

A Study on Psychological Impact of Covid-19 on Employee Performance with Special Reference to the Service Sector

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Abstract: The world's greatest challenge is COVID-19 declared by the World Health Organization. The pandemic has driven the world toward adapting to the current circumstances regardless of the business sector, or industry. Working from home has become more popular during the lockdown phase of pandemic COVID19, as many governments use a physical separation approach to avoid the risk of the pandemic. This study is conducted to know how COVID-19 has impacted the performance of employees, what were the factors that has hampered the employee's performance, challenges faced by the service sector whether it had a positive impact on employees or the employees were impacted negatively. The methodology adopted for the respective project study is survey method, exploratory research is used to investigate research questions that have not previously been studied in depth. The research design is exploratory in nature as the main purpose of the study was to explore the nature thereby to find out the impact of COVID-19 on employee performance moreover an attempt was made to find out interrelationship between variables. According to this study, employee performance as well as the productivity is influenced by mental pressure factors such as stress, anxiety, depression, fear etc. Mental pressure factors such as stress, anxiety, fear shows a negative relation to productivity as well as to performance.

Keywords: Covid-19, psychological impact, employee performance

1 Introduction

The world's greatest challenge is COVID-19 declared by the World Health Organization. The pandemic has driven the world toward adapting to the current circumstances regardless of the business sector, or industry. Working from home has become more popular during the lockdown phase of pandemic COVID19, as many governments use a physical separation approach to avoid the risk of the pandemic. COVID-19 pushed almost all the employees around the world to work in a completely different setting in comparison to what it used to be before.

Against this backdrop the present study aims to explore the factors that hampered employee performance moreover this study is being conducted to know the relation between mental pressure and employee's performance and for assessing relation between the mental pressure and the employee productivity.

2 Literature Review

[1] examined the impact of COVID-19 pandemic on Indian service sector they have researched on the pre & post impact of COVID on the different service sectors. The result established that the COVID situation in the country during the first wave wasn't that harsh on majority of the people, they struggled in that phase, lost their lives, but the second wave had created a havoc. [1] studied the impact of Mental Pressure and Covid-19 on the work performance of working mothers. The result establish that mental pressure and COVID-19 have a negative impact on the work performance of working mothers.

[3] examines relationships among social distancing, social resources and mental health during the early course of the COVID-19 pandemic (mid-February to late March 2020). The result examined social support had relatively strong and independent negative associations with all symptom types. Social network size was independently associated with intrusive thoughts and acute stress; surprisingly, this association was in the positive direction. Both measures of social distancing were associated independently with concurrent symptoms, and these effects were evident above and beyond the expected, protective effects of social resources.

[6] examined a review of current publications measuring the effects of COVID-19 on wellness of the HCWs to inform interventional strategies. 37 studies were included. The review of literature revealed consistent reports of stress, anxiety, and depressive symptoms in HCWs as a result of COVID-19. [7] review the literature about mental health problems faced by health care workers (HCW) during the COVID-19 pandemic. Several socio demographic variables like gender, profession, age, place of work, department of work and psychological variables like poor social support, self-efficacy were associated with increased stress, anxiety, depressive symptoms, insomnia in HCW. There is increasing evidence that suggests that COVID-19 can be an independent risk factor for stress in HCW

3 Research Objective & Methodology

3.1 Research Objective

1. To assess the impact of mental pressure on employee's performance.
2. To assess the impact of mental pressure on employee productivity.
3. To identify the factors that hindered the employee's performance.
4. To know the benefits of work from home policy for employees.

3.2 Research Methodology

The methodology adopted for the respective project study is survey method, exploratory research is used to investigate research questions that have not previously been studied in depth.

4 Data Analysis

Section A: Demographic profile of respondents

Table 4.1 Demographic details

1) Gender

Gender	Frequency	Percent	Valid Percent	Cumulative Percent
Female	52	52.0	52.0	52.0
Male	48	48.0	48.0	100.0
Total	100	100.0	100.0	

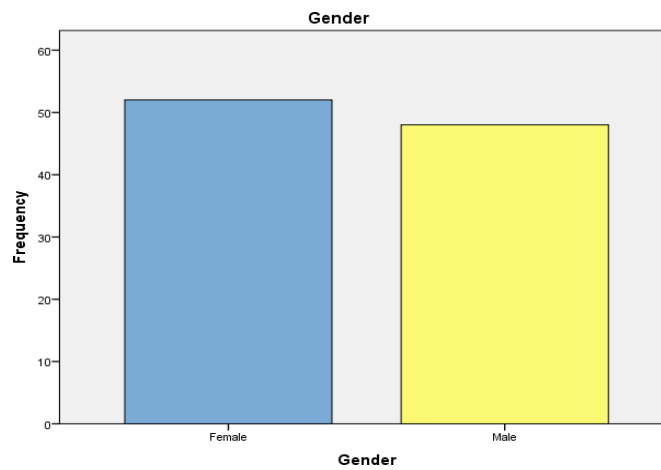


Figure 4.1 Demographic details

According to the data filled by 100 respondents 48 respondent were male and 52 were female. This shows that the female candidates comprise highest percentage of the respondent study.

Table 4.2 Age details

2) Age:

Valid	Frequency	Percent	Valid Percent	Cumulative Percent
18-25	57	57.0	57.0	57.0
25-33	27	27.0	27.0	84.0
33-41	11	11.0	11.0	95.0
41-49	5	5.0	5.0	100.0
Total	100	100.0	100.0	

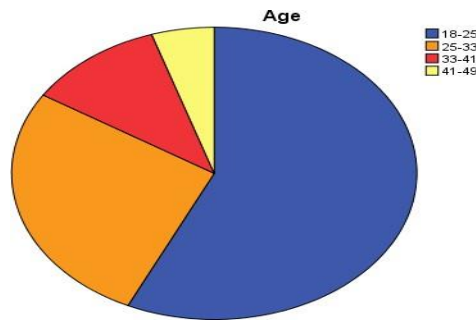


Figure 4.2 Age details

The data is mostly gathered from the employees aged 18- 25. 57% employee were of the age 18-25, 27% are of age 25-33, 11% are of age 33-41 and 5% of age 41-49.

3) Sector:

Table 4.3 Sector Details

Sectors		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Education & Training	17	17.0	17.0	17.0
	Financing	15	15.0	15.0	32.0
	Hotel and Restaurants	10	10.0	10.0	42.0
	Others	23	23.0	23.0	65.0
	Pharmaceutical	9	9.0	9.0	74.0
	Real Estate	7	7.0	7.0	81.0
	Transport	19	19.0	19.0	100.0
	Total	100	100.0	100.0	

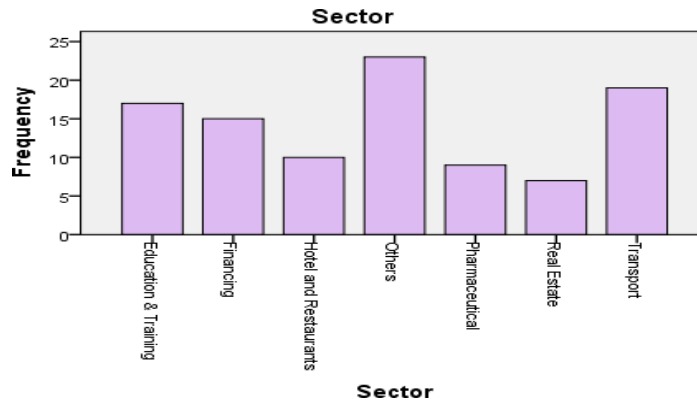


Figure 4.3 Sector details

The questionnaire was circulated among the service sector employees but according to the chart above most respondents were of transportation, education, financing and others like (legal bodies etc.)

Did termination took place in your organization during COVID-19? Count of termination

Table 4.4 Termination count

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	No	22	22.0	22.0	22.0
	Yes	78	78.0	78.0	100.0
	Total	100	100.0	100.0	

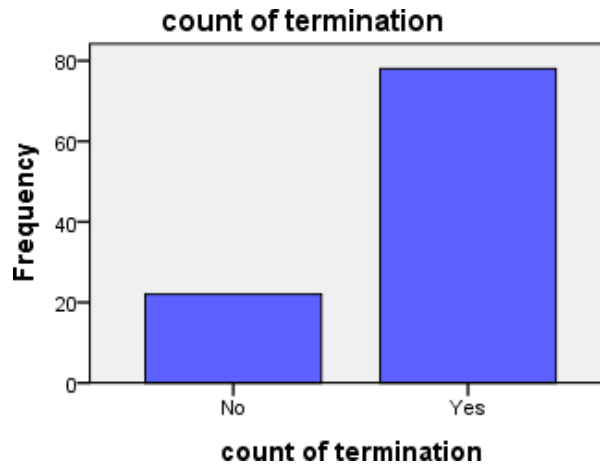


Figure 4.4 Termination count

As per the responses above by the respondent's majority of the responses are Yes for the termination that took place during COVID in their organizations.

2) On a scale of 1 to 5 rate how much you prefer working from home where 1 represents very unlikely and 5 represents very likely.

Table 4.5 Work from home policy

Valid	Frequency	Percent	Valid Percent	Cumulative Percent
1	20	20.0	20.0	20.0
2	20	20.0	20.0	40.0
3	30	30.0	30.0	70.0
4	21	21.0	21.0	91.0
5	9	9.0	9.0	100.0
Total	100	100.0	100.0	

According to the bar graph above many respondents chose the option 3 as a neutral neither they disliked the Work from home policy neither they liked the work from home policy.

3) Benefits of Work from home policy

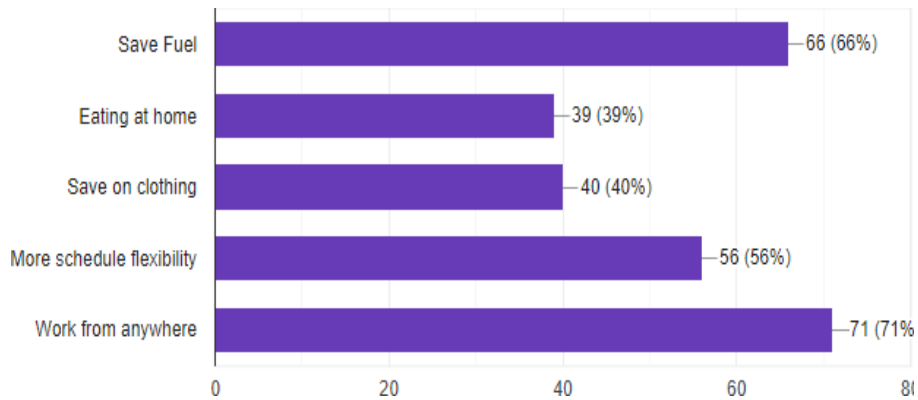


Figure 4.6 Benefits of Work from home policy

Above stated checkbox question states that according to the majority of responses save fuel, flexibility and work from anywhere are the greatest advantages of work from home policy.

4) Drawbacks of Work from home policy

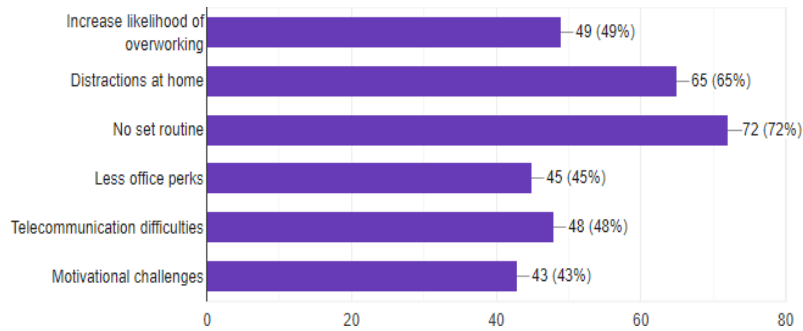


Figure 4.7 Drawbacks of the policy

Everything has its pros as well as cons so the work from home policy disadvantages or drawbacks that majority respondents chose are distraction at home and there is no set routine for work.

So, this might be one of the reason why people rated from 1 to 5 work from home policy as 3 as they were neither satisfied nor dissatisfied.

5) Did your motivation got affected during COVID lockdown?

Table 4.6 Effect on motivation

Count of motivation		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	No	11	11.0	11.0	11.0
	Yes	89	89.0	89.0	100.0
	Total	100	100.0	100.0	

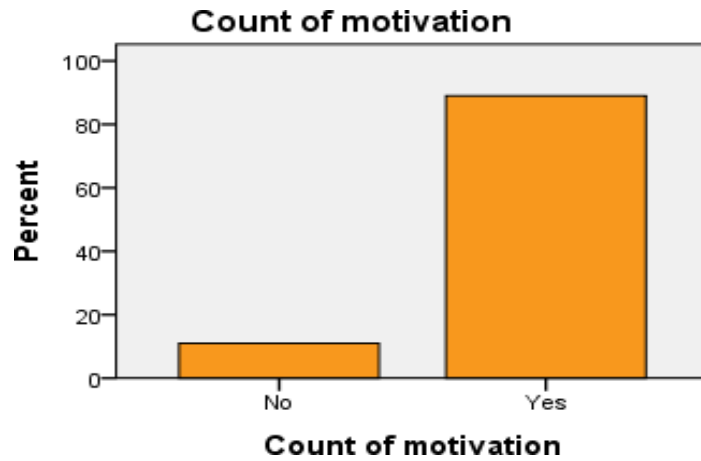


Figure 4.8 Effect on motivation

During COVID-19 employee's motivation got hampered above bar graph show that out of 100 respondents 89 respondents selected the option yes and 11 respondents chose the option no.

6) Factors that affected employee performance as well as their productivity.

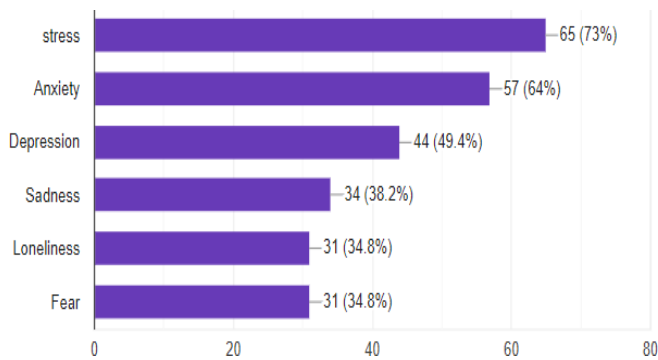


Figure 4.8 Factors affecting employee performance

There are several reasons or factors to the fall in the employee's performance as well as their productivity got reduced majority of people chose the option stress and anxiety as their top reason for the fall in their performance and productivity.

5 Discussion

The connection between mental pressure and employee performance is 0.659, i.e. they are strongly linked. To further harden and to find the extent of their relationship between them, we secondly try direct reversion technique with the same data for mental pressure and employee performance. While taking data to conduct direct reversion analysis, Employee performance is set as dependent variable and mental pressure as independent variable

6 Conclusion & Implication

The study is aim at finding out the psychological impact of COVID-19 on employee performance working in Service Industry. So, according to this study, employee's performance and employee's productivity is influenced by factors of mental pressure/ breakdown such as stress, anxiety, depression, job fear etc. Mental pressure shows a negative relation to productivity as well as to performance. Mental Pressure and employee performance as well as productivity is negatively related, which means if the mental pressure is higher employee performance and productivity will be lower and vice versa.

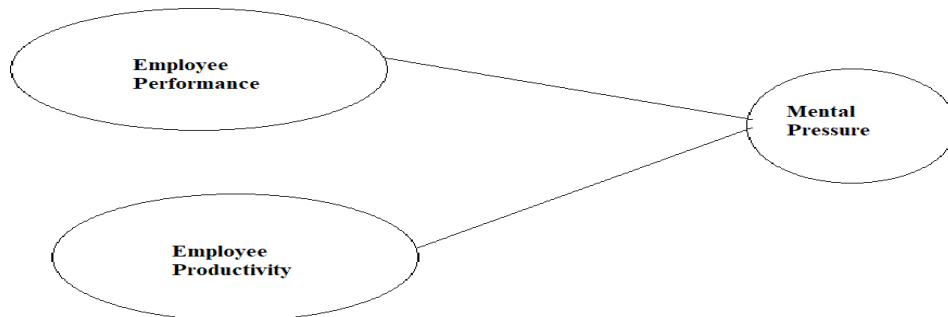


Figure 6.1 Inverse Relationship between mental pressure and employee performance and their productivity.

Further there are several psychological factors that influenced or hampered the performance of service sector employees such as their motivation got reduced during the COVID moreover the stress, anxiety, depression, loneliness, fear are some of the reasons for low work performance.

Through this research we could understand that there are several benefits as well several drawbacks of Work from home policy and the people have a neutral opinion regarding this work from home policy neither they are satisfied nor they are dissatisfied with the policy.

Conducting one on one or interactive session, arrangement of counselling session can be conducted so that the moral of employees do not fall. Through one on one session we get to know the other people expectation moreover it helps in building up the interpersonal relationship so in this COVID situation where employee performance, morale was declining its best to have session like these. Adding to this providing stress relief sessions to the employees like online workout, yoga or virtual outing and virtual meet ups, Virtual games can also be played for increasing interpersonal skill can also be provided. Also another important point is to ensuring transparent communication so that online communication gaps can be filled.

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