

Asia Pacific employers prioritise health and wellbeing in their return to stability

Insights from the 2020 Restoring Stability survey – Pay, Benefits, Wellbeing



Asia Pacific employers have been managing through the COVID-19 pandemic since early this year, longer than many of their global counterparts. As they now look forward to restoring stability for their employees and businesses, survey findings show that many are enhancing health care and wellbeing. Roughly 60% of employers have developed a strategy, protocols or a communication plan for reopening the workplace.

Nearly a third of employers are uncertain about what to expect in two years, making planning particularly challenging. Additionally, one-third believes COVID-19 will have a moderate to large negative impact on worker wellbeing.

Two-thirds of employers anticipate a phased or gradual reopening of the workplace. However, 34% said that they can envisage opening quickly (almost all employees reporting at once).

Key findings

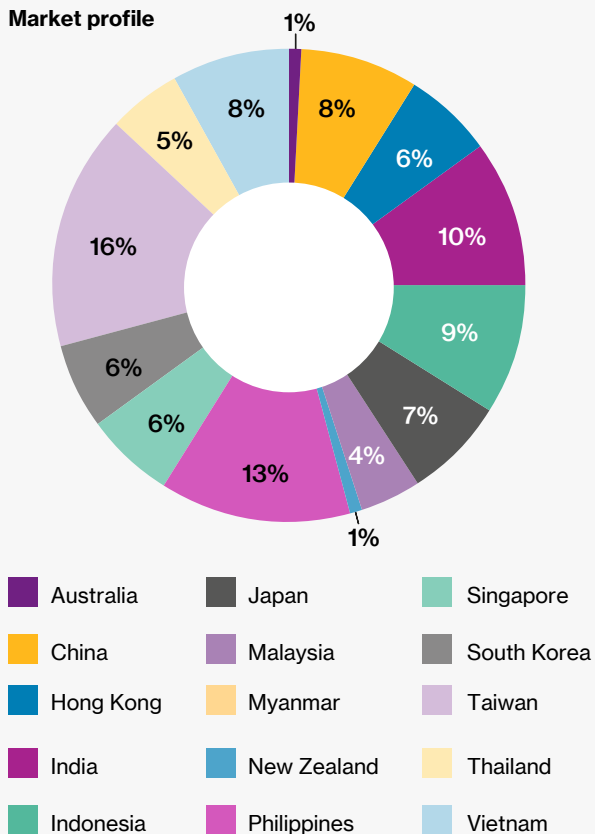
- Employers are taking various actions in light of the pandemic – the most common being hiring freezes (50%). Relatively fewer have implemented furloughs (16%) and layoffs (12%) compared to other regions.
- Half of employers have made or are planning changes to their benefit programs, with distressed companies being more likely to change course.
- Employers prioritise supporting employees by enhancing wellbeing programs, health care benefits and voluntary benefits.
- There's an increased focus on wellbeing, particularly to alleviate anxiety by supporting virtual interactions.



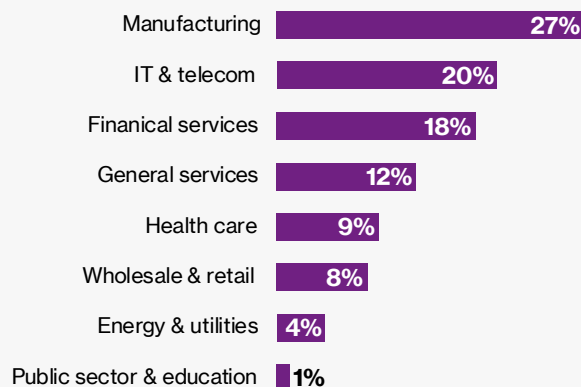
About the survey

The survey was conducted between June 1 and June 12, 2020. This highlights report reflects responses from 746 employers, representing 1.6 million employees across the region.

Market profile



Industry profile



Business impact

Around half of employers think COVID-19 will have a moderate to large negative impact on their business in the next year (Figure 1), and in addition, 31% are not sure what to expect over the next two years, making planning difficult.

To offset these negative impacts, many organisations have taken actions to freeze or reduce hiring (Figure 2).

For those employers that are implementing furloughs, the majority will continue to provide benefits such as retirement (86%), medical (86%) and life/AD&D insurance (83%).

Figure 1. What impact will COVID-19 have on your business results over the next six months? 12 months? Two years?

46% expect a moderate to large negative impact over the **next year**.

18% expect a moderate to large negative impact over the **next 2 years**.

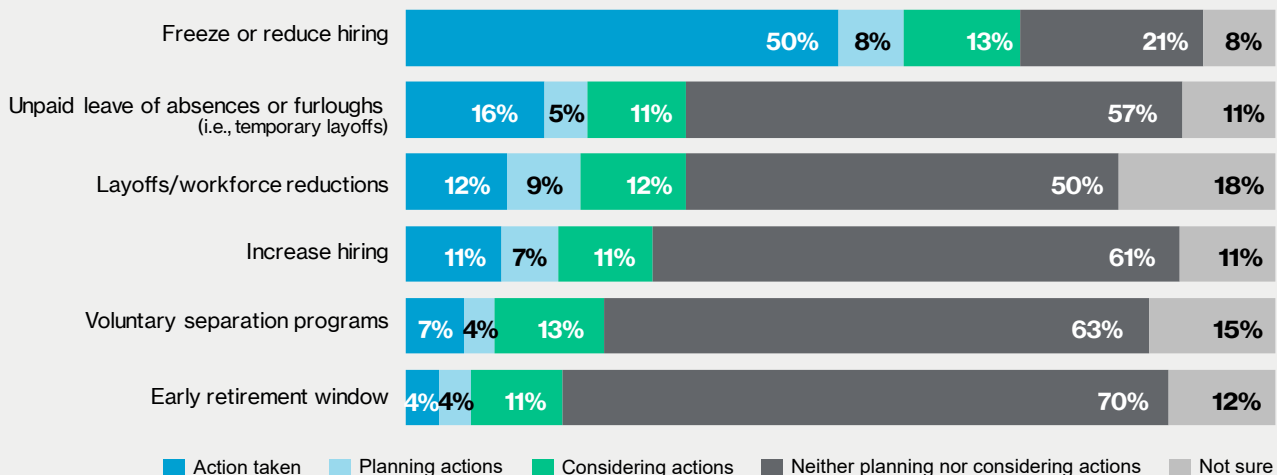
30% expect a moderate to large negative impact on **employee productivity** over the **next 6 months**.

33% expect a moderate to large negative impact on **employee wellbeing** over the **next 6 months**.



For those employers that are implementing furloughs, the majority will continue to provide benefits such as retirement (86%), medical (86%) and life/AD&D insurance (83%).

Figure 2. Actions employers are considering due to prolonged economic challenges





Restoring stability

Three in five employers in Asia Pacific have developed strategies for when social distancing restrictions are eased, already a reality in many markets (*Figure 3*).

While two-thirds of employers anticipate returning to the workplace in a phased shift, 34% of employers also said that they would return quickly – that is, almost all employees returning at once.

Figure 3. **Employers are currently in the strategy planning phase for when social distancing restrictions are removed/eased**



Broader benefits

Half of companies have already or plan to make changes to their benefit programs as a result of COVID-19 (Figure 4). Those companies that have had a negative business impact from the pandemic are more likely than those to change course.

When it comes to specific program changes, employers are looking at enhancing wellbeing programs and health care benefits (Figure 5).

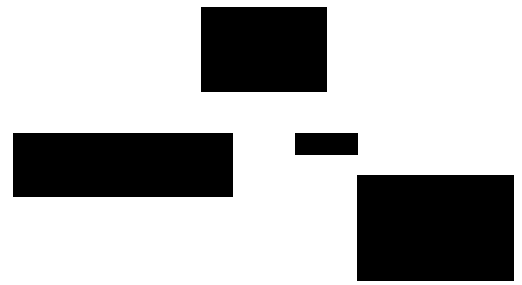


Figure 4. Changes to benefit programs

To what extent has your company already made benefit program changes as a result of the COVID-19 pandemic and economic crisis? To what extent are you planning to make changes over the next 6 months?

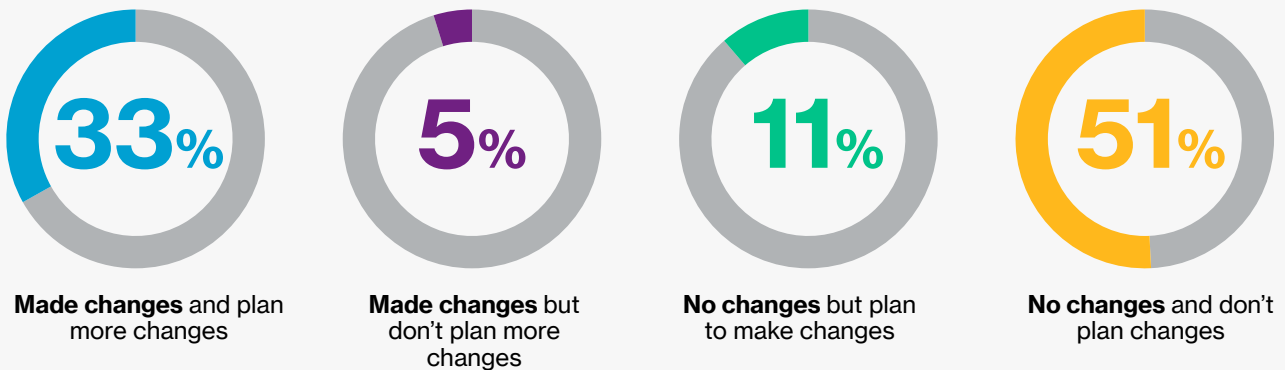
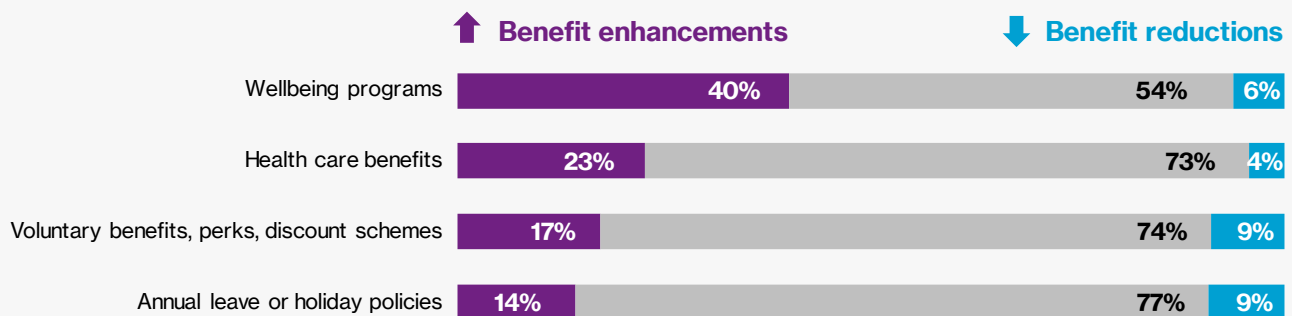


Figure 5. Employers look to enhance health care and wellbeing programs

Considering the changes your company has already made and is expected to make over 2020, is your company planning to make any benefit enhancements or reductions?



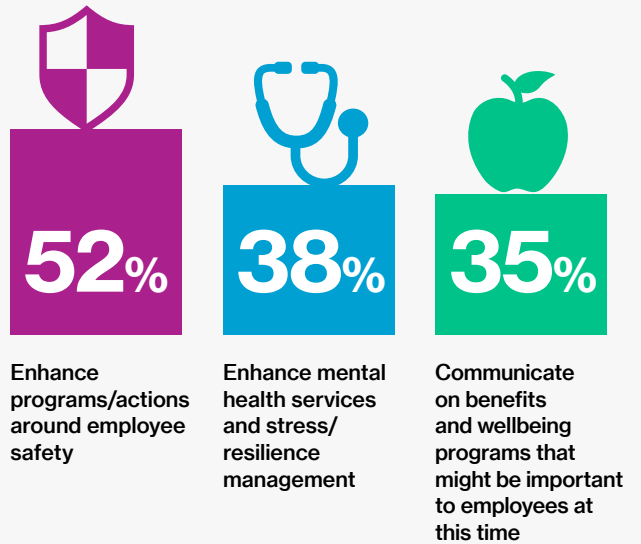
In particular, almost two in five employers expect to enhance mental health services and stress/resilience management (Figure 6).

Health care

Employers expect health care, sick leave and disability costs to rise over the next year due to COVID-19. Looking forward to their 2021 strategy, many are reviewing vendor

40%
of employers are looking at enhancing wellbeing programs

Figure 6. The most important benefit priorities over the next six months



performance and costs, while also monitoring employee utilisation of benefits (Figure 7).

As a result of COVID-19, two fifths plan to revise their health care strategy for 2021; and more than half will prioritise access to high-quality mental health solutions.

Wellbeing

There's an increased focus on wellbeing, particularly to alleviate anxiety by supporting virtual interactions:

- 57% of employers are offering new virtual solutions that make it easy to implement to support employees work from home
- 79% are increasing access to videoconferencing to allow for virtual meetings to keep employees connected around work
- 52% are offering flexible work hours to allow employees to tend to child or elder care responsibilities

Paid leave

Additionally, employers are supporting employees in this time through paid leave:

- 30% have required employees to take leave, with a further 24% planning or considering
- 34% will allow employees to carry forward unused annual leave
- 85% of employers cover full pay during quarantine leave

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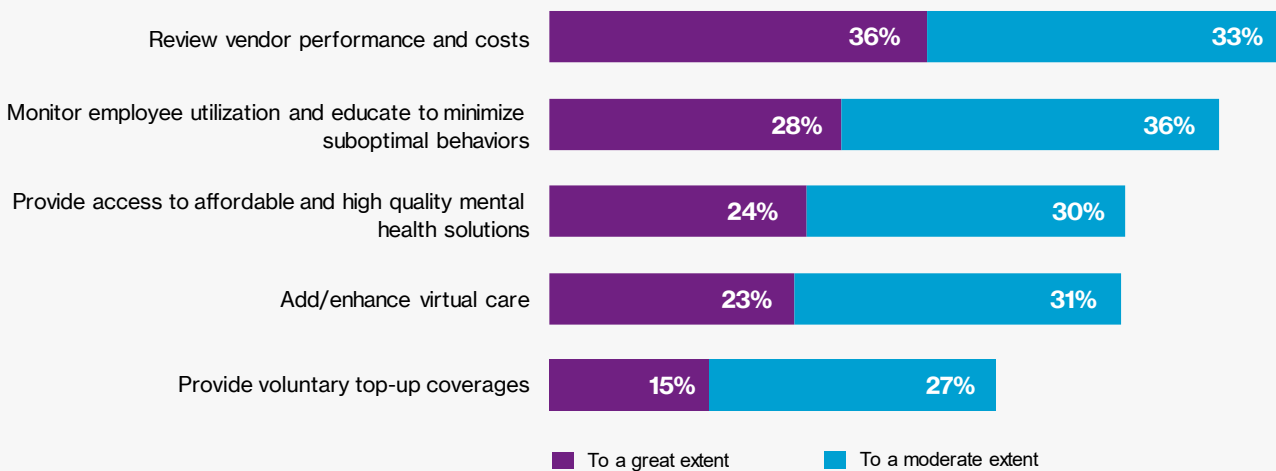
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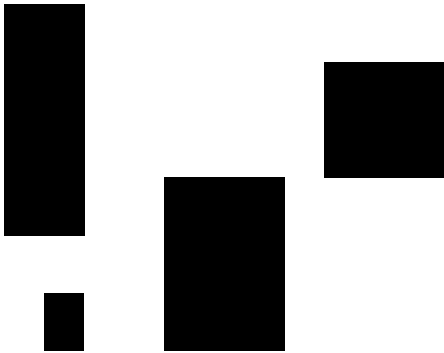
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Figure 7. **Top priority for employers' 2021 health care strategies**

As you think about the impact of COVID-19, to what extent are the following important to your 2021 health care strategy?





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