

# COVID-19: Challenges to HR Strategists and Way Forward

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**Abstract:** *An unprecedented degree of spread of Corona virus (COVID-19) across the globe has shaken the confidence of human race. Till very recent, an exponential increase in loss of life and the number of infected people had brought the cities to a complete lock-down-state. The epidemic threw the business activities completely out of gear. Though, the devastating impact of this epidemic on businesses is yet to be ascertained but if the screaming escape of labourers from cities to villages due to job losses were of any indicator, the situation continues to be grim. Companies are faced with the problems of not only labor migration but how to revive the operations and restore the logistics and supply chain management. Falling demand due to job losses has further added fuel to fire. In nutshell, the businesses are struggling to survive while the national and global economy is staring at the prospect of a historical downfall.*

**Keywords:** Virtual Workplace, Corporate Exigency Fund, Corporate Contingency Plan

## 1. Introduction

Onset of the year 2020 saw many countries across the globe reeling under the impact of the COVID-19 pandemic. This resulted into the businesses undergoing total lock-down to arrest the spiraling of the infectious disease. Continued shut down resulted in the complete cessation of business activities. The situation further led to an indefinite closure of workplaces and consequent layoffs, retrenchments and downsizing began. This was followed by mass exodus of workers to their home towns. The home-journey of workers was a horrendous experience. Much touted “Employees first” policy of corporate came under litmus test and failed completely.

The corporate policy of employee well-being couldn't withstand the magnitude of the onslaught of the pandemic. HR department came under severe criticism for its unpreparedness to handle the situation.

## 2. PRE-COVID-19

### HR's Non Strategic Approach

It's well known by now that HR strategists could not anticipate the calamity of such magnitude, spread over the entire length and breadth of the globe as there were no such precedents almost during previous hundred years. HR community was taken completely by surprise. No precedents, no strategies, no preparations. Suffice to say, HR strategists could not apply basic reasoning skill by asking, “What if?”, to test various contingencies and responses thereof.

## 3. First Wave of COVID-19

### 3.1 An Element of Surprise

Almost entire planet was engulfed due to sudden and wild spread of the COVID-19 pandemic. A state of utter confusion prevailed at workplaces. Environment was filled with unfiltered, unsubstantiated, pseudo-facts and narratives. Situation continued worsening day by day. Social and economic fabric across borders suffered most.

### 3.2 HR– Mute Spectators

During this stage, in the face of sudden clamp down, mass exodus of labourers began. HR was unprepared to come up with any contingent plan to handle the labour-migration. It couldn't organize their travel to hometown and return to the workplace, including any modality of payment of advance wages/continued wages/ reduced wages/survival wages. HR, in the brutal terms, inflicted a crude blow to the well-being of the workforce. This callous handling of workforce will obviously continue to have tremendous impact on retention of talented pool of workers and consequently on the productivity, in future.

### 3.3 Ignorance of Basic HR Practices

Labour welfare-the most fundamental aspect of HRM and widely known for its universal applicability was found much wanted, in those critical moments. Sadly, it remained only in theory and not put into practice, resulting into an avoidable human tragedy, seen rarely in the corporate history.

## 4. Second Wave of COVID-19

### 4.1 Death and Devastation

Post cessation of the first wave, workers began returning to their workplaces. However, soon the second wave of COVID-19 swept various countries and hit hard in terms of severity and fatality. HR was again caught off-guard. It failed to rescue its workers from the natural calamity inflicted by the pandemic. Workers hit by the second wave of the pandemic were drained out physically and financially both. The workers families who lost their sole breadwinners during the pandemic, suffered most.

### 4.2 HR Responses

The impact of second wave of COVID-19 was so sudden and so severe that the industrial activities again came to grinding halt. COVID-19 cases started rising exponentially. Entire workforce found itself suddenly trapped as cessation of industrial activities had to be undertaken again to contain further spread of pandemic. However, companies promptly revisited their HRM

strategies to manage the challenges posed by the menacing pandemic. Some of the new practices<sup>1</sup> adopted for the well-being of the employees were-

- Payment of Salary (6 to 24 months) to NOK of deceased employees
- Waiver of designated period in case of payment of gratuity
- New insurances to cover COVID-19 deaths
- One time compassionate payment
- Employment to spouse/children of deceased employees
- Education to children of deceased employees
- Group Insurance to cover distributors/third party
- Health cover included the family members of employees
- Reimbursement of hospital expenses for employees and their family members
- Additional paid leave during hospitalization
- Provision of free testing and vaccination for employees and their families
- Care at home and support services for employees and their families
- 24X7 Telemedicine
- Provision of advance salary
- Provision of 'family leave' to take care of family commitments during pandemic.

#### 4.3 Concept of Command Centre<sup>2</sup>

Companies established command centers to cater for employees' medical emergency needs including for their dependent family members. The command centre provided the information on availability of hospital bed, ICUs E, ambulance, ventilators, oxygen cylinders, concentrators, blood plasma donors, and medicines including provision for advance salary.

## 5. Impending Third Wave of COVID-19: Recommendations

### 5.1 Proposed Action by Employers

#### • Generous Service Conditions for Virtual Teams to Improve Mental Health

##### ○ Special Leave

It has been observed that the working hours of virtual teams go well beyond usual eight-hours. It has led to higher productivity. However, this spike in productivity comes at the cost of employees' mental health. Organizations may therefore grant special leave to their employees to de-stress, refresh and rejuvenate, even during the mode of 'work from home'.

##### ○ Refreshment to Virtual Teams

Companies providing refreshment at workplace may consider extending the facility to virtual teams working at virtual workplaces too. Organizations may even consider subsidized meals for their employees. Provision of refreshments may require designing of new menu broadly

comprising of dry fruits/non perishable items / allowances in lieu.

##### ○ Furniture and Gadgets for Virtual Teams

Importance of good working environment doesn't need any further emphasis. A comfortable and convenient work environment is essential for employees to optimize the performance. Employers should therefore commit themselves to provide necessary furniture and gadgets for the virtual offices of their employees.

##### ○ Policy of Assigning Deadlines

Employers need to review the policy of assigning deadlines so as to keep it to the barest minimum. This will help improve the mental health of the employees.

##### ○ Flexible Working Hours

Instead of usual nine-to-five working hours, employers may resort to flexi working hours. This will enhance the creativity of the employees besides increasing their well-being.

##### ○ Rent Reimbursement of Virtual Workplace

During work from home, employers' saving on account of rental/maintenance of office accommodation, can be earmarked towards reimbursement of rental of the home office/virtual workplace.

##### ○ Provision of Contingency Allowance

Provision of contingency allowances will mitigate hardship due to sundry expenses that were taken care of by the employer during pre COVID-19 days.

#### • Appointment of Mentors

In lock-down situation and while working from home, the employees remain confined to four walls in their houses. It causes severe mental stress. A mentor's role would be to keep an eye on their mentees' well being during work from home mode.

#### • Rationalization of Salary

There have been instances wherein the employers' resorted to pay-cuts. The reason was attributed to the adverse impact of pandemic on their businesses. Transparency being the key to such situations, the organizations needs to restore the employees' salaries soon after the revival takes place. In any case, as far as possible, all efforts need to be made to avoid lay-offs and retrenchment. A transparent process through Union-Labour-Relation mechanism needs to be evolved.

#### • Liberal View on Variable Component of Salary

Pandemic has imposed severe restriction on the performance of the employees working from home. A quick guidance, advice, or support from the colleagues or

superiors is no more feasible. This calls for a liberal interpretation of 'ability to perform', thus release of higher percentage of variable component of the employee salary will help accelerated revival of businesses.

- **Employee Up skilling**

Pandemic offers a golden opportunity to employers to up skill their employees and prepare them to face future challenges at the workplace. This would prove to be a win-win situation for the employer and the employees both.

- **Data Protection Measures**

Remote work culture carries the risk of data breach as the home networks may not have firewalls and antivirus software installed as available in the office network. HR would therefore be called upon to ensure data security at remote workplaces.

- **Cyber Security**

In a remote work environment, need of cyber security would be more than ever before as home computers would be easy target of malicious ware attack. HR would be required to take appropriate measures to counter the menace.

- **Provision of Corporate Exigency Fund (CEF)**

In the instant case, an onset, spread, and lethality of the COVID-19 pandemic led to sudden and complete collapse of socio-economic structure of the country. This calls for the need of a contingency plan that may be kept ready to mitigate the hardship. In future, to respond to a similar situation that may arise suddenly due to imbalances in any internal or external factors of business ecosystem, it may be advisable for organizations to establish a 'corporate exigency fund' (CEF) to be utilized to diminish the impact.

## 5.2 Proposed Action by the State

- **Statutory Approval for Corporate Exigency Fund (CEF)**

State needs to accord statutory approval for establishment of a 'corporate exigency fund' (CEF) with the detailed guidelines for its utilization and contingencies thereof. The nature and status of this fund may be akin to a depreciation fund.

- **Income Tax Relief on Maintenance of Virtual Workplace**

State also needs to consider the expenses on purchase of office furniture, gadgets, including recurring expenses on payment of broadband bills, electricity bill (light/air conditioner), procurement of masks, sanitizers, oximeters, etc on account of maintenance of virtual workplace, towards exemption from taxable income, as part of new normal.

- **Special Income Tax Relief on COVID-19 Hospitalization**

Medical expenses for self and dependents for COVID-19 hospitalization need to be exempted from taxable income. State needs to grant tax exemption based on actual expenses thus removing the ceiling, if any.

## 6. Transition from COVID-19 to Post COVID-19: Recommendations

### 6.1 Proposed Action by Employers

This phase would be characterized by the cessation of 'remote work culture', and consequently opening of the work premises. At this stage, HR would be called upon to organize the workplace at the premises, keeping following aspects in view-

- Adherence to the institutional mechanism as laid down by authorities for COVID-19 protocol
- Observance of COVID-19 protocol by employees
- Maintenance of partial vaccination record
- Maintenance of full vaccination record
- Policy on booster dose, as applicable
- Promoting the 'No Handshake Greeting' in the organization
- 'Standard Operating Procedure on COVID-19' to include precautions, isolation, testing, reporting, treatment, organizational support, mentoring, fitness, rejoining.

### 6.2 Proposed Action by the State

- Ensure identification and monitoring of containment zones
- Expedite pace of vaccination of entire population
- Ensure a timely policy decision on booster dose
- Promote COVID-19 appropriate behavior
- Adopt cautious approach on revival of industrial activities
- Initiate measures to boost employment
- Initiate steps to rebuild economy
- Keep a check on inflation

## 7. Conclusion

COVID-19 pandemic has hit the corporate employees hard in terms of their well being. Travesty of salary cuts, job losses, healthcare issues in the family and children education have only added miseries to their life. While the timelines of retreat of second wave of COVID-19 is not yet certain and the onset of third wave is still being debated, necessity of a corporate contingency plan (CCP) seems vital to take the sting out from the similar trauma, in future. Besides, various measure as suggested, the establishment of a 'corporate exigency fund' (CEF) would go a long way in ensuring not only a vibrant peoples' strategy in the corporate world but also against any other surprises that may be in store in future.

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