

# How HR Leaders Are Dealing With the COVID-19 Crisis

A digital gathering with top HR leaders in Mexico

In face of the unprecedented challenges that the COVID-19 crisis has imposed on businesses, the leaders of the Human Resources (HR) function have become the primary guardians of the health, safety, and wellbeing of employees. These leaders are playing a key role, covering several fronts, such as ensuring the health of the workforce, implementing safety protocols for those individuals who need to continue working in the offices, production facilities and warehouses, leading the communications between the business and its employees, developing work-from-home policies, and preserving as many jobs as possible. Consequently, HR leaders have been forced to navigate unexplored waters, regardless of the industry they are in.

For these HR leaders, the pandemic has provided an unparalleled opportunity to work even more closely with the business and solidify themselves as true business partners to their internal colleagues.

On April 28, Egon Zehnder gathered about 30 HR leaders of multinational companies, both Mexican and foreign, to participate in a forum that set the stage to exchange ideas and share experiences and learnings about what has worked well—

and what has not—when facing the challenges imposed by the pandemic. They also began to imagine how the “post-COVID new normal” could look like from an HR perspective.

### **Breakdown of Paradigms and Learnings**

Unexpectedly, the pandemic has favored the breakdown of paradigms and has generated numerous learnings for leaders. Until a few months ago, the idea of having a large proportion of employees working from home, enabling businesses to operate “as usual” seemed unthinkable. However, the pandemic has performed as a catalyst to demystify this idea.

The pandemic has also provided numerous learnings in terms of how different leaders react to the crisis. Under current operating conditions, executives of different seniority and responsibility levels have demonstrated their capacity to adapt to the new circumstances. They have also boosted their creativity to solve problems they had never faced before, as well as their agility to make quick decisions with limited information and assuming risks that they were not used to take. To do so, it has been crucial for organizations to provide their executives—primarily those in distant and geographically dispersed operations—with absolute backup, dispensing them with the required confidence for them to make the best possible decisions based on three guiding principles: take care of employees’ health and wellbeing, preserve jobs, and ensure business continuity.

Companies, regardless of size and sector, have demonstrated empathy and humanitarianism toward their employees and their families. Despite the fact that a large proportion of businesses have been severely impacted, most of them have tried to avoid—as far as possible—laying-off personnel.

### **The Relevance of Communication in Crisis Processes**

Communication has become an essential tool to reach out and be close to employees and their families. Attendees highlighted the relevance of the leadership team to remain as objective as possible in order to avoid sending confusing messages to employees. Transmitting clear and consistent messages has proven crucial to have a positive impact on the work environment.

Some companies have created internal communication campaigns aimed at sensitizing the whole organization about the relevance that each individual function plays in order to ensure the business' continuity. The key challenge is to ensure that employees feel considered and valued and provide them with emotional support. One company detected that there was a tendency for many employees to work in excess trying to demonstrate the relevance of their roles and activities. In order to avoid emotional burnouts, the company prepared online workshops aimed at orientating employees about work-life balance, caring for children and vulnerable individuals, and managing emotions, stress, and anxiety during the pandemic.

### **People Analytics**

Many HR leaders also highlighted the relevance of understanding the worries, anxieties, and feelings of their collaborators in a timely manner for which they are applying people-analytics tools. The information that is generated periodically through these tools is being taken to the war rooms for their discussion, analysis, and decision-making processes, primarily with the aim of evaluating and, if required, reorienting the way the leadership team is communicating with the rest of the organization.

### **How to Keep Your Employees Motivated**

Participants commented about the relevance for employees—primarily those who still go to the work centers and are more exposed to contagion—to perceive that their companies are taking care of them beyond providing protective equipment and maintaining safe distancing protocols. In this respect, other measures that have been implemented include temporarily modifying working hours so as to reduce the exposure of employees to contagion in public transport, paying for private transport (e.g. Uber), increasing the frequency of the employee transport services and, in general, measures aimed at fostering a healthy social distancing. One of the participants mentioned having made a call centre available for their employees to provide psychological aid.

Participants also concurred in stating that demonstrating empathy toward employees should not be underscored. One way to favor empathy consists in leaders making themselves present and visible in the operations, be these offices, production plants, distribution centres, etc. Other companies, primarily those in

the so-named “essential” industries, have alluded to the social responsibility and purpose concepts as key elements to motivate employees, primarily those who have to keep attending the work centres or are working on the street. Exalting people’s sense of belonging and fostering their pride for the activities they carry out make them aware of what their work represents to society during the pandemic, which in turn makes people feel valued.

Various companies reinforced the above-mentioned non-monetary motivational measures, with the payment of incentives in the form of one-off bonuses to reward those who are more exposed to contagion. In regards to the payment of “regular” incentives, some companies have continued paying them “on-target,” while others have established new structures to determine bonuses using different qualitative metrics such as innovation, training, and leadership.

Despite the fact that companies have the intention to avoid layoffs, for some it has been inevitable to dismiss some of their collaborators. In order to ensure the wellbeing of employees that have to be let go, one company established a program where it transferred personnel from business units that were negatively impacted by the quarantine to business units that saw their sales increase because of the lockdown. Other companies developed a secondary talent market, establishing strategic alliances with other companies in the retail sector—many of which have benefited from the pandemic—in order to funnel personnel (a few hundred) who were laid off.

### **Anticipating the New Normal and What to Expect After**

Anticipating the impact that the lockdown will have is challenging. Participants pointed out the following challenges: how the day-to-day operations will have to be modified as people gradually return to their professional activities post-pandemic, the more permanent impact that this episode will have on the organizational culture, and how to plan and execute the gradual reactivation. In order to cope with these challenges, companies have formed distinctive, multidisciplinary work teams, some in charge of handling the war room during the pandemic crisis and others, isolated from the crisis topics, with the mission of anticipating the actions that will have to be taken to ensure a gradual return to the “new normal.”

While it is true that the lockdown accelerated the digitalization of activities and processes, it is also true that the new modality of working remotely may represent an additional challenge for employers. When companies call for a gradual return to offices and production facilities, their employees might question them about the real need to return to the physical workplace.

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## Covid-19 Micro-Website

We have launched a micro-website where this and other informative pieces are posted. This site will be regularly updated: [click here](#) for further details.

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Our more than 500 Consultants in 68 offices and 40 countries form one powerful, collaborative team. Our services include: leadership development, individual, team and organizational effectiveness, CEO search and succession, executive search and assessment, Board advisory, and cultural transformation.

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