

# COVID-19: THE SCAPEGOAT FOR THE EMPLOYERS

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## ABSTRACT

Coronavirus Disease (COVID-19) is a respiratory infectious disease caused by a new strain of virus. The pandemic infection started in the province of Wuhan, China at the end of 2019 and within 3 months it spread as wildfire to more than 200 countries. Every day on the news there has been an update of increase in numbers of people being tested positive for COVID-19 virus. To combat COVID-19, policy makers worldwide have adopted different policy alternatives, often including mitigation/suppression policies. These in turn had a profound impact on the world economy. This situation has led to financial instability of many organizations as well. The employers are put in a dilemma to overlook the well-being of the organization and benefits of the employee. The employers seem to take advantage of this crisis towards their employee. When looking at the history of human civilization, finding a scapegoat to blame for a pandemic is nothing new. Employees were forced to resign/ leave or even terminated for voicing concerns about the lack of health and safety protocols. Employees were laid off ostensibly because of COVID-19. However, something more nefarious and worse is discrimination against certain group of ethnicities.

**Keywords:** *Coronavirus; Covid-19; Pandemic; Employer; Employee; Financial*

## INTRODUCTION

Coronavirus disease 2019, or COVID-19, as renamed by World Health Organization (WHO), is a communicable disease caused by infection by a novel coronavirus which started as a cluster of severe pneumonia cases (Cucinotta & Vanelli, 2020). The isolated causative agent was found to be a novel coronavirus of severe acute respiratory syndrome coronavirus-2 (SARS-CoV-2). This borderless infection had spread internationally within 1 month since its identification, and today, to more than 200 countries (Huang *et al.*, 2020). Hence, governments around the world are forced to impose a method of controlling the outbreak, and most of the countries had strategized a restricted movement order which in turn, had a negative impact towards big industries, mainly the world's economy.

The exponentially growing number of cases resulted in the government imposing multiple phases of Movement Control Order (MCO) nationwide from March 2020, with exception towards essential services, in hopes that the rate of infection is brought to a plateau. However, on the other side of the coin, businesses and services which are non-essentials were restricted and forced into idle. In addition, interstate travel was curtailed, and time curfews were amended. This eventually led the situation to negative effect on maintenance and growth of the economy.

The current situation has resulted in a serious predicament between the employer and the employee. Many employers have taken the upper hand of this situation and started taking advantage of their employee. There has been ineffective response to COVID-19 by the employer, lack of focus on the physical and mental health and wellbeing of workforce, ignoring of the employees concerns, deduction of wages, retrenchment and even reached to a point of suppressing certain group of ethnicities related to the pandemic.

## LITERATURE REVIEW

The uncertainties in the financial constrain due to COVID-19 on organizations have placed the board of directors in tough position. The ethics of an employer have been on a thin thread when it came to prioritizing the organization over well-being of the employee. For many, COVID-19 has been an opportunity of scapegoat for the employer towards their employee.

COVID-19 is well known to be originated from Wuhan, China (Huang *et al.*, 2020), and this has resulted in discrimination against certain group of ethnic (UNESCO, 2020). The bar on discrimination applies to all aspects of employment, including hiring, firing, promotions, benefits, and workplace harassment. Employers have been known to use this as a 'proxy' for discrimination of employee of Asian descendant in their company (Spiggle, 2020). It is understandable if an

employer prefers to avoid hiring a candidate who is diagnosed as COVID-19 positive. However, the employer may decide on this after screening the job applicant for COVID-19, delay date of hiring on suspect of COVID-19 positive or prefer a new hire (Spiggle, 2020). Moreover, to thrive in the current diverse times, companies need to lead the way in inclusion by creating workplaces that promote and celebrate racial and ethnic diversity.

It has become a common scenario where COVID-19 has been used by many employers as a guise in dismissing their employee. Having such a prerogative power, there have been circumstances where employers have dismissed their employees under the guise of retrenchment. In such situation, the ideal decision is to “save what can be saved” rather than “destroy another for own satisfaction” (Muth, 2020).

COVID-19 pandemic has pushed many on the verge of business loss and even to bankruptcy. Various form of assist from the government and bank has been provided to ensure that the economy survives. In this stage, it’s advisable for employer to ‘cut the optional’ (Muth, 2020). This strategy may assist the organization to cut unnecessary cost which can help in preserving jobs of the employee. Many employers have been using COVID-19 as a resort to retrench, to ensure their business afloat. In such condition, it is best to share the pain, where the employer can cut from his own income and preserve at least basic salary of the employee.

In Japan, ‘honoring a promise’ is the most important thing (Muth, 2020). This value should be maintained even in modern times. An employer should honor his promises to his employee, even during hard times. If the employer is facing difficulties to meet ends, it should be implied that they discuss with the employee and come to a rational decision. But this pandemic has shown many employers who do not honor their promises. The quote of “as long my company and I survive is important” has been idolized.

Titan sized company will be most affected due to the pandemic but at the same time they are the company that have the largest connections. They should support furloughed employee or even temporarily lay off with basic salary until work resumes (Baker, 2020). For example, an airline company probably would have ties with other industries such as tourism, food, and beverages etc. They can use the networking they built to temporarily place their staff there as employee for financial purpose. This is called as the COVID-19 diversification strategy. This strategy was recently adapted by Air Asia company as to start food delivery

business to survive during this pandemic. Sadly, much airline company decided to retrench their staff off and COVID-19 was used as scapegoat.

Financial status of the company is crucial for the employer per say, thus the decision of financial well-being of organization and employee have to be made (Baker, 2020). A comparison between organization and employee would not be fair, wherein the wellbeing of organization must be preferred. Nevertheless, the employer can work out deals with government, banks and other organization to maintain the wellbeing of both organization and employee. A consensual approach where the employee agrees for deduction and the employer taking a humanitarian approach by deciding minimum salary cut will help build strong relations between the employer and the employee.

COVID-19 does not only concern regarding financial wellbeing of employee but also their health (AlSherif, 2020) It is advisable for employee to work from home. Many employers have adapted this change and let the staff work from home as they don’t have to pay full salary, and also don’t have to invest in making the office to follow COVID-19 guidelines and specifications. Another reason to continue working from home is to avoid doing COVID-19 screening where the cost has to be borne by the employer. As for employee who conducts physical labor must follow the COVID-19 guidelines set by the health ministry. This will lead to cost investment by the employer. Adding to it, employees are now allowed to work from office with strict adherence to COVID-19 guidelines.

## **DISCUSSION**

Employers and businesses are experiencing severe challenges amid the country's worst economic crisis. The spread of COVID-19 has further aggravated such problems. To mitigate the risks, employers are taking different measures which have significantly affected employees. Employers idolize figure if they beat all the odds, keeping their values and ethics and looking after the well-being of both the organization and employee. On the other hand, we have employers who used COVID-19 as their scapegoat. The companies should treat all employees by compassion and discuss with them as times are bad. If retrenchment is the only option, parties may agree to mutually terminate an employment contract in exchange for compensation agreed by the employee. In this case, the employee should sign a letter of discharge in favor of the employer upon receipt of the agreed compensation. COVID-19 also should not be

used as a tool for racial discrimination at work. Racial discrimination has no place in society, and certainly, not in this time of COVID-19 pandemic (AlSherif, 2020). As the epicenter of the disease outbreak continues to shift from place to place, urgent measures need to be developed to reduce the increasing cases of racial discrimination. Employers should do their best to manage the well-being of both the company and employee. Agreements and promises should be honored, unless there are no absolute solution, employers must be cognizant of their existing contractual agreements with employees and how the terms of such agreements may constrain otherwise prudent business decisions such as salary reductions, furloughs, or terminations. In times of economic turmoil, employment-related claims will increase. While there are many defenses available to employers, alternative work scope can be provided by company for basic financial wellbeing of employee. During the pandemic, many businesses are developing COVID-19 diversification strategies (Cucinotta & Vanelli, 2020). These can be simply emergency tactics for the short term, or more fundamental strategic changes for the medium term. Accepting offers and assist from government and banks should be considered as these are measures to ease the burden of the business. The COVID-19 pandemic has created several new challenges, especially for businesses. While managers and employees may feel a sense of urgency to get their business back to normal as soon as possible, there are new guidelines and revised practices that should be followed to allow for a safe, stable return.

## CONCLUSION

Personal conflict should be kept aside, especially during this pandemic. If the company has to announce layoffs, it would be a good idea to tell workers why the company is taking the actions. For instance, if layoffs are genuinely to protect the company's bottom line, it is to be explained that to fired workers along with the reason for why certain departments or positions were hit so they don't feel they were singled out. There is a saying that a good employee is an asset to your company, so the companies should try to be a good employer and make a good employee for the company. Employer and employee are two sides of the same coin and must sail together during this difficult storm of COVID-19. Businesses leaders can take this time to reflect, re-strategize your business plans, and brainstorm the new market to explore after the pandemic. With grit, resilience, and perseverance, small businesses will

emerge stronger than before.

## Conflict of Interests

The authors declare that they have no conflict of interest.

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