

The COVID-19 Pandemic and Its Influence on Human Resources

Laurențiu Hauser¹

¹⁾ *Bucharest University of Economic Studies, Bucharest, Romania*
E-mail: laurentiuhauser@gmail.com

Please cite this paper as:

Hauser, L., 2022. The COVID-19 Pandemic and Its Influence on Human Resources. In: R. Pamfilie, V. Dinu, C. Vasiliu, D. Pleșea, L. Tăchiciu eds. 2022. *8th BASIQ International Conference on New Trends in Sustainable Business and Consumption*. Graz, Austria, 25-27 May 2022. Bucharest: ASE, pp.642-648.

DOI: 10.24818/BASIQ/2022/08/085

Abstract

As a result of the Corona Pandemic, the use of digital technologies has increased in importance, favouring the flexibilization of various forms of work such as teleworking and remote working as a substitute for office work (within the Company).

This paper resulted from the analysis of several international studies and my activity as a personnel manager in a multinational company. The aim of the paper is to analyze the current situation of the work process, the ability of managers to adapt in terms of how to lead employees in the current context, focusing on telework and work from home. The following issues will be in the spotlight: use telework and remote working in an intensive way; avoiding the risk of declining employee productivity; changing the work process to ensure the physical and mental health of employees; implementation of the hybrid work system on a large scale; highlighting important trends in human resources and their application in the work process; the current crisis caused by COVID-19 can be used as an opportunity to create more humane jobs.

Keywords

Remote Working, employee productivity, employee motivation, physical and mental health of employees, hybrid work.

DOI: 10.24818/BASIQ/2022/08/085

Introduction. Intensify the use of telework and work at home

Both employees and employers face major organisational challenges. The way of managing employees has changed, so the question arises: will companies continue to use teleworking and remote working intensively? What will the future normality look like, will it be different than in the past?

It is very likely that employees will no longer want to do their work only in the office, that their work will be done in a hybrid way = office + telework + home/remote.

The employee's obligation to work while being present in the company will decrease alternating with working at home, depending strongly on the factors necessary to perform the work tasks. Thus, while taking advantage of the benefits of weekly meetings at work, employees will also take advantage of digital technologies such as online meetings, trying to create a balance between work at the company and remote work so that social life does not suffer.

Post-Corona, a large proportion of companies did not support the idea, or the will of employees to work 'remotely', at home, wanting employees to work entirely at work due to the bureaucratic tradition of strict hierarchical management styles.

An important role is played by the strict separation of work and leisure time, a contrast which in Germany has started to diminish rapidly over the last three years. In countries such as the Netherlands and Finland, 14% of employees usually worked at home, while in Germany only 5% do.

In 2021, in one of the studies carried out by the Hans Böckler Stiftung, in which 6200 employees were regularly questioned, it emerged that many employees with jobs suitable for remote working are required to work at the company's premises. Thus, the percentage of employees who stated "I work exclusively/mainly from home" during the corona pandemic stood at 24% in January 2021. Compared to

the period before the Corona crisis, the proportion of German employees working from home has risen sharply: according to the survey. In the same survey, 71% of those surveyed expect that remote working will continue to be more widespread in the future. Lately a number of companies have introduced in their job descriptions the possibility for employees to work at home at least two days a week.

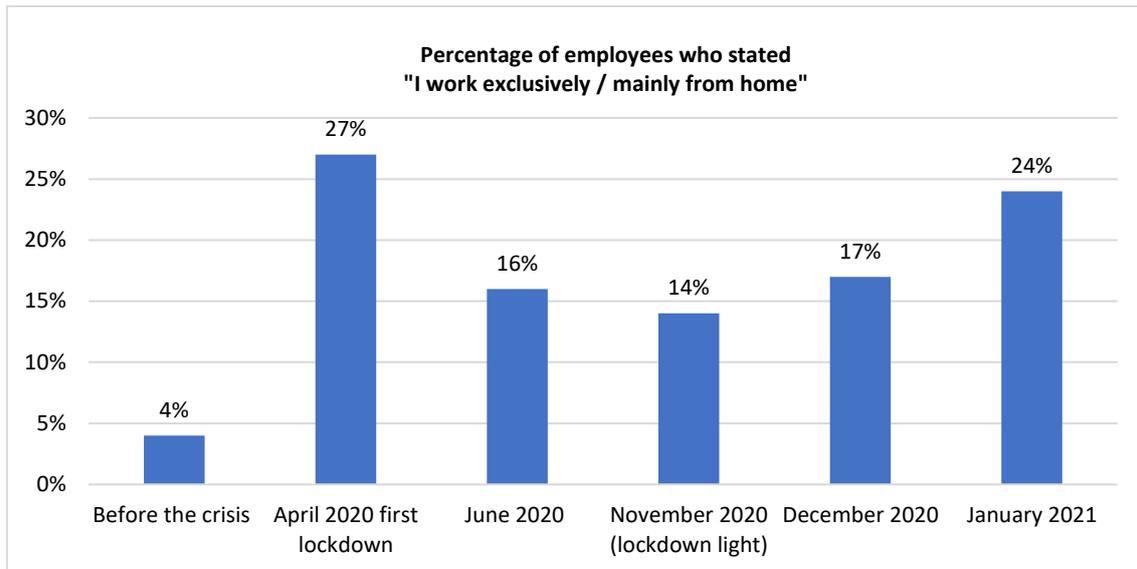


Figure no. 1. Percentage of employees who stated "I work exclusively / mainly from home" during the corona pandemic

Source: Suhr, 2021

1. Avoiding the risk of declining employee productivity

Fear of infection, economic pressure, working from home are a feature of the last two years of the pandemic: companies around the world fear a massive drop in employee productivity, based on the resulting risks to employees' mental and physical health.

Companies can no longer ignore the burden on the psyche to which employees are exposed, an influence that will definitely lead to a drastic reduction in their productivity, a statement supported by the study carried out and published on 30.12.2021 "Risk Outlook 2022" by the International SOS association (study carried out annually). The study surveyed around 1,000 professionals in 75 countries, with the main focus of the questionnaire being employee health (International SOS GmbH, 2022).

2. Changing the work process to ensure the physical and mental health of employees.

Indeed, working at home hides a number of dangers, such as mental overload, loneliness, reduced social interaction, career disadvantages, etc. However, these risks can be avoided by creating clear, transparent work rules that comply with the framework conditions necessary to carry out the work, which is the result of a study in April 2021 carried out by researchers from the Institute for Economic and Social Sciences (WSI) and the Hans-Böckler Foundation's Institute for Codetermination and Corporate Management (I.M.U.). In companies where employees can choose between working at home and at the company's premises, they report positive experiences on working at home. In companies where trade unions have a high degree of decision-making power, on average 77 percent of employees choose home working. Almost half of those surveyed who work from home would like to continue working from home in the future. According to the researchers, this indicates a "high level of satisfaction and openness to working from home, making it a very effective employee motivation tool.

In this context it is found that mothers who work at home invest more time per week in childcare than mothers who cannot work from home. The situation is different for fathers: they work more overtime at home but do not devote more time to childcare (Samtleben, Müller and Lott, 2020).

For companies, health management has gained increasing attention during the pandemic. The study shows that companies need to protect their employees by taking measures that can prevent illness, while also taking into account the psychological stress that employees may be under. More than a third of respondents,

more precisely 36% of those surveyed, expect mental health problems to lead significantly to lower employee performance in 2022 (Abendroth, et al., 2022).

In order to strengthen/enhance "physical and mental health as a result of working at home", Miriam Landes and her colleagues recommend paying particular attention to salutogenic factors: comprehensibility, feasibility and meaningfulness. The sociologist Aaron Antonovsky calls this phenomenon of salutogenesis, which is based on the question "What keeps people healthy?" Antonovsky describes the three factors as follows (Landes, et al., 2021):

- "Comprehensibility: the need for job tasks and goals to be clearly defined and unambiguous;
- Feasibility: tasks are managed according to the respective skills, abilities and resources held;
- Meaningfulness: The job tasks experienced as having a significant role in the overall short, medium and long term context."

The authors of "Working successfully and healthily in the home office. Impulses for employees and teams for successful cooperation" (Landes, et al., 2021) argue that both employees and their managers need to maintain social contact, **teamwork**. In 2005, Google had already defined, as a result of the results of an internal study, the factors that characterise successful teams, which are partly similar to the salutogenic factors for maintaining health. The characteristic factors of successful teams are:

- Psychological safety,
- Reliability,
- Structure and clarity,
- The significance of the work,
- Effectiveness/impact.

Returning to the question of defining the factors influencing employee productivity, Marc-André Weber names the qualitative criteria underlying these factors (Weber, 2021):

Quantitative Input	Qualitative Input
<p>personnel related</p> <ul style="list-style-type: none"> • Labor costs (incl. costs for leaving and replacing employees) • number of workers • labor recruitment costs • Number of job rotations • Number of job descriptions • overtime • work error <p>Equipment related</p> <ul style="list-style-type: none"> • Invested chapter (fixed assets) • IT infrastructure used • IT errors / breakdowns 	<p>Immaterial</p> <ul style="list-style-type: none"> • skills and abilities of employees • employee motivation • employee stress levels • employee satisfaction • qualification offers • recruiting measures • organization structure • workplace design • division of labour • corporate culture <p>Material</p> <ul style="list-style-type: none"> • number of branches

Figure no. 2. Employee productivity has many influencing factors

Source: Weber, 2021, p. 18

3. Implementation of the hybrid work system on a large scale

Companies can no longer afford to impose a culture of doing the job only at the company premises. Restoring the old "status quo" system would not be plausible and is no longer feasible. "The New Work" must

be adapted to the new demands, situations, opportunities occurred during the Covid 19 pandemic. Employees are no longer willing to commute daily from home to the company's premises, with both lost personal time and transport costs being two factors that cannot be ignored. The will to have more free time, to save on transport costs, to have some flexibility in terms of time-sharing for job tasks is already playing an important role.

Companies can no longer impose a 'face-to-face' culture, rigid working methods without losing their attractiveness. The lack of skilled workers, the demographic changes, etc. are forcing employers to offer hybrid, i.e. flexible working models such as home working. It is precisely in the case of these models that employers in Germany fear losing control over their employees. This fear must be countered, precisely because it is unfounded, because if an employee fails to perform the duties of his/her job regardless of where he/she works, the results can in any case be evaluated. However, managers who have previously assumed that whoever is in the office is working and whoever is not there is not working, have probably paid little attention to the actual productivity of employees before.

The term "REMOTE" comes from English and could translate to "remotely". Therefore, the term "remote" in this context means remote working. Companies that are fully geared towards remote working often do not have a central office. Work is therefore decentralised and does not necessarily take place in the home office, but also, for example, in other places, in the park or elsewhere.

But what are the requirements for an effective remote working? Among the most important requirements are the following:

- A connection to the World Wide Web (internet) is essential,
- The working environment (location) must fully meet the job requirements,
- The tasks must be able to be performed entirely online,
- Internal communication within the company must be well-defined, precise and effective, etc.

But what are the advantages and disadvantages of remote working?

Following the compilation and evaluation of several studies from Germany, Norway and the USA, PhD Beatrix Behrens and Prof. Lutz Bellmann were able to draw conclusions for the benefit of modern HR work by defining the advantages and disadvantages of remote working.

In many countries, the proportion of employees working from home increased during the first Covid-19 pandemic wave. While 12% of employees in Germany worked from home before the pandemic, this proportion had increased to 35% during April 2020 (Steffgen, 2021).

Remote working is arguably one of the most coveted employee benefits of this time, and those who offer this work model collect plus points in terms of company branding.

Some of the biggest **advantages** of telework include:

- Global talent pool - Opportunities are no longer tied to a specific location, which means the employee can be working from any corner of the world, being able to join and integrate into the team without the stress of relocation and complex onboarding programmes.
- Less stress, higher productivity - the commute to work costs many employees several hours a day and also leads to stress and reduced productivity. With remote workplaces, the commute to work is usually eliminated completely and allows for a much more relaxed approach to completing tasks, the employer is more relaxed, leading to significantly improved productivity,
- A better work-life balance for employees,
- Resource savings - everyone who does not have to maintain an office space, saves a lot on rent, electricity, heating and maintenance costs, and can invest in other essential areas of the company - such as employee health and ergonomic equipment in their remote workplaces,
- Beneficial for the planet's environment - remote working completely eliminates increased CO2 emissions in many ways - whether through high electricity consumption, waste or commuting between home and office, making it one of the greenest working patterns during the day,
- Employee risk of exposure to infection - by avoiding contact with the team, the employee can no longer infect themselves, or others at work.

Among the biggest **disadvantages** of remote working are:

- Not suitable for every job
- Difficult onboarding
- Complicated team building
- Complicated communication between employees,
- Feelings of isolation among employees,
- Distraction by external influences (e.g. separation of work and free time becomes much more difficult and can decrease concentration and work productivity quite a lot when employees have children, or do not have a room exclusively used for work, etc.).

4. Important trends in human resources and their application in the labor process

In 2022, HRM needs to provide answers on how trust, cohesion, motivation and the will to perform can be created and maintained within teams, even when working from home, or applying hybrid forms of work (McKinsey, 2020).

Hybride work

Hybrid work gains 'ground' - In a hybrid work environment, mobile and office work are combined.

Is hybrid work ideal? It also has advantages and disadvantages:

advantages	disadvantages
<ul style="list-style-type: none"> • High flexibility and self-determination (eg division of working time without being dependent on the manager), • Higher labor productivity, • Lower office costs, • Onboarding possible at the office, • Lower risk of infection, • Reduced travel costs for employees. 	<ul style="list-style-type: none"> • Risk of exhaustion (example: non-compliance with breaks) • Increased dependence on technology, high requirements, costs for software and hardware, data security is difficult) • Costs caused by redesigning the look of the office to meet the needs of employees • Some tasks cannot be performed at home • Teamwork can be difficult • Separation from work is no longer strict

Figure no. 3: Hybrid Work, advantages and disadvantages

Source: author, own depiction

Employee experience

Redefined with COVID-19, the concept of employee experience has moved towards life experiences that are not tied to an office or the physical presence of a team in the company premises. A recent McKinsey report states that in 2021 companies will focus on building leadership and trust among employees (McKinsey, 2020).

Upgrading/improving employee skills (Upskilling)

This method has been the focus of HR for some time. A survey conducted by Udemy (UDEMY, 2020) notes an increase in the need for upskilling from 14% in 2019 to 38% in 2020.

Employee upskilling/upgrading has developed into one of the most important trends in HR, helping HR managers reduce fluctuation, retain employees, boost morale and reduce the costs invested in recruiting and onboarding.

The past year has brought challenges such as mass layoffs, an increased number in sick leaves and the widespread practice of remote working. To remain agile and adapt to market challenges, many companies have taken major steps to improve the skills of their employees and keep them competitive in the labour market. One example of the importance of employee upskilling is the consulting firm PricewaterhouseCoopers (PwC), which has spent \$3 billion on training its employees.

Digital analysis of HR databases

The presence of recruitment automation tools, AI-based technologies, screening tools make the company more attractive

Diversity, equity and inclusion (DEI)

The diversity of the workforce has become very high. Organisations recognise the impact of diverse teams (e.g. diversity given by teams with employees coming from different corners of the world) on business innovation, profitability and team morale. In fact, companies with a highly diverse workforce report up to 19% higher sales than companies with less diversity.

5. The current crisis caused by COVID-19 may be an opportunity to create more humane workplaces

The answer is clear: Yes, it can be an opportunity for a more humane workplace. We have become more sensitive, more concerned about the health of those affected or at risk, the continuing spread of the virus, the economic impact and the effects of social isolation. However, at the same time, the experience of working remotely, the much greater use of digital communication tools are bringing about positive changes in the way we socialise, interact as a team, etc. By working from home, taking part in meetings using digital software (Teams, Zoom, Skype, etc.) we unconsciously allow our work colleagues to take part in our private lives. This openness makes us more understanding and empathetic towards each other. People we used to communicate with only on the phone, we now see during online meetings. We try to emphasise trust rather than control, thus becoming more independent in performing the job tasks.

Conclusions

Employee development in today's working world does not stop at HR departments with cost-saving self-service for administrative processes, followed by outsourcing or offshoring. The HR department as an archivist and source of information has had its day. Tasks such as succession and career planning, personnel development or talent management: the tasks are becoming a very important part of the direct relationship between managers and employees that can no longer be ignored.

The existence of companies will largely depend on their policy, their openness to adapt to the requirements of the current situation in the field of work, the ability to maintain and promote managers who will not return to old habits, managers able to apply certain practices used in a state of emergency, methods proven to have positive influences on the effectiveness of employees' work.

Managers will need to maintain these changes behaviourally and mentally, being forced to master the “Alpha Intelligence” skills set, defined by Institut für Führungskultur im digitalen Zeitalter (IFIDZ), Frankfurt, together with Frankfurter Allgemeine Zeitung Institute (F.A.Z. Institut), namely the three competency domains (Institut für Führungskultur im digitalen Zeitalter, 2015):

- personality intelligence,
- relational intelligence,
- digital intelligence.

References

- Abendroth, A., Lott, Y., Hipp, L., Müller, D., Sauer mann, A. and Carstensen, T., 2022. Has the COVID-19 pandemic changed gender- and parental-status-specific differences in working from home? Panel evidence from Germany. *Gender, Work & Organization*, [online] p.gwao.12836. <https://doi.org/10.1111/gwao.12836>.
- Wirtschafts- und Sozialwissenschaftlichen Instituts (WSI) und des Instituts für Mitbestimmung und Unternehmensführung (I.M.U.) der Hans-Böckler-Stiftung, 2021. *Studien zu Homeoffice und mobiler Arbeit*. Available at: <https://www.boeckler.de/de/auf-einen-blick-17945-Auf-einen-Blick-Studien-zu>
-

- Homeoffice-und-mobiler-Arbeit-28040.htm> [Accessed 6 March 2022].
- Institut für Führungskultur im digitalen Zeitalter (IFIDZ), 2015, Im digitalen Zeitalter muss eine Führungskraft emphatischer Netzwerker sein, um die Aufgaben zu meistern. [pdf] Available at: <<https://ifidz.de/wp-content/uploads/201503-ifidz-leadership-fuehrungskultur-studie.pdf>> [Accessed 6 March 2022].
- International SOS GmbH, 2022. Risikoausblick 2022: Investitionen in die Mitarbeitergesundheit werden steigen, um Risiken zu bewältigen“, [online] Available at: <<https://www.organisator.ch/de/human-resources/hrm/2021-12-06/risikoausblick-2022-investitionen-in-mitarbeitergesundheit-werden-steigen/>> [Accessed 6 March 2022].
- Landes, M., Steiner, E., Utz, T. and Wittmann, R., 2021. Erfolgreich und gesund im Homeoffice arbeiten: Impulse für Mitarbeitende und Teams für eine gelungene Zusammenarbeit. essentials. Wiesbaden [Heidelberg]: Springer Gabler.
- McKinsey, 2020. COVID-19 and the employee experience: How leaders can seize the moment COVID-19 and the employee experience, [online] Available at: <<https://www.mckinsey.com/business-functions/people-and-organizational-performance/our-insights/covid-19-and-the-employee-experience-how-leaders-can-seize-the-moment>> [Accessed 12 March 2022].
- Samtleben, C., Müller, K.U. and Lott, Y., 2020. Auswirkungen der Ort-Zeit-Flexibilisierung von Erwerbsarbeit auf informelle Sorgearbeit im Zuge der Digitalisierung“, [online] Available at: <<https://www.dritter-gleichstellungsbericht.de/de/article/204.auswirkungen-der-ort-zeit-flexibilisierung-von-erwerbsarbeit-auf-informelle-sorgearbeit-im-zuge-der-digitalisierung.html>> [Accessed 2 March 2022].
- Steffgen, N., 2021. Interview mit Guido Zander „Warum es das eine Arbeitszeitmodell für Unternehmen nicht mehr gibt!“, [online] Factorialhr.de. Available at: <<https://factorialhr.de/blog/interview-neue-arbeitszeitmodelle/>> [Accessed 12 March 2022].
- Suhr, F., 2021. Ein Viertel der Beschäftigten arbeitet im Homeoffice, [online] Available at: <<https://de.statista.com/infografik/24200/ein-viertel-der-beschaefigten-arbeitet-im-homeoffice/>> [Accessed 12 March 2022].
- UDEMY, 2020. Skills Gap Report 2019/2020. [pdf] Available at: <https://research.udemy.com/wp-content/uploads/2020/09/2019_2020-Skills-Gap-Report-FINAL.pdf> [Accessed 12 March 2022].
- Weber, M.-A., 2021. Produktivität, Produktivitätsmanagement und Produktivitätsstrategien. In: Nutzung der Digitalisierung zur Produktivitätsverbesserung in industriellen Prozessen unter Berücksichtigung arbeitswissenschaftlicher Anforderungen. [online] Berlin, Heidelberg: Springer Berlin Heidelberg, pp.11–29. https://doi.org/10.1007/978-3-662-63131-7_2.