Adaptation and Resilience Strategies to Cope with Pandemics: Case Study of Redundant Workers in the Fiji Airline Industry

SEONE S. LOLESIO, AMALAINI TIKODUADUA, EMALINI NAKABEA

ADB-ASIAN THINK TANK DEVELOPMENT FORUM: PACIFIC ISLAND ECONOMIES: AIMING FOR SUSTAINABLE ECONOMIC DEVELOPMENT IN THE MIDST OF GROWING UNCERTAINTIES*

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www.islandsbusiness.com
“No training ever prepared me for a pandemic!

Being innovative, and seeing what was trending. I tapped into that particular market, that enabled me for a somewhat sustainable funding to get me by, as I was the sole bread winner of a family of 6 with an aging father of 82!
INTRODUCTION
Research Motivation

- COVID19 was declared a pandemic by WHO in March 2020
  - causing devasting impacts globally and in Fiji as well
  - major impact was the redundancy of approx. 1/3 of Fiji’s workforce

- Hardest hit sector was the Hospitality and Tourism Industry, including the Airline Industry

- Fiji Airways made 758 staff (51% total workforce) redundant (including all cabin crew members, 8 expatriate executive managers, and 79 expatriate pilots)

- Most of the cabin crews have been with Fiji Airways on average in term of years of service, 12.6 years!

- The forced redundancy caught the staff off guard and it made worst that most of them were ill prepared to cope with this external shock
Research Objective (RO)

To investigate adaptation and resilience strategies that Fiji Airline workers used to cope with redundancies from COVID-19
Research questions (RQs)

RQ1: What adaptive and resilience strategies do redundant workers employ to secure alternative income sources in a small developing state (SIDS) such as Fiji?

RQ2: To what extent do workers’ experience, formal qualifications, and training (in-house & external), contribute to secure alternative income sources in different industries or entrepreneurial opportunities (micro & small businesses)?

RQ3: (a) Do redundant employees intend to return to the same company or industry when conditions improve? (b) How does the establishment of secure alternative income sources influence this decision?
LITERATURE REVIEW

www.facebook.com/fijiairways/photo
Impact of pandemics on the global airline industry

- Hospitality & tourism industry (Airline industry included) - sector most vulnerable and suffered most during COVID19 and other pandemics *Kim & Wang (2021), Song et al. (2021), Dayour & Adam (2020)*

- Grounding of airlines, suspension of flights, travelling public fear of flying, and no travels due to lockdowns and health risks (ie. contagious nature of COVID) *Dunford et al. (2020), Huang et al. (2020), Baum et al. (2020), Liu et al. (2021), Serrano & Kazda (2021)*


- Loss of employment, household income, revenue for businesses and government *Dayour & Adam (2020)*
Adaptive strategies & resilience


- Redundancy defined as a result of crisis (Human Resource Management context) (used in this study) *Singh et al. (2021), CIPD (2020), Dayour & Adam (2020), Waters (2007)* & industrial, mechanical or robotic redundancy *Concur & Buckingham (1997)*

- Adaptive strategies and resilience are actions of redundant staff to cope with redundancy *Authors’ own definition*

- Crisis, redundancy, and adaptive strategies relationship explained *Baum et al. (2020), Kang et al. (2021), Alonso et al. (2020), Singh et al. (2021), Lea (2020)*, and *Dayfour & Adam (2020)*
Adaptive strategies & resilience – a theoretical perspective

- Absence of an underpinning framework and its importance to be developed for the study of the impact on tourism activities after crisis Faulkner (2001)

- Family adaptive strategies theory: appealing metaphor used for family response to structural barriers and stressful events; (i) structural approach; (ii) rational choice approach, and (iii) life course approach Moen & Wethington (1992); strategies used by families to cope with stressful challenging events, and circumstances Reiss & Oliveri (1980); a response to the impact of the crisis which at the same time causing drastic changes in the family system McCubbin et al. (1998)

- Adaptive strategies and labour force/employment resilience & loyalty Hartel et al. (2023), Neise et al. (2023), Osman-Elasha et al. (2006), Pagnani et al. (2021)
Research Gaps

- **The adaptive and resilience strategies of redundant workers in small island developing states (SIDS)**
  - Exploring strategies in SIDS
  - Family adaptive strategies in SIDS
  - Socio-economic impact on SIDS

- **Influence of qualifications and training on securing alternative income sources**
  - Role of qualifications and training
  - Skills transferability
  - The impact of training initiatives

- **Employee loyalty and re-employment intentions**
  - Post-redundancy employee loyalty
  - Factors affecting re-employment intentions
  - Strategies for retaining talent
RESEARCH METHODOLOGY
Population of interest & sample size

- **Population of interest:** close to 800 Fiji Airways staff that were made redundant
- **Sample size:** 400 Fiji Airways Flight Attendants: (both Fiji Flight Attendants Trade Union (FFATU) members and non-members)
- **Respondents:** 147
Respondents profile (n = 147)

Age Group & Gender

- 56-60: 1% Female, 1% Male
- 51-55: 11% Female, 9% Male
- 46-50: 15% Female, 7% Male
- 41-45: 20% Female, 20% Male
- 31-40: 31% Female, 33% Male
- 26-30: 18% Female, 26% Male
- 20-25: 4% Female, 4% Male

Ethnicity

- Itaukei: 108, 73%
- Indo-Fijian: 26, 18%
- Part European: 11, 8%
- Others: 2, 1%
Respondents profile (n = 147)

- **Annual Income before redundancy (FJD/USD)**
  - **Less than $30000 ($14085 USD)**: 122 (82.99%)
  - **Between $30000 - $50000 ($14085 - $23475 USD)**: 25 (17.01%)
  - **Above $50000 ($23475 USD)**: none

- **Total Working Years**
  - **Work for Fiji Airways**
    - **Maximum**: 36 years (32 years)
    - **Minimum**: less than 1 year (less than 1 year)
    - **Average**: 14.7 years (12.6 years)
    - **Median**: 15 years (9 years)
    - **Mode**: 5 yrs (5 years)

Note: Fiji tax threshold is $30000 ($14085 USD) (USP: May 2020, @0.4695)
Data sources and collection

- **Primary sources**: online survey using SurveyMonkey
  - Stages of collection: (i) questionnaire design; (ii) pilot survey; (iii) main survey, (iv) preliminary & follow up interviews, and non-probability sampling was used
- **Secondary sources**: websites and annual reports of the Airline Industry Stakeholders both Fiji and abroad
KEY RESULTS
Addressing RQ1: Supplementary personal income sources before & during redundancy

<table>
<thead>
<tr>
<th>Income source (before redundancy)</th>
<th>Response (/147)</th>
<th>Percentage (/100%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>None</td>
<td>122</td>
<td>83.0%</td>
</tr>
<tr>
<td>Dividend income</td>
<td>7</td>
<td>4.8%</td>
</tr>
<tr>
<td>Business income (online business, sale of kava &amp; food pack)</td>
<td>7</td>
<td>4.8%</td>
</tr>
<tr>
<td>Rent income</td>
<td>5</td>
<td>3.4%</td>
</tr>
<tr>
<td>Lease income</td>
<td>2</td>
<td>1.4%</td>
</tr>
<tr>
<td>Rent income/interest income</td>
<td>2</td>
<td>1.4%</td>
</tr>
<tr>
<td>Rent income/lease income</td>
<td>1</td>
<td>0.7%</td>
</tr>
<tr>
<td>Others (eg health insurance)</td>
<td>1</td>
<td>0.7%</td>
</tr>
</tbody>
</table>

RQ1: What adaptive and resilience strategies do redundant workers employ to secure alternative income sources in a small developing state (SIDS) such as Fiji?
Addressing RQ1: Supplementary household income during redundancy

My husband (principal of his law firm) was not allowed to continue due to no vax... I was the sole breadwinner at the time... Spouse was also terminated...
Addressing RQ1: Did income meet household needs & appropriate actions during redundancy

<table>
<thead>
<tr>
<th>Income meeting household needs during redundancy</th>
<th>Responses</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Number (/147)</td>
</tr>
<tr>
<td>Barely</td>
<td>68</td>
</tr>
<tr>
<td>Adequately</td>
<td>54</td>
</tr>
<tr>
<td>Comfortably</td>
<td>13</td>
</tr>
<tr>
<td>Not at all</td>
<td>12</td>
</tr>
</tbody>
</table>

**Actions to cope with income (for not at all or barely) meeting household needs during redundancy**

- **Borrowing (family/local abroad & friends, FNPF & others)**: 67 (46%)
- **Moved in with friends and families (urban centres)**: 53 (36%)
- **Relocation to village (farming, no rent, etc.)**: 27 (18%)
Addressing RQ2: Time lag before earning alternative income

<table>
<thead>
<tr>
<th>Time lag before securing alternative income after redundancy</th>
<th>Number (/140)</th>
<th>Percentage (/100%)</th>
<th>Cumulative %</th>
</tr>
</thead>
<tbody>
<tr>
<td>Immediately (zero lag)</td>
<td>12</td>
<td>8.6%</td>
<td>8.6%</td>
</tr>
<tr>
<td>Within 3 months</td>
<td>32</td>
<td>22.9%</td>
<td>31.4%</td>
</tr>
<tr>
<td>Within 6 months</td>
<td>32</td>
<td>22.9%</td>
<td>54.3%</td>
</tr>
<tr>
<td>Within 12 months</td>
<td>17</td>
<td>12.1%</td>
<td>66.4%</td>
</tr>
<tr>
<td>More than 12 months</td>
<td>47</td>
<td>33.6%</td>
<td>100.00%</td>
</tr>
<tr>
<td>No response</td>
<td>7</td>
<td>none</td>
<td></td>
</tr>
</tbody>
</table>

RQ2: To what extent do workers’ experience, formal qualifications, and training (in-house & external), contribute to secure alternative income sources in different industries or entrepreneurial opportunities (micro & small businesses)?
### Addressing RQ2: Factors affecting ability to start earning income from alternative employment & small business

<table>
<thead>
<tr>
<th>Factor affecting ability to start earning income</th>
<th>Response (/147)</th>
<th>Percentage (/100%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Need to acquire new skills</td>
<td>63</td>
<td>42.9%</td>
</tr>
<tr>
<td>Stress and depression</td>
<td>51</td>
<td>34.7%</td>
</tr>
<tr>
<td>Enjoy working for Fiji Airways and do the work</td>
<td>31</td>
<td>21.1%</td>
</tr>
<tr>
<td>I am comfortable with</td>
<td>2</td>
<td>1.4%</td>
</tr>
</tbody>
</table>

### Factor affecting ability to start own business

<table>
<thead>
<tr>
<th>Factor affecting ability to start own business</th>
<th>Response (/147)</th>
<th>Percentage (/100%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Inability to access finance</td>
<td>62</td>
<td>42.2%</td>
</tr>
<tr>
<td>Lack of access to other resources</td>
<td>28</td>
<td>19.0%</td>
</tr>
<tr>
<td>Inability to identify a clear concept/idea for my business</td>
<td>27</td>
<td>18.4%</td>
</tr>
<tr>
<td>Lack of business skills</td>
<td>21</td>
<td>14.3%</td>
</tr>
<tr>
<td>Lack of confidence</td>
<td>9</td>
<td>6.1%</td>
</tr>
</tbody>
</table>
Addressing RQ2: Pre-redundancy training to assist in securing alternative income sources

**Previous trainings assisting with preparedness**

<table>
<thead>
<tr>
<th>Types of training</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Work Experience</td>
<td>55 (37%)</td>
</tr>
<tr>
<td>None</td>
<td>44 (30%)</td>
</tr>
<tr>
<td>Formal Education</td>
<td>13 (9%)</td>
</tr>
<tr>
<td>Others</td>
<td>12 (8%)</td>
</tr>
<tr>
<td>NGO/CSO</td>
<td>9 (6%)</td>
</tr>
<tr>
<td>Scheduled training by Fiji Airways</td>
<td>6 (4%)</td>
</tr>
<tr>
<td>Trade Union</td>
<td>4 (3%)</td>
</tr>
<tr>
<td>Government</td>
<td>4 (3%)</td>
</tr>
</tbody>
</table>

NGO like FRIENDS, PIFON & Natures’ Way helped to cope with not being able to provide or have a steady income, they expanded my insight to how I was able to solve problems through agriculture...

Life skills taught at home came into play...

Faith –based including experience...

Personal character traits...

I am a self-taught baker and cook...
Addressing RQ2: Relevant skills to assist in securing alternative income sources—actual & suggested

<table>
<thead>
<tr>
<th>Relevant skills from trainings</th>
<th>Response (multiple answers)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Customer services/public relations</td>
<td>66</td>
</tr>
<tr>
<td>Others</td>
<td>30</td>
</tr>
<tr>
<td>Managing micro and small businesses</td>
<td>29</td>
</tr>
<tr>
<td>Manage people and teams</td>
<td>29</td>
</tr>
<tr>
<td>Cooking and catering</td>
<td>26</td>
</tr>
<tr>
<td>Sales and marketing skills</td>
<td>24</td>
</tr>
<tr>
<td>Financial literacy</td>
<td>20</td>
</tr>
<tr>
<td>Caregiving</td>
<td>20</td>
</tr>
<tr>
<td>Training and instruction</td>
<td>20</td>
</tr>
<tr>
<td>Personal grooming including hair dressing etc.</td>
<td>13</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Potential relevant skills</th>
<th>Response (multiple answers)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Diversify skill (in-house training to develop new skill set)</td>
<td>60</td>
</tr>
<tr>
<td>Small business training</td>
<td>58</td>
</tr>
<tr>
<td>Opportunities for internal transfer to other business units</td>
<td>52</td>
</tr>
<tr>
<td>Upskill (in-house training to enhance existing skill set)</td>
<td>44</td>
</tr>
<tr>
<td>Employers’ subsidies/rewards for formal continuing education</td>
<td>37</td>
</tr>
<tr>
<td>Small business financing</td>
<td>34</td>
</tr>
</tbody>
</table>
Addressing RQ3: Intention to return & re-employment with Fiji Airways

RQ3: (a) Do redundant employees intend to return to the same company or industry when conditions improve? (b) How does the establishment of secure alternative income sources influence this decision?
CONCLUSION

https://vacancy.fijiairways.com/
Key findings summary

- **RQ1:** Multiple/diverse income streams is critical for resilience during crisis – *(Multiple/Diverse income streams for resilience)*
  - Resilience through income diversity
  - Reducing dependency on a single source
  - Risk mitigation and adaptability

- **RQ2:** Diversification and continuous improvement of specific and generic skills are important to prepare for future external shocks *(Skills diversification for future shocks)*
  - Preparing for future shocks
  - Adaptability and versatility
  - Reducing vulnerability to Industry-Specific Shocks

- **RQ3:** Airline workers’ view of working for the airline as a lifetime career *(Perceptions of lifetime career in the Airline Industry)*
  - Strong loyalty to the Airline Industry
  - Emotional attachment and job satisfaction
  - Implications for retention and resilience
Policy implications

- **Current practice**
  - Fiji Airways in-house training focus
  - Government support through scholarships & Tertiary Education Loan Scheme (TELS)
  - FNPF assistance with formal education

- **Gaps & challenges identified from study**
  - Insufficient in-house training for skill development
  - Lack of small business training & opportunities
  - Inadequate in-house training for existing skills enhancement
  - Insufficient employer rewards/subsidies for continuing education
  - Absence or lack of opportunities for small business financing
  - Over-reliance of employees on paid salaries and fringe benefits
Policy recommendations

- **Building resilience for the future**
  - Skills diversification through continuous training and development programs
  - Safety nets and support system for workers
  - Workers and employers to foster resilience – forward thinking approaches

- **Government and Industry/ NGO partnerships**
  - Implement retraining programs
  - Financial support to affected industries
  - Contingency plans and crisis response mechanisms

- **Fostering a culture of adaptability**
  - Encourage workers and employers to embrace changes and innovation
  - Facilitate skill diversification and training opportunities
  - Support agility in the face of unexpected disruption
Limitation and future research

- **Sample size restriction to flight attendants**
  - Narrow sample focus
  - Missed insights from other roles

- **Exclusion of other Hospitality and Tourism sectors**
  - Sectoral exclusion
  - Holistic examination

- **Focus on forced redundancy due to external shock**
  - Specific context
  - Comparison with planned redundancy

- **Organizational restructure and skill set redundancy**
  - Unexplored context
  - Future research opportunity
Lessons Learned!

▪ The destructive impact of COVID19, is a stark reminder to all of us of the urgency in addressing preparedness and resilience in an increasingly uncertain world.

▪ On the path to recovery, prioritizing strategies that empower workforce, mitigate future shocks, and foster a culture of adaptability & resilience, is critical to sustaining the future of SIDS like Fiji for example, that are most vulnerable to external shocks.

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Vinaka & Malo ‘aupito!

Q & A

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