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PwC’s COVID-19 US Employee Pulse Survey: how do employees feel about returning to the workplace?

As states begin to loosen shelter-in-place mandates, companies are planning for a return to the workplace by implementing a raft of safety measures. But how do employees feel about returning to the workplace? To find out, PwC surveyed more than 1,100 workers nationwide during the week of May 4, 2020. The results might surprise employers. Some of the key findings include:

- Among the workers surveyed, 39% were forced to stop working (while still being paid) or were forced to work remotely. Of the 39%, 51% cited the fear of getting sick from being at work as the reason they would not be able to return to work, while 24% said they are unwilling to take public transport. Others also stated being a parent or caregiver as reasons for not being able to return to work.

- A little over half of all workers who had been forced to stop working or forced to work remotely are seeking safety measures from their employers. Topping the list of measures they would like employers to take is providing personal protective equipment (56%), followed by notifying employees if someone they work with has tested positive (51%) and requiring customers to follow safety and hygiene practices (51%).

- Workers have reservations about tracing tools. Among safety measures employers may require, 31% say they’re “very concerned” about the use of wearable devices to track location and proximity to infected individuals. Phone apps that track location also have 31% of employees surveyed “very concerned.” Additionally, 45% are in favor of mandatory COVID-19 testing for health clearance before returning to the workplace.
IAC pushes for ESG disclosures

The SEC’s Investor Advisory Committee (IAC) has recommended that the SEC update reporting requirements for issuers to include “material, decision-useful ESG factors” in their reporting. The IAC stated that there is a lack of material, comparable, consistent information available to help investors with their decisions. To begin, the IAC suggests the SEC reach out to investors, issuers and other market participants, as their input is crucial to the process.

SEC Commissioner Hester Peirce expressed her concerns on the matter stating, “I have reservations about the draft of the recommendation relating to ESG disclosures...A new SEC disclosure framework for ESG information, however, seems an unnecessary response when our existing securities disclosure framework is very good at handling all types of material information.”

Are companies making COVID-19 adjustments to non-GAAP measures?

For the first quarter of 2020 (for calendar year-end companies), most companies did not include adjustments related to COVID-19 when calculating adjusted EBITDA, according to Bass Berry & Sims. A survey of 55 public companies that filed their earnings release between April 1 and May 14 found that only 9% did so. According to the report, some of the pandemic-related adjustments included:

- Enhanced employee compensation and benefits
- Incremental costs to support social distancing
- Incremental cleaning supply costs needed to sanitize facilities
- Costs related to personal protective equipment
- COVID-19-related charges
- COVID-19-related restructuring costs

The report explains that there are several reasons companies may have chosen not to include COVID-19 impacts in their calculation of adjusted EBITDA or other non-GAAP financial measures. Since the duration of the pandemic is unknown, they may see expenses related to it as within the normal course of business. For some companies, the greatest impact may be forgone revenue, which typically wouldn’t be included in adjusted EBITDA calculations.

The report states that timing may have also played a role. The effects of the COVID-19 outbreak didn’t become widespread until the final weeks of the first quarter, limiting its economic impact.
COVID-19: As your company steps up...speak up
As companies manage through the turmoil from the COVID-19 pandemic, it’s now time for them to evolve their strategies to be responsive to all stakeholders. The crisis is a defining moment in which a company’s broader responsibility, especially to its employees and community, is more important than ever. The crisis has clearly highlighted one essential point: Business has a leadership role to play in society. Read the full paper.

Education

The CFO Agenda: Challenges of Navigating COVID-19
PwC has been regularly conducting a COVID-19 CFO Pulse Survey, which gathers CFO views on existing and future challenges. In this video, PwC’s Paul DeNicola frames results from the survey and comments on the most pressing concerns CFOs have raised as they plan for a post-pandemic workplace. Watch the video.

Events

Digital Transformation: How to create alignment between the board and management
Webinar
June 23, 2020
Findings from PwC and Corporate Board Member’s 2020 survey of public company directors on digital transformation found substantial misalignment—directors are more skeptical and less confident in their company’s digital transformation efforts than management, and have different views on timelines and progress. So how are progressive boards and management teams closing this gap? Join PwC’s Governance Insights Center Leader Paula Loop when she and a panel of public company directors discuss their experiences and views on going through a digital transformation, leading the digital strategy and building an innovative culture. Register here.

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