Local Businesses Respond To Governor’s Stay-At-Home Order

By Beth Milligan | March 24, 2020

Local businesses that include some of the region’s largest employers are preparing to keep many of their staff at home and adjust to a radically new way of doing business after Governor Gretchen Whitmer issued an executive order Monday ordering residents to stay at home except for essential purposes.
Whitmer’s “Stay Home, Stay Safe” order went into effect just after midnight today (Tuesday) and will remain in place for at least three weeks through April 13. School closures in the state have also been extended through April 13. The order directs all businesses to suspend in-person operations that are “not necessary to sustain or protect life.” Exemptions include critical infrastructure industries including healthcare and public health, food and agriculture, law enforcement/public safety, energy/water/public works, media, and critical manufacturing, among several others. Residents are directed to stay at home unless engaged in essential or exempted activities, such as getting food and medications or exercising outdoors. Whitmer’s full order detailing all of the rules and exemptions is available online (https://www.michigan.gov/whitmer/0,9309,7-387-90499_90705-522626--,00.html).

The order is likely to impact many white-collar businesses – such as real estate and legal firms and professional consulting services – as well as shopping malls, clothing stores, and other non-essential retail. Companies that can conduct business virtually are permitted to do so, and those that provide vital support to essential services – like an IT firm servicing a grocery store – can continue that work. For most other businesses, only a small handful of employees who are essential to keeping the company going (such as maintaining inventory or equipment, processing payroll/transactions, or providing security) will be allowed on-site.

Some companies were still seeking clarification from the governor’s office Monday, but the order appears to have significant ramifications for the hotel/hospitality and construction industries. Tonya Wildfong of Team Elmer’s says all non-essential employees will be working from home while the company attempts to get a “determination of what includes essential business.” With the spring construction season about to ramp up, Wildfong says the company is reviewing upcoming projects on a case-by-case basis. “For example, projects that will repair a wastewater treatment plant screw and another that will lift a motor for a freezer for a grocery store” will continue today as planned, she says.

Traverse Connect President and CEO Warren Call says his organization is working hard to help members get clarity on the executive order and prepare for major operational shifts. “We’re trying to provide clear and concise information on what this means for your business, as well as resources for employees,” Call says. That includes providing guidance on business interruption planning to owners and helping out-of-work employees connect with job opportunities. “A number of businesses are retooling or focusing on a new business strategy,” Call says. “We’ve been talking to local
manufacturers about constructing masks here locally, so there are some innovative things happening. Helping our businesses survive is going to be the key thing, and it's going to be really tough."

While the Michigan Chamber of Commerce opposed a statewide stay-at-home order – and Traverse Connect did not take an official position on the ban – Call says his personal position is that “aggressive and bold” action was needed to combat the pandemic. “A short and acute amount of time where it’s going to be painful is better than having the economy crippled for a longer amount of time if we don’t take drastic measures,” he says.

Some of the region’s largest employers are reacting quickly. Grand Traverse County employs more than 500 staff members, many of whom are in defined critical positions that allow them to continue working face-to-face. However, a memo distributed by County Administrator Nate Alger Monday asked department heads to provide a list of employees who could work remotely or on an on-call basis, and required department heads to stagger employee shifts or provide social distancing measures between staff who must remain on-site. Alger also encouraged department heads to “consider the possibility of the reassignment of personnel during this period of time,” adding that the county was working on a policy to manage requests from employees seeking to use up banked time off or take unpaid leave.

Hagerty employs almost 1,300 staff members across North America and Europe, 900 of whom work in Traverse City. Chief Operating Officer Coco Champagne says nearly all 900 of those TC employees – with the exception of approximately 15 – have been transitioned to working remotely from home. The company’s call center and claims calls are now being routed to staff to answer from home, with management able to monitor operations virtually. The move required expanding hardware capabilities, training employees on applications like Slack and Zoom, and distributing 208 laptops and another 130 personal computers. Per the governor’s order, the small remaining number of staff in Hagerty’s building include those processing billing, mail fulfillment, and other essential responsibilities requiring on-site handling.

Champagne says while some employees could be recategorized or see shifting responsibilities, the company is not presently planning to cut any hours or eliminate staff. “We have to be fluid around the situation, but it’s not our intent to lay people off or furlough them,” she says. “Our employees are our number-one priority. That’s our first area of business we’re concerned about.” Hagerty has relaxed its childcare policy to
cover employees working at home and is eliminating the accrual of sick time during the pandemic to ensure workers who become ill can take time off without penalty, according to Champagne.

With uncertainty still remaining around the executive order and how it will be applied, could businesses be at risk if they violate Whitmer’s directions? Traverse City Police Department Chief Jeff O’Brien says the executive order is treated the same as law and will be enforced by his department accordingly. Violating the order is a misdemeanor offense punishable by fines and/or jail time. However, O’Brien notes that officers – who are already handling many types of non-emergency service calls remotely or by telephone – won’t be out aggressively seeking businesses or residents to crack down on. The department will respond primarily to egregious violations, like bars serving large crowds, O’Brien says.

“I don’t think it’s going to happen here,” he says, adding that he feels “bad for the business community” and believes owners and residents will honor the executive order.

*Pictured: Hagerty in Traverse City*