# **COVID-19 Pandemic – Its Impact and Implications on HR Activities in a Transitional Economy**

József Poór<sup>1</sup> Arnold Tóth<sup>2</sup> Botond Géza Kálmán<sup>3</sup> Zsuzsanna Szeiner<sup>4</sup>

<sup>1</sup> J. Selye University, Ul. Hradná 21, 945 Komárno, Slovakia; poorj@ujs.sk

<sup>2</sup> Budapest Business School; 1149 Budapest, Buzogány u. 10-12.; toth.arnold@uni-bge.hu

<sup>3</sup> Kodolányi János University, Frangepán utca 50-56., 1139 Budapest, Hungary; kalman.botond.geza@kodolanyi.hu

<sup>4</sup> J. Selye University, Ul. Hradná 21, 945 Komárno, Slovakia; szeinerzs@ujs.sk

Grant: VEGA 1/0688/21 Název grantu: Employment strategies Oborové zaměření: AE - Řízení, správa a administrativa

© GRANT Journal, MAGNANIMITAS Assn.

Abstract The pandemic caused by the SARS-CoV-2 virus fundamentally shook the global and EU economy, which had very serious socio-economic consequences. The coronavirus pandemic affects everyone all over the world. After the first European diseases caused by COVID-19, the KoronaHR research group was established with the collaboration of its researchers with the cooperation of several universities, the main goals of which is to monitor the changes in the human resources (HR) management practices of the domestic corporate/institutional sphere caused by the coronavirus. The first phase of our online survey was conducted between June 12 and July 31, 2020, followed by the second phase between August 1 and November 15, 2020, while the third survey round was conducted between March 1 and April 20, 2021. In this study, we sought answers to, among other things, what challenges human resource management faced, and how traditional HR functions were transformed during the pandemic.

Keywords Covid-19, transitional economy, HRM, retention

# 1. INTRODUCTION

The coronavirus pandemic ended one of the longest periods of continuous growth in economic history in 2020. The resulting recession differs from previous ones, as it was not caused by overproduction, over-lending or loss of investor confidence (Li et al. 2021; Strauss-Kahn 2020). For this reason, it would be difficult to say how long this rise would have lasted without the pandemic. It is only probable that it will not be for a long time, since the report of the World Health Organization (WHO 2019) was published in the fall of 2019, in which experts predicted an impending pandemic and also drew attention to the fact that the world is not prepared for it at all. However, in the history of the economy, before COVID-19, there was no pandemic that forced almost every country in the world to a global economic shutdown of this magnitude. Bird flu was not as serious as COVID-19, and the much more virulent Ebola has always been localized, and the world was not so globalized during previous pandemics either. But even the 1918-1920 pandemic caused by the much talked about Spanish flu did not have the same impact as the current one. In the past, the failure of the financial system typically caused a global crisis and general recession due to overproduction and over-lending (Shaikh 2011), but now limited reproduction has become permanent. In addition to its many consequences, the pandemic has significantly changed the role and tasks of human resource management (HR). This area is analyzed in this chapter based on the results of an extensive Hungarian questionnaire survey. When processing the collected answers, we focused on the functional transformation of human resources management (HR) and examined the relationship between the HR answers and the individual measures and the companies implementing them.

## 2. LITERATURE REVIEW

A pandemic always causes a long-term recessive effect on the economy. A problem is caused by the deterioration of the state of health and the consequent loss of production, partly by the rising health costs and partly by the anti-pandemic measures to be taken. The restrictions also had an immediate impact on the labor market: unemployment increased, and remote work became more common. The working hours of many employees and their wages were reduced proportionally, and many were also laid off. There were significant inequalities between those who lost their jobs and thus their income and those who continued to work at home, while also receiving their usual salary. The dismissals are the literature data (Adams-Prassl et al. 2020), they primarily threaten employees who cannot perform at least 40 percent of their tasks remotely. Primarily, these employees and employees with fixed-term employment contracts were dismissed, while the others were sent to telecommute.

The resulting labor market effects showed significant differences by economic sector. According to the results of a survey examining the effects on the SME sector conducted by the research group of the Budapest University of Economics (BGE) (Budapest LAB 2020), the crisis primarily affected companies that were already in an unfavorable situation before the pandemic. At the same time, 5 percent of businesses reported an increase. According to the survey, the three most common labor measures were vacations, reduction of working hours and teleworking. However, the crisis did not advance innovation, even though it could have become its engine. The biggest loser of the crisis was accommodation and catering, based on both domestic and foreign literature data (Larcker 2020; Pulay 2020; Shen et al. 2020). And the biggest winners are the companies that were able to adapt to the changed circumstances. Such were organizations dealing with online trade or able to switch to it, IT companies and manufacturers of pharmaceuticals and hygiene products, logistics and delivery companies, and food retailers (Forbes 2020; Perger et al. 2020).

Consequences of the pandemic are challenging the shareholdercentric governance model that has guided boards and business leaders for decades. The inclusion of the perspectives and opinions of the interested parties, especially the employees, in the supervision and decision-making processes came to the fore. It must also be shown that the company performs well for all stakeholders (Paine 2020). The essence of the so-called short-term-long-term paradox is that there is an opposition between the evolution of shareholder wealth and the long-term survival of the organization (Beech et al. 2004; Dundon and Rafferty 2018). Organizations that are overly focused on reducing short-term risks and have implemented excessive downsizing have lost the ability to quickly restart the knowledge capital of employees and ultimately, often a large part of their customers and markets (Malatyinszki 2015; Kaufman 2014). Given that the ideas of investors and decisions aimed at maintaining continuous business operations are usually at odds with each other, solutions that reduce costs in such a way that as many jobs as possible be preserved are definitely needed. An ideal example of this is the transition to remote work.

The typical first reaction to the previous crisis of 2008-2009 worldwide was the downsizing, since the workforce accounts for more than 50 percent of the organization's costs (Gerhart et al. 2020). The number of employees can be reduced more easily than the range of physical assets, so it is understandable that downsizing is an early and quick cost-cutting option for organizations (Cascio 2002; Gerhart and Trevor 1996). However, the financial benefits are not clear, as market responses are generally negative in the long term (Brauer and Zimmermann 2019). Investment decisions are often made with a shorter than optimal horizon (Dundon and Rafferty 2018; Souder et al. 2016), and the same less-than-adequate short-term thinking guides organizational leaders when making downsizing decisions.

To solve the economic problems caused by the pandemic, of course, money is needed; however, it should no longer be invested in production, nor should it be spent on aid, but rather on the protection and development of jobs and human capital (Fonseca et al. 2019; Lee et al. 2010; Schumpeter 1939; Malatyinszki 2007). It is no coincidence that in Hungary, government-level measures also primarily serve to protect health and jobs (MTI 2020a, 2020b). At the company level, the same tasks are the responsibility of HR. Several authors (Bobby et al. 2020; George and George 2020) believe that in addition to the usual and well-established measures, new solutions have also appeared, and have even taken on a central role, which HR professionals have specifically adapted to the pandemic as a root cause. This also indicates that the extraordinary situation caused by the pandemic has led to such a structural change (Spencer 2020). It has necessitated HR policies and regulations that reduce workload and improve the quality of work.

In the situation caused by the crisis, the set of necessary competencies has changed, which it can show a different picture depending on the sector (Grotte, Pató, Hollosy Vadász, 2021)

The role of HR has become particularly important in these situations (Torrington and Hall 1987; Ulrich 1998; Amstrong 1999) because, among other things, due to the closures, the COVID-19 also brought to the surface significant inequalities in the labor market. These include gender inequalities (Landivar et al. 2020) or income differences (Blundell et al. 2021), which ultimately affect each individual personally; therefore, HR has a key role in their solution (Butterick and Charlwood 2021). The mentioned inequalities are partly supported by the theories and practices of HR, which encourage and enable the inclusion of work as a commodity in economic calculations. Employees whose jobs were managed on this basis suffered disproportionately from the effects of the pandemic (Berman et al. 2021; Troger 2021). This could happen even if an HR strategy worked well in principle, but was not properly adapted to individual needs, such as dealing with the care of children who stay at home.

The pandemic's significant alterations have had a significant impact on human resources management. Companies should focus their efforts, in conjunction with HR professionals, on facilitating change and driving people transformation, implementing flexible working arrangements, and depending on new, cutting-edge technologies (Nutsubidze and Schmidt 2021). It was discovered that there are six main obstacles that need to be dealt with, including those related to finances, human resource management, support systems and processes, marketing, crisis management, and other issues (Salamzadeha and Danab 2020). The socioeconomic climate of Hungary and the HRM practices of foreign-owned businesses were both examined the research (Balawi and Wachira 2021). The study found that preserving local norms in the host country while managing personnel effectively and efficiently posed a significant issue due to the growth of FDIs and multinational corporations in Hungary.

The extent to which HR can be held responsible for these inequalities was also a question raised in the literature (Winton and Howcroft 2020). It is possible to demonstrate HR's responsibility for any inequality that is the result of a flawed personnel policy (e.g., layoffs carried out on the recommendation of the HR department). At the same time, the responsibility cannot be exclusive. In the event of a pandemic, it leads to the rapid worsening of a worker who appears sick at work (Bland and Kelly 2020). Working conditions independent of HR (low pay, limited independence and job insecurity) also contribute to the development of inequalities (Chandola and Zhang 2018). Even before the COVID-pandemic, workplace stress was a significant challenge, the many triggering factors of which have now been expanded by four more: the fear of loss of income and job, as well as the fear of contagion at work, as well as the forced increase in the frequency of working from home. Remote work not only reduces operating costs, but also enables more flexible and efficient work (Harpaz 2002). However, it also has many disadvantages, most of which result from the disruption of the balance between work and private life (Moran 2020), such as the blurring of work time and leisure time, as well as the resulting family conflicts (Vaganay et al. 2016). Determining the firm's primary goals, analyzing the available human resources, taking HR capabilities into account, and calculating the amount of HR the organization needs, make sure there is enough infrastructure to finish jobs, deciding on the HR governance plan (Ichsan et al. 2020). The goal of a study was to determine how socially responsible human resource management (SRHRM) affected workers' concerns about outside risks during the COVID-19 pandemic. The researchers found that employees faced risks to their safety and employment (He et al. 2022). There is solid support for the claim that employee centered HRM strategies have a significant impact on employee welfare (Agarwal 2021). The COVID-19 pandemic and HRM intersect in a way that is best understood by looking at sustainable

HRM, which draws on the triple bottom line components of the economic, environmental, and social pillars of sustainability (Liang et al. 2022).

During the pandemic, health and safety tasks became the focus of HR (Caligiuri et al. 2020). The new approach places the customer at the center of all its decisions and actions (Savié 2019). Due to the nature of the pandemic attacking human resources, HR activities related to health protection have also come to the fore (teleworking, protective equipment, work organization, workplace distancing and the protection of workers' health in the workplace). The pandemic crisis caused by the covid has created a new situation in terms of the organisation of tasks and organisational culture. In a fast-changing world and despite uncertainty, a well-functioning company must ensure that tasks are performed and organisational goals are achieved while maintaining health. In times of crisis, companies expect their employees to assume greater flexibility, so the focus has shifted to IT skills, agility, proactivity and initiative. (Szőke, 2022).

Despite the detrimental effects of the crisis on businesses, managers provided staff with training, meetings, and effective communication, and overall, HR managers are happy with how businesses have responded to the crisis (Gigauri 2020a). HRM provided assistance to employees in updating their skills for remote work, establishing flexible work schedules, and adopting less stringent performance management procedures. The senior management has also urged HR managers to adopt programs that promote the mental and physical health of workers (Gigauri 2020b). Companies worldwide are being driven to speed up their transformation to digital business operations as a result of extraordinary changes brought on by COVID-19. HRM is at the center of these developments, assisting organizations in navigating the hazy present and uncertain future. In order to maintain corporate operations and maintain work-life balance, HRM must manage employees in organizations during a crisis (Gigauri 2020c).

HR research related to the pandemic analyzes not only past and present, but also future possibilities (Bennett and McWhorter 2021; Williamson 2021). The creation of crisis management plans (Gigauri 2020d) and education and training (Byrd 2021; Malatyinszki 2020) received increased emphasis. In order for these measures to have their effect, quick and flexible response, personalized measures, well-chosen personnel, adequate situation analysis and communication are necessary (Lositska and Bieliaieva 2020); these are the basic conditions of effective crisis management. Our first hypothesis is based on these considerations:

Goncalves et al. (2021) showed that the HR changes induced by the pandemic were proportional to the size of the organization. This may be partly related to the experience that in the largest companies (with more than ten thousand employees) only one in ten employees was seriously afraid of losing their job (Watkins and Yaziji 2020), while in the small and medium-sized business sector it was already one in three, and among the self-employed two out of three. 57 percent of large companies introduced the obligation to wear masks in closed spaces, while only 51 percent of medium-sized ones. And in the small business sector, only 47 percent of companies made this decision. There is a similar difference in vaccination requirements: a quarter of large companies plan to require vaccination for work, while a third of small companies have decided to do so (Medici 2021). The ownership structure also significantly determines the HR strategy for pandemic management. In multinational companies, the eternal problem is reconciling the interests of foreign owners with the interests of local management and employees (Dundon and Rafferty 2018).

### 3. METHODS

The "KoronaHR" research group was established in Hungary in May 2020 with the participation of researchers from eleven domestic and one international university and with the support of numerous nonprofit civil organizations to monitor how Hungarian corporate/ institutional HR management practices respond to the challenges of the crisis caused by the coronavirus. We formulated the promotion of the relationship between theory and practice as an additional goal. The significant involvement of the universities made it possible to further develop and integrate HR knowledge related to the crisis and recovery into the curriculum. This level of concentration of resources made it possible for our research to support the best possible foundation of national measures against the coronavirus. The participants also made the results available through publications. Thus, our investigations in Hungary can provide important local insight into the organizational HR management of the pandemic and thus help to find global solutions as well (Sipos et al. 2020).

We conducted our investigation with a self-made questionnaire, which dealt with four major groups of questions, in each case collecting the experiences, opinions and expectations of the respondents:

- In the first part, we examined the characteristics of the responding organizations, such as economic sector, number of employees, turnover, etc.
- In the second part, we focused on the economic and organizational effects of the pandemic.
- The third part assessed the changes, competencies, knowledge, experience and behavior implemented by the HR departments/departments. We were also curious to what extent respondents thought the pandemic represented an opportunity for their organization.
- The last part recorded the characteristics of the respondents (position within the organization, gender, educational level).

The questionnaire contains both closed and open questions. When answering the closed questions, the respondents indicated the most characteristic of the responses formulated in advance, which can be evaluated on a Likert scale. In the case of open questions, we examined the opinions of the respondents. The questionnaire was queried several times: we also assessed the first, second and third waves of the pandemic.

For the sampling, defined in space and time, respondent-driven time-space sampling), which enables a fast and focused sample increase (Heckathorn 1997; Parsons et al. 2008). In the three periods, we received evaluable questionnaires from a total of 1,710 respondents (companies, institutions and non-profit organizations). A significant number of respondents were domestic private organizations (58.7% in the first phase, 46.9% in the second, and 51.7% in the third). Roughly a quarter of them were foreign or mixed-owned (Table 1). In the second phase, the proportion of responding state and local government organizations doubled (increased from 11.6% to 22.3%). This proportion decreased only minimally in the third phase (19.8%). In the entire sample, nearly one fifth of the responding organizations were state-owned or publicly owned, and half belonged to the category of domestically owned private companies.

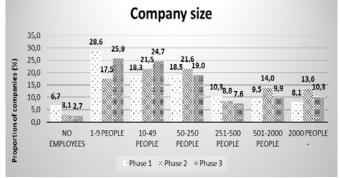
Table 1 Distribution of respondents according to ownership during the first, second and third KoronaHR research phases (own ed.)

Possessive form	1st wave	2nd wave	3rd wave
	%	%	%
State, municipal	11.6	22.3	19.8
Domestic private	58.7	46.9	51.7
Foreign or mixed	26.6	27.6	24.0
Non-profit organization	3.1	3.2	4.6
Altogether	100	100	100

Source: Authors' own research

Based on the number of employees, we separated 5 categories, the ratio of these under each wave is shown in Figure 1.

Figure 1 Distribution of responding companies by size in individual phases of the pandemic

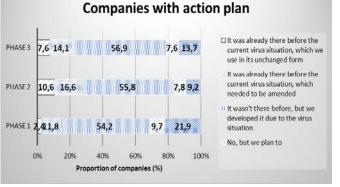


Source: Authors' own research

Overall, we can say that our respondents in all three phases came from companies with less than 250 employees, which corresponds to the statistical fact that the SME sector is the most significant group among Hungarian enterprises with a ratio of 99.8% (CSO Hungary 2022a).

We separately examined how many of the respondents had prepared crisis plans, to what extent they were up-to-date, and whether the company that did not have such a plan prepared one. (Figure 2). The results show that the majority of companies (almost 60%) follow a reactive strategy: they only started preparing emergency plans as a result of the pandemic. Only 15-25% of the responding organizations had a ready-made plan, but most of them were not up-to-date. The most unfavorable, however, is the fact that 13.7 % of the companies did not consider it important to prepare an emergency plan even in the 3rd phase.

Figure 2 The proportion of companies that have an emergency plan or are preparing one in each phase



Source: Authors' own research

In phase 1, there was a higher proportion of responding organizations that did not have an independent personnel/human resources department (53.8%), while in phase 2 this proportion reversed, and 50.9% of organizations participated in the research, where an independent HR department operates. This may be due to the fact that there was a higher proportion of medium and large-sized organizations among the organizations responding to the 2nd phase. In the third phase, due to the rearrangement of the distribution according to size, the organizations that operate without an HR department once again prevailed (50.6%).

# 4. **RESULTS**

In the first step, we examined how often classic HR solutions (retrenchments, layoffs, closures) occurred in individual companies (Figure 3). As a gratifying result, we found that even in the first phase, when the companies were unprepared, approximately 60% of the companies did not lay off anyone. This ratio did not change significantly during the subsequent phases either. In the third phase, 17% of the companies have already increased the number of employees, these are likely to be organizations that operate without face-to-face contact (such as e-commerce businesses).

Figure 3 Changes in the number of employees of the responding companies in each phase



Source: Authors' own research

The emphasis on staff retention is a sign that the HR departments have already reacted according to a new paradigm, the essence of which is to try to preserve the workforce (and thus also the knowledge capital). At the same time, it is also certain that this reaction was supported by the Hungarian government measures, which were aimed at saving jobs: wage subsidies, tax incentives, growth grants, simplified administration (IMF 2021). Based on the answers to the questionnaire, we found that 53% of the respondents did not use these subsidies even in the first phase (or did not want to answer this question). The ratio increased to 65% in the second phase, and it was already 67% in the third phase. The companies that took advantage of the opportunity primarily used wage subsidies (24% in phase 1, which decreased to 17% in phase 3) and the loan moratorium (11% in phase 1, which decreased to 5.5% in phase 3 %) were used. The importance of the challenges to HR changed during each phase. Table 2 summarizes the 15 most common of these challenges. In the first phase - for understandable reasons - health protection was the most important, followed by staff management and communication. By the second phase, the health protection procedures had already been relatively developed, the observance of which had already become almost routine. Therefore, in this phase, more attention was paid to staff retention and communication strategies.

# Table 2 The biggest challenges related to the pandemic situation in HR during the first, second and third waves

			2
ы	1. wave	2. wave	3. wave
Ranking	Designation	Designation	Designation
1.	Effective internal communication, information, contact ↓1-4-2*	Personnel planning and insurance recruitment, selection, headhunting,	Personnel management, staff retention/insurance, recruitment
2.	Personnel management, retaining/ensurin g the workforce Î2-1-1	Administration , labor law, labor affairs	Effective internal communication, information and contact
3.	home office, remote work ⊎3- 8-4	Retention, motivation, incentives, benefits, engagement, satisfaction	Maintaining motivation, encouragement, satisfaction and engagement
4.	Health protection, hygiene, compliance with rules and regulations U4- 7-5	Internal/person al/online communicatio n, contact, information	home office and remote work
5.	Maintaining motivation and commitment ↑5- 3-3	Education, (online) training and development, e- learning	Compliance with health protection, occupational safety, hygiene, rules and regulations
6.	Responsibilities of wage management and wage support	Wage support, wage management, payroll	Treatment of panic, uncertainty, stress relief, maintenance of mental health
7.	Treatment of panic, uncertainty, stress relief, maintenance of mental health	Pandemic- related tasks (protective equipment, tests, measures, coordination, handling social/psychol ogical problems, etc.)	Training, development
8.	Quick response, adaptation to changes, development of measures	Home office, remote work, atypical employment	Team cohesion, coordination, cooperation
9.	With working time management, scheduling, substitution related tasks	Occupational safety, health protection, employment health.	Quick response, adaptation to changes, development of measures
10.	Team cohesion, coordination, cooperation	Job analysis, planning, transformation , job descriptions	working time management, scheduling, work organization, substitution

11.	digital processes (work -flow).	Downsizing, dismissal, termination of employment	Increased administrative burden
12.	Downsizing, layoffs	Performance evaluation, TM	digital processes (work -flow).
13.	Treatment and replacement of those who are out of work due to the virus situation (e.g., due to school closures).	Online recruitment, online interviews	Treatment and replacement of those who are out of work due to a virus situation (e.g. due to illness, school closures).
14.	Other	Organizational development, change management	Performance evaluation, SQUARE
15.		HR digitalization	Downsizing, layoffs
16.		Other	Social support

Source: Authors' own research

The expectations of the HR department have also increased in parallel with the growth of individual tasks. Almost a third of all respondents reported this, and another 30% said they remained unchanged. At the same time, the picture is slightly shaded by the fact that - since a significant part of the surveyed companies are SMEs - one third of all respondents do not have an HR department at all.

It is very important to emphasize that an unexpected crisis can only be managed successfully with innovative methods. An out-of- the box approach is necessary for the organization (and HR within it) to act quickly and efficiently. This is based on the approach that sees the crisis as an opportunity and accordingly tries to exploit the development potential in the situation. That is why we also asked those who completed the questionnaire to what extent they consider the crisis an opportunity. In the first and second phases, nearly 90% of the companies agreed that the crisis is also an opportunity, and in the third phase, this percentage increased to almost 93 %. Even more favorable is our finding that roughly every fifth company specifically looks for opportunities for development in the crisis. In relation to crisis management, we also examined which areas of HR the respondents consider to be the most important development

HR the respondents consider to be the most important development (Table 4). We examined a total of 17 measures, but only the 5 most common of them were listed in the table.

 Table 4 Potentially developing and strengthening HR areas as a result of the crisis during the first, second and third phases

Row by row	First phase		Second phase		Third phase	
	Designation	%	Designation	%	Designation	%
1.	internal communicatio n	56.3	internal communication	55.5	internal communication	57.2
2.	atypical employment/ home office	53.6	occupational health and safety	47.3	atypical employment/ home office	45.1
3.	occupational health and safety	35.7	atypical employment/ home office	44.6	occupational health and safety	43.6
4.	personnel planning, succession planning	31.6	job analysis and planning	35.0	job analysis and planning	39.3
5.	job analysis and planning	30.8	personnel planning, succession planning	31.7	personnel planning, succession planning	31.9

Source: Authors' own research

As can be seen from the table, according to the experts, they saw the greatest opportunity in the development of internal organizational communication in each phase. Occupational health protection and home are listed alternately in second and third place office, followed by planning (job and workforce planning). Apart from the measures specifically aimed at health protection, these are the directions that characterized HR in transition even before the pandemic, but their importance was further increased by the pandemic.

#### 5. DISCUSSION

The new paradigm of HR, the essence of which is the appreciation of the importance of the workforce and knowledge capital, was not caused by COVID-19. However, forced lock-downs and a significant downturn in the economy accelerated this process. In particular, the practical implementation of theoretical considerations is accelerated. This new direction was also supported by Hungarian government measures, which encouraged organizations to keep jobs and continue economic activity during the pandemic waves. Based on the literature, international trends are moving in this direction as well. Alves et al (2020) mention the shortening of working hours, the management of employee stress, flexible HR measures and the procurement of protective equipment as the main tasks, but at the same time, the possibility of reducing staff does not even arise in connection with cost reduction. The pandemic also resulted in the rediscovery and further development of old solutions related to the new direction (Kirby 2020): the paradigm of remote work, digitization and automation were renewed. The changes had to be implemented quickly, which also transformed the role of management: transparency; communication and trust were valued. Petzer (2020) also writes about the possibilities of retaining the workforce (wage reduction, reorganization, flexible working conditions, reduction of other costs), who emphasizes in his study that the guarantee of success is determined management that sets clear and unambiguous goals.

Larger organizations are especially at the forefront of renewal. The background of company size as a factor determining crisis policy is probably that larger companies have stronger capital and therefore survive longer crises (Gregurec et al. 2021). Another possible reason is that company size is also related to greater job security and that the pandemic may have accelerated previous trends in product and labor market concentration. In particular, because the initial policy responses did not provide sufficient protection for workers in small and medium-sized enterprises. As a third possible explanation, it cannot be neglected that most of the smaller companies do not have an HR department, often not even a professional HR specialist, but members of the management perform these tasks as well.

#### 6. CONCLUSIONS

The operation and strategy of HR is undergoing a transformation these days. The transformation of the traditional approach has already begun noticeably a decade ago (Duke and Udono 2012), but the practical implementation follows the change of theory much more slowly. This is not unique to HR professionals experience the same with every other scientific paradigm shift. The fact that layoffs were even more frequent at the beginning of the pandemic is a good indication of the pandemic's effect on accelerating development, especially the private sector used this solution more often. In the public sector, however, more emphasis was placed on health preservation and protection, as well as its control, which was also led by HR. The virus primarily threatened human resources through the loss of health. Therefore, initially, in the first phase of the pandemic, the organization of healthcare, communication and the home office were at the center of the work of human resources professionals. In the second and third waves, job security and retention became most important. The pandemic has resulted in the appearance of a new HR function: organizations must prepare for the long-term operation of flexible work organization solutions in a "business-like" manner" (Kőműves et al. 2021).

During the recovery from the pandemic, the performance of the Hungarian economy was high, at 7.1% (CSO Hungary 2022b) in 2021. This was also greatly contributed by the fact that a significant part of the investigated Hungarian organizations saw the coronavirus crisis not only as a problem, but also as an opportunity. At the beginning of the pandemic, researchers primarily examined the similarities and differences between this crisis and previous crises (Diamond 2019; Fergusson, 2021). According to various sources, Covid-19 accelerated, rather than disrupted, HR trends that had already started (Brewster et al. 2010; Kazlauskaite et al. 2013; Caligiuri et al. 2020; Gartner 2021; Parry et al. 2021; Ulrich 2021). Nowadays, in addition to theoretical articles, empirical research results are also available (Römisch 2020). Our research also confirmed that the spread of the HR paradigm, which has been spreading more and more decisively for a decade and treats the workforce as a value, was significantly accelerated by the crisis caused by the coronavirus, and this effect on practical implementation was even greater. Our work also highlighted what we have already underlined, that new HR measures are needed to ensure the survival of organizations and the physical and mental health (well-being) of employees. The various HR roles were therefore reorganized simultaneously with the pandemic, and a new mix is beginning to emerge, where the operational, tactical and strategic roles are overridden by the pandemic, and a "crisis manager hybrid HR", that dynamically adapts to the pandemic situation, is beginning to emerge.

After the three KoronaHR examinations indicated in the article, we did not stop our research work. Among other things, we extended the research beyond our country to five other countries in the Central and Eastern European region (Austria, Bosnia-Herzegovina, Bulgaria, Romania and Slovakia).

At the same time, the process of recovery from the Covid-19 crisis and the initial recovery are overshadowed by the new crisis already mentioned at the beginning of our article, which was triggered by the Russian-Ukrainian war (Tooze 2022). During the six months of the war in Europe, it had a significant impact on the world economy, which culminated in rapidly rising inflation, as well as a shortage of raw materials and growing uncertainty in Europe and in our country. The effects of this are still unpredictable today.

#### Sources

- ADAMS-PRASSL, A., BONEVA, T., GOLIN, M., AND RAUH, C. 2020. Inequality in the impact of the coronavirus shock: Evidence from real time surveys. Journal of Public Economics. https://doi.org/10.1016/j.jpubeco.2020.104245
- AGARWAL, P. 2021. Shattered but smiling: human resource management and the wellbeing of hotel employees during COVID-19. International Journal of Hospitality Management (93): 1-10.
- ALVES, JC, LOK, TC, LUO, Y., & HAO, W. 2020. Crisis Management for Small Business during the COVID-19 Outbreak: Survival, Resilience and Renewal Strategies of Firms in Macau [Preprint]. In Review, https://doi.org/10.21203/rs.3.rs-34541/v1
- 4. AMSTRONG, M. 1999. Human Resource Management. London: Kogan Page.

- BALAWI, A., & WACHIRA, E. W. 2021. HRM practices on foreign-owned companies In Hungary. Modern Management Review 26(4): 7-24. https://doi.org/10.7862/rz.2021.mmr.21
- BEECH, N., BURNS, H., DE CAESTECKER, L., MACINTOSH, R., & MACLEAN, D. 2004. Paradox as invitation lake act in problematic change situations. Human Relations 57 (10): 1313–1332. https://doi.org/10.1177/0018726 704048357
- BENNETT, EE, & MCWHORTER, RR 2021. Virtual HRD's Role in Crisis and the Post Covid-19 Professional Lifeworld: Accelerating Skills for Digital Transformation. Advances in Developing Human Resources 23 (1): 5–25. https://doi.org/10.1177/1523422320973288
- BERMAN, EM, BOWMAN, JS, WEST, JP, & WART, MRV 2021. Human Resource Management in Public Service: Paradoxe, Processes, and Problems ed. 7. CQ Press.
- BLAND, A., AND KELLY, A. 2020. Boohoo booms dig Leicester garment factories are linked to lockdown. The Guardian. http://www.theguardian.com/uk-news/2020/jul/04/b oohoo-booms-leicester-garment-factories-linked-lockdown (accessed July 10, 2020.)
- BLUNDELL, R., CRIBB, J., MCNALLY, S., WARWICK, R., & XU, X. 2021. Inequalities in education, skills, and incomes in the UK: The implications of the COVID-19 pandemic (p. 43). The Institute for Fiscal Studies. https://www.thebritishacad emy.ac.uk/documents/3024/COVID-decade-inequalitieseducation-skills-incomes-UK-Institute-Fiscal-Studies.pdf
- BOBBY, J., ANGELINE, NG, & SAKTHI, A. 2020. COVID-19— Practicing prevention in the workplace. Indian Journal of Occupational & Environmental Medicine 24 (3): 133–136. https://doi.org/10.4103/ijoem.ijoem\_460\_20
- BRAUER, M., & ZIMMERMANN, M. 2019. Investor Response lake Workforce Downsizing: The Influence of Industry Waves, Macroeconomic Outlook, and Firm Performance. Journal of Management 45(5): 1775–1801. https://doi.org/10.1177/0149206317734901
- BREWSTER, C., MORLEY, M. & BUCIUNIENE, I. 2010. The reality of human resource management in Central and Eastern Europe. Baltic Journal of Management, 5(2): 145-155.
- Budapest LAB 2020. This is how the Hungarian SME sector reacted to the coronavirus pandemic. BGE-Budapest Business School https://budapestlab.hu/index.php/igy-reagalt-a-magyarkkv-szektor-a-koronavirus-jarvanyra/ (accessed December 12, 2020.)
- BUTTERICK, M., & CHARLWOOD, A. 2021. HRM and the COVID-19 pandemic: How can we stop making bad \_ situation worse? Human Resource Management Journal 1748-8583.12344. https://doi.org/10.1111/1748-8583.12344
- 16. BYRD, MY 2021. The New Normal: The Changed Landscape of Human Resources Development in the Wake of COVID-19. Advances in Developing Human Resources 23 (1): 3–4. https://doi.org/10.1177/1523422320973957
- CALIGIURI, P., DE CIERI, H., MINBAEVA, D., VERBEKE, A., & ZIMMERMANN, A. 2020. International HRM insights for navigating the COVID-19 pandemic: Implications for future research and practice. Journal of International Business Studies, 51(5): 697–713. https://doi.org/10.1057/s41267-020-00335-9
- CASCIO, WF 2002. Strategies for Responsible Restructuring. Academy of Management Perspectives 16 (3): 80–91. http://www.jstor.org/stable/4165870.
- CHANDOLA, T., AND ZHANG, N. 2018. Re employment, job quality, health and allostatic load biomarkers: Prospective evidence from the UK Household Longitudinal Study. International Journal of Epidemiology 47(1):47–57. https://do i.org/10.1093/ije/dyx150
- 20. CSO Hungary 2022a. A vállalkozások teljesítménymutatói létszámkategória szerint (Performance indicators of enterprises

by staff category). https://www.ksh.hu/stadat\_files/gsz/hu/gsz0017.html

- 21. CSO Hungary 2022b. A bruttó hazai termék (GDP) negyedéves volumenindexei (Quarterly volume indexes of the gross domestic product (GDP)). https://www.ksh.hu/stadat\_files/gd p/hu/gdp0086.html
- 22. DUKE, J. I., & UDONO, E. N. 2012. A New Paradigm in Traditional Human Resources Management Practices. Journal of Management and Sustainability 2(2): 158–162. https://doi.o rg/10.5539/jms.v2n2p158
- DUNDON, T., & RAFFERTY, A. 2018. The (potential) demise of HRM? Journal of Human Resource Management 28 (3): 377– 391. https://doi.org/10.1111/1748-8583.12195
- 24. FONSECA, T., DE FARIA, P., & LIMA, F. 2019. Human capital and innovation: The importance of the optimal organizational task structure. Research Policy 48(3): 616–627. https://doi.org/10.1016/j.respol.2018.10.010
- 25. FORBES September 2, 2020. The numbers are out: There is no question who is the biggest winner of the coronavirus pandemic in Hungary. Forbes 2020 (09). https://forbes.hu/uzlet/kijottek-aszamok-nem-kerdes-ki-a-koronavirus-jarvany-legnagyobbnyertes-magyarorszagon/ (accessed October 10, 2020.)
- GEORGE, R., AND GEORGE, A. 2020. Prevention of COVID-19 in the workplace. South African Medical Journal 110 (4): 269. https://doi.org/10.7196/SAMJ.2020.v110i4.14723
- GERHART, B., NEWMANN, J., & MILKOVICH, G. 2020. Compensation ed. 13. McGraw -Hill Education. https://www.pr ioritytextbook.com/compensation-13th-edition-george-milkov ich-ie/
- GERHART, B., & TREVOR, CO 1996. Employment variability under different managerial — ProQuest. Academy of Management Journal 39(6):1692–1712. https://doi.org/10. 2307/257075
- 29. GIGAURI, I. 2020. Organizational support to HRM in times of the COVID-19 pandemic crisis. European Journal of Marketing and Economics 4(1): 16-30.
- GIGAURI, I. 2020. Effects of Covid-19 on Human Resource Management from the Perspective of Digitalization and Worklife-balance. International Journal of Innovative Technologies in Economy. 4. 10.31435/rsglobal\_ijite/30092020/7148.
- 31. GIGAURI, I. 2020) Influence of Covid-19 Crisis on Human Resource Management and Companies 'Response: The Expert Study. International Journal of Management Science and Business Aadministration 6 (6): 15–24.
- 32. GIGAURI, I. 2021. Implications of COVID-19 for Human Resource Management Iza Gigauri. 7: 25-33. 10.14445/2393 9125/IJEMS-V7I11P104 https://doi.org/10.18775/ijmsba.1849-5664-5419.2014.66.1002
- 33. GONÇALVES, SP, SANTOS, JV DOS, SILVA, IS, VELOSO, A., BRANDÃO, C., & MOURA, R. 2021. COVID-19 and People Management: The View of Human Resource Managers. Administrative Sciences 11(3):69. https://doi.org/10.3390/admsc i11030069
- 34. GREGUREC, I., TOMIČIĆ FURJAN, M., & TOMIČIĆ-PUPEK, K. 2021. The Impact of COVID-19 on Sustainable Business Models in SMEs. Sustainability 13(3): 1098. https://doi.org/10.3390/su13031098
- 35. GROTTE J., PATÓ GÁBORNÉ SZŰCS B., HOLLÓSY-VADÁSZ G. 2021 Hr Kihívások A Pandémia Idején A Hazai Szállodaiparban és Vendéglátásban (II. Rész), Új Munkaügyi Szemle, II.évf., 2021-3.sz, pp.81.-93.
- 36. HARPAZ, I. 2002. Advantages and disadvantages of telecommuting for the individual, organization and society. Work Study 51(2):74–80. https://doi.org/10.1108/0043802021 0418791
- 37. HE, J, MAO, Y, MORRISON, A.M. & COCA-STEFANIAK, J.A. 2022. On being warm and friendly: The effect of socially

responsible human resource management on employee fears of the threats of COVID-19. International Journal of Contemporary Hospitality Management

- HECKATHORN, DD 1997. Respondent-Driven Sampling: A New Approach Lake the Study of Hidden Populations. Social Problems 44(2):174–199. https://doi.org/10.2307/3096941
- 39. ICHSAN, R. N, KHAERUMAN, SANTOSA, S. SHARA, Y. & LIRIWATI. F. Y. (2020). Investigation of Strategic Human Resource Management Practices In Business After Covid-19 Disruption. PalArch's Journal of Archaeology of Egypt / Egyptology, 17(7), 13098-13110. Retrieved from https://archive s.palarch.nl/index.php/jae/article/view/5059
- 40. IMF 2021. Policy Responses to COVID19. International Monetary Found https://www.imf.org/en/Topics/imf-and-covid 19/Policy-Responses-to-COVID-19
- 41. KAUFMAN, B. E. 2014. History of the British Industrial Relations Field Reconsidered: Getting from the Webbs lake the New Employment Relations Paradigm: History of the British Industrial Relations Field. British Journal of Industrial Relations, 52(1): 1–31. https://doi.org/10.1111/j.1467-8543.20 12.00907.x
- 42. KAZLAUSKAITE, R., BUCIUNINE, I., POÓR J., KAROLINY, ZS, ALAS, R.-KOHONT, A. & SZLÁVICZ, Á. 2013. Human Resource Management in the Central and Eastern European Region. In.: Parry,E., Stavrou, E. and Lazarova, M (Eds.). Global Trends in Human Resource Management. London: Palgrave-Macmillan Publishers.
- 43. KIRBY, S. 2020. 5 ways COVID-19 has changed workforce management. World Economic Forum. https://www.weforum.or g/agenda/2020/06/covid-homeworking-symptom-of-changing-fa ce-of-workforce-management/
- 44. LANDIVAR, LC, RUPPANNER, L., SCARBOROUGH, WJ, & COLLINS, C. 2020. Early Signs Indicate That COVID-19 Is Exacerbating Gender Inequality in the Labor Force. Socius: Sociological Research for a Dynamic World 6. 237802312 094799. https://doi.org/10.1177/2378023120947997
- 45. LARCKER, D. F. 2020. The Spread of COVID-19 Disclosure. Stanford Closer Lol Series.
- 46. LEE, SY, FLORIDA, R., & GATES, G. 2010. Innovation, Human Capital, and Creativity International Review of Public Administration 14(3): 13–24. https://doi.org/10.1080/12294659 .2010.10805158
- 47. LI, Z., FARMANESH, P., KIRIKKALELI, D., & ITANI, R. 2021. The comparative analysis of COVID-19 and global financial crises: Evidence from the US economy Economic Research - Ekonomska Istraživanja: 1–15. https://doi.org/1 0.1080/1331677X.2021.1952640
- 48. LIANG, X.; ZHANG, X.; PAULET, R.; ZHENG, L.J. 2022. A Literature Review of the COVID-19 Pandemic's Effect on Sustainable HRM. Sustainability 14: 2579. https://doi.org/1 0.3390/su14052579
- LOSITSKA, T., & BIELIAIEVA, N. 2020. HR Crisis Management at Trade Enterprises. EUREKA: Social and Humanities 1(1): 10–15. https://doi.org/10.21303/2504-5571.20 20.001142
- MALATYINSZKI, SZ. 2007. Human Capital Investments in two Countries in Hungary. Ekonomika a spoločnosť. Journal of Economics and Social Research. 8(2): 154–163
- 51. MALATYINSZKI, SZ. 2015. A menedzsment és az értékek [Management and the Values, in Hungarian]. Tudásmenedzsment. 16(1): 51–55
- MALATYINSZKI, SZ. 2020. A digitális oktatás megélése [Exerperiencing Digital Education, in Hungarian]. EFOP-3.4.4-16-2017-00001. https://doi.org/10.13140/RG.2.2.36400.38408
- 53. MEDICI, A. 2021. How company size is shaping employer Covid-19 protocols. Tampa Bay Business Journal 11.

- 54. MORAN, T. NOVEMBER 6, 2020. COVID-19 pandemic creates new causes of ' workplace ' stress. University of Birmingham. https://www.birmingham.ac.uk/news/latest/2020 /11/covid-19-pandemic-creates-new-causes-of-'workplace'stress.aspx (accessed December 10, 2020.)
- 55. MTI May, 2020a. Almost 10,000 companies used the job protection wage subsidy. HR portal. https://www.hrpo rta l.hu/c/majdnem-10-ezer-vallalat-vette-igenybe-a-munkahelyved elmi-bertamogatast-20200526.html (accessed 20 December, 2020.)
- 56. MTI June 2020b. Every day, thousands of applications are received for the job protection wage subsidy. HR Portal. https://www.hrportal.hu/hr/naponta-tobb-ezer-kerelem-erkezika-munkahelyvedelmi-bertamogatasra-20200619.html (accessed July 12, 2020.)
- 57. NUTSUBIDZE, N. & SCHMIDT, D.A. 2021. Rethinking the role of HRM during COVID-19 pandemic era: Case of Kuwait. Review of Socio-Economic Perspectives 6(1): 1-12.
- PAINE, LS October 6, 2020. Covid-19 Is Rewriting the Rules of Corporate Governance. Harvard Business Review (Online): 1– 15. https://hbr.org/2020/10/covid-19-is-rewriting-the-rules-of-co rporate-governance
- 59. PARRY, E., MORLEY, J.M. & BREWSTER, CH. 2021. The Oxford Handbook of Contextual Approaches to Human Resource Management. New York: Oxford University Press.
- 60. PARSONS, JT, GROVE, C., & KELLY, BC 2008. Comparing the Effectiveness of Two Forms of Time- Space Sampling lake Identify Club Drug-Using Young Adults. Journal of Drugs Issues 38(4): 1061–1081. https://doi.org/10.1177/0022042 60803800407
- PERGER J., PÉTERFI C., & ARDELEAN A. 2020. Overtime instead of forced rest - Or who are the winners of COVID-19 (p. 37). PriceWaterhouseCoopers
- 62. PETZER, M. 2020. Coronavirus and the workforce: How can we limit redundancies? Chartered Institute of Personnel and Development. http://researchonline.ljmu.ac.uk/id/eprint/12960 /1/coronavirus-workforce-redundancies\_20200402T170659.pdf (accessed December 22, 2020.)
- 63. PULAY, G. (2020, October 23). How much has the COVID-19 epidemic turned the labor market around? Financial Review online. https://www.penzugyiszemle.hu/tanulmanyok-eloadas ok/mennyire-forgatta-fel-a-covid-19-jarvany-a-munkaeropiaco t?Coption=cikk-nyomtasa
- 64. SALAMZADEHA, A AND DANAB, P. L. 2020. The coronavirus (COVID-19) pandemic: challenges among Iranian startups. Journal of Small Business & Entrepreneurship 33(5):489-512. DOI: 10.1080/08276331.2020.1821158
- SAVIĆ, D. 2019. From Digitization, through Digitization, to Digital Transformation. Online Searcher (43): 36–39. https://bit.ly/3aO3Gy3
- 66. SCHUMPETER, J. 1939. Business cycles. A Theoretical, Historical and Statistical Analysis of the Capitalist Process. McGraw -Hill.
- SHAIKH, A. 2011. The First Great Depression of the 21st Century. Socialist Register 47. https://socialistregister.com /index.php/srv/article/view/14330
- SHEN, H., FU, M., PAN, H., YU, Z., & CHEN, Y. 2020. The Impact of the COVID-19 Pandemic you Firm Performance. Emerging Markets Finance and Trade 56 (10): 2213–2230. https://doi.org/10.1080/1540496X.2020.1785863
- 69. SIPOS N., JARJABKA Á., KURÁTH G., & VENCZEL-SZAKÓ T. 2020. Higher education in the grip of COVID-19: 10 years in 10 days? – Quick report on the effects of the digital transition in work at the University of Pécs. Education, digitalization, civil society (Civil Review Special Issue) 1: 73– 92.

- 70. SOUDER, D., REILLY, G., BROMILEY, P., & MITCHELL, S. 2016. The Behavioral Understanding of Investment Horizon and Firm Performance. Organization Science 27(5): 1202–1218. https://doi.org/10.1287/orsc.2016.1088
- 71. SPENCER, DA 2020. Economics and ' bad ' management: The limits lake performativity. Cambridge Journal of Economics 44(1): 17–32. https://doi.org/10.1093/cje/bez033
- 72. STRAUSS-KAHN, M.-O. May 5, 2020. Can we compare the COVID-19 and 2008 crises? Atlantic Council. https://www.atla nticcouncil.org/blogs/new-atlanticist/can-we-compare-the-covi d-19-and-2008-crises/ (accessed 5 June, 2020.)
- 73. SZŐKE, B., 2022. A controlling módszertan fejlesztése a HR specifikációs tényezők alapján, Doktori (PhD) dissertation [Development of Controlling Methodology Based on HR Specification Factors], 247 p.
- 74. TORRINGTON, D., & HALL, L. 1987. Personnel Management: A New Approach. Prentice Hall.
- 75. TROGER, H. 2021. Taking Stock: Multiple and Complex Challenges, But No Effective Solutions. In H. Troger, Human Resource Management in a Post COVID-19 World: 91–105. Springer International Publishing. https://doi.org/10.1007/978-3-030-67470-0\_5
- ULRICH, D. 1998. The four roles of HR professionals. HRM Handbook. https://hrmhandbook.com/hrm/hr-model/four-hr-rol es-dave-ulrich/
- 77. VAGANAY, A., CANÓNICO, E., & COURTIN, E. 2016. Challenges of work -life balance face by working families: Evidence review. LSI Enterprise. https://doi.org/10.2767/40435

- WATKINS, MD, & YAZIJI, M. 2020. COVID-19 puts People and organizations under a lot of pressure (p. 8). IMD -International Institute for Management Development. https://www.imd.org/research-knowledge/articles/COVID-19under-pressure/
- 79. WHO 2019. The world at risk: Annual report global preparedness for health emergencies (GPMB Annual Report, p. 48. WHO Global Preparedness Monitoring Board. https://apps.w ho.int/gpmb/assets/annual\_report/GPMB\_annualreport\_2019.pd f?utm\_source=ottawamatters.com&utm\_campaign=ottawamatters.com&utm\_medium=referral
- WILLIAMSON, P. 2021. Deglobalisation and Decoupling: Post- COVID -19 Myths versus Realities. Management and Organization Review 17(1):29–34. https://doi.org/10.1017/ mor.2020.80
- 81. WINTON, A., & HOWCROFT, D. April 7, 2020. What COVID-19 tells us about the value of human labor. Policy@Manchester Blogs: All Posts. http://blog.policy.ma nchester.ac.uk/posts/2020/04/what-covid-19-tells-us-about-thevalue-of-human-labour/