

Crisis on Human Resources: Airline Companies in Thailand

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Abstract: A year has gone by and the COVID pandemic is still affecting many industries, with thousands of people getting laid off from work due to lockdowns all across the world. The Airline Industry in Thailand is no different. With many budget airlines closing down permanently and big players in the industry such as Thai airways, filing for bankruptcy just to stay alive. Although the current situation has improved since the beginning of the year, the industry still faces many problems in terms of Human Resources. With the gradual lift of travel restrictions, the industry is slowly trying to bounce back but recovering what the industry lost will be a very slow process in the current situation. Unlike other industries, work from home is not an option in the airline industry, as the industry depends on employees to be physically present, it is evident that safety protocols need to be heavily implemented for the well-being of their employee and their customers. To foresee the possible changes in the industry in regard to Human Resources, the author focus on five main aspects of Human Resource Management: Recruitment, Training, Motivation, Healthy Environment, and Retainment of Employment. In each part, the author states the importance and provides strategies to cope with the current situation. In conclusion, the author ends on an optimistic note for the industry and emphasizes the need to adapt in order to survive in the current situation.

Keywords: Human Resource Management, COVID, Airline Industry, Thailand

1. Introduction

Considering the implications of the global pandemic and its uncertainty, industries around the world have been greatly affected. Among all the industries, the airline industry has been affected the most [9]. With countries closing borders and airports to slow down the spread of covid-19, airlines have lost billions of dollars each quarter in their struggle to survive [6]. In their battle to survive, one must realize that in the current situation for airline companies, their employees' job security is currently under threat. Employees are one of the most expensive costs for a business [8], but one of the easiest to get rid of. So, during financial difficulties such as the one we are facing at the moment, employees are the first resources that a company gets rid of. Doing so is a temporary solution for companies, as downsizing in itself is an expensive process [10]. It also adds stress to employees that were not laid off for their job security. This paper will be an analysis of change in the role of the human resources field post-covid pandemic.

Though the pandemic has affected a lot of industries, the paper will focus mainly on the airline industry in the context of Thailand. The paper will provide an analysis of how the airline companies operating in Thailand dealt with the situation regarding COVID-19. It will be noted that the paper will also contain the possible changes that might occur in the human resource field. The assessment will include aspects such as recruitment, training, motivation, a healthy environment, working conditions, and retainment of employees.

2. The Industry

The airline industry in Thailand has suffered a lot during the current situation. Thai Airways International, the flag carrier of the nation went into an "operational hibernation" [5]. Other airline companies such as Thai Lion and NokScoot also suspended their operations. As an example of the severity of the financial loss, during the beginning of the pandemic, reports from The International Air Transport Association (IATA) estimated that Thai Airways my burn through US\$61

billion in the second quarter of the year with a quarterly net loss of about \$39 billion [5]. A report published in November states that the company incurred a loss of 21.53 billion baht [1]. The airlines recently filed for bankruptcy as a last resort to survive the crisis. As for the employees, the airlines stated that they will not be laying off anyone until they hear the decision of the court [3]. If the restructuring provides a clear direction for the airline to generate profit through expansion in different areas, layoffs could be avoided [3]. It is to be noted that if the plan doesn't provide a clear direction, 5000 employees are set to be laid off through their early retirement program.

In the case of other airlines such as Thai Lion, the company decided to lay off employees with less than a year of experience [7]. The company downsized its fleet which led to 169 employees being laid off [7]. Some airlines did not even have the option to downsize their operations. NokScoot a budget airline closed their operations as they were struggling before the pandemic hit the country and with borders closed, the company was left with no option other than liquidating their assets and close their operation and lay off 450 of their workers [4]. The State Enterprise workers' Relation Confederation (Serc) on Thursday urged the government to secure financial assistance for almost 2600 workers laid off by Wingspan Services, a subsidiary of Thai Airways International (THAI) [2].

3. The Role and Changes to Human Resources Post-COVID

With thousands of employees out of a job during the beginning of the year, there is an increase in the number of people looking for a job in this current situation. Though the situation regarding covid is much better in Thailand when compared to the previous months and other countries, the risk of contracting the virus is still present. In the context of airline companies, with the opening of domestic flights as well as some international flights, the risk for the employees is much greater. Airline companies may have an even tougher time recruiting people as the whole industry is unstable at the moment and employees are more likely to contract the virus if the working environment and policies are not implemented properly. Every aspect of human resource management needs to be changed or modified to keep up with the current situation. This section of the paper will contain what possible changes in the different aspects of human resource management.

3.1. Recruitment

In compliance with the current situation, several changes must be done in the recruitment process. In the context of airline companies, the workforce will be split; some working from home and some working in the field. In the context of Thailand, airlines such as Thai lion will provide priority to employees that were previously laid off from the company. There will be a trend of offering positions to previous workers before they are offered to the rest of the workforce. The

interview themselves will be much different than before. According to research by Jobvite, 84% of recruiters are currently adapting their hiring processes to facilitate remote exchanges [11]. A growing army of recruiters are likewise turning to videoconferencing solutions to screen and interview candidates as well [11]. Digital communication tools such as artificially intelligent job outreach programs and text messaging are also increasingly being implemented as a means of connecting with candidates, even as 55% of recruiters are also falling back on phone calls to source potential hires [11]. Candidates from all across the country will be able to apply for the offered positions, and with the option for remote working, it'll be easier for candidates to do their job regardless of the location they are in.

3.2. Training

Training is crucial for organizational development and success. [12]. It is fruitful to both employers and employees of an organization [12]. An employee will become more efficient and productive if he is trained well [12]. In the context of the current situation, training is the other thing HRM's will have to modify. With COVID-19 numerous things are different than before. Simply operating the way companies used to operate is not enough if a company is to survive. Training and re-training are going to be a new challenge for human resource management. When looking at industry-specific, training the airline industry requires to renew countless working policies if they are to have a successful training program for new and old employees. Apart from desk job positions, it will be more complicated to train employees that have to come to the airport to work. The human resources management team will initially have to train the staff safety protocols in order for them to prevent the contraction of COVID-19. Customer interaction is a huge part of the airline industry; employees need to be trained in how they should handle the passengers especially during this situation. Employees should be given clear direction on the company's protocol to ensure passenger and employee safety. The employees that have to work in the field need to be given training on how to interact with passengers, insure social distancing is maintained, ensure passengers have the proper documentation, and are wearing the necessary safety equipment. Employees such as air hostesses need to be trained on how to manage the passenger on the flight for the safety of the passengers as well as themselves. The company will be required to take extra steps as a precaution when it comes to training the employees for the sake of the company as well as the employees. To ensure smooth operations, online guidelines and tutorials also need to be made to help employees access the resources of the company. Not everyone is proficient in using electronic devices due to which creation of guidelines and tutorials are very important.

3.3. Motivation

Covid-19 has created uncertainty in the economy. Especially in the airline industry. Though domestic flights and

some international flights have opened up, people are still afraid to travel. In the first nine months of this year, Thailand had 6.7 million foreign visitors from almost 30 million last year [1]. A drastic decrease such as that does not reassure employees' confidence. Motivation is an extremely important factor in consideration of the current situation. It will be one of the most heavily emphasized aspects for both new and old employees. One of the most overlooked ways to motivate your team is through communication [13]. The employees need to be able to share information, not just about work but also about their concerns to the higher up. To ensure that, the human resource management team may form a task force to build a platform or a pathway through which the employees, especially ones that are working from home can communicate. In the context of industry specification, airline industries should focus on safety for the employees. Airline employees are at great risk of the virus, and with uncertainty concerning their careers, falling sick or injured is the last thing they want. Ensuring their safety will allow employees to work in a more stress-free environment. If those things are not provided, employees will be reluctant to put in the work that is required. Another way of motivating the employees is through recognition of good work. Employee recognition has long been a cornerstone of effective management [14]. An employee must feel they are growing as they work.

3.4. Healthy Environment

In the context of the airline industry, ensuring a healthy environment and work conditions are vital. With the current situation of COVID-19, it is more important for airlines to provide the necessary tools and equipment to ensure the safety of their employees as well as passengers. Focusing on the sanitation of the workplace will allow the employees to work in a stress-free environment. This is vital for the situation we live in as the uncertainty that was created due to the pandemic has everyone very stressed and concerned about their futures. Ensuring a healthy environment to work in not only eases the minds of the employee, but it will also act as a motivating factor for them. The human resource manager will also have to organize procedures to ensure a sanitized work environment. It should be noted that sanitization of the workplace was necessary before covid, but with recent events, the level of sanitation needs to be increased and should be one of the top priorities for airline companies as it's not only the employee's health that is at stake.

3.5. Retainment of Employment

A successful business needs consistency in all aspects, employees included [15]. Having a high retention rate means keeping staff members long-term, resulting in less time and resources required for training new staff and having the loyalty needed to run a business [15]. During times of uncertainty, people will try to look for jobs that are the most stable. In the context of an airline company, the current situation is the most difficult when it comes to the retainment of employees. Thus, airlines should be wary of

the fact that their employees may stay with them for too long even in the current situation. The company should focus on the health and wellbeing of the employees starting with the working environment as mentioned previously. The company should also ensure health benefits that cover the cost of COVID-19 treatment if they get infected. Job security is still a big issue when it comes to this industry, but companies should open a communication channel that addresses any concerns the employee has about issues such as job security, personal growth, training, and many more. Another way to ensure the retainment of employees is through benefits. One of the major issues that people will face is with their children. As the risk of infection is higher for kids, parents cannot leave them in a private daycare or with a nanny anymore. If the company can provide facilities for employees where they can drop off their kids in an environment they can trust, it will be a motivating factor for employees to stay in the company.

4. Conclusion

Covid-19 has changed the way the world works. It has brought a lot of uncertainty to the economy creating a huge amount of unemployment and closure of thousands of businesses across the world. The businesses that did survive will have to bring a lot of change towards the company policies, the way they recruit employees, training, and retraining of employees, and the working environment. The human resource management field needs to adapt and develop in accordance with our current situation.

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