

EMPLOYEES ISSUES TOWARDS GLOBAL RECESSION

Submitted by

A. MANJARI

Roll no: 0702MBA0259

Reg. No: 68107202056

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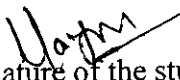
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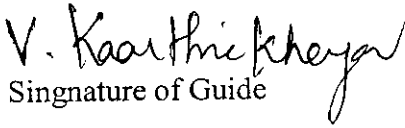
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Signature of the student

Name : A. MANJARI

Roll No :0702MBA0259

Reg. No : 68107202056


Signature of Guide

Name : Mr.V.KARTHIKEYAN

Designation : Project Guide

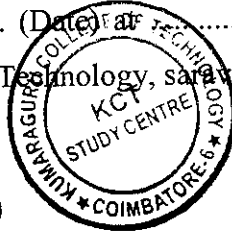
Address : KCT Study Center,
Saravampatty, Coimbatore


Signature of Project-in-charge

DIRECTOR
Name : Prof.Dr.S.V. DEEKINA PHANI
KCT BUSINESS SCHOOL
KUMARAGURU COLLEGE OF TECHNOLOGY
Designation : Project-in-charge
COIMBATORE - 641 006

Certificate of Viva-Voce-Examination

This is to certify that **Ms.A. MANJARI** (Roll No 0702MBA0259 ; Register No. 68107202056) has been subjected to Viva-voce-Examination on
 12.09.09 (Date) at (Time) at the study
 centre Kumaraguru College of Technology, saravanampatty, coimbatore.



V. Kaarthikeyan
Internal Examiner

Name: **MR. V. KAARTHIKEYAN**

Designation :

Address : **KCT STUDY CENTER,
 SARAVANAMPATTY,
 COIMBATORE**

N. Senthil Kumar
External Examiner 12/09/09

Name: **DR. N. SENTHIL KUMAR**

Designation : **THE ZONAL OFFICER,
 ZONE VIII**

Address : **JAMAL MOHAMMED
 COLLEGE CAMPUS
 TRICHY - 620 0**

S. Sadasivan
Co-ordinator
 study centre

**CO-ORDINATOR,
 KCT STUDY CENTRE,
 CDE ANNA UNIVERSITY, CHENNAI,
 KUMARAGURU COLLEGE OF TECHNOLOGY,
 COIMBATORE 641 006.**

Name : **Dr.S.SADASIVAN**

Designation : **Co-ordinator**

Address : **KCT Study Center, Coimbatore.**

Date : 12.09.09



ORION

DATE: 29.7.2009

TO WHOMEVER IT MAY CONCERN

This is to certify that **Ms. A.MANJARI (68107202056)** student of final year MBA under **ANNA UNIVERSITY CHENNAI (DISTANCE MODE)**. To do the project works in our concern from April 2009 to July 2009. She has assigned to complete her project titled as **“EMPLOYEES ISSUES TOWARDS GLOBAL RECESSION”**.



ABSTRACT

The report consists of the information which the employees are having the idea about the recession and the future plan against the lay off of their companies. The resistance of the employees are measured in this report based on the decision which they have taken thus the decisions are taken for hold their present job and face their problems in their jobs due to the recession. The report prepared based on the survey type using the questionnaire. This is the major thing in this report. The problem was defined based on the recession and it was explained in all aspects. The problem is to be solved and the implication for the problem is given in this report.

Every aspect of the problem was analyzed in the secondary data and the questionnaire was constructed. While defining the problem the situation of every one was analyzed and it has been understood well. To verify the aspects the pilot survey was conducted and the questions are modified based on the report. In this report the modified questions are used for the main report. Sample size, location and samples are pre defined when defining the problem. The solutions are based on the questions and the answers given by our samples.

This report is fully concentrated on the IT companies. All the aspects are based on the present situation in the field. After the pilot survey the verified aspects already from the secondary data was verified and confirmed with the past analysis before proceeding to the pilot survey. Pilot survey has planned accordingly based on the questions and time availability. The conducted survey was listed and tabulated well. Each and every step of the report can be analysed and it has done carefully based on the problem definition. The decisions are taken based on the availability of the resources including the samples.

In this report every aspect are given clearly and it has been provided with the perfect data. The prepared report is based on the real data which is collected among the samples in the sample size in IT firms. Thus the samples are perfectly handled and it is well defined in this report. The major plan is to find out the employees resistance towards this recession. The situation is not well. The difficulty of every one is varying

The methodology is selected due to time constraint. All in this industry are busy people. We must understand the difficulty of them for spending the time with us. Basically the picture is captured like that way and it has been preceded. The data collected as per the plan and it was tabulated. The preliminary aim of this report is to prepare the strategies for the people who use to develop their strategies to avoid the lay off in their companies. Some of the information is given here for the development of employees need. Final issue is that the complete solutions for the general problems are given in this report for the further development of the employees. This is taken as an issue.

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CHAPTER 1

INTRODUCTION

1.1 ABOUT THE COMPANY:

About the founders:

The founders of this company are Mr. ARUL DHAMODHARAN. This company was established on 1999 as a small clinic. Later because of the hard work of the founder its developed as a hospital and now it grown to a large extend. The company was first started in Gandhipuram, Coimbatore; later the building was shifted to Ram nagar. But they are still maintaining the customers.

About the company:

A peaceful company, here developers will be more relaxed. A hanuman temple is inside the company. Here both developers and clients can interact with each other.. A 24 hours canteen service is available here.

Specialist in:

- ✓ Web developing
- ✓ Web hosting.
- ✓ Web space server.
- ✓ Networking solution
- ✓ Software developing
- ✓ Software testing.

1.2 Research Background

These days the most talked about news is the current financial crisis that has engulfed the world economy. Every day the main headline of all newspapers is about our falling share markets, decreasing industrial growth and the overall negative mood of the economy. For many people an economic depression has already arrived whereas for some it is just round the corner. In my opinion the depression has already arrived and it has started showing its effect on India.

Recessions are often associated with downturns in the gross domestic product (GDP) of countries. The current recession, which affects most of the world, was sparked by events in Asia, but has since included many other nations in its effects. Despite this, the American economy continues to grow at a modest but steady rate. This research considers the effect of the recession on future unemployment in the United States by evaluating the negative and positive effects of the recession on American business.

Global recession and layoffs is the much talked subject these days. Everyday, you will find some multinational announcing some layoffs. I found a new website just dedicated for news related to layoffs. Reliance recently announced to layoff 5000 employees mostly from Reliance retail. Reliance had heavily invested for their retail business and due to the Global economic crises; they could not get what they expected.

Their main target were highly paid IT segment class of people, but due to reduction in their salaries and layoff possibilities, these class of people are trying to save and go for cheaper shopping alternatives.

Layoffs have really made life anxious for the employees of multinational companies especially in the IT sector and highly paid employees. Recently Microsoft announced layoff of 15,000 employees, which is about 17% of their 90,000 employees worldwide. Citigroup has announced a layoff of 52,000 and limits on executives pays.

Most of the employees are facing anxious moments due to the recent layoffs. The employer needs to take necessary steps to face the global recession like reducing the number of employees, reducing the pay rates to make sure of their sustainability. Overall all the sectors are affected, most of the companies are identifying the departments or divisions which are going in loss and either closing those divisions or reducing the staff strength especially highly paid ones and even pay are being reduced.

There are tons of Indians working in countries like the United States of America, United Kingdom, United Arab Emirates and many more countries. The global recession has led to layoffs. Layoffs will be affecting the foreigners working in different country. The first to be fired will be the foreigners working in a country because every country would not want to keep their citizens jobless and employ a foreigner.

During economic good times, the best performers are quickly snapped up by those “employers of choice” who can pay higher salaries and which then command their loyalty. Often these employees are kept by those companies even through recessions; they are that valuable. But this is not always the case...

Many star performers are let go out of economic necessity, and this can provide small businesses the chance to hire truly top performing employees that they might not get a chance at during boom times.

Another upside is that many eligible young workers have trouble finding employment during a recession, and this labor pool is one that may simply be unavailable to small businesses in a thriving economy, when most young workers are immediately snapped up.

So, as an employer, how should you take advantage? After all, didn't we just acknowledge that were in a recession? It's not exactly the time to staff up is it? As difficult as it may seem, now is the time to truly assess each of your team members' individual strengths, weaknesses and contributions to the team, and to consider whether or not they are the best fit for your company.

According to a 2009 survey on domestic relocation policies by Cartus, founded 55 years ago, 94 percent of 179 U.S. firms said employees wanted to stay put to prevent losing money on their devalued homes. People hold their own for a few months after they lose their jobs, but then eventually they have to stop spending, and their psychology changes. Systematic investigation of the views and opinions of those employed by an organization on issues relating to the work of that organization or their role within it. Employee attitude surveys may be conducted by means of questionnaires or interviews. They may be undertaken occasionally or at regular intervals and may be used to make a general assessment of employee morale or focus on a specific issue such as the introduction of a new policy. Goals may be to identify or gain an understanding of problems so that action to resolve them can be taken, to encourage employee involvement and commitment, or to assist in planning, implementing, and evaluating new initiatives. Recessionary economies demand an organization must adapt quickly to shifting markets and customer needs. For this to happens employees must be equally responsive and adaptable to each fluctuation in the marketplace. Clearly, if personnel are either resistant to this change or 'stressed out' from recent restructuring, they will not be able to keep the organization competitive, effective and cost-efficient. With many companies downsizing and restructuring, the remaining employees are subject to an overwhelming number of adjustments -- new job descriptions, new procedures, increased workloads, identifying new markets, retaining market share and possibly, an overwhelming concern for their future. Employees under the burden of excessive change from restructuring do not work as effectively or efficiently.

1.3 Objective of the study:

The threat of a recession makes everyone pull up their sleeves and do something. Well, whether you are in big business, an employee this problem affects everyone. In this report the employees decision towards the recession in the organizations. There must be another solution from the employee towards recession. The company decision and the acceptance from the employee may differ. From this report all these aspects are analysed. Every employee has the expectation in an organization. Every organization has the thought of lay-off for reduce the loss or avoid the profit maximization. Every thing can cause the employment loss and other things. All the aspects are considered in this report.

Through this study we can understand the employee's mindset towards recession. The findings used to improve the employees skills towards the layoff. The safety methods can use to sustain without any huge loss of money and mental illness. Effect of the recession threatening can be measured and the suggestions can give towards hold the job during this recession. The organization can improve the quality and revenue based on the employee decisions. Through this study an employee can improve their security alternative towards recession.

- The resistance methods to hold present job towards this recession.
- Expectation from the organizations and acceptance of the organization decisions to hold their present job of employees.
- The view of employees towards recession and alternative methods to retrieve their present job.
- The threatening of this recession for their job.
- The security alternatives methods towards job loss.

These are the aspects that we are planning to study in this report.

1.4 Need for Study:

Through this study we can understand the employee's mindset towards recession. The findings used to improve the employees skills towards the layoff. The safety methods can use to sustain without any huge loss of money and mental illness. Effect of the recession threatening can be measured and the suggestions can give towards hold the job during this recession. The organization can improve the quality and revenue based on the employee decisions. Through this study an employee can improve their security alternative towards recession.

CHAPTER 2

LITERATURE SURVEY

2.1 Review of Literature

2.1.1 Impact of recession on Unemployment:

Recessions are often associated with downturns in the employment in India. The current recession, which affects most of the world, was sparked by events in Asia, but has since included many other nations in its effects. Many companies are finding that they are caught between the benefits of the recession and the problems associated with the recession. Certainly, a sufficient proportion of the world's economies are current in recession to warrant an assessment of the potential of this situation to affect future employment levels.

A recession in 2008 would raise the national unemployment rate by between 2.1 and 3.8 percentage points. The unemployment rate and the number of unemployed based on the historical pattern would continue to increase through 2010 (to 6.7 percent in the case of a mild-to-moderate recession) or 2011 (to 8.4 percent in the case of a more severe economic downturn).

The last few weeks have seen a remarkable degree of consensus across most of the economics profession around the need for a sharp short-term stimulus to the economy. The goal is to avoid a recession or, in the likely event that that isn't possible, to make the recession shorter and more shallow. By one rule of thumb, the unemployment rate has now raised enough to send a reliable signal of recession.

The nations are held at the binary decision of are we or aren't we in recession which is a meaningless exercise, as they are not in a position to realize the fact that the unemployment rate has risen meaningfully and is apt to continue going up which implies that the economic environment is weak. All the industries irrespective of its quarter performance have rung the bells for the unemployment rate to increase significantly and the same would continue to rise in the coming 2 years ahead.

As the employment situation continues to deteriorate and the recession deepens. The numbers for output don't yet reflect the severity of the recession. Although the National Bureau of Economic Research dated the start of the recession to December 2007, the only reported quarter of GDP contraction so far has come in third quarter of 2008. However, economists expect perhaps the worst period of the recession came in the just ended fourth quarter, which will be reported at the end of this month.

However, the employment situation is already worse than some of the milder recessions and is moving lower than the median. Following the release of the December employment report, the number of jobs lost in the current recession as a percentage of the total work force rose to 1.9%. That's lower than the trough seen in the recessions of the 1970s, 1990s and earlier this decade. But, it's still below the 3.1% decline recorded in the 1981 recession.

And there are still likely more declines to come in the current recession. While the percent of jobs lost in the current recession trails 1981, it isn't too far off the 2.3% drop recorded during the comparable month of that downturn. There were still six more months of drops during that period and thousands more jobs lost.

The global economic recession has taken its toll on the Indian economy that has led to multi-crore loss in business and export orders, tens of thousands of job losses, especially in key sectors like the IT, automobiles, industry and export-oriented firms. It has also shaken up the investment regime, which is being restructured, with the telecom sector likely to be declared off-limits for foreign investors.

Although the next two years or more are expected to usher in a difficult phase for the national economy, there are silver linings still amid the dark clouds looming on the horizon. The stimulus package unveiled by the central government should boost exports, especially to the Gulf States, which are still awash in petro-dollars, even if the oil prices have plummeted from \$142 to \$42 within six months.

Restrictions on exports of food, textiles and construction material to the Gulf have jacked up the prices there. Easing on export curbs should be welcome news to some 30 million people in that region. The scope and size of the export market to Saudi Arabia, the biggest market in the GCC, will be discussed later in this article.

Before the crisis erupted, there were more than 1500 software firms in the country, while the employee base of the sector had grown to 553,000 (from 415,000 in FY 06). More than 1300 IT companies were operating in Bangalore alone.

This sector has been adversely affected by the global crisis-a fact acknowledged by Bangalore-based Infosys Technologies Co-Chairman, Nandan M. Nilekani. He believes that even though the tech sector would see the impact of the economic slowdown in terms of growth rate, the IT industry will continue to grow and recruit manpower.

Interestingly, his observation finds support from the Manpower Employment Outlook Survey which ranks India second after Peru in terms of the recruitment programme. The survey, which covered 33 countries, reveals that although the global slowdown will certainly impact the hiring plans of employers in India over the next three months, it has the second strongest hiring capacity globally, with a Net Employment Outlook of 19 percent.

The threat of a recession makes everyone pull up their sleeves and do something. Well, whether you are in big business, an entrepreneur or an employee this problem affects everyone. Certainly, if you are looking for a job or even if you already have one, you should try to examine the impact of recession on the employment of workers.

The Center for Economic and Policy Research states that the looming recession will raise unemployment by about two to three percent depending on the severity of the recession. This means that there will be about three to five million unemployed Americans in case it happens.

On the other hand unemployment data doesn't represent the educated workforce. For them, the truth is there are more available jobs than there are candidates and the unemployment rise affects mainly the low-skilled workers. At most, this is the unemployment impact of the perceived recession this year.

Companies differ to a certain degree on their outlook regarding the hiring of additional workers or streamlining their workforce. There are companies who think their concern is on the difficulty of looking for skilled workers who would help boost their efficiency. Others implement a freeze on hiring. There are even companies who have laid off some of their workers. These realities are also seen even during normal times but presently, these moves are made with extra caution and rigid analysis.

Companies which depend so much on banks for their operations and have problems meeting their obligations are the ones greatly affected by recession. As such they make drastic moves to save the business including cuts on their workforce. On the other hand, there are businesses which express optimistic outlooks and have not been affected by the looming recession. The Bay Area agencies for instance, expect that they will be steady while a nationwide survey states that 83 percent of agencies said their budgets have not been affected and they expect an increase in revenues this year.

It is therefore up to the agencies concerned to make careful analysis of the situation and make whatever appropriate action they would make with regards the status of their workforce. It is hard to make a general recommendation like to continue or stop hiring. It would also be very foolish to discourage people from applying for a job. The present predicament does not present a bright outlook for employment opportunities but the uncertainty teaches us to be prepared and as much as possible to be able to adjust. There are still job opportunities waiting for those who are qualified.

As we have mentioned, the impact of recession is unpredictable and depends entirely on the severity of the recession. The lessons learned on past recessions have somehow helped us trace the patterns and given us ideas on how to solve the problem.

Each country is basic in the socio-economic and political life of the country.

Unemployment is one of the worst effects of recession and government, with the help of the private sector should be able to come out with plans and actions to at least minimize unemployment.

2.1.2 Impact of an American Recession on Indian IT companies:

The IT sector will be the worst hit as 75 per cent of its revenues come from the US. Low demand for services may force most Indian Fortune 500 companies to slash their IT budgets. Zinnov Consulting, a research and offshore advisory, says that besides companies from ITES and BPO, automotive components will be affected. During a full recession, US companies in health care, financial services and all consumers demand driven firms are likely to cut down on their spending. Among other sectors, manufacturing and financial institutions are moderately vulnerable. If the service sector takes a serious hit, India may have to revise its GDP to about 8 to 8.5 per cent or even less.

Lokendra Tomar, senior vice-president, Integreon, a BPO firm, says the US recession is likely to have a dual impact on the outsourcing industry. Appreciating rupee along with poor performance of US companies (law firms, investment banks and media houses) will affect the bottom line of the outsourcing industry. Small Bops, which are operating at a net margin of 7-8 per cent, will find it difficult to survive.

According to Dharmakirti Joshi, director and principal economist of CRISIL, along and severe recession will seriously affect the portfolio and fixed investment flows. Corporate will also suffer from volatility in foreign exchange rates. The export sector will have to devise new strategies to enhance productivity.

Indian companies have major outsourcing deals from the US. India's exports to the US have also grown substantially over the years. The India economy is likely to lose between 1 to 2 percentage points in GDP growth in the next fiscal year. Indian companies with big tickets deals in the US would see their profit margins shrinking.

The worries for exporters will grow as rupee strengthens further against the dollar. But experts note that the long-term prospects for India are stable. A weak

dollar could bring more foreign money to Indian markets. Oil may get cheaper bringing down inflation. A recession could bring down oil prices to \$70.

The whole of Asia would be hit by a recession as it depends on the US economy. Even though domestic demand and diversification of trade in the Asian region will partly counter any drop in the US demand, one simply can't escape a downturn in the world's largest economy. The US economy accounts for 30 per cent of the world's GDP.

Says Sudip Bandyopadhyay, director and CEO, Reliance Money: "In the globalised world, complete decoupling is impossible. But India may remain relatively less affected by adverse global events." In fact, many small and medium companies have already started developing trade ties with China and European countries to ward off big losses.

Manish Sonthalia, head, equity, Motilal Oswal Securities, says if the US economy contracts much more than anticipated, the whole world's GDP growth-which is estimated at 3.7 per cent by the IMF-will contract, and India would be no exception.

The only silver lining is that the recession will happen slowly, probably in six months or so. As of now, IT and IT-enabled services, textiles, jewellery, handicrafts and leather segments will suffer losses because of their trade link. Certain sections of commodities could face sharp impact due to the volatile nature of these sectors. C.J. George, managing director, Geojit Financial Services, says profits of lots of re-export firms may be affected. Countries like China import commodities from India, do some value-addition and then export them to the US.

Over the past couple of months, fears of a slowdown in the United States of America have increased. The impact of the subprime crisis along with a slowdown in mortgages has led to a significant lowering of growth estimates. Since the United States dominates the global economy, any slowdown there would have an impact on most of the global economic variables.

India, it could mean a further appreciation in the rupee vis--vis the US dollar and a darkening of business outlook for sectors dependent on US companies. The overall impact of a US slowdown on India would, however, be minimal as the factors driving growth here are more local in nature. Unlike the rest of Asia, India is a strong domestic demand story, so any slowing in the US is likely to have a more muted impact on India. Strong growth in domestic consumption and significant spending on infrastructure are the two pillars of India's growth story. No sector has a dominant influence on earnings growth and risks to our estimate are limited. Corporate India is also learning to master the art of efficient capital management, reduction in costs and delivery of value-added services to sustain profit margins. Further, interest rates are expected to be stable primarily due to control over inflation and proactive measures undertaken by the RBI.

2.1.3 Difference between the 1980 and 2008 Recessions:

Under employed and discouraged workers, 1982 toted up 16.31 percent broad unemployment vs. today's more than 13 percent. He reminded readers too employeeng to recall how in the late 1970s and early 1980s housing sales plummeted, interest rates and inflation skyrocketed and oil prices jumped.

We should be cautious about overstating the current crisis and heed the copy editor's reluctance to let the word "unprecedented" creep into stories. Leonhardt writes, "The biggest risk is that these problems will feed on themselves and make the situation even worse than now seems likely."

Yet having lived through the 1980-82 recession as an adult, it's also important that we understand how today's economic disruption *is* different and dangerous. It's not all in our heads, as some critics of the media might have it.

As Leonhardt concedes, we have yet to see how badly the unemployment and housing sales rates go this time. We have yet to hit bottom. I'll add some other ways our situation is different from 1982, and even from 1932. This takes us beyond "worse" or "better" arguments, to focus on the distinct nature of this recession.

1. India was barely a blip on the world economy in 1982. Today it is in many ways a controlling force for better or worse. For example, the United States owes India some \$1 trillion in debt, largely Treasury securities, sold to finance our trade deficit and multiple wars. China and America are locked in an unsustainable and reckless “debt-for-stuff” relationship. Were it to deflate suddenly, it could make the popping of the housing bubble look small by comparison. In addition, China has become the world’s factory and is feeling the sharp slowdown, closing plants, laying off workers and losing the rapid growth that allowed it to absorb large numbers of rural poor and provide upward mobility for the better off, particularly in the prosperous coastal crescent. Now unrest is growing and could prove destabilizing.

2. Peak oil. The United States was only a few years past its peak in oil production in 1982, and world production remained ahead of demand. India, China and the communist block had yet to enter the world economy as big energy guzzlers. That’s all changed now. World peak is happening or near and the nations of this petroleum-addicted world are far from making the necessary adjustments to make the transition to a future of much more expensive energy. This is another recipe not only for economic disruption but also for geopolitical conflict.

3. Global warming. In 1982, it was a rarefied theory. Now it’s a clear and present danger. Pundits and policymakers can bicker about whether the current recession makes it more difficult to address climate change, but the reality is that it’s happening, and at a faster rate than scientists had expected. It will impose huge economic and social costs in the decades ahead. Also, more than 2 billion people have been added to the world population since 1982, severely stressing the planet’s carrying capacity.

4. The housing bubble. The housing crash of 1982 was part of a broad, cyclical downturn, made worse by the 1979 oil shock and the Federal Reserve’s war on inflation. Today’s housing crash is the result of a speculative bubble the size of which has few precedents. It will take years for this sector to come back and, for a variety of factors, the old suburban sprawl model is dying or dead. So it’s pointless to hope for a return to the 2005 go-go era. The housing crash this time has made Americans poorer, decapitated several major job sectors and helped bring on.

5. The banking crisis. Nearly every recession has an accompanying banking crisis. It could be contained in 1982 for several reasons, especially better regulation and smaller banks. There were more large money center banks than today, yet they were smaller than their counterparts today (a fact much fretted upon in the 1980s as Japanese banks swelled — until they were taken down by the Japanese real-estate collapse). The result of a less concentrated, better regulated banking industry was to contain the damage (although it was substantial). Today's banking system is a highly concentrated creature whose innards have metabolized far beyond traditional banking. This is exemplified by the derivatives that are essentially worthless if not outright swindles. All this feeds on itself in a viral nature, leaving Washington to prop up sick institutions that are “too big to fail” but otherwise would be considered insolvent.

6. Manufacturing and trade. In 1982, the Rust Belt was synonymous with a nation in trouble. But on the ground, American manufacturers were going through a wrenching restructuring that would again make them the most productive and innovative in the world. One slice of this story is told in Richard Preston's thrilling book *American Steel*. When I arrived in Dayton, Ohio, in 1986, I found a city that was filled with factories making things for the world, and the high-paid jobs that went with it. Dayton had gone through hell as companies such as NCR and GM had remade themselves. But it had come through. Today's America is far, far different — as the hollowed out Ohio economy attests. Poorly crafted trade agreements and the rise of new competitors has badly damages the productive heart of the economy. In many cases, there's little left to retool for the next upswing — it's gone to China or Mexico. No wonder the last “factory jobs” seeing growth were in producing the tract houses that now stand foreclosed throughout the Sunbelt, and Americans who once made productive things were working in “financial services” hawking fraudulent mortgages.

7. Human capital. Americans have seen their earnings stagnate for years their only consolation the housing bubble which has now exploded. Their 401(k) nest eggs have lost as much as half their pre-crash value. Income inequality is at a high not seen since the eve of the Depression, stifling, among other things, economic mobility. Perhaps a million or more illegal immigrants are consigned to the shadow economy, kept out of mainstream advancement and creating a costly underclass. In 1982, the middle class

was still strong, with relatively secure jobs, benefits and pensions. The health insurance system still worked. It was a very different country, whatever the temporary pain. In addition, today the skill gap has grown substantially. A tech-savvy “creative class,” as Richard Florida calls it, will create value in the future. Yet millions are left out, without the ladder up once provided by skilled, union, blue-collar jobs.

8. Monetary policy. Much of the early 1980s pain involved the Federal Reserve’s successful battle to wring inflation out of the economy. It was a textbook case that the Fed could indeed, with the right leadership of Paul Volcker, defeat inflation and bring price stability — something considered nearly impossible by conventional wisdom in the 1970s. Today’s recession is part of a larger set of disruptions and discontinuities. So far, it’s showing the limits of Fed monetary policy. As Alan Greenspan once said, “Employee can’t push a string.”

2.1.4 Recession Impact on employment in India:

The impact of global slowdown on India’s economy is impacting the employment scenario in India. In fact the rising joblessness in India has assumed worrisome proportions. With overall economic growth sharply slowing down, the ranks of those without work are growing by the day. Five hundred thousand people were rendered jobless between October and December 2008, according to a first of its kind survey conducted by the Ministry of Labour and Employment. With the global slump, the fortunes of those who work in the export industry have become equally bleak. India could lose up to 1.5 million jobs in this sector in the six months to March 2009.

The Labour ministry’s numbers are based on a survey of 2,581 units covering 20 centres across 11 states. Eight major sectors like the textiles and garment industry, metals and metal products, information technology and business process outsourcing, automobiles, gems and jewellery, transportation, construction and mining industries were included. The total employment in these sectors had come down from 16.2 million in September 2008 to 15.7 million by December 2008 due to the Rword stalking Indian industry.

India's exports, too, have been contracting every month since October 2008 due to falling demand in the US and Europe. Many units have downed their shutters and laid off staff. If these projections continue, it is quite likely that one can expect another 500,000 job losses before March 31, stated G.K. Pillai, Commerce Secretary, after announcing earlier that 1 million jobs had gone since August. Interestingly, more up-to-date economy wide estimates of unemployment — based on extrapolations from recent trends — are consistent with the above numbers for job losses this year as growth is likely to decline to 7 per cent as compared to 8.8 per cent per annum during the last five years. But with India's growth expected to plunge to 5 per cent next year, the incidence of joblessness will be more severe than before. A disturbing trend of India's economic performance is a deceleration in employment growth to 1.92 per cent per annum from 1993-94 to 2006-07 from 2.61 per cent between 1983-1993-94 although growth in terms of gross domestic product (GDP) was rapid. Clearly, there has been a decline in employment per unit of GDP growth or employment elasticity to 0.28 from 1993-94 to 2006-07 from 0.52 over the years 1983-1993-94.

Applying this elasticity to the likely GDP growth of 7 per cent in 2008-09 and 5 per cent in 2009-10 to project the generation of employment provides an average of 8 million work opportunities this year and 6 million the next. This is much short of the 10 million opportunities generated during each of the last five years. In other words, there will be 2 million fewer jobs than before this year and 4 million fewer jobs next year.

Official number crunchers might suggest that a better measure is to focus only on non-agriculture. Even on this basis, the economy would turn out 1 million fewer non-agricultural opportunities this year and 2 million fewer the next than the average of 5.6 million jobs per annum during the growth boom of the last five years. This striking shrinkage of employment opportunities when 9 to 10 million people join the labour force each year looking for work will certainly result in a spike upwards in unemployment and exacerbate social tensions.

Nearly 50,000 to 150,000 Indian workers, most of them from the Gulf countries, have probably returned to the country due to the global economic

slowdown, Minister for Overseas Indian Affairs Vayalar Ravi informed parliament Wednesday. In his written reply to a question, Ravi told the Lok Sabha that the workers in the United Arab Emirates seemed to be most affected.

He noted that the Indian missions in Saudi Arabia, Kuwait, Bahrain and Qatar have not reported any "large-scale adverse impact on Indian workers", though there have been "reports of some job losses". The Indian embassy in the UAE could not give precise figures of returnees, but indicated that the number was very large. "It is estimated that ranging from 50,000 to 1,50,000 workers have returned to India as a result of the delay in execution of projects due to economic slowdown and recession.

Several of these workers have returned to India only temporarily, that is, on leave without pay and expect to go back to the UAE once the economy revives and projects restart. The Indian High Commission in Kuala Lumpur has told the overseas Indian affairs ministry that a small number of Indian workers has returned due to slowdown in the Malaysian economy. But, there have been no reports of such returns from Afghanistan, Syria, Sudan, Brunei, Libya, Jordan, and Lebanon. Gulf countries account for 90 percent of Indian immigrants, most of them blue-collar workers. Indian professionals in the western countries like Germany, Canada and Britain have not shown any trend of returning home, despite these economies going into recession.

The United States, which has a large Indian diaspora, has been one of the hardest-hit economies in the current slowdown that has affected all sections of people. But Indian professionals in the US have not suffered job losses, due to their "indispensability" to their organisations, the minister noted.

The current global recession is failing to ebb. This can be seen from the US unemployment statistics, which has indicated 6.63 lakh job losses in March 2009, thereby taking the unemployment rate to 8.5%. The Labor Department of the US has also revised January data to show job losses of 7.41 lakh from the earlier 6.55 lakh. Unlike USA, unavailability of current data on total unemployment in India makes it difficult to assess the gravity of the situation. Still, global recession continues to inflict further damage to the Indian economy. While the incidence of unemployment

and underemployment is more serious perennially, the adverse impact of the current crisis on the Indian situation appears much less as compared to the USA. It is mostly the export sector of the Indian economy which is severely affected. The Indian engineering goods sector, which chiefly caters to the American and European markets, expected over 4 lakh job losses by the end of 2008-09. The sector accounts for nearly one-fifth of the overseas sale of Indian goods. Engineering goods exporters fear that growth in the export sector will halve in the current fiscal, as orders from Europe and US have dried up significantly.

Most losses have been reported in the small and medium enterprises and this situation is likely to continue in the next financial year as well, at any rate in its first half. Secondly, 50,000 persons across India have been rendered jobless in the forging sector due to the global downturn in the automobile sector. Forging units in Chennai, Ludhiana and Pune have launched a signature campaign to draw the government's attention to this feature. The Builders' Association of India (BAI, South Centre) has quoted that 2.5 lakh construction workers are affected by the slowdown. Also, return of labourers from the Gulf is likely to worsen the appalling state of the construction workers. It is reported that builders are trying hard to keep them employed. Apparently, luckier amongst them are women construction workers who are getting jobs. They were provided training in painting and plumbing last year by BAI. While many other construction workers were forced to find other jobs in the city as they were reluctant to return to their native place, female construction workers are increasingly seeking jobs as domestic help and some male workers had taken up scavenging works.

2.1.5 Strategies of employees against Recession:

Confirming the Career Path: Employees are about to invest a great deal of time developing a career strategy. Before employee commit to an exhausting "find the right job" process, employee need to ask employee self a critical question is employee sure that employee are on the right path? Will this effort yield a position that matches with employee passions? I have conducted hundreds of job diagnostics, mostly for people in their thirties and forties, who are very unhappy in their first "careers". I

particular field was guaranteed; however, when training or working in that field they were miserable and these were high paying, high status positions. Most recently, a friend, laid off after 18 years working for one employer, was forced to seek a new position. If employee are starting over his wife coached is there anything employee have always wanted to do? With excitement and no hesitation, he shared that he always wanted to become an electrician. He found a position as an apprentice half way across the country and within weeks was back working.

Be Integral About Employee's Preparation: So employees have a piece of paper saying that employee graduated from university. Congratulations, I guess. First of all, it really isn't that difficult to graduate from university; there are many strategies that the creative student can use to slide through. Second, only employees know the true value of that degree. How did employee spend employee study time — playing bridge, hanging out in the coffee shops and pubs? The value of employee degree is directly proportional to the amount of time employee invested in employee development. To truly deserve a smile and a hug for employee accomplishment, employees are the student who spent time studying, in the library, challenging employee. Remember, a good interviewer will quickly determine how solidly employee prepared for the work world; and if employees are not discovered then, employee will certainly be outdated during the probationary period. Remember Malcolm Gladwell's 10,000 hour rule for developing excellence.

Accelerate Employee's Preparation: Internet offers a thorough discussion of what currently counts in the workplace. Clearly experience counts and specialized skills also have value. However, the undergraduate degree is quickly losing its relevance to employers. Those with just a BA are exposing themselves to the serendipity of opportunity. That is, I could pick employee, or I could choose some other person with a similar degree whose family I know personally. Graduate degrees make a big difference as do community college courses that offer concrete skills. I also found in my working years that employees with graduate degrees offered a higher level of thinking.

Accelerate the Career Growth: We are quite simply conditioned to think job; which, of course is normal since the reality is that learning institutions were initially set up to serve the needs of the workplace. However, I am asking employee to change employee thinking and set employer course on this new path. For example, rather than immerse employee into a large firm where employee can quickly disappear and become subject to stringent rules of progression or a boss who refuses to allow employer due recognition, choose to take on a higher level of responsibility working for a non-profit organization in employer field. Employee will be paid less, but employee will wear many hats and by necessity be a front line worker. Through this action alone employee will accelerate employer development. Or let's assume that employee take the higher paying position in that stuffy corporation. Employee will find ways to become known across the organization and most importantly to the CEO. Employee will sit on committees, participate in extra curricular activities. When assignments come up employee will be known. Remember employer career path is just that it is a plan that allows employee over a set period of time to take the prescribed steps and gradually progress towards employer ideal position.

Ensure that employee Have a Career Attitude: I recently completed a career diagnostic with a employing woman who was complaining that she was not being respected by her employer. It was clear from her diagnostic that she didn't want a career and that her job was just a way to pay the bills. It took about a year for her to reflect on this finding and to her credit she has rediscovered her passion and has committed to a career path. She was just recently hired into a management position. There is nothing wrong with employer priorities being family or an activity outside the workplace; however it is difficult to build a career if employee have not turned on employer career switch and developed a plan.

2.1.6 Effect of Recession in IT Firms:

That would be quite a feat. In America, for instance, technology spending grew by nearly 16% in 2000, only to contract by 6% in 2001. The IT industry simply imploded an industry veteran and executive of Alfresco, an open-source software firm. It felt like the sector's reason for being had disappeared." That would be quite a

to contract by 6% in 2001. “The IT industry simply imploded an industry veteran and executive of Alfresco, an open-source software firm. It felt like the sector’s reason for being had disappeared.

More importantly, last time around the IT industry was not the victim of an economic crisis, but its cause, says Graham Vickery, author of the OECD report. For years companies had spent far too much on technology, buying more e-commerce software than they could ever hope to use, for example. When the bubble burst they abruptly cut spending. Today IT departments are much less prone to wasting money. In fact, says Mark Raskino of Gartner, another market-research firm, most are quite lean. Further cuts in technology budgets would be difficult, he argues, since they would require many firms to reorganize themselves first. “IT is certainly not sacrosanct, but fairly low on the list of things to cut,” he says.

Tech firms, for their part, are in much better shape. Venture capitalists may again have wasted money by investing in too many internet start-ups, this time labeled “Web 2.0”. But, in general, the industry’s big companies are better managed and have more cash on hand. Heavyweights such as HP, IBM and Oracle are probably best placed to weather the storm, thanks to their broad product portfolios and international presence. Software and services will do better than hardware or semiconductors. Other relative winners will be technologies that promise quick savings, such as videoconferencing gear and “virtualization” software, which allows firms to get more out of hardware they already own.

Still, the IT industry cannot defy gravity, says Brent Thill, an analyst at Citi Investment Research. And this recession could end up worse than the last if it drags on. In 2001 the crisis consisted of a collapse followed by a quick recovery, he says. Today looks like an inexorable march downward. Mr Thill sees it as ominous that in his latest survey of 200 chief information officers on both sides of the Atlantic, nearly half said they had not yet set their budget for 2009.

Yet even if the plot is different, the consequences are likely to be similar. In many ways the previous IT downturn marked the industry’s coming of age. In its

maximal use of Moore's law, which holds that roughly twice as much processing power is available at a given price every 18 months. Firms have since started to opt more for good-enough "cold" wares, which save them money and allow for more flexibility: commodity hardware, open-source software such as the Linux operating system and programs accessed over the internet, or "software as a service" (SaaS).

The crisis will only speed up this shift, not least because many of the cold technologies have themselves become more mature. SaaS and other computing services supplied online, and collectively called "cloud computing", have become better and more widespread. In November, the largest SaaS firm, beat analysts' expectations, reporting sharply growing revenues and profits.

And open-source software has long since moved beyond Linux. All kinds of enterprise software is now available in this form, which in most cases means that firms pay for maintenance services, but that the programs are free. This business model already seems to be benefiting from the downturn. Revenues at Alfresco, which makes software that helps manage web content, for instance, have tripled in the last quarter, according to Mr Asay.

Will the industry therefore emerge selling commodity products? Actually, commoditisation and standardisation are creating new platforms for innovation. Cloud computing, for example, should allow small firms and even individuals to outsource computer management rather than doing it themselves—something that is only an option for big firms at present—and open up new opportunities for the industry by allowing it to reach into new fields.

The rapidly growing mobile internet gives a glimpse of what is to come. Only a year ago, downloading software to an iPhone or other "smart" mobile device was only for technophiles. Now it is commonplace. Over 300m applications, including games and utilities, have been downloaded from Apple's App Store alone.

Were it not for the recession, says Forrester's Mr Bartels, the industry would actually be ready for another of its high-growth phases, which it tends to enter every eight years or so. Since IT investments are being held back now, he predicts, they will

pick up quickly when the economy recovers, be it in 2010 or later. And given the industry's notoriously short memory, today's jitters will quickly be forgotten.

2.1.7 Strategies of IT firms against Recession:

When economic times get tough, it's necessary for small and medium-size businesses to reevaluate the budget and in some cases tighten the proverbial belt. Most importantly it means thinking strategically about how best to spend, and save, in a recession. Employer information technology department is a good place to start.

Doing this means taking a comprehensive view of organizational expenses and prioritizing. Understanding which technology investments help to increase productivity and better serve clients is the first step. Continuing to fund these strategic technologies during an economic downturn is very important. With a recession technology plan in place, employer organization can survive, and even thrive, within this turbulent economy.

Here are three steps to take when putting together employer IT strategy for the slowing economy.

Step 1: Reevaluate the Needs

Treat recession planning like budget planning. Changing economic conditions require a change in thinking. Just as employee reevaluate employer expenses from the previous year when planning for a new fiscal year, employee need to reevaluate employer current operating budget during a recession. Ask employee self the following questions:

Step 2: Stretch the IT Dollars

If employers is like most organizations, it needs to make budgeted IT dollars go further. Here are a few ways:

Save on upgrades: Wait to make any noncritical upgrades until after the recession is over.

Stretch equipment life cycles: Workstations usually have a three-year life cycle. During a recession it is OK to stretch this to four years, though employee may want to consider minor upgrades such as increasing RAM.

Review software licensing and support agreements: As part of employee reevaluation, employee should take time to review all of employer organization's software licensing and support agreements to make sure employee are not paying for duplicate coverage.

Step 3: Spend Smart

In a recession, organizations often panic and tighten their belts to the point of passing out; and then they are down for the count. So whatever employer IT strategy for dealing with an economic downturn, don't be cheap. Good spending does exist and it comes in the form of IT investments that will add to employer organization's security and productivity. Here are five IT investments employee should consider, even during a recession:

Security investments: Protect employer company with firewalls, Microsoft patching, antivirus and spy ware protection, and so forth. It's critical to maintain all services that are protecting employer network and keeping employer systems up and running because no organization can afford a loss in productivity, especially during a recession.

Warranties: If employee are stretching the lifetime of employer hardware, employee should not skimp on hardware maintenance. Be sure to extend employer warranties.

Proactive IT service: Without proactive monitoring, problems are much more likely. This is even more important during a recession because calling employer IT service provider only when something goes wrong incurs much higher service costs.

Backup and disaster recovery mechanisms: Ensure employer backup and disaster recovery systems are working well. Employee don't want operations to stop during a recession should something happen with employer front-line business applications.

Line of business applications: For all businesses, this means continuing to support technologies such as time and billing software that make the operation more efficient. Continued productivity is key in slow economies.

2.1.8 Indian IT industry revenues global recession to sustain growth:

The Indian IT industry managed to limit the impact of global recession last fiscal and maintain the growth momentum, albeit lower than that in the boom times, says tech publisher Dataquest. Export firms did better in recession-hit developed markets than those whose business is limited to the Indian market.

Though the business of top 20 firms led by Indian IT bellwethers TCS, Infosys and Wipro, and multinationals such as HP and IBM, grew by an average 19 percent, seven of these posted single-digit revenue growth.

"Overall, the top 20 Indian software and hardware firms reported a combined revenue of Rs.183,621 crore (Rs.1.84 trillion/\$39.52 billion) in 2009, compared to Rs.149,250 crore (Rs.1.49 trillion/\$32.12 billion) in 2008," Roy said, citing findings of a survey.

Among the seven, four are multinational subsidiaries - Microsoft India, which grew a mere one percent year-on-year to Rs.32.98 billion (Rs.3,298 crore); HP India up two percent to Rs.157.63 billion (Rs.15,763 crore), Oracle three percent to Rs.59.62 billion (Rs.5,962 crore) and Cisco by four percent to Rs.60.84 billion (Rs.6,084 crore).

"One of the reasons for export-driven firms maintaining the growth is because of increasing IT outsourcing in a downturn to keep costs flexible. In the domestic market too, global firms such as IBM and Wipro fared very well," Roy averred.

Among the top 20 firms, eight firms grew fastest despite slowdown and negative sentiment in the market.

These include Emphasis, with revenues increasing 69 percent to Rs.31.73 billion (Rs.3,173 crore); HCL Info systems, up 60 percent to Rs.80.89 billion

(Rs.8,089 crore) and Cognizant Technologies, up 49 percent to Rs.94.10 billion (Rs.9,410 crore).

The IT bellwethers also posted healthy growth rates. TCS was up 22 percent to Rs.25,895 crore; Infosys, up 31 percent to Rs.20,392 crore, and Wipro up 41 percent to Rs.23,882 crore.

Multinationals such as SAP India grew 33 percent to Rs.4,320 crore, Dell India by 32 percent to Rs.4,266 crore, IBM India by 19 percent to Rs.12,048 crore and Accenture by 16 percent to Rs.4,400 crore.

With a decline of 18 percent in its growth, hardware firm Lenovo failed to make it to the top 20 club. Korean major Samsung also saw growth falling 40 percent to Rs. 1,200 crore from Rs.2,014 crore.

Export revenues do not include that of business process outsourcing (BPO) services.

Scam-tainted Satyam Computer Services has been left out of the top 20, as its financial performance came under cloud following the Rs.78-billion (Rs.7,800-crore) accounting fraud by founder-chairman B.RamalingaRaju.

The Dataquest survey findings are lower than the projections made by the IT industry's representative body -- National Association of Software and Services Companies (Nasscom) -- for 2009-10.

With the industry's annual growth rate dipping to 16-17 percent from about 30 percent in 2004-2008, the aggregate revenues was estimated to be \$60 billion, including export revenue of \$47 billion.

In view of the prevailing uncertainty, Nasscom has taken a two-year view to factor in the volatile environment and estimated that the IT industry would grow at 15 percent to achieve export revenue of \$60-62 billion by 2010-11.

2.2 Research Gap:

The threat of a recession makes everyone pull up their sleeves and do something. Well, whether you are in big business, an employee this problem affects everyone. In this report the employees decision towards the recession in the organizations. There must be another solution from the employee towards recession. The company decision and the acceptance from the employee may differ. From this report all these aspects are analysed. Every employee has the expectation in an organization. Every organization has the thought of lay-off for reduce the loss or avoid the profit maximization. Every thing can cause the employment loss and other things. All the aspects are considered in this report.

Through this study we can understand the employee's mindset towards recession. The findings used to improve the employees skills towards the layoff. The safety methods can use to sustain without any huge loss of money and mental illness. Effect of the recession threatening can be measured and the suggestions can give towards hold the job during this recession. The organization can improve the quality and revenue based on the employee decisions. Through this study an employee can improve their security alternative towards recession.

- The resistance methods to hold present job towards this recession.
- Expectation from the organizations and acceptance of the organization decisions to hold their present job of employees.
- The view of employees towards recession and alternative methods to retrieve their present job.
- The threatening of this recession for their job.
- The security alternatives methods towards job loss.

CHAPTER 3

METHODOLOGY

3.1 Sampling methods used in the project

Research methodology is a way to systematically solve the research problem. For analyzing the problem, descriptive research is utilized and the survey has been conducted in IT industries, Chennai, by utilizing simple random sampling method. Out of 100 samples, 100 samples have been selected through convenience sample method by using questionnaire as a research instruments for the research purpose.

1. **Geographical:** The study is confined to study in Chennai various IT firms.
2. **Sample size:** 100.
3. **Procedural:** The method for collecting data is direct survey (Questionnaire).
4. **Analytical:** The findings were analyzed through the answers we got in the questionnaire.
5. **Duration of the survey:** 45 days.
6. **Audience:** Software engineers, Team leaders, Project managers, and Center head.
7. **Secondary Data:** Collected from Internet, HR Magazines, Records from the Companies, Articles from the News paper.
8. **Questionnaire construction:** Optional questions, open ended, and closed ended.
9. **Collective method:** every question is asked to the sample and the result is noted. Before that the understandability is verified from the sample size.
10. **Graphs and tables:** From the collected data the graphs are created and the tables are showing the percentage and total population of individual option.

3.2 Data collection procedure:

The interviews were conducted in the respondent's workplace. Interviews were conducted under strict supervision to maintain the standard and quality of the data collected, random crosschecks were carried out as per market research society rules. After establishing good rapport, the purpose of the interview was explained and the questions were asked in the order given in the questionnaire. The structured direct interview pattern was followed, the selection criterion for the survey was pre-determined, if the respondent did not qualify for the interview, the interview was terminated. The respondent's response to each question was noted carefully in the questionnaire. The survey schedule made use of for the purpose of the study was done after taking into account various factors relating to the topic chosen to analyze.

3.3 Limitations of the study:

- The survey for the study was conducted among the employees of the IT firms in Chennai only.
- Survey is conducted among the employees i.e. Software engineers, Team leaders, Project managers, and Center head of the company. They are all busy at all times. They gave only a limited time to take survey on them.
- The reliability of the study undertaken depends upon the accuracy of respondent's responses.
- The subject depends upon the decision and the prevention of the employees, which cannot be measured easily.
- Since the study was conducted in Chennai, the satisfaction level of the employees may or may not reflect in other places.

Constraints of time and resources limited the scope of the study.

CHAPTER 4

DATA ANALYSIS AND INTERPRETATION

4.1 Analysis of Questionnaire:

1. What is your experience?

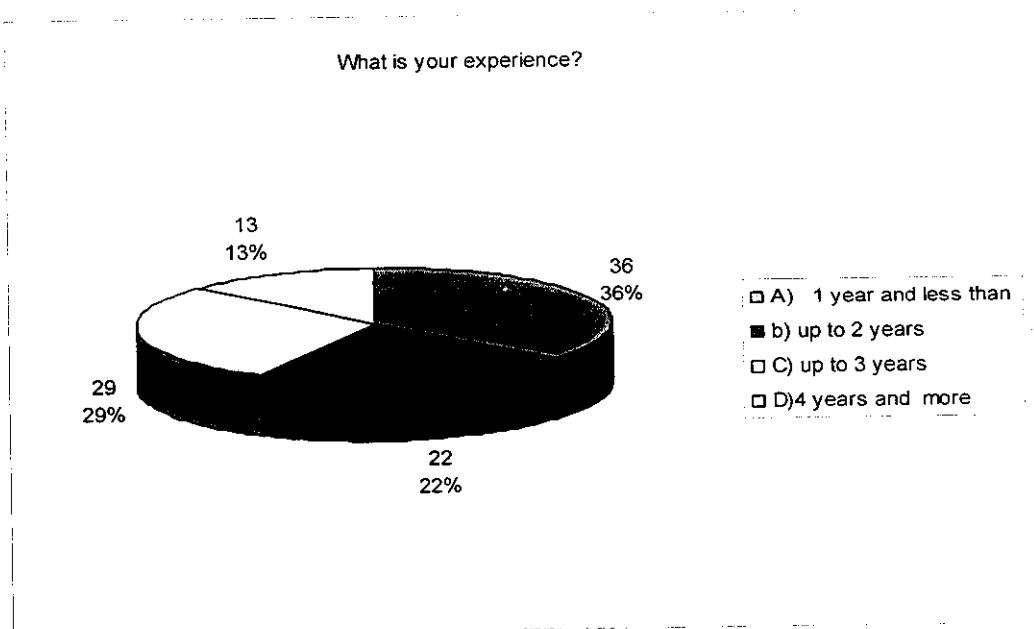
a) 1 year and less than b) up to 2 years C) up to 3 years D) 4 years and more

Table:

Category	No of respondents
One year and less than that	36
Up to 2 years	22
Up to 3 years	29
4 Years and more than that	13

Table 4: Experience

Chart:



Findings:

In this survey 36% are the people who are having less than 1 year experience. Around 29% are having 3 and 4 years above experience. Remaining is having 2 years experience. Every one is having the different experience in this field. The perception is the based on the experience of the employees.

2. Is this your first company?

A) Yes B) No

Table:

Category	No of respondents
Yes	63
No	37

Table 4.1:First Company

Chart:

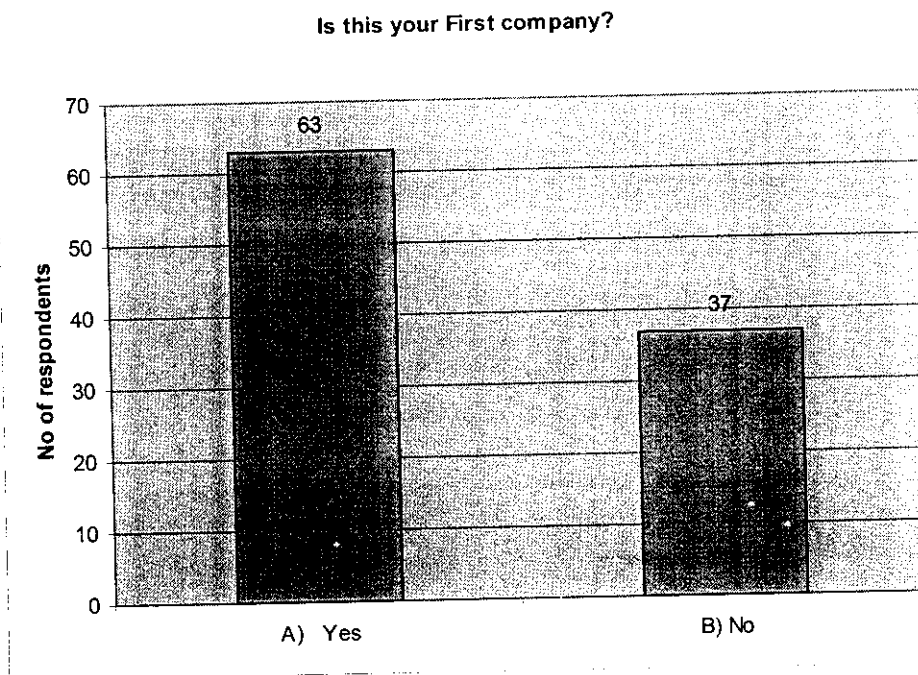


Chart 4.1:First Company

Findings:

Around 63% are working in their first company. 37% are the people working their second and third companies.

3. Are you the only person earning in your family?

A) Yes B) no

Table:

Category	No of respondents
Yes	26
No	74

Table 4.2:Earnings

Chart:

Are you the only person earning in your family?

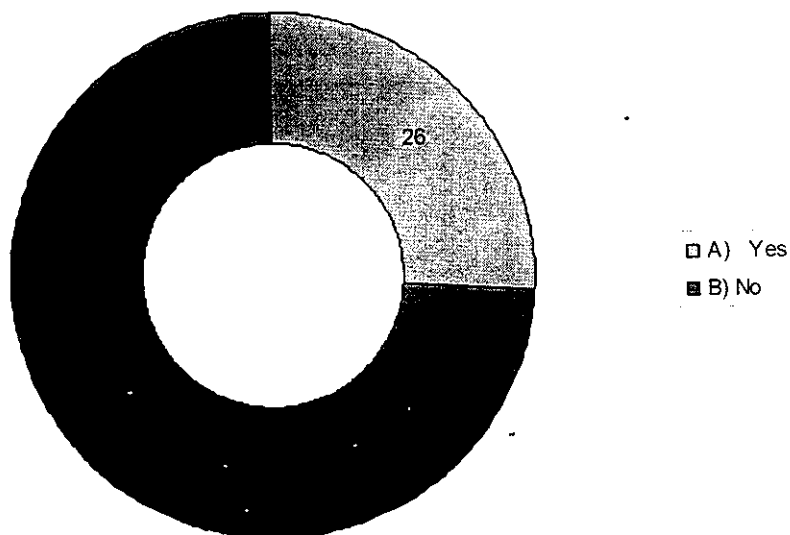


Chart 4.2:Earnings

Findings:

74% of the families are having the earners of 2 and more. 26% of the families are having the earners of one person.

4. Due to recession did you planned to do any other activity to earn?

A) Yes B) no

Table:

Category	No of respondents
Yes	52
No	48

Table 4.3:Extra Income

Chart:

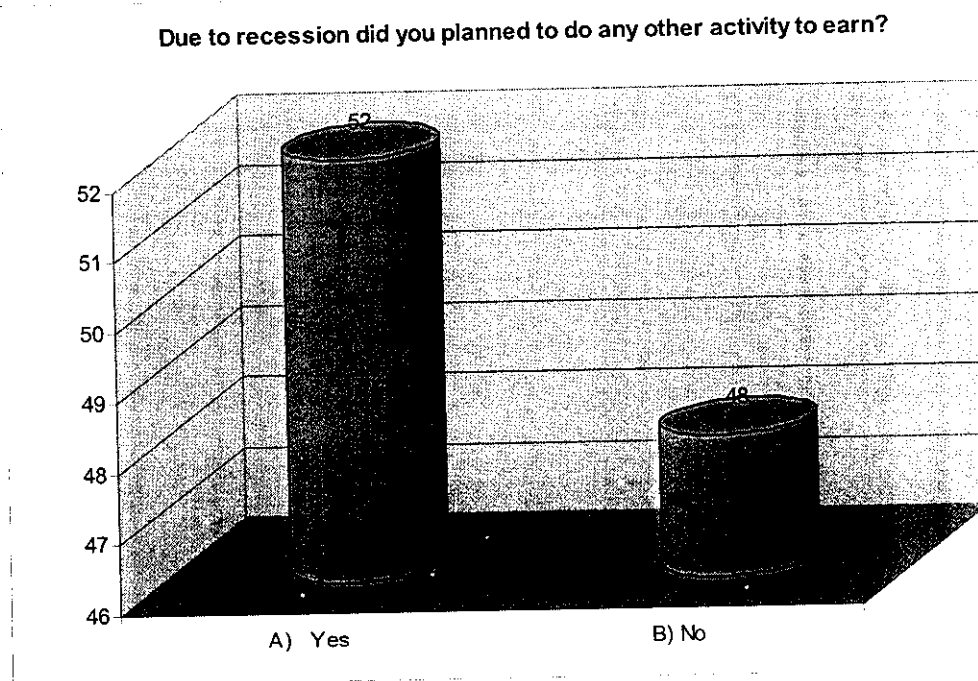


Chart 4.3:Extra Income

Findings:

52% of employees are having the precaution and they are prepared for the all kind of losses. 48% are not prepared for the activities against recession.

5. How about the recession in your company?

Generally the recession hit very high in the IT companies. The companies are handling the more methods on their own respective. They are follows:

- A) Sending out of employees by the name of Recession.
- B) Reducing the pay.
- C) No recruitment for new employees (experienced and fresh graduates).
- D) No Increment/ performance appraisal.
- E) Working hour has been increased
- F) Facilities like transportation are cancelled
- G) Chances of promotions are keeping extended.
- H) Confirmation of the employment is not sure, in other words the probation period is extending.

From the main study the additional issues of the employees are not given due to recession. Then the major issues like pay hike, promotion and recruitment are on hold. These things are handled by the IT firms for cost cut.

6 In your company did they planned lay off or planned to lay off?

A) Yes B) No

Table:

Category	No of respondents
Yes	73
No	27

Table 4.4:Lay off

Chart:

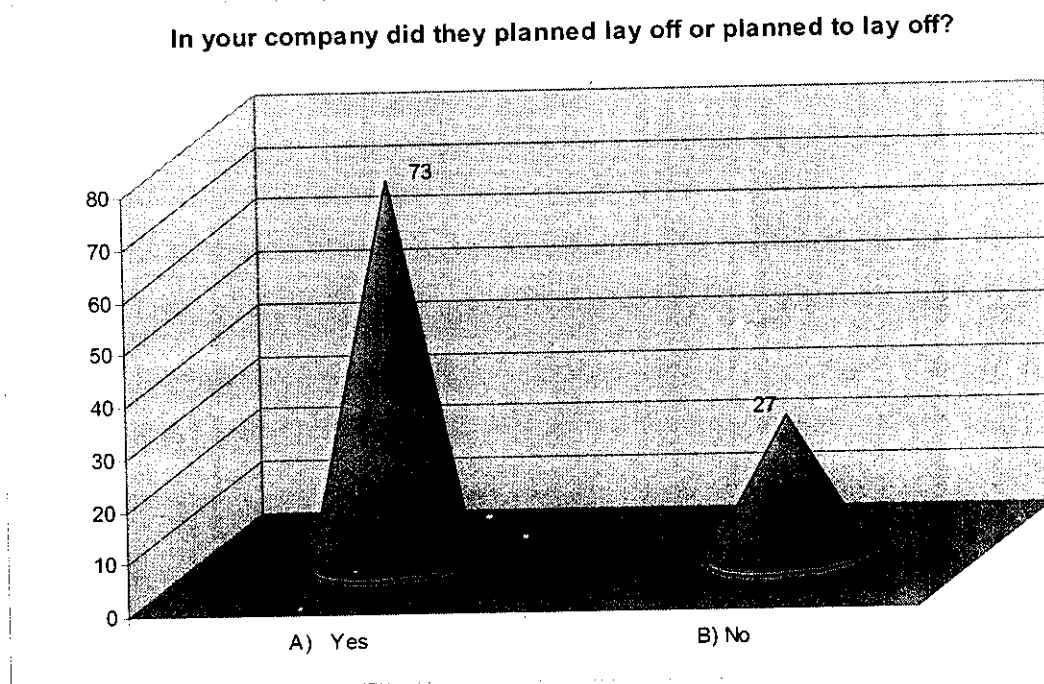


Chart 4.4:Lay off

Findings:

73% of the employees are facing the threat of lay-off in their firms. It is differ from their experience and the performance. 27% of the employees don't have the threat of the recession.

7. What do you think about the appraisal in your company?

Appraisal is the major thing in all firms. Many companies are providing the appraisal to the employees after their experience and performance. Every company is having good policy and they followed the appraisal on the regular. The appraisal is highly initiated and it is given to the employees.

The employer is given the good incentives to the employees based on the performance. The performance appraisal methods are frequently given to the employees. The appraisal is given to the employees for them is to get better encouragement.

8. What are the security aspects that do have done in this recession?

- A) Keep updating the company decisions.
- B) Performing better than past performance.
- C) Planning to concentrate on other business (Family business if available).
- D) Reduce the expenses.
- E) Some additional work for more income.
- F) Higher studies for future.

9. Do you have any plan to apply another job?

A) Yes B) No

Table:

Category	No of respondents
Yes	36
No	64

Table 4.5:Alter job

Chart:

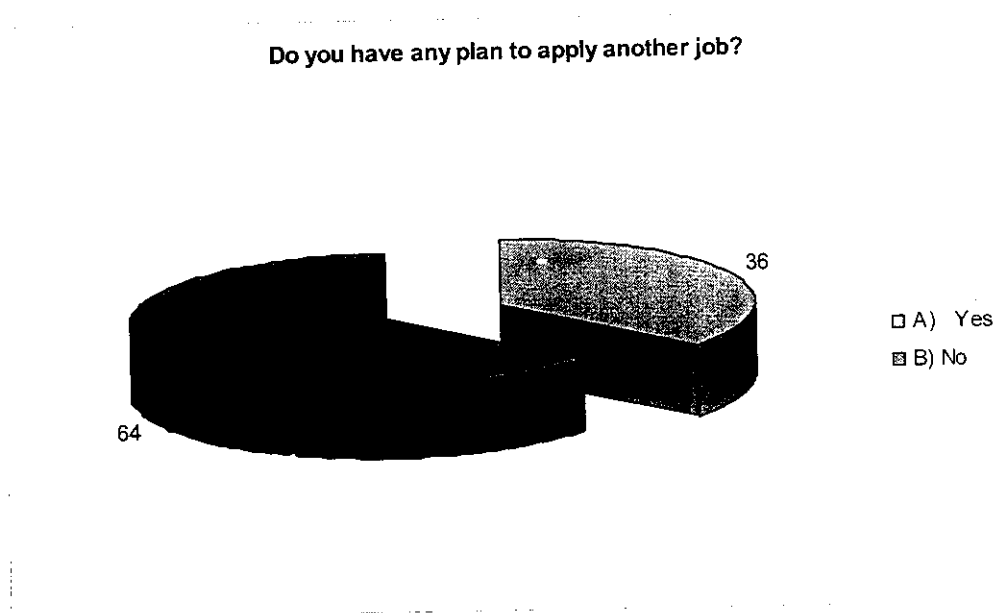


Chart 4.5:Alter job

Findings:

60% are do not have the idea to shift their jobs. 40% are plan to shift their jobs because of some personal and other reasons.

10. (If no for 9th question Leave this question) what is the response from other companies?

The remaining 40% of the employees got the response from other companies as follows:

- A) Got selected and the pay is less than present pay.
- B) Less experienced are not selected
- C) Oh hold due to recession
- D) New company is not sure about layoff of new employee
- E) Need to sign bond for 2 to 3 years.
- F) Need to accept for some conditions for their jobs.
- G) Facilities like pay hike, etc is not provided.
- H) Expecting some good amount of experience for that job.

11. What do you think about the present situation towards your job?

Maximum people are felt the present job is secure. As mentioned in the 9th question most of the employees are much comfort with facilities and facing the recession and security of the job. This is the common information which got from the all IT employees.

The company is mainly concentrating on the cost cut. The company is considering the employee is the cost to the company. Every company having the policy of the job as their cost reduction tool. Like sending out, recruiting from the vendor, etc.,

The treating of them is differing from before recession and after recession. This is the major issue to the every employee. Thus the employees are the keep on updating the present situation based on the company decision.

12. What is your alternative method to retrieve your present job?

- A) Add more educational qualification
- B) Part of some internal Projects in same company
- C) Part time work
- D) Teaching in private institution

13. Are you satisfied with your company decision towards recession?

A) Yes B) No

Table:

Category	No of respondents
Yes	57
No	43

Table 4.6:Company Decision towards recession

Chart:

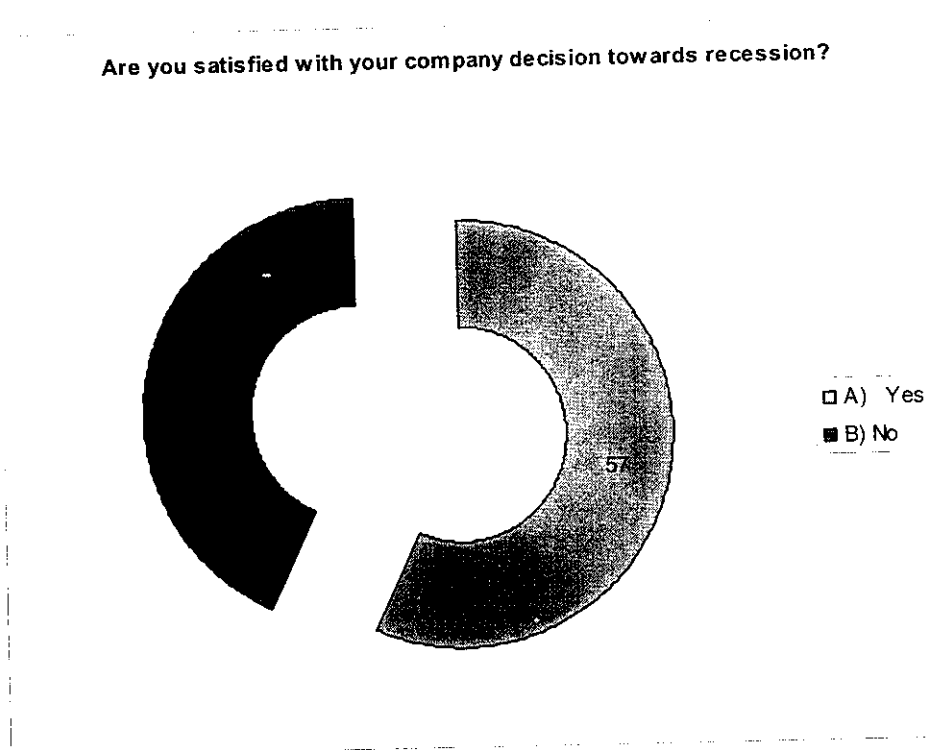


Chart 4.6:Company Decision towards recession

Findings:

57% are well satisfied with the present situation about the company during this

14. Have you done any approach towards job security?

A) Yes B) No

Table:

Category	No of respondents
Yes	58
No	42

Table 4.7 job security

Chart:

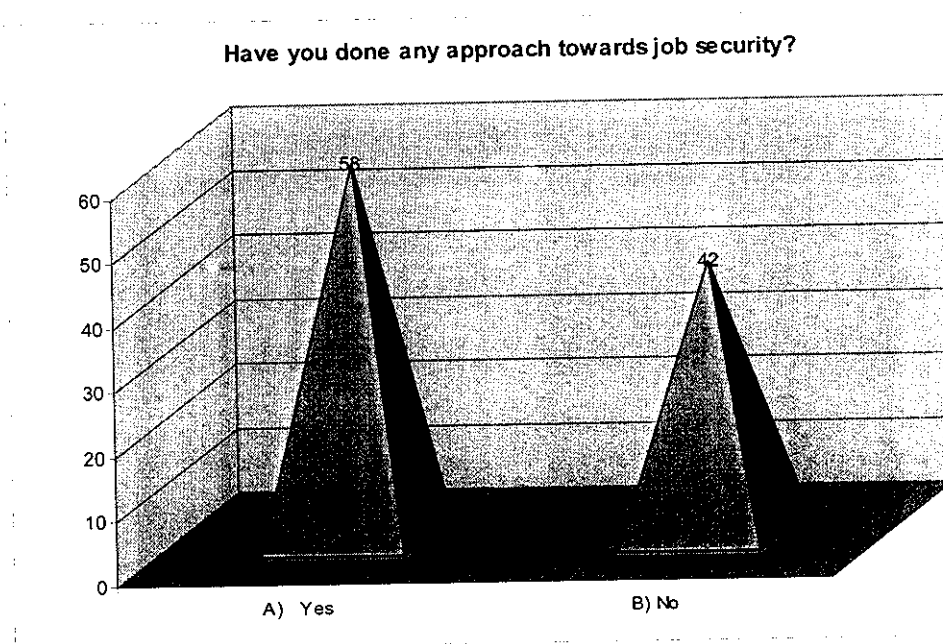


Chart 4.7: Job security

Findings:

58% are much aware and they are ready to face the decision of the company due to recession. 42% are not doing any approach.

15. Does your company accept your suggestions?

A) Yes B) No

Table:

Category	No of respondents
Yes	48
No	52

Table 4.8:Suggestion

Chart:

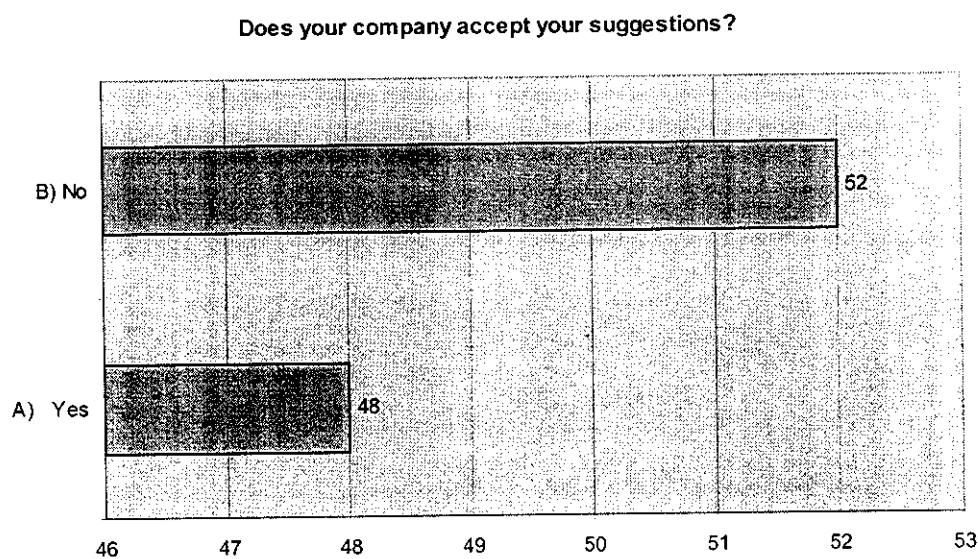


Chart 4.8:Suggestion

Findings:

52% employees' suggestions are accepted with their companies. They are considering their suggestions and doing some decisions towards that. 48% employees are not satisfied with the suggestions.

16. Does your working hours is increased due to the recession?

A) Yes B) no

Table:

Category	No of respondents
Yes	92
No	8

Table 4.9:Increasing working hours

Chart:

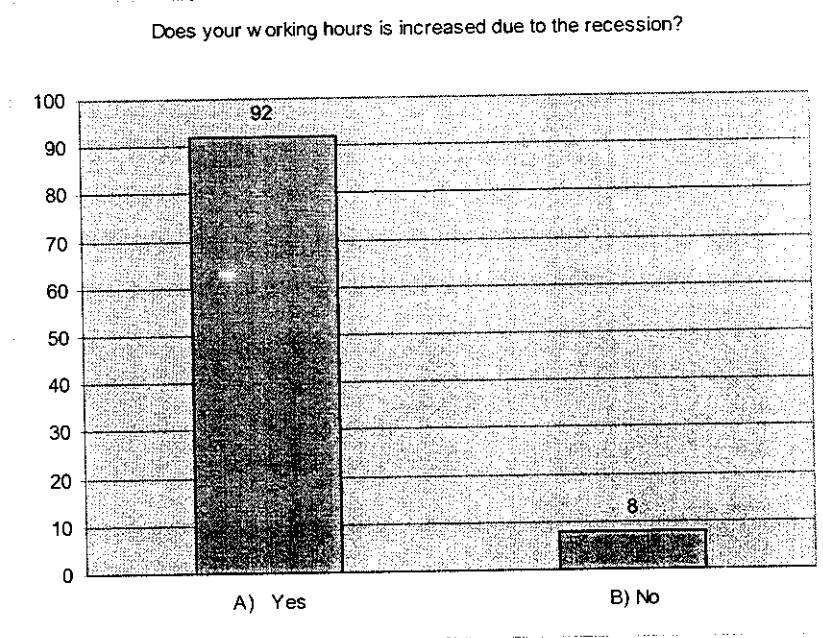


Chart 4.9:Increasing working hours

Findings:

92% of the employees working time have been increased due to the recession. This is common for experienced and less experienced. 8% are not increased.

CHAPTER 5

CONCLUSION

5.1 Summary of Findings

The survey was conducted between the employees having the experience and fresh people as well as. The variations of the each employee are having the different perception about the job and the recession. Thus the employees are having the strategies to face the situation of the recession. This is highly acceptable in the employee perspective. The experienced are having the different prospection when compare the other employees.

More people are having good experience in the same company they use to stay in the same company for the long time. There are many reasons for not moving to other companies. The company is well satisfied to all others. The company gives them the good facilities and good in importance. The work statuses also done the major role for many are staying their company.

Earning more than one is comfortable to run a family. According to them the family members are also earning. More over the additional earnings are mandatory in the city like Chennai. Thus the IT industry is the one of the high paid industry. Even though more are need to earn more than present. So more than one are earning in a family. Some are purpose fully having the earner in his family. More over some are satisfied with the present earning for their family.

5.2 Conclusion

The scare of recession is showing in their additional activities for the earnings. Most of the employees are having more activities for avoid the job loss. It will use to get more income for their family. The employees are much interested with the Additional activity for earnings. Every one feels that more income is needed for their development.

The recession hit every company badly. It shows in the activities of the company. Many companies send the employees back off from their company. This is the activity which the company does. The facilities are drawn back from the employees. Many are in the fear of lay off because their confirmations are keeping increasing day by day. They are not confirming the employment in the present company.

Those employees are working for probation period. There are more challenging between the other employees. This is the major issues which the employees are facing in the companies. All these things are happening in the IT firms by the name of cost cutting.

Sending out the employee is the major cost cut in all over the companies. The companies are planned to lay off the employees based on various reasons. The reasons are not based on the present situation. The every layoff from the every company is differing from each other. Very few are not having the lay off that is the companies are having better with the employees.

Before the recession the company has given the good incentives and appraisal to the employee that is the basic thing which they feel better. The company feels that the appraisal is good before the market is in good condition. Every company has the good incentive system before the recession. Now they are kept the pay in fixed. So the employees are disappointed with the decisions of the companies.

People use to get ready with the recession. All are having the alternate one for their job loss. Many are having more opportunity to do the business. Some are having

situation at any time. This is the better opportunity for the employees to get analyse the situation.

Maximum are not comfortable with new job because they are fixed in this job. The reason is the surety of the job is not confirmed. So every one want to stay at present job. Even they are comfort with the present job and the environment is fine with them.

Some employees are applied for the other companies they are got some response from them.

Few are ready to shift the company. Some are not get the good response. Some are ready to shift but they are not comfortable. The response is differing from each company. The response is based on the experience and the skill set, and need of the job.

Employees in the IT firms are highly affected by the recession. The situation of the It industry is not well as like the past years. Recession hit every were so the additional facilities like appraisal, transportation, etc., are not able to expect from the company.

Many employees are having the additional work apart from the present job. Some employees are planned to start the business and some are having the idea to take over their family business.

Many employees are satisfied with the decisions taken by the company due to recession. Reasons because all the employees are need to stay due to recession. As mentioned earlier the employees are aware of the decisions of the company.

The IT companies are accepting the suggestions from the employees and it is considering the reason and all are acceptable. Then the company is not felt the decision is better it is not accept the decision of the employee. The working hours also increased. Even it is a experienced employee.

APPENDIX 1

6.1 COPY OF QUESTIONNAIRE

Questionnaire:

Name:

Organization:

Designation:

Place:

Date:

1.What is your experience?

1 year and less than b) up to 2 years C) up to 3 years D)4 years and more

2.Is this your first company?

A)Yes B) No

3.Are you the only person earning in your family?

A)Yes B) no

4.Due to recession did you planned to do any other activity to earn?

A)Yes B) no

5.How about the recession in your company?

6.In your company did they planned lay off or planned to lay off?

7.What do you think about the appraisal in your company?

8.What are the security aspects that do have done in this recession?

9.Do you have any plan to apply another job?

A)Yes B) No

(if no for 7thquestion Leave this question) What is the response from other companies?

10.What do you think about the present situation towards your job?

11.What is your alternative method to retrieve your present job?

12.Are you satisfied with your company decision towards recession?

A)Yes B) No

13.Have you done any approach towards job security?

A) Yes B) No

14. Does your company accept your suggestions?

A) Yes B) No

15. Does your working hours is increased due to the recession?

A) yes B) no

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