

PANDEMIC EVENT ORGANISATIONAL PREPAREDNESS



2020



FRAMEWORK FOR PANDEMIC EVENT ORGANISATIONAL PREPAREDNESS

There is no way to predict a crisis. Preparing for and responding to the next pandemic event is rooted in a robust organisational resilience programme, built on a strong foundation of crisis management, business continuity, disaster recovery and emergency management principles and best practices.

Mazars' 10-Step Pandemic Event Organisational Framework provides the critical support required to maintain business operations and assist employees during and after a crisis event.

This framework is intended to serve as a guideline to trigger organisational planning activities and it is not intended to be comprehensive or to deal with sector-specific issues.



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The top ten (10) areas for consideration.

1. EMERGENCY MANAGEMENT PLAN AND STRUCTURE
2. EMPLOYEE HEALTH AND SAFETY
3. INTERNAL AND EXTERNAL COMMUNICATIONS
4. PHYSICAL SECURITY
5. INFORMATION TECHNOLOGY
6. SUPPLY CHAINS AND CRITICAL INPUTS AND OUTPUTS
7. PUBLIC AND MEDIA RELATIONS
8. LEGAL ISSUES
9. BUSINESS CONTINUITY AND SURVIVAL STRATEGIES
10. GOVERNMENT CONSIDERATIONS



An Emergency Management Plan is a critical planning document for any organisations to respond effectively to a pandemic event. To react in real time and reduce response times, the plan must be communicated widely and exercised regularly.

Items for Consideration

- ✓ A chain-of-command structure for ongoing operations.
- ✓ In developing pandemic plans, organisations should use their existing emergency / crisis management plans to ensure pandemic plans are aligned with other planning efforts, as part of a larger Organisational Resilience Programme.
- ✓ Thresholds for when to implement certain emergency measures should be included in emergency planning.

Sample Recommendations

- Develop a pandemic event plan that outlines chain of command and other key Organisational Resilience activities.
- Incorporate “trigger points” and thresholds for implementing response activities.
- Test and exercise pandemic event plans, then revise as needed,

Employees are more likely to assist the organisation during a disruption or pandemic event once they and their families feel protected with a plan in place. Effective employee health and safety planning includes pre-event implementation of health education activities, monitoring and managing of workforce readiness, and strengthening partnership with local emergency medical services and public health agencies.

Points for Consideration

- ✓ Changes to human resources policies such as: sick leave, family leave, vacation leave, emergency employee assistance, shift limits, short-term disability, constraining employee travel, or movement.
- ✓ Your organisation may need to supply secure transport of employees (e.g., out of affected areas or countries and/or to and from work locations).
- ✓ Procedures for monitoring and managing employee health at the workplace (e.g., contingency plans for monitoring the physical and mental health of employees).

Sample Recommendations

- Implement employee health education activities that address steps to prevent transmission, respiratory etiquette, hand hygiene, emotional self-care, etc.
- Implement procedures for monitoring and managing employee health at the workplace and readiness to support business operations.
- Develop and strengthen partnerships with local emergency medical services and public health agencies before a crisis occurs, if possible.

It is important to establish clear, concise, and timely procedures for internal and external communications before, during, and after any disruption, including a pandemic event.

Points for Consideration

- Considerations may need to be made to support mechanisms for tracking employees, communicating with senior leadership and key stakeholders, and mass notifications to employees and their families.
- Daily operations may be decentralised due to the random geographical placement of areas impacted by a pandemic.
- Processes for providing situational awareness updates will have to be implemented during a pandemic event.

Sample Recommendations

- Communications should be sent out proactively according to predetermined standardised time frames, which can aid in managing expectations.
- Consider instituting employee education and communications about pandemic events as soon as possible so that employees are familiar with the issue.

During a pandemic event, the physical security of an organisation's employees, facilities, and assets takes on added significance to protect critical resources and supplies, secure vacated properties, and guard against social disruption.

Points for Consideration

- ✓ Shortages of critical supplies will require enhanced security measures to protect critical assets.
- ✓ Some locations may need to be vacated for periods of time; security for these locations may be necessary.
- ✓ Social disruption may occur, increasing the likelihood of public panic and disorder.
- ✓ Security policies will need to consider alternative work locations and / or methods.
- ✓ The available pool of physical security personnel may be limited.

Sample Recommendations

- Identify locations where additional security may be required and take appropriate steps to enhance security (for critical supplies, warehouses, equipment, work sites, etc.).
- Develop security plans for employees working at alternative worksites (including but not limited to building evacuation plans).
- Review vendor pandemic contingency plans.
- Contact local law enforcement to assess availability of surge support.

Organisations depend on technology solutions to maintain business operations and support their infrastructure during a pandemic. Cutting edge cybersecurity analytics and threat remediation solutions serve to safeguard your IT operations.

Points for Consideration

- Normal IT systems may not be operational due to power shortages or a lack of support and maintenance personnel.
- Secure remote access systems may be critical to continuation of business operations during a pandemic event.
- IT infrastructure and IT support may be limited in some countries. For organisations with an international workforce, consider steps to address localised technology hardware and software issues.
- Ensure the technology needs are met to support an increased remote workforce.

Sample Recommendations

- Build disaster recovery into all critical applications and services to backed up information.
- Establish a disaster recovery location is operational, should you need to invoke a failover event.
- Determine which information technology tasks run automatically and which require a person to operate and ensure additional personnel are available to cover that position.
- Determine “trigger points” or thresholds for when to freeze information technology systems and prohibit any system changes.
- Revisit VPN design to manage expected needs. A larger than normal amount of employees will be working remotely via a VPN.

Global supply chains are regularly challenged and disrupted by the rapid unpredictability of natural disasters to global pandemic issues such as the coronavirus. Many organisations possess outsourced manufacturing functions connected to global distribution networks that would be severely impacted should a pandemic event occur.

Points for Consideration

- ✓ With potential supply shortages from affected areas, orders may be delayed or only partially filled, resulting in potential penalties with customers (canceled orders, penalties based on contract terms).
- ✓ Many companies outsource parts of their operations (either locally or internationally). Outsourced services may experience significant disruptions during a pandemic event.
- ✓ Enhanced port authority issues / border closings may impact the movement of goods and materials.
- ✓ Existing supplies, particularly small businesses and high operating cost operations, are at higher risk of going out of business.
- ✓ Decreased demand for specific materials may make production too costly

Sample Recommendations

- Contact key suppliers or contractors and find out what types of contingency plans they may have in place.
- Revisit existing customer negotiated contract terms to determine potential impacts and penalties of delayed orders or delivery shortages.
- Conduct risk assessments to determine your most vulnerable suppliers and if determine an alternative supply is needed or a cost-sharing relationship to keep suppliers stable.
- Develop contingency plans for unavailability of supplies and inputs.
- Remodel long-term sales and demand forecast to determine economic viability of your major product lines.

Faced with a pandemic event, your clients and consumers want to know; **what is going on?, how does this impact my business?, what is the organisation doing to respond?** and more.

A strong communications platform is paramount to ensure your clients and consumers are properly informed.

Points for Consideration

- ✓ Communications to the public needs to be correct and prompt and should be based on reliable sources of information. Strategies should be in place to rapidly distribute the latest information.
- ✓ A key consideration for communicating with the public involves “managing expectations,” and this should be considered as messages are developed.
- ✓ A public relations approach should also take into consideration the role of the organisation within community.
- ✓ Efforts should be made to ensure “consistency of the message” to the public.

Sample Recommendations

- Identify key spokespersons and media strategies and consider drafting press releases ahead of time for separate phases of the pandemic event.
- Consider implementing a quality assurance process to ensure accuracy and timeliness of communications.

A pandemic response can expose an organisation to unique legal liabilities. Early planning can mitigate otherwise unforeseen challenges.

Points for Consideration

- Organisations will be expected to rapidly adapt to any new local, state, federal, and international mandates, laws, or regulations.
- Liability and legal implications will need to be addressed around a range of new practices, such as tracking and watching employees' health and changing work environments to telework or alternative work sites.
- Organisations will need to explore how to manage contract obligations (e.g., employee, labour union, supply chain / inventory).

Sample Recommendations

- Identify liability issues that could result from a pandemic event and take steps to minimise liability.
- Pinpoint any redundancies that exists in your legal support system.
- Decide how compliance with regulatory requirements will be addressed during a pandemic event.

Business continuity planning is essential to protecting an organisation and will ensure a system and strategy are in place for prevention and recovery from potential threats to the business.

Points for Consideration

- ✓ Pandemic planning needs to include long-term response considerations as the impact of a pandemic could last for months.
- ✓ Operations may need to be merged, diversified, or temporarily halted.
- ✓ Consider the impact of disruption in social systems or services on your organisation (e.g., transportation, power, food, sanitation).
- ✓ Anticipate changes in operations, changes in consumer / customer / client practices, and potential staff shortages. Develop contingency plans to address these challenges.

Sample Recommendations

- Identify essential and nonessential business processes and prioritise them.
- Develop cross training programmes (such as computer-based training) to ensure adequate staffing of critical business processes.
- Determine the potential impact of a pandemic event on your organisation's financials.
- Determine alternate strategies for sales (such as online shopping).

In response to a pandemic event, government can implement broad emergency powers. Organisations must put plans in place to respond to government actions that adversely impact business operations (e.g., travel restrictions, trade embargos, enhanced reporting requirements).

Points for Consideration

- ✓ Government agencies have broad emergency powers that could be enacted under state or city Declarations of Emergency (such as commandeering various assets within the community).
- ✓ Organisations need to be aware of how such emergency powers may affect their business operations.
- ✓ Regulatory reporting may change during a pandemic event; this may require process reengineering.
- ✓ Government interventions to consider include quarantine, isolation, travel restrictions, and closing of borders for some countries.

Sample Recommendations

- Identify key contacts within government and begin building relationships as needed.



CONTACT

For more information on how Mazars can help you navigate a pandemic event, please visit:

<https://www.mazars.com/Home/Services/COVID-19-Mazars-insights>

About Mazars

Mazars is an internationally integrated partnership, specialising in audit, accountancy, advisory, tax and legal services*. Operating in 91 countries and territories around the world, we draw on the expertise of 40,400 professionals – 24,400 in the Mazars integrated partnership and 16,000 via the Mazars North America Alliance - to assist clients of all sizes at every stage in their development.

*Where permitted under applicable country laws

