Increasing organizational resilience in the face of COVID-19

Human Capital
Critical insights for your business and people
Introduction

Assessing the impact of COVID-19
The rise of the recent coronavirus identified the need that enterprises must increase corporate resilience and help ensure community well-being by embracing virtual collaboration tools and practices. Recently your organization may have decided to perform all work virtually in response to the spread of the virus. What does this mean for your business? Is this a short-term anomaly or a long-term trend? How does your organization continue to work and create value in this new environment?

Deloitte’s experience
We are on the front lines adapting to this new environment just like our clients. We are rethinking where and how organizations respond to the pandemic. We feel it deeply and have visibility on what is happening in organizations across most sectors and geographies.
How to support your business and people through COVID-19

The challenges of managing the impact of the COVID-19 pandemic vary by location, industry and business maturity, however, identifying and implementing the right workforce strategies, employee policies and smart approaches to remote work emerge as the most difficult — and the most important. We’ve narrowed down the critical factors for your business and people.

**Effective policy measures**
Plan your responses on key policies and processes such as sick leave, absence, pay, benefits, remote working, travel, discrimination, redundancies, mental health and wellbeing. Align with government directives and measures.

**Resilient leaders**
Prepare and coach leaders to be resilient and demonstrate the right behaviors in the face of crises as they guide their organizations through ambiguity, misinformation and business disruption.

**Workforce design strategy**
Identify the critical work, critical personnel and leaders required to execute that work. Develop scenarios including revised decision rights, accountabilities, and escalation paths. Develop short and long term workforce strategies.

**Effective response**
Set up a command/response center that coordinates your response to the emergency and takes responsibility for operating the contingency plan. Allocate clear responsibilities for its implementation along with appropriate digital solutions.

**Virtual teams management**
Reimagine how you work independently and in teams – synchronously and asynchronously using technology more effectively while maintaining productivity, peer to peer connect, flexibility and manage individual and group performance.

**Strategic communications**
Strategically over-communicate, be present and engage with teams. In times of uncertainty, it is important to structure and coordinate your communications showing decision making and ability to act.

**Elevated employee engagement**
Understand the workforce sentiment and psychological toll on employees, and develop plans to lift the experience and productivity across the organization.
COVID-19 response journey – How will your organization respond, recover and thrive?

1. How do we RESPOND to the immediate crisis?
   - Priorities
     - Self-care
     - Empathy/support
     - Prioritize well-being
     - Rebalance priorities
     - Pivot to digital
     - Focus on purpose

2. How do we prepare to RECOVER and emerge stronger?
   - Priorities
     - Review workforce and skills
     - Take difficult decisions
     - Refocus on learning and talent
     - Coach through change
     - Shift culture
     - Realign teams

3. How do we set up the organization to THRIVE in the ‘new normal’?
   - Priorities
     - Imagine the future
     - Embed new delivery models
     - Redesign the workforce
     - Select versatile leaders
     - Drive virtual collaboration
     - Integrate innovation into business as usual
Assessing where you stand in your COVID-19 response

Reviewing the maturity of various dimensions of your COVID-19 response will help determine the prioritized actions that need to be implemented

<table>
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<th>Disagree</th>
<th>Partially agree</th>
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The organization has ensured the well-being of people and has mechanisms to support and protect employees.

- Relevant HR policies have been updated to reflect COVID-19 related issues e.g. working hours, attendance, annual leave, etc.
- A command center has been set up and a central team is in place to manage the organization's response to the pandemic and there is a mechanism in place to address people requests.
- Employees and other workforce are working remotely using tried and tested remote working technologies and policies.
- Regular employee engagement is taking place through the use of technology including use of survey tools to assess employee morale, engagement and well-being.
- All critical positions for business continuity have been identified and there is a contingency plan/alternate workforce strategy for the short and long term.
- Leading indicators of the evolution of the pandemic are being monitored and scenario planning is conducted for the workforce both for the short and long terms.
- Leaders have been trained on critical skills like coaching, counseling, collaboration and empathy in order to ensure they support their team members.

**Assessment:** If most of your responses are Disagree, you are in the Respond phase. If the answers are a combination of disagree and partially agree, you may have started to move towards the Recover phase. If your answers are mostly Agree, you are on the way to the Thrive phase.
Actions to be taken now

There are several considerations for you to address in each of the below critical factors to effectively navigate your organization to the Thrive stage:

### Effective policy measures

- **Our research is telling us that most organizations are modifying their HR policies with 38% allowing employees to take annual or sick leaves, 30% allowing employees in pandemic areas to apply for non-paid leave and 52% making comprehensive policies to address the crisis.**

- Organizations are looking at adjusting compensation, looking for alternative solutions to laying off people and monitoring government measures such as subsidies.

- We are also finding that while private organizations are the quickest to develop comprehensive policies, the public sector is the fastest in tracking employee status.

- Organizations should ensure the safety of the working environment by having a clear process that must be in place in case of an impacted employee and for proper treatment of the facility.

- For travel needs, especially to international destinations, assessing the impact of the pandemic on travel is necessary as travel has been linked to the transmission of COVID-19. You should actively monitor the latest travel guidance and update travel policies accordingly.

### Effective response

- **Our research indicates that most organizations are addressing their response in a structured manner with 49% having set up special pandemic committees and 72% tracking current situation and monitoring status of employees.**

- Determine meaningful organizational activation and deactivation triggers, and review continuity procedures to better understand your critical staff, functions, and operational hubs.

- Daily stand-ups of this cross-functional team can help guide your executives on where to focus their efforts, and be the integrated pulse for your employees, customers, vendors, and partners.

- Organizations are setting up a single solution for receiving, managing, tracking, reporting and responding to COVID-19 queries.

- This crisis will pass. A continuity team should be prepared to be re-activated in the future for similar situations.
Virtual teams management

- Our research indicates that 67% of organizations have provided online tools to employees while 30% offer training on remote working and 59% incorporate organization service to online platforms.
- Help teams understand where their focus needs to be; allow them to focus on the most important tasks and empower teams to be creative in how they deliver non-essential work in ways that minimize unnecessary risk or exposure.
- A combination of technologies, practices and policies, safeguards, and training need to be in place to support a wide remote-work deployment.
- For work that cannot be made remote, evaluate what safeguards can be put in place, such as revised cleaning protocols or personal protective equipment.

Elevated employee engagement

- The key engagement and employee care that we are seeing organizations adopt includes addressing employee psychological stress (46% of organizations), allowing flexible working (82% of organizations) and ensuring adequate employment and compensation packages (44% of organizations).
- Consider a dedicated hotline for inquiries from employees. It is important for employees to have a voice, and the organization to have a channel to truly understand what is happening with its employees.
- Consider bringing in medical experts to facilitate question and answer sessions with your teams to understand the facts of how to stay aware and safe during this time.
- Schedule recurrent activities like stand-ups, check-ins and regular team meetings in the virtual space. Prioritize them as they are key to making teams deliver on the purpose.

Strategic communications

- Stay up to date with the situation as it develops and refer employees who are concerned about infection to official and expert medical sources through local and federal government agencies like health ministries and health authorities.
- Teams expect accurate, authoritative information. They also need transparency—to remove any concerns and dispel any rumors.
- The most important players in the communications plan are the front-line managers, hence the need to outline communication plans with leaders so they know what to expect, and what their role is.
- Employees should be provided with an internal channel to report what they are seeing and feeling within the organization to ensure direct communication as much as possible. At the same time, a good social media monitoring and sensing program may help you identify emerging issues that are affecting your customers, markets, and production regions.
**Workforce design strategy**

- We are seeing that 60% of private organizations are maintaining 2020 performance targets.
- Prepare temporary succession plans for key executive positions and critical roles in your business.
- In the event of illness, your board and management team need to have clear leadership alternatives.
- There should be short-term and long-term plans for operating the organization—this includes scenario planning, both for revised decision rights and accountabilities, and your escalation paths for urgent decisions.
- As an organization, evaluate the alternate workforce strategies to ensure a relevant response beyond the COVID-19 horizon and emerge as resilient to change and stronger.

**Resilient leaders**

- Resilient leaders are genuine, sincere, empathetic, walking compassionately in the shoes of employees, customers, and their broader ecosystems. Yet resilient leaders must simultaneously take a hard, rational stance to protect financial performance.
- As leaders, you need to take decisive action—with courage—based on imperfect information, knowing that expediency is essential.
- Your leaders should stay focused on the horizon, anticipating the new business models that are likely to emerge and sparking the innovations that will define tomorrow.
- Resilient leaders are skilled at triage, able to stabilize their organizations to meet the crisis at hand while finding opportunities amid difficult constraints.
- Your leaders need to be collective and purposeful in their thinking and responses and demonstrate the right behaviors as they guide the organization through the current situation.
Contacts

Contact us to better understand how Deloitte supports CHROs, CEOs, and Boards to navigate leadership challenges in this new reality.

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