COVID-19

Workforce Strategies for Post-COVID Recovery
A typical crisis plays out over three time frames: Respond, in which a company deals with the present situation and manages continuity; Recover, during which a company learns and emerges stronger; and Thrive, where the company prepares for and shapes the “next normal.”

1. Respond
As an organization responds to crisis, resilient leaders are defined first by five qualities which distinguish between surviving and thriving amidst crisis. Next, resilient leaders must take specific actions spanning three dimensions and evaluate them within the context of geographic location and sector. Finally, learnings from those experiencing the same crisis conditions should be leveraged to manage the response.

For more information on Respond, please explore The Heart of Resilient Leadership: Responding to COVID-19.

2. Recover
Resilient leaders view recovery as a journey for their organization, teams and stakeholders. There are five imperatives within the Recover phase to guide the business from Respond to Thrive:
1. Understand the required mindset shift;
2. Identify and navigate the uncertainties and implications;
3. Embed trust as the catalyst to recovery;
4. Define the destination and launch the recovery playbook; and
5. Learn from other’s successes.

For more information on Recover, please explore The Essence of Resilient Leadership: Business Recovery from COVID-19.

We have developed supporting material across these priority areas to support leaders as they develop the recovery playbook:

- Valuing Trust
- Command Centre
- Strategy
- Workforce
- Business Continuity & Financing
- Supply Chain
- Customer
- Technology & Digital
- Cyber
- M&A
- Environmental, Social, and Governance (ESG)

3. Thrive
Preparing for the next normal. Supporting materials to come.
Workforce Strategies for Post-COVID Recovery

As a result of the COVID-19 pandemic, an estimated 2.7 billion people, or more than four out of five workers in the global workforce, have been affected by lockdowns and stay-at-home measures.

Business and government leaders have been challenged to both respond to the crisis quickly and rethink their workforce strategies in real time.
It is important to realize that the recovery won’t be static. It will not occur on a specific date. COVID-19 is unlikely to end suddenly given the lack of available therapeutics and the uncertain prospects and timing of a vaccine. Most organizations’ first priority has been crisis response and emphasizing health, safety, essential services, and the virtualization of work and education. Now, as organizations begin to emerge from this response phase, leaders are focusing on the next set of workforce challenges as they plan for the recovery.

We see three phases that all resilient leaders will likely face amid the COVID-19 outbreak:

**Respond**
How an organization deals with the present situation and manages continuity

**Recover**
How an organization learns and emerges stronger

**Thrive**
How an organization prepares for and shapes the “new normal”

It is important to realize that the recovery won’t be static. It will not occur on a specific date. COVID-19 is unlikely to end suddenly given the lack of available therapeutics and the uncertain prospects and timing of a vaccine. Many organizations are therefore planning for multiple scenarios and time horizons as they shift from crisis response to recovery. Many are also planning for the possibility of multiple waves of the pandemic and its continuing global — uneven — footprint. As a result, we expect it will be a gradual transition from the respond phase to a new reality. Organizations must prepare for different outcomes of the pandemic — mild, harsh, or severe — and recognize that the recovery should be adaptable to different situations within different countries and industries worldwide.
To do so, it helps to think of this recovery process as a spectrum of options. Some organizations are hiring or expanding and others contracting. Some may bring more employees back to the workplace while others are still working remotely, perhaps permanently. Other organizations, especially those that expanded during the crisis, may reduce their workforce or adapt to new environments. Leaders should ask how they will integrate additional workers in the future, what services might be added or changed as a result, and what other operations may be maintained in a remote capacity.

The answers to these types of questions will help organizations redefine their workforces and set the direction to thrive in the aftermath of the pandemic. It is not essential that leaders have a detailed blueprint of the new working landscape at this stage, but they should start to actively envision it and work toward it. In sharing our insights on how to approach workforce recovery strategies, business leaders should begin with a sense of priorities and direction for their future. As we detail in our global report on Human Capital Trends in 2020 (see figure 1), the future of any organization’s DNA, and critical guideposts for workforce recovery, should include its direction on organizational

**Purpose**—integrating the well-being and contributions of individuals in the organization’s mission and work,

**Potential**—for what can be achieved by individuals and teams, and

**Perspective**—with a focus on moving boldly into the future.
The recovery process adopted by each organization will serve as a bridge between the response — how it dealt with the immediate demands of the crisis — and what its future will look like — the new normal.

It’s not simply a return to old ways of doing business. The pandemic has created an imperative and an opportunity for organizations to reengage with the workforce and reinvent their workplaces.

The biggest challenge organizations will likely face in recovery is the tension between preparing for a return to previous activities and routines — getting back to work — while also embracing a new reality — rethinking work. While many workforces have demonstrated resiliency in the face of crisis, it is important to remember that transformative change can be difficult and unsettling for many workers. While some may prefer working from home, others may be uncomfortable or unproductive outside of traditional work settings. How leaders accommodate and balance these divergent expectations will help define the future of trust in their organization. Despite the uncertainty, one thing remains clear: customers, workers, suppliers, and other partners are watching. How organizations handle the recovery may define their brands with both their workforce and their customers, establish their reputations for years to come, determine their future competitiveness, and ultimately define whether they are truly operating as a social enterprise.
The Social Enterprise

The social enterprise, as defined in our 2018 Global Human Capital Trends Report, clarified and expanded on the “new social contract”, proposing a more human-centered rewiring of the relationships between the individual and organization and the organization and society, with a goal of providing stability in a world that was quickly changing. Becoming a social enterprise was about much more than corporate social responsibility. It was about shifting the ways organizations worked to balance the concerns of the organization with those of the broader ecosystem.

In the context of the rise, and now acceleration, of the social enterprise and the short-term challenges in leading workforce strategies in the recovery, we believe planning and executing for the recovery should be done with a focus on the future direction. Having clear priorities can guide the organization through the recovery and to the next phase: thrive. Our forthcoming 2020 Global Human Capital Trends report — The Social Enterprise at Work — offers organizational leaders a sustainable path for their workforce and organizational DNA for the future by embedding three attributes into the organization’s core:

Purpose, Potential, and Perspective.

• Organizations that embrace purpose embed well-being and meaning into every aspect of work every day, optimizing the power of individuals by harnessing workers’ complementary strengths in the service of a common goal.

• Organizations that embrace potential are designed and organized to maximize what humans are capable of thinking, creating, and doing in a world of machines, increasing their people’s potential for long-term success in work.

• Organizations that embrace perspective view uncertainty as offering possibilities rather than threats, positioning themselves to take decisive action to shape an unknown future.

By embracing these attributes, organizations will have the power to put the social enterprise to work in 2020 — guiding the direction of the workforce recovery and shaping the years ahead.
We believe workforce-related strategies in the recovery are best orchestrated through five critical actions: Reflect, Recommit, Re-engage, Rethink, and Reboot. These actions can help organizations bridge the crisis response to the new normal by laying the foundation to thrive in the aftermath of the crisis.
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Reflect

on what has worked, what has been learned, and what has been missed in the response — bringing in different perspectives and voices.

Reboot – HR and People Operations Priorities

and realign the HR function and people operations with the most pressing business and workforce priorities and pivoting towards exponential HR.

Rethink work, workforces, and workplaces

to leverage the experiences of the COVID-19 response and the opportunity to accelerate the future of work.

Recommit

to workforce wellbeing and purpose through a focus on physical, psychological and financial concerns — at home and in the workplace.

Re-engage

and redeploy the workforce to maximize their contribution and potential for rapidly evolving organizational priorities.
Create the time to reflect. A key difference between crisis response — which is largely about reaction — and recovery, is making the time, and taking the time, to reflect on what’s next. In fact, reflection may be the most important first step and ongoing action in the recovery process. This starts with reflecting on what has worked, what has been learned, and what has been missed in the response. Reflection also involves making the time to bring in different perspectives, voices, and leaders at different levels as inputs to charting what comes next. Recovery for workforce strategies, given the severity, intensity, and impact on workers and businesses, requires action informed by continuous reflection. As most parts of the recovery process, it will not be easy, and will require deliberate action from leaders to make the time for this to happen.
As organizations begin the recovery process, they should reinforce their commitment to well-being and purpose through a focus on physical, psychological, and financial concerns. Physical well-being will include an emphasis on health and safety, the cleanliness of workplaces, and the availability of testing and treatment. Psychological well-being will include workplace practices such as flexible schedules that address workers’ mental and emotional health. Leaders should recognize the diversity of workers’ individual expectations and support them through the crisis and the transition to recovery. The commitment to well-being should extend to well-being at home — as workers continue to take care of children and elderly family members. Employees are looking for meaning in their work: meaning for their organizations and its customers, meaning for them as individuals and their careers, and meaning for their communities.

Recommit to the workforce involves a focus on purpose integrating employees’ needs for individuality and belonging and the value of connecting well-being, contribution, and work.

Organizations should communicate directly with individuals and teams in a timely manner to outline organizational missions and priorities and to connect business goals and outcomes. The workforce must feel connected to the mission. As part of this effort, organizations should assess, update, and implement essential policies and practices that promote the well-being of both their on-site and off-site workforce. Organizations must recognize that performance likely takes on new meaning in the post-COVID workplace. Health and productivity combine to help ensure workers thrive rather than simply deliver on objectives. Leaders should ask themselves how they will provide support for their workforces and ensure workers feel connected and engaged with the redefined priorities and strategy of the organization.
The recovery process creates opportunities for organizations to redeploy their workforces and maximize their contribution and potential. While some employees will return onsite, others may continue to work remotely. Some will engage in hybrid activity in which they work remotely much of the time yet come together with team members for specific functions. Organizations should prepare workers with the skills and capabilities for the return. This includes providing them with the infrastructure and technology, such as bandwidth and tools for virtual work, as well as the critical knowledge resources and digital access they need to meet both immediate and future work requirements. Re-engaging and re-deploying the workforce will involve both assigning and creating meaningful and impactful opportunities for workers but also engaging workers and teams to apply their potential and capabilities. As we have broadly witnessed in crisis response, we are all — as individuals, teams, and organizations — capable of much more than we have been traditionally asked to do.

Teams will play an increasingly important role and should be designed and configured for shifting business priorities and outcomes. Given the ongoing challenges many workers will have with family and personal concerns in the recovery, team assignments should balance worker preferences for scheduling and flexibility with critical business needs. Team leaders will be critical to the short-term success of re-engaging the workforce and driving business results. Reinforcing the role of teams and team leaders, and redeploying workers to new teams and new roles will help foster a sense of agility and, ultimately, lasting resiliency.

Leaders should provide teams, managers, and workers with clear direction on changes in work priorities and in routines, including new technologies and digital ways of working. This is a critical point for re-engaging and redeploying the workforce: the recovery will require a shift in focus to new work priorities and new work routines, such as new schedules, combinations of onsite and virtual work, and new team assignments. How organizations prepare and support their workforces for these new routines, priorities, roles, and assignments will likely be a key driver of workforce performance.
Rethink work, workforces, and workplaces

“The coronavirus, and its economic and social fallout, is a time machine to the future. Changes that many of us predicted would happen over decades are instead taking place in the span of weeks.”

This is how Anne-Marie Slaughter, President of the New America Foundation, summarized the COVID-19 moment. This is especially true of the future of work. We have seen rapid shifts to virtual and remote work and education, new levels of partnerships within and across ecosystems, and unprecedented levels of flexibility, teaming, and adaptability.

As they start to look toward the new realities of the post-pandemic world, organizations can use their new work priorities to rethink and reconfigure their workforces and balance ongoing and evolving business needs. It’s important that organizations communicate how and why they are redeploying workers. They must identify their new business priorities — highlighting where returning to earlier work priorities is appropriate and where new work is required. This includes providing context and direction for the rationale behind the new priorities, the new workplace realities among onsite and online work, and the fairness of workforce policies. Rethinking work, workforces, and workplaces involves a shift in perspective — challenging leaders to be bold in the face of uncertainty. Perspective that will be even more important as we push forward in the workforce recovery.

During the initial phase of crisis response, some organizations began to review where digital technologies, automation, and AI could make work safer, faster, better, and more innovative. This will likely need to continue as organizations re-engage and rethink their work, workforce, and workplace priorities and opportunities.

How will the organization perform with a more dispersed workforce? Workers who do return to offices will likely expect the working environments are safe, and that organizations are taking appropriate steps to protect them. It’s also important to note that some countries and cultures may be less attuned to remote work. In some countries, for example, remote work may require changes in worker education, performance management, organizational structures, and cultural beliefs or stigmas around not being in the office.

Rethinking work also means rethinking the workforce — composition, and compensation and performance management. Changing workforce composition creates the opportunity for wholesale reinvention. Over the past several years, organizations of all sizes increasingly have embraced the alternative workforce — off-balance-sheet workers such as contractors, freelancers, gig, and crowd workers.
The new workforce is often broadly distributed across employment models, which can pose a number of questions for leaders during the next 12 to 24 months:

- What will be the **composition** and size of the workforce requirements?

- What **skills** are needed? Are they needed onsite or can they be accessed on-line or in a hybrid work environment?

- Which employees come back to work when?

- How do leaders instill **trust** in the new employer-employee relationship — in onsite, online, and hybrid workplaces?

- How will they ensure employees can be **confident** about their own safety?

- If more work will be done remotely, what **support** will the organization provide?

- How can alternative workers add **flexible** capacity to the organization?

- Is the organization **prepared** for the increased cyber risk that comes with a dispersed and remote workforce?

- What messages and commitments can the organization make about compensation, job security, performance management, and promotions in the next few years?

Organizations will likely need to reconsider their workplaces as well, redesigning them around the best impulses that are in play right now in response to the crisis, including provisions for sanitation, distancing, and psychological safety. Many workplaces today are structured around rigid routines and structures — top-down, command-and-control structures, with standardized shifts and hours. As organizations shift from crisis response to recovery, we expect leaders will be more willing to take risks. This gives them an opportunity to adopt new talent practices such as non-linear career progressions — careers built around a portfolio of assignments — and opportunity and work experience marketplaces.

As a part of this process, leaders should also re-assess and explain compensation, reward programs, and promotion plans for the short-term — the next year or two — while managing expectations through the recovery process and toward sustainable operations. Workers are looking for job and financial security and direction around career opportunity and growth.

The perspective during recovery can range from the global (“How will we serve our clients and communities and deliver on our mission?”) to the mundane (“Will we ever wear suits again?”). This reassessment may also include a reevaluation of business processes such as the flexibility needed to ensure deliveries in the next crisis and whether supply chains will run through global networks or be moved closer to home.
The COVID-19 crisis can drive fundamental change and opportunity. It creates a chance to rebuild, but also to reposition the organization for the future.

- How can it better incorporate and leverage digital technologies, automation, and AI?

- How can it address the benefits and the risks of a dispersed workforce?

- What tools can it adopt for virtual work and for adapting to the new practices and ways of work that will make teams and workplaces more effective in the future?

- How does the organization capture and scale the productivity that can come with new ways of working specifically, new combinations of virtual and onsite work?

A critical goal is to use the recovery to pivot towards a more resilient workforce. This will involve fostering a new, dynamic environment that moves with a clear focus on mission, connecting the contributions and well-being of workers with the organization’s purpose: greater speed, more adaptability, a heightened team focus, and new priorities. These are key ingredients in the resilient workforce. Organizations should find ways to capture the energy and the rhythm of the recovery, setting a new pace, maintaining it, and instilling it at all levels.
Reboot — HR and People Operations Priorities

This part of the recovery process pertains directly to realigning the HR function and people operations with the most pressing business and workforce priorities. The recovery process may not succeed if the HR function does not embrace a redefined role, one that anticipates and orchestrates the organization’s new priorities. HR leaders are uniquely positioned to prepare, support, and leverage their workforce through the recovery and position the organization for a new era of resiliency and sustainability.

But for many this requires a pivot towards exponential HR — designed for speed, new ways of working, digital first, teams, adaptable organizational strategies, and changing business requirements.

At many organizations, HR teams, policies, and employee reward programs are not prepared for the realities of the recovery. HR leaders should reassess, in a timely manner, total rewards and HR programs. The HR function will need to focus its expertise on critical compensation, performance management, and promotion realities specific to the recovery period. HR leaders should ensure they have a thorough understanding and timely access to expertise on the complex legal labor requirements and changes in tax rules around the world, as well as the dizzying array of government programs and subsidies.

HR may consider making people decisions locally rather than from the center to support a new workplace that revolves around distributed leadership, power, and teams. Other priorities may include agile learning, in which people are quickly taught to use new tools in response to an unexpected change, such as the widespread adoption of video conferencing technology during the COVID-19 outbreak.

The choices and policies adopted during the recovery are an opportunity to make this shift towards purpose, potential, and perspective.

In the workplace of the future, HR can become the voice making bold decisions in the face of uncertainty. It can help integrate the workforce’s need for individuality and belonging, and the business’ need for security and reinvention. The choices and policies adopted during the recovery are an opportunity to make this shift towards purpose, potential, and perspective. The choices HR makes today will likely define its impact in the recovery and its role in the future. When employees and the broader workforce look back at this crisis and its aftermath, they should see that HR took a forward-looking perspective in its response while balancing critical short-term workforce and business needs and the opportunity to pivot to the future.
Conclusion

The recovery from COVID-19 pandemic, given the human dimension of urgent workforce challenges and the uncertainties facing business leaders, requires workforce strategies which focus on both short-term recovery priority actions — Reflect, Recommit, Re-engage, Rethink and Reboot — and reaching for the future and new normal — integrating the attributes of Purpose, Potential, and Perspective.

These short-term actions — and long-term vision — present organizations with an opportunity to rapidly assess and evaluate their earlier workforce strategies and response priorities and to reposition themselves to thrive in the new realities to come. Organizations may be tempted to dismiss the need for change or imagine recovery as a return to the recent past. It is not. Organizations that return to their old ways of working may find their competitors have taken advantage of the recovery to re-imagine their workforce and business, positioning themselves to thrive in the future. By anticipating and orchestrating these five priorities — Reflect, Recommit, Re-engage, Rethink, and Reboot — in the context of a future directed towards Purpose, Potential, and Perspective — organizations can lead, prepare, and support their workforce through the recovery phase while positioning themselves for the next phase: thriving in the new normal.
APPENDIX 1

New ways of working

As organizations begin the recovery process, they are thinking more strategically about essential versus non-essential personnel, processes, and policies. For example, they are deciding what work can be done remotely on an ongoing basis and what needs to return onsite when the crisis ends.

Of course, not all recoveries look the same to all organizations. Some are assessing how they can rehire or bring back furloughed workers, while others, such as delivery focused organizations, have increased staff during the crisis and now must decide what their future workforce needs will be.

Other organizations are reviewing policies for gig workers and determining how they will embrace flex work schedules. Some organizations have gone a step farther, helping their displaced workers find new jobs and gigs with other organizations during the lockdowns in hopes of rehiring many of them when the crisis abates.

Some organizations, of course, are still managing the current crisis, trying to make it through the next week, while others are already looking long-term. They are assessing their virtual strategies and supply chains and evaluating how they can use automation to improve operations in the future.

Many organizations are looking to automation and AI to take over more routine tasks, allowing workers to focus on higher-level work. Others are making decisions about how much support to provide remote workers. For example, more than one investment banking firm provided its traders with dual computer screens and other equipment at home so they could switch to remote work without missing a beat.

Real estate planning is also under scrutiny. Organizations are asking themselves how much office space they will need if more work is remote, and how much more workspace will be required per onsite employee because of social distancing measures. Still others are considering how to accommodate teams that may want to meet intermittently but can mostly work remotely. In addition, across organizations, the crisis is teaching teams how to make decisions more quickly and collaboratively on a global scale.

And some organizations are confronting far more sweeping changes. Oil and gas organizations are facing weak commodity prices and declining demand for their products as fewer people drive and fly during lockdowns and stay-at-home orders. Even as the industry faces challenges, growing concerns about climate change and carbon-reduction policies mean some industry executives, are considering shifting more of their organizations’ asset portfolios to alternative sources. In such scenarios, recovery isn’t just about new ways of working, but potentially significant workforce changes to support new business strategies.
The response and recovery from the COVID-19 crisis is creating risks at the intersection of the workforce and cybersecurity. Remote work is creating new threat exposures. The expanding number of remote devices creates new vulnerability to corporate networks. Cyber adversaries could view the shift to working at home and the increase in remote work as a major opportunity to take advantage of weak cyber controls and practices. Leaders need to be aware of these risks and consider them as they set the new workforce agenda. Executives should get regular cyber threat reports including those specific to remote work and the broader workforce. Workers must be trained to recognize these threats and realize that not all of them are external. Shifts in the workforce — furloughs, new hires, gig workers — all can pose cybersecurity risks. If not already in place, management should consider reviewing and investing in programs, policies, infrastructure, and training to protect against the exposure or release of data.

In this crisis, many leaders were unprepared for attacks or distracted by their response to the pandemic. As the amount of virtual and remote work increases, and cyber risk along with it, organizations may need to hire additional cyber talent.

To combat these potential threats, organizations should use the recovery process to design more secure systems and processes. They should develop plans for both responding to and recovering from the next crisis or cyberattack. These programs should be built around three principles:

- Confidentiality
- Integrity
- Availability

As the amount of virtual and remote work increases, and cyber risk along with it, organizations should train and educate managers and workers to be aware of how to proactively prepare for and respond to cyber security concerns, hire and access the additional cyber talent they need, and invest in the cyber tools necessary to protect workers — at home and onsite — customers and the organization.

Read more about cyber threats related to remote workforce and how to manage cyber security in Deloitte’s executive cyber briefing.
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Workforce Strategies in Crisis Response:

COVID-19: Practical workforce strategies that put your people first

Future of Work: Ways of working in uncertain times – Increasing organizational resilience in the face of COVID-19

Workforce Strategies in Recovery:

Workforce Strategies Recovery Workbook

Endnotes:

i “COVID-19 causes devastating losses in working hours and employment,” International Labor Organization, April 7, 2020

ii “Recovering from COVID-19: Economic cases for resilient leaders 18-24 months,” Deloitte April 10, 2020


vi “Exponential HR,” Deloitte Insights, April 12, 2020
