

CHANGED DYNAMICS OF BUSINESS AND WORK DURING AND POST COVID PERIOD IN INDIA

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ABSTRACT

This paper gives the readers a deep understanding of the impact of covid 19 on ways of making business and work and its impact on various industries in INDIA – how covid affected the Indian economy, how has the pandemic transformed business systems, and the current scenario of doing business and work, positive effects of covid and emerging industries in post covid period. This paper addresses the issues related to this and a depth literature review was done to highlight the same. Different strategies and new working methods were brought into action. Work from home and other strategies were taken up. Along with the various challenges a new concept of work emerged during the post covid time and it is now a matter of research on how the economy will be impacted at various levels.

Keywords: Changed Dynamics, Digitisation, work from home, creativity, online.

Introduction

India has been hit hard by the pandemic, particularly during the second wave of the virus in the spring of 2021. The sharp drop in GDP is the largest in the country's history, but this may still underestimate the economic damage experienced by the poorest households.

From April to June 2020, India's GDP dropped by a massive 24.4%. According to the latest national income estimates, in the second quarter of the 2020/21 financial year (July to September 2020), the economy contracted by a further 7.4%. The recovery in the third and fourth quarters (October 2020 to March 2021) was still weak, with GDP rising by 0.5% and 1.6%, respectively. This means that the overall rate of contraction in India was (in real terms) 7.3% for the whole 2020/21 financial year.

In the post-independence period, India's national income declined only four times before 2020 – in 1958, 1966, 1973, and 1980 – with the largest drop being in 1980 (5.2%). This means that

2020/21 is the worst year in terms of economic contraction in the country's history, and much worse than the overall contraction in the world. According to a report, more than 82% of small businesses in India have been affected negatively due to COVID-19, which are the backbone of the economy. covid has hit the economy and businesses massively, but as we say every cloud has a silver lining, Changing the dynamics of doing business is going to open up new opportunities and will prove more fruitful.

1. The positives and the way forward:

It pushed the fast-forward button on digital access:

The 2020 global pandemic side-swiped businesses with no pre-warning that the physical workplace would have to cease operations as they were. This left many organizations faced with a difficult predicament to navigate through and no option but to come up with a new plan to resume trading overnight. From internal communications, and connecting to customers to managing supplies, organizations had digitalise rapidly. For most businesses, the shock impact of the pandemic sent them into fight or flight mode...if decisions weren't made to implement a new way of working based upon an increase in technology usage, the chances are that business wouldn't survive. In many instances, things that would have traditionally taken months to negotiate or finalize through the old way of working, now take just hours. India's total e-commerce shopper base, at 30% of its online population, is relatively low compared to 78% in China and over 70% in the US. In a 53-page report on 'India's Digital Economy in a Post-Covid-19 World', Morgan Stanley has projected that India's online shoppers will jump to 590 million from 1190 million in 2020. The average spend per online shopper is also projected to nearly double to \$318. Almost 82% of the surveyed small businesses have digitized their daily operations, which has helped them reduce costs and boost competitiveness.

1.1 Global supply chains will be redrawn:

China has been the factory of the world for quite some time now and as a result, it has become the pillar of global supply chains for everything from chips to drug APIs. The world has realized that it might not be a good idea to put all eggs in one basket. This would mean that countries like India that have long waited for their turn to make for the world would increasingly see more foreign businesses set up bases and generate large-scale employment. Nearly one in four European companies in China are considering shifting their investments out of the country as the ongoing Covid outbreak and lockdown dim the outlook for the world's second-largest economy, a survey showed. Some 23% of the businesses that responded to the survey are thinking of moving their current or planned investments away from China, according to a report released Monday by the European Union Chamber of Commerce in China. The survey was conducted at

the end of April when Shanghai was still in shutdown and restrictions in places like Jilin disrupted business activity.

1.2 It provided companies with the perfect opportunity to innovate:

The pandemic presented a unique opportunity for businesses to prototype their adapted ways of working in a relatively safe space. There appeared to be a period of global understanding and empathy for companies' challenges. Customers were patient, understanding why things had to change and suppliers were seemingly more flexible. Businesses had an opportunity to diversify, introduce new products, and explore new markets, with little risk of resistance. This period of rapid innovation helped to build confidence among businesses and to introduce change boldly and fearlessly. This evidence of positive results should encourage change and diversification to become a constant within company business models. moreover, The coronavirus pandemic has led India to initiate reforms that have been stuck in red tape for decades. For instance, the government has liberalized the coal sector and changed specific labor laws that were said to have been hindering businesses. Moreover, the government has also announced Agri market reforms such as legislation allowing farmers to sell their produce to whoever they choose.

1.3 Nature of jobs will be transformed

The coronavirus pandemic has led to a lot of companies rethinking office spaces and on-site work. Tech bigwigs such as Facebook, Google, and Twitter have already made announcements regarding giving staff the option to work from home in the long term. The idea that employees would be too relaxed, become lazy, and be distracted by things around the home as opposed to fulfilling work obligations was overlooked by; the time saved traveling commuting, reduced distractions, and the effectiveness of virtual meetings. Although faced with challenges, working from home, and communicating digitally have produced better productivity results than anyone could have expected.

Sectors with better post-covid opportunities:

1. Edutech:

The pandemic saw the closure of schools and colleges which initially troubled students as there was no infrastructure for online education. Many students and teachers suffered to adapt to a new way of learning, But edtech became the solution. Children could receive education from their homes and stopped the need to travel which saved time. A lot of students could interact better with teachers who were shy because of competition. It also encouraged the use of videos and pictures which would help them grasp the concept better, rather than the conventional chalk and board system which limited a child's understanding. It also helped by providing recorded classes

which helped children to study at their pace and suitable time. pandemic also saw the rise of online education platforms like PW, Vedantu,unacademy, and byjus which provided students with a world-class education from highly qualified teachers at a nominal cost. platforms like great learning,udemy,upgrad, and coursea became increased options to get a degree and acquire skills which helped grow faster. Even after the decline of the pandemic people are regularly using them to acquire skills as it saves time and provides better opportunities. According to a report by RedSeer and Omidyar Network India, the online education market for classes 1-12 is projected to increase 6.3 times in the next year and create a \$1.7 billion market. The post-K-12 market is set to grow 3.7 times.

2. Medical and pharma sector

As people adopt better personal hygiene practices in the post-COVID-19 world, the consumption of nutrition and wellness products is expected to see a rise. At present, products like disinfectants and sanitizers are recording the highest sales – a trend that seems likely to continue and become deeply ingrained in consumer behavior. Fitness products like fitness tracking gadgets and apps are also seeing a surge in demand.

This shift in mindset towards healthier living opens the door for collaborations between fitness product manufacturers and healthcare providers, creating a positive impact on the country's GDP in the coming years. Moreover, as people turn to the online medium, provisions like online medicine delivery and teleconsulting – which are already seeing stellar growth owing to the lockdown – will rise even further in the future.

We might also see more healthcare-oriented investment from private and public sectors as the country enhances its healthcare infrastructure in the wake of the ongoing pandemic. This will have a two-fold impact on the Indian economy. Firstly, essential healthcare services will become more accessible, available, and affordable for the mass consumer. Secondly, and just as importantly, the number of employment opportunities will explode.

In a country that has been facing some challenges with the high level of unemployment of late, this will be a major shot in the arm.

3. E-Commerce & Delivery-Based Services

The pandemic has increased the surge of online shoppers. While most Indian households have lately been switching to online retail platforms like Amazon, Flipkart, Grofers, Bigbasket, etc. Social distancing is being practiced as the new normal for upcoming months or years, and people refraining from gathering at markets, grocery stores, and public places, the E-commerce & Delivery based sectors are booming at large. Huge discounts are currently being offered on

various items while, to ensure that the needs of all are fulfilled, unit caps have been imposed on the purchase of essential goods. Given the rise in demands, in their order volumes despite challenges like order delays and cancellations this industry is already on a growth trajectory, and the recent events catalyzing this sector among people and see a spike in customers in the future also.

4. Digital Payments:

One thing that's inevitable in the upcoming days is an all-time economic low. Masses would be stranded with less or no cash reserves. Aggravating the issues at hand, unemployment and health issues would make matters worse. In such times, regulated financial service providers have a pivotal role to play. The growth in digital payments is fast, thus boosting Financial Technology, Phonepe, Paytm, Google Pay, etc are gaining stability. Digital lending is taking wings. Online investment products that come under Fin-tech are gaining momentum. It is observed that this sector has seen a boom time like never before.

5. OTT Platforms & Online Gaming:

Over-the-top media and online gaming have surfaced above the conventional ways of entertainment. With bans and restrictions on movie theatres, gaming hubs, and other recreational-amusement installations, these OTT platforms like Hotstar, Netflix, Prime, etc., and the online gaming world had to fill in the gaps. Soon enough, those who were not accustomed to these would be habitual and the need for heading out to garner some entertainment would be replaced by these. These have proven to be time & cost-efficient, provide a more personalized version of the same experience and one can experience these in the comfort of home.

Conclusion

Though covid impacted the economy pretty harshly, It has opened up some new doors. Work from home is the new normal and Tech is becoming necessary. Tech is proving more fruitful in providing efficiency and cost of work. Tech has enabled even small businesses to maximize their potential through digital marketing, blockchain system, online bookholders, and account managing software.

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