

# THE IMPACT OF COVID-19 ON THE BUSINESS CONTINUITY OF THE SRI LANKAN APPAREL INDUSTRY: HUMAN RESOURCE MANAGEMENT (HRM)

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## ABSTRACT

*The Sri Lankan apparel industry is having a high demand for exports all over the world and is a leading apparel producer in the South Asian region. It has started to fight for its survival due to the pandemic, Covid-19. It guesses a bracing for a 50% drop in demand by the following one to one and a half years from Covid-19. Thus, the industry is in a position to reinvent itself by forcing itself to live. Thus, business continuity is necessary to proceed with the business without any interruption at this time. Moreover, human resource professionals act a major role to continue the business after the new normal, as handling the main resource of the organisation which is humans. Hence, this study aims to investigate the level of impact and consequences of Covid-19 in the business continuity process of the Sri Lankan apparel industry from the human resource management perspective. Initially, the literature review delivered a theoretical understanding of the research area and three large-scale apparel organisations were selected, a case study research strategy with a quantitative approach. Collected data were analysed using the Likert scale and weighted average manual content analysis. The findings revealed that Training and development help to compensate for the labour shortage, and technology improvements have modified the recruitment pattern. The difficulty of measuring performance has a negative impact on employee engagement; however, job uncertainty and providing satisfactory opportunities for development have increased employee engagement; thus, there is a balance in employee engagement, and communication plays an important role in that. Furthermore, flexible working hours have a positive impact on employee performance and job satisfaction.*

**Keywords:** *Apparel Industry; Business Continuity Process; COVID-19; Human Resource Management; Sri Lanka.*

## 1. INTRODUCTION

The Sri Lankan apparel industry is having a high demand for exports all over the world and is a leading apparel producer in the South Asian region (Central Bank of Sri Lanka [CBSL], 2013). This industry is purely privately owned in the Sri Lankan context and also exploited the opportunities in the international market successfully (Muthukumarana, et al., 2018). Moreover, the production of this industry caters to many internationally reputed brands like Nike, Victoria's Secret, Ralph Lauren, and Tommy

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Hilfiger (Board of Investment Sri Lanka, 2016). Revenue from the apparel industry is accounted for 43% of the total export revenue of the country (Kapuge and Smith, 2007). This sector is the prime foreign revenue maker (Board of Investment Sri Lanka, 2016), and it generates around 4.4 billion USD in export income each year (The World Bank, 2016). Primarily, this industry offers more than three hundred thousand direct employment opportunities, and also nearly 350 garment factories are operating in various parts of Sri Lanka (Akanbi, et al., 2018). Thus, The Sri Lankan apparel industry is vital to the manufacturing industries in terms of employment and output (UNIDO, 2000). Further, one of the prime factors which have added to the rapid development of the Sri Lankan apparel industry has been a highly trainable, skilled, and literate workforce (Welmilla, 2020). Thus, human resources are a basic need for the apparel industry, as it is a labour-intensive industry (Silva, et al., 2012). Human resource management (HRM) is also one of the important success factors for the competitiveness of the apparel industry (UNIDO, 2000).

It is obvious that the pandemic Covid-19 has had an impact on the Sri Lankan apparel industry. The coronavirus outbreak, which has affected hundreds of thousands of people, is first and foremost a human tragedy. The impact of the coronavirus on the global economy has been profound, not just from the spread of the disease and virus, but also from the measures taken to stop it (Tkach and Kurpayanidi, 2020). In particular, because of the complete shutdown of all industries in Sri Lanka at the beginning of Covid-19 in March 2020. And the situation hasn't totally recovered yet. Thus, there is a mandate in place for all businesses to continue operating since the Covid-19 outbreak. Business continuity necessitates the participation of all professions, but it demands greater involvement from human resource professionals (Maurice and Basseyy, 2021).

There are plenty of researches undertaken in each domain, such as business continuity, Covid-19, and HRM. Despite the fact that Covid-19 is new to the world and Sri Lanka, there is a sufficient amount of study in both global and Sri Lankan contexts, particularly in the apparel industry (Bolonne, 2020). Furthermore, few research articles combine the terms "business continuity and Covid-19," "business continuity and HRM," and "Covid-19 and HRM." (Wediawati, et al., 2020). However, there is scant research that incorporates all three of the aforementioned elements as well as a research study in the chosen industry. Also, less attention has been paid to HRM to improve company continuity. Hence, this study aims to investigate the level of impact and consequences of Covid-19 in the business continuity process of the Sri Lankan apparel industry from the human resource management perspective. The structure of this paper starts with a literature review lining the key concepts of the study. Then it presents the method used in achieving the aim of the study and finally, it presents the discussion and conclusions based on the research findings.

## **2. LITERATURE REVIEW**

Human Resource Management (HRM) is “an approach to managing people that supports an organisation’s long-term goals with an overall planned and coherent framework” (Chartered Institute of Personnel and Development [CIPD], 2021). According to the author, most organisations now recognise that people are critical to long-term value development, which is why they are frequently referred to as a company's most valuable asset. More effective and profitable organisations build-up by talented, qualified, and trainee employees, thus the employee issues in an organisation are well known as the

lifeblood of an organisation (Thammita, et al., 2010). Therefore, when an industry is facing challenges like new normal, it is more important to pay attention to the human resources asset (Ranaweera, 2014). Moreover, the Sri Lankan apparel industry is actively connecting with the working population; hence it is necessary to pay attention to the HRM, especially in this new normal situation like Covid-19. Covid-19 has had a huge impact on employees and businesses all around the world (Kniffin, et al., 2020). While Covid-19 abruptly upended normal work routines, it also caused an acceleration of trends that were already underway involving the migration of work to online or virtual environments (Gartner, 2020). Unemployment and layoffs, wage flexibility, presenteeism, social distancing, loneliness, salary reduction, the prevailing absence of performance measurement, and workplace connectivity, etc. are some of the prime effects of Covid-19 on HRM (Alon, et al., 2020). The virus is a potential threat to organisational sustainability and HRM in the new world. The pandemic has caused such a shock that it has significantly hampered every aspect of human and economic activities. Organizations must now rely on their human resource department more than ever as a business strategy to keep their employees and customers safe, comfortable, and productive throughout the pandemic. There are many human resource functions such as recruitment and selection, learning and development, performance management, compensation and benefits, human resource planning, reward management, safety and health, employee engagement and communication, labour relation, and regulatory compliance. Among which recruitment and selection, performance management, employee engagement, and compensation and benefits will only be discussed in this research study, according to a preliminary interview conducted with five directors of Sri Lanka's large scale apparel sector, these four functions were selected as crucial functions in the case of business continuity in the apparel industry.

## **2.1 RECRUITMENT AND SELECTION**

Recruitment and Selection are finding the right people for the right roles at the right time (CIPD, 2021). It involves attracting and selecting individuals for a job role. Recruiting the right individuals is crucial for organisations that need people with the right skills and capabilities to deliver their goals. Effective resourcing is not just about filling an immediate vacancy but about having an impact on the long-term success of the business (CIPD, 2021), thus it is a critical activity. Recruitment has undoubtedly been affected by the Covid-19 pandemic. Although hiring has increased in some sectors, many recruitments have been reduced or been on hold. many organisations increasing training and retention. One impact is the increased use of technology in recruitment processes. This was already on the rise pre-pandemic, but it has become a necessity where traditional 'in person' interview and assessment processes are not appropriate. As it is likely to continue in some form after the pandemic, organisations should evaluate and monitor their use of technology. Almost all leading organisations would work on re-skilling their employees or recruiting according to the new normal requirements (Meister, 2020). Moreover, this new normal threatened many employees with the termination of employment mainly because several jobs cannot be done at home, among those major production activities which need to be done using machines, like the apparel industry (Venclova, et al., 2013).

## 2.2 PERFORMANCE MANAGEMENT

“Performance management is a continuous process of managing the performances of people to get desired results” (Sahoo and Mishra, 2012). It is an attempt to maximise this value creation and ensure that employees contribute to business objectives (CIPD, 2021). Performance management is the process of creating a work environment in which people can perform to the best of their abilities (Hartog and Verburg, 2004). It is a whole work system that begins when a job is defined as needed and expectations are communicated to the employee (Heinen and O’Neill, 2004). Performance management encompasses activities such as joint goal-setting, continuous progress review, frequent communication, feedback and coaching for improved performance, implementation of employee development programs, and rewarding achievements (Hartog, et al., 2004). When employees are working remotely or more flexibly, their performance may be harder to observe (CIPD, 2021). In the short term, whilst the pandemic and its immediate implications are ongoing, employees may not be able to be as productive as normal, and managers may need to adjust their expectations (and formal objectives) accordingly. Longer-term, instead of assessing employees via time in the office (or in virtual meetings), managers will need to adjust to assessing performance through outcomes, contribution, and value. Managers will not be able to monitor every aspect of an employee’s work when they are working remotely, nor should this normally be necessary (CIPD, 2021). The loss of social connections due to social distancing and loneliness is a less obvious impact of Covid-19 (Mogilner, et al., 2018). It has a strong negative impact on performance. Both positive and negative concerns are available for working from home on productivity, Overall, people feel they are more productive and more focused when working from home. There will be a need to ensure people feel able to work effectively using technology from a distance, which may require some additional training (Kettleborough, 2013).

## 2.3 EMPLOYEE ENGAGEMENT

Employee engagement is a workplace approach resulting in the right conditions for all members of an organisation to give their best each day, be committed to their organisation’s goals and values, motivated to contribute to organisational success, with an enhanced sense of their well-being (CIPD, 2021). Engagement and commitment can potentially translate into valuable business results for an organisation. Employee engagement is based on trust, integrity, two-way commitment, and communication between an organisation and its members. It is an approach that increases the chances of business success, contributing to organisational and individual performance, productivity, and well-being. Among those continuing to work in the wake of Covid-19, there is likely to be growth in presenteeism. Workplace loneliness has been shown to have a strong negative relationship with employees’ affective commitment and affiliative behaviors (Ozcelik and Barsade, 2018). Some of the greatest challenges confronting HRM within the business organisation in the new normal range from loss of jobs, salary reduction, the prevailing absence of performance measurement, and workplace connectivity. Working time flexibility, and hour flexibility also increases impact both positively and negatively for an organisation. Moreover, Covid-19 will impact profoundly employment and can cause career shock for employees (Akkermans, et al., 2020).

## **2.4 COMPENSATION AND BENEFITS**

Employees' willingness and ability to help their company succeed, largely by providing discretionary effort on a sustainable basis (Perrin, 2003). It is defined as the involvement with and enthusiasm for work (Markos and Sridevi, 2010). Institute of Employment Studies gives a clear insight that employee engagement is the result of a two-way relationship between employer and employee pointing out that there are things to be done by both sides. communication is the top priority to lead employees to engagement CIPD (2022). Most drivers that are found to lead to employee engagement are non-financial in their nature, such as two-way communication, give satisfactory opportunities for development and advancement and give employees appropriate training. In addition, a strong feedback system, Incentives have a part to play, employee engagement is closely linked with organisational performance outcomes. People are getting more insecure about jobs. Some are losing their jobs. During this Covid-19 situation, it is hard to keep employees engage for a while, especially due to working from home is going on. Another way is must maintain better employee relations and employee engagement in this pandemic for the smooth running of any business. (Abrol and Madan, 2020; Kaushik and Guleria, 2020; Prasad, 2020). There has been significant wage flexibility in the employer response to date, Wage cuts, delays, and freezes have been most extensive in some higher value-added services (CIPD, 2020). some of the greatest challenges confronting HRM within the business organisation in the new normal range from loss of jobs, salary reduction, the prevailing absence of performance measurement, and that workplace connectivity.

## **3. RESEARCH METHODOLOGY**

This research aims to investigate the level of impact and consequences of Covid-19 in the business continuity process of the Sri Lankan apparel industry from the human resource perspective. The data collection method should be selected based on its rationality, appropriateness, validity, and amount of data needed (Polonsky and Waller, 2011), thus quantitative approach was selected in this study to achieve the aim of this research, which is more toward quantitative. An online questionnaire survey with closed-ended questions was carried out based on the findings of the literature reviews and preliminary interviews. According to the purpose of the survey; the questions were short and simple for easy understanding to the users, and targeted to fill within 15 minutes. Since this study focuses on the level of impact and consequences of Covid-19 in the business continuity of the apparel industry and it was only done for a unique industry which is the apparel industry, selecting multiple cases is the most appropriate way to collect data. Multiple case studies allowed us to compare the collected data and subject studies to attain comprehensive knowledge of research practices. Accordingly, a multiple case study design was selected for this research. Since there were constraints with limited accessibility and time, only three large-scale apparel organisations were selected to collect data and which were coded as Case A, Case B, and Case C. Moreover, one of the prime case selection criteria was the size and number of employees of the cases to avoid the cross-case analysis. To carry on the questionnaire survey, 36 respondent samples were selected, 12 respondents from each case, whoever engaged in business continuity in the middle and top-level hierarchy of the organization. But only 27 respondents have completed the questionnaire respectively 09, 07,11 from Cases A, B, and C, due to the Covid-19 situation professionals are well tightened with their work schedules. Therefore, the response rate

is 75%. The background information of the respondents comprises details on their designations and work experience of the respondents. Managers or assistant managers of different departments such as finance, merchandising, administration, planning, operations, general, marketing, human resources, and information and communication have participated in this survey. In addition, assistant accountants, executives from facilities, human resources, occupational health & safety, administration, engineering, and sustainability were engaged by the middle-level professionals of the selected cases. The year of experience in the apparel industry is varying from 01 years to 27 years as the respondents were selected from both middle and top management levels of the organisations. Figure 1 demonstrates the respondents' work experience in the apparel industry.

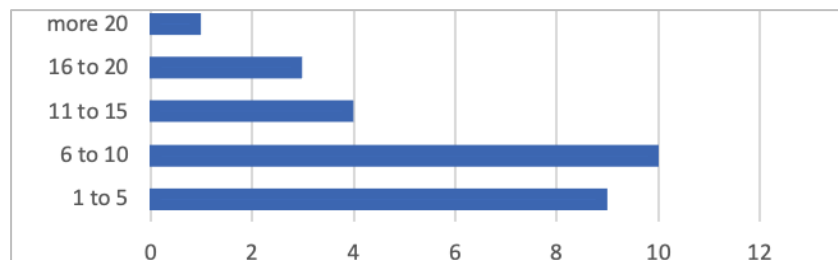


Figure 1: Respondents' years of experience

33% of the respondents have work experience of fewer than 5 years, 37% of the respondents have work experience between 6 to 10 years, 15% of the respondents have work experience between 11 to 15 years, 11% of the respondents have work experience between 16 to 20 years and only 4% of the respondents have work experience more than 20 years.

Data analysis is a process that relies on methods to take raw data that are relevant to the study (Robinson, 2013). Accordingly; after the data collection, it is required to convert raw data into something meaningful and readable. Quantitative data analysis techniques are used to analyse the collected data. The Likert scale method that includes five points namely; strongly disagree, disagree, neutral, agree, and strongly agree is supposed to utilise and, the weighted average is used as the data analysing technique which could help to generalise the statements. The equation used for weighted average calculation is given below in Eq. 01. The next section presents the analysis and research findings of the research.

$$\text{Weighted Average} = (1R1+2R2+3R3)/R \quad (\text{Eq. 01})$$

Where R1 - number of respondents belonging to low, R2 - number of respondents belong to medium, R3 - number of respondents belong to high and R - total number of respondents (R1+R2+R3).

#### 4. RESEARCH FINDINGS AND DISCUSSION

This section consists of two subsections such as the level of impact and consequences of Covid-19 in the business continuity process of the Sri Lankan apparel industry & the level of involvement of human resource professionals in the business continuity process of the apparel industry in the context of the Sri Lankan apparel industry.

#### 4.1 THE LEVEL OF IMPACT AND CONSEQUENCES OF COVID-19 IN THE BUSINESS CONTINUITY PROCESS OF THE SRI LANKAN APPAREL INDUSTRY

In this survey, out of 27 respondents only 2 (7%) of respondents have selected the option NO, to the question ‘Have you experienced any negative impact on your business from COVID-19?’, accordingly those two respondents were unable to fill the balance part of the questions which belong to the level of impact and consequences of Covid-19 in the business continuity process of the apparel industry. Thus, for the balance questions of this section, the total can be counted for 25 responses only (93% of respondents). The majority 93% of the respondents revealed that Covid-19 has a negative impact on the business of the Sri Lankan apparel industry. Moreover, Figure 2 demonstrates the level of impact on the Sri Lankan apparel business process due to Covid-19.

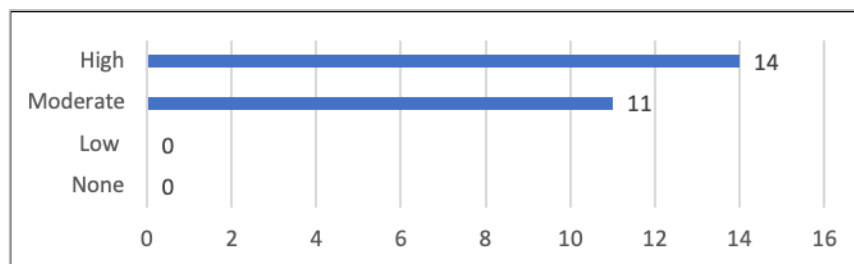


Figure 2: The level of impact of Covid-19 on the business process of the Sri Lankan apparel industry

In here questionnaire responses of 25 were considered for analysis and it was disclosed that Covid-19 had a moderate and significant level of impact on the Sri Lankan apparel business process with 44% and 56%, respectively. Although the respondents were offered the options None and Low, no one has chosen. Thus, this clearly shows that Covid-19 has a slightly high level of negative impact on the Sri Lankan apparel business. Following that, the questionnaire was directed toward the consequences of Covid-19 in the business continuity process of the Sri Lankan apparel industry. As the first question, it was ‘How long did it take for your enterprise to fully (or more than 80%) restore operations?’. Figure 3 exhibits the time taken to fully (or more than 80%) restore the business operations of each case separately and also as a whole.

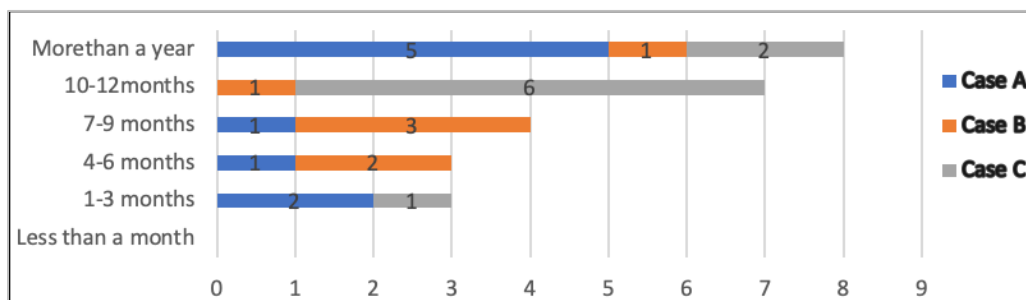


Figure 3: The time taken to fully (or more than 80%) restore the business operations

Accordingly, around 60% of the Sri Lankan apparel industry has taken more than 10 months to restore fully (or at least 80%) their business operations. Only 24% of the Sri Lankan apparel industry has taken less than 6 months to restore fully (or at least 80%) of their business operations. When analysing each case separately, in Case A and Case C respectively 56% and 89% of the respondent stated that it has taken more than 10 months

to fully (or at least 80%) their business operations. However, in Case B only, 29% of the respondent stated that it has taken more than 10 months to fully (or at least 80%) their business operations. Thus, this is explicit that the recovery period of the majority of the Sri Lankan apparel organisations is more than 10 months. Moreover, the estimated revenue decrease due to Covid-19 in the Sri Lankan apparel industry is displayed in Figure 4.

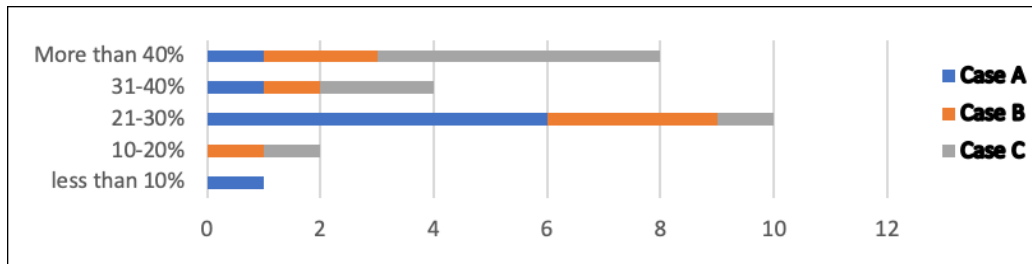


Figure 4: The estimated revenue decreases due to Covid-19

The majority, 40% of the respondents stated that the estimated revenue reduction in the apparel industry is between 21-30%. At the same time, both Cases A and B fall under the 21-30% range of estimated revenue reduction as the majority. The next highest estimated revenue reduction range is more than 40% of their revenue and Case C belongs to this range. In addition to the revenue reduction, one of the other prime consequences of Covid-19 is employee reduction. To identify that, the following question, ‘If your organisation had faced a reduction in the workforce, how many employees have been affected?’ has been asked from respondents and then analysed answers of the respondents is displayed in Figure 5.

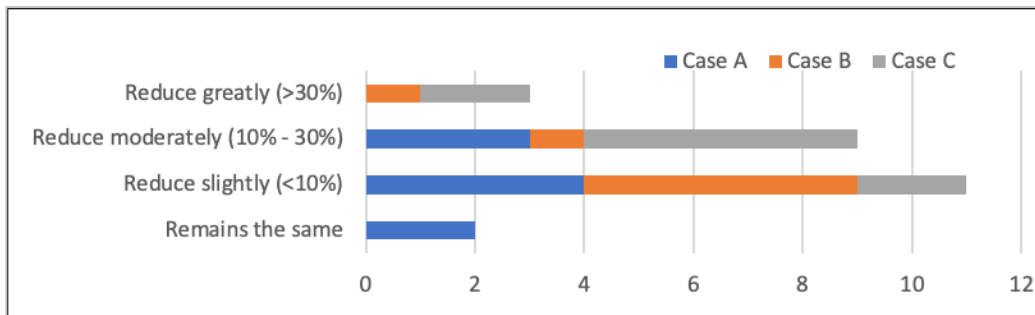


Figure 5: Employee reduction due to Covid-19

Among those 25 respondents, only 2 respondents have stated as the employees remain the same. 44% of the respondents stated as reduced slightly (less than 10%). Cases A and B have respectively, 4 out of 9 and 5 out of 7 respondents belonging to reduce slightly option. But Case C only falls under Reduce moderately (10-30%) with 5 out of 9 respondents. 12% of responses only express that number of employees reduces greatly (>30%) in their organisations.

#### 4.2 THE LEVEL OF INVOLVEMENT OF HUMAN RESOURCE PROFESSIONALS IN THE BUSINESS CONTINUITY PROCESS OF THE APPAREL INDUSTRY IN THE CONTEXT OF THE SRI LANKAN APPAREL INDUSTRY

From the literature, 25 statements were summarized, and categorised according to the functions of HRM such as recruitment and selections, performance management,



employee engagement, and compensation and benefits. Based on the data collection results of case respondents, the weighted average for each statement was calculated. Even though, the questionnaire was designed with five Likert scales such as strongly disagree, disagree, neutral, agree, and strongly agree. The weighted average ranges were categorised into three to explain clearly whether the statement is agreed with Sri Lankan apparel industry or not. Table 1 shows the adopted weighted average ranges and categorisations.

Table 1: The adopted weighted average ranges and categorisations

Weighted Average Range	Category
1.0-2.3	Disagree (D)
2.4-3.6	Neutral (N)
3.7-5.0	Agree (A)

Each four selected human resource functions are discussed separately. At first, the statements belonging to recruitment and selection will be discussed and Table 2 provides the weighted average interpretation of recruitment and selection statements for each case separately and also the overall.

Table 2: The weighted average interpretation of recruitment and selection statements

Code	Statements	Case A	Case B	Case C	Mean
R1	Recruitment and selection are negatively impacted during Covid-19	4.0 (A)	3.7 (A)	4.2 (A)	4.0 (A)
R2	The hiring of employees has been reduced	3.0 (N)	3.7 (A)	4.3 (A)	3.7 (A)
R3	Recruitments have been on hold so to balance that training and retention has been increased	3.3 (N)	3.0 (N)	4.2 (A)	3.5 (N)
R4	Technology usage for recruitment has been increased	4.0 (A)	4.4 (A)	4.0 (A)	4.1 (A)
R5	Recruitment has been changed according to the new normal requirements	4.3 (A)	3.6 (N)	4.1 (A)	4.0 (A)
R6	Termination of employment has been increased	2.9 (N)	4.0 (A)	3.4 (N)	3.4 (N)

According to Table 2, The weighted average of four of the six statements summarised is greater than 3.6, indicating that those are agreed in the context of the Sri Lankan apparel industry too. Thus, the recruiting and selection has been badly damaged during Covid-19, with the hiring of personnel being drastically limited. Moreover, the usage of technology in the recruitment process has been increased after Covid-19 and it has been changed according to the new normal requirements, for example avoiding in-person interviews (Meister, 2020). However, the other two statements, R3 and R6 are belonging Neutral according to the author's norms. The statement R3 is having a weighted average of 3.5, which is closer to agree, thus, it can be assumed to be slightly agreed with the Sri Lankan apparel industry. R3 statement is having an action, which is training *and retention has been increased* with the reason, *recruitments have been on hold*. Already from R2, it is obvious that recruitment has been reduced or it can be taken as on hold due to Covid-19, thus the second part of the statement must be neutral or not strongly agree with the Sri Lankan context which is the training and retention have been increased to balance the need of manpower. Along with Venclova, et al. (2013), that new normal threatened many

employees with the termination of employment mainly because several jobs cannot be done at home, like the apparel industry which requires machinery, from the case studies also *R6 statement* has a neutral response. Because, when considering as an organisation other than production workers who require machinery to complete their task, there are more other job roles available such as middle level, managerial level and top managements who can complete their certain job role from home. Additionally, most of the production employees of the Sri Lankan apparel industry are economically unstable and they are relying on their job, thus, the termination of employees from their side is very much less than there is a serious situation.

Next is the performance management function of human resources management and Table 3 demonstrates the weighted average interpretation of Performance management statements for each case separately and in whole as well.

Table 3: The weighted average interpretation of performance management statements

Code	Statements	Case A	Case B	Case C	Mean
P1	Performance management is negatively impacted during Covid-19	3.2 (N)	3.6 (N)	4.2 (A)	3.7 (A)
P2	Harder to observe and measure the employees' performance	3.4 (N)	3.9 (A)	3.9 (A)	3.7 (A)
P3	The loss of social connections due to social distancing and loneliness has a strong negative impact on performance	3.3 (N)	3.4 (N)	4.0 (A)	3.6 (N)
P4	Employees are more productive and more focused when working from home	2.4 (N)	3.0 (N)	3.3 (N)	2.9 (N)
P5	Wage cuts, delays, and freezes of wages impacted negatively on employee performance	3.6 (N)	3.0 (N)	4.1 (A)	3.5 (N)
P6	Technology is playing a negative impact on performance	2.6 (N)	3.4 (N)	3.7 (A)	3.2 (N)

Along with Table 3, only two statements have got the weighted average which belongs to agree, even equal to 3.7. Statement P1, two cases have summarised as Neutral and only one case has got 4.2, strongly agreed. Even though this is different from organisation to organisation, when considering as an industry in Sri Lanka, it can be concluded as agreed, it may be due to the positive performance management of the industry only it has been restored even after 10 months or less than or more than that. Then, P2 concluded that it is harder to observe and measure the employees' performance of Sri Lankan apparel organisations after Covid-19. For the P3 statement, it was expected to have the analysed answer as disagree, but it is neutral which is much closer to agree. Thus, this survey results explicit that social connection is important for the mental wellbeing of the employees. P5 is not agreed or disagreed, so, there may be a negative impact on employee performance due to one of those factors such as wage cuts, or delays, or freezes of wages. On other hand, the P5 statement is agreed to a certain level of employment and disagreed with some other levels of employment. Technology is playing a negative impact on performance is not agreed or disagreed, it can be summarised as technology is not impacting of employee performance whether negatively or positively. At last, P4 is having a neutral summary for all three cases separately and also in the overall Sri Lankan

apparel context, hence, there are no changes in the productivity and focus of the employees due to working from home.

Following to that, employee engagement function of human resources management will be discussed and Table 4 exhibits the weighted average interpretation of employee engagement for each case separately and in whole as well.

*Table 4: The weighted average interpretation of employee engagement statements*

<b>Code</b>	<b>Statements</b>	<b>Case A</b>	<b>Case B</b>	<b>Case C</b>	<b>Mean</b>
E1	Employee engagement is negatively impacted during Covid-19	3.8 (A)	3.6 (N)	4.0 (A)	3.8 (A)
E2	There is likely to be growth in presenteeism	3.3 (N)	3.4 (N)	4.1 (A)	3.6 (N)
E3	Workplace loneliness has been shown to have strong negative relationships to employees' commitment and engagement	2.6 (N)	3.6 (N)	3.7 (A)	3.3 (N)
E4	Uncertainty on the job has increased the employee engagement	3.7 (A)	4.1 (A)	4.0 (A)	3.9 (A)
E5	Salary reduction has a negative impact on employee engagement	3.4 (N)	3.1 (N)	3.8 (A)	3.5 (N)
E6	The absence of performance measurement has a negative impact on employee engagement	3.3 (N)	3.6 (N)	4.3 (A)	3.7 (A)
E7	An increase in working time flexibility and hour flexibility have been impacted positively on performance	3.9 (A)	4.0 (A)	3.6 (A)	3.8 (A)

Based on the analysed results, 4 out of 7 statements have been agreed to Sri Lankan apparel contexts such as E1, E4, E6, and E7. Even though, employee engagement is negatively impacted during Covid-19, the increase in job uncertainty and the increase in working time or hour flexibility are helping to balance the employee engagement towards the job. P2 from the Previous table evidence that performance measurement is difficult to proceed with and it is essential in the private sector to motivate employees, thus it has a negative impact on employee engagement. The other three statements such as E2, E3, and E5 are belonging neutral in the Sri Lankan apparel industry. Alon, et al. (2020) have mentioned that an increase in presenteeism is one of the prime effects of Covid-19, but that is not strongly agreed to by the Sri Lankan apparel industry. Likely to the P3 statement, social distancing or loneliness has no impact on employee engagement as well. According to Akkermans, et al. (2020), loss of a job is one of the major consequences of the new normal and it has happened for Covid-19 as well, due to this, the salary reductions have not impacted employee engagement. Employees are in the mindset of without losing their job, less salary is better to lead their life in this pandemic situation.

Finally, the discussion will be on compensation and benefits statements and Table 5 shows the weighted average interpretation of compensation and benefits statements for each case individually and also the overall weighted average.

Table 5: The weighted average interpretation of compensation and benefits statements

Code	Statements	Case A	Case B	Case C	Mean
C1	Compensation and benefits are fully impacted during Covid-19	3.4 (N)	4.1 (A)	4.3 (A)	4.0 (A)
C2	It is hard to keep employees engaged for a while without monetary benefits	3.3 (N)	2.7 (N)	4.0 (A)	3.3 (N)
C3	Communication is the top priority to lead employees to engagement	4.1 (A)	4.3 (A)	4.7 (A)	4.4 (A)
C4	Flexibility of working time has been increased the employees' enthusiasm towards the work	3.7 (A)	3.7 (A)	3.8 (A)	3.7 (A)
C5	Wage cuts, delays, and freezes of wages impacted negatively on employee interest in the job	3.7 (A)	2.7 (N)	4.0 (A)	3.5 (N)
C6	Give satisfactory opportunities for development and advancement will lead to more engagement of employees	3.9 (A)	3.3 (N)	4.3 (A)	3.8 (A)

According to the analyses of the compensation and benefits statements, C1, C3, C4, and C6 are having more than 3.6 values, which are agreed to the Sri Lankan apparel background. It is obvious that compensation and benefits are fully impacted during Covid-19, which can be evidenced using the literature of Sukumaran (2020), without profit compensation and benefit is impossible. Although, employee engagement is somewhat there because of communication, yes communication is playing a vital role to continue the business during this type of new normal, Covid-19. Moreover, C5 is also adopting the same explanation given to E5. Among those 25 statements, 14 statements have been agreed to the Sri Lankan apparel context and the balance of 11 have a neutral weighted average. This shows that even one statement has not disagreed.

## 5. CONCLUSIONS

This research aims to investigate the level of impact and consequences of Covid-19 in the business continuity process of the Sri Lankan apparel industry from the human resource perspective. Questionnaire survey data collection and analysis were contributed to achieving this study. Moreover, this study has mutually significant academic and practical aspects. There are plenty of researches undertaken separately for every three areas such as business continuity, Covid-19, and HRM, even in pair combination. However, there is a lack of researches on the combination of all three of the above. Also, this research is significant in the selected industry, the apparel industry. The coronavirus outbreak is first and foremost a human tragedy, affecting hundreds of thousands of people. The spread of the coronavirus and the restrictive measures imposed everywhere in countries, along with self-restrictions of the population, have had a rapid impact on all most all the businesses not from the disease and virus, but from the measures taken to stop it. Thus, there is a requirement available for all the businesses to continue their business during the Covid-19 outbreak. This research summaries that, training and development serve to compensate for the shortage of staff employment, and the recruitment pattern has changed as a result of technological advancements. Employee engagement is negatively impacted by the difficulty of measuring performance; however, job uncertainty and providing satisfactory opportunities for development have increased employee engagement; thus, there is a balance in employee engagement, and communication plays an important role in that.

Furthermore, flexible working hours have a favourable impact on performance and employee excitement about their jobs. Thus, the practical significance of this study will be helpful to maintain the continuous business operations during new normal conditions, especially at this post-Covid-19 stage.

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