Employer Response to COVID-19 Update Survey

October 2020
Content Directory

Methodology ................................................................. 2
Key Findings ................................................................. 3
Benefits/Pay ................................................................. 4
Workforce Planning ......................................................... 13
Office Planning ............................................................. 17
Communication ............................................................. 23
Respondent Profile/Contact Info ........................................ 27
WorldatWork, in partnership with Salary.com, invited its broader membership and customer base to participate in an electronic survey. Email invitations were sent directly to participants on 9/02/2020 and results were collected over a 22-day period.

A total of 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

• Since the beginning of the pandemic, there has been a directional shift in the prioritization of revenue over employees, although the majority of companies continue to balance both needs

• The percentage of organizations offering hazard pay has slightly increased since April, but trends suggest this effort may have peaked unless another significant wave of COVID-19 surges

• Companies are somewhat split around their concern about their ability to maintain a competitive compensation position

• Sharing company financial information has significantly increased

• Promoting EAP resources and sharing tips for emotional/physical wellness are common approaches for organizations supporting worker well-being
  • In April, only 40% of companies indicated they are offering new benefits to help employees during the pandemic, but now 70% of organizations indicate they are providing new benefits, and of those new benefits, 67% of organizations have introduced flexible work scheduling to support caregivers

• Extreme increase in remote work since the pandemic has occurred, while about half of responding organizations have reported decreases in hiring
  • Nearly 9 in 10 remote workers indicate they are doing so full-time

• 96% of companies using open office design indicated they are making changes due to the pandemic, with the most popular being reducing the amount of employees in office (cited by 79%)
Benefits/Pay
While most organizations balance employee and revenue needs equally, one third prioritize workers

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

- We are only prioritizing workers
- We are mostly prioritizing workers
- We are somewhat prioritizing workers
- We are balancing the needs equally
- We are somewhat prioritizing revenue/profit
- We are mostly prioritizing revenue/profit
- We are only prioritizing revenue/profit

April 2020 (n=1,490)  September 2020 (n=510)
More than a third of employers utilize incentives to reward on-site workers

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

<table>
<thead>
<tr>
<th>Response</th>
<th>April 2020 (n=1,168)</th>
<th>September 2020 (n=449)</th>
</tr>
</thead>
<tbody>
<tr>
<td>No, we have not paid incentives/spot bonuses</td>
<td>5%</td>
<td>4%</td>
</tr>
<tr>
<td>No, no cash-actions planned, but perks (meals, daycare, etc.) instead</td>
<td>8%</td>
<td>11%</td>
</tr>
<tr>
<td>Yes, cash incentives that are a flat dollar amount</td>
<td>10%</td>
<td>12%</td>
</tr>
<tr>
<td>Yes, cash incentives that are tied to hours/shifts worked</td>
<td>5%</td>
<td>4%</td>
</tr>
<tr>
<td>Yes, cash incentives that are based on another formula (e.g. percentage of salary)</td>
<td>8%</td>
<td>7%</td>
</tr>
<tr>
<td>Other</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

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38% of organizations recently paid bonuses or are providing on an ongoing basis

When did your organization last provide incentives/spot bonuses to employees that are required to work on-site during the pandemic?

<table>
<thead>
<tr>
<th>Description</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>The incentives/spot bonuses are ongoing and given regularly</td>
<td>26%</td>
</tr>
<tr>
<td>We last provided incentives/spot bonuses within the past 30 days</td>
<td>12%</td>
</tr>
<tr>
<td>We last provided incentives/spot bonuses more than 30 days ago, but less</td>
<td>17%</td>
</tr>
<tr>
<td>than 60 days</td>
<td></td>
</tr>
<tr>
<td>We last provided incentives/spot bonuses more than 60 days ago, but less</td>
<td>32%</td>
</tr>
<tr>
<td>than 90 days</td>
<td></td>
</tr>
<tr>
<td>We last provided incentives/spot bonuses more than 90 days</td>
<td>13%</td>
</tr>
</tbody>
</table>

n = 114
Organizations are not too concerned in their ability to maintain a competitive position to retain and attract talent

How concerned is your organization in their ability to maintain a compensation position that is sufficiently competitive to retain and attract talent?

- Not at all concerned: 21%
- Slightly concerned: 31%
- Somewhat concerned: 24%
- Moderately concerned: 16%
- Extremely concerned: 7%

n = 510
Organizations are having a harder time finding compensation trend data

How challenging is it to find current data sources to reflect trends in compensation?

- Very challenging: 24%
- Somewhat challenging: 48%
- Not at all challenging: 19%
- Not sure/have not looked: 10%

n = 439
Promoting EAP resources remain commonplace for organizations supporting worker well-being

Is your organization doing any of the following to support worker well-being in a COVID-19 world? Please select all that apply.

<table>
<thead>
<tr>
<th>Activity</th>
<th>April 2020 (n=1,146)</th>
<th>September 2020 (n=439)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Promoting EAP resources</td>
<td>70%</td>
<td>76%</td>
</tr>
<tr>
<td>Sharing tips for emotional well-being*</td>
<td>n/a</td>
<td>74%</td>
</tr>
<tr>
<td>Sharing tips for physical well-being*</td>
<td>n/a</td>
<td>71%</td>
</tr>
<tr>
<td>Encouraging physical activity</td>
<td>47%</td>
<td>54%</td>
</tr>
<tr>
<td>Encouraging social connection</td>
<td>55%</td>
<td>54%</td>
</tr>
<tr>
<td>Making tools available for virtual workouts, etc. from home</td>
<td>31%</td>
<td>42%</td>
</tr>
<tr>
<td>Focusing on social connection through work forums</td>
<td>39%</td>
<td>32%</td>
</tr>
<tr>
<td>Leadership has increased accountability for staff well-being</td>
<td>38%</td>
<td>30%</td>
</tr>
<tr>
<td>We are not taking additional steps</td>
<td>11%</td>
<td>10%</td>
</tr>
<tr>
<td>Other</td>
<td>1%</td>
<td>3%</td>
</tr>
</tbody>
</table>

Answer options added in September 2020 noted with asterisk
In April, only 40% of companies indicated they were offering new caregiving benefits, but now 70% are doing so.

Has your organization introduced new benefits to support those in caregiving roles because of COVID-19? Please select all that apply.

<table>
<thead>
<tr>
<th>Benefit</th>
<th>April 2020 (n=1,104)</th>
<th>September 2020 (n=438)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Flexible work scheduling*</td>
<td>n/a</td>
<td>67%</td>
</tr>
<tr>
<td>We are <strong>not</strong> offering additional support</td>
<td>60%</td>
<td>30%</td>
</tr>
<tr>
<td>Designing resources for those struggling to work remote</td>
<td>23%</td>
<td>19%</td>
</tr>
<tr>
<td>Providing additional PTO specifically for childcare*</td>
<td>n/a</td>
<td>12%</td>
</tr>
<tr>
<td>Access to or subsidy for daycare needs</td>
<td>11%</td>
<td>7%</td>
</tr>
<tr>
<td>Education support for remote learning*</td>
<td>n/a</td>
<td>6%</td>
</tr>
<tr>
<td>Providing partial or full expense reimbursement</td>
<td>4%</td>
<td>2%</td>
</tr>
<tr>
<td>Creating an on-site daycare*</td>
<td>n/a</td>
<td>1%</td>
</tr>
<tr>
<td>Providing or reimbursing school related transportation expenses*</td>
<td>n/a</td>
<td>1%</td>
</tr>
<tr>
<td>Other</td>
<td>13%</td>
<td>7%</td>
</tr>
</tbody>
</table>

Answer options added in September 2020 noted with asterisk.
Business travel will continue to be limited

73% of respondents say:

“travel is limited today, and we expect this to continue for at least the next six months.”

n = 436
Workforce Planning
Extreme increase in remote work since the pandemic, while hiring has decreased by nearly half

How has COVID-19 affected staffing at your organization?

<table>
<thead>
<tr>
<th>Temporary layoffs (i.e. furloughs)</th>
<th>Permanent layoffs</th>
<th>Temporary hiring</th>
<th>Permanent hiring</th>
<th>Temporary remote work</th>
<th>Permanent remote work</th>
</tr>
</thead>
<tbody>
<tr>
<td>Increased</td>
<td>Stayed about the same</td>
<td>Decreased</td>
<td>N/A</td>
<td>Increased</td>
<td>Stayed about the same</td>
</tr>
<tr>
<td>10%</td>
<td>16%</td>
<td>29%</td>
<td>49%</td>
<td>5%</td>
<td>24%</td>
</tr>
<tr>
<td>60%</td>
<td>54%</td>
<td>28%</td>
<td>7%</td>
<td>11%</td>
<td>23%</td>
</tr>
</tbody>
</table>

n = 510
Most companies shifting employees to permanent remote work due to the pandemic are not reducing pay

For employees that have shifted to permanent remote work due to COVID-19, have there been associated pay reductions?

- Yes: 4%
- No: 96%

n = 428
Organizations have started restoring pay for those employees taking a temporary cut

Were employees at your organization asked to take a temporary or permanent salary cut because of COVID-19?  
- Yes: 22%  
- No: 78%

Of those employees asked to take a temporary salary cut, has your organization begun restoring pay?  
- Yes: 61%  
- No: 39%

n = 450  
n = 98
Office Planning
The increase in remote work due to the pandemic is beginning to level off

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

What percent of employees at your organization are working remotely in April 2020?

What percent of employees at your organization are working remotely in September 2020?

13%  
(n = 1,328)

67%  
(n = 1,325)

62%  
(n = 491)
Nearly 9 in 10 remote workers are doing so full-time

Of those workers currently participating in remote work, what percentage are doing so full-time vs. part-time?

- Full-time: 87%
- Part-time: 13%

n = 413
Fewer companies are providing open office spaces

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

- Mixed office format (e.g. private offices for leadership, barrier-free workspaces for everyone else)
  - April 2020 (n=1,237): 55%
  - September 2020 (n=395): 60%

- Traditional office format (private offices/areas to work)
  - April 2020 (n=1,237): 25%
  - September 2020 (n=395): 26%

- Open office format (few barriers between departments and desks)
  - April 2020 (n=1,237): 21%
  - September 2020 (n=395): 14%
Of those using open office format, the vast majority are making adjustments for safety

How, if at all, has COVID-19 impacted your open office design? Please select all that apply.

- We are planning for fewer employees in the office at any one time* - 79%
- We are providing more space between associates - 46%
- We are installing cubicles or other barriers to provide protection - 30%
- No impact at all - 4%
- Other - 16%

n = 56

Answer options added in September 2020 noted with asterisk
Virtual social events are on the rise

Is your organization currently doing any of the following? Please select all that apply.

- Continuing or establishing regular team meetings: 87% (April 2020), 85% (September 2020)
- Encouraging use of or establishing platform collaboration tools (e.g. Slack, Zoom): 77% (April 2020), 81% (September 2020)
- Continuing or establishing one-on-one meetings: 71% (April 2020), 73% (September 2020)
- Virtual social events: 34% (April 2020), 56% (September 2020)
- Virtual well-being classes*: 37% (April 2020)

Note: About 4% of organizations reported not doing any of these activities, while another 3% mentioned they are doing other related activities not listed.

* Answer options added in September 2020 noted with asterisk
Communication
Significant increase in the percentage of organizations sharing company financial information with employees

What type(s) of information are you sharing with your employees regarding COVID-19? Please select all that apply.

- Company benefit information: 81%, 86%
- Health tips: 84%, 83%
- Work from home tips/adjusting to the change: 78%, 77%
- Government reports and guidance: 73%, 2%
- Motivational emails, etc.: 54%, 62%
- Company financial information: 57%, 33%
- Resources: 40%, 42%
- Personal finance guidance/tips: 19%, 30%
- Other: 5%, 6%

April 2020 (n=1,267)  September 2020 (n=449)
Of the 31% of organizations reimbursing expenses for pandemic-related remote work, general office supplies are most often reimbursed.

Is your organization reimbursing expenses related to working from home during the COVID-19 pandemic?

- April 2020 (n=83): 74% Yes, 25% No
- September 2020 (n=397): 70% Yes, 31% No

What expenses are you reimbursing? Please select all that apply.

- General office supplies: 60%
- Internet service: 38%
- Office furniture: 33%
- Cell phone service: 30%
- Landline phone service: 3%
- Other: 21%

n = 121
Companies are planning to provide PPE and policies for potentially sick employees for office re-entry

Which of the following, if any, is your organization planning? Please select all that apply.

<table>
<thead>
<tr>
<th>Option</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Provide personal protective equipment (PPE) while employees are in office (e.g. masks)</td>
<td>78%</td>
</tr>
<tr>
<td>Policy development for employees to report being sick or experiencing symptoms of COVID-19</td>
<td>78%</td>
</tr>
<tr>
<td>Policy to promptly identify and isolate potentially infectious individuals</td>
<td>67%</td>
</tr>
<tr>
<td>On-site COVID-19 testing for employees</td>
<td>14%</td>
</tr>
<tr>
<td>On-site COVID-19 vaccination, when available</td>
<td>12%</td>
</tr>
<tr>
<td>None of these</td>
<td>9%</td>
</tr>
</tbody>
</table>

n = 435
Respondent Profile
Company Sector

Your organization is:

- Private, publicly traded: 29%
- Private, privately-held: 46%
- Government/Public sector: 8%
- Nonprofit/Not-for-profit: 16%

n = 433
Company Industry and Size

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

- Financial services: 16%
- Manufacturing: 15%
- Consulting/professional services: 12%
- Healthcare/pharma: 10%
- Information technology: 7%
- Energy: 7%
- Other: 20%

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

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

- Fewer than 100 employees: 11%
- 100 to 999: 30%
- 1,000 to 9,999: 36%
- 10,000 to 39,999: 16%
- 40,000 or more employees: 7%

n = 433
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As researchers, we love gathering feedback and your opinions are extremely valuable for helping us provide the research you want to see. Please take a couple minutes to complete a short survey. Thank you in advance for participating!

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Sincerely,

The WorldatWork Research Team