

Total Rewards Through the Lens of COVID-19

The COVID-19 pandemic has tested the well-being of employees everywhere. In addition to the physical and mental stress the coronavirus has caused, many workers are experiencing a financial strain as well. As such, employers should continue to consider how their total rewards packages resonate with the current employment market.

Employee retention and recruitment continue to be the most common workplace challenges for employers and HR professionals. This article explores factors to consider when planning salary and total rewards to help attract and retain a skilled workforce post-coronavirus.

New Considerations

The COVID-19 pandemic has offered an opportunity to rethink and revamp compensation practices. Competitive pay and employee well-being continue to be top priorities. Especially during a pandemic, workplace benefits should fully support employees—taking total financial, mental and physical health into consideration.

Consider the following benefits that may evolve as a result of the coronavirus pandemic:

- **Remote work**—Working from home has been the biggest and most immediate workplace shift that resulted from the pandemic. As Americans had to shelter in place, many organizations shifted to fully remote working. As the threat of the coronavirus shifts and workplaces reopen, there may still be a place for remote work and formally incorporating it into a benefits package. Both financial and non-financial benefits draw employees to remote work options as they try to achieve a better work-life balance. By working from the comfort of their home, employees can benefit from shorter commutes, lower transportation costs and, in many cases, a more focused work environment. Consider the overall workplace and employees' job duties to understand how flexible options could work for both you and your employees.

- **Expense reimbursement**—Employees may be challenged as they balance remote work and other activities at home, such as child care, education or caregiving for elderly family members. If remote work is required, employers could consider reimbursing office expenses (e.g., cellphone, computer equipment, software and internet costs) that are essential or enhance employees' remote work environments. Providing additional company-issued hardware upon request is another option.
- **Sick or family leave**—If employees are unable to work through remote access or other means, consider offering paid or unpaid family leave. Employees could also use leave to care for a family member who has contracted the coronavirus.
- **Health care coverage**—Benefit changes to ensure health care access include first-dollar coverage of telehealth visits, removal of high deductibles and waived COVID-19 testing copays.
- **On-site health care**—It's important to arrange COVID-19 testing to minimize the risk of infection in the workplace. Employers should also consider scheduling on-site preventive checkups to address chronic conditions, behavioral issues or mental health concerns due to the stress of the COVID-19 pandemic.

Continuing to have all employees work fully remote may not be ideal for your organization—especially if you still have an active building lease or day-to-day work involves employee interaction. However, there may still be a way to offer other flexible options or benefits that support work-life balance.

When planning salaries and benefits, it's important to consider economic recovery and unemployment levels, as both factors have been greatly impacted by the COVID-19 pandemic.

Moving Forward

Regardless of whether total rewards packages change at an organization, employers should regularly express empathy and concern for employees' situations. Employees are looking for such support now more than ever, both in and out of the workplace. After all, employees want to work at an organization where they feel safe and supported.

Consider updating your current total rewards program to meet the company's needs and the needs of employees, as well as increase the value of your investment. To learn more about how the workplace is changing as a result of the COVID-19 pandemic, contact VCG Consultants today.

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