



PARADIGMS, PERCEPTION & PERFORMANCE

Overcoming crisis through people.

INTRODUCTION

The COVID-19 Pandemic has shown just how fast-moving a crisis can be. For many entities, there was no pandemic response preparation, and in the Australian context, there had been no other modern crisis like it – placing significant changes, challenges and stressors on businesses.

The scale of impact on various industries has been starkly different, while the Tourism, Leisure and Hospitality Industry has suffered through forced closure, the Construction Industry has been able to continue, but is faced with decreased residential building uptake due to a sluggish economy. Yet, for manufacturing, many businesses are thriving through increased and new demand.

The full and lasting impacts of the global health crisis and its effect on the social, economic and political constructs, is still largely unknown. Overall, 94% of respondents in our COVID-19 Management Survey reported being concerned about the economic outlook of Australia as a result of the COVID-19 pandemic. As restrictions begin to ease, many businesses must turn their minds to recovery and rebuilding - and keep in mind the possibility of reverting to another lock-down if Pandemic risk increases.

There's no complete 'guidebook' with all the answers for what's best to do, particularly as each organisation and industry is unique. However, there are evidence-based approaches that demonstrate certain people strategies that can help businesses come out the other side strongly at each stage of the crisis.

As such, we've created this a report to help businesses and organisations effectively respond to and overcome many of the challenges that arise during times of crisis, as well as what they can do to come out of this situation in a better position than before.

While a crisis like COVID-19 can feel incredibly difficult at the time, it's important to remember that it's often through these periods that post-crisis can lead to new growth and successes as entities undergo immense change and innovation.

Initially, the COVID-19 Management Survey was aimed at sharing in the responses of how people were mobilising their people at the initial stage of the crisis to better benchmark and understand what strategies were being implemented by businesses and organisations. However, shortly after the survey closed, the Government introduced measures that forced many businesses out of their offices.

With this in mind, this report takes a look back on these responses, but also, provides forward-looking guidance to mobilising people, based on evidence, our experiences and discussions with clients.



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ABOUT THE SURVEY

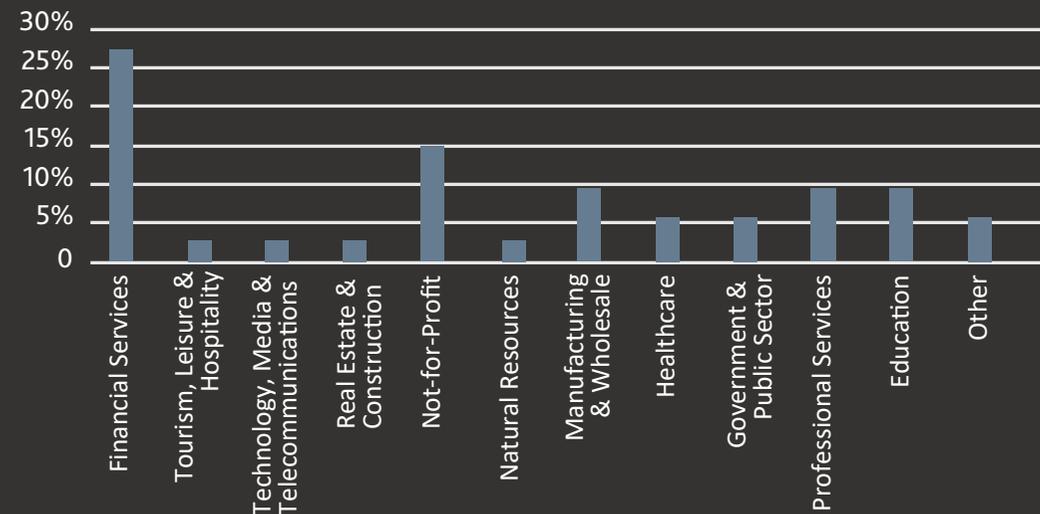
WHO TOOK PART IN OUR COVID-19 MANAGEMENT SURVEY?

Survey participant responses came from a wide range of businesses and organisations, and we heard from almost all industry groups. The results showed nearly half of those surveyed were within Financial Services and Not-For-Profits sectors (45.71%). However, we did not receive any responses from businesses within the Retail and Food and Agribusiness sectors. In the 'other' category, our respondents included a veterinary practice and a human resources and recruitment business.

Organisation size ranged from under five employees to over 5000 employees, highlighting diverse business sizes. All respondents reported their Australian head office as being located on the east coast of Australia, with half of these head offices situation in NSW.

Overall, this provided a good cross-section of the different way businesses and organisations were responding to COVID-19, as well as how these response activities and strategies may change depending on the industry and organisation size.

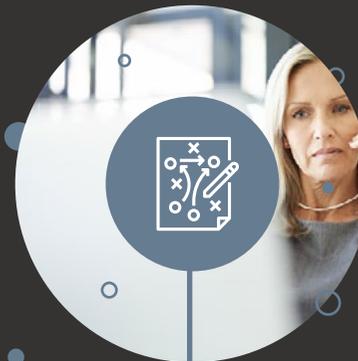
WHAT INDUSTRY DOES YOUR ORGANISATION OPERATE IN?



OVERVIEW

This report discusses the three-stage crisis management approach pertinent to COVID-19 response needed now – initial response, stabilisation and rebuild – and the critical things businesses and organisations will need to consider and act on at each stage. It will also discuss how businesses and organisations can find and leverage opportunities in times of crisis as well as the qualities and steps that leaders will need to take to ensure their organisation comes out in a strong position post-crisis.

CRISIS AND ISSUES MANAGEMENT



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INITIAL RESPONSE

A crisis has just occurred – be it a natural disaster, a pandemic, an accident or another emergency event. You know your business or organisation is likely to be impacted but may not know when, to what extent and for how long the effects will last. As the leader in your business or organisation, you know you need to act now, but where do you start, what do you do and how?

This is one of the first thoughts of many business and organisation leaders and senior management when faced with a sudden and unforeseen crisis. While many entities understand that immediate action is vital, many will feel unprepared, caught off guard and unsure of what that action looks like and how to go about it.

Firstly, leaders need to understand that this is a normal initial reaction to a crisis, as it is impossible to be completely prepared for any situation – especially an unprecedented one like COVID-19. However, it is the actions and steps you take now as part of this initial crisis response that sets up your entities trajectory through this crisis period.

As such, we've shared the key things to focus on during this stage and some of the different actions you can take.

DON'T OVER-THINK DECISIONS

When it comes to decision-making during times of crisis, leaders and senior managers must be able to make decisions quickly. While it may be uncomfortable or difficult to make decisions about your entity when you feel like you don't have the 'full picture' or all the information at hand, failing to act promptly can lead to greater problems as well as reputational damage, especially if inaction is seen to be putting employee health and safety at risk. Being openly transparent about what you know – and don't – and your actions during this stage are most important.



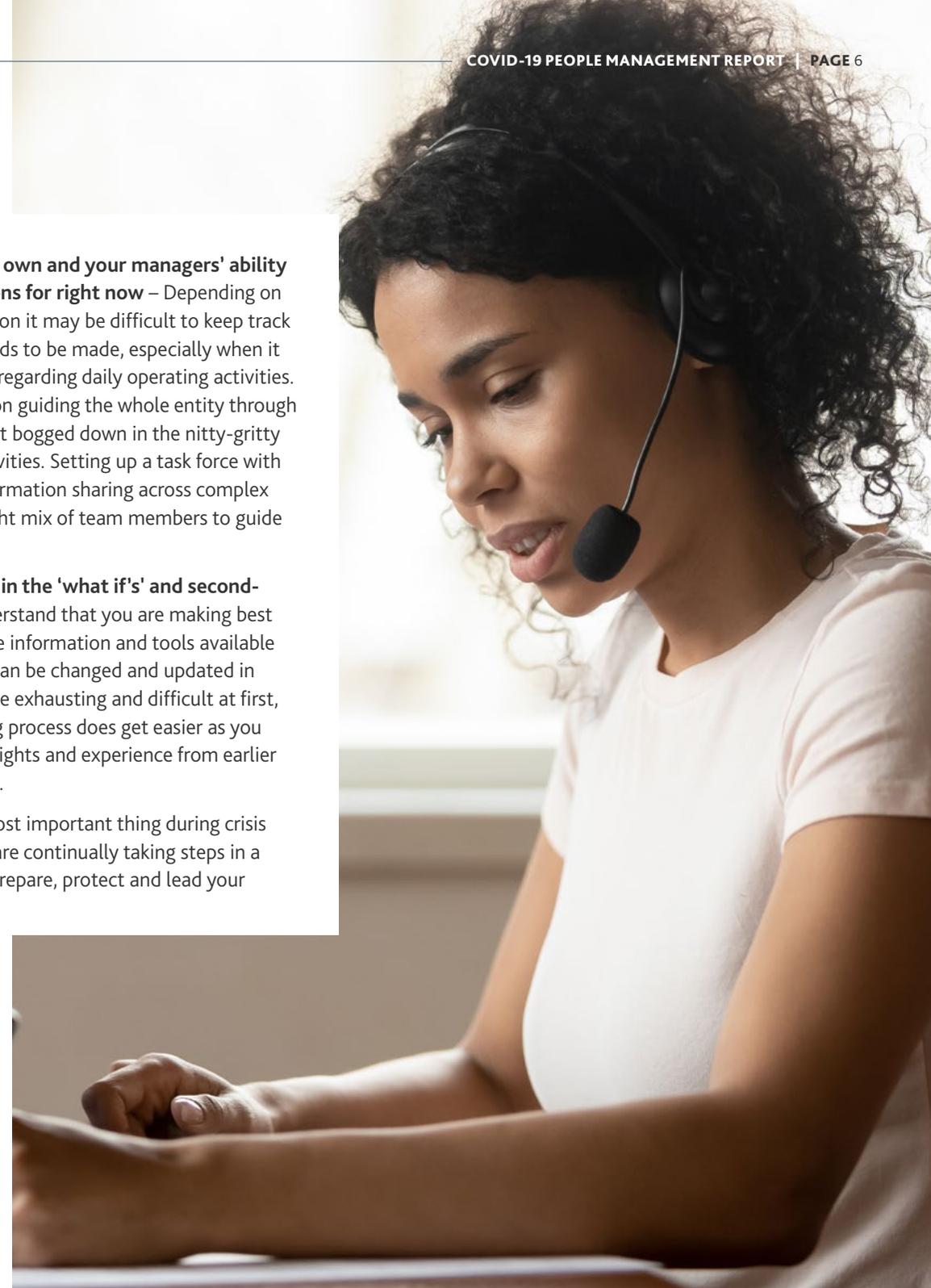
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OUR TOP TIPS TO UPSKILL YOUR CRISIS DECISION-MAKING:

- **Focus on simple solutions to high-priority issues** – Determine what the most important issues are and what can be done now to address them. While the solution may not be perfect and there may be exceptions – for example, transitioning all staff to work from home or reducing hours – you can refine and build on these decisions during the stabilisation stage. In the case of COVID-19 and the growing social distancing restrictions, many businesses decided early on to cancel all their events and where possible, send their staff to work from home. Once this was achieved, the focus could then shift to what needed to be done to help people work from home better, as well as trying new ways to run events and activities digitally, such as webinars.
- **Surround yourself with a team of people who are experts in relevant areas to fill your own skill gaps** – Not only will this ensure you are considering important areas, it will give you greater confidence in your decisions and bring new ideas to your organisation. It also ensures you're not carrying the pressures of this difficult situation alone. This is also the time to consider engaging external expert advice to support your own and teams' decisions especially in areas that may not be familiar, involve considerable technical knowledge or have legal implications. For example, businesses and organisations may need expert assistance as to how they can still operate effectively while also meeting social distancing and gathering restrictions. This could involve temporarily changing the layout of a store, limiting the number of people inside an establishment, as well as changing the way customer service staff interact with customers. An external 'voice' can also help you break through any decision-making impasses and avoid falling into inaction.

- **Have confidence in your own and your managers' ability to make the best decisions for right now** – Depending on the size of your organisation it may be difficult to keep track of every decision that needs to be made, especially when it comes to small decisions regarding daily operating activities. As leaders need to focus on guiding the whole entity through the crisis, they mustn't get bogged down in the nitty-gritty details of day-to-day activities. Setting up a task force with key leaders can aid in information sharing across complex organisations with the right mix of team members to guide decision-making.
- **Don't get too caught up in the 'what if's' and second-guessing yourself** – Understand that you are making best decisions you can with the information and tools available and that these decisions can be changed and updated in the future. While it may be exhausting and difficult at first, this crisis decision-making process does get easier as you begin to leverage your insights and experience from earlier decisions and refine them.

At the end of the day, the most important thing during crisis periods is to make sure you are continually taking steps in a forward direction to better prepare, protect and lead your organisation.



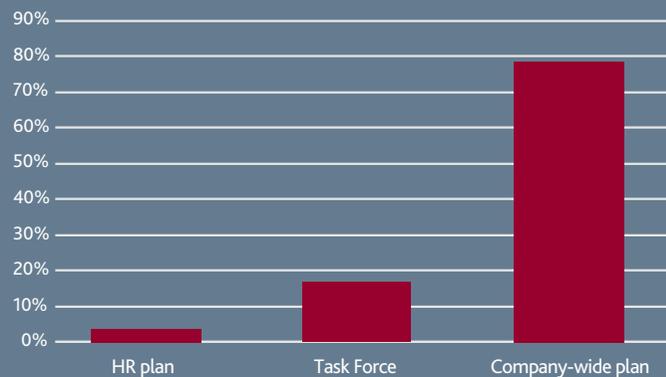
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WHAT IS A CRISIS ACTION PLAN AND WHY IS IT IMPORTANT?

Crisis action plans are critical for helping businesses and organisations effectively respond to a crisis, such as a natural disaster or a pandemic. They help leaders and managers carefully navigate the current situation, assessing organisational and business risks and outline response activities. These plans often include scenario planning, risk assessments, communication strategies and detailed response activities and their activation – all of which are vital to effectively respond and recover from a crisis.

At the time we conducted our COVID-19 Management Survey in mid-March, 76% of respondents reported that they had a formal COVID-19 action plan in place applying to all employees, with 79% of those plans also applying company-wide. While we expect this number to be 100% now, it was surprising at the time to see that quite a few businesses did not have this critical tool in place. It was also interesting to see that of the 24% that did not have an action plan, the majority were in the Financial Services Industry.

WHAT IS THE BASIS OF YOUR FORMAL ACTION PLAN?



Moreover, in a follow-up question asking respondents what their immediate COVID-19 response process was if there was a suspected or confirmed case, approximately a fifth of respondents reported that at the time of this survey there was no current plan or steps in place. Therefore, in the unfortunate circumstance that a case did occur, this could result in negative business, social and reputational consequences.



To help businesses and organisations develop and refine their COVID-19 action plan, we've provided a step by step business impact and risk response guide available on our website bdo.com.au/en-au/covid19/need-help



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KEEP POLICIES AND PROCEDURES SIMPLE

During periods of immense change and uncertainty, you must have the right policies and procedures in place to support your business and its people. However, as a crisis tends to be sudden and unforeseen, it's no surprise that many entities don't have the right policies and procedures already in place to respond immediately to a given situation. So, what should businesses and organisations do?

First things first, keep your policies and procedures simple. Whether you're introducing a new work from home policy or an employee travel policy, make sure it is clear and can be easily understood by your people. While it may not be the 'perfect' policy and account for every employee's unique circumstances or exceptions, it's the speed of implementation and ability for employees to understand what is expected of them now that is the most important. Once your businesses or organisation gets past the initial 'shock' of the crisis event and into the stabilisation stage, you can go back, review and update these policies and procedures, to be more comprehensive, taking into account any feedback received.

It's important to note, that if you are faced with an issue or area that you're unsure about – for example employee obligations or health and safety – it's more important than ever to seek advice from an expert in that field to ensure that the policies and procedures you are introducing or adapting are lawful and don't have any damaging consequences.

In the case of COVID-19, one of the biggest changes was the need for entities to suddenly and urgently transition from a traditional physical workplace to a digital work from home environment. While many businesses already have work from home policies and guidelines in place, shifting a whole workforce to operate from home immediately is a completely different undertaking with many challenges. In our COVID-19 Management Survey we found that at that time, only 52% of respondents were able to have all employees work from home.

However, respondents recognised that both the health risk to people and reputational risk to business for acting slowly was high, with many respondents indicating that quickly ensuring everyone can, and has the equipment necessary to work from home safely was the most important and immediate task. Now that has been successfully achieved by many businesses, greater focus is on refining and discussing what working from home looks like and its expectations in that organisation.

Five critical questions to ask when developing crisis policies and procedures:

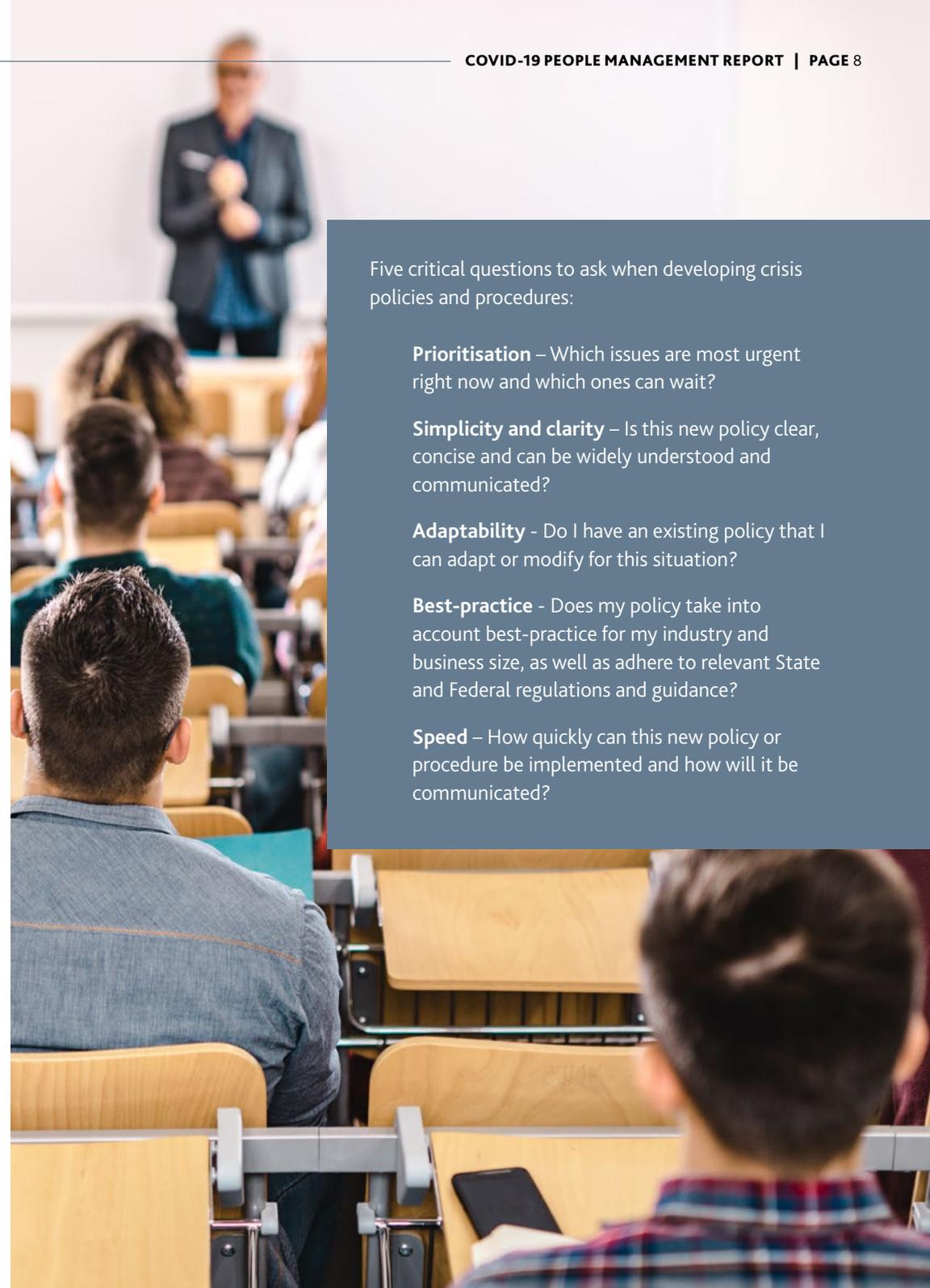
Prioritisation – Which issues are most urgent right now and which ones can wait?

Simplicity and clarity – Is this new policy clear, concise and can be widely understood and communicated?

Adaptability – Do I have an existing policy that I can adapt or modify for this situation?

Best-practice – Does my policy take into account best-practice for my industry and business size, as well as adhere to relevant State and Federal regulations and guidance?

Speed – How quickly can this new policy or procedure be implemented and how will it be communicated?

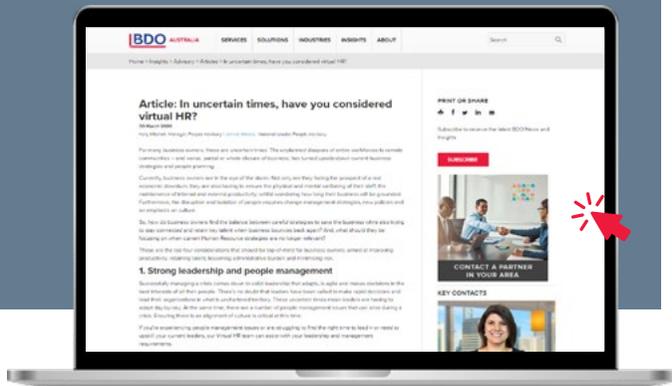


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HOW VIRTUAL HR CAN HELP BUSINESSES AND ORGANISATION WITH THEIR WORK FROM HOME POLICIES?

Work from home policies are imperative to ensure teams are successful in this new work environment. We recommend that a work from home policy is revisited to reflect the current pandemic situation and to be used alongside the current policy you have. There are several considerations such as how workflow will be managed, communication practices, resource requirements, insurances and health concerns, which all must be addressed in the policy. While some of your people may be adept in flexible arrangements, others will need more advice and support.

To find out more about Virtual HR and how it can help during a crisis, visit: <https://bit.ly/3FIMkvj>

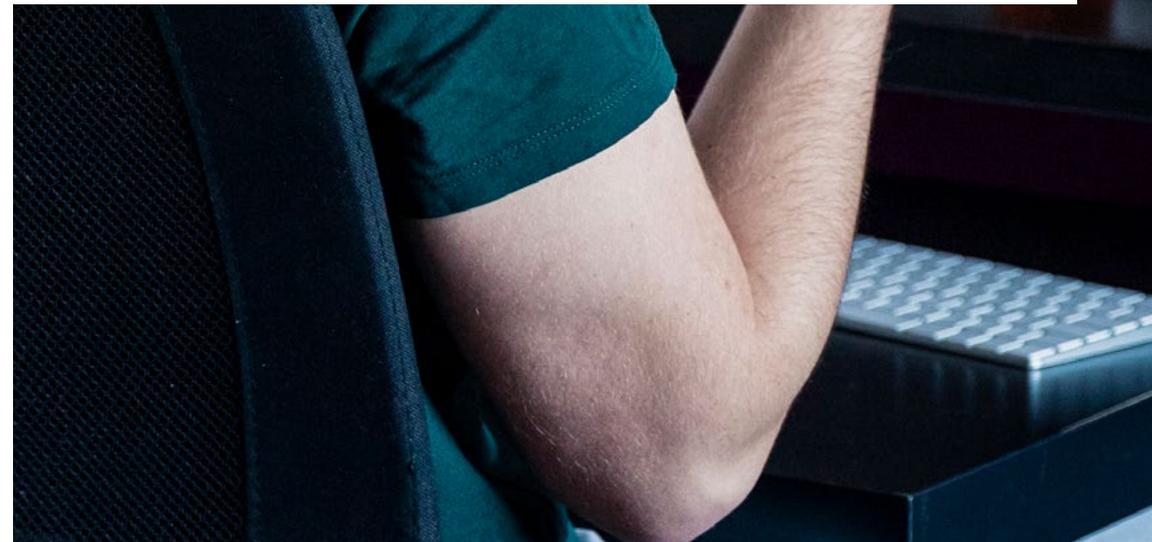


COMMUNICATE, COMMUNICATE AND COMMUNICATE

At all times, clear and regular communication is critical for businesses and organisations to function successfully. However, in periods of crisis and uncertainty, this need for effective communication internally (with employees) and externally (with clients and customers) is heightened. Managing the gaps in stakeholder expectations is critical during this time – it is often those stakeholders who aren't addressed – no minor how you feel their needs are – that may heighten crisis risk for your business. Any changes to internal policies and procedures or, new roadblocks that may have arisen impacting a business' ability to service its clients, should be communicated quickly with stakeholders. The focus of the message should be on the actions of how and what the business is doing in response. There should also be open feedback mechanisms set up to ensure that gaps in stakeholder expectations are met, before they turn into a larger crisis. It is also important to use neutral language and tone in these messages to avoid evoking further anxiety during uncertain times.

Moreover, managing and preventing misinformation and disinformation is another challenge that businesses and organisations will need to address during periods of crisis. This is especially true today as we now live in the social media age where anyone can have an opinion which can lead to the dissemination of false information as well as fear-mongering. As this can harm your people, their mental health and overall morale, it's important that businesses take a proactive approach in their crisis communications, keeping employees regularly informed of the actions they are taking in response to the crisis, as well as any changes that may affect them. While leaders may not be able to stop the spread of misinformation completely, they can take powerful steps to minimise its impact on their people.

During the COVID-19 crisis, a focus on employee health and safety should be the number one priority. Communicating how this will be achieved and taking action to instil confidence in your people is critical.



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Three key steps to improve your crisis communications:

1. **Keep the messaging simple** – While it's important to give your people all the information transparently they may need regarding how the organisation is responding to a crisis, it's also important to ensure that there isn't so much information that your people are overwhelmed. A general guide is in each message – whether it's an email, video or a post in an internal social media platform – is to focus on one key issue or change and the critical information associated with that. Then through later communications look to expand on that issue or change, providing more detail and addressing any questions that may have arisen.
2. **Communication is a two-way street** – Your people need to feel that they are heard, and that business or organisation's leaders and managers understand their concerns and situations. When making a significant change, such as transitioning everyone to work from home or reducing hours, employees must have an avenue to safely express any challenges or ask questions, without fear of repercussions. Communicating regularly with your people can also be a good way to check-in with how they are feeling, especially as social distancing and self-isolation can affect mental well-being. Depending on your organisation and size, several digital ways to ensure two-way communication include:
 - Pulse surveys
 - Forums
 - Video
 - Q&A sessions
 - Email or phone hotlines.

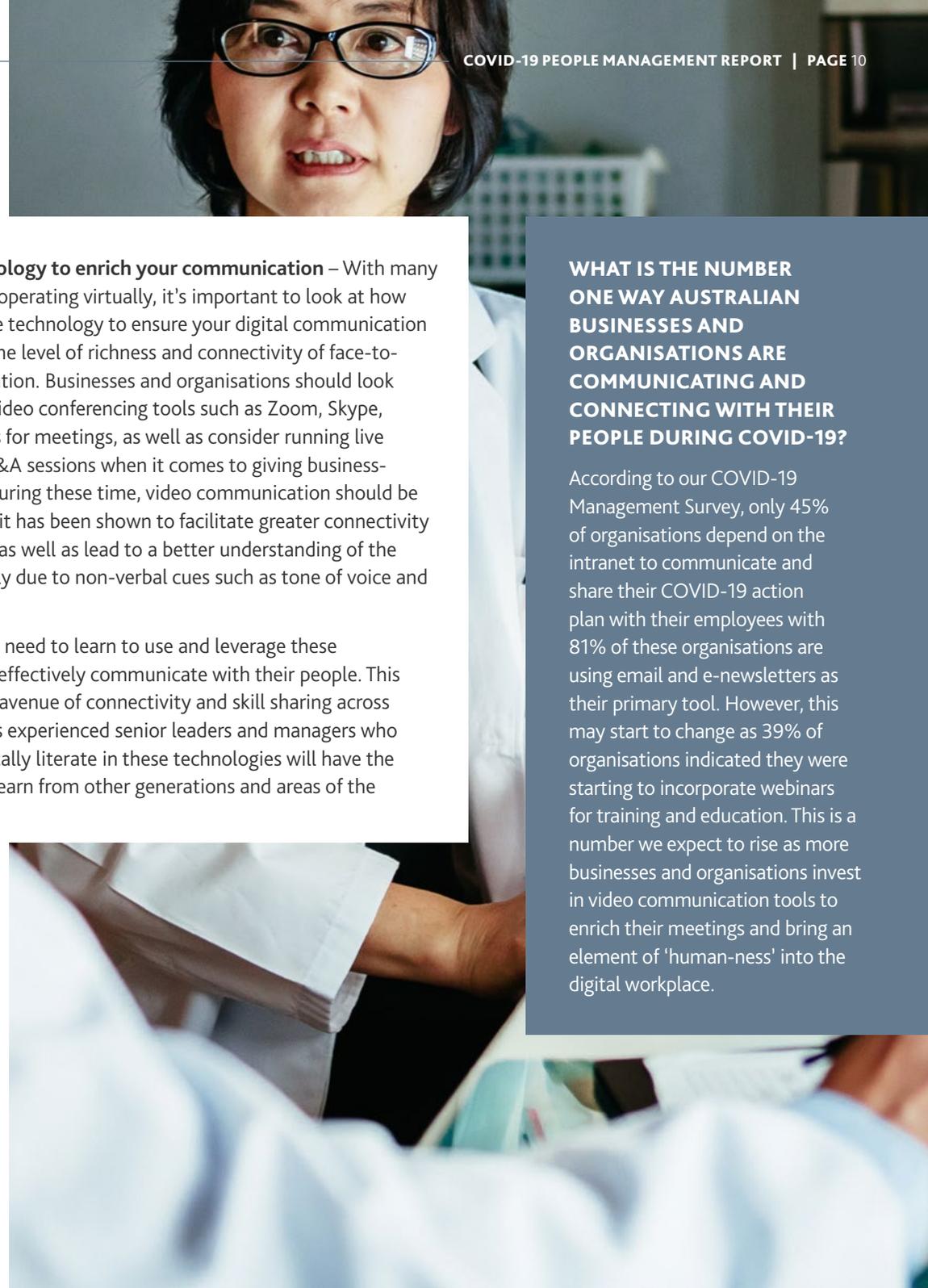
Managers should also express an openness and willingness to speak to staff about any issues or questions they may have.

3. **Embrace technology to enrich your communication** – With many businesses now operating virtually, it's important to look at how you can leverage technology to ensure your digital communication achieves the same level of richness and connectivity of face-to-face communication. Businesses and organisations should look to incorporate video conferencing tools such as Zoom, Skype, Microsoft Teams for meetings, as well as consider running live webinars and Q&A sessions when it comes to giving business-wide updates. During these time, video communication should be incorporated as it has been shown to facilitate greater connectivity with audiences, as well as lead to a better understanding of the message – largely due to non-verbal cues such as tone of voice and body language.

Leaders will also need to learn to use and leverage these technologies to effectively communicate with their people. This opens up a new avenue of connectivity and skill sharing across organisations, as experienced senior leaders and managers who may not be digitally literate in these technologies will have the opportunity to learn from other generations and areas of the business.

WHAT IS THE NUMBER ONE WAY AUSTRALIAN BUSINESSES AND ORGANISATIONS ARE COMMUNICATING AND CONNECTING WITH THEIR PEOPLE DURING COVID-19?

According to our COVID-19 Management Survey, only 45% of organisations depend on the intranet to communicate and share their COVID-19 action plan with their employees with 81% of these organisations are using email and e-newsletters as their primary tool. However, this may start to change as 39% of organisations indicated they were starting to incorporate webinars for training and education. This is a number we expect to rise as more businesses and organisations invest in video communication tools to enrich their meetings and bring an element of 'human-ness' into the digital workplace.



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YOUR VALUES AND PEOPLE ARE YOUR STRONGEST ASSETS

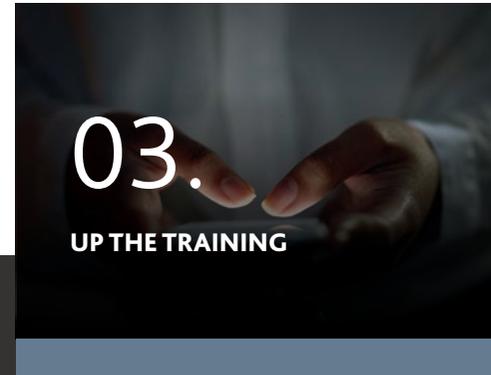
Another crucial thing for leaders to remember is that this is not a typical work from home scenario. Even if your business or organisation has taken measures to respond and adapt to a crisis, it doesn't necessarily mean that business will immediately begin to operate as usual and therefore leaders need to be understanding and be empathetic. As more people have now transitioned to working from home as a result of COVID-19, they are faced with new challenges and pressures. For many this will be their first time they working from home and adjustment times need to be considered. For others there will be new responsibilities, such as looking after and home-schooling activities for children. For some, they will be experiencing some of the emotional challenges of living alone or social distancing.

Therefore, leaders and managers must take the time to understand their employees' home situation and work collaboratively with them to navigate and overcome these challenges. It's how you as a business or organisation treat and manage your people during this time that shows the true values of your organisation. This will also have the biggest impact on your organisation's ability to effectively stabilise and rebuild. It's during these periods of crisis and uncertainty that people will look to their leaders not only for guidance, but also to ensure that their actions and words are living the values of the organisation – ultimately retaining the culture you have worked long and hard to build.



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FOUR STEPS TO BUILDING YOUR PANDEMIC WORKFORCE FRAMEWORK



PROTECT EMPLOYEES

Minimise spread of the virus.

SHOW STEWARDSHIP

Take timely action using the data at hand, at the time.

BUILD TRUST

Regular, transparent communication goes a long way.

EQUITY

Be honest providing service in an equitable manner, including the special needs, cultural values and religious beliefs of a diverse workforce.

RECIPROCITY

When individuals are asked to perform duties for the benefit of the company, ensure their acts are appropriately recognised.

EVENTS

Cancel both internal and external gatherings and remodel to a virtual meeting.

SOCIAL DISTANCING

Enforce social distancing measures when coming together is essential.

REMOTE WORKING

If working from home is possible, enable your teams to do so now.

FIFO

Consider changing roster patterns for greater risk reduction.

CLARITY

Focus on distribution of the latest information, dedicate time to communicating expectations and changes direct to an employee's inbox or phone.

ON-SITE RESOURCES

Where people are still required to attend work, lift awareness through visual posters and materials.

ETIQUETTE

Develop site specific policies and online training around hygiene practices that make sense for your business, don't just redistribute generic information.

MENTAL HEALTH

Recognise there will be significant emotional strain experienced at all levels of the workforce, put initiatives in place to improve connectedness and support.

EMPOWERING HR

Give human resources managers a leadership seat to drive decision-making and information sharing.

EMPLOYEE ASSISTANCE PROGRAMS

Remind employees of the immediate counselling support available where an EAP program exists.

STABILISATION

The initial period of urgency, quick thinking and fast-paced decision making has now passed. Leaders and senior management now have the time to reflect on the current crisis at hand and must adopt a more strategic and forward-looking approach in deciding next steps. Now is the time to review and build on the previously implemented response activities, policies and procedures.



For many businesses and organisations, this is your prime opportunity to slow down, take a step back and start looking at how you can stabilise your business; ensuring business continuity, as well as the resources and changes your business may need to make to adapt to this new way of working. Below we've outlined the critical activities businesses and organisations need to undertake during this stage.

IT'S TIME TO START THINKING STRATEGICALLY

In the initial stage, leaders had to adopt a very 'present' mindset with the focus being on "*the steps we must we take now*" to protect the business or organisation and its people today. However, once this initial urgency has passed this mindset must become forward-looking, asking what must we start doing in this stage to ensure the business is still operating in three months, six months and even several years depending on the type and duration of the crisis.

In this stage, continuity planning needs to be front and centre. Leaders must review the different activities, cost centres and areas of revenue generation. This will give a clearer understanding of what the entities financial position is now, how it can be improved and how it could be affected if the crisis continues for longer than anticipated, or its severity worsens.

Business impact assessments, financial forecasts and models and budgets will be vital assets for planning your future business activities. This is where engaging an experienced advisor may be helpful for some businesses or organisations, as it gives an impartial and independent review of the current entity's position.

The ability to effectively prioritise business activities and identify the core focus of the business will also be critical. Refocusing on your core will not only help you better understand which areas of your business are bringing you the most value, but also be vital for ensuring a steady stream of income during this period of uncertainty. In the circumstance that you may have to reduce costs or make sacrifices, clearly understanding your core business will help you to identify the areas providing the least value where you can reduce cost. For example, if your core business is ensuring good client relationships, then that is the area you need to be focusing on right now – looking at new ways to engage and connect with your clients.



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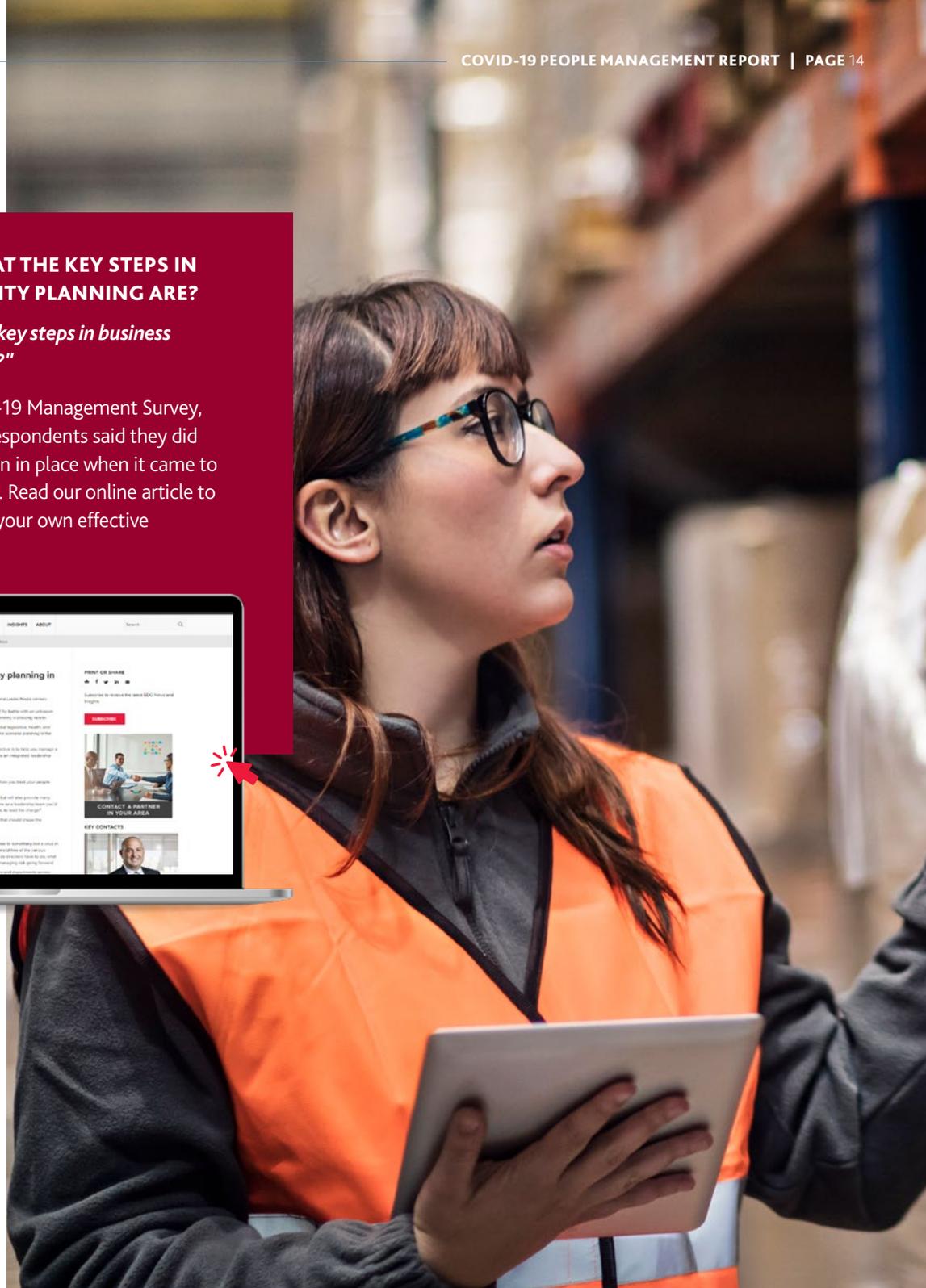
WHAT ARE THREE CRITICAL HUMAN RESOURCES AREAS YOU NEED TO CONSIDER RIGHT NOW?

1. **Organisation headcount** Do you have the right people working in the right places? If not, can you redeploy staff, modify certain roles or access new talent to support changing business needs?
2. **Can your business afford to keep running as is?** If not, will you need to make employment cost reductions? These could include salary/wage cuts, reduced hours, stand-downs, forced leave and in some cases redundancies. This is the area where it is critical that you seek expert legal advice before making a decision. The wrong messaging here can have significant consequences legally and culturally.
3. **How are you maintaining productivity and connectivity with your staff?** It's important during times such as these that your staff's ability to do what they do best is enabled in the different working environments that must be adhered to. Whether it be social distancing and a different way of completing handovers across manufacturing or enabling and building capability to work from home, HR's ability to fast track this and build capability within your business is key.

DO YOU KNOW WHAT THE KEY STEPS IN BUSINESS CONTINUITY PLANNING ARE?

"Do you know what the key steps in business continuity planning are?"

According to our COVID-19 Management Survey, more than a quarter of respondents said they did not have a continuity plan in place when it came to responding to COVID-19. Read our online article to learn how you can build your own effective pandemic playbook.



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FOCUS ON HOW YOU CAN APPROACH NEW WAYS OF WORK FOR THE BETTER

There is no doubt that the 'way of work' has changed in a drastic and unprecedented way since the outbreak of COVID-19. For the first time, many businesses and organisations must now conduct and coordinate their activities within the homes of their employees. However, significant changes like this are not unique to pandemics but can occur during any crisis. For example, a natural disaster, accident or even urgent maintenance to a workplace can all lead to a sudden need for employees to work from home.

As such, businesses and organisations must understand how these changes to the 'way of work' affect their people and operations. A focus on developing new strategies to stabilise their business and help their people to adapt is required. Two areas that will need to be of particular focus for businesses are change management and performance management.

CHANGE MANAGEMENT

"How can you support your people as they adapt to the 'new normal?'"

In any crisis, one of the greatest impacts is felt by people. When talking about COVID-19, there are important financial implications and health impacts, but at the end of the day isn't it all about people?

As such, leaders and managers will play a significant role during the initial response stage to help their team understand and navigate the main impacts and shift the focus on the positive.

Communication is certainly a determining factor, even more so in the first stage of the change. A long-term focus will also be critical for ensuring that the business and its people are in the best position to rebuild and come out post-crisis in a stronger position.

There are a plethora of actions leaders can undertake, but focusing on the right ones will drive more value. Here are five key recommendations for leaders and managers to engage with their teams:

- 1. Communicate clearly and regularly** – You might not have all the right answers, but some information is better than none. Don't hesitate to share what you know and answer questions as best as you can. Acknowledge their concern and be authentic in your approach.
- 2. Be bold & do things differently** – Try to diversify the way you communicate: organise live town halls via webinars, prepare video updates, or organise 'online happy hours' with your team! While it remains critical to share important details in written form, this is the perfect context for you to be creative with the way you interact with your team. While changing communication platforms, remember to always allow people to share feedback and ask questions; they should know your virtual door is always open.
- 3. Take the pulse and ask for feedback** – Regular surveys will allow you to 'check the pulse' of your organisation and whether internal communications are achieving what you want them to achieve. Furthermore, by carefully monitoring sentiments across the organisation, it can make you're more responsive to a crisis before they occur and enable you to continue to focus on nurturing your culture.
- 4. Lead by example** – When everything changes around you, it's easy to feel trapped and overwhelmed. It might not be a cure to all the problems in the world, but having strong, visible and active leaders is the first step in guiding your employees through this crisis management. Dare to be vulnerable, share the difficulties you face in your role and how you too are learning through this unprecedented event. Listen to your team; if work/life balance is their 'Everest', show them how they can overcome it by hosting a 'walking meeting', sharing pictures of your playdate with your kids or sharing advice based on how you balance your busy schedule.
- 5. Assess the people risks frequently** – New risks may arise as a result of flow-on effects from the crisis. Strong considerations should be given to work health & safety risks. Make sure your employees have a safe environment to work in, both physically and mentally. Working from home will present different challenges and it's your role to help your team find solutions so they can safely focus on their responsibilities, perform their tasks and continue their personal and professional development.

Finally, leaders must understand that throughout any form of significant change – whether as a result of a crisis or a new technological transformation project – there are likely to be several teething challenges along the way. Therefore, leaders must instil a positive company-wide mindset and tone that encourages continuous improvement and is tolerant of failures, as people learn to adjust to new ways of doing things. Creating that safe environment will allow for people to grow, learn and contribute to the changes you are trying to put in place.

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PERFORMANCE MANAGEMENT IN A REMOTE ENVIRONMENT

“What does performance look like in your organisation and how is it measured?”

With many employees now working from home and juggling their personal and work commitments, it's critical that managers and leaders clearly communicate their employee performance expectations. In a work from home environment, the idea of a standard working day no longer applies as there must now be a greater emphasis on value creation and deliverability, than being in the office or 'online' for a set period.

Some important considerations include:

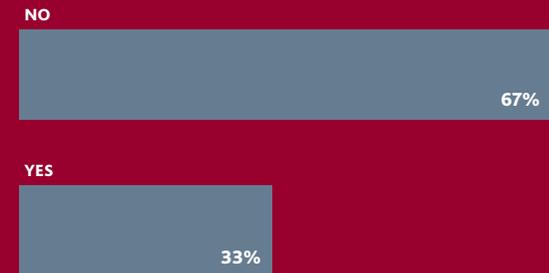
- **How do you define productivity and capability?** And are you effectively communicating this with your people?
- **Do you need to redesign the deliverables you expect from your people?** For example, deliverables are focused on assignment completions rather than billable hours.
- **Are your line managers' effective digital communicators?** If not, how can you quickly upskill them? In crisis times, good line managers will be critical for keeping the business moving forward by helping employees to prioritise the most important work and keeping them on track.
- **How will your business or organisation recognise and reward high performers?** While the focus of many leaders and managers will be on the recovery of the business during a crisis, high performers must be still rewarded and recognised for their work and their role in the business's recovery. Rewarding the people who go the extra mile, quickly adapt and innovate during a time of crisis is critical to retaining quality talent post-crisis. In a similar vein, leaders and managers who have a narrow view of performance when working from home – for example, closely monitoring employees online statuses – may find they lose quality talent when the environment returns to normal, as employees may not feel respected or valued.

HOW ARE BUSINESS RETAINING TALENT DURING COVID-19?

One of the significant long-term impacts of a crisis is a loss of quality talent hindering the ability to grow and succeed in the post-crisis environment. Retaining and attracting quality talent has been a critical issue for many businesses and organisations. In our recent [BDO Construction Survey](#) conducted at the beginning of the year, it was considered one of the top issues for the construction industry. As such, we wanted to find out how Australian businesses are managing this issue during COVID-19.

We were surprised to see that only a third of respondents had policies in place to manage talent risks during this time. Of those that did have policies in place, these included retaining key employees through competitive remuneration, safety net resourcing, providing working from home resources and flexibility with accessing leave.

DO YOU HAVE PEOPLE-RELATED POLICIES TO MANAGE TALENT RISKS E.G. LEAVING DUE TO LACK OF WORK?



We also asked businesses and organisation what changes to remuneration they would consider to retain talent. Of those surveyed, 28% said they would look to reduce allowances and 52% would consider a temporary reduction of fixed remuneration to keep employees in their jobs.

At the end of the day, business and organisations who can adjust and adapt their perspective when it comes to performance management will not only raise the capability of their people management but will also elevate performance discussions. This can also help the business to attract and retain quality talent in the future. A culture that leads to true high-performance, places a greater value on quality, value creation and deliverability instead of time.

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MAKE PHYSICAL AND MENTAL WELL-BEING A PRIORITY

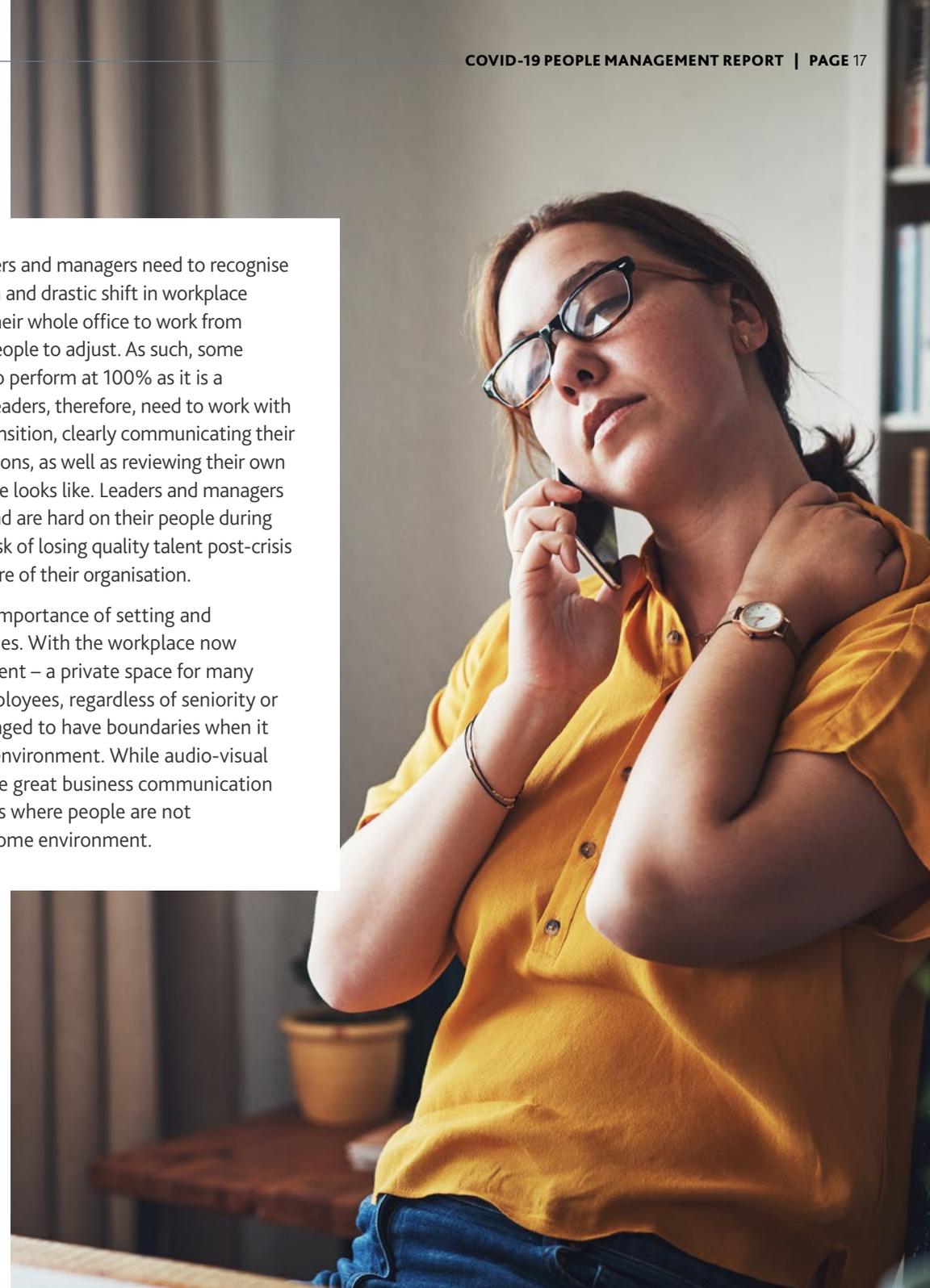
When a crisis first appears, people generally tend to run on adrenaline, working hard to solve complex and urgent problems quickly. However, as times goes on – especially in a long duration crisis like a pandemic – that fast-paced, act-now approach starts to slow down. This should be expected and encouraged, it's unsustainable for your people to operate at their maximum day-in and day-out – and if they do, there's a higher risk them developing 'burnout'.

Leaders and managers should lead by example by using this slowdown and stabilisation period to assess the social impact that the crisis may have on their people, with a strong emphasis on supporting employee mental well-being. Businesses and organisations should look to introduce or communicate resources, tool and services available for employees to sustain positive health, as well as seek support if needed. Examples of these services could include providing access to online and confidential counselling services, online group fitness classes and team activities such as digital coffee catch-ups and Friday virtual drinks.

In the current lockdown situation due to COVID-19, this focus on employee well-being is even more pertinent. Many employees will experience some form of emotional response as a result of being constricted to their homes, as well as being unable to leave the home to access support services. Moreover, the introduction of physical distancing and travel bans leads to a significant reduction of in-person, face-to-face communication – a vital aspect of healthy social and interpersonal lives. Being unable to physically see friends and family can have a significant impact on our mental well-being over time, and in the unfortunate case where family members, co-workers and friends become sick, employees may experience some emotional challenges.

Another important area leaders and managers need to recognise is that when there is a sudden and drastic shift in workplace routines, such as transitioning their whole office to work from home, it does take time for people to adjust. As such, some people may struggle at first to perform at 100% as it is a significant lifestyle change. Leaders, therefore, need to work with their people through their transition, clearly communicating their working from home expectations, as well as reviewing their own ideas about what performance looks like. Leaders and managers who fail to understand this and are hard on their people during this challenging time are at risk of losing quality talent post-crisis as well as damaging the culture of their organisation.

Finally, do not overlook the importance of setting and respecting personal boundaries. With the workplace now entering the home environment – a private space for many people – it's vital that all employees, regardless of seniority or title are allowed and encouraged to have boundaries when it comes to sharing the home environment. While audio-visual communication platforms are great business communication tools, there may be occasions where people are not comfortable showing their home environment.



REBUILD

It has been some time since the initial crisis event and your business, people and clients seem to be adapting well to the new way of working. The earlier sense of urgency has diminished, and previously unprecedented changes, processes and new policies start to feel routine. In the case of the COVID-19, the beginning of this rebuilding stage could look like a period of calmness as the new way of work becomes normal. Another indication of this is the easing of social distancing and lockdown restrictions and the expectation of returning to pre-crisis work-life shortly.

The focus for businesses and organisations must now be future-oriented with an emphasis on resetting and rebuilding. For resetting, this means clearly understanding the purpose, vision, core activities and culture of the organisation and the steps that need to be taken to strengthen and improve those areas. For rebuilding, the focus is on developing and finessing critical skills across all levels and introducing new technologies, learnings and processes that will drive the organisation to achieve its vision.

The ultimate aim is to come out the other side of a crisis with the business or organisation in its strongest and most focussed form. And finally, it's also important to take a moment to celebrate the success of people as they are the reason for your success and where you are today.

Like the previous stages, we've shared some of the key focuses for businesses and organisations during this rebuilding period to help strengthen their position and set themselves up for long-term success.



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LEVERAGE YOUR CRISIS LEARNINGS FOR FUTURE PLANNING

As businesses and organisations enter the post-crisis world the focus for leaders and managers needs to be on the actions they can take to prepare and strengthen the business or organisation for the post-crisis world. In the case of COVID-19, this could mean now placing greater importance on digital connectivity and interaction, as well as new processes or changes regarding workplace health and safety, especially regarding hygiene.

As such, businesses and organisations must consider how the crisis has changed not only their businesses but the industry and world in which they operate. From a people perspective, we've outlined several key questions that leaders need to be asking as part of their future planning post-COVID-19 or another crisis.

1. What is our operating model and what needs to change or be improved?

For many businesses and organisations, there are likely to be some significant and lasting changes following a crisis like COVID-19. Leaders, therefore, will need to work with key people to identify what aspects of their current operating model may need to be changed or improved to adapt to the new work environment. As part of this, leaders also consider how a new model or changes can be brought to life effectively and engage people at all levels. This is where the support of an expert advisor can be critical as they can help leaders and owners step back from their business or organisation and review it objectively as well as share with you the steps that other businesses in your industry are taking.

2. How necessary are physical spaces?

When we think of growth, one of the first things that come to mind is the need for more people and, therefore, more space. However, one of the things that many businesses have discovered as a result of the pandemic is that it's possible to run an organisation effectively without a physical office. Therefore, businesses and organisations looking to rebuild and grow post-crisis should consider if they, in fact, need all the space they currently have as well as how they can use that space more effectively and better align it to their brand.

3. Has our culture changed post-crisis and does it need to be reset?

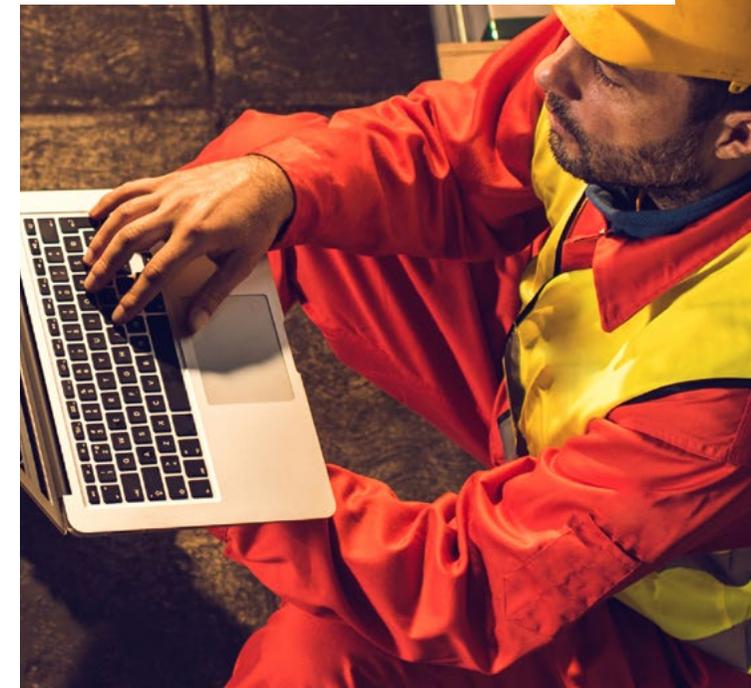
Generally speaking, cultural change is one of those things that occurs quite slowly and as a result, changes to your business or organisational culture may not be clearly visible at first. However, when a business changes one aspect of their workplace or ways of doing things, such as transitioning all staff to work from home, the business is going to see changes in their culture. This is because the post-crisis world for many people is not the same as the pre-crisis world. Business activities, processes, systems, values have changed to adapt to the new way of working, and while these changes can bring many positives changes there is also the potential of new negative changes or learned habits to arise.

As such, leaders and managers need to be acutely aware of the different elements of their business and culture they may need to reset and ensure that in doing so they are tying this back to align with the business's strategy and goals. For leaders and managers who wish to return to the way things were pre-crisis, they should critically ask themselves why that is, and if that decision will be the best for the business in the long term.

4. Are we ready for the next crisis and are there steps we can take to be better prepared next time?

As your businesses or organisation has just overcome a significantly challenging situation, now is the time to update business guides, learning resources and internal knowledge banks with your learnings and resources while it's still fresh. While crisis events may be inevitable and often unexpected, the best way to be prepared for one is to have the experience and resources to respond effectively and quickly – both of which your organisation and business have now.

Overall, with disruption of this size, there will now be misalignment across areas of your business, an advisor can help refocus your business and bring alignment to your businesses operating model.



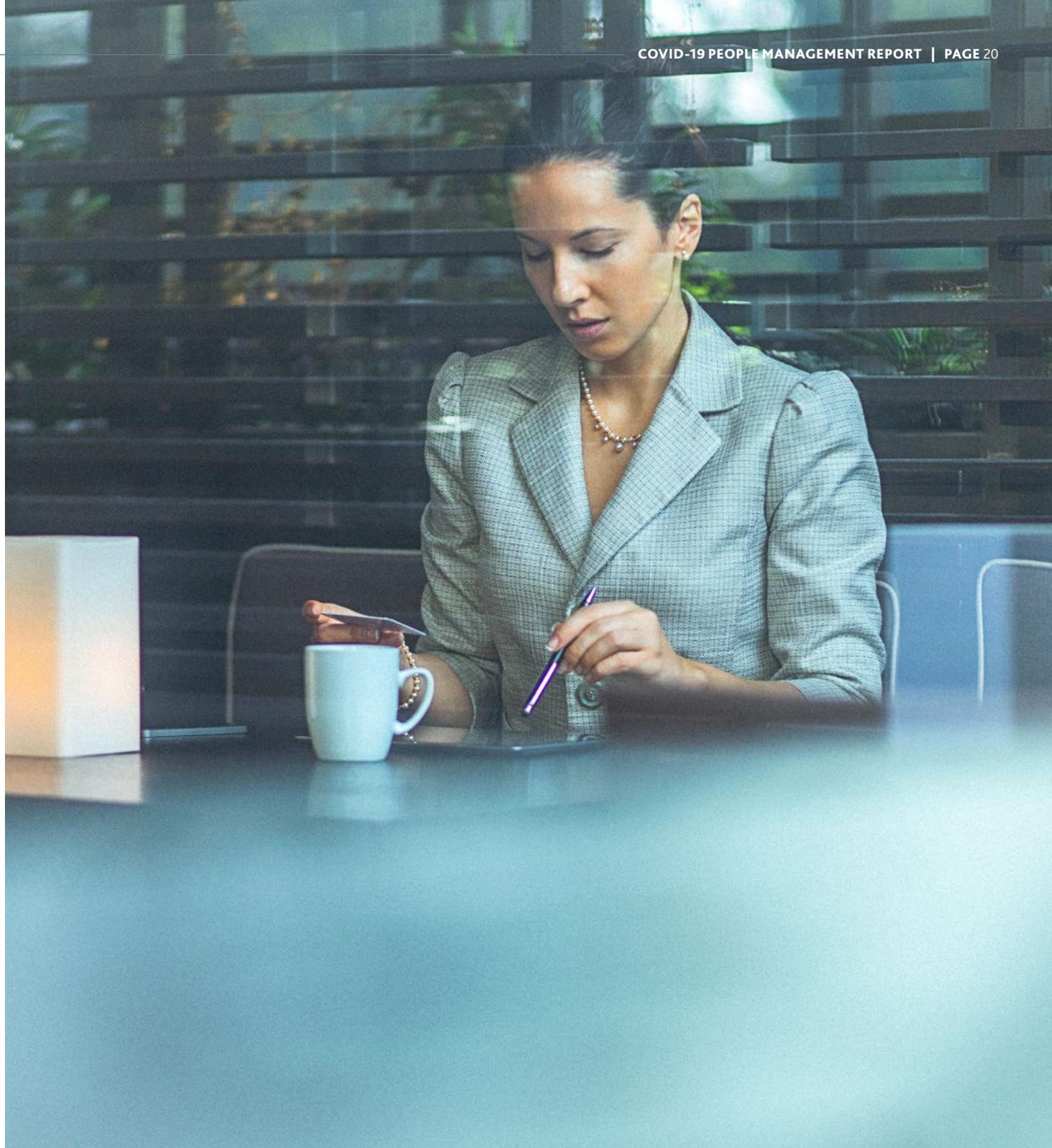
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UPSKILL YOUR WAY TO SUCCESS

Skill building, on-the-job training and cross-skilling in this stage are critical. Now that you have taken the time to reset, refocus and rebuild your organisation or business for a post-crisis environment, you now have the opportunity to invest in the skills necessary for achieving your organisation's goals.

From a digital skill-building perspective, it's important to recognise that you now have a workforce with improved technological literacy as a result of needing to adapt to working from home. Therefore, businesses must focus on building on and growing those skills as well as introducing new ones. During this time your people will still have that 'working digitally' mindset and may be more receptive to these ways of doing things. An example of this could be incorporating more webinars and digital workshops going forward in addition to traditional in-person events and activities. This would allow for more events to be held, as well as greater flexibility for attendees. It also reduces the demands on a business's events team as digital events can be set up remotely and well in advance of the date.

It's also important that new tech-based ways of doing things aren't cast to the side as you return to the physical work environment. Instead, recognise the opportunities that can arise as a result of your business's or organisation's capability to operate completely in a digital way. For example, for some businesses, geographic location may have been a drawback in the past to things such as taking on a new client, or hiring a talented candidate who may be based regionally, interstate or even overseas. Now, not only has your business and its people adjusted to a virtual work environment, so have your clients – meaning you have shown that your business can effectively deliver its service or product remotely and new clients may be more receptive to working in this way.



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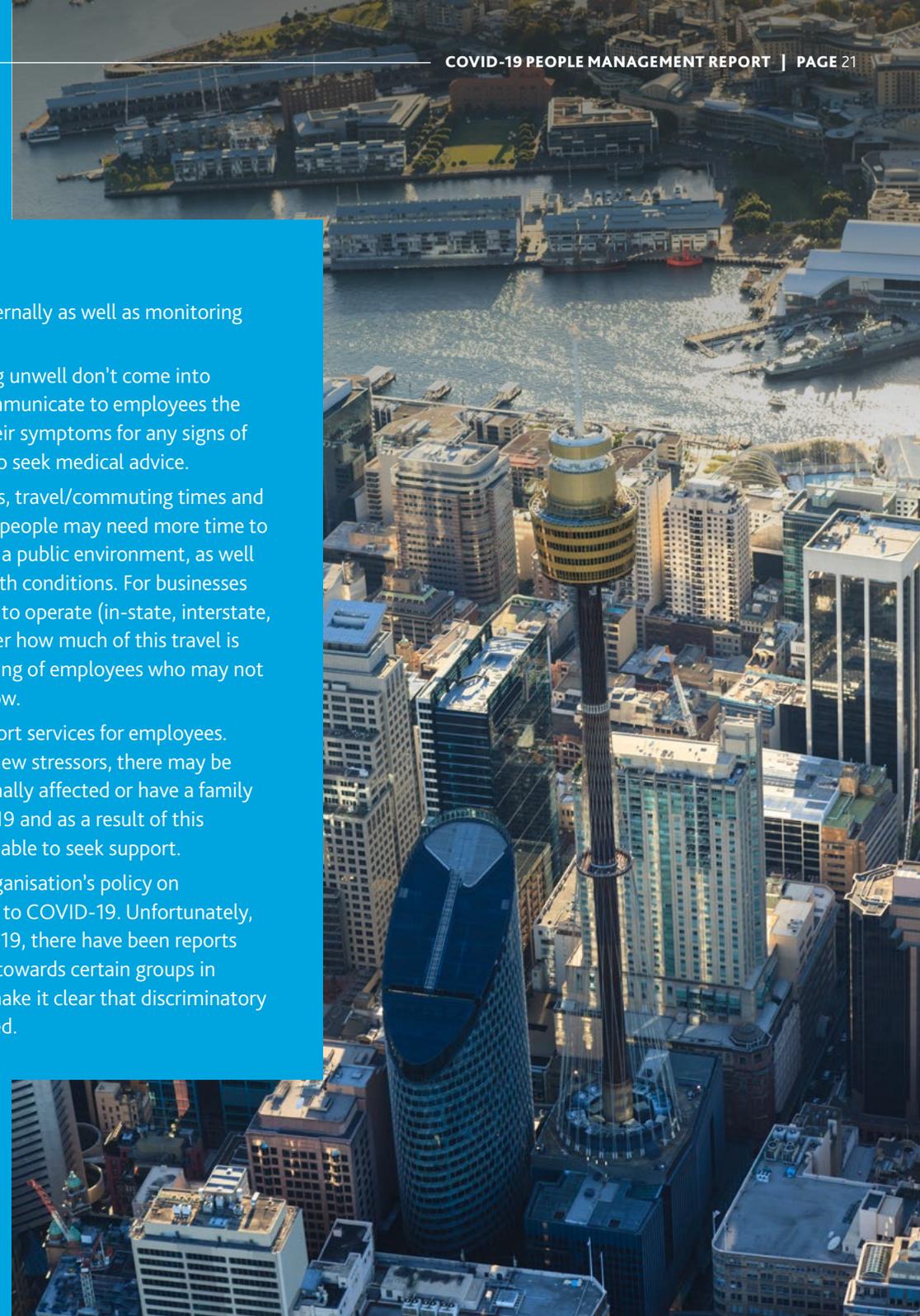
IS YOUR BUSINESS OR ORGANISATION READY FOR A POST-COVID-19 WORLD?

As the COVID-19 outbreak in Australia begins to improve and many restrictions may begin to be relaxed or removed. Businesses and organisation will need to consider how they will operate in a post-COVID-19 environment. In our COVID-19 Management Survey, 90% of respondents reported that they had introduced hygiene tactics such as hand sanitising, additional cleaning, temperature testing of employees and visitors, reduced face-to-face contact and staff training. However, as we enter the post-COVID-19 environment, many businesses and organisations will need to consider if any of these new tactics and processes will be continued permanently. If not, why won't they be continued and how they will communicate that with employees and clients.

Businesses and organisations must also consider how they can ensure their people feel safe to return to work. Many people have now been working from home for a considerable amount of time, as well as being exposed to strong messaging on social distancing, hygiene and travelling, there is likely to be some anxiety about returning to work – especially if it is a very busy environment. Therefore, leaders and managers must be understanding of these feelings and work with their people to make them feel safe on their return.

Several ways to help your people feel safe returning to work are:

- Providing a safe and clean workplace with vital amenities including hand sanitisers and antibacterial wipes.
- Ensure social distancing and gathering requirements are being followed by all employees. In the circumstance that these measures are relaxed or removed, ensure that employees still respect each others personal space.
- Provide signage that supports good hygiene and social distancing practices.
- Keep a log of movements internally as well as monitoring and tracking office visitors.
- Ensure that employees feeling unwell don't come into work or leave work. Also, communicate to employees the importance of monitoring their symptoms for any signs of COVID-19 and if concerned to seek medical advice.
- Be flexible with working hours, travel/commuting times and returning to the office. Some people may need more time to feel comfortable returning to a public environment, as well as those with underlying health conditions. For businesses who require significant travel to operate (in-state, interstate, overseas) they should consider how much of this travel is necessary and be understanding of employees who may not feel comfortable travelling now.
- Provide counselling and support services for employees. Returning to work can bring new stressors, there may be people who have been personally affected or have a family member affected by COVID-19 and as a result of this isolation period have been unable to seek support.
- Circulate the business's or organisation's policy on discrimination with reference to COVID-19. Unfortunately, since the outbreak of COVID-19, there have been reports of racism and discrimination towards certain groups in society. Businesses need to make it clear that discriminatory behaviour will not be tolerated.



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