



Hill+Knowlton
Strategies

EMPLOYEE EXPERIENCE IN COVID-19

April 2020

THIS DOCUMENT WILL COVER

- **Setting the scene**
- 6 brand actions
- Change management best practice
- The future?

EMPLOYEE EXPERIENCE IS BRAND EXPERIENCE, AND NO MORE SO THAN NOW

Companies that provide a great employee experience **outperform the S&P 500 by up to 122 percentage points** (1)

54% say **how companies treat their workers is the most important thing** they want to hear from companies & brands during the COVID-19 pandemic (2)

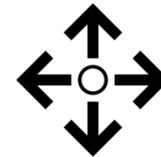
WE SPEND 90,000 HOURS OF OUR LIVES AT WORK. NORMAL WAYS OF WORKING ARE BEING DISRUPTED

Summary of changes in the acute phase



Change is happening *fast and at scale*.

88% of organizations have required desk-based employees to work from home from as early as January 23 (2). Entire workforces have accelerated their digital evolution.



Experiences are being *distanced* and voices are being *dispersed*.

Face to face meetings and events have been cancelled or gone virtual. Daily Zoom participants hit 200M in March (vs 10M max. in 2019) (3).



Inequality between employee groups is being exacerbated.

Frontline workers are disproportionately lower paid members of the workforce. They are more likely to catch the disease because they are more exposed.



Economic *uncertainty* brings emotional *anxiety*.

Employee and employer face unknowns. Weekly mentions on social media of job losses, layoffs and unemployment are 5x higher than in January (4).

EMPLOYERS PLAY A CRITICAL ROLE

Employers are more trusted than NGOs or governments

with 75 percentage points of trust, vs 57 for NGOs and 56 for governments (1)

Yet many were slow to communicate a plan at the start of the outbreak

Feel their workplace or school has communicated with me specifically about about COVID-19 (2)

58%

March 13-16



90%

March 27-29

And many of the important questions are still unanswered

1/3

Of employees are worried employers won't put their health & wellbeing first (3)

1/2

Report financial disruption to their lives (4)

But an employer is not just the C-suite, managers at every level have a role to play

50%

feel most reassured by their direct line manager, vs just 8% for a global CEO (5)

Source: (1) Edelman Trust Barometer, 2019, (2) WPP, H+K Canada, COVID-19 Tracking Study 2020, (3) Forrester Q1 2020 PandemicEX Study 1 & 2, (4) Gallup Panel Survey, US, March 20-23, 2020, (5) WPP, H+K Canada, COVID-19 Tracking Study 2020

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6 BRAND ACTIONS

1

Putting health & wellbeing first

2

Recognising & supporting employees

3

Making a financial statement

4

Normalising new 'office' culture

5

Redeploying & upskilling employees

6

Broadening the definition of employee

1 PUTTING HEALTH & WELLBEING FIRST

- **Purpose:** Keep staff safe and healthy - for both moral and economic reasons.
- **Focus:** Personal protective equipment, healthcare, COVID-19 testing and mental wellbeing.
- **Type of action:** Starts with employee-centric thinking – what do they need most?
- **Short or long term:** Here to stay. It ties into macro health & wellness trends and is a key focus for employee activism.



Jingye (a Chinese company that recently bought British Steel) sent their private jet filled with medical and protective equipment to the Scunthorpe's steelworks and local hospitals.



The Wing (women-only members club) laid off nearly all hourly staff & half of salaried staff, but will provide employer-sponsored healthcare plans through June and mental health services.



LiveIntent created a teledoc service that offers in-home COVID-19 testing for qualifying employees who swab themselves at home; the tests are sent overnight to a lab for results.



Havas turned its “Wellness Wednesdays” into hourly guided meditation and reiki & offer 30min personal development calls with a professional coach or psychotherapist.

2 RECOGNISING & SUPPORTING EMPLOYEES

- **Purpose:** Emphasise employees' purpose in wider society and give thanks.
- **Focus:** Frontline employees.
- **Type of message:** Uplifting and morale-boosting, acknowledging the circumstances but focusing on the positives.
- **Short or long term:** This is here to stay. Recognising the frontline demonstrates modern leadership and employee democracy.



Mondelez show gratitude for their Makers & Bakers in factories & sales by recognizing their wider contribution to society



Boots start #TogetheratBoots - a LinkedIn campaign to thank employees and recognize small moments of joy in their frontline workers' days

Perdue Farms Chairman, Jim Perdue

“At a time like this we appreciate the people who feed America, the farmers, truck drivers, restaurant workers, shelf stockers, folks who are rarely seen and rarely thanked but who are always there when we need them the most. Thank you.”

3 MAKING A FINANCIAL STATEMENT (THAT MAKES HEADLINES)

- **Purpose:** Support and save employees who are most at risk. Demonstrate care and sacrifice.
- **Focus:** Executive leaders and employees.
- **Type of action:** Salary sacrifice, delayed redundancy schemes, employee relief funds.
- **Short or long term:** Short term. It's a powerful unprecedented reaction that won't be repeated unless a global crisis this major strikes again.



Comcast's top executives donate 100% of their salaries to COVID-19 relief charities. Company also commits extra \$500 million to support employees with continued pay and benefits.



HSBC announce job cuts of 35,000 employees worldwide, but halt these to reduce the impact on employees and customers.



Yum CEO forgoes his salary to send \$1,000 bonuses to the company's 1,200 general managers at Taco Bell, Habit Burger, Pizza Hut and KFC. Company also creates an employee medical relief fund and provide grants for frontline workers facing food insecurity.



Tesco pay a 10% bonus on the hourly rate for staff in stores, distribution & customer engagement centres. Colleagues over 70, vulnerable or pregnant, are not required to attend work for 12 weeks and are fully paid.

4 NORMALISING NEW 'OFFICE' CULTURE

- **Purpose:** acknowledging that work / life boundaries are blurred, and demonstrating humanity from the top-down.
- **Focus:** Often employees with children as those with dependents are experiencing heightened disruption.
- **Type of action:** Leaders speaking honestly, or showing a more human side. Redeploying employer assets to provide light relief.
- **Short or long term:** Temporary as remote working becomes the new normal. But implications on internal policy will be long term (job flexibility, sabbaticals, increased mental health benefits).



Vox Media hosts daily story time for parents with kids. CEO Jim Bankoff recently joined via Zoom to read stories to families.



Microsoft were first to react to COVID asking employees to work from home, prompting other businesses to do the same. Nadella said his home was “both an office and nursing home” for him and his son, who has a compromised immune system due to severe disabilities.



hp helps employees with children by creating online resources like Print & Play with fun learning activities.

5 REDEPLOYING & UPSKILLING EMPLOYEES

- **Purpose:** Flex the workforce across different business units that are strengthening / weakening due to COVID-19.
- **Focus:** Those whose skills are currently less in demand or lower priority.
- **Type of action:** Re-training, redeploying.
- **Short or long term:** Long term. Rapid retraining and redeploying helps create a perpetual change mindset in employees – which businesses need to transform in the future.



SELFRIDGES&CO

Selfridges retrains in-store employees who are no longer operational to support digital programmes (eg. managing social commerce content).



geometry

WPP's **Geometry** accelerates the upskilling of traditional retail trade employees across India & China. Employees have been trained and redeployed in e-commerce services (eg. influencer engagement, lead generation, product reviews, online surveys).



NHS

The UK's **NHS** redeploys highly skilled members of their workforce from specialised units like cardiac, neuro or ophthalmology to COVID-19 intensive care units, with training.

6 BROADENING THE DEFINITION OF EMPLOYEE

- **Purpose:** Extend care and commitment throughout the supply chain.
- **Focus:** Those in the supply chain who aren't directly employed by the company, but contribute a significant amount to a business functioning.
- **Type of action:** Financial support, social media amplification.
- **Short or long term:** This is temporary – companies will revert to BAU as budgets come under increased pressure / get lockdowns begin to lift.



Pernod Ricard's **Jameson** supports bartenders out of a job by pledging \$500,000 to the United States Bartenders' Guild. *"We know there may be some hard roads ahead for members in this community, To our local bartenders: You've always had our backs, and we promise to have yours. #LoveThyBartender"*



Unilever offers €500m in relief to vulnerable suppliers and retail customers, in the form of early payment and credit extensions.



Amazon gives grants to small businesses that depend on foot traffic and created a fund for infected gig workers and other contractors who deliver packages.

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THE SCALE AND IMPACT OF COVID-19 DEMANDS EFFECTIVE INTERNAL CHANGE MANAGEMENT

4 areas of best practice

1

Mindset

For all employees

2

Behavioural

For all employees

3

Short-term support

For especially disrupted
employees

4

Returning to work

For especially disrupted
employees

CHANGE MANAGEMENT BEST PRACTICE

For all employees

MINDSET

- **Make change participative:** it's not 'you' or 'me' its about 'us'
- Remember in a crisis **change feels personal**
- **Encourage employees to see change as ongoing.** It's intrinsic to an organisation's ability to constantly transform and survive
- **Recognise that remote working exacerbates cognitive bias.** Keep a list of team members and their photos in front of you at your home desk to avoid giving work to the same people

CHANGE MANAGEMENT BEST PRACTICE

For all employees

BEHAVIOURAL

- **Communicate frequently** with deliberate calm and bounded optimism (confidence combined with realism)
- **Don't wait to listen.** Understand what employees are experiencing, in real-time as possible, so challenges can be addressed quickly
- **Identify informal peer-to-peer networks** and **equip informal influencers with information.** Large amounts of information flow through these informal networks vs official hierarchies
- **Clarify goals and roles, not just tasks and processes.** Articulate how an employee can reconfigure the value they add during and after change
- **Help employees regain a sense of control.** Share your organisation's 'flight plan' to reduce uncertainty
- **Intentionally build relationships and focus on trust-building behavior.** Employees are more productive and performance (quality and output) improves when social ties are built at work

CHANGE MANAGEMENT BEST PRACTICE

For especially disrupted employees: furlough, enforced leave, reduced working hours

SHORT TERM SUPPORT

- **Reset and manage expectations**
 - Offer perspective and acknowledge that the landscape has changed/ is changing and there will be adaptation on both sides
 - Share 'flight plans' if available/ appropriate to reduce uncertainty and explain where the organization is headed
- **Communicate available support** – from financial planning to mental wellbeing
- **Ensure leaders stay visible**, accessible and empathetic

CHANGE MANAGEMENT BEST PRACTICE

For especially disrupted employees: furlough, enforced leave, reduced working hours

RETURNING TO WORK

- **Ensure they don't feel forgotten**
- **Interrogate existing data on why employees stay** with the business ordinarily. Use this insight to shape comms and identify levers to promote staff retention
 - Do managers stay for reasons different from those of nonmanagers?
 - Is the work ethic of younger employees different from that of older employees?
 - What kind of employees stay because they like their work?
 - What is the work ethic of those employees who stay because they like their job?
- **Re-inspire productivity & motivation** by articulating employee's evolved purpose once back

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6 PREDICTIONS FOR THE FUTURE

1 Employee physical & psychological safety will be top of all agendas

Expect stringent onsite health & safety and more effective management of employee mental health – particularly for those who have experienced constant connectivity while remote working.

2 Increased demand for purpose & transparency

COVID-19 has highlighted deep inequalities in society. Brand purpose needs to reflect this and be activated. Leaderboards like [didtheyhelp.com](https://www.didtheyhelp.com) will be used by employees to judge their employer.

3 New found agility & perpetual change mindsets

Redeployed / upskilled staff and remote working has prompted large-scale agility. Expect this to positively influence tech adoption, org redesign and appetite for transformation. Expect demand for coaching & training.

4 Remote working will be normalised

Property strategy will be radically rethought. Teams will rotate in and out of offices. Employee benefits may include being provided with high-speed internet connection and home office equipment.

5 Decline of formal hierarchies & rise of flatter organisations

Leaders will be increasingly seen as part of, not apart from, the group. Expect more distributed authority, more sharing of information and informal employee influencers gaining prominence.

6 Gen Z - the future backbone of the economy - will have a drastically different perspective

31% of Gen Z have been laid off / put on temporary leave (vs 22% of 35-49, 15% 50-60) (1). Expect Gen Z's characteristic desire for risk and job-hopping to decrease as they shift priorities toward saving and stability.

Stay safe & take care.
Please get in touch with any
concerns or questions.

With thanks to **Ogilvy** Employee Experience &  Hill+Knowlton
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