

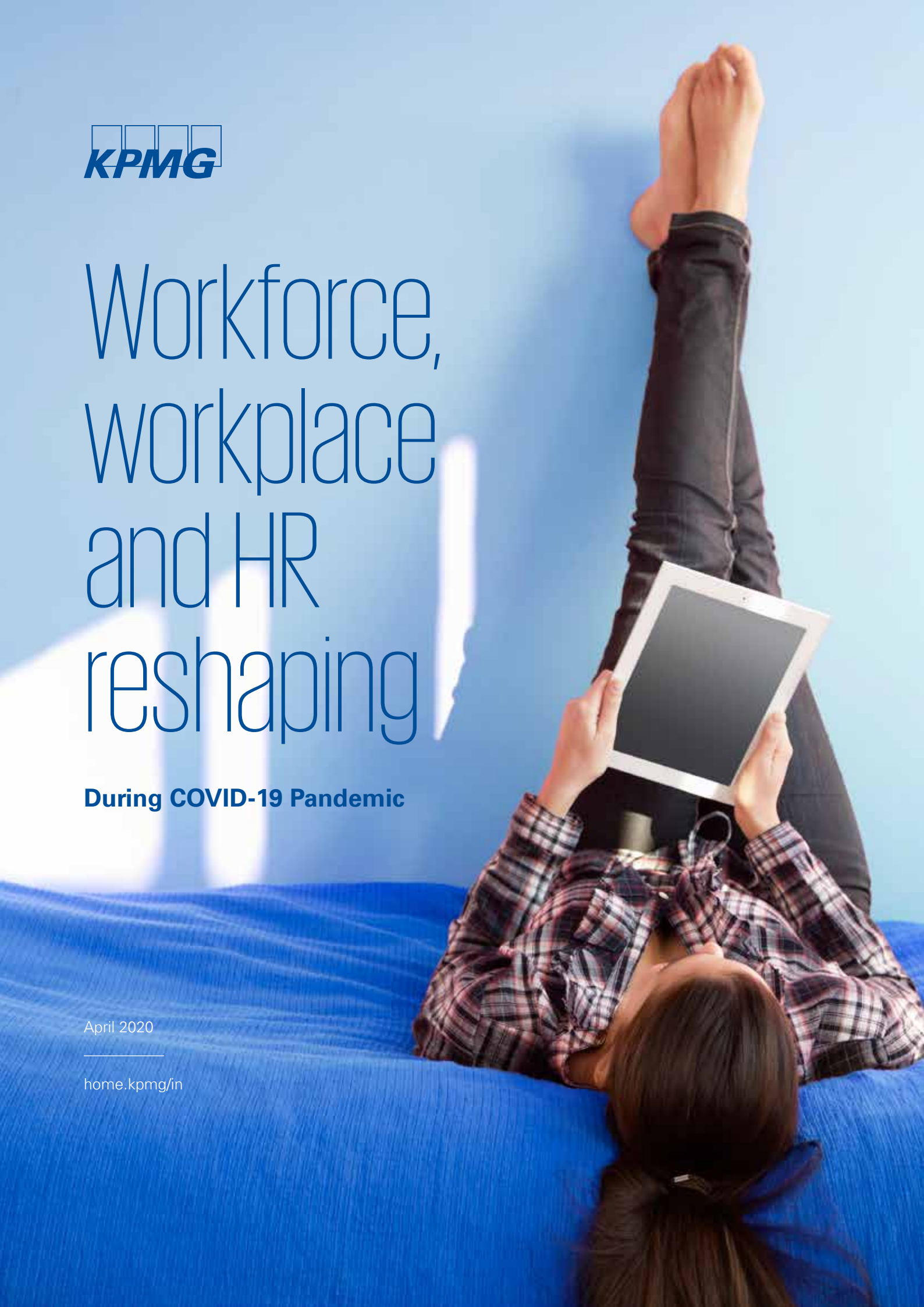


Workforce, workplace and HR reshaping

During COVID-19 Pandemic

April 2020

home.kpmg/in



Introduction

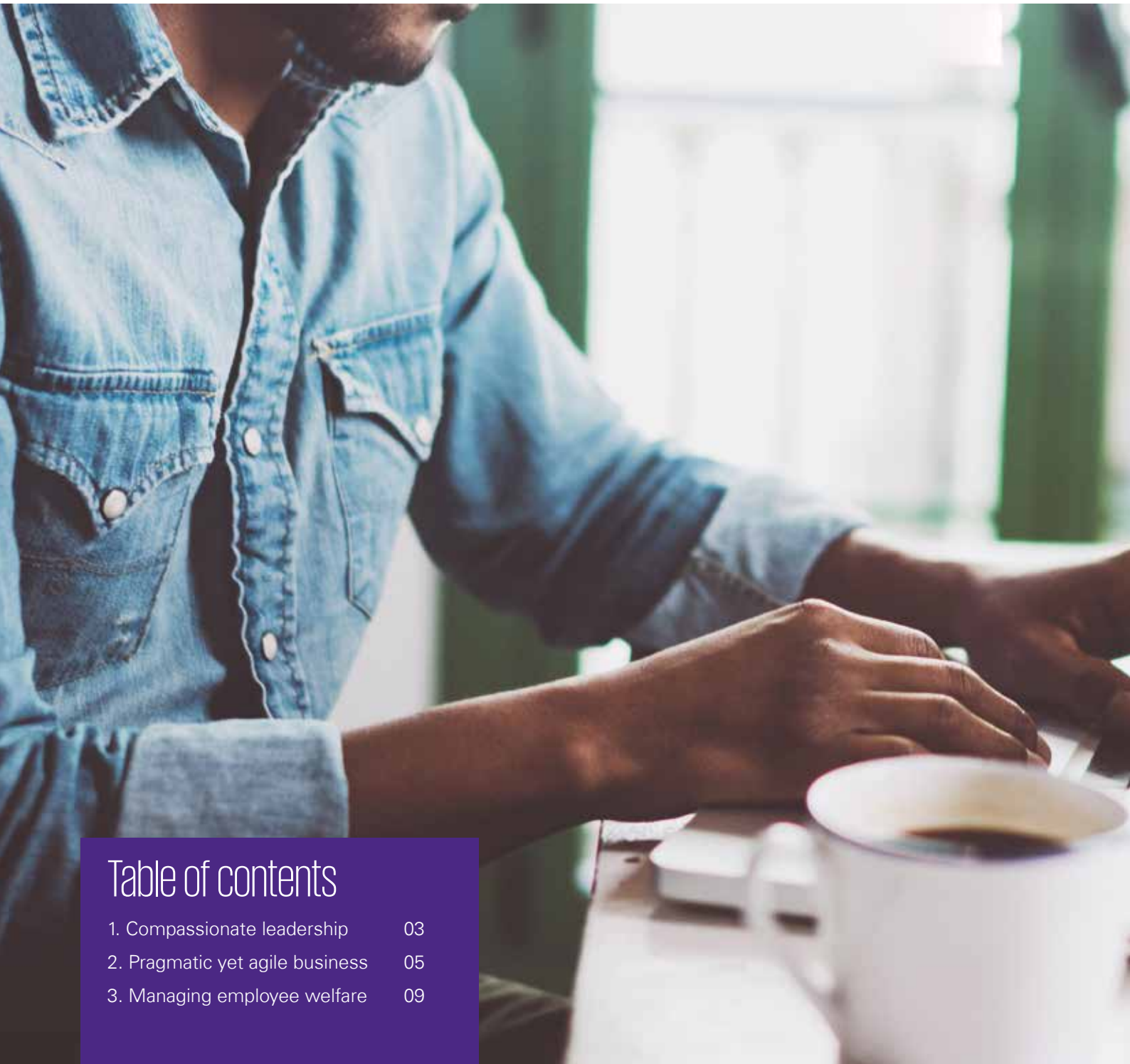


Table of contents

- | | |
|---------------------------------|----|
| 1. Compassionate leadership | 03 |
| 2. Pragmatic yet agile business | 05 |
| 3. Managing employee welfare | 09 |



While businesses are learning to innovate and adapt to the ever-changing work environments, pandemics and unforeseen calamities like COVID-19 pose an adverse impact to business continuity. The rapid outbreak of the coronavirus presents an alarming health crisis that the world is grappling with. In addition to the human impact, organisations and businesses are facing an unprecedented magnitude of economic difficulties due to this pandemic.

Organisations need to understand their exposure to COVID-19, and more importantly, position their business to build a more resilient muscle and become agile in responding to this crisis. As organisations navigate the current environment and the shift towards a remote way of working (where feasible), there are three broad aspects they need to keep in mind.

Business approach during Covid-19

1

Compassionate leadership

The most important thing for organisations during this crisis is to ensure connections between people remain strong.

Leading by example and compassionate leadership are essential in this respect. Leaders and managers need to support people in dealing with the crisis, without causing drastic disruption to business.

2

Pragmatic yet agile business

Navigating through business challenges due to COVID-19 is critical to mitigating the overall business risks. Organisations need to assess, understand and address the unique risks they are bound to face, both at business and workforce front. Organisations need to be pragmatic in their solutions, and yet be agile to re-evaluate and change their business strategies.

3

Managing employee welfare

While organisations are taking into account the health and safety of their employees, an employee is equally responsible to keep the business operational as far as possible, by maximising the advantage and manage the challenges of working remotely. A true collaboration with its employees at each level is the 'key'.



Section 1

The biggest organisational challenge during these testing times is to ensure the 'people connect' remains strong within the organisation and in between teams. In order to do this, leaders should be able to not just deliver results, but also lead with compassion.

For any organisation/ leader to become 'compassionate', they should understand and develop basic but existential human skills.

Compassionate leadership

Empathy

The ability to understand and share feelings of your employees, without judgement is essential and key to empathy.

Leaders Need to

- Acknowledge and address employee concerns, and practice active listening
- Give higher importance to safety and health of their people
- Put their employee before the numbers.

If people are confident that they will not be left behind, they can do more for the organisations.

Humility

Understand and practice displaying humility, inclusivity and personal connect with others; create safe and welcoming environment.

Leaders should

- Set aside self-interest for the interest of the collective
- Provide structure, connection, self-care and humour
- Delve into the life and current work-life challenges of their teams, colleagues, customers and suppliers.

A good dose of humility, humour, laughter and inclusivity help put things in positive perspective and make stress more bearable.



Resilience

Resilience is all about the ability to hold on despite setbacks, insecurities and fears; and ultimately emerge stronger.

Leaders must

- Invest in their own physical and mental resilience
- Develop joint resilience within the teams
- Provide common purpose and a path to allow employees to seamlessly navigate through these uncertain times.

Every signal sent now goes out stronger and has an impact on how people manage and evolve in these crisis situations.

Organisations have forever assumed that employees are their primary point of concern and the employee's family responsibilities and background are auxiliary. However, in the current scenario, the employee and the employee's family set-up has become crucial.



Section 2

Organisations need to approach their organisational challenges in a pragmatic manner yet focus on being agile. There is a need for all organisations to reinvent themselves and identify how they would change and adapt to the scenarios.

Pragmatic yet agile business

Ensure business continuity

Business continuity plans accompanied with agile decision making will enable organisations to stay resilient in these testing times. Business continuity plans can be drawn on the below areas.

- **Revamped business strategy** – Revise business strategies with adequate contingency plans in terms of business budgets, branding activities and capital investments. This will help minimise the disruptions and ensure uninterrupted operations
- **Leverage technology** – Organisations that can focus on shifting their technology capacity and investments to digital platforms will mitigate the impact of the crisis, allowing them to operate seamlessly now and in the future
- **Redesign processes and operating model** – Relook at the policies and practices, along with realigning the operating model. Redefine business critical roles to be able to adapt and actively deal with crisis situations like COVID-19

Innovate and reinvent

In unforeseen situations like the one we are facing today, organisations need to reinvent their product/service line. Agility along with the capability to innovate and reinvent themselves will determine who will survive and who will perish

- **Business model** – Identify new ways to revamp the overall business model, encompassing but not limiting innovative strategy, marketing plan, supply chains, value creation, pricing or cost structures. Challenging times demand adaptive business models
- **Product and service offering** – Identify new and innovative product/service offerings to differentiate oneself from competitors. Agility to innovate the offering and speed to deliver it, will set you apart from others
- **Social Footprint** – Identify opportunities that will not only help you improve the bottom line, but also contribute to the society. Social footprint of an organisation is a new customer loyalty parameter



Workforce planning

Managing an engaged and committed workforce in the times of crisis is crucial for organisations. However, what is more important than that is defining the right strategic workforce from future perspective.

How workforce and talent risk emerges varies on the type of working environment, criticality of the work managed and how the work gets done. The table below highlights the key workforce categorisation and related considerations:

| | Work dimensions | Work dependencies | Talent risk | Cost impact |
|--------------|---|---|-----------------|-------------|
| White collar | My work is tied to a place | Dependent on physical access and daily commute | High | High |
| | My work is tied to other people | Dependent on schedules to support demand | Moderate | Moderate |
| | My work is based on information and expertise | Remote working and access | Low | Low |
| | I work under contract | Temporary contract adjustment based on volume, workflow and productivity considerations | Low to moderate | Low |
| Blue collar | My work requires plant and equipment | Dependent on delivery model | High | Very high |



Pragmatic yet agile business

Understanding the talent dependence, risk and challenges helps organisations frame priorities in assessing, understanding and addressing the unique risk for their organisation and workforce.

The checklist of questions the organisations may consider addressing during dealing with COVID-19 situation and safeguard themselves from the after effects are:

1 Business critical

- Have you reviewed key decision making processes in the organisation? Is there a need for change in any accountability?
- What is the impact on project release, delivery capability, revenue loss for idle workforce?

2 Workforce mobilisation

- Have you assessed your entire workforce capability, cost and process for remote working?
- Have you accounted for the travel, migration and safety of the workforce which cannot work remotely?

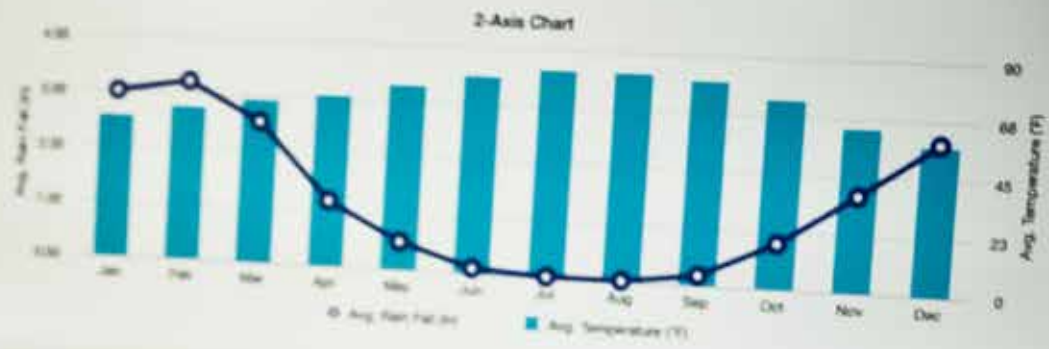
3 Cost impact

- Have you considered the impact due to employee policies like travel reimbursements, paid/unpaid leaves, reimbursements for remote working?
- What is the impact of cost pertaining to IT infrastructure support for remote working?

4 Talent connect

- What are the plans for regular connect, important communication and engagement for each of these workforce categories?
- Have you defined process and protocol for remote working? What are the protocols defined for workforce which is not eligible for remote working?

| | | |
|-----|------|----|
| Oct | 0.80 | 74 |
| Nov | 1.66 | 64 |
| Dec | 2.81 | 58 |



Section 3

Managing employee welfare

The COVID-19 pandemic has radically transformed ways of working in organisations across industries and geographies by creating precautionary impediments to physical collaboration. Flexible work options such as remote working and skeletal staffing are now the most viable options to ensure business continuity.

To enable these interventions, there is a strong need to revamp policies and implement appropriate support measures. Specifically, a strong focus should be given to health, wellbeing, safety, digital preparedness and active engagement of the workforce.

Health, wellbeing and safety

Social distancing may lead to stress and anxiety for employees and can potentially impact health and wellbeing. Hence, it is essential for leaders, manager and employees to talk about it and proactively address it. Below are some guidelines to manage employee wellbeing:

Physical wellbeing

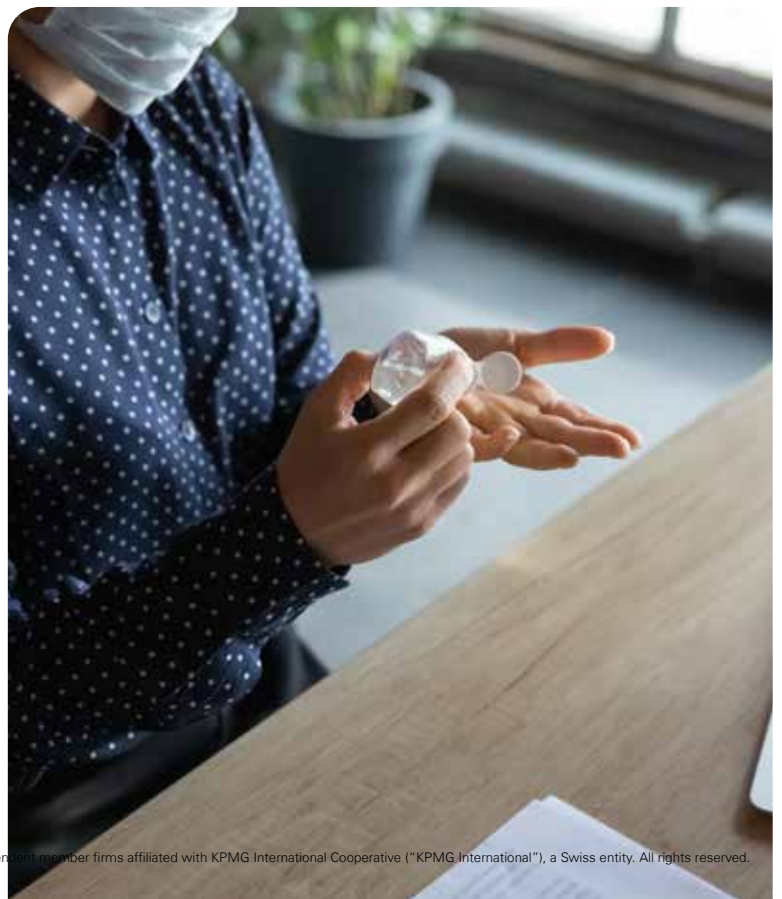
- Exercise regularly
- Pick up a hobby
- Don't ignore self-care

Mental wellbeing

- Spend time with family
- Practice meditation
- Take breaks

Professional wellbeing

- Maintain a routine
- Create a workspace
- Upskilling capabilities





Digital readiness

Organisations and employees need to be digitally ready and prepared to be efficient with alternative ways of working. Below are the key guidelines to enable digital preparedness:

Organisation

- Enable a strong IT infrastructure
- Employ new tools and technologies
- Enable safe workplace practices

Workforce

- Use a secure internet connection
- Take regular data-backups
- Update anti-virus software regularly

Active engagement

When working remotely or with limited capacity at the workplace, employees risk losing their sense of connectivity and team. To mitigate the side effects of alternative ways of working, leaders need to focus on implementing ways to keep the workforce actively engaged. Below are the key guidelines to enable active engagement:

Leveraging technology

- Leverage technology platforms and tools to stay connected

Staying connected

- Regular connects and discussions with team on work topics and otherwise

Continuous work progress

- Maintain a list of daily actionable tasks to ensure joint accountability with team



Strike a balance

Employee situations may vary at home. There may be infants or elders requiring extra care which may add additional responsibilities to employees.

Be supportive

- Leaders and managers to focus on listening to employees, understanding their unique situation and being sympathetic, compassionate and supportive

Set expectations

- Essential for employees to strike a balance between work as well as house commitments. Talk about it upfront to set the right expectations



Acknowledgement

Report Authors

Vishalli Dongrie

Partner, Head

People & Change

vishalldongrie@kpmg.com

Arun Sharma

Executive Director

People & Change

arunsharma@kpmg.com

Ravika Choudhary

Associate Director

People & Change

ravikachoudhary@kpmg.com

Contributors

Malvika Sharma

Manager

malvikasharma@kpmg.com

Mehul Madan

Senior Consultant

mehulmadan@kpmg.com

Venkata Suraj Pydipalli

Senior Consultant

vpydipalli@kpmg.com

KPMG People & Change - India | Leadership Team

Vishalli Dongrie

Partner and Head

People & Change

E: vishalldongrie@kpmg.com

Shalini Pillay

Office Managing Partner

E: shalinipillay@kpmg.com

Unmesh Pawar

Head

People, Performance and Culture

E: unmeshp@kpmg.com

Anurag Aman

Partner

People & Change

E: anuragaman@kpmg.com

Arun Sharma

Executive Director

People & Change

E: arunsharma@kpmg.com

Deepak Puri

Director

People & Change

E: deepakpuri@kpmg.com

Saptarshi Chatterjee

Director

People & Change

E: saptarshic@kpmg.com

home.kpmg/in



Follow us on:

home.kpmg/in/socialmedia



The information contained herein is of a general nature and is not intended to address the circumstances of any particular individual or entity. Although we endeavour to provide accurate and timely information, there can be no guarantee that such information is accurate as of the date it is received or that it will continue to be accurate in the future. No one should act on such information without appropriate professional advice after a thorough examination of the particular situation.

© 2020 KPMG, an Indian Registered Partnership and a member firm of the KPMG network of independent member firms affiliated with KPMG International Cooperative ("KPMG International"), a Swiss entity. All rights reserved.

The KPMG name and logo are registered trademarks or trademarks of KPMG International.

This document is meant for e-communication only. (001_THL0420_RU)