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Sanitized Practices for Human Resources in a COVID-19 Environment

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Special Edition: COVID-19 Crisis



The impact that COVID-19 has had on small and large businesses, is something never seen before in more than five generations. The closure of America has basically placed a halt to business in the hospitality industry. This has forced many businesses to implement work from home (WFH) strategies. Historical records of unemployment filings have made the navigation for human resources a unique challenge.

Impact of Covid-19

On January 30, the Trump Administration elevated the travel advisory to a "level 4." The travel restriction went into effect on February 2nd in the US with in-bound travelers from China who had traveled within 14 days (Corkery & Karni, 2020). Then additional travel restrictions commenced, marking a historic change in the global economy.

As of March 16, 2020, the federal government recommended a "<u>15 days to slow the</u> <u>spread</u>" guideline, which encouraged working from home when possible (White House, 2020). State and local governments started implementing stay-at-home orders, resulting in the shuttering of schools, daycares and non-essential businesses. This stay-at-home order was expanded on April 2nd, 2020; federal guidance was to expanded to April 30th, with "<u>30 days to slow the spread</u>" recommendations (The White House, 2020).

As these recommendations have been put into place, it has forced employers to make very difficult decisions – temporarily close the doors, modify business operations, convert business operations to work-from-home, furlough employees or lay off employees.

Hospitality Industry Impact

Marriott announced on March 18th that it had begun the process of furloughing tens of thousands of associates (Karmin, 2020). Hilton announced on March 17th that it would be closing most of their hotels (Ollila, 2020; Reigler, 2020). As countries, states and local government placed additional public health advisories, this forced the actual closure of many of the hotels.

Gatherings of groups saw restrictions of 250 to 100 down to 10 people in one place at one time. In turn, this forced the closure of restaurants around the nation. Operations are presently limited to take-out or delivery only; yet the entire restaurant team is no longer needed to operate.

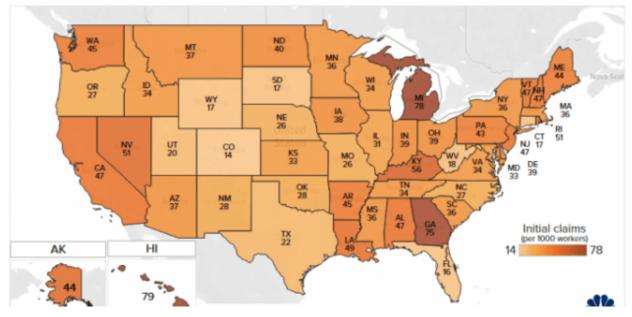
Unemployment Surge

With the massive closings in the service industry, the unemployment claims have surged. On April 9th, the report for week ending April 4th, 2020 had 6.6 million initial claims (adjusted for seasonality) (Department of Labor, 2020). This was a decrease of 261,000 claims, compared to the prior week, with 6.8 million adjusted claims (Department of Labor, 2020). Figure 1 depicts the employment loss across all 50 states.

Figure 1. US Coronavirus Related Job Loss

Coronavirus job losses

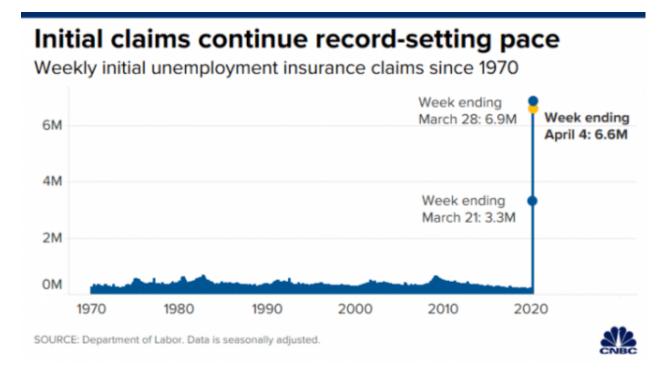
Here are the latest week's initial claims for unemployment, adjusted for the size of each state's workforce. (Claims in the week ended Apr. 4, 2020, per 1,000 workers in state labor force, not seasonally adjusted.)



Note. Source (Franck & Schoen, 2020).

Over the past three weeks the total claims are more than 16 million. Comparing those claims to the 151 million people presently recorded in the last monthly employment report, that means the U.S. has lost 10% of the workforce in three weeks (Franck & Schoen, 2020). The increase in these claims, as seen in Figure 2, is shockingly historic.

Figure 2. Historical Unemployment Claims



Note. Source (Franck & Schoen, 2020).

Drilling down into the unemployment records, the largest sector of the economy that has suffered employment losses comes from the leisure and hospitality, as seen in Figure 3. In the month of March alone, over 459,000 hospitality related jobs have been lost over this pandemic.

March jobs one-month net change

Leisure and hospitality	-459,000	
Health care and social assistance	-61,200	
Professional and business services	-52,000	
Retail trade	-46,200	
Construction	-29,000	
Manufacturing	-18,000	
Mining and logging	-7,000	
Transportation and warehousing	-4,900	
Financial activities	-1,000	
Utilities		800
Wholesale trade		900
Information		2,000
Government		12,000

A study conducted by the <u>Oxford Economics</u> breaks down the loss of employment in the lodging industry, by state, indicating that an anticipated 44% loss of jobs (American Hotel & Lodging Association, 2020; Asmelash & Cooper, 2020).

Operational Changes

Owners and operators have had to make these very difficult decisions:

- lay off staff (which allows them to collect unemployment insurance, but does not secure their insurance coverage)
- furlough employees (provides reassurance that once the all clear is given they can return to work, their insurance may be covered during the gap in work, and they are eligible for unemployment insurance)
- identify which employees or managers will operate on a skeleton crew
- simply close up shop for the time being

Recommendations

All eyes are on the leaders and HR professionals as this pandemic continues to evolve. Employees are watching every move. In a recent online post, insights for surviving the pandemic where shared (Steinberg, 2020). Here are some of the most recent highlights:

1. Consistent Communication

Have weekly one-to-ones with managers, create HR touch-ins, leader check-ins, and have an all employee meeting at least once a week. Be creative, have coffee together over Zoom, to get the day started. Create newsletters or written communication from one source at the same time each week. Utilize the same technology platform, such as Microsoft Teams, Slack, Zoom, Go To, Chyme, etc. For a fast-mobile message, establish a group in an app like WeChat, WhatsApp, or GroupMe.

2. Recognizing Wins

Hold space on the agenda to discuss accomplishments from the week, big or small. This recognition can occur during meetings, check-in conversations, or during round-tables. Share the information as a shout out on social media or on internal platforms.

3. Clear Expectations

Provide guidelines, boundaries and clear expectations for the team. What was expected four weeks ago looks much different. Assume nothing: communicate, reinforce and follow-up.

4. **Provide Support**

Needs look different for everyone; do more than forwarding a link to benefits, employee assistance programs or other resources. Communicate tirelessly about safety. People want to see, hear and be reassured.

5. Navigating COVID-19 Employee Scenarios

Stay closer to your HR leader or HR consultant. Having an objective perspective to develop processes, create solutions and walk through each step, is critical. It is important, to be consistent, fair, empathetic and knowledgeable; be clear on the "why."

6. Training

When this crisis ends, we will need to get back quickly. Use this time to educate and train the team on the skills they will need. Sales managers for example will need to build relationships for business and not 'sell' – many younger sales managers, not having worked during the financial crisis in 2008-2009 or the 9/11 terror attacks, may be more of an order taker. Offer online training classes as a way to keep employees engaged.

7. Productivity

Focus more on the activities to be productive during this new reduced level of business volume instead of being results focused. Try working on projects that you don't ever have time for. Get a prospecting plan together for a sales blitz.

8. Work-from-home Strategies

It sounds more fun until you actual do it! Establish a schedule, this includes taking breaks – go for a walk, talk with a friend on the phone, do a few exercises. Schedule blocks of time to respond to email and consider shutting email off when working on a project to avoid distractions. If acceptable, try and 'turn off' when the "work day" is done, so that there is a line between personal and work. It's too easy for life to turn into work 24/7.

9. Be Flexible

As a leader, be flexible to the challenges that an employee working from home will have during this time, as they may have a spouse, children, or ailing parents all in the home with them at the same time. With the restrictions in getting out of the house to obtain essentials, shopping may need to occur during the day, as many stores are closing much earlier.

10. Self-Care

Don't forget to take care of yourself. Eat healthy. Add exercise into your daily routine, even if it is a walk with your spouse or family. Establish a schedule so that you can get quality sleep at night. Despite not needing to show up for work, take a shower and get dressed. Find ways to connect via video chats or calls to help yourself cope with what's happening. Avoid the news when possible.

We would love to hear your perspective and focus right now. How are you supporting businesses and people?

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