

Employee Connections

Kindness and loyalty in uncertain times

14th April 2020

Due to the fast changing situation please refer to kpmg.com/uk for the most up to date information.

Introduction

Compassion, collaboration and creativity have become the new watchwords for leaders worldwide.

As employers, we are moving into unprecedented times. Millions of us have begun home working or, indeed, not working at all. Whilst many will be directly affected by the virus, the economic, social and psychological impact will be felt by billions.

For senior leaders, COVID-19 is both testing and humanising. How CEOs act in this period will shape the engagement and loyalty of their colleagues for years to come. The best are already leading from the front, finding new ways to communicate their integrity and empathy. Doing good has never been more important, more visible and more challenging.

Acting in the best interests of employees is also key to future customer and commercial success. It is well established that employee experience is predictive of customer experience, behaviour and long-term growth. Every firm's internal response to the crisis is a matter of public record: reputations are being made, broken and re-written in moments.

Many are offering paid special leave for those impacted by the virus, either as individuals or those needing to look after ill or vulnerable persons. Others are offering flexible hours, with offline periods for families who need to home school their children.

There is an expectation that leaders take on 'maternal' or 'parental' style behaviours, which heralds a return to the more paternalistic leadership style of looking after the whole person – as if they were family – rather than as a worker alone.

Innovation in working practices is happening at breakneck pace. Widespread use of video and remote collaboration tools are bringing employees together in a new virtual working world. Employees are becoming very creative in replicating the culture and camaraderie that previously existed in the physical environment as they embrace the world of video. Importantly, they are fostering a sense of connection that has both business and mental benefits.

Against this backdrop of resilience, humanity and development, it is useful to take a step back and examine what emerging best practice in employee experience and leadership might look like.



Yesterday, I pledged to my 20,000 Visa colleagues that we will have no COVID-19 related layoffs in 2020. There is enough sadness in the world and already too many families impacted by job losses. I have no interest in contributing to that. Our employees and clients continue to be my top priority during this challenging time.¹ \$\$\frac{1}{2}\$\$

Alfred F. Kelly, Jr, Chairman and Chief Executive Officer, Visa





Humanity in leadership

There is a significant change in leadership approach that we predict will become permanent. It is what millennials have been asking for all along, when they talk about 'visibility' of leaders:



Weekly group check-ins that combine information updates with social engagement, games and virtual activities.



Continuous 1-2-1 check-ins by the leader with all team members to check on wellbeing, emotional health, at home issues; there is less of a taboo now about asking questions about family status, living alone, etc.



Daily stand-up calls with sub-teams on how work and life is progressing.



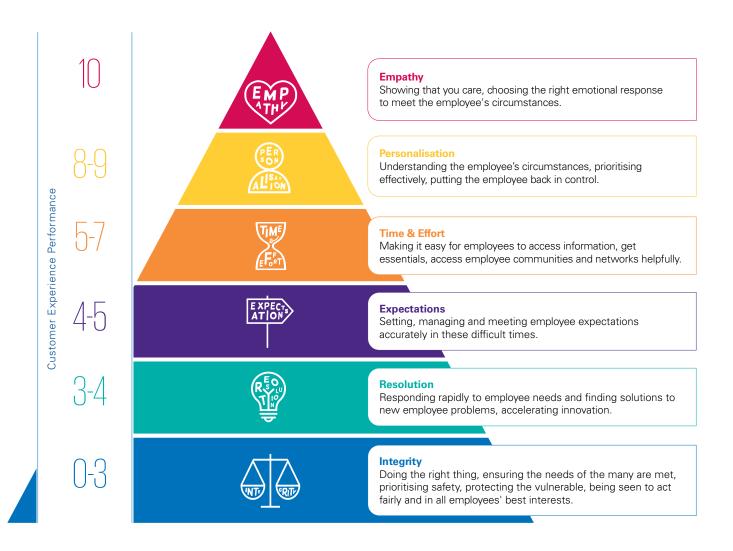
Weekly written communications from the leader about deeper learnings/reflections and sharing best practice on how to work from home effectively and avoid negative effects of isolation and loneliness.





Defining employee best practice

It is useful to have a framework for examining the actions firms around the world are taking in response to the crisis. One such framework is The Six Pillars of experience. This is based on 10 years of research, with hundreds of brands in over 20 markets. It describes the DNA of excellent customer and employee experiences:





For more information and detailed resources, please visit our website.



How can best practices navigate uncertain times?

We are already seeing significant innovation across The Six Pillars. Starting with Integrity – the most important foundation of all experiences:



Integrity

Lead from the front

CEOs all over the world are reducing or waiving their salaries as a means

of demonstrating to their employees that they are in this 'together', sacrificing their pay, to ensure others continue to be paid.

How organisations behave now will make or break the trust their workers have for them in the long run. It may also determine how quickly they are able to bounce back, once the world is through this, and out the other side.

Feedback, voice of the customer and voice of the employee will be vital drivers of leadership decision making. Employees will need to feel they are being listened to and equipped with responses to customer queries and concerns to improve the customer experience, even in these difficult times.

Learning to manage and leading without day-to-day physical control over the employee is going to be difficult for many managers. New levels of trust and flexibility will be required on both sides.



Having closed Apple Stores around the world to protect both customers and employees, Apple CEO Tim Cook is working hard to inspire his people and get them to think in new ways.

In a recent communication he used a quote from President Abraham Lincoln:

"The occasion is piled high with difficulty, and we must rise with the occasion. As our case is new, so we must think anew, and act anew."

He notes:



That's always how Apple has chosen to meet big challenges. And it's how we'll rise to meet this one, too. J





Resolution

Innovation, collaboration, involvement and a sense of community

Many employees will be adapting to new ways of working, such as working from home indefinitely. They will also be dealing with unknowns, such as self-isolation, illness, school closures, or even heightened job uncertainty.

It is important therefore to arm frontline staff with the tools and resources as to what your brand is doing for customers in light of the evolving global health emergency. This will put employees in a position to bring value to customers, rather than being left without anything to say. To build these resources, listen to your contact centres for visibility on the sorts of queries being asked.

Homeworking might also offer an opportunity for many companies to build a culture that allows flexible working, longer term. Knowledge gained during this period will be useful in future for employees who struggle with child care or act as a carer.

Millions of people will get the chance to experience days without long commutes, or the harsh inflexibility of not being able to stay close to home when a family member is sick... This might be a chance for a great reset in terms of how we work.255

Matt Mullenweg, CEO, Wordpress



Expectations

Communicate, communicate, and communicate some more

Employees expect their employers to communicate clearly and take decisive action. Best practice is a

daily rhythm, linked to government announcements. The morning newsletter reinforcing key messages and providing access to facilities for support and wellbeing. Over-investing in communication at this time with credibility and positivity, as well as finding new and innovative ways to stay connected, will help to keep teams engaged and spirits high.

The resetting of expectations based on changing circumstances will be important for staff to shape what they do collectively and continue to deliver the brand promise and values.

Virtual coffee times and Friday night prosecco hours will enable staff to congregate virtually in a more social setting, share experiences and ideas and, vitally, feel part of the organisation emotionally.



As a company that takes culture incredibly seriously, it's critical to us that we create an inclusive and remarkable experience for all of our employees, no matter if they work in one of our offices or not.³

> **Shahid Nizami, Managing Director for Asia** and Pacific, HubSpot

www.straitstimes.com/singapore/virtual-interaction-for-staff-as-more-work-from-home



² https://www.theguardian.com/technology/2020/mar/13/covid-19-could-cause-permanent-shift-towards-home-working



Time and Effort

Make my life easier and more interesting

The use of new collaborative tools will enable employees to achieve a level of normality in an isolated environment.

Virtual whiteboards will facilitate creative

problem solving and will require new techniques and approaches for capturing insight and ideas.

Training and personal development opportunities will not just make good use of available time, but will ensure the employee feels they are making a personal investment in their future.



Kirstine Stewart, Head of Shaping the Future of Media, Entertainment and Culture, World Economic Forum

Anil Menon, Managing Director, World Economic Forum



Personalisation

Show you recognise my circumstances

Especially in times of widespread social stress, employees need to feel valued, informed and supported by

their employer. This environment retains employees and in turn boosts the customer experience they are likely to provide. Not every employee has the same circumstances, as would be the case in more normal times, so one size fits all may not be a useful approach going forward. Thinking of employees as being in related cohorts with specific needs will enable a more targeted and supportive response.

What's so unique about this is we have to balance the needs of the business with the needs of our own families, which has posed a real challenge for me personally but all of the employees and associates we serve.

Tina Tuttle, Head of the company's US enterprise and executive communications, Novartis Pharmaceuticals

⁵ www.hrexecutive.com/what-covid-19-has-already-taught-employers



⁴ www.weforum.org/agenda/2020/03/covid-19-transition-to-remote-work



Empathy

Showing that you care about employee well-being has never been so important

As we see a rise in altruism and human connection on a hitherto unseen scale, it is incumbent on leaders to create an inspirational environment where employees feel like they are consistently doing things that customers love and making customers' lives better. Listening, rapport building, and emotionally intelligent conversations will create experiences that will live on in employees', and their customers', memories.

However, for many employees, working from home for the first time will be challenging. The access to stable networks, their physical working conditions and their sense of isolation will all impact employee performance. This requires more than just tips on working from home – it needs deep thinking as to how employees can 'give their best' to customers in radically new circumstances. Alongside this, companies will need to consider their employees' mental health and how they can support colleagues when they cannot see them day to day.



Starbucks, for example, have long been concerned with mental wellness in the workplace. They have rolled out a programme whereby employees can confidentially search for mental health professionals who meet their individual needs and immediately book an in-person or video appointment with a therapist or coach at no cost.

Mental health is a fundamental part of our humanity and these resources will make a meaningful difference in people's lives and help break the stigma around this complex issue.

Kevin Johnson, CEO, Starbucks



The Six Pillars of experience have been identified by the KPMG Nunwood Customer Experience Excellence Centre as being the fundamental building blocks of world class customer and employee experiences.

For further information on the Customer Experience Excellence Centre and to access global best practice and recent customer experience reports, please go to our <u>website</u>.

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