



Five ways  
organizations can  
help employees  
shift from fear  
to resilience



**EY**

Building a better  
working world

A person wearing a red jacket and dark pants stands on a dark, mossy rock ledge, looking out at a massive, multi-tiered waterfall cascading down a steep, rocky cliff. The water is white and frothy, creating a misty atmosphere. The background is a lush green forest. A bright yellow vertical bar is visible in the top left corner of the page.

# Introduction

From frontline workers, to employees working from home as they shelter in place, to workers who have been laid off or furloughed, the COVID-19 pandemic is taking its toll on every aspect of workforce wellbeing – financially, socially, physically and emotionally, across industries and geographies. For organizations, the previous ways of supporting employees are no longer enough. Employers need to determine if they are asking employees the right questions, and whether employees are afraid to share their fears and challenges in a world forever changed by COVID-19.

To unleash the power of human potential and remain an employer of choice, organizations need to understand their employees' state of wellbeing. They need to engage in meaningful transformative conversations. And they need to develop new support programs that can help employees build resilience, embrace mindfulness and strengthen career wellbeing for an evolving future.

# The pandemic's psychological toll is real

Since the pandemic began, employees have been carrying extraordinary levels of continuous stress. Feelings of vulnerability relating to actual or anticipated job loss, pay reductions, fear of getting sick, uncertainty and a sense of loss of control, self-isolation, the “homification” of work, which has employees working outside of normal hours to accommodate disrupted family routines, and “Zoom fatigue” are causing increased anxiety, depression and other mental health issues.

In a recent KFF poll,<sup>1</sup> 45% of US respondents reported that worry and stress around COVID-19 were having a detrimental effect on their mental health. This percentage rises to slightly more than half (51%) in households with a health care worker.

Health care workers in hospitals are more susceptible to burnout. In a recent study of health care workers in China,<sup>2</sup>

respondents expressed feelings of depression, anxiety and overall psychological stress. The emotional toll was particularly acute among health care providers directly involved in diagnosing and treating COVID-19 patients.

As a means of coping with higher stress levels, some people have turned to unhealthy habits as coping mechanisms.<sup>3</sup> Americans are indulging in comfort food as the coronavirus pandemic keeps them cooped up, eating ultra-processed junk food.<sup>4</sup> A WebMD poll in May found that nearly half of women and a quarter of men gained weight.<sup>5</sup> Social media refers to this as the “quarantine fifteen.”<sup>6</sup> The use of alcohol as a means of relief has also jumped. According to research organization Nielsen, in the week of 16 March 2020, retail alcohol sales

in the US increased 55%.<sup>7</sup> Cases of domestic violence are rising in the UK.<sup>8</sup> Dr. Erika Fraser, a government adviser for the Department of International Development, explains: “Organizations have observed increased household tension and domestic violence due to forced coexistence, economic stress, and fears about the virus.”<sup>9</sup>

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<sup>1</sup> Panchal, Nirmita, Kamal, Rabah, Orgera, Kendal, Cox, Cynthia, Garfield, Rachel, Hamel, Liz, Munana, Cailey, Chidambaram, Priya, “The Implications of COVID-19 for Mental Health and Substance Use,” KFF, kff.org, 21 April 2020, <https://www.kff.org/coronavirus-covid-19/issue-brief/the-implications-of-covid-19-for-mental-health-and-substance-use/>, accessed 30 June 2020.

<sup>2</sup> Lai, Jianbo, Ma Simeng, Wang, Ying, “Factors Associated With Mental Health Outcomes Among Health Care Workers Exposed to Coronavirus Disease 2019,” JAMA Network, jamanetwork.com, 23 March 2020, <https://jamanetwork.com/journals/jamanetworkopen/fullarticle/2763229>, accessed 30 June 2020.

<sup>3</sup> Bauers, Sandy, “Psychologist explains why we formed bad habits during quarantine, and tips for how to break them,” The Philadelphia Inquirer, inquirer.com, 24 June 2020, <https://www.inquirer.com/health/coronavirus/how-to-break-bad-habits-pandemic-quarantine-20200624.html>, accessed 18 July 2020.

<sup>4</sup> Bomey, Nathan, “Americans are ‘craving comfort food’ during coronavirus: Cereal, snacks, baked goods fly off shelves,” USA Today, usatoday.com, 9 April 2020, <https://www.usatoday.com/story/money/2020/04/09/coronavirus-comfort-food-cereal-snacks-baked-goods/2928364001/>, accessed 7 July 2020.

<sup>5</sup> Koenig, Debbie, “Quarantine Weight Gain Not a Joking Matter,” WebMD, webmd.com, 21 May 2020, <https://www.webmd.com/lung/news/20200521/quarantine-weight-gain-not-a-joking-matter>, accessed 8 July 2020.

<sup>6</sup> Ibid.

<sup>7</sup> Micallef, Joseph, “How The COVID-19 Pandemic Is Upending The Alcoholic Beverage Industry,” Forbes, forbes.com, 4 April 2020, <https://www.forbes.com/sites/joemicallef/2020/04/04/how-the-covid-19-pandemic-is-upending-the-alcoholic-beverage-industry/#157ad22d4b0b>, accessed 30 June 2020.

<sup>8</sup> Taub, Amanda and Bradley, Jane, “As Domestic Abuse Rises, U.K. Failings Leave Victims in Peril,” The New York Times, nytimes.com, 2 July 2020, <https://www.nytimes.com/interactive/2020/07/02/world/europe/uk-coronavirus-domestic-abuse.html>, accessed 6 July 2020.

<sup>9</sup> Ibid.

# Employee mental health has impacts for business

How employees are managing in a perpetual state of stress has a direct impact on performance and, by extension, an organization's productivity. Research suggests that brains in a threat state cause a reduction in working memory, which can impair long-term memory retrieval, problem-solving and new learning. It also can narrow attention focus, increase reliance on existing habits, deter the creation of newer, better habits, decrease perspective-taking and empathy, and reduce behaviors that would have people helping one another.<sup>10</sup>

Meanwhile, leaders and managers find they have new and unexpected stresses to contend with as they help their teams remain more productive, while also helping them cope with additional anxiety due to the pandemic.<sup>11</sup> Managers are navigating a loss of control over the work they're overseeing, loss of productivity as meeting-based approaches to keep everyone connected are inadvertently undermining workflow, and loss of creativity as leaders struggle to move teams from crisis-response to creative-response. **Organizations need to develop a new, empathetic understanding of the impact the pandemic is having on their people.**

In response to the negative psychological effects employees are experiencing as a result of the pandemic crisis, organizations need to gain a better understanding of the impact across four levels:

- 1. Human.** Employees are trying to make sense of their lives and how work supports them. There's a sense of relative helplessness in forging a clear path for the future. At the same time, employees are being forced to adapt both their personal and family lives, vacillating between short-term distress and potential long-term opportunities remote work can raise, such as relocating from an urban environment to a more rural setting for better family balance.
- 2. Career.** In terms of career, employees are considering where to focus their work time for the best return. Short-term, those in secure employment are likely to stay put and weather the storm, with consequent erosion of genuine creativity in the workplace. Mid-term, and for those without secure work, we expect to see an accelerated erosion of traditional career paths, with reduced loyalty to "fragile employers" and more willingness among workers to adapt and experiment across roles and sectors.

- 3. Job.** In the meantime, employees are keeping their heads down and trying to achieve the objectives set for them. If not effectively managed, remote working can expose gaps in organizations, among individuals, and between each individual and the company mission. This distance gradually erodes coherency, reducing individual and collective employee impact.
- 4. Task.** Employees at this level are processing work and being productive. Remote working tasks place a higher burden on employees. Traditional offline tasks need to be reviewed in light of how remote working affects people. Meetings, collaborative working, sharing materials, structuring time – all of these tasks need to adapt. To date, these tasks have been driven by experiments by individuals or teams. Employers now need to codify the tasks they want to carry-forward in their new ways of working.

<sup>10</sup> Lieberman, Matthew D., *Social: Why Our Brains are Wired to Connect*. Penguin Random House, 2014.

<sup>11</sup> Hall, John, "5 Ways To Take Care Of Your Team During COVID-19," *Forbes*, forbes.com, 17 July 2020, <https://www.forbes.com/sites/johnhall/2020/07/17/5-ways-to-take-care-of-your-team-during-covid-19/#27517ed59ce4>, accessed 18 July 2020.

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# Five strategies for reducing the fear factor for employees

Once employers understand the impact that COVID-19 is having on their people, they can act. We recommend five strategies that can reduce the fear factor for employees.

1

## Initiate transformative conversations

In a [Harvard Business Review article](#), Paul J. Zak, founding director of the Center for Neuroeconomics Studies and a professor of economics, psychology, and management at Claremont Graduate University, says: "Uncertainty about the company's direction leads to chronic stress, which inhibits the release of oxytocin and undermines teamwork. Openness is the antidote."<sup>12</sup> Organizations will want to develop a robust conversation plan that includes two-way listening and a response that enhances trust, reduces the threats and vulnerabilities employees are feeling and improves social connection. Some companies have launched programs, but as they tail off employees are left feeling uncertain.

People experience change both rationally and emotionally. People experiencing change rationally follow a straight line from understanding to ownership and trust to commitment and behavior. However, emotions tend to play a much larger role in people's behavior and decision-making. As a result, the change process is much more likely to follow a wavy line that moves from shock to false confidence to feelings of incompetence to letting go to testing to rationalizing.

Because emotions play such a big role in how people feel and act during times of high stress, anxiety and uncertainty, the rules of behavioral economics can guide organizations in which levers to pull when they communicate with their people to engage and inspire them to take actions to improve their overall well-being, success and productivity.

A strong, effective and well-planned communication strategy (whether it's about return to a physical workspace, interim workplace changes or longer-term workforce reimagination) can make or break people's journey through change.

2

## Build resilience skills

The companies that have best weathered the pandemic crisis have demonstrated resilience by pivoting from a business-first to a people-first perspective. As organizations re-engage their operations and employees return to greater states of productivity and performance, organizations need to continue to build resilience within their operations as well as among their employees. The latter involves supporting the ongoing needs of the employee population, particularly in the areas of health and wellbeing.

Resilience is largely a social phenomenon. People can either have a calming, regenerative effect on others through resilience and positive coping, or they can have the undesired impact of adding to others' stress and worry through their own fear-driven words and actions. In the months ahead, organizations and employees alike will have opportunities to build the habit of resilience, to get better

at more instinctively and automatically making choices that lift themselves out of despair and into the space of agency and freedom.

Organizations can help their employees to build resilience skills, in part by fostering a resilience mindset that focuses on helping employees recognize when they are in a state of non-resilience, and giving them the tools to regain their composure and return to a more resourceful state, enabling them to grow amid challenge, taking courageous action in the face of fear and supporting resilience in others.

3

## Use crowdsourcing to solve complex workforce problems

Beyond resilience, companies are looking to actively engage their employees in developing the solutions to complex and fast-moving problems. Businesses recognize to the opportunity to leverage their own workforce and customer base to help them answer key questions around the human, career, job and task impacts of COVID-19.

Crowdsourcing provides a platform to leverage the "wisdom of crowds" to gather open-ended data and generate a series of ideas from employees to operationalize for the future. Companies can then narrow the field of ideas via a series of "expert reviews" and prioritization processes. The top ideas can be further developed through prototypes and trials before becoming fully operationalized. Through the crowdsourcing process, companies can quickly capture and execute on new ideas relevant to their context that address the specific challenges facing their employees and customers.

<sup>12</sup> Zak, Paul J., "The Neuroscience of Trust," *Harvard Business Review*, hbr.org, January-February 2017 issue, <https://hbr.org/2017/01/the-neuroscience-of-trust>, accessed 2 July 2020.

# Five strategies for reducing the fear factor for employees

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## Develop an employee mindfulness program

Organizations may also want to consider developing a mindfulness program to help employees learn how to disconnect from the emotional toll and become a witness to the stressors rather than being absorbed by them. A mindfulness program helps employees with mindful awareness of what is happening and how to mindfully respond with kindness and compassion to themselves and others. Mindfulness provides leaders with the ability to influence four elements – leadership, wellbeing, performance and decision-making – enabling their organizations to carry out their mission and purpose more effectively and responsibly.

- ▶ **Leadership.** Develop leaders who are more emotionally intelligent, empathetic and inclusive.
- ▶ **Wellbeing.** Enable people to better manage emotional and financial stress, be less reactive and be more present.
- ▶ **Performance.** Increase person to person interaction and sustain ability to focus.
- ▶ **Decision making.** Take a wider perspective and respond with clarity under pressure.

5

## Strengthen career wellbeing

Through the prism of the pandemic crisis, organizations will want to review their purpose and mission, thoughtfully considering how they align to long-term value creation that looks beyond financials to include customers, employees and society. In reviewing and potentially reimagining their purpose and reconnecting their people to this new or strengthened purpose, organizations can address some of the job and task impacts of the pandemic, particularly in ways that mitigate drifts in management and productivity that result from remote working.

Organizations will also want to provide employees with greater direction and clarity around remote working habits – what they must do versus what they can determine for themselves. At the same time, to promote employee growth, organizations will have to provide managers with enhanced virtual tools and resources to make the shift from traditional forms of management and learning to asynchronous, trusted modes of leadership.

Beyond addressing employees' fears and concerns, companies can help their teams embrace some of the silver linings that our new way of working has afforded. While some may miss hallway conversations

or feel uncomfortable connecting over a screen, people are all an equal size and voice on a Teams or Zoom call. Meetings that might have been available only for those that were permitted to travel can now be more inclusive of new voices. Contact with leaders can be an instant message or text away. Some companies are using learnings from the pandemic to re-establish their approach to a mentor or buddy system and ensure that employees are having impactful conversations with their managers or mentors. The rapid innovation required to respond to COVID-19 has created new, unexpected collaboration opportunities and set employees on exciting new journeys within their organizations.

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# A few small tactical changes can make a big difference

The psychological impact the pandemic is having on employees is real. It's affecting everything from performance and productivity to leadership. Transformative conversations, resilience-building, mindfulness, crowdsourcing, and strengthening career wellbeing are a few of the small tactical changes organizations can implement that can make a big difference in helping people navigate the emotional effects of the pandemic crisis, and build skills that will benefit them, their colleagues and the organization as a whole long after the crisis has passed.

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