From the Office to the Dining Room Table *and Back Again (maybe?):*

Ergonomics and Workplace Considerations for the Post-Pandemic Era

Session Speakers

- Beth Dean, Head of the U.S. People Advisory Group at Takeda Pharmaceuticals

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- Craig J. Ross, DO, Regional Medical Director, Liberty Mutual Insurance

Early and Tangible Employment Effects of the Pandemic

- At peak in April 2020 unemployment rate 14.7%, vs. 6.1% in April 2021
- Almost 80% of job losses were in low-wage occupations (average earnings $34,000/year)

  - Leisure & hospitality (~20%, but largest sector increase in April 2021)
  - Retail; Education and health services; Administrative and waste services

- Moderate variability by state
- Overall payroll loss only 0.7% as net wage rate increased by 7.4%
- Some sector job losses affected by external factors (e.g., Construction by supply chain issues)

Source: NCCI State of the Line Report; https://www.ncci.com/Articles/Documents/AIS2021-SOTL-Presentation.pdf

WC experience during the pandemic: COVID claims

- **NCCI COVID-19 claim data (35 states and DC), through 12/31/20:**
  - $260M in losses; 45K claims; 75% lost-time; average cost $6000
  - Healthcare and first responders almost 75% of COVID-19 claims; other frontline (e.g., Retail, etc.) about 15% of claims
  - 61% of claims < $1500
  - 1% of claims > $100,000, representing 60% of total losses
- **WCRI COVID-19 claim data (27 states, <u>Q2 2020</u>)**
  - In the median state, 6% of all claims were COVID claims (range, 1% in KS to 42% in MA)
  - Driven by pandemic severity, presumption laws, prevalence in health care industry, drops in non-COVID claims
- **Liberty Mutual: COVID represented about 14% of new claims (1/20-7/21)**

WC experience during the pandemic: Non-COVID severity

- **NCCI (35 states and DC , 2020 vs. 2019):**
  - Medical severity flat; indemnity increased slightly but c/w prior years
  - Lost time claim frequency: -7% (average annual change 2000-2019: -3.9%)
  - Drivers: business shutdowns/telecommuting
- **WCRI (data from 27 states, <u>Q2 2019 vs. Q2 2020</u>)**
  - Total claim volume ↓ dramatically, ranging from 20% drop in KS to 50% drop in MA
  - In the median state, share of claims that were lost time increased from 18% to 22%
- **Liberty Mutual highlights (2020 vs. 2019)**
  - By total medical spend and incurred loss, "shoulder" remains #1 body part
  - By total claim volume, "finger" and "low back" remain #1 and #2 body parts respectively
  - However, avg per claim medical severity for "multiple body part" claims ↑ by ~50%

Sources: NCCI State of the Line Report; https://www.ncci.com/Articles/Documents/AIS2021-SOTL-Presentation.pdf

WCRI. The Early Impact of COVID-19 on Workers' Compensation Claim Composition (Fomenko and Ruser, 2021).

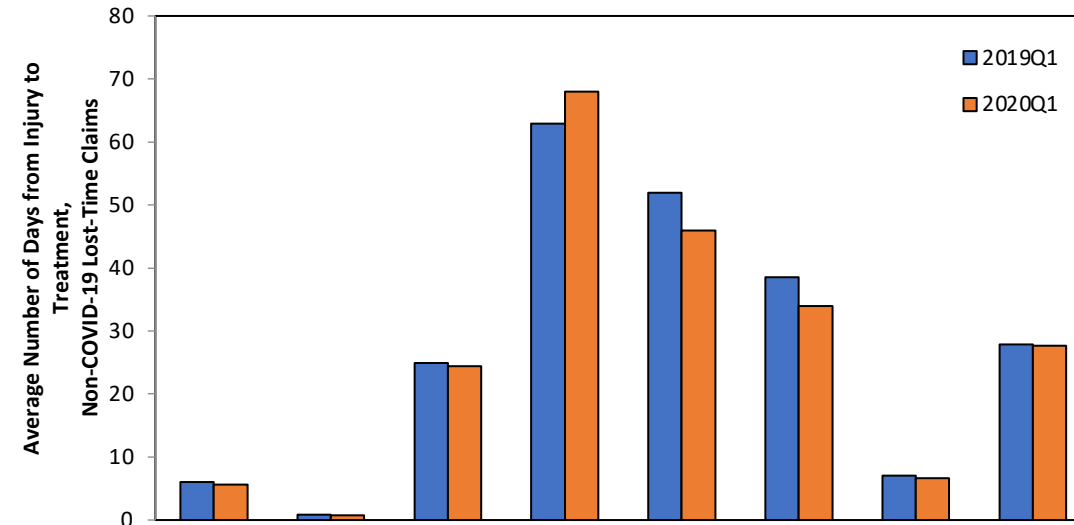# WC experience during the pandemic: Delays in care??

Did delays in medical care occur during the pandemic?

Generally, no.

Per WCRI data….

Employment effects of the pandemic: WC experience during the pandemic: Time to care Q1, 2019 vs. 2020

Average Number of Days from Injury to Treatment for Connecticut, Massachusetts, and New Jersey, Non-COVID-19 Lost-Time Claims

	E&M	ER	Phys. Med.	Neuro. Testing	Pain Mgt. Inj.	Major Surgery	Minor Rad.	Major Rad.
2020Q1	5.6	0.7	24.4	68.0	45.9	34.0	6.6	27.7
2019Q1	6.0	0.9	24.9	62.9	51.9	38.5	7.0	27.9
Difference	-0.44***	-0.22***	-0.54	5.06	-5.99**	-4.50**	-0.41	-0.27

*** Statistically significant at the 1% level; ** Statistically significant at the 5% level; * Statistically significant at the 10% level.

Source: WCRI. The Early Impact of COVID-19 on Medical Treatment for Workers' Compensation Non-COVID-19 Claims (Fomenko, 2021).

Employment effects of the pandemic: WC experience during the pandemic: Time to care Q2, 2019 vs 2020

Average Number of Days from Injury to Treatment for Connecticut, Massachusetts, and New Jersey, Non-COVID-19 Lost-Time Claims
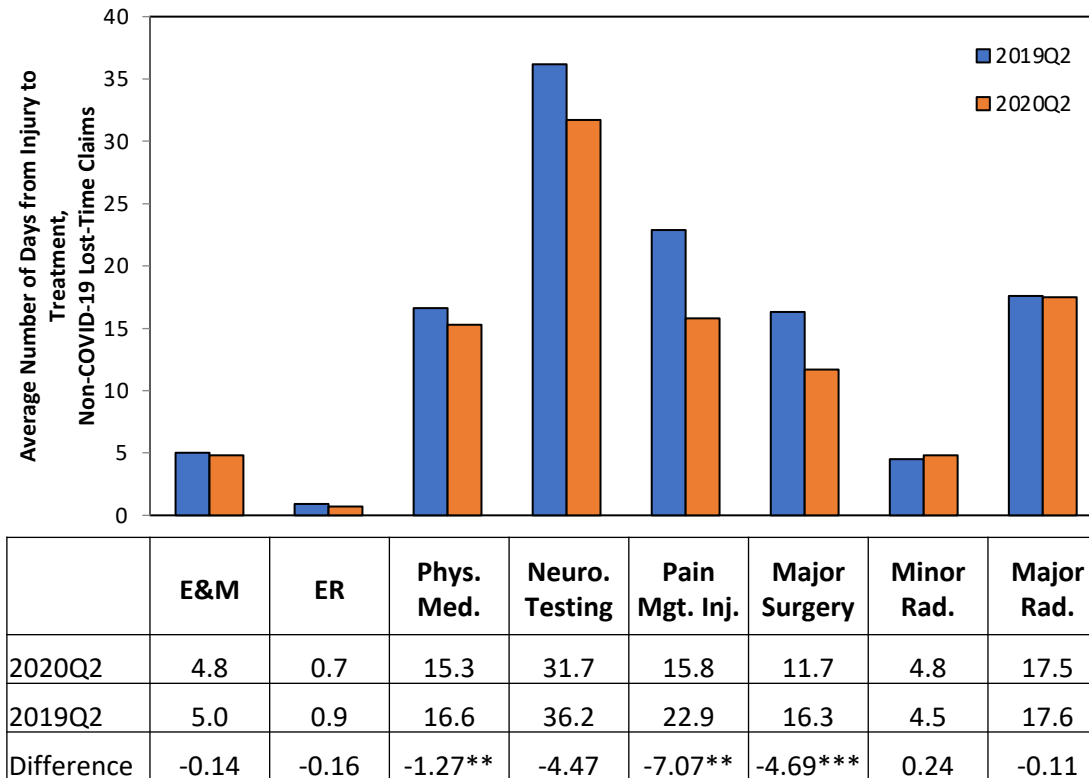

	E&M	ER	Phys. Med.	Neuro. Testing	Pain Mgt. Inj.	Major Surgery	Minor Rad.	Major Rad.
2020Q2	4.8	0.7	15.3	31.7	15.8	11.7	4.8	17.5
2019Q2	5.0	0.9	16.6	36.2	22.9	16.3	4.5	17.6
Difference	-0.14	-0.16	-1.27**	-4.47	-7.07**	-4.69***	0.24	-0.11

*** Statistically significant at the 1% level; ** Statistically significant at the 5% level; * Statistically significant at the 10% level.

Source: WCRI. The Early Impact of COVID-19 on Medical Treatment for Workers' Compensation Non-COVID-19 Claims (Fomenko, 2021).

The Dining Room Table

- Reliance on laptops as primary computer.

- Various surfaces in home used as "desk" with dining or folding chairs as task chair.

- Shared space with spouse or additional family members.

- Extended periods of sitting due to increased use of ZOOM.

- Employees moving around virtually (off to Florida, Aruba, cottage up in Maine).

Time to Upgrade Your Home Set-Up and Ways of Working….

Attention to HF/Ergonomic issues at the micro-(individual workers) and macro- (organization and environment)

Remote Workspace:

- Virtual training and individual consultations
- Online resources
- (Equipment provisions)

Psychosocial:

- Ability to adjust work times around home responsibilities and family needs
- Maintain connection between at-home workers, managers and peers
- Regular communication about current happenings

Organizational Considerations:

- Support employee health and well-being
- Encourage early reporting of musculoskeletal discomfort and/or additional concerns
- Parameters of telework arrangements and performance objectives and expectations are clear

Source: *Robertson and Mosier (2020) Work from Home: Human Factors/Ergonomic Considerations for Teleworking.*

Safeguarding Employees

Since the beginning of the pandemic, Takeda has taken decisive and early action to safeguard employees and communities across our global sites based on the science, epidemiology and relevant local public health regulations.

Infection control protocols across our manufacturing sites, plasma collection facilities and R&D labs make sure employees who need to be onsite to maintain operations and the production and distribution of medicines can continue to do so safely.

Takeda's Employee Response Timeline

JANUARY 2020
Formed a Global Crisis Management Committee (GCMC) to issue regular communications and guidance to Takeda's approximately 47,000 employees and their families in 80 countries and regions

MARCH 2020
Instituted global teleworking and enforced strict infection prevention measures across sites where essential employees must be present

MAY–OCTOBER 2020
Issued GCMC guidance for "new workplace" plans tailored to each country in order to limit the introduction and transmission of COVID-19 while maintaining and strengthening operations

FEBRUARY 2020
Implemented work-from-home guidance, restricted nonessential international travel, and adapted sales practices to pause in-person interactions with health care providers across Asia

APRIL 2020
Switched to business continuity planning mode, providing support for working parents and third-party support services, including mental health and financial assistance services

LOOKING TO A POST–COVID-19 FUTURE
Taking a holistic, science-driven approach to building working environments designed by employee input, such as new hybrid working models for many office-based employees, where time is split working virtually and in the office to maximize agility, collaboration and productivity. We will also follow the science and engage with employees to ensure the best working environments at our manufacturing sites, plasma collection facilities and R&D labs.

TAKEDA ANNUAL INTEGRATED REPORT

For more information, visit **takeda.com/covid-19-information-center**

Ensuring a Positive Workplace Experience

Takeda

Using a cross-functional approach to inform and motivate employees while supporting a positive Return to the Workplace Experience

While Human Resources provides the policies and procedures as a foundation to support the Hybrid Working Model, Facilities, IT, Learning and Benefits provide programs and operations to help ensure a great employee experience as people return to the office. Here are some snip-its of what some of our teams are doing.

Functional Areas

U.S. PAG

- **U.S. Region Hybrid Working Model site**
- **Vaccination Policy** – Contributes to a physical and psychologically safe environment
- **Hybrid & Remote Worker** Policy – Allows 20 working days from a 3rd location (see slide 13)
- **U.S. Expense Policy** – Stipends for home offices and technology set-ups
- **Commuting Policy & Parking Pilot** – free parking in Kendall/Central! Plus, increased commuting subsidies

FACILITIES, Ops, SP&D

- **Neighborhood Model** – Reserve a seat online or on the spot; collaboration space
- **Welcome Desks** at each site in MA, IL, PA
- **Parking Garages** – Where to park, how to validate and bicycle parking
- **Amenities Ramping Up** – Cafes & Catering, Fitness Centers, Shuttles

TECHNOLOGY

- **IT Help Desks** – expanded hours to support employees' return
- **New/additional technology** at desks and in conference rooms
- **Mobility Program** – New corporate cell phone program
- **Technology Video Series** – Videos to help us get connected to technology in the office
- **Technology Guides & Quick Tips** - Collection of reference guides for the technology used in offices around the globe

LEARNING

- **Thriving in the Future of Work** – resources and learning for hybrid employees and managers

BENEFITS

- **Expanded Family Care services** – back-up care, tutoring, etc.
- **Transportation Subsidies** – increased across MA
- **Employee Assistance Programs** to help employees adjust to the revived work-life days
- **Well-being programs** – EAP, Fitness benefits, ergonomic assessments

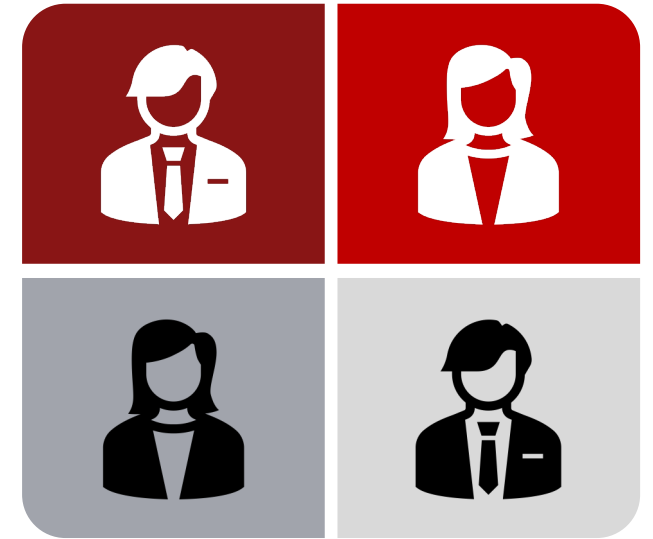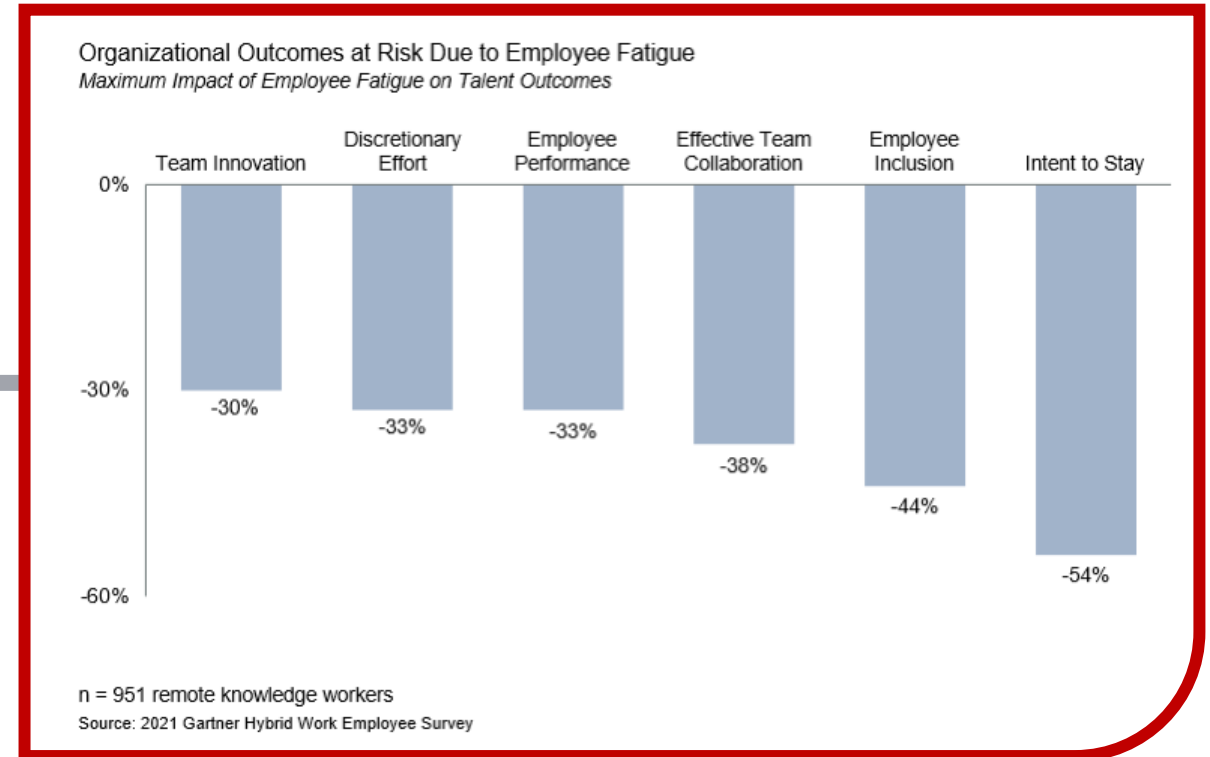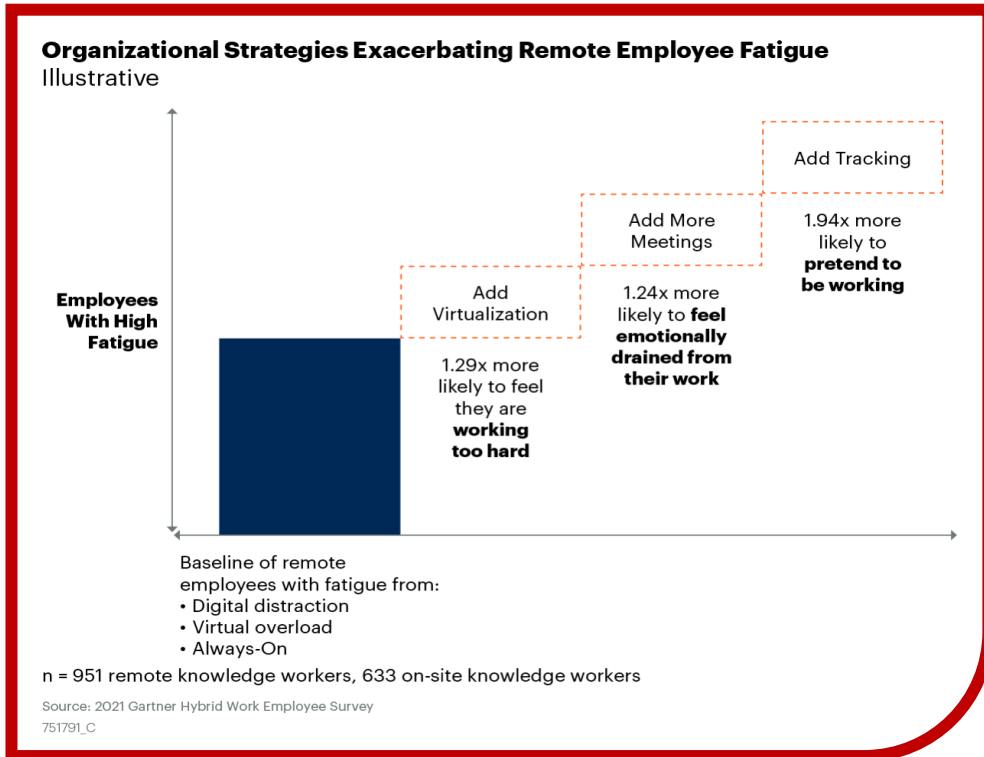# Insights and Considerations for Hybrid Working

Looking Forward

- *Hybrid model* or *"fully flexible"* where employees have ability to decide when/if wish to work remotely or on-site

- **Increased use of varied internet communication tools**, such as ZOOM, Microsoft Teams or Slack

- **Option to work remotely built into most job postings** where it is possible, used to "lure" talent from competitors

- Organizations able to **recruit talent in geographies where would not normally have in past**

- **Employers must remain open, agile, sensitive and creative** around new work cultures and models
  - Establish new ways to manage people, to evaluate job performance, and new practices around meetings, objectives, team organization, hiring, onboarding, promotion, and leadership

Talent Attraction and Retention Considerations

- Potential candidates and employees **have higher expectations from employers** to work virtually

- **"1 in 4 employees plan to look for another job once the pandemic has subsided,** looking to mitigate burnout and increase flexible working opportunities."

- **Allowing hybrid** working norms, expands company talent pool. "In the past year, 65% of candidates have discontinued an application process because of unmet expectations, with **work-life balance** the most common reason other than compensation. Today, 42% of candidates expect to influence the job design of a role (e.g., where and when they work)."

- Remote work* has increased **employee fatigue**, decreasing employee performance and well-being

- 39% of global job seekers have turned down or decided not to pursue a job opportunity because of a perceived lack of inclusion. It is therefore important to be fully inclusive when (re)iterating your team's hybrid working model, considering the concept of **psychological safety.**
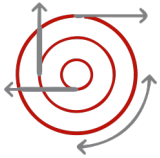
Insights and Considerations for Hybrid Working

Source: Gartner
¹Source: McKinsey Organization Practice research

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Remote organizational measures increase employee fatigue and impact organizational outcome

Organizational Strategies Exacerbating Remote Employee Fatigue
Illustrative

Employees With High Fatigue

Add Virtualization

1.29x more likely to feel they are **working too hard**

Add More Meetings

1.24x more likely to **feel emotionally drained from their work**

Add Tracking

1.94x more likely to **pretend to be working**

Baseline of remote employees with fatigue from:
• Digital distraction
• Virtual overload
• Always-On

n = 951 remote knowledge workers, 633 on-site knowledge workers

Source: 2021 Gartner Hybrid Work Employee Survey
751791_C

Organizational Outcomes at Risk Due to Employee Fatigue
Maximum Impact of Employee Fatigue on Talent Outcomes

Team Innovation	Discretionary Effort	Employee Performance	Effective Team Collaboration	Employee Inclusion	Intent to Stay
-30%	-33%	-33%	-38%	-44%	-54%

n = 951 remote knowledge workers
Source: 2021 Gartner Hybrid Work Employee Survey

Insights and Considerations for Hybrid Working

Leadership Role-Modeling New Ways of Working

- "Employees with high flexibility are three times more likely to experience high levels of inclusion and are twice as likely to be high-performing."

- Hybrid-ready leaders view the hybrid model as an opportunity

- Skills for a hybrid-ready leader: build trust, empower employees, enable collaboration and productive team environments

Leadership Control and Ownership

Leaders need to relinquish control of …	… and take more ownership of …
Schedules	Outcomes
Workplace	Team Climates and Well-Being
Work Hours	Culture and Norms
Tasks and Activities	Change Mangement

Source: Gartner
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Source: Gartner

Insights and Considerations for Hybrid Working

Where you work matters

There are many factors to consider when setting up a hybrid work model, most importantly, what environment is conducive to the work that needs to be done.

OFFICE

- Innovating and collaborating with others
- Team building
- Creativity
- Mitigating digital fatigue
- Complex problem solving
- Community engagement
- Customer engagements
- Onboarding / New teams
- Critical business meetings (Strategic, Brand, MRP, Product Launch)
- Cross functional meetings

HOME

- Innovating independently
- Thinking time
- Flexibility
- Working on a deliverable
- Developing a presentation
- Administrative tasks
- Getting feedback from a colleague

- Interactive collaboration and team building
- Town hall / Fireside chats
- Relationship development
- Networking / Professional development
- Training and workshops
- Weekly team meetings
- 1:1s
- Get work done
- Cross functional meetings
- Coaching & performance

THIRD LOCATION

- Time zone friendly
- Must have secure wifi and phone access
- Must have management approval
- Must be relieved of primary care-giving duties
- No more than 20 working days in one calendar year

Looking forward: Employment changes-temporary vs. enduring; for the WC System

COVID and WC:

- Sector claim frequency will mature (e.g., education) as COVID becomes endemic

- Presumption laws will expand and/or evolve

- Progression of immunization related claims

- Standardization of diagnostic criteria and tx guidelines for Long COVID

- Emergence of Long COVID rehab programs

- As treatment options evolve, claim severity will change (+/-??)

Looking forward: Employment changes- temporary vs. enduring; for the WC System

Non-COVID Claims:

- Frequency will remain low in sectors struggling to recover

- As sectors recover (e.g., hospitality), frequency may rebound initially

- As COVID becomes endemic, less volatility in employment levels and therefore work injury frequency

- Effects of continued work from home/hybrid workplace
  - Increased cumulative trauma claims from poor ergonomic set-ups
  - Less commuting congestion → ↑ MPH → higher severity MVA's/injuries

Key Takeaways

- We are still very much in flux – **hybrid culture still evolving**

- Must focus on how we **support supervisors to be effective in the hybrid setting**
  - Train supervisors on how to identify possible issues early on, to coach and communicate virtually

- **Cross-functional, interdisciplinary approach internally** most effective and…

- **Providing access to various modes of working** will allow employers to be successful
  - If insist on a return to fully on-site work, employers risk losing talent

Additional Resources

- The future of work has arrived, and it's messy. POLITICO Recovery Lab (July 15, 2021) Retrieved from https://www.politico.com/news/2021/07/15/recovery-lab-work-covid-wall-street-499323

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