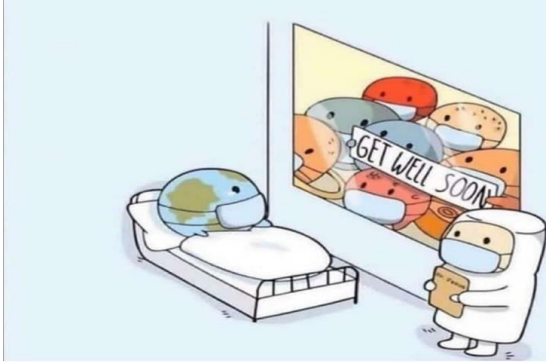


Effects of COVID-19 on Employment of India

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Abstract-



Source:

<https://images.app.goo.gl/f1ExaJFNNSTcXzxU6>

The effects on employment because of COVID-19 are a massive disaster to Indian Economy as well as on employability of Indian people. It will be a great challenge for the government to deal with such a situation. It is going to hamper both, business as well as to the employees equally.

COVID-19 is a disaster in both the ways health-wise as well as economy-wise. Negative and large effects of COVID-19 will pull the economy 5 years back and government needs to take measures for this in an aggressive way. Government will have to consider present as well as future policies for dealing with this situation.

I. INTRODUCTION



Source:

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“Workers and businesses are facing catastrophe, in both developed and developing economies... We have to move fast, decisively, and together. The right, urgent, measures could make the difference between survival and collapse.”

~By Guy Ryder, ILO’s Director-General

The COVID-19 pandemic is having a catastrophic effect on employment & earnings, in India as well as globally. ILO has given stimulation on this situation showing such effects. This report shows that COVID-19 crisis is expected to wipe out 6.7% of working hours globally equivalent to 195 million full-time workers in 2nd Quarter of 2020. In Asia & the Pacific will notice 7.2% i.e. (125 million full-time workers).

According to ILO the sectors most at risk includes accommodation & food services, manufacturing, retail, and business & administrative activities, travel & tourism, hospitality and many more.

II. EXPLANATION



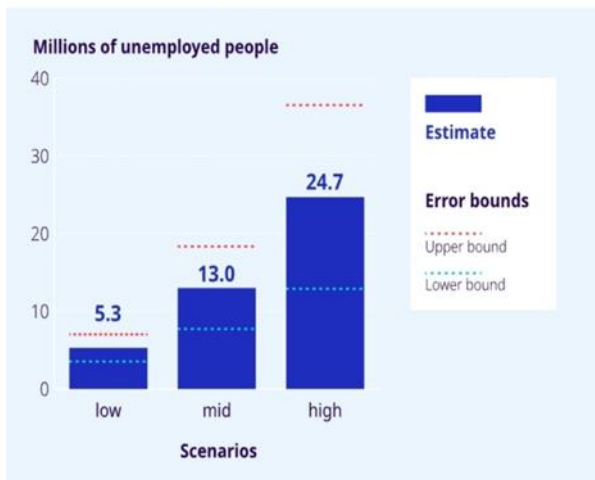
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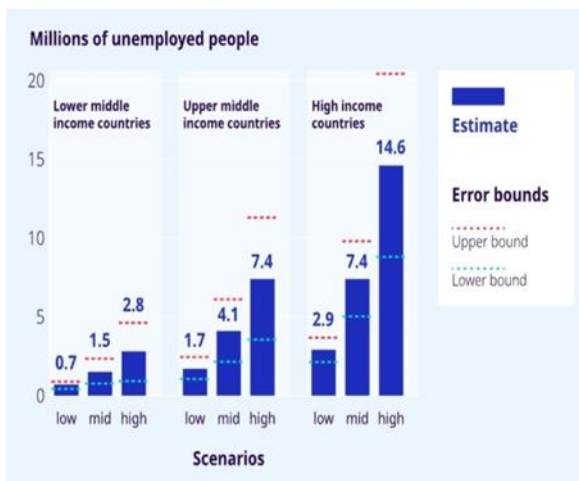
COVID-19 will have a huge impact on labour market outcomes. The current situation is like hell for many of us because the income is totally stopped and some for the companies have removed their employees from job so that they don’t have to pay for the duration of COVID-19 in the country.

Based on different scenarios for the impact of COVID-19 on global GDP growth, ILO estimates indicate a rise in unemployment of between 5.3 million (lowest) and 24.7 million (highest). The mid scenario suggests an increase of 13 million of unemployment level all over the world. Below figures show us current & future unemployment level of the world and also the increase in unemployment level of countries income groups.

► Increase in unemployment, world estimates



► Increase in unemployment by countries' income groups



There are more than 30 Lacs students graduated & around 40 Lacs students post-graduated in India every year, and in present situation it is more than difficult to ensure that each and every student will get employed. More than 4 out of 5 people (81%) in the

global workforce of 3.3 billion are currently affected by full or partial workplace closures.

1.25 billion Workers are employed in the sectors identified as being at high risk “drastic & devastating increases in layoffs and reductions in wages and working hours, low-pays, low-skilled jobs are leading to loss of income drastically.

JOB LOSSES IN INDIA There could be severe job losses across different sectors in India if COVID-19 impact continues for few more months. These sectors could be: - Aviation, travel, hospitality, retail, manufacturing, automotive, FMCG, Food & beverages sectors.

III. EFFECTS OF COVID-19 on CURRENT EMPLOYEMENT



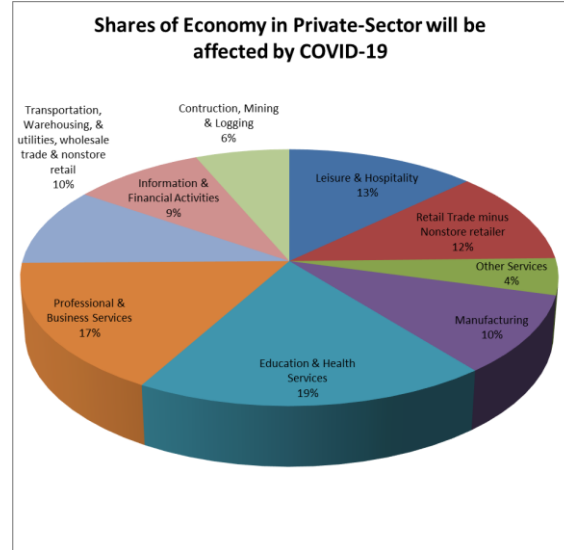
There are various facts and figures to show us that India's economy is going to be hit by COVID-19 and the impact will be huge. Some of them are positive & some negative. Let us study that in deep:-

- I. Reduction in full-time jobs in the most impacted sectors.
- II. Layoff will be huge in numbers and less value adding jobs will quickly perish.
- III. Salaries are unfixed, not even the amount or even the date of salary is not fixed.
- IV. Remote and digital working will become new norm nowadays.
- V. Value perception will increase as company is demanding more from current employees.
- VI. Various new jobs already came into existence as demanded by our government.
- VII. Fresh employees are expected to learn & prepare by themselves as company will now needs to put their focus on productivity and not on training activities.
- VIII. Small venture will suffer more than any MNC's because they don't have many funds to allocate to their employees for salaries.

IV. EFFECTS OF COVID-19 on FUTURE JOBS

COVID-19 has damaged our economy both current as well as future situation regarding jobs. It is also likely to have impact on workers as they have stop working just to care for themselves or their families. COVID-19 already have shown its impact on manufacturing sector as all the parts from various countries are delayed & even not received yet because of temporary factory closures.

Here is information on top-down look at the economy and shares of private-sector employment for various sectors.

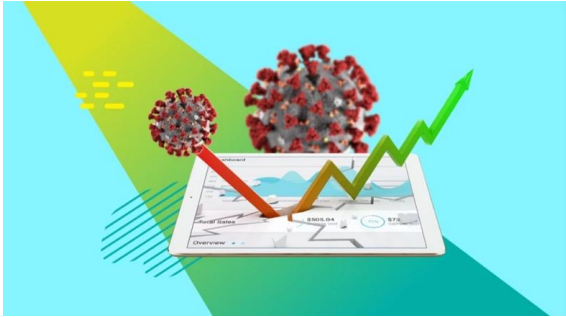


<https://www.epi.org/files/uploads/employmentPieCutCrop.png>

Source: EPI analysis of Bureau of Labour Statistics current Employment Statistics public data series.

There will be various effects of COVID-19 on Future Jobs as well. India is going to have the following effects:-

- I. New job creation will be done by government to ensure that the employment rate will match the unemployment level.
- II. Local manufacturing will be boosted up and this leads to increase in Jobs.
- III. Fitment will over rule qualification as now companies will start hiring fit candidates rather than qualified candidates.
- IV. Re-skilling & e-learning adoption in various companies will emerge faster.
- V. Salaries will totally depend on performance now.
- VI. More than 60-65% delay is seen in interview. This leads to delay in joining dates & less employed candidates in companies.
- VII. More companies will now depend on technology as an alternate channel to continue with same pace of productivity.
- VIII. E-commerce & online delivery portals will see gradual increase in demand.
- IX. Work from home will be the new HR policy for more than 50% of the companies.
- X. Personal disposable income will be less in any employee's hands.
- XI. Paid sick leaves are gone from the compensation of employees.



CONCLUSION

No need to worry about the future because time heals everything. If there are negative impacts so we have various positive things to learn from this. Economy requires time to stand-out from this situation and for that local business support & local manufacturing units will have a huge contribution towards the growth of the economy.

FINDINGS

1. Work from home (WFH) will be a new trend in various sectors.
2. Work from Home leads to less pollution & traffic on roads.
3. This long free-time will provide us a chance to enhance our necessary skills.
4. Technology enhancement will be seen once this lockdown gets over.
5. People nowadays are more creative than normal life-time.
6. Freelancing & Internships program will notice a boom as full-time employment will be less.
7. Fresh graduates & post-graduates will be expected to learn by themselves & come prepared.
8. People depended on their single income source will now search for other options as well.
9. Employee will have to work more dedicatedly, efficiently & will have to do additional work than before.
10. Less number of jobs will be available in market because of SME's merger & acquisition policies.
11. Company policies and structure will be re-designed considering the current situation in concern with wages, leaves, etc.
12. People will not leave hope & continue trying for new ventures.

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