

Human Resource Executive®

From Crisis to Recovery

HR leaders are looking to use lessons from last year to shape HR's future. PAGE 6



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HR Leaders Report Soaring Amounts of Stress

HRE's annual "What's Keeping HR Up at Night?" survey will be the topic of a panel discussion next month during Spring HR Tech.

BY KATHRYN MAYER

What's keeping HR up at night? In a year defined by a pandemic, social and political unrest and a contentious election, well, a lot.

A whopping 90% of human resources professionals said their stress has increased in the last year—47% of whom said their stress levels have increased "dramatically," according to *Human Resource Executive's* annual survey of HR professionals. About 9% said their stress levels remained about the same, and just 1% reported it decreased. About 830 HR leaders were surveyed.

The highlights of the survey and more will be among the focuses of HRE's Spring HR Technology Conference & Exposition®, which will be held virtually March 16-19. John Sumser, founder and principal analyst of HRExaminer.com, will host a panel discussion about "What's Keeping HR Up at Night"—and discuss HRE's survey results—with several CHROs.

The event, which is free to attend, will also include sessions from HR thought leaders Josh Bersin and Jason Averbook; Mimi Brooks, CEO of consulting firm Logical Design Solutions; talent acquisition expert Jackye Clayton; and a closing keynote on diversity and inclusion from author and practitioner Torin Ellis.

The biggest stressor for the HR leaders who responded to the survey? Unsurprisingly, that would be the COVID-19 pandemic and its effects on workers. The virus has wreaked havoc on organizations for nearly a year as they try to navigate the unprecedented

Here's the Keynoter Lineup for Spring HR Tech

The free Spring HR Tech event will take place online March 16-19. Below is a look at some of the keynote presentations. Learn more about the agenda and register at [HRTechConference.com](https://hrtechconference.com).

In the opening keynote, global analyst and thought leader Josh Bersin will discuss HR technology in the coming year and how it will facilitate changes at work.

Jason Averbook, author and consultant, will talk about "Changing Work for Good: A Whole Person Approach to Digital Transformation."

Mimi Brooks, CEO of consulting firm Logical Design Solutions, will address building sustainable and high-performing organizations for the future.

Talent acquisition expert Jackye Clayton will discuss why it's time to change diversity recruiting.

Katy Tynan, a principal analyst for Forrester, will talk about the importance of and ways to invest in the leaders who aren't in the C-suite.

Author and practitioner Torin Ellis will give the closing keynote on permanent changes needed to reframe the conversation around inclusion and workplace culture.

event that has touched nearly every aspect of work. Organizations and company leaders have dealt with a number of challenges since the onset of the pandemic, including moving the majority of workers remote, ensuring their health and safety, and helping to improve employees' mental health, which has worsened exponentially over the past year.

Of the HR leaders who responded to HRE's survey, the majority said the two biggest HR challenges facing their organization are improving employee morale and engagement in remote/hybrid/socially

distanced workplaces (cited by 25% of participants) and managing these new types of workplaces (18%). Also high on the list of challenges was retaining key talent (18%); driving culture in the new pandemic work environment (16%); boosting employee wellbeing, including mental health (15%); and managing the cost and scope of benefits, including healthcare, caregiving and financial wellness (13%).

"Managing health and safety policies has been an ongoing challenge and has felt like chasing a moving target," wrote one survey respondent. "And the





HR Needs to Start Thinking Like Public Health Experts

The COVID crisis continues.

In May, 88% of Americans thought they'd be back to work by the end of 2020. Now, however, we realize we're going to be fighting this virus for some time to come.

In this environment, the job of HR and senior leaders is not just to make the workplace safe, but also to flatten the curve. In effect, we must all become public health experts. Executive participants in our Big Reset are all making plans for the new workplace. Companies are developing new safety protocols, mental resilience programs, hybrid work models and human-centric leadership strategies to adapt.

The field of public health was defined by Charles Winslow, a bacteriologist and founder of the Yale School of Public Health, as "the science and art of preventing disease, prolonging life and promoting health through the organized efforts and informed choices of society, organizations, public and private communities, and individuals." Our companies and customers are "communities," so public health practices are a perfect fit as we work to make our organizations healthy, productive and safe.

Humans have been dealing with viruses for hundreds of years. SARS and MERS were far more deadly but thankfully less contagious. We all have to realize that this pandemic is not a one-time event. We will be living with the challenge of infectious disease for years into the future.

Nicholas Christakis, author of *Apollo's Arrow*, points out that the 1918 flu virus had a second wave that was four times as deadly as the first. Life didn't return to "normal" for almost four years, and even then, there were permanent changes.

The impact of the pandemic is expansive. Trust, culture, wellbeing and the economy are all impacted, which is why I believe we must take a systematic approach. Rather than focusing solely on creating safe workplaces, we need to think about building organizations that can respond to crises, adapt as needed and safeguard talent.

Suppose your company has a COVID-19 outbreak and the virus starts to spread among employees. Addressing the situation from a public health perspective would have you and your teams not only determining how to

respond but also looking for factors potentially causing the problem. Are employees wearing masks? Are they sitting too close together? Did someone bring the virus in from home? Are employees ignoring protocols because of pandemic fatigue? Do they have enough information to make the right decisions? Or are some not able or willing to comply?

Public health leaders also talk about the importance of humility when dealing with a new virus. Nobody really knows what a new virus will do. Experts have to be humble, study new data, move on from mistakes and constantly innovate. We need to take the same approach in business.

If you read about pandemics of the past, you see that they don't just end; rather, they transform lifestyles, expectations, choices and even fears. Even if we see a strong recovery this year, we'll be working through the effects of this pandemic for several years. Therefore, your workplace and public health strategies should be built to last. A vaccine will not make the problems we've been dealing with over the past months magically go away.

We also have to be relentless in helping employees understand that public health is not about protecting the individual—it's about protecting others. This means creating workplace health policies that drive collective thinking. Just as we work to encourage teamwork, knowledge sharing and collaboration at work, we must help employees understand their role in protecting everyone around them. This whole spirit of giving back must be core to your workplace health strategy.

The *Deloitte Global Millennial Survey 2020*, which surveyed more than 18,000 professionals under the age of 45 (74% of the global workforce), found that citizenship is on the rise. Seventy-eight percent of respondents say the pandemic has taught them to be more sympathetic and helpful to their community.

I encourage you to tap into this sentiment as you create your own safe workplace strategies for 2021 and beyond. We're all in this together. Only by protecting our fellow employees and customers can we protect ourselves.

Josh Bersin is an analyst, author, educator and thought leader focusing on the global talent market and the challenges and trends impacting business workforces around the world. Send questions or comments to hreletters@lrp.com.

pandemic work culture hasn't really been addressed but is clearly a problem, as employees working on site and those teleworking have very different perspectives and challenges."

Furthermore, a quarter of respondents said their biggest focus of 2020 was virus management, including employee health, safety, ethics and contact tracing (cited by 25% as one of their two top areas of focus). Second on the list was employee experience and engagement (21%), followed by managing a remote, hybrid or socially distanced workplace (19%). Other areas of focus include

recruiting (14%); compliance, safety and labor concerns (13%); and employee benefits (13%).

The majority of survey respondents said employee morale and engagement have gotten worse since the start of the pandemic. They also are concerned about losing talent over the next 12 months.

To help address these challenges, HR leaders said they are embracing a number of strategies, including increasing employee communication (61% of respondents are embracing this step), focusing on employee wellbeing (53%), improving work/life policies and initiatives (39%) and increasing/improving leadership/manager training (39%).

"What kept HR up at night in 2020 depended on your circumstances," Sumser says, noting that his Spring HR Tech panel will feature different types of organizations that experienced varying challenges throughout the year. "If your business featured essential workers who had to be physically on the job, your concerns were different than companies whose workforces were able to work from home. Huge chunks of the economy went through job loss and contraction, while other parts grew dramatically. It was a good time to be Amazon and a bad time to be a regional restaurant chain. It's beginning to look like we'll have some new wrinkles in 2021."

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Q&A with HR Tech Influencer Heidi Spirgi

The connection between personalized learning and high-performing organizations can't be overstated, Cornerstone's chief marketing and strategy officer says.

BY HRE STAFF

The role of HR leaders has never been more important, as organizations struggle to keep up with near-daily changes to the world of work ushered in by the coronavirus pandemic and other global challenges. With such a tall order for HR leaders, it's beneficial to look to industry experts for their experience and guidance. Last year, *HRE* and the HR Tech Conference unveiled the second edition of the Top 100 HR Tech Influencers, comprised of HR, business and technology leaders whose insights are needed now more than ever.

Influencer Heidi Spirgi, chief strategy and marketing officer at Cornerstone, says learning and development will be vital for organizations this year as reskilling and upskilling become the biggest pieces of talent ROI. Just as important, empathy and all that encompasses will be "mission-critical" for leaders in 2021. Spirgi recently spoke with *HRE* about these and other trends on the horizon.

What will work look like in 2021, and what is that based on?

Last year was one of reacting. As a global community, it was difficult to prepare for such a dramatic shock to our lives at work and at home. We learned that we can never predict the future, but it is an organizational obligation to prepare for it. 2021 will be the year of building systemic

adaptability into our organizations and people—training our people to be resilient and comfortable with ambiguity and transforming our



Heidi Spirgi

organizations to be able to pivot when needed.

2021 is the year for widespread investment in our collective adaptability quotient, which will impact how millions progress through their careers, as well as how organizations digitally and culturally transform. In 2020, the roles of employees at every level, and in every organization, changed in some way. Whether the crisis forced people to pursue entirely new career paths or simply re-explore the path they're on in a new way, people are feeling the pressure to take stock of their skills and figure out what new skills they may need to be invaluable to the rapidly changing world. The events of 2020 sparked a greater sense of autonomy and accountability for one's development and upskilling. We've seen more workers take online learning and development courses to up-level the value they bring to their organization, according to customer insights from the Cornerstone People Research Lab. People and

businesses are looking to adapt in highly volatile markets, and skills will become the currency to drive that change.

What HR technologies and applications should vendors be working on right now? Why?

Globally, reskilling is seen as the top talent activity most capable of delivering ROI in the eyes of executives. This makes sense given that 99% of all companies are both embarking on a transformation this year and reporting significant skill gaps. And when asked what helps them thrive, employees' No. 1 response is recognition for their contributions, alongside opportunities to learn new skills and technologies.

For those focused on accelerating adaptability and upskilling in 2021 and beyond, there needs to be an increased focus on extending learning beyond compliance requirements and into a holistic approach. As roles and workplace norms continue to evolve, it's critical that organizations help employees keep up by making learning continuous, organic and always-on, embedded into work processes and systems themselves.

How can HR leaders—and HR tech buyers—continue to focus on and invest in areas like D&I with business priorities so suddenly shifted?

Well-intentioned companies fall prey to two common mistakes when it comes to making progress on their DE&I initiatives. First, they tend to lose focus over time, with leadership making commitments and public statements about their intentions and then failing to execute over time. Second, they make DE&I an HR initiative versus an organization-wide, leader-led initiative. By making DE&I a core responsibility of leadership versus an HR responsibility, DE&I becomes a part of the fabric of an organization, part of how it operates rather than a series of programs managed by HR.

As business priorities shift, often so does the company vision. In order to have people emotionally connect to the vision, it's important for HR leaders and then other business leaders to create a sense of safety among employees, especially during times of change and uncertainty. If employees don't feel safe—and included—they will be resistant to change. And change is an executive's No. 1 responsibility. While change is the only constant in life and should be embraced, it's true that many take some time to get to that point. Consciously marching toward change requires a certain amount of radical thinking in an organization, and we need our people to believe that they can take risks, strategically experiment and possibly fail without fearing penalty.

3 Emerging Technologies HR Leaders Should Pay Attention To

BY JEN COLLETTA

Last year brought HR a host of unprecedented issues to navigate: employee safety concerns, engagement in a newly remote world, legal considerations and even the reshaping of the HR role itself. With all of that change just in the last few months, many HR leaders are looking to 2021 with a bit of trepidation: What's next?

Greg Pryor, executive director at Workday, says the toll the pandemic has taken on employees needs to be front and center in the months to come, through an increased focus on wellbeing—including on technology that can be used to support employees' wellness—as well as more authentic and empathetic leadership.

Here's what else Pryor thinks is coming HR's way this year—and what can be learned from 2020:

What was HR's shining moment in 2020? Where could HR leaders have done a better job?

HR really stepped up to safeguard employees, helping organizations to rally without any playbook. There was unprecedented collaboration among CHROs. Things that would normally have taken months or years were done in days and minutes. Organizations with good listening systems responded faster to support remote workers where possible. Overall, we saw the human enter back into human resources.

In terms of doing a better job, we were overly optimistic about how long we'd be responding to the pandemic. That's shown us that we need to finetune our ability to appreciate the unknown, to lean into listening more and to be better prepared—not just for little pivots but for sudden and dramatic changes.



Greg Pryor

What technologies should HR leaders have on their radar?

There's plenty of data. The challenge is knowing what to focus on and how to understand what the data is telling you. **Augmented analytics** can help HR leaders go beyond a dashboard and deliver easy-to-understand insights on pressing data-related challenges faced by HR, such as prioritization, data literacy and scalability.

We need a better handle on **sensing technologies** to really know how people are doing, whether that's aggregate sentiment data from surveys or personalized employee experience analytics powered by machine learning.

The other emerging technology is **prediction capabilities**, driven by machine learning and advanced analytics. These enable greater processing and help deliver insights that inform scenario and adaptive planning.

What will the world of work look like this year?

The pandemic fast-forwarded us five to 10 years into the future of work. It won't swing back. With the shift to remote work, the autonomy and empowerment of our workforce have increased. Now that we've seen inside each other's houses, we'll also see greater expectations of how an organization responds to individual employee needs. This will lead to more of a balance of empathy and equality.

FROM CRISIS TO RECOVERY

After a year that challenged workplaces like no other, HR leaders are reassessing their goals—and how to accomplish them.

BY HRE STAFF

The year 2020 will be remembered as one of crisis and, for HR leaders, it was one where many of the headlines directly impacted the function of HR: a global health emergency that necessitated widespread remote work, economic turmoil, a rising social justice movement, political upheaval. The obstacles HR navigated last year reshaped and redefined HR's priorities, which will continue to evolve as we make our way further into 2021. To assess how HR is adapting those goals for this year, *HRE* spoke with a range of HR leaders about the lasting impacts of 2020's challenges and how they plan to bring the lessons of last year forward into their work this year and beyond.

AGILITY

In 2020, companies had to move quickly—shifting nearly overnight to remote work, devising new policies and procedures, putting in place new technologies. That required an unprecedented level of agility, which experts say will continue to be at the heart of business success in 2021. From rolling out hybrid plans to bringing workers back on site, all while grappling with ongoing health and safety concerns, this year is primed to continue to challenge employers to make decisions fast and pivot when needed.

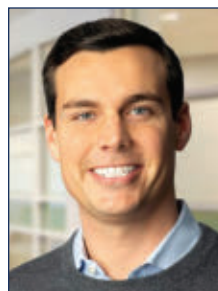


“While working remotely became commonplace across 2020 (and will continue into 2021 and beyond), the next wave of flexibility will be around giving employees flexibility over when they work. In 2021, we will see a rise of new jobs that don't center on an agreed-upon set of hours to work and instead focus on a set of outputs to achieve.”

— Brian Kropp, chief of research in the Gartner HR practice

“Transformations that used to take decades will now take years, while changes that would take years are now happening in months and weeks. To help “institutionalize” speed, organizations need to be less hierarchical, more inclusive and operate with what we call a progress > perfection mindset. This will allow companies to operate at speed but should not mean unrealistic intensity every day.”

— Ellyn Shook, CHRO of Accenture and HRE's 2020 HR Executive of the Year

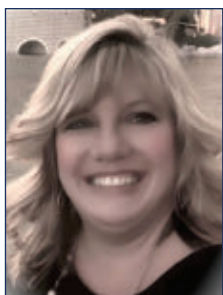


“In the midst of these tough, heavy times, one of our leadership commitments is to elevate every day—step out of your silo, think more broadly and reset daily to achieve our companywide goals. This requires enterprise-wide thinking and an agile mindset to create real solutions to immediate problems.”

— DJ Casto, executive vice president and CHRO at financial services company Synchrony

BENEFITS

Amid all the shifts the pandemic ushered in over the last year, the rising importance of employee benefits—as a tool to enhance recruitment and retention, as well as build organizational culture—was among one of the most universal. From childcare assistance to new options for virtual care, many employers stepped up to the plate to meet the rapidly changing benefits needs of their workforces. Now that 2020 is in the rearview mirror, HR and benefits professionals are exploring how those transformations will continue to play out in the months to come.



“As the lines between work and home continue to blur, it is critical that HR leaders continue to take a people-first approach. A top priority should be providing employees access to the tools and resources needed to instill resilience, both personally and professionally, and to support their overall wellbeing.”

— Wendy Edgar, EY Americas HR director

“There’s a clear urgency for HR leaders to help other leaders understand the stresses employees are under as they navigate work and life in a pandemic and how that may be affecting their productivity, motivation and morale. Sharing employee sentiment data may help illustrate the problem and give leaders more insight into what employees need and how actions taken during the pandemic can impact a company in years to come.”

— Bhushan Sethi, partner and joint global leader of PwC’s People & Organization practice



“The pandemic is not ‘over’ just because 2020 is over, and it’s so critical that we continue to protect the health, safety and wellbeing of our workforces. And when I say wellbeing, I mean physical, emotional, financial ... all of it.”

— Lisa Buckingham, executive vice president and chief people, place and brand officer for Lincoln Financial Group

REMOTE WORK

Remote work was one of the biggest HR stories of 2020—and it’s not looking like the headlines will be much different this year. As the pandemic rages on, many employers are keeping their workers at home for the time being, and potentially permanently, creating new priorities for HR leaders as we head into 2021. Here’s what a few HR leaders predicted about the role of remote work this year.



“Companies that track time spend, activity logs and face time as productivity metrics must shift their focus to outcome metrics that reflect high-performing organizations. It’s about performance, not productivity.”

— George Penn, vice president, advisory in the Gartner HR practice

“HR leaders must nail down the logistics of how their organization works, their policies, how they manage, how they engage, evaluate and promote their workforce and, of course, how they hire—all remotely. This will require organizations to adopt new technologies and methodologies in 2021.”

— Karin Borchert, CEO of Modern Hire



“As a longer-term strategy, remote work can only be successful if everyone is remote, so if some employees choose to return to the office whilst others continue to work remotely, this will inevitably have implications on the efficiency of the business, productivity and overall culture. Remote-first means providing all employees with the necessary tools and equipment to do their job from anywhere in the world.”

— Job van der Voort, CEO and co-founder of HR technology platform Remote

See more insights
from HR leaders
about 2021 at
HRExecutive.com

HR Leadership

What Can HR Expect from the Biden Administration?

Both policies and overall tenor toward workplace issues are already sharply deviating from the Trump administration.

BY TOM STARNER

After Democrats swept the critical Senate races in Georgia at the start of the year, it became even more certain that the next four years will present employers with a much different White House policy agenda.

The nation transitioned from the Trump administration to the Biden administration after an unprecedented year—which highlighted the agility and flexibility employers need to navigate change, says John Bremen, managing director, human capital and benefits, and global head of thought leadership and innovation for Willis Towers Watson.

“It’s safe to say that the past year trained successful business leaders to be ready for anything,” Bremen says.

As employers work to restore stability—and a greater sense of normalcy—in the year ahead, he says, it is important to understand that 2021 also likely will be an unpredictable year, especially related to medical, social, economic and political factors, including on the legislative and regulatory fronts.

According to WTW experts, these are the HR areas that will be most impacted by the new administration:

Employee-friendly legislation

Biden’s announced proposals include increasing the federal minimum wage to \$15 per hour. He also supports the Paycheck Fairness Act, which would require employers to demonstrate the reason for disparities in pay between men and women. Equity was also central to a first-day executive order that outlawed federal discrimination, including in employment, based on sexual orientation and gender identity. Proposals around LGBTQ discrimination, minimum wage and the gender gap have languished for years, but a Democratic-led House, Senate and White House could push them forward.

Paid leave faces a similar scenario. Biden supports paid family and medical leave based on proposals such as the FAMILY Act, which would provide workers two-thirds of their salary (subject to a cap) for up to 12 weeks of qualifying leave. He also supports the Healthy Families Act, under which employees would earn an hour of paid sick leave for every 30 hours worked, up to seven paid sick days per year.

Biden has also voiced support for overtime protections, for restoring the broad definition of “joint employment” and

stopping employers from misclassifying workers as independent contractors.

Executive compensation

Biden has proposed to increase marginal tax rates, Social Security taxes and capital gains taxes, which could all gain traction under Democratic control. The focus for executive compensation may also pivot to the regulatory front, specifically to a Democratic-led Securities and Exchange Commission. WTW notes that, while the pandemic will likely get top priority, expect recent changes to regulations passed along partisan lines to be revisited during the Biden administration. These could include easing the recently imposed restrictions on proxy advisors, proxy access and shareholder proposals, which could increase shareholder influence over corporate operations.

Healthcare

Biden has established a COVID-19 task force to guide public health and economic policies addressing pandemic relief, including expanded testing, vaccine distribution and support to state and local governments, small

businesses and others. In addition, employers can expect an expanded Affordable Care Act, including a public option and higher-premium tax credits.

Retirement

Retirement savings “could provide an area for possible bipartisan discussion and compromise,” according to WTW. Biden issued campaign proposals to “equalize” the tax benefits of defined contribution plans, provide tax incentives to encourage plan sponsorship among small businesses and provide automatic 401(k) programs to give workers without an employer-sponsored plan access to a retirement savings plan. He also pledged to allow catch-up contributions for workers who temporarily leave the workforce to care for family and to allow survivors of sexual and domestic violence to access their retirement savings.

Bremen advises HR to closely monitor events in Washington and have “scenario plans” for any number of likely outcomes, as well as strategies for maintaining agility, resilience and sustainable performance throughout 2021.

HR’s Role After the Capitol Riots

BY KATHRYN MAYER

The riots that occurred in January at the U.S. Capitol left many employees mentally struggling, and prompted organizations to quickly consider what they should do regarding the event. Bottom line: Company and HR leaders shouldn’t stay silent, experts say.

Here is what HR pundits say organizations should do in light of such a crisis:

Say something. Not addressing the events is simply the wrong tactic to take, several industry insiders say. “What we saw in June after the murder of George Floyd was that when leaders were struggling with the words and they were silent because they wanted to get it perfect, their employees took that as being complicit. Similarly, during this time, if a leader doesn’t address it, they will come across as cold and unemotional,” says Jaime Klein, founder and CEO of consulting firm Inspire Human Resources.

Kevin Oakes, CEO of human capital research firm i4cp, says it’s incumbent upon company leaders to “speak up versus remaining silent, and remind the workforce of the company’s purpose and values. Leadership should acknowledge differences, but stress that we all need to keep one thing in mind: respect for each other and working as a team toward our purpose. No team wins when it’s divided; as a team, we need to remain united around the company’s purpose and values.”

Reach out to employees. “People leaders should reach out to every single employee on their teams to let them know they are there to help and to reinforce the services that HR outlines for those needing assistance,” says Mark Stelzner, founder and managing principal at IA and one of *HRE*’s Top 100 Influencers.

Klein similarly says that leaders should check in—both in team meetings and individually—to ask workers how they are doing and how they can help. “Ask open-ended questions and ask how folks are doing. It’s so hard to find the boundary of what to ask and what not to ask, but just be very human in this moment and check in and ask how folks are doing. And then try to create a safe space for them to answer that question and help them manage that stress.”

Tout available mental health resources. The recent events only add to the skyrocketing rates of stress, anxiety and depression that employees are already experiencing in the midst of the COVID-19 pandemic.

Because of that, informing employees of mental health resources and benefits is a very important—and simple—strategy. An email reminding employees about employee assistance programs, crisis management counselors or available wellbeing apps would be beneficial, experts say.



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Give employees time and flexibility for their wellbeing. Don’t expect employees to be as productive in times of crisis. Stelzner sent a message to his team the day of the riots that encouraged them to “clear your calendars, as your schedules permit, so you can focus on your wellbeing.” He wrote: “I share your anxiety and want you to focus on yourselves and your loved ones.”

Don’t get political. When talking about recent events, Klein suggests that company leaders ask open-ended questions about how workers are doing without bringing up politics. “If the conversation becomes political, do everything you can to not engage in the content of their opinion, but more how it feels underneath,” she says. “Recognize the emotion underneath what they are saying in terms of, ‘Yes, this is a complicated time,’ so it’s more about their feelings of what’s happening than what’s actually happening. That’s a more productive role for a leader.”

Q&A

ON TECHNOLOGY



Neil Jensen, Vice President,
HCM Product Strategy, Workday



Q: What are the biggest challenges facing HR leaders today, as far as HR technology is concerned?

A: Given current world events, every HR leader on the planet is trying to be agile in the wake of constant change. They need HR technology that can move with them and support their need to dynamically make changes to best align workers with work, match skills with the most critical tasks and have the confidence and certainty that they are delivering on the needs of the business. For some, they are performing heroic efforts to patch together data and insights from multiple source systems in order create the basis for sound decision-making. For others, they've been proactive and deployed a unified system that does the hard work for them. Every HR department is looking for ways to effectively and strategically plan for their needs, execute on those scenarios and then analyze the impacts of those actions. The ability to move at speed and scale will set a company apart from its competition.

Q: Where do you expect to see HR leaders focusing their attention in coming months as they attempt to address those challenges?

A: In the pursuit of agile, HR leaders will be looking for ways to better attract and retain diverse talent, provide the right capabilities to help upskill existing workers to meet the rapidly evolving needs of the business and even leverage tools to predict capabilities they will need in

the future so they can start to prepare now. HR leaders are focusing on technologies that allow them to create strategic workforce plans to scenario a wide array of business conditions and align on a path forward. They are looking for tools to help them attract and retain talent with the right skills and capabilities to meet changing business conditions. They are seeking ways to best match workers with critical business functions and redeploy workers to best match their skills to the most critical tasks. They are looking for efficient ways to help workers build skills and stay relevant as work shifts and the need for new skills emerges. They know, at the end of the day, they'll need to do all this and provide a compelling worker experience that focuses on the needs of the worker and personalizes the entire journey.

Q: What areas of employee HR technology are ripe for innovation?

A: For years, HR technology vendors have worked to make improvements to each function under the umbrella of HCM. They put focus into features and capabilities that enhance the depth of a specific functional application. What they missed is that employees expect more. They expect applications to work together and guide them as they make choices related to their career and career development. They expect to be provided with recommendations on what to do next to build their skills, advance their career development and match with jobs and work. The model is ripe for innovation and the connected experience is what's needed for the future.

Why 2021 is the Year of Change



Few people were sad to close out 2020. But as 2021 gets underway, it is already clear from the unprecedented events on Capitol Hill, as well as the escalation of the pandemic

in parts of the world, that there will be a great deal to challenge governments, communities, businesses and individuals in the months ahead. Strong and compassionate leadership has never been needed more.

And even now, in what for many people are the very darkest of days, there are reasons to be hopeful. That is because in 2021 there will be profound change on several levels. And where there's change, there's an opportunity to make things better.

Our biggest opportunity is global health and addressing the pandemic aggressively with all the tools at our disposal. We can expect to see COVID-19 vaccination programs pick up pace worldwide. There will be bumps on the road. Supply chain problems may arise, and in some countries, government agencies and health providers will need to address vaccine skeptics' concerns. But there is real hope that soon, thanks to vaccination, we can begin to see workplaces reopen. Some will seek to welcome employees back to the workplace, while others will adopt a hybrid model that combines elements of on-site and remote work.

There is also a historic level of geopolitical and social change occurring globally. In the U.S., we're welcoming a new administration, including Kamala Harris as vice president, the first woman, and the first woman of color, to hold that position. The U.K. is starting a new life outside the European Union, something that will have a significant impact on the lives and jobs of people on all sides of this new relationship. Climate change will continue to be at the top of the global agenda, and with COP 26 scheduled to take place in November, it is likely we will see increased commitment to reducing carbon emissions worldwide.

Last year was tough for most of us, but I feel hopeful for the future. This year feels like it could be a year of catharsis, where we can rebuild and even improve on the political, economic, environmental and social underpinnings of communities worldwide.

None of this will be easy, and business leaders will once again be called on to help their companies and workers navigate a fast-changing world. One clear opportunity will be

the need to help reinvent business workforce models immediately.

A new workplace for a new world

During the pandemic, an impressive number of companies proved highly effective at adopting remote workforce models and making public environments COVID-safe. However, once a critical mass of people has been vaccinated, and shared spaces become fully viable again, business leaders will need to think through a phased return to work.

Not everyone will want to come back to the workplace, no matter how safe. According to one study, the share of working days at home is likely to triple after the pandemic ends—rising from 5.5% to 16.6% of all working days. In my view, 2021 will likely see numerous businesses adopt a hybrid or distributed workforce approach, one where traditional, office-based work runs alongside distributed and virtual working. For instance, a team meeting may be attended by several workers sitting in an office, with others joining via video link.

This year feels like it could be a year of catharsis, where we can rebuild and even improve on the political, economic, environmental and social underpinnings of communities worldwide.

In some workplaces, it may not be necessary for people to come back in the same numbers as before the crisis. Take retail as an example. More than 50% of people worldwide plan to shop online more frequently after the pandemic is over. Many retailers are reconsidering their staffing requirements in light of this change. Some retail workers, for instance, may find that they're given opportunities in new areas related to digital, such as delivery or warehouse management. This change will require learning new skills and navigating new environments.

CHROs will be called on to help ensure that all people are supported in whatever work approach is a best fit for their teams and organizations. Because if 2020 taught leaders anything, it's that their workers are their most important stakeholders, and by enabling them to work in ways that support them and leave them net better off, business can unlock workers' full potential.

Finding hidden talent

Another fundamental change emerging in 2021 is how business leaders and HR teams approach hiring and retaining workers. One of the many

egregious outcomes of COVID-19 is that economic inequality has increased globally. A large number of potential workers who had not been recognized before the pandemic have found their situation has only worsened.

"Hidden workers"—people who want to work but cannot find jobs—have suffered dramatically in 2020. Research suggests that 52% of low- and middle-skill workers have found employment even more difficult to secure during the crisis. Ninety-seven percent say that their specific barrier to finding work made things equally or more difficult. These barriers stem from their situation, such as caregiving responsibilities, a lack of education or skills, or a lack of "fit" due to language, cultural or social issues.

For too long, too many people have been marginalized, discouraged and disconnected from the workplace. As the post-pandemic recovery gets into gear and businesses start hiring again, there will be a significant opportunity to pay closer attention to these hidden workers. Employers will have new

having social engagements to look forward to will potentially lead to greater productivity in the workplace. This is certainly in line with evidence that suggests positive workplace environments tend to improve productivity. If business leaders and HR teams can play into post-COVID positivity through incentives and benefits that make the most of our regained freedoms, this can be a powerful accelerator.

As leaders, we should also consider how people have changed during the pandemic. This once-in-a-generation event has caused many to reassess their priorities, and many have gone on journeys of self-discovery or been forced to consider life changes. Many people will think differently about work and life and expect their employers to respond to this change and recognize how their priorities have shifted.

Therefore, I expect to hear the word "purpose" being used a lot this year. We've known for some time that many people want to work for companies that have a strong ethical or social purpose, and many would even take a pay cut to do so. In a post-COVID world, I believe worker demand for purpose and responsible business will continue to be a priority for multi-generational workforces.

Let there be change

In 2020, we learned something important: We can adapt at speed and scale in a way we did not know we could. Our lives were turned upside down, and most of us saw our families, communities and workplaces impacted. People showed resilience and a commitment to keep going, sometimes in the face of tragedy.

In 2021, we can use our capacity for change to move beyond resilience to recovery and reinvention. This year will be about new work modes, new skills and new opportunities for all—including previously hidden workers. CHROs will play a central role in enabling people to navigate the change that lies ahead. By this time next year, my hope is that we will be looking back on 12 months in which people were empowered to change, workplaces adapted to meet new needs, and people, businesses and communities came together to drive an economic recovery. 2021 has already shown that leaders face serious challenges in the months ahead, but I have every faith that we can rise to these challenges and create a stronger, fairer and safer society.

Eva Sage-Gavin is a former CHRO with more than three decades of experience in Fortune 500 corporations. She currently serves as the senior managing director for Accenture's global talent and organization consulting practice and as a technology board director. Send questions or comments to hreletters@lrp.com.

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Benefits

Employers Can Require COVID Vaccines— But Will They?

The question is one that's on the minds of both employers and employees.

BY KATHRYN MAYER

As COVID-19 vaccines are approved and begin to roll out across the country, employers are asking one question: Should—and could—we make the vaccine mandatory for employees?

The bottom line is that employers can require employees to get immunized with the coronavirus vaccine, with some accommodation exceptions. In new guidance released recently, the Employment Opportunity Commission said employers can require that employees get vaccinated as a condition of going to work. However, they must be prepared to exempt employees with disabilities and religious objections. In those cases, an employer must offer a reasonable accommodation to the employee—such as working remotely or being reassigned—as long as the accommodation doesn't cause “undue hardship” for the employer.

“They have to check with their state and deal with the accommodation issues, but in broad terms, yes, employers can mandate it,” says Shannon Farmer, a labor and employment lawyer at Philadelphia-based Ballard Spahr who is advising employers on the COVID vaccine.

So, employers can legally mandate the new vaccinations—but will they? And should they? Experts say that depends.

“Employers should really be treading carefully if they are going down the route of mandating vaccinations among their employees,” says Melissa Gonzalez Boyce, an attorney and legal editor at XpertHR. “They have to be very aware that many employees may be objecting for several reasons—a disability, a pregnancy or religious objections.”

Employee concerns and reluctance over the vaccine certainly complicate the issue for employers. Nearly a quarter (24%) of employees say they will not get the vaccine, according to a survey of more than 2,000 employees from the Employee Benefit Research Institute and independent research firm Greenwald Research. Nine percent say it depends, and 12% are still unsure about their vaccination decision. COVID vaccine-related lawsuits are expected against employers that require their employees



to have proof of a COVID vaccine before allowing them to return to the workplace (although it is legally allowed in most cases).

Employers may want to take the pulse of their workforce and consider their demographics and risk factors—as well as their previous response to COVID-related safety measures—to see if it's worth it to require the vaccine.

“[Employers] should look at [what happened] when they implemented health and safety protocols in the last few months,” Gonzalez Boyce says. “For example, if a large segment of your workforce resisted wearing a mask or resisted social distancing or any of those protocols that employers tried to implement, that should give a clear indication as to where your workforce falls on the vaccine front.”

Some employers may have more headaches in mandating inoculation than others. Small businesses, for



Shannon Farmer

instance, may have just one or two HR people dealing with the many issues that go along with requiring vaccines, including tracking who is getting vaccinated and when. Multistate employers have to consider legalities and requirements that may arise and vary in the different states they're in. And although some organizations may think about distributing vaccines at an on-site clinic or location, that can be a “logistical nightmare,” Gonzalez Boyce says, when it comes to social distancing, training personnel to handle the vaccine and requiring strict adherence with vaccine temperatures and timelines.

For those reasons, Gonzalez Boyce thinks most organizations will lean on managing a voluntary vaccine policy rather than mandating one but will “very strongly encourage” workers to get it. “It's a public health emergency, and it's a measure to protect the community as a whole,” she says. “So, my recommendation is to educate employees that it's safe and that it's backed by science—while also not taking a social or political stance. Employers may want to have an educational campaign with emails, mailers and so on.”

The education component of COVID-19 vaccines has already been a talking point for employers, despite the fact that vaccines are not widely available for employees—and likely won't be for months. But starting to communicate information about the vaccine—and its benefits—is vital, experts say. Communicating factual information about the vaccines to employees, including about safety and efficacy, and citing medical experts and organizations, like the CDC, can help convince employees to get the vaccine. Tying the vaccine into wellness programs and offering employees incentives for taking it may also drive rates up.

Still, many employers are expected to go further by requiring the vaccine for their employees. That's because, simply put, vaccines give many employers a way out of the COVID-19 madness—it provides them a way to safely bring back employees to the office, get back to business and turn a profit.

Justin Holland, CEO and founder of HealthJoy, a benefits company that works with some 700 employers, thinks scores of employers will “absolutely” require employees to get vaccinated. “You're never going

to have a situation where you have employees in the office without a vaccine,” Holland says. “Imagine the amount of employees who could say, ‘I got COVID at work’—who’s going to want to deal with that?”

Polling, too, suggests companies are considering mandating vaccination: A survey of current and recent CEOs of major companies during a virtual summit by the Yale Chief Executive Leadership Institute found that 72% of them signaled an openness to vaccine mandates. Similarly, more than half of employees say they think employers should require non-remote employees to

receive a COVID-19 vaccine, according to a survey of 2,000 adults from Sykes, an outsourcing firm. That same poll found that, of respondents who said they don’t plan to receive a vaccine, a significant number say they would do so if their employer required it.

While employers that have been able to shift work remotely with ease might not see as much of a need to require workers to get vaccinated, industries that rely on on-site work and employees—like manufacturing, hospitality, food service and more—will likely consider requiring vaccines for their employees.

“If employees can’t work remotely, they need to do everything possible to

get them back and get customers back in the door,” Farmer says. “If you’re in hospitality or the entertainment industry, if this is the way to get your business open again when you’ve had to be closed, you’re going to do everything you can to get it open.” There may also be an appeal for patrons if a company says it mandated vaccines for all of its workers, she adds.

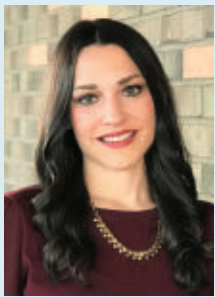
Many company leaders will likely wait to see how the vaccine rollouts continue to go and how acceptance rates are before making a companywide decision for employees. But, experts caution it’s best to decide sooner than later. Doing so will give

both employees and organizations ample time to prepare, Farmer says.

“It’s important to have these policies to say, ‘When vaccines become widely available, we are going to require them,’ so people can have time, for example, to discuss accommodation requests, and people who are unwilling can decide if they don’t want to work for the company,” she says. “It’s planning time for everybody to lay out their expectations.”

BEYOND BENEFITS

Kathryn Mayer/Columnist



7 Benefits Trends On the Horizon

One of the most significant years in our history is behind us. But despite the calendar change, COVID-19 and its associated effects are still the main topic in HR

departments around the country, affecting every component of the workplace.

The pandemic undoubtedly reshaped the benefits industry in 2020, teaching us important lessons along the way. But what’s ahead for this year? Considering the many employee challenges the pandemic helped to expose, as well as the rollout of COVID-19 vaccines, plenty. Here are seven of the biggest health and benefit trends I expect to define the year ahead.

COVID-19 vaccine support will be paramount. With COVID-19 vaccines now approved and starting to be rolled out, the employer’s role in encouraging the vaccine to employees—and helping to distribute it—will be perhaps the most significant task of the year. It’s a big job: Although vaccination is essentially the only way for companies to safely reopen, skepticism and hesitation surround the new vaccines coming out from Pfizer, Moderna and other makers. Recent surveys show as few as half of Americans are determined to be vaccinated against COVID-19. The polarization means that employers—viewed as allies in getting scores of Americans to get the shots—have significant work to do to convince employees to get vaccinated. But it’s a task that couldn’t be more important. As vaccines are made available, employers must examine what steps they will take to convince employees to get vaccinated and decide if they will require employees to get it.

Mental health will get worse—and it will become a bigger focus for employers. Depression, burnout, stress and anxiety rates have all soared as a result of the pandemic and its associated problems. And the trend will continue through the year. Employers are finally starting to pay more attention to prioritizing mental health, primarily because they have to, but significantly more work needs to be done throughout 2021. Without help

or resources—and employer understanding and compassion—issues will only increase or worsen as the pandemic enters its second year. I’ve said this before, but I’ll say it again: Mental health is on track to become its own pandemic in the years to come—and employers need to work fast to get ahead of it.

There will be an increased interest in **emergency savings accounts**. We’ve heard the staggering statistics time and time again: The majority of workers live paycheck to paycheck, and some 40% of U.S. households say they would struggle to cover a \$400 emergency expense. The pandemic, which has resulted in job loss, reduced income, unforeseen expenses and a volatile stock market, is only exacerbating financial insecurity for many employees. With emergency savings representing the first line of defense for households experiencing financial surprises or difficulties, expect many more employers to offer payroll-deduction emergency savings accounts for their employees to help with this very real and important issue.

Remote work and flexibility will continue. COVID-19, of course, has created a massive shift in where, when and how work gets done. Scores of employees were sent home early in 2020, where they’ve remained for the better part of a year. Generally, research and anecdotal evidence have proven the success of remote work, while employees have been pleased with having the option of working from home. While remote work and flexible schedules will undoubtedly continue as COVID persists in 2021, we also will see the model continue in a post-pandemic world. Because of that shift, we’ll also see new benefits and perks related to remote workers. With on-site gyms, free lunches and snacks at the office out, what will take their place? Stipends for work-from-home set-ups, technology and other perks to engage remote employees will likely come into play in the coming year.

There will be an ongoing focus on **caregiving support**. The past year has served as a reminder that employees’ lives don’t just revolve around

work. With children and pets crashing our Zoom calls, and other responsibilities—including eldercare and childcare—on many workers’ minds, it’s evident that employees have other priorities that distract us from work. Those responsibilities have been increased by the pandemic, with schools, daycare and eldercare facilities closed, leaving many employees scrambling. Many employers have zeroed in on—and enhanced—caregiving benefit offerings as a result of the pandemic, realizing that distracted and stressed employees will not be the most productive ones. Expect a focus on caregiving to continue as employees remain vulnerable to the associated challenges of the pandemic.

New, tailored benefits will come into play. New COVID-related benefits—think mental health days, emergency leave, virtual summer camps for kids and free employee COVID testing—as well as Election Day perks and Juneteenth as a paid company holiday all came into play in 2020. That’s a lot of innovation in one year. I expect significantly more employers to jump on board in the coming year. We’ll see more companies offering Juneteenth as a company holiday, we’ll see more Election Day benefits (such as a paid holiday or time off to volunteer at the polls) and we’ll certainly see more COVID-related benefits. What will be even more impressive to see, though, is companies beginning to tailor new offerings and perks specific to their workforce and their employees’ pain points.

We’ll see **increased later stages of disease and cancer**. Among its many casualties, COVID-19 has caused one huge—and a too-little-discussed—problem: Employees have delayed or ignored regular care, avoiding doctor appointments, routine exams and cancer screenings. As a result, in the next couple of years we’ll see significant rates of late-diagnosed cancers and diseases with much poorer outcomes. This is a vital issue employers need to target by encouraging employees to partake in screenings and care, even during COVID times. We’ve already lost too much time on this, and we can’t afford to lose any more.

Kathryn Mayer is HRE’s benefits editor and chair of the Health & Benefits Leadership Conference. She has covered benefits for the better part of a decade. She holds bachelor’s and master’s degrees from the University of Denver. She can be reached at kmayer@lrp.com.



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TALENT MANAGEMENT

By **Peter Cappelli**/Columnist



Pay Cuts for Remote Work Aren't a Fairness Strategy

Katherine Bindley at the *Wall Street Journal* uncovered an important and complicated issue recently that I hadn't thought about in decades: pay differences to reflect cost-

of-living differences. The issue is in the news because **longer-term remote work** may allow more people to live someplace different from where they are employed.

In her article, Bindley explained that some Silicon Valley firms were thinking about offering (or, depending on your perspective, threatening) to let employees work remotely in the long-term but would cut their pay if they moved to a place with a lower cost of living. At the same time, there are also companies that have "geographic differentials," as they seem to be known, and some are thinking about abandoning them now.

What was the reason we had these geographic differentials in the first place? They became a standard part of compensation practices when employers moved people around, especially when they did so internationally. Driving this was a fairness issue: If we are telling you to move to China for three years for the good of the company, you should not have to suffer financially from the higher costs of living as an expat there.

Companies are rarely requiring people to relocate these days. So, if we aren't making them move to expensive locations, what's the argument for having these

geographic pay differences?

This may not be surprising, but the concern is no longer about compensating people to live in areas with a high cost of living. It is now about being able to cut the pay of those who want to move to places with a lower cost of living.

If that sounds OK to you, here are some things to ponder. The reason the tech people in Silicon Valley make a lot of money is not because their company thought it would be nice to bump up their pay to cover the expensive housing. It is because the company had to pay that much to get them because they wanted the best talent, and if they didn't pay that much, someone else would.

The folks talking about **cutting Silicon Valley pay** have the causal argument reversed. They think that pay is high because it is an expensive place to live. In fact, pay is high because those employers want the best talent, and that is the market price. It is an expensive place to live because a lot of people want to live there, in large part because of those jobs, and communities of high-paid people compete for and up housing prices.

Suppose you think the goal should be to try to have everyone doing the same work in your company have the same "real" wage—that is, adjusting for cost-of-living differences. So, if you decide to live someplace cheaper, we will cut your pay. If you really believe that, then how do you deal with employees in San Francisco who decide to commute from two hours east in order to get a cheaper house? Their cost of living is

lower—so, are you going to cut their pay? Or, suppose that someone wants to work remotely but is moving to Aspen, Colo., where the cost of living is about the same. You won't cut their pay—but, if they move to Stockton, Calif., which is cheaper, you would?

People have preferences about where to live, and we don't expect that our employer will equalize out those preferences. My MBA students want to go to New York and San Francisco, for example, in part for the job market but in part for the excitement and interest of being there. You could pay them the same salary they were getting in New York to move to Iowa, where it is hugely cheaper, and they aren't going to go.

There are people right now in Silicon Valley—or, indeed, in many places—who will take a pay cut to move someplace they really want to live because there are no better options in those locations. As an employer, you can probably get away with that. But you are just bargaining them down because you can. Don't dress this up as some kind of fairness. Expect at some point that another employer will pay them the market wage—and they will be looking—and then you will lose them.

Peter Cappelli is the George W. Taylor Professor of Management and director of the Center for Human Resources at The Wharton School of the University of Pennsylvania in Philadelphia. Send questions or comments to hreletters@lrp.com.

People

Compiled by **Jen Colletta**

CVS Health recently named **Laurie Havanec** as chief people officer. The seasoned HR vet has more than 20 years of leadership experience, including at Otis Elevator Co., United Technologies Corp. and Aetna.

Newly announced CVS Health President and CEO Karen S. Lynch called Havanec an "innovative leader who brings a wealth of experience partnering with executive teams to build strategic, people-focused human resources strategy."



In her new position, Havanec will lead talent, culture and engagement initiatives for CVS' 300,000 employees.

Most recently, she was executive vice president and CHRO at Otis, where she oversaw all HR functions for the global workforce of 69,000 employees. Now

at CVS, Havanec says she will work in partnership with the business and HR leadership teams to build and maintain "a corporate environment that enables us to achieve our vision to transform healthcare for consumers across the nation."

Havanec holds a bachelor's degree and law degree from the University of Connecticut.

Mobile banking platform **N26** has named **Diana Styles** as its new chief people officer. She will oversee employee experience, leadership and

organizational development, recruiting, employer brand, rewards and people operations.

Styles previously held senior HR roles at Adidas, Lowe's and Yum! Brands.

She studied at the UNC Kenan-Flagler Business School and also earned an executive general management certificate from the Harvard Business School Executive Education program.



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