

## **Impact of Pandemic Covid-19 On Human Resources Management**

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**Abstract:** The COVID-19 pandemic that has hit the world, including Malaysia, is a health crisis that threatens the survival, well-being of society and affect Human Resource practices. In February 2020, the Malaysian Employers Federation (MEF) has estimated that 100,000 workers will be laid off, if the transmission of the COVID-19 virus continues until the end of 2020. However, the assumption is refuted by the Ministry of Human Resources (KSM) because it is speculative and does not take into account the various initiatives that have been and will be implemented by the Government and as well as being a commitment and responsibility of human resource management in ensuring the welfare of employees to given priority and protect the interests of workers. Therefore, this paper aims to examines the effects and consequences of the pandemic Covid19 on human resource management in ensuring industrial harmony.

**Keywords:** Pandemic Covid-19, Human Resources, Human Resources Management

### **1. Introduction**

A pneumonia outbreak had been reported in Wuhan, China, in December 2019. The outbreak was acknowledged on 31 December 2019 to a novel strain of coronavirus, which was spreading from human to human. Soon afterward, the World Health Organization (WHO) has assigned the interim name COVID-19. The pandemic spread rapidly around world was led to travel restrictions in several countries and nationwide lockdowns, and resuming work activities are still under constant evaluation [14]

Hence, the outbreak of coronavirus has significantly affect the workplace such as impact on productivity, affect business continuity, increase stress among the workforce, and even increase business liability [13]. Especially those organizations that lack appropriate policies and response plans to confront infectious diseases can only choose to lay off employees in order to reduce organizations' expenses, and even those organizations that cannot afford the business liabilities will choose to end the business. Therefore, this led to a huge increase in unemployment, the economic recession has brought further pressure on people. The International Labour Organisation (ILO) (2020) estimates that this year,

195 million full-time employees worldwide will be unemployed (ILO, 2020). Under the severe impact of the COVID-19 pandemic, Malaysia's unemployment rate surged from 3.2 % in October 2019 to 4.6 % in September 2020 [13]

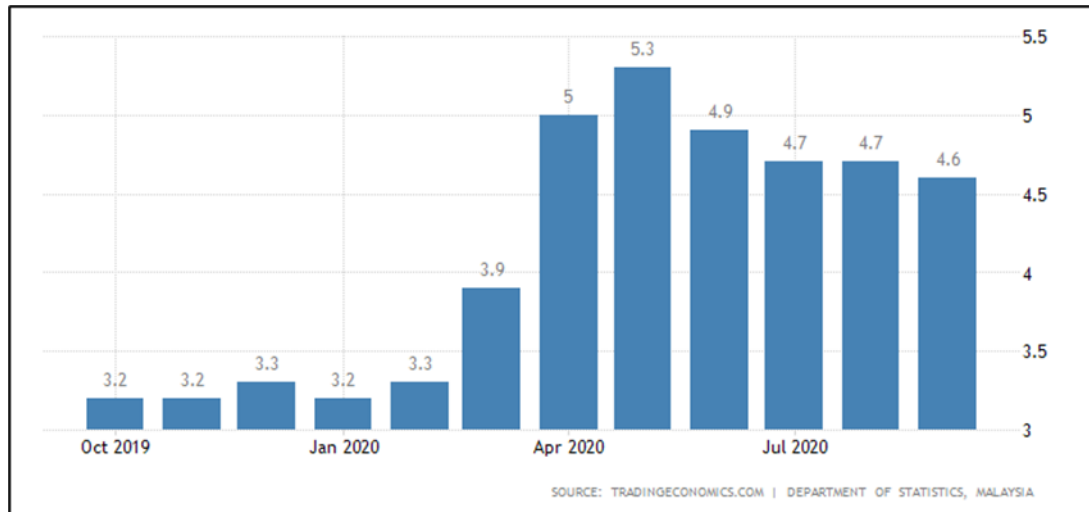


Figure 1: The unemployment rate in Malaysia

Besides, the COVID-19 disease outbreak has caused an extremely challenging for human resource management (HRM) where managers have been forced to step rapidly through the "hidden unknowns" as they try to help their staff respond to and cope with dramatic changes in the job and social environment. (Carnevale & Hatak, 2020). The economic effect of the global COVID-19 pandemic includes the advancement of digitalisation processes. Organizations now have to utilize digital channels instantly to allow their employees access to work. Human Resource Management has played a key role of helping organisations handle the radical changes triggered by pandemic lockdown as well as in helping employees overcome the challenges caused by sudden changes in the workplace and society [5].

According to [3] suggested that organisations continue to adapt and update their method in line with the current conditions of national and local government, thereby understanding that as the situation keeps developing, these official regulations are still subject to adjustment. Organizations need to adapt and respond to the changes and organize the workforce appropriately, throughout the rapid changes across the globe due to the pandemic [4]. [10] states that organizations need to plan for more changes and phases of uncertainty. They could implement platform-based technology and develop innovative business models. Therefore, in order to transition to virtual jobs, the digital and collaboration abilities of the workforce are critical.

Consequently, in this transition, HR professionals do have supporting and facilitating role, and they also have responsibility for maintaining workers by enhancing their expertise and skills [8]. It is important not just to reskill or up-skill the workforce, but also to emphasise flexibility within the plan of a business [7].

## 2. Discussion

### Covid-19: Future HR Role and function

The COVID-19 pandemic is an unprecedented issue which cause a serious economic impact to the organizations. Throughout the investigation, HR is distinctively positioned to lead companies in the future workforce to recover and thrive. Firstly, HR plays a vital role in developing leaders, ensuring

that they are successful and holding them accountable. HR can assist leaders in requiring new and strengthened management skills, inspiring staff in the midst of uncertainty toward a vision, thus aligning work between team members and community building to ensure success for organizations [17]. In order to succeed, HR must have the capacity to think systematically to help organizations adapt to the future of work, and the ability to travel with pace and agility is a vital skill that HR can affect. HR is undoubtedly in the best position to see overall structures and offer a systemic viewpoint, ensuring communication, coordination and collaboration across units, functions, business community and silos. HR's role is help to ensure that business goals are appropriately reshaped, redistributed and re-prioritized to adapt to changing customer needs and markets in order to deal with crisis in the future [16].

Besides, HR who has talent strategies is also the integral to the process of having the talent in the right roles at the right times which leads to organization's success. The concept of employee value is evolving, and HR is in the best position to guarantee good employer branding, making a compelling argument for attracting talent. HR is function in ensuring employees contribute their talent for the growth of the business. Furthermore, HR also acts as a role to engage the workers because working from home cannot bring people together and create camaraderie during this pandemic. Therefore, HR can recommend best practices for engagement through all kind of creative approaches. For example, HR can also keep the pulse of participation through rapid surveys and creating feedback loops, thereby providing leaders with a barometer of where they need to double check, incentivizing and retaining talent [16].

Moreover, HR also plays as a role to ensure diversity, equity and inclusion during the pandemic such as educating the organization, recognizing the facts of different perspectives, and taking proactive measures to equalize the competitive environment. HR can bring various voices to decision-making process and provide equal opportunities. HR can increase empathy, promote open dialogue, and help ensure that organizations take the right actions [16]. In addition, HR plays an important role in making sure employee with holistic wellbeing in physical wellness, cognitive and emotional health. Not only during the pandemic, but HR should always provide extended support in all aspects from employee assistance services to mindfulness, fitness, wellness and financial therapy. Ensure the workplace is safe and secure by providing a safe work environment for employee, people with a more comprehensive sense of holistic wellbeing can contribute their talents more fully and do their best [17].

To sum it up, it is necessary for HRM to have regular contact and strong ties with employees. When HR leadership inspires staff, engages them, keeps them up-to-date, and takes their views into account, the organization can soon resolve problems created by the crisis more easily.

### **Impact of Pandemic Covid-19 On Human Resources Management**

With the current outbreak of COVID-19, the pandemic situation will affect Human Resource practices like learning and development, on boarding, and recruitment. A lots of companies confront a major challenge of unprecedented dimensions, and that needs them to plugged into and control directly unparalleled terrain as they turn their employees in physical, technological, and socio-psychological ways that they haven't seen before. At the same time, COVID-19's current key obstacle provides management researchers with a suitable opportunity to unite research activities and develop it into valuable knowledge and usable information to assist organisations confronting the biggest challenges of the 21st century history. It also gives an exciting opportunity to researchers in searching for guidance and inspiration across disciplines in such a way that the HRM challenges currently faced by organisations can be managed in an effective way. Despite the fact that even there is a potential alternative, this global issue still needs to call for concerted and comprehensive intervention. Work-from-home (WFH) has become the immediate alternative to corporate sustainability.

## **2.1 Negative Impact**

### **1. Quantity of on-site workers inadequate**

All the business activities have been shut down unless it falls under the essential categories. Relatively, it has limited the business around the world and companies have shifted to work Work-From-Home (WFH) concept remotely to accommodate and run the business and services [15]. There are not many workers directly working on-site to execute all the necessary duties due to the peak period of COVID-19 pandemic, employees will choose to be absent or switch to telework to ensure their own safety. Therefore, the daily attendance of the employees isn't entirely predictable and unpredictable absences can be occur in crucial positions. Organizations must effectively reduce hazards in the workplace once returns to work on-site, such as implement effective prevention strategies for COVID-19, take steps to prevent overcrowding on working place, and ensure the comfort and safety of workers.

### **2. Stress, weak motivation, burnout**

Numerous employees may encountered increased levels of anxiety and stress during the weeks or months of unpredictable remote working and extraordinary working environments. Employees now afraid of the expanded workload and returning to workplace. Lack of actual contact and communication may led to workers feeling unmotivated and disoriented. Any of them will be at threat of approaching the stage of burnout without sufficient assistance [11].

### **3. The erosion of “fit”**

One of the most important impacts of the COVID-19 pandemic on HRM involves adapting new and existing employees to drastically changed work environments, such as adjusting to diverse employment settings and introducing new occupational methods and processes that restrict human interaction. For example, organizations must shift to virtual ways of training, selection and recruitment instead of face-to-face encounters. Such drastic changes in the way employees conduct their work are likely to have significant implications for the employees' person-environment fit (P-E fit) perspectives or even the amount of correlation between both the qualities they have and the environment [4].

### **4. Disproportionate work-family effects**

The COVID-19 pandemic upended work, family, and social life. These massive changes may have created shifts in exposure to work-life conflict [9]. Workers who could be negatively affected through recent issues in the work climate may still need to remain alert as companies resolve the threats faced by COVID-19. Perhaps most importantly, in response to the current health crisis, the changes we are seeing have begun to exacerbate the conflict between work and family. This is an inter-role conflict. In some respects, the role strain from the family and work fields are mutually contradictory.

## **2.2 Positive Impact**

Initially, although COVID-19 has negatively impacted majority of industries, unique industries and sectors have been positively affected. For instance, some workers from public administration, healthcare and social welfare, mining, insurance and finance have found a positive effect in Australia, but there have been reports of some negative effects [2]. As expected, so far the majority of staff have moved to remote jobs.

### **1. More flexible and agility**

The Covid-19 epidemic, which emerged unexpectedly and affected the world, brought along economic uncertainties as in the consequences of globalization and caused change of competition conditions as well. The survival of companies that cannot adapt to the changing world and changing

market conditions due to the Covid-19 pandemic is very difficult in today's conditions [1]. Overall, as a result of the new situation, the general impression is that human management needs to become more flexible and more sensitive. Working processes and people management are two of the key problems involved in company continuity. The more mundane concerns are ensuring that employees have working technologies at home as well as ensuring monitoring, efficient communication, performance and efficiency management, readjust employee benefits, employee support and involvement, and redesign policies related to remote work. In many organisations, the role of human resource professionals and their expertise in making flexible and successful adaptations has increased in significance.

## **2. Technology adoption and digitalization**

With greater remote workers, organisations will be forced to speed up the implementation and digitalization of technologies, collaborative operating, and enable distributed tasks. The need for office buildings and regular workspaces also can dramatically decrease as companies develop more flexible with workers working remotely. Hence, the costs on real estate and physical infrastructure have been able to eliminate by using the concept of WFH.

## **3. Shine a spotlight on the value that HR delivers**

Human Resource's value of keeping workers healthy, engaged, inspired, and profitable will be focused through the coronavirus epidemic. The existence of the infection and its potential to transmit have clearly demonstrated that being away from society would become the current trend for at least one year. Therefore, the WFH principle and the minimal workforce scenario may remain for certain while. The human resource practices like on-boarding new hires, recruitment, and training and skilling will concentrate on fully digital and online mode.

## **4. Human Resource helped in redefining**

In future, human resource play a vital role in redefining the essence of the workplace, even forever. For example, leave policies and regular attendance would no longer function. Organizations may have to confidence with the commitment and integrity of workers working remotely. Due to the restrictions of visual communication platforms, WFH can influence decision-making processes, it could be possible for smaller teams to make decisions quicker and perform better. WFH can also be a great decision in certain cases. Getting able to work at home will allow individuals to properly manage career and personal concerns. It also encourage women and persons with disabilities to join the workforce [10].

## **3. Conclusion**

Although COVID-19's long-term consequences are currently unclear, there seems to be little reason to expect its effect on business life would be short-lived. Our emphasis must always be forward-thinking, based on the assumption that the huge problem we are facing currently is not a specific, abnormal phenomenon, but instead a "new reality" that brings new opportunities which organisational practitioners and academics would want and have to be cautious about. In reaction to the pandemic, the new procedures in organisations are complicated, leading to certain negative but still some positive effects. In order to produce efficiency, staff and companies are adjusting to the current reality. In this respect, to change rapidly, focus should be put on internal contact.

Besides, although people are usually able to adapt, multidisciplinary education and more abilities or skills are required for the workforce, as competitiveness would be intensified in the future. Employees are now concerned about learning the skills required to operate in a new world which including digital sales, creation of digital platforms, digital services, etc. Businesses need highly developed expertise with specific expertise in fierce market competition, however most importantly, they need special skills that can easily master new capabilities, promote creativity, adapt to the

environment, have the ability to learn, and full of imagination and ingenuity. Furthermore, workers should pay attention to self-development.

However, companies need to implement and develop a business continuity strategy, open up internal knowledge and skills, construct agile systems, incorporate innovative technology, and establish possibilities for the continuity of business processes. The top management and HRM could develop approaches to cope with the crisis that rely on flexibility and adaptability which can be advantageous to a business as well as to plan for any uncertainties. In addition, during the pandemic, corporate culture played a critical role. Consequently, regular contact and strong link with employees is important for HRM. When HR leadership inspires staff, engages them, holds them up-to-date, and brings their viewpoints into consideration, the organisation can resolve problems created by the crisis more easily.

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