Responding to COVID-19: Confronting the new era of business

As organizations move through the crisis response life cycle and prepare for a post-COVID-19 environment, we review ways our new habits are driving behavioural change, assess how to make the right technology decisions and explore COVID-19’s impact on the regulatory environment. Our goal is to help you manage your business and emerge stronger from this crisis.

Reboot Canada

As discussions continue on rebooting Canada and returning to the workplace, we continue to imagine what life after lockdown could look like—and how we’ll confront the COVID-19 era.

As we plan our return to the workplace, we should keep in mind the lessons lived and learned from this initial crisis and make sure we’re keeping our customers and employees top of mind as we plan for future waves of restrictions, should they happen.

There are four key decision categories to evaluate before bringing back parts of the workforce

01 Health and safety
02 Nature of work
03 Financial
04 Worker preference and psychological safety

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Getting ahead of behaviour change

Early signs are that Canadians may behave differently after returning to the workplace and the opening of the economy. To succeed in this new environment, organizations will need to get ahead of these changes and consider the impacts on how they do business.

Consider the following three factors that turn temporary behaviours into normative habits

01 Build ability
■ New behaviours are clear and easy to understand.
■ New behaviours are easy to do.
■ First steps are simple to take.

02 Align motivations
■ New behaviour has speed to value.
■ Practice is safe.
■ New behaviours are rewarded and incentivized.

03 Environmental reinforcement
■ Social reinforcement—peers model the behaviour.
■ Formal rules encourage adoption.
■ Concentrated repetition builds the habit.

The fresh-start effect

Many behavioural scientists refer to the fresh-start effect, which means that after a “temporal landmark” (such as the reopening of the economy), people are more dedicated to taking action toward goals and are more open to change. Organizations can contribute to shaping the new normal by anticipating the behaviours employees and customers will be motivated to retain/change and being ready to create the environment and capabilities that support these changes.

How COVID-19 is changing behaviours

01 Priming the population for new behaviours
Voluntary measures and heightened media prime households for change.

02 The behaviour shock—social distancing
Default spending patterns and daily routines are suspended. Population forced to switch over to new behaviours.

03 Visible reinforcement of risk perceptions
Early job losses and economic uncertainty drive risk-averse/defensive economic behaviour.

04 Reset of individual decision framework
As the human toll of the crisis becomes visible and creates residual fear and social trauma, individual choice architecture and norms are influenced.

05 Spending habits reset
Spending patterns post-restart reflect new habits (formed during shutdown and reflect new risk perceptions).

06 Social pressures shape regulatory response
New social norms and beliefs create ground-level pressure and political will for reforms to regulations.

07 Structural changes trigger industry restructuring
Rotation of spending exposes significant productivity gaps and asset utilization issues in impacted industries.

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Technology

As they navigate the many changes taking hold during the reopening phase, technology will be key to helping organizations succeed. What’s the role of technology in the return to the workplace and how can organizations assess which tools are right for them? The right technology procurement decisions start with a full understanding of and focus on the problems that need to be solved. With a prioritized list of problems, it’s important to consider each from the perspectives of different users.

Top three problems for employees

01 Confidence
02 Communication
03 Tooling and technology

Top three problems for employers

01 Safety and risk: To address safety and risk, employers need to build employee confidence through clear communications around safety and risk. It’s important to make that messaging widely available through digital channels.
02 Engagement: An engaged workforce is essential to positive results. Help employees stay engaged by giving them the technology tools to work when and how they like.
03 Effectiveness: Investments made in your COVID-19 responses will, if planned well, serve your business and your stakeholders well for years to come. Employees are also looking for adequate tools to do their day jobs, be that access to core systems, conferencing or collaboration tools.

Technology tools to navigate the economic reopening

01 We’re developing an anonymous self-assessment tool that can help employees enter demographic, location and health data to assess their risk so they can be confident in their own decisions to return to the workplace. There are now a number of free-to-use, COVID-19-specific tools on the market.
02 We’ve pivoted some of our existing employee experience technologies to be COVID specific. What was previously an intelligent virtual assistant is now capturing employee preferences and assisting with the implementation of return-to-workplace plans.
03 From an employer perspective, we’re seeing a lot of focus on contact-tracing technologies, with a common feature being that users are notified if they’ve been in close contact with someone on the same app who has tested positive for COVID-19. This helps a person self-isolate or get tested.
04 For employers looking beyond the pandemic to the changed future of work, we’re also seeing interest in upskilling tools that take employers on a journey from defining the future workforce and assessing current competencies to job matching and retraining.

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Explore further
Impact on the regulatory environment

In recent months, the regulatory environment has changed quickly and substantively. Along with new regulations, there has also been an increase in the risk of non-compliance with rules that haven’t changed due to our new work environments and an increase in inspections. What does this mean for the business environment as the economy gradually reopens?

Workplace health and safety: The regulator has provided new regulations and guidance throughout the pandemic. While some guidelines can be applied to all industries, most are focused on certain sectors. For example, in the first week of May, Ontario issued 61 sector-specific guidelines from the province’s health and safety associations. And as of April 29, inspectors had completed 5,158 workplace visits and issued 1,822 orders, including 18 stop-work orders, related to COVID-19.

Key considerations for going back to the workplace:
- Can you reopen and meet all of the regulatory requirements?
- Have you done a compliance assessment?
- Are your policies and procedures updated to address COVID-19-related changes and risks?
- Do you have training and procedures to accommodate employee requests not to return?

Labour and employment: This is an area of regulatory change, and new risks are emerging impacting compliance with existing regulations. For example, do you have policies and procedures when employees refuse to return to the workplace because they don’t have proper childcare or have compromised immune systems? Regulations and risks are changing and employers need to adapt.

Key considerations for going back to the workplace:
- Do you have procedures for employees who can’t return to the workplace?
- Are your employee contracts reflective of the changing work environment (e.g. work location, termination clauses)?
- Have you updated your sick leave/leave-of-absence policy?
- Does your labour crisis management plan consider the labour-related implications of an on-site outbreak?

Securities laws: In this work-from-home environment, there has been a change in how certain procedures and controls are operating. Have you reassessed the design and operating effectiveness of these changes on your internal controls over financial reporting regulatory requirements? In addition, the impact of COVID-19 has been material to many businesses, and this triggers material change disclosure requirements under National Instrument 51-201. It also impacts the forward-looking financial and risk information as required by NI 51-102, to name a few areas for consideration.

Competition law: The Competition Bureau has acknowledged that competitors may need to collaborate during the pandemic as evidenced by their COVID-19-related guidance. Although the bureau has provided specific guidance on the circumstances and procedures where such collaboration is accepted, it’s important to operate within those guidelines with the proper documentation and processes to support.

Privacy: The pandemic has introduced new risks as employers need information about an employee’s exposure to COVID-19 but must exercise care in what they ask of them. While the Privacy Commissioner has provided guidance to help organizations navigate collecting the required information to support their workforce during the pandemic, the Commissioner’s privacy-related obligations are still in place and should be followed.

Anti-bribery and corruption: With supply-chain pressures, an economic downturn and the need to access essential goods, we’re looking out for an increase in bribery and corruption. It’s important to have the right policies and procedures in place and to monitor activities with public officials during these times.

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