



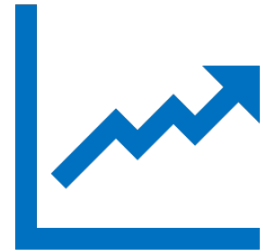
Pandemic Planning
and Implementation
for Business
Resiliency

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Overview

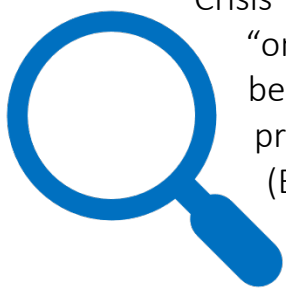
Businesses cannot afford to ignore the workforce risks of outbreak because of competitive, legal and fiduciary reasons. With this in mind, the time and resources invested in the planning activities that apply crisis and business continuity management best practice are a strong competitive advantage in the event of an outbreak.



We have, however, to keep in mind that planning is essential during any crisis, but pandemics require specific evaluations due to their potential to affect operations globally for months and strike directly at companies' most valuable asset: workers.

It is possible to have a localized disease outbreak that does not rise to the level of a pandemic, yet can still cause a severe or catastrophic impact to the organization. Below is a list of definitions describing types of disease outbreaks:

- **Outbreak:** When there are more than the usual number of cases of a disease in one area. The area could be a small community or extend to several countries;
- **Endemic:** An endemic is an outbreak that occurs at a predictable rate in a particular population or area;
- **Epidemic:** An epidemic is an outbreak that rapidly spreads amongst a large number of people in a defined population. It usually spreads in two weeks or less;
- **Pandemic:** A pandemic is a worldwide spread of a new infectious disease. It stretches over several countries or continents, infects more people, and causes more deaths than an epidemic.



Crisis Management and Business Continuity Management programmes are not “one size fits all” processes, so specific evaluations for the organization need to be implemented according to best practice. One of the most fundamental products of the Business Continuity Lifecycle is the Business Impact Analysis (BIA) that enables organizations to understand the impacts of stopping critical activities, to identify the critical suppliers and the single point of failure among suppliers and outsourcers also.

The BIA, together with a proper Business Continuity Risk Assessment, support the mitigation measures and the formalization of recovery strategies for the whole organization. In the event of an outbreak, it is useful to review the Business Impact Analysis and Business Continuity Plans in order to address the potential of a large reduction in onsite staff and confirm the organization's alignment with the Infectious Disease & Pandemic Plan:

- Review staff categorization, evaluating for example the involvement of people on mission critical activities and the related requirements to work onsite or remotely;
- Social distancing / Shifting work to other locations;
- Cross training / Business transfer;

- Re-evaluation of what is truly critical.

Regarding Crisis Management, the following aspects should be at least defined and formalized for the organization:

- Incident Assessment Team;
- Criteria for activation;
- Situation Status reports;
- Incident Action Planning;
- Team structures, roles and checklists.

There are three main stages of an Infectious Disease & Pandemic Plan (Pre-outbreak preparation and planning, Threat assessment and Plan activation). The preparation and planning phase includes the involvement of some departments/areas with the aim to define applicable guidance based on severity levels; some aspects of the main resilience arrangements to be considered include Human Resources, Communications, Health & Safety, Facilities, Finance, Information & Communication Technology, Operations, Supply Chain and, finally, some activities to perform on a periodical basis.

Human Resources

Considering that one of the main issues associated with a pandemic is the impact on human resources that may result in staff not being available to perform critical activities, human resources should be evaluated as per the below:



- Ensure that employees have a clear understanding of their roles and responsibilities, in particular for Business Continuity Management and Crisis Management;
- Develop a succession plan and specific delegation arrangements for the continuity of leadership in the event of the absence of key decision makers and executives;
- Identify critical staff and their deputies based on the business impact analysis results;
- Identify and train backup staff for critical activities to allow any business transfer strategy;
- Arrange with staff agencies for replacement of staff who are temporarily or permanently unavailable;
- Ensure job descriptions/profiles of key staff are up to date to facilitate use of employment agencies to fill vacancies;
- Review employee management policies such as leave of absence, absenteeism, sick leave, overseas travel, workplace closure and recall of non-critical employees and their families from affected countries. In particular, review and embed the remote working policy and arrangements;

- Set up a communication channel for employees to report their status and to make enquiries, according to the applicable privacy laws;
- Evaluate travel restrictions;
- Apply social distancing arrangements, allowing remote working and alternative site recovery strategies, limiting visitors in the workplace, postponing or cancelling large meeting events;
- Encourage sick employees to stay at home;
- Review and integrate health insurance arrangements to support the demands and an appropriate coverage;
- Prepare and validate employee and stakeholder contacts to be used for updates and evaluate the adoption of a mass notification system, covering different channels (e.g. sms, mail, mobile, voice, apps). According to the BCI Emergency Communications Report 2020, mobile phones and computers are the primary devices currently used in emergency situations.

Internal and External Communications

Strategies for internal communications need to take into account the action that an organization may wish its workforce to take in certain circumstances, but should also address concerns and fears staff and stakeholders may have and would expect the organization to take the lead on. Key points that organizations should consider when planning their internal communications include the following:



- Define a communications coordinator who will disseminate the communications, in line with the business needs and the business continuity plans;
- Assess news about the organization and the brand and define a process to support the communications response strategy;
- Identify the relevant stakeholders and key messages for each stakeholder group in order to be ready to hold a dialogue with them on potential contingency measures during an outbreak;
- Define a clear strategy for transparent communication with stakeholders, employees and media;
- Evaluate use of a crisis response phone service/email for public inquiries. In case of outbreak a large number of inquiries will probably occur;
- Develop a list of solid, credible news and health sources to consult in the event of an outbreak and obtain advice from health authorities in order to publish these to the workforce. Consider double or triple validating all social media posts from unknown sources;
- Develop pre-planned media statements for use when needed, also involving the Legal team for review;
- Prepare for and communicate the channels that will be used to keep employees and stakeholders informed during the outbreak event;

- Develop alternate communication channels in case normal communication channels become unreliable or overloaded;
- Inform the entire workforce about the up to date situation and the actions put in place in case of the outbreak event.

Health & Safety / Facilities

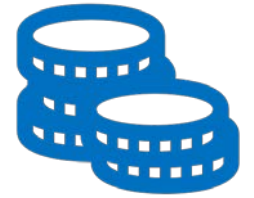
Facilities teams have the main ongoing responsibility for the provision of a safe, secure and healthy environment for the workforce on Security, Building Maintenance, Cleaning and Catering. Key points that organizations should consider when planning their activities include the following:



- Security: absenteeism of security personnel may leave premises more vulnerable to intrusion and attack, depending on the nature of activities undertaken;
- Building Maintenance: some diseases can be transmitted via the air conditioning systems. It is important to ensure HVAC filters and equipment are maintained and working correctly including building automation systems;
- Cleaning and Catering: elevated hygiene regimes may be required in order to slow down the spread of the disease such as:
 - Keep common surface areas and items clean;
 - Maintain a sufficient supply of cleaning and disinfectant agents and other personal protective equipment, towels, soap, etc;
 - Ensure housekeeping personnel are appropriately trained on cleaning and disinfection methods and being adequately supervised;
 - Educate employees on smart health habits such as handwashing, cough hygiene and staying home while sick.

Personnel have a vital role to play in this, so it is important that the entire workforce understands the key issues in relation to hygiene. If any of these services are outsourced, appropriate attention has to be given to ensuring that service providers are properly prepared for outbreak and the actions are aligned to the organization' requirements.

Finance



Finance teams have the main responsibility for the financial resource's availability and for the payment's actions and monitoring. The main impacts to be considered are as follows:

- Define treasury requirements to ensure liquidity;
- Evaluate with the Operations team the impact of supply chain disruption on margins, cash flows, loan repayments and terms;
- Ensure sufficient levels of 'cash in' to be able to make payments out;
- Consider special short-term delegations of authority, and changes to authorization levels.

Information and Communication Technology (ICT)

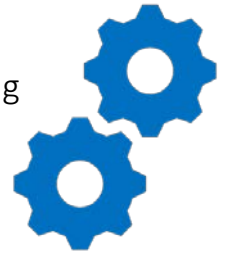


The impact on IT systems when an outbreak occurs depends very much on the mode of operation of those systems; for lots of organizations the majority of IT processes are automated and don't require intervention on a daily basis. The temporary freeze of the change management activities at the start of the outbreak and a use of the development resources to support the production environment is a quite common choice to limit incidents. Consider the practicalities and capacity issues relating to:

- Guarantee service support/help desk team availability to manage the first, second and third level of support requests. Consider additional agreements with third parties to provide additional human resources to support the activities;
- Increase the information security screening; scammers and hackers could use the outbreak to violate the organization;
- Set up tele/videoconferencing services and increase capacity or remote access facilities including the capacity of internet connectivity;
- Increase capacity of telephone systems to accommodate increased use of teleconferencing and phone meetings;
- Review the agreements for company mobile devices accommodating high level of voice and data traffic;
- Review and allow maintenance services for all the devices, physically or remote;
- Verify, with the support of the Legal team, the presence of adequate business continuity and disaster recovery clauses in the agreements.

Operations

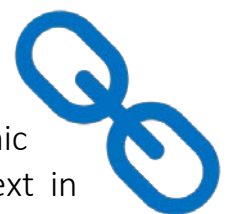
The impact on Operations activities should mean teams should consider limiting product and services delivery issues; in particular aspects related to shortage of materials or suppliers and reduced demands have to be considered in the planning phase:



- Evaluate the minimum number of resources to operate on the critical activities and the capabilities to work onsite or remotely;
- Determine which products or services are likely to be impacted by the outbreak event;
- Identify essential customers and ensure plans are in place to meet customer needs;
- Develop a prioritization for product and service delivery for customers if reduction of service delivery is impacted;
- Develop a plan on how and when to activate alternative delivery means to customers;
- Holding buffer stocks and emergency safety stock of materials, critical components and finished products;
- Ensure that, if materials/products are unavailable, there are sufficient capacities to allow the production for a defined timeframe;
- Ensure that alternative sources are identified for critical domestic and imported materials/products;
- Ensure that adequate maintenance suppliers/spares are in place;
- Plan for providing transportation for critical workers to and from work locations;
- Evaluate the impact of reduced customer demand or reduced production capability;
- Consider how to work cooperatively with other organizations, including competitors;
- Evaluate cross functional teams' implementation;
- Evaluate, with the Legal team support, the legal and financial implications in case of product or services delivery issues;
- Evaluate, with the Legal team support, the presence of adequate insurance coverage;
- Verify, with the support of the Legal and Business Continuity Management team, the presence of adequate business continuity and disaster recovery clauses in the agreements according to the organizations' objectives.

Supply Chain

The interconnectedness and complexity of global supply chains means that when disruption happens impacts will be felt on humans, social and economic level. Organizations build resilience in different ways, based on the context in which they operate and the assets they have to protect. In any case, organizations need to evaluate the supply chain resilience capacity and need to define proper contingency measure. Important aspects to evaluate include:



- Look at the rate of infection in countries that are most significant to the business, to understand whether there might be supply chain disruptions;
- Scan the horizon for possible restrictions imposed by local and national authorities, checking whether people, goods and services are somehow hindered by emergencies;
- Re-examine the supply chain and assess what additional risks exist to the continuation of service from third parties through operations to customers;
- Map the external dependencies and identify essential suppliers and service providers, and define business continuity measures. These include understanding the BCP of the suppliers and service providers;
- Share information about outbreak preparedness and response plans with key third parties and service providers to increase transparency of responses and align activities and evaluate the lack of variance between organization's and third parties' assumptions;
- Evaluate the realistic recovery actions and timelines and the escalation criteria;
- Evaluate the options to re-address the balance of supply and demand;
- Limit geographical concentration and the single point of failure (SPOF), following an accurate impact analysis.

Activities to perform on regular basis

- Establish a crisis management plan with clear roles and responsibilities. There needs to be a clear chain of command and communication throughout the organization in order to coordinate quickly a long-term issue;
- Establish and test crisis management protocols, including early communication protocols;
- Establish business continuity management responsibilities and arrangements, covering at least the impact assessment on Human Safety and Welfare, Society and Environment, Legal and Regulatory, Operations, Reputation, Finance;
- Establish an Infectious Disease & Pandemic Plan with the aim to reduce transmission, protecting individuals, maintaining operations at acceptable levels, minimizing adverse effects on other stakeholders. Include proper points of contact with Departments of Public Health and other medical professionals as applicable;
- Informing the entire workforce of key fundamentals about pandemics and the organization's focus on preparedness, raising awareness of company policy, preventive personal hygiene measures and managing and addressing staff concerns;
- Ensuring that the workforce understands the commitment that the organization is making to their welfare in undertaking outbreak preparedness planning and equipping senior managers to deal with teams' 'expectations';
- Test regularly the crisis management, business continuity management and pandemic plans and educate employees on the nature of risks and the defined arrangements in place;



- Ensure regular training and exercising of the emergency communications plans;
- Assess continuously the world around you and update the arrangements in place as necessary;
- Guarantee a proper internal and/or external audit plan having in scope the resilience arrangements;
- Review existing Corporate preparedness plans, Procedures and Policies, Risk management controls, Human resource policies, Communication capabilities, Critical third parties, Potential sales impact.

Conclusions

Crisis can take many forms, from violent workplace incidents to a pandemic events, and each disaster is unique. We can never completely prepare for every possible situation, however, by preparing for organizational resilience we can establish a roadmap for preparedness, response and recovery.



Organizations may be skeptical about the effort needed to prepare its workforce for a pandemic that may never come, but consider this: What is the real cost of not preparing?

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About the Author



Laura Zarrillo is Internal Audit Manager of Borsa Italiana S.p.A. and Member of the Board of the BCI Italy Chapter. She is experienced in Business Continuity, Crisis Management, Organizational Resilience and Risk Management.

- She earned a Master Degree in Management Engineering from Genoa University and Autònoma University of Barcelona, Executive Education in Risk Management from Frankfurt School of Finance & Management, MBCI, ITIL and Lead Auditor certification for ISO 22301, 27001, 20000, 9001 standards.
- She worked as Service Manager and Quality Manager at London Stock Exchange Group and, previously, as consultant at NTT Data Group. Her consulting work involved organizations in the Finance, Telecommunications & Media, Oil & Gas, Chemical sectors.