

# COVID-19 Series

## Retention & Redeployment

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## What we'll be covering

### Retention

- Crucial concepts to consider – policy checking, communication with staff
- Government Wage Subsidy package and how it can work for you and your people
- The importance of retention during COVID-19

### Redeployment

- Tactics for collaborative process while exploring redeployment options with staff
- Tricky scenarios – can't work from home, can't go into the office – so what can you do?
- Tapping into skillsets to maximise productivity during disruptive times

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## Retention – crucial concepts to consider

### **Communication is key**

- Update your employees regularly about the impacts on the business COVID19 is bringing
- Be open, honest and clear – don't try to hide behind anything
- Employees will respect your approach, and more likely to be flexible with working arrangements changing

### **Back to basics** – check your employment agreement T's & C's.

- Are you adhering to the T's & C's?
- Do you have a crisis policy or clause?
- What other policies do you have in place – i.e. working from home policies.

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## Retention – COVID-19 Wage Subsidy

Full time employees (20 hours or more a week) are entitled to \$585.80 per week, and those part time (less than 20 hours) are entitled to \$350.00 per week, and the support is for up to 12 weeks.

EMA's recommendation is **absolutely** apply – the criteria is:

- your business is registered and operating in New Zealand
- your employees are legally working in New Zealand, including employees who:
  - have a NZ work visa
  - have a condition on their NZ temporary visa that allows them to work in NZ
  - are international students whose visa allows them to work in NZ
- the business has experienced a minimum 30% decline in actual or predicted revenue over the period of a month, when compared with the same month last year, and that decline is related to COVID-19
- your business has taken active steps to mitigate the impact of COVID-19
- you must retain the employees named in your application for the period of the subsidy.

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## Retention – COVID-19 Wage Subsidy

But it's not always that easy...

### **You must seek agreement from your employees to apply for the subsidy.**

- You need them to consent to you handing over their IRD number, hours worked and their names.
- If employees protest this, you should deal with this on a case by case basis.

**To prepare for a potential audit**, you should draft a fully documented forecast that looks into at least the next 12 weeks of revenue impact – the government can check to see if you're being honest regarding reasons for claiming the wage subsidy.

- If you have provided incorrect info during the audit process, and received the subsidy, you may be legally required to pay the money back, and could face criminal prosecution.

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## Retention – COVID-19 Wage Subsidy

### **Engaging your employees throughout the process**

If you've been open and honest about impacts on the business with your staff, then it should come as no surprise to them if you apply for the Wage Subsidy on their behalf. However, there are some very important steps to take first.

### **You cannot unilaterally change conditions of employment.**

If you are unable to top up your employee's pay to fulfill the 100% amount in their employment agreement, you will need to discuss this with them, and come to a agreement to pay them less (80%?). **Ensure to get this in writing.**

No agreement = grounds for personal grievance and potential wage claims.

### **Get creative with your employees!**

- Work from home – what does that look like?
- Less workflow – can you pay 80% and move them to four days a week?
- Do they have leave available? Are they open to using that to top up to 100%?
- Paid special leave to retain? Leave in advance, or unpaid?

Again, be sure to document the variations in writing.

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## Redeployment

It is very important that you do your utmost to retain your employees – many employers spend a lot of time, money, energy and resources training and developing staff.

- Recruitment is expensive, and you want to avoid having to re-hire down the track when there is a talent deficit in the job market.
- So when you've got a tricky situation – they can't go to work, can't work from home – have a chat with employees, and ask, what do they want to do?
- Explore alternative duties for them to work on for XYZ amount of time. This keeps things ticking over and keeps people employed.
- Maybe they can get on with stuff sitting in the background, or take on completely different roles. E.g. a salesperson might not be able to work in IT, but perhaps with some training they can fit into the marketing team.

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## Redeployment tactics

In your employment agreements, there should be a **duties as requested** clause.

- This means not normal day to day tasks, but reasonable.
- This also depends on the nature of the business, and skill sets employees have.

Skill sets analysis – what do you have? Multi-talented employees - utilise them!

- Discuss and collaborate with employees about their skills, and where they think it can be applied in other part of the business.
- Get creative with ideas, and ask staff to help with suggestions.

### **Key takeaways:**

- Think about what works for your business? Everyone is different
- Think about revenue – cash coming in, cash coming out – sustainable planning
- Unsure of lockdown extension – it is possible. Don't be hasty with decisions
- Try and avoid a restructure – you don't want to let go of good staff!

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## Thank you.

For further information, please visit the links below

- EMA's dedicated website for COVID-19
  - <https://covid19.ema.co.nz>
- Government website
  - <https://covid19.govt.nz>