

# The Paradox of Underemployment in Chennai Under Offline Mode

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**Abstract:** Our research is conducted to understand the difficulties and psychological problems that employees in the Chennai district encounter when they operate in an offline capacity and experience underemployment. Furthermore, the goal of the research paper is to provide a remedy for the challenge that the younger generation is facing. The main aim of our study was to create awareness to the society about the problem faced by employees when they are underemployed. Our study is based on the primary data collected through the google forms. Our study also includes the problems faced by the youngsters due to the underemployment such as skill mismatch, unqualified graduates, obsolete school curricula, technological advancements, Hierarchy and many more like this. Our study takes into consideration the reasons why young people are forced to work in underemployment, such as lack of opportunity, economic pressure, and financial constraints and fear of society talks. And through our primary data most of the people responded that. And we conclude that we also stated about the ideas to avoid underemployment among the youngsters.

**Keywords:** *Employment, Younger, Technological, Underemployment and Opportunity.*

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## I. INTRODUCTION

John Maynard Keynes was the one who originally invented the phrase "underemployment". He was an English economist and philosopher whose theories profoundly altered government economic policy as well as the theory and application of macroeconomics. He initially discussed underemployment in his book. In the framework of his research on unemployment and economic theory, in particular his 1936 publication of "The General Theory of Employment, Interest, and Money," Keynes introduced the idea. When employees work fewer hours than they would want to or in positions that do not fully utilize their education, experience, or talents, it is referred to as underemployment. The issues at hand are essentially historical in nature. When highly educated and competent people work in low-skilled, low-paying jobs, thus economists and other researchers haven't discovered a means to conceal underemployment until recently. Initially, Employment is the term used to describe jobs where individuals labour work for others and receive compensation in exchange. Employees are people who work for other people and receive compensation in the form of wages or salaries based on the terms of their employment

contract. The primary distinction is in their employment status. For instance, A, an MBA (specialist in marketing) who has been qualified and certified by RSD institution, works as the managing head of ASSD company Ltd, earning Rs. 90,000, while B, also an MBA (specialist in marketing) who has been qualified and certified by RSD institution, earns Rs. 30,000 as a managing supervisor of ASSF company Ltd.

Underemployment is defined as "overqualification," "overeducation," or the practice of hiring people with high levels of education, experience, or skill for positions that don't call for them. For instance, someone with an engineering degree whose primary work as an auto driver, food delivery man, etc is deemed to be underemployed. It is the risky situation that grads are currently in. This study aims to identify the factors that contribute to underemployment among young people in Tamilnadu and to prevent it.

There are several kinds of underemployment, namely they are visible underemployment, invisible underemployment, Temporal Underemployment, Geographical Underemployment, Cyclical Underemployment. Visible underemployment means

employees who work fewer hours than what is customary in their industry or sector. Despite having the necessary abilities to work a full-time job, they are unable to secure consistent employment. Their typical means of subsistence is part-time employment. They have the capacity and desire to work less hours. They frequently find themselves in this predicament for monetary reasons, like a shortage of full-time employment options. Invisible underemployment means people who work in professions that don't use their skills like an accountant working as a waitress in a restaurant. It is exceedingly difficult to measure this kind of underemployment, and surveys and in-depth research are needed. due to their monetary need ,individuals occupying positions that don't match their educational background. Employees whose backgrounds and skill sets go beyond what is needed for the job at hand. Temporal underemployment means workers who are underemployed in the off-season and only employed during particular occasions or times of the year. Workers who frequently encounter job instability or unemployment, which results in inconsistent work schedules and pay. Geographical Underemployment means workers that are underemployed due to geographical financial obstacles such as living in locations with few job options that match their competencies and qualifications. Happens when workers move to or from economically distressed areas and businesses become immobile, leaving people jobless. For instance, there can be a lot of job openings in Africa , but a jobless man in Tamil Nadu might not be able to accept the position due to transportation constraints. Cyclical Underemployment means percentage of total underemployment that stems directly from cycles of economic expansion and contraction. Usually, during recessions, underemployment increases, and during economic expansions, it decreases.

“People are doing very low productivity jobs and that gives them relatively low wages, low living standards and therefore poverty. This is where we need jobs that pay good wages, meaning higher productivity jobs” says Arvind Panagariya, Former Vice Chairperson, NITI Aayog, in an interview with ETNOW. When the Tamil Nadu Public Service Commission (TNPSC) issued a call for applications in 2018 for 9,351 openings in the Group-IV category, it received over 20 lakh applications. This indicates that 213 candidates competed for each position, highlighting the dire circumstances surrounding the state's underemployment rate. Furthermore, 84 lakh individuals have registered with the job exchanges. Due to fewer job placements through government agencies, there has been a decline in the number of registrations in recent years. The only alternative left for young people is to sell their abilities for extremely low prices.

Those with professional degrees like an MBA, B.Tech, or M.Tech, postgraduates, graduates, and diploma holders were fighting early this year to be hired by the Tamil Nadu Assembly Secretariat as sweepers and sanitary workers. The sole requirement for prospective recruits was a healthy physique. The stipulated age requirement was fulfilled at eighteen. The upper range of age varied. Intotal 4,607 applications in all, including those from the Employment Exchange, had been received. Applications were received for

549 grade-I sanitary worker vacancies by the Coimbatore Corporation. Among a pool of over 7,000 applications, many of whom were graduates, diploma holders, and competent engineers.

Basic Reason for underemployment analysed by different scholars and economists are skills mismatch ,unqualified graduates ,obsolete school curricula, technological advancements, hierarchy Lack of Experience, Poor Economy and Market Changes. A job candidate's skills and competencies don't match the demands and expectations of the role. A mismatch occurs due to number of factors, such as gaps in education, inadequate training, outdated skill sets, and a quickly changing labour market that requires new abilities and talents.

Unemployment(U-3) refers to non-employment person who are available for work and have searched for a job in the previous month .Underemployment (U-6) includes unemployed people working part time job for economic and financial reason. According to Bureau Of Labour Statistic defined underemployment as “those who currently are neither working nor looking for work but indicate that they want and are available for a job and have booked for work sometime in the past 12 months”. Due to low GDP and little to no job creation, the decline in demand causes businesses to grow slowly, which in turn pushes the economy toward a recession or depression. Financial challenges frequently strike many families who had previously enjoyed an affordable standard of living. Employment exchange is a government office that helps people find their jobs without any problem relating to underemployment; rather than that, there is no proper scheme or office related to underemployment in Chennai.

An article in THE HINDU newspaper named “Underemployment is the problem, not joblessness“ on March 19, 2019 written by Alok Ray issued saying that “dismal quality of graduates is impacting the job market. But even high skilled workers are finding the going tough. A big controversy has erupted over job creation under the Modi regime —in particular, over whether the unemployment rate in 2017-18 is, in fact, the highest in four decades as CMIE data as well as the officially undisclosed but reported in the press NSSO data seem to indicate”. Talking about underemployment ,they include Skilled workers in low-paying jobs, Skilled workers in low-skill jobs, Part-time workers preferring full-time hours are some of the example.

Research related to underemployment has been conducted by my research scholar and economist. Researchers have benefited from various theories, such as “Latent Deprivation Theory” by Jahoda, “Human Capital Theory” by Gary Becker and Theodore Schultz, “Relative Deprivation Theory” by Samuel Stouffer, and “Person-Job Fit Theory” by John Holland. These theories mainly clarify the causes and consequences of underemployment. However, recent research conducted by Kim and Allan proposed a different perspective that underemployment can be addressed based on the Psychology of Working Theory (PWT), which seeks to provide a multicultural explanation of the factors that influence decent job results in underprivileged populations

and across cultural boundaries. It is a multidimensional concept with five dimensions: physically and mentally safe working conditions, sufficient compensation, access to health care, hours that allow adequate rest and free time, and organizational values that integrate family and social values. Based on the Psychology of Working Theory (PWT), securing decent work needs results in job satisfaction.

The impacts of underemployment on psychological and physical health were compared to those of unemployment or overemployment in most first-generation research, which generally found similar effects, such as psychological discomfort, depression, and worse physical and self-conceptual health. But the conclusions are not clear-cut: According to certain research, underemployment has a negative impact on some mental health metrics but not others. Furthermore, there's no assurance that gaining additional work hours or a full-time job will improve someone's health or well-being because employees sometimes underestimate or downplay the potential negative impacts of working long hours.

Mechanisms that may connect underemployment and an individual. First, inadequate of income arises from a decline in work hours, which poses a direct danger of material hardship or financial instability. This risk is then linked to food and housing hardship, as well as a lack of money to pay for necessary medical care and adopt healthier lifestyle choices. Subsequent Psychosocial Consequences The presence of low-quality job attributes may also have an effect on health and wellbeing by raising stress levels and decreasing job satisfaction. Specifically, reduced control over work schedules and more unpredictable weekly hours limit not only income but also the amount of time available for leisure planning and engagement.

Therefore, the entire focus of this research paper is the issue that are faced by youngsters in relation to underemployment. There are important reasons for preventing underemployment, and the issue that results from underemployment is one that should be properly valued based on an individual's educational background. No human being in the society should be under stress or engage in any kind of suicide. Numerous solutions have been proposed, but this issue is still regarded as unsolvable. In the modern world, underemployment is a contributing factor to suicide. A significant amount of underemployment won't cause the economy or society to grow stronger.

## II. REVIEW OF LITERATURE

The article “Underemployment in India: Measurement and Analysis” written by Subrata Mukherjee stated that an index of underemployment is defined for a person who belongs to the labour force in usual status but may be employed, unemployed and seeking employment or out of labour force during each half-day of a 7-day reference week. This simple index admits aggregation over similar workers and thus can lead to an underemployment index for a category of workers, like workers of a household, a village, a district, of the age group 15-40 years etc. Using the unit-level dataset

of the NSS 66th round: Employment-Unemployment Survey, underemployment index for different categories of workers has been estimated for comparison. In another exercise Tobit regression analysis has been done using the unit-level survey data mentioned above to find out statistically significant covariates of underemployment at the worker level as well as at the household level.

This article “Individual, interpersonal and economic challenges of underemployment in the wake of COVID-19” written by Manjeet Kaur stated that COVID-19 has caused economic slowdown all across the globe. It results in job loss on the one hand and less wages, increased working hours, overqualified employees and part time jobs on the other hand. Low demand of labour and a huge availability of work force will put many in a disadvantageous position, where they will have to compromise with the circumstances by being underemployed. A critical and constructive analysis of the literature was performed. The findings reveal that if employment does not provide workers with proper opportunities to use their education, time, skills and expertise, it can create stressful situations in workers' lives. The problem needs both a diagnosis and robust treatment in order to have better outcomes at the individual, organisational and national levels.

This article “Underemployment in India: Patterns and Determinants” written by P. Aparna stated that to estimate the recent trends in underemployment and unemployment among youth in India by using the Periodic Labour Force Survey, 2019-20. The paper attempts to describe the visible underemployment situation at the all-India level. In this process, it discusses four methods of measuring visible underemployment. The underemployment among workers who work on major time of the year, unemployment of those who work in current week, time related underemployment and volume of time related underemployment. In order to estimate the underemployment based on time, the paper uses the International Conference of Labour Statisticians (ICLS) methodology. The paper finds that the volume of time-related underemployment is higher among urban females compared to other segments of the labour market and more among younger age groups, i.e., 5-14 and 15-29 years. Imparting training among the younger working group may lead to a high wage per hour situation. Provision of employment through the Employment Guarantee Programme reduces underemployment and acts a safety net. This strengthens the argument for the provision of similar works in urban areas too.

The article “An Analysis of Underemployment among Young Graduates: The Case of a Higher Education Institution in South Africa” written by Daniel Francois Meyer stated that Labour markets have undergone vast transformations over the last few years. There are arguments that employment and unemployment measures have not been adequate in understanding the complexities of labour markets. Research on labour underutilisation has focused on one side of the spectrum, which is just about the scarcity of jobs. However, there is more to the labour market than just scarcity of jobs, and many researchers believe unemployment is not a

complete measurement of unused labour capacity, which is why this study aimed to investigate the existence of underemployment from the perceptions of young graduates themselves. In this regard, the definition of young people entailed those younger than 35 years as officially defined in South Africa.

This article “Underemployment and Local Employment Dynamics: New Evidence” written by Michaël Bonnal stated that workers in occupations that underutilize their experience, training, and skills are underemployed. Underemployment occurs for various reasons including productivity growth, spousal employment and income, family constraints, spatial restrictions, or personal preferences. Underemployment provides opportunities for selective job creation and economic growth. Using local employment dynamics (LED) and a state-wide survey of the employed and nonworkers for 2004 and 2005, we examine the interaction between underemployment and LED. We show that poor local labour market conditions accentuate the perception of underemployment and lead to higher level of underemployment. Gender and ethnic differentials are also revealed in the characteristics of the underemployed.

➤ *Research Gap:*

When talking about underemployment, Researchers and economists have distinguished between underemployment and unemployment, instead of explaining underemployment they have attempted to explain underemployment by highlighting the distinctions between unemployment and underemployment. They viewed underemployment and unemployment as being comparable to one another. Nevertheless, my research made a clear distinction between underemployment and unemployment. Previous research concentrated on the issues and preventive measures that many employees encounter during underemployment. However, the problem and psychological issues that employees confront while they are underemployed will be the focus of my research paper study. The social issues they encounter as a result of their poor income, mismatched skills, sadness, lack of opportunities, and health. Will the low income satisfy the needs and urge to pursue in their professional field? Will they lose interest in earning and working related to their occupation and education qualification?

➤ *Statement of Problem:*

Individuals are impacted by underemployment on a physical and mental level. Physically, they will experience health problems, inadequate compensation, and social hardship. Mentally, they will experience depression as a result of the jokes and insults they receive from society. The general public does not view underemployment as an issue of concern. In my opinion, the issue is whether underemployed workers feel satisfied with their pay and occupation and never attempt to further their training related to their academy. This is the research's primary goal. Despite the Psychology of Working Theory (PWT) theory, individuals continue to experience depression, mourning and other health issues. However, society was unaware of the effects that underemployed workers suffered; as a result of their depression, some of them have attempted suicide. Furthermore, there are no available programs or policies to address the issue of employees' underemployment. Even the government hasn't made any significant choices thus far.

➤ *Objectives:*

- It analyses the issues underemployed workers confront, the issues society faces as a result of underemployment, and how to support individuals impacted by underemployment.
- It analyse what sought remedies can be taken up from the government side to reduce the underemployment rate among employees
- It tries to emphasise that underemployment is a serious issues and it is inherence for economic development and this need to be rectified by the society.

### III. METHODOLOGY

This study adopts the both doctrinal and non-doctrinal mode of research. Then on doctrinal way of research is based on qualitative method that is the data's collected from Specific group of people used for research work. The study adopts the both primary and secondary source of data available on the subject. This research uses this mode of study because it was sensitive topic in current scenario which prevails in our society on the day to day basis. This method is used for deriving table column about the response collected from people about the topic. The response collected from people is used to tell about the mindset of the people about the specific topic used in the research area.

**IV. RESULTS AND DISSCUSSION**

Table-1 Personal Details

S. No	Particular	Options	Number of respondents	Percentage
1.	Age Group	Below 20 Years	51	36.43
		21-25	26	18.57
		25-30	20	14.2
		Above 31 Years	43	30.8
		Total	140	100
2.	Gender	Male	75	54
		Female	60	43
		Others	5	3
		Total	140	100
3.	Qualification	Art Degree	20	14.2
		Computer Science Degree	6	4.2
		Professional Degree	63	45
		Science Degree	40	28.7
		Illiterate	11	7.9
		Total	140	100
4.	Family status	Below 1 Lakh	64	45.9
		1lakhs-2lakhs	23	16.2
		2lakhs-3lakhs	8	5.4
		Above 3lakhs	45	32.4
		Total	140	100
5.	Marital status	Married	41	29.7
		Unmarried	98	70.3
		Total	140	100

Source: Primary Source

➤ *Interpretation:*

In the study, 51 people are below the age of 20, 26 people are between 21-25 age group, 20 people are between 25-30 age group and 43 people are above 30 years. Whereabouts, 60 women have given their responses, 75 men have given their responses, and 5 people from other communities have given responses. When it comes to their qualifications, 20 people have pursued arts degree, 6 people have pursued computer science degree, 63 people have pursued professional degree, 40 people have pursued science degree and 11 illiterate have given the respondent. Family status of the respondent are 64 people below 1lakhs ,23 people’s family income is between the 1-2 lakhs, 8 people’s family income is between 2-3 lakhs and 45 people’s family income is above 3 lakhs. 41 respondents has been married and 98 respondent has not been married.

Table-2 Attitudinal Analysis of Underemployment

S. No	Statement	Category	Number of Respondents	Percentage
1.	Does uneducated people face problem related to underemployment	Yes	113	80.6
		No	27	19.4
		Total	140	100
2.	Does caste influence underemployment	Yes	49	35.1
		No	91	64.9
		Total	140	100
3.	Does discrimination(age colour, etc) affect underemployment	Yes	76	54.1
		No	64	45.9
		Total	140	100
4.	Have you(respondent) experience underemployment	Yes	95	67.6
		No	45	32.4
		Total	140	100
		Yes	128	91.1

5.	Have you(respondent) seen employees suffering from underemployment issue	No	12	8.1
		Total	140	100

Source: Primary Source

➤ Interpretation:

113 people have agreed that uneducated people also face problem related to underemployment but only 27 people not agreed with the problem faced by uneducated. As 49 people agreed that caste influence underemployment yet 91 people have not agreed because underemployment have no work with education and employment. 76 people agreed that discrimination is a cause for underemployment whereas only 64 people disagreed because gender, age, colour ,etc. may be a major reason for underemployment. 95 of the respondent have experienced underemployment among 140 respondent , only 45 have not faced underemployment. Among 140 respondents, 128 people have seen employees suffering from underemployment.

Table-3 Reason for Underemployment

S. No	Statement	Category	Number of Respondents	Percentage
1	Reason for underemployment	Skill Mismatch	39	27.8
		Unqualified Graduates	43	30.6
		Obsolete School Curricula	15	11.1
		Technological Advancements	28	19.4
		Hierarchy	15	11.1
		Total	140	100
2.	Areas face more underemployment	Urban Area	45	32.4
		Semi-Urban Area	25	17.6
		Semi-Rural Area	25	17.6
		Rural Area	45	32.4
		Total	140	100
3.	Factor impacting the most in underemployment	Economic Impacts	42	29.7
		Social And Psychological Impacts	53	37.8
		Broader Societal Impacts	19	13.5
		Individual Impacts	26	18.9
		Total	137	100
4.	Remedies for underemployment	Enhancing Education And Training	57	40.5
		Promoting Entrepreneurship And Small Businesses	26	18.9
		Encouraging Flexible Work Arrangements	4	2.7
		Up skilling And Reskilling Initiatives	34	24.3
		Reducing Barriers To Employment	19	13.5
		Total	140	100
5.	Barriers Faced by the Underemployed employees	Lack of Opportunities	19	13.5
		Educational Mismatch	8	5.4
		Economic Conditions	8	5.4
		Geographical Barriers	8	5.4
		All The Above	97	70.3
		Total	140	100
6.	Type of people facing underemployment mostly	Educated People	106	75.7
		Uneducated People	34	24.3
		Total	137	100
7.	Contributing factors to high underemployment	Economic Slowdowns	30	21.6
		Technological Changes	42	29.7
		Educational Mismatches	38	27
		Labour Market Inefficiencies	30	21.6
		Total	140	100
8.	Does underemployment is needed for a society	Good For A Society	16	11.1
		Bad For A Society	124	88.9
		Total	137	100

Source: Primary Source

➤ *Interpretation:*

43 people agreed that unqualified graduates are the reason for underemployment, 39 people agreed with skill mismatch, 28 people agreed with technological advancement, 15 people agreed with hierarchy and another 15 people agreed with obsolete school curricula as a reason for underemployment. Among 140 respondent 45 people have agreed with urban area facing higher underemployment problem , another 45 member thinks rural area face problem related to underemployment, 25 people have agreed with semi-urban area and another 25 people have agreed with semi-rural area, finally from people’s data both rural and urban face problem related to underemployment equally. 53 people have agreed with social and psychological impact the most in underemployment, 42 people have agreed with economic impact comparatively less, 26 people agreed with individual factor and 19 people have agreed with broader societal factor impact the lesser.

57 people agreed with educating and training will reduces underemployment in the society, 34 people agreed with upskilling and reskilling initiatives will reduce underemployment problem, 26 people have choice promoting entrepreneurship and small businesses will reduce underemployment problem, 19 people agreed with by reducing barriers in employment will reduce underemployment problem and 4 people agreed with flexible work arrangement will reduce underemployment rate. 19 people choice lack of opportunities as main barriers, 8 people choice education mismatch as an barriers, 8people chose economic condition as barriers, another 8 people chose geographical as an barriers and overall 97 people think all the above is a major barriers faced by underemployed people. 106 people agreed with mostly educated people face problem related to underemployment and 34 people think that more underemployment problem is faced by uneducated people. 42 people agreed with technological factor for high underemployment, 38 people agreed with educational mismatch as an factor, 30 people think economic slowdown as an reason and another 30 people choose labour market inefficiencies as an factor for underemployment. Among 140, 124 people think underemployment is bad for a society and 16 people think that it is that worst rather good for a society.

Table-4 Perceived Socio-Economic Impact of Underemployment

S. No	Statement	Category	Number of Respondents	Percentage
1.	Is Chennai city, facing problem related to underemployment	Strongly agree	30	21.6
		Agree	57	40.5
		Neutral	42	29.7
		Disagree	7	5.4
		Strongly disagree	4	2.7
		Total	140	100
2.	Does underemployment cause depression and stress to the employee	Strongly agree	64	45.9
		Agree	61	43.2
		Neutral	15	10.8
		Disagree	0	0.00
		Strongly disagree	0	0.00
		Total	140	100
3.	Does underemployment cause wage suppression	Strongly agree	30	21.6
		Agree	68	48.6
		Neutral	38	27
		Disagree	4	2.7
		Strongly disagree	0	0.0
		Total	137	100
4.	Does underemployment reduce economy growth	Strongly agree	49	35.1
		Agree	61	43.2
		Neutral	26	18.9
		Disagree	0	0.0
		Strongly disagree	4	2.7
		Total	140	100
5.	Entrepreneurs might struggle to find employees with the right skills or qualifications for specialized roles.	Strongly agree	30	21.6
		Agree	61	43.2
		Neutral	45	32.4
		Disagree	4	2.7
		Total	140	100

		Strongly disagree	0	0.0
		Total	140	100
6.	Does training program help reduces underemployment	Strongly agree	16	11.7
		Agree	16	11.7
		Neutral	16	11.7
		Disagree	53	37.8
		Strongly disagree	39	27
		Total	140	100

Source: Primary Source

➤ *Interpretation:*

Among 140 people, 57 people agreed that Chennai is facing problem related to underemployment, 42 people is neutral, 30 people strongly agreed that Chennai is facing problem related to underemployment, 7 people disagreed that Chennai does have any problem with underemployment and 4 people strongly disagreed that Chennai do have any issues related to underemployment. 64 people strongly agree and 61 people agree that employees will be stressed and depressed due to their less salary and their less work , 15 people is neutral that most of the employees are satisfied with that and no respondent disagree nor strongly disagree that underemployment does not cause depression. 68 people agreed that underemployment leads to wage suppression, 38 people are neutral, 30 people strongly agree with wage suppression and 4 people disagree with wage suppression will be happened due to underemployment. 61 people agreed that underemployment cause economy growth, 49 people strongly agreed that underemployment cause economy growth, 26 people is neutral and 4 people strongly disagreed that underemployment reduce economic growth. “Entrepreneurs might struggle to find employees with the right skills or qualifications for specialized roles” 61 people agree with the statement, 45 people are neutral, 30 people strongly agreed and 4 people disagreed with the statement. 53 people disagreed that training program will reduce underemployment, 39 people strongly disagreed that training program will enhances, 16 people agreed, 16 people strongly disagreed and 16 people are neutral.

Table-5 Psychological Impact of Underemployment

S. No	Statement	Category	Number of respondents	Percentage
1.	Does underemployment affect confident level of the employee	Strongly agree	53	37.8
		Agree	28	20
		Neutral	30	21.6
		Disagree	25	17.8
		Strongly disagree	4	2.7
		Total	140	100
2.	Does hierarchy affect underemployment	Strongly agree	18	13.5
		Agree	57	40.5
		Neutral	57	40.5
		Disagree	4	2.7
		Strongly disagree	4	2.7
		Total	140	100
3.	Lack of effective government programs to retrain and reskill workers can leave them stuck in underemployment.	Strongly agree	38	27
		Agree	68	48.6
		Neutral	30	21.6
		Disagree	4	2.7
		Strongly disagree	0	0.00
		Total	140	100
4.	Encouraging collaboration between the public and private sectors can drive innovation and job creation which reduce underemployment	Strongly agree	30	21.6
		Agree	64	45.9
		Neutral	38	27
		Disagree	4	2.7
		Strongly disagree	4	2.7
		Total	140	100
5.	Does creating new employment control underemployment	Strongly agree	15	11.1
		Agree	70	50
		Neutral	51	36.1
		Disagree	4	2.7
		Strongly disagree	0	0.00
		Total	140	100

Source: Primary source

Interpretation: 53 people strongly agree that underemployment affect confident level, 30 people are neutral, and 28 people agreed that underemployment affect confident level, 25 people disagreed that underemployment affect confident level and 4 people that strongly disagreed that underemployment affect confident level. 57 people agreed that hierarchy affect underemployment, 57 people have neutral, 18 people strongly agreed that hierarchy affect underemployment, 4 people disagreed and 4 people strongly disagreed. 68 people agreed that there are effective government programs, 38 people strongly agreed that there are effective government programs, 30 people are neutral, 4 people disagreed that no proper effective government. “Encouraging collaboration between the public and private sectors can drive innovation and job creation which reduce underemployment” 64 people agreed with the statement, 38 people have neutral, 30 people have strongly agreed with the statement, 4 people have disagreed and 4 people have strongly disagreed with the statement. 70 people have agreed that creating new employment control underemployment, 51 people is neutral, 15 people have strongly agreed that creating new employment control underemployment, 4 people have disagreed and no one have strongly disagreed.

## V. LIMITATION OF STUDY

My research area cover only people who are employed , So they will be above 23 years age group. As the study took response of Chennai employees. It will not be Applicable for the people who live outside Chennai limits. This study do not cover about society growth and development, but it's about the crisis and financial position of the society due to the huge underemployment rate. And it also covers what are all changes faced by the employees physically and mentally when they are underemployed. At last my research also covers what are the remedies can be taken by the government even more to reduce the underemployment rate and create awareness among people regarding underemployment. And not let the employees to continue in an unrated job that does not match their education qualification.

## VI. FINDINGS

- The present study shows that a majority of the employed people are in the age category of 21 years and above.
- The present study also finds that most of the employees are facing underemployment problem due to the skill mismatch and unqualified graduates
- Most respondents confirmed that underemployment affects educated people more than illiterate workers.
- The results establish that underemployment affects both urban and rural locations nearly equally, indicating that underemployment is a pervasive problem.
- The vast majority of respondents strongly agreed that underemployment directly affects people and their families.
- The outcomes showed a strong belief that underemployment has a detrimental effect on economic

growth since it results in lower productivity and inadequate utilization of human capital.

- The overwhelming majority of respondents feel that underemployment is detrimental to society, which highlights the urgent need for societal awareness and policy attention.

## VII. CONCLUSION

To conclude, the younger generation shows a higher tendency to experience underemployment due to frequent occupational changes and repeated entry and exit from the workforce. Government regulations such as high minimum wages, generous unemployment benefits, and low firing costs can sometimes discourage job creation. Since employment is a primary source of income and a driver of economic growth, underemployment reflects an underperforming economy, low GDP, and weak labour demand. Preventing underemployment requires effective job-search strategies, vocational training, skill development, and alignment between qualifications and job roles. The core solution lies in providing the right job to the right candidate and expanding full-time employment opportunities. Encouraging entrepreneurship and launching new businesses can significantly reduce underemployment by generating diverse job opportunities aligned with educational backgrounds. Although no specific statute directly addresses underemployment, government initiatives such as PM SVANidhi, National Career Service, and the Pradhan Mantri Rozgar Program support employment and self-employment. A major finding of this study is that job quality often matters more than educational attainment, as workers across educational levels feel overqualified and constrained by workplace structures. Graduate underemployment is a complex phenomenon shaped by voluntary and involuntary factors, as well as objective and subjective experiences. Future research should examine its dynamic nature over time, drawing on career theory frameworks to better understand evolving career expectations and workplace realities.

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