

Remote Worker Policies and Practices During the Time of COVID-19

WITHIN THE NOT-FOR-PROFIT SECTOR | MARCH 2021



PRM Consulting Group

Remote Worker Policies and Practices During the Time of COVID-19 (Within the Not-for-Profit Sector)

March 2021

PRM Consulting Group, Inc. (PRM) regularly researches and tracks human resource policies and practices as part of our client research. And, in the wake of the COVID-19 pandemic, we received questions from many organizations asking us how other organizations are setting their geographic pay policies for remote workers in this new environment. As a result, in February 2021 we conducted a pulse survey to obtain, analyze, and summarize how not-for-profit employers are changing their pay programs and other policies related to employees who are working at home due to the pandemic.

The pulse survey was conducted online and included ten questions related to geographic pay differentials and other compensation policy/practice changes for the remainder of the current calendar year. Invitees included diverse national-level not-for-profits, many of which participate in PRM's annual *Management Compensation Report of Not-for-Profit Organizations*, and a total of 242 organizations responded to the survey by March 1, 2021.

This report summarizes the results of PRM's remote worker pulse survey. For the tables associated with each survey question, the "Number of Responses" column indicates the total number of survey respondents who selected the answer, while the "Percent of Total" column indicates the number of responses to any question as a percent of all survey respondents.

The <u>Attachment</u> provides an alphabetical listing of the survey respondents.

Survey Results

Question #1: Does your organization have a geographic pay policy – i.e. do you maintain separate salary ranges for employees working remotely in different locations?

Overall, approximately 80% of the responding organizations reported they currently do not have a geographic pay policy, although about 20% of them may implement such a policy in the future as a result of COVID-19.



Question #1	Number of Responses	Percent of Total
Yes	48	19.8%
No – we do not need/have no plans to implement	144	59.5%
No – but we have considered/may implement in the future	50	20.7%

Question #2: If yes, has your organization applied its geographic pay policy to remote workers during the pandemic?

However, among those organizations who have a geographic pay policy, 60% of them reported they have not applied the policy for remote workers during the pandemic.

Question #2	Number of Responses	Percent of Total
Yes	19	39.6%
No	29	60.4%

Question #3: When the pandemic is behind us, on what basis will your organization require employees to return to the office?

The majority of survey respondents (about 86%) indicated they plan to adopt some form of flexible work schedule, most commonly a policy that permits a flexible work schedule for all employees. Only about 4% of survey respondents indicated they plan to return to a normal pre-COVID-19 work environment (i.e., 5 days/week at the office), whereas approximately 10% of them plan to work entirely or almost entirely on a remote basis for the foreseeable future.

Question #3	Number of Responses	Percent of Total
5 days/week	10	4.1%
3 days/week	24	9.9%
We plan to adopt a flexible schedule for all employees	137	56.6%
We plan to adopt a flexible schedule for certain employees only	48	19.8%
We plan to work 100% remotely or nearly so for the foreseeable future	23	9.5%



Question #4: What is your organization's estimated time frame for returning to normal in-office working hours?

Almost half of all survey respondents (49%) indicated their plans to return to normal inoffice work hours are still unknown. Otherwise about 32% of survey respondents anticipate a longer rather than a shorter time horizon for returning to normal office hours. And, approximately 10% of survey respondents plan to maintain their current remote work practices in some form for the future.

Question #4	Number of Responses	Percent of Total
By the end of the first quarter 2021	3	1.2%
By mid-year 2021	20	8.3%
After mid-year 2021	77	31.8%
Unknown/to be determined	117	48.3%
Not planned; we will maintain remote work practices in some form	25	10.3%

Question #5: What is your organization's policy regarding the current salaries for remote workers who have moved to a lower cost-of-living area?

The most common policy is to maintain current salaries and salary ranges for remote workers moving to lower cost-of-living areas, as reported by nearly half of all survey respondents (49%). However, many organizations (about 41%) indicated they have no formal policy for remote worker salaries.

Question #5	Number of Responses	Percent of Total
Maintain current salaries and salary ranges/no change	121	50.0%
Salary decisions vary on a case-by-case basis	21	8.7%
No formal policy	100	41.3%

Question #6: Will your organization limit future pay opportunities for remote workers who have moved to a lower cost-of-living area?

Additionally, most survey respondents (approximately 84%) reported they have no plans to limit future pay opportunities for remote workers moving to lower cost-of-living areas; approximately 10% of them indicated the policy will be applied on a case-by-case



basis, and only about 6% reported they will have a uniform policy that applies to all remote workers who have moved to lower cost-of-living areas.

Question #6	Number of Responses	Percent of Total
Yes – for all remote employees in lower cost-of-living areas	15	6.1%
Yes – for some remote employees in lower cost-of-living areas	24	9.8%
No	207	84.1%

Question #7: Does your organization provide remote workers with any reimbursement for home office operating expenses during the pandemic?

Approximately half of all survey respondents (48%) reported they provide reimbursement for remote workers' home office expenses, and the majority of them provide reimbursement for all employees who are working remotely. But, slightly more than one-third (36%) indicated they do not currently nor do they plan to provide reimbursement for home office expenses.

Question #7	Number of Responses	Percent of Total
Yes, but only for selected employees	20	8.3%
Yes, for all employees working remotely	96	39.7%
No – and we have no plans to adopt such a policy	87	36.0%
No – but we are considering or may consider such a policy in the future	39	16.1%

Question #8: If yes, is there a limit/cap on the amount? Please also describe the basic policy.

Among those respondents providing reimbursement for home office expenses, 74% of them reported there is a limit/cap on the amount.

Question #8	Number of Responses	
Yes	86	74.1%
No	30	25.9%

A summary of the monthly allowances and annual stipends for remote worker home office expenses is as follows:

Employee Home Office	Number of	Summary Statistics			
Expenses	Responses	25 th %ile	Mean	Median	75th %ile
Monthly Allowance	91	\$40	\$57	\$50	\$63
Annual Stipend	92	\$250	\$336	\$250	\$500

The definitions of the reported summary statistics are as follows:

- 25th percentile represents the figure above which 75% of all reported figures fall.
- Mean represents the simple average of all figures reported.
- Median represents the figure above and below which half of all reported figures fall.
- 75th percentile represents the figure above which 25% of all reported figures fall.

Among the 183 survey respondents reporting they reimburse for home office expenses, approximately half currently do not have a formal policy, and they did not report a specific dollar amount. It should be noted the 25th percentile and median annual stipends are the same; half of the responding organizations reported an annual stipend of \$250 or less and, among these organizations, the typical stipend is \$250.

Question #9: What changes are being considered or have been made to your organization's pay and benefits programs as a result of COVID-19?

Approximately 57% of survey respondents have already made or anticipate making changes to their pay and benefits practices as a result of the pandemic. The most common changes reported are reduced merit increases, delayed merit increases, and/or more flexible benefits, each reported by over 24% of all survey respondents.

Question #9	Number of Responses	Percent of Total
Reduced merit increases	60	24.4%
Delayed merit increases	73	29.7%
Reduced bonuses	25	10.2%
Suspended bonuses	48	19.5%
Modified benefits to provide more flexibility	61	24.8%
Increased employee premiums for certain benefits	15	6.1%
No changes	105	42.7%



Question #10: What has been the impact of the pandemic on turnover at your organization?

Most survey respondents (nearly 70%) indicated there has been little to no change in their turnover, and 19% of them reported a decrease in turnover as a result of the pandemic.

Question #10	Number of Responses	Percent of Total
Increased turnover	26	10.7%
Decreased turnover	47	19.4%
No significant change	169	69.8%

In summary, the results of PRM's remote worker pulse survey indicate:

- Over half of all respondents (60%) do not currently have or have no plans to implement a geographic pay policy for remote workers;
- About 76% of survey respondents plan to adopt a flexible work schedule for some or all employees;
- Half of all survey respondents (50%) will maintain their current salaries and salary ranges for remote workers regardless of remote workers' locations;
- About one-half (48%) of survey respondents currently reimburse some or all of their remote workers for home office expenses;
- Approximately 57% of survey respondents have already made or anticipate making changes to their pay and/or benefits programs as a result of COVID-19; and
- Most survey respondents (70%) indicated there have been no significant changes in turnover since the beginning of the pandemic.



We hope this information is of value to your organization as part of your pay and benefits planning for 2021. Please contact me if you have any questions about the survey results or would like additional information about the services PRM provides.

Lyn McCloskey
Principal
PRM Consulting Group
(260) 897-4299 – Office
(202) 445-3136 – Cell
lyn.mccloskey@prmconsulting.com

About PRM Consulting Group, Inc.

PRM is a full service management consulting and outsourcing firm specializing in people resource management. Our mission is to provide tailored solutions for our clients at a fair price. By keeping this commitment, we earn repeat business. More than 90% of the firm's work results from projects and services from repeat clients. PRM consultants have served many of our clients for decades, with one client relationship having been maintained continuously since 1971.

Our client base includes private sector/commercial companies, along with not-for-profit and public sector organizations who believe that people are the ultimate drivers of organizational success.

PRM was formed in 2000 through combining the operations of PRM Consulting, Kennedy & Rand Consulting, Inc. and Jimmy Jones & Associates. The company is headquartered in Washington, DC, and has offices in Rockville (MD), Morristown (NJ), Chicago (IL), Atlanta (GA) and Richmond (VA).



Alphabetical Listing of Survey Respondents

ACT

Afterschool Alliance

AIChE (American Institute of Chemical Engineers)

Albert and Elaine Borchard Foundation

Alliance for Justice Alzheimer's Association

American Academy of Ophthalmology American Academy of Pediatrics American Alliance of Museums American Anthropological Association American Association for Cancer Research American Association for Clinical Chemistry

American Association of Anatomists

American Association of Colleges of Nursing American Association of Community Colleges

American Association of Oral & Maxillofacial Surgeons American Association of Petroleum Geologists

American Association of Physicists in Medicine American Association of Physics Teachers

American Astronomical Society American Behcet's Disease Association American Board of Family Medicine

American Chemistry Council
American College of Cardiology
American College of Chest Physicians
American College of Clinical Pharmacology
American College of Emergency Physicians
American College of Financial Services

American College of Physicians American College of Surgeons American College of Trial Lawyers American Concrete Institute

American Council for an Energy-Efficient Economy American Councils for International Education

American Epilepsy Society

American Farm Bureau Federation

American Foundation for Suicide Prevention American Helicopter Society International American Immigration Lawyers Association

American Institutes for Research
American Lung Association
American Mathematical Society
American Meteorological Society
American Oil Chemists' Society
American Physiological Society
American Phytopathological Society
American Rental Association

American Society for Clinical Oncology

American Society for Clinical Pharmacology & Therapeutics

American Society of Clinical Oncology American Society of Cytopathology American Society of Hematology American Society of Transplantation

American Speech-Language-Hearing Association

American Statistical Association

American Veterinary Medical Association

ANA Enterprise
AOAC International

Apartment & Office Building Assn. of Metro. Washington APIC – Assn. for Profs. in Infection Control & Epidemiology

Arundel Community Development Services ASAE: The Center for Association Leadership

ASHRAE

ASIS International

Association for Iron and Steel Technology

Association for Supervision & Curriculum Development

Association of Home Appliance Manufacturers
ASTRO – American Society for Radiation Oncology

Barth Syndrome Foundation

Benevolent and Protective Order of Elks of the USA

Biophysical Society

Blumont

Botanical Society of America

Cable and Telecommunications Association for Marketing

California Dental Association

CARE International

CASSS-International Separation Science Society

Casualty Actuarial Society

Catalyst

Catholic Relief Services

Center for Disaster Philanthropy

Center for International Private Enterprise Inc

Center for Law and Social Policy

Childfund International
Chlorine Institute
Clinton Foundation
Colorectal Cancer Alliance
Competitive Enterprise Institute

Computing Technology Industry Association

Concern Worldwide

Congress of Neurological Surgeons

Consumer Reports CoreNet Global

Corus International (IMA/LWF)

Council for Agricultural Science and Technology Council for Christian Colleges and Universities

Credit Union Executives Society
Directed Energy Professional Society
Emerging Markets Traders Association
Environmental And Energy Study Institute

EveryLife Foundation

Family, Career And Community Leaders of America

Farm Sanctuary

Federation of American Societies for Experimental Biology



Attachment

FHI 360

Fight for Children

Forum for Youth Investment

Geochemical Society
GeoScienceWorld

Global FoodBanking Network

Government Finance Officers Association Habitat for Humanity International

Healthcare Distribution Management Association

Hemisfair Conservancy Heritage Foundation

HIMSS

Huntington's Disease Society of America

Hydrocephalus Association

IEEE

IESC (International Executive Service Corps)

IFSCC (Int'l. Federation of Societies of Cosmetic Chemists)
IMAPS - Int'l. Microelectronics Assembly & Packaging Soc.

Immune Deficiency Foundation

Independent Community Bankers of America Information Technology Industry Council

INFORMS

Innovations for Poverty Action

Institute for Health Care Improvement

Institute of Environmental Sciences and Technology

Institute of Food Technologists Institute of International Education Institute of Management Accountants Institute of Real Estate Management

International Peace Institute International Republican Institute International Rescue Committee

International Society on Thrombosis & Haemostasis

Internews IREX JHPIEGO

Jobs for the Future

Junior Achievement Worldwide

KaBOOM! Leading Edge Little Kids Rock

Lupus Foundation of America Lutheran World Relief

Management Sciences for Health

MEDA

Medical Society of the State of New York

Medical Teams International

Mercy Corps

Metals Service Center Institute Million Dollar Round Table

Mortgage Bankers Management Association

Moving Picture Institute NACE International

NAFSA

National Academy of Public Administration

National Association of Colleges and Employers
National Association of Convenience Stores
National Association of Home Builders

National Association of Home Builders National Athletic Trainers' Association National Breast Cancer Foundation

National Council of Juvenile and Family Court Judges

National Democratic Institute National Eczema Association

National Endowment for Democracy

National Foundation for Ectodermal Dysplasias

National Funeral Directors Association

National Futures Association
National Health Council
National Kidney Foundation
National Multiple Sclerosis Society

National Organization for Rare Disorders (NORD)

National Osteoporosis Foundation

National Pork Board

National Society of Professional Engineers

Near East Foundation
NeighborWorks America

NORC at the University of Chicago Oak Ridge Associated Universities

Orbis

Orthopaedic Research Society

Out & Equal

PAI

Paintcare, Inc.

Personal Care Products Council

Pew Research Center Plan International Population Connection

Population Services International

Power to Decide

Presbyterian Church (USA)

Prevent Blindness Project Bread

Project Management Institute Public Broadcasting Service Public Citizen Foundation Quality Health Strategies

R Street Institute

Radiological Society of North America

Rise Against Hunger Room To Read SAE International Safe Horizon Save the Children Scholarship America

School to School International Senior Service America Services for the Underserved

Sigma Xi, The Scientific Research Honor Society Society for Cardiovascular Angiography & Intervention Society for Laboratory Automation and Screening

Attachment

Society for Mining, Metallurgy & Exploration

Society for Sedimentary Geology Society of Petroleum Engineers Specialty Graphic Imaging Association

Sustainable Forestry Initiative

Synergos

Technical Education Research Centers (TERC)

TechnoServe
Tent Foundation

The ALS Association, National Office The Center for Victims of Torture The Electrochemical Society

The Hunger Project
The LAM Foundation

The Marfan Foundation

The Slomo and Cindy Silvian Foundation

Tides

Tides Advocacy

Tourette's Association of America

United Spinal Association

University Corporation for Atmospheric Research

Urban Land Institute

US Pharmacopeial Convention

Water for People Women Employed

World Vision International

Young Women's Leadership Network

Zero to Three

Visit us on the web: www.prmconsulting.com

