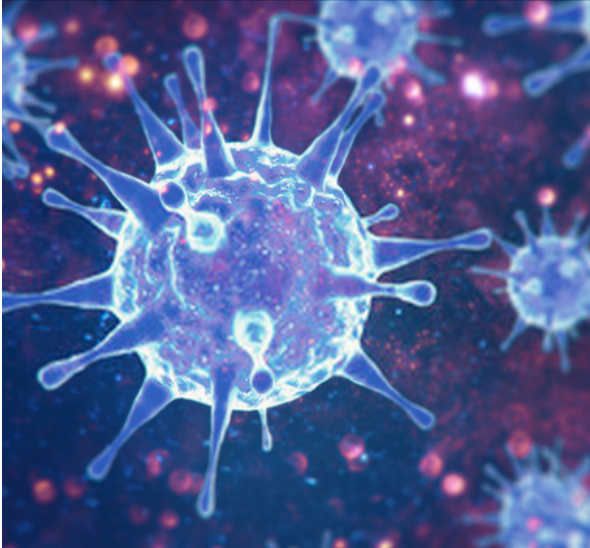




insights



The New Normal: Work in a Post-COVID World

INTRODUCTION

COVID-19 has presented unprecedented challenges and disruptions to societies and economies the world over – with no country left unscathed. According to the OECD, world GDP forecasts have declined by almost 7% in comparison to predictions made prior to the onset of the pandemic in November 2019. In Trinidad & Tobago (T&T), the effects of the pandemic further exacerbated the already sluggish economy brought about by contractions in the Energy Sector, and the government is forecasting a fiscal deficit of TT\$8.2 Billion or 5.6% of GDP in 2021.

The reality is that we will have to learn to live with COVID-19, at least until a successful vaccine is developed and widely distributed. If they have not already done so, Executives need to switch their primary focus from reactionary and protective measures, to more proactive medium and long-term planning. Organisations will need to alter their strategic course to operate within a “new normal” that is dynamic, and at times volatile. Methods of business operation, communication, consumption and the work landscape will be forever changed – and companies must innovate and adapt quickly to ensure their survival, and to build resiliency against future systemic shocks.

Over the last six (6) months, HRC conducted four (4) pulse surveys centred on organisations’, CEOs’, and employees’ responses to COVID-19. We also undertook our biennial Corporate Directors’ Compensation Survey where we sought insight from Chairmen and Directors with regards to the critical issues currently facing their organisations. From the results of these local surveys, as well

as literature produced by leading international Consultancy firms, several workforce and organisational themes are at the forefront of the “new normal” and work in a post-COVID-19 world.

DIGITALISATION

When many organisations were required to close their brick and mortar locations due to the Government-mandated public health regulations, it hampered their ability to directly interface with customers and clients effectively. As a result, many Executives and business-owners looked for ways to enable the virtual delivery of their products and/or services.

Prior to the pandemic, many organisations recognised the importance of digital transformation and e-commerce platforms to their operations with one local Chairman stating that “digital transformation and digitisation of our business is a critical response to enable our businesses to adapt to and successfully navigate an unpredictable future in which products, service offerings and business models must pivot radically”.

While T&T is very much a cash-based society, with only 20% credit card penetration according to the Ministry of Trade, several companies had already developed their digital transformation plans and established basic functional e-commerce platforms. However, COVID-19 proved to be a powerful catalyst in speeding up the rollout and further development and refinement of these plans and platforms, as seen with many local retailers such as Prestige Holdings (KFC, Pizza Hut), Massy Stores, Pricemart, Peakes, etc. The digitalisation of product and service delivery is now a necessity and no longer a novelty as “the pandemic has forced nearly everyone to reconsider how to deliver their transformation agenda in the new normal” (IBM, 2020). Another local Chairman stated that “any business operating today must make technology the platform for future growth or risk obsolescence”.

WORK FROM HOME

In response to the COVID-19 outbreak, for the first time on a large scale, many organisations

began offering various alternative work arrangements such as work from home, flexitime, staggered shifts, and compressed work weeks to their staff. A Chairman suggested that local organisations would need to be reengineered “for a new future where working from home and utilizing technology will become more accessible and acceptable”.

The degree and feasibility of work from home will vary between organisations, and Management will first need to assess which jobs can be performed remotely. Roles best-suited for remote work will typically be those that primarily utilise computers and electronic data to accomplish their work and for which their output is intangible. Front-line workers, assembly-line operators, and jobs requiring a considerable amount of manual labour – by virtue of the tangibility of their inputs and outputs and requirement for physical interaction – will likely be ineligible for remote work. Eligibility will also depend on the employee in question. Employees who are self-motivating and self-managing will be best-suited for remote work.

“Any business operating today must make technology the platform for future growth or risk obsolescence.”



Executives have expressed some concern regarding a decline in employee productivity as a result of remote working. A way to mitigate against this concern is by ensuring that the organisation's performance management system is geared toward measuring the timeliness and quality of employee output – whether they're working from home or the office. One executive stated that "working remotely can be more productive and cost-effective if managed, but requires discipline".

Effective communication can also be utilised to ensure employees are performing at their best. Email alone is insufficient when working from home – more channels should be made available including some form of Instant Messaging for urgent matters (Whatsapp, Microsoft Teams, Slack, etc.) and video conferencing can be utilised to maintain more personable communication. Frequency and type of expected communication should also be clearly laid out and Managers should make it a priority to outline these

procedures as soon as possible so that precedents are established. At a minimum, daily check-ins are usually required – either individually or amongst teams – to ensure workplans are managed and accountabilities are set.

While working from home presents many benefits for employees and employers alike, there are several drawbacks that may be overlooked. The loss of spontaneous employee social interactions, such as "watercooler talk" and bouncing ideas off of each other, can negatively impact employee solidarity, creativity, and real-time problem-solving. It has been suggested that a hybrid approach – where employees work some days in the office and the others from home – offers employees and employers the best of both worlds.

LEADERSHIP

Throughout the pandemic, heightened expectations were placed on leaders. Their teams and employees looked to them for direction and reassurance, and their Boards and other stakeholders sought to ensure they were making the best possible decisions to protect the organisation's and shareholders' interests. Leaders faced the challenge of performing a balancing act of demonstrating fact-based decision-making while maintaining compassion.

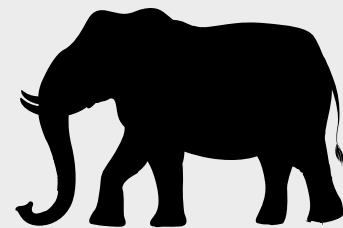
The pandemic also brought about a drastic increase in work



"The COVID-19 pandemic is constantly evolving, with leaders facing unpredictability, imperfect information, multiple unknowns, and the need to identify responses quickly – all while recognising the multi-dimensional (health-related, economic, social, political, cultural) nature of the crisis."

(Harvard Business Review, 2020)

COVID-19 has been described as a “black elephant” – an event that we know had the potential for major disruption but went largely ignored in scenario planning.



from home arrangements and leaders now had to rally their troops from afar. Leaders who relied on their charisma, confidence, intelligence and extroversion to engage employees struggled to convey those traits virtually. Instead, employees responded best to those leaders who took an active role in ensuring that projects and tasks were completed through careful planning, providing or connecting employees with the necessary resources, managing the schedule of tasks and deliverables, and most importantly, getting things done. Leaders who rolled up their sleeves and worked alongside their employees were better received than those who simply issued directives.

Leadership of an organisation extends beyond the CEO and Executive Team – the Board also has an integral role in directing the organisation. The varying perspectives brought about by a diverse Board can be a key resource during “normal” circumstances. However, during a crisis, the advice and guidance of a strong board is invaluable. A Board of Directors with a unique mixture of functional expertise and institutional knowledge can best advise the CEO and Executive team of all available

options and challenge them to ensure the best possible decision is made.

SCENARIO PLANNING

COVID-19’s impact will likely be touted as a black swan in many organisations – an event that was unexpected and impossible to plan for. However, in January 2020 the World Economic Forum cited “infectious disease” as one of their Top 10 Long-Term Risks with the potential to impact societies and economies across the world. Investor and environmentalist Adam Sweidan went so far as to describe the pandemic as a “black elephant” – an event that we know had the potential for major disruption but went largely ignored in scenario planning.

80% of Executives were also likely to, or had already begun, placing increased emphasis on scenario planning. One Chairman stated that to strengthen their institutional DNA, they must “proactively plan and test for unforeseen disruptions... technology, climate, biomedical and other events, exacerbated by volatility and accelerated by increasing global interconnectedness”. Companies cannot sit idly by and wait for the “new normal” post-COVID-19 to

fully form. Decision-makers must be proactive and embrace scenario planning to answer the question “How do we position our organisation to thrive in the new normal?” in order to prepare for the multiple potential outcomes of “what’s next”.

PURPOSEFUL COMPANIES

Corporate Social Responsibility (CSR) can be seen as an organisation’s short-term plan for giving back to society. A purposeful organisation takes this a step further and aims to embed positive value creation into the culture of the firm, and aligning with something bigger than their bottom line – namely Environmental, Societal, and Governance factors. They seek to create value not only for their shareholders, but for a broader set of stakeholders. A purposeful organisation requires an articulated vision and value system, and the buy-in of management and all employees. There must be an alignment between the espoused and enacted values of the organisation.

In times of crisis, how your organisation operates will be remembered – for good or for bad. It was widely reported that several supermarkets engaged in

price gouging during the early days of COVID-19 in T&T. These supermarkets who sought to take advantage of the community they serve in a time of need may find their reputation tarnished and lose customers in the future when things return to normal.

On the other hand, companies who quickly stepped up to help the national community will reap the benefits of their benevolence via a more positive perception of the organisation by the general public. This of course can lead to many positive outcomes during and following the crisis - such as increased demand for products and services, publicity, and being seen as an employer of choice. For instance, in May, over 341 employees of Angostura Limited gave up a total of 1,074 vacation days (valued at TT\$1M) towards a

pool of funds used to purchase food items for those affected by the pandemic. Angostura's employees came together to demonstrate their potential for good, and collective purpose. Moreover, in a recent interview with one of HRC's Consultants, a prospective candidate cited Angostura as a company they would want to work for specifically because of the CSR initiatives they undertook during COVID-19.

The tides are changing. Now, more so than ever, consumers and job-seekers strongly identify with companies whose value systems align to their own, and vocalise their disapproval of those who pursue profit maximisation to the detriment of the environment, community, and good governance.

CONCLUSION

The disruption to businesses caused by COVID-19 has been unprecedented. While there is no panacea, several themes have emerged in how organisations have responded to the effects and opportunities that COVID-19 has presented - namely work from home, digital transformation, leadership, scenario planning, and purposeful organisations.

The best organisations and leaders recognise that there is opportunity in adversity. COVID-19 has brought great challenges; however, it has also ushered in a wave of innovation and adaptation as organisations build their resiliency against further systemic shocks.



"In moments of crisis, the default expectation is that businesses will hunker down and focus on bottom-line fundamentals. Indeed, many CEOs feel constrained to making defensive moves to protect their businesses. But in this crisis, stakeholder needs are already so acute that the opportunity for businesses to make an indelible mark with human support, empathy, and purpose is greater than it has ever been."

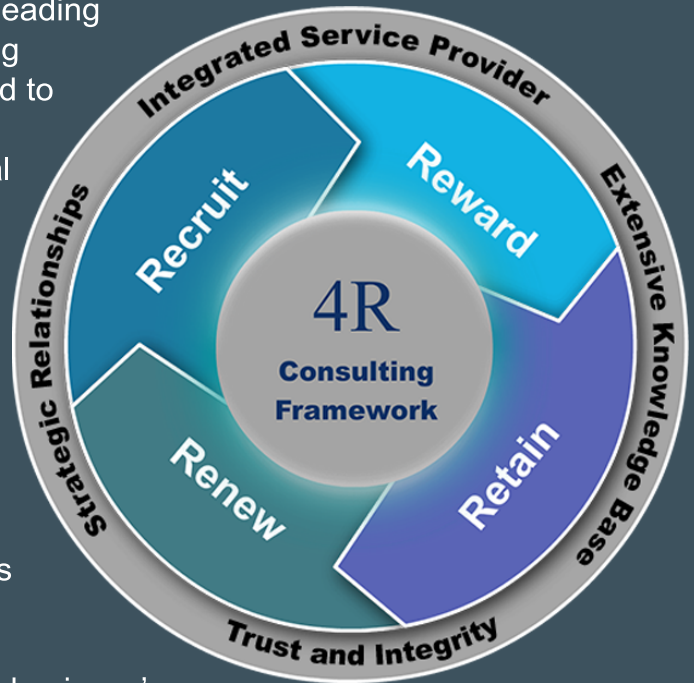
(McKinsey & Co., 2020)

About HRC Associates

Founded in 1990, HRC Associates is one of the leading Executive Recruitment & Management Consulting Firms in the Caribbean. We are deeply committed to providing quality services to our clients through adherence to the highest professional and ethical standards at all times.

Our 4R Consulting Framework – Recruit, Reward, Retain, and Renew allows us to offer customised and integrated recruitment and management consulting services focusing on the HR and Organisation Value Chain of our clients.

Our consultants and alliance partners are experts in translating strategy into action through a consulting based process that aligns the people, culture, organisation and work processes to your business' strategic intent.



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