

Employability, A Key to Community's Socio-economic Malady of Pandemic Proportions



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Abstract The development of any society in a region is dependent on the economic forum that is offered to them. It is for this reason that in a developing country regional inequality is progressively seen. The variability in the context of equality is the outcome of cumulative reasons that originates from the basic structure of economic, sociological, demographic, seasonal, or factors that calibrates to the minimum balance required for the community's sustenance. If these calibrations are hindered due to any external factors like a pandemic beyond control, the society witness severe imbalances which cast a functional impact on the economy and society that resonates with it. Intending to deal with such a situation demanding urgent attention, need-based arrangements have to be made to combat the adverse societal and economic effects of pandemics. During Covid-19 lockdown conditions in India, one of the most important aspects governing the sustainability of the community i.e., employment was severely hit and the worst impact was on informal employment. Considering that the informal sector contributed to about 45% of the gross domestic product in India, it becomes imperative to intrude into the situation. The present paper asserts this proposition and examines the socio-economic challenges faced by that section of the workforce who were dependent on daily wages for their sustenance but remained out of work since the lockdown conditions were imposed to contain the spread of Covid-19. With the help of the Qualitative Response Regression Model (linear probability model) based on focused group discussions, an assessment has been made to highlight their intrinsic requirements to assist them in pursuing a decent living. It was found that enhancing employability by supplementing employable skills among such workforce will enable a source of income that will counter the non-availability of work for them.

Keywords Employability · Informal employment conditions · Employment after lockdown · Pandemic · Community · Indian informal workforce

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1 Introduction

Human mankind is fragile to epidemics especially when its effect suppresses the entire community with social and economic consequences. Countries across the globe are facing one of the most infectious diseases in modern times in the form of the Covid-19 pandemic (Pandey et al. 2021). The community witnessed Covid-19 as a formidable opposing force for their sustenance and India was no exception. With a high population and its density, Covid-19 posed an exponential threat which was evident as the governmental measures proved inadequate to manage it in its early stages. Apart from the economic recession and related issues, one of the most acknowledgeable aspects of this global pandemic was observed in the developing countries where income-generating activities were the hardest hit leading to intense unemployment conditions in the economy. In the month of April 2020, the unemployment rate surged to 23.52% (Center for Monitoring Indian Economy 2021) as compared to 8.75% in March 2020, which was highest in the preceding years and was almost comparable with the situations of unemployment in India during a global recession in 2008 (Das 2008). Though with the passage of time and curative measures taken by the government, the unemployment rate came down in subsequent months still the effect of the Covid-19 pandemic was observed in every sector of the economy. The job loss, though was universal in both formal and informal sectors, its severity was intense in the informal sectors where the informal workers were unskilled and relied mostly on wages to meet their daily exigency needs. It was estimated that about 20% of the informal workers remained unemployed even after the lockdown conditions were lifted to revive the economy (Pandit 2021). Considering that contributions the informal sector makes to Gross Domestic Product (GDP) in India amounts to 45% (Kumar 2018) and it is the informal labor force that makes this happen, the unemployment percentage of 20 will have a contrary consequence on the economic growth of the country. This condition becomes linearly proportional to the socio-economic challenges that the community will be subjected to and comprehends that revival should start not only from tackling this deficiency in employment opportunity but also parallelly covering the base to offer a sustainable solution targeted specifically to the informal strata of the community.

The present study fosters to ascertain this situation and explores to identify workable conditions which will help the community to sustain such economic shocks in the future with the objectives to examine the socio-economic challenges faced by informal workers who remained out of work since the lockdown conditions were imposed to contain the spread of Covid-19 and to explore means which will assist them to sustain a living in the absence of wage-based regular or part-time work as an effect of pandemics that have severe economic consequences. These mandate governmental as well as private sector interventions to apply sustainable solutions to neutralize the challenges posed by the Covid-19 pandemic as it created a new sphere of observing the development process.

2 Framework of the Study

The essentiality of lockdown to contain the spread of Covid-19 across the globe is non-questionable, as it was intended to secure human mankind and its race. But the same cannot be confidently expressed considering the effect of lockdown measures due to the repercussions the Covid-19 constraint had on the economy and the society that forms it. The precautionary step of lockdown had the prerequisite to confine the members composing the society and restrict them from performing any economic activity leading to loss of business for the employer as the sectoral firms, industries, business units, etc., were comprehensively restricted with exemption only to the essential services providers. This considerable ceasing of business led the business firms to follow cost-cutting measures which triggered massive job loss across the country. Among the labor force in the country, informal workers were the hardest hit, as they were most vulnerable to such economic turbulences. Table 1 enumerates the status of employment as a comparative analysis in pre and post-lockdown conditions.

This assessment highlights the fact that in the post lockdown conditions, the unemployment percentage increased significantly. The informal workers with no work and depleted savings were forced to reverse migrate to their homeland during the lockdown. This mass exodus of the informal workers had compulsive repercussions on the agrarian employment settings in the rural economy. The return of the migrant laborers intensified the need to explore income generating activity among the rural households as their return was also accompanied by compulsions on three fronts, i.e., (i) loss in the source of income for the households, (ii) Addition of an extra member for the household, and (iii) Pressure on the limited agrarian work of the family already reeling under the problem of disguised and seasonal unemployment conditions.

These significant factors were a cohesive force that started to retard the living condition of households and widen the income inequality in the community as compared to those workers who did not migrate and settled with the agrarian work profile in their homeland. With the loss of income and status in the community, these workers were subject to social apathy which elevated the overall financial effect of job loss. Present condition prevalent in the rural Indian society which mostly abounds

Table 1 The status of employment of informal workers across sectors before and after lockdown

Sectors	Pre-lockdown			Post-lockdown		
	Unemployed	Seeking work	Working	Unemployed	Seeking work	Working
Agriculture	6.14	10.75	83.08	69.92	20.43	9.65
Construction	4.55	7.69	87.76	83.85	10.84	5.31
Manufacturing	2.22	5.12	92.66	79.96	13.07	9.97
Services	2.72	7.42	89.86	76.32	14.2	9.47

Source Action Aid India 2020 and firstpost.com

in primary sector activity, typically in agriculture and poses a grim situation for most of the workers engaged in these activities as the problem of insufficient employment opportunities dominate the agendas which the government need to tackle along with streamlining agricultural marketing to boost farmers income. It is mandated to explore this situation and optimize their value toward enabling them to sustain a decent living by overcoming the growth retarding economic and social factors relating to economic shocks like pandemics. It is the responsibility of the Government as well as the society to assist in the process of integrating these workforces which were left behind in the growth process, where they are empowered to secure growth for themselves and also contribute toward the development of the country as a whole.

3 Research Methodology

3.1 Data Base for the Study

The study is based on primary data which was collected by questionnaire through an informed enumerator and the study area was confined to Sonahatu block of Jharkhand State. This area abounds in reversed migrants from various urban parts of metropolitan cities of the country as well as from Ranchi, the capital city of Jharkhand. Moreover, others lost their job (informal in nature) during the Covid-19 lockdown but were unable to revive their employment prospects in the post lockdown conditions and mostly confined their income generation from the farm and related activity. These workers from the defined area formed the study population and a sample size of 50 workers was taken to administer the survey. All the workers in the sample were informed and guided about the present condition of employment opportunities in the post lockdown and also, they were guided on the ways to employ their labor in better income generation activity. The sample was subjected to focus group discussion in two separate groups and their views were recorded. The respondent's profile is presented in Table 2. Out of the total respondents, 46 were male candidates and 4 were female.

Table 2 Respondent's profile

Gender		Education		Present income	
Male	46	Post graduate	15	No income	28
Female	4	Graduate	21	0 to 1000	11
Other	0	Intermediate	9	1000 to 3000	5
		Matriculation	5	3000 to 7000	6

Source Author's Survey

Concerning the education of the respondents in the study, 15 were educated with a post-graduation degree, 21 were graduates, 9 had completed their study till intermediate and the rest were matriculated. Concerning the income of the respondents, 28 of them did not have any specific source of income, 11 had the income range of 0–1000 rupees per month, 5 were in the income group of rupees 1000–3000, whereas 6 were in the income range of rupees 3000–7000.

3.2 Theory and Calculation

The research conducted was motivated by the Human Capital Theory considering how education along with other characteristics help create skills and individuals from human capital by acting in their interest (Hung and Ramsden 2021). The employability enhancement enforces an individual to accumulate skills required to foster self-aspiration of meaningful employment. It also concerns an individual potential in the labor market as a realization of employment potential (Van Harten et al. 2021). In the quest to establish a forum for this study, Linear Probability Model (LPM) was applied in the data analysis. The LPM is the application of ordinary least squares to binary outcomes in the data (Deke 2014). The present study comprised estimating regression parameters based on binary data obtained from the respondents.

3.3 Data Analysis

The qualitative research technique of naturalistic observational analysis was used to observe respondents' ongoing discussion and behavior in their natural surroundings. Table 3 records the remark of respondents from the focused group discussion. Naturalistic observation made during the focused group discussion highlighted the socio-economic plight of the informal workers in the study area. The socio-economic indicators of expanding inequality, poverty, unemployment, unsustainable present work, inability to support family, and inequality of opportunity recorded 100% responses from the informants. Inferential statistics comprising the quality response regression model (linear probability model—LPM) was applied to the data to interpret the results to construe the objectives. The respondents were asked to state an income that will give them comfort at their home and suggest measures for their self-improvement to assist them in gaining employment that will give them their desired income at home. The respondents were asked for their view if enhancing their employability by imbibing a set of skills will help them either to gain employment or start their ventures at a micro-level. They were again asked to assign 1 if they believed that enhancing employability will increase their chances to gain work and 0 if they do not believe so. The data obtained was subjected to LPM and a regression Eq. (1) was obtained (Gujarati et al. 2018):

Table 3 Respondent’s remark on socio-economic indicators

Socio-economic indicators	Responses
Poverty	50
Discrimination	44
Expanding inequality	50
Unemployment	50
Health issues	23
Unsustainable present work	50
Inability to support the family	50
Inequality in social class	41
Inequality of opportunity	50
Achievement deprivation	30
Neighborhood deprivation	12

Source Researcher’s survey

$$\hat{Y}_i = -0.5677 + 0.0744X_i \tag{1}$$

The regression equation was derived from the data in the Table 4. Table 4 reports the result of the survey and mentions the respondent’s remark on employability as a determinant of prospects in employment. R in the table indicates the respondent’s serial number, Y is the response of the informants, where numeric figure 1 indicates yes and 2 indicates no. Whereas, X indicated the expected income. Y_i in Table 4 is the estimated value of Y.

In Eq. (1) the intercept of -0.5677 gives the probability that the respondent with zero desired income will opt to enhance employability. Since this value is negative, it is being treated as zero. This was necessitated as the OLS (ordinary least square) procedure does not follow the inequality restriction:

$$0 \leq (EY_i) \leq 1$$

The slope value of 0.0744 means that for a unit change in expected income (‘000 in the study), on average the probability of respondents opting to enhance their employability increases by merely 0.0744 or about 7%. Each respondent’s actual probability is enumerated in Table 4.

4 Findings and Discussion

It was evident from the analysis through the focused group discussion that suppression among the workers taken under this study was observable. The clear incidence of adverse economic factors on the social life of these workers was profound which was acting as a physical as well as a mental constraint in their quest to secure a

Table 4 Informant’s response on employability as a determinant of employment prospects

R	Y	X	(Y _i)	R	Y	X	(Y _i)	R	Y	X	(Y _i)
1	1	20	0.9203	19	1	15	0.5483	37	0	15	0.5483
2	1	15	0.5483	20	1	20	0.9203	38	0	12	0.3251
3	0	15	0.5483	21	1	15	0.5483	39	1	15	0.5483
4	0	12	0.3251	22	1	20	0.9203	40	1	13	0.3995
5	1	15	0.5483	23	0	13	0.3995	41	0	10	0.1763
6	0	13	0.3995	24	0	14	0.4739	42	1	15	0.5483
7	1	10	0.1763	25	1	20	0.9203	43	0	20	0.9203
8	1	15	0.5483	26	0	12	0.3251	44	1	15	0.5483
9	1	20	0.9203	27	0	10	0.1763	45	0	13	0.3995
10	1	15	0.5483	28	1	15	0.5483	46	1	20	0.9203
11	0	15	0.5483	29	1	20	0.9203	47	1	15	0.5483
12	1	20	0.9203	30	1	15	0.5483	48	1	20	0.9203
13	1	15	0.5483	31	0	15	0.5483	49	0	10	0.1763
14	1	20	0.9203	32	1	20	0.9203	50	0	15	0.5483
15	1	20	0.9203	33	0	15	0.5483				
16	0	15	0.5483	34	1	20	0.9203				
17	1	15	0.5483	35	0	20	0.9203				
18	0	12	0.3251	36	1	15	0.5483				

Source Researcher’s Survey

decent living for themselves and their family as compared with those workers who managed to get a job in the post lockdown conditions and those who did not migrate and stayed in their homeland. Suppression of any kind whether physical, mental, or monetary, is not conducive for the well-being of the community. This affects human development which in turn slows the human capital formation among the countrymen casting negative repercussions on the economic growth of the country. Human capital formation is a key element in enhancing employability. From the second assessment by the application of LPM, it was deduced that in the absence of employable skills these workers were vulnerable to the vagaries of economic shocks in the future. Even with an increase in their desired income by 1000 rupees, there seemed a very small change in their mindset to intensify their demand for enhancing employability. This observation was noteworthy as despite most of the respondents agreeing on employability as the factor that may ensure them decent work, their probability to raise its demand was negligent. This can be attributed to two basic factors:

- (a) Lack of belief in the administrative machinery that will channelize such skill-based vocational programs to enhance employability.
- (b) They might be more inclined to handle whatever work they have rather than investing time in vocational job-oriented courses which in turn may leave no time for any vocational training.

5 Conclusions

For a massive populous country like India, it is imperative to address the cause of unemployment. Covid-19 proved the vulnerability of the workers to economic shocks and raised questions on the future of the informal workers. It also underscores the feeble employment fabric that the current economy wears. The question that needs to be addressed is, how will the informal workers be protected in case such pandemics or economic shocks surfaces again? Answering this question will not only assist the informal workers but also enhance their contributions to the GDP, an indicator of economic development. The present study with the informal workers expressed that enhancing employability by making people as resources will help to immune them from such economic turbulences in the future as the probability of job loss in case of a generic work always remains high as compared to jobs with specialized work. Even in cases, there is a job loss, the trained workers will still possess the skill which can be used to realign their employment. The focus on employability and raising the human capital among the informal workers can be affected not only by governmental intervention but also by public–private partnership wherein the leaders in the private sector can be roped in through their corporate social responsibility initiatives to impart vocational training that is based on the skill set and specialization the worker is longing for. This study was subjected to certain limitations which comprised restricting the research field only to one block of Ranchi district. The analysis in the paper is based on self-report. Since the sample size was small and respondents from different sections of the community were not equal, a comprehensive analysis could not be done. To comprehend the findings of this paper, an expansionary analysis is deemed to cover more districts and obtain larger samples more equitably.

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