



# THE BLUE-COLLAR DEARTH & THE WHITE-COLLAR SURFEIT IN TERMS OF HIRING, BUT NOT IN PAYMENT

## A game changing scenario

**Dr.T.Lokeswara Rao.** Assoc. Professor  
**Dr. N V J Rao.** Professor  
School of Management Studies  
GIET University, Gunupur, Odisha

**L.Namyusha** (I MBA)  
**G.Gyaneswar Rao** (I MBA)  
School of Management Studies  
GIET University, Gunupur, Odisha

Mail Is: [drlokesw71@gmail.com](mailto:drlokesw71@gmail.com)/[lokeswar@giet.edu](mailto:lokeswar@giet.edu).

### Abstract

*White-collar workers historically have been the "shirt and tie" set, defined by office jobs and management, and not "getting their hands dirty." white-collar job openings crossed the 3-lakh mark for the first time in October 2021 making it the strongest in over 20 months. White collar employment often involves good salaries because of the educational qualifications and expertise required. Blue-collar workers, who traditionally wore blue shirts and worked in plants, mills, and factories. Blue-collar jobs that are within the primary market appear in construction, mining, durable goods manufacturing, and transportation. The future employment trend is that the internet and exponential technologies are creating new employment opportunities in the areas of 'white-collar' working. As firms and industries around the world are automating processes and becoming more efficient, there is a growing fear that manual laborer's will be replaced by machines and face increasing unemployment. There is a definite stigma attached to blue-collar work, as pay is often lower than in white-collar jobs.*

**Key words:** White-collar, blue-collar, workers, skill, technology.

### Introduction

White-collar job openings crossed the 3-lakh mark for the first time in October 2021 making it the strongest in over 20 months. Several sectors including manufacturing, ecommerce, logistics, construction and real estate are facing a manpower shortage of about 20-25%, A lack of skilled resources to meet the manpower

demands is further adding to the shortage. White collar employment often involves good salaries because of the educational qualifications and expertise required. Low skilled blue-collar jobs do not require a lot of investment in training or human capital formation. The amount of skill required in blue collar work may range from low to high.

Many blue-collar workers may only secure part-time employment when they are available for full-time work and are left idle the rest of the time. With increasing technological innovation and overall dependence of man on machinery, human capital is being replaced by machines wherever possible. white collared jobs cannot be replaced by machinery because they require human skills, expertise and mind. In this way, white collared jobs are more secure than blue collared jobs. With two-thirds of Singaporeans projected to hold white-collar jobs by 2030. But demand for cleaners and other blue-collar workers has been increasing over the years.

### **Primary and Secondary Labour Markets**

Primary labour market jobs are characterized by good earnings, job security, a reasonable probability of promotion, good benefits, and agreeable working conditions such as autonomy and a pleasant working environment. Many white-collar jobs match this description, and those jobs are plentiful and growing. Blue-collar jobs that are within the primary market appear in construction, mining, durable goods manufacturing, and transportation.

In contrast, secondary labour market jobs have low earnings, few or no fringe benefits, high turnover, little job security, and few or no promotions. Many blue-collar and service jobs fit this description, and continuing increases in the service sector could create a larger secondary labour market.

### **Blue collars have outpaced white collars in pay—at first glance**

The two years from May 2019 to May 2021, pay went up nearly twice as fast for lower-wage workers as for higher-wage workers. That seems to undercut the EPI's argument that Covid hit low-wage workers hardest. "Too many white collars, not enough blue collars," economist Edward Yardeni, founder of Yardeni Research Inc.,

In the year from May 2019 to May 2020, the number of production and non-supervisory workers plummeted 14.6%, far outpacing the 4.2% decline for supervisors and others in the higher-wage group. Over the two years from May 2019 to May 2021, the number of production and non-supervisory workers is down 4.9%, vs. an increase of 1.5% for supervisors and other higher-wage workers.

## **Blue-collar workers**

Blue-collar jobs are typically classified as involving manual labor and compensation by an hourly wage. This class of workers stands in contrast to blue-collar workers, who traditionally wore blue shirts and worked in plants, mills, and factories

## **Blue collar-effect on covid and omicron**

An acute shortage of blue-collar workers that several Indian industries are facing after the Covid outbreak could intensify in the next few months, if the Omicron variant of the coronavirus takes a serious turn and prompts further restrictions by the government, said economists and top company executives. There is a huge supply shortage in profiles such as supply executives, drivers, housekeepers, stitching machine operators, welders, warehouse workers, electricians and crane operators, according to Team lease data.

## **White-collar workers**

White-collar workers historically have been the "shirt and tie" set, defined by office jobs and management, and not "getting their hands dirty." India's white-collar job market saw moderation and a marginal drop in hiring volume in November 2021, after hitting a 20-month high in the number of open job positions just a month ago.

## **Key takeaways**

- White-collar workers are suit-and-tie workers who work at a desk and, stereotypically, eschew physical labor.
- White-collar jobs typically are higher-paid, higher-skilled jobs that require more education and training than low-skilled or manual work.
- Examples may include managerial roles or professions like doctors or lawyers.
- White-collar workers and jobs are often portrayed in contrast to blue-collar work, insinuating a stratification of the working class.

## **White collar-effect of Covid and Omicron**

The number of open job positions accepting applications for white-collar professionals in November 2021, stood at around 295,000, down from 320,000 in October 2020, as the last 15 days of November saw a 12% fall in hiring numbers compared with the first half, according to data from LinkedIn.

October registered a 12 per cent growth over September with a record of 3.2 lakh openings, TOI reported quoting the report. The growth on a year-on-year basis is 16% In fact, the number for active openings for October 2021 were even 30 per cent higher than the count for the pre-Covid months.

Entry-level openings formed the bulk of the overall volume at 31 per cent, up by one per cent. Mid-junior openings, which is 28% of the volume, grew by 13%, followed by mid-senior roles, which at 23% of the volume, was up by 11%.

Entry-level openings fell by 15% and senior-level openings shrank 20% in November compared with the October counts. The technology sector contributed 81% to active white-collar openings in November.

### **Biggest challenges faced by blue collar workers**

With two-thirds of Singaporeans projected to hold white-collar jobs by 2030, the blue-collar career pathway is becoming increasingly unattractive to youths. There is a definite stigma attached to blue-collar work, as pay is often lower than in white-collar jobs, and physical labour is thought of as unpleasant. In fact, there are increasing skills shortages in manufacturing and other areas that could lead to massive revenue losses by 2030. Despite this apparent need for skilled blue-collar workers, they are often treated unfairly and hampered by work-related issues. Here are five of the biggest challenges they face:

#### **Underemployment**

Many blue-collar workers may only secure part-time employment when they are available for full-time work and are left idle the rest of the time. Blue-collar workers may also be underemployed in the sense that their skills are not fully utilized; they may only be able to find lower paid unskilled labour jobs when they possess the skills to take on higher paid work.

#### **Flexibility**

While some blue-collar workers are underemployed, some who have inflexible schedules and are only able to work part-time may struggle to find appropriate jobs. Fixed working hours are an issue for workers who have other commitments, such as those who have children or sick relatives to care for.

#### **Underpayment**

Many blue-collar workers are living hand to mouth. They are completely dependent on their wages to pay their bills and to feed their families as they often do not earn enough to save, so any loss of income could have devastating consequences for their livelihoods. As many workers may be desperate for jobs, they tend to put up with unfair treatment and inferior wages, as asking for more could lead to them losing their jobs.

#### **Automation**

As firms and industries around the world are automating processes and becoming more efficient, there is a growing fear that manual labourers will be replaced by machines and face increasing unemployment. Despite these fears, widespread unemployment resulting from new technology is yet to materialize. Even today, machines are a far cry from replicating human experience and intuition in blue-collar industries such

as cleaning, as they lack tacit knowledge and judgment. Instead, technology can ease up the workloads of employees, so that they can focus on tasks that machines cannot do.

## **Unemployed: White-Collar Job Searching After the Great Recession**

### **Expectations of White-Collar Jobs**

White-collar positions are often expected to offer opportunities to advance to more significant roles as managers or executives. A white-collar role is likewise expected to generate higher paying salaries with the potential to continue to rapidly scale up their income with further advancement. White-collar workers are often expected to develop specialized skills over time, making them increasingly valuable intellectual assets for the growth of the company.

### **Gig Economy**

Indian job landscape is in transitional phase, thanks to emerging technologies and by 2022, 9% of the country's 600 million estimated workforces would be deployed in new jobs that do not even exist today, says a report. According to the FICCI-Nasscom & EY report, there would be a job slowdown for the next two years as companies struggle to restructure their business models, and by 2022, the entire job landscape would undergo a drastic change. The future employment trend is that the internet and exponential technologies are creating new employment opportunities in the areas of 'white-collar' working.

### **Conclusion**

Several sectors including manufacturing, ecommerce, logistics, construction and real estate are facing a manpower shortage of about 20-25%. White collar employment often involves good salaries. Low skilled blue-collar jobs do not require a lot of investment in training or human capital formation. Increasing technological innovation and overall dependence of man on machinery, human capital is being replaced by machines wherever possible. white collared jobs cannot be replaced by machinery. shortage of blue-collar workers that several Indian industries are facing after the Covid. The number of open job positions accepting applications for white-collar professionals after the covid. The blue-collar shortage and the white-collar excess in terms of hiring, but not in payment, it is present scenario. Blue collar workers need a lot at the base level but the salary is very low, current blue-collar workers

need technical training that will help in the future. The next generation must prioritize education, otherwise it will be very difficult to get jobs in the future.

**References:**

- 1.Schroeder, R.G., Anderson, J.C. and Scudder, G.D. (1985), "Measurement of White Collar Productivity", *International Journal of Operations & Production Management*, Vol. 5 No. 2, pp. 25-34. <https://doi.org/10.1108/eb054736>.
- 2.Acemoglu, D and Pischke, J.S. (1999). 'Beyond Becker: Training in imperfect labor markets, *The Economic Journal* vol. 109, pp. F112-F142.
3. Kawamaki N, Araki S, Kawashima M, Masumoto T, Hayashi T. Effects of work-related stress reduction on depressive symptoms among Japanese blue-collar workers. *Scandinavian Journal of Work, Environment, and Health* 1997;23:54–59. [PubMed] [Google Scholar]
- 4.Holland, P. J.; Hecker, R.; and Steen, J. "Human Resource Strategies and Organisational Structures for Managing Gold-Collar Workers." *JOURNAL OF EUROPEAN INDUSTRIAL TRAINING* 26, nos. 2-4 (2002): 80.
5. Economic times news paper

