

Impact of COVID-19 Pandemic on Human Resource Management Practices and Policies of the Organizations

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Abstract

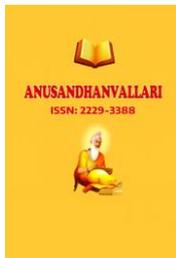
This research paper examines how organizations responded to the COVID-19 pandemic by modifying their human resource policies and practices. The pandemic generated fear and heightened work-related stress among employees. To understand how organizations addressed these challenges, the study reviews existing literature on HRM during COVID-19 and synthesizes the key changes implemented to mitigate employee stress and anxiety in the workplace. The study follows an exploratory design and adopts a narrative review approach, which is qualitative in nature. The review focuses exclusively on research papers related to COVID-19, the recent pandemic context, and human resource management. Based on the analysis of selected studies, the paper proposes a conceptual model highlighting how organizations managed COVID-19 through shifts in HR policies and practices. The findings suggest that timely and appropriate adjustments in HR practices particularly those related to compensation, job arrangements, employee health, and overall support played a crucial role in helping organizations navigate the challenges posed by the pandemic.

Keywords: Human Resource Management, COVID-19, Pandemic, HR policies and Practices.

1. Introduction

COVID-19 disease began from China towards the end of 2019 and gradually within few months it was declared a pandemic by World Health Organization (WHO) in 2020. Millions of people reported affected by COVID-19 as a result COVID-19 caused irreparable losses to people's life and economy of almost every country. Eventually, COVID-19 pandemic forced governments to enforce lockdown and put restrictions on movement and on various usual daily activities of people including activities of job and celebrations. Frequent and sustained lockdowns and norms against COVID-19 caused fear, threat and anxiety among employees who were working in various companies of range of industries, the World Health Organization and the International Chamber of Commerce have come together to issue a statement urging countries to take immediate action to reduce the risk of the disease spreading. Timely and strategic interventions can significantly reduce the risk of infection among employees in the short term, while also helping to avoid long-term financial losses for businesses and stabilizing national economies. The COVID-19 pandemic, with its persistent and far-reaching effects, has created an environment defined by volatility, uncertainty, complexity, and ambiguity often referred to as the VUCA world. It has emerged as one of the most pressing global health crises in modern history, posing unprecedented challenges to individuals, businesses, and governments alike.

For organizations, the pandemic has severely disrupted routine operations and traditional business models. Many companies have struggled to maintain continuity, facing hurdles such as limited physical interactions, declining employee morale, the abrupt shift to remote working, and growing unemployment rates. The inability to operate under normal conditions has exposed gaps in preparedness and resilience, compelling organizations to rethink their strategies.



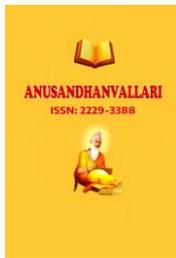
Amidst these challenges, the workforce remains the backbone of every organization. Employees are not just implementers of policy, they are critical drivers of innovation, productivity, and sustainability. Their well-being, engagement, and adaptability are crucial for navigating times of crisis. As such, it becomes essential for organizations to prioritize human capital, invest in safety and development, and foster a flexible and supportive work environment that can withstand present disruptions and future uncertainties. Efficiency is achieved when people effectively do their jobs and communicate with one another. Efficiency, in turn, increases Journal Pre-proof to productivity, which in turn increases sales growth and profitability and decreases employee turnover. As a result of the current situation, many different types of enterprises are taking into consideration the safety, health, and well-being of their employees.

Human resource managers responsible for recruitment, performance management, compensation, benefits, and the development and adjustment of employee roles are actively seeking innovative, creative, and effective solutions to address workforce challenges. Their focus is on safeguarding employee health, resolving workplace issues, and providing strong support through the implementation of reliable and adaptive management strategies. Effectively managing human resources in light of the historically significant nature of the COVID-19 issue, which is characterized by unusual and unpredictable conditions as well as a dynamic economic environment, requires in-depth thought as well as adaptability. As a response to this crisis, the entire workforce of the San Matthew Libraries was able to contact customers by telephone in fewer than two months. Additionally, new teams were formed in order to design solutions and provide services to the general public within a context that had been completely transformed and made more flexible. They also made an effort to respond to a variety of scenarios that arose within the company by formulating thought-provoking questions and improving the skills of staff members.

In the year 2020, Davidescu and his colleagues examined the effects of flexible working times and places, such as total home office, partial home office, flex office, and co-working, on the job satisfaction and performance of Romanian employees. The purpose of this research was to design sustainable human resource management at the national level. According to the findings of their research, the primary types of work flexibility, such as employee turnover and home offices, have only been partially implemented in the labour market of Romania. One-third of Romanian workers have reported that a flexibility plan has been implemented. However, aspects such as flexible working hours, flexible workdays, shift arrangements, and overtime have reportedly received limited focus or consideration.

Employees expressed the greatest enthusiasm for the option of working from home when it came to workplace flexibility; however, the strategy of allowing employees to work from home was only partially implemented. The findings of this study, on the other hand, point to a solution that involves a combination of working from home and having flexibility in the office as a viable option.

According to the findings of research conducted by Radic et al. (2020), cruise line companies lacked an adequate human resource management strategy during the COVID-19 pandemic. Numerous cases were reported in which cruise staff experienced psychological distress of varying severity. This highlights the obligation of cruise operators to support their employees during crises like the pandemic by implementing effective measures to address anxiety, depression, and stress. The study revealed that employees felt a lack of hope and did not feel a sense of belonging to their organization. This resulted in growing mistrust and dissatisfaction with company policies, ultimately contributing to the failure of the organization's human resource management efforts. As a result of the fact that crises can also present opportunities, the current COVID-19 situation presents a one-of-a-kind chance for the company to examine its organizational culture and the tactics it uses to manage its human resources. It is important for people and groups to use crises in the environment, economy, politics, or health, like COVID-19, as a chance to evaluate and improve their preparedness and response skills. Companies throughout the world that have found success, such as, Facebook, Amazon, and Google have



recently discovered that rapid change presents incredible chances and advantages. A poll found that COVID-19 has had an impact on the healthcare industry (56%), the mining industry (55%), the manufacturing industry (46%), the education sector (9%), the insurance industry (10%), and the telecommunications industry (12%).

Past research work published in the area of economics, business and pandemic situations have enough evidences about how productivity, creativity, psychological wellbeing of human resource (HR) got affected by the perceived threat of pandemic (Carnevale & Hatak, 2020). During pandemic, most of the organizations become more concerned about their employees' health because employees are the most important resource and other resources are utilized only when employees put their efforts. Department of human resource management (HRM) and the managers in this department were expected to find way-outs so that the fear and stress among employees due to threat of COVID-19 can be managed effectively (Arosha S, Priyankara, & Naotunna, 2021). Experience from other pandemics showed that a deep thinking, creativity and resilience are required to manage human resource in the time of crisis like COVID-19. In this context, organizations developed and implemented various innovative initiatives at the level of HR practices and policies.

This research paper is an attempt to contribute to the existing literature on how organizations responded during COVID-19 pandemic. This research paper study the published research on HR interventions and COVID-19 in general and shift in HR practices and HR policies in particular. This study highlights what different changes in HR-policies and practices have been tried to reduce fear at workplace as well as to overcome or at least reduce work stress caused by COVID-19. Finally, this research paper has drafted a conceptual model about COVID-19 Management within organizations through shift in HR practices and policies. The conceptual model has been shown in Figure-1.

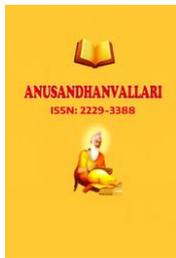
2. Literature Review

2.1 Coping with COVID-19 within organization

Employees work stress and psychological state of fear due to any external factor including the situation of pandemic cause decrease in the productivity and become harmful for the organization. The key issue with COVID-19 pandemic was that it has initiated the development of a new category of employees and it is "Essential Employees" (AAdsms-Prassl, Boneva, Golin, & Rauh, 2020). Undoubtedly this actually becomes the filter to extract out the workforce that may not be required under the pandemic situation and work load. Work stress is caused by the conflicting demand of job and it has also been defined as the hostile or contrary response of employee under the conflicting demand of a job (AM, Affandi, Udobong, & Sarwani, 2020). Beside skill gap there are other conditions that act as stressors such as the external job threats and related fear.

COVID-19 considered as a health-related threat but gradually and globally it was the threat to almost every aspect of life including employment. In such situations the department of human resource expected to plan and do some effective measures to adopt new COVID-19 appropriate practices and policies. It was not a usual supply-demand crisis for human resource management (HRM) department. The ambiguity in calculation of work-load, number of employees required and the mode of work to be adopted under the imposed lockdown were additional and equally important for organization besides employees' health and motivation (Rapaccini, Saccani, Kowalkowski, Paiola, & Adrodegari, 2020). The disruption due to COVID-19 pandemic forced the HR managers and HRM department to review existing practices and policies with a more focussed and serious view on employees' health and their participation in work. Flexibility appeared to at the centre of the most of new thoughts on how to cope with COVID-19 pandemic. Thus, it has been realised that following two measures are essentially required:

- Change in Existing Human Resource Policies



- Change in Prevailing Human Resource Practices

2.2 Health concerns of Employees during COVID-19

With the spread of COVID-19 pandemic around the world, the health concern and care of the people accordingly increased. Employees of the job role where lot of interaction with other people required found their jobs more prone and their degree of health risk perceived to be more than other job roles. Employees were looking forward for the measures from HRM department that can ensure minimization of employees' exposure to COVID surroundings. As per survey conducted on employees by Marsh McLennan it was found that approximately 25% of the employees (survey participants) were concerned about health during COVID-19 pandemic because there was high uncertainty about how much will the treatment of COVID cost to employees. It was also observed that the negative perception towards complication in medication and treatment of COVID-19 also raised the level of health concerns of employees (Caputo & Hyland, 2019).

According to a research study, health concerns accelerated because of the work environment of the employees. In some of the industries such as food processing and confectionary manufacturing the spread of COVID-19 factually easy because of the suitable conditions like low temperature and high humidity (Aroscha S, Priyankara, & Naotunna, 2021). On part of existing HR policies, employees knew that there were fewer sick leaves allowed and there was lack of sick pay while in case of COVID-19 infection at least ten to fifteen days of isolation were required. This also made employees more concerned for their health (Carnevale & Hatak, 2020). Despite range of triggers that escalate employees concern for health, employees were seeking for internal temporary guideline regarding how to prevent spread of COVI-19 within organization.

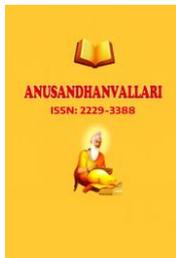
2.3 Human Resource Management during COVID-19 Pandemic

The context of human resource management is not limited to the recruitment, induction, training and development of employees within organization (Bombiak & Marciniuk-Kluska, 2019). The COVID-19 pandemic has made the HR people learnt that employees' safety and their health management is equally important for the long-term sustainability of organization. Health crisis such as pandemic has put disruptive impact on key areas of human resource management. Recruitment function shifted and went for almost 360-degree overhaul due to COVID-19 pandemic (Alhambra, 2020). As a defensive response most of the organization either delayed or cancelled their time scheduled or going on recruitment processes in order to save organization from additional cost burden.

Deliberately organizations shifted toward part time employee options, layoffs and eventually downsizing of existing work force because many of the job profiles and job roles became irrelevant during COVID-19 pandemic (Cregan, Kulik, Johnston, & Bartram, 2021). Apart from downsizing another measure taken by organizations in context of HRM and COVID-19 was down-skilling. High skill demanding jobs that were not required during COVID-19 were cut to overcome financial problems. However, recruitment of freelancers and appointment of third party subcontracted employees in case of need of high skill demanding people has been an important human resource management measure (Akkermans, Richardson, & Kraimer, 2020). HR department formulate temporary charter for how to recruit, train and compensate employees during the crisis of COVID-19.

2.4 Shifts in Human Resource Practices

During the COVID-19 period, a primary focus for HR managers was to address health and safety concerns within the organization for both employees and employers. Additionally, they prioritized the swift implementation of teleworking to minimize the pandemic's impact on maintaining productivity and operational efficiency.



Review Contract of employment to make it more adaptive to the changing needs of the time and crisis. Having clause to allow the employees to perform their job from their workplace or from different location other than the office sitting help the organization to retain most of their employees. Teleworking was one of the most effective ways to combat the pandemic. Specifically, HR managers have positioned the staff to adapt to the impending pandemic by engaging them to become more resilient and productive. This has enabled the workforce to better prepare for the pandemic (Osborne & Hammoud, 2019).

The problems that arise with human resources are many, and they have become more difficult since the COVID-19 pandemic began. HR professionals are now tasked with ensuring the organization operates efficiently and effectively toward achieving its goals, despite challenges such as movement restrictions, the inability to conduct in-person meetings, and the need to evaluate employee performance in remote work settings. They must also find effective ways to educate employees about COVID-19 and its implications, promote personal hygiene, and support the psychological well-being of staff to maintain overall productivity.

It is important to note that certain industries that are regarded as crucial, such as the food and pharmaceutical industries were not able to completely shut down due to the significance of their operations. This is something that should be taken into consideration. Because of this, companies that could not afford to totally close their doors were forced to adopt a policy that allows employees to do their jobs from their own homes. This practice is now widely recognized as the industry standard. As lockdown measures are gradually lifted and organizations begin to reopen, both public and private sectors are facing significant challenges, especially in managing the increased workload that built up during the COVID-19 pandemic. These challenges are particularly notable in that they have been exacerbated by the fact that the lockdown is gradually being lifted. Therefore, it is the responsibility of managers of human resources to implement additional safeguards to protect the health of employees who are willing to accept risks on the organization's behalf (Ahmad, 2020).

Testing employees' temperature and in case of any doubt on health allow employee to take care of health by staying in home isolation also make employees positive about the reporting of their health status to the organization. COVID-19 pandemic severely affected the working conditions as a result many shifts in human resource practices were observed during pandemic (Costas Dias, Joyce, & Postel-Vonay, 2020). Employee motivation and satisfaction were tried to be maintained by the new practices of virtual get-together, online family interactions and virtual lunch kind of practices. The results of these practices were so notable that such practices can be adopted post COVID-19 pandemic time (Aitken-Fox, et al., 2020). Many new practices evolved for virtual supervision and control of the employees. Inclusion of virtual support systems to back up the employees as and when required conditions evolved as new human resource practice. Shift in offering more non-monetary reward in more visible way to uplift morale and motivation of employees has been a welcome practice by department of human resource management. In this regard, the coronavirus, which is the world's newest pandemic, has presented human resources managers with a wide variety of issues.

2.5 Shifts in Human Resource Policies

One of the measures that organizations took during COVID-19 pandemic was replacement of full-time employees with the contract driven employment as temporary adjustment. As per a report by Gartner Consulting approximately 32% of the organizations went for above mentioned cost saving measure. This has been an important shift in human resource policy. However, for the available fulltime workforce remote working was allowed. A poll conducted by Gartner found that about 30% of the employees engaged through remote working. Shift from regular work from office at organization toward work from home was a major and significant change for employee engagement during pandemic crisis (Baker, 2021). Work from home also backed by HR-policy level initiatives to adopt digitalization for as many as possible HR functions and job profile (Asatiani, Hämäläinen, Penttinen, & Rossi, 2021). Department of HRM upgraded the manual or semi-digital HR systems

to fully digital as well as integrated software-based HR systems. Shift in training and development practices initiated by HR managers to get available work force future ready even under the pandemic crisis. Much of the training and development budgets allocated to those programs that help the employees to upgrade their digital and analytics skills (Gigauri,, 2020). The health crisis due to COVID-19 changed the way employees used to perform and organizations measure employees' performance. According to a research study role ambiguity, work stress, issues of communication between employees and organization, increased role of digital technology in day to day work, unclear expectations of HR- managers about what is required to be done by the employees during remote working and lack of trust were some of the complexities that were emerged as a bunch and in integrated for (Bartik, Lippens, Moens, Sterkens, & Weytjens, 2020). Handling all these challenges and issues related to the area of performance management demanded a major shift in the human resource policies.

3. Conceptual Model for COVID-19 Management within Organization

A conceptual model about COVID-19 pandemic crisis management within organization to represent human resource management interventions has been proposed by the author. Review of literature related to COVID-19 pandemic concluded that majorly shift in human resource practices and policies were desirable to fight against COVID-19 crisis.

Thus, it is propose that degree of change in HR-Practices and level of shift in HR policies are considered as manipulated variable while fear at work place due to COVID-19, work stress caused by COVID-19 and effectiveness of coping with COVID-19 within Organization has been considered as predicted variables that are in either direct or indirect relationship with manipulating variable. The conceptual model has been based on the following proposed hypothesis as shown in figure 1:

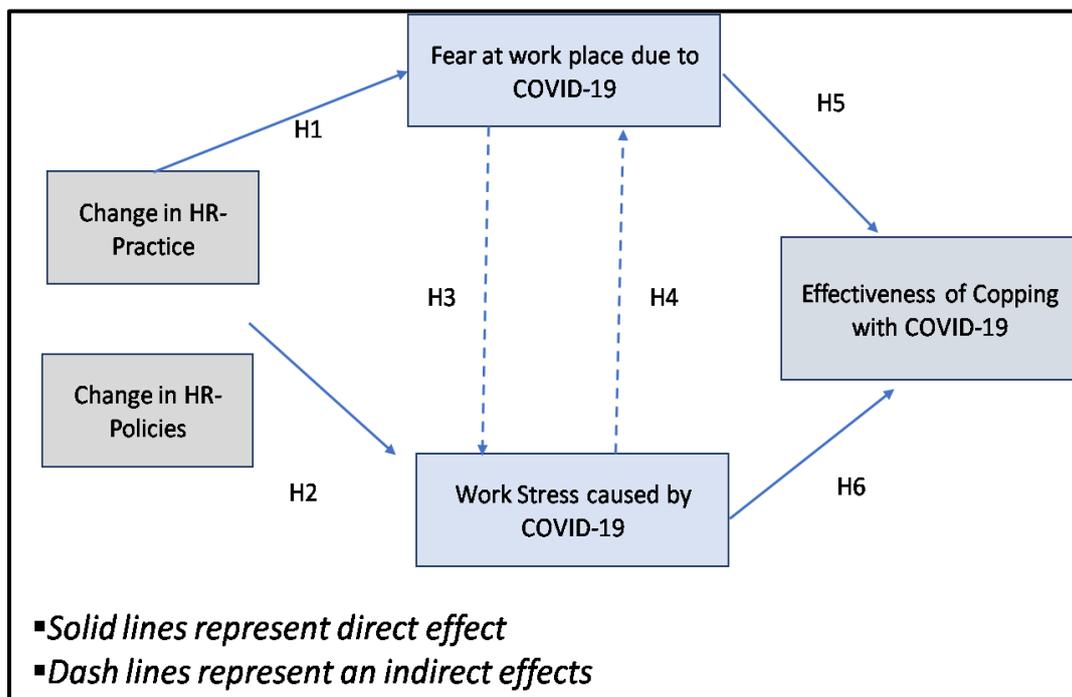
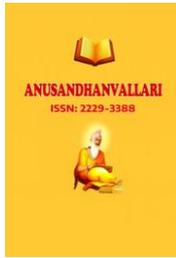


Figure 1 Conceptual Model for COVID-19 Management within Organization: HRM interventions

Source: Author Proposed Model



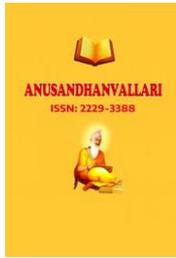
- H1: Fear at work place due to COVID-19 and Change in HR practices are independent of each other.
- H2: Work stresses caused by COVID-19 and Change in HR policies are independent of each other.
- H3: Fear at work place due to COVID-19 indirectly affects the work stress caused by COVID-19
- H4: Work stress caused by COVID-19 contribute indirectly to the fear at work place due to COVID-19
- H5: Fear at work place due to COVID-19 directly influence the effectiveness of coping with COVID-19 within organization
- H6: Work stress caused by COVID-19 directly influences the effectiveness of coping with COVID-19 within organization.

4. Methodology

This research paper has been based on the literature review of selected published work on the COVID-19 pandemic and human resource management interventions. The main objective of this paper is to review the initiatives of department of human resource management to change the human resource related practices and policies to fight against COVID-19 pandemic within organization. Qualitative approach has been adopted because this allows the researcher to explore a specific aspect of an event subjectively and with more degree of openness as compared to structured quantitative approach. Since the key focus was on how organizations have addressed the challenges and issues related to human resource that were raised by COVID-19 disease so selective number of research papers were considered. Since COVID-19 began to spread towards the end of 2019 so the time horizon referred to select published research work included 2019, 2020 and 2021. Key observations obtained from the review of literature have been revealed in the literature review section. The discussion section of this research paper included author's assessment and observation.

5. Discussion

From employee engagement to performance measurement all key function of human resource management was disturbed due to COVID-19 spread across world. A perceived disconnect between employees and their organization were felt by both as a result usual functioning of the organization annealed. Employees in India as well as in other countries of the world had the experience of working from offices with formal channel of communication dominated by elements of physical presence. But COVID-19 pandemic changed most of the practices and policies of the organizations. Organizations opted for separate policies for COVID-19 pandemic. Virtual hiring, online documentation and reference checks have been incorporated in the changed staffing policies. Policies related to work hours in a shift also changed. Reduced shift timings, alternate days reporting and complete work from home have been updated in the changed work hour related policies. Job sharing is one of the areas where change at policy level happened because in case of COVID-19 infection the diseased employee has to undergo a mandatory 10 to 14 days of isolation. Thus, work definitely suffers if there is no alternate provision to take the charge of the job of diseased employee. Medical vacation related policy was changed in organizations as per the treatment requirement of COVID-19. Remote working, sick payment policy, medical support and health insurance related policies of the organization were reviewed and updated to deal with the pandemic crisis. Employee absence policies and compensation policies also changed. Various new HR-practices have been mentioned in research papers and industry reports some of the important practices include the practice of following physical distancing, wearing mask during work hours in organization. New hygiene practices that include frequent use of sanitizer and washing of hands adopted. Employees have been motivated



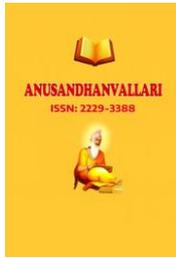
to take the doses of vaccine at the earliest possible time. Some organization started the practice of having weekly health report of employees and daily temperature check.

6. Conclusion

COVID-19 pandemic resulted into number of serious challenges in front of HRM department. A support system against COVID-19 required to be established to take care of the COVID cases on individual basis. In this research study it was observed that creating COVID safe work environment with required shift and changes in HR practices and policies is on top priority while coping with COVID-19 within organization. Though the mechanism to fight against COVID are still evolving but through COVID specific essential changes in HR practices and policies companies could reduce fear and work stress at work place and in this regard the proposed conceptual model can provide basic understanding about COVID-19 management within the organization.

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