
COVID-19 Pandemic, Employment and Decent Work Conditions: the case of Industrial Estates

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ABSTRACT

The purpose of this study is to analyze how COVID-19 has affected employment and decent work conditions in Nepalese organizations. It also aims to examine the changes in employee behavior after the COVID-19 pandemic. Workers and employees of six industrial estates (namely, Balaju, Patan, Bhaktapur, Hetauda, Butwal, and Pokhara) were selected as the sample for this study. In total, 1,080 questionnaires (15 for each of the 72 companies) were distributed to the employees of these companies. Only 672 usable questionnaires were received, resulting in a 62.22 percent response rate. The COVID-19 pandemic has made social inequality and the lack of good work more apparent, which disproportionately affects the most underprivileged people. As the work of industries changes in response to the pandemic condition, new workplace norms and standards set by the industries in industrial estates related to decent work are having a growing impact on workers.

Keywords: COVID 19, Decent work, Employment, Workplace, Industrial estates

Introduction

The COVID-19 pandemic has recently left the world in the throes of one of the biggest healthcare catastrophes in living memory. The severe suffering caused by COVID-19 has shocked the global economy (Nandi & Chauhan, 2022). The pandemic has had an impact on millions of lives worldwide. Millions of people have lost their jobs, yet the jobs that have arisen from the crisis are not the same as the ones that were lost. The jobs that were retained during the pandemic are changing. The health crisis has affected priorities, work schedules, environments, and tools (https://eures.europa.eu/how-pandemic-might-affect-world-work-2021-2021-04-08_en). The pandemic has mainly affected low-income, low-skilled people, raising concerns about social and economic unfairness. However, small and medium-scale enterprises (SMEs) have also suffered disproportionately and remain vulnerable to such shocks in the future (ILO, 2021). This pandemic has drastically changed the nature of work and presented businesses worldwide with hitherto unheard-of difficulties. Global labor markets have been severely impacted by it, and Nepal is no exception. Similar to numerous other nations, Nepal has seen notable disturbances in its systems of organization. Significant job losses and changes to working conditions are among the negative social and economic effects of the pandemic. In this situation, “decent work” has become a crucial concern for Nepalese workplaces.

Human rights, workplace democracy, equality, security, income, and dignity are desperately needed everywhere. They are also required and desired in the context of Nepalese workplaces. These problems are addressed by decent work (Shrestha, 2023; 2022; 2021). The phrase “decent work (DW)” refers to employment that upholds workers’ rights to fair compensation and safe working conditions as well as fundamental human rights. While performing his or her job, this task also respects the worker’s physical and mental integrity (United Nations Committee on Economic, Social, and Cultural Rights, 2005). It refers to a broad category of employment that includes social protection, rights at work, and the advancement of social discourse in addition to full and productive employment. It involves being productive and providing a fair wage, safe working conditions, social protection for families, opportunities for social and personal growth, freedom of expression, organizing and participation, and equal treatment and opportunity for all (Shrestha & Parajuli, 2024). Since its introduction by the ILO in 1999, decent work has gained acceptance in significant human rights declarations and United Nations (UN) resolutions, establishing it as a universal goal. In 2015, the new 2030 Agenda for Sustainable Development included decent work as a fundamental component, along with the primary goals of the Decent Work Agenda, which include social protection, employment creation, workplace rights, and social discourse (Piasna et al., 2020). It is expected that applying the decent work concept can create a pleasant work environment that supports employee quality of

life at the workplace (Shrestha et al., 2024).

Promoting decent work should be the main objective of our organizations. Since we have personally and professionally encountered the harsh reality of COVID-19, we must look at this issue. Therefore, the purpose of this study is to analyze how COVID-19 has affected employment and decent work conditions in Nepalese organizations. It also aims to examine the changes in employee behavior after the COVID-19 pandemic. Comprehending these effects is essential for formulating strategies and procedures that will help the labor force in recovery and strengthen the ability of organizations to withstand upcoming crises.

Literature Review

Decent Work Concept

The concept of decent work evolved for the first time in the world (Ferraro et al., 2016; Treaty of Versailles, 1919) when the International Labour Organization (ILO) was founded in 1919, as part to the Treaty of Versailles, to respond to international labor policy issues. Mainly, the idea of decent work emerged in the late 1990s. In 1999, ILO first defined this concept as “*opportunities for women and men to obtain decent and productive work in conditions of freedom, equity, security, and human dignity*” (cited in Adhikari, 2012). Based on the ILO concept, decent work is productive work that generates an adequate income. In such work, workers’ rights are protected. This work provides opportunities for both men and women to obtain productive work in terms of freedom, equality, security, and human dignity. Thus, decent work provides adequate social protection to workers (ILO, 1999). The concept of decent work is applied to both the formal sector and informal sectors. It addresses all kinds of jobs, people, and families (www.ilo.org). Thus, decent work entails the culmination of each person’s career goals (Pereira et al., 2019). It is focused on creative labor that provides social protection, stability, and a fair wage distribution. In addition to providing opportunities for individual growth and equality of opportunity and treatment, it also protects workers’ fundamental rights. It also offers the opportunity for employees to be recognized and have their voices heard. Both the formal and informal sectors of the economy are covered by this idea (Nizami and Prasad, 2017).

COVID-19, Employment and Decent Work Conditions

Decent work provides a livable income along with the required social protections, upholds equality of opportunity, protects human rights, and upholds human dignity (Kaan Namal et al., 2024). Like the rights to life and employment, the ILO views decent work as a basic human right and a means of improving working conditions (Mundlak, 2007). Decent work also includes many conditions, like bettering people’s working conditions, paying them enough, defending their rights, and acknowledging enough facilities for safety and health (Anlesinya et al., 2021). Sustaining the economy requires decent labor since it improves social protection, lowers inequality, and raises people’s purchasing power. However, since its start, the COVID-19 pandemic has affected the lives and communities of billions of people worldwide. Such a pandemic has also affected the socio-economic context and consequently the labor market, as well as employees’ perceptions of decent work (Pereira et al., 2023).

Anholon et al. (2022) listed a few effects of the pandemic, including an increase in poverty, a generation of informal labor, implications for gender issues, and a significant public health issue. They stated that stress and mental health are among the things the pandemic has impacted. Additional effects on work conditions, unstable employment, and unemployment are included. These factors were strongly linked to the spread of the coronavirus. Antonio et al. (2023) also suggest decent work as a key strategy to overcome poverty in the post-pandemic period. In fact, COVID-19 evolved from a pandemic to a world economic crisis. The majority of workers’ working conditions, hours, and output have been impacted by the pandemic. In addition, several businesses were forced to reduce employment, or at the very least, wages (Ghoneim, 2023).

Research Methods

This study focuses on workers’ perceptions of decent work conditions during a pandemic. So, this study includes employees from various organizations in Nepal’s industrial estates.

The target population for this study was the workers and employees who were working in different companies in industrial estates in Nepal. Out of 11 industrial estates, only employees/workers of six industrial estates (namely, Balaju, Patan, Bhaktapur, Hetauda, Butwal, and Pokhara) were selected as the sample for this study. These industrial estates were selected using a simple random sampling technique. In total, 1,080 questionnaires (15 for

each of the 72 companies) were distributed to the employees of these companies. Only 672 usable questionnaires were received, resulting in a 62.22 percent response rate. Table 1 presents a profile of the participants from industrial estates and industries surveyed.

Table 1. Profile of the participants from industrial estates and industries surveyed

Industrial Estates	Frequency	%
Balaju	151	83.89
Patan	135	75
Bhaktapur	133	73.89
Hetuada	83	46.11
Butwal	45	25
Pokhara	125	69.44
Industries		
Foods, Biscuits and Confectionary	81	12.1
Noodles	68	10.1
Dairy	50	7.4
Beverage	86	12.8
Plastic	41	6.1
Printing and Packaging	71	10.6
Engineering and Workshops	64	9.5
Colour and Chemicals	32	4.8
Metals, Handicrafts and Ceramics	30	4.5
Electrical Equipment	24	3.6
Construction Materials	22	3.3
Clothing and Textiles	28	4.2
Mineral Water	30	4.5
Poultry Farm and Pallets	20	3
Furniture	25	3.7

The employees were given a check list to investigate the ways in which the COVID-19 pandemic has harmed employment and decent work conditions. Table 2 presents a socio-demographic profile of the participants in this study.

Table 2. Socio-demographic Profile of the participants

Gender	Frequency	%	Marital Status	Frequency	%
Female	231	34.4	Unmarried	201	29.9
Male	441	65.6	Married	471	70.1
Age			Job Position		
18 - 24 years	100	14.9	Technician	30	4.5
25 - 35 years	291	43.3	Operator	50	7.4
36 - 45 years	281	41.8	Supervisor	50	7.4
46 - 55 years	0	0	Engineer	20	3
56 + years	0	0	Head of Production	40	6
Work Experience			Helper	80	11.9
1-5 years	105	15.6	Cleaning Staff	25	3.7
6-10 years	210	31.3	Security Guard	50	7.4
11-15 years	219	32.6	Laboratory Attendant	20	3
16-20 years	138	20.5	Accountant	51	7.6
Education			Line Manager	40	6
School Level	80	11.9	Maintenance Mechanic	24	3.6
+ 12 Level	170	25.3	Factory Staff	56	8.3
Bachelors	361	53.7	Office Staff	86	12.8
Masters	61	9.1	Store Keeper	50	7.4

Results and Findings

This section is divided into two parts: impact of COVID-19 pandemic on employment and decent work conditions, and changes in behavior after COVID-19 pandemic.

Impact of COVID-19 Pandemic on Employment and Decent Work Conditions

The COVID-19 pandemic is a significant economic and labor market shock that has had a significant impact on many types of employees' working conditions. Based on the opinions of workers in the surveyed industries, this section addresses how the COVID-19 pandemic has affected different aspects of employment and conditions of decent work in workplaces (Table 3).

Table 3. COVID-19 Pandemic, Employment and Decent Work Conditions

S.N.	Employment and decent work conditions	Yes (%)	Rank
1.	Increase in unemployment	62.95	9
2.	Increase in poverty	58.93	13
3.	Lack of basic rights guarantee	60.86	11
4.	Interruption in industry and its supply chain network	86.90	1
5.	Decline in manufacturing and demand	83.04	2
6.	Lost positions	65.03	7
7.	Diminished hours or joblessness	61.01	10
8.	Loss of pay	59.08	12
9.	Reduction in salaries or allowances	51.04	19
10.	Reduction in the number of employees	53.13	17
11.	Loss of working time due to restrictive measures	51.93	18
12.	Digitalization of employment	56.99	15
13.	Effect on market competitiveness	78.87	3
14.	Lack of access to paid sick leave and healthcare	71.88	5
15.	Transformation of virtual work	42.71	20
16.	Professional isolation and loss of community	68.90	6
17.	Work-life balance becomes worse for working women	64.14	8
18.	Lack of job flexibility	57.89	14
19.	Liquidity issues due to absence of revenue streams	54.02	16
20.	Worrisome situation for young and women workers	74.11	4

The majority of workers have reported that interruption in industry and its supply chain network is one of the major impacts of COVID-19 on work. 83.04 percent of workers have reported that the pandemic creates a decline in manufacturing and demand for goods and services. 78.87 percent of workers agree that the pandemic has a negative effect on the market competitiveness. 74.44 workers have reported that such a pandemic creates a worrisome situation for young and women workers in many industries. 71.88 percent of workers have also reported that there is a lack of access to paid sick leave and healthcare during the COVID-19 pandemic. They have also experienced professional isolation and loss of community (68.90 percent), as well as lost their positions (65.03 percent). 64.14 percent of workers have agreed that the pandemic has worsened their work-life balance.

The workers have also reported that increase in unemployment (62.95 percent), reduced working hours or joblessness (61.01 percent), lack of protection for basic rights (60.86), loss of pay (59.08), increase in poverty (58.93), and lack of job flexibility (57.89) are also common at the time of the pandemic.

54.02 percent of workers have reported that COVID-19 has created liquidity issues across many industries. It is due to the lack of revenue streams in their businesses. 53.13 percent of workers have also reported a reduction in the number of employees during the pandemic period. They have also reported that loss of working time due to restrictive measures (51.93 percent) and reduction in salaries or allowances (51.04) are also common during the time of the pandemic.

But the most noticeable trends in Nepalese industries, which are growing quickly during the pandemic, are the digitization of employment (56.99 percent) and the transformation of virtual work (42.71 percent). Only official works frequently use such tendencies.

Changes in Behavior after COVID-19 Pandemic

This section presents the perceptions of workers about the changes in behavior after the COVID-19 pandemic (Table 4).

Table 4. Changes in Behavior after COVID-19 Pandemic

S.N.	Behavioral Aspects	Yes (%)
1.	Food habits	97.00
2.	Clothing habits	73.10
3.	Mentality	77.50
4.	Concern for safety	93.90
5.	Health consciousness	98.50
6.	Keeping the environment clean and safe	98.50
7.	Change in social life	97.00
8.	Change in family life	97.00
9.	Change in professional life	98.50
10.	Way of communication (e.g., email and video meetings become common)	94.00
11.	Developing new skills	76.00
12.	Mental health	100.00

All the workers have stated that the COVID-19 pandemic has changed their mental health. 98.50 percent of workers concur that their professional lives have changed. They have also developed a greater consciousness of their health and learned how to maintain a safe and clean environment. 97 percent of workers have reported that their food habits and social and family life have changed due to the pandemic. 94 percent of workers have reported that their way of communication has changed. Particularly, email and video meetings have become common in their personal and working lives. 93.90 percent of workers have agreed that they are now conscious of safety at work whereas 77.50 have reported changes in mentality. 76 percent of workers have developed new skills to fit in the changing work environment and 73.10 percent of workers have changed their clothing habits due to the pandemic.

Discussion

Based on the opinions of workers of different industries, it appears that interruption in the industry and its supply chain network is one of the major impacts of COVID-19 on work. Such interruption leads to a decline in manufacturing and demand for goods and services (Nandi & Chauhan, 2022). Such a decline in manufacturing and demand has a significant impact on workers, businesses, and working conditions in Nepalese industries. The industries are also suffering due to the negative effect of COVID-19 on their market competitiveness (Osipova, 2022). During COVID-19, there was a lack of access to paid sick leave and healthcare (www.weforum.org/agenda). COVID-19 causes professional isolation and loss of community. Many workers have lost their positions.

Working women have been badly impacted in some way as a result of the worsening work-life balance imposed on them by longer work hours and a work-from-home arrangement during the COVID-19 pandemic. Additionally, it has been found that the pandemic has had a noticeable effect on women at different times of their lives, in a variety of industry sectors, employment statuses, and life stages (Mint, 2021). Moreover, families with children and senior citizens face significant difficulties because they need to manage work, home, and school obligations at once. In fact, the situation for young and female workers in many industries is worrying since the pandemic is having major consequences for the national economy (ILO, 2020).

During the pandemic, there is frequently a rise in unemployment, reduced working hours, or joblessness (Anholon et al., 2022; Simonova et al., 2021), which leads to an increase in poverty and a lack of protection for basic rights. Loss of pay and lack of job flexibility are also common during the time of pandemic (Nandi & Chauhan, 2022). Due to the lack of revenue streams, COVID-19 has caused liquidity issues across many industries (Banerjee et al., 2020; Nandi & Chauhan, 2022). Since they are unable to reduce their costs in keeping up with falling sales, such problems will certainly have a profoundly detrimental impact on many industries. The huge decline in decent work profiles during the pandemic has had a greater impact on trade, construction, and services (Simonova et al., 2021). In addition, the COVID-19 pandemic is affecting workers' health, jobs, and income. Thus, it is imperative that Nepalese workers prioritize receiving adequate and just wages (Shrestha et al., 2024).

The COVID-19 pandemic has brought many behavioral changes in workers. The pandemic has affected their mental health. Their work lives have changed, they both agree. Additionally, they have grown more aware of

their health and learned how to keep a clean and safe environment. The pandemic has changed their eating patterns as well as their social and familial lives. A new communication style has evolved. Email and video meetings in particular have become typical in their personal and professional life. While most workers concur that they are now more aware of workplace safety, some claim that the pandemic has changed their mentality. Some employees have adjusted their dress codes in response to the pandemic and learned new skills to adapt to the changing workplace.

Furthermore, during the pandemic, it is normal to see a reduction in the number of employees, loss of working time due to restrictive measures, and reduction in salaries or allowances (Simonova et al., 2021). As a result, maintaining appropriate decent work conditions in Nepalese workplaces has become extremely difficult. However, the digitalization of employment (Agrawal et al., 2013; Ziemann, 2017) and the transformation of virtual work are the most prominent trends in Nepalese industries, which have rapidly increased during the pandemic. Such trends are common only for official works.

Conclusion

The COVID-19 pandemic suddenly surfaced, endangering people's livelihoods and places of employment. Such pandemic and its accompanying quarantines caused severe disruptions to the labor market and brought to light the value of physical closeness in the workplace. The disturbances led to modifications in behavior as well as business practices, some of which might very well be long-lasting.

The COVID-19 pandemic has made social inequality and the lack of good work more apparent, which disproportionately affects the most underprivileged people. As the work of industries changes in response to the pandemic condition, new workplace norms and standards set by the industries in industrial estates related to decent work are having a growing impact on workers. In this case, we can infer that the situation will be difficult because the economy is already experiencing the negative consequences of the epidemic. Thus, in order to address the effects of such a pandemic, it is urgently necessary to have a sustainable wage/salary, equitable opportunity, access to basic benefits, the ability of employees to voice their concerns and defend their rights, and reasonable protective standards regarding workplace health and safety.

Limitations

Some notable research limitations are mentioned below:

- (a) Primary sources are surveyed to get the data used in the study. The respondents' subjective perceptions, therefore, determine the reliability of the data.
- (b) Just the thoughts and perspectives of all level employees are taken into account in this survey. Union leaders' perspectives may help to understand the requirements for decent employment, but their viewpoints are not included in this study.

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