

Corporate Responses to COVID-19 Layoffs in North America and the Role of Human Resources Departments

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Abstract

The required quarantine and closure of thousands of small, medium and large-sized firms due to the Covid-19 corona virus pandemic has changed life for billions of people around the globe, in just a few months since the start of the year during 2020. Consequently, some firm executives announced that they would close parts of their operations and facilities, while laying off thousands of workers to prevent companies from going bankrupt. While some firms and managers have terminated or laid off their employees through a very socially responsible or ethical means, others have not been able to be as sensitive. Consequently, in this conceptual literature-based paper, using real-time data regarding infection and death rates from the United States and various countries in the state of Florida, we discuss some of the challenges stemming from Covid-19 coronavirus and its corollary layoffs along with discussions about those who are involved in corporate employee terminations, bankruptcies and job transitions, some of which can serve as best practices, while other examples might be something that human resources professionals and managers should avoid in the future.

Layoffs have proven to be a highly traumatic experience not only for the employees directly affected, but also for the remaining workers in the organization, and even for top management. This explains why it is imperative for human resource professionals within the company to carefully orchestrate this practice of layoffs, in order to minimize the negative consequences and facilitate a successful economic journey throughout the layoff process.

The conclusion is that while providing a robust economic stimulus package might be necessary to assist those who have lost their jobs, it is not sufficient to curb the negative impact of Covid-19 on the economy; therefore, government policymakers should strategically assist hospitals, schools, and local leaders through a national and cohesive collective plan to effectively test, treat and trace the contacts of infected individuals so they can self-isolate in order to reduce and eliminate the spread of this virus. Furthermore, using unique examples and approaches from Canada and the United States, we offer examples, best practices, and recommendations for public sector policy-makers, organizations and managers on various approaches to help laid off employees' transition to new opportunities in a socially responsible and professional manner.

Keywords: American government response; Canadian government response; Covid-19; Covid-19 stress impact; Layoffs; Terminations

Introduction

Everyone in our modern society is affected by the corona virus Covid-19, whether at home or in the workplace. While nearly 700,000 people worldwide have died due to complications related to Covid-19 as of August 2020, millions of others have recovered; yet some are still fighting the virus as we write this article. CBS

Sunday Morning news reported that over 100,000 businesses in the United States of America have closed their doors during the initial quarantine period between March and June (June 21, 2020). The economic consequence of the Covid-19 coronavirus on people, jobs and politics for the United States, Canada, China and others have been dramatic and consequential (Jian Wang, Wang Lu, Wang Zhang, Gong 2020).

Overall, as of August 2020, the U.S. alone is expected to have over 160,000 deaths from Covid-19 and counting, as this number rises every single day and ranks first with the most absolute deaths

in the world. As per the report produced by Dr. Rolando M. Ochoa (see Table 1), the U.S. death toll from Covid-19 is now likely to reach 200,000 by the year’s end. From the May-June data we can see that unfortunately the death rate grew in a week by 6,924 or 7%; one week earlier, it grew by 9% and the previous weeks by 12%, 17%, 28%, 33%, 78% and 178%. These numbers show a downward trend in the additional deaths added in the U.S.” (Personal Communication with Dr. Rolando M. Ochoa, June 2, 2020). Similarly, the world total deaths of Covid-19 grew by 29,287 or 8% on the first week of June 2020; just over two weeks earlier on May 19, the world deaths grew by 34,312 or 11%; on the previous weeks, deaths grew by 9%, 14%, 19%, 23%, 112 % and 25%. The good news is that the survival rate in the world continues to be around 94% (Ochoa, 2020). While many individuals are able to successfully recover from Covid-19, about 40 million Americans lost their jobs and are dealing with the economic, financial and psychological consequences of company furloughs, layoffs and unemployment.

Location	Population	Rank	Infected	Infected to Population	Rank	Deaths	Rank
U.S.A.	331,002,651	3	1,811,277	0.55%	1	105,147	1
Russia	145,934,462	9	423,186	0.29%	7	5,031	12
Spain	46,754,778	30	239,638	0.51%	2	27,127	6
Italy	60,461,826	23	233,197	0.39%	4	33,475	3
Germany	83,783,942	19	183,771	0.22%	11	8,557	8
Brazil	212,559,417	6	526,447	0.25%	9	29,937	4
France	65,273,511	22	189,348	0.29%	6	28,836	5
China	1,439,323,776	1	84,160	0.01%	16	4,638	13
Iran	83,992,949	18	154,345	0.18%	13	7,878	9
India	1,380,004,385	2	199,613	0.01%	15	5,610	11
U.K.	67,886,011	21	277,736	0.41%	3	39,127	2
Turkey	84,339,067	17	164,769	0.20%	12	4,563	14
Switzerland	8,654,622	101	30,874	0.36%	5	1,920	16
Mexico	126,577,691	10	53,435	0.04%	14	10,167	7
Canada	37,672,500	38	93,288	0.25%	10	7,424	10
FL, USA	21,761,560	N/A	56,830	0.26%	8	2,460	15
World	7,783,954,813		6,289,259	0.08%		375,987	

Source: Ochoa (2020). Personal Communication with Rolando M. Ochoa, June 2, 2020. Table data obtained from John Hopkins University site by Rolando Ochoa.

Table 1: Covid-19 Deaths and Infection Rates (as of June 2, 2020).

The notion of layoffs and the incentives encouraging this practice is unique and peculiar for each organization. With unstable market conditions and dynamic external factors that strongly influence industries and their strength, the economy itself is heavily related to and dependent on the health of society. Considering this elevated reliance on environmental and social wealth, severe consequences can arise when these elements are compromised (Bond and Goldstein, 2015; Bercovici, 2013; Bergström & Arman, 2016). With the rise and spread of Covid-19 throughout the planet, global economies have been compromised, forcing companies to shut down or engage in employee dismissals, also known as layoffs (Bolsu, 2020; Chanet & Thomas, 2020; Conley, 2020; De Leon, 2020; Diamond, 2020; Fallon, 2020; Families First Coronavirus Response Act, 2020; Foran, Raju, Byrd, & Barrett, 2020; Gimbel, 2020; Greensbach, 2020; Gregory, 2020; Grossman, 2020; Iacurci, 2020). A common practice, typically occurring when companies downsize, is using layoffs as a means to reduce overall expenses. However, with these actions come countless consequences for both the organization and the terminated employee.

While some organizations practice healthier discharge methods than others, this paper describes how organizations should utilize human resource management professionals and practices in order to perform layoffs in the most comforting and effective manner possible to reduce the unnecessary distress (Tran, Tran, Nguyen, Mach, Phan, and Mujtaba, 2020). Performing ethical layoff practices can help reduce the overall severe effects of mental, physical, social, emotional, and financial impact on the worker (Jones, 2020; Knight, 2020; Koc, 2020; Lamp, 2020; MacLellan, 2020; McQuerrey, 2019; Miller, 2020; Night, 2020; Peterson, 2020; Paydos, 2020). By providing diverse, real life examples of layoff practices, compared to others that are not as morally correct or generous, this paper demonstrates how the HR practices and processes used to release workers will have a direct impact on the employee and on the company itself. While some companies provide immediate financial benefits and assure to retain all employees currently onboard, other organizations are cutting checks and removing countless number of positions, daily (Rainey, 2020; Siemaszko, 2020; Tappe, 2020; Tarki, Levy & Weiss, 2020; Villa, 2020; Ylanmui, 2020). Nevertheless, this paper validates our belief that there are enhanced techniques and approaches to downsizing that does not require any removal of talented personnel, even if only temporary. With certain employees being impossible to replace, having an abundance of knowledge and experience within the firm, and a general working environment that is fearful and concerned for their futures, overall productivity and effectiveness becomes highly reduced (Robison, 2017; Sutton, 2018; Sucher & Gupta, 2019; Vitus, 2018). Considering the current drastic changes within the economy due to Covid-19, subsequent information portrays how human resource professionals should conduct layoffs, and in addition, present healthier alternatives for downsizing as opposed to layoffs. The aim of this paper is to determine the best practices in the layoff process during the Covid-19 coronavirus challenges in North America, more specifically with Canadian and American firms. As such, in the coming sections, we discuss the rationale for layoffs, the role of the government in keeping more people employed, and how human resources departments can help their firms effectively handle the layoff process.

Layoff Pros and Cons during Covid-19

Generally, the rationale of downsizing and layoffs within a company is to save money in order to remain competitive and ultimately stay in business. While there are various reasons companies engage in downsizing, the main goal is usually to cut its expenses in order to retain more capital (Jones, 2020; Knight, 2020; Koc, 2020; Lamp, 2020; MacLellan, 2020). As Mujtaba and Senathip (2020) state, layoffs seem to be a commonly used initial

step in avoiding bankruptcy, or to boost profits. That being said, it is revealed that companies use downsizing as a strategic source in order to save a business. Employee wages and salaries often represent a large portion of company expenses, as survey results indicate that one of the major reasons why organizations engage in downsizing is to attempt to reduce these labor costs (Noe, Hollenbeck, Gerhart, and Wright, 2019). Some other benefits from employee layoffs include increasing profits, avoiding bankruptcy, eliminating disengaged employees, and creating new relationships (McQuerrey, 2019; Miller, 2020; Night, 2020; Peterson, 2020; Paydos, 2020; Rainey, 2020; Robison, 2017; Sutton, 2018; Sucher & Gupta, 2019; Siemaszko, 2020; Tappe, 2020; Tarki, Levy & Weiss, 2020; Villa, 2020; Vitus, 2018; Ylanmui, 2020). Since redundant positions may be eliminated, downsizing can increase the responsibility, efficiency and productivity of each worker. Apart from reducing labor costs, technological changes within the firm, such as the introduction of new robotics or machinery, may reduce the need for labor (Noe, et al. 2019, p. 362). Lastly, businesses may downsize for economic reasons due to a change in location where business is conducted. Offshoring or outsourcing specific functions can eliminate the need for specific personnel (Noe, et al., 2019, p. 364). Although downsizing may have an immediate effect on costs, it is proven to have negative effects on long-term organizational effectiveness, especially in the service industries (Noe, et al. 2019). Thus, even though downsizing and layoffs can be damaging to a company's overall effectiveness, in the end, some businesses simply do not have a choice. Despite all the negative consequences, downsizing may be the only viable option for a company's executives if they want to even consider having a future.

Bearing in mind the current state of the economy, it is clear that Covid-19 has created a business environment the world has never seen. Business has come to a standstill, not because of any change in technology or manufacturing location, and not from any wrongdoings that companies have done, but due to the natural current state. This makes the situation so problematic and uncertain, as we cannot compare this to any other previous event in history.

Pros of Covid-19 Layoffs

Positive outcomes stemming from layoffs as a result of Covid-19 will allow companies to preserve its cash so when the eventual return of the business, which should come after the virus passes, the company will be able to re-hire its employees and resume operations. With a decrease in unengaged personnel, this gives an opportunity for current employees to have further

responsibilities and be more productive (Mujtaba & Senathip, 2020). Another positive factor from layoffs during this time is the safety of workers and all personnel involved in the business. The Occupational Safety and Health Act (OSHA) states that each employer has a duty to give employees a place of employment, free from hazards that cause or likely to cause death or serious physical harm (Noe, et al., 2019). Considering that the Covid-19 virus is highly contagious and extremely dangerous in certain cases, by reducing staff (including employees, manufacturers, suppliers), the spread of the virus will decrease, which vows for a slightly safer environment. Another unrecognized yet positive consequence from downsizing during Covid-19 is the precious quality time families can spend together. Trying to shed light on a dark situation, this is a time for individuals to truly connect and spend valuable hours with their families and loved ones. People are available to help other families and friends in times of sickness or difficult mental states such as depression and anxiety. Apart from strengthening the bond within families, this time off work can provide valuable time for people to improve and develop new skills. With the opportunity to learn something unique and original, individuals can take advantage of this permitted time off and engage in new hobbies. Whether it is learning a musical instrument, reading a series of books, or improving one's physical wellbeing by walking outside or participating in online yoga or Zumba classes, all these interests can translate into improved mental health, especially physical activity. While exercise reduces stress, improves sleep, and strengthens immunity, the overall benefits of exercise are profound, as it mitigates symptoms of depression and anxiety (Johnson, 2020). Of course, we acknowledge that the richer and financially wealthy families and individuals will be more likely to pass the time more like a vacation by being engaged in fun or new and creative activities, while most others will worry about returning to their jobs in order to secure regular income for food and other family essentials.

Overall, we believe this pandemic has allowed some people to recognize what is truly important in life and appreciate what was often taken for granted. The simplest activities have suddenly become exciting again, as this time of isolation encourages and demands low levels of human interaction and entertainment. With extreme barriers and regulations outlining social distancing, our world has come to recognize a new way of socially interacting, which isn't ideal. All Publix Super Market and Target cashiers, for example, have Plexiglas separating them from clients, grocery shopping can only be done with a limited number of people in a store, and waiting in line requires standing about 6 feet (2 meters) away from the nearest person. With schools and companies being

closed, all sports cancelled, no entertainment events, restaurants, gyms, or retail stores being open, for several months people have experienced a negative affect from this social shift due to the lack of predictability and routine (McCarthy, 2020). What once was considered normal has shifted drastically throughout this pandemic, as mundane moments of once daily routines feel like a luxury people are eager to have back (McCarthy, 2020). This global virus should be used as a symbol of life in order to recognize and appreciate the conventional people and practices we took for granted.

Cons of Covid-19 Layoffs

Compared to the positive outcomes resulting from Covid-19, the degrees of intensity regarding layoff penalties are significantly harsh and concerning. There are several negative adverse consequences for layoffs during Covid-19. Firstly, the lack of steady income for employees and their families represent a large problem, globally. With the amplified amount of pressure and concern that conjointly arises with this loss of revenue, individuals are under strain with bills and expenses to pay. In addition, the workplace environment has become one with a strong sense of fear and anxiety, that at any moment, someone will lose their job. Workers that are not let go may suffer from "Survivor's remorse" which can severely damage their work ethic and overall company commitment, since the employees who survive often become narrow-minded, self-absorbed, and risk averse (Noe, et al., 2018, p. 199). The shock of watching and experiencing multitudes of talented associates and peers lose their positions has a drastically negative impact on personnel's motivation and overall attitude (Mujtaba, 2014). Having an atmosphere where employees are fearful for their jobs creates a negative and unhealthy working environment, leading to a lack of trust and productivity. A hostile ambiance creates low morale, as the employees experience an array of emotions such as dismay, stress, guilt, or even envy (Mujtaba & Senathip, 2020). During a period when layoffs are conducted, employees feel a change in how comfortable and secure they feel within their organization, consequently damaging their commitment to their employer due to loss of trust and fear that their job is at stake. For companies where downsizing is not handled properly regarding the motivation of the remaining staff, it can disturb the commitment and productivity of its workforce, which in turn will affect revenues (Mujtaba & Senathip, 2020).

Another disadvantage of Covid-19 layoffs is that companies are losing talented employees that are critical to their success, subsequently leading to a loss of specialized skills and knowledge. As it currently remains challenging to find and retain skilled and

talented employees in the workforce, layoffs represent a serious setback, as special, unique skills are being lost, and problematic to replace (Noe, et al., 2019). Some employees may even be irreplaceable due to their accumulated and dedicated expertise. In addition, laid off employees retain information that is often lost during downsizing, as releasing experienced employees with years of necessary skills leads to a loss of competitive advantage (Mujtaba & Senathip, 2020). Moreover, the loss of experienced talent disrupts the social networks needed to promote creativity and flexibility within the organization's culture, hindering the company from moving forward. Overall, with a lack of motivation and mental stimulus, employees can begin to feel hopeless, as they experience difficulty finding other jobs during this economic crisis. Feeling as though they have little to no purpose in life, the overall anxiety about income, healthcare insurance, available cash, and overall wellbeing is unhealthy and concerning. One of the most unfortunate drawbacks from the Covid-19 layoffs is that terminated employees can face a range of severe health consequences, which sometimes cause long-lasting effects. This will be further discussed in the upcoming section on employee impact, which demonstrates the financial consequences, emotional and social impact, as well as the mental and physical effects on laid off employees.

The Role of Government and Impact of Layoffs on People

During the Covid-19 pandemic, governments around the world are presented with a challenge, whereby the virus has shut down universal economies. Governments have recognized this problem and have made money available to people and to businesses. The role of the government is to aid companies worldwide by providing corporations with loans and possibly even grants or free money and bailouts, in certain situations, in order to overcome and surpass the economic crisis that Covid-19 has created. It is the responsibility of all government leaders and managers to effectively plan, organize, lead, and control (Mujtaba, 2014) any such crisis and pandemics to reduce its negative impact on the people and economy. As we will see in this section, both the Canadian and American elected officials have quickly taken certain actions to offer some financial relief for individuals and firms that are negatively impacted by the Covid-19 pandemic.

The Canadian Role of Government

As a Canadian citizen, the first author compared the role of Canadian government with those of the American's to observe how they dealt with the Covid-19 pandemic and provide financial relief to citizens of each country. The Canada Emergency Response Benefit (CERB) is a benefit, which applies to a person if they have stopped working due to Covid-19 and includes temporary income

support from the government. The CERB provides \$500 weekly, for up to 16 weeks (Government of Canada, 2020). To be eligible, individuals must reside in Canada, be at least 15 years old, who had employment and/or self-employment income of at least \$5,000 in 2019 or in the 12 months prior to the date of their application; have stopped working because of reasons related to COVID-19 or are eligible for regular Employment Insurance or sickness benefits, or those who have exhausted their Employment Insurance benefits, and finally who have not quit their job voluntarily (Government of Canada, 2020). The process is extremely quick and easy, allowing citizens to complete the benefit application within minutes.

In addition, Prime Minister Justin Trudeau announced that the federal government is going to expand the loan program for small businesses suffering from the COVID-19 pandemic and is creating new support for companies having difficulty paying rent (National Post, 2020). Trudeau states that 195,000 loans worth a total of \$7.5 billion have so far been approved (National Post, 2020). Admitting that some businesses have been excluded from this amount, the government is attempting to expand these loans and benefit programs. This reflects the role of government during times of financial distress, as their job is to fiscally assist citizens and their families during these uncertain conditions. Another prime example of the role of governments during Covid-19 is the implementation of the Canada Emergency Wage Subsidy (CEWS), another payment program for employers. The CEWS provides a 75% wage subsidy to eligible employers for up to 12 weeks, retroactive to March 15, 2020 (Government of Canada, 2020). This benefit program prevents further job losses, encourages employers to re-hire workers previously laid off as a result of COVID-19, and helps Canadian companies and other employers resume to normal operations more easily, following the crisis (Government of Canada, 2020). This demonstrates another role of the government, which is more than just providing financial relief, but being responsible and thinking ahead in order to prevent future losses. The CEWS creates an environment where employers do not need to layoff as many workers, as they are only responsible for 25% of employee wages. Government programs like this, which support small business owners, allows small companies to remain open and keep employees onboard. In all, the role of the government is to be reliable and accountable to its citizens, by providing social, mental and economic relief to individuals by generously creating benefit programs that will help provide peace of mind.

America's Role of Government

As mentioned above, it is the duty and responsibility of a country's government to help residents in times of need. Throughout this pandemic, the American government has provided individuals

and companies with financial assistance and funding by providing benefits and grants, and even delaying taxes. The Internal Revenue Service (IRS) delayed federal tax filing until July 15 and offers advice for deducting COVID-19 costs from your taxes, while qualified taxpayers can get free help from the IRS Taxpayer Advocate Service (United States Government, 2020).

A variety of monetary programs have also been approved for distinctive individuals and families, ranging from Military employees and their families to healthcare providers (United States Government, 2020). Other resources are available to aid older adults and people with disabilities. In addition, the U.S. Government has developed additional federal programs in order to assist small businesses. The U.S. Department of Commerce announced that a \$1.5 Billion in CARES Act Funds to aid communities impacted by the coronavirus pandemic. The Economic Development Administration's CARES Act Recovery Assistance provides a Paycheck Protection Program (PPP) that ensures small businesses can continue to pay employees and cover expenses during this unprecedented health crisis. This program can be applied to the complete cost of payroll and other eligible expenses, for up to eight weeks, and includes non-profits organizations (Administration for Community Living, 2020). Another example is FEMA's Public Assistance Program, which supports each community's recovery from major disasters by providing grant assistance for life-saving emergency protective measures. The President's emergency announcement and successive major disaster declarations for COVID-19, certain state, local, tribal, and territorial government entities and certain private non-profit organizations are eligible to apply for assistance under the FEMA Public Assistance Program (Administration for Community Living, 2020).

Apart from financial remunerations and providing allowances, the U.S. government has taken other measures to prevent this virus from spreading. More specifically, there have been bans placed on travel, immigration, and transportation, with new regulations and guidelines for individuals and items traveling to and from the United States. The Department of Homeland Security (DHS) has arrival restrictions for certain foreign nationals, restrictions for Canada and Mexico border crossing, and DHS news and updates (United States Government, 2020). Academic institutions have altered their teaching methods from traditional in-class (face-to-face or ground) lectures to entirely synchronous and asynchronous online classes using available options and programs such as Canvas, Blackboard, Moodle, Zoom, Go-To-Meeting, Skype, Microsoft Teams, etc. With non-essential businesses being temporarily shut down for several months, the government has attempted to diminish human interactions and social gatherings.

In total, the biggest economic stimulus or aid package approved by U.S. Congress was the CARES Act, passed on March 27 of 2020, and allowed for a total of around \$3 trillion in spending. About \$270 billion of which was sent directly to qualified Americans through the Economic Impact Payment program, where each person received up to \$1,200 and couples (jointly earning less than \$150,000 over the previous year) up to \$2,400, plus an additional \$500 per each child. Over \$500 billion was lent out through the Paycheck Protection Program (PPE), which gave forgivable loans to small business owners so they could keep workers employed for a few months during the quarantine period instead of terminating them through layoffs. Overall, more than three trillion dollars of taxpayer money was spent, hoping that corporations and businesses would keep Americans employed (instead of resorting to immediate layoffs) to keep consumer spending high and the economy running. Sadly, much of this money was spent simply paying people for staying home, not working and not being productive at a time when the country needed more employees to test people who might have the Covid-19 infection, to treat the sick while isolating them so they can become healthier without spreading the virus, and to trace the contacts of the infected so they can self-isolate even when they are asymptomatic. In reality, there was little or no collective and sustainable effort at the national level by the federal government to effectively test, treat and trace Covid-19 infections. As of the final edits of this article, we are seeing a significant rise of infections all around the United States and many symptomatic individuals often have to stay in long lines about 4-8 hours to be tested and then wait for 6-12 days to get their results.

As per our communication with Dr. Rolando Ochoa (July 20, 2020), given the current alarm that our total infected is increasing in Florida, data shows that the increase this last 5 days have been 61,264 or 24%. This is down from the increase (7 days) as of July 11 of 64,459 or 34%. As of July 4 the increase was 43%. There appears to be a downward trend on the increment of total infected. Sadly, the surge of new infections started around June 16 or 30 days ago. The increase in deaths for the last 5 days was 376 or 9%. This is also down from the increase (7 days) as of July 11 of 498 or 13%. As of July 4 the increase was 12%. Once again, there seems to be a downward trend on the increment of total deaths. While infection rates are important to track and they should be decreasing, many believe that deaths are more important. Of course, our medical professionals are able to better treat patients and more research is becoming available to them to keep people alive using available and approved medications (i. e. Remdesivir which has shown promising results).

As can be seen from Table 2, the “Death Rate” by counties in Florida is listed from the highest to the lowest. The death rate for the State is 1.45% down from 1.69% in July 11. This means that the survival rate is over 98%. The counties with the highest death rate is Charlotte (Port Charlotte) with 5.79 and Orange counties in Orlando shows the lowest with 0.52%.

Florida Counties	TOTAL INFECTED	TOTAL DEATHS	DEATH RATE
Charlotte	1,382	80	5.79%
Palm beach	25,045	666	2.81%
Sarasota	4,065	100	2.46%
Pinellas	13,019	310	2.38%
Manatee	6,280	143	2.28%
Polk	9,030	174	1.93%
Lee	12,397	232	1.87%
Volusia	4,959	80	1.61%
Miami Dade	81,026	1,274	1.57%
Collier	7,577	105	1.39%
Broward	38,131	488	1.28%
53 other counties	73,134	799	1.09%
Hillsboro	23,103	234	1.01%
Duval	15,903	93	0.58%
Orange	22,518	117	0.52%
TOTAL FLORIDA	337,569	4,895	1.45%

Source: Ochoa, Rolando (2020). Personal Communication with Rolando M. Ochoa, July 20, 2020.

Table 2: Florida counties Covid-19 Deaths and Infection Rates.
(as of July 20, 2020)

Overall, the colossal mismanagement of this process and taxpayer money through bad leadership equals to one of the biggest debacles of the twenty-first century during the Trump Administration. It has been said that the fish “Rots” from the head; so if the President of the country believed that Covid-19 was a hoax and it would soon go away, then why would the rest of his supporters believe the medical professionals in stopping the spread of this infection. The rhetoric of politics might be why the nonsensical debate about some individuals not wearing a mask has actually become an issue among people in the United States. So the “Rotten” fish has created “Herd immunity” through a false narrative within the administration and millions who supported it. The few that tried to speak the truth have been largely ignored by the “Herd” and were treated like an isolated sheep. Perhaps we can say that while the fish’s head may have always been rotten, it also quickly spoiled the entire “Herd” following the “Fish”.

The American taxpayers spent over \$3 trillion to give free money to big and small corporations alike and some “Deserving individuals” so workers can stay home and take care of their family members. Now, as of early August, the U.S. Congress is considering another \$1 trillion economic stimulus package, and we hope that they can use it wisely to reduce and eliminate the infection rates of Covid-19. So far during the first wave of the quarantine and business closures, the reality was that many talented workers stayed home mostly being unproductive and watching television, while the federal government leaders and policy-makers did nothing to stop the spread of the deadly infection. If our public sector leaders had spent some of this money or additional efforts on effectively testing, treating and tracing the Covid-19 infection cases through the collective work of the national government in all states around the country simultaneously, more people would be employed and we would see fewer infections of this coronavirus. The average person does not want to stay home to get free money, and would rather earn an “Honest day’s work” salary by aiding the federal government in this worthwhile and meaningful cause. With more people employed through the federal government or its contractors in the testing, treating and tracing process jobs and related activities, the economy would automatically have taken care of itself. As they say, an ounce of

prevention is worth a pound of cure. One conclusion in the United States is that the federal government and incompetent public sector leaders totally mismanaged the American response to the Covid-19 pandemic and consequently more firms are having to resort to employee layoffs which is negatively impacting firms, workers, the economy, and the government due to reduced taxes from consumer spending.

At the next economic stimulus package, hopefully our policymakers can keep people safe from being infected while also bailing out the poor, the small business owners, and the educational institutions so they receive sufficient funding to be effective with all their learners and future leaders. As a citizen, it is beyond belief, anger and frustration to see the big corporations and rich banks are getting unlimited bailouts when young students cannot even get the necessary supplies they need to learn. Of course, their poor teachers worry about not being infected if they go to school.



Exhibit 1: Nothing Trickled Down by Robert Reich.

(Source: Robert Reich Facebook post, July 10, 2020)

Some of our leaders and policymakers continue to believe that if we bailout the rich corporations and big banks that are all for-profit organizations, the economic benefits will trickle down by more people being employed. In reality, it should be labeled as “The rich getting richer and staying rich philosophy” because, as emphasized by the former U.S. Labor Secretary Robert Reich, bailing out Wall Street did not trickle down to the lowest wage earners. As we have seen over the past two decades, despite the massive economic stimulus packages, the poor and the middle class along with most small businesses seem to receive the least benefits from these huge economic packages sponsored by the

taxpayers. One of the main reasons why very little trickles down is that the rich will hire the best accountants and financial consultants to invest their funds, bonuses, and windfalls wherever they can get the highest return on their investment (ROI). Of course, the highest ROI decisions often end up in employee terminations, layoffs, and/or outsourcing to foreign locations in order to maximize stockholder investments.

Impact of Layoffs on People

Losing one’s job is a challenging and desolate concept to grasp, as it directly affects one’s mental states and has a significant amount of physical, social, financial, and emotional impact as well.

Mental Impact

In general, depression, anxiety, and lack of confidence are common struggles for victims of layoffs. Harsh feelings of sadness and despair can at times develop into chronic mental health conditions that adults may endure for the remainder of their lives. It has been found that stress-related illnesses were 50% higher in the companies that downsized in the past, compared to companies that had not undergone downsizing (Mujtaba and Senathip, 2020). This mental stress can be particularly extreme for the “Breadwinners” of the families, as they have the role and responsibility of taking care of all family members, and families that are already living on a tight budget. While these aspects may technically just be mental effects, these dark, negative attitudes drip deep down into other parts of the employee’s life, causing destruction to their social life and even problems with their physical health. Since men are more likely to externalize their depression, they are prone to becoming aggressive, using drugs, excessively drinking alcohol, engaging in dishonest affairs outside one’s legal relationship, and withdrawing from their loved ones (Walton, 2015). Moreover, living in a dark state of mind with depressive thoughts can result in overall changes in physical wellbeing.

Physical Impact

Being unemployed implies not only having a lack of steady source of income and purpose but includes having to fear about simple life necessities, like putting food on the table for your family. Once employees are laid off and enter a state of stress and hopelessness, individuals are less likely to worry about their physical health or appearance. With less money to spend on gym or sports memberships, laid off personnel do not always have the means to improve their health. In addition, Covid-19 has resulted in the closure of all gym establishments, preventing the majority of people from engaging in daily activities. As depression can lead to

gloomy, damaging thoughts, most employees fighting depression will not have the desire to even go outdoors. In addition, the actual physical body is impacted, as backaches and low sexual desire are common physical symptoms of depression, along with extreme fatigue and a change in eating habits or sleep patterns (Walton, 2015). Moreover, a sudden increase in stress, anxiety, and depressive behaviors can lead to chronic physical conditions such as heart disease, gastrointestinal disorders, and high blood pressure (Mujtaba and Senathip, 2020).

Social Impact

Since employees may experience heightened negative emotions after being laid off, personal and professional relationships can be impaired. While there is a direct correlation between layoffs and changes in one's social life, family ties and friendships are strongly affected. While a newly laid-off employee can experience feelings of anger, irritability, vulnerability, rejection, and helplessness, these feelings can spillover and spread amongst employees' loved ones, causing damage to family relationships. Since work typically provides structure within one's life, along with social connectedness and a feeling of self-worth, being terminated involves confronting the losses associated with social and psychological benefits. As mentioned under mental impacts, some people even engage in extramarital affairs or dishonest sexual interactions outside their current relationships and move away from family members as a way to cope with the mental strain. With employees' minds being continually bombarded with thoughts of failure, they can lose contact with friends and other social networks, as depression causes a loss of interest in external activities and increases the desire to be isolated. Moreover, if the terminated employee's main group of friends still remain at the company, there is a possibility of unwanted tension within the circle of former colleagues (Mujtaba and Senathip, 2020).

Financial Impact

One of the most influential consequences on laid off employees is the financial impact, which represents a main stressor, as individuals lose their principal source of income, which can lead to unwanted debt. Apart from incurring further expenses and liabilities, employees who are laid off during Covid-19 will have to recognize and accept the unfortunate reality of shortage and the unavailability of similar jobs in the market. This leaves employees and their families without adequate income over extended periods, resulting in higher levels of stress and more health symptoms (Ramlall & Haas, 2020). Evidently, it is clear that the strength of financial implications is large, as the lack of revenue causes increased negative emotions and creates unfavorable changes in

mental, physical, social, and emotional health. Having to face a financial burden, individuals and families must expect and often accept a lower quality of life and may struggle to budget wisely (Mujtaba and Senathip, 2020).

Emotional Impact

One of the most significant yet harmful impacts of layoffs during Covid-19 is the emotional concerns and consequences. Several mental health experts believe that with all the closures and shutdowns, there will be a second wave to the coronavirus pandemic that is even harder to respond to or see: loneliness, sadness, depression, and even suicide (McCue, 2020). Unfortunately, these sentiments and sometimes illnesses are more difficult to detect, as they live within one's mind and can go unforeseen if not discussed. Moreover, without the opportunity to contribute to society and feel a sense of self-worth or purpose, adverse emotions become the new reality of terminated employees, as they remain uncertain of the future. A study by Ramlall and Haas (2020), focusing on common coping strategies used to manage the stress of being laid off, demonstrates that positive-thinking and support seeking coping strategies represent control-oriented coping strategies. Conversely, avoidance and disengagement are forms of escape coping strategies (Ramlall and Haas, 2020). Since positive coping strategies occur more often in situations that are viewed as controllable, the escape and disengagement strategies are used when the situation is uncontrollable, meaning there is little the individual can do to control the outcome or occurrence of the event (Ramlall and Haas, 2020). Considering Covid-19 has rapidly and unexpectedly plagued the earth, we can deem this pandemic to be an uncontrollable event, completely out of the employees' power. Being laid off due to these catastrophic reasons can result in individuals using escape coping strategies rather than positive, control-oriented coping strategies. Thus, the environmental influence causing the downsizings will naturally drive people to cope with these discharges in a negative and unproductive way.

Impact of Layoffs on the Organization

Apart from the terminated employee suffering harsh penalties from layoffs, organization as a whole can experience punitive reactions from these practices. As previously acknowledged, the participation of employee layoffs can cause a fearful environment, as remaining employees are scared to lose their jobs. Employee burnout has been found to be more than twice as high in companies that had downsized compared with those that had not. While remaining employees can adopt "Survivor's remorse" which can severely tarnish work ethic and overall commitment and trust to the employer, productivity can be compromised and diminished

substantially (Mujtaba and Senathip, 2020). Not only related to a firm's operations, but also surviving a layoff period increases intrinsic, personal problems. Data has shown that layoffs had a neutral to negative effect on stock prices and the majority of companies practicing layoffs suffered declines in profitability. Thus, there are long-lasting, destructive implications not only for the terminated employee, but also for the entire organization and society in general (Jian, et al., 2020).

Positive Optimism during Layoffs

With regards to positive effects on employees during layoffs, we trust there are ways to make this experience constructive. If people apply their time properly and maintain a positive and optimistic attitude, this period of being laid off gives employees the time to finally enjoy some free time. If people remain productive and engaged in activities like reading, walking, exercising, cooking, and learning new instruments or languages, this time in quarantine can allow individuals to not only cope with the stress, but also discover a life-fulfilling hobby they have never considered before. Social distancing and remaining isolated gives parents valuable time with their children and offer an opportunity to improve family bonds, as people can unwind, relax, and focus to their mental health. Acknowledging the present moment and being mindful is an increasingly important asset to hold, as companies such as Google and General Mills have started teaching mindfulness at their offices (Gelles, n.d.). Easier said than done, it is challenging for people to push themselves, especially in the middle of a pandemic. However, staying motivated and hopeful will lead laid off workers to new opportunities, possibly even employment. There are certain businesses and industries hiring during Covid-19, including pharmacies, teleworking software, grocery stores, home delivery firms, and technology support positions (Stahl, 2020).

Layoff Practices

When corporations are confronted with an economic crisis and are forced to make difficult decisions about downsizing and layoffs, there are various methods and techniques used to carry out these tasks. While some companies prioritize employees and ensure jobs and positions are secure throughout this uncertain time, some businesses cannot keep their staff and have chosen to practice layoffs for some or a majority of their employees. This section will cover how the best and most honorable companies conducted layoffs during this Covid-19 pandemic, compared to less ethical companies that display poor examples of terminating their employees.

One example of a morally responsible and respectable

way employees should experience layoffs is within the company Comcast. CEO Brian Roberts has set aside \$500 million in benefits for employees whose jobs have been affected by the virus (Sherman, 2020). Not only have they kept millions of dollars for pay and benefits of employees, but Roberts and other senior executives are donating 100% of their annual salaries to charities in order to support Covid-19 (Sherman, 2020). This type of ethical dismissal is compared to other digital media companies, like Vice or BuzzFeed, who have not displayed the same courtesy or generosity. For instance, BuzzFeed has been involved in a variety of pay cuts and benefits reduction (Barber, 2020). As displayed above, it is the role of sensible government regulations to ensure that companies are able to pay employees during this difficult economic time, not take pay away. BuzzFeed announced in late March that there would be salary reductions starting at 5% to 25% depending on employee salaries (Barber, 2020). Although not ideal, reduced salaries can be necessary to cut labor costs in order to keep a business alive. However, cutbacks are better than layoffs, as shown by Vice, who announced that for 90 days the company will engage in four-day work weeks in order to implement a 20% reduction for employees earning \$125,000 in the U.S. and 10% of those earning \$100,000 to \$125,000 (Barber, 2020). While this may seem unfair at first, we believe this is an ethical and equitable practice, as companies must cut costs, and doing so in this way allows employees to keep their positions, stay engaged, and just give up a portion of their salary, which is better than a layoff.

These are examples of how businesses should react to this new economy. Instead of cutting jobs and leaving people in a state of terror and panic, small strategic changes need to be made within the company to ensure the overall well-being of everybody. Another example of a great layoff practice is no layoff at all. CEO of Time, Edward Felsenthal, sent a notice to all staff pledging there would not be any layoffs, at all, for 90 days and the company will continue to hire (Barber, 2020). Contrary to the majority of business owners, Paul Greenberg, current CEO of Butter Work, states that an economic downturn will sharpen a company's focus, believing the last resort should be to cut back staff, which should only be done if the company is on the verge of shutting down (Barber, 2020). We were truly inspired by Greenberg's words, as he makes a very logical and valid argument. When faced with an economic crisis, which can and possibly will happen again, the solution cannot continuously be to cut costs with human capital. This is especially true, considering that in today's society the majority of companies are using intangible assets like human capital to create, gain and sustain a competitive advantage (Noe, et al., 2019). Companies need to strategize and find other ethical and creative methods to

deal with economic downturns and facilitate downsizing without cutting staff. One recommendation can be to implement computer software and other programs or tools that allow employees to work remotely from home. Similarly, the company can change a part of their business model to create more work or expand a current project. In all, supplementary approaches should be highly considered and monitored before resorting to layoffs.

WestJet is a company following this notion of utilizing human capital, as it rehires nearly 6,400 employees in order to help with federal wage subsidy (Dryden, 2020). CEO Ed Sims declared that even though there may not be sufficient amount of work for the rehired staff, the company realized the importance and positive effect it will have on the employees and the company itself. This is compared to a poorer example of layoff practices, as Cirque Du Soleil eliminated 95% of its workforce (MacFarlane, 2020). The service industry has been deeply affected by Covid-19 and Cirque Du Soleil has cancelled shows and trimmed its staff tremendously, as total layoffs are almost at 95% of their pre-coronavirus workforce (MacFarlane, 2020). Whether this is necessary or not is a debate in and of itself, however, the noble part of these layoffs occur after they are conducted. Cirque Du Soleil’s statement emphasized the temporary nature of the layoff and was concerned about insurance coverage, ensuring workers have access to support programs (MacFarlane, 2020). Even though the company participated in a

vast number of layoffs, it was the company’s approach and reaction that made their layoffs morally correct. The company expressed concern over their employees by ensuring they had proper access to support programs and highlighted the layoffs momentary time. While it may have been necessary for the company to engage in layoffs, the method in which they were conducted demonstrates the company’s commitment to its employees. These examples demonstrate how the difference between an ethical and unethical company does not reside in the decision to conduct layoffs but rather the manner in which they are performed.

Table 3 provides examples of the most frequent and common layoffs and furloughs in some of the most well-known companies around the world during the initial Covid-19 lockdown period. The data are compiled by the authors from recently published company and newspaper reports regarding layoffs by North American firms and terminations are projected to increase in the United States once government assistance ends around September (unless the U.S. Congress provides more help to corporations to keep workers employed). Overall, this data demonstrates that the majority of large, successful and reputable companies are engaging in layoffs as a means of downsizing. In fact, this data proves how companies in various industries are responding to this changed economy in similar ways. Whether it is the airline industry, ride sharing apps or clothing stores, businesses are participating in layoffs or furloughs in order to keep the company alive.

Company	Amount of Laid Off Employees / Personnel (March-June, 2020)
Private & Public School Teachers and Staff (Friedman, 2020)	U.S. Labor Department report:
	· 469,000 public school teachers and personnel lost jobs in April
	· 457,000 teachers and other school personnel lost their jobs at private schools
	· 176,000 professors and other employees at public state colleges and universities also lost their jobs
Boeing (Borden & Akhtar, 2020)	Laid off nearly 7,000 employees on May 27, 2020
Norwegian Airlines	Announced the temporary layoff of 90% of its workforce on March 16, amounting to 7,300 employees.
Scandinavian Airlines (SAS)	Announced that it would temporarily lay off 10,000 employees — 90% of its staff
Virgin Atlantic Airlines	Announced it would cut 3,150 jobs on May 5, in addition to retiring its iconic Boeing 747-700 planes a year early.
Air Canada	Set to lay off more than 5,100, or 50%, of its flight crew on March 19.
United Airlines	Expects to lay off at least 30% or some 3,400 employees on its administrative staff on October 1.
Uber	Uber announced removing 3,700 jobs (14% of its workforce), CEO Dara Khosrowshahi announced on May 18 that he will cut 3,000 additional jobs and close 45 offices.

Lyft	Cutting off 982 employees and furloughing another 288, accounting for 17% of the company’s workforce.
Airbnb	Planned to lay off roughly 25% of its workforce, or 1,900 employees, on May 5.
TripAdvisor	Laying off more than 900 of its employees, amounting to a quarter of its workforce.
Hertz	Plans to lay off 10,000 employees on April 20.
JCPenny	JCPenney started furloughing workers and confirmed it would continue to furlough a “significant portion” of its 85,000 employees
Under Armor	Temporarily lay off about 6,700 employees starting April 12.
Sephora	Performed over 3,000 layoffs across the US via conference call on March 31.
Cirque du Soleil	Announced it is laying off 95% of its 4,679 person staff on March 19
Pebblebrook Hotel Trust	Laid off 50% of its 8,000 employees on March 17 and may need to lay off an additional 2,000 employees
GE	Plans on reducing approximately 10% of its aviation unit’s workforce, amounting to about 2,500 employees, on March 23.
Sonder	Laid off or furloughed 400 people — one third of its workforce — on March 24
Macy’s	The company plans to be furloughing most of its 125,000 employees on March 30.
Sotheby’s	Furloughing 200 people or 12% of its workforce as of April 1, according to the Wall Street Journal.
Walt Disney World (Siemaszko, 2020)	Furloughs 100,000 theme park and hotel workers amid coronavirus shutdown
General Motors (Macleans, 2020)	Announced all production will be suspended, impacting 4,000 jobs.
Ford Motors Co.	Shut down all production in Canada, affecting 6,900 workers.
Toyota Motor Corp	Suspended all operations in Canada affecting 8,000 workers.
Fiat Chrysler	Suspended operations and lays off 8,900 workers.
Cineplex	<u>Laid off all part-time staff, roughly 11,000 jobs,</u>
Bombardier	Quebec transportation giant laid off 12,400 workers in Canada.
Indigo Books & Music	Laid off 5,200 staff, or about 75 per cent of its workforce. On April 13 Indigo said it is rehiring 545 workers.
Reitmans (Canada) Ltd.	Plans to lay off 90% of its retail store employees and 30% of head office staff
Gap Inc.	Laid off 80,000 employees in Canada and the U.S.

Source: Self-made table based on recently published company and newspaper reports.

Table 3: Layoffs during the first few months of Covid-19 Coronavirus.

What can HR Professional's do during layoffs?

Typically, when conducting layoffs within a company, HR professionals should assist employees in finding new employment or offer a temporary position at the company while the worker searches for new employment. However, during Covid-19, this may not be a feasible option, as the pandemic has caused a universal loss of jobs. Without many options available, HR professionals cannot aid in finding new jobs for all laid off personnel. However, there are several considerations that can be contemplated and practiced during layoffs in order to ease the pain and provide relief during this process.

Firstly, the delivery method in which HR professionals conduct the layoffs can have a significant impact on the employee's reaction. HR experts should ensure employee layoffs are done in person, instead of sending out mass emails, treating each employee as just another number. Face-to-face communication is vital in order for HR professionals to properly explain the current situation and reassure that jobs will resume once possible. In addition, this method should be accompanied with communication that is completely clear, honest, and open in order to avoid speculations or false remarks. Face-to-face communication correspondingly encourages interaction and allows each employee to ask questions and remain informed of following appropriate and consistent steps. Instead of simply notifying the worker they no longer have a secure position within the company, HR personnel must express concern and show they care. By reassuring the terminated employee that they will be rehired as soon as possible, workers can feel and remain more stable and secure. However, this sit-down technique may not always be achievable, considering Covid-19 came so quickly and abruptly. It may not have been possible to have in-person meetings with all employees as the virus had already spread dangerously. Therefore, if there is no time allotted and the layoff must be done via email, HR professionals should ensure to contact the employee directly and explain the circumstances over the phone or teleconference so the worker's questions can be answered. Adding this personal touch using a phone call is crucial, as the employee will feel the company truly cares about their future. Furthermore, HR should consider any opportunities within the company, as HR personnel should explore additional roles in the organization that the employee can transfer into immediately. HR should attempt to arrange appropriate severance packages including career transition support benefits (Mujtaba and Senathip, 2020).

Secondly, routine phone calls to check up on employees throughout the layoff period can lead to feelings of comfort, while alleviating some of the undue stress. Communicating

the company's current state, level of progression, and time left until work resumes can help the dismissed workers deal with the difficult process. These kinds of actions can also increase employees' satisfaction and commitment to the company, as they will feel a sense of loyalty. If possible, HR professionals should try and give employees a certain amount of pay, before or during, in order to reduce the amount of financial strain on unemployed workers. For instance, since they shut down all business units due to Covid-19, Comcast announced a \$500 million fund to support employees (Sherman, 2020). In all, with few options available, HR professionals should try to express concern when letting go of any employee. Covid-19 has made these practices difficult, however committing to employees and thinking about their long-term wellbeing will be very beneficial in the end.

During layoffs, HR professionals should also place extreme emphasis on the remaining workforce, while creating plans to move forward. Considering the negative effects occurring to the remaining staff after layoffs occur, it is important that HR personnel explain to residual staff the current situation and answer any of their questions or concerns. As we have seen, employees working in this atmosphere of distress and freight compromises productivity and thus declines company success. However, if the company wants to remain strong and efficient, employees need to respect their employer and commit in order to work to the best of their ability. Thus, facing residual staff members and ensuring their work safety and security can help increase operational success throughout the layoff period. Managers should actively engage and involve those workers that remain in shaping the future of the company. Since operations have changed due to downsizing, managers should inquire what employees need in order to do their jobs, thus reassuring them of their role to avoid losing them through voluntary resignations which can increase dysfunctional employee turnover rates (Varelas, 2010).

Lastly, when determining who will be laid off, the HR department should be heavily involved in the strategic planning, implementation and overall supervision of the layoff process. The human resource department is at the root of any corporation, as its obligations are centered on the welfare of employees and all staff members involved in making the operations possible. Like the blood flowing through a human body, a company needs active living cells, meaning employees, working at highest capacity in order to maximize productivity and ensure operations continue to flow smoothly. Moreover, since layoffs have to align with the organization's business needs, human resources should be involved throughout the process, including pre-planning, initiations, announcement, implementation, supervision, and the

aftereffects (Mujtaba and Senathip, 2020). It is apparent that the HR department plays a strong and vital role in the layoff process, as their extensive knowledge allows them to best determine who to lay off and make better business decisions that would be most viable for the company.

Managers and employers of socially responsible and ethical firms should try to ensure layoffs are a last resort, since the people who do the work are the company's biggest asset (Bond and Goldstein, 2015; Bercovici, 2013; Bergström & Arman, 2016; Bolsu, 2020; Chanet & Thomas, 2020; Conley, 2020). One executive explained that 'We are currently in an extraordinary situation; the world is basically put on hold. We have worked hard to build this team, and we wanted to find a way to cut costs without leaving our employees alone in an uncertain world and having to hire the same people when the crisis is over' (Lamp, 2020).

Overall, when layoffs are needed because of the Covid-19 pandemic or other reasons to save the company, make sure to give as much notice as possible so those employees who are impacted can start planning, applying for vacant positions within the firm, and/or seek job openings in other industries. HR professional and managers can assist with outplacement services like supporting employees with their resumes and coaching them on how to properly present themselves during interviews and providing appropriate letters of recommendation. The HR department can assure employees and prospective firms that will hire the workers that they were laid off due to the pandemic and not their job performance (Peterson, 2020).

Research has demonstrated that any layoff can cause lasting trust issues in an individual; and we know that job loss can result in weight gain, fatigue and weakened immune system for workers that must rethink their career options (Lamp, 2020). So, if you happen to be in a position of being involved in layoffs, remember to be transparent, show compassion, be kind, and offer as much support as you possibly can to employees who are negatively impacted by the terminations. The GNC organization is also going through bankruptcy and reorganization; as a result, they are closing nearly 20 of their stores in the South Florida region. One of the managers, Ms. Elaine, mentioned to the second author on July 17, 2020 that her store is closing and she was offered the option of moving to another location, within the same city, as an employee with a lower salary until another management position becomes available. In extreme circumstances such as what Elaine and her organization are going through can be very challenging, stressful and yet understandable as she has been fully engaged in the process from the outset. Elaine is certainly not happy that she

is losing her management position, but she appears content that she can continue earning partial income while hoping that better opportunities become available as soon as this pandemic is over.

At any time, dealing with layoffs should be handled very delicately and with the highest levels of professionalism. Regardless of the reason for downsizing, HR professionals should practice effective strategies that will make the layoff easier to handle as well as protect the organization against possible legal action (De Leon, 2020; Diamond, 2020; Fallon, 2020; Families First Coronavirus Response Act, 2020; Foran, Raju, Byrd, & Barrett, 2020; Gimbel, 2020; Greesonbach, 2020; Gregory, 2020; Grossman, 2020; Iacurci, 2020). Varelas (2010) provides a number of practical recommendations that employers, managers, and HR professionals should use during those times. Some of those strategies and recommendations include the following:

1. Have a well-thought-out plan. Organizations must understand that re-organization is imminent and must also seek legal counsel to understand and avoid any repercussions.
2. Remain objective. HR professionals should encourage managers to make decisions for layoffs based on legitimate reasons such as need and productivity instead of personal reasons.
3. Treat employees with respect and dignity. Always treat all employees with respect and give them the opportunity to leave with dignity.
4. Communicate clearly and honestly. Transparency during difficult times is respected and earns trust. HR professionals should ensure that the rumor mill does not damage the organization's reputation and negatively affect employee behavior.
5. Re-recruit remaining staff for additional responsibilities and promotions. When employees are laid off, remaining employees feel as if they could be the next ones gone in a future wave. HR professionals should help the organization support employees and explain just how their existence and roles will mold the future of the organization.

Human Resource Management (HRM) practices and jobs in all areas have been altered, changed or has somehow been affected by the impacts of Covid-19. This crisis has forced individuals, families, workers, and organizations to depend on each other as well as the leaders that they have elected to bring cities, states and nations through this dark time.

Conclusion

To conclude, prior to executing a downsizing strategy or policy, managers and top executives need to accurately evaluate and determine which employees should be dismissed and which should remain in order for the business to continue operating as

smoothly as possible. Taking into account the negative outcomes on the remaining workforce after the layoffs, managers should place substantial emphasis on the working staff. Among surviving employees, downsizing creates a high level of stress, along with poor morale and even guilt. Considering these unconstructive emotions, along with operations being altered due to missing personnel, HR should try to instill confidence in staff members, assure employees of their value to the organization, and communicate to all workers the company's reasons and rationale for the layoff. Moreover, throughout the process of layoffs, managers must keep communication open, honest and frequent in order to keep work relationships strong and prosperous. Employees must be able to trust their employers and managers, or group dynamics and teamwork can be negatively modified. Since company success is often on the decline in some industries during unexpected pandemics and subsequent downsizing, it is more important than ever for employees to work together and be productive.

It is also important to acknowledge that this study was limited to published literature and a qualitative observation of best practices across Canadian organizations and firms in the United States. Future researchers can distribute a quantitative survey to laid-off employees to obtain their perceptions and feedback on what went well and how human resources professionals can better serve their employees and firms during future pandemics.

We encourage public sector leaders at the federal level to first work on preventing the spread of Covid-19 coronavirus as this is the best way for the economy to go back to some sense of normalcy more quickly. Overall, while providing robust economic stimulus packages might be necessary from time to time to assist working adults who have lost their jobs and the those whose income falls near the poverty level, it is not sufficient to curb the negative impact of Covid-19 on the economy. As such, government policymakers should strategically assist governors, hospitals, schools, and local leaders through a national and cohesive collective plan to effectively test people who might have contracted the Covid-19 virus, treat people who are infected, and to trace the contacts of infected individuals so they can self-isolate for two to three weeks in order to reduce and eliminate the spread of this virus. Overall, we recommend focusing on prevention first and then the stimulation of the economy as well as opening of schools.

We know that managers focus on effective planning, organizing, leading, and controlling as their main functions in human resource departments as well as in general management. These management functions equally apply to private sector leaders and public sector elected officials. While this article did

not focus on the role of politicians, it is clear that some elected officials around the globe (i.e., in Canada, New Zealand, Vietnam, Singapore, Germany, Thailand, and many others) have been more successful in reducing the negative impact of Covid-19 in their nations. On the other side, since there has not been a national cohesive federal response to this coronavirus in the United States by the current administration, we have already lost over 135,000 Americans to Covid-19 virus and we are further sinking deeper and deeper into this crisis due to political partisanship, mismanagement and incompetent leadership. As such, our public officials in the United States of America have not managed this pandemic well. Consequently, future researchers can focus on identifying best practices by public officials in managing Covid-19 from around the globe.

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