Post COVID Back to Work Strategies:
Reality Check for Financial Services

Banking, Financial Services and Insurance
PURPOSE-DRIVEN, RESILIENT, ADAPTABLE

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About the Author

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Abstract

The Novel Coronavirus crisis is a world-changing event that has disrupted lives, livelihoods, communities, and businesses worldwide at unimaginable speed and scale. Nobody could have even imagined how the world around us would change so much so fast. COVID-19 has affected the fundamentals of the world around us and created a universal imperative for governments to protect and prioritize the safety and wellness of their people. Organizations across sectors including the financial services industry have responded by enabling remote working options in compliance with applicable regulations while carefully mitigating operational risks related to dilution of key controls in remote work environments. However, as the threat recedes partially or completely, financial services organizations will need to plan the return of their workforce to the workplace. This white paper discusses the risks and business imperatives and presents a strategy that financial institutions may adopt for the safe return of their workforce.
Adapting Work to COVID-19 Realities

The COVID-19 pandemic fostered an atmosphere of uncertainty with many business heads, CIOs, COOs, heads of security, operations and infrastructure, as well as CTOs in the financial services industry rushing to implement business continuity plans. At the same time, the pandemic has transformed the way we work with millions of workers, switching to remote working to flatten the curve of the health crisis. However, as the pandemic recedes and states and countries come out of lockdowns, financial institutions will need to plan the return of their employees to the workplace.

Though the COVID-19 crisis has challenged financial services organizations’ agility and resilience, they have successfully risen to the challenge by swiftly implementing a slew of measures like restricting unnecessary official travel and embracing split site and shift-based operations during the initial stage and then enabling remote working. Over the past several weeks, the remote working model has evolved further by addressing the teething troubles associated with a shift to the post COVID reality.

The crisis has reimagined the way institutions conduct business and employees perform their duties. With employees continuously working from home for more than three months, financial services organizations have enabled tools and strategies to boost collaboration, drive work satisfaction, and avoid the spread of the virus. The experience of remote workers on how they’re adapting, the challenges, and what’s working reveals some key insights (see Figure 1).
Digital Divide

- 3.7 billion people across the world lack internet access – fewer than 1 in 5 people in the least developed countries are connected***
- Over 6% of the US population (21 million people) has no high-speed internet connection. 157 million Americans do not use broadband internet***
- 87% of the population in the developed world has internet connectivity, compared with 47% in developing nations and 19% in the least developed countries***

Demographics

- 26.6 minutes is the average one-way commute time for US workers; this could translate into additional time availability*
- 22% and 6.1% of the US population is underage 18 and 5 respectively – effort and time spends to manage children could impact productivity*
- 74% households in India have at least one member under age 20; the average number of members per household is 4.8 – more people in cramped spaces could interfere with employees' focus and adversely affect productivity**

Lack of structured working hours, continuous availability due to hyper connectivity, absence of socializing, and peer pressure could lead to stress, mood swings, burnout and consequently, physical and mental health decline


Returning to the Workplace Post COVID

While most big banks have held off on setting a return-to-workplace date for their US offices, some have already started making announcements about their return-to-work strategies.

- Citi plans to bring back 5% of its staff to the office by July or August

- Capital One offices in the US, the UK, and Canada will remain closed to non-essential personnel until the first week of September; thereafter the bank will consider a phased return

- JP Morgan Chase plans to allow its staff to work from home on a rotational basis


Even as it is becoming increasingly apparent that the impacts of the COVID-19 outbreak will last longer than anticipated, financial services organizations will need to start preparing to return to normal operations. To manage and mitigate the impact on their workforce, financial institutions must start planning for the near-term while simultaneously envisioning and preparing for long-term changes to business continuity plans. Moreover, it is crucial to consider the key elements involved in switching strategy from the remote working model to the workplace model.

Though there is still a high degree of uncertainty about the future, financial institutions should begin to prepare for ‘what’s next’. In our view, five foundational aspects – employee safety, evaluation of business services, collaboration with key stakeholders, a phased approach, and communication and governance – must underpin financial institutions’return-to-work strategy.

**Employee safety**

Employee safety and wellness must be at the core of financial institutions’return-to-work strategy and measures such as reducing opportunities for transmission of the virus, maintaining healthy business operations, and adopting stringent hygiene practices must be taken to lower the impact on the workplace. Financial Institutions must consider local, state, and central or federal guidelines and the data on spread of COVID-19 as they work with their internal support teams to draw up the return to work plan, implement changes to the work environment, and change policies to forge ahead with business continuity plans. In addition, the required infrastructure spanning safe transport, emergency medical facilities, and sanitation and medical support staff as per government regulations must be put in place. Financial institutions must also implement structural modifications at the workplace such as physical segregation with zoned access in addition to undertaking personal safety measures such as provision of protective gear, regular disinfection, deep cleaning of all common areas including elevators and escalators and so on.
Evaluation of business services

To facilitate a safe return to the workplace, financial institutions will need to identify critical business services that pose challenges for remote delivery and will therefore need to be located at the organizations’ premises. When assessing business services to determine feasibility for remote delivery, the analysis should cover some salient points (see Figure 2).

- **Regulatory compliance, legal, and information security requirements applicable to high risk customer data**
- **Infrastructure and document or record management constraints applicable to branch/teller, contact center and back office operations**
- **Digital banking operations, customer communication**—emails, letters, digital AI,
- **Customer servicing**—phone and chat
- **Client relationship management**
- **Technology production management**
- **Back-office operations**—credit management, fraud management, account maintenance and underwriting
- **Non critical mortgage affiliate operations—appraisals, evaluations, title and tax processes for real estate-related financial transactions**
- **Non critical document storage and management, physical document processing**
- **IT and technology teams of banks where security controls and access restrictions are enabled**
- **Governance and support functions** such as PMOs
- **Digital analysis, sales and marketing, analytics and reporting**

Figure 2: Factors to Assess Feasibility of Business Services for Remote Working
Collaboration with key stakeholders

In our view, adopting a collaborative approach that prioritizes getting key stakeholders’ buy-in will lead to a holistic thought process and strategy for initiating the return to the workplace. Financial institutions must understand safety needs, business objectives, as well as customer priorities. This will be critical to defining a balanced return-to-work strategy that focuses on achieving business outcomes while ensuring that employees are not put at risk. Formulating a multi-disciplinary task force or steering committee to assess, prepare, and monitor the reopening of physical workplaces would help make informed decisions (see Figure 3).

**Figure 3: Approach to Defining a Return-to-Work Strategy**

- **Engage**
  - Form a steering committee to review and govern the overall return-to-work process

- **Prioritize**
  - Prioritize processes that need to move to the workplace based on business requirements

- **Assess**
  - Prepare a feasibility plan considering local conditions and employee willingness in line with business objectives

- **Review**
  - Review the plan, modify as appropriate, and obtain management approval

- **Identify**
  - Review and identify the best option for each employee to either continue work-from-home or return to the workplace

- **Execute**
  - Implement the return-to-work plan for each employee considering all the necessary safety checkpoints

- **Monitor**
  - Review and report progress to management, continue monitoring, and suggest changes
Phased approach

Given ensuring employee safety guided by location-wise medical risks is critical, adopting a phased approach can increase the probability of success in safely bringing back employees to the workplace. Sustained resilience requires a clearly defined framework-based approach that can be measured and actively managed through each phase. Depending on factors like compelling business imperatives that require employees' presence at the workplace or their comfort level in returning to the workplace or productivity and/or efficiency challenges, banks must define a phased strategy. The timing of the phased approach will vary across different locations and should be decided more on the data than events. Financial institutions must closely monitor infection cases and virus spread at the workplace; this information will be critical to determine the viability of advancing to the next phase or maintaining status quo or reverting to the previous phase (see Figure 4). Furthermore, financial institutions should consider adopting split team or shift structures for daily operations to ensure social distancing at the workplace.

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**Entry and exit criteria across phases**

- Trend based on average number of new cases per day (flat/decreased marginally/decreasing trend) and total number of active cases (high/reducing trend)
- Permissible percentage of workforce that can return to the workplace as per government orders
- Infrastructure readiness and preparedness for ensuring social distancing at the workplace
- Transport (public/private/company provided) availability
- Operating in one single time window or shifts
- Medical check of associates getting back to the workplace to identify COVID cases, if any
- Stability in work from office for a continued period

**Roll back to prior phases**

- Increase in COVID cases resulting in government mandated lockdown
- City or work location where reporting associate(s) show symptoms of the virus
- Positive COVID case at a work location will require testing and home quarantining of all other associates
- Inability to commute due to withdrawal of transport facilities

**External criteria that may influence entry and exit across phases**

- Unavailability of local health care professional
- Unavailability of hospital infrastructure such as ICUs, ventilators etc. to treat COVID patients
- Unavailability of testing kits
- Unavailability of electricity, water and other essential services
- Hostile social environment or public disorder and unrest

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Figure 4: Entry, Exit, Rollback Criteria across Phases and External Influencers
Governance and communication

Complications may arise due to business risk as well as workplace health and safety issues and consequently, governance and communication becomes crucial to support, sustain, and drive the business. To achieve better alignment between the leadership, management, and employees’ expectations, financial institutions must establish a robust governance mechanism to review daily operations, identify deficiencies, address roadblocks, and ensure effective communication with both internal and external stakeholders. Given financial institutions are highly regulated, reviewing legal and regulatory developments with regard to the pandemic at both the state and central levels and evaluating and adjusting risk-mitigation policies to meet changing requirements are crucial imperatives.
In a Nutshell

The COVID-19 pandemic has necessitated rapid acceleration to digital innovations to ensure business-as-usual despite lockdowns and social distancing norms. Financial institutions must strike a balance between revenue, cost, employee wellness, and customer needs while remaining committed to organizational principles. The workplace, be it the front office or the back office, has undergone a fundamental shift and will likely continue to evolve during the return-to-work phase. While gearing up to return to the workplace, we foresee a significant uptick in the use of technologies such as artificial intelligence (AI) and data analytics as well as human capital to bolster marketing efforts and facilitate innovation and the digital delivery of products and services. In our view, the digital initiatives adopted in the immediate aftermath of the crisis must be retained for the long term. Going forward, financial institutions must sustain focus on end-to-end digitalization so that they are not caught unawares by such crises in the future.

The experience in the initial weeks of re-entry will offer lessons for financial institutions to learn and adapt to the new work environment. While there is no one-size-fits-all solution and individual organizations must make decisions based on their strategy and business priorities, we believe that financial institutions that proactively start defining and executing their return-to-work strategy will retain employee trust and see a smooth, hassle-free transition without significant business interruptions.
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