

Motivation, Engagement, and Performance Dynamics in the Gig Economy: Understanding Real Estate Agents Beyond Formal Employment

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Abstract

The property agent profession in Indonesia falls within the framework of the gig economy, where agents work with high flexibility, informal working relationships, and commission-based income. However, industry data (2024) shows that only 8.2%–17.4% of agents contribute consistently each month, raising questions about the psychological mechanisms that affect their motivation, engagement, and performance. This study aims to understand how agents construct these three aspects and identify the differences between consistent and inconsistent agents in a property partnership system. The research used a qualitative approach through narrative inquiry and thematic analysis, with 12 property agents registered under AREBI East Java as the main participants and triangulation from 2 coordinators, 2 branch managers, and 1 representative of AREBI East Java. The analysis shows that agent motivation is shaped by the interaction of internal and external factors, with internal motivation being the main determinant of sustainable contribution. Engagement appears in three interrelated dimensions—emotional, behavioral, and cognitive—and serves as a connecting mechanism between motivation and performance. Performance in the context of the gig economy is more accurately understood through the consistency of contribution (task performance and contextual performance) than short-term results. This research resulted in a conceptual model that revises the literature on work dynamics outside of formal employment, with managerial implications to improve the consistency of agent contributions through new agent activation programs, engagement support systems, and learning and collaboration programs.

Keywords: motivation, engagement, performance, the gig economy, partnership-based work, real estate agents

Introduction

The property industry in Indonesia has experienced significant growth in recent years, with an increasing number of property agents joining this business ecosystem (Hee et al., 2019; Mansor et al., 2018; Stefano, 2015; Weissman, 2017). Data from PropNex Realty Indonesia (2024) show an increase in the number of agents by up to 200%, while Lamudi (2024) noted an increasing trend of public interest in becoming property agents. This phenomenon reflects the changing employment landscape in Indonesia, where more individuals are interested in jobs with the high flexibility offered by the gig economy model.

The Government of Indonesia, through the Regulation of the Minister of Trade No. 51/M-DAG/PER/7/2017 concerning Property Trading Intermediary Companies, has officially recognized the profession of property agents in Indonesia. This regulation also sets the commission rate that agents can receive in each transaction, which is 2%–5% of the transaction value. This provision is a major attraction for prospective agents, as they

have high expectations of earning large commissions. As proof of their seriousness and expectations, they are willing to pay a registration fee ranging from IDR 150,000 to IDR 800,000 as an initial investment to enter this industry.

However, behind the growth in the quantity of these agents, there are fundamental challenges related to the consistency of contributions. Internal data from several property brokerage companies in East Java (2024) show that only around 8.2% to 17.4% of registered agents consistently contribute every month, while the rest tend to be passive or have low contributions. This phenomenon indicates a significant gap between the number of registered agents and the number of active and productive agents.

The property agent profession has unique characteristics that set it apart from traditional formal jobs. Property agents work within the framework of the gig economy with non-formal employment relationships, have no fixed salary, are completely dependent on commissions from successful transactions, and have full autonomy in managing their working hours and methods (De Stefano, 2016; Friedman, 2014). In the Flexible Firm Model developed by Atkinson (1984; 1985), property agents can be categorized as peripheral workers, i.e., flexible workers who work on an output or time basis, not tied to a permanent organizational structure, but still play an important role in supporting the productivity and growth of the company.

This characteristic of the gig economy creates different psychological dynamics compared to formal workers. In the context of non-formal work where formal contracts often do not regulate the details of the employment relationship, psychological contracts are becoming increasingly important (Karani et al., 2022; Malhotra et al., 2024; Olatunji Zacchaeus, 2021; Snyman et al., 2023). Workers' expectations of fair incentives, organizational support, and adequate guidance greatly shape their motivation and engagement, making the fulfillment or violation of these expectations a key determinant of their performance and sustainability in this flexible work arrangement.

Research on non-standard workers, such as commission-based property agents without permanent employment contracts, is still limited, particularly in Indonesia. The number of such workers continues to increase in line with the development of the digital economy and increasingly flexible work structures. This situation presents a research opportunity to re-evaluate the relevance and validity of findings in the context of formal work while revealing unique mechanisms in the context of the gig economy workplace.

This study aims to explore and understand how property agents construct their motivation, engagement, and performance in the context of non-formal employment relationships, as well as identify fundamental differences between agents who consistently contribute and those who do not. A deep understanding of these psychological mechanisms is essential to develop effective strategies for improving the consistency of agent contributions, which will ultimately enhance the effectiveness of the property business ecosystem.

Method

This study used a qualitative approach with narrative inquiry methods and thematic analysis to understand the construction of motivation, engagement, and performance of property agents. This approach was chosen because it allows for an in-depth exploration of subjective experiences and meanings constructed by agents in the context of their work (Braun & Clarke, 2013; Miles et al., 2014). The qualitative approach is considered the most appropriate because this research focuses on processes, experiences, and the formation of meanings that cannot be captured through quantitative measurement.

The study participants consisted of 12 property agents registered under the Indonesian Real Estate Broker Association (AREBI) East Java, who were selected purposively based on the criteria of contribution consistency. Agents are categorized into two groups: (1) six consistent agents who contribute monthly for the past 12 months, and (2) six inconsistent agents who have a sporadic pattern of contributions. To ensure data triangulation, the study also involved two coordinators, two branch managers, and one representative of AREBI East Java as key informants.

The determination of 12 agents is based on the principle of information power (Malterud et al., 2016), which states that the higher the relevance and depth of information that participants provide to the research objectives, the fewer participants are needed. This principle is in line with the findings of Guest, Bunce, and Johnson (2006) that the main thematic pattern in qualitative interviews generally appears in 6-12 participants. Given that the context of this study was relatively homogeneous and the interviews were conducted in depth, 12 agents were considered sufficient to produce variation and depth of data.

Data collection was conducted through semi-structured in-depth interviews that lasted between 60-90 minutes for each participant. The interview guide was developed based on the theoretical framework of Self-Determination Theory (Ryan & Deci, 2000), engagement theory (Kahn, 1990), and performance theory (Campbell & Wiernik, 2015). Interviews were conducted in October-November 2025 at branch offices, marketing galleries, or cafes in Surabaya, Sidoarjo, and Gresik, East Java. All interviews were recorded with the consent of the participants and transcribed verbatim for analysis.

Table 1. List of Research Participants

No.	Code	Categories	Role
1-12	P-3 to P-12	Real Estate Agents	Primary data source
13-14	KR-1, KR-2	Coordinator	Triangulation
15-16	BM-1, BM-2	Branch Manager	Triangulation
17	AR-1	AREBI Representative	Triangulation

Data analysis used a six-phase thematic analysis approach from Braun and Clarke (2006). Thematic analysis was chosen for its ability to capture variations and similarities in patterns of experience among participants without losing the narrative context they are conveying. The analysis process is carried out iteratively, i.e. through repeated steps where the researcher reviews the data and performs coding or organizing the theme so that the final result remains consistent with what the participants said. The six stages include: (1) familiarization with the data through repeated reading of transcripts and

writing of initial analytical memos, (2) systematic initial coding by labeling relevant segments, (3) theme search by grouping codes that have similar meanings, (4) theme review to ensure that themes reflect coherent patterns, (5) definition and naming of themes by identifying the essence of each theme, and (6) the production of reports by compiling a coherent analytical narrative.

To ensure credibility and trustworthiness, this study uses several strategies: (1) triangulation of data sources by involving agents, coordinators, branch managers, and AROBI representatives, (2) member checking to verify the researcher's interpretation with participants, and (3) peer debriefing with periodic discussions with research supervisors during the analysis process.

Results and Discussion

Dynamics of Property Agent Motivation

The analysis reveals that the motivation of property agents is formed through the complex interaction between internal and external factors. Internal motivation, which stems from the basic psychological need for autonomy, competence, and relatedness (Ryan & Deci, 2000), is a key driver for consistent agents. Three main components make up an agent's internal motivation: (1) personal responsibility which includes family obligations, installments, and financial commitments, (2) psychological resilience capacity which involves the ability to manage emotions, maintain a positive mindset, and maintain personal beliefs, and (3) a growth mindset that focuses on personal growth and long-term career aspirations.

As one of the agents consistently expressed: "I have responsibilities, there are obligations, there are installments. If you work in an office, the salary is limited. Here, if you want to put in more effort, the results can be more" (P-1). This statement reflects how family responsibilities and financial obligations are transformed into deep personal commitments. Another agent stated: "I'm sure sustenance has been arranged. If it fails, keep trying" (P-4), showing the role of spiritual meaning as a source of calm and a pillar of resilience.

In contrast, external motivation is more situational and reactive, but still plays a significant role. Four main factors shape external motivation: (1) incentive and reward systems, especially commissions and bonuses that are strong motivators in the early stages of the career, (2) organizational support systems including access to project information, periodic training, and intensive mentorship from upline, (3) social influence through the observation of colleagues' success and a positive competitive environment, and (4) market dynamics such as high demand, the emergence of new projects, and the availability of leads.

Inconsistent agents tend to be more motivated by external motivations: "I'm interested in the commission system, because the payout can be greater than the office salary if it can be closed" (P-2). The reliance on external motivations makes them susceptible to fluctuations in work effort, especially when results are not immediately apparent. Cross-case comparisons show that agents consistently demonstrate a more

mature process of internalizing motivation, in which initial incentives derived from economic need develop into a strong sense of personal responsibility, a commitment to competency development, and the intrinsic satisfaction of helping clients.

Multidimensional Engagement Construction

Property agent engagement emerges as a multidimensional construct consisting of three interrelated components: emotional engagement, behavioral engagement, and cognitive engagement. Emotional engagement refers to an agent's emotional attachment to the work and the organization, which is manifested through three main sub-themes. First, relational connectedness which includes social bonds with fellow agents, a sense of belonging in the work community, and emotional support from colleagues. Second, supportive interactions in the form of mentoring, technical guidance, and direct assistance from upline that create a sense of security and confidence. Third, work meaningfulness which includes satisfaction in helping consumers find a home and personal suitability with work flexibility.

As the participants expressed: "When I am in a team and support each other, I am more enthusiastic about joining forces" (P-8), demonstrating the importance of interpersonal dynamics as a source of emotional energy. Another agent stated: "I am happy to be able to help people get a home. It feels like it's being used" (P-7), reflecting how the meaning of work is a source of strong emotional attachment.

Behavioral engagement is shown through three concrete action patterns. First, a consistent work rhythm that includes regular prospecting routines, continuous follow-up, and attendance on projects without waiting for appointments. Second, self-regulated work systems through weekly target setting, follow-up schedule, and maintenance of daily discipline. Third, collaborative participation which includes quick responses to group messages, sharing project information, and coordination with the team.

Participants described this practice: "The important thing is to keep going. I'm also a fan of the show, so there's still a lot of work to be done" (P-1). Another agent explained their self-regulated system: "I set weekly targets. Moreover, I often come to the marketing gallery other than Friday, so the potential of consumers increases" (P-3). The importance of collaborative participation was expressed: "If there is new information, it is usually quickly shared in the WA group. That's what makes the work smooth. It is not wrong to explain to consumers" (P-9).

Cognitive engagement involves the mental investment of the agent in the job through three aspects. First, focused attention with concentration on one project, understanding product details, and analyzing consumer needs. Second, continuous learning through active learning about market trends, negotiation techniques, and sales strategies. Third, reflective thinking with regular evaluation of work strategies, identification of success and failure factors, and adaptation of approaches based on experience.

The analysis reveals that these three dimensions of engagement function as a connecting mechanism between motivation and performance. Agents with strong internal

motivation tend to develop higher engagement in all three dimensions, which in turn leads to more consistent performance. These findings expand the understanding of the engagement model put forward by Kahn (1990) by contextualizing it in a gig economy setting.

Performance in the Context of the Gig Economy

The analysis reveals that performance in the context of the gig economy cannot be understood solely through short-term outcomes such as the number of transactions in a month, but must be viewed through the lens of long-term contribution consistency. Two main dimensions shape performance: task performance and contextual performance.

Task performance refers to the core activities of the property agent profession which includes: (1) prospecting activities through potential client search, systematic advertising, and database development, (2) listing management with property collection, detailed documentation, and professional presentations, (3) client interaction through property showing, comprehensive explanations, and quick responses to questions, and (4) transaction execution which includes price negotiation, handling of objections, and administrative settlement.

Agents consistently demonstrate stable task performance with a regular prospecting routine, a well-managed client database, and a systematic follow-up strategy. They view task performance as an ongoing process that requires a consistent investment of time and effort, rather than as a sporadic event that relies on luck.

Contextual performance includes behaviors that support the organizational and social environment, consisting of: (1) knowledge sharing through sharing effective sales strategies, negotiation tips, and market information, (2) peer assistance by helping fellow agents solve problems, providing moral support, and collaboration in complex transactions, (3) community building through active participation in team activities, contributing to a positive atmosphere, and initiating joint learning programs, and (4) Organizational Citizenship in the form of positive company representation, maintenance of professional standards, and contribution to the organization's reputation.

The study found that agents consistently tend to show higher levels of contextual performance, viewing collaboration and knowledge sharing as long-term investments that will ultimately improve the overall property business ecosystem. The fundamental difference between consistent and inconsistent agents lies in the way they construct the concept of performance. Agents consistently view performance as a journey of continuous improvement that requires persistence, learning, and adaptation, with a long-term orientation in building reputation, network, and expertise. In contrast, inconsistent agents tend to view performance transactionally and short-term results-oriented, which makes them easily discouraged when they don't get results right away.

Conceptual Model Integration

Integrative analysis reveals the systemic relationship between motivation, engagement, and performance in the context of the gig economy. Strong internal

motivation, supported by the fulfillment of the needs of autonomy, competence, and relatedness, is the foundation for the development of high engagement in all three dimensions (emotional, behavioral, and cognitive). This high engagement, in turn, encourages consistency in task performance and contextual performance.

The resulting conceptual model shows that in the context of the gig economy, success is not solely determined by short-term outcomes, but by the ability of individuals to maintain internal motivation, develop multidimensional engagement, and maintain consistency of performance in the long term. This model revises the conventional understanding of work dynamics which tends to be based on the formal context of employment with a clear organizational structure, strict supervision, and a predictable reward system.

The findings of this study have significant theoretical implications. First, this study extends Self-Determination Theory to the context of the gig economy, showing that basic psychological needs remain relevant even in the context of non-formal work with very high autonomy. Second, this study contextualizes the theory of engagement (Kahn, 1990) into a setting where there is no formal organizational structure, supervision, or clear career path. Third, this study expands the understanding of performance construct by showing the importance of contribution consistency as a more valid performance indicator in the context of the gig economy than short-term outcomes.

Managerial Implications

Based on the findings of the study, three managerial interventions are proposed to improve the consistency of agent contributions. First, the New Agent Activation Program is designed for the first three months of the agent's entry, focusing on: (1) the formation of prospecting routines through daily activity planning, weekly target setting, and prospecting technique training, (2) deepening product knowledge through comprehensive project briefing, site visits and familiarization, and competitive analysis training, (3) instilling meaning in work through weekly coaching sessions, Success story sharing, and personal goal alignment, as well as (4) field mentoring with accompaniment during client meetings, real-time feedback and guidance, and gradual independence building.

Second, the Agent Engagement Support System is designed to maintain agent engagement through: (1) a peer circle program for emotional engagement with monthly peer group meetings, experience sharing sessions, and mutual support mechanisms, (2) activity scorecard for behavioral engagement through visible tracking of effort metrics, weekly activity review, and performance feedback mechanism, (3) weekly routine program that helps agents maintain consistency of behavioral engagement with a structured weekly schedule, regular check-in meetings, and accountability partnerships, and (4) work strategy evaluation for cognitive engagement through monthly strategy review sessions, success and failure analysis, and continuous improvement planning.

Third, the Learning and Collaboration Program which functions as a mechanism for: (1) a knowledge repository with documentation of best practices, strategy and technique database, and market intelligence sharing, (2) collaborative learning through

peer learning sessions, case study discussions, and skill development workshops, (3) expert consultation with access to experienced mentors, technical support for complex cases, and strategic guidance for career development, and (4) community engagement with team building activities, recognition and celebration events, and collaborative project initiatives.

Conclusion

This research demonstrates that in the gig economy context, particularly among property agents, motivation, engagement, and performance form an interconnected system driven by internal motivation fulfilling autonomy, competence, and related needs, which fosters multidimensional (emotional, behavioral, cognitive) engagement and sustains long-term task and contextual performance. Consistent agents differ fundamentally from inconsistent ones by embracing long-term orientations, continuous improvement mindsets, and robust engagement across dimensions, whereas inconsistent agents rely on fleeting external motivators, sporadic involvement, and short-term transactional views. The proposed conceptual model challenges traditional work dynamics by emphasizing self-sustained internal motivation and engagement in high-autonomy, non-formal settings, with managerial recommendations including a New Agent Activation Program for foundational motivation building, an Agent Engagement Support System for ongoing support, and a Learning and Collaboration Program for competency enhancement. For future research, a mixed-methods study could quantitatively validate this model through structural equation modeling on a larger Indonesian property agent sample while incorporating qualitative insights from other gig sectors like ride-sharing to uncover cross-industry generalizability.

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