

Pearl Meyer



On Point

TIMELY, ACCURATE, INSIGHTFUL

Work From Home Policies and Practices Survey: Financial Institutions

Executive Summary



Introduction

The COVID-19 virus and its variants changed the way financial institutions will plan for and manage their workforces. Much of the change has been evolving for years before the pandemic arrived, but the response to the virus turned an evolution into a revolution. Large segments of the financial industry staff have been sent home, branch banks and credit unions have reconsidered locations of branches and digital delivery of products and services has been accelerated.

Pearl Meyer's "On Point: Work From Home Policies and Practices" survey provides real-time insights on the latest trends in work from home (WFH) pay and benefit practices in response to the impact of the COVID-19 pandemic. This online survey was conducted in February and March of 2021, with participation from 349 companies; 89 participants were banks or other financial intermediaries. This review focuses on responses from the financial services industry.

Tim O'Rourke
tim.orourke@pearlmeyer.com

Karen Butcher
karen.butcher@pearlmeyer.com

The Pandemic's Overall Impact

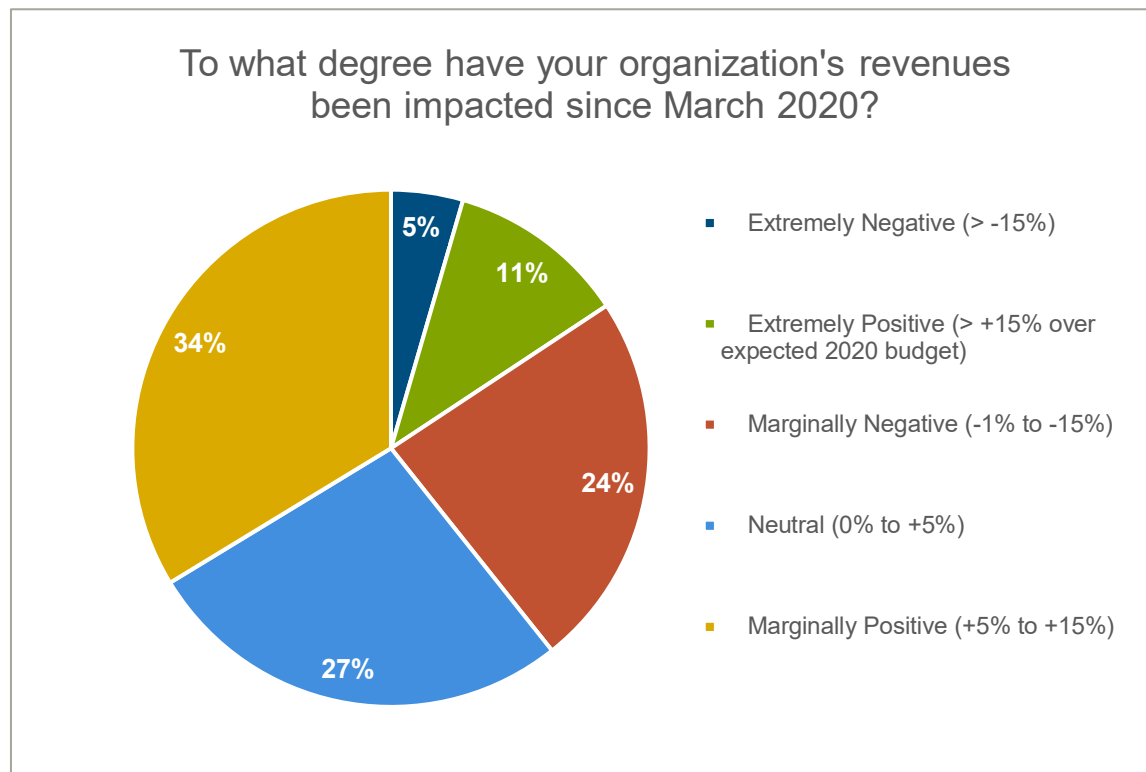
- As might be expected, roughly half of all employees in financial institutions are working remotely, apart from people in customer-facing service positions of which only 37.9% are working remotely.
- Close to 90% reported that home-based employees are as productive or more productive than the U.S. banking workforce.
- 80.6% of financial institutions respondents felt that, from a leadership and management standpoint, the shift to working from home has been better than neutral.

As the Pandemic Fades

- There is little clarity of expectations regarding work from home at this point in time.
- Only 2.8% have decided that the current workforce management approach would be permanent.
- Much will be decided in the months—and likely years—to come.

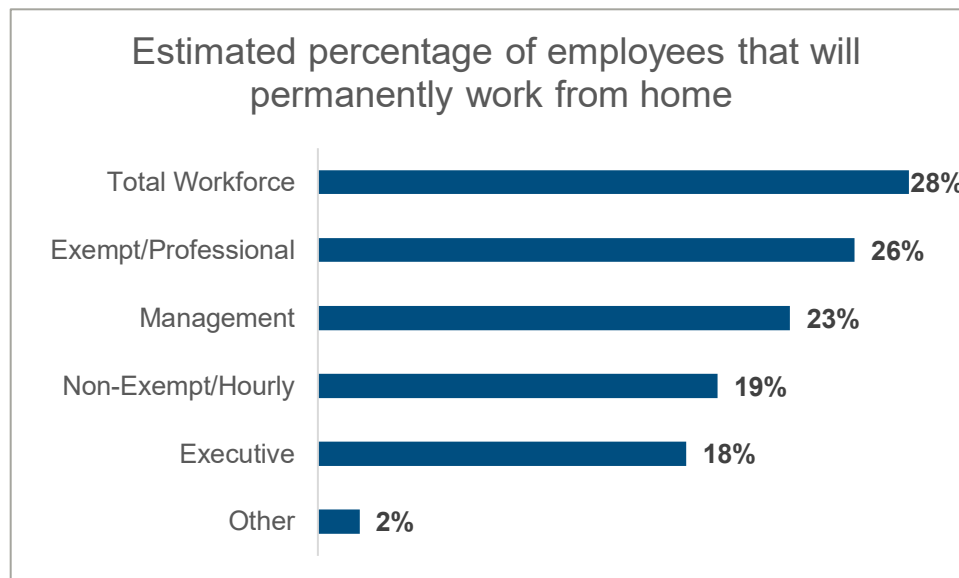
General Financial Impact Reported

- When asked how their revenue was impacted by the pandemic, almost half responded that the impact on their revenue was either extremely or marginally positive and another 27% said the impact was neutral.



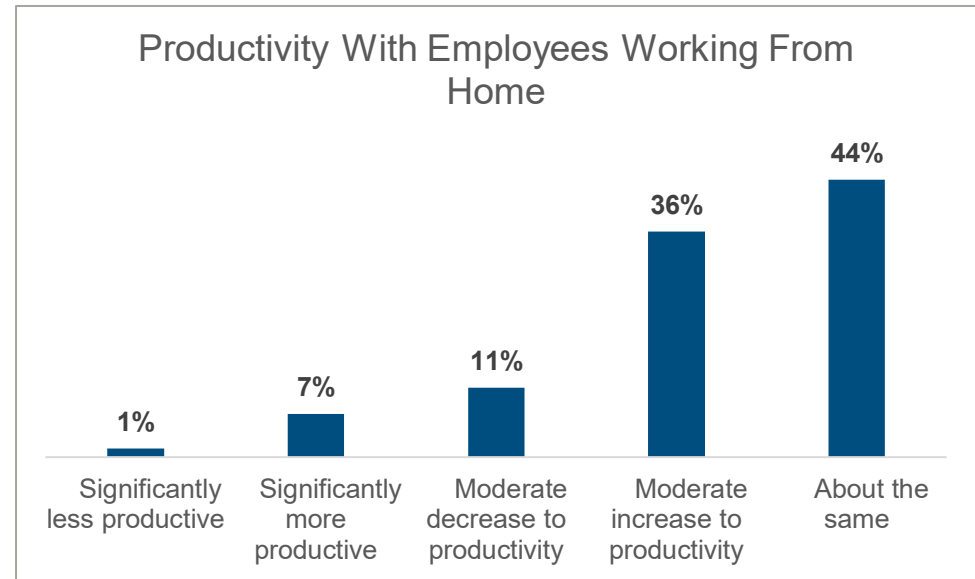
Work From Home/Remote Work – Who?

- As might be expected, roughly half of all employees in financial institutions are working remotely, apart from people in customer-facing service positions of which only 38% are working remotely.
- Respondents reported up to 28% of the total workforce will work remotely permanently.
- Work from home varied by position. Respondents reported that 26% of exempt and professional staff, 18% of executives, 23% of management, and 19% of non-exempt staff will permanently work from home.
- This finding was reinforced by another insight from the survey that showed over 25% of respondents plan to reduce their locations/office footprints.



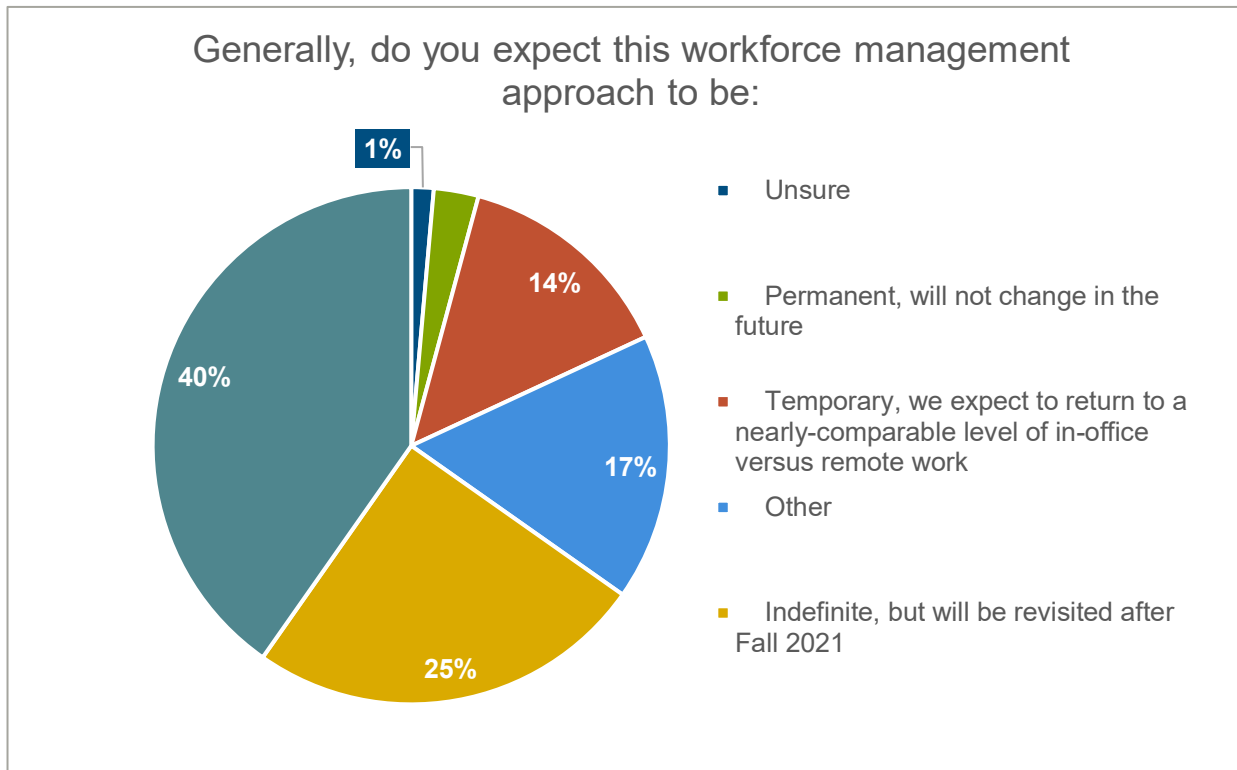
Work from Home/Remote Work – Reported Success

- While questions remain on how remote work will be implemented; remote work in 2020 was a success.
- Close to 80% of respondents found similar or moderate increase to productivity level.
- While remote work prior to the pandemic was almost non-existent, 90% report a moderately to extremely successful transition to remote work.



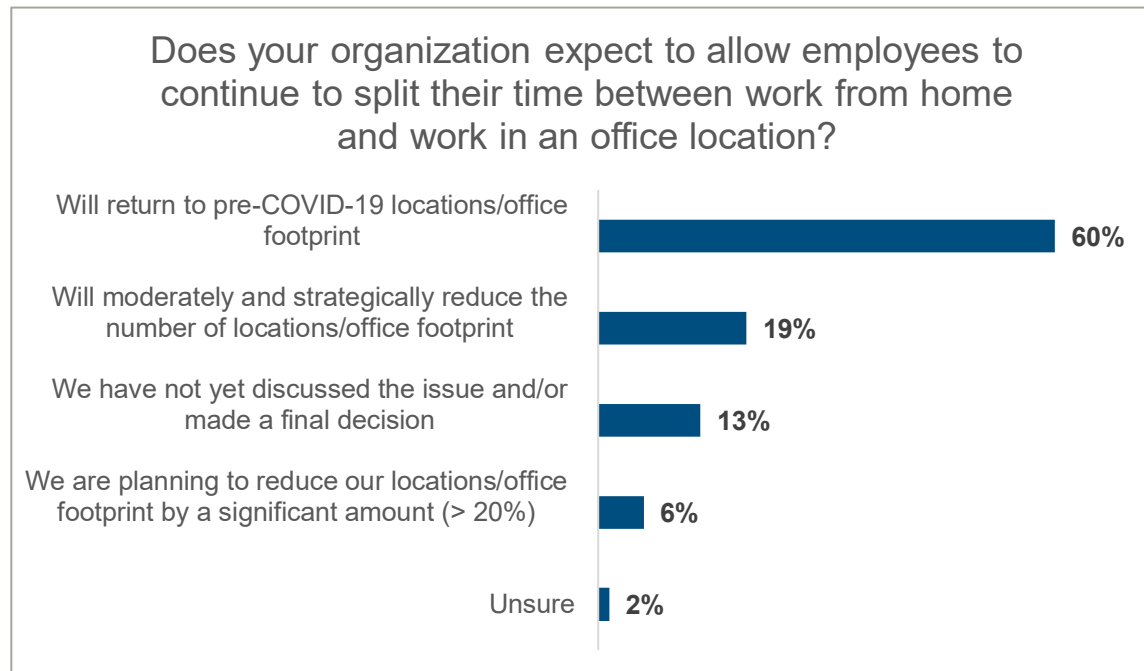
Work From Home/Remote Work – Timeframe for Change

- Respondents are largely undecided about how long they will maintain their current remote workforce approach.
 - Just 3% say their current configuration will not change in the future.



Office Space – Locations and Size

- 60% of respondents expect to return to a Pre-COVID-19 office/location “footprint.”
- With only a small percentage (6%) planning office space reductions.



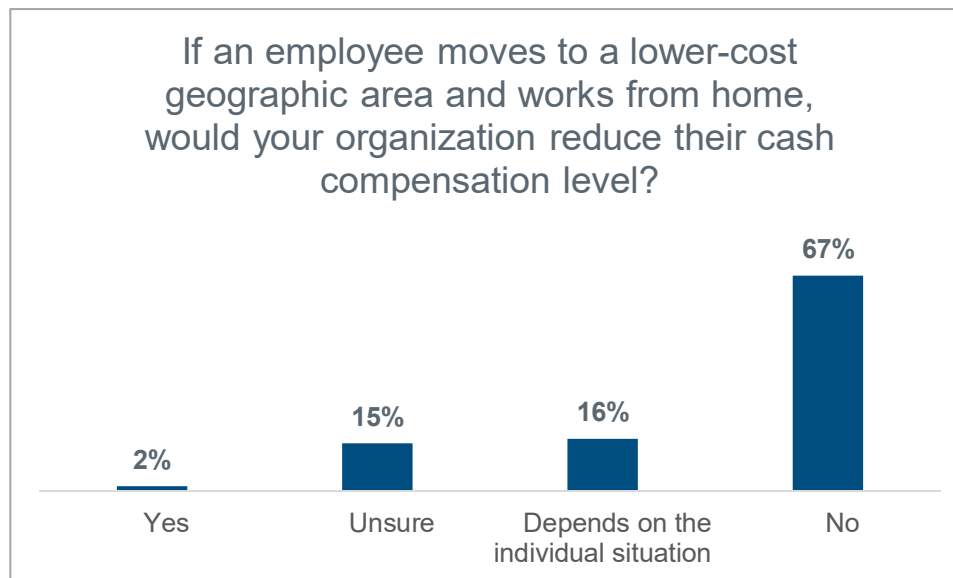
Office Space – Configurations

- Nearly half, (49%) responded that employees will be able to split their time between work from home and work in an office.
 - 31% are planning shared “hoteling” office space for individuals, presumably to support a hybrid remote/in-office workforce, and 18% will have individual offices.



Geographic Pay Structures/Modifications

- As large numbers of employees began working from home, many companies asked if pay should be based on where the employee lives vs. where the office might be?
 - 67% reported that they would not adjust base salaries for employees who move to a lower-cost geography area.
 - Most of the financial institutions reporting (87%) do not use geographic differentials for their salary structures.





About Pearl Meyer

Pearl Meyer is the leading advisor to boards and senior management on the alignment of executive compensation with business and leadership strategy, making pay programs a powerful catalyst for value creation and competitive advantage. Pearl Meyer's global clients stand at the forefront of their industries and range from emerging high-growth, not-for-profit, and private companies to the Fortune 500 and FTSE 350. The firm has offices in Atlanta, Baltimore, Boston, Charlotte, Chicago, Houston, London, Los Angeles, New York, Rochester, and San Jose.



Pearl Meyer

ATLANTA

(770) 261-4080
atlanta@pearlmeyer.com

BALTIMORE

(410) 494-4100
baltimore@pearlmeyer.com

BOSTON

(508) 460-9600
boston@pearlmeyer.com

CHARLOTTE

(704) 844-6626
charlotte@pearlmeyer.com

CHICAGO

(312) 242-3050
chicago@pearlmeyer.com

HOUSTON

(713) 568-2200
houston@pearlmeyer.com

LONDON

+44 (0)20 3384 6711
london@pearlmeyer.com

LOS ANGELES

(213) 438-6500
losangeles@pearlmeyer.com

NEW YORK

(212) 644-2300
newyork@pearlmeyer.com

ROCHESTER

(585) 713-1349
rochester@pearlmeyer.com

SAN JOSE

(669) 800-5074
sanjose@pearlmeyer.com

**For more information on Pearl Meyer,
visit us at www.pearlmeyer.com or
contact us at (212) 644-2300.**