

Sustainable HR Practices Effectively Increased Employee Morale during Covid-19 Exigency

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The Covid-19 pandemic saw some novel and different ways of doing business. The time was definitely more relevant to the human resource function. The current study examines the relationship between perceived effectiveness of sustainable HR functions like recruitment and selection, training & development, rewards and recognitions, employee engagement and work from home arrangements and employee morale. 114 employees from the IT and business services industry participated in the study. Data was analyzed using Cronbach Alpha, Correlations, and Multiple Regression analysis. All sustainable HR practices showed strong relationships with employee morale. The study evaluates implications for implementation of sustainable human resource practices to increase the motivation, satisfaction, confidence, involvement and overall wellbeing of employees.

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Introduction

COVID-19, the worldwide pandemic that has engulfed public and private life since the beginning of 2020, has demanded quick decision-making and fluidity from HRM professionals who have been used to a rather bureaucratic organizational governance for long (Gigauri, 2020). Due to exigencies like lockdown of cities and countries, social distancing norms, quarantine rules, other restrictions on people's movements and public gatherings, businesses had to go online, yet pressure existed on performance. Consequently, not only work-from-home, but perform-from-home became important and challenging. Working from home was different as well as non-relatable for some employees. However, for many others it was a boon as their work-life-balance increased manifold. These employees were better able to take care of their own and family's health during work-from-home schedules. In every company human resource was supposed to

play a critical role in fighting against COVID-19 while managing regular HR functions.

The present article examines the experience of employees working during COVID-19 in the sense that their organizations presented to them a new model of HR practices. It assesses how a sudden shift in HRM practices has helped employees to view the effectiveness of new ways of doing business. The reviewed literature shows the lack of empirical evidence on perceived effectiveness of this new HRM, sustainable HR practices and employee morale during Covid-19 exigency. The perceived effectiveness of 5 HR practices, employee recruitment and selection, employee training and development, rewards and recognition, employee engagement and work-from-home were studied in the current study.

Covid-19 has unleashed the process of digital learning, hence, a considerable increase in the use of digital platform has changed organizations' methods of functioning, from frontline managers to top leaders. Digitally-enabled experiences have created new benefits. It creates a sense of community, purpose, and focus for people that are no longer connected with their colleagues face-to-face. All of this contributes to increasing employee morale, which refers to the positive attitude, positive affect, satisfaction and confidence among employees when they are at work. Employee morale is likely to have direct impact on performance, productivity, customer satisfaction and the like. Around the world organizations have been

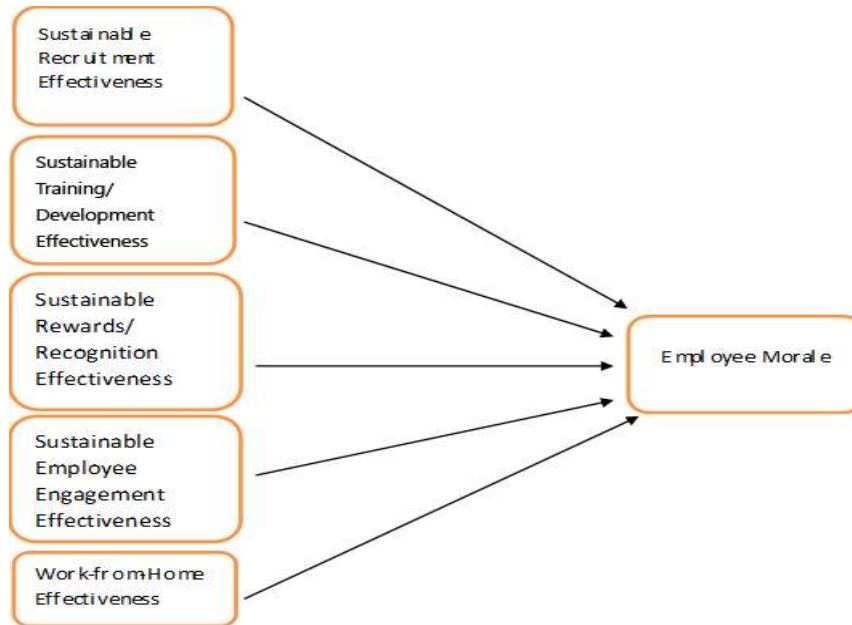
using digital/virtual platform of learning to enhance collaboration within and across teams. Sustainable HRM is seen as an extension of strategic HRM and presents a new approach to people management with the focus on long-term human resource development, regeneration, and renewal (Stankeviciute & Stankeviciene, 2018). Analysis by Jarlstrom, Saru and Vantala (2018) found four dimensions of sustainable HRM: justice and equality, transparent HR practices, profitability and employee well-being.

There is very limited literature that discusses effectiveness of sustainable practices in HRM and employee morale. Especially conducted in the Covid-19 context, this study becomes all the more relevant today. The current study addresses the gap by presenting an analysis of perceived effectiveness of new and different HRM practices implemented during COVID-19, and their implications for sustainability. The study talks about how the HRM practices implemented during Covid-19 were actually sustainable. People or human capital is the most valuable asset of any company and sustainability must start from them. The current study has implications for social and environmental aspects of sustainability.

Objectives

The objectives of this study is to examine whether perceived effectiveness of sustainable human resource management practices like recruitment, training & development, rewards & recognition, engagement and work-from-home during Covid-19 pandemic have any relationship with employee morale.

Conceptual framework



Literature Review

HR practices and employee motivation and wellbeing have been the subject matter of several researches since the recent past. This is especially because a sizeable number of employees over the world realize that they lack a deeper meaning in their jobs. Consequently, their job-related motivation and engagement is alarmingly low (Casey & Sieber, 2016). The researchers posit that sustainable HRM and engagement will help employees perceive their jobs as more meaningful. According to Piwowar-Sulej (2021) the consequence of successful implementation of sustainable HRM in organizations is competent and motivated employees. However, rare studies like Bowles & Cooper (2009) tried to find the relationship between sustainable HRM

and employee morale and say that employee morale drives performance not only at individual but organizational level also when employees are happy, satisfied and involved, it is visible in the kind of work they produce (Arunchand & Ramanathan, 2013). In a study by Vihari and Rao (2018) it was found that corporate sustainability perceptions lead to employer attractiveness and reduced turnover intentions. Another study by Jaskeviciute, Stankeviciene, Diskiene and Savicke (2021) revealed that sustainable HRM practices are significant as they have a positive impact on employee well-

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Paille, Boiral, Jin and Chen (2013) in their research argued that thoughtful and strategic human resource management leads to high environmental management. Organizational culture and support have direct and indirect effects on employees and environmental performance. McGuire, Germain and Reynolds (2021) point out that post-COVID-19, it is essential to care for employees' psychological health and well-being. An ethics of care approach should be adopted to ensure better HR practices. Research by Kumar, Sowdamini, Manocha & Pujari (2021) captures the understanding of the role of creativity and innovation in the organization's success and identify HR managers' problems during Covid-19.

According to Ehnert and Harry (2012) sustainable HRM entails not only attracting and retaining competent employees but more importantly providing them with a healthy work environment and motivate them with opportunities to develop. The paper by Manzoor, Wei, Bányai, Nurunnabi, and Subhan (2019) attempts to examine the role of sustainable HRM practices on job performance and encompasses training as a moderator variable to further evaluate the association between HRM practices and employee's job performance. The paper by Kniffin, Anseel, Antonakis and Narayanan (2021) has talked about emergent changes in work practices like work-from-home, virtual teams, social distancing and different forms of stress in employees, and implications

of these factors for employees and organizations. Elsafty and Ragheb's (2020) research discussed the role of human resource management in curbing the adverse effects of working during Covid-19. They concluded that better communication with employees helps in improving employee retention. Jepsen and Grob (2015) found that strategic HRM practices like sustainable recruitment and selection practices are easy to implement and have multiple advantages for organization, employee and environment. Mariappandar and Kramar (2014) found flexible high performance work systems (FHPWS) lead to high profitability when employee benefits (rewards) are combined with HPWS. Çrğle's (2015) research discussed that there has been a positive impact of gamification on employees' job satisfaction, also on employee engagement (Ergle, 2018). Kumar et. al. (2021) studied gamification and its application in various HR functions and to determine how gamification can help achieve sustainable practices in organizations.

On the basis of the above research the following hypotheses were generated:

- H1: Sustainable recruitment and selection practices increase employee morale.
- H2: Sustainable training and development practices increase employee morale.
- H3: Sustainable rewards and recognition initiatives increase employee morale.
- H4: Sustainable employee engagement activities increase employee morale.
- H5: Work-from-Home practices increase employee morale.

Research Methodology

Data collection was completed through online mode on employees of 114 IT (Information Technology) and BS (Business Services) firms in a high-tech industrial town of India. The independent variables are the Perceived Effectiveness of HR practices of firms: recruitment and selection, training and development, performance management and employee engagement during Covid-19 scenario. Dependent variable is Employee Morale in the context of Covid-19 pandemic scenario. The questionnaire had been designed by the researcher specifically for the current study. Questionnaires for Recruitment Effectiveness, Training and Development Effectiveness, Performance and Rewards Effectiveness and Work-from-Home Effectiveness consisted of 5 items (statements) each (Table 1). Questionnaire of Employee Morale consisted of 4 items.

Table 1 Questionnaire Details

HRM Variables	No. of items
Sustainable Recruitment Effectiveness	05
Sustainable Training/ Development Effectiveness	05
Sustainable Rewards and Recognition Effectiveness	05
Sustainable Employee Engagement Effectiveness	03
Work From Home Effectiveness (WFH)	05
Employee Morale	04

The questionnaires consisted of 5-point Likert-type rating scale where 'Strongly Agree' is considered highest score (5) and 'Strongly Disagree', low-

est score (1). Demographic details of respondents were collected in a separate sheet before the questionnaire was administered to them. IBM SPSS software was used for conducting analysis. The data has been analyzed using correlation and regression analysis. Reliability was measured using Cronbach Alpha measure.

Sample & Procedure

Data was collected from a convenient sample of 114 employees. Some questionnaires were distributed individually in-person, some were posted online on LinkedIn and WhatsApp. Period of data collection was year 2021. The demographic composition of the sample is provided in Table 2.

Table 2 Demographic Data of the Respondents

Category	Frequency	Percentage
Gender		
Male	68	59.60
Female	45	39.50
Others	0	0
Prefer Not to say	1	0.90
Total	114	100.00
Age		
18-24	62	54.40
25-36	51	44.70
37-45	1	0.90
45 above	0	0.00
Total	114	100.00
Work experience		
1-5 years	103	90.40
6-10 years	8	7
11-15 years	3	2.60
16-20 years	0	0.00
20+	0	0.00
Total	114	100

Reliability Analysis

Cronbach alpha was calculated to measure the reliability/ internal consistency of the questionnaires used for the study. Cronbach alpha value to be con-

sidered significant should be at least .65 or greater. Results presents in Table 1 shows that the questionnaires were reliable and had high internal consistency. Cronbach alpha value of variables above 70% value indicates high reliability.

Table 3 Cronbach's Alpha Values

Variable Studied	No. of Items	Alpha Value
Sustainable Recruitment Effectiveness	5	0.68
Sustainable Training/ Development Effectiveness	5	0.83
Sustainable Rewards and Recognition Effectiveness	5	0.76
Sustainable Employee Engagement Effectiveness	3	0.81
Work-from-Home Effectiveness	5	0.75
Employee Morale	4	0.73

Descriptive Statistics & Correlations

Table 4 shows mean, standard deviation and correlation between variables. Employee Morale is positively correlated with the recruitment and selection ($r = 0.52$, $p < 0.01$). Employee Morale is positively correlated with sustainable Training/ Development ($r =$

0.298 , $p < 0.01$). Employee Morale is positively correlated with sustainable Rewards & Recognition ($r = 0.343$, $p < 0.01$). Employee Morale is positively correlated with sustainable Employee Engagement ($r = 0.268$, $p < 0.01$). Employee Morale is positively co-related with WFM ($r = 0.334$, $p < 0.01$). These results are what support the hypotheses of the study.

Table 4 Correlation Analysis

Variables	Mean	Std. Dev	1	2	3	4	5
Employee Morale	1.45	0.578	1				
Sustainable Recruitment Effectiveness	1.00	0.803	0.252 **	1			
Sustainable Training/ Development Effectiveness	1.00	0.585	0.298 **	0.112	1		
Sustainable Rewards and Recognition Effectiveness	1.25	0.743	0.343 **	0.232 **	0.032	1	
Sustainable Employee Engagement Effectiveness	2.00	0.898	0.268 **	0.287 **	0.132	0.298**	1
Work from Home	1.22	0.663	0.334 **	0.253 **	0.121	0.267**	0.278 **

Note: ** Correlation is significant at the 0.01 level (2-tailed)

Regression Analyses

Table 5 illustrates the impact that perceived effectiveness of sustainable HRM practices during Covid-19 have on Employee Morale. The regression values show which perceived effective-

ness of the 5 sustainable HRM practices: recruitment and selection, training and development, rewards and recognition, employee engagement and work-from-home has the strongest relationship with employee morale, the dependent variable.

Table 5 Regression Analysis

	Employee Morale				
	B	T-Statistic	p-value	F-Statistics	R-Square
Sustainable Recruitment Effectiveness	0.176	3.631	0.001	11.872	0.098
Sustainable Training/ Development Effectiveness	0.213	2.182	0.004	8.921	0.078
Sustainable Rewards and Recognition Effectiveness	0.332	4.621	0.000	21.541	0.152
Sustainable Employee Engagement Effectiveness	0.401	3.873	0.001	22.913	0.153
Work-from-Home Effectiveness	0.234	4.411	0.005	19.32	0.135

Independent Variables: Recruitment and Selection Effectiveness, Training and Development Effectiveness, Rewards and Recognition Effectiveness, Employee Engagement Effectiveness, Work-from-Home Effectiveness. Dependent Variable: Employee Morale; $p < 0.005$ is significant.

Conclusions & Implications

Findings show that perceived effectiveness of sustainable HRM practices during Covid-19, such as recruitment/ selection effectiveness, training/ development effectiveness, rewards & recognition effectiveness, employee engagement effectiveness and work-from-home effectiveness have a significant and positive effect on employee morale. All hypotheses (H1 to H5) derived after literature review have been supported by findings. This relationship has important implications for making HRM sustainable. HRM must become sustainable if it has to stay relevant in the long term. The word sustainability means longer or durable, it means today's actions will bring positive results in the future. Making hu-

man resource sustainable is for the long-term advantage to the firm while also a social responsibility of any firm. Hence the change implemented in HR practices during Covid-19 was a very productive investment for making HR sustainable.

Sustainable HRM is about creating a competitive advantage for companies, long-term employability for employees and hence, greater shareholder value. Sustainable HRM may well be defined as, "the human resources that satisfy the optimal needs of the corporate and community without compromising the power to satisfy the requirements of the future" (Kramar, 2014). Sustainable HRM objectives are long-term-oriented, socially and environmentally responsive and include economically efficient recruiting, training

and retaining of employees. Increasing employability, guaranteeing a harmonious work-life balance, and enhancing individual responsibility play a crucial role within sustainable HRM.

To sustain and improve an organization's growth and productivity during COVID-19, most companies across the world had implemented work-from-home. In general, employee work-life balance increased as a result, and organizations saw greater productivity in employees. Gamification techniques, electronic filing, online assessments for candidates, teleconferencing, virtual interviews, paperless documentation, telecommuting, online training, online engagement activities like online games, leader boards, hackathons involved creativity, fun and collaboration. Gamification is one of the most useful tool for employees to sharpen their skills throughout their career, in order to enhance their 'learning quotient'. This helps to boost employee morale and subsequently performance. Especially during the Covid-19 exigency the HR department monitors employee health, and their social and behavioral issues. Covid-19 has also helped employees to improve their digital skills. Corporates are investing in the digital up-skilling of their employees. This helps organizations to create a digital workforce for business sustainability for future needs. The line of activities as a result makes HR more sustainable for future business models.

Pre Covid-19 organizations saw remote working as a negative predictor of productivity and creativity of employees.

To avoid travelling more online interviews and meetings were conducted. Organizations used more of paper on-boarding which affected the environment and increased costs for the organization. To enhance employee engagement during the pandemic organizations started using gamification. All such activities have affected the organizations and employee performance positively as employees felt more important, engaged and got a better sense of purpose. All these activities have made the HRM practices more sustainable.

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