The WorldatWork COVID-19 Employer Response Survey

April 2020
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WorldatWork invited its broader membership and customer base to participate in an electronic survey. Email invitations were sent directly to participants on 3/31/2020 and results were collected over a 5-day period.

A total of 1,510 responses were received, representing organizations of different sizes and across multiple industries. Results have not been weighted, but respondent profiles have been included to assist with interpretation of results. Results are skewed to be more representative of mid-large employers, but statistical differences have been highlighted when present.

The survey has a 3% overall margin of error at a confidence level of 95%. The error rate was based on how representative the results are for medium-large organizations.

Sample sizes vary by question. Please note that statistical reliability will fluctuate based on sample sizes.
Key Findings

- Over a third of participating organizations stated they will provide full pay for employees unable to work due to illness/caregiving needs.
- Among organizations making plan changes, waiving co-payments/deductibles was most frequently cited.
- Most organizations are not offering additional support to those in caregiver roles or hazard pay.
- Over half of the organizations surveyed are already making changes to staff/operational hours.
- Organizations that are implementing layoffs/furloughs are optimistic that they will be able to return to normal in less than 3 months.
- Most organizations that have open office space are not planning on changes; however, the vast majority of organizations that had plans to transition to an open office format have temporarily/permanently paused plans.
- There has been a 415% increase in the percent of employees working remotely part or full-time.
- Most organizations are sending frequent (daily or every few days) COVID-19 related communications to associates.
- Respondents indicated associates are highly interested in company financial information, but only a third of organizations are providing that information.
Benefits/Pay
Over a third of participating organizations stated they will provide full pay for employees unable to work due to illness/caregiving needs

What approach has your organization taken to pay impacted employees who remain employed with the organization but are not able to work or telework due to illness or caregiving needs? Please select all that apply.

- 47% Apply applicable existing leave policy or benefit
- 45% Apply applicable new leave policy or benefit
- 37% Provide full salary continuation
- 8% Provide partial salary continuation
- 13% Other

n = 1,279
Most organizations are focused on communicating existing benefit info, though some are making changes

Currently, which of the following benefit actions is a focus for your organization? Please select all that apply.

- Communicating existing programs: 93%
- Making plan changes/increase access: 36%
- Creating/providing additional resources to at-risk populations: 26%
- Validating actively at work clauses: 11%

Employers with 1,000 or more employees are more likely to be making changes.

n = 1,150
Among organizations making plan changes, waiving co-payments/deductibles was most frequently cited

What plan changes/increasing access are being made? Please select all that apply.

- Non-profit organizations are more likely to waive co-payments/deductibles
- Organizations with fewer than 100 employees are more likely to waive out of network provisions

<table>
<thead>
<tr>
<th>Plan Change</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Waiving co-payments or deductibles</td>
<td>60%</td>
</tr>
<tr>
<td>Implementing telemedicine, if not in place</td>
<td>30%</td>
</tr>
<tr>
<td>Change in prescription access (e.g. home delivery)</td>
<td>30%</td>
</tr>
<tr>
<td>Mail order limit changes</td>
<td>28%</td>
</tr>
<tr>
<td>Network expansions</td>
<td>19%</td>
</tr>
<tr>
<td>Waiving out of network</td>
<td>15%</td>
</tr>
<tr>
<td>Formulary updates</td>
<td>14%</td>
</tr>
<tr>
<td>Other</td>
<td>14%</td>
</tr>
</tbody>
</table>

n = 337

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The majority of participating organizations do not have plans for additional hazard/battle pay

Is your organization planning incentives/spot bonuses (battle pay/hazard pay) for employees that are required to work on-site during the pandemic?

<table>
<thead>
<tr>
<th>Percentage</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>65%</td>
<td>No, not planned</td>
</tr>
<tr>
<td>5%</td>
<td>No, no cash-actions planned, but perks (meals, daycare, etc.) instead</td>
</tr>
<tr>
<td>8%</td>
<td>Yes, cash incentives that are a flat dollar amount</td>
</tr>
<tr>
<td>10%</td>
<td>Yes, cash incentives that are tied to hours/shifts worked</td>
</tr>
<tr>
<td>5%</td>
<td>Yes, cash incentives that are based on another formula (e.g. percentage of salary)</td>
</tr>
<tr>
<td>8%</td>
<td>Other</td>
</tr>
</tbody>
</table>

- Retail and healthcare workers are most likely to receive some form of hazard pay,
  - 46% retail organizations
  - 29% of healthcare/pharmaceutical organizations

n = 1,168
The majority of organizations have already paid or are still planning to move forward with salary increases.

How is your organization moving forward with planned salary increases in the next three to six months?

- Private sector/publicly traded companies are more likely to have already paid out salary increases vs. government and non-profit organizations.

<table>
<thead>
<tr>
<th>Response</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>We have already paid out salary increases in 2020</td>
<td>35%</td>
</tr>
<tr>
<td>We haven't paid out yet, but are still planning to pay out salary increases in 2020</td>
<td>21%</td>
</tr>
<tr>
<td>We are on hold and waiting to decide</td>
<td>21%</td>
</tr>
<tr>
<td>We are cancelling our plans to pay out salary increases in 2020</td>
<td>6%</td>
</tr>
<tr>
<td>We had no plan to pay out salary increases</td>
<td>3%</td>
</tr>
<tr>
<td>We don't know yet</td>
<td>14%</td>
</tr>
</tbody>
</table>

n = 1,176
Most organizations are not offering additional support to those in caregiver roles

How is your organization supporting (beyond pay initiatives) those in caregiving roles? Please select all that apply.

- We are not offering additional support to those in caregiving roles: 60%
- Designing resources for those who are struggling to work remote while caring for others: 23%
- Access to or subsidy for daycare needs: 11%
- Providing partial or full expense reimbursement for those who are required to work: 4%

n = 1,104
Aside from promoting EAP resources, employers are sharing tips on well-being and virtual socialization.

What is your organization doing to support worker well-being, whether actively working or not? Please select all that apply.

- Promotion of EAP resources: 70%
- Sharing tips for physical and emotional well-being: 68%
- Encourage social connection (while maintaining physical distance): 55%
- Encourage physical activity: 47%
- Focus on social connection through work forums (less focus on productivity): 39%
- Leadership accountability to be tuned into staff well-being: 38%
- Make tools available for virtual workouts, yoga, mindfulness, etc. from home: 31%
- We have not taken additional steps to support worker well-being: 11%
- Other: 1%

n = 1,146
Most organizations are not providing financial relief programs beyond mandated leaves/pay policies

What financial relief programs (beyond mandated leaves or pay policies) is your organization doing to support worker financial well-being, whether actively working or not? Please select all that apply.

- We are not implementing additional relief programs: 69%
- Free resources (e.g. hand sanitizer): 17%
- Other: 8%
- Waive or subsidize premiums for benefit programs: 7%
- Employee loan programs: 4%
- Grocery delivery services: 2%
- Providing free daycare vouchers: 1%
As expected, most travel plans have been suspended, but most have not frozen employee learning and development budgets.

How are professional growth and travel plans being impacted by the pandemic? Please select all that apply.

- Travel bans, except critical needs: 86%
- Freezing/limiting conference travel (for staff): 74%
- Non-essential projects are delayed: 55%
- Freezing/limiting educational resource/plans (for staff): 29%

n = 1,125
In general, respondents felt their organization is prioritizing workers, or balancing needs equally

How do you feel your organization is balancing the needs of employees versus the need to generate revenue/profit?

- Government/non-profits were more likely to say they were prioritizing workers

n = 1,490
Workforce Planning
Over half of the organizations surveyed are already making changes to staff/operational hours

If your organization is planning any of the following, please tell us the initiatives you plan to implement. Please select all that apply.

- Hiring freeze, except critical roles: 72%
- Furlough: 39%
- Layoff: 25%
- Shift to more ongoing virtual work: 22%
- Better workforce continuity planning: 22%
- More rotational staffing options: 20%
- Partial business closure: 18%
- Organizational redesign: 13%
- Investment in more automation: 8%
- Full business closure: 3%

n = 819
Organizations are already taking action; however, many organizations stated they won’t start layoffs/furlough activities for another 30-60 days.

Please tell us when you anticipate implementing the initiatives.

<table>
<thead>
<tr>
<th>Initiative</th>
<th>Already in progress</th>
<th>One to two months</th>
<th>Two to three months</th>
<th>Three to four months</th>
<th>Four or more months</th>
</tr>
</thead>
<tbody>
<tr>
<td>Hiring freeze, except critical roles</td>
<td>90%</td>
<td></td>
<td></td>
<td></td>
<td>8%</td>
</tr>
<tr>
<td>Partial business closure</td>
<td>79%</td>
<td></td>
<td></td>
<td></td>
<td>13% 5%</td>
</tr>
<tr>
<td>Better workforce continuity planning</td>
<td>73%</td>
<td></td>
<td></td>
<td></td>
<td>12% 5% 5%</td>
</tr>
<tr>
<td>Investment in more automation</td>
<td>72%</td>
<td></td>
<td></td>
<td></td>
<td>8% 6% 11%</td>
</tr>
<tr>
<td>Full business closure</td>
<td>70%</td>
<td></td>
<td></td>
<td></td>
<td>15% 10%</td>
</tr>
<tr>
<td>More rotational staffing options</td>
<td>67%</td>
<td>24%</td>
<td></td>
<td></td>
<td>60%</td>
</tr>
<tr>
<td>Furlough</td>
<td>56%</td>
<td>33%</td>
<td></td>
<td></td>
<td>8%</td>
</tr>
<tr>
<td>Layoff</td>
<td>55%</td>
<td>26%</td>
<td></td>
<td></td>
<td>11%</td>
</tr>
<tr>
<td>Organizational redesign</td>
<td>44%</td>
<td>28%</td>
<td></td>
<td></td>
<td>17% 5%</td>
</tr>
</tbody>
</table>

n = 819

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Organizations are optimistic that furloughs and closures will last less than three months

Of the initiatives you have in place or expect to implement, for how long do you expect each will last?

- **Furlough**: 50% one to two months, 33% two to three months, 12% three to four months, 5% four or more months
- **Partial business closure**: 48% one to two months, 37% two to three months, 7% three to four months, 7% four or more months
- **Full business closure**: 47% one to two months, 37% two to three months, 11% three to four months, 5% four or more months
- **More rotational staffing options**: 33% one to two months, 42% two to three months, 15% three to four months, 11% four or more months
- **Layoff**: 29% one to two months, 28% two to three months, 15% three to four months, 29% four or more months
- **Hiring freeze, except critical roles**: 21% one to two months, 36% two to three months, 20% three to four months, 24% four or more months
- **Organizational redesign**: 17% one to two months, 28% two to three months, 8% three to four months, 47% four or more months
- **Investment in more automation**: 16% one to two months, 6% two to three months, 11% three to four months, 67% four or more months
- **Better workforce continuity planning**: 14% one to two months, 30% two to three months, 12% three to four months, 45% four or more months

n = 819
Performance Metrics
Most organizations are still not sure whether performance metrics will be adjusted due to COVID-19

Are you adjusting performance metrics in your annual incentive compensation plan(s) in response to COVID-19 and economic uncertainty?

<table>
<thead>
<tr>
<th>Option</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>We are still in the process of setting performance metrics</td>
<td>21%</td>
</tr>
<tr>
<td>Yes - we've lowered performance hurdle(s) previously set</td>
<td>2%</td>
</tr>
<tr>
<td>Yes - we've added new performance metric(s)</td>
<td>1%</td>
</tr>
<tr>
<td>Yes - we've added a discretionary component</td>
<td>1%</td>
</tr>
<tr>
<td>We are considering but have not yet decided</td>
<td>42%</td>
</tr>
<tr>
<td>We considered, decided not to adjust now, but plan to revisit later</td>
<td>12%</td>
</tr>
<tr>
<td>We considered and/or we will not adjust</td>
<td>11%</td>
</tr>
<tr>
<td>Other</td>
<td>9%</td>
</tr>
</tbody>
</table>

n = 1,137
Among those adjusting annual incentive plan metrics, company performance was the most cited adjustment.

What metrics are being adjusted in your organization’s annual incentive compensation plan(s)? Please select all that apply.

- Metrics are not being adjusted: 39%
- Overall organization financial performance: 31%
- Department or organizational unit performance: 14%
- Discretionary: 13%
- Quantity: 10%
- Efficiency: 8%
- Quality: 7%
- Other: 17%

n = 957
Office Planning
The number of organizations with employees working remotely (part or full-time) has already increased by 415% and could increase further before the COVID-19 pandemic ends.

Prior to the COVID-19 pandemic, approximately what percent of employees worked remotely?

13%

n = 1,328

What percent of employees at your organization are currently working remotely?

67%

n = 1,325
Prior to the COVID-19 outbreak most office space was mixed, 25% was traditional format, and 21% open format

Do you have an open office space or traditional cubicle style office space?

- Government employers are more likely to have traditional space, while the private sector had a higher incidence of open office format

- Mixed office format (e.g. private offices for leadership, barrier-free workspaces for all else)
- Traditional office format (private offices/areas to work)
- Open office format (few barriers between departments and desks)

n = 1,237
Organizations currently operating in an open office format mostly plan on keeping existing office design

How, if at all, has COVID-19 impacted your plans for workspaces?

- No impact at all: 70%
- Considering providing more space between associates: 12%
- Considering cubicles or other barriers to provide protection: 4%
- Other: 14%

n = 250
Organizations planning to transition to an open office format are pausing plans

Prior to the COVID-19 pandemic, was your organization planning to transition into an open office format?

• Among the organizations without an open office format, 12% indicated they are planning to transition

How has the pandemic impacted plans transitioning to open office space?

• The majority of organizations that had planned to switch format have decided to pause or cancel plans

We are pausing our transition plans until the pandemic is over 51%
No change, we are still planning to transition 46%
We are cancelling our plans to transition into an open office format 3%

n = 975
n = 119
Most organizations are expecting to be back to normal operations by summer

Based on everything we know at this point, when does your organization plan on resuming “normal” operations?

- Retail was more likely to indicate they plan on returning to work in April vs. other industries (14% vs. 6% average)
- Smaller companies are more likely to currently be operating normally vs. larger organizations (18% among companies with less than 100 employees)

n = 1,478
Organizations are keeping/introducing regular team meetings and 1:1’s, and virtual social events are becoming popular

*How is your organization building or keeping up employee culture during this period?*

<table>
<thead>
<tr>
<th>Activity</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Continuing or establishing regular team meetings</td>
<td>87%</td>
</tr>
<tr>
<td>Encouraging use of or establishing platform collaboration tools (e.g. Slack, Zoom)</td>
<td>77%</td>
</tr>
<tr>
<td>Continuing or establishing one-on-one meetings</td>
<td>71%</td>
</tr>
<tr>
<td>Virtual social events (e.g. happy hours)</td>
<td>34%</td>
</tr>
<tr>
<td>Other</td>
<td>4%</td>
</tr>
</tbody>
</table>

n = 1,083
Communication
The majority of organizations are sending out COVID-19 related communications daily or every few days

How frequently is your organization communicating to employees regarding COVID-19?

- Daily: 35%
- Every few days: 32%
- Once a week: 19%
- Every other day: 11%
- Less than once per week: 3%
- Not currently sending any communications related to COVID-19: 1%

Large organizations are more likely to send daily communications.

n = 1,271
Email and virtual meetings are cited as the most effective way of communicating COVID-19 information.

How would you rate the effectiveness of the communications method you use?

<table>
<thead>
<tr>
<th>Method</th>
<th>Effective</th>
<th>Neutral</th>
<th>Ineffective</th>
<th>N/A</th>
</tr>
</thead>
<tbody>
<tr>
<td>Email</td>
<td>89%</td>
<td></td>
<td>9%</td>
<td>2%</td>
</tr>
<tr>
<td>Virtual meetings</td>
<td>81%</td>
<td></td>
<td>7%</td>
<td>11%</td>
</tr>
<tr>
<td>Platform collaboration tools (e.g. Zoom)</td>
<td>65%</td>
<td>10%</td>
<td>2%</td>
<td>24%</td>
</tr>
<tr>
<td>Intranet</td>
<td>63%</td>
<td>17%</td>
<td>4%</td>
<td>15%</td>
</tr>
<tr>
<td>Executive presentations</td>
<td>54%</td>
<td>12%</td>
<td>2%</td>
<td>32%</td>
</tr>
<tr>
<td>Text</td>
<td>28%</td>
<td>12%</td>
<td>2%</td>
<td>59%</td>
</tr>
</tbody>
</table>

n = 1,257
Health tips, benefit info, and remote work tips are the types of information shared most frequently

What type(s) of information are you sharing with your employees? Please select all that apply.

- Health tips: 84%
- Company benefit information: 81%
- Work from home tips: 78%
- Government reports and guidance: 73%
- Motivational articles/messages: 54%
- Resources (e.g. list of open stores): 40%
- Company financial information: 33%
- Personal finance guidance/tips: 19%
- Other: 5%

• Most organizations are not sharing company financial information

n = 1,267
Company financial information is of high interest among employees, but is not frequently shared

Of the information your organization communicates, please rank which drives the most interest among your employee population?

<table>
<thead>
<tr>
<th>Rank</th>
<th>Category</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Company benefit information</td>
</tr>
<tr>
<td>2</td>
<td>Government reports and guidance</td>
</tr>
<tr>
<td>3</td>
<td>Company financial impact/planning information</td>
</tr>
<tr>
<td>4</td>
<td>Work from home tips/adjusting to the change</td>
</tr>
<tr>
<td>5</td>
<td>Health tips</td>
</tr>
<tr>
<td>6</td>
<td>Motivational articles/encouraging messages</td>
</tr>
<tr>
<td>7</td>
<td>Resources (e.g. list of open stores, care options)</td>
</tr>
<tr>
<td>8</td>
<td>Personal finance guidance/tips</td>
</tr>
</tbody>
</table>

n = 1,140
EAP, telemedicine, and coverage are the biggest focus areas when communicating benefits to employees

Which existing programs are being communicated? Please select all that apply.

- EAP: 83%
- Telemedicine: 82%
- Covered medical and mental health services: 63%
- 24-hour nurse line: 35%
- Access to urgent care: 31%
- Prescription fulfillment: 29%
- Dependent care claims process: 16%
- Network limitations: 14%
- Other: 3%

- Companies with more than 100 employees are more likely to offer telemedicine, EAP, and dependent care claims process.

n = 1,039
Respondent Profile
Company Sector

Your organization is:

- Private, publicly traded: 35%
- Private, privately-held: 40%
- Government/Public sector: 8%
- Nonprofit/Not-for-profit: 17%

n = 1,510
# Company Industry and Size

**Under which industry does your organization fall?**

<table>
<thead>
<tr>
<th>Industry</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Manufacturing</td>
<td>17%</td>
</tr>
<tr>
<td>Healthcare/pharma</td>
<td>14%</td>
</tr>
<tr>
<td>Financial services</td>
<td>13%</td>
</tr>
<tr>
<td>Consulting/professional...</td>
<td>8%</td>
</tr>
<tr>
<td>Information technology</td>
<td>7%</td>
</tr>
<tr>
<td>Energy</td>
<td>6%</td>
</tr>
<tr>
<td>Retail</td>
<td>5%</td>
</tr>
<tr>
<td>Other</td>
<td>23%</td>
</tr>
</tbody>
</table>

*Only industries with at least 5% of responding organizations are listed here.*

**How many full-time equivalent (FTE) employees does your organization have?**

<table>
<thead>
<tr>
<th>Employee Count</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>40,000 or more employees</td>
<td>9%</td>
</tr>
<tr>
<td>10,000 to 39,999</td>
<td>18%</td>
</tr>
<tr>
<td>1,000 to 9,999</td>
<td>42%</td>
</tr>
<tr>
<td>100 to 999</td>
<td>24%</td>
</tr>
<tr>
<td>Fewer than 100 employees</td>
<td>8%</td>
</tr>
</tbody>
</table>

*n = 1,510*
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