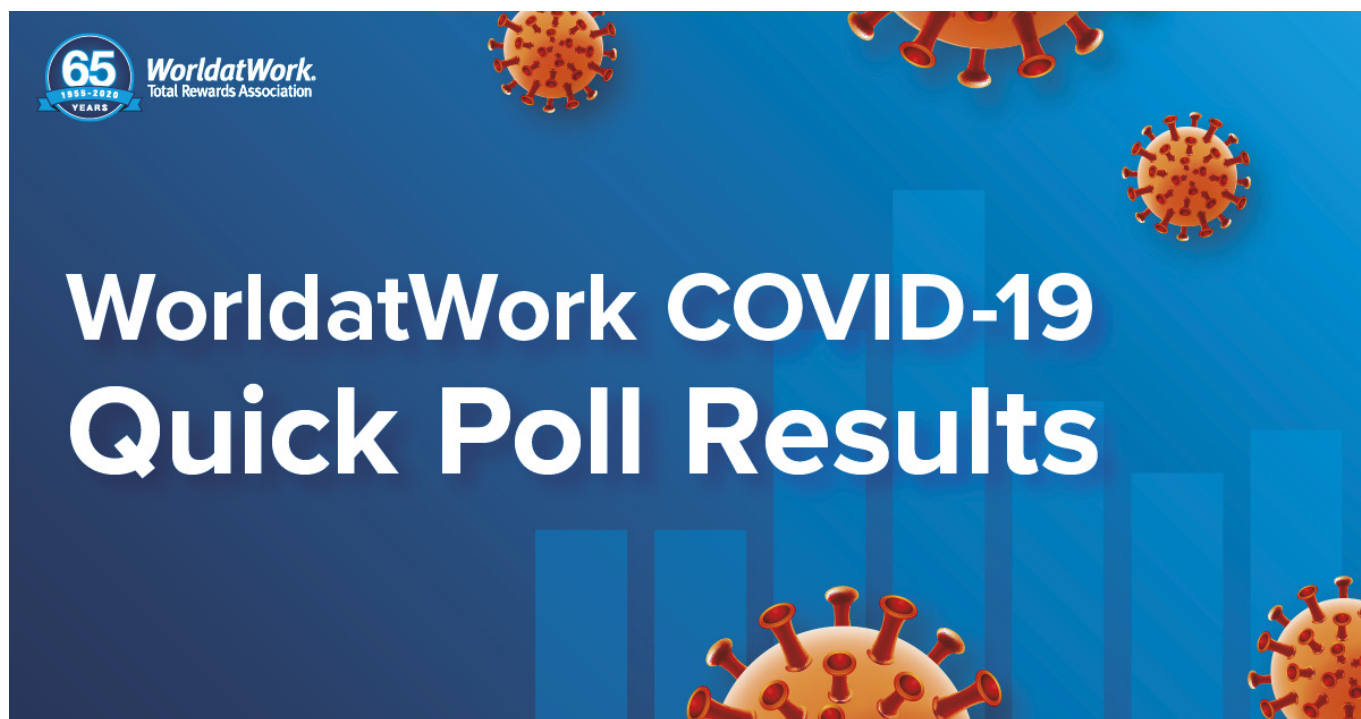


WORKSPAN

WORKSPAN DAILY | APRIL 3, 2020

How Organizations Are Handling Rewards and Hazard Pay Decisions in a COVID-19 World

BY WORLDATEWORK STAFF



This is Part I of the "COVID-19 Quick Polls." For more insights, [check out Part II.](#)

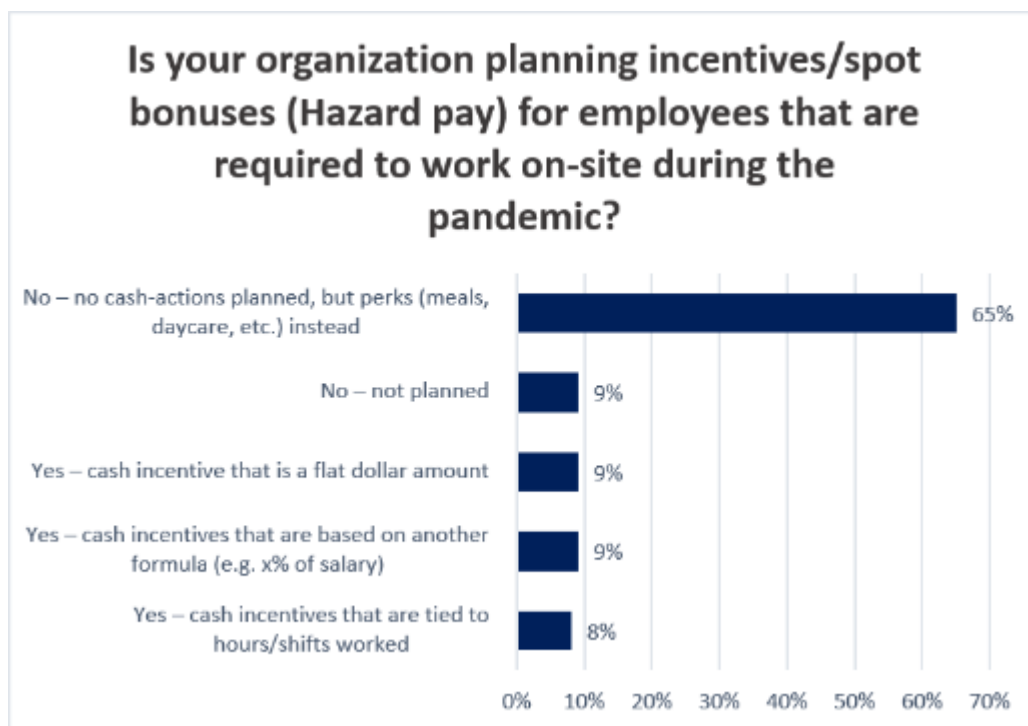
As employers continue to navigate the uncertain terrain in a COVID-19 world, WorldatWork is collecting data throughout the week to gain a better understanding of how organizations are handling compensation decisions.

Hazard Pay

Hazard pay (incentives and spot bonuses) for employees who are required to work on-site during the pandemic has been a point of particular interest for organizations across the globe. WorldatWork's "COVID-19 Quick Polls" survey of 267 organizations found Tuesday that 65% are not planning on offering extra pay, but instead will provide perks such as meals and daycare options, while 9% have nothing planned.

26% of surveyed employers said they are planning to provide hazard pay. Of those, 9% will offer a cash incentive that is a flat dollar amount, 8% will give cash incentives tied to hours and shifts worked and 9% will give cash incentives that are based on a different formula, such as a percentage of salary.

NOTE: *Hazard pay means additional pay for performing hazardous duty or work involving physical hardship. Work duty that causes extreme physical discomfort and distress that is not adequately alleviated by protective devices is deemed to impose a physical hardship. The Fair Labor Standards Act (FLSA) does not address the subject of hazard pay, except to require that it be included as part of a federal employee's regular rate of pay in computing the employee's overtime pay.*



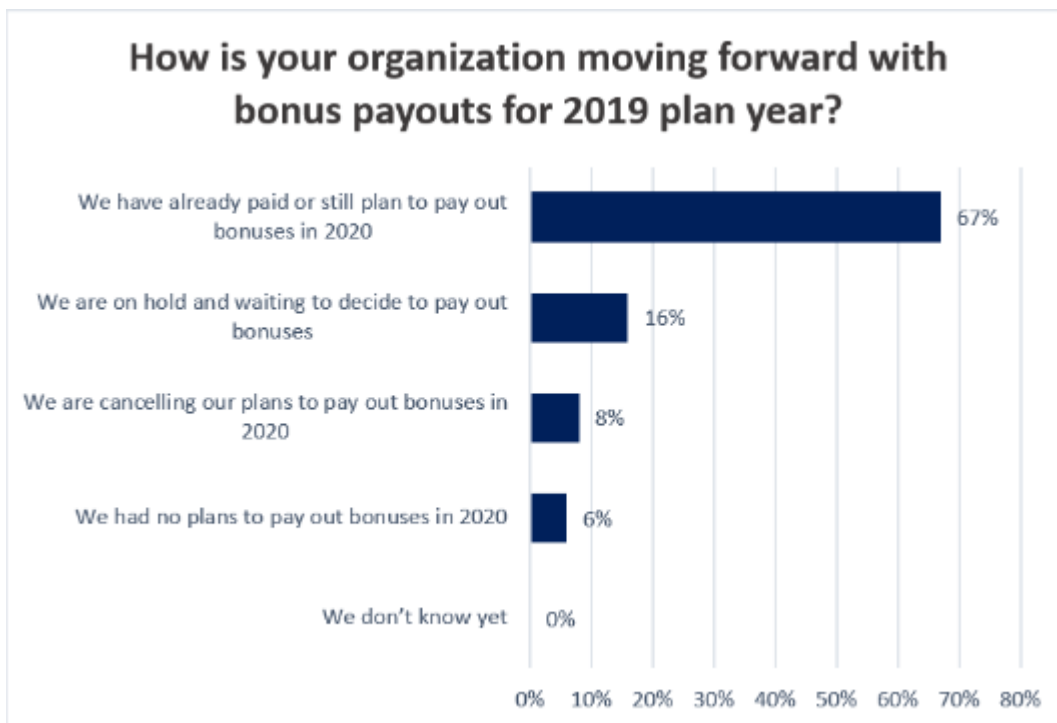
Salary Increases

WorldatWork's, "COVID-19 Quick Polls" found on Monday that 57% of organizations have already paid or still plan to pay out salary increases in 2020. However, 19% of 238 employers said they are waiting to decide on whether they will pay out salary increases and 17% said they are cancelling salary increases in 2020.



Bonus Payouts

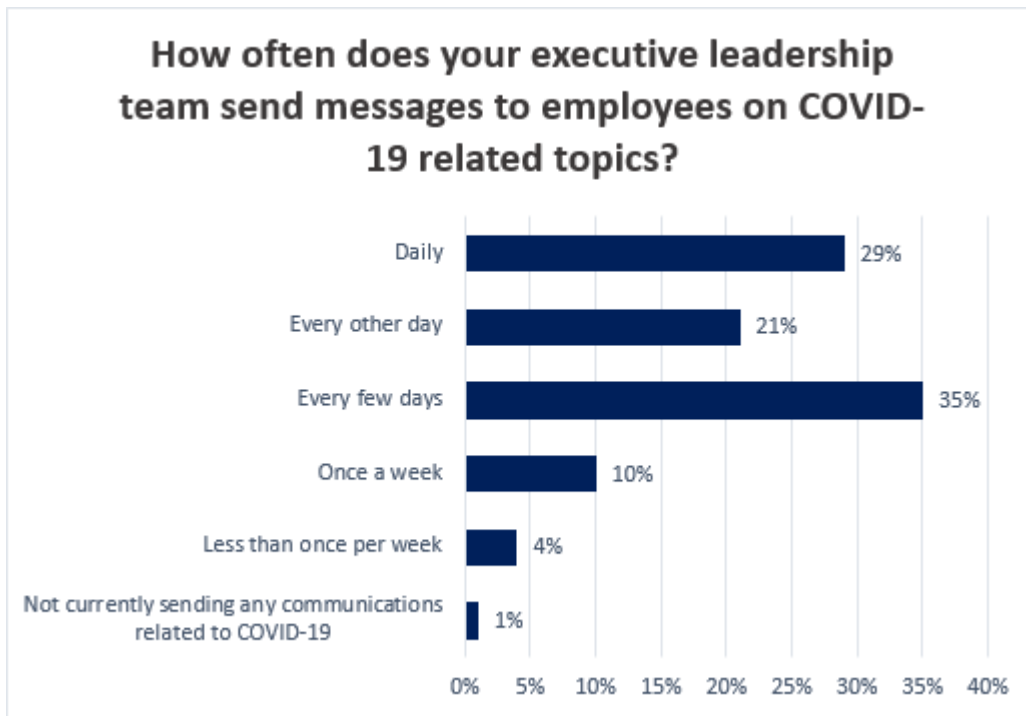
When it comes to bonus payouts for the 2019 plan year, which are typically paid out in early 2020, 67% of organizations said they have paid or still plan to pay out bonuses in 2020. Some companies are exercising caution, though, as 16% said they are waiting to decide whether they will pay out bonuses and 8% said they are cancelling bonuses in 2020.



Employer Communication

WorldatWork's "COVID-19 Quick Polls" found on Wednesday that 29% of the 143 employers

surveyed are communicating with their employees daily on COVID-19-related topics. The most common frequency of communication from employers is every few days (35%) and 21% said they are communicating with employees every other day.



The type of information that employers are sharing varies, but the most common item centers around working from home and adjusting to the change (19%). Following telework tips are health tips (17%), benefits information (16%), government reports and guidance (15%) and motivational articles/encouraging messages (13%). Just 9% of organizations are sharing information with their employees around the financial impact on business and planning information and only 7% are providing useful resources such as a list of open stores and care options.

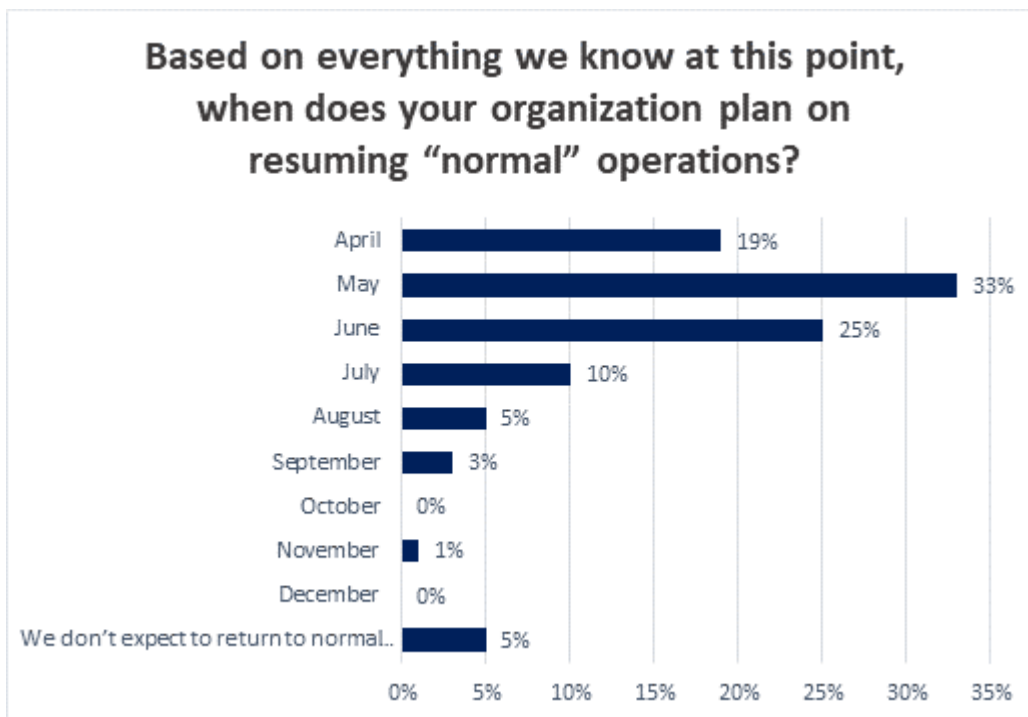
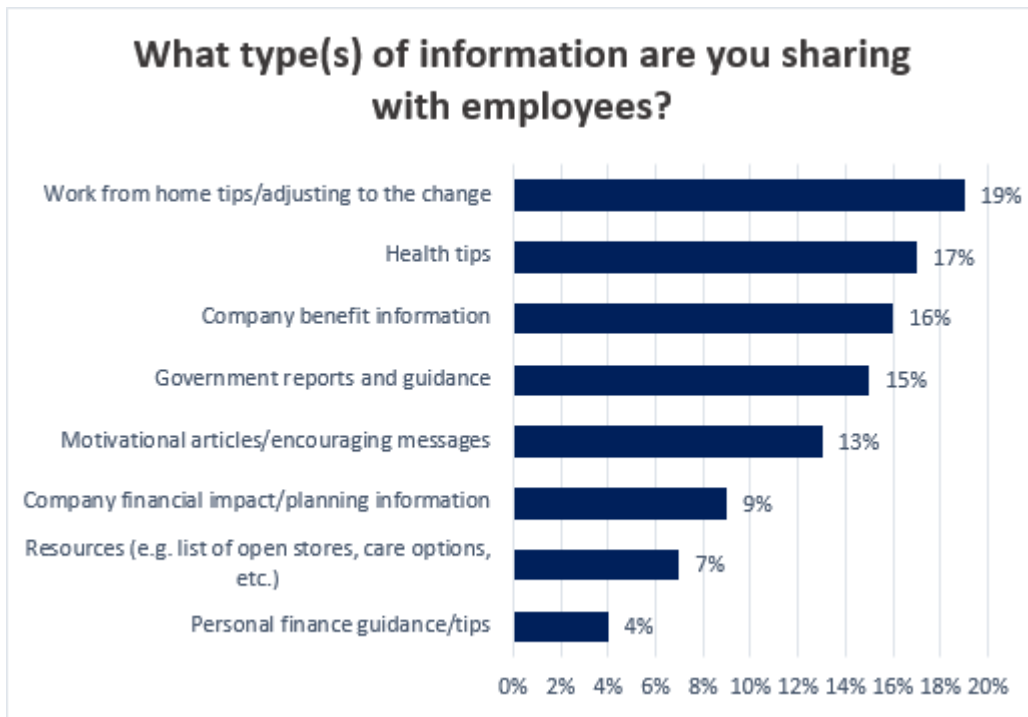
Resuming Normal Operations

WorldatWork's "COVID-19 Quick Polls" found on Thursday that 33% of the 101 employers surveyed expect to return to normal operations in May. However, 40% of organizations are targeting the summer months for a return to normalcy, with June (25%) being the most common projections. 19% of employers are optimistic things will return back to normal sooner rather than later, as they are targeting April to resume regular operations.

People Versus Profit

Thursday's second quick poll brought some insight into how organizations are balancing the needs of employees versus the need to generate revenue/profit. Half of the 101 employers surveyed said they are balancing the needs equally and 25% said they are mostly prioritizing employees. Meanwhile, 9% said they are only prioritizing workers while just 5% said they are somewhat prioritizing revenue/profit.

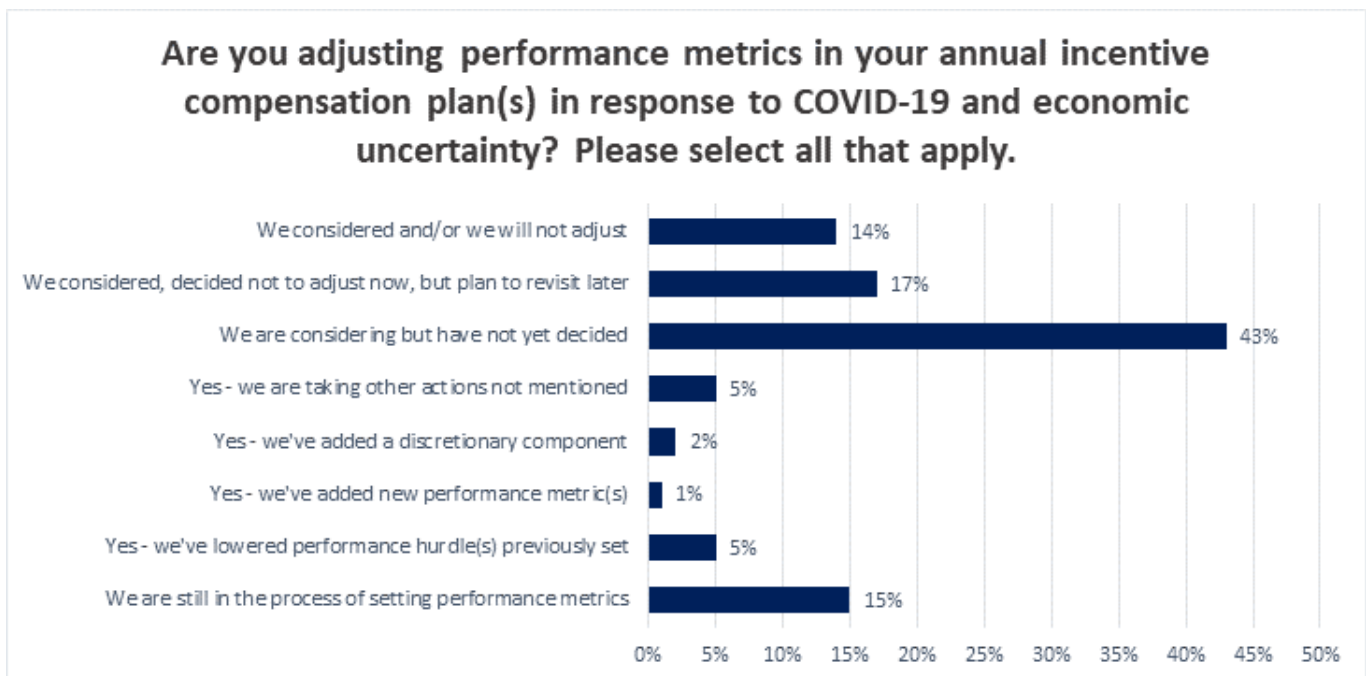
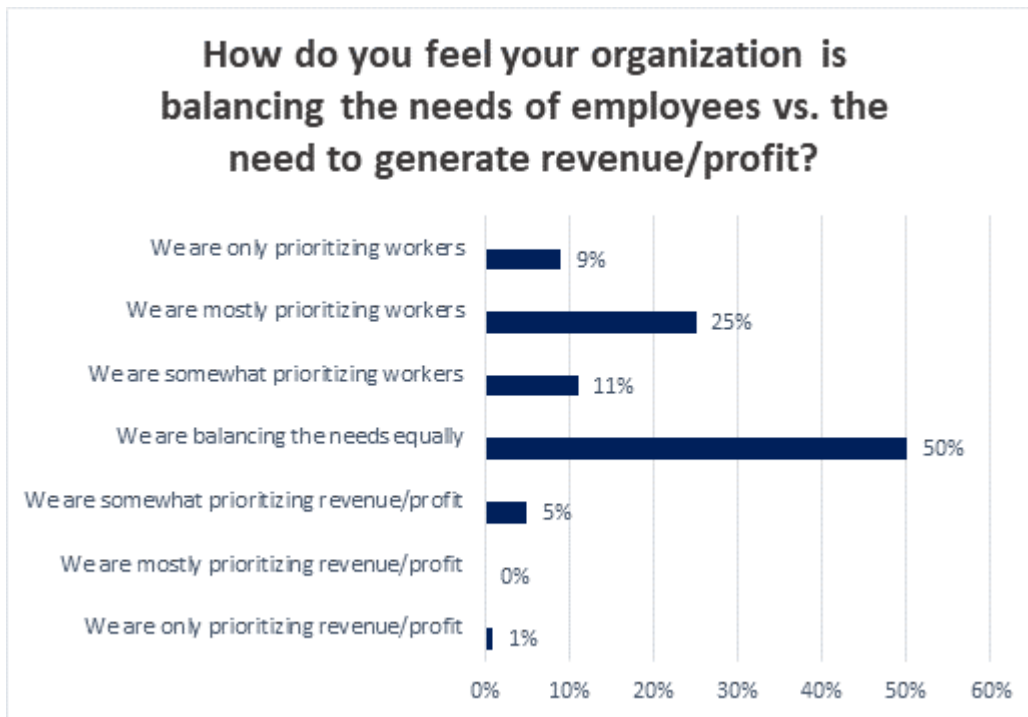
Adjusting Performance Metrics in Annual Incentive Compensation Plans



WorldatWork's "COVID-19 Quick Polls" found on Friday that nearly half (43%) of the 90 employers surveyed are undecided about whether they will adjust their performance metrics in annual incentive compensation plans in response to COVID-19 and economic uncertainty. 17% of employers said they considered adjusting but decided to revisit the option later, 15% said they are still in the process of setting performance metrics and 14% said they considered the option but won't adjust.

Instituting Teleworking Across the Business

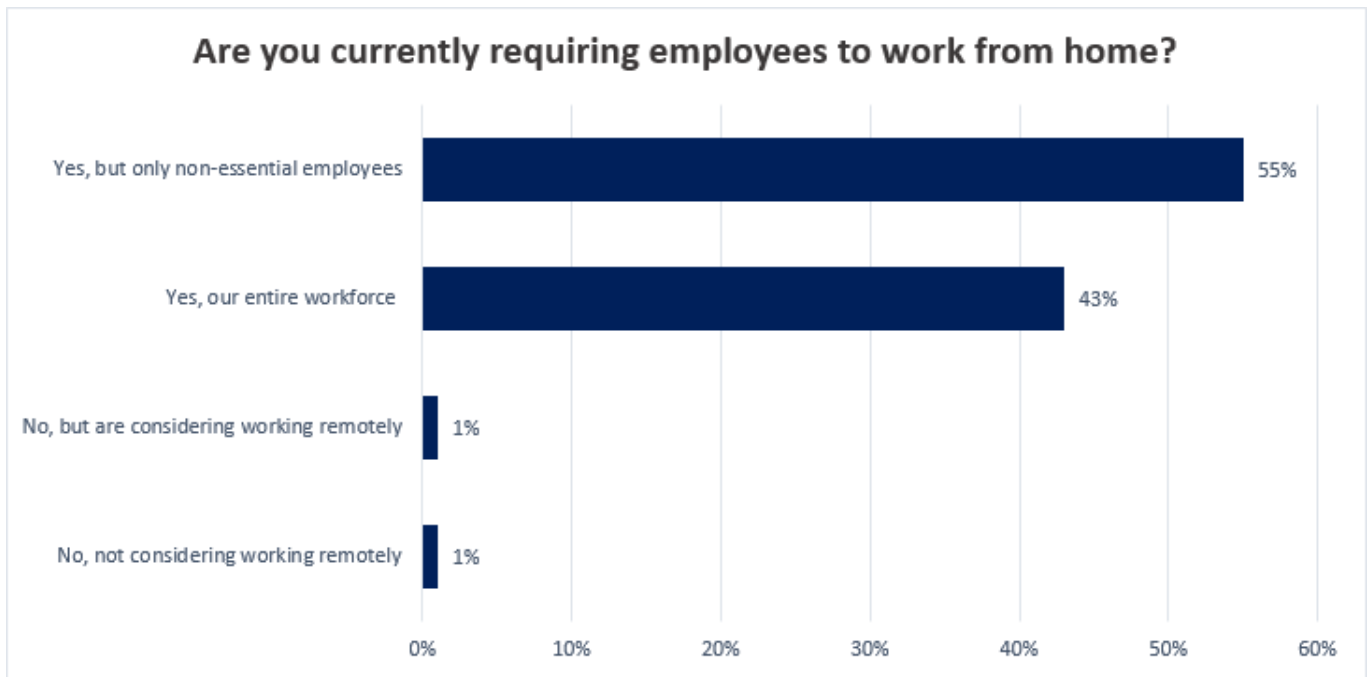
WorldatWork's "COVID-19 Quick Polls" found on March 30 that most (98%) of the 216



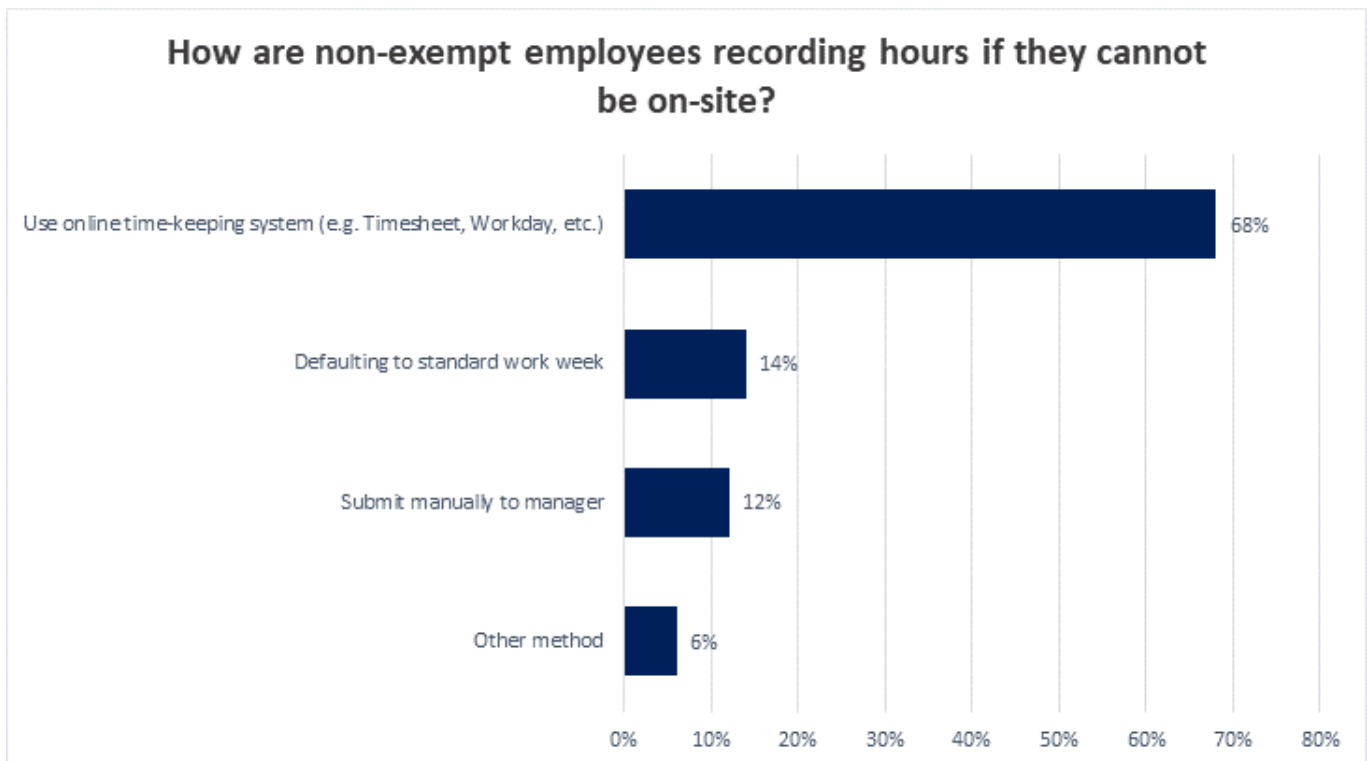
employers surveyed have moved their workforce to fully remote. 55% said they have required only non-essential employees to work remote while 43% said their entire workforce is remote. Just 1% of the respondents said they aren't remote yet but are considering it and the other 1% said they aren't requiring employees to work remotely and aren't considering it.

Recording Hours for Non-Exempt Employees

WorldatWork's "COVID-19 Quick Polls" found on March 31 that 68% of the 146 employers surveyed are using an online time-keeping system to record hours for non-exempt employees who cannot be on-site. 14% of employers are defaulting to a standard work week to keep track,



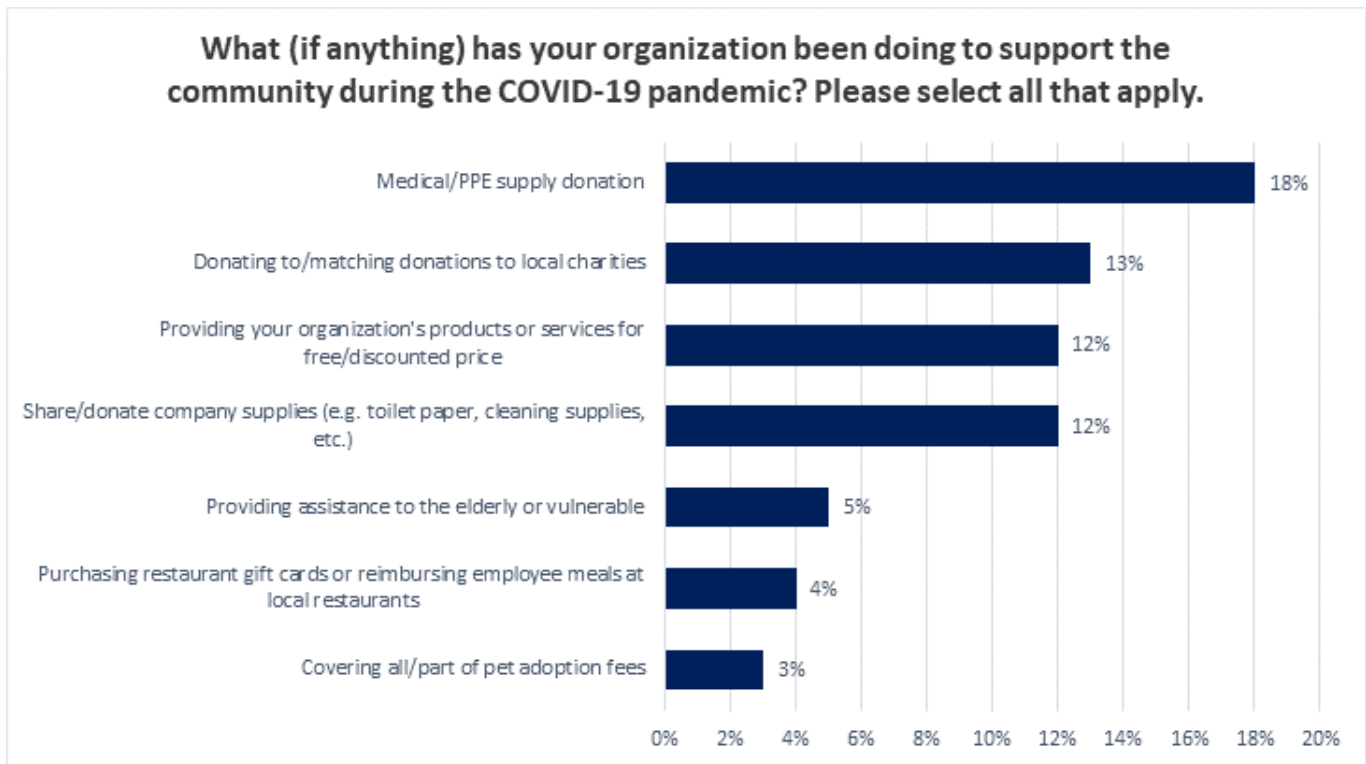
12% are having these employees submit manually to their manager and 6% are using a different method.



How Organizations Are Supporting Local Communities

WorldatWork's "COVID-19 Quick Polls" found on April 1 that 18% of the 51 employers surveyed

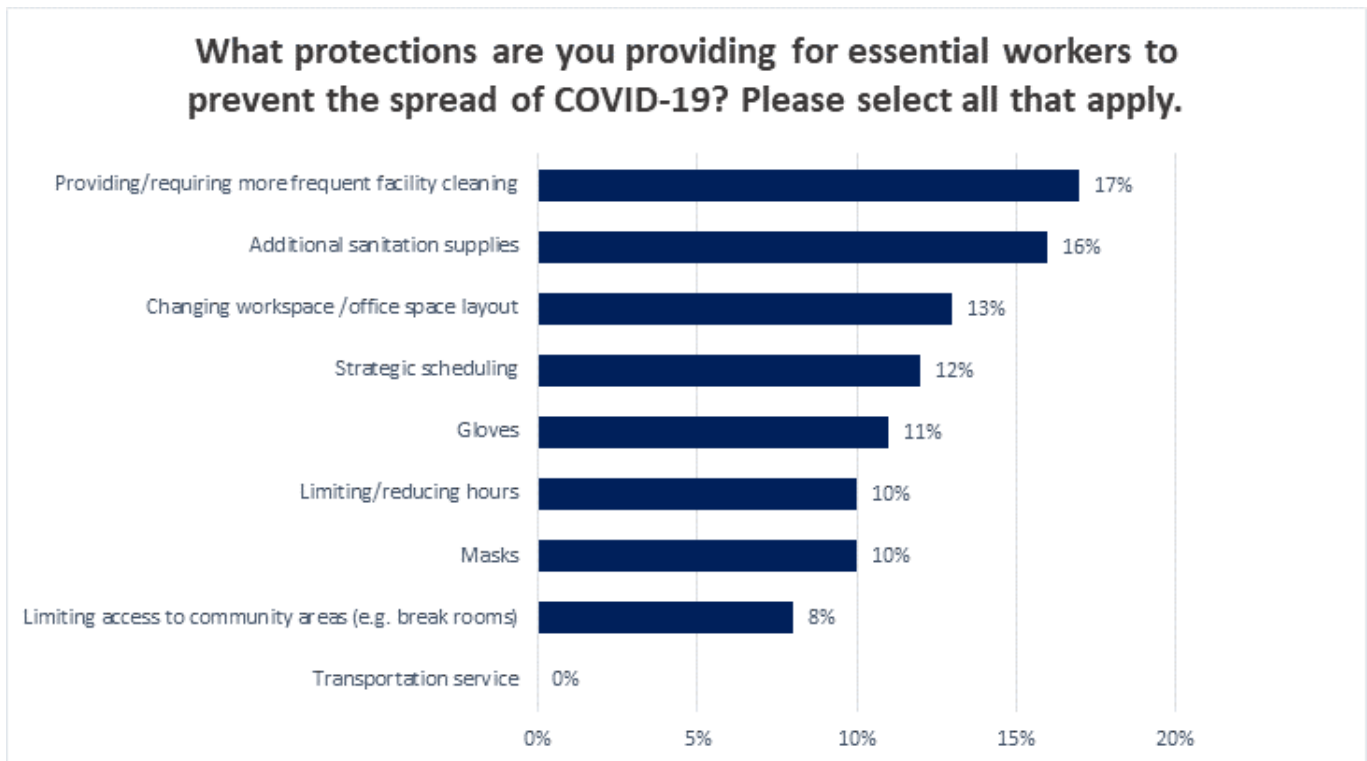
are donating medical and personal protective equipment to support the local community amid the pandemic. 13% are donating to and matching donations to local charities, 12% are sharing/donating company supplies such as toilet paper and cleaning supplies and 12% are providing their products and services for free or at a discount.



Protecting Your Essential Workers

WorldatWork's "COVID-19 Quick Polls" found on April 2 that employers are providing their essential workers with a variety of gear to protect them against the spread of coronavirus. Of the 74 employers surveyed, 17% said they are providing/requiring more frequent facility cleaning, 16% are providing additional sanitation supplies, 13% are changing the office space layout and 12% are getting strategic with their scheduling.

Additionally, 11% are providing gloves, 10% are providing masks, 10% are reducing hours and 8% are limiting access to community areas such as break rooms.



About WorldatWork

WorldatWork is a professional nonprofit association that sets the agenda and standard of excellence in the field of Total Rewards. Our membership, signature certifications, data, content, and conferences are designed to advance our members' leadership, and to help them influence great outcomes for their own organizations.

About Membership

Membership provides access to practical resources, research, emerging trends, a professional network, and career-building education and certification. [Learn more and join today.](#)

WorldatWork.

©2020 WorldatWork All Rights Reserved