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## TRANSFORMATIONS OF THE LABOR MARKET OF UKRAINE IN THE CONDITIONS OF WAR

Transformações do mercado de trabalho da Ucrânia nas condições de guerra

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#### **ABSTRACT**

The article highlights the deep transformations taking place in the labour market of Ukraine under the influence of the war. The authors analyse new challenges for private enterprises, which, unlike public institutions, are faced with serious risks and an imbalance between labour requirements and available resources to reward employees. The purpose of the article is to study the transformations that took place in the labour market of Ukraine during the war. The methodological base of the article is based on the data of several important sociological studies, which allow an in-depth analysis of the stated problem – the basis is the annual sociological monitoring «Ukrainian Society – 2024», which provides representativeness for the analysis of social attitudes of the adult population of Ukraine thanks to the CATI methodology and a carefully constructed sample population (N = 2767). The authors reveal the key risks and barriers that arose in the labour market as a result of the war, creating significant problems for labour mobility and disrupting the functioning of key institutions responsible for its regulation. As a result of the conducted sociological studies, it was recorded the limitation of employment opportunities, the decrease in the number of quality jobs, the strengthening of sectoral and professional-educational disparities, as well as the deterioration of the economic and security conditions for the development of entrepreneurship. The article analyses the problem of increasing demands on employees, caused by mobilization, relocation of factories and extreme working conditions, which leads to staff overload and is not accompanied by adequate remuneration. Special attention is paid to new forms of employment, in particular remote work, which, although it contributes to maintaining security, limits the social and economic opportunities of workers due to the lack of legislative support. The article emphasizes the need for active reforms and cooperation between the state and business to stabilize the labour market and ensure the appropriate level of protection of workers in the conditions of a long-armed conflict. Keywords: Labor market, Unemployment, Employment, Social risks, Security challenges, Non-standard forms of employment, War, Digitalization of society.

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# TRANSFORMAÇÕES DO MERCADO DE TRABALHO DA UCRÂNIA NAS CONDIÇÕES DE GUERRA

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#### **RESUMO**

O artigo destaca as profundas transformações que estão ocorrendo no mercado de trabalho da Ucrânia sob a influência da guerra. Os autores analisam novos desafios para empresas privadas, que, ao contrário das instituições públicas, enfrentam sérios riscos e um desequilíbrio entre as necessidades de trabalho e os recursos disponíveis para recompensar os funcionários. O objetivo do artigo é estudar as transformações que ocorreram no mercado de trabalho da Ucrânia durante a guerra. A base metodológica do artigo é baseada nos dados de vários estudos sociológicos importantes, que permitem uma análise aprofundada do problema declarado - a base é o monitoramento sociológico anual «Sociedade Ucraniana - 2024», que fornece representatividade para a análise de atitudes sociais da população adulta da Ucrânia graças à metodologia CATI e uma população amostral cuidadosamente construída (N = 2767). Os autores revelam os principais riscos e barreiras que surgiram no mercado de trabalho como resultado da guerra, criando problemas significativos para a mobilidade da mão de obra e interrompendo o funcionamento das principais instituições responsáveis por sua regulamentação. Como resultado dos estudos sociológicos conduzidos, foi registrada a limitação de oportunidades de emprego, a diminuição do número de empregos de qualidade, o fortalecimento das disparidades setoriais e profissional-educacionais, bem como a deterioração das condições econômicas e de segurança para o desenvolvimento do empreendedorismo. O artigo analisa o problema das crescentes demandas sobre os funcionários, causadas pela mobilização, realocação de fábricas e condições extremas de trabalho, o que leva à sobrecarga de pessoal e não é acompanhado por remuneração adequada. Atenção especial é dada às novas formas de emprego, em particular o trabalho remoto, que, embora contribua para manter a segurança, limita as oportunidades sociais e econômicas dos trabalhadores devido à falta de apoio legislativo. O artigo enfatiza a necessidade de reformas ativas e cooperação entre o estado e as empresas para estabilizar o mercado de trabalho e garantir o nível apropriado de proteção dos trabalhadores nas condições de um longo conflito armado.

**Palavras-chave**: Mercado de trabalho, Desemprego, Emprego, Riscos sociais, Desafios de segurança, Formas não padronizadas de emprego, Guerra, Digitalização da sociedade.

#### INTRODUCTION

The Russian-Ukrainian war increased both social and economic risks, led to serious transformations in the labour market, destroying its classical institutions, creating barriers to the free movement of labour, reducing the share of the employed population, increasing the burden on the private sector of the economy and forming new forms of employment. The specified processes are caused by both external factors – prolonged military aggression and fierce competition for sales markets with EU countries, and internal – demographic changes that occurred as a result of the outflow of women of working age from Ukraine and mass resettlement of the population within the country, relocation of enterprises, destruction of heavy industry, destruction of the country's energy system, decline in production, recruitment of men of working age to the ranks of the Armed Forces, impoverishment of the population, increase in forms non-standard employment. In addition, there have been changes in the age and gender structure of the workforce, an imbalance of supply and demand for labour has occurred, in parallel with which there has been a narrowing of employment opportunities, and the quality of workplaces and working conditions has significantly deteriorated. Thus, the labour market underwent significant transformations, becoming plastic and more flexible, as it was forced to respond to the duration and scale of threats, risks and destruction caused by Russian armed aggression, which significantly affected all spheres of Ukrainian society without exception and increased risks and challenges for private sector of the Ukrainian economy (Libanova, 2023).

The war increased risks and uncertainties, creating barriers to the free movement of labour, leading to the destruction of labour market institutions and their effective functioning. Increasing tensions in the labour market as a result of the narrowing of the employment field, the reduction of quality jobs and the deepening of sectoral and educational-professional disparities, the deterioration of conditions for entrepreneurship, the low effectiveness of motivational and stimulating factors became the starting mechanisms for the transformation of the labour market of Ukraine, the key features of which were the destruction of traditional institutions and the creation of barriers to the movement of labour force and the emergence of new challenges for both private and state sectors of the economy. Thus, today, for Ukrainian society, it is extremely important to develop mechanisms for adapting the labour market to new conditions aimed at reducing social tension and maintaining economic stability, which requires a detailed study and scientific analysis of the key factors that provoked the reformation of the labour market, the emergence of non-standard forms of employment and changes in the structure of employment itself.

Therefore, the purpose of the article is to study the peculiarities of the transformation of the labour market of Ukraine in the conditions of war.

#### 1 ANALYSIS OF THE MAIN RESEARCH AND METHODOLOGY OF THIS PROBLEM

#### 1.1 Analysis of the main research of this problem

Scientific studies of the modern labour market are focused on the study of employment models, the impact of information and digital technologies on the labour market, the role of demographic changes and a number of social factors that transform the institution of employment. The following are the key areas of scientific research:

- 1. Impact of digitization on the labour market. The intensive development of artificial intelligence, the rapid automation of production and the active involvement of robotics have changed the forms of human labor in many sectors of the economy, which was analysed in detail by D. Acemoglu and P. Restrepo, which emphasized the dualistic impact of digital technologies on the labour market. Scientists have drawn attention to the fact that automation is gradually displacing low-skilled workers, but at the same time, digitalization creates new opportunities for them that do not require mastering additional specialized schools (Acemoglu, & Restrepo, 2019). Therefore, research focused on the growing demand for highly qualified workers in technological and knowledge-intensive industries, as well as on the reduction of demand for low- and medium-skilled jobs, has become relevant today. This problem was elaborated in detail in the researches of O. Klymenko, S. Lehominova, & A. Goloborodko (2022).
- **2.** The acquisition of a dominant role in the economy by corporations united by such digital platforms as «Uber», «TaskRabbit», as well as the expansion of freelance networks, has recently become the main popular topic for scientific intelligence. Recent studies of L. Katz and A. Krueger demonstrate the vulnerabilities of this

type of employment, in particular: lack of social protection, lack of health insurance, lack of pension insurance, which is the basic standard of social guarantees in traditional employment (Katz & Krueger, 2019). The specified direction of research focuses on the need to revise legal norms and change the regulatory principles of regulating particularly sensitive aspects of protecting freelancers from exploitation by large corporations and providing such benefits as minimum wages, hospital benefits and pension insurance. The push to revise labour law has led to discussions about reclassifying workers from independent contractors to employees in different jurisdictions and defining new forms of employment.

- **3. Demographic shifts** did not go unnoticed by scientists either. Given the aging of the population in many economically developed countries, studies show that older workers are staying in the labour market longer, both because of financial needs and because of increased life expectancy. Therefore, scientists emphasize the importance of developing educational programs for lifelong learning, as well as professional development programs for older workers, which would provide an opportunity to remain competitive for a long time in the labour market, in conditions where it is rapidly changing (Bal, 2020).
- **4. Problems of equality and barrier-freeness**. The latest sociological studies emphasize the particular acuteness of the issues of employers' observance of gender and racial equality in the labour market, as well as the relevance of involving inclusive practices at all levels of employment. In particular, M. Bertrand and S. Mullainathan (2004), as a result of a field experiment, proved that resumes received by employers for advertised vacancies with traditionally «white» names received significantly more call-backs than resumes with «black» names, even if the qualifications were identical. At the same time, the participation of women in the struggle for a workplace in global labour markets has increased significantly, however, there are significant differences in pay and representation of women in managerial positions (Howard, Antezak, & Albertsen, 2019).
- 5. Workplace flexibility and hybrid forms of work. The COVID-19 pandemic accelerated the introduction of remote employment, the features of which were studied by J. Barrero, N. Bloom, S. Davis, concluding that many firms are likely to continue to offer hybrid employment models and actively implement flexible work forms. Scientists drew attention to the fact that remote employment opens up new dimensions of the balance between work 6 and personal life, productivity and the organization of leisure and recreation. Remote work can increase productivity for certain tasks; however, this form of employment provokes problems in collaboration, creativity and encourages social isolation, which can lead to employee burnout. Describing a growing class of workers facing precarious employment, short-term contracts, and a lack of benefits, scholars have determined that this phenomenon is particularly evident in industries such as retail, hospitality, and concert activities (Barrero, Bloom, & Davis, 2021).

Ukrainian scientists actively research the labour market in wartime, focusing on such aspects as the impact of hostilities on employment, unemployment, labour migration, as well as the adaptation of the economy and labour resources to wartime conditions. Research by E. Libanova specialize in analysing the needs of the labour market during the war period and highlight the impact of military operations on the economic activity of the population (Libanova, 2022). Analyses changes in the structure of employment of the population in the conditions of the war, including forced migration and unemployment, as well as the consequences for the economy of Ukraine O. Cheromukhina (Cheromukhina, & Chaliuk, 2022).

Scientific studies of today's labour market paint a complex picture shaped by rapid technological change, demographic change, and changing employment patterns. While these changes create opportunities for growth and innovation, they also create challenges related to inequality, job security and the need for lifelong learning. Policymakers, employers and educational institutions must adapt to these trends to ensure inclusive, sustainable and fair labour market outcomes.

#### 1.2 Research methodology

The methodological basis of the article was the following sociological research:

1. Sociological monitoring «Ukrainian society -2024», which has been conducted annually by the Institute of Sociology of the National Academy of Sciences of Ukraine since 1994. In 2024 data collection was carried out by the sociological service «Rating». The sample population is N = 2767, which represents the adult population of Ukraine (aged 18 and older) by citizens who, at the time of the survey, lived in the territory controlled by the

Government of Ukraine, with the exception of temporarily occupied territories. The survey was conducted by the method of telephone interviews using a computer Assisted Telephone Interviewing, (CATI). The basis of the sample was random mobile phone numbers. The field stage of the research lasted from June 17 to 27, 2024. Given that the design effect of such a sample under normal conditions is 1.1, the maximum sampling error should be no more than 2.5%. At the same time, there may be additional displacements caused by a large-scale military invasion, which cannot be fully assessed. The sample did not include residents of territories that are temporarily not controlled by the authorities of Ukraine (at the same time, part of the respondents are IDPs who moved from the occupied territories), and the survey was not conducted with citizens who went abroad after February 24, 2022.

- 2. Survey of students of higher education institutions «Labour market in the city of Kyiv: expectations of young people» conducted by the Department of Social Expertise of the Institute of Sociology of the National Academy of Sciences of Ukraine together with the Faculty of Sociology of Taras Shevchenko Kyiv National University in the period from April 1 to May 15, 2024. The implementation of the sample population N = 452 took place in the format of «face-to-face» or self-completion among students of higher education institutions studying at the first «bachelor» and second «master» educational levels in the age range from 18 to 25 years. Formally, under normal circumstances, the statistical error of such a sample (with a probability of 0.95 and taking into account the design effect of 1.4) did not exceed 5%. At the same time, there may be additional displacements, which are explained by the fact that self-filling has too many restrictions due to the dangers of combat.
- 3. The telephone survey «Labour market in the city of Kyiv: realities and prospects» was conducted by order of the department of social expertise of the Institute of Sociology of the National Academy of Sciences of Ukraine «First Rating System» LLC in the period from May 22 to 28, 2024 using a computer using Computer Assisted Telephone Interviewing (CATI). The survey design is mixed mode using the «DigSee SURE» technology for recruiting respondents based on a random sample of mobile phone numbers. The sample that was used for the final analysis includes N = 800 respondents and represents residents of the city of Kyiv between the ages of 18 and 70, who have permanently lived in the city of Kyiv for the past three years, who use a smartphone (approximately equal to 75% of the adult population). The sampling error, with a confidence probability of 0.95 and taking into account a design effect of 1.1, is  $\pm 2.5\%$ , and the coefficient of respondents' reach is 9.5%.

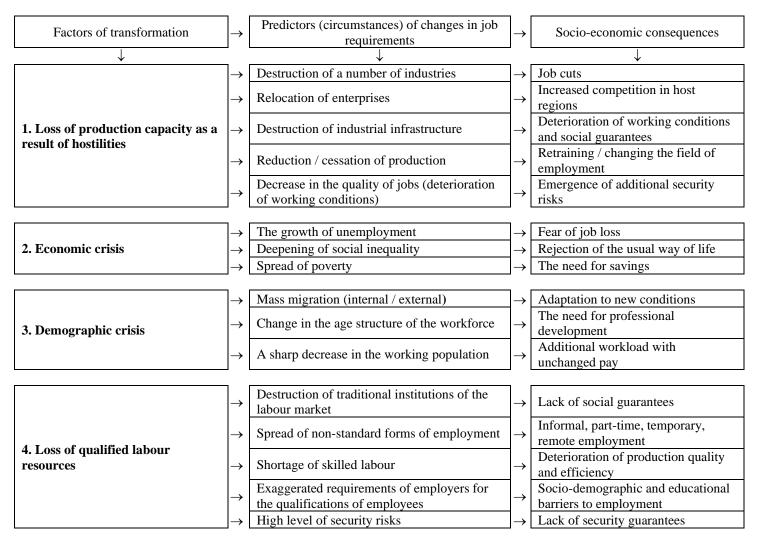
In general, we believe that the obtained results of the cited sociological studies retain high representativeness and allow a fairly reliable analysis of the transformations taking place in the lab or market of Ukraine.

#### 2 CHANGES IN THE LABOR MARKET AND EMPLOYMENT STRUCTURE DURING THE WAR.

#### 2.1 Factors determining the transformation of the labour market of Ukraine

The destruction of a number of industries in Ukraine, which occurred as a result of armed aggression, which led to the complete or partial destruction of plants, factories and production facilities of metallurgy, coal and heavy industry, called into question the energy independence of the country, caused a break in supply chains, which, in turn, provoked the release of significant volumes of labour and the appearance of a whole series of problems in other sectors of production due to the disappearance critical suppliers and materials. The destruction of entire branches of heavy industry reduced general economic competition among private sector enterprises, resulting in a significant deterioration of working conditions, a decrease in wages, an increase in unemployment, refusal of long-term contracts and retention of personnel in labour groups, which in turn affected the quality of work forces and a decrease in the overall efficiency of production and services. Based on the results of the «Ukrainian Society – 2024» monitoring conducted by the Institute of Sociology of the National Academy of Sciences of Ukraine, the authors identified the following factors and predictors that determine the transformation of the labour market of Ukraine (Fig. 1).

Figure 1 - A model of the relationship between factors and predictors that determine the transformation of the labour market of Ukraine



Source: Results of the sociological monitoring «Ukrainian Society – 2024».

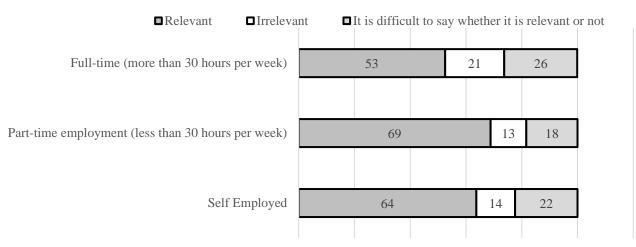
Economic instability, which, as a result of the war, turned into a crisis, led to a decrease in incomes, inflation and an increase in the prices of basic goods and services. The financial capacity of the majority of employees, both in the public and private sectors, has significantly decreased, which has led to an increase in poverty and worsening of social inequalities, affecting the psychological well-being of employees, provoking the emergence of financial stress. In addition, the economic crisis launched a number of predictors of the following format:

– private sector enterprises in the economic crisis faced a shortage of financing and the difficulty of crediting, which significantly limited the possibilities of purchasing new technologies and made it difficult to maintain the working condition of existing equipment, as a result, employees were faced with the need to use outdated or self-repaired equipment and tools, thus increasing the risk of accidents and an increase in the number of accidents at the workplace (respondents with full-time employment – 42.4%, partially employed respondents – 38.2%, and much less self-employed – 32.3%, which may be related to their personal responsibility for their own safety at the workplace);

– private sector of production during the war was forced to cut costs by reducing wages, delaying their payments or even not paying them at all, such actions undermine the financial stability of workers who may not have other sources of income, and therefore provoke the emergence of anxiety and stress states due to the lack of financial opportunities to provide basic needs for themselves and their relatives (regarding the critical decrease in income for them and their families, the greatest concern was expressed by partially employed respondents – 68.8%,

as well as a high rate among the self-employed -63.7%, among those who declared the full employment, this concern is much lower -52.5% (Fig. 2);

Figure 2 - Distribution of answers of employed respondents regarding a critical decrease in income for them and their family (in %)



Source: Results of the sociological monitoring «Ukrainian Society – 2024».

– the reduction of the industrial sector of the economy leads to the closure of enterprises or their relocation to safer regions, which puts employees before the need to abandon their usual lifestyle, which, in combination with the uncertainty regarding the preservation of the workplace, the likely prospects of relocation and the fear of losing a permanent source of income, creates constant pressure and provokes the occurrence of stressful situations (self-employed respondents − 48.6% express the greatest concern about job loss, partially employed respondents − 38.2%, and respondents with full-time employment are much less excited about this issue − 23.2%, and 2/3 of them (62.4%) noted that for them the specified problem is not relevant, which may be related to their confidence in legal protection from the state in wartime (Fig. 3).

Figure 3 - Distribution of answers of employed respondents regarding the relevance of job loss (in %)



Source: *Results of the sociological monitoring «Ukrainian Society – 2024»*.

In addition, the growth of unemployment and social inequality can cause an increase in social tensions. In such a situation, support from the state is important, aimed at ensuring social protection of vulnerable segments of the population, retraining of workers and stimulation of economic activity through state investments and economic recovery programs. However, these measures require significant resources, which can be difficult to secure in times of war and economic instability.

#### 2.2. Social risks caused by negative transformations of the labor market

In the conditions of war, social ties in the workforce may be disrupted due to the evacuation of employees, relocation of the enterprise itself, the sending of the male part of the workforce to the ranks of the armed forces, etc., as a result of which there is a change of part of the employees (Chepurko, 2022), the appearance of new managers and reformatting of the composition of the workforce, as a result of which there is the emergence of a number of negative transformations that provoke the formation of a number of risks, in particular:

- decrease in work productivity due to the loss of team cohesion, when part of the team changes, and new employees appear instead, so adaptation processes take a long time and require joint efforts, which can provoke complete incoordination in work and distract from the performance of direct duties, increasing the level of tension and dissatisfaction, contributing to the formation of stressful situations;
- increase in social tension and the appearance of conflicts, especially if new employees or managers do not find a common language with a certain part of the team (for example, new management from the local population of the host community was involved in the relocated enterprise, and the bulk of employees moved to the workplace), the difference in management styles, socio-cultural perception of the situation or task performance mechanisms can also cause contradictions and lead to the emergence of conflict situations and the formation of stress;
- a decrease in motivation and morale, due to the inadequacy of social interaction, provokes a decrease in interest in effective cooperation, and the lack of productive communication worsens the motivation to adapt and establish cooperation, which negatively affects social interactions in the work team;
- an increase in errors in managerial decision-making can occur both under the influence of the events of the war and the stress formed in their background, and due to the low qualification of new managers, whose incompetence slows down the decision-making process, which undermines their authority among subordinates and provokes the construction of informal relations , as a result of which the number of conflict situations increases;
- decrease in loyalty to the company and violation of corporate culture as a result of changes in the composition of the team and management, in parallel with the introduction of social practices and work culture that new employees can bring with them, practicing new models of labour relations, provokes non-acceptance and tension in the team, forces employees to look for a new job;
- an increase in personnel turnover creates additional costs for searching for and training new ones, significantly worsens the quality of work and creates a negative example for employees who have worked in the company for a long time, because with extensive work experience they receive the same salary as newcomers (or even lower), so there are high risks of losing important knowledge and experience that may be difficult or impossible to replace and restore.

In order to minimize the above risks, it is important to ensure clear communication, support employees in the process of social changes, as well as implement adaptation programs for the team and develop a flexible scheme of financial remuneration for work. Thus, during the war, when social, economic and organizational structures undergo serious changes, social relations in the labour team are affected negatively, the consequence of which is the emergence of significant transformations in the labour market. Evacuation of workers, relocation of enterprises, mobilization of men to the ranks of the Armed Forces and change of leadership lead to significant changes in the composition of work teams, lead to the emergence of risks of loss of social capital for organizations and enterprises, both public and private sectors of the economy.

#### 3 SECURITY CHALLENGES AND NON-STANDARD FORMS OF EMPLOYMENT

#### 3.1. Challenges affecting the modern labour market of Ukraine

Danger to life and health in the conditions of war, it increases significantly and is a powerful source of stress in the workplace (Nakata, & Takahashi, 2012). Prolonged hostilities create new risks to life and increase the risk of physical and psychological injuries. Therefore, the problem of stress arising due to danger to life and health at the workplace during the war, in today's realities, becomes especially acute. Combat actions create unique

conditions in which traditional sources of work stress are exacerbated by the threat of physical danger, particularly to life and health.

The main safety challenges at the workplace, according to the results of sociological monitoring «Ukrainian Society -2024», were:

- danger to life and health due to shelling and regular bombing of all regions of Ukraine, without exception, employees may experience constant fear for their lives, especially if the company does not have clear protocols that contain algorithms for actions in such situations and is not equipped storage, so such a danger can not only provoke the occurrence of stress, but also contribute to its development into a chronic state (1/3 of respondents could not decide whether it was really for them is an actual threat to their lives the highest rate among the self-employed 38.1%, partially employed 32.3%, employed more than 30 hours a week 30.0% (Fig. 4);
- problems with energy supply due to damage to the energy infrastructure complicate or make impossible the normal work of enterprises, whose employees are forced to work in conditions that do not meet safety requirements, for example, without proper lighting or ventilation (the problem is relevant for 57.2% of employees working more than 30 hours a week, 55.2% of partially employed and 54.7% of self-employed respondents;
- non-compliance with safety procedures, due to the shortage or complete absence of the necessary equipment, creates dangerous conditions for employees who are forced to work at workplaces, the organization of which does not meet the established safety standards or in conditions that are not suitable for work at all and on equipment with long expired terms exploitation (46.4% of respondents employed more than 30 hours a week, 46.9% of partially employed and 40.5% of self-employed respondents;

Full-time (more than 30 hours per week)

Full-time employment (less than 30 hours per week)

Self Employed

It is difficult to say whether it is relevant or not

13 30

Self Employed

57 13 30

Self Employed

51 11 38

Figure 4 - Distribution of answers of employed respondents regarding the feeling of an immediate threat to their own life (in %)

Source: Results of the sociological monitoring «Ukrainian Society – 2024».

- deterioration of working conditions, due to lack of resources, damage to infrastructure and / or danger of being on the territory of the enterprise, due to hostilities, which can lead to the destruction of logistics chains interruption of supply, which limits access to necessary materials, tools and equipment, complicating the execution of production processes, reducing work efficiency and increasing the burden on employees (partially employed respondents expressed the greatest concern about getting or aggravating injuries or chronic diseases 46.2%, among those who declared full-time employment 43.6% and significantly less among self-employed 39.3%;
- the uncertainty and unpredictability of the situation destroys traditional forms of organization of working time, interruption of work due to air alarms provokes disruption of the schedule and creates unfavourable conditions lack of a break, uncertainty of the duration of working hours, unclear time of completion of work, which strengthens the feeling of helplessness and loss of control over one's life and professional activity (the greatest concern about the lack of normal rest during the performance of work duties was expressed by respondents with full employed -43.3%, self-employed -41.7%, and partially employed respondents -39.2%;
- excessive load on the labour rate due to quantitative changes in the organizational structure and reduction of personnel (a certain part of Ukrainians left abroad, but left their jobs behind), which led to an increase in work

tasks for one full-time unit, which must perform 1.5 volumes of work -2 pre-war rates while maintaining the same salary, which increases fatigue, increases the level of stress, and provokes professional burnout.

Therefore, a constant feeling of danger at the workplace, fear for one's life and the lives of colleagues, as well as the uncertainty of the future can not only stimulate the emergence of stressful conditions, but also have serious consequences for the mental health of employees, causing depression, anxiety disorders and other psychosomatic problems disease.

Thus, the combination of the above factors leads to a significant deterioration of working conditions at enterprises, which not only affects the safety and health of employees, but also worsens the overall productivity, reduces the economic efficiency of the enterprise and increases the level of tension in society. In order to minimize these risks, it is necessary to implement comprehensive measures aimed at ensuring the safety of workplaces, increasing the stability of infrastructure and reducing stress loads on employees.

#### 3.2. Non-standard forms of employment that arose under the influence of dangerous challenges

It is worth noting that in the first months of the war, the labour market of Ukraine underwent significant changes, was forced to quickly adapt to atypical conditions of existence, become plastic and flexible, given that the duration and scale of threats and destruction are at an uncertain level. Today, it demonstrates, albeit not stable, but rather flexible adaptation to new conditions of existence, as evidenced by the data of conducted sociological surveys. However, unemployment remains one of the dominant problems and acquires the signs of a deep structural phenomenon, as 41.2% of the surveyed unemployed Kyivans do not even try to look for work (Fig. 5). Therefore, the labour market of Ukraine, having undergone significant changes, was forced to quickly adapt to new conditions of existence, to become plastic and flexible, taking into account the fact that the duration and scale of threats and destruction are at an uncertain level.

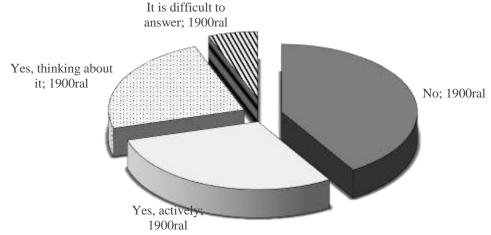


Figure 5 - Interest of the unemployed in employment

Source: Results of the sociological telephone survey «Labour market in the city of Kyiv: realities and prospects».

Among Kyiv residents who lost their jobs, about a third (29.4%) are now actively looking for one. These are mostly women (37.5% versus 22.2% men) aged 46-50. About a quarter (23.5%) of Kyiv residents are thinking about finding a job. These are mainly men (33.3% against 12.5% of women) of active age (30-45 and 46-59). Older respondents are less motivated to look for a new job. At the same time, the share of those who are not looking for a job is very significant – 41.2%. These are mostly women (50% against 33.3% of men) of older age (60+). We can make an assumption that the desire for a higher material standard of living and a high level of ageism among employers prompts them to look for alternative sources of income, one of which is informal and hidden employment, which is present in many sectors of the Ukrainian economy.

In addition, professional and regional economic disparities are deepening, which holds back the further recovery of employment. We have selected the Top-5 actively working spheres of employment with which the

professional activity of the residents of the city is connected. Kyiv: these are primarily: educational services, upbringing, tutoring activities -14.9%; trade, logistics, management -12.6%; service sector -10.7%; health care, pharmaceuticals -10.3%; construction and architecture -8.8% (Fig. 6).

Analysis of data on the professional activity of Kyiv residents shows that the main areas of employment today include education, trade, logistics, the service sector, health care and construction. The spheres of tourism, hotel business, beauty and agriculture remain less popular, which indicates the uneven development of industries during the war.

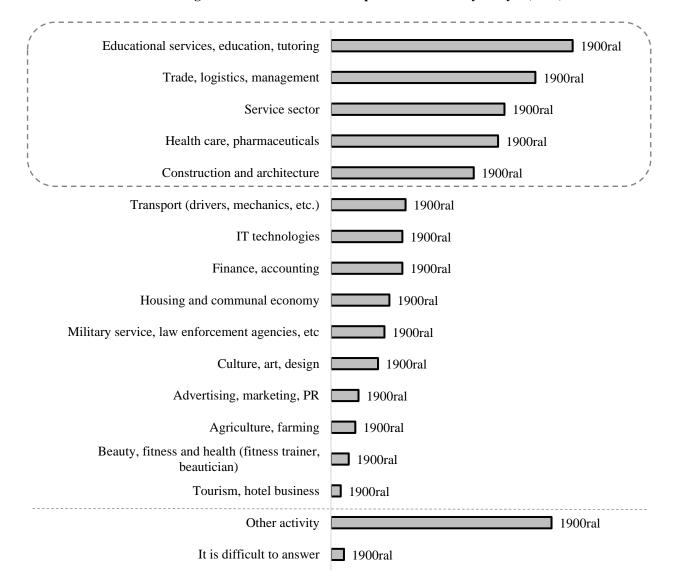


Figure 6 - Trends in the field of professional activity in Kyiv (in %)

Source: Results of the sociological telephone survey «Labour market in the city of Kyiv: realities and prospects».

Thus, the Ukrainian labour market continues to transform, but faces serious challenges, including regional and sectoral disparities, which require further reform and support from the state and business. Therefore, the trends in the field of professional activity of Kyiv residents reflect the situation in the country as a whole. Today, business in such areas as: agriculture, tourism, as well as energy, metallurgy, coal mining, aviation and logistics, etc., is experiencing serious problems with the availability of qualified personnel and economic capacity.

The war changed the conditions and principles by which the labour market functioned both in the country and in the capital, moving it into a more dangerous atypical phase of uncertainty and expectation. According to the survey, more than half (52.7%) of the respondents paid attention to the negative changes that occurred at their work

during the war. Yes, more than a third (34.3%) of Kyiv residents answered that there was a decrease the level of wages, bonuses and bonus payments. 14.0% of respondents said that staff reduction and hiring of new employees. Much less (4.4%) of Kyivans confirmed the existence of a tendency to freeze budgets for development and staff training.

Indeed, according to the current legislation, during martial law, the employer has the right to change the terms of the employment contract for a period convenient for him and without obtaining the consent of the employees. In addition, the normative legal framework does not establish prohibitions regarding staff reduction. In a difficult period of economic instability, such a need, unfortunately, often arises. The management of both large and small enterprises is forced to resort to such unpopular measures. During the period of martial law, there is a legal possibility to dismiss workers even during temporary incapacity or vacation. The exception is vacations related to pregnancy and the birth of a child. Thus, in the near future, temporary and hybrid employment will become the main source of income for the majority of the unemployed and occupy a significant segment of the labour market.

Transformations in the labour market, which arose as a result of prolonged military operations and led to the closure of a number of enterprises, reduction of jobs and a decrease in economic activity, creating a moment of social uncertainty and uncertainty in the future for the employed population, and therefore increasing the level of social tension, caused the emergence and spread of the following non-standard (not typical for peacetime) forms of employment:

- 1. Informal employment is a form of employment that is not covered by formal employment contracts and has no legal regulation, and workers employed in the informal sector often do not have access to social guarantees such as pensions, health insurance or paid holidays, lacking legal mechanisms protection, in case of conflicts with the employer, cannot protect their rights, have unstable wages, which increases their vulnerability to economic and social changes;
- **2. Part-time employment** is a form of employment in which the employee performs his duties on the basis of part-time employment, that is, he works fewer hours than the standard working week, and therefore receives a proportionally lower salary (hourly pay), which may not be enough for provision of basic needs, which does not contribute to full-fledged professional development due to the lack of opportunities for professional development or participation in complex projects;
- **3. Temporary employment** is a form of employment that involves hiring an employee for a certain period or to perform a specific task, and upon completion of the contract or project, the employee is released, which causes uncertainty about future employment, increases the level of stress and provokes anxiety, due to limited access to benefits, social guarantees and lack of opportunity for career growth;
- **4. Remote employment** is a form of labour activity in which the employee performs his duties outside the office, usually with the help of the digital technologies involved to maintain communication and perform tasks, which allows him to independently plan his working hours, to be in another region, the second country, however, shifts the balance between work and personal life, and can also provoke the emergence of a feeling of isolation, as a result of which there is a decrease in motivation and work productivity deteriorates.
- **5. Hidden employment** characterized by the fact that employees perform their work or provide services within the framework of a personal agreement with the customer, without an official legal registration of labour relations, completely hiding the presence of income from state authorities, which leads to an increase in social insecurity and loss of budget revenues. In the conditions of the war in Ukraine, the problem of hidden employment has gained special importance. A large number of enterprises were forced to relocate to safer regions, which was accompanied by a decrease in the level of regulatory oversight and the possibility of evading formal employment, as employees were able to obtain the legal status of an internally displaced person and receive state social benefits. Many workers agree to work on non-disclosure terms in order to keep their jobs. In addition, in the conditions of an unstable economy and limited opportunities for official employment, many Ukrainians resort to hiding the fact of employment in order not to lose benefits social and financial support from the state. In the conditions of the crisis, the ability of state bodies to control the labour market has significantly decreased. Military actions, the destruction of infrastructure and social institutions created a favourable environment for employers to evade compliance with labour standards and rules established by law. As a result, workers who cannot find formal employment are forced to turn to the informal sector, where employment often remains hidden.

- **6. Hybrid employment**, which combines elements of remote and office work, became even more important for Ukrainians during the war. The transformations that have taken place in the labour market have forced many enterprises and workers to adapt quickly, thanks to which hybrid forms of employment have become the answer to the security challenges associated with the need to preserve life, mobility and economic instability. There are several models of hybrid employment:
  - mixed model (office + remote work) in which employees partially perform their duties in the office, and partially remotely from home or another safe place, which allows to ensure a minimum presence in the office and at the same time guarantees the possibility of continuing work in the event of a threat to life or health;
  - remote model with periodic meetings involves full remote work with occasional offline meetings for important meetings or strategic discussions to minimize security risks for employees;
  - mobile model (work on the go) provides that the workplace can change depending on the security situation, combining remote performance of tasks with periodic physical presence at the workplace;
  - project model companies engage specialists to perform specific tasks for a limited time, which allows you to effectively adapt work to a changing situation.

These non-traditional forms of employment have their advantages and disadvantages, which vary depending on the economic context, industry and specific working conditions. Informal, part-time, temporary and remote employment can provide flexibility in the employment process and increase opportunities for workers, but at the same time, they create additional risks of moments of social and economic instability, which can negatively affect the well-being, legal protection and psychological state of workers in the private sector of the economy.

The appearance of security challenges and the introduction of non-standard forms of employment in the labor market may have the following consequences in the short term:

- 1. Social insecurity of workers who work without official registration, deprived of access to social guarantees, such as unemployment insurance, sick pay, pension, etc., which becomes especially critical in war conditions, when the level of risks and instability for the population is too high.
- 2. Decrease in the level of pension provision in the future, due to the fact that hidden incomes are not subject to social contributions, workers employed in the shadow sector do not accumulate pension experience, which negatively affects their future pension provision.
- 3. Hidden employment means the absence of income from taxes and social contributions, the result of which is a reduction in the filling of the state budget, the volume of which is extremely important for the state in war conditions, when the needs for financing defence, social and humanitarian programs are growing.
- 4. Undocumented workers can compete with the employed and undercut wages, which creates unequal conditions in the labour market, undermines legal norms, creates social inequality and increases social tension.
- 5. Workers involved in hidden employment have limited access to opportunities for advanced training, training and professional development, which hinders their career growth and reduces the overall level of labor productivity.

Thus, the stabilization of the labour market in the post-war period, as in Ukraine, is extremely important, given the emergence of various population groups affected by the armed conflict, including internally displaced persons, including children and women, people with disabilities, families of military personnel, b employees who lost their jobs due to the destruction of large industrial enterprises, pensioners and former combatants. The specific needs of these groups must be taken into account when planning and implementing sustainable reintegration processes, including employment. Therefore, today it is extremely important to develop an effective labor market management system (by revising the legal, social, innovative mechanisms and developing new mechanisms for its implementation), taking into account the issue of education, development of special skills, as well as increasing the level of social protection and safety aspects.

#### **CONCLUSION**

The war significantly affected all aspects of social life, including the labour market - private enterprises, unlike public institutions, faced numerous challenges and risks, which led to an imbalance between the demands of work and the available resources for reward. The Ukrainian labour market is in the process of transformation,

but faces a number of significant problems, including regional and sectoral disparities. This requires further reforms and active support from both the state and business. Professional employment trends are characterized by significant economic challenges in providing decent wages to qualified personnel and a lack of economic and security stability. These problems are especially acute in such areas as the agricultural sector, tourism, energy, metallurgy, coal mining, aviation and logistics.

There was an increase in work requirements, in particular due to the mobilization of part of the workers, the relocation of production facilities and the need to quickly adapt to new extreme conditions. So, in today's realities, the conditions and duration of work often become unpredictable (air alarms, lack of electricity, etc.), which makes personal life planning almost impossible. This means that the staff often face an increased workload, which can go beyond the normal working day and provoke the emergence of crisis situations on a personal level – working hours are stretched throughout the day, reducing the chances of getting a full rest and giving due attention and care to loved ones and relatives Ongoing hostilities create new threats to life and increase the risk of physical and psychological injuries. In this context, the list of safety problems for life and health at the workplace that all employees and employers face is expanding. In response to the realities of the time, new forms of employment appeared – many companies transferred their employees to remote work, which, on the one hand, provided certain guarantees of compliance with safety rules, but on the other hand, narrowed the social and economic opportunities of employees who were left without legal support (such forms not regulated by Ukrainian legislation) and lost opportunities for career and professional growth.

Thus, the war radically changed the Ukrainian labour market, intensifying existing challenges and adding new risks. The system of labour relations has undergone a significant transformation, and this change has led to the emergence of new disparities between industries and regions, requiring the state to carry out active reforms and support business. Private enterprises have faced a shortage of qualified personnel, worsening economic conditions and risks to personnel safety. At the same time, the mobilization of workers, the relocation of factories and new extreme working conditions contributed to the increase in the burden on personnel, which was not reflected in the increase in wages. The transition to remote employment has become an adaptive response of many companies, however, without appropriate legislative support, employees are often left without social guarantees and career development opportunities. Therefore, new approaches are needed to stabilize the labor market, which will take into account modern challenges and risks, ensuring the stability and safety of workers in the difficult conditions of war.

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