



CORONAVIRUS CRISIS CHALLENGES AND HR RESPONSES IN SIX COUNTRIES OF CENTRAL AND EASTERN EUROPE

Edited by

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J . S E L Y E U N I V E R S I T Y

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FOREWORD

“Crises and economic downturns, when they happen, at least have the benefit of forcing us to think.” Jawaharlal Nehru²

The global coronavirus pandemic has caused a major shock to the socio-economic structures of our region from early 2020, which many researchers believe will fundamentally change the way society and, within which, economic actors operate. Most experts agree that even if the pandemic was to subside completely, we could only return to a new type of normality. This new normality, however, will include a number of uncertain and highly unpredictable factors which, in the context of a pandemic, may change radically in a short period of time. To mitigate this uncertainty, the research project “COVID-19: Romanian Economic Impact Monitor” (econ.ubbcluj.ro/coronavirus) has been launched in Romania under the leadership of the undersigned, which makes the results of the epidemiological and economic research of our institution available to the general public in an understandable way, with daily data updates. The results of our research also confirm that one of the priority areas that will be transformed in the economy as a result of the pandemic is precisely the area of human resources, the role of employees in companies and the way they work in them. The field of HR is therefore facing a number of unknown challenges and opportunities, and the publication of the research findings in this monograph is therefore particularly welcome. The findings presented in this monograph represent another important step towards a better understanding of the challenges and opportunities in the field of HR and in preparing business decision-makers for a new normality. All this is presented in a regional context and also in an international context.

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² Jawaharlal Nehru (1889-1964) first Prime Minister of independent India, leader of the Indian independence movement and the Indian National Congress.

1 INTRODUCTION (JÓZSEF POÓR, CHRISTIAN HIRT, ALMINA BEŠIĆ, ZIJADA RAHIMIĆ, SNEZHANA ILIEVA, MONICA ZAHARIE, KINGA KEREKES, ZSUZSANNA SZEINER, ARNOLD TÓTH & BOTOND GÉZA KÁLMÁN)

“I am a firm believer in people. If we tell them the truth, we can count on them to meet any national challenge. The important thing is to tell them the real facts.” Abraham Lincoln³

1.1 BACKGROUND

Today, there is a growing view and perception that the outbreak of the Covid-19 pandemic in Wuhan, China at the end of 2019 is not only a global health and human issue but the emergence of a much bigger problem than the one we are facing now. American historian Diamond (2020) argues that “the real threat to our civilization is not Covid, but the nuclear bomb, climate change and resource depletion”. Honigsbaum (2019:15) takes a similar view in a recent paper. He argues that ‘our interest should not be narrowed to some predatory microorganism’, but that it is important to see the ‘bigger picture’. Ferguson (2021), argues that our current world is so complex that it is very fragile. Even a tiny spill (a grain of sand) can trigger world processes with unfortunate outcomes, as predicted by the experiment known as the ‘Schrödinger cat’.

In our review, it should also be borne in mind that various researchers and thus disaster and crisis researchers have also pointed out and continue to point out that such disastrous situations create not only problems but also new exploitable opportunities (Morris, 2014). A similar view is expressed by Harrai (2021), who argues that if the right alignment between conventional science and apolitical science can be found, we can quickly overcome the current crisis. Bill Gates (2021), the billionaire computer guru and philanthropist, makes a similar point in his recent book. If we are to prevent crises like this one, we must rely on innovative technological solutions to prevent catastrophic degradation of our environment.

² Abraham Lincoln (1809-1865) From 1861 to 1865 the 16th president of the United States of America, the first Republican president.

Other researchers (Wood, 2020) argue that, in addition to scientific tools, community cooperation, goodwill and solidarity are essential to defeat the coronavirus.

After the outbreak of the coronavirus, various authors have often referred to the experience of the previous 2008-2009 crisis, even though that crisis started mainly in the banking world and spread from there to other sectors of the economy (Farkas, 2018). The lesson from the management of the 2008-2009 crisis is that 'not fiscal austerity but rather easing measures were the more successful escape route' (Magas, 2018: 3). The management of the majority of companies was 'characterized by survival and short-term thinking' (Balaton & Csiba, 2012:11). Companies reduced their workforce, especially in terms of temporary workers (Fodor, Kiss & Poór, 2010). It is also noteworthy that they have greatly reduced the hiring of new workers (Köllő, 2010).

Prior to the outbreak of the coronavirus crisis, the global economy, including our narrower Central and Eastern European region, was on a sustained growth path. In the developed world, growth of 1-2 per cent was typical. The global average was 3 percent (UN, 2019) while in the countries of our region this figure reached 3-5 percent.

At the same time, the global volume of Foreign Direct Investment (FDI) decreased by 13 per cent from 2018, but still reached \$1,500 billion (UNCTAD, 2019). This figure was down by 35 per cent by the end of the first year of the crisis, almost 20 per cent lower than in 2009. China was an exception, with no such decline (UNCTAD, 2020).

The first and second waves of the QE crisis have had a significant downward impact on the global economy and on individual regions and countries (IMF, 2021a). With the exception of China, most countries experienced a significant economic contraction in 2020 (Covid, 2020). The region also experienced a 6-7 percent contraction (Römisch, 2020). In 2021, this value turned positive in most countries (Table 1). After the third wave, the forecasts were very bold (+7-8%) and very optimistic. By the end of the last year 2021, the new fourth wave and other problems (e.g., shortages of materials and parts, labour, etc.) had converged to much more realistic values (5-5%).

Table 1: GDP data for the world, certain regions, China and the USA 2020-2021

The world, regions and countries	2020	2021
Global GDP	-4.3% and 7.4%	+4% and +6%
USA	-4.2%	+4.2%
China	2.6%	+6.5%
EU-27	-7.5%	+5%
EU-Euro	-8%	+5%

Sources: Römisch, 2020, IMF 2021

This crisis has fundamentally affected the workforce (human resources). Since the crisis of 2008-2009, employment has grown steadily worldwide - by 3.4 billion people (ILO, 2017) - and in the Central and Eastern European region, as well. According to the International Labour Organisation (ILO, 2021), 255 million of the 3.5 billion workers (Csehné et al., 2021) globally - based on a combination of redundancies and lost working hours - have lost their jobs in the first year of the crisis, 2020.

At the level of occupational groups, the role and employment position of hospitality, tourism, personal services and retail trade appear to have declined most in the developed world (Adrjan-Lydon, 2020; Bartik et al., 2020).

At the beginning of the current pandemic, it was also observed that various governments and international organisations (e.g., UN, IMF, WHO) acknowledged the existence of a global crisis after a short or long wait. But as soon as they recognised its global and dramatic nature, they acted. As the IMF (2021b) sees it, 'the response to the coronavirus crisis has been unprecedented in terms of the speed and scale of financial support to member countries, with a particular focus on protecting the most vulnerable, and setting the stage for an inclusive and sustainable recovery'. The European Union has launched a similar positive response by taking the initiative to increase the EU Solidarity Fund, which could lay the foundations for a future recovery. Governments in different countries, including the Hungarian government, recognised relatively quickly that the workers, the poor and the less skilled were hit hardest by this global crisis. Unprecedented closures, unprecedented in previous crises, have demanded and triggered an unprecedented wave of action (IMF, 2021c; Chen & Qui, 2020).

1.2 RESEARCH REVIEW

In the present study, we carried out the following tasks between 1 July 2021 and 15 November 2021:

- We developed a research model (Figure 1) to investigate, through empirical research (online questionnaire survey), the challenges and changes that *the coronavirus crisis brings about in the human resource management practices of the corporate/institutional sector in the six countries under study* (Kovacsik, Boros & Pál, 2021).

Our questionnaire addresses the following major sets of questions:

- the impact of the coronavirus crisis on the economies and organisations of the countries under study,
- the general and HR crisis management measures most specific to the organisation under study,
- the changes initiated in the HR area in the organisation under study as a result of the crisis,
- the opportunities created by the crisis in the organisation under review and its HR organisation,
- the jobs and competences positively and/or negatively affected by the effects of the crisis,
- the characteristics of the organisation, the responding HR area and the respondent.

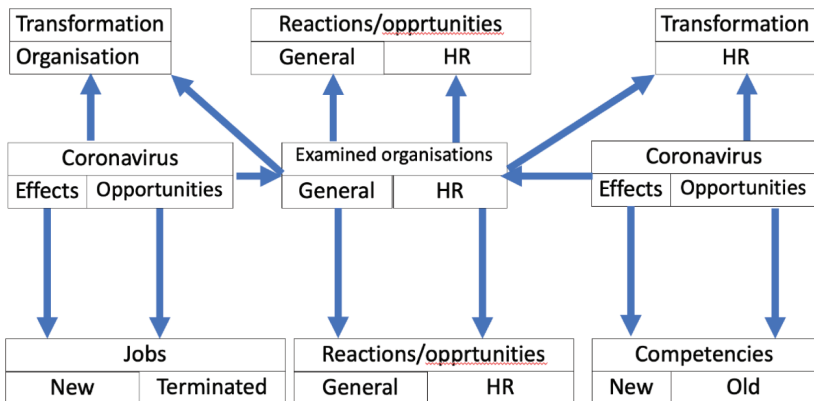


Figure 1: Research model

- Chapter 2 presents the characteristics of the responding organisations and respondents.
- In Chapter 3, we present respondents' views on the impact of the coronavirus crisis on the Hungarian economy and the organisation under study.
- In Chapter 4, we review the general and HR crisis management measures in the surveyed organisations.
- Chapter 5 presents our analysis of the changes/alterations in the HR area in the surveyed organisations as a result of the crisis.
- In Chapter 6, we highlight the organisational, management and HR characteristics and opportunities that respondents focused on in the context of the pandemic.
- In Chapter 7, we describe the job and competence changes which respondents have experienced in the wake of the pandemic.
- In Chapter 8 of our research monograph, we present the main results of a multivariate statistical analysis of the empirical data available to us, based on six hypotheses.
- In Chapter 9, we summarise the following annexes:
- Annex 9.1 provides a list of responding organisations by country that provided their contact details and agreed to provide them,
- Annex 9.2 presents the theoretical basis and main components of the competency model we cite,
- Annex 9.3 describes the operational model developed by Egis Pharmaceuticals Ltd., the sponsor of our research, during the pandemic.

Our research presented here does not shed light on all aspects of the topic due to the limitations of scope and the time and capacity available. It was also not intended to compare our empirical experience with other publications in the literature.

1.3 INTRODUCTION OF THE SIX EXAMINED COUNTRIES

The research described in the previous section was carried out in the following six countries in the Central and Eastern European region during the fourth quarter of 2020 and the first quarter of 2021:

- Austria (AT),
- Bosnia-Herzegovina (BiH),
- Bulgaria (BG),
- Hungary (HU),

- Romania (RO),
- Slovakia (SK).

The economic characteristics of these countries are listed in Table 2 below. If we compare the six countries by economic performance, we can draw conclusions. In the year before the outbreak of the crisis (2019), all countries had positive economic growth (1.40-4.60%). The same could not be said for 2020, when the decline ranged from -3.90% to -6.60%. In the last year 2021, at the time of writing this work, growth rates ranged between 3.80% and 7.60%. The magnitude of unemployment in 2019, with the exception of Bosnia and Herzegovina (15.70%), was between 3.30% and 5.80%. In the first year of the crisis, unemployment increased by 0.3-1.5% in the countries studied. In 2021, unemployment increased or decreased differently across countries (Mura, Zsigmond and Kovács, 2020).

In terms of GDP per capita, the countries ranked are: 1: Austria, 2: Slovakia; 3: Hungary; 4: Romania, 5: Bulgaria and 6: Bosnia and Herzegovina. It can also be observed that the crisis has reduced GDP to a greater or lesser extent in all the countries surveyed.

Table 2: Economic characteristics of the examined countries

Features		Austria (AT)	Bulgaria (BG)	Bosnia-Herzegovina (BIH)	Hungary (HU)	Romania (RO)	Slovakia (SK)	Total
Inhabitants (million)	2020	8,90%	6, 9	3,5	9,8	19,2	5,45	53,75
	2019	1,40%	3,70%	2,83%	4,60%	4,2%	2,30%	3,17%
GDP (%)	2020	-6,60%	-4,15%	-4,33%	-5,10%	-3,90%	-5,80%	-4,98%
	2021	3,80%	4,54%	2,80%	7,60%	7,40%	4,30%	5,07%
	2019	4,49%	4,23%	15,70%	3,30%	3,90%	5,80%	5,53%
Unemployment (%)	2020	5,77%	5,71%	16%	4,20%	5,00%	6,70%	6,28%
	2021	6,50%	5,60%	18%	4,00%	4,80%	6,90%	6,70%
	2019	50 121	9 828	6 120	16 733	12 889	19 273	19 161
GDP per capita (dollar/pers)	2020	48 105	9 975	6 031	15 589	12 896	19 156	18 625
	2021	49 000	8 900	6 181	17 100	11 190	20 500	18 812

In terms of culture, following Hofstede's (2001) dimensions (Table 3), we see that Austria has the lowest power distance (11); Hungarians are the most individualistic (80); Slovaks are the most masculine (100); Bulgarians are the most feminine (40), with the lowest insecurity avoidance index for Slovaks (51). In contrast, Hungary (82) and Bulgaria (85) have roughly the same uncertainty avoidance index. Slovaks are mostly long term oriented (77), and finally Austrians are the most volatile (63) (Jarjabka, 2021).

Table 3: The cultural dimensions of Hofstede in the six countries compared

	PDI	IDV	MAS	UAI	LTO	IND
Austria	11	55	79	82	60	63
Bosnia-Herzegovina	90	22	48	87	70	44
Bulgaria	70	30	40	85	69	16
Hungary	46	80	88	82	58	31
Romania	90	30	42	90	52	20
Slovakia	100	52	100	51	77	28

Source: <https://www.hofstede-insights.com/product/compare-countries/>

1.4 THE IMPORTANCE AND CHANGES IN HR FUNCTION

The following is a summary of the most important characteristics of the HR function in the six countries surveyed.

1.4.1 AUSTRIA

HRM is well developed in Austrian companies. The trend of integrating HRM into the corporate strategy started in the 1990s in Austrian companies (Mayrhofer, 1995; Erten et al. 2004). This is evidenced by the increased presence of HR professionals in the boards of management. In these years, the HRM focus shifted from administrative to strategic. The current situation reveals that most companies have a defined HR strategy and a functioning HR department, with an average of six people. Only a few companies have large human resources departments. HR departments in Austria typically cover 1.47 percent of the total number of employees in the company. Almost half of the organisations have a human resources manager in the management team, and more than 70 percent of HR directors are women. Most HR directors are also involved in the development of the corporate strategy (Cranet, 2014). A unique feature of the Austrian HRM is the concept of social partnership, in which trade unions and works councils have a significant influence in most organisations and are often the main point of contact for employees. As a result, HR departments in many companies serve as the management counterparts of the social partners. Managing ageing employees and developing a long-term knowledge

management strategy are two major challenges for HRM in Austria (OECD, 2012). Digitalisation, talent management and change management are all important elements of current HRM trends. The Covid-19 pandemic has triggered a number of changes, including regulations on teleworking and addressing issues such as remote working and work-life balance.

1.4.2 BOSNIA AND HERZEGOVINA

Human resource management in Bosnia and Herzegovina is a legacy of the personnel management system of the former Yugoslavia, where under the former system the majority of enterprises were owned by the state. From the 1960s and until the 1980s, personnel activities were controlled by company managers and workers' councils under the political influence of the Communist Party of Yugoslavia (PCY), which regularly regulated personnel decisions in companies (Svetlik et al., 2010). In addition, the constitutional right to work was also regulated by law (Poloski, Vokic, Kohont, Szlávicz, 2017). However, HR remained primarily an administrative function in most enterprises.

After the break-up of Yugoslavia, the Bosnian war (1992-1995) caused enormous devastation to the economy. Many enterprises in Bosnia and Herzegovina were privatised after the end of the war. As a result, there was less government involvement. Many companies introduced foreign-owned management systems. In particular, foreign-owned subsidiaries of multinational companies have launched strategic HRM activities. The owners of many smaller, domestically owned firms faced fundamental challenges, such as high taxes and government levies, and therefore the importance of strategic HRM was not a focus. High unemployment rates over the years have made it relatively easy for employers to find sufficient labour. Thus, an administrative orientation to HRM has remained a feature, although today it is also beginning to shift towards a more strategic approach (Bešić et al., 2022).

Recent HRM studies in Bosnia and Herzegovina show that companies face significant challenges in recruiting and retaining talent. Recent challenges related to the Covid-19 pandemic have included ensuring health and safety precautions and teleworking (see Bešić et al., 2022). Finally, years of high levels of out-migration have put increasing pressure on employers to implement more strategic HR strategies to find and retain skilled workers.

1.4.3 BULGARIA

After the political and economic changes in Bulgaria in 1989, the interpretation and application of HRM has changed significantly in recent decades. The transformation has mainly affected the expansion of HRM's role and functions, as they go beyond the traditional application of its exclusively staff recruitment and administrative functions. These changes have been mainly in the implementation of modern approaches and methods of recruitment and selection, training and development of the workforce. The main trends in HRM have been linked to changes in the nature of work, the entry of international firms, the intensification of restructuring, mergers and acquisitions of organisations from different economic sectors.

The main features of modern human resource management in Bulgaria can be summarised as follows:

- Establishment of HRM departments in large and medium-sized organisations and the presence of HRM experts in small organisations,
- differentiation and division of HRM functions - recruitment and selection, remuneration and benefits, training and development, and implementation of modern approaches to talent management, measurement of employee satisfaction and engagement, management development programmes
- access to international and local consultancies in the areas of recruitment, selection and training,
- the application of a modern approach to HRM in international companies, which will help to establish the role of HRM and, accordingly, to adapt staff selection and development practices to other organisations;
- the professionalisation of HRM activities and the recruitment of qualified HRM specialists to appropriate positions;
- the presence of accredited university Master courses in HRM and in Work and Organisational Psychology, which prepare professionals in the field of HRM.

1.4.4 HUNGARY

Following the 1989 regime change in Hungary and other Eastern European countries, the roles of management and human resource management (HRM) have undergone significant changes (Kazlauskaite et al., 2013). The trends reported are similar to those of the modern developed world along most dimensions. The main features of this era are summarized below:

- Hungarian-owned organisations started to use human resources in a professional way. The importance of the human resource management function was recognized.
- The presence of multinational companies and organisations in local markets has drastically contributed to the development of HR methods and tools in Hungary
- Initially, the professional sponsors for the development of human resource management were the large - also international - personnel and HR consultancy firms, which were later joined by an increasing number of Hungarians.
- Higher education institutions became the arena for professional training, which both signalled the growing prestige of the profession and laid the foundations for further growth in its prestige. Today, more and more universities offer increasingly high-quality HRM programmes within the framework of Bologna bachelor and master programmes.
- The new legal regulatory environment also has a significant impact on the development and direction of HR.
- This period is characterised by professionalisation and continues to this day (Morley et al., 2021).

1.4.5 ROMANIA

The HRM function emerged in Romania after the change of regime in 1990, when the privatisation of state-owned enterprises began. Modern management principles and practices became widely known and accepted in Romania due to the establishment of international companies and access to literature. The modern management concepts mentioned above have slowly become part of the organisational discourse, but the role and importance of human resource management is not yet clearly defined. SMEs with less than 70-100 employees often do not employ HR professionals, and HRM functions are performed by managers and accountants. Larger companies have built up their own HR departments and recruited qualified professionals for the well-paid HR director position, but for many years HR was not seen as a strategic partner by top management.

The situation has improved over the last decade, with the head of the HRM department reporting directly to the CEO in more than 80% of companies and 76% of them being part of senior management (HR Club, 2020). The highest proportion of HR professionals are involved in recruitment, followed by employee relations, HR administration, learning & development

and onboarding, and the lowest in digital HR services. The typical HR professional is a woman who graduated tertiary education in various fields, has completed non-formal HRM training, has spent most of her career in HRM-related activities, but has not joined a professional organisation (HR Club, 2020).

CEOs and HR managers considered that the most important strategic challenges facing the HRM function in 2020 were maintaining high levels of employee engagement and retaining high-potential, high-performing employees, while the most challenging HRM exercises were finding employees with specific competencies, developing the next generation of leaders in the organisation and retaining employees (Valoria, 2020).

Due to the economic uncertainties caused by the Covid-19 pandemic, the turnover rate in Romanian companies decreased to 17.2% on average in 2020 (from 23.1% in 2019). The highest turnover (25.1%) was in 2019, mainly in the retail and FMCG sectors, while the lowest (8%) was in financial services (PwC Romania, 2020).

1.4.6 SLOVAKIA

Slovakia is a relatively young country. Its origins date back to 1918, when a new country Czechoslovakia was formed. Between 1918 and 1993, its socio-economic development took place in line with that of the Czech Republic. The Czech industrial traditions date back to the beginning of industrialisation and even before that (Kotíková-Bittnerová, 2003). In the late nineteenth and early twentieth centuries, Czech engineers were world-renowned and acknowledged professionals, inventors and industrialists (e.g. Tomáš Baťa, Erik Kolben, Jaroslav Šafránek, Emil Škoda and others), and the Czech industry was one of the most advanced in the world (Masarykův ústav a Archiv AV ČR, 2015). At that time management meant primarily industrial work organisation. In 1920, the Masaryk Academy of Labour (Masarykova Akadémia Práce) was established in Prague, by Czech, American, British, German and Swiss engineers as its members. The first International Management Congress was held in Prague in 1924, organised by the Taylor Company, the Industrial Engineers Society, the Federated American Engineers Societies, the American Management Association and the Masaryk Academy of Labour. At that time, HR work meant primarily personnel administration. Although European countries established labour law standards in the 1890s, human factor remained only of secondary

importance in manufacturing (Scott et al., 1941; Vojtovic, 2006). In some factories, a supportive attitude had already developed in the early 20th century (Armstrong, 1999). Social benefits were added to the “*HR functions*” of the personnel department, in addition to recruitment and registration of the workforce. A good example is Tomáš Báťa, the owner of the largest shoe factory in Czechoslovakia, who developed and implemented HR management innovations that have spread in corporate practice worldwide. Báťa has created a night school for his employees, giving them opportunity for personal development. In addition to education, health care and housing have emerged as social benefits for employees. The school of human relations, which developed in the 1930s, shed new light on the organisation’s human resources. Elton Mayo’s scientific findings have demonstrated that human productivity is determined by emotional circumstances. From then on, managers have seen employee well-being as a strong determinant of profit through their productivity. New trends emerged in HR such as compensation and benefits management, paid leave, insurance, etc (Chukwunonso, 2013). At the same time, collective bargaining practices emerged, and the role of trade unions has strengthened.

After World War II, a system of planned economy had been introduced in Czechoslovakia and other Central Eastern European countries, thus detached from the development of Western-type management. After the regime change, Slovakia became independent from the Czech Republic and embarked on a path of its own development. Foreign companies setting up in the country have made a significant contribution to mitigating the shocks caused by the regime change. They have also played a significant role in the adoption of advanced management methods, including those used in HRM. Since then, the development of HRM in Slovakia has also taken off.

A benchmark study conducted by Stachova and her co-authors on a sample of 1,000 firms in Slovakia between 2010 and 2019 reveals that in 2019, some of 85% of the responding organisations had HR departments. Nine years before in 2010, this proportion was 66%. The aforementioned research (Stachova et al, 2020) reveals that currently the core HR functions are:

- Recruitment and selection,
- Training and development,
- Compensation and benefits,
- Information services for managers and employees,
- Outplacement and redundancy.

The latest trends in HRM have been influenced by the new situation created by the Covid-19 pandemic. The pandemic also posed significant challenges for HR in Slovakia. As a result of this changing situation, work performance and work organisation is now undergoing a major transformation throughout the country.

1.5 COVID-19 IN THE EXAMINED COUNTRIES

At the end of our research in December 2021, the Covid-19 situation is summarised in Table 4 below.

Table 4: Coronavirus summary (2020-2021)

Countries: Covid-19 characteristics	Austria (AT)	Bosnia- Herzegovina (BiH)	Bulgaria (BG)	Hungary (HU)	Romania (RO)	Slovakia (SK)
Coronavirus diseases (persons)	1.278.619	291.313	723.433	1.218.295	1.807.223	802.684
Number of deaths (persons)	13.733	13.428	30.014	37.530	58.714	15.931
Number of recoveries (persons)	1.614.379	n.a.	598.212	1,026.254	1.737.543	706.265
Percentage of the total population vaccinated (%)	75.88%	25.54%	16%	60%	35.5%	44%

Sources: Worldometer (December 18, 2021) and Statista (December 15, 2021); Ourworldindata (December 18, 2021); Johns Hopkins University (January 02, 2022) Bundesministerium of Austria (February 03, 2022); Romanian Economic Monitor (December 30, 2021)

1.5.1 AUSTRIA

More than 1.2 million cases were reported between the start of the COVID-19 pandemic in early 2020 and the end of 2021. According to the latest data for 2022, 75.88 percent of the Austrian population is fully vaccinated. The Austrian government, like other countries, has taken drastic measures to halt the spread of the virus, including four nationwide shutdowns that led to the closure of businesses and affected the country's labour market.

Unemployment, in turn, increased by 0.1 percent compared to 2020. GDP grew by 4.1 percent in 2021 compared to 2020. Various measures for companies have also been implemented, including holiday pay and the creation of a business hardship fund. In addition, firms have the possibility to apply for tax deferrals and loan guarantees.

1.5.2 BOSNIA AND HERZEGOVINA

The Bosnian government, like many other nations, imposed restrictions on social life in an attempt to stem the tide of the pandemic in 2020 and part of 2021, which affected businesses and the labour market in particular. In 2020, the unemployment rate was 15.87 percent (an increase of 0.18 percent compared to 2019). Between November 2020 and November 2021, the number of registered unemployed fell by 8.5 percent. Compared to the same quarter of the previous year, real GDP growth in the third quarter of 2021 was 8.4 percent. Employers have introduced safety measures in the workplace and allowed employees to work from home, as proposed by the FBiH government (FBiH 2020a Economic Chamber). The government itself has taken only a limited number of supportive steps. Apart from the decree on intervention measures to help vulnerable industries, companies have received little help so far (FBiH Economic Chamber 2020b). As a result, the FBiH Chamber of Commerce and the FBiH Employers' Association have jointly developed a business support package that includes a credit moratorium, co-financing of current business expenses, new credit agreements with more favourable terms and tax deferrals (FBiH Chamber of Commerce 2020c).

1.5.3 BULGARIA

Almost two years ago, on 13 March 2020, the government declared a state of emergency throughout the country, which lasted until 13 May 2020. Layoffs were more frequent at the beginning of the pandemic. This was mainly in the private sector.

Measures to prevent and control COVID-19 in Bulgaria are in line with international requirements. The country has the lowest overall vaccination coverage in the European Union, at around 30% (Covid-19, 2022).

Low vaccination coverage has led to one of the highest mortality rates in Europe and the world, especially during the third COVID wave. The political

situation and the three parliamentary elections in 2021 have increased distrust of the institutions and opposition to vaccination. Increasing vaccination coverage will be a key priority for the coalition government that will take power in December 2021. The national operational plan to combat COVID-19 foresees the introduction of a number of measures to support businesses and citizens. A full pandemic lockdown was not introduced during the fourth wave.

1.5.4 HUNGARY

The government declared a state of emergency for the whole country on 11 March 2020. This has been extended several times by the government. The government has announced a wage subsidy programme, the re-introduction of the 13th month pension, the re-launch of priority sectors of the national economy, and the provision of more than HUF 2,000 billion (EUR 5.5 billion) in subsidised loans to financing companies. Redundancies were more frequent at the start of the pandemic. Redundancies were typically more frequent in the private sector. Generally speaking, in the public sector there was a greater emphasis on health promotion and protection, as well as HR-led control.

1.5.5 ROMANIA

In order to prevent the spread of COVID-19, the President of Romania declared a state of emergency from 16 March 2020, which lasted until 15 May 2020. During the state of emergency, strict curfews were established for the whole population, and quarantine obligations were imposed on infected and contact persons. Commercial centres, catering establishments, cultural and educational institutions were closed, and sports events were suspended. The state of emergency was replaced in May 2020 by a state of readiness, which, after several extensions, was in place until 8 March 2022. During the state of readiness, curfews were lifted, and disease prevention measures were applied depending on the epidemiological data in the area (UBB-FSEGA, 2022).

Romania's economy was hit harder than the European average by the pandemic in the first half of 2020, with poor agricultural performance and a drop in foreign capital investment (Bálint, 2020). Layoffs took place, job opportunities declined, and wage growth slowed (BNR, 2021).

In order to help businesses affected by the pandemic and the restrictions imposed and to protect jobs, the Romanian government has introduced a number of measures such as technical unemployment assistance, postponement of tax payment deadlines, faster VAT refunds, suspension of loan repayments and loan guarantees for SMEs. For SMEs, the government also provided subsidies for utility services, or they could request their deferral (UBB-FSEGA, 2022).

1.5.6 SLOVAKIA

Slovakia, from the beginning of 2020 reported nearly 1.250.000 positive coronavirus cases from which 18.100 ended with death, another 990.000 recovered. The Slovak government declared a state of emergency on 16th of March 2020 and again on 25th of November 2021 that is still in progress. Since the outbreak, several closures have been imposed, with shops, restaurants, cafés, theatres, cinemas, gyms and spas closed for months. Hairdressers, beauticians, trainers and artists have also lost their income. Mass events were banned. The governmental measures to curb the coronavirus pandemic had a negative impact on the economy and employment. At the same time, measures taken abroad also had a significant negative impact on the Slovak economy. Foreign trade volume sharply decreased, the Slovak export fell by 6% and the import by 8%. Slovakia is an export-oriented economy, more than 92% of the goods are produced for export, the national income was by 4.8% less in 2020 compared to the previous year.

The number of employed fell the most in the industry (by 4,2%) in 2020 compared to the previous year. Meanwhile, employment in the IT sector increased by 1%. The unemployment rate rose by 1.9% in 2020, reaching 6.8%. Labour productivity also fell in 2020, by 4.6% in the EU, while Slovakia reported a slightly moderate decline of 2.5%.

Working from home has become a common option for intellectual work. Education was online from autumn 2020 to spring 2021. The government has introduced a number of state contributions for entrepreneurs, employers and self-employed. The country is not doing well in the area of vaccination, despite the government's attempts to introduce various financial incentives (e.g., vaccination lotteries, cash benefits for vaccinated elderly, etc.). Some 48.5% of the population have not yet been vaccinated, one third have already received their third dose and 20% have received two doses.

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2 CHARACTERISTICS OF THE ORGANISATIONS AND RESPONDENTS SURVEYED (ARNOLD TÓTH & BOTOND KÁLMÁN)

“The wise man does not expose himself to unnecessary danger, for there are few things he cares enough about; but in great crises he is willing to lay down even his life - knowing that in certain circumstances it is worth sacrificing everything.” Aristotle

Compared to previous surveys, this report has allowed us to analyse international data. Descriptive statistics on these are presented in this chapter.

2.1 OWNERSHIP (MAJORITY) STRUCTURE OF THE ORGANISATIONS IN THE SAMPLE

In our survey, we processed questionnaires from nearly 965 respondents from the six countries surveyed. Almost three quarters of respondents (72%) were public or private organisations with domestic ownership (Table 5). This can be observed both overall and in individual countries. The importance of the form of ownership in a crisis situation is clearly indicated by the importance of public orders (Keynes, 1965) and measures in crisis management.

Table 5: Distribution of respondents by type of ownership (%)

Ownership	Austria (AT)	Bulgaria (BG)	Bosnia-Herzegovina (BIH)	Hungary (HU)	Romania (RO)	Slovakia (SK)	Total
State or local authority-owned	15.3%	19.2%	34.2%	20.8%	6.3%	14.2%	16.1%
National private	56.9%	42.3%	34.2%	48.4%	72.3%	64.4%	56.8%
Foreign or joint stock	22.2%	32.7%	28.9%	26.6%	18.9%	18.9%	23.5%
Non-profit organisation	1.4%	5.8%	2.6%	4.2%	2.4%	2.6%	3.3%
Other	4.2%	0.0%	0.0%	0.0%	0.0%	0.0%	.3%
Total n=	72	104	38	312	206	233	965
Total (%)	100.0	100.0	100.0	100.0	100.0	100.0	100.0

2.2 ORGANISATIONAL SIZE

The size of responding organisations was analysed according to two criteria (number of employees and turnover).

2.2.1 NUMBER OF EMPLOYEES

The classification in Table 6 is based on the same classification used in the European Union (European Commission, 2015). Firm size is worth considering because it is an important determinant of the response to the crisis and its effectiveness in a number of ways. Indeed, the micro, small and medium-sized enterprise (SME) sector is characterised by a rapid response and concern for employees, but also by a lack of financial reserves. This is why 17,600 businesses closed down in April-May 2020, the low point of the first wave in Hungary. In the same period, 11,000 new self-employed were registered, most of them forced self-employed people “fleeing” unemployment (KSH, 2021). The larger, capital-intensive firms have remained. They have been much slower to respond to the crisis, but have achieved stable results (Széles et al., 2020).

Table 6: Distribution of respondents by number of employees

Number of employees	Austria (AT)	Bulgaria (BG)	Bosnia-Herzegovina (BIH)	Hungary (HU)	Romania (RO)	Slovakia (SK)	Total
No employee by the organisation	0%	3.9%	0%	2.2%	2.9%	6.4%	3.3%
1-9	2.8%	23.3%	7.9%	23.4%	33.0%	44.6%	28.4%
10-49	4.2%	21.4%	21.1%	23.7%	27.2%	24.9%	22.9%
50-250	22.2%	26.2%	31.6%	20.5%	19.4%	12.0%	19.4%
251-500	26.4%	5.8%	23.7%	9.0%	8.7%	4.7%	9.4%
501-2000	16.7%	12.6%	15.8%	10.9%	4.4%	4.7%	8.8%
over 2000	27.8%	6.8%	0%	10.3%	4.4%	2.6%	7.7%
Total (100%) n=	72	103	38	312	206	233	964
Total (100%)	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

In Table 7 we have looked separately at the share of atypical employment. The definition of atypical employment is rather broad and malleable (Blanchflower, 2000). Larger organisations tend to have proportionally fewer atypical employees (1.5%), while firms with fewer than 10 employees have considerably more (31%). Due to its nature, it was largely outside the scope

of labour legislation and therefore the first victims of redundancies during the pandemic. At the same time, the restrictions may make some atypical forms of work, such as teleworking, more common in the future.

Table 7: Percentage of respondents in atypical employment

Number of employees	Austria (AT)	Bulgaria (BG)	Bosnia-Herzegovina (BIH)	Hungary (HU)	Romania (RO)	Slovakia (SK)	Total
No employees by the organisation		56.3%	26.3%	30.5%	53.2%	35.8%	37.0%
1-9	25.0%	20.4%	42.1%	31.2%	24.9%	40.2%	30.8%
10-49	31.9%	11.7%	23.7%	16.4%	14.6%	13.5%	16.3%
50-250	18.1%	7.8%	7.9%	12.2%	6.3%	6.6%	9.4%
251-500	15.3%	1.0%		4.2%	1.0%	2.2%	3.3%
501-2000	4.2%	1.9%		3.5%		.9%	1.9%
over 2000	5.6%	1.0%		1.9%		.9%	1.4%
Total (100%) n=	72	103	38	311	205	229	958
Total (100%)	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

2.2.2 TURNOVER

The turnover categories are shown in Table 8, which includes data from five countries.

Table 8: Turnover (in five countries)

Turnover	Austria (AT) (2019)	Bulgaria (BG)	Hungary (HU)	Romania (RO)	Slovakia (SK)	Total

up to 2.5 billion Ft (8 million Euro)	22.2%	81.4%	69.3%	80.8%	82.5%	72.8%
2.51-25 billion Ft (8-80 million Euro)	30.6%	11.3%	17.7%	14.1%	11.4%	15.6%
25.1-120 billion Ft (80-400 million Euro)	27.8%	2.1%	5.7%	3.0%	4.8%	6.3%
over 100 billion Ft (400 million Euro)	19.4%	5.2%	7.3%	2.0%	1.3%	5.4%
Total (100%) n=	72	97	300	198	229	896

Bosnia is included in a separate table (Table 9), as only 2019 data are available in the statistics, it was not considered appropriate to include these in a table with more recent data. Based on the data (Bosnia data converted to €), we can say that almost three quarters of the responding companies were in the smallest turnover category (€ 80 million).

Table 9 Turnover

Turnover	Bosnia (2019)
up to 32000 CM*	2.6%
32000-46000 CM	5.3%
46000-240000 CM	10.5%
240000-8 million CM	34.2%
8 million-80 million CM	44.7%
80 million-400 million CM	2.6%
Total (100%) n=	38

**Bosnia-Herzegovina convertible mark=CM*

2.2.3 MAIN AREA OF ACTIVITY (SECTOR, INDUSTRY)

The EU classification of economic activities (Eurostat, 2008) was used to classify the main activities carried out by the organisation (Table 10). This is relevant because each economic sector has a winner or a loser in the pandemic (Coldiretti, 2020; Forbes, 2020; MSZÉSZ, 2020; Taskinsoy, 2020). Therefore, a given respondent's answers also depend on the economic sector in which he/she operates (Coldiretti, 2020; Forbes, 2020; MSZÉSZ, 2020; Taskinsoy, 2020). The distribution of our sample is fairly even, with only the

share of trade (15.3%) and consulting and accounting firms (12.1%) larger than 10% of the total sample. The exception is Bosnia, where 40 percent of respondents were from the public administration or finance sector. This is probably explained by the small number of returned questionnaires (38).

*Table 10: Distribution of respondents by field of activity**

Industry	Austria (AT)	Bulgaria (BG)	Bosnia-Herzegovina (BIH)	Hungary (HU)	Romania (RO)	Slovakia (SK)	Total
Agriculture, hunting, forestry, fishing, mining and quarrying	1.4%	3.8%	2.6%	3.2%	4.4%	7.3%	4.4%
Manufacture of food products, beverages, textiles, wood and paper, petroleum and related products	2.8%	0.0%	13.2%	4.5%	6.8%	10.7%	6.2%
Manufacture of chemicals, cosmetics, pharmaceuticals, medicinal chemicals and toiletries	5.6%	1.0%	2.6%	1.3%	0.0%	0.0%	1.0%
Manufacture of fabricated metal products, plastics, glass and other non-metallic mineral products	6.9%	2.9%	0.0%	4.2%	4.9%	2.1%	3.7%
Manufacture of computer, electronic and electrical products	1.4%	2.9%	0.0%	3.2%	2.4%	2.1%	2.5%
Manufacture of machinery and equipment	9.7%	1.9%	0.0%	2.9%	1.0%	2.1%	2.6%
Manufacture of transport equipment	4.2%	0.0%	0.0%	2.9%	1.5%	.9%	1.8%
Other manufacturing	2.8%	5.8%	2.6%	2.2%	7.8%	6.0%	4.8%
Electricity, gas, steam and water supply, waste management	2.8%	1.0%	0.0%	4.5%	1.9%	3.0%	2.9%
Construction	5.6%	3.8%	5.3%	6.1%	10.2%	7.7%	7.0%
Wholesale and retail trade	6.9%	7.7%	5.3%	16.3%	19.9%	17.6%	15.3%
Transport and storage, transportation	1.4%	1.9%	0.0%	8.3%	6.8%	9.0%	6.6%

Accommodation, food service activities, tourism and related activities	2.8%	1.0%	0.0%	4.8%	10.7%	7.3%	5.9%
Publishing, broadcasting, newspaper and magazine publishing, media activities	5.6%	3.8%	0.0%	1.0%	1.5%	.9%	1.7%
Telecommunications, computer and other information service activities	6.9%	18.3%	7.9%	8.0%	8.3%	5.2%	8.4%
Financial and insurance activities	6.9%	7.7%	26.3%	3.5%	1.5%	4.7%	5.0%
Accounting, management, architectural, engineering, scientific research, consulting and other administrative and support service activities	13.9%	24.0%	5.3%	11.5%	9.7%	10.3%	12.1%
Public administration and compulsory social security	1.4%	7.7%	23.7%	4.5%	1.0%	5.2%	4.8%
Education, culture, arts and performing arts	4.2%	7.7%	2.6%	9.6%	3.9%	4.7%	6.3%
Human health activities, Residential care activities, Social work activities, Child protection activities, Childcare activities	1.4%	2.9%	0.0%	6.7%	2.4%	4.3%	4.1%
Police, defence, civil protection, disaster prevention	0.0%	0.0%	0.0%	1.3%	0.0%	.4%	.5%
Other	5.6%	2.9%	2.6%	3.8%	7.3%	4.3%	4.7%
Total	100.0%	108.7%	100.0%	114.4%	113.6%	115.9%	0.0%

** The total is more than 100% because there were some who named more than one field of activity.*

2.2.4 COMPLEXITY OF RESPONDING ORGANISATIONS

In this research, the concept of organisational complexity refers to the

characteristics of an organisation, whether it operates independently or as part of a parent company. One important consequence is the amount of financial resources available, which can be a key to survival in a crisis. The other consequence, which we have also examined, is that the preparation and updating of HR contingency plans is usually also the responsibility of the parent company. This lack of autonomy can also be a disadvantage: downsizing and liquidation usually start with the subsidiary, and the exploitation of economic opportunities also requires the permission of the parent company. Accordingly, the answers to the questionnaire of the organisation in question are differentiated (Table 11).

Table 11 Breakdown of responding organisations by complexity (site or whole organisation)

Independent organisation	Austria (AT)	Bulgaria (BG)	Bosnia-Herzegovina (BIH)	Hungary (HU)	Romania (RO)	Slovakia (SK)	Total
Yes	91.7%	41.0%	84.2%	43.9%	23.3%	30.3%	41.2%
No	8.3%	59.0%	15.8%	56.1%	76.7%	69.7%	58.8%
Total (100%) n=	72	100	38	303	202	221	936

In the present survey, the respondent organisations in Austria and Bosnia are dominated by stand-alone companies, while subsidiaries dominate in the other four countries. The ratio of independent to non-independent organisations in the total sample is also roughly 2:3. This is also the case in Hungary.

2.2.5 PANDEMIC PREPAREDNESS

The economic effects of the coronavirus have drawn attention to the fact that crises “do not care” about the cyclical nature of economic processes (Grinin et al., 2016; Schumpeter, 1939). A pandemic can erupt at any time, i.e., a typical “black swan” event (Taleb, 2007, 2008). However, the current COVID-19 outbreak was expected, yet no one was prepared for it (WHO, 2019).

Preparedness can be a lifesaver for the survival of a company. This is why we considered it important to ask in our questionnaire about the existence and up-to-datedness of pre-established contingency plans (Table 12). 15.7%

of the respondents do not have an emergency plan and do not feel the need to have one, even in the light of what has happened, and are the most vulnerable. Just over half of the organisations surveyed (51.2%) did not have a crisis plan prepared in advance but prepared one as a first response to the outbreak, mostly at an accelerated pace. Such plans are up-to-date but generally less well-established, which can have an impact later. The proportion of firms that had a plan but needed to change it varies between 10 and 25 percent depending on the country (we exclude the 68 percent in Bosnia because of the small number of responding organisations). Only less than one tenth of responding firms (7.5 percent) had a pre-prepared and up-to-date plan at the start of the pandemic.

Table 12 Existence of a developed pandemic/virus contingency plan

Existence of an action plan	Austria (AT)	Bulgaria (BG)	Bosnia-Herzegovina (BIH)	Hungary (HU)	Romania (RO)	Slovakia (SK)	Total
Even before the current pandemic situation, which we are using as it stands	6.9%	9.8%	13.2%	7.1%	4.9%	8.6%	7.5%
Even before the current pandemic situation, which needed to be modified	23.6%	13.7%	68.4%	14.5%	13.2%	12.9%	16.5%
Did not exist before, but developed due to the pandemic situation	54.2%	61.8%		58.8%	65.9%	30.9%	51.2%
None, but planned	6.9%	8.8%	13.2%	7.1%	6.3%	14.2%	9.1%
None, and we do not see the need	8.3%	5.9%	5.3%	12.5%	9.8%	33.5%	15.7%
Total (100%) n=	72	102	38	311	205	233	961

	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
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A further question was asked about who prepares the contingency plan (Table 13). While nearly 60 percent of respondents belong to the group, only 37 percent of respondents receive ready-made contingency plans from their parent company, which we do not consider to be a very good policy on the part of the company management.

Table 13 Who prepared the pandemic/virus contingency plan

Creator	Austria (AT)	Bulgaria (BG)	Bosnia-Herzegovina (BIH)	Hungary (HU)	Romania (RO)	Slovakia (SK)	Total
Prepared centrally by the parent/owner, following the guidelines set out	68.2%	34.7%	71.1%	36.8%	23.5%	33.1%	37.0%
Developed/worked out in-house	31.8%	65.3%	28.9%	63.2%	76.5%	66.9%	63.0%
Total (100%) n=	66	95	38	261	183	154	797
No answer	6	9	0	51	23	79	168
Total	72	104	38	312	206	233	965

2.3 CHARACTERISTICS OF HR ORGANISATIONS/JOB

70% of the organisations surveyed are sole proprietorships, micro-enterprises or SMEs. We were therefore surprised to find that almost half of the firms (49.5%) have a separate HR organisation (Table 14). The highest proportion is found in Austria, where 70 percent of respondents were from large companies. The highest proportion (68.3%) is in Bulgaria.

Table 14 Existence of a Personnel/Human Resources department

HR department?	Austria (AT)	Bulgaria (BG)	Bosnia-Herzegovina (BIH)	Hungary (HU)	Romania (RO)	Slovakia (SK)	Total
Yes	93.1%	68.3%	65.8%	52.0%	49.3%	22.1%	49.5%
No	6.9%	31.7%	34.2%	48.0%	50.7%	77.9%	50.5%
Total (100%) n=	72	101	38	304	205	231	951
No answer	0	3	0	8	1	2	14
Total	72	104	38	312	206	233	965

Nearly half of Bulgarian firms have only one HR department (Table 15). It is likely that the head of the company carries out HR tasks himself, the question is at what level. HR has now reached an academic level even in Eastern Europe (Pieper, 2012) - at least there is scope to apply state-of-the-art knowledge and findings.

Table 15 Size of the HR organisation

Employees	Austria (AT)	Bulgaria (BG)	Bosnia-Herzegovina (BIH)	Hungary (HU)	Romania (RO)	Slovakia (SK)	Total
No HR	6.9%	31.7%	34.2%	48.2%	50.7%	77.9%	50.5%
1-5	41.7%	48.5%	50.0%	28.4%	37.6%	14.3%	30.9%
6-10	15.3%	7.9%	13.2%	8.6%	6.3%	3.5%	7.5%
11-30	22.2%	4.0%	2.6%	10.6%	2.0%	2.2%	6.5%
over 30	13.9%	7.9%	0.0%	4.3%	3.4%	2.2%	4.5%
Total (100%) n=	72	101	38	303	205	231	950
	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

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3 THE IMPACT OF THE CORONAVIRUS CRISIS

ON THE ECONOMIES AND ORGANISATIONS OF THE COUNTRIES STUDIED (ZSUZSANNA SZEINER & SNEZHANA ILIEVA)

“When written in Chinese, the word „crisis“ is made up of two characters – one meaning danger and the other meaning opportunity.’
John F. Kennedy

3.1 MACRO LEVEL ECONOMIC AND LABOUR MARKET IMPACTS

The pandemic and the measures taken against it have had a significant impact on economies and trade worldwide. GDP growth in the US fell by 3.5% in 2020, economic growth in the 27 Member States of the European Union by 5.9%, in the UK by 9.8% (World Bank 2021, Eurostat 2021), and so on. The economies of all countries in the world were negatively affected by the pandemic, with China being the only country where growth slowed but did not turn negative (2.3%). However, the fact that the whole economy was not affected in the same way is a very different pattern from previous economic crises. The previous crises, which have stalled economic growth from time to time since the industrial revolution, were the direct result of processes within the economy. In contrast, the coronavirus crisis is a health crisis that affects the economy from the outside, with different effects on different sectors of the economy. The volume of international trade will fall in 2020 due to the above effects. According to World Trade Organisation aggregate data, international trade in goods fell by 8% and international trade in trade services by 20% in 2020 (WTO, 2021).

The Central and Eastern European countries surveyed have also struggled with the fallout of the crisis and, like other parts of the world, have tried to make the best of the situation, building on past experience. On average, economic growth in the countries included in the study fell by 4.8% in 2020. The largest decline was in Austria (6.6%) and the most moderate in Romania (3.9%). Accordingly, managers in Austria are the most pessimistic about the future, with the vast majority (64%) believing that the crisis could last until 2025 or beyond. Slovakian managers are the most positive about the future outlook, with less than a third of respondents believing that the crisis could last until 2025 or beyond. A large majority (58%) expect the situation to improve rapidly (Figure 2 and Table 16).

Figure 2: Expected duration of the economic downturn due to the pandemic

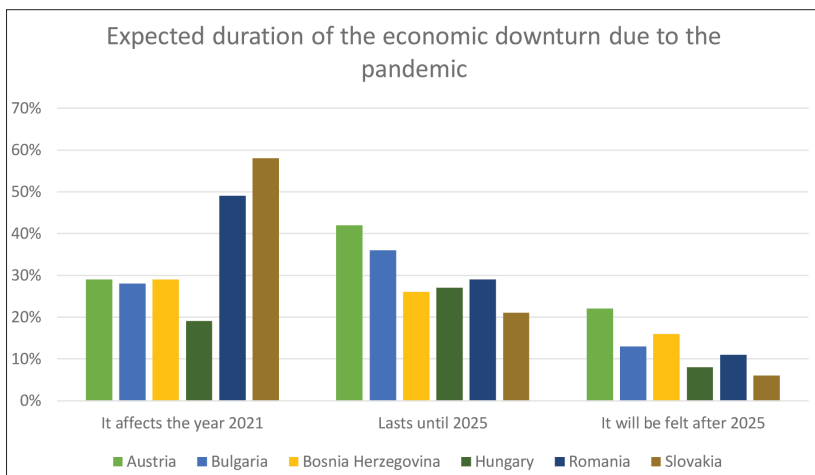


Table 16: Expected duration of the economic downturn due to the pandemic

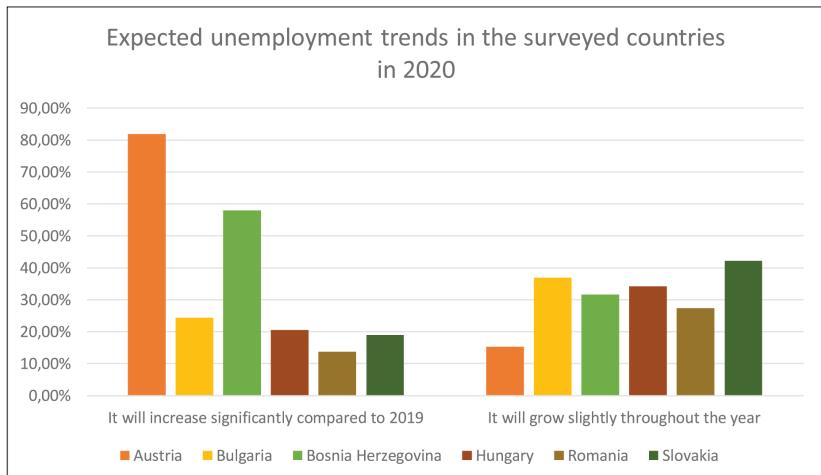
Expected duration	Austria (AT)	Bulgaria (BG)	Bosnia-Herzegovina (BIH)	Hungary (HU)	Romania (RO)	Slovakia (SK)	Total
The crisis lasts till 2021/for a year/can affect 2021	29.2%	27.9%	28.9%	19.3%	49.0%	57.5%	36.9%
The crisis lasts till the end of 2022				40.2%			13.0%
The crisis lasts till 2025	41.7%	35.6%	26.3%	27.0%	28.6%	21.0%	27.9%
It still has an effect after 2025	22.2%	12.5%	15.8%	7.7%	10.7%	6.4%	10.0%
Do not know	6.9%	24.0%	28.9%	5.8%	11.7%	15.0%	12.2%
Total (100%) n=	72	104	38	311	206	233	964

Despite the growing global labour shortages, the crisis has also been

reflected in rising unemployment in 2020. In the US, it even exceeded the level recorded during the 2008/09 financial crisis, rising to 8.3% in 2020, mainly due to the first wave of the pandemic. In Europe, the situation was not much better, with the average unemployment rate in EU Member States at around 7.1% (Statista, 2021). Among the countries included in the study, the unemployment rate in Bosnia and Herzegovina was the most alarming (16.8%), but Slovakia also saw an increase of almost 2%, while the annual average reached 6.7%. Hungary had the lowest unemployment rate among the countries included in the study (4.3%) in 2020 (Table 17a).

Austria was also the most pessimistic in this respect, with 82% of respondents saying that unemployment would increase significantly compared to 2019. In all other countries surveyed, except Austria and Bosnia and Herzegovina, the majority of respondents expected a slight increase in unemployment in 2020. The following graph illustrates respondents' expectations for unemployment data for the current (2020) year (Figure 3 and Table 17b).

Figure 3: Expected unemployment trends in the surveyed countries in 2020



Changes in unemployment	Bulgaria (BG)	Hungary (HU)	Romania (RO)	Slovakia (SK)
Small decrease, below 2020 level	14.6%	17.5%	27.8%	17.7%
Stays at 2020 level	21.4%	24.4%	23.4%	15.1%
Will increase slightly for the whole year	36.9%	34.1%	27.3%	42.2%
Will increase significantly compared to 2019*/20	24.3%	20.5%	13.7%	19.0%
Do not know	2.9%	3.6%	7.8%	6.0%
Total (100%) n=	103	308	205	232

Table 17.b: Changes in unemployment in the two examined countries in 2020

Changes in unemployment	Austria (AT)	Bosnia-Herzegovina (BIH)
Small decrease, below 2020 level	1.4%	5.3%
Stays at 2020 level		
Will increase slightly for the whole year	15.3%	31.6%
Will increase significantly compared to 2019*/20	81.9%	57.9%
Do not know	1.4%	5.3%
Total (100%) n=	72	38

3.2 ECONOMIC AND LABOUR MARKET IMPACTS ON RESPONDENTS' ORGANISATIONS

The coronavirus crisis has caused companies worldwide to expect a significant loss of revenue in 2020.

According to Eurostat data, in 2020, EU industrial sector revenues fell by 9.7% on average. Tourism saw a drop of almost 80% in turnover in the first half of 2020 (Eurostat, 2020).

Our survey respondents also commented on how they expect the current year to end compared to the previous year (Figure 4 and Table 18a, 18b). Most of our respondents in all six participating countries expected a revenue shortfall of 10% or more, with a much smaller number of respondents expecting a revenue increase, between 11% and 27%. The following graph

illustrates the change in revenue for responding organisations between 2019 and 2020.

Figure 4: Changes in the annual turnover of responding organisations compared to the previous year 2019/2020

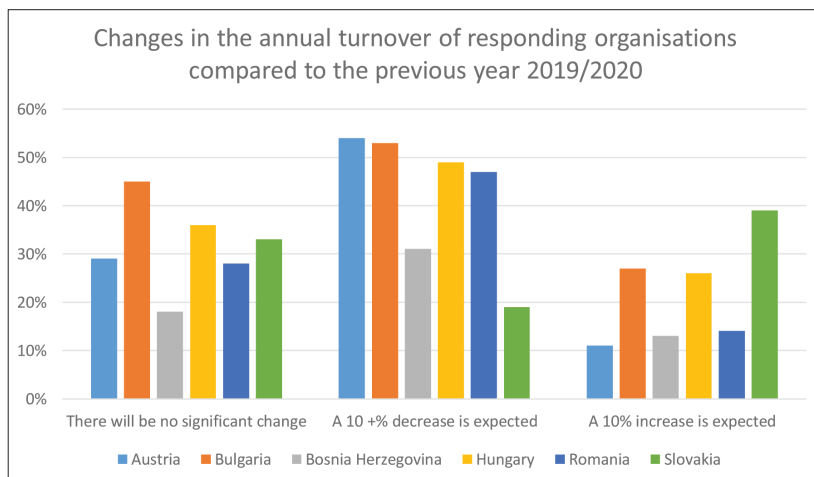


Table 18.a: Expected evolution of the annual turnover/budget of the responding organisations 2020/2021

Impact on responding organisations	Bulgaria (BG)	Hungary (HU)	Romania (RO)	Slovakia (SK)
Similar to 2020	45.2%	36.0%	28.3%	32.6%
A decrease of around 10%	7.7%	12.5%	7.3%	14.3%
A decrease of more than 10% is expected	11.5%	11.9%	12.2%	27.0%
An increase of around 10% is expected	11.5%	16.4%	23.4%	8.3%
A stronger increase than 10% can be expected	15.4%	10.0%	16.1%	6.1%
Cannot judge	8.7%	13.2%	12.7%	11.7%
Total (100%) n=	104	311	205	230

Table 18.b: Expected evolution of the annual turnover/budget of the

responding organisations 2019/2020

Evolution of turnover/ budget	Austria (AT)	Bosnia-Herzegovina (BIH)
Similar to 2019	29.2%	18.4%
A decrease of around 10%	25.0%	13.2%
Stronger than 10% decrease expected	27.8%	39.5%
An increase of around 10% is expected	8.3%	7.9%
A stronger increase than 10% can be expected	2.8%	5.3%
Cannot judge	6.9%	15.8%
Total (100%) n=	72	38

Even when the pandemic was announced, it was clear that a phenomenon of this magnitude would have a major impact on economic trends. At the same time, as neither corporate managers nor governments had had similar experiences, the very near future seemed more unpredictable than usual, and so the government measures taken to contain the spread of the pandemic and the corporate practices that managers adopted in response to the situation were very diverse. Although the modern world has not experienced a pandemic, it has experienced an economic crisis, most recently less than ten years ago. Companies and their managers still remember the large numbers of redundancies and the stagnation that followed, which made recovery difficult and lengthy for those who managed it at all. The 2020 recession has led to a drop-in turnover and profits in many industries, but human resources have been maintained across the board. The most vulnerable were small and medium-sized businesses, the backbone of the economy. They faced the greatest challenge in retaining staff, especially in negatively affected industries (Muller, 2021). According to a 2020 survey of the current challenges faced by the SME sector and responses to them in the US, for more than half of respondents (53%), the biggest priority was to use new technologies to keep people working; three in seven (43%) small businesses sought to retain people at all costs; while three in ten (29%) saw the situation as an opportunity and launched new products or services. The same survey shows that while 38% of SMEs surveyed had to cut their turnover, only 12% had to make redundancies. Instead, 35% have reduced working hours, 46% have introduced home working and nearly a third of respondents have

rescheduled or postponed planned investments (Kaspersky, 2021).

As discussed earlier, the current crisis is the result of externalities. What has fundamentally changed in the year of the pandemic is the way people live and work. Government measures against the virus have ‘killed’ a number of industries. Consumption (demand for both goods and services) fell, travel, freight transport and international trade decreased. At the same time, demand for online tools, online services and information products increased. A significant part of work and leisure has moved from the physical to the online space, giving a big boost to the already rapidly expanding digitalisation.

Respondents’ views are very diverse as to what they expect unemployment in their sector to shift in the very near future (Figure 5 and Table 19a, 19b). The graph below presents the expectations for 2021 compared to one year ago in the respondent’s own field of activity.

Figure 5: Expected changes in unemployment in the respondent organisations’ field/sector of activity in the countries surveyed

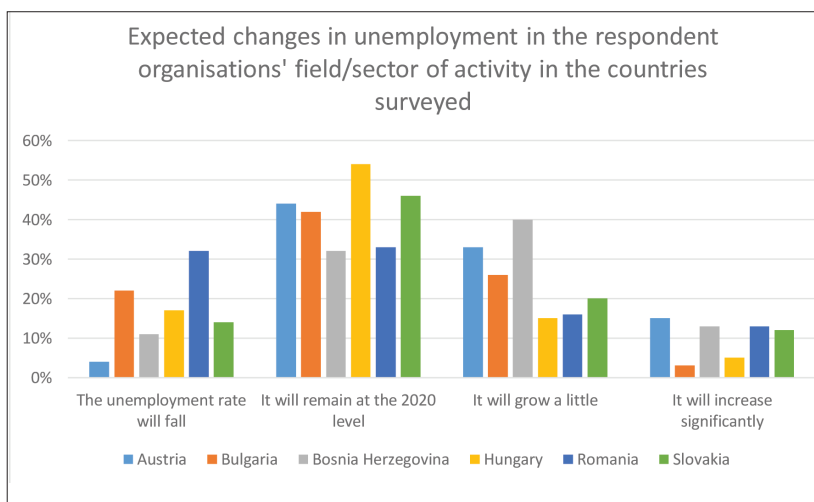


Table 19.a: Expected changes in unemployment in the respondent

organisations' field/sector of activity in the countries surveyed in 2020

Changes in unemployment	Bulgaria (BG)	Hungary (HU)	Romania (RO)	Slovakia (SK)
Will be slightly below 2020 level	22.3%	17.0%	31.8%	14.3%
Stays at 2020 level	41.7%	54.0%	32.8%	45.9%
Will increase slightly for the year as a whole	26.2%	15.4%	15.9%	20.3%
Will increase significantly compared to 2020	2.9%	5.1%	13.4%	12.1%
Do not know	6.8%	8.4%	6.0%	7.4%
Total (100%) n=	103	311	201	231

Table 19.b: Expected changes in unemployment in the respondent organisations' field/sector of activity in the countries surveyed in 2020

Changes in unemployment	Austria (AT)	Bosnia-Herzegovina (BIH)
Will be slightly below 2020 level	4.2%	10.5%
Stays at 2020 level	44.4%	31.6%
Will increase slightly for the year as a whole	33.3%	39.5%
Will increase significantly compared to 2020	15.3%	13.2%
Do not know	2.8%	5.3%
Total (100%) n=	72	38

Survey respondents also commented on how organisational staffing had changed in their own organisations during the first three months of the virus. More than half of responding organisations reported no change in staffing levels, a quarter reported a decrease and 18% reported an increase. The following graph illustrates the change in staffing levels in the first three months of the coronavirus in the responding organisations (Figure 6 and Table 20).

Figure 6: Change in the number of staff in responding organisations

(March, April, May 2020)

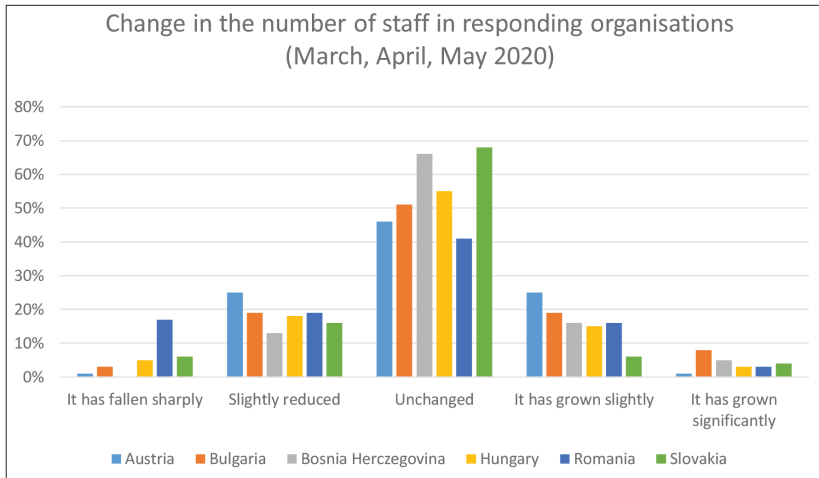


Table 20: Changes in the number of responding organisations in the first three months of the coronavirus crisis (March, April, May 2020)

	Austria (AT)	Bulgaria (BG)	Bosnia-H (BIH)	Hungary (HU)	Romania (RO)	Slovakia (SK)	Total
Sharply (over 20%) reduced	1.4%	2.9%		5.1%	16.6%	6.0%	7.1%
Slightly reduced	25.0%	19.2%	13.2%	18.3%	19.0%	15.5%	18.2%
No change	45.8%	51.0%	65.8%	54.8%	41.0%	67.8%	54.4%
Slightly increased	25.0%	19.2%	15.8%	15.4%	15.6%	6.4%	14.4%
Increased strongly (over 20%)	1.4%	7.7%	5.3%	2.9%	4.4%	.4%	3.1%
Do not know	1.4%			3.5%	3.4%	3.9%	2.9%
Total (100%) n=	72	104	38	312	205	233	964

3.3 MICRO LEVEL ECONOMIC AND INTERNAL LABOUR MARKET IMPACTS

Respondents were asked which external factors had mediated the effects of the crisis for them. Just as government measures (e.g., curfews, lockdowns, border closures, etc.) varied from country to country, the external factors that mediated the effects of the crisis on the respondents' organisations also varied in their own lives. The following table shows the extent to which these factors had a negative impact on respondents' revenues (Table 21).

Table 21: External factors mediating the crisis for the respondents in the six countries surveyed

External factors		Austria (AT)	Bulgaria (BG)	Bosnia-H (BIH)	Hungary (HU)	Romania (RO)	Slovakia (SK)	Total
Decreasing domestic demand (n=898)	1	27.1%	33.0%	21.4%	50.2%	36.3%	40.3%	40.5%
	2	35.7%	27.5%	25.0%	21.5%	23.7%	26.4%	24.9%
	3	22.9%	15.4%	42.9%	14.5%	15.8%	19.9%	17.7%
	4	14.3%	24.2%	10.7%	13.9%	24.2%	13.4%	16.9%
Decreasing foreign demand (n=865)	1	32.2%	31.8%	33.3%	66.1%	48.4%	57.6%	53.6%
	2	18.6%	26.1%	4.8%	15.6%	21.0%	19.0%	18.6%
	3	37.3%	18.2%	33.3%	10.0%	14.0%	13.8%	15.0%
	4	11.9%	23.9%	28.6%	8.3%	16.7%	9.5%	12.7%
Introduction of curfew (n=887)	1	17.1%	67.1%	17.2%	39.5%	24.1%	37.0%	35.7%
	2	30.0%	10.6%	24.1%	19.1%	24.1%	23.6%	21.4%
	3	32.9%	15.3%	24.1%	19.7%	17.8%	19.7%	20.1%
	4	20.0%	7.1%	34.5%	21.7%	34.0%	19.7%	22.8%
Disruption in supply chain (n=876)	1	40.3%	31.4%	18.5%	48.7%	42.8%	43.1%	42.8%
	2	25.4%	24.4%	40.7%	28.2%	17.1%	32.2%	26.6%
	3	25.4%	20.9%	22.2%	16.4%	25.1%	13.7%	18.9%
	4	9.0%	23.3%	18.5%	6.7%	15.0%	10.9%	11.6%
Other (n=320)	1	25.0%	37.8%	40.0%	71.5%	42.9%	61.7%	60.9%
	2	25.0%	13.5%		8.2%	8.6%	19.8%	11.9%
	3	25.0%	27.0%	40.0%	8.2%	8.6%	7.4%	10.9%
	4	25.0%	21.6%	20.0%	12.0%	40.0%	11.1%	16.3%

(1=not typical, 4= typical to a large extent)

The replies show that the majority of the participating organisations did not need to cease their activities. Where they did, it was typically only for a few days. Table 22 illustrates the incidence and duration of interruptions in production and service activities.

Table 22: Interruption of production and service activities in the economic

situation caused by the coronavirus

Extent of interruption	Austria (AT)	Bulgaria (BG)	Bosnia-H (BIH)	Hungary (HU)	Romania (RO)	Slovakia (SK)	Total
No interruption	77.1%	69.9%	73.7%	79.2%	55.9%	64.7%	69.4%
Interrupted for a few days	12.9%	9.7%	15.8%	8.1%	9.4%	20.4%	12.1%
1-3 weeks	1.4%	2.9%	0.0%	2.3%	4.0%	2.3%	2.5%
4-5 weeks	0.0%	4.9%	7.9%	2.3%	6.4%	1.8%	3.4%
6-7 weeks	1.4%	3.9%	2.6%	1.9%	4.0%	.9%	2.3%
8-10 weeks	4.3%	3.9%	0.0%	1.3%	7.9%	1.8%	3.3%
more than 10 weeks	2.9%	4.9%	0.0%	4.9%	12.4%	8.1%	6.9%
Total n=	70	103	38	308	202	221	942
Total (%)	100.0	100.0	100.0	100.0	100.0	100.0	100.0

There is a wide range of corporate practices that decision-makers have used to best meet the challenges of the coronavirus crisis. A significant number of these had a direct impact on employees. Respondents were asked a closed set of questions about the extent to which the solutions provided were common in their organisations. The Figure 7 and Table 23 illustrates the most common solutions by country.

Figure 7: Practices and situations that affect employees in the context of the crisis in the six countries analysed

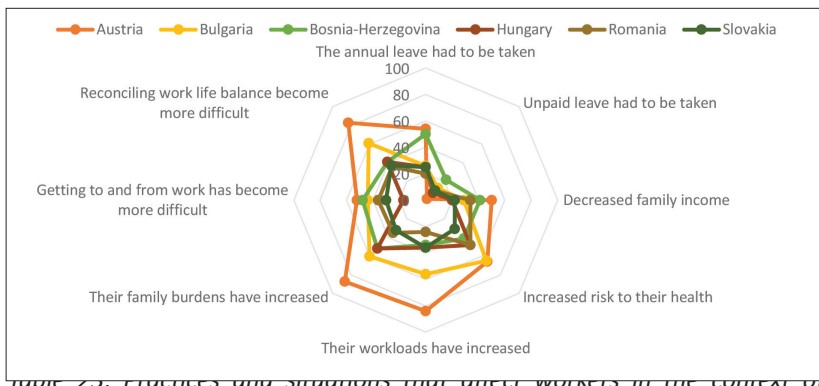


Table 23: Practices and situations that affect workers in the context of

the crisis in the six countries analysed

Typical solutions		Austria (AT)	Bulgaria (BG)	Bosnia-Herzegovina (BIH)	Hungary (HU)	Romania (RO)	Slovakia (SK)	Total
had to take their annual leave (n=929)	1	46.4%	42.0%	28.1%	52.8%	60.2%	55.5%	52.5%
	2		28.0%	21.9%	22.0%	19.9%	19.3%	19.9%
	3	27.5%	8.0%	31.3%	13.3%	9.0%	13.3%	13.5%
	4	26.1%	22.0%	18.8%	12.0%	10.9%	11.9%	14.1%
had to take unpaid leave (n=902)	1	98.5%	72.0%	78.3%	82.1%	82.9%	78.4%	81.5%
	2		15.0%		9.4%	7.5%	10.3%	8.9%
	3	1.5%	6.0%	8.7%	4.9%	5.0%	5.9%	5.1%
	4		7.0%	13.0%	3.6%	4.5%	5.4%	4.6%
significant decrease in the family's income (n=904)	1	50.0%	44.0%	36.4%	53.7%	42.5%	50.2%	48.7%
	2		27.0%	22.7%	26.4%	24.5%	27.3%	24.1%
	3	18.6%	14.0%	36.4%	13.4%	24.5%	12.2%	16.6%
	4	31.4%	15.0%	4.5%	6.5%	8.5%	10.2%	10.6%
increased risk to their health (n=914)	1	33.8%	1.9%	33.3%	19.5%	19.7%	38.5%	23.3%
	2		33.0%	25.9%	33.1%	32.5%	30.2%	29.6%
	3	32.4%	8.7%	37.0%	26.9%	29.6%	16.6%	23.9%
	4	33.8%	56.3%	3.7%	20.5%	18.2%	14.6%	23.2%
increased workloads (n=914)	1	15.9%	20.4%	37.9%	33.3%	39.2%	47.6%	35.2%
	2		23.3%	27.6%	31.0%	36.7%	26.0%	27.8%
	3	36.2%	29.1%	24.1%	19.6%	17.1%	15.9%	20.7%
	4	47.8%	27.2%	10.3%	16.0%	7.0%	10.6%	16.3%
increased family loads (n=903)	1	13.2%	8.9%	16.0%	20.8%	35.7%	41.0%	26.6%
	2		31.7%	32.0%	27.6%	29.1%	27.3%	26.4%
	3	50.0%	19.8%	32.0%	34.1%	27.0%	19.5%	28.8%
	4	36.8%	39.6%	20.0%	17.5%	8.2%	12.2%	18.3%

getting to work/transport has become more difficult (n=916)	1	47.8%	25.7%	25.8%	54.9%	36.1%	45.4%	43.9%
	2		30.7%	25.8%	28.6%	28.2%	24.2%	25.5%
	3	17.9%	18.8%	19.4%	12.0%	22.8%	20.3%	17.7%
	4	34.3%	24.8%	29.0%	4.5%	12.9%	10.1%	12.9%
work/life balance has become more difficult (n=917)	1	17.4%	11.5%	13.8%	29.6%	32.7%	37.8%	28.7%
	2		27.9%	44.8%	29.3%	31.7%	25.8%	27.2%
	3	37.7%	11.5%	24.1%	24.1%	21.6%	19.6%	22.1%
	4	44.9%	49.0%	17.2%	16.9%	14.1%	16.7%	22.0%

(1=not typical, 4= typical to a large extent)

The economic shocks caused by pandemic COVID-19 have prompted governments to support jobs, livelihoods and struggling businesses on a historic scale (OECD, 2021). These programmes have been key to addressing the economic impacts on individuals and businesses, including preventing the insolvency of fundamentally viable firms and stabilising broad based credit conditions. Of course, the governments of the six countries under review did not provide the same forms of support, but there are some similarities. In all the countries surveyed, the largest proportion of respondents used wage subsidies. The following Table 24 shows the survey data on the proportion of respondents who used the listed government support in 2020.

Table 24: Government crisis management measures used by surveyed organisations

measures taken	Austria (AT)	Bulgaria (BG)	Bosnia-H (BIH)	Hungary (HU)	Romania (RO)	Slovakia (SK)	Total	n= (100%)
wage subsidy	40.3%	12.5%	10.5%	18.9%	34.5%	34.3%	26.5%	965
rent freeze	n.a.	12.5%	n.a.	3.2%	6.3%	8.2%	6.4%	855
credit moratorium	n.a.	5.8%	13.2%	5.4%	7.3%	4.7%	6.0%	893
soft loans	n.a.	3.8%	n.a.	3.2%	9.7%	6.0%	5.6%	855
other	26.4%	37.5%	76.3%	5.8%	33.0%	20.6%	22.9%	965

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4 GENERAL AND SPECIFIC HR CRISIS MANAGEMENT MEASURES OF ORGANISATIONS EXAMINED IN SIX COUNTRIES

(KINGA KEREKES, MONICA ZAHARIE & ÁKOS JARJABKA)

4.1 GENERAL CRISIS MANAGEMENT MEASURES

Organisations around the world have responded in a variety of ways to the crisis caused by the coronavirus pandemic. A survey of large US companies found that in the first quarter of 2020, 70% of respondents saw a drop-in turnover and 28% laid off or sent their employees on unpaid leave (typically companies that invested less in workforce development, like brasseries and fast-food restaurants), while 25% of them increased the salaries of workers in key positions (Lambert, 2021).

According to another international questionnaire survey conducted in June 2020, 62.6% of companies switched to teleworking in full and 32.3% in part, 37.9% introduced precautionary measures, 21.9% dismissed employees or sent them on unpaid leave (mainly 50-499 employees, catering and industrial companies), 18% reduced their working capacity, 12% suspended their operations (some of them closed down permanently), and only 6.2% thought that no crisis management measures would be necessary to introduce (MacKenzie, 2020). 55.6% of respondents were North American, 31.8% of them worked in the IT sector, and 27.5% of them were managers or HR experts of companies with 100–499 employees.

Although, according to surveys, the final transition to telework is being considered by several companies, a McKinsey study points out that, even in developed economies, only around 20-25% of the workforce can work telecommuting 3-5 days a week without a decline in productivity, (Lund et al. al., 2021).

According to Koltai and Geambaşu (2020), 79% of the respondents to the international survey – conducted in the summer of 2020 – of women (mainly micro and small) entrepreneurs were negatively affected by the economic crisis caused by the coronavirus (11% even had to stop their activities), 38% suspended or reduced their activities, 22% reduced their working hours, 10% made staff reductions, 6% sent employees on paid leave, and 5% sent staff on unpaid leave. Half of the respondents were also looking for adaptation

strategies (introducing new products and services, finding new markets, and strengthening online sales), and more than a third were trying to improve their business (renovating, training, and acquiring new tools).

The October 2020 business survey of the Institute for Economic and Business Research of the Hungarian Chamber of Commerce and Industry shows that the most popular crisis management strategy among Hungarian companies is to reduce expenditures. The most commonly used tools are: to reduce costs (58%), to slow down and postpone investments (37%), to introduce part-time work (37%), to make use of government benefits (37%), to improve the security of short-term financing (30%), and to modify the strategy (30%) (Bacsák, 2021).

In our survey of six Central and Eastern European countries, we asked about crisis management measures that were relevant to the 2008 global economic and financial crisis (Fodor et al., 2010) and that appeared in the coronavirus crisis analyses conducted prior to our research (Table 25).

“Increasing organisational efficiency” was the most popular measure: 24.5% of respondents implemented such measures to a large extent, and 33.1% to a medium extent. The proportions were higher for Austrian respondents and lower for Slovaks; the possible reason for the discrepancy is that there are more large companies in the Austrian sample while most Slovak respondents employ less than 50 people.

The *“introduction of the appropriate communication toolkit”* (which is above-average for 47.5% of respondents) can also be interpreted as an efficiency-enhancing measure since many workers had to work from home and use online communication because of the decision taken by the governments to prevent the spread of the pandemic.

The changes caused by the pandemic led to a *“revision of the strategy”* in 44.7% of responding organisations, often followed by the introduction of *“new technologies and procedures”* (43.8%). Half of the respondents continued the *“innovation projects”* (53.7%) and *“strategic investments”* (48.5%) they had started, and a further 22.2% (respectively 25.1%) resorted to their abortion to a lesser extent.

Almost half of the surveyed companies (43.8%) *“cut their costs”* due to the loss of income or the fear of it. It can be positively assessed that this

was mostly achieved by “postponing purchases and expenditures” (43.8%) and not by downsizing, as only 5.1% of the respondents were heavily “downsized”, 71.6% did not resort to this tool, and 79.3% did not even send their employees on “unpaid leave”.

It should be emphasised that Hungarian respondents continued in the highest proportion their innovation projects (64.5%) and strategic investments (59.3%), while the reduction of costs (10.8%), the postponement of procurements (10.8%) and staff reductions (4.2%) were the least common among Hungarian organisations, suggesting that the pandemic in Hungary unfolded more optimistically than in neighbouring countries.

Few respondents indicated the option of introducing measures other than those listed in the questionnaire, including the temporary suspension of customer reception, the reorganisation of workflows, and some of the measures listed in the questionnaire as HR crisis management measures and described in more detail in the next section.

Table 25: Typical crisis management measures

		Typical measures	Austria (AT)	Bulgaria (BG)	Bosnia and Herzegovina (BIH)	Hungary (HU)	Romania (RO)	Slovakia (SK)	all
1.	Revision of the strategy (n=920)	1	23.2%	8.2%	29.0%	24.4%	15.9%	41.1%	24.8%
		2	29.0%	37.8%	32.3%	27.0%	31.8%	31.3%	30.5%
		3	40.6%	14.3%	25.8%	31.3%	30.8%	20.1%	27.3%
		4	7.2%	39.8%	12.9%	17.3%	21.4%	7.5%	17.4%
2.	Increase organisational efficiency (n=924)	1	8.6%	10.8%	5.7%	20.3%	11.9%	20.5%	16.0%
		2	12.9%	24.5%	28.6%	28.4%	23.4%	31.4%	26.4%
		3	50.0%	16.7%	51.4%	32.4%	38.8%	28.1%	33.1%
		4	28.6%	48.0%	14.3%	19.0%	25.9%	20.0%	24.5%
3.	Postponing purchases and expenditures (n=920)	1	10.6%	12.0%	8.3%	37.7%	20.8%	35.1%	27.5%
		2	24.2%	26.0%	33.3%	33.1%	24.3%	28.4%	28.7%
		3	37.9%	24.0%	41.7%	18.4%	33.7%	19.9%	25.0%
		4	27.3%	38.0%	16.7%	10.8%	21.3%	16.6%	18.8%

4.	Cutting costs (n=925)	1	10.6%	12.0%	8.3%	37.7%	20.8%	35.1%	27.5%
		2	24.2%	26.0%	33.3%	33.1%	24.3%	28.4%	28.7%
		3	37.9%	24.0%	41.7%	18.4%	33.7%	19.9%	25.0%
		4	27.3%	38.0%	16.7%	10.8%	21.3%	16.6%	18.8%
5.	Downsizing (n=922)	1	55.9%	71.3%	60.0%	76.8%	67.0%	75.8%	71.6%
		2	27.9%	12.9%	31.4%	14.7%	17.5%	12.6%	16.2%
		3	10.3%	5.9%	8.6%	4.2%	9.5%	7.7%	7.0%
		4	5.9%	9.9%	0.0%	4.2%	6.0%	3.9%	5.1%
6.	Sending employees on annual leave (n=917)	1	40.3%	47.0%	40.0%	49.7%	50.0%	45.8%	47.5%
		2	14.9%	24.0%	28.6%	27.3%	24.0%	30.7%	26.1%
		3	23.9%	11.0%	22.9%	16.2%	14.0%	13.7%	15.4%
		4	20.9%	18.0%	8.6%	6.8%	12.0%	9.9%	11.0%
7.	Sending employees on unpaid leave (n=913)	1	91.2%	75.0%	78.8%	83.2%	77.2%	73.9%	79.3%
		2	7.4%	10.0%	9.1%	10.6%	10.4%	17.9%	11.8%
		3	1.5%	6.0%	6.1%	4.0%	5.9%	4.8%	4.7%
		4	0.0%	9.0%	6.1%	2.3%	6.4%	3.4%	4.2%
8.	Suspension of strategic investments (n=907)	1	40.0%	35.0%	28.1%	59.3%	42.0%	51.2%	48.5%
		2	41.5%	22.0%	31.3%	24.9%	25.0%	21.0%	25.1%
		3	12.3%	31.0%	25.0%	10.2%	19.0%	16.6%	16.5%
		4	6.2%	12.0%	15.6%	5.6%	14.0%	11.2%	9.8%
9.	Suspension of innovation projects (n=908)	1	43.8%	47.0%	39.4%	64.5%	44.3%	55.8%	53.7%
		2	35.9%	19.0%	18.2%	20.7%	24.4%	20.4%	22.2%
		3	14.1%	25.0%	27.3%	7.6%	17.9%	14.6%	14.5%
		4	6.3%	9.0%	15.2%	7.2%	13.4%	9.2%	9.5%
10.	Cutting communication spending (n=906)	1	52.4%	48.5%	39.4%	61.1%	49.5%	65.4%	56.7%
		2	23.8%	23.2%	24.2%	22.5%	22.5%	19.5%	22.1%
		3	20.6%	17.2%	24.2%	10.5%	18.0%	9.3%	13.8%
		4	3.2%	11.1%	12.1%	5.9%	10.0%	5.9%	7.4%
11.	Introduction of new technologies and processes (n=925)	1	15.2%	16.8%	8.8%	35.3%	22.1%	44.9%	30.2%
		2	27.3%	27.7%	23.5%	30.7%	24.5%	20.1%	26.1%
		3	34.8%	12.9%	52.9%	20.9%	33.8%	22.4%	25.4%
		4	22.7%	42.6%	14.7%	13.1%	19.6%	12.6%	18.4%
12.	Introduction of an appropriate communication toolkit (n=914)	1	16.9%	6.0%	11.4%	32.5%	19.1%	45.2%	27.7%
		2	15.4%	23.0%	8.6%	29.2%	29.1%	21.0%	24.8%
		3	36.9%	7.0%	60.0%	23.9%	30.2%	18.6%	24.5%
		4	30.8%	64.0%	20.0%	14.4%	21.6%	15.2%	23.0%

13.	Targeting new markets (n=910)	1	41.9%	19.2%	53.3%	46.4%	30.3%	45.4%	39.6%
		2	22.6%	24.2%	23.3%	22.8%	23.9%	27.8%	24.4%
		3	29.0%	27.3%	16.7%	17.5%	30.3%	16.2%	21.9%
		4	6.5%	29.3%	6.7%	13.2%	15.4%	10.6%	14.2%
14.	Outsourcing of business areas (n=907)	1	77.8%	52.0%	66.7%	81.1%	61.3%	68.1%	69.8%
		2	19.0%	7.0%	23.3%	12.3%	21.6%	18.8%	16.1%
		3	1.6%	30.0%	10.0%	4.3%	11.1%	8.9%	9.7%
		4	1.6%	11.0%	0.0%	2.3%	6.0%	4.2%	4.4%
15.	Insourcing of business areas (n=915)	1	45.5%	12.7%	33.3%	84.4%	65.7%	60.7%	62.3%
		2	24.2%	28.4%	43.3%	11.3%	21.4%	22.0%	19.9%
		3	22.7%	19.6%	13.3%	2.6%	9.0%	10.7%	9.6%
		4	7.6%	39.2%	10.0%	1.7%	4.0%	6.5%	8.2%
16.	Rein-forcement of the supplier network (n=899)	1	56.4%	22.7%	50.0%	51.8%	33.7%	52.8%	45.1%
		2	14.5%	24.7%	32.1%	27.9%	25.2%	27.8%	26.3%
		3	23.6%	33.0%	14.3%	12.1%	28.2%	12.7%	18.9%
		4	5.5%	19.6%	3.6%	8.2%	12.9%	6.6%	9.8%
17.	More effective / renewed marketing (n=906)	1	33.9%	20.6%	35.5%	49.0%	24.9%	40.7%	37.2%
		2	30.6%	21.6%	25.8%	21.9%	28.9%	24.4%	24.7%
		3	30.6%	23.7%	32.3%	19.3%	28.4%	22.5%	23.7%
		4	4.8%	34.0%	6.5%	9.8%	17.9%	12.4%	14.3%
18.	Miscella-neous (n=178)	1	66.7%	44.4%	85.7%	90.3%	70.0%	81.4%	79.9%
		2	0.0%	5.6%	0.0%	4.2%	10.0%	10.2%	6.7%
		3	0.0%	38.9%	0.0%	2.8%	10.0%	6.8%	8.4%
		4	33.3%	11.1%	14.3%	2.8%	10.0%	1.7%	5.0%

(1=not typical, 4= typical to a large extent)

4.2 HR CRISIS MANAGEMENT MEASURES

Some of the crisis management measures listed in the studies referred to in the previous chapter (redundancies, paid or unpaid leave, transition to teleworking, part-time or reduced working hours, pay cuts or deferrals, training of workers) are also related to HR. Hereafter, we will desist from adverting to these to avoid repetitions.

According to a survey of HR workers in Romania (Valoria, 2020), the coronavirus pandemic affected recruitment (32%), employee involvement (28%), remuneration and benefits (27%), and the digitisation of HR processes (27%) the most.

The coronavirus pandemic has also transformed jobs around the world. The greatest change is in jobs where physical presence and direct interaction with consumers are required (Lund et al., 2021).

In our survey, we examined the HR measures taken by companies to deal with the crisis separately (Table 26). More than half of the respondents (57.5%) strongly believed that crisis management HR measures were needed, and only 8.6% thought they had nothing to do in this area.

Most respondents (42.5% to high and a further 20.7% to a moderate degree) introduced *“new occupational health and safety measures”* and *“allowed/ordered work from home”* (40.2% to high degree and 17.1% to a moderate degree) although significant differences can be observed between countries. Working at home was largely introduced by three-quarters of Bulgarian and Austrian respondents while less than a quarter of Slovaks.

40.7% of the respondents dealt with *“addressing social problems of employees”* to a greater extent. The proportion of socially sensitive Bulgarian and Austrian companies was higher than average, while that of Slovakian and Romanian ones was lower.

“Reducing the risk of a pandemic through training” was at least moderately typical to 38.5% of companies. The Hungarian companies dealt with it the least; the proportion of those who did not or only slightly apply this measure was 80%.

“Self-development” was supported by 42.5% of companies to a medium or a large extent, but the differences between the countries are large in this respect as well: two-thirds of Bulgarian companies and only 29.1% of Hungarians were characterised by this measure.

The *“elaboration and revision of replacement and substitution plans”* characterised 42.3% of the companies to a medium or a large extent, and one third of them were not characterised at all.

The *“revision of the performance evaluation and incentive scheme”* was important for almost a third of the companies, and a quarter of them were more concerned with the *“revision of the equality strategy”*.

As already mentioned in the analysis of general measures, a smaller proportion of companies made *“staff cuts”* (5% in a high and 11.8% in a moderate degree), while *“hiring freeze”* was introduced by one third of respondents.

“Reductions in labour demand by automation or training” were typical for only one-fifth of respondents, and *“working hours were reduced”* moderately or significantly by only a quarter of firms.

Except Bulgaria (where almost a third of respondents used this tool), companies resorted to *“freeze wages”* to a vanishing degree (it was highly peculiar to only 7.9% of companies and typical with a more than average level to 18.6% in total), and *“wage cuts”* were highly characteristic to merely 4.2% of companies. The differences between countries were not significant in this respect. The proportion of companies that *“have reduced fringe benefits”* is also low.

Among *“other measures”*, respondents mentioned staff reductions, distance keeping, wage reduction, and the introduction of new workplace rules.

Table 26: Typical HR crisis management measures

	HR crisis management measures		Austria (AT)	Bulgaria (BG)	Bosnia and Herzegovina (BiH)	Hungary (HU)	Romania (RO)	Slovakia (SK)	Altogether
1.	No tasks (n=903)	1	56.1%	62.1%	32.4%	69.5%	56.2%	45.0%	57.5%
		2	21.2%	21.1%	20.6%	12.3%	11.3%	16.2%	15.0%
		3	10.6%	6.3%	38.2%	8.6%	25.3%	32.0%	18.9%
		4	12.1%	10.5%	8.8%	9.6%	7.2%	6.8%	8.6%
2.	Hiring freeze (n=928)	1	35.3%	54.5%	24.3%	61.5%	52.5%	47.3%	52.0%
		2	23.5%	5.0%	27.0%	12.2%	16.7%	16.8%	14.9%
		3	22.1%	16.8%	27.0%	10.2%	19.7%	19.5%	16.7%
		4	19.1%	23.8%	21.6%	16.1%	11.1%	16.4%	16.4%
3.	Reduction of working hours (n=924)	1	41.2%	65.0%	16.2%	71.1%	56.6%	63.0%	61.0%
		2	22.1%	3.0%	35.1%	13.8%	11.7%	11.9%	13.2%
		3	22.1%	18.0%	32.4%	10.5%	20.4%	18.3%	17.0%
		4	14.7%	14.0%	16.2%	4.6%	11.2%	6.8%	8.8%
4.	Staff cut, downsizing (n=926)	1	64.7%	73.3%	83.8%	78.0%	73.7%	69.7%	73.9%
		2	17.6%	3.0%	13.5%	12.8%	5.6%	7.8%	9.4%
		3	13.2%	14.9%	2.7%	4.3%	16.7%	17.4%	11.8%
		4	4.4%	8.9%	0.0%	4.9%	4.0%	5.0%	5.0%
5.	Enabling/ directing home offices (n=936)	1	0.0%	5.8%	10.5%	24.9%	39.8%	46.6%	28.6%
		2	1.4%	3.9%	23.7%	19.7%	14.9%	12.8%	14.1%
		3	24.3%	15.5%	23.7%	16.4%	14.4%	17.8%	17.1%
		4	74.3%	74.8%	42.1%	39.0%	30.8%	22.8%	40.2%
6.	Downsizing of temporary staff (n=917)	1	78.1%	72.0%	67.6%	78.8%	75.5%	72.0%	75.2%
		2	6.3%	12.0%	24.3%	11.9%	6.1%	6.9%	9.6%
		3	7.8%	8.0%	8.1%	4.6%	12.8%	15.6%	9.7%
		4	7.8%	8.0%	0.0%	4.6%	5.6%	5.5%	5.5%
7.	Pay freeze (n=923)	1	79.1%	62.0%	72.2%	80.5%	68.2%	70.8%	73.1%
		2	11.9%	6.0%	8.3%	9.2%	9.1%	5.9%	8.2%
		3	7.5%	11.0%	13.9%	4.6%	13.1%	17.4%	10.7%
		4	1.5%	21.0%	5.6%	5.6%	9.6%	5.9%	7.9%

8.	Pay cut (n=913)	1	92.5%	83.0%	69.4%	87.5%	78.1%	71.1%	80.8%
		2	7.5%	6.0%	16.7%	5.0%	4.1%	6.6%	5.9%
		3	0.0%	6.0%	5.6%	4.3%	14.8%	15.6%	9.1%
		4	0.0%	5.0%	8.3%	3.3%	3.1%	6.6%	4.2%
9.	Reducing fringe benefits (n=918)	1	68.7%	63.7%	50.0%	82.8%	58.3%	63.0%	68.5%
		2	20.9%	8.8%	30.6%	7.6%	12.6%	8.1%	10.8%
		3	10.4%	16.7%	11.1%	4.3%	18.1%	24.2%	13.9%
		4		10.8%	8.3%	5.3%	11.1%	4.7%	6.8%
10.	Addressing employees' social problems (n=919)	1	15.2%	25.7%	25.0%	31.9%	41.1%	51.6%	36.3%
		2	12.1%	23.8%	33.3%	32.2%	19.3%	14.4%	23.0%
		3	47.0%	15.8%	30.6%	26.3%	31.5%	29.8%	28.7%
		4	25.8%	34.7%	11.1%	9.5%	8.1%	4.2%	12.0%
11.	Reducing the risks of the pandemic through training (n=927)	1	20.6%	31.7%	10.8%	58.4%	27.4%	45.2%	41.1%
		2	16.2%	13.9%	32.4%	21.6%	22.3%	19.2%	20.4%
		3	41.2%	15.8%	27.0%	14.8%	21.8%	22.8%	20.7%
		4	22.1%	38.6%	29.7%	5.2%	28.4%	12.8%	17.8%
12.	New occupational health and safety measures (n=934)	1	5.7%	7.8%	5.3%	14.7%	9.0%	24.4%	13.9%
		2	5.7%	5.9%	10.5%	23.2%	33.8%	28.1%	22.9%
		3	41.4%	18.6%	42.1%	22.2%	10.4%	18.4%	20.7%
		4	47.1%	67.6%	42.1%	39.9%	46.8%	29.0%	42.5%
13.	Elaboration/ replanning of replacement plans (n=909)	1	21.0%	32.3%	28.6%	34.9%	28.1%	43.5%	34.0%
		2	24.2%	17.2%	28.6%	25.9%	28.1%	19.0%	23.8%
		3	30.6%	17.2%	28.6%	26.9%	29.1%	25.5%	26.3%
		4	24.2%	33.3%	14.3%	12.3%	14.8%	12.0%	16.0%
14.	Reducing labour requirements by automation/ technical solution (n=916)	1	56.1%	36.0%	50.0%	74.3%	62.6%	66.5%	63.5%
		2	33.3%	23.0%	32.4%	13.9%	12.8%	9.2%	15.6%
		3	9.1%	15.0%	11.8%	8.9%	21.5%	21.6%	15.4%
		4	1.5%	26.0%	5.9%	3.0%	3.1%	2.8%	5.5%
15.	Reducing labour requirements by trainings, development (n=917)	1	54.5%	37.0%	40.0%	75.6%	51.0%	68.8%	61.6%
		2	27.3%	20.0%	34.3%	14.9%	16.2%	6.0%	15.3%
		3	15.2%	17.0%	20.0%	7.6%	27.8%	22.8%	17.6%
		4	3.0%	26.0%	5.7%	2.0%	5.1%	2.3%	5.6%
16.	Supporting personal development (n=914)	1	21.5%	23.0%	20.6%	42.7%	19.2%	39.1%	32.3%
		2	21.5%	11.0%	23.5%	28.1%	34.8%	18.6%	24.8%
		3	36.9%	16.0%	35.3%	18.2%	24.7%	31.6%	24.5%
		4	20.0%	50.0%	20.6%	10.9%	21.2%	10.7%	18.4%

17.	Revision of the benchmarking scheme (n=916)	1	59.4%	39.6%	35.3%	57.9%	38.0%	46.9%	48.3%
		2	26.6%	18.8%	29.4%	21.7%	24.0%	17.8%	21.6%
		3	10.9%	16.8%	17.6%	14.5%	28.0%	28.6%	20.9%
		4	3.1%	24.8%	17.6%	5.9%	10.0%	6.6%	9.3%
18.	Revision of the incentive scheme (n=911)	1	67.2%	39.0%	17.1%	58.4%	35.2%	46.7%	47.5%
		2	14.1%	24.0%	34.3%	22.8%	21.6%	17.1%	21.2%
		3	15.6%	13.0%	25.7%	14.2%	32.7%	30.0%	22.3%
		4	3.1%	24.0%	22.9%	4.6%	10.6%	6.2%	9.0%
19.	Revision of equality strategy/plans (n=907)	1	69.8%	42.0%	45.5%	70.4%	51.0%	52.6%	58.0%
		2	14.3%	29.0%	24.2%	16.4%	17.9%	10.9%	17.0%
		3	11.1%	11.0%	24.2%	11.5%	25.5%	28.9%	19.0%
		4	4.8%	18.0%	6.1%	1.6%	5.6%	7.6%	6.1%
20.	Other (n=169)	1	0.0%	64.3%	85.7%	92.5%	89.5%	82.0%	85.2%
		2	0.0%	35.7%	0.0%	6.0%	0.0%	0.0%	5.3%
		3	0.0%	0.0%	0.0%	1.5%	5.3%	11.5%	5.3%
		4	100.0%	0.0%	14.3%	0.0%	5.3%	6.6%	4.1%

(1=not typical, 4= typical to a large extent)

4.3 REFERENCES TO CHAPTER FOUR

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5 HR CHANGES DUE TO THE CRISIS (KRISZTINA DAJNOKI, JÓZSEF BOROS, MURA LADISLAV & ZIJADA RAHIMIĆ)

5.1 CHALLENGES, EXPECTATIONS, REACTIONS

The COVID-19 pandemic has plunged employers and workers into chaos and uncertainty. Yet, it is still unclear when and how the pandemic could end. HR operated in crisis mode for much of 2020 and 2021, figuring out how employees could work from home (if possible), trying to provide extra mental and physical health support, and working more than ever before (Harbert, 2021). As the future is expected to bring working conditions as flexible, remote, and digital as possible, there is an increasing urgency to change policies, processes, work areas, collaboration systems, and employee well-being (Gigauri, 2020). Barizsné et al. (2021) draws attention to the different management approaches of organisations affected to varying degrees by the coronavirus crisis through the industry specificities of employment.

In the following subsections, we present how organisational respondents in the six countries surveyed felt about the importance of HR, the increasing and declining number of tasks they expected, the role of trade unions, and the potential recovery opportunities identified in the pandemic situation.

The results show (Table 27) that the responding organisations felt the need to perform HR tasks related to the areas of incentive and retention management (12.55%) most intensively during the pandemic period. Nearly one in ten challenging feedbacks is related to workforce (9.87%) and communication (9.04%) (either online or offline). Nearly 7% of responses are related to the design and provision of health care, while 6% are also related to the introduction and operation of home office and other flexible employment solutions. Based on the results, the responding organisations felt that the development of digital processes was less of a significant challenge (1.66%). It should also be emphasised that in addition to the HR areas itemised in the questionnaire, other tasks (19.65%) were indicated by the respondents, which predicted the basis of even more detailed territorial divisions and studies in the subsequent surveys.

Table 27: The most significant HR challenges in a pandemic situation

Code	Challenge	All
1	Home office, teleworking, atypical (flexible) employment	65
2	Development of digital processes (workflow)	18
3	Panic, insecurity management, stress relief, mental health, maintaining a positive attitude, wellbeing, stress management	55
4	Effective internal and online communication, information,	98
5	Team cohesion, coordination, cooperation, conflict management	33
6	Personnel management, labour supply, recruitment/selection, turnover management	107
7	Downsizing, hiring freeze	19
8	Replacement of absent employees due to pandemics (illness, school closures)	18
9	Health protection, occupational safety, hygiene, compliance (rules and regulations)	73
10	Rapid responses, adaptation to changes (e.g., legal), new measures	48
11	Worktime management, scheduling, work organisation, replacement tasks	32
12	Maintaining of motivation, encouragement, satisfaction, and commitment	136
13	Wage management, benefits, wage support tasks, cost management, keeping salaries at the same level	29
14	Training, development, and their deferral, digital education	41
15	Social and personal support, family-friendly measures	23
16	Increased administrative burden	20
17	Benchmarking system	11
18	Selection and onboarding – under the changed circumstances (e.g. limited face-to-face meeting)	33
19	Leadership development and support (in remote and crisis management)	12
99	Other	213
	All	
Total sample: 965		

What distinguishes this crisis from previous global crises is that COVID-19 is fundamentally a health crisis. While the global economic recession a decade ago was fundamentally a financial crisis, with responses being driven by financial leaders at the organisational level, the current crisis is fundamentally a human crisis, giving human resource leaders a central role in helping organisations recover from the current situation (Caligiuri et al., 2020; Collings et al., 2021a; Collings et al., 2021b).

Illustrating the general role of HR and its change, based on the data in Table 28, it can be stated that there are significant differences between the organisational perceptions of the countries participating in the survey. In more than two-thirds of the respondents, human tasks appear as a separate department or as a dedicated job for some people, but in Slovakia this proportion is just over 50%. The onset of the pandemic set expectations of increasing or previously envisaged levels on the effectiveness of HR-related tasks in more than two-thirds of the responding firms. The highest growth was observed in Austria, where there was a strict and proactive government restriction, which also served as an example to be followed for its eastern neighbour (Hungary) at the beginning of the pandemic.

Table 28: Development of expectations regarding the efficiency of the HR department and HR activities

Expectations	Austria (AT)	Bulgaria (BG)	Bosnia and Herzegovina (BIH)	Hungary (HU)	Romania (RO)	Slovakia (SK)	All
Decreased	1.4%	1.9%	5.3%	2.3%	1.5%	3.9%	2.5%
Unchanged	29.2%	31.7%	28.9%	28.9%	39.5%	37.9%	33.8%
Increased	63.9%	48.1%	52.6%	35.4%	26.3%	9.5%	31.4%
We do not have a separate HR department	5.6%	18.3%	13.2%	33.4%	32.7%	48.7%	32.3%
All (100%) n=	72	104	38	308	205	232	959
It has an HR department n=	68	85	33	205	138	119	648

The results of the authors listed earlier in this chapter (Caligiuri et al., 2020; Collings et al., 2021a; Collings et al., 2021b and Gigauri, 2020) are

also reinforced by the feedback from the organisations that completed our questionnaire (Table 29), most of which (54.1%) considered that there was an increase in the number of HR tasks, while out of an average of 25, there was only one respondent that reported on a reduction in the number of tasks to be performed by HR (the vast majority of such feedback came from Slovakia (8.5%) and Bosnia and Herzegovina (7.9%)).

Table 29: Number of HR-tasks

Evolution of the volume of tasks	Austria (AT)	Bulgaria (BG)	Bosnia and Herzegovina (BIH)	Hungary (HU)	Romania (RO)	Slovakia (SK)	All
Decreased	1.4%	2.4%	7.9%	3.4%	2.2%	8.5%	4.0%
Unchanged	18.1%	34.5%	39.5%	40.2%	38.7%	69.5%	42.0%
Increased	80.6%	63.1%	52.6%	56.4%	59.1%	22.0%	54.1%
All (100%), N=	72	84	38	204	137	118	653

5.2 CHANGING THE ROLE OF HR FUNCTIONS (INCREASE AND DECREASE)

At the beginning of the pandemic, one of the most common steps for organisations, especially for employees performing intellectual tasks, was to switch to working from home. The key challenge in doing so was to create business continuity. This required a significant digital transformation, as organisations redesigned their workflows in addition to retraining and upskilling their employees to perform tasks virtually and/or remotely, often for the first time using such solutions (Collings et al., 2021b; Shankar, 2020). These changes have challenged key areas of HR as organisations have transformed, among other things, internal communication, integration, performance management, succession planning, leadership training, and global mobility (Caligiuri et al., 2020).

Our studies also included exploring predictable changes in HR functions. We examined which areas of HR activity were expected to play an increasing role in the pandemic (Table 30), and which functions were expected to decrease in importance (Table 31) in the organisations involved in the study.

Based on the results in Table 30, the most significant increase in HR functions in the six countries is expected to arise in the provision of an adequate

number of workers, with 12.02% of the feedback targeting this. In the case of Hungary (14.41%) and Romania (14.55%), this value approached 15%, which indicated expectations of a shrinking labour market supply, and, not surprisingly, was accompanied by the two lowest-level unemployment rates in 2019 and 2020 (3.4% in Hungary in 2019, 4.3% in 2020; 3.9% in Romania in 2019 and 5.0% in 2020 (Eurostat, 2021)). Like the results in Table 29, the second highest average increase in expectations (10.10%) can be seen for communication within HR tasks. There are significant differences between countries in this area, with a response rate of 22.22% in Bulgaria and only 5.00% in Bosnia and Herzegovina. In the third step of the imaginary podium, there is an increase in the area “*retention, motivation, incentives, benefits, commitment, satisfaction*”, which also shows significant differences between countries (15.67% in Romania and only 0.74% in Bulgaria). Excess HR tasks due to home office, teleworking, and atypical employment accounted for only 7.78% of responses, with an outstanding proportion in Bulgaria (25.93%). At the bottom of the list is “*leadership support/development*” as a growing HR feature”, with a total of only 5 out of 990 responses.

Table 30: HR functions expected to play an increasing role in 2020

Code	Name	Austria (AT)	Bulgaria (BG)	Bosnia and Herzegovina (BIH)	Hungary (HU)	Romania (RO)	Slovakia (SK)	All
1	Recruitment, selection, headhunting, recruitment, headcount management / planning, turnover management	10	14	3	48	39	5	119
2	Internal / personal / online communication, contact, information	15	30	3	26	19	7	100
3	Retention, motivation, encouragement, benefits, commitment, satisfaction	3	1	3	41	42	2	92
4	Training and development, online education, learning	21	8	2	25	21	7	84
5	Wage subsidies, payroll management, payroll accounting, payroll reduction	10	2	0	9	11	0	32

6	Home office, telecommuting, atypical occupancy	8	35	4	26	3	1	77
7	Administration, labour law, labour affairs, employment contracts, following legal changes	12	7	2	34	22	1	78
8	Occupational health and safety, health care, etc., measures and tasks related to the pandemic	9	4	8	29	24	6	80
9	Performance evaluation, performance management	2	1	2	9	14	0	28
10	HR digitization, eHR	2	4	3	13	2	2	26
11	Organisational development, change management	8	0	0	0	3	0	11
12	Online recruitment, online interviews, and onboarding	1	6	2	10	6	1	26
13	Staff reduction, dismissal, termination of employment	0	0	0	1	0	1	2
14	Job analysis, planning, transformation, job descriptions	0	0	1	3	4	1	9
15	Pandemic related social / psychological problems, insecurity management, well-being, personal / family support	2	4	2	8	2	4	22
16	Workforce redeployment, replacements, working time planning	3	4	2	11	2	4	26
17	Leadership support / development, leadership remotely	1	0	1	3	0	0	5
99	Other	33	15	22	37	54	12	173
Total		140	135	60	333	268	54	990

Of the respondents' expectations for declining HR functions (Table 31), most feedback (24.00%) was received in the "Recruitment, selection, headhunting, recruitment, hiring" category, with over 30% of responses by country (46.67% in Bosnia and Herzegovina, and 32.76% in Austria). It illustrates the opposite effect of the same crisis by industry, according to which the most outstanding growth potential in Table 26 can be attributed

to the same HR function as the most outstanding decline expectation. However, a much more general reaction is that the second most responses (14.53%) are in the decline in the organisation of on-the-job trainings and developments (to a conspicuously high degree in Bosnia and Herzegovina (26.19%) and in Austria (20.69%)). Narrowing opportunities due to priorities and pandemiological constraints have reallocated significant resources from this HR area. It is also attributable to the conscious avoidance and restriction of personal contacts that, according to 12.00% of organisational feedback, corporate events, team building, and community programmes were expected to be reduced during the coronavirus pandemic (this reaction was most typical (18.01%) to Hungary, and least (3.45%) to Austria). Only half of the countries surveyed (four cases in Austria, two in Hungary, and one case in Bulgaria) reported a decline in “*employer branding activities*”.

Table 31: HR functions with expected decline in 2020

Code	Name	Austria (AT)	Bulgaria (BG)	Bosnia and Herzegovina (BIH)	Hungary (HU)	Romania (RO)	Slovakia (SK)	All
1	Recruitment, selection, headhunting, recruitment, temporary employment	19	19	7	35	27	7	114
2	Personal interviews, personal contact (recording)	0	3	0	8	2	5	18
3	Corporate events, team building, community programs	2	6	4	29	14	2	57
4	Employer branding	4	1	0	2	0	0	7
5	Remuneration system, incentives, fringe benefits	3	2	3	6	6	3	23
6	Training development, organisation of (attendance) trainings	12	9	11	23	12	2	69
7	Performance evaluation, performance management	0	0	2	5	5	1	13
8	Downsizing, dismissal	0	0	0	6	3	1	10
9	Administrative tasks	4	1	0	9	1	0	15
10	Home office, atypical employment	0	6	0	1	3	0	10
99	Miscellaneous	14	13	15	37	51	9	139
Total		58	60	42	161	124	30	475

5.3 PRESENCE OF TRADE UNIONS

The pandemic also highlighted the activities, role, and importance of trade unions (McNicholas et al., 2020; Otieno et al., 2021), on which the International Labour Organisation conducted a global trend analysis (ILO, 2021a) and called for drawing attention to the situation of trade unions and the importance of their response under COVID-19 (ILO, 2021b). The pandemic period can be an opportunity for unions to better understand their role for workers and to facilitate the exchange of experience and information between the union and workers.

Our research also raised the question of how, in addition to changes in HR activities, the presence and influence of trade unions in COVID-19 developed in the countries studied (Table 32). Based on the results, it can be concluded that in accordance with the size of the responding organisations, the existence of trade unions is less typical in the six countries examined. 55.9% of the organisations in the total sample do not have a trade union. Of the six responding countries, this proportion is the highest in Bulgaria (72.8%), while one-fifth of the responding organisations in Austria do not have a trade union. More than half of the respondents in Austria (52.8%) felt that there was no change in the presence and role of trade unions, and 44.7% of respondents in Bosnia and Herzegovina shared the same opinion.

Table 32: The presence and influence of trade unions

Influence	Austria (AT)	Bulgaria (BG)	Bosnia and Herzegovina (BIH)	Hungary (HU)	Romania (RO)	Slovakia (SK)	All
There is no union at the company	20.8%	72.8%	44.7%	60.0%	58.8%	53.4%	55.9%
Decreased	4.2%	2.9%	5.3%	2.6%	2.5%	6.0%	3.8%
Unchanged	52.8%	23.3%	44.7%	35.5%	35.8%	37.9%	36.5%
Increased	22.2%	1.0%	5.3%	1.9%	2.9%	2.6%	3.9%
All (100%) n=	72	103	38	310	204	232	959

5.4 POSSIBLE FUTURE WAYS

COVID-19 created a complex, unique, and challenging environment for managers and HR professionals that needed to find solutions to ensure the continuity of their organisation and help employees cope with an emergency (Hamouche, 2021).

Human resource experts reacted differently during different phases of the crisis (HR Pulse, 2020; Adilkaram et al., 2021), the prosperousness and characteristics of their reactions were influenced by factors such as the level of preparedness, the nature of the industry, the availability of resources, and the role of HR experts. As a result of the pandemic, the role of HR managers in organisations has been re-evaluated, and the focus of human resource activities has changed in several cases.

During our research, we raised the following question in relation to the practice of the examined organisations (Table 33): which and to what extent were typical from among the possible future organisational directions we had formulated? Respondents rated the eight statements on a scale of 1 to 4 (1 meaning non-typical, 4 meaning highly characteristic).

Based on the summary results, it can be stated that the respondents of the six countries were unanimous on two statements. Three-quarters of respondents agreed (rating 3-4) that *“retaining key people and talent has now become particularly important”* to them (22.5% rather than 56.7%) and *“human resources are of strategic importance to their organisation”* (more typical 23.7%, highly typical 50.5%). The rating of the statement *“the unique, difficult-to-copy knowledge and expertise of our organisation can be a way out of the crisis”* shows an interesting result: 36.1% of respondents in Slovak organisations disagree while respondents in the other five countries agree; moreover, at the responding organisations of Bulgaria and Bosnia and Herzegovina, the typical proportion is above 50%.

Efforts to reduce the adverse effects of the crisis on the private sector is typical or highly typical in Austria (97.2%), Bosnia and Herzegovina (91.9%), Romania (72%), and Bulgaria (71.2%), while less typical or not typical to the respondents of Hungary (57%) and Slovakia (62.4%).

Overall, the further increase in the importance of professional HR work was typical in 57.2% of the respondents in the sample, of which 29.4% was

characterised by it to a large extent. Examined by country, respondents from Bosnia and Herzegovina (54.1%), Austria (48.6%), Bulgaria (44.2%) and Romania (31.7%) were highly characterised, while the rating “less typical” had the highest proportion in the Slovakian sample (30.8%), and the response “nontypical” had the highest proportion in Hungary (29.7%).

Overall, respondents were more likely to disagree with the detrimental effects of crisis-related redundancies on intellectual capital (55.5%, of which 41.8% were uncharacteristic). However, examining the results by country, 58.8% of respondents in the sample in Bosnia and Herzegovina are highly concerned about this problem, and 43.1% of respondents in Austria and one in three respondents in Romania found it very characteristic (33%).

Regarding the assessment of the importance of continuous and well-organised training, the results of the whole sample were distributed almost equally among the response options. When examining the country-by-country data, it can be concluded that four countries are more in agreement on the validity of the claim: Bosnia and Herzegovina (91.9%), Bulgaria (69.9%), Austria (69.5%), Romania (58.7%). The statement was less or not typical in the practice of the responding organisations in Hungary (63.5%) and Slovakia (60.4%).

Table 33: The validity of the listed claims in the six examined countries

Code	Validity of claims		Austria (AT)	Bulgaria (BG)	Bosnia and Herzegovina (BIH)	Hungary (HU)	Romania (RO)	Slovakia (SK)	All
1.	Human resources have a strategic importance for our organisation (n = 941)	1	1.4%	12.5%	2.6%	12.7%	7.4%	21.3%	12.3%
		2	2.8%	19.2%	7.9%	13.7%	8.9%	19.1%	13.4%
		3	34.7%	20.2%	31.6%	21.7%	20.8%	25.8%	23.7%
		4	61.1%	48.1%	57.9%	52.0%	62.9%	33.8%	50.5%
2.	The crisis has affected the private sector – we need to pay attention to reducing the unpleasant effects of pandemics (n = 928)			12.9%	5.4%	17.3%	6.5%	23.4%	14.1%
		2	2.8%	15.8%	2.7%	39.7%	21.5%	39.0%	28.7%
		3	59.7%	25.7%	40.5%	28.7%	38.0%	20.2%	31.2%
		4	37.5%	45.5%	51.4%	14.3%	34.0%	17.4%	26.0%

3.	The importance of professional HR work will increase (n = 936)	1	4.2%	10.6%	5.4%	29.7%	14.6%	26.8%	20.7%
		2	2.8%	24.0%	13.5%	20.3%	22.1%	30.8%	22.0%
		3	44.4%	21.2%	27.0%	24.3%	31.7%	27.2%	27.8%
		4	48.6%	44.2%	54.1%	25.7%	31.7%	15.2%	29.4%
4.	The unique, not replicable knowledge and expertise is a possible way out from the crisis. (n = 926)	1	5.6%	9.7%	2.8%	20.9%	11.0%	36.1%	19.2%
		2	13.9%	20.4%	5.6%	22.6%	25.0%	35.6%	24.6%
		3	40.3%	19.4%	41.7%	32.4%	35.0%	16.0%	28.5%
		4	40.3%	50.5%	50.0%	24.0%	29.0%	12.3%	27.6%
5.	Crisis-related redundancies are long run harmful because their significant knowledge capital leaves our organisation (n = 933)	1	5.6%	33.0%	17.6%	57.5%	31.5%	49.3%	41.8%
		2	13.9%	11.7%	2.9%	12.0%	12.5%	19.1%	13.7%
		3	37.5%	25.2%	20.6%	15.1%	23.0%	16.9%	20.3%
		4	43.1%	30.1%	58.8%	15.4%	33.0%	14.7%	24.2%
6.	The keymen and talents retention is now particularly important for us (n = 933)	1	1.4%	6.7%	2.9%	12.0%	5.5%	14.3%	9.4%
		2	1.4%	8.7%		15.4%	6.0%	17.5%	11.4%
		3	33.3%	14.4%	17.1%	22.4%	23.0%	22.9%	22.5%
		4	63.9%	70.2%	80.0%	50.2%	65.5%	45.3%	56.7%
7.	Continuous and well-organised training are important to escape from the crisis (n = 934)	1	5.6%	12.6%		36.1%	15.9%	32.0%	24.4%
		2	25.0%	17.5%	8.1%	27.4%	25.4%	28.4%	25.1%
		3	38.9%	21.4%	35.1%	21.1%	31.8%	17.6%	24.6%
		4	30.6%	48.5%	56.8%	15.4%	26.9%	22.1%	25.9%
8.	Reconsideration of working conditions (n = 927)	1	2.8%	5.8%	7.9%	26.8%	8.6%	23.3%	17.2%
		2	6.9%	25.2%	7.9%	29.2%	28.4%	36.5%	27.7%
		3	27.8%	21.4%	31.6%	27.2%	33.5%	27.4%	28.3%
		4	62.5%	47.6%	52.6%	16.8%	29.4%	12.8%	26.9%

(1=not typical, 4= typical to a large extent)

Overall, respondents agreed with the statement on the reconsideration of employment conditions (55.2%), with 28.3% of the total sample rating the statement as typical and 26.9% as highly typical. Based on the detailed results by country, opinions are divided on the assessment of employment conditions. In four countries, the task is typical in practice. 90.3% of the responding organisations in Austria, 84.2% in the sample of Bosnia and Herzegovina, 69% of the respondents in Bulgaria, and 62.9% of the Romanian organisations rated it as more typical. In contrast, respondents

in the sampled organisations in Slovakia (59.8%) and Hungary (56%) consider it less necessary to rethink their employment conditions.

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6 PANDEMICS AND ATTITUDES, POSSIBILITIES OF THE EXAMINED ORGANISATIONS (JAN MORVAI, CHRISTIAN HIRT & ERIKA VARGA)

The coronavirus pandemic appeared in Europe in 2019, with different countries introducing different measures to curb the pandemic and protect the population. Rather, the restrictions imposed could only slow down the pandemic, with the current third wave forcing decision-makers to take further action. However, the negative impact of the pandemic on the economy is not negligible, with Dearnley (2020) mentioning rising unemployment, business closures, corporate bankruptcy problems, credit repayment problems, and the unpredictability of market conditions.

Among other challenges, companies and businesses have been forced to re-evaluate and rethink their usual work practices. According to a survey conducted by the Association of Hungarian Entrepreneurs (2021) in Slovakia, 78% of Slovak SMEs were negatively affected by the second wave of the coronavirus pandemic, and 82% of organisations reported further difficulties, with 30% reporting redundancies, because the problems mostly affected the service and trade segments. Similar results are reported by a survey of more than 5,800 small businesses, which found that companies in the hospitality, tourism, services, and retail sectors were hardest hit by the crisis (Bartik et al., 2020). Companies react to the situation with different strategies. Large corporations sought to minimise and shift losses, and their financial reserves were generally sufficient to cover wages at the time of the suspension. Smaller businesses are more flexible, their strategies can be changed quickly, but some of them have been forced to lay off or shut down despite state aid. (Jenei & Módosné, 2021)

On the other hand, the changed circumstances have created opportunities, such as the growing use of home office in the corporate environment (the transition was primarily a major challenge for smaller players, mainly due to IT gaps) and the exploitation of the associated cost-cutting opportunities. According to a study, the introduction of the home office and the transition to digital communication has increased employee efficiency (Szederkényi, Kiss, Márton & Ambrus, 2021). In his writing, Virág (2020) drew attention to the importance of the readiness to renew; an important part of recovering from the difficult situation caused by the pandemic is to identify future positive directions and open to new things.

The present study examines the perception and attitudes of the organisational opportunities created by the pandemic, with a particular focus on changes in human resource management practices. The questionnaire survey was conducted in a total of 959 small and medium-sized enterprises in 6 countries (Austria, Bulgaria, Bosnia and Herzegovina, Hungary, Romania, Slovakia).

6.1 IDENTIFYING ORGANISATIONAL OPPORTUNITIES CREATED BY THE PANDEMIC

It can be stated that the interviewed companies prefer the conditions created by the coronavirus pandemic as an organisational option. Respondents rated on a 7-point Likert scale depending on how much they agreed with the statement that the crisis was considered an organisational option, the results of which are illustrated in Table 34.

Table 34: The crisis as an organisational opportunity (%)

Evaluate opportunities	Austria (AT)	Bulgaria (BG)	Bosnia and Herzegovina (BIH)	Hungary (HU)	Romania (RO)	Slovakia (SK)	All
Strongly Disagree (1)	4.2%	6.8%	10.5%	7.6%	10.4%	14.5%	9.7%
2	1.4%	4.9%	7.9%	8.3%	6.5%	9.7%	7.3%
3	2.8%	3.9%	13.2%	9.3%	7.0%	11.5%	8.4%
4	15.5%	14.6%	21.1%	16.2%	18.9%	18.9%	17.5%
5	25.4%	28.2%	15.8%	20.5%	17.9%	18.9%	20.5%
6	22.5%	13.6%	10.5%	18.2%	23.9%	11.9%	17.4%
Strongly Agree (7)	28.2%	28.2%	21.1%	19.9%	15.4%	14.5%	19.2%
Total (100%) n =	71	103	38	302	201	227	942
Average	5.37	5.06	4.39	4.68	4.61	4.12	4.61
Std. Dev.	1.524	1.765	1.953	1.839	1.855	1.946	1.873

Based on the aggregated results, more than 57% of companies tend to agree with the statement (the sum of the proportion of values of 5 or higher). The most positive attitudes are in Austria (76%), with Slovakia (45%), and Bosnia and Herzegovina (47%). The latter countries also had the highest ratings of 3 or lower (Slovakia – 36%, Bosnia – Herzegovina – 32%), so

the proportion of companies considering the crisis as an opportunity was the lowest in these countries. The development of the average values supports the same result. While the value of Austrian companies is 5.37, the average of Slovak (4.12) companies is more likely to converge to half of a neutral value of 4. On the other hand, it is important to consider the values of standard deviations, which in all cases exceed 1.5 (in the case of Slovakia and Bosnia and Herzegovina, we can see a standard deviation of almost 2), which is significant for the 7-point scale and shows a difference of opinion. The evaluation of the results gives a strong indication of the differences between the countries. On the other hand, the development of the results may also be influenced by the different proportions of the corporate sectors.

6.2 AREAS OF HR-LEVEL OPPORTUNITIES AND NECESSARY CHANGES CREATED BY THE PANDEMIC

As we pointed out in the introduction, the pandemic had a fundamentally negative effect on economic processes and results as well as on the operation of enterprises, and the modification or even complete transformation of organisational processes became a condition for sustainability. In the following, we focused primarily on the issue of HR areas, and sought to identify areas that, from this perspective, are pointing to a strengthening trend and come to the fore over other processes. During the survey, the respondents were able to indicate several HR areas that they felt were strengthening. Table 35 presents the percentage of companies that indicated the given factor.

Table 35: Potentially developing HR areas in the six countries due to the crisis

	Developing HR-areas (N=959 (100%))	Austria (AT)	Bulgaria (BG)	Bosnia and Herzegovina (BIH)	Hungary (HU)	Romania (RO)	Slovakia (SK)	All
1.	internal communication	62.5%	63.5%	42.1%	59.2%	50.5%	42.9%	53.4%
2.	occupational safety and health	61.1%	46.2%	71.1%	45.4%	51.9%	48.5%	49.8%
3.	atypical employment	88.9%	68.3%	63.2%	46.4%	39.8%	29.6%	47.1%

4.	job analysis and planning	29.2%	61.5%	60.5%	37.9%	34.0%	43.3%	41.2%
5.	headcount planning, succession planning	30.6%	20.2%	34.2%	31.4%	28.2%	35.2%	30.4%
6.	performance management	22.2%	36.5%	26.3%	27.1%	35.9%	29.2%	30.1%
7.	development of social, mental, and family support	51.4%	48.1%	34.2%	29.7%	14.1%	22.7%	28.5%
8.	recruitment, selection, insertion systems	40.3%	36.5%	23.7%	27.1%	34.0%	18.0%	28.3%
9.	human resource development	41.7%	33.7%	36.8%	23.9%	25.2%	28.3%	28.2%
10.	incentive and remuneration management	16.7%	32.7%	23.7%	25.8%	35.9%	24.0%	27.5%
11.	retention management	12.5%	29.8%	39.5%	27.5%	37.9%	5.2%	23.9%
12.	labour relations, participation, involvement	12.5%	39.4%	28.9%	15.0%	37.9%	18.5%	23.8%
13.	equal opportunities	16.7%	14.4%	13.2%	9.8%	22.8%	9.9%	13.8%
14.	career planning	5.6%	26.0%	2.6%	13.1%	13.1%	12.4%	13.3%
15.	diversity management	18.1%	18.3%	13.2%	5.6%	14.6%	10.7%	11.4%
16.	generation management	12.5%	19.2%	13.2%	6.9%	8.3%	15.0%	11.2%
17.	miscellaneous	2.8%	1.0%	0.0%	1.6%	0.0%	0.4%	0.9%

Based on the aggregated results, internal communication (53%) is an area identified by companies as an evolving, strengthening process, followed closely by occupational health and safety (50%) and atypical employment (47%). However, we identified significant differences between countries in some cases. In Austria, the three areas dominate, while in Bulgaria, Bosnia and Herzegovina and Slovakia, job analysis and planning (62%, 61% and 43%, respectively) come to the fore. In addition, Austrian and Bulgarian

organisations indicated a higher proportion of social, mental, and family support areas than in other countries. The least strong areas are career planning, diversity, and intergenerational management, which have been identified by all countries as uniform and low, and which are not considered to require more attention than before.

Other areas, on the other hand, require overestimation and transformation in HR practice; the most affected factors can be seen in Table 36.

Table 36: HR practices in the six countries that require change due to the pandemic

	HR areas to be transformed (N=959 (100%))	Austria (AT)	Bulgaria (BG)	Bosnia and Herzegovina (BiH)	Hungary (HU)	Romania (RO)	Slovakia (SK)	All
1.	internal communication	79.2%	49.0%	55.3%	46.4%	49.5%	42.9%	49.3%
2.	training	59.7%	51.0%	39.5%	35.0%	34.5%	34.3%	38.5%
3.	keymen programme	48.6%	54.8%	18.4%	26.8%	34.0%	19.7%	31.0%
4.	employment	68.1%	24.0%	36.8%	27.1%	33.0%	23.2%	30.6%
5.	administration	34.7%	26.9%	34.2%	30.7%	23.3%	36.5%	30.6%
6.	pay / incentive practice	19.4%	41.3%	13.2%	27.8%	28.2%	30.5%	28.8%
7.	employee welfare programs	16.7%	39.4%	15.8%	24.5%	30.1%	18.9%	25.0%
8.	supply planning	6.9%	23.1%	15.8%	29.7%	24.3%	26.2%	24.7%
9.	data management	13.9%	37.5%	26.3%	15.0%	13.1%	13.7%	17.1%
10.	miscellaneous	1.4%	0.0%	0.0%	0.3%	0.0%	0.4%	0.3%

Respondent companies uniformly considered the transformation of internal communication to be the most important in all countries. Based on the aggregated results; 49% of the respondents identified this as an area in need of transformation. Differences can also be seen in this case, the rethinking of the field of internal communication was highlighted the most by the representatives of Austrian companies (79%), followed by the companies representing Bosnia and Herzegovina (55%). The second most important areas were employee training and the keymen programme

(average values of 39% and 31%, respectively), followed by employment and administration with equal importance. Unlike in other countries, Bulgarian companies pay special attention to the development of wage/incentive practices and employee welfare programs.

6.3 REFERENCES TO CHAPTER SIX

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7 PANDEMIC INVOLVEMENT OF JOBS AND COMPETENCES (BEÁTA SZÚCS GÁBORNÉ PATÓ, IMRE VARGA, BÁLINT GÁBOR PATÓ – ISTVÁN KUNOS, GABRIELLA METSZŐSY & ALMINA BEŠIĆ)

This chapter examines job changes during the pandemic period, downsizing trends, and the competencies of employees in this situation.

7.1 REARRANGEMENT OF JOBS⁶

When looking across organisations that were affected by redundancies, in 24.16% of the cases there was a need for a larger proportion of redundancies in catering jobs (waiter, chef, cook, kitchen assistant, receptionist, etc.). At the same time, 24.16% of those employed in semi-skilled and skilled jobs (assembler, operator, warehouse worker, technician) experienced redundancies in the countries surveyed. Staff reduction of 17.35% was experienced in intellectual jobs (managers, accountants, IT employees, HR jobs). Staff reduction took place in sales jobs in 14.29% (with a larger proportion abroad) and in administrative jobs in 7.48% (Table 37).

Table 37: Jobs most affected by redundancies in the third wave of the pandemic in the six countries surveyed

List of jobs with the largest headcount reduction	
Denomination	%
Catering	24,16
Semi-skilled work	21,77
White-collar job	17,35
Sales	14,29
Administration	7,48

Among the jobs lost in the third wave of the pandemic, there are white-collar jobs, catering, administrative, support, and sales jobs (Table 38).

⁶ The subchapter is the work of István Kunos – Gabriella Metszősy – Almina Bešić

Table 38: Jobs lost in the third wave of the pandemic in the six countries studied

List of jobs with the highest layoff rate	
Denomination	%
White-collar job	6,12
Catering	4,76
Administration	4,08
Support staff	3,40
Sales	2,38

The ranking of the jobs with the largest increase in headcount is led by health care (Table 39).

Table 39: Jobs with the highest headcount growth in the six countries surveyed during the third wave of the pandemic

List of jobs with the largest increase in staff	
Denomination	%
Health professionals	10.21
Operator	9.86
IT	9.18
Sales	8.16
Delivery	6.12

For the six countries surveyed (Table 40), new jobs were created in a few areas (e.g., marketing, trade, IT, healthcare, and shipping).

Table 40: New jobs created during the third wave of the pandemic

List of jobs with the highest rate of job creation	
Denomination	%
Sales and marketing	4,76
Manager	3,40
IT professional	2,38
Health professionals	2,04
Courier	1,36

7.2 RESTRUCTURING OF COMPETENCIES DURING THE PANDEMIC INTERNATIONALLY⁷

Today, organisations, employees, and employers alike need to become vigilant and adaptive to unforeseen events and have a set of competencies that can ensure successful operation. Such unforeseen events include, for example, external crises, which cause increased insecurity among the workforce and pose a direct threat to the performance and viability of organisations (Carnevale & Hatak, 2020). Such a serious challenge appeared, for example, during the pandemic; companies that had previously had face-to-face work processes had to change them quickly and adapt to working from home, so most or all workers did not work in the office but at home (Aryatama, 2020).

However, now, in a time of pandemic, all workers are at risk: it is not known who has the symptoms, who has caught them or who has not. There are a few fears that can develop in employees: fear of being infected and infecting loved ones or others, the possibility of quarantine, stigmatisation by the public and friends, going to work, losing a job, or a change in routine. Stress by coronavirus (SBC) is what an employee experiences internally or has difficulty coping with in response to the virus (Opatha, 2020). Thus, in times of crisis, workers may have traumatic experiences, learn how to cope with the complexity of things, adapt to new working conditions, and need appropriate communication and support (Dirani et al., 2020).

Managing this situation requires good leaders, those with the right set of competencies to handle the situation. Managers' competencies must respond to change by quickly interpreting the situation and relying on their instincts and HR professionals. HR professionals need to support organisational leaders in spreading a positive brand. During a pandemic, organisations can flourish with a leader who provides defined roles and goals, shares leadership, communicates, ensures employee access to technology, puts the emotional stability of the employee first, maintains the financial condition of the organisation, and promotes organisational resilience. HR can play a strategic role in assisting and developing managers during a pandemic by providing reliable data, expanding their professional network, supporting innovation, providing the employee with the opportunity for continuous learning, facilitating regular meetings, and creating a platform to celebrate employees (Dirani et al., 2020).

⁷ Authors of this section: Pató Gáborné Dr. habil. Szűcs Beáta, Dr. Imre Varga, Pató Bálint Gábor & Almína Bešić

At the same time, measures related to Covid-19 affect work performance and social relationships, social alienation has appeared, schools have closed, etc. (Li, Ghosh & Nachmias, 2020). As a result, the motivation of employees may decrease, and they may be forced to change careers (Csizmadia & Illéssy, 2020). That pandemic can also be seen as a career shock that affects people's work and careers. The consequences may be different in the short and long term, for example, although a negative career shock may be positive in the short term for a pandemic (Akkermans et al., 2020). A pandemic may raise wage levels. The plague of 1348–1351 in England reduced the population by an estimated 17–40%. As a result, the supply of labour decreased, and in addition to the given wage level, the competition of companies for labour resulted in an increase in the wage level (Bagó, 2020). Employees also have an important role to play in this situation as emergency decisions are made by employees and the results are also created by them. But the question arises: what competencies are needed to make this happen with the slightest downsides? However, for a worker to succeed in the job market, he or she must have the right set of competencies. There are several definitions of competency; in the present research, we mean the set of characteristics of the individual that contribute to the achievement of the organisational goal through the efficient performance of work tasks (Pató, Kovács&Abonyi, 2020).

7.3 EXAMINING COMPETENCIES THAT ARE BECOMING MORE VALUABLE IN A PANDEMIC

The competencies needed to deal with the pandemic situation will be explored in 6 countries (Austria, Bulgaria, Bosnia and Herzegovina, Hungary, Romania, Slovakia). During the research, not only the competencies that had become significant in the pandemic were identified but also those that had lost their significance (Table 41).

7.3.1 AUSTRIA

Table 41: Competency groups in Austria, becoming more significant during the third wave of the pandemic

		Austria (AT)					
Code	Competency	n 1	n 2	n 3	n 4	n 5	Sum
1	Digital competencies	5	6	3	6	0	20
2	Cooperation, teamwork	2	1	2	1	0	6
3	Empathy, EQ, social skills	3	3	3	0	1	10
4	Communication, assertiveness, conflict management	7	6	4	1	2	20
5	Autonomy, independence, responsibility	5	3	4	2	1	15
6	Flexibility, quick adaptation, openness	7	5	2	1	2	17
7	Resilience, stress tolerance, load capacity,	3	4	1	1	1	10
8	Problem-solving skills	0	0	0	1	0	1
9	Loyalty, commitment, retention	0	2	0	1	0	3
10	Leadership skills	4	1	3	1	1	10
11	Change and crisis management	2	2	1	2	0	7
12	Time management, work-life balance	0	0	0	0	2	2
13	Expertise, knowledge, professional experience	0	0	1	0	0	1
14	Adherence to discipline, rules and regulations	0	0	0	0	0	0
15	Hygiene, health protection, health awareness	0	0	0	0	0	0
16	Planning, organisation	0	0	1	1	0	2
17	Motivation, motivating others	0	0	0	1	0	1
18	Training, (self) development, learning	0	2	2	0	2	6
19	Patience	0	0	0			0
20	Trust, honesty	1	0	2	0	0	3
21	Home-office, remote working	2	7	0	1	0	10
99	Miscellaneous	9	0	6	5	4	24
Total		5 0	4 2	3 5	2 5	1 6	

Based on the results of the research, the following competencies became most significant in Austria: “digital competencies, IT knowledge, online technology”, “communication, assertiveness, conflict management”, “flexibility, rapid adaptation, openness”, “autonomy, independence, responsibility”. The competencies “working in a home office, telecommuting”, “empathy, EQ, social skills”, “resilience, stress tolerance, workload”, “leadership skills”. It is a very thought-provoking result that no respondent in Austria considers the competence “Hygiene, health protection, health awareness” to be an appreciating competence, similarly to the competences “compliance with discipline, rules and regulations” or “patience”.

7.3.2 BULGARIA

An interesting picture emerges in the case of Bulgaria, where “digital competencies, IT knowledge, online technology” is by far the most significant competence, like the result in Austria, followed by “Cooperation, teamwork, division of labour” and then “problem-solving skills”. The competencies “time management, work-life balance” followed, and the competencies “communication, assertiveness, conflict management”, “working in the home office, teleworking”, and “flexibility, quick adaptation, openness” became the most significant. In Bulgaria, it is also an interesting result that the competency “co-operation, teamwork, division of labour” received the highest number of responses as the second most valued competency; most respondents ranked it second among competencies as well (Table 42).

Table 42: Competency groups in Bulgaria, becoming more significant during the third wave of the pandemic

		Bulgaria (BG)					
Code	Competency	n 1	n 2	n 3	n 4	n 5	Sum
1	Digital competencies, IT-skills	42	8	5	3	2	60
4	Communication, assertiveness, conflict management	4	5	6	2	1	18
21	Home office, remote working	1	9	0	0	1	11
6	Flexibility, quick adaptation, openness	2	1	3	2	1	9
2	Cooperation, teamwork	4	18	10	7	0	39
3	Empathy, EQ, social skills	0	0	2	1	3	6
5	Autonomy, independence, responsibility	2	1	0	2	0	5

8	Problem-solving skills	8	9	5	2	3	27
15	Hygiene, health protection, health awareness	0	0	0	0	1	1
7	Resilience, stress tolerance, load capacity	0	0	0	1	0	1
12	Time management, work-home balance	2	5	6	4	3	20
16	Planning, organisation	0	0	2	1	1	4
18	Training, (self)development, learning	0	1	0	1	1	3
13	Expertise, knowledge, professional experience	1	1	0	0	0	2
10	Leadership skills	0	1	0	3	1	5
11	Change and crisis management	1	0	1	0	3	5
9	Loyalty, commitment, retention	1	2	0	0	0	3
14	Adherence to discipline, rules and regulations	0	0	0	1	1	2
20	Trust, honesty	0	0	0	0	0	0
17	Motivation, motivating others	1	1	0	3	0	5
19	Patience	0	0	0			0
99	Miscellaneous	4	0	11	6	8	29
	Total	73	62	51	39	30	
	Whole sample:	104					

An interesting result is that none of the respondents in Bulgaria considered the competencies “trust, honesty” and “patience” to be competing competencies.

7.3.3 BOSNIA AND HEZEGOVINA

In Bosnia and Herzegovina, the most significant competencies are “flexibility, rapid adaptation, openness”, followed by “communication, assertiveness, conflict management”, and the third most valued competency is “Digital competencies, IT skills, online technology”. These are followed by the competencies “co-operation, teamwork, division of labour”, and “planning, organisation” (Table 43).

Table 43: Competency groups in Bosnia and Herzegovina, becoming more significant during the third wave of the pandemic

		Bosnia and Herzegovina (BIH)					
Code	Competency	n1	n2	n3	n4	n5	Sum
1	Digital competences, IT-skills	2	3	1	1	2	9
4	Communication, assertiveness, conflict management	3	5	2	0	2	12
21	Home office, remote working	0	5	0	0	0	5
6	Flexibility, quick adaptation, openness	4	4	2	2	2	14
2	Co-operation, teamwork	1	1	2	1	2	7
3	Empathy, EQ, social skills	2	1	0	0	2	5
5	Autonomy, independence, responsibility	0	0	1	0	1	2
8	Problem-solving skills	1	0	0	0	0	1
15	Hygiene, health protection, health awareness	1	1	1	0	0	3
7	Resilience, stress tolerance, load capacity	1	1	1	0	0	3
12	Time management, work-home balance	0	1	0	1	0	2
16	Planning, organisation	2	0	1	1	2	6
18	Training, (self)development, learning	0	0	0	1	0	1
13	Expertise, knowledge, professional experience	1	1	0	0	0	2
10	Leadership skills	1	1	2	0	1	5
11	Change and crisis management	2	0	0	2	0	4
9	Loyalty, commitment, retention	0	0	0	0	0	0
14	Adherence to discipline, rules and regulations	1	0	0	0	0	1
20	Trust, honesty	0	0	0	0	0	0
17	Motivation, motivating others	0	0	1	0	0	1
19	Patience	0	0	0			0
99	Miscellaneous	4	0	6	8	1	19
	Total	26	24	20	17	15	
	Whole sample:	38					

In Bosnia and Herzegovina, the competencies “loyalty, commitment, retention”, “trust, honesty” and “patience” were not considered by any of the respondents among the competing competencies.

7.3.4 HUNGARY

The competencies that become the most significant in Hungary are the “flexibility, rapid adaptation, openness”, then the “communication, assertiveness, conflict management”, and the “digital competencies, IT knowledge, online technology” competence, the latter one being only in the third place. Thus, in the case of Hungary as in Bosnia and Herzegovina, the same order of importance can be established. These are followed by “working in a home office, telecommuting”, “empathy, EQ, social skills”, “autonomy, independence, responsibility”, and “collaboration, teamwork, division of labour” (Table 44).

Table 44: Competency groups in Hungary becoming more significant during the third wave of the pandemic

		Hungary (HU)					
Code	Competency	n1	n2	n3	n4	n5	Sum
1	Digital competences, IT-skills	23	10	8	7	7	55
4	Communication, assertiveness, conflict management	14	21	20	5	5	65
21	Home-office, remote working	0	51	0	1	0	52
6	Flexibility, quick adaptation, openness	28	16	22	7	7	80
2	Cooperation, teamwork	2	8	8	9	5	32
3	Empathy, EQ, social skills	16	9	6	5	8	44
5	Autonomy, independence, responsibility	14	9	7	5	2	37
8	Problem-solving skills	6	3	9	3	3	24
15	Hygiene, health protection, health awareness	8	8	3	1	0	20
7	Resilience, stress tolerance, load capacity	10	6	4	4	3	27
12	Time management, work-home balance	1	6	3	2	2	14
16	Planning, organisation	3	3	1	4	0	11
18	Training, (self) development, learning	2	4	1	1	1	9
13	Expertise, knowledge, professional experience	11	4	1	4	2	22
10	Leadership skills	1	0	1	1	0	3
11	Change and crisis management	3	3	0	3	1	10
9	Loyalty, commitment, retention	6	1	4	1	2	14

14	Adherence to discipline, rules and regulations	2	3	7	2	1	15
20	Trust, honesty	0	1	0	0	0	1
17	Motivation, motivating others	1	1	1	0	0	3
19	Patience	3	3	1			7
99	Miscellaneous	37	0	37	28	13	115
	Total	191	170	144	93	62	
Whole sample:		312					

It is very interesting that also in Hungary only such competencies were deemed increasingly important that respondents from other countries also viewed likewise.

7.3.5 ROMANIA

In Romania, the most valued competencies are “communication, assertiveness, conflict management”, followed by “working in a home-office, teleworking” and the third most valued competencies are “digital competencies, IT skills, on-line technology”. These were followed by “flexibility, rapid adaptation, openness”, “hygiene, health protection, health awareness”, and then “training, (self)development, learning” (Table 45).

Table 45: Competency groups in Romania, becoming more significant during the third wave of the pandemic

		Romania (RO)					
Code	Denomination	n1	n2	n3	n4	n5	Sum
1	Digital competences, IT-skills	22	11	5	2	2	42
4	Communication, assertiveness, conflict management	25	11	12	4	1	53
21	Home-office, remote working	4	40	3	0	1	48
6	Flexibility, quick adaptation, openness	6	14	5	4	3	32
2	Cooperation, teamwork	2	3	1	3	1	10
3	Empathy, EQ, social skills	3	2	4	2	4	15
5	Autonomy, independence, responsibility	4	2	4	3	1	14
8	Problem-solving skills	0	2	3	0	1	6

15	Hygiene, health protection, health awareness	14	4	7	1	1	27
7	Resilience, stress tolerance, load capacity	5	3	1	2	1	12
12	Time management, work-home balance	0	4	2	1	0	7
16	Planning, organisation	5	5	3	0	1	14
18	Training, (self)development, learning	3	6	3	2	2	16
13	Expertise, knowledge, professional experience	0	3	1	1	0	5
10	Leadership skills	3	1	0	2	0	6
11	Change and crisis management	2	0	0	1	0	3
9	Loyalty, commitment, retention	3	1	2	0	0	6
14	Adherence to discipline, rules and regulations	2	1	0	1	0	4
20	Trust, honesty	5	1	0	2	2	10
17	Motivation, motivating others	0	2	2	0	1	5
19	Patience	1	3	2			6
99	Miscellaneous	34	1	32	17	9	93
Total		143	120	92	48	31	
Whole sample:		206					

The Romanian situation is like that in Hungary in that the same competencies have been deemed to be appreciating as in any other examined country. So, there is no competence in Romania that only Romanian respondents had considered to be of increasing importance.

Outstanding in Romania's results is that "working in a home-office, telecommuting" came in second place as an increasingly important competence, and most respondents also ranked it second in most of their answers.

7.3.6 SLOVAKIA

In Slovakia, the most valued competencies are "working in a home office, teleworking" followed by "digital competencies, IT skills, online technology", then "communication, assertiveness, conflict management", "hygiene, health protection, health awareness", and finally "Empathy, EQ, social skills" (Table 46).

Table 46: Competency groups in Slovakia, becoming more significant during the third wave of the pandemic

		Slovakia (SK)					
Code	Competency	n1	n2	n3	n4	n5	Sum
1	Digital competences, IT-skills	8	4	2	0	4	18
4	Communication, assertiveness, conflict management	5	2	5	1	0	13
21	Home-office, remote working	3	28	0	1	1	33
6	Flexibility, quick adaptation, openness	2	1	3	0	0	6
2	Cooperation, teamwork	1	1	1	1	1	5
3	Empathy, EQ, social skills	3	3	2	1	1	10
5	Autonomy, independence, responsibility	2	1	0	1	2	6
8	Problem-solving skills	4	0	2	0	0	6
15	Hygiene, health protection, health awareness	6	2	2	1	1	12
7	Resilience, stress tolerance, load capacity	1	2	0	0	0	3
12	Time management, work-home balance	1	0	1	1	0	3
16	Planning, organisation	0	2	1	1	0	4
18	Training, (self)development, learning	3	2	1	0	0	6
13	Expertise, knowledge, professional experience	3	2	2	1	0	8
10	Leadership skills	2	3	1	0	0	6
11	Change and crisis management	0	0	0	0	0	0
9	Loyalty, commitment, retention	1	1	0	0	0	2
14	Adherence to discipline, rules and regulations	0	0	0	2	1	3
20	Trust, honesty	1	3	0	0	1	5
17	Motivation, motivating others	0	0	1	1	0	2
19	Patience	0	0	2			2
99	Miscellaneous	24	0	9	14	9	56
Total		70	57	35	26	21	
Whole sample:		233					

In the case of Slovakia, there was only one competence, “Change and crisis management”, which was not included in the competencies that was becoming more significant.

7.3.7 COMBINED COMPETENCIES

Overall, for the six countries, the top five most valued competencies are “digital competencies, IT, online technology”, “communication, assertiveness, conflict management”, “flexibility, rapid adaptation, openness”, “co-operation, teamwork, division of labour”, “Empathy, EQ, social skills”, and “autonomy, independence, responsibility” (Table 47).

Table 47: During the third wave of the pandemic, competency groups becoming more significant in the six countries studied combined

		Combined					
Code	Competency	n1	n2	n3	n4	n5	Sum
1	Digital competences, IT-skills	102	42	24	19	17	204
4	Communication, assertiveness, conflict management	58	50	49	13	11	181
21	Home-office, remote working	10	140	3	3	3	159
6	Flexibility, quick adaptation, openness	49	41	37	16	15	158
2	Cooperation, teamwork	12	32	24	22	9	99
3	Empathy, EQ, social skills	27	18	17	9	19	90
5	Autonomy, independence, responsibility	27	16	16	13	7	79
8	Problem-solving skills	19	14	19	6	7	65
15	Hygiene, health protection, health awareness	29	15	13	3	3	63
7	Resilience, stress tolerance, load capacity	20	16	7	8	5	56
12	Time management, work-home balance	4	16	12	9	7	48
16	Planning, organisation	10	10	9	8	4	41
18	Training, (self) development, learning	8	15	7	5	6	41
13	Expertise, knowledge, professional experience	16	11	5	6	2	40
10	Leadership skills	11	7	7	7	3	35
11	Change and crisis management	10	5	2	8	4	29
9	Loyalty, commitment, retention	11	7	6	2	2	28
14	Adherence to discipline, rules and regulations	5	4	7	6	3	25
20	Trust, honesty	7	5	2	2	3	19

17	Motivation, motivating others	2	4	5	5	1	17
19	Patience	4	6	5			15
99	Miscellaneous	112	1	101	78	44	336
Total		553	475	377	248	175	
Whole sample:		965					

7.4 EXAMINING GROUPS OF COMPETENCIES THAT LOSE THEIR RELEVANCE

During the research, not only the appreciating but also the depreciating competencies were identified.

7.4.1 AUSTRIA

Based on the research results, five depreciating competencies have been identified in Austria; the most depreciating are the competencies “personal presence at work, personal work, and informal relationships”, followed by “personal communication / information sharing / meetings”, followed by “learning, further education, learning / development needs, professional development”, and “administration, paper-based document management” and “mobility and transport”. Eleven competencies were also identified in the 5 countries surveyed as declining competencies, but the Austrian respondents did not classify them as devalued competencies (Table 48).

Table 48: Competency groups in Austria that lost their relevance during the third pandemic wave

		Austria (AT)					
Code	Competency	n1	n2	n3	n4	n5	Sum
7	Personal presence at work, personal work, and informal relationships	4	2	2		0	8
2	Personal communication / information sharing / meetings	4	0	0	1	1	6
3	Teamwork, collaboration, social skills, conflict management	0	0	0	0		0
16	Learning (opportunity), vocational training, need for learning / development, professional development	1	3	1	0	1	6

11	Corporate events and relations, team building	0	0	0		0	0
6	Administration, paper-based document management	4	0			0	4
17	Organisation, organisational skills	0	0	0	0		0
4	Planning, strategic approach	0	0	0			0
9	Mobility and transport	1	1			0	2
18	Initiation, responsibility	0	0	0	0		0
5	Demand, perfectionism, precision	0	0	0	0	0	0
13	Accuracy	0	0				0
14	Motivation	0	0				0
1	Presentation skills	0	0	0	0		0
15	Personal attendance at business events, exhibitions, conferences		0	0			0
12	Tolerance of monotony	0					0
99	Miscellaneous	11	5	3	2	1	22
Total		25	11	6	3	3	
Whole sample:		72					

7.4.2 BULGARIA

In Bulgaria, there are already many more competencies that have lost 10 of their importance, which is twice the number of competencies that have lost their significance in the Austrian sample. In Bulgaria, the most lost competences in the sample are “teamwork, cooperation, social skills, conflict management”, followed by “personal communication / information sharing / meetings”, then “personal presence at work, personal work, and informal relationships”, “planning, strategic thinking”, and “initiative, responsibility” (Table 49).

Table 49: Competency groups in Bulgaria that lost their relevance during the third pandemic wave

		Bulgaria (BG)					
Code	Competency	n1	n2	n3	n4	n5	Sum
7	Personal presence at work, personal work and informal relationships	2	2	0		0	4
2	Personal communication / information sharing / meetings	3	3	1	1	0	8
3	Teamwork, collaboration, social skills, conflict management	9	1	0	0		10
16	Learning (opportunity), vocational training, need for learning / development, professional development	0	0	0	0	0	0
11	Corporate events and relations, team building	1	0	0		1	2
6	Administration, paper-based document management	2	0			0	2
17	Organisation, organisational skills	0	0	0	0		0
4	Planning, strategic approach	2	1	0			3
9	Mobility and transport	0	0			0	0
18	Initiation, responsibility	1	0	2	0		3
5	Demand, perfectionism, precision	0	0	0	0	0	0
13	Accuracy	0	0				0
14	Motivation	1	0				1
1	Presentation skills	1	0	1	0		2
15	Personal attendance at business events, exhibitions, conferences		0	1			1
12	Tolerance of monotony	0					0
99	Miscellaneous	10	9	6	4	3	32
Total		32	16	11	5	4	
Whole sample:		104					

At the same time, there are six competency groups among the depreciating competency groups in the Bulgarian survey, compared to the eleven competencies in the other 5 countries surveyed, while the Bulgarian respondents did not classify them as competing competencies.

7.4.3 BOSNIA AND HERZEGOVINA

In Bosnia and Herzegovina, the emergence of depreciating competencies is very low, not only in terms of numbers but also in terms of frequency, based on research findings (Table 50). A total of six competencies that lost their significance were included in the research focus, and ten competencies were identified as being among the 5 declining competencies in the other 5 countries surveyed, but respondents in Bosnia and Herzegovina did not classify them as devalued competencies.

The competencies “teamwork, cooperation, social skills, conflict management” and “learning (opportunity), further training, need for learning / development, professional development” were mostly devalued.

Table 50: Competency groups in Bosnia and Herzegovina that lost their relevance during the third pandemic wave

Bosnia and Herzegovina (BIH)							
Code	Competency	n1	n2	n3	n4	n5	Sum
7	Personal presence at work, personal work and informal relationships	1	0	0		0	1
2	Personal communication / information sharing / meetings	1	0	0	0	0	1
3	Teamwork, collaboration, social skills, conflict management	0	1	1	0		2
16	Learning (opportunity), vocational training, need for learning / development, professional development	0	2	0	1	0	3
11	Corporate events and relations, team building	0	0	0		0	0
6	Administration, paper-based document management	0	0			1	1
17	Organisation, organisational skills	0	0	0	0		0
4	Planning, strategic approach	0	0	1			1
9	Mobility and transport	0	0			0	0
18	Initiation, responsibility	0	0	0	0		0
5	Demand, perfectionism, precision	0	0	0	0	0	0
13	Accuracy	0	0				0
14	Motivation	0	0				0
1	Presentation and presentation skills	0	0	0	0		0

15	Personal attendance at business events, exhibitions, conferences		0	0			0
12	Tolerance of monotony	0					0
99	Miscellaneous	8	5	3	3	2	21
Total		10	8	5	4	3	
Whole sample:		38					

7.4.4 HUNGARY

Competencies that are losing their significance appear much more pronounced in the Hungarian sample than in the other countries examined (Table 51).

Table 51: Competency groups in Hungary that lost their significance during the third pandemic wave

		Hungary (HU)					
Code	Competency	n1	n2	n3	n4	n5	Sum
7	Personal presence at work, personal work and informal relationships	24	3	5		0	32
2	Personal communication / information sharing / meetings	9	6	3	1	0	19
3	Teamwork, collaboration, social skills, conflict management	3	4	3	3		13
16	Learning (opportunity), vocational training, need for learning / development, professional development	4	0	0	0	0	4
11	Corporate events and relations, team building	2	1	1		0	4
6	Administration, paper-based document management	4	1			0	5
17	Organisation, organisational skills	1	1	0	1		3
4	Planning, strategic approach	1	1	0			2
9	Mobility and transport	2	1			1	4
18	Initiation, responsibility	2	1	0	1		4
5	Demand, perfectionism, precision	1	1	1	0	0	3
13	Accuracy	2	0				2
14	Motivation	1	1				2

1	Presentation skills	0	2	0	1		3
15	Personal attendance at business events, exhibitions, conferences		2	0			2
12	Tolerance of monotony	4					4
99	Miscellaneous	30	20	15	3	5	73
Total		90	45	28	10	6	
Whole sample:		312					

The competencies most devalued in the Hungarian sample are “personal presence at work, personal work and informal relationships”, followed by “personal communication / information sharing / meetings”, “teamwork, cooperation, social skills, conflict management” and “teamwork, cooperation, social skills, conflict management”.

It is very interesting that in the Hungarian sample there is no depreciating competence that appears in another country, but not in Hungary.

7.4.5 ROMANIA

In Romania, the research shows that the most irrelevant competencies are “teamwork, co-operation, social skills, conflict management”, followed by “personal presence at work, personal, work, and informal relationships”, and “corporate events, community organizing relationships, team building events, and their organisation”, then “personal communication / information sharing / meetings”, and finally “organisation (in general), organisational skills”.

In the sample of Romania, three competencies were identified, which were among the competing ones that were depreciating and lost their significance in the other 5 countries examined; however, the Romanian respondents did not classify them among the devalued competencies. These are “planning, strategic thinking”, “presentation skills”, and “tolerance of monotony” (Table 52).

Table 52: Competency groups in Romania that lost their relevance during the third pandemic wave

Romania (RO)							
Code	Competency	n1	n2	n3	n4	n5	Sum
7	Personal presence at work, personal work, and informal relationships	6	5	1		0	12
2	Personal communication / information sharing / meetings	4	4	2	0	0	10
3	Teamwork, collaboration, social skills, conflict management	8	4	0	1		13
16	Learning (opportunity), vocational training, need for learning / development, professional development	2	1	2	0	1	6
11	Corporate events and relations, team building	6	3	2		1	12
6	Administration, paper-based document management	2	0			0	2
17	Organisation, organisational skills	4	4	1	0		9
4	Planning, strategic approach	0	0	0			0
9	Mobility and transport	2	0			0	2
18	Initiation, responsibility	0	0	0	1		1
5	Demand, perfectionism, precision	0	0	1	1	1	3
13	Accuracy	0	1				1
14	Motivation	1	1				2
1	Presentation skills	0	0	0	0		0
15	Personal attendance at business events, exhibitions, conferences		0	1			1
12	Tolerance of monotony	0					0
99	Miscellaneous	37	16	12	10	6	81
Total		72	39	22	13	9	
Whole sample:		206					

7.4.6 SLOVAKIA

In Slovakia, 4 most important groups of competencies are emerging, such as “personal communication / information sharing / meetings”, “learning (opportunity), further education, need for learning / development, professional development”, “personal presence at work, personal work, and informal relationships”, and the competencies of “teamwork, collaboration, social skills, conflict management” (Table 53).

Table 53: Competency groups in Slovakia that lost their relevance during the third pandemic wave

Slovakia (SK)							
Code	Competency	n1	n2	n3	n4	n5	Sum
7	Personal presence at work, personal work, and informal relationships	2	1	1		1	5
2	Personal communication / information sharing / meetings	8	1	0	1	1	11
3	Teamwork, collaboration, social skills, conflict management	1	2	0	1		4
16	Learning (opportunity), vocational training, need for learning / development, professional development	4	3	0	2	0	9
11	Corporate events and relations, team building	0	1	1		1	3
6	Administration, paper-based document management	2	0			0	2
17	Organisation, organisational skills	0	0	0	0		0
4	Planning, strategic approach	1	1	0			2
9	Mobility and transport	0	0			0	0
18	Initiation, responsibility	0	0	0	0		0
5	Demand, perfectionism, precision	0	0	0	0	0	0
13	Accuracy	2	1				3
14	Motivation	0	1				1
1	Presentation skills	0	0	0	0		0
15	Personal attendance at business events, exhibitions, conferences		0	1			1
12	Tolerance of monotony	0					0
99	Miscellaneous	27	14	16	6	6	69
Total		47	25	19	10	9	
Whole sample:		233					

In the sample of Slovakia, 6 competencies were identified, which were among the competing ones that were devalued and lost their significance in one of the other 5 countries surveyed; however, the Slovak respondents did not classify them among the devalued competencies. These are “tolerance of monotony”, “presentation skills”, “mobility and transport”, “initiative, responsibility”, “demand, perfectionism, precision”, and “organisation (in general), organisational skills”.

Overall, based on the research results covering the whole 6 countries, it can be stated that the competencies that lose their significance the most are “personal presence at work, personal work, and informal relationships”, “personal communication / information sharing / meetings” and “teamwork, cooperation, social skills, conflict management”, the latter one being also explainable by the prevalence of remote work or work from home (Table 54).

However, remote work requires appropriate home conditions, i.e., a computer, high-speed internet, a working corner (Bagó, 2020), and a willingness and ability to learn (Li, Ghosh & Nachmias, 2020). If the employee supports its introduction, it has a very positive effect; however, if there is coercion, the employee is unfamiliar with it, or the internet is not adequate, etc., it becomes a significant challenge (Li, Ghosh & Nachmias, 2020). Another interesting question about working from home is that conferences and video calls shed light on workers’ homes, possibly their children, pets, home decor (Caligiuri, 2020). Its introduction can also have a psychological effect, such as a feeling of isolation (Li, Ghosh & Nachmias, 2020).

7.4.7 COMBINED COMPETENCIES

Table 54: Competency groups that lost their relevance during the third pandemic wave in the six countries studied combined

		Combined					
Code	Competency	n1	n2	n3	n4	n5	Sum
7	Personal presence at work, personal work and informal relationships	39	13	9		1	62
2	Personal communication / information sharing / meetings	29	14	6	4	2	55
3	Teamwork, collaboration, social skills, conflict management	21	12	4	5		42

16	Learning (opportunity), vocational training, need for learning / development, professional development	11	9	3	3	2	28
11	Corporate events and relations, team building	9	5	4		3	21
6	Administration, paper-based document management	14	1			1	16
17	Organisation, organisational skills	5	5	1	1		12
4	Planning, strategic approach	4	3	1			8
9	Mobility and transport	5	2			1	8
18	Initiation, responsibility	3	1	2	2		8
5	Demand, perfectionism, precision	1	1	2	1	1	6
13	Accuracy	4	2				6
14	Motivation	3	3				6
1	Presentation skills	1	2	1	1		5
15	Personal attendance at business events, exhibitions, conferences		2	3			5
12	Tolerance of monotony	4					4
99	Miscellaneous	123	69	55	28	23	298
Total		276	144	91	45	34	
Whole sample:		965					

Significantly devalued competencies include “learning (opportunity), further education, the need for learning / development, professional development”, and “corporate events, community relations, team building, and their organisation”.

Table 55: Comparison of upgrading and depreciating competency groups for the six countries examined

No.	Competence groups that become more important during a pandemic period	Competence groups that lose their relevance during the pandemic period
1.	Digital competences, IT-skills	Personal presence at work, personal work and informal relationships
2.	Communication, assertiveness, conflict management	Personal communication / information sharing / meetings
3.	Home-office, remote working	Teamwork, collaboration, social skills, conflict management

4.	Flexibility, quick adaptation, openness	Learning (opportunity), vocational training, need for learning / development, professional development
5.	Cooperation, teamwork	Corporate events and relations, team building
6.	Empathy, EQ, social skills	
7.	Autonomy, independence, responsibility	

If we compare for the six countries examined (Table 55) the list of competencies that were losing their most important to the ones that are appreciating, an astonishing picture emerges, according to which, e.g., “conflict management” is found in the same way in both groups. Of course, one possible explanation for this may be that conflict management, which has traditionally been an important competence in working with a personal presence, has lost some relevance. Social contacts have decreased during the pandemic, so the potential for sources of conflict has also diminished, which can otherwise occur at any time during teamwork. Thus, the competence seems to be devalued from this aspect. At the same time, new sources of conflict have emerged, which point to the appreciation of this competence. These may include the importance of maintaining the job, the importance of doing the job, and the ability to deal with conflict situations arising from the contrast between insecurity due to actual illness (possibly providing adequate replacement).

All of this will be explored in more depth in the rest of the research, when even new, unexpected reasons may arise.

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8 KORONA HR TESTING WITH STATISTICAL METHODS (ILDIKÓ ÉVA KOVÁCS & IMRICH ANTALIK)

In this chapter, we describe our multivariate statistical analysis performed on the cases of the respondents presented in the previous chapters (Lazarova, Morley & Tyson, 2008; Kazlauskaite et al., 2013).

8.1 HYPOTHESIS H1

Both the amount of HR work and the expectations for HR work increased during the pandemic while the importance of professional HR work increased.

Nearly one-third of the organisations surveyed do not have a separate HR department or HR job, and among those where there are, nearly half of the organisations reported an increase in expectations related to HR work: 31% of the total sample and 47% of those with HR said this. The proportion of the latter is mixed in some countries: Austria (68%), Bosnia (61%), Bulgaria (59%), and Slovakia (only 19%) (Table 56). The Chi-square test shows a weak significant relationship between efficiency expectations and countries (sig=0,000; Cramer's V=0,216).

Table 56: Changing expectations for the efficiency of the HR organisation

	Austria (AT)	Bulgaria (BG)	Bosnia and Herzegovina (BIH)	Hungary (HU)	Romania (RO)	Slovakia (SK)	All
Decreased	1.4%	1.9%	5.3%	2.3%	1.5%	3.9%	2.5%
Unchanged	29.2%	31.7%	28.9%	28.9%	39.5%	37.9%	33.8%
Increased	63.9%	48.1%	52.6%	35.4%	26.3%	9.5%	31.4%
We don't have an HR department	5.6%	18.3%	13.2%	33.4%	32.7%	48.7%	32.3%
Total (100%) n =	72	104	38	308	205	232	959

In organisations with a separate HR department or HR job, more than half of the respondents (54%) also reported an increase in the number of tasks.

In Austria, 81% of respondents perceived this, while in Slovakia only 22%. In the other countries, between 53% and 63% of organisations reported increased HR work (Table 57). There is a weak significant relationship between changes in the amount of HR work and the Chi-square test between countries (sig=0,000; Cramer's V=0,243).

Table 57: Changes in the amount of HR tasks

	Austria (AT)	Bulgaria (BG)	Bosnia and Herzegovina (BIH)	Hungary (HU)	Romania (RO)	Slovakia (SK)	All
Decreased	1.4%	2.4%	7.9%	3.4%	2.2%	8.5%	4.0%
Unchanged	18.1%	34.5%	39.5%	40.2%	38.7%	69.5%	42.0%
Increased	80.6%	63.1%	52.6%	56.4%	59.1%	22.0%	54.1%
Total (100%) N=	72	84	38	204	137	118	653

In addition to the increase in the number of HR tasks, the majority reported a further increase in the importance of professional HR work, with 57% of respondents saying it was moderate or high, while one-fifth (21%) did not consider it characteristic at all. Roughly half of Austrian (49%) and Bosnian organisations (54%) reported a significant increase in the importance of professional HR work, compared to only a quarter of Hungarians (26%) and only 15% of Slovaks, however, the proportion of “non-typical” respondents was also significant in Hungarian and Slovak organisations (30% and 27%, respectively) (Table 58). Again, the Chi-square test shows a significant relationship between the two variables (Sig. = 0.000); the relationship is weak (Cramer's V=0,200).

Table 58: The growing importance of professional HR work

	Austria (AT)	Bulgaria (BG)	Bosnia and Herzegovina (BIH)	Hungary (HU)	Romania (RO)	Slovakia (SK)	All
Not typical (1)	4.2%	10.6%	5.4%	29.7%	14.6%	26.8%	20.7%
2	2.8%	24.0%	13.5%	20.3%	22.1%	30.8%	22.0%
3	44.4%	21.2%	27.0%	24.3%	31.7%	27.2%	27.8%
Absolutely typical (4)	48.6%	44.2%	54.1%	25.7%	31.7%	15.2%	29.4%

There is, not surprisingly, a significant, moderately strong relationship between the existence of an HR department/job and expectations regarding its effectiveness (decreasing, unchanged, or increasing), and the growing importance of professional HR work (Chi-square test sig = 0.000; Cramer 's V = 0.322). Where there is no HR department or job, 44% do not consider it to be a further increase in the importance of professional HR work; where expectations for HR effectiveness have increased, 88% say there is a moderate (31%) or high (57%) further increase in the importance of HR work, and only 2% say it is not expected to do so.

Similarly, there is a significant relationship between judging the increase in the amount of HR tasks and the importance of professional HR work (Chi-square test sig = 0.000; Cramer's V = 0.287). 52% of those who report an increased number of tasks report a significant increase in the importance of HR work, and only 2% say that this is not the case. Finally, there is a significant relationship between the existence of the HR department/job and the expectations related to its efficiency (decreasing, unchanged, or increasing) and the change in the amount of HR tasks (Chi-square test sig = 0.000; Cramer's V = 0.576). In 75% of those where the amount of HR tasks has increased, expectations for efficiency have also increased.

Increasingly important HR work areas in the overall sample identified by organisations are "recruitment", "selection", "headhunting", "recruitment", "personnel management/planning", and "fluctuation management", and they are among the top five priority areas in each country. This is the first mentioned area in Hungary and the second mentioned in Romania. In terms of the total sample, "internal/personal/online communication, and information" came second, which was also second in Austria and Bulgaria while first in Slovakia. "Retention, motivation, encouragement, benefits, commitment, and satisfaction" came third in the overall sample, second in Hungary, and first in Romania. They were followed as fourth by "training and development, online Education, e-learning" while this area came first in Austria and Slovakia (tied with "internal / personal / online communication" in the latter case). The fifth priority area in the total sample is "labour safety, employment health care, pandemic related measures and tasks". This took the first place in Bosnia, and the third in Romania and Slovakia.

8.2 HYPOTHESIS H2

Typical crisis management measures in the field of HR focus on headcount management / manpower needs (downsizing, redundancies, interim staff reduction, reduction in manpower demand through automation and training) and new working time management (reduction of working hours, authorization of teleworking, replacement plans).

Most of the organisations surveyed are not characterised by measures to reduce labour demand and working hours. Of the measures related to headcount management, only “headcount stops” were used with a significant proportion (48%), while only 39% of the respondents employed a “reduction in working hours”. Both are most used in Austria and Bosnia and least common in Hungary. This is 65%, 76%, and 39% for “downtime”, and 59%, 84%, and 29% for “reduction in working hours”, respectively. However, “permission to work from home” was typical, with nearly three-quarters (71%) of all organisations using it to some extent. All the Austrian organisations surveyed used this option but Bulgaria (94%), Bosnia (90%), and Hungary (75%) have a very high rate of use, while employers (Slovakia) have the lowest rates. Two-thirds of the respondents (66%) also used to “elaborate and revise their replacement and substitution plans”, with the largest share coming from Austria (79%) and the least from Slovakia (57%).

In addition, a significant proportion of crisis management measures in the field of HR were “new occupational health and safety measures” (86%), “assistance to employees’ social problems” (64%) and “support for self-development” (68%). In the case of the first, we see proportions above 90% in four countries; only the organisations in Hungary (85%) and Slovakia (76%) lag slightly behind. Austrians are also at the forefront of “helping workers with social problems” (85%) and Slovaks bring up the rear (48%). Measures to “freeze wages” (27%) and “reduce wages” (19%) and “benefits” (32%) were less common. The “wage freeze” was chosen by the largest share of organisations in Bulgaria (38%), while “wage and benefit cuts” were chosen by Bosnia (31% and 50%, respectively). These are less typical for domestic organisations, occurring to some extent in 20%, 13%, and 17% respectively.

Overall, it is not surprising that the two most used measures were “new occupational health and safety measures” (86%) and “permitting/ordering work from home” (71%). These are followed by “supporting self-development” (68%), “developing and revising replacement and substitution

plans” (66%), and “helping workers with social problems” (64%). For all measures, there is a significant difference (Chi-square test sig. = 0.000) between countries, with the strongest difference in the case of “reducing labour needs through training, development”, and “allowing work from home” (Table 59).

Table 59: HR crisis management measures by country

HR-measures	Somewhat typical							Chi square	Cramer's V
	Austria (AT)	Bulgaria (BG)	Bosnia and Herzegovina (BIH)	Hungary (HU)	Romania (RO)	Slovakia (SK)	Al-together		
No tasks	43.9%	37.9%	67.6%	30.5%	43.8%	55.0%	42.5%	0.000	0.179
Hiring freeze	64.7%	45.5%	75.7%	38.5%	47.5%	52.7%	48.0%	0.000	0.136
Staff reduction, downsizing	35.3%	26.7%	16.2%	22.0%	26.3%	30.3%	26.1%	0.000	0.139
Downsizing of temporary staff	21.9%	28.0%	32.4%	21.2%	24.5%	28.0%	24.8%	0.001	0.120
Reducing labour requirements by automation/technical solution	43.9%	64.0%	50.0%	25.7%	37.4%	33.5%	36.5%	0.000	0.238
Reducing labour requirements by trainings, development	45.5%	63.0%	60.0%	24.4%	49.0%	31.2%	38.4%	0.000	0.252
Reduction of working hours	58.8%	35.0%	83.8%	28.9%	43.4%	37.0%	39.0%	0.000	0.170
Enabling/directing home offices	100.0%	94.2%	89.5%	75.1%	60.2%	53.4%	71.4%	0.000	0.253
Elaboration/re-planning of replacement plans	79.0%	67.7%	71.4%	65.1%	71.9%	56.6%	66.0%	0.000	0.133
Pay freeze	20.9%	38.0%	27.8%	19.5%	31.8%	29.2%	26.9%	0.000	0.147
Pay cut	7.5%	17.0%	30.6%	12.5%	21.9%	28.9%	19.2%	0.000	0.143
Reducing fringe benefits	31.3%	36.3%	50.0%	17.2%	41.7%	37.0%	31.5%	0.000	0.185
Addressing employees' social problems	84.8%	74.3%	75.0%	68.1%	58.9%	48.4%	63.7%	0.000	0.224

New occupational health and safety measures	94.3	92.2%	94.7%	85.3%	91.0%	75.6%	86.1%	0.000	0.213
Reducing the risks of the pandemic through training	79.4%	68.3%	89.2%	41.6%	72.6%	54.8%	58.9%	0.000	0.230
Supporting personal development	78.5%	77.0%	79.4%	57.3%	80.8%	60.9%	67.7%	0.000	0.226
Revision of the benchmarking scheme	40.6%	60.4%	64.8%	42.1%	62.0%	53.1%	51.5%	0.000	0.168
Revision of the incentive scheme	32.8%	61.0%	82.9%	41.6%	64.8%	53.3%	52.5%	0.000	0.198
Revision of equality strategy/plans	30.2%	58.0%	54.5%	29.6%	49%	47.4%	42.0%	0.000	0.189

8.3 HYPOTHESIS H3

The most typical crisis management measures in HR depend on the size of the organisation.

The mean values calculated from the responses given on a scale of 1 to 4 (1 – not characteristic at all; 4 – highly characteristic) are shown in the following table. According to the statistical examinations performed, there is a significant relationship between the HR crisis management measures and the size of the organisation in 15 cases, but in 4 cases there is clearly no relationship between the variables (Morley et al., 2015; Rode, Huang & Flynn, 2016). The latter includes reducing working hours, and measures on freezing wages and reducing wages and benefits. In each case, the sample averages are below 2, so organisations use them less, regardless of the number of employees. The most significant difference between organisations of different sizes (with different staffing) is the application of the following measures:

- “enabling / ordering work from home”,
- “new health and safety measures”, and
- “elaboration / revision of replacement and substitution plans”

All of these are used much more by organisations with a larger number of employees, and it can also be observed that the application of these measures is becoming more and more common as the number of employees increases. In the case of organisations with a staff of more than 50, the first two measures are high, around 3 and above. In these areas, these organisations are markedly isolated from the smaller ones

In the case of “hiring freeze” and “downsizing”, only enterprises that do not have an employee are significantly different from the others; small and medium-sized enterprises with less than 250 employees and enterprises without employees are more likely to have a “no action required” attitude although even in their case, the average values remain below 2. This suggests that some of these companies are also involved in some measures (Table 60).

Table 60: Impact of organisational size on typical HR crisis management measures

Measures	Averages						Tests						
	No employees	1-49 pp	50-250 pp	251-500 pp	over 500 pp	All	Chi sq sig	Cramer's V	Homogeneity	ANOVA sig	Welch sig	Kruskal-Wallis sig	Eta
No tasks	1.77	1.93	1.74	1.60	1.50	1.79	0.003	0.105	0.000	0.000	0.000	0.000	0.157
Hiring freeze	1.34	1.89	2.06	2.11	2.19	1.98	0.002	0.105	0.000	0.001	0.000	0.000	0.141
Staff reduction, downsizing	1.28	1.43	1.55	1.37	1.65	1.48	0.017	0.094	0.000	0.022	0.029	0.018	0.111
Downsizing of temporary staff	1.28	1.36	1.47	1.51	1.73	1.45	0.000	0.115	0.000	0.000	0.001	0.000	0.155
Reducing labour requirements by automation/technical solution	1.86	1.50	1.72	1.74	1.82	1.63	0.000	0.130	0.000	0.000	0.001	0.000	0.148
Reducing labour requirements by trainings, development	1.83	1.52	1.83	1.80	1.85	1.67	0.000	0.150	0.000	0.000	0.000	0.000	0.160
Reduction of working hours	1.69	1.67	1.74	1.92	1.82	1.73	0.542	0.063	0.465	0.228	0.259	0.157	0.078
Enabling/directing home offices	2.25	2.23	2.98	3.37	3.41	2.69	0.000	0.250	0.000	0.000	0.000	0.000	0.407
Elaboration/re-planning of replacement plans	1.62	2.03	2.55	2.37	2.58	2.24	0.000	0.173	0.482	0.000	0.000	0.000	0.250
Pay freeze	1.21	1.55	1.59	1.43	1.54	1.53	0.442	0.066	0.000	0.306	0.072	0.322	0.072
Pay cut	1.38	1.43	1.31	1.21	1.32	1.36	0.083	0.084	0.000	0.142	0.105	0.070	0.087
Reducing fringe benefits	1.38	1.61	1.65	1.68	1.45	1.59	0.451	0.066	0.001	0.193	0.124	0.179	0.081
Addressing employees' social problems	1.93	1.98	2.19	2.61	2.47	2.16	0.000	0.141	0.869	0.000	0.000	0.000	0.218

New occupational health and safety measures	2.67	2.64	3.15	3.21	3.38	2.92	0.000	0.170	0.000	0.000	0.000	0.000	0.281
Reducing the risks of the pandemic through training	2.13	1.92	2.34	2.39	2.50	2.15	0.000	0.142	0.000	0.000	0.000	0.000	0,214
Supporting personal development	2.66	2.13	2.44	2.41	2.48	2.29	0.000	0.121	0.318	0.000	0.000	0.000	0.155
Revision of the benchmarking scheme	2.07	1.80	2.12	2.01	1.95	1.91	0.008	0.099	0.454	0.004	0.006	0.003	0.129
Revision of the incentive scheme	1.79	1.84	2.14	2.02	1.92	1.93	0.072	0.085	0.314	0.013	0.020	0.015	0.118
Revision of equality strategy/ plans	2.03	1.62	1.86	1.76	1.82	1.73	0.080	0.084	0.095	0.008	0.014	0.006	0.123

8.4 HYPOTHESIS H4

The most typical crisis management measures in the field of HR show a relationship with the ownership of the organisation.

Based on the statistical examinations performed, a significant relationship can be detected between the HR crisis management measures and the owner in 8 cases.

The most significant difference between the individual organisational categories can be observed for the same measures, as we have already seen in connection with the organisational headcount:

- “enabling/ordering work from home”,
- “new health and safety measures”, and
- “elaboration/revision of replacement and substitution plans”

This is because in the total sample roughly half of the large organisations with more than 250 employees belong to foreign or joint ventures, another one-fifth are state/municipal institutions, while 90% of enterprises without employees and 72% of employees with 1–49 employees represent the domestic private sector.

The above measures are applied much more by foreign-owned companies than by domestic ones and in the case of the first two, the average values of this ownership category above 3 are also outstanding compared to the other measures (Dowling, Festing & Engle, 2013). At the same time, the elaboration/revision of the “replacement and substitution plans”

with the highest average value (2.5) occurs in state/municipal organisations; solely they are followed by foreign-owned companies (2.41), and the rest are significantly lagging. It can also be seen that in the case of the No-Action attitude, the average value of 1.91 in the domestic private sector is perceptibly higher than that of other types of organisations (Table 61).

Table 61: Impact of ownership on typical HR crisis management measures

Measures	Averages					Tests						
	State, municipal	Domestic private	Foreign	Non-profit	All	Chi sq sig	Cramer's V	Homogeneity	ANOVA sig	Welch sig	Kruskal-Wallis sig	Eta
No tasks	1.75	1.91	1.57	1.37	1.79	0.003	0.096	0.000	0.000	0.000	0.000	0.154
Hiring freeze	2.16	1.89	2.11	1.65	1.98	0.010	0.088	0.370	0.006	0.007	0.002	0.116
Staff reduction, downsizing	1.32	1.50	1.53	1.39	1.48	0.395	0.058	0.000	0.096	0.049	0.113	0.083
Downsizing of temporary staff	1.38	1.42	1.56	1.55	1.45	0.001	0.103	0.029	0.136	0.161	0.025	0.078
Reducing labour requirements by automation/technical solution	1.64	1.55	1.83	1.63	1.63	0.012	0.088	0.011	0.003	0.007	0.002	0.123
Reducing labour requirements by trainings, development	1.63	1.61	1.86	1.65	1.67	0.010	0.089	0.054	0.011	0.022	0.007	0.110
Reduction of working hours	1.79	1.77	1.63	1.58	1.74	0.218	0.066	0.021	0.274	0.227	0.382	0.065
Enabling/directing home offices	3.01	2.36	3.15	3.23	2.68	0.000	0.190	0.000	0.000	0.000	0.000	0.296
Elaboration/re-planning of replacement plans	2.50	2.10	2.41	2.13	2.24	0.001	0.100	0.186	0.000	0.000	0.000	0.156
Pay freeze	1.54	1.50	1.64	1.37	1.53	0.475	0.056	0.018	0.254	0.269	0.182	0.067
Pay cut	1.32	1.44	1.25	1.13	1.37	0.051	0.079	0.000	0.007	0.002	0.002	0.115
Reducing fringe benefits	1.62	1.61	1.51	1.58	1.59	0.293	0.063	0.013	0.555	0.492	0.788	0.048
Addressing employees' social problems	2.26	2.13	2.14	2.26	2.16	0.322	0.061	0.821	0.569	0.562	0.521	0.047
New occupational health and safety measures	3.14	2.70	3.28	2.88	2.92	0.000	0.142	0.000	0.000	0.000	0.000	0.234
Reducing the risks of the pandemic through training	2.18	2.06	2.34	2.09	2.15	0.112	0.072	0.048	0.022	0.032	0.028	0.102
Supporting personal development	2.25	2.24	2.41	2.45	2.29	0.568	0.053	0.693	0.235	0.256	0.249	0.068
Revision of the benchmarking scheme	1.92	1.88	1.98	1.97	1.93	0.379	0.059	0.273	0.664	0.673	0.703	0.042

Revision of the incentive scheme	1.77	1.95	1.98	1.97	1.73	0.263	0.064	0.616	0.239	0.239	0.178	0.068
Revision of equality strategy/ plans	1.78	1.66	1.81	1.97	1.97	0.074	0.076	0.113	0.103	0.137	0.128	0.083

8.5 HYPOTHESIS H5

Retaining key people and talent have become particularly important for organisations, with unique, hard-to-copy organisational knowledge and expertise seen as a way out of the crisis, and human resources seen as of strategically importance.

From the answers given on a scale of 1 to 4 (1 – not characteristic at all; 4 – highly characteristic), the average values in the table below are obtained.

Table 62: The importance of organisational knowledge and expertise

	AT		BG		BIH		HU		RO		SK		All	
	Avg	St. Dev	Avg	St. Dev	Avg	St. Dev	Avg	St. Dev	Avg	St. Dev	Avg	St. Dev	Avg	St. Dev
Human resources have strategic importance for us	3.56	0.625	3.04	1.088	3.45	0.760	3.13	1.073	3.39	0.931	2.72	1.144	3.12	1.058
The special knowledge of organisation is solution of crisis	3.15	0.867	3.11	1.047	3.39	0.728	2.59	1.069	2.82	0.976	2.05	1.008	2.64	1.080
Organisations lose knowledge capital due to layoff	3.18	0.877	2.52	1.235	3.21	1.149	1.88	1.154	2.58	1.242	1.97	1.120	2.27	1.234
Retaining key people has become very important	3.60	0.597	3.48	0.914	3.74	0.611	3.11	1.063	3.49	0.836	2.99	1.099	3.26	0.995
Continuous trainings protect against the effect of the crisis	2.94	0.886	3.06	1.083	3.49	0.651	2.16	1.080	2.70	1.036	2.30	1.138	2.52	1.121

Averages above 3 show that, on average, the organisations surveyed felt more valid than average, that they considered “human resources to be of strategic importance”, and that “retaining key people and talent became particularly important in the current situation” to them. In both cases, more than half of the respondents (51% and 57%, respectively) consider these to be highly characteristic of their own organisation. On the other hand, “the unique knowledge and expertise inherent in their organisation” is somewhat less (average: 2.64) considered as a way out of the crisis (only 28% of the organisations surveyed considered it highly characteristic). The answers to all three questions are relatively homogeneous, but there are already significant differences between countries: the averages of the Bosnian and Austrian responses are higher and less scattered, and the responses are more homogeneous.

The importance of “continuous training” in reducing the impact of the crisis on the organisation was less preferred by the respondents; 24% of them stated that it was not typical for them. Here, too, Bosnian responses have the highest mean and the smallest scatter. In the assessment of the long-term damage of the “redundancies related to the crisis” and the “significant intellectual capital leaving the organisation”, the high standard deviation values show a significant difference between the responding organisations. The averages of the Bosnian and Austrian responses are also much higher here (3.18 and 3.21) although in this case the standard deviations also indicate significant differences between the Bosnian responses. The average of 1.88 Hungarian responses is surprisingly low although the variance of responses is large here as well, i.e., this issue was judged very differently by Hungarian organisations. The proportion of non-typical responses in the total sample was 42%; only 6% of Austrians, 57% of Hungarians and 49% of Slovaks stated that this was not typical for them (Table 62).

In all five cases, a significant, weak relationship can be detected (Chi-square test, Welch test) between the variables, i.e., there is a correlation between the above resolutions and belonging to the country.

8.6 HYPOTHESIS H6

Most organisations see the crisis as an opportunity to bring about positive change, and they see potential growth in many areas of HR because of the crisis. The areas of atypical employment / home office, occupational health and safety, and internal communication also stand out.

To the question “To what extent do you agree that a pandemic / coronavirus crisis is an opportunity for your organisation and a force for positive change?”, 10% of the organisations surveyed said they did not see the pandemic / coronavirus crisis as an opportunity to make a positive difference at all, while 19% did so. Together, values 5–7 were reported by more than half of the organisations (57%), with an average of 4.61 responses; however, high standard deviations indicate a division in the treatment of the question. The most optimistic were the Austrian and Bulgarian organisations, with more than a quarter of respondents fully agreeing that the pandemic was a positive option for them, with averages above 5, and a greater agreement of respondents (lower Standard deviation). Slovak organisations were the most pessimistic, with an average of just over 4 with a large variance of responses, and only 15% of respondents fully agreed that a crisis could be an opportunity for their organisation (Table 63). There is a significant relationship between country affiliation and the assessment of potential development opportunities (Welch sig. = 0.000; Kruskal Wallis sig. = 0.000; Chi-square test sig. = 0.003).

Table 63: COVID-19 pandemic as an option

	Austria (AT)	Bulgaria (BG)	Bosnia and Herzegovina (BIH)	Hungary (HU)	Romania (RO)	Slovakia (SK)	All
Not at all (1)	4.2%	6.8%	10.5%	7.6%	10.4%	14.5%	9.7%
2	1.4%	4.9%	7.9%	8.3%	6,5%	9.7%	7.35%
3	2.8%	3.9%	13.2%	9.3%	7.0%	11.5%	8.4%
4	15.5%	14.6%	21.1%	16.2%	18.9%	18.9%	17.5%
5	25.4%	28.2%	15.8%	20.5%	17.9%	18.9%	20.5%
6	22.5%	13.6%	10.5%	18.2%	23.9%	11.9%	17.4%
Maximally (7)	28.2%	28.2%	21%	19.9%	15.4%	14.5%	19.2%

All	71	103	38	302	201	227	942
Average	5.37	5.06	4.39	4.68	4.61	4.12	4.61
Std. Dev.	1.524	1.765	1.953	1.839	1.855	1.946	1.873

In terms of HR, most organisations see potential development opportunities mainly in “internal communication” (53%), “atypical employment / home office” (47%) and “occupational health and safety” (50%). However, there are significant differences between countries. This is particularly striking in “atypical employment”, while 88% of Austrian respondents see opportunities for development in this area, while only 30% of Slovaks and 40% of Romanians, but also 46% of Hungarians. The differences in “occupational safety and health care” are smaller, which is quite pronounced everywhere; the best pronounced in Bosnia, where 71% of the respondents see opportunities for development in this field, and the least in Hungary, where only 45%. The smallest differences are in the perception of internal communication, with Bulgaria (64%) and Austria (63%) leading the way, followed by Bosnia (42%) and Slovakia (43%).

In addition, a relatively large number see potential opportunities for improvement in the areas of “job analysis and planning” (41%), “headcount planning, succession planning” (30%), and “performance management” (30%). Of these, there are significant differences between countries in terms of “job analysis and planning”; while only 29% of Austrian respondents mentioned this area, 62% and 61% of Bulgarians and Bosnians did so, respectively (Table 64). Of these, no significant relationship can be detected with the country as a variable in the case of “headcount planning, succession planning”, and “performance management”; unlike in the case of “job analysis” (Chi-square test sig. = 0.000, Cramer’s V = 0.189), where there can be detected some. In all other areas, there is also a significant relationship with the countries, the relationship is the strongest in the case of

- “atypical employment” (Cramer’s V=0,333),
- “retention management” (Cramer’s V=0,292),
- “development of social, mental and family support” (Cramer’s V=0,258), and
- “industrial relations, participation, involvement” (Cramer’s V=0,248).

Table 64: Potentially developing, strengthening HR areas

		Austria (AT)	Bulgaria (BG)	Bosnia and Herzegovina (BIH)	Hungary (HU)	Romania (RO)	Slovakia (SK)	All
1	Staff planning	30.6%	20.2%	34.2%	31.4%	28.2%	35.2%	30.4%
2	Job analysis	29.2%	61.5%	60.5%	37.9%	34.0%	43.3%	41.2%
3	Recruitment	40.3%	36.5%	23.7%	27.1%	34.0%	18.0%	28.3%
4	Home office	88.9%	68.3%	63.2%	46.4%	39.8%	29.6%	47.1%
5	Performance management	22.2%	36.5%	26.3%	27.1%	35.9%	29.2%	30.1%
6	Incentive management	16.7%	32.7%	23.7%	25.8%	35.9%	24.0%	27.5%
7	Social assistance	51.4%	48.1%	34.2%	29.7%	14.1%	22.7%	28.5%
8	Human resource development	41.7%	33.7%	36.8%	23.9%	25.2%	28.3%	28.2%
9	Labour relations	12.5%	39.4%	28.9%	15.0%	37.9%	18.5%	23.8%
10	Occupational health and safety	61.1%	46.2%	71.1%	45.4%	51.9%	48.5%	49.8%
11	Career planning	5.6%	26.0%	2.6%	13.1%	13.1%	12.4%	13.3%
12	Internal communication	62.5%	63.5%	42.1%	59.2%	50.5%	42.9%	53.4%
13	Retention Management	12.5%	29.8%	39.5%	27.5%	37.9%	5.2%	23.9%
14	Generation management	12.5%	19.2%	13.2%	6.9%	8.3%	15.0%	11.2%
15	Equal opportunities	16.7%	14.4%	13.2%	9.8%	22.8%	9.9%	13.8%
16	Diversity	18.1%	18.3%	13.2%	5.6%	14.6%	10.7%	11.4%
17	Miscellaneous	2.8%	1.0%	0.0%	1.6%	0.0%	0.4	0.9%

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9 ANNEXES

9.1 ANNEX: COMPTETENCY MODEL

Table 65: Grouping of Sonntag & Schäfer-Rausser competencies.

Professional competency	Methodological competency	Social competency
SKILLS	THOUGHT PROCESS AND PROBLEM SOLVING	COMMUNICATION
Practical professional skills Use of work tools Accuracy, care, and skill in the job	Abstract thinking Diagnosis, troubleshooting Problem solving, error correction Collection of information Planning, control, evaluation	Interpersonal communication skills Ability to support / requesting assistance Self-assertion, self-expression Transmission of information
KNOWLEDGE	CREATIVITY	CO-OPERATION
Specific professional knowledge Knowledge of work processes, and tools Terms Occupational safety knowledge	Creativity, ideas Flexibility Interest, trying new things	Ability to cooperation and teamwork Ability to assert in a group Ability to assert in a group Conflict tolerance Helpfulness, collegiality
	CAPACITY TO STUDY	
	General learning ability Ability to remember Work and learning techniques Capacity	

In the Sonntag & Schäfer-Rausser (1993) model, professional knowledge refers to the totality of the knowledge and skills that make workers fit for the task (Table 65). Methodological competencies are the appropriate

application of available skills and knowledge. Social competencies are characteristics of an individual that are aimed at interacting with other individuals (Binder et al., 2008, pp. 41-42, 199).

9.2 ANNEX: RESEARCH SPONSOR – EGIS PHARMACEUTICAL PLC DURING THE PANDEMIC

The outbreak of the pandemic has hit the global economy very hard. However, companies of the health industry had a pivotal and unique position all around the world. In Hungary, the pharmaceutical industry is a key player in the economy, and its role is both of national and foreign economic importance. As a result of the coronavirus pandemic that reached Hungary in the spring of 2020 and the state of emergency declared consequently, it became clear that Hungarian production is a key issue not only in terms of national economy, but also of national security. In accordance with the company's mission, Egis' most important task was (and has remained ever since) to care for patients – to ensure the continuous production, release, and supply of their medicines to pharmacies and hospitals both in Hungary and abroad.

Therefore, even at the very beginning of the pandemic, Egis responsibly took measures to protect its employees, to make working conditions as safe as possible so that the day-to-day tasks could be carried out despite all difficulties. Within the company, Egis Coronavirus Crisis Team was set up to handle all pandemic-related tasks that the company as an employer faces, implying legal, health and safety, organising etc. matters, providing information and guidelines on disease prevention and issuing instructions to maintain the continuous operation of the company. Following all domestic and foreign news, data and tendencies of the pandemic, Egis Coronavirus Crisis Team also prepares the company for the challenges ahead, and implements the governmental rules, etc.

As a first step at Egis, the employees (whose tasks made it possible) were allowed to switch to teleworking in full time to reduce the risks of spreading the disease among those colleagues who were required to work on site. Online and digital tools were introduced and have been applied more widely, and digital meetings, conferences and other events were organised. Summarising the positive experiences, the company doesn't intend to return to previous working schedules. The framework „New Way of

Working” allows more resilience in work regulations by providing a more enhanced employer experience. In case of on-site work, the company provides protective equipment, i.e., facemasks and disinfectants. Also, as a main weapon against spreading the pandemic, Egis also encourages the employees to get vaccinated. Being aware that pandemic can affect the mental health as well, the company provides mental support to its employees and family members.

Besides the internal regulations, Egis also took part in various civil initiatives. Egis is a company committed to support the work of healthcare professionals – the members of Egis Group provided medical staff and pharmacies with protective equipment (worth of ca. 500 000 EUR) in several countries of Egis Operation. Egis in Hungary also helped the Buda Hospital of the Hospitaller Order of Saint John of God receive a life-saving device.

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