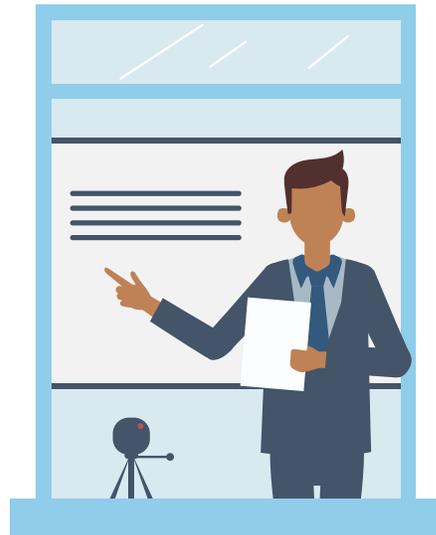
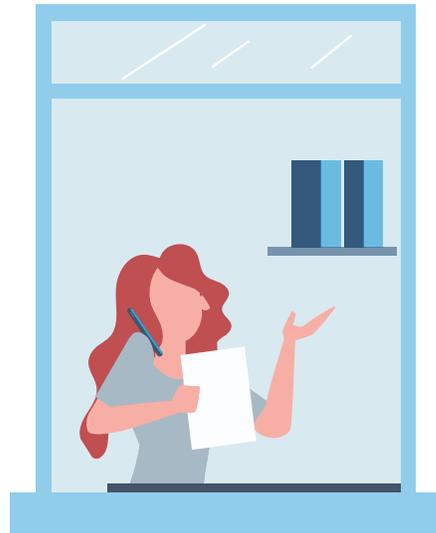
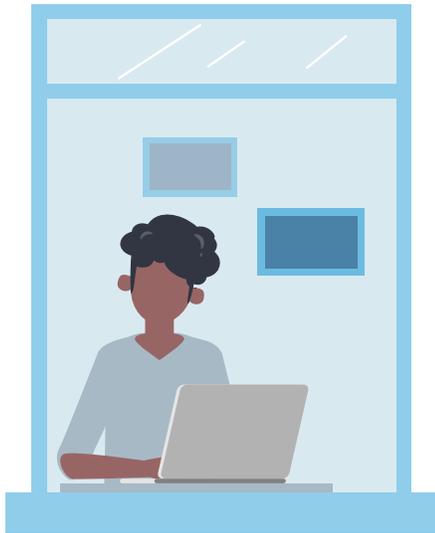


Learning to Cope with the **New Normal**



Response to COVID-19

The COVID-19 outbreak has touched every aspect of the lives of people worldwide, from health and safety, to the way we move freely around the world, to the way we work.

Once the World Health Organization declared COVID-19 a global pandemic, it was only a matter of days before organizations around the globe pivoted their businesses towards an often entirely digital work model and began to adjust their practices to this new normal.

This reaction has proved to be the norm. A survey published by Deloitte in January 2020 revealed that 90 percent of organizations felt, in light of the outbreak, that it was an urgent requirement to provide their employees with flexible work options.

Shifting business culture to a remote work model is hardly the only change

the outbreak has forced. In part because not all business can be adapted for telecommunication. In fact, according to PwC's COVID-19 CFO Pulse Survey, 60 percent of CFOs say their productivity is dipping due to a lack of remote work capabilities.

That means that for the purposes of business continuity management, companies across every industry have been required to respond to the pandemic with accelerated organizational transformation.

A Pandemic as an Operational Risk

As we have all learned first-hand, a pandemic has incredibly far-reaching effects on our economic markets. Operational performance is impacted globally. The supply chain is disrupted, causing high rates of absenteeism. Compounded, these factors may impede a company's ability to deliver products and services to their customers.

Impacts from a Market Perspective:

- Disruption or scarcity of materials and supplies.
- Interest rates are slashed to counteract the effects of the pandemic.
- Competitive business practices are altered due to shifting priorities, timescales, and consumer behavior.
- Currencies are under pressure as investors pull money from emerging markets.
- Institutions and individuals are experiencing liquidity stress and limited access to credit. Governments are intervening globally to add liquidity.
- Disruption of the economy on a global scale.

Business Continuity Planning to Accelerate Business Transformation

Companies around the world have suddenly been forced into organizational transformation because of the COVID-19 outbreak. Yet they may not have had business continuity plans in place for a pandemic.

That's in part because pandemics are difficult to plan for—they are different from such as disasters as earthquakes or

hurricanes. Pandemics may last over a period of months and are not confined to one place. Their systemic affect on our globalized world means they are extremely challenging to mitigate.

Considering this, an organization's business continuity plan in response to a pandemic should include both a long-term business risk management strategy and a business impact analysis in order to regulate the risks associated with the outbreak.

Business continuity management in a pandemic should include the following calls to action:

1. **Respond:** Immediately enact health and safety measures such as social distancing, working at home, mass onboarding
2. **Recover:** Develop solutions to contain the impact of the outbreak on the health and wellbeing of the population, as well as business recovery through normalization of supply and demand
3. **Restore:** Work to build towards the yet unknown new normal

Industries Most Affected by the COVID-19 Pandemic

Widespread closures and quarantines mean that companies that represent non-essential or discretionary spending have seen a marked drop as consumers have been forced to reduce their movements and cut costs.

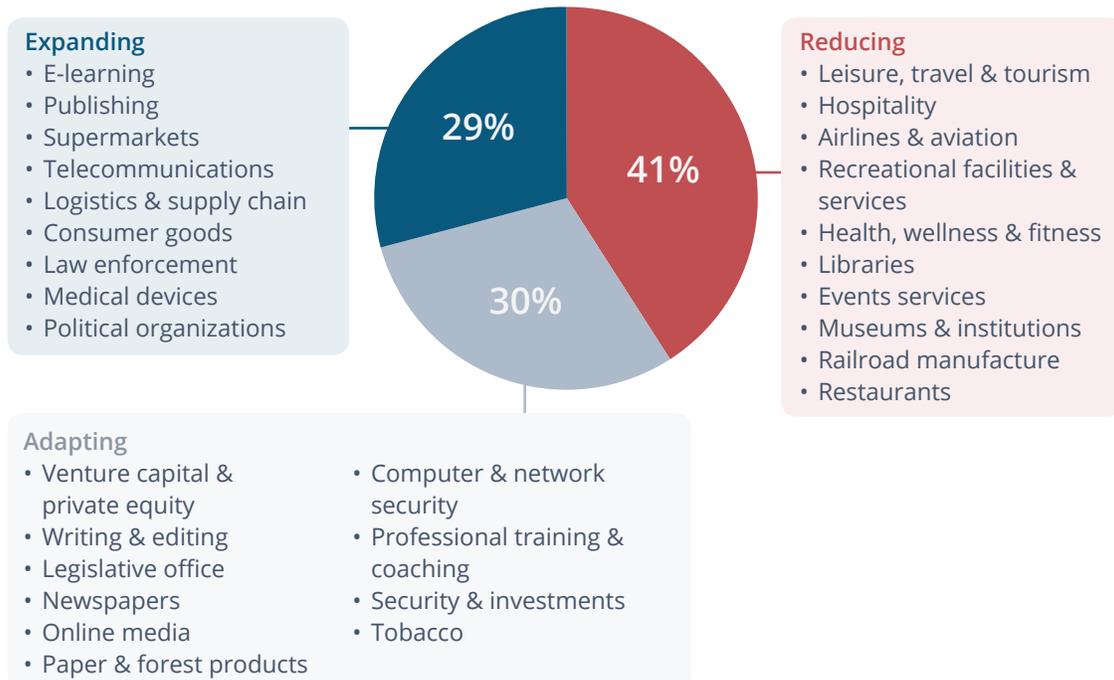


Although each industry is uniquely impacted by the restrictions imposed for pandemic containment, it's likely that business responses fit into one of the three following categories:

1. **Reduction:** Organizations may be forced to reduce human capital due to an economic downturn and a decrease in customer demand.
2. **Adaptation:** There may be changes in work processes to account for:
 - Employee health conditions
 - Remote workforce
 - Lost productivity
 - Employee personal issues
3. **Expansion:** Organizations may experience unprecedented surges in customer demand due to the nature of their industries, such as:
 - Food
 - Staples
 - Healthcare
 - Government
 - Defense

In March 2020, SoPro charted the market impact of the coronavirus across 150 industries. A sample of their findings are outlined below.

Impact by Industry



How Human Resources Set the Standards for the New Normal

With these multiple and dynamic factors at play, how can HR departments best help their businesses adapt and set the standards for the new normal? According to an article in PwC titled “COVID-19: What US Business Leaders Should Know,” organizations should consider a comprehensive plan of action to protect both people and productivity.

In a pandemic, an HR department’s priority should be, first and foremost, to ensure the health and safety of their workforce. HR departments must also continue to drive organizational design and change management, as well as build critical skills and competencies for their business, while continuing to support employee engagement.

Reviewing the following HR guidelines can help businesses navigate the current climate successfully.

HR Policies Impacting Employee Protection:

- Furlough/time off/sick leave
- Bereavement time
- Safe from reprisal assurance
- Succession planning
- Expatriates: Whom to keep in country/region
- How to remove staff and family safely
- Implementing sick workforce handling procedures

HR Practices Impacting Business Continuity Management:

- Monitor absenteeism rate
- Offer flexible work options
- Be sensitive to changes in employee engagement and potentially changing workplaces preferences
- Implement a work at home program
- Identify critical skill shortages
- Set clear expectations with teams and managers with regards to priorities, communication, and support

Critical Staffing Concerns: Categorizing Staff by Role, Function, and Priority

When planning or reacting to a moment of change or crisis, HR must identify critical roles by business unit or region. These include jobs directly linked to business priorities in impacted areas, roles directly linked to mission-critical products or

services, and positions with key contractors and customers. For operational resilience, HR must also review those functions related to potential surges in activity in response to the pandemic and identify back-up staff for these primary critical positions.

Categorizing roles for operational resilience:

- **Essential:** Must be available under all circumstances
- **Temporary suspension:** May be suspended for a short period
- **Extended suspension:** May be suspended for an extended time or indefinitely

If and when Human Resources has identified that the employee bench is shallow, they may choose to initiate cross-training, testing, or certification, and procure third-party personnel services on retainer to account for any missing links.

Your Business Continuity Plan with Nakisa Hanelly

While today's challenges are like nothing we've seen before, Nakisa Hanelly is well-equipped to help organizations manage their business continuity under any circumstance.

With Nakisa Hanelly visualization and HR Analytics capabilities, you are able to visualize, understand, and make informed decisions for your organization.



The solution empowers you and your department to:

- Use the location map to gain an overview of your employees in the most affected regions
- Spot critical employees in the most vulnerable age category
- Identify high performers and scarce employees in different functional areas
- Shortlist employees with similar skills and have a back-up plan ready for key positions
- Introduce leaner, easier-to-manage structures
- Spot the part-timers, probationers, and consultants to optimize the workforce if required
- Plan, collaborate, and discuss online in real time on a secure cloud solution
- Ensure skill sets capture skills beyond current profile requirements, view certifications for easy screening
- Identify back-ups and/or successors for key positions
- Determine employee availabilities for different time zones to cover for absent colleagues

“This crisis will reveal not just vulnerabilities but opportunities to improve the performance of business.”

Kevin Sneader & Shubham Singhal, McKinsey

Looking to the Future

We are in uncharted territory, but we're in it together, and with agility, integrity, collaboration, and resourcefulness, we may discover opportunities to reimagine and even improve the way we do business.

About Us

A global leader in cloud business solutions for Organization Design and Accounting & Compliance, Nakisa delivers innovative, forward-thinking and robust human resource and financial management solutions that advance your business strategies.

Nakisa Hanelly is a comprehensive solution for org chart, org design and HR analytics. It helps HR and leadership streamline and maximize business change.

If you think Nakisa Hanelly can help your organization navigate this challenging time, please email us directly at info@nakisa.com.

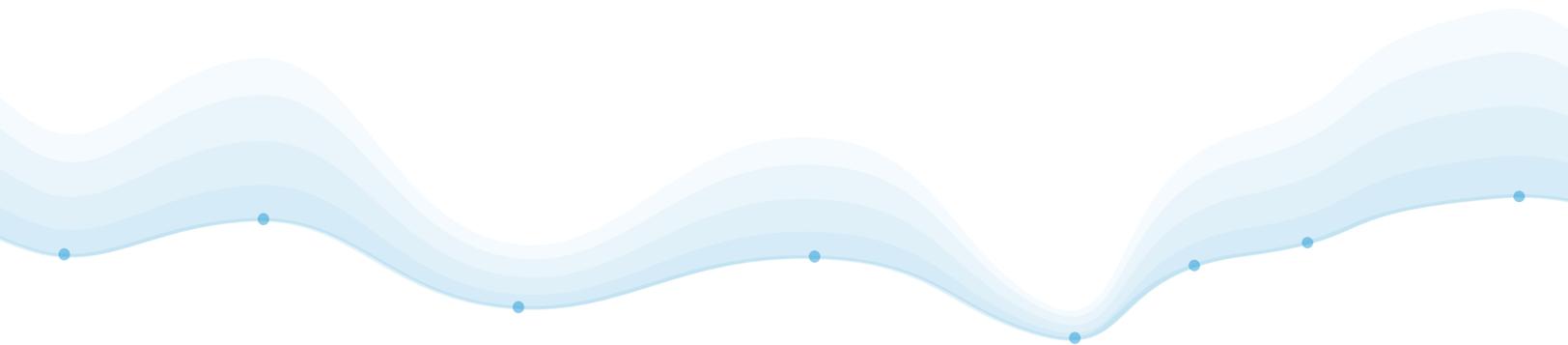
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