

THE SITUATION

COVID-19 has caught companies and industries off guard, with a shockwave of ripple effects tearing through their supply chains and business models. The challenges faced by workplaces have become a new front in the battle over the coronavirus.

Corporations around the world are grappling with how to best keep employees safe, while trying to ensure optimal utilization of their staff and business continuity— by asking employees to work-from-home, creating tag teams, etc.

According to a survey conducted by People Matters across India and South East Asia in March 2020, we found that only 38 percent of companies rated themselves as well or very well-prepared to support employees and their families and less than 50 percent of respondents have a cross-functional COVID-19 response team in place.



Here is a guidebook by People Matters that can help you stay updated on the policies by the government, employer relation best practices, and how you can escalate your efforts to take timely and right measures in this period of uncertainty.

Our perspective is based on our analysis of our recent survey, People Matters COVID-19 Impact & Measures Survey- March 2020, and interaction with industry experts. This perspective is current as of March 22, 2020. We will update it regularly as the outbreak evolves.

PEOPLE MATTERS COVID-19 IMPACT & MEASURES SURVEY- MARCH 2020

People Matters, in an attempt to bring more clarity on how organizations are managing this pandemic, launched the People Matters COVID-19 Impact & Measures Survey – March 2020 survey across companies in India and Southeast Asia. The survey captured the responses from 276 organizations.

The key themes that emerge from the questions raised by the survey are:











Work-from-home policy:

64 percent of organizations have already implemented a work-from-home policy for their employees. And 98 percent of companies who haven't offered work-from-home will implement it if they see the situation deteriorating in the coming days.

While companies do see this practice as one of the effective measures to ensure safety, there still persists a long chain of questions being worked out as this shift occurs - motivation, alignment, connectivity, etc. This is especially going to be challenging for the manufacturing sector, as there are certain roles that could not be performed remotely.

Pay policy for affected employees:

The survey asked participants if they have a pay policy for employees who cannot opt for work-from-home but have been asked to stay away from the work environment. Only 24 percent of companies said they have a pay policy in place. Among those 24 percent, most companies are offering salary under the current leave policy. However, few companies shared that they have extended a special pay leave of 14 and in some cases 28 days.

Preparedness level:

The survey found that most organizations are still not ready to face the crisis that can arise. Only 44 percent of companies agreed that they are well or very well-prepared with policies that can support employees and their families and 47 percent of respondents so far have a cross-functional COVID-19 response team in place. Organizations' efforts seem to be sporadic right now given the uncertainty, but they are acknowledging the situation and actively taking steps to protect employees and streamline business continuity.

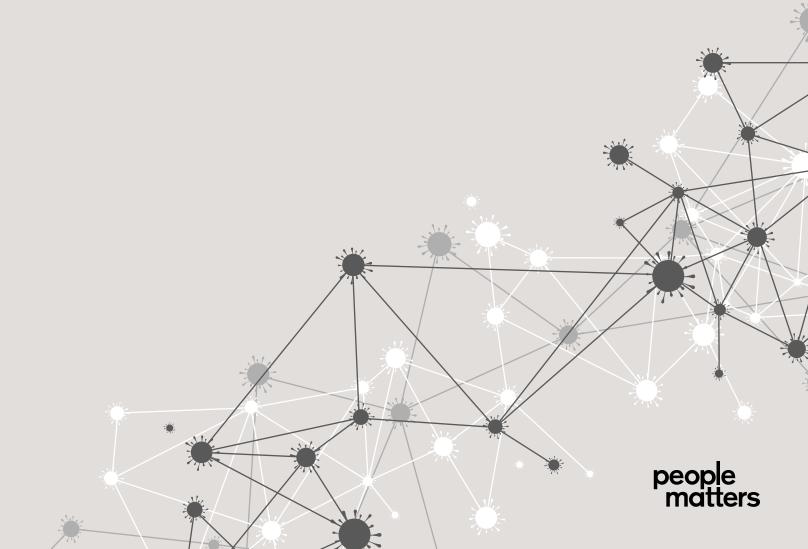
Practices like a consistent communication plan in times of crisis (84 percent), suspending non-essential business travels (88 percent), and sanitizing workplaces on a more frequent basis (82 percent) have become a requisite.

Different practices that organizations are emphasizing on include reiterating and over-communicating policies around safety/precautions (58 percent), quarantining employees who recently visited highly affected areas (50 percent), restricting outside visitors/third parties (50 percent), quarantining employees exposed to confirmed cases (43 percent), and monitoring temperature of all employees at the entrance to the building (42 percent).

Travel and meetings

About 88 percent respondents have suspended non-essential business travel internationally and domestically, and another 50 percent have restricted outside visitors and third parties.

About 75 percent of organizations that participated in the survey have agreed that the outbreak of COVID-19 has halted critical business activities (traveling, meetings, etc.)



HOW TO STEP-UP YOUR CRISIS MANAGEMENT PLAN

The coronavirus outbreak that originated in Wuhan, China has spread to at least 144 countries and has sickened more than 204,000 people, with more than 8,000 deaths (click here for the latest data). Governments have shut borders and imposed quarantines, and companies have imposed travel bans. The human and economic impacts on businesses have been stark.

This epidemic is a wake-up call for companies to carefully review the strategies, policies, and procedures they have in place to protect employees, customers, and operations in this and future epidemics



01

THINGS TO WATCH OUT FOR:

Employees' Trust:



Given the pandemic situation, there is a lot of anxiety and fear among employees around the layoffs, compensation, and employment. Organizations need to build a sense of safety, trust, and collective thinking in our people. Focus on your people in a competent and ethical way, and if you listen to their needs, you can drive up trust, teamwork, and resilience. The key is to balance short term and long term creatively.

Make decisions like work at home, social distancing, paid time off, financial assistance for testing, education on the virus that help individual people feel safe, protected and heard.

Economic Slowdown:

Economic slowdown is already affecting major industries like hospitality, travel, media, entertainment and many others will follow, and this will result in layoffs and reduced pay.

However, will layoffs and reduced pay really solve the situation?

Researcher Wayne F. Cascio from the University of Colorado's business school researched that cutting jobs isn't the answer. Companies need to change how the business is run as well. He notes that massive cuts lead to fewer sales people, less research and development, and a loss of high-producing individuals. The result is lower sales, reduced product innovation, and decreased productivity due to low morale. Cascio's research also points to increased costs for companies when they reduce the workforce. He mentioned IBM had to spend \$700 million in 2008, just for employment restructuring. In

Microsoft's case, the company is cutting both professional and factory jobs, many of which will be aimed at current Nokia workers, which were absorbed into Microsoft when it purchased Nokia's mobile division. The company says it will spend between \$1.1 billion-1.6 billion to reduce its workforce.

Aside from losing talent and increasing some costs, there are implications for a company's stock price as well. According to a research by Cornell University it was found that the stock market may respond positively to companies that announce extensive restructuring, and may briefly lift the company's share price. But in the long term, the majority of companies that have instituted forced layoffs did not realize improved financial performance either on the balance sheet or on the stock exchange.

Organizations that can be innovative in adapting their product offerings, their business models and retain their best and most productive talent with creative ways to compensate them, will survive the test of times.



02

THINGS TO ENSURE:

All employers need to consider how best to decrease the spread of acute respiratory illness and lower the impact of COVID-19 in their workplace in the event of an outbreak.

They should identify and communicate their objectives, which may include one or more of the following:

- Reducing transmission among staff
- Protecting people who are at higher risk for adverse health complications
- Maintaining business operations
- Minimizing adverse effects on other entities in their supply chains.

Impact of disease on employees that are vulnerable and may be at higher risk for COVID-19 adverse health complications. Inform employees that some people may be at higher risk for severe illness, such as older adults and those with chronic medical conditions.

Prepare for possible increased numbers of employee absences due to illness in employees and their family members, dismissals of early childhood programs and K-12 schools due to high levels of absenteeism or illness.

Employers with more than one business location are encouraged to provide local managers with the authority to take appropriate actions outlined in their business infectious disease outbreak response plan based on the condition in each locality.

Coordination with state external icon and local external icon health officials is strongly encouraged for all businesses so that timely and accurate information can guide appropriate responses in each location where their operations reside. Since the intensity of an outbreak may differ according to geographic location, local health officials will be issuing guidance specific to their communities.





O3 BUSINESS CONTINUITY PLANS

Work from home, limiting travel plans, and to an extent shutting production, organizations is a dilemma:

How to keep business operations normal without hampering the productivity and efficiency and maintaining the revenue.



A strongly developed crisis response capability is required to ensure the efficient management of incidents in order to minimise associated negative impacts, meet government priorities around maintenance and confidence, and to ensure the continued delivery of critical national infrastructure. Many organisations have these plans in place for the workplace and supply chain but COVID-19 has already unveiled flaws in some. Given the unknown variables surrounding the outbreak, it is important to review crisis and business continuity plans, develop different scenarios and put them to the test.

Some of the parameters you should focus on while working on the business continuity plan:



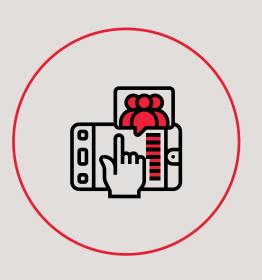
Information:

Proactive communication for all stakeholder groups, based on factual information, is essential to manage public perception of the outbreak, minimise misinformation and associated panic, and reduce the detrimental impact on the economy and individuals.



Supply chain:

Whilst the priority remains human welfare, we are hearing about other employee challenges. Examples include establishing the tax position of people who are moving between countries on an emergency basis, through to companies having to plan on putting production lines on pause due to supply chain issues, with the associated potential impact of asking employees to temporarily stop work.



Workforce:

Where clients are reliant on supply chains in affected areas, rapidly depleting stock levels are becoming a significant risk and clients are working through strategies for alternative sourcing. In certain cases, clients are showing signs of distress and stakeholders (e.g. lenders) are concerned about the future viability of the business. We are discussing different potential scenarios and what these mean for their operations, for example, as cases of viral transmission emerge in different territories.



Effective communication:

From our experience with working with various organisations during the Ebola and MERS outbreaks, the lack of complete and accurate information was preventing well-considered decisions being made regarding the resources needed to control the outbreak and treat infected individuals. Capturing the correct information and verifying its reliability is vital. Reliable information underpins both crisis planning and response and allows organisations to make informed decisions.



WHAT SHOULD EMPLOYERS BE DOING IN THE CURRENT SITUATION: CHECKLIST TO CONSIDER



Here is a list of things you should consider doing in-line with your local government advisory:

Policy Management

- Have a dedicated crisis management crossfuntional team to track and monitor the situation and update authorities and employees on further steps
- Develop policies proactively which adheres to public health recommendations and workplace laws.
- Set policies for remote working or work-from-home, pay and reimbursement for any activities during work-from-home
- Have a clear policy around essential and non-essential travel bans and process on managing employees who are travelling, came back from outside, employees working in a contained
- Set sign-off process for policy change

Communication

- Select communication channel (email, mail, text messages, hotlines and internal systems) and set protocols to communicate early and often
- Establish two-way communication with employees
- Signage to help reinforce hygiene, screening and other organizational policies
- Leverage social media for public messages



Work from home

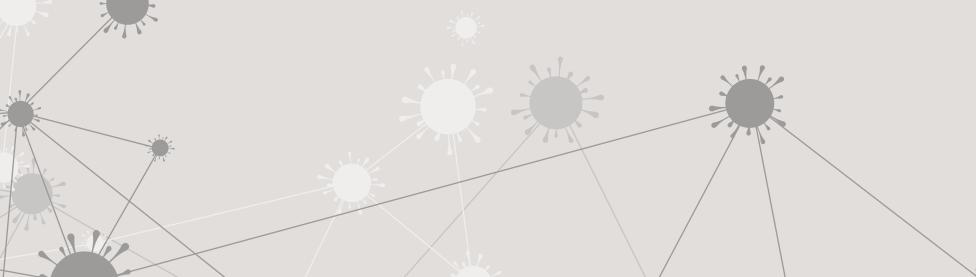
- Select communication channel (email, mail, text messages, hotlines and internal systems) and set protocols to communicate early and often
- Establish two-way communication with employees
- Signage to help reinforce hygiene, screening and other organizational policies
- Leverage social media for public messages

Travel

- Follow travel restrictions and advisory released by your country's government
- Defer all non-essential business travelslocal or international
- Employees who have returned from affected regions or other countries, offer them a necessary quarantine for at least 14 days.
- Offer necessary support to employees who are residing in contained areas for business activities

Workplace norms

- Sanitize workplace and common areas frequently
- Encourage social distancing and non-handshake greetings
- Limit meeting size and encourage virtual meetings
- Avoid employees to attend any business and learning events
- Close on-site gyms, cafeterias and common areas
- Implement shifts to reduce overcrowding
- Temporarily close office areas in affected areas
- Discontinue biometrics and technologies that requires multiple individual interaction





Engaging with medical experts, health bodies and government

- Select communication channel (email, mail, text messages, hotlines and internal systems) and set protocols to communicate early and often
- Establish two-way communication with employees
- Signage to help reinforce hygiene, screening and other organizational policies
- Leverage social media for public messages

Setting up a crisis management team

- Set up the basic protocols and guidelines for this team
- Every member of the team, from executive leadership down, should know who is doing what.
- Cross-train team members to perform critical functions in the event of an unexpected absence or quarantine of another team member
- The team should prepare a contingency plan. It is essential that the crisis plan outlines how information will flow and that everyone has confidence in its veracity. Strong data also reinforces a central element of crisis planning, exploring different scenarios and how they could affect the business in the short, medium and long term

- Make sure your crisis team have further sub teams that:
 - O Public relations and communications teams: They're responsible for developing and delivering the organisation's messaging internally and externally.
 - O **Legal and regulatory teams:** Their role is to understand the organisation's risk exposures and advise on appropriate responses.
 - O Operational response teams: They essentially handle everything else including establishing the facts that the other two groups need to do their jobs.





HOW ARE COUNTRIES ACROSS THE GLOBE HELPING EMPLOYERS TO RESPOND TO COVID-19?

Canada

- Canada has announced to offer temporary wage subsidy for three months to small business owners so they can keep their workers on payroll during these uncertain times
- If an employee do not qualify for Employment Insurance and do not have access to paid sick leave but have to self-isolate or quarantine, or if he need to take of care of your family member who has COVID-19, he will receive an Emergency Care benefit of up to \$900 every two weeks.

Britain

- Anyone struggling with mortgage payments as a result of coronavirus because, for example, they are off work and on statutory sick pay, will get a three-month repayment holiday.
- All shops, pubs, restaurants and other leisure businesses will not have to pay business rates for a year under the new plans.
 Companies with a rateable value (a measure of property values) of up to £51,000 will be able to apply for grants of up to £25,000 to help cover their immediate cash-flow problems.

The smallest firms, who currently do not pay business rates, can apply for a grant of up to £10,000.

Australia

- If the business is in a severely impacted region, community or industry, business may benefit from various measures that will be put in place using the \$1 BN the Government has made available for this purpose.
- The Australian Tax Office (ATO) is providing relief for some tax obligations for businesses affected by the outbreak, on a case-by-case basis.
- If an employee can't work because he has become sick or needs to self-isolate, or his income has been otherwise impacted by the economic downturn caused by the coronavirus, he may be eligible for income support payments.
- If businesses employ a casual employee and they can't work because they become sick or need to self-isolate, or their income has been otherwise impacted by the economic downturn caused by the coronavirus, they may be eligible for income support payments.

Denmark

 Denmark is offering to pay 75 percent of the wages of private-sector employees at risk of redundancy because of the coronavirus.



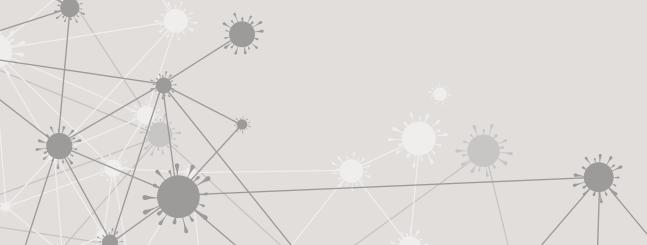
Singapore

 Companies in Singapore affected by Malaysia's travel restrictions amid the COVID-19 outbreak will receive an allowance of S\$50 per worker per night for 14 nights to cover the extra costs incurred

The Singapore government has worked with private and public sectors to make available a range of short-term housing options for workers in Malaysia who cannot stay with relatives. These include:

- O Hotels or dormitories: There is a range of hotel/dormitory options currently available. The Government is working with the hotel/dormitory providers on providing lower-cost rentals.
- O Accommodation, such as rooms and whole property in both the HDB flats and private residential property market.

- Singapore is soon to launch a support plan which can have wage cover, suggested to be placed at around \$4,000 to reflect the current median wage. Maybank Kim-Eng noted that during the GFC, the scheme covered the first \$2,500, slightly below the median wage at that time. Further, the equivalent CPF contribution rate could be placed at 17%, to reflect the employer contribution rate for workers below 55 years of age.
- The plan may also waive three months of foreign worker levies on some of the worst hit sectors, noting that this will not detract from the longer-term restructuring and productivity drive.



HOW ARE ORGANIZATIONS AROUND THE WORLD RESPONDING TO COVID-19?





WORK FROM HOME



Twitter tells Employees to Work from Home as Tech Firms React to Coronavirus. Twitter on March 2 became the first major U.S. corporation to strongly encourage its employees to work from home to avoid spreading coronavirus.



IBM

IBM, which nearly three years ago ended remote work for some U.S. employees, said Feb. 27 it had asked workers in coronavirus-affected areas to work from home "wherever possible." The guidance was issued for IBM workers in China, Japan, South Korea and Italy. The company also restricted travel to some locations and canceled its in-person participation in the RSA Conference on cybersecurity in San Francisco.



Hike India

Hike India has introduced Core Hours from 10.30a to 6 pm. During this period employees are expected to be plugged in and available on Slack and available to attend DSM, Meetings, Sprints, etc on Google Meet. Encouraging more discipline during remote working Hike has kept a company-wide lunch break between 1:00 PM and 2:00 PM during which time there wouldn't be any meetings scheduled so that employees can get a quick bite and get a mid-day breather.





HEALTH & WELLNESS



Facebook

Facebook on 6th March shut its London office and part of its Singapore base for "deep cleaning" after an employee in the Asian city state was diagnosed with coronavirus.



Nike

Nike announced March 1 it temporarily closed its corporate headquarters in Beaverton, Ore., in order to deep-clean the campus following the first US death from COVID-19 the day prior.



Starbucks

Starting April 6, Starbucks employees can tap their pool of therapy sessions and meet with a counselor in person or via video chat, the company said. They will also have unlimited access to self-care apps through Lyra Health Inc., a software company that connects people with mental-health services through their employer. The company said it would begin to offer 20 free therapy sessions a year for all of its employees, including part-time workers, as part of a broader mental-health benefit plan. Starbucks was planning its new mental-health benefit rollout before the coronavirus outbreak, but said it would help quell some of the anxiety workers face regarding the pandemic.

Google Google

Google blocked all external visitors from coming into some of its offices, including New York and the San Francisco Bay Area where its Silicon Valley headquarters are located. It also called off its flagship developers conference, called I/O, which was scheduled for May in Mountain View, Calif. The company said it would look for ways to "evolve" the event, raising the possibility of live streamed or remote sessions.



Hindustan Unilever

Social distancing, ramping-up cleaning efforts, masks for healthcare workers, sales personnel, security, and front-office staff are among the measures that Hindustan Unilever has implemented



World Bank and the IMF

Several other companies and organizations, including the World Bank and the IMF, said they would replace in-person gatherings and meetings with virtual





WORKPLACE MANAGEMENT & TRAVEL



GoJek

GoJek, Indonesian technology company, shares that they have set up a Crisis and Risk team and have created a separate COVID-19 command. The team has also formulated work related policy in the wake of a pandemic aligned with the Employment and Immigration law.



Walmart

Walmart said March 14 that beginning March 15 it will modify its hours for its more than 4,700 U.S. stores to help employees restock shelves overnight and clean stores.



Ford Motor Company

Ford Motor Company told employees March 3 that it is banning all non-essential air travel until at least March 27 because of concerns about the novel coronavirus. Ford had been restricting travel to and from China but has now extended the ban to all flights, both international and within the United States, out of concern for employees' health and safety. There may be exceptions, a Ford spokesperson said, but they will probably be rare.



Godrej Industries has asked employees who have travelled to China, Korea, Iran, Japan, and Italy in the last couple of weeks to notify their manager and human resource partner, and work from home for two weeks after returning to India.



UBS

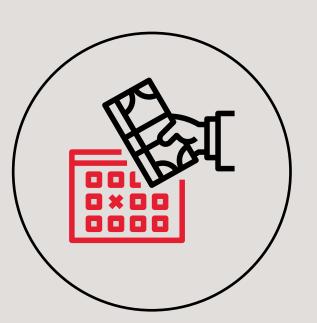
UBS, the Swiss bank headquartered in Zurich, has begun implementing a split-operations policy in Switzerland this week as part of its coronavirus response. The firm has already implemented a similar policy for its employees across the Asia Pacific region.



Archroma

Singapore based chemical company, Archroma has actively set up an exclusive communication strategy. The company has multiple response teams setup in each site / country to manage and actively adapt to the changing situation. The team is sharing best practices and collaterals from one site to the next so that they don't have to reinvent the wheel.





PAY & COMPENSATION



Starbucks

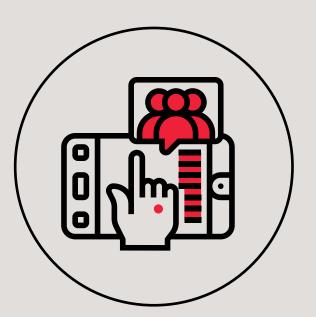
Starbucks said it is offering "catastrophe pay" to U.S. baristas who have been exposed to the coronavirus. It will pay employees for up to 14 days if they have been diagnosed with, exposed to or been in close contact with someone with the coronavirus. Workers who may be considered higher risk because of underlying health conditions also are eligible with a doctor's note. The company has implemented similar measures in China.



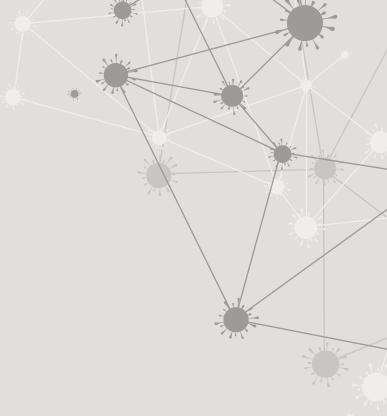
United

United CEO Oscar Munoz and president Scott Kirby will forgo their base salaries through at least June 30. United also said it was postponing "non-critical" projects requiring capital expenditures, got a \$2 billion loan from a group of banks and expects to incur a first-quarter loss. Southwest Airlines CEO Gary Kelly said Monday in a message to employees that he would take a 10 percent pay cut and Delta said it is instituting a hiring freeze, taking some planes out of service and retiring older aircraft.





MANAGING GIG WORKFORCE





Volvo Car India

Volvo Car India is working closely with our dealers to ensure their facilities are hygienic. Guidelines to dealers include ensuring cars that visit workshops as well as dealer demo cars are properly cleaned before next use. In addition, all demo cars mandatorily have hand sanitizer.



Swiggy

Indian food-tech firm, Swiggy has arranged an awareness drive for their delivery partners. Additionally, the company will provide them with free medical consultation through partners. Plus, in cases where delivery associates have to self-quarantine, Swiggy will support them financially.



Amazon

Amazon is launching a \$25 million relief fund for delivery drivers and seasonal workers amid the coronavirus outbreak, it announced March 11. The aim is to help employees "that are under financial distress during this challenging time," the company said. This includes Amazon Flex drivers and its network of delivery service partners, who handle last-mile package deliveries, as well as seasonal employees, who help the company manage variation in customer demand during peak periods and holidays. Amazon will allow these employees to apply for grants that are equal to up to two weeks of pay if they're diagnosed with the novel coronavirus, or COVID-19.



