

COVID-19 Employer Survey: Key Findings and Solutions

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As one challenge after another arises amidst the COVID-19 pandemic, organization leaders find themselves facing unparalleled decisions. These leaders need relevant, current data and strategies to drive the best decisions for their organizations. QTI is committed to arming employers with fresh market insights and solutions for talent and total rewards needs, helping organizations to not only survive, but to thrive during this unprecedented time.

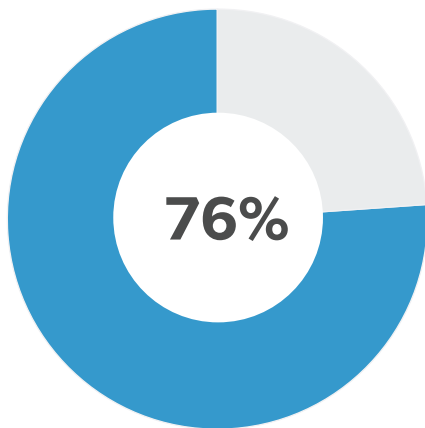
As part of this commitment, QTI surveyed primarily Wisconsin-based employers between April 6-8, 2020 on the COVID-19 impact on talent and total rewards strategies. With 256 participating organizations of varied sizes and industries, the survey results offer strong perspective of important market practices including furloughs, layoffs, pay reductions, remote work, and more.

Key Findings, Challenges, and Solutions

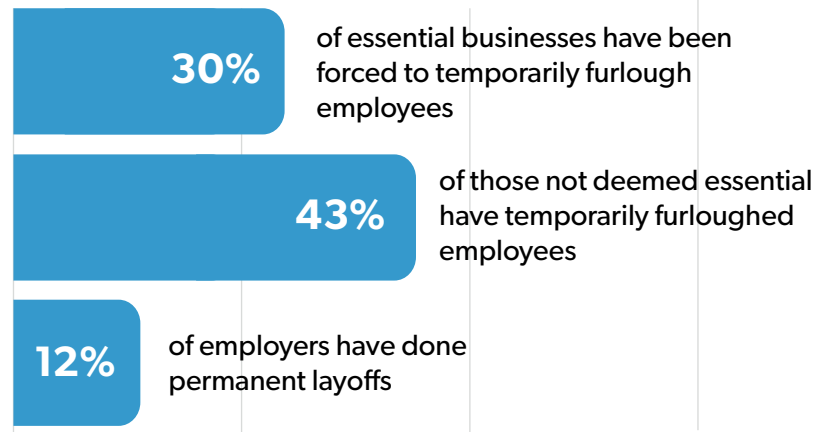
Below are some of the key survey findings, employer challenges, and talent/total rewards solutions to support your organization through these uncharted waters. If you would like more information on survey results and solutions, please contact QTI and consider participating in the next COVID-19 employer survey.

Furlough/Layoff

Survey Key Findings



of responding organizations are considered an essential business under Wisconsin's Safer at Home Order.



The Challenge

- ◆ The decision to furlough and/or lay off employees is incredibly difficult and not one that employers take lightly. Despite this, furloughs and layoffs have risen in prevalence over the years to become a common cost containment response to an uncertain future; they provide employers with a high cost savings opportunity in a short period of time.
- ◆ Research makes it clear, however, that furloughs and layoffs should be a worst-case scenario response due to the long-term consequences such actions can have on organizations and employees. For example, according to [Harvard Business Review](#), survivors of a layoff experience a 20% decline in job performance, a 41% decline in job satisfaction, and a 36% decline in organizational commitment. The research also reveals that downsizing a workforce by 1% leads to a 31% increase in voluntary turnover the next year.

The Solution

- ◆ The changes organizations make today will affect their performance during economic recovery; it's a delicate balance of short-term survival and long-term success.
- ◆ As such, QTI encourages employers to explore all other methods of cost containment first such as voluntary unpaid time off, voluntary separation packages, freezing or reducing compensation, limiting overtime, etc. For more strategies, see QTI's [Cost Containment Strategies](#) whitepaper.

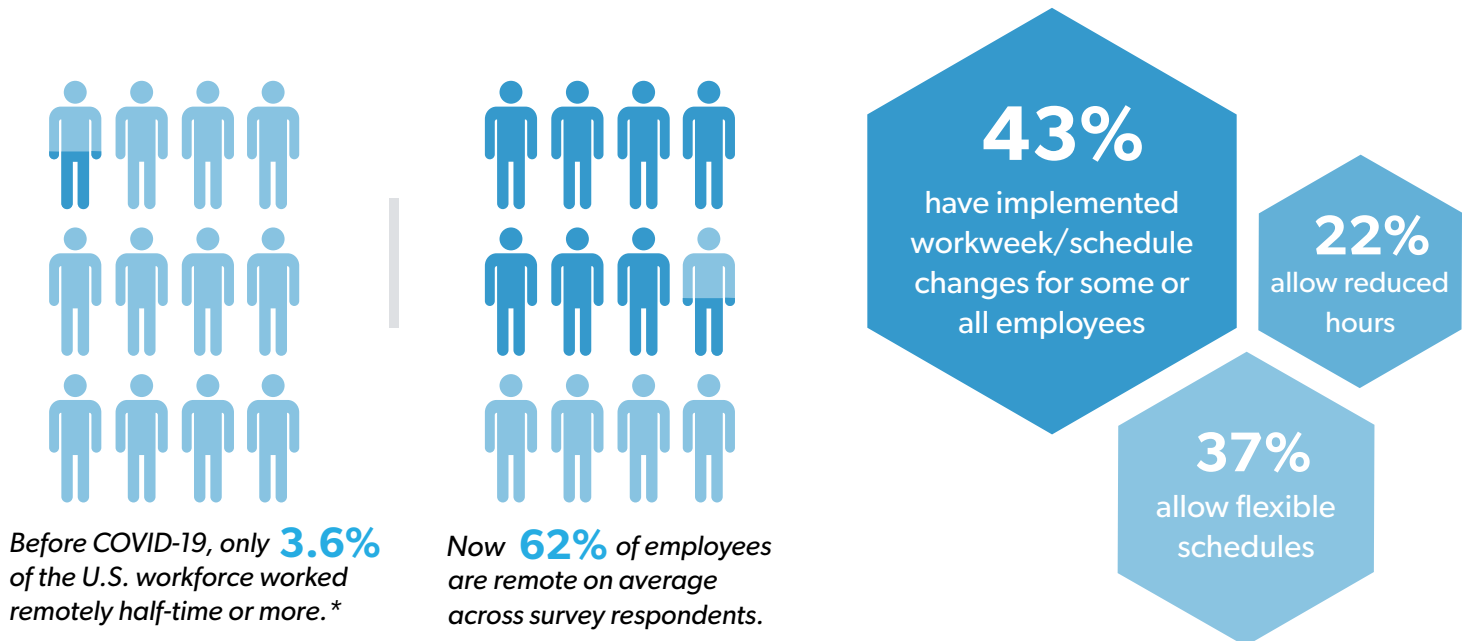


Pro Tip:

Be sure to crowdsource cost saving ideas from employees as well; being closer to the front-line, they often have great perspective of what is an essential or non-essential business expense. Also, if you make it clear that one of your overriding goals is to avoid layoffs, you might find that employees are amenable to personal sacrifices (e.g., pay or hours reduction, voluntary unpaid leave, etc.) to support the organization.

Remote Work/Workweek

Survey Key Findings



The Challenge

- The drastic change in remote work, social distancing, and economic decline has left organizations scrambling to change their infrastructure to accommodate the varied needs of their workforce. Through this transition, many are experiencing challenges with keeping their workforce productive and engaged.

The Solution

- To the extent possible, QTI recommends that organizations permit flexible schedules and/or reduced hours to support employees who may be struggling to balance work and family needs – such as those with children at home. QTI also suggests allowing employees to condense or expand workweeks, provided it does not disrupt business operations.
- Regardless of the strategies employed, there are things that an employer should do to maximize the productivity and engagement of their workforce, including caring for employee well-being, having frequent and authentic communications, setting clear expectations, providing opportunities for social connection, and more.



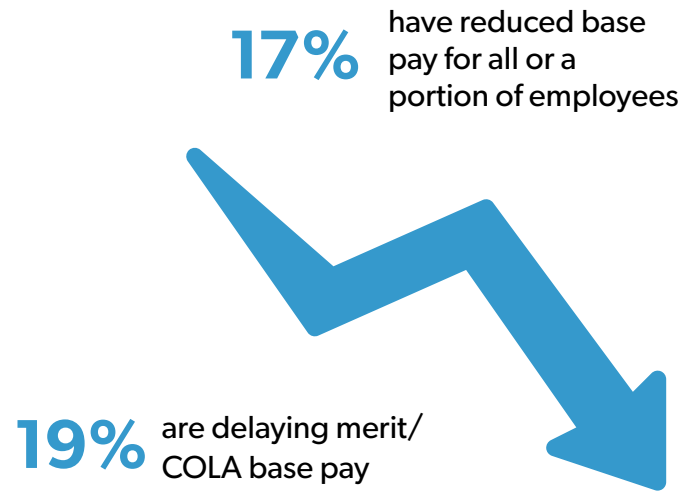
Pro Tip:

Set and communicate hours of availability with the team and the best way to reach each other and what to do if an emergency arises; be flexible with employees, where possible, when childcare needs demand an alternative work schedule. For more strategies, check out QTI's [webinar](#) or [whitepaper](#) on the 7 Must-Haves to Optimize Productivity and Engagement of a Remote Workforce.

Total Rewards

Survey Key Findings

The cost of employees is about **70%** of operating expenses, making it the largest expense for most employers.



The Challenge

- On average across industries, the cost of employees is about 70% of operating expenses, making it the largest expense for most employers. Responsibly managing this expense when cash flows are down requires difficult decisions to be made by leaders. Questions may arise around meeting payroll costs, affording merit/COLA increases, reducing employer benefit contributions, adjusting incentive plan metrics/goals, retaining mission critical employees, and more. Additionally, actions necessary to survive the pandemic may conflict with an organization's total rewards philosophy or negatively affect employee morale.

The Solution

- As resources are finite, especially when budgets are tight, it is best to consider multiple viewpoints before adjusting total rewards programs. Of course, the perspective of the employer, financials, and market trends should be considered. However, QTI also recommends collecting objective data to understand the effect that total rewards changes will have on employees.
- For example, interview or survey employees to identify the programs that your employees value the least. Or vice versa – if your challenge is retaining employees during these times, identify programs to enhance that are most valued by your employees. Additionally, it is vital to communicate the update effectively, including what the change is, why it is being made, who is impacted, for how long or when/if the change will go back to the original parameters.



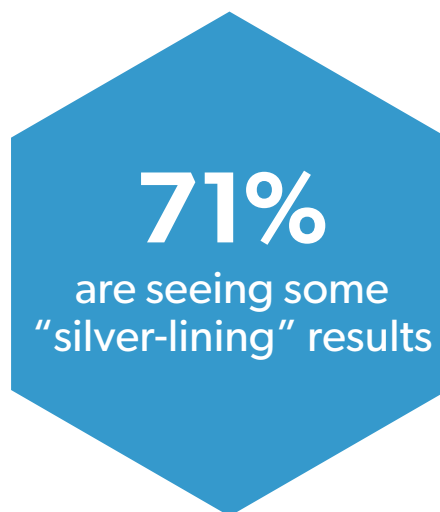
Pro Tip:

The best method of surveying employees presents them with trade-off decisions to understand which items, of comparable spend, are preferred by employees/more motivational (e.g., would you rather have a 1% 401(k) contribution or two PTO days?).

Silver Linings

Working Together Through COVID-19

Although this pandemic has negatively impacted many, at least 71% of organizations are seeing some “silver-lining” results such as accelerated remote work enablement, improvement in employees’ technology skills, and business continuity plan improvement. Not only have we seen these positives as a result of the pandemic, but we have also witnessed our state and country work together to fight the virus. Many organizations throughout Wisconsin have stepped up by shifting their business operations to manufacturing shields and masks for healthcare workers, manufacturing ventilator parts for hospitals, and organizations implementing/increasing remote work to help lessen the spread of the virus. These selfless acts and contributions are something we all can be proud of.



Closing

The COVID-19 pandemic is affecting organizations in multiple ways, and the lasting impact still is uncertain. Organizations have been forced to adjust their focus from long-term to short-term and balance empathy with business continuity.

Employers need to ensure that they take the right actions to deal with the immediate impact of the crisis on their organization and employees -- and at the same time, take a long-term view to ensure they are set up for the expected market recovery. For leaders, this means making adjustments that position organizations for future growth.

QTI is committed to helping organizations reach their full potential through people. [Contact us](#) if we can assist your business in navigating this dynamic HR environment.

ABOUT THE QTI GROUP

The QTI Group, headquartered in Madison, WI, is a privately owned human resources (HR) organization providing staffing solutions, professional and executive recruiting, HR consulting, and HR partnership services to businesses and organizations. Our key services help businesses reach their full potential through people. The QTI Group has been an active member of the business community since 1957. With a rich history of growth, innovation, and community engagement, QTI has nine offices in Wisconsin. For more information about how The QTI Group can help you with your human resources needs, call 608.257.1057 or email qti@qtigroup.com.