

Post-Covid Hr Practices And Economic Crisis Results To Unemployment

Mr. Ashwin Pande ^[1], Dr. J.Bhavani ^[2]

Abstract

This study gives information on the effect of COVID 19 on Human Resource & employment in India. It also explains about the effect of lockdown on Human Resource i.e. on jobs in different sectors like IT Company's, Production Industry, and Hotel Industry, etc. This study gives new adaptation in HR (Human Resource) department working styles to attain the organizational goal. As In the COVID scenario new style of working is develop i.e. Work from Home. In this remote working style, HR department has to adopt such practices so that will increases the productivity of the employee.

This research paper explains about long-term effect of the corona virus i.e. COVID 19 on the Economy and Employment in India. At beginning of the year, 2020 coronavirus attract on china. This results in a fall down of the Chinese economy and many people lose their jobs. Human resource is seriously affected by economic crisis occur due to coronavirus. Within a one or two month, this virus spread in almost all country and which directly affect the world economy. The major effect of COVID is found on the counties like US, UK, India, Pakistan, Germany, Spain, etc.

Keywords:- Pandemic, Economy, Post COVID HR Practices, Unemployment.

Introduction

In this study, we discuss about the effect of coronavirus disease i.e. COVID 19 on the Economy and Employment in India. Basically, Indian economy depends on agriculture and agro-based products, and agro sector of India is very much traditional as most of the process in the agriculture sector is carried out with the help labors (Human Resource) ware as machining part in agricultural work is very less. Besides agro production industry different sectors like IT Company's, Production Industry, and Hotel Industry are also a major part of the economy, ware as to run such type of industries Homan Resource is a major concern.

¹Research Scholar., Sathyabama Institute of Science & Technology, Chennai.ashwins.ash@gmail.com

²Assistant Professor,VIT Business School, Vellore Institute of Technology, Channai. bhavani.j@vit.ac.in

So by reviewing the Pandemic scenario of the Year 2020-21 government of India as well as all the state government completely shut down all the cities and the scenario is named as

lockdown. Lockdown menace government shutdowns all industry like Production Industry's, Shopping Malls, Cinema Hall, all events, Hotels and Tourism Industry and many more for some uncertain duration. Only essential services like medical facilities, pharmacy, milk production, and vegetable shops are open but with some restrictions to fulfill the basic need of people. So due to this Indian economy as well as the world economy is very much hampered.

COVID 19 is sprayed almost all over the world except some countries. The speed of virus contamination is very much as compared to other viruses. This virus is transmitted due to the social contact of the infected person. It said that one infected person can infect more than 100 people if social distancing is not followed. So to avoid social contact Lockdown is applied in the country which is main cause of fall down in Indian economy which will result in loss of jobs and unemployment in every sector.

Literature Review

COVID-19 Pandemic is very serious issue and lot many research is done on the same topic in short duration of time the reviews of literature of different authors are as follows. Division of Human Resource Management (2016) gives the different techniques to sustain in the pandemic situation. This study also provides the different Emergency Responses to be adopted during pandemic situations [1]. Mr. Ashwin Pande & Dr. Aarti Deshpande (2020) describes the effect of COVID on Indian SENSEX i.e. stock market. This study also explains the effect of the pandemic on IT Company's, the Production Industry, and Hotel Industry [2]. HR Pandemic Planning Department (2009) gives report which explains Pandemic characteristics and impacts on human resource and the economy. This research also gives Human Resources issues such as risk management and health of employees and payroll management during Pandemic [3]. Pandemic Survey Report of Aarhus University(2020) it gives the overall survey of COVID-19 Pandemic on human resource it also explains the numerical predictions of the COVID Cases and impact of the same on the Employment [4]. Mark Butterick, Andy Charlwood (2021) analyses the role of human resource management (HRM) theory and practice in bringing about the workplace inequalities that the pandemic has exposed. It argues that theories like 'the flexible firm' model and the 'HR architecture' model have played a role in creating and legitimizing these inequalities [5].

David McGuire, Marie-Line Germain, Kae Reynolds, (2021) explains different Contradictions Exposed by the COVID-19 Pandemic. This study also briefs the learning and development modules and implications of HRD practices at the time of pandemic [6]. Robinson James, Kengatharan Navaneethakrishnan,(2020) gives study which describes the effect of COVID on the Shrilankian stock market and the number of COVID Cases in Yr 2020. This study also explains the effect of the pandemic on IT Company's & Small and Medium Enterprises [11]. H.H.D. Pooja Jayani Opatha (2020) have given a study which gives HRM related recommendations/strategies that can be adopted by an organization under COVID-19 pandemic situation and it also explores coronavirus disease and its symptoms [12]. Mark Butterick, Andy Charlwood (2020) published a research paper which gives a brief about HRM inequalities and health risks. It also explains the HR practices during COVID-19 Pandemic time [13]. Ashraf Saeed Elsafty, Mohammad Ragheb (2020) done data analysis of Egypt, which explains waves of COVID and graphical analysis of the number of cases and deaths due to COVID-19. This study also gives the Role of HRM for Employees Retention during Covid-19 Pandemic in Medical Supplies Sector in Egypt [14]. Vanessa De Leon (2020) submitted the report which explores the Different Human Resource Management issues which are encountered by public sector employers during COVID-

19 pandemic. This study also gives responses of different governments during COVID-19 Pandemic [15].

Kumudinei Dissanayake (2020) have published study which gives basic HR practices which can be adopted in a pandemic and prospects for HR professionals to handle such situations. This study also explains HRM practices such as leave structuring and training modeling during and post-pandemic [16]. Iza Gigauri (2020) published a study explains the Impact of Covid-19 Pandemic on Georgia. It also gives an analysis of data collected from the government on pandemic situation and explains how HR managers should support their employees during the pandemic [17]. Dr. Pravat Kumar Jena (2020) explains various measures taken by the Government of India for the education sector during this pandemic. This paper also gives the adverse impacts of COVID-19 on Indian education system and provides suggestions for continuing education during the pandemic situation. Apart from this paper also elaborates positive impact of COVID-19 on the education sector [18]. Khalil M. Derain, Mehrangiz Abadi (2020) briefs us about the leadership competencies required during and post times of COVID crisis, & HRD practitioners envision supporting their organizational leaders during and post times of crisis. This study explains the need of employees during pandemic which is to fulfill by HRD [19]. Kelvin M Mwita (2020) published a research paper which explains the effect of COVID-19 on different aspects of Human Resource Department such as Employee Recruitment and selection process, Employee Training, Performance Management of employee, Compensation Management in Tanzania. This research also gives some suggestions to overcome some HR related issues during COVID-19 Pandemic [20].

Jihad Fraij (2021) gives the study on importance of E-HRM Module during the Pandemic. This paper explains online procedure of Employee selection process, Employee Training, Performance Management of employees, Compensation Management [21]. Kunle Akingbola (2020) provides a discussion of the impact of COVID on non-profit employees provides an overview of the ways the pandemic which could shape NHRM. It also explain HRM practices such as remote work, health, and safety concern, hazard pay etc. [22]. Iza Gigauri (2020) explains the Effect of Remote Working on Work-life Balance from the Perspective of HRM in Poland. It also explains the Digital Transformation due to the COVID pandemic in HRM [23]. Dewiana Novitasari1, Ipang Sasono (2020) explains the employee performance and mental health of employees during the COVID pandemic. This study also gives the effect of Work-Family Conflict on the Worker's performance through Readiness to Change as Mediator [24].

Objective

The objective of this study is to find the effect of COVID 19 on the Indian economy and employment that is Human Resource in different sectors like IT Company's, Production Industry, and Hotel Industry. At the time of lockdown, it is predicted that things will be worst in the year 2020 due to spared of COVID-19 and it come true as the number of COVID cases in India crosses 1 Cr within Six Months.

Another objective is to study the new adaptation in HR (Human Resource) department working styles to attain the organizational goal. As In the COVID scenario new style of working is develop i.e. Work from Home. In this remote working style, HR department have to adopt such practices that will increase the productivity of the employee. The objective of the study also gives new trends in HR such as a change in hiring process, remote working, freelancing, etc.

Effect on different sectors due to pandemic

❖ Effect of COVID 19 on Indian Economy:-

Effect of COVID 19 is observed from the beginning of March 2020. From 2nd March the SENSEX witnessed a huge crash after the Union Health Ministry's announcement of two new confirmed cases of Corona. A United Nation report estimated a trade impact of US\$348 million on India due to the outbreak, making India one of the 15 worst affected economies across the world. On 9th March SENSEX fall down by 1,942 points and closed at 35,635 points whereas the NSE NIFTY 50 crashed by 538 points and closed at 10,451. And so on the Sensex fall is observed. When a lockdown is announced by the honorable Prime Minister on 21st March 2020 the Indian market starts falling as we can see in the chart. This scenario is observed due to local lockdown and would market situation. This fall down in SENSEX is remaining for three to four months. After that correction in the Indian economy is found as people and all would start living with COVID 19 Pandemic by following restrictions applied by the government to fight against the Corona Virus [8].

From the chart, it is observed that there is sudden fall down of Indian economy in March and April 2020 i.e. at beginning of the pandemic, after that market shows a very good recovery and reaches to peak of 50000 on March 2021[8].



Fig. 1. SENSEX Chart March 2020 to March 2021 [8].

❖ Effect of COVID 19 on Production Industry:-

The production industry is depending on human resource. As in small scale industry, all the process is done manually. In semiautomatic and automatic industry work process is done with machine so manpower requirement is less but skilled labor is required in the production industry such as still sector, power section, food industry, etc.

Due to COVID 19 lockdown workers were moved from the industrial area to their residential place. And road and train transportation is also affected which results in a complete shot down of the industry.

Many people lost their jobs that lead to unemployment and poverty in all over the world. This situation lies till an uncertain period of time so there will be a big loss of industry and workers due to this situation.

❖ **Effect of COVID 19 on Hotel and Tourism Industry:-**

As we know hotel and tourism industry comes under the categories of non-essential service so the government shut down all the hotels and tourist places of India during the lockdown period. So the hotel industry faces a lot of problems during the lockdown as the entire booking is been canceled and they need to return money to customers. The impact of this hotel industry is unable to give wages to their employee. So many workers from the tourism and hotel industry lose their jobs and become unemployed [2]. It said that the impact of the coronavirus will lies for 2 to 3 years on these sectors so there will not any cash flow to tourist places like Goa, Mahabaleshwar, Himachal Pradesh etc.

❖ **Effect of COVID 19 on IT industry :-**

IT industry depends on the global market as all their projects are international. Due to COVID 19 pandemic global economy is badly affected. So employees who are working on existing projects do their work from home so their work does not hamper due to pandemic situation.

But new projects are not allotted to IT industry as the global market is falling. Due to this, there are chances of unemployment in IT sector. As the economy of a big city like Mumbai, Pune, Bangalore, Delhi, etc. is dependent on IT sector so there will be a big loss in the urban economy due to this scenario. But a new style is developed for working i.e. work from home, due to this style of working there is fewer chances of infection and employee productivity is also improved in IT Sector[2].

Post COVID HR Practices

❖ **Change in hiring practices:-**

The recruitment process is highly affected due to the COVID scenario. As previously screening, interviewing and onboarding is done offline process but due to the COVID pandemic situation all these process were done by Online Mode. In this style of working online applications are called and screening is done by different HR ATS systems [10].

After screening interviewing is a very important and crucial process as here an actual selection of a candidate is done. Nowadays this process is done by a video conferencing platform. Here subject experts and HR interviewer join the interview by video-conferencing applications like WEBEX, ZOOM APP, Google Meet, ETC. In this online selection, process the interviewer is very much attentive to select the desired candidate. After the selection of the right candidate onboarding process is also done online way where the selected candidate is verified and DJKRA is explained.

❖ Remote working

In the Year 2020-2021 almost all organizations allow their employee to work from home, to reduce Social contact. So due to this remote working employees and their family members feel secure in this pandemic situation. At the initial days of lockdown, it was a challenge to develop the IT infrastructure at employee residence. But once it is done it becomes easy for employees and employers to do so [10].

Remote working can lead to increased productivity of the employee, which ultimately helps a business's bottom line. Employees are more efficient as they are less distracted than in an office setting. In work from Home, Pattern employees can experience less stress as they don't have to deal with the hazards of commuting, and lower stress levels lead to higher morale. With remote workers, companies can incur less overhead and operating costs to keep their business running smoothly, and they also may see a reduction in severe workers compensation claims.

❖ Freelancers to grow

In the COVID Scenario Freelancing concept is widely accepted. In the most of IT sector company projects are outsourced to freelancers. Freelancing is good for the company as the cost needed to develop a certain project is very less. For freelancers, only consultancy fees need to pay the rest HR formalities are very less in the process. Only HR has to make a work argument between the freelancer party and Company which will describe all the clauses and work description. But the only disadvantage in this process is our confidential files and company secrete are share with a freelancer that can reduce the security regarding data [10].

❖ Focus on learning and development to make employee future-ready

Learning and development are very important work of Human Resource Department. Now the time and work culture is divided into two time labs i.e. Before COVID & After COVID. It means many things are changed after COVID. Every company has adopted new technology and new working style to complete the others. In lockdown most of the employees are doing their task from home so HR department has to develop learning module for every level of employee so that can compete with other and easily adopt post-COVID new technology and working style.

❖ Focus on wellness & Seek employee feedback

Employee wellness is the key factor during this pandemic. After a few years employee health and immunity report will be the major factor at the time of selection of employee. In this pandemic situation HR have to arrange different health checkup and immunity busting program so that every employee will be ready to face pandemic. HR also has to ensure the employee about safety and security at the workplace. Organization must have to provide health insurance for the employee in such type of pandemic situation.

If any employee of an organization is seek, then HR department have to take follow-up of his/her Health so that he can feel the sense of support from the organization. If in case any seek employee needs any financial or medical help then HR has helped him out. Psychological support is also needed to recover from any such situation so HR has to hire or consult some psychological counselor to help their employee for coming out of such situation.

Conclusion

From this study, it is observed that such pandemic situation repeats after 100 years previously such pandemic situation occurs due to plague. Now from February 2020 this pandemic situation occurs due to CORONA Virus i.e. COVID 19. The effect of COVID 19 is worst as compared to the previous pandemic situation across the world.

Due to lockdown, only essential services are allowed to work. Remaining all the businesses such as production industry, infrastructure industry, shopping Malls, E-commerce sites, etc are remains closed due to this many workers lose their jobs and become unemployed. On the other hand, food industry related businesses are also hampered due to this pandemic situation. According to research impact of this Pandemic situation will lies for 2 to 3 years.

This research also gives the Post COVID HR working style to make the balance between organizational work and safety of employees, which can be achieved by remote working, social distancing, and focusing on employee wellness.

References

1. “Human Resources Pandemic Emergency Response Manual” Division of Human Resource Management, volume 3, May, 2016.
2. Ashwin Pande, Dr. Arti Deshpande, “Effect of Covid-19 on Indian Economy and Human Resource”, IRJMSH, 2020, Vol 11 Issue 6, 2020
3. “Human Resources Pandemic Influenza Planning”, HR Pandemic Planning3.doc, 09, Jun, 2009.
4. “Human Resource Management Practices in Times of the COVID-19 Pandemic”, Aarhus University Survey Report, July 2020.
5. Mark Butterick, Andy Charlwood, “HRM and the COVID-19 pandemic: How can we stop making a bad situation worse”, HRM Journal, 2021.
6. David McGuire, Marie-Line Germain, Kae Reynolds, “Reshaping HRD in Light of the COVID-19 Pandemic: An Ethics of Care Approach”, Advances in Developing Human Resources, Vol. 23(1) 26–40, 2021.
7. https://en.wikipedia.org/wiki/COVID-19_pandemic_in_India
8. <https://www.moneycontrol.com/indian-indices/sensex-4.html>
9. https://en.wikipedia.org/wiki/COVID-19_pandemic_in_India
10. <https://amtrustfinancial.com/blog/small-business/coronavirus-best-practices-work-from-home-policy>
11. Robinson James, Kengatharan Navaneethakrishnan, “Exploring the effect of Covid-19 on Small and Medium Enterprises”, JAEBR, 10(2): 115-125, August -2020
12. H.H.D. Pooja Jayani Opatha, “COVID-19 in Sri Lanka and Seven HRM Related Recommendations against COVID-19”, Asian Journal of Social Sciences and Management Studies, Vol. 7, No. 2, 152-157, 2020
13. Mark Butterick, Andy Charlwood, “HRM and the COVID-19 pandemic”, HRMJ, Vol-17 September 2020.
14. Ashraf Saeed Elsafty, Mohammad Ragheb, “The Role of Human Resource Management Towards Employees Retention During Covid-19 Pandemic in Medical Supplies Sector”, Business and Management Studies Vol. 6, No. 2; June 2020

POST-COVID HR PRACTICES AND ECONOMIC CRISIS RESULTS TO UNEMPLOYMENT

15. Vanessa De Leon, "Human Resource Management during the COVID-19 Pandemic", California State University, Northridge, August 2020.
16. Kumudinei Dissanayake, "Encountering COVID-19: Human resource management (HRM) practices in a pandemic crisis", University of Colombo, Sri Lanka, Aug-2020.
17. Iza Gigauri, "Organizational Support to HRM in Times of the COVID-19 Pandemic Crisis", European Journal of Marketing and Economics, ISSN 2601-8659, Volume 3, Issue 3, September – December 2020
18. Dr. Pravat Kumar Jena, "Impact of Pandemic Covid-19 on Education in India", International Journal of Current Research, 12582-12586, 2020.
19. Khalil M. Derain, Mehrangiz Abadi, "Leadership competencies and the essential role of Human Resource Development in times of crisis: a response to Covid-19 pandemic", Human Resource Development International July 2020.
20. Kelvin M Mwita, "Effects of Corona Virus Pandemic (Covid-19) On Selected Human Resource Management Practices in Tanzania", East African Journal of Social and Applied Sciences (EAJ-SAS) Vol.2, No.2 Publication Date: October 20, 2020.
21. Jihad Fraij, "E-HRM to overcome HRM Challenges in Pandemic", SEA- Practical Application of Science, Volume IX, Issue 25, Jan-2021.
22. Kunle Akingbola, "COVID-19: The Prospects for Nonprofit Human Resource Management", Lakehead University, ANSERJ articles, Vol. 11, No. 1 Spring / Printemps 2020
23. Iza Gigauri, "Effects of Covid-19 on Human Resource Management from the perspective of digitalization & Work-Life-Balance", International Journal of Innovative Technologies in Economy 4(31), SEP- 2020
24. Dewiana Novitasari1, Ipang Sasono, "Work-Family Conflict and Worker's Performance during Covid-19 Pandemic: What is the Role of Readiness to Change Mentality?", International Journal of Science and Management Studies (IJSMS) E-ISSN: 2581-5946, August-2020