

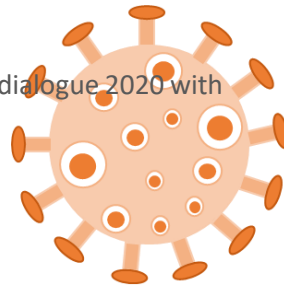
Strategic HR Reward Dialogue #1 / 2020 – Key Takeaways

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Here are some Key Takeaways from our 1st strategic HR Reward dialogue 2020 with HR executives of leading multinationals and growth companies:

Topic: HR measures in the context of the coronavirus crisis

What challenges does the corona virus threat pose?



- Significant manufacturing and supply chain disruptions lead to a review of processes and departure from JIT principles for critical parts & materials
- Reduced store sales accelerate move into online sales
- Some firms also seize opportunities in current crisis: Manufacturing capacity is re-allocated to high demand products, the brand is strengthened through social engagement as a “community partner”

What measures do companies take to ensure business continuity while minimizing risk for staff, customers and partners? And what does that mean for HR?

- Compliance with evolving country-specific regulations and advice, global crisis / emergency teams and task forces with daily information exchange and updates, situational measures / recommendations
- Cancellation of all external & internal events greater set participant threshold (CEO or COO approval); no F2F meetings with over 10 employees
- Awareness creation with external visitors and staff through posters and info flyers in highly frequented areas, reference to special websites
- Prohibition of business trips to "crisis countries", border crossings, domestic flights; Business-critical trips abroad with "C-Suite" approval only
- Isolation and self-quarantine of potentially infected staff and their contacts, reporting to health authorities, closure and complete disinfection of work areas, floors, business premises
- Early repatriation of staff on foreign assignment in crisis countries; Wide extension of “home offices”; Use of v-c and social media to keep in touch
- Candidate interviews by v-c, potentially delayed hirings or start dates

- Employment policies reviewed to address potential staff situations, Qs&As, offer of short-time work (“Kurzarbeit”), paid and unpaid time off, support of online learning and study leaves, access to certified coaches & advisers
- Replenishment of disinfectant stocks, wide provision of donors, safety measures in company canteen (cutlery, layout, stooling)
- Identification of business-critical functions, preventive splitting up of teams in support of business continuity

Topic: Handling of and services for an increasingly differentiated workforce

Today’s workforce is increasingly made up of cohorts with quite different values and views. Further, engagement can take many different forms. Agile companies need flexible organizational, employment and cost structures. A “one size fits all” offer has become less effective. How do companies deal with the challenge?

- Workforces are increasingly divided into individual “communities”, with differing views on work processes & delivery, varied expectations on communication, leadership, performance, recognition and remuneration
- Some companies have launched comprehensive initiatives critically questioning HR services and employee rewards to better position themselves in the fight for the best talents; Their focus is on linking external trends and evidence-based theories with internally collected mass data and insights gained via special employee surveys and stakeholder interviews. CSR considerations are also considered here
- In a “shared economy” certain benefits have become less attractive or do no longer fit with the “Zeitgeist”. A paternalistic reward approach is less attractive in recruiting and retaining millennials. Companies refresh their offer to increase its ROI while considering brand, desired labour market positioning and targeted talent. This leads increasingly to individualized offers where employees can choose the elements most relevant to them, in cash remuneration there is a shift from merit increases to spot awards and from individual performance recognition to team celebration & awards
- Due to co-employment risks, the primary focus remains on employees

