

Digital Dialogues @ toolbox INDIA Foundation

HRM and People's Function - Implications and what organizations need to brace themselves for?



11 April 2020



Ria Shroff Desai, Associate Vice President, People Operations, Sula Vineyard

Meret Philip

Chetna M Malviya, Senior vice president- Employee Relations, Edelweiss

Key takeaways:

1. **Employee Motivation and Productivity**

It is important to remember that this is a health crisis and there are extenuating circumstances causing forced work from home. Productivity of employees is expected to go down as people are getting accustomed to the new normal of Working from Home (WFH). However, we have to work to keep employees motivated.

In this time staying connected to employees, connecting with the teams on a regular basis and checking in and seeing how they are doing and what they need is imperative. So employ the 3 Cs of communication:

- **Communicate:** Managers must ensure that communication is regular and consistent. Employees should have the clarity on what to do and feel empowered and get the feeling that they are contributing something meaningful to the organization.
- **Connect:** Bringing the team together and conducting virtual group sessions is also important to understand what everybody is doing. It is also an opportunity to acknowledge and recognize employee contributions.
- **Care:** Be open, honest and genuine as a leader and engage in informal conversations to check in on your employees. One must make sure to reach the most junior person in the organization.

2. Employee Appraisals and Increments

- Appraisals are a necessary part of an employee's life cycle and should carry on as planned. One must separate appraisal (how they have performed, areas of improvement, progression on the career front, role enrichment) from Increment and clarify this to the employees. **While increments may be difficult to administer, the appraisal process need not be hampered.**
- **Increments can be deferred.** This could be facilitated by having one-on-one conversations with the employees and paying what is legally compliant in terms of the basic HRA and DA i.e. on the basis which the PF, gratuity and other similar calculations are done.
- **Conducting Virtual Appraisals** is a solution that an organisation can adopt. Communication and transparency must be ensured to explain why things might not go ahead as they were planned earlier; explaining what the outcome is for them and their teams because of the current situation.

3. Establishing goals and KPIs

- This process should depend on the previous goal setting process. Considering the present times of crisis a monthly evaluation is sufficient.
- The staff that are unable to work from home should be made to focus on internal or backend work that will help the organisation remain afloat e.g. documentation, compliance, updating modules, updating content, conducting secondary research. These are things that organizations do not otherwise find time to perform and could be added to KPIs as deliverables.
- Keep Up-skilling/Learning a new skill as a KPI for the present situation. An employee could acquire a new skill that will be needed in the future
- Defer any talk of further career development or growth till mid-year by asking the staff to support and help this decision. Continue to give feedback without discussing their role in the future.

4. Solutions for Nonprofits who are short on Funds

- Nonprofits that are short on funds can adopt measures to cut down on organizational costs.
 - a. Manpower cost: From a business model perspective, one needs to look at which roles remain relevant and which roles become redundant. An organisation can also realign or combine roles to ensure maximum benefit from an employee.
 - b. Infrastructure costs: One must look into the costs could be avoided during this time of crisis.

c. Up-skilling costs: Through the medium of online learning, such costs can be reduced for the time being.

d. Internal budget of NPOs: Can the funds provided by the Donors be reallocated for the payment of salaries to the employees until things resume normalcy? This request can be made to the donors.

e. Founder & employee pay-cuts: The standard is 40-50% in a lot of organizations at the CEO, CXO levels and 15-20% down the ladder across the company. Several organizations have declared that no bonuses or incentives will be payable this year which form a major part of the compensation of certain job profiles. One must ensure that transparency is maintained about the process that is being applied with the employees. Even though salary cuts are made to the bottom level, the rationale and purpose behind it should be communicated well.

Digital Dialogues @ toolbox INDIA is a virtual round table facilitated by toolbox INDIA Foundation on topics of interest and relevance curated for NPOs operating in India.

DISCLAIMER: This is only a summary of the principal issues discussed in our conversation with the Session Facilitator on 2020 (the *Dialogue*). This is not and should not be construed as formal advice and all participants must seek such formal advice prior to progressing any matter which is summarised in this Note or which is not so summarised but was discussed during the Dialogue.

Neither toolbox INDIA Foundation, the Session Facilitator, nor any other participant present at the session, together with their respective organization, office bearers, employees, and agents, will be liable for any action which any person takes on a matter summarised in this Note or which is not so summarised but was discussed during the Dialogue.