

The Impact of the Covid-19 Pandemic on the Manufacturing Industry

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Abstract:-In the current condition where the situation in all parts of the world is facing a Covid-19 pandemic which is increasingly increasing the number of countries that have been infected with the Covid-19 virus as we know that vaccines have not been found to ward off the virus. This will certainly have an impact on global economic conditions that can kill all business businesses, many superpowers such as the United States and European Union countries have very sophisticated technology and qualified health workers who have not been able to solve the problem of covid-19 virus infection so Many developed countries have to experience economic hardship due to the cessation of all industrial, tourism, trade, mining and banking businesses which resulted in the termination of employment everywhere. The increasing level of poverty thus increasing the level of crime. The purpose of this study is to see the extent of the economic impact of the Covid-19 pandemic on the global economy which has an impact on the manufacturing industry. Analysis using qualitative methods by conducting virtual interviews with several industrial companies engaged in the manufacturing industry to find out the extent of the impact on business, workplace welfare and work enthusiasm supported by previous studies on matters that affect the business of manufacturing business. From this analysis we can conclude that the manufacturing industry business is strongly influenced by the global economy.

Keywords: *Pandemic Covid-19, Economic Impact, Manufacturing industry.*

I. PRELIMINARY

Background

In the era of technology and the era of digitalization like today where the development of the business world is growing rapidly, especially in the manufacturing industry to encourage organizations or companies to optimize all the resources they have in answering all the existing competition. In the current condition where the situation in all parts of the world is facing the Covid-19 pandemic which is increasingly increasing the number of countries that have been infected with the Covid-19 virus. As we know a vaccine has not been found to ward off the virus. This will certainly have an impact on global economic conditions that can kill all business businesses, many superpowers such as America and European Union countries that have very sophisticated technology and qualified health workers have not been able to solve the problem of Covid-19 virus infection so that many developed countries have to experience economic hardship due to the cessation of all industrial businesses, tourism, trade, mining and banking business which results in termination of

employment everywhere. Increased levels of poverty thus increasing crime rates. All efforts have been made by the government both by the central government and regional governments in stimulating all forms of the economy through various policies as well as taking steps to subsidize resources such as electricity, suspending loan payments until September.

On the other hand, in the manufacturing industry the government implements several policies related to its production process. The government allows the manufacturing industry to continue producing by running a very strict health protocol and limiting the number of workers so that physical distancing can be met.

In certain manufacturing industries, there are many problems faced such as the current condition where business processes are constrained by the sales of production decreases, raw material prices are unstable, the distribution of raw materials and manufactured goods are constrained by PSBB (Large-scale Social Limitation).

However, in the process of employee payroll, health benefits, and employee rights must still be paid. This will certainly be very difficult for company finances, many companies make efforts or steps to secure company finances by reducing the number of employees by means of part of the employees laid off or by layoffs. And some companies that pay monthly salaries are not paid in full. Of course, these steps are carried out by a company in securing company finances for the sake of the continuity of its business.

Research Purposes

The research objectives that can be obtained in this study are:

1. Analyzing the influence of Pandemic Covid-19 on the manufacturing industry business.
2. Analyzing the influence of Pandemic Covid-19 on the company's financial condition.
3. Analyzing the influence of Pandemic Covid-19 on employee morale.

II. LITERATURE REVIEW

Covid-19

World Health Organization (WHO) explains that Coronaviruses (Cov) is a virus that infects the respiratory system. This viral infection is called COVID19. The Corona

virus causes common cold to more severe illnesses such as the Middle East Respiratory Syndrome (MERS-CoV) and Severe Acute Respiratory Syndrome (SARS-CoV). Corona virus is zoonotic which means it is transmitted between animals and humans. Based on the Indonesian Ministry of Health, the development of the COVID-19 case in Wuhan began on December 30, 2019 when the Wuhan Municipal Health Committee issued a statement "urgent notice on the treatment of pneumonia of the unknown cause". The spread of the Corona virus is very fast even across countries. Until now there are 188 countries that confirm the Corona virus. The spread of the Corona virus that has spread to various parts of the world has an impact on the Indonesian economy, both in terms of trade, investment and tourism. This virus spreads quickly and has spread to several countries, including Indonesia. A person can get COVID-19 through a variety of ways, namely:

1. Accidentally inhale saliva splashes from sneezing or coughing sufferers of COVID-19.
2. Hold the mouth or nose without washing hands first after touching an object affected by saliva splashes of COVID-19 sufferers.
3. Close contact with sufferers of COVID-19, for example touching or shake.

Most psychology and human resource research focused in finding out how office workers attempting to have work-life balance in regular daily basis, while others focused on evaluating how occasional work from home can improve work-life balance, as work-life-balance and flexible working hours are two most factors that can increase employee engagement (Setyo dan Lukertina, 2019; Setiyani dan Setyo, 2019).

The regulations released by the government not only affecting non-essential business activity, but also instruct all educational organizations and shopping centers to be closed in objective to keep social distancing program effective in preventing infection widespread. To keep the education progress on track based on the curriculum, all the activity in schools, colleges, and universities transformed into online class learning at home, virtually monitored by the lecturers. With the students and their white collars parents moving their activities from school and offices to their home, the parents are facing a new problematic dilemma in which they must maintain work and home life with no clear boundaries. Recent research has evaluated that work from home has been more stressful in the objective of balancing work-home life activities than what the parents have regularly before the pandemic (Putro dan Riyanto, 2020).

From the definition of Covid-19, we can conclude the danger of Covid-19, which is very rapid spread and spread so that it can infect almost all countries in all parts of the world, of these several events, of course business actors must make every effort and steps to secure the company's most assets valuable namely employees who spearhead the business in the company, a success in minimizing and breaking the chain of transmission Covid-19 will have an impact on the health of all citizens in a country with a swift step of course this problem will soon be resolved and we can pass it well , and with cooperation in all elements of society and government and high public awareness will have an impact on the number of cases infected with the virus.

Thus, cooperation and public awareness are the main keys in suppressing the spread and breaking the Covid-19 pandemic chain that has infected almost all countries in the world.

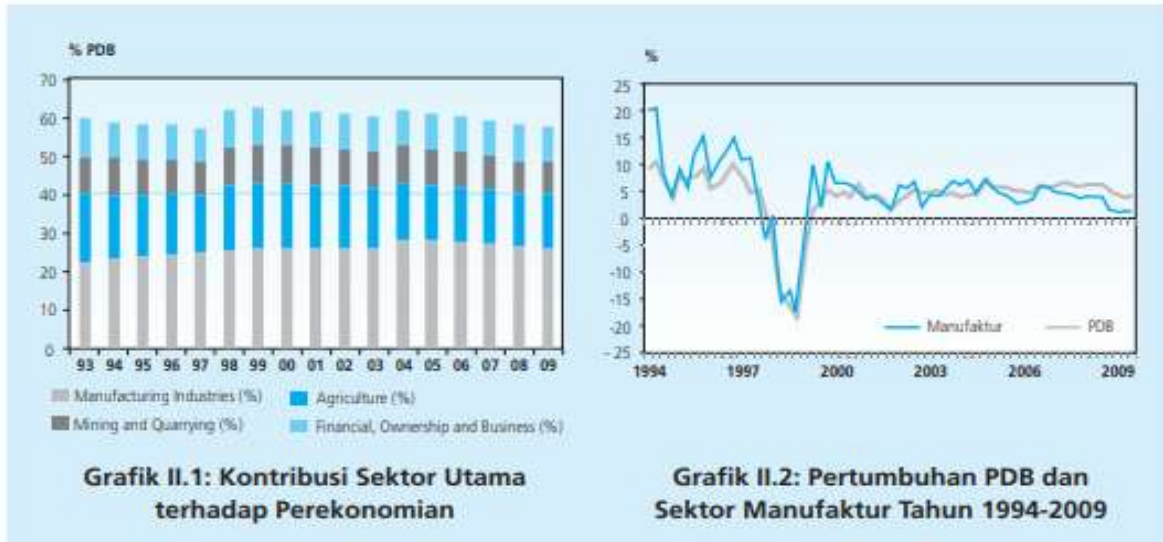
Manufacturing Industry

Manufacturing Industry is a process that is part of a branch of industry that uses a number of modern equipment such as industrial machinery, a regular and measured management program to transform raw goods into finished goods and are worth selling. The stages in the manufacturing industry require a process for producing and integrating the various components used. Manufacturing companies are the main pillars of industrial development in a country.

The large contribution of the manufacturing sector to the economy causes the economic cycle can not be separated from the dynamics of the manufacturing sector. Boom and bust cycles in the economy are often associated with the number of companies entering and leaving an industry. In addition to the economy, company dynamics also affect the decline in output and employment in the manufacturing sector.

The role of the manufacturing industry in the Indonesian economy has increased substantially, from 19% of GDP in 1990 to 26% in 2009 (Figure II.1). Although during 1990-2008, the industrial sector also experienced a decline in growth due to the crisis. On the other hand, the increase in employment in the manufacturing industry only rose from 10% to 12%.

The dynamics of the industrial sector in general move in line with economic growth. When the Asian crisis hit Indonesia in 1997/1998, GDP in 1998 grew negatively by 13.3% which was also followed by a decline in manufacturing sector growth of 15.4% (Graph II.2). This sharp decline in manufacturing output in 1998 was also followed by a sharp decline in employment in the manufacturing sector at 9%.



Manufacturing is a series of activities covering product design, item selection, planning, manufacturing (manufacturing), quality assurance, management and sales carried out by the company

III. RESEARCH METHODS

Research Type

The author conducted research using a qualitative analysis interview method to explore the impact of the Covid-19 Pandemic on the manufacturing industry. According to Denzin and Lincoln (1998), qualitative research involves gathering some empirical material from case studies, personal experiences, introspectives, life stories, interviews, observational, historical, interactive, and visuals that describe routines and problematic moments and the routine meaning of individual lives. This type of research is exploratory, according to Sekaran and Bougie (2010) that research is conducted in situations where information is not available with the same problem or previous research that has been resolved in the past. Study investigations are used in this research to understand and explore the extent of how to analyze the impact of the Covid-19 pandemic on the manufacturing industry. Furthermore, the authors use a descriptive case study to present the results and discussion in this research.

Data Collection Method

This research will use in-Depth Interview as a data collection method to obtain data from interview participants where participants are encouraged and asked to talk in depth about the topic being investigated without informing beforehand, focusing, brief questions (Given, 2008).

Data was collected in several manufacturing industry companies to see the extent of the impact caused by the Covid-19 pandemic on the manufacturing industry.

Data analysis method

This study uses descriptive analysis tools to analyze the impact of the Covid-19 pandemic on the manufacturing industry. To conduct this research, the study will ask basic questions based on indicators and then the interview or conversation will take place as it is. More information will be better. Through conversation, there must be something considered as a gap influenced by the Covid-19 pandemic towards the manufacturing industry. The validity and reliability in qualitative research are important to prove that all the results explained and discussed in this study are true. Whenever interviews are conducted as a process of collecting past data, it is important to test the validity and reliability.

According to Given (2008): "In the field of research, validity refers broadly to the "Godhead "or" health "of a study. Validity is often described broadly as dependence on the extent to which a study actually measures what is to be measured - whether "truth" is accurately identified and explained. Reliability, in the field of research, is broadly explained as dependency, consistency, and / or the reability of project data collection, interpretation, and / or analysis. In this research, data will be arranged through interviews. After that, the data will be transcribed into written data.

IV. RESULTS AND DISCUSSION

Results

1. Manufacturing industry in a country is the main pillar of industrial development in a country. The development of manufacturing industry can also be used to see the development of industry nationally in a country, this development can be seen from the aspect of the quality of the products produced and the overall performance of the industry, in the condition of the Covid-19 pandemic as it is currently experiencing a national decline in graphics, not yet shows an encouraging development, in the amount of

production is very reduced as it is today, which causes the price of industrial raw materials supplied from infected countries to stop supply and production causes the price of raw materials to be unstable, even we cannot process, this certainly hinder the production process,

- The impact of the Covid-19 pandemic is able to paralyze the global economy that occurs in all parts of the world, many developed countries such as the United States and European Union countries that have the latest technology and qualified health technology are still having difficulties to ward off the Covid-19 pandemic, which impact on the economy in the country, increasing unemployment resulting from termination of employment, increased crime rates, reduced public purchasing power of the market so that this will make it difficult for a country to run its economy, thereby affecting the global economy.

Discussion

Based on the results of field analysis shows that the influence of the Covid-19 pandemic greatly affects the global economy so that it will affect the manufacturing industry, in getting raw materials obtained from various countries, where some of the countries such as America, Germany and European Union countries stop the process production so that it will hamper the manufacturing industry production process, the Covid-19 pandemic greatly affects the manufacturing industry, in terms of raw material supply is hampered, raw material prices are unstable, and declining sales which results in low purchasing power, this will certainly have an impact on the sustainability of the manufacturing industry.

V. SUGGESTION

Suggestions from the author that it is necessary to do further analysis of the impact of the Covid-19 pandemic on the manufacturing industry by using a quantitative analysis by determining the framework for describing the influence of the Covid-19 pandemic on the manufacturing industry so as to obtain the results of statistical analysis.

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