

The Impact of the COVID-19 Crisis on the Future of Human Resource Management

Anthony Michael Bennett

Associate Faculty, University of Phoenix, Phoenix, Arizona, United States

Email address:

drtonybennett@yahoo.com

To cite this article:

Anthony Michael Bennett. The Impact of the COVID-19 Crisis on the Future of Human Resource Management. *Journal of Human Resource Management*. Vol. 9, No. 3, 2021, pp. 58-63. doi: 10.11648/j.jhrm.20210903.11

Received: May 26, 2021; **Accepted:** June 4, 2021; **Published:** July 13, 2021

Abstract: The COVID-19 pandemic presented huge challenges to all aspects of life including social, economic, public health, governmental and business activities. Following a year of mandatory closures and quarantine, there is new hope in the fight against the virus as vaccines and new safety precautions have been implemented globally, but the crisis is not over. Many lessons are still being learned about the crisis which points to a need for human resource managers to revisit lessons learned from past emergencies and disasters in addition to organizational responses to the COVID-19 pandemic. In addition, existing human resource management plans and policies, occupational safety and health procedures; and continuity plans will need to be revisited to ensure continuity from operations in future emergency events. This article discusses the business impacts of COVID-19 from a practitioner point of view. The author examines the impacts of the COVID-19 pandemic on organizations from a multidisciplinary approach that considers the physical workplace, telecommuting and hybrid business options. This article opens with a discussion on the history of Human Resource Management and continues with a discussion on how enabling technologies, continuity programs and employee health/safety and wellness have shaped human resource management practices. The article concludes with practitioner recommendations for minimizing disruption to the organization's essential functions by unlinking the organization's dependence on physical structures, as appropriate. The author challenges human resource managers to challenge current assumptions on how work is to be performed and move toward a model of great flexibility in where and how work should be performed.

Keywords: COVID-19 Pandemic, Human Resource Management, Emergency Management, Telecommuting

1. Introduction

The COVID-19 Pandemic and subsequent extended period of mandatory quarantine led to an unprecedented global emergency. Unlike crises in recent decades, the COVID-19 Pandemic brought about sudden stress on all sectors of the global economy, as well as impacted all areas of human life.

The COVID-19 crisis was unexpected and exposed both strengths and weaknesses in organizational management. The crisis did not only challenge existing systems and processes, but also challenged all the assumptions that led to the development of existing management systems and processes.

What led us to the present? Where do we go from here? This article attempts to answer the question by examining the history of the HR movement along with several external factors that have shaped current models of human resource management. These external factors include, but are not limited to,

technological developments, trends in mass communications, globalization of the economy, research, cultural influences, the internet and social media, and emergency management.

This article opens with a discussion on the history of Human Resource Management. The history also includes discussion on enabling technologies and discussion on emergency management and safety practices that were implemented in response to workplace disasters. The article concludes with practitioner recommendations for minimizing disruption to the organization's essential functions by unlinking the organization's dependence on physical structures, as appropriate.

2. History of Human Resource Management

Human resource management has its origins in the late

1800's, and has been shaped by academic, societal, political and technological paradigm shifts over the past century. Throughout the history of human resource management there has been a consistent discussion on management and employee relations. Through the decades there has been bilateral attempts to balance management's productivity goals with the needs and working conditions of the employees.

2.1. Notable Figures in Human Resource Management

There were notable figures whose work contributed to what is now part of modern human resource management principles and approaches. Frederick W. Taylor is best known for his scientific studies in manufacturing. He believed it was possible to maximize efficiency for each job function through scientific study and analysis. In 1911, Frederick W. Taylor introduced scientific principles that would not only influence manufacturing, but also influence job classification and compensation models.

Taylor's principles included the development of a true science for each element of a job, scientific recruitment and training of the worker, collaboration with the worker to ensure that the job is being done in accordance with principles of scientific education; and the development of a division of work and responsibility between management and workers [1, 2].

Taylor's research continues to influence modern performance management approaches as both focus on outcomes, the systems view, adding value, and the assessment and analysis of factors that limit performance [3].

While Taylor is best known for the scientific and technical aspects of labor, Elton Mayo would become a pioneer in the human relations movement which introduced the social and psychological factors of the workplace. In 1924, Elton Mayo conducted several experiments at the Hawthorne plant of the Western Electric Company. Mayo's studies evaluated the effects of working conditions on productivity. One aspect of the study examined the lighting levels in the workplace. He observed that worker productivity increased as lighting increased in certain areas of the plant. [4].

Mayo [5] conducted other studies that examined productivity based on altering work times, break times and offering food during breaks. Improvements in productivity were also noted during the experiment. Other phenomena observed during the studies are sometimes referred to as the "Hawthorne Effect". Some scholars attribute performance improvement as people behaving differently because they are being watched. There are scholars who believe the Hawthorne Effect is improved productivity and morale were due to employees feeling that they were being heard and valued. According to Zalenik [6] "From the leadership point of view today, organizations that do not pay sufficient attention to people and the deep sentiments and relationships connecting them are consistently less successful than those that do."

In 1954 Peter F. Drucker [7] coined the phrase "Human resource" in his seminal work "The Practice of Management". Drucker introduced three broad managerial functions that included managing the business, managing the other managers, and managing the manager and the work. The field of human

resource management continued to develop over the next few decades.

2.2. Occupational Safety and Health Movement

Occupational Safety and Health is another field of study that has shaped human resource management practices. [8]. The history of the occupational safety and health movement can be traced back to the industrial revolution and the beginning of machinery use in mass production of products and commodities that were previously made by hand. Machinery also replaced workers in agricultural settings. The combination of long hours, hazardous workplace conditions, low wages and the use of child labor led to a trend of workplace injuries and death. The use of hazardous chemicals and poor ventilation in the workplace lead to occupational diseases such as lung cancer.

Decades of workplace injuries led to incremental improvements in working conditions to include regular cleaning, improved ventilation, better working hours, workplace inspections and introduced employer liabilities to ensure safer working conditions. In the early 1970s, the United States and United Kingdom passed occupational safety and health legislation and established national occupational and health authorities. Occupational Safety and Health programs have evolved in the past 50 years and have included training requirements, mandatory inspections and reporting, whistleblower protections and workplace violence protections [9].

Taylor's work in technical performance management, Mayo's work in the human relations movement, and the growth of occupational safety and health practices helped inform and shape modern human resource management approaches. Human Resource Management has evolved into a worldwide industry with academic degrees and certifications. Human Resource Management has evolved to include the following seven functions:

1. Recruitment and selection
2. Performance management
3. Learning and development
4. Succession planning
5. Compensation and benefits
6. Human Resources Information Systems
7. Data and analytics [10]

2.3. Development of a Telework Framework

The traditional workplace management [11] practices have focused on the physical presence of employees and management in buildings, or what some people refer to as "brick and mortar" structures. The traditional workplace has transitioned from solely in-person organizations to hybrid organizations where some job functions are performed remotely, and the remaining employees work onsite. Some organizations have transitioned to completely virtual or remote workplaces as the supporting technology and management structure precludes a need for a physical location.

In recent decades, many global societies have transformed from economies based on industrial or agricultural outputs to economies that depend on processing and control of information, technology and provision of services. This shift meant it was no longer necessary for employees to be physically present in the workplace to perform job functions. Telework was enabled by an increasingly global economy and the development of mobile technology, internet connectivity, cloud computing, electronic recordkeeping and IT software applications.

Telecommuting or working from home has increased greatly in the past decade. This option has been effective in increasing work/life balance and in many cases incentivized the workforce to maintain productivity goals in exchange for shorter commute times and the flexibility to handle personal matters during the business day.

For some organizations telecommuting was used as a management tool to incentivize employees by recognizing their abilities to perform their jobs with a greater level of autonomy. Employees who could telecommute were generally employees who did not have performance or conduct issues while working on site.

Rapidly improving technologies have also contributed to the popularity of telecommuting. For example, knowledge management systems provided organizations the capability to create, capture and share vital information needed to achieve organizational goals and help ensure continuous operability of the organization. This technology frees organizations from the need to maintain physical structures for file rooms and storage of paper documents.

There are other benefits of telecommuting technologies that include risk management strategies such as maintaining continuity of operations. This capability allows employees to work remotely in situations where weather conditions would not allow safe commuting to the workplace. Short term telecommuting would also be used as needed based on terrorist threat, military operations, or time of social or political unrest.

There are many benefits to telecommuting, but there are some downsides as well. For example, managers and employees have the challenge of developing new approaches to ensure the work is progressing as it would in the physical workplace. Despite popularity of telecommuting, some employees experience isolation, feelings of less importance and other psychological challenges associated with remote work. Some managers report feeling a loss of oversight of employee activities or loss of control related to guiding teams toward achieving organizational goals. Technology enables many aspects of telework but may not fully replicate the physical workplace as some forms of in-person collaboration might be required to meet organizational goals.

2.4. Development of an Emergency Management Framework

Emergency Management (Emergency Preparedness, Business Continuity Management or Continuity of Operations) [12, 13] is another field of study and practice that continues to

shape human resource management practices. Due to many notable natural and manmade disasters organizations have designed programs and policies to ensure mission-essential organizational functions continue regardless of internal or external threats of disruption to operations. The causes of emergency situations can vary and can be as simple as a loss of building drinking water or power, or traffic congestion. The level of complexity and risk increases as weather events such as wind damage, flooding and earthquakes may have short term or lasting impacts on the organization. Other threats involve manmade sources such as chemical spills, cyberattacks, terrorist activity or social, political or military unrest. Since 2020 most organizations have developed and enacted emergency responses to the COVID-19 Pandemic. The goal in each situation is to ensure the safety of personnel and maintain essential organizational functions during an emergency.

Emergency planning approaches vary globally, but most have the following five elements [14]: Preventative measures, mitigation strategies, preparedness, response and recovery. Preventative measures include all organizational planned actions to be used avoid an incident or emergency event. Mitigation strategies are the measures put into place to avoid the likelihood of an emergency or unwanted outcome. Preparedness increases the organization's ability to respond to an emergency. This often involves personnel training and testing of systems. This could also involve agreements between organizations to provide mutual support during an emergency or disaster. Response activities which may include actions carried out just before, immediately after, or during the emergency or disaster. The goal of response activities is to save lives, reduce economic loss and alleviate human suffering where possible. Recovery involves all the plans, policies, personnel and resources needed to return the organization's operations to normal or a new steady state of operations.

Emergency planning is a continuous process that needs to be improved after each incident as well as new emergency management technology or information becomes available. There are other important aspects of emergency planning such as communication plans, safety and security, succession planning, knowledge management and protections of the organization's intellectual properties.

3. Present Effects of the COVID-19 Pandemic

The COVID-19 crisis is one of the most unique challenges in human history as it has impacted all people in all aspects of life globally. The current crisis presents challenges to employees' workplaces as it also impacts their homes. This crisis is not only a challenge for human resource management practices, but the threat of COVID-19 infection presents both a workplace hazard and an emergency management event.

The COVID-19 pandemic has challenged many assumptions about life and exposed many areas in which the

world was not prepared to handle. What has the past 16 months of the COVID-19 pandemic presented us? Human resource managers were forced to quickly evacuate the physical workplaces and limit onsite presence of employees with bona fide needs to be onsite. We also saw rapid changes to traditional forms of education as more institutions were forced to move to online platforms of close temporarily.

The world also witnessed disruption of major supply chains and suspension of public gatherings to include sporting, entertainment, and family recreational activities. Many organizations faced an emergency need to procure and boost IT capabilities to support employees who previously did not work remotely.

Organizations were also faced with new risk management [15] challenges that include mitigating risks, employer liabilities and worker compensation claims. Organizational managers also had to conduct contact tracing and notification of employees who were potentially exposed to COVID-19 while in the workplace.

There is a sense of optimism in overcoming the devastating effects of COVID-19 on human health, the global economy and all other aspects of human life. The crisis has led to a higher level of global cooperation and private/public partnerships as it relates to medical breakthroughs in the treatment of sickness and hospitalizations resulting from COVID-19 infections.

The current crisis also led to improvements in supply chain [16] management and other innovative approaches to ensure viable COVID-19 vaccinations were available globally. The crisis has also led to renewed interest in hygienically clean homes, businesses, public gathering areas and public transportation systems. As a result, workplace safety is again at the forefront of management planning as greater availability and acceptability of personal protective equipment (PPE) like face coverings, hand sanitizers and contactless business transactions. Global societies are also renewing interest in preventing communicable diseases other than COVID-19.

Even still, the future has some level of uncertainty and risk as future biological or manmade risks and threats remain. These risks can be compounded if multiple events occur simultaneously.

4. Post-COVID-19 Implications for Human Resource (Human Capital) Management

The advent of COVID-19 had negative impacts on all aspects of global societies. International cooperation of all business sectors has helped limit some of the potential impact of COVID-19 through the development of vaccines and occupational health and safety measures. Although the current COVID-19 crisis is not over, the human resource management practices, telecommunication technologies, emergency management practices, and supply chain innovations that were in place prior to COVID-19 greatly improved the world's chances of surviving the global pandemic.

As organizations recover from the pandemic, focus will need to shift from the present state to the sustainable future of the workplace. As the pandemic restrictions subside managers will have to consider the likelihood that workplaces will not return to the 100% levels of onsite employees prior to COVID-19. There are many reasons for this depending on the point of view.

In the case of management, some organizations have seen increases in employee productivity and accountability. Organizations are also discovering how to reduce overhead expenses by reducing physical workspaces and in turn saving millions in annual operating and maintenance of buildings and building services. While it is likely that some organizations may adopt of hybrid approach each organization will have to determine what works best. The decision to return to the physical workplace may happen incrementally or in phases.

Employees may have both positive and negative views on returning to the physical workplace. Some may look forward to returning to the office as it is their belief that they are more productive in the physical workplace, while others may have anxiety and concerns about having to return to the workplace.

Human resource managers and organizational leaders will have opportunities to improve working conditions and prepare for future disruptive events.

The COVID-19 pandemic presented a once in a century crisis and points to a need for larger systemic changes. The changes should not only focus on responding to the next epidemic or workplace disruptor, but also preparing for a combination of potentially disrupting events. The focus should be on the continuity of the organization's essential functions regardless of the source of the threat.

4.1. Consider Wraparound Services

Some organizations will realize substantial long-term savings by divesting of real property. There are potentially millions of dollars of savings as building maintenance, utilities, and interior outfitting costs of furniture, fixtures and equipment will be significantly reduced. For example, if the average cost to provide a physical workstation one employee is \$3,000 to \$6,000, there is the possibility that the potential savings could result in a similar investment in another part of the organization.

Organizations should consider investing in some wraparound services that target employee productivity and morale. The possibilities are exhaustive, but investments in telemedicine/telehealth services, employee assistance programs and wellness/fitness programs can help boost productivity.

The savings from divesting in physical workplaces would provide more resources for job and skills training, or to retrain employees to fit the future workforce. Reinvestment of savings could also go toward other occupational and safety and health investments such as providing ergonomic furniture, equipment and IT, thereby potentially improving productivity and reducing workplace hazards in the employees telecommuting location.

4.2. Improve Recruiting and Retention Strategies

Prior to COVID-19, there was much discussion on recruiting and retaining “millennial” generation employees. Improvements in this area should continue, but consideration should be given to potential employees from all generations in the workforce. The possibility of telecommuting can attract seasoned, experienced professionals whose availability can range from part-time to full-time.

The telecommuting environment could potentially eliminate geographical boundaries related to recruitment and result in significant savings in employer-sponsored relocation costs. Hiring managers can then focus on recruiting talent that might not be easily available in the local area. Telecommunication could likely improve retention as some might delay retirement or commit to longer periods of employment with the organization.

4.3. Increase Virtual Travel

Organizations could eliminate some expenses by sending employees to virtual training and conferences. This could result in transportation and lodging expense savings, but also reduce lost work time due to travel. This approach could potentially broaden participation and allow more employees to take advantage of these opportunities where in the past employees had to compete for limited training and conference opportunities.

4.4. Improve Work/Life Balance

Telecommuting presents opportunities for employees to improve work/life balance by eliminating commute times and providing more time for family or personal needs. Managers should also consider expanding the core hours of the workday to allow staggering of start/stop times to give employees more opportunities to improve work/life balance and to meet obligations of childcare or eldercare.

4.5. New Management Approaches

Each organization is different and has its own measures of effectiveness. As the organization plans several areas of consideration are recommended.

As it relates to performance management, managers should consider refining performance measures to include work objectives and milestones that can be effectively measured in the telecommuting environment. The approach should include regular intervals of performance feedback so that the employee has a clear understanding of what is needed to reach the target level of performance. Managers and employees may need to be more creative in simulating the in-person work environment as much as possible. For example, virtual office technology such as videoconference can be used to replicate face-to-face interactions. Compensation and personal time off policies may also need to be revisited to ensure the compensation and performance indicators are aligned.

4.6. Workplace Flexibilities

There are several areas where flexibilities in human resource management are needed. As we consider telecommuting there are some options to consider. While most telecommuting employees work from home, there are some who prefer to be in a professional setting so shared workspaces or office hubs might be a good solution if coming to an office environment is desired. There has been growing demand from employees to telecommute from locations other than their homes or officially sanctioned telework centers. After a prolonged pandemic, some employees have been experimenting with “workcations”—or telecommuting from different geographic regions, and in some cases from resorts and vacation properties. Managers will be faced with making policy decisions on where telecommuting to work can occur.

Managers should also consider other flexibilities such as job sharing and gradual (or phased) retirements. Job sharing is a situation where two people work and share the pay of a single job. Job sharing can increase continuity of operations and provide the organization of the benefit of having two people performing the problem-solving requirements of a single job. This arrangement can also benefit the employees who may not desire fulltime employment due to personal needs. This could potentially improve employee morale and reduce absenteeism.

Phased retirements can have benefits for both managers and employees. The organization has the benefit of retaining key workers and maintain continuity of essential business operations while preparing other employees to take over certain job functions. The employee has the benefit of not having to retire all at once but can experience work/life balance and plan for retirement while being able to adjust the desired date of full retirement.

5. Conclusion

The main objective of the article was to address the impacts of the COVID-19 Pandemic on human resource management. The article examined the history of the human resource management industry to show how organizations have improved and adapted over the past 100 years through major disasters including war, social and political unrest, epidemics, pandemics, terrorist threats and a variety of natural disasters. The history of human resource management demonstrates how organizations have adapted practices to address the internal and external factors that have shaped organizational management approaches.

There is much to be learned about the current crisis, but it is clear the organizations need to be prepared for any threats to continuity of business operation regardless of the source of threats. The COVID-19 Crisis is a call to organizations to challenge current assumptions about mission fulfillment. The crisis is also a signal to HR managers and practitioners that agile and adaptive approaches will be needed to prepare for future challenges as the need to balance human needs with employee productivity goals.

This article points out a continuing need for organizational multidisciplinary and collaborative approaches to ensure continuity of the organization's mission in the face future organizational disruption. The areas of improvements provided in this article comprise a list of items that will continue to evolve as the organization focuses increased collaboration, organizational learning, improvements in technology and innovative approaches to human resource management.

References

- [1] Taylor, F. W. (1911). *The principles of scientific management*. New York: Harper & Row. Retrieved September 21, 2009, from <http://maine.gov/dhhs/btc/articles/taylor-principles-scientificmanagement.pdf>.
- [2] Chung, S. Y. (2005). Human performance technology: From Taylor's scientific management to Gilbert's behavior engineering model. *Performance Improvement*, 44 (1), 23–28. DOI: 10.1002/pfi.4140440109.
- [3] Blake, A. M & Moseley, J. L. (2010, April). One Hundred Years After The Principles of Scientific Management: Frederick Taylor's Life and Impact on the Field of Human Performance Technology. *Performance Improvements*: 49 (5): 27-34.
- [4] Jung, C. & Lee, S. (2015, July) The Hawthorne Studies Revisited: Evidence From The US Federal Workforce. *Administration and Society*; 47 (5): 507-531.
- [5] Kennedy, C. (1998). Great minds think alike. *Director*, 51 (10), 52.
- [6] Zaleznik, A. (1984). The Hawthorne Effect: What Mayo Urged In Broad Outline Has Become Part of the Orthodoxy of Modern Management. Retrieved from <https://www.library.hbs.edu/hc/hawthorne/09.html>
- [7] Drucker, P. F. (1954). *The Practice of Management*. New York: Harper & Row. Print.
- [8] Safety and Health Personnel. Washington (DC): National Academies Press (US). (2000). *Significant Events in the History of Occupational Safety and Health*. Retrieved from <https://www.ncbi.nlm.nih.gov/books/NBK225533/>
- [9] OSHA (2021). General Facts. Retrieved from https://www.osha.gov/OshDoc/data_General_Facts/jobsafetyandhealth-factsheet.html#:~:text=The%20OSH%20Act%20covers%20all,their%20state's%20OSHA%2Dapproved%20plan
- [10] SHRM (2020). Society for Human Resource Management Retrieved from <https://www.shrm.org/pages/default.aspx>
- [11] Wineclaw, R, A. (2020) Telecommuting. *Research Staters: Sociology*. Retrieved from search.ebscohost.com/login.aspx?direct=true&AuthType=shib&db=ers&AN=89185784&site=eds-live&scope=site
- [12] Ranf D., Mănescu G., & Badea D. (2021). Specific Business Continuity Management Practices During the COVID-19 Pandemic Crisis. *Revista Academiei Forțelor Terestre*, 26 (1), 62–68. <https://doi.org/10.2478/raft-2021-0010>
- [13] Saravanan, K. P., Silambarasan, P., Manivannan, A., Sasikala, V. and Sivakumar, T. (2021). Constraints and Management Practices of Dairy Farming during COVID-19 Pandemic Situation. *Asian Journal of Dairy and Food Research*. 40 (1): 20-24. DOI: 10.18805/ajdf.R-1620.
- [14] FEMA (2021). "Preparedness Research. Retrieved from <https://www.ready.gov/preparedness-research>
- [15] Asfahani, A. (2021) The impact of COVID-19 on the decision making for the customer relation management in the middle east. *Journal of Management and Information Decision Sciences*. 24 (3) 1-11.
- [16] Anker, T. B. (2021). At the boundary: Post COVID business and management research in Europe and beyond. *European Management Journal* 39 (2) 171-178.