

“Global Scenario Of Human Resources In Startups In The Covid Era”

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Abstract

There is an abrupt jerk in the functioning of start-up's during covid 19 Pandemic. This definitely has interrupted the finance, work culture, operations and it has battered the vision at a large level. Large scale or MNC's may definitely have backups or plan B for contingencies but in case of start-up's; it's very much aware that the start-up companies strive for survival and growth in early stages (unless they are unicorns). It is very evident that the human resource of start-up companies is said to be highly affected as they had to manage the crisis posed by the pandemic. Here an attempt is made to study the effects of covid pandemic on start-up companies, challenges faced, the lesson learnt and the new bond which has evolved for the betterment and upscale of start-ups. The idea behind taking up this study is that the study is believed to come out with positive trends which will bring resilience in the area of start-ups with special reference to the people management or HRM with respect to the challenges and lessons from the Pandemic. The study is based on the secondary data through research papers, articles, interviews and statistics only. The study is limited to start-up companies only. Best on the review of lecturer a conclusion on how the start-up's coped up will be discussed.

Key Words: Start-up, HR trends, Pandemic, Survival, Motivation, Challenges.

Introduction

Startups require organic environment involved to experiment what works for them when it comes to their mechanisms. The face of growth will no doubt be hindered due to abrupt situations like pandemic (covid 19). The fact that startups have tried their best in terms of cost cutting, gear up efficient practices, multitasking and researching in ways to cope up with the scenario. Though the pandemic has hit the economy of startups very hard, there are significant ways in which the startup companies have survived positively. People in startups are affected in various forms when it comes to the financial, emotional, social, pay scale and other aspects. Job freeze, pay cuts, layoffs, depression, ill health, stress due to adoption of virtual mode of work which they have not come across to such an extent, overtime work pressure due to high expectations towards multitasking soon have hindered the H resources / employees and entrepreneurs of startup companies. The pressure of competition and adoption of new trends for survival have certainly pushed the employees hard to perform to sustain. The emotional damage the pandemic has posed is at another extreme level and a completely diverse scenario. The organizations / startups which encourage innovation empathy, stimulated research have emerged themselves and the starters have such great growth level as well. No doubt startups which worked on food, technology, education, e commerce have yielded themselves and generated extraordinary sales and profit. The role of HR manager had been extremely crucial as there where various aspects like implementation of new strategies towards what work style has to be adopted, directing talents, abilities and efforts in the best possible way was very important along with keeping in mind the enhancement of mental and psychological state of the people in the company. At this point of time it becomes very important for us to review the various ways or strategies the startup companies adopted to cope up the pandemic and run successfully. This is a view point paper to analyze various scenarios and aspects In which the prior research has thrown light on and to summarize the bandwidth of startups during the tuff situation. Human resource play a very important role in any kind of industry may it be established MNC or budding or growing startups through the review of literature it was observed that there were not many studies conducted on how startups cooked upon the challenge and what nutrients have startup initiated to change or bring a paradigm shift in dealing with the human resources among the startups this paper talks about global scenario of human resources in startup companies after covid-19 pandemic

Objectives of the study

- To understand the challenges faced by the startup companies post by the pandemic.
- To throw light on various sectors of startups effected and prospered during the pandemic.
- To reflect on the opportunities and trends human resource management should come across further.
- To summarize various view points to get the understanding on overall performance of startup companies.

Research methodology

This paper is completely focused on the data from secondary sources like research papers articles journals interview videos facts on startup India websites and so on. This is a view point paper to analyze various scenarios and aspects in which the prior research has thrown light on and to summarize the bandwidth of startups during the tuff situation

Limitation:

The study focuses on the data available through research papers, journals and articles which are published in various journals. The study does not acquire any survey or questionnaire to collect primary data and it is not limited to any particular locality. The paper is a view point paper only and hence does not contain hypothesis.

Literature review

The global startup economy has been impacted by the pandemic and resulted in major slump in their functioning here below are some of the articles which have reported on the human resources and all the other aspects in which startups had to work on during the pandemic we include technical financial human resource and other aspects of startups which have the overall performance relating to startups

According to Flavio Calvino, Chiara Criscuolo, Rudy Verlhac(1) , Startups have had many new critical roles to play for economies they are positive approaches learning and adaptation of new strategies taken up by the startup company which are critical in driving the world towards fully digital in areas of work education health and innovations it is inevitable for the leaders and policy makers to cope up the challenges faced by the PAC and adopt new business opportunities clearing the hiccups towards entrepreneurship and AD hearing the light spirit and potential in the entrepreneurs does it becomes very important for the entrepreneurs to tailor expand and facilitate the startup ecosystem and bring awareness of the same implementing simplified procedure and minimising regulations and uncertainty's both during the crisis and after the crisis becomes very important

According to Peter sedlacek & Vincent sterk(2) ,In their article they have an empirical perspective on how startups activities implies the economy in terms of employment with the help of startup calculator this allows easy computation of employment losses under the different scenarios with the use of three different margins the first one it talks about how many employees have lost their jobs in the second one it talks about growth potential of startups in their paper that startups bond during the recession not only start smaller but also tend to stay smaller this is due to the composition of the startups during such a situations supply chains are highly disorders credit conditions and customer demand is difficult to acquire in the third margin sees the survival rate it also says young firms have much exit rates. They precisely are up or out dynamics.

In the words of Aidin Salamzadeh (3)in their paper the corona virus and make challenges among the Iranian starters human resource management is a challenge for startups that were in early stages and those who had limited resources to hire their talent above this the practices which enhanced human resources were not affordable for the small and weak startups and now with the effect of situation it has become worse for startups the adverse effect where like cancelling the contracts firing their valuable human resources and freezing hiring practices

According to Aleksandra Kuzior 1 , Karolina Kettler 1,* and Łukasz (4) , one of the most humanistic managed organization focuses on emphasizing on creating a positive impact on the individual groups and environment here the focus is on Restoration of main role in the organization of an employee keeping in mind the theory of moral feelings where Adam Smith talks of not only getting rich but respecting the moral principles above all as the pandemic has thrown on the world the digital shift which is the external circumstance if the organizations and its leaders understand the mechanism better it will enhance long term strategies positively after a couple of years with the pandemic remote or hybrid working model has become the new normal and this will stay for good.

Throughout the pandemic, entities which were in fine state came down from 74.8% to 33%, 21.6% startups were in average condition, which changed to 24.6%, while startups in low (poor) condition increased from 3.6% to 42.5%, this signifies that there was a decrease in business conditions due to the Covid-19 pandemic Dampak Pandemi Covid-19 pada Startup di Indonesia | CoHive]. The situation is very terrible for a startup if they intend to turn or change to products that already exists on the marketThrough innovation, organizations can adapt to environmental changes and reduce the impact of threats and risks . O'Reilly, C.A., III; Tushman, M.L. Ambidexterity as a dynamic capability: Resolving the innovator's dilemma. Res. Organ. Behav. 2008, 28, 185–206.

Mohsin Shafi,* Junrong Liu, and Wenju Ren in their paper (5) In their paper have studied the impact of covered on Pakistani medium small scale industries and start ups the study focus on the policy recommendations and business survival aspects impact of external environment crisis and degree of impact is very elaborately studied in almost all the sectors of the companies in various aspects or issues like employee absenteeism which was 5.4% supply chain description which was around 47.83% transportation issues which lead to 32% finance issues which was 67.9% reduction in production 23.3% fall in profits which came up to 42% reduction in sales which was 38% decrease in demand for 44% and other factors which was up to 18% in their paper the strategies adopted by the startups to tackle the situation were diverse and the included complete shutdown of business partial closure plans to apply for loan continue to operate as it is and 4% enterprises planned to change the business line to address the challenge two persons struggled to work remotely to minimize infection the entities appealed to government for assistance in various aspects line like loans at low interest permission to continue business requisition of subsidies and so on the major policy measures were focused on protection of employees and accurate flow of information economy to be boosted support in aspects of income and employment planning re-silence and capabilities

Leo Aldianto Grisna(6) In their research paper share the research finding that a business resilience framework for startups is important the study through light on the opinion that the disturbance caused by the pandemic on the world economic sector has taken the startups ecosystem in a very terrible way this increases the scope in the way entrepreneurs should view the business perspectives the situation gives rise to enhanced creativity or an interrupted innovation process in a very delicate manner to future proof there business , it is important to focus on building capabilities behaviours and handsman focusing on leadership and knowledge in startup business

MUTTAQIN, Galih Fajar (7) In the study intend to assess the job performance in startups during the pandemic the major focus was on how the managers analysed the job performances of the employees in the startups during work from home which was a completely new work style after many years of work at office for 8 years the factors related to influence of managers leaders on employee creativity were given more focus rather than innovative work behaviour here creativity and innovation in such situations play a very major role and these are recognised as core capabilities of the company in the study they conclude that compassionate leadership job satisfaction job innovation and culture control directly affects the job performance of the startups during the pandemic and after as well

Sekhar Chebolu(8) The paper title analysis of reasons for layoffs by startups during the pandemic the study indicates that lay off were not the single common option opted by the startups here the authors compare some startups which shutdown completely and some Airways which opted for salary cut off hire freezing etc rather than layoffs. Hence this gave food for thought to throw light on startups which had more to do with shedding on non core businesses eliminating management layers and terminating non performers. The major reason was insufficient capital and that lead to the layoffs pandemic was just a cause to procrastinate and realigned the businesses which would have not been easily done during normal course. The impact on industries like airlines travel and transport hospitality and unicorns had been very high start up like swiggy Zomato bounce udan Ola laid off employees the issue was not only capital but to realign and sustainable business model. The major learning from this paper was that the employees in the companies must know that they must add value and be a great asset in order for their business to add value and face decisions of the company with self awareness and better preparedness.

Tech professionals return to IT companies, captives after start-up dreams lose shine

An article in economic times (9) Economic Times in there article states that the employees have given up on there startup dreams and getting back to stable work environment due to massive issues in funding human resources market supply chain and layoffs the major reasons some entrepreneurs gave was lack of clear direction which was greatest pitfall in the startup industry though the startups are of great ideas the fail to faster confidence and hence the fail said the article

Sarah McBride and Christopher Cannon(10) In this article the author rides in their paper the lay off stories of startups and entities of various sectors from travel and retail which had over retail food and fitness consumer services corporate services real estate finance and other such companies which were hit the most by the pandemic

11) An article in Harvard business review on human resource management with the theme on lay off that don't break up your company by Shalini Gupta brought a break through on the idea and notion that lay off can be the best way to cut off expenses and save the companies in this paper the author rightly says job cuts hardly help the companies achieve anything the lay off done for short term gains but in this return they would pay for it in terms of negative Goodwill loss of talent and knowledge weakened engagement higher turnover of employees volunterally and decreased turnover which hinders the profit of the company in the long run in this paper various ways to handle the situation in a much better smother way is spoken about various options like furloughs retaining and assigning should be considered. Proper planning helps the entities to address workforce transitions better and cope with the extremes in a better way than layofs do.

12)&13 The Wall Street journal and oecd centre for entrepreneurship also in its article speaks about the lay of and rights that acquisitions innovations collaborations and remote working are the need for the hour and further years to go these will be taking over then just laying of people without any strategy

14) Mohammad boulesnam in his paper titled role of startups in the age of covid-19 pandemic have an approach towards startup in a unique way they talk upon how why the startups can help in the age of crisis desi startup scan adapt to changes and very easily as they are not fixed on their structures startups can assure better team work unlike large companies they are more flexible fast to respond as they are more multitasking startups can be more creative as they work on real life problems and they are unique in problem solving approach the startups should train employees in such an experimental period and focus on establishing flexible and feasible standards

15. Segundo Camino-Mogro, Gino Cornejo Marcos, Javier Solano in their paper write that covid has not only disrupted the function of existing startup companies but also hindred and decreased the creation of new companies for the whole season and the after effects of co-ed has been to high to recover the answer Trinity and lack of Government support especially in developing countries makes the situation more tough for startups

16) The Impact of COVID-19 on Small Businesses' Performance and Innovation by Ronen Harel

In there article had an evidence in their study that some business got more time in pipeline and had enhance quality in terms of learning innovating and collaborating cultural processes as well

Herman Aguinis 17 Harman in their paper titled talent management challenges during covid-19 and beyond performance management to the rescue Argus that lack of people and proper performance evaluation process is the major reason for organisation to discontinue performance evaluation in the panda make proper or efficient performance management tools can be very helpful in addressing talent management challenges avoiding labour turnover lay of and talent loss during such pandamik place important role in the sustainability of the company they offer 5 recommendations to thrive after the crisis is over the focus on results adaptive performance stay interviews multi source performance systems and evidence based practices

Arosha S. Adikaram, H. P. R. Priyankara, N. P. G. S. I. Naotunna in their paper Navigating the Crises of COVID-19: Human Resource Professionals Battle Against the Pandemic(18)

In this paper they aim to study the crisis post by the covid-19 and the HR professionals role in coping up with the situation the different five different situations were like assessing and anticipating the novel situation facing the crisis and trying to find ways to understand the same adjusting to the situation and adapting techniques rebonding and riverting to oldways the HR practitioners had to take various decisions and actions to navigate the situation during the pandemic the level of preparedness what no was not enough and that was very challenging to cope up this journey has definitely brought success and they will definitely manage as any such similar situation efficiently in the future

Organizational resources and survival of startups firms by Jubalt Alvarez Salazar This paper argues that startup survival should be studied as a construct that is reflected by four conditions: break-even point, accelerated growth, cash stock and continuous operation. Furthermore, it is formed by the interaction of five mainly interacting resources: human capital, social capital, entrepreneurial capital, organizational capital and the incubation process.

An article in CNBC On The latest numbers on how many workers will be returning to offices, and how often, gave very important' factors in post-pandemic work model. A new survey from CNBC canvassing executives across top positions at major U.S. companies indicates that the hybrid work model is here to stay, but will fall short of becoming a dominant mode of employment. Employee health and wellness Employee productivity, Access to talent, Aligning workforce plan with mission, Diversity, equity and inclusion Cybersecurity, Real estate/facilities costs & Technology costs were the top factors

Andreas Kuckertz in their paper titled Startups in times of crisis – A rapid response to the COVID-19 pandemic (9) In their paper throw light on various financial aspects like interrupted cash flows lack of access to capital for recovery and infrastructure and problems that were faced by the startups in addition reduced sales liquidity and survival issues threatened in the startup ecosystem much more than ever employee entrepreneurship residence crisis management and economic policy failures are effective startups even now.

Conclusion:

Throughout the study the journey of startup companies in the course of madhyamik has come across diverse aspects on which they had to work upon be it finance marketing supply chain human resource functions like recruitment layoff job frees and so on following are the key points on or findings of the study .

The startups were not prepared due to the un preparedness they had to suffer to cope up sudden and abrupt changes in their functioning the adaptability tenure for startups in various industries where it based on how diversified they were.

Fall in market demand and pitfalls in supply chain management has ended a lot of startups this has led to loss of business for few starters where as there are instances where the startups have made use of this situation to diversify their product line.

HR functions have affected the most as the entire pandemic has abruptly disrupted the physical health and mental health of the people and all over the world the productivity performance commitment towards tasks and absent is highly beried during the pandemic there are instances where people are removed or laid of from that jobs and lot of employees were not paid remuneration on time due to description in the business activities.

Through the study it is clear that layoffs were not an option by most of the companies due to shortage of funds but it was strategy to re align the business and attract the investors.

There are instances where startup companies have succeeded to be unicorns as they adapted the situation and quickly diversified their processes to healthcare essential products production diagnostics equipments and essential services as well most affected sectors like travel and tourism are completely affected and all the areas of finance HR marketing have disrupted and hence they will take a lot of time to cope up.

Conclusion.

Through the study it is very clear that various aspects have affected the startup ecosystem in all over the world but still today's scenario is that the startups have cooked up and adapted and suffer though they suffered they got back to their got back to their forms and are working on improving their state of businesses in all the aspects the only thing that matters in any such kind of situations is that quick adaptability preparedness and open minded or positive attitude to challenge the situation and move on in the best possible way to sustain the business goals.

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