

COVID-19 and People Management

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COVID-19 has brought an unexpected need for change within organizations, particularly regarding human resource management. The nature of this global crisis has meant that these processes remain under-systematized. The aim of this study, which uses an exploratory design and mixed-methods analysis, is to contribute to describing the changes in human resource management practices and processes that resulted from this pandemic and to present the outlook of human resource managers for the future. One hundred and thirty-six Portuguese companies participated in the study, with the answers provided by their human resource managers. Results show that the main changes have occurred in the processes of work and safety, training, work organization, recruitment and selection, induction and onboarding, and communication. The profiles that emerged showed an association between the level of change and size of the organization. There was an increase in the use of teleworking and layoffs, and a positive assessment of the organizations' level of preparation and adaptation to this crisis. Human resource managers reported that the most evident changes in the future will be associated with the use of technology, teleworking, and work organization. These findings are of the upmost importance, as human resource managers are essential pillars in the adjustment of the organizations to this pandemic situation.

COVID-19

human resource management

organizations

challenges

changes

preparation

adaptation

teleworking

layoff

1. Introduction

The first report on the new coronavirus (SARS-CoV-2) by the World Health Organization (WHO) dates from 21 January 2020 and refers to information which came from the WHO office in China regarding cases of atypical pneumonia of unknown cause, detected in the city of Wuhan. In Portugal, the first cases of SARS-CoV-2 were officially declared by the Directorate-General of Health (Direção-Geral de Saúde—DGS) on 2 March 2020.

At the time, the deep lack of knowledge about this virus, combined with the lack of a vaccine or a cure for COVID-19 according to official information presented by the DGS, made strict containment measures necessary, these varying from country to country. In Portugal, this implied people quarantining themselves from others, applying measures of social distancing, hygiene, and respiratory etiquette, and adopting extreme political measures, such as the state of emergency decreed between 18 March and 2 May 2020. This forced schools, commerce, and non-essential businesses in public and private sectors to close. As this was, and to some extent still is, a new disease, albeit linked to existing viruses in circulation in the human environment, the virus's reach and rapid spread have made it an atypical phenomenon, shrouded in uncertainty, and social groups have had to find global means of

coping. The economic, social, and family situation of the Portuguese population has since undergone extensive changes, from limiting social interaction with other individuals to finding new forms of work (e.g., fortnightly regimes; teleworking, layoff, etc.).

The challenge presented to the workforce on a global level by COVID-19 has been unprecedented due to its impact on a key aspect of our existence—the survival of people and organizations. Human resource management (HRM) is recognized as having been assigned the role of implementing the plans defined by the political powers in order to maintain social distancing ([Koirala and Acharya 2020](#)), thus helping to reduce the spread of the virus. At the same time, the studies carried out in this area (e.g., [Elsafty and Ragheb 2020](#); [Koirala and Acharya 2020](#)) have drawn attention to the important role of these professionals in defining strategies that allow people to work from home. This is particularly the case in the use of information technologies, but also in the management of employees' emotional concerns, which are associated with the potential or real impact of the crisis on their work and family dynamics.

In previous years, human resource managers have dealt with different political, economic, and social crises, allowing them to compile a repository of important knowledge in order to better manage its impacts ([Psychogios et al. 2016](#); [Bailey and Breslin 2020](#)). During the 2008 financial crisis, for example, we observed very differing responses in Europe, including the introduction of greater flexibility, changes in the structure and design of jobs and, conversely, the option of downsizing. Common HRM practices designed to help companies adapt to crisis situations, such as the economic recession, include: adjustment of wages and workforce (e.g., severances, early retirement and recourse to part-time and temporary workers); reorganization of work schedules (e.g., reducing overtime and flexible working hours); stabilizing the workforce (e.g., encouraging sabbatical leave and taking recourse to layoffs); and at the level of involvement, making more intensive use of communications or altering collective labour agreements ([Roche et al. 2011](#)). Out of this wealth of knowledge, not only is the role of leaders also worthy of note in managing crisis situations, but in particular that of human resource managers, whose importance has been reinforced by the pandemic ([Caligiuri et al. 2020](#)). In this regard, see, for example, the systematic literature review by [Zhong et al. \(2021\)](#) in which several HRM practices were identified that can assist in the management of the crisis triggered by the current pandemic, or the reflection by [Butterick and Charlwood \(2021\)](#) on the role of HRM in managing the inequalities experienced by different groups of workers in such a situation.

In situations of health crisis, human resource managers play an essential role in responding to the needs of workers as regards to health and safety but also handling issues of anxiety and stress that are known to be exacerbated by the need for virtual work, long working hours, and the working conditions of the “virtual offices”, which are not always adequate ([Caligiuri et al. 2020](#); [Roche et al. 2011](#)). The study by [Nutsubidze and Schmidt \(2021\)](#), which explored the main challenges of the current pandemic from the perspective of HRM professionals, reinforced this importance, identifying areas such as “managing employee morale, motivation and engagement”, “ensuring employee mental health and well-being” or “establishing transparent communication”. Furthermore, much of the work is underpaid ([Wenham et al. 2020](#)). As such, the crisis which COVID-19 has generated constitutes an unparalleled challenge for the workforce on a global level. A better understanding of the impact of the pandemic at

work and on companies has thus become imperative in order to provide better guidance for individuals through this ever-changing situation.

Using an exploratory design with mixed-methods analysis, the goals of this study are to explore (1) changes in Portuguese organizations, considering HRM practices arising from the pandemic situation, as well in work organization processes and the level of preparation and adaptation of organizations; and (2) the expectations of human resource managers regarding the future.

2. Results

Below are the results on the changes identified in HRM practices and processes and their composition according to size of the companies, changes in work situations, and lastly, human resource managers' future outlooks.

2.1. Changes in Processes of People Management

Figure 1 details the changes in HRM practices and processes in percentages.

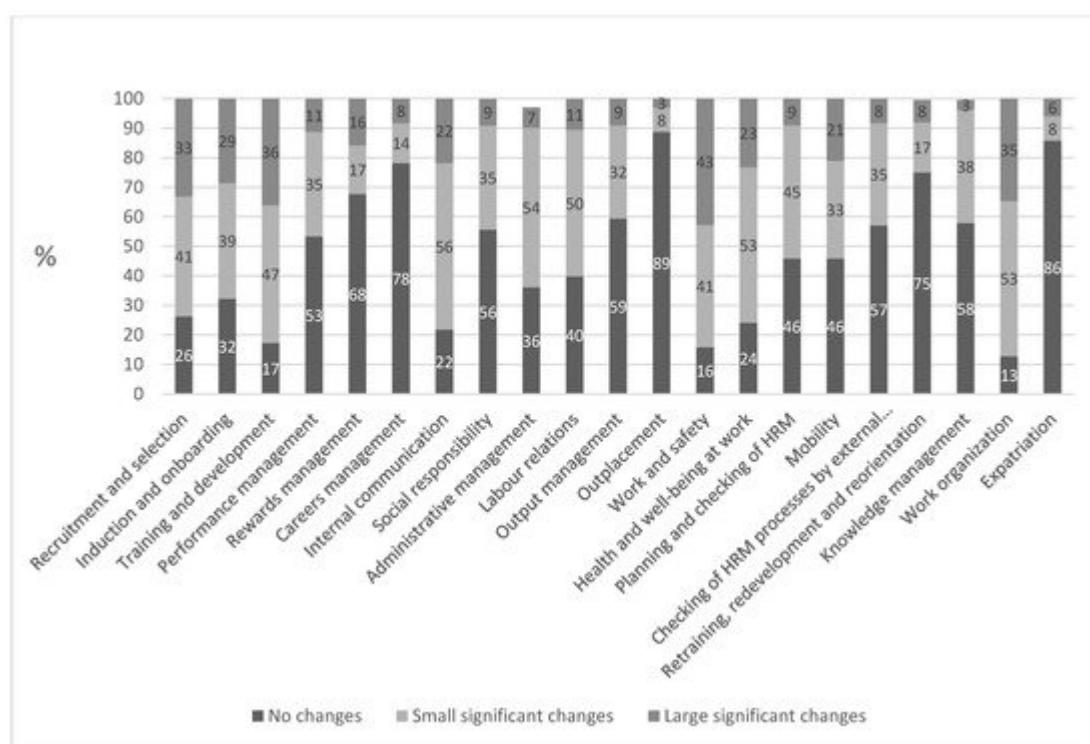


Figure 1. Changes in HRM practices and processes.

Most HRM processes appear not to have changed. Of these, the processes of outplacement ($n = 118$; 88.7%), expatriation ($n = 114$; 85.7%), and career management ($n = 104$; 78.2%) can be highlighted. Among the significant processes that have undergone minor adjustments are internal communications processes ($n = 75$; 56.4%). The process in which the most significant changes have occurred is that of work and safety ($n = 57$; 42.9%).

Respondents were also asked to specify the changes introduced for each process in an open-ended answer. The following changes were among the most frequent answers: (1) it was suspended; (2) it went online; and (3) it continues to be face-to-face, but with safety measures. It should also be noted that there has been an increase in processes for managing exits. Additionally, respondents highlighted that internal communications had intensified. There were also many complementary answers obtained for health and safety at work, with a focus on implementing contingency plans and measures to ensure workers' physical safety, increasing specific training for work and safety, and introducing measures to foster workers' health.

2.2. Composition of Changes in People Management Processes

A multiple correspondence analysis was carried out in order to map the changes in the processes of people management which have resulted from the pandemic, factoring in the size of the companies. Multiple correspondence analysis (MCA) is a data analysis technique that uses multiple categorical variables and seeks to identify associations between the levels of those variables (LeRoux and Rouanet 2010). This technique represents the data as points in a 2- or 3-dimensional space. In this study, results are presented in a 2-dimensional space based on the level of change and the size of the company. The results can be observed in **Figure 2**.

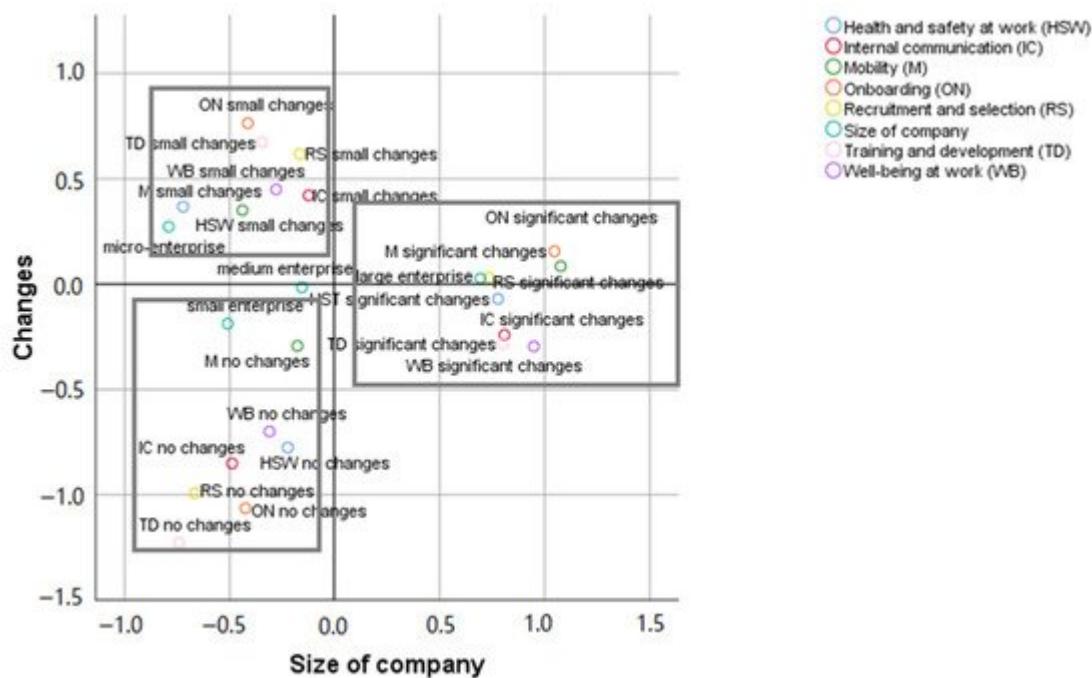


Figure 2. Changes in HRM practices and processes by company size.

The process indicators that revealed greater heterogeneity in terms of changes were included in the multiple correspondence analysis in order to obtain an interpretable solution in terms of the number of indicators. These were: (1) induction and onboarding; (2) well-being and health at work; (3) internal communications; (4) training and development; (5) mobility; (6) recruitment and selection; and (7) job security. The size of the organization was considered in terms of the number of workers.

The results show that the variables are structured on two axes, one related to changes in processes of people management and the other to the size of the organization, leading to the structure shown in **Figure 2**. The 2-dimensional space shows well defined compositions which reflect the existence of three groups of interdependence between the level of variables: (1) small companies in which the processes of HRM have not changed; (2) micro companies in which the processes have undergone minor adjustments; and (3) large companies in which the processes have undergone significant changes. Medium-sized companies did not fit into any of the emerging homogeneous groups, which may indicate greater diversity of levels of change.

2.3. Changes in Working Situations

In order to analyse working situations, human resources managers were asked to indicate the percentage of workers in their organization in each of the following situations, first on 31 January 2020 and then during the first decreed state of emergency (from March to May 2020): weekend work; rotating shift work; overtime; annual hours in the contract; part-time work; flexible schedules; temporary job; fixed-term contracts; working from home; and teleworking.

The work situations which were subject to more explicit changes for more than 50% of workers were teleworking and the emergence of layoffs (see **Table 1** for more details). For example, teleworking on 31 January 2020 was not widely used ($n = 90$; 66.2%) while during the state of emergency, more than 50% of the workers in the organizations under study were working in that situation ($n = 53$; 39.0%). All other situations were either not used or were residual in number and have not been listed for that reason.

Table 1. Work situations with the greatest changes—teleworking and layoffs.

	Teleworking		During the First State of Emergency (March to May 2020)		Layoffs		
	On 31 January 2020	Frequency	Percentage	Frequency	Percentage	Frequency	Percentage
Not used	90	66.2		18	13.2	78	57.4
1–5%	22	16.2		15	11.0	8	5.9
6–10%	9	6.6		19	14.0	8	5.9
11–20%	5	3.7		10	7.4	5	3.7
21–50%	4	2.9		21	15.4	5	3.7
More than 50%	5	3.7		53	39.0	31	22.7
Did not answer	1	0.7		0	0.0	1	0.7
Total	136	100.0		136	100.0	136	100.0

Data regarding the question of whether staff needed to be downsized in view of the pandemic revealed that most respondents reported no need to downsize ($n = 93$; 69.9%). In cases with affirmative answers, there was a question about the measures taken during downsizing, with the following being mentioned: non-renewal of contracts ($n = 34$; 25.6%) and severances ($n = 1$; 0.8%).

2.4. Preparation and Adaptation to COVID-19

For the question about the organizations' level of preparation in the face of a situation such as the COVID-19 pandemic, the most frequent answer was 4, on a scale of 1 (not prepared at all) to 7 (fully prepared). The most frequent score for the question about the level of adaptation of the organization to the situation was 6. Thus, the results suggest that human resource managers considered that the organizations they work for were somewhat prepared for the outbreak and were able to adapt very well, as shown in **Table 2**.

Table 2. Organizations' level of preparation and adaptation for dealing with the COVID-19 outbreak.

	Level of Preparation		Level of Adaptation	
	Frequency	Percentage	Frequency	Percentage
1 (Not at all prepared/adapted)	16	11.8	0	0
2	21	15.4	6	4.4
3	18	13.2	6	4.4
4	27	19.9	14	10.3
5	26	19.1	28	20.6
6	21	15.5	51	37.5
7 (Fully prepared/adapted)	7	5.1	31	22.8
Total	136	100.0	136	100.0

2.5. Outlook for the Future

The template analysis of the data collected with the open question "In your opinion, what is going to change in HRM because of the pandemic?" allowed an assessment of HR managers' expectations concerning the main changes in HRM in the post-pandemic future.

The nine main themes and related specialized subthemes that emerged from the analysis can be observed in **Table 3**, in the final template: HRM role and practices, organizational processes (such as leadership, communication, etc.), teleworking, technology, work organization, work-life balance, and workplace reorganization. Additionally, the respondents also anticipated important changes that are transversal to the organization and their workforce, namely: less travel, new checking mechanisms and more work, and the demand for a more flexible and

multi-skilled workforce. According to the HR managers, the more expressive domain for changes in the future are related to technology: not only teleworking and homework but all the processes that support the use of technology to perform work such as work organization; communication and leadership of remote workers. Although most of the respondents presented positive projections of future changes that suggest the empowerment of HRM, some ($n = 7$; 5%) advocated that nothing was going to change. These results will be presented and explained in greater detail in the next sections, illustrated with some examples from the data. Respondents are represented by numbers, referring to their position in the database (for example, p. 1).

Table 3. Coding template for human resource managers' outlooks.

Initial Template Main Themes	Final Template Main Themes	Subthemes
1. HRM role (Function of HRM in the organization)	1. HRM role	1.1. Role 1.2. Administrative 1.3. Planning
2. HRM practices (Group of activities developed in a management system of people)	2. HRM practices	2.1. Induction 2.2. Recruitment and selection 2.3. Training 2.4. Performance management and evaluation 2.5. Health, safety, and hygiene 2.6. Remuneration 2.7. Careers
3. Organizational processes (HRM actions that support the organization _soft dimension)	3. Organizational processes	3.1. Leadership 3.2. Communications 3.3. Work Team
4. Teleworking	4. Teleworking	4.1. Flexibility 4.2. Suitability of teleworking for different roles
5. Technology (Use of information technology; digitalization, automation, etc.)	5. Technology	6. Work organization (Management by objectives; time management; methods; work schedules, etc.)
	7. Work-life balance	
	8. Impact (Impact of pandemic on HRM, workers and work)	8.1. Reduced workforce 8.2. Less travel 8.3. New checking

Initial Template Main Themes	Final Template Main Themes	Subthemes
		mechanisms 8.4. More work, flexibility and multiskilled workforce 8.5. Workers' insecurity
	9. Premises/workspaces	9.1 Planning office size

3. Discussions

The first objective of this study was to pinpoint and systematize the changes in HR which have emerged in Portuguese organizations as a result of the COVID-19 pandemic, viewed from the perspective of human resource managers. Overall, the results indicate that those HRM processes which have undergone most changes are related to internal communications (especially, small adjustments) and work and safety (the area that has seen the broadest changes). Considering that the pandemic immediately brought issues to light that could compromise people's health and safety, it was to be expected that work and safety would be the area that required organizations to make the greatest adjustments. On the other hand, when these adjustments in safety procedures represent changes in the organizational life, it requires great effort to communicate and explain them to workers. In fact, one of the aspects referred to as critical in organizational change processes refers to the internal process of communication/dissemination (e.g., [Neill et al. 2020](#)). In the specific case of health and safety at work, additional answers support this interpretation, with the implementation of contingency plans being one of the aspects mentioned, for example. Additional answers also refer to the importance of communication in combination with other processes, where work (re)organization stands out, in particular the use of teleworking (one of the two most significant changes in work situations), with aspects such as reinforcement of asynchronous communication or use of new tools. The use of technology also emerges in processes such as recruitment and selection or training and development. HR issues such as "employee wellbeing", "remote work", and "communication" were also identified by [Zhong et al. \(2021\)](#) as those which have been greatly impacted by the current pandemic.

A more detailed analysis of the relationship between HRM practices and processes and the size of the organization evinces differences: the largest companies were characterized as having made the most changes, in contrast to small ones, which made none. The literature that addresses analysis of HRM practices between large and small companies (e.g., [Deshpande and Golhar 2020](#)) shows that the former tend to have more formalized and coordinated practices because they have greater resources, including specialized knowledge of function ([Keating et al. 1999](#)). In our study, most human resource managers have higher levels of education in domains connected with the area, so they can be expected to have specialized knowledge of HRM practices and processes per se and are therefore more able to bring about adaptations to crises, such as the current pandemic. In the study by [Adikaram et al. \(2021\)](#), factors such as the level of preparedness, nature of the industry, availability of resources, and role of the human resources professionals were identified as critical in the process of adaptation of organizations to the pandemic. Additionally, concerning the characteristics of the organization, [Waldkirch's \(2021\)](#)

analysis points out that the impact of the pandemic was greater in large companies, manufacturing companies, and companies that rely more heavily on imported inputs.

The serious economic crisis which Portugal went through about a decade ago may also help explain why these human resource managers feel that the organizations where they work were somewhat prepared for the outbreak and that they have, at the time of data collection, adapted well to these situations. This crisis not only demanded major restructuring in many organizations, but it might also have worked as a process of “natural selection”, leaving organizations better equipped. Moreover, the use of teleworking and layoffs was notable in companies in Portugal as a response to the pandemic, most probably as a result of exceptional and temporary measures implemented in the country with state support.

It should be noted that the outlook of human resource professionals on upcoming changes refers to various dimensions—roles, practices, and processes—expressing the wide impact of COVID-19. In particular, teleworking was one of the upcoming changes which was most stressed by human resource managers. This finding seems to be associated with two important aspects that will support future interventions in HRM: (1) the change in work organization and the design of work which will support remote work, while also considering mixed solutions, that is, greater flexibility in the means and place of work; and (2) using technology for communication (a result equally evidenced in the quantitative data), which will be central to maintaining worker cohesion and their relationship with the organization. Technology has emerged as a facilitator for: (1) communicating; (2) digitalizing; (3) reducing the impact of travel; (4) improving administrative processes; and (5) supporting HRM practices. The outlook on technology which the pandemic has “forced” people to use more intensively is therefore positive and shows positive results.

A central concern as regards to the future is related to organizational processes which focus on maintaining organizational cohesion and the role of HRM. Their role, in response to the pandemic, will be to care for people and their relationship with the organization and ensure their engagement, so that people can work together as a team and communicate.

Where there will be fewer changes, according to respondents, is in HRM practices. The online approach is foreseeable. For example, there will be changes in: (1) the profiles required in recruitment and selection, given that people will work remotely; (2) performance management and evaluation, which will focus more on objectives and less on work time; (3) and training, which will have an online/e-learning component focusing on providing workers with digital skills. Accordingly, various challenges are anticipated. As HRM is expected to outline strategies to cope with the envisaged crises ([Koirala and Acharya 2020](#)), this study can be considered as providing input for the management of such processes.

4. Conclusions

In terms of the changes made to each HRM process, apart from layoffs and the continuation of face-to-face activities, albeit with modified safety measures or going online, the results merit reflection and monitoring. By way

of illustration, induction and onboarding is an essential process for workers to adapt (Bauer et al. 2007) and so the following question should be asked: what will the repercussions of the changes that are being implemented be in terms of the worker's life in the organization? As another example, internal communication seems to have undergone a process of intensification and innovation. Given that the literature points to positive relationships between internal communication and professionals' behaviours and attitudes (Men and Yue 2019; Neill et al. 2020), what results can be expected in the long term? Will enhanced communication mean that the pandemic tests leaders in all sectors around the world? These questions should be addressed by human resource managers in a timely manner to ensure the continuity of organizations during and after the pandemic.

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