

Clarence Risk



Employee engagement and workforce optimization during a pandemic

April 2020

Background

As the world contends with the Covid-19 pandemic, firms are shifting from BAU to survival strategies as economic activity slows. With supply chains disrupted, air travel curtailed, and employees restricted to their homes to help fight against the spread of the virus, many firms are finding themselves with idle workforces

- Governments have taken measures to preserve and protect employment to reduce a tidal wave of unemployment. In Hong Kong, for example, the government has put in place initiatives supporting employment while demand for goods and services remains suppressed
- Firms are realising that they have workforces that, whilst eager to undertake their role responsibilities, may be underemployed
- Firms can utilise this time to work with their staff and temporarily refocus efforts to improving their risk, governance, controls, and processes that tend to be additional initiatives during 'normal times'

Survival is undoubtedly firms' focus at present. However, failure to take advantage of optimization opportunities leading to reductions in cost and risk mitigation advantages may impede their ability to take advantage of an economic upturn when it arrives

Challenges

Firms may fail to take the opportunity to simplify and strengthen their business operations, processes, governance, risk and controls environment to its full potential



Workforce not utilised to its full potential, challenged, or engaged on their ideas of how to improve processes, controls, or better ways of working



Costs structures remain high, which may impede firms' eventual recovery and eat into its cash reserves for weathering out the pandemic



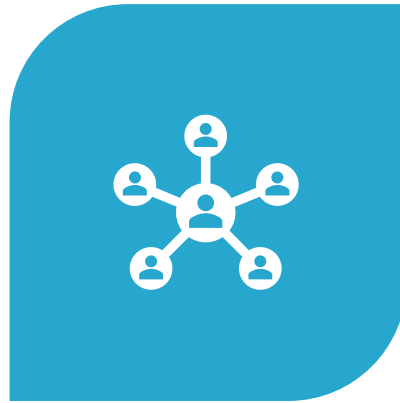
Disengagement of workforce / 'pandemic fatigued' staff, reducing productivity and wellbeing, leading to internal conflicts and reduced output

Solutions

Initiatives can be undertaken to ensure that a firm's workforce is engaged, costs reduced, risks mitigated, and controls enhanced during the pandemic



Board/Exco should undertake a high-level strategic review of business operations and functions, identifying potential areas for improvement



Engage and deploy teams to gain their insight into how their respective areas can be improved, undertaking end-to end assessments of processes, governance structures, controls enhancements and risk mitigation initiatives



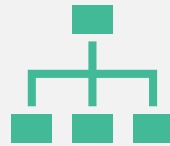
Enhance communications and employee engagement to encourage greater collaboration, comradery and fluid, multi-level communication between staff, management and Exco/board levels

Next Steps

What firms needs to do now to respond to the challenges of the ever-changing landscape



Agree team deployment strategy and goals at exco/board level. Communicate strategy with management and staff



Undertake departmental/team workshops, determining target processes, governance, and controls environments enhancement to focus efforts on



Develop project plans, incorporating budgets, timeframe, milestones, and targeted end results

How Clarence Risk can help

Clarence Risk specializes in providing risk management, governance and controls, risk transformation and risk strategy advisory services

Exco/board strategy advisory

Department/team workshop facilitation

Process improvement program and project management

Internal controls current state, target operating model and uplift implementation advisory and support

Design, build and embed a risk function that works in harmony with your business operations

Digitization strategy for governance, risk and controls activities

Controls automation strategy and implementation program management

Risk management function optimization

Clarence Risk

Risk Management | Governance & Controls | Risk Transformation | Risk Strategy

Clarence Risk helps our clients find lasting risk management solutions. The firm provides high quality, sustainable risk management solutions with our clients while upholding our core values of trust, mutual respect, integrity, and pragmatism in everything we do

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