

CHRO Today Executive Network



Content Presentation

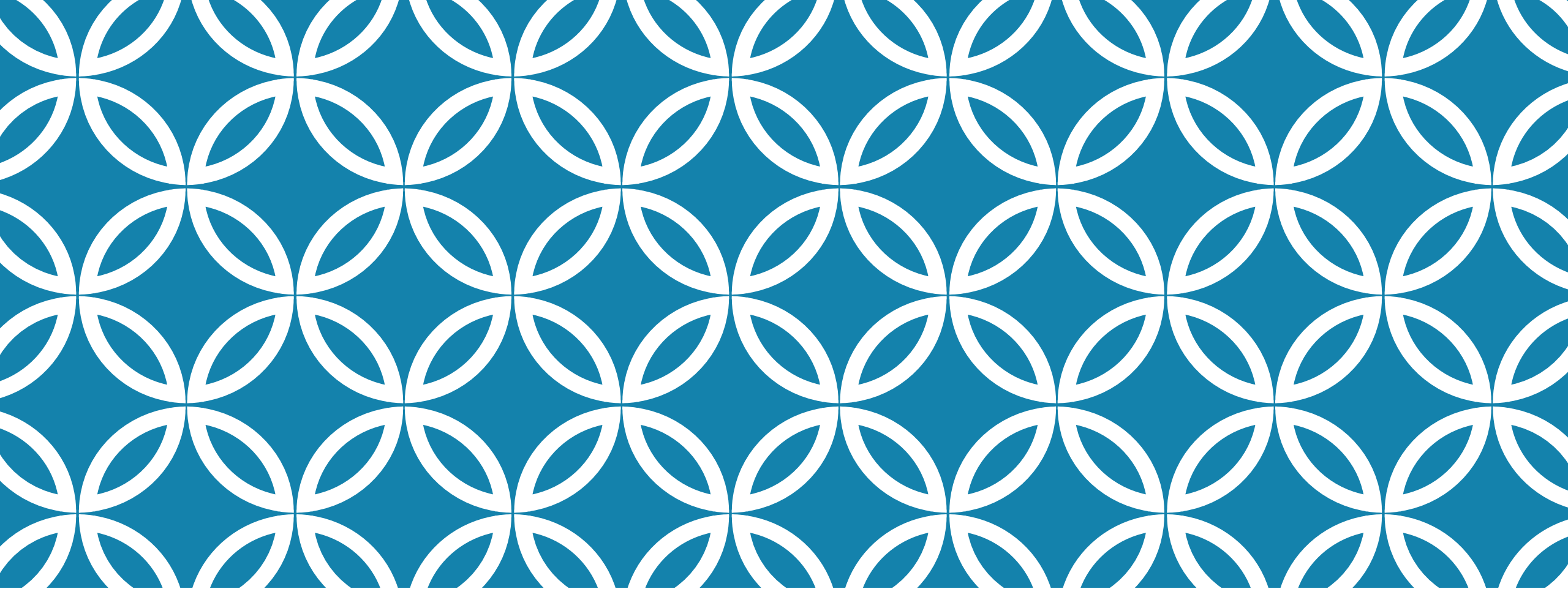
Managing Coronavirus in the Workplace

Discussion facilitated by
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CORONAVIRUS AND THE WORKPLACE

Peter Cappelli
The Wharton School

WHY IT IS SO TRICKY TO KNOW WHAT TO DO

Because for most of us, it's the first time we see the trade-off between spending money and saving lives

Govt often uses \$11.5 million per life – how much we would be willing to pay to reduce our risk of death <https://strata.org/pdf/2017/vsl-full-report.pdf>.

- Current practices save 1.1 million lives, \$3 trillion bailout = \$30,000 per life. Hugely worth it
- On the other hand, what do we actually spend now per life – pennies to save children in developing countries <https://www.thelifeyoucan-save.org/blog/how-much-are-we-willing-to-spend-to-save-a-life/>.
- It is probably not *our* life we will save – not equally at risk
 - What is the relative value of saving a life of someone with few years left?

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WHAT WE KNOW FROM EPIDEMIOLOGISTS

UNFORTUNATELY, THEY DON'T ALWAYS AGREE....

As infectious as seasonal flu but with no vaccines

- Flu killed 60,000 last year with $\frac{1}{2}$ population vaccinated
- “Basic reproductive number” – how many will each victim infect
 - Looks like about 2: social isolation lowers this: *Measles is 18!*
 - Has to get to 1 to stop growing
- “Effective reproductive number” – growth rate: who is left to infect
 - Virtually everyone
- A problem – contagious before symptoms develop
- Most infections are caused by breathing, not by touching

The exponential growth curve - doubling when the # get big

WHAT'S THE RISK OF INFECTION

What's the incidence of complications and death?

Easy to count how many die, the problem is knowing the base, out of how many who were infected?

- Appears to be huge in Italy – 4% death – because they only identify those who are quite sick already
- MUCH lower in South Korea – 0.1% - because they test more people, not just the sick

Estimate in the US would be 3.0 percent need hospitalization; 0.6 percent die

What % in the US will be “infected”? Maybe as high as 1/3.

- That means average person has 1% chance of needing to be hospitalized
- BUT risk is extremely low for healthy people, extremely high for “at risk” – elderly, existing conditions, obesity

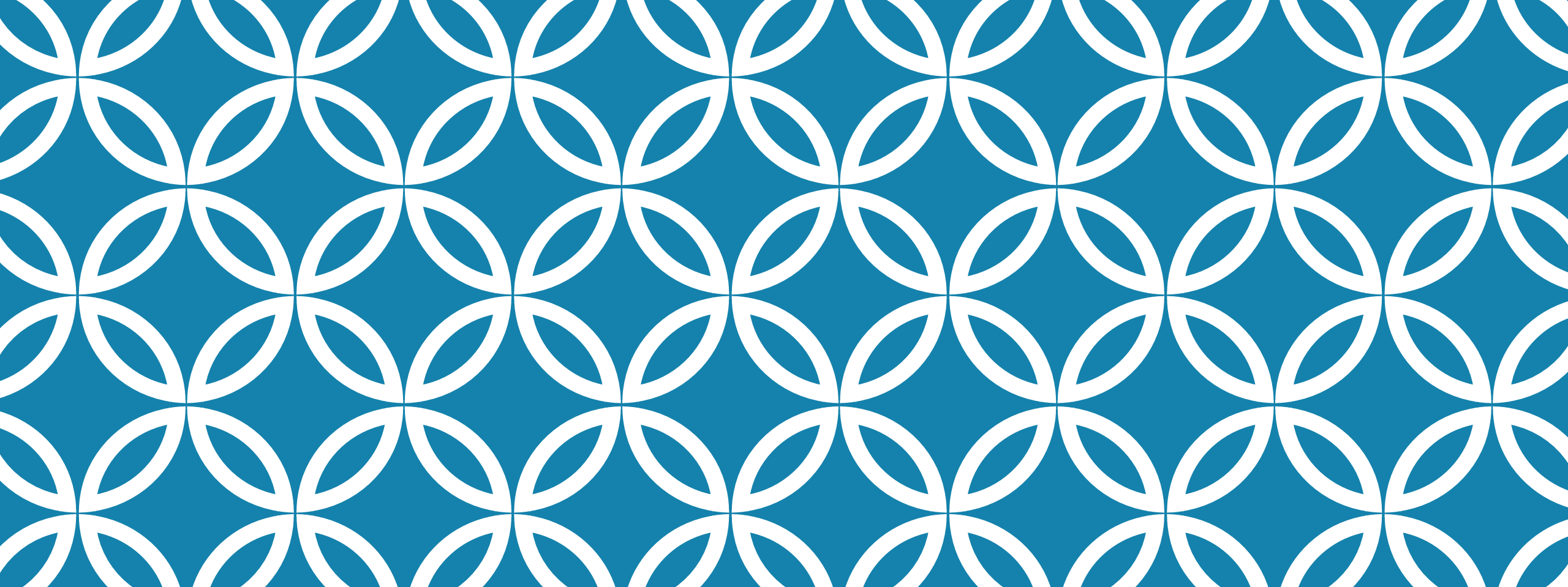
DIMINISHING RETURNS TO CONTINUED APPROACH

Benefit has been to not overwhelm hospitals AND buy time for treatment and vaccine

Costs of disruption start to rise rapidly

What start-up looks like

- State-by-state – complications for multi-state employers
- Industry-by-industry – complications for supply chains



WHAT ARE EMPLOYERS DOING? WHAT SHOULD WE BE DOING

Axios survey - employees trust employers accounts of the virus more than they trust the government's....
How long will businesses continue to play along with their own restrictions

LAYOFFS VS. FURLOUGH VS. HOURS/PAY CUTS

Furloughs as mandatory unpaid leaves – still eligible for UI

Hours/Pay cuts still rare: 1/3rd as many furloughs as layoffs? 10 million filed for UI in March alone. 17 million total now reported as unemployed.

- ABC Poll – 1/3rd say they or family member has lost job. Half report cut in pay or in work hours.
- GM cut pay 20% for 69,000 white collar jobs: Occidental Petroleum 30% cut all salaried employees; Steelcase 50% cut for some salaried; airlines and hotels cutting executive pay
- Healthcare layoffs, too

REARRANGING INTERNAL WORK

New talent programs – internal posting and bidding of temp assignments: who has tasks that need to be done?

Networks of companies swapping talent

Some big providers loaning their excess workers to other companies – Amazon and delivery companies, e.g. Remain on own payroll.

AMONG THE MORE GENEROUS...

(DIDTHEYHELP.COM)

Microsoft – 12 weeks of paid parental leave to deal with school closures

22 big retailers extending paid leaves, providing virus-related healthcare

<https://www.businessinsider.com/coronavirus-changes-walmart-starbucks-employee-benefits-2020-3>

- Target –bonus pay for everyone, special pay for quarantine and illness, absentee policy waived, \$300 million investment in worker safety

B of A – no layoff promise, \$200 extra pay for front-line and call center workers

TD Bank –hardship relief loans and credit lines

Schwab - \$1k bonus for all employees

Microsoft/Google – continuing to pay contractors who aren't working (how many are there?)

Upenn - \$1500 grant for low income employees (pay freeze for the rest of us 😊)

WORKING FROM HOME -

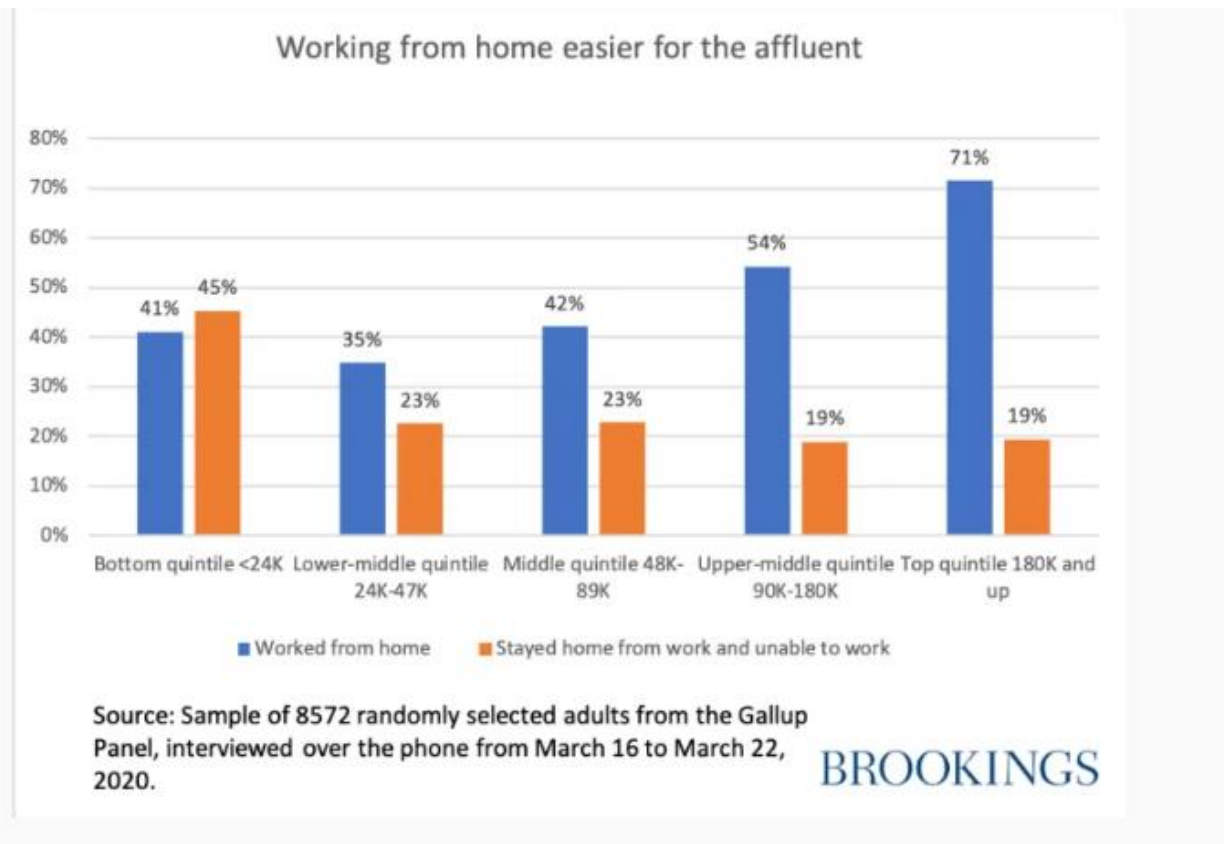
72% said they do it some time, before coronavirus

Now can't leave the decision to local managers anymore –

Need a template

- What tasks should you be doing
- What counts as good performance (how will we measure)
- How frequently will we be checking in (daily)

WHO GETS TO WORK FROM HOME... REFLECTS JOBS



IDENTIFYING JOBS THAT CANNOT BE DONE REMOTELY

Replacement planning is crucial

- Which jobs are most important
- Who steps in when someone goes out
- Who gets a chance to step up (shouldn't rely on mgmt. stepping down)
- May already have plans – natural disasters, 2009 Swine Flu, strike plans

MANAGING REMOTE WORKERS

Harder than many thought:

- It's not the same as taking Friday to stay home and finish a report

Motivation declines – social relationships, physical context, presence of supervisor all make us work harder

Coordination declines – agile is dead

Supervisors have to do a lot more:

- Run interference – checking in with stakeholders
- Provide resources
- New supervisors are ok with remote work
 - Because they tend to micro-manage
- Complicated tasks need good, experienced supervisors

HOW SICK LEAVE CHANGES -

We don't want people who *might be sick* to come to work

Gov't says, please don't ask for Dr. notes

We have to use responsibility – guilt – to avoid abuse: your colleagues are all pulling their weight, we're trying to keep the ship afloat, etc.

Wal-Mart – attendance requirements waived to use PTO

Trader Joe's – adding sick days

Families 1st Act will preempt employer practices – “virus-related”

- Self-quarantined
- Family member ill
- Child home from closed school

MUCH HARDER QUESTIONS — MAKING PEOPLE COME TO WORK

The communication campaign: “ We Need Your Help to Keep Going”

Understanding the consequences to the business if can't operate

Can we make them come?

- Yes, unless special risk, e.g., healthcare (OSHA)

Can we require employees to take virus tests

- No. If they do them, can require that they tell you results...

Can we test them at work — temp checks

- If medical staff do it, then it becomes an OSHA record...

Understanding protocols for staying safe

- Also we are taking care of you



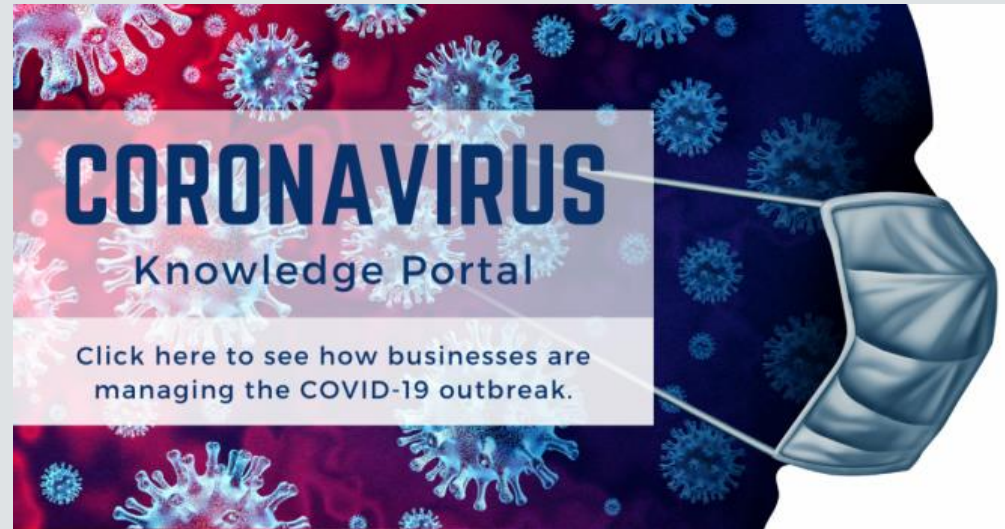
CAN WE STOP EMPLOYEES FROM COMPLAINING?

Not to each other – it's protected
and concerted activity, NLRA

ADDITIONAL RESOURCES @ HROTODAY.COM



HRO Today April 2020



SURVEY: COVID-19 HR Response Study Part 2

Share your experience with *HRO Today* by providing feedback in our three-question survey below on the effect of the coronavirus crisis on your recruitment and remote work policies.



Up next...



Virtual Meeting May 4, 2020 by Zoom Video Conference.

12:00pm – 12:20pm ET Welcome and member updates - share one thing personal and professional

12:20pm – 12:45pm ET Recap Strategic priorities for 2020: where are you/have they changed?

12:45pm – 1:15pm ET Open member discussion
CHRO Support Group. Getting back to “normal”. What is the new normal?

1:15pm – 2:00pm ET Speaker: Peter Cappelli, Wharton Center for Human Resources
Discussion: Diversity & Inclusion – a deep dive into research data

Look at the results of research showing that women executives were on a much faster track than men in 2001, slightly faster in 2011, and how it slowed down once companies had two women at the top set of jobs. Look at quotas, how hard companies really are pushing for diversity at the top, and how we could do it if we want to.

2:00pm – 2:30pm ET Speaker: Carole Dalton Slover, CHRO, My Alarm Center
Discussion: An Approach to Resolving a Workforce Class Action Lawsuit – using business sense vs. purely following legal advice

