PEOPLE PRIORITIES IN THE RAMP-UP AND RETURN TO WORK

By Allison Bailey, Reinhard Messenböck, Deborah Lovich, Rainer Strack, Elizabeth Kaufman, Amanda Brimmer, Michael Lutz, and Niels Kammerer

The first article in this series on people priorities during the coronavirus crisis covered the immediate response during the flatten phase. This article addresses how organizations can move out of their state of suspended animation during the fight phase and build a new compact based on trust with employees. The third article looks forward to the new now, or future, phase.

As government restrictions ease, leaders of organizations face many complex issues, none more critical than those involving their people. Health and safety come first. But leaders need to bring the right people back to work on location at the right time and in the right way so that they are not only safe but also motivated and resilient. These tall goals call for future-oriented employment models that balance costs, capabilities, and flexibility. The fleet-footed will be better able to achieve the long-term sustainability and health of their organizations.

All seven people priorities we have laid out matter in this fight phase of the crisis, but change management and leadership are especially important as companies begin to ramp up. Change management enables the transformational moves that companies and organizations will need to make in the wake of COVID-19. Leadership creates direction and alignment, both of which are critical at the top, middle, and bottom of organizations. Uncertainty is not going away any time soon, and the role of management has never been more essential. Notably, tomorrow's leaders are being bred in the crucible of crisis, many of them on the frontline. Are you spotting them?

Ramping Up to the New Now

The swiftness with which the coronavirus flattened economic demand forced companies into a reactive mode. Depending on their location, organizations are now in various stages of moving beyond the chaos. They are putting in place people and organizational models that assume the resumption of face-to-face work, interactions, and meetings, and even travel. They are also

assuming the continuation of remote and virtual work. We are not going back to pre-coronavirus models, so leaders should prepare for a fight phase of at least many months. Regardless of its length, the people and organizational issues during this phase will be the same. (See Exhibit 1.)

- Restart the right work

- Keep people safe and comply with government rules

- Prepare the workforce for ramp-up

- Manage rapid workforce and cost intervention

- Activate change management and leadership

- Foster purpose and culture

- Leverage digital and AI

Restart the Right Work

Remote work is here to stay. Companies need to create models for both remote and safe physical work that ensure continuity, community, and engagement. For employees to be effective in their remote work, organizations need to provide higher and ongoing levels of digital support, security, collaboration, and training. Remote work, in other words, needs to become as easy and efficient as face-to-face work, and leaders need to manage hybrid models in which some team members are onsite and others are not. At many global companies, such as Nationwide and Barclays, 80% of employees or more are now working from home. Leaders are recognizing this as a chance to work in different ways permanently, reconsider their real estate needs, and reduce costs.

During the lockdown, companies have stopped many activities. This presents a unique opportunity to reprioritize work and to realize cost benefits by not restarting nonessential activities. Workloads also must be sustainable. Organizations cannot expect people to work at the pace and duration they were experiencing in the thick of the crisis. One of the necessary tasks of leaders and managers is to make hard calls on essential, optional, and important-but-not-now work.

EXHIBIT 1 | Seven People Priorities Ramp Up to the New Now

THE RAMP-UP

1 Restart the right work
- Adjust and fine-tune remote working tools and processes
- Reprioritize work portfolio for step-by-step ramp-up
- Dynamically adjust HR policies and processes

2 Keep people safe and comply with government rules
- Design data-based de-escalation path and scenarios
- Redesign working spaces and adjust for health and safety
- Write a COVID-19 Code of Conduct

3 Prepare the workforce for ramp-up
- Support and retain high performers
- Unwind headcount reductions
- Rapidly reskill and upskill incoming workforce

4 Manage rapid workforce and cost intervention
- Continue workforce planning and realize capacity adjustments
- Take advantage of government programs
- Adapt HR costs and replace external workers and contractors

5 Activate change management and leadership
- Create a "crisis edition" activist PMO
- Integrate change management
- Support leaders
- Initiate two-way communication

6 Foster purpose and culture
- Lead with purpose
- Accelerate company culture
- Nudge desired behaviors

7 Leverage digital and AI
- Implement safe@work solutions
- Create a digital watchtower and monitor governmental regulations

Source: BCG analysis.

Finally, organizations should start to adapt their people practices and labor contracts and rethink fundamental assumptions of how to measure, value, and recognize work. This ongoing and long-term effort should begin as soon as possible.

Keep People Safe and Comply with Government Rules

People will return to work to the extent that they trust that they can stay healthy while there. The saying that trust is hard to earn and easy to lose has rarely been so true. One way to build trust is to base decisions about restarting activities on data. Companies in China and other early victims of the virus can provide fact-based approaches to returning to work, disease prevention and detection, social distancing, and employee engagement. Automakers such as Honda and Volkswagen have managed health and safety issues by adjusting shifts, requiring personal protective gear, and monitoring employees' health daily.

Companies need to build clear strategies for these restart approaches in light of regulation, the overall business environment, and the social environment, such as the availability of schools, day care, and public transportation. Personal circumstances will also matter. Companies must pay special attention to employees at high risk and those with young children or vulnerable family members.

Communication enables transparency and builds trust. A COVID-19 Code of Conduct could set forth guidelines and protocols to ensure safety. It could cover distancing, density, physical and mental health monitoring, sick pay, and screening. This code could also set forth obligations and responsibilities for employees. In a remote world, employers need to trust employees every bit as much as the other way around.

Prepare the Workforce for Ramp-Up

Most companies reacted quickly and decisively in the first few weeks of the crisis. Many people rose to the occasion, while others were laid off or furloughed. Both sets of employees demand your attention. The stars that emerged during the crisis and other high performers should be recognized even if that recognition cannot be financial. Many employees who are returning to work in physical locations will be anxious and unsettled. They need to be welcomed and reintegrated into the workforce. They also need to trust that their risk of infection is minimal.

At the same time, companies now have the chance to fill their key skill gaps by hiring digital talent from more-distressed firms. Existing employees need to be reskilled for the new business environment. New employees will need to be onboarded in ways that maintain social distance.

Manage Rapid Workforce and Cost Intervention

People costs, the bulk of expenses at many companies, need to reflect the new revenue realities. Many companies must recalibrate their workforce needs to reflect business demand. Customer behavior, the risk of second waves of infection, and a blanket of caution in uncharted times make this a hard calibration.

With uncertainty so high, scenario planning and flexibility are integral. Companies need to align with labor unions and workers' councils early to define and prioritize the most appropriate and flexible HR measures at the local level. They should also seek to cooperate with other firms. After the shutdown of their operations, for example, some airlines have given their staff—many of whom are trained in first aid and have security clearances—the opportunity to support nurses and clinicians in hospitals. If they have not already, companies should also pursue government programs that address liquidity and labor cost support.

Policies and processes related to compensation, benefits, and work conditions likely need revision. In many traditional companies or those created through mergers and acquisitions, elements of compensation

may no longer reflect their original intent. The fight phase is the right time to start making those revisions.

Activate Change Management and Leadership

A COVID-19 project management office (PMO) should be formed to assume a more permanent role than the ad hoc nerve centers and crisis response teams that companies created at the height of the crisis. During change efforts, PMOs keep the initiative on track. In this era, these offices also need to be sharp and focused in handling the challenges of remote work, unsettled employees, and uncertain business prospects.

Leaders throughout the organization need support during the fight phase. They are doing their day jobs and dealing with their own and their employees' anxiety. Communication and engagement are critical. Digital tools that can conduct quick pulse checks and solicit feedback and fresh ideas are indispensable.

Foster Purpose and Culture

Purpose can help provide the clarity, guidance, and motivation that is a company's reason for being, beyond what it does, makes, or sells, while culture is a set of values and behaviors that informs how work gets done. You invest in purpose and culture in good times so that you can draw on them in tough times. Both provide long-term focus that helps employees recognize the value of their work and their own contribution to the greater good.

The moments of truth that occur during a crisis matter, especially the reaction of leaders. Their ability to be open, caring, and focused is critical. The spotlight is on them as the ambassadors of purpose.

Leverage Digital and AI

The fight phase will see the emergence of a second generation of COVID-19 technology tools, such as contact tracing apps. These will be critical to manage employees'
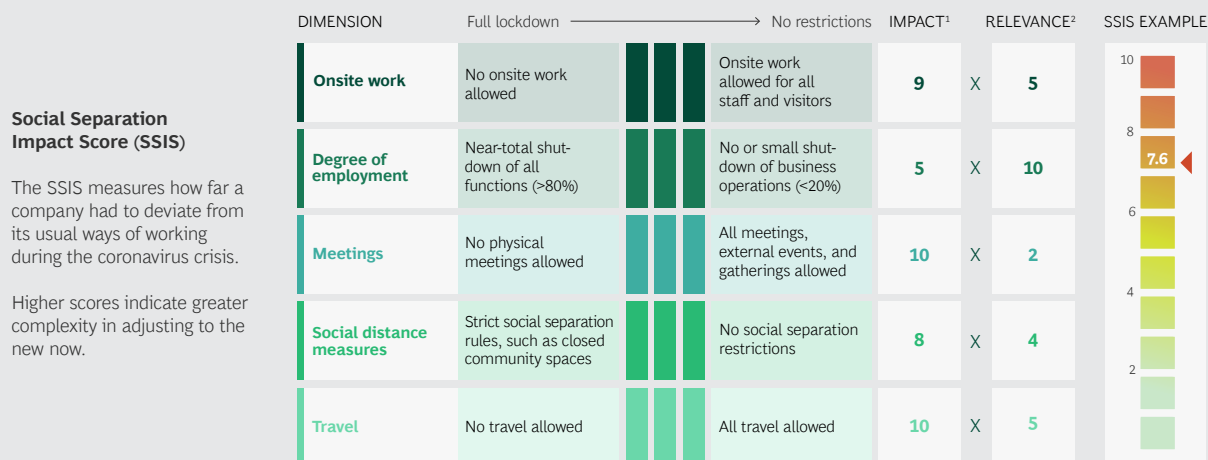
health and accelerate the creation of the bionic company. The most successful organizations will combine the power, speed, and transparency of technology with the judgment and experience of people. COVID-19 provides the perfect storm to speed up this trend. Artificial intelligence's capabilities in prediction and modeling can be indispensable in this environment. Digital watchtowers that track regulation, employee engagement, competitive environment, and client needs will also be essential.

What Matters Most

These seven priorities all matter, but their relative importance will vary depending on the extent to which physical distancing has affected a company and on how much the crisis has affected its financial health. Our Social Separation Impact Score (SSIS) tool assesses the changes in a company's practices related to onsite work, level of employment, type of meetings being held, social distance measures, and travel. (See Exhibit 2.) Having completed the assessment and analyzed its financial health, one company focused on reducing employee costs through short time and furloughs. Another company chose business continuity and the need to create remote work infrastructure and training, especially in leadership.

WITH EACH ADVANCE in treatment, testing, and tracking, society is moving to contain COVID-19. The fight is ongoing, and it will be won. In this phase, companies should be taking stock of how their people and organizational models can be bent and rebuilt to deal with the ramp-up. If done right, this will reveal new opportunities to generate business value, outperform the competitors, and prosper in the new now.

EXHIBIT 2 | The Complexity of the Ramp-Up Varies by Company

Social Separation Impact Score (SSIS)

The SSIS measures how far a company had to deviate from its usual ways of working during the coronavirus crisis.

Higher scores indicate greater complexity in adjusting to the new now.

DIMENSION	Full lockdown → No restrictions			IMPACT[1]		RELEVANCE[2]	SSIS EXAMPLE
Onsite work	No onsite work allowed		Onsite work allowed for all staff and visitors	9	X	5	
Degree of employment	Near-total shut-down of all functions (>80%)		No or small shut-down of business operations (<20%)	5	X	10	7.6
Meetings	No physical meetings allowed		All meetings, external events, and gatherings allowed	10	X	2	
Social distance measures	Strict social separation rules, such as closed community spaces		No social separation restrictions	8	X	4	
Travel	No travel allowed		All travel allowed	10	X	5	

Source: BCG analysis.
[1]Evaluation for specific client on a scale of 1 to 10.
[2]Weighting of the dimensions on a scale of 1 to 10.

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