INDUSTRIAL & ORGANISATIONAL PSYCHOLOGY

COVID SURVEY REPORT

June 2020

BDO

INTRODUCTION & OVERVIEW

The following report details the findings and observations of a short-form survey ('pulse survey') of BDO Industrial & Organisational Psychology (BDO I&OP) clients undertaken during late May and early June of 2020.

The focus of the survey was to understand how organisations were responding to the 'arrival' of COVID-19 and how they intended to 'operate' for the remainder of 2020.

The motivation for this project came from the 'once in a life-time' situation that businesses of all types were presented with, namely coping with a global pandemic. As Organisational Psychologists we were keen to understand how organisations as a whole reacted, what supports were offered for staff and clients and how businesses and their leaders had been able to adjust their operating model to survive as well as respond to a 'new normal'.

Most readers may have forgotten (or repressed!) the fact that the first case of the 'novel corona virus' (COVID-19) was identified in Australia on January 25th. Over the next four weeks, it silently but effectively spread across the country to a point where the Prime Minister, Scott Morrison, activated a national Emergency Response Plan. Unfortunately on March 1st, Australia recorded its first death attributed to COVID-19.

On March 22nd a Major Emergency was declared in South Australia giving police the power to enforce social isolation and on March 24th our borders were closed.

Two and a half months later, South Australia is steadily emerging from its isolation in an effort to return lifestyles and businesses to a 'new normal'.

METHODOLOGY

As indicated above, BDO I&OP decided to use a 'pulse survey' to gather client experiences with COVID-19 rather than a traditional long-form questionnaire. It was thought that senior managers were busy dealing with a myriad of operational issues and so would not appreciate an additional impost on their time that a traditional survey would bring.

As many of the questions were 'qualitative', it was decided to conduct the surveys via telephone interviews with organisation representatives. It soon became apparent that virtually all respondents were keen to discuss matters with the author as they were 'navigating unchartered waters'. For this reason the survey process took much longer than anticipated and so it was decided to distribute the survey 'on-line' to ensure a representative sample size and spread.

Over 70 clients were contacted[1] with approximately half being by phone and the remainder being online. Client organisations were drawn from private, public and not for profit sectors and for the most part had 30+ employees.

The data collected has been analysed using 'descriptive' statistics, with the qualitative feedback being reviewed to determine key themes that have emerged. Each of the questions will be reported below detailing the percentage responses along with the key themes from the qualitative comments.

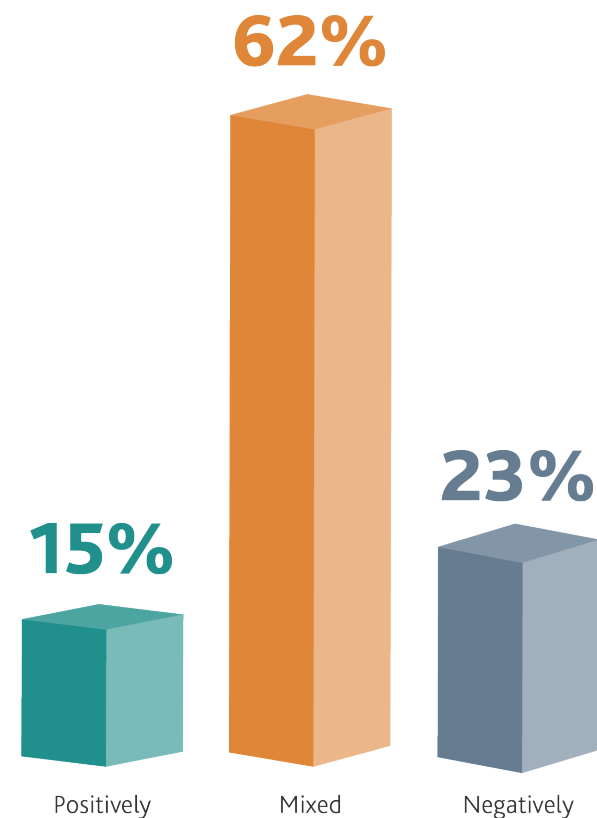1   There were a number of partial and incomplete surveys returned.

Q1 – CONSIDERING YOUR ORGANISATION AS A WHOLE, HOW HAS COVID-19 IMPACTED ON YOUR OPERATIONS?

Responses to this question were categorised on a three point scale namely, Positive, Mixed and Negative. 23% of respondents felt that their organisation had been impacted negatively. 15% felt that COVID-19 had a positive effect on their operations and perhaps unsurprisingly 62% described the impact of the pandemic and associated responses as being mixed.

The qualitative feedback provided examples of the impact. Those who were negatively impacted described reduced foot traffic, which translated into reduced sales and cash flow and then eventually reducing pay or even making some staff redundant. While there was reduced revenue, several respondents indicated that the overheads continued. Interestingly, several organisations experienced an increase in work but then had to balance the nervousness of staff on the frontline while negotiating industrial, governmental or travel restrictions.

Perhaps most surprising were the number of organisations who felt that COVID-19 had a positive impact on their operations. This was reflected in changing service models to online delivery, staff responding well to working from home or improvements in culture. As one respondent said, "we achieved more culture change in 5 weeks than we had in the previous 5 years".

Those who reported a mixed response identified many of the positive and negative aspects above, indicating that it depended on the section of the business and hence the staff employed in that area. For many, productivity went up or stayed the same even though staff were working from home, but at the same time they acknowledged the loss of social contact with colleagues and the loneliness that some staff felt. The use of videoconferencing to stay connected was seen as a significant advancement while at the same time recognising the many lost incidental benefits that came from face to face meetings.

15%   **62%**   **23%**

Positively   Mixed   Negatively

Q2 – WHAT MEASURES DID YOUR ORGANISATION TAKE TO RESPOND TO COVID-19?

An impressive feature for well over 50% of organisations contacted was that they quickly enacted -…or developed and then enacted…a business continuity plan to respond to COVID-19. This involved quickly transitioning staff to a 'working from home' status while at the same time securing the systems, equipment and technology to support this. These changes were often overseen by a senior leadership group who convened regularly to monitor progress and adjust accordingly.

Several organisations split their staff into teams so that not all staff were in the office or at home and hence instituted structured cleaning and hygiene regimens for those coming and going from workplaces. Frequent comments were made regarding the quality and clarity of the information provided by SA Health that served as a guide regarding office or home practices.

Communication with staff and clients also featured as an important tool, comprising regular emails, progress updates and video messages from senior leaders. Work teams were reported to have embraced videoconferencing via the various platforms, although they also acknowledged its limitations.

A number of organisations undertook 'wellbeing surveys' of staff to track how they were handling the changed work conditions. Many of those same organisations provided pamphlets and webinars covering topics such as managing stress through to ergonomics for the home office.

Unfortunately those dealing directly with clients to sell products or services were hardest hit by COVID-19 as they saw sales stop and revenue plummet leading to closure, stand-downs and even layoffs. The arrival of 'JobKeeper' was acknowledged as a saviour by some as it enabled these organisations to hire back some people (but not all) and to pivot (a new buzz word to enter our business vocabulary) to different or adjusted delivery methods.

Q3 – WHAT IMPACT HAS COVID-19 HAD ON YOUR STAFF/COLLEAGUES?

As the graph illustrates, approximately 21% of respondents indicated that COVID-19 had a positive effect on staff, 69% felt it had a mixed impact and 10% thought it had impacted them negatively.

The qualitative comments again illustrate the key issues that emerged. Those impacted negatively described juggling working from home and managing relationship and family matters, while some of the more severely impacted described a reduction in hours, some redundancies and more generally uncertainty about the future. Interestingly, some government workers described their guilt in having stable employment while friends and family and the wider community were losing theirs.

Those who were on the frontline described increased workloads as well as anxiety about contracting the virus. This group also mentioned their uneasiness using public transport and how they felt compelled to go to their workplace.

While the great majority of organisations and their leaders were reported to have responded well to COVID-19, several respondents were critical of the lack of clear leadership and decisiveness from their directors, which in turn seemed to amplify the uncertainty of staff.
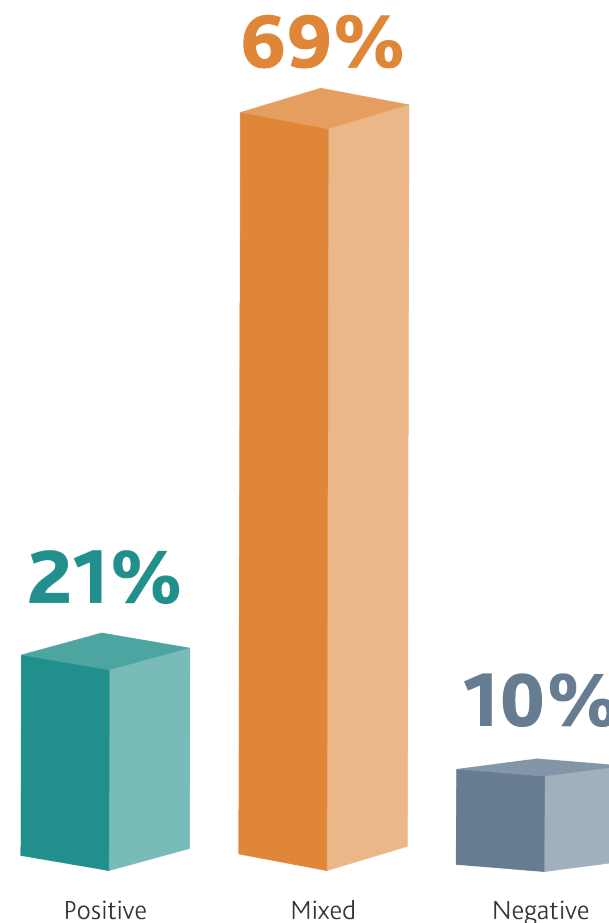
Those who felt the response to COVID-19 had more positives indicated that staff had come together to support each other well and as a result performance had been maintained and culture improved. This group indicated that those working from home had adapted well and felt that team meetings via video platforms had become more efficient and effective.

Similarly, remote working had meant that the quality, frequency and relevance of communication had improved and so more staff felt more included in the wider function of the team or division. Notably, working from home seems to have provided an opportunity for some to reset their 'life balance'.

Again, those who rated a mixed response indicated that it depended on the work area and the individual. Those with fewer 'dependencies' were reported as coping quite well, whereas others with complicated family arrangements or compromised health did not do so well.

Some respondents indicated that their colleagues struggled initially due to confusion about health instructions and uncertainty regarding working from home, but once settled into a new routine thrived and demonstrated higher levels of personal responsibility.

Interestingly, working from home produced some physical aches and pains due to poor ergonomics in their home office as well as from working for long periods without distractions and moving around an office area!

69%

21%

10%

Positive   Mixed   Negative

Q4 – DO YOU FEEL THAT YOU AND YOUR COLLEAGUES HAD THE RESOURCES TO COPE WITH THE IMPACT OF COVID-19?
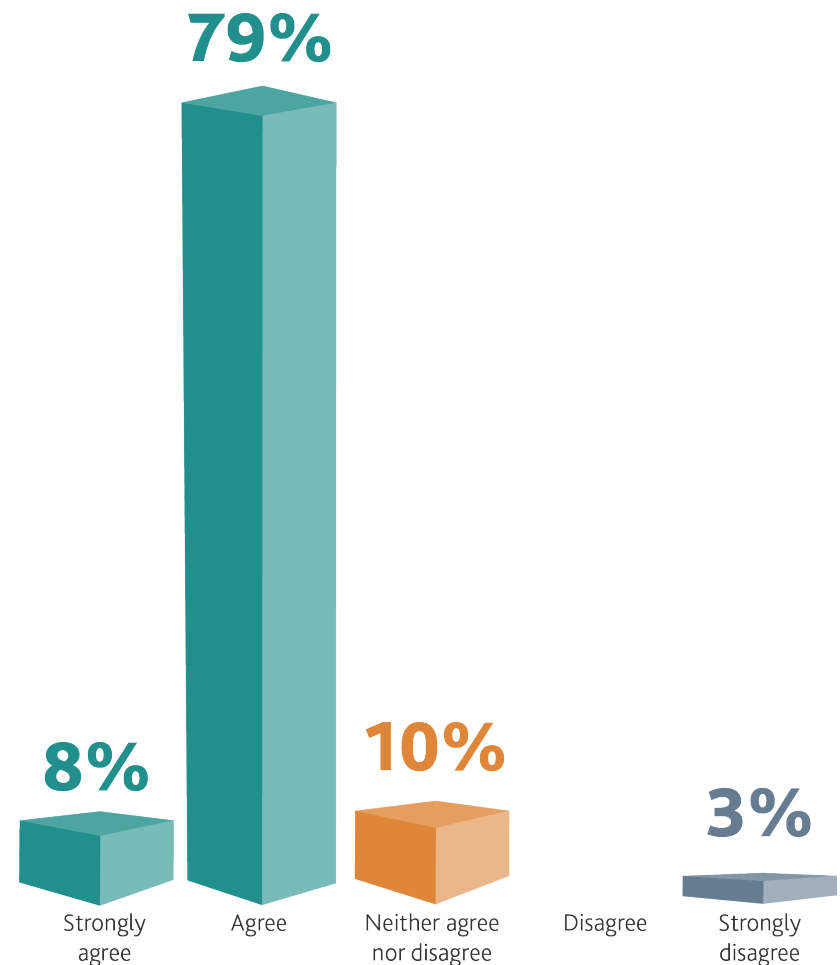
87% of respondents felt that they and their colleagues had the resources to cope with the impact of COVID-19. 10% neither agreed nor disagreed with the question and 3% strongly felt they did not have the resources.

Although only a small percentage of organisations spoken to felt the response was inadequate, the intensity of the comments was telling, describing how business continuity plans didn't work, leaders were unresponsive, the response from ICT was slow and that resources such as personal protective equipment were in short supply.

Those who indicated they 'neither agreed nor disagreed' cited faltering and confused initial responses followed by gradual improvement and more organised planning. For some, altered working arrangements were initially uncomfortable but over subsequent weeks new routines and patterns of work formed. The modified working arrangements also meant the need for more and sometimes improved technology and several organisations experienced an initial delay of two or three weeks before these were functional and seamless.

Overwhelmingly, respondents to the survey felt their organisations provided the great majority of the resources required to cope with the impact of COVID-19. This started with regular, clear and concise communication from senior leaders supported by information sessions on how to protect and maintain physical and mental health. Several respondents also made particular comment on the preparedness of their organisation to accommodate the many individual circumstances that colleagues were dealing with.

A number of organisations indicated that their ICT teams had 'stepped up' quickly to ensure that remote and distributed working could be undertaken seamlessly. This included the provision of expanded bandwidth, updated hardware and also the provision of training and tips on the use of the various videoconferencing tools.
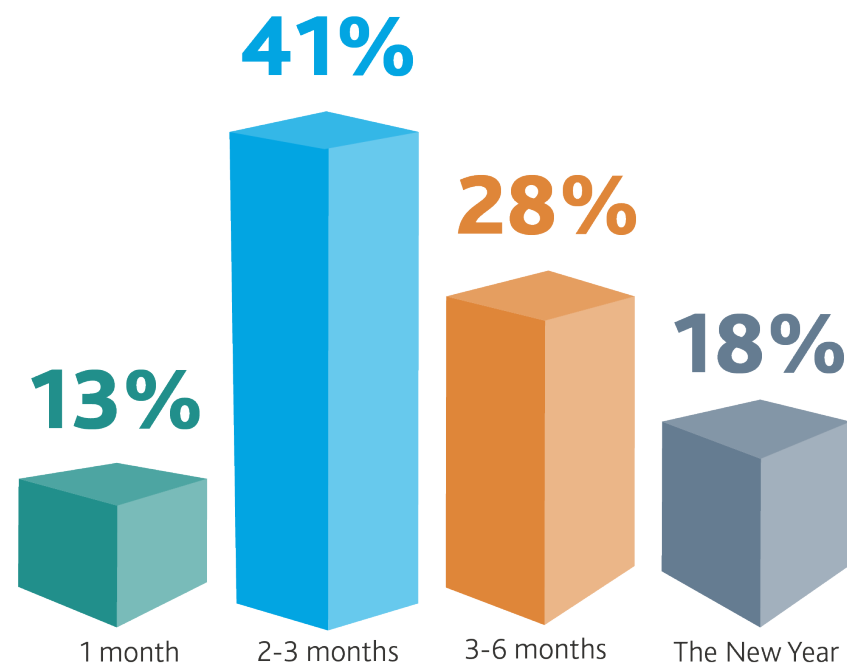
8% Strongly agree

79% Agree

10% Neither agree nor disagree

Disagree

3% Strongly disagree

Q5 – WHEN DO YOU ANTICIPATE YOUR ORGANISATION WILL RETURN TO A 'NEW NORMAL'?

Up until this point it is fair to say that most organisations contacted responded to COVID-19 in a planned and structured manner. When asked about the future, there was far greater variability in responses. In part this can be attributed to different sectors being variously affected by government restrictions but also the different nature of those businesses.

13% of respondents indicated that they anticipate returning to a 'new normal' in 1 month. 'New normal' was generally described as more staff returning to offices, maintaining physical distancing and deploying sanitising practices to minimise virus transmission. For clients and visitors, the 'new normal' for most organisations would involve greater online activity, reduced foot traffic and sales and flattened demand.

41% of those completing the survey anticipated the 'new normal' would take 2-3 months to appear while a further 28% thought it might be in the 3-6 month range. 18% felt that the 'new normal' would not appear until the New Year!

41%

28%

18%

13%

| 1 month | 2-3 months | 3-6 months | The New Year |

Q6 – WHAT DOES THE FUTURE LOOK LIKE FOR YOUR ORGANISATION AS A RESULT OF COVID-19?

Overwhelmingly those surveyed indicated that COVID-19 has changed the way their organisations operate. It is anticipated that there will be greater use of technology in the future, allowing for a wider use of flexible working arrangements. This will then impact the size, look and feel of office spaces in order to accommodate physical distancing and maintaining strict hygiene standards.

A number of respondents felt that the response to COVID-19 had stimulated a number of operational improvements such as more efficient meetings, reduced bureaucracy and improved cultures. It will be important to carry these positive changes into the 'new normal' as well as seize the opportunity to review all work practices to ensure greater efficiency.

On the planning front, several organisations indicated that they were revisiting their current strategic and business plans in the light of the impact of the pandemic, or at least were developing short-term plans to manage the next 6 months.

At the same time as the many positives that have flowed from COVID-19, it was also acknowledged that there was an underlying uncertainty regarding the future which was having an impact on managers and staff alike.

Q7 – ANY ADDITIONAL COMMENTS

Those surveyed also raised their concern regarding future waves of infection impacting markets, customers, revenues and budgets. In response they felt it was highly likely staff would oscillate between working from home and working from the office.

Some expressed genuine concern when the 'Job Keeper' payments are removed in September and the resultant impact on consumer behaviour, staffing and the wider economy.

CONCLUSION

There is little doubt that the arrival of COVID-19 has challenged organisations, leaders and staff…not to mention the wider community. Our human capacity to respond and adapt has for the most part been impressive but at the same time it has also generated a high degree of personal and business uncertainty. As Organisational Psychologists, we encourage you and your colleagues to become active rather than adopt a 'wait and see' approach. This activity revolves around a multidimensional approach to 'resilience' as seen below.

Research, assessment and planning on each of these fronts will help you to strengthen your organisational foundations for at least the next 6 months. Consider a range of scenarios: 'best case', 'worst case' and 'most likely' and model what your organisation will look like and how you might respond. Take into account the 'lessons learned' from the past three months as well as observe what others have done in your sector and beyond to ensure you are flexible enough to adapt quickly.

Where possible, involve your key staff in these planning sessions in order to tap into their knowledge and wisdom but also to build the narrative around remaining flexible and adaptive. Not only will this benefit the operations of your organisation, but it will also contribute to the psychological health of your colleagues as they come to appreciate the need to regularly adjust to respond to the 'new normal'.

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