

PANDEMIC PLANNING: THE NEXT GENERATION OF WORKFORCE TRANSFORMATIONS

January 2018 began with BIG news in the employment world: Amazon, Berkshire Hathaway and JP Morgan Chase announced their intention to form a new healthcare company which would provide direct care to their employees thereby departing the traditional insurance markets. This set off a chain reaction where health insurer stock values fell, other employers reacted to scramble for similar solutions, and the offer of health insurance as a benefit was undergoing a metamorphosis.

Traditional concerns at the time of the opioid crisis and its on-going impact on the workforce, marijuana usage by employees, the legalization within states and how to address it in the office, labor law changes (as always!) and the generational shift happening (largely for the first time) as Baby Boomers no longer represented the largest segment of the workforce: the Millennials have taken charge! The world of change within Human Resources and Finance was constant, as usual, but seemingly not unusual for the times. However, the ripples on the pond were soon to become a tidal wave of change!

Fast forward to the second quarter of 2020: the COVID-19 crisis has created chaos in the employment situations for millions of US workers. The “Big Three” are faced with varied situations from early 2018: Amazon, buoyed by the work-at-home world and homebound shoppers, has added more than 100,000 employees; Berkshire Hathaway lost more than \$50 billion in capital value in the first quarter as markets plunged; JP Morgan Chase laid off 20% of its workforce and closed more than 1,000 branches because of changes in market values and consumer buying patterns. Their Haven Healthcare initiative is still a work in progress but has slowed in today’s environment of uncertainty. Certainly, everyone’s Strategic Planning done in the fourth quarter of 2019 looks very different when viewed in the harsh realities of 2nd and third quarter 2020.

Employers preparations related to hurricanes, winter storms, tornados, droughts, and wildfires have given way to the realism of the pandemic that is COVID-19. The US was generally shielded from large scale outbreaks of SARS, Swine Flu, Avian Flu, Etc. However, this version of the flu has caused transformations in the workforce that will take us into the next generations of employee recruitment and retention.

GENERATIONAL CHANGE INFORMATION

The workforce has been changing year by year. Baby Boomers currently comprise about 27% of this workforce and much of the senior and leadership positions. This is approximately the same mix as the Generation X group (born 1965-1980) as they move into these leadership positions. For the first time in history, Millennials or Gen Y (born 1981-1996) make up the largest segment employees (44%) and this should grow to 50% within two years. This will create a logjam within leadership and decision-making positions as employers struggle to create a vision for the future of their organizations. Generation Z (1996+) and/or Gen Alpha (Year 2000+) are all now entering the employment world with lots of new ideas, goals, work requirements and needs. COVID and its remote work requirements fit nicely with generations raised with technology in their hands and caused possible concerns for managing these expectations.

LEVERGING TECHNOLOGY

Changes were forced on employers by the COVID environment. However, the generational employment mix does and will require a continued focus on the use of technology moving into the future. Human Resource Departments have been able to gather more cell phone numbers, alternate email addresses, missing home addresses, spouse and dependent data, Wi-Fi and home network capabilities, and other communication details that aid the outreach efforts to various employee segments. Expenditures on technology will be necessary as it will have a positive impact on the hiring and retention efforts of each organization. The Gen Z and Alpha groups only know an existence driven by Twitter, Instagram, and other immediate communication. Gen Y (Millennials) use email and text messages quite comfortably. All age groups are using face to face computer messaging (Zoom, WebEx, Team, etc.). The possibility of assisting employees with home-based equipment (routers, PCs, laptops, etc.) may be very practical and efficient use of funds. On the health insurance front, telemedicine has gone through a massive change as remote workers are forced into a stay at home environment, yet still have medical and Rx needs. Employers need to address this item in order to address cost issues relative to their health plans.

TELEMEDICINE HITS THE MAINSTREAM

Telehealth has expanded its capabilities via need, technology and through legal compliance. COVID has pushed the need for the medical profession to serve patients remotely. Expanded services were needed to contact those in remote areas. Legislation was needed to permit the writing of prescriptions without face to face visits and connections with specialists; HIPAA and payor complications were eliminated. Employers need to continue to educate employees on services available via telemedicine. It is certainly a feature that has a positive impact on the costs of the medical plan and it also serves to increase the overall ease of access to care for employees. Education is necessary to convince employees that they will get the same quality of care as they will in the doctor's office. As doctor's accept the changes via technology and COVID rules, more of an emphasis is placed here. Employee acceptance is up, check ups and exams that had been postponed are up, and the usage for new types of services have added to the value: behavioral health.

BEHAVIORIAL HEALTH NEEDS: A NECESSITY NOT A LUXURY

The shutdown and shut-in of America during the health crisis has had ripples on our health system. Delays in procedures and exams are one thing; financial stress, family stress, increasing use of alcohol and drugs, increases in domestic abuse, loss of child and adult care and various other changes in the ebb and flow of life have driven the need for behavioral health services very high. However, with stay at home orders, even those accepting of mainstream care were unable to access things. Enter care via telemedicine. Employers need to have the foresight moving forward to do a heavy review of EAP and telemedicine services to investigate the level of services offered in these areas. Heavy communication on what is available, how to access AND the levels of confidentiality within these programs. Quite often,

the EAP services may be embedded within another program (group life or disability plans); telemedicine is part of the medical plan. Behavioral Health is needed as life has changed during the COVID shutdown, employees need and want assistance and access through the employer moving forward is a cost effective and comfortable delivery system. Prior to and stemming from the crisis, generational employment studies have indicated that a related need to mental health services needs to be help with the growing level of financial stress felt by the workforce.

THE NEED TO ADDRESS FINANCIAL WELLNESS

Employee surveys have indicated that student loan and credit card debt at top concerns with the stress levels rising as the average age of the groups drops. However, with the employment disruptions, layoffs, booming on-line purchases (many paid with credit cards), Spouse layoffs, and other related financial pressures put employees in a bad situation. Additionally, employee groups of advancing ages have different concerns with more of a retirement focus; severe market fluctuations in recent months have added stress of an entirely different type. The current crisis is especially stressful on all generational groups as 401ks, investments, and savings are down, working from home is driving spending up, employees are losing sleep and it all causes a negative impact on emotional and physical well-being as well as productivity. Forward thinking employers need to investigate installing financial wellness programs covering topic such as budgeting, debt reduction, college savings, retirement accumulation AND distribution (many people don't know the simple things like signing up for social security or Medicare), long term care planning, etc. Research outlets for childcare (a major hurdle for employees; consider on-site care if possible); similarly, for adult day care (employees don't know where to turn or what community resources are available). A sound education platform will go a long way in the retention of personnel and improved productivity!

CREATIVE SOLUTIONS TO ON-GOING EMPLOYEE EDUCATION

A positive side of the work at home environment has been the collection of a great deal more employee contact information. Direct outreach may now be done via mail to home, email through work or home, contact via home or personal phone (land-line or mobile), possible contact via a spouse's cell phone, use of modern systems such as Instagram or Twitter, meetings via Zoom, WebEx, Team, etc. All these tools in addition to traditional face to face meetings, bulletin boards and other tried and true distribution methods permit the employers to creatively connect with employees. This is critical as a) generational talent absorbs information differently and b) the world moves at a faster pace and technology permits the quick distribution of information, alerts, and changes. The adaptive employer will win the battle for top talent. As it can cost 50-60% of an employee's annual pay to replace a productive person, this is a critical note in attracting and retaining staff.



ARE YOU READY?

If nothing else, COVID has taught us all to be prepared and to be flexible. Employees are faced with new challenges and stresses at home and as they transition to back to work. Employers should prepare for the new environment by embracing the spirit of flexibility. New staffing patterns are needed and welcomed by staff. Just as we have slowly seen the demise of the 9-5 culture, we will see a dynamic change to “standard” staffing models. Many people will welcome the opportunity to remain as permanent remote workers. Changes to childcare and adult day care situations at home, in the community and required by employees open the door for creative employers to provide new opportunities within their organizations for a culture that provides access to these types of services. Additionally, “standard” work attire, hair styles, benefit packages, and pay scales will all change to meet the requirements of this new flexible and dynamic workforce. The successful organizations will be willing to understand the need for changes and view employees as partners as we move into the post-pandemic employment environment.

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