THE IMPACT OF COVID-19 ON THE TECH INDUSTRY

The coronavirus (COVID-19) outbreak is causing a great deal of concern and hardship around the world. Most technology firms have business continuity plans, but they are generally in place to address short-term situational issues like a power failure or a natural disaster, but not a full-blown worldwide pandemic that shows no signs of slowing down. The sudden appearance and surge of COVID-19 has raised a number of unique challenges for the tech industry because it has generated a seismic shift in the way people use technology. Here, we have discussed some of the ways in which the pandemic is affecting businesses and people.

1. IMPACT ON MANUFACTURING AND SUPPLY CHAIN

Coronavirus is a respiratory illness that originated in Wuhan, China towards the end of 2019. It spread like a rampant wildfire to the rest of the world fairly quickly. Early 2020 saw the world come to a standstill due to the widespread impacts of Covid-19 and attempts to slow down its spread proved to be futile, for the most part. Countries going into a lockdown mode led to shutdown of organizations worldwide, thereby causing severe ramifications on raw materials supply, technology, travel, fleet, freight and led to an unprecedented increase in dependency on specialized services. Organizations were forced to rethink and upgrade their supply and value chains to deal with the impacts caused due to the disruption of raw materials, workforce restrictions, choke points in manufacturing, economic decline due to fulfilment disruptions and delayed go-to-market strategies. Businesses across the world will have to continue to strategize and redesign their end-to-end processes to build robust contingency plans for vendor management, supply chain optimization and long-term value chain stabilization for sustainability through these pandemic times and beyond.

2. INCREASED DEMAND FOR SECURITY SOFTWARES

With a paradigm shift in the working model due to the Covid-19 impact, a large number of the workforce is now working remotely. While this has helped the tech industry quickly and effectively adapt to the change, it has also caused major concerns due to the increase in vulnerability points causing security threats. Cyber security has become a key area of focus for businesses as they try to protect their endpoints, VPNs and most importantly their and their client's data, both at rest and while in transit. Security software and service providers are now shifting priorities to support hardening of network WANs to ensure business continuity. With a sudden surge in digitization and financial transactions over the internet, securing these networks from unauthorized intrusions has emerged as the paramount need for businesses to ensure their data integrity. To succeed in the post-COVID-19 era, technology providers must rethink their strategies and offerings to accommodate a new security landscape, along with monitoring customers' needs and adjusting sales, service, and training accordingly.

3. INCREASED DEMAND FOR TELECOM EQUIPMENT

While the world grapples with the aftermath of Covid-19, companies are facing their own set of struggles to navigate their way out of the limitations and dependencies the pandemic has caused worldwide. Organizations have had to accelerate remote working for employees, causing an increased need for communication and collaboration amongst the workforce across time zones and geographical boundaries. In order to maintain the stability of their end-to-end value chain, employees need access to modern telecom equipment and faster network connections. While the dependency on stronger, more powerful and reliable networks increased exponentially, individuals have also sought to upgrade their mobile devices to avail faster network speeds. While the increase in demand was steep, smartphone manufacturing giants like Apple and Samsung have struggled to keep the momentum going for the release of their next-gen smartphones due to the shutdown of factories and manufacturing units across China and around the world. According to a PWC survey, it is expected that the pandemic will have a drastic impact on the smartphone industry due to its labor-intensive nature. Smartphone production has seen a decline of 12% in the year 2020, thereby causing a dent in their revenue. As the telecom industry struggles to match their supply chain of smartphones, smart devices and gadgets for communication when compared to the ever-increasing dependency on digital communication, it will be interesting to watch how the gap is bridged to settle at a happy median.

4. DEPLOYMENT OF 5G NETWORK

Even the deadly Covid-19 virus could not stop the propulsion of 5G Mobile network technology. On the contrary, the virus has caused employees to work remotely thereby creating an acute dependency on network connectivity. Since data usage has surged to never-seen-before peaks and the need for high-speed mobile and internet data has emerged as a paramount requirement for the masses, the advancement of 5G network has become more critical. Technology companies hastened their implementation and launch of high-speed 5G networks and major mobile network providers across the globe made sure that the most-awaited and super-fast wireless technology went mainstream. Apple and Samsung also partnered in this revolution and released a wide-variety of 5G enabled phones, despite manufacturing units being shut down in China, allowing users to finally reap the benefits of a lightning fast network. The good news is that deployment of 5G will enable broader deployments beyond just video calling.

5. REDUCTION IN CARBON EMISSIONS AND IMPROVED SUSTAINABILITY:

They say there is always a silver lining to every adversity and that there is always something we learn or gain when it seems like the world around is coming down crashing. The pandemic brought great adversity to the world, widespread deaths, economic and social disruption affecting millions of people. However, the positive side of it all is the potential reduction in carbon emissions during the pandemic - an unprecedented drop in CO_2 emissions were observed during this time (8.8% lesser than in the year 2019, a total decrease of 1551 million tonnes). This leads us to now believe that if we take some fundamental steps and adopt sustainable practices, we could actually reduce our carbon footprint. Clear skies over Kathmandu, Nepal were a healthy indicator of how we can make this world a better place to live by implementing optimal climate control measures. Usually the Kathmandu valley is amongst the most polluted areas in the world. Carbon emissions have plummeted during the pandemic due to a sharp reduction in vehicular traffic, reduction in power usage and shutdown of pollutant emanating industries. This is our only chance to address pressing issues like global warming and melting of the polar ice caps. What is yet to be realized, however, is if this dip in CO_2 emissions is just a phase or if we will be able to implement and adopt sustainable practices to consciously create a systemic shift and cause long-term impacts as opposed to just a temporary improvement.

6. EFFECTS OF TELEWORKING

Although the pandemic rapidly spread across the globe, leading countries to implement lockdowns to bring it under control, people were able to adapt and evolve to these changes rather efficiently. Businesses and their employees were quick to adopt an efficient work-from-home model, schools and pupils - right from pre-schoolers to university students, have been subjected to online classes as the new norm. The dependency on technology has increased by heaps and bounds, people have become reliant on tech companies, the services they offer and the products they innovate and develop to conduct their everyday life. This digital surge has led to expedited innovation within the technology realm, disruption is finding its stronger purpose, Blockchain technology will become ascendant and virtual reality will become the new reality, increased digitization will help monetize the dipping economy. This upsurge in demand will unveil technologies and products that will help re-establish the loss in human connection due to the pandemic. The real challenge will occur post pandemic when we try to optimize our usage of the internet while trying to bridge the gap between emerging technologies and a semblance of stability.

7. JOB LOSSES DUE TO BUDGET CUTS

The ever evolving situation with Covid-19 has brought about unimaginable changes to the world - progress took a rude halt and growth got diminished to a meagre nothing. To restrict and reduce the spread of the pandemic social distancing practices had to be implemented, thereby causing countries across the globe to enforce sudden and extended lockdowns. This in turn has led to sealing of borders, trade restrictions, confinement of any sort of movement be it goods or people, local business, major retail outlets and food chains had to close their doors, thereby leading to job losses for millions. For many, this meant plunging into poverty and rendering them incapable to provide food and homes to their families. While some industries had to shift their work model to allow teleworking, a vast majority of them had to let go of their employees due to budget cuts and the inability to pay their workforce.

8. ADDED PRESSURE ON TECHNICAL SUPPORT

One of the hardest hit departments within the enterprise is the Technical Support or Customer Service department. The pandemic struck with stealth, leaving the enterprises no time to proactively prepare for this course-altering global emergency. This threw a lot of challenges to the tech support workforce since the number of calls increased multi-fold. The difficulty level of the calls doubled from 10% to 20% due to the issues related to the pandemic, according to a survey conducted by Tethr - An AI Powered Conversation Intelligence Platform. Highly emotional and stressed customer calls ranged from travel cancellations, refunds, requests to extend bill payment deadlines to disputes over insurance coverage to technical assistance with setting up home offices for remote work. This was the customers' part of the challenge, the other half being customer service representatives and tech support personnel who were working remotely for the first time. They faced challenges due to the lack of necessary infrastructure or peer/managerial support. This in turn led to longer hold times, both due to the long queues of calls and due to tech support personnel often requiring longer times to resolve customer issues. There was also a significant upsurge in the number of escalations due to Covid-19. Companies are now investing efforts in arming their tech support reps with training and tactics to help reduce customer frustration and use of collaboration tools to tap into peers and managers for timely help and support.

9.   **SLOWDOWN IN RECRUITING**

The widespread impacts of the pandemic have not shown any mercy on the recruiting industry either. According to the WHO, about half of the world's global workforce is at a risk of losing their jobs and means of livelihood. Thousands of enterprises face the threat of existence, maybe even staring at extinction, thereby causing a void within the recruiting industry. The crashing economy has brought hiring to a standstill. In an era where attrition has hit a high and where furloughs and lay-offs are the new norm, recruiting companies are seeing very few staffing requirements come their way. Given how heavily reliant recruiting companies are on these enterprises who used to be on the lookout for top talent, it has left both the workforce and the recruiting firms at very high risk of realizing a significant slowdown in their growth.

The COVID-19 pandemic has been a huge tipping point from several perspectives - how quickly technology is worked upon and rolled out, how effectively it is adapted and how efficiently it evolves. As we progress and continue to discover newer challenges, we will continue to learn, find more effective solutions and learn to manage change better. Learning how to deal with change, both tactical and organizational, is going to be a game-changer moving forward.

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