

IMPACT OF COVID-19 ON THE MORALE OF THE EMPLOYEES: THE MEDIATING ROLE OF SELF-EFFICACY

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ABSTRACT

The aim of this research paper is to analyse the influence of COVID-19 on the morale of the employees and simultaneously, assess the mediating role of self-efficacy. For this purpose, a questionnaire survey was conducted with 300 employees to comprehend their perception of how the pandemic crisis has affected their morale and self-efficacy. The questionnaire consisted of closed-ended questions which were developed on a five-point Likert Scale. The study findings indicated that COVID-19 significantly impacted employee morale and self-efficacy. Also, it was found that self-efficacy impacted employee morale. Finally, from the mediation analysis, it was affirmed that the association between COVID-19 and employee morale is mediated by self-efficacy. The study provided significant recommendations and suggestions that can be employed by HR managers to improve employee morale and self-efficacy in the unprecedented times of the COVID-19 crisis.

Keywords: Employee Morale, Self-efficacy, Business Environment, HR Practices, COVID-19.

INTRODUCTION

COVID-19 is a contagious sickness produced by the SARS-CoV-2 virus, with the first case reported in Wuhan, China in December 2019. Since then, the disease has spread worldwide, culminating in an ongoing outbreak. The virus outbreak has impacted almost all industries and has proved to be detrimental to almost all businesses and their employees across the globe Hudecheck et al. (2020). The corporate world is projected to augment as a result of the widespread predominance of COVID-19. Across this difficult period, human resource managers are continually devising innovative, efficient, and successful techniques to successfully involve employees and encourage healthier lifestyles Chanana (2021). The huge effects the coronavirus outbreak has imposed on the worldwide sector have been abundantly visible especially in the banking sector, with offices closing permanently, consumers flocking to internet banking in massive numbers, and social-distancing tactics radically affecting the banker-customer interaction. In terms of the banking employees, COVID-19 has had far-reaching consequences that will reverberate long after the contagion has passed. Virtual employment as a contractual arrangement between workers and employers had been on the increase long well before the virus's global spread in the first quarter of 2020. However, the outbreak has made it practically hard for banking employees to go to their work sites for performing day to day operations, as it has in virtually every industry. With social-distancing limits required over most of the globe for even more than a year, the opportunity to work from home (WFH) has become the natural alternative for both companies and workers Jones (2021). However, the way WFH policy has impacted the morale of the employees has been a matter of concern for almost all industries. As suggested by Shan &

Tang (2020), COVID-19 forced many workers to operate remotely, increasing the likelihood of avoidance. It is unclear what sorts of business practices would do best in such a catastrophe. Workers in unfavourable work environments are likely exposed to coordination issues. However, they may even experience an increase in performance once they do not have to go to the workplace, which allows them to escape internal workplace politics. Firms with higher staff morale, on the other hand, may become less efficient as a result of “social distance,” because connection and comity are vital in their job. COVID-19 offers a once-in-a-lifetime chance to investigate the worth of employee happiness and produce consequences for business employment practices. As per Ramli et al. (2020), there were huge job losses and unemployment during the COVID-19 outbreak. Consequently, workers have experienced psychological distress which has, in turn, impacted staff morale and employees are suffering emotionally and financially as a result of this unexpected event. Amidst the present COVID-19 distress, individuals have affirmed their concern and fear of losing their jobs and wages which have in turn impacted their morale to a great extent Debata et al. (2020). Furthermore, in order to minimise employee redundancy, several organisations are seizing the opportunity to lower staff compensation. This disturbs the workers' feelings, resulting in a drop in morale among some of the teammates. Kube et al. (2013) discovered that pay cuts had a continuing influence on the effectiveness, culminating in a more than 20% decline in average production. Morale, as defined by Malik et al. (2019), is a worker's attitude concerning their employment, supervisor, and co-workers. In other words, employee morale is referred to as an individual's excitement, happiness, and general perspective when working at a firm. Employees that are happy at work have better morale than their colleagues. Employee engagement and happiness are essential variables in making sure employees are satisfied at work and that their morale is good Sania et al. (2015).

Moreover, several research has discovered a link between self-efficacy attitudes and job success Islam & Ahmed (2018); Rigotti et al. (2020); Demir (2020). Self-efficacy refers to a person's belief in their capacity to carry out the activities necessary to attain performance expectations. Self-efficacy is the belief that one has power over one's mindset, conduct, and social environment. Etehadi & Karatepe (2019). Self-efficacy judgments, or beliefs of one's ability to solve problems, influence how much effort individuals put into an activity and how hard they stick with it. Individuals with greater self-efficacy attitudes work harder to achieve their objectives and persevere harder when faced with difficulties than those with poor self-efficacy attitudes, who may be more inclined to quit. Efficacy beliefs impact individuals' ideas and attitudes and hence play a crucial part in the regulatory mechanisms by which a person attempts to achieve objectives and desires. Several researchers have found strong links involving self-efficacy and job success. In this context, Kovacs & Kalman (2022) found that those who believe they can fulfill their job tasks, perform better, persist in the face of adversity, and are better able to manage uncertainty.

It can be observed that COVID-19 has posed a significantly detrimental impact on the morale of the employees belonging to organisations within all the industries. However, the studies have often failed to identify how self-efficacy mediates the influence of the COVID-19 pandemic on employee morale. This has motivated the researcher to conduct a study in this domain and identify how the pandemic scenario has impacted worker morale and the mediating role of self-efficacy. In the current study, the researcher attempts to develop a conceptual framework from the three variables obtained and consequently propose suggestions and recommendations for the HR managers to enhance employee morale and improve the overall productivity of the organisation.

Objectives

The aim of this paper is to analyse the influence of COVID-19 on the morale of the employees while also assessing the role of self-efficacy as a moderator. In order to accomplish this goal, the study addresses the following objectives.

1. To understand the factors affecting employee morale.
2. To analyse the impact of COVID-19 on the morale of the employees.
3. To analyse the mediation effect of self-efficacy on the relationship between COVID-19 and the morale of the employees

REVIEW OF LITERATURE

COVID-19 and its Implications

The unexpected COVID-19 outbreak has had a significant impact on the future of enterprises and businesses, impacting HRM across a wide range of industries. Several scholars have studied the impact of the COVID-19 on developing HR concerns and associated practices that can be undertaken to mitigate its impact. One such study was conducted by Zhong et al. (2021) wherein a systematic analysis was done to investigate the growing human resource difficulties during the COVID-19 crisis and to recommend associated methods to address these concerns. The findings of the study portrayed that the crisis posed a major threat to the traditional management of human resources and proposed that flexible and more appropriate techniques must be utilised to mitigate the impacts of the pandemic. Furthermore, several HR issues were also portrayed like Employee well-being, flexible workforce concerns, distant work problems, loss of employment, Human resources issues, Training & Development (HRD) difficulties, Leadership challenges, quality problems, and miscommunication.

Generally, the adoption of a flexible work arrangement is presented as a pre-defined choice that requisites an appropriately planned design, practice, and transformation for ensuring that the organisations can effectively support and manage their employee's productivity. Such planning help in ensuring that the employees have a substantial balance between work and life responsibilities Zappalà & Toscano (2020). Nonetheless, the COVID-19 pandemic has compelled businesses to shift and adopt such working arrangements. Due to this sudden paradigm shift in the way of working, has led to an increase in hassle as both employees and employers lack in having the required skills for effectively working under remote conditions Wang et al. (2021). While remote working has its own merits and demerits, a sudden transition to any method of working will significantly impact the performance of the employees negatively Vander Elst et al., (2017). Moreover, Coyne et al. (2021) also delineated that work from home regime can be highly challenging as well as stressful for individuals at times. This is mainly because of the lack of work and life boundaries that the work from home arrangements induce.

The COVID-19 outbreak has devastated every area of the economic system. The banking industry is no exception since it faces several obstacles. Many of the obstacles are broader in scope, such as decreased growth in sales, mobility restrictions, transportation, and even viability in the current environment. A few are industry-specific, such as the banking industry, which is dealing with issues such as administration, capital adequacy, profitability, staff morale, solvency, and supplier relationships Mohania & Mainrai (2020). Thus, this study aims to comprehend the implications and the detrimental impacts that COVID-19 has posed on the banking industry and its employees.

Employee Morale

According to Pattnaik & Jena (2020), employee morale can be referred to as “a state of mind that reflects enthusiasm, zeal, satisfaction, contentment and overall attitude at one’s work”. Prevailing empirical evidence on the term affirms that employee morale is a significant predictor of individual employees’ productivity wherein higher employee morale translates directly into higher productivity Vaithyasubramanian et al. (2020). It is also critical to comprehend that organisations can effectively benefit from employee morale as better initiatives and efforts of the employees will strategically result in better profitability. Nonetheless, in remote working environments, organisations need to take special measures for maintaining, nurturing, and boosting the morale of the employees Mishra & Jena (2020). This can be attributed to the fact that under conditions of working remotely, there is an absence of a common working environment, and thereby, it becomes evident that the organisational culture is strong enough for employees to acknowledge themselves as a vital contributor to the team even within the spaces of their home Pattnaik & Jena (2020).

When viewed from an employee’s perspective, it can be stated that remote working at times may disburse the boundaries between work and home. Under such conditions, prolonged working hours and feelings of isolation may negatively hamper the morale of the employees. With the aim to overcome this, it is essential that organisations, as well as employees, undertake relevant measures Howe et al. (2021). Another critical factor that impacts the morale of the employees during uncertain times is highlighted by Lazim et al. (2020). According to them, uncertain times like pandemic often tends to create emotionally disturbing experiences. This is because some of them might go through a process of reduction in monetary compensation while some may experience a higher workload or some of them may be loaded with the accomplishment of tasks that are incomplete due to the removal of certain employees. These experiences cause negative emotions to be built in employees resulting in a decrease in their morale and satisfaction with the firm.

A number of studies have cited strategically diverse reasons for resulting in a decline in employee morale. For instance, Powe (2020) showcased ineffective leadership to be the major reason for low employee morale and consequently, lack of efficiency. Similar findings were highlighted by Noor & Ampornstira (2019) along with downsizing and reduction of salary as two other factors. Moreover, Dash & Mohanty (2019) affirmed that low employee morale is caused due to a lack of an appropriate work environment which further has negative implications for employee engagement levels.

Concerning the banking industry, Mishra (2015) reveals that in the previous 10 years, the banking business has changed dramatically, transitioning from procedural and customer support to a more aggressive one where earnings rivalry is paramount. Long-serving banking staff is getting disillusioned with the sector and are generally unwilling to meet new standards. Staff morale declines, resulting in lower revenue. Because of the intimate links that exist between staff and consumers, removing such personnel might result in the loss of crucial customer engagement. Employee morale is therefore a major challenge for the retail financial business at all stages. This study, therefore, aims to comprehend how employee morale is impacted as an outcome of the coronavirus outbreak.

Self-Efficacy

Outlining through a social cognitive dimension, the attribute of self-efficacy can be regarded

as the perception of humans about their capabilities for accomplishing a pre-defined set of routine tasks. The attribute of self-efficacy is eminent as it drives their decision-making process (Ma et al., 2021). Alhadabi & Karpinski (2020) highlighted that individual with high self-efficacy are more inclined to undertake the challenging task and thereby, are found to be more resilient. In addition to this, it also found that they are highly motivated and hence, experience lower negative emotions in accomplishing such tasks. In this concern, it can be stated that self-efficacy depicts the aggregate level of self-confidence that an individual has in managing challenging situations under different environmental conditions. Thus, affecting the psychological state of mind and behaviour of an individual Xiong et al. (2020).

Past studies have concluded that self-efficacy is a key factor and plays a critical role in influencing as well as determining the performance of an individual pertaining to a certain task. As a result, the motivation of an individual and simultaneously their performance can be determined by self-efficacy Schmidt & DeShon (2010). Consequently, it is revealed that a lack of self-efficacy can result in avoidance behaviour. People often participate in certain activities or projects when they have confidence in their skills to complete a task and a sense of self-efficacy. That instance, if a person has a high feeling of self-confidence and faith in his or her talents, he or she will be more optimistic about completing a task Lee & Mao (2016).

Another research held by Taufiq-Hail et al. (2021) revealed that self-efficacy helped in mitigating the challenges encountered due to COVID-19 on task performance of the employees. In addition, a study conducted by Baloran & Hernan (2020) depicted that self-efficacy can help in managing a crisis more effectively and ensuring that the commitment levels of the employees are maintained; it is further found to be negatively disrupted in the case of those individuals that already low self-efficacy levels before the crisis. Subsequently, Van Esch et al. (2021) highlighted through their study that people with a higher level of concern towards uncertain situations are more likely to have lower self-efficacy levels and therefore, seek mentorship. In contrast to this, a study conducted by Meyer et al. (2022) revealed that those with high self-efficacy levels had a higher level of confidence level in their ability to handle the stressful events that occurred due to COVID-19.

The focus of another research conducted by Srivastava & Pathak (2019) was to see how self-efficacy, organisational support, and work participation improve employee performance amongst Uttarakhand and Uttar Pradesh private bank staff. Two components of self-efficacy, four variables of organisational commitment, two elements of work participation, and two aspects of work performance were recovered using factor analysis. Furthermore, the quantitative approach demonstrated that self-efficacy has a considerable influence on work performance, while organisational commitment and job participation have negligible effects. Even though several investigations have been carried out in the past utilising the aforementioned criteria, there is a dearth of research on cumulative research in the domain of employee morale and self-efficacy in the banking industry. This study, therefore, aims to find the link between these two variables, especially during the pandemic times.

Research Gap

The COVID-19 epidemic has caused a considerable change in workplace practices because of the preventative measures implemented during social distancing. As a result, it has presented strategic challenges pertaining to work, home, work-life balance, and capabilities Waizenegger et al. (2020). This can be affirmed through the course of a survey conducted by LinkedIn in April 2020. The findings of this survey highlighted that approximately 62 percent of the employees are

more stressed out in this COVID-19 crisis than they were ever before. In addition to this, it was found that the number of employees working for an additional one hour each day was approximately 68 percent while those that were working for at least four additional hours every day was 21 percent (Savic, 2020). Such stress especially pertaining to employability may negatively impact the employees’ morale and thereby, productivity Thoti (2016). Such findings have been reflected by a large number of scholars Kumari (2011); Sharma (2014). Moreover, it is also found that self-efficacy positively impacts the morale of individuals Lambersky (2016).

Moreover, in recent decades, there have been significant changes in the way credit intermediaries, in principle, and banking institutions, in specific, operate across the world. Technology, restructuring, acquisitions, and the establishment of an optional pension system are just a few of the dramatic developments that have occurred and are being adopted by practically all banking institutions. All of these actions have culminated in intense rivalry both inside and between banks. These adjustments may have had a significant influence on bank employees' morale and motivation, as well as their overall job satisfaction. According to psychology, strong morale leads to increased desire, which leads to increased quality of work life, and extremely content individuals perform better than unsatisfied employees. Nevertheless, this assertion should be experimentally supported by data on banking personnel's morale in different parts of the industry, as well as their degree of satisfaction or unhappiness with numerous job-related elements. The current research is a modest step to accomplish the study’s objectives and predominantly aims to comprehend how employee morale has been influenced by the corona crisis with self-efficacy acting as the moderator. Since there is still a lack of pertinent evidence on the role of self-efficacy in moderating the negative implications of uncertain situations specifically like the COVID-19 pandemic on employee morale. Thus, the current study will be directed to accomplish this gap in the research.

The main aim that drives the proposed research is to outline the impact of COVID-19 on employee morale and the mediating role played by self-efficacy in this association. As a result, COVID-19 is the independent variable (I.V), the dependent variable (D.V) is employee morale, and self-efficacy is the mediating variable (M.V). Based on the framework, the study tested the following hypothesis Figure 1.

- H₀₁. COVID-19 does not have a significantly negative impact on Employee Morale.*
- H₁₁. COVID-19 has a significantly negative impact on Employee Morale.*
- H₀₂ COVID-19 does not have a significantly negative impact on the Self-Efficacy of employees.*
- H₁₂ COVID-19 has a significantly negative impact on the Self-Efficacy of employees.*
- H₀₃ Self-efficacy does not have a significantly positive impact on Employee Morale.*
- H₁₃ Self-efficacy has a significantly positive impact on Employee Morale.*
- H₀₄ Self-efficacy does not mediate the relationship between COVID-19 and Employee Morale.*
- H₁₄ Self-efficacy mediates the relationship between COVID-19 and Employee Morale.*

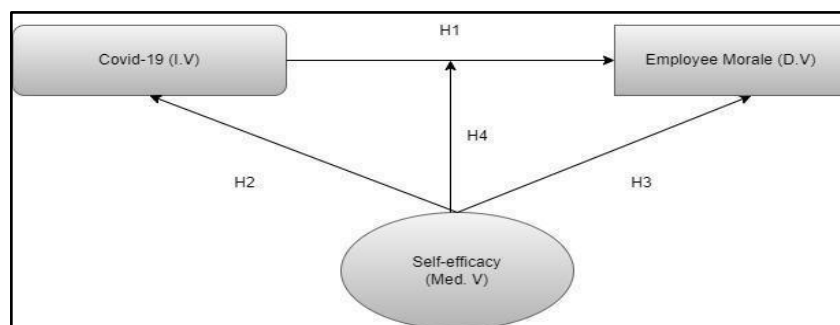


FIGURE 1 CONCEPTUAL DIAGRAM

SCOPE OF THE STUDY

The current research aims to gather data from the employee's perspectives on three prominent variables viz COVID-19, self-efficacy, and employee morale. The study specifically emphasises the COVID-19 era and gathers data from 300 respondents belonging to the banking sector. However, with a small sample size due to resource constraints, the findings may not be generalisable for employees who belong to a different industry or a distinct political, emotional, or environmental setup. Moreover, the study findings obtained will be imperative for the HR managers of the banking firms, who can gain crucial insights regarding the problems that are currently faced by the employees which lead to low employee morale, lesser productivity, and ultimately huge employee attrition. By comprehending the perceptions of the employees, the HR managers can accordingly set up policies to improve employee morale and in turn productivity and efficiency of the banking companies.

Finally, the study will also prove to be imperative for the scholars who aim to conduct similar studies in future.

SAMPLING METHODOLOGY

Employees from public and private sector banks were chosen using a simple random approach to collect pertinent data on self-efficacy, employee morale, and COVID-19. In this random sampling technique, individuals within the population are equally likely to be chosen within the sample space. The simple random sampling method not only helps minimize uncertainty from the end of the researchers but also allows for quickly interpreting the findings Sharma (2017). The sampling frame is defined as the entire list of the population from which the sample units are selected. In the current study, the sampling frame includes both the public and private sector banks, while the sampling units are the bank employees belonging to the selected banking firms Ma et al. (2021).

TOOLS FOR DATA COLLECTION

The objectives of the current study were fulfilled using a questionnaire survey wherein relevant information from the employees was gathered regarding the implications of the COVID-19 situation on their morale and thereby, the role of self-efficacy in enhancing or deteriorating the entire situation. The respondents were thus requested to respond to the closed-ended questions scaling questions mentioned within the questionnaire. The scaling questions are also known as the ranking questions were used in the present study which was tested using a 5-point Likert scale where the rank 1 denotes 'strong agreement', 2 'agreement', 3 'neither agree nor disagree', 4 'disagreements' and 5 denote to 'strong disagreement'. In this type of questionnaire, the respondents can rank the already available answers to the questions on a pre-described range of values McGuirk & O'Neill (2016). The questionnaire used in the current study is divided into five parts viz; A, B, C, and D. Part A of the questionnaire describes the characteristics of the respondents. This part describes the attributes of the respondents taking part in the survey and consists of 5 questions. The second part which is part B reveals the Implications of COVID-19 and includes 9 questions. Part C focuses on employee morale and contains 18 questions. While Part D focuses on the aspect of self-efficacy and contains 15 questions Powe Sr (2020).

The scales used for the current study have been mentioned below; however, several modifications have been made to accomplish the goals of the current study. Generalized COVID-19 scale Ahorsu et al. (2020). Employee Morale Scale Arunchand & Ramanathan (2013). Self-Efficacy scale Schwarzer & Jerusalem (1995)

The Cronbach’s Alpha was used to assess the tool’s reliability (questionnaire). The Cronbach’s alpha in this research ranged from 0.775 to 0.882 which is deemed to be good Table 1.

Variable	Cronbach’s Alpha
COVID-19	0.775
Employee Morale	0.882
Self-Efficacy	0.835

Analysis

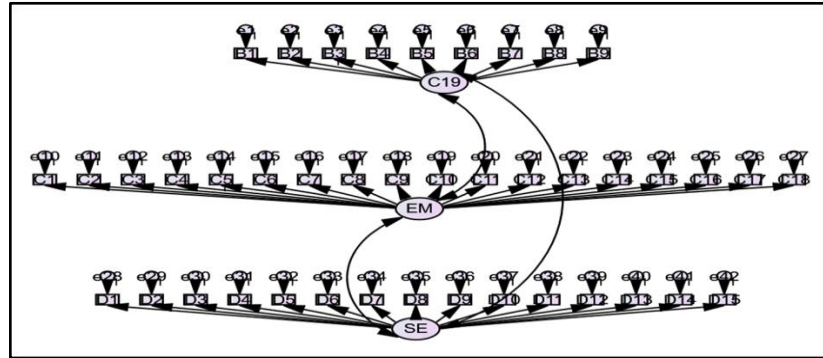
Several statistical tests along with SPSS were employed to test the study findings. A frequency test and percentage analysis were used to interpret the demographic results Table 2.

	Frequency	Percent
Gender		
Female	174	58.0
Male	126	42.0
Age		
Less than 30 years	32	10.7
31-40 years	103	34.3
41-50 years	110	36.7
More than 50 years	55	18.3
Experience		
Less than 1 year	25	8.3
1-5 years	46	15.3
6-10 years	60	20.0
11-15 years	97	32.3
More than 15 years	72	24.0
Qualification		
Bachelor	86	28.7
Masters	143	47.7
MBA	42	14.0
Others	29	9.7
Type of bank		
Public	150	50.0
Private	150	50.0
Total	300	100.0

It was found that 58 percent of the total sample of 300 respondents were male while 42 percent of the employees who took part in the survey were female. The majority of the respondents that is 36.7 percent were aged between 41-50 years followed by 34.3 percent who were aged between 31-40 years, 18 percent more than 50 years old, and 10.7 percent less than 30 years old. Additionally, most of the respondents (that is 32.3 percent) had an experience of 11 – 15 years, followed by 24 percent having an experience of more than 15 years. 47.7% of the

respondents were educated up to a master’s degree, 28.7 percent held a bachelor's degree, 14 percent of the respondents owned an MBA degree while 9.7 percent had other educational qualifications. Finally, approximately half of the respondents were from private sector banks, while the other half belonged to public sector banks Figure 2.

TESTING OF HYPOTHESIS



**FIGURE 2
MEASUREMENT MODEL**

Finally, the study involved testing the hypothesis using covariances and mediation analysis in order to draw crucial conclusions.

The measurement model in the current study depicts how the three variables in the current study are related to one another. The model depicts that COVID–19 has an influence on staff morale. Furthermore, the model depicts that COVID–19 influences self-efficacy, and self-efficacy influences employee morale. Furthermore, the measurement model portrays that the association between COVID-19 and staff morale is mediated by self-efficacy.

Conclusively, it can be suggested that COVID-19 influences employee morale and self-efficacy, and self-efficacy acts as a moderator between the association between COVID-19 and self-efficacy Table 3.

Table 3 COVARIANCES						
		Estimate	S. E.	C.R.	P	Label
C19<-->	SE	.034	.006	5.420	***	Accepted
C19<-->	EM	.043	.007	5.971	***	Accepted
EM<-->	SE	.051	.008	6.339	***	Accepted

H₁₁ COVID-19 has a significantly negative impact on Employee Morale.

The beta coefficient for the link between COVID-19 and staff morale in hypothesis 1 was 0.043, with a *p-value* of 0.0000 < 0.05. Hence, it can be presumed that COVID–19 has an influence on staff morale because the *p-value* was less than 0.05. As a consequence, the alternative hypothesis is supported and the null hypothesis is rejected, and it is feasible to assert that COVID–19 influences employee morale. The study findings are in accordance with the results of Howe et al. (2021) and Lazim et al. (2020) who suggest that prolonged working hours and feelings of isolation may negatively hamper the morale of the employees. Also, uncertain times like pandemics often tend to create emotionally disturbing experiences resulting in a

decrease in their morale and satisfaction with the firm.

Furthermore, Regression analysis with collinearity was also conducted in order to predict the value of a variable based on the value of another variable.

The R-value is displayed in the model summary table shown below. The R value (the "R" Column) shows the simple correlation, which is 0.837, denotes 83.7 percent high degree of correlation Table 4.

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.837a	.701	.700	.143
a. Predictors: (Constant), H2				

H₁₂ COVID-19 has a significantly negative impact on the Self-Efficacy of employees.

Similarly, for the second hypothesis, the beta coefficient for the link between COVID–19 and self-efficacy was 0.034, with a *p-value* of 0.0000 < 0.05. Because the *p-value* is much less than 0.05, it is claimed that COVID–19 had an effect on self-efficacy. As a result, the alternative hypothesis is supported and the null hypothesis is rejected, and it is possible to conclude that COVID–19 influences self-efficacy. A similar result was observed in the study conducted by Van Esch et al. (2021) who found that people with a higher level of concern towards uncertain situations are more likely to have lower self-efficacy levels and therefore, seek mentorship. The study findings also align with the results of Alhadabi & Karpinski (2020) who highlighted that individuals that have high self-efficacy are more likely to undertake challenging tasks and thereby, are found to be more resilient. The R value is shown in the model summary table presented below. The R value depicts the simple correlation and is 0.791 (the "R" Column), which denotes 79.1% high degree of correlation Qiu et al. (2020) Table 5.

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.791a	0.626	0.624	0.161
a. Predictors: (Constant), H3				

H₁₃ Self-efficacy has a significantly positive impact on Employee Morale.

Furthermore, the beta coefficient for the link between self-efficacy and employee morale was 0.051 and the related *p-value* was 0.0000 < 0.05 for hypothesis 3. Because the *p-value* was less than 0.05, it is reasonable to believe that self-efficacy influenced employee morale. As a consequence, the alternative hypothesis is accepted and the null hypothesis is rejected, and we may infer that self-efficacy impacts employee morale. This result aligns with the study results of Meyer et al. (2022) who reflected that people with high self-efficacy levels had a higher level of confidence level in overcoming the stressful events presented by COVID-19. Moreover, as

observed in the literature, Schmidt & DeShon (2010) also held a similar perception and asserted that self-efficacy plays a critical role in influencing as well as determining the performance of an individual pertaining to a certain task. Consequently, the motivation of an individual and simultaneously their performance is determined by self-efficacy.

R value is shown in model summary table below. The R value depicts the simple correlation and is 0.867 (the "R" Column), which denotes 86.7% high degree of correlation Tables 6-12.

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.867a	0.752	0.751	0.12
a. Predictors: (Constant), H2				

H₁₄ Self-efficacy mediates the relationship between COVID-19 and Employee Morale.

R	R-sq	MSE	F	df1	df2	p-value
.7824	.6122	.0189	470.4601	1.0000	298.000	0.000

	Coefficient	SE	t	p-value	LLCI	ULCI
Constant	1.0738	.1326	8.0994	.0000	.8129	1.3347
COVID-19	.7282	.0336	21.6901	.0000	.6621	.7943

R	R-sq	MSE	F	df1	df2	p-value
.8748	.7653	.0144	484.3421	2.0000	297.000	0.000

	Coefficient	SE	t	p-value	LLCI	ULCI
Constant	-.0316	.1278	-.2474	.8048	-.2831	.2199
COVID-19	.4329	.0470	9.2019	.0000	.3403	.5255
SE1	.5720	.0506	11.3152	.0000	.4725	.6715

Direct and Indirect effects of X on Y

Effect	SE	t	p-value	LLCI	ULCI
.4329	.0470	9.2019	.0000	.3403	.5255

Effect	BootSE	BootLLCI	BootULCI

SE1	.4125	.1418	0.4290	.6435
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To test hypothesis 4, SPSS was used to do a mediation analysis. The beta coefficient for the link between COVID-19 and employee morale as mediated by Self-efficacy was 0.4329, with a *p-value* of $0.0000 < 0.05$. Because the *p-value* was less than 0.05, it is reasonable to conclude that the relationship between COVID-19 and staff morale is mediated by self-efficacy. Hence, the alternate hypothesis is accepted and the null Shrestha et al. (2019) hypothesis is rejected and it is affirmed that the association between COVID-19 and employee morale is mediated by self-efficacy. This finding is in line with the study findings of Taufiq-Hail et al. (2021) who suggested that self-efficacy helped in mitigating the challenges encountered due to COVID-19 on task performance of the employees. Also, the study results obtained are similar to the study results of Baloran & Hernan (2020), who demonstrated that self-efficacy can help in managing a crisis situation more effectively and ensuring that the commitment levels of the employees are maintained Kovács & Kálmán (2022).

SUGGESTIONS AND RECOMMENDATIONS

As identified from the study findings, COVID-19 has a major implication for the employees' morale. Furthermore, self-efficacy also Savić (2020) mediates the relationship between COVID-19 and employees' morale. Thus, given below are certain recommendations for enhancing the employees' self-efficacy and morale amidst the pandemic scenario Mallik et al. (2019).

1. By enhancing and encouraging policies of workplace flexibility, the banking organisation may enhance the morale of the employees amidst the pandemic scenario and remote working situations. Workers within the banking organisations often find it difficult to balance both work and life while working remotely. Thus, implementing flexible work hours, an alternate day working patterns, and employee-friendly holiday policies may assist in enhancing the morale of the employees White & Maniam (2020).
2. Secondly, communicating more often with the employees also helps in boosting employee morale, especially during times of crisis. Employees have a feeling of belonging when they can communicate effectively with their colleagues and define and articulate clearly defined roles, obligations, and liability (Malik et al., 2019). Furthermore, communication within the banking sector plays a crucial role,
3. Moreover, during times of pandemics, identifying optimal and tailored training will increase employee efficiency at work by improving and upgrading their abilities. Which will enhance their morale and in turn overall productivity. Apart from this, it is also critical to ensure that the employees are provided with a positive work atmosphere which is critical in inspiring individuals to do better in their given tasks (Malik et al., 2019). Investor, vendor, partner, supervisor, user, worker, and governing board relationships are all strengthened through efficient banking communication. Banking communication experience improves the financial sector, staff behaviour, and basic consumer banking building maintenance. Through education, organizational learning, risk assessment, auditing standards, and data protection strategic planning, banking communication increases employee morale which in turn improves organizational performance (Shreshtha et al., 2019).
4. Furthermore, the aspect of self-efficacy can be improved through improvements in leadership. It is imperative for the banking management to identify the best achievers and elevate them to leadership roles or mentorship. The banking firm's management must boost the number and variety of positive examples in the group to boost personal and team self-efficacy. Furthermore, human resource professionals within the banking sector must urge leaders and supervisors to participate in activities that promote leadership quality (Qui et al., 2020).
5. Furthermore, given the remote working scenarios and failure to have regular meetups with the team members, the management of the banking firm must work on planning and development of goals as per the individual's capabilities. The goal planning must be done in such a way that the complexity of the goal must correspond to the person's or team's level of perceived self-efficacy. As self-efficacy and competence

improve, so should the difficulty of task requirements and achievement levels Carter et al. (2018).

CONCLUSION

The COVID-19 outbreak, which had no apparent immediate solution, threw workers and management into turmoil and panic. HR management faced serious challenges during the majority of 2020 and the first half of 2021. Finding out how workers might work remotely, attempting to give additional emotional health assistance, and focusing on HR strategies and tactics to keep their businesses running have become important aspects of Human Resource Management. The current study, therefore, aimed to comprehend the influence of the corona pandemic on employee morale with self-efficacy playing the mediating role. This study will prove to be beneficial for the HR managers who can gain crucial insights regarding the problems the employees are currently facing and the aspects that can be incorporated to enhance employee morale and self-efficacy. Accordingly, HR professionals can implement strategies in order to address the detrimental impacts of the pandemic scenario. Moreover, by implementing such strategies, organisational productivity and efficiency can also be enhanced.

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