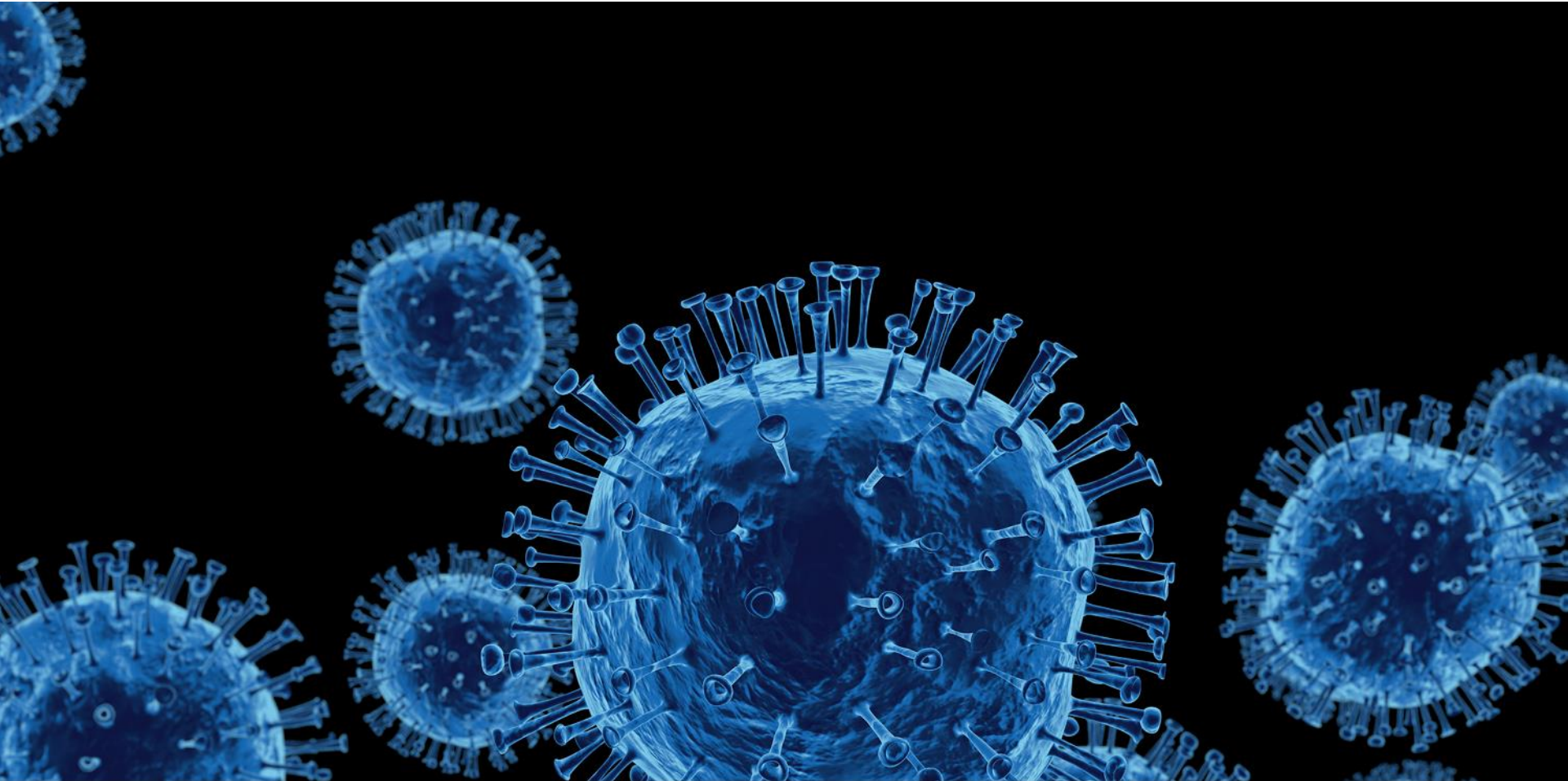


Human Capital Watch™

Human Capital Professionals' Responses to COVID-19
April 2020



Some of the critical questions and issues we will be answering today

- Knowledge of the support from The Conference Board, including curated information for human capital practitioners as they navigate this pandemic across a range of issues
- Insights on how The Port Authority of New York and New Jersey dealt with the impact of this pandemic from its earliest days
- Key suggestions, insights and “lessons learned” from our members as they navigated the early days of this crisis



Earn Credits

- Stay online for the entire webcast
- Credit available for participation in the live webcast only

HRCI

- ✓ Type your full name, email address, and specify “HRCI” in the space provided

SHRM

- ✓ Type your full name, email address, and specify “SHRM” in the space provided

CPE (NASBA)

- ✓ Type your full name, email address, and specify “CPE” in the space provided
- ✓ Click ‘ok’ for 3 popups that occur during the program



Today's Presenters



Rebecca L. Ray, Ph.D.
Executive Vice President,
Human Capital
The Conference Board



Mary Lee Hannell
Chief Human Capital Officer
***The Port Authority of New
York and New Jersey***



Human Capital Resources

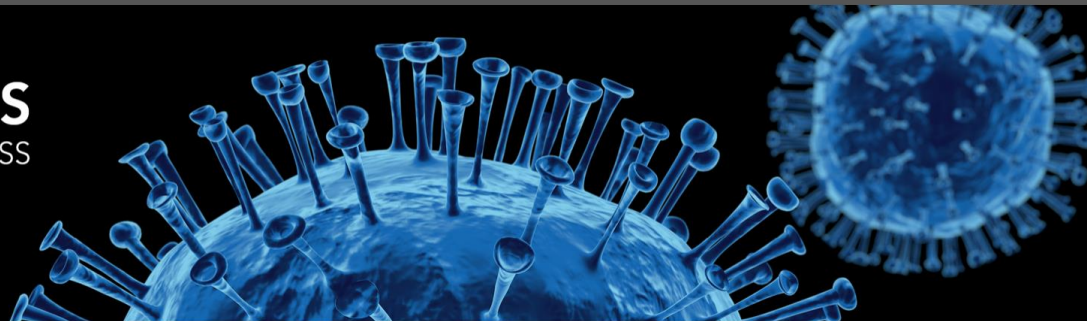


Want to learn more about this topic and how the spread of COVID-19 will impact the global economy and business world?

The Conference Board has gathered insights and learnings from our thought leaders, researchers, economists and Members which we hope will be helpful as you formulate, implement and manage your own crisis response. You'll find podcasts, on-demand webcasts, research and economic projections on coronavirus impacts for HR, CSR, disaster philanthropy plans, crisis communication, governance, supply chain disruptions and much more.

<https://www.conference-board.org/COVID-19>

COVID-19 CORONAVIRUS IMPLICATIONS FOR BUSINESS



INSIGHTS ▾




Coronavirus (COVID-19)

The Conference Board is uniquely positioned to provide the C-Suite with a 360° view of implications for business and insights on what's ahead related to the COVID-19 Coronavirus. Visit this page often as new resources are being added to help you effectively and confidently navigate this quickly evolving situation.

Human Capital Professionals: Be sure to visit our dedicated Human Capital resource page for professionals who are on the front lines of this global pandemic.



COVID-19 Pandemic Resources & Support for Human Capital Community



COVID-19
HUMAN CAPITAL
RESOURCES

TAGS CORONAVIRUS (COVID-19) | HR STRATEGY | HR'S ROLE | HUMAN RESOURCE MANAGEMENT | IMPACT OF HR

COVID-19 Pandemic Resources & Support for the Human Capital Community

At the Human Capital Center, we will continue to provide you with insights to help you plan for what's ahead. We have curated the relevant work we've done and have scheduled, as well as a provided a guide to the trusted, third-party sources that we hope you will find valuable and insightful. We will regularly update this page as new content becomes available and hope you visit as often as needs arise.

ALERT: Be Sure to Register for These Important Webcasts

- **Tips for Managing a Remote Team on April 7 at 11 AM EST** that will focus on techniques to prepare your managers to engage a remote team confidently and effectively.
- **The Conference Board Economics Watch™ on April 8 at 11 AM EST** that will focus on the impact from the Coronavirus (COVID-19) on the global economy in 2020.
- **The Conference Board Governance Watch™ on April 9 at 12 PM EST** that will focus on key governance and legal implications of the COVID-19 outbreak, including what boards should be doing now; the impact on annual meetings and SEC disclosure; employment and labor issues; corporate finance topics such as stock buybacks, liquidity, and covenant compliance; and contractual issues with suppliers, customers, including force majeure provisions.
- **The Conference Board Human Capital Watch™ on April 15 at 11 AM EST** that will focus on the current state of the pandemic, the significant economic implications for businesses, as well as the challenges inherent with ensuring the safety of our employees, contractors and partners. The sustainability of the organization itself will be based on the human capital related decisions we make now!
- **Beyond the Metrics: Creating Meaningful Engagement through Communication on April 16 at 11 AM EST** that will focus on how to empower executives to find effective and innovative approaches that actually move the needle and meet the needs of their leadership teams.
- **The US Labor Market After COVID 19 on April 23 at 11 AM EST** that will focus on latest labor market data and (un)employment projections for the rest of 2020, retention strategies for companies, the differences between the US and European labor markets, working from home and for which occupations this might be easier, differences across US regions and consumer categories.
- **Key Levers for Successfully Managing the Uncertainty and Disruption of COVID-19 on April 30 at 3 PM EST** that will focus on evidence-based lessons from companies immersed in disruptive change about how to manage this

Curated Resource Categories:

- Core Resources
- Crisis Management/ Communications
- HR Policies & Procedures, Legal, Compensation & Benefits (including Layoffs)
- Employee Well-Being & Safety
- Remote/Virtual Work
- Self-Care & Family Concerns
- Employee Engagement
- Talent Acquisition
- Strategic Workforce Planning
- Human Capital Analytics
- Learning & Development

For our coronavirus resources for Human Capital hub, click [here](#)



Insights From The Conference Board: Human Capital Management During COVID-19

Available now:

1. [Addressing Stigma and Discrimination during Times of Crisis](#)
2. [Compensation & Benefits Strategies to Help Employees Navigate through the New Challenges](#)
3. [Finding Innovative Alternatives to Layoffs](#)
4. [Conducting Compassionate Layoffs](#)
5. [Focusing on Employee Engagement in a Crisis](#)
6. [Why Organizations Shouldn't Forget about Onboarding](#)
7. [Supporting Employee Mental Health and Wellbeing](#)

Coming soon:

1. Navigating Talent Acquisition in a Changing World
2. Leading and Working in a Crisis
3. Crisis Communications



The Economic Impact of COVID-19

Widespread hit to profits from COVID-19 signals slow recovery...

How has, or do you expect, your business to be impacted by COVID-19?



Source: The Conference Board, Interim CEO Confidence Survey, fielded from 3/25/2020 to 4/2/2020

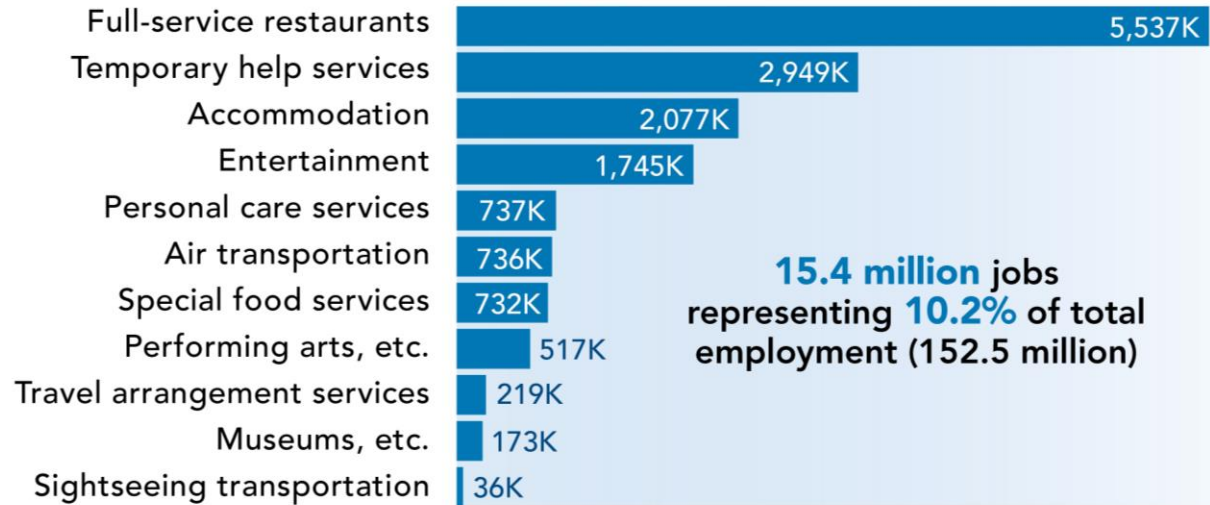


COVID-19 hits manual services jobs hardest

Level of industry impact



MOST IMPACTED



15.4 million jobs
representing **10.2%** of total
employment (152.5 million)

IMPACTED

7.4 million jobs
representing **4.9%** of total
employment (152.5 million)

SHARE IN TOTAL EMPLOYMENT

0% 1 2 3 4



Various scenarios show large impacts on the economy

1. May Reboot (quick recovery)

- ✓ Assumes a peak in new COVID-19 cases for the US as a whole by mid-April
- ✓ Economic activity may gradually resume beginning in May

2. Summertime V-Shape (deep contraction, V-shaped recovery)

- ✓ The peak in new COVID-19 cases will be around early May
- ✓ Deep economic contraction in Q2, but also a stronger recovery in Q3
- ✓ But high uncertainty about outcome if economy gets opened up too fast

3. Fall COVID-19 Resurgence (2nd contraction in Q4, W-shaped recovery)

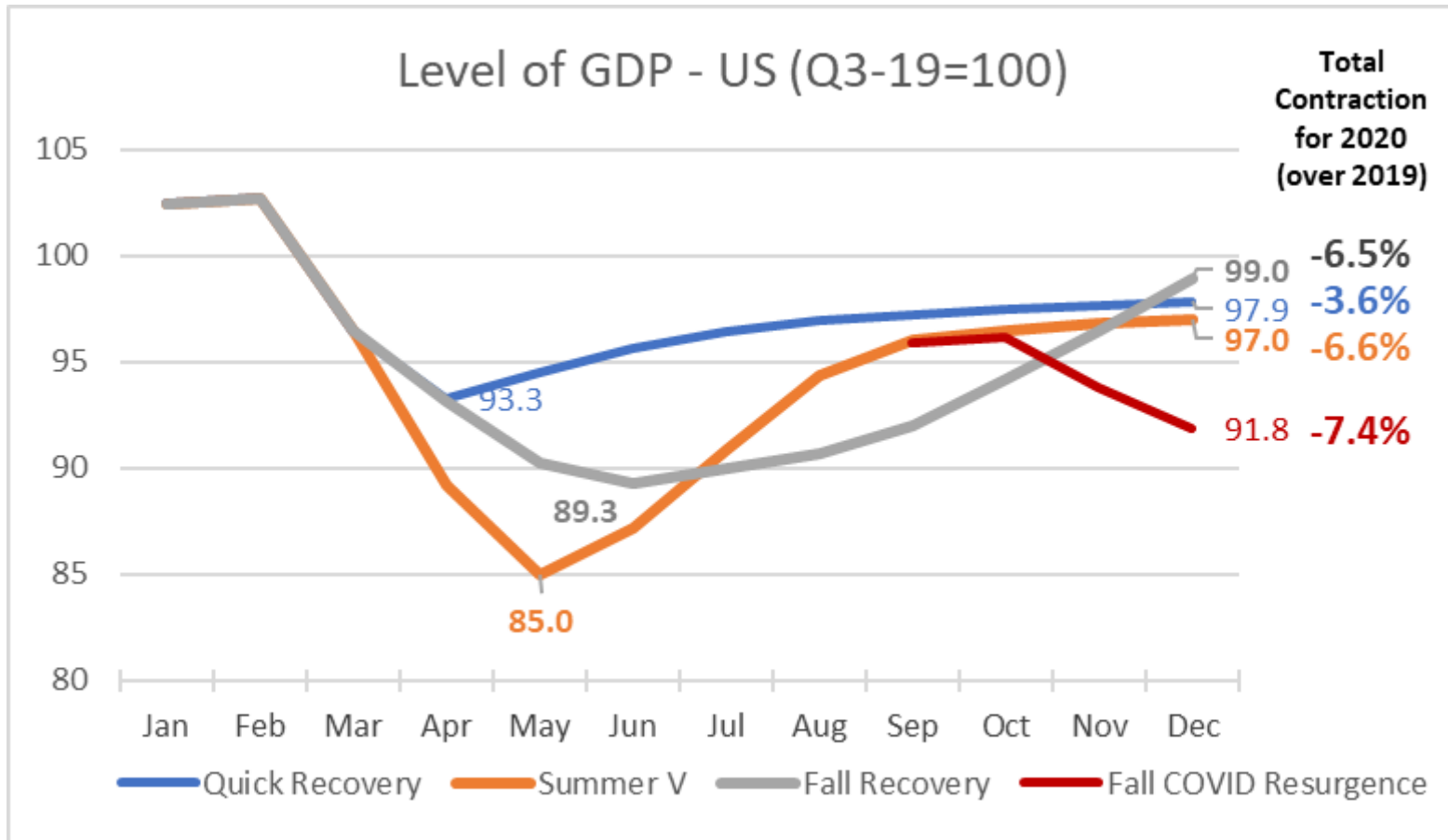
- ✓ Failure to keep new COVID-19 cases under control in Fall, requiring renewed stringent measures during the Fall
- ✓ After a Q3 recovery, the economy would contract again in Q4

4. Fall Recovery (extended contraction, U-shape recovery)

- ✓ Managed control of outbreak helps to flatten the curve of new outbreaks
- ✓ Stretches economic weakness to Q3, growth only resuming by September
- ✓ Unemployment could rise to 15% by May but gradually level off to 10%



No matter what scenario materializes, the US economy will shrink in 2020 compared to 2019



Source: The Conference Board, April 2020





Window On Rebooting A Six-Foot Economy

April 22, 2020 12:00 PM ET [12:00] (New York) | (01 hr) | [🕒 Time Zone Converter](#)

As we're gradually working through the worst health crisis in recent memory, organizations need to start planning how to re-start their businesses once the most stringent constraints to tackle COVID-19 get lifted.

However, the "new normal" may look very different from how we operated before we entered this crisis. For an indeterminate future, we'll need to deal with continued constraints in order to ensure employees are able to return back to their job sites safely, remove continued disruptions in supply chains, and revive consumer demand from those who are also slowly and cautiously getting back to work.

What can businesses do to best prepare for the recovery? Join this panel discussion to learn:

- How to anticipate and navigate the local, state and federal regulatory maze?
- What precautionary measures can you take as a business leader to be best prepared?
- How to optimize the creativity and inventiveness of your staff to position your business for recovery?

Speakers



George Barrett
Former Chairman & CEO
Cardinal Health, Inc.



Steve Odland
President and CEO
The Conference Board, Inc.



Bart van Ark (Moderator)
Executive Vice President & Chief Economist
The Conference Board

<https://www.conference-board.org/webcasts/Window-On-April-2020>



Addressing The COVID-19 Crisis at The Port Authority of New York and New Jersey

We Keep the Region Moving

Whether by air, land, rail or sea, we are dedicated to getting critical healthcare workers, first responders, and other essential workers where they need to be to address those most impacted by the COVID-19 crisis and to keep the supply chains open to ensure goods and supplies keep flowing throughout the region.



What We Do

For nearly 100 years, we've played a pivotal role in moving and growing the region.

[Learn More](#)



Creating stability across the organization

Keeping employees engaged and productive



Acknowledge uncertainties and move quickly to action

- Formal agency communication everyday – we are #PAStrong
- Senior leaders performing personal outreach including Chairman
- Telling success stories about how employees are getting the business done and looking out for each other in this crisis
- Live informational meetings with Chief Medical Officer & CHRO
- Established a 24/7 HR hotline to answer employee questions

Lessons learned

- Be authentic - You have to be a real person to make a real connection
- Manage the talk / listen ratio
- Be willing to act without unnecessary planning
- Stay calm but flexible to help the organization shift gears



Employee safety and wellbeing

Leaders need to meet employees where they are & understand their concerns

Everyone goes through the curve.

Where are you?



Reference: Kubler-Ross



Employee safety and wellbeing

Fulfill basic needs so employees can successfully focus on the business

Know what matters to your employees

- 70% staff are essential employees - 30% working remotely
- Reduce exposure with flex staffing, staggered hours, A & B teams
- First responders, public facing employees have appropriate protection
- Benefit changes to make seeking medical help easy
- Provided around the clock employee assistance programs

Lessons learned

- Time pressure is extreme
- Treat people with respect - be direct and truthful even when its bad news
- Remind each other to sleep, relax, exercise, and laugh



Planning for the “Newest Normal”

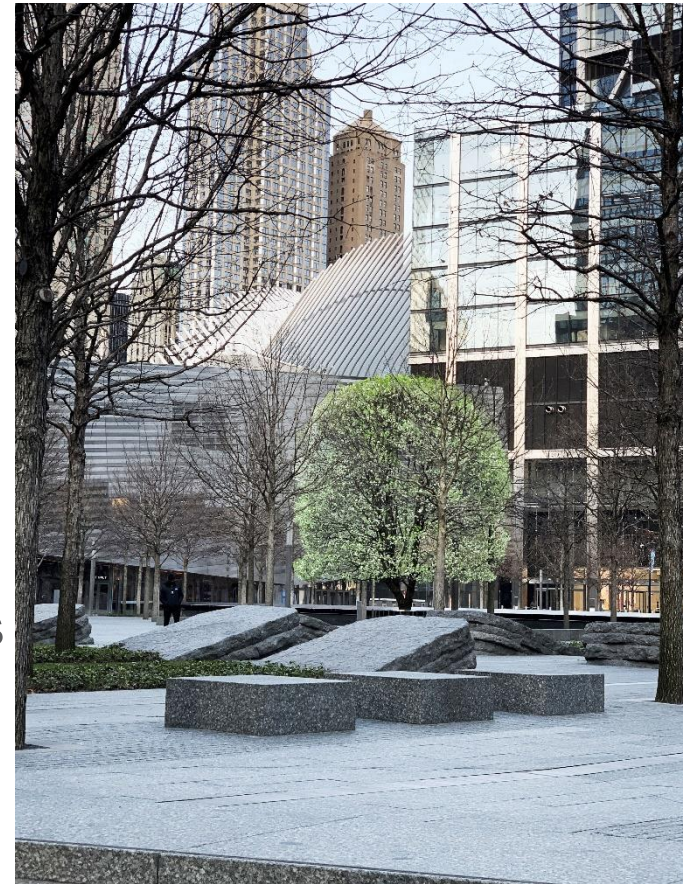
How to help the organization recover momentum and confidence

All gears have to move together

- Protect the agency’s economic health
- Rebalance pre-crisis priorities
- Socialize return to work strategies
- Capitalize on changes to the business
- Identify emerging leaders - emergency succession

Lessons learned

- Ensure clarity around the mission & values
- Stay positive and persistent in the face of adversity
- Create an optimistic future where possible



COVID-19 Research and Recommendations for the Human Capital Profession

Insights From The Conference Board: Human Capital Management During COVID-19

- 1. Compensation & Benefits Strategies to Help Employees Navigate through the New Challenges**
2. Finding Innovative Alternatives to Layoffs
3. Conducting Compassionate Layoffs
4. Addressing Stigma and Discrimination during Times of Crisis



Compensation & Benefits Strategies to Help Employees Navigate through the New Challenges

Expanding PTO

- Expanding carryover period from the previous year or taking next year's PTO in advance
- To keep track, some companies made new time codes for COVID related PTO

PTO Banking

- Allow coworkers across the organization to donate unused or unwanted PTO to a group stockpile

Backup Dependent Care

- Backup child/elderly care if normal arrangements can't be made
- Ease stress on front line workers

Recognition Pay

- To recognize the challenges faced by mission critical/essential workers (i.e. childcare, health risks, transportation etc.)
- Techniques range from increasing hourly wage to flat bonus at the end of the week



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Finding Innovative Alternatives to Layoffs

Conduct scenario planning early

- Develop different scenarios to help inform both short-term and long-term workforce plans

Reduce non-essential costs

- Eliminate or suspend discretionary expense (i.e. nonessential travel, renegotiating contracts with vendors, reducing company investments)

Consider alternative sources of work pay

- CARES Act (government stimulus bill) provides available pool of funds totaling \$500b to corporations; \$350b for small businesses with fewer than 500 employees

Freeze non-essential hiring

- It's common for organizations to stop hiring for nonessential positions during economic downturns

Defer merit pay raises & promotions

- Postponing merit-based salary increases and promotions is one of the most immediate and common measures organizations can take

Use PTO benefits first

- Encourage employees who cannot work from home to use PTO benefits (e.g., vacation, sick days) for their absence to avoid or at least delay furloughs

Reduce pay temporarily

- Implement temporary base pay reduction for all employees, either through sweeping salary cuts or shortened workweeks

Embrace job sharing

- Short-term work-sharing programs are well targeted for temporary economic disruptions

Encourage voluntary leave

- Voluntary leave programs help alleviate financial problems immediately

Consider short furloughs (with benefits)

- Organizations that need to close temporarily should consider implementing short furloughs with benefits for a quicker restart when the upswing begins



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Conducting Compassionate Layoffs

Before Layoffs

- Leverage workforce planning
- Communicate all other measures have been taken
- Implement temporary furloughs (w/ benefits)
- Provide training for HR & managers

During Layoffs

- Demonstrate compassion to laid off employees
- Provided financial, health care and/or career assistance to laid off employees

After Layoffs

- Provide ongoing support as appropriate
- Care for & engage remaining staff



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Addressing Stigma & Discrimination during Times of Crisis

For Organizations

- Provide people managers with information and tools to address stigma and discrimination with teams
- Empower employees to speak up and engage those willing to help create a sense of community
- Reiterate zero tolerance discrimination policies

For Leaders and People Managers

- Increase number of opportunities for checking in with employees
- Proactively communicating with your team about the importance of workplace inclusion and respect
- Act as an “upstander,” not a bystander

For Employees and Workers

- Be willing to engage in authentic conversations about difficult topics
- Be proactive in building connections with coworkers and reaching out to see how others are doing
- “Emotionally proofread” and check the tone of online communications

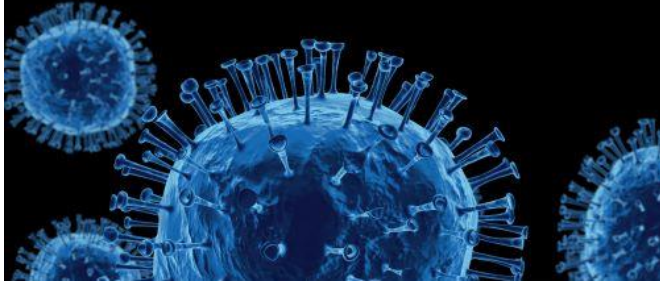


Discussion



CORONAVIRUS

IMPLICATIONS FOR BUSINESS



We Need Your Input!

We are requesting your input to our short survey on recruitment, retention, and company performance.

Impact of COVID-19 on Recruitment, Retention, and Company Performance in the US

Business and government leaders need a clearer understanding of how the COVID-19 pandemic will impact the workforce in the US.

[Click HERE](#) to complete the survey

As an HR leader, your unique insights are vital in keeping both the business community and government leaders apprised of a rapidly changing business environment.



Our Next Human Capital Watch™ webcast: Human Capital Professionals' Responses to COVID-19, Part II

May 20, 2020

Click [here](#) to register for this webcast or [here](#) to sign up for the entire Human Capital Watch series

Speaker



Rebecca L. Ray, Ph.D.
Executive Vice President,
Human Capital
The Conference Board





Human Capital Insights

A new podcast series brought to you
by The Conference Board Human
Capital Center

The Conference Board Insights podcast series helps talent executives address challenges and stay informed about current issues across the entire spectrum of human capital

Click [here](#) for a complete listing of all of our Insights podcasts or check out our entire podcast lineup at www.conference-board.org/podcasts



Feedback? Suggestions? How Can We Help You?

Thanks for being with us; be sure to tell your colleagues about next month's webcast

Do you have suggestions for future topics? Please feel free to contact Rebecca Ray at: Rebecca.Ray@conference-board.org

And remember to [Sign up](#) for 2020 Email Reminders

