COVID-19: Workforce and Mobility
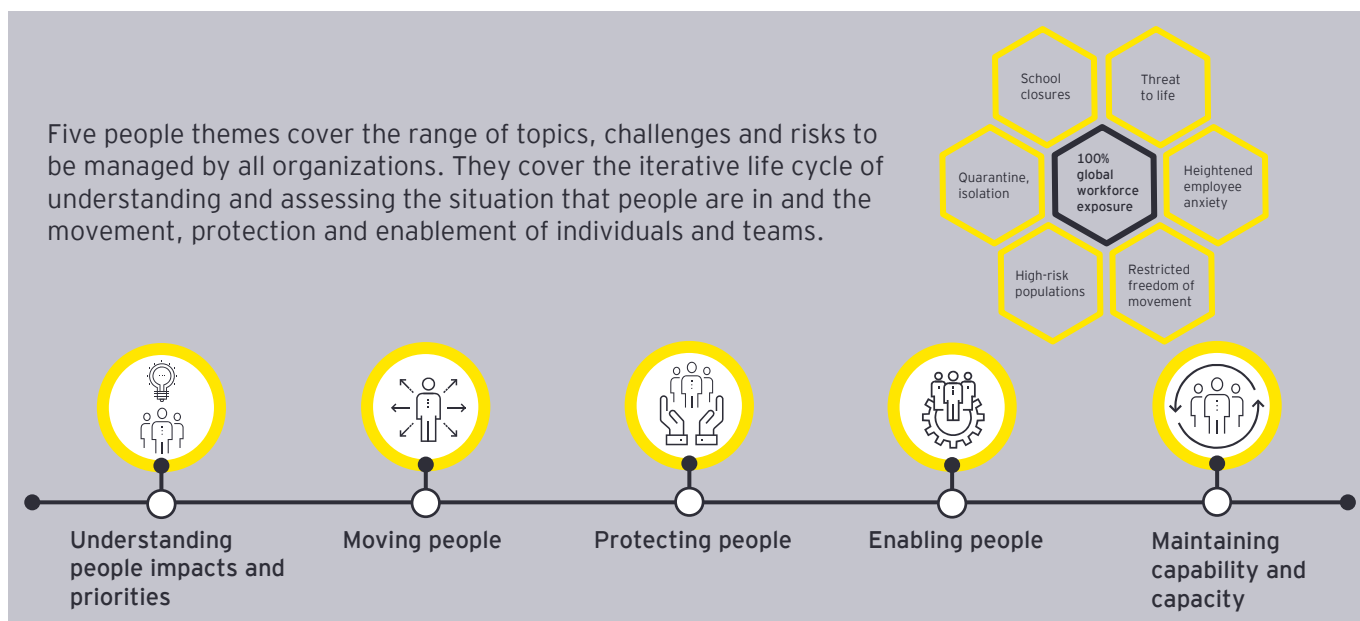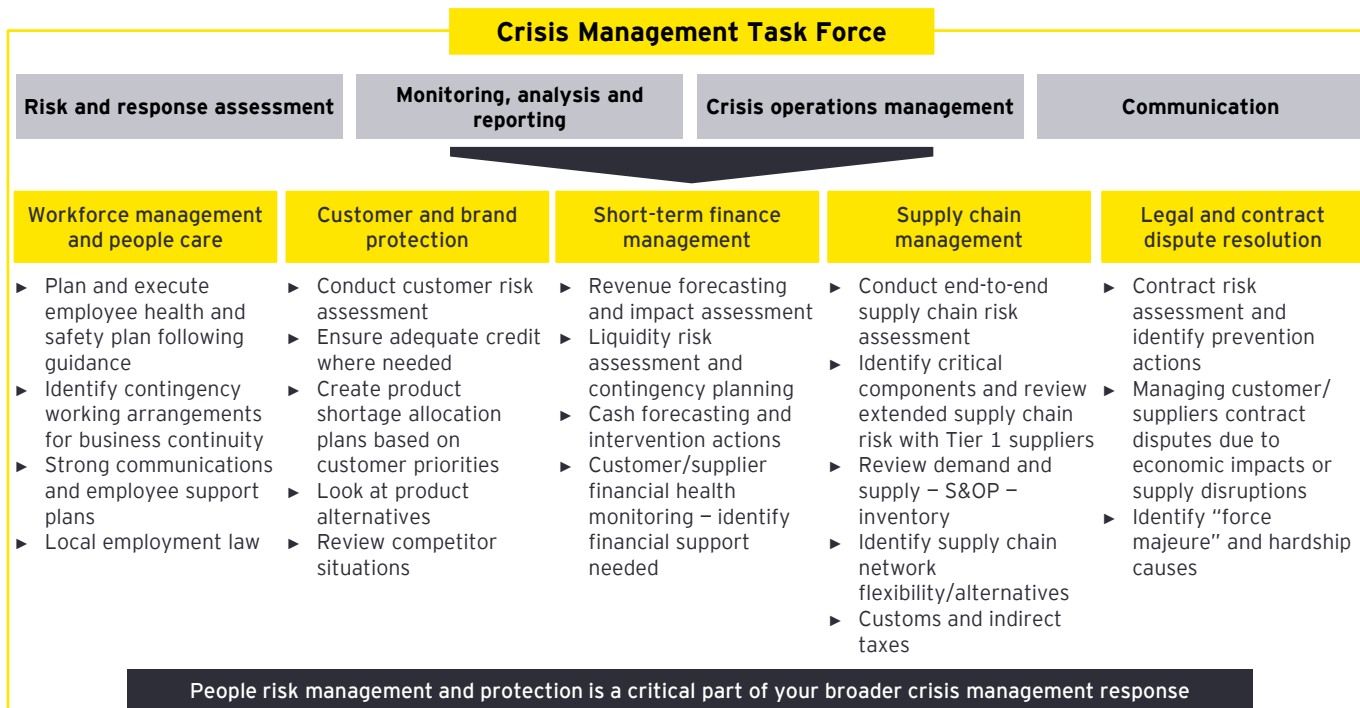
Protecting people, operations and values through a global crisis

Workforce and People Advisory Services

EY

Building a better working world

The rapidly escalating challenges from the COVID-19 global outbreak present critical people issues for organizations to assess and address

Crisis Management Task Force

Risk and response assessment	Monitoring, analysis and reporting	Crisis operations management	Communication

Workforce management and people care	Customer and brand protection	Short-term finance management	Supply chain management	Legal and contract dispute resolution
► Plan and execute employee health and safety plan following guidance ► Identify contingency working arrangements for business continuity ► Strong communications and employee support plans ► Local employment law	► Conduct customer risk assessment ► Ensure adequate credit where needed ► Create product shortage allocation plans based on customer priorities ► Look at product alternatives ► Review competitor situations	► Revenue forecasting and impact assessment ► Liquidity risk assessment and contingency planning ► Cash forecasting and intervention actions ► Customer/supplier financial health monitoring – identify financial support needed	► Conduct end-to-end supply chain risk assessment ► Identify critical components and review extended supply chain risk with Tier 1 suppliers ► Review demand and supply – S&OP – inventory ► Identify supply chain network flexibility/alternatives ► Customs and indirect taxes	► Contract risk assessment and identify prevention actions ► Managing customer/ suppliers contract disputes due to economic impacts or supply disruptions ► Identify "force majeure" and hardship causes

People risk management and protection is a critical part of your broader crisis management response

Five people themes cover the range of topics, challenges and risks to be managed by all organizations. They cover the iterative life cycle of understanding and assessing the situation that people are in and the movement, protection and enablement of individuals and teams.

School closures

Threat to life

Quarantine, isolation

100% global workforce exposure

Heightened employee anxiety

High-risk populations

Restricted freedom of movement

Understanding people impacts and priorities — **Moving people** — **Protecting people** — **Enabling people** — **Maintaining capability and capacity**

> " People and HR functions are the first line of resilience for the workforce during a crisis. Short-term responses should be built on a clear understanding of impact. They should help establish different ways of working as needed and an agile mindset as people look to live, work and travel in an uncertain environment.

Michael E. Bertolino
EY Global People Advisory Services Leader

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Let hope be the antidote to fear, let solidarity be the antidote to blame, and let our shared humanity be the antidote to our shared threat.

Michael Ryan
Executive Director, WHO Health Emergencies Program

COVID-19 | Continuing to deliver on purpose through the crisis

Be clear on the **values** that align with your purpose and actively plan to protect these workforce values during these testing times. Good leadership and role-modeling will shine brighter than ever.

Preventing stigma and discrimination in the workplace

Unlocking potential for teaming, innovation and collaboration

Leadership

Avoiding unconscious bias

Safeguarding confidentiality

Prioritizing employee well-being

The non-negotiables:

► Top-down governance with decisive and creative leadership
► Mid-level management and team leadership
► Employee communications, policies and messaging
► Accessibility and usability of health and safety information
► Risk assessment and controls
► Risk and incident reporting and investigation
► Assurance, monitoring and reporting
► Agility, flexibility and empathy
► Employees equipped with the facts
► A culture of inclusion
► Adherence to local laws

COVID-19 | People assessment and strategy framework

Operate within a clearly defined framework through each stage of the crisis to deliver workforce resilience.

Establish and align leadership capability to dynamically assess, plan, decide and communicate people strategies.

1 **Assess people exposures and risks**
Conduct current state end-to-end risk assessment covering operational and geographical risks, health and safety impact, globally mobile employee implications, customer impact, cybersecurity, tax, payroll and reward impact – resulting in a calculated risk index.

2 **Define crisis scenarios**
Identify best to worst case crisis scenarios, designed to stress test your operation's ability to manage disruption and evaluate the severity of impact of current gaps using risk assessment findings and data.

3 **Identify workforce gaps**
Identify essential business functions, high-value assets (HVA), essential jobs or roles, and critical elements within your supply chain. Activate existing crisis management policies and protocols in each disruption scenario to identify gaps within current workforce model, including qualitative and quantitative impact.

4 **Develop potential response**
Define potential response triggers to prevent crisis impact or enable agile response to mitigate repercussions considering people, process and technology factors.

5 **Test potential response**
Execute simulation of crisis scenarios – particularly mass remote working – to test effectiveness of defined potential responses to validate effectiveness against established success criteria.

6 **Build intervention business case**
Build resiliency intervention business case to implement validated crisis response triggers, including requirements, solutions and value proposition.

COVID-19 | Local and globally mobile employees

Assess the exposure and impact of crisis on your people and agree upon action plans for locations, groups and individuals.

Identify locally and globally mobile employees and family members

► Identify mobile employees (incl. assignees, contingent workers, global business travelers) and any accompanying family members, who are in or have recently entered a crisis location, including on personal or business travel, whether in transit or as a final destination

► Consider the immigration impact on those affected by an outbreak in locations visited. Individuals may need to be quarantined, safe-housed and may be at risk of an involuntary immigration 'overstay', including prior to being relocated home or to a third country

► Assemble comprehensive information regarding all current globally mobile employees, travelers in transit, and any accompanying family members in crisis location and surrounding locations

Assess impact of crisis for global travelers

► Assess impact on each globally mobile employee and any accompanying family members

► Conduct a crisis risk assessment against their individual circumstances

► Review immigration status of each globally mobile employee and any accompanying family members

► This must include visa status in current location; status of other visas held; passports held, including expiration date of passports and current physical location and validity of passports

► Identify impediments or restrictions to travel, relocation or remote work in location

► Consider physical barriers, exit permits, flight bans, regulatory bans and other legal restrictions

► Assess impact of relocation and infrastructure requirements

► Consider costs, impact on operations, contractual obligations (including force majeure), compliance with legal requirements while evaluating appropriate legal advice at every step
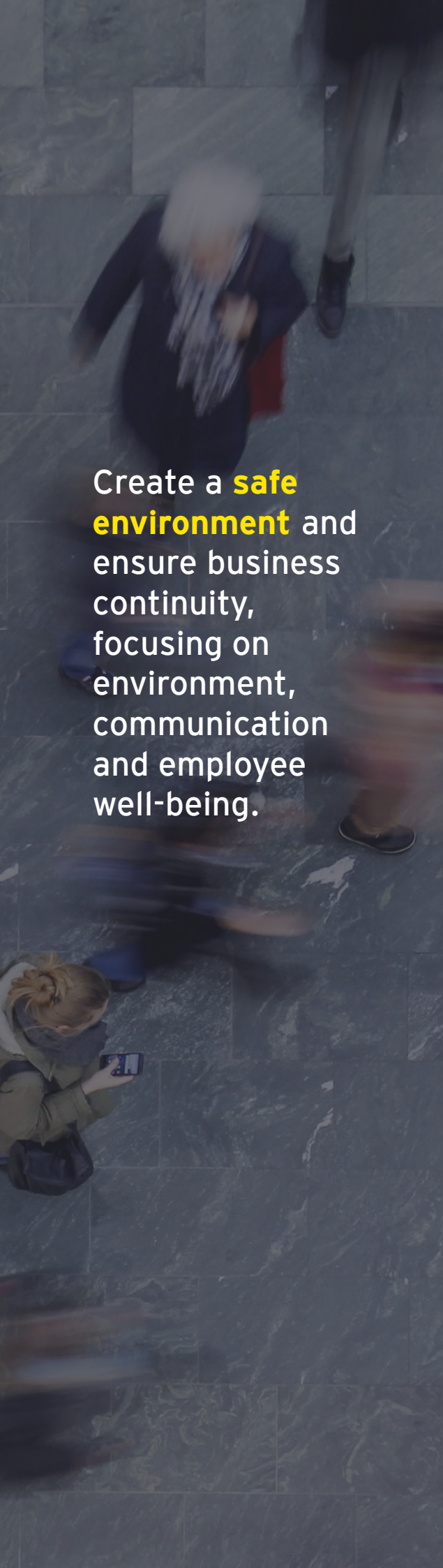
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As lockdowns increase, the risks will be highest for globally mobile employees who may be entering or transiting countries where they do not hold permanent resident rights and could be denied entry. The crisis is moving in phases around the world with flight bans becoming almost total border closures - it will be critical to consider what the exit path out of crisis looks like, and learn from the experience of other regions.

Seema Farazi
EY EMEIA COVID-19 Response Leader

Determine action plan for locations, groups and individuals

► Where lockdowns are not yet in force, prepare guidelines for working in each location and for traveling between sites/offices, including visitor/meeting protocols, visiting other locations/events

► Prepare your lockdown strategy

► Consider appropriate protective measures and infrastructure requirements

► Determine action for each globally mobile employee and any accompanying family members

► Understand remote working restrictions where business travelers may be grounded and any flexible government Covid-19 policy

► Assess risk and potential impact to determine response measures and priorities:

 ► Risk assessment of crisis in location

 ► Personal/unique circumstances of individuals and any heightened risk factors

 ► Visa and/or work permit status and travel opportunity of each individual

 ► Travel impediments

 ► Ability to make an immigration application amidst government department closures and any flexible government policy toward an 'overstay'

► Use these assessments to make informed business decisions and to develop prioritized action plans

COVID-19 | Protecting the workforce

Create a **safe environment** and ensure business continuity, focusing on environment, communication and employee well-being.

Environment

Ensure working locations follow guidance from local authorities on managing health and safety on sites/in offices/while traveling/while remote working. Monitor impacts on technology due to increased remote working and potentially increase IT support/provision of IT equipment. Review the employee environment for different employee segments, ensuring inclusion of those employees with no option for remote working (facilities, security, logistics, on-site workers, building services, product development and build, delivery, customer services).

Communication

Align communication channels, globally, regionally and locally while allowing for flexibility, evolving updates and messaging. Review communication media to ensure that all employees and relevant stakeholders are included – contractors, suppliers, consultants, clients, customers. Provide guidance on alternative ways of working while protecting productivity, performance and safety for each work location (home, on-site, other). Review guidance on data security. Engage in dialogue for those not able to work at home to discuss flexible and adaptive delivery models and alternative working arrangements for the short term.

Employee well-being

Ensure that employees know where to find information, guidance and support, recognizing the potential impacts on their physical, emotional and financial well-being. Encourage employees to continue to focus on self-development and learning, maintaining connectivity with colleagues and teaming while prioritizing family and community commitments. Establish communication channels/forums that allow employees to express concerns, be heard and resolve issues their most pressing issues. Start with the right tone from the top and make sure that prejudice and unconscious bias are addressed and eliminated.

COVID-19 | Maintaining productivity through extended periods of remote working at scale

Preparing for remote working at scale:

▶ Rapid people impact assessment (IA), with heads of teams and support functions/enablement leads for all remote working

▶ Identify and conduct IA for each employee segment (roles/shifts/customer-facing/ops) – agree upon needs and priorities for each group

▶ Test with line managers and employee teams to adapt and gain buy-in

▶ Prioritize projects and other team work along with core business requirements

▶ Run dedicated team prep session(s), to include:

    ▶ Establish team rules of the road; call out ways of working, expectations, concerns/risks, opportunities

    ▶ Test tech/tooling and ways of working before remote deployment if possible; know your experts

    ▶ Map shifts and work patterns and agree upon ways to refine as team learns more when remote; inputs should include view of personal circumstances (care for self/others, own support network)

▶ For critical work/outcomes, consider a tabletop/role-play exercise to project into a failed/failing situation and work backward on how to prevent those things from happening

▶ Activate tone at the top whereby leaders start referring to and using tools, apps and working channels in advance to raise profile of what is to come

▶ Assess associated risk around taxation, payroll, reward and cybersecurity

▶ Implement special measures for functional and operating teams

Make the transition to remote ways of working as seamless as possible by focusing on the three fundamentals:

1. What collaboration techniques can I deploy when working remotely?
2. What tools can I use to improve my experience when working remotely?
3. How do I navigate our tools to improve my personal productivity?

Travel bans, collective and self-quarantines, corporate lock-downs and related implications for child and elder care are likely to lead to protracted periods where business continuity and productivity will depend on alternative, inclusive and flexible ways of working.

Doing it, learning and adapting

Structure and check-ins

▶ Daily and weekly structure and feedback

▶ Adapt channels at start/end of shifts

▶ Look to mirror work patterns, not condensing hours

▶ "How are things/check-in" with team and 121s/buddies

▶ What remains unchanged, is changing and what is the impact?

Safety and well-being

▶ Is everyone working in a safe environment? Guidance on safe remote working and risk assessment

▶ Encourage use of freed up time from commute for self-development and well-being

▶ Deploying great leadership and role modeling will make an enormous positive impact on teams during this time for productivity, care and engagement

▶ Enable employees to express wider concerns as well as specific work issues. Avoid the need to justify remote presenteeism

Productivity and experimentation

▶ Regular bite-size learning/knowledge share on use of remote tools and apps. Led by peer leaders/the "go to" people in the team where possible

▶ Identify/allocate team roles to support the way in which work is produced/shared. Develop protocols to support new hire orientation, understanding of performance requirements and strategies to keep them on track to minimize unintended issues

▶ Give express permission to experiment and celebrate people trying things differently to improve working, employee engagement and outcomes

▶ Find time to bring people together virtually with leaders to maintain culture and connectivity

COVID-19 | Managing increasing costs in the short term to protect long-term strategy

Balancing cost in the short term, particularly in turbulent times, is critical to protecting long-term strategy. Impact will be felt around reduced revenue due to disruption of supply chain and customer purchasing, increased cost and loss of productivity due to absences, travel restrictions and mandatory quarantines, workforce absences due to long-term school closures, and unexpected spikes in health care costs.

We are not resilient when:

► Workforce costs are not visible

► Workforce mix is not deliberate

► There are gaps in technology and process to enable remote and automated work

► The workforce cannot adjust with dynamic conditions

► Employees face financial ruin from absence or health care costs

We are resilient when:

► We understand the seven drivers of workforce cost

► We have the ability to remix staffing

► Workforce costs are visible

► We deploy virtual talent and leverage intelligent automation

► We have an agile, flexible culture

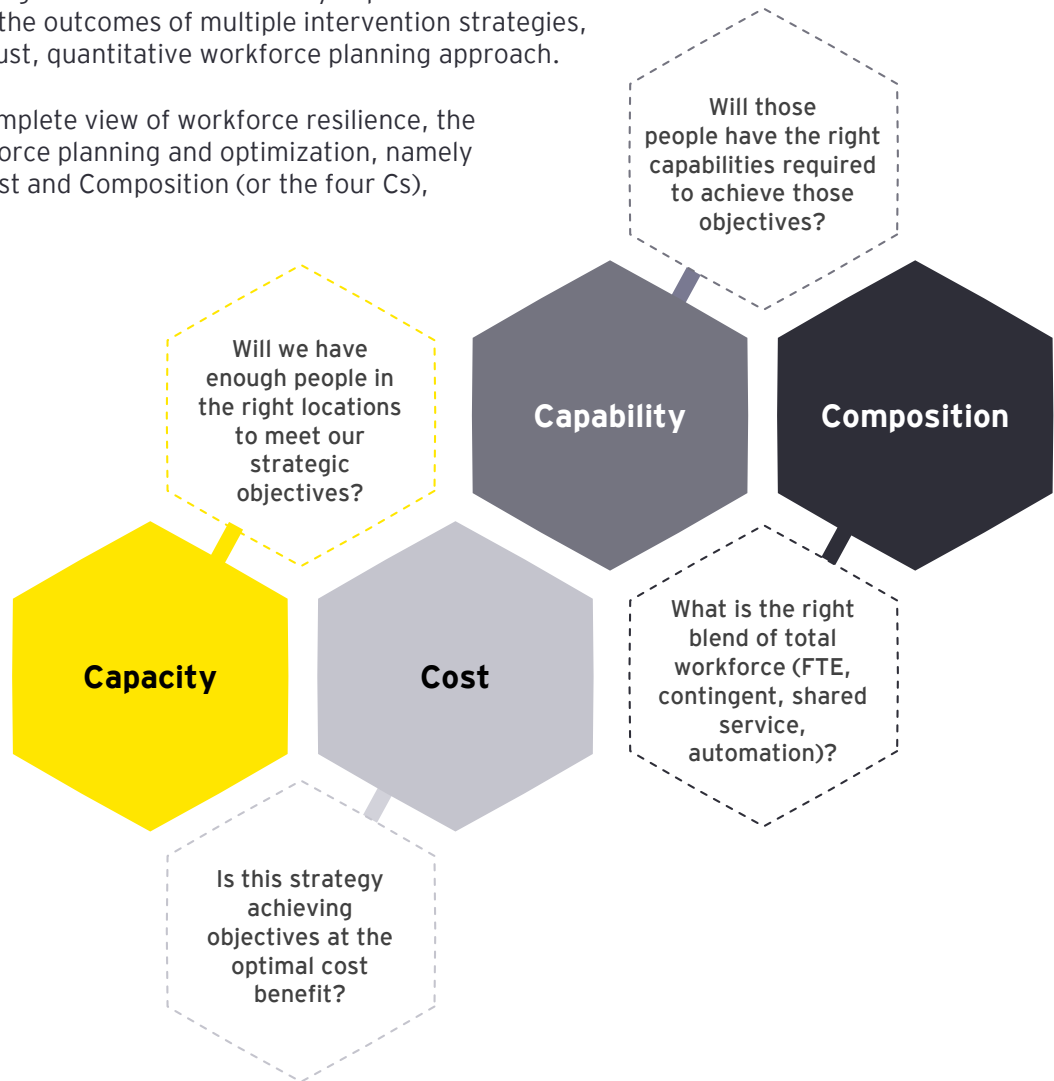► Employees have the needed tools and financial means to deal with the unexpected

► **What are the seven drivers of workforce cost and have they been optimised?**

► **Have you evaluated potential cost opportunities related to intelligent automation, real estate and structure?**

► **Are you able to consolidate or outsource to a supplier who would support greater resilience?**

COVID-19 | Strategic workforce planning to manage future risk

Given the increasing complexity and multiple factors involved in workforce strategy, a longer-term view of the likely impact of market volatility, in addition to the outcomes of multiple intervention strategies, will demand a more robust, quantitative workforce planning approach.

In order to provide a complete view of workforce resilience, the four key pillars of workforce planning and optimization, namely Capacity, Capability, Cost and Composition (or the four Cs), should be considered.

Will those people have the right capabilities required to achieve those objectives?

Will we have enough people in the right locations to meet our strategic objectives?

Capability

Composition

Capacity

Cost

What is the right blend of total workforce (FTE, contingent, shared service, automation)?

Is this strategy achieving objectives at the optimal cost benefit?

Capacity
Anticipating future workforce size requires organizations to consider potential impact from leveraging digital tech like automation in existing roles and at the same time strategically redeploy displaced workers.

Capability
The best way to prepare the prospective workforce is to understand the future skill requirements for the organization. This is critical for job holders, since as roles evolve, they will need to acquire new skills.

Cost
In order to remain competitive in light of ongoing disruption and generate value for the business, managing costs is imperative. It is critical to have the right mix and number of workers at the right place. Consider how economic impact of crisis may alter reward and retention policies.

Composition
To source critical skills that can be deployed rapidly across the business, organizations need to leverage the wider talent ecosystem. This is driven by scarcity of skills, emergence of new talent platforms and changing generational expectations.

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About EY
EY is a global leader in assurance, tax, transaction and advisory services. The insights and quality services we deliver help build trust and confidence in the capital markets and in economies the world over. We develop outstanding leaders who team to deliver on our promises to all of our stakeholders. In so doing, we play a critical role in building a better working world for our people, for our clients and for our communities.

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About EY People Advisory Services
As the world continues to be impacted by globalization, demographics, technology, innovation and regulation, organizations are under pressure to adapt quickly and build agile people cultures that respond to these disruptive forces. EY People Advisory Services believes a better working world is helping our clients harness their people agenda — the right people, with the right capabilities, in the right place, for the right cost, doing the right things.

We work globally and collaborate to bring you professional teams to address complex issues relating to organization transformation, end-to-end employee lifecycles, effective talent deployment and mobility, gaining value from evolving and virtual workforces, and the changing role of HR in support of business strategy. Our EY professionals ask better questions and work with clients to create holistic, innovative answers that deliver quality results.

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