

# COVID-19 CHRO PEER CALL RECAP

Compare/share/learn - April 1, 2020

We have been having weekly calls with industry CHROs across Canada to discuss the global ripple effect to organizations as the COVID-19 crisis unfolds. Here is the recap from April 1, 2020.

Shout out to Bob Fink at UFA who had received a shipment of 5000 N-95 masks that they wanted to share with people who needed it more than they did. We connected him with Todd Gilchrist at AHS (Alberta Health Services). They have since connected and the masks are making their way to the front lines.

## PROTECTING PARKLAND'S PEOPLE

Stephanie MacDonald, CHRO at Parkland Fuel

Parkland Fuel is the largest independent supplier and marketer of fuel and petroleum related products – heating oil, diesel fuel, jet fuel. We manufacture some it ourselves, we buy some of it from refiners in the marketplace, we move it, we store it and we sell it to customers. We run a whole family of brands that many of you might know, depending where you live in the world. We operate in 25 countries, with approximately 3000 sites and we sell over 22B litres of fuel every year with just over 1 million customer transactions per day. Parkland has been traded on stock exchange for just over 50 years.

With the government measures put in place, we are deemed an essential service. COVID-19 has had an incredible impact on our business globally and our priority is keeping our frontline employees and customers safe – a fundamental principle of our company.

In response to this evolving crisis, we have done a number of things to protect Parkland well into the future. As we saw the virus gaining more prevalence in our geographies, we assigned a sponsor to be the command leader on COVID19. We put a working group together to ensure we could share information, understand the actions and needs on the ground in each geography and mobilize decisions quickly. Several things were implemented:

### Frontline employee safety

We have an occupational health nurse who has been the backbone of things on the health side. Because she is the only nurse in our organization, we captured her on video talking about COVID, talking about ways to protect oneself and have this for distribution for our employees through our intranet or web links and YouTube videos.

## **Ensuring customer safety**

Ensure each gas station/convenience store is regularly cleaned and disinfected and has hand sanitizer available. We installed shields for the protection of both customers and employees. We also established a community program, focused on frontline team members - healthcare workers, police, fire and paramedic professionals receive discount on fuel fill ups.

## **Taking charge of the economics**

Our business model is strong and resilient, but we have taken significant steps to take charge of economic factors out of our control by:

- Tapering our capital expenditures
- Minimizing non-essential spend
- Stopping any uncommitted spend
- Implementing a hiring freeze
- Not incurring any overtime
- Reducing/eliminating contract workforce
- Withdrawing our 2020 guidance
- Setting a reduction in the leadership take home pay
- Suspending some compensation programs

We've been able to share the knowledge and the fundamentals on COVID with all our employees who work at a convenience store, gas station or delivering fuel via videos, FAQs, and tip sheets. Things like hand washing, distancing in real life situations/ environments. We also have the means for employees to bubble up questions/ concerns to leader level, enabling us to respond to those concerns. For example, we use protective shields to protect both the employee and the customers and minimize contact. We do have people who have declared they feel it unsafe to come to work because of COVID19. It is their right to refuse work and we respect that personal decision.

## **THROUGH THE LOOKING GLASS ON BOTH SIDES**

Gillian Whitebread, CHRO and Executive Vice President, Morneau Shepell

We are the global leader in employee assistance programs. We operate in over 170 countries, with 6000 employees globally and we cover broad HR services from our EAP business, absence management business, HR admin business, pension administration, retirement, etc.

The article in the Economist cites that HR is at the core of pandemic planning and for us an HR services company, we've been really busy for the past little while. We are putting employee well-being at the centre of what we do. Our Life Works business (resources on physical, social and mental well-being) is available digitally. There is the capability for enhanced functionality such as cognitive behavioural therapy that is supported by a live counselor in the background while participants complete work digitally.

Right now, we're seeing that anxiety is the top mental health issue and we are looking to provide support for that.

## Financial well-being support

While we have not taken any measures on layoffs, our employees' families can be impacted so financial anxiety is running high. Our pension business is working with many clients that are in financial distress and contingency planning.

## Absence management

With the spread of COVID-19 we are anticipating up to 25% to 35% employee absence. We launched a product that provides enhanced COVID-19 absence tracking that helps to improve workforce planning the organization.

## Other things we are doing for our employees

- Offering workplace learning solutions business
- Training for working from home and we've leveraged those videos that we have to share with our clients. Our highest uptake is around the resilience modules, people have found that to be really helpful as individuals adapt to doing things in a new way.

## What we are seeing with our clients

We are seeing an increase in the use of our First Access program. It's a high-touch program for high stress, high risk situations. For example, people who have been stranded on cruise ships or suicide support, 1 in 100 are suicide calls. As well, we are seeing very senior leaders under a lot of stress - the demand on them to support their teams. We use this program ourselves. You don't have to be an EAP client to sign up for this service.

## Productivity tips

We offer a lot of support for productivity. We are offering online learning tools - virtual sessions with experts in our business. However, we're seeing that folks are getting the most use out of the sharing on our social feed - seeing what's happening across our organization. People are tracking the advice they are seeing on our news feed and sharing those best practices.

## ABSENTEEISM, WORK SAFETY & COMPENSATION

Les: Stephanie, how are you handling compensation with respect to those unwilling to come to work as well as those who \*are\* coming into work?

Stephanie: If only there was a guidebook in advance of all this . . . it would have been easier. We've taken a step by step approach as we take health and safety and environmental issues very seriously – it's part of the values of the company. If an employee feels that there is something unsafe, we absolutely give them the right to refuse to go into work, we would have treated them the same as if it were pre-COVID-19. They go home and take advantage of their sick time, we are still paying up to a max number of days, and after that there are other avenues - short term disability or unpaid leave, etc., This ensures our employees are able to take care of themselves and their families. We would then circle around with them to understand their concerns about safety and address their concerns. In addition, we are paying really close attention across the 25 various jurisdictions to see what government benefits and supports are available.

## TRANSITIONING TO WORKING FROM HOME

Gillian: We've had a lot of our employees work from home and the number one issue we are seeing employees raise is that they are having trouble balancing childcare. It's by far the biggest issue. A study from Gartner indicated that 80% of parents with children under the age of 6 are getting 0-5 hours of work done and 45% of parents were reporting getting under 3 hours of work done. We found this is a real problem.

As a leadership team we are using family coaching services via our EAP and for our employees. We are going to give everyone until April 30 to settle into routines, have them figure things out, flex and adapt. By then, we'll have a better handle on what the government is offering.

We'll also have a better understanding of our financial situation, where we'll be in a few weeks before making any adjustments. Organizations are part of three buckets in this crisis and each is different:

1. Distress - Companies like Air Canada that are in a distress situation and having to implement layoffs.
2. Uncertain - Companies waiting and seeing as some aspects are uncertain and some aspects are looking bright.
3. Boom - Companies like Zoom who went from 10M customers to 200M

We're in that middle, ourselves, and so we're giving ourselves some time to see before we do anything like reduced work hours. That is our approach at this point.

## FROM A PUBLIC ORGANIZATION'S PERSPECTIVE

Kim Armstrong, Deputy City Manager of the City of Edmonton

70% of our workforce is unable to work from home. We have lots of frontline people - bus drivers, city workers, etc. Yes, refusing unsafe work has been a big issue. With the support of our occupational legal counsel, employees cannot unilaterally decide to refuse work because they feel it is unsafe. Theoretical, anticipated or potential risks are not reasonable grounds under the legislation for a work refusal.

If an employee has a concern, they are to bring it to their employer's attention. As a part of their duty to protect the health and safety of themselves and others in the workplace. Once the dangerous condition is reported and inspected by the city, then the city will take measures to remedy that condition and that may involve workplace safety and health, the supervisor, the employee and potentially legal counsel.

Another thing we've seen in the last couple of weeks is that home is an unsafe place for a lot of people. We have instituted paid leave for victims of domestic violence with a special code that maintains the privacy of the employee. Domestic violence has increased during this time.

## A LOOK INTO THE FUTURE . . . 2 WEEKS AHEAD

Les: Moving things back on a more marco-level, what are we learning domestically from what is happening globally and how organizations who have been in this before us are managing this situation. Mona Jasinski, from Vermillion Energy, you have operations in France who have been dealing with things before us here in Canada. May I ask you to comment, please?

Mona Jasinski, Executive Vice President, People and Culture, Vermillion Energy.

Vermillion Energy is a mid-cap oil and gas producer with headquarters in Calgary. We work across 10 countries in Western Europe (Germany, France, Netherlands and Ireland), Eastern Europe (Hungary, Croatia, Slovakia), the US, Canada and Australia.

Our management team meets every morning so we get a 'round the world tour' of what's going on - it's a real time report on what's happening in those geographies. The overall impression when we speak to Europe is they are essentially 2 weeks ahead of North America. On a daily basis, we look at the total number cases and deaths. Looking at the numbers, the growth rate is 15-30% in terms of new cases there and in none of these countries are we seeing a flattening of the curve. We look at this as still impacting business continuity and when I hear people in North America asking we if need to take more measures, my answer is always take those measures and then take more because we are near the beginning, not in the middle and nowhere near the end.

### Different countries, different rules:

Differences in how countries are approaching the following:

#### The movement of people

All of the countries I've listed have all moved to remote working, social distancing and interacting with only your family. It varies in how that is applied. For example, in France, you really can't be out walking in the streets, police are monitoring the streets on a regular basis and you have to have a form filled out that allows you to go out during certain times of the day – you are either going to the grocery store or the pharmacy. If you are found not doing either of those things or you don't have a form you will be fined. It is very restrictive. In some other countries like Croatia, you see border closures going in and out. You are not allowed to enter nor exit the country. Some countries like Australia are talking about state closures like the closure of provinces. We see differences in how this is being done. We see closures increasing in time.

#### Their approach to testing

In France, it's quite limited as they didn't have enough tests. If you had symptoms you were presumed positive and therefore told to self-isolate. In Germany, more testing is available and so there is much more testing going on. We don't take the testing data as completely accurate as it's different country to country.

#### Their definition of critical services

In most of these countries they define oil and gas as an essential service, this would include the suppliers and producers and the companies they work with. However, not in all countries, in France this is less clear and they are still defining this.

## **Staying vigilant**

We are most concerned with the speed of spread, as it is now mostly community spread. We hear a lot of this in North America but our colleagues in Europe say this has been faster than anyone ever expected. Social distance is a must and we are encouraging our staff to lock down as much as they can and not leave their houses unless they absolutely need to. We are looking at this in terms of months so a longer-term planning horizon. For us, what has been really critical is ongoing communication with all of our staff, all of our contractors, and suppliers. We know that our employees are very dedicated to the organization - they want to be here, they want to be working but we know there is a supply chain issue if we don't have our suppliers working jointly together. We, like others, have a command team, we've done it with our ERP team via our Emergency Response Structure. The command team meets daily and so we are able to make decisions quite quickly. It's very fluid and it changes every day. It's not something you can look away for 3 days and feel like you're up to date. It's shifting constantly so our responses have to shift accordingly.

## **LESSONS LEARNED OVERSEAS**

Les: We were hoping that you'd say things were getting better. At least that is what we are hearing in China. Perhaps we'll hear from Randy Jahrig whose company has operations in China. Can you weigh in a little bit on your perspective, please.

Randy Jahrig, Vice President, Human Resources at Husky Energy

Husky is 70% owned by a Hong Kong group. We have an operating office in Shenzhen, which is across the bridge from Hong Kong and they are back to work. When folks came back they were wearing masks. In Hong Kong, they were off work for a while and then they're off again because of a second wave due to international travelers. They are quite keen to understand and see daily progress. They are looking for detailed information but for privacy reasons there is a lot of information that I am unable to share.

One of things that they've done is offshore rotations, they bring them in for 14 days for quarantine before they go offshore so they don't take anything offshore. We've done that on the east coast over here, we institute 7 days here before they go offshore. Another thing that we are quite interested in, is the back to work protocol. From an operational standpoint, it's a big learning from Hong Kong.

Les: There are so many news sources . . . who do we trust? Guidance on where you tell your teams to go for reliable information. Where do we go for solid information?

Randy: We rely on our health services provider. We have a doctor we engage with weekly. We have a pandemic response team as well as from Alberta Health Services.

Stephanie: Parkland operates in 25 countries – we have someone on the command response team and their role is to be on top of things from the local health authority in a specific country, from the most knowledgeable health authority in that country.



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At Caldwell we believe Talent Transforms. As a leading provider of executive talent, we enable our clients to thrive and succeed by helping them identify, recruit and retain their best people. Our reputation—50 years in the making—has been built on transformative searches across functions and geographies at the very highest levels of management and operations. With offices and partners across North America, Europe and Asia Pacific, we take pride in delivering an unmatched level of service and expertise to our clients.

Understanding that transformative talent is not limited to executive levels, our Caldwell Advance solution focuses on emerging leaders and advancing professionals who can also have a profound impact on a company's ability to turn potential into success. We also leverage our skills and networks to provide agile talent solutions in the form of flexible and on-demand advisory solutions for companies looking for support in strategy and operations. Our Caldwell Analytics division leverages an award-winning talent optimization platform with a suite of talent strategy and assessment tools that – when integrated with our search process – helps clients hire the right people, then manage and inspire them to achieve maximum business results as fast as possible.

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