Human Resource Practices in New Normal and the
COVID-19: Implications, Challenges,
Opportunities on IT Industry

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* Sarita Maxwell
**Garima Singh

Abstract

The entire world is in the effect of virus Coronavirus disease 2019 (COVID-19), which was first detected in Wuhan, Hubei, China in December 2019 and resulted in a continuing pandemic. COVID-19 has had a significant negative impact on people, as well as many industries and business sectors. The office move to the home has been one of the main effects of the Covid-19 pandemic this led organizations to rethink their HR practices and strategies to survive this new normal. This paper specifies some HR practices that are necessary for an organization to cope with the new normal. One of the industries affected by the threat of covid-19 is the IT industry. At this point, the IT industry has taken up the task of helping other sectors as a result, the IT industry has transformed, entering a new age of digital transformation. This paper study the impact of coronavirus on the IT sector India highlights the changes. This article is prepared based on various reports and data published in different newspapers and online publications.

Keywords: Coronavirus, COVID-19, New Normal, HR practices, IT sector

The world has changed drastically, due to COVID-19 there are several negative impacts on humans, as well as various industries and economic sectors. The office move to the home has been one of the main effects of the COVID-19 pandemic this led organizations to rethink their HR practices and strategies to survive this new normal. Now nearly everyone works remotely, and companies are preparing to introduce themselves to the new normal. Organizations need to review their Digital Resilience, Intelligence Ecosystem, Values-Driven Business, and Empathy, as these four pillars will offer enough capability to keep companies operating in the new normal (Contributors, 2020). In late 2020, situations in India began to normalize, and most offices reopened. With the arrival of the second wave, however, interruptions and lockdowns have once again become the norm.

A new variety of SARS-CoV-2, B.1.1.529, was reported to the World Health Organization on November 24, 2021. This new variant was discovered in specimens taken in Botswana on November 11, 2021, and in South Africa on November 14, 2021. The B.1.1.529 Omicron was recognized and designated as a Variant of Concern (VOC) by WHO on November 26, 2021. The first confirmed case of Omicron in the United States was discovered on December 1, 2021 (Omicron Variant: What You Need to Know, 2021). The Omicron variation has an exceptionally large number of mutations, many of which are new and many of which impair the spike protein targeted by most COVID-19 vaccines at the time of discovery. By December 7, 2021, the variant has spread to over 50 countries. India has reported 26 cases of the Omicron variant of COVID-19 as of December 10, 2021 (NDTV News Desk, 2021). Union Health Minister Mansukh Mandaviya said on December 10, 2021 that 86 percent of India’s eligible population has received the first dose of the COVID vaccine. In such a continually changing environment, it has become critical for businesses to adjust
operational processes that reduce the impact of any changes in the organization.

Objectives of the study

In order to survive this tough condition, businesses need to deal with this situation by framing proper plans. Therefore, the objectives of this study are:

1. To specify the HR practices that businesses should adopt in order to cope with the effects of coronavirus and to survive in this tough situation.
2. To highlight the impact of coronavirus in the IT sector.

HR practices in New Normal

The COVID-19 crisis and subsequent shift to hybrid working patterns have increased the demand for new workforce skills in the areas of social, emotional, and advanced cognitive abilities. A dynamic policy-making approach that increases an organization’s ability to be flexible, responsive, and adaptive to the changing environment is required in present situation.

1. Hybrid Working becomes the new normal

Given the current situation, most firms’ workforces are expected to work remotely. In any organisation human are the most vulnerable resources. To ensure efficiency and output quality, companies must ensure a safe and great employee experience while working remotely. An analysis by Gartner predicts that 48 percent of employees are likely to be working remotely, at least part of post-COVID-19 (Baker, 2020). Facebook, Google, and Sales force has extended work from home for their employees until the end of the year; Twitter announced that its employees can permanently opt for it. IT giant TCS has also announced plans to ensure that by 2025, 75 percent of its employees would be operating from home (Hindu, 2020). Such a shift is a blessing for women who are not able to continue with their careers because of family commitments. Nasscom Chairman Keshav Muruges said that the total number of such possible beneficiaries is in millions (www.business-standard.com)

“Work from home will establish a new trend for many sectors and will create new opportunities for us to be able to do more work globally,” said Neemuchwala, chief executive officer of Wipro Ltd. (Sharma, 2020). On phone interview from Hyderabad, R Chandrasekhar, former president of Nasscom told BloombergQuint that “With the industry entering one of its weakest periods in a long time, the work from home model could help companies save costs”. In work from home, we can have a greater number of employees with the same number of seats so that the average cost of infrastructure per person falls (Sharma, 2020).

TCS’s Chief Operating Officer N Ganapathy Subramaniam said the company is expecting to have only 25 percent of its staff work from offices by 2025, though it was not clear when the company decided on the target. “We don’t believe that we need to have more than 25 per cent of our workforce at our facilities to make all the 100 percent productive. We don’t believe that every employee needs to be present all the time in our offices. At the same time, we are seeing that productivity, the speed, the throughput of work has increased” Subramaniam added.

According to a Gartner research, by the end of 2021, remote workers will account for 32% of all employees worldwide, up from 17% in 2019. Furthermore, when offices reopen in 2021, 51% of those employees will work in a hybrid workplace, working at least one day each week from home. The benefit of having a remote workforce is overall costs decreased as a result of lower overall spending on rent, space, equipment, furnishings, and, in some cases, salaries. Even if they incur additional fees for software subscriptions and, depending on the agreement with the employee, computer and travel costs for face-to-face meetings, still organisations are saving on overall annual costs. If we talk about employee satisfaction, many remote workers stated that they prefer working from home. Individuals who are happy with their remote work arrangement also like spending time with their families, taking care of personal matters conveniently, and working outside of typical hours if necessary. Employees that are satisfied are better aligned with company goals and are willing to put forth the effort necessary to attain them. HR professionals will have easy access to a global workforce if they are equipped with the appropriate digital tools.

Some drawbacks of remote working are communication issues with human resources and managers because of the nature of a telecommuting situation. A good support system, as well as, teaching remote workers how to use the correct technologies, can help a lot. With the rise of cyber-attacks and data breaches, as well as the availability of technology tools
that may make even a new thief look like a professional criminal, businesses must protect their data while allowing employees to do their jobs. The second drawback is a lack of enthusiasm, without the occasional pat on the back and encouraging words in a live setting, some remote workers may become apathetic to their work in organizations. They may not dislike doing the job, but without the enthusiasm generated by physical interaction with their co-workers, work may seem like a task for them, even if working from home is convenient. Maintaining a work-life balance for remote employees is also a challenge, as learning employees are still learning to use new technologies. Working from home was once seen to be a casual affair with few expectations placed on employees but now it has become a full-time affair in some of the companies so employees are expected to be tech-savvy, organized, and available now that working from home is commonplace. There are deadlines to meet, as well as additional project objectives to achieve. Furthermore, some employees may regard necessary tools such as time-tracking applications as unpleasant and overbearing. Employees may feel left out if they work alone for days on end and live in a different time zone, preventing them from attending monthly in-person business meetings.

Organizations can mitigate these drawbacks by implementing endpoint security on selected devices that have access to company data, as well as using encrypted email to secure data on public networks. Employees’ online privacy can be protected by providing virtual private network services, which allow them to access servers anonymously. Furthermore, using a secure digital remote work environment where employees log in and may access data, documents, and apps while ensuring the security of sensitive data can be solution to protect remote employees. Organizations should try to recruit not only qualified candidates for the job, but also those who like learning and working independently. A remote employee may be more inclined to leave an unmotivated employment, leading in a high percentage of employee turnovers. Proper interviewing techniques, on the other hand, can aid firms in screening out candidates who find striking a work-life balance too tough. Discussions with co-workers who are working on similar works or regular one-on-one interaction among remote employees and virtual coffee breaks and inspiring activities can help employees be refreshed and engaged motivate to work.

Many companies are also reopening their doors and welcoming back their employees at work some employees may be afraid to leave their home offices. According to one survey, 66 percent of employees were concerned about returning to work because of health and safety issues, so the company can send detailed the health and safety measures it had taken, including following social distancing guidelines, requiring quarantining for those who had been exposed to the virus, reminding everyone that office cubicles do allow for social distance, disinfecting surfaces, performing random temperature checks, and installing acrylic shields in shared offices to make employees feel safe to join their work from office. Allowing employees to choose whether to work in the office or remotely, as well as seeking their feedback, can assist satisfy this requirement. Staff can gain confidence by discussing the thinking process behind the criteria for reopening the office. Smaller businesses may use their size to their advantage by providing information during all-staff meetings or in one-on-one interactions. Firm leaders might discuss some of the potential advantages and share them with employees to put the return to work in a better way. Remind employees in communications that returning to work is an opportunity to see old friends and offer support to one another as the year progresses (Dennis, 2021). A substantial move toward hybrid working arrangements, which incorporate the benefits of both remote and in-office employment, will most likely occur.

2. Emphasis on Employee Social Safety and Wellbeing

HR would need to concentrate more on employee safety and overall emotional welfare after realizing the anxiety and tension of the COVID-19 pandemic. After COVID-19, companies will continue to concentrate on the health of workers and their emotional wellness. HR teams should extend their role in employees’ lives and ensure healthy interactions between individuals. Proper use of Employee Support Plan, and other wellness services, HR can provide counselling services to employees and their families on mental, legal, emotional, and financial issues and group sessions with qualified counsellors on topics such as Mindfulness, Building Resilience, etc. it will allow the employees to
stay optimistic during these periods, especially those suffering from trauma or loss it will help them to decrease their anxiety about isolation, vent their fears, de-stress. Company can also give Care / Crisis Leave in case an employee cannot work because of personal constraints (Top Priorities for The HR Function to Adapt to the New Normal, n.d.)

Companies have to make systemic improvements for factory workers, or field workers like rethinking processes, physical setups, and safety measures, they have to address the conditions employees need to work harmoniously from their home. Organizations need to redesigned workplaces (including factories and retail outlets) and processes that embed the requisite distancing at work sites and offering remote workers with tools and benefits including office furniture, fast Wi-Fi, and help with childcare that address their needs (Top Priorities for the HR Function to Adapt to the New Normal, n.d.)

Keshav Murugesh, Chief Executive of business process management player WNS and former Chairman of IT industry lobbying group Nasscom, said the association responded to the challenge by helping its members transport over 25 lakh desktops from offices to associates’ residences within a fortnight, which ensured work can continue. The first wave of covid-19 organizations set up the required infrastructure, benefits, culture and practices. Because of the severity of the second wave, management prioritized employee well-being over business operations. Thus, the core of wellbeing is to focus on the contiguous aspects that enhance the experience of employees like clarity at work, a supportive work environment, and the capacity to apply control over the structure of their work life.

3. Employee Monitoring, Engagement and data collection

Gartner’s study reveals that 16 percent of employers actively use software to monitor their workers through methods such as virtual clocking in and out, tracking the use of work machines, and monitoring emails or internal messages / chat from employees. While some organisations monitor productivity, some assess employee engagement and well-being to better understand the experience of workers (Baker, 2021).

COVID-19 caused significant disruption and weakens employee engagement due to the remote working of employees, it compelled organizations to reimagine engagement and communication with employees to keep them updated on what is going on within their company. An organization’s culture is created and maintained by its employees. Employee engagement and connectivity to leadership will be crucial to ensuring that workers feel linked to the company. Jayanthi Vaidyanathan, Senior Director, and Head - HR, PayPal India shared in an interview with ETHR World that they hosted their first-ever virtual engagement initiative, Kids@Work to help support their PayPal employees so that they can balance work and home. The three-day event was attended by over 600 children and included a host of fun-filled activities like painting contests, Zumba sessions, shadow puppetry workshops, and much more. This initiative was aimed to reduce the burden on working parents and provide a platform that would help ensure that their children are engaged creatively and do not miss out on the fun of learning at the same time. They also celebrated PRIDE month virtually by inviting guest speakers and encouraged employees to share their Pride message and videos. They had also announced a ‘Global Wellness Day’ where all employees were given a day off to re-energize and spend time with their families. They also organized meditation and yoga sessions for employees and their families (ETHR World, 2020)

Organizations more than ever need to have strong leaders. Leaders need support at the personal, team, and institutional levels to encourage resilience. HR managers need to redouble their initiatives and efforts to recognize them. Effective recognition motivates the recipient and at the same time serves as a powerful signal of the behaviors they should emulate to other employees. Recognition can take many other forms than monetary incentives, such as public recognition, tokens of gratitude, opportunities for growth, and low-cost benefits. It reflects the devotion of the company to the employee’s long-term performance (Top Priorities for The HR Function to Adapt to the New Normal, n.d.) HR executives must aid their workers in every manner possible, including being empathetic, checking in on their well-being, and providing emotional as well as other forms of support. Staff appreciation drives employee engagement, which is important during COVID-19’s dispute.

4. Use of Artificial Intelligence (AI)

During the early stages of the pandemic last year, most companies saw the disruptions as a temporary issue and developed workarounds. However, scientists are already expecting the third wave of the pandemic,
which would require policy changes and long-term
digital transformation. All businesses should now secure
remote logins, increase digital capacity and bandwidth,
and implement comprehensive cybersecurity measures.

While coronavirus has “fast-forwarded” behavioural
improvements to work from home, Nasscom’s
Chandrasekhar said companies will need to rapidly
advance their digital infrastructure
(www.bloombergquint.com). In the post-pandemic
environment, there will be increased use of artificial
intelligence (AI) in the work of HR. AI can help
recruiters find potential candidates from megabytes of
job applications and help businesses not only achieve
their diversity goals in the hiring process but also retain
top talent and connect through smart applications with
employees.

Organizations have recognised the importance of
digital technologies not only in their way of doing
business, but also in the way they communicate with
their internal customers, their staff, said Shaakun
Khanna, Head-HCM, APAC, Oracle
(hr.economictimes.indiatimes.com). After the
unexpected disruption of the coronavirus pandemic,
organisations are now shifting to intelligent automated
systems that offer virtual screening environment and
interviewing expertise, rather than performing
interviews in person. Organizations would need
to achieve a perfect balance between cognitive,
emotional, and cross-cultural intelligence. As the
‘Distributed Workforce’ will forms the bulk of the
employee base, this will be super important, and physical
encounters will be minimal. Implementing AI-based
systems would improve the ability of companies to
continuously extract information from man-machine
interactions. This intelligence ecosystem would have
a direct impact on the ability of the organization to
survive in the new normal.

5. Re-skilling and Training

In a recent Gartner survey of 113 learning and
development leaders, 71 percent said that more than
40 percent of their employees needed new skills as a
result of COVID-19 job changes (Baker, 2021). Most
employees across many industries and many job
functions have had to work remotely in the last few
months. This means that, from a technological and a
logistical point of view, nearly all staff needs the skills
necessary to thrive in a remote work environment. The
pandemic has also triggered the digital revolution which
is just around the corner as e-commerce and emerging
technology have become more commonly used. For
those that have been laid off because of a pandemic or
are facing instability in their current employment, now
is the time to learn to retrain or develop digital skills to
prepare for positions that are expected to become
highly challenging as companies begin to resume
operations.”COVID-19 coronavirus pandemic has
caused massive disruption around the globe and is
accelerating the need for brand-new technology skills,
according to CRN. That’s because many businesses
don’t operate at least partially – if not entirely – through
employees who work remotely from home. As
businesses fall from the initial phase of enabling
employees to work remotely, IT investments will need
to be made in new areas in order to prepare for anything
that may lie ahead. Companies can organize online
certificate courses for their employees, it will also act
as a motivation for the employees that they are still
worthy and can grow. These services can help them
manage tension, develop a positive mindset, and remain
productive under the remote model of work.

While productivity and employee engagement and
experience have been core areas of focus, the function
had to pivot and recraft strategies right from the
fundamentals of hiring to virtual onboarding, training,
and skilling of employees.

According to Simplilearn a training provider
time companies conduct skills
training has been affected by lockdown-related
constraints. Organizations that had previously offered
physical classroom skills training have transferred those
programs online. Online programs are equally or more
effective than in-person classroom training. Digital skills
training become important to most companies now.
Functional learning that is being emphasized by the
pandemic includes artificial intelligence/machine
learning, digital marketing, cloud computing, and
cybersecurity. The shift to online business models is
having an impact on learning plans. From these results,
it is clear that the pandemic has increased the
importance and demand for digital skills education.

Indian IT Industry

In India, information technology is an industry made
up of two main components: IT services and business
process outsourcing (BPO). The sector increased its
contribution to India’s GDP from 1.2 percent in 1998
to 7.7 percent in 2017. According to NASSCOM, in
2019 the sector aggregated revenue of US$ 180 billion,
with export revenue of US$ 99 billion and domestic revenue of US$ 48 billion, rising by more than 13 per cent. Through 2020, India’s IT sector has 4.36 million employees. The US accounts for two thirds of India’s IT services exports. India is the biggest IT exporter in contemporary world economy. Exports dominate the Indian IT sector and make up about 79 per cent of the overall revenue of the company. The domestic market is also important, however, with strong growth in revenues (Wikipedia contributors, 2021b).

**Current Situation at IT organisations due to Corona:**

In the post-coronavirus era, companies may undergo a transformation and the IT sector may be the biggest gainer. In order to allow their location-independent agile delivery models and stable borderless workspaces, most IT companies have digitised all their processes and invested in cutting edge technology and collaboration technologies.

Over the last few decades, the IT industry has been the leading economic growth sector in India. It plays an imperative role in fulfilling dreams and is an aspiring career for the middle-class aspirants of the nation. Consumers are expecting to cut their IT expenses and slow down new projects due to fear of an unstable economic condition and a recession.

Due to restrictions in air travel and closure of cities and countries to control the spread of the Covid-19 pandemic, Indian companies have recently faced many project cancellations by customers across sectors.

The Indian IT industry is all set to leverage the new opportunities by conquering the challenges through new sources of revenues as digital technologies gain more impetus, offering flexible contractual terms, focusing on emerging technologies on skilling with the industry putting these learnings to make it better prepared for handle such situations if they resurface in the future.

Krish Shankar, Executive Vice President and Group Human Resource Head at Infosys, said that the pandemic has shown that remote work is possible without any loss of productivity. “The future of work is going to be a hybrid one a blend of remote working and office work. It would improve the industry’s talent pool.” Experts said that if the hybrid model of working from the workplace and from home is implemented, it would lead to cost savings for IT companies by reducing their real estate spending. (www.business-standard.com)

**Promising Opportunities and Threats in the IT industry:**

**The Challenges**

According to a NASSCOM study that surveyed 160 respondents in April 2020 across the IT/ITES market, including BOM, software products and ER&D companies, 75 percent of respondents expect clients’ business de-growth in FY20-21, with 40 percent of these respondents expecting a de-growth of 5 percent or more. Accordingly, 70 percent of the survey respondents expect FY20-21 revenues to be negatively affected in the midst of a slowdown in global demand. Key short-term effects of global disasters such as Covid-19, however, would enable organisations to include the minute details of their contingency plans, like Cost Structure of contracts being revisited, Discretionary initiatives that are stopped or re-scoped, De-prioritization of Innovation PoCs with undefined ROIs. According to Nasscom, what will happen to the IT industry after the pandemic is over is a threat. Exporters in this industry will may feel that, unlike the global economic and financial meltdown in 2008, it will not be able to recover after the recession. Central banks helped boost financial stability back then, but even central banks are now helpless. (community.nasscom.in)

According to Neemuchwala, chief executive officer of Wipro Ltd., the new normal also depends on the customer’s approval to continue working from home. “It’s not a technical capability but it is also customer comfort.” (www.bloombergquint.com). It is also expected that the introduction of a model with a higher degree of remote working would change the offshore-onshore distribution capabilities for IT players. IT services players are now looking at whether they need to retain employees in all regions where they work when work can be done remotely,” said Pareekh Jain, Pareekh Consulting’s IT outsourcing consultant, and founder, adding that offshoring is likely to see a spurt in the post-COVID world.” For most IT services businesses, the offshore-onshore ratio currently stands at 80:20, where the majority of the work is performed from offshore locations like India. It is also expected that the COVID-19 outbreak will bring improvements in the outsourcing contracts to the business continuity plans of IT services vendors. Currently, the business
continuity plans of IT businesses only take into account possible regional disruptions (www.business-standard.com).

The Opportunities

Problems remain yet the IT companies are expecting to recover as they expect strong growth in strategic technology sourcing that will become a key component of the overall tech strategy. New prospects are also emerging as businesses reviewing their digital transformation journey with high-speed, secure infrastructure and multi/hybrid cloud leading as key investment areas for technology. The key tech themes remain data, artificial intelligence, IoT, and cybersecurity (community.nasscom.in).

According to IDC ‘s 2020 forecast, world IT spending is expected to decline by 5.1% in 2020, with all segments experiencing a decrease, while cloud spending is expected to remain robust.

According to Stephen Minton, program vice president in IDC’s Customer Insights & Analysis group, “Infrastructure spending is still projected to show modest overall growth as organizations continue to finance existing cloud deployments and some might also look to accelerate their cloud ventures over the rest of the year as a way to manage costs and delay capital spending on improvements to on-premise datacentres and applications. Most of it’s in the cloud where there is growth. Overall software spending is now expected to decline as businesses delay new projects and application roll-outs. On the other hand, the amount of data that businesses have to store and manage doesn’t go anywhere. More and more data will be stored, managed, and more and more analyzed in the cloud.

For both large and mid-tier businesses, the share of digital has continued to increase, reflecting the rising demand for digital. In order to include global disruption contingency plans such as COVID-19 ‘V Balakrishnan, the former CFO chairman of Exfinity Venture Partners and member of the board of Infosys stated that IT companies are expected to enforce clauses in a post-COVID setting that will enable them to operate in work-from-home mode without the consent clauses in case such events recur. Force majeure clauses that are more complex are also likely to be part of the arrangement in the future. Even after all this, the IT industry is projected to have an immense business boom relative to many other sectors, from US$ 131 billion in 2020 to US$ 295 in the next five years by 2025. Increased demand for apps and social media channels such as Google Hangouts, WhatsApp Video Call, Zoom, and Microsoft Teams is the key reason for this economic boost for this industry. Almost all of these teleconference tools help people in quarantine keep in contact with their family members, as well as hold conference meetings and work simultaneously. The economy will also grow because people have realised the value of the internet and technology during these crises as this allows us to stay healthy and help connect between doctors and the public. According to NASSCOM President Debjani Ghosh, India’s tech industry has a big opportunity with the increasing adoption of pandemic-led technology. With increased penetration, the IT industry must now look at restructuring its business models and focusing on the requirements of its core clients. He said “We are moving into a hyper-digital world where everything is going to be influenced by technology. I think COVID, perhaps 100 times more than anyone else out there, has accelerated the speed of digital transformation. In the last few months, we have seen a digital transition that we have not seen in the last few years”. (Ltd, n.d.).

Conclusion

The entire world is in the grip of COVID-19. Along with the social and economic crisis, the pandemic has triggered a global health emergency, creating a breakdown in economic activities and business operations. This has serious consequences for the global business community. Therefore, this study has put forward the effect of coronavirus on the IT sectors Indian economy and also highlights some HR practices that are necessary for an organization to cope with the new normal. However, every organization should prepare for the complexities and difficulties that occur due to coronavirus during this present pandemic scenario. In order to maintain this challenging era, they need to be proactive and should develop strategies to combat the effect of COVID-19. In order to strive and prosper, they need to consider possible impending changes in the business environment and should recognize the possibilities. The spread of COVID-19 and subsequent lockdown negatively impact various industries and people in multiple ways. Many organizations are unable to operate the business and deliver to their customer. But at least the IT industry is consecrated to allow their employees to work from home and manage the business. This is possible because of its nature of the electronic format of delivery for their remote customers globally. The IT industry is
projected to have an immense business boom relative to many other sectors, from US$ 131 billion in 2020 to US$ 295 in the next five years by 2025. Because of the coronavirus, a lot of possibilities have opened up in the IT industry, such as the growing need for 5th generation (5 G) technology. This has become the highest priority for many organizations due to the pandemic. Telehealth, in crisis situations, is one of the emerging markets. IT sector is also facing challenges, according to Nasscom, there is a threat like, what will happen to the IT sector after the pandemic is over. Exporters in this sector may feel that it will not be able to recover after the recession, unlike the global economic and financial meltdown in 2008. According to a report by Nasscom, 75% of the respondents expect clients’ business de-growth in FY20-21, with 40% of these respondents expecting a De-growth of 5%. According to experts, the IT industry must now look at restructuring its business models and focusing on the requirements of its core clients.

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