Conference Paper

Analysis of HR Management and Organizational Support in Maintaining Employee Well-Being and Performance When Working from Home During COVID-19

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Abstract
The COVID-19 pandemic has paralyzed the economy in many countries. The Indonesian government decided to implement large-scale social restrictions to handle COVID-19. This policy encouraged various activities to be carried out at home. Some companies decided to encourage their employees to work from home (WFH). This study aimed to explore HR policies during the COVID-19 pandemic in maintaining employee performance in airport-management companies. This research used online questionnaires to reduce face-to-face interaction and was assisted by the HR departments in the companies. This research confirmed that HR practices and perceived organizational support positively influenced job performance. This study could not show the role of employee well-being as a mediator, which is related to HR practices and POS not having been proven to affect employee well-being. In addition, the results did not show that employee well-being affects job performance.

Keywords: Maintaining Employee, Organizational Support, Performance, HR Policies, Work From Home

1. Introduction

The outbreak was declared a Public Health Emergency of International Concern on 30 January 2020. On 11 February 2020, WHO announced a name for the new coronavirus disease: COVID-19. In April 2020, worldometer.info recorded about 1,015,466 confirmed cases of COVID-19, 53,190 deaths, 212,229 recovered. Covid-19 spread rapidly to 240 countries Italy is the highest mortality rate in the world for COVID-19. Based on data covid19.co.id, which is an official website from Indonesia government to share
information the real time COVID-19 case, there are 5,136 confirmed cases of COVID-19 infection (April 15, 2020 at 04.00 PM in Western Indonesia Time or 9:30 AM GMT). At the same time, this website also reported 469 deaths caused COVID19 and 446 recovered people. That number increased dramatically from March 9, 2020 which recorded only 19 cases, and jumped to 308 cases on March 19, 2020. The Indonesia Government has decided not to do a lockdown in handling this virus. The government prefers to give an appeal for physical distancing to prevent the COVID-19 spread.

Based on the report “Macroeconomic Analysis Series: Indonesia Economic Outlook” by LPEM FEB UI, Covid-19 pandemic will significantly affect economic condition. Indonesia GDP 2020 is projected to grow slower at 2.4%-2.6% in 2020. The other predictions, inflation will increase at 3.3-3.3%. The condition needs fast respon. This condition requires serious action for business parties. Indonesia’s labor ministry recorded that about 1.2 million workers were laid off from 74,430 companies because of covid-19 pandemic. Based on data from the Ministry of Manpower and BPJS Ketenagakerjaan, there are 2.08 million workers directly affected by COVID-19. They consist of 1.7 million formal workers laid off and 749.4 thousand terminate the employment contract. In addition, there were 282 informal workers whose businesses were disrupted.

Based on the Government Regulation of the Republic of Indonesia Number 21 of 2020, the government has decided to implement large-scale social restrictions (Pembatasan Social Berskala Besar or PSBB) in handling of Covid-19. Presidential Decree of Republic of Indonesia' number 11 of 2020 also established coronavirus disease 2019 (COVID-19) as a type of disease that causes public health emergencies. Jakarta is the city with the biggest number of COVID-19 cases. There are 2,474 confirmed cases and 242 deaths for COVID-19 on April 15, 2020. As a result of this condition, most companies and government institutions stop all activities at the office (especially in Jakarta) and replace it with work-from-home for their employees. On April 7, 2020, Indonesia’s health ministry established large-scale social restrictions in the Jakarta area to accelerate the management of coronavirus disease 2019 (COVID-19). The large-scale social restrictions encouraged many companies in Jakarta closed their office and pushed their employees to work at home. Work from home when COVID-19 is based on Law No. 13 of 2013 concerning Labor (“Labor Law”), where every worker has the right to obtain protection for occupational safety and health.

The closure of offices has pushed many companies to implement work from home (WFH). COVID-19 has changed the business order in an instant. The changes in ways and patterns of work that focus on physical distancing have significantly reduced the most
activities in public spaces and offices. WFH caused a change in employee management from time-based-work to output-based-work. Since WFH was implemented, employees have been forced to be flexible in working from anywhere, including working at home. This condition encourages new normal in the aspect of work. Employees must be able to maintain productivity and coordinate effectively anywhere. Work from home is not an easy thing for everyone. Some people actually have to face challenges in adapting to new work patterns in WFH. In these conditions, organizational support is needed. The previous study found that organizational support was positively related to controlling motivation and positively related to autonomous motivation (Chen & Shaffer, 2016). Organizational support in various forms, both financial and non-financial in human resources management.

The uncertainty caused by the COVID-19 outbreak has forced companies to revise various programs in managing human resource. The companies need to adjust their budget and change their priorities in stabilizing the internal conditions of the organization. HR practices can produce the attitudes towards work (such as job satisfaction and job involvement), attitudes towards the organization (organizational commitment), and behavioral intentions (turnover intention) (Marescaux, Winne, & Sels, 2013). However, the "Social Exchange Theory" stated that the application of HR practices in training and development help in maximizing employee positive work attitudes (Innocenti, Profili, and Alessia, 2013).

At the level of organizational analysis, there was some evidence that found a positive effect between Human Resource Management (HRM) and happiness or well-being, even though there was actually a lot of evidence found for a negative relationship between HRM and physical well-being (the health aspect) (Voorde, Paauwe, and Veldhoven, 2011). In addition, the other studies indicated that the trust in business owner strengthened the positive effect from the perceptions of HRM practices to job performance or well-being (Alfes, Shantz, and Truss, 2012). The study found that human capital in overall has a positive effect on turnover intention (Wei, 2015).

This study aims to the effect of HRM practice on employee well-being (physical well-being) in COVID-19 condition. The research will be interesting because the employee in Airport Company had the full-time activities in office before COVID-19. They must change all work behavior from office to home. This study used the airport employees who already conducted work from home.
2. Literature Review

2.1. Human Resource Practice

HR practice is defined as "all activities related to the people in the company" (Marescaux et al., 2013: Boxall and Purcell, 2008). Wei (2015) used human capital as a predictor of turnover intentions and found that HR practices could allow exceptional employees to rapidly increase psychological information, and thus increase the psychological costs associated with leaving. Human resource practice consists of six practices (Noe, Hollenbeck, Gerhart, and Wright, 2015): (1) job analysis and job design, (2) recruitment and selection (3) training and development, (4) performance management, (5) performance appraisal (6) compensation and benefit, and (7) industrial relationship. This theory was the basis for many studies that showed positive information between human capital and work performance (Saks and Waldman, 1998: Wei, 2015). HR practices mean whether various HR practices can be perceived by employees as unique (can be implemented by employees), consistent (implemented in a similar way) and carried out by consensus (supported by managers) (Wei, 2015).

2.2. Employee Well-being

Employee well-being is a broad concept that describes the quality of the overall experience and function of employees at work (Guest, 2017 in Khoreva, Wechtler, and Khoreva, 2018: Johari et al., 2019). The effective functioning of employees occurs when they experience satisfaction and positive conditions in their workplace. Employee welfare reflects a positive attitude that is manifested in the results of beneficial behavior related to performance (Wright and Hobfoll, 2004: Johari et al. 2019). Khoreva, Wechtler, and Khoreva (2018) classify employee welfare in two contexts, namely psychological (psychological well-being) and physical (physical well-being).

2.3. Employee Performance

Performance is a manifestation of how successful a person or organization's work in achieving its goals (Ihdaryanti and Panggabean, 2014). According to Porter & Lawler (1967), employee performance defined as the ability and skills of employees related to work on a given task. Performance is a term that comes from the word job performance or actual performance (Murty and Hudwinarsih, 2012). Performance is the work achieved...
by a person in carrying out a task in accordance based on standards or criteria, both in quality and quantity (Taurisa and Ratnawati, 2010). Performance is a multidimensional construction that included many factors that influence it. A number of experts explained a variety of different factors that influence a person’s performance. According to Ismail (2008), employee performance is generally influenced by two factors: internal factor and external factor. Internal factors are factors that affect the performance that comes from within the employee himself, such as job satisfaction or organizational commitment. External factors are defined as factors that affect performance that come from outside the employee, example: safety and security, organizational culture, leadership style, and so on.

3. Research Method

This research was conducted at one of the Indonesia airport company. This study will examine several variables such as HR practices, perceived organizational support, employee well-being, and employee performance. Employee well-being in this research used physical aspect or physical well-being. The target respondents who are targeted are all employees who are currently doing WFH, both from government agencies and companies (private). In a quantitative approach, the researcher uses an online questionnaire and uses purposive sampling where the researcher determines several criteria from the target respondents. These criteria are (1) employees who are currently working from home, (2) they are permanent employees (not outsourcing), and (3) they are still active employees. This study will examine the effect of HR practices and organizational support on employee performance through employee well-being in COVID-19 conditions. To analyze the method, this study used with smartPLS and SPSS to analyze the data.

![Research Model](image.png)

**Hypotheses:**

- **H1:** HRP → EWB
- **H2:** EWB → JP
- **H3:** HRP → JP
- **H4:** POS → EWB
- **H5:** POS → JP
- **H6:** HRP → JP

**Figure 1:** Research Model (Note: HRP = human resources practice; EWB=Employee well-being; POS=perceived organizational support; JP= job performance Indirect effect _ _ _ _ Direct effect _____)
H1. HR practice positively influence on job performance
H2. Perceived organizational support positively influence on job performance
H3. HR practice positively influence on employee well-being
H4. Perceived organizational support positively influence on employee well-being
H5. Employee well-being support positively influence on job performance

Measurement of HR practice variables was adopted by Bowen and Ostroff (2004) and used by Guan and Frenkel (2018). This questionnaire consists of twelve items using a 6-point Likert scale with an example of the item "HR practices here contribute to my job satisfaction". Physical well-being for employee well-being was measured using job strains consisting of 2 items from Li, Burch, and Lee (2016). Employee performance is measured using seven items from Williams and Anderson (1991) in Clercq, Haq, & Azeem (2018) which are also still used in recent research (Clercq, Haq, and Azeem, 2018; Johari, Tan, and Zulkarnain, 2017). Therefore, the researcher considers that this measuring tool is still relevant as a measuring tool for employee performance variables. Measurement of these items using a 6 Likert scale where number 1 indicates "Strongly Disagree" and number 6 "Strongly Agree". For Perceived Organizational Support (POS), this study used the Survey of POS measurement tool developed by Eisenberger, Hutington, Hutchison, and Sowa (1986) which consists of 36 items. This tool uses a 7-point Likert scale (1 = Strongly disagree; 7; Strongly agree).

4. Result and Discussion

4.1. Respondent Profile

This research used 160 respondents from the headquarter of airport company in Jakarta (Indonesia). The respondent are 71.9% male and 28.1% female. Based on status, there are 81.9% of marriage, 16.3% of single, and 1.9% divorced. Majority of respondents who are 25 – 34 years old (62.5%). The other respondents are 35-44 years old (29.4%), above 45 years old (6.9%), and below 25 years old (1.3%). Based on education level, 105 respondents (65.5%) are bachelor degree, 24 respondents with master degree (15%), 22 respondents with diploma degree (13.8%), and 9 respondents with school degree (5.6%). Based work period, 145 respondents (90.6%) have worked above 5 years in this company and 15 respondents (9.4%) have worked less than 5 years.
4.2. Validity and Reliability

To measure reliability, all items’ loading for reflective constructs were inspected to pass a cut-off point of 0.5 (Hair et al., 2011). To assess convergent validity, outer loadings, composite reliability (CR) and the average variance extracted (AVE) were determined. Any loadings below 0.5 were deleted, resulting in final AVE and CR to be above the benchmark value of 0.5 and 0.7, respectively, details are summarized in Table 1.

<table>
<thead>
<tr>
<th>Variable</th>
<th>Item</th>
<th>Loading</th>
<th>AVE</th>
<th>CR</th>
<th>Cronbach's Alpha</th>
</tr>
</thead>
<tbody>
<tr>
<td>HR practise</td>
<td>HRP1</td>
<td>0.851</td>
<td>0.747</td>
<td>0.964</td>
<td>0.957</td>
</tr>
<tr>
<td></td>
<td>HRP2</td>
<td>0.849</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>HRP4</td>
<td>0.798</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>HRP5</td>
<td>0.779</td>
<td></td>
<td></td>
<td></td>
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<tr>
<td></td>
<td>HRP6</td>
<td>0.894</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>HRP7</td>
<td>0.903</td>
<td></td>
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<tr>
<td></td>
<td>HRP8</td>
<td>0.886</td>
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<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>HRP9</td>
<td>0.892</td>
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<td></td>
</tr>
<tr>
<td></td>
<td>HRP12</td>
<td>0.915</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Job Performance</td>
<td>JP1</td>
<td>0.926</td>
<td>0.863</td>
<td>0.969</td>
<td>0.960</td>
</tr>
<tr>
<td></td>
<td>JP2</td>
<td>0.941</td>
<td></td>
<td></td>
<td></td>
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<tr>
<td></td>
<td>JP3</td>
<td>0.951</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>JP4</td>
<td>0.927</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>JP5</td>
<td>0.898</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Employee Well-Being</td>
<td>PHW1</td>
<td>0.964</td>
<td>0.882</td>
<td>0.937</td>
<td>0.872</td>
</tr>
<tr>
<td></td>
<td>PHW2</td>
<td>0.914</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Perceived Organization Support</td>
<td>POS1</td>
<td>0.857</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>POS2</td>
<td>0.884</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>POS3</td>
<td>0.927</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>POS4</td>
<td>0.712</td>
<td>0.720</td>
<td>0.911</td>
<td>0.870</td>
</tr>
</tbody>
</table>

Sources: Processed Data

In addition, discriminant validity for reflective measurement model was also validated through the Fornell–Larcker criterion.
4.3. Statistical Descriptive

Based on processed data, all variables have ‘high category’, higher than 4.34. Mean and standard deviations are shown in Table 3. Among all the constructs, job performance have the highest mean (M=4.77, SD=0.916), followed by human resources practice (M=4.54, SD=0.869), perceived organizational support (M=4.49, SD=0.898), and the lowest mean was employee well-being (M=3.22, SD=1.448).

<table>
<thead>
<tr>
<th>Items</th>
<th>Minimum</th>
<th>Maximum</th>
<th>Mean</th>
<th>Standard Deviation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Job performance</td>
<td>5</td>
<td>1.00</td>
<td>6.00</td>
<td>4.7700</td>
</tr>
<tr>
<td>Perceived organization support</td>
<td>4</td>
<td>1.00</td>
<td>6.00</td>
<td>4.4922</td>
</tr>
<tr>
<td>Employee well-being (physical)</td>
<td>2</td>
<td>1.00</td>
<td>6.00</td>
<td>3.2156</td>
</tr>
<tr>
<td>Human resources practice</td>
<td>9</td>
<td>1.00</td>
<td>6.00</td>
<td>4.5361</td>
</tr>
</tbody>
</table>

Sources: processed data with SPSS

4.4. Hypotheses Test

Table 4 shows the results of the processed data in hypothesis test in this study. The processed data used the bootstrapping PLS-SEM. The results confirmed that there is a positive significant relationship between human resources practice and job performance ($\beta =2.689, t = 2.689, p<0.008$) and perceived organization support and job performance ($\beta = 0.324, t = 2.787, p<0.006$). Therefore, H1 and H2 are supported and accepted. However, this study was unable to explain the relationship between HR practice and employee well-being ($\beta =0.267, t = 1.884, p<0.061$), POS and employee well-being ($\beta =-0.007, t = 0.044, p<0.965$), as well as employee well-being and job performance ($\beta =-0.014, t = 0.168, p<0.867$). therefore, H3, H4, and H5 are not supported and rejected.
TABLE 4: Summary of the direct effect

| Path      | Mean | SD  | T Statistics (|O/STDEV|) | P Values | Decision  |
|-----------|------|-----|---------------|---------|----------|-----------|
| HRP → JP  | 0.293| 0.300| 0.109         | 2.689   | 0.008    | H1 accepted |
| POS → JP  | 0.324| 0.328| 0.116         | 2.787   | 0.006    | H2 accepted |
| HRP → EWB | 0.267| 0.251| 0.142         | 1.884   | 0.061    | H3 rejected |
| POS → EWB | -0.007| 0.007| 0.148         | 0.044   | 0.965    | H4 rejected |
| EWB → JP  | -0.014| 0.001| 0.085         | 0.168   | 0.867    | H5 rejected |

Sources: processed data with SmartPLS

Based on the result of hypothesis H1 to H5, this study can not show the role of employee well-being as mediator. This is related to both HR practice and POS not proven to have an effect on employee well-being. In addition, employee well-being is also not proven to have an effect on job performance. In the end, no model is formed from this study.

![Path Analysis](image_url)

**Figure 2:** Path Analysis (Sources: processed data with SmartPLS)

TABLE 5: Summary of the Indirect effect

| Path      | SD  | T Statistics (|O/STDEV|) | P Values | Decision |
|-----------|-----|---------------|---------|----------|----------|
| HRP → JP  | -0.004| 0.026         | 0.147   | 0.883    |          |
| POS → JP  | 0.000| 0.013         | 0.007   | 0.994    |          |

Sources: processed data with SmartPLS

In addition, the $R^2$ was 0.336, which means that 33.6 per cent of the variance in job performance is explained by exogenous variables such as human resources practice and perceived organization support (Tables 4 and 5).
TABLE 6: $R^2$ of endogenous latent variables

<table>
<thead>
<tr>
<th></th>
<th>$R^2$</th>
<th>$R^2$ Adjusted</th>
</tr>
</thead>
<tbody>
<tr>
<td>Employee Well-Being</td>
<td>0.069</td>
<td>0.057</td>
</tr>
<tr>
<td>Job Performance</td>
<td>0.336</td>
<td>0.323</td>
</tr>
</tbody>
</table>

Sources: processed data with SmartPLS

4.5. Discussion

This study showed a positive relationship between HR practices and job performance in employees in work from home (WFH). COVID-19 triggers many changes in the activity in companies/organizations. COVID-19 pushed the rapid change at both the organizational and individual levels. These results are in line with previous studies that describe a similar relationship where HR practices encourage work engagement and in turn facilitate employee work forms that contribute to high individual performance (Alfes, Shantz, and Truss, 2012). Liu, Chow, Xiao and Huang (2017) focus on the importance of an HRM package to contribute to employees’ sense of belonging to the organization, their well-being, and their performance (job performance). According to Bowen and Ostroff (2004), if HR practices are considered to be unique (understandable by employees), consistent (applied in a similar way) and implemented by consensus (agreed by managers), a strong climate will be created and will encourage employees to adopt attitudes and behaviors that are aligned with organizational goals.

Although this research provides evidence of a relationship between HR practice and job performance, this study is unable to prove the relationship between HR practice and employee well-being in physical aspects. At the organizational analysis level, there is very little evidence that found a positive relationship between HRM practices and happiness and well-being, and in fact there is a lot of evidence found for a negative relationship between HRM and health well-being (Voorde, Paauwe, and Veldhoven, 2011). This result also related with the condition under COVID-19 pandemic where HR program/activities didn’t work in the situation (e.g. training, development). The company must adjust the allocation in HR program and cancel some HR program. HR programs also cannot quickly adjust to a work from home (WFH) system. Of course, the treatment of workers who work at home is not the same as those of workers who work in offices.

This study also confirmed the relationship between perceived organization support and job performance that supported the result of previous study (Rhoades and Eisenberger, 2002: Wayne at al., 2002). This condition states that organizational support is needed by workers carrying out WFH in a COVID-19 pandemic. The support can
implement in providing facilities to support for employees in WFH condition. Companies should provide as much support as possible including in terms for helping facilitate meetings and connections among employees, safety tools (self-protection tool), and psychological support.

This study also shows that there is no relationship between employee well-being and job performance in employee in work from home condition during COVID-19 pandemic. This result is different from previous studies which state that employee welfare reflects a positive attitude which is manifested in the results of beneficial behavior related to performance (Wright and Hobfoll, 2004: Johari, Shamsudin, Yean, Yahya, and Adnan, 2019). Boxall and Purcell (2008) in Choi and Lee (2013) and Peccei (2004) concluded that both job performance and employee well being influenced by HR management, but this health welfare (physical well-being) does not function as a causal mechanism that mediated the relationship between HR management and performance (Voorde, Paauwe, and Veldhoven, 2011).

5. Conclusion

This research confirmed that HR practices positively influenced on job performance and perceived organization support positively influenced on job performance on employee in work from home (WFH) system during COVID-19 pandemic. HR programs cannot quickly adjust to a WFH system. Of course, the treatment of workers who work at home is not the same as those of workers who work in offices. HR program implementation during COVID-19 pandemic is so complex. This study cannot show the role of employee well-being as mediator. This is related to both HR practice and POS not proven to have an effect on employee well-being. In addition, employee well-being is also not proven to have an effect on job performance. The support can implement in providing facilities to support for employees in WFH condition. Companies should provide as much support as possible including in terms for helping facilitate meetings and connections among employees, safety tools (self-protection tool), and psychological support.

References


