

A Study on Impact of Covid-19 in different Industry Verticals: an Employer Perspective

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Abstract

This is about the impact of Covid-19 in the different Sectors. Pandemic situation arises in December 2019 and still it's going on. The entire World is facing economic crisis, lock down and so many problems. In this study, a detailed report on the impact of Covid-10 was clearly explained. We have adopted to New Normal life. Also suggested few things including how to recover the economy and our life style back.

Key terms: Pandemic, GDP, recovery

1. Introduction

Covid-19 has its origin in Wuhan, China and simply spread all over the world in a couple of months. Experts have categorized countries into 3 different shapes like U-Shape, V- Shape and L-Shape based on the economy recovery. V-shape: Canada.- output is adversely affected, but growth eventually rebounds to its old path. U shape: US – Financial crisis triggered a steep drop in growth. L-shape: Greece- Crisis left lasting structural damage. Policy response to the crisis will determine whether an economy. Pandemic situation is still in existence and will exist for a long time. We are now living in and adopted to New Normal life.

2. Economic Consequences of Covid-19

In general, financial markets have fallen which caused household wealth to contract. Household savings rates have increased, causing a fall in consumption, which may cause a steep decline in the economy. Severely affecting consumer confidence. Supply chains are affecting – adversely affected. Layoff to occur in many companies to reduce the cash

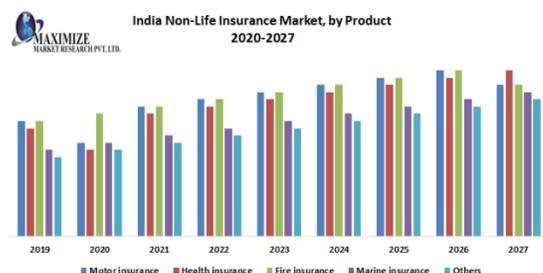
outflow as there is narrow decline in cash inflow in the industries. Decrease the disposable income

3.1 Impact in Manufacturing Sector:

All the manufacturing company stopped their manufacturing for nearly 2 months (from mid of March) which resulted in downtrend of the economy and also the employers and employees suffered a lot. Migrant employees moved back to their native. So there is insufficiency in the labor for production which results in nil Cash inflow in business. Employers spending form their corpus fund to pay for their employee's salary. Also they have decided to cut-down the salary to even 50%. Increment, reward and other allowances to be cut down for the employees for the next few months.

3.2 Insurance Sector:

Health Insurance will grow in upper hand till 2027.



Source: <https://www.maximizemarketresearch.com/market-report/india-non-life-insurance-market/42091/>

Insurance industry will grow in forthcoming years. During 2027, Health Insurance will grow faster rather compared to Marine, Motor, Fire and other types of

insurance. For Instance, even Government came forward and provides insurance to the volunteers and the real fighters (Doctors, Nurses and Police).

3.3 Education Sector

Many people are suffering to get their daily needs so they cannot afford for their children education in this pandemic and hectic situation. Even final examinations are still pending, and the Government and Education board are discussing about whether to conduct final examinations. All the educational institutions are facing challenging situation for the next academic year 2021.

3.4 Service Industry:

Airplane: Facing huge down trend, even after lockdown also they may face economic issues and financial crisis. Due to Social Distancing, precautionary measures cost will be incurred and due to economic crisis middle class people may avoid travelling by air. Only business people and high class people may travel by Air for the next 3-5 years.

Saloon : 60% of saloon will be closed to avoid the cost incurred. Even a single basic service may incur around Rs.250 for precautionary measures and they cannot able to get it from their customers. And even employees are panic about the situation as the virus is highly dangerous. And most of the migrant employees from North India has went to Native so there is reduction in skillful employees. And even customers are started doing basic services in their home itself due to pandemic.

Mall: Since all the Shopping malls are air conditioned they cannot able to open during this period. All the showrooms, shops, grocery shops, clothing store, etc situated in Mall are very badly affected. So the employers are even not able to pay their employees.

Entertainment: Amusement park, theatre will also suffer after this Covid-19.

3.5 IT Industry

As most of the employees has been laid-off, the recruitment is stopped for a year. Many IT companies insist their current employees to Work From Home. All others who are in bench, has been laid-off as they are not able to pay them.

3.6 Health Care and Pharmaceuticals

It is the only industry which cannot be let down. Many research to discover medicine for Covid-19. Wide employment opportunities in this sector.

Though India is one of the top formulation drug exporters in the world, the domestic pharma industry relies heavily on import of bulk drugs (APIs and intermediates that give medicines their therapeutic value). India imported around Rs 24,900 crore worth of bulk drugs in FY19, accounting for approximately 40 per cent of the overall domestic consumption. With India's API imports from China averaging almost 70 per cent of its consumption by value, importers are at the risk of supply disruptions and unexpected price movements.

3.7 Tourism

The sector which affected the worst is Tourism since March, 2020. Stakeholders related to tourism industry are very badly affected as their customers named tourist stopped visiting the areas or locality. It may take 2 to 3 years to start their recovery even we can say, V-Shaped recovery.

4. Inference

In working environment, usage of air conditioners, other materials has to be reduced so Online and Work from home to be continued for long time to reduce the disease spread and also to reduce the cost for employees.

Personal selling is to be avoided, and rejected by customers, Digital marketing will reach peak. Since parents are afraid of sending their children to school and colleges, education has to be come online providing so many online courses to enhance the knowledge.

IT, Education, FinTech, AR and VR, IoT will reach peak after Covid-19.

Since import of electronic goods has been banned now for time being, "Make in India" concept has to be promoted, so many manufacturing industries has a wide scope of manufacturing variety of goods and sell within our country and also has chance to export to other countries too.

Indian people especially we have many youth people in our country compares to other countries, and they are strong in technology, so they have to think and develop many strategies to bring back our economy.

5. Suggestions

Social distancing and self protection measures to be taken by every individual to get protected from pandemic disease.

Education should be provided Online with E-Certificate, courseware's importance should be insisted to the students to learn more new and different things about the subject.

Entertainment should be provided Online channels to publish the videos

Banking using the Fintech technology should be used more by the customers to avoid in-person transaction.

Financial Institutions should use FinTech for online transactions

Food and Restaurant industry should only provide take always and free door delivery to the customers with all precautionary measures.

Business Meeting should be conducted in online like Zoom, Google meet, Microsoft Teams and other apps to prevent the employees from pandemic.

In Hospital, Doctor consultation should be done through Video conferencing or telephone. Patients can go to hospital for emergency needs

6. Future Research

It is advised to conduct survey and research on how to get rid of this pandemic situation. Also to find the ways to overcome the economy of individual business which will automatically increase the country's GDP.

7. Conclusion

As the economy of country is declining due to the pandemic, the only way to decrease the pandemic is self-responsibility. If anyone got infected with Covid-19, they themselves have to isolate for 15 days and take medicine, food properly to get recover. Have to intake spices and other things properly. As individuals are aware about the pandemic and help the Government to get rid of it, automatically this pandemic situation

vanishes and the employability starts growing, as a result economy of business increases which depict the growth of country's GDP.

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