

# The Path to Business Recovery

10 Tips to Drive Immediate HR Outcomes



# Confronting new ways of working, operating and interacting with employees



The COVID-19 pandemic has created daily challenges for HR leaders, balancing the interests of employees with those of the business at large. This sudden disruption to the workplace extends beyond finance and operations — it's also had a significant and unpredictable impact on employees' health, wellbeing and overall productivity.

Social distancing, virtual work policies and return to work imperatives have challenged organizations to reinvent their HR and talent processes.

Many organizations have responded quickly, created a “new normal” business environment powered by digital HR and operational strategies.

Employees have responded likewise, with tremendous resolve — some 94% of U.S. workers saying they are more committed to their companies than before the pandemic began.

While leaders have made much progress, their work is far from done, and the path to full recovery is long and winding. Moving forward, organizations must continue to navigate new ways of working, operating, and interacting with their employees.

This eBook explores 10 tips HR leaders should consider right now, as they work to mitigate ongoing challenges and look toward a successful future.

# 94%

of U.S. workers say they are more committed to their company than they were before the COVID-19 outbreak.<sup>1</sup>

<sup>1</sup> KPMG, COVID-19 and the American worker, April 2020



## #1 Enable your workforce — from anywhere

During the pandemic, nearly 50% of organizations reported that 81% or more of their employees were working remotely. Post-pandemic, it's likely that 41% of the workforce will remain working remotely for at least some of the time.<sup>2</sup>

To capitalize on their investments in work-from-home infrastructure, employers can boost job satisfaction and productivity through employee engagement and management training.

### Keep employees engaged

• **Create a mix of virtual and human interaction:** Technology is key right now, but it's important not to forget the value of personal phone calls and virtual, face-to-face meetings (cameras on!).

• **Use custom microsites to provide access to relevant information:**

These “safe spaces” enable employees to access information, key policies, news, recorded presentations, and more — all in one place.

• **Host fun events:** A quick, virtual coffee break or a Friday afternoon social hour can help maintain a sense of teamwork and connection.

### Help managers build trust

Building manager-employee trust is key to creating a well-functioning virtual team. In fact, employees at high trust organizations experience 106% more energy when working, have 50% better productivity, and 76% higher engagement.<sup>3</sup>

While remote workforce management is new for many managers, it's crucial to the success of remote work teams. Providing tools, tips and resources that managers can use to engage, motivate and build trust with their teams while managing productivity should be a top priority.

<sup>2</sup> Gartner, Inc., HR leaders survey, April 2, 2020

<sup>3</sup> Gartner, Managing Remote Teams During the Coronavirus (COVID-19) Outbreak, March 16, 2020

<sup>4</sup> GlobalWorkplaceAnalytics.com, Telecommuting Trend Data, March 13, 2020

A typical employer can save about \$11K per year for every person who works remotely half the time. Employees can also save \$2.5-\$4K per year working remotely half the time.<sup>4</sup>



## #2 Get ready for a safe return to work

# 40%

of Americans plan to avoid public spaces unless “absolutely necessary,” even long after the coronavirus pandemic subsides.<sup>5</sup>

As employees return to shared office workspaces, factory floors and operations facilities, it isn't the same as it was before. Many feel trepidation about gathering in close quarters, and it's critical to

have policies and mechanisms in place to reassure employees, protect their safety, and respond to issues as they arise. Here are some key actions to consider.

### Prepare for what's next

It's not too early to start preparing for the upcoming flu season. Now is the time to educate employees on the benefits of the flu shot and everyday habits to prevent the spread of germs and viruses.

### Establish processes to maintain adequate staffing

A sudden uptick in annual wellness exams, dental appointments, elective surgeries and other services will occur. This, as well as ongoing dependent care needs, means HR must keep a sharp focus on managing absenteeism.

### Evaluate policies and procedures

Establish and clearly communicate requirements for social distancing, masks and other Personal Protective Equipment (PPE), such as floor markers or Plexiglass barriers, and absence & illness reporting.

### Implement safety & risk management technologies

This may include:

- Apps for self-reporting
- Symptom checkers that plug into health and benefits portals
- Analytics tools for geographic and employee reporting and projections
- Integrated testing and contact tracing

### #3 Give employees peace of mind through health and wellbeing resources

# 74%

of employees are concerned about at least one aspect of their wellbeing **as a result of the virus.**<sup>6</sup>



When employees are healthy (in mind and body) and confident in their financial outlook, the impact on business is measurable — from fewer medical claims and sick days to more positive approaches to work and greater productivity.

COVID-19 has shined a new light on the importance of health and wellbeing programs. In a recent survey, nearly 7 in 10 employees indicated that the coronavirus pandemic has been the most stressful time of their professional career.<sup>7</sup> Employers are smart to focus on programs right now that can support employees' physical, mental and financial wellbeing.

#### Physical health

While employees have gotten used to telemedicine and taking advantage of tools such as nurse triage lines,

AI-based symptom checkers and wellness trackers are top of mind for HR leaders right now. When such tools are integrated with other health plan information, employees can get a full picture of their potential health conditions and risks — as well as coverage options specific to their health plan related to a suspected diagnosis. This can be applied to COVID-19 symptoms and any other ailment, giving employees greater awareness of health issues and available treatment options before they ever visit a doctor.

<sup>6</sup> MetLife's 18th annual U.S. Employee Benefit Trends Study (EBTS), April 28, 2020

<sup>7</sup> Ginger, data compiled April, 2020, addendum to Second Annual Workforce Attitudes Report, February 2020



#3 Give employees peace of mind through health and wellbeing resources

– Continued

**Mental health**

Does your organization offer an employee assistance program? COVID-19 has impacted everyone in different ways, creating a host of challenges in work and personal lives. Now is an ideal time to consider integrating the latest digital behavioral health solutions (such as online cognitive therapies and self-help tools) into your program. Then, make sure your employees are aware of your EAP offerings, the confidentiality of the program, and how to take advantage of those resources.

**Financial wellness**

Prior to the pandemic, various research studies had shown that employees' financial stress was one of the greatest risks for employers, costing them up to \$2K per employee per year in

productivity loss.<sup>8</sup> Now, in the midst of COVID-19, more than half of employees cite financial health as their biggest life concern.<sup>9</sup>

Employers can ease financial stress by providing employees with financial guidance and planning tools. From total compensation statements that let employees see their full financial picture to tools for preparing a budget, evaluating the risk and benefits of retirement plan loans and withdrawals, and becoming more financially literate overall, these resources can help employees achieve both long- and short-term financial goals.

<sup>8</sup> John Hancock, Annual Financial Stress Survey, December, 2018

<sup>9</sup> MetLife's 18th annual U.S. Employee Benefit Trends Study (EBTS), April 28, 2020



## #4 Rethink employee health benefits

A high-deductible health plan (HDHP) saves employees between **\$1,872** and **\$2,856** on premium costs each year.<sup>10</sup>



Consumer-directed benefit plans are at the forefront of employer benefit strategies, giving employees more control of their benefit plan dollars and allowing them to save on premium costs, contribute to Health Savings Accounts on a pre-tax basis, and allocate dollars toward value-added or voluntary benefits based on personal needs or goals.

For HR leaders, the new “normal” means looking at benefits in a different light too. Here are some key areas to think about:

### Consider a health insurance marketplace

A digital health marketplace is designed to integrate and simplify benefits delivery to reduce healthcare spend, year over year. It also provides employees with more focused and cost-effective options specific to the markets in which they live, with personalized, digital tools to enhance overall health and wellness at critical life moments.

### Take open enrollment virtual

Rather than gathering large crowds of associates in one place, virtual enrollment meetings offer greater scheduling flexibility while preventing unnecessary contact. Add white glove call center support to provide enrollment guidance, and you’ve got a winning combination for helping your employees make their annual selections with confidence.

### Maximize the HSA

A Health Savings Account is owned by the employee, is portable from job to job and never expires — so it’s a great way for employees to build a safety net to cover expenses from an HDHP, or pay for other unexpected expenses resulting from the current crisis. The HSA helps employers save money too, through reduced payroll taxes and lower healthcare premiums overall.

### Expand voluntary benefits options

Employees at-large are concerned with protecting their income, conserving wealth and taking care of those they love. HR leaders can respond by offering voluntary benefits that support employees’ peace of mind and quickly add value with minimal overhead, such as:

- Supplemental life insurance
- Senior care coverage
- Critical illness and accident insurance
- Pet coverage
- ID theft protection
- Financial counseling
- And many more!

<sup>10</sup> BenefitsPRO, What health care costs will look like post-COVID-19, April 14, 2020

## #5 Optimize HR and payroll operations

A full **83%** of employers have made business practice adjustments as a result of COVID-19.<sup>11</sup> HR and payroll operations are key focus areas for many.



In uncertain times, it's important to look at every area of HR operations and evaluate your people, processes and technology for improvement opportunities. Where can you drive efficiencies? Are there hidden opportunities for savings? What are the gaps in the employee experience, and can you fill them using more digital, cost-conserving tools? Here are key actions to consider now.

### Digitize operations leveraging modern technologies

From recruitment to onboarding to benefits administration and much more — there are opportunities for digitization in every area of HR operations. From eliminating things like paper enrollment forms to implementing “all-virtual” onboarding, organizations can save time, money and other resources through [digital transformation](#) such as:

- **Smart automation:** HR organizations can execute work with 26% fewer full-time employees at a 17% lower cost than they do today by adopting smart automation.<sup>12</sup>
- **User experience:** Beyond the convincing dollars and cents, a sound core technology strategy has far-reaching impacts on the experience of candidates, employees, managers, and HR professionals alike.

- **Artificial Intelligence (AI):** As you evaluate your HR operations, think strategically about integration opportunities for more robust AI-based tools, chat, machine learning, virtual classrooms, and other workforce experience technologies that can create operational efficiencies for the long term while improving employee experience.

### Create a central hub for employee interaction

If you have multiple portals or tools used by employees to access policies, benefits, and other employment information, now is a great time to consider pulling it all together. A centralized hub:

- Makes information and resources easy to access and digest
- Can be set up to logically guide employees across a series of steps or actions
- Is easy to access from anywhere, with integrated help tools such as chat, email, live voice and more

<sup>11</sup> Society for Human Resource Management (SHRM), COVID-19 Research: How the Pandemic is Challenging and Changing Employers, April 20, 2020

<sup>12</sup> The Hackett Group, Using Smart Automation to Unlock the Full Potential of Digital Transformation, May 30 2019



## #6 Refocus learning

While  
**75%**

of organizations say creating and preserving knowledge across evolving workforces is important for their success over the next 12–18 months, only 9% say they are very ready to address this trend.<sup>13</sup>

The pressure has never been greater on learning and procurement organizations to drive business efficiencies while developing a more productive workforce.

As you evaluate opportunities to increase the ROI of your [learning programs](#), consider these areas where results can be realized quickly.

### 1. Virtual learning & enablement:

Delivering training through e-learning, microlearning, virtual instructor-led training, and virtual and augmented reality course simulations helps organizations reskill or upskill employees for effective work, whether remote or not.

**2. Supplier management:** L&D teams rely on many different suppliers to support their learning programs, but they often feel that the benefits of the resultant program offerings are dwarfed by the time, energy and

resources required to effectively manage their suppliers. Now is an ideal time to inventory, evaluate and streamline these suppliers for maximum benefit and efficiency.

**3. Training logistics:** Tracking registrations and required training completions, sending out confirmations, handling learning logistics and managing follow up surveys are just a few of the administrative functions that are often managed via manual or inefficient processes. Employing tools such as robotic process automation can result in huge cost and time savings for L&D teams.

**4. Content & curation:** Do you have teams of experts in place to develop new content whenever it's needed? Do you often rely on the business or myriad third-party experts to quickly build out content? Organizations can gain back a lot of time, effort and resources when they're able to quickly take instructor-led classes virtual; leverage modern technologies to drive richer learning experiences and skill-building; and draw on market-available content for quick and easy deployment.

<sup>13</sup> Deloitte, 2020 Global Human Capital Trends survey, May 2020

## #7 Evaluate alternative workforce strategies

While **66%** of employers cut headcount or pay in response to the pandemic, only **10%** expect layoffs to be permanent.<sup>14</sup>



The pandemic has shined a spotlight on the importance of policies related to alternative workforce strategies such as employing on-demand resources — as well as making short-term or permanent reductions.

### **Contingent workforce analysis and planning**

With today's gig economy and the cyclical nature of business, many organizations have a need for an on-demand workforce. Managing the people, processes and technology that are involved in such an endeavor can be both costly and time-consuming. Partnering with the right managed service provider can help an organization not only meet cyclical hiring needs but transform the worker and HR management experience from start to finish.

### **Temporary reductions through furlough**

Furloughs are temporary staff reductions done with the goal of protecting core resources from separation events. Since employees will typically retain benefits during a furlough period, it is critical for

employers to carefully manage the process and properly assist furloughed employees with their ongoing questions and concerns. There is also additional administration involved with return to work that must be carefully managed to ensure compliance with all laws and regulations — including the COVID-inspired CARES Act.

### **Separation and severance**

A well-crafted severance solution leveraging a Supplemental Unemployment Benefits (SUB) Plan helps employers save money while simultaneously providing a larger benefit to severed employees. To get the most out of your severance plan, it's important to consult with a tax professional so your plan is structured properly and in compliance with all regulations (CARES Act included).

<sup>14</sup> 2020 COVID-19 Poll, The Hackett Group



## #8 Ensure compliance with all regulations

**24%** of firms outsource all or part of their compliance functions in order to gain additional assurance on compliance processes, address a lack of in-house compliance skills, and save money.<sup>15</sup>



The U.S. enforces 180 federal laws that cover many HR activities for some 150 million workers and 10 million workplaces, and these are compounded by state nuances. Add in global legislation for businesses that cross borders, and compliance management can be overwhelming — especially during these times of constant change.

Although compliance with federal, state and local laws is always a critical focus area for HR management, the current health crisis has accelerated a surge in new regulations that have impacted both HR leaders and benefits plan participants in important ways. Some of those regulations include the CARES Act, Notice 2020-29, and the DOL New Safe Harbor Regulation for Retirement Plan Electronic Disclosure.

It's crucial for HR leaders to be aware of these regulations, and also consider enlisting trusted partners that can help them navigate the legislation while saving time and resources. Some of the benefits of working with an outsourced partner include:

- **Deep, diverse legislative experience:** Outsourcing firms specialize in compliance and have years of combined experience managing complex issues

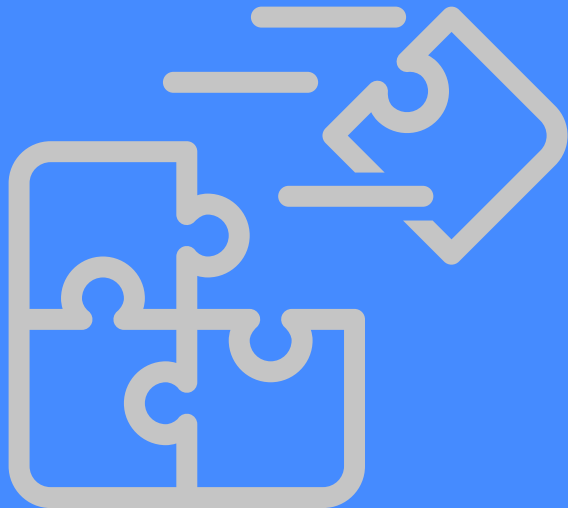
across a range of industries. That means there's likely no compliance challenge your company will experience that they haven't seen before — and with experience comes more efficient, and potentially smarter, decision-making.

- **Bench strength:** While your compliance resources may be at the top of their game, they also likely wear many hats. Working with an external partner gives your company greater access to more resources that can be of support to you and your employees — essential when dealing with regulatory deadlines and mandates.
- **Established relationships:** Since outside firms are interacting with regulators and agencies day in and day out, you can count on their experience and have confidence in their ability to address issues quickly, get questions answered, and ensure that your organization is meeting all requirements and deadlines.

<sup>15</sup> Thomson Reuters, Cost of Compliance Report 2018

## #9 Reduce liability and risk

In 2019, **pension buyout** transactions totaled **\$28 billion**, up from \$3.84 billion in 2013.<sup>16</sup>



One area that's crucial to look at right now is your Defined Benefit (DB) plans and packages. Risk transfer transactions can help plan sponsors reduce pension liability and related expenses, potentially improving your overall financial position and benefiting employees in other areas of the business. Consider these pension de-risking strategies:

- **Terminated vested lump sum payouts:**

When a terminated employee is vested but has not commenced his or her payments, offering a lump sum payout could save your company millions over time. With average retiree life expectancies continuing to rise, so do the funding requirements on a guaranteed annuity. You also bear the risk of liability changes as interest rates and mortality change,

making funding of the plan fairly unpredictable. The lump sum eliminates much of this risk with a “one and done” payment so the plan sponsor bears no future burden.

- **Purchasing annuities:** One increasingly popular method for managing pension risk is the transfer of pension liabilities to professional risk managers such as life insurance companies. This essentially includes purchasing annuities from an insurance company that transfers liability for some or all of your plan participants away from you. Pension risk transfer (PRT) through annuities continues to rise in popularity as companies strive to reduce their financial risk, improve their bottom line, and focus more on managing other areas of their business.

- **Special note on DB frozen plans:**

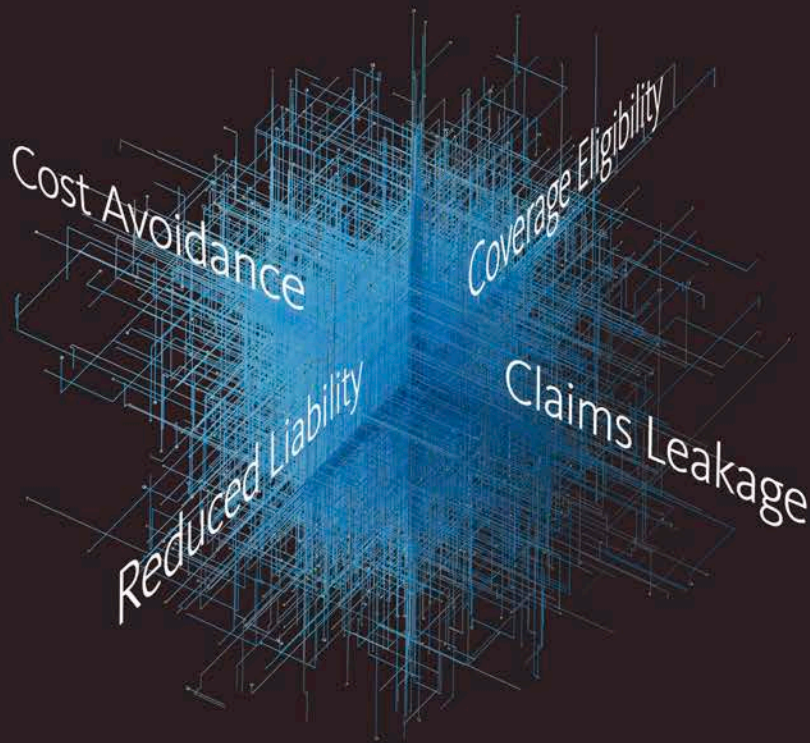
If you've made the decision to freeze a DB plan for all future benefit accruals or just to new entrants, this may result in immediate cost savings — but it doesn't free you of plan maintenance responsibilities or eliminate cost volatility. It's a good time to consider working with a plan partner to offload plan administration and sunseting so your team can focus on more urgent challenges. In doing so, you can minimize the risk associated with payout responsibilities and compliance with other plan rules.

<sup>16</sup> ASPPA, March 19, 2020



## #10 Identify untapped savings through program audits

According to experts, as many as **12%** of all enrolled dependents **may actually be ineligible to receive benefits.**<sup>17</sup>



Employee benefits are a large line item for HR, and those costs are highly reliant on the quality of data. Because employee data can turn stale for various reasons, HR should formalize checks and balances for their health and retirement plans. Here are some critical focus areas right now.

### **Dependent Eligibility Verifications (DEV)**

It's important to periodically audit the dependents who are enrolled in health benefits to ensure legal eligibility. If you find ineligible covered dependents, such as children over age 26 or former spouses after a divorce, you can implement strategies to guide plan dependents toward available healthcare options. This allows them — and your company — to maintain compliance with plan rules.

### **Audit of medical and pharmaceutical claims**

Taking stock of medical and pharma claims helps ensure they are being appropriately paid based on a person's eligibility at the time of service. Payment errors happen for various reasons, including HR not terminating employees in a timely manner, carriers not updating eligibility roles quickly enough, dropped update files, and mismatched plan elections (family vs. individual coverage, for example).

### **Defined Benefit plan audit**

Plan administrators typically have a good understanding of the state of their data on active participants and participants in pay status in their plans. However, data on participants with deferred benefit payments is often out of date. Participants with deferred benefits include terminated vested participants, beneficiaries of deceased employees, alternate payees, and beneficiaries of current retirees.

It's often several years before participants with deferred benefit payments actually commence their benefits under the plan. Their data could drastically change prior to commencement for a variety of reasons including deaths, which are not always reported. This creates avoidable costs for the plan sponsor. However, a plan audit can improve the accuracy of the data, save the plan sponsor unnecessary costs, and reduce plan risk. Specific benefits of an audit include:

- Reduces funding and accounting liability
- Lowers Pension Benefit Guarantee
- Accelerates annuitization or plan termination process (reduces data preparation fees)

<sup>17</sup> EverythingBenefits.com, Dependent Eligibility Audit: What Employers Should Know, April 11, 2019

## Move your HR business forward

The things that are top of mind for HR leaders right now are similar to those that mattered most before the pandemic — with many focus areas intensified by changing human, regulatory, financial and environmental conditions.

The most important factor in driving organizations along the path to recovery is the ability to take action — not just by human resources leaders but by the entire organization working together.

As an HR leader, your reality has undoubtedly changed. But the steps you take right now — and in the weeks and months ahead — have the power to impact both business outcomes and the health and wellbeing of your employees for many years to come.

## Conduent – your partner in the journey to recovery

Conduent HR and Learning Solutions provides the most comprehensive suite of digitally-enabled HR offerings in the industry. Our digital platforms enable every employee to manage the complex landscape of employment, health, wealth, career, and retirement choices through a compelling, personalized experience.

Conduent's human-centric solutions improve the employee experience, streamline HR practices, reduce costs, increase productivity, provide employees with information needed to make important decisions, and provide HR teams with the information and insights they need to succeed.



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Conduent's differentiated services and solutions improve experiences for millions of people every day, including two-thirds of all [insured patients](#) in the U.S., 11 million employees who use its [HR Services](#), and nearly nine million people who travel through [toll systems](#) daily. Conduent's solutions deliver exceptional outcomes for its clients including \$17 billion in savings from medical bill review of workers compensation claims, up to 40% efficiency increase in HR operations, and up to 40% improvement in processing costs, while driving higher end-user satisfaction. Learn more at [www.conduent.com](http://www.conduent.com).