



Banking during the Covid crisis: A mid-tier bank HR perspective

Executive summary

Hosted by James Sayer of Sayer Howarth and chaired by Sara Thorpe, this round table discussion provided HR leaders from the banking industry the opportunity to share their experiences of the current Covid-19 crisis; what has worked well and what has proved challenging, and what possibilities or ramifications for future ways of working might emerge as a result.

The discussion offered a time to reflect but also to share knowledge and ideas, where pinch points are, for example, and whether they are industry or organisation-specific.

Although there were some differences in responses and the challenges faced, there were many more similarities. There was a general consensus that organisations were able to respond swiftly to the crisis, and did so well, transitioning to remote working with relative ease. Likewise, many of the challenges were felt by most participants.

There were many shared organisational attitudes when it came to ways of working pre-crisis, mainly a culture of presenteeism and a fairly resistant attitude towards flexible and remote working from senior management. It was agreed this crisis forced questions about that culture and what that might mean when it comes time to return to normality. Might there be a 'new normal' as a result, and what might this look like?

Chair, Sara Thorpe

Sara joined Cambridge & Counties Bank in September 2017 as Director of HR to develop the People Strategy and HR function within the rapidly growing niche bank. Sara passionately believes that in order to be successful, organisations must maximise the skills, knowledge and behaviours of their people in the most cost-effective way and advocate that HR is a key central function, both strategically and operationally, to enable companies to achieve their business goals. Sara is also owner of Enhance Development, a consultancy she launched in 2002 to help organisations effectively manage and develop their staff so they can perform and meet their business goals. As an author, her books cover all aspects of staff development, including coaching, training programmes and performance review; her last book "The Five Questions Approach" has underpinned CCB's innovative "Rolling Objectives" performance review system.

Introduction

Given that the nature of this crisis has hugely impacted the way people are able to work, HR plays a significant role in its management. Discussion opened by sharing responses to the crisis, both from HR specifically and from the organisation more generally. Reflections on what worked well and what challenges panel members continue to face naturally followed. Some of these challenges might be considered logistical, what has been easy or difficult on a practical level, whereas other issues were deeper or even fundamental, such as staff wellbeing and ways of working, now but also in the future.

Managing generational differences was a recurring theme, for example the traditional expectation of presenteeism, parents and others who prefer the new way of working, and younger staff whose wellbeing may be at risk from isolation. Uncertainty over questions about how and when normality will resume was also a key area for discussion.

Although many of the reflections and issues intersect, they might broadly be summarised as the following:

Successes

- the immediate response and move to remote working
- prioritising people
- maintaining productivity and engagement
- work-life balance
- in many instances, successful onboarding

Challenges

- annual leave
- onboarding
- managing managers
- productivity and work-life balance
- staff wellbeing
- fears for job security

Considering these successes and challenges, what might the future hold for a post-Covid world; in what ways will we be *able* to, *want* to, or even *allowed* to return to work?

Successes

1. The immediate response

Moving staff to a remote way of working was carried out decisively and with success; many of those present moved the majority of their teams to home working prior to lockdown. Logistical challenges such as access to systems and equipment were generally dealt with smoothly, such as ensuring everyone has access to laptops, office space at home and even furniture in some instances, as well as redirecting post and phones.

Many organisations were equipped with the technology to transfer all operations remotely, despite in some instances this was the first time it had been deployed.

2. Prioritising people

It was also generally agreed that senior management prioritised people over profit; this was “a people crisis, not a financial one”. All banks avoided or postponed furloughing for as long as possible, finding new ways for staff to work where appropriate (in some instances this was necessary).

3. Productivity and engagement

Despite fears or cynicism about flexible working from some senior management teams prior to the crisis, productivity, by and large, has been maintained since transitioning to home working. For some this is for logistical reasons, such as eradicating time spent commuting. In other instances, this is simply the resulting effort from staff themselves, although some agreed this was not necessarily always for positive reasons, such as worry over job security.

Those present have prioritised keeping staff engaged, with measures such as:

- re-distribution of HR policies and ways HR can support and help
- online social events and/or clubs
- increasing all-staff or all-teams’ virtual meetings e.g. monthly town hall meetings
- increasing communications

4. Work-life balance

For some, the opportunity to work flexibly and from home means the ability to spread hours as they see fit, which might mean better opportunities for work to fit their particular home or family schedule. The flip side to this for some has been a lack of delineation between work and home, resulting in longer hours worked.

A large part of this being successful or working less lies in management modelling behaviour, which all agreed they strive for, if not always achieve.

5. Onboarding

Although in some instances onboarding has presented a challenge some of those present have found onboarding to be a success, with staff joining successfully and easily integrating, including introductions from HR and IT.

Challenges

Despite these successes there are nevertheless challenges to be felt from a crisis, and the ensuing changes to work such a crisis prompts. Some are of a mostly practical nature, such as annual leave, whereas others are deeper or more attitudinal, such as the impact on future ways of working. Many of these challenges were felt by most, if not all, and many of them intersect.

1. Annual leave

Annual leave has been an issue across the board where, for the most part, people seem unwilling to 'waste' annual leave sitting at home rather than going on holiday. Further, for younger staff either living alone or with parents, not working has the potential to induce boredom and is therefore potentially risky for their wellbeing. As a result, many find that only odd days are taken, which risks multiple team members taking large chunks of annual leave at the end of the year, or risks lots of unused annual leave.

Beyond the practical, many feel it is important that staff get enough time away from work, increasing not only their productivity when at work but their mental wellbeing as well.

Most have been encouraging staff to take annual leave, at first with a soft approach, but increasingly considering or enacting stronger measures.

Sharing knowledge and ideas was incredibly useful, below are a couple of examples of how this particular challenge has been broached:

1. Extending annual leave to two years, to avoid a Q4 'rush' that would leave multiple seats empty concurrently.
2. Staff must take 15 days by the end of the year, including 5 by Q3; they can carry over up to five days and/or they can get paid up to five (those on 25 days plus would lose additional days if unused).

For some organisations (or some people within those), staff are continuing to take annual leave and this hasn't posed a problem, this is especially true of parents.

2. Onboarding

Although some considered onboarding to be a success, for some it has proved to be challenging during this time. It requires a lot of work on a practical level, such as delivering equipment to people, but also requires a lot of work when it comes to engaging new starters and assimilating them into the business smoothly and successfully. Introducing new starters to other staff, processes and procedures, various departments and support mechanisms, not to mention fewer tangible introductions such as to the company culture, is a lot harder to achieve virtually.

Many agreed that while HR and IT have stepped up to the challenge and provided new starters with as much help as possible (e.g. 'starter' packs, inductions and so on), some have found that the work of line managers has been less stringent and therefore less successful.

An increased probationary period was one example of how difficulties due to virtual onboarding might be assuaged. One organisation increased probation from three months to six months.

3. Managing managers

Everyone is impacted by changes to the way they work; senior management and line managers also need to adapt to how they manage. This can range from successful onboarding to managing and communicating expectations around productivity.

'Generational differences in expected and preferred ways of working can be a challenge, with managers often needing encouragement to be more open-minded.

4. Productivity

Although considered a positive experience for many, levels of productivity that are maintained or even increased may be indicative of potential problems; one, staff failing to maintain a healthy work-life balance therefore risking burn out or negatively impacted mental wellbeing, two, demonstrable worry about job security, which may or may not be valid.

Further, explored in greater detail below, while productivity has remained or even risen, commercial numbers are unlikely to reflect this.

5. Staff wellbeing

Wellbeing of staff is a keen concern for HR leaders across the board. There are many ways people may be impacted during this crisis, including but not limited to:

- burnout from working too hard and/or little time off
- worry over job security
- working in a time of crisis: whether this knowingly adds stress to employees it will be affecting people
- continued lack of face-to-face contact and connection
- boredom/loneliness

6. Fears over job security

Fears over job security is a very real issue and not simply because it poses a risk to staff wellbeing, but because there is a tangible risk that it may become a reality. Many people are:

“quite rightly thinking they are working flexibly, maintaining or increasing productivity, their managers are confirming this, yet unless something changes the commercial numbers of the business, be it turnover, profit, are going to go down... It is highly likely if not inevitable that there will be redundancies”.

These fears contribute to other challenges such as working too hard, or returning insincere survey feedback, including claims they feel happy with how they are working and being managed.

On the other hand, some banks have experienced greater need of particular work in different areas, such as collections and forbearance, so redeploying staff to work more effectively is genuine rather than highlighting a risk of redundancy.

Returning to work and the post-Covid future

How and when staff return to work was felt as a key concern to participants. Broadly speaking there are two separate strands to this element of the discussion:

- concern over and ability to return to work safely; and,
- the desire to return to work in the same way, and what this means for ways of working.

Regarding the former, despite prior disinclination, senior management themselves seem generally reluctant to rush back to the office environment. There is a disparity among other staff, for instance those who are young and perhaps live alone have a greater desire to return to normal; those who require public transport have reservations, at least for the time being; and those who prefer working in this manner and will seek changes to the way they work longer term. Vulnerable staff, or those with vulnerable family members, also pose a potential issue; for how long is remote working offered, and what proof, if any, will be required to gain such extensions?

How the government advises individuals and businesses to behave will impact this too, as recommendations to 'work from home, if you can' may override the desire for businesses to return to normality.

Regarding the latter, this crisis has the potential to greatly affect office culture and work patterns in the longer term. There are many questions about the way that people work, the answers to which will become more apparent as we come out of this period. Clearly, there will be a potentially great number of employees who would prefer to maintain elements of, if not all of, this current way of working. Having seen how it is possible for them to do so, it might become harder to deny such requests.

There are practical changes worthy of considering once we return to a 'new normal' too, such as the introduction of digital signatures, more virtual meetings, reduction in face-to-face recruitment stages, etc. Ultimately, more efficient ways to work may be kept.

Conclusion

There was a lot of value found in sharing experiences, knowledge and ideas. There were a great number of similarities both in terms of how banks, and HR leads within those, have risen to the challenge of this crisis, and the various difficulties they have encountered as a result.

As the crisis continues, maintaining staff wellbeing is clearly paramount, and how we return to work is also a key issue, for the moment unanswered. Reconciling 'generational differences' might not just be a challenge for HR right now, but also for when onsite work resumes.

There will be elements of this tumultuous time that may have a positive impact, perhaps an ability to allow more flexible working for example, though simultaneously there are very real challenges moving forward, such as the economic impact of the crisis and what that will mean for job security.

Looking to the future, the panel agreed it would be useful to reconvene at a future date and see how potential challenges as well as potential benefits unfurl.