



## WORKFORCE SHIFT IN THE IT SECTOR IN WORK FROM HOME ENVIRONMENT.

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**ABSTRACT**

The COVID-19 pandemic has significantly impacted the global workforce, leading to an unprecedented shift towards remote work arrangements. The Information Technology (IT) sector has been at the forefront of this transformation, with a large proportion of IT professionals now working from home. This has resulted in a number of changes to the IT industry, including shifts in the workforce and the way work is performed. This abstract will explore the workforce shift in the IT sector in a work from home environment. Specifically, it will examine the challenges and opportunities associated with remote work arrangements for IT professionals, including the impact on productivity, work-life balance, and job satisfaction. The abstract will also discuss the skills and competencies required for success in a remote IT work environment, and the role of training and development in ensuring that IT professionals have the necessary skills to succeed. Overall, the abstract will provide insights into the workforce shift in the IT sector in a work from home environment, and how this is shaping the future of work in the industry.

**KEYWORDS :****INTRODUCTION**

A recent NASSCOM report highlighted the fact that the 13% attrition rate leads to an over 120% increase in the cost of training. The Indian IT sector is most popularly known for its volatile workforce shift, even during the first and second decades of the new millennium. In particular, the trend has assumed unmanageable proportions during the WFH environment triggered by the outbreak of the covid-19 pandemic that led to the global lockdown from mid-March 2020. Although there were fears and certainty about job losses and economic recovery over the last two years, the world in general and India, in particular, have managed to sustain and enhance growth during this period. The IT Industry realized that WFH resulted in significant savings in cost and effective use of the workforce with higher levels of productivity. At the same time, the industry also had to contend with a higher level of workforce shift during this period. Talent was at the highest premium than ever before and expectations of employees at all levels were found to be steeply escalated in line with stepped-up demand.

This study seeks to identify and examine the determinant of workforce shift and the rationale for such behavior. The primary data for this purpose is collected through a well-structured questionnaire that is tested for validity and reliability. Appropriate parametric and non-parametric tools are used for the analysis and interpretation of data.

The study is expected to reveal that there is a strong tendency as a part of the workforce to leverage talent and experience to seek higher compensation and benefits since organizations were found to be tightening their purses when it comes to sanctioning increments or promotions. It is also expected to underline the fact that, like in any other market, demand seems to dominate determinants of pay structure with almost passive supply conditions.

**Literature Review**

One of the key challenges associated with remote work arrangements for IT professionals is the lack of face-to-face interaction with colleagues and clients. This can lead to feelings of isolation and reduced collaboration, which can in turn impact productivity (Mishra & Sahu, 2021). However, remote work arrangements also offer opportunities for IT professionals to work in a more flexible and independent manner, which can lead to increased job satisfaction (Liao et al., 2021). Additionally, remote work arrangements can

enable IT professionals to access a wider range of job opportunities, regardless of their physical location (Nordic IT, 2020).

**Impact on productivity, work-life balance, and job satisfaction:** The impact of remote work arrangements on productivity in the IT sector is mixed. Some studies have found that remote work arrangements can lead to increased productivity due to reduced distractions and interruptions (Mishra & Sahu, 2021). However, other studies have found that remote work arrangements can lead to decreased productivity due to the lack of face-to-face interaction with colleagues and clients (Liao et al., 2021).

Remote work arrangements can also impact work-life balance for IT professionals. On the one hand, remote work arrangements can offer more flexibility and the ability to better manage work and personal responsibilities (Nordic IT, 2020). On the other hand, remote work arrangements can lead to work encroaching on personal time, as IT professionals may find it difficult to disconnect from work (Mishra & Sahu, 2021).

The impact of remote work arrangements on job satisfaction in the IT sector is also mixed. Some studies have found that remote work arrangements can lead to increased job satisfaction, due to the flexibility and independence that these arrangements offer (Liao et al., 2021). However, other studies have found that remote work arrangements can lead to decreased job satisfaction, due to the lack of social interaction and opportunities for career growth (Mishra & Sahu, 2021).

**Skills and competencies required for success:**

IT professionals working in a remote environment require a specific set of skills and competencies. These include strong communication skills, self-motivation, time management skills, and the ability to work independently (Nordic IT, 2020). Additionally, IT professionals working in a remote environment must be proficient in the use of technology, including video conferencing tools and collaboration software (Liao et al., 2021).

**Role of training and development:**

Training and development programs can play an important role in ensuring that IT professionals have the necessary skills to succeed in a remote work environment. These programs can include training in communication and collaboration

tools, as well as time management and productivity strategies (Nordic IT, 2020). Additionally, training and development programs can provide opportunities for IT professionals to develop new skills and competencies, which can enhance their career prospects and job satisfaction (Mishra & Sahu, 2021).

#### Justification for the study

Attrition has been on the rise ever since the lockdown and the consequence of WFH conditions has started affecting the working conditions of employees at all levels, particularly in the sector. Talent acquisition and retention emerged as the two major challenges for HR managers during this period. Contrary to fears about impending job losses and rising unemployment, there has been a perceptible shift in the workforce not only within industries but also across other industries. Under these circumstances, it is relevant to identify and analyze factors that influence the shift in the workforce and see if WFH has turned out to be a push or pull factor hence this study seeks to gather the opinions of hiring managers who seem to be having difficulties in acquiring and retaining talents.

#### The Phenomena Of Attrition Before And After The Covid-19 Pandemic

The rate of attrition in IT was documented to be highly specific to the IT sector. However, from FY17 this was comparatively recorded low because of the good performance, hikes, incentives, etc. with 10.50%. It is also recorded as per Q1 of 2021 the attrition rate of 7.20% and it boomed with a higher attrition rate in the following quarters with an average of between 20-25%. It was recorded that 33% of the attrition rate in Cognizant is the highest among the IT firms. They jumped from one organization to another with 100% and 150% hikes. Though it is artificial inflation, employees fixed their prices for the job. The organization approached recruitment consultants, third parties, and manpower agencies to fill their buckets. Which created an opportunity for the contractors and freelancers to grow in the market. As per the NASSCOM report, 63% of the Indian enterprises have ramped up investments in hybrid cloud services.

The major factors that lead to attrition are a raise in pay, demand for some niche talents in the market, looking for different company cultures, developing new skills, better work-life balance, etc.

Why do people leave the existing organization? The attrition rate is a PUSH factor than a PULL factor. Moving from one organization to another is a very common thing in the IT industry. When there is a better hike proposed or if the brand is big, the rolling mass will be high, which is a PULL factor. There is also a PUSH factor one among them is the employee disengagement, the element of disgruntled feeling, monotonous working, stress, and workload was these are all the PUSH factors before Covid but after work from home, the scenario has changed to a PULL factor. Although there was a fear about possible job losses happening in the case of IT goons like TCS, Wipro and Infosys announced there will be no lay-off, whereas Cognizant and Accenture announced 5% layoff globally during the pandemic. It was later discovered that there were a lot of openings for lateral hiring on a higher level, which created a big job market for the aspirants.

#### Study Objectives

This study is carried out with the following objectives:

- To identify the factors that influence workforce shift post-Covid-19 according to hiring managers and industry experts.
- To analyze the possible solutions to the issue based on opinions expressed by these professionals

#### METHODOLOGY

Qualitative research was followed In this methodology a set of questions asked to the target respondents and experts from the reputed industry. The data is collected on things that can be traced by the previous interactions or observations or recordings from the respondents in various instances. The researcher doesn't need to ingratiate themselves into the research context when using unobtrusive measures. The measures eliminate the usual data collection method.

#### ANALYSIS

This study seeks to critically analyze and review the literature on workforce shift to identify the existing perspectives toward workforce in the work-from-home environment and also the way workforce shift has been specified and studied in the existing limited research.

The following research questions guide the current study:

Research Question 1: Under WFH conditions, how has life changed as an employee

Research Question 2: There appears to be a shift in the workforce and a high level of volatility.

#### The Factors That Influence Workforce Shift Post-covid-19 According To Hiring Managers And Industry Experts.

##### Loss of information:

Knowledge sharing during the coffee breaks and lunchroom discussions has changed, and feeling lonely at home without peer communication resulted in spending a lot of time on phone calls. It limited the knowledge sharing to the team members and mobile phones. Though the employees tried to connect virtually via team building, employee engagement activities were not effective.

##### Networking:

Internal communication between the projects and departments, gossiping, community building. Interdepartmental communication to gather knowledge was a disadvantage. The lack of networking made day-to-day life easy from choosing the right institution for education to buying groceries with the best offers.

##### Transportation:

Travel time for an employee is an aid under the current condition which eliminates the late arrivals to office/ meeting, due to the rise in fuel price people would have struggled to balance their economic living as well, most of the metro city has an IT hub traveling from one place to other was chaotic due to traffic, vehicle maintenance was another big issue, in an average cost of travel for an IT employee itself weighed a huge amount in the monthly budget.

##### Dependent support:

In light of the dependent support, it is not only the spouse but also the aged parent, kids, or whoever relied on the employee. The involvement of parents in kids' projects, homework, educating the kids with the right information, and focusing on the kids created a self-satisfaction in the employee's life, worrying about the kids in playschool, home, with grandparents are long-forgotten stories. On the other hand, certain members in the family require special attention from people who are sick or aged, who require medical attention, and critical monitoring helps him/her to identify and help wherever required.

##### Vestibule turned into a War room:

Due to extended WFH and everyone in the family being at home has put a lot of pressure on doing household chores, having to keep the kids engaged, spending quality time with the spouse, etc. The ambiance of the house with the spouse in the meeting, kids attending online classes, and dependents

engaging themselves in the entertainment mediums created no peace at work from home.

**Expense management:**

Since the whole family was in WFH or online mode, they had to invest in extra internet bandwidth, online subscriptions, and computers/high-end mobile devices.

**Health complications:**

Loneliness has led to several mental health issues, the extra work at home led to employee burnout, lack of physical exercise standing, moving from one place to another, step count, climbing stairs and sitting is the new smoking. People started to intake a lot of junk food due to online advertisements resulting in obesity. Average employee spending time at work has changed from 9 hours per day to 13 hours per day, which paved the way for insomnia, cataract problems, etc.

**The interview became easy:**

A candidate will be assessed on the appearance which is the first parameter during the interview, but now he/she has to be presentable only within the screen space. The travel time has reduced moving from one city/state/locality to another.

There was a survey carried out Via LinkedIn that had 57 respondents who actively participated and expressed their views.



What are the volatility and shifts in the workforce for attrition?

**Talent acquisition:**

It changed from an employer market to a candidate market. Candidates fixed their prices for the roles they chose. There is a huge war for talents the companies are bidding with the candidate in specific to the pay and benefits provided by the organization. They jumped from one organization to another with 100% and 150% hikes.

**Budget planning:**

From the organization's point of view, the budget planning took a roller coaster ride. In Q1 of 2021, the companies were able to hire an employee with the same or 5% hike in the salary. Later in Q2, Q3, and Q4 of 2021 took an upturn in the market with 3 to 4 times over the budget. In the case of fresh talent management, the organization had to spend a huge amount of money on the training of every employee.

**Employee engagement:**

The activities conducted in the organization online gave a huge thumbs down, online team motivations were hard to achieve. There were no large fun events conducted as a whole company. There are no professional assisted team building events in external locations. The effectiveness of engaging an employee was more reliable offline than online. Unfortunately, they had to depend online during Covid.

**Perks and benefits:**

Companies did not grow much which led to less growth of opportunities for employees. Financial pressure led to smaller hikes and incentives; this was a PUSH factor. This was also one of the major reasons which led to employees switching from one job to another with poor recognition of talents.

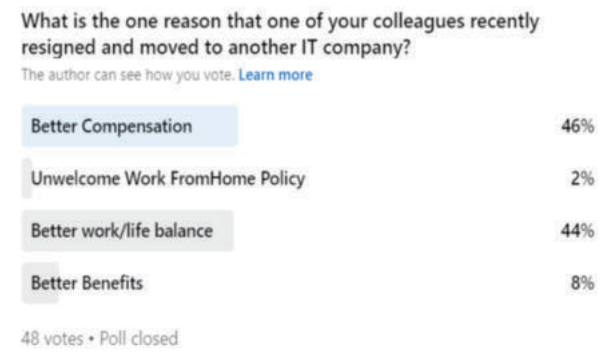
**Time frame:**

The employees are forced towards mandatory overtime in the workplace, the scenario changed from 9 hours to 13 hours per day. Though the employees were able to fulfill the requirements, the organizations seemed to be dissatisfied. The end of the day task completion has changed from 7 to midnight. The IT industry is well known for the saying "We don't need hard workers, we need smart workers" which turned upside down in the current scenario. Certain organizations spent software to monitor how many hours an employee is spending in the system.

**Unstructured work model:**

There is a lot of indiscipline in the workplace, completing the task at their convenience. The employees are not bound to the time frame. The login time to the work differed from person to person. Employees can be called for a meeting anytime at the convenience of the top management. Zero health benefits, unstructured schedules, and workload.

There was a survey carried out Via LinkedIn that had 48 respondents who actively participated and expressed their views.



**Findings**

Based on the opinions expressed by the industrialists, experts, and talent acquisition managers from NextGen, Infosys, Maersk, Cardinality.ai, PayseRoutes, and others, the following findings are submitted.

**The Possible Solutions To The Issue Are Based On Opinions Expressed By The Professionals**

**Invest in your employees' professional development:**

Since they will accept a lesser salary in exchange for a position with room for advancement. This serves no purpose other than to emphasize how critical it is for employers to provide chances for their workers' professional development.

**Provide market-rate wages and benefits:**

People labor for money in addition to elevating their social status and developing their skills. When there is poor recognition and less pay, 58% of employees will consider switching jobs as per the economic times' survey. An average of 72% of employees are looking for a 10-12% hike and 28% are looking for a 12% hike.

**Work Flexibility:**

According to the same study, 76% of respondents rated working remotely as the best work experience. A close third is working remotely part-time, followed by flexible scheduling, then part-time scheduling, then part-time work. A flexible work schedule reduces burnout and boosts worker productivity. The majority of the workforce would like to be able to work from home permanently.

**An employee is an asset.**

Recognize rather than criticize your employees' contributions, promote them periodically and give them promotions. However, only a small percentage of management implements even small gestures in their workplace. For

instance, Gallup's 2017 State of the American Workforce report offers insights into the current workforce. Only 3 out of 10 employees receive praise in the workplace, according to Gallup.

**Encourage a healthy Work-Life Balance:**

Spend toward the health benefits of an employee in the organization, and make them feel that their health is also the organization's priority. At once they are being valued and they stay for the long term.

**Organizational culture:**

Company culture includes a wide range of elements, such as the colour of the office walls or the manner in which staff members interact with one another. Company culture has a significant impact on employee life cycles.

**Establish a mentorship program for new employees:**

Pair an older employee with a younger one. Managing your staff in this manner saves time and increases efficiency. Transparency with the workforce should always be at the forefront.

It is high time that the organization focused on retention and rephrased the retention policies. Organizations should focus on retention in order to achieve acquisition. The leading reasons for employees leaving a company include a bad manager, poor management, ineffective communication, lack of support, Job-Life Balance, no professional development, and poor benefits. A "Great Resignation Movement" marks the opening of the attrition process. A survey via LinkedIn with 512 respondents stated that 28% of the employees resigned after complaining about a poor work-life balance, 27% had a bad boss, and 26% were involved in organizational politics.

How would you define "Toxic" Culture if this was ever your reason to move on from an org now during the Great Resignation or earlier ?

The author can see how you vote. [Learn more](#)

Bad Boss (Playing Favourites)	27%
Lack of Work life Balance	28%
Disrespect for Capability	20%
Unprofessional Politics	26%

512 votes • Poll closed

The experts suggest the branding of the organization should be strong to attract talent. The priority of the organization should be to satisfy the internal stakeholders to achieve greater acquisition. An employee should feel that the organization is a great place to work and build a network. Some of the major retention strategies by the professionals who were observed suggested are;

- Should focus on the strong Learning and development
- Periodical recognition of talents and raise in the salary
- Ethical behavior
- Better organizational benefits
- Companies that encourage permanent remote work
- Sponsored higher educations

**CONCLUSION**

In the future, the workspace will be a bit more hybrid than it was before. Offices won't resume their regular work schedules anytime soon. Instead, virtualization or full-time remote work will prevail. Now is the time to embrace the new culture, adapt to the current protocol, and make the best use of software platforms.

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