

# Impact of COVID 19 on Human Resources

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## Abstract

The HR of the company has the role to improve the performance of employees and manage the employees of the company through some management and leadership skills. Covid-19 increased the issues in the businesses and HR faces many issues in the workplace and maintenance of employees' well-being. Covid-19 not only impacted the business employees' well-being and business HR. It also harms the company's profitability and sustainable growth. The businesses and the economy of the world were at a risk. Covid-19 impacted the HRM negatively as well as positively. It increased the issues in performance management, communication, and trust between employees.

On the other hand, this pandemic situation increased the knowledge of technical skills and remote working. In this research work, the description of the impact of covid-19 on finances and human resources is given. This research information is found in journals, books, and websites. The research uses a secondary qualitative data collection method to collect data on the topic of the research work. A systematic review and thematic analysis are done in this job to analyse the information. In this research work, it is concluded that the impact of covid-19 in HR had some negative and positive effects.

**Keywords:** Covid-19, Pandemic, Economic Rate, Unemployment Rate, Communication, HR, Lockdown, Economic Crisis, Employees' Well-being, Work Performance, Productivity, Consumer Behaviour.



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## Introduction

Covid-19 is an epidemic that is increasing in the world from time to time and it has many impacts on businesses and also on health. There are many impacts of covid-19 on the economic condition of different countries. The economic condition of the countries decreased due to the covid-19 at the beginning of the pandemic. On the other hand, the health of people was at a major risk. Due to the lockdown phase, the crisis of the economy in countries occurred.

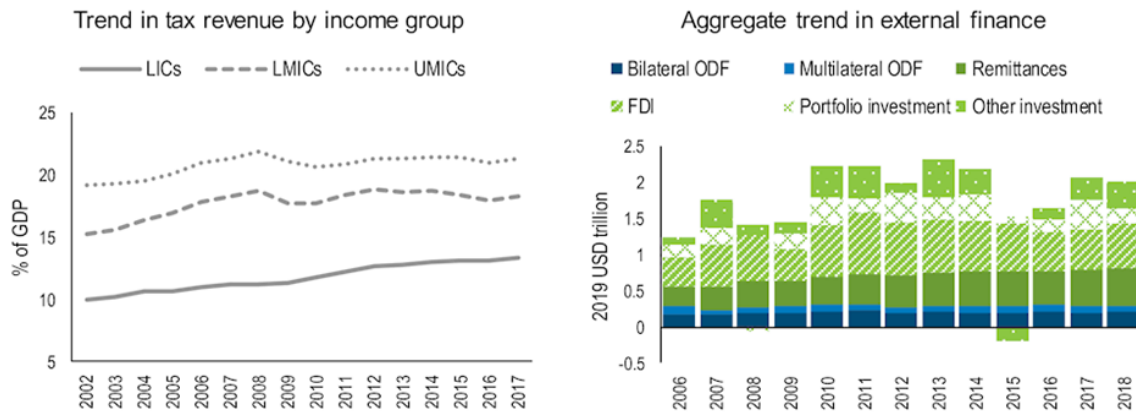
## Objective of the Study

The HRM of the company has the responsibility to improve the productivity of the company and also manage the employees. In the case of covid-19, the employees' performances decreased and the HRM faced the impact of low productivity. The shocking pandemic impacted HRM in the practices of roles and skills to manage employees and workflow. The practices of remote working and also the digital communication needed to practice.

## Financial crisis during covid-19

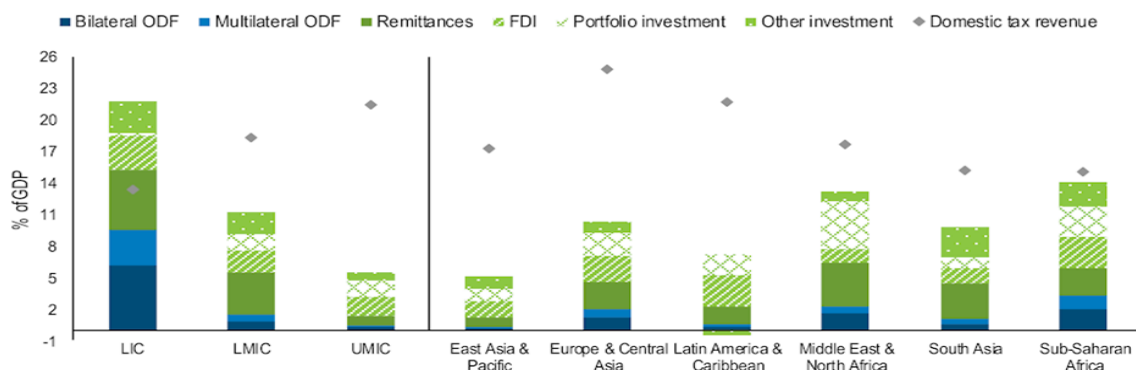
In the businesses of different countries, the impact of covid-19 increased and it has a major negative impact on finance. As per the view of Susilawati *et al.* (2020), in all countries, the economic rate and inflation rate decreased. In the businesses, the sustainable growth of the company decreased, and also the profit rate decreased. Covid-19 increased the health issues of the phenomenon and due to this reason, the lockdown was announced by the governments of the countries. On the other hand, Lambovska *et al.* (2021), mentioned, the unemployment rate increased in the countries of the entire world. The lockdown closed the workplaces for some days and decreased the workflows of the companies. In this case, the production and the sale of the companies decreased. Lack of sales and improper management of the company reduced the profit of the companies and the economy of the businesses. Needless to say, the covid-19 pandemic increased the struggles of the businesses.

As per the view of Mukherjee and Ghosh (2021), before the pandemic, the tax revenue and the finance of the countries developed. The finance of the countries and the sustainability of the businesses increased in the world. On the contrary, Oravský et al. (2020) opined that after the covid-19 pandemic, the economic rate worldwide decreased. Due to the lockdown and covid-19, the activities of consumers were changed, and also the global economic crisis increased. The companies, governments, and the banks of the countries focused on the poor people, the health of people, and economic management to restructure businesses. The economies of the countries were used to manage the health of people and also save money to improve the businesses of the countries. Due to this case, the countries decreased economic growth and the businesses reduced the revenue of the company.



**Figure 1: Pre-Covid Tax Revenue and External Finance**  
(Source: Oravský et al. 2020)

The pandemic increased the unemployment rate globally and the cause of the increasing unemployment rate is to provide wages. According to the view of Byrne et al. (2020), the economic condition of businesses decreased and in the pandemic situation, the companies could not provide proper wages to employees. In this case, the businesses reduced employees from the company by checking the abilities and performances of employees. Due to the lack of employees in the companies, the productivity of the company was reduced and the business revenue decreased. Consumer behaviour is the most important in the business and in the pandemic situation, the consumer behaviour towards the businesses changed. The consumers avoided the companies and slowed down the purchase rate. According to the view of Chen et al. (2021), due to this case, the companies' sales decreased and the profitability of the company decreased. Covid-19 increased the debt of the global countries to restructure the business value chain and develop the priorities of the businesses.



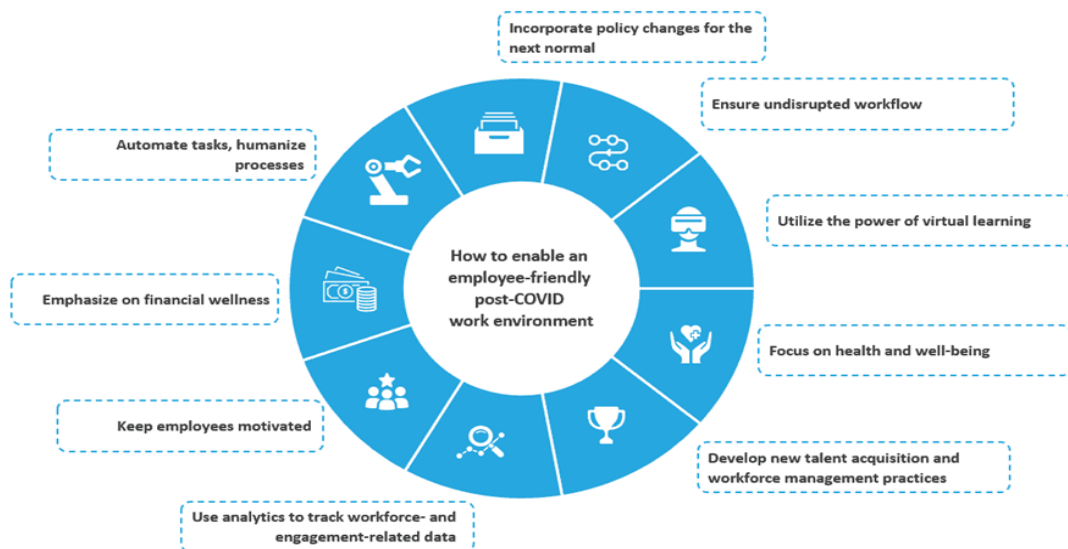
**Figure 2: Post-Covid Finance**  
(Source: Byrne et al. 2020)

Due to the pandemic of Covid-19, the stock market of the world crashed. On 20th February 2020, the crash of the global stock market began. The crash of the stock market and the health issues in the global countries decreased the confidence of people and the employees. In this case, the businesses faced many issues in the management of employees and business development strategies. The pandemic destroyed many businesses in the country and also over 82% of small businesses faced negative impacts of covid-19 in their businesses (Pathak, 2021).

### Impact of Covid-19 on HR

The epidemic in the companies has a major impact as due to this situation, the strategies were included in the businesses to improve the economy. In this pandemic situation, remote working was started in many businesses to manage the workflow and productivity of the company. As per the view of Waizenegger *et al.* (2020), remote working is the process of working from a distance using a digital network. In this case, HR needed to practice more skills to improve communication to manage the employees and also improve the confidence of people from a distance. Giving education of the work process and technologies by using the internet and digital media is the main role of HRM in the pandemic situation. As mentioned by (), the role of HRM is to manage the internal part of the company and also improve the performances of the employees.

In the pandemic situation, the performances of employees decreased due to the low confidence and fear of infection in the workplace. HRM faced major issues in the management of employees' well-being and performances. As per the view of Oh *et al.* (2020), the hiring of the employees was frozen at the time of the pandemic. In this scenario of health issues, the HRM faced issues in the skills of management of the company. Knowledge of technologies and policies of remote working ideas were not practiced by the employees and in this case, the HR of the companies needed to improve the motivation in remote work and provide training of remote working. As per the view of Waizenegger *et al.* (2020), lack of proper communication and lack of motivation increased the issues in the productivity of the businesses.



**Figure 3: Impact of Covid-19 on HR**  
(Source: Waizenegger *et al.* 2020)

In the pandemic, HR had faced issues on the flexibility and adaptability skills in remote working. Human resources of the enterprises needed to improve the leadership and management skills to appraise the performance of personnel. As per the words of Ferreira *et al.* (2021), in the pandemic situation and remote working, trust issues, interaction issues, and learning issues occurred. In this case, the HRM needed to manage the issues and also motivate the employees to improve trust in other members. Many responsibilities increased in this pandemic such as generating work process, improving working structure, improving communication stabilities, and increasing trust and fairness. Covid-19 situation decreased the faith and confidence of people and the fear was increased in employees of infection. As per the view of Zhong *et al.* (2021), old workplace strategies were disrupted and new skills needed to be learned to improve work performance by human resources.

The risk in the internal management policies increased due to the pandemic and also the work performances were decreased, as mentioned above. The HRM had to learn new skills and also give training to the employees. The covid-19 increased social distance and it was the major challenge for HR to increase collaboration in the company and it was also challenging to improve the emotional well-being of employees (Kaushik and Guleria, 2020). In the management of the internal company, the HRM needed to focus on maintaining normalcy in remote working.

### **Materials and Methods**

The research is done with some methodologies of research work. The research work uses the secondary data collection method to collect information on the impact of covid-19 on human resources and finances. As per the view of Zhenget *al.* (2018), the data collection method is the process of collecting information from different resources. As per the resource of data collection, it is classified into two parts and is primary and secondary data collection methods. Secondary data collection methods are classified into two divisions and those are secondary qualitative and secondary quantitative data collection methods. This research work uses the secondary qualitative data collection method. According to the view of Ruggiano and Perry (2019), secondary qualitative data is collected from journals, books, articles, and websites.

The secondary qualitative data analysis method is used in this research work to analyse the impact of the covid-19 pandemic on HR. This research work analyses the information through a systematic review of 10 journals. 10 journals are selected to analyse the information and in this selection process of the journals, some processes are followed. The journals were stratified as per languages, pdfs, keywords, and time of publishing. At first, the English language is selected and the journals are found with the key sentences such as *the impact of covid-19 on HR* and *role of HR in employee management during covid-19*. On the other hand, the journals published from 2017 to 2021 are selected for this research work. Those journals are scrutinized properly and the full journal pdfs are used in this research to analyse the information. Those 10 journals were selected from Google Scholar for the data analysis.

In the discussion part of this research work, the description and the comparison of the journals are given properly. Through using the thematic analysis, the qualitative information of the impact of covid-19 on human resources is properly analysed.

### **Result**

Due to the covid-19 pandemic, organisations have faced various challenges in terms of effective human resource management. On the other hand, organisations have also adopted various flexible strategies to retain employees and provide them with comfortable working conditions without risking their health. The following illustrates a systematic review of the various articles on the topic in order to develop a clear perspective on the impact of covid-19 on human resources in order to conduct an empirical study.

S.No.	Author	Article title	Year of publication	Industry	Geographic location	Aim of the article	Key findings
1.	Braquehais et al.	The impact of the COVID-19 pandemic on the mental health of healthcare professionals	2020	Healthcare	General	The article aims to analyse the critical impact of the covid-19 on the mental health of healthcare professionals	The healthcare professionals suffer from high levels of anxiety and depression that can arise from various reasons along with covid-19, such as personal factors, epidemiological issues, HR management issues and so on. In essence, the professional pressure of the healthcare professionals to manage the overcrowded hospital wards of during the initial stages of the pandemic, lack of rest and other factors of the pandemic has inflicted significant toll on the mental health of these healthcare professionals.
2.	Mukhede and Parasbar	Impact of the COVID-19 pandemic on the human resources for health in India and key policy areas to build a resilient health workforce	2020	Healthcare	India	The articles had aimed at analysing the challenges faced by the healthcare professionals in India during the stressing time of covid-19	India as a developing country has been under-equipped to demonstrate proper management of human resources among the healthcare workers during the period of pandemic. It has been reflected in seven primary areas for the developing resilience and better management among healthcare workers such as funding emergencies, enhancing stakeholder engagement, mechanisms for incentivization and so on. Along with these measures, recommendations for psychosocial support and disease protection have been made to demonstrate the necessity for human resource management to take measures for enhancing individual strength and resilience of the healthcare employees.
3.	Sulaiman et al.	Covid-19 challenges and human resource management in organized retail operations	2020	Retail	General	The article aims at investing various challenges faced in HRM and provide practical solutions	Within the retail shops, the challenges have been identified among front-line staff, inadequate succession planning, and communication gap, lack of job assurance, uncertainty and challenges in ensuring the health of employees. However, recommendations solutions have also been provided such as training front-line retail staff, motivating the employees to enhance productivity, establishing an effective succession planning and so on.
4.	Carnovale and Hatak	Employee adjustment and well-being in the era of COVID-19: Implications for human resource management	2020	General	General	The article aims at analysing the role of organizations to aid the adjustment of employees within the new working conditions during the pandemic	The role of the organization is required to be active and adaptive for promoting effective HR management. The general challenges faced by the workers during the global crisis are to be supported by the organizations by providing them with flexible working conditions and motivating them to cope with the new working conditions.
5.	Ayedeseet et al.	Role of Emotional Intelligence and Strategic Human Resource Management during COVID-19 Pandemic	2021	General	General	The article aims at the development of strategic human resource management with the aid of emotional intelligence to aid the process during the covid-19 crisis	Emotional intelligence can be utilised to adopt various HRM strategies for accommodating the employees and developing resilience among them that will be more beneficial than the traditional HRM approaches.
6.	Hamouche	Human resource management and the COVID-19 crisis: implications, challenges, opportunities, and future organizational directions	2021	General	General	The article aims at exploring the scope of management strategies that can be applied for effective human resource management	The covid-19 pandemic has created issues as the employees are faced with stress, uncertainty and fear. The organizations are required to adopt safe and adaptive practices for human resource management that will ensure demonstration of motivation and courage among the employees. In addition, the future of organizations rests upon the ability to retain the employees in such distressing times as lack of proper HRM may lead to the large-scale employee turn-over rate.

7.	<a href="#">Galantiet al.</a>	Work From home during the COVID-19 outbreak: The impact on employees' remote work productivity, engagement, and stress	2021	General	General	The article aims to investigate the family and professional life conflict that creates stress factors for employees in work from home period during covid-19 pandemic	The employees in work from home had been subjected to stress due to isolation and family and professional life conflicts, creating negative implications on the performance capacity of these employees. However, encouragement for self-leadership and autonomy and the organizational support in this regard had a positive impact on performance capacity of the employees.
8.	<a href="#">Kawaguchi and Moteji</a>	Who can work from home? The roles of job tasks and HRM practices	2021	General	General	The paper aims at using a specific Japanese survey dataset to elucidate the tasks that can be allocated with work from home conditions	The enhancement of inequality in the allocation of work from opportunities had been unequal. Key findings suggest that without the implementation of effective policies for human resource management equal working conditions cannot be achieved, impacting the employees negatively during such distressing times.
9.	<a href="#">Aurelia and Momin</a>	Global reverberation and prediction for HRM amid and after COVID-19: A technological viewpoint	2020	General	Global	The article aims at analysing specific technological means that can be used for effective HRM during covid-19 crisis.	The HRM leaders on a global scale have been faced with a crisis due to the various challenges in management in a remote capacity. However, organisational implementation of advanced technology such as cloud computing, machine learning, IoT and so on has been suggested to enhance the scope of digital human resource management
10.	<a href="#">Gigauri</a>	Challenges HR Managers Facing due to COVID-19 and Overcoming Strategies: Perspectives from Georgia	2020	General	Georgia	The paper aims at exploring the necessity to support employees through the adoption of new HRM strategies for effective outcomes	During the covid-19 crisis, the managers located in Georgia had been interviewed to demonstrate that the most effective human resource management strategies had been flexible timings, work from home conditions and other strategies that support remote working among the employees.

Table 1: Systematic review of selected articles

## Conclusion

The impact of covid-19 had been challenging for the human recipes for all the industries on a global scale. Especially, in the healthcare industry, the employees had faced the most critical conditions due to the lack of professional healthcare workers during such a crisis. The empirical study has indicated that remote and flexible working conditions of the human resources within an organisation is an effective and necessary measure to be taken by organisations to retain employees and conduct operational operations. However, the managers may also face critical challenges in remote working conditions due to lack of face to face communication and collaboration. Regardless, various supportive strategies are to be adopted by the organisations to ensure that the employees are able to mitigate the challenges of the global pandemic and develop strength, resilience and self-discipline.

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