Business Leaders' Health & Safety Forum

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revolutionaries of wellbeing

Surviving the COVID-19 pandemic

Factors that helped and hindered organisations

And what that teaches us about how to prepare for future serious disruptions

SUMMARY OF THE RESEARCH FINDINGS

MARCH 2021

Why we commissioned this research

2020 will go down as one of the most difficult years of modern human history because of the enormous global crisis caused by the COVID-19 global pandemic.

While this pandemic was a huge challenge in 2020, which continued into 2021, it is probably not the last nor even the biggest such crisis that New Zealand could face in future.

With that in mind, the Forum commissioned corporate wellbeing consultancy Revolutionaries of Wellbeing to conduct research to better understand, from a CEO perspective, what factors helped and hindered organisational responses to a pandemic.

The research aimed to identify what lessons could be learned to help us deal with any future crisis – be it another pandemic, natural disaster or other extreme event.

The research shows there are clear lessons to be learned and to act on. At the centre is one message for organisations: surviving a crisis comes down to ***people, people, people***.

> *"He aha te mea nui o te ao? He tāngata, he tāngata, he tā ngata."*
>
> *"What is the most important thing in the world? It is people, it is people, it is people."*

About the research

The research was carried out by Revolutionaries of Wellbeing during July to October 2020 and included three parts:

- A survey of Forum and Institute of Directors members; 298 people responded to the survey.
- Indepth interviews with nine chief executives and four indepth focus groups to explore themes in the survey results.
- A focused review of pandemic planning with 11 general managers with responsibility for health and safety in their organisations.

For the full survey results and research report see the Forum's website: **forum.org.nz/resources/pandemic-research**

Recommendations for leaders

The research supports the following recommendations for leaders in business and government:

For CEOs

Preparation

- Invest in developing organisational culture and leadership.
- Prioritise health, safety and wellbeing for staff and for yourself.
- Develop good networks with suppliers, customers, government officials and other key stakeholders.
- Devote resources to developing communications internally and externally.
- Build adequate cash reserves for a 'rainy day' and secure, multiple, diverse revenue sources.
- Stay aware of the environment and act early even on 'weak signals'.
- Plan and practice emergency responses, and continually learn and adapt.
- Develop organisational agility and capability including digital skills, and the ability to work remotely.

During a crisis

- Split leadership/management responsibilities between the crisis response and business-as-usual/ strategic planning.
- Communicate, communicate, communicate.
- Review physical workspaces and team structures to accommodate new ways of working.
- Regularly review responses to staff needs (including staff surveys) and adapt as needed.
- Conduct a formal review of the response during and after the crisis.

For Boards

- Ensure the organisation has built good relationships with key parties before any crisis, and support it to achieve this.
- Take part in practicing emergency responses to ensure organisational roles are clear and familiar.

For Ministers and Ministries

- Develop a good understanding of the sectors you are working with, along with trusted relationships, before a crisis occurs.
- Develop and promote mental wellbeing measures for workplaces and the wider community to respond to the impact of the pandemic on mental health.
- Revise and update the national pandemic plan, and develop cross-agency agreement on how future events will be dealt with.

Three key insights

1. Good communication is critical

Participants were unanimous about the need for robust communications, and in particular for the CEO to be visible and reassuring staff.

83 per cent cited communications with staff as a critical factor that enabled them to respond to the crisis. Another 72 per cent cited communications with customers as a critical factor.

The communications needed to be in all directions; internal to staff, upwards to the board, and external to suppliers, stakeholders, customers, and the wider community.

2. 'People-centred' leadership

The quality of the relationships an organisation had with staff and stakeholders had an impact on how it fared. Those with strong relationships were able to 'lean' on these relationships to help them get through. It was essential these relationships were in place beforehand – there was no time to build them during the crisis.

A strong organisational culture also helped. These were cultures characterised by high levels of trust and empowerment, and empathetic and decisive leadership. Organisations with disjointed leadership teams or slow-to-act CEOs or boards struggled to respond.

Lockdown made CEOs more aware of the importance of looking after the mental wellbeing of their people, and that this would be a long-term issue. Many found they faced more staff management issues after the lockdown, as the adrenalin wore off and stress and fatigue set in.

3. Plan and be prepared

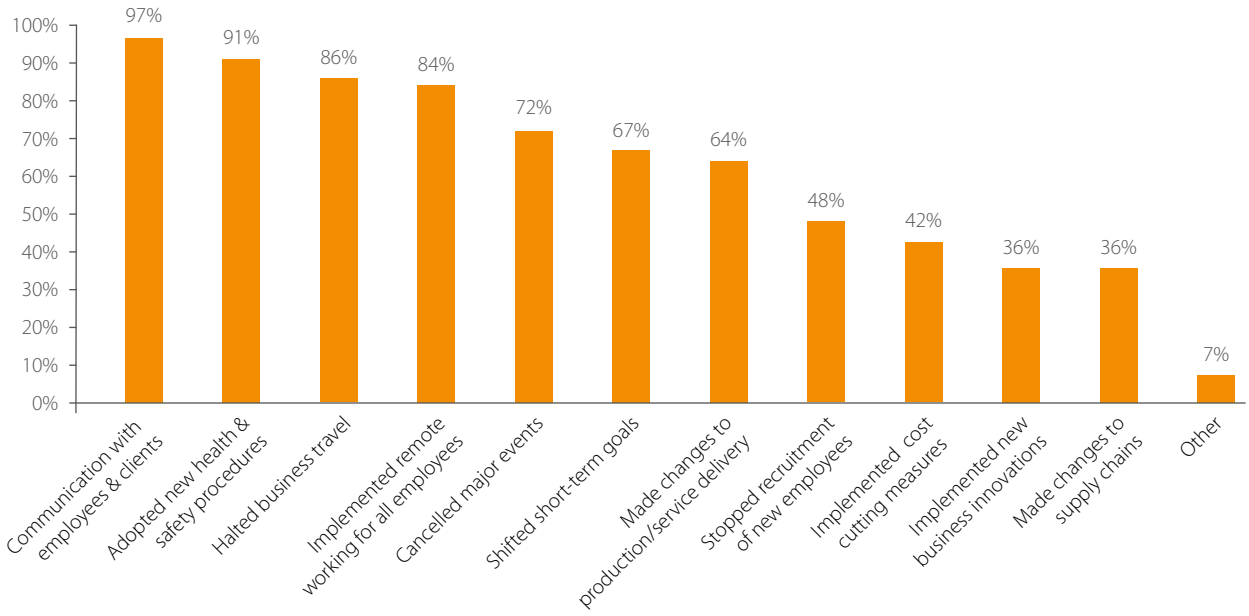
Robust planning helped give organisations the time and resources they needed to 'flex' to the demands of the crisis, and to meet customer requirements as needed, which in turn provided organisational certainty.

While plans did not anticipate the reality of the pandemic, they provided an understanding of roles and requirements which was helpful. Planning also enabled organisations to build financial headroom so they had the resources to weather the storm.

Organisations with previous crisis experience, such as those in Canterbury, found this helped prepare them for the pandemic and they could respond quickly.

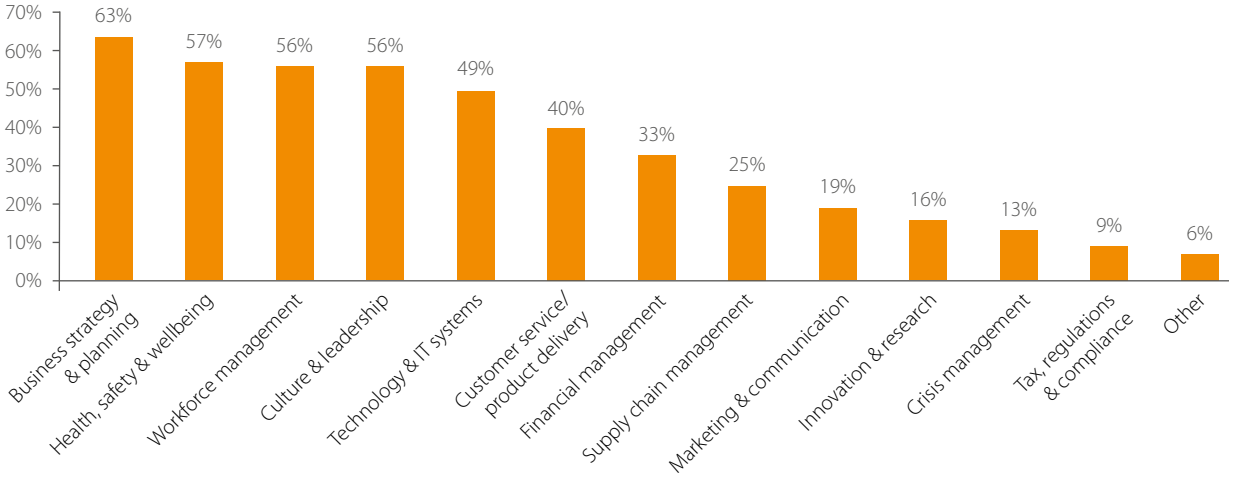
How organisations responded to the pandemic

Common actions taken by organisations in response to the COVID-19 crisis



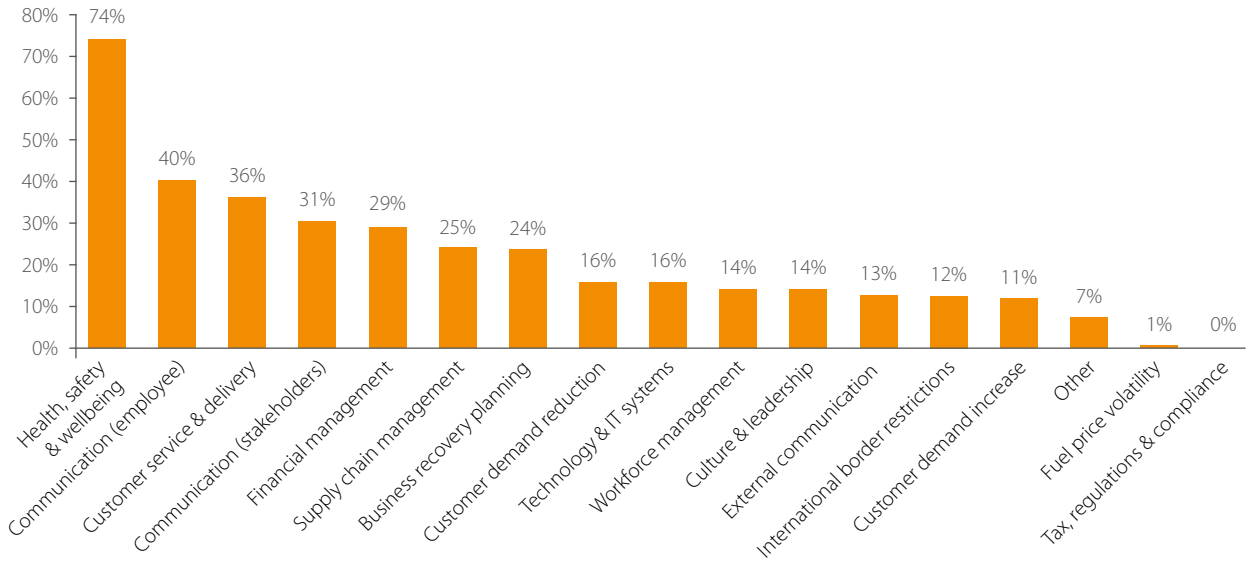
What businesses were focusing on before the pandemic

The most common challenges that organisations said they faced immediately before COVID-19



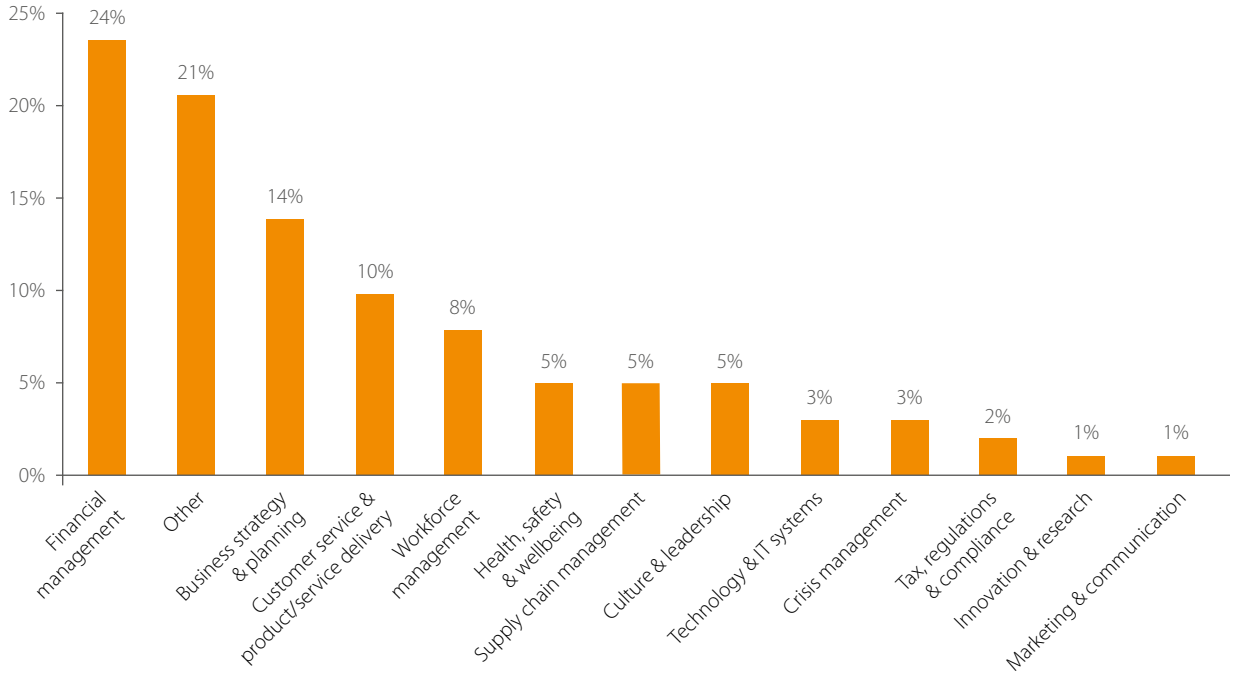
What businesses focused on during the pandemic

Top challenges for organisations during Alert Levels 3 and 4



What businesses are focusing on now

Single greatest business-related concern right now



What helped or hindered?

The research explored what helped or hindered leaders in their response to the pandemic. The responses were grouped under three headings used in the Forum's monitoring framework: Risks, Relationships and Resourcing. See more about this framework at **forum.org.nz/resources/monitor-what-matters**

Risk

The state of an organisation's risk controls

Hindered	Key factor	Helped
Had no plan, or had a plan but it didn't fit a pandemic, was outdated, or assumed staff could be physically located onsite. Hard to forecast demands, and supply chain felt close to out of control.	**Planning**	Had a pandemic plan and had tested it. Focused on agility and reviewed plans regularly during the crisis. Senior leaders were able to forward plan while the crisis team managed the organisational pandemic response.
Boards and senior leaders were slow to understand, accept and respond to the threat.	**Buy in**	Leaders anticipated risk early, rallied crisis teams and communicated with business. Leaders and staff saw the crisis as a challenge they could meet. Teams led the response and were empowered to deliver.
Operating model changed so had to anticipate risks on the run.	**Operating model**	Had built/adjusted business to work more flexibly to respond to threats.

Relationships

The quality of an organisation's relationships with employees and contractors

Hindered	Key factor	Helped
Staff waited for decisions to be made at the top. Challenges managing wellbeing and emotional responses. People missed face to face / Zoom fatigue.	**Culture and connection**	Having a strong, trusting culture with high autonomy. High levels of self-awareness, team support and personalised communications. Organisations saw themselves as part of New Zealand society/had strong community spirit. Good supplier relationships.
Occasions when there was conflicting messaging or no information from government.	**Messaging**	Occasions when there was clear communication and visible leadership from government.
Not having an existing relationship with government.	**Government**	Having good relationships with government.

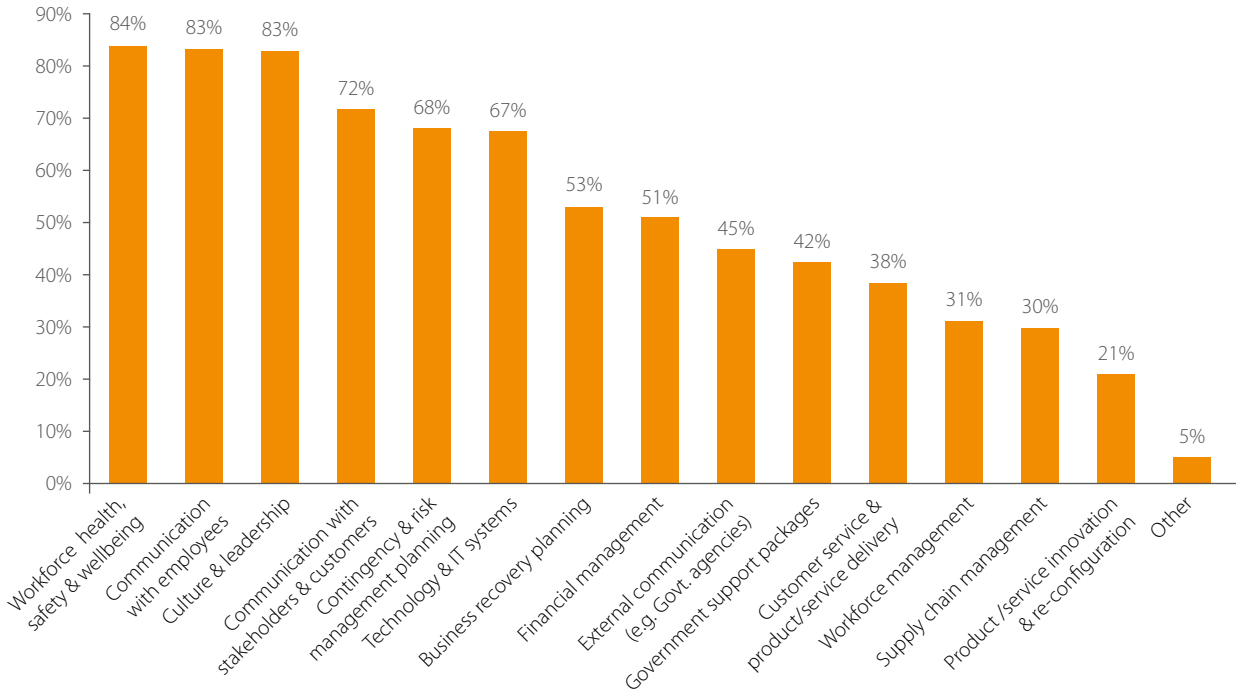
Resourcing

The adequacy of the resources applied to health and safety (people, plant, processes)

Hindered	Key factor	Helped
Difficult to forecast for, and hard to retain, people, when there was no demand or alternatively increased demand. Workload pressures.	**People resources**	Committed to paying people which gave certainty. Prioritising work from home.
Mental health, fatigue, isolation and loneliness.	**Wellbeing**	People passionate about work and feeling valued.
IT not built for flexible working. Demand dropping, which impacted cash flows.	**Systems and financial capability**	Having flexible IT systems and digital literacy. Having financial reserves.

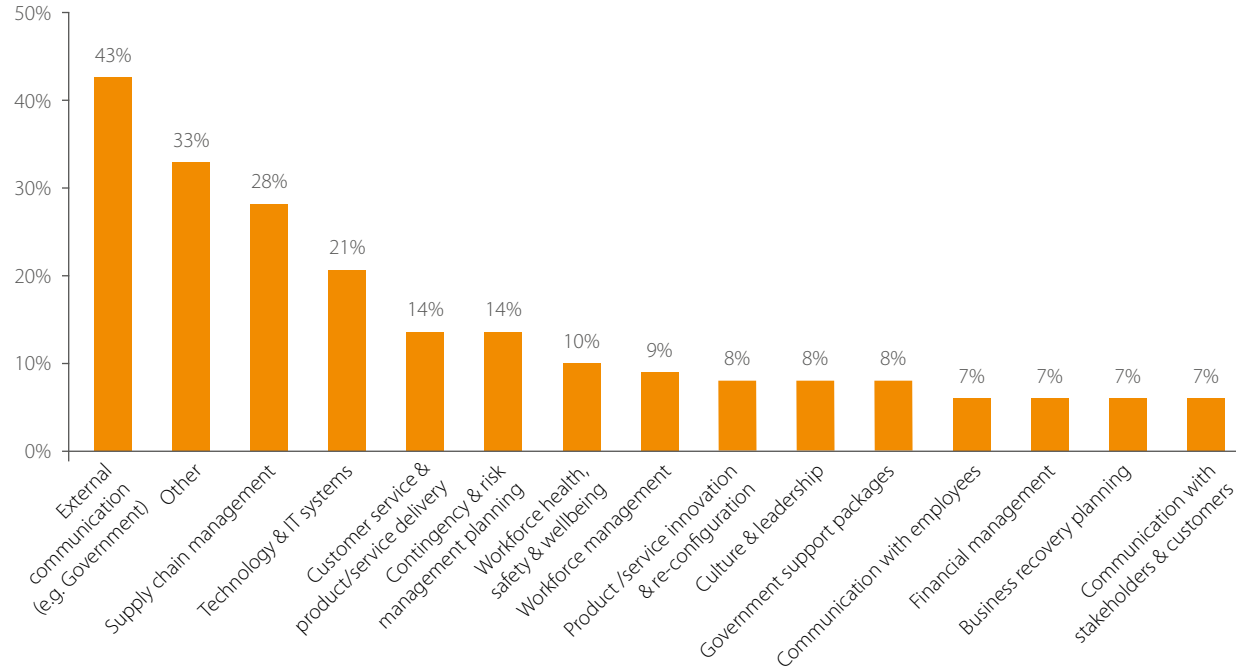
What helped

Factors that helped organisations respond to the COVID-19 crisis



What hindered

Factors that hindered organisation responses to the COVID-19 crisis



Sense making

Use the questions below to reflect on how well your organisation has learned from its experience of COVID-19 and whether your organisation is using these lessons to prepare for future unexpected serious events.

Rate the extent to which you agree with the following statements, and note down the changes you have made in response to the things your organisation has learned during Covid-19.

Risks					*(Tick one)*
Lessons learned in 2020-21 have been incorporated into our pandemic/business interruption plans.	Strongly agree ◯	Agree ◯	Neutral ◯	Disagree ◯	Strongly disagree ◯

What have you specifically invested in?

List: .....

Relationships					*(Tick one)*
We have invested in our capability and capacity to build team engagement, trust and appropriate levels of worker autonomy.	Strongly agree ◯	Agree ◯	Neutral ◯	Disagree ◯	Strongly disagree ◯
Our pandemic/business interruption plans are now developed/tested with the involvement of key supply-chain partners.	Strongly agree ◯	Agree ◯	Neutral ◯	Disagree ◯	Strongly disagree ◯
We now have clearer relationships with key officials in government agencies relevant to our business' operations.	Strongly agree ◯	Agree ◯	Neutral ◯	Disagree ◯	Strongly disagree ◯

What have you specifically invested in?

List: .....

Resourcing					*(Tick one)*
We are working to understand and address the work-related risks to our people's well-being.	Strongly agree ◯	Agree ◯	Neutral ◯	Disagree ◯	Strongly disagree ◯
Our systems and technologies now allow for remote working.	Strongly agree ◯	Agree ◯	Neutral ◯	Disagree ◯	Strongly disagree ◯
Our people have the digital literacy and home connectivity to work safely from home.	Strongly agree ◯	Agree ◯	Neutral ◯	Disagree ◯	Strongly disagree ◯

What have you specifically invested in?

List: .....

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About the Forum

The Business Leaders' Health and Safety Forum inspires and supports its members to become more effective leaders on health and safety.

The Forum has more than 370 members, who are Chief Executives or Managing Directors of significant New Zealand companies.

Contact us

info@forum.org.nz

Or find out more at: **forum.org.nz**