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The Impact of the COVID-19 Pandemic on the Human Resource
Management Practices of the American Auto Industry

Connor Bradley

Western Michigan University

The COVID-19 pandemic was a global event that deeply affected, and is still affecting, most if not all aspects of life in some way. Work, family life, social structures, politics, and so many other areas of everyone's everyday life changed seemingly overnight. With all these changes, it is no surprise that the pandemic had a significant impact on many businesses and their management practices.

In March of 2020, the COVID-19 pandemic began heavily hitting America. In the state of Michigan, cases began to rise after March 10th. Schools and businesses across the state began to close. On March 18th, Michigan's Big 3 Automakers announced their plans to shut down and on the 23rd, Michigan's governor, Gretchen Whitmer issued a statewide "stay-at-home" order for all non-essential workers, (Haddad, 2020). For the next two years, a majority of corporate entities would shift away from standard office settings to a remote, online workplace. However, essential workers remained in their place of work throughout these events.

Over the past two years, management practices were forced to change rapidly in order to adapt to the changing environment. Though navigating the public health issues that emerged with the pandemic was a challenge that management departments all over the world faced, it was not the only major impact COVID-19 brought about. With public health issues came new public policies, economic impacts, shifting workforce standards, and new social dynamics.

One specific impact on the workforce that had to be navigated is the abnormally high rate of resignations among employees that began during the pandemic. In April of 2021, 4 million Americans quit their jobs and this high rate of resignation has remains even today, (Cook, 2021). This mass exodus of employees was dubbed the Great Resignation. With the extreme increase in popularity for remote work, jobs were more accessible, convenient, and most importantly, available. Additionally, being home caused people to prioritize their personal lives over their employer. Workers began to demand a higher quality of life from their employers, or they would find an employer who would give it to them, (Comaford, 2022).

Though there are many reasons for people leaving their employers, many of the widely reported reasons relate to their value or perceived value from their employers, or their ability to maintain a work-life balance that they feel is fair. 63% of people who resigned said that their pay was too low and/or there were no opportunities for advancement. 57% said they felt disrespected at work. 48% said they left because of childcare issues and 45% said they did not have enough flexibility with deciding when they work, (Parker & Horowitz, 2022). These were the top five reasons that people provided for leaving a job in 2021.

The unprecedented number of workers resigning from their jobs that took place during the early days of the COVID-19 pandemic paved the way to a much tighter labor market. Currently, the demand for workers far outweighs the supply. The new demands of American workers are just one of many environmental changes that companies and human resource managers would need to consider and adapt to.

The purpose of this qualitative research study is to investigate the ways in which the COVID-19 pandemic has impacted the human resource management practices of the American auto industry. This information will be based on interviews that involved a number of employees from four different companies. The interviews will cover various topics that relate to the potential changes made to human resource management practices. The topics of focus for this project are Workplace Location, Communications, Talent Acquisition and Retention, Employee

Training and Development, Employee Engagement, Workplace Safety, Labor Relations, Benefits and Compensation, and Organizational Culture. This study will not only focus on the policy and cultural changes within each of the four companies, but also the employee perception and attitudes towards the changes brought about due to the pandemic

Due to legal restrictions, and for the protection of the interview participants, this study will largely remain confidential. To avoid any complications with any companies or their employees, the companies discussed, and their employees will be assigned pseudonyms. The companies involved in this study include one of the major American automotive companies, a partnered dealership, a bank holding company that operates in the auto industry, and a sales and marketing service company. The main, large automotive company will be referred to as “Auto,” the dealership chain will be referred to as “Dealer,” the financial firm will be referred to as “Financial,” and the sales and marketing firm will be referred to as “Marketing.” The positions of those interviewed will be revealed only if it is relevant information.

Interview Process

Participants

The participants of this study were Auto, Dealer, Bank, and Marketing employees that volunteered to be interviewed. All of the participants were employees who had managerial responsibilities and had positions relating to human resource management practices. The participants included twelve interviewees. There were five employees of Auto, two employees of Dealer, three employees of Bank, and two employees of Marketing.

Methods

The information presented in this study is reliant on the interview responses of participating Auto, Dealer, Bank, and Marketing employees.

The selection of interview participants and the companies involved in this study was based on recommendations and voluntary participation. A snowball sample was used to collect participants. Contacting participants began with a single Auto employee that is personally known by the researcher. Although this initial employee did not participate in the study, they were able to provide the contact information for multiple other contacts. Names, positions, and contact information was provided for two employees of Auto, and one employee of each of the other three companies: Dealer, Bank, and Marketing. After establishing a connection and interviewing these provided participants, most of them provided further recommendations and contact information for more potential willing participants.

In order to conduct interviews with employees of the four involved companies, employees were contacted and asked if they were willing to participate in this project. Employees were identified through recommendation by their peers based on their ability to discuss human resource management practices. The initial contact messages to potential participants included an attached PDF that provided an overview of the project. The PDF included an explanation of the project, the potential questions relevant to the project, and the contact information of the researcher. This PDF is provided as Figure 1. An example of a message is provided below.

Hi [Employee of Marketing],

Thank you for discussing my Honors College Thesis Project with [Employee of Marketing] and agreeing to answer a few questions. As an employee of a company that works closely with [Auto], I would value your perspective on the way the pandemic has impacted [Marketing]'s HR practices. Attached is a copy of the project outline and general questions I am seeking to answer. I am happy to adjust these questions or topics based on your area of expertise.

Can you provide me with your availability, and I will schedule a meeting as soon as possible?

Thank you again and I look forward to connecting with you.

How has the COVID-19 Pandemic impacted the HR practices of the American auto industry

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THESIS STATEMENT: Analyzing the impact of COVID-19 on Human Resource Management practices within American automotive companies. Scope includes automotive manufacturers and adjacent suppliers, vendors, and associated organizations. For each of these companies, I will be discussing the changes to HR practices and policies that were prompted by the COVID-19 pandemic, as well as the results and consequences of these changes. I will be comparing the changes across companies and discussing the impacts of these changes on the different branches of HR such as compensation, benefits, recruiting, labor relations, etc.

To gather information about the HR practices of these companies, I will be conducting interviews with members of their different branches of human resource management. This will consist of interviewing 4 or 5 employees of each company. These interviews would include approximately ten open-ended questions that cover policy and practice changes, as well as the positives and negatives of these changes. The questions will be catered to each respective branch of human resources management and may be adjusted based on interviewers' response or area of expertise.

INTERVIEW QUESTIONS:

- Confirm Name/Title
- Longevity with company/position
- COVID-19 has made a substantial impact on the workplace environment. Describe specific Human Resource Management changes that were executed to adapt to the changed environment?
 - Employee Workplace location – did this vary by job type
 - Employee Communication (written/broadcast/email/website)
 - Talent Acquisition/Recruiting Practices
 - Workplace Safety policy
 - Benefits/Compensation
 - Labor Relations
 - Employee Training and Development
- How would you characterize employee's reaction to the changes in HR policy?
- What major changes have you observed in employees since the beginning of the COVID-19 pandemic?
 - Employee Engagement/Attitude
 - Culture Adaptation
- How will these policy changes affect new employees?
- In what ways would you say that these changes positively/negatively impacted the company?

Figure 1. Thesis Project Overview. This figure displays the overview page that was emailed to potential participants when asking if they would be willing to answer the listed questions.

After initially contacting the participants through email and explaining the concept surrounding this project, an agreed upon date and time was set for the participant to be interviewed. Once this was decided, the interview participant was emailed a link to a meeting that was created using Microsoft Teams. All interviews that took place on Microsoft Teams were recorded. This was to ensure that the interviewer could focus on the interview taking place rather than focusing on note taking. Notes were taken on the interviews when the recordings were reviewed for the purpose of compiling results.

The interviews were structured to collect information and the opinions of the participating employees regarding the policy or social changes (or lack thereof) that can be directly or indirectly attributed to the COVID-19 pandemic. These interviews were all between 25 and 40 minutes with the exception of one interview that lasted one hour. The length of the interview was entirely determined by the participant's level of detail, level of knowledge regarding a particular topic or topics, and the amount of information that required further explanation.

The main goal of the interview was to collect information regarding Workplace Location, Communications, Talent Acquisition and Retention, Employee Training and Development, Employee Engagement, Workplace Safety, Labor Relations, Benefits and Compensation, Organizational Culture, as well as the employee reaction and attitudes regarding any changes that have been made.

The interviews were based around the questions presented at the bottom of the page in figure 1. Each interview began with the interviewer asking for the participant's consent to being recorded for the personal benefit of the interviewer and they were informed that the information they provide about themselves, or their company would remain confidential. They all agreed to being recorded. Once the recording began, the participants were asked their name and position, as well as the amount of time they have maintained their position and been with their respective companies. It was at this point when the participant was asked: "How has the COVID-19 pandemic impacted the human resource management practices of your company?"

The interview would start with this general question so that an appropriate starting place could be determined by the participant based on their own area of expertise. This way, participants would be more likely give their most thorough responses regarding their own experiences with human resource management practices right away. They were then asked to elaborate on certain topics or asked follow-up questions. Participants often mentioned a practice that the company already held or that was recently created, and they were asked to elaborate or further explain the practice or how it was changed or adapted.

Participants were explicitly asked about the changes that have taken place in each of the categories listed in figure 1. These categories were workplace location, communications, talent acquisition and retention, employee training and development, employee engagement, workplace safety, labor relations, benefits and compensation, and organizational culture. The order of these topics being visited was determined by the interview based on the participant's answers. For example, if a participant were to mention an added benefit while talking about recruiting changes, the interviewer would revisit that topic and use it as a way to move to a new topic once the topic of recruiting had been covered. If a natural transition did not occur, the interviewer would move on to an unvisited topic. A topic was determined to be completed when there were no subjects that required a follow-up question and the participant answered "no" when asked if

they had any other comments regarding changes in the category. This continued until every category had been visited. Once all categories were covered to the best of the participant's abilities, the participants were asked if they view the discussed changes as being negative or positive and to explain their answer.

Lastly, the participants were asked if they had any concluding thoughts. This resulted in the participants summarizing their thoughts and reaching the end of the interview. After they were done with their response, the recording was stopped, and the participant was thanked for their time by the interviewer and reminded to stay in contact if they were able to recommend anyone else for participation. The interview ended with both the interviewer and the participant leaving the video meeting.

The number of participants per company was based on both size and availability. The researcher was able to establish more contacts within Auto because of their close proximity to the company's employees. For this reason, it was more difficult to establish contacts with the other three participating companies. Additionally, it was the researcher's intention to have at least ten participants in this study. Though this standard was met, there were identified contacts that were unable or unwilling to participate in this study. For example, there were three contacted Auto employees that were told they were not able to participate in interviews due to company policy. Their policy against outside interviews prevented some from participating.

There was a single interview that did not take place on Microsoft Teams. This interview was conducted through a regular phone call. Due to the lack of convenient recording capabilities, this was also the only interview during which notes were taken. The participant of this interview was a department manager of Dealer. Though this participant's responses were noted at the time of the interview, this format does not allow the researcher to review participant responses after the interview is concluded. It is possible that this would prevent the information regarding this interview from being represented at the same level of accuracy as the other.

Within a few days of the interview being completed the participants were sent a follow-up email. This was simply to thank them for their participation in the interview, and to open up the potential for more connections to be made through the participant. This technique was successful with establishing further connections within the organizations with which the participants were employed. An example of one of these follow up emails is provided below.

Hi [Employee of Auto],

I just wanted to thank you for taking the time out of your day to participate in an interview for my thesis project. The information you gave me was very useful and I really appreciate it. If there is anyone else you think I should talk to at any point, feel free to send me their information.

Thanks again,

Interview Results

This section will display the results gathered from the interviews with participating employees of the four companies that are being analyzed. All of the information presented is representative of the direct statements of those participants. Their statements about changes and effects and the expressed opinions of the interviewed employees will be summarized by category based on the different areas of human resource management practices.

Auto

Auto is a major American automotive corporation. Its operations are essential to all of the other mentioned companies. Without a doubt, the practices of this company are largely influential to, not only to those who work directly with the company, but also to those in the general vicinity of this company. This includes local businesses, competitors, and even communities that exist around this company. The company has over 150,000 employees. It is one of the largest automotive manufacturers worldwide. The results of the interviews of the Auto employees are summarized below.

Workplace Location

Before the pandemic, Auto expected that all employees were working at their desk at the physical office location from 9 am to 5 pm every day during the week. This traditional view of office or headquarters employees was forced to change during the COVID-19 pandemic

At the beginning of the pandemic, the corporate employees of Auto had their job transition to being entirely remote. At this point, most if not all office-based jobs within this company could be done from anywhere in the world. The transition to an entirely online environment is a change that, according to employees, has affected all aspects of the company. Although the company has returned to being partially in-person with their hybrid options, these effects have remained with the company.

Workplace location has been affected by the utilization of hybrid work options. With the “butts in seats” mentality gone; Auto is now planning around keeping employees remote with the option to go into the office for the foreseeable future. However, the company decided to stop using its main office space that it has historically used. Now, there is a new campus that was constructed during the pandemic that is not built to house the personal desk/workspace for each and every employee of the company. Instead, this space is an optional area at which teams could meet or space can be used as needed. This facility sees about 1,000 visitors per day.

Employee Communications

With the majority of the company’s workforce being moved online, Auto faced new decisions that relate to the changing of workplace locations. A majority of the companies communications were moved to an online setting. Emails and texts messages became used more than ever before, and meetings all took place through group video calls.

Employees expressed that remote work made the workplace much more complicated in many other ways too. Now that most jobs could be done from anywhere in the world, it was now possible for coworkers in the same meeting to be located in different time zones. Communications between once in-person groups now had to account for the locational differences between group members.

Due to the online environment, there was no longer the opportunity for unplanned interpersonal interactions. Some employees found unique ways to maintain the kind of communications that would occur when simply running into someone. A human resource representative of the company described the role their daily interactions would play while the office still operated in person. He described the way he used to walk around and interact with other employees. Not only was that said to be a valuable experience for himself, but he also considered it an important way to humanize or destigmatize the HR department.

“So, HR to me was always like the scary person or place like everybody goes there to get in trouble. So, I tried to eliminate that stigma by being visual, so I was always walking around the office. I always wore a suit. Uh, and I was always walking around the office and meeting people, sitting in meetings and, it was working. It was really, really working. People saw me. They were comfortable. It was. I wasn't like this scary HR. I was just [Employee Name] in HR. And then when COVID hit, that stopped.”

In order to preserve this style of interaction, this employee took it upon themselves to send out 2 mass emails per week that reach roughly 7,000 people. These messages were reportedly light-hearted and aimed to give people a feeling of connection to others at the company. Though these mass emails could include more serious topics such as information regarding job openings within the company, the messages often included memes or fun facts or were even just used to poke fun at higher-ups within the company. An example he provided involved a joke about sasquatch that talked about “believing in yourself, even if no one believes in you.”

Talent Acquisition

A major change that was made to recruiting practices during the pandemic was the online engagement with job listings. Before the pandemic, Auto would operate using its own career website. This site included lists of jobs that were open for application. It includes job titles and job descriptions, as well as necessary and preferred qualifications. This practice continued during the pandemic, however the level of detail that went into these descriptions greatly increased. This was because of the competitive job market for remote workers.

Due to the Great Resignation, the applicant pool for the company became reportedly more demanding. If the company wanted good candidates, they would be forced to meet the increasing demands of the applicants. The current described “buyers’ market” amongst applicants has led the company to alter their strategy and become more lenient with meeting these demands. In an interview, one recruiter talked about how recently, they had made counter offers with applicants that they “never would have made in the past” in order to win a candidate over.

Although candidates had more room for negotiation, the applicant pool was increasing in size. It was suggested that this is because of the convenience of remote work. With a workforce that could function from anywhere on Earth, borders and regions became a much less considerable issue. The company “saw people apply who would never have applied before,”

simply because of their previous unwillingness or inability to move to a specific location. Remote work allowed the company the opportunity to find differing perspectives from a standpoint of largely increased diversity. Not only does this include race, gender, religion, and region, but also intellectual diversity.

The company also had to consider how to recruit for positions that were entirely remote. Before the pandemic, global positions or entirely remote positions within the company were few and far in between. It was reported that these big changes had large impacts the interview process. What once involved a costly in-person process was reduced to an accessible online interaction. Interviews with this company involve a screening process that serves as a pre-interview, and then the actual interview. This process used to involve a phone call in which an interviewer took notes and then an actual in-person interview with the company. This in-person interview took place at the main headquarters of the company, and this could sometimes require paying for flights and hotels for the candidates, as well as parking and security. The current process costs the company less per candidate and it was expressed that it is much more efficient overall. Instead of having a phone call and taking note, the pre-interview now takes place on a third-party website that records video responses to specific interview questions. This eliminates the need for taking notes. The actual interview also now takes place over video calls. This eliminates all of the previously mentioned costs associated with an in-person interview. According to employees, the process has become much quicker, more accessible, and cost-effective. Even as hybrid work is more available within the company, this process is most likely here to stay.

Training and Development

Though the hiring process was adapted to the new environment, the transition was said to have not been nearly as smooth with training and development. One main employee concern surrounding new hires is making sure they have the tools necessary to adjust to the company. Before, the company could simply hand someone a laptop, or any necessary piece of equipment, when they came into the workplace on their first day. Now, there are more questions to ask to ensure the employees have everything they need. Do they need to be provided with a computer? Would they need more than one monitor? How do we get the equipment to them? How long would it take to mail the equipment to them?

However, the participant suggested that training has become a more convenient process. Training used to be an in-person event on site where someone would come in for 2 to 3 days in order to train new hires. By moving this process to an online setting, the time required has been reduced. Training is now entirely online and typically only taking about one day. Online training is not an entirely new process with Auto considering some positions utilized it previously, but this process is now used for all positions and in-person on boarding has been eliminated entirely.

Workplace Safety

In terms of workplaces safety, the changes that were made were to adapt the Center for Disease Control's (CDC) COVID-19 guidelines. Moving to a remote work environment was a safety measure. When the hybrid workers began to have the option to return to work, there were a handful of rules that they had to follow. The company communicated these rules through an employee handbook that was sent out. The employee handbook was sent out to all employees as a 44-page PDF on March 9th, 2022. The handbook provided the following guidelines:

- Monitor your health daily – you are the first level of defense in preventing COVID 19 from entering your facility
- Follow your site's entrance procedures
- Wear a face mask, as applicable
- Wash or sanitize your hands frequently
- Maintain physical distancing, where possible
- Help keep our facilities clean
- Notify your supervisor if you or a coworker are not feeling well while at work

The handbook went further in detail with any of these topics. It talked about the expectations of how to wear a mask and keeping a distance of at least 6 feet from others. The entrance procedures were described, and it included sanitizing before and after entering and answering a questionnaire that asked about if you have been in contact with anyone who tested positive for COVID-19, or if they were awaiting test results. It had charts displaying how employees should stagger seating when at desks or in conference rooms. It described symptoms to be aware of and what to do if you suspect you or someone else around you has the virus. It talked about how to notify non-company-owned sites of your visitations and the protocol to follow with working or volunteering at non-company-owned sites. Lastly, it provided additional resources that allow the employee to learn more about vaccination or CDC guidelines, as well as an email address to which they can send any questions or concerns regarding the return-to-work guide or information.

One page of the handbook talked about managing stress and anxiety relating to the pandemic. The suggestions provided in the handbook were:

- Learn from reputable resources like the CDC about the disease and how to protect yourself and your family
- Avoid bingeing on the news, social media, and television
- Take care of yourself by eating healthy, getting regular exercise, trying to obtain good sleep each night, and avoiding alcohol and drugs
- Take breaks and do an activity you and your family enjoy
- Connect with others by giving them a call

This ties into the company's recent focus on mental health. As mentioned before, "psychological safety" has become an increasingly prevalent topic within the company and as suggested, will likely continue to be important.

Compensation and Benefits

Though there are some minor changes that occurred that can be attributed to COVID-19, the benefits that the company provided remained largely unchanged. The main way that the pandemic directly influenced compensation practices was simply just the new category of sickness that was created. In the past, the importance of sick leave was taken less seriously, and people would want to work or be expected to work while sick. With the pandemic, employees and their managers have been quicker to accept when one is simply unable to work while ill.

Many of the discussed ways in which the pandemic effected benefits was indirect. For example, the company also recently added infertility drug treatment to their benefits package. Though this may just be something that was coincidentally added, one employee made an

interesting point. They suggested that this decision could have been influenced by the increased time people were spending at home.

There are also emerging topics that may lead to change in the future. One interview participant talked about a recent meeting in which another employee discussed their recent struggle with depression. After this, several others within the company came forward with their own struggles with the illness. Although mental health was historically not an issue that was often discussed within Auto, it is becoming more prevalent. This topic was most likely influenced by the pandemic. Because all employees are staying home, there is a large deficit of human/interpersonal interactions. It should come as no surprise that many people have felt isolated and may be struggling with those emotions. Taking that into consideration, Auto will most likely be adding mental health related benefits to its package soon.

Culture and Engagement

All of the changes made to the company have had an impact on the company culture. Some said that these changes have been a struggle to navigate. Many employees were reluctant to accept change and they took some time to adapt to working at home. When working at home, some found it more difficult to “step away” from the workplace at the end of their workday. One employee described how they had no trouble coming home from the office and not thinking about work whereas now they had a hard time putting their phone away or getting their laptop out. For many, working from home has felt like living at the office and it became difficult for some to maintain a healthy work-life balance.

When the company became less reliant on region-specific interactions and increasing reliance on remote work, some employees had what they described as “an eye-opening experience” regarding the company’s influence throughout the nation. Though Auto is very significant and influential within its own region, global interactions had led some to discover that people outside of that region had much less interest in and awareness of the company.

Even with some negative impacts on Auto, the changes brought about by the pandemic were still described as “neutral to positive” overall. The pandemic forced the company and its employees to be open minded and accepting of change, even if that was not something that was “fun” for those involved. The move to remote and hybrid work has created opportunities for the company whereas the option/ability to work from home was not really considered before the pandemic. The ability to work remotely greatly increased the diversity within the company. Participants feel that the company has become much more flexible and adaptable to the lives of its employees. With both hybrid and remote options, employees who need to stay home or can’t stand being home can all be satisfied with their options. There is also no longer a “dedicated road-warrior” culture around those who take frequent business trips for the company since travel is no longer necessary.

With the merging of home life and work life, employees became slightly more involved in each other’s personal lives and the workplace became more casual and comfortable. There were no longer any negative stigmas of unprofessional occurrences such as being interrupted by a child or pet or having to step away from work to take care of something personal. Family situations that would previously require a leave of absence could now be handle with a quick break. Employees were able to become more involved at home. Lastly, employees were able to spend more time at home without having to worry about commuting. Many employees lived 30

minutes to an hour away from the office location and without having to commute, would effectively get back an hour or two of their day.

Overall Impact of Changes

The corporate employees of Auto view the changes to management practices brought about by the COVID-19 pandemic as positive. Though it may have taken several months for people to adapt to these changes, the pandemic forced technological advancements, diversification, discussions that previously were not considered, and many other adaptations. Overall, the people involved with Auto feel that the company adapted very well to this new environment.

Manufacturing

Although there are many similar changes for Auto's essential workers, there are several ways in which the employees in manufacturing were impacted differently. It goes without saying that manufacturing employees would not be able to do their jobs remotely. Many allegedly expressed frustration with the need to remain in the workplace during the pandemic and the morale of the workforce was negatively impacted. Auto provided health and safety guidelines that followed CDC recommendations and was similar to the later measures made for corporate employees. This involved social distancing at work, mask requirements, temperature checks when entering facilities, and sanitation areas.

Especially at the beginning of the pandemic, hiring became more difficult for the company. The size of the applicant pool greatly decreased for essential workers. This was somewhat balanced by large amounts of layoffs in other industries such as retail or food service. People with no manufacturing experience were looking for jobs and those with little experience were hired.

The labor relations between the company and the United Auto Workers union remained mostly unchanged. UAW workers do not go through the official interview process and their own process was already remote. Interactions between the Union and Corporate employees were already mostly online. The only major difference listed was with less travel and less in person visits from both union and corporate leadership.

Dealer

Dealer is a chain of vehicle distribution centers. The company owns dealerships in eight different locations. The company distributes cars for all of the big three American automotive companies, as well as one location that distributes for a Korean company. The company employs between 400 and 500 people in total. The results of the two interviews conducted with employees of Dealer are described below.

Workplace Location

Because a majority of the company's employees are considered to be front-line workers, the workplace locations did not change. At no point during the pandemic did any of the locations close. On the customer side of operations, the company moved towards more online appointments and scheduled customers further apart so that there were smaller numbers of people on site at the same time. Negotiations of sales were moved online, and the company utilized more pick-ups and deliveries for service work and for new or used car sales. At its peak, these services applied to roughly 20% of service work or purchases.

Employee Communications

Because the company remained in-person, communications remained largely unchanged. Though an attempt was made to focus more on emails between coworkers, this became tedious and pointless when working on the same site as the intended recipient. The only major way in which communication was affected was a switch to video calls with corporate entities such as Auto.

Talent acquisition

At the beginning of the pandemic, all hiring practices with Dealer were put on hold for about five months. When practices resumed, they remained unchanged. The company mostly operates within smaller communities, and they already had a strong presence on career websites.

Additionally, the company was able to avoid layoffs at the beginning of the pandemic due to receiving a loan as a part of the Paycheck Protection Program, a government program that provided small businesses with funds to pay up to 8 weeks of payroll costs including benefits. Employees of Dealer worked shorter hours while receiving their normal paycheck per pay period.

Training and Development

Online training was already utilized by the company before the pandemic, especially for dealership sales staff. The online training that already existed remained unchanged and those who only used online training, such as sales staff, were not affected. Hands-on training, however, was eliminated. Training that was previously hands-on was converted into an online class with 4 or 5 sessions.

One last major change that was made to training with Dealer was the lack of involvement of corporations such as Auto for a period of time. Some training in the past has involved the participation of a representative of an automotive company. For a period of time during the pandemic, this practice was halted. It has now returned after about a year.

Workplace Safety

The work force of Dealer operates under Michigan OSHA rules and regulations. This means that front-line workers were required to wear masks. Sanitation standards were also set for vehicle services. Cars were cleaned both before and after services. In an attempt to socially distance, the work force was split into a “team A” and a “team B.” These teams would work on alternating schedules so that they would not be working together. This was to reduce the potential spread of COVID-19 if someone were to get sick.

For the first four months of the pandemic, hours were shortened by three hours total; opening one hour later and closing two hours earlier than usual. For the first two months, no customers were allowed in show rooms and no test drives took place. Once these practices resumed, the show rooms were regularly disinfected/sanitized, and test drives required precautions such as masking and steering wheel covers.

Compensation and Benefits

Dealer experienced no major or notable changes to their benefits package directly or indirectly because of the COVID-19 pandemic.

Culture and Engagement

The company culture also remained mostly unchanged. The only major way that the company was affected culturally that was mentioned by the participants was the impact of the “team A/team B” system. This affected the employees because there were increased feelings of isolation or disconnection from their coworkers due to only seeing half of them on a regular basis.

Overall Impact of Change

Dealer was expressed to have been negatively impacted. The pandemic was described as “financially devastating” for Dealer, and they stayed afloat with \$750,000 worth of loans. Sales went from 300 cars (150 used and 120-130 new) per location as a monthly average month before the pandemic to having no sales while closed for the first months. Even after reopening, the dealerships never entirely recovered. One location sold 99 new cars in March of 2022 which is the highest number of new cars sold since the beginning of the pandemic. Additionally, the company was affected by things such as part delays for service departments or the global chip shortage. The current shortage of semiconductor chips has slowed to distribution of new cars, sometimes leaving no new cars on the lot at some locations of Dealer.

The employees of Dealer did not view the pandemic fondly and have not experienced significant positive changes. The employees expressed that their main goal is to seek ways for everything to return to normal, and for the most part, it has been working.

Bank

Bank is a leading digital financial services company that provides services such as car finance, online banking, corporate lending, vehicle insurance, mortgage loans, and an electronic trading platform to trade financial assets. This company is a direct competitor of Auto's financial branch. It is one of the largest car finance companies in the United States, providing car financing and leasing for 4.5 million customers and originating 1.4 million car loans annually. Bank employs over 10,000 people. The results of the three interviews conducted with employees of Bank are described below.

Workplace Location

Bank was one of the first companies in Michigan to transition to a remote working environment. This was done with two days' notice before any mandates were in place. The company planned on "trying" remote work for two days. Two years later, the company has partially returned to an in-person workplace by implementing a hybrid schedule for its employees.

As an online bank, its relationship with clients was not deeply impacted. With dealerships as clients, the company interacted over video call instead of having someone visit in person. Unlike other companies, remote work was already present within Bank. Before the pandemic, remote workers were mostly in sales and were located all over the country. Remote employees were the third largest population in the company.

Since October of 2021, the company has been working on hybrid employment. It began with only vaccinated employees with masks. Now, a majority of the company's employees are back in the office two or three days per week. A portion as large as 20% of previously in-person jobs will remain remote for the foreseeable future. Most of these jobs are in the technology branch of the company.

Employee Communications

The company widely expanded its online presence for communications between employees and coworkers. Similar to Auto, meetings took place over video calls. Mass emails were utilized and there was more consideration placed on the recipients of those messages. Does it need to go to small groups or the whole company; 10 people vs. 10,000 people?

With the company returning to the workplace, in-person meetings are handled differently than before. It used to be acceptable to fit up to 15 people into someone's personal office but now it is strictly one person at a time with both parties wearing masks.

Talent Acquisition

Bank had a similar experience with the applicant market as Auto. Some people exited the company but with remote options, it was not difficult to find more people. The applicant market is large but picky. Interviews, which used to be in person with 4 or 5 people per day, were conducted over videocall with up to 10 people per day. It was a much more condensed process.

One topic that was brought up during an interview was the impact of lawsuits on hiring practices in different state. Although the information surrounding the lawsuits was confidential, certain lawsuits caused the company to alter job descriptions and require vaccines for new hires.

Due to the shifting outcomes of lawsuits, there was a three-week period where the company had to continually edit job descriptions for certain positions.

Training and Development

On-site training was quickly eliminated at the beginning of the pandemic. On boarding used to involve an in-person seminar that covers the company, its different areas/branches, and the way that it makes money. This became entirely virtual. New hires within different areas of the company may have their own specific training but all training was moved to an online setting.

Bank employees described similar equipment issues as Auto employees. Implementing new technologies meant that training had to take place to get the workforce acclimated to the new working environment. This also meant it was necessary to ensure that all employees had the right technology to complete their own tasks at home.

Workplace Safety

Bank has a crisis management team that had been prepared for a hypothetical scenario that involves a pandemic. The COVID-19 pandemic allowed them to implement their playbook. This contributed to the company's ability to be one of the first to move to a remote setting. Much like all other companies, Bank implemented safety measures based on the guidelines provided by the CDC. This included social distancing in common areas and elevators and wearing masks in the workplace and eliminating travel and meetings of more than 30 people. Employees were expected to complete E-med covid tests where they would answer health questions and self-administer a COVID test while being monitored by a medical professional via video call. These tests are still required to be completed once per week for all unvaccinated employees.

Compensation and Benefits

Both before the pandemic and now, Bank has a benefits package with which employees expressed great satisfaction. From tuition reimbursement to paid paternity leave to elder, child, and pet care, the company was described as historically being supportive of employees and their families at all stages of life. Even so, the pandemic has forced the company to "reimagine" its benefits.

Before the pandemic, the company offered a point/reward system in which employees could earn points for attending physicals or dentist appointments or partaking in personal activities that allow them to improve their personal health, such as weight loss programs. The points and health related activities were accessed through an app. Once enough points had been saved, they could be exchanged for rewards or discounts on further health related investments. Due to the pandemic, this system was enhanced to include much less surface level health activities. Physical health was expanded by including points earned for personal exercise routines, cooking a healthy meal, or for taking 10,000 steps in one day. But rather than only focusing on physical health, the program was expanded to include mental health. Employees could now earn points for attending therapy sessions or for partaking in healthy activities such as meditation.

Culture and Engagement

With remote workers, employees felt that it was a challenge to maintain company culture. One major issue that Bank employees described is with maintaining employee motivation. In order to reduce burnout, the company decided to have certain days in which no meetings take place. For example, tech employees have no meetings on Wednesdays. This was to ensure that they would be able to focus on their own work and deliver results for the transition to online.

Remote work has also led to a major security issue. In tech, the company discovered that an estimated 10-15% of employees had been maintaining a second job. Double employment is in violation of company policy. With more tech employees working remotely, it was easier for them to get away with these practices. To identify those who may be double employed, there are a few red flags that managers look for. For example, people in the double employment community tend to have a low online presence with business-related social media websites. Often times, their employment elsewhere could be indicated by a dip in performance.

Overall Impact of Change

Though the pandemic started with extreme uncertainty, a participant expressed that it created the most successful two years in the history of Bank. Over the course of the pandemic, the company had become more flexible, efficient, and convenient for its employees. Of course, employees felt that changes can be difficult to handle, especially when trying to please 10,000 people, but the employees of Bank expressed satisfaction with its performance. As demonstrated by its quickness to take safety precautions and its implementation of effective benefits, Bank has made many changes that were perceived as positive.

Marketing

Marketing is a sales and marketing service company that works closely with Auto. The company's services include event and travel planning, designing and operating rewards programs and employee recognition programs, as well as sales incentives and customer loyalty programs. The company employs over 4,000 people. The results of the two interviews conducted with employees of Marketing are described below.

Workplace Location

Before the pandemic, Marketing had very little virtual presence. A vast majority of the company's services included hands-on involvement. Though the company was forced to go virtual, employees described that it did not intend or design itself to remain that way indefinitely. Now that the company was converting to a hybrid schedule, they have faced some difficulties when moving back to the office. More specifically, there has been a fair amount of resistance reported with people being moved back to a physical location. Even with only spending a few days per week in the office, some people have allegedly felt that they are content at home and should not have to return if it is not entirely necessary.

Employee Communications

With the employees of Marketing working from home, interactions between coworkers and clients were entirely online. Much like every other company that shifted their employees to a remote working environment, video calls for meetings and the usage of emails and messages became more prevalent. Some members of this organization expressed that they felt strictly online interactions were limiting. "When you're only online, you don't have the same kind of interactions as you normally would. There are a lot of opportunities for engagement that you miss when you're at home."

Talent Acquisition

The company did not plan on staying remote, so their applicant pool remained local. Though not many changes have been made to the recruiting process for Marketing, there were a number of complications that can be attributed to the pandemic. The changing employment environment led many people to exit the company. This meant that people in staffing and recruiting were extremely busy. Additionally, the "applicant's market" that was caused by the Great Resignation meant that the company had to be much more proactive when selecting candidates. The entire hiring process had to be streamlined. Before, the company would collect applicants and send them to a manager who would take their time bringing people in for two or three interviews. A participant described how the applicants in recent times were becoming pickier and the company had to act quickly to ensure that they could bring in good candidates. Applications had to go directly to a manager who would have to make a faster decision. Even with interviews taking place online, the lengthy interview process had to be reduced so as not to lose candidates to other companies who acted faster.

Training and Development

Aside from the movement of on-boarding to an online setting, and other generic actions, Marketing took a very future-oriented approach to their somewhat unique problem. At the beginning of the pandemic, the company entered what was described as a rebuilding period. As mentioned previously, the company lost a large number of people during this time. Not only did the company focus on training new employees, but they were also trying to plan ahead and train for succession. Employees found it important to develop their employees for future leadership roles.

Workplace Safety

Marketing followed the typical steps for workplace safety. Once they began to return to a physical workplace, they followed the CDC guideline. This included masking, sanitizing, and socially distancing. If an employee of Marketing were on the site of a client, the employee was expected to follow the client's restrictions. Lastly, there was a new emphasis on the psychological safety of the employees.

Compensation and Benefits

The company had no major changes to its benefits package. However, one employee suggested that the pandemic made the organization more aware and supportive of its employees' mental health. With the new emphasis on psychological safety, Marketing expanded its Employee Assistance Programs to be inclusive of mental health.

Culture and Engagement

Though they were specified not to be negative or positive, Marketing has experienced some very large cultural changes. Much like other companies, Marketing spent plenty of time trying to create certainty during a time of uncertainty. With an increased emphasis on the employees' desires and their need of flexibility, the company had to support employees and make sure they did not feel isolated. The company had to redefine rules and the roles of those within the company. Participants described how they had to figure out what it meant to be entirely virtual or hybrid.

Due to the large number of people who left the company early in the pandemic, Marketing made some changes to reduce future turnover. The company began conducting "stay interviews" in which employees who were potentially exiting the company were asked what it would take for them to stay. Employees at risk of leaving were systematically identified and the company measured the potential impact of their exit. Although this information can be collected through exit interviews, stay interviews would allow the company to maintain its talent.

Overall Impact of Change

The pandemic forced the company to become more flexible. People within the company were reluctant to accept the changes but they were described to have gone over well with the employees of the company. It was expressed that this newfound flexibility within the company also caused a huge shift towards "people-oriented practices." One participant said that before the pandemic, Marketing would have put their clients before their own employees. Now, however, the hypothetical "conversation" about the company's wellbeing starts with the involvement and consideration of employees.

Discussion

Auto

The Auto employees that were interviewed appeared to have an overall positive experience with the changes that were made in their company. Auto was largely affected by moving online. Their location, communication, recruitment, and training programs were all moved to an online setting. Overall, this led technological advancements such as improved online communication and much more convenient and effective online training and recruiting methods. These adaptations made many areas of the workplace much more accessible for employees and applicants while vastly saving costs for the company.

Although benefits did not appear to be directly influenced by covid, the indirect consequences are identifiable. The company recently adding infertility treatment to its benefits package seems to be directly related to people spending more time at home with their families. This time at home may have affected families and family values and could have caused more people to take more interest in familial issues rather than focusing on their career. Being at home more can also potentially increase feelings of isolation and monotony. It can be harder for people to separate their work life and home life when both take place in their own house. This can lead to depression or other negative mental health outcomes. Even though the company has not yet added any benefits relating to mental health, it being a recent topic of discussion could indicate the addition of mental health benefits in the near future.

Workplace safety for Auto mostly meant following the CDC guidelines. However, an Auto employee provided unique insight into the safety measures taken by the company by providing the employee handbook for returning to work safely during the pandemic. Although most of this handbook discussed masking and sanitation standards, a single page discussed managing stress and anxiety. This ties back into the previously mentioned development of the importance of mental and emotional safety within the company.

The effects on culture appear to be neutral overall. Maintaining culture and adapting interactions to an online setting was difficult and it took many employees months to adjust to their new style of work. Despite the difficulties, work became more laid back and flexible which seems to be refreshing for employees of Auto. Lastly, the increased regional diversity allowed new perspectives to be added to the company.

Although many of the headquarters and office employees had a somewhat positive experience, manufacturing employees were negatively affected. They had to deal with the stress of workplace safety during the pandemic while not having the added benefit of advancements in technology and communication that come from remote work.

Dealer

Dealer as a company remained the most unchanged. Without a large population of desk/office workers within this company, there were little changes that could be made to location and communication. Hiring stopped and training was moved to an online program but neither of these changes remain.

Culture was only impacted by the increased safety measures. The company followed CDC guidelines and divided the employees into two teams which caused feelings of connectedness to decrease.

The employees of Dealer were almost entirely impacted negatively. In addition to the severely negative financial effects, the company had to remain in person and did not have any opportunity to adapt for the better. The changes made were for the survival of the company and its workers.

Bank

The changes that Bank made at the beginning of the pandemic were quick and effective. In addition to demonstrating its ability to adapt, these decisions showed that the company was dedicated to its workers and their safety. Bank was a very prepared company when the pandemic started. Utilizing their crisis management team, the company was able to swiftly move location, communications, and recruitment and training practices to an online environment. When the company eventually did begin moving back to a hybrid setting, they followed the CDC guidelines for handling COVID-19.

The company expanded its benefits to account for life at home. Instead of only including rewards for visiting doctors, employees were now encouraged and incentivized to take care of themselves both mentally and physically while staying at home.

Bank maintained its culture as best it could while trying to find ways to motivate its employees and prevent burnout. However, the company faced difficulty when it was discovered that many employees in tech were attempting to work a second job. HR employees had to be aware of the potential signals of someone having a second job with another company and the security threats that come with this.

Marketing

Although the company was entirely moved to an online environment with work location and communications, many of the comments made in interviews by the participants indicate that the company was not accepting of the changes and intended to remain fully online for as little time as possible. Its applicant pool was limited by remaining regional even with online hiring and training practices. This may tie into the apparent large loss of employees for Marketing at the start of the pandemic. Though the interview participant that discussed this topic did not specify the number of exiting employees, it appears that many people from Marketing were a part of the Great Resignation. It may be possible that Marketing's reluctance to accept these changes while other companies accepted applicants across the globe was a contributing factor for pulling these employees away from the company in search of the widening opportunities that remote work provides.

The company did, however, adapt to the lost numbers by utilizing training for succession planning. Marketing also appropriately adjusted its safety measures to fit the CDC guidelines and they even added mental health related Employee Assistance Programs. The company adapted a "employees first" mentality as opposed to their previous "the customer is always right" views. Overall, the company was able to adapt as necessary and was not impacted negatively or positively by any extreme and had a neutral impact on the company overall.

Similarities Across Companies

Throughout the course of this project, there have been many areas in which the companies being analyzed took similar actions. Some of these changes were out of necessity or were simply meeting requirements. Other similarities were more indicative of a larger cultural shift within the auto industry.

All of the companies discussed moved towards online settings wherever possible. Other than the essential workers of Dealer and Auto's manufacturing division, Communications were almost entirely moved online for a majority of the past two years. Even for the essential workers, video calls became more prevalent when interacting with those who were not your direct coworkers or employers. All companies also utilized their online presence for recruiting practices during the pandemic. Though they were all already involved with career websites, all companies made the effort to increase the level of detail provided for online job listings. Training programs were also universally placed online when possible. Some companies have returned to hands-on activities where necessary such as Dealer's customer service or Marketing's client interactions. Lastly, safety standards were pretty universal. All of the companies made the effort to follow the COVID-19 guidelines provided by the Center for Disease Control.

The previously mentioned changes were all made directly out of necessity. There were a number of changes that were made universally that can only be attributed to indirect causes. The most significant example of this was with the increasing awareness and importance of mental health. With everyone staying home and finding their new work-life balance, it makes sense that the mental health of employees in any industry could be impacted negatively. Dealer was not affected by this, and it may be because they remained in-person and employee job security were ensured. The only corporation that did not add mental health to their benefits package was Auto, and even then, it is likely that it will be added in the near future.

Lastly, the need to socially distance left no organizational culture untouched. Dealer is unique because it remained in-person, but the need to separate into two shifting teams left an impact on employee interactions. As for the corporate employees of the other three companies, there were several changes that took a toll on employees. With most business being conducted over video calls, it was more difficult to really feel connected with your coworkers. Additionally, working from home felt like living at work for many and it became more difficult to find a healthy work-life balance or even just stop thinking about work at the end of the day. Lastly, the roles people play, and the norms of interacting had to be redefined.

Differing Impacts

Although these four companies made similar decisions overall, they did not all react in the exact same way. Some companies were more limited in their decision-making opportunities than others and some had a more difficult time adapting. There were several ways in which a company's handling or attitude surrounding the effects of COVID-19 led to different outcomes.

Some of the largest differences between outcomes were indicated by the company's acceptance of change. The companies with the best outcomes were those who remained flexible and were very willing to adapt. Bank was very prepared for the impacts of a pandemic and readily accepted change. They had the two most successful years in company history during the pandemic. Auto was also prepared to adapt to a remote work environment, and they saw very

positive outcomes with company diversity and employee satisfaction. Marketing was in much less of a position to adapt to an online environment and therefore suffered more than the other companies. They were negatively impacted by the pandemic without the added benefits of moving to remote work long term. The essential workers of Auto, and the employees of Dealer seemed to be the hardest hit simply because they did not have the opportunity to move to an online environment. Auto's manufacturing division saw high rates of turnover due and Dealer was financially devastated.

For the sake of fairness, however, it may not be appropriate to compare the outcomes of these companies. Obviously, a local dealership chain will not have the same resources as the automotive company whose cars it distributes. It may also not be fair to compare the remote work capabilities of an online bank to a company that plans corporate events. Both of which would likely fall short in some areas when placed up against a Fortune 100 car company that has more than enough resources to implement the changes of its choosing.

Limitations

There were several areas in which the collection of information may have been limited. The first and most significant reason was simply because of confidentiality. There were several times during the interview process where participants were unable to share information regarding the practices and adaptations made by the company. This was because of company policies that prevent certain information from being shared due to confidentiality. In addition to confidentiality, the participants of Auto were technically not supposed to be participating in these interviews anyway because of company policies. Though the minimum number of participants required was reached in total, this prevented other potential participants from providing potentially valuable information. Lastly, it is entirely possible that the information provided was biased and was more reflective of a participant's own opinions rather than the objective positive or negative actions of a company.

The structure of the interview was also somewhat limited. Though the same topics and general questions were structured and asked to every interview participant, the questions were not necessarily asked in the same order depending on the participants area of expertise or based on the topics they brought up throughout their answers. The interviews also varied in length somewhat depending on the participants answers, how fast they talked, or how often they repeated themselves.

Conclusion

There are still many ways in which the COVID-19 pandemic affects everyday life across the globe. However, two years after it began, many people, families, and organizations have been able to make the appropriate changes and adjustments in order to return to normal or find a new normal. As time moves on, the long-term impacts of these changes will become more apparent.

Generally speaking, the impact of the pandemic on the American automotive industry appears to be somewhere between neutral and positive. Though there were many ways in which the four main companies of this study struggled with the changing environment, they were able to navigate these challenges and were able to make improvements along the way. These companies were all successful in adapting to the environment created by COVID-19 and the employees of these companies seem satisfied with the way their employers handled the

complicated situation over the past two years. Although it is undeniable that it has been a difficult road for these companies, it is their resilience that will continue to inspire prolonged success in the American automotive industry.

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