

## **Quess Corp launches 'New Collar Generation Report' reflecting aspirations and expectations of India's informal workforce**

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- *80% of the informal employees expect their employers to provide them with the security of ESI and other medical benefits*
- *The aspiration to transition from informal employment to the formal sector is higher for women*
- *84% of the informal employees agree that technology has helped create more awareness about the advantages of formal employment*
- *70% of respondents employed informally have leveraged tech portals in search of employment*

[Quess Corp](#), India's leading business service provider today published the **'New Collar Generation Report'** which uncovers the aspirations of India's informal economy post-pandemic. The report reveals that a majority of workers in India are still without any social security coverage, and their aspirations to move into an inclusive, secure lifestyle are taking shape.

As per the report, *'New Collar'* defines a generation of workers whose priorities and aspirations are converging with those of formal employees, and who value security and benefits over their daily wages. This is an evolution of the term coined in 2016 by Ginni Rometty, Former Chairman and CEO of IBM.

Commenting on the report, **Lohit Bhatia, President of Workforce Management, Quess Corp** said, *"The findings of our study offer a clear direction to policymakers on the desires of the informal workforce. With high aspirations regarding skilling, social security, and healthcare benefits, India's informal economy is as aspirational to benefit from EPFO, ESIC, and other social security benefits as their formal counterparts. Our current laws enable coverage of such social security benefits only for organizations that have above 10 or 20 employees. This leaves behind a huge class of citizens that are not benefitted by these laws."*

He further added, *"Recent efforts by several states to implement social security programmes,*

*such as life insurance and healthcare coverage, for gig workers in the informal economy are commendable steps in the right direction. However, it is crucial to recognize that there is still a long way to go and we must all continue to make efforts to create an inclusive and secure environment for all Indian workers."*

*Findings from the report indicate that informal employees are prioritising factors such as prestige and career potential over wages today. Moreover, 97% of those informally employed agree that they have a better chance of improving their lifestyle and that of their families with a formal job as opposed to one without a contract.*

### **Convergence between expectations of India's informal and formal workforce**

*According to the survey, 80% of the informal employees expect their employers to provide them with the security of ESI and other medical benefits; the expectation of ESI is even higher for the younger, informal employees (83% - 18 to 25 years and 81% - 26 to 35 years). Furthermore, 79% of respondents claim they would compromise on 20% or more of their salary if it provided security and benefits equivalent to their formal counterparts (78%), indicating that the New-Collar Generation's priorities and aspirations are converging with those of formal employees and that they value security and benefits over their daily wages.*

### **Impact of tech on job discovery for the informal**

*Technology has played an important role in educating workers about the benefits of formal employment, with the survey revealing that 84% of the informal respondents agree that technology has helped create more awareness about the advantages of formal employment. As digital natives, informal employees aged between 18 to 35 have more confidence in the awareness technology has brought than their older counterparts. Interestingly, it was found that 70% of respondents employed informally have leveraged tech portals such as job hunting portals, online news portals, and company websites to search for information about job security and benefits any prospective employer offers.*

### **The aspiration to transition from informal employment to the formal sector is higher for women**

*While both genders are looking beyond wage rates when assessing professional opportunities, the priorities of women working in the informal sector are skewed towards health and security, while for men, it's more inclined toward career building. The report found that 63% of women claim that they would be 'very likely' to compromise on a higher salary in lieu of health benefits and a formal agreement, compared to only 28% of men. Furthermore, 38% of women (and 29% of men) believe that the Covid-19 pandemic has highlighted the importance of job security. The study also found that men are more focused on career building and prestige and are more cognizant of the value of professional networking, while women believe education holds the key to securing a formal job.*

## Methodology

*The report is based on interviews with 4,179 respondents of all ages across 7 metros: Bangalore, Chennai, Delhi, Hyderabad, Kolkata, Mumbai, Pune, and 7 non-metros: Ahmedabad, Baroda, Coimbatore, Indore, Lucknow, Ludhiana, Nashik conducted between September 2022 and January 2023. All the findings from the survey are supported by the latest secondary research across the country.*

## About Quess Corp

*Established in Bengaluru in 2007, Quess Corp Limited (BSE: 539978, NSE: QUESS) is India's leading business services provider - that leverages its extensive domain knowledge and future-ready digital platforms to drive client productivity through outsourced solutions. Quess provides a host of technology enabled staffing and managed outsourcing services across processes such as sales & marketing, customer care, after sales service, back office operations, manufacturing, facilities and security management, HR & F&A operations, IT & mobility services etc. Quess has a team of ~511,000 employees, serving ~3000 clients across India, North America, APAC and the Middle East as on Mar 31st, 2023.*

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