

# Global Survey

on the impact of the COVID-19 pandemic  
on Business and HR Processes

# Global survey COVID-19: Impact on business



EMA Partners has conducted a survey in 25 countries across the world, addressed to senior decision-makers in a wide range of industries. The survey was designed to better understand the impact that COVID-19 has had in their organizations. An analysis of the results reveals:

All companies report that COVID-19 has had a negative impact on their business and they are consequently reviewing their KPIs for 2020. Employee wellbeing and safety is a priority for all companies, and they are investing significantly in this area. Reduced mobility and the protection of employees' physical safety is the primary goal. Executives are in the main satisfied with the action taken by their organisations, saying that the response has been quick and efficient.

Remote work has been imposed in most countries, but is perceived positively by top management. Employees however report that it is difficult to balance work responsibilities with family obligations, especially when one has children at home.

The top HR priorities are maintaining efficiency, ensuring the mental health and well-being of employees and improving employee engagement. There is a global trend to implement a hiring freeze: approximately half of the respondents plan to lay off employees. However, most organisations are not considering pay cuts, at least in the medium term.

Acquiring talent continues to be a big challenge, largely because executives are not very open to change. They tend to look for stability and reject new projects, especially those that are not yet fully-developed.

The competence most required in these difficult times is the ability to engage and lead people by helping them to become self-aware and to grow and develop, while maintaining a confident and positive attitude. Other important competencies reported are: strategic thinking, managing ambiguity, resilience.

In addition, the survey shows that to be effective, leaders must have an optimistic vision of the future.

# Survey design

Survey on the impact of the COVID-19 pandemic on business, HR priorities and processes, leadership competencies.



**400+ companies participated**



**CEOs, CHROs,  
Senior Executives**



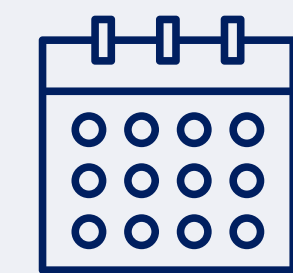
25 Countries



Quantitative Survey



Online



May 2020



# Participant's profile

Majority of the companies that participated in the survey represent the following sectors of the economy: **Industrial & Manufacturing (25%), Consumer Goods, Luxury & Retail (20%)** and **Information Technology & Telecom (15%)**

## Industry Sectors



Industrial & Manufacturing

25%



Consumer Goods, Luxury & Retail

20%



Information Technology & Telecom

15%



Pharmaceuticals & Life Sciences

14%



Professional & Business Services

13%



Hospitality

7%



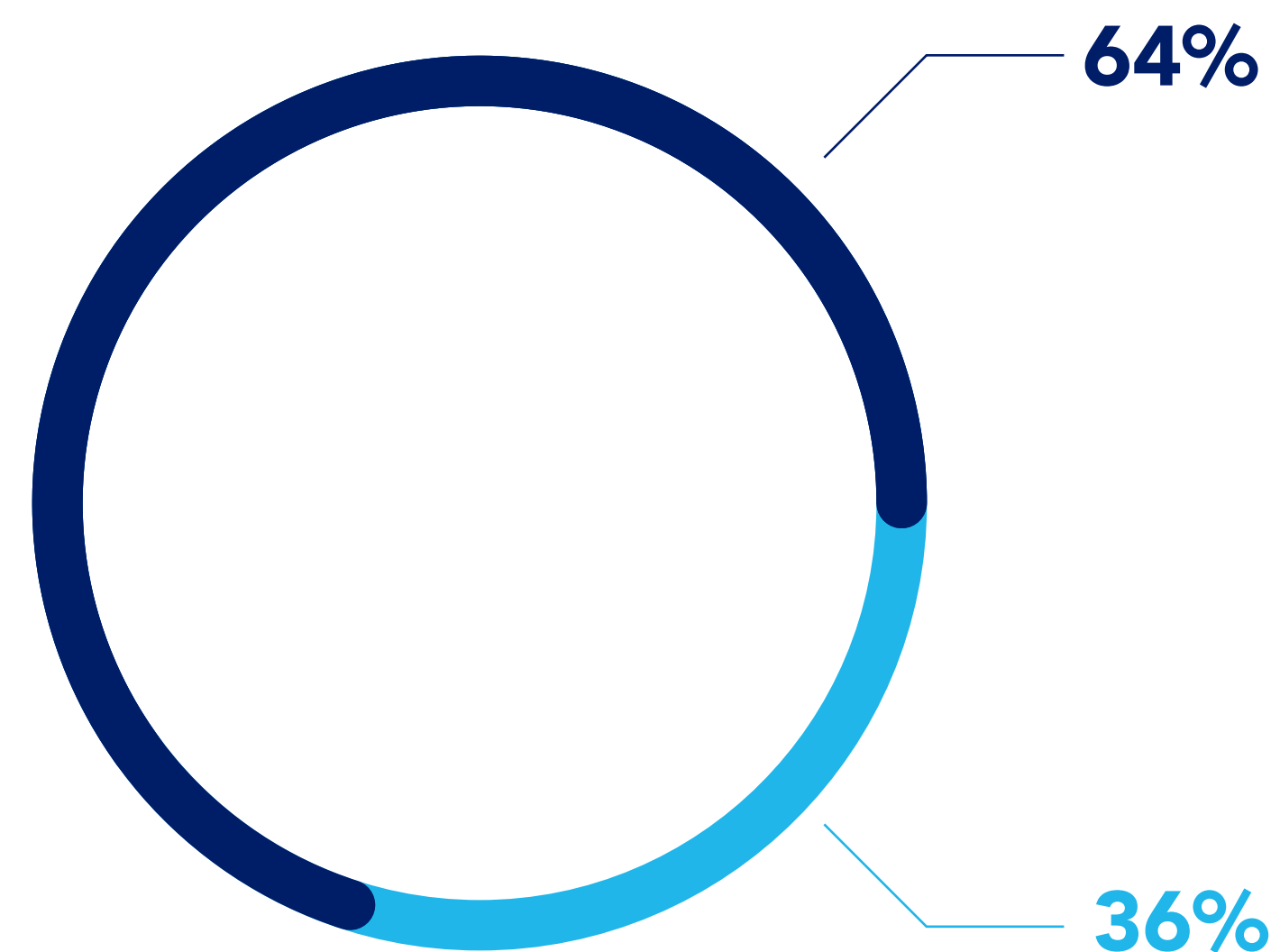
Automotive

6%



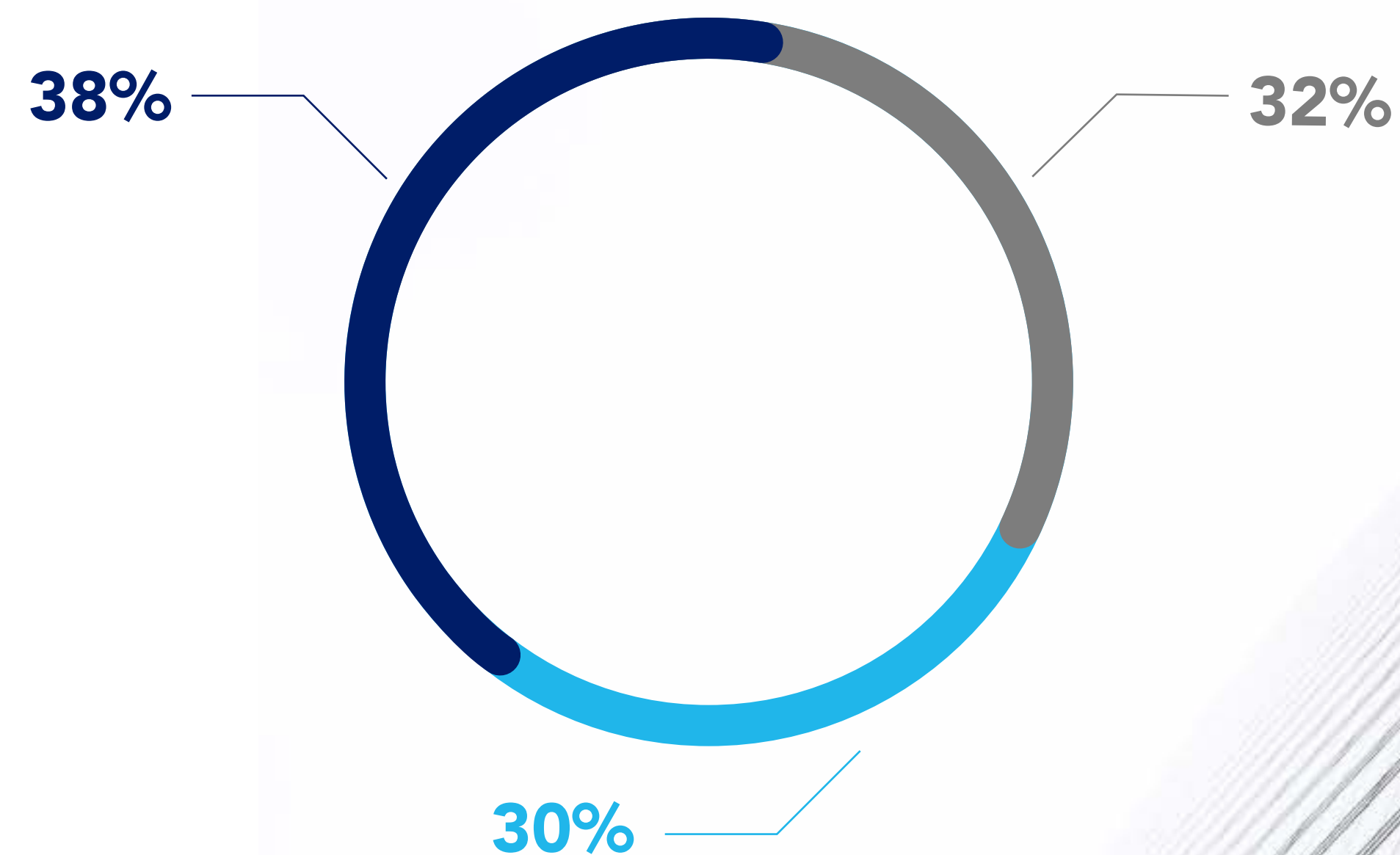
# Participant's profile

By ownership



■ Privately Owned ■ Publicly Listed

By geographical presence



■ EMEA ■ Americas ■ Asia Pacific

## Key highlights

55%

of companies that participated in the survey experienced decline in business, but have not laid off employees so far. Decline in business is largely reported by companies in the Industrial & Manufacturing and the Consumer Goods sector.

32%

of the respondents say that there have been changes in business processes, but without a drop or increase in the overall business level. These largely represent the Pharmaceuticals and Information Technology & Telecom sectors.

### Top 3 current business priorities:

- 01 Safety of employees (71%)
- 02 Ensuring financial stability (47%)
- 03 Optimizing costs (44%)

The next most important focus areas are maintaining business operations (37%), customer retention and satisfaction (37%).





# Business priorities

- The number one priority for companies is employee safety and well-being.
- Ensuring financial stability and optimizing costs are the other top priorities.

Safety of employees	71%
Ensuring financial stability	47%
Optimizing costs	44%
Maintaining business operations	37%
Customer retention and satisfaction	37%
Creating detailed plans to return the business back to scale after the crisis	18%
Searching for new business opportunities to generate income	17%
Stakeholder management	8%
Supporting local communities	6%
Redesigning supply chain	5%
Redefining product offering	4%
Ensuring adherence to regulatory policies and restrictions	3%
Collaborating with other industry players to find ways to overcome crisis	3%

# Key highlights

## Top 3 measures taken by companies to support employees during the COVID-19 outbreak are

- Zero/Negligible business travel (75%)
- Regular communication to employees on COVID-19 and safety measures to be observed (72%)
- Ensuring adherence to all recommended safety measures in the office and on-site (69%)

In addition, over a half of the companies created response teams to monitor the situation and take measures within the company (66%), transferred some employees to remote work (64%), organized transportation of on-site / office employees (60%), ensure regular communication on COVID-19 crisis impact on the company and its business results (54%).

**49%** of companies keep business objectives for 2020 unchanged

**24%** of participants significantly decreased their business objectives for 2020

Zero/Negligible business travel	75%
Regular communication to employees on COVID- 19 and safety measures to be observed	72%
Ensuring adherence to all recommended safety measures in the office and on-site	69%
Created COVID-19 response group within the company to monitor situation and take actions within the company	66%
Some employees work from home (some employees are working on-site/ in the office)	64%
Organized transportation service for employees that have to work on-site/ in the office	60%
Provide regular communication to employees on the impact the COVID-19 crisis has had on our organization and its business results	54%
Conduct trainings for employees on organizing remote work	47%
Provided necessary safety items for staff working on-site/ in the office (e.g. facial masks, gloves, disinfectant)	47%
Implemented flexible working hours for employees	44%
Implemented social distancing for those who are working in the office or on-site	44%
Conduct trainings for managers on managing remote/ distributed teams	37%
All employees work from home	36%
Providing psychological support and well-being programs for employees	35%



# Key highlights

71%

of the respondents rate their company's actions as quick and efficient during the crisis.

56%

of participants believe that remote work is efficient.

31%

of companies continue to hire during the COVID-19 crisis. These are largely from the Agriculture & Chemicals, Information Technology & Telecom and Pharmaceuticals sectors.

22%

of respondents believe that remote work is less effective.



# Talent acquisition during the COVID-19 crisis

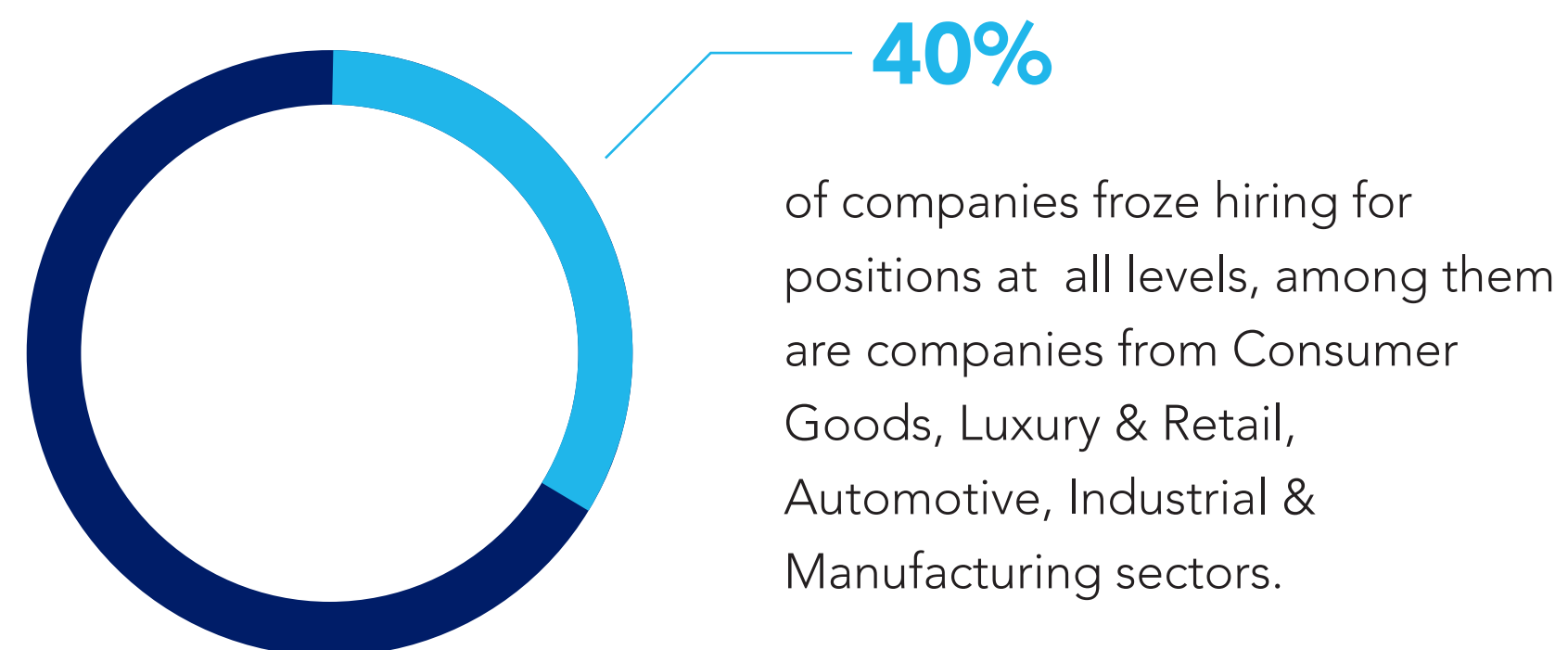
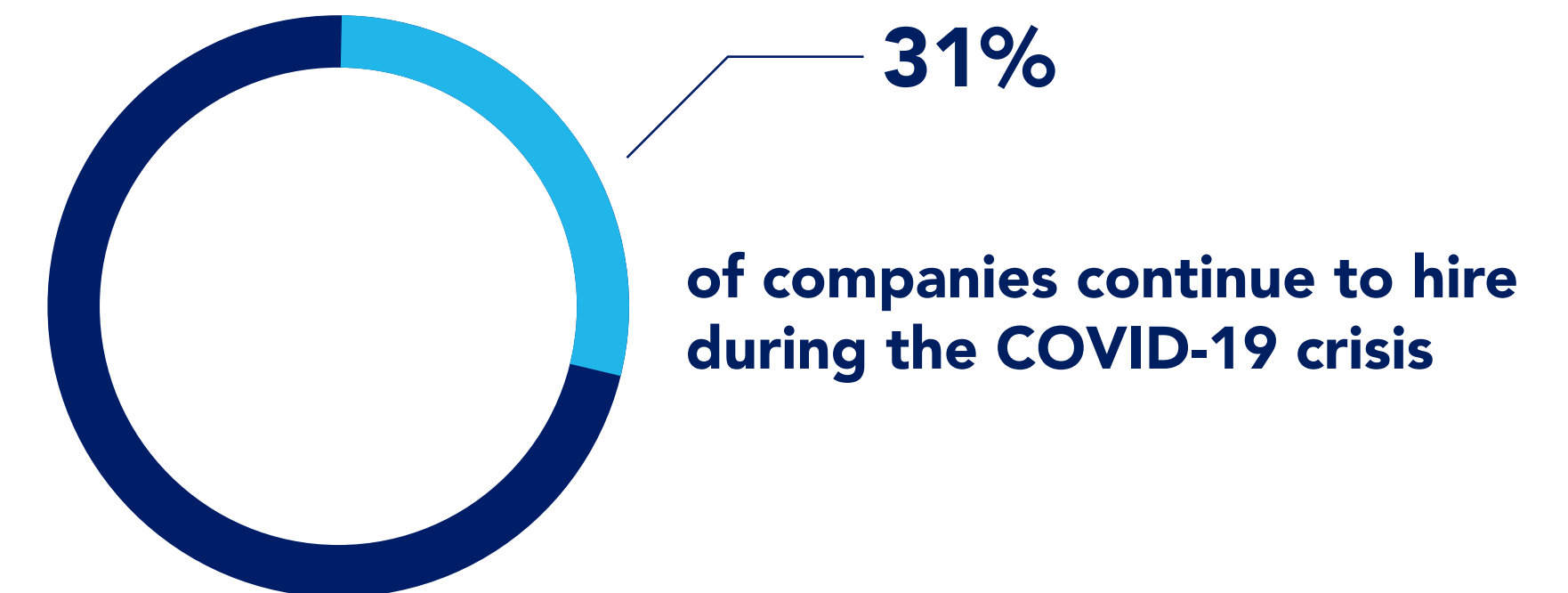
**40%** of companies froze hiring for all positions during the COVID-19 crisis.

**31%** of companies continue to hire during the COVID-19 crisis.

**16%** of companies to hire only to replace outgoing employees.

**11%** of companies continue to hire at all levels. Among them are representatives of Agriculture & Chemicals, Information Technology & Telecom and Pharmaceuticals sectors.

**10%** of organizations plan to use this time for strategic hiring.



The level of talent acquisition complexity remained unchanged for about **50%** of companies compared to the situation before the COVID-19 crisis. At the same time, significantly more participants - **34%** - claim that talent acquisition for C- suite roles has become more difficult.

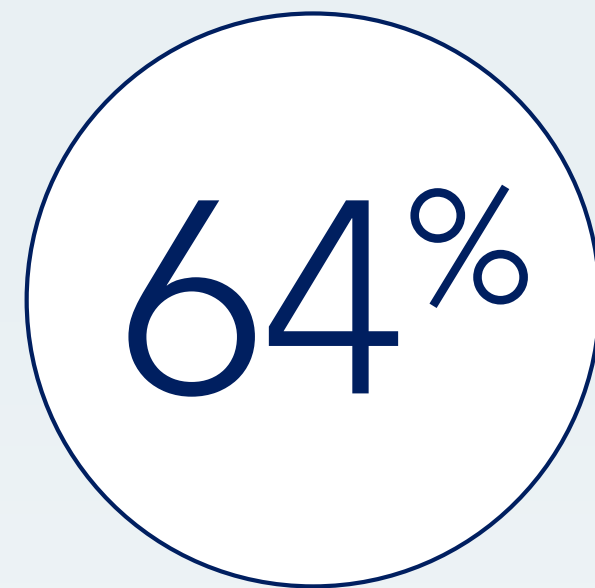


# Key highlights

## Top 3 competencies for CEOs



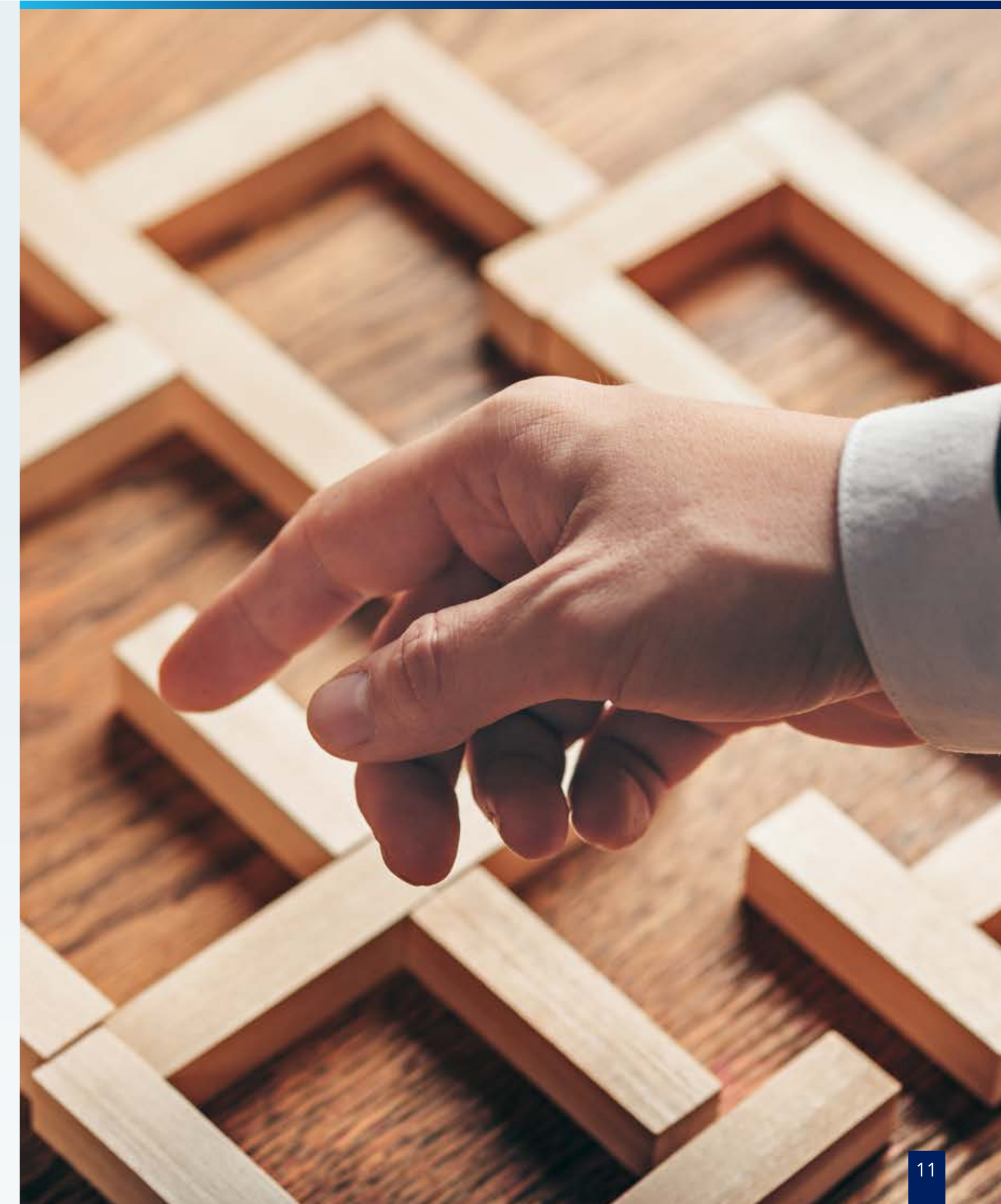
Managing  
ambiguity



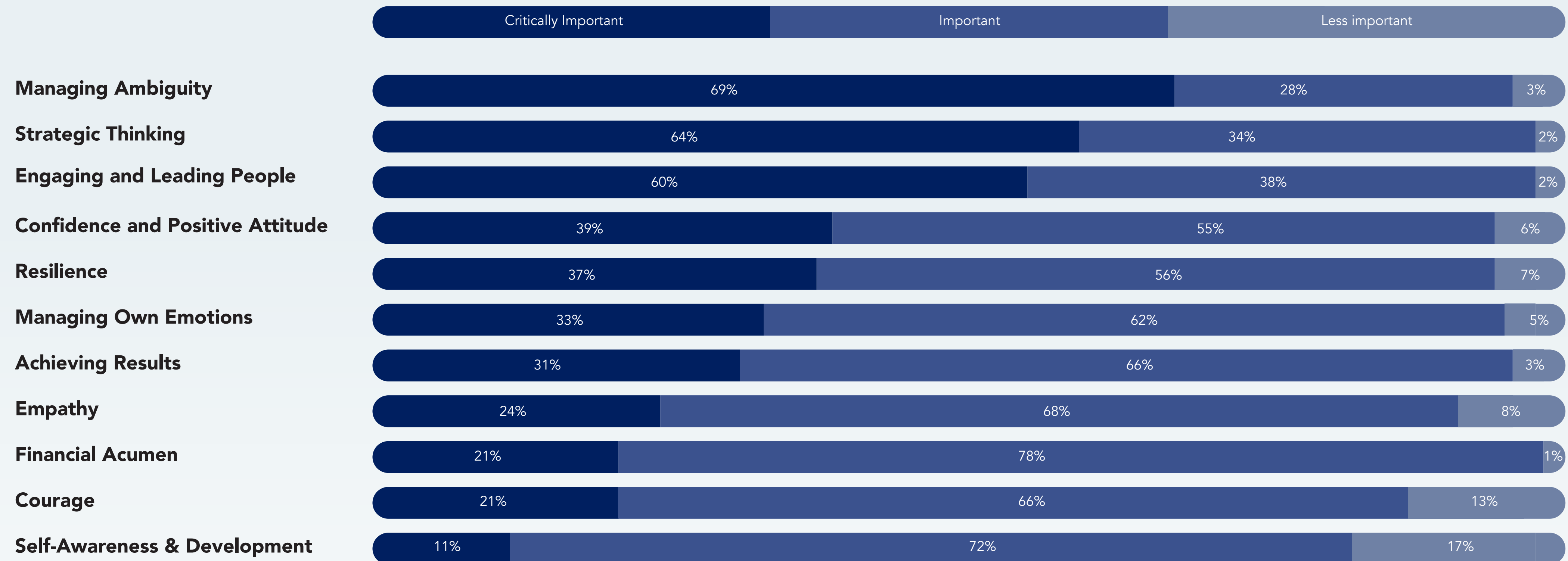
Strategic  
thinking



Engaging and  
leading people



# Critical Competencies for Business Leaders

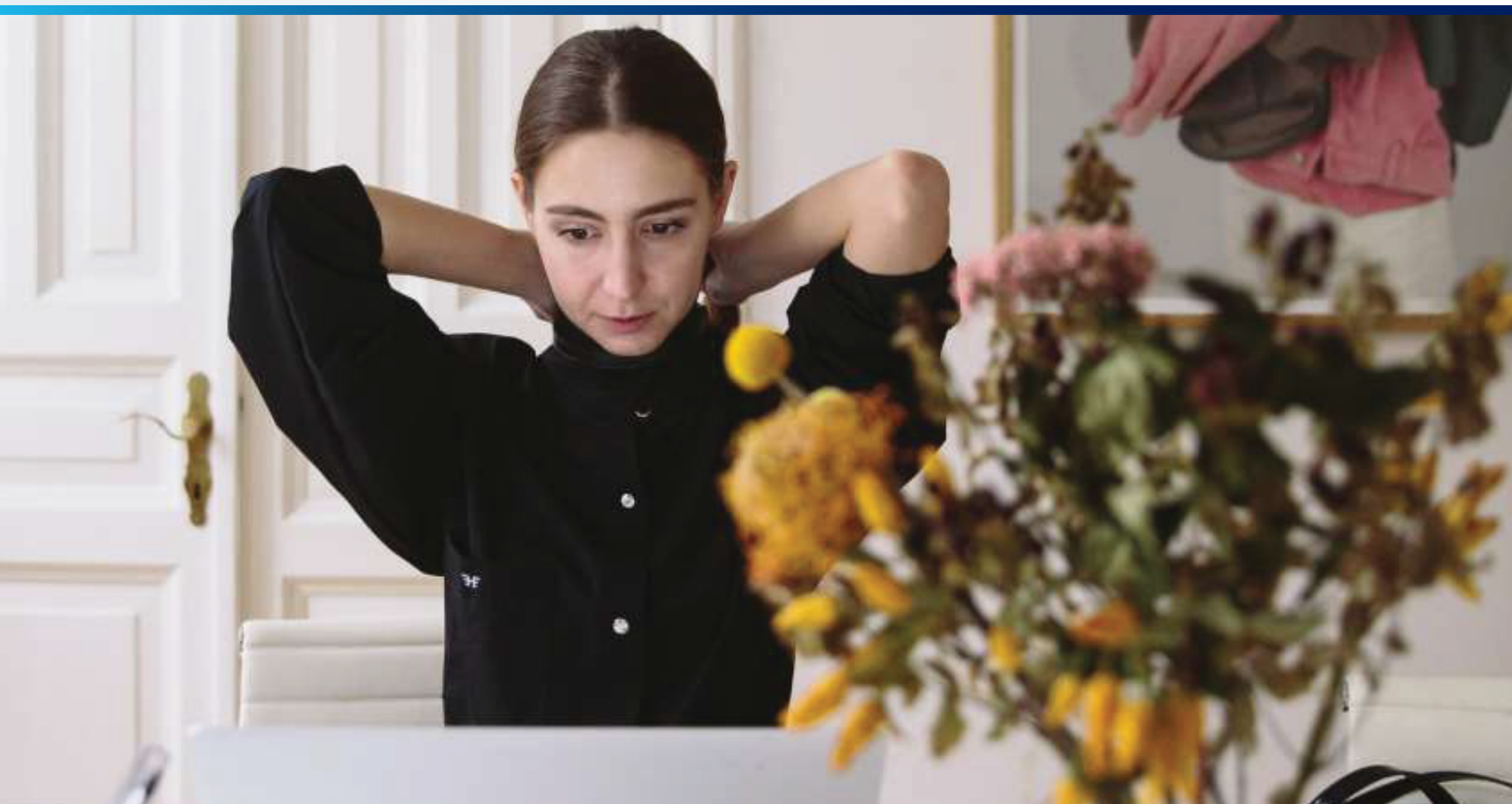




# Top HR priorities at the moment are:

- ➔ Maintaining high performance of employees while they work remotely (48%)
- ➔ Mental health and wellbeing of employees (47%)
- ➔ People engagement (47%)

The other top priorities are retention of key employees (24%) and people development (22%)



Maintaining high performance of employees while they work remotely	48%
Mental health and wellbeing of employees	47%
People Engagement	47%
Retention of Key Employees	24%
People development	22%
Internal rotations of employees to utilize resources	17%
Redesigning and digitalizing HR processes	16%
Remuneration, total compensation	12%
Talent acquisition	9%
Corporate social responsibility	9%
HR Administration & Payroll	8%
Labour relations	7%
Employer Branding	7%
HR systems	6%
Succession planning	5%
Downsizing, laying off people	5%
Identification of key talents	5%
On-boarding	2%
Other	4%

# Employee challenges

Necessity to balance family obligations and workload	72%
Psychological stress caused by uncertainty	49%
Isolation, lack of communication with colleagues	36%
Overload	33%
Technical difficulties in working remotely	21%
Declining level of motivation	18%
Lack of normally- assigned workload/ work tasks	18%
Lack of understanding what is expected from them in current circumstances	11%
Perceiving quarantine as 'vacation', lack of dedication	10%
Unable to organize efficient team-work when team members working remotely, as individuals	8%
Burnout	5%

Top challenges that employees face at the moment:



- ➔ Necessity to balance family obligations and workload (72%)
- ➔ Psychological stress caused by uncertainty (49%)
- ➔ Isolation and lack of communication with colleagues (36%)





# Impact of the COVID-19 crisis on business

Only **2% of the companies** that participated in the survey have opened new business lines.

**14%** of companies are forced to shutdown/ partially shutdown part of the business and lay off some employees.

**42%** of companies keep salaries unchanged.

**14%** provide an extended termination package based on company policies/standards.

Experience a decline in business, but not laying off employees	55%
Business is at the same level, with some changes that were made in the way we are doing business	25%
Shutting down part of the business / some business lines, and laying off some employees	14%
Business is working in the same way, without changes	8%
Opening new business lines / units	2%





# Government support to mitigate the impact of COVID-19



Yes 23%

No 77%



# Key learnings from COVID-19 crisis

- Businesses have to respond fast
- Digitization is here to stay
- Employees can work remotely without significant problem
- The key to success in crisis is readiness/ ability to adjust business quickly to a changing environment
- It stimulates out-of-the-box thinking



# "New normal" after overcoming the crisis

The survey participants believe that the "new normal" after overcoming the COVID-19 pandemic may be: an increase in the share of employees working remotely accordingly, reduction of the need for office space (24%), digitization of business and the transition to online (22%).

In addition, 10% of participants say that flexibility and adaptability of companies at all levels will be crucial to remain effective.

- ➔ "Remote work will become a common practice"
- ➔ "More online, more digital"
- ➔ "High business 'mobility.' The ability to re-group, re-shape in a short time"
- ➔ "More safety measures on an ongoing basis"
- ➔ "More empathy, tolerance and flexibility"

Less office space required	24%
Digitization, the transition to online	22%
Flexibility and adaptability of all processes	10%
Health and hygiene values	8%
New ways of communication (online)	6%
Social distancing	6%
There will be no significant changes	5%
More attention to the psychological state of employees/ policy of honesty and transparency	4%
Business optimization / efficiency improvement	4%
Short-term planning	4%
Involvement of freelancers	4%
Focus on financial stability, "margin of safety"	3%



# EMA Partners at a glance

Established in 1988, EMA Partners is one of the largest **Executive Search and Leadership Advisory** firms in the world with 44 offices across 34 countries.



→ Since 1988, EMA Partners has been serving local and international businesses across all industry sectors. The firm has been instrumental in helping its clients recruit thousands of leaders who have made a deep impact in their organizations and society at large.

With access to intellectual property through our association with Decision Dynamics AB, EMA Partners is a provider of leadership assessments and other advisory services to our clients

## → Our Expertise

Our expertise lies in assessing, hiring and developing leaders at the Board, C-Suite and Senior Executive level across all industries.

Our clients include global corporations, Local companies and not for profit organisations.

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#### GLOBAL FOOTPRINT

Amsterdam | Bangalore | Bangkok | Barcelona | Bogotá | Boston | Brussels | Buenos Aires | Chennai | Chicago | Copenhagen | Delhi NCR  
Dubai | Düsseldorf | Helsinki | Hong Kong | Istanbul | Johannesburg | Kiev | Lima | Lisbon | London | Mexico City | Miami | Milan | Montreal  
Mumbai | New York | Oslo | Paris | Prague | Riyadh | Santiago | São Paulo | Shanghai | Singapore | Stockholm | Tokyo | Toronto | Warsaw | Zurich