robust labor protections and social dialogue, creating considerable vulnerabilities for gig workers and restricting their access to social security (Bonvin et al., 2023). Switzerland's adaptable labor market has facilitated the development of novel social protection solutions, yet numerous gig workers continue to face challenges in obtaining benefits (Schoukens et al., 2018). Meanwhile, in the United Kingdom, the rise of the gig economy has sparked discussions about regulatory improvements, but current legislation still leaves many workers insufficiently protected (Behrendt et al., 2019; Bonvin et al., 2023).

A comparative analysis of these countries reveals that nations with robust labor laws generally provide superior social protection for gig workers, while those with weaker frameworks leave workers more vulnerable (Schoukens et al., 2018). Additionally, the active involvement of social partners in countries like Germany has significantly improved the rights of gig workers, contrasting sharply with the minimal participation observed in Greece (Bonvin et al., 2023; Graham & Shaw, 2017). Although corporate standards can influence social protection measures, their effectiveness often depends on the broader socio-political environment. Without substantial reforms and global collaboration, gig workers are likely to continue facing significant challenges in securing adequate social protection, regardless of local standards (Behrendt et al., 2019).

The lack of industry standards constitutes a structural barrier. In Malaysia, there are no defined standards or protocols for platform firms to provide or enable social protection for their gig workers. The absence of standardization results in fragmented practices, with just a limited number of enterprises offering voluntary benefits like health insurance, while others give none. Malaysian government however does subsidize 90% insurance contribution for gig workers under SKSPS and encourages platform companies to contribute the remaining 10% contribution (Bernama, 2023).

#### **4.3 Cultural-cognitive gaps: cultural perceptions and their impact on social protection adoption**

Cultural aspects could significantly influence the implementation of social protection legislation for gig workers in various nations. These attitudes may influence gig workers' readiness to participate in social insurance systems and the general need for social policies designed to address their specific situations. Cultural perceptions and cognitive beliefs may profoundly influence the acceptance of social protection programs. In Malaysia, gig workers and platform firms may frequently regard social protection as a secondary concern.

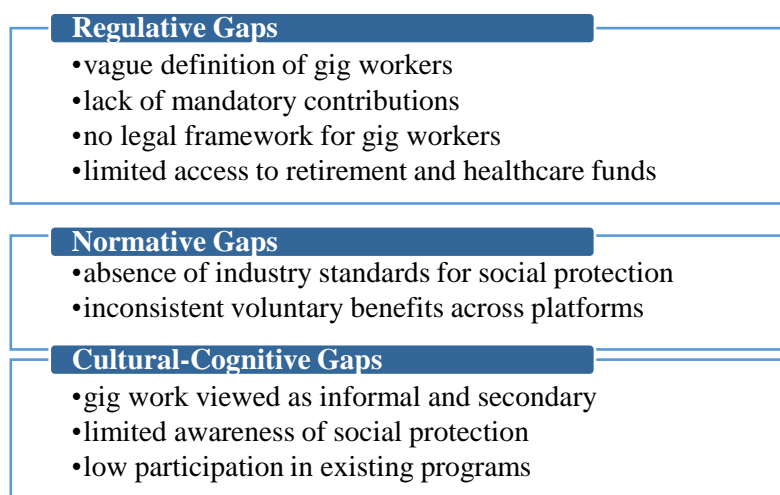
In Malaysia, despite slow adoption rates, gig workers have a significant readiness to invest in social insurance, highlighting an unaddressed necessity for safeguarding against risks like as unemployment and occupational injuries (Ghorpade et al., 2024). Studies reveal that gig workers in OECD nations favour compensation-oriented and social investment policies, mirroring their unstable employment conditions and societal anticipations for social assistance (Chueri & Busemeyer, 2023). The desire for social investment policies persists consistently, irrespective of the welfare state's generosity, indicating a cultural transformation in gig workers' perceptions of their social protection requirements.

Awareness and understanding represent another critical challenge, as gig workers frequently have limited knowledge of their rights and the social protection schemes available to them. This lack of awareness in Malaysia contributes to low participation rates in voluntary insurance programs, further perpetuating their vulnerability (Ghorpade et al., 2024). Administrative shortcomings in promoting awareness and compliance further reinforce cultural perceptions of informality, limiting gig workers' participation in protection schemes (Salam, 2020). Additionally, cultural perceptions of gig work as

informal or secondary diminish the perceived need for social protection, with many workers viewing their roles as temporary rather than deserving of structured benefits (Li & Gregory, 2019).

#### 4.4 Summary of gaps in gig worker social protection in Malaysia

Figure 2 summarizes the gaps identified in Malaysia's gig worker social protection system based on Scott's Three Pillars of Institutions. It is appropriate to combine the Results and Discussion sections into a single section. Clear and concise results are required. The significance of the work's findings should be discussed in detail throughout the discussion section. Extensive citations and discussion of already published material should be avoided.



**Figure 2.** Summary of gaps identified in Malaysia's gig worker social protection system

#### 4.5 Policy Recommendations

To address regulative gaps, it is recommended that platform workers and gig workers be explicitly included as employees under Section 2 of the Employment Act 1955 to ensure they receive adequate social security protection and employment benefits (Razak & Shukor, 2025). Other than that, introducing a gradual mandatory contribution scheme in Malaysia can significantly enhance social protection for gig workers. This model mandates shared financial responsibility between gig workers and platform operators, facilitating access to critical benefits for workers while minimizing the burden on both parties. The primary emphasis must be on healthcare and the avoidance of occupational injuries, as these represent urgent and essential requirements. Creating a customized regulatory framework for gig workers will clarify their rights and responsibilities, enhance compliance with social protection measures, and mitigate uncertainty regarding their employment status. Such law must explicitly delineate the responsibilities of platform enterprises and the government, instituting enforceable norms for social safety.

The government might implement tax incentives for firms that establish comprehensive protection systems for gig workers to promote compliance. These incentives would alleviate the financial burden on operators while encouraging the adoption of best practices. The Central Provident Fund (CPF) system in Singapore exemplifies how organized contributions can secure long-term financial stability for gig workers while maintaining job flexibility. By implementing a comparable model tailored to Malaysia's socio-economic environment, gig workers can get enhanced financial security and access to healthcare services, promoting a fairer and more resilient gig economy. Moreover, it is essential to broaden social protection to encompass a larger array of hazards and to modify contribution rates for self-employed individuals.

Addressing these gaps requires targeted interventions. Implementing a portable benefits system would enable gig workers to maintain benefits across multiple jobs, thereby addressing coverage gaps and providing greater financial stability (Yaroshenko et al., 2024). Moreover, developing tailored insurance instruments that offer flexible payment and contribution structures can better accommodate the unique circumstances of gig workers, ensuring higher uptake and long-term protection (Ghorpade et al., 2023).

To address normative gap, involving gig workers in the policy design process is critical to bridging the gap between top-down policy creation and actual worker needs. When workers are engaged in shaping the rules that affect them, policies are more likely to be relevant and widely adopted (Schwartz & Weber, 2023). Establishing industry standards is essential to create consistent social protection offerings and encourage companies to adopt best practices through either government-mandated requirements or voluntary industry codes of conduct.

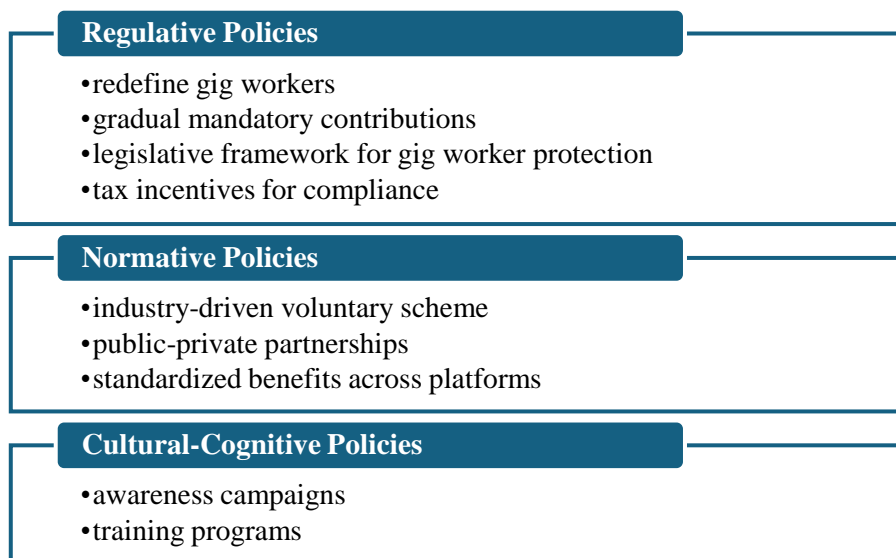
Additionally, fostering public-private partnerships is essential for developing standardized and cost-effective social protection programs. Collaborations between government entities and platform companies can streamline the provision of benefits while ensuring compliance with evolving industry needs. To further incentivize companies, tax incentives or recognition rewards should be provided to enterprises that implement extensive social protection policies. These incentives would reduce financial burdens while fostering a culture of compliance and innovation in worker welfare. Several EU nations are investigating unemployment insurance systems that encompass gig workers, tackling issues with their classification and eligibility for benefits (Barrio, 2024).

Lastly, to handle negative cultural perceptions, education, and outreach initiatives are essential for raising awareness among gig workers about their rights and the importance of social protection. Targeted campaigns should aim to provide clear information about available benefits and how to access them (Li & Gregory, 2019). In India for instance, initiatives such as dedicated gig worker training programs and the e-Shram online registration portal have been introduced to improve social protection access and awareness among gig workers in the country (Divya & Barani, 2024).

In sum, an integrated framework balancing economic flexibility with institutional protections through social capital, digital solidarity, platform cooperativism, and hybrid support systems is recommended to strengthen social sustainability and fair conditions for gig workers (Achour, 2025). While these recommendations seek to bridge the gaps, it is essential to recognize that the inherent flexibility of the gig economy may resist traditional social protection models. As some researchers have argued, social protection mechanisms must be reimagined to align better with the gig workers' dynamic and independent lifestyles (Ghorpade et al., 2023). Besides, government interventions, while aimed at regulating the industry, may inadvertently disrupt the fundamental operational model of the gig economy, thereby posing additional challenges to both workers and platforms (Zolkifly et al., 2024).

An analysis of Malaysia's social protection system has revealed significant deficiencies and provided practical recommendations. Comparative analyses from countries highlight exemplary methods that Malaysia might incorporate into its socio-economic framework. The suggested policy reforms, industry norms, and awareness campaigns collectively offer a comprehensive strategy for enhancing social protection for gig workers, safeguarding their financial stability and well-being while maintaining the flexibility of the gig economy.

Figure 3 illustrates the key policy recommendations for enhancing social protection in Malaysia's gig economy based on Scott's Three Pillars of Institutions.



**Figure 3.** Summary of policy recommendations for gig worker social protection

The findings of this study contribute significantly to the discussion on gig worker protections in Malaysia by highlighting the systemic gaps and potential solutions that align with international best practices. The Regulative Pillar analysis underscores the need for policy reforms to mandate social protection contributions while ensuring flexibility for gig workers. The Normative Pillar findings emphasize the role of industry collaboration in setting voluntary standards that promote worker well-being. Meanwhile, the Cultural-Cognitive Pillar highlights the necessity of awareness campaigns to shift perceptions of gig work from informal labor to a legitimate and sustainable employment model.

In the context of Malaysia's gig economy, the insights from this study suggest that policymakers should adopt a multi-stakeholder approach, integrating government regulations with private sector initiatives to create a balanced and sustainable protection framework. The comparison with other countries demonstrates that adaptable and inclusive policies can enhance social security while maintaining the flexibility that defines gig work. These findings support the argument that regulatory advancements must be accompanied by cultural shifts and industry-driven solutions to ensure widespread adoption and compliance.

## CONCLUSIONS

This research emphasizes the critical need for a comprehensive social protection framework for gig workers in Malaysia. By analyzing the gaps through Scott's Three Pillars of Institutions and drawing comparative insights from international best practices, the study highlights actionable strategies to address regulatory, industry, and cultural challenges. Effective policy reforms, industry standardization, and educational campaigns are essential to ensure that gig workers gain financial security and well-being without compromising the flexibility that characterizes gig work. Moreover, fostering collaboration among policymakers, industry leaders, and civil society is vital for a holistic and inclusive approach.

Beyond policy and industry implications, this study also contributes to the field of business education by offering a practical application of institutional theory to contemporary labor market challenges. The analysis provides teaching materials and case insights that can be integrated into management, public policy, and entrepreneurship curriculum, enabling students to critically evaluate real-world issues surrounding workforce inclusivity and sustainability. Such integration strengthens the link between theory and practice, preparing future business leaders and policymakers to design innovative solutions for evolving employment landscapes (Ab Wahid et al., 2023).

However, this study is limited by its reliance on secondary sources and the absence of empirical data. Future research should incorporate qualitative and quantitative methodologies, such as surveys and interviews with gig workers and platform companies, to validate the effectiveness of proposed policies. Additionally, longitudinal studies could examine the long-term impact of social protection measures on gig workers' financial stability. Expanding research to include other regions with emerging gig economies would further enrich the discussion on best practices and adaptable policy models. By addressing these limitations, future research can provide deeper insights into the effectiveness of social protection policies and contribute to the development of a more inclusive and resilient gig economy in Malaysia.

## ACKNOWLEDGEMENT

The authors would like to extend heartfelt gratitude to UiTM Perak Branch and all individuals whose invaluable support, insights, and contributions have significantly aided the completion of this paper.

## CONFLICT OF INTEREST

The authors declare no conflicts of interest.

## AUTHORS CONTRIBUTION

**Nur Hazwani Zolkifly.**: Conceptualization, Methodology, Writing- Original draft preparation. **Shahrel Nizar Baharom.**: Visualization, Writing- Reviewing and Editing

## AVAILABILITY OF DATA AND MATERIALS

Data available within the article or its supplementary materials.

## DECLARATION OF GENERATIVE AI

During the preparation of this work, the authors used ChatGPT to enhance the clarity of the writing. After using the ChatGPT, the authors reviewed and edited the content as needed and take full responsibility for the content of the publication.

## ETHIC STATEMENTS

Not applicable.

## REFERENCES

- Ab Wahid, H., Hishamuddin, A. Z., & Abd Rahman, R. (2023). Social entrepreneurship approach towards leveraging Persons with Disabilities (PwD) in Malaysia. *International Business Education Journal*, 16(1), 85–97. <https://doi.org/10.37134/ibej.vol16.1.7.2023>
- Abdur Rahman, A., Jasmin, A. F., & Ghorpade, Y. (2024). Who are the informally employed in Malaysia? (February), World Bank.
- Abd Razak, S. S. (2024). Protecting Gig Workers in the Digital Labour Platform Through the Principles of Social Justice in Islam. *Manchester Journal of Transnational Islamic Law and Practice*, 20(3), 420–424.
- Abd Samad, K., Abd Rahman, N. H., Ismail, S., & Marmaya, N. H. (2023). Is the well-being of gig workers in Malaysia better? The reality of pain and gain. *International Review of Applied Economics*, 37(4), 518–531. <https://doi.org/10.1080/02692171.2023.2240243>
- Achour, Z. (2025). Social sustainability in the gig economy: Rethinking social protection systems for platform workers. In *Sustainability and Adaptability of Gig Economies in Global Business* (pp. 297–322). <https://doi.org/10.4018/979-8-3693-9385-7.ch011>

- Alturkey, Y. A. (2024). The gig economy: Insights into worker experiences in the UK and Saudi Arabia. *Open Journal of Business and Management*, 12(03), 1766–1799. <https://doi.org/10.4236/ojbm.2024.123094>
- Au-Yeung, T. C., Chan, C. K.-C., Ming, C. K. K., & Tsui, W. Y. A. (2025). The gig economy, platform work, and social policy: food delivery workers' occupational welfare dilemma in Hong Kong. *Journal of Social Policy*, 54(2), 673–691. <https://doi.org/10.1017/S0047279423000673>
- Bae, J. (2024). *The gig economy and social insurance systems: public opinion, policy analysis, and policy design* (Doctoral dissertation, University of Missouri--Columbia).
- Barrientos, A. (2024). *Social Protection in Latin America: Causality, Stratification and Outcomes* (A. Barrientos (ed.)). Palgrave Macmillan, Cham. [https://doi.org/10.1007/978-3-031-49795-7\\_3](https://doi.org/10.1007/978-3-031-49795-7_3)
- Barrio, A. (2024). Unemployment insurance for platform workers: Challenges and approaches from a comparative perspective. *European Journal of Social Security*, 26(2), 251–265. <https://doi.org/10.1177/13882627241267989>
- Behrendt, C., Nguyen, Q. A., & Rani, U. (2019). Social protection systems and the future of work: Ensuring social security for digital platform workers. *International Social Security Review*, 72(3), 17–41. <https://doi.org/10.1111/issr.12212>
- Bender, K., Rohregger, B., Kinuthia, B., Ikua, G., Schüring, E., Adamba, C., Alatinga, K. A., & Pouw, N. (2021). Different pathways of social protection reforms: An analysis of long-term institutional change in Kenya. *World Development*, 137, 105210. <https://doi.org/10.1016/j.worlddev.2020.105210>
- Bernama. (2023, October 13). Belanjawan 2024 : Had Caruman I - Suri , I - Saraan KWSP Dinaikkan. *Bernama*. <https://www.bernama.com/bm/news.php?id=2234656>
- Bisht, N., & Pattanaik, F. (2021). How inclusive is “Inclusive Development” in India? Challenges and prospects of Indian youth labor market. *International Business Education Journal*, 14(1), 17–33. <https://doi.org/10.37134/ibej.vol14.1.2.2021>
- Bonvin, J.-M., Cianferoni, N., & Mexi, M. (2023). Chapter 1: Introduction. In *Social Dialogue in the Gig Economy: A Comparative Empirical Analysis* (pp. 1–17). Edward Elgar Publishing. <https://doi.org/10.4337/9781800372375.00006>
- Chueri, J., & Busemeyer, M. R. (2025). Different status, same demands? The social policy preferences of platform workers in OECD countries. *Competition & Change*, 0(0). <https://doi.org/10.1177/10245294251318440>
- Daud, S. N. M., Osman, Z., Samsudin, S., & Phang, G. (2024). Adapting to the gig economy: Determinants of financial resilience among “Giggers”. *Economic Analysis and Policy*, 81, 756–771. <https://doi.org/10.1016/j.eap.2024.01.002>
- Department of Statistics Malaysia. (2024). *Labour Force Statistics Report* (Issue January). [https://storage.dosm.gov.my/labour/lfs\\_month\\_2024-01\\_en.pdf](https://storage.dosm.gov.my/labour/lfs_month_2024-01_en.pdf)
- Devereux, S. & Sabates-Wheeler, R. (2004). Transformative social protection for Africa's children. *Social protection for Africa's children in Africa*. 216-239.
- Divya, S., & Barani, G. (2024). An evaluation of social protection measures for gig workers - A pilot study. In *Organization, Purpose and Values: Integrating Diversity, Equity and Inclusion* (pp. 143–165). <https://doi.org/10.4324/9781003501374-10>
- Fadhilulloh, Q. H., & Azhari, A. F. (2023). Perbandingan kedudukan hukum pekerja *gig economy* di Indonesia, Belanda, dan Inggris. *Fundamental: Jurnal Ilmiah Hukum*, 12(2), 307–322. <https://doi.org/10.34304/jf.v12i2.165>
- Fuad, D. A. A. (2024, December 29). Gig Economy Expands In 2024 Amid Push For Worker Protections. *Bernama*. <https://www.bernama.com/en/region/news.php?id=2377645>
- Ghorpade, Y., Rahman, A. A., & Jasmin, A. (2024). Social insurance for gig workers: Insights from a discrete choice experiment in Malaysia. *International Social Security Review*, 77(3), 3–30. <https://doi.org/https://doi.org/10.1111/issr.12365>
- Graham, M., & Shaw, J. (2017). *Towards a Fairer Gig Economy* (M. Graham & J. Shaw (eds.)). Meatspace Press.
- Joshi, A., Jain, S., & Gupta, P. K. (2024). Challenges and impact of the gig economy. *Sustainable Economies*, 2(2), 96. <https://doi.org/10.62617/se.v2i2.96>
- Law, K., Sy, L., Tiah, B., & Wei, J. (2022). The perception of mental health issues that affect workplace productivity in Klang Valley, Malaysia. *International Business Education Journal*, 15(1), 30–43. <https://doi.org/10.37134/ibej.vol15.1.3.2022>
- Leong, T. P., & Ghazali, M. S. (2022, October 15). Perkasa pekerja ekonomi gig dengan kemahiran tinggi. *Berita Harian Online*. [https://www.bharian.com.my/rencana/lain-lain/2022/10/1012559/perkasa-pekerja-ekonomi-gig-dengan-kemahiran-tinggi#google\\_vignette](https://www.bharian.com.my/rencana/lain-lain/2022/10/1012559/perkasa-pekerja-ekonomi-gig-dengan-kemahiran-tinggi#google_vignette)

- Li, W., & Gregory, K. (2019). Vulnerable Workers: Gig Economy, Platform Labour and “Smart Data” (Comments on the Smart Data Review). *Social Science Research Network*.
- Lin, M. Y. M. (2016). Switching Focus Between the Three Pillars of Institutional Theory During Social Movements. In T. S. Chan & G. Cui (Eds.), *Asian Businesses in a Turbulent Environment: Uncertainty and Coping Strategies* (pp. 21–39). Palgrave Macmillan UK. [https://doi.org/10.1057/978-1-137-48887-9\\_2](https://doi.org/10.1057/978-1-137-48887-9_2)
- Makhtar, M., Abd Ghadas, Z. A., & Yaman, K. M. (2024). Regulatory framework on platform workers' right to safe and healthy working conditions in Malaysia: A business and human rights approach. *Journal of work health and safety regulation*, 3(1), 19-39. <https://doi.org/10.57523/jaohlev.oa.24-006>
- Matsaganis, M. (2022). False starts, wrong turns, and dead ends. How (not) to ensure social protection for all workers. *Defining and Protecting Autonomous Work: A Multidisciplinary Approach*, 31-50.
- Medina, A. F. (2025). *Singapore's Platform Workers Bill: Transforming the Gig Economy in 2025*. Asean Briefing. <https://www.aseanbriefing.com/news/singapores-platform-workers-bill-transforming-the-gig-economy-in-2025/>
- Medina, A. F. (2025). *Singapore's Platform Workers Bill: Transforming the Gig Economy in 2025*. Asean Briefing. <https://www.aseanbriefing.com/news/singapores-platform-workers-bill-transforming-the-gig-economy-in-2025/>
- Ministry of Manpower of Singapore. (2024). *Commencement of Parts of Platform Workers Bill*. <https://www.mom.gov.sg/newsroom/press-releases/2024/1022-commencement-of-parts-of-platform-workers-bill>
- Mugambwa, J., Andabati, D., & Muyomba, B. (2024). Experiences and perceptions on gig work in Uganda. In *Humanism in Business Series: Vol. Part F4244* (pp. 255–279). [https://doi.org/10.1007/978-3-031-59944-6\\_12](https://doi.org/10.1007/978-3-031-59944-6_12)
- Nagina, R. (2025). Building inclusive and equitable gig economies for sustainable global growth. In *Sustainability and Adaptability of Gig Economies in Global Business* (pp. 261–296). <https://doi.org/10.4018/979-8-3693-9385-7.ch010>
- Nur, M., Asmorojati, A. W., Megawati, Zuliyah, S., & Isdiyanto, I. Y. (2023). A comparative assessment of digital platform worker protection in the EU and ASEAN. *Legality: Jurnal Ilmiah Hukum*, 31(2), 367–390. <https://doi.org/10.22219/ljih.v31i2.29823>
- Öçal, M., & Kutlu, Ö. (2025). Informal work and the protection of social rights: The gray areas of employment. In *Informal Work and the Protection of Social Rights: The Gray Areas of Employment*. <https://doi.org/10.4018/979-8-3693-9198-3>
- Radzi, M. S. N. M., Bidin, A., Musa, M. K., & Hamid, N. 'Ashikin. (2022). Protecting gig workers' interests in Malaysia through registered association under Societies Act 1966. *IJUM Law Journal*, 30(S1), 157–179. <https://doi.org/10.31436/iiumlj.v30is1.702>
- Ragayah, H.M. (2012). Malaysia: Towards a social protection system in an advanced equitable society. *ASEAN Economic Bulletin*, 29, 197 - 217.
- Razak, S. S. A., & Shukor, S. F. A. (2025). reforming social security protection for platform workers in Malaysia's digital labour platforms. *IJUM Law Journal*, 33(1), 35–64. <https://doi.org/10.31436/iiumlj.v33i1.1017>
- Salam, A. (2020). Organizational justice as a predictor of organizational citizenship behaviour. *International Business Education Journal*, 13, 29–42. <https://doi.org/10.37134/ibej.vol13.sp.3.2020>
- Sankararaman, G., Natarajan, R., V., R., N.R., V., & D., I. (2024). Gig economy's impact on workforce dynamics and economic resilience. *Educational Administration: Theory and Practice*, 30(6), 1627–1634. <https://doi.org/10.53555/kuey.v30i6.5561>
- Schoukens, P., Fernandez, A. B., & Montebovi, S. (2018). *Social protection of non-standard workers: The case of platform work*. 1, 227–258. <https://research.tilburguniversity.edu/en/publications/social-protection-of-non-standard-workers-the-case-of-platform-wo>
- Schwartz, L., & Weber, N. (2023). *Asymmetric by Design: How and Why Labor Policy Impacts Gig Workers*. <https://doi.org/https://doi.org/10.31235/osf.io/mh29a>
- Scott, W. R. (2014). Institutions and Organizations: Ideas, Interests, and Identities. In *Sage Publications* (4th ed.). SAGE Publications. <https://doi.org/10.22439/cjas.v32i2.4764>
- Siachiwena, H., & Seekings, J. (2024). The politics of “institutionalising” social protection in Africa: The retrenchment of social cash transfers in Zambia, 2015-2021. *Journal of International and Comparative Social Policy*, 39(3), 278–294. <https://doi.org/10.1017/ics.2023.17>

- Stewart, A., & Stanford, J. (2022). *Chapter 3: Giving platform workers a say: regulating for voice in the gig economy* (pp. 48–70). Edward Elgar Publishing. <https://doi.org/10.4337/9781839105548.00011>
- Suchman, M. C. (1995). Managing legitimacy: Strategic and institutional approaches. *The Academy of Management Review*, 20(3), 571–610. <https://doi.org/10.2307/258788>
- Tran, M., & Sokas, R. K. (2017). The gig economy and contingent work: An occupational health assessment. *Journal of Occupational and Environmental Medicine*, 59(4), e63–e66. <https://doi.org/10.1097/JOM.0000000000000977>
- Uchiyama, Y., Furuoka, F., & Akhir, M. N. M. (2022). Gig workers, social protection and labour market inequality: Lessons from Malaysia. *Jurnal Ekonomi Malaysia*, 56(3), 165–184. <https://doi.org/10.17576/JEM-2022-5603-09>
- Yaroshenko, O. M., Tkachenko, V. S., Puntus, D. A., Yakovleva, G. O., & Konopeltseva, O. O. (2024). Models of social protection for workers in the gig economy: Legal challenges and prospects. *Science of Law*, 2024(3), 1–7. <https://doi.org/10.55284/sol.v2024i3.139>
- Yusoff, N. D., Ismail, S., Razak, N. A., Rafien, N. S. M. and Yaakub, W. (2024), Retirement preparedness among Malaysia's low-income private sector employees: A conceptual model," *Information Management and Business Review*, 16(1), pp. 613–627, [https://doi.org/10.22610/imbr.v16i3\(I\)S.4088](https://doi.org/10.22610/imbr.v16i3(I)S.4088)
- Zhang, H., & Liu, K. (2024). Can a voluntarist approach to social security extend protection to gig workers? Evidence from the platform-based food-delivery sector in China. *Journal of Industrial Relations*, 00221856241262786. <https://doi.org/10.1177/00221856241262786>
- Zolkifly, N. H., Fadly Habidin, N., Baharom, S. N., Lailatul, N., & Yusof, H. M. (2024). The ride-hailing entrepreneurship model for the low-income group: An expert perspective. *International Business Education Journal*, 17(1), 67–82. <https://doi.org/10.37134/ibej.Vol17.1.6.2024>