

Business

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Goldman Sachs dustup hits nerve as pandemic blurs work-life line

Boundaries disappear between work and leisure and work and life

NEW YORK: A revolt by junior Goldman Sachs bankers over work weeks that can stretch to as long as 105 hours has inspired both schadenfreude over discontent at the storied investment bank and wider debate about the future of work after the COVID-19 pandemic. The erosion between office and home boundaries during the pandemic means many white-collar workers can relate on some level to the complaints, even if the plight of elite young bankers seeking riches does not inspire sympathy. The issues underlying the Goldman Sachs controversy are "reflective of a broader problem," said Temple University sociologist Kevin Delaney, author of "Money at Work: On the Job with Priests, Poker Players and Hedge Fund Traders."

"People feel the boundaries have disappeared between work and leisure and work and life. A lot of people are struggling with it because they are not sure when they are allowed to take time off." In the wake of the dustup, Goldman Sachs Chief Executive David Solomon has urged staff to respect a firm-wide policy of not working on Saturdays, and praised the young staffers for speaking up.

The gripes were felt beyond Goldman's corner of Lower Manhattan. Citi Chief Executive Jane Fraser this week announced "Zoom-Free Fridays" and urged workers to take their vacation time, adding that she planned a few days off "knowing I will come back with a fresher brain." Jennifer Moss, a syndicated columnist who specializes in workplace issues, praised the moves, but said employers will need to follow through if they want to maintain their staff after the pandemic.

The upheaval of the past year-along with efforts to improve diversity at top firms-creates the potential for improving work culture. But experts caution change is not easy. "It needs to be this mind shift, but this is a great start," Moss told AFP. "It's a legacy of overwork that's been institutionalized."

Beyond self-care

Compared with other options, being overworked

could be viewed as a preferable plight during the pandemic. Government data show millions of people in the United States remain out of work. The coronavirus itself has also infected or killed many "essential" workers such as supermarket staff, transit workers, nurses and others who cannot telecommute. But among those still with jobs, mental burnout is on the rise.

In a February article in the Harvard Business Review, Ross said the disruption has been especially pronounced for younger staff. One millennial quoted in the story said they encountered professional roadblocks as well as negative health effects from diminished opportunities to exercise.

A survey of 1,500 workers showed 85 percent reported their well-being had declined and 55 percent said they felt like they had not been able to balance their home and work life, according to Ross. Possible steps to remedy the situation include establishing a manageable workload and a mental health resource page for staff as part of a strategy to destigmatize the issue.

Solutions must go beyond self-care steps such as yoga and meditation apps. Moss argues, adding "we desperately need upstream interventions, not downstream tactics."

Will it change?

All of the young Goldman bankers felt their work hours had negatively impacted relationships with friends and family and also created unrealistic deadlines. Most also reported feeling as though they experienced workplace abuse and were shunned in meetings, according to an 11-page presentation complete with statistics and graphs, not unlike what the bank would prepare for a client.

"There was a point where I was not eating, showering or doing anything else other than working from morning until after midnight," said one of the staff members surveyed. A Goldman Sachs employee who has been with the firm for about three years told AFP



NEW YORK: People walk outside of the Goldman Sachs New York headquarters in New York City. — AFP

that the pandemic had indeed made work more grueling, and that first-year employees can suffer especially from the lack of opportunities to interact with senior employees.

But the employee, who spoke on the condition of anonymity, said work weeks of 95 hours or more are not a surprise. "When you take a job in investment banking, you know that you're going to be working long hours," the person said. "The hours get better over time, but that's a function of figuring out how things work and becoming more efficient." That the staffers spoke up is characteristic of a generation who "were encouraged to raise their hands," said Paul McDonald, senior executive director for human resources consulting firm Robert Half, adding that younger employees expect a more collaborative work

culture. McDonald anticipates employers will be more open to flexible work formats once the pandemic ends, including combining time at the office and working from home. "Employers are meeting the employees more today than I've ever seen," he said. "But they're not making excuses for the work that needs to get done."

But how much high-powered organizations like Goldman actually want to change remains an open question. Making money is Goldman's core mission, an "ever-expanding" goal that orients all of its incentive structures, Delaney, the Temple University sociologist, said. Goldman is also a client-facing business with a 24-hour global orientation, adding to the pressure. "Change will be hard because there's a lot pointing in the other direction," he said. — AFP



SYDNEY: Australia's unemployment rate fell to 5.8 percent in February — down from its peak of 7.5 percent in July — but the Treasury estimates between 100,000 and 150,000 jobs could be lost as a result of the JobKeeper scheme ending.

Australia ends virus wage subsidy despite job loss warnings

SYDNEY: Australia yesterday ended a pandemic wage subsidy scheme despite official warnings that up to 150,000 people could lose their jobs as a result.

The so-called JobKeeper scheme, which initially saw Aus\$1,500 (around US\$1,150) a fortnight paid to staff via their employers, was announced last March after Australia imposed a nationwide shutdown that left thousands queuing outside unemployment offices. Treasurer Josh Frydenberg said the program had been an "economic lifeline" that has achieved the aim "of saving lives and saving livelihoods" over the past year.

He told reporters in Melbourne there was "no doubt that there will be some businesses that will continue to do it tough" but the subsidies were always designed to be "temporary". Australia's unemployment rate fell to

5.8 percent in February-down from 7.5 percent in July-but the Treasury estimates between 100,000 and 150,000 jobs could be lost as a result of the change.

Australian Council of Trade Unions president Michele O'Neil said many more workers were likely to see their hours and pay slashed. "1.1 million workers face an uncertain future without the JobKeeper wage subsidy, which has prevented catastrophic job losses during the pandemic and is now being ripped away," she said. "Cutting off JobKeeper while so many workers are still reliant on it is both cruel and counter-productive to our economic recovery."

At the height of the crisis, the scheme was supporting almost four million jobs. Officials twice extended the program over the past 12 months, albeit at lower rates as the spread of COVID-19 was brought under control and the economy began to recover. Australia has been relatively successful in managing the coronavirus-recording roughly 29,000 cases and less than 1,000 deaths to date-with recent outbreaks linked to border quarantine facilities generally being quashed quickly. Its economy tipped into recession in the first half of 2020 but grew 3.1 percent in the September-December quarter. —AFP

revealed in its recent annual results statement. Online sales ballooned 158 percent compared with 2019, the British group added. Garnier, 55, said Kingfisher is well placed to benefit further even after government restrictions are lifted, with office workers likely to some extent continue working from home.

"When you spend more time at home, the house itself becomes more important so you're going to allocate it a bigger budget," the Frenchman said. "You may need to set up a proper office... so working from home is going to be positive for our sector."

'Click-and-collect'

Kingfisher, which employs around 80,000 staff across Europe, plans to open smaller stores in city-center locations. "We will have more stores... but smaller sizes," said Garnier, who has led Kingfisher since 2019. Such locations will enable fast delivery of goods to customers and allow them to benefit from "click-and-collect" service, he noted. "When you are at home tinkering and you need a part or (paint)brush, you can't

Palau president visits Taiwan to open travel bubble

TAIPEI: Palau's leader flew into Taiwan yesterday as the two coronavirus-free allies prepare to launch a travel corridor and boost their pandemic-hit tourist sectors. A charter flight carrying President Surangel Whipps landed at Taoyuan international airport for the start of a four-day visit and to kick off what the two sides are billing as Asia's first travel bubble.

Whipps will meet Taiwanese President Tsai Ing-wen, attend a Palau tourism promotional event as well as visit shipbuilding and aquaculture companies, Taipei's foreign ministry said. He is set to return to Palau on Thursday with a group of 110 Taiwanese tourists on the first of weekly vacation flights.

The plan is to eventually have 16 flights a week on the route, a major lifeline for Palau's economy that before the pandemic relied on tourism for more than half its gross domestic product. "The main reason we are going is really to open up the travel corridor because tourism is our biggest economic driver and it's important to get the tourism back in operation," Whipps told Taiwan's Central News Agency (CNA) in a recent interview.

"I think it's important to demonstrate to the world that this can work." Palau, which lies about 1,000 kilometers (600 miles) east of the Philippines, is one of the few places on Earth never to have recorded a COVID-19 case. The travel bubble is partly due to Palau's special relationship with Taiwan.

It is one of only 15 nations worldwide to offer Taipei diplomatic recognition in the face of China's long-standing claim that Taiwan is part of its territory. Whipps said strict measures would be enforced to protect Palau's 18,000-strong population. Taiwanese visitors must undergo pre-flight coronavirus checks, they can travel only in tour groups and are barred from making individual excursions.

Contact with Palau locals will be kept to a minimum,

always wait eight days" for a delivery. Kingfisher operates in eight countries, with the vast majority of its operations in the UK and Ireland where it has more than 1,000 stores under the Screwfix and B&Q brands. Its next biggest market is France with 214 Castorama and Brico Depot outlets. Kingfisher is based also in Poland, Portugal, Romania, Spain and Turkey-bringing its total number of stores to around 1,400.

DIY for the young

Official data Friday showed that British monthly retail sales jumped 2.1 percent in February on strong demand for home improvements and garden items. Compared with Kingfisher stores in mainland Europe, the "notable nuance in England is the importance given to the garden", said Garnier, whose stores sell plants alongside power tools. He noted that the pandemic has led to the emergence of a new breed of DIY enthusiasts-people under 35 years old "who have taken pleasure in the new skills acquired". In the US, home-improvements giant Home Depot recently posted a 15-



Palau President Surangel Whipps waves after arriving at the Taoyuan International Airport yesterday. — AFP

with tourists staying at designated hotels, eating in separate restaurant areas and allowed to shop only at set times. Taiwan-population 23 million-has been hailed as an example in containing the virus, with fewer than 1,020 confirmed cases and 10 deaths. Taiwanese officials said the 110 slots in the first tour group to Palau were sold out. Whipps has acknowledged no system is foolproof but said Taiwanese health authorities had calculated that the chance of COVID-19 reaching Palau via the travel bubble was one in four million.

Democratic Taiwan lives under the constant threat of invasion by authoritarian China, which views the island as its own territory and has vowed to one day seize it. Beijing has poached seven of Taiwan's diplomatic allies while ramping up military and economic pressure since Tsai's 2016 election win because she rejects its stance that Taiwan is part of China. Whipps told CNA he had rebuffed Beijing's overtures to switch recognition after he won the presidential election last year. "I told them, you know, I believe that we should be free to choose who our friends are," he said. "We value the relationship that we have with Taiwan and nobody should tell us that relationship should be severed." Palau is among four remaining Asia-Pacific countries that officially recognize Taipei over Beijing, along with the Marshall Islands, Nauru and Tuvalu. — AFP



Kingfisher CEO Thierry Garnier sitting in the company's office in London. — AFP

percent jump in annual net profits to \$12.3 billion (10.5 billion euros). While Garnier said Brexit has not posed "any particular difficulty" for Kingfisher, competition from online giant Amazon is an issue he wants governments to address. In a joint letter earlier this year, he joined other business leaders in calling on UK finance minister Rishi Sunak to slash taxes on commercial property. "The tax systems in many countries have not been adapted for the Internet world and emergence of e-commerce," Garnier said. — AFP

Kingfisher: The DIY giant building on back of COVID

LONDON: The coronavirus pandemic has caused the permanent closure of bricks-and-mortar retailers worldwide but European home-improvements giant Kingfisher is looking to expand, chief executive Thierry Garnier told AFP in an interview.

Kingfisher, along with rivals, have been allowed to keep stores open during the virus outbreak, enabling customers to purchase goods and collect online orders which have soared over the past year. Kingfisher's sales jumped seven percent in 2020 to £12.34 billion (\$16.92 billion, 14.31 billion euros) as lockdowns saw people making improvements to their homes, the company