

2020 Guide: Expected Stages towards a New Normal

Stage 1

- Abrupt Cessation of the economy due to COVID-19 crisis
- Layoffs, terminations; remote work
- Potential lawsuits for constructive dismissal



Stage 2

- Ongoing decline-discretionary consumer spending halted.
- Further reductions in headcount and payroll-fulltime to part time; salary cuts; bonus elimination
- To ensure retention for the rebound - communicating with laid off workforce is essential

Stage 3

- Bottoms out - ongoing assessment of Gov't actions
- Senior management becomes a target for further cuts.
- Employee expectations are wide and varied based upon diverse news reporting.

Stage 4

- Gradual rebound for businesses - the speed will be subject to the nature of the business; and, geographic region
- Who is recalled first? What promises have to be made to have employees return? Multi-tasking will become a major consideration sparking company reorganization considerations; Temporary layoffs may be converted to permanent layoffs with associated costs
- Employees who are not recalled and see their work performed by others will definitely start to look at other employment options;
- Potential lawsuits become a very real possibility; Loss of high performers and recruitment costs

Stage 5

- New normal is constructed considering some important lessons learned - that allow for potential future major disruptions.
- A more defensive business posture is factored into all decision-making
- Protection Against Future Disruption =(PAFD) the new normal mindset.
- Communication of the new organization given the new normal to employees; Temporary remote work may tend to become permanent; Policy manuals must be reviewed & revised to protect against future disruptions; Compensation plans to be revised to reflect the PAFD mindset; Employee Surveying important to help to rebuild trust